Queen Anne

Area: 012

Residential Revalue for 2022 Assessment Roll

King County
Department of Assessments

Setting values, serving the community, and pursuing excellence

201 S. Jackson St., Room 708, KSC – AS – 0708
Seattle, WA 98104

OFFICE (206) 296-7300   FAX (206) 296-0595
Email: assessor.info@kingcounty.gov
http://www.kingcounty.gov/assessor/

King County

Department of Assessments

201 S. Jackson St., Room 708, KSC – AS – 0708
Seattle, WA 98104

OFFICE: (206) 296-7300   FAX (206) 296-0595
Email: assessor.info@kingcounty.gov
http://www.kingcounty.gov/assessor/

John Wilson
Assessor

Dear Property Owners,

Our field appraisers work hard throughout the year to visit properties in neighborhoods across King County. As a result, new commercial and residential valuation notices are mailed as values are completed. We value your property at its "true and fair value" reflecting its highest and best use as prescribed by state law (RCW 84.40.030; WAC 458-07-030).

We continue to work to implement your feedback and ensure we provide you accurate and timely information. We have made significant improvements to our website and online tools to make interacting with us easier. The following report summarizes the results of the assessments for your area along with a map. Additionally, I have provided a brief tutorial of our property assessment process. It is meant to provide you with background information about our process and the basis for the assessments in your area.

Fairness, accuracy, and transparency set the foundation for effective and accountable government. I am pleased to continue to incorporate your input as we make ongoing improvements to serve you. Our goal is to ensure every taxpayer is treated fairly and equitably.

Our office is here to serve you. Please don't hesitate to contact us if you ever have any questions, comments or concerns about the property assessment process and how it relates to your property.

In Service,

John Wilson
King County Assessor

How Property Is Valued

King County along with Washington's 38 other counties use mass appraisal techniques to value all real property each year for property assessment purposes.

What Are Mass Appraisal Techniques?

In King County, the Mass Appraisal process incorporates statistical testing, generally accepted valuation methods, and a set of property characteristics for approximately 700,000 residential, commercial and industrial properties. More specifically for residential property, we break up King County into 88 residential market areas and annually develop market models from the sale of properties using multiple regression statistical tools. The results of the market models are then applied to all similarly situated homes within the same appraisal area.

Are Properties Inspected?

All property in King County is physically inspected at least once during each six-year cycle. Each year our appraisers inspect a different geographic area. An inspection is frequently an external observation of the property to confirm whether the property has changed by adding new improvements or shows signs of deterioration more than normal for the property's age. From the property inspections, we update our property assessment records for each property. In cases where an appraiser has a question, they will leave or mail a card requesting the property owner contact them.

> RCW 84.40.025 - Access to property
>> For the purpose of assessment and valuation of all taxable property in each county, any real or personal property in each county shall be subject to visitation, investigation, examination, discovery, and listing at any reasonable time by the county assessor of the county or by any employee thereof designated for this purpose by the assessor.
>>
>> In any case of refusal to such access, the assessor shall request assistance from the department of revenue which may invoke the power granted by chapter 84.08 RCW.

How Are Property Sales Used?

For the annual revaluation of residential properties, three years of sales are analyzed with the sales prices time adjusted to January 1 of the current assessment year. Sales prices are adjusted for time to reflect that market prices change over time. During an increasing market, older sales prices often understate the current market value. Conversely, during downward (or recessionary) markets, older sales prices may overstate a property's value on January 1 of the assessment year unless sales are time adjusted. Hence time adjustments are an important element in the valuation process.

How is Assessment Uniformity Achieved?

We have adopted the Property Assessment Standards prescribed by the International Association of Assessing Officers that may be reviewed at www.IAAO.org. As part of our valuation process, statistical testing is performed by reviewing the uniformity of assessments within each specific market area, property type, and quality grade or residence age. More specifically Coefficients of Dispersion (aka COD) are developed that show the uniformity of predicted property assessments. We have set our target CODs using the standards set by IAAO which are summarized in the following table:

Type of property - General	Type of property - Specific	COD Range
Single-family Residential (including residential condominiums)	Newer or more homogeneous areas	5.0 to 10.0
Single-family Residential	Older or more heterogeneous areas	5.0 to 15.0
Other residential	Rural, seasonal, recreational, manufactured housing, 2-4-unit housing	5.0 to 20.0
Income-producing properties	Larger Areas represented by large samples	5.0 to 15.0
Income-producing properties	Smaller areas represented by smaller samples	5.0 to 20.0
Vacant land		5.0 to 25.0
Other real and personal property		Varies with local conditions

Source: IAAO, Standard on Ratio Studies, 2013, Table 1-3

More results of the statistical testing process is found within the attached area report.

Requirements of State Law

Within Washington State, property is required to be revalued each year to market value based on its highest and best use. (RCW 84.41.030; 84.40.030; and WAC 458-07-030). Washington Courts have interpreted fair market value as the amount of money a buyer, willing but not obligated to buy, would pay to a seller willing but not obligated to sell. Highest and Best Use is simply viewed as the most profitable use that a property can be legally used for. In cases where a property is underutilized by a property owner, it still must be valued at its highest and best use.

Appraisal Area Reports

The following area report summarizes the property assessment activities and results for a general market area. The area report is meant to comply with state law for appraisal documentation purposes as well as provide the public with insight into the mass appraisal process.

King County
Department of Assessments
King County Administration Bldg.
500 Fourth Avenue, ADM-AS-0708
Seattle, WA 98104-2384

John Wilson
Assessor

Queen Anne – Area 012

2022 Assessment Roll Year

Recommendation is made to post values for Area 012 to the 2023 tax roll:

Appraiser II: Kathy Moreno	9/28/2022 Date
WC District Senior Appraiser: Adam Neel	9/29/2022 Date
Residential Division Director: Jeff Darrow	9/29/2022 Date

This report is hereby accepted and the values described in the attached documentation for Area 012 should be posted to the 2023 tax roll.

John Wilson, King County Assessor	10/3/2022 Date

Executive Summary
Queen Anne - Area 012
Physical Inspection

Appraisal Date: 1/1/2022

Previous Physical Inspection: 2016

Number of Improved Sales: 979

Range of Sale Dates: 1/1/2019 – 12/31/2021 Sales were time adjusted to 1/1/2022.

Sales - Improved Valuation Change Summary:						
	Land	Improvements	Total	Mean Sale Price	Ratio	COD
2021 Value	$549,000	$631,300	$1,180,300			11.51%
2022 Value	$734,100	$628,700	$1,362,800	$1,489,100	92.1%	8.84%
$ Change	+$185,100	-$2,600	+$182,500			
% Change	+33.7%	-0.4%	+15.5%			

Coefficient of Dispersion (COD) is a measure of the uniformity of the predicted assessed values for properties within this geographic area. The 2022 COD of 8.84% is an improvement from the previous COD of 11.51%. The lower the COD, the more uniform are the predicted assessed values. Refer to the table on page 3 of this report for more detail surrounding COD thresholds. Area 012 is a more heterogenous area and the COD threshold prescribed by the IAAO should be no more than 15%. The resulting COD meets or exceeds the industry assessment standards. Sales from 1/1/2019 to 12/31/2021 (at a minimum) were considered in all analysis. Sales were time adjusted to 1/1/2022.

Population - Improved Valuation Change Summary:		
	Land	Improvements	Total
2021 Value	$642,400	$582,300	$1,224,700
2022 Value	$847,400	$545,900	$1,393,300
$ Change	+$205,000	-$36,400	+$168,600
% Change	+31.9%	-6.3%	+13.8%

Number of one to three-unit residences in the population: 5,960

Physical Inspection Area:

State law requires that each property be physically inspected at least once during a six-year revaluation cycle. During the recent inspection of Area 012 – Queen Anne, appraisers were in the area, confirming data characteristics, developing new valuation models, and selecting a new value for each property for the assessment year. For each of the subsequent years, the previous property values are statistically adjusted during each assessment period. Taxes are paid on *total value*, not on the separate amounts allocated to land and improvements.

The current physical inspection analysis for Area 012 indicated a substantial change was needed in the allocation of the land and improvement value as part of the total. The land is valued as though vacant and at its highest and best use. The improvement value is a residual remaining when land is subtracted from the total value.

Area 012 Physical Inspection Ratio Study Report
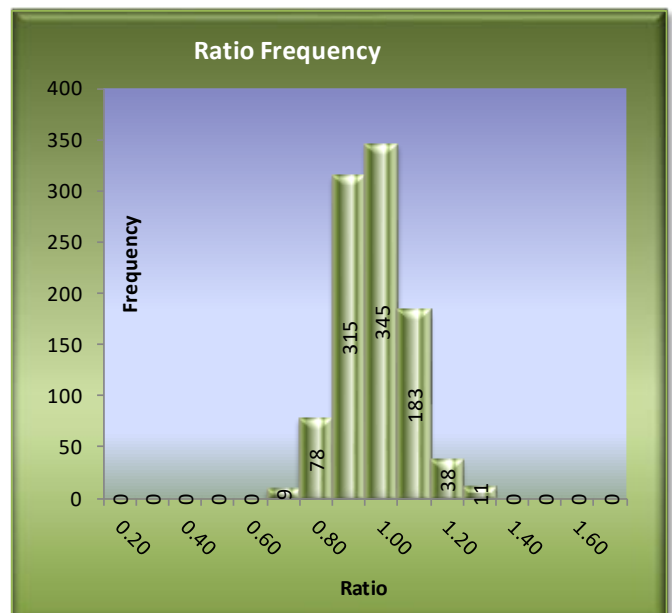
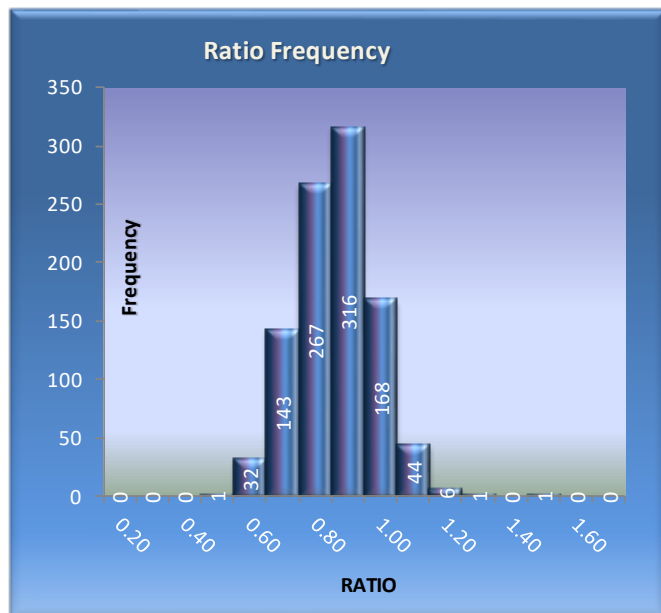## PRE-REVALUE RATIO ANALYSIS

Pre-revalue ratio analysis compares time adjusted sales from 2019 through 2021 in relation to the previous assessed value as of 1/1/2022.

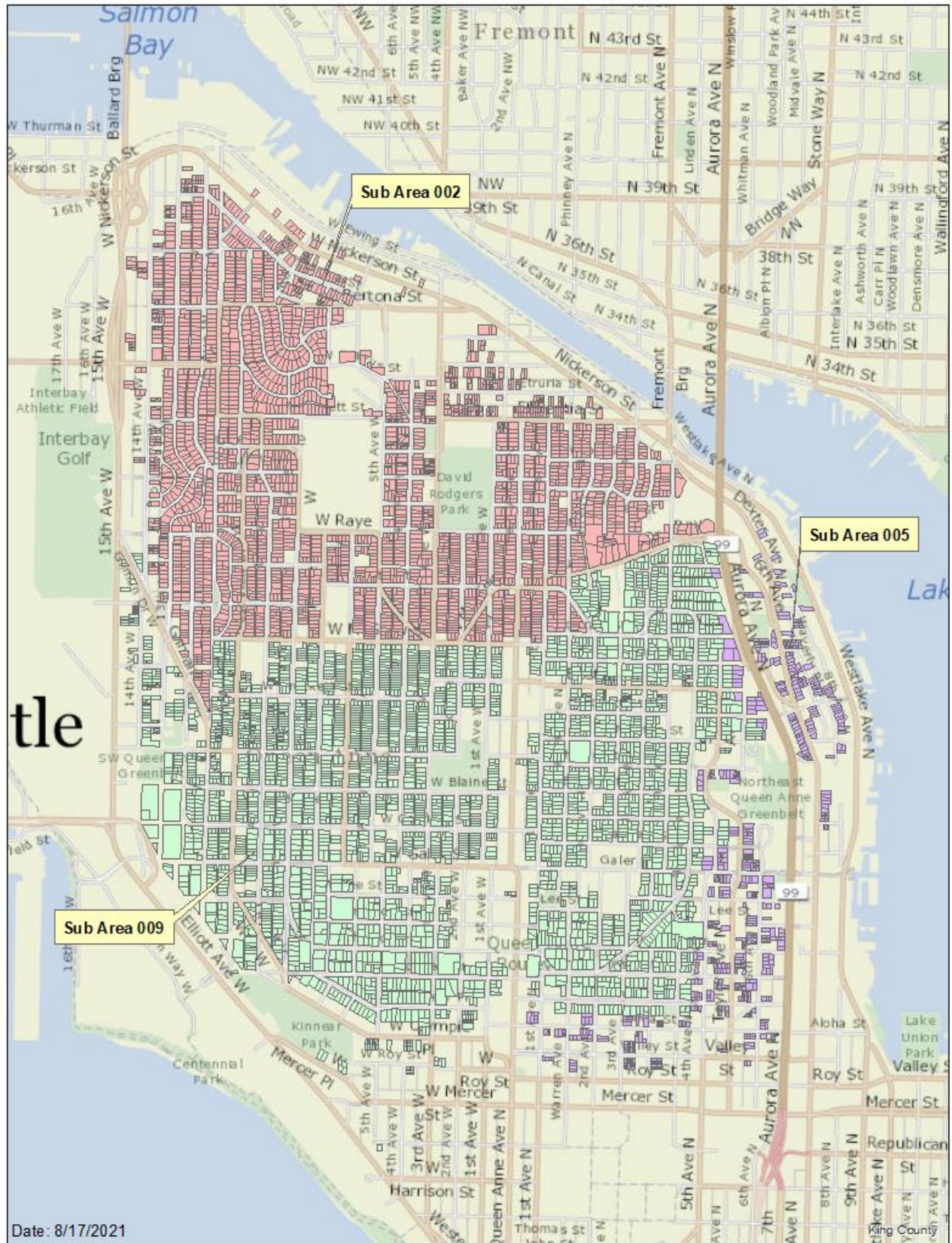| PRE-REVALUE RATIO SAMPLE STATISTICS	
Sample size (n)	979
Mean Assessed Value	1,180,300
Mean Adj. Sales Price	1,489,100
Standard Deviation AV	568,491
Standard Deviation SP	767,201
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.813
Median Ratio	0.816
Weighted Mean Ratio	0.793
UNIFORMITY	
Lowest ratio	0.459
Highest ratio:	1.465
Coefficient of Dispersion	11.51%
Standard Deviation	0.117
Coefficient of Variation	14.41%
Price Related Differential (PRD)	1.026
Price Related Bias (PRB)	-7.21%

POST-REVALUE RATIO ANALYSIS

Post revalue ratio analysis compares time adjusted sales from 2019 through 2021 and reflects the assessment level after the property has been revalued to 1/1/2022.

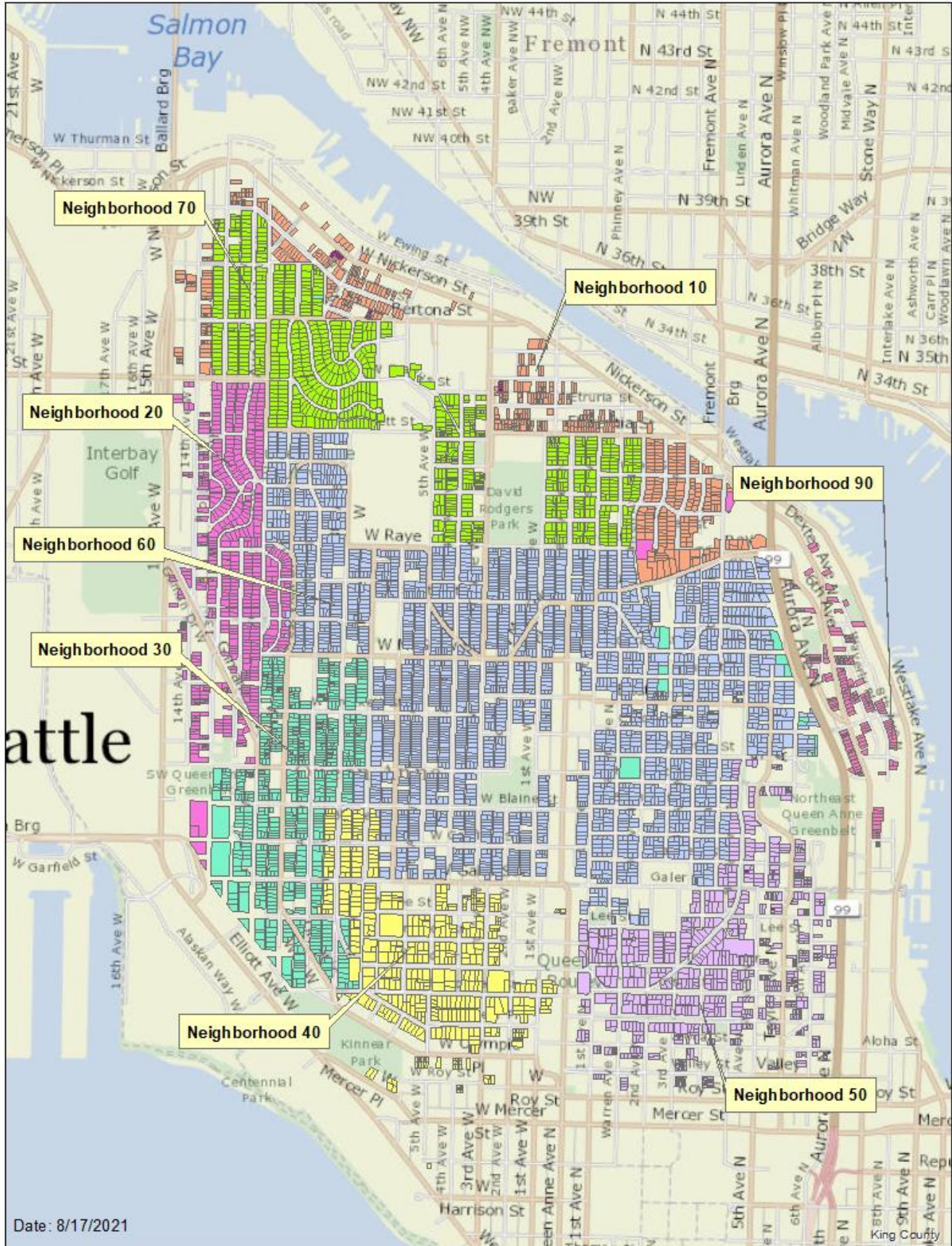| POST REVALUE RATIO SAMPLE STATISTICS	
Sample size (n)	979
Mean Assessed Value	1,362,800
Mean Sales Price	1,489,100
Standard Deviation AV	687,468
Standard Deviation SP	767,201
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.927
Median Ratio	0.921
Weighted Mean Ratio	0.915
UNIFORMITY	
Lowest ratio	0.635
Highest ratio:	1.295
Coefficient of Dispersion	8.84%
Standard Deviation	0.103
Coefficient of Variation	11.11%
Price Related Differential (PRD)	1.013
Price Related Bias (PRB)	-3.08%

Date: 8/17/2021

Neighborhood Map

Neighborhood 70

Neighborhood 10

Neighborhood 20

Neighborhood 90

Neighborhood 60

Neighborhood 30

Neighborhood 40

Neighborhood 50

Date: 8/17/2021

Area Information

Name or Designation

Area 012 – Queen Anne

Boundaries

Area 012 is bounded by Salmon Bay and the Ship Canal to the North, Lake Union to the East, Mercer Street to the South, and 15th Avenue West to the West.

Maps

A general map of the area is included in this report. More detailed Assessor's maps are located on the 7th floor of the King Street Center.

Area Description

Area 012 / Queen Anne is located directly north of Seattle's Central Business District and was among the first areas developed in Seattle. The wide variety of housing stock on Queen Anne ranges from turn-of-the-century mansions and more modest craftsman and bungalow style dwellings to new modern single-family dwellings and townhouse plats. The recent influx of job opportunities in the South Lake Union business district has been reflected in the high demand for housing on Queen Anne creating one of the strongest real estate markets in the region.

Area 012 is located on a hill which presents topography issues for many parcels but also affords excellent views of the surrounding City, Puget Sound, mountains, and Lake Union. Approximately 98% of the parcels in this area are improved and a majority of the remaining undeveloped land is impacted by topography, where the building of improvements may prove to be economically unfeasible. New construction typically follows a teardown of an existing improvement.

This area is fairly diverse with the housing being a mixture of single-family residences, multi-family duplex and triplex residences, townhomes, and apartments. Approximately 67% of the homes were built prior to 1950, with the vast majority of 1–3-unit dwellings being of grade 7 and grade 8 quality with lot sizes less than 5,000 square feet. In recent years there has been a trend of developers purchasing homes on multi-family zoned lots and removing the older improvement in order to build new townhouses or other multi-unit housing. Townhouses account for 18% of the improved population and are typically grade 8 or 9. Most were built within the last 10 years.

Area 012 consists of three Sub Areas – Sub Areas 2, 5 and 9

Sub Area 2 is located in the northern portion of Area 012. It has the most modest dwellings and views are less predominant in this area. This area is located farthest from downtown Seattle, but residents of this area have easy access to downtown Seattle via direct entrances to Highway 99, both north and southbound.

Sub Area 5 is the smallest sub-area and is located along the western shore of South Lake Union and as well as parcels along the lower portion of the south slope. Almost all of the zoning in this sub-area is greater than single-family, with the exception of a small pocket in Neighborhood 60. Many of the existing older housing stock has been torn down to make way for new townhouse dwellings. This trend toward redevelopment to higher-density housing has had a significant impact on land values. This sub-area is within close proximity to the South Lake Union business district where there are a number of large employers including Amazon, and numerous biotech companies. This has increased the demand for housing which has been reflected in the market.

Sub Area 9 is the largest of the three sub-areas and includes the majority of the top, flat portion of the hill as well as the area known as the "South Slope". The top of the hill is desirable due to its walkability, and access to the Queen Anne business district shops and restaurants. The south slope, which is closest to the downtown Seattle business district, provides easy access to employers and many cultural and recreational opportunities around Seattle Center and downtown Seattle. Many of the properties on the South Slope have expansive views of downtown Seattle and/or Puget Sound, both of which have substantial impacts on land values. This area tends to have the highest-grade homes and the highest property values.

Land Valuation

Vacant sales from 1/1/2019 to 12/31/2021 were given primary consideration for valuing land with emphasis placed on those sales closest to January 1, 2022.

Area 012 contains 6,929 parcels of which approximately 2% are vacant. Location, views, zoning, topography, lot size, and traffic are primary influences on land values. There were a limited number of vacant parcel sales in Area 012 during the last three years. Available true vacant land sales were limited to only 5 sales, which is insufficient to develop a land model for the area, so 29 tear down sales were also considered. Tear down sales are the primary source for new construction sites in the area. The Sales Comparison approach was utilized to determine land value which was supplemented by the analysis of allocated land values from improved properties.

This area has a wide diversity of zoning designations divided into 5 primary classes: The predominant zoning is Single Family (4561 parcels), then Low Density Residential (2284 parcels) which allows for low-rise higher-density development, mostly townhouses and row houses. There is also Neighborhood Commercial (44 Parcels), General Commercial (16 Parcels), Mid Rise (MR) (7 Parcels) which allows for apartments, and finally, SM-UP 85 (Seattle Mixed Uptown Urban Center) zoning (10 Parcels) which allows all uses, with some exceptions.

There are 63 parcels located in Sub Area 2, in proximity to Seattle Pacific University designated with the MIO (Major Institution Overlay) zoning prefix. These parcels have been included in the zoning parcel counts above and are typically valued from the published land schedule. Any exceptions to base land value are noted in Real Property.

Due to exceptions in zoning codes such as built green housing, affordable housing, or rowhouse construction style allowing additional building units, some developers and homeowners took advantage of this opportunity for higher density development. Many homeowners have created an Accessory Living Unit by converting a detached garage (DADU, valued as a 2nd improvement), building an apartment above an attached garage (ADU), building a new structure (DADU, valued as a 2nd improvement), or converting a basement into a living unit (ADU) for potential rental income.

Townhouse Plat sites were equalized to account for larger parcels being impacted by parking or access easements for smaller sites within the plat, then neighborhood and other adjustments were applied according to the land schedule.

Topography Adjustments

All parcels were coded for topography based upon GIS analysis of King County topography contours overlay and City of Seattle overlays. Parcels in which topography was coded were analyzed to determine if an adjustment was needed. Those parcels in which topography has a negative impact on values were adjusted from -5% to -90% (based on sales and appraiser judgment).

Topography issues can cause a reduction in values by either reducing the site's utility or by significantly increasing the costs to develop the parcel into a building site. Where development costs are deemed to be impacted by the amount of this cost to cure is expressed as a percentage of base land value and is shown in the 'percent base land value' impact field (%BLV) of Real Property. For improved parcels falling into the latter situation, the costs of development have been reflected in the improvement value. This adjustment considers that after an improvement has been placed on a parcel, the cost to

cure for topography has been realized as additional building costs and is best reflected in the improved value. The amount of extra construction cost has been shifted from the land to the improvement. In all cases, appraiser judgment was used in selecting the land value for each parcel.

Area 12 has been identified to have eight neighborhoods. The attached neighborhood map indicates the identified neighborhoods within the area.

Neighborhood 10 is generally located on the northerly edge of Area 12. This area is impacted by its proximity to commercial properties and high-density residential properties. Approximately 70% of the parcels in this neighborhood are non-Single Family zoned. This neighborhood is one of the farthest from the downtown Seattle business district, however, there is easy access to both Highway 99 as well as to the arterial, 15th Avenue West, both of which provide convenient access to downtown Seattle. Homes are typically Grade 7's and Grade 8's, with some Grade 9's also represented. Nearly all the available land has been built upon and therefore the trend is toward home improvements and renovation of existing structures, or tear downs to make way for new higher density construction.

Neighborhood 20 is generally located on the westerly portion of Queen Anne Hill. Approximately 55% of the parcels are Single-Family zoned. Homes in this neighborhood are typically Grade 7's and Grade 8's, with some Grade 9's also represented. More than half of the properties in this neighborhood have mountain and territorial views. Nearly all the available land has been built upon and therefore the trend is toward home improvements and renovation of existing structures, or tear downs to make way for new construction.

Neighborhood 30 is located generally in the southwest portion of Queen Anne, south of Neighborhood 60 and between neighborhoods 20 and 40. This area is comprised mostly of Grade 7's, Grade 8's and Grade 9's. Approximately 56% of the parcels are non-Single Family zoned, and approximately 44% have some view amenities. Sound views typically are closer and broader here than in neighborhood 20 therefore carrying more weight in determining value. Nearly all the available land has been built upon and therefore the trend is toward home improvements and renovation of existing structures, or tear downs to make way for new construction.

Neighborhood 40 is generally the South slope of Queen Anne Hill and West of Queen Anne Avenue. This is considered the most desirable neighborhood with homes generally in the Grade 8 and 9's, together with a significant number of higher grades up to Grade 13's. There are a number of older mansions, and many of those homes were among the first built on Queen Anne Hill. This is a fairly homogenous neighborhood where 71% of the parcels are Single-Family zoned. More than half of the homes in this neighborhood have views, most are Average to Excellent views of Downtown Seattle and Puget Sound.

Neighborhood 50 is generally the south slope of Queen Anne Hill and East of Queen Anne Avenue. It also extends northward along the eastern ridge of the hill. This is also considered a desirable neighborhood with homes generally in the Grade 8 and 9's, together with a significant number of higher grades up to Grade 13's. 61% of the parcels are non-Single Family zoned, and approximately 60% of the homes in this neighborhood have Average to Excellent views of Downtown Seattle and Elliot Bay/Puget Sound or Lake Union.

Neighborhood 60 is the largest neighborhood, and includes the majority of the top, flat portion of Queen Anne Hill; Homes are typically Grade 7's, Grade 8's, and Grade 9's, with some higher grades up to Grade 12's also represented. Less than 9% of the parcels have view amenities. 92% of the parcels in this neighborhood are Single-Family zoned. This is a desirable neighborhood due to its overall homogenous housing stock and its proximity and walkability to the Queen Anne business district shops and restaurants located along Queen Anne Avenue. All of the available land has been built upon and therefore the trend is toward home improvements and renovation of existing structures, or tear downs to make way for new construction.

Neighborhood 70 is generally located directly south of neighborhood 10. This area is impacted by its proximity to commercial properties and high-density residential properties. This neighborhood is one of the farthest from the downtown Seattle business district, however, there is easy access to both Highway 99 as well as to the arterial, 15th Avenue West, both of which provide convenient access to downtown Seattle. Approximately 73% of parcels in this neighborhood are Single-Family zoned. Homes in this neighborhood are typically Grade 7's and Grade 8's, though there are Grade 9's, with some higher grades up to Grade 11's represented. 42% of parcels have view amenities, which are mostly mountain and territorial views. Nearly all the available land has been built upon and therefore the trend is toward home improvements and renovation of existing structures, or tear downs to make way for new construction.

Neighborhood 90 is the smallest neighborhood, located generally in the southeast end of Lake Union between Highway 99 and Lake Union. There is no single-family zoning in this neighborhood. Most of the dwellings are Grade 7's and 8's, 9's. 22% of the parcels have Lake Union view amenities. This neighborhood is within close proximity, and has easy access to, the South Lake Union business district which includes Amazon, a number of bio-tech companies and other large employers, making it a desirable area in which to live. Almost all of the available land has been built upon, and there is a trend for developers to buy properties to tear down and redevelop into higher density townhouse dwellings.

Land Model

Model Development, Description and Conclusions

Four vacant land sales from Area 012 and along with 29 tear down sales were used to derive land value. The Sales Comparison approach was utilized to determine land values and adjustments for land characteristics. Scatter plot diagrams and regression equations were also derived and considered. Land allocation and land abstraction methods were also incorporated into the land model analysis. Additional adjustments to all sites were applied for positive attributes such as views and negative adjustments for traffic, nuisance, and topography. These adjustments are based on analyzing matched vacant and improved sales combined with years of appraisal experience and knowledge in the area.

Land value was determined from available data of vacant and adjusted tear down sales together with adjustments for neighborhood influences. Neighborhood adjustments were determined by examining land sales and was supplemented by the analysis of allocated land values from improved properties. Adjustments for land characteristics such as views and traffic were made in a similar manner. Actual lot square footage was rounded down to the next Land Schedule grouping. Thus, a 4,800 SF lot would go to the 4,000 SF level on the table. Parcels smaller than 1,000 SF and lots larger than the enclosed table were valued as appraiser selects.

A typical 7,000 square foot, single-family site in the area has an average value range between $653,000 and $3,507,000 depending on size, location, view amenities, traffic, topography, etc. A typical townhouse lot in the area has an average value range of $179,000 to $2,354,000 with consideration given for location, views, traffic, topography, etc.

Land Model Exceptions:

Land Model Exceptions	
Lots < 100 Square Feet	$100 or appraiser judgement
Lots 100 - 500 Square Feet	$500 or appraiser judgement
Unbuildable	BaseLandValue from land schedule * .20 with no adjustments for view amenities
Vacant Parcels with Extreme Topo	BaseLandValue * .05 or * .10
Unbuildable Parcels with additional nuisances	BaseLandValue * .05 or * .10
Nghb 40, Multi-Family Zoned, Non-Townhouse Parcels	BaseLandValue * 1.2

Land Value Model Calibration

Single Family Zoning — SF 5000, SF 9600

Lot Size (sf)	Base Land Value
1	$250,000
1,000	$325,000
1,500	$420,000
2,000	$575,000
2,500	$750,000
3,000	$810,000
3,500	$865,000
4,000	$915,000
4,500	$965,000
5,000	$1,010,000
5,500	$1,050,000
6,000	$1,090,000
7,000	$1,165,000
8,000	$1,235,000
9,000	$1,300,000
10,000	$1,355,000
11,000	$1,410,000
12,000	$1,465,000
13,000	$1,515,000
14,000	$1,565,000
15,000	$1,615,000
16,000	$1,660,000
17,000	$1,700,000
18,000	$1,745,000
19,000	$1,785,000
20,000	$1,825,000
21,000	$1,865,000
22,000	$1,900,000
23,000	$1,935,000
24,000	$1,975,000
25,000	$2,000,000
26,000	$2,045,000
27,000	$2,075,000
28,000	$2,110,000
29,000	$2,140,000
30,000	$2,175,000

Single-family vacant sites less than 2,500 sf valued as unbuildable

For Sites over 30,000 sf add an additional $20,000 per 1,000 sf increase

Multi-Family Zoning — Neighborhoods 20, 30, 40, 50, 70, 90

Lot Size (sf)	Base Land Value
1	$250,000
1,000	$325,000
1,500	$420,000
2,000	$575,000
2,500	$750,000
3,000	$810,000
3,500	$865,000
4,000	$915,000
4,500	$965,000
5,000	$1,010,000
5,500	$1,050,000
6,000	$1,090,000
7,000	$1,165,000
8,000	$1,235,000
9,000	$1,300,000
10,000	$1,355,000
11,000	$1,410,000
12,000	$1,465,000
13,000	$1,515,000
14,000	$1,565,000
15,000	$1,615,000
16,000	$1,660,000
17,000	$1,700,000
18,000	$1,745,000
19,000	$1,785,000
20,000	$1,825,000
21,000	$1,865,000
22,000	$1,900,000
23,000	$1,935,000
24,000	$1,975,000
25,000	$2,000,000
26,000	$2,045,000
27,000	$2,075,000
28,000	$2,110,000
29,000	$2,140,000
30,000	$2,175,000

For Sites over 30,000 sf add an additional $20,000 per 1,000 sf increase

Multi-Family Zoning — Neighborhoods 10 and 60

Lot Size (sf)	Base Land Value
1	$250,000
1,000	$325,000
1,500	$420,000
2,000	$575,000
2,500	$750,000
3,000	$810,000
3,500	$1,115,000
4,000	$1,285,000
4,500	$1,400,000
5,000	$1,500,000
5,500	$1,600,000
6,000	$1,700,000
6,500	$1,800,000
7,000	$1,900,000
7,500	$2,000,000
8,000	$2,150,000
8,500	$2,200,000
9,000	$2,250,000
9,500	$2,300,000
10,000	$2,350,000
10,500	$2,400,000
11,000	$2,450,000
11,500	$2,500,000
12,000	$2,550,000
12,500	$2,600,000
13,000	$2,650,000
13,500	$2,700,000
14,000	$2,750,000
14,500	$2,800,000
15,000	$2,850,000
15,500	$2,900,000
16,000	$2,950,000
16,500	$3,000,000
17,000	$3,050,000
17,500	$3,100,000
18,000	$3,150,000
18,500	$3,200,000

For sites over 18,500 sf add an additional $25,000 per 500 sf increase

Townhouse — Present Use Code 029

Lot Size (sf)	Base Land Value
All	$350,000

Townhouse plats: Lots were equalized to account for larger parcels being impacted by parking or access easements for smaller lots within the plat.

Neighborhood Adjustments

Nghb	Adj
10	-20%
20	-10%
30	0%
40	+40%
50	+20%
60	0%
70	-15%
90	-10%

Land Value Calculation Example 1:

Zoning:	SF5000
Lot Size:	6,000 sf
Neighborhood:	10
Topography:	-15%
View:	Excellent Seattle Skyline, Good Puget Sound, Good Mt Rainier
Total Negative	-15%
Positive Adj	+100%
Net Adj	+85%

Calculation

Adjusted BLV = $1,090,000*0.80 = $872,000

Net Adjust

Total Land Value = $872,000*1.85= $1,613,200

    Truncated to $1,613,000

Land Value Calculation example 2:

Zoning:	LR1
Lot Size:	4,000 sf
Neighborhood:	50
Topography:	-15%
View:	Excellent Territorial
Traffic:	Heavy
Total Negative	-35%
Positive Adj	+20%
Net Adjust	-15%

Calculation

Adjusted BLV = $915,000*1.20 = $1,098,000

Total Land Value = $1,098,000*.85 = $933,300

    Truncated to $933,000

Land values were not interpolated between square foot sizes.

The land schedule and adjustments were typically used to value land. First the base land value is calculated from the land schedule using lot size, then factored by the neighborhood adjustment. Then the negative and positive adjustments are added together for a net adjustment and applied to this neighborhood adjusted value. In all cases, appraiser judgement prvailed. If a land value was not valued according to the land schedule, a note was included in Real Property to describe the valuation method.

Land Value Model Calibration continued....

ADJUSTMENTS

Access
Restricted	-30%
Legal/Undeveloped	-20%
Private/Public	0%
Walk-in	-20%

Traffic		Topography	
Moderate	-10%	Moderate	-5%
Heavy	-20%	to	to
Extreme	-30%	Extreme	-90

Restricted Size/Shape		Inadequate Parking*	
Yes	-10%	Yes	-5%

Unbuildable		Easement*	
Yes	-80%	Yes	0 to -5%

Other Nuisance		Other Problems	
Yes	-10%	Yes	0 to -20%

Water Problems		Wetlands	
Yes	-10%	Yes	-5%

*Inadequate parking and easement impacts recorded under other problems in RP.

Note: Negative adjustments are cumulative
ie. Heavy Traffic and -15% topography = -35%

VIEW ADJUSTMENT NOTES:

Seattle Skyline and Puget Sound Views are additive. All other views are not so only the highest view percentage is added to the parcel. For instance, a Good Puget Sound View and a Good Mt Rainier View are not added and the highest percentage is selected and total will be 40%. However, a Good Puget Sound view and a Good Seattle Skyline view will be added together for a total of 80%.

***NOTE: MIO zoning overlay valued based on site utility as SFR or townhouse site. Appraiser judgement applies.

VIEWS

Seattle Skyline
Average	20%
Good	40%
Excellent	60%

Puget Sound
Fair	10%
Average	20%
Good	40%
Excellent	60%

Lake Washington
Fair	20%
Average	25%
Good	35%
Excellent	50%

Small Lake-LAKE UNION
Average	10%
Good	20%
Excellent	40%

Mt Rainier
Average	10%
Good	15%
Excellent	20%

Mountain (Cascade/Olympic)
Average	10%
Good	15%
Excellent	20%

Territorial
Good	15%
Excellent	20%

Improved Parcel Valuation

Improved Parcel Data:

Sales information is obtained from excise tax affidavits and reviewed initially by the Accounting Division, Sales Identification Section. Information is analyzed and investigated by the appraiser in the process of revaluation. All sales were verified if possible by calling either the purchaser or seller, inquiring in the field or calling the real estate agent. Characteristic data is verified for all sales if possible. Due to time constraints, interior inspections were limited. Available sales and additional Area information can be viewed on the Assessor's website with [sales lists](#), [eSales](#) and [Localscape](#). Additional information may reside in the Assessor's Real Property Database, Assessor's procedures, Assessor's "field" maps, Revalue Plan, separate studies, and statutes.

The Assessor maintains a cost model, which is specified by the physical characteristics of the improvement, such as first floor area, second floor area, total basement area, and number of bathrooms. The cost for each component is further calibrated to the 13 grades to account for quality of construction. Reconstruction Cost New (RCN) is calculated from adding up the cost of each component. Depreciation is then applied by means of a percent good table which is based on year built, grade, and condition, resulting in Reconstruction Cost New Less Depreciation (RCNLD). The appraiser can make further adjustments for obsolescence (poor floor plan, design deficiencies, external nuisances etc.) if needed. The Assessor's cost model generates RCN and RCNLD for principal improvements and accessories such as detached garages and pools.

The Assessor's cost model was developed by the King County Department of Assessments in the early 1970's. It was recalibrated in 1990 to roughly approximate Marshall & Swift's square foot cost tables and is indexed annually to keep up with current costs.

Model Development, Description and Conclusions:

Most sales were field verified and characteristics updated prior to model development. Sales were time adjusted to 1/1/2022.

The analysis of this area consisted of a systematic review of applicable characteristics which influence property values.

In addition to standard physical property characteristics, the analysis showed age/year built, covered parking, good and very good condition, grade, traffic noise, number of living units, designation as a townhome, certain neighborhoods, Seattle Skyline Views, Puget Sound Views, Small Lake River Creek Views, and stand-alone townhouse units were influential in the market.

Improved Parcel Total Value Model Calibration

Variable	Definition
AgeC_Ren	Age Variable (Depreciation)
BaseLandC_Allocation	2022 Adjusted Base Land Value
ComboCostC	Building Replacement Cost New + Accessory Cost New Less Depreciation
CvdPkgYN	Covered Parking > 0
GoodYN	Building Condition = 4
Grade10YN	Building Grade=10, Neighborhood Does Not Equal 30, 20, or 70
HiGradeYN	Building Grade>11, Non-Townhouse, Neighborhood Does Not Equal 20, 30, or 70
HvyTrafYN	Traffic Noise > 0
MultiUnitYN	Number of Living Units > 1
NewHouseYN	Year Renovate or YearBuilt >2009, and PresentUse<>29
Nghb10YN	Neighborhood =10, Zone Designation Not Equal to SF 5000
Nghb20YN	Neighborhood = 20
Nghb30YN	Neighborhood = 30
Nghb70YN	Neighborhood = 70, Year Built or Renovate > 1929
Nghb90YN	Neighborhood = 900, 902, 903, Present Use = 29
OldAgeYN	Year Built < 1929
PugSndExlntYN	Puget Sound View = 4
SeaSkyC	Seattle Skyline View – Continuous Variable
SmLkRvCrC	Small Lake River Creek View - Continuous Variable
StandAloneYN	Location of Townhouse = 3, Stand Alone (Third digit in neighborhood = "3")
Sub5YN	ResSubArea = 05, Neighborhood <> 90
THPlatYN	Present Use =29 and Building Grade < 10
VGoodYN	Building Condition = 5

Multiplicative Model

(1-0.075) * EXP(2.43599552728209 - 0.0426485975701136 * AgeC_Ren + 0.167727711659862 * BaseLandC_Allocation + 0.649489130230709 * ComboCostC + 0.0229444827117864 * CvdPkgYN + 0.0909447647112099 * GoodYN + 0.0460248419463584 * Grade10YN + 0.149715371293084 * HiGradeYN - 0.0184811641919557 * HvyTrafYN - 0.0984844263761904 * MultiUnitYN + 0.132599270798028 * NewHouseYN - 0.0948725998616386 * Nghb10YN - 0.129661974419002 * Nghb20YN - 0.0190400533408515 * Nghb30YN - 0.0966206504022504 * Nghb70YN - 0.0432375532524527 * Nghb90YN + 0.044715036536892 * OldAgeYN + 0.142716187006269 * PugSndExlntYN + 0.0236192413104543 * SeaSkyC + 0.0319425184700877 * SmLkRvCrC + 0.0407431735020889 * StandAloneYN - 0.0761072087071584 * Sub5YN - 0.0636114519111924 * THPlatYN + 0.175261154437001 * VGoodYN) * 1000

The information provided on this page serves as a basic illustration of the regression model and its components. This page is not intended to serve as a guide or framework for re-creating the regression model. More detailed information on the regression model, its components and variable transformations is available upon request.

EMV values were not generated for:

- Buildings with grade less than 5
- Building two or greater. (EMV is generated for building one only.)
- If total EMV is less than base land value
- Lot size less than 100 square feet

Of the improved parcels in the population, 5,957 parcels increased in value. They were comprised of 36 single family residences on commercially zoned land and 5,921 single family residences or other parcels.

Of the vacant land parcels greater than $1,000, 125 parcels increased in value. Tax exempt parcels were excluded from the number of parcels increased.

Supplemental Models and Exceptions

AREA ADJUSTMENTS:	
Percent Complete	(EMV - BaseLandVal) * PcntComplete + BaseLandVal
Percent Net Condition	(EMV - BaseLandVal) * PcntNetCondition + BaseLandVal
Obsolescence	New Land Value +New Imp Value*(100-Obsolescence)
Accessory Only	BaseLandVal + TotalRCNLD
Poor Condition	BaseLandValue + Appraiser Select Minimal Improvement Value
Fair Condition	EMV * .90

Physical Inspection Process

Effective Date of Appraisal: January 1, 2022
Date of Appraisal Report: September 27, 2022

Appraisal Team Members and Participation

The valuation for this area was done by the following Appraisal Team. The degree of participation varied according to individual skill in relevant areas and depending on the time they joined the team.

- Kathlene Moreno – Appraiser II: Team lead, coordination, valuation model development and testing. Land and total valuation appraisals. Sales verification, physical inspection and report writing.
- Andrew Rose – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection, and total valuation.
- Jim Eckels – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection, and total valuation.
- Michael Mills – Appraiser II: Sales verification, appraisal analysis, land appraisal, physical inspection, and total valuation.
- Karen Anderson – Appraiser II: Valuation model development and testing, report writing. Sales verification, appraisal analysis, land appraisal, physical inspection, and total valuation.

Sales Screening for Improved Parcel Analysis

In order to ensure that the Assessor's analysis of sales of improved properties best reflects the market value of the majority of the properties within an area, non-typical properties must be removed so a representative sales sample can be analyzed to determine the new valuation level. The following list illustrates examples of non-typical properties which are removed prior to the beginning of the analysis.

1. Vacant parcels
2. Mobile Home parcels
3. Multi-Parcel or Multi Building parcels
4. New construction where less than a 100% complete house was assessed for 2021
5. Existing residences where the data for 2021 is significantly different than the data for 2022 due to remodeling
6. Parcels with improvement values, but no characteristics
7. Parcels with either land or improvement values of $10,000 or less posted for the 2021 Assessment Roll
8. Short sales, financial institution re-sales and foreclosure sales verified or appearing to be not at market

 (Available sales and additional Area information can be viewed from sales lists, eSales and Localscape)

Highest and Best Use Analysis

As If Vacant: Market analysis of the area, together with current zoning and current and anticipated use patterns, indicate the highest and best use of the overwhelming majority of the appraised parcels is single family residential. Any other opinion of highest and best use is specifically noted in our records and would form the basis for the valuation of that specific parcel.

As If Improved: Where any value for improvements is part of the total valuation, we are of the opinion that the present improvements produce a higher value for the property than if the site was vacant. In appraisal theory, the present use is therefore the highest and best (as improved) of the subject property, though it could be an interim use.

Standards and Measurement of Data Accuracy

Sales were verified with the purchaser, seller, or real estate agent where possible. Current data was verified via field inspection and corrected. Data was collected and coded per the assessor's residential procedures manual.

We maintain uniformity with respect to building characteristics such as year-built, quality, condition, living area, stories, and land characteristics such as location (sub-area and plat), lot size, views, and waterfront. Other variables that are unique to the specific areas are also investigated. This approach ensures that values are equitable for all properties with respect to all measurable characteristics, whether the houses are larger or smaller, higher, or lower quality, remodeled or not, with or without views or waterfront, etc.

Special Assumptions and Limiting Conditions

The sales comparison and cost approaches to value were considered for this mass appraisal valuation. After the sales verification process, the appraiser concluded that the market participants typically do not consider an income approach to value. Therefore, the income approach is not applicable in this appraisal as these properties are not typically leased, but rather owner occupied. The income approach to value was not considered in the valuation of this area.

The following Departmental guidelines were considered and adhered to:
- ➢ Sales from 1/1/2019 to 12/31/2021 (at minimum) were considered in all analyses.
- ➢ Sales were time adjusted to 1/1/2022.
- ➢ This report is intended to meet the requirements of the Uniform Standards of Professional Appraisal Practice Standards 5 & 6.

Area 012 Market Value Changes Over Time
1-3 Unit Residences

In a changing market, recognition of a sales trend to adjust a population of sold properties to a common date is required to allow for value differences over time. Market conditions prevalent in the last three years indicated that the best methodology for tracking market movement through time is a modeling technique using splines. Put simply, this is a way of drawing best fit lines through the data points in situations where there may be several different trends going on at different times. Splines are the use of two or more straight lines to approximate trends and directions in the market. Splines are best suited to react to the sudden market changes. To create larger and more reliable data sets for time trending, it was necessary in most instances to combine geographic areas that were performing similarly in the marketplace. The following chart shows the % time adjustment required for sales to reflect the indicated market value as of the assessment date, **January 1, 2022**.

Separate time trends were developed for 1-3 Unit /Non-Townhouse parcels versus Townhouse parcels.

The time adjustment formula for **Error! Reference source not found.**012 1-3 Unit Residences is:

(0.780283240470859-0.0000407013183957455*((A2<=44119)*A2+(A2>44119)*44119-44562)-0.000316170471982758*((A2>=44119)*A2+(A2<44119)*44119-44562))/(0.780283240470859-0.0000407013183957455*(-443))

For example, a sale of $600,000 which occurred on October 1, 2019, would be adjusted by the time trend factor of 1.195, resulting in an adjusted value of $717,000 ($600,000 1.195=$717,000) – truncated to the nearest $1000.

Area 012 Market Value Changes Over Time

1-3 Unit Residences

SaleDate	Adjustment (Factor)	Equivalent Percent
1/1/2019	1.209	20.9%
2/1/2019	1.207	20.7%
3/1/2019	1.206	20.6%
4/1/2019	1.204	20.4%
5/1/2019	1.203	20.3%
6/1/2019	1.201	20.1%
7/1/2019	1.200	20.0%
8/1/2019	1.198	19.8%
9/1/2019	1.196	19.6%
10/1/2019	1.195	19.5%
11/1/2019	1.193	19.3%
12/1/2019	1.192	19.2%
1/1/2020	1.190	19.0%
2/1/2020	1.189	18.9%
3/1/2020	1.187	18.7%
4/1/2020	1.185	18.5%
5/1/2020	1.184	18.4%
6/1/2020	1.182	18.2%
7/1/2020	1.181	18.1%
8/1/2020	1.179	17.9%
9/1/2020	1.178	17.8%
10/1/2020	1.176	17.6%
11/1/2020	1.169	16.9%
12/1/2020	1.157	15.7%
1/1/2021	1.145	14.5%
2/1/2021	1.132	13.2%
3/1/2021	1.121	12.1%
4/1/2021	1.109	10.9%
5/1/2021	1.097	9.7%
6/1/2021	1.085	8.5%
7/1/2021	1.073	7.3%
8/1/2021	1.061	6.1%
9/1/2021	1.048	4.8%
10/1/2021	1.036	3.6%
11/1/2021	1.024	2.4%
12/1/2021	1.012	1.2%
1/1/2022	1.000	0.0%

Area 012 Market Value Changes Over Time

Townhouse

In a changing market, recognition of a sales trend to adjust a population of sold properties to a common date is required to allow for value differences over time. Market conditions prevalent in the last three years indicated that the best methodology for tracking market movement through time is a modeling technique using splines. Put simply, this is a way of drawing best fit lines through the data points in situations where there may be several different trends going on at different times. Splines are the use of two or more straight lines to approximate trends and directions in the market. Splines are best suited to react to the sudden market changes. To create larger and more reliable data sets for time trending, it was necessary in most instances to combine geographic areas that were performing similarly in the marketplace. The following chart shows the % time adjustment required for sales to reflect the indicated market value as of the assessment date, **January 1, 2022**.

The time adjustment formula for **Error! Reference source not found.**012 Townhouse parcels is:

(0.826982945311995-0.0000505452023164561*((A2<=44166)*A2+(A2>44166)*44166-44562)-0.000262124263127895*((A2>=44166)*A2+(A2<44166)*44166-44562))/(0.826982945311995-0.0000505452023164561*(-396))

For example, a sale of \$600,000 which occurred on October 1, 2019, would be adjusted by the time trend factor of 1.148, resulting in an adjusted value of \$688,000 (\$600,000 * 1.148=\$688,800) – truncated to the nearest \$1000.

Area 012 Market Value Changes Over Time

Townhomes

SaleDate	Adjustment (Factor)	Equivalent Percent
1/1/2019	1.164	16.4%
2/1/2019	1.162	16.2%
3/1/2019	1.161	16.1%
4/1/2019	1.159	15.9%
5/1/2019	1.157	15.7%
6/1/2019	1.155	15.5%
7/1/2019	1.154	15.4%
8/1/2019	1.152	15.2%
9/1/2019	1.150	15.0%
10/1/2019	1.148	14.8%
11/1/2019	1.146	14.6%
12/1/2019	1.144	14.4%
1/1/2020	1.143	14.3%
2/1/2020	1.141	14.1%
3/1/2020	1.139	13.9%
4/1/2020	1.137	13.7%
5/1/2020	1.135	13.5%
6/1/2020	1.133	13.3%
7/1/2020	1.132	13.2%
8/1/2020	1.130	13.0%
9/1/2020	1.128	12.8%
10/1/2020	1.126	12.6%
11/1/2020	1.124	12.4%
12/1/2020	1.123	12.3%
1/1/2021	1.113	11.3%
2/1/2021	1.103	10.3%
3/1/2021	1.095	9.5%
4/1/2021	1.085	8.5%
5/1/2021	1.076	7.6%
6/1/2021	1.066	6.6%
7/1/2021	1.057	5.7%
8/1/2021	1.047	4.7%
9/1/2021	1.038	3.8%
10/1/2021	1.028	2.8%
11/1/2021	1.019	1.9%
12/1/2021	1.010	1.0%
1/1/2022	1.000	0.0%

Sales Sample Representation of Population
Year Built or Renovated

Sales

Year Built/Ren	Frequency	% Sales Sample
1900-1909	124	12.67%
1910-1919	97	9.91%
1920-1929	118	12.05%
1930-1939	17	1.74%
1940-1949	38	3.88%
1950-1959	30	3.06%
1960-1969	16	1.63%
1970-1979	10	1.02%
1980-1989	33	3.37%
1990-1999	37	3.78%
2000-2009	163	16.65%
2010-2019	247	25.23%
2020-2021	49	5.01%
	979	

Population

Year Built/Ren	Frequency	% Population
1900-1909	1,045	17.53%
1910-1919	858	14.40%
1920-1929	1,017	17.06%
1930-1939	130	2.18%
1940-1949	244	4.09%
1950-1959	233	3.91%
1960-1969	120	2.01%
1970-1979	88	1.48%
1980-1989	192	3.22%
1990-1999	264	4.43%
2000-2009	891	14.95%
2010-2019	744	12.48%
2020-2021	134	2.25%
	5,960	
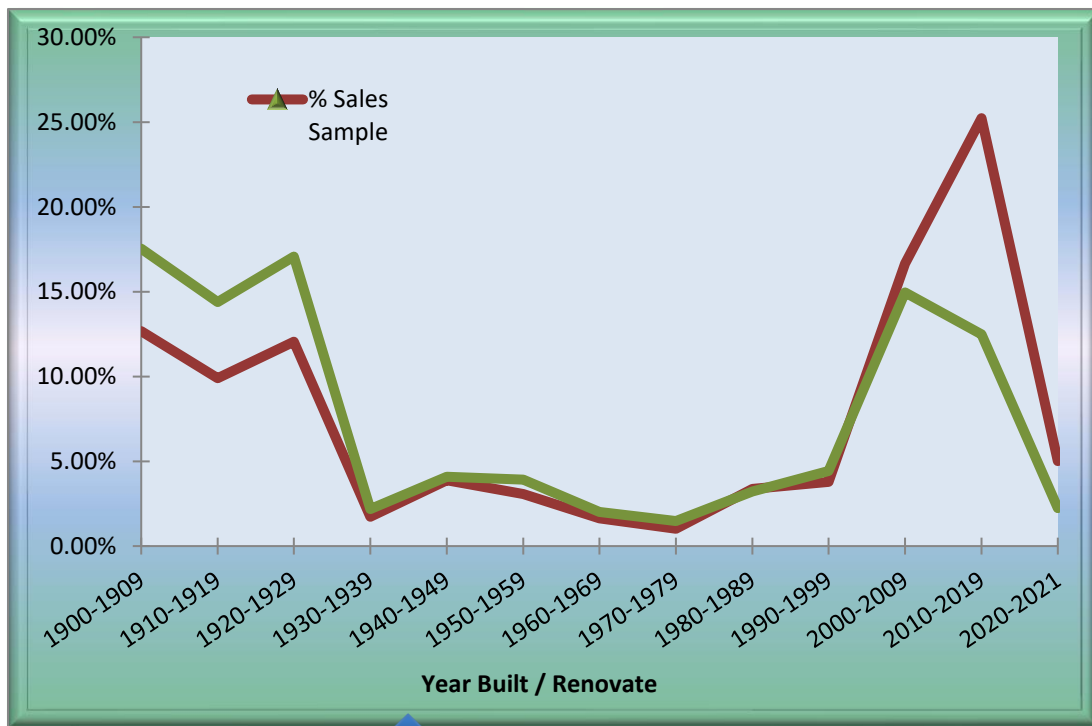
Sales of new homes built over the last few years are overrepresented in this sample.

This is a common occurrence due to the fact that most new homes will sell shortly after completion. This over representation was found to have statistical significance and results are reflected in the model.

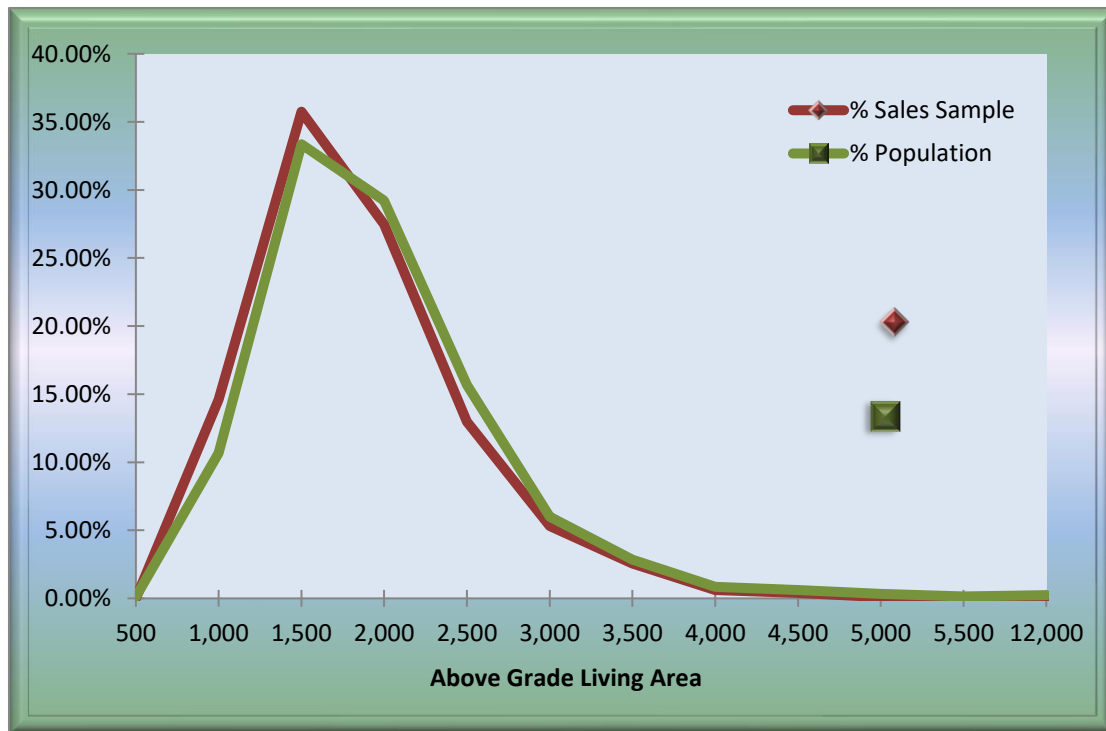# Sales Sample Representation of Population

Above Grade Living Area

Sales

AGLA	Frequency	% Sales Sample
500	0	0.00%
1,000	143	14.61%
1,500	350	35.75%
2,000	269	27.48%
2,500	127	12.97%
3,000	52	5.31%
3,500	25	2.55%
4,000	6	0.61%
4,500	4	0.41%
5,000	1	0.10%
5,500	1	0.10%
12,000	1	0.10%
	979	

Population

AGLA	Frequency	% Population
500	7	0.12%
1,000	636	10.67%
1,500	1,988	33.36%
2,000	1,741	29.21%
2,500	934	15.67%
3,000	357	5.99%
3,500	169	2.84%
4,000	50	0.84%
4,500	36	0.60%
5,000	20	0.34%
5,500	8	0.13%
12,000	14	0.23%
	5,960	

The sales sample frequency distribution follows the population distribution very closely with regard to Above Grade Living Area (AGLA). This distribution is ideal for both accurate analysis and appraisals.

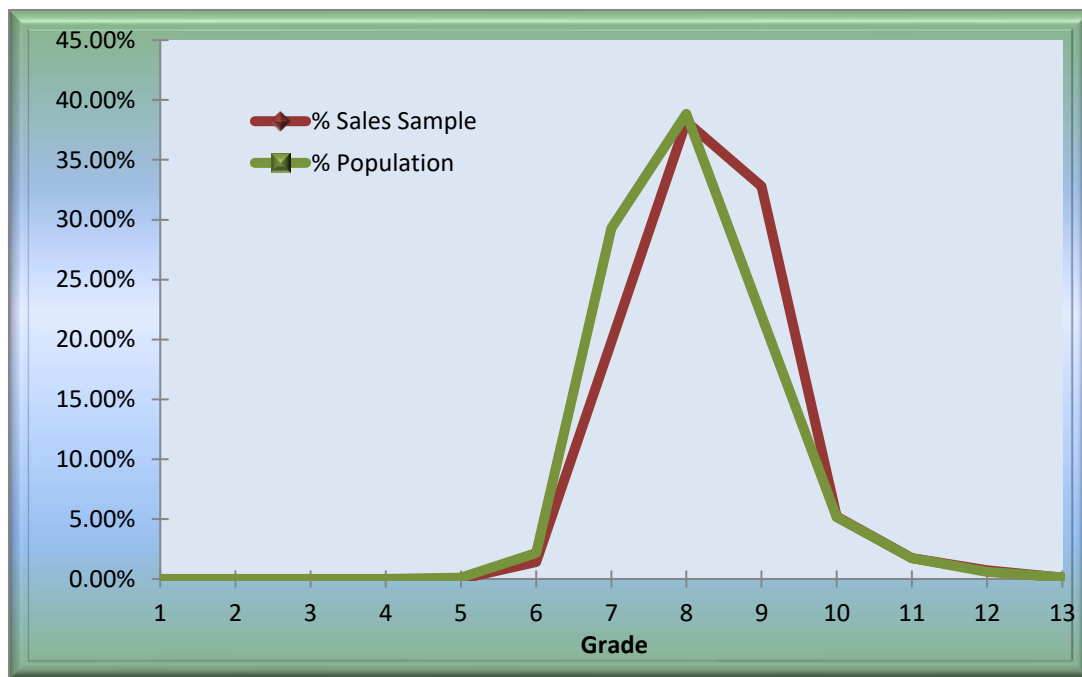# Sales Sample Representation of Population

Building Grade

Sales

Grade	Frequency	% Sales Sample
1	0	0.00%
2	0	0.00%
3	0	0.00%
4	0	0.00%
5	0	0.00%
6	14	1.43%
7	194	19.82%
8	374	38.20%
9	321	32.79%
10	51	5.21%
11	17	1.74%
12	7	0.72%
13	1	0.10%
	979	

Population

Grade	Frequency	% Population
1	0	0.00%
2	0	0.00%
3	0	0.00%
4	0	0.00%
5	6	0.10%
6	129	2.16%
7	1,746	29.30%
8	2,315	38.84%
9	1,311	22.00%
10	307	5.15%
11	103	1.73%
12	35	0.59%
13	8	0.13%
	5,960	

The sales sample frequency distribution follows the population distribution relatively closely with regard to Building Grades. This distribution is adequate for both accurate analysis and appraisals.

Results

Appraiser judgment prevails in all decisions regarding individual parcel valuation. Each parcel is field reviewed and a value is selected based on general and specific data pertaining to the parcel, the neighborhood, and the market. The appraiser determines which available value estimate may be appropriate. This value estimate may be adjusted based on particular characteristics and conditions as they occur in the valuation area.

The assessment level target for all Residential areas in King County, including this area, is 0.925. The International Association of Assessing Officers recommends a range of 0.90 to 1.10. Due to rounding or other statistical influences, the median for a particular area may be slightly above or below this target. The median assessment level for this area is 92.1%.

Application of these recommended values for the 2022 assessment year (taxes payable in 2023) results in an average total change from the 2021 assessments of 13.8%. This increase is due partly to market changes over time and the previous assessment levels.

A Ratio Study was completed just prior to the application of the 2022 recommended values. This study benchmarks the prior assessment level using 2021 posted values (1/1/2021) compared to current adjusted sale prices (1/1/2022). The study was also repeated after the application of the 2022 recommended values. The results show an improvement in the COD from 11.51% to 8.84%.

The Appraisal Team recommends the application of the Appraiser selected values, as indicated by the appropriate model or method.

Note: More details and information regarding aspects of the valuations and the report are retained in the working files kept in the appropriate district office.

Grade 5/ Year Built 1925/ TLA 480 SF

Grade 6/ Year Built 1910/ TLA 940 SF

Grade 7/ Year Built 1940/ TLA 1,940 SF

Grade 8/ Year Built 2006/ TLA 1,360 SF/ Townhouses

Grade 9/ Year Built 2007/ TLA 5,950 SF

Grade 10/ Year Built 1926/ TLA 3,630 SF

Grade 11/ Year Built 2019/ TLA 2,260 SF/ Townhouses

Grade 12/ Year Built 2008/ TLA 7,750 SF

Grade 11/ Year Built 1911/ TLA 4,090 SF

Grade 13/ Year Built 1905/Year Renovate 2000/ TLA 8,882 SF

Glossary for Improved Sales

Condition: Relative to Age and Grade

1= Poor   Many repairs needed. Showing serious deterioration.

2= Fair   Some repairs needed immediately. Much deferred maintenance.

3= Average   Depending upon age of improvement; normal amount of upkeep for the age of the home.

4= Good   Condition above the norm for the age of the home. Indicates extra attention and care has been taken to maintain.

5= Very Good   Excellent maintenance and updating on home. Not a total renovation.

Residential Building Grades

Grades 1 - 3   Falls short of minimum building standards. Normally cabin or inferior structure.

Grade 4   Generally older low-quality construction. Does not meet code.

Grade 5   Lower construction costs and workmanship. Small, simple design.

Grade 6   Lowest grade currently meeting building codes. Low quality materials, simple designs.

Grade 7   Average grade of construction and design. Commonly seen in plats and older subdivisions.

Grade 8   Just above average in construction and design. Usually, better materials in both the exterior and interior finishes.

Grade 9   Better architectural design, with extra exterior and interior design and quality.

Grade 10   Homes of this quality generally have high quality features. Finish work is better, and more design quality is seen in the floor plans and larger square footage.

Grade 11   Custom design and higher quality finish work, with added amenities of solid woods, bathroom fixtures and more luxurious options.

Grade 12   Custom design and excellent builders. All materials are of the highest quality and all conveniences are present.

Grade 13   Generally custom designed and built. Approaching the Mansion level. Large amount of highest quality cabinet work, wood trim and marble; large entries.

USPAP Compliance

Client and Intended Use of the Appraisal:

This mass appraisal report is intended for use by the public, King County Assessor and other agencies or departments administering or confirming ad valorem property taxes. Use of this report by others for other purposes is not intended by the appraiser. The use of this appraisal, analyses and conclusions is limited to the administration of ad valorem property taxes in accordance with Washington State law. As such it is written in concise form to minimize paperwork. The assessor intends that this report conform to the Uniform Standards of Professional Appraisal Practice (USPAP) requirements for a mass appraisal report as stated in USPAP Standard 6. To fully understand this report the reader may need to refer to the Assessor's Property Record Files, Assessors Real Property Data Base, separate studies, Assessor's Procedures, Assessor's field maps, Revalue Plan and the statutes.

The purpose of this report is to explain and document the methods, data and analysis used in the revaluation of King County. King County is on a six year physical inspection cycle with annual statistical updates. The revaluation plan is approved by Washington State Department of Revenue. The Revaluation Plan is subject to their periodic review.

Definition and date of value estimate:

Market Value

The basis of all assessments is the true and fair value of property. True and fair value means market value (Spokane etc. R. Company v. Spokane County, 75 Wash. 72 (1913); Mason County Overtaxed, Inc. v. Mason County, 62 Wn. 2d (1963); AGO 57-58, No. 2, 1/8/57; AGO 65-66, No. 65, 12/31/65).

The true and fair value of a property in money for property tax valuation purposes is its "market value" or amount of money a buyer willing but not obligated to buy would pay for it to a seller willing but not obligated to sell. In arriving at a determination of such value, the assessing officer can consider only those factors which can within reason be said to affect the price in negotiations between a willing purchaser and a willing seller, and he must consider all of such factors. (AGO 65,66, No. 65, 12/31/65)

Retrospective market values are reported herein because the date of the report is subsequent to the effective date of valuation. The analysis reflects market conditions that existed on the effective date of appraisal.

Highest and Best Use

RCW 84.40.030

> *All property shall be valued at one hundred percent of its true and fair value in money and assessed on the same basis unless specifically provided otherwise by law.*

> *An assessment may not be determined by a method that assumes a land usage or highest and best use not permitted, for that property being appraised, under existing zoning or land use planning ordinances or statutes or other government restrictions.*

WAC 458-07-030 (3) True and fair value -- Highest and best use.

> *Unless specifically provided otherwise by statute, all property shall be valued on the basis of its highest and best use for assessment purposes. Highest and best use is the most profitable, likely use to which a property can be put. It is the use which will yield the highest return on the owner's investment. Any reasonable use to which the property may be put may be taken into consideration and if it is peculiarly adapted to some particular use, that fact may be taken into consideration. Uses that are within the realm of possibility, but not reasonably probable of occurrence, shall not be considered in valuing property at its highest and best use.*

If a property is particularly adapted to some particular use this fact may be taken into consideration in estimating the highest and best use. (Samish Gun Club v. Skagit County, 118 Wash. 578 (1922))

The present use of the property may constitute its highest and best use. The appraiser shall, however, consider the uses to which similar property similarly located is being put. (Finch v. Grays Harbor County, 121 Wash. 486 (1922))

The fact that the owner of the property chooses to use it for less productive purposes than similar land is being used shall be ignored in the highest and best use estimate. (Samish Gun Club v. Skagit County, 118 Wash. 578 (1922))

Where land has been classified or zoned as to its use, the county assessor may consider this fact, but he shall not be bound to such zoning in exercising his judgment as to the highest and best use of the property. (AGO 63-64, No. 107, 6/6/64)

Date of Value Estimate

RCW 84.36.005

> *All property now existing, or that is hereafter created or brought into this state, shall be subject to assessment and taxation for state, county, and other taxing district purposes, upon equalized valuations thereof, fixed with reference thereto on the first day of January at twelve o'clock meridian in each year, excepting such as is exempted from taxation by law.*

RCW 36.21.080

> *The county assessor is authorized to place any property that is increased in value due to construction or alteration for which a building permit was issued, or should have been issued, under chapter 19.27, 19.27A, or 19.28 RCW or other laws providing for building permits on the assessment rolls for the purposes of tax levy up to August 31st of each year. The assessed valuation of the property shall be considered as of July 31st of that year.*

Reference should be made to the property card or computer file as to when each property was valued. Sales consummating before and after the appraisal date may be used and are analyzed as to their indication of value at the date of valuation.   If market conditions have changed then the appraisal will state a logical cutoff date after which no market date is used as an indicator of value.

USPAP Compliance…Continued

Property Rights Appraised: Fee Simple

Wash Constitution Article 7 § 1 Taxation:

All taxes shall be uniform upon the same class of property within the territorial limits of the authority levying the tax and shall be levied and collected for public purposes only. The word "property" as used herein shall mean and include everything, whether tangible or intangible, subject to ownership. All real estate shall constitute one class.

Trimble v. Seattle, 231 U.S. 683, 689, 58 L. Ed. 435, 34 S. Ct. 218 (1914)

…the entire [fee] estate is to be assessed and taxed as a unit…

Folsom v. Spokane County, 111 Wn. 2d 256 (1988)

…the ultimate appraisal should endeavor to arrive at the fair market value of the property as if it were an unencumbered fee…

The Dictionary of Real Estate Appraisal, 3rd Addition, Appraisal Institute.

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

Assumptions and Limiting Conditions:

1. No opinion as to title is rendered. Data on ownership and legal description were obtained from public records. Title is assumed to be marketable and free and clear of all liens and encumbrances, easements and restrictions unless shown on maps or property record files. The property is appraised assuming it to be under responsible ownership and competent management and available for its highest and best use.
2. No engineering survey has been made by the appraiser. Except as specifically stated, data relative to size and area were taken from sources considered reliable, and no encroachment of real property improvements is assumed to exist.
3. No responsibility for hidden defects or conformity to specific governmental requirements, such as fire, building and safety, earthquake, or occupancy codes, can be assumed without provision of specific professional or governmental inspections.
4. Rental areas herein discussed have been calculated in accord with generally accepted industry standards.
5. The projections included in this report are utilized to assist in the valuation process and are based on current market conditions and anticipated short term supply demand factors. Therefore, the projections are subject to changes in future conditions that cannot be accurately predicted by the appraiser and could affect the future income or value projections.
6. The property is assumed uncontaminated unless the owner comes forward to the Assessor and provides other information.
7. The appraiser is not qualified to detect the existence of potentially hazardous material which may or may not be present on or near the property. The existence of such substances may have an effect on the value of the property. No consideration has been given in this analysis to any potential diminution in value should such hazardous materials be found (unless specifically noted). We urge the taxpayer to retain an expert in the field and submit data affecting value to the assessor.

8. No opinion is intended to be expressed for legal matters or that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers, although such matters may be discussed in the report.
9. Maps, plats and exhibits included herein are for illustration only, as an aid in visualizing matters discussed within the report. They should not be considered as surveys or relied upon for any other purpose.
10. The appraisal is the valuation of the fee simple interest. Unless shown on the Assessor's parcel maps, easements adversely affecting property value were not considered.
11. An attempt to segregate personal property from the real estate in this appraisal has been made.
12. Items which are considered to be "typical finish" and generally included in a real property transfer, but are legally considered leasehold improvements are included in the valuation unless otherwise noted.
13. The movable equipment and/or fixtures have not been appraised as part of the real estate. The identifiable permanently fixed equipment has been appraised in accordance with RCW 84.04.090 and WAC 458-12-010.
14. I have considered the effect of value of those anticipated public and private improvements of which I have common knowledge. I can make no special effort to contact the various jurisdictions to determine the extent of their public improvements.
15. Exterior inspections were made of all properties in the physical inspection areas (outlined in the body of the report) however; due to lack of access and time few received interior inspections.

Scope of Work Performed:

Research and analyses performed are identified in the body of the revaluation report. The assessor has no access to title reports and other documents. Because of legal limitations we did not research such items as easements, restrictions, encumbrances, leases, reservations, covenants, contracts, declarations and special assessments. Disclosure of interior home features and, actual income and expenses by property owners is not a requirement by law therefore attempts to obtain and analyze this information are not always successful. The mass appraisal performed must be completed in the time limits indicated in the Revaluation Plan and as budgeted. The scope of work performed and disclosure of research and analyses not performed are identified throughout the body of the report.

Certification:

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct
- The report analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The area(s) physically inspected for purposes of this revaluation are outlined in the body of this report.
- The individuals listed below were part of the "appraisal team" and provided significant real property appraisal assistance to the person signing this certification. Any services regarding the subject area performed by the appraiser within the prior three years, as an appraiser or in any other capacity is listed adjacent their name.
- To the best of my knowledge the following services were performed by the appraisal team within the subject area in the last three years:
  - Andrew Rose, Jim Eckels, Michael Mills
  - Data Collection
  - Sales Verification
  - Appeals Response Preparation / Review
  - Appeal Hearing Attendance
  - Land and Total Valuation
  - New Construction Evaluation

  - Karen Anderson
  - Data Collection
  - Sales Verification
  - Appeals Response Preparation / Review
  - Annual Up-Date Model Development and Report Preparation
  - Physical Inspection Model Development and Report Preparation
  - Land and Total Valuation
  - New Construction Evaluation

- Any services regarding the subject area performed by me within the prior three years, as an appraiser or in any other capacity is listed adjacent to my name.

- To the best of my knowledge the following services were performed by me within the subject area in the last three years:
  - Kathlene Moreno
  - Data Collection
  - Sales Verification
  - Appeals Response Preparation / Review
  - Appeal Hearing Attendance
  - Physical Inspection Model Development and Report Preparation
  - Land and Total Valuation
  - New Construction Evaluation

9/28/2022
_____

Appraiser II   Date

King County

Department of Assessments
King County Administration Bldg.
201 S. Jackson St., Room 708, KSC – AS – 0708
Seattle, WA 98104
(206) 296-7300   FAX (206) 296-0595
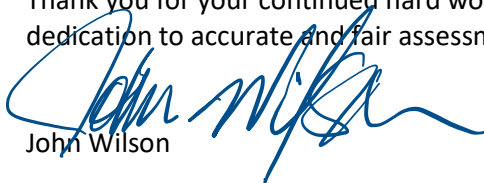**Email: assessor.info@kingcounty.gov**

John Wilson
Assessor

As we start preparations for the 2022 property assessments, it is helpful to remember that the mission and work of the Assessor's Office sets the foundation for efficient and effective government and is vital to ensure adequate funding for services in our communities. Maintaining the public's confidence in our property tax system requires that we build on a track record of fairness, equity, and uniformity in property assessments. Though we face ongoing economic challenges, I challenge each of us to seek out strategies for continuous improvement in our business processes.

Please follow these standards as you perform your tasks.

- Use all appropriate mass appraisal techniques as stated in Washington State Laws, Washington State Administrative Codes, Uniform Standards of Professional Appraisal Practice (USPAP), and accepted International Association of Assessing Officers (IAAO) standards and practices.
- Work with your supervisor on the development of the annual valuation plan and develop the scope of work for your portion of appraisal work assigned, including physical inspections and statistical updates of properties;
- Where applicable, validate correctness of physical characteristics and sales of all vacant and improved properties.
- Appraise land as if vacant and available for development to its highest and best use. The improvements are to be valued at their contribution to the total in compliance with applicable laws, codes and DOR guidelines. The Jurisdictional Exception is applied in cases where Federal, State or local laws or regulations preclude compliance with USPAP;
- Develop and validate valuation models as delineated by IAAO standards: Standard on Mass Appraisal of Real Property and Standard on Ratio Studies. Apply models uniformly to sold and unsold properties, so that ratio statistics can be accurately inferred to the entire population.
- Time adjust sales to January 1, 2022 in conformance with generally accepted appraisal practices.
- Prepare written reports in compliance with USPAP Standard 6 for Mass Appraisals. The intended users of your appraisals and the written reports include the public, Assessor, the Boards of Equalization and Tax Appeals, and potentially other governmental jurisdictions. The intended use of the appraisals and the written reports is the administration of ad valorem property taxation.

Thank you for your continued hard work on behalf of our office and the taxpayers of King County. Your dedication to accurate and fair assessments is why our office is one of the best in the nation.

John Wilson