

Commercial Revalue

2014 Assessment roll

AREA 40

**King County, Department of Assessments
Seattle, Washington**

Lloyd Hara, Assessor



King County

Department of Assessments

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Lloyd Hara
Assessor

Dear Property Owners:

Property assessments for the 2014 assessment year are being completed by my staff throughout the year and change of value notices are being mailed as neighborhoods are completed. We value property at fee simple, reflecting property at its highest and best use and following the requirement of RCW 84.40.030 to appraise property at true and fair value.

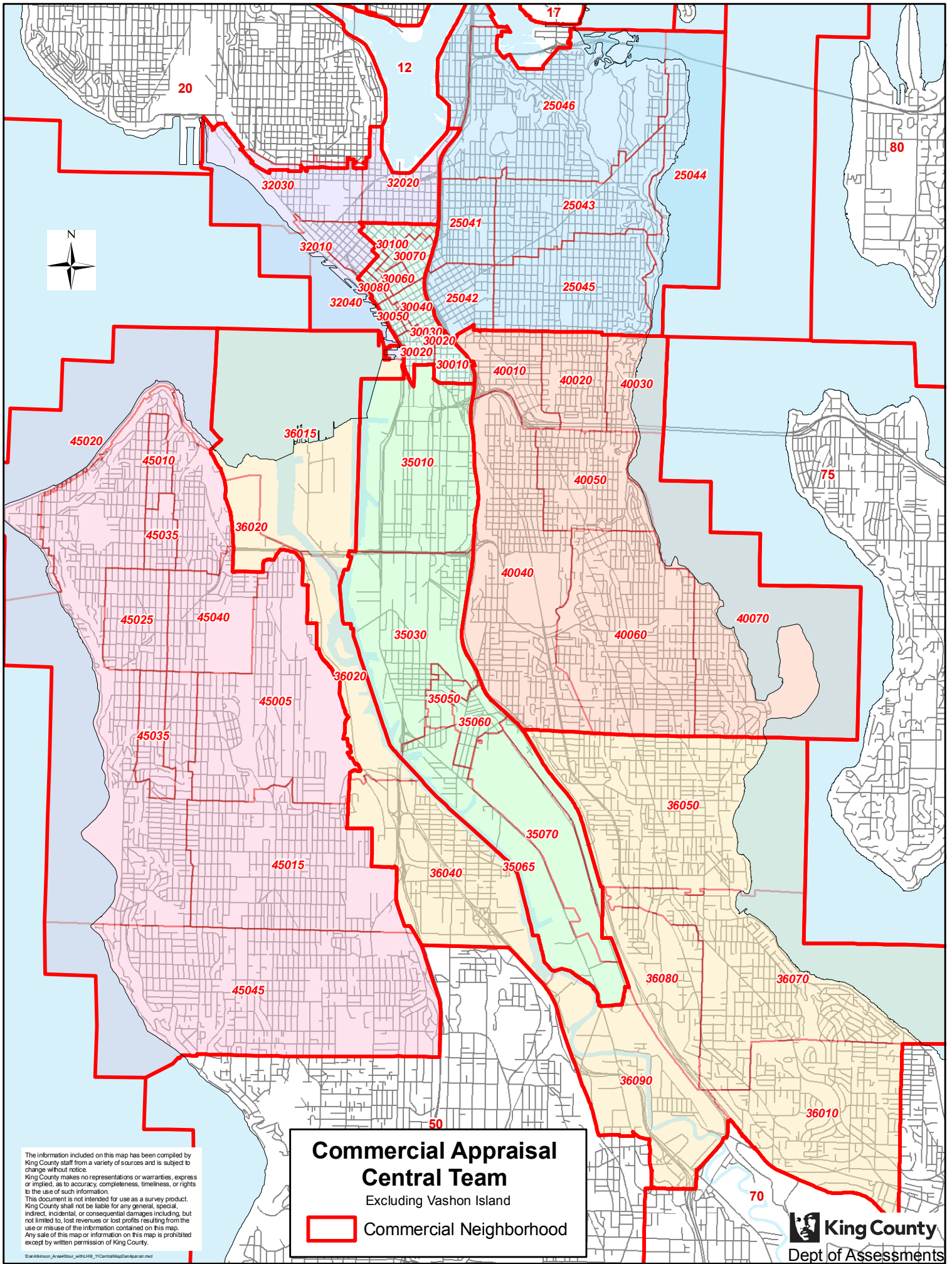
We have worked hard to implement your suggestions to place more information in an e-Environment to meet your needs for timely and accurate information. The following report summarizes the results of the 2014 assessment for this area. (See map within report). It is meant to provide you with helpful background information about the process used and basis for property assessments in your area.

Fair and uniform assessments set the foundation for effective government and I am pleased that we are able to make continuous and ongoing improvements to serve you.

Please feel welcome to call my staff if you have questions about the property assessment process and how it relates to your property.

Sincerely,

Lloyd Hara
Assessor



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Commercial Appraisal Central Team

Excluding Vashon Island



Commercial Neighborhood

Executive Summary Report

Appraisal Date 1/1/2014 - 2014 Assessment Roll

Quadrant Name: Central King County Commercial Area 40

Sales - Improved Summary:

Number of Sales: 28

Range of Sale Dates: 01/04/2012 - 11/25/2013

Sales – Ratio Study Summary:

	IMPROVED VALUE	SALE PRICE	RATIO	COD
2013 Average Value	\$558,900	\$607,100	92.10%	8.94%
2014 Average Value	\$592,000	\$607,100	97.50%	5.53%
CHANGE	\$33,100		+5.40%	-3.41%
% CHANGE	5.92%		+5.86%	-38.14%

COD is a measure of uniformity, the lower the number the better the uniformity. The negative figures reflecting the change in COD from the 2013 to the 2014 revalue represent an improvement in uniformity.

Sales used in Analysis: All improved sales which were verified as good that did not have characteristic changes between the date of sale and the date of appraisal were included in the analysis. The overall weighted mean ratio improved from 92.10% to 97.50%. The COD improved from 8.94% to 5.53%.

Population – Parcel Summary Data:

	LAND	IMPS	TOTAL
2013 VALUE	\$822,351,400	\$312,842,300	\$1,135,193,700
2014 VALUE	\$831,948,400	\$319,929,600	\$1,151,878,000
PERCENT CHANGE	1.17%	2.27%	1.47%

Number of Parcels in the Population: 1,269, excluding specialty and exempt parcels.

Conclusion and Recommendation:

The value conclusions in this report represent an improvement to Assessment levels as indicated by the 2014 Sales Ratio Study. Uniformity and equality are both improved over the previous year and in consideration of current market conditions we recommend posting these values for the 2014 assessment year.

Analysis Process

Effective Date of Appraisal: January 1, 2014

Date of Appraisal Report: March 26, 2014

Highest and Best Use Analysis

As if vacant: Market analysis of this area, together with current zoning and current anticipated use patterns, indicate the highest and best use of the majority of the appraised parcels as commercial or industrial use. Any opinion not consistent with this is specifically noted in our records and considered in the valuation of the specific parcel.

As if improved: Based on neighborhood trends, both demographic and current development patterns, the existing improvements represent the highest and best use of most sites. The existing use will continue until land value, in its highest and best use, exceeds the sum of value of the entire property in its existing use and the cost to remove the improvements. We find that the current improvements do add value to the property, in most cases, and are therefore the highest and best use of the property as improved. In those properties where the property is not at its highest and best use, a nominal value of \$1,000.00 is typically assigned to the improvements.

Interim Use: In many instances, a property's highest and best use may change in the foreseeable future. A tract of land at the edge of a city might not be ready for immediate development, but current growth trends may suggest that the land should be developed in a few years. Similarly, there may not be enough demand for office space to justify the construction of a multistory office building at the present time, but increased demand may be expected within five years. In such situations, the immediate development of the site or conversion of the improved property to its future highest and best use is usually not financially feasible.

The use to which the property is put until it is ready for its future highest and best use is called an interim use. Thus, the interim use becomes the highest and best use, in anticipation of change over a relatively short time in the future.

Standards and Measurement of Data Accuracy: Each sale was verified with the buyer, seller, real estate agent or tenant when possible. Current data was verified and corrected when necessary via field inspection.

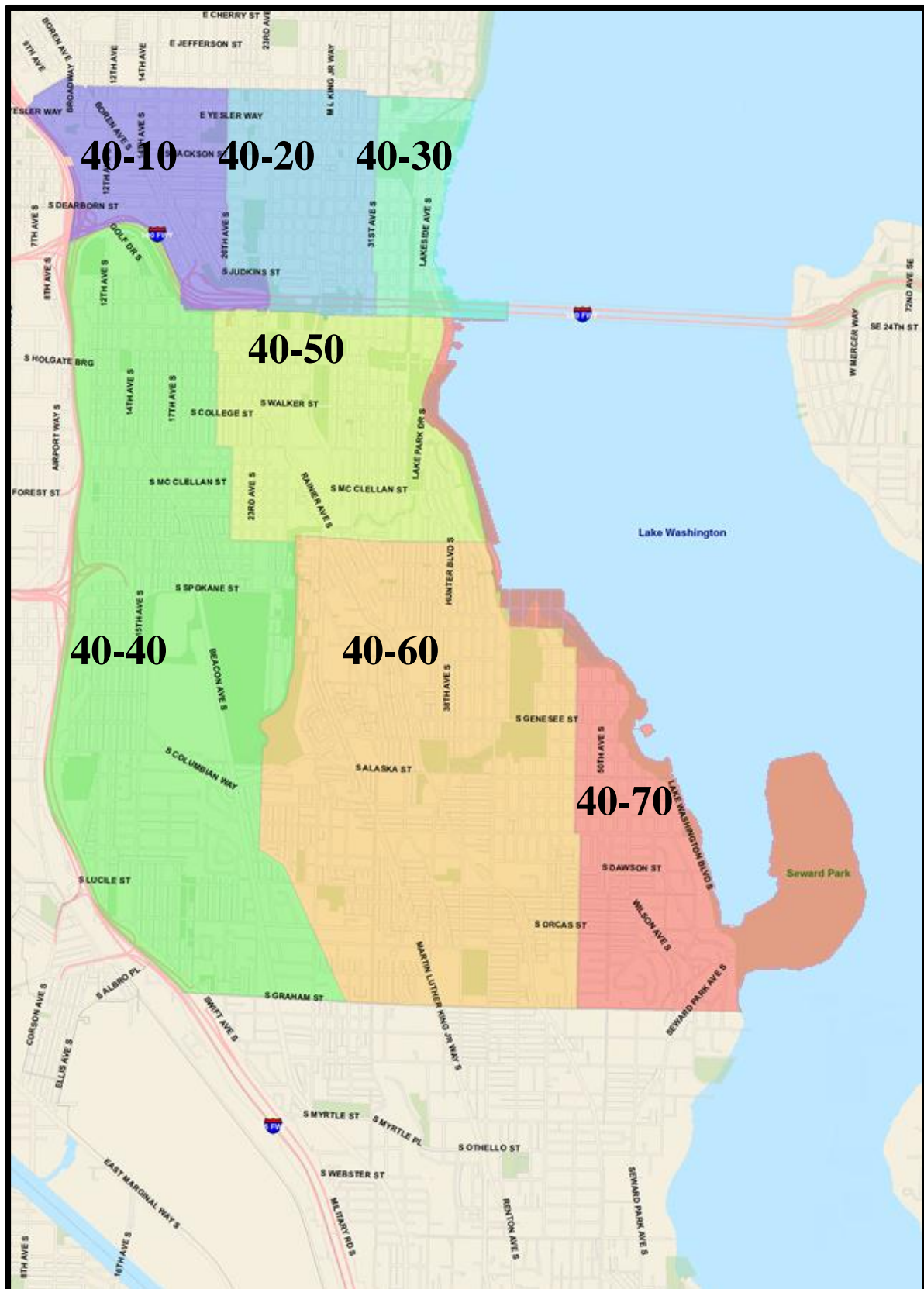
Special Assumptions and Limiting Conditions

All three approaches to value were considered in this appraisal.

The following Departmental guidelines were considered and adhered to:

- Sales from 1/1/2011 thru 12/31/2013 were considered in all analyses.
- This report is intended to meet the requirements of the Uniform Standards of Professional Appraisal Practice, Standard 6 (USPAP compliant).

Area 40 Neighborhoods



Identification of the Area

Name or Designation: Area 40:

Eastern International District (ID)(40-10), Central District (40-20), Leschi (40-30), North Beacon Hill (40-40), North Rainier Valley (40-50), Columbia City (40-60), Seward Park (40-70).

Boundaries:

Northern: East Spruce Street

Eastern: Lake Washington

Western: Interstate 5

Southern: South Graham Street

Parcel Count:

1,269 parcels

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 County Administration Building.

Area Overview:

Area 40 is centrally located between Interstate 5 to the west and Lake Washington to the east. The subject area is divided into seven neighborhoods; Eastern International District (ID), Central District, Leschi, North Beacon Hill, North Rainier Valley, Columbia City and Seward Park. The Rainier Valley geo area is predominantly a high-density residential area with interspersed business cores. The seven neighborhoods are similar in terms of mixed-use composition. However, each neighborhood is defined by its unique characteristics.

The Sound Transit Link Light Rail continues to shape economic development in area 40. Light rail currently provides transportation to commuters and visitors from Seatac International Airport to Downtown Seattle and neighborhoods along the route. There are three light rail stations located in area 40; Beacon Hill, Mt Baker and Columbia City. The area around the light rail stations have been re-zoned in order to encourage higher density "transit oriented development" (TOD) and promote neighborhood walkability.

The link light rail University Link is expected to begin service in 2016 with the Northgate Link Extension service beginning in 2021¹. The University Link will extend the current link with service to Capitol Hill and the University of Washington. By 2030, the University Link is

¹ <http://www.soundtransit.org/Projects-and-Plans> - 12/30/2013

expected to add 71,000 riders bringing the system wide total to 114,000. Transit oriented development is likely to spring up around the new light rail stations.

Neighborhood 40-10: East International District – S. First Hill – Central District



Development site for planned five-story, 154 unit mixed-use residential building.

Boundaries:

Neighborhood 40-10 boundaries are E. Spruce St. to the North, 23rd Avenue South to the east, Interstate 90 to the South and Interstate 5 to the West.

Neighborhood Description:

The area is a collection of a several unique and different neighborhoods including the International District's eastern portion, the southernmost section of First Hill, Yesler Terrace and the Jackson Street Corridor. The area serves as the gateways to both the Rainier Valley and North Beacon Hill to the south.

The Eastern International District is one of the most historic and unique neighborhoods in the city of Seattle. Located east of Interstate-5 and west of Rainier Avenue S and centered along 12th Avenue S and S Jackson St., the neighborhood is comprised mostly of smaller international grocery stores and shops, retail services and restaurants.

As part of the Livable South Downtown Project², the city of Seattle Department of Planning and Design proposed new zoning for several neighborhoods, including the Eastern International District. The proposal to replace commercial (C1), neighborhood commercial (NC3) and industrial commercial (IC) zoning with downtown mixed residential/commercial (DMR/C) zoning was approved in 2011 and will continue to be implemented over the next several years. The DMR/C zoning, as modified for this neighborhood, is intended to allow midrise buildings for either commercial or residential use, with ground floor retail.

The Seattle Housing Authority (SHA) is currently engaged in a comprehensive effort to replace the aging public housing buildings of Yesler Terrace with a new mixed-income community. The new Yesler Terrace will provide more housing, commercial, retail space and open spaces. The redevelopment will be a partnership between local government, non-profit partners and private business. Yesler Terrace will feature a mix of planned housing options including 661 units available to people with incomes below 30% Average Median Income (AMI), 290 units available to people with incomes from 30% - 60% AMI, 850 workforce housing units serving people with incomes below 80% AMI and approximately 1,200 – 3,200 market-rate housing units. SHA has received a Choice Neighborhood grant from the US Department of Housing and Urban Development in the amount of \$10.27 million. This will allow for 218 new units to be built beginning in 2013.

The first phase of the Yesler Terrace redevelopment is currently underway. The SHA is overseeing construction of a 94 unit apartment building and three 3-unit townhouse buildings. Residents displaced by the demolition of the first five original buildings will have priority placement upon completion. Also under construction is a 5-story, 120 unit residential building with 4,500 square feet of ground floor retail space. This will be the first privately funded project in the Yesler Terrace redevelopment.

The First Hill Streetcar Line is the next stop for the Seattle Streetcar. Construction for the First Hill Streetcar began in 2012 and is expected to begin operations in 2014. The First Hill Streetcar Line will be an important link in the regional transit system. It will connect the diverse and vibrant residential neighborhoods and business districts of Capitol Hill, First Hill, Yesler Terrace, Central Area, International District and Pioneer Square. The Streetcar will also provide service to major medical centers including Harborview, Swedish, and Virginia Mason. It will provide transportation to Seattle Central Community College and Seattle University as well as major sporting event venues Century Link Field and Safeco Field. In addition, several construction projects are underway or plan to break ground while streetcar construction is taking place.

The Jackson Street Corridor continues to attract new development. Permits have been approved for construction of a 5-story, 154 unit residential building with 4,600 square feet of ground floor retail at 18th Avenue South and South Jackson Street. The project developer is encouraged by the success of recent projects in the Jackson Street Corridor as well as favorable land prices.

² "Livable South Downtown Planning Study Executive Recommendations" December 2009 - http://wayback.archive-it.org/3241/20130513165306/http://seattle.gov/dpd/cms/groups/pan/@pan/@plan/@proj/documents/web_informational/dpdp018365.pdf

Neighborhood 40-20 – Central District



Welch Plaza mixed-use condominium located on 23rd Avenue South.

Boundaries:

Neighborhood 20 boundaries are E. Spruce Street to the north, 31st Avenue South to the East, Interstate 90 to the south, and 24th Avenue South to the west.

Neighborhood Description:

This heavily urbanized area is made up of independently owned retail stores, small offices, churches, daycares, small private schools, multi-family apartments, townhomes and condominiums.

The Central District is steadily recovering as property owners and outside investment forces capitalize on comparably lower land prices and acquisition potential. Investor interest and proximity to Downtown Seattle and the business, retail, and industrial cores suggest the Jackson Street corridor and surrounding areas will continue to evolve as availability of capital improves. Recent market activity suggests that owners are evaluating options.

In 2013, the city of Seattle Department of Planning and Development met with community stakeholders to begin designing the 23rd Avenue Union-Cherry-Jackson Action Plan. The goal of the project, as it applies to 23rd Avenue South and Jackson Street, is to create a vibrant mixed-use commercial district that provides opportunities for small and large businesses as well as new

startup businesses. The action plan proposes improvements to the grid street network and zoning which encourages pedestrian friendly and inviting storefronts and street frontage. The plan, when finalized, will ensure that 23rd and Jackson remains the Central Area's commercial focal point.

Neighborhood 40-30 - Leschi



Leschi Lake Center, neighborhood commercial, located on Lakeside Avenue.

Boundaries:

The boundaries for the Leschi neighborhood are East Spruce Street to the North, Lake Washington to the East, Interstate 90 to the South and 31st Avenue South to the West.

Neighborhood Description:

Leschi is an established neighborhood consisting of mixed-use properties including apartments and residential condominiums, restaurants, retail and low to midrise office buildings. The area is attractive to buyers seeking small, owner-occupied properties in a close-in, urban neighborhood or along the Lake Washington waterfront.

Neighborhood 40-40: Beacon Hill



Neighborhood commercial located on Beacon Avenue South.

Boundaries:

The Beacon Hill neighborhood boundaries are Interstate 90 to the North, Valentine Place South & 20th Avenue South to the East, South Graham Street to the South and Interstate 5 to the West.

Neighborhood Description:

Beacon Avenue South is the main arterial, dividing the western and eastern portions of the neighborhood. Commercial properties of Beacon Hill consist primarily of independently owned retail, small offices, restaurants, multi-family and apartments.

The Beacon Hill light rail station provides convenient access north to Downtown Seattle and south down the length of Rainier Valley to SeaTac International Airport. The area immediately around the light rail station has been rezoned from NC2P-40 to NC2P-65 in order to promote mixed use development and increase walkability in the Beacon Hill core-retail area. The new zoning changes were adopted in 2012 and are intended to allow midrise buildings for either commercial or residential use, with ground floor retail.

El Centro de la Raza has filed plans for a new low to mid-income mixed use development adjacent to the Beacon Hill light rail station. The proposal is for a pair of six-story mixed-use apartment buildings. The project will include 113 residential units above 55,000 square feet of commercial space. Located across the street from the Beacon Hill Light Rail Station, this new development will allow El Centro to expand existing services, create space for new services, add

community meeting spaces, create options for affordable housing units, and opportunities to generate earned revenue through retail spaces and other business ventures.

Additionally, construction of a new mixed-use development at the southeast corner of the station block began in the fall of 2013. The project is a six-story structure containing 46 residential units and 2,046 SF of retail space. Below grade parking for 17 vehicles will be provided. This project is privately financed.

Several new restaurants and retail businesses have opened and are thriving since the opening of the light rail station. New commercial activity in the neighborhood has contributed to increased walkability, bringing more visitors to Beacon Hill. As the economy improves, it is anticipated the Beacon Hill neighborhood will continue to evolve.

Neighborhood 40-50: North Rainier Valley



Mt Baker Lofts, an Art space transit oriented development near the Mt Baker light rail station.

Boundaries:

Neighborhood 50 boundaries are Interstate 90 to the North, Lake Washington to the East, South Hanford Street & South Winthrop Street to the South, Valentine Place South and 20th Avenue South to the West.

Neighborhood Description:

The Major business arterials in this area are Rainier Avenue South and Martin Luther King Junior Way South. The commercial buildings located along Rainier Avenue South and Martin Luther King Junior Way South are primarily retail, small offices, restaurants, franchise fast food, light industrial, multi-family and apartments. Many parcels in area 40-50 are not developed to highest and best use or are vacant. This indicates opportunity for development.

The new Mt. Baker light rail station and the light rail tracks dominate the landscape and have influenced a shift in Highest and Best Use. The city of Seattle Department of Planning and Development is recommending changes in zoning with the intent of providing for a pedestrian-oriented town center. In combination with changes to development standards, these changes would encourage concentration of activity in the neighborhood core and set higher standards for the design of new buildings by requiring active ground-level uses with a high degree of transparency in the ground-level facades. The final recommendations of the updated North Rainier Hub Urban Village are expected to be approved by the Seattle City Council.

As the economy continues to recover, new investment in the North Rainier Valley is expected to meet the demands of the growing housing sectors expanding from the north, south and west.

Neighborhood 40-60: Columbia City



The Ark Lodge Theater, in the historic Columbia City Neighborhood.

Boundaries:

Neighborhood 60 boundaries are South Winthrop Street, South Hanford Street and South Charleston Street to the North, 43rd Avenue South, 47th Avenue South, and 48th Avenue South to the East, South Graham Street to the South, Cheasty Boulevard, and Beacon Avenue South to the West.

Neighborhood Description:

Commercial activities are located primarily along Rainier Avenue South, South Genesee Street, Martin Luther King Junior Way South, and South Graham Street and within Columbia City. Columbia City was designated a Landmark District in 1978 by the City of Seattle and contains a significant number of buildings that embody the distinctive characteristics of turn of the century architecture. The majority of businesses are located on Rainier Avenue South and are primarily retail, retail services and restaurants. This area is progressively revitalizing after a long period of decline. Multi-family and townhouse style projects are now common due to the draw of Columbia City historic district and the Columbia/Edmunds Street light rail station.

Construction has begun on The Angeline, a new mixed use development situated on the Columbia Plaza property. The Angeline Apartments will be a six-story complex with 193 living units. The retail anchor tenant will be PCC Natural Market and will occupy 25,000 SF of retail space. An additional 4,500 SF will be available for lease. The Angeline is expected to be completed by 2015.



The Angeline development site.

As both commercial and residential markets recover, evidence is strong that development projects will continue to reshape the neighborhood.

Neighborhood 40-70 Seward Park



Neighborhood commercial in Seward Park.

Boundaries:

Neighborhood 70 boundaries are Lake Washington to the North and East, Graham Street to the South, 43rd Avenue South, 47th Avenue and 48th Avenue South to the West.

Neighborhood Description:

Seward Park is an established neighborhood and is made up of older mixed-use properties, apartments, residential condominiums and mid to low-rise office buildings. The area also is in demand for small, owner-occupied properties by those who want to be in a close-in, urban neighborhood.

Physical Inspection Identification:

Neighborhood 40-10 was physically inspected for this 2014 revalue assessment year as required by WAC 458-07-015 4 (a). An exterior observation of the properties was made to verify the accuracy and completeness of property characteristics data that affect value.

Preliminary Ratio Analysis

A Ratio Study was completed just prior to the application of the 2014 recommended values. This study benchmarks the current assessment level using 2013 posted values. The study was also repeated after application of the 2014 recommended values. The results are included in the validation section of this report, showing improvement in the Coefficient of Dispersion (COD) from 8.94% to 5.53%. The weighted mean ratio, which is a statistical measure of assessment level, went from 92.10% to 97.50%. The Price-related Differential (PRD) changed from 1.03 to 1.00. A discussion of the ratio measurements is included in the Model Validation section at the end of this report.

Scope of Data

Land Value Data:

Vacant land sales that closed between 1/01/2011 to 12/31/2013 were given primary consideration for valuing the land parcels in Area 40.

The primary unit of comparison considered was based on price per square foot of land area. “Shell” sales, interim use sales, tear down sales, and land transactions that included plans and permits were considered in the analysis of the land values. The comparative sales approach generally is considered the most reliable method for land valuation. Zoning, location, and site size were primary variables considered in the valuation process. Changes were made based on recent land sales and to achieve equalization in neighborhoods in accordance with zoning, size and location. In the absence of sales in a neighborhood, sales in other similar neighborhoods were considered. Appraiser judgment prevails in all decisions regarding individual parcel valuation. The appraiser determines which available value estimate may be appropriate and may adjust for particular characteristics and conditions as they occur in the valuation area.

Improved Parcel Total Value Data:

Improved sales that closed from 1/01/2011 to 12/31/2013 were given primary consideration for establishing total value estimates. 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 contacting either the purchaser or seller, inquiring in the field or contacting the real estate broker. Characteristic data is verified for all sales when possible. Due to time constraints, interior inspections were limited. Sales are listed in the “Sales Used” and “Sales Not

Used” sections of this report. Additional information may reside in the Assessor's Real Property Database, Assessor's procedures, Assessor's "field" maps, Revalue Plan, separate studies, and statutes.

Land Value

Land Sales, Analysis, Conclusions

There were 24 vacant commercial land sales considered in Area 40 with recording dates from 4/19/2012 to 11/26/2013. Most of the sales parcels were improved at the time of sale and are considered to be an interim use. These sales were given primary consideration for land value as of 1/01/2014. Most weight was given to neighborhood, location, zoning, size and utility. As necessary, vacant commercial land sales in Area 25 to the north, as well as residential sales on commercially zoned land within Area 40, were considered. When recent sales were unavailable, sales from other, proximal, neighborhoods were also considered. Only sales verified as “arms-length” were used in the market analysis.

Zoning Definitions (per the City of Seattle Zoning Code):

Typical zoning designations found in Area 40:

Commercial

NC1 – Neighborhood Commercial 1 – A small shopping area that provides primarily convenience retail sales and services to the surrounding residential neighborhood.

NC2 – Neighborhood Commercial 2 – A moderately-sized pedestrian-oriented shopping area that provides a full range of retail sales and services to the surrounding neighborhood.

NC3 – Neighborhood Commercial 3 – A larger pedestrian-oriented shopping district serving the surrounding neighborhood and a larger community, citywide or regional clientele; allowing comparison shopping among a range of retail businesses.

Pedestrian-Designated Zones – P designations are applied to NC zones along pedestrian-oriented commercial streets. The P designation preserves and encourages an intensely pedestrian-oriented, retail shopping district where non-auto modes of transportation, both to and within the district, are strongly favored.

C1 – Commercial 1 – An auto-oriented, primarily retail/service commercial area that serves surrounding neighborhoods as well as a citywide or regional clientele.

C2 – Commercial 2 – An auto-oriented, primarily non-retail commercial area, characterized by larger lots, parking, and a wide range of commercial uses serving community, citywide or regional markets.

Multifamily

LR-1 – Low-rise 1- 6 units/9,600 sf lot

LR-2 – Low-rise 2- 8 units/9,600 sf lot

LR-3 – Low-rise 3- 12 units/9,600 sf lot

Residential Commercial – RC designations, when applied to LR zoning, would permit various commercial uses including retail sales, medical services, food service and office uses.

MR – Midrise – Midrise apartment building

Industrial

IC – Industrial Commercial – Typical Land Uses: Light and general manufacturing, commercial uses, transportation facilities, entertainment other than adult, institutions generally in existing buildings, utilities and salvage and recycling uses.

Residential

SF (5000 and 7200) Single Family – Areas typified by detached single family structures on lots compatible with the character of single family neighborhoods. The three single family zones vary by minimum lot size required for each detached structure.

The following tables summarize the land valuation model applied to the properties in area 40. All dollar amounts are stated as a price per square foot of land area.

International District – South First Hill – Central District: Neighborhood 40-10

A review of recent commercial land sales indicate minor changes in land value for commercially zoned parcels are warranted in neighborhood 40-10. The table below represents the 2014 estimated land value per square foot for each zone in the area.

Area-Neighborhood	Zoning	2013 Typical A/V \$/SF Value
Commercial		
40-10	C1-65	\$85
40-10	C2-65	\$85
40-10	DMC 85/65-150	\$95
40-10	DMR/C 65/65-85	\$95
40-10	DMR/C 65/65-150	\$95
40-10	IC-65	\$60 - \$70
40-10	NC1-40	\$85
40-10	NC2-40	\$85
40-10	NC3-40	\$70 - \$85
40-10	NC2-65	\$85
40-10	NC3-65	\$70 - \$100
40-10	NC3P-65	\$100
Multi-Family		
40-10	LR1	\$50
40-10	LR2	\$60
40-10	LR2/RC	\$75
40-10	LR3	\$70
40-10	LR3/RC	\$80
40-10	MR	\$100
Single-Family		
40-10	SF-5000	\$40

Central District: Neighborhood 40-20

A review of recent land sales indicate minor changes in land value for commercially zoned and multi-family parcels are warranted in neighborhood 40-20. The table below represents the 2014 estimated land unit value per square foot for each zone in the Area.

Area-Neighborhood	Zoning	2013 Typical A/V \$/SF Value
Commercial		
40-20	C1-40	\$85
40-20	C1-65	\$85
40-20	NC1-30	\$85
40-20	NC1-40	\$85
40-20	NC2-40	\$85
40-20	NC3-65	\$85
Multi-Family		
40-20	LR1	\$50
40-20	LR2	\$50 - \$60
40-20	LR2 RC	\$60
40-20	LR3	\$70
Single-Family		
40-20	SF-5000	\$40 - \$50

Leschi: Neighborhood 40-30

A review of recent land sales support no increase or decrease in land value for commercially zoned and multi-family parcels are warranted in neighborhood 40-30. The table below represents the 2014 estimated land unit value per square foot for each zone in the area.

Area-Neighborhood	Zoning	2013 Typical A/V \$/SF Value
Commercial		
40-30	NC1-30	\$65
40-30	NC1-40	\$75 - \$120
Multi-Family		
40-30	LR1	\$110 (VIEWS)
40-30	LR2	\$80
40-30	LR3	\$80 - \$150 (VIEWS)
40-30	LR3 RC	\$150
Single-Family		
40-30	SF-5000	\$35 - \$50 (VIEWS)

Beacon Hill: Neighborhood 40-40

A review of recent land sales support changes in the land value of parcels for most zoning designations in neighborhood 40-40. In particular, the zoning on parcels within the Beacon Hill Station overlay district was changed to allow greater height limits for new development. Changes in assessed land value were concentrated mainly within the Beacon Hill Station overlay district. The table below represents the 2014 estimated land unit value per square foot for each zone in the area.

Area-Neighborhood	Zoning	2013 Typical A/V \$/SF Value
Commercial		
40-40	NC1-30	\$45
40-40	NC1-40	\$45 - \$50
40-40	NC2-40	\$55 - \$60
40-40	NC2-65	\$65
40-40	NC2P-40	\$60
40-40	NC2P-65	\$65
Multi-Family		
40-40	LR1	\$50
40-40	LR2	\$30 - \$50
40-40	LR3	\$45 - \$65
Single-Family		
40-40	SF 5000	\$30 - \$40

North Rainier Valley – Mount Baker: Neighborhood 40-50

A review of recent land sales support no increase or decrease in the land value of parcels for most zoning designations in neighborhood 40-50. The table below represents the 2014 estimated land unit value per square foot for each zone in the area.

Area-Neighborhood	Zoning	2013 Typical A/V \$/SF Value
Commercial		
40-50	C1-40	\$70
40-50	C1-65	\$70
40-50	C2-65	\$60 - \$70
40-50	NC1-30	\$45
40-50	NC1-40	\$60
40-50	NC3-65	\$70
40-50	NC3P-65	\$70
Multi-Family		
40-50	LR1	\$40 - \$50
40-50	LR2	\$50 - \$60
40-50	LR2 RC	\$50
40-50	LR3	\$55 - \$60
40-50	LR3 RC	\$60
Single-Family		
40-50	SF-5000/7200	\$30 - \$40

Rainier Valley – Columbia City: Neighborhood 40-60

A review of recent land sales indicate minor changes in land value for commercially zoned and multi-family parcels are warranted in neighborhood 40-60. Changes in land value were concentrated mainly within the Columbia City commercial district. The table below represents the 2014 estimated land unit value per square foot for each zone in the area.

Area-Neighborhood	Zoning	2013 Typical A/V \$/SF Value
Commercial		
40-60	C1-40	\$45 - \$50
40-60	C1-65	\$45 - \$55
40-60	C2-40	\$50
40-60	C2-65	\$45 - \$65
40-60	NC1P-40	\$50 - \$55
40-60	NC2-30	\$45
40-60	NC2-40	\$45 - \$65
40-60	NC2-65	\$65
40-60	NC3-40	\$60
40-60	NC3-65	\$70
40-60	NC3P-40	\$70
40-60	NC3P-65	\$80
Multi-Family		
40-60	LR1	\$45
40-60	LR2	\$40 - \$45
40-60	LR2 RC	\$40 - \$60
40-60	LR3	\$40 - \$50
40-60	LR3 RC	\$50 - \$60
40-60	MR	\$45
Single-Family		
40-60	SF-5000	\$20 - \$45

Seward Park: Neighborhood 40-70

A review of recent land sales indicate minor changes in land value for commercially zoned and multi-family parcels are warranted in neighborhood 40-70. The table below represents the 2014 estimated land unit value per square foot for each zone in the area.

Area-Neighborhood	Zoning	2013 Typical A/V \$/SF Value
Commercial		
40-70	NC1-30	\$40
Single-Family		
40-70	SF- 5000/7200/9600	\$20 - \$30

Land Value Comparisons and Recommended Conclusion:

The total assessed land value in Area 40 for the 2013 assessment year was \$822,351,400 and the 2014 total recommended assessed land value is \$831,948,400. Application of these recommended values for the 2014 assessment year (taxes payable in 2015) results in an overall land value increase of 1.17%. This increase is mainly due to adjustments based on market sales. Parcel count, zoning changes and legal changes may affect the total assessed value, which in this case, indicates a slight increase in total value. This increase in land values is intended to improve uniformity and assessment levels for land in the Rainier Valley/Seattle real estate markets.

Vacant sales are listed in the “Sales Used” and “Sales Not Used” reports included in subsequent sections.

Improved Parcel Total Sales

Sales comparison approach model description

The model for sales comparison was based on characteristics from the Assessor's records including location, effective age, building quality and net rentable area. Sales with characteristics most similar to the subject properties were considered.

The improved sales used range in sale dates from 01/04/2012 to 11/25/2013. There were 28 improved sales in Area 40 that were considered fair market transactions and used in the overall analysis. All 28 sales were included in the ratio study.

Stratification of these sales shows the following market ranges:

1)	Retail:	\$134 to \$170 per sq. ft.
2)	Warehouse/Light Industrial	\$168 to \$184 per sq. ft.
3)	Office Buildings	\$140 to \$266 per sq. ft.
4)	Commercial condo units, Live/Work and/or Mixed Use	\$156 to \$285 per sq. ft.

Commercial condominium units and live/work townhouse units were typically valued by the sales comparison approach when sufficient comparable sales were available. Other non-specialty commercial properties were typically valued using the income approach as fewer comparable sales of each property type were available. The improved sales used were referenced when developing the economic income parameters and capitalization rates for the income models used within each neighborhood and property type.

Sales Comparison Calibration

Neighborhoods were treated independent of one another as dictated by the market. Individual values were applied based on various characteristics deemed appropriate within each market on a dollar value per square foot of improved net rentable area. Specific variables and price ranges for neighborhoods were discussed in general detail above. Given the relatively low sales count during this most recent economic period, applicability of Sales Comparison was considered limited for broad valuation purposes.

Cost approach model description

Cost estimates are automatically calculated via the Marshall & Swift Valuation modeling system. Depreciation was based on studies done by Marshall & Swift Valuation Service. The cost was adjusted to the western region and the Seattle area. Cost estimates were relied upon for valuing special use properties where comparable sales data and/or income/expense information is not available. These properties are typically exempt properties such as churches, schools, public utility buildings, and park improvements. Non-exempt buildings that are valued by the Cost method might be fraternal halls, auditoriums, car washes, and on-going new construction.

Cost calibration

The Marshall & Swift cost modeling system built within the Real Property Application is calibrated to the region as well as the Seattle area.

Income capitalization approach model description

Three basic models were developed for income capitalization; those being retail, office and warehouse. Income tables were developed and then applied to the population. The tables were derived from market surveys and studies and subsequently applied to property data. A majority of properties in this area were valued utilizing an income approach (Direct Capitalization method).

The valuation model includes the following steps:

1. It multiplies the property's net rentable area by the market rent to derive potential gross income (PGI).
2. Then, subtracts allowances for vacancy and operating expenses to derive net operating income (NOI).
3. And then, capitalizes NOI (divides it by the overall rate) to produce the value estimate.

Income: Income parameters were derived from the market place through listed fair market sales, advertised lease rates as well as through published sources (i.e. Officespace.com, Commercial Brokers Association, Costar, Multiple Corporate Real Estate Websites), opinions expressed by real estate professionals active in the market, and direct inquiry with property owners and tenants.

Vacancy: Vacancy rates used were derived mainly from published sources tempered by appraiser observation.

Expenses: Expense ratios were estimated based on industry standards, published sources, and appraiser knowledge of area rental practices. The Assessor applied triple net expenses to the income valuation models.

Capitalization Rates: Capitalization rates were determined by local published market surveys, such as CoStar, Real Estate Analytics, The American Council of Insurance Adjustors, Colliers International, Integra Realty Resources, and Korpaz. Other national reports include; Grubb & Ellis Capital Mkt. Update, Emerging Trends in Real Estate, Urban Land Institute, and Cushman & Wakefield – 16th Annual Real Estate Trends. The effective age and condition of each building also contributes to the capitalization rate applied in the model. For example; a building with a lower effective age of lesser condition will typically warrant a higher capitalization rate and a building in better condition with a higher effective age will warrant a lower capitalization rate.

Cap rate summary of various published sources:

[illegible]

NATIONAL CAP RATES						
Source	Date	Location	Office	Industrial	Retail	Remarks
ACLI	Yr. End 2013	National	6.26% 7.28% 7.09% - 7.23% 6.10%	7.10% 7.94% 7.61% - 7.99% 6.73%	6.65% 7.28% 7.09% - 7.23% 6.20%	Overall Sq.Ft. - <50k Sq.Ft. - 50k-200k Sq.Ft. - 200K+
PWC / Korpaz	4Q 2013	National	6.45% 6.98% 7.71% - - - -	- - - 7.83% 6.22% - -	- - - - - 6.56% 6.67% 6.98%	CBD Office - (4.00% - 9.00%) Sub. Office - (5.00% - 9.50%) Medical Office - (5.50% - 11.00%) Flex/R&D - (6.25% - 10.00%) Warehouse - (5.00 - 7.75%) A+ = 5.46%; A = 5.92%; B+ = 6.71% Power Center - (5.50% - 8.00%) Neigh. Strip Ctrs. - (5.00% - 10.00%)
IRR: Viewpoint for 2014	Yr. End 2013	Seattle	7.37% 8.01% 7.68% 8.23% - - - - - - -	- - - - 7.50% 8.09% 8.01% 8.53% - - -	- - - - - - - - 7.01% N/A 7.26% 7.72% 7.41% 7.93%	CBD Office – Class A CBD Office – Class B Suburban Office – Class A Suburban Office – Class B Industrial – Class A Industrial – Class B Flex Industrial – Class A Flex Industrial – Class B Reg. Mall – Class A Reg. Mall – Class B Community Retail – Class A Community Retail – Class B Neighborhood Retail – Class A Neighborhood Retail – Class B
RERC-CCIM: Investment Trends Quarterly	4Q 2013	National	7.70% 8.00% - - -	- - 7.80% 7.90% -	- - - - 7.50%	Office CBD Office Suburban Industrial Warehouse Flex Retail
Colliers International Office/Industrial Highlights	Q4 2013	National	7.27% 7.81% - - -	- - 7.50% 6.10% 7.22%	- - - - -	CBD Office Suburban Office\ U.S. Total Seattle/Puget Sound West Region
IAAO Webinar Cap. Rate Report	Yr End 2013	National Transactions over \$2.5mil (Real Cap Analysis)	7.20% - - - - - - -	- - - - - - - -	- 7.40% 7.20% 7.40% 7.50% 7.20% 6.70% 6.40% 7.00%	Single Tenant Office Big Box Grocery/Supermarket Anchored Strip Malls Unanchored Strip Malls Power Center Drug Stores Malls Average – All Subcategories
Calkain: Net Lease Economic Report	Yr End 2013	National	- - - - -	- - - - -	6.70% 7.10% 6.60% 7.30% 7.45% 5.95%	Overall (Average) Drug Store Quick Service Rest. Restaurant Big Box Banks
The Boulder Group: Net Lease Market Report	4Q 2013	National West Region	7.70% - - - - - -	8.00% - - - - - -	7.02% 7.10% 6.25% 7.50% 7.05% 7.18% 7.58% 6.63%	Overall (Average) Big Box “Overall” Big Box “Investment Grade” Big Box “Non-Investment Grade” Jr. Big Box - (20,000/SF – 39,999/SF) Mid. Big Box - (40,000/SF – 79,999/SF) Mega Big Box - (80,000/SF +) Overall (Average)
Cassidy/Turley: Single Tenant Net Lease Overview	3Q 2013	National	- - - - -	7.60% - - - -	- 6.90% 6.90% 7.60% 7.90%	Industrial Drug Store Quick Service Rest. Jr. Big Box - (20,000/SF – 39,999/SF) Mid. Big Box - (40,000/SF – 79,999/SF)

Lease rate summary of various published sources:

SEATTLE / PACIFIC NW LEASE RATES						
Source	Date	Location	Annual Rate/SF	Vacancy	Annual Expenses/SF	Remarks
CBRE						
Retail	2 nd Half 2013	South/West Seattle	\$25.71/SF NNN	5.15%	-	All Retail - Asking
Office	4Q 2013	Seattle	\$26.00 - \$50.00 Gross \$24.00 - \$35.00 Gross \$19.00 - \$30.00 Gross \$26.88 Gross	15.70% 16.70% 9.50% 28.60%	\$10.00 - \$11.50 Gross \$7.00 - \$11.00 Gross \$6.75 - \$9.50 Gross	CBD - Class A - Asking CBD - Class B - Asking CBD - Class C - Asking South Seattle Office Rates - Asking
Industrial	4Q 2013	Seattle Close-In	\$5.40 - \$10.20 NNN	4.10%	\$1.92 - \$2.52	Ware/Manuf/Bus Pk - Asking
Colliers						
Office	4Q 2013	S. Seattle	\$37.43 Gross \$22.00 Gross \$19.66 Gross	41.14% 12.55% 13.09%	- - -	Class A - Asking Class B - Asking Class C - Asking
Industrial	4Q 2013	Seattle East Hill	\$8.16 NNN \$7.80 NNN \$12.96 NNN	3.16% 2.05% 1.12% 2.29%	- - - -	Manufacturing - Asking Warehouse - Asking Flex - Asking Total
Cushman & Wakefield						
Office	4Q 2013	Close-in S. Seattle	\$27.59 Gross	16.00%	-	All Classes - Asking
Jones Lang Lasalle						
Office	4Q 2013	S. Seattle	\$38.95 Gross \$25.66 Gross	34.30% 10.70%	- -	Class A - Asking Class B - Asking
Industrial	4Q 2013	Gtown/ Duwamish N	\$7.92 NNN \$6.36 NNN \$14.88 NNN	4.90% 0.40% 19.70%	- - -	Warehouse/Distribution - Asking Manufacturing - Asking Flex - Asking
Kidder Matthews						
Office	4Q 2013	Seattle CBD/ Surrounding Area	\$30.77 Gross	10.13%	-	Overall Office MKT - Asking
Industrial	4Q 2013	Seattle Close-In	\$4.80 - \$12.00 NNN	5.70%	-	Overall Industrial MKT - Asking

The preceding tables demonstrate a range of capitalization rates, asking lease rates and trends that are compiled with information collected on a national or broad regional scale. This information is reconciled with data specific to the local real estate market to develop the income model. The range of capitalization rates within the income model reflects the variety of properties in this area.

Income approach calibration

The tables were calibrated after setting economic rents, vacancy, expenses and capitalization rates by using adjustments based on size, effective age, and construction quality as recorded in the Assessor's records. Net rents were used when possible. Some capitalization rates were adjusted from previous levels in response to the current economic conditions and real estate market. The following tables summarize the income parameters used for valuation in area 40. Some properties require deviation from the published tables due to issues including but not limited to location, size, and condition and appraiser judgment.

Neighborhood 40-10:

Property Type	Rent/SF	Vacancy	Expenses	OAR
FAST FOOD RESTAURANT (349) RESTAURANT, TABLE SERVICE (350)	\$13.50 to \$20.25	10%	10%	7.25% to 9.00%
RETAIL STORE (353) CONVENIENCE MARKET (419) MIXED-USE RETAIL (830) DISCOUNT STORE (319) MARKET (340) DAY CARE CENTER (426) BARBER SHOP (384)	\$13.50 to \$20.25	10%	10%	7.25% to 9.00%
BASEMENT, FINISHED (701) BASEMENT, OFFICE (705) MEZZANINES-DISPLAY (760) MEZZANINES-OFFICE (761) LOFT (338) WAREHOUSE OFFICE (810) BASEMENT, SEMI-FINISHED (702)	\$5.00 to \$13.00	10%	15%	7.50% to 7.75%
OPEN OFFICE (820) OFFICE BUILDING (344) MIXED-USE OFFICE (840) BANK (304)	\$12.00 to \$21.50	10%	15%	6.75% to 8.50%
INDUSTRIAL LT MANUFACTURING (494) INDUSTRIAL HVY MANUFACTURING (495) COLD STORAGE FACILITIES (447) STORAGE WAREHOUSE (406) GARAGE, STORAGE (326) WAREHOUSE, DISTRIBUTION (407) WAREHOUSE, FOODSTORE (533) BASEMENT, UNFINISHED (703) MEZZANINES-STORAGE (763) GARAGE, SERVICE REPAIR (528)	\$5.00 to \$11.00	10%	10%	7.25% to 8.50%
MEDICAL OFFICE (341) VETERINARY HOSPITAL (381) DENTAL OFFICE/CLINIC (444)	\$16.00 to \$27.00	10%	30%	7.00% to 8.75%
APARTMENT (300) MULTIPLE RESIDENCE (LOWRISE) (352) BASEMENT RESIDENT LIVING (707) FRATERNAL BUILDING (323) HOME FOR THE ELDERLY (330) ROOMING HOUSE (551) RESIDENCE (348)	\$11.25 to \$15.50	5%	25%	5.25% to 7.25%

Neighborhood 40-20:

Property Type	Rent/SF	Vacancy	Expenses	OAR
DISCOUNT STORE (319) LAUNDROMAT (336) MARKET (340) RETAIL STORE (353) CONVENIENCE MARKET (419) DAY CARE CENTER (426) SUPERMARKET (446) MIXED-USE RETAIL (830)	\$13.50 to \$22.50	10%	10%	7.25% to 9.00%
FAST FOOD RESTAURANT (349) RESTAURANT, TABLE SERVICE (350)	\$13.50 to \$22.50	10%	10%	7.25% to 9.00%
LOFT (338) BASEMENT, FINISHED (701) BASEMENT, OFFICE (705) BALCONY (751) MEZZANINES-DISPLAY (760) MEZZANINES-OFFICE (761)	\$5.00 to \$12.00	7%	10%	7.75% to 8.00%
BANK (304) OFFICE BUILDING (344) OPEN OFFICE (820) MIXED-USE OFFICE (840)	\$13.00 to \$21.00	10%	15%	7.25% to 9.00%
GARAGE, STORAGE (326) STORAGE WAREHOUSE (406) WAREHOUSE, DISTRIBUTION (407) COLD STORAGE FACILITIES (447) INDUSTRIAL LT MANUFACTURING (494) INDUSTRIAL HVY MANUFACTURING (495) GARAGE, SERVICE REPAIR (528) WAREHOUSE, FOODSTORE (533) BASEMENT, SEMI-FINISHED (702) BASEMENT, UNFINISHED (703) MEZZANINES-STORAGE (763)	\$7.00 to \$10.00	10%	10%	7.50% to 8.00%
MEDICAL OFFICE (341) VETERINARY HOSPITAL (381) DENTAL OFFICE/CLINIC (444)	\$15.00 to \$27.00	10%	30%	7.25% to 9.00%
APARTMENT (300) DORMITORY (321) FRATERNAL BUILDING (323) RESIDENCE (348) MULTIPLE RESIDENCE (LOWRISE) (352) ROOMING HOUSE (551)	\$11.50 to \$18.00	5%	25%	5.50% to 7.50%

Neighborhood 40-30:

Property Type	Rent/SF	Vacancy	Expenses	OAR
MARKET (340) RESTAURANT, TABLE SERVICE (350) RETAIL STORE (353) MIXED-USE RETAIL (830)	\$13.00 to \$22.00	10%	15%	7.25% to 9.00%
BANK (304) OFFICE BUILDING (344) OPEN OFFICE (820) MIXED-USE OFFICE (840)	\$12.00 to \$22.00	10%	15%	7.25% to 9.00%
STORAGE WAREHOUSE (406)	\$10.00 to \$15.00	5%	15%	6.00% to 7.00%
APARTMENT (300) MULTIPLE RESIDENCE (LOWRISE) (352)	\$11.50 to \$18.00	5%	25%	5.75% to 7.00%

Neighborhood 40-40:

Property Type	Rent/SF	Vacancy	Expenses	OAR
MARKET (340) RETAIL STORE (353) BARBER SHOP (384) CONVENIENCE MARKET (419) DAY CARE CENTER (426) SNACK BAR (529) MINI MART CONVENIENCE STORE (531) MIXED-USE RETAIL (830)	\$12.00 to \$21.00	10%	15%	7.25 % to 8.50%
FAST FOOD RESTAURANT (349) RESTAURANT, TABLE SERVICE (350)	\$12.00 to \$21.00	10%	15%	7.25% to 8.50%
BANK (304) OFFICE BUILDING (344) OPEN OFFICE (820) MIXED-USE OFFICE (840)	\$12.00 to \$21.00	10%	15%	7.25% to 8.50%
BASEMENT, FINISHED (701) BASEMENT, OFFICE (705) MEZZANINES-OFFICE (761)	\$8.00 to \$12.00	10%	10%	7.50%
GARAGE, STORAGE (326) STORAGE WAREHOUSE (406) SHED, MATERIAL STORAGE (468) EQUIPMENT SHED (472) BASEMENT, SEMI-FINISHED (702) BASEMENT, UNFINISHED (703) MEZZANINES-STORAGE (763) BASEMENT, STORAGE (708)	\$6.50 to \$11.50	7%	10%	7.25% to 8.00%
MEDICAL OFFICE (341) VETERINARY HOSPITAL (381) DENTAL OFFICE/CLINIC (444)	\$16.00 to \$28.00	10%	30%	7.25% to 8.50%
GARAGE, SERVICE REPAIR (528)	\$5.00 to \$11.00	5%	10%	7.25% to 8.00%
APARTMENT (300) MULTIPLE RESIDENCE (LOWRISE) (352) BASEMENT RESIDENT LIVING (707) GROUP CARE HOME (424) ROOMING HOUSE (551) RESIDENCE (3480)	\$11.00 to \$17.50	10%	25%	6.00% to 7.00%

Neighborhood 40-50:

Property Type	Rent/SF	Vacancy	Expenses	OAR
DISCOUNT STORE (319) LAUNDROMAT (336) MARKET (340) RETAIL STORE (353) BARBER SHOP (384) CONVENIENCE MARKET (419) DAY CARE CENTER (426) SUPERMARKET (446) MINI-MART CONVENIENCE STORE (531) WAREHOUSE FOOD STORE (533) MIXED-USE RETAIL (830)	\$13.00 to \$21.00	10%	15%	7.00% to 8.75%
LUMBER STORAGE SHED, HORIZONTAL (339) STORAGE WAREHOUSE (406) WAREHOUSE, DISTRIBUTION (407) COLD STORAGE FACILITIES (447) SHED, MATERIAL STORAGE (468) EQUIPMENT (SHOP) BUILDING (470) LT COMMERCIAL UTILITY BLDG (471) EQUIPMENT SHED (472) INDUSTRIAL LIGHT MFG (494) WAREHOUSE OFFICE (810)	\$7.00 to \$13.00	10%	10%	7.50% to 8.00%
FAST FOOD (349) RESTAURANT, TABLE SERVICE (350) BAR/TAVERN (442)	\$13.00 to \$25.00	10%	15%	7.25% to 9.00%
BANK (304) OFFICE BUILDING (344) OPEN OFFICE (820) MIXED-USE OFFICE (840)	\$13.00 to \$24.00	10%	15%	7.25% to 9.00%
BASEMENT, FINISHED (701) BASEMENT, SEMI-FINISHED (702) BASEMENT, UNFINISHED (703) MEZZANINES-DISPLAY (760) MEZZANINES-OFFICE (761) MEZZANINES-STORAGE (763)	\$4.00 to \$11.00	10%	15%	7.50% to 8.25%
MEDICAL OFFICE (341) VETERINARY HOSPITAL (381) DENTAL OFFICE/CLINIC (444)	\$17.00 to \$28.00	10%	30%	7.25% to 9.00%
MINI-LUBE GARAGE (423) GARAGE, SERVICE REPAIR (528)	\$9.00 to \$15.00	10%	15%	7.25% to 8.00%
APARTMENT (300) RESIDENCE (348) MULTIPLE RESIDENCE(LOWRISE) (352) ROOMING HOUSE (551) BASEMENT, RESIDENT LIVING (707)	\$10.00 to \$16.00	7%	25%	6.00% to 7.00%

Neighborhood 40-60:

Property Type	Rent/SF	Vacancy	Expenses	OAR
DISCOUNT STORE (319) LAUNDROMAT (336) MARKET (340) RETAIL STORE (353) BARBER SHOP (384) CONVENIENCE MARKET (419) DAY CARE CENTER (426) SUPERMARKET (446) MINI-MART CONVENIENCE STORE (531) MIXED-USE RETAIL (830) THEATER, CINEMA (380) THEATER, LIVE STAGE (379)	\$13.00 to \$21.00	10%	10%	7.50% to 9.00%
BANK (304) OFFICE BUILDING (344) OPEN OFFICE (820) MIXED-USE OFFICE (840)	\$14.00 to \$23.00	10%	15%	7.25% to 9.00%
MEDICAL OFFICE (341) VETERINARY HOSPITAL (381) DENTAL OFFICE/CLINIC (444)	\$17.00 to \$28.00	10%	30%	7.25% to 9.00%
FAST FOOD RESTAURANTS (349) RESTAURANT, TABLE SERVICE (350) COCKTAIL LOUNGE (441) BAR/TAVERN (442)	\$13.00 to \$24.00	5%	10%	7.25% to 9.00%
GARAGE, STORAGE (326) LUMBER STOR SHED,HORIZONTAL(339) MATERIAL STORAGE BUILDING (391) STORAGE WAREHOUSE (406) WAREHOUSE, DISTRIBUTION (407) AUTOMOTIVE CENTER (410) SHED, MATERIAL STORAGE (468) EQUIPMENT (SHOP) BLDG (470) INDUSTRIAL LIGHT MFG (494) GARAGE, SERVICE REPAIR (528) BASEMENT SEMI-FINISHED (702) BASEMENT, UNFINISHED (703) MEZZANINES-STORAGE (763) AUTO DEALERSHIP, COMPLETE (455)	\$5.50 to \$12.00	6.50%	10%	7.75%
BASEMENT, FINISHED (701) BASEMENT, OFFICE (705) BALCONY (751) MEZZANINES-DISPLAY (760) MEZZANINES-OFFICE (761)	\$3.00 to \$9.00	10%	15%	7.00%
APARTMENT (300) HOME FOR THE ELDERLY (330) MULTIPLE RESIDENCE(LOWRISE)(352) GROUP CARE HOME (424) ROOMING HOUSE (551) BASEMENT RESIDENT LIVING (707) MIXED RETAIL W/RES UNITS (459) RESIDENCE (348)	\$11.00 to \$17.50	7%	25%	6.00% to 7.00%

Neighborhood 40-70:

Property Type	Rent/SF	Vacancy	Expenses	OAR
MARKET (340)	\$13.00	10%	15%	7.25%
RESTAURANT, TABLE SERVICE (350)	to			to
RETAIL STORE (353)	\$20.00			9.00%
MIXED USE RETAIL (830)				
OFFICE BUILDING (344)	\$13.00	10%	15%	7.50%
VETERINARY HOSPITAL (381)	to			to
MIXED USE OFFICE (840)	\$22.00			9.00%
GARAGE, STORAGE (326)	\$7.00	10%	10%	7.75%
STORAGE WAREHOUSE (406)	to			to
EQUIPMENT (SHOP) BLDG (470)	\$12.00			8.00%
EQUIPMENT SHED (472)				
GARAGE, SERVICE REPAIR (528)				
BASEMENT, UNFINISHED (703)				
BASEMENT, STORAGE (708)				
APARTMENT (300)	\$11.00	5%	25%	7.00%
MULTIPLE RES (LOWRISE) (352)	to			
RESIDENCE (348)	\$15.50			

Stratification adjustments for the parameters listed in the above grids were based on quality of construction, effective age, size of rentable area, and location.

Reconciliation:

All parcels were individually reviewed for correctness of the model application before final value selection. All of the factors used to establish value by the model were subject to adjustment. The market sales approach is considered the most reliable indicator of value when comparable sales were available, however the income approach was applied to most parcels in order to better equalize comparable properties. Whenever possible, market rents, expenses, and cap rates were ascertained from sales, and along with data from surveys and publications these parameters were applied to the income model.

The income approach to value was considered to be a reliable indicator of value in most instances. The market rental rate applied to a few properties varied from the model but fell within an acceptable range of variation from the established guideline.

Model Validation**Total Value Conclusions, Recommendations and Validation:**

Appraiser judgment prevails in all decisions regarding individual parcel valuation. Each parcel in the physical inspection area was field reviewed and a value 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 and may adjust for particular characteristics and conditions as they occur in the valuation area.

In the 2014 valuation model, the income approach is used to value the majority of the income producing properties that are not obsolesced (where land value is greater than the value produced by the income method), as there are an insufficient number and variety of sales to value the different sectors by the market approach. The income approach also insures greater uniformity and equalization of values. With improving market fundamentals, values by the income method are generally increasing although they sometimes are below the value of the sales. This may be that some of these properties are purchased by owner-users. In the case of interim use properties, they might be purchased for investment value or future income rather than current income.

The standard statistical measures of valuation performance are presented in the Executive Summary and the 2013 and 2014 Ratio Analysis charts included in this report. Comparison of the 2013 and 2014 Ratio Study Analysis indicates that the weighted mean statistical measure of assessment level improved from 92.10% to 97.50%. The Coefficient of Dispersion (COD) changed from 8.94% to 5.53%; the Coefficient of Variation (COV) changed from 12.89% to 7.32%. The Price-related Differential (PRD) changed from 1.03 to 1.00.

The total assessed value in area 40, for the 2013 assessment year, was \$1,135,193,700 and the total recommended assessed value for the 2014 assessment year is \$1,151,578,000. Application of these recommended values for the 2014 assessment year results in an average total change from the 2013 assessments of 1.47%.

The 2014 Assessment Year revalue of Area 40 (East International District, Central District, Leschi, Beacon Hill, North Rainier Valley, Columbia City and Seward Park) is based on commercial real estate data available in 2012 and 2013 that support the fee simple value of the non-specialty properties in these submarkets as of the valuation date of 1/01/2014. This valuation has occurred during a period of market recovery and the early stage of market expansion following the severe global, national, and regional economic downturn which had impacted local supply and demand dynamics.

2013 saw a trend of land sales (vacant and obsolesced properties) slightly higher than previously assessed land values. These properties were typically purchased by investors for mixed-use multi-family development in Beacon Hill, Columbia City and East International District. Neighborhoods with good transit amenities such as link light rail and the First Hill Street Car (service to begin in 2014) appear to be most attractive to developers. These land sales support an increase in the assessed land values for most of the zoning designations in the 2014 revalue and support an overall land value increase of 1.17%.

A review of market income data for the 1/01/2014 valuation indicates stronger income fundamentals for most properties with vacancy rates decreasing for retail properties in all the submarkets. Lease rates generally remained flat with minor increases in dense, high-traffic neighborhoods. The valuation models resulted in a total value increase of 1.47 %.

USPAP Compliance

Client and Intended Use of the Appraisal:

This mass appraisal report is intended for use only by the King County Assessor and other agencies or departments administering or confirming ad valorem property taxes. Use of this report by others 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 SR 6-8. 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 this 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. (*Sammish 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. (*Sammish 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

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. [1961 c 15 §84.36.005]

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. [1989 c 246 § 4]

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.

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 definition of fee simple estate as taken from The Third Edition of The Dictionary of Real Estate Appraisal, published by the 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 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:

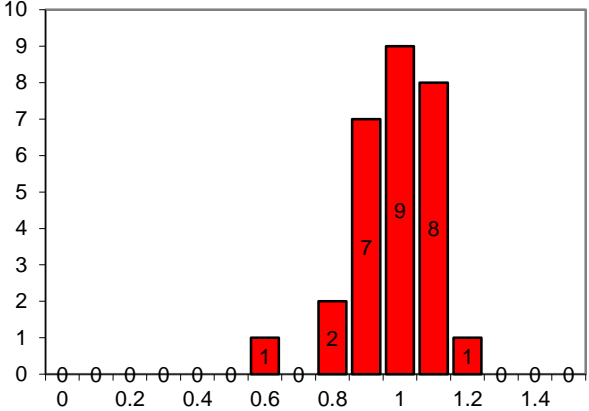
- The statements of fact contained in this report are true and correct
- The report analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present 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.
- No significant real property assistance as determined by the undersigned. All services as may be variously defined significant or otherwise, and performed by duly authorized and qualified King County Assessment staff employed in the areas of Public Information, Accounting/Abstract, Commercial, Residential, Information Services, Personal Property, Accounting/Mapping, Accounting/Support, Accounting/Appeals, Chief Appraiser, Accounting/Exemptions, Accounting/Levy Administration, who may have involvement in physical inspection, revalue, appeal response preparation, appeal hearing appearance, data collection, sale verification, new construction evaluation, and any other service which may be required from time to time, is made part of each real property parcel as a matter of public record and this certification by reference.
- Any services regarding the subject area performed by me within the prior three years, as an appraiser or in any other capacity is listed below: Any and all activities required under the

Certificate of Appointment dated 24 April 2004 under sworn oath appointing the below signed appraiser to the position of true and lawful deputy in the Office of the King County Assessor, and authorized by the State of Washington, Department of Revenue under a Certificate of Accreditation. To Wit: all duties, responsibilities, and services associated with the position description of Commercial Appraiser I in the management and valuation of Commercial Area 40. Such duties, responsibilities and services include, but are not limited to physical inspection, revalue, appeal response preparation, appeal hearing appearance, data collection, sale verification, new construction evaluation, and any other service which may be required from time to time and to be determined significant or otherwise during the fulfillment of position requirements, and are made part of each real property parcel, is a matter of public record and this certification by reference.

Area 040-000 - Rainier Valley
2013 Assessment Year

<i>Parcel Number</i>	<i>Assessed Value</i>	<i>Sale Price</i>	<i>Sale Date</i>	<i>Ratio</i>	<i>Diff: Median</i>
057000-0325	1,305,600	1,500,000	10/30/2013	0.8704	0.0975
059700-0650	417,900	435,000	1/4/2012	0.9607	0.0072
059700-0685	311,300	360,000	11/27/2012	0.8647	0.1032
149830-2980	246,000	281,500	3/7/2012	0.8739	0.0940
149830-2981	254,200	239,950	4/6/2012	1.0594	0.0915
149830-2982	243,600	310,000	7/29/2013	0.7858	0.1821
149830-2982	243,600	245,950	4/6/2012	0.9904	0.0225
149830-2983	243,600	256,100	3/17/2012	0.9512	0.0167
149830-2984	243,600	279,950	7/25/2012	0.8702	0.0978
149830-2985	243,600	250,000	4/3/2012	0.9744	0.0065
149830-2986	243,600	249,500	4/3/2012	0.9764	0.0084
149830-2987	243,600	259,000	4/18/2012	0.9405	0.0274
333050-0730	632,400	650,000	11/19/2012	0.9729	0.0050
364610-0280	864,500	995,000	7/13/2012	0.8688	0.0991
364610-0978	419,200	435,330	12/11/2012	0.9629	0.0050
367940-0890	515,400	495,000	7/29/2013	1.0412	0.0733
396440-0245	963,700	850,000	4/10/2013	1.1338	0.1658
564960-0173	979,200	1,865,000	9/5/2013	0.5250	0.4429
684365-0010	282,000	260,000	5/14/2012	1.0846	0.1167
684365-0040	235,100	237,595	1/6/2012	0.9895	0.0216
684365-0050	183,900	207,900	6/22/2012	0.8846	0.0834
684365-0080	205,700	230,000	10/11/2012	0.8943	0.0736
713280-0005	2,119,200	2,080,000	10/23/2013	1.0188	0.0509
713430-0235	1,925,400	1,850,000	1/13/2012	1.0408	0.0728
982670-0920	608,000	780,000	9/3/2013	0.7795	0.1884
982670-0928	452,000	425,000	11/25/2013	1.0635	0.0956
982670-0929	465,300	445,000	7/25/2013	1.0456	0.0777
982670-0939	558,600	525,000	9/1/2013	1.0640	0.0961

Area 040-000 - Rainier Valley
2013 Assessment Year

Quadrant/Crew:	Appr date :	Date:		Sales Dates:
East Crew	1/1/2013	3/24/2014		1/4/12 - 11/25/13
Area	Appr ID:	Prop Type:		Trend used?: Y / N
040-000	NMOO	Improvement		N
SAMPLE STATISTICS				
<i>Sample size (n)</i>	28	<p style="text-align: center;">Ratio Frequency</p> 		
<i>Mean Assessed Value</i>	558,900			
<i>Mean Sales Price</i>	607,100			
<i>Standard Deviation AV</i>	500,276			
<i>Standard Deviation SP</i>	549,708			
ASSESSMENT LEVEL				
<i>Arithmetic mean ratio</i>	0.946			
<i>Median Ratio</i>	0.968			
<i>Weighted Mean Ratio</i>	0.921			
UNIFORMITY				
<i>Lowest ratio</i>	0.5250			
<i>Highest ratio:</i>	1.1338			
<i>Coefficient of Dispersion</i>	8.94%			
<i>Standard Deviation</i>	0.1219			
<i>Coefficient of Variation</i>	12.89%			
<i>Price-related Differential</i>	1.03			
RELIABILITY				
95% Confidence: Median		<p>These figures reflect measurements <u>before</u> posting new values.</p>		
<i>Lower limit</i>	0.885			
<i>Upper limit</i>	1.019			
95% Confidence: Mean				
<i>Lower limit</i>	0.901			
<i>Upper limit</i>	0.991			
SAMPLE SIZE EVALUATION				
<i>N (population size)</i>	803			
<i>B (acceptable error - in decimal)</i>	0.05			
<i>S (estimated from this sample)</i>	0.1219			
Recommended minimum:	23			
<i>Actual sample size:</i>	28			
Conclusion:	OK			
NORMALITY				
Binomial Test				
<i># ratios below mean:</i>	11			
<i># ratios above mean:</i>	17			
<i>z:</i>	0.944911183			
Conclusion:	Normal*			
*i.e., no evidence of non-normality				

Area 040-000 - Rainier Valley
2014 Assessment Year

Parcel Number	Assessed Value	Sale Price	Sale Date	Ratio	Diff: Median
057000-0325	1,436,200	1,500,000	10/30/2013	0.9575	0.0220
059700-0650	421,500	435,000	1/4/2012	0.9690	0.0105
059700-0685	311,300	360,000	11/27/2012	0.8647	0.1148
149830-2980	253,000	281,500	3/7/2012	0.8988	0.0807
149830-2981	261,500	239,950	4/6/2012	1.0898	0.1103
149830-2982	250,500	310,000	7/29/2013	0.8081	0.1714
149830-2982	250,500	245,950	4/6/2012	1.0185	0.0390
149830-2983	250,500	256,100	3/17/2012	0.9781	0.0014
149830-2984	250,500	279,950	7/25/2012	0.8948	0.0847
149830-2985	250,500	250,000	4/3/2012	1.0020	0.0225
149830-2986	250,500	249,500	4/3/2012	1.0040	0.0245
149830-2987	250,500	259,000	4/18/2012	0.9672	0.0123
333050-0730	669,600	650,000	11/19/2012	1.0302	0.0507
364610-0280	850,400	995,000	7/13/2012	0.8547	0.1248
364610-0978	419,200	435,330	12/11/2012	0.9629	0.0166
367940-0890	523,300	495,000	7/29/2013	1.0572	0.0777
396440-0245	903,500	850,000	4/10/2013	1.0629	0.0834
564960-0173	1,738,700	1,865,000	9/5/2013	0.9323	0.0472
684365-0010	290,300	260,000	5/14/2012	1.1165	0.1370
684365-0040	242,000	237,595	1/6/2012	1.0185	0.0390
684365-0050	189,300	207,900	6/22/2012	0.9105	0.0690
684365-0080	211,700	230,000	10/11/2012	0.9204	0.0591
713280-0005	2,040,200	2,080,000	10/23/2013	0.9809	0.0014
713430-0235	1,881,100	1,850,000	1/13/2012	1.0168	0.0373
982670-0920	802,500	780,000	9/3/2013	1.0288	0.0493
982670-0928	421,800	425,000	11/25/2013	0.9925	0.0130
982670-0929	434,200	445,000	7/25/2013	0.9757	0.0038
982670-0939	521,400	525,000	9/1/2013	0.9931	0.0136

Area 040-000 - Rainier Valley
2014 Assessment Year

Quadrant/Crew:	Appr date :	Date:	Sales Dates:											
East Crew	1/1/2014	3/24/2014	1/4/12 - 11/25/13											
Area	Appr ID:	Prop Type:	Trend used?: Y / N											
040-000	NMOO	Improvement	N											
SAMPLE STATISTICS														
Sample size (n)	28	<div>Ratio Frequency</div> <table><thead><tr><th>Ratio</th><th>Frequency</th></tr></thead><tbody><tr><td>0.9</td><td>5</td></tr><tr><td>1.0</td><td>12</td></tr><tr><td>1.1</td><td>10</td></tr><tr><td>1.2</td><td>1</td></tr></tbody></table>			Ratio	Frequency	0.9	5	1.0	12	1.1	10	1.2	1
Ratio	Frequency													
0.9	5													
1.0	12													
1.1	10													
1.2	1													
Mean Assessed Value	592,000													
Mean Sales Price	607,100													
Standard Deviation AV	536,205													
Standard Deviation SP	549,708													
ASSESSMENT LEVEL														
Arithmetic mean ratio	0.975													
Median Ratio	0.979													
Weighted Mean Ratio	0.975													
UNIFORMITY														
Lowest ratio	0.8081													
Highest ratio:	1.1165													
Coefficient of Dispersion	5.53%													
Standard Deviation	0.0714													
Coefficient of Variation	7.32%													
Price-related Differential	1.00													
RELIABILITY		These figures reflect measurements <u>after</u> posting new values.												
95% Confidence: Median														
Lower limit	0.957													
Upper limit	1.017													
95% Confidence: Mean														
Lower limit	0.949													
Upper limit	1.002													
SAMPLE SIZE EVALUATION														
N (population size)	803													
B (acceptable error - in decimal)	0.05													
S (estimated from this sample)	0.0714													
Recommended minimum:	8													
Actual sample size:	28													
Conclusion:	OK													
NORMALITY														
Binomial Test														
# ratios below mean:	12													
# ratios above mean:	16													
z:	0.56694671													
Conclusion:	Normal*													
*i.e., no evidence of non-normality														

Improvement Sales for Area 040 with Sales Used

03/24/2014

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
040	010	684365	0010	1,659	2545301	\$260,000	05/14/12	\$156.72	PONTEDERA	NC3-65	1	Y	
040	010	684365	0040	1,383	2526456	\$237,595	01/06/12	\$171.80	PONTEDERA	NC3-65	1	Y	
040	010	684365	0050	1,082	2551229	\$207,900	06/22/12	\$192.14	PONTEDERA	NC3-65	1	Y	
040	010	684365	0080	1,210	2569349	\$230,000	10/11/12	\$190.08	PONTEDERA	NC3-65	1	Y	
040	010	713280	0005	12,312	2637262	\$2,080,000	10/23/13	\$168.94	OFFICE/WHSE	IC-65	1	Y	
040	010	713430	0235	10,049	2526322	\$1,850,000	01/13/12	\$184.10	YUEN LUI CORPORATE OFFICES	IC-65	4	Y	
040	010	982670	0920	5,760	2628465	\$780,000	09/03/13	\$135.42	MK FISH COMPANY	NC1-40	1	Y	
040	010	982670	0928	2,009	2643058	\$425,000	11/25/13	\$211.55	Live/Work Unit	NC1-40	1	Y	
040	010	982670	0929	2,068	2621024	\$445,000	07/25/13	\$215.18	Live/Work Unit	NC1-40	1	Y	
040	010	982670	0939	2,483	2628385	\$525,000	09/01/13	\$211.44	Live/Work Unit	NC1-40	1	Y	
040	020	364610	0280	6,544	2554109	\$995,000	07/13/12	\$152.05	KRAB RADIO & RETAIL STORE	NC3-65	1	Y	
040	020	364610	0978	2,466	2579284	\$435,330	12/11/12	\$176.53	Mixed Use/Live Work	NC1-30	1	Y	
040	040	057000	0325	8,800	2638522	\$1,500,000	10/30/13	\$170.45	ABC SUPERMARKET	NC2P-65	1	Y	
040	040	059700	0650	3,250	2525655	\$435,000	01/04/12	\$133.85	Vacant Retail	NC2P-40	1	Y	
040	040	059700	0685	1,853	2577427	\$360,000	11/27/12	\$194.28	FAMILY DENTISTRY	LR2	1	Y	
040	040	367940	0890	3,531	2621975	\$495,000	07/29/13	\$140.19	OFFICE / APT.	NC1-40	1	Y	
040	040	396440	0245	5,558	2599205	\$850,000	04/10/13	\$152.93	STORES	NC1-40	1	Y	
040	050	149830	2980	1,406	2536590	\$281,500	03/07/12	\$200.21	Live/Work Townhouse	C1-40	1	Y	
040	050	149830	2981	1,453	2538495	\$239,950	04/06/12	\$165.14	Live/Work Townhouse	C1-40	1	Y	
040	050	149830	2982	1,392	2537930	\$245,950	04/06/12	\$176.69	Live/Work Townhouse	C1-40	1	Y	
040	050	149830	2982	1,392	2623066	\$310,000	07/29/13	\$222.70	Live/Work Townhouse	C1-40	1	Y	
040	050	149830	2983	1,392	2536482	\$256,100	03/17/12	\$183.98	Live/Work Townhouse	C1-40	1	Y	
040	050	149830	2984	1,392	2560038	\$279,950	07/25/12	\$201.11	Live/Work Townhouses	C1-40	1	Y	
040	050	149830	2985	1,392	2537506	\$250,000	04/03/12	\$179.60	Live/Work Townhouse	C1-40	1	Y	
040	050	149830	2986	1,392	2537709	\$249,500	04/03/12	\$179.24	Live/Work Townhouse	C1-40	1	Y	
040	050	149830	2987	1,392	2539249	\$259,000	04/18/12	\$186.06	Live/Work Townhouse	C1-40	1	Y	
040	060	333050	0730	3,674	2575631	\$650,000	11/19/12	\$176.92	B & H AUTO PARTS	NC2-40	1	Y	
040	060	564960	0173	7,000	2628865	\$1,865,000	09/05/13	\$266.43	Hudson Building	C2-65	1	Y	

Vacant Sales for Area 040 with Sales Used

03/19/2014

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
040	010	000760	0122	16,801	2582709	\$1,125,000	12/28/12	\$66.96	MEDICAL CLINIC	NC2-40	1	Y	
040	010	331950	1235	17,744	2582554	\$1,225,000	12/27/12	\$69.04	STORAGE BUILDING (ASSOCIATE P	NC3-40	3	Y	
040	010	331950	1245	5,416	2582561	\$900,000	12/27/12	\$166.17	VANS METAL SPINNERS (Associate p	NC3-40	1	Y	
040	010	331950	1265	11,341	2582792	\$1,050,000	12/27/12	\$92.58	RESTAURANT/OFC/WHSE	NC3-40	2	Y	
040	010	331950	1275	11,200	2583123	\$1,200,000	12/28/12	\$107.14	MANUFACTURING BLDG	NC3-40	1	Y	
040	010	982670	0450	20,880	2600896	\$1,005,000	04/23/13	\$48.13	MULTIFAITH WORKS	LR3	3	Y	
040	010	982670	0450	20,880	2531932	\$900,000	02/23/12	\$43.10	MULTIFAITH WORKS	LR3	3	Y	
040	010	982670	0695	15,715	2642058	\$1,190,000	11/20/13	\$75.72	AUTO REPAIR (FORMER SERVICE S	NC1-40	2	Y	
040	020	982670	1195	7,680	2639480	\$660,000	11/01/13	\$85.94	VACANT LOT	LR3	1	Y	
040	020	982670	1300	12,800	2561744	\$724,950	08/29/12	\$56.64	SCHOOL - ODESSA BROWN CHILDR	LR2	1	Y	
040	020	982670	1616	7,055	2637645	\$592,500	10/23/13	\$83.98	FOUR PLEX	LR3	1	Y	
040	020	982770	0005	1,460	2575345	\$95,000	11/16/12	\$65.07	VACANT LOT	LR3	1	Y	
040	040	308600	3260	7,200	2540003	\$724,500	04/19/12	\$100.63	Vacant	NC2P-65	1	Y	
040	040	367740	0205	9,840	2477557	\$400,000	01/31/11	\$40.65	Beacon BBQ Store & Deli and Blen	NC2-40	1	Y	
040	040	367940	1180	9,600	2643605	\$465,000	11/26/13	\$48.44	Building Site	NC1-40	2	Y	
040	050	754830	0835	40,000	2626155	\$2,200,000	08/23/13	\$55.00	vacant	C1-40	8	Y	
040	060	128230	0420	5,400	2592152	\$225,000	02/28/13	\$41.67	A & A Auto Repair + SFR	NC3-65	1	Y	
040	060	152404	9012	13,432	2582250	\$955,000	12/24/12	\$71.10	SILVER FORK REST	C2-65	1	Y	
040	060	162404	9122	18,000	2547032	\$775,000	05/22/12	\$43.06	EMPIRE LUMBER BUILDING	LR3 RC	1	Y	
040	060	170290	1775	3,360	2479624	\$272,000	02/11/11	\$80.95	ANGIES TAVERN	NC3P-40	1	Y	
040	060	170340	0016	63,752	2594642	\$7,175,000	03/20/13	\$112.55	COLUMBIA CITY MARKET	NC3P-65	1	Y	
040	060	170990	0050	4,665	2639001	\$310,000	10/30/13	\$66.45	Nguyen Real Estate	NC2-40	1	Y	
040	060	222404	9071	271,860	2582315	\$11,000,000	12/28/12	\$40.46	ZION PREP ACADEMY	LR3	2	Y	
040	060	335740	0211	27,215	2634787	\$1,515,750	09/27/13	\$55.70	TRUCK/CAR LOT	C2-65	1	Y	

Improvement Sales for Area 040 with Sales not Used

03/24/2014

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
040	010	000760	0192	29,110	2526496	\$2,700,000	01/13/12	\$92.75	SEATTLE URBAN LEAGUE	NC3-65	2	64	Sales/leaseback
040	010	332000	0510	5,309	2576274	\$1,000,000	11/28/12	\$188.36	WASHINGTON BURGLAR ALARM	DMR/C 6	1	17	Non-profit organization
040	020	125020	0430	2,480	2648292	\$595,000	12/26/13	\$239.92	RETAIL /OFFICE	NC2-40	1	15	No market exposure
040	020	982670	1300	4,707	2479987	\$625,000	02/22/11	\$132.78	SCHOOL - ODESSA BROWN CHILD	L-1	1	61	Financial institution resale
040	040	057000	0320	1,584	2601053	\$195,835	04/05/13	\$123.63	OFFICE BUILDING	NC2P-65	1	22	Partial interest (1/3, 1/2, etc.)
040	040	308600	3356	2,254	2617234	\$175,000	07/10/13	\$77.64	CL AUTO PARTS & SERV	NC2P-40	1	51	Related party, friend, or neighbor
040	040	396440	0230	3,460	2598948	\$505,000	04/10/13	\$145.95	STORE & APTS	NC1-40	1	17	Non-profit organization
040	040	514100	0190	2,113	2641336	\$199,900	11/11/13	\$94.60	VACANT RETAIL	SF 5000	1	7	Questionable per sales identificatio
040	050	569920	0075	0	2640311	\$450,000	11/08/13	\$0.00	MT BAKER COURT CONDOMINIUM	NC1-30	1	12	Estate administrator, guardian, or e
040	060	128230	0285	3,500	2506481	\$450,000	08/17/11	\$128.57	PHO BAC II	NC3-65	1	51	Related party, friend, or neighbor
040	060	128230	0825	3,997	2501076	\$980,000	07/12/11	\$245.18	EMERALD CITY FOOD STORE	NC3-65	1	15	No market exposure
040	060	170290	0995	6,018	2533569	\$160,000	03/12/12	\$26.59	NEON ART GROUP	NC3-40	1	18	Quit claim deed
040	060	170990	0020	1,840	2577491	\$160,000	11/28/12	\$86.96	VACANT BLDG	NC2-40	1	7	Questionable per sales identificatio
040	060	170990	0020	1,840	2587864	\$225,000	01/28/13	\$122.28	VACANT BLDG	NC2-40	1	34	Change of use
040	060	222404	9009	27,435	2630735	\$1,000,000	09/17/13	\$36.45	JUNEAU STREET ASSOC	C1-40	1	51	Related party, friend, or neighbor
040	060	333050	0935	6,620	2592441	\$550,000	02/26/13	\$83.08	MISC RETAIL	NC2P-40	1	13	Bankruptcy - receiver or trustee
040	060	333050	1301	2,830	2638924	\$250,000	10/28/13	\$88.34	MEL'S TAVERN & RESTAURANT	NC2P-40	1	7	Questionable per sales identificatio
040	060	505830	0005	6,375	2622339	\$840,000	08/01/13	\$131.76	THE POWERHOUSE CHURCH OF C	LR3 RC	1	16	Government agency
040	060	505830	0030	8,160	2625843	\$1,120,000	08/19/13	\$137.25	POWER HOUSE CHURCH OF GOD	LR3 RC	2	16	Government agency
040	060	564960	0173	14,000	2532396	\$1,437,778	02/22/12	\$102.70		C2-65	1	11	Corporate affiliates
040	070	123100	1039	1,580	2512630	\$250,000	09/20/11	\$158.23	RETAIL & APARTMENT	NC1-30	1	15	No market exposure

Vacant Sales for Area 040 with Sales not Used

03/19/2014

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
040	010	000760	0209	1,980	2560401	\$105,000	08/23/12	\$53.03	VACANT	C2-65	1	15	No market exposure
040	010	219760	0625	7,013	2596561	\$390,000	03/26/13	\$55.61	UPTOWN RADIATOR	IC3P-6	1	61	Financial institution resale
040	010	332050	0080	3,000	2552639	\$213,750	06/29/12	\$71.25	VACANT LAND	MR/C	1	15	No market exposure
040	010	817010	0140	11,734	2640156	\$1,250,000	11/07/13	\$106.53	VACANT LOT	MR/C	2	31	Exempt from excise tax
040	020	982670	1295	6,400	2634056	\$15,277	09/30/13	\$2.39	Parcel used in conjunction with	LR3	1	24	Easement or right-of-way
040	060	266050	0465	4,560	2651757	\$49,500	01/27/14	\$10.86	VACANT LAND	LR2	1		Sale after appraisal date
040	060	335740	0045	6,650	2524714	\$170,849	12/29/11	\$25.69	VACANT LAND	LR2 R	1	16	Government agency
040	060	564960	0172	36,949	2532369	\$8,500,000	02/22/12	\$230.05		C2-65	1	11	Corporate affiliates
040	060	787940	0110	3,600	2651543	\$300,000	01/23/14	\$83.33	VACANT	C2-65	1		Sale after appraisal date
040	060	983420	1265	5,911	2635545	\$125,000	10/10/13	\$21.15	VACANT LAND	LR2	1	18	Quit claim deed
040	060	983420	1265	5,911	2635547	\$105,000	10/09/13	\$17.76	VACANT LAND	LR2	1	13	Bankruptcy - receiver or trustee

Area	Neighborhood	Major	Minor
40	10	000760	0122
40	10	000760	0129
40	10	000760	0130
40	10	000760	0132
40	10	000760	0134
40	10	000760	0135
40	10	000760	0192
40	10	000760	0195
40	10	000760	0209
40	10	042404	9001
40	10	042404	9002
40	10	052404	9001
40	10	052404	9003
40	10	052404	9008
40	10	052404	9012
40	10	052404	9015
40	10	052404	9016
40	10	052404	9017
40	10	060900	0030
40	10	060900	0035
40	10	060900	0040
40	10	060900	0045
40	10	060900	0050
40	10	060900	0055
40	10	060900	0080
40	10	060900	0085
40	10	193480	0010
40	10	193480	0173
40	10	193730	0070
40	10	193730	0075
40	10	193730	0220
40	10	219760	0005
40	10	219760	0015
40	10	219760	0030
40	10	219760	0035
40	10	219760	0610
40	10	219760	0615
40	10	219760	0625
40	10	257240	0195
40	10	257240	0205
40	10	303720	0025
40	10	303720	0095
40	10	303720	0125
40	10	331950	0045
40	10	331950	0055
40	10	331950	0065
40	10	331950	0085
40	10	331950	0096
40	10	331950	0565
40	10	331950	0575
40	10	331950	0626

Area	Neighborhood	Major	Minor
40	10	331950	0628
40	10	331950	0629
40	10	331950	0630
40	10	331950	0635
40	10	331950	0640
40	10	331950	0645
40	10	331950	0655
40	10	331950	0665
40	10	331950	0675
40	10	331950	0685
40	10	331950	0695
40	10	331950	0701
40	10	331950	0710
40	10	331950	0715
40	10	331950	0875
40	10	331950	1215
40	10	331950	1225
40	10	331950	1235
40	10	331950	1245
40	10	331950	1255
40	10	331950	1265
40	10	331950	1275
40	10	331950	1295
40	10	331950	1305
40	10	331950	1395
40	10	331950	1400
40	10	331950	1410
40	10	331950	1430
40	10	331950	1440
40	10	331950	1445
40	10	331950	1450
40	10	331950	1465
40	10	331950	1475
40	10	331950	1490
40	10	331950	1500
40	10	331950	1505
40	10	331950	1520
40	10	331950	1535
40	10	331950	1540
40	10	331950	1635
40	10	331950	1775
40	10	331950	1785
40	10	331950	2140
40	10	331950	2145
40	10	331950	2150
40	10	332000	0003
40	10	332000	0004
40	10	332000	0006
40	10	332000	0007
40	10	332000	0075
40	10	332000	0090
40	10	332000	0095
40	10	332000	0110

Area	Neighborhood	Major	Minor
40	10	332000	0111
40	10	332000	0135
40	10	332000	0140
40	10	332000	0145
40	10	332000	0150
40	10	332000	0155
40	10	332000	0160
40	10	332000	0165
40	10	332000	0190
40	10	332000	0205
40	10	332000	0220
40	10	332000	0240
40	10	332000	0265
40	10	332000	0310
40	10	332000	0311
40	10	332000	0350
40	10	332000	0360
40	10	332000	0370
40	10	332000	0395
40	10	332000	0400
40	10	332000	0420
40	10	332000	0430
40	10	332000	0495
40	10	332000	0500
40	10	332000	0510
40	10	332000	0530
40	10	332000	0555
40	10	332000	0570
40	10	332000	0580
40	10	332000	0585
40	10	332000	0590
40	10	332000	0595
40	10	332000	0600
40	10	332000	0755
40	10	332000	0760
40	10	332000	0770
40	10	332000	0775
40	10	332050	0015
40	10	332050	0020
40	10	332050	0030
40	10	332050	0045
40	10	332050	0055
40	10	332050	0060
40	10	332050	0070
40	10	332050	0075
40	10	332050	0080
40	10	332050	0085
40	10	332050	0115
40	10	332050	0120
40	10	332050	0125
40	10	332050	0140
40	10	332050	0145
40	10	332050	0150

Area	Neighborhood	Major	Minor
40	10	332050	0175
40	10	332050	0185
40	10	332050	0190
40	10	332050	0210
40	10	392740	0005
40	10	392740	0010
40	10	392740	0051
40	10	422690	0005
40	10	422690	0019
40	10	422690	0020
40	10	422690	0030
40	10	422690	0085
40	10	422690	0115
40	10	539160	0130
40	10	539160	0140
40	10	539160	0145
40	10	539160	0161
40	10	539160	0210
40	10	539160	0220
40	10	539160	0225
40	10	539160	0270
40	10	553030	0000
40	10	553030	0010
40	10	660077	0000
40	10	660077	0010
40	10	684365	0000
40	10	684365	0010
40	10	684365	0020
40	10	684365	0030
40	10	684365	0040
40	10	684365	0050
40	10	684365	0060
40	10	684365	0070
40	10	684365	0080
40	10	712830	0005
40	10	712830	0020
40	10	713230	0060
40	10	713230	0065
40	10	713230	0135
40	10	713230	0230
40	10	713230	0250
40	10	713230	0265
40	10	713230	0275
40	10	713230	0290
40	10	713230	0305
40	10	713230	0320
40	10	713230	0325
40	10	713230	0330
40	10	713230	0335
40	10	713230	0340
40	10	713230	0345
40	10	713230	0350
40	10	713230	0355

Area	Neighborhood	Major	Minor
40	10	713230	0365
40	10	713230	0370
40	10	713230	0435
40	10	713230	0445
40	10	713280	0005
40	10	713280	0030
40	10	713280	0035
40	10	713280	0055
40	10	713280	0056
40	10	713280	0090
40	10	713280	0106
40	10	713380	0045
40	10	713380	0055
40	10	713380	0065
40	10	713380	0085
40	10	713380	0100
40	10	713380	0105
40	10	713380	0110
40	10	713380	0170
40	10	713380	0175
40	10	713380	0205
40	10	713430	0005
40	10	713430	0080
40	10	713430	0130
40	10	713430	0165
40	10	713430	0170
40	10	713430	0190
40	10	713430	0225
40	10	713430	0230
40	10	713430	0235
40	10	713430	0245
40	10	713430	0390
40	10	713430	0435
40	10	713430	0440
40	10	713430	0515
40	10	713430	0535
40	10	713430	0550
40	10	713430	0570
40	10	713430	0575
40	10	713430	0585
40	10	713430	0590
40	10	713430	0595
40	10	713430	0600
40	10	713430	0605
40	10	713430	0610
40	10	713430	0625
40	10	806100	0005
40	10	806100	0015
40	10	806100	0025
40	10	806100	0035
40	10	817010	0005
40	10	817010	0010
40	10	817010	0015

Area	Neighborhood	Major	Minor
40	10	817010	0020
40	10	817010	0025
40	10	817010	0030
40	10	817010	0035
40	10	817010	0040
40	10	817010	0045
40	10	817010	0060
40	10	817010	0070
40	10	817010	0075
40	10	817010	0085
40	10	817010	0090
40	10	817010	0100
40	10	817010	0106
40	10	817010	0115
40	10	817010	0120
40	10	817010	0125
40	10	817010	0135
40	10	817010	0140
40	10	817010	0145
40	10	817010	0150
40	10	817010	0160
40	10	817010	0161
40	10	817010	0175
40	10	817010	0180
40	10	817010	0185
40	10	817010	0195
40	10	817010	0205
40	10	817010	0215
40	10	817010	0220
40	10	817010	0225
40	10	817010	0240
40	10	817010	0245
40	10	817010	0250
40	10	817010	0251
40	10	817010	0260
40	10	817010	0270
40	10	817010	0295
40	10	817010	0315
40	10	817010	0325
40	10	817010	0330
40	10	817010	0345
40	10	817010	0350
40	10	817010	0370
40	10	817010	0380
40	10	817010	0385
40	10	817010	0395
40	10	817010	0396
40	10	817010	0405
40	10	817010	0410
40	10	817010	0455
40	10	817010	0490
40	10	817010	0495
40	10	817010	0520

Area	Neighborhood	Major	Minor
40	10	817010	0570
40	10	859190	0036
40	10	859190	0045
40	10	859190	0055
40	10	859190	0060
40	10	859190	0061
40	10	859190	0065
40	10	859190	0075
40	10	859190	0076
40	10	859190	0085
40	10	859190	0100
40	10	859190	0110
40	10	859190	0145
40	10	859190	0155
40	10	859190	0170
40	10	859190	0215
40	10	859240	0055
40	10	859240	0070
40	10	982670	0265
40	10	982670	0270
40	10	982670	0275
40	10	982670	0365
40	10	982670	0380
40	10	982670	0400
40	10	982670	0450
40	10	982670	0475
40	10	982670	0476
40	10	982670	0695
40	10	982670	0700
40	10	982670	0765
40	10	982670	0810
40	10	982670	0814
40	10	982670	0815
40	10	982670	0821
40	10	982670	0825
40	10	982670	0875
40	10	982670	0880
40	10	982670	0885
40	10	982670	0890
40	10	982670	0895
40	10	982670	0910
40	10	982670	0920
40	10	982670	0927
40	10	982670	0928
40	10	982670	0929
40	10	982670	0932
40	10	982670	0935
40	10	982670	0936
40	10	982670	0939
40	10	982670	0980
40	10	982670	1020