



## King County

Department of Assessments  
Accounting Division

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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.

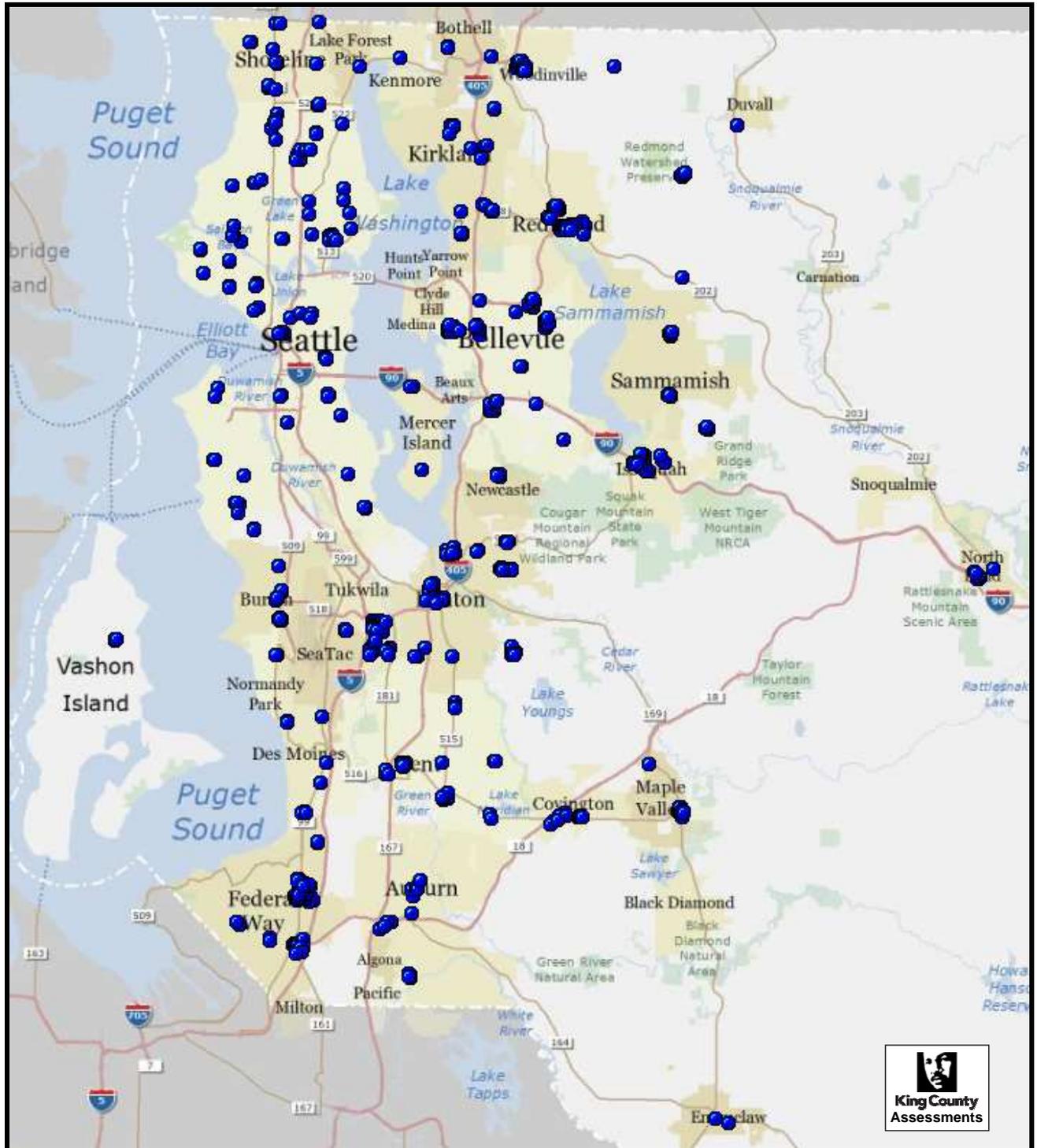
Sincerely,

Lloyd Hara  
Assessor

**2014 ANNUAL REVALUE REPORT**  
**AREA 250 - MAJOR RETAIL PROPERTIES**  
**KING COUNTY DEPARTMENT OF ASSESSMENTS**



## Specialty Area 250 (Major Retail)



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## **Executive Summary Report**

**Appraisal Date 1/1/14 - 2014 Assessment Roll**

**Specialty Name:** Major Retail, Specialty Area 250

### **Sales – Improved Analysis Summary**

- Number of Sales: 11

No ratio studies were included within this report due to the limited number of improved sales within the major retail specialty population.

The Income Approach was used in the final reconciliation of value because it allows greater equalization and uniformity of values for the various stratifications of major retail buildings and because market income data as of the valuation date is available. Current market income parameters, including stable rents, lower vacancy and declining capitalization rates, suggest an overall increase in the major retail market as of 01/01/2014 as compared to 01/01/2013. Overall industry data for major retail properties was used to make overall upward adjustments of approximately +8.17%.

<b>Total Population - Parcel Summary Data:</b>			
	<b>Land</b>	<b>Imps</b>	<b>Total</b>
2013 Value	\$ 3,358,239,500	\$ 2,451,367,400	\$ 5,809,606,900
2014 Value	\$ 3,518,926,400	\$ 2,765,35, 300	\$ 6,284,283,700
Percent Change	+4.78%	+12.81%	+8.17%

- Number of total parcels in major retail specialty population: **654**
- Number of improved parcels in major retail specialty population: **518**

### **Conclusion and Recommendation:**

Assessed values for the 2014 revalue have increased on average by +8.17%.

The values recommended in this report improve uniformity and equity; therefore, it is recommended they should be posted for the 2014 Assessment Year.

## ***Analysis Process:***

### ***Specialty***

- Specialty Area 250 - Major Retail

### ***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 use. Any opinion not consistent with this is specifically noted in the 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 buildings 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. 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 is assigned to the improvements.

**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 by field inspection, review of plans, marketing information, and rent rolls when available.

### ***Special Assumptions and Limiting Conditions***

All three approaches to value were considered in this analysis.

- Major retail uses three years of sales for developing market values.
- No market trends (market condition adjustments, time adjustments) were applied to sales prices. Models were developed without market trends.
- This report intends to meet the requirements of the Uniform Standards of Professional Appraisal Practice, Standard 6.

## ***Identification of the Area***

**Name or Designation:** Specialty Area 250 - Major Retail

Major retail properties consist of regional malls, single tenant discount retailers, big box stores, large neighborhood/community retail centers, and stand-alone grocery stores. The regional mall properties are defined as those multi-tenanted properties in excess of 200,000 square feet of gross leasable area. The single tenant discount retailers and big box properties are generally in excess of 100,000 square feet, while the neighborhood/community retail centers are defined as those multi-tenanted properties that are either anchored or non-anchored centers. Anchored neighborhood/community retail centers consist of multi-tenanted properties that are of any size, while non-anchored multi-tenanted neighborhood/community retail centers are generally defined as retail developments in excess of 100,000 square feet. The major retail properties consist of 654 total parcels of which 518 are improved.

**Boundaries:** All areas within the boundaries of King County

**Maps:** Detailed Assessor's maps are located on the 7<sup>th</sup> floor of the King County Administration Building.

**Area Description:** This specialty includes all major retail facilities that meet the major retail classification and are located in King County.

**Name or Designation:**

King County's major retail properties fall into a number of categories. The most visible are the regional shopping centers such as Northgate Mall, Bellevue Square and Westfield Southcenter. Throughout King County, there are also a number of single tenant, discount retailers such as Fred Meyer, Target, Wal-Mart and Best Buy in addition to big box retail stores such as Lowe's, Home Depot, Sam's Club and Costco. King County's two outlet malls are the Supermall of the Great Northwest and the Factory Stores of North Bend. Also included in the major retail properties are anchored neighborhood shopping centers, large line retail centers, and stand-alone grocery stores. Properties that are more difficult to classify include Westlake and Meridian Centers in downtown Seattle.

- Regional / Super Regional Malls
- Power Centers
- Lifestyle Centers
- Outlet Malls
- Neighborhood / Community Centers
- Big Box Retailers
- Stand Alone Grocery

**Malls:**

The most common design mode for regional and super-regional centers is often referred to as a “shopping mall”. The walkway or “mall” is typically enclosed, climate-controlled and lighted, and flanked on one or both sides by storefronts and entrances. Onsite parking, usually provided around perimeter of the center, may be surface or structured.

	REGIONAL CENTERS	
	<b>Concept</b>	General merch.; fashion (mall, typ. enclosed)
	<b>Sq.Ft. (Incl. Anchors)</b>	400k - 800k
	<b>Acreage</b>	40-100
	<b>Typical Anchor Number</b>	2 or more
	<b>Typical Anchor Ratio</b>	50% - 70%
	<b>Typical Anchor Type</b>	Full-line department store; Jr. department store; mass merchant; discount department store; fashion apparel

\*Photo: Northgate Mall (Seattle)

**Regional Center:** The regional center is typically enclosed and has a total GLA ranging in size from 400,000 to 800,000 square feet of GLA. These centers are typically anchored by at least two or more full-line department stores with smaller anchor tenants, such as junior department stores, discount department stores, mass merchant stores, and fashion apparel stores. Regional centers typically include many smaller in-line retail stores such as general merchandise stores, gift stores, restaurants, and food courts. The anchor ratio for regional malls typically ranges between 50% and 70% with a primary trade area from 5 to 15 miles.

	SUPER-REGIONAL CENTERS	
	<b>Concept</b>	Similar to regional center but has more variety and assortment.
	<b>Sq.Ft. (Incl. Anchors)</b>	800k +
	<b>Acreage</b>	60-120
	<b>Typical Anchor Number</b>	3 or more
	<b>Typical Anchor Ratio</b>	50% - 70%
	<b>Typical Anchor Type</b>	Full-line department store; Jr. department store; mass merchant; discount department store; fashion apparel

\*Photo: Westfield “South Center Mall” (Tukwila)

**Super-regional Center:** The super-regional center has many of the same attributes as the regional center but at a larger scale. The super-regional center is typically enclosed and has a total GLA exceeding 800,000 square feet of GLA. The super-regional center is anchored by three or more full-line department stores with smaller anchor tenants, such as junior department stores, discount department stores, mass merchant stores, and fashion apparel stores. Super-regional centers typically include many smaller in-line retail stores such as general merchandise stores, gift stores, restaurants, and food courts. The anchor ratio for regional malls typically range between 50% and 70% and has a primary trade area from 5 to 25 miles.

**Mall Class Types:** The *Pricewaterhouse Cooper Real Estate Investor Survey* is a national publication that has a wealth of information. Its Real Estate Investor Survey was formerly known as *Korpacz Real Estate Investor Survey*. The survey represents a cross section of major institutional equity real estate market participants who invest primarily in institutional-grade (investment quality) properties. Rates and other assumptions presented in the survey indicate the participant’s expectations from institutional-grade real property investment. Institutional-grade properties are those properties sought out by institutional buyers that have the capacity to meet the prevalent institutional investment criteria, which are referred to in this survey. In the retail market, PwC reports on the National Regional Mall Market, the National Power Center Market, and the National Strip Shopping Center Market.

**National Regional Mall Market:** According to the current PwC survey of participants, regional malls classifications based on in-line store retail sales per square foot are as follows:

➤ <u>Class:</u>	<u>Inline Retail Sales PSF<sup>1</sup>:</u>
➤ A+	\$600 and up
➤ A	\$450 to \$599
➤ B+	\$350 to \$499
➤ B	\$250 to \$349
➤ C	Less than \$250

**Open-Air Centers:**

	POWER CENTERS	
	<b>Concept</b>	Category-dominant anchors; few small tenants
	<b>Sq.Ft. (Incl. Anchors)</b>	250k – 600k
	<b>Acreage</b>	25 - 80
	<b>Typical Anchor Number</b>	3 or more
	<b>Typical Anchor Ratio</b>	75% - 90%
	<b>Typical Anchor Type</b>	Category killer; home Improvement; discount department store; warehouse club; off-price

\*Photo: Northgate North (Seattle)

**Power Centers:** The power center is typically dominated by several large anchors, including discount department stores, off-price stores, warehouse clubs, or “category killers,”( i.e., stores that offer a vast selection in related merchandise categories at very competitive retail prices). The center typically consists of several anchors, some of which may be freestanding (unconnected) and only a minimum amount of small specialty tenants.

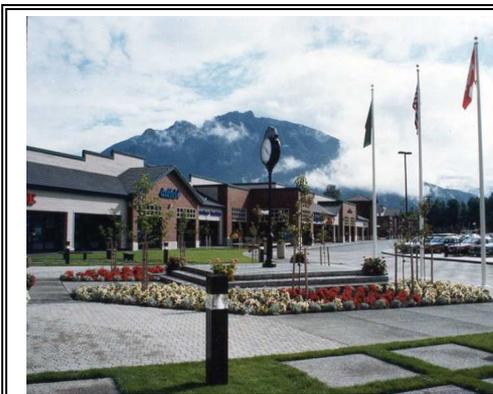
<sup>1</sup> PwC Real Estate Investor Survey, 4<sup>th</sup> Quarter 2013, pg. 101



\*Photo: University Village (Seattle)

LIFESTYLE CENTERS	
<b>Concept</b>	Upscale national chain specialty stores; dining and entertainment in outdoor setting
<b>Sq.Ft. (Incl. Anchors)</b>	Typically 150k -500k but can be smaller or larger
<b>Acreage</b>	10 - 40
<b>Typical Anchor Number</b>	0-2
<b>Typical Anchor Ratio</b>	0% - 50%
<b>Typical Anchor Type</b>	Not usually anchored in the traditional sense but may include book store; other large-format specialty retailers; multi-plex cinema; small department store

**Lifestyle Centers:** Most often located near affluent residential neighborhoods, this center type caters to the retail needs and “lifestyle” pursuits of consumers in its trading area. It has an open-air configuration and typically includes at least 50,000 square feet of retail space occupied by upscale national chain specialty stores. Other elements differentiate the lifestyle center in its role as a multi-purpose leisure-time destination, including restaurants, entertainment, and design ambience and amenities such as fountains and street furniture that are conducive to casual browsing. These centers may be anchored by one or more conventional or fashion specialty department stores.



\*Photo: North Bend Premium Outlet Stores (North Bend)

OUTLET MALLS	
<b>Concept</b>	Manufactures’ outlet stores
<b>Sq.Ft. (Incl. Anchors)</b>	50k – 400k
<b>Acreage</b>	10 – 50
<b>Typical Anchor Number</b>	N/A
<b>Typical Anchor Ratio</b>	40% - 60%
<b>Typical Anchor Type</b>	Manufactures’ outlet stores

**Outlet Malls:** This center type consists of manufactures and retailers’ outlet stores selling brand-name goods at a discount. These centers are typically not anchored, although certain brand-name stores may serve as “magnet” tenants. The majority of outlet centers are open-air, configured either in a strip or as a village cluster, although some are enclosed.

	COMMUNITY CENTERS	
	<b>Concept</b>	General merchandise; Convenience
	<b>Sq.Ft. (Incl. Anchors)</b>	100k – 350k
	<b>Acreage</b>	10 – 40
	<b>Typical Anchor Number</b>	2 or more
	<b>Typical Anchor Ratio</b>	40% -60%
	<b>Typical Anchor Type</b>	Discount department store; supermarket; drug; home improvement; large specialty/discount apparel

\*Photo: Westwood Village (West Seattle)

**Community Centers:** The community center ranges in size from 100,000 to 350,000 square feet of GLA. The community center is typically anchored by a junior department store and one, or a combination of the following: supermarket, drugstore, home improvement center, and variety store. The small shops are typically a combination of convenience and service stores, restaurants, and general merchandise and fashion stores.

	NEIGHBORHOOD CENTERS	
	<b>Concept</b>	Convenience
	<b>Sq.Ft. (Incl. Anchors)</b>	30k – 150k
	<b>Acreage</b>	3 - 15
	<b>Typical Anchor Number</b>	1 or more
	<b>Typical Anchor Ratio</b>	30% - 50%
	<b>Typical Anchor Type</b>	Discount department store; supermarket; drug; home improvement; large specialty/discount apparel.

\*Photo: Bear Creek Village Shopping Center (Redmond)

**Neighborhood Centers:** The neighborhood center ranges in size from 30,000 to 150,000 square feet of GLA and is usually anchored by a supermarket. Some neighborhood centers may have a drugstore or home improvement store as additional major tenants. The small shops are generally service tenants such as laundromats, cleaners, and food service tenants such as restaurants and specialty food stores.

## Big Box Stores:



The terms “big box”, “value retailers”, “superstore,” and “category killer” are used interchangeably. The retail model depends on high-volume rather than price markups. To do a profitable volume, they must occupy large amounts of space. Typically, they range in size from 90,000 to 200,000 square feet, are located as often as possible near highway interchanges or exits, use the same windowless box store design with several acres of a single-floor layout, and require vast surface parking.

Big box retail stores (generally referred to collectively as “superstores”) are generally categorized into three subgroups: discount department stores; category killers and warehouse clubs.

- Discount department stores sell department store merchandise at low prices. Wal-Mart, Kmart, and Target are examples of this type.
- Category killers are large specialty (niche) retailers that buy and sell in huge volumes at low prices. Prices are further reduced by eliminating middleman charges and dealing directly with product manufacturers. Examples include Toys R Us, Home Depot, and Sports Authority.
- Warehouse clubs are membership shopping clubs that offer a variety of goods, often including groceries, electronics, clothing, hardware, and more, at wholesale prices. Unlike discount department stores, which may sell as many as 60,000 distinct items, warehouse clubs limit their range to 3,000 to 5,000 items. Sam's Club, Costco, and Pace dominate this industry. Their stores range in size from 104,000 to 170,000 square feet and serve markets up to 250,000 people.

Conglomerations of superstores in 250,000 to 750,000 square foot centers are called “power centers.” IKEA seems to be a mix between a discount department store (household goods) and a category killer (furniture).

	STAND-ALONE GROCERY (SUPERMARKET)	
	<b>Concept</b>	Convenience
	<b>Sq.Ft. (Incl. Anchors)</b>	30k – 70k
	<b>Acreage</b>	2 - 5
	<b>Typical Anchor Number</b>	1 or more
	<b>Typical Anchor Ratio</b>	100%
	<b>Typical Anchor Type</b>	National or regional grocery store, which may include a national or regional supermarket; specialty grocery market; discount grocery store; or grocery store cooperative

\*Photo: West Totem Lake QFC (Kirkland)

**Stand-Alone Grocery:** The stand-alone grocery store (supermarket) typically ranges in size from 30,000 to 70,000 square feet of GLA. Many of the grocery stores have additional tenants located inside the stores, which may include a pharmacy, a bank, or even an optical service center. Fuel service may also be included as part of the grocery store footprint.

#### GAS STATION DATA

Many of the community/neighborhood shopping centers, big box retail stores, and stand-alone grocery stores have fuel service facilities that are part of the greater retail center development.

There are basically four types of retail outlets, which sell gasoline:

1. Old style service station with service bays, air compressor, hoists, etc.
2. Convenience store (C-Store) with gas.
3. Gas only with numerous Multi-Product Dispensers (MPD's) and may include small kiosk. Most typically associated with shopping centers, big box retail, and grocery stores.
4. The co-branded C-Store/Quick Service Restaurant (QSR).

The old style service stations that have not been remodeled with a snack shop or C-Store have the greatest obsolescence and are at the bottom of the market. The very large co-branded C-Stores with gas, numerous dispensers and various other profit centers are at the high end.

#### Buildings:

The cost approach has been utilized to appraise gas stations. The subject parcels in King County have been inspected and stratified according to building quality:

Gas Station Category	
<i>Excellent</i>	Best wood, steel, brick or masonry, high volume area, best workmanship with good finish, best materials, HVAC
<i>Good</i>	Good wood, steel, brick w/sash and large overhangs, ranch or suburban style, good quality materials.
<i>Average</i>	Average painted steel or cement block, small overhangs, small office. Average quality materials throughout.
<i>Low Cost</i>	Painted steel or cement block, inexpensive sash, doors and gates, usually older with low cost materials used.

Car washes in separate buildings were valued by the Marshall & Swift automated cost modeling system. Generally building quality will be the same as the primary building. All car wash equipment is personal property.

The Personal Property Division also assesses compressors, pumps, dispensers, signage, hoists, tools, furniture and fixtures.

**Accessory Improvements:**

The valuation of accessory improvements (AI's) relates to the construction quality of the property as a whole. AI's are stratified according to quantity and quality. Therefore, an excellent quality building will generally have Type I accessory improvements, a Good quality building will have Type II AI's, an average quality building will have Type III AI's and a Low cost building will have Type IV AI's. The value of AI's also relates to the number of filling stations and the size of the lot. Marshall Valuation Service indicates that the lives of such improvements are 15 to 25 years however, because of the store's long hours and heavy foot traffic deterioration of the interior can happen at a rapid rate. Excellent level stores will replace worn interior furnishings before wear shows while lesser qualities tend to show more wear and tear. The accessory improvements take the level of replacement/maintenance/repair into consideration when judging the construction quality of the store.

Accessory improvements are labeled as Type I – IV in the accessory improvement section of the King County Real Property database. The value contribution of the accessory package was flat valued according to the indicated value range for the category type and included in the total cost estimate for the service station. These fuel service facilities are treated as accessory improvements (AI's) and are considered an additional add-on value that is placed on the parcel's primary retail improvement.

- Type I            Best quality components throughout:            \$300,000 - \$500,000
- Type II           Good quality components throughout:            \$200,000 - \$300,000
- Type III          Average quality components throughout:           \$100,000 - \$200,000
- Type IV          Low cost components throughout:                 \$10,000 - \$100,000

**Example:**

- Service Station Accessory Improvements: Type II Average Quality Cost New

Description		Cost
Tanks	10,000 gal.	\$44,000
	15,000 gal.	\$54,000
	20,000 gal.	\$76,000
Islands		\$20,000
Paving (Including curbs & cutouts)		\$25,000
Lighting		\$8,000
Sign Pole		\$3,000
Canopy	1,500 Sq.Ft.	\$45,000
	2,500 Sq.Ft.	\$75,000
Piping & Wiring		\$40,000
Labor, Site Prep and Soft Cost		Varies

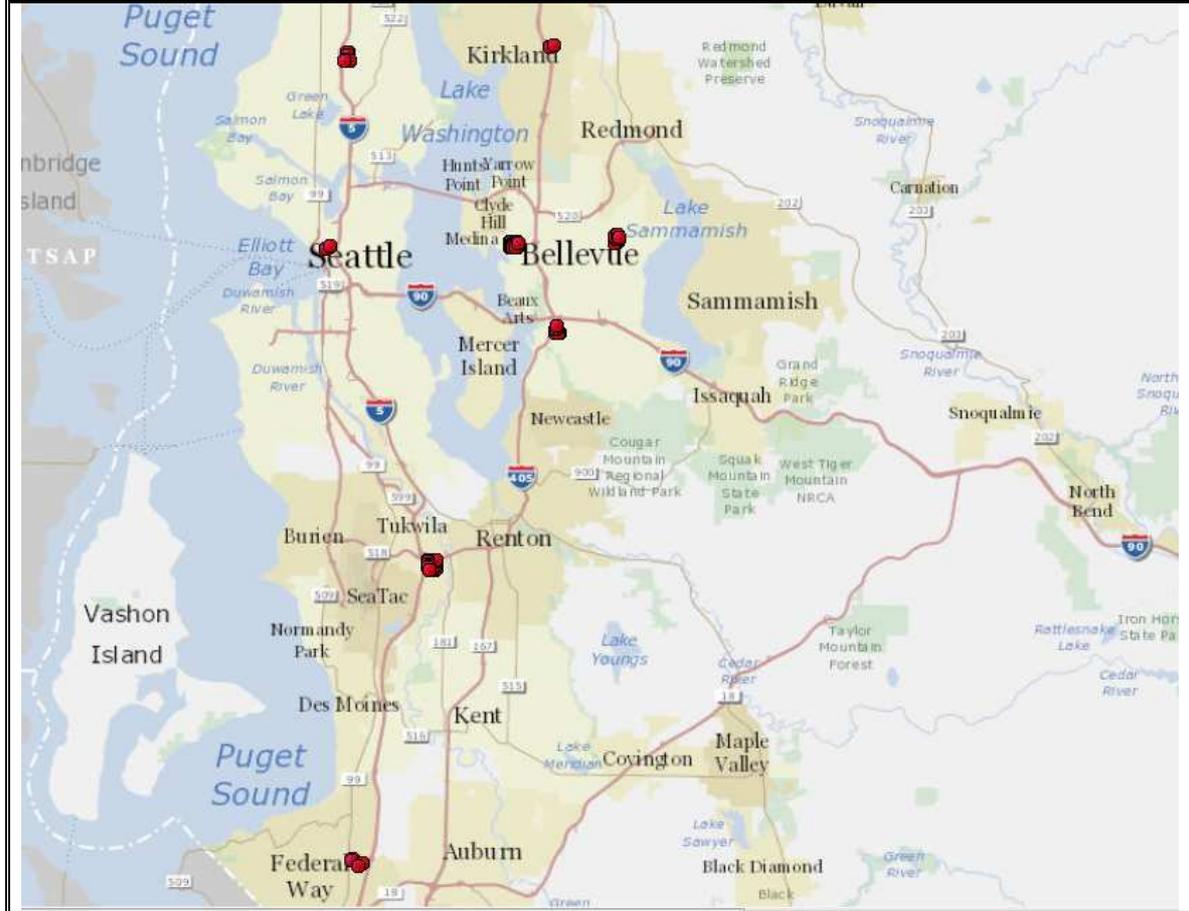
**Neighborhood Descriptions:** Within Specialty Area 250, there are seven major retail type properties that are located in seven geographic districts. Of the seven geographic districts for major retail properties, each district has various neighborhood sub-areas. For equalization purposes, major retail properties are placed in their assigned district and sub-area to account for neighborhood market conditions when building economic income models (tables) based on characteristics, such as, location, effective age, quality, and predominate use. For purposes of record keeping, all of the malls, outlet malls, and lifestyle centers have been assigned their proper geographic neighborhood, but do not typically lend themselves to typical neighborhood designations due to the unique composition of the tenants and the quality of building improvements. In addition, due to the complexity in appraising malls, outlet malls, and lifestyle centers, these properties were not assigned neighborhood income tables and were assessed on an individual basis.

**Retail Type Properties:**

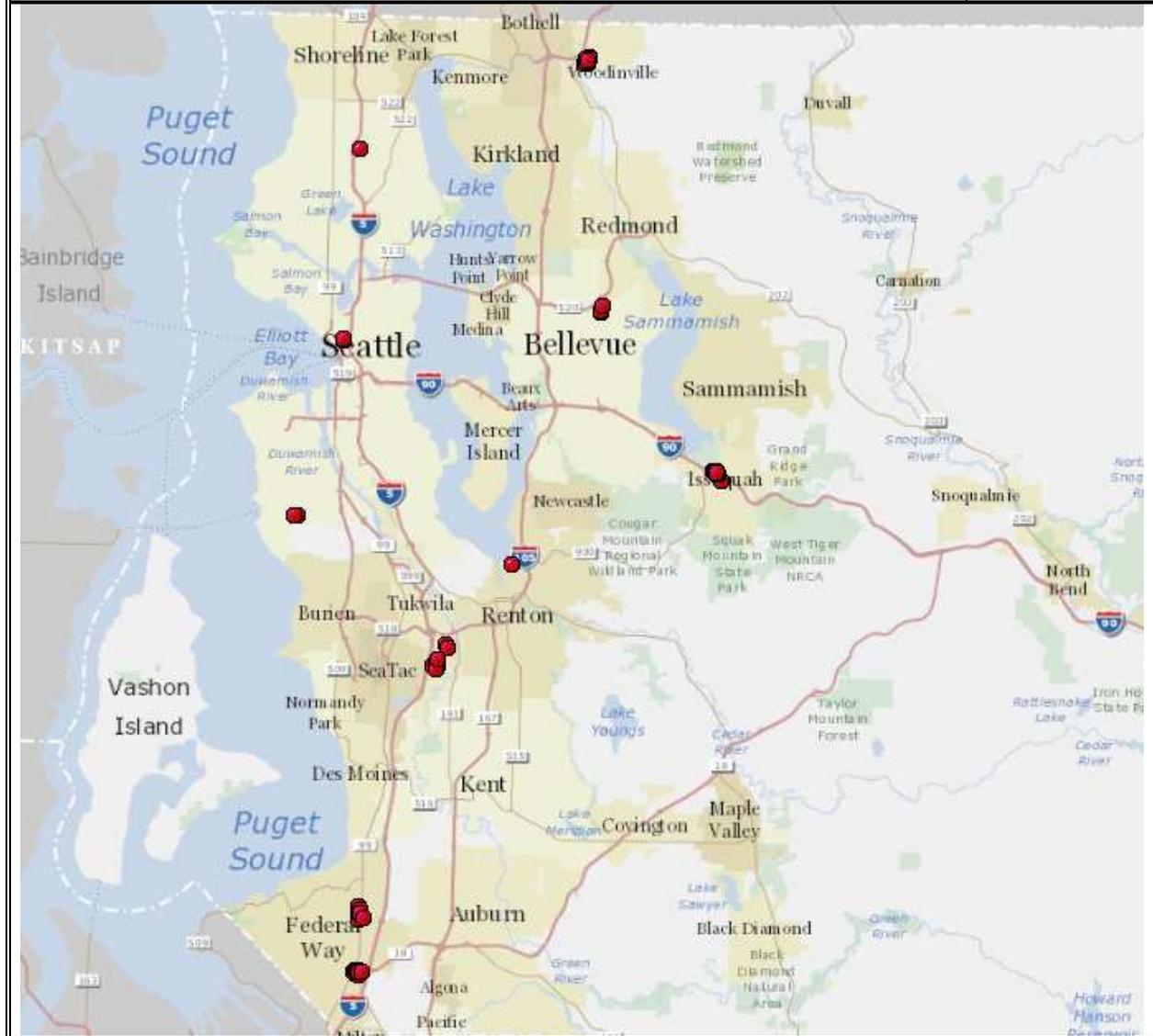
- Regional / Super Regional Malls
- Power Centers
- Lifestyle Centers
- Neighborhood / Community Centers
- Big Box
- Stand Alone Grocery
- Outlet Malls

<b>Neighborhood And Sub-Area Description</b>	
District 1 – North	Sub-Area 1: West Shoreline Sub-Area 2: East Shoreline; Lake Forest Park
District 2 - Eastside	Sub-Area 1: Bothell; Kenmore Sub-Area 2: Kirkland; Bellevue; Redmond; Sammamish; Issaquah Sub-Area 3: Downtown Bellevue Sub-Area 4: Mercer Island; Newcastle Sub-Area 5: North Bend
District 3 - Northeast	Sub-Area 1: Duval Sub-Area 2: NE King County
District 4 – Seattle	Sub-Area 1: NW - Ballard; Fremont; Green Lake; Aurora Sub-Area 2: NE - Northgate; Lake City; University Sub-Area 3: Queen Anne; Magnolia Sub-Area 4: Capitol Hill; Madison Park Sub-Area 5: Downtown Sub-Area 6: West Seattle Sub-Area 7: Rainer Valley & South Sub-Area 8: Delridge; White Center
District 5 - Southwest	Sub-Area 1: Vashon Island Sub-Area 2: Burien; SeaTac; Des Moines; Tukwila – West of I-5 Sub-Area 3: Federal Way
District 6 - South	Sub-Area 1: Renton; Tukwila – East of I-5 Sub-Area 2: Kent Sub-Area 3: Auburn
District 7 - Southeast	Sub-Area 1: Covington; Maple Valley; Black Diamond Sub-Area 2: Enumclaw East

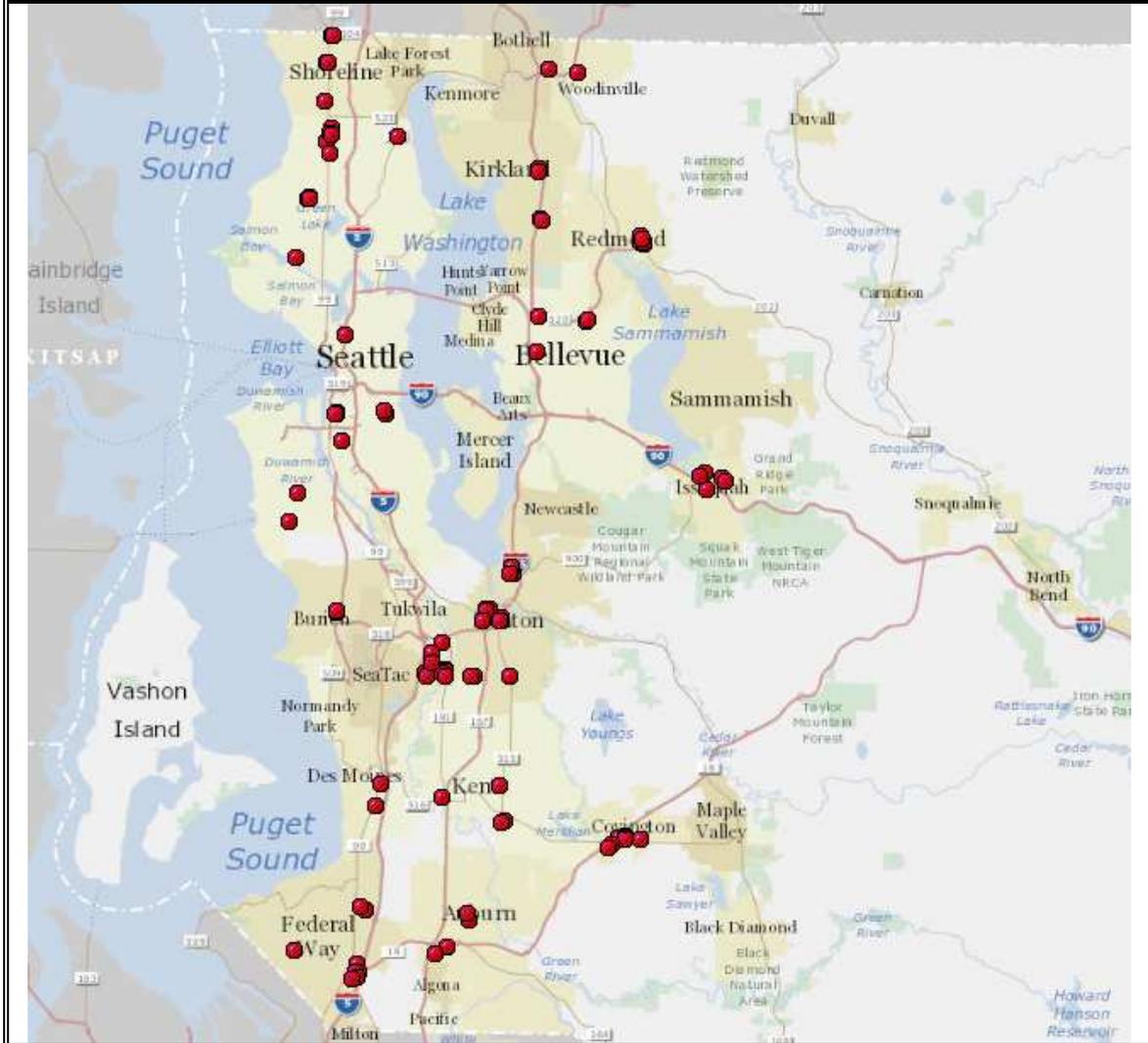
MALLS			
Retail Neigh.	Retail Dist./Subarea	Neighborhood Description	Parcel Count
122	Eastside (Dist. 2, Subarea 2)	Kirkland; Bellevue; Redmond; Sammamish; Issaquah	16
123	Eastside (Dist. 2, Subarea 3)	Downtown Bellevue	20
124	Eastside (Dist. 2, Subarea 4)	Mercer Island; Newcastle	6
142	Seattle NE (Dist. 4, Subarea 2)	Northgate; Lake City; University	8
145	Seattle (Dist. 4, Subarea 5)	Downtown	3
153	SW (Dist. 5, Subarea 3)	Federal Way	13
161	South (Dist. 6, Subarea 1)	Renton; Tukwila East of I-5	19
<b>Description:</b>			<b>85</b>



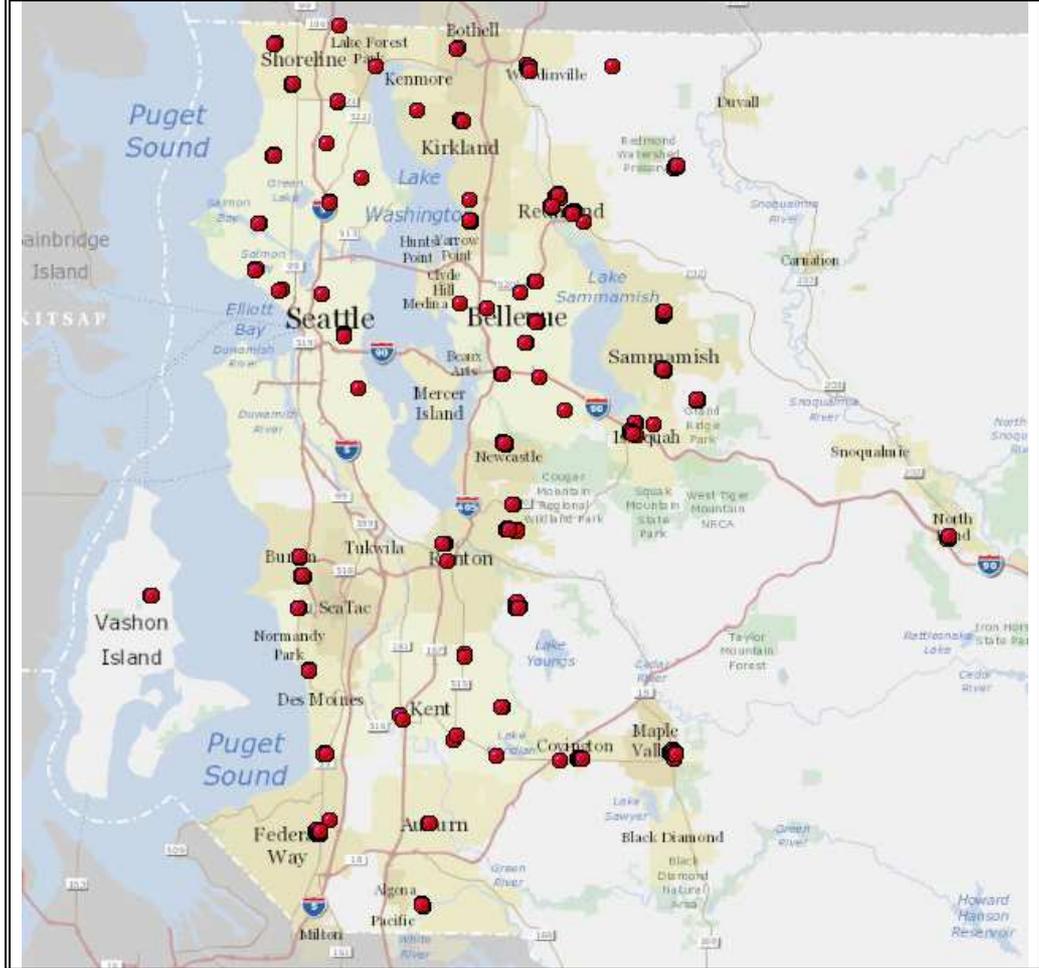
POWER CENTERS			
Retail Neigh.	Retail Dist./Subarea	Neighborhood Description	Parcel Count
222	Eastside (Dist. 2, Subarea 2)	Kirkland; Bellevue; Redmond; Sammamish; Issaquah	26
242	Seattle NE (Dist. 4, Subarea 2)	Northgate; Lake City; University	1
245	Seattle (Dist. 4, Subarea 5)	Downtown	2
248	Seattle (Dist. 4, Subarea 8)	Delridge; White Center	2
253	SW (Dist. 5, Subarea 3)	Federal Way	21
261	South (Dist. 6, Subarea 1)	Renton; Tukwila East of I-5	7
<b>Total</b>			<b>59</b>



BIG BOX			
Retail Neigh.	Retail Dist./Subarea	Neighborhood Description	Parcel Count
311	North (Distr. 1, Subarea 1)	West Shoreline	5
321	Eastside (Dist. 2, Subarea 1)	Bothell; Kenmore	1
322	Eastside (Dist. 2, Subarea 2)	Kirkland; Bellevue; Redmond; Sammamish; Issaquah	19
341	Seattle NW (Dist. 4, Subarea 1)	Seattle NW - Ballard; Fremont; Green Lake; Aurora	8
342	Seattle NE (Dist. 4, Subarea 2)	Seattle NE - Northgate; Lake City; University	1
343	Seattle (Dist. 4, Subarea 3)	Queen Anne; Magnolia	1
345	Seattle (Dist. 4, Subarea 5)	Downtown	1
346	Seattle (Dist. 4, Subarea 6)	West Seattle	5
347	Seattle (Dist. 4, Subarea 7)	Rainier Valley; South	2
348	Seattle (Dist. 4, Subarea 8)	Delridge; White Center	2
352	SW (Dist. 5, Subarea 2)	Burien; SeaTac; Des Moines; Tukwila - West of I-5	4
353	SW (Dist. 5, Subarea 3)	Federal Way	9
361	South (Dist. 6, Subarea 1)	Renton; Tukwila - East of I-5	22
362	South (Dist. 6, Subarea 2)	Kent	4
363	South (Dist. 6, Subarea 3)	Auburn	4
371	SE (Dist. 7, Subarea 1)	Covington; Maple Valley; Black Diamond	7
<b>Total</b>			<b>95</b>



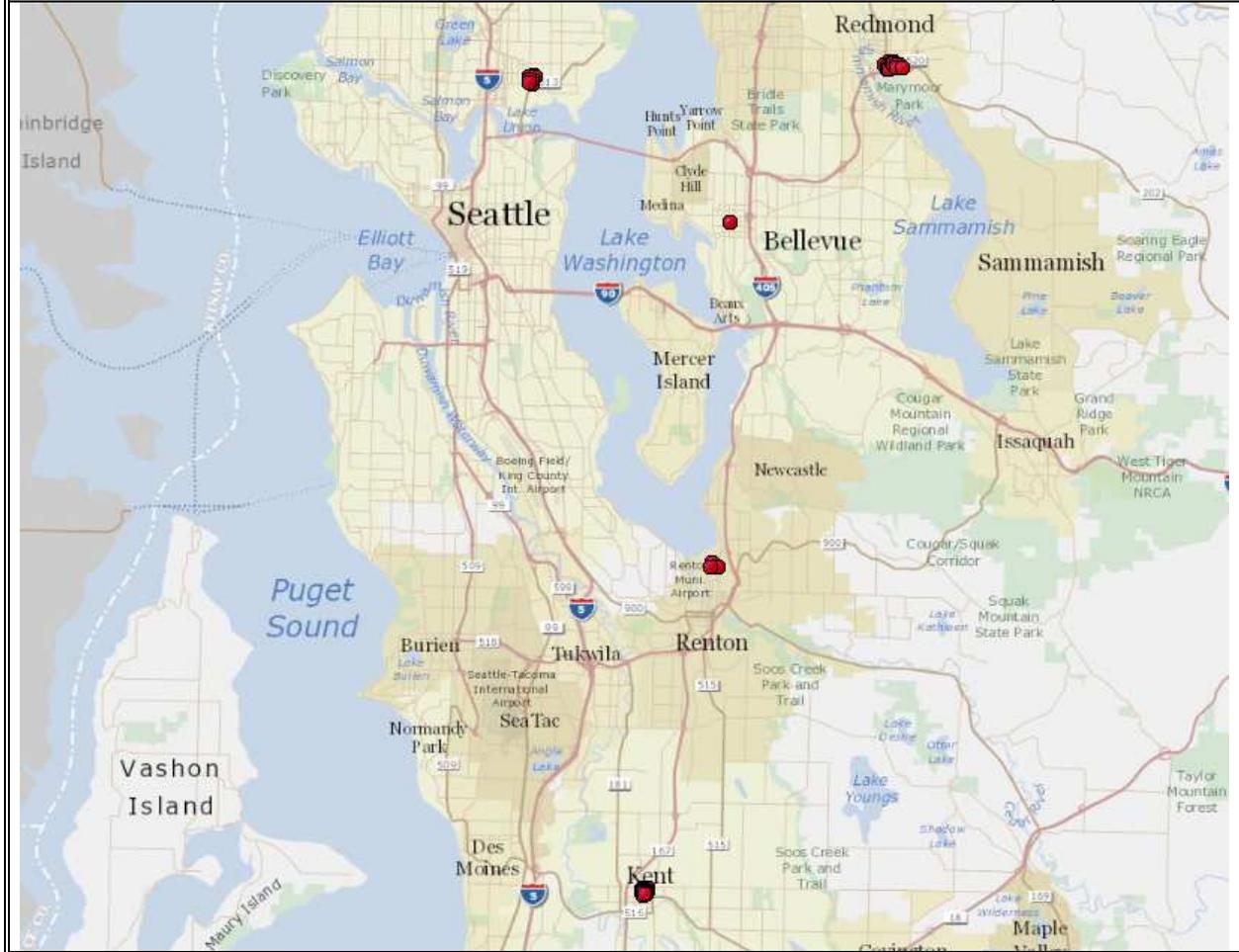
NEIGHBORHOOD / COMMUNITY CENTERS			
Retail Neigh.	Retail Dist./Subarea	Neighborhood Description	Parcel Count
411	North (Distr. 1, Subarea 1)	West Shoreline	6
412	North (Distr. 1, Subarea 2)	East Shoreline; Lake Forest Park	2
421	Eastside (Dist. 2, Subarea 1)	Bothell; Kenmore	2
422	Eastside (Dist. 2, Subarea 2)	Kirkland; Bellevue; Redmond; Sammamish; Issaquah	108
423	Eastside (Dist. 2, Subarea 3)	Downtown Bellevue	1
424	Eastside (Dist. 2, Subarea 4)	Mercer Island; Newcastle	10
425	Eastside (Dist. 2, Subarea 5)	North Bend	5
441	Seattle NW (Dist. 4, Subarea 1)	Seattle NW - Ballard; Fremont; Green Lake; Aurora	4
442	Seattle NE (Dist. 4, Subarea 2)	NE - Northgate; Lake City; University	8
443	Seattle (Dist. 4, Subarea 3)	Queen Anne; Magnolia	13
444	Seattle (Dist. 4, Subarea 4)	Capitol Hill; Madison Park	1
447	Seattle (Dist. 4, Subarea 7)	Rainier Valley - South	4
451	SW (Dist. 5, Subarea 1)	Vashon Island	3
452	SW (Dist. 5, Subarea 2)	Burien; SeaTac; Des Moines; Tukwila - West of I-5	19
453	SW (Dist. 5, Subarea 3)	Federal Way	10
461	South (Dist. 6, Subarea 1)	Renton; Tukwila - East of I-5	29
462	South (Dist. 6, Subarea 2)	Kent	14
463	South (Dist. 6, Subarea 3)	Auburn	9
471	SE (Dist. 7, Subarea 1)	Covington; Maple Valley; Black Diamond	21
472	SE (Dist. 7, Subarea 2)	Enumclaw East	1
<b>Total</b>			<b>270</b>



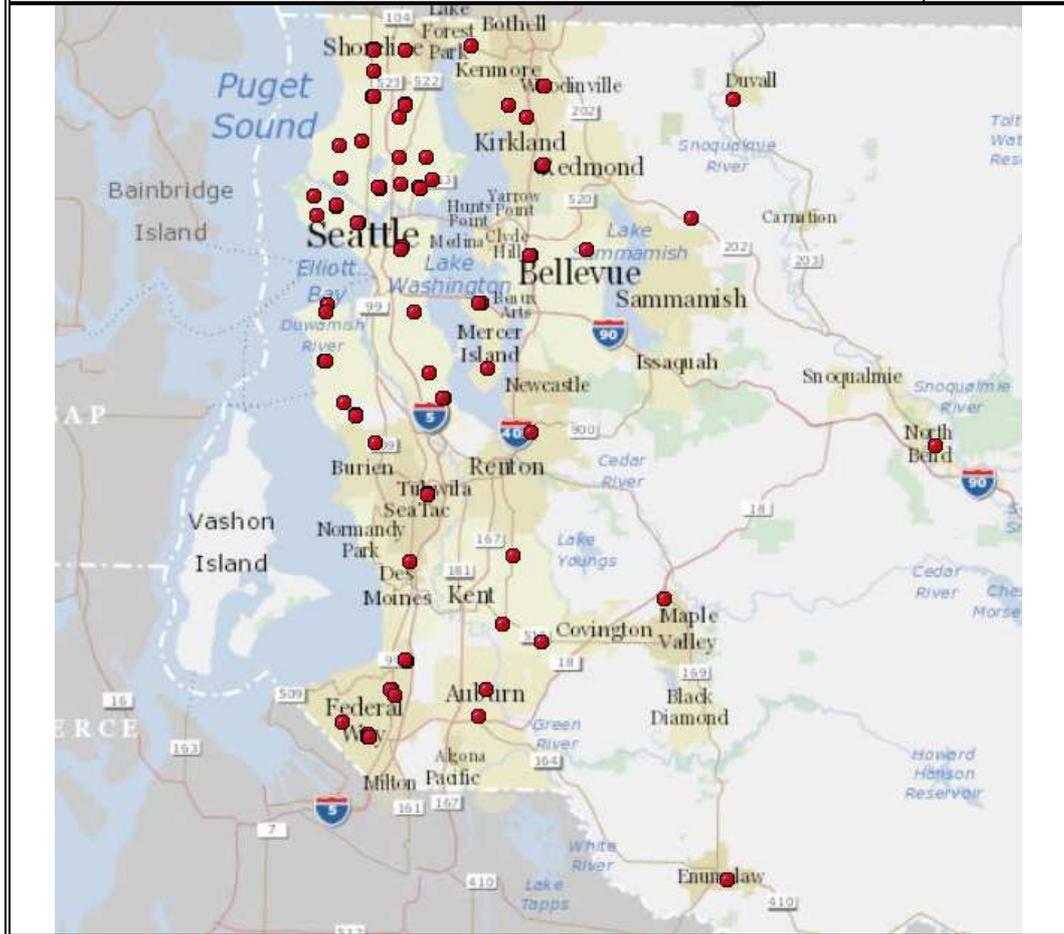


**LIFESTYLE CENTERS**

<b>Retail Neigh.</b>	<b>Retail Dist./Subarea</b>	<b>Neighborhood Description</b>	<b>Parcel Count</b>
622	Eastside (Dist. 2, Subarea 2)	Kirkland; Bellevue; Redmond; Sammamish; Issaquah	13
623	Eastside (Dist. 2, Subarea 3)	Downtown Bellevue	1
642	Seattle NE (Dist. 4, Subarea 2)	NE – Northgate; Lake City; University	12
661	South (Dist. 6, Subarea 1)	Renton; Tukwila - East of I-5	3
662	South (Dist. 6, Subarea 2)	Kent	20
<b>Total</b>			<b>49</b>



STAND ALONE GROCERY STORES			
Retail Neigh.	Retail Dist./Subarea	Neighborhood Description	Parcel Count
711	North (Distr. 1, Subarea 1)	West Shoreline	1
712	North (Distr. 1, Subarea 2)	East Shoreline; Lake Forest Park	5
721	Eastside (Dist. 2, Subarea 1)	Bothell; Kenmore	2
722	Eastside (Dist. 2, Subarea 2)	Kirkland; Bellevue; Redmond; Sammamish; Issaquah	14
724	Eastside (Dist. 2, Subarea 4)	Mercer Island; Newcastle	3
725	Eastside (Dist. 2, Subarea 5)	North Bend	1
731	NE Rural (Dist. 3, Subarea 1)	Duvall	1
741	Seattle NW (Dist. 4, Subarea 1)	NW - Ballard; Fremont; Green Lake; Aurora	8
742	Seattle NE (Dist. 4, Subarea 2)	NE - Northgate; Lake City; University	12
743	Seattle (Dist. 4, Subarea 3)	Queen Anne; Magnolia	8
744	Seattle (Dist. 4, Subarea 4)	Capitol Hill; Madison Park	2
746	Seattle (Dist. 4, Subarea 6)	West Seattle	3
747	Seattle (Dist. 4, Subarea 7)	Rainier Valley; South	5
748	Seattle (Dist. 4, Subarea 8)	Delridge; White Center	5
752	SW (Dist. 5, Subarea 2)	Burien; SeaTac; Des Moines; Tukwila - West of I-5	5
753	SW (Dist. 5, Subarea 3)	Federal Way	9
761	South (Dist. 6, Subarea 1)	Renton; Tukwila - East of I-5	2
762	South (Dist. 6, Subarea 2)	Kent	2
763	South (Dist. 6, Subarea 3)	Auburn	2
771	SE (Dist. 7, Subarea 1)	Covington; Maple Valley; Black Diamond	1
772	SE (Dist. 7, Subarea 2)	Enumclaw East	1
<b>Total</b>			<b>92</b>



## ***Economic Considerations:***

### **Historic Economic Conditions:**

The Seattle region experienced strong employment growth in the mid-2000's as the local economy continued to experience increasing diversification led by the rapidly expanding technology and biotech sectors. This helped spur increases in net migration and a robust real estate market, which experienced rapidly appreciating property values unprecedented in recent memory. This period of strong growth came to a grinding halt as the effects of the national economic crisis began to impact the local economy. The year 2009 marked a clear shift in the local economy as demonstrated by significant regional job losses and plummeting real estate values. The recessionary period that followed was characterized by a tightening of lending practices, further job losses, and declines in all sectors of the real estate market.

### **National Economy:**

The United States economy continued its recovery in 2013, growing at a slow but stable pace. The labor market has improved, although unemployment still remains high and job creation has occurred very slowly. The federal government shutdown in October 2013 was one aspect that helped limit job growth in the latter half of the year. The stock market has rebounded, with the Dow Jones industrial average having its best year since 1998. In addition, the housing market has continued to improve, with indexes indicating home values have increased for the past seven quarters and foreclosures are at their lowest levels since mid-2007. Housing starts increased 19 percent in 2013, the highest level since 2007.

### **Puget Sound Economic Conditions:**

In 2013, Conway & Pedersen's Puget Sound Economic Forecaster reported that the Puget Sound's Employment increased by 2.9% and is projected to increase by 2.8% in 2014<sup>2</sup>. This recovery is tied to the region's diverse economy. Its strengths include aerospace, software development including internet retail and gaming, and global trade. In King County, unemployment fell to 4.7% in December 2013 down from an average of 8.6% in 2009. This level is traditionally considered full employment.<sup>3</sup>

With a huge backlog of airplane orders, Boeing's employment remained strong in 2013 following increased hiring in 2011. In 2011, the company won the contract for the aerial tankers, reached a labor agreement, and committed to build the next generation of 737 airplanes in Renton.

In addition, a stable information-technology industry once anchored by Microsoft has evolved into one of the largest high-tech clusters in the nation with Amazon.com dramatically increasing its footprint in Seattle. Other major tech-related companies with large real estate footprints in the Seattle area are Nintendo, Expedia Inc. and F5 Networks Inc. Google and Facebook are also increasing their presence significantly in the area in order to take advantage of the large pool of tech employees. The Seattle area was recently ranked fourth for top start-up ecosystems in the world according to report by Startup Genome. The Puget Sound business

<sup>2</sup> Puget Sound Economic Outlook "Economic Development Council Website"

<sup>3</sup> The Seattle Times, "Better unemployment rates for Seattle in December" Jon Talton, 2/18/2014

climate and lifestyle, which attracts a skilled, educated workforce, has encouraged these start-ups.<sup>4</sup> In the Seattle, metropolitan area the above average growth in tech employment has helped fill a glut in vacant office space available after the “Great Recession” and has accelerated the recovering of the office market.

International trade continues to have a strong impact on the regional economy. While foreign exports were the first sector of the economy to recover it has now slowed due to the slower world economy. Boeing with 75% of its airplanes going overseas is the region’s top foreign exporter. Besides Boeing, there are a wide list of regional businesses that provide products and services for foreign markets. These include Microsoft, Weyerhaeuser, Paccar, Russell Investments, Costco, Starbucks, Expeditors International, Perkins Coie, NBBJ, Alaska Airlines, Port of Seattle, and the University of Washington. Economist Dick Conway anticipates that the region’s exports will increase from flat to a 5% growth rate in 2013.<sup>5</sup>

### **Retail Market History and Current Economic Conditions:**

Heading into 2010, most investors were looking to purchase assets described as either “treasures”- high-quality, well-located properties with strong occupancies and stable rent rolls – or “traumas” – assets in need of repair, tenants, capital or any combination of the three, which could be acquired well below replacement cost. “There was fierce competition at both ends of the quality spectrum, but no takers for the middle assets,” states an investor. By midyear 2010, the anticipated number of “trauma” assets fell short, leaving cash-laden investors targeting the same few top-notch offerings and prime markets. A flight to quality scenario had clearly emerged. At the same time, lending markets came back to life for quality deals, helping to further fuel investment demand for trophy assets<sup>6</sup>.

Research reports indicate that the regional retail market continued to improve in 2013. The regional vacancy rate remained stable to modest growth in rental rates. Overall, rents remained mostly stable or grew slightly over the year while the overall vacancy rate generally improved. With rising rents and decreasing vacancy rates, owners in the Northgate/Central and Eastside/Bellevue submarkets will reduce concessions first as national chains expand into heavily trafficked areas, pushing shopping center vacancy to low levels shortly after the recession, which enabled owners to negotiate rent renewal increases in 2011.<sup>7</sup> For year 2013, commercial real estate sales transaction volume is increasing and underlying economic fundamentals are a cause for optimism.

Retail development activity has remained low as the market continues to slowly reabsorb existing vacant space. In addition, many retailers are reluctant to pay rents at levels that justify new construction investment. Most new retail space on the market has come in the form of retail space within mixed-use multi-family developments.

Per Marcus and Millichap<sup>8</sup>, recent shopping center leases have averaged just above 2,000 square feet rather than the 3,500-square foot average during the initial stages of the recovery.

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<sup>4</sup> CBRE Q4 2012 Puget Sound Area Office Marketview

<sup>5</sup> Economic Development Council of Seattle and King County Marketing Supplement, Pg. 8, 1/11/2013

<sup>6</sup> PwC Real Estate Investor Survey, 4<sup>th</sup> Quarter 2010, pg. 2

<sup>7</sup> Marcus & Millichap, 2013 National Retail Report, pg. 53

<sup>8</sup> Marcus & Millichap, 2013 National Retail Report, pg. 53

As a result, asking rents have increased 2.2% to \$21.73/SF, while effective rents have increased 1.6% to \$19.17/SF.

The demand for well-stabilized retail assets along with strong NOI returns have investors competing for properties. Investor interest has been focused on food and drug store anchored neighborhood centers, and single tenants net lease properties. In addition, with improving retail operations throughout Puget Sound, investors will seek those retail developments with strong locational influences, and as a result, those retail assets on prime corners, heavily traveled corridors, or near primary employment centers will receive multiple bids from local and national investors. Those multi-tenant buyers targeting strip centers will set re-tenanting as a primary motivator.

Many retail establishments are currently trying to determine the impact of social networking on their organizations by measuring the potential benefits against the perceived risks. Social networking is generally understood to mean the use of online services or websites to allow users to interact and share information with typical examples including Facebook, LinkedIn, MySpace, and Twitter. This communication evolution has forced companies to investigate ways to market products and influence brand recognition with this powerful consumer group. Some of the ways a company can capitalize on the benefit of social networking are obvious, such as increasing sales efforts through Twitter, creating user community discussion groups on MySpace, driving brand recognition through company sites on Facebook, and even posting product videos to YouTube. Retail owners use these channels to market properties and promote events aimed at increasing consumer traffic and revenue at their properties<sup>9</sup>.

Marcus & Millichap had ranked Seattle the second best retail market in the country, with New York ranked as the No. 1 retail market. San Francisco ranked third, with San Jose & Orange County finishing fourth and fifth, respectively. The Marcus & Millichap reports states that for 2013, King County will be the big draw within the greater Puget Sound market area.

According to the Marcus & Millichap report:<sup>10</sup>

- **2013 NRI Rank: 2<sup>nd</sup>, Up 1 Place.** Strong job growth and tightening vacancy nudged Seattle up one spot in this year's ranking.
- **Vacancy Forecast:** Market wide, vacancy will retreat 70 basis points to 5.2 percent at year-end, besting the 60-basis point decline last year.
- **Rent Forecast:** Asking rents will increase 1.6 percent to \$21.73 per square foot while effective rents rise 2.2 percent to \$19.17 per square foot.
- **Investment Forecast:** Risk tolerance for multi-tenant retail properties will rise in 2013, while the threat of inflation will likely stymie activity for single-tenant properties without built-in rent bumps.
- **Employment Forecast:** Employers will add 56,500 jobs in the Puget Sound this year, expanding payrolls by 3.3 percent. In 2012, 45,000 positions were created.
- **Construction Forecast:** After 430,000 square feet was completed in 2012, builders will add 1.1 million square feet to inventory this year.

<sup>9</sup> PwC Real Estate Investor Survey, 4<sup>th</sup> Quarter 2010, pg. 8

<sup>10</sup> Marcus & Millichap, 2013 National Retail Report, pg. 53

**Major Retail - Construction and Redevelopment Activity:** Within the last year, the number of new construction projects has increased with new ventures being renovated space and build-to-suit buildings. Many building permits, which had been previously on hold due to the negative economy, have been reissued for current and future development.

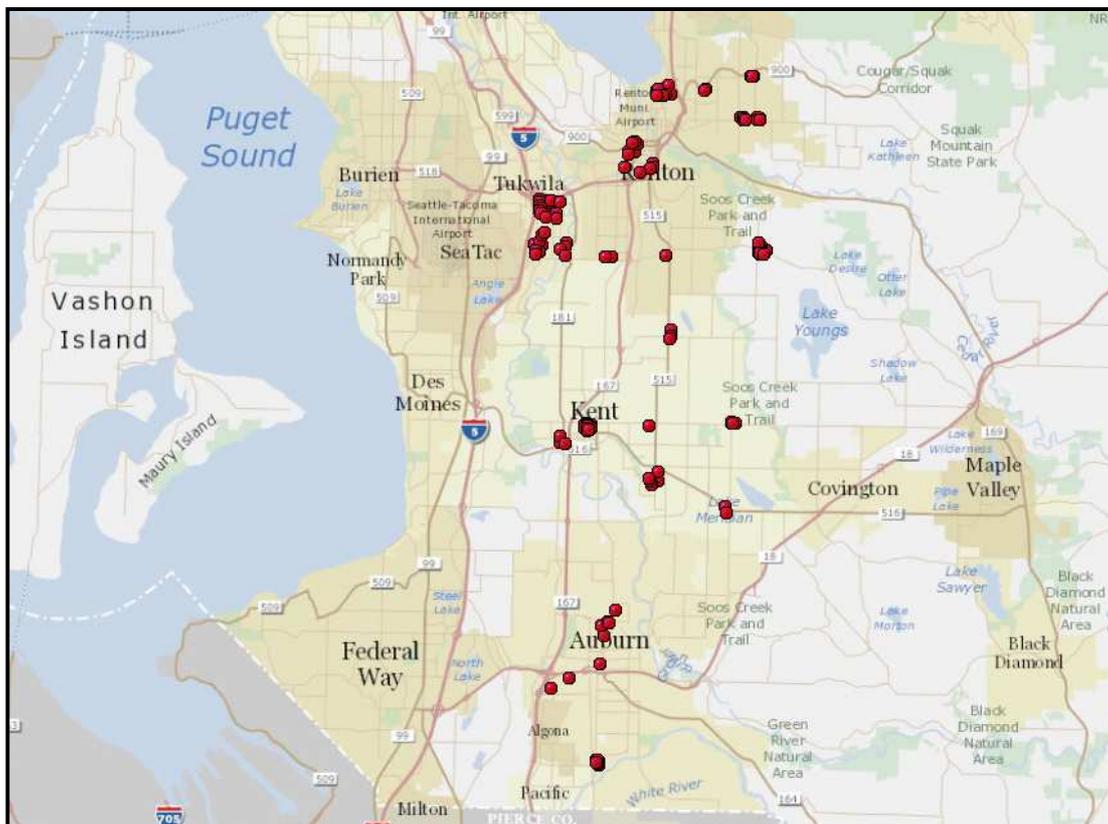
Major 2013/2014 Construction Activity	
Four Corners Square	<b>Maple Valley:</b> Grocery Outlet, Johnson Hardware, Yeti Yogurt, Taco Delmar and Subway opened in the Spring of 2013, followed by Walgreen's and other out-parcels in summer of 2014.
Grand Ridge Plaza	<b>Issaquah Highlands:</b> Completed in spring of 2013 and summer of 2014, Grand Ridge Plaza includes 372,643/SF of multiple retail buildings, which include line retail, big box retail, restaurants, a grocery store, and a 12-screen Regal Cinema.
The Outlet Collection - Seattle	<b>Auburn:</b> Major renovation currently under construction. Formerly Supermall of Great NW, The Outlet Collection's owners are spending \$35 million to update the mall with new entrances, new flooring and a new mid-mall connection to speed up the trip from one side of the torus-shaped building to the other side of the development.
University Village	<b>Seattle:</b> Conversion of former Barnes & Noble Book Store into new furniture store + construction of new 1 <sup>st</sup> level retail bldg. with parking garage over retail. Project to be completed in late 2013.
Greenwood Fred Meyers	<b>Seattle:</b> Major renovation, which includes a 55,000/SF expansion. Adjacent grocery store demolished and to be built within existing Fred Meyer store. Project Completed Spring of 2013
The Commons @ Federal Way	<b>Federal Way:</b> New +/-59,742/SF Kohl's Department Store. New 45,000/SF Dick's Sporting Goods store currently under construction to be completed late 2014, early 2015.
Celebration Center	<b>Federal Way:</b> New +/-20,875/SF expansion for Total Wine
Wal-Mart	<b>Renton:</b> 15,806/SF expansion to existing Wal-Mart.
Westfield Mall	<b>Tukwila:</b> Two new restaurants with demo of existing bldg.
Burien Plaza	<b>Burien:</b> 7,582/SF expansion to existing retail space.
Seattle	<b>Seattle:</b> Major remodel of former K-Mart. Existing +/-114,000/SF space split into two +/-57,000/SF retail spaces.

**Major Retail Summary:** For 2014, rents are expected to rise as the economic recovery continues. With respect to the greater major retail market, 2013 experienced stable to increasing property values generally due to stable to increasing lease rates, stable to decreasing vacancy rates, and decreasing cap rates. The demand for stabilized well-positioned investment properties with strong NOI's has increased.

2013 YEAR END				
CATEGORY	LEASE RATES	VACANCY RATES	CAPITALIZATION RATES	IMPROVED PROPERTY VALUES
<b>MAJOR RETAIL</b>	↔/↗ (STABLE TO INCREASING)	↔/↘ (STABLE TO DECREASING)	↘ (SLIGHT DECREASE)	↗ INCREASE

**Physical Inspection Identification:**

- The physical inspection area for the 2014 revalue included those major retail properties which are proximately located north of the Pierce County line, south/southwest of Lake Washington, east of Interstate 5, and southwest unincorporated King County, as required by WAC 458-07-015 4 (a). The incorporated cities that are located within these boundaries are Renton, Tukwila, Kent, and Auburn.
- Within the 2014 physical inspection area, there were 138 parcels in all, which represents approximately 21.4% of the total major retail population. Of the 138 total parcels that were physically inspected, 118 parcels were improved with the remainder being vacant associated parcels.



## Preliminary Ratio Analysis

No ratio studies were included within this report due to the small number of sales relative to the size and complexity of the major retail population. The Parcel Summary Data does not reflect any statistical measure associated with IAAO standards.<sup>11</sup>

## Scope of Data

### Land Value Data:

The geographic appraiser in the area in which the major retail property is located is responsible for the land value used by the specialty appraiser. For this revalue, land values typically were not changed from the previous year. See appropriate area reports for land valuation discussion.

### Improved Parcel Total Values:

#### Sales Comparison Approach Model Description

**The Sales Comparison Approach was not used due to the small number of sales relative to the size and complexity of the area's major retail population.**

Generally, the market approach is utilized when an adequate sales market exists. Standards are set by the International Association of Assessment Officers. When improved sales are available, 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 are verified, if possible, by contacting either the purchaser or seller, or contacting the real estate broker, and reviewing sale transaction data from online subscription sources. Characteristic data is verified for all sales, if possible. If necessary, a site inspection is made. Sales are listed in the "Sales Used" and "Sales Not Used" sections of this report. Between 01/01/2011 and 12/31/2013, 11 improved sales were verified as "Sales Used". Below is a brief description of each improved sale.

Excise No.	Area	Name	Sales Price	Sales Date	Sales \$/SF	Comments:
2647381	250-261	The Landing	\$165,400,000	12/23/13	\$339.77	<b>Lifestyle Center:</b> Four parcel, 16 building lifestyle center, which includes line retail, restaurants, movie theater, & big box retail. Reported Cap Rate ATOS was 6.10%.
2646690	250-753	Top foods (Former)	\$6,500,000	12/20/13	\$98.91	<b>Vacant Big Box Retail:</b> Purchase of former (Vacant) Top Foods Supermarket for possible redevelopment.
2646271	250-443	Marketplace @ Queen Anne (Condo)	\$9,500,000	12/17/13	\$631.90	<b>Drug Store (Condo):</b> Urban Core Retail Condo which is part of larger development (Marketplace @ Queen Anne), but own separately.
2634150	250-623	Bellevue Galleria	\$87,600,000	10/04/13	\$429.61	<b>Mixed Use Retail/Office Development:</b> Downtown Bellevue retail/office complex. Reported cap rate ATOS 6.92%.
2606440	250-443	Marketplace @ Queen Anne (Condo)	\$31,700,000	05/21/13	\$478.12	<b>Neighborhood/Community Center:</b> Anchored tenant (Metropolitan Market); arm's length mkt. transaction.

<sup>11</sup> Mass Appraisal of Real Property, IAAO, 1999, p. 271-274

Excise No.	Area	Name	Sales Price	Sales Date	Sales \$/SF	Comments:
2567171	250-422	Overlake Village Shopping Center	\$18,200,000	09/27/12	\$161.52	<b>Neighborhood/Community Center:</b> Anchored tenant (Safeway); arm's length mkt. transaction.
2538998	250-322	Fred Meyers (Kirkland)	\$18,500,000	04/08/12	\$119.35	<b>Big Box:</b> Purchased by tenant prior to major renovation.
2534923	250-623	The Bravern	\$79,000,000	03/22/12	\$261.59	<b>Lifestyle Center:</b> Luxury Retail Condo with multiple bids. Reported 85% Occupancy ATOS.
2517225	250-422	Klahanie Comm. Center	\$22,000,000	11/03/11	\$325.59	<b>Neighborhood/Community Center:</b> Multi-parcel retail complex with shadow anchor (QFC) within complex.
2486412	250-361	Costco (Tukwila)	\$19,042,103	04/08/11	\$91.04	<b>Big Box:</b> Purchased by tenant.
2484658	250-248	Westwood Village	\$78,100,000	3/28/2011	\$257.76	<b>Power Center:</b> At time of sale, occupancy was 97% with a reported cap rate of 6.75%.

### Cost approach

Cost estimates are calculated using the Marshall and Swift cost valuation service model in the computerized "Real Property" program for all improved parcels. Depreciation is based on studies done by Marshall & Swift Valuation Service. The dynamics of the retail market as well as the fact that income is the primary characteristic, around which investment analysis revolves, make it difficult to utilize the cost approach in valuing most major retail properties. Accordingly, the cost approach is usually limited to valuing new construction and/or remodeling in the major retail properties.

### Cost calibration

The Marshall & Swift cost-modeling system built into the Real Property Application is calibrated to this region and the Seattle area.

### Income Capitalization Approach model description

The Income Approach was considered a reliable approach to valuation throughout Area 250 for improved property types where income and expense data is available to ascertain market rates. Income parameters were derived from the market place through market rental surveys, sales, and available real estate's publications and websites.

Income: Income parameters were derived from the market place through listed fair market sales as well as through published sources (i.e. Office Space Dot.Com, Commercial Brokers Association, Costar, and multiple corporate real estate websites such as CBRE, Colliers, GVA Kidder Mathews, Grubb & Ellis, etc.), and opinions expressed by real estate professionals active in the market.

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

Expenses: Expense ratios were estimated based on industry standards, published sources, and personal knowledge of the area's rental practices. Within the income valuation models for

Area 250, the assessor used triple net expense rates as the basis for calculating overall expenses.

**Capitalization Rates:** Capitalization rates were determined by local published market surveys, such as CoStar, Real Capital Analytics, The American Council of Insurance Adjustors, Integra Realty Resources, Korpaz, etc. For model calibration, the effective year built and condition of each building determined the capitalization rate used by the appraiser. For example, a building with an older effective year built of lesser condition will typically warrant a higher capitalization rate and a building in better condition with a newer effective year built will warrant a lower capitalization rate.

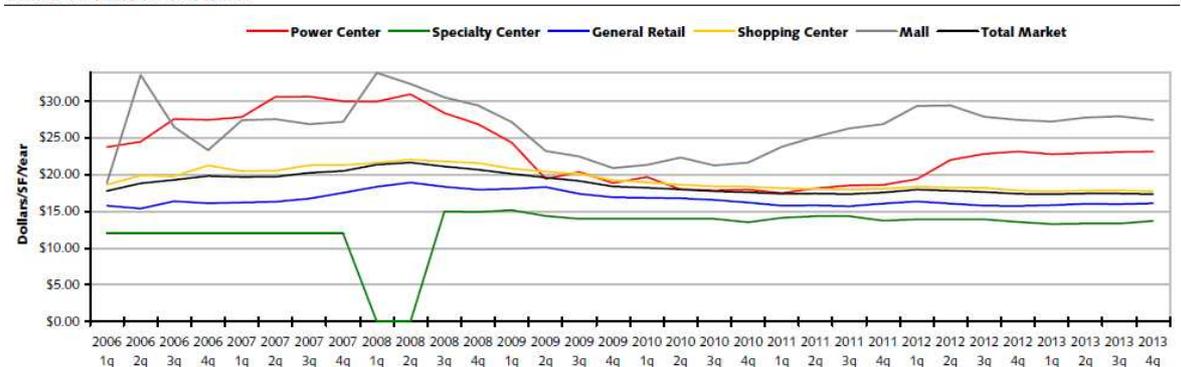
**Lease & Vacancy Rates:**

The below tables summarize surveyed area market reports for asking rents and vacancy rates for different major retail property types within the King County market area.

Puget Sound Retail Market Statistics						
CoStar Retail Market Statistics (Seattle Mkt. Area - Year End 2013)						
Property Type	Market	# of Bldgs	Total Sq.Ft.	Direct Vacancy	Vacancy Rate	Quoted Avg. NNN Rents
<b>Total Retail</b>	Downtown Seattle	3,093	27,141,970	725,002	2.8%	\$23.20/SF
	Eastside	1,666	27,396,049	1,208,351	4.4%	\$22.90/SF
	Northend	3,558	45,993,122	2,425,975	5.3%	\$16.78/SF
	Southend	2,185	31,476,321	2,127,130	6.8%	\$15.75/SF
<b>Malls</b>	Downtown Seattle	2	864,491	12,424	1.4%	\$55.00/SF
	Eastside	5	3,763,149	98,607	2.6%	\$30.07/SF
	Northend	5	4,766,922	82,403	1.7%	\$23.02/SF
	Southend	5	5,134,976	175,382	3.4%	\$29.50/SF
<b>Power Centers</b>	Downtown Seattle	1	405,016	16,917	4.2%	\$26.32/SF
	Eastside	3	1,038,970	1,681	0.2%	\$39.32/SF
	Northend	7	2,617,387	30,922	1.2%	\$26.14/SF
	Southend	3	1,219,445	175,322	14.4%	\$27.99/SF
<b>Shopping Centers</b>	Downtown Seattle	119	3,010,998	158,873	5.3%	\$26.36/SF
	Eastside	227	11,578,838	729,577	6.3%	\$23.68/SF
	Northend	370	16,184,159	1,334,783	8.3%	\$17.40/SF
	Southend	269	11,316,422	1,197,431	10.6%	\$16.54/SF

**HISTORICAL RENTAL RATES**

Based on NNN Rental Rates



Source: CoStar Property®

OfficeSpace.Com Retail Market Statistics (Seattle Mkt. Area - 4 <sup>th</sup> Qtr. 2013)						
Property Type	Market	# of Bldgs	Total Sq.Ft.	Direct Vacancy	Vacancy Rate	Quoted Avg. NNN Rents
<b>Total Retail</b>	Downtown Seattle	92	2,759,569	222,588	10.28%	\$24.45/SF - \$28.12/SF
	Eastside	503	11,397,170	773,697	10.01%	\$23.73/SF - \$26.17/SF
	Northend (King.Co)	131	3,690,354	255,167	11.10%	\$20.05/SF - \$22.47/SF
	Southend	514	15,001,054	1,156,474	10.18%	\$18.64/SF - \$20.42/SF

Chainlinks Retail Advisors Retail Market Statistics (Seattle 3 <sup>rd</sup> Qtr. 2013)				
Property Type	Total Sq.Ft.	Direct Vacancy	Vacancy Rate	Quoted Avg. NNN Rents
Malls	1,518,080	154,318	1.5%	\$28.39/SF
Power Centers	11,867,720	688,598	5.8%	\$23.42/SF
Community/Neighborhood	45,807,972	4,039,371	8.8%	\$17.56/SF
Strip Centers	12,555,288	1,122,408	8.9%	\$17.95/SF

**Capitalization Rates:** The following tables demonstrate ranges of capitalization rates and trends that are compiled with information that is collected on a national or broad regional scale. This information is reconciled with data specific to the real estate market in area 250 to develop the income model. The range of capitalization rates in the income model for area 250 reflects the variety of properties in this area.

The capitalization rates presented in the following tables aggregate (consolidate) many variables such as quality, condition, location, and leasing class, while the range of capitalization rates typically reflect the building age, quality and competitiveness within a given market. With reported capitalization ranges, lower rates are typically those buildings having superior quality, condition, and leasing class with the higher cap rates typically being those buildings with inferior quality, condition, and leasing class. Higher cap rates might also be applied to the lesser quality retail buildings or to properties that have higher than the normal sub-market vacancy, substantial sub-lease vacancy, or physical issues that require additional capital investment.

SEATTLE / PACIFIC NW CAP RATES						
Source	Date	Location	Office	Industrial	Retail	Remarks
ACLI	Yr. End 2013	Seattle MSA	5.83%	7.05%	7.16%	
		Pacific Region	6.21%	6.93%	6.37%	
PWC / Korpaz	4Q 2013	Seattle Pac. NW	6.61% 6.10% 7.13%	- - -	- - -	Range = 4.20% to 9.00% CBD Office Suburban Office
CBRE: Capital Markets Cap. Rate survey.	2 <sup>nd</sup> Half (2013)					CBRE professional's opinion of where cap rates are likely to trend in the 2 <sup>nd</sup> 1/2 of 2013 based on recent trades as well as interactions with investors. Value Added represents an underperforming property that has an occupancy level below the local average under typical market conditions.
		Seattle	5.00% - 5.75% 6.00% - 6.50% 6.00% - 6.75% 7.00% - 8.00% 6.00% - 6.50% 7.50% - 8.50% 6.50% - 7.50% 8.25% - 9.25%	- - - - - - - -	- - - - - - - -	CBD - Class A CBD - Class A - Value Added CBD - Class B CBD - Class B - Value Added Suburban - Class A Suburban - Class A - Value Added Suburban - Class B Suburban - Class B - Value Added

SEATTLE / PACIFIC NW CAP RATES						
Source	Date	Location	Office	Industrial	Retail	Remarks
			-	5.00% - 5.50%	-	Class A
			-	6.50% - 7.00%	-	Class A - Value Added
			-	5.50% - 6.00%	-	Class B
			-	7.00% - 7.50%	-	Class B - Value Added
			-	-	5.00% - 5.75%	Class A (Neigh./Comm. w/Grocery)
			-	-	6.00% - 7.50%	Class A (Neigh./Comm.) - Value Added
			-	-	6.00% - 6.75%	Class B (Neigh./Comm. w/Grocery)
			-	-	7.00% - 8.50%	Class B (Neigh./Comm.) - Value Added
			-	-	6.00% - 7.00%	Class A (Power Centers)
			-	-	7.00% - 9.00%	Class A (Power Centers) - Value Added
			-	-	6.75% - 7.50%	Class B (Power Centers)
			-	-	8.50% - 10.00%	Class B (Power Centers) - Value Added
			-	-	4.25% - 5.25%	High Street Retail (Urban Core)
IRR: Viewpoint for 2014	Yr. End 2013	Seattle	5.50%	-	-	<u>Institutional Grade Properties</u> 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
			6.50%	-	-	
			6.00%	-	-	
			7.50%	-	-	
			-	5.25%	-	
			-	N/A	-	
			-	7.25%	-	
			-	N/A	-	
			-	-	5.25%	
			-	-	N/A	
			-	-	6.00%	
RERC-CCIM: Investment Trends Quarterly	4Q 2013	West Region	8.00%	-	-	Office CBD
			7.50%	-	-	Office Suburban
			-	7.30%	-	Industrial Warehouse
			-	7.30%	-	Flex
			-	-	7.20%	Retail
Colliers Office Highlights	Q4 2013	Seattle/P S	8.00%	-	-	CBD Office
			8.00%	-	-	Suburban Office
Costar	Yr. End 2013	King County	5.11%	-	-	SP=\$1mil. - \$5mil.; Cap. Rate = 1%-10%
			6.14%	-	-	SP=\$5mil. +; Cap. Rate = 1%-10%
			-	6.02%	-	SP=\$1mil. - \$5mil.; Cap. Rate = 1%-10%
			-	6.60%	-	SP=\$5mil. +; Cap. Rate = 1%-10%
			-	-	6.71%	SP=\$1mil. - \$5mil.; Cap. Rate = 1%-10%
			-	-	6.75%	SP=\$5mil. +; Cap. Rate = 1%-10%
The Boulder Net Lease Report	4Q 2013	Pacific Region	-	-	6.63%	Big Box "Overall"
Chainlinks Realty Advisors	Q4 2013	Pacific Region	-	-	6.60%	Shopping Centers All Types
			-	-	6.60%	Shopping Center (Neigh. & Comm. Cntrs.)
			-	-	6.00%	Drug Store
			-	-	5.70%	Quick Service Rest.
			-	-	6.00%	Jr. Big Box - (20,000/SF - 39,999/SF)
			-	-	7.30%	Mid. Big Box - (40,000/SF - 79,999/SF)
			-	-	7.20%	Mega Big Box - (80,000/SF +)

NATIONAL CAP RATES						
Source	Date	Location	Office	Industrial	Retail	Remarks
ACLI	Yr. End 2013	National	6.26%	7.10%	6.65%	Overall
			7.28%	7.94%	7.28%	Sq.Ft. - <50k
			7.09% - 7.23%	7.61% - 7.99%	7.09% - 7.23%	Sq.Ft. - 50k-200k
			6.10%	6.73%	6.20%	Sq.Ft. - 200K+
PWC / Korpaz	4Q 2013	National	6.45%	-	-	CBD Office - (4.00% - 9.00%)
			6.98%	-	-	Sub. Office - (5.00% - 9.50%)
			7.71%	-	-	Medical Office - (5.50% - 11.00%)

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

## Income Approach Calibration

Properties were valued based on an income model using economic rents, typical vacancy and credit loss, expenses, and capitalization rates. The income model was calibrated and adjustments were based on effective age and quality of construction. Fifteen tables were created to value the less complex mall properties and downtown Seattle department stores.

### Income Model Conclusions:

Rental rates, vacancy levels and operating expenses are derived by reconciling all of the information collected through the sales verification process, completed surveys, interviews with tenants, owners, and brokers and the appraiser's independent market research. Quality, effective year, condition, and location are variables considered in the application of the income model to the parcels in the population best suited to be valued via the income approach. Property types in Specialty Area 250 that are valued by the income approach include, but are not limited to power centers, big box retail, neighborhood/community centers, and free standing grocery stores.

Typical income model parameters for the various markets that make up Specialty Area 250 are summarized in the following table. It should be noted that due to the nature of commercial real estate, not all properties fall within the "typical" parameters listed below for their respective property use type. For purposes of record keeping, all of the malls, outlet malls, and lifestyle centers have been assigned their proper geographic neighborhood and do not typically lend themselves to neighborhood designations due to the unique composition of the tenants and the overall quality of building improvements. In addition, due to the complexity in appraising malls, outlet malls, and lifestyle centers, these properties were not assigned neighborhood income tables and were assessed on an individual basis.

Typical Lease Rates For Common Major Retail Type Properties								
Type	Dist.	Vac. %	Line Retail \$/SF	Retail \$/SF <10K SF	Retail \$/SF 10K-25K SF	Retail \$/SF > 25K SF>	Supermarket	Discount / Whse. Discount
Power Centers	2	5% -10%	\$21.00 - \$30.00	\$17.00 - \$21.00	\$15.00 - \$19.00	\$11.00 - \$17.00	\$13.00 - \$17.00	\$12.00 - \$18.00
	4	7% - 8%	\$21.00 - \$30.00	\$15.00 - \$23.00	\$13.00 - \$21.00	\$10.00 - \$19.00	\$13.50 - \$17.50	\$10.00 - \$16.00
	5	11%	\$20.00 - \$28.00	\$14.50 - \$18.50	\$12.50 - \$16.50	\$10.50 - \$15.50	\$10.50 - \$14.50	\$9.00 - \$14.50
	6	8%-10%	\$20.00 - \$28.00	\$18.00 - \$23.00	\$11.00 - \$19.00	\$9.00 - \$20.00	\$12.50 - \$16.50	\$10.00 - \$16.00
Big Box	1	5%	\$21.00 - \$25.00					\$9.00 - \$14.00
	2	5%	---					\$9.00 - \$14.00
	4	5%	\$21.00 - \$25.00	---	---	---	---	\$9.00 - \$14.00
	5	5%	\$16.00 - \$24.00					\$8.00 - \$13.00
	6	5%	\$16.00 - \$24.00					\$8.00 - \$13.00
Neigh. / Retail Centers	1	5% - 9%	\$17.00 - \$25.00	\$16.00 - \$20.00	\$15.00 - \$19.00	\$13.00 - \$18.00	\$13.00 - \$17.00	\$9.00 - \$14.00
	2	5% - 10%	\$21.00 - \$30.00	\$16.00 - \$20.00	\$14.50 - \$18.50	\$12.50 - \$16.50	\$13.00 - \$17.00	\$10.00 - \$17.00
	4	5% - 10%	\$20.00 - \$32.00	\$17.00 - \$25.00	\$16.00 - \$24.00	\$14.00 - \$23.00	\$13.50 - \$22.00	---
	5	5% - 12%	\$16.00 - \$25.00	\$14.00 - \$21.00	\$13.00 - \$18.00	\$11.00 - \$17.00	\$10.50 - \$14.50	\$9.00 - \$15.00
	6	5% - 11%	\$18.00 - \$26.00	\$15.00 - \$21.00	\$13.00 - \$19.00	\$11.00 - \$18.00	\$10.50 - \$14.50	\$9.00 - \$15.00
Grocery	7	5% - 11%	\$12.00 - \$26.00	\$14.00 - \$18.00	\$13.00 - \$17.00	\$9.00 - \$16.00	\$9.00 - \$13.00	\$8.00 - \$15.00
	1	5%					\$13.00 - \$17.00	
	2	5%					\$12.50 - \$17.00	
	3	5%					\$12.50 - \$16.50	
	4	5%	---	---	---	---	\$13.50 - \$22.00	---
5	5%					\$10.50 - \$14.50		
6	5%					\$10.50 - \$15.50		
7	5%					\$9.00 - \$14.50		
Typical Expenses Rates NNN)		7.50%						
Typical Cap. Rates		6.50% - 8.25%						

\*Lease Rate Ranges encompass all sub-areas within each district

The following income parameters were used on most major retail properties:

**Power Centers:** For Power Centers, line retail rent rates typically range from \$20.00/SF to \$30.00/SF, while lease rates for general retail space typically range from \$14.50/SF to \$23.00/SF (< 10K/SF); \$11.00/SF to \$21.00/SF (10K – 25K SF); and \$9.00/SF to \$20.00/SF (>25K SF), respectively. Supermarket lease rates range between \$10.50/SF to \$17.50/SF, while discount / warehouse discount stores have rent rates ranging from \$9.00/SF to \$18.00/SF. Deductions for vacancy and collection loss were estimated between 5.00% and 11.00% of Potential Gross Income. Typical expense rates for properties of this type were estimated at 7.50%. Capitalization Rates applicable to this property type typically range from 6.50% to 8.25% depending on factors such as effective age and quality/condition. Properties with a history of extremely high vacancy or other negative factors were given higher vacancy and capitalization rates to reflect the higher risk associated with those properties.

**Big Box Retail:** For Big Box retail stores, line retail rent rates typically range from \$16.00/SF to \$25.00/SF, while lease rates for discount / warehouse discount stores have rent rates ranging from \$8.00/SF to \$14.00/SF. Deductions for vacancy and collection loss were estimated 5.00% of Potential Gross Income. Typical expense rates for properties of this type were estimated at 7.50%. Capitalization Rates applicable to this property type typically range from 6.50% to 8.25% depending on factors such as effective age and quality/condition. Properties with a history of extremely high vacancy or other negative factors were given higher vacancy and capitalization rates to reflect the higher risk associated with those properties.

**Neighborhood / Community Centers:** For Neighborhood / Community Centers, line retail rent rates typically range from \$12.00/SF to \$32.00/SF, while lease rates for general retail space typically range from \$14.00/SF to \$25.00/SF (< 10K/SF); \$13.00/SF to \$24.00/SF (10K – 25K SF); and \$9.00/SF to \$23.00/SF (>25K SF), respectively. Supermarket lease rates range between \$9.00/SF to \$22.00/SF, while discount / warehouse discount stores have rent rates ranging from \$8.00/SF to \$17.00/SF. Deductions for vacancy and collection loss were estimated between 5.00% and 12.00% of Potential Gross Income. Typical expense rates for properties of this type were estimated at 7.50%. Capitalization Rates applicable to this property type typically range from 6.50% to 8.25% depending on factors such as effective age and quality/condition. Properties with a history of extremely high vacancy or other negative factors were given higher vacancy and capitalization rates to reflect the higher risk associated with those properties.

**Supermarket / Grocery:** For Supermarket / Grocery stores, retail rent rates typically range from \$9.00/SF to \$22.00/SF. Deductions for vacancy and collection loss were estimated 5.00% of Potential Gross Income, while typical expense rates for properties of this type were estimated at 7.50%. Capitalization Rates applicable to this property type typically range from 6.50% to 8.25% depending on factors such as effective age and quality/condition. Properties with a history of extremely high vacancy or other negative factors were given higher vacancy and capitalization rates to reflect the higher risk associated with those properties.

**Regional Malls / Lifestyle Centers:** For regional mall and lifestyle centers, typical rents ranged from \$15.00 to \$40.00 per square foot of rentable area with capitalization rates ranging from 6.25% to 8.00%. Allowances for vacancy and collection loss were typically stabilized between 5% or 10% with expenses ranging between 7.50% to 25.00%. Anchor stores have relatively low rents, less than \$9.00 per square foot per year, while smaller retail stores in premium locations may lease for as much as \$75 per square foot per year. The investment quality of the property determined the capitalization rate. Location, condition, age, and tenancy were considered in the valuation of the regional malls. Generally, the institutional grade properties were analyzed using higher average rents and lower capitalization rates than non-institutional grade properties. Properties with a history of extremely high vacancy or other negative factors were given higher vacancy and capitalization rates.

**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 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. 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.

## Model Validation

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

Appraiser judgment prevails in all decisions regarding individual parcel valuation. Each parcel is 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 particular characteristics and conditions as they occur in the valuation area.

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

With respect to the greater major retail market, the 2013 assessment year experienced stable to slightly increasing property values generally due to stable to slightly increasing lease rates, lower vacancy rates & lower capitalization rates. As mentioned earlier in this report, there were only 11 sales of major retail properties. Because of the lack of market sales, the appraiser relied primarily heavily on the economic income approach.

Application of these recommended values for the 2014 assessment year results in a total change from the 2013 assessments of +8.17%. The total assessed value for the 2013 assessment year was \$5,809,606,900, and the total recommended assessed value for the 2014 assessment year is \$6,284,283,700.

<b><i>Total Population - Parcel Summary Data:</i></b>			
	<b><i>Land</i></b>	<b><i>Imps</i></b>	<b><i>Total</i></b>
<b><i>2013 Value</i></b>	<b><i>\$ 3,358,239,500</i></b>	<b><i>\$ 2,451,367,400</i></b>	<b><i>\$ 5,809,606,900</i></b>
<b><i>2014 Value</i></b>	<b><i>\$ 3,518,926,400</i></b>	<b><i>\$ 2,765,35, 300</i></b>	<b><i>\$ 6,284,283,700</i></b>
<b><i>Percent Change</i></b>	<b><i>+4.78%</i></b>	<b><i>+12.81%</i></b>	<b><i>+8.17%</i></b>

# USPAP Compliance

## Client and Intended Use of the Appraisal:

This mass appraisal report is intended for use by the public, King County Assessor and other agencies or departments administering or confirming ad valorem property taxes. Use of this report by others for other purposes is not intended by the appraiser. The use of this appraisal, analyses and conclusions is limited to the administration of ad valorem property taxes in accordance with Washington State law. As such it is written in concise form to minimize paperwork. The assessor intends that this report conform to the Uniform Standards of Professional Appraisal Practice (USPAP) requirements for a mass appraisal report as stated in USPAP SR 6-8. To understand fully this report, the reader may need to refer to the Assessor's Property Record Files, Assessor's Real Property Data Base, separate studies, Assessor's Procedures, Assessor's field maps, Revalue Plan and the statutes.

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

## Definition and date of value estimate:

### Market Value

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

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

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

### Highest and Best Use

#### RCW 84.40.030

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

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

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

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

If a property is particularly adapted to some particular use this fact may be taken into consideration in estimating the highest and best use. (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**

**RCW 84.36.005**

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

**RCW 36.21.080**

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

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

## **Property Rights Appraised: Fee Simple**

### **Wash Constitution Article 7 § 1 Taxation:**

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

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

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

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

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

### **The Dictionary of Real Estate Appraisal, 3<sup>rd</sup> Addition, Appraisal Institute.**

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

## **Assumptions and Limiting Conditions:**

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

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

### **Scope of Work Performed:**

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

**CERTIFICATION:**

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

- *The statements of fact contained in this report are true and correct*
- *The report analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and is 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.*

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King County Department of Assessments

## Improvement Sales for Area 250 with Sales Used

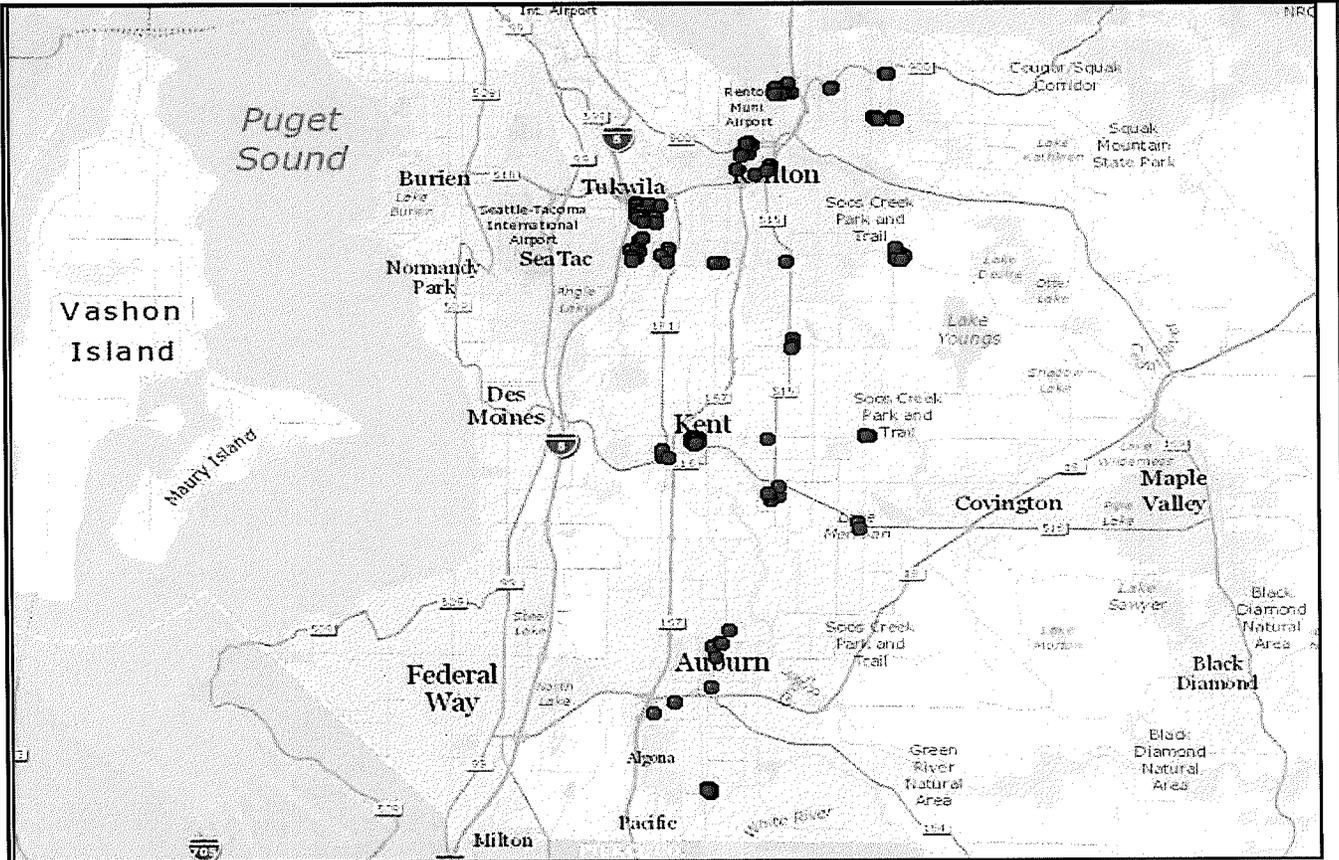
Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
250	261	088660	0040	486,796	2647381	\$165,400,000	12/23/13	\$339.77	THE LANDING	UC-N1	4	Y	<b>Lifestyle Center:</b> Four parcel, 16 building lifestyle center, which includes line retail, restaurants, movie theater, & big box retail. Reported Cap Rate ATOS was 6.10%.
250	753	092104	9302	65,714	2646690	\$6,500,000	12/20/13	\$98.91	TOP FOODS GROCERY	CF	1	Y	<b>Vacant Big Box Retail:</b> Purchase of former Top Foods Supermarket for possible redevelopment.
250	422	102605	9083	119,818	2646114	\$19,600,000	12/18/13	\$163.58	WOODINVILLE TOWNE CENTER - (BLDGS. A,B, & C)	CBD	3	Y	<b>Neighborhood / Community Center:</b> Not Considered for Ratio review. Sale is at Mkt. and considered arm's length but somewhat convoluted with \$/SF being understated due to buyer paying ground lease on parcel it does not own.
250	443	516100	0020	15,034	2646271	\$9,500,000	12/17/13	\$631.90	MARKETPLACE AT QUEEN ANNE CONDOMINIUM	NC3P-40	1	Y	<b>Drug Store (Condo):</b> Urban Core Retail Condo which is part of larger development (Marketplace @ Queen Anne), but own seppareately.
250	623	154410	0256	203,907	2634150	\$87,600,000	10/04/13	\$429.61	BELLEVUE GALLERIA	DNTNO-1	1	Y	<b>Mixed Use Retail/Office Development:</b> Downtown Bellevue retail/office complex. Reported cap rate ATOS 6.92%.
250	443	516100	0010	66,302	2606440	\$31,700,000	05/21/13	\$478.12	MARKETPLACE AT QUEEN ANNE CONDOMINIUM	NC3P-40	5	Y	<b>Neighborhood/Community Center:</b> Anchored tenant (Metropolitan Market); arm's length mkt. transaction.
250	422	206350	0040	112,680	2567171	\$18,200,000	09/27/12	\$161.52	OVERLAKE VILLAGE SHOPPING CENTER	OV2	2	Y	<b>Neighborhood/Community Center:</b> Anchored tenant (Safeway); arm's length mkt. transaction.
250	471	272206	9046	118,374	2543557	\$41,000,000	05/15/12	\$346.36	FOUR CORNERS SHOPPING CENTER	CB	4	Y	<b>Neighborhood / Community Center:</b> Not Considered for Ratio review. Sale is at Mkt. and considered arm's length but somewhat convoluted with \$/SF being understated due to multiple-ground leases included in sale.
250	322	282605	9122	155,000	2538998	\$18,500,000	04/18/12	\$119.35	FRED MEYER - KIRKLAND (ECON. UNIT #9194)	TL 4B	2	Y	<b>Retail Big Box:</b> Purchased by tenant prior to major renovation.
250	000	104360	0050	309,914	2534923	\$79,000,000	03/22/12	\$254.91	BRAVERN, THE	DNTNO-2	1	Y	<b>Lifestyle Center:</b> Luxury downtown Bellevue retail condo with multiple bids. Reported 85% Occupancy ATOS.
250	030	179631	0010	166,220	2526907	\$31,275,000	01/13/12	\$188.15	HOME DEPOT - COVINGTON	MC	7	Y	<b>Neighborhood Center w/ Big Box:</b> Not Considered for Ratio review. Sale is at Mkt. and considered arm's length but somewhat convoluted with \$/SF being understated due to multiple-ground leases included in sale. Home Depot and Red Robin are on ground leases.
250	422	390530	0020	67,569	2517225	\$22,000,000	11/03/11	\$325.59	Klahanie Community Center	CB	6	Y	<b>Neighborhood/Community Center:</b> Multi-parcel retail complex with shadow anchor (QFC) within complex.
250	030	252304	9063	209,172	2486412	\$19,042,103	04/08/11	\$91.04	COSTCO	TUC	2	Y	<b>Big Box:</b> Purchased by tenant.
250	063	362403	9009	302,999	2484658	\$78,100,000	03/28/11	\$257.76	WESTWOOD VILLAGE SHOPPING CENTER	C1-40	2	Y	<b>Power Center:</b> At time of sale, occupancy was 97% with a reported cap rate of 6.75%.
250	447	364610	0340	37,105	2483918	\$7,634,160	03/25/11	\$205.74	PROMENADE 23 - STARBUCKS/WALGREENS	NC3-65	2	Y	<b>Neighborhood / Community Center:</b> Not considered in ratio review due to land value exceeding income value.
250	447	364610	0390	62,556	2483923	\$10,765,840	03/25/11	\$172.10	PROMENADE 23 - THRIFTWAY/BANK/RETAIL	NC3-65	1	Y	<b>Neighborhood / Community Center:</b> Not considered in ratio review due to land value exceeding income value.

## Improvement Sales for Area 250 with Sales not Used

07/30/2014

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
250	753	873217	0020	36,744	2651453	\$1,040,000	12/31/13	\$28.30	SAFEWAY - TWIN LAKES	BN	1	11	Corporate affiliates
250	342	145360	1660	118,095	2640335	\$10,687,470	11/05/13	\$90.50	FRED MEYER - LAKE CITY	C1-40	1	59	Bulk portfolio sale
250	353	930100	0010	195,246	2640391	\$16,746,413	11/05/13	\$85.77	FRED MEYER - FEDERAL WAY	BN	1	59	Bulk portfolio sale
250	461	149450	0010	93,571	2637379	\$8,950,000	10/17/13	\$95.65	CENTRAL HIGHLANDS PLAZA - RENTON (ACE HARDV	CA	4	33	Lease or lease-hold
250	622	720241	0161	153,674	2622146	\$22,900,000	08/01/13	\$149.02	REDMOND TOWN CENTER - RED ROBIN	TWNC	6	33	Lease or lease-hold
250	742	243720	0030	31,927	2621363	\$1,000,000	07/31/13	\$31.32	SAFEWAY (Store#488)	C2-65	2	15	No market exposure
250	422	951760	0010	39,973	2621255	\$1,354,267	06/21/13	\$33.88	WOODINVILLE PLAZA - ALBERTSONS	CBD	1	59	Bulk portfolio sale
250	362	783080	0006	166,593	2614591	\$13,380,000	06/12/13	\$80.32	FRED MEYER - KENT	CC	1	44	Tenant
250	253	219260	0570	149,820	2582528	\$12,500,000	12/28/12	\$83.43	CAMPUS SQUARE SHOPPING CENTER	CE	2	61	Financial institution resale
250	742	243720	0030	31,927	2581412	\$390,000	12/20/12	\$12.22	SAFEWAY (Store#488)	C2-65	1	33	Lease or lease-hold
250	362	292205	9310	67,240	2571130	\$7,613,619	10/24/12	\$113.23	TOP FOODS	CC	1	59	Bulk portfolio sale
250	722	262505	9212	70,575	2571132	\$16,077,311	10/24/12	\$227.80	HAGGENS GROCERY STORE	CB	3	59	Bulk portfolio sale
250	742	072604	9041	56,035	2571129	\$16,532,873	10/24/12	\$295.05	HAGGEN GROCERY (Econ. Unit 031810-0005)	TC-2	4	59	Bulk portfolio sale
250	753	092104	9302	65,714	2571131	\$5,092,447	10/24/12	\$77.49	TOP FOODS GROCERY	CF	1	59	Bulk portfolio sale
250	000	230155	0010	76,138	2555501	\$30,710,000	07/24/12	\$403.35	ELEMENT 42	NC2-40	3	64	Sales/leaseback
250	030	232104	9031	124,349	2528543	\$2,800,000	01/30/12	\$22.52	FORMER WALMART	C3	1	N	Change of Use - Deed Restrictions
250	030	292104	9096	117,433	2527853	\$5,000,000	01/27/12	\$42.58	FORMER LOWES	CE	1	N	Change of Use - Deed Restrictions
250	030	719893	0020	115,782	2527622	\$50	01/03/12	\$0.00	HOME DEPOT	GDD(2)	1	16	Government agency
250	030	719893	0020	115,782	2527627	\$50	01/03/12	\$0.00	HOME DEPOT	GDD(2)	1	16	Government agency

2014 Physical Inspection  
Specialty Area 250



SpecArea	SpecNbhd	Major	Minor	AddrLine	PropName
250	161	262304	9086		SOUTHCENTER- MACY'S (1/2)
250	161	359700	0245	SOUTHCENTER PKWY	SOUTHCENTER- MACY'S PARKING
250	161	359700	0246	500 SOUTHCENTER MALL	SOUTHCENTER- MACY'S (1/2)
250	161	920247	0010		WESTFIELD SHOPPING CENTER
250	161	920247	0020		WESTFIELD SHOPPING CENTER
250	161	920247	0030		FIDELITY
250	161	920247	0040		OLIVE GARDEN
250	161	920247	0050		BANK OF AMERICA
250	161	920247	0060		WESTFIELD SHOPPING CENTER
250	161	920247	0070		WESTFIELD SHOPPING CENTER
250	161	920247	0080		WESTFIELD SHOPPING CENTER
250	161	920247	0090		WESTFIELD SHOPPING CENTER
250	161	920247	0100		WESTFIELD SHOPPING CENTER
250	161	920247	0110		WESTFIELD SHOPPING CENTER
250	161	920247	0120		WESTFIELD SHOPPING CENTER
250	161	920247	0130		WESTFIELD SHOPPING CENTER
250	161	920247	0140		WESTFIELD SHOPPING CENTER
250	161	920247	0150		WESTFIELD SHOPPING CENTER
250	161	920247	0160		WESTFIELD SHOPPING CENTER
250	261	022310	0070	240 ANDOVER PARK W	BedBath&Beyond, REI, Guitar Center
250	261	088660	0011		THE LANDING GARAGE (Econ Unit for Imps Located on Minor #0010)
250	261	262304	9001	505 ANDOVER PARK W	SEGALE RETAIL CENTER
250	261	262304	9067		PARKWAY PLACE
250	261	262304	9079		PARKWAY SUPERCENTER - LAND
250	261	262304	9110	301 MINKLER BLVD	PARKWAY SUPERCENTER
250	261	352304	9005	17600 SOUTHCENTER BLVD	PARKWAY SUPERCENTER
250	261	788892	0020	17200 SOUTHCENTER PKWY	SOUTHCENTER SQUARE - Nordstrom Rack/DSW/PETCO/LINE RETAIL
250	361	022300	0030	401 TUKWILA PKWY	LOWE'S - TUKWILA
250	361	082305	9217	800 GARDEN AVE N	FRY'S ELECTRONICS - RENTON
250	361	082305	9231	600 GARDEN AVE N	LOWE'S - RENTON

2014 Physical Inspection  
Specialty Area 250

SpecArea	SpecNbhd	Major	Minor	AddrLine	PropName
250	361	088660	0030	1215 GARDEN AVE N	TARGET STORE - RENTON
250	361	172305	9183		SAM'S CLUB - RENTON (ECON. UNIT FOR IMPS ON #202305-9007)
250	361	182305	9118	440 RAINIER AVE S	MCLENDON'S HARDWARE STORE - RENTON
250	361	182305	9215	325 RAINIER AVE S	FRED MEYER - RENTON
250	361	182305	9218	465 RAINIER AVE S	FRED MEYER - Adjoining Retail space
250	361	192305	9048	743 RAINIER AVE S	WALMART - RENTON
250	361	202305	9007	901 S 7TH ST	SAM'S CLUB - RENTON (+ gas minus Econ. Units on 915460-0010 & 172305-9183)
250	361	252304	9057	70TH AVE S	COSTCO - TUKWILA (ECON UNIT FOR IMPS. ON #9063)
250	361	252304	9063	400 COSTCO DR	COSTCO - TUKWILA (ECON UNIT ON #9057 & 352304-9089)
250	361	262304	9005	301 STRANDER BLVD	TARGET - TUKWILA
250	361	312305	9169	601 SW 41ST ST	IKEA - RENTON
250	361	322305	9016	17605 108TH AVE SE	FRED MEYER - RENTON
250	361	352304	9087	17601 SOUTHCENTER PKWY	ASHLEY FURNITURE - TUKWILA (ECON. UNIT ON #9088)
250	361	352304	9088	17601 SOUTHCENTER PKWY	ASHLEY FURNITURE - TUKWILA (ECON. UNIT FOR IMPS ON #9087)
250	361	352304	9089	1200 ANDOVER PARK E	COSTCO - TUKWILA (ECON UNIT FOR IMPS. ON #9063)
250	361	362304	9074	6810 S 180TH ST	HOME DEPOT - TUKWILA
250	361	362304	9113	800 SW 43RD ST	IKEA - RENTON (PKNG. & STOR WHSE)
250	361	788892	0010	17150 SOUTHCENTER PKWY	KOHL'S - TUKWILA
250	361	915460	0010		SAM'S CLUB - RENTON (ECON. UNIT FOR IMPS ON #202305-9007)
250	362	292205	9044	26120 104TH AVE SE	HOME DEPOT - KENT
250	362	292205	9311	26301 104TH AVE SE	TARGET - KENT
250	362	543620	0840	24800 WEST VALLEY HWY S	K MART
250	362	783080	0006	10201 SE 240TH ST	FRED MEYER - KENT
250	363	072105	9008	801 AUBURN WAY N	FRED MEYER - AUBURN
250	363	072105	9048	1232 A ST NE	LOWE'S - AUBURN
250	363	132104	9114	762 OUTLET COLLECTION DR SW	WALMART - AUBURN
250	363	232104	9031	1425 OUTLET COLLECTION WAY SW	COASTAL FARMS - AUBURN
250	461	000720	0004		RAINIER SAFEWAY - RENTON (ECON. FOR IMPS. ON 000720-0119)
250	461	000720	0119	200 S 3RD ST	RAINIER SAFEWAY - RENTON (ECON. FOR LOCATED ON #0004 & 182305-9071)
250	461	000720	0211	203 S 2ND ST	LINE RETAIL (ADD TO SAFEWAY)
250	461	102305	9032	4820 NE 4TH ST	HIGHLANDS MARKETPLACE - RENTON (LINE RETAIL)
250	461	102305	9047	4800 NE 4TH ST	HIGHLANDS MARKETPLACE - RENTON (QFC)
250	461	102305	9128	440 UNION AVE NE	SAFEWAY PLAZA - RENTON / LINE RETAIL
250	461	102305	9351	13800 SE 128TH ST	HIGHLANDS MARKETPLACE - RENTON (BARTELL DRUGS/FAST FOOD/LINE RETAIL)
250	461	102305	9425		HIGHLANDS MARKETPLACE - VACANT LOT
250	461	149450	0010	4601 NE SUNSET BLVD	CENTRAL HIGHLANDS PLAZA - RENTON (ACE HARDWARE - BIG LOTS)
250	461	149450	0020	4613 NE SUNSET BLVD	CENTRAL HIGHLANDS PLAZA - RENTON (PLANET FITNESS)
250	461	149450	0030	4621 NE SUNSET BLVD	CENTRAL HIGHLANDS PLAZA - RENTON (ALBERTSON'S)
250	461	149450	0050	4601 NE SUNSET BLVD	CENTRAL HIGHLANDS PLAZA - PARKING FOR ADJACENT BIG BOX RETAIL
250	461	182305	9071	RAINIER AVE S	RAINIER SAFEWAY - RENTON (ECON. FOR IMPS. ON 000720-0119)
250	461	192305	9043	601 S GRADY WAY	RENTON VILLAGE
250	461	272305	9015	14300 SE 176TH ST	FAIRWOOD CENTER
250	461	272305	9038	14105 SE 171ST WAY	FAIRWOOD CENTER
250	461	272305	9040	17250 140TH AVE SE	FAIRWOOD CENTER - Bank of America
250	461	272305	9041	14028 SE PETROVITSKY RD	FAIRWOOD CENTER
250	461	272305	9042	17500 140TH AVE SE	FAIRWOOD CENTER - BLDG 'L'
250	461	272305	9044	17314 140TH AVE SE	FAIRWOOD CENTER - Chase Bank
250	461	272305	9045	17220 140TH AVE SE	FAIRWOOD CENTER - MED-DENT CLINIC
250	461	756080	0010	17620 SE PETROVITSKY RD	FAIRWOOD SQUARE - LINE RETAIL
250	461	756080	0015	14202 SE PETROVITSKY RD	FAIRWOOD SQUARE - LINE RETAIL
250	461	756080	0018	14215 SE PETROVITSKY RD	FAIRWOOD SQUARE - ALBERTSONS
250	461	756080	0020	14239 SE PETROVITSKY RD	FAIRWOOD SQUARE - RETAIL (SHUCK'S AUTO SUPPLY/GREASE MONKEY)
250	461	880500	0010	4250 NE 4TH ST	SAFEWAY CENTER LINE RETAIL
250	461	880500	0020	4250 NE 4TH ST	SAFEWAY CENTER AUTO ZONE
250	461	880500	0030	4300 NE 4TH ST	SAFEWAY w/GAS
250	461	880500	0040	4350 NE 4TH ST	SAFEWAY CENTER LINE RETAIL
250	462	052205	9097	20652 108TH AVE SE	PANTHER LAKE CENTER - ALBERTSONS
250	462	052205	9098	20662 108TH AVE SE	PANTHER LAKE CENTER
250	462	052205	9101	20632 108TH AVE SE	PANTHER LAKE CENTER

2014 Physical Inspection  
Specialty Area 250

SpecArea	SpecNbhd	Major	Minor	AddrLine	PropName
250	462	052205	9106	10820 SE 208TH ST	PANTHER LAKE CENTER
250	462	152205	9034	13304 SE 240TH ST	MERIDIAN PLAZA/QFC
250	462	152205	9140	13200 SE 240TH ST	MERIDIAN VALLEY PROFESSIONAL CTR.
250	462	152205	9149	13210 SE 240TH ST	MERIDIAN VALLEY PROFESSIONAL CTR
250	462	152205	9150	13210 SE 240TH ST	MERIDIAN VALLEY PROFESSIONAL CTR
250	462	282205	9062	12922 SE KENT-KANGLEY RD	LAKE MERIDIAN MARKET PLACE
250	462	292205	9017	26117 104TH AVE SE	CANYON RIDGE PLAZA
250	462	292205	9310	26000 100TH PL SE	TOP FOODS (Former)
250	462	292205	9335		KENT EAST HILL PLAZA
250	462	543620	0524	1310 W MEEKER ST	MEEKER SQUARE SHOPPING CENTER
250	462	543620	0842	210 WASHINGTON AVE S	LANGSTON LANDING SAFEWAY & RETAIL
250	463	000080	0024	430 15TH ST NE	AUBURN NORTH SHOPPING CENTER - ALBERTSON'S
250	463	072105	9004	1231 AUBURN WAY N	AUBURN NORTH SHOPPING CENTER
250	463	302105	9017	3802 A ST SE	WHITE RIVER JUNCTION - BARTELL DRUGS
250	463	302105	9018	4018 A ST SE	WHITE RIVER JUNCTION
250	463	302105	9034	4010 A ST SE	WHITE RIVER JUNCTION - ALBERTSONS
250	463	302105	9036	3930 A ST SE	WHITE RIVER JUNCTION
250	463	302105	9061	3840 A ST SE	WHITE RIVER JUNCTION
250	463	302105	9071	3734 A ST SE	WHITE RIVER JUNCTION
250	463	302105	9335	4002 A ST SE	WHITE RIVER JUNCTION - ROUND TABLE PIZZA
250	563	132104	9119	642 OUTLET COLLECTION DR SW	Sam's Fueling Site
250	563	242104	9076	1101 OUTLET COLLECTION WAY SW	THE OUTLET COLLECTION - SEATTLE
250	661	088660	0010		THE LANDING (Econ. Unit On Minor #0011)
250	661	088660	0029		THE LANDING
250	661	088660	0040		THE LANDING
250	662	383097	0010		KENT STATION - NORTH PARKING LOT
250	662	383097	0020		KENT STATION - BUILDING 10 - RETAIL STORE
250	662	383097	0030		KENT STATION - BUILDING #7
250	662	383097	0040		KENT STATION - BUILDING #5 MIXED USE RETAIL
250	662	383097	0050		KENT STATION - LOT 5 - BUILDINGS #4 AND #8
250	662	383097	0060		KENT STATION - BUILDING #3 - RESTAURANT
250	662	383097	0070		KENT STATION - BUILDING #6
250	662	383097	0080		KENT STATION - 14 MULTIPLEX THEATER
250	662	383097	0090		KENT STATION - BUILDING 2
250	662	383097	0100		KENT STATION - LOT #10 - WEST PARKING
250	662	383098	0010	608 1ST AVE S	KENT STATION - Phase II - Buildings 11N & 11S
250	662	383098	0020		KENT STATION - Phase II North Parking Lot
250	662	383098	0030		KENT STATION - Phase II - North Parking Lot
250	662	383098	0040	438 RAMSAY WAY	KENT STATION - Phase II - Building #13
250	662	383098	0050	445 RAMSAY WAY	KENT STATION - Phase II - Building #14
250	662	383098	0060		KENT STATION - Phase II - Building # 15 - Chico's, J Jill
250	662	383098	0090		Kent Station - SE PARKING LOT
250	662	714200	0000	321 RAMSAY WAY	KENT STATION - RAMSAY WAY COMMERCIAL CONDOMINIUM - Green River CC & Retail
250	761	722780	1026	2725 NE SUNSET BLVD	SAFEWAY (SUNSET BLVD) - RENTON / ECON. UNIT ON #1029
250	761	722780	1029	900 NE SUNSET BLVD	SAFEWAY (SUNSET BLVD) - RENTON / ECON. UNIT FOR IMPS. ON #1026
250	762	082205	9247	20830 108TH AVE SE	SAFEWAY MARKET PLACE
250	762	332205	9135	13101 SE KENT-KANGLEY RD	SAFEWAY STORE w/ GAS
250	763	000100	0056	1702 AUBURN WAY N	TOP FOODS SHOPPING CENTER
250	763	733140	0237	101 AUBURN WAY S	SAFEWAY - AUBURN w/ Gas (Super Safeway)