East Kirkland/ Rose Hill

Area: 093

Residential Revalue for 2016 Assessment Roll

Obtained from kirklandwa.gov

King County

Department of Assessments

Setting values, serving the community, and pursuing excellence

500 Fourth Avenue, ADM-AS 0708
Seattle, WA 98104-2384

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

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

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

John Wilson
Assessor

Dear Property Owners:

Property assessments are being completed by our team throughout the year and valuation notices are being mailed out as neighborhoods are completed. We value your property at fee simple, reflecting property at its highest and best use and following the requirements of state law (RCW 84.40.030) to appraise property at true and fair value.

We are continuing to work hard to implement your feedback and ensure we provide accurate and timely information to you. This has resulted in significant improvements to our website and online tools for your convenience. The following report summarizes the results of the assessments for this area along with a map located inside the report. It is meant to provide you with information about the process used and basis for property assessments in your area.

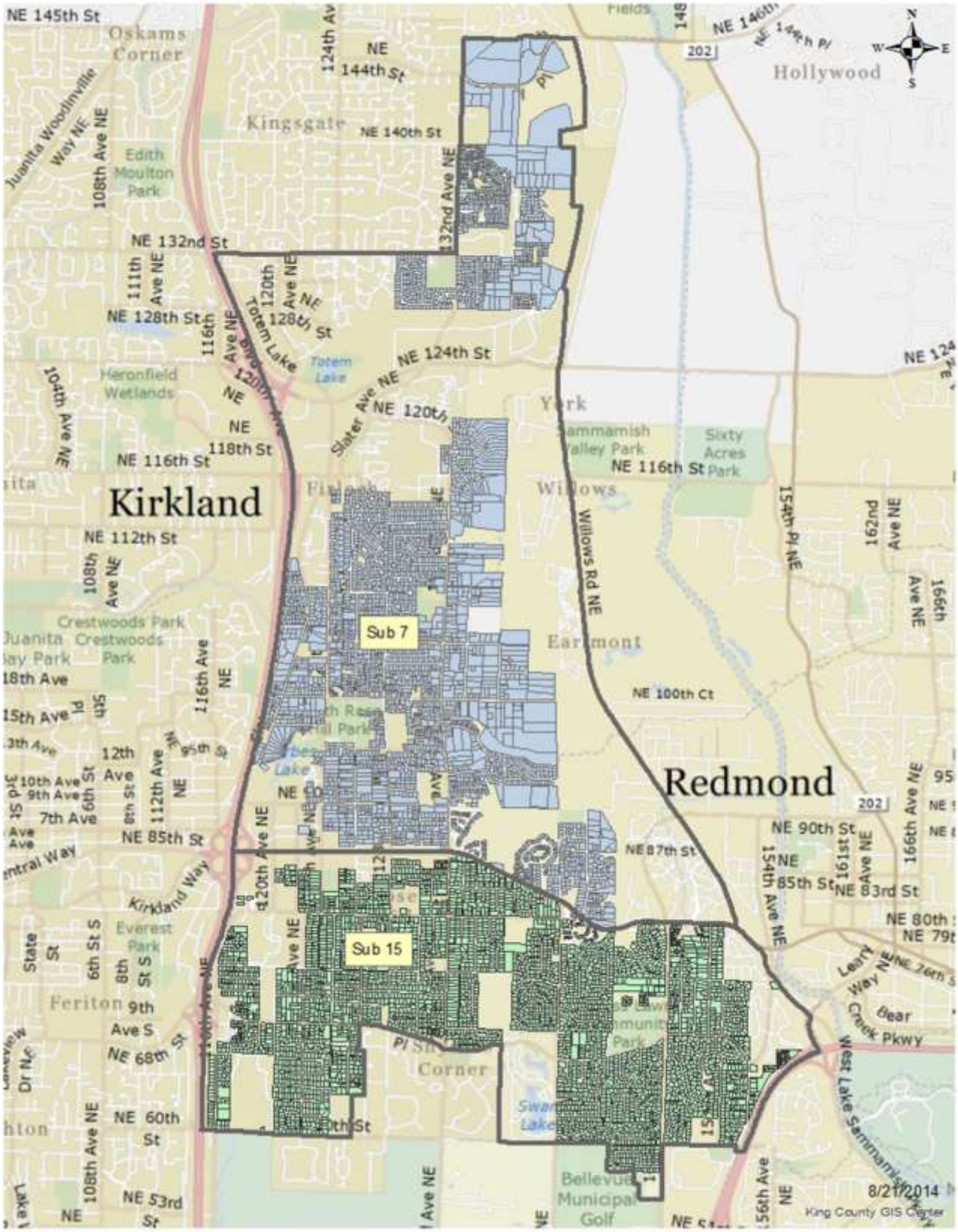
Fairness, accuracy and uniform assessments set the foundation for effective government. I am pleased to incorporate your input as we make continuous and ongoing improvements to best serve you. Our goal is to ensure every taxpayer is treated fairly and equitably.

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

In Service,

John Wilson
King County Assessor

Area 093 - Overview Map



All maps in this document are subject to the following disclaimer: The information included on this map has been compiled by King County staff from a variety of sources and is subject to change without notice. King County makes no representations or warranties, express or implied, as to accuracy, completeness, timeliness, or rights to the use of such information. King County shall not be liable for any general, special, indirect, incidental, or consequential damages including, but not limited to, lost revenues or lost profits resulting from the use or misuse of the information contained on this map. Any sale of this map or information on this map is prohibited except by written permission of King County

Area 093 Housing Profile

Grade 5/ Year Built 1931/ Total Living Area 570

Grade 6/ Year Built 1960/ Total Living Area 770

Grade 7/ Year Built 1982/ Total Living Area 970
Account Number 883520-0270

Grade 8/ Year Built 1972/ Total Living Area 2,390

Grade 9/ Year Built 1988/ Total Living Area 3,400
Account Number 424900-0270

Grade 10/ Year Built 2007/ Total Living Area 3,650
Account Number 123750-0578

Area 093 Housing Profile

Grade 11/ Year Built 2003/ Total Living Area 4,280

Grade 12/ Year Built 2002/ Total Living Area 7,980

Glossary for Improved Sales

Condition: Relative to Age and Grade

1= Poor	Many repairs needed. Showing serious deterioration.
2= Fair	Some repairs needed immediately. Much deferred maintenance.
3= Average	Depending upon age of improvement; normal amount of upkeep for the age of the home.
4= Good	Condition above the norm for the age of the home. Indicates extra attention and care has been taken to maintain.
5= Very Good	Excellent maintenance and updating on home. Not a total renovation.

Residential Building Grades

Grades 1 - 3	Falls short of minimum building standards. Normally cabin or inferior structure.
Grade 4	Generally older low quality construction. Does not meet code.
Grade 5	Lower construction costs and workmanship. Small, simple design.
Grade 6	Lowest grade currently meeting building codes. Low quality materials, simple designs.
Grade 7	Average grade of construction and design. Commonly seen in plats and older subdivisions.
Grade 8	Just above average in construction and design. Usually better materials in both the exterior and interior finishes.
Grade 9	Better architectural design, with extra exterior and interior design and quality.
Grade 10	Homes of this quality generally have high quality features. Finish work is better, and more design quality is seen in the floor plans and larger square footage.
Grade 11	Custom design and higher quality finish work, with added amenities of solid woods, bathroom fixtures and more luxurious options.
Grade 12	Custom design and excellent builders. All materials are of the highest quality and all conveniences are present.
Grade 13	Generally custom designed and built. Approaching the Mansion level. Large amount of highest quality cabinet work, wood trim and marble; large entries.

Executive Summary
East Kirkland/ Rose Hill - Area 093
Annual Update

Characteristics Based Market Adjustment for 2016 Assessment Roll

Appraisal Date: 1/1/2016
Previous Physical Inspection: 2012
Number of Improved Sales: 1144
Range of Sale Dates: 1/1/2013 – 12/31/2015 Sales were time adjusted to 1/1/2016

Sales - Improved Valuation Change Summary:						
	Land	Improvements	Total	Mean Sale Price	Ratio	COD
2015 Value	$227,600	$348,800	$576,400			7.89%
2016 Value	$251,900	$387,100	$639,000	$693,600	91.2%	7.90%
$ Change	+$24,300	+$38,300	+$62,600			
% Change	+10.7%	+11.0%	+10.9%			

Coefficient of Dispersion (COD) is a measure of the uniformity of the predicted assessed values for properties within this geographic area. No characteristic based variables were warranted, therefore there is no significant change to the COD. The lower the COD, the more uniform are the predicted assessed values. Assessment standards prescribed by the International Association of Assessing Officers identify that the COD in rural or diverse neighborhoods should be no more than 20%. The resulting COD meets or exceeds the industry assessment standards.

Population - Improved Valuation Change Summary:			
	Land	Improvements	Total
2015 Value	$238,200	$295,800	$534,000
2016 Value	$263,700	$328,400	$592,100
$ Change	+$25,500	+$32,600	+$58,100
% Change	+10.7%	+11.0%	+10.9%

Number of one to three unit residences in the population: 7,064

Summary of Findings: The analysis for this area consisted of a general review of applicable characteristics, such as: grade, age, condition, stories, living area, views, waterfront, lot size, land problems and neighborhoods. The area required a single standard area adjustment.

Area Information
Area 093 – East Kirkland/ Rose Hill

Area Description:
Area 93 has two distinct neighborhoods, Rose Hill to the south and Kingsgate to the north. The area is predominately a residential neighborhood with some multi-family and commercial properties. The area is situated in the center of the eastside metro area that includes Bellevue, Kirkland, and Redmond. The area has become increasingly desirable due to its proximity to the Microsoft campus and the other eastside city centers. The area has access to both I-405 and SR-520 by several main arterial roads, NE 85th St and NE 124th St.

Subarea 7 consists of Kingsgate and the unincorporated area along 132nd Ave NE. The area center includes Kingsgate and Evergreen Hospital. The surrounding neighborhood consists of primarily Grade 7 and Grade 8 plats built in the 1970's and 1980's. There are some remaining larger tax lots. There is enormous market pressure to develop these remaining parcels into subdivisions.

Subarea 15 consists of Rose Hill an established residential community. The area was initially established in the 1960's with modest grade 6 and 7 homes. Located on the east side of I-405 from downtown Kirkland and west of the Microsoft campus and SR-520, Rose Hill has quickly become a very desirable area. The area center is NE 85th Ave and the surrounding businesses.

Area 093 - Model Adjustments
1-3 Unit Residences

2016 Total Value = 2015 Total Value + Overall (+/-) Characteristic Adjustments

Standard Area Adjustment	# Parcels Adjusted	% of Population
+10.96%	7,064	100%

Due to truncating the coefficient values used to develop the percentages and further rounding of the percentages in this table, the results you will obtain are an approximation of adjustment achieved in production.

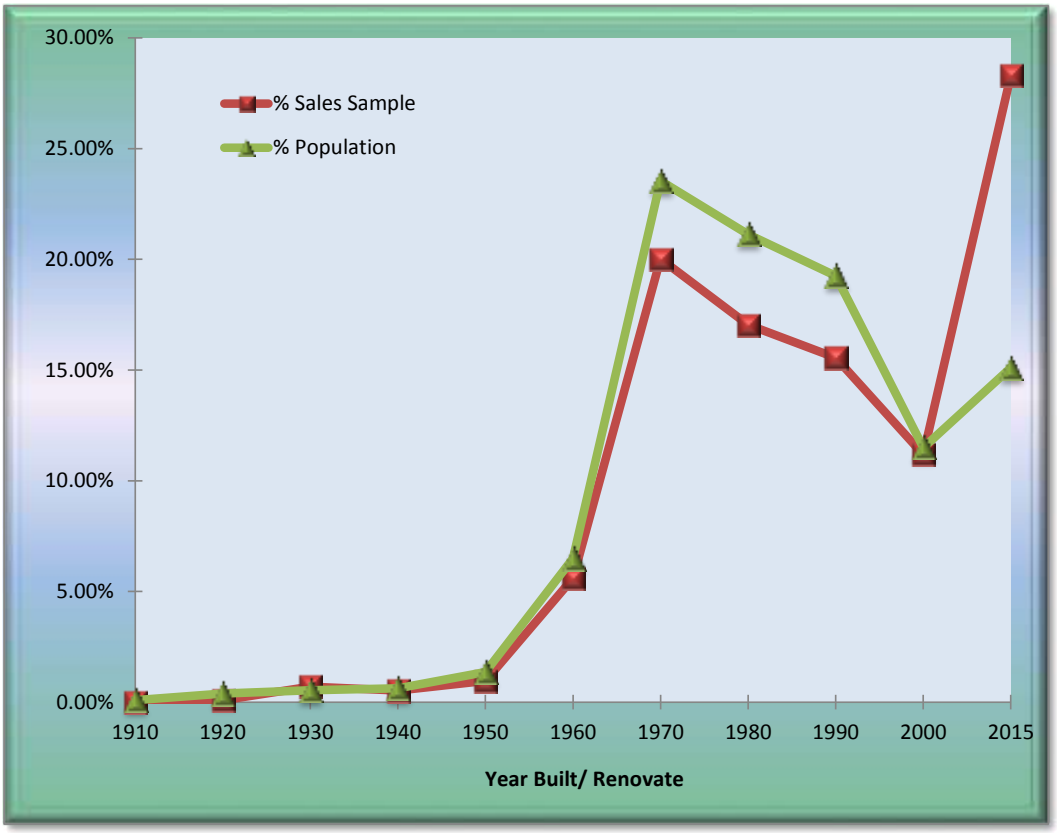
Sales Sample Representation of Population
Year Built or Renovated

Sales Sample

Year Built/Ren	Frequency	% Sales Sample
1910	0	0.00%
1920	1	0.09%
1930	8	0.70%
1940	6	0.52%
1950	11	0.96%
1960	64	5.59%
1970	229	20.02%
1980	195	17.05%
1990	178	15.56%
2000	128	11.19%
2015	324	28.32%
	1,144	

Population

Year Built/Ren	Frequency	% Population
1910	6	0.08%
1920	27	0.38%
1930	38	0.54%
1940	44	0.62%
1950	96	1.36%
1960	458	6.48%
1970	1,663	23.54%
1980	1,493	21.14%
1990	1,360	19.25%
2000	812	11.49%
2015	1,067	15.10%
	7,064	



Sales of new homes built over the last few years are over represented in this sample.

This is a common occurrence due to the fact that most new homes will sell shortly after completion. This over representation was found to lack statistical significance during the modeling process.

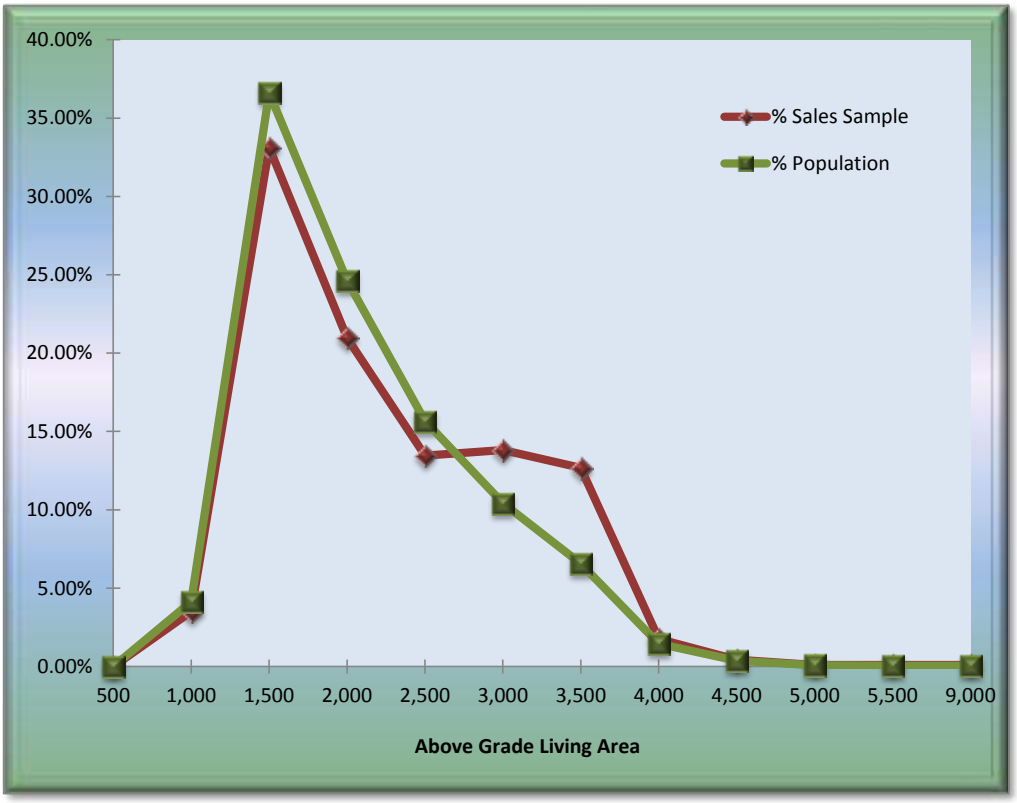
Sales Sample Representation of Population
Above Grade Living Area

Sales Sample

AGLA	Frequency	% Sales Sample
500	0	0.00%
1,000	40	3.50%
1,500	379	33.13%
2,000	240	20.98%
2,500	154	13.46%
3,000	158	13.81%
3,500	145	12.67%
4,000	20	1.75%
4,500	5	0.44%
5,000	1	0.09%
5,500	1	0.09%
9,000	1	0.09%
	1144	

Population

AGLA	Frequency	% Population
500	0	0.00%
1,000	291	4.12%
1,500	2,586	36.61%
2,000	1,740	24.63%
2,500	1,106	15.66%
3,000	736	10.42%
3,500	464	6.57%
4,000	103	1.46%
4,500	26	0.37%
5,000	6	0.08%
5,500	3	0.04%
9,000	3	0.04%
	7,064	



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

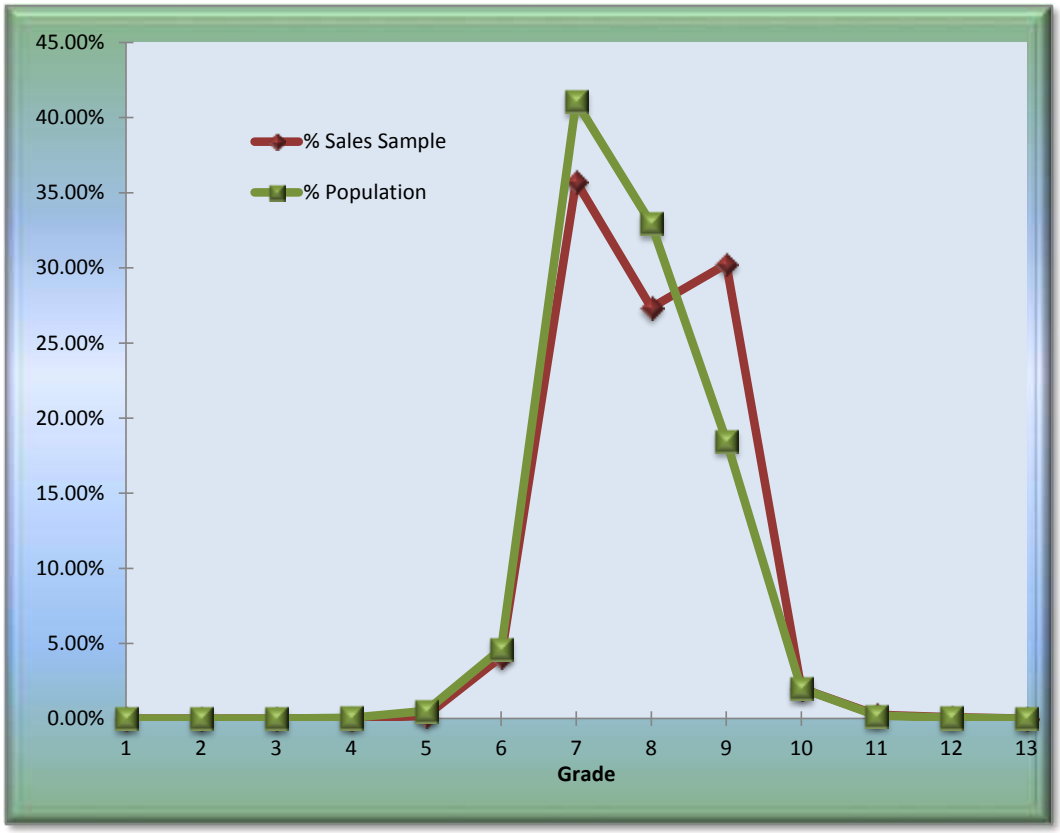
Sales Sample Representation of Population
Building Grade

Sales Sample

Grade	Frequency	% Sales Sample
1	0	0.00%
2	0	0.00%
3	0	0.00%
4	0	0.00%
5	2	0.17%
6	47	4.11%
7	409	35.75%
8	313	27.36%
9	346	30.24%
10	23	2.01%
11	3	0.26%
12	1	0.09%
13	0	0.00%
	1144	

Population

Grade	Frequency	% Population
1	0	0.00%
2	0	0.00%
3	0	0.00%
4	4	0.06%
5	36	0.51%
6	328	4.64%
7	2,901	41.07%
8	2,328	32.96%
9	1,307	18.50%
10	142	2.01%
11	14	0.20%
12	4	0.06%
13	0	0.00%
	7,064	



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

Area 093 Market Value Changes Over Time

In a changing market, recognition of a sales trend to adjust a population of sold properties to a common date is required to allow for value differences over time between a range of sales dates and the assessment date. The following chart shows the % time adjustment required for sales to reflect the indicated market value as of the assessment date, **January 1, 2016**.

For example, a sale of $475,000 which occurred on October 1, 2014 would be adjusted by the time trend factor of 1.137, resulting in an adjusted value of $540,000 ($475,000 * 1.137=$540,075) – truncated to the nearest $1000.

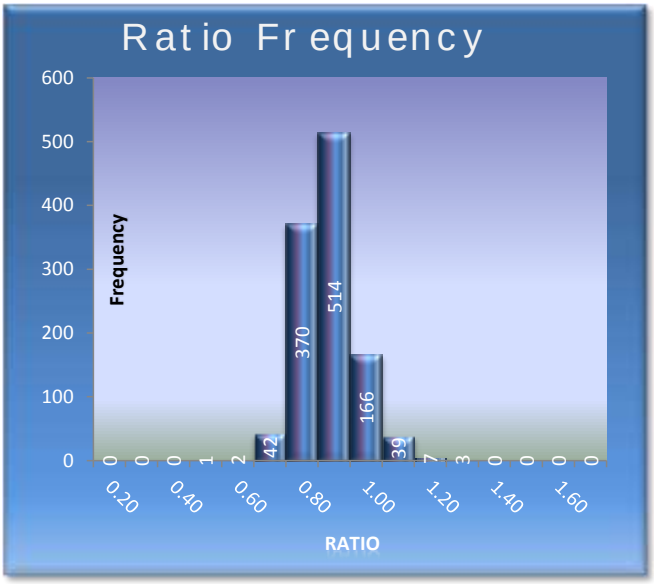
SaleDate	Adjustment (Factor)	Equivalent Percent
1/1/2013	1.329	32.9%
2/1/2013	1.320	32.0%
3/1/2013	1.312	31.2%
4/1/2013	1.302	30.2%
5/1/2013	1.293	29.3%
6/1/2013	1.284	28.4%
7/1/2013	1.275	27.5%
8/1/2013	1.266	26.6%
9/1/2013	1.256	25.6%
10/1/2013	1.247	24.7%
11/1/2013	1.238	23.8%
12/1/2013	1.229	22.9%
1/1/2014	1.220	22.0%
2/1/2014	1.210	21.0%
3/1/2014	1.202	20.2%
4/1/2014	1.192	19.2%
5/1/2014	1.183	18.3%
6/1/2014	1.174	17.4%
7/1/2014	1.165	16.5%
8/1/2014	1.156	15.6%
9/1/2014	1.146	14.6%
10/1/2014	1.137	13.7%
11/1/2014	1.128	12.8%
12/1/2014	1.119	11.9%
1/1/2015	1.110	11.0%
2/1/2015	1.100	10.0%
3/1/2015	1.092	9.2%
4/1/2015	1.083	8.3%
5/1/2015	1.074	7.4%
6/1/2015	1.064	6.4%
7/1/2015	1.055	5.5%
8/1/2015	1.046	4.6%
9/1/2015	1.037	3.7%
10/1/2015	1.028	2.8%
11/1/2015	1.018	1.8%
12/1/2015	1.009	0.9%
1/1/2016	1.000	0.0%

The time adjustment formula for Area 093 is: (.833653600067897 - 0.000250740304844645 * SaleDay) / (0.8336536001)
SaleDay = SaleDate - 42370
SaleDaySq = (SaleDate – 42370)^2

Annual Update Ratio Study Report (Before) – 2015 Assessments

District: NE / Team: 2	Appr. Date:	Date of Report:	Sales Dates:
Area Name: East Kirkland/ Rose Hill	1/1/2015	3/1/2016	1/2013 - 12/2015
	Appr ID:	Property Type:	Adjusted for time?
Area Number: 093	JRAM	1 to 3 Unit Residences	YES

SAMPLE STATISTICS	
Sample size (n)	1,144
Mean Assessed Value	$576,400
Mean Adj. Sales Price	$693,600
Standard Deviation AV	$181,808
Standard Deviation SP	$210,916
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.834
Median Ratio	0.824
Weighted Mean Ratio	0.831
UNIFORMITY	
Lowest ratio	0.497
Highest ratio:	1.278
Coefficient of Dispersion	7.89%
Standard Deviation	0.087
Coefficient of Variation	10.42%
Price Related Differential (PRD)	1.003
RELIABILITY	
95% Confidence: Median	
Lower limit	0.819
Upper limit	0.830
95% Confidence: Mean	
Lower limit	0.829
Upper limit	0.839
SAMPLE SIZE EVALUATION	
N (population size)	7,064
B (acceptable error - in decimal)	0.05
S (estimated from this sample)	0.087
Recommended minimum:	12
Actual sample size:	1,144
Conclusion:	OK
NORMALITY	
Binomial Test	
# ratios below mean:	630
# ratios above mean:	514
z:	3.430
Conclusion:	*Non-normal*



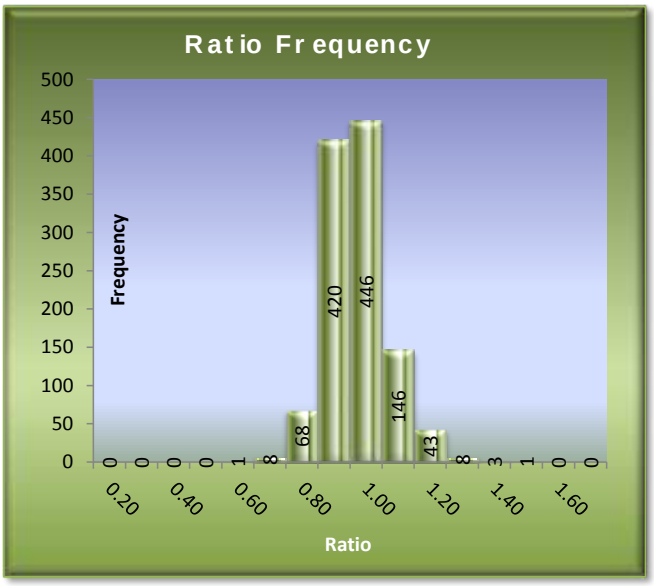
COMMENTS:
1 to 3 Unit Residences throughout Area 093

Sales Prices are adjusted for time to the Assessment Date of 1/1/2016

Annual Update Ratio Study Report (After) – 2016 Assessments

District: NE / Team: 2	Appr. Date:	Date of Report:	Sales Dates:
Area Name: East Kirkland/ Rose Hill	1/1/2016	3/1/2016	1/2013 - 12/2015
	Appr. ID:	Property Type:	Adjusted for time?
Area Number: 093	JRAM	1 to 3 Unit Residences	YES

SAMPLE STATISTICS	
Sample size (n)	1,144
Mean Assessed Value	$639,000
Mean Sales Price	$693,600
Standard Deviation AV	$201,736
Standard Deviation SP	$210,916
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.924
Median Ratio	0.912
Weighted Mean Ratio	0.921
UNIFORMITY	
Lowest ratio	0.551
Highest ratio:	1.416
Coefficient of Dispersion	7.90%
Standard Deviation	0.096
Coefficient of Variation	10.42%
Price Related Differential (PRD)	1.003
RELIABILITY	
95% Confidence: Median	
Lower limit	0.908
Upper limit	0.920
95% Confidence: Mean	
Lower limit	0.919
Upper limit	0.930
SAMPLE SIZE EVALUATION	
N (population size)	7,064
B (acceptable error - in decimal)	0.05
S (estimated from this sample)	0.096
Recommended minimum:	15
Actual sample size:	1,144
Conclusion:	OK
NORMALITY	
Binomial Test	
# ratios below mean:	631
# ratios above mean:	513
z:	3.489
Conclusion:	*Non-normal*



COMMENTS:
1 to 3 Unit Residences throughout Area 093

Sales Prices are adjusted for time to the Assessment Date of 1/1/2016.

Annual Update Process

Effective Date of Appraisal: January 1, 2016
Date of Appraisal Report: March 1, 2016

Sales Screening for Improved Parcel Analysis

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

1. Vacant parcels
2. Mobile Home parcels
3. Multi-Parcel or Multi Building parcels
4. New construction where less than a 100% complete house was assessed for 2015
5. Existing residences where the data for 2015 is significantly different than the data for 2016 due to remodeling
6. Parcels with improvement values, but no characteristics
7. Parcels with either land or improvement values of $25,000 or less posted for the 2015 Assessment Roll
8. Short sales, financial institution re-sales and foreclosure sales verified or appearing to be not at market
9. Others as identified in the sales removed list

(Available sales and additional Area information can be viewed at eSales and Localscape)

Land Update

Based on the 16 usable land sales available in the area, their 2015 Assessment Year assessed values, and supplemented by the value increase in sales of improved parcels, an overall market adjustment was derived. This resulted in an overall +10.7% increase in land assessments in the area for the 2016 Assessment Year. The formula is:

2016 Land Value = 2015 Land Value * 1.109, with the result truncated to the next $1,000.

Improved Parcel Update

The analysis for this area consisted of a general review of applicable characteristics, such as: grade, age, condition, stories, living area, views, waterfront, lot size, land problems and neighborhoods. The area required a single standard area adjustment.

With the exception of real property mobile home parcels and parcels with "accessory only" improvements, the new recommended values on all improved parcels were based on the analysis of the 1,144 useable residential sales in the area.

Sales used in the valuation model were time adjusted to January 1, 2016. The chosen adjustment model was developed using multiple regression. An explanatory adjustment table is included in this report.

The derived adjustment formula is:

2016 Total Value = 2015 Total Value *(1-0.075)/ (0.8336536)

The resulting total value is truncated to the next $1,000, *then*:

2016 Improvements Value = 2016 Total Value minus 2016 Land Value

Mobile Home Update

There were no Mobile Home sale. Therefore, mobile homes were adjusted by the Total % Change indicated by the Area's sales sample as reflected on the Executive Summary page of +10.9%. The adjustment formula is:

2015 Total Value = 2014 Total Value * 1.109

2015 Improvement Value = 2015 Total Value Minus 2015 Land Value

Results

The assessment level target for all areas in King County, including this area, is 0.925. The actual assessment level for this area is 0.912. The standard statistical measures of valuation performance are all within the IAAO recommended range of 0.90 to 1.10.

Application of these recommended values for the 2016 assessment year (taxes payable in 2017) results in an average total change from the 2015 assessments of +10.9%. This increase is due partly to market changes over time and the previous assessment levels.

Note: Additional information may reside in the Assessor's Real Property Database, Assessor's procedures, Revalue Plan, separate studies, and statutes.

Exceptions:

- If multiple houses exist on a parcel, the Total % Change indicated by the sales sample is used to arrive at the new total value (Previous Year Land Value + Previous Year Improvement Value) * 1.109.
- If the site is improved with a house <u>and</u> mobile home, the formula derived from the house is used to arrive at new total value.
- If "accessory improvements only", the Total % Change, as indicated by the sales sample, is used to arrive at a new total value. (Previous Year Land Value + Previous Year Improvement Value) * 1.109.
- If adjusted land value falls < $1,000, then land value = $1,000 or previous, whichever is less.
- If adjusted improvement value falls < $1,000, then improvement value = $1,000 or previous, whichever is less.
- If land value <= $10,000 no adjustment is applied.
- If improvements and accessories <= $10,000 no further adjustment applied.
- If vacant parcel (no improvement value), the land adjustment applies.
- If a parcel is coded "non-perc" (sewer system=3 or 4), there is no change from previous land value.
- If a parcel is coded "unbuildable" = 1, there is no change from previous land value.
- If a parcel is coded water district private restricted, or public restricted, there is no change from previous land value.

- If an improvement is coded “% net condition” or is in “poor” condition, then there is no change from previous improvement value, only the land adjustment applies.

Any properties excluded from the annual up-date process are noted in RealProperty.

Uniform Standards of Professional Appraisal Practice 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 fully understand this report the reader may need to refer to the Assessor's Property Record Files, Assessors Real Property Data Base, separate studies, Assessor's Procedures, Assessor's field maps, Revalue Plan and the statutes.

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

Definition and date of value estimate:

Market Value

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

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

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

Highest and Best Use

RCW 84.40.030

> *All property shall be valued at one hundred percent of its true and fair value in money and assessed on the same basis unless specifically provided otherwise by law.*
>
> *An assessment may not be determined by a method that assumes a land usage or highest and best use not permitted, for that property being appraised, under existing zoning or land use planning ordinances or statutes or other government restrictions.*

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

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

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

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

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

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

Date of Value Estimate

RCW 84.36.005

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

RCW 36.21.080

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

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

Property Rights Appraised: Fee Simple

Wash Constitution Article 7 § 1 Taxation:

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

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

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

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

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

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

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

Assumptions and Limiting Conditions:

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

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

Scope of Work Performed:

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

Certification:

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

- The statements of fact contained in this report are true and correct
- The report analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The area(s) physically inspected for purposes of this revaluation are outlined in the body of this report.
- The individuals listed below were part of the "appraisal team" and provided significant real property appraisal assistance to the person signing this certification. Any services regarding the subject area performed by the appraiser within the prior three years, as an appraiser or in any other capacity is listed adjacent their name.

None

Any services regarding the subject area performed by me within the prior three years, as an appraiser or in any other capacity is listed below:

To the best of my knowledge the following services were performed by me within the subject area in the last three years:

- Annual Update Model Development and Report Preparation
- Data Collection
- Sales Verification
- Appeals Response Preparation / Review
- Appeal Hearing Attendance
- Physical Inspection Model Development and Report Preparation
- Land and total Valuation
- New Construction Evaluation

3/1/2016

Appraiser II | Date

King County

Department of Assessments
King County Administration Bldg.
500 Fourth Avenue, ADM-AS-0708
Seattle, WA 98104-2384
(206) 296-7300 FAX (206) 296-0595
Email: assessor.info@kingcounty.gov

John Wilson
Assessor

As we start preparations for the 2016 property assessments, it is helpful to remember that the mission and work of the Assessor's Office sets the foundation for efficient and effective government and is vital to ensure adequate funding for services in our communities. Maintaining the public's confidence in our property tax system requires that we build on a track record of fairness, equity, and uniformity in property assessments. Though we face ongoing economic challenges, I challenge each of us to seek out strategies for continuous improvement in our business processes.

Please follow these standards as you perform your tasks.

- Use all appropriate mass appraisal techniques as stated in Washington State Laws, Washington State Administrative Codes, Uniform Standards of Professional Appraisal Practice (USPAP), and accepted International Association of Assessing Officers (IAAO) standards and practices.
- Work with your supervisor on the development of the annual valuation plan and develop the scope of work for your portion of appraisal work assigned, including physical inspections and statistical updates of properties;
- Where applicable, validate correctness of physical characteristics and sales of all vacant and improved properties.
- Appraise land as if vacant and available for development to its highest and best use. The improvements are to be valued at their contribution to the total in compliance with applicable laws, codes and DOR guidelines. The Jurisdictional Exception is applied in cases where Federal, State or local laws or regulations preclude compliance with USPAP;
- Develop and validate valuation models as delineated by IAAO standards: Standard on Mass Appraisal of Real Property and Standard on Ratio Studies. Apply models uniformly to sold and unsold properties, so that ratio statistics can be accurately inferred to the entire population.
- Time adjust sales to January 1, 2016 in conformance with generally accepted appraisal practices.
- Prepare written reports in compliance with USPAP Standard 6 for Mass Appraisals. The intended users of your appraisals and the written reports include the public, Assessor, the Boards of Equalization and Tax Appeals, and potentially other governmental jurisdictions. The intended use of the appraisals and the written reports is the administration of ad valorem property taxation.

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

John Wilson
King County Assessor