

Quick Service, Fast Casual, & Casual Dining Restaurants

Area: 413

Commercial Revalue for 2025 Assessment Roll



Starbucks/Mod Pizza Renton



King County

Department of Assessments

Setting values, serving the community, and pursuing excellence

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<http://www.kingcounty.gov/assessor/>



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Dear Property Owners,

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

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

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

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

In Service,

John Wilson

King County Assessor

Specialty 413

2025 Assessment Year



King County Department of Assessments

How Property Is Valued

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

What Are Mass Appraisal Techniques?

In King County the Mass Appraisal process incorporates statistical testing, generally accepted valuation methods, and a set of property characteristics for approximately 730,000 residential, commercial and industrial properties. More specifically for commercial property, the Assessor breaks up King County into geographic or specialty (i.e., office buildings, warehouses, retail centers, etc.) market areas and annually develops valuation models using one or more of the three standard appraisal indicators of value: Cost, Sales Comparison (market) and Income. For most commercial properties the income approach is the primary indicator of value. The results of the models are then applied to all properties within the same geographic or specialty area.

Are Properties Inspected?

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

RCW 84.40.025 - Access to property

For the purpose of assessment and valuation of all taxable property in each county, any real or personal property in each county shall be subject to visitation, investigation, examination, discovery, and listing at any reasonable time by the county assessor of the county or by any employee thereof designated for this purpose by the assessor.

In any case of refusal to such access, the assessor shall request assistance from the department of revenue which may invoke the power granted by chapter [84.08](#) RCW.

How Are Commercial Properties Valued?

The Assessor collects a large amount of data regarding commercial properties: cost of construction, sales of property, and prevailing levels of rent, operating expenses, and capitalization rates. Statistical analysis is conducted to establish relationships between factors that might influence the value of commercial property. Lastly valuation models are built and applied to the individual properties. For income producing properties, the following steps are employed to calculate an income approach:

1. Estimate potential gross income
2. Deduct for vacancy and credit loss
3. Add miscellaneous income to get the effective gross income
4. Determine typical operating expenses
5. Deduct operating expenses from the effective gross income
6. Select the proper capitalization rate
7. Capitalize the net operating income into an estimated property value

How is Assessment Uniformity Achieved?

The Assessor achieves uniformity of assessments through standardization of rate tables for incomes, operating expenses, vacancy and credit loss collections and capitalization rates which are uniformly applied to similarly situated commercial properties. Rate tables are generated annually that identify specific rates based on location, age, property type, improvement class, and quality grade. Rate tables are annually calibrated and updated based on surveys and collection of data from local real estate brokers, professional trade publications, and regional financial data sources. With up-to-date market rates we are able to uniformly apply the results back to properties based on their unique set of attributes.

Where there is a sufficient number of sales, assessment staff may generate a ratio study to measure uniformity mathematically through the use of a coefficient of dispersion (aka COD). A COD is developed to measure the uniformity of predicted property assessments. We have adopted the Property Assessment Standards prescribed by the International Association of Assessing Officers (aka IAAO) that may be reviewed at www.IAAO.org. The following are target CODs we employ based on standards set by IAAO:

Type of Property - General	Type of Property - Specific	COD Range
Single-family Residential (including residential condominiums)	Newer or more homogeneous areas	5.0 to 10.0
Single-family Residential	Older or more heterogeneous areas	5.0 to 15.0
Other residential	Rural, seasonal, recreational, manufactured housing, 2-4-unit housing	5.0 to 20.0
Income-Producing Properties	Larger areas represented by samples	5.0 to 15.0
Income-Producing Properties	Smaller areas represented by smaller samples	5.0 to 20.0
Vacant Land		5.0 to 25.0
Other Real and Personal Property		Varies with local conditions

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

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

Requirements of State Law

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

Appraisal Area Reports

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

Executive Summary Report

Appraisal Date: 1/1/2025 – 2025 Assessment Year

Specialty Appraisal Area:

- **Area 413:** Quick Service, Fast Casual, & Casual Dining Restaurants

Sales – Improved Summary:

- Number of Sales: 5
- Range of Sales Dates: 1/1/2022 – 12/31/2024

Sales – Ratio Study Summary:

A ratio study was not conducted. There was only one fee simple sale from the last three years.

Sales used in the analysis: All improved sales verified as good sales that did not have characteristic changes between the date of sale and the date of appraisal were included in the analysis. Examples of sales that are not included in the analysis are sales that are a change of use after the sale date; sold as a portion of a bulk portfolio sale; sales that had significant renovation after the sale; and none that have been segregated or merged since being purchased. In addition, sales of absolute triple-net leased assets, primarily national QSR-branded properties, were excluded from the ratio study. These sales are sold at prices based on the Leased Fee interest and the high creditworthiness of the tenant as opposed to the unencumbered Fee Simple interest, the Assessor is tasked with valuing. These sales tend to reflect higher values than the Assessor's valuation models produced using current fair-market parameters that reflect the fee simple interest.

Total Population - Parcel Summary Data:

Number of Parcels in the Population: 310

TOTAL POPULATION SUMMARY DATA			
	Land	Improvement	Total
2024 Value	\$525,313,900	\$247,882,600	\$773,196,500
2025 Value	\$537,242,900	\$254,097,400	\$791,340,300
% Change	2.27%	2.51%	2.35%

Conclusion and Recommendation:

The total assessed values for the 2025 revalue increased by 2.35%. The values recommended in this report improve uniformity and equity; therefore, they should be posted for the 2025 Assessment Year.

Identification of the Area

Name or Designation

- **Area 413:** Quick Service Restaurants, Fast Casual Restaurants, & Casual Dining Restaurants

Area 413 Neighborhoods

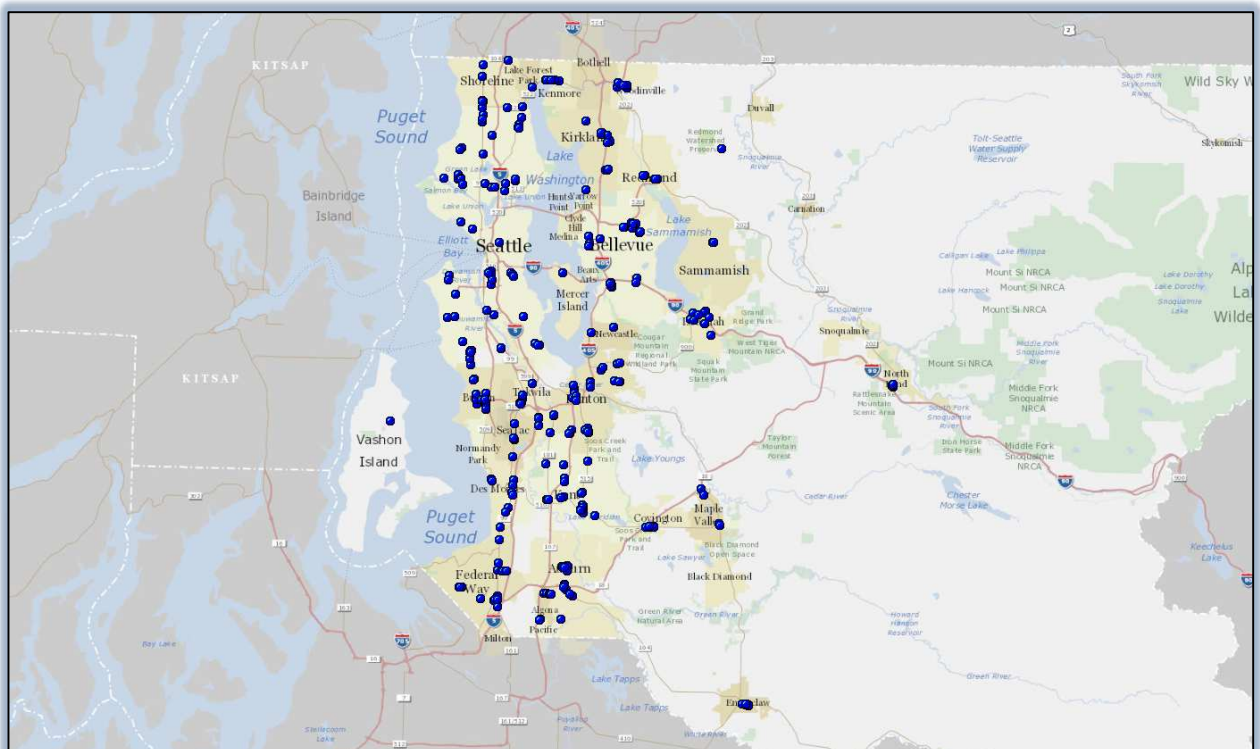
- **413-10** QSR North Seattle
- **413-20** QSR West Seattle & Federal Way
- **413-30** QSR Eastside
- **413-40** QSR Renton
- **413-45** QSR Auburn
- **413-50** Fast & Casual Dining

Boundaries

- King County

Maps

General maps of the area are included in this report. More detailed Assessor's maps are located on the 7th floor of the King Street Center building or the King County Assessor website.



Area Description

Specialty Area 413 encompasses King County and includes all Quick-Service Restaurants (QSR), Fast-Casual Restaurants, and Casual Dining Restaurants. This report contains data pertinent to the revaluation of this Specialty area.

Area Overview

The QSRs in King County have been segmented into five geographic regions: 413-10: North Seattle, 413-20: Southwest Des Moines, 413-30: Eastside, and 413-40: Renton & Kent. 413-45: Auburn & Enumclaw. Fast and Casual dining restaurants are found in neighborhood 413-50. These regions are described by their geographic location and restaurant type. Significant concentrations of QSR and fast casual restaurants are in the county's South End (Kent, Auburn, Federal Way, Renton, & Tukwila). All QSR, fast casual, and casual dining restaurant specialty properties were revalued this year. Area 413-20, Southwest Des Moines Restaurants, were inspected this year.

According to the National Restaurant Association (NRA), restaurants are divided into four basic types or classifications:

- **Type I (quick service restaurants [QSR]):** examples include Chick-fil-A, McDonald's, Wendy's, Burger King, KFC, Taco Bell, Taco Time, Arby's, etc.
- **Type II (fast casual):** examples include Pizza Hut, Qdoba, Five Guy Burgers, Panera Bread, Dicks, etc.
- **Type III (casual/family dining):** examples include Denny's, IHOP, Applebee's, Red Robin, Olive Garden, Chili's, etc.
- **Type IV (fine dining):** Fine dining restaurants are not valued in this report as they are valued by the King County Assessor's area appraiser.

The QSR restaurants are further divided into segments such as hamburgers, chicken, seafood, sandwiches, snacks, and pizza.

QSR, fast casual dining, and casual dining restaurants are special-purpose properties often specifically designed and tailored for major brand recognition. Area 413 includes restaurants with national recognition and that are listed in the top 50 restaurant chains in each category by the NRA.

Most restaurants are "stand-alone" structures with land and building included in the property description. Restaurants not included in Area 413, such as Subway and Starbucks, tend to be in retail centers, where they lease the space as part of a larger complex and are not stand-alone facilities. When a Subway or Starbucks location is "stand-alone," they are included in Area 413. When QSR, fast casual, or casual dining restaurants are located within neighborhood shopping centers and are not stand-alone facilities, the restaurants are valued by either the geographic area appraiser or the Area 250 Major Retail specialty appraiser. They are not included in the Area 413 specialty.

Ownership of QSR facilities includes both corporate-owned and franchise-owned restaurants. According to National Restaurant News, franchisees operate 80% of the total restaurants. Corporate-owned restaurants versus franchisee-operated restaurants range from Dunkin' Donuts and Baskin-Robbins, which have no corporate-owned restaurants, versus Chipotle and In-N-Out Burger, which are all corporate-operated restaurants. Denny's corporation is selling the restaurants to the franchisee and hopes to have 95% to 97% franchise-owned restaurants soon. Most restaurants are leased, with typical lease terms of twenty years with options for additional five-year terms, except for McDonald's. McDonald's has approximately 13,457 restaurants in the USA, of which approximately 92% are franchisee-operated.

Corporations that own national restaurant chains include, but are not limited to the following:

- Yum! Brands (Taco Bell, KFC, Pizza Hut, Wing Street)
- Restaurant Brands International (Burger King, Popeye's, Tim Hortons)
- Darden Restaurants (Olive Garden, Longhorn Steakhouse, Bahama Breeze)
- Dine Brand Global (IHOP, Applebee's)
- Roark Capital Group (Arby's, Carl's Jr/Hardees, Buffalo Wild Wings, and Jimmy John's)
- Berkshire Hathaway Inc. (Dairy Queen, Orange Julius)

Restaurant News

McDonald's plans to grow to 50,000 QSRs globally by 2027. It has invested in digital channels, Ready on Arrival, and Krispy Kreme doughnuts nationwide. CosMc's is a small QSR with customized beverages and unique food items found in the Southeast.

Chick-fil-A employees walk up the drive-up lines to speed up the orders. The company has increased its stores from 100 to 102 and then to 141. It plans to expand in Canada and Puerto Rico.

Taco Bell has added in-store kiosks nationwide and new products every five weeks. Sales are now flowing through digital and AI voice technology in the drive-thru.

Wendy's increased digital and drive-thru operations. They added 50 stores in 2024.

Burger King acquired Carrols restaurant for \$1 billion and intends to remodel the 600 stores. The remodel fits into Burger King's new "Sizzle" prototype restaurant design, which focuses on an efficient guest experience with kiosks, double-lane drive-thru, and optimized kitchen layouts. Burger King plans to remodel 90% of its US locations by 2028.

Chipotle, a fast-casual restaurant, marked its first new country entry in a decade in Kuwait. It plans on opening in Dubai and other parts of the Middle East. Chipotle has been testing a robotic digital makeline and "Autocado," a robot designed to streamline avocado processing. Employees have access to a student loan retirement match program and a high-tech Visa card for credit building.

Assessed Value Change by Neighborhood

All neighborhoods within Area 413 experienced primarily stable assessed values for the 2025 assessment year. The following table summarizes the change in total assessed value by neighborhood.

Assessed Value Change By Neighborhood							
Specialty Area		# of Parcels	% of Total Area	2024 Total	2025 Total	\$ Change	% Change
413	10	43	13.87%	\$ 132,666,800	\$ 136,596,200	\$ 3,929,400	2.96%
413	20	82	26.45%	\$ 166,838,300	\$ 170,306,200	\$ 3,467,900	2.08%
413	30	60	19.35%	\$ 189,596,200	\$ 192,630,100	\$ 3,033,900	1.60%
413	40	56	18.06%	\$ 120,881,000	\$ 124,012,700	\$ 3,131,700	2.59%
413	45	36	11.61%	\$ 71,997,400	\$ 73,645,000	\$ 1,647,600	2.29%
413	50	33	10.65%	\$ 91,216,800	\$ 94,150,100	\$ 2,933,300	3.22%
		310	100.00%	\$ 773,196,500	\$ 791,340,300	\$ 18,143,800	2.35%

Analysis Process

Effective Date of Appraisal: January 1, 2025

Date of Appraisal Report: May 21, 2025

The following appraiser was responsible for the valuation of this Specialty area:

- Richard Welch – Commercial Appraiser II

The process and results were reviewed for quality control and administrative purposes by Marie Ramirez, Senior Commercial Appraiser.

Highest and Best Use Analysis

As if vacant: Market analysis of this area, along with current zoning and anticipated use patterns, indicates the highest and best use for most of the appraised parcels as commercial use. Any opinion inconsistent with this is expressly noted in our records and considered in the valuation of the specific parcel.

As if improved: Based on neighborhood trends, both demographic and current development patterns, the existing 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 the value of the entire property in its existing use and the cost to remove the improvements. We find that the current improvements do add value to the property, in most cases, and are therefore the highest

and best use of the property as improved. In those properties where the property is not at its highest and best use, a nominal value of \$1,000 is assigned to the improvements.

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

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

Standards and Measurement of Data Accuracy

When possible, each sale was verified with the buyer, seller, real estate agent, or tenant. Current data was verified and corrected, when necessary, via field inspection.

Special Assumptions and Limiting Conditions

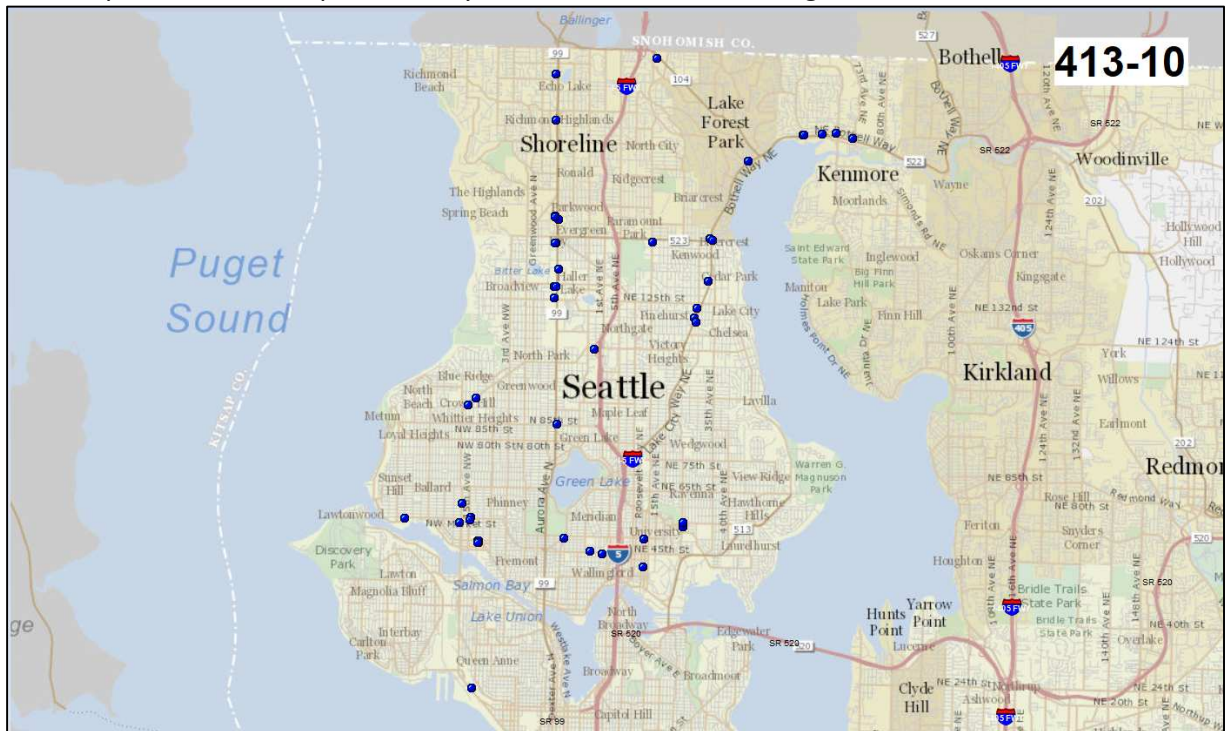
- All three approaches to value were considered in this appraisal.
- Sales from 01/01/2022 to 12/31/2024 (at a minimum) were considered in all analyses.
- This report intends to meet the requirements of the Uniform Standards of Professional Appraisal Practice, Standards 5 and 6 (USPAP compliant).

Area Description

Area 413-10: QSR North Seattle

Neighborhood boundaries: Specialty neighborhood 413-10 includes all QSR locations within the cities of Seattle (north of Mercer Street), Kenmore, Lake Forest Park, and Shoreline. This neighborhood represents 14% of the total parcel count in Area 413.

The map insets in this report identify the boundaries of the neighborhood.



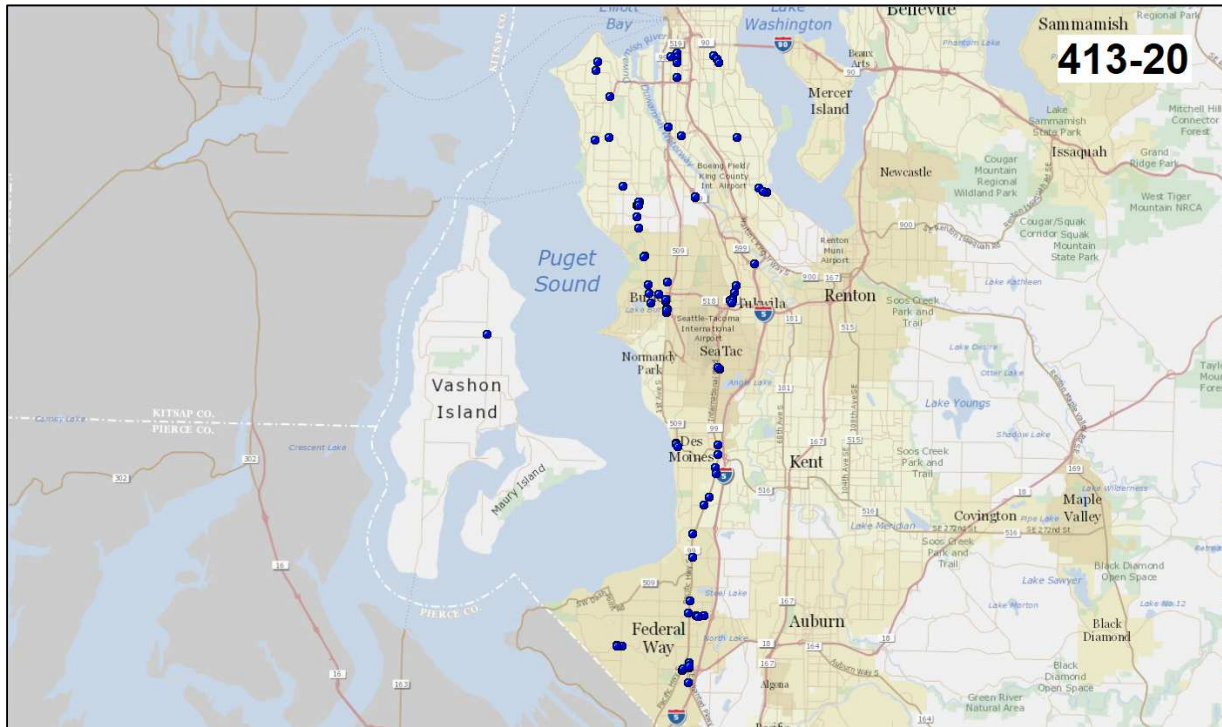
Neighborhood Description: Assessed values within neighborhoods 413-10 increased by 2.96% compared to the previous assessment year. This is the smallest change in value within the specialty. No sales (net leased) have taken place in Area 413-10 in the past three years.

Specialty Area		# of Parcels	% of Total Area	2024 Total	2025 Total	\$ Change	% Change
413	10	43	13.87%	\$ 132,666,800	\$ 136,596,200	\$ 3,929,400	2.96%

Area 413-20: QSR West Seattle – Federal Way

Neighborhood boundaries: Specialty neighborhood 413-20 includes all QSR locations within the cities of Seattle (south of Mercer Street), Burien, Tukwila, Des Moines, SeaTac, and Federal Way. This neighborhood represents 26% of the total parcel count in Area 413.

The map insets in this report identify the boundaries of the neighborhood.



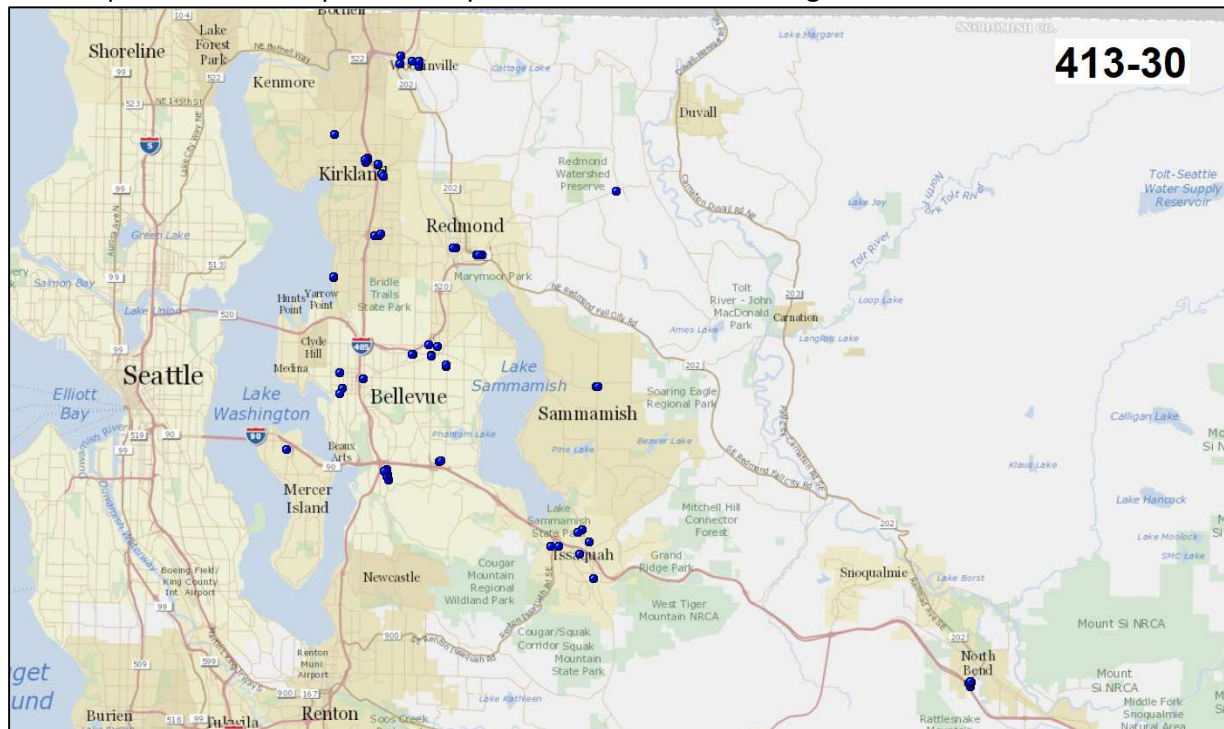
Neighborhood Description: Assessed values within neighborhood 413-20 increased by 2.08% compared to the previous assessment year. Three sales (two net leased), have taken place in Area 413-20 in the past three years, making it the most active neighborhood of the specialty.

Specialty Area	# of Parcels	% of Total Area	2024 Total	2025 Total	\$ Change	% Change
413 20	82	26.45%	\$ 166,838,300	\$ 170,306,200	\$ 3,467,900	2.08%

Area 413-30: QSR Eastside

Neighborhood boundaries: Specialty neighborhood 413-30 includes all QSR locations in eastern King County from the I-90 corridor north. It includes the cities of Redmond, Kirkland, Woodinville, Bellevue, North Bend, Sammamish, and Issaquah. This neighborhood represents 19% of the total parcel count in Area 413.

The map insets in this report identify the boundaries of the neighborhood.



Neighborhood Description: Assessed values within neighborhoods 413-30 increased by 1.60% compared to the previous assessment year. No sales have occurred in Area 413-30 in the past three years.

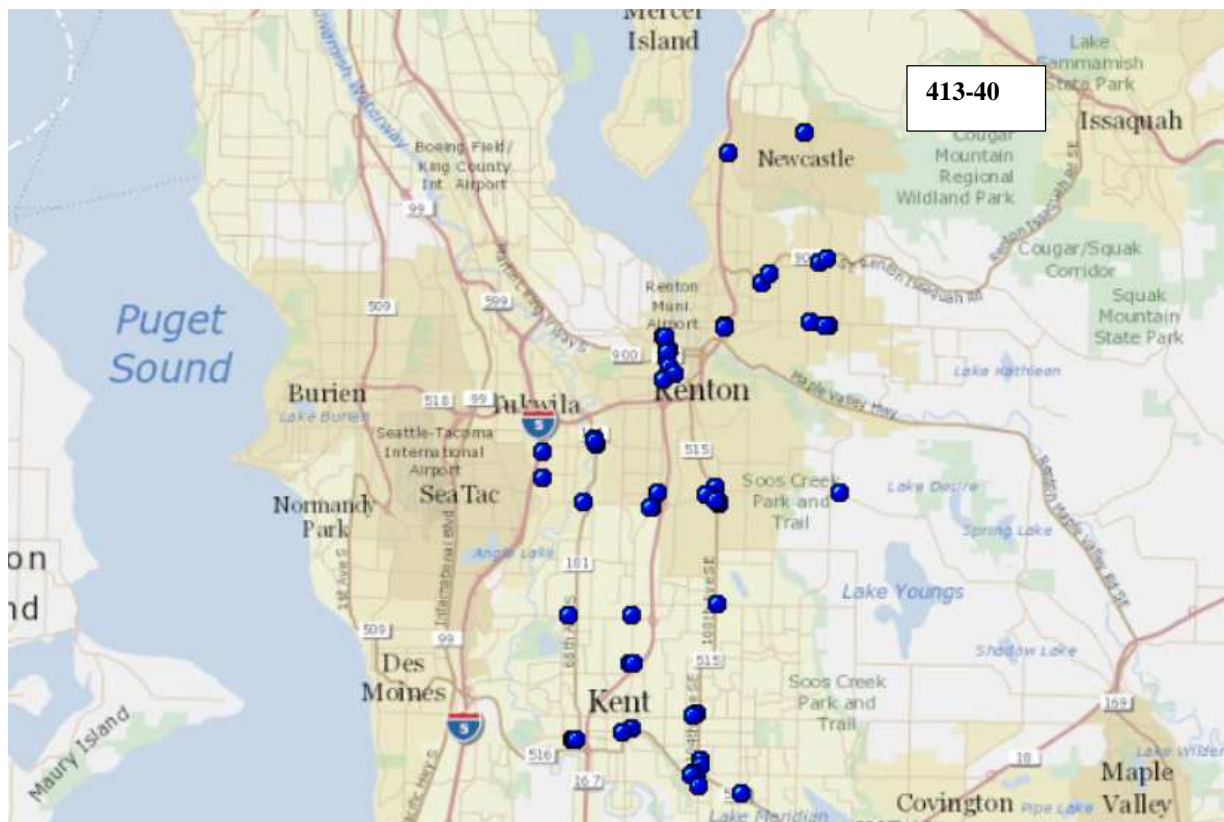
Specialty Area		# of Parcels	% of Total Area	2024 Total	2025 Total	\$ Change	% Chang e
413	30	60	19.35%	\$ 189,596,200	\$ 192,630,100	\$ 3,033,900	1.60%

Area 413-40: QSR Renton and Kent

Neighborhood boundaries: Specialty neighborhood 413-40 includes all QSR locations in southeast King County south of the I-90 corridor and east of I-5. This neighborhood includes the cities of Newcastle, Renton, and Kent. Geographically speaking, neighborhood 413-40 is one of the larger neighborhoods of the specialty. It represents 18% of the total parcel count.

The map insets in this report identify the boundaries of the neighborhood.

Neighborhood Description: Assessed values within neighborhood 413-40 increased by 2.59%. One net leased sale took place in Area 413-40 in the past three years.



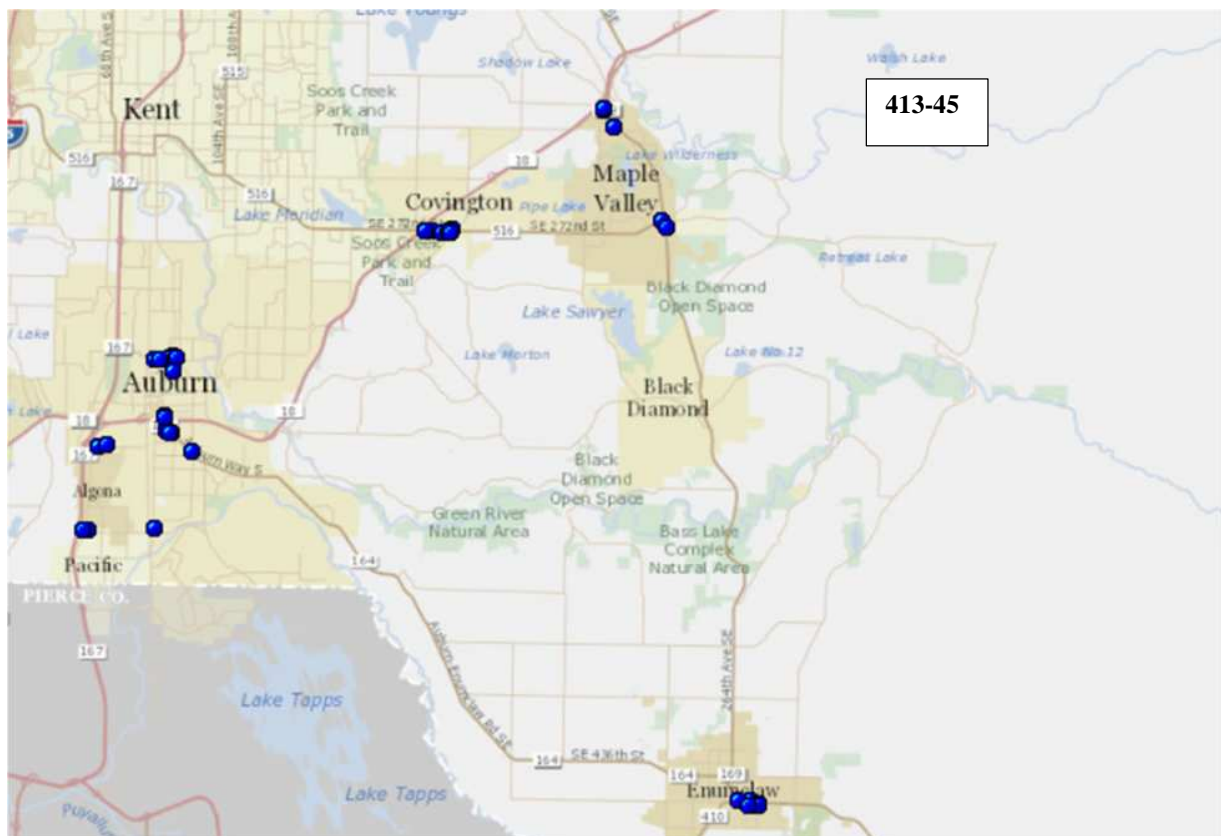
Specialty Area		# of Parcels	% of Total Area	2024 Total	2025 Total	\$ Change	% Change
413	40	56	18.06%	\$ 120,881,000	\$ 124,012,700	\$ 3,131,700	2.59%

Area 413-45: QSR Auburn

Neighborhood boundaries: Specialty neighborhood 413-45 includes all QSR locations in southeast King County south of the I-90 corridor and east of I-5. This neighborhood includes the cities of Auburn, Pacific, Covington, Maple Valley, and Enumclaw. Geographically speaking, neighborhood 413-45 is one of the smallest of the specialty. It represents 12% of the total parcel count in Area 413.

The map insets in this report identify the boundaries of the neighborhood.

Neighborhood Description: Assessed values within neighborhood 413-45 increased by 2.29% from the previous assessment year. No sales (all net leased) have taken place in Area 413-45 in the past three years.



Specialty Area		# of Parcels	% of Total Area	2024 Total	2025 Total	\$ Change	% Change
413	45	36	11.61%	\$ 71,997,400	\$ 73,645,000	\$ 1,647,600	2.29%

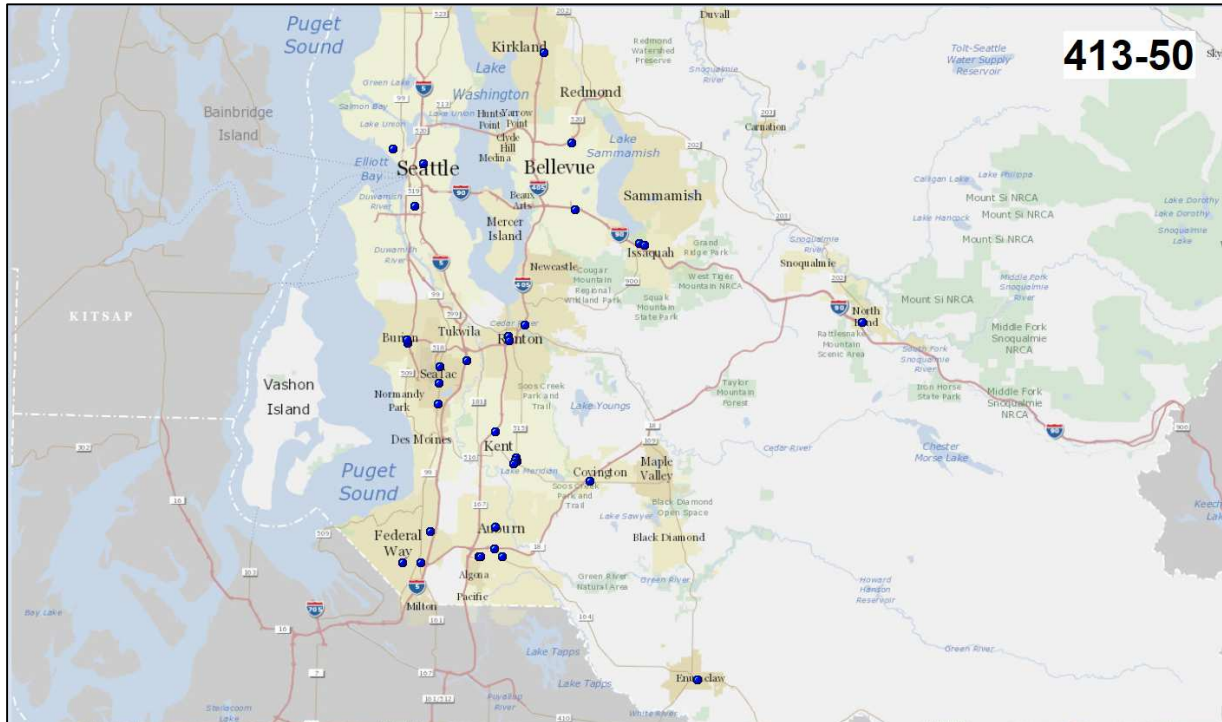
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Area 413-50: All King County

Neighborhood boundaries: This neighborhood includes casual dining restaurants county-wide, and it includes brands such as Denny's, IHOP, Black Angus, Shari's, Applebee's, Pizza Hut, Qdoba Mexican, Azteca, and Red Robin, as well as other local and national casual dining restaurants. This neighborhood represents 11% of the total parcel count in Area 413.

The map insets in this report identify the boundaries of the neighborhood.



Neighborhood Description: Assessed values within neighborhood 413-50 increased by 3.22% compared to the previous assessment year. One sale took place in Area 413-50 over the past three years.

Specialty Area	# of Parcels	% of Total Area	2024 Total	2025 Total	\$ Change	% Change
413 50	33	10.65%	\$ 91,216,800	\$ 94,150,100	\$ 2,933,300	3.22%

Physical Inspection Identification:

WAC 458-07-015 requires each property to be physically inspected at least once during a six-year revaluation cycle. At a minimum, an exterior observation of the properties is made to verify the accuracy and completeness of property characteristic data that affect value. Property records are updated in accordance with the findings of the physical inspection. Neighborhood 413-20 was physically inspected for the 2025 assessment year. The physical inspection comprised 82 parcels, or approximately 26% of the 310 total parcels located in Specialty 413. A list of the physically inspected parcels is included in the addendum of this report.

Geo Neighborhood		Location	Inspected Parcel Count	Total Parcel Count	Percent of Parcel Count
413	20	South Seattle	82	310	26.45%
Specialty Area 413 Physical Inspection Totals			82	310	26.45%

SCOPE OF DATA

Land Value Data: The geographic appraiser in the area where the specialty property is located is responsible for the land value used by the Area 413 specialty appraiser. See the appropriate area reports for land valuation discussion.

Improved Parcel Total Value Data: Sales information is obtained from excise tax affidavits and reviewed initially by the Accounting Division, Sales Identification Section. Information is analyzed and investigated by the appraiser in the process of revaluation. All sales considered in this revaluation were verified, if possible, by calling either the purchaser or seller, inquiring in the field, or calling the real estate broker. Characteristic data is verified for all sales whenever possible. Sales are listed in the "Sales Used" and "Sales Not Used" sections of this report. Additional information resides on the Assessor's website.

Preliminary Ratio Analysis

The sales ratio study is a critical assessment tool to ensure that properties are uniformly assessed based on market value. This analysis utilizes statistical methods to measure the relationship between a property's assessed value and sale price by grouping individual sales according to property type and geographic area. This data can be used to review current assessment levels, identify inequities that must be addressed, and assist in revaluation model development. The low number of acceptable sales included in the analysis limits the reliability of the ratio study in this case, and it has been provided primarily for informational purposes.

IAAO Recommended Standards on Ratio Studies	
Appraisal Level	.90 to 1.10
Coefficient of Dispersion (COD)	5.0 to 20.0
Price Related Differential (PRD)	.98 to 1.03

The two major aspects of appraisal accuracy, appraisal level and appraisal uniformity, are measured and evaluated using the ratio study. Appraisal level measures the ratio of assessed value to sales price, while appraisal uniformity refers to the degree to which properties are appraised at equal percentages of market value. The International Association of Assessing Officers (IAAO) has developed performance standards to evaluate the appraisal level and uniformity.

Appraisal (Assessment) Level: Estimates of appraisal level are based on measures of central tendency. The weighted mean ratio is the value-weighted average of the arithmetic mean and median ratios in which the weights are proportional to the sales prices. The weighted mean is the sum of the assessed values divided by the sum of the sales prices. The weighted mean gives equal weight to each dollar value in the sample, whereas the median and mean give equal weight to each parcel. The weighted mean is an important statistic and is used in computing the price-related differential (PRD), a measure of uniformity between high- and low-value properties.

The IAAO performance standards state that the weighted mean ratio should be between 0.90 and 1.10. A ratio study was not conducted for Specialty 413 because only one fee simple sale transpired over the last three years.

Appraisal (Assessment) Uniformity: Measures of dispersion or variability relate to the uniformity of the ratios. The most generally useful measure of uniformity is the Coefficient of Dispersion (COD). The COD measures the average percentage deviation of the ratios from the median ratio.

The IAAO performance standards state that the COD should be between 5.0 and 20.0 for income-producing property in smaller, rural jurisdictions and between 5.0 and 15.0 for larger, urban market jurisdictions. There is no ratio study for Area 413 because there were no fee simple sales over the last three years. A lower COD indicates better uniformity.

A second measure of uniformity utilized in the ratio study is the Price Related Differential (PRD). The PRD provides a measure of price-related bias, or the equity between high- and low-priced property. The IAAO performance standards state that the PRD should fall between 0.98 and 1.03. A value below 0.98 would indicate progressivity in the data, where assessment levels increase with increasing sales prices. Values above 1.03 indicate regressive bias in the data, where the assessment level decreases with increases in sales price. There is no ratio study for Area 413 because there was only one fee simple sale over the last three years.

Improved Parcel Total Values

Sales Comparison Approach Model Description

All sales were verified with all knowledgeable parties and inspections, when possible. The model for the sales comparison approach was based on characteristics from the Assessor's records, including location, effective age, building quality, and net rentable area. Sales with characteristics most like the subject properties were considered.

At the time of sale, information on the vacancy and market absorption rates, capitalization rates, current and anticipated rents, and the competitive position of the properties was also gathered. Sales were then compared to similar properties within the area for valuation. These sales statistics also helped form the income approach to value by setting parameters for the income rates, vacancies, expenses, and capitalization rates. When necessary, sales of similar improved properties in adjacent neighborhoods were also considered.

There were no improved sales because none of the sales over the last three years were fee simple sales. There were five improved sales in Area 413 that were considered fair market transactions and used in the overall analysis. Though only one would have been included in a ratio study, yielding inconsequential results. Examples of sales not included in the analysis are those leased back to the seller, sold as a portion of a bulk portfolio sale, sales that had major renovation after the sale, or have been segregated or merged since being purchased.

In addition, sales of absolute triple-net leased assets, primarily national QSR-branded properties, were excluded from the ratio study. These sales are sold at prices based on the Leased Fee interest and the high creditworthiness of the tenant as opposed to the unencumbered Fee Simple interest, the Assessor is tasked with valuing. These sales tend to reflect higher values than the Assessor's valuation models produced using current fair-market parameters that reflect the fee simple interest. This was the most frequent reason for excluding sales from the ratio study.

The sales comparison approach reflects the principles of supply and demand, balance, externalities, and substitution. The sales comparison approach is preferred when there is adequate sales data. The model for sales comparison is based on four characteristics: predominant use, effective age, condition, and size. These characteristics are taken from the Assessor's records. A search was made for sales data that most closely fit the subject property within each geographic area. These sales were organized by market segments based on predominant use. Based on sales analysis, each segment reflected a market price per square foot of net rentable area. The sales price range established a general upper and lower market boundary for the various property types within each area.

Sales Comparison Calibration

Neighborhoods were treated independently of one another as dictated by the market. Individual values were applied based on various characteristics deemed appropriate within each market, based on a dollar value per square foot of improved net rentable area. Given the relatively low sales count, the applicability of the Sales Comparison was considered limited for broad valuation purposes.

Cost Approach Model Description

Cost estimates are automatically calculated via the Marshall & Swift Valuation modeling system. Depreciation was based on studies done by the Marshall & Swift Valuation Service. Marshall & Swift cost calculations are automatically calibrated based on the data in the Real Property Application. Because of the difficulty in accurately determining the depreciation of older properties, this approach to value was given the least weight in the final reconciliation of values. Cost estimates were relied upon for valuing new construction where comparable sales data and/or sufficient income and expense information are not available.

Cost Calibration

The Marshall & Swift Valuation modeling system, which is built into the Real Property Application, is calibrated to the region and the Seattle area.

Income Capitalization Approach Model Description

Income tables were developed for all neighborhoods within Area 413 and then applied to the population. The Income Approach was considered a reliable approach to valuation for improved property types where income and expense data are available to ascertain market rates. Income parameters were derived from the marketplace through market rental surveys, sales, and available real estate publications and websites. In addition, owners, tenants, and agents of non-sale properties are surveyed to collect similar data. Disclosure of this information is not required by law and, therefore, is often difficult to obtain. The return rate of mail surveys varies, and the data can be incomplete. Telephone interviews depend on obtaining a valid number for a knowledgeable party and the opportunity to contact them. Due to the highly competitive nature of this specialty, information of a confidential nature is very difficult to obtain. As a supplement, lease information is gathered from CoStar and other similar online sources. Most properties in this area were valued utilizing an income approach (Direct Capitalization Method).

The valuation model includes the following steps:

1. The program multiplies the property's net rentable area by the market rent to derive potential gross income (PGI).
2. The program subtracts allowances for vacancy and operating expenses to derive net operating income (NOI).

3. The program capitalizes NOI (divides it by the overall rate) to produce the value estimate.

Income: Income data was derived from the marketplace from landlords and tenants, market sales, as well as through published sources (i.e., officespace.com, Commercial Brokers Association, Co-Star, and real estate websites such as CBRE, Colliers, Kidder Mathews, etc.), and opinions expressed by real estate professionals active in the market. Rental rates of similar property types from other market areas were considered when necessary.

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

Expenses: Expense ratios were estimated based on industry standards, published sources, and the appraiser's knowledge of the area's rental practices. Within the income valuation models for Area 413, the Assessor used primarily triple net expenses for all property types, as is typical in the market.

Capitalization Rates: During the sales verification process, when market sales are available, an attempt is made to ascertain the capitalization rate on the sale or a pro-forma cap rate on the first-year performance. In addition, capitalization rate data was collected from published market surveys, such as Co-Star, Real Capital Analytics, The American Council of Life Insurance (Commercial Mortgage Commitments), Integra Realty Resources, Korpacz Real Estate Investor Survey (PWC), CBRE – National Investor Survey, etc. These sources typically have capitalization rates or ranges based on surveys or sales, and they usually include rates for both the Seattle Metropolitan area and the nation.

The effective age and condition of each building contribute to the capitalization rate applied in the model. For example, a building in poorer condition with a lower effective year (1965, for example) will typically warrant a higher capitalization rate, and a building in better condition with a higher effective year (2010, for example) will warrant a lower capitalization rate.

The tables in the following pages demonstrate ranges of capitalization rates and trends compiled from information collected on a national or regional scale. This information is reconciled with data specific to the real estate market in Area 413 to develop the income models. Property taxes are considered an allowable expense; therefore, no effective tax rate is included in the capitalization rates.

5. Net Lease Quick Service Restaurant (QSR) Sector

CORPORATE NATIONAL ASKING CAP RATES

Tenant	Q3 2024 (Previous)	Q4 2024 (Current)	Basis Point Change
All Corporate QSR	5.71%	5.75%	+4
Chick-fil-A (Ground Lease)	4.35%	4.40%	+5
Chipotle	5.30%	5.40%	+10
McDonald's (Ground Lease)	4.37%	4.40%	+3
Panera Bread	5.65%	5.70%	+5
Raising Cane's	5.03%	5.00%	-3
Starbucks	6.35%	6.35%	0

FRANCHISEE NATIONAL ASKING CAP RATES

Tenant	Q3 2024 (Previous)	Q4 2024 (Current)	Basis Point Change
All Franchisee QSR	6.63%	6.60%	-3
Burger King	6.17%	6.15%	-2
Dunkin'	5.75%	5.80%	+5
KFC	6.25%	6.20%	-5
Taco Bell	5.45%	5.45%	0
Wendy's	5.50%	5.45%	-5

MEDIAN ASKING CAP RATE BY LEASE TERM REMAINING

Years Remaining	Corporate QSR	Franchisee QSR
20+ Years	5.10%	5.77%
15-19 Years	5.40%	6.15%
10-14 Years	5.90%	6.75%
Under 10 Years	6.75%	7.40%



2. Net Lease Casual Dining Sector

NATIONAL ASKING CAP RATES

Tenant	Q3 2024 (Previous)	Q4 2024 (Current)	Basis Point Change
All Corporate Casual Dining	6.68%	6.62%	-6
Buffalo Wild Wings	7.40%	7.40%	0
Applebee's	6.65%	6.70%	+5
Chili's	5.77%	5.90%	+13
IHOP	7.35%	7.25%	-10
Olive Garden	5.75%	5.85%	+10
Outback Steakhouse	6.65%	6.65%	0
Red Lobster	5.25%	5.30%	+5
Texas Roadhouse (Ground Lease)	5.17%	5.30%	+13

MEDIAN ASKING CAP RATE BY LEASE TERM REMAINING

Years Remaining	Cap Rate
16-20 Years	6.05%
11-15 Years	6.40%
6-10 Years	7.15%
5 Years & Under	7.28%



THE BOULDER GROUP | NET LEASE MARKET REPORT



Net Lease Market Report | Q4 2024

The above tables portray the three restaurant segments, including QSR, Fast Casual, and Casual Dining, with respect to overall capitalization (CAP) rates for each group. Sources for the table are national restaurant industry market analysis, including but not limited to the following: Marcus & Millichap, The Boulder Group, Net Lease Advisors, and Calkin Research, a real estate research publication. According to the above reports, the QSR industry has shown an overall change in the CAP rate from 0 to a +10 basis points increase over the past year. Fast Casual CAP rate is stable at zero basis point change, and Casual Dining ranges from 0 to +10 basis point increase.

The CAP rates for ground leases are in the 4.35% to 4.40% range, including QSR corporate properties such as Chick-fil-A and McDonald's. Typically, corporate-backed leased QSRs sell for 40 basis points lower and Casual Restaurants sell for 95 basis points lower than do franchisee-backed leased restaurants, all other factors being equal, as an investor desires the corporation support.

Income Approach Calibration

The income capitalization model consists of a series of tables in which ranges of rent, vacancy, operating expenses, and overall capitalization rates are arrayed according to building quality and effective age. Income tables were developed for each of the neighborhoods in Area 413. All tables are included in the addendum of this report.

Rental rates, vacancy levels, and operating expenses are derived by reconciling all the information collected through the sales verification process, 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.

The following table contains the results of an analysis of this information and stratifies the uses in Area 413 and the typical income parameters used to set value. It should be noted that due to the nature of commercial real estate, not all properties fall within the typical parameters.

Area 413: Typical Income Model Parameters				
Property Type	Rental Rates/SF Range	Vacancy Rate Range	Expenses % of EGI	Capitalization Rate Range
Quick Service Restaurants	\$30.00 to \$50.00	3%	8.0%	5.00% to 6.00%
Fast Casual Restaurants	\$30.00 to \$50.00	3%	8.0%	5.00% to 6.75%
Casual Dining Restaurants	\$25.00 to \$41.00	3%	8.0% to 10.0%	5.00% to 6.75%
Year End Metrics	Slight Increase	Stable	Stable	Slight Increase

The 2024 QSR 50: Fast Food's Leading Annual Report

AUG 5 2024

RANK	COMPANY	2023 U.S. RESTAURANT SALES (\$ MILIONS)	2023 TOTAL SALES (\$ MILIONS)	2023 FRANCHISE SALES (\$ MILIONS)	2023 COMPANY SALES (\$ MILIONS)	2023 TOTAL UNITS	2023 FRANCHISE UNITS	2023 COMPANY UNITS
1	MCDONALD'S	\$53,135	\$4,001	12,772	685	13,457	13	
2	STARBUCKS*	\$28,700	\$1,820	6,701	9,645	16,346	473	
3	CHICK-FIL-A*	\$21,586	\$7,450	2,494	58	2,552	141	
4	TACO BELL	\$15,000	\$2,100	6,922	483	7,405	207	
5	WENDY'S	\$12,285	\$2,060	5,627	403	6,030	36	
6	DUNKIN'	\$11,918	\$1,300	9,548	32	9,580	210	
7	BURGER KING	\$10,957	\$1,642	6,640	138	6,778	-264	
8	SUBWAY*	\$9,925	1493	20,133	0	20,133	-443	
9	CHIPOTLE	\$9,872	\$3,018	0	3,437	3,437	271	
10	DOMINO'S	\$9,026	\$1,317	6,566	288	6,854	168	
11	PANERA BREAD*	\$7,157	\$3,300	1,193	976	2,169	48	
12	PANDA EXPRESS	\$5,885	\$2,551	172	2,248	2,420	62	
13	PIZZA HUT	\$5,600	\$1,015	6,586	7	6,593	32	
14	SONIC DRIVE-IN	\$5,534	\$1,600	3,195	326	3,521	-25	
15	POPEYES LOUISIANA KITCHEN	\$5,511	\$1,897	3,035	41	3,076	130	
16	KFC	\$5,200	\$1,386	3,745	46	3,791	-127	
17	DAIRY QUEEN	\$4,968	\$1,168	4,252	2	4,254	-53	
18	ARBY'S	\$4,617	\$1,400	2,316	1,097	3,413	-2	
19	JACK IN THE BOX	\$4,355	\$2,032	2,043	142	2,185	5	
20	PAPA JOHN'S*	\$3,846	\$1,231	2,689	531	3,220	40	
21	WHATABURGER	\$3,769	\$3,952	171	826	997	72	
22	RAISING CANE'S	\$3,758	\$5,690	24	703	727	81	
23	WINGSTOP	\$3,482	\$1,827	1,877	49	1,926	205	
24	LITTLE CAESARS*	\$3,365	\$798	3,642	575	4,217	44	
25	JERSEY MIKE'S	\$3,342	\$1,300	2,665	19	2,684	287	

The 2024 QSR 50: Fast Food's Leading Annual Report

AUG 5 2024

RANK	COMPANY	2023 U.S. RESTAURANT SALES (MILLIONS)	2023 AVERAGE PER UNIT VOLUME (\$/UNIT)	2023 PER-UNIT VOLUME (UNITS)	2023 COMPANY UNITS	2023 PER-UNIT SALES (\$/UNIT)	TOTAL PER-UNIT SALES (\$/UNIT)
26	CULVER'S	\$3,000	\$3,487	937	7	944	52
27	FIVE GUYS**	\$2,626	\$1,811	890	594	1,484	67
28	JIMMY JOHN'S	\$2,551	\$936	2,604	40	2,644	7
29	ZAXBY'S	\$2,520	\$2,720	797	145	942	20
30	HARDEE'S*	\$1,981	\$1,160	1,512	195	1,707	-45
31	BOJANGLES	\$1,781	\$2,269	528	285	813	25
32	CARL'S JR.*	\$1,546	\$1,450	1,018	48	1,066	-2
33	DUTCH BROS	\$1,444	\$1,973	289	542	831	160
34	TROPICAL SMOOTHIE CAFÉ	\$1,253	\$980	1,371	1	1,372	174
35	IN-N-OUT BURGER*	\$1,246	\$3,130	0	398	398	19
36	SHAKE SHACK*	\$1,199	\$3,900	39	295	334	47
37	QDOBA*	\$1,154	\$1,540	587	164	751	21
38	FIREHOUSE SUBS	\$1,138	\$963	1,170	39	1,209	22
39	EL POLLO LOCO	\$1,050	\$2,200	172	323	495	5
40	MARCO'S PIZZA	\$1,041	\$943	1,101	43	1,144	77
41	McALISTER'S DELI	\$1,022	\$1,968	506	33	539	14
42	DEL TACO	\$974	\$1,639	421	171	592	1
43	FREDDY'S FROZEN CUSTARD & STEAKBURGERS	\$925	\$1,898	482	33	515	59
44	CHECKERS/ RALLY'S	\$883	\$1,100	546	238	784	-27
45	CHURCH'S CHICKEN	\$803	\$1,009	633	156	789	-23
46	AUNTIE ANNE'S	\$762	\$769	1,187	11	1,198	19
47	PAPA MURPHY'S	\$758	\$667	1,119	8	1,127	-41
48	TIM HORTONS	\$751	\$1,264	642	0	642	6
49	MOE'S SOUTHWEST GRILL	\$731	\$1,226	606	6	612	-25
50	SMOOTHIE KING	\$722	\$661	1,093	59	1,152	49

Reconciliation

All parcels were individually reviewed for the correct application of the model before the final value selection. All 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 ample comparable sales are available; however, the income approach was applied to most parcels to better equalize comparable properties. In addition, properties within this specialty tend to sell based on their Leased Fee interest, which tends to be higher than the unencumbered Fee Simple interest the Assessor is tasked with valuing. These properties are typically leased via long-term absolute triple-net leases to high-credit national tenants, which tend to command a significant premium Leased Fee value when compared to the unencumbered Fee Simple value. 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.

Specialty 413
2025 Assessment Year

 **King County**
Department of Assessments

The income approach to value was a reliable indicator of value in most instances. The total value generated from the income table calculations and the selected income values varied in some cases due to special circumstances, such as properties with excess land, inferior/superior location, super-adequacy, or physical/functional obsolescence. Appraisal judgment prevailed when determining when to depart from the Assessor's table-generated income model. Marie Ramirez, Senior Commercial Appraiser, made an administrative review of the selected values for quality control purposes.

Model Validation

Total Value Conclusions, Recommendations, and Validation:

Appraiser judgment prevails in all decisions regarding individual parcel valuation. Individual values are selected based on general and specific data pertaining to the parcel, the neighborhood, and the market. The appraiser determines which available value estimate is appropriate and may adjust for characteristics and conditions as they occur in the valuation area.

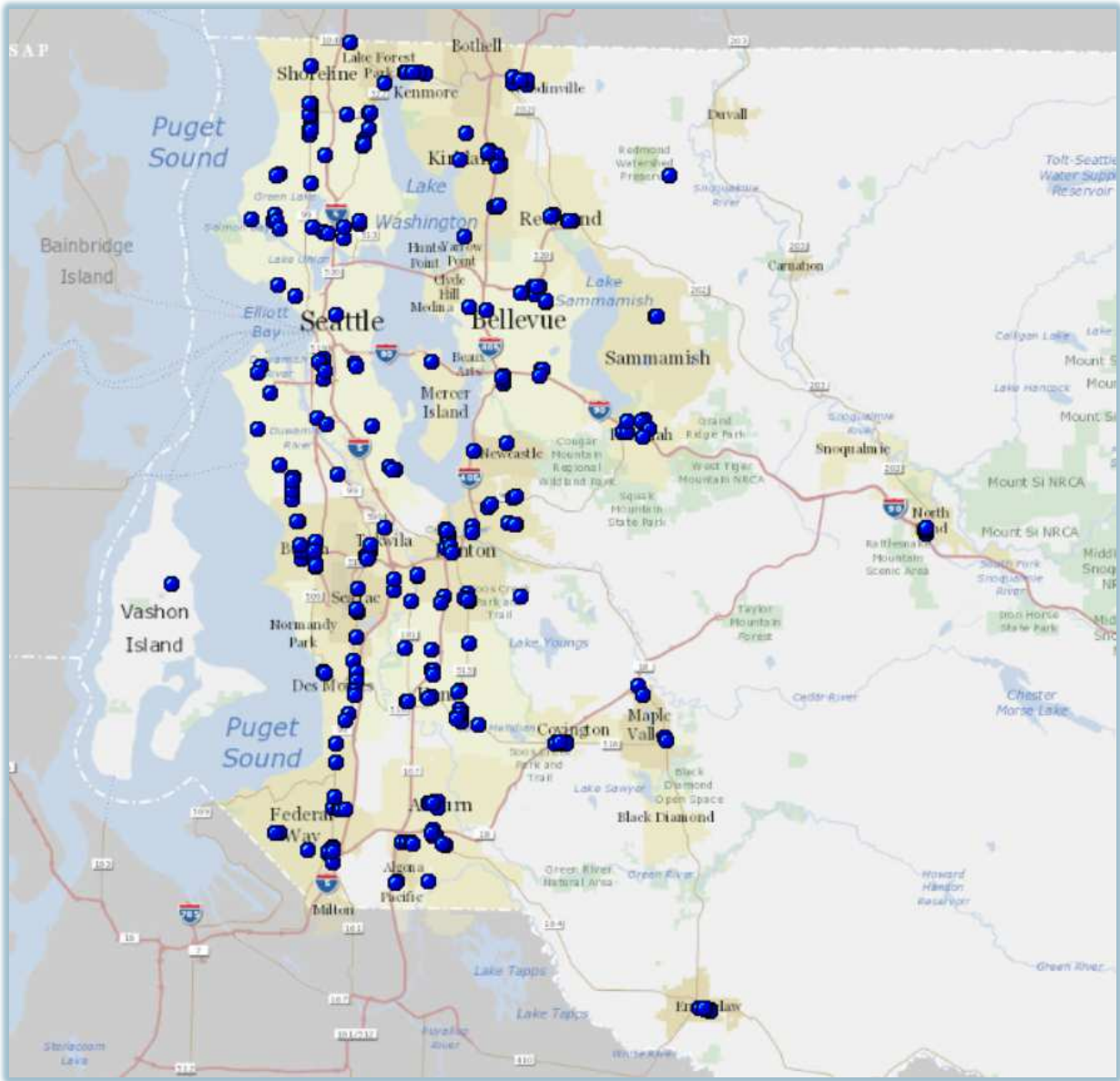
In the 2025 valuation model, the income approach is used to value most of the income-producing properties as there are insufficient sales and a variety of sales to value the different property types using the market approach. The income approach also ensures greater uniformity and equalization of values.

CHANGE IN TOTAL ASSESSED VALUE

The total assessed value in Area 413 for the 2024 assessment year was \$773,196,500, and the total recommended assessed value for the 2025 assessment year is \$791,340,300. Applying these recommended values for the 2025 assessment year results in an average total change from the 2024 assessment of +2.35%.

CHANGE IN TOTAL ASSESSED VALUE			
2024 Total Value	2025 Total Value	\$ Change	% Change
\$773,196,500	\$791,340,300	\$ 18,143,800	2.35%

SPECIALTY 413 MAP



Specialty 413
2025 Assessment Year

 **King County**
Department of Assessments

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 Standards 5 and 6. To fully understand this report the reader may need to refer to the Assessor's Property Record Files, Assessors Real Property Data Base, separate studies, Assessor's Procedures, Assessor's field maps, Revalue Plan and the statutes.

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

Definition and date of value estimate:

Market Value

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

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

Retrospective market values are reported herein because the date of the report is after 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 based on 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 January 1 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 31 of each year. The assessed valuation of the property shall be considered as of July 31 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 influence 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 "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.
- No one 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 to their name.

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

- Annual 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

Richard Welch, Commercial Appraiser II

Date 5/21/2025

Improved Sales Calc for Area 413 with Sales Used

5/21/2025

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Present Use	Parcel Ct	Ver. Code	Remarks
413	020	192404	9078	2,560	3210314	\$5,175,000	09/14/22	\$2,021.48	JACK IN THE BOX	IG2 U/85	Restaurant(Fast Food)	1	69	Net Lease Sale; not in ratio
413	020	215640	0269	5,101	3204535	\$8,009,002	08/11/22	\$1,570.08	Burger King/Popeye's	PR-C	Restaurant(Fast Food)	1	69	Net Lease Sale; not in ratio
413	020	783580	0010	1,045	3293839	\$720,000	06/10/24	\$689.00	CREAM DREAM	CI	Restaurant(Fast Food)	1	Y	
413	040	000080	0023	2,256	3251994	\$2,647,000	08/29/23	\$1,173.32	JACK IN THE BOX	C3	Restaurant(Fast Food)	1	69	Net Lease Sale; not in ratio
413	050	355750	0260	8,510	3194664	\$13,000,000	06/08/22	\$1,527.61	RED ROBIN	UC	Restaurant/Lounge	1	69	Net Lease Sale; not in ratio

Improved Sales Calc for Area 413 with Sales Not Used

5/21/2025

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Present Use	Parcel Ct	Ver. Code	Remarks
413	010	162604	9070	1,867	3328444	\$64,000	02/02/25	\$34.28	TACO BELL	SG-C	Restaurant(Fast Food)	1	68	Non-gov't to gov't
413	010	192604	9038	4,128	3193179	\$4,100,000	06/01/22	\$993.22	KENTUCKY FRIED CHICKEN/IVARS	C1-75 (M)	Restaurant(Fast Food)	1	69	Net Lease Sale; not in ratio
413	020	082104	9229	2,040	3203727	\$1,600,000	07/25/22	\$784.31	CHURCH'S CHICKEN	CC-F	Restaurant(Fast Food)	1	69	Net Lease Sale; not in ratio
413	020	202104	9060	2,108	3312643	\$650,000	12/24/24	\$308.35	TACO BELL	CE	Restaurant(Fast Food)	1	22	Partial interest (1/3, 1/2, etc.)
413	020	783580	0010	1,045	3189850	\$500,000	05/13/22	\$478.47	CREAM DREAM	CI	Restaurant(Fast Food)	1	69	Net Lease Sale; not in ratio
413	040	172205	9016	2,724	3308415	\$24,640	10/30/24	\$9.05	JACK IN THE BOX	CC-MU	Restaurant(Fast Food)	1	66	Condemnation/ eminent domain
413	040	182305	9070	2,986	3183331	\$266,013	04/07/22	\$89.09	TACO TIME	CA	Restaurant(Fast Food)	1	68	Non-gov't to gov't
413	040	182305	9087	2,629	3202504	\$181,203	07/15/22	\$68.92	WENDYS	CA	Restaurant(Fast Food)	1	68	Non-gov't to gov't
413	040	302105	9096	2,378	3223456	\$1,772,900	01/12/23	\$745.54	MCDONALDS	C3	Restaurant(Fast Food)	1	33	Lease or lease-hold
413	040	917960	1505	1,484	3284728	\$23,610	05/09/24	\$15.91	JACK IN THE BOX	GC-MU	Restaurant(Fast Food)	1	68	Non-gov't to gov't
413	040	928615	0030	4,404	3174417	\$3,300,000	02/15/22	\$749.32	ARBY'S/ RETAIL	I1	Restaurant(Fast Food)	1	69	Net Lease Sale; not in ratio
413	050	030150	0360	7,217	3280347	\$3,900,000	04/30/24	\$540.39	RED ROBIN	C3	Restaurant/Lounge	1	69	Net Lease Sale; not in ratio

2025 Physical Inspection Specialty 413 Neighborhood 20					
Spec Area	Nghd	Major	Minor	PropName	AddrLine
413	20	000300	0106	JACK IN THE BOX Primary/w subsidiary on 0112	13050 INTERURBAN AVE S
413	20	000300	0112	JACK IN THE BOX subsidiary w primary 0106	13050 INTERURBAN AVE S
413	20	004000	0902	Pizza Hut	14638 TUKWILA INTERNATIONAL BLVD
413	20	004100	0493	TACO TIME	15037 TUKWILA INTERNATIONAL BLVD
413	20	004100	0520	WENDYS	15010 TUKWILA INTERNATIONAL BLVD
413	20	004100	0525	TACO BELL/KFC	15036 PACIFIC HWY S
413	20	004300	0090	MCDONALDS	15210 INTERNATIONAL BLVD
413	20	062304	9293	STARBUCKS Primary w/Secondary on 9413	9862 16TH AVE SW
413	20	062304	9412	POPEYES	9871 15TH AVE SW
413	20	062304	9413	Starbucks Secondary w/Primary on 9293	
413	20	072304	9093	MCDONALDS	1516 SW 114TH ST
413	20	082104	9229	CHURCH'S CHICKEN	31717 PACIFIC HWY S
413	20	092104	9020	El Rinconcito	2002 S 320TH ST
413	20	092104	9271	MOD Pizza	2042 S 320TH ST
413	20	092104	9272	MCDONALDS	2302 S 320TH ST
413	20	092104	9296	STARBUCKS	2032 S 320TH ST
413	20	095200	4216	TACO TIME	3500 SW AVALON WAY
413	20	122000	0255	TACO TIME	15237 8TH AVE SW
413	20	122100	0150	KENTUCKY FRIED CHICKEN Primary w/Secondary on	115 SW 152ND ST
413	20	122100	0162	KFC Secondary w/Primary on 0150	115 SW 152ND ST
413	20	132103	9110	JACK IN THE BOX	2400 SW 336TH ST
413	20	132730	0013	BURGER KING	3301 4TH AVE S
413	20	152304	9295	JACK IN THE BOX	3742 S 144TH ST
413	20	159460	0050	Taco Time	2212 RAINIER AVE S
413	20	172304	9336	JACK IN THE BOX	14206 1ST AVE S
413	20	182304	9257	JACK IN THE BOX	12812 AMBAUM BLVD SW
413	20	185295	0070	MCDONALDS	34814 PACIFIC HWY S
413	20	189940	0010	STARBUCKS	901 SW 148TH ST
413	20	192304	9021	BURGER KING	425 SW 148TH ST
413	20	192304	9167	TACO BELL	15059 1ST AVE S
413	20	192404	9078	JACK IN THE BOX	5903 1ST AVE S
413	20	200660	1080	JACK IN THE BOX Seconary w/Primary on 1095	22621 MARINE VIEW DR S
413	20	200660	1095	JACK IN THE BOX Primary w/Secondary on 1080	22633 MARINE VIEW DR S
413	20	201140	0522	TACO TIME	809 S KENT-DES MOINES RD
413	20	202104	9060	TACO BELL	1330 S 348TH ST
413	20	202304	9172	MCDONALDS Primary w/Secondary on 9497	15620 1ST AVE S
413	20	202304	9497	MCDONALDS Secondary w/Primary on 9172	15620 1ST AVE S
413	20	202304	9550	ARBYS	15822 1ST AVE S
413	20	202304	9561	WENDYS	15710 1ST AVE S
413	20	212104	9012	JACK IN THE BOX	1610 S 347TH PL
413	20	212204	9201	WENDYS	25350 PACIFIC HWY S
413	20	215640	0269	Burger King/Popeye's	21920 PACIFIC HWY S
413	20	242103	9102	TACO BELL	2031 SW CAMPUS DR
413	20	250060	0180	MCDONALDS	22640 PACIFIC HWY S
413	20	250060	0590	BURGER MEISTER	23221 PACIFIC HWY S
413	20	250060	0701	CHURCH'S CHICKEN	23839 PACIFIC HWY S
413	20	250070	0010	Taco Time	35500 ENCHANTED PKWY S
413	20	250090	0010	WENDY'S/LONG JOHN SILVERS	34506 16TH AVE S
413	20	250090	0030	ARBYS	34404 16TH AVE S
413	20	250090	0060	DEL TACO	34528 16TH AVE S
413	20	282204	9162	KENTUCKY FRIED CHICKEN	25925 PACIFIC HWY S
413	20	292303	9136	SUBWAY	17408 VASHON HWY SW
413	20	332204	9119	Starbucks	28722 PACIFIC HWY S
413	20	332204	9129	MCDONALDS	27515 PACIFIC HWY S

2025 Physical Inspection Specialty 413 Neighborhood 20					
Spec Area	Nghd	Major	Minor	PropName	AddrLine
413	20	332304	9145	TACO BELL	18812 PACIFIC HWY S
413	20	332304	9180	JACK IN THE BOX	2840 S 188TH ST
413	20	333300	1695	MCDONALDS	6304 MARTIN LUTHER KING JR WAY S
413	20	362403	9170	MCDONALDS	2580 SW BARTON ST
413	20	386990	0020	MCDONALDS	6544 CALIFORNIA AVE SW
413	20	426570	0195	JACK IN THE BOX	9102 RAINIER AVE S
413	20	433100	0326	DAIRY QUEEN	14310 AMBAUM BLVD SW
413	20	536720	1395	STARBUCKS	601 S MICHIGAN ST
413	20	551400	0040	DICKS	24220 PACIFIC HWY S
413	20	562420	0370	MCDONALDS Secondary w/Primary on 0372	
413	20	562420	0372	MCDONALDS Primary w/Secondary on 0370	9610 DES MOINES MEMORIAL DR S
413	20	608710	0775	JACK IN THE BOX	4203 SW ADMIRAL WAY
413	20	630340	0986	TACO BELL	10711 16TH AVE SW
413	20	712930	4550	KFC/TACO BELL Primary w/Secondary on 4570	9401 RAINIER AVE S
413	20	712930	4570	KFC/Taco Bell Secondary w/Primary on 4550	
413	20	712930	4865	MCDONALDS	9304 RAINIER AVE S
413	20	721140	1065	TACO TIME Secondary w/Primary on 1085	
413	20	721140	1085	TACO TIME Primary w/Secondary on 1065	10055 16TH AVE SW
413	20	766620	5125	JACK IN THE BOX	1907 4TH AVE S
413	20	766620	5160	TACO BELL/KFC	2201 4TH AVE S
413	20	766620	5250	MCDONALDS	2401 4TH AVE S
413	20	766620	6281	STARBUCKS	1962 1ST AVE S
413	20	783580	0010	CREAM DREAM	12825 AMBAUM BLVD SW
413	20	785360	0186	JACK IN THE BOX Building suffered a FIRE. closed	31122 PACIFIC HWY S
413	20	797320	2665	KFC/A & W ROOT BEER	10150 16TH AVE SW
413	20	800960	0235	MCDONALDS	3003 CALIFORNIA AVE SW
413	20	873217	0060	DAIRY QUEEN	2309 SW 336TH ST
413	20	912200	1045	MCDONALDS	2336 25TH AVE S



King County

Department of Assessments

KSC – AS – 0708

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Seattle, WA 98104

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John Wilson

Assessor

As we start preparations for the 2025 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 the 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 for the entire population.
- Time adjust sales to January 1, 2025, in conformance with generally accepted appraisal practices.
- Prepare written reports in compliance with USPAP Standards 5 and 6 for Mass Appraisals. The intended users of your appraisals and the written reports include the public, the 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

Specialty 413

2025 Assessment Year



King County

Department of Assessments