Quick Service, Fast Casual, & Casual Dining Restaurants

Area: 413

Commercial Revalue for 2026 Assessment Roll

Church's Chicken Des Moines

King County

Department of Assessments

Setting values, serving the community, and pursuing excellence

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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

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 727,000 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: 1/1/2026 – 2026 Assessment Year

Specialty Appraisal Area:

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

Sales – Improved Summary:

- Number of Sales: 2
- Range of Sales Dates: 1/1/2023 – 12/31/2025

Sales – Ratio Study Summary:

A ratio study was conducted but was not utilized because there were only two fee simple sales in 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: 312

TOTAL POPULATION SUMMARY DATA			
	Land	Improvement	Total
2025 Value	$543,719,000	$255,010,150	$798,729,150
2026 Value	$553,722,900	$249,072,700	$802,795,600
% Change	+1.84%	-2.33%	+0.51%

Conclusion and Recommendation:

The total assessed values for the 2026 revalue decreased by +0.51%. The values recommended in this report improve uniformity and equity; therefore, they should be posted for the 2026 Assessment Year.

Identification of the Area

Name or Designation

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

Area 413 Neighborhoods

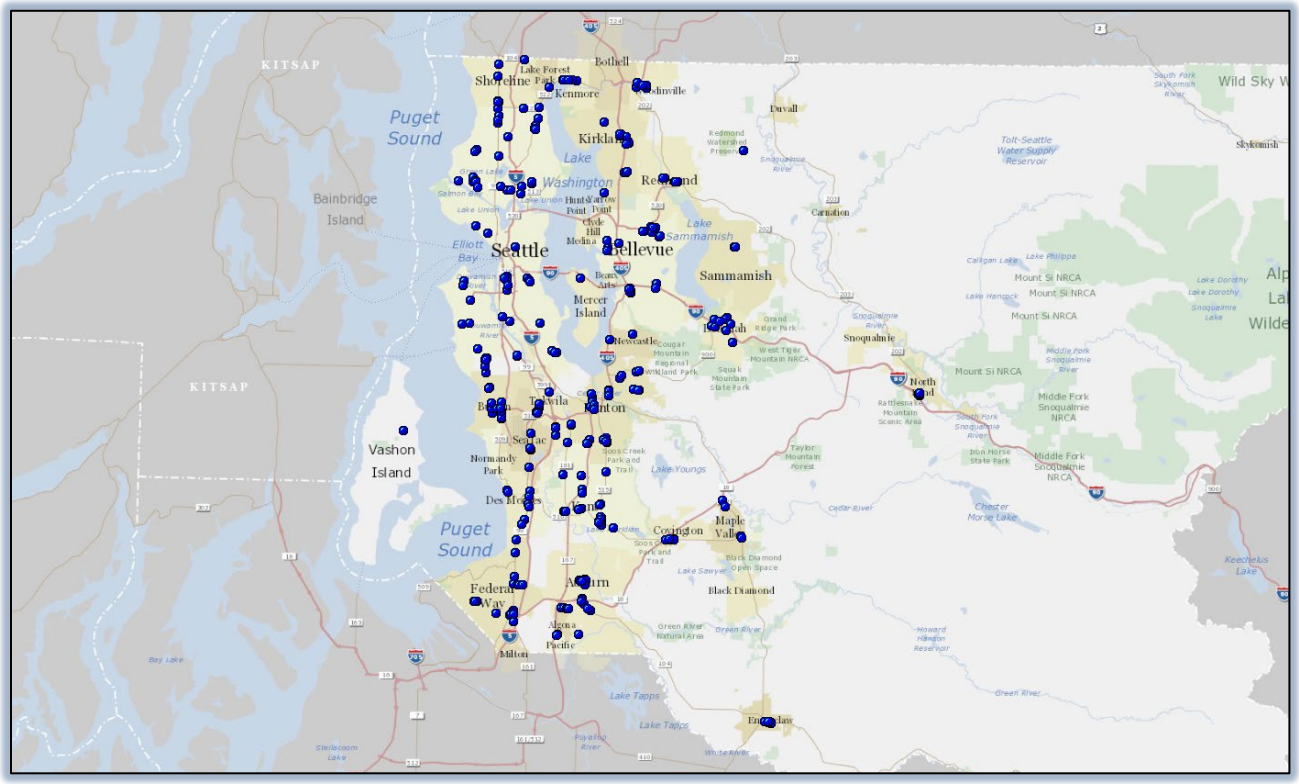
- **413-10** QSR North Seattle
- **413-20** QSR West Seattle & Federal Way
- **413-30** QSR Eastside
- **413-40** QSR Renton
- **413-45** QSR Auburn
- **413-50** Fast & Casual Dining

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 six geographic regions: 413-10: North Seattle, 413-20: West Seattle & Federal Way, 413-30: Eastside, 413-40: Renton, 413-45: Auburn, and 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 413-10, North Seattle QSR, was 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 Guys 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 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 franchise-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. They are investing in digital channels, ready on arrival. 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 to open 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 2026 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	2025 Total	2026 Total	$ Change	% Change
413	10	43	13.78%	$ 137,830,500	$ 140,391,500	$ 2,561,000	1.86%
413	20	81	25.96%	$ 171,084,250	$ 171,264,300	$ 180,050	0.11%
413	30	61	19.55%	$ 197,201,300	$ 200,575,300	$ 3,374,000	1.71%
413	40	56	17.95%	$ 124,012,700	$ 124,335,000	$ 322,300	0.26%
413	45	37	11.86%	$ 73,645,000	$ 73,635,300	$ -9,700	-0.01%
413	50	34	10.90%	$ 94,955,400	$ 92,594,200	$ -2,361,200	-2.49%
Total		**312**	**100.00%**	**$ 798,729,150**	**$ 802,795,600**	**$ 4,066,450**	**0.51%**

Analysis Process

Effective Date of Appraisal: January 1, 2026

Date of Appraisal Report: June 30, 2026

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 interim use. Thus, 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

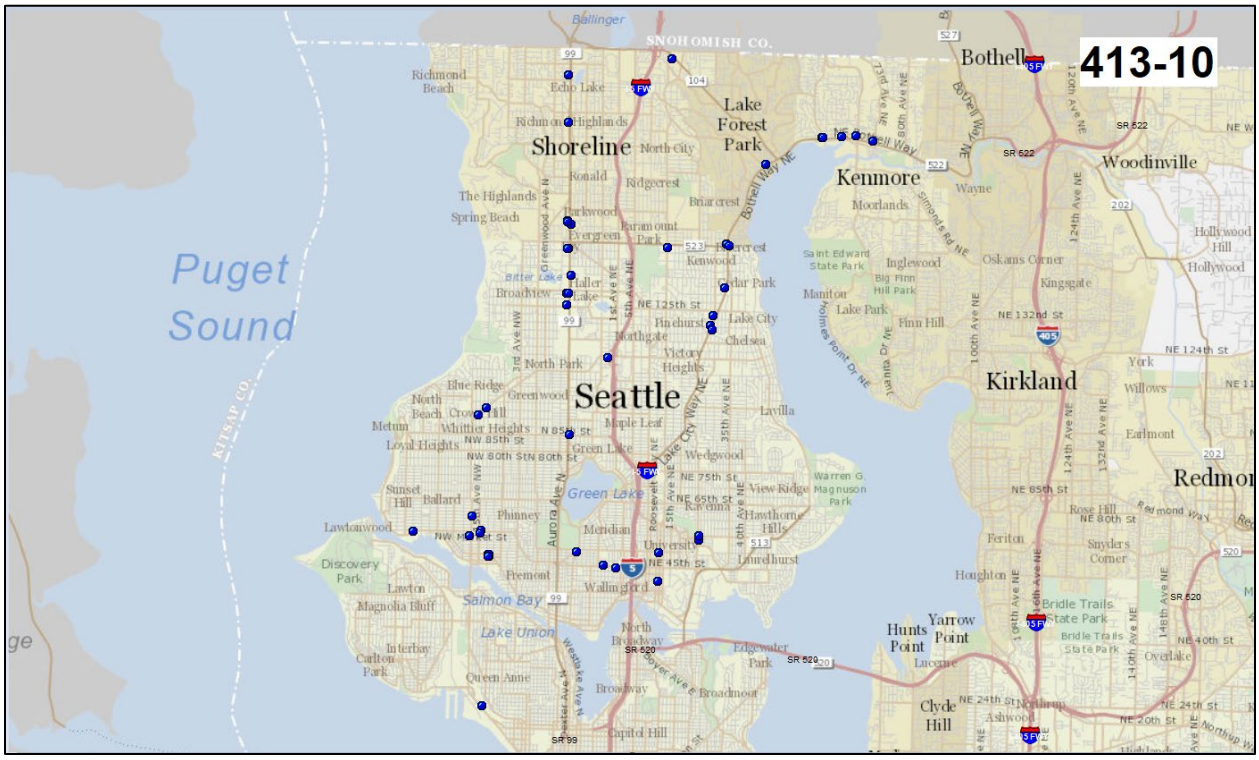
- All three approaches to value were considered in this appraisal.
- Sales from 01/01/2023 to 12/31/2025 (at a minimum) were considered in all analyses.
- This report intends to meet the requirements of the Uniform Standards of Professional Appraisal Practice, Standards 5 and 6 (USPAP compliant).

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 13.78% of the total parcel count in Area 413.

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



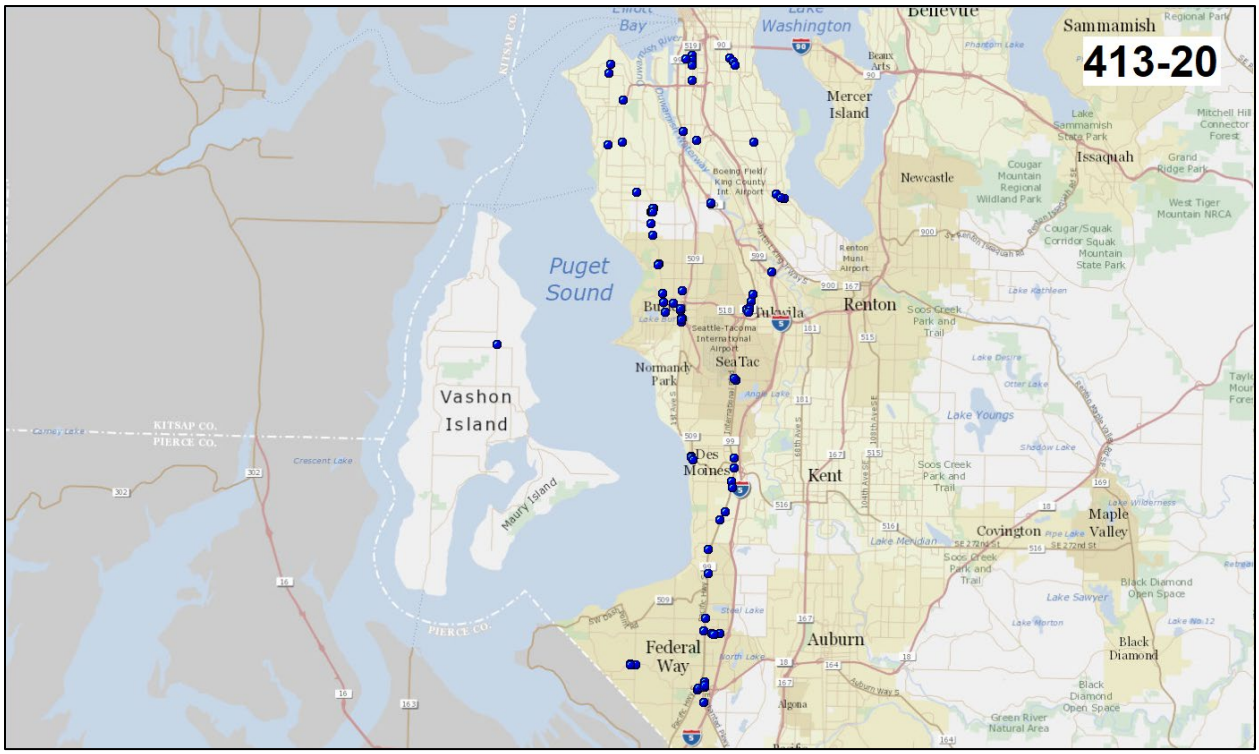
Neighborhood Description: Assessed values within neighborhood 413-10 increased by 1.86% compared to the previous assessment year. This is the third largest change in value within the specialty. There are two government sales that have taken place in Area 413-10 in the past three years.

Specialty Area		# of Parcels	% of Total Area	2025 Total	2026 Total	$ Change	% Change
413	10	43	13.78%	$ 137,830,500	$ 140,391,500	$ 2,561,000	1.86%

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 25.96% of the total parcel count in Area 413.

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



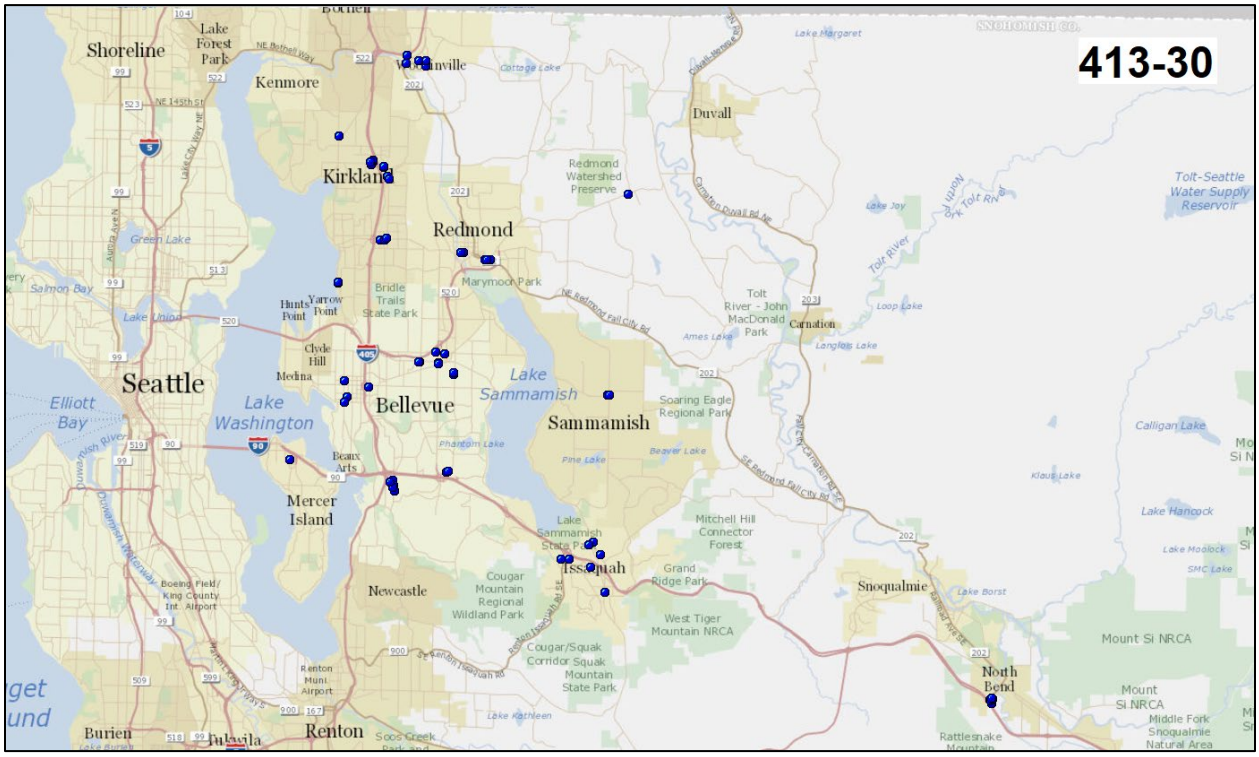
Neighborhood Description: Assessed values within neighborhood 413-20 increased by 0.11% compared to the previous assessment year. Two sales (one was a net lease) have taken place in Area 413-20 in the past three years, making it a neighborhood with limited activity.

Specialty Area		# of Parcels	% of Total Area	2025 Total	2026 Total	$ Change	% Change
413	20	81	25.96%	$ 171,084,250	$ 171,264,300	$ 180,050	0.11%

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 19.55% of the total parcel count in Area 413.

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



Neighborhood Description: Assessed values within neighborhood 413-30 increased by 1.71% compared to the previous assessment year. No sales have occurred in Area 413-30 in the past three years.

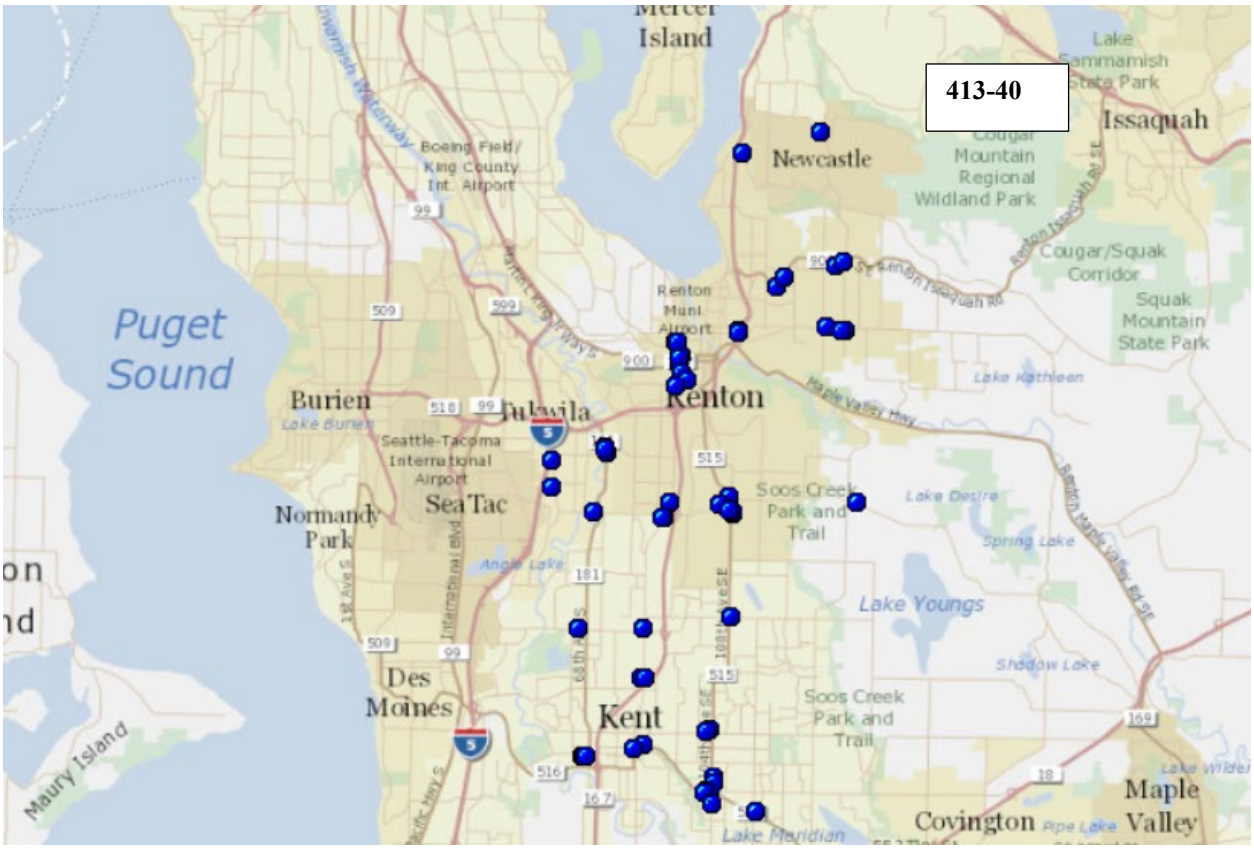
Specialty Area		# of Parcels	% of Total Area	2025 Total	2026 Total	$ Change	% Change
413	30	61	19.55%	$ 197,201,300	$ 200,575,300	$ 3,374,000	1.71%

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 17.95% of the total parcel count.

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

Neighborhood Description: Assessed values within neighborhood 413-40 increased by 0.26%. One net leased sale took place in Area 413-40 in the past three years.



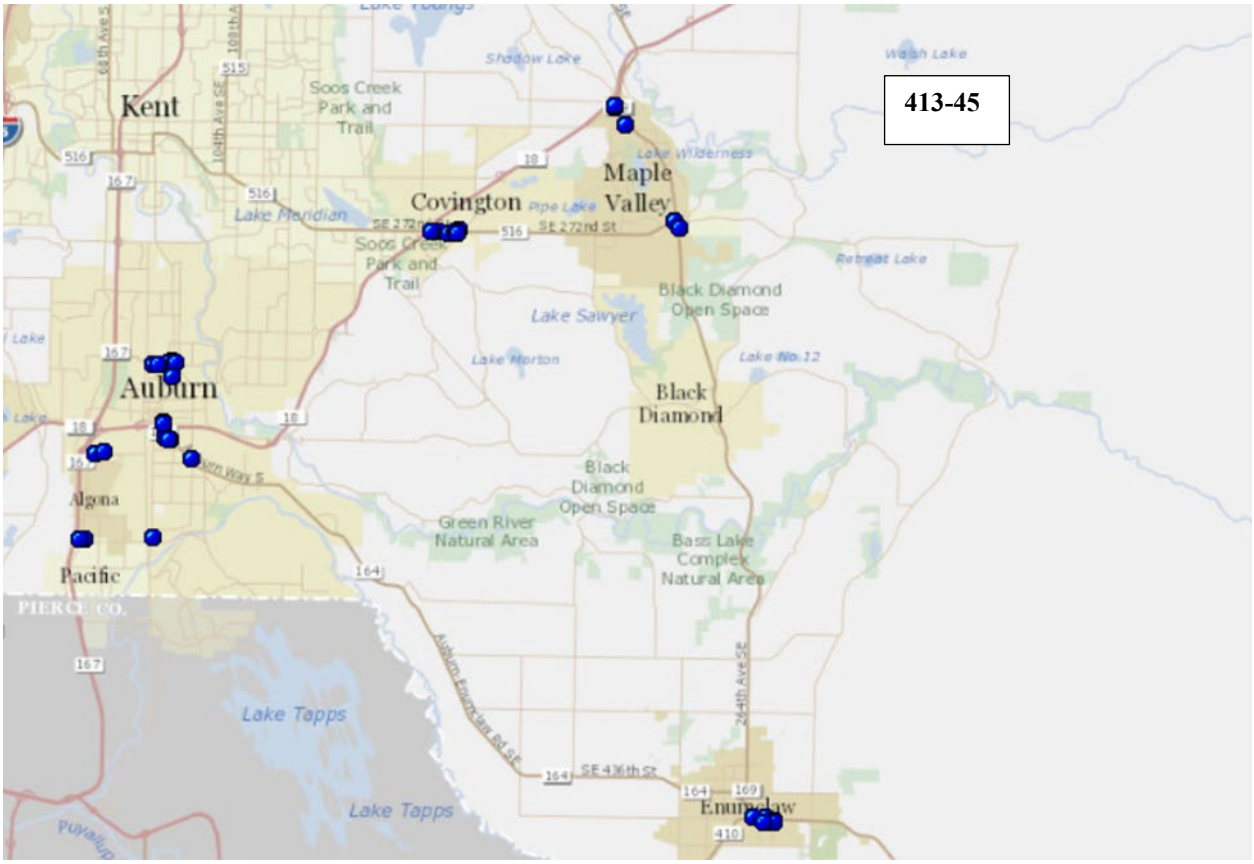
Specialty Area		# of Parcels	% of Total Area	2025 Total	2026 Total	$ Change	% Change
413	40	56	17.95%	$ 124,012,700	$ 124,335,000	$ 322,300	0.26%

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 neighborhoods in the Specialty. It represents 11.86% of the total parcel count in Area 413.

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

Neighborhood Description: Assessed values within neighborhood 413-45 decreased by -0.01% from the previous assessment year. No sales have taken place in Area 413-45 in the past three years.

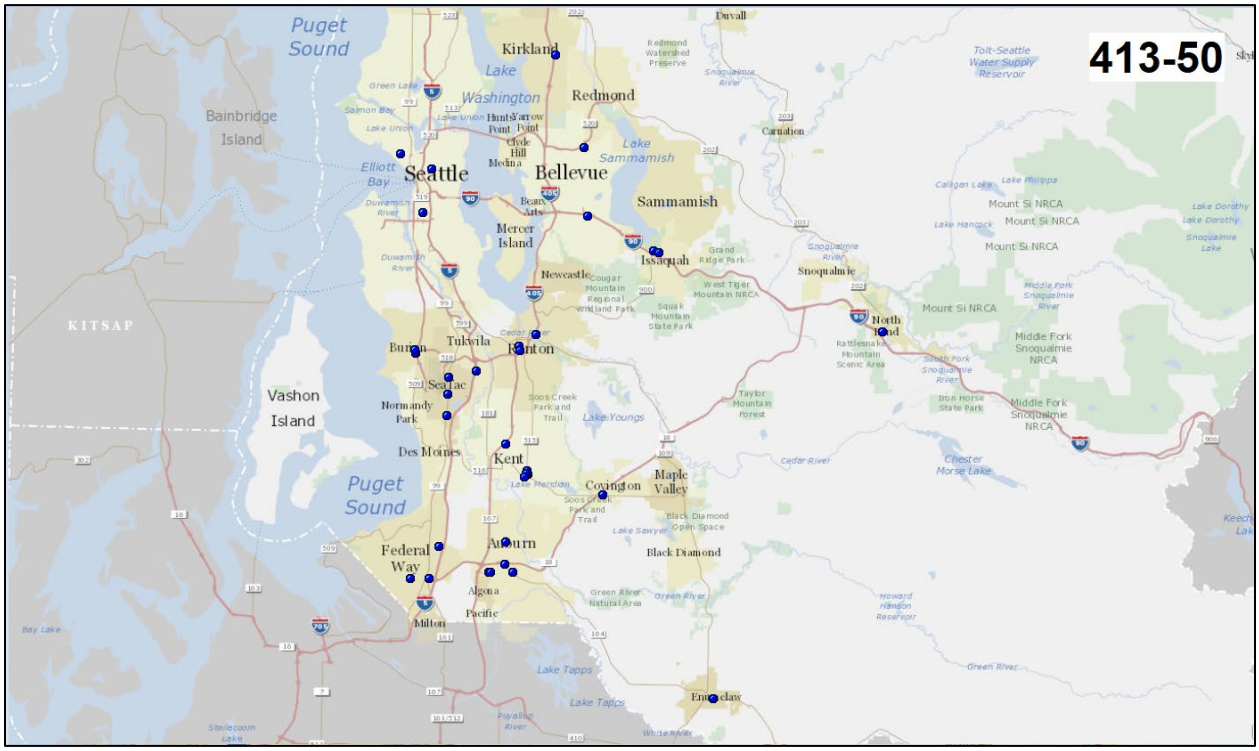


Specialty Area		# of Parcels	% of Total Area	2025 Total	2026 Total	$ Change	% Change
413	45	37	11.86%	$ 73,645,000	$ 73,635,300	$ -9,700	-0.01%

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 10.90% of the total parcel count in Area 413.

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



Neighborhood Description: Assessed values within neighborhood 413-50 decreased by -2.49% compared to the previous assessment year. No sales took place in Area 413-50 over the past three years.

Specialty Area		# of Parcels	% of Total Area	2025 Total	2026 Total	$ Change	% Change
413	50	34	10.90%	$ 94,955,400	$ 92,594,200	$ -2,361,200	-2.49%

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 413-10 was physically inspected for the assessment year 2026. The physical inspection comprised 43 parcels, or approximately 13.78% of the 312 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	10	North Seattle	43	312	13.78%
Specialty Area 413 Physical Inspection Totals			**43**	**312**	**13.78%**

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 is 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 a 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 conducted for Specialty 413; there were only two fee simple sales that 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. A lower COD indicates better uniformity. The ratio study for Area 413 was not utilized or relied upon because there were only two fee simple sales over the last three years.

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.

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 sales, information on the vacant 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 only two improved fee simple sales over the last three years in Area 413 that were considered fair market transactions and used in the overall analysis; though they would have yielded inconsequential results in a ratio study. 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, which 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 figures, 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 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 sales 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.

We verified two QSR sales with CAP rates in King County:

1) Parcel # 000080-0023 a Jack in the Box QSR sold on 8/29/2023 @5.25% CAP rate.
2) Parcel # 000720-0149 a Chick-Fil-A QSR sold on 12/11/25 @ 4.35% CAP rate with 9 years remaining on the lease.

2. Net Lease Casual Dining Sector

NATIONAL ASKING CAP RATES

Tenant	Q4 2025 (Previous)	Q1 2026 (Current)	Basis Point Change
All Corporate Casual Dining	6.60%	6.55%	-5
Applebee's	7.60%	7.60%	0
Buffalo Wild Wings	6.65%	6.60%	-5
Chili's	6.00%	5.85%	-15
IHOP	7.01%	6.90%	-11
Olive Garden	5.85%	5.75%	-10
Outback Steakhouse	6.40%	6.40%	0
Texas Roadhouse *(Ground Lease)*	5.35%	5.30%	-5

MEDIAN ASKING CAP RATE BY LEASE TERM REMAINING

Years Remaining	Cap Rate
16-20 Years	5.90%
11-15 Years	6.40%
6-10 Years	7.00%
5 Years & Under	7.55%

5. Net Lease Quick Service Restaurant (QSR) Sector

CORPORATE NATIONAL ASKING CAP RATES

Tenant	Q4 2025 (Previous)	Q1 2026 (Current)	Basis Point Change
All Corporate QSR	5.85%	5.82%	-3
Chick-fil-A (Ground Lease)	4.50%	4.50%	0
Chipotle	5.50%	5.45%	-5
McDonald's (Ground Lease)	4.50%	4.40%	-10
Panera Bread	5.80%	5.85%	+5
Raising Cane's	5.00%	5.00%	0
Starbucks	6.50%	6.45%	-5

FRANCHISEE NATIONAL ASKING CAP RATES

Tenant	Q4 2025 (Previous)	Q1 2026 (Current)	Basis Point Change
All Franchisee QSR	6.75%	6.80%	+5
Burger King	6.35%	6.40%	+5
Dunkin'	6.07%	6.10%	+3
KFC	6.40%	6.50%	+10
Taco Bell	5.50%	5.50%	0
Wendy's	5.68%	5.73%	+5

MEDIAN ASKING CAP RATE BY LEASE TERM REMAINING

Years Remaining	Corporate QSR	Franchisee QSR
20+ Years	5.00%	5.90%
15-19 Years	5.50%	6.30%
10-14 Years	6.03%	6.77%
Under 10 Years	6.83%	7.55%

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 4.40% to 4.50% 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

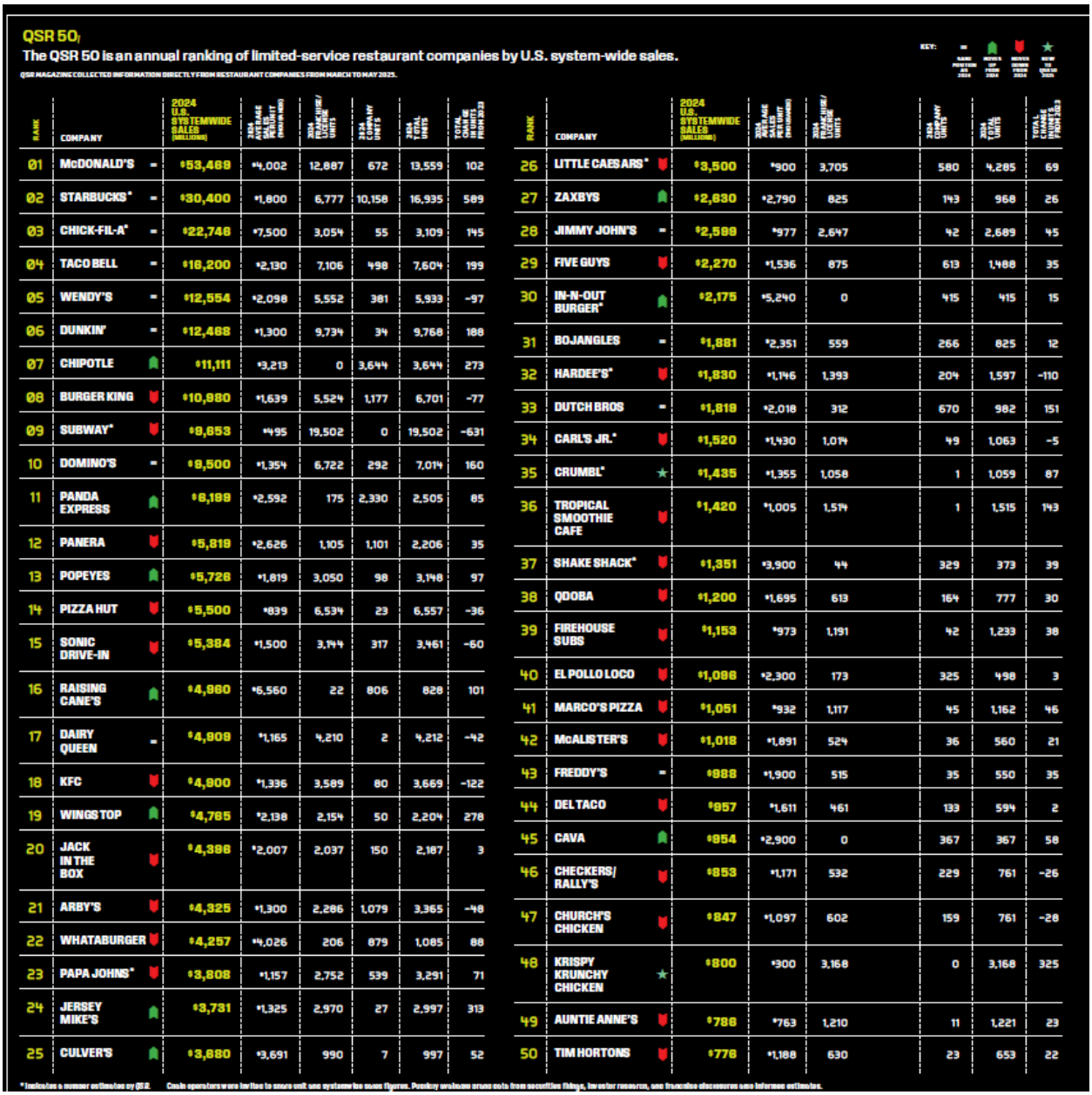
The income capitalization model consists of a series of tables in which ranges of rent, vacancy, operating expenses, and overall capitalization rates are arrayed according to building quality and effective age. Income tables were developed for each of the neighborhoods in Area 413. All tables are included 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 QSR Magazine rates from August 2025 has McDonald's at number one with $53,469 million US system-wide sales, and next are Starbucks @ $30,400 million, Chick-Fil-A @ $22,746 million, Taco Bell @ $16,200 million, and Wendy's @ $12,554 million. The next five in order are: Dunkin Donuts @ $12,468M, Chipotle @ $11,111M, Burger King @ $10,980M, Subway @ $9,653M, and Domino's @ $9,500M. Jack in the Box is twentieth @$4,396 million in US system-wide sales.



QSR 50

The QSR 50 is an annual ranking of limited-service restaurant companies by U.S. system-wide sales.

QSR MAGAZINE COLLECTED INFORMATION DIRECTLY FROM RESTAURANT COMPANIES FROM MARCH TO MAY 2025.

RANK	COMPANY	2024 U.S. SYSTEMWIDE SALES (MILLIONS)	2024 AVERAGE SALES PER UNIT (THOUSANDS)	2024 FRANCHISED UNITS	2024 COMPANY UNITS	2024 TOTAL UNITS	TOTAL CHANGE IN UNITS FROM 2023
01	McDONALD'S	$53,469	$4,002	12,887	672	13,559	102
02	STARBUCKS*	$30,400	$1,800	6,777	10,158	16,935	589
03	CHICK-FIL-A*	$22,746	$7,500	3,054	55	3,109	145
04	TACO BELL	$16,200	$2,130	7,106	498	7,604	199
05	WENDY'S	$12,554	$2,098	5,552	381	5,933	-97
06	DUNKIN'	$12,468	$1,300	9,734	34	9,768	188
07	CHIPOTLE	$11,111	$3,213	0	3,644	3,644	273
08	BURGER KING	$10,980	$1,639	5,524	1,177	6,701	-77
09	SUBWAY*	$9,653	$495	19,502	0	19,502	-631
10	DOMINO'S	$9,500	$1,354	6,722	292	7,014	160
11	PANDA EXPRESS	$8,188	$2,592	175	2,330	2,505	85
12	PANERA	$5,819	$2,626	1,105	1,101	2,206	35
13	POPEYES	$5,726	$1,819	3,050	98	3,148	97
14	PIZZA HUT	$5,500	$839	6,534	23	6,557	-36
15	SONIC DRIVE-IN	$5,384	$1,500	3,144	317	3,461	-60
16	RAISING CANE'S	$4,860	$6,560	22	806	828	101
17	DAIRY QUEEN	$4,809	$1,165	4,210	2	4,212	-42
18	KFC	$4,800	$1,336	3,589	80	3,669	-122
19	WINGSTOP	$4,785	$2,138	2,154	50	2,204	278
20	JACK IN THE BOX	$4,398	$2,007	2,037	150	2,187	3
21	ARBY'S	$4,325	$1,300	2,286	1,079	3,365	-48
22	WHATABURGER	$4,257	$4,026	206	879	1,085	88
23	PAPA JOHNS*	$3,808	$1,157	2,752	539	3,291	71
24	JERSEY MIKE'S	$3,731	$1,325	2,970	27	2,997	313
25	CULVER'S	$3,680	$3,691	990	7	997	52
26	LITTLE CAESARS*	$3,500	$900	3,705	580	4,285	69
27	ZAXBYS	$2,830	$2,790	825	143	968	26
28	JIMMY JOHN'S	$2,589	$977	2,647	42	2,689	45
29	FIVE GUYS	$2,270	$1,536	875	613	1,488	35
30	IN-N-OUT BURGER*	$2,175	$5,240	0	415	415	15
31	BOJANGLES	$1,881	$2,351	559	266	825	12
32	HARDEE'S*	$1,830	$1,146	1,393	204	1,597	-110
33	DUTCH BROS	$1,819	$2,018	312	670	982	151
34	CARL'S JR.*	$1,520	$1,430	1,014	49	1,063	-5
35	CRUMBL*	$1,435	$1,355	1,058	1	1,059	87
36	TROPICAL SMOOTHIE CAFE	$1,420	$1,005	1,514	1	1,515	143
37	SHAKE SHACK*	$1,351	$3,900	44	329	373	39
38	QDOBA	$1,200	$1,695	613	164	777	30
39	FIREHOUSE SUBS	$1,153	$973	1,191	42	1,233	38
40	EL POLLO LOCO	$1,086	$2,300	173	325	498	3
41	MARCO'S PIZZA	$1,051	$932	1,117	45	1,162	46
42	McALISTER'S	$1,018	$1,891	524	36	560	21
43	FREDDY'S	$888	$1,900	515	35	550	35
44	DEL TACO	$857	$1,611	461	133	594	2
45	CAVA	$854	$2,900	0	367	367	58
46	CHECKERS/ RALLY'S	$853	$1,171	532	229	761	-26
47	CHURCH'S CHICKEN	$847	$1,097	602	159	761	-28
48	KRISPY KRUNCHY CHICKEN	$800	$300	3,168	0	3,168	325
49	AUNTIE ANNE'S	$786	$763	1,210	11	1,221	23
50	TIM HORTONS	$776	$1,188	630	23	653	22

*Indicates a number estimated by QSR. Chain operators were invited to ensure unit and systemwide sales figures. Pankey analyzes sales data from securities filings, investor resources, and franchise disclosures and performs estimates.

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.

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:

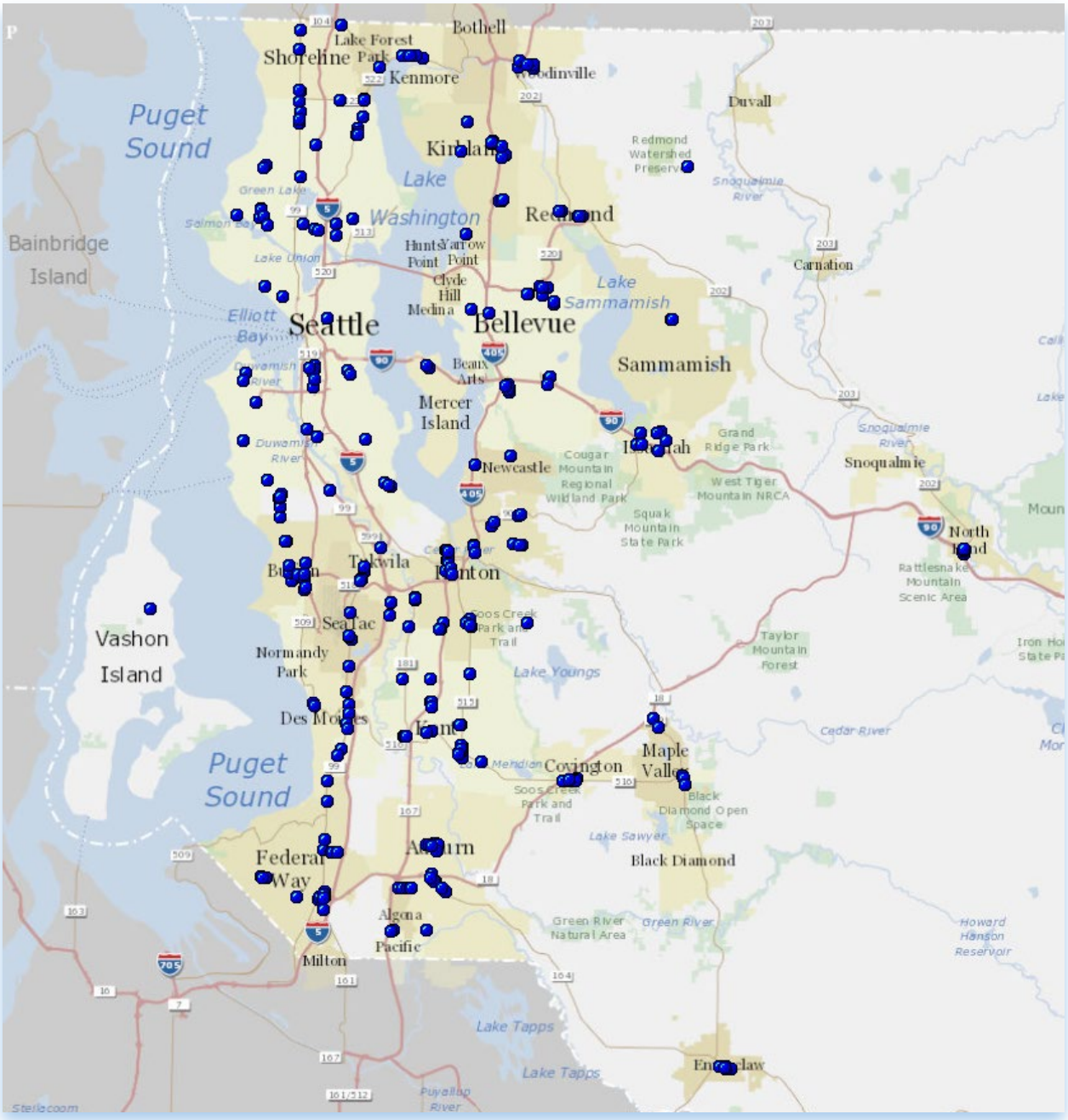
Appraiser judgment prevails in all decisions regarding individual parcel valuation. Individual values are selected based on general and specific data pertaining to the parcel, the neighborhood, and the market. The appraiser determines which available value estimate is appropriate and may adjust for characteristics and conditions as they occur in the valuation area. In the 2026 valuation model, the income approach is used to value most of the income-producing properties as there are insufficient 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 2025 assessment year was $798,729,150, and the total recommended assessed value for the 2026 assessment year is $802,795,600. Applying these recommended values for the 2026 assessment year results in an average total change of +0.51%.

CHANGE IN TOTAL ASSESSED VALUE			
2025 Total Value	2026 Total Value	$ Change	% Change
$798,729,150	$802,795,600	$ 4,066,450	0.51%

SPECIALTY 413 MAP



Specialty 413 Ratio Study Report

PRE-REVALUE RATIO ANALYSIS

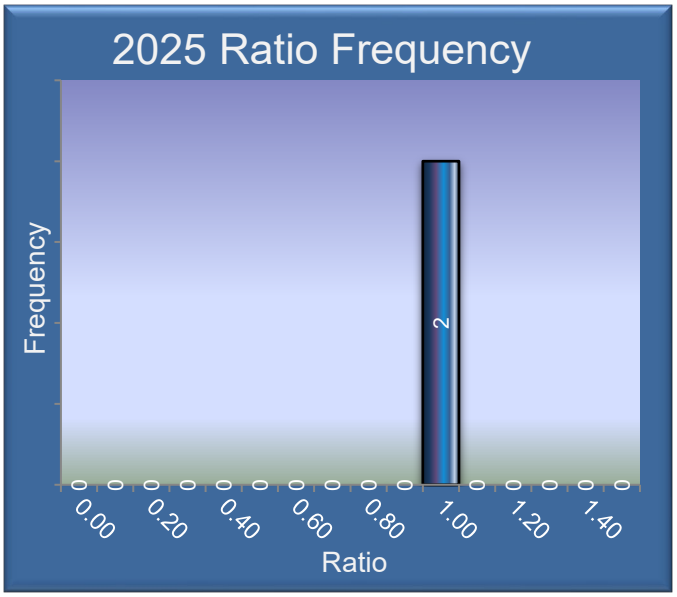
Pre-revalue ratio analysis compares sales from 2023 through 2025 in relation to the previous assessed value as of 1/1/2025.

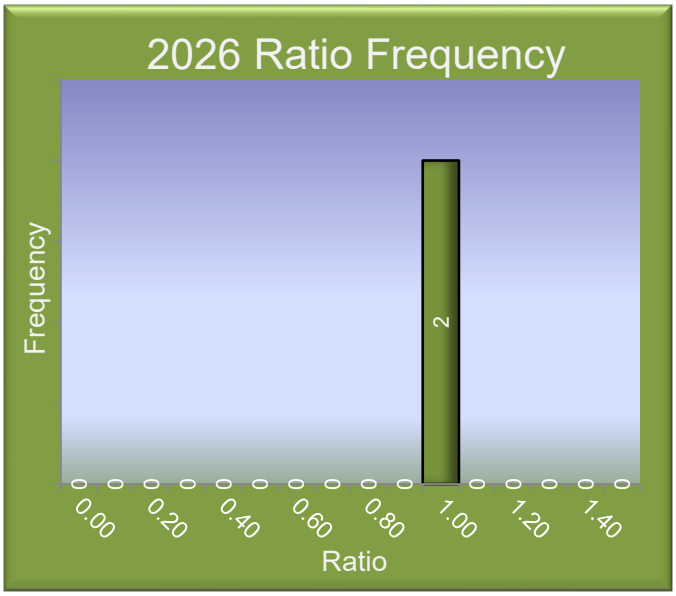
PRE-REVALUE RATIO SAMPLE STATISTICS	
Sample size (n)	2
Mean Assessed Value	2,344,200
Mean Adj. Sales Price	2,534,100
Standard Deviation AV	2,310,189
Standard Deviation SP	2,565,550
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.951
Median Ratio	0.951
Weighted Mean Ratio	0.925
UNIFORMITY	
Lowest ratio	0.9148
Highest ratio:	0.9869
Coefficient of Dispersion	3.79%
Standard Deviation	0.0510
Coefficient of Variation	5.37%
Price Related Differential (PRD)	1.03

POST-REVALUE RATIO ANALYSIS

Post-revalue ratio analysis compares sales from 2023 through 2025 and reflects the assessment level after the property has been revalued to 1/1/2026.

POST REVALUE RATIO SAMPLE STATISTICS	
Sample size (n)	2
Mean Assessed Value	2,505,300
Mean Sales Price	2,534,100
Standard Deviation AV	2,538,089
Standard Deviation SP	2,565,550
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.988
Median Ratio	0.988
Weighted Mean Ratio	0.989
UNIFORMITY	
Lowest ratio	0.9869
Highest ratio:	0.9889
Coefficient of Dispersion	0.10%
Standard Deviation	0.0014
Coefficient of Variation	0.14%
Price Related Differential (PRD)	1.00





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

Improved Sales Calc for Area 413 with Sales Used

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	062304	9293	2,475	3288139	$3,000,000	06/20/24	$1,212.12	STARBUCKS Primary w/Secondary on 9413	CBPSODPA	Restaurant(Fast Food)	2	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	040	000720	0149	4,643	3359349	$4,348,235	12/11/25	$936.51	CHICK FIL A	CA	Restaurant(Fast Food)	1	Y	

Improved Sales Calc for Area 413 with Sales Not Used

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	112604	9035	2,256	3347291	$2,425,048	09/02/25	$1,074.93	JACK IN THE BOX Primary w/subsidiary 9039	UC	Restaurant(Fast Food)	1	68	Non-gov't to gov't
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	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	250090	0030	3,059	3333582	$2,100,000	06/05/25	$686.50	ARBYS	CE	Restaurant(Fast Food)	1	69	Net Lease Sale; not in ratio
413	040	052205	9254	2,288	3346235	$52,404	08/20/25	$22.90	JACK IN THE BOX	CC-MU	Restaurant(Fast Food)	1	66	Condemnation/eminent domain
413	040	052205	9254	2,288	3346236	$4,604	08/20/25	$2.01	JACK IN THE BOX	CC-MU	Restaurant(Fast Food)	1	66	Condemnation/eminent domain
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	182205	9356	3,496	3346183	$2,200,000	09/04/25	$629.29	BURGER KING	I1	Restaurant(Fast Food)	1	69	Net Lease Sale; not in ratio
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	917960	1505	1,484	3367533	$1,000,000	02/25/26	$673.85	JACK IN THE BOX	GC-MU	Restaurant(Fast Food)	1		sold after the lien date
413	045	257840	0050	1,886	3383847	$2,000,000	06/22/26	$1,060.45	STARBUCKS	C3	Restaurant(Fast Food)	1		sold after the lien date
413	045	915010	0080	2,324	3330163	$790,000	05/16/25	$339.93	BASKIN ROBBINS	C3	Restaurant(Fast Food)	2	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
413	050	332304	9203	4,812	3340572	$2,250,000	07/15/25	$467.58	DENNYS	CB-C	Restaurant/Lounge	1	69	Net Lease Sale; not in ratio

2026 Physical Inspection Specialty 413 Neighborhood 10					
Spec Area	Nghd	Major	Minor	PropName	AddrLine
413	10	011410	0661	MCDONALDS	7214 NE BOTHELL WAY
413	10	276830	2825	Starbucks/7-11 bldgs are vacant Secondar	943 NW LEARY WAY
413	10	292604	9470	MCDONALDS	2147 N NORTHGATE WAY
413	10	313120	0340	DICKS	111 NE 45TH ST
413	10	344800	0110	DICKS	12325 30TH AVE NE
413	10	344800	0575	STARBUCKS- closed	12001 LAKE CITY WAY NE
413	10	344800	0915	Taco Time	11701 LAKE CITY WAY NE
413	10	344800	1081	WENDYS	11744 LAKE CITY WAY NE
413	10	401930	1658	STARBUCKS	17039 BOTHELL WAY NE
413	10	276830	0115	MCDONALDS	5400 14TH AVE NW
413	10	616990	1740	TACO TIME	1140 ELLIOTT AVE W
413	10	686520	0110	KIDD VALLEY	4910 E GREEN LAKE WAY N
413	10	728770	0012	JACK IN THE BOX	18207 AURORA AVE N
413	10	741770	0340	MCDONALDS	20227 BALLINGER WAY NE
413	10	760870	0051	CHICK FIL A-Secondary- w/Primary 0065	No Situs Address
413	10	760870	0065	CHICK FIL A Primary w/Secondary on 0051	12801 AURORA AVE N
413	10	794630	0085	TACO TIME	6733 NE 181ST ST
413	10	794630	0230	KIDD VALLEY	6434 NE BOTHELL WAY
413	10	881640	0905	JACK IN THE BOX	4749 UNIVERSITY WAY NE
413	10	663230	0271	BURGER KING	14400 15TH AVE NE
413	10	931030	0060	MCDONALDS Secondary w/Primary on 0070	No Situs Address
413	10	276770	4717	ASSOC PARKING Primary Parcel > 4715 TAC	5918 15TH AVE NW
413	10	276770	1385	WENDYS	5315 15TH AVE NW
413	10	051000	0910	Chipotle	2212 N 45TH ST
413	10	099300	1805	JACK IN THE BOX	8502 AURORA AVE N
413	10	112604	9035	JACK IN THE BOX Primary w/subsidiary 90	6100 NE BOTHELL WAY
413	10	112604	9039	JACK IN THE BOX Secondary w/Primary on 9	6100 NE BOTHELL WAY
413	10	114200	1395	Starbucks	4145 UNIVERSITY WAY NE
413	10	117500	0984	TACO TIME	2853 NW MARKET ST
413	10	145360	0241	Aceituno's	13055 LAKE CITY WAY NE
413	10	156810	0460	MCDONALDS	14511 BOTHELL WAY NE
413	10	276770	4715	Taco Bell - Economic with minor 4717 (Pa	5918 15TH AVE NW
413	10	162604	9070	TACO BELL	14506 BOTHELL WAY NE
413	10	186240	0145	DICKS	9208 HOLMAN RD NW
413	10	186240	0495	McDonalds/Chevron	9037 14TH AVE NW
413	10	192604	9038	KENTUCKY FRIED CHICKEN/IVARS	13248 AURORA AVE N
413	10	192604	9115	KIDD VALLEY Primary w/Secondary on 9116	14303 AURORA AVE N
413	10	192604	9116	KIDD VALLEY Secondary w/Primary on 9115	906 N 143RD ST
413	10	192604	9432	KRISPY KREME/ JACK IN THE BOX	12505 AURORA AVE N
413	10	208020	0015	MCDONALDS	5146 25TH AVE NE
413	10	222890	0010	CHICK-FIL-A	19533 AURORA AVE N
413	10	182604	9312	TACO TIME	15010 AURORA AVE N
413	10	931030	0070	MCDONALDS Primary w/Secondary on 0060	15201 AURORA AVE N

King County

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

John Wilson
Assessor

As we start preparations for the 2026 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, 2026, 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