

Commercial Revalue

2017 Assessment roll

AREA

95

King County, Department of Assessments
Seattle, Washington

John Wilson, Assessor



King County

Department of Assessments

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John Wilson
Assessor

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 hard to implement your feedback and ensure we provide accurate and timely information to you. 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 along with a map. Additionally, I have provided a brief tutorial of our property assessment process. It is meant to provide you with the background information about the process we use and our basis for the assessments in your area.

Fairness, accuracy and transparency set the foundation for 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 every single taxpayer is treated fairly and equitably.

Our office is here to serve you. Please don't hesitate to contact us if you ever 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 700,000 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 Assessor's appraisers inspect a different geographic area. 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. For some larger or complex commercial properties an appraiser may need to also conduct an interior inspection of the buildings or property. From the property inspections we update our property assessment records for each property.

How are Individual 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 are the basic steps employed for the 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 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 for and show 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 Commercial Property	Subtype	COD Range
Income Producing	Larger areas represented by large samples	5.0 to 15.0
Income Producing	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*, Table 2-3. www.IAAO.org

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

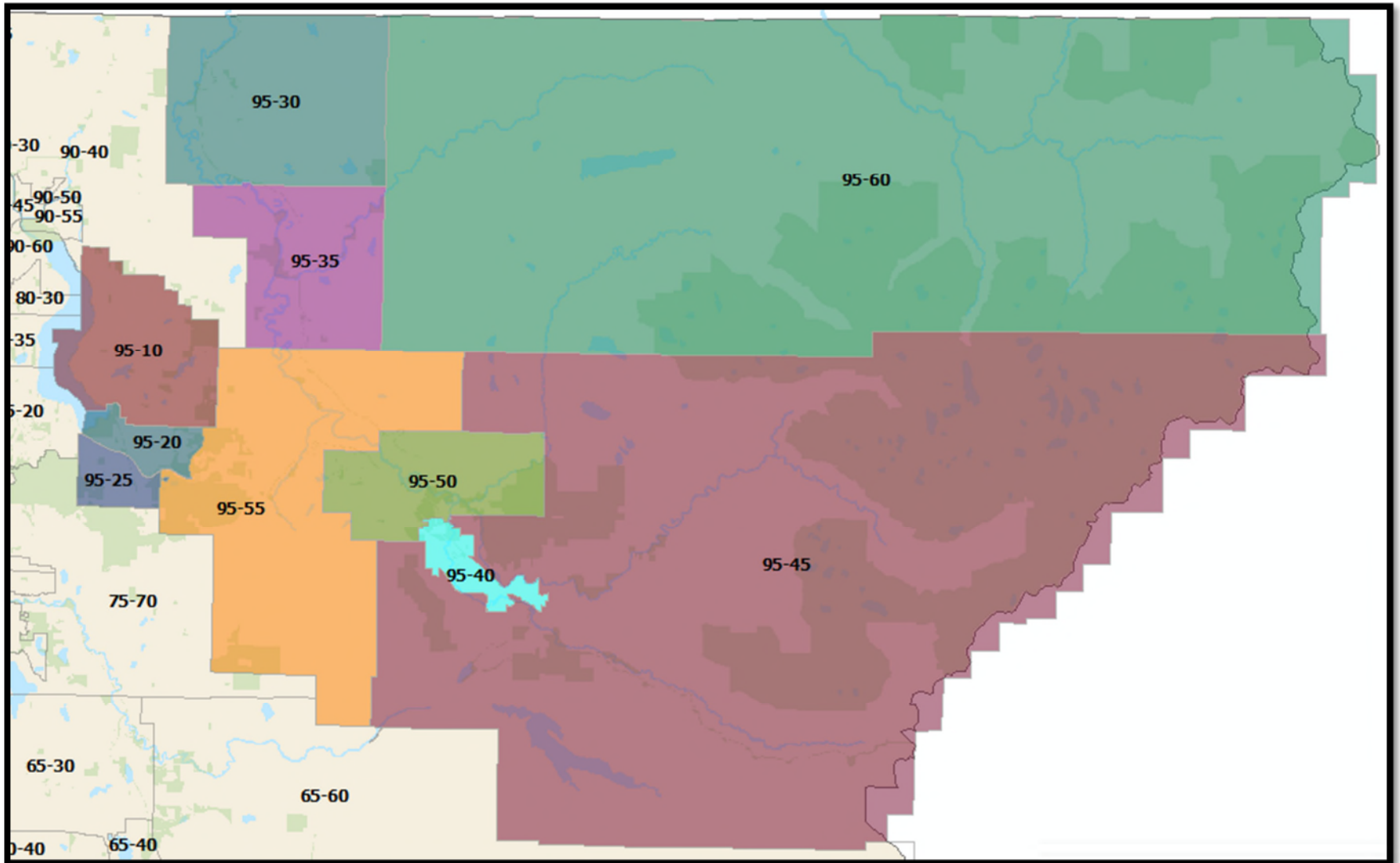
Requirements of State Law

Within Washington, property is required to be revalued each year to market value based on its highest and best use. (RCW 8441.030; 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.

MAP OF AREA 95



Executive Summary Report

Appraisal Date 1/1/2017

Geographic Appraisal Area:

- Area 95: North King County

Sales – Improved Summary

- Number of Sales: 42
- Sales Included in Ratio Study Summary: 42
- Range of Sales Dates: 01/21/2014– 10/26/2016

Sales – Ratio Study Summary

Sales---Improved Valuation Change Summary				
	Mean Assessed Value	Mean Sale Price	Ratio	COD*
2016 Value	\$1,259,300	\$1,519,200	82.9%	12.99%
2017 Value	\$1,409,800	\$1,519,200	92.8%	6.17%
Abs.Change	\$150,500		9.9%	-6.82%
% Change	11.95%		11.94%	-52.50%

*COD is a measure of uniformity, the lower the number the better the uniformity

Sales used in analysis: All improved sales that were verified as good that did not have characteristic changes between the date of sale and the date of appraisal were included in the analysis. Examples of sales that are not included in the analysis are: sales that are leased back to the seller; sold as a portion of a bulk portfolio sale; net lease sales; sales that had major renovation after sale, or have been segregated or merged since being purchased.

Total Population - Parcel Summary Data			
	Land	Improvements	Total
2016Value	\$863,088,100	\$914,532,600	\$1,777,620,700
2017 Value	\$935,397,500	\$925,719,900	\$1,861,117,400
% Change	8.38%	1.22%	4.70%

Number of Parcels in the population: 1,464, excluding specialties and government owned properties.

Conclusion and Recommendation:

Total assessed values for the 2017 revalue have increased 4.70%.

The values recommended in this report improve uniformity and equity; therefore it is recommended they should be posted for the 2017 Assessment Year.

Identification of the Area

Name or Designation

- **Area 95: Northeast King County**

Area 95 Neighborhoods

- **95-10** City of Sammamish
- **95-20** North Issaquah/Highlands
- **95-25** Downtown & Historic Issaquah
- **95-30** Duvall
- **95-35** Carnation
- **95-40** North Bend
- **95-45** East I-90 Corridor
- **95-50** Snoqualmie
- **95-55** Preston – Fall City
- **95-60** Skykomish & Stevens Pass

Boundaries

- West – Lake Sammamish, Rural Woodinville, Newcastle and Highway 169
- North – Snohomish County/King County Boundary Line
- East – Chelan and Kittitas/King County Boundary Line
- South – Cedar River and Chester Morse Lake

Maps

A general map of the area is included at the beginning of this report. More detailed Assessor's maps are located on the 7th floor of the King County Administration Building or on the King County Assessor website. King County has a total of 2,134 square miles and Area 95 has 1,038 square miles or approximately 49% of the county's area. There are seven incorporated cities in Area 95.

Area Overview

Within the Geographic Area 95, there are ten distinct neighborhoods that have been established for valuation purposes. The most northerly city within Area 95 is Duvall, following southerly is Carnation and the un-incorporated neighborhoods of Fall City and Preston, lying westerly are the Cities of Sammamish and Issaquah with Snoqualmie and North Bend to the east. The major arterial serving Area 95 is Interstate 90 traversing the area in an east/west direction. Bordering on Interstate 90 are the cities of Issaquah, Snoqualmie and North Bend. Connecting the cities of Duvall, and Carnation with Fall City, Snoqualmie and North Bend are state highways 202 and 203. Issaquah and Sammamish are served by SE Issaquah-Fall City Road and E. Lake Sammamish Parkway.

Two cities within Area 95 dominate the commercial activity; Issaquah and Sammamish which comprise Neighborhoods 10, 20 & 25. The City of Sammamish (Neighborhood 10) established a Sammamish Town Center (STC) in 2008, and little activity had taken place until 2015 when TRF Pacific began construction of The Village at Sammamish Town Center. When complete, this project will have 159 residential units and commercial space that will include a Metropolitan Market as a tenant,. Construction has also started on Plateau 120, a 92 unit apartment complex, and the Southeast Village, a 75 unit project which will have a mix of townhouses and live-work dwellings.

The Klahanie community was annexed to the City of Sammamish, effective January 1, 2016 adding approximately 11,000 new residences to Sammamish, raising the city's population to nearly 60,000.

The City of Issaquah (Neighborhoods 20 & 25) continues to see a rapid growth in multi-family construction both in the Highlands and also the Central Issaquah Plan (CIP) area. Approximately 700 multi-residential units have been or are in the process of being developed and along with single family construction in this milieu, a total of approximately 1,200 new residential units will be added to the Highlands community. The Atlas Apartments, a three building, 344 unit apartment complex, was completed in 2016, was the first development permitted in the CIP area. Also located within the CIP, construction has begun on the 400 unit Gateway Apartments located west of 17th Avenue NW and south of and visible from I-90. Additionally, within the CIP is the Marriott Springhill Suites, a 145 guest suite hotel that opened earlier this year.

The Cities of Sammamish, Issaquah, North Bend and Snoqualmie are the population centers of Area 95. They are experiencing the most commercial, multi-family and residential growth, with a total of 60 vacant and improved sales closing since January 2014.

Of the remaining seven neighborhoods in Area 95, only neighborhood 50 (Snoqualmie) has seen an increase in both commercial and multi-residential development. Construction includes a new Safeway store with gas, a Bartell Drugs, a Starbucks and a planned hotel. All are located in Snoqualmie Ridge.

Analysis Process

Effective Date of Appraisal: January 1st, 2017

Date of Appraisal Report: March 30, 2017

Highest and Best Use Analysis

As if vacant: Market analysis of this area, together with current zoning and current anticipated use patterns, indicate the highest and best use of the majority of the appraised parcels as commercial use. Any opinion not consistent with this is specifically noted in 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 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 for office space to justify the construction of a multistory office building at the present time, but increased demand may be expected within five years. In such situations, the immediate development of the site or conversion of the improved property to its future highest and best use is usually not financially feasible.

The use to which the site is put until it is ready for its future highest and best use is called an interim use. Thus, interim uses are current highest and best uses that are likely to change in a relatively short time.

Standards and Measurement of Data Accuracy

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

Special Assumptions and Limiting Conditions

All three approaches to value were considered in this appraisal.

- Sales from 01/01/2014 to 12/31/2016 (at minimum) were considered in all analyses.
- This report intends to meet the requirements of the Uniform Standards of Professional Appraisal Practice, Standard 6.

Area Description

Commercial Area 95 consists of cities and neighborhoods located northeast of Lake Sammamish which boundaries are generally defined as the King/Snohomish County line to the north, the King/Kittitas-Chelan County line to the east, Lake Sammamish and the Cities of Newport and Bellevue to the west and the Cedar River and Chester Morse Lake to the south.

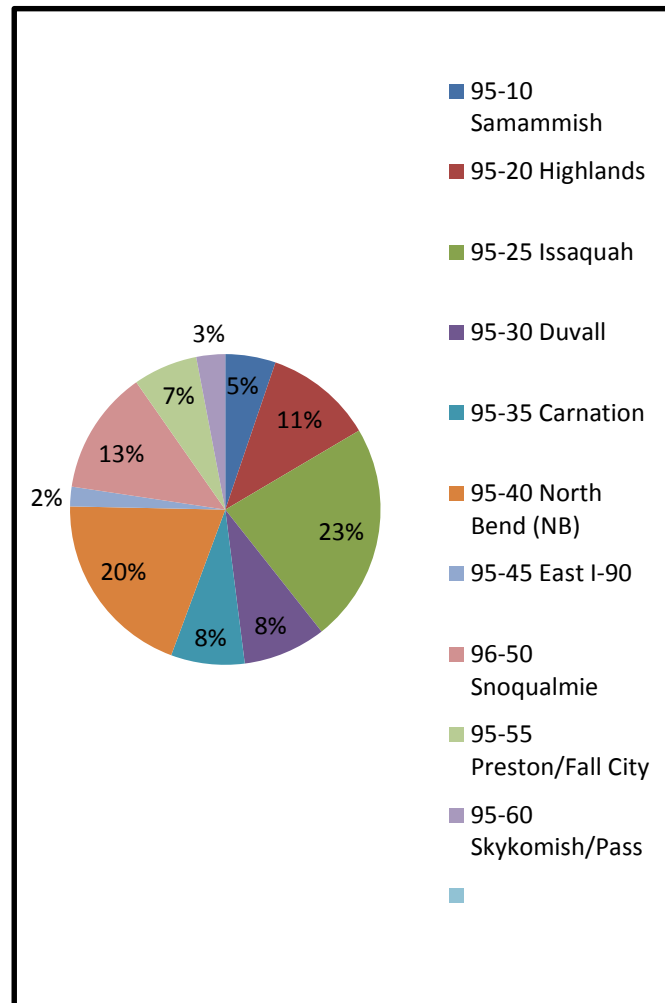
The most northerly city within Area 95 is Duvall, following southerly is Carnation and the un-incorporated neighborhoods of Fall City and Preston, lying westerly are the Cities of Sammamish and Issaquah with Snoqualmie and North Bend to the east. The major arterial serving Area 95 is Interstate 90 traversing the area in an east/west direction. Bordering on Interstate 90 are the cities of Issaquah, Snoqualmie and North Bend. Connecting the cities of Duvall and Carnation with Fall City, Snoqualmie and North Bend are state highways 202 and 203. Issaquah and Sammamish are served by SE Issaquah-Fall City Road and E. Lake Sammamish Parkway.

With the exception of Issaquah and Sammamish, Area 95 lies outside of the *Seattle Metropolitan Area Urban Growth Line*.

The ski areas lying within King County; Snoqualmie Pass, Alpental and Stevens Pass are all within Area 95 as is the Town of Skykomish.

Given the diverse and complex nature of Area 95, it is divided into ten neighborhoods totaling 1,464 parcels that have been established for valuation purposes. The population breakdown of each neighborhood is shown on following table and graph.

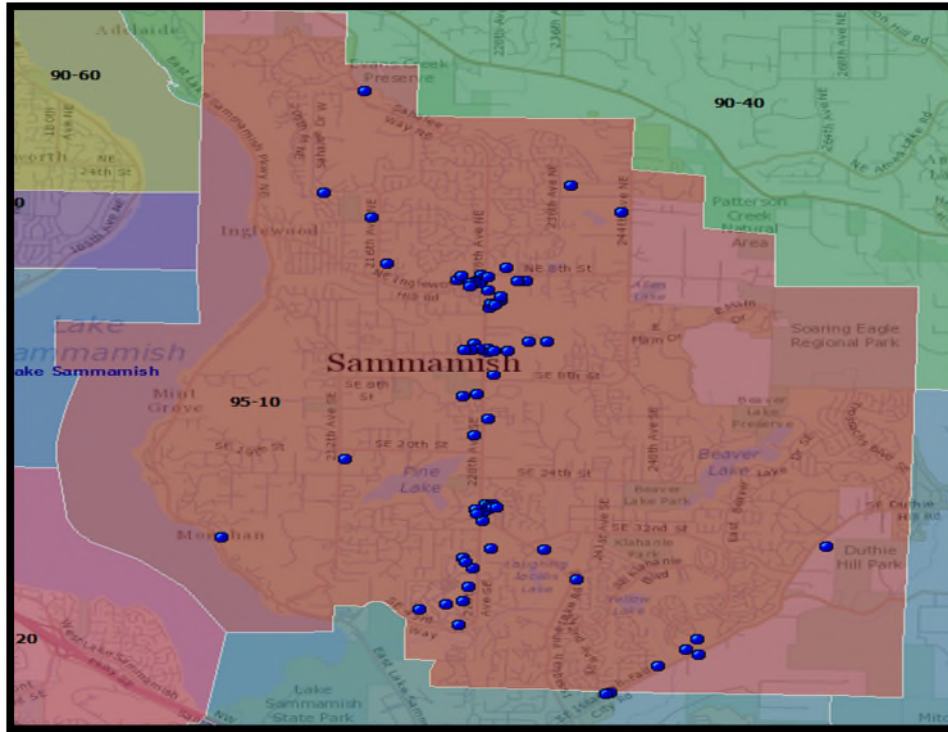
Jurisdiction	# of Parcels	% of Total
95-10 Sammamish	76	5.19%
95-20 Highlands	171	11.68%
95-25 Issaquah	330	22.54%
95-30 Duvall	125	8.54%
95-35 Carnation	113	7.72%
95-40 North Bend	289	19.67%
95-45 East I-90/Pass	30	2.05%
96-50 Snoqualmie	189	12.91%
95-55 Preston/Fall City	98	6.69%
95-60 Skykomish/Pass	44	3.01%
Total	1,477	100.0%



Neighborhood 95-10: City of Sammamish

Neighborhood 95-10 Boundaries

- North – Redmond Ridge
- South – North Issaquah at SE 48th Street
- East – 277th Avenue Southeast
- West – Lake Sammamish

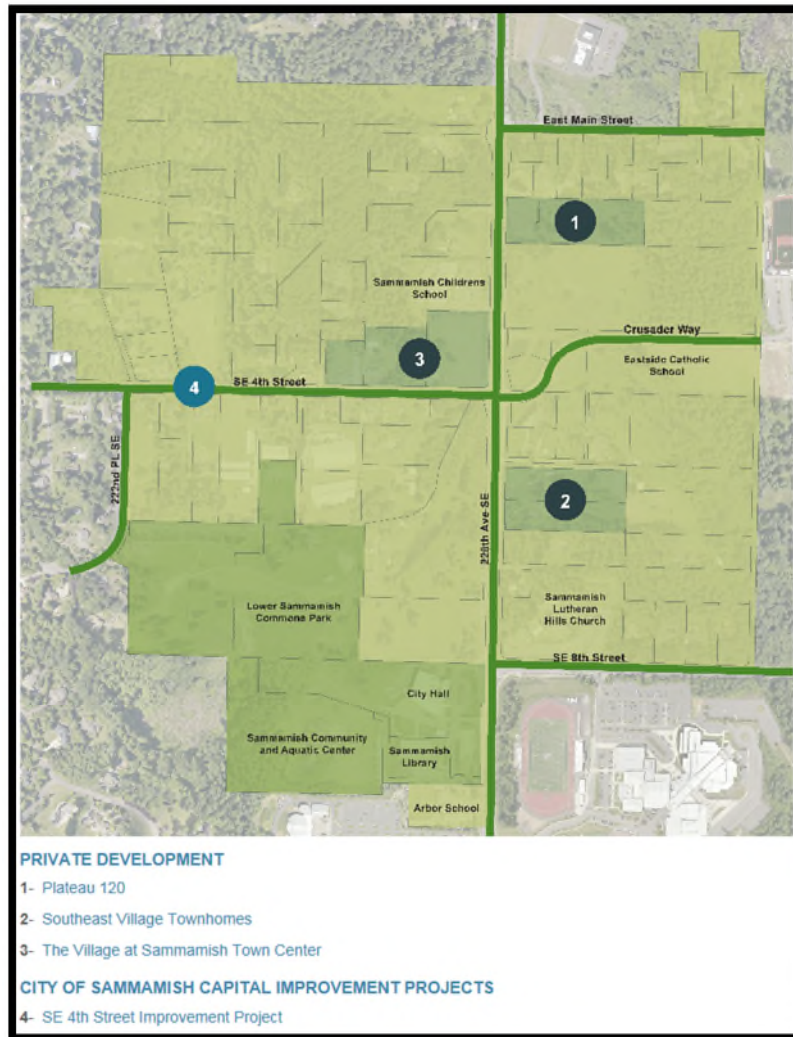


Neighborhood Description: Neighborhood 10 includes the City of Sammamish, plus adjacent properties outside of the city, but considered within its market area. Incorporated in 1999, and as of 2017, the population of the City of Sammamish is approximately 61,000, which includes the Klahanie Annexation area with a population of nearly 11,000. The City of Sammamish annexation of Klahanie became effective on January 1, 2016 increasing the city's area by 180 acres.

Sammamish is accessed by 228th Avenue SE from E. Sammamish Parkway and/or Issaquah Pine Lake Road SE from the south and Sahalee Way NE from the north, with 228th Avenue SE being the major arterial serving the Sammamish Plateau. Three of the four commercial centers are located along 228th Avenue SE. The most northerly commercial center (Inglewood Plaza) is at the intersection of 228th Avenue NE and NE 8th Street with Safeway as the anchor tenant. The southerly center (Pine Lake Plaza) is at the intersection of 228th Avenue SE and Issaquah-Pine Lake Road with QFC as the anchor tenant. The third commercial center is known as “The Town Center” (STC)

which will be discussed following. The fourth commercial district is commonly known as the Klahanie Community Center which has a QFC as the anchor.

According to City of Sammamish publications, between 2012 and 2035, Sammamish is supposed to issue permits for 4,439 new residential units. That's the growth target mandated by the state's Growth Management Act. As of June 30, 2016, 1,075 of those units have been permitted. That leaves a balance of 3,364 additional units. The STC's 240 acres will absorb approximately 2,000 of those units. The STC will also feature 600,000 square feet of retail and office space in a pedestrian-friendly, mixed use environment.



1: "Plateau 120," a project being constructed by American Classic Homes will include 92 apartment units plus 14,415 square feet of rentable space on the ground floor which is the future location of a daycare. Construction of this project has commenced.

2: The "Southeast Village," a 75 unit townhouse project, developed by Ichijo USA shown following has also broken ground and will include 13 live-work units and 6,500 square feet of commercial space.

3: The Village at Sammamish Town Center is being developed by TRF Pacific and will have 159 apartments and 113,000 square feet of commercial space including a 36,000 square foot Metropolitan Market and 32,000 square feet of medical office. Opening will be in early 2017. Site rendering of the Village is shown below:

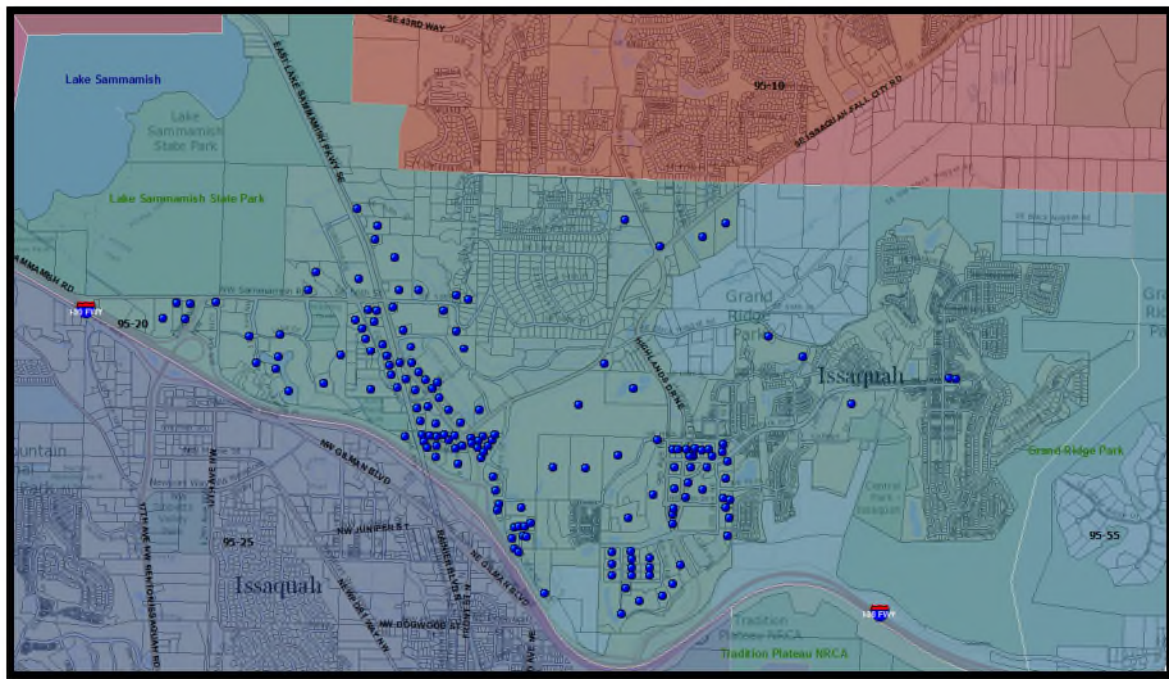


4: SE 4th Improvement Project is a critical component to support the STC plan. The proposed road improvement plan will be developed to include two travel lanes, a center turn lane or median, bike lanes, planter strips and sidewalks. This project will connect 218th Ave SE and 228th Ave SE and provide increased opportunity for access and development within the core mixed-use area.

North Issaquah/Highlands: Area 95-20

Neighborhood 95-20 Boundaries

- North – Sammamish
- South – Interstate 90
- East – Grand Ridge Park
- West – Lake Sammamish



Neighborhood Description: This neighborhood includes that area of Issaquah lying north of Holly Street plus the Issaquah Highlands. That portion of the neighborhood lying south and west of the Highlands is an eclectic mix of apartment buildings, small and medium sized mixed use buildings, and retail stores. Most of Neighborhood 20 is located within the city limits of Issaquah and all of it lies within the *Seattle Metropolitan Urban Growth Area* boundary.

Neighborhood 95-20 is comprised of two commercial districts: The Highlands, commercial development along E. Lake Sammamish Parkway and the Pickering Farm commercial area. Over the recent past most of the commercial activity has taken place in the Highlands highlighted following:

- 1 Grand Ridge Plaza
- 2 Brownstone at Highlands
- 3 Issaquah Terrace
- 4 Discovery Heights Apartments
- 5 Westridge North Townhomes (former Microsoft Campus)
- 6 Westridge South
- 7 Home Street Bank
- 8 CitySurf
- 9 Fieldstone Memory Care

1: The Grand Ridge Plaza (GRP) developed by Regency Center, one of the nation's leading retail development companies, officially opened on November 15, 2013. The 300,000+ square foot GRP includes a Regal Cinema (12 screens), a 45,000+ square foot Super Safeway store with gas service, Marshalls and Home Goods, Dick's Sporting Goods, Wells Fargo Bank, Starbucks, BEVMO, and numerous other retail stores. Restaurants within GRP include The Ram and Big Fish Grill. Within the past year Home Street Bank has opened a branch bank on the last remaining vacant parcel within the GRP development.

Issaquah Highlands, Grand Ridge Plaza



2: Adjacent to and southerly of the Grand Ridge Plaza is the Brownstone at Highlands development. This project is a 176 townhome condominiums on 8.5 acres, which was completed the end of 2016.

3: Issaquah Terrace, formally owned by Lakeside Industries sold as vacant land in 2013 and is now a 298 apartment complex which opened 2016.

4: Discovery Heights apartments is a six building, 209 unit apartment complex, and was completed in 2016.

5 & 6: The original site for a Microsoft Campus, a 66+ acre tract was sold in 2013 for \$54M to Polygon Northwest. Subsequently Polygon Northwest was purchased by William Lyon Homes for a reported \$52M in 2014. Development of Westridge North, a 8.5 acre project that will include 110 townhomes and Westridge South, a 72 single family residential plat has begun.

7: Home Street Bank has completed the construction of a 4,000 square foot bank and home loan center with drive thru service.

8: Proposed is a CitySurf™ addition to Issaquah Highlands, a 9,900 square foot facility with indoor waves.

9: Fieldstone Memory Care located on the Issaquah-Fall City Road is a 45,000 square foot facility which will contain 60 units; 52 will be private units and 8 will be companion units. Construction of this Alzheimer's and memory care facility is scheduled for completion the summer of 2017.

The total number of apartments/townhomes/condos under construction as of January 2016 in neighborhood 20 is approximately 700 units.

Commercial development within the East Lake Sammamish Parkway district includes a Fred Meyer and Home Depot. Construction within this district include the following:

- E. Lake Sammamish Parkway street improvement

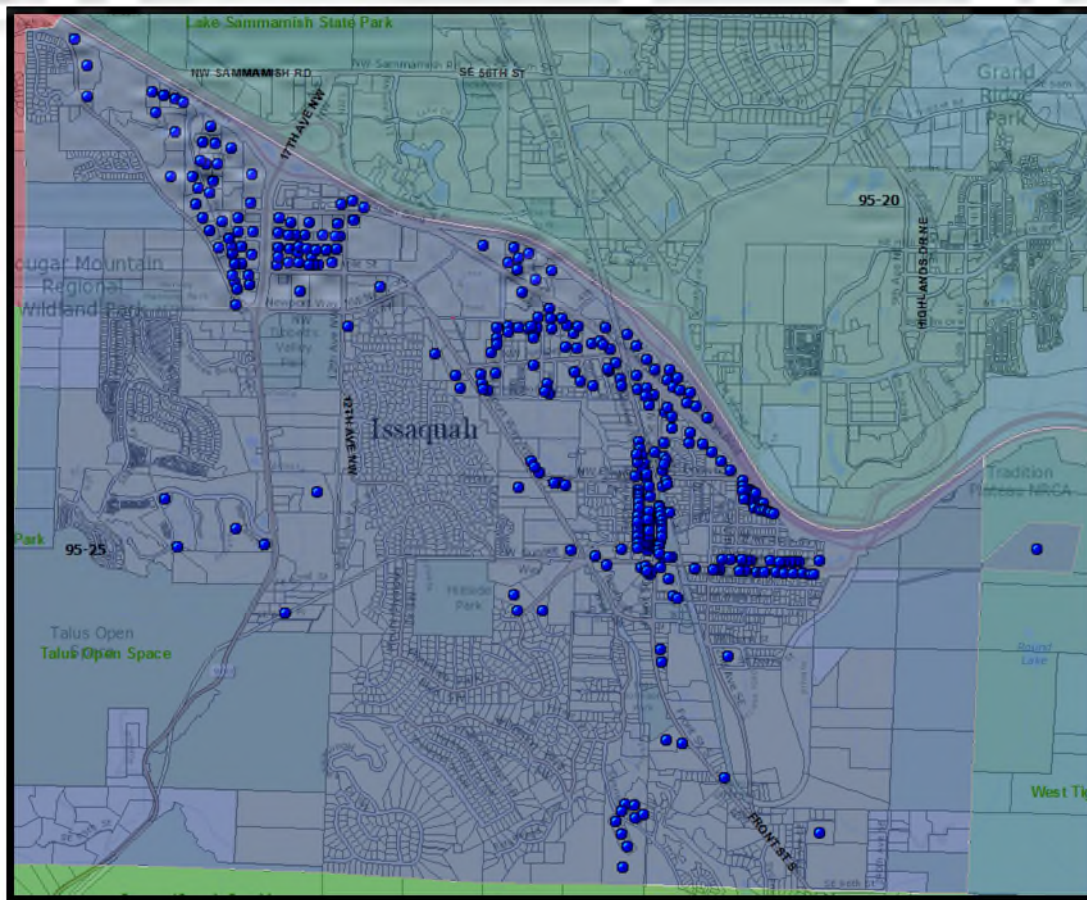
The City of Issaquah is widening East Lake Sammamish Parkway SE from just north of Issaquah-Fall City Road to just south of SE 56th Street—adding a second southbound vehicle lane, a five-foot wide bicycle lane, curb, gutter, and storm drainage and underground utilities. Construction began on this project and is nearing completion.

No improved commercial properties have sold in Area 95-20 with the exception of Plaza 221, noted above, over the past three years and only three vacant sales have taken place within the same time period. However, numerous residential properties have sold in the neighborhood during same time period.

Downtown & Historic Issaquah: Area 95-25

Neighborhood 95-25 Boundaries

- North – Interstate 90
- South – Squak Mountain State Park
- East – Tiger Mountain State Park
- West – Just west of Cougar Mountain Regional Wildlife Park



Map of Area 95 Neighborhood 25

Neighborhood Description: This market area includes all of Issaquah that is south of I-90 including Gilman Blvd and Front Street corridors. The neighborhood is a mixture of line retail, shopping centers, office and some light industrial and storage buildings. On Front Street, known as Historical Issaquah, or the Cultural District, there is a blend of original homes that have been converted to retail and office use as well as some older and newer retail buildings. The area also has apartment buildings and condominiums, many of which were developed in the past ten years. Multi-family development is encouraged in the neighborhood to bring pedestrian traffic to the CBD, cultural business district, of Historic Issaquah.

The City of Issaquah is planning to reshape/redevelop approximately 840 acres known as the Central Issaquah Plan (CIP). According to city records, this project became effective November of 2015. Two districts within the CIP have been established and have signed a 30 year developmental agreement with the City: Rowley Properties (January 2012) and Lakeside Industries (December 2012). The zoning for the Rowley agreement is known as Urban Village-Rowley (UVR) and the zoning for Lakeside Industries is Urban Village-Lakeside (UVL). The Rowley Properties are all within neighborhood 25, while Lakeside is within neighborhood 20, which was discussed in prior section. Lakeside has a total of 120 acres, while the Rowley Center and Hyla Crossing agreement area is approximately 78 acres.

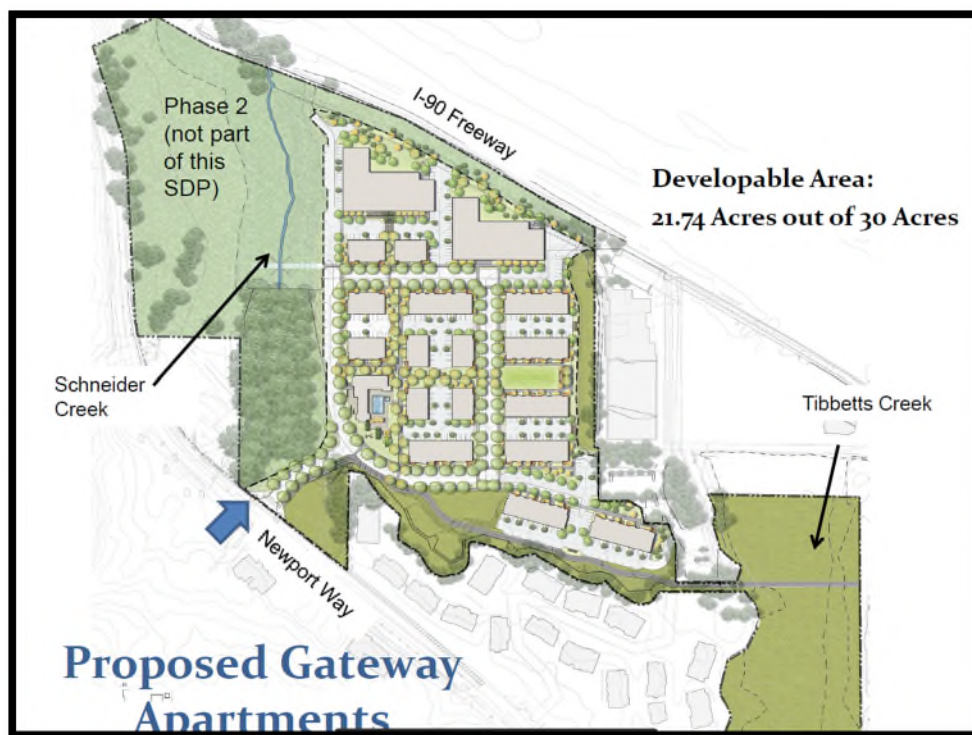
Note: The City of Issaquah has extended the six-month building moratorium for development within the CIP until September 6th 2017; however, the moratorium does not include approved development agreements discussed in this report.

The following is a list of major projects within Area 95-25 completed or started over the past year that are excluded from the moratorium.

- 1: Atlas Apartments
- 2: Gateway Apartments
- 3: Springhill Suites by Marriott
- 4: Inneswood Multi-Family

1: Atlas Apartments, a 331 unit apartment complex, located SE corner of 7th Ave NW and NW Gilman Blvd. This 134,900 square foot project was completed in 2016.

2: Gateway Apartments began site work in the fall of 2016 with the construction of 18 apartment buildings having a total of 400 units. See following site map of the project. Phase 2 is for a senior family complex, with no start on this proposed senior housing development.



3: Springhill Suites by Marriott, artist's rendering below. Opened March 2017. Shown below:

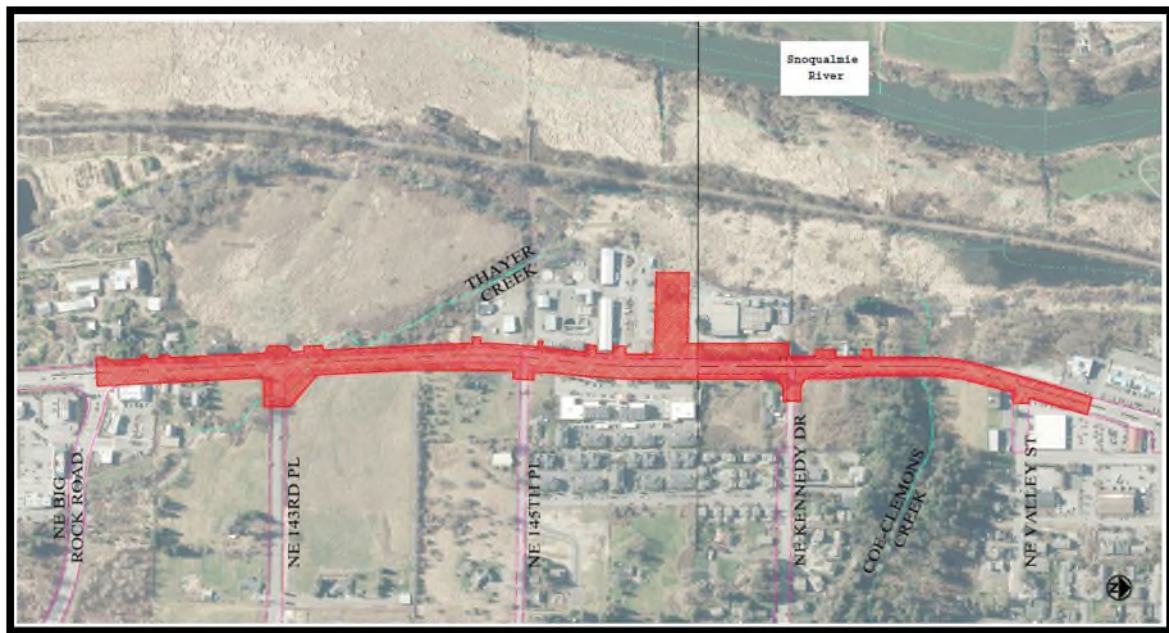


4: Inneswood Apartments have started the construction of the proposed development of the 90 apartment units by constructing an underground surface water containment vault on Newport Way NW. The apartments will be constructed on the southwesterly side of Newport Way NW while the drainage vault is located on the northeasterly side of the street. No start on the apartments as of this date.

During the past three years there have been a total of twenty one (21) commercial property sales within neighborhood 25, which included nine (9) vacant property sales and twelve (12) improved property sales. Of the twenty one total commercial sales only one (1) took place during 2016, eight occurred in 2015, twelve in 2014. This indicates a steady and sharp decline in commercial activity over the past three years in Area 95-25.

The improved property sales totaled \$17.4M and the vacant land sales totaled \$23.5M. The major improved sale was the purchase of Gilman Office Campus, a three building center with 24,000 square feet, for \$7.15M and the major land sale was \$12.3M, a 28.9 acre tract, for the construction of the Gateway Apartments, described prior in this report. Gilman Office Campus closed in 2014, while the Gateway sale took place in 2015.

The following infrastructure project will link Main Street (CBD of Duvall) with commercial development adjacent to Big Rock Road. The \$8M construction project is approximately 3,700 linear feet and will include the installation of bike lanes, curbs, gutters and sidewalks on both sides of the roadway. Construction has begun with completion scheduled for early 2018.

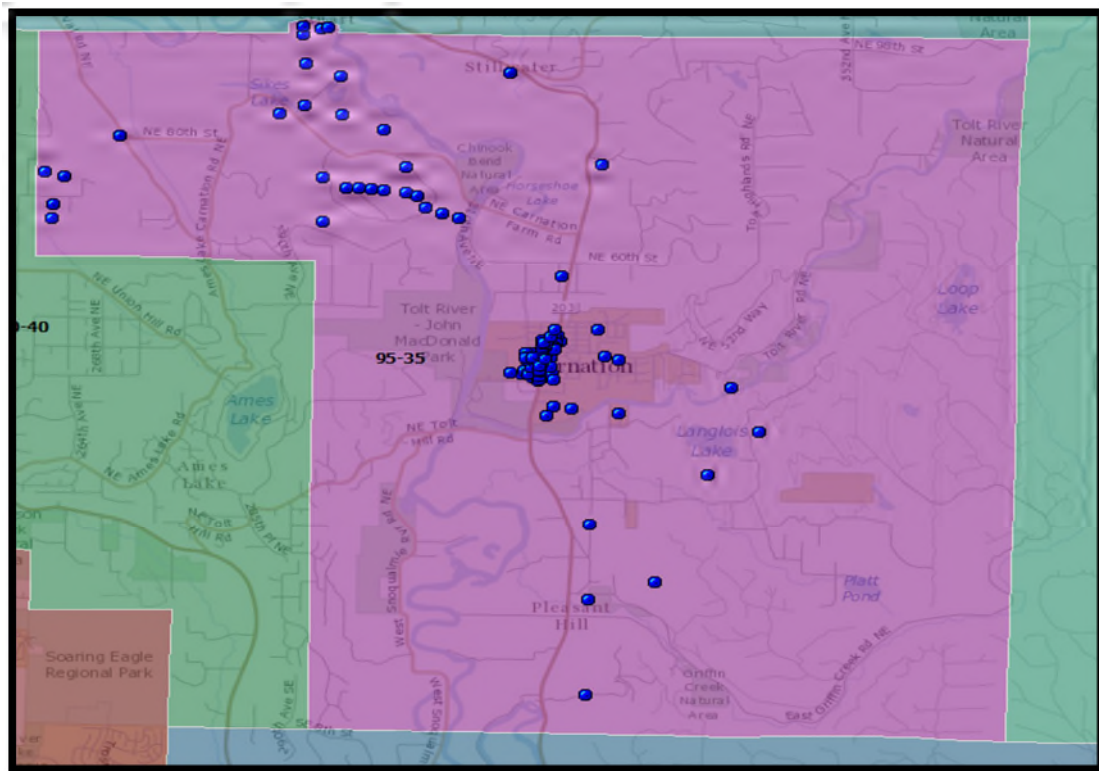


In the planning stage is the development of a 99 unit townhome project known as Westcott Homes on a land sale dated January of 2014, having sold for \$2M. This site has a total land area of approximately 34 acres; the easterly 24 acres will be developed to townhomes of which approximately 4-5 acres will be commercial/retail use. The balance of 10 acres will remain in open space. Other residential developments total 457 homes with the Toll Brothers at 231 units being the largest proposed project. The Toll Brothers development is located on Big Rock Road.

In addition to the only land sale over the past three years, noted above, there have been eight (8) improved commercial sales. Four (4) took place in 2016 with the Duvall Center selling for \$2M setting the upper limit.

Neighborhood 95-35 Boundaries

- North – Carnation/Duvall Road
- South – Southeast 8th Street
- East – Griffin Creek
- West – 260th Ave NE and 292nd Ave NE



Map of Area 95 Neighborhood 35

Seven (7) commercial sales have taken place over the past three years within Area 95-35. All are located in the CBD of Carnation, five (5) of which were improved properties and

two (2) are vacant sites. Three (3) of the commercial sales took place in 2016 and included a City of Carnation Historical Building shown below, which sold for \$384K in 2016.

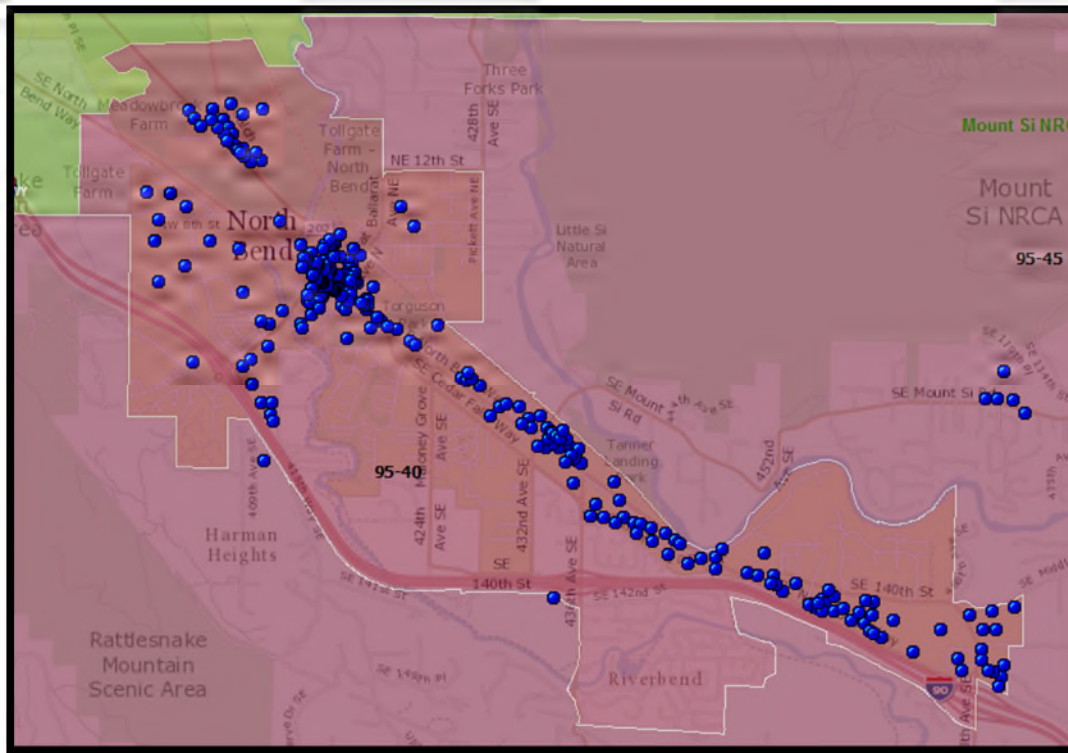


Tolt IOOF/Eagle Hall, built 1895.

North Bend: Area 95 – 40

Neighborhood 95-40 Boundaries

- North – Meadowbrook Farm
- South – Rattlesnake Mountain Scenic Area
- East – Edgewick Interchange
- West – 398th Avenue



Map of Area 95 Neighborhood 40

This neighborhood is comprised of the City of North Bend. Neighborhood 95-40 consists of primarily the city center of downtown North Bend. The City was incorporated in 1909 and has its own *Urban Growth Area Boundary Line*, sharing with the City of Snoqualmie (Area 95-50) to the northwest. The North Bend portion of the *Urban Growth Area Boundary Line* extends east beyond the existing city limits. The community lies outside of the *Seattle Metropolitan Area Urban Growth Line*. The City of North Bend had a 2010 population of 5,731 and the estimated population as of 2015 is 6,679 for an approximate increase of 16.5%.

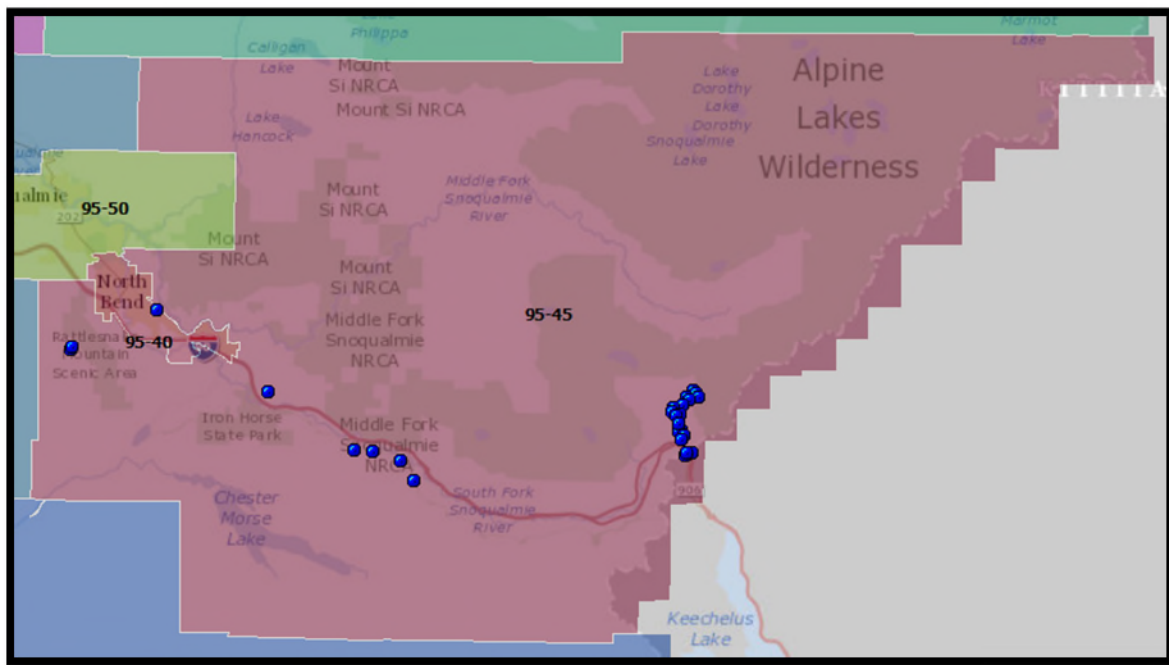
Fifteen commercial properties have sold in neighborhood 40 over the past three years, six vacant tracts and nine improved properties. The vacant site sales are included in the Land Value section of this report and the improved sales range from a low of \$95K, for the 288 square foot Huxdotter Coffee Stand to a high of \$5.2M for the 59,452 square foot Mount Si Business Park. Of the total commercial sales five (5) were in 2016, six (6) in 2015 and four (4) in 2014, which indicates a steady sustained commercial pattern over the past three years.

According to the City of North Bend there are currently 1,205 units submitted with the city for permitting, including 568 single-family residences, 429 apartment-condos-duplexes, 101 cottages and a 32 unit mixed-use building. Also, an application for a development agreement has been submitted for 150 condo-townhome units just east of Nintendo's property south of North Bend Way.

East I-90 Corridor: Area 95-45

Neighborhood 95-45 Boundaries

- North – Malachite and Twin Peaks
- South – Chester Morse Lake (just south of)
- East – Kittitas County
- West – North Bend Urban Growth Boundary



Map of Area 95 Neighborhood 45

The East I-90 Corridor neighborhood consists of all of the commercial properties east of the City of North Bend. The neighborhood includes properties in the King County portion of Snoqualmie Summit and properties east of the Edgewick Interchange that are situated within the Snoqualmie-Mount Baker National Forest and are primarily governmental properties. A water moratorium imposed by the state has restricted most new development in this neighborhood. Most of the private commercial development is concentrated at or near the summit, where new development is severely curtailed. This entire neighborhood is in unincorporated King County and most of the area is restricted to development.

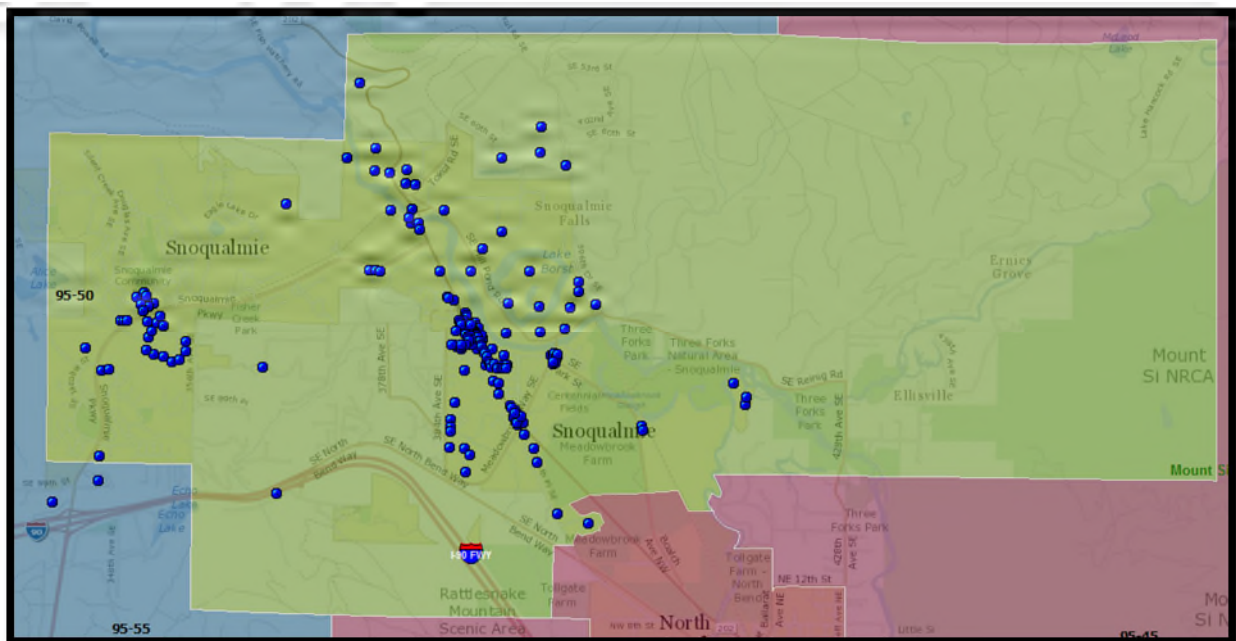
Within the past three years there have been three vacant site sales. Two of the vacant land sales took place in 2014 and one in 2016. The land sales are found in the Land Valuation section of this report. No improved sales took place in this neighborhood in the past three years. Area 95-45 includes Snoqualmie Pass recreational area sharing the pass with

Kittitas County. Over the recent past the snow levels had been well below normal resulting in fewer ski days for all three ski areas; however, this condition has changed for 2016-17 with ski conditions exceeding historical averages.

Snoqualmie: Area 95-50

Neighborhood 95-50 Boundaries

- North – SE 53rd Street
- South – North Bend and just south of I-90
- East – Just beyond the North Fork of the Snoqualmie River
- West – Lake Alice



development of 1,343 acres, besides residential, includes commercial districts and high-tech business park offering amenities more comparable to those offered by Bellevue or Redmond.

In 2012 the City of Snoqualmie grew by 593 acres by annexing the Old Weyerhaeuser Mill Site, east of historic downtown, which now hosts “Dirtfish”, an advanced rally car driver training school. The site is one of the largest undeveloped industrial sites in King County.

As with Area 95-40 (North Bend), there has been limited construction in the downtown retail core, with the exception of remodeling and updating of the existing buildings.

Neighborhood 95-50 lies outside of the *Seattle Metropolitan Area Urban Growth Line*, but shares an existing *Urban Growth Boundary Line* with the City of North Bend. The Snoqualmie portion of the *Urban Growth Boundary Line* extends north of the city to include the existing Mill properties.

This neighborhood has been one of the most active, along with the City of Issaquah, with thirteen commercial properties selling over the past three years: six vacant sites and seven improved property sales. The vacant land sales are discussed in the Land Value section of this report and the improved sales follow in subsequent pages.

The following is a list of major commercial projects started or completed in the past year.

- 1: Mount Si High School, site work began in 2016
- 2: Safeway Store/w gas, construction began in 2016
- 3: Bartell Drugs, construction began in 2016
- 4: Proposed Hotel

1: Snoqualmie Valley School bond was passed in February 2015 allowing for a \$244M school facilities construction projects to include the sixth elementary school (Timber Ridge, which opened the fall of 2016) and the rebuild of the Mount Si high school, to be completed in 2019, with site work started in 2016.



Artist's rendition of proposed Mount Si high school

2: Safeway store; this 43,000 square foot store is nearing completion with scheduled opening the summer of 2017. Safeway gas is planned for the site.

3: Bartell Drugs; a 13,000 square foot store also under construction adjacent to the Safeway store.

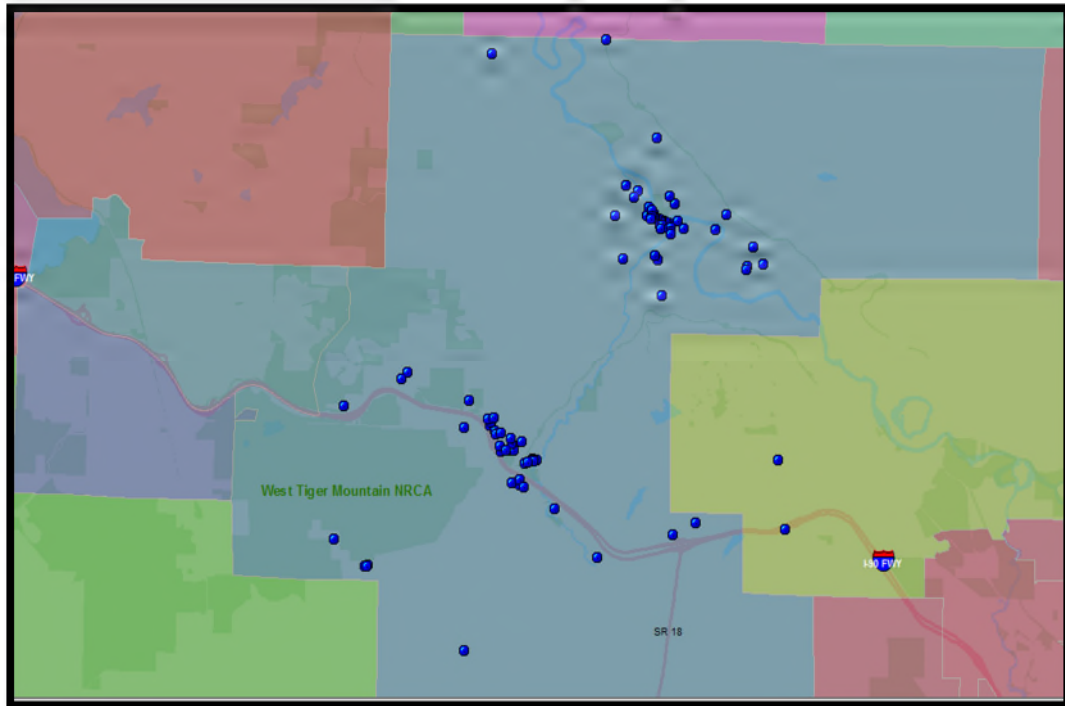
4: Proposed 90 room hotel located adjacent to Snoqualmie Parkway and SE Center Street. The developer plans to break ground the summer of 2017.

Within Neighborhood 95-50 there has been a total of thirteen commercial sales, six (6) land sales and seven (7) improved commercial sales. The land sales are discussed following in the land section of this report. The seven improved sales range from \$691K to \$9.9M, four sold in 2015, two in 2016 and one in 2014.

Preston-Fall City: Area 95-55

Neighborhood 95-55 Boundaries

- North – SE 8th Street
- South – Cedar River (just north of it)
- East – Snoqualmie Ridge
- West – Issaquah and Sammamish Plateau



Map of Area 95 Neighborhood 55

This market area includes two separate unincorporated areas; Preston and Fall City. Along with neighborhood 35, they were the physical inspection neighborhoods for 2016. Preston is located just off and north of Interstate 90 at Exit 22, while Fall City is

nnhnapproximately 4 miles north. Preston is industrial in character. Fall City, located near the Snoqualmie River, is more residential than commercial/retail in character. The Snoqualmie River Floodplain and lack of sewers throughout Fall City restrict development in Area 95-55, except for the Preston Business Park. Sales activity within this neighborhood has been limited over the past three years and include only one sale.

There has been limited construction or market activity in the Fall City market. This neighborhood lies outside both the *Seattle Metropolitan Area Urban Growth Line* and the *Snoqualmie-North Bend Urban Growth Boundary Line*. Due primarily to the lack of sewers, overall growth potential is limited for the Fall City market area.

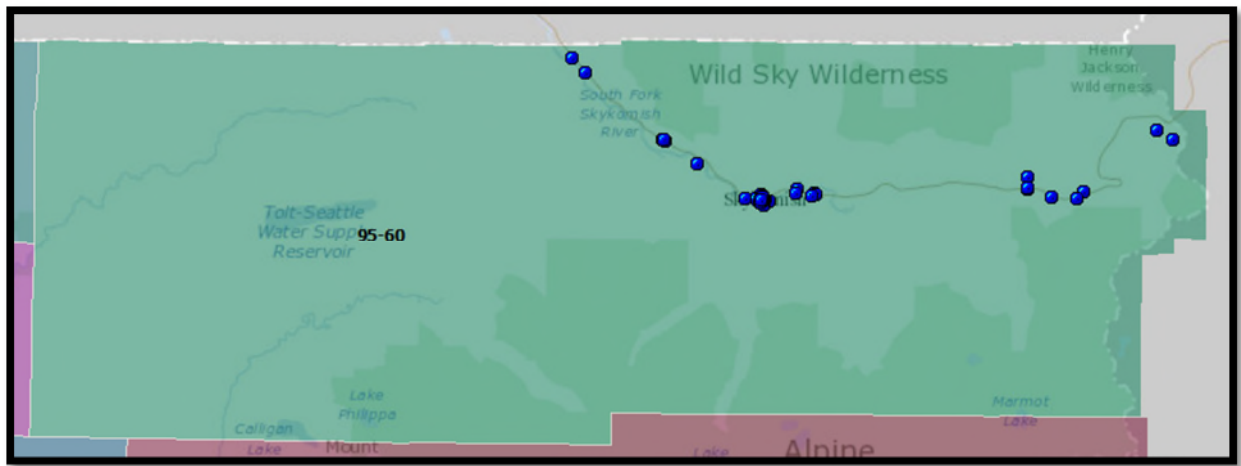


Ariel Photo of Preston Business Park

Skykomish & Stevens Pass: Area 95-60

Neighborhood 95-60 Boundaries

- North – Snohomish County
- South – Malachite and Twin Peaks
- East – Chelan County at Stevens Pass
- West – Carnation and Duvall areas



Map of Area 95 Neighborhood 60

Area 95-60 is one of the largest of the eleven neighborhoods, by area, but has the fewest number of commercial parcels. The neighborhood is limited to commercial properties along Stevens Pass Highway (SR-2), the Town of Skykomish, and the King County portion of Stevens Pass Ski Area. This neighborhood lies entirely outside of the Seattle Metropolitan Area Urban Growth Line.

The Town of Skykomish, incorporated in 1909, has its own *Urban Growth Area Boundary Line*, which corresponds to the city limits. The majority of Area 95-60 lies within the Snoqualmie-Mount Baker National Forest and new development is severely curtailed. Most of the town of Skykomish has been impacted by oil contamination caused by over 100 years of railroad operations. Cleanup of the contamination soils started in 2006 and has been completed with the exception of the Skykomish School property.



No vacant and/or improved commercial properties have sold in neighborhood 95-60 over the past three years. Though not considered an arms-length transaction, the Old Skykomish Theater was purchased in 2015 for \$35K and the purchaser plans to convert the vacant building to a hostel for travelers and backpackers and has begun the remodel, see photo below:



Additionally, the Town of Skykomish has acquired, via Sheriff Deed, the former Skykomish Hotel and has leased the building for future development. Commercial land for sale in Skykomish include three contiguous tax parcels totaling 40,683 square feet with an asking price of \$1.3M.

Physical Inspection Area

WAC 458-07-015 requires each property to be physically inspected at least once during a 6 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. Areas 95-45 and 95-50 were physically inspected for the 2017 assessment year. These inspection areas comprised 219 parcels, or approximately 14.96% of the 1,464 total parcels located in Area 95 (not including specialties and government-owned properties).

Scope of Data

Land Value Data: Land sales that occurred in Area 95, between the dates of January 7, 2014 and October 5, 2016 were investigated to determine if they were market transactions, useful in estimating land value. Thirty nine (39) arm's length sales closed during this period in Area 95. These sales were given primary consideration for valuing land as of 1/1/2017. Sales information is obtained from excise tax affidavits and reviewed initially by the Accounting Division, Sale Identification Section. Sales information is analyzed and investigated by the appraiser to determine if they are fair market transactions.

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 were verified, if possible, by calling either the purchaser or seller, inquiring in the field or calling the real estate agent. Characteristic data is verified for all sales if possible. Sales are listed in the “Sales Used” and “Sales Not Used” sections of this report. Additional information resides on the Assessor’s website.

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

Land Value

Land Sales, Analysis, Conclusions

Area 95 has seen a modest increase in commercial land value as well as a strong increase in the total number of transactions. Of the thirty nine (39) land sales used in this analysis, nine or 23.1% took place in 2014, twenty four or 61.5% took place in 2015, and six or 15.4% closed in 2016. Over sixty (60) percent of the land sales closed in 2015 and only six land sales occurred in 2016 indicating a sharp down turn in land transactions over prior year specifically Area 95-10 in which only one land sale closed in 2016 while seven sold in 2015, majority of which were located within the Sammamish Town Center (STC).

The cities of Sammamish and Issaquah (Area 95-10/20/25) accounted for over fifty percent of the land sales. All of the remaining neighborhoods had at the minimum one land sale with the exception of Area 95-60 which had no land transactions. In addition to the commercial land transactions, sales of vacant-non commercially zoned land are considered in the valuation of those parcels having a non-commercial zoning but used for commercial purposes. Only sales verified as “arms-length” were considered in the market analysis.

For the past year’s revaluation, there were a total of 39 land sales, which was considered insufficient for such a vast and varied market area. There has been a modest decrease of land sales from the subsequent year to a total of 43 transactions. This is a decrease of approximately 10% with the majority of the land sales having occurred in the urban communities, Sammamish and Issaquah, in which there was a total of 20 land sales. Whether based on zoning, location, or infrastructure, any analysis of the land sales fails to detect or establish any significant valuation patterns.

Land is valued as vacant and able to be developed to its highest and best use. Primary consideration in land valuation is location (neighborhood) and zoning. Site size, availability of utilities, access, wetlands, setbacks, topography, shape and frontage are also given consideration. Additionally, contiguous properties under single ownership and utilized as an economic unit are given consideration.

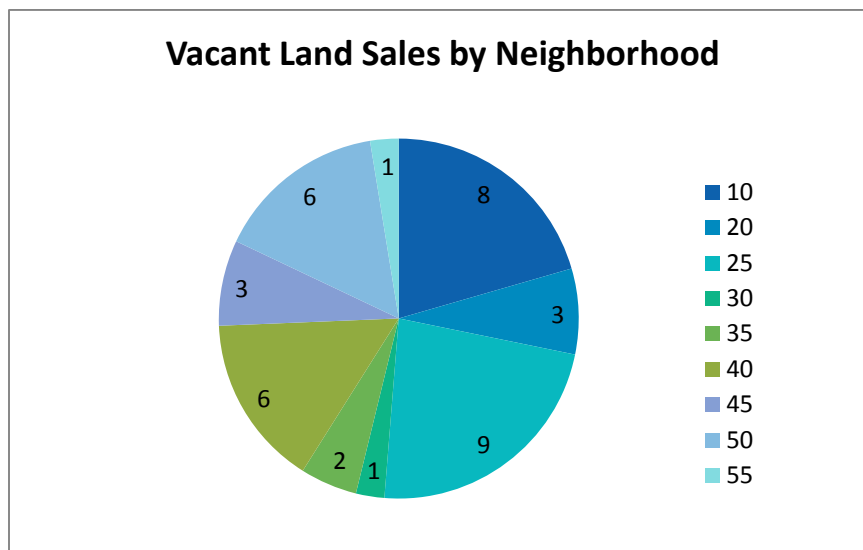
Most parcels in Area 95 were valued on a price per square foot basis with some of the larger more rural or government owned parcels being appraised using site value. Base square foot values were, when required, adjusted for size, location, access, topography, utilities, etc. Properties valued on a “site” basis included mobile home parks, marginal use properties such as easements, rights-of-ways, drain fields, retention ponds and some smaller sites with minimum utility or use.

Tax parcels that are subject to sensitive land conditions, i.e. wetlands, streams, slopes, etc. are valued on a case by case basis. When the Assessor has data to support the extensiveness of the sensitive land conditions the Assessor has valued the documented wetlands at \$0.50 per square foot, based upon wetland study. Additionally, stream buffer areas within the City of Issaquah and Sammamish are valued at ten percent (10%) of similar zoned lands within the neighborhood that are unencumbered by stream or stream buffers.

Area Overview

The largest increases in land value are within Area 95-10, specifically the Sammamish Town Center (STC), with seven of the eight land sales located in the STC.

See following graph for sales neighborhood land sales distribution.



Note: of the thirty nine land sales, twelve took place within the City of Issaquah, Neighborhoods 20 & 25 respectively.

Change in Assessed Land Value by Area*				
Neighborhood	2016 Land Value	2017 Land Value	\$ Change	% Change
95-10	\$344,892,000	\$377,964,500	\$33,072,500	9.59%
95-20	\$611,046,200	\$622,949,800	\$11,903,600	1.95%
95-25	\$539,226,400	\$606,106,700	\$66,880,300	12.40%
95-30	\$46,289,800	\$45,249,500	(\$1,040,300)	(2.25%)
95-35	\$34,670,600	\$35,246,400	\$575,800	1.66%
95-40	\$160,775,000	\$160,283,100	(\$491,900)	(0.31%)
95-45	\$3,740,200	\$3,876,100	\$135,900	3.63%
95-50	\$116,084,600	\$115,247,600	(\$837,000)	(0.72%)
95-55	\$60,052,200	\$60,712,200	\$660,000	1.10%
95-60	\$3,371,700	\$3,533,500	\$161,800	4.80%
Total	\$1,920,148,700	\$2,031,169,400	\$111,020,700	5.78%

*land value includes specialty properties and excludes government properties

Neighborhoods and Sales

The following is a breakdown of each neighborhood and a summary of the land sales considered. The assessor considered these and historic sales as the primary method of establishing new assessed land values for each neighborhood.

Area 95-10 Sammamish

Within neighborhood 10 there has been a total of eight land sales, shown on the following graph, of which, seven took place in 2015.

Area	Nbhd.	Major	Minor	Land Area SF	Excise #	Sale Price	Sale Date	SP / Land Area	Zone
95	10	092406	9302	80,222	2761092	\$ 800,000	10/13/15	\$9.97	PO
95	10	342506	9018	215,186	2826941	\$4,500,000	10/05/16	\$20.91	R-18
95	10	124110	0030	100,188	2712834	\$1,150,000	02/04/15	\$11.48	TC-A3
95	10	124110	0035	91,476	2712813	\$1,050,000	02/04/15	\$11.48	TC-A3
95	10	332506	9025	21,780	2729823	\$ 500,000	05/08/15	\$22.96	TC-A1
95	10	332606	9064	44,431	2721265	\$1,052,000	03/26/15	\$23.68	TC-A1
95	10	332506	9104	93,654	2736646	\$1,550,000	06/05/15	\$16.55	TC-B
95	10	332506	9106	120,661	2736641	\$3,016,530	06/02/15	\$25.00	TC-B

- **E# 2761092** – This sale is located in Sammamish, WA near 228th Ave SE, sold on 10/13/2015 for \$9.97/SF. It is zoned PO-Professional Office by the City of Sammamish This property is planned for a senior housing development with a total of 17 senior cottages in 9 buildings. According to public records wetlands

and or stream/stream buffer encumbers approximately 40% of the land area. Access is via existing private road.

- **E# 2826941** - Sale is located 23117 NE 8th Street, Sammamish, WA with access from NE 8th Street, sold on October 5, 2016 and sold for \$20.91/SF. Approximately 40% of the land area is wetlands and wetland buffer. Balance of the land area is to be developed to six buildings with a total 41 Townhomes. This property previously had sold on 1/2010 for \$1.35M.
- **E# 2712834, 2712813** – The sale of these two properties located on 228th Ave SE south of SE 6th Place sold on 02/04/2015 for \$11.48/SF. The properties are zoned TC-A3 which allows for both mixed use retail and multi-family development. The two parcels are being developed to 75 townhomes in 18 buildings with approximately 6,500sf of commercial space. Construction has begun on this Sammamish Town Center project.
- **E# 2729823, 2721265, 2736646, & 2736641** – These four sales comprise the planned Town Center development, which has approximately 6.5 acres selling for a mean price per square foot of \$21.81. The property is zoned TC-A1 and TC-B, with these zonings allowing for mixed use retail and multi-family residential development. The Village at Sammamish Town Center is the proposed development and will include a Metropolitan Market (36,000sf), drug store (14,000sf), medical office building (30,000sf) and 149 to 159 multi-family units. Construction has begun on this project.

Area 95-20 North Issaquah

Following is a graph of the two land sales in neighborhood 95-20, North Issaquah. This vicinity has been one of the least active in Area 95 given the total land parcels in this market area which includes the Highlands.

Area	Nbhd.	Major	Minor	Land Area SF	Excise #	Sale Price	Sale Date	SP / Land Area	Zone
95	20	216163	0090	283,264	2758703	\$ 400,000	09/30/15	\$1.41	MU
95	20	222406	9002	95,832	2760573	\$2,550,000	09/25/15	\$26.61	MF-M
95	20	127530	0020	16,500	2770897	\$600,000	12/08/15	\$36.36	MU

- **E# 2758703** – Sale is located in Issaquah and sold on 09/30/2015 for \$1.41/SF. The property is zoned MU-Mixed Use by the City of Issaquah. According to the City of Issaquah, a senior residential development is planned for this site.
- **E# 2760573** – Sale is located at intersection of Issaquah-Fall City Rd and Issaquah Pine Lake Rd. The property sold on 9/25/2015 for \$26.61/SF. The property was purchased for the construction of an extended care facility. Construction has begun on the 60 unit development.

- **E# 2770897** – SFR improved property, dwelling razed for construction of new office building to be completed in 2017.

Area 95-25 Downtown Issaquah

The nine land sales in this neighborhood are fairly evenly spread over two plus years; the largest land sale is also the highest priced sale property, known as “Gateway Issaquah” with 400 units planned for this property.

Area	Nbhd.	Major	Minor	Land Area SF	Excise #	Sale Price	Sale Date	SP / Land Area	Zone
95	25	202406	9064	1,259,168	2755569	\$12,275,238	08/20/15	\$9.75	VR
95	25	282406	9031	10,320	2722623	\$ 540,000	03/31/15	\$52.33	CBD
95	25	282406	9248	265,141	2674003	\$5,000,000	06/17/14	\$18.86	MU
95	25	342406	9096	13,200	2673683	\$ 499,000	06/12/14	\$37.80	MF-H
95	25	362930	0010	69,968	2692818	\$1,440,000	09/29/14	\$20.58	UC
95	25	884430	0035	39,600	2762115	\$1,613,330	10/15/15	\$40.74	MUR
95	25	884430	0100	26,132	2714791	\$ 286,000	02/19/15	\$10.94	MUR
95	25	202406	9115	365,254	2769922	\$1,500,000	12/02/15	\$4.11	VR
95	25	282406	9086	8,250	2651784	\$365,000	01/21/14	\$44.24	CBD

- **E# 2755569** – Sale is located east of I-90 and west of SE Newport Way, Issaquah, WA. The property sold on 8/20/2015 for \$9.75/SF. The sale property is known as “Gateway Issaquah” and approximately 400 apartment units are planned for the site. Construction has begun on this project with site work underway.
- **E# 2722623** – Sale is located at 505 Rainier Blvd. N., Issaquah, WA. Property sold on 3/31/2015 for \$52.33/SF. Property was improved with MH, given no value, removed subsequent to purchase.
- **E# 2674003** – Sale is located at 1118 7th Ave. NW, Issaquah, WA. The sale date was 6/17/2014 and the property sold for \$18.86/sf. The existing improvements were razed subsequent to purchase for the construction of a 341 unit apartment complex known as Atlas Apartments.
- **E# 2673683** – Sale is located at 355 E. Sunset Way, Issaquah, WA. Sold on 6/12/2014 for \$37.80/SF. Site is improved with an SFR, given nominal value of \$1K.
- **E# 2692818** – This sale is located at 1185 NW Maple St., Issaquah, WA. This corner site sold on 9/29/2014 for \$20.58/SF. A new Marriott Springhill Suites hotel has been constructed on this property.

- **E# 2762115** – Sale is located at the corner of NW Locust St. and 7th Ave. NW. This corner property sold on 10/15/2015 for \$40.74/SF. The site is vacant and undeveloped.
- **E# 2714791** – This sale is located at 7000 SE Newport Way, Issaquah, WA. Sold on 2/19/2015 for \$10.94/SF, this corner site is vacant.
- **E# 2769922** – Sale is located on SE Newport Way and will be developed to 36 townhomes. Approximately twenty five percent of the land area is usable do to streams and stream buffer.
- **E# 2651784** – Sale is located in Old Town Issaquah on 1st Place NW and was purchased to provide parking for adjacent properties.

Area 95-30 Duvall

Within the Duvall neighborhood there has been only one commercial zoned land sale during the past three years. Sale shown following.

Area	Nbhd.	Major	Minor	Land Area SF	Excise #	Sale Price	Sale Date	SP / Land Area	Zone
95	30	242606	9080	1,494,979	2649108	\$2,000,000	01/07/14	\$1.34	MU12

- **E# 2649108** – This sale property is located at 143rd Block of Hwy 203/ Carnation Duvall Hwy, Duvall, WA. It sold on 1/07/2014 for \$1.34/SF. West 10 acres will remain in open space. The balance of the site will be developed to Retail-Residential.

Area 95-35 Carnation

There was one vacant commercial sale within this neighborhood during the past three years. This sale is shown on following graph.

Area	Nbhd.	Major	Minor	Land Area SF	Excise #	Sale Price	Sale Date	SP / Land Area	Zone
95	35	865730	0080	22,275	2807158	\$250,000	06/28/16	\$11.22	MU
95	35	865830	2060	8,955	2721090	\$139,000	03/24/15	\$15.52	CBD

- **E# 2807158** – Sale is a vacant tract of commercial land that has corner location and is used for RV storage, and purchased for future development.

- **E# 2721090** – This sale is located at the intersection of Tolt Ave. and E. Entwistle St., Carnation, WA. The property sold on 3/24/2015 for \$15.52/SF. This sale is a vacant corner tract.

Area 95-40 North Bend

A total of six vacant land sales have taken place within this neighborhood, with four of the sales occurring in 2015. The sales are shown on the following graph.

Area	Nbhd.	Major	Minor	Land Area SF	Excise #	Sale Price	Sale Date	SP / Land Area	Zone
95	40	092308	9039	26,265	2756751	\$ 435,000	09/11/15	\$16.56	DC
95	40	102308	9226	42,690	2729153	\$ 800,000	05/08/15	\$18.74	DC
95	40	132308	9206	738,984	2707804	\$2,850,000	12/26/14	\$3.86	EP-2
95	40	142308	9137	183,800	2747536	\$ 800,000	07/28/15	\$4.35	EP-1
95	40	270060	0065	17,483	2764065	\$ 294,950	10/19/15	\$16.87	DC
95	40	052308	9016	1,061,406	2814785	\$387,500	08/09/16	\$0.37	EP-1

- **E# 2756751** – This sale is located at 41975 SE North Bend Way, North Bend, WA. The sale date is 9/11/2015 for \$16.56/SF. Vacant undeveloped site, hold for future development.
- **E# 2729153** – Sale is located at 530 E. North Bend Way, North Bend, WA. The property sold on 5/08/2015 for \$18.74/SF. This is vacant land sale, selling after existing improvements were razed in 2014.
- **E# 2707804** – Sale is located on E. North Bend Way near Truck Town, North Bend, WA. The property sold on 12/26/2014 for \$3.86/SF. Purchasers planning to construct a warehouse on the site.
- **E# 2747536** – Sale is located on 436th Ave. SE, North Bend, WA. Purchased on 7/28/2015 for \$4.35/SF. Property will be developed to office/warehouse with approximately 18,000sf.
- **E# 2764065** – This sale is located at 234 E. 2nd Street, North Bend, WA. Property sold on 10/19/2015 for \$16.87/SF. Three tax lots are included in this sale, existing improvements given no value, value in land.
- **E# 2814785** – This sale is located in North Bend, WA. No water or sewer is available to this property, hold for possible future development when infrastructure is made available.

Area 95-45 East I-90 Corridor

Three vacant sales have taken place in this neighborhood and all are located at the Snoqualmie Pass Ski area. All three sales are located at the summit of Snoqualmie Pass.

Area	Nbhd.	Major	Minor	Land Area SF	Excise #	Sale Price	Sale Date	SP / Land Area	Zone
95	45	042211	9017	384,199	2658410	\$900,000	03/19/14	\$2.34	CBP
95	45	042211	9020	8,160	2685001	\$ 25,000	08/11/14	\$3.06	CBP
95	45	042211	9022	86,870	2821541	\$315,099	09/07/16	\$3.63	CBP

- **E# 2658410** – Sale is located adjacent to and west of the Kittitas County line, Snoqualmie Pass, WA. Property sold on 3/19/2014 for \$2.34/SF. This is a vacant tract of undeveloped land with approximately 8.82 acres.
- **E# 2685001**– Sale is located adjacent to I-90, Snoqualmie Pass, WA.
- **E# 2821541** – Sale property is a triangular shaped site adjacent to US Forest Service Information Center, purchased for future development.

Area 95-50 Snoqualmie

Within neighborhood 95-50 six vacant land sales have taken place over the past three years and all are located in “The Ridge” planned community, except for sale near high school (old town). Three of the sites have been improved subsequent to purchase with a 75,000+ office/warehouse building, a daycare facility and a 100 unit multi-family development known as The Woodlands in Snoqualmie. The three remaining sites are, as of this writing, undeveloped.

Area	Nbhd.	Major	Minor	Land Area SF	Excise #	Sale Price	Sale Date	SP / Land Area	Zone
95	50	785180	0050	183,388	2683953	\$1,000,000	08/01/14	\$5.45	MU
95	50	785180	0110	321,807	2772825	\$2,780,000	12/21/15	\$8.64	MU
95	50	785333	0030	144,707	2712214	\$1,000,000	01/22/15	\$6.51	MU
95	50	541710	0055	11,035	2742357	\$65,000	07/07/2015	\$5.89	BG
95	50	541710	0045	4,256	2780622	\$10,000	02/16/16	\$2.35	MU
95	50	785180	0200	181,132	2806040	\$1,100,000	06/15/16	\$6.07	MU

- **E# 2683953** – Sale is located at 35507 SE Douglas St., Snoqualmie, WA. Property sold on 8/01/2014 for \$5.45/SF. Property is vacant and was purchased for future development to hotel use.

- **E# 2772825** – Sale is located at the intersection of SE Douglas St. and Snoqualmie Parkway, Snoqualmie Ridge, Snoqualmie, WA. The property sold on 12/15/2015 for \$8.64/SF. This site is being developed to commercial use with Safeway, Bartell Drug, Starbucks and Safeway Gas planned for the site.
- **E# 2712214** – Sale is located at 34510 SE 96th St., Snoqualmie, WA. The property sold on 1/22/2015 for \$6.91/SF. It is now improved with The Goddard School.
- **E# 2742357** – Sale is located on NE corner of Meadowbrook Way SE and SE Park Street. A bakery planned for this site.
- **E# 2780622** – Triangular shaped vacant lot.
- **E# 2806040** – Vacant tract of land with frontage on two streets, purchased for future development.

Area 95-55 Preston/Fall City

One sale is shown as a land sale, within Area 95-55, when in fact it is the sale of the Blue Sky RV Park. The sale is shown of the following graph.

Area	Nbhd.	Major	Minor	Land Area SF	Excise #	Sale Price	Sale Date	SP / Land Area	Zone
95	55	322407	9018	1,202,690	2738169	\$2,350,000	06/17/15	\$1.95	RA5

- **E# 2738169** – This sale is located at 9002 302nd Ave. SE, Issaquah, WA. The property sold on 6/17/2015 for \$1.95/SF. The property is a RV park with a total of 51 RV parking spaces. Sale price per space is \$46,078. The RV Park is known as “The Blue Sky RV Park”.

Area 95-60 Skykomish/Stevens Pass

No vacant land sales have occurred in this neighborhood during the past three years.

The table below summarizes the land valuation model as it was applied to the properties in Area 95. All dollar amounts are stated as a price per square foot of land area. The table is intended as a guide to “typical” land values with additional adjustments made for individual site variations.

Typical Land Value Ranges

By Neighborhood and Land Use Zoning

2017 Revaluation

Area 95 Neighborhoods	Multi-Family Land Uses		Commercial Land Uses		Industrial Land Uses	
	Zoning Designation	\$/SF Range	Zoning Designation	\$/SF Range	Zoning Designation	\$/SF Range
95-10 Sammamish King County	R-6, R-8, R-12, R-18 MF-M, MF-H TC-B, TC-E RA-5P, RA10, SFSL	\$2 - \$15 \$20 \$5 - \$25 \$4 - \$15	CB, NB O-PO TC-A1/A2/A3/A5	\$20 - \$30 \$10 - \$30 \$5 - \$25		
95-20 North Issaquah King County	SF-SL, SF-S MF-M, MF-H MU R, R-12	\$4 - \$20 \$15 - \$23 \$12 - \$35 \$15 - \$28	UV, IC, UC CF-F, CF-OS UV-L	\$22 - \$30 \$12 - \$35 \$1 - \$20	M-Mining	\$1 - \$2
95-25 Issaquah King County	MU, MUR MF-M, MF-H SF-D, SF-S, SF-SL TP-NRC F	\$22 - \$35 \$12 - \$35 \$1 - \$35 \$1 \$1	DR CBD, CF-F, VR UC UV-R UV-EV	\$38 \$10 - \$50 \$25 - \$35 \$22 - \$35 \$1 - \$23		
95-30 Duvall King County	R-4, R6, R8, R-12 MU12 RA-2.5, RA-5, A-35, PF	\$1 - \$18 \$6 - \$10 \$1 - \$2	CO MT, OT, UT-1, RIV	\$10 - \$12 \$4 - \$18	LI M	\$2 - \$5 \$1
95-35 Carnation King County	AGI R-24, R3, R6 RMPH RA-5, RA-10 A-35	\$0.50 \$7 - \$10 \$2 \$0.25 - \$1.50 \$0.15 - \$1.50	CBD, PU MU SC UR	\$8 - \$15 \$8 - \$10 \$5 - \$15 \$5	LI/M	\$2 - \$3
95-40 North Bend King County	LDR, CR HRD POS/PF	\$2.50 - \$9 \$15 - \$18 \$3 \$0	DC IC IMU NB	\$10 - \$16 \$1 - \$20 \$2 \$14 \$4 - \$15	EP-1 EP-2 UR	\$0.75 - \$6 \$2 - \$5 \$9
95-45 King County North Bend	RA-2.5, RA-5, RA-10 F, R4, R-18 POS/PF	\$0.75 - \$1 \$1,800 - \$4 \$3 - \$12	CB, CBP NB	\$0.50 - \$3 \$1		
95-50 Snoqualmie King County	RC PR OS-1, OS-2, OS-3, RA-5, RA-10	\$6 - \$10 \$0.15 \$0.25 - \$4 \$0.25 - \$1	BG, BO, RC MU BR-1, BR-2, UR	\$6 - \$10 \$15 - \$25 \$8 - \$13	OP PC1 MU M, MP, UP	\$2 - \$8 \$0.25 - \$6 \$6 - \$25 \$0.1 - \$8
95-55 King County	R-4 RA 2.5, RA2.5P RA 5, RA 5P R1P, RA 10, A10, A35	\$2 - \$8 \$2 - \$3 \$0.50 - \$2 \$0.10 - \$0.50	NB, NBP CB CBP MU	\$6 - \$10 \$6 - \$10 \$2 - \$10 \$15	IP F	\$4 - \$10 \$0.25 - \$1
95-60 Skykomish King County	R P RA-2.5, RA-5, RA-10	\$1 - \$2 \$1.00 - \$4 \$0.06 - \$1	C, HC I NB	\$2 \$5 \$0.10 \$1	FOREST	\$0.05 \$0.10

*Please note that this table is a summary of "typical" land values and is therefore not all inclusive

Zoning Descriptions:

City of Sammamish:

Commercial

O	Office
CB	Community Business
NB	Neighborhood Business
TC-A1 thru 5	Town Center Retail/Commercial
TC-B, C, D, E	Multi-family and single family

Multi Family/Residential

R-4	4 Units/acre
R-6	6 Units/acre
R-8	8 Units/acre
R-12	12 Units/acre
R-18	18 Units/acre

City of Issaquah:

Commercial

MU	Mixed Use
UC	Urban Core
DR	Destination Retail
PO	Professional Office
CBD	Cultural and Business District
IC	Intensive Commercial
M	Mineral Resources
UV	Urban Village
UV-EV	Urban Village – East Village
UV-R	Urban Village - Rowley
UV-L	Urban Village - Lakeside

Multi-Family/Residential

SF-E	Single Family Estates - 1.24 DU/Acre
SF-S	Single Family Suburban - 4.5 DU/Acre
SF-SL	Single Family Small Lot - 7.26 DU/Acre
SF-D	Single Family Duplex- 7.26 DU/Acre
MF-M	Multifamily Medium - 14.52 DU/Acre
MUR	Mixed Use Residential
MF-H	Multifamily High - 29 DU/Acre
VR	Village Residential

City of Duvall:

Commercial

OT	Old Town-Mixed Use - retail, office & residential
UT-1	Uptown-1 st Avenue - retail, office & residential
MT	Midtown-commercial and office
RIV	Riverside Village - retail, office and residential
MU12	Mixed Use - commercial and residential
CO	Commercial - retail, and office

Multi-Family/Residential

R-4	Residential 4 Units/Acre
R-4.5	Residential 4.5 Units/Acre
R-6	Residential 6 Units/Acre
R-8	Residential 8 Units/Acre
R-12	Residential 12 Units/Acre

Industrial

MUI	Mixed Use - industrial
LI	Light Industrial - Light Industrial and Office

City of Carnation:

Commercial

CBD	Central Business District
SC	Service Commercial
MU	Mixed Use
HC	Horticultural Commercial

Multi-Family/Residential

R2.5	Residential 2.5 Units/Acre
R3	Residential 3 Units/Acre
R4	Residential 4 Units/Acre
R6	Residential 6 Units/Acre
R12	Residential 12 Units/Acre
R-24	Residential 24 Units/Acre

Industrial

LI/M	Light Industrial/Manufacturing
AGI	Agri-Tourism and Industries

RMHP	Residential Mobile Home Park
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City of North Bend:**Commercial**

DC	Downtown Commercial
IC	Interchange Commercial
NB	Neighborhood Business

Industrial

IMU	Industrial Mixed Use
EP-1	Employment Park-1
EP-2	Employment Park-2

Other

USOD	Urban Separator Overlay District
MPOD	Master Planning Overlay District Tanner Landing MPOD E. North Bend MPOD

City of Snoqualmie:**Commercial**

BG	Business General
BO	Business Office
BR-1	Business Retail 1
BR-2	Business Retail 2
OP	Office Park
PC/I	Planned Com/Industrial

Multi-Family/Residential

LDR	Low Density Residential 4 Units/Acre
CR	Cottage Residential
HDR	High Density Residential

Multi-Family/Residential

CR	Constrained Residential
PR	Planned Residential
MU	Mixed Use
Other	OP-1 Open Space 1 OP-2 Open Space 2 OP-3 Open Space 3

City of Skykomish:

C	Commercial
HC	Historic Commercial
I	Industrial
R	Residential
P	Public

King County:**Commercial**

MU	Mixed Use
NB	Neighborhood Business

Multi-Family/Residential

A-10	One Unit/10 acres
A-35	One Unit/35 acres
RA-2.5	One Unit/2.5 acres
RA-5	One Unit/5 acres
RA-5P	Property Specific/5 acres
RA-10	One Unit/10 acres
F	Forest, no minimum lot size

Industrial

IP	Industrial Park
MP	Manufacturing Park
UP	Utility Park
M	Mining
UR	Urban Reserve

Preliminary Ratio Analysis

The sales ratio study is an important 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 its 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 need to be addressed, and assist in revaluation model development.

The two major aspects of appraisal accuracy; appraisal level and appraisal uniformity are measured and evaluated using the ratio study. Appraisal level is a measure of 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 both 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 also is the ratio of the sum of the assessed values divided by the sum of the sales prices. The weighted mean gives equal weight to each dollar of value in the sample, whereas the median and mean give equal weight to each parcel. The weighted mean is an important statistic in its own right and also 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. The preliminary ratio study for Area 95 shows a weighted mean ratio of 0.829 which is below the IAAO guidelines, indicating that the current assessment level, as measured using recent sales, is below the acceptable range.

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. The preliminary ratio study for Area 95 shows a COD of 12.99%, which is within the IAAO guidelines, indicating that the current level of assessment uniformity, as measured using recent sales, is in the acceptable range.

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 low and high 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 regressivity in the data where assessment level decreases with increases in sales price. The preliminary ratio study for Area 95 shows a PRD of 1.09 which is above

the IAAO guidelines, giving a second indication that the current level of assessment uniformity as measured using recent sales is outside the acceptable range.

The results of the preliminary ratio study falls outside the IAAO standards. These results are significant particularly when adequate sales of a specific property type, such as live/work townhouses and commercial condominiums, existed. For most other income producing property types the sales sample was insufficient to draw direct conclusions, but the sales can be used as a test for the income model.

Improved Parcel Total Values

Sales Comparison Approach Model Description

All sales were verified with a knowledgeable party and inspected, 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 similar to the subject properties were considered.

The improved sales used range in sale dates from 01/21/2014 to 10/26/2016. There were forty-two (42) improved sales in Area 95 that were considered as fair market transactions and used in the overall analysis and included in the ratio study. Sale parcels that were segregated/killed, or where the improvements changed after the sale were not included in the ratio study.

Of the 42 improved sales in Area 95, twelve (12) took place within the City of Issaquah, nine (9) were in the City of Duvall, five (5) were in Carnation, nine (9) within the City of North Bend, and seven (7) in Snoqualmie. No improved commercial sales were recorded in Sammamish, Preston/Fall City or Skykomish.

The sales comparison approach reflects the principles of supply and demand, balance, externalities, and substitution. The sales comparison approach is preferred when there are 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 served to establish a general upper and lower market boundary for the various property types within each subject area.

The improved sales were organized into market segments based on predominant use. The sale price unit value ranges serve to establish a general upper and lower market boundary for the various property types within the subject area and were useful when analyzing the income parameters and capitalization rates used in the income models for the various neighborhoods. The following table summarizes the sales valuation models employed for parcels using the sales approach to value in Area 95. Some properties require deviation from the typical value range due to issues including, but not limited to, location, size and condition and appraiser judgment.

Typical Value Parameters	
Property Type	Adjustment Range per SF or Space
Commercial Condominium Units	\$100/SF - \$325/SF
RV and MH Parks	\$25,000/Space - \$55,000/Space

Commercial condominium units of mixed use condominium buildings were typically valued by the sales comparison approach when there were sufficient comparable sales available in the complex or from similar buildings. Other non-specialty commercial properties were usually valued by the income method because there were insufficient comparable sales of each property type available and because there was adequate market income data available. When necessary, sales of similar property types from other market areas were considered.

Sales Comparison Calibration

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

Cost Approach Model Description

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

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

Three basic models were developed for income capitalization; those being retail, office and warehouse. Income tables were developed and then applied to the population. The tables were derived from market surveys and subsequently applied to property data. A majority of properties in this Area 95 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.

The Income Approach, using direct capitalization was considered a reliable approach to valuation throughout Area 95 for most improved property types since income and expense data was available to ascertain market rates.

Income: Income data was derived from the market place 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.

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

Expenses: Expense ratios were estimated based on industry standards, published sources, and the appraiser's knowledge of the area's rental practices. Within the income valuation models for Area 95, the assessor used triple net expenses for retail/mixed-use and industrial type uses. For office/medical buildings, the assessor used full service/gross expenses.

Capitalization Rates: 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, during the sales verification process. Also, 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 contributes 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 following tables summarize various ranges of capitalization rates and trends that are compiled and collected on a national or broad regional scale. This information is reconciled with data specific to the real estate market in Area 95 to develop the income model. The ranges of capitalization rates in the income model for Area 95 reflect the variety of properties in this area.

SEATTLE / REGIONAL CAP RATES						
Source	Date	Location	Office	Industrial	Retail	Remarks
CBRE: Capital Markets Cap. Rate survey.	2 nd Half (2016)					CBRE professional's opinion of where cap rates are likely to trend in the 2 nd ½ of 2016 based on recent trades as well as interactions with investors. Value Added represents an underperforming property that has an occupancy level below the local average under typical market conditions.
		Seattle	4.25% - 4.75% 4.50% - 5.25% 5.75% - 7.00% 5.25% - 6.00% 6.50% - 7.50% 6.50% - 7.00% 7.50% - 9.00% 5.25% - 5.75% 5.75% - 6.50% 6.50% - 7.50% 6.75% - 7.50% 7.50% - 8.50% 7.50% - 8.25% 8.00% - 9.00%	- - - - - - - - - - - - - -	- - - - - - - - - - - - - -	CBD – Class AA CBD – Class A CBD – Class A – Value Added CBD – Class B CBD – Class B – Value Added CBD – Class C CBD – Class C – Value Added Suburban – Class AA Suburban – Class A Suburban – Class A – Value Added Suburban – Class B Suburban – Class B – Value Added Suburban – Class C Suburban – Class C – Value Added Class A Class A – Value Added Class B Class B – Value Added Class C Class C – Value Added Class A (Neigh./Comm. w/Grocery) Class A (Neigh./Comm.) – Value Added Class B (Neigh./Comm. w/Grocery) Class B (Neigh./Comm.) – Value Added Class C (Neigh./Comm. w/Grocery) Class C (Neigh./Comm.) – Value Added Class A (Power Centers) Class A (Power Centers) – Value Added Class B (Power Centers) Class B (Power Centers) – Value Added Class C (Power Centers) Class C (Power Centers) – Value Added High Street Retail (Urban Core)
IRR: Viewpoint for 2016	Year-end 2016	West Region	5.89% 6.56% 6.35% 6.86% - - - - - - -	- - - - 6.61% 5.93% - - - - -	- - - - - - 5.98% 6.11% 6.29% 7.52% 8.10%	Institutional Grade Properties” CBD Office – Class A CBD Office – Class B Suburban Office – Class A Suburban Office – Class B Flex Industrial Industrial Regional Mall Community Retail Neighborhood Retail Hotel - Full Service Hotel - Limited Service
Colliers	4th QTR 2016	Seattle Puget Sound	5.10% 6.10% -	- - 6.00%	- - -	CBD Office Suburban Office Industrial
CoStar	Year-End 2016	Seattle Puget Sound	6.61% 6.25% 4.65% 4.20% - - - - - -	- - - - 7.16% 6.46% 5.98% 9.41% - - -	- - - - - - - - 6.09% 6.54% 6.27%	Building Size < 50,000 SF Building Size 50,000 SF – 249,000 SF Building Size 250,000 SF – 499,000 SF Building Size >500,000 SF Building Size < 25,000 SF Building Size 25,000 SF – 99,000 SF Building Size 100,000 SF – 249,000 SF Building Size >250,000 SF Building Size < 25,000 SF Building Size 25,000 SF – 99,000 SF Building Size 100,000 SF – 249,000 SF

SEATTLE / REGIONAL CAP RATES						
Source	Date	Location	Office	Industrial	Retail	Remarks
RERC: Real Estate Report Valuation Rates & Metrics	4Q 2016					1 st Tier properties are defined as new or newer quality const. in prime to good location; 2 nd Tier properties are defined as aging, former 1 st tier in good to average locations; 3 rd Tier are defined as older properties w/ functional inadequacies and/or marginal locations.
		Seattle	5.40%	-	-	Office CBD – 1 st Tier Properties
			5.90%	-	-	Suburban Office – 1 st Tier Properties
			-	5.50%	-	Warehouse – 1 st Tier Properties
			-	6.30%	-	R&D – 1 st Tier Properties
			-	6.40%	-	Flex – 1 st Tier Properties
			-	-	5.80%	Regional Mall – 1 st Tier Properties
			-	-	6.30%	Power Center – 1 st Tier Properties
			-	-	5.90%	Neigh/Comm. Ctrs. – 1 st Tier Properties
		West Region	4.50% - 7.50%	-	-	Office CBD – 1 st Tier Properties
			5.00% - 8.00%	-	-	Office CBD – 2 nd Tier Properties
			5.80% - 9.00%	-	-	Office CBD – 3 rd Tier Properties
			5.00% - 8.00%	-	-	Suburban Office – 1 st Tier Properties
			5.50% - 8.50%	-	-	Suburban Office – 2 nd Tier Properties
			6.00% - 9.30%	-	-	Suburban Office – 3 rd Tier Properties
			-	4.00% - 8.50%	-	Warehouse – 1 st Tier Properties
			-	4.00% - 9.00%	-	Warehouse – 2 nd Tier Properties
			-	5.50% - 9.50%	-	Warehouse – 3 rd Tier Properties
			-	5.30% - 8.00%	-	R&D – 1 st Tier Properties
			-	5.50% - 8.50%	-	R&D – 2 nd Tier Properties
			-	5.50% - 9.50%	-	R&D – 3 rd Tier Properties
			-	6.00% - 8.00%	-	Flex – 1 st Tier Properties
			-	5.00% - 8.50%	-	Flex – 2 nd Tier Properties
			-	5.50% - 9.50%	-	Flex – 3 rd Tier Properties
			-	-	4.80% - 8.00%	Regional Mall – 1 st Tier Properties
			-	-	4.50% - 8.30%	Regional Mall – 2 nd Tier Properties
			-	-	6.00% - 9.00%	Regional Mall – 3 rd Tier Properties
			-	-	6.00% - 8.00%	Power Center – 1 st Tier Properties
			-	-	6.00% - 8.30%	Power Center – 2 nd Tier Properties
			-	-	6.00% - 9.00%	Power Center – 3 rd Tier Properties
			-	-	4.00% - 8.00%	Neigh/Comm. Ctr. – 1 st Tier Properties
			-	-	4.50% - 8.50%	Neigh/Comm. Ctr. – 2 nd Tier Properties
			-	-	5.00% - 9.00%	Neigh/Comm. Ctr. – 3 rd Tier Properties
PWC / Korpaz	4Q 2016	Seattle	5.79%	-	-	Overall – 4.50% - 8.00%
			5.45%	-	-	CBD Office – 4.50% - 8.00%
			6.13%	-	-	Suburban Office – 5.00% - 7.00%
		Pac. NW	6.00%	-	-	Overall - 4.00% to 9.00%
			5.60%	-	-	CBD Office – 4.50% - 8.00%
			6.41%	-	-	Suburban Office – 5.00% - 7.75%
			-	5.10%	-	Warehouse – 3.75% - 7.00%
ACLI	4Q 2016	Seattle – Bellevue - Everett MSA	5.72%	7.30%	5.64%	All Classes
		Pacific Region	5.38%	5.77%	5.61%	All Classes

SEATTLE / REGIONAL CAP RATES

Source	Date	Location	Multifamily	Hospitality	Remarks
CBRE: Capital Markets Cap. Rate survey.	2 nd Half (2016)	Seattle	4.25% - 4.75%	-	Infill – Class A
			4.50% - 5.00%	-	Infill – Class A – Value Added
			4.75% - 5.25%	-	Infill – Class B
			5.00% - 5.50%	-	Infill – Class B – Value Added
			5.50% - 6.00%	-	Infill – Class C
			5.25% - 6.25%	-	Infill – Class C – Value Added
			4.75% - 5.25%	-	Suburban – Class A
			4.75% - 5.25%	-	Suburban – Class A – Value Added
			5.00% - 5.50%	-	Suburban – Class B
			5.25% - 5.75%	-	Suburban – Class B – Value Added
			5.75% - 6.25%	-	Suburban – Class C
			5.75% - 6.25%	-	Suburban – Class C – Value Added
			-	5.75% - 6.25%	CBD – Luxury
			-	6.00% - 6.50%	CBD – Full-Service
			-	6.25% - 6.75%	CBD – Select-Service
			-	8.00% - 9.00%	CBD – Economy
			-	6.50% - 7.50%	Suburban – Luxury
			-	7.50% - 8.50 %	Suburban – Full-Service
			-	7.50% - 8.50%	Suburban – Select-Service
			-	9.25% - 10.25%	Suburban – Economy
RERC: Real Estate Report Valuation Rates & Metrics	4Q 2016	Seattle	4.90%	-	Apartments – All Classes
			-	7.40%	Hotels – All Classes
		West Region	4.00% - 7.80%	-	Apartments – 1 st Tier Properties
			4.00% - 8.30%	-	Apartments – 2 nd Tier Properties
			4.50% - 8.80%	-	Apartments – 3 rd Tier Properties
			-	7.00% - 8.50%	Hotels – 1 st Tier Properties
			-	7.00% - 10.00%	Hotels – 2 nd Tier Properties
			-	7.00% - 11.00%	Hotels – 3 rd Tier Properties

NATIONAL CAP RATES						
Source	Date	Location	Office	Industrial	Retail	Remarks
RERC: Real Estate Report Valuation Rates & Metrics	4Q 2016					1 st Tier properties are defined as new or newer quality const. in prime to good location
		National	4.30% -9.00% 4.80% - 10.0% - - - - -	- - 4.00% - 10.0% 5.00% - 9.50% 5.30% - 10.0% - -	- - - - - 4.00% - 9.00% 5.00% - 9.00% 4.00% - 9.50%	Office CBD – 1 st Tier Properties Suburban Office – 1 st Tier Properties Warehouse – 1 st Tier Properties R&D – 1 st Tier Properties Flex – 1 st Tier Properties Regional Mall – 1 st Tier Properties Power Center – 1 st Tier Properties Neigh/Comm. Ctrs. – 1 st Tier Properties
IRR: Viewpoint 2017 Commercial Real Estate Trends report	Yr. End 2016	National	6.73% 7.57% 7.07% 7.81% - - - - -	- - - - 6.75% 7.47% - - -	- - - - - - 6.57% 6.77% 6.94% 7.86% 8.52%	<u>Institutional Grade Properties”</u> CBD Office – Class A CBD Office – Class B Suburban Office – Class A Suburban Office – Class B Industrial Flex Industrial Regional Mall Community Retail Neighborhood Retail Hotel - Full Service Hotel - Limited Service
ACLI	4Q 2016	National	5.43% 6.10% 5.90% 5.96% 5.22%	6.00% 7.29% 6.92% 6.65% 5.78%	5.89% 6.65% 6.39% 6.28% 5.34%	Overall Sq.Ft. - <50k Sq.Ft. - 50k – 100k Sq.Ft. – 100,001 – 200k Sq.Ft. – 200k+
PWC / Korpaz	4Q 2016	National	5.57% 6.63% 6.76% 7.36% - - - -	- - - - 7.05% 5.27% - -	- - - - - - 6.10% 6.37% 6.18%	CBD Office Suburban Office Medical Office Secondary Office Flex/R&D - (5.75% - 9.00%) Warehouse - (3.00% – 7.00%) Regional Mall Power Center Neigh. Strip Centers
PWC / Korpaz	Latter Reports 4Q 2016	National	5.57% 6.43% 6.78% - - - -	- - - 5.21% 7.10% - -	- - - - - 6.24% 6.35% 6.05%	U.S. CBD Office – 3.50% - 7.50% U.S. Suburban Office – 4.50% - 9.00% Medical Office – 4.50% - 10.00% U.S. Warehouse – 3.00% - 7.00% U.S. Flex/R&D – 5.50% - 9.00% U.S. Strip Shop Ctrs – 4.50% -9.50% U.S Power Centers – 5.00% - 8.00% U.S. Regional Malls – 4.00% - 9.00%
The Boulder Group: Net Lease Market Report	4Q 2016	National	7.08%	7.14%	6.10%	Overall (Average)

Income Approach Calibration

Income tables were developed for each of the ten neighborhoods that comprise Area 95. The tables pertain to the following property types: Retail, Industrial Engineering Buildings, Medical and Dental Offices, Discount Stores, Storage Garage, Basement Finish, Restaurant, Storage Warehouse, and Office, in addition to an exclusion table indicating property uses not covered by an income table. Properties which contain differing section uses may have multiple tables that are applicable to the property as a whole. All tables are included in the addendum of this report.

The tables were calibrated after setting economic rents, vacancy, expenses, and capitalization rates by using adjustments based on size, quality of construction, and the effective age. When the value of the property by the income approach was less than the land value, a nominal \$1,000 value was allocated to the improvements.

Typical income model parameters for the various markets that make up Area 95 are summarized in the following tables. It should be noted that due to the nature of commercial real estate, not all properties fall within the typical parameters. Stratification adjustments for the parameters listed in the following tables were based on quality of construction, effective year, size of net rentable area and location.

Area 95-10: Sammamish

Typical Income Parameters				
Land Use	Rent Range per SF	Vacancy/Coll. Loss %	Expenses % of EGI	Capitalization Rate %
Office/Bank, Medical Use	\$14.00 - \$30.00	5% - 10%	30%	6.50% - 8.50%
Retail/Mixed Use	\$20.00 - \$32.00	8% - 10%	10%	6.50% - 7.75%
Restaurant	\$25.00 - \$36.00	5%	10%	6.50% - 8.25%

Area 95-20: North Issaquah

Typical Income Parameters				
Land Use	Rent Range Per SF	Vacancy/Coll. Loss %	Expenses % of EGI	Capitalization Rate %
Medical & Dental	\$14.00 - \$32.00	5% - 10%	30%	6.75% - 8.50%
Office & Bank	\$14.00 - \$28.00	5% - 10%	30%	6.75% - 8.50%
Retail & Mixed Use	\$18.00 - \$30.00	5% - 10%	10%	6.75% - 7.75%
Restaurant & Bar-Tavern	\$25.00 - \$36.00	5%	10%	7.00% - 8.25%
Industrial & Warehouse	\$5.00 - \$8.00	10%	10%	7.00% - 8.50%

Area 95-25: South Issaquah

Typical Income Parameters				
Land Use	Rent Range Per SF	Vacancy/Coll. Loss %	Expenses % of EGI	Capitalization Rate %
Medical & Dental	\$20.00 - \$32.00	5% - 10%	30%	6.75% - 8.50%
Office & Bank	\$15.00 - \$28.00	10%	30%	7.00% - 8.50%
Retail & Mixed Use	\$16.00 - \$32.00	10%	10%	6.75% - 8.50%
Restaurant & Bar-Tavern	\$25.00 - \$36.00	10%	10%	7.00% - 8.50%
Industrial & Warehouse	\$5.00 - \$10.00	10%	15%	6.75% - 8.50%

Area 95-30: Duvall

Typical Income Parameters				
Land Use	Rent Range Per SF	Vacancy/Coll. Loss %	Expenses % of EGI	Capitalization Rate %
Bank, Office Medical & Dental	\$8.00 - \$24.00	5% - 10%	30%	7.00% - 8.50%
Retail & Mixed Use	\$12.00 - \$20.00	10%	10%	7.00% - 8.50%
Industrial & Warehouse	\$6.00 - \$8.50	10%	10%	7.25% - 8.50%

Area 95-35: Carnation

Typical Income Parameters				
Land Use	Rent Range Per SF	Vacancy/Coll. Loss %	Expenses % of EGI	Capitalization Rate %
Bank, Office Medical & Dental	\$12.00 - \$22.00	5% - 10%	30%	7.25% - 8.50%
Retail & Mixed Use	\$10.00 - \$17.00	10%	10%	7.25% - 8.50%
Industrial & Warehouse	\$5.50 - \$14.50	10%	10%	7.25% - 8.50%

Area 95-40: North Bend –Area 95-45: East I-90 Corridor

Typical Income Parameters				
Land Use	Rent Range Per SF	Vacancy/Coll. Loss %	Expenses % of EGI	Capitalization Rate %
Bank, Office Medical, Dental	\$13.00 - \$28.00	5% - 10%	30%	7.00% - 8.50%
Retail & Mixed Use	\$5.00 - \$17.00	10%	10%	7.00% - 8.50%
Restaurant & Bar – Tavern	\$14.00 - \$22.00	10%	10%	7.00% - 8.50%
Industrial & Warehouse	\$5.00 - \$18.00	10%	10%	7.00% - 8.50%

Area 95-50: Snoqualmie

Typical Income Parameters				
Land Use	Rent Range Per SF	Vacancy/Coll. Loss %	Expenses % of EGI	Capitalization Rate %
Office, Medical & Dental	\$14.00 - \$32.00	5% - 10%	30%	6.75% - 8.50%
Retail & Mixed Use	\$12.00 - \$30.00	8% - 15%	5% - 10%	6.75% - 8.50%
Industrial & Warehouse	\$5.00 – \$18.00	10%	10%	6.75% - 8.50%

Area 95-55: Preston – Fall City

Typical Income Parameters				
Land Use	Rent Range Per SF	Vacancy/Coll. Loss %	Expenses % of EGI	Capitalization Rate %
Office, Medical & Dental	\$11.00 - \$18.00	10%	30%	7.00% - 8.50%
Retail & Mixed Use	\$10.00 - \$16.00	10%	10%	7.00% - 8.50%
Industrial & Warehouse	\$4.50 - \$7.00	10%	10%	7.25% - 8.75%

Area 95-60: Skykomish – Stevens Pass

Typical Income Parameters				
Land Use	Rent Range Per SF	Vacancy/Coll. Loss %	Expenses % of EGI	Capitalization Rate %
Office Use	\$11.00 - \$18.00	10%	30%	7.25% - 8.50%
Retail & Mixed Use	\$10.00 - \$15.00	10%	10%	7.25% - 8.50%
Industrial & Warehouse	\$4.50 - \$7.00	10%	10%	7.25% - 8.75%

A summary activity for the primary markets in Area 95 follows: These tables are included as a guide and individual property rates and conditions may vary.

2017 Year End Metrics			
	Office	Retail	Industrial
Vacancy Rate	↔ (stable)	↔ (stable)	↔ (stable)
Rental Rate	↗ (slight increase)	↗ (slight increase)	↑ (increase)
Capitalization Rate	↘ (slight decrease)	↘ (slight decrease)	↘ (slight decrease)
Improved Property Values	↗ (slight increase)	↗ (slight increase)	↗ (slight increase)
Land Values	↗ (slight increase)	↗ (slight increase)	↗ (slight increase)

Reconciliation

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

The income approach to value was considered to be a reliable indicator of value in most instances. The market rental rate applied to a few properties varied from the model but fell within an acceptable range of variation from the established guideline. 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. An administrative review of the selected values was made by Ruth Peterson, Senior Appraiser for quality control purposes.

Model Validation

Total Value Conclusions, Recommendations and Validation

Appraiser judgment prevails in all decisions regarding individual parcel valuation. Each parcel in the physical inspection area was field reviewed and a value selected based on general and specific data pertaining to the parcel, the neighborhood, and the market. The appraiser determines which available value estimate may be appropriate and may adjust for particular characteristics and conditions as they occur in the valuation area.

In the 2017 valuation model, the income approach is used to value the majority of the income producing properties that are not obsolesced (where land value is greater than the value produced by the income method), as there are an insufficient number and variety of sales to value the different sectors by the market approach. The income approach also insures greater uniformity and equalization of values. With improving market fundamentals, values by the income method are generally increasing although they sometimes are below the value of the sales. This may be that some of these properties are purchased by owner-users. In the case of interim use properties, they might be purchased for investment value or future income rather than current income.

The standard statistical measures of valuation performance are presented in both the 2016 and 2017 Ratio Analysis charts included in this report. Comparison of the 2016 Ratio Study Analysis with the 2017 Ratio Study Analysis indicates that the weighted mean statistical measure of assessment level went from 82.9% to 92.8%. The Coefficient of Dispersion (COD) went down from 12.99% to 6.17%, the Coefficient of Variation (COV) went down from 18.38% to 8.64%, and the Price-related Differential (PRD) went from 1.09 to 1.03. These statistical measurements are within the IAAO (International Association of Assessing Officers) appraisal guidelines for measures of valuation uniformity and equity. The ratio study presented in this report indicates substantial improvement in uniformity. However, with a sample size of only 42 improved sales for many different commercial types the weight given to the ratio study should be tempered.

The total assessed value in area 95, for the 2016 assessment year, was \$1,777,620,700 and the total recommended assessed value for the 2017 assessment year is \$1,861,117,400. Application of these recommended values for the 2017 assessment year results in an average total change from the 2016 assessments of 4.70%.

Change in Total Assessed Value			
2016 Total Value	2017 Total Value	\$ Change	% Change
\$1,777,620,700	\$1,861,117,400	\$83,496,700	4.70%

USPAP Compliance

Client and Intended Use of the Appraisal:

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

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

Definition and date of value estimate:

Market Value

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

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

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

Highest and Best Use

RCW 84.40.030

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

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

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

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

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

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

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

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

Date of Value Estimate

RCW 84.36.005

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

RCW 36.21.080

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

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

Property Rights Appraised: Fee Simple

Wash Constitution Article 7 § 1 Taxation:

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

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

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

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

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

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

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

Assumptions and Limiting Conditions:

1. No opinion as to title is rendered. Data on ownership and legal description were obtained from public records. Title is assumed to be marketable and free and clear of all liens and encumbrances, easements and restrictions unless shown on maps or property record files. The property is appraised assuming it to be under responsible ownership and competent management and available for its highest and best use.
2. No engineering survey has been made by the appraiser. Except as specifically stated, data relative to size and area were taken from sources considered reliable, and no encroachment of real property improvements is assumed to exist.
3. No responsibility for hidden defects or conformity to specific governmental requirements, such as fire, building and safety, earthquake, or occupancy codes, can be assumed without provision of specific professional or governmental inspections.
4. Rental areas herein discussed have been calculated in accord with generally accepted industry standards.
5. The projections included in this report are utilized to assist in the valuation process and are based on current market conditions and anticipated short term

supply demand factors. Therefore, the projections are subject to changes in future conditions that cannot be accurately predicted by the appraiser and could affect the future income or value projections.

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

Scope of Work Performed:

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

CERTIFICATION

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

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

- No significant real property assistance as determined by the undersigned. All services as may be variously defined significant or otherwise, and performed by duly authorized and qualified King County Assessment staff employed in the areas of Public Information, Accounting/Abstract, Commercial, Residential, Information Services, Personal Property, Accounting/Mapping, Accounting/Support, Accounting/Appeals, Chief Appraiser, Accounting/Exemptions, Accounting/Levy Administration, who may have involvement in physical inspection, revalue, appeal response preparation, appeal hearing appearance, data collection, sale verification, new construction evaluation, and any other service which may be required from time to time, is made part of each real property parcel as a matter of public record and this certification by reference.
- Any services regarding the subject area performed by me within the prior three years, as an appraiser or in any other capacity is listed below: Any and all activities required under the Certificate of Appointment dated 24 April 2004 under sworn oath appointing the below signed appraiser to the position of true and lawful deputy in the Office of the King County Assessor, and authorized by the State of Washington, Department of Revenue under a Certificate of Accreditation. To Wit: all duties, responsibilities, and services associated with the position description of Commercial Appraiser I in the management and valuation of Commercial Area 40. Such duties, responsibilities and services include, but are not limited to physical inspection, revalue, appeal response preparation, appeal hearing appearance, data collection, sale verification, new construction evaluation, and any other service which may be required from time to time and to be determined significant or otherwise during the fulfillment of position requirements, and are made part of each real property parcel, is a matter of public record and this certification by reference.

Area 95 Ratio Study Report

PRE-REVALUE RATIO ANALYSIS

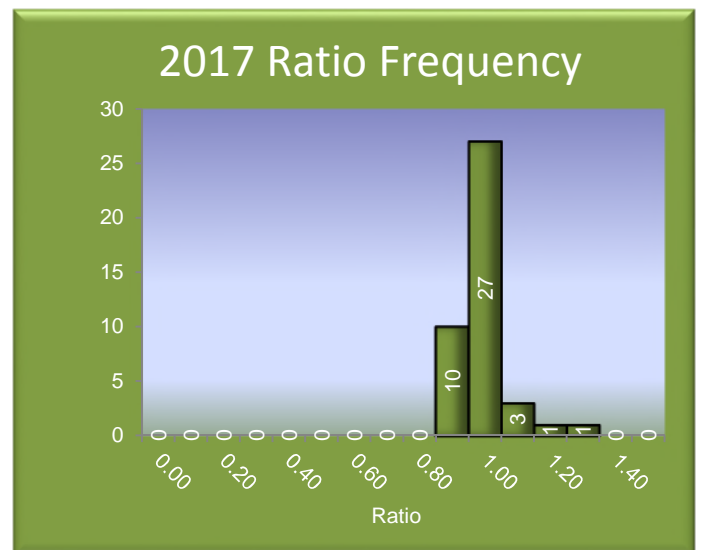
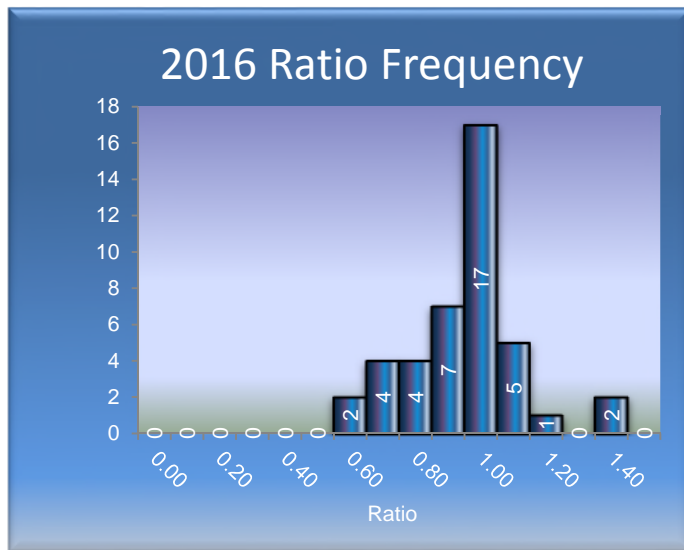
Pre-revalue ratio analysis compares sales from 2014 through 2016 in relation to the previous assessed value as of 1/1/2016.

PRE-REVALUE RATIO SAMPLE STATISTICS	
Sample size (n)	42
Mean Assessed Value	\$1,259,300
Mean Adj. Sales Price	\$1,519,200
Standard Deviation AV	\$1,765,181
Standard Deviation SP	\$2,223,757
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.905
Median Ratio	0.929
Weighted Mean Ratio	0.829
UNIFORMITY	
Lowest ratio	0.5536
Highest ratio:	1.3813
Coefficient of Dispersion	12.99%
Standard Deviation	0.1663
Coefficient of Variation	18.38%
Price Related Differential (PRD)	1.09

POST-REVALUE RATIO ANALYSIS

Post revalue ratio analysis compares sales from 2014 through 2016 and reflects the assessment level after the property has been revalued to 1/1/2017

POST REVALUE RATIO SAMPLE STATISTICS	
Sample size (n)	42
Mean Assessed Value	\$1,409,800
Mean Sales Price	\$1,519,200
Standard Deviation AV	\$2,039,994
Standard Deviation SP	\$2,223,757
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.954
Median Ratio	0.959
Weighted Mean Ratio	0.928
UNIFORMITY	
Lowest ratio	0.8114
Highest ratio:	1.2710
Coefficient of Dispersion	6.17%
Standard Deviation	0.0824
Coefficient of Variation	8.64%
Price Related Differential (PRD)	1.03



Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
095	025	282406	9085	2,520	2651783	\$735,000	01/21/14	\$291.67	NORTHWEST TRADING PLAZA	CBD	1	Y	
095	025	282406	9067	1,976	2651928	\$585,000	01/30/14	\$296.05	VACANT BAR/RESTAURANT	CBD	1	Y	
095	025	527910	0455	4,382	2656650	\$1,485,000	02/28/14	\$338.89	OFFICE BUILDING	MF-H	1	Y	
095	035	865730	0215	2,154	2660295	\$325,000	03/07/14	\$150.88	Residence/Office	MU	1	Y	
095	040	784670	0125	1,000	2658861	\$225,000	03/21/14	\$225.00	OFFICE/SFR	DC	1	Y	
095	025	282406	9279	4,390	2662999	\$1,250,000	04/18/14	\$284.74	FILOS AT ISSAQUAH CREEK	MU	1	Y	
095	025	272406	9092	24,008	2666342	\$7,150,000	05/06/14	\$297.82	GILMAN OFFICE CAMPUS	DR	1	Y	
095	030	213070	0655	1,605	2668693	\$395,000	05/16/14	\$246.11	BEE'S HIVE	OT	1	Y	
095	050	784920	0495	8,100	2672169	\$721,000	06/02/14	\$89.01	Snoqualmie Market	BR1	1	Y	
095	025	363043	0010	1,426	2674296	\$410,000	06/10/14	\$287.52	ISSAQUAH PROFESSIONAL BUILD	MU	1	Y	
095	025	282406	9021	13,517	2674526	\$1,750,000	06/16/14	\$129.47	MERCANTILE BUILDING	CBD	1	Y	
095	030	212990	0010	5,600	2675292	\$1,050,000	06/23/14	\$187.50	Rutledge Chiropractic Clinic	MT	1	Y	
095	025	884390	0559	10,211	2679314	\$1,675,000	07/15/14	\$164.04	970 Gilman Place - Bldg 1	MUR	1	Y	
095	040	862170	0050	1,908	2682687	\$275,000	07/28/14	\$144.13	Wilderness Glass	NB	1	Y	
095	030	174990	0110	2,284	2698241	\$249,000	10/29/14	\$109.02	COPPER HILL SQUARE CONDOMIN	MU12	1	Y	
095	040	803620	0305	1,546	2706793	\$560,000	12/22/14	\$362.23	Dental Clinic	HDR	2	Y	
095	040	142308	9032	2,452	2709150	\$350,000	01/06/15	\$142.74	PLEM Co	EP-1	1	Y	
095	030	213070	0385	5,160	2712114	\$205,000	01/29/15	\$39.73	Antique Shop	OT	1	Y	
095	025	282406	9109	1,910	2718397	\$517,156	02/23/15	\$270.76	SFR CONVERTED TO OFFICE	MF-M	1	Y	
095	050	785196	0010	10,439	2722987	\$4,440,781	04/06/15	\$425.40	Snoqualmie Ridge Retail Shops	MU	1	Y	
095	050	785197	0010	16,610	2722986	\$6,760,554	04/06/15	\$407.02	Snoqualmie Ridge Neigh Shopping - I	MU	2	Y	
095	025	282406	9199	570	2730439	\$335,000	05/12/15	\$587.72	Front Street Retail	CBD	1	Y	
095	025	282406	9100	4,608	2758991	\$1,065,000	09/28/15	\$231.12	SUMMIT OFFICE BUILDING	CBD	1	Y	
095	050	302408	9012	30,550	2760672	\$9,900,000	10/09/15	\$324.06	Kimble Creek Village	MU	3	Y	
095	035	306010	0055	6,400	2767556	\$286,000	11/02/15	\$44.69	Grange Hall	MU	1	Y	
095	035	180100	0010	1,013	2768102	\$220,000	11/17/15	\$217.18	Retail Building	CBD	1	Y	
095	050	785180	0035	40,800	2767566	\$5,600,000	11/18/15	\$137.25	Interception Group	MU	1	Y	
095	040	042308	9027	59,452	2771628	\$5,200,000	12/14/15	\$87.47	Mount Si Business Park	NB	1	Y	
095	040	042308	9023	3,150	2778837	\$505,000	02/01/16	\$160.32	OFFICE BUILDING	NB	1	Y	
095	030	213170	0455	3,264	2780457	\$475,000	02/16/16	\$145.53	APARTMENT	UT-1	1	Y	
095	035	162507	9037	6,084	2789889	\$750,000	04/12/16	\$123.27	TOTTO BELLA	MU	1	Y	
095	030	174990	0960	382	2791756	\$29,000	04/19/16	\$75.92	COPPER HILL SQUARE CONDOMIN	MU12	1	Y	
095	025	282406	9065	1,800	2800657	\$495,000	05/31/16	\$275.00	HALL INSURANCE AGENCY	CBD	1	Y	
095	050	784920	1755	3,976	2803289	\$691,000	06/15/16	\$173.79	Smokey Joe's Tavern	BR2	3	Y	
095	040	857190	0075	10,280	2810655	\$1,875,000	07/14/16	\$182.39	Restaurant/Office	DC	1	Y	
095	040	803620	0095	1,344	2813228	\$159,000	07/29/16	\$118.30	Car Wash	DC	1	Y	
095	040	803620	0100	288	2814431	\$95,500	08/05/16	\$331.60	Huxdotter Coffee Stand	DC	1	Y	
095	035	212507	9037	2,668	2820480	\$384,000	09/01/16	\$143.93	Old F O E Hall	MU	1	Y	
095	030	212990	0060	4,641	2825693	\$1,100,000	09/26/16	\$237.02	VACANT FORMER BANK BUILDING	MT	1	Y	
095	030	132606	9165	3,920	2824810	\$815,000	09/28/16	\$207.91	Valley Center	MT	3	Y	
095	030	213170	0045	7,810	2826964	\$2,000,000	10/03/16	\$256.08	Duvall Center	MT	1	Y	

Improvement Sales for Area 095 with Sales Used

03/14/2017

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
095	050	784920	2285	3,730	2832048	\$715,000	10/26/16	\$191.69	Green Building	BR2	1	Y	

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
095	010	092406	9302	80,222	2761092	\$800,000	10/13/15	\$9.97	Vacant Lot	PO	1	Y	
095	010	124110	0030	100,188	2712834	\$1,150,000	02/04/15	\$11.48	VACANT MULTI-FAMILY	TC A3	1	Y	
095	010	124110	0035	91,476	2712813	\$1,050,000	02/04/15	\$11.48	VACANT MULTI-FAMILY	TC A3	1	Y	
095	010	332506	9025	21,780	2729823	\$500,000	05/08/15	\$22.96	VACANT COMMERCIAL LAND	TC A1	1	Y	
095	010	332506	9064	44,431	2721265	\$1,052,000	03/26/15	\$23.68	VACANT COMMERCIAL LAND	TC A1	1	Y	
095	010	332506	9104	93,654	2736646	\$1,550,000	06/05/15	\$16.55	VACANT COMMERCIAL LAND	TC B	1	Y	
095	010	332506	9106	120,661	2736641	\$3,016,530	06/02/15	\$25.00	VACANT COMMERCIAL LAND	TC B	1	Y	
095	010	342506	9018	215,186	2826941	\$4,500,000	10/05/16	\$20.91	Vacant Lot	R18	1	Y	
095	020	127530	0020	16,500	2770897	\$600,000	12/08/15	\$36.36	VACANT LAND	MU	1	Y	
095	020	216163	0090	283,264	2758703	\$400,000	09/30/15	\$1.41	Vacant Land	MU	1	Y	
095	020	222406	9002	95,832	2760573	\$2,550,000	09/25/15	\$26.61	Vacant MF Lot	MF-M	1	Y	
095	025	202406	9064	1,259,168	2755569	\$12,275,238	08/20/15	\$9.75	VACANT LAND	VR	7	Y	
095	025	202406	9115	365,254	2769922	\$1,500,000	12/02/15	\$4.11	VACANT LAND	VR	1	Y	
095	025	282406	9031	10,320	2722623	\$540,000	03/31/15	\$52.33	VACANT COMMERCIAL LAND	CBD	1	Y	
095	025	282406	9086	8,250	2651784	\$365,000	01/21/14	\$44.24	PARKING FOR VILLAGE THEATER	CBD	1	Y	
095	025	282406	9248	265,141	2674003	\$5,000,000	06/17/14	\$18.86	Vacant Commercial Land	MU	7	Y	
095	025	342406	9096	13,200	2673683	\$499,000	06/12/14	\$37.80	SFR/MULTIFAMILY LAND	MF-H	1	Y	
095	025	362930	0010	69,968	2692818	\$1,440,000	09/29/14	\$20.58	Parking for Maple Street Bldg (FUTURE)	UC	1	Y	
095	025	884430	0035	39,600	2762115	\$1,613,330	10/15/15	\$40.74	VACANT MULTI RES LAND	MUR	2	Y	
095	025	884430	0100	26,132	2714791	\$286,000	02/19/15	\$10.94	Vacant Lot. 64% wetlands.	MUR	1	Y	
095	030	242606	9080	1,494,979	2649108	\$2,000,000	01/07/14	\$1.34	Vacant Land	MU12	1	Y	
095	035	865730	0080	22,275	2807158	\$250,000	06/28/16	\$11.22	Vacant Lot	MU	1	Y	
095	035	865830	2060	8,955	2721090	\$139,000	03/24/15	\$15.52	VACANT COMMERCIAL LOT	CBD	2	Y	
095	040	052308	9016	1,061,406	2814785	\$387,500	08/09/16	\$0.37	VACANT LAND	EP-1	1	Y	
095	040	092308	9039	26,265	2756751	\$435,000	09/11/15	\$16.56	VACANT LAND	DC	1	Y	
095	040	102308	9226	42,690	2729153	\$800,000	05/08/15	\$18.74	VACANT COMMERCIAL LAND	DC	1	Y	
095	040	132308	9206	738,984	2707804	\$2,850,000	12/26/14	\$3.86	VACANT INDUSTRIAL LAND	EP-2	1	Y	
095	040	142308	9137	183,800	2747536	\$800,000	07/28/15	\$4.35	VACANT LAND	EP-1	1	Y	
095	040	270060	0065	17,483	2764065	\$294,950	10/19/15	\$16.87	Vacant Lot (See Minor 0070)	DC	3	Y	
095	045	042211	9017	384,199	2658410	\$900,000	03/19/14	\$2.34	Vacant Site adjacent to Service Station	CBP	1	Y	
095	045	042211	9020	8,160	2685001	\$25,000	08/11/14	\$3.06	VACANT LAND	CBP	1	Y	
095	045	042211	9022	86,870	2821541	\$315,099	09/07/16	\$3.63	VACANT LAND	CBP	1	Y	
095	050	541710	0045	4,256	2780622	\$10,000	02/16/16	\$2.35	Vacant Commercial Lot	OS2	1	Y	
095	050	541710	0055	11,035	2742357	\$65,000	07/07/15	\$5.89	Vacant Commercial Building	BG	1	Y	
095	050	785180	0050	183,388	2683953	\$1,000,000	08/01/14	\$5.45	Vacant Industrial	MU	1	Y	
095	050	785180	0110	321,807	2772825	\$2,780,000	12/21/15	\$8.64	Vacant Industrial	MU	2	Y	
095	050	785180	0200	181,132	2806040	\$1,100,000	06/15/16	\$6.07	Vacant Industrial	MU	1	Y	
095	050	785333	0030	144,707	2712214	\$1,000,000	01/22/15	\$6.91	THE GOODARD SCHOOL	MU	1	Y	
095	055	322407	9018	1,202,690	2738169	\$2,350,000	06/17/15	\$1.95	Vacant - Part of Blue Sky	RA5	4	Y	

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
095	030	174990	0093	776	2649861	\$56,000	01/13/14	\$72.16	COPPER HILL SQUARE CONDOMINIUM	MU12	1	12	Estate administrator, guardian, or executor
095	030	174990	0090	1,328	2659933	\$95,000	03/25/14	\$71.54	COPPER HILL SQUARE CONDOMINIUM	MU12	1	12	Estate administrator, guardian, or executor
095	020	216163	0120	15,358	2661148	\$6,910,000	04/02/14	\$449.93	Walgreens Drug	MU	1	46	Non-representative sale
095	020	212406	9008	6,866	2668234	\$3,750,000	05/09/14	\$546.17	Alpine Animal Hospital	CF-F	1	46	Non-representative sale
095	025	282406	9240	576	2674004	\$425,000	06/17/14	\$737.85	TJ Hair Connection	MU	1	36	Plottage
095	025	282406	9082	1,860	2681407	\$850,000	07/25/14	\$456.99	NORTHERN LIGHTS MONTESORRI	CBD	1	N	Change of Use
095	025	282406	9222	1,128	2684663	\$9,565	08/04/14	\$8.48	Northwest Playground Equipment	MF-M	1	24	Easement or right-of-way
095	065	152308	9032	5,334	2687791	\$1,500,000	08/27/14	\$281.21	Residence	EP-1	2	44	Tenant
095	025	760060	0030	1,878	2688179	\$400,000	09/02/14	\$212.99	BEEKEN APPRAISAL	CBD	1	N	Imps Characteristics Changed
095	025	272406	9036	4,428	2690369	\$1,375,000	09/11/14	\$310.52	Crown Office Building	DR	1	36	Plottage
095	025	884350	0270	1,620	2691145	\$625,000	09/16/14	\$385.80	Issaquah Veterinary Clinic	DR	1	44	Tenant
095	020	202406	9080	5,966	2693692	\$2,300,000	09/26/14	\$385.52	KINDER CARE	UC	1	46	Non-representative sale
095	025	282406	9083	2,372	2697017	\$645,000	10/17/14	\$271.92	ATLANTIC CONSTRUCTION ENGINEERING	CBD	1	46	Non-representative sale
095	040	784670	0810	9,816	2701127	\$1,021,214	11/12/14	\$104.04	MaGuire Hill Building	DC	2	22	Partial interest (1/3, 1/2, etc.)
095	030	213070	0555	1,244	2705844	\$108,757	12/15/14	\$87.43	RED PEPER PIZZA	OT	1	18	Quit claim deed
095	055	292407	9053	18,500	2710088	\$3,350,000	01/13/15	\$181.08	BICYCLE ADVENTURES	RA10P	1	46	Non-representative sale
095	030	174990	0091	640	2711845	\$45,000	01/27/15	\$70.31	COPPER HILL SQUARE CONDOMINIUM	MU12	1	8	Questionable per appraisal
095	030	174990	0121	1,881	2711844	\$82,500	01/27/15	\$43.86	COPPER HILL SQUARE CONDOMINIUM	MU12	1	8	Questionable per appraisal
095	025	527910	0425	1,660	2716027	\$635,000	02/25/15	\$382.53	SFR/MULTI FAMILY ZONED LAND.	MF-H	1	46	Non-representative sale
095	030	154950	0291	1,322	2716996	\$99,000	03/04/15	\$74.89	VACANT BUILDING	RA5	1	17	Non-profit organization
095	020	414210	0020	23,683	2721051	\$9,200,000	03/27/15	\$388.46	Lakeside II Building	MU	1	46	Non-representative sale
095	035	212507	9062	13,520	2725282	\$4,500,000	04/01/15	\$332.84	Custom Concrete	LI/M	2	36	Plottage
095	050	785195	0010	27,085	2723027	\$8,896,945	04/06/15	\$328.48	Village IGA	MU	2	46	Non-representative sale
095	030	132606	9083	1,258	2723755	\$300,000	04/08/15	\$238.47	Residence	R12	1	22	Partial interest (1/3, 1/2, etc.)
095	025	884390	0080	4,059	2726748	\$1,500,000	04/27/15	\$369.55	MBHM on Lot	MUR	2	17	Non-profit organization
095	010	342506	9017	30,807	2728190	\$6,100,000	05/04/15	\$198.01	Evergreen Christian Church	R6	1	68	Non-gov't to gov't
095	025	282406	9246	5,980	2741261	\$2,085,000	06/29/15	\$348.66	Sunnybrook Montessori School	MU	1	44	Tenant
095	050	541710	0055	4,312	2742357	\$65,000	07/07/15	\$15.07	Vacant Commercial Building	BG	1		Land Sale
095	020	212406	9099	8,000	2743168	\$2,950,000	07/13/15	\$368.75	Clark's Towing	MU	1	68	Non-gov't to gov't
095	065	152308	9188	2,087	2753536	\$425,000	08/28/15	\$203.64	HAIR INK	EP-1	1	57	Selling or buying costs affecting sale
095	020	884350	0138	7,992	2755058	\$2,000,000	09/10/15	\$250.25	Shirey Place	IC	1	64	Sales/leaseback
095	040	541870	0047	12,580	2759813	\$1,300,000	09/21/15	\$103.34	Auto Repair Office & Apt	NB	4	15	No market exposure
095	025	527910	0450	1,326	2759402	\$706,000	09/28/15	\$532.43	OFFICE BUILDING	MF-H	1	46	Non-representative sale
095	035	152507	9071	7,488	2763193	\$425,000	10/20/15	\$56.76	CARNATION BIBLE CHURCH	R3	1	17	Non-profit organization
095	025	332406	9053	2,840	2765794	\$530,000	11/04/15	\$186.62	CONVERTED OFFICE	SF-SL	1	68	Non-gov't to gov't
095	020	127530	0005	10,560	2768794	\$6,615,000	11/23/15	\$626.42	PLAZA 221	MU	1	46	Non-representative sale
095	020	884350	0091	1,070	2771106	\$425,000	12/08/15	\$397.20	Shirey Handyman Service	IC	1	46	Non-representative sale
095	025	527910	0755	6,536	2770748	\$2,450,000	12/08/15	\$374.85	BROOKSIDE COMMONS	DR	1	46	Non-representative sale
095	025	884390	0516	1,448	2770930	\$888,000	12/08/15	\$613.26	SZECHUAN BEAN FLOWER RESTAURANT	MUR	1	46	Non-representative sale
095	060	780780	0660	1,440	2773986	\$35,000	12/22/15	\$24.31	Storage Warehouse	H-C	1	15	No market exposure
095	025	884350	0238	5,976	2779046	\$1,700,000	01/22/16	\$284.47	Antique Shop & Mortgage Company	MU	1	N	Imps Characteristics Changed

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
095	040	784670	0705	3,447	2779634	\$53,244	02/10/16	\$15.45	VACANT BUILDING	DC	1	18	Quit claim deed
095	040	784670	0695	2,246	2783696	\$112,300	03/07/16	\$50.00	Pro Ski Store	DC	1	51	Related party, friend, or neighbor
095	040	784670	0696	510	2783695	\$25,500	03/07/16	\$50.00	Vacant Storefront	DC	1	51	Related party, friend, or neighbor
095	025	356000	0090	21,684	2796000	\$1,200,000	04/26/16	\$55.34	Michael's Issaquah Chevrolet	UV-R	1	N	Building Only
095	025	760060	0030	1,878	2793138	\$800,000	04/29/16	\$425.99	BROCK SMITH Custom Homes	CBD	1	N	Imps Characteristics Changed
095	040	857090	0251	3,492	2796181	\$1,100,000	05/16/16	\$315.01	R & R Rental	DC	1	44	Tenant
095	030	132606	9165	3,920	2802244	\$2,500	06/02/16	\$0.64	Valley Center	MT	3	68	Non-gov't to gov't
095	025	282406	9199	570	2802266	\$425,000	06/10/16	\$745.61	Front Street Retail	CBD	1	N	Change of Use
095	025	282406	9201	1,346	2804377	\$716,500	06/10/16	\$532.32	The Fleming School of Music	MF-M	1	15	No market exposure
095	020	272406	9194	7,500	2805232	\$2,085,000	06/21/16	\$278.00	Eastside Equipment & Marine	IC	1	44	Tenant
095	040	857090	0282	2,010	2804866	\$440,000	06/22/16	\$218.91	OFFICE/RETAIL/SFR	DC	1	51	Related party, friend, or neighbor
095	030	174990	0950	3,100	2812913	\$958,000	07/26/16	\$309.03	COPPER HILL SQUARE CONDOMINIUM	MU12	1	N	Imps Characteristics Changed
095	030	213070	0170	4,400	2819851	\$165,000	08/19/16	\$37.50	DUVALL BOOKS	OT	1	51	Related party, friend, or neighbor
095	025	342406	9075	5,268	2820796	\$1,172,500	09/01/16	\$222.57	ABIDE BIBLE CHURCH	MF-H	1	17	Non-profit organization
095	010	342506	9058	25,700	2820247	\$14,000,000	09/02/16	\$544.75	KINDERCARE/KFC-Taco Bell	O	2	46	Non-representative sale
095	010	750400	1481	2,696	2824464	\$15,000	09/07/16	\$5.56	Sahalee Water/Sewer Maintenance	R4	1	24	Easement or right-of-way
095	025	884390	0445	3,862	2822444	\$970,000	09/08/16	\$251.17	SFR/COMMERCIAL LAND	MUR	1	N	Land Sale
095	050	784920	2975	3,600	2827859	\$450,000	10/12/16	\$125.00	OFFICE BUILDING(City of Snoqualmie)	BR1	1		Non-profit government
095	040	152308	9037	2,560	2833807	\$775,000	11/10/16	\$302.73	GEARHEAD GARAGE/RESIDENCE	EP-1	1	46	Non-representative sale
095	040	380800	0251	1,250	2840808	\$419,000	12/16/16	\$335.20	Lisa Cole & Assoc.	NB	1	N	Imps Characteristics Changed
095	025	332406	9041	3,411	2840684	\$650,000	12/21/16	\$190.56	MEADOW CREEK CHAPEL	CBD	1	17	Non-profit organization
095	025	282406	9137	8,654	2841877	\$330,000	12/28/16	\$38.13	GILMAN VILLAGE/WINSLOW	MU	1	22	Partial interest (1/3, 1/2, etc.)

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
095	020	272406	9208	2,891,250	2683201	\$1,100,000	07/30/14	\$0.38	Vacant Microsoft Tract	UV	2	43	Development rights parcel to prvt se
095	020	866348	0130	31,678	2690135	\$3,000	09/09/14	\$0.09	Road R/W	UV	1	24	Easement or right-of-way
095	030	242606	9067	488,830	2692350	\$206,166	09/16/14	\$0.42	Vacant Commercial	MU12	1	36	Plottage
095	035	212507	9063	696,960	2705963	\$1,250,000	12/16/14	\$1.79	Vacant Parcel w/Open Space	MU	1	51	Related party, friend, or neighbor
095	065	132308	9090	4,800	2707461	\$105,000	12/18/14	\$21.88	MOBILE HOME	NB	1	49	Mobile home
095	035	162507	9039	65,340	2712632	\$145,000	01/27/15	\$2.22	Vacant Lot	LI/M	1	51	Related party, friend, or neighbor
095	065	226750	0030	272,685	2716985	\$2,100,000	03/05/15	\$7.70	VACANT COMMERCIAL LAND	IC	2	68	Non-gov't to gov't
095	040	152308	9022	166,834	2781919	\$103,000	02/04/16	\$0.62	Abandoned RR R/W	EP-2	1	18	Quit claim deed
095	040	152308	9022	196,405	2783670	\$103,000	03/07/16	\$0.52	Abandoned RR R/W	EP-2	2	18	Quit claim deed
095	030	213070	1225	2,543	2793176	\$45,000	04/26/16	\$17.70	VACANT	R8	1	36	Plottage
095	025	856273	0140	49,223	2799093	\$439,990	05/23/16	\$8.94	VACANT LAND	UV-EV	1		TH Sale not land sale
095	040	142308	9132	256,907	2802631	\$525,000	06/15/16	\$2.04	VACANT INDUSTRIAL LAND	EP-1	3	22	Partial interest (1/3, 1/2, etc.)
095	040	142308	9132	256,907	2802678	\$525,000	06/15/16	\$2.04	VACANT INDUSTRIAL LAND	EP-1	3	31	Exempt from excise tax
095	025	282406	9356	6,254	2812321	\$375,000	07/19/16	\$59.96	VACANT COMMERCIAL	CBD	1	51	Related party, friend, or neighbor
095	020	222406	9023	100,908	2816226	\$4,950,000	08/13/16	\$49.05	Vacant Land	UV-L	1	46	Non-representative sale
095	030	242606	9065	828,772	2832420	\$2,275,000	11/02/16	\$2.75	Vacant Lot	MU12	2	51	Related party, friend, or neighbor
095	030	212990	0080	21,824	2847353	\$183,700	01/26/17	\$8.42	Vacant Lot	MT	1		After Lien Date
095	030	212990	0070	13,647	2847355	\$115,000	01/31/17	\$8.43	Vacant Lot	MT	1		After Lien Date

Physical Inspection Area 95-45

Area	Neighborhood	Major	Minor	SitusAddress
95	45	012209	9017	SE SNOQUALMIE PASS SUMMIT RD
95	45	019230	1300	5 ERSTE STR
95	45	022209	9010	SE SNOQUALMIE PASS SUMMIT RD
95	45	032209	9017	SE SNOQUALMIE PASS SUMMIT RD
95	45	042211	9017	SE SNOQUALMIE PASS SUMMIT RD
95	45	042211	9020	INTERSTATE 90 FREEWAY
95	45	042211	9021	INTERSTATE 90 FREEWAY
95	45	042211	9022	No Situs Address
95	45	042211	9023	No Situs Address
95	45	042211	9024	No Situs Address
95	45	102308	9027	No Situs Address
95	45	122209	9017	No Situs Address
95	45	202308	9017	No Situs Address
95	45	202308	9018	No Situs Address
95	45	282311	9015	No Situs Address
95	45	282311	9016	No Situs Address
95	45	282311	9017	No Situs Address
95	45	282311	9018	No Situs Address
95	45	282311	9019	No Situs Address
95	45	282311	9022	No Situs Address
95	45	282311	9023	17703 ALPENTAL ACCESS RD SE
95	45	292309	9045	16550 487TH AVE SE
95	45	332311	9010	8 ERSTE STR
95	45	332311	9011	ALPENTAL ACCESS RD SE
95	45	332311	9013	19100 ALPENTAL ACCESS RD SE
95	45	332311	9016	No Situs Address
95	45	332311	9018	No Situs Address
95	45	332311	9019	No Situs Address
95	45	332311	9020	25 ERSTE STR
95	45	332311	9027	19101 ALPENTAL ACCESS RD SE

Physica Inspection Area 95-50

Area	Neighborhood	Major	Minor	SitusAddress
95	50	012306	9018	No Situs Address
95	50	012307	9018	No Situs Address
95	50	022307	9049	34500 SE 99TH ST
95	50	022307	9063	34500 SE 99TH ST
95	50	052308	9017	10000 394TH PL SE
95	50	052308	9048	9300 STONE QUARRY RD
95	50	062308	9021	No Situs Address
95	50	192408	9007	37333 SE FALL CITY-SNOQUALMIE RD
95	50	192408	9031	SE FALL CITY-SNOQUALMIE RD
95	50	192408	9032	No Situs Address
95	50	192408	9033	SE FALL CITY-SNOQUALMIE RD
95	50	192408	9037	No Situs Address
95	50	192408	9041	No Situs Address
95	50	202408	9017	No Situs Address
95	50	202408	9020	5601 396TH DR SE
95	50	202408	9035	No Situs Address
95	50	202408	9088	TOKUL RD SE
95	50	252407	9044	No Situs Address
95	50	262407	9066	No Situs Address
95	50	292408	9009	38800 SE MILL POND RD
95	50	292408	9011	396TH DR SE
95	50	292408	9013	SE MILL POND RD
95	50	292408	9015	SE MILL POND RD
95	50	292408	9017	396TH DR SE
95	50	292408	9018	396TH DR SE
95	50	292408	9019	396TH DR SE
95	50	292408	9025	396TH DR SE
95	50	302408	9002	No Situs Address
95	50	302408	9004	No Situs Address
95	50	302408	9012	7329 SNOQUALMIE PKWY
95	50	302408	9015	No Situs Address
95	50	302408	9065	No Situs Address
95	50	302408	9070	No Situs Address
95	50	302408	9074	501 RAILROAD AVE SE
95	50	302408	9075	411 RAILROAD AVE SE
95	50	302408	9076	37939 SE 69TH ST
95	50	302408	9082	No Situs Address
95	50	302408	9085	No Situs Address
95	50	302408	9086	No Situs Address
95	50	302408	9087	No Situs Address
95	50	302408	9091	37939 SE 69TH ST
95	50	302408	9094	7328 SNOQUALMIE PKWY
95	50	302408	9095	37624 SNOQUALMIE PKWY
95	50	312408	9016	No Situs Address
95	50	312408	9038	38645 SE NEWTON ST

Physica Inspection Area 95-50

Area	Neighborhood	Major	Minor	SitusAddress
95	50	312408	9104	9418 384TH AVE SE
95	50	312408	9125	RAILROAD PL SE
95	50	312408	9126	No Situs Address
95	50	312408	9130	9050 384TH AVE SE
95	50	312408	9131	No Situs Address
95	50	312408	9132	No Situs Address
95	50	312408	9137	38410 SE KIMBALL CREEK DR
95	50	322408	9002	No Situs Address
95	50	322408	9006	No Situs Address
95	50	322408	9008	No Situs Address
95	50	322408	9011	39153 SE SNOQUALMIE-NORTH BEND RD
95	50	322408	9018	9320 STONE QUARRY RD
95	50	322408	9029	8890 RAILROAD AVE SE
95	50	322408	9031	39202 SE SNOQUALMIE-NORTH BEND RD
95	50	322408	9032	No Situs Address
95	50	322408	9036	No Situs Address
95	50	322408	9040	8416 MEADOWBROOK WAY SE
95	50	322408	9042	No Situs Address
95	50	322408	9051	39133 SE SNOQUALMIE-NORTH BEND RD
95	50	322408	9052	9065 RAILROAD AVE SE
95	50	322408	9053	9075 RAILROAD AVE SE
95	50	322408	9074	39500 SE SNOQUALMIE-NORTH BEND RD
95	50	322408	9092	RAILROAD AVE SE
95	50	322408	9098	RAILROAD AVE SE
95	50	322408	9100	RAILROAD AVE SE
95	50	322408	9103	39153 SE SNOQUALMIE-NORTH BEND RD
95	50	322408	9113	9036 RAILROAD AVE SE
95	50	322408	9114	9025 MEADOWBROOK WAY SE
95	50	322408	9115	No Situs Address
95	50	332408	9004	SE REINIG RD
95	50	332408	9016	SE REINIG RD
95	50	332408	9021	SE REINIG RD
95	50	332408	9022	No Situs Address
95	50	332408	9024	130 BOALCH AVE SE
95	50	352407	9024	34412 SE SWENSON DR
95	50	362407	9141	8429 364TH AVE SE
95	50	541710	0015	660 PARK ST
95	50	541710	0016	153 MEADOWBROOK WAY SE
95	50	541710	0020	39570 SE PARK ST
95	50	541710	0025	147 MEADOWBROOK WAY SE
95	50	541710	0050	8352 MEADOWBROOK WAY SE
95	50	541710	0055	No Situs Address
95	50	541710	0146	8314 MEADOWBROOK WAY SE
95	50	541710	0147	160 MEADOWBROOK WAY SE
95	50	541710	0150	8306 MEADOWBROOK WAY SE

Physica Inspection Area 95-50

Area	Neighborhood	Major	Minor	SitusAddress
95	50	541760	0020	707 PARK ST
95	50	541760	0025	501 PARK ST
95	50	784920	0100	407 PARK ST
95	50	784920	0290	151 PARK AVE SE
95	50	784920	0345	8150 FALLS AVE SE
95	50	784920	0346	8150 FALLS AVE SE
95	50	784920	0355	7984 FALLS AVE SE
95	50	784920	0360	8032 FALLS AVE SE
95	50	784920	0370	8036 FALLS AVE SE
95	50	784920	0400	8124 FALLS AVE SE
95	50	784920	0480	213 RAILROAD AVE SE
95	50	784920	0486	207 RAILROAD AVE SE
95	50	784920	0487	7940 RAILROAD AVE SE
95	50	784920	0495	8030 RAILROAD AVE SE
95	50	784920	0496	8050 RAILROAD AVE SE
95	50	784920	0505	8062 RAILROAD AVE SE
95	50	784920	0510	8086 RAILROAD AVE SE
95	50	784920	0511	8072 RAILROAD AVE SE
95	50	784920	0520	8096 RAILROAD AVE SE
95	50	784920	0525	8102 RAILROAD AVE SE
95	50	784920	0530	8112 RAILROAD AVE SE
95	50	784920	0540	8130 RAILROAD AVE SE
95	50	784920	0541	8150 RAILROAD AVE SE
95	50	784920	0565	8200 RAILROAD PL SE
95	50	784920	0571	No Situs Address
95	50	784920	0575	8250 RAILROAD AVE SE
95	50	784920	0594	RAILROAD AVE SE
95	50	784920	0595	8300 RAILROAD AVE SE
95	50	784920	0605	201 FALLS AVE SE
95	50	784920	0610	No Situs Address
95	50	784920	0625	8406 RAILROAD AVE SE
95	50	784920	0630	8429 FALLS AVE SE
95	50	784920	0635	No Situs Address
95	50	784920	0670	8470 FALLS AVE SE
95	50	784920	0680	8488 FALLS AVE SE
95	50	784920	0736	39025 SE ALPHA ST
95	50	784920	0737	No Situs Address
95	50	784920	0738	No Situs Address
95	50	784920	0739	No Situs Address
95	50	784920	0740	No Situs Address
95	50	784920	0741	39062 SE BETA ST
95	50	784920	1025	650 RAILROAD AVE SE
95	50	784920	1265	38701 SE RIVER ST
95	50	784920	1370	38601 SE KING ST
95	50	784920	1375	38625 SE KING ST

Physica Inspection Area 95-50

Area	Neighborhood	Major	Minor	SitusAddress
95	50	784920	1390	150 SE MAPLE ST
95	50	784920	1430	No Situs Address
95	50	784920	1525	38700 SE RIVER ST
95	50	784920	1527	38700 SE RIVER ST
95	50	784920	1528	38700 SE RIVER ST
95	50	784920	1530	38700 SE RIVER ST
95	50	784920	1545	38700 SE RIVER ST
95	50	784920	1570	207 RAILROAD AVE SE
95	50	784920	1695	7972 MAPLE AVE SE
95	50	784920	1725	7982 MAPLE AVE SE
95	50	784920	1735	210 SE MAPLE ST
95	50	784920	1755	38600 SE KING ST
95	50	784920	1780	No Situs Address
95	50	784920	1785	7695 RAILROAD PL SE
95	50	784920	2285	38565 SE RIVER ST
95	50	784920	2470	No Situs Address
95	50	784920	2471	38475 SE RIVER ST
95	50	784920	2480	38625 SE RIVER ST
95	50	784920	2640	8264 OLMSTEAD LN SE
95	50	784920	2650	No Situs Address
95	50	784920	2655	38579 SE RIVER ST
95	50	784920	2965	8002 RAILROAD AVE SE
95	50	784920	2970	8008 RAILROAD AVE SE
95	50	784970	0115	38523 SE KING ST
95	50	785070	0000	1510 ETHAN WADE WAY SE
95	50	785070	0009	1510 ETHAN WADE WAY SE
95	50	785070	0010	1510 ETHAN WADE WAY SE
95	50	785070	0020	1510 ETHAN WADE WAY SE
95	50	785070	0030	1510 ETHAN WADE WAY SE
95	50	785180	0030	35131 SE DOUGLAS ST
95	50	785180	0035	34935 SE DOUGLAS ST
95	50	785180	0040	No Situs Address
95	50	785180	0050	No Situs Address
95	50	785180	0064	No Situs Address
95	50	785180	0070	No Situs Address
95	50	785180	0100	35030 SE DOUGLAS ST
95	50	785180	0105	35131 SE CENTER ST
95	50	785180	0125	35019 SE CENTER ST
95	50	785180	0130	35214 SE CENTER ST
95	50	785180	0140	No Situs Address
95	50	785180	0160	8226 BRACKEN PL SE
95	50	785180	0200	No Situs Address
95	50	785181	0010	8020 DOUGLAS AVE SE
95	50	785181	0020	8030 DOUGLAS AVE SE
95	50	785181	0030	8026 DOUGLAS AVE SE

Physica Inspection Area 95-50

Area	Neighborhood	Major	Minor	SitusAddress
95	50	785195	0010	No Situs Address
95	50	785195	0020	No Situs Address
95	50	785195	0030	7802 CENTER BLVD SE
95	50	785196	0010	No Situs Address
95	50	785196	0020	7917 CENTER BLVD SE
95	50	785197	0010	No Situs Address
95	50	785197	0020	No Situs Address
95	50	785331	1120	34605 SE SWENSON DR
95	50	785331	1130	No Situs Address
95	50	785333	0030	34510 SE 96TH ST