

North Central West Seattle

Area: 048

Residential Revalue for 2017 Assessment Roll



King County

Department of Assessments

Setting values, serving the community, and pursuing excellence

500 Fourth Avenue, ADM-AS 0708

Seattle, WA 98104-2384

OFFICE (206) 296-7300 FAX (206) 296-0595

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



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John Wilson
Assessor

Dear Property Owners:

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

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

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

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

In Service,

John Wilson
King County Assessor



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 residential property, we break up King County into 86 residential market areas and annually develop market models from the sale properties using multiple regression statistical tools. The results of the market models are then applied to all similarly situated homes within the same appraisal area.

Are Properties Inspected?

All property in King County is physically inspected at least once during each six year cycle. Each year our appraisers inspect a different geographic 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. From the property inspections we update our property assessment records for each property. In cases where an appraiser has a question, they will approach the residence front door to make contact with the property owner or leave a card requesting the taxpayer contact them.

RCW 84.40.025 - Access to property

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

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

How are Property Sales Used?

For the annual revaluation of residential properties, three years of sales are analyzed with the sales prices time adjusted to January 1 of the current assessment year. Sales prices are adjusted for time to reflect that market prices change over time. During an increasing market, older sales prices often understate the current market value. Conversely, during downward (or recessionary) markets, older sales prices may overstate a property's value on January 1 of the assessment year unless sales are time adjusted. Hence time adjustments are an important element in the valuation process.

How is Assessment Uniformity Achieved?

We have adopted the Property Assessment Standards prescribed by the International Association of Assessing Officers that may be reviewed at www.IAAO.org. As part of our valuation process statistical testing is performed by reviewing the uniformity of assessments within each specific market area, property type, and quality grade or residence age. More specifically Coefficients of Dispersion (aka COD) are developed that show the uniformity of predicted property assessments. We have set our target CODs using the standards set by IAAO which are summarized in the following table:

Type of property—General	Type of property—Specific	COD Range**
Single-family residential (including residential condominiums)	Newer or more homogeneous areas	5.0 to 10.0
Single-family residential	Older or more heterogeneous areas	5.0 to 15.0
Other residential	Rural, seasonal, recreational, manufactured housing, 2–4 unit family housing	5.0 to 20.0
Income-producing properties	Larger areas represented by large samples	5.0 to 15.0
Income-producing properties	Smaller areas represented by smaller samples	5.0 to 20.0
Vacant land		5.0 to 25.0
Other real and personal property		Varies with local conditions

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

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

Requirements of State Law

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

Appraisal Area Reports

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



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Department of Assessments

King County Administration Bldg.
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Seattle, WA 98104-2384

John Wilson
Assessor

North Central West Seattle – Area 048

2017 Assessment Roll Year

Recommendation is made to post values for Area 048 to the 2018 tax roll:

Appraiser II: Scott Kendall

6/27/2017

Date

WC District Senior Appraiser: Bob Kaldor

6/28/2017

Date

Residential Division Director: Debra S. Prins

6/29/17

Date

This report is hereby accepted and the values described in the attached documentation for Area 048 should be posted to the 2018 tax roll.

John Wilson, King County Assessor

Date



Executive Summary

North Central West Seattle - Area 048

Physical Inspection

Appraisal Date: 1/1/2017
Previous Physical Inspection: 2012
Number of Improved Sales: 825
Range of Sale Dates: 1/1/2014 – 12/31/2016 Sales were time adjusted to 1/1/2017

Sales - Improved Valuation Change Summary:						
	Land	Improvements	Total	Mean Sale Price	Ratio	COD
2016 Value	\$221,900	\$334,000	\$555,900			8.71%
2017 Value	\$232,700	\$382,000	\$614,700	\$674,200	91.8%	7.19%
\$ Change	+\$10,800	+\$48,000	+\$58,800			
% Change	+4.9%	+14.4%	+10.6%			

Coefficient of Dispersion (COD) is a measure of the uniformity of the predicted assessed values for properties within this geographic area. The 2017 COD of 7.19% is an improvement from the previous COD of 8.71%. The lower the COD, the more uniform are the predicted assessed values. Assessment standards prescribed by the International Association of Assessing Officers identify that the COD in rural or diverse neighborhoods should be no more than 20%. The resulting COD meets or exceeds the industry assessment standards. Sales from 1/1/2014 to 12/31/2016 (at a minimum) were considered in all analysis. Sales were time adjusted to 1/1/2017

Population - Improved Valuation Change Summary:			
	Land	Improvements	Total
2016 Value	\$245,600	\$291,800	\$537,400
2017 Value	\$257,900	\$337,700	\$595,600
\$ Change	+\$12,300	+\$45,900	+\$58,200
% Change	+5.0%	+15.7%	+10.8%

Number of one to three unit residences in the population: 5,342

Physical Inspection Area:

State law requires that each property be physically inspected at least once during a 6 year revaluation cycle. During the recent inspection of Area 048 – North Central West Seattle, appraisers were in the area, confirming data characteristics, developing new valuation models and selecting a new value for each property for the assessment year. For each of the subsequent years, the previous property values are statistically adjusted during each assessment period. Taxes are paid on total value, not on the separate amounts allocated to land and improvements.

Area 048 Physical Inspection Ratio Study Report

PRE-REVALUE RATIO ANALYSIS

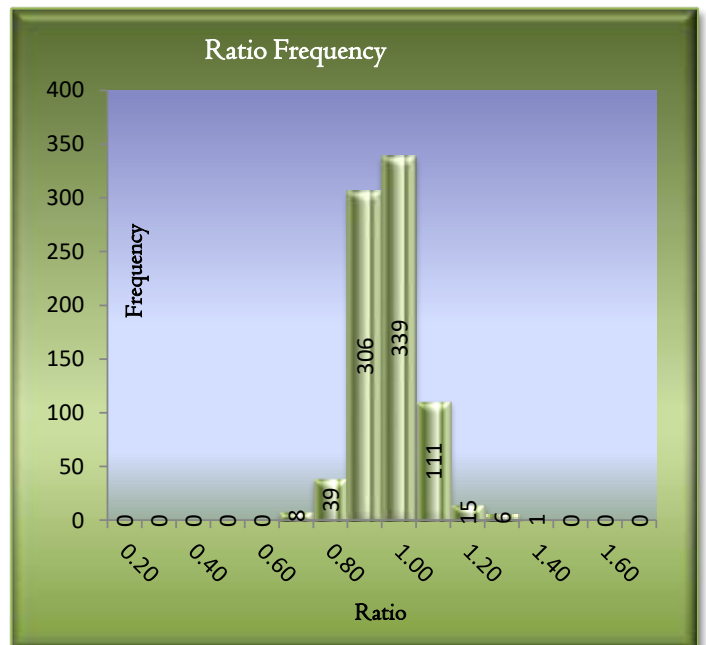
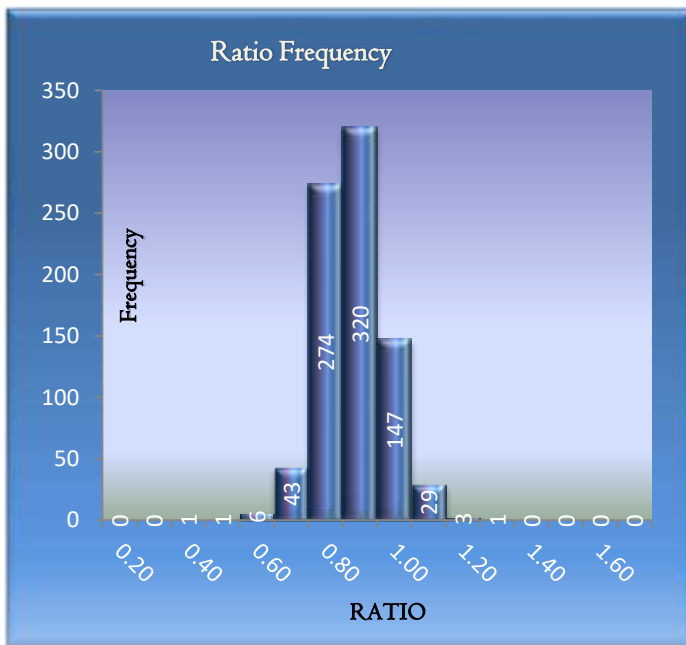
Pre-revalue ratio analysis compares time adjusted sales from 2014 through 2016 in relation to the previous assessed value as of 1/1/2016.

PRE-REVALUE RATIO SAMPLE STATISTICS	
Sample size (n)	825
Mean Assessed Value	555,900
Mean Adj. Sales Price	674,200
Standard Deviation AV	166,141
Standard Deviation SP	195,870
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.829
Median Ratio	0.823
Weighted Mean Ratio	0.825
UNIFORMITY	
Lowest ratio	0.355
Highest ratio:	1.211
Coefficient of Dispersion	8.71%
Standard Deviation	0.094
Coefficient of Variation	11.30%
Price Related Differential (PRD)	1.005

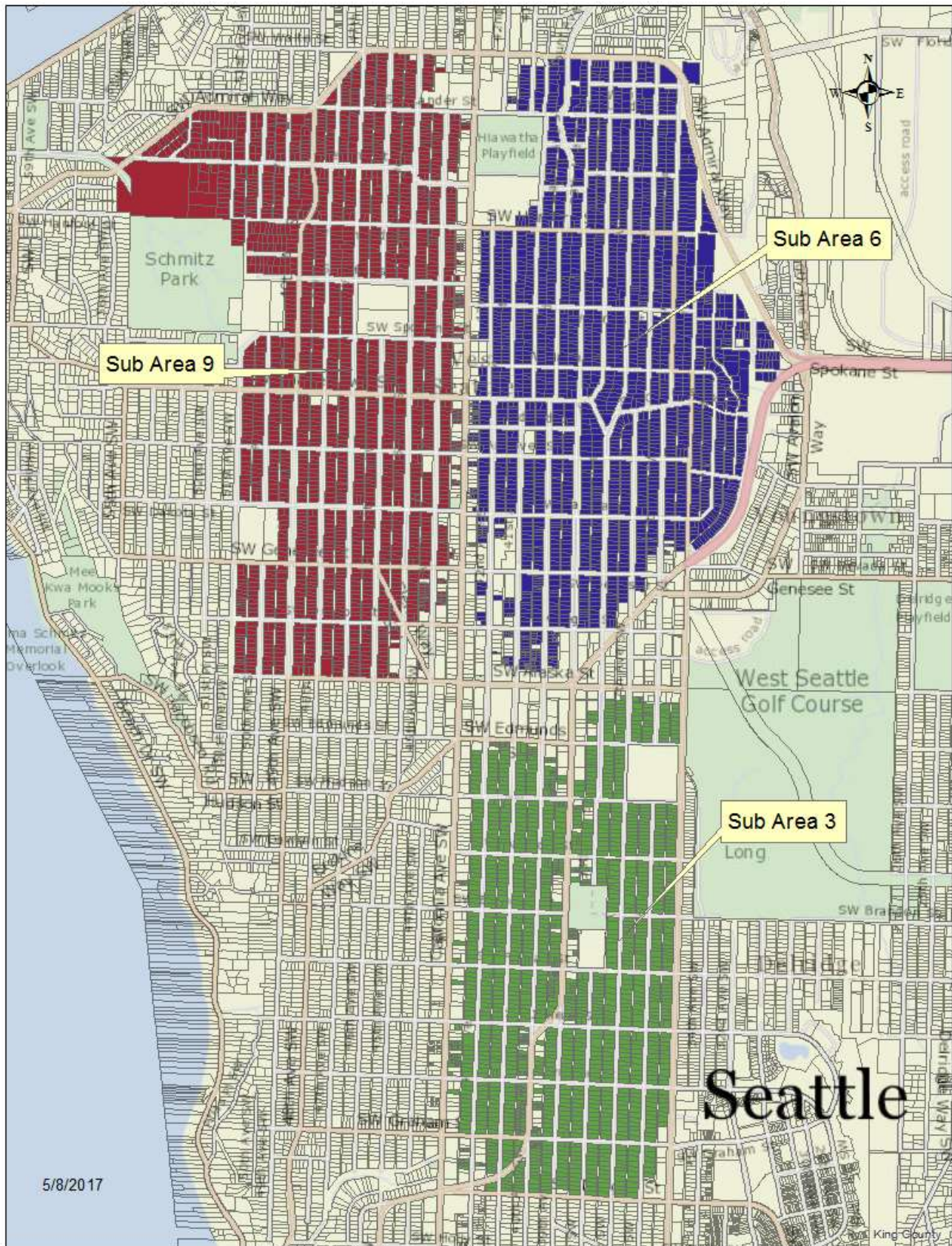
POST-REVALUE RATIO ANALYSIS

Post revalue ratio analysis compares time adjusted 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)	825
Mean Assessed Value	614,700
Mean Sales Price	674,200
Standard Deviation AV	167,718
Standard Deviation SP	195,870
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.920
Median Ratio	0.918
Weighted Mean Ratio	0.912
UNIFORMITY	
Lowest ratio	0.604
Highest ratio:	1.350
Coefficient of Dispersion	7.19%
Standard Deviation	0.088
Coefficient of Variation	9.52%
Price Related Differential (PRD)	1.009

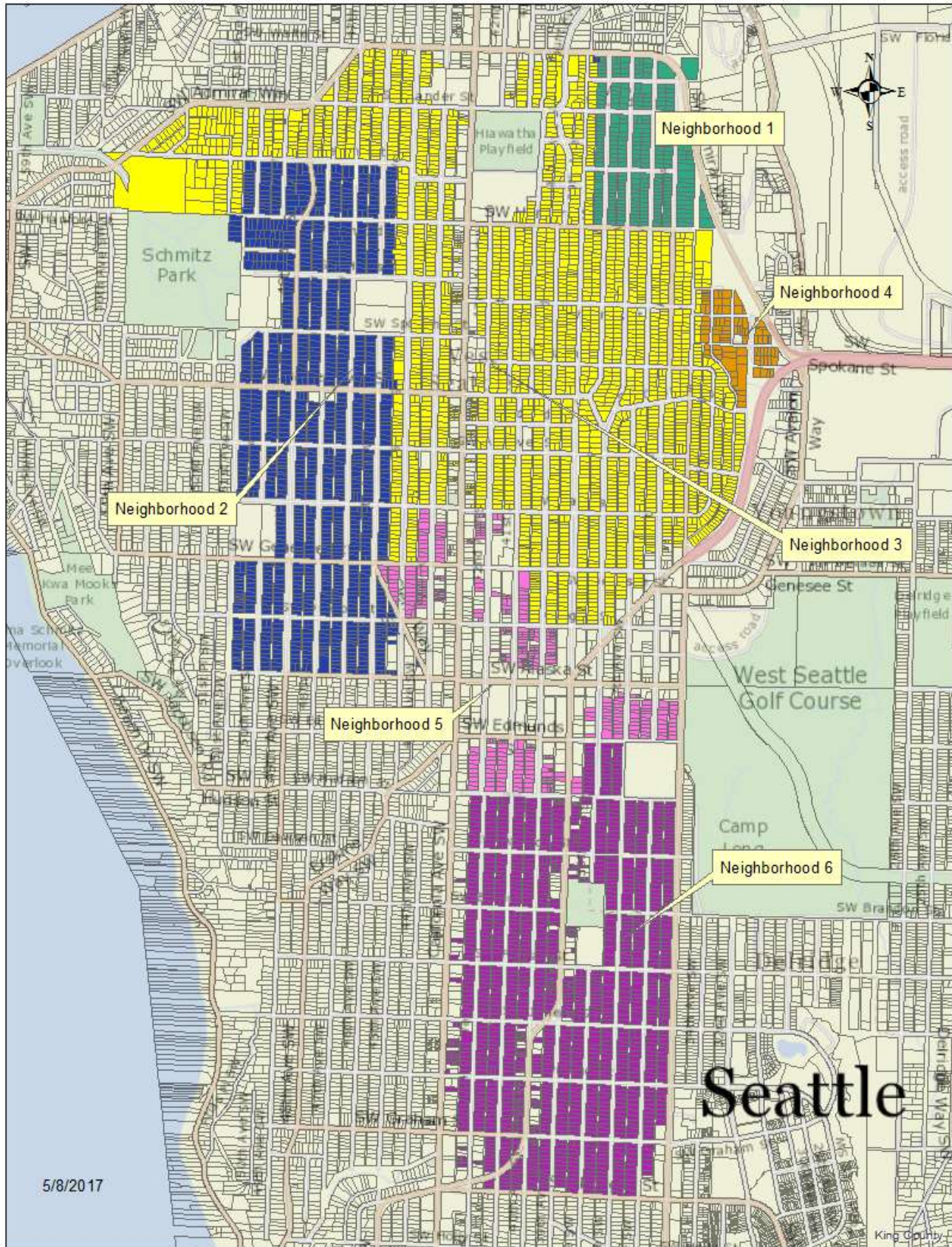


Area 048 Map



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

Neighborhood Map



Area Information

Name or Designation

Area 048 - North Central West Seattle

Boundaries

The neighborhood boundaries are irregular; the Northern boundary is SW Admiral Way. The eastern boundary is SW Admiral Way and 35th Ave SW. The southern boundary is SW Morgan St. The Western boundary begins at SW Morgan St. heading north along California Ave SW to SW Alaska St. then follow SW Alaska St west to 51st Ave SW.

Maps

A general map of the area is included in this report. More detailed Assessor's maps are located on the 7th floor of the King County Administration Building.

Area Description

Area 048 includes much of the interior core of the north end of West Seattle, and excludes the waterfront and most of the perimeter hillsides. The area has good access to downtown Seattle, Highway 99 and I-5 via the West Seattle Bridge. In addition, it has its own business and commercial centers, including the West Seattle Junction, and the Morgan Street Junction. The West Seattle Junction runs through the core of Area 48 and has a number of restaurants, boutique shops, groceries, local pubs, a historic movie house, as well as other retail stores.

West Seattle offers many attractions which include the West Seattle Golf Course, Schmitz Park, and several miles of waterfront parks and beaches. Alki beach is a short drive which provides recreation and dining opportunities.

This area is typically homogeneous in nature with the housing being a mixture of single family residences, multi-family duplex and triplex residences, townhouses, and apartments. This area continues to be attractive to new buyers due to its close proximity to the City of Seattle, and to shopping and recreational opportunities. It offers older housing stock along with new construction which are now typically townhouses. The increasing demand for housing in this area is resulting in redevelopment of lots with higher density zoning. The older improvements on these lots are being removed and the lots are being segregated for multiple townhouse construction.

Although this area includes some topography at the northeastern boundary, it is mostly flat to moderately sloped. More than 98% of the parcels are improved. It is an older urban neighborhood with approximately 79% of the houses built prior to 1960. Approximately 9% of the improved parcels are townhouses with 96% built in 2000 or later.

More than 98% of the parcels are improved. The housing stock in this area is mostly single family (approximately 87%) with the remainder being multi-family duplex and triplex residences (2%) and townhouse units (9%). Approximately 79% of the homes were built prior to 1960, with the vast majority of homes being of grade 7 quality.

Area Information... Continued

Townhouses are typically grade 8 quality and the majority of them built within the last 10 years. Of the improved parcels approximately 88% of the zoning is SF5000 or SF7200 (single family). 11% are LR 1, LR 2, LR 2C, LR 3 and LR 3C (multi-family) zoning, and 1% is commercially zoned. The non single family zoned parcels are primarily located along Fauntleroy Ave SW and California Ave SW. The

Area 48 is divided into three Sub Areas: Sub Areas 3, 6 and 9.

Sub Area 3 is located in the south region of Area 048 south with the West Seattle Junction being its northern boundary. It includes all of neighborhood 6 and a small portion of neighborhood 5. This sub area has the highest concentration of townhouses.

Sub Area 6 is north of Sub Area 3 and has California Ave SW as its western boundary. It includes neighborhoods 1, 4, a majority of neighborhood 3 and a portion of neighborhood 5. It has the greatest number of parcels. This location provides easterly views of the city of Seattle and Elliot Bay.

Sub Area 9 is located to the west of California Ave SW. It includes all of neighborhood 2, the remainder of neighborhood 3 and a portion of neighborhood 5. This sub area borders Schmitz Park and many parcels enjoy westerly views of the Puget Sound and the Olympic Mountains. Houses were built from the early 1900's to the present.

Land Valuation

Vacant sales from 1/1/2014 to 12/31/2016 were given primary consideration for valuing land with emphasis placed on those sales closest to January 1, 2017.

Area 48 contains 5795 parcels of which less than 2% are vacant. Location, views, zoning, topography, lot size and traffic are primary influences to land values. Area 48 had 30 vacant land sales available for analysis in the last three years. Of these, 4 were true vacant sales, all single family zoned. The Sales Comparison approach was utilized to determine land value which was supplemented by the analysis of allocated land values from improved properties. Tear down sales were also analyzed as supporting evidence, as this is the primary source for new construction sites in the area. There were 26 teardown sales, 13 Single Family zoned and 13 non-Single Family zoned.

This area has a wide diversity of zoning. The predominant zoning is single family residential (SF 5000 & SF 7200). There are also low-rise multi-family designations which allow higher density development (LR1, LR2, LR2 RC, LR 3, and LR3 RC). It has been the trend for the last several years for parcels in this type of zoning to be segregated to allow for townhouse development. While these designations allow for different site sizes per unit it was discovered during the analysis of the sales that actual development differed from what the zoning states. Due to different caveats in the zoning code some sites were developed to a higher density and some were not. There did not seem to be a distinction between sale prices of the differing multi-family zoning designations.

There are approximately 20 improved residential parcels on commercial zoning, known as "RC" properties that are scattered throughout this area, with the highest concentration identified in Neighborhood 5 around the West Seattle Junction. Heavily influenced by its zoning and surrounding commercial activity, special attention and consideration was given on a parcel basis for its potential for commercial use. Residential commercial zoning codes consist of NC1-30, NC1-40, NC2-30, NC2-40, NCP-40, NC3-40 and NC3-65.

Land Table- Single Family Zoning

Land value was determined from available data of vacant and adjusted tear down sales together with adjustments for neighborhood influences. Neighborhood adjustments were determined by examining land sales and was supplemented by the analysis of allocated land values from improved properties. Adjustments for land characteristics such as views and traffic were made in a similar manner.

Actual lot square footage was rounded down to the next Land Schedule grouping. Thus, a 5,200 SF lot would go to the 5,000 SF level on the table. Parcels smaller than 1,000 SF and lots larger than the enclosed table were valued as appraiser selects.

A typical 5,000 square foot, non-view, SF 5000 zoned lot has a base land value of \$243,000 to \$297,000 based on neighborhood.

Land Valuation

Land Table – Multi Family/Commercial Zoning (Excluding Townhouse Plats)

A separate analysis was done for land other than Single Family zoning. Though typically townhouse parcels, this analysis included LR1, LR2, LR3 and various commercial zoned properties where highest and best use, has been determined to be a residential use. This analysis resulted in a land table based upon square footage as well as the number of buildable sites available from the original lot.

Adjustments for Neighborhood, Views and Traffic considerations, etc. were done in the same manner as Single Family Zoned properties.

Actual lot square footage was rounded down to the next land schedule grouping. Thus, a 4,200 square foot, non-Single Family zoned lot would go to the 4,000 square foot level on the land table.

A typical 4000 square foot, non-view, L1 zoned lot has a base land value of \$306,000 to \$374,000 based on neighborhood.

Land Table – Townhouse Plats

A separate analysis was done for townhouse improved properties. Although the lots varied in size no adjustments were made for size as the larger typically had parking areas or ingress egress paths. Adjustments for views and traffic considerations, etc. were done in the same manner as Single Family Zoned properties. Townhouse parcels were given a base land value of \$145,000, and based on neighborhoods according to the Townhouse Plat Land Schedule. ranged in value from \$130,000 to \$145,000.

Neighborhood Descriptions

Area 48 is comprised of several neighborhoods whose boundaries were not distinct but had rather gradual differences that tended to increase with distance. These areas have been assigned neighborhood codes primarily as a means of identifying different land values and also to be used as variables in the improved model building process by allowing for additional adjustments through the regression analysis. An attached Area 48 Neighborhood Area map indicates the identified neighborhoods.

Neighborhood 1 is an older established neighborhood with exclusively single family zoning. It is located in the northeast portion of area 48. This location provides many homes with views of downtown Seattle and Elliot Bay. A majority of the homes were built prior to 1930. This neighborhood also has some of the highest grades for the area but the majority of the homes are grade 7 to 8's. The average time adjusted sales price of improved parcels in this neighborhood is \$923,000.

Neighborhood 2 is located on the west side of Area 48 and includes Schmitz Park. Homes are typically grades Grade 7's and are one story with basement designs. The majority of the homes were built between 1940 and 1960. There is not much topography or views in this neighborhood. This Zoning is predominantly single family. Average sales price of improved parcels in this neighborhood is \$684,000. There were six land sales in this neighborhood with an average sales price of \$300,000.

Land Valuation

Neighborhood 3 is the largest neighborhood and includes the northern and eastern portion of area 48 excluding neighborhoods 1 and 4. The homes are typically grade 7's and 8's with a majority built prior to 1950. Homes along the northern and western portion may have views of the City of Seattle, Elliot Bay and the Cascade Mountain Range. Approximately 5% of the parcels are townhouses. There are local business and commercial areas located along California Ave SW. The average time adjusted sales price of improved parcels in this neighborhood is \$714,000. There were 11 land sales in this neighborhood ranging in sales price from \$240,000 to \$1,783,500. The majority of land sales were for higher density zoned lots.

Neighborhood 4 is located on the eastern tip of neighborhood 3. This small neighborhood is characterized by narrower streets, no sidewalks and topography challenges. A majority of homes enjoy views of the Cascade Mountains and surrounding territory. There is a wide mix of housing with grades ranging from grade 5 to grade 10. Approximately 20% of the parcels are undeveloped. A majority of the parcels are coded with topography. The average time adjusted sales price of improved parcels in this neighborhood is \$877,000.

Neighborhood 5 is located around the West Seattle Junction. This diverse neighborhood has the greatest percentage of parcels with non single family zoning. This neighborhood has good access to dining, shopping and entertainment. Townhouses account for 44% of the improved parcels. Townhouse parcels are typically grade 8 and were built after 2000. Non townhouse parcels were mostly built between 1900 and 1930 with the predominant improvement grade being 7. The average time adjusted sales price of non townhouse parcels is \$692,000 while townhouse parcels are \$583,000. There were three land sales in this neighborhood and involved lots with higher density zoning they had an average sales price of \$556,000.

Neighborhood 6 is located the farthest south in area 48. Approximately 15% of the improved properties are townhouses. A majority of the homes are grade 7's and were built before 1950. Due to the age, grade and size of homes along with the southern location makes this the most affordable neighborhood in area 48. The average time adjusted sales price of improved parcels in this neighborhood is \$578,000. There were 8 land sales in this neighborhood with varied zoning, they ranged in sale price from \$220,000 to \$515,000.

Topography Adjustment

All parcels were coded for topography based upon GIS analysis of King County topography contours overlay and city of Seattle overlays. Parcels in which topography was coded were analyzed to determine if an adjustment was needed. Those parcels in which topography has a negative impact on values were adjusted from -5% to -90% (based on sales and appraiser judgment).

Topography issues can cause a reduction in values by either reducing the site's utility or by significantly increasing the costs to develop the parcel into a building site. The amount of this cost to cure is expressed as a percentage of base land value and is shown in the 'percent base land value' impact field (%BLV) of Real Property. For improved parcels falling into the latter situation the costs of development have been reflected in the improvement value.

Land Valuation

This adjustment considers that after an improvement has been placed on a parcel, the cost to cure for topography has been realized as additional building costs and is best reflected in the improved value. The amount of extra construction cost has been shifted from land to improvement

Land Model

Model Development, Description and Conclusions

30 vacant land sales from Area 48 were used to derive land value. The Sales Comparison approach was utilized to determine land values and adjustments for land characteristics. Additional adjustments to all sites were applied for positive attributes such as views and negative adjustments for inferior attributes such as traffic nuisance and topography. These adjustments are based on analyzing matched vacant and improved sales combined with years of appraisal experience and knowledge in the area.

Land Value Model Calibration

Single Family Zoning	
Lot Size (SqFt.)	Base Land Value
1	100
500	100000
1000	150000
1500	200000
2000	210000
2500	220000
3000	230000
3500	240000
4000	250000
4500	260000
5000	270000
5500	277000
6000	284000
6500	291000
7000	298000
7500	305000
8000	312000
8500	319000
9000	326000
9500	333000
10000	340000
11000	354000
12000	368000
13000	382000
14000	396000
15000	410000
16000	424000
17000	438000
18000	452000
19000	466000
20000	480000
21000	494000
22000	508000
23000	522000
24000	536000
25000	550000
26000	564000
27000	578000
After 27,000sf parcels were valued on a case by case basis.	
SF Zoning - SF 5000 and SF 7200	

Non SF Zoning	
Lot Size (SqFt.)	Base Land Value
500	145000
1500	200000
2000	210000
2500	220000
3000	240000
3500	297000
4000	340000
4500	382000
5000	425000
5500	467000
6000	510000
6500	552000
7000	595000
7500	637000
8000	680000
Non SF Zoning - LR1, LR2, LR2 RC, LR 3, LR3 RC, NC1-30, NC1-40, NC2-30, NC2-40, NCP-40, NC3-40 and NC3-65	

The land schedule and adjustments were typically used to value land. First the baseland is calculated from the land schedule. Then the neighborhood adjustment is applied. Then the negative and positive adjustments are added together for a net adjustment and applied to the neighborhood adjustment.

Large Lots-Developable Parcels: Land value considered the number of potential lots allowed within the zoning. Additionally, information from builders and developers as well as historical data is considered. As always, appraiser judgement applies and there may be exceptions to this methodology. These types of parcels are typically handled on an individual basis.

Single Family/Duplex/Triplex	
Neighborhood	Adjustments
1	110% of BLV
2	95% of BLV
3	100% of BLV
4	90% of BLV
5	90% of BLV
6	90% of BLV
Townhouse Plat	
Neighborhood	Adjustments
2	95% of BLV
3	100% of BLV
5	90% of BLV
6	90% of BLV
Townhouse Plat BLV \$145,000. Lots were equalized to account for larger parcels being impacted by parking or access for smaller lots within the plat.	

Land values are not interpolated.

Land Value Model Calibration... Continued

Traffic Noise	
Moderate	-5%
High	-10%
Extreme	-15%
Other Problems	
Yes	-5% to -20%
Restrictive Size/Shape	
Yes	-50%
Unbuildable	
Yes	-75%
Access	
Restricted	-30%
Legal/Undeveloped	-20%
Private	0%
Public	0%
Walk in	-10%
Other Nuisances	
Yes	-5% to -20%
Topography	
Topography was adjusted -5% to -90%	
Negative Adjustments: Are cumulative. If a parcel has high traffic noise (-10%) and topography (-10%), the base land value of the parcel receives a 20% downward adjustment.	

Puget Sound	
Fair	15%
Average	25%
Good	40%
Excellent	60%
Seattle Skyline	
Average	20%
Good	35%
Excellent	70%
Territorial	
Average	5%
Good	10%
Excellent	15%
Olympics	
Average	5%
Good	10%
Excellent	15%
Cascades	
Average	5%
Good	10%
Excellent	15%
Positive Adjustments: Only the highest view adjustment will be applied to a parcel view. If a parcel has an Average Cascades view (5%) and Good Territorial view (10%), the highest adjustment 10% will be applied.	

Negative and positive adjustments apply to all base land value. However, in all cases appraiser judgement prevailed.

Land Value Calculation Example 1:
Zoning: SF 5000
Neighborhood: 1
Traffic Noise: Moderate
Lot Size 5000
View: Fair Puget Sound
Base Land Value per SF Land Schedule: \$270,000
Neighborhood Adjustment: x 1.10
BLV with Nghb Adj Calc $\$270,000 \times 1.10 = \$297,000$
Traffic Adjustment: -5%
View Adjustment: +15%
Net Adjustments Calc: $-5\% + 15\% = +10\%$
Final Land Calculation:
$\$297,000 \times 1.10 = \$326,000$

Land Value Calculation Example 2:
Zoning: LR1
Neighborhood: 6
Traffic Noise: None
Lot Size 4000
View: Fair Puget Sound
Base Land Value per Non SF Land Schedule: \$340,000
Neighborhood Adjustment: x .90
BLV with Nghb Adj Calc $\$340,000 \times .90 = \$306,000$
Traffic Adjustment: None
View Adjustment: +15%
Net Adjustments Calc: +15%
Final Land Calculation:
$\$306,000 \times 1.15 = \$351,000$

Improved Parcel Valuation

Improved Parcel 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 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. Due to time constraints, interior inspections were limited. Available sales and additional Area information can be viewed on the Assessor's website with [sales lists](#), [eSales](#) and [Localscape](#). Additional information may reside in the Assessor's Real Property Database, Assessor's procedures, Assessor's "field" maps, Revalue Plan, separate studies, and statutes.

The Assessor maintains a cost model, which is specified by the physical characteristics of the improvement, such as first floor area, second floor area, total basement area, and number of bathrooms. The cost for each component is further calibrated to the 13 grades to account for quality of construction. Reconstruction Cost New (RCN) is calculated from adding up the cost of each component. Depreciation is then applied by means of a percent good table which is based on year built, grade, and condition, resulting in Reconstruction Cost New less Depreciation (RCNLD). The appraiser can make further adjustments for obsolescence (poor floor plan, design deficiencies, external nuisances etc.) if needed. The Assessor's cost model generates RCN and RCNLD for principal improvements and accessories such as detached garages and pools.

The Assessor's cost model was developed by the King County Department of Assessments in the early 1970's. It was recalibrated in 1990 to roughly approximate Marshall & Swift's square foot cost tables, and is indexed annually to keep up with current costs.

Model Development, Description and Conclusions:

Most sales were field verified and characteristics updated prior to model development. Sales were time adjusted to 1/1/2017.

Separate analysis was done for Single Family/ Duplex/ Triplex improvements and for Townhouse Plats; resulting in two multiplicative models for the area.

The analysis of this area consisted of a systematic review of applicable characteristics which influence property values. In addition, the analysis showed the following variables were influential in the market.

Single Family/ Duplex/ Triplex Model:

- Base Land
- Good Condition
- Very Good Condition
- Grade greater than 8 in neighborhoods 1, 3, 5 and 6
- Houses built or renovated after the year 2000
- Neighborhood 2 Grade greater than 6
- Neighborhood 6 Grade less than 9
- Year Built or Renovate before 1940 Grade > 7 Neighborhoods 1, 2, and 3.
- View Utility in neighborhoods 1 and 3 located in Res Sub Area 6

Improved Parcel Valuation... Continued

Townhouse Dwellings:

Base Land
Grade 9 and greater
Townhouses in neighborhood 3

There was a lack of sales of parcels in poor condition, fair condition, high building grades, waterfront parcels, and parcels with multiple improvements. The lack of sales made it impossible to develop specification with the model for these strata. Supplemental models such as cost or market adjusted cost were developed to address parcels outside the parameters of the main valuation formula. Any additional adjustments not covered in supplemental models and exceptions are noted in the notes field of that particular parcel.

Improved Parcel Total Value Model Calibration

Single Family/ Duplex/ Triplex Model

Variable	Definition
Sale Day	Time Adjustment
BaseLandC	2017 Adjusted Base Land Value
ComboCost	Building Cost New + Accessory Cost Less Depreciation.
GoodYN	Good Condition
VGoodYN	Very Good Condition
HiGrd>8Nghb1356	Grade > 8 Neighborhoods 1, 3, 5 and 6
NewHouseYN	Year Built or Renovate > 2000
Nghb2YNGrd>6	Neighborhood 2 Grade > 6
Nghb6Grd8Nless	Neighborhood 6 Grade < 9
OldAgegrd8N123	Year Built or Renovate before 1940 Grade > 7 Neighborhoods 1, 2 and 3.
AGE	Depreciation
ViewUtil13	ViewUtility coded in Res sub area 6 Neighborhood 1 and 3.

Multiplicative Model

$(1.0 - 0.0750) \text{EXP} (2.42362274210048 + 0.346455554517022 * \text{BaseLandC} + 0.418676141398063 * \text{ComboCost} + 0.0322923133780043 * \text{GoodYN} + 0.0301316618403741 * \text{HiGrd} > 8 \text{Nghb} 1356 - 0.0144142683640712 * \text{LowGrade} 6 \text{no} 1 + 0.0528603987581131 * \text{NewHouseYN} + 0.0108930567481165 * \text{Nghb} 2 \text{Grd} > 6 \text{YN} - 0.0169418140071488 * \text{Nghb} 6 \text{Grd} 8 \text{Nless} + 0.0333602910775201 * \text{OldAgegrd} 8 \text{N} 123 - 0.0336026655390653 * \text{AGE} + 0.0647159090859808 * \text{VGoodYN} + 0.0171974192335693 * \text{ViewUtil} 13) * 1000$

Townhouse Plat

Variable	Definition
Sale Day	Time Adjustment
BaseLandC	2017 Adjusted Base Land Value
TotalRcnldC	Total Cost New Less Depreciation
Grade9YN	Grade >= 9
Nghb3YN	Neighborhood 3

Multiplicative Model

$(1 - 0.075) * \text{EXP} (1.83277628928441 + 0.338596589940106 * \text{BaseLandC} + 0.0394338268036929 * \text{Grade} 9 \text{YN} + 0.0187884983650077 * \text{Nghb} 3 \text{YN} + 0.542252782733706 * \text{TotalRcnldC})$

... Continued

EMV values were not generated for:

- Buildings with grade less than 5
- Building two or greater. (EMV is generated for building one only.)
- If total EMV is less than base land value
- If Baseland value equals "\$0"
- If Net Condition is greater than "0"

Of the improved parcels in the population, 5209 parcels increased in value. They were comprised of 46 single family residences on commercially zoned land and 5163 single family residences or other parcels.

Of the vacant land parcels greater than \$1000, 46 parcels increased in value. Tax exempt parcels were excluded from the number of parcels increased.

Supplemental Models and Exceptions

Accessory Only: $\text{New Land} + \text{Total Replacement Cost New Less Depreciation (RCNLD)}$.

Grade less than 5: $\text{New Land} + \text{Total Replacement Cost New Less Depreciation (RCNLD)}$, or $\text{New Land} + \text{Value in Use}$. Appraiser judgement prevailed, and a note explaining the valuation method was left in Real Property.

Poor Condition: $\text{Total EMV} * .65$, or $\text{New Land} + \text{Value in Use}$. Appraiser judgement prevailed, and a note explaining the valuation method was left in Real Property.

Fair Condition: $\text{Total EMV} * .85$, or $\text{New Land} + \text{Value in Use}$. Appraiser judgement prevailed, and a note explaining the valuation method was left in Real Property.

Multiple Improvements: $\text{EMV for Imp 1} + \text{RCNLD for each additional Improvement}$.

EMV Less than New Land: $\text{New Land} + \text{Building RCNLD}$, or $\text{New Land} + \text{Value in Use}$. Appraiser judgement prevailed, and a note explaining the valuation method was left in Real Property.

Physical Inspection Process

Effective Date of Appraisal: January 1, 2017

Date of Appraisal Report: June 19, 2016

Appraisal Team Members and Participation

The valuation for this area was done by the following Appraisal Team. The degree of participation varied according to individual skill in relevant areas and depending on the time they joined the team.

- Scott Kendall – Appraiser II: Team lead, coordination, valuation model development and testing. Land and total valuation appraisals. Sales verification, and report writing.
- Jennifer Lizotte – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation.
- Larry Swegle – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation.
- Lorie Merlino – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation.
- Angela Hegedus – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation.

Sales Screening for Improved Parcel Analysis

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

1. Vacant parcels
2. Mobile Home parcels
3. Multi-Parcel or Multi Building parcels
4. New construction where less than a 100% complete house was assessed for 2016
5. Existing residences where the data for 2016 is significantly different than the data for 2017 due to remodeling
6. Parcels with improvement values, but no characteristics
7. Parcels with either land or improvement values of \$10,000 or less posted for the 2016 Assessment Roll.
8. Short sales, financial institution re-sales and foreclosure sales verified or appearing to be not at market

(Available sales and additional Area information can be viewed from [sales lists](#), [eSales](#) and [Localscape](#))

Highest and Best Use Analysis

As If Vacant: Market analysis of the area, together with current zoning and current and anticipated use patterns, indicate the highest and best use of the overwhelming majority of the appraised parcels is single family residential. Any other opinion of highest and best use is specifically noted in our records, and would form the basis for the valuation of that specific parcel.

As If Improved: Where any value for improvements is part of the total valuation, we are of the opinion that the present improvements produce a higher value for the property than if the site was vacant. In appraisal theory, the present use is therefore the highest and best (as improved) of the subject property, though it could be an interim use.



Physical Inspection Process... Continued

Standards and Measurement of Data Accuracy

Sales were verified with the purchaser, seller or real estate agent where possible. Current data was verified via field inspection and corrected. Data was collected and coded per the assessor's residential procedures manual.

We maintain uniformity with respect to building characteristics such as year-built, quality, condition, living area, stories, and land characteristics such as location (sub-area and plat), lot size, views, and waterfront. Other variables that are unique to the specific areas are also investigated. This approach ensures that values are equitable for all properties with respect to all measurable characteristics, whether the houses are larger or smaller, higher or lower quality, remodeled or not, with or without views or waterfront, etc.

Special Assumptions and Limiting Conditions

The sales comparison and cost approaches to value were considered for this mass appraisal valuation. After the sales verification process, the appraiser concluded that the market participants typically do not consider an income approach to value. Therefore the income approach is not applicable in this appraisal as these properties are not typically leased, but rather owner occupied. The income approach to value was not considered in the valuation of this area.

The following Departmental guidelines were considered and adhered to:

- Sales from 1/1/2014 to 12/31/2016 (at minimum) were considered in all analyses.
- Sales were time adjusted to 1/1/2017.
- This report is intended to meet the requirements of the Uniform Standards of Professional Appraisal Practice Standard 6.

Area 048 Market Value Changes Over Time

Single Family/ Duplex/ Triplex Model

In a changing market, recognition of a sales trend to adjust a population of sold properties to a common date is required to allow for value differences over time between a range of sales dates and the assessment date. The following chart shows the % time adjustment required for sales to reflect the indicated market value as of the assessment date, **January 1, 2017**.

For example, a sale of \$475,000 which occurred on October 1, 2015 would be adjusted by the time trend factor of 1.137, resulting in an adjusted value of \$540,000 ($\$475,000 \times 1.137 = \$540,075$) – truncated to the nearest \$1000.

SaleDate	Adjustment (Factor)	Equivalent Percent
1/1/2014	1.360	36.0%
2/1/2014	1.348	34.8%
3/1/2014	1.338	33.8%
4/1/2014	1.326	32.6%
5/1/2014	1.315	31.5%
6/1/2014	1.304	30.4%
7/1/2014	1.293	29.3%
8/1/2014	1.282	28.2%
9/1/2014	1.271	27.1%
10/1/2014	1.260	26.0%
11/1/2014	1.249	24.9%
12/1/2014	1.238	23.8%
1/1/2015	1.228	22.8%
2/1/2015	1.217	21.7%
3/1/2015	1.208	20.8%
4/1/2015	1.197	19.7%
5/1/2015	1.187	18.7%
6/1/2015	1.177	17.7%
7/1/2015	1.167	16.7%
8/1/2015	1.157	15.7%
9/1/2015	1.147	14.7%
10/1/2015	1.137	13.7%
11/1/2015	1.127	12.7%
12/1/2015	1.118	11.8%
1/1/2016	1.108	10.8%
2/1/2016	1.099	9.9%
3/1/2016	1.090	9.0%
4/1/2016	1.080	8.0%
5/1/2016	1.071	7.1%
6/1/2016	1.062	6.2%
7/1/2016	1.053	5.3%
8/1/2016	1.044	4.4%
9/1/2016	1.035	3.5%
10/1/2016	1.026	2.6%
11/1/2016	1.017	1.7%
12/1/2016	1.009	0.9%
1/1/2017	1.000	0.0%



Area 048 Market Value Changes Over Time

Single Family/ Duplex/ Triplex Model

The time adjustment formula for Area 048 is: $1/\text{EXP}(0.000280676594224827 * \text{SaleDay})$

$\text{SaleDay} = \text{SaleDate} - 42736$

Area 048 Market Value Changes Over Time

Townhouse Plat Model

In a changing market, recognition of a sales trend to adjust a population of sold properties to a common date is required to allow for value differences over time between a range of sales dates and the assessment date. The following chart shows the % time adjustment required for sales to reflect the indicated market value as of the assessment date, **January 1, 2017**.

For example, a sale of \$475,000 which occurred on October 1, 2015 would be adjusted by the time trend factor of 1.154, resulting in an adjusted value of \$548,000 ($\$475,000 \times 1.154 = \$548,150$) – truncated to the nearest \$1000.

SaleDate	Adjustment (Factor)	Equivalent Percent
1/1/2014	1.409	40.9%
2/1/2014	1.396	39.6%
3/1/2014	1.383	38.3%
4/1/2014	1.370	37.0%
5/1/2014	1.357	35.7%
6/1/2014	1.344	34.4%
7/1/2014	1.332	33.2%
8/1/2014	1.319	31.9%
9/1/2014	1.306	30.6%
10/1/2014	1.294	29.4%
11/1/2014	1.281	28.1%
12/1/2014	1.269	26.9%
1/1/2015	1.257	25.7%
2/1/2015	1.245	24.5%
3/1/2015	1.234	23.4%
4/1/2015	1.222	22.2%
5/1/2015	1.211	21.1%
6/1/2015	1.199	19.9%
7/1/2015	1.188	18.8%
8/1/2015	1.176	17.6%
9/1/2015	1.165	16.5%
10/1/2015	1.154	15.4%
11/1/2015	1.143	14.3%
12/1/2015	1.132	13.2%
1/1/2016	1.121	12.1%
2/1/2016	1.111	11.1%
3/1/2016	1.100	10.0%
4/1/2016	1.090	9.0%
5/1/2016	1.080	8.0%
6/1/2016	1.069	6.9%
7/1/2016	1.059	5.9%
8/1/2016	1.049	4.9%
9/1/2016	1.039	3.9%
10/1/2016	1.029	2.9%
11/1/2016	1.019	1.9%
12/1/2016	1.010	1.0%
1/1/2017	1.000	0.0%



Area 048 Market Value Changes Over Time

Townhouse Plat

The time adjustment formula for Area 048 is: $1/EXP(0.000312925821536118 * SaleDay)$

$SaleDay = SaleDate - 42736$

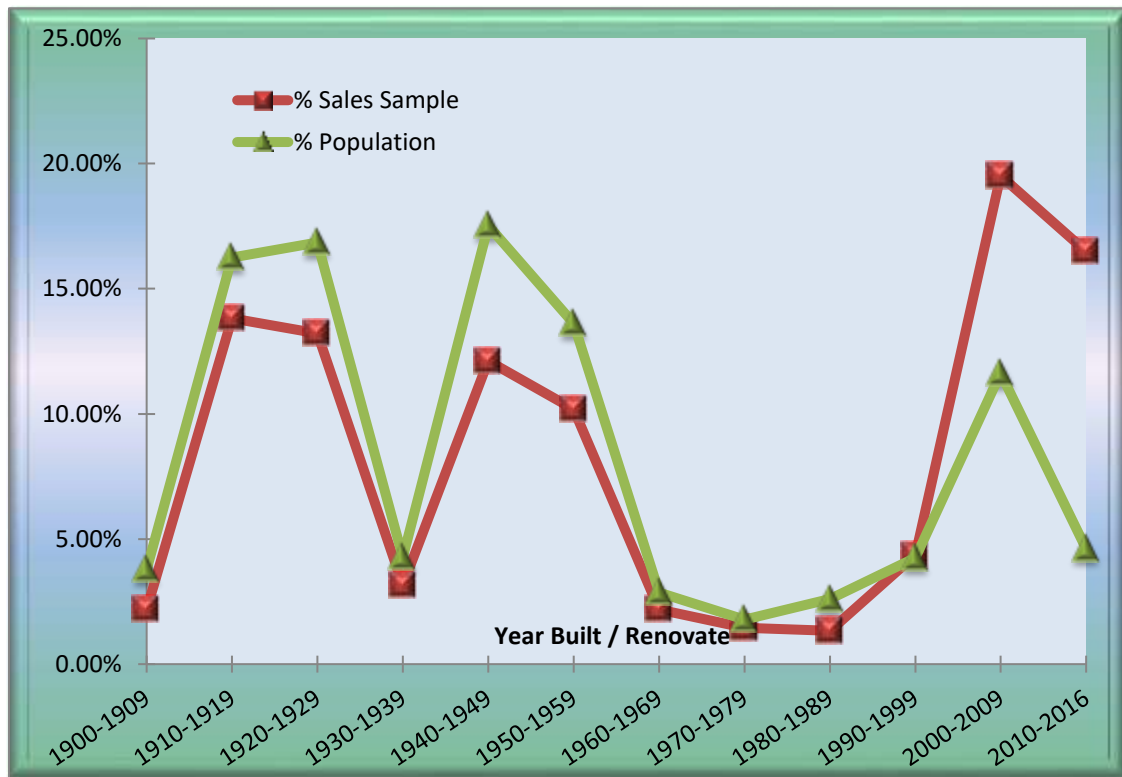
Sales Sample Representation of Population Year Built or Renovated

Sales

Year Built/Ren	Frequenc y	% Sales Sample
1900-1909	18	2.18%
1910-1919	114	13.82%
1920-1929	109	13.21%
1930-1939	26	3.15%
1940-1949	100	12.12%
1950-1959	84	10.18%
1960-1969	18	2.18%
1970-1979	12	1.45%
1980-1989	11	1.33%
1990-1999	36	4.36%
2000-2009	161	19.52%
2010-2016	136	16.48%
	825	

Population

Year Built/Ren	Frequenc y	% Population
1900-1909	202	3.78%
1910-1919	868	16.25%
1920-1929	900	16.85%
1930-1939	228	4.27%
1940-1949	936	17.52%
1950-1959	727	13.61%
1960-1969	153	2.86%
1970-1979	95	1.78%
1980-1989	139	2.60%
1990-1999	227	4.25%
2000-2009	621	11.62%
2010-2016	246	4.61%
	5,342	



The sales sample frequency distribution follows the population distribution fairly closely with regard to Year Built or Renovated. This distribution is adequate for both accurate analysis and appraisals.

Sales Sample Representation of Population

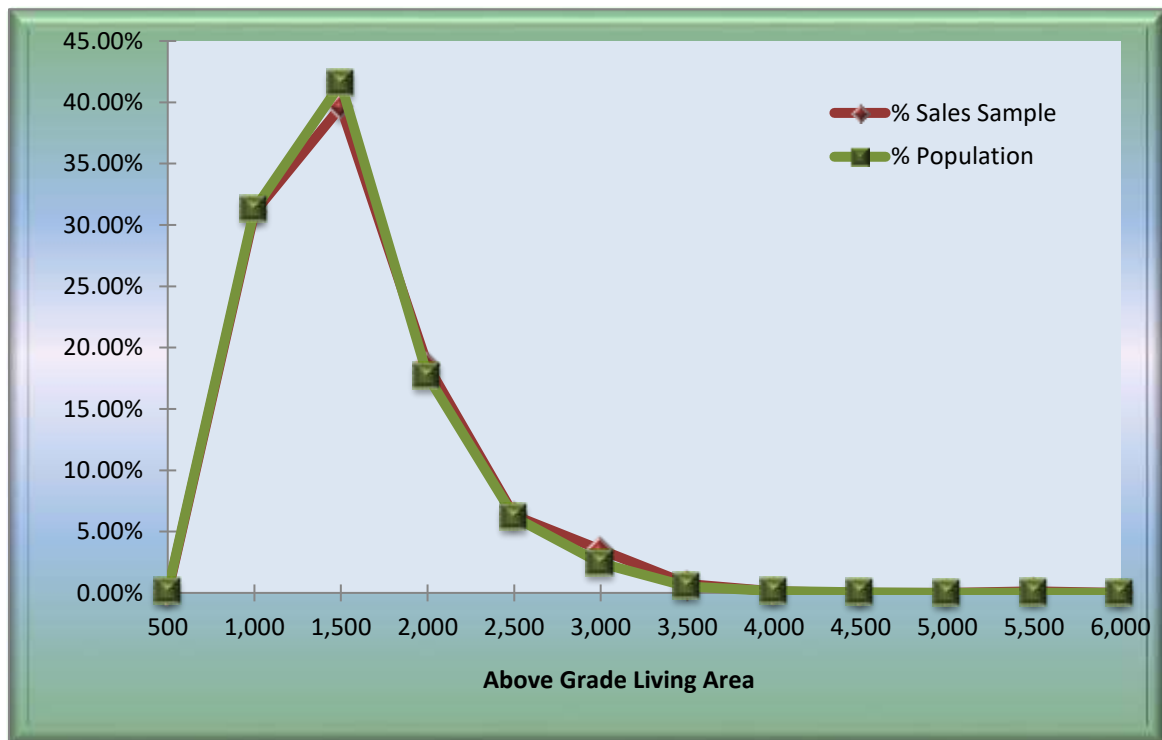
Above Grade Living Area

Sales

AGLA	Frequency	% Sales Sample
500	0	0.00%
1,000	256	31.03%
1,500	327	39.64%
2,000	153	18.55%
2,500	52	6.30%
3,000	29	3.52%
3,500	6	0.73%
4,000	1	0.12%
4,500	0	0.00%
5,000	0	0.00%
5,500	1	0.12%
6,000	0	0.00%
825		

Population

AGLA	Frequency	% Population
500	8	0.15%
1,000	1,671	31.28%
1,500	2,219	41.54%
2,000	945	17.69%
2,500	330	6.18%
3,000	130	2.43%
3,500	28	0.52%
4,000	8	0.15%
4,500	2	0.04%
5,000	0	0.00%
5,500	1	0.02%
6,000	0	0.00%
5,342		



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

Sales Sample Representation of Population

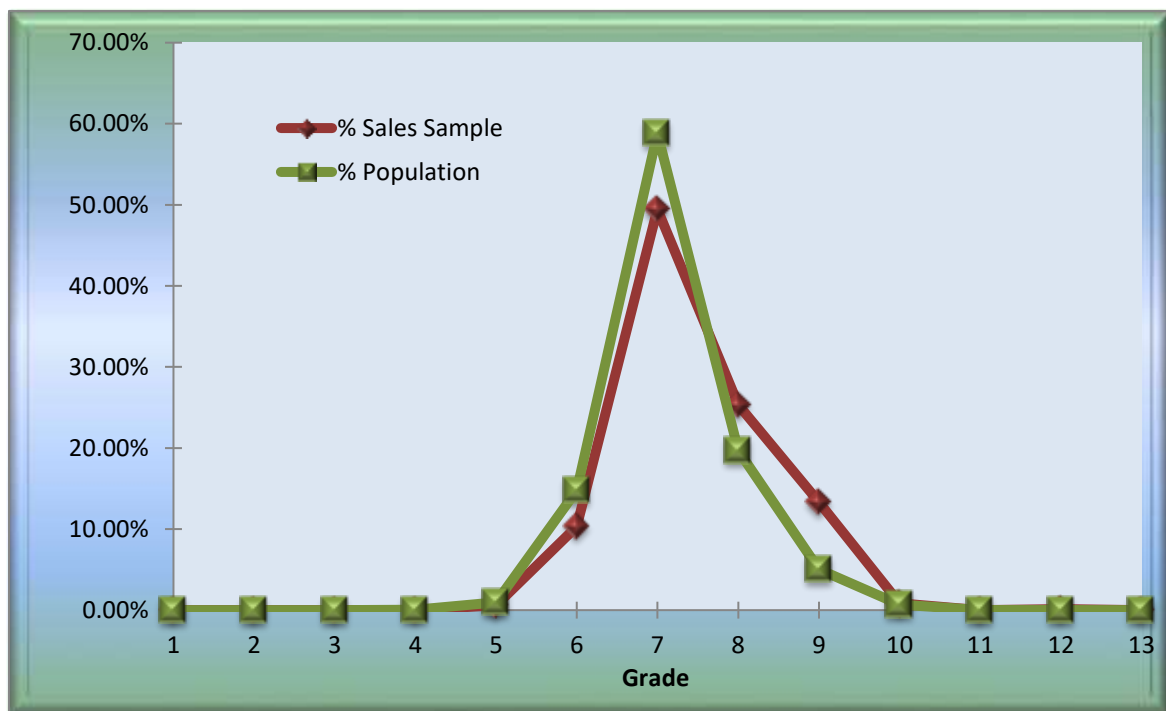
Building Grade

Sales

Grade	Frequency	% Sales Sample
1	0	0.00%
2	0	0.00%
3	0	0.00%
4	0	0.00%
5	5	0.61%
6	85	10.30%
7	408	49.45%
8	209	25.33%
9	110	13.33%
10	7	0.85%
11	0	0.00%
12	1	0.12%
13	0	0.00%
825		

Population

Grade	Frequency	% Population
1	0	0.00%
2	0	0.00%
3	0	0.00%
4	2	0.04%
5	51	0.95%
6	789	14.77%
7	3,143	58.84%
8	1,050	19.66%
9	268	5.02%
10	37	0.69%
11	1	0.02%
12	1	0.02%
13	0	0.00%
5,342		



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



Results

Appraiser judgment prevails in all decisions regarding individual parcel valuation. Each parcel is 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. This value estimate may be adjusted based on particular characteristics and conditions as they occur in the valuation area.

The assessment level target for all areas in King County, including this area, is 92.5. The actual assessment level for this area is 91.8%. The standard statistical measures of valuation performance are all within the IAAO recommended range of .90 to 1.10.

Application of these recommended values for the 2017 assessment year (taxes payable in 2017) results in an average total change from the 2016 assessments of +10.8%. This increase is due partly to market changes over time and the previous assessment levels.

A Ratio Study was completed just prior to the application of the 2017 recommended values. This study benchmarks the prior assessment level using 2016 posted values (1/1/2016) compared to current adjusted sale prices (1/1/2017). The study was also repeated after the application of the 2017 recommended values. The results show an improvement in the COD from 8.71% to 7.19%.

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

Note: More details and information regarding aspects of the valuations and the report are retained in the working files kept in the appropriate district office.

Area 048 Housing Profile



Grade 6/ Year Built 1919 / TLA 1730



Grade 7/ Year Built 1952 / TLA 1350



Grade 8/ Year Built 1958 / TLA 2180



Grade 8 Townhouse/ Year Built 2016 / TLA 2000



Grade 9 / Year built 1932 / TLA 1440



Grade 10/ Year Built 2016 / TLA 4340

Glossary for Improved Sales

Condition: Relative to Age and Grade

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

Residential Building Grades

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



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.



USPAP Compliance...Continued

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

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

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

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

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

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

Date of Value Estimate

RCW 84.36.005

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

RCW 36.21.080

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

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



USPAP Compliance...Continued

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.



USPAP Compliance...Continued

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.

USPAP Compliance...Continued

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

-

- **Lorie Merlino**
- Data Collection
- Sales Verification
- Appeals Response Preparation / Review
- Appeal Hearing Attendance
- Land and Total Valuation
- New Construction Evaluation

-

- **Larry Swegle**
- Data Collection
- Sales Verification
- Appeals Response Preparation / Review
- Appeal Hearing Attendance
- Land and Total Valuation
- New Construction Evaluation

-

- **Jennifer Lizotte**
- Data Collection
- Sales Verification
- Appeals Response Preparation / Review
- Appeal Hearing Attendance
- Land and Total Valuation
- New Construction Evaluation

-

- **Angela Hegedus**
- Data Collection
- Sales Verification
- Appeals Response Preparation / Review
- Land and Total Valuation
- New Construction Evaluation

- Any services regarding the subject area performed by me within the prior three years, as an appraiser or in any other capacity is listed adjacent to my name.
- To the best of my knowledge the following services were performed by me within the subject area in the last three years:

- **Scott Kendall**
- Annual Up-Date Model Development and Report Preparation



USPAP Compliance...Continued

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

Scott Kaban

6/27/2017

Appraiser II

Date



King County

Department of Assessments

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

John Wilson Assessor

As we start preparations for the 2017 property assessments, it is helpful to remember that the mission and work of the Assessor's Office sets the foundation for efficient and effective government and is vital to ensure adequate funding for services in our communities. Maintaining the public's confidence in our property tax system requires that we build on a track record of fairness, equity, and uniformity in property assessments. Though we face ongoing economic challenges, I challenge each of us to seek out strategies for continuous improvement in our business processes.

Please follow these standards as you perform your tasks.

- Use all appropriate mass appraisal techniques as stated in Washington State Laws, Washington State Administrative Codes, Uniform Standards of Professional Appraisal Practice (USPAP), and accepted International Association of Assessing Officers (IAAO) standards and practices.
- Work with your supervisor on the development of the annual valuation plan and develop the scope of work for your portion of appraisal work assigned, including physical inspections and statistical updates of properties;
- Where applicable, validate correctness of physical characteristics and sales of all vacant and improved properties.
- Appraise land as if vacant and available for development to its highest and best use. The improvements are to be valued at their contribution to the total in compliance with applicable laws, codes and DOR guidelines. The Jurisdictional Exception is applied in cases where Federal, State or local laws or regulations preclude compliance with USPAP;
- Develop and validate valuation models as delineated by IAAO standards: Standard on Mass Appraisal of Real Property and Standard on Ratio Studies. Apply models uniformly to sold and unsold properties, so that ratio statistics can be accurately inferred to the entire population.
- Time adjust sales to January 1, 2017 in conformance with generally accepted appraisal practices.
- Prepare written reports in compliance with USPAP Standard 6 for Mass Appraisals. The intended users of your appraisals and the written reports include the public, Assessor, the Boards of Equalization and Tax Appeals, and potentially other governmental jurisdictions. The intended use of the appraisals and the written reports is the administration of ad valorem property taxation.

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

John Wilson
King County Assessor

