

East Ballard

Area: 082

Residential Revalue for 2021 Assessment Roll



King County

Department of Assessments

Setting values, serving the community, and pursuing excellence

201 S. Jackson St., Room 708, KSC – AS – 0708
Seattle, WA 98104

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,

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

We continue to work to implement your feedback and ensure we provide you accurate and timely information. We have made significant improvements to our website and online tools to make interacting with us easier. The following report summarizes the results of the assessments for your area along with a map. Additionally, I have provided a brief tutorial of our property assessment process. It is meant to provide you with background information about our process and the 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 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 residential property, we break up King County into 88 residential market areas and annually develop market models from the sale of 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 leave or mail a card requesting the property owner 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 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, 2013, Table 1-3

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

Requirements of State Law

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

Appraisal Area Reports

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



King County

Department of Assessments

201 S. Jackson St., Room 708, KSC – AS – 0708
Seattle, WA 98104

John Wilson
Assessor

East Ballard – Area 082

2021 Assessment Roll Year

Recommendation is made to post values for Area 082 to the 2022 tax roll:

Appraiser II: Steve Elliott

8/5/2021

Date

NW District Senior Appraiser: Maria de la Pena

08/26/2021

Date

Residential Division Director: Jeff Darrow

8/30/2021

Date

This report is hereby accepted and the values described in the attached documentation for Area 082 should be posted to the 2022 tax roll.

John Wilson, King County Assessor

8/31/2021

Date



Executive Summary East Ballard - Area 082 Physical Inspection

Appraisal Date: 1/1/2021
Previous Physical Inspection: 2015
Number of Improved Sales: 925
Range of Sale Dates: 1/1/2018 – 12/31/2020 Sales were time adjusted to 1/1/2021.

Sales - Improved Valuation Change Summary:						
	Land	Improvements	Total	Mean Sale Price	Ratio	COD
2020 Value	\$270,500	\$456,800	\$727,300			8.69%
2021 Value	\$355,000	\$503,900	\$858,900	\$934,500	92.1%	6.97%
\$ Change	+\$84,500	+\$47,100	+\$131,600			
% Change	+31.2%	+10.3%	+18.1%			

Coefficient of Dispersion (COD) is a measure of the uniformity of the predicted assessed values for properties within this geographic area. The 2021 COD of 6.97% is an improvement from the previous COD of 8.69%. The lower the COD, the more uniform are the predicted assessed values. Refer to the table on page 3 of this report for more detail surrounding COD thresholds. Area 82 is a more heterogenous area and the COD threshold prescribed by the IAAO should be no more than 15%. The resulting COD meets or exceeds the industry assessment standards. Sales from 1/1/2018 to 12/31/2020 (at a minimum) were considered in all analysis. Sales were time adjusted to 1/1/2020.

Population - Improved Valuation Change Summary:			
	Land	Improvements	Total
2020 Value	\$322,000	\$396,600	\$718,600
2021 Value	\$452,200	\$394,500	\$846,700
\$ Change	+\$130,200	-\$2,100	+\$128,100
% Change	+40.4%	-0.5%	+17.8%

Number of one to three unit residences in the population: 5,902

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 082 – East Ballard, 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.

The current physical inspection analysis for Area 082 indicated a substantial change was needed in the allocation of the land and improvement value as part of the total. Land is valued as though vacant and at its highest and best use. The improvement value is a residual remaining when land is subtracted from total value.

The demand for acquiring land to develop into single family homes and townhome style residences has increased greatly since our previous physical inspection. This was especially evident on zoning designations that allow for increased density and smaller lot sizes.

Area 082 Physical Inspection Ratio Study Report

PRE-REVALUE RATIO ANALYSIS

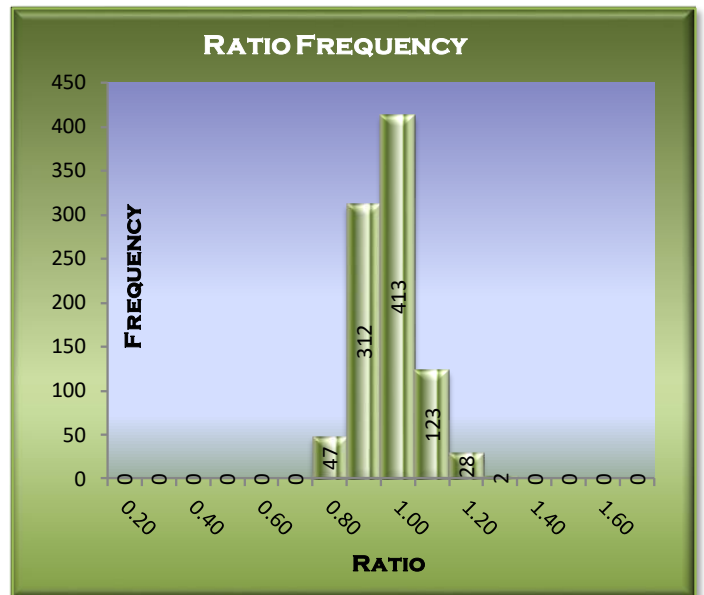
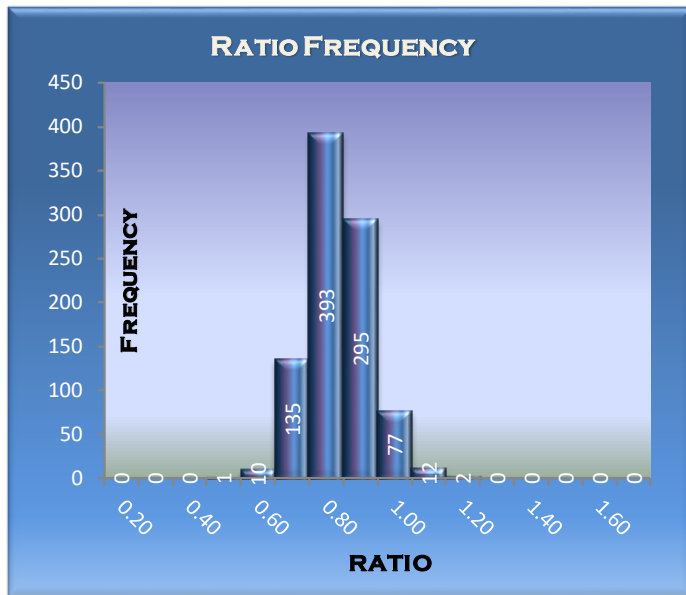
Pre-revalue ratio analysis compares time adjusted sales from 2018 through 2020 in relation to the previous assessed value as of 1/1/2021.

PRE-REVALUE RATIO SAMPLE STATISTICS	
Sample size (n)	925
Mean Assessed Value	727,300
Mean Adj. Sales Price	934,500
Standard Deviation AV	217,785
Standard Deviation SP	293,235
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.786
Median Ratio	0.784
Weighted Mean Ratio	0.778
UNIFORMITY	
Lowest ratio	0.493
Highest ratio:	1.143
Coefficient of Dispersion	8.69%
Standard Deviation	0.087
Coefficient of Variation	11.06%
Price Related Differential (PRD)	1.010
Price Related Bias (PRB)	-3.95%

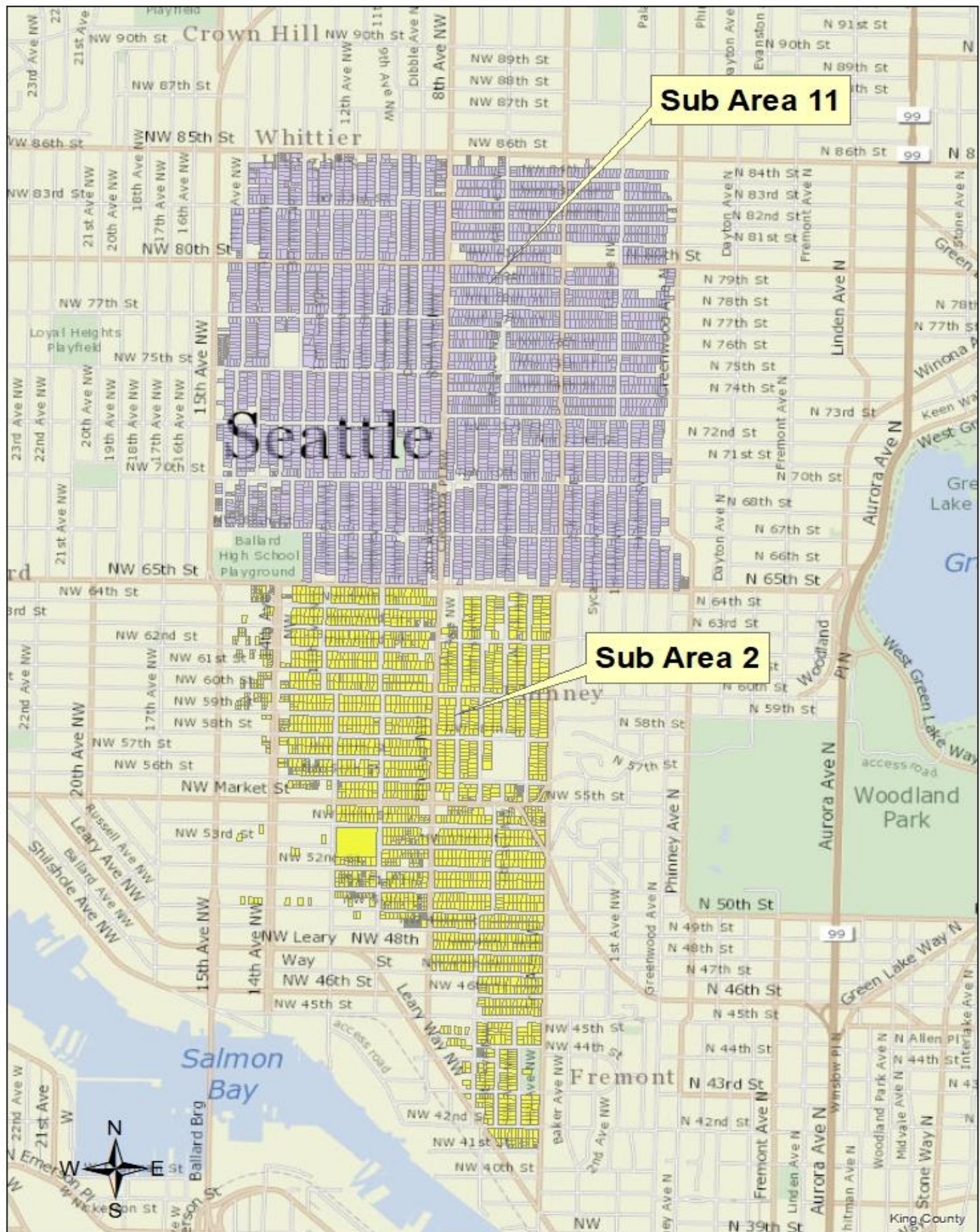
POST-REVALUE RATIO ANALYSIS

Post revalue ratio analysis compares time adjusted sales from 2018 through 2020 and reflects the assessment level after the property has been revalued to 1/1/2021.

POST REVALUE RATIO SAMPLE STATISTICS	
Sample size (n)	925
Mean Assessed Value	858,900
Mean Sales Price	934,500
Standard Deviation AV	251,882
Standard Deviation SP	293,235
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.927
Median Ratio	0.921
Weighted Mean Ratio	0.919
UNIFORMITY	
Lowest ratio	0.702
Highest ratio:	1.253
Coefficient of Dispersion	6.97%
Standard Deviation	0.083
Coefficient of Variation	8.91%
Price Related Differential (PRD)	1.008
Price Related Bias (PRB)	-4.38%



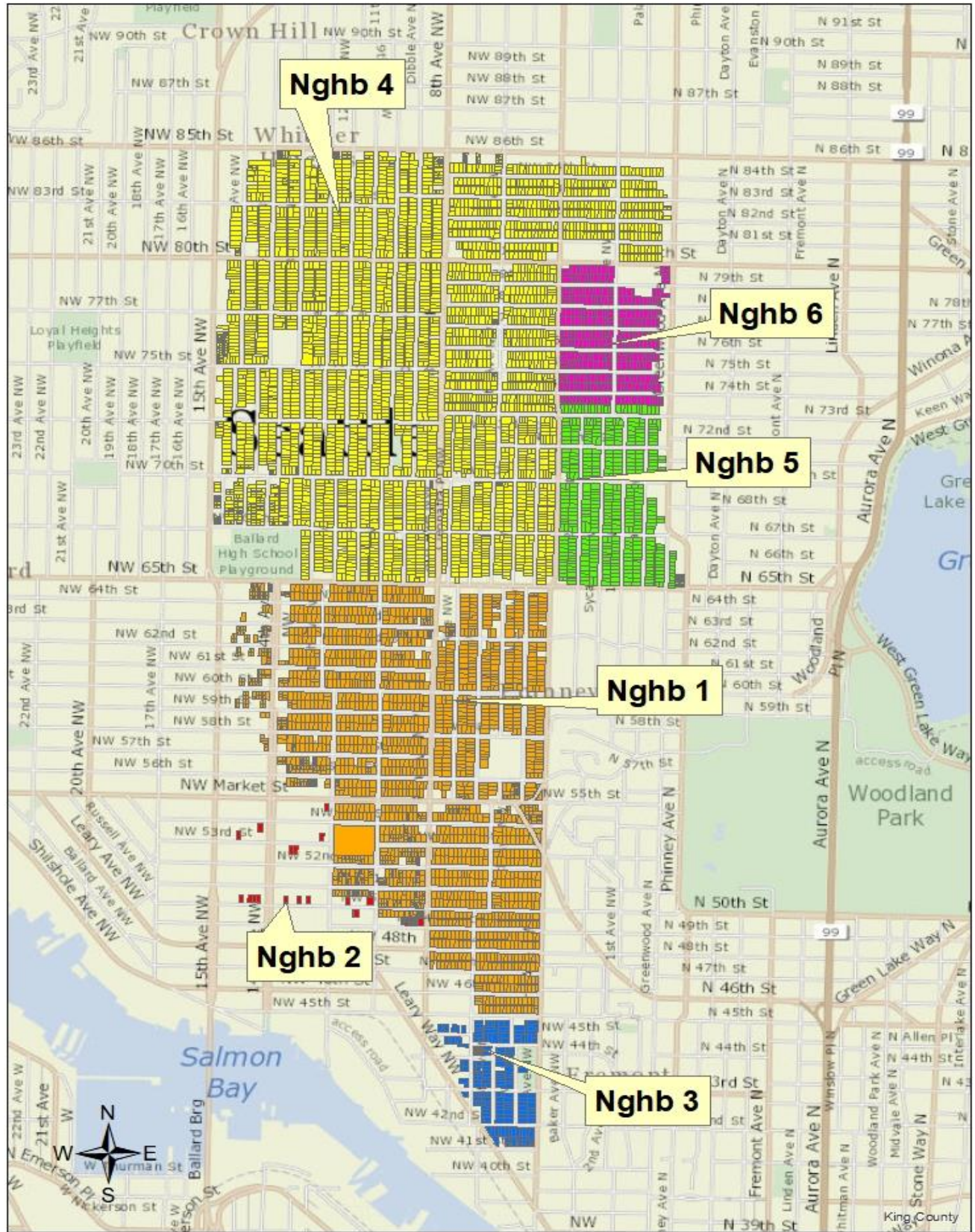
Area 082 Map



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 082 - East Ballard

Boundaries

This area is generally bounded by Northwest 85th Street on the north, 15th Avenue Northwest on the west, Northwest Leary Way on the south, and 3rd Avenue Northwest on the east up to Northwest 65th Street and Phinney Avenue North and Greenwood Avenue North from 65th Street northward to 85th Street.

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 82 is located in the northwestern part of Seattle. It contains the eastern portion of the Ballard neighborhood and also a portion of the Phinney Ridge and Greenwood neighborhoods located north of Northwest 65th Street. Major attributes of this area include close proximity to Green Lake, the Ballard Locks, Shilshole Marina, Carkeek Park, Woodland Park Zoo, Woodland Park, and is relatively close to the downtown business core. There are numerous places to eat out or find a beverage nearby. Overall the topography of this area is gently sloped. The eastern portion has steeper slopes and some parcels have Olympic mountain and territorial views. Many of the public schools have recently been renovated or rebuilt in area 82 or adjacent to it. In addition, public libraries were recently built in Ballard and nearby Greenwood. In March of 2019 the city of Seattle changed the zoning on 881 parcels in area 82 that created the possibility of increased density. Of these 881 parcels there were 712 parcels that changed from single family zoning [SF5000] allowing 1 improvement per lot to multiple living units per parcel. Commercial and high density living developments have been brisk for several years. Single family residences continue to be torn down and new townhome style residences take their place. There was a slowdown in construction during 2020 due to Covid 19 but quickly rebounded by the spring of 2021. Over 99% of the parcels are improved in this area.

Approximately two-thirds of the single family residences were built before 1930. Another 12% were built between 1930 and 1949. The typical home has 1,675 square feet of living area, is a grade 7 in quality, and is in average condition for its age. The typical lot size of these residences is 4,353 square feet. There are 999 homes located on parcels where the zoning allows for high density development. In area 82 there are 431 duplexes or triplexes.

Area 82 contains 1,071 townhome style residences. This is due to the fact that slightly less than one third is zoned for high density development. Since our last physical inspection six years ago there has been 542 new townhomes built. The typical grade is 8, has 1,421 square feet of living area, and a lot size of 1,250 square feet.

Area 82 is divided into two sub areas. Sub area 2 is located south of Northwest 65th Street and sub area 11 is north of Northwest 65th Street. The largest difference between these sub areas is that sub area 2 contains a higher percentage of high density zoning. Therefore, there are more townhome style



Area Information... Continued

residences located in sub 2. Sub area 11 has more of a single family neighborhood feel. The average age, grade, and total living areas are similar between the sub areas. The average single family residence has a value of \$890,000 in sub area 2 and the average value for sub area 11 is \$867,000. The average townhome style residence in sub area 2 has a value of \$767,000 and in sub area 11 it is \$721,000.

The total assessed value of all parcels for the 2021 assessment year was \$5,716,743,200. For the 2020 assessment year the total was \$4,708,958,000. As a result of our physical inspection we added \$170,993,000 in assessed value attributable to new construction on the tax roll. The physical inspection began on 10/5/2020 and was completed on 7/19/2021.

Land Valuation

Vacant sales from 1/1/2018 to 12/31/2020 were given primary consideration for valuing land with emphasis placed on those sales closest to January 1, 2021. In addition to the market data approach the allocation technique was also utilized. Vacant land and teardown sales from the neighborhoods of East Green Lake, Greenwood, West Ballard, Crown Hill, Ravenna, Wedgwood, Maple Leaf, Wallingford, Bryant, University District, Broadview, and Licton Springs were also analyzed in the valuation of land. A typical non view lot with 4,300 square feet had a value of \$468,000. A typical townhome style residence parcel had a land value of \$200,000 and a lot size of 1,232 square feet.

Land Model

Model Development, Description and Conclusions

Approximately 99.2% of the parcels have houses on them in area 82. Vacant land sales in area 82 and the surrounding areas were rare. Vacant sales from 1/1/2018 to 12/31/2020 were given primary consideration for valuing land with emphasis placed on those sales closest to January 1, 2021. There were only 4 vacant land sales occurring from 1/2018 to 1/2021 in area 82. We also analyzed 112 teardown sales occurring in the same time frame. These sales were analyzed to supplement the vacant lot sales analysis. We also analyzed sales in similar neighborhoods that included East Green Lake, Greenwood, West Ballard, Crown Hill, Ravenna, Wedgwood, Maple Leaf, Wallingford, Bryant, University District, Broadview, and Licton Springs. We utilized the market data as well as the allocation approach to value in order to determine the land values. The last time the land was inspected and sales analyzed by a field appraiser was in late 2014. Since the 2015 assessment year the land values have been annually adjusted similar to improvement values.

The predominant factors influencing land value in this area were location, lot size, view amenity, and traffic noise. These characteristics as well as others such as zoning, topography, known water problems, highest and best use as if vacant classification, availability of parking, external nuisance [typically adjacent to commercial property], and known easements were checked for accuracy and considered in the land valuation. Adjustments for views and traffic noise were developed using paired sale analysis, years of appraisal experience, and knowledge of the area.

Large sites on single family zoning, where short platting is typical, were valued based on zoning and number of sites allowed for development with consideration made for development costs. The typical development cost reduction used in this area was 10% of the total value if a house had to be torn down in order to develop it into multiple sites. If an improved site could keep the existing house and create an additional buildable site then a 10% reduction of value was taken off the additional site.

Area 82 was divided into 6 neighborhoods. The breakdown of these neighborhoods was utilized as an efficient technique to identify and value different pockets within sub areas.

Land Model... Continued

Neighborhood 1 is located south of Northwest 65th Street and comprises the bulk of sub area 2. This area is split with ½ of its parcels zoned for single family development and the other ½ for high density development. It contains the highest number of townhome style residences [593]. On its eastern portion there are numerous mountain and territorial view properties. Tearing down of single family residences and replacing them with townhome style residences is very predominant in **neighborhood 1**. The average assessed value is \$860,900 and there are 2,195 parcels in **neighborhood 1**.

Neighborhood 2 is located in the southwestern portion of sub area 2. It is completely zoned for high density development. There are several industrial use properties located here. This area has the lowest demand for property compared to all other neighborhoods. The average assessed value is \$757,400 and there are 33 parcels in **neighborhood 2**.

Neighborhood 3 is located in the southernmost portion of sub area 2. This area is influenced by the adjacent Phinney Ridge and Fremont neighborhoods. It is close to many restaurants located nearby and has quick access to the University of Washington and downtown Seattle. The average assessed value is \$837,100 and there are 200 parcels in **neighborhood 3**.

Neighborhood 4 contains the majority of sub area 11. This is a relative homogeneous residential area but also contains pockets of townhome developments. One of the major areas of change is located in the northwestern part of **neighborhood 4** from Northwest 80th Street to Northwest 85th Street and from 15th Avenue Northwest to 8th Avenue Northwest. Most of this area was up zoned and now many homes are being torn down and replaced with townhomes. In some cases the existing single family houses are remaining and townhomes built in back of them. There are 371 townhome style residences in **neighborhood 4**. The far northeastern area east of 3rd Avenue Northwest contains a portion of the Greenwood neighborhood. The average assessed value is \$832,200 and there are 3,465 parcels in **neighborhood 4**.

Neighborhood 5 is located on the eastern portion of sub area 11 and contains the Phinney Ridge neighborhood. This area commands the highest demand compared to any other neighborhood in area 82. Except for one townhome development [19 parcels] it is entirely comprised of residential homes. Many have views or view utility of the Olympic mountains, Ballard, and Bainbridge Island. There are numerous restaurants, bars, small shops, and a grocery store located at the peak of the hill [Greenwood Avenue North] that are within walking distance. Frequency of sales is lower here as owners tend to stay in this desirable location longer than Ballard. Overall this area has the largest homes and higher grades. It has the highest average assessed value which is \$971,800. There are 457 parcels in **neighborhood 5**.

Neighborhood 6 is located just north of **neighborhood 5** in the eastern part of sub area 11. It contains the Greenwood neighborhood. This area is very similar to **neighborhood 5** with respect to access to places to eat, drink, and shop on Greenwood Avenue North. It is comprised of almost all single family residences. The average assessed value is \$913,600 and there are 331 parcels in **neighborhood 6**.

Land Value Model Calibration

Lot Size Adjustments for Single Site Parcels on SF 5000 Zoned Land

Lot Size [Sq. Ft.]	Nghb 1	Nghb 2	Nghb 3	Nghb 4	Nghb 5	Nghb 6
850 - 1,999	\$275,000	\$220,000	\$264,000	\$286,000	\$313,000	\$302,000
2,000 - 2,399	\$285,000	\$228,000	\$273,000	\$296,000	\$324,000	\$313,000
2,400 - 2,699	\$300,000	\$240,000	\$288,000	\$312,000	\$342,000	\$330,000
2,700 - 2,999	\$325,000	\$260,000	\$312,000	\$338,000	\$370,000	\$357,000
3,000 - 3,499	\$350,000	\$280,000	\$336,000	\$364,000	\$399,000	\$385,000
3,500 - 3,999	\$400,000	\$320,000	\$384,000	\$416,000	\$456,000	\$440,000
4,000 - 4,499	\$450,000	\$360,000	\$432,000	\$468,000	\$513,000	\$495,000
4,500 - 4,999	\$482,000	\$386,000	\$463,000	\$501,000	\$550,000	\$530,000
5,000 - 5,499	\$500,000	\$400,000	\$480,000	\$520,000	\$570,000	\$550,000
5,500 - 5,999	\$515,000	\$412,000	\$494,000	\$535,000	\$587,000	\$566,000
6,000 - 6,499	\$530,000	\$424,000	\$508,000	\$551,000	\$604,000	\$583,000
6,500 - 6,999	\$545,000	\$436,000	\$523,000	\$566,000	\$621,000	\$599,000
7,000 - 7,499	\$560,000	\$448,000	\$537,000	\$582,000	\$638,000	\$616,000
7,500 - 7,999	\$575,000	\$460,000	\$552,000	\$598,000	\$655,000	\$632,000
8,000 - 8,999	\$587,000	\$470,000	\$564,000	\$611,000	\$669,000	\$646,000
9,000 - 9,999	\$610,000	\$488,000	\$585,000	\$634,000	\$695,000	\$671,000
10,000 - 10,999	\$625,000	\$500,000	\$600,000	\$650,000	\$713,000	\$688,000
11,000 - 12,999	\$650,000	\$520,000	\$624,000	\$676,000	\$741,000	\$715,000

For view, traffic noise, and other adjustments see page 19.

Land Value Model Calibration... Continued

Lot Size Adjustments for Parcels on LR1 Zoned Land

Lot Size [Sq. Ft.]	Nghb 1	Nghb 2	Nghb 3	Nghb 4
1,312 - 1,999	\$275,000	\$220,000	\$264,000	\$286,000
2,000 - 2,399	\$285,000	\$228,000	\$273,000	\$296,000
2,400 - 2,699	\$300,000	\$240,000	\$288,000	\$312,000
2,700 - 2,999	\$325,000	\$260,000	\$312,000	\$338,000
3,000 - 3,199	\$350,000	\$280,000	\$336,000	\$364,000
3,200 - 3,499	\$400,000	\$320,000	\$400,000	\$400,000
3,500 - 3,999	\$600,000	\$480,000	\$600,000	\$600,000
4,000 - 4,499	\$700,000	\$560,000	\$700,000	\$700,000
4,500 - 4,999	\$825,000	\$660,000	\$825,000	\$825,000
5,000 - 5,599	\$925,000	\$740,000	\$925,000	\$925,000
5,600 - 5,999	\$950,000	\$760,000	\$950,000	\$950,000
6,000 - 6,499	\$980,000	\$840,000	\$980,000	\$980,000
6,500 - 7,199	\$1,010,000	\$864,000	\$1,010,000	\$1,010,000
7,200 - 7,499	\$1,110,000	\$888,000	\$1,110,000	\$1,110,000
7,500 - 7,999	\$1,150,000	\$920,000	\$1,150,000	\$1,150,000

For view, traffic noise, and other adjustments see page 19.

Land Value Model Calibration... Continued

Lot Size Adjustments for Parcels on LR2 Zoned Land

Lot Size [Sq. Ft.]	Nghb 1	Nghb 4
1,600 - 1,999	\$275,000	\$286,000
2,000 - 2,399	\$285,000	\$296,000
2,400 - 2,699	\$300,000	\$312,000
2,700 - 2,999	\$325,000	\$338,000
3,000 - 3,199	\$350,000	\$364,000
3,200 - 3,499	\$400,000	\$400,000
3,500 - 3,999	\$600,000	\$600,000
4,000 - 4,499	\$808,000	\$808,000
4,500 - 4,999	\$902,000	\$902,000
5,000 - 5,499	\$990,000	\$990,000
5,500 - 5,999	\$1,012,000	\$1,012,000
6,000 - 6,499	\$1,035,000	\$1,035,000
6,500 - 6,999	\$1,066,000	\$1,066,000
7,000 - 7,199	\$1,097,000	\$1,097,000
7,200 - 7,499	\$1,128,000	\$1,128,000
7,500 - 7,999	\$1,160,000	\$1,160,000
8,000 - 8,799	\$1,191,000	\$1,191,000
8,800 - 9,199	\$1,222,000	\$1,222,000

For view, traffic noise, and other adjustments see page 19.

Land Value Model Calibration... Continued

Lot Size Adjustments for Parcels on LR3 Zoned Land

Lot Size [Sq. Ft.]	Nghb 1	Nghb 4
986 - 1,999	\$275,000	\$286,000
2,000 - 2,399	\$285,000	\$296,000
2,400 - 2,699	\$300,000	\$312,000
2,700 - 2,999	\$325,000	\$338,000
3,000 - 3,199	\$350,000	\$364,000
3,200 - 3,499	\$400,000	\$400,000
3,500 - 3,999	\$600,000	\$600,000
4,000 - 4,499	\$808,000	\$808,000
4,500 - 4,999	\$902,000	\$902,000
5,000 - 5,499	\$990,000	\$990,000

For view, traffic noise, and other adjustments see page 19.

Land Value Model Calibration... Continued

Lot Size Adjustments for Parcels on RSL Zoned Land

Lot Size [Sq. Ft.]	Nghb 1	Nghb 4
850 - 1,999	\$275,000	\$286,000
2,000 - 2,399	\$285,000	\$296,000
2,400 - 2,699	\$300,000	\$312,000
2,700 - 2,999	\$325,000	\$338,000
3,000 - 3,499	\$350,000	\$364,000
3,500 - 3,999	\$400,000	\$416,000
4,000 - 4,499	\$570,000	\$592,000
4,500 - 4,999	\$600,000	\$625,000
5,000 - 5,499	\$639,000	\$644,000
5,500 - 5,999	\$658,000	\$659,000
6,000 - 6,499	\$710,000	\$732,000
6,500 - 6,999	\$725,000	\$747,000
7,000 - 7,499	\$740,000	\$763,000
7,500 - 7,999	\$755,000	\$779,000
8,000 - 8,999	\$850,000	\$872,000
9,000 - 9,999	\$873,000	\$895,000

For view, traffic noise, and other adjustments see page 19.

Land Value Model Calibration... Continued

Land valuation adjustments after lot size calculation:

View Amenity (Cumulative)

	Average	Good
Olympic Mt.	+6%	+15%
Territorial	+3%	+8%
Ship Canal	+3%	NA

Traffic Noise

- 5% for moderate traffic noise
- 15% for high traffic noise
- 30% for extreme traffic noise

Other Adjustments

- 5% if adjacent to commercial property

Order of adjustments: lot size adjustment x [1+(views+traffic noise+adjacent to commercial property)]. Final value was truncated down to the nearest thousand.

For the following zoning designations we applied the commercial land model unless it was known townhome development was going to occur:

Zoning	AV per Sq. Ft.
C1-55	\$210
IB U/45	\$140
IG2 U/65	\$145
NC1-40	\$195 - \$215
NC1-55	\$200
NC2-55	\$191 - \$235
NC2P-55	\$215 - \$230
NC2P-40	\$200

Land Value Model Calibration... Continued

Townhome Land Valuation

Lot Size [Sq. Ft.]	Nghbs 1,3,4,5	Nghb 2
464 - 3,191	\$200,000	\$160,000

View Amenity (Cumulative)

	Average
Olympic Mt.	+6%
Territorial	+3%

Traffic Noise

- 3% for moderate traffic noise
- 8% for high traffic noise
- 15% for extreme traffic noise

Other Adjustments

- 5% if adjacent to commercial property

Order of adjustments: lot size adjustment x [1+(views+traffic noise+adjacent to commercial property)]. Final value was truncated down to the nearest thousand.

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:

All sales were field verified and characteristics updated prior to model development. Sales were time adjusted to 1/1/2021. There were 1,304 sales from 1/1/2018 to 12/31/2020. Appraisers determined 1,252 of these sales reflected fair market value and could be considered for land or total valuation purposes.

A multiplicative regression model was developed for valuing the majority of parcels in area 82. The model was applied to detached single family residences as well as townhome style improvements. Our team extensively verified each sale and confirmed the characteristic data at the time of sale. We inspected all the sales from the exterior and took new exterior pictures. In addition we extensively looked at characteristic data and pictures on various web sites in order to have the most accurate data as possible. The model was tested for accuracy on all possible types of property in the population. Supplemental models were developed and applied to properties where the regression model was not deemed accurate. The valuation models were applied to the population after each parcel had been inspected in the field. Based on the sales an overall assessment level of 92.1% was achieved. The uniformity of assessment improved as the COD was reduced from 8.69% to 6.97%.

The regression model included the following variables that affected the valuation of detached single family residences: land value, grade, condition, year built or year renovation, old age, building replacement cost new plus accessory replacement cost new less depreciation, number of bathrooms, neighborhood 4, and traffic noise>moderate. It was applicable to detached single family homes with grades 5-10, all ages, and all conditions with the exception of "poor". It was not applicable to homes

Improved Parcel Valuation... Continued

with grades less than 5 or greater than 10, multiple buildable sites, parcels with more than one house, homes with unfinished area, homes less than 100% complete, additional costs greater than \$10,000, or parcels coded interim use.

For townhome style residences the following variables were in the multiple regression model: land value, grade, year built or year renovation, condition, building replacement cost new plus accessory replacement cost new less depreciation, number of bathrooms, neighborhood 4, units with no common walls, units with 2 or more common walls, units with good garage access, located in plat 363395 [Isola 15th], traffic noise> moderate, and located on 15th Avenue Northwest. It was not applicable for grades less than 7 or greater than 9, parcels with more than one townhome, or units that are less than 100% complete.

Improved Parcel Total Value Model Calibration

Variable	Definition
BaseLandC	2021 Base land value
Grade5SfrYN	House is grade 5
Grade8SfrYN	House is grade 8
Grade9SfrYN	Non-townhome is grade 9
Grade9ThYN	Townhome is grade 9
Grade10SfrYN	House is grade 10
FairYN	Condition is fair
GoodYN	Condition is good
VGoodYN	Condition is very good
RCNsftRCNLDaccyC	(Building replacement cost new+Accessory cost less depreciation)/1,000 for non-townhomes
RCNthRCNLDaccyC	(Building replacement cost new+Accessory cost less depreciation)/1,000 for townhomes
AgeC	Year built or renovation of the house
OldAgeYN	Year built/renovation was before 1936 for non-townhomes
BathsSfrC	Number of bathrooms for non-townhomes
BathsThC	Number of bathrooms for townhomes
DetTHYN	Detached townhome
THGdGarAccYN	Townhomes with good garage access
Plat362295YN	Townhomes in plat "Isola 15 th "
Thon15thYN	Townhomes on 15 th Ave. NW and not in plat 362295 "Isola 15 th "
TwoComWalThYN	Townhomes with at least 2 common walls
Nghb4SfrYN	Non-townhomes located in neighborhood 4
Nghb4ThYN	Townhomes located in neighborhood 4
HvyTrafYN	Traffic noise is high or extreme

Multiplicative Model

$(1-0.075) * \text{EXP}(4.14988550895082 - 0.0630865051528467 * \text{AgeC} + 0.123721901945048 * \text{BaseLandC} + 0.114233609799427 * \text{BathsSfrC} + 0.228836841708657 * \text{BathsThC} + 0.0404449804495911 * \text{DetTHYN} - 0.0616870386951431 * \text{FairYN} + 0.023804738798262 * \text{GoodYN} + 0.110633637830678 * \text{Grade10SfrYN} - 0.0583680443313163 * \text{Grade5SfrYN} + 0.0230702099452047 * \text{Grade8SfrYN} + 0.0731646364838103 * \text{Grade9SfrYN} + 0.0345490298547425 * \text{Grade9ThYN} - 0.0236264470146838 * \text{HvyTrafYN} - 0.0134160373347119 * \text{Nghb4SfrYN} - 0.0200497616159911 * \text{Nghb4ThYN} + 0.0260562324318309 * \text{OldAgeYN} - 0.0165486620747844 * \text{Plat362295YN} + 0.375557153997302 * \text{RCNsftRCNLDaccyC} + 0.325553014127842 * \text{RCNthRCNLDaccyC} + 0.021063712893601 * \text{THGdGarAccYN} - 0.0324838909348451 * \text{Thon15thYN} - 0.0220854224690054 * \text{TwoComWalThYN} + 0.0650386673342209 * \text{VGoodYN}) * 1,000$

The information provided on this page serves as a basic illustration of the regression model and its components. This page is not intended to serve as a guide or framework for re-creating the regression

Improved Parcel Total Value Model Calibra

model. More detailed information on the regression model, its components and variable transformations is available upon request.

EMV values were not generated for:

- Non-townhome buildings with grades less than 5 or greater than 10
- Townhome buildings with grades less than 7 or greater than 9
- Building two or greater. (EMV is generated for building one only.)
- If total EMV is less than base land value
- Lot size less than 100 square feet
- Buildings in poor condition
- Buildings with unfinished areas
- Buildings less than 100% complete
- Buildings with percent net condition greater than 0
- Buildings with percent obsolescence greater than 0
- Buildings with highest and best use if improved coded Interim Use
- Non-townhome buildings with additional costs greater than \$10,000
- Townhome buildings with additional costs greater than \$0

Of the improved parcels in the population, 5,828 parcels increased in value. They were comprised of 1,737 single family residences on commercially zoned land and 4,091 single family residences or other parcels.

Of the vacant land parcels greater than \$1,000, 32 parcels increased in value. Tax exempt parcels were excluded from the number of parcels increased.

Supplemental Models and Exceptions

Single Family Residences

Two improvements on single family zoned land and not subdividable: Value the main improvement at EMV or using the appropriate supplemental model. Then add for improvement #2 RCNLD x 1.35 if the improvement was built/renovated after 1919. If the 2nd improvement was built before 1920 then add RCNLD x 1.65.

Townhome Style Residences

For detached units: Determine the EMV and then multiply it by 1.0976. Round the result to the nearest thousand.

For units with two or more common walls: Determine the EMV and then multiply it by 0.9504. Round the result to the nearest thousand.

For units with good garage access: Determine the EMV and then multiply it by 1.0497. Round the result to the nearest thousand.

For units in "Isola 15th" [Plat 362295] and have extreme traffic noise: Determine the EMV and then multiply it by 0.95. Round the result to the nearest thousand.

For units not located in "Isola 15th" [Plat 362295] and on 15th Avenue Northwest: Determine the EMV and then multiply it by 0.9279. Round the result to the nearest thousand.

Physical Inspection Process

Effective Date of Appraisal: January 1, 2021

Date of Appraisal Report: August 5, 2021

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.

- Steve Elliott – Appraiser II: Team lead, coordination, valuation model development and testing, land and total valuation appraisals, sales verification, physical inspection and total valuation in sub area 11, and report writing.
- Peter Hsu – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation in sub area 11.
- Anne Main – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation in sub area 11.
- Eric Myhre – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation in sub areas 2 and 11.
- Naomi Yother – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation in sub areas 2 and 11.

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 2020
5. Existing residences where the data for 2020 is significantly different than the data for 2021 due to remodeling
6. Parcels with improvement values, but no characteristics
7. 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.

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.

Physical Inspection Process... Continued

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 1/1/2018 to 12/31/2020 (at minimum) were considered in all analyses.
- Sales were time adjusted to 1/1/2021.
- This report is intended to meet the requirements of the Uniform Standards of Professional Appraisal Practice Standards 5 & 6.



Area 082 Market Value Changes Over Time

In a changing market, recognition of a sales trend to adjust a population of sold properties to a common date is required to allow for value differences over time. Market conditions prevalent in the last three years indicated that the best methodology for tracking market movement through time is a modeling technique using splines. Put simply, this is a way of drawing best fit lines through the data points in situations where there may be several different trends going on at different times. Splines are the use of two or more straight lines to approximate trends and directions in the market. Splines are best suited to react to the sudden market changes. To create larger and more reliable data sets for time trending, it was necessary in most instances to combine geographic areas that were performing similarly in the marketplace. The following chart shows the % time adjustment required for sales to reflect the indicated market value as of the assessment date, **January 1, 2021**.

The time adjustment formula for 82 is:

$$\begin{aligned} & (0.997800425439007 + 0.00025766544298702 * ((\text{SaleDate} \leq 43466) * \text{SaleDate} + (\text{SaleDate} > 43466) * 43466 - \\ & 44197) + 0.00005701250576957570 * ((\text{SaleDate} \geq 43466) * (\text{SaleDate} \leq 43770) * \text{SaleDate} + (\text{SaleDate} < 43466) * 43466 \\ & + (\text{SaleDate} > 43770) * 43770 - 44197) - \\ & 0.000272080661824504 * ((\text{SaleDate} \geq 43770) * \text{SaleDate} + (\text{SaleDate} < 43770) * 43770 - \\ & 44197)) / (0.997800425439007 + 0.00025766544298702 * (-731) + 0.0000570125057695757 * (-427)) \end{aligned}$$

For example, a sale of \$800,000 which occurred on October 1, 2019 would be adjusted by the time trend factor of 1.146, resulting in an adjusted value of \$916,800 ($\$800,000 * 1.146 = \$916,800$).

Area 082 Market Value Changes Over Time

SaleDate	Adjustment (Factor)	Equivalent Percent
1/1/2018	1.006	0.6%
2/1/2018	1.016	1.6%
3/1/2018	1.025	2.5%
4/1/2018	1.036	3.6%
5/1/2018	1.045	4.5%
6/1/2018	1.056	5.6%
7/1/2018	1.066	6.6%
8/1/2018	1.076	7.6%
9/1/2018	1.086	8.6%
10/1/2018	1.096	9.6%
11/1/2018	1.106	10.6%
12/1/2018	1.116	11.6%
1/1/2019	1.126	12.6%
2/1/2019	1.128	12.8%
3/1/2019	1.130	13.0%
4/1/2019	1.132	13.2%
5/1/2019	1.135	13.5%
6/1/2019	1.137	13.7%
7/1/2019	1.139	13.9%
8/1/2019	1.141	14.1%
9/1/2019	1.144	14.4%
10/1/2019	1.146	14.6%
11/1/2019	1.148	14.8%
12/1/2019	1.138	13.8%
1/1/2020	1.127	12.7%
2/1/2020	1.116	11.6%
3/1/2020	1.106	10.6%
4/1/2020	1.095	9.5%
5/1/2020	1.085	8.5%
6/1/2020	1.074	7.4%
7/1/2020	1.064	6.4%
8/1/2020	1.053	5.3%
9/1/2020	1.042	4.2%
10/1/2020	1.032	3.2%
11/1/2020	1.021	2.1%
12/1/2020	1.011	1.1%
1/1/2021	1.000	0.0%

Sales Sample Representation of Population

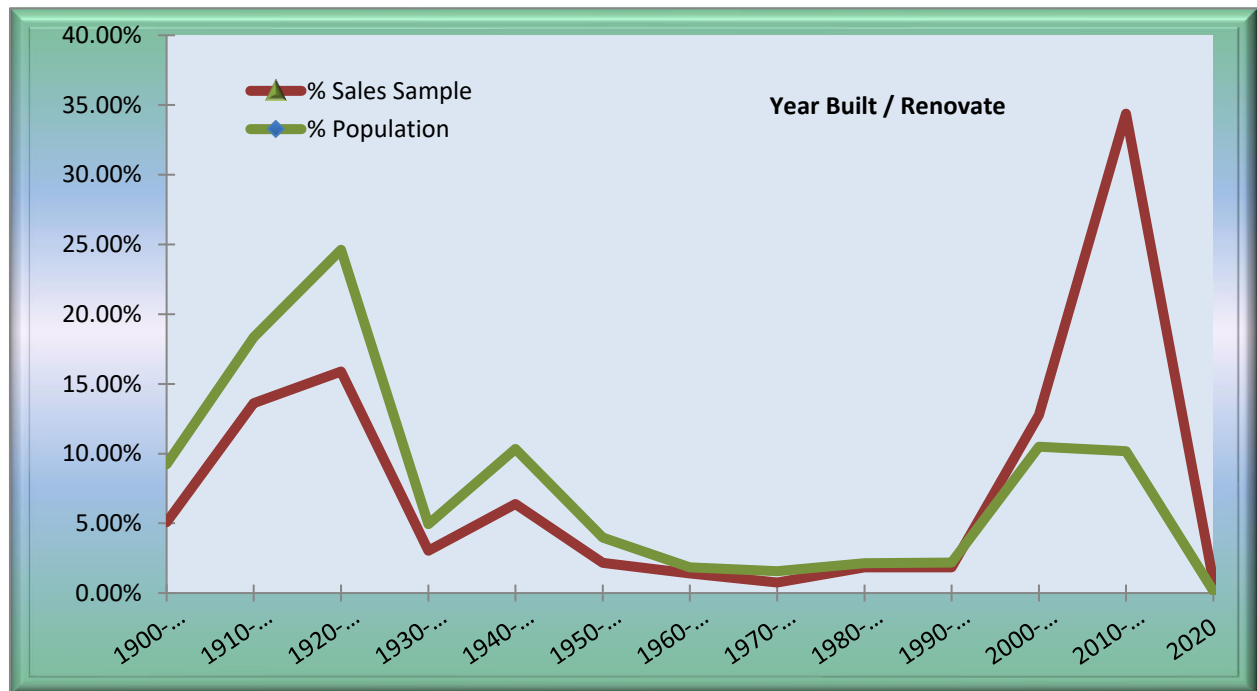
Year Built or Renovated

Sales

Year Built/Ren	Frequency	% Sales Sample
1900-1909	47	5.08%
1910-1919	126	13.62%
1920-1929	147	15.89%
1930-1939	28	3.03%
1940-1949	59	6.38%
1950-1959	20	2.16%
1960-1969	13	1.41%
1970-1979	7	0.76%
1980-1989	17	1.84%
1990-1999	17	1.84%
2000-2009	118	12.76%
2010-2019	318	34.38%
2020	8	0.86%
	925	

Population

Year Built/Ren	Frequency	% Population
1900-1909	545	9.23%
1910-1919	1,082	18.33%
1920-1929	1,453	24.62%
1930-1939	291	4.93%
1940-1949	610	10.34%
1950-1959	235	3.98%
1960-1969	109	1.85%
1970-1979	93	1.58%
1980-1989	126	2.13%
1990-1999	129	2.19%
2000-2009	620	10.50%
2010-2019	600	10.17%
2020	9	0.15%
	5,902	



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

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



Sales Sample Representation of Population

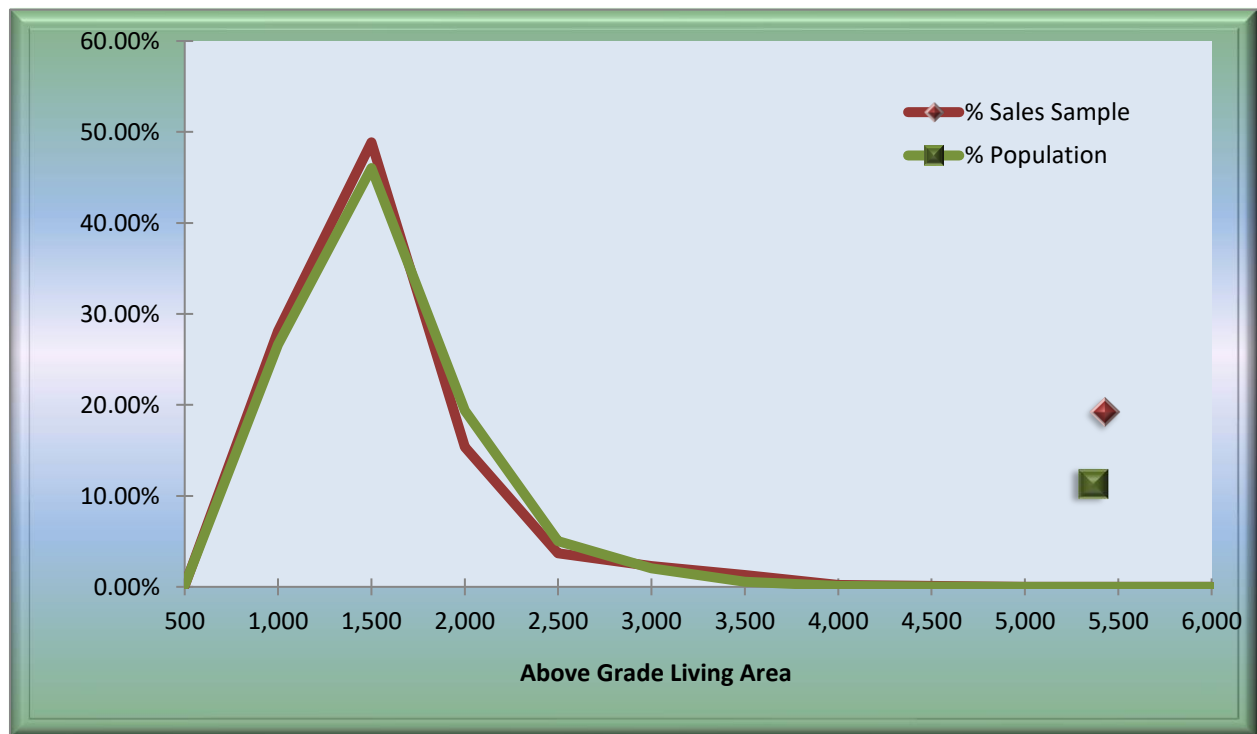
Above Grade Living Area

Sales

AGLA	Frequency	% Sales Sample
500	1	0.11%
1,000	260	28.11%
1,500	452	48.86%
2,000	142	15.35%
2,500	34	3.68%
3,000	21	2.27%
3,500	12	1.30%
4,000	2	0.22%
4,500	1	0.11%
5,000	0	0.00%
5,500	0	0.00%
6,000	0	0.00%
925		

Population

AGLA	Frequency	% Population
500	10	0.17%
1,000	1,572	26.64%
1,500	2,717	46.04%
2,000	1,144	19.38%
2,500	297	5.03%
3,000	120	2.03%
3,500	34	0.58%
4,000	6	0.10%
4,500	2	0.03%
5,000	0	0.00%
5,500	0	0.00%
6,000	0	0.00%
5,902		



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

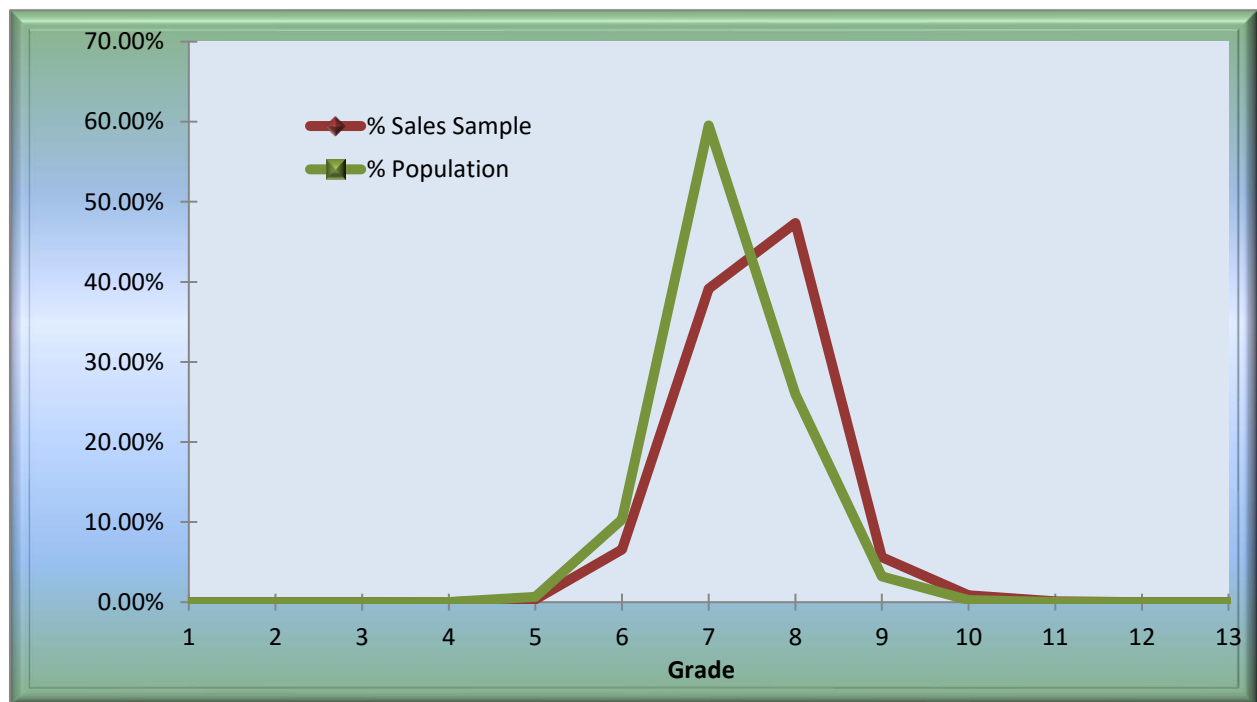
Building Grade

Sales

Grade	Frequency	% Sales Sample
1	0	0.00%
2	0	0.00%
3	0	0.00%
4	0	0.00%
5	3	0.32%
6	61	6.59%
7	362	39.14%
8	438	47.35%
9	52	5.62%
10	8	0.86%
11	1	0.11%
12	0	0.00%
13	0	0.00%
925		

Population

Grade	Frequency	% Population
1	0	0.00%
2	0	0.00%
3	0	0.00%
4	1	0.02%
5	40	0.68%
6	609	10.32%
7	3,514	59.54%
8	1,531	25.94%
9	191	3.24%
10	15	0.25%
11	1	0.02%
12	0	0.00%
13	0	0.00%
5,902		



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 Residential areas in King County, including this area, is 0.925. The International Association of Assessing Officers recommends a range of 0.90 to 1.10. Due to rounding or other statistical influences the median for a particular area may be slightly above or below this target. The median assessment level for this area is 92.1% .

Application of these recommended values for the 2021 assessment year (taxes payable in 2022) results in an average total change from the 2020 assessments of +17.8%. 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 2021 recommended values. This study benchmarks the prior assessment level using 2020 posted values (1/1/2020) compared to current adjusted sale prices (1/1/2021). The study was also repeated after the application of the 2021 recommended values. The results show an improvement in the COD from 8.69% to 6.97%.

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 82 Housing Profile



Grade 5/ Year Built 1947/ Total Living Area 590



Grade 6/ Year Built 1910/ Total Living Area 910



Grade 7/ Year Built 1915/ Total Living Area 2,350



Grade 8/ Year Built 2018/ Total Living Area 1,500



Grade 9/ Year Built 2019/ Total Living Area 3,140



Grade 10/ Year Built 2005/ Total Living Area 3,570

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

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

Definition and date of value estimate:

Market Value

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

The true and fair value of a property in money for property tax valuation purposes is its "market value" or amount of money a buyer willing but not obligated to buy would pay for it to a seller willing but not obligated to sell. In arriving at a determination of such value, the assessing officer can consider only those factors which can within reason be said to affect the price in negotiations between a willing purchaser and a willing seller, and he must consider all 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:
 - Peter Hsu: Sales Verification, Appeals Response Preparation/Review, New Construction Evaluation
 - Anne Main: Appeals Response Preparation/Review, New Construction Evaluation
 - Eric Myhre: None
 - Naomi Yother: Appeals Response Preparation/Review
- 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:
 - Steve Elliott: Annual Update Model Development and Report Preparation, Sales Verification, Appeals Response Preparation/Review, Land and Total Valuation, New Construction Evaluation

Steve Elliott

8/5/2021

Appraiser II

Date



King County

Department of Assessments

201 S. Jackson St., Room 708, KSC – AS – 0708

Seattle, WA 98104

(206) 296-7300

FAX (206) 296-0595

Email: assessor.info@kingcounty.gov

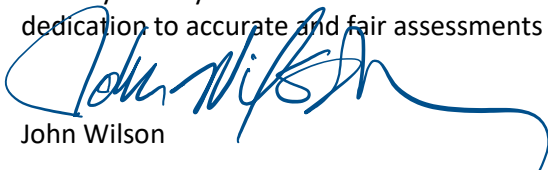
John Wilson
Assessor

As we start preparations for the 2021 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, 2021 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

