

Eastgate / Factoria

Area: 031

Residential Revalue for 2018 Assessment Roll



From EstateLy.com



King County

Department of Assessments

Setting values, serving the community, and pursuing excellence

500 Fourth Avenue, ADM-AS 0708

Seattle, WA 98104-2384

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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 hard 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 86 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 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*, 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.



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Department of Assessments
King County Administration Bldg.
500 Fourth Avenue, ADM-AS-0708
Seattle, WA 98104-2384

John Wilson
Assessor

Eastgate / Factoria – Area 031

2018 Assessment Roll Year

Recommendation is made to post values for Area 031 to the 2019 tax roll:

Appraiser II: Scott Kendall

6/27/2018

Date

SE District Senior Appraiser: Sheila Frawley

7/10/18

Date

Residential Division Director: Debra S. Prins

7/10/18

Date

This report is hereby accepted and the values described in the attached documentation for Area 031 should be posted to the 2019 tax roll.

John Wilson, King County Assessor

7/10/18

Date



Executive Summary

Eastgate / Factoria - Area 031

Physical Inspection

Appraisal Date: 1/1/2018
Previous Physical Inspection: 2012
Number of Improved Sales: 852
Range of Sale Dates: 1/1/2015 – 12/31/2017 Sales were time adjusted to 1/1/2018

Sales - Improved Valuation Change Summary:						
	Land	Improvements	Total	Mean Sale Price	Ratio	COD
2017 Value	\$458,200	\$457,700	\$915,900			8.46%
2018 Value	\$541,900	\$546,600	\$1,088,500	\$1,183,300	92.0%	6.85%
\$ Change	+\$83,700	+\$88,900	+\$172,600			
% Change	+18.3%	+19.4%	+18.8%			

Coefficient of Dispersion (COD) is a measure of the uniformity of the predicted assessed values for properties within this geographic area. The 2018 COD of 6.85% is an improvement from the previous COD of 8.46%. 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 1/1/2015 to 12/31/2017 (at a minimum) were considered in all analysis. Sales were time adjusted to 1/1/2018

Population - Improved Valuation Change Summary:			
	Land	Improvements	Total
2017 Value	\$456,300	\$439,200	\$895,500
2018 Value	\$540,200	\$513,000	\$1,053,200
\$ Change	+\$83,900	+\$73,800	+\$157,700
% Change	+18.4%	+16.8%	+17.6%

Number of one to three unit residences in the population: 6,689

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 031 – Eastgate / Factoria, 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 031 Physical Inspection Ratio Study Report

PRE-REVALUE RATIO ANALYSIS

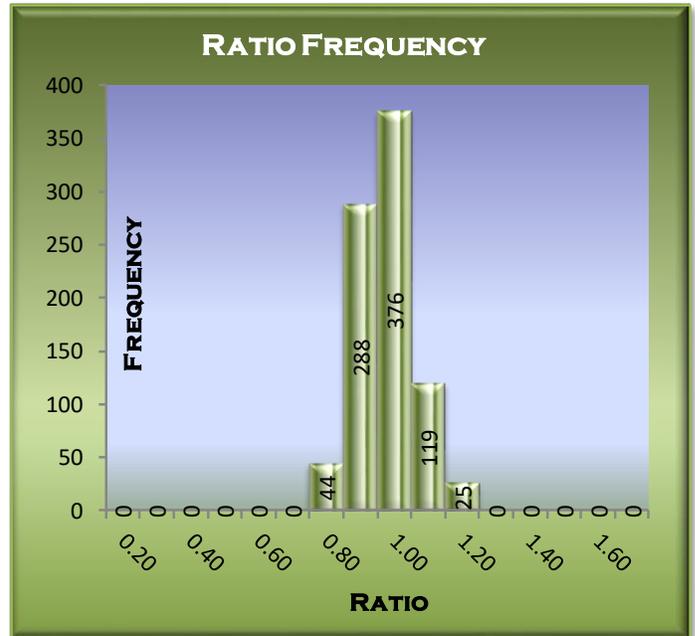
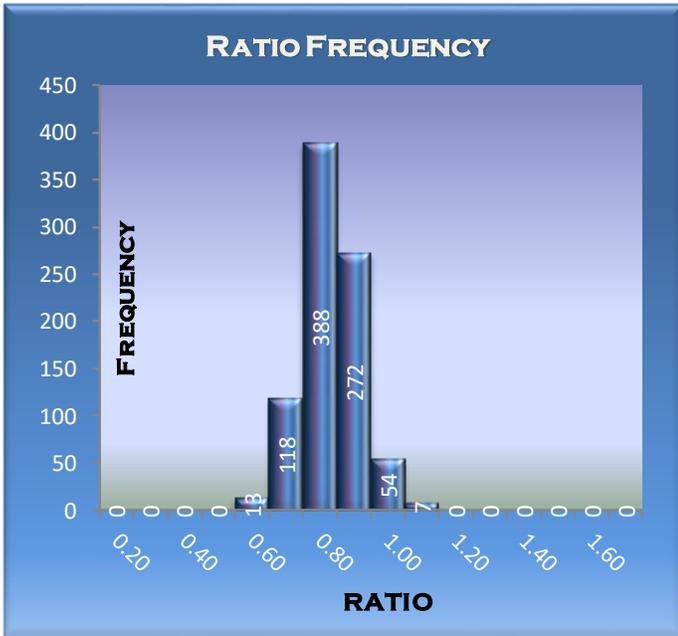
Pre-revalue ratio analysis compares time adjusted sales from 2015 through 2017 in relation to the previous assessed value as of 1/1/2017.

PRE-REVALUE RATIO SAMPLE STATISTICS	
<i>Sample size (n)</i>	852
<i>Mean Assessed Value</i>	915,900
<i>Mean Adj. Sales Price</i>	1,183,300
<i>Standard Deviation AV</i>	296,466
<i>Standard Deviation SP</i>	395,580
ASSESSMENT LEVEL	
<i>Arithmetic Mean Ratio</i>	0.779
<i>Median Ratio</i>	0.776
<i>Weighted Mean Ratio</i>	0.774
UNIFORMITY	
<i>Lowest ratio</i>	0.526
<i>Highest ratio:</i>	1.049
<i>Coefficient of Dispersion</i>	8.46%
<i>Standard Deviation</i>	0.083
<i>Coefficient of Variation</i>	10.63%
<i>Price Related Differential (PRD)</i>	1.007

POST-REVALUE RATIO ANALYSIS

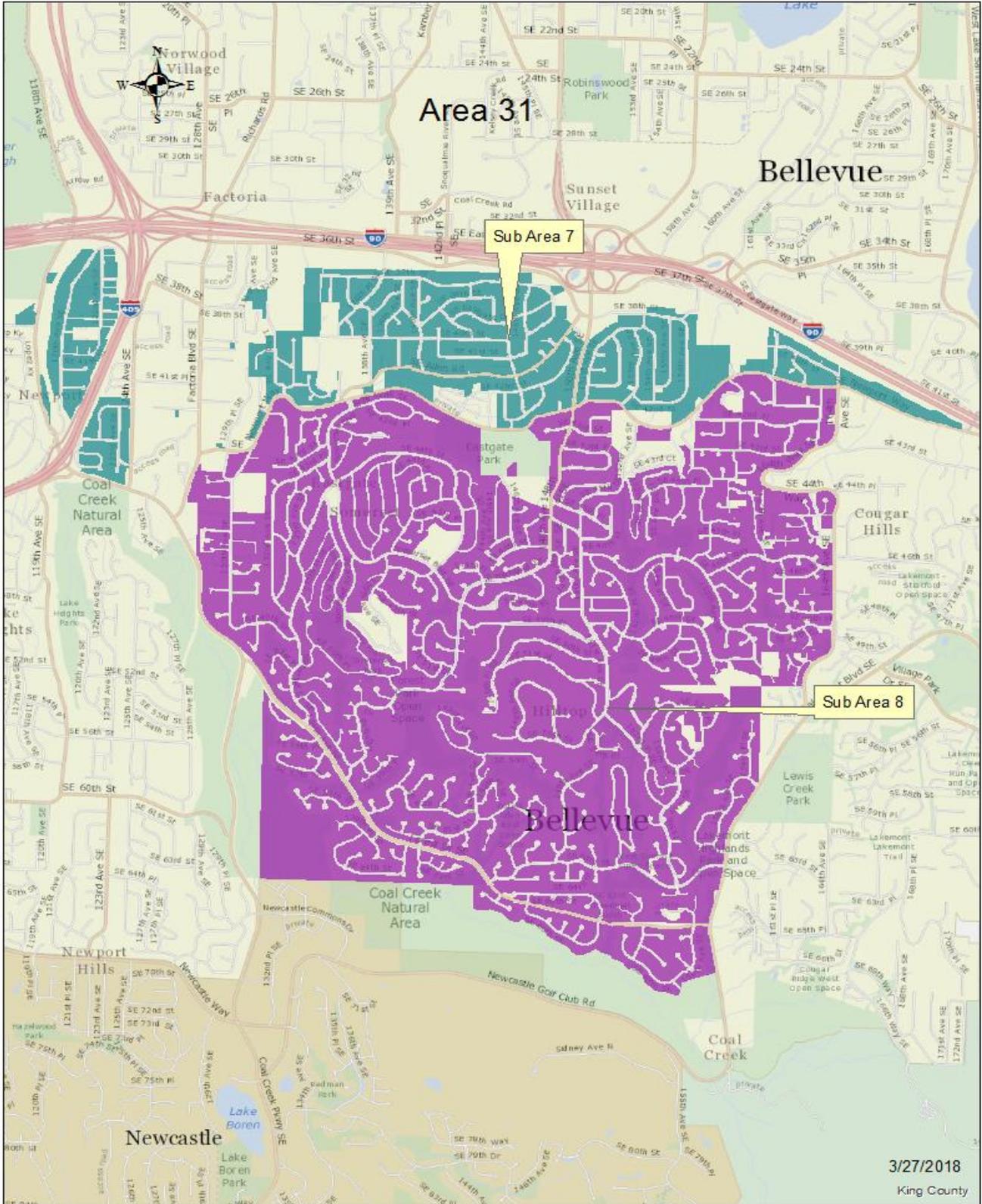
Post revalue ratio analysis compares time adjusted sales from 2015 through 2017 and reflects the assessment level after the property has been revalued to 1/1/2018.

POST REVALUE RATIO SAMPLE STATISTICS	
<i>Sample size (n)</i>	852
<i>Mean Assessed Value</i>	1,088,500
<i>Mean Sales Price</i>	1,183,300
<i>Standard Deviation AV</i>	348,234
<i>Standard Deviation SP</i>	395,580
ASSESSMENT LEVEL	
<i>Arithmetic Mean Ratio</i>	0.927
<i>Median Ratio</i>	0.920
<i>Weighted Mean Ratio</i>	0.920
UNIFORMITY	
<i>Lowest ratio</i>	0.711
<i>Highest ratio:</i>	1.184
<i>Coefficient of Dispersion</i>	6.85%
<i>Standard Deviation</i>	0.081
<i>Coefficient of Variation</i>	8.71%
<i>Price Related Differential (PRD)</i>	1.007

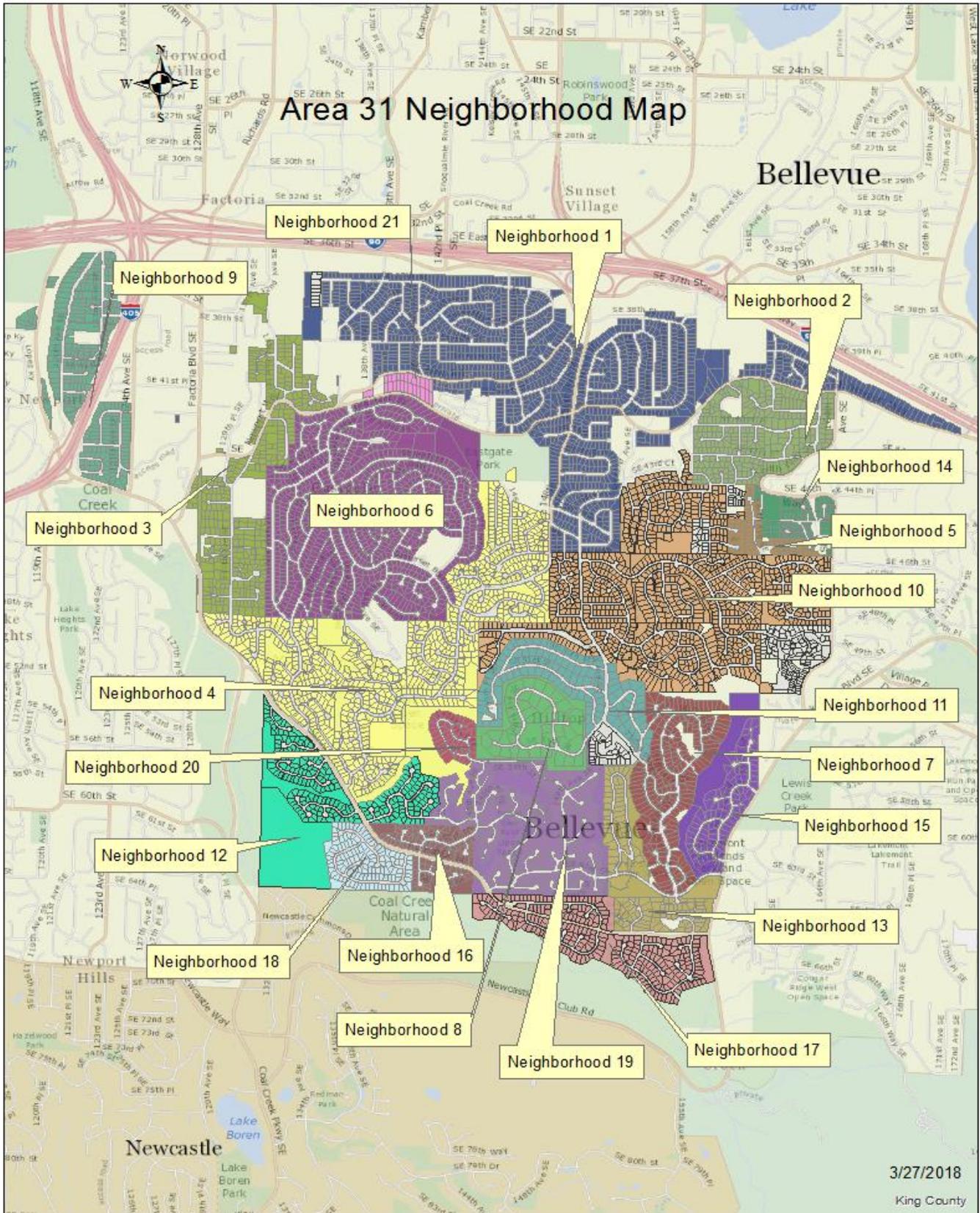


Area 031 Map

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 031 - Eastgate / Factoria

Boundaries

The general boundaries beginning from the north are Interstate 90, to the West is 120th Ave SE and Coal Creek Parkway. To the South is Coal Creek which runs between Coal Creek Parkway and Lakemont Blvd SE, the eastern boundaries are Lakemont Blvd and 164 Way.

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 31 is located in the southern section of the City of Bellevue – This is a very diverse and desirable area with outstanding access to I-90 and I-405. It provides excellent commutes to many recreational areas and major commercial centers of Bellevue, Seattle and Issaquah. Located in the west part of Subarea 7 is Newport High School; this school has been consistently rated in the nation's top 50 and is highly sought out. Houses typical to this area were built from 1950 to the present, with quality of construction from grade 7 through 13 and total living area from just under 1,000 square feet to over 9,000 square feet. Home sales range from \$490,000 to \$3,246,000 providing a variety of neighborhoods and housing from entry level to luxury living. Most of area 31 has been developed and platted into single family sites but still remaining are some larger sites with potential for development. This includes larger improved sites where zoning will allow segregation of additional sites and a few larger/acreage parcels that can support multiple sites.

Subarea 7 is located at the north end of area 31 just south and mostly east of the intersection of I-90 and I-405. The Factoria shopping/business center is within the subarea boundaries. The average year built is 1964, the average grade is 7 and the average adjusted sale price is \$821,000. Some parcels enjoy nice westerly views but this is not the norm of this subarea since it lies at lower elevations of area 31.

One of the great qualities of this area is the incredible views; Subarea 8 has some of the most spectacular views on the Eastside and all of the Seattle area. This includes scenes of Lake Washington and Lake Sammamish, a distant Puget Sound, the Cascade and Olympic mountains (including Mt. Rainier & Baker), and the cities of Seattle and Bellevue. The average year built is 1979, the average grade is 9 and the average adjusted sale price is \$1,285,000.

Land Valuation

Vacant sales from 1/1/2015 to 12/31/2017 were given primary consideration for valuing land with emphasis placed on those sales closest to January 1, 2018. Area 31 has 7185 total parcels of which 6896 have a single family improvement, 283 are vacant and 6 have accessory improvements. The area has defined boundaries with major roads, parks, forest land and ravines contiguous to its borders. The land features within this area are very diverse. This area includes many plats, tax lots, and some acreage parcels. The lots vary in quality, size, views, open space, and impacts. All land sales were physically inspected and verified in the field with an effort made to contact the buyer or seller when necessary or possible. A total of 24 vacant sales were used in the analysis and creation of the land model. The characteristics of each sale were compared and categorized for the purpose of estimating land values and establishing adjustments for additional amenities or impacts affecting value. The land allocation and land abstraction methods were also incorporated in the land model analysis for additional support and validation where land sales were limited. Overall, values and ratios from both methods were found to be compatible with the vacant land sales and considered reliable in helping to determine the final land values.

In response to the wide-ranging diversity of property, various observations were then researched, analyzed and validated by current market sales. Twenty one neighborhoods and several plats were identified and are described below. Some neighborhood boundaries were not as 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 31 Neighborhood Area map indicates the identified neighborhoods.

The most influential characteristics identified affecting sales price include: view, lot size, topography, quality and age of plat, amenities, access, location and traffic. "Highest and Best Use" was considered on larger lots for potential development where access and sewer systems allowed.

Area 31 is predominately platted and a typical platted lot in the area has an average value range between \$420,000 and \$840,000 depending on size, location and view amenity.

31 Neighborhood Descriptions

- Neighborhood 1 – this is the largest neighborhood in Area 31. It includes multiple plats and adjoining tax lots with similar characteristics. Located south of Interstate 90, east of Interstate 405 and north of Newport Way SE with the exception of a group of plats south of Newport Way SE. It includes approximately 1335 improved parcels with an average adjusted selling price of \$780,000. This area has very few views while the northern portion is impacted by traffic noise from Interstate 90. This area is experiencing the most new construction via teardown sales due to having the lowest grade/size housing stock. The average lot size is 11,000 square feet with an average base land value of \$450,000. The average house was built between 1950 and 1959 and is a grade 7.
- Neighborhood 2 – Is located at the northeast corner just south of Newport Way SE. There are 254 improved parcels with an average adjusted selling price of \$940,000. Lot sizes vary in this neighborhood with an average lot being 12,000 square feet and an average base land value of

Land Valuation... Continued

\$440,000. Many of the homes are served by a private sewer system. The average house was built between 1960 and 1969 and is a grade 8.

-
- Neighborhood 3 – Is located in the western portion of the area. This is where the majority of short platting is taking place. There are 347 improved parcels with an average adjusted selling price of \$1,358,000, the average lot size is 9,500 square feet with an average base land value of \$500,000. This neighborhood has a diverse housing stock. Approximately 25% of the homes were built after 1999 and are grades thru 10. The average house grade for the older homes is 8, built between the 1950's to 1980's. This is where a majority of short platting has occurred and where housing grades and year built ranges the most.
- Neighborhood 4 – consists of plats which were built in the 1970's and 1980's consisting of grade 8 and 9 homes. There are 768 improved parcels with an average adjusted selling price of \$1,247,000, the average lot size is 11,200 square feet with an average base land value of \$547,000.
- Neighborhood 5 – is made up of several newer plats with higher grade homes ranging from grade 9 to 11, the majority were built in the late 1990's and early 2000's. There are 76 improved parcels with an average adjusted selling price of \$1,499,000, the average lot size is 11,800 square feet with an average base land value of \$540,000.
- Neighborhood 6 – This is the plat of "Somerset" at the west central portion of the area, where the majority of excellent views are located. Building grades range from grade 8 to grade 13. The average grade is 8 and was built between 1960 and 1979. There are 948 improved parcels with an average adjusted selling price of \$1,489,000, the average lot size is 13,500 square feet with an average base land value of \$740,000.
- Neighborhood 7 – is the plat of Summit. There are 204 improved parcels with an average adjusted selling price of \$1,866,000. Many homes have views. The average lot size is 15,600 square feet with an average base land value of \$638,000. The average house grade is 11, built between 1990 and 1999
- Neighborhood 8 – This is called Hilltop a unique, one of a kind plat of estate size lots and older custom homes in the architectural style of Frank Lloyd Wright. The typical grade is 9, built in 1957. This a small exclusive plat of tax lots with excellent views. There are 39 improved parcels with an average adjusted selling price of \$2,055,000, with an average lot size of 1 acre and an average base land value of \$900,000.
- Neighborhood 9 – is located on the northwest portion of Area 31. Due to its proximity to Interstate 405 and Interstate 90 many of the homes experience varying degrees of traffic noise. This neighborhood consists of older and newer plats along with tax lots. There are 269 improved parcels with an average adjusted selling price of \$941,000, the average lot size is 12,300 square feet with an average base land value of \$480,000. The average house grade is 7, built in the 1960's.
- Neighborhood 10 – is located in the eastern center of Area 31. It has a similar housing stock as neighborhood 5. There are 973 improved parcels having an average adjusted selling price of

Land Valuation... Continued

\$1,106,000. The average lot size is 10,500 square feet with an average base land value of \$480,000. The average house grade is 8, built in the 1970's.

- Neighborhood 11 – is located in the central portion of the area. This neighborhood has larger lot sizes and many enjoy views. The average lot size is 27,000 square feet with an average base land value of \$626,000. There are 28 improved parcels having an average adjusted selling price of \$1,680,000. The average house grade is 8, built in the 1950s and 1960's.
- Neighborhood 12 – is located in the southwest portion of Area 31. The homes are typically grade 8 and were built between 1970 and 1989. There are 219 improved parcels having an average adjusted selling price of \$1,133,000. The average lot size is 10,400 square feet with an average base land value of \$522,000.
- Neighborhood 13 – is the Summitridge plat which is comprised of grade 11 homes built in the 1990's. There are 103 parcels, some with views, having an average adjusted selling price of \$1,655,000. The average lot size is 16,300 square feet with an average base land value of \$562,000.
- Neighborhood 14 – has 68 improved parcels with an average adjusted selling price of \$1,136,000. The average lot size is 9,400 square feet with an average base land value of \$491,000. The average house grade is and 9, built in 1990-2009.
- Neighborhood 15 – is known as the Lakemont Highlands. Homes were built in the 1990's and are mostly grade 10's. There are 83 improved parcels with an average adjusted selling price of \$1,521,000. The average lot size is 17,600 square feet with an average base land value of \$574,000. . Lewis Creek Park is located across the street and provides many recreational opportunities.
- Neighborhood 16 – There are 105 parcels having an average adjusted selling price of \$1,068,000. The average lot size is 10,700 square feet with an average base land value of \$520,000. The average house grade is 8, built in 1980-1989.
- Neighborhood 17 – is located in the south east portion of Area 31. It is known as Forest Ridge Estates. The average house grade is 9, built in 1980-1989. There are 265 improved parcels, having an average adjusted selling price of \$1,154,000. The average lot size is 11,200 square feet with an average base land value of \$537,000.
- Neighborhood 18 –has 121 improved parcels with an average adjusted selling price of \$1,395,000. The average lot size is 10,400 square feet with an average base land value of \$540,000. The average house grade is 9, built in 1980's.
- Neighborhood 19 –There are 384 improved parcels, having an average adjusted selling price of \$1,262,000. The average lot size is 11,500 square feet with an average base land value of \$555,000. The average house grade is 9, built in the 1980's.
- Neighborhood 20 –is made up of the Forest Park Meadows plat. Many homes enjoy varying views. There are 41 improved sites, the average adjusted selling price is \$1,650,000. The

Land Valuation... Continued

average lot size is 14,000 square feet with an average base land value of \$670,000. The average house ranges from grade is 10 to 11, built in 1980's and 1990's.

- Neighborhood 21 – consist of a few plats mostly older duplexes. There are 24 improved sites, the average adjusted selling price is \$864,000. The average lot size is 15,500 square feet with an average base land value of \$400,000.

Land Model

Model Development, Description and Conclusions

Vacant land sales were the significant factor in determining the basis of the land model. In addition, due to the substantial diversity and numerous property types, additional support and validation from the land allocation and land abstraction methods were incorporated. The combination of these methods were invaluable in validating land values where vacant land sales were limited. Overall, values and ratios from both methods were found to be compatible with the vacant land sales and considered reliable in determining the final land values. Additional adjustments were applied for positive attributes such as views and green belts. Additional negative adjustments were made for issues such as traffic nuisance, power lines and topography. These adjustments are based on analyzing improved match paired sales and vacant land sales, combined with years of appraisal experience and knowledge in the area.

Adjustments not covered in the Additional Adjustments schedule are noted in the notes field of that particular parcel.

Land Value Model Calibration

Area 31 Base Land Values by Neighborhood			
Neighborhood 1	SF Size Adjustments	Neighborhood 11	SF Size Adjustments
\$450,000	-5% less than 7,500 sf	\$580,000	-5% less than 11,000 sf
	+5% 20,000-29,999 sf		+10% 40,000-49,999 sf
	+10% 30,000-49,999 sf		+15% 50,000 sf and greater
	+20% 50,000 sf and greater		
Neighborhood 2	SF Size Adjustments	Neighborhood 12	
\$440,000	+5% 20,000-29,999 sf	\$530,000	
	+10% 30,000-49,999 sf	Neighborhood 13	
	+20% 50,000 sf and greater	\$550,000	
Neighborhood 3	SF Size Adjustments	Neighborhood 14	SF Size Adjustments
\$540,000	+5% 20,000-29,999 sf	\$480,000	+5% 20,000-29,999 sf
	+10% 30,000-49,999 sf		+10% 30,000-49,999 sf
	+20% 50,000 sf and greater	Neighborhood 15	SF Size Adjustments
Neighborhood 4	SF Size Adjustments	\$570,000	+5% 25,000-34,999 sf
\$540,000	+5% 25,000 sf and greater		+10% 35,000 sf and greater
Neighborhood 5	SF Size Adjustments	Neighborhood 16	SF Size Adjustments
\$520,000	+ 5% 19,000 sf & greater	\$520,000	+5% 20,000 sf and greater
Neighborhood 6	SF Size Adjustments	Neighborhood 17	SF Size Adjustments
\$600,000	+10% 35,000 sf and greater	\$535,000	+5% 20,000 sf and greater
Neighborhood 7		Neighborhood 18	SF Size Adjustments
\$580,000		\$540,000	+5% 20,000 sf and greater
Neighborhood 8		Neighborhood 19	SF Size Adjustments
\$840,000		\$545,000	+5% 20,000 sf and greater
Neighborhood 9	SF Size Adjustments	Neighborhood 20	SF Size Adjustments
\$490,000	-5% less than 7,500 sf	\$520,000	+5% 20,000 sf and greater
	+5% 20,000 sf and greater	Neighborhood 21	
Neighborhood 10		\$420,000	
\$470,000			

Area 31 Base Land Values by Plat				
Major	Plat Name	Grade	Year Built	Base Land Value
412850	Lakecrest	11	1998-2000	\$510,000
413968	Lakemont Lane	9	2014	\$470,000
413970	Lakemont Place	9	2008-2011	\$450,000
414093	Lakepointe	9	2001-2002	\$460,000
615495	NorthVista	10	1985	\$470,000
750270	Saddleback	9	1998-2000	\$540,000
813400	Sunset Park Village	10	2000-2017	\$540,000

Land Value Model Calibration... Continued

View Adjustments*				
Views	Fair	Average	Good	Excellent
Lake Washington	\$15,000	\$30,000	\$45,000	\$70,000
Lake Sammamish	\$10,000	\$20,000	\$30,000	\$45,000
Puget Sound	\$15,000	\$25,000	\$35,000	\$45,000
Seattle Skyline	0	\$20,000	\$40,000	\$60,000
Territory	0	\$20,000	\$40,000	\$70,000
Bellevue	0	\$10,000	\$25,000	\$35,000
Olympics	0	\$10,000	\$20,000	\$30,000
Cascades	0	\$10,000	\$20,000	\$30,000
Mt. Rainier	0	\$10,000	\$15,000	\$20,000

*View adjustments are cumulative

Additional Adjustments	
Additional Building Sites	Full value for 1st site then + 50% of full site value for each additional site.
Easements	-5% to -10%
Power Lines	-\$10,000
Road Access	-5% to -50%
Stream Impact	-5% to -30%
Topography	-5% to -75%
Water Problems	-5% to -60%
Wetland	-5% to -10%
Green Belt	Small +\$5,000
	Large +\$10,000
Traffic	Moderate -\$10,000
	High -\$20,000
	Extreme -\$30,000 to -\$50,000

Order of Adjustments:

- 1) % Adjustments
- 2) Dollar Amount Adjustments

Land Value Calculation Sample:

A platted lot located in neighborhood 21 with a lot size of 10,000 sq ft is calculated at \$420,000 per the neighborhood schedule, +/- any other land adjustments. If this parcel has -10% taken off for topography, is situated on a street with moderate traffic (-\$10,000 per schedule) with an average territorial view (+\$20,000 per schedule), the adjusted calculated land value would be as follows:

$$\$420,000 * .90 = \$378,000 \text{ (truncated)} - \$10,000 + \$20,000 = \$388,000 \text{ (truncated)}$$

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 1/1/2018.

In addition to standard physical property characteristics, the analysis showed that the following were influential in the market.

- Base Land
- Houses built after the year 2013
- Neighborhood 4
- Neighborhood 9
- Neighborhood 12
- Neighborhood 13
- Neighborhood 17
- Neighborhood 18
- Neighborhood 19
- ResSub 7 Neighborhood 1 and 3
- ResSub 8 Neighborhood 3
- Very Good Condition

There was a lack of sales of parcels in poor condition, fair condition 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

Variable	Definition
Sale Day	Time Adjustment
BaseLandC	2018 Adjusted Base Land Value
Nghb12YN	Neighborhood 12
Nghb13YN	Neighborhood 13
Nghb17YN	Neighborhood 17
Nghb18YN	Neighborhood 18
Nghb19YN	Neighborhood 19
Nghb4YN	Neighborhood 4
Nghb9YN	Neighborhood 9
ResSub7Nghb1_3	ResSub 7 Neighborhood 1 and 3 in
ResSub8Nghb3YN	ResSub 8 Neighborhood 3 in
NewHouseYN2014nupC	New House Built in 2014 or greater
Very Good	Very Good Condition
TotalRcnldC	Total Replacement Cost New Less Depreciation

Multiplicative Model

$(1-0.075) * \text{EXP}(-0.483552864048099 + 0.766945184588178 * \text{BaseLandC} + 0.0798861907349931 * \text{NewHouseYN2014nupC} + 0.0328342745906455 * \text{Nghb12YN} - 0.027331188828443 * \text{Nghb13YN} - 0.0241066684694951 * \text{Nghb17YN} + 0.0618033538797336 * \text{Nghb18YN} + 0.0189541482264164 * \text{Nghb19YN} + 0.0158113414460914 * \text{Nghb4YN} + 0.0231380789918446 * \text{Nghb9YN} + 0.0139354282026183 * \text{ResSub7Nghb1_3} + 0.0351280222692887 * \text{ResSub8Nghb3YN} + 0.471854666624572 * \text{TotalRcnldC} + 0.0219837675412435 * \text{VGoodYN}) * 1000$

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
- Lot size less than 100 square feet

Of the improved parcels in the population, 6,650 parcels increased in value. They were comprised of 1 single family residences on commercially zoned land and 6,649 single family residences or other parcels.

Of the vacant land parcels greater than \$1000, 80 parcels increased in value. Tax exempt parcels were excluded from the number of parcels increased.

Supplemental Models and Exceptions

PLAT ADJUSTMENTS		
MAJOR	PLAT NAME	ADJUSTMENT
260003	Forest Hill #4	EMV x .95
260004	Forest Hill #5	EMV x .95
260010	Forestpark Add	EMV x .95
260011	Forestpark #2	EMV x 1.05
260012	Forestpark #3	EMV x 1.05
269400	Garden Brook Div #1	EMV x .94
269410	Garden Brook Div #2	EMV x .94
269411	Garden Brook Div #2	EMV x .94
337790	Hilltop Community	EMV x 1.07
412850	Lakecrest Estates	EMV x .95
413970	Lakemont Place	EMV x .93
424600	Leawood Add	EMV x .95
556610	Mocking Bird Hill Add	EMV x .95
615495	North Vista	EMV x 1.08
750270	Saddleback	EMV x 1.08
785657	Sommerset East Div 3	EMV x .93
942950	Willow Ridge Trs	EMV x .95

Accessory Only: New Land + Total Replacement Cost New Less Depreciation (RCNLD).

Poor Condition: Appraiser judgement prevailed, and a note explaining the valuation method was left in Real Property.

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

Grade 6 Year Built < 1990: New Land + Total Replacement Cost New Less Depreciation (RCNLD), or New Land + Value in Use. Appraiser judgement prevailed, and a note explaining the valuation method was left in Real Property.

Grade 13 EMV * 1.25 except Neighborhood 6 and 7.

Neighborhood 6 Grade 13 EMV

Neighborhood 7 Grade 12 and 13 EMV * 1.13

Sub 8 Year Renovate >=2000: EMV * 1.08 except Major 260011

Major 260011 Year Renovate >=2000: EMV * 1.13

Neighborhood 11 Year Built < 2015 EMV * .92 Year Built >= 2015 EMV * 1.15

Multiple Improvements: EMV for Imp 1 + RCNLD for each additional Improvement.

Supplemental Models and Exceptions... Continued

Multiple Building Sites: Improvement EMV calculated using value of 1st building site. Additional site values were then added to EMV for new value.

EMV Less than New Land: New Land + Building RCNLD, or New Land + 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, 2018

Date of Appraisal Report: 6-27-2018

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, physical inspection and report writing.
- Brian Ogilvie – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation.
- Brendon George – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation.
- Heather Hagan – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation.
- Tracey Scott – 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 2017
5. Existing residences where the data for 2017 is significantly different than the data for 2018 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 2017 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 1/1/2015 to 12/31/2017 (at minimum) were considered in all analyses.
- Sales were time adjusted to 1/1/2018.
- This report is intended to meet the requirements of the Uniform Standards of Professional Appraisal Practice Standard 6.

Area 031 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 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, 2018**.

For example, a sale of \$475,000 which occurred on October 1, 2016 would be adjusted by the time trend factor of 1.181, resulting in an adjusted value of \$560,000 ($\$475,000 * 1.181 = \$560,975$) – truncated to the nearest \$1000.

SaleDate	Adjustment (Factor)	Equivalent Percent
1/1/2015	1.491	49.1%
2/1/2015	1.474	47.4%
3/1/2015	1.460	46.0%
4/1/2015	1.443	44.3%
5/1/2015	1.427	42.7%
6/1/2015	1.411	41.1%
7/1/2015	1.396	39.6%
8/1/2015	1.380	38.0%
9/1/2015	1.365	36.5%
10/1/2015	1.350	35.0%
11/1/2015	1.335	33.5%
12/1/2015	1.320	32.0%
1/1/2016	1.305	30.5%
2/1/2016	1.291	29.1%
3/1/2016	1.277	27.7%
4/1/2016	1.263	26.3%
5/1/2016	1.249	24.9%
6/1/2016	1.235	23.5%
7/1/2016	1.222	22.2%
8/1/2016	1.208	20.8%
9/1/2016	1.194	19.4%
10/1/2016	1.181	18.1%
11/1/2016	1.168	16.8%
12/1/2016	1.155	15.5%
1/1/2017	1.142	14.2%
2/1/2017	1.130	13.0%
3/1/2017	1.118	11.8%
4/1/2017	1.105	10.5%
5/1/2017	1.093	9.3%
6/1/2017	1.081	8.1%
7/1/2017	1.069	6.9%
8/1/2017	1.057	5.7%
9/1/2017	1.045	4.5%
10/1/2017	1.034	3.4%
11/1/2017	1.022	2.2%
12/1/2017	1.011	1.1%
1/1/2018	1.000	0.0%

Area 031 Market Value Changes Over Time

The time adjustment formula for Area 031 is: $1/\text{EXP}(0.000364604327999247 * \text{SaleDay})$

$\text{SaleDay} = \text{SaleDate} - 43101$

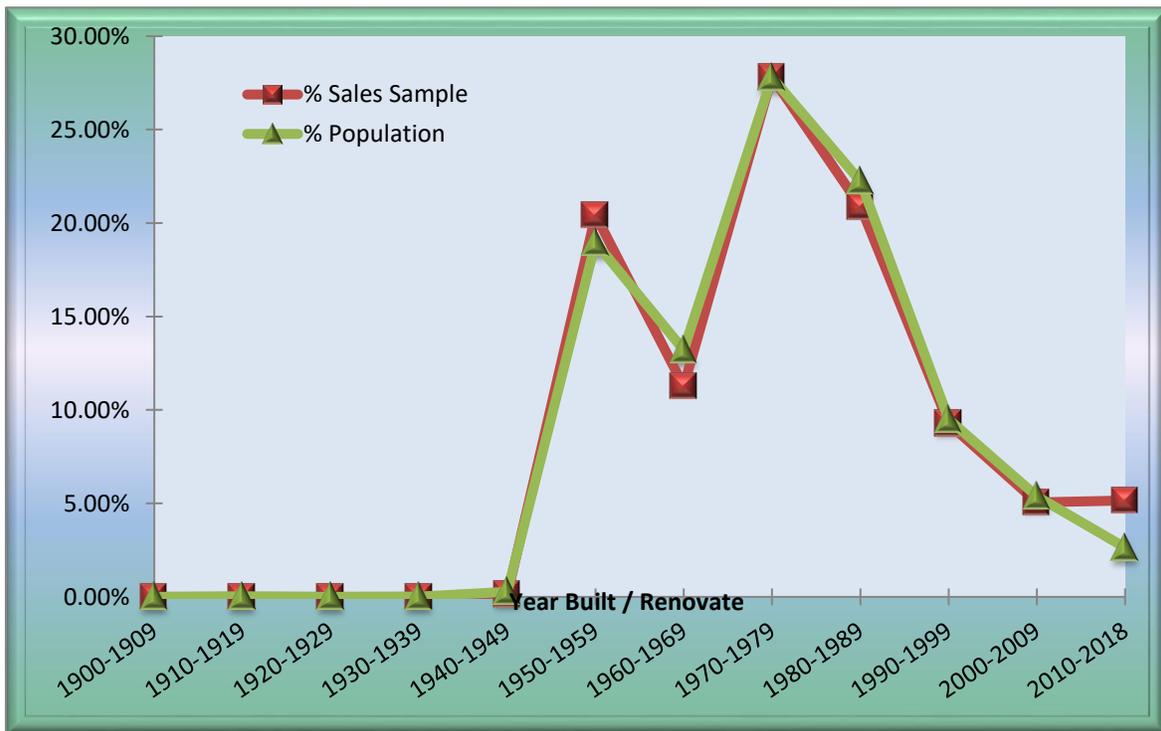
Sales Sample Representation of Population Year Built or Renovated

Sales

Year Built/Ren	Frequency	% Sales Sample
1900-1909	0	0.00%
1910-1919	0	0.00%
1920-1929	0	0.00%
1930-1939	0	0.00%
1940-1949	1	0.12%
1950-1959	174	20.42%
1960-1969	96	11.27%
1970-1979	237	27.82%
1980-1989	178	20.89%
1990-1999	79	9.27%
2000-2009	43	5.05%
2010-2018	44	5.16%
	852	

Population

Year Built/Ren	Frequency	% Population
1900-1909	0	0.00%
1910-1919	2	0.03%
1920-1929	0	0.00%
1930-1939	1	0.01%
1940-1949	18	0.27%
1950-1959	1,268	18.96%
1960-1969	883	13.20%
1970-1979	1,859	27.79%
1980-1989	1,487	22.23%
1990-1999	635	9.49%
2000-2009	360	5.38%
2010-2018	176	2.63%
	6,689	



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 have statistical significance and results are reflected in the model.

Sales Sample Representation of Population

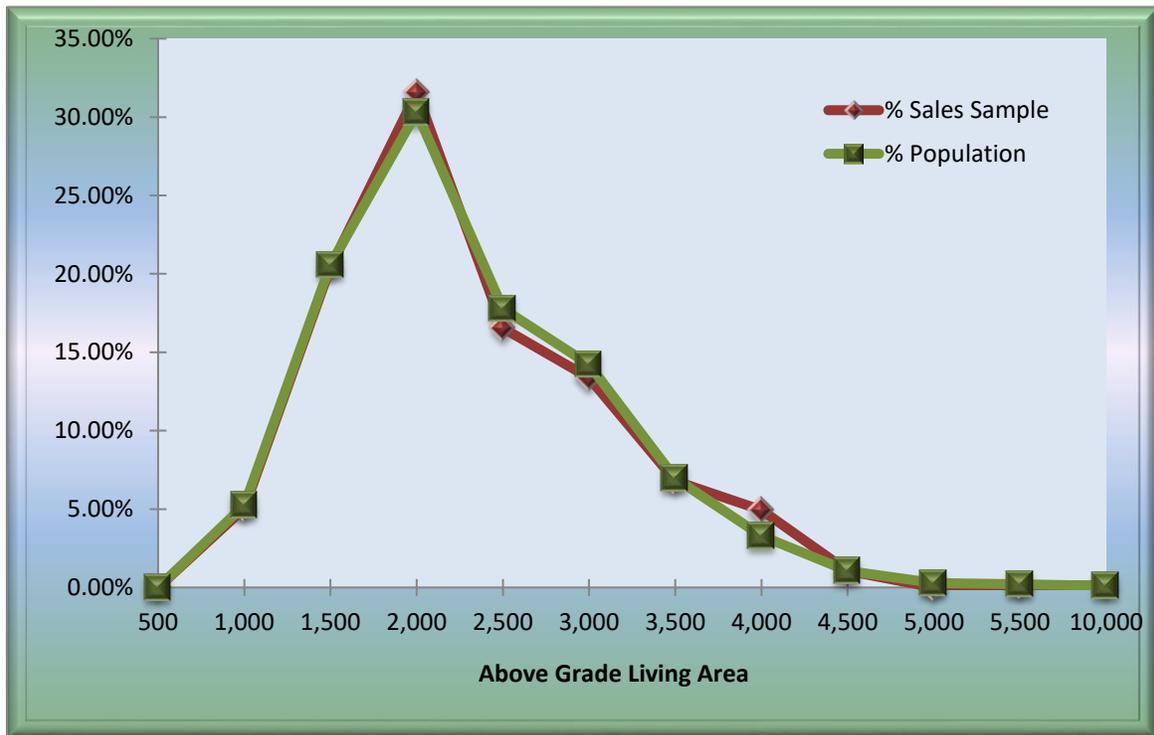
Above Grade Living Area

Sales

AGLA	Frequency	% Sales Sample
500	0	0.00%
1,000	43	5.05%
1,500	174	20.42%
2,000	269	31.57%
2,500	141	16.55%
3,000	114	13.38%
3,500	58	6.81%
4,000	42	4.93%
4,500	9	1.06%
5,000	0	0.00%
5,500	1	0.12%
10,000	1	0.12%
	852	

Population

AGLA	Frequency	% Population
500	0	0.00%
1,000	351	5.25%
1,500	1,376	20.57%
2,000	2,027	30.30%
2,500	1,189	17.78%
3,000	952	14.23%
3,500	465	6.95%
4,000	220	3.29%
4,500	70	1.05%
5,000	19	0.28%
5,500	13	0.19%
10,000	7	0.10%
	6,689	



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

Sales Sample Representation of Population

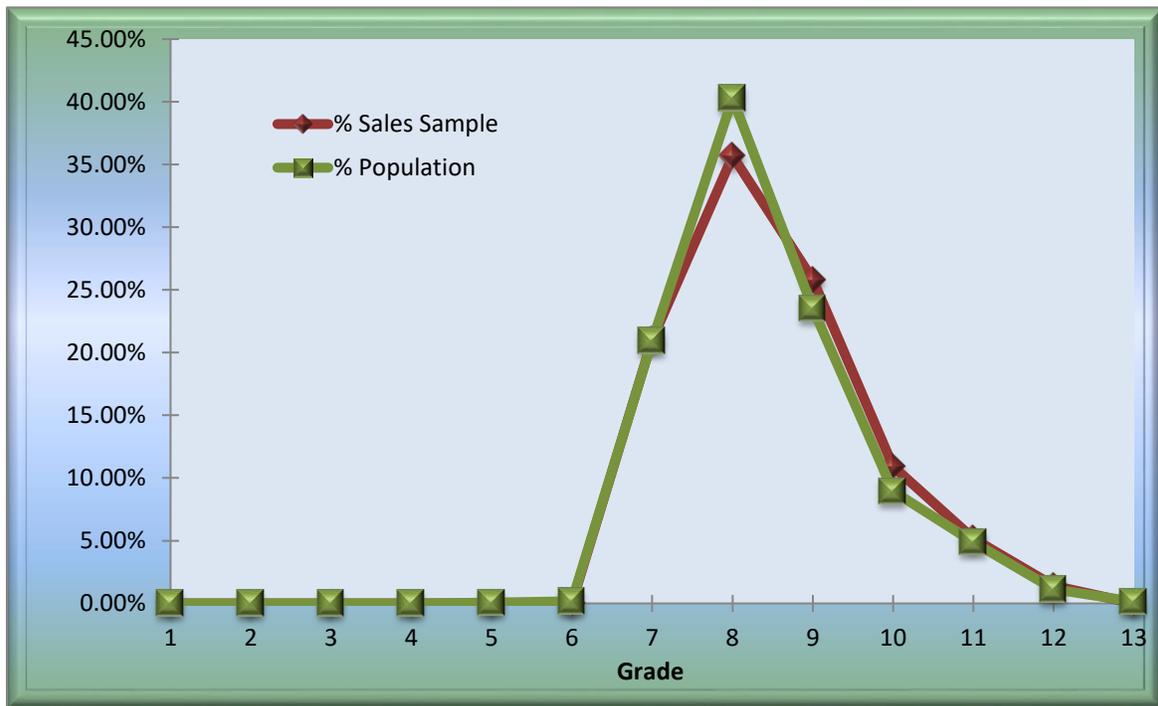
Building Grade

Sales

Grade	Frequency	% Sales Sample
1	0	0.00%
2	0	0.00%
3	0	0.00%
4	0	0.00%
5	0	0.00%
6	0	0.00%
7	179	21.01%
8	304	35.68%
9	220	25.82%
10	93	10.92%
11	44	5.16%
12	12	1.41%
13	0	0.00%
	852	

Population

Grade	Frequency	% Population
1	0	0.00%
2	0	0.00%
3	0	0.00%
4	0	0.00%
5	4	0.06%
6	11	0.16%
7	1,400	20.93%
8	2,694	40.28%
9	1,572	23.50%
10	598	8.94%
11	326	4.87%
12	75	1.12%
13	9	0.13%
	6,689	



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 92.0% . 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 2018 assessment year (taxes payable in 2019) results in an average total change from the 2017 assessments of +17.60%. 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 2018 recommended values. This study benchmarks the prior assessment level using 2017 posted values (1/1/2017) compared to current adjusted sale prices (1/1/2018). The study was also repeated after the application of the 2018 recommended values. The results show an improvement in the COD from 8.46% to 6.85%.

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 031 Housing Profile



Grade 6/Year Built 1949 / Total Living Area 1780



Grade 7/ Year Built 1967/ Total Living Area 1540



Grade 8/ Year Built 1985/ Total Living Area 2200



Grade 9/ Year Built 1987/ Total Living Area 2790



Grade 10/ Year Built 1996/ Total Living Area 4280



Grade 11/ Year Built 1990/ Total Living Area 3890



Grade 12/ Year Built 2001/ Total Living Area 6130



Grade 13/ Year Built 2005/ Total Living Area 7950

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, Assessor's 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:
 - **Brian Ogilvie**
 - Data Collection
 - Sales Verification
 - Appeals Response Preparation
 - Land and Total Valuation
 - New Construction Evaluation
 -
 - **Brendon George**
 - Data Collection
 - Sales Verification
 - Appeals Response Preparation
 - Land and Total Valuation
 - New Construction Evaluation
 -
 - **Heather Hagan**
 - Data Collection
 - Sales Verification
 - Appeals Response Preparation
 - Land and Total Valuation
 - New Construction Evaluation
 -
 - **Tracey Scott**
 - Data Collection
 - Sales Verification
 - Appeals Response Preparation
 - 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
 - Data Collection
 - Sales Verification
 - Appeals Response Preparation / Review
 - Physical Inspection Model Development and Report Preparation

USPAP Compliance...Continued

- Land and Total Valuation
- New Construction Evaluation

Scott Kelan

6-27-2018

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 2018 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, 2018 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