

Commercial Revalue

2019 Assessment roll

AREA
25

**King County, Department of Assessments
Seattle, Washington**

John Wilson, Assessor



King County

Department of Assessments

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

(206) 263-2300 FAX (206) 296-0595

Email: assessor.info@kingcounty.gov

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

John Wilson
Assessor

Dear Property Owners,

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

We continue to work hard to implement your feedback and ensure we provide accurate and timely information to you. We have made significant improvements to our website and online tools to make interacting with us easier. The following report summarizes the results of the assessments for your area along with a map. Additionally, I have provided a brief tutorial of our property assessment process. It is meant to provide you with background information about the process we use and our basis for the assessments in your area.

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

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

In Service,

John Wilson
King County Assessor

How Property Is Valued

King County along with Washington's 38 other counties use mass appraisal techniques to value all real property each year for property assessment purposes.

What Are Mass Appraisal Techniques?

In King County the Mass Appraisal process incorporates statistical testing, generally accepted valuation methods, and a set of property characteristics for approximately 700,000 residential, commercial and industrial properties. More specifically for commercial property, the Assessor breaks up King County into geographic or specialty (i.e., office buildings, warehouses, retail centers, etc.) market areas and annually develops valuation models using one or more of the three standard appraisal indicators of value: Cost, Sales Comparison (market) and Income. For most commercial properties the income approach is the primary indicator of value. The results of the models are then applied to all properties within the same geographic or specialty area.

Are Properties Inspected?

All property in King County is physically inspected at least once during each six year cycle. Each year 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. For some larger or complex commercial properties an appraiser may need to also conduct an interior inspection of the buildings or property. From the property inspections we update our property assessment records for each property.

How are Commercial Properties Valued?

The Assessor collects a large amount of data regarding commercial properties: cost of construction, sales of property, and prevailing levels of rent, operating expenses, and capitalization rates. Statistical analysis is conducted to establish relationships between factors that might influence the value of commercial property. Lastly valuation models are built and applied to the individual properties. For income producing properties, the following steps are employed to calculate an income approach:

1. Estimate potential gross income
2. Deduct for vacancy and credit loss
3. Add miscellaneous income to get the effective gross income
4. Determine typical operating expenses
5. Deduct operating expenses from the effective gross income
6. Select the proper capitalization rate
7. Capitalize the net operating income into an estimated property value

How is Assessment Uniformity Achieved?

The Assessor achieves uniformity of assessments through standardization of rate tables for incomes, operating expenses, vacancy and credit loss collections and capitalization rates which are uniformly applied to similarly situated commercial properties. Rate tables are generated annually that identify specific rates based on location, age, property type, improvement class, and quality grade. Rate tables are annually calibrated and updated based on surveys and collection of data from local real estate brokers, professional trade publications, and regional

financial data sources. With up-to-date market rates we are able to uniformly apply the results back to properties based on their unique set of attributes.

Where there is a sufficient number of sales, assessment staff may generate a ratio study to measure uniformity mathematically through the use of a coefficient of dispersion (aka COD). A COD is developed to measure the uniformity of predicted property assessments. We have adopted the Property Assessment Standards prescribed by the International Association of Assessing Officers (aka IAAO) that may be reviewed at www.IAAO.org. The following are target CODs we employ based on standards set by IAAO:

Type of Commercial Property	Subtype	COD Range
Income Producing	Larger areas represented by large samples	5.0 to 15.0
Income Producing	Smaller areas represented by smaller samples	5.0 to 20.0
Vacant Land		5.0 to 25.0
Other real and personal property		Varies with local conditions

Source: IAAO, *Standard on Ratio Studies*, 2013, Table 1-3. www.IAAO.org

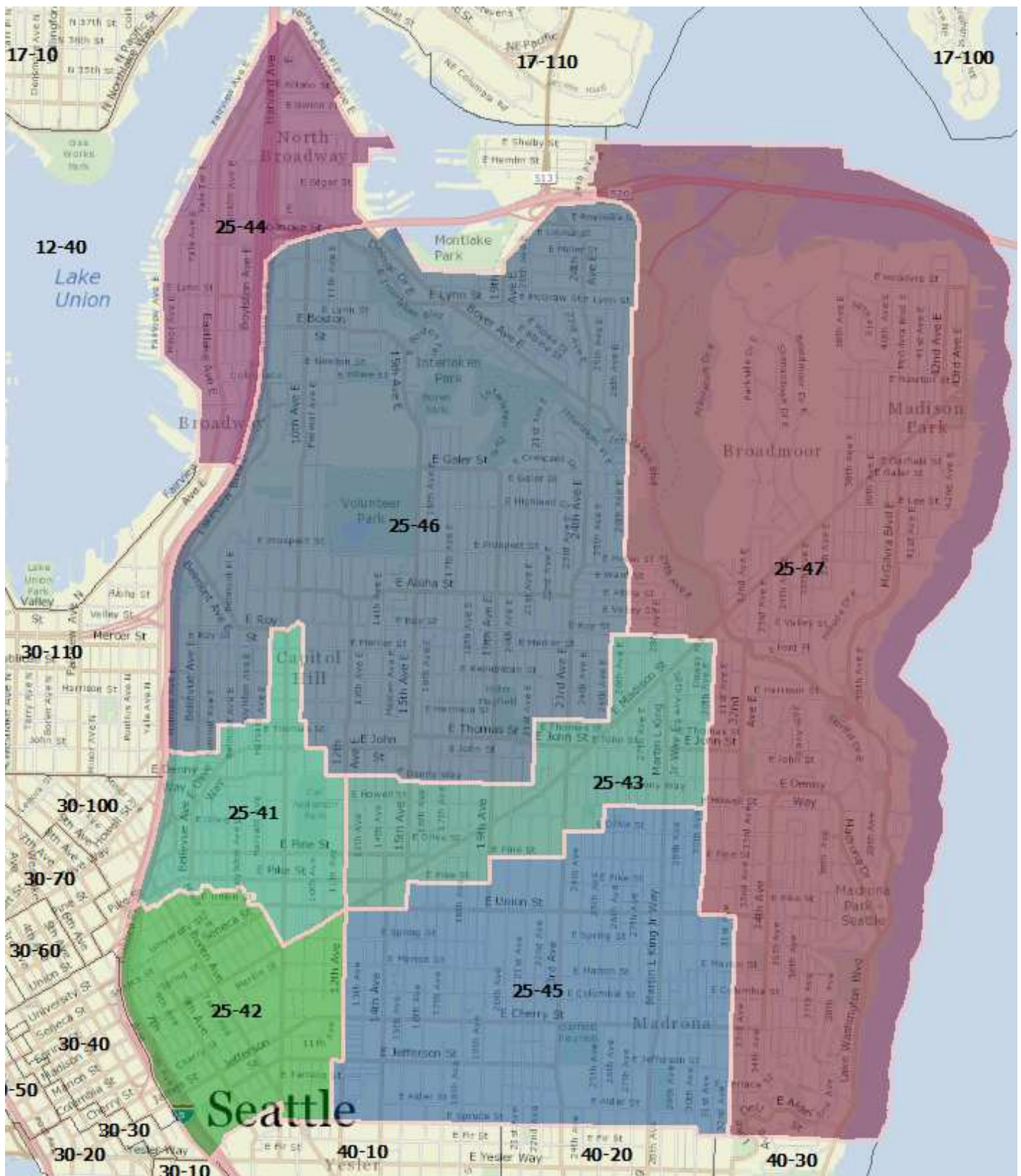
More results of the statistical testing process are found within the attached area report.

Requirements of State Law

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

Appraisal Area Reports

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



Executive Summary Report

Appraisal Date 1/1/19

Geographic Appraisal Area:

- Area 25: First Hill, Capitol Hill, Eastlake, Montlake, Madison Park, Madrona, Central District

Sales – Improved Summary

- Number of Sales: 52 total, with 51 included in the Ratio Study
- Range of Sales Dates: 01/6/2016– 12/5/2018

Sales – Ratio Study Summary

Sales--Improved Valuation Change Summary				
	Mean Assessed Value	Mean Sale Price	Ratio	COD*
2018 Value	\$2,489,300	\$3,012,100	82.6%	15.40%
2019 Value	\$2,763,800	\$3,012,100	91.8%	12.88%
Abs. Change	\$274,500		9.2%	-2.52%
% Change	11.03%		11.14%	-16.36%

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

Sales used in analysis: All improved sales that were verified as good that did not have characteristic changes between the date of sale and the date of appraisal were included in the analysis. Examples of sales that are not included in the analysis are: bankruptcies, partial interest sales, easements, those sold between corporate affiliates, those sold as a portion of a bulk portfolio sale, net lease sales, sales that had major renovation after sale, or parcels that have been segregated or merged since being purchased.

Total Population - Parcel Summary Data			
	Land	Improvements	Total
2018 Value	\$4,408,662,180	\$3,038,487,850	\$7,447,150,030
2019 Value	\$4,928,783,300	\$3,285,344,500	\$8,214,127,800
% Change	11.80%	8.12%	10.30%

Number of Parcels in the Population: **1,310**, excluding specialties.

Conclusion and Recommendation:

Total assessed values for the 2018 revalue have increased 10.30%.

The values recommended in this report improve uniformity and equity; therefore it is recommended they should be posted for the 2019 Assessment Year.

Identification of the Area

Name or Designation

- Area 25 Capitol Hill

Area 25 Neighborhoods

- 25-41 Broadway-Pike/Pine
- 25-42 First Hill
- 25-43 Madison
- 25-44 Eastlake
- 25-45 Central District
- 25-46 North Capitol Hill-Montlake
- 25-47 Madison Park-Madrona

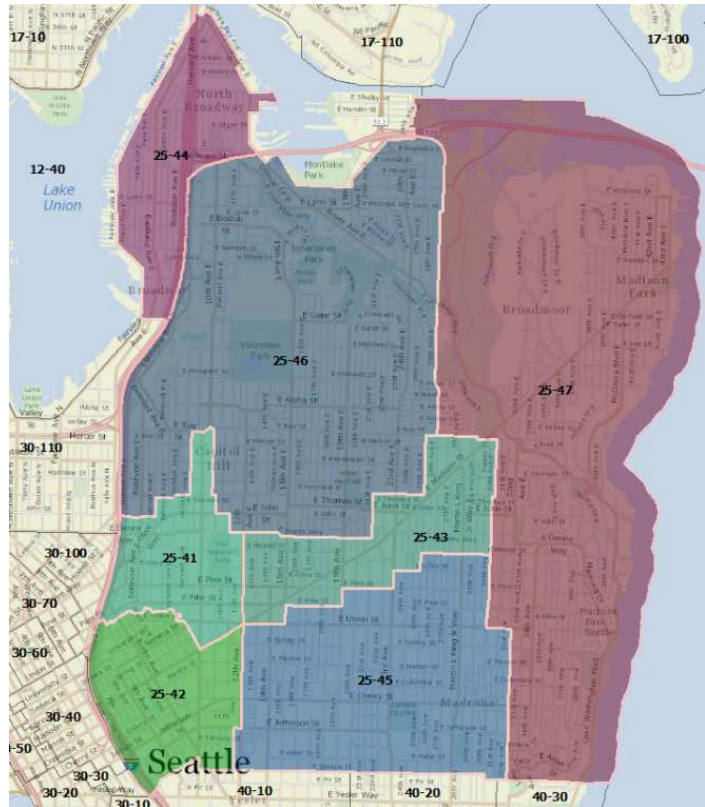
Boundaries

North: Lake Union Ship Canal

South: East Spruce Street

West: Interstate 5 and Lake Union

East: Lake Washington



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 25 is centrally located between the downtown core on the west and Lake Washington on the east; it is divided into seven neighborhoods: Broadway-Pike/Pine, First Hill, Madison, North Capitol Hill-Montlake, Central District, Eastlake, and Madison Park-Madrona. The Capitol Hill geo area is predominantly a high-density residential area with interspersed business cores.

The seven different neighborhoods are similar in their mixed-use compositions but all unique in their own rights. Urban density is concentrated in the southwest portion of the area and becomes more suburban in character as one goes east. Broadway-Pike/Pine is the urban retail core, with an active nightlife scene and lots of small retail shops. First Hill has the tallest buildings and is the medial services hub of the region. The Central District has a long history as one of Seattle's most diverse neighborhoods. North Capitol Hill is predominantly a residential neighborhood with a mix of historic mansions and small commercial centers. Madison Park-Madrona is known for its abundance of parks, water views, and waterfront developments. The Madison corridor is a transition area between The Central District and North Capitol Hill as well as between the urban centers to the west and the Lake Washington neighborhoods to the east. Eastlake is unique for its location between Capitol Hill, Lake Union, Downtown Seattle, and the University District.

Area Overview

Area 25 is a vibrant mix of older Seattle. Its location between Downtown Seattle, University of Washington (UW), Lake Washington, and I-90 makes it a desirable location for a wide variety of people.

The largest sources of economic vitality within the area are the three major medical centers on First Hill (Swedish, Harborview, and Virginia Mason), Seattle Central College and Seattle University, as well as the active retail corridors along Pine St, Pike St, and Broadway. Additional economic vitality comes from the surrounding area, including Downtown, the tech and medical research hubs in South Lake Union, and UW. Area 25's close proximity to these sources of economic activity is a major reason why real estate is so valuable in this area.

Gentrification has become a major issue in this area as the economy has boomed over the past several years. Long-time residents, particularly renters, are seeing their housing expenses rapidly increase as wealthier households choose to move into this area. Government officials and activists continue to debate over the best way to solve this issue. Some argue that we simply need more housing units, and incentives should be put in place to allow developers to build more. Others argue that the new development is too luxurious and contributes to the problem. Seattle Mayor Ed Murray created the Housing Affordability and Livability Agenda (HALA) in an effort to tackle this issue. His HALA Advisory Committee came up with a long list of recommendations, which the city has spent the last four years working to implement. One example is the Mandatory Housing Affordability (MHA) program which changes zoning to allow for denser development, but requires new development to include some affordable housing on-site or pay a fee that the city will use to expand affordable housing options. The goal is that these changes will limit displacement throughout the rest of this economic boom, allowing a wide variety of households to continue to live in Area 25. Implementation of MHA zoning changes began in 2017, with The Central District seeing the first changes among Area 25 neighborhoods. On March 18, 2019 the City Council approved citywide MHA legislation. This legislation makes zoning changes throughout the city that take effect on April 19, 2019.

Vacant land sales activity slowed down in 2018. There were 11 arms-length transactions in 2018 compared to 14 in 2017 and 28 in 2016. This trend appears to be a sign that the current development boom in Area 25 may be coming to an end.

Improved sales volume dropped from 23 sales in 2017 to 13 in 2018. However, 2017 had an unusually high number of sales. The sales volume in 2018 was similar to the sales volume from 2013 through 2016. Most improved sales over the past three years have been offices, commercial condo units, or live-work units. This trend continued in 2018, with 8 of the 13 sales being one of these three property types.

The most prevalent new construction has continued to be multi-story mixed use developments with street-front retail below residential apartments. Area 25 saw 1,633,940 gross square feet built in 2018. Of that total, 69% were apartment buildings adding 1,240 units to the area.

Analysis Process

Effective Date of Appraisal: January 1st, 2019

Date of Appraisal Report: March 29th, 2019

The following appraiser did the valuation for this geographic area:

Highest and Best Use Analysis

As if vacant: Market analysis of this area, together with current zoning and current anticipated use patterns, indicate the highest and best use of the majority of the appraised parcels as commercial use. Any opinion not consistent with this is specifically noted in our records and considered in the valuation of the specific parcel.

As if improved: Based on neighborhood trends, both demographic and current development patterns, the existing buildings represent the highest and best use of most sites. The existing use will continue until land value, in its highest and best use, exceeds the sum of value of the entire property in its existing use and the cost to remove the improvements. We find that the current improvements do add value to the property, in most cases, and are therefore the highest and best use of the property as improved. In those properties where the property is not at its highest and best use, a nominal value of \$1,000.00 is assigned to the improvements.

Interim Use: In many instances a property's highest and best use may change in the foreseeable future. A tract of land at the edge of a city might not be ready for immediate development, but current growth trends may suggest that the land should be developed in a few years. Similarly, there may not be enough demand for office space to justify the construction of a multistory office building at the present time, but increased demand may be expected within five years. In such situations, the immediate development of the site or conversion of the improved property to its future highest and best use is usually not financially feasible.

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

Standards and Measurement of Data Accuracy

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

Special Assumptions and Limiting Conditions

All three approaches to value were considered in this appraisal.

- Sales from 01/01/2016 to 12/31/2018 (at minimum) were considered in all analyses.
- This report intends to meet the requirements of the Uniform Standards of Professional Appraisal Practice, Standard 5 and 6.

Broadway-Pike/Pine (25-41)

Boundaries: Clockwise from the west, the boundaries are I-5, E John St, Summit Ave E, E Thomas St, Harvard Ave E, E Roy St, 10th Ave E, E John St, 11th Ave E, E Denny Way, 12th Ave, E Madison St, Harvard Ave, and the southern edge of Seattle's Pike/Pine Overlay.

Neighborhood Description:

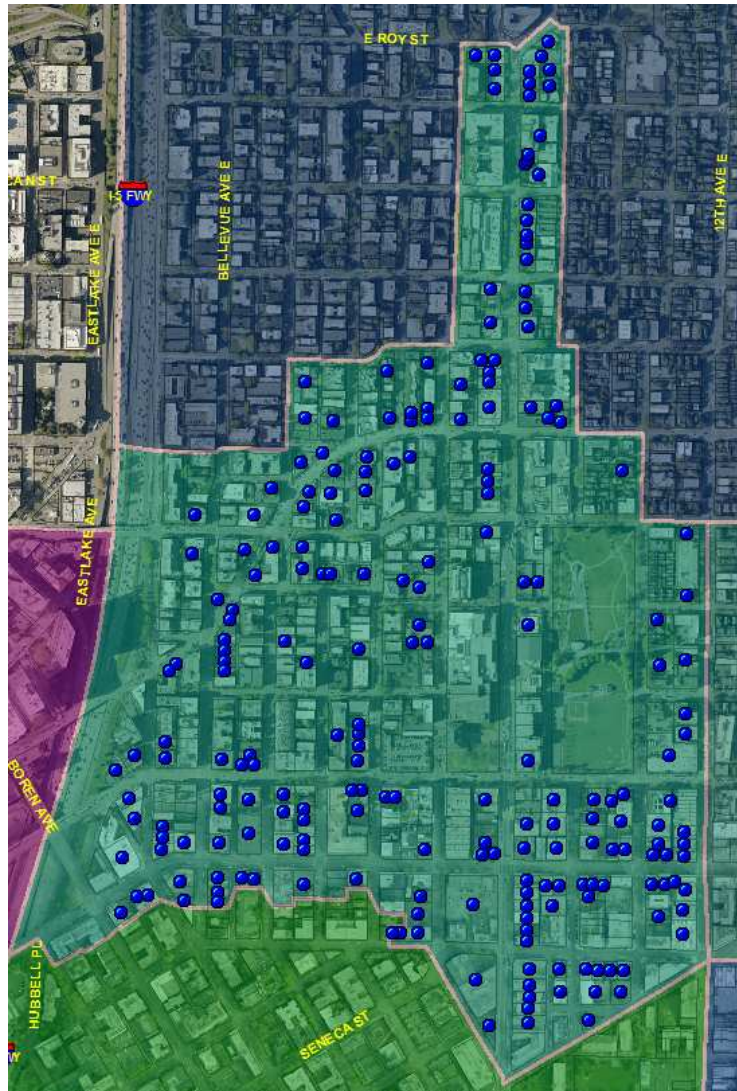
This neighborhood is a vibrant urban gateway to Downtown Seattle and one of Seattle's oldest neighborhoods. Its economy is healthy and seems to change daily. This is partially due to the proximity to downtown, and the concentration of universities, schools and major medical employers nearby.

A defining characteristic of this neighborhood is its premier retail location, which is reflected in its high retail rental rates. Major thoroughfares include Broadway, Olive Way, Pike Street, and Pine Street. Commercial businesses in this area include mixed-use retail buildings, restaurants, stores, and offices.

The Pike/Pine corridor was Seattle's "Auto Row" 100 years ago, and traces of that history are still present. Many of the newer mixed-use apartment buildings pay tribute to this history with names like "Pike Motorworks" or "Dunn Motors" or "REO Flats." Seattle's zoning has an overlay district over this corridor, which includes provisions that attempt to retain this historic character. For example, "Pike Motorworks" at 714 E Pike was a former BMW auto dealership which was recently redeveloped using the original 1926 brick façade.

The large, empty lots around the Capitol Hill Link Light Rail Station recently finalized their design for a housing, retail, and community space development. Construction began in June 2018 on four buildings, totaling 428 housing units (178 reserved for low-income tenants) and 39,150 square feet of commercial and community space. The project is expected to be completed in 2020.

The Bonney Watson funeral home, just south of the light rail station, sold in December 2018 for \$27,100,000 (\$730 per square foot). It was put on the market in February 2017 with no asking price, but instead a call for bids by March 15. The winning bid came from Mill Creek Residential, who has proposed building 213 units with 16,500 square feet of commercial space in two buildings spanning both sides of E Howell St. They waited to finalize the land sale until they were assured that the project won't be stalled by landmark preservation or design review efforts. The Landmarks Preservation Board ruled in December 2017 that the old funeral home is not a landmark and the project was approved by the Design Review in December 2018, clearing the way for the sale to close.



First Hill (25-42)

Boundaries: Clockwise from the west, the boundaries are I-5, the southern edge of Seattle's Pike/Pine Overlay, Harvard Ave, E Madison St, 12th Ave, E Jefferson St, halfway between 12th Ave and 11th Ave, E Spruce St, Broadway, and Alder St.

Neighborhood Description:

First Hill is the central medical hub for the Seattle area. Several major medical centers are located here, including Swedish, Harborview, and Virginia Mason. Ongoing construction, upgrades and expansion of the hospitals has continued including the addition and renovation in progress at Swedish. Virginia Mason also continues to complete its newest addition, the Jones Pavilion, on a floor by floor basis.



This is the only neighborhood in Area 25 where zoning allows buildings over 85 feet. Thus, this neighborhood has become a transition area where high-rises that are common west of I-5 in downtown mix with the dense residential areas characteristic of Capitol Hill.

Many developments in this neighborhood take advantage of the tall building heights while being close to the active retail area of Pike/Pine and Broadway. One example is a brand new condominium at 1001 Broadway (the corner of Madison Street and Harvard Avenue), The Danforth. This 16-story building was completed in 2018 with 265 residential units above 45,000 square feet of retail occupied by Whole Foods. It is right on the edge of the NC3P-160 zone, so it can build 160 feet tall while still being close to the active retail corridor on Broadway.

Next door to 1001 Broadway, Sound Transit agreed to partner with Plymouth Housing and Bellwether Housing to build a 160-foot high-rise affordable housing building where a Dollar Tree franchise currently sits. Sound Transit approved a motion in November 2017 to transfer this site to these non-profits at no cost to help bring more affordable housing to this neighborhood.

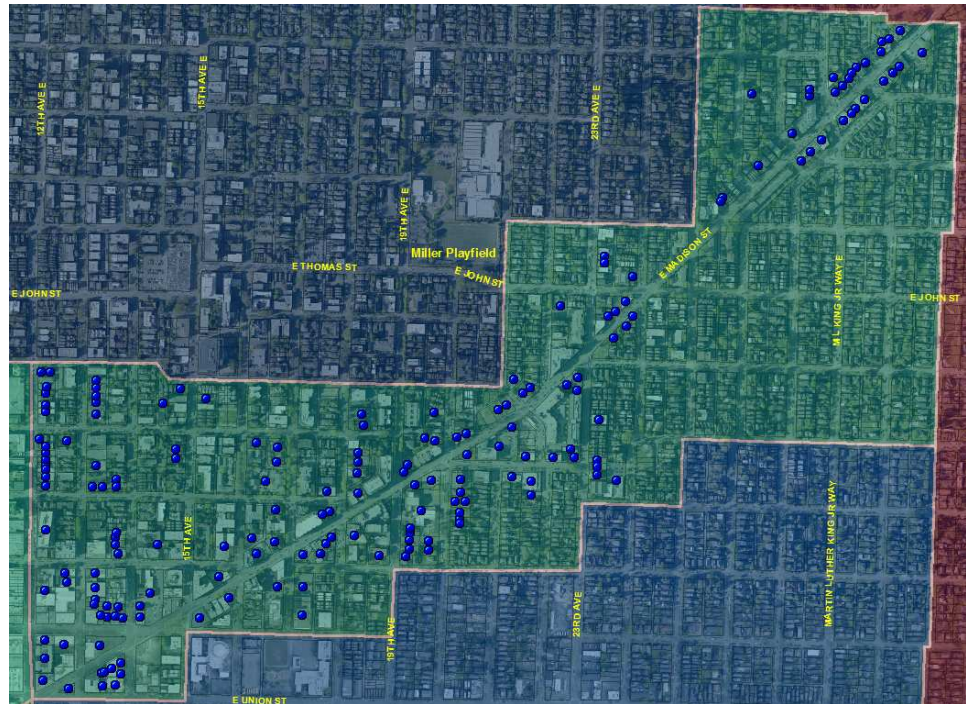
Madison (25-43)

Boundaries:

Clockwise from the west, the boundaries are 12th Ave, E Denny Way, 21st Ave E, E Thomas St, 25th Ave E, E Roy St, 30th Ave E, E Howell St, 25th Ave, E Olive St, 23rd Ave, E Pine St, 19th Ave, E Pike St, 15th Ave, and E Union St.

Neighborhood Description:

This neighborhood serves as a transition area. It transitions from the dense urban centers to the west to the quieter neighborhoods to the east. It also serves as a transition from the expensive Capitol Hill neighborhood to the north, known for its old mansions, to the more affordable Central District to the south.



This neighborhood is also home to the Bullitt Foundation's "Bullitt Center". The Bullitt Center was awarded the Living Building Certification. It's the first office building to get the designation, considered the most rigorous sustainability certification in the world.

An intersection with a lot of development in this neighborhood is where E Madison St meets 22nd Ave and E Denny Way. Twenty20MAD Apartments, a 157-unit apartment building on the west corner was completed in 2017. In addition, a significant transaction took place on the north corner between two developers. Jim Mueller acquired the property in 2014 for \$1.8 Million, spent three years coming up with design plans and getting construction permits in place for a 6-story building with 50 apartments and 3,800 square feet of street-front retail, then sold it for \$4.6 Million in September 2017 to investor Xiao Wei Yang. Soon after the sale the old Firestone Tire building was demolished in preparation for construction. This deal provides evidence that investors are willing to pay a significant premium when a project is "shovel-ready."

One significant project in the pipeline is a six-story mixed-use building in Madison Valley just south of the Washington Park Playfields, at 2925 E Madison St. A PCC Grocery Store and 82 residential units are planned for this site where City People's Garden Store currently sits. The developer had originally hoped to start construction in early 2017 and finish in early 2018, but they faced significant opposition from a neighborhood group named Save Madison Valley, resulting in it being redesigned three times. After its fourth early design review meeting over a span of 14 months, it finally got approval to move forward in September 2017, but Save Madison Valley has appealed this decision so the construction timeline is still unclear.

Eastlake (25-44)

Boundaries: Clockwise from the west, the boundaries are generally Fairview Ave E, Portage Bay Pl E, Fuhrman Ave E, Boyer Ave E, SR-520, I-5, and E Galer St.

Neighborhood Description:

The Eastlake neighborhood is predominantly dense residential uses with most of the commercial space occurring along Eastlake Ave E and some offices along Fairview Ave E with views of Lake Union.

Lake Union to the west, along with I-5 and Capitol Hill's steep slope to the east isolate this neighborhood from the surrounding area. This limits the entries into this neighborhood to just a handful of access points. The most significant entries are Eastlake Ave E from the south, University Bridge from the north, and Roanoke St from the east.

Numerous residential construction projects are underway in this neighborhood, similar to the rest of Area 25.

One notable project in the development pipeline is a proposed Aegis Assisted Living building at the SE corner of Eastlake Ave E and E Newton St. Aegis purchased this property in July 2016 for \$4.3 Million (\$282/SF) and by early 2017 they had applied for a land use permit to build a 6-

story building with 77 assisted living units.

In addition, a new 4-story bioscience laboratory is under construction on the north side of E Blaine St, between Eastlake Ave E and Fairview Ave E. The Atrium, at 1818 Fairview, will have over 200,000 square feet of class-A office/lab space, a ground-floor restaurant, and parking for over 200 vehicles. Construction is expected to finish early 2019.

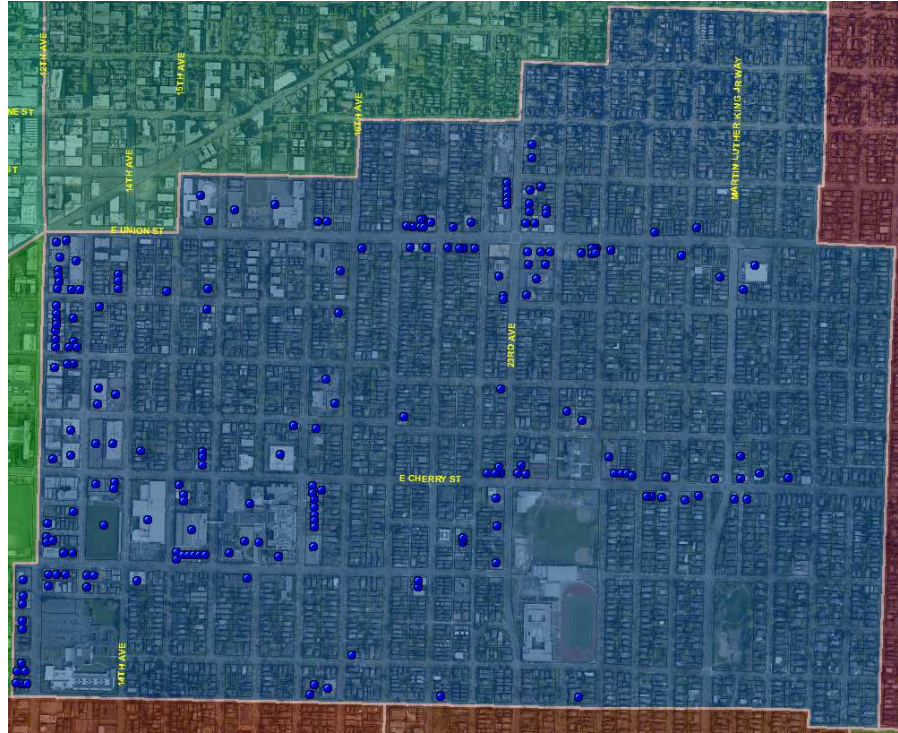


Central District (25-45)

Boundaries: Clockwise from the west, the boundaries are 12th Ave, E Union St, 15th Ave, E Pike St, 19th Ave, E Pine St, 23rd Ave, E Olive St, 25th Ave, E Howell St, 30th Ave, E Union St, 32nd Ave, and E Spruce St.

Neighborhood Description:

The Central District has a long history as one of Seattle's most diverse neighborhoods. It is Area 25's most affordable neighborhood. However, as the rest of Area 25 gets more expensive, this neighborhood is struggling with gentrification. Those that are finding other areas of Capitol Hill too expensive are moving into the Central District. Meanwhile, those that historically could afford to live in the Central District are being displaced to more affordable areas further south.



Most commercial activities are located on the neighborhood's arterials. 23rd Ave is the main north-south arterial, along with Martin Luther King Jr Way S, 12th Ave, and 14th Ave. Union and Cherry Streets are the main commercial thoroughfares running east and west.

The intersection of 23rd and Union continues to see the biggest transformation. Construction is complete on a new 6-story mixed-use building at the NW corner with 145 units plus 20,000 square feet of retail. A block east on Union St, Capitol Hill Housing and Africatown opened up a new development called Liberty Bank Apartments in March 2019. The name is in honor of the historic bank that occupied this site from 1968 to 1988. This new development has 115 affordable units reserved for those making 30% to 60% of the area median income.

Up next, the Midtown Center at the SE corner of 23rd Ave and Union St is being redeveloped. The plan for this block almost fell through after the Design Review Board rejected the original proposal in January 2017, causing investors to walk away from the project. However, Lake Union Partners agreed to partner with nonprofit community land trust, Africatown, to buy the block for \$23.25 million (\$219/SF) and spur new life into this project. "Africatown Plaza" will be developed on the southern 20% of the block while "Midtown Commons" will be built on the northern 80%. A shared courtyard will separate the two. Midtown Commons spent 2018 in negotiations with the Design Review board and was approved for construction in March 2019. The final design includes over 433 apartment units (125 reserved for those making 60% to 85% of the area median income) and 20,000 square feet of retail around a public square, and underground parking for 255 vehicles. Africatown Plaza is still in the early planning phases but around 250 units are expected to be developed there with help from Capitol Hill Housing.

Boundaries: Clockwise from the west, the boundaries generally are I-5, SR-520, The Washington Park Arboretum, 26th Ave E, E Roy St, 25th Ave E, E Thomas St, 21st Ave E, E Denny Way, 11th Ave E, E John St, 10th Ave E, E Roy St, Harvard Ave E, E Thomas St, Summit Ave E, and E John St.

North Capitol Hill-Montlake is adjacent to the bustle of the Broadway shopping district, but is well removed in commercial use. This is predominantly a residential neighborhood with Craftsman-style and one-story Tudor houses built in the early 20th century.

The small commercial districts in North Capitol Hill consist of several stores and nice restaurants dispersed throughout with most occurring along 10th, 15th, 19th, and 24th Avenue East. Samples

This map illustrates the Eastlake neighborhood in Seattle, highlighting its street network, parks, and bus stop locations. The neighborhood is bounded by E Roanoke St to the north, E Denny Way to the south, and E Madison St to the east. Major streets include E Lynn St, E Boston St, E Aloma St, E Olive Way, and E John St. The map also shows the I-5 freeway and Lakeview Blvd E. Parks such as Montlake Park, Interlaken Park, and Volunteer Park are clearly marked. Bus stop locations are indicated by blue dots throughout the neighborhood.

Little has changed in this neighborhood commercially from last year. Sales and redevelopment activity continues along 12th, 15th and 19th streets with multiple projects continuing. Much like most of the outer neighborhoods around Capitol Hill and probably the city of Seattle, infill and redevelopment of single family homes into multifamily properties continues to be a popular trend in this neighborhood as well. As with most neighborhoods lately, the trend has been development of single family or small 2-4 family properties into multiple parcel segregations supporting new multiple story single family townhomes.

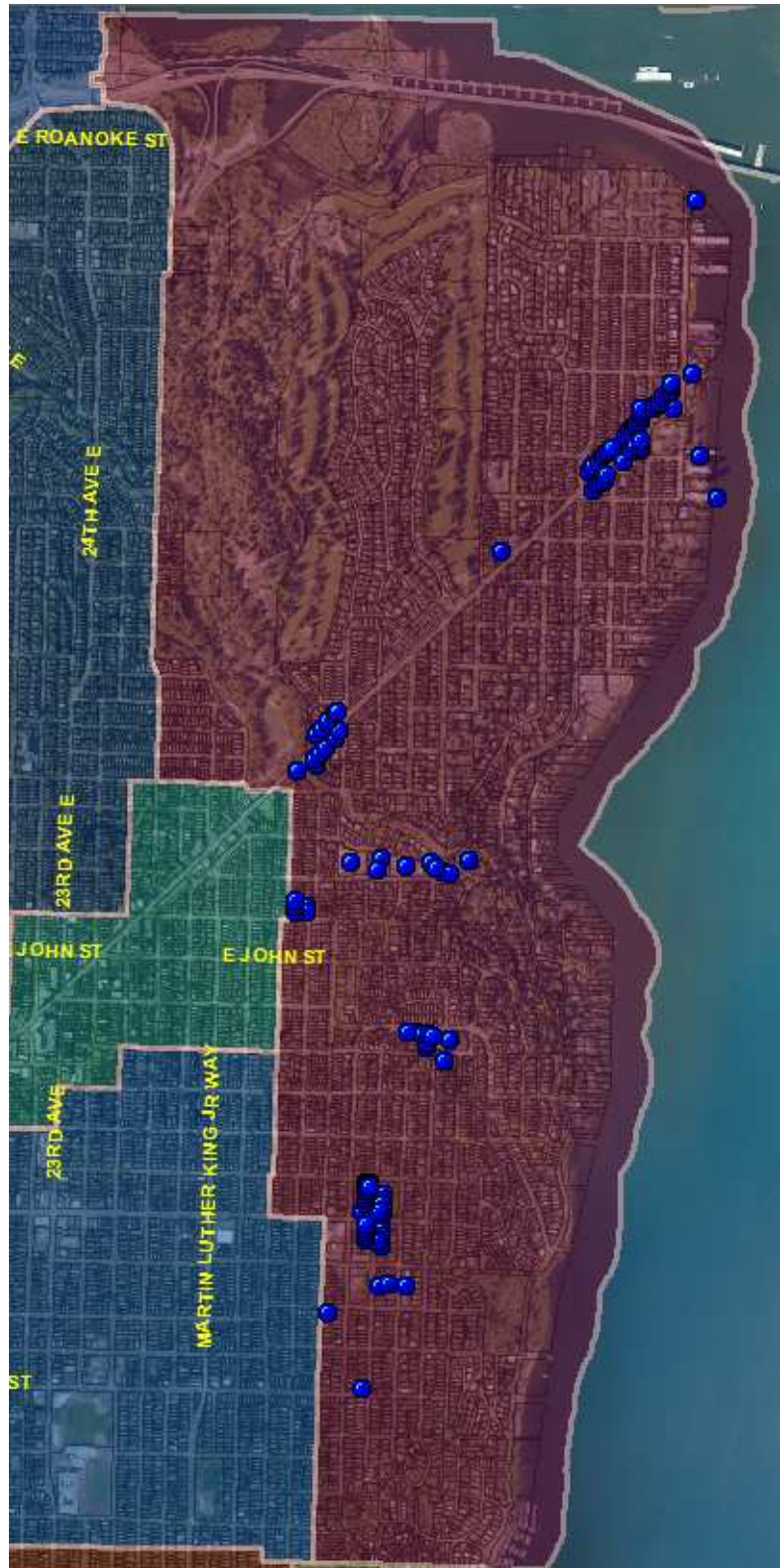
Madison Park-Madrona, (25-47)

Boundaries: Clockwise from the east, the boundaries are generally Lake Washington, an east/west line parallel to E Spruce St, 32nd Ave, E Union St, 30th Ave, E Roy St, 26th Ave E, and the western edge of the Washington Park Arboretum.

Neighborhood Description:

This Madison Park / Madrona neighborhood runs north to south along the west shore of Lake Washington. There are a number of waterfront multi-family developments and small lakeside parks. One large draw is the Seattle Arboretum. There are also a number of private schools throughout. The commercial activity is mostly centered in Madison Park along Madison Street from McGilvra Blvd out to the lake and in Madrona on 34th Ave and E. Union Street.

Very little major new nonresidential construction has occurred within this neighborhood over the past few years.



Physical Inspection Area

WAC 458-07-015 requires each property to be physically inspected at least once during a 6 year revaluation cycle. At a minimum, an exterior observation of the properties is made to verify the accuracy and completeness of property characteristic data that affect value. Property records are updated in accordance with the findings of the physical inspection. First Hill was physically inspected for the 2019 assessment year, specifically properties west of 15th Ave and south of Union St. This inspection area comprised 283 parcels, or approximately 21.04% of the 1,345 total parcels located in Area 25 (not including specialty properties). A list of the physically inspected parcels is included in the addendum of this report.

Scope of Data

Land Value Data: Vacant commercial land sales in Area 25 that closed between 1/1/2016 to 12/31/2018 were given primary consideration for valuing the land parcels in Area 25. Only sales that were recorded as “arm’s length” in the assessor’s records were used. Transactions from other nearby areas were considered as well; these sales do not appear in the list of “Vacant Sales for Area 25 Used,” but can be found in adjoining commercial area reports. 52 arm’s length land sales closed during this period. These sales were given primary consideration for determining land values as of 1/1/2018.

The primary unit of comparison considered was price per square foot of land area. “Shell” sales, interim use sales, tear down sales, and land transactions that included plans and permits were considered in the analysis of the land values. The sales comparison approach generally is considered the most reliable method for land valuation. Zoning, location, date of sale, and topography were primary variables considered in the valuation process.

Improved Parcel Total Value Data: Improved sales that closed between 1/1/2016 to 12/31/2018 were given primary consideration for valuing the parcels in Area 25. 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 contacting either the purchaser or seller, inquiring in the field or contacting the real estate broker. Characteristic data is verified for all sales when possible. Sales are listed in the “Sales Used” and “Sales Not Used” sections of this report. Additional information may reside in the Assessor's Real Property Database, Assessor's procedures, Assessor's "field" maps, Revalue Plan, separate studies, and statutes.

Land Value

Land Sales, Analysis, Conclusions:

The Area 25 market continues to experience upward influence on land values due to its proximity to Seattle CBD and South Lake Union. Within this area, there are 52 verified commercial land sales that occurred during the last three years that were utilized in analysis for the 2019 revalue. Land sales activity slowed down in 2018. There were 11 arms-length transactions in 2018 compared to 14 in 2017 and 28 in 2016. This trend appears to be a sign that the current development boom in Area 25 is coming to an end. That may be because all available land has been developed and builders are moving onto other areas; or it may be because supply and demand are coming into balance so developers are less willing to take the risk of building new construction going forward.

In the absence of land sales in a given neighborhood, land sales from other similar neighborhoods or nearby areas were considered. The new land values are based on neighborhood land sales that are equalized with adjacent and similarly zoned properties. In most of these neighborhoods, new commercial development sites are being created through the demolition of existing buildings.

The primary unit of comparison considered was based on price per square foot of land area. “Shell” sales, interim use sales, tear down sales, and land transactions that included plans and permits or outlier sales

were reviewed individually in the analysis of the land values. Zoning, location, date of sale, and topography were primary variables considered in the valuation process. Every effort was made to equalize the assessed land values of similarly zoned land between adjacent areas. Assessed land values are based on land sales of properties with similar development potential. Only sales verified as “arms-length” were used in the market analysis.

The total recommended assessed land value for the 2019 assessment year is \$9,094,525,600. The recommended land values for the 2019 assessment year result in an increase from the 2018 assessment of 15.54%. The preceding totals include all taxable and nontaxable parcels in Area 25, excluding government owned parcels.

Change in Assessed Land Value by Area				
Neighborhood	2017 Land Value	2018 Land Value	Change	% Change
25-41	\$1,471,576,500	\$1,616,524,700	\$144,948,200	9.85%
25-42	\$2,308,886,600	\$2,718,720,700	\$409,834,100	17.75%
25-43	\$851,262,100	\$991,363,100	\$140,101,000	16.46%
25-44	\$581,890,200	\$697,143,200	\$115,253,000	19.81%
25-45	\$719,195,900	\$765,880,000	\$46,684,100	6.49%
25-46	\$1,553,994,600	\$1,871,139,900	\$317,145,300	20.41%
25-47	\$384,684,000	\$433,754,000	\$49,070,000	12.76%
Total	\$7,871,489,900	\$9,094,525,600	\$1,223,035,700	15.54%

Neighborhoods and Sales

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

Area 25-41 – Broadway and Pike/Pine

Area	Nbhd	Major	Minor	Lot Size	Excise #	Sale Price	Sale Date	Price / SF	Zone
025	041	872560	0290	5,250	2931573	\$3,000,000	05/03/18	\$571.43	NC3P-65
025	041	181780	0025	7,200	2848806	\$3,338,230	02/10/17	\$463.64	MR
025	041	925690	0100	5,614	2818735	\$1,800,000	08/29/16	\$320.63	NC3P-65
025	041	066000	2490	10,470	2815833	\$7,250,000	08/11/16	\$692.45	NC3P-85
025	041	684870	0070	3,816	2800032	\$1,320,246	05/16/16	\$345.98	MR



E#2931573: This 12-unit apartment building on Bellevue Ave, between Pike St and Pine St, sold for \$3,750,000 with plans and permits in process to build a new 50-unit apartment in its place. A 20% discount was applied for the sale being entitled with plans and permits, for an effective sale price of \$3,000,000.



E#2848806: This 10-unit apartment building on Boylston Ave, just south of E Denny Way, sold for \$4,768,900 with plans and permits in place to build a new 55-unit apartment building. A 30% discount was applied for the sale being entitled with plans and permits, for an effective sale price of \$3,338,230.



E#2818735: This is an old auto shop at the corner of Union St and 10th Ave. The buyer a subsidiary of developer American Classic Homes out of Mercer Island. The buyer plans on building multi-family 5 stories high with commercial on 1st level according to CoStar.



E#2815833: This is a parking lot on the north side of Pine St between I-5 and Melrose Ave. The buyer is planning on building a 3,200 SF restaurant over 72 apartments, 6,000 SF of street-front retail, and 35 underground parking stalls.



E#2800032: This property on Howell St at Belmont Ave has a convenience store in front of a duplex. It was bought by a developer who has proposed building a 7-story apartment building containing 77 units over retail on this site.

Area 25-42 – First Hill

Area	Nbhd	Major	Minor	Lot Size	Excise #	Sale Price	Sale Date	Price / SF	Zone
025	042	197820	0935	14,400	2933346	\$8,060,000	05/17/18	\$559.72	HR
025	042	859040	0795	5,964	2908826	\$3,300,000	12/29/17	\$553.32	HR
025	042	859040	0875	10,800	2910204	\$5,750,000	12/29/17	\$532.41	HR
025	042	197820	0775	7,200	2893894	\$3,350,000	10/06/17	\$465.28	HR
025	042	859040	0880 0885 0900	21,600	2840832	\$9,940,000	12/21/16	\$465.28	HR
025	042	539210	0020	7,200	2805944	\$3,200,000	06/24/16	\$444.44	HR
025	042	859090	0490 0495 0505 0510 0515 0516 0555	72,042	2801292 2801298	\$29,300,000	06/08/16	\$406.71	HR



E#2933346: This office at Seneca St and Summit Ave was purchased by the tenant of the building by exercising an option to purchase laid out in the terms of their lease. The sale price was determined by two independent appraisals (one from the buyer and one from the seller). The appraisal concluded that land value exceeded value as currently improved, so the sales price reflected the appraised land value. Thus, this sale is considered a good indication of market land value despite the buyer having no plans to redevelop.



E#2908826: This old rooming house at the corner of 9th Ave and Cherry St was marketed on CBA for 3 months as a micro-housing development site. Multiple competitive offers were received. The winning bid was not the highest, but rather one willing to close quickly. Soon after the sale, windows were boarded up and a chain-link fence was erected around the property, indicating that the improvements contribute no value to the property and redevelopment will occur soon.



E#2910204: This parking lot received multiple offers within a couple weeks of being marketed on the MLS, allowing it to be sold for the full asking price of \$5,750,000 on favorable terms. The buyer applied for a permit to build a 15-story apartment tower with 4 levels of underground parking shortly after the sale closed.



E#2893894: This surface parking lot received four offers within a week of being marketed at an asking price of \$3,200,000. The broker then released a “best and final bid date” of 30 days, and eight additional offers were received in that time. The winning bidder is a developer that plans on building a new multifamily development.



E#2840832: This is a parking lot at the north corner of 8th Ave and Columbia St. The sale included plans and permits to build a 30-story tower containing 287 apartment units over 234 parking stalls. The actual sales price was \$14,200,000, but a 30% discount was applied to account for the premium paid for plans and permits.



E#2805944: This is the sale of a parking lot that was used by Bloodworks for their nearby office. It was bought by a partnership between Frye Art Museum and WestBank Corp, a developer out of Vancouver, BC focused on building artistic buildings. This parcel will be combined with the neighboring parking lot (already owned by Frye Art Museum) to build an artistic 33-story twin tower development with 440 apartments over 7,600 SF of retail.



E#2801298 & 2801292: These two sales had the same buyer, a developer who bought the full block formed by James St, Boren Ave, Jefferson St, and Terry Ave. A 337-unit apartment building is now under construction on this block, with 5,685 SF of retail and 280 underground parking stalls.

In addition, the parcel at the west corner of James St and Boren Ave was included in the sale. A 7-story, 75-unit apartment building is now under construction on this parcel.

Area 25-43 – Madison

Area	Nbhd	Major	Minor	Lot Size	Excise #	Sale Price	Sale Date	Price / SF	Zone
025	043	600300	1005 0995 0990	16,950	2963634	\$10,175,000	11/27/18	\$600.29	NC3-75 (M1)
025	043	600300	1560	5,600	2931626	\$1,900,000	05/23/18	\$339.29	LR3
025	043	332504	9010 9057	10,288	2895152	\$3,235,000	10/12/17	\$314.44	NC2-40
025	043	949770	0075	8,800	2890844	\$3,220,000	09/22/17	\$365.91	NC3P-65
025	043	332504	9008 9009 9053 9056	12,949	2891226	\$4,200,000	09/20/17	\$324.35	NC2-40
025	043	600300	1435	3,780	2831065	\$1,300,000	10/18/16	\$343.92	NC3-40
025	043	723460	1330	13,964	2821652	\$3,210,000	09/08/16	\$229.88	NC2-40
025	043	095500	0590	3,520	2813815	\$864,000	07/27/16	\$245.45	NC2P-40
025	043	600300	0990 0995 1005	16,950	2812594	\$7,600,000	07/21/16	\$448.38	NC3-40
025	043	722850	1945 1950	14,993	2806352	\$3,000,000	06/21/16	\$200.09	LR3
025	043	982820	0220	6,385	2794564	\$910,000	04/22/16	\$142.52	LR1
025	043	332504	9008 9009 9010 9053 9056 9057	23,237	2782674 2782677 2782680	\$5,325,000	02/29/16	\$229.16	NC2-40



E#2963634: This property previously sold in July 2016 to a developer (see E# 2812594 below). This developer (the seller in this transaction) had begun early design guidance for a building that would take full advantage of the 40 foot height limit allowed by zoning. Plans for this building were included in the sale. However, this parcel is pending an up-zone as part of the Seattle's Mandatory Housing Affordability (MHA) legislation which would increase the height limit to 75 feet. The buyer stated that they will be redesigning the plans that came with this sale to take full advantage of the coming 75 foot height limit. Thus, this is considered a good indication of NC3-75 (M1) land value for this neighborhood.



E#2931626: The buyer of this four-plex at the corner of E Denny Way and 14th Ave plans to build a 3-story, 7 unit row-house building on this site. The early design guidance process began soon after this sale.



E#2895152 In February 2016, a developer bought six parcels with plans for a large development fronting both 19th and 20th Ave (see E#2782674, 2782677, 2782680). Those plans were abandoned after they were unsuccessful getting these parcels up zoned from a 40 to 65 foot height limit. They then decided to sell the land as two development sites; one fronting 19th Ave and one fronting 20th Ave (see E#2891226). This is the sale of the 19th Ave development site. The fact that it sold for 37% more than in 2016 (\$314/SF vs. \$229/SF) is strong evidence of how quickly land values are appreciating in this neighborhood. No plans or permits were included in the sale to the best of our knowledge.



E#2890844: This is a sale from one developer to another. A developer bought this parcel at the north corner of E Denny Way and E Madison St in 2014 for \$1,800,000 (\$205/SF), and then entitled the site with plans and construction permits to the point that this site was “shovel-ready” at the time of this sale. The old improvement was demolished less than a month after the sale closing date. The actual sale price was \$4,600,000, but we applied a \$1,380,000 (30%) downward adjustment for it being “shovel-ready.” Even with that adjustment, this price is a 79% increase over the 2014 sale price, which is another indicator of just how much land values have appreciated in this neighborhood since 2014.



E#2831065: This property was marketed on NWMLS for 1 week and received 8 offers, many of which were all cash offers from developers. The buyer plans on using the property, but we’ve marked this as a land sale because the price was bid up by developers, indicating that the sales price is reflective of land value.



E#2891226: In February 2016, a developer bought six parcels with plans for a large development fronting both 19th and 20th Ave (see E#2782674, 2782677, 2782680). Those plans were abandoned after they were unsuccessful getting these parcels up zoned from a 40 to 65 foot height limit. They then decided to sell the land as two development sites; one fronting 20th Ave and one fronting 19th Ave (see E#2895152). This is the sale of the 20th Ave development site. The fact that it sold for 41% more than in 2016 (\$324/SF vs. \$229/SF) is strong evidence of how quickly land values are appreciating in this neighborhood. No plans or permits were included in the sale to the best of our knowledge.



E#2821652: This site at the NW corner of 19th Ave and E Pine St was purchased by a multi-family home developer. Before the sale closed, the buyer began the process of applying to build 18 townhomes with 10 parking stalls. Soon after the sale closed, that plan was changed to a 4-story multifamily building with 90 units and 11 parking stalls.



E#2813815: This 3,520 square foot lot has two old buildings on it, a commercial space fronting E Madison St with a residence in back. It is located just east of 23rd Ave E. At the time of sale, the buyer stated they plan on “renting if for the first couple years” then developing a 22-unit apartment building on this site. In May 2017, a permit application was submitted to build a 10,000 square foot building with 17 apartment units (mostly small efficiency dwelling units) and 470 square feet of retail.



E#2812594: This is the sale of an auto repair shop located at the corner of 12th Ave and E Olive St. This is a sale/leaseback. The seller is the auto repair shop, and they signed a 2 year lease with the buyer during the sale’s closing. However, the buyer is a developer that is proposing to build a 5-story apartment building with 69 units over street-front retail. The price per square foot of this sale is much higher than expected compared to similar sales, so we suspect a premium was paid for the ability to collect rents for a couple years as permits are finalized.



E#2806352: These two parcels located on the east side of 20th Ave, south of E Madison St, were bought by Isola Homes, who plans on building 3 buildings totaling 15 townhomes and 2 live-work units, with 16 off-street parking stalls.



E#2794564: Isola Homes bought this parcel located on the west side of 25th Ave, north of E Olive St. Soon after the sale, they divided the parcel into four parcels (-0220, -0221, -0222, -0223), tore down the single family home that was on this site, and begun construction of 4 townhomes.



E#2782674, 2782677, 2782680: A developer bought these six parcels that front both 19th Ave and 20th Ave, north of E Madison St, with the intention of building a 5-story building containing 156 residential units and 4 live-work units over 117 parking stalls.

Area 25-44 –Eastlake

Area	Nbhd	Major	Minor	Lot Size	Excise #	Sale Price	Sale Date	Price / SF	Zone
025	044	195970	2937	3,787	2929093	\$1,050,000	05/01/18	\$277.26	NC2-40
025	044	290220	0400	28,040	2895593	\$8,200,000	10/11/17	\$292.44	LR2
025	044	196520	0015	5,862	2826280	\$1,165,000	09/30/16	\$198.74	LR3 RC
025	044	202504	9131	15,261	2812704	\$4,300,000	07/27/16	\$281.76	C1-40
025	044	202504	9149 9154 9156	14,250	2805598	\$3,500,000	06/24/16	\$245.61	LR2 RC
025	044	195970	0170	5,500	2802673	\$1,200,000	06/02/16	\$218.18	LR2



E#2929093: The actual sales price for this parcel was \$1,395,000 (\$368/SF), but the sale came entitled with plans and permits that were issued in 2013, before micro-housing legislation passed in 2014 limiting development. We applied a 25% downward adjustment to the sale price for this entitlement since these issued permits allow for a denser development than would be allowed under current law. Soon after the sale, construction began on a 4-story congregate housing building with 32 sleeping rooms sharing 4 common areas with retail and restaurant on first floor



E#2895593: This is the sale of 4 parcels at the SW corner of Minor Ave E and E Lynn St. The buyer plans on building 27 townhouses.



E#2826280: This is the sale of a site on Yale Terrace E between E Hamlin St and E Edgar St. Yale Terrace E is a narrow alley and this site has little visibility from outside this alleyway. Soon after the sale, the buyer divided this parcel into 4 parcels (-0012, -0013, -0014, -0015) in preparation to build 4 single-family homes. The sale included permits which the buyer estimated to be worth \$300,000 to \$400,000. Thus, a downward adjustment of \$350,000 (23%) was applied to the actual sale price of \$1,515,000.



E#2812704: The buyer plans on building an assisted living facility on this parcel, but also reported collecting some rental income in the meantime. The price is high compared to other similar sales, so we conclude that a premium was paid, on top of the land value, for the interim income.



E#2805598: This is a redevelopment site on Fairview Ave E, west of E Louisa St. The buyer plans on building 6 row-houses.



E#2802673: This 4-plex on Franklin Ave E between E Edgar St and E Roanoke St was sold to a developer, who has since applied for permits to build two single-family homes as well as a duplex on this site.



E#2728644: This is the sale of a vacant lot at the NE corner of Eastlake Ave E and E Blaine St. Development plans are unknown at this time.



E#2712353: This is a sale of a vacant lot on Franklin Ave E south of E Shelby St. After this sale, it was combined with the lot to the north to develop 10 townhomes on this site. Construction of these townhomes was completed in 2016.

Area 25-45 – Central District

Area	Nbhd	Major	Minor	Lot Size	Excise #	Sale Price	Sale Date	Price / SF	Zone
025	045	912610	1695 1681	9,030	2920750	\$2,050,000	03/19/18	\$227.02	NC1-40 (M2)
025	045	225450	2245	7,680	2899057	\$1,475,000	10/23/17	\$192.06	LR1
025	045	722850	0182 0805 0809	23,394	2893759	\$4,500,000	10/06/17	\$192.36	NC2P-75 (M1)
025	045	721740 721740 721740 721740 721740 722850 722850 722850 722850	0750 0760 0772 0805 0809 0162 0170 0175 0182	106,254	2866094	\$23,250,000	05/23/17	\$218.82	NC2P-40
025	045	225450	1310	10,240	2853451	\$1,800,000	03/03/17	\$175.78	LR2
025	045	193480	0090	19,418	2837116	\$2,625,000	11/28/16	\$135.18	LR2
025	045	722850	1625	7,733	2831411	\$1,200,000	10/28/16	\$155.18	NC2P-30
025	045	225450	1300 1305	12,800	2788956	\$2,750,000	04/06/16	\$214.84	LR2
025	045	723460	1444 1446 1447 1448 1449 1450 1451	7,597	2777797	\$1,350,000	01/26/16	\$177.70	NC1-30



E#2920750: This property at the corner of 22nd Ave and E Cherry St was the home of Cherry Hill Baptist Church, but it was bought by a developer with plans to build 14 live-work units on this site. Within months of the sale, the church was demolished.



E#2899057: This is the sale of a parking lot at the SE corner of E Columbia St and 18th Ave E. The seller was working with a broker to figure out the best use of their various land holdings. That broker got in touch with the buyer in late 2016 for help determining this property's development potential in an effort to find its value. He found building 8 row-houses was the highest and best use. That evolved into an offer from the buyer to buy this parcel for \$1,300,000. The seller countered with \$1,475,000 the buyer accepted. The buyer agreed to lease it back to the seller for 14 months, but said this did not impact the value since it will take that long to permit.



E# 2866094 & 2893759: These two transactions represent the change of ownership of Midtown Center, a block bound by 23rd Ave, E Union St, 24th Ave, and S Spring St. The sellers abandoned their plan to redevelop this block after the Design Review Board rejected the original proposal in January 2017. Lake Union Partners agreed to partner with nonprofit community land trust, Africatown, to buy the site and spur new life into this project. They've proposed 435 housing units (125 reserved for low-income tenants) and 20,000 square feet of commercial space. Lake Union Partners bought the whole block under E#2866094, and then Africatown bought the southerly 3 parcels from Lake Union Partners under E#2893759.



E#2853451: This old church at the NW corner of E Spring St and 14th Ave was bought by the same developer who bought the two parcels neighboring it to the north (E#2788956) as part of an assemblage. CoStar says they plan on building 22 homes on this site. A boundary adjustment to split these three parcels into four parcels has been submitted. Development proposals have also been submitted for developing two of the four parcels with six townhomes on each parcel (twelve units total). Proposals to develop the other two parcels are expected in the near future.



E#2837116: This site with an old garden-style apartment at the NW corner of 18th Ave and E Spruce St was bought by Isola Homes. Soon after the sale, they divided this parcel into three parcels, in preparation for building townhomes on this site.



E#2831411: The tenant of this retail building at the corner of 20th Ave and E Union St bought this building. The seller had received several offers from developers, but they gave the tenant the first right of refusal. The tenant offered a bid competitive with the developers' offers, so the seller agreed to sell the property to the tenant rather than the developers. Due to this situation, we've concluded that this sale price is reflective of land value even though the buyer has no plans to redevelop the property.



E#2788956: This is a vacant lot, on 14th Ave north of Spring St that has historically been used as parking for the Seattle Word of God Church neighboring this site to the south. The church sold it to Isola Homes. CoStar says they plan on building 22 homes on this site. A boundary adjustment to split these three parcels into four parcels has been submitted. Development proposals have also been submitted for developing two of the four parcels with six townhomes on each parcel (twelve units total). Proposals to develop the other two parcels are expected in the near future.



E#2777797: This is the sale of 7 townhome sites on E Union St between 18th Ave and 19th Ave. Construction of these townhomes began soon after the sale.

Area 25-46 – North Capitol Hill-Montlake

Area	Nbhd	Major	Minor	Lot Size	Excise #	Sale Price	Sale Date	Price / SF	Zone
025	046	685070	0480	5,927	2948585	\$2,350,000	08/21/18	\$396.49	MR
025	046	942140	0035	7,879	2935469	\$2,960,000	05/23/18	\$375.68	NC2P-40
025	046	685270	0420 0425	7,575	2927197 2926621	\$3,250,000	04/11/18	\$429.04	LR3
025	046	685270	0421	4,400	2916738	\$2,000,000	02/26/18	\$454.55	LR3
025	046	266300	0485	8,000	2819534	\$1,623,750	08/29/16	\$202.97	LR3
025	046	191210	0620	4,500	2809941	\$860,000	06/28/16	\$191.11	NC1-40
025	046	949770	0060 0065	9,150	2792057	\$1,650,000	04/25/16	\$180.33	LR3
025	046	095800	0105	8,400	2775656	\$766,160	01/04/16	\$91.21	SF 5000



E#2948585: This office at 420 Boylston Ave E was bought by a developer who plans on building 58 small efficiency dwelling units on this site.



E#2935469: This parking lot on 15th Ave E, between E Denny Way and E John St, sold with plans and permits in place to build a 4-story structure containing 36 apartment units and 1,249 sq. ft. of restaurant space at ground level. The actual sales price was \$3,700,000 (\$470/SF), but a 20% discount was applied for these plans and permits.



E#2927197, 2926621, 2916738: These three parcels at the corner of E Mercer St and Federal Ave E were purchased by a developer with plans to build 13 units in two townhouse style buildings. Each parcel was sold separately. E#2916738 closed in February 2018 while the other two closed in April 2018. Combined, the three parcels total 11,975 square feet and sold for \$5,250,000, which equates to \$438.41/SF.



E#2819534: This is the sale of an old apartment on Federal Ave E, north of E Roy St. The building was mostly vacant at the time of sale. One month after the sale, permits were issued to build 8 townhomes at this site. The actual sales price was \$2,165,000, but a \$541,250 (25%) downward adjustment was applied to account for plans and permits being included with the sale.



E#2809941: This is a home office on 10th Ave E, north of Miller St, which was bought by a developer. After the sale, they applied for permits to build 2 live-work units and 4 townhomes over a garage. It was resold 4 months later for \$1,050,000 (\$233.33/SF). We marked this second sale as not a good indicator of market value because it was inflated by the inclusion of plans and permits.



E#2792057: Sale of two parcels on 21st Ave E, north of E Denny Way. Within months of the sale, construction began on a new 75-unit apartment building. The actual sales price was \$2,200,000, but a \$550,000 (25%) downward adjustment was applied to account for plans and permits being included with the sale.



E#2775656: This is a former church at the corner of 22nd Ave E and E Thomas St. Soon after the sale, the buyer split this parcel into two (-0105 & -0107) in preparation to build two single family homes.

Area 25-47 –Madison Park-Madrona

Area	Nbhd	Major	Minor	Lot Size	Excise #	Sale Price	Sale Date	Price / SF	Zone
025	047	715220	0015	5,000	2879237	\$1,799,812	07/21/17	\$359.96	NC1-30
025	047	515770	0161	5,500	2847341	\$1,510,000	01/27/17	\$274.55	LR2



E#2879237: This property was listed at an asking price of \$1,200,000 on May 10, 2017, and went pending on May 26 for an exposure time of 16 days. The seller said they had 11 offers. The buyer plans 4 townhomes and 3 live-work units (7 units total). In the meantime, the property is rented as a rooming house for 8 tenants (on month to month leases), plus retail unit at street front. The price per square foot of this sale is much higher than expected compared to similar sales, so we suspect a premium was paid for the ability to collect rents for a couple years as permits are finalized.



E#2847341: This four-plex at the corner of E Marion St and 34th Ave was bought by a developer who applied for permits to build 5 new row-houses at this site within a few months after the sale closed.

Zoning Descriptions

Residential / Multi-Family

SF 9600 / 7200 / 5000: Single-Family Residential, 9,600 / 7,200 / 5,000 square foot minimum lot area - Typically detached single-family structures on lots compatible with the neighborhood character.

RSL/TC: Residential Small Lot, permissive of Tandem Housing & Cottage Housing - An area within an urban village that allows for the development of smaller detached homes.

LR1 / LR1 RC*: Low-rise 1 - This zone provides a transition between single family zoned areas and more intense multifamily and commercial areas. Townhomes are common in this zone.

LR2 / LR2 RC*: Low-rise 2 - This zone provides for a variety of multifamily housing types in existing multifamily neighborhoods and along arterial streets up to 3 stories high.

LR3 / LR3 RC*: Low-rise 2 - This zone provides for a variety of multifamily housing types in existing multifamily neighborhoods of moderate scale up to 3 stories high.

** Ground Floor commercial uses are only allowed in LR zones with the RC suffix*

MR: Midrise – This zone encourages apartment buildings up to 60 feet high with ground-floor commercial.

HR: High-rise – This zone encourages high-density apartment buildings near transit, commercial services, and employment.

Commercial

NC1: Neighborhood Commercial 1 - A small shopping area that provides primarily convenience retail sales and services to the surrounding residential neighborhood.

NC2: Neighborhood Commercial 2 - A moderately sized pedestrian-oriented shopping area that provides a full range of retail sales and services to the surrounding neighborhood.

NC3: Neighborhood Commercial 3 - A larger pedestrian-oriented shopping district serving the surrounding neighborhood and a larger community, citywide or regional clientele.

C1: Commercial 1 - An auto-oriented, primarily retail/service commercial area that serves surrounding neighborhoods as well as a citywide or regional clientele.

C2: Commercial 2 - An auto-oriented, primarily non-retail commercial area, characterized by larger lots, parking, and a wide range of commercial uses serving community, citywide or regional markets.

P: Pedestrian-Designated Zones – this is applied to NC zones along pedestrian-oriented streets to preserve and encourage a shopping district where non-auto modes of transportation are strongly favored

The number at the end of NC or C zones refers to the height limit and is applied independently of the zone.

Areas recently up-zoned as part of the MHA legislation, allowing taller buildings in trade for affordability requirements, has a (M), (M1), or (M2) suffix. (M) has minor height increases and affordability requirements, (M1) has moderate height increases and affordability requirements, and (M2) has significant height increases and affordability requirements.

Industrial

IG1 U/45: General Industrial 1 – The intent this zone is to protect marine and rail-related industrial areas from an inappropriate level of unrelated retail and commercial uses by limiting these uses to a density or size limit lower than that allowed for industrial uses. “U/45” means that the height limit is unlimited, except for retail, office, entertainment, research and development, and institution uses which are limited to 45 feet.

Improved Parcel Total Values

Preliminary Ratio Analysis

The sales ratio study is an important assessment tool to ensure that properties are uniformly assessed based on market value. This analysis utilizes statistical methods to measure the relationship between a property's assessed value and its sale price by grouping individual sales according to property type and geographic area. This data can be used to review current assessment levels, identify inequities that need to be addressed, and assist in revaluation model development.

The two major aspects of appraisal accuracy; appraisal level and appraisal uniformity are measured and evaluated using the ratio study. Appraisal level is a measure of the ratio of assessed value to sales price, while appraisal uniformity refers to the degree to which properties are appraised at equal percentages of market value. The International Association of Assessing Officers (IAAO) has developed performance standards to evaluate both the appraisal level and uniformity.

A preliminary ratio study was done prior to revaluation. The results along with IAAO standards are shown below.

IAAO STANDARDS ON RATIO STUDIES		Preliminary Area 25 Values
Appraisal Level	0.90 to 1.10	0.826
Coefficient of Dispersion	5% to 15%	15.40%
Price Related Differential	0.98 to 1.03	1.05

The preliminary ratio study for Area 25 using 51 verified sales showed a mean assessed value of \$2,489,300 and a mean sales price of \$3,012,100, which indicates an appraisal level, as indicated by the weighted mean, of 82.6% The coefficient of variation (COV) was 20.16% and the coefficient of dispersion (COD) was 15.40% The price-related differential (PRD) was 1.05.

The low assessment level shows that assessed values should generally be raised. The high COD indicates that some properties will need to be adjusted more than others in order to increase the uniformity of assessment levels. The high PRD shows that the low assessed values occur more frequently and intensely among high value properties, so values of high valued properties will generally need to be raised more than values of low valued properties. However, these results are based on a limited sales sample of a wide variety of heterogeneous property types. Among the 51 sales, 12 are office buildings, 9 are small (1000-3000 square feet) commercial condo units, 7 are live-work units, 6 are restaurants/bars/taverns, 5 are mixed-use buildings with retail and residential components, 4 are multitenant retail, 2 are congregate housing complexes, 1 is a gas station, 1 is mixed-use with office and residential, 1 is light industrial, 1 is a single-family residence converted into non-profit community center, 1 is a large historic fraternal building, and 1 is a former hotel that's been converted into a bathhouse. This is not a representative sample of the variety of property types in Area 25 so the ability to draw significant statistical direct conclusions from the ratio study is limited.

Sales comparison approach model description

The sales comparison approach reflects the principles of supply and demand, balance, externalities, and substitution. It is most reliable when there is adequate sales data. All sales were verified with a knowledgeable party and inspected, when possible. The model for sales comparison was based on characteristics from the Assessor's records including location, effective age, building quality and net rentable area. Sales with characteristics most similar to the subject properties were considered. Sale data was obtained from excise tax records and verified with property owners, brokers, and/or agents whenever possible. Transactions from neighboring geographic areas were considered in the sales analysis as well. They are not included here, but can be found in the reports for neighboring areas.

Improved commercial sales dating from 1/1/2016 to 12/31/2018 were considered in the valuation. There were 52 arm's length improved sales during this period. One of these sales was excluded from the ratio study due to being an atypical absolute net lease which significantly affected the sales price. Among the 51 remaining sales, 12 are office buildings, 9 are small (1000-3000 square feet) commercial condo units, 7 are live-work units, 6 are restaurants/bars/taverns, 5 are mixed-use buildings with retail and residential components, 4 are multitenant retail, 2 are congregate housing complexes, 1 is a gas station, 1 is mixed-use with office and residential, 1 is light industrial, 1 is a single-family residence converted into non-profit community center, 1 is a large historic fraternal building, and 1 is a former hotel that's been converted into a bathhouse.

In general, the sales comparison approach is utilized for properties where there were sufficient sales and rental market data was unavailable. The sale price unit value ranges serve to establish a general upper and lower market boundary for the various property types within the subject area and were useful when analyzing the income parameters and capitalization rates used in the income models for the various neighborhoods. Location, quality, and effective age were factors considered for adjustment.

Office buildings are valued using the income approach due to an abundance of rental market data. Small commercial condo units and live-work townhomes are valued using the sales comparison approach, since most of these are owner-occupied with limited rental market data. 4 of the 6 restaurant/bar/tavern sales are small buildings (under 5000 square feet) located in neighborhoods 41 and 43, so properties matching that criteria are valued with the sales comparison approach. The remaining restaurant/bar/tavern properties are valued using the income approach. The remaining sales are used for guidance as a test of reasonableness for the income or cost model.

Stratification of these sales indicated the following market values applied for our valuation model:

Property Type	Typical Value Range per SF
Commercial Condominiums	\$330 - \$600
Live-Work Units	\$375 - \$700
Restaurants in 41 & 43	\$385 - \$645

Sales comparison calibration

Calibration of the coefficients utilized in the models applied via the sales comparison approach was established via an analysis of sales within each neighborhood. Individual prices were applied based on various characteristics deemed appropriate by each market. Given the relatively low sales count per property type, applicability of Sales Comparison was considered limited for broad valuation purposes.

Cost approach model description

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

Cost calibration

The Marshall & Swift Valuation modeling system, which is built into the Real Property Application, is calibrated to the region and the Seattle area.

Income capitalization approach model description

The Income Approach was considered a reliable approach to valuation throughout Area 25 for improved property types where income and expense data is available to ascertain market rates. Income parameters were derived from the market place and available real estate publications and websites.

Income: Income data was derived from the market place from landlords and tenants as well as through published sources (i.e. officespace.com, Commercial Brokers Association, Co-Star, and real estate websites such as CBRE, Colliers, Kidder Mathews, etc.), and opinions expressed by real estate professionals active in the market. The rental rates are based on a triple-net expense basis, excluding income from expenses typically reimbursed by a triple-net tenant. The one exception is residential uses, in which gross expenses were applied.

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

Expenses: Expense ratios were estimated based on industry standards, published sources, and the appraiser's knowledge of the area's rental practices. The expense ratios for retail/mixed-use and industrial property types were based on typical expenses that a landlord would incur in a triple-net lease, excluding any expenses typically reimbursed by triple-net tenants. For residential uses, gross expenses were applied.

Capitalization Rates: An attempt is made to ascertain the capitalization rate on market sales or a pro-forma cap rate on the first year performance during the sales verification process. Most weight is placed on this data when it is available. Also, capitalization rate data was collected from published market surveys, such as Co-Star, Real Capital Analytics, The American Council of Life Insurance (Commercial Mortgage Commitments), Integra Realty Resources, Korpacz Real Estate Investor Survey (PWC), CBRE – National Investor Survey, etc. These sources typically have capitalization rates or ranges based on surveys or sales.

The effective age is used to estimate the condition of each building, which contributes to the rental rate and capitalization rate applied in the model. For example; a building in poorer condition with a lower effective year (1975, for example) will typically warrant a higher capitalization rate, and a building in better condition with a higher effective year (2010, for example) will warrant a lower capitalization rate.

The following table summarizes capitalization rates and trends reported by the industry publications that are relevant to Area 25.

SEATTLE / REGIONAL CAP RATES						
Source	Date	Location	Office	Industrial	Retail	Remarks
CBRE: U.S. Cap. Rate survey. Advance Review	H2 2018					CBRE professional's opinion of where cap rates are likely to trend in the 2 nd ½ of 2018 based on recent trades as well as interactions with investors. Value-Add represents an underperforming property that has an occupancy level below the local average under typical market conditions.
		Seattle	4.25% - 4.75%	-	-	CBD – Class AA
			4.75% - 5.25%	-	-	CBD – Class A
			6.00% - 7.25%	-	-	CBD – Class A – Value Added
			5.50% - 6.50%	-	-	CBD – Class B
			6.75% - 7.75%	-	-	CBD – Class B – Value Added
			6.75% - 8.50%	-	-	CBD – Class C
			7.75% - 9.25%	-	-	CBD – Class C – Value Added
			5.25% - 5.75%	-	-	Suburban – Class AA
			6.00% - 6.50%	-	-	Suburban – Class A
			6.50% - 7.50%	-	-	Suburban – Class A – Value Added
			7.00% - 7.50%	-	-	Suburban – Class B
			7.50% - 8.50%	-	-	Suburban – Class B – Value Added
			7.50% - 8.25%	-	-	Suburban – Class C
			8.00% - 9.00%	-	-	Suburban – Class C – Value Added
			-	3.75% - 4.25%	-	Class A
			-	4.50% - 5.00%	-	Class A – Value Added
			-	4.25% - 4.75%	-	Class B
			-	5.00% - 6.00%	-	Class B – Value Added

[illegible]

SEATTLE / REGIONAL CAP RATES						
Source	Date	Location	Office	Industrial	Retail	Remarks
			-	-	6.50% - 8.30%	Power Center – 3 rd Tier Properties
			-	-	5.50% - 7.50%	Neigh/Comm. Ctr. – 1 st Tier Properties
			-	-	6.30% - 8.00%	Neigh/Comm. Ctr. – 2 nd Tier Properties
			-	-	7.00% - 9.00%	Neigh/Comm. Ctr. – 3 rd Tier Properties
IRR: Viewpoint for 2018	Year-end 2018	West Region	5.81%	-	-	<u>Institutional Grade Properties</u> ⁷
			6.45%	-	-	CBD Office – Class A
			6.23%	-	-	CBD Office – Class B
			6.84%	-	-	Suburban Office – Class A
			-	-	-	Suburban Office – Class B
			-	6.52%	-	Flex Industrial
			-	5.82%	-	Industrial
			-	-	6.09%	Regional Mall
			-	-	6.28%	Community Retail
			-	-	6.10%	Neighborhood Retail
PWC / Korpaz Real Estate Investment Survey	4Q 2018	Seattle	4.00% - 8.00%	-	-	CBD Office
			-	-	-	
		Pacific NW Region	4.00% - 8.00%	-	-	Office
			-	3.75% - 5.50%	-	Warehouse
ACLI	4Q 2018	Seattle – Bellevue - Everett MSA	5.82%	4.52%	6.61%	All Classes
		Pacific Region	6.01%	5.10%	5.67%	All Classes

SEATTLE / REGIONAL CAP RATES						
Source	Date	Location	Multifamily	Hospitality		Remarks
CBRE: U.S. Cap. Rate survey. Advance Review	H2 2018	Seattle	4.25% - 4.75%	-		Infill – Class A
			4.50% - 5.00%	-		Infill – Class A – Value Added
			4.75% - 5.00%	-		Infill – Class B
			5.00% - 5.50%	-		Infill – Class B – Value Added
			5.50% - 6.00%	-		Infill – Class C
			5.50% - 6.25%	-		Infill – Class C – Value Added
			4.75% - 5.00%	-		Suburban – Class A
			4.75% - 5.25%	-		Suburban – Class A – Value Added
			5.00% - 5.25%	-		Suburban – Class B
			5.00% - 5.50%	-		Suburban – Class B – Value Added
			5.50% - 6.00%	-		Suburban – Class C
			5.50% - 6.25%	-		Suburban – Class C – Value Added
			-	6.00% - 6.50%		CBD – Luxury
			-	6.25% - 6.75%		CBD – Full-Service
			-	6.75% - 7.25%		CBD – Select-Service
			-	8.25% - 9.00%		CBD – Economy
			-	6.75% - 7.75%		Suburban – Luxury
			-	7.75% - 8.50%		Suburban – Full-Service
			-	7.75% - 8.50%		Suburban – Select-Service
			-	9.25% - 10.25%		Suburban – Economy
RERC: Real Estate Report Valuation Rates & Metrics	4Q 2018	Seattle	5.70%	-		Apartments – All Classes
			-	7.50%		Hotels – All Classes
		West Region	4.00% - 6.50%	-		Apartments – 1 st Tier Properties
			4.50% - 7.00%	-		Apartments – 2 nd Tier Properties
			4.50% - 7.50%	-		Apartments – 3 rd Tier Properties
			-	6.00% - 8.50%		Hotels – 1 st Tier Properties
			-	7.00% - 8.50%		Hotels – 2 nd Tier Properties
			-	7.50% - 10.00%		Hotels – 3 rd Tier Properties
IRR: Viewpoint for 2019	Year-end 2018	Seattle	4.25%			Urban Class A
			4.50%			Urban Class B
			4.75%			Suburban Class A
			5.25%			Suburban Class B
IRR: Viewpoint for 2019	Year-end 2018	West Region	4.52%	-		Urban Class A
			5.12%	-		Urban Class B
			4.71%	-		Suburban Class A
			5.34%			Suburban Class B

SEATTLE / REGIONAL CAP RATES					
Source	Date	Location	Multifamily	Hospitality	Remarks
IRR: Viewpoint for 2019	Year-end 2018	National		8.1% 8.8%	Full Service Limited Service
PWC / Korpaz Real Estate Investor Survey	4Q 2018	Pacific Region	3.50% - 6.00%	-	Apartments
ACLI	4Q 2018	Seattle-Bellevue Everett	4.35%		All Classes
		Pacific	4.48%	6.16%	All Classes

The preceding tables summarize various ranges of capitalization rates and trends that are compiled and collected on a national or broad regional scale. This information is reconciled with data specific to the real estate market in Area 25 to develop the income model. The range of capitalization rates in the income model for Area 25 reflects the variety of properties in this area.

Income approach calibration

Income tables were developed for each of the seven neighborhoods that comprise Area 25. The tables pertain to the following property types: Office, Medical Office, Hospitals, Retail, Restaurants, Banks, Basements, Storage/Unfinished Space, Warehouses, Parking Garages, and Apartments. Properties which contain differing section uses may have multiple tables that are applicable to the property as a whole. All tables are included in the addendum of this report.

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

Typical income model parameters for the various markets that make up Area 25 are summarized in the following table. It should be noted that due to the nature of commercial real estate, not all properties fall within the typical parameters.

Typical Income Model Parameters				
Area 25-41 Broadway-Pike/Pine				
Property Type	Rent/SF/Year Range	Vacancy	Expenses (% of EGI)	Cap Rate
Office/Medical	\$25 - \$28	5%	38% - 44%	5.00% - 6.75%
Retail/Restaurants	\$23 - \$39	5%	13% - 28%	6.15% - 7.60%
Basement/Warehouse	\$12 - \$25	5%	12% - 24%	6.55% - 8.00%
Parking	\$17 - \$19	40%	35% - 36%	5.00% - 6.00%
Area 25-42 First Hill				
Property Type	Rent/SF/Year Range	Vacancy	Expenses (% of EGI)	Cap Rate
Office/Medical	\$23 - \$35	5%	13% - 34%	4.75% - 5.50%
Retail/Restaurants	\$30 - \$33	5%	13% - 18%	6.40% - 7.00%
Basement/Warehouse	\$20 - \$29	5%	11% - 17%	6.10% - 7.40%
Parking	\$18 - \$19	40%	35% - 36%	5.00% - 5.75%
Area 25-43 Madison				
Property Type	Rent/SF/Year Range	Vacancy	Expenses (% of EGI)	Cap Rate
Office/Medical	\$24 - \$29	5%	14% - 19%	4.50% - 5.75%
Retail/Restaurants	\$28 - \$34	5%	15% - 24%	5.75% - 7.00%
Basement/Warehouse	\$15 - \$24	5%	17% - 26%	7.00% - 8.00%
Parking	\$13 - \$14	50%	55% - 56%	5.25% - 5.75%
Area 25-44 Eastlake				
Property Type	Rent/SF/Year Range	Vacancy	Expenses (% of EGI)	Cap Rate
Office/Medical	\$22 - \$24	5%	17% - 19%	5.25% - 6.00%
Retail/Restaurants	\$23 - \$28	5%	20% - 25%	6.35% - 7.20%
Basement/Warehouse	\$17 - \$24	5%	20% - 25%	7.15% - 7.60%
Parking	\$13 - \$14	50%	55% - 56%	5.50% - 6.25%
Area 25-45 Central District				
Property Type	Rent/SF/Year Range	Vacancy	Expenses (% of EGI)	Cap Rate
Office/Medical	\$21 - \$28	5%	30% - 44%	6.00% - 7.00%
Retail/Restaurants	\$20 - \$30	5%	19% - 28%	6.00% - 7.90%
Basement/Warehouse	\$17 - \$24	5%	17% - 22%	6.40% - 7.60%
Parking	\$13 - \$14	55%	61% - 63%	6.00% - 6.25%
Area 25-46 North Capitol Hill-Montlake				
Property Type	Rent/SF/Year Range	Vacancy	Expenses (% of EGI)	Cap Rate
Office/Medical	\$24 - \$31	5%	17% - 21%	5.00% - 6.50%
Retail/Restaurants	\$23 - \$35	5%	17% - 26%	6.35% - 7.50%
Basement/Warehouse	\$17 - \$25	5%	17% - 26%	6.15% - 7.90%
Parking	\$9 - \$11	50%	75% - 77%	5.25% - 5.75%
Area 25-47 Madison Park-Madrona				
Property Type	Rent/SF/Year Range	Vacancy	Expenses (% of EGI)	Cap Rate
Office/Medical	\$28 - \$37	5%	15% - 18%	5.75% - 6.25%
Retail/Restaurants	\$24 - \$30	5%	19% - 24%	6.55% - 7.40%
Basement/Warehouse	\$18 - \$24	5%	17% - 21%	6.70% - 7.40%
Parking	\$9 - \$11	50%	75% - 77%	6.00% - 6.25%

Reconciliation

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

The income approach to value was considered to be a reliable indicator of value in most instances. The total value generated from the income table calculations and the selected income values varied in some cases due to special circumstances, such as properties with excess land, inferior/superior location, superadequacy, or physical/functional obsolescence. Appraisal judgment prevailed when determining when to depart from the Assessor's table generated income model. An administrative review of the selected values was made by Dan Atkinson, Senior Appraiser for quality control purposes.

Model Validation

Total Value Conclusions, Recommendations and Validation

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

The standard statistical measures of valuation performance are presented in both the 2018 and 2019 Ratio Analysis charts included in this report. Comparison of the 2018 Ratio Study Analysis with the 2019 Ratio Study Analysis is shown in the table below. The weighted mean statistical measure of assessment level increased from 82.6% to 91.8%. The Coefficient of Dispersion (COD) went down from 15.40% to 12.88%, the Coefficient of Variation (COV) went down from 20.16% to 16.83%, and the Price-related Differential (PRD) from 1.05 to 1.03. The 2019 ratios are within the IAAO (International Association of Assessing Officers) appraisal guidelines for measures of valuation uniformity and equity. The ratio study presented in this report indicates substantial improvement in assessment level in addition improved uniformity. However with a sample size of only 51 improved sales for many different commercial types the weight given to the ratio study should be tempered.

	2018 Ratio	2019 Ratio	Difference
Assessment Level	82.6%	91.8%	+9.2%
Coefficient of Dispersion	15.40%	12.88%	-2.52%
Coefficient of Variation	20.16%	16.83%	-3.33%
Standard Deviation	0.1750	0.1597	-0.0153
Price Related Differential	1.05	1.03	-0.02

The total assessed values for Area 25 for the 2018 assessment year was \$7,447,150,030 and the total recommended value for the 2019 assessment year is \$8,214,127,800. This does not include specialty properties, but it does include commercial condos (not multi-family units). In addition the 2019 total does not include the value of new construction and it does not reflect the downward contamination adjustments that will be applied to several parcels by the contamination specialist appraiser. Application of these recommended values for the 2019 assessment year (taxes payable in 2020) results in a total value change of +10.30% from the previous year.

Change in Total Assessed Value			
2018 Total Value	2019 Total Value	\$ Change	% Change
\$7,447,150,030	\$8,214,127,800	\$766,977,770	10.30%

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 5-8. To fully understand this report the reader may need to refer to the Assessor's Property Record Files, Assessors Real Property Data Base, separate studies, Assessor's Procedures, Assessor's field maps, Revalue Plan and the statutes.

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

Definition and date of value estimate

Market Value

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

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

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

Highest and Best Use

RCW 84.40.030

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

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

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

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

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

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

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

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

Date of Value Estimate

RCW 84.36.005

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

RCW 36.21.080

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

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

Property Rights Appraised: Fee Simple

Wash Constitution Article 7 § 1 Taxation:

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

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

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

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

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

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

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

Assumptions and Limiting Conditions

1. No opinion as to title is rendered. Data on ownership and legal description were obtained from public records. Title is assumed to be marketable and free and clear of all liens and encumbrances, easements and restrictions unless shown on maps or property record files. The property is appraised assuming it to be under responsible ownership and competent management and available for its highest and best use.
2. No engineering survey has been made by the appraiser. Except as specifically stated, data relative to size and area were taken from sources considered reliable, and no encroachment of real property improvements is assumed to exist.
3. No responsibility for hidden defects or conformity to specific governmental requirements, such as fire, building and safety, earthquake, or occupancy codes, can be assumed without provision of specific professional or governmental inspections.
4. Rental areas herein discussed have been calculated in accord with generally accepted industry standards.
5. The projections included in this report are utilized to assist in the valuation process and are based on current market conditions and anticipated short term supply demand factors. Therefore, the projections are subject to changes in future conditions that cannot be accurately predicted by the appraiser and could affect the future income or value projections.
6. The property is assumed uncontaminated unless the owner comes forward to the Assessor and provides other information.
7. The appraiser is not qualified to detect the existence of potentially hazardous material which may or may not be present on or near the property. The existence of such substances may have an effect on the value of the property. No consideration has been given in this analysis to any potential diminution in value should such hazardous materials be found (unless specifically noted). We urge the taxpayer to retain an expert in the field and submit data affecting value to the Assessor.
8. No opinion is intended to be expressed for legal matters or that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers, although such matters may be discussed in the report.
9. Maps, plats and exhibits included herein are for illustration only, as an aid in visualizing matters discussed within the report. They should not be considered as surveys or relied upon for any other purpose.
10. The appraisal is the valuation of the fee simple interest. Unless shown on the Assessor's parcel maps, easements adversely affecting property value were not considered.
11. An attempt to segregate personal property from the real estate in this appraisal has been made.
12. Items which are considered to be "typical finish" and generally included in a real property transfer, but are legally considered leasehold improvements are included in the valuation unless otherwise noted.
13. The movable equipment and/or fixtures have not been appraised as part of the real estate. The identifiable permanently fixed equipment has been appraised in accordance with RCW 84.04.090 and WAC 458-12-010.
14. I have considered the effect of value of those anticipated public and private improvements of which I have common knowledge. I can make no special effort to contact the various jurisdictions to determine the extent of their public improvements.
15. Exterior inspections were made of all properties in the physical inspection areas (outlined in the body of the report) however; due to lack of access and time few received interior inspections.

Scope of Work Performed:

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

Plan and as budgeted. The scope of work performed and disclosure of research and analyses not performed are identified throughout the body of the report.

CERTIFICATION:

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

- *The statements of fact contained in this report are true and correct*
 - *The report analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and is my personal, impartial, and unbiased professional analyses, opinions, and conclusions.*
 - *I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.*
 - *I have no bias with respect to the property that is the subject of this report or to the parties involved.*
 - *My engagement in this assignment was not contingent upon developing or reporting predetermined results.*
 - *My compensation for completing this assignment is not contingent upon the development or reporting of predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.*
 - *My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.*
 - *The area(s) physically inspected for purposes of this revaluation are outlined in the body of this report.*
 - *Services that I provided within the prior three years include physical inspection, revaluation, appeal response preparation, attendance and participation in hearings, data collection, sales verification, and identifying new construction and recording the corresponding data.*
-

Area 25

Ratio Study Report

PRE-REVALUE RATIO ANALYSIS

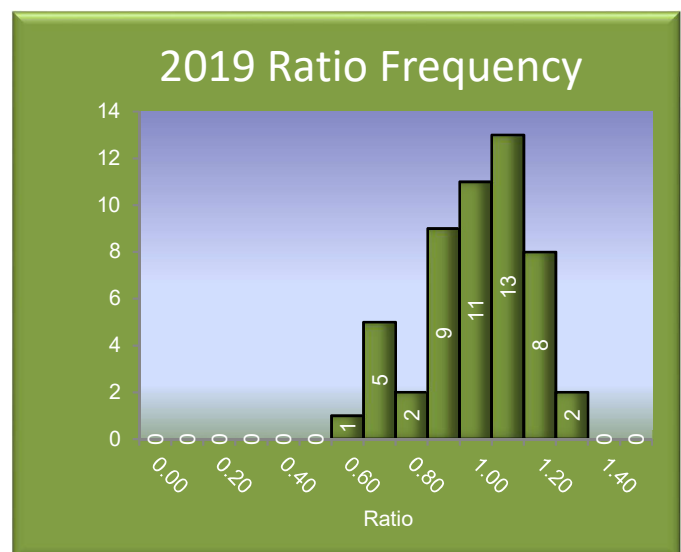
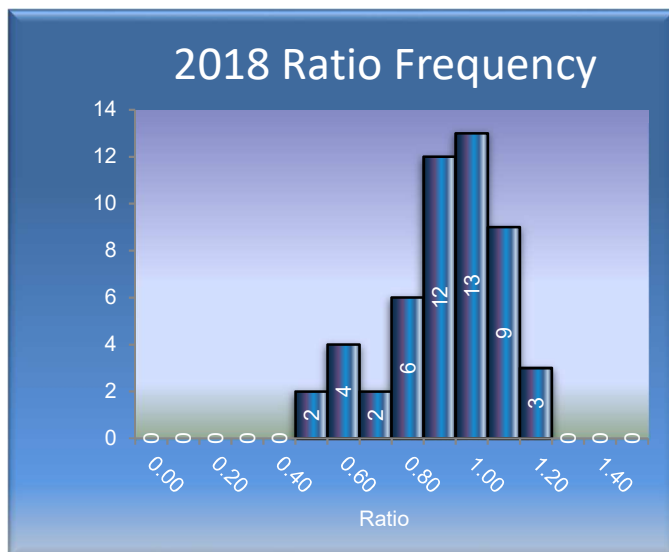
Pre-revalue ratio analysis compares sales from 2016 through 2018 in relation to the previous assessed value as of 1/1/2018.

PRE-REVALUE RATIO SAMPLE STATISTICS	
Sample size (n)	51
Mean Assessed Value	2,489,300
Mean Adj. Sales Price	3,012,100
Standard Deviation AV	2,765,189
Standard Deviation SP	3,632,944
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.868
Median Ratio	0.897
Weighted Mean Ratio	0.826
UNIFORMITY	
Lowest ratio	0.4867
Highest ratio:	1.1831
Coefficient of Dispersion	15.40%
Standard Deviation	0.1750
Coefficient of Variation	20.16%
Price Related Differential (PRD)	1.05

POST-REVALUE RATIO ANALYSIS

Post revalue ratio analysis compares sales from 2016 through 2018 and reflects the assessment level after the property has been revalued to 1/1/2019.

POST REVALUE RATIO SAMPLE STATISTICS	
Sample size (n)	51
Mean Assessed Value	2,763,800
Mean Sales Price	3,012,100
Standard Deviation AV	3,138,580
Standard Deviation SP	3,632,944
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.949
Median Ratio	0.987
Weighted Mean Ratio	0.918
UNIFORMITY	
Lowest ratio	0.5677
Highest ratio:	1.2415
Coefficient of Dispersion	12.88%
Standard Deviation	0.1597
Coefficient of Variation	16.83%
Price Related Differential (PRD)	1.03



Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
025	041	111705	0010	2,899	2958917	\$1,480,000	10/22/18	\$510.52	BRIX	NC3-40	1	Y	
025	041	111705	0030	1,623	2937110	\$1,155,000	06/19/18	\$711.65	BRIX	NC3-40	1	Y	
025	041	112950	0010	11,469	2786535	\$8,400,000	03/22/16	\$732.41	Walgreens @ Broadway & Pine	NC3P-65	1	69	Net Lease Sale; not in ratio
025	041	181780	0110	15,300	2883560	\$4,800,000	08/11/17	\$313.73	Former Zhu Dang Restaurant - Future	NC3P-65	1	Y	
025	041	516500	0010	1,329	2874497	\$650,000	06/29/17	\$489.09	MARQ THE	MR	2	Y	
025	041	600350	0470	35,631	2861493	\$14,000,000	04/28/17	\$392.92	Elliott Bay Books	NC3P-65	1	Y	
025	041	600350	1191	17,466	2960082	\$6,250,000	10/26/18	\$357.84	Jai Thai - 2nd Floor Hair Studio/Metro	NC3P-40	2	Y	
025	041	600350	1230	20,656	2888413	\$6,350,000	09/08/17	\$307.42	206 Broadway	NC3P-40	2	Y	
025	041	639550	0020	1,481	2776531	\$640,000	01/14/16	\$432.14	ONYX CONDOMINIUM	NC3P-65	1	Y	
025	041	684820	0656	4,400	2782576	\$2,099,500	03/01/16	\$477.16	LEEN & MOORE	MR	1	Y	
025	041	684870	0030	4,350	2870873	\$1,420,000	06/13/17	\$326.44	Amante Pizza & Pasta - Future Cann	NC3P-65	1	Y	
025	041	685070	0130	1,500	2837369	\$950,000	11/21/16	\$633.33	New India Express Restaurant	NC3P-40	1	Y	
025	041	750250	0045	33,196	2936414	\$18,500,000	06/15/18	\$557.30	KNIGHTS OF COLUMBUS BLDG	NC3P-65	4	Y	
025	041	872560	0355	10,800	2921727	\$2,900,000	03/29/18	\$268.52	CLUB Z	NC3P-85	1	Y	
025	041	872560	0420	11,903	2900986	\$8,800,000	11/14/17	\$739.31	BAROKAS & MARTIN LAW OFFICE	NC3P-65	3	Y	
025	041	872560	0550	2,042	2893769	\$1,090,000	09/08/17	\$533.79	Funke 1411 - OFFICE BUILDING	NC3-65	1	Y	
025	042	219760	0148	9,834	2873590	\$4,985,500	06/01/17	\$506.97	Emerald 10	MR	1	Y	
025	042	219810	0010	20,334	2876095	\$4,500,000	07/03/17	\$221.30	FENIMORE HOTEL	NC3-85	1	Y	
025	043	103660	0040	1,148	2825365	\$640,000	09/26/16	\$557.49	Polished Boutique Spa at The Braebu	NC3P-65	1	Y	
025	043	181380	0030	2,010	2776440	\$1,120,000	01/07/16	\$557.21	Former Crush Restaurant	NC2-40	1	Y	
025	043	501600	1670	2,856	2843592	\$1,399,500	01/06/17	\$490.02	SFR - OFFICE	NC2P-40	1	Y	
025	043	600300	0155	2,920	2832324	\$1,436,000	11/03/16	\$491.78	TAVERN	NC3-65	1	Y	
025	043	723460	0485	11,302	2904328	\$2,572,000	12/01/17	\$227.57	The InArtsNW Collective	LR3	1	Y	
025	043	808040	0130	4,590	2840575	\$2,000,000	12/15/16	\$435.73	LAMBERT HOUSE	LR3	1	Y	
025	044	195970	0023	13,945	2915556	\$6,000,000	02/20/18	\$430.26	office	NC2-40	1	Y	
025	044	195970	2715	4,160	2874900	\$1,975,000	06/21/17	\$474.76	2921 Eastlake Ave E	NC3-40	1	Y	
025	044	196720	0010	9,419	2878241	\$4,300,000	07/20/17	\$456.52	Archbright	C1-40	1	Y	
025	044	196820	0010	16,172	2910491	\$6,338,600	01/03/18	\$391.95	ROSS LABORATORIES INC	C1-40	1	Y	
025	044	215460	0070	2,333	2775610	\$760,000	01/06/16	\$325.76	EAST BOSTON ST CONDOMINIUM	NC1P-30	1	Y	
025	044	220760	0020	2,728	2955063	\$1,075,000	09/27/18	\$394.06	EASTLAKE, THE	NC2P-40	1	Y	
025	044	290220	0520	2,780	2917649	\$1,500,000	03/01/18	\$539.57	Patrick's Fly Shop	NC2P-40	1	Y	
025	044	290220	1045	6,160	2776709	\$1,850,000	01/13/16	\$300.32	office	NC2-40	1	Y	
025	044	290220	1176	17,098	2905754	\$7,088,800	12/08/17	\$414.60	Pete's Supermarket	LR2 RC	2	Y	
025	044	732625	0010	2,894	2891618	\$950,000	09/20/17	\$328.27	RIVA AT LAKE UNION CONDOMINIUM	C1-65	1	Y	
025	044	866990	0030	1,414	2787616	\$530,000	03/25/16	\$374.82	Tramonti At Lake Union Condominium	NC3-40	5	Y	
025	045	225450	0805	1,956	2852560	\$4,030,000	03/09/17	\$2,060.33	SHELL FOOD MART & CAR WASH	MIO-65-N	1	Y	
025	045	721740	0576	2,097	2834698	\$725,000	11/14/16	\$345.73	Live-Work Townhouse	NC2P-40	1	Y	
025	045	721740	0580	1,755	2843294	\$745,000	12/20/16	\$424.50	Live-Work Townhouse	NC2P-40	1	Y	
025	045	722850	0321	1,176	2808510	\$400,000	07/12/16	\$340.14	Former Collins Gold Exchange	NC2P-40	1	Y	
025	045	722850	1733	2,095	2883861	\$760,000	08/16/17	\$362.77	Triplex with Street-Front Retail	NC2P-30	1	Y	
025	045	794830	0115	3,200	2919870	\$1,580,000	03/14/18	\$493.75	UNION HALL	MIO-37-L	1	Y	
025	046	133880	0075	4,160	2883622	\$1,055,000	07/26/17	\$253.61	RETAIL & OFFICES	NC1-40	1	Y	
025	046	266300	0455	2,850	2849936	\$1,320,000	02/21/17	\$463.16	SFR - OFFICES	LR3	1	Y	
025	046	423240	0635	33,054	2864241	\$11,250,000	05/10/17	\$340.35	SHOPRITE DRUGS	NC2P-40	2	Y	
025	046	600350	1919	1,555	2870661	\$1,545,000	06/07/17	\$993.57	SFR - LAW OFFICES	LR3	1	Y	
025	047	438570	0085	2,787	2896153	\$1,380,000	10/11/17	\$495.16	4114-4118 E Madison St	NC1P-30	1	Y	
025	047	715220	0225	7,400	2793128	\$2,549,000	04/29/16	\$344.46	Madrona Plaza Building	NC1-30	1	Y	
025	047	715220	0255	1,040	2967161	\$725,000	12/05/18	\$697.12	Pike Station Live-Work Unit A (Over d	NC1-30	1	Y	
025	047	715220	0255	1,040	2878087	\$661,675	07/11/17	\$636.23	Pike Station Live-Work Unit A (Over d	NC1-30	1	Y	
025	047	715220	0257	1,422	2841374	\$729,000	12/12/16	\$512.66	Pike Station Live-Work Unit C	NC1-30	1	Y	
025	047	715220	0258	1,544	2943010	\$1,150,000	07/16/18	\$744.82	Pike Station Live-Work Unit D	NC1-30	1	Y	
025	047	715220	0261	1,500	2941787	\$905,000	07/09/18	\$603.33	Pike Station Live-Work Unit G	NC1-30	1	Y	

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
025	041	066000	2490	10,470	2815833	\$7,250,000	08/11/16	\$692.45	PARKING LOT	NC3P-85	1	Y	
025	041	181780	0025	7,200	2848806	\$3,338,230	02/10/17	\$463.64	GERRISH HALL APTS	MR	1	Y	
025	041	684870	0070	3,816	2800032	\$1,320,246	05/16/16	\$345.98	STORE & DUPLEX	MR	1	Y	
025	041	872560	0290	5,250	2931573	\$3,000,000	05/03/18	\$571.43	BELLEVUE APT	NC3P-65	1	Y	
025	041	925690	0100	5,614	2818735	\$1,800,000	08/29/16	\$320.63	FINER DETAILS	NC3P-65	1	Y	
025	042	197820	0775	7,200	2893894	\$3,350,000	10/06/17	\$465.28	VIRGINIA MASON PARKING	HR	1	Y	
025	042	197820	0935	14,400	2933346	\$8,060,000	05/17/18	\$559.72	Therapeutic Treatment Center	HR	1	Y	
025	042	539210	0020	7,200	2805944	\$3,200,000	06/24/16	\$444.44	PARKING LOT	HR	1	Y	
025	042	859040	0795	5,964	2908826	\$3,300,000	12/29/17	\$553.32	BROWNS ROOMING HOUSE	HR	1	Y	
025	042	859040	0875	10,800	2910204	\$5,750,000	12/29/17	\$532.41	PARKING LOT LEASED TO UPARK	HR	1	Y	
025	042	859040	0880	21,600	2840832	\$9,940,000	12/21/16	\$460.19	COMMERCIAL PKG LOT	HR	3	Y	
025	042	859090	0490	48,522	2801292	\$19,100,000	06/03/16	\$393.64	PARKING LOT	HR	5	Y	
025	042	859090	0510	23,520	2801298	\$10,200,000	06/08/16	\$433.67	SAN JUAN APTS	HR	2	Y	
025	043	095500	0590	3,520	2813815	\$864,000	07/27/16	\$245.45	Mortgage Enterprises, Inc.	NC2P-40	1	Y	
025	043	332504	9008	8,984	2782677	\$3,600,000	02/29/16	\$400.71	Future Development Site	NC2-40	2	Y	
025	043	332504	9009	9,109	2782674	\$500,000	02/29/16	\$54.89	VACANT LAND	NC2-40	3	Y	
025	043	332504	9010	5,144	2782680	\$1,225,000	02/29/16	\$238.14	4-PLEX	NC2-40	1	Y	
025	043	332504	9010	10,288	2895152	\$3,235,000	10/12/17	\$314.44	4-PLEX	NC2-40	2	Y	
025	043	332504	9056	12,949	2891226	\$4,200,000	09/20/17	\$324.35	VACANT LAND	NC2-40	4	Y	
025	043	600300	1005	16,950	2812594	\$7,600,000	07/21/16	\$448.38	THE CAR TENDER	NC3-40	3	Y	
025	043	600300	1005	16,950	2963634	\$10,175,000	11/27/18	\$600.29	Car Tender (primary parcel)	NC3-75 (M1)	3	Y	
025	043	600300	1435	3,780	2831065	\$1,300,000	10/18/16	\$343.92	STORE - OFFICE & APT	NC3-40	1	Y	
025	043	600300	1560	5,600	2931626	\$1,900,000	05/23/18	\$339.29	FOURPLEX	LR3	1	Y	
025	043	722850	1945	14,993	2806352	\$3,000,000	06/21/16	\$200.09	Duplex	LR3	2	Y	
025	043	723460	1330	13,964	2821652	\$3,210,000	09/08/16	\$229.88	school classrooms	NC2-40	1	Y	
025	043	949770	0075	8,800	2890844	\$3,220,000	09/22/17	\$365.91	Former Firestone Tire	NC3P-65	1	Y	
025	043	982820	0220	6,385	2794564	\$910,000	04/22/16	\$142.52	4-PLEX	LR1	1	29	Seg/merge after sale; not in ratio
025	044	195970	0170	5,500	2802673	\$1,200,000	06/02/16	\$218.18	4-PLEX	LR2	1	Y	
025	044	195970	2937	3,787	2929093	\$1,050,000	05/01/18	\$277.26	Outdoor storage lot	NC2-40	1	Y	
025	044	196520	0015	5,862	2826280	\$1,165,000	09/30/16	\$198.74	VACANT	LR3 RC	1	Y	
025	044	202504	9131	15,261	2812704	\$4,300,000	07/27/16	\$281.76	SPARLING & ASSOC	C1-40	1	Y	
025	044	202504	9156	14,250	2805598	\$3,500,000	06/24/16	\$245.61	SMALL BOAT BUILDING & REPAIR	LR2 RC	3	Y	
025	044	290220	0400	28,040	2895593	\$8,200,000	10/11/17	\$292.44	3 DUPLEXES & SFR	LR2	4	Y	
025	045	193480	0090	19,418	2837116	\$2,625,000	11/28/16	\$135.18	APT	LR2	1	Y	
025	045	225450	1300	12,800	2788956	\$2,750,000	04/06/16	\$214.84	VACANT	LR2	2	Y	
025	045	225450	1310	10,240	2853451	\$1,800,000	03/03/17	\$175.78	CHURCH	LR2	1	Y	
025	045	225450	2245	7,680	2899057	\$1,475,000	10/23/17	\$192.06	PARKING LOT	LR1	1	Y	
025	045	722850	0175	106,254	2866094	\$23,250,000	05/23/17	\$218.82	POST OFFICE	NC2P-40	9	Y	
025	045	722850	0182	23,394	2893759	\$4,500,000	10/06/17	\$192.36	South Portion of Midtown Center	NC2P-75 (M1)	3	Y	
025	045	722850	1625	7,733	2831411	\$1,200,000	10/28/16	\$155.18	Chuck's Hop Shop	NC2P-30	1	Y	
025	045	723460	1444	7,597	2777797	\$1,350,000	01/26/16	\$177.70	1816 E Union St	NC1-30	7	Y	
025	045	912610	1695	9,030	2920750	\$2,050,000	03/19/18	\$227.02	CHERRY HILL BAPTIST CHURCH	NC1-40 (M2)	2	Y	
025	046	095800	0105	8,400	2775656	\$766,160	01/04/16	\$91.21	Restoration Life Church	SF 5000	1	29	Seg/merge after sale; not in ratio
025	046	191210	0620	4,500	2809941	\$860,000	06/28/16	\$191.11	Office conv	NC1-40	1	Y	
025	046	266300	0485	8,000	2819534	\$1,623,750	08/29/16	\$202.97	6 Plex	LR3	1	29	Seg/merge after sale; not in ratio
025	046	685070	0480	5,927	2948585	\$2,350,000	08/21/18	\$396.49	Tucker House - Open Office with 2nd F	MR	1	Y	
025	046	685270	0421	4,400	2916738	\$2,000,000	02/26/18	\$454.55	FOURPLEX	LR3	1	Y	
025	046	685270	0425	3,475	2926621	\$1,600,000	04/11/18	\$460.43	FOURPLEX	LR3	1	Y	
025	046	942140	0035	7,879	2935469	\$2,960,000	05/23/18	\$375.68	15th Ave Parking Lot	NC2P-40	1	Y	
025	046	949770	0060	9,150	2792057	\$1,650,000	04/25/16	\$180.33	Future Apartment	LR3	2	Y	
025	047	515770	0161	5,500	2847341	\$1,510,000	01/27/17	\$274.55	4 UNIT	LR2	1	Y	
025	047	715220	0015	5,000	2879237	\$1,799,812	07/21/17	\$359.96	1132 34th Ave	NC1-30	1	Y	

Improvement Sales for Area 025 with Sales not Used

03/22/2019

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
025	041	066000	2760	20,512	2847893	\$181,510	02/07/17	\$8.85	Melrose Market Bldg	NC3P-85	1	43	Development rights parcel to prvt se
025	041	600350	0360	14,400	2876715	\$48,500	06/21/17	\$3.37	Everyday Music	NC3P-65	3	24	Easement or right-of-way
025	041	600350	0360	14,400	2920742	\$83,500	03/16/18	\$5.80	Everyday Music	NC3P-65	1	24	Easement or right-of-way
025	041	872560	0115	6,570	2891022	\$4,260,825	09/19/17	\$648.53	Retail/Gallery	NC3P-65	2	15	No market exposure
025	041	872560	0425	4,810	2791294	\$100,000	04/15/16	\$20.79	SFR - BAROKAS & MARTIN LAW OF	NC3P-65	1	22	Partial interest (1/3, 1/2, etc.)
025	041	872560	0425	4,810	2881215	\$28,333	05/16/17	\$5.89	SFR - BAROKAS & MARTIN LAW OF	NC3P-65	1	22	Partial interest (1/3, 1/2, etc.)
025	041	872560	0425	4,810	2881213	\$28,333	07/06/17	\$5.89	SFR - BAROKAS & MARTIN LAW OF	NC3P-65	1	22	Partial interest (1/3, 1/2, etc.)
025	041	872560	0425	4,810	2881214	\$28,333	05/12/17	\$5.89	SFR - BAROKAS & MARTIN LAW OF	NC3P-65	1	22	Partial interest (1/3, 1/2, etc.)
025	042	197820	0290	30,971	2842422	\$1,250	12/02/16	\$0.04	SUNSET CLUB	HR	1	24	Easement or right-of-way
025	042	197820	0885	2,236	2850130	\$15,000	01/12/17	\$6.71	1320 PROFESSIONAL CENTER	HR	1	24	Easement or right-of-way
025	042	197920	0050	35,731	2938123	\$1,310,320	06/22/18	\$36.67	Town Hall Seattle	HR	1	43	Development rights parcel to prvt se
025	043	501600	1790	8,785	2833162	\$1,498,000	11/09/16	\$170.52	Madison Center - RETAIL + OFFICE	NC2P-40	1	11	Corporate affiliates
025	043	600300	0175	3,274	2822227	\$700,000	09/15/16	\$213.81	STORES & APT	NC3P-65	1	15	No market exposure
025	045	982670	1390	11,208	2834136	\$150,000	11/11/16	\$13.38	OFFICES/School	LR2	1	22	Partial interest (1/3, 1/2, etc.)
025	046	220750	0345	3,704	2944732	\$3,400,000	07/31/18	\$917.93	BERTSHI SCHOOL	LR2	1	36	Plottage
025	047	715220	0320	2,288	2919579	\$625,000	03/13/18	\$273.16	World Travel Center	NC1-30	1	15	No market exposure

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
025	041	684870	0065	3,830	2909173	\$1,100,000	12/22/17	\$287.21	COIN-OP LAUNDRY, CAFE & DUPLEX	MR	1	36	Plottage
025	042	197820	0940	14,400	2822755	\$884,950	07/13/16	\$61.45	LUMA CONDOMINIUM	HR	1	51	Related party, friend, or neighbor
025	042	859090	0125	21,600	2874778	\$11,400,000	06/30/17	\$527.78	PARKING LOT	HR	3	51	Related party, friend, or neighbor
025	043	600300	0170	1,200	2853464	\$300,000	03/15/17	\$250.00	Parking lot behind 1310 E Pike St	IC3P-6	1	36	Plottage
025	043	600300	0170	8,962	2944664	\$4,530,000	07/30/18	\$505.47	Former Frans Chocolate Factory	IC3P-6	1	56	Builder or developer sales
025	045	332504	9058	286	2913609	\$6,600	02/01/18	\$23.08	Vacant Landlocked parcel	2P-55	1	67	Gov't to non-gov't
025	045	722850	0571	4,610	2831790	\$1,200,000	11/01/16	\$260.30	Kung Fu Kids	NC2-65	1	36	Plottage
025	046	133630	0245	9,500	2802665	\$4,100,000	06/15/16	\$431.58	6-PLEX	LR3	2	65	Plans and permits
025	046	191210	0620	4,500	2836110	\$1,050,000	11/22/16	\$233.33	Office conv	NC1-40	1	65	Plans and permits
025	046	330370	0085	13,731	2967547	\$2,750,000	12/21/18	\$200.28	HILLTOP SERVICE STATION	IC2P-4	2	46	Non-representative sale
025	046	600350	0890	14,640	2781854	\$2,020,000	02/24/16	\$137.98	SFR - LAW OFFICE	LR3	3	11	Corporate affiliates
025	046	685270	0478	5,940	2836880	\$2,850,000	11/30/16	\$479.80	1010 E Republican St	LR3	2	65	Plans and permits

Area 25 Physical Inspection

Major	Minor	Addr #	Street Name
859040	0370	600	6TH AVE
859040	0525		7TH AVE
859040	0530		8TH AVE
859040	0540		8TH AVE
859040	0795	621	9TH AVE
982170	0010	778	ALDER ST
859090	0220	301	TERRY AVE
859090	0216		
859090	0186		
859090	0185	908	JEFFERSON ST
197820	0469		
197820	0005		8TH AVE
197820	0285	1218	TERRY AVE
197920	0050	1119	8TH AVE
197670	0245		8TH AVE
859090	0765	516	BOREN AVE
219760	0072	208	BROADWAY
197820	1060	1395	MARION ST
197820	1096	747	BROADWAY
859090	0955	747	BROADWAY
197820	1115	702	BROADWAY
925690	0065	1009	E UNION ST
925690	0061	1002	E SENECA ST
225450	1175	1312	E SPRING ST
225450	0664		
322504	9003	1117	12TH AVE
225450	0404	901	12TH AVE
225450	0075		
197820	1345	805	10TH AVE
225450	0315	901	12TH AVE
225450	0320		
225450	0165	901	12TH AVE
225450	0255	901	12TH AVE
225450	0260	901	12TH AVE
225450	0265	1110	E CHERRY ST
225450	0275	901	12TH AVE
225450	0285	901	12TH AVE
219760	0130		
219760	0120		
219760	0110	316	BROADWAY
219760	0100	316	BROADWAY
219760	0140		
219760	0365	420	10TH AVE E
219760	0490	220	10TH AVE
794260	0845	550	14TH AVE
290870	0080	1300	E REMINGTON CT

Area 25 Physical Inspection

Major	Minor	Addr #	Street Name
219760	0275	E	JAMES ST
859040	0455		8TH AVE
197820	0935	1305	SENECA ST
197820	0805	1204	MINOR AVE
197820	0785	1201	UNIVERSITY ST
197820	0550	1117	MINOR AVE
197820	0525	1100	SENECA ST
859040	0430		7TH AVE
197820	0580	1104	SPRING ST
197820	0775	1110	MINOR AVE
197820	0055	1300	HUBBELL PL
859040	0435	751	MARION ST
197820	0305	1200	TERRY AVE
197820	0290	1021	UNIVERSITY ST
197820	0605	1004	BOREN AVE
859040	0425		7TH AVE
197820	0670	1223	MADISON ST
197820	1015	1229	MADISON ST
197820	1135	900	BOYLSTON AVE
197820	1130	906	BOYLSTON AVE
197820	1116	1401	MADISON ST
197820	0730	1224	MADISON ST
859040	0410	703	MARION ST
197820	0690	912	MINOR AVE
197820	0691	900	MINOR AVE
197820	0955	1300	SPRING ST
256035	0000	1314	MADISON ST
859090	1050	1000	MADISON ST
859090	1045		TERRY AVE
859040	0476	703	8TH AVE
197920	0210	925	SENECA ST
859090	1070	1111	TERRY AVE
859090	1075	1100	9TH AVE
859090	1095	1111	BOREN AVE
197920	0170	1101	9TH AVE
197920	0070		8TH AVE
197920	0080		7TH AVE
197920	0065		7TH AVE
197920	0045		7TH AVE
197920	0046		SENECA ST
197920	0120		7TH AVE
197920	0110		8TH AVE
197920	0090	709	SPRING ST
859090	0085	804	9TH AVE
539210	0010	803	TERRY AVE
197920	0310	907	TERRY AVE

Area 25 Physical Inspection

Major	Minor	Addr #	Street Name
197920	0290	921	TERRY AVE
197920	0285	901	MADISON ST
539210	0055	802	TERRY AVE
859090	0990	1001	MADISON ST
859090	0996		TERRY AVE
197920	0205	911	SENECA ST
197920	0206	901	SENECA ST
197920	0220	1120	SENECA ST
197670	0270		7TH AVE
859040	0380	721	MADISON ST
859090	0105	907	COLUMBIA ST
539210	0020		
539210	0025		TERRY AVE
859090	0125		TERRY AVE
859090	0130		TERRY AVE
859090	0136	700	9TH AVE
859090	0135	700	9TH AVE
859090	0120	700	9TH AVE
859040	0381	713	MADISON AVE
859090	0165	914	JAMES ST
859090	0570	1023	COLUMBIA ST
859090	0591		
859090	0590		CHERRY ST
859090	0585	704	TERRY AVE
539210	0050		TERRY AVE
539210	0040		
859040	0385		8TH AVE
539210	0035	1001	COLUMBIA ST
859090	0571	1021	COLUMBIA ST
859090	0725	612	BOREN AVE N
859090	0770	515	MINOR AVE
859090	0825		
859090	0826	E	TERRACE ST
859090	0810	417	BROADWAY
859090	0806	1107	JEFFERSON ST
219810	0005	500	BROADWAY
219810	0010	510	BROADWAY
219760	0060	200	BROADWAY
859090	0721	702	BOREN AVE
859090	0685	1101	COLUMBIA ST
859090	0690	1115	COLUMBIA ST
859090	0710	1120	CHERRY ST
859090	0970	747	BROADWAY
859090	0950	747	SUMMIT AVE
859090	0951	747	BROADWAY
197820	0665	805	SUMMIT AVE

Area 25 Physical Inspection

Major	Minor	Addr #	Street Name
859040	0535		8TH AVE
197820	1055	801	BROADWAY
197820	1160	1400	MADISON ST
197820	1155	1014	BOYLSTON AVE
197820	1140		SPRING ST
197820	1290	1121	BROADWAY
197820	1270	1110	HARVARD AVE
197820	1180	1120	BOYLSTON AVE
197820	1195	1114	BOYLSTON AVE
197820	1200	1104	BOYLSTON AVE
197820	1210	1115	HARVARD AVE
197820	1205	1115	HARVARD AVE
197820	1185	1115	HARVARD AVE
197820	1295	1158	BROADWAY
197820	1300	1130	BROADWAY
197820	1305	1134	BROADWAY
197820	1310	1130	BROADWAY
197820	1315	1120	BROADWAY
925690	0115	952	E SENECA ST
925690	0100	953	E UNION ST
925690	0080	1001	E UNION ST
925690	0050	1017	E UNION ST
925690	0036	1161	11TH AVE
925690	0030	1018	E SENECA ST
925690	0005	1000	E MADISON ST
925690	0035	1018	E UNION ST
322504	9015	1201	E UNION ST
322504	9017	1120	12TH AVE
322504	9019	1118	12TH AVE
322504	9020	1120	12TH AVE
322504	9022	1100	12TH AVE
322504	9023	1100	12TH AVE
225450	0600	1214	E SPRING ST
225450	0595	220	E E SPRING ST
225450	0565	1215	E UNION ST
322504	9016	1213	E UNION ST
225450	1305	1111	14TH AVE
225450	1300	1115	14TH AVE
225450	1310		
225450	1435	1101	15TH AVE
225450	1085	1303	E SPRING ST
225450	0695	909	13TH AVE
225450	0710	1222	E MARION ST
225450	0705	1214	E MARION ST
225450	0605	900	12TH AVE
225450	0610	908	12TH AVE

Area 25 Physical Inspection

Major	Minor	Addr #	Street Name
225450	0615	912	12TH AVE
225450	0630	916	12TH AVE
225450	0625	914	12TH AVE
225450	0635	926	12TH AVE
225450	0645	932	12TH AVE
552560	0010	901	12TH AVE
000240	0001	901	12TH AVE
859040	0796	613	9TH AVE
322504	9004	901	12TH AVE
322504	9007	901	12TH AVE
322504	9009	1106	E SPRING ST
000240	0007	901	12TH AVE
000240	0008	901	12TH AVE
000240	0009	901	12TH AVE
000240	0006	901	12TH AVE
000240	0005	901	12TH AVE
225450	0465	901	12TH AVE
225450	0555	905	12TH AVE
225450	0530		
225450	0025	901	12TH AVE
197820	1335	916	E MARION ST
225450	1010	1308	E COLUMBIA ST
225450	0935	1300	E COLUMBIA ST
225450	0945	800	13TH AVE E
225450	0750	1219	E MARION ST
225450	0755	1215	E MARION ST
225450	0740	824	12TH AVE
859040	0875	815	9TH AVE
197820	1340	901	12TH AVE
197820	1400		
197820	1435	700	BROADWAY
197820	1446	920	E CHERRY ST
225450	1600	714	14TH AVE
225450	0880	1313	E COLUMBIA ST
225450	0875	700	13TH AVE
225450	0835	1215	E COLUMBIA ST
225450	0849	1218	E CHERRY ST
225450	0805	700	12TH AVE E
225450	0271	901	12TH AVE
225450	0195	901	12TH AVE
225450	0250	901	12TH AVE
197820	1405	924	E CHERRY ST
197820	1407	915	E COLUMBIA ST
219760	0148	315	10TH AVE
219760	0202	917	E JEFFERSON ST
219760	0371	1005	E JEFFERSON ST

Area 25 Physical Inspection

Major	Minor	Addr #	Street Name
219760	0360	412	10TH AVE E
219760	0386	413	11TH AVE
219760	0660	220	11TH AVE
219760	0655	1102	E SPRUCE ST
219760	0686	200	12TH AVE
219760	0685	1120	E SPRUCE ST
219760	0687	200	12TH AVE
219760	0680	201	12TH AVE
219760	0675	1100	E ALDER ST
219760	0681		
219760	0730	317	12TH AVE
219760	0725	319	12TH AVE
219760	0840	1120	E TERRACE ST
219760	0835	411	12TH AVE
219760	0825	427	12TH AVE
859040	0880		8TH AVE
794930	0095	E	REMINGTON CT
290870	0085	300	12TH AVE
794260	0940	1401	E JEFFERSON ST
859040	0885		8TH AVE
794930	0080	452	12TH AVE
219810	0030	919	E JAMES ST
219810	0110	1020	E JEFFERSON ST
219810	0120	1110	E JEFFERSON ST
219760	0930	600	12TH AVE
219760	0931	1117	E CHERRY ST
859040	0900		
219760	0927		
219760	0926		
794260	0855	1323	E CHERRY ST
794260	0870		14TH AVE
794260	0885	610	13TH AVE
794260	0890	1323	E CHERRY ST
290870	0010	1305	E JEFFERSON ST
290870	0005	1300	E JEFFERSON ST
794930	0030	1219	E JEFFERSON ST
794930	0020	1200	E JEFFERSON ST
794930	0005	464	12TH AVE
794830	0215	1212	E JEFFERSON ST
794830	0205	1220	E JEFFERSON ST
794830	0175	500	12TH AVE
794830	0170	502	12TH AVE
794830	0166	514	12TH AVE
794830	0155	554	12TH AVE
859040	0490	715	CHERRY ST
859040	0545	325	9TH AVE

Area 25 Physical Inspection

Major	Minor	Addr #	Street Name
794830	0085	564	12TH AVE
794830	0115	561	13TH AVE
197820	0320	1334	TERRY AVE
197820	0351	1300	TERRY AVE
859040	0451	703	COLUMBIA ST
197820	1226		HARVARD AVE
197820	1241	1422	E SENECA ST