

MASS APPRAISAL REPORT OVERALL SUMMARY 2010 Condominium Revalue

PHYSICAL INSPECTION AREAS

The West Crew physically inspected and revalued approximately 16,597 condominium living units in 5 geographic areas for the 2010 assessment year. Geographic areas that include specific neighborhoods located in and around the I-90 Corridor, Northeast King County, Northwest King County, Queen Anne / Magnolia and South King County were inspected. A more detailed area description is provided in the Executive Summary Report for each of the 5 physically inspected areas.

ANNUAL UPDATE AREAS

The West Crew statistically updated approximately 72,475 condominium living units in 4 geographic areas for the 2010 assessment year. These 4 areas include all neighborhoods in Central, East, Northwest and South King County not among the physically inspected areas. A more detailed area description is provided in the Executive Summary Report for each of the statistically updated areas.

VALUATION DISCUSSION

Condominium demand and growth have slowed throughout the county. Market value has decreased on average between -5.4% and -12.5% depending on the neighborhood. New development has slowed throughout King County.

Condominium sales recorded in King County during the 24 month period ranging from January 1st, 2008 to December 31st, 2009 were analyzed and assessed values were adjusted where it was deemed appropriate. Both regression analysis and characteristics-based adjustments were used to develop valuation models for each of the areas. In the physically inspected areas, an appraiser reviewed the model-generated values and made the final value selection for all parcels in the area. Annually updated areas were valued based on model-generated values and adjusted as deemed appropriate by an appraiser.

To evaluate the results of the 2010 value selections, a ratio study was conducted using condominium sales recorded in King County during the two-year period ranging from January 1st, 2008 to December 31st, 2009. The ratio studies, which calculated assessment levels and measured uniformity, are presented in the "Ratios Before" and "Ratios After" sections found later in this summary report. In general, before ratios show most areas had relatively high assessment levels and high coefficient of variation (COV). High COV indicates less uniformity in assessments. The after revalue ratios indicate assessment levels are closer to 93% of market value₁ and COVs are lower for all areas. All areas now meet IAAO standards of assessment level and uniformity. Therefore, we recommend the proposed 2010 condominium assessed values be posted to the assessment rolls.

¹: Ratios below 100% are related to additional market shifts not reflected in the normal sales sample, and more cautious market participants.

SUMMARY ANALYSIS

CHANGE IN ASSESSED VALUE

PHYSICAL INSPECTION

Area Name	2009 Total AV	2010 Total AV	% Change
I-90	\$1,022,278,200	\$925,336,200	-9.5%
Northeast King County	\$1,050,383,700	\$918,911,800	-12.5%
Northwest King County	\$702,669,400	\$647,273,000	-7.9%
Queen Anne-Magnolia	\$515,900,000	\$463,253,000	-10.2%
South King County	\$549,151,000	\$519,869,000	-5.4%
*Total	\$3,840,382,300	\$3,474,643,000	-9.5%

ANNUAL UPDATE

Area Name	2009 Total AV	2010 Total AV	% Change
Central	\$6,910,184,200	\$6,232,391,000	-9.8%
East	\$8,070,625,237	\$7,276,970,800	-9.9%
Northwest	\$2,074,439,000	\$1,933,873,000	-6.8%
South	\$4,012,736,600	\$3,632,814,000	-9.5%
Total	\$21,067,985,037	\$19,076,048,800	-9.5%

County Total	\$24,908,367,337	\$22,550,691,800	-9.5%
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LAND –

Commercial appraisers assigned to geographic neighborhoods determine condominium land values.

RATIO DATA

CHANGE IN ASSESSMENT LEVELS AND UNIFORMITY

Condominium Ratios Before: (2009 Assessments)

<u>AREA DESCRIPTION:</u>										
<u>PHYSICAL INSPECTION</u>	# PARCELS	# SALES	Mean SP	Mean AV	Median RATIO	Mean RATIO	Wtd Mean RATIO	COD	COV	PRD
I-90	3,995	423	\$244,000	\$258,500	105.5%	106.9%	105.9%	7.55%	10.47%	1.009
Northeast King County	4,636	304	\$224,700	\$235,900	105.4%	105.7%	105.0%	6.59%	8.64%	1.007
Northwest King County	3,164	325	\$219,700	\$217,200	99.0%	99.3%	98.9%	5.84%	7.43%	1.005
Queen Anne-Magnolia	1,491	186	\$286,600	\$284,300	99.6%	99.1%	99.2%	7.19%	9.15%	0.999
South King County	3,311	203	\$178,900	\$172,500	96.9%	97.4%	96.4%	6.24%	8.32%	1.010
*Total	16,597									
<u>ANNUAL UPDATE</u>										
Central	18,275	2,200	\$362,500	\$364,900	100.4%	101.4%	100.7%	8.50%	11.17%	1.007
East King County	26,126	2,662	\$304,000	\$310,200	103.0%	103.4%	102.0%	7.08%	9.74%	1.013
Northwest King County	8,495	976	\$256,800	\$253,800	98.6%	98.9%	98.8%	6.62%	8.64%	1.001
South	19,579	1,703	\$204,600	\$207,700	101.4%	102.0%	101.5%	6.83%	9.05%	1.005
Total	72,475									
Grand Total	89,072									

Condominium Ratios After: (2010 Assessments)

<u>AREA DESCRIPTION:</u>										
<u>PHYSICAL INSPECTION</u>	# PARCELS	# SALES	Mean SP	Mean AV	Median RATIO	Mean RATIO	Wtd Mean RATIO	COD	COV	PRD
I-90	3,995	423	\$244,000	\$225,800	92.4%	92.7%	92.5%	5.77%	7.21%	1.001
Northeast King County	4,636	304	\$224,700	\$208,100	92.9%	93.0%	92.6%	5.19%	6.44%	1.004
Northwest King County	3,164	325	\$219,700	\$203,900	93.0%	93.0%	92.8%	4.01%	5.05%	1.002
Queen Anne-Magnolia	1,491	186	\$286,600	\$264,000	92.3%	92.5%	92.1%	5.78%	7.05%	1.005
South King County	3,311	203	\$178,900	\$165,100	92.0%	92.6%	92.3%	4.93%	6.03%	1.004
*Total	16,597									
<u>ANNUAL UPDATE</u>										
Central	18,275	2,200	\$362,500	\$332,700	92.6%	92.7%	91.8%	7.24%	9.21%	1.010
East King County	26,126	2,662	304,000	\$280,300	92.7%	92.7%	92.2%	5.80%	7.51%	1.006
Northwest King County	8,495	976	256,800	\$237,100	92.5%	92.7%	92.3%	4.95%	6.22%	1.004
South	19,579	1,703	204,600	\$189,200	92.5%	92.7%	92.5%	5.49%	6.97%	1.003
Total	72,475									
Grand Total	89,072									