

MASS APPRAISAL REPORT OVERALL SUMMARY 2012 Condominium Revalue

PHYSICAL INSPECTION AREAS

The West Crew physically inspected and revalued approximately 17,252 condominium living units in 4 geographic areas for the 2012 assessment year. Geographic areas that include specific neighborhoods located in and around the I-90 Corridor, Northeast King County, Northwest King County and South King County were inspected. A more detailed area description is provided in the Executive Summary Report for each of the physically inspected areas.

ANNUAL UPDATE AREAS

The West Crew statistically updated approximately 72,672 condominium living units in 4 geographic areas for the 2012 assessment year. These 4 areas include all neighborhoods in 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 from 3.9% to 27.7% 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, 2010 to December 31st, 2011 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 major geographic 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 2012 value selections, a ratio study was conducted using condominium sales recorded in King County during the two-year period ranging from January 1st, 2010 to December 31st, 2011. 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 (COD). High COD indicates less uniformity in assessments. The after revalue ratios indicate assessment levels are closer to 92.7% of market value₁ and CODs are lower for all areas. All areas now meet IAAO standards of assessment level and uniformity. Therefore, we recommend the proposed 2012 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	2011 Total AV	2012 Total AV	% Change
I-90	\$19,299,000	\$22,403,000	16.1%
Northeast King County	\$2,392,985,000	\$2,194,800,500	-8.3%
Northwest King County	\$942,989,000	\$906,501,000	-3.9%
South King County	\$649,411,000	\$469,259,000	-27.7%
Total	\$4,004,684,000	\$3,592,963,500	-10.3%

ANNUAL UPDATE

Area Name	2011 Total AV	2012 Total AV	% Change
Central	\$6,640,793,000	\$6,157,871,000	-7.3%
East King County	\$5,933,230,305	\$5,166,391,000	-12.9%
Northwest King County	\$1,432,678,000	\$1,140,421,000	-20.4%
South King County	\$3,137,514,300	\$2,381,767,820	-24.1%
Total	\$17,144,215,605	\$14,846,450,820	-13.4%

County Total	\$21,148,899,605	\$18,439,414,320	-12.8%
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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: (2011 Assessments)

<u>PHYSICAL INSPECTION</u>	<u># PARCELS</u>	<u># SALES</u>	<u>Mean SP</u>	<u>Mean AV</u>	<u>Median RATIO</u>	<u>Mean RATIO</u>	<u>Wtd Mean RATIO</u>	<u>COD</u>	<u>COV</u>	<u>PRD</u>
I-90	150	13	\$161,800	\$130,700	84.2%	81.9%	80.8%	6.03%	7.49%	1.013
Northeast King County	8,719	718	\$334,800	\$328,800	99.8%	100.0%	98.2%	8.66%	11.95%	1.028
Northwest King County	3,663	335	\$282,600	\$270,400	98.6%	98.0%	95.7%	8.01%	10.80%	1.025
South King County	4,720	195	\$121,400	\$154,100	127.9%	134.7%	126.9%	15.50%	21.10%	1.061
*Total	17,252									
<u>ANNUAL UPDATE</u>										
Central	20,375	2,066	\$364,100	\$360,800	100.0%	101.2%	99.1%	9.42%	12.44%	1.021
East King County	26,321	2,207	\$255,100	\$272,700	108.3%	110.0%	106.9%	10.29%	13.73%	1.029
Northwest King County	7,469	468	\$185,000	\$212,300	115.8%	118.1%	114.8%	10.61%	13.90%	1.029
South King County	18,507	1,132	\$164,500	\$195,800	120.8%	125.1%	119.0%	12.77%	17.27%	1.051
Total	72,672									
Grand Total	89,924									

Condominium Ratios After: (2012 Assessments)

<u>PHYSICAL INSPECTION</u>	<u># PARCELS</u>	<u># SALES</u>	<u>Mean SP</u>	<u>Mean AV</u>	<u>Median RATIO</u>	<u>Mean RATIO</u>	<u>Wtd Mean RATIO</u>	<u>COD</u>	<u>COV</u>	<u>PRD</u>
I-90	150	13	\$161,800	\$151,500	94.8%	94.0%	93.6%	5.76%	7.34%	1.004
Northeast King County	8,719	718	\$334,800	\$308,300	92.3%	92.8%	92.1%	6.40%	8.38%	1.008
Northwest King County	3,663	335	\$282,600	\$260,200	93.0%	93.2%	92.1%	6.25%	8.25%	1.012
South King County	4,720	195	\$121,400	\$113,500	94.2%	95.2%	93.6%	9.35%	12.02%	1.018
*Total	17,252									
<u>ANNUAL UPDATE</u>										
Central	20,375	2,066	\$364,100	\$334,500	92.6%	93.2%	91.9%	7.93%	10.02%	1.015
East King Count	26,321	2,207	\$255,100	\$236,200	92.8%	93.9%	92.6%	8.11%	10.44%	1.014
Northwest King County	7,469	468	\$185,000	\$172,700	93.7%	94.7%	93.4%	8.63%	10.92%	1.014
South King County	18,507	1,132	\$164,500	\$151,300	92.4%	93.2%	92.0%	9.09%	11.76%	1.013
Total	72,672									
Grand Total	89,924									