



## King County

**Department of Assessments**  
King County Administration Bldg.  
500 Fourth Avenue, ADM-AS-0708  
Seattle, WA 98104-2384  
(206) 296-5195 FAX (206) 296-0595  
Email: [assessor.info@kingcounty.gov](mailto:assessor.info@kingcounty.gov)

**Lloyd Hara**  
*Assessor*

As we start preparations for the 2013 property assessments, it is helpful to remember that the mission and work of the Assessor's Office sets the foundation for efficient and effective government and is vital to ensure adequate funding for services in our communities. Maintaining the public's confidence in our property tax system requires that we build on a track record of fairness, equity, and uniformity in property assessments. Though we face ongoing economic challenges, I challenge each of us to seek out strategies for continuous improvement in our business processes.

Please follow these standards as you perform your tasks.

- Use all appropriate mass appraisal techniques as stated in Washington State Laws, Washington State Administrative Codes, Uniform Standards of Professional Appraisal Practice (USPAP), and accepted International Association of Assessing Officers (IAAO) standards and practices.
- Work with your supervisor on the development of the annual valuation plan and develop the scope of work for your portion of appraisal work assigned, including physical inspections and statistical updates of properties;
- Where applicable, validate correctness of physical characteristics and sales of all vacant and improved properties.
- Appraise land as if vacant and available for development to its highest and best use. The improvements are to be valued at their contribution to the total in compliance with applicable laws, codes and DOR guidelines. The Jurisdictional Exception is applied in cases where Federal, State or local laws or regulations preclude compliance with USPAP;
- Develop and validate valuation models as delineated by IAAO standards: Standard on Mass Appraisal of Real Property and Standard on Ratio Studies. Apply models uniformly to sold and unsold properties, so that ratio statistics can be accurately inferred to the entire population.
- Time adjust sales to January 1, 2013 in conformance with generally accepted appraisal practices.
- Prepare written reports in compliance with USPAP Standard 6 for Mass Appraisals. The intended users of your appraisals and the written reports include the public, Assessor, the Boards of Equalization and Tax Appeals, and potentially other governmental jurisdictions. The intended use of the appraisals and the written reports is the administration of ad valorem property taxation.

Lloyd Hara  
King County Assessor

# Executive Summary Report

**Appraisal Date 1/1/2013- 2013 Assessment Year**

**Quadrant Name: Central Business District – Area 30**

**Sales – Improved Summary:**

Number of Sales: 20

Range of Sales Dates: 05/10/2010– 12/28/2012

**Sales – Ratio Study Summary:**

	Improved Value	Sale Price	Ratio	COD
<b>2012 Average Value</b>	\$5,994,200	\$7,110,500	84.30%	11.59
<b>2013 Average Value</b>	\$6,579,200	\$7,110,500	92.50%	11.20%
<b>Change</b>	+\$585,000		+8.20%	-0.39%
<b>% Change</b>	+9.76%		+9.73%	-3.36%

\*COD is a measure of uniformity, the lower the number the better the uniformity. The negative figures reflecting the change in COD from 2012 to the 2013 revalue represent an improvement of the uniformity. The Weighted Mean Ratio, which represents the assessment level, has improved from the 2012 to the 2013 revalue.

Sales used in Analysis: All improved sales which 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.

**Population - Parcel Summary Data:**

	Land	Imps	Total
<b>2012 Value</b>	\$2,435,595,760	\$2,669,970,400	\$5,105,566,160
<b>2013 Value</b>	\$2,869,684,700	\$2,682,692,800	\$5,552,377,500
<b>Percent Change</b>	+ 17.82%	+ 0.48%	+ 8.75%

Number of Parcels in the Population: 803 which includes vacant, improved, commercial units, and exempt parcels. Specialty parcels are not included.

**Conclusion and Recommendation:**

Since the values recommended in this report slightly improve an already good degree of uniformity as well as improve the assessment level, and fall within IAAO standards, we recommend posting these values for the 2013 assessment year.

## Appraisal Process

**Effective Date of Appraisal:** January 1, 2013

**Date of Appraisal Report:** April 16, 2013

### 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. 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.

The following Departmental guidelines were considered and adhered to:

- Sales from 1/01/2010 through 12/31/2012 (at minimum) were considered in all analyses.
- This report intends to meet the requirements of the Uniform Standards of Professional Appraisal Practice, Standard 6.

## **Identification of the Area**

### **Name or Designation: Area 30: Downtown Seattle**

Area 30 is known as the Seattle Central Business District (CBD) or Downtown Seattle and includes the following neighborhoods: The International Historic District (30-10), Pioneer Square Historic District (30-20), Downtown Mixed Commercial/West Edge (Area 30-30 and 30-50), Downtown Office Core I (Area 30-40), Downtown Retail Core (Area 30-60), Downtown Office Core II (Area 30-70), Pike Place Market Historic District (Area 30-80) and Downtown Mixed Commercial/Denny Triangle (30-100).

### **Boundaries:**

Area 30 is bounded on the north by Denny Way and bounded on the east by the Interstate 5 freeway. The southern border is west along S. Charles St. to 4<sup>th</sup> Avenue S. then to S. King Street. It is bounded on the west by Alaskan Way and then zigzags through Belltown from Lenora back to Denny following zoning boundaries.

### **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 30 is King County's most dense and populous commercial area both in total building area and working population. It is the county's major employment center, a lively tourist and convention attraction, a strong shopping magnet, a growing residential market, a major governmental matrix as well as a regional cultural and entertainment hub. The CBD's unique identity reflects its role as the county's primary urban center. Area 30 is comprised of Seattle's Retail Core, Financial Center/Office Core, City, County and Federal Government Centers, Pike Place Market Historic District, Pioneer Square Historic District, International Historical District and the Denny Triangle. New high-rise office, hotel and residential properties have recently had a rapidly increasing presence, specifically at the north and south ends of the CBD, and have been changing the look and ambience of this neighborhood.

Area 30 is subdivided into nine neighborhoods which are typically distinguished by their predominant zoning classification. The following is a brief description of each.

**International Historic District (IDM 75-85, IDM 75/85-150, IDM 150/85-150, DMR/C 65/65-85, IDR/C, IDR 45/125-240, IDR 150): Neighborhood 30-10**

**Boundaries:** The International District is defined by IDM and IDR zonings. It is bounded on the south by S. Charles St., on the west by Fourth Ave S., on the north by Yesler Way and on the east by Interstate-5.

**Neighborhood Description:** The International District is a designated historic area consisting of older buildings that are located adjacent to the Pioneer Square Historic District, Safeco Field, and Seattle Central Business District. The International District has IDM and IDR zones that are historic property overlays restricting redevelopment and requiring a public review to change the exterior or use of any building. The International Special Review District was established in 1973 to preserve the area's cultural and historical character. The Seattle International District Preservation Development Authority (PDA) was created in 1975 as a public corporation to redevelop historic buildings for a number of uses, most importantly, low-income housing. The PDA drives much redevelopment in the area.

The Wing Luke Museum in the old Kong Yick Building, and Fire Station #10 at 5<sup>th</sup> and Yesler Way were completed in the spring of 2008. More recently, at the end of 2010 was the conversion of the Milwaukee Hotel Building to apartments. Currently the old Immigration & Naturalization Building is undergoing a remodel with change of use.

The Seattle City Council had been looking at updating land use and zoning rules for South Downtown. After considering this for over a year, they passed legislation that allows taller buildings in this neighborhood (30-10) as well as in the contiguous, Pioneer Square, neighborhood (30-20). The goal is to provide development incentive for market-rate and workforce housing in the area since South Downtown has not seen as much recent development as other parts of the city. This legislation could lead to greater demand and higher prices for developable land in the area.

**The Pioneer Square Historic District (PSM 85-120, PSM 100, PSM 100/100-120, PSM 100/100-130, PSM 100/120-150, PSM 245): Area 30-20**

**Boundaries:** This neighborhood is defined by the boundaries of the Pioneer Square Mixed zone classification established by the City of Seattle. The northern boundary zigzags from Columbia Street and First Avenue to Cherry Street and Second Avenue to James Street and Third Avenue to Jefferson Street. The southern boundary is along S King Street to Occidental Avenue S to S Dearborn Street. The western boundary is along Alaskan Way S, and the eastern boundary is along Fourth Avenue S.

**Neighborhood Description:** The Pioneer Square Historic District is Seattle's first neighborhood and first historic district. Pioneer Square is a well-preserved commercial neighborhood located in Seattle's original commercial center, just north of the CenturyLink Football Stadium. Pioneer Square is home to residents, galleries, shops, and restaurants as well as distribution and technology firms. The late nineteenth and early twentieth century brick and stone buildings characterize the District, many built in the Romanesque Revival style that was popular when the city rebuilt its central core after a devastating fire in 1889. According to the Pioneer Square Preservation District Urban Conservation report from the City of Seattle Department of Neighborhoods, Pioneer Square has the largest collection of such buildings in the country. Established as a preservation district in 1970, the neighborhood is protected by design guidelines focused on preserving its unique historic and architectural character and assuring the sensitive rehabilitation of buildings. Successful implementation of these guidelines has made Pioneer Square one of Seattle's most treasured neighborhoods. The district draws a great many visitors and tourists each year.

The Pioneer Square Historic District, like the International Historic District and the Pike Place Market Historic District, has a Review Board to approve any design change to the exterior of existing structures. Their duties include implementing use and design guidelines establishing preservation of the neighborhood's appeal so as to complement and enhance the historic character of the District and to retain the quality and continuity of existing buildings.

New construction and additions to existing buildings are discouraged unless they are part of the original structures. New construction and remodeling must be visually compatible with the predominant architectural style of the other buildings in the district. Although new projects need not attempt to duplicate original facades, the design process should involve serious consideration of the typical historic building character within the district. The district's guidelines for building, restoration and renovation include the stabilization of significant historical detailing, respecting the original architectural style and use of compatible scale and materials.

Demolition or removal/replacement of buildings or other structures in the Historic Districts is prohibited unless approved by the Review Board. The following prerequisites for approval for building demolition or removal are: existing buildings or structures do not contain any architectural or historic significance; use and design of the replacement structure; commitment for interim and long-term financing for the replacement structure has been secured with adequate financial backing to ensure completion of the project; satisfactory arrangements have been made for retention of any part of the structure's façade; and satisfactory assurance is provided that new construction will be completed within two (2) years of demolition.

Any and all restrictions to the inherent bundle of rights associated with the fee simple ownership of real estate are considered in the valuation of properties within historic districts.



Recent construction activity in the area includes the Starbucks addition to 83 King St., the rehab of the Furiya & Corgiat buildings from mostly unusable buildings into offices, the rehab of the Alaska Building into hotel/apartments, the continuing rehab of King Street Station as well as the completion of the rehab of the 1016 1<sup>st</sup> Avenue South Building. Phase I of a major development in the north parking lot of CenturyLink field (Seahawks Stadium) is underway and phase II will be proceeding in the near future. Two years ago the City's voters decided to go ahead with the 'Alaskan Way Viaduct Replacement Program'. With a bored tunnel eventually replacing the Alaskan Way Viaduct, the west edge of the Pioneer Square neighborhood will be changed dramatically and could easily have the effect of changing uses along the waterfront and increasing land values.

Additionally, future neighborhood values could be affected by new legislation, passed two years ago, that allows for greater building height in certain areas. See more about this in the paragraph at the end of the description of the International Historic district, neighborhood 30-10.

### **Downtown Mixed Commercial (DMC 340/290-400): Neighborhood 30-30**

**Boundaries:** This neighborhood is comprised of a small area bordered on the north and east by the Downtown Office Core 1 (DOC 1) neighborhood (30-40), and bordered to the south and west by the International and Pioneer Square Historic Districts. It is a narrow strip that stair-steps to the southeast from 1<sup>st</sup> Avenue and Madison St. to 6<sup>th</sup> Avenue and Yesler Way.

**Neighborhood Description:** Neighborhood 30-30 contains the government core and has the Henry Jackson Federal Office Building, the King County Courthouse, King County Administration Building, social service buildings and private office buildings. Its zoning was meant to act as a buffer area between the high-rise office buildings in DOC 1 and the limited height buildings of the bordering historic districts.

Newest construction activity in this area includes the completion of the 5<sup>th</sup> & Yesler Office Building in September of 2009. The proposed Civic Center development on the former site of the old Public Safety Building still has not gone forward to date.

### **Downtown Office Core 1 (DOC 1 U/450/U): Neighborhood 30-40**

**Boundaries:** The Downtown Office Core 1 (DOC 1) zone is bounded on the north by Union Street and on the east by Interstate-5. The south border, stair-steps from Interstate-5 and Jefferson St., northwest to a position mid-block between First Avenue and Second Avenue on Madison Street, and then north to Union Street.

**Neighborhood Description:** DOC 1 is the portion of Seattle's Central Business District with the highest density. High-rise office buildings, residential towers and major hotels

exemplify the highest intensity of land use. This neighborhood contains Benaroya Hall and the Seattle Art Museum, two of Seattle's main cultural resources. The city's Library, Justice Center and City Hall are also in this neighborhood.

The 2006 zone re-classification in this neighborhood allows for the greatest density in the county. There is effectively no height limitation for this zone.

The WAMU Tower/Seattle Art Museum, the 5<sup>th</sup> and Madison residential condo, the conversion of the Cobb Bldg. into apartments, as well as the rehab/conversion of the Arctic Building into a hotel are examples of more recent, completed development in this neighborhood. Because of the scarcity of developable land in this zoning, creative development of difficult parcels is the norm.

We will have to wait to see what becomes of the Federal Reserve Bank of San Francisco building, which is located on the west edge of this neighborhood, on 2<sup>nd</sup> Avenue. This property has been transferred to the U.S. General Services Administration, which will dispose of the property. It will be offered to other Federal agencies first, then offered to Seattle and King County and if not taken, offered for sale to the public through an on-line auction.

While development in this neighborhood has been stalled, there is planned development of major high-rise buildings at the old United Methodist site on the west side of 5<sup>th</sup> Avenue between Columbia and Marion streets, as well as at the College Club site on the east side of 5<sup>th</sup> Avenue between Marion and Madison streets.

### **Downtown Mixed Commercial (DMC 125 & DMC 160): Neighborhood 30-50**

**Boundaries:** Neighborhood 30-50 is bounded on the north by Union St, on the east by 1<sup>st</sup> Avenue, on the south by Columbia St. and on the west by Alaskan Way.

**Neighborhood Description:** Neighborhood 30-50, also called the "West Edge" neighborhood, consists of a mixed use of office, retail, residential and warehouse structures as well as surface parking lots. This area is in a slow process of revitalization with several buildings having been remodeled or renovated recently. This last year, the city voters decided to go forward with the 'Bored Tunnel Alternative' and the removal of the Alaskan Way Viaduct. This neighborhood, along with Pioneer Square, will be the most heavily impacted by the eventual removal of the Alaskan Way Viaduct. With the mentioned removal, views for properties along the western border of this neighborhood will be dramatically improved, and external noise, caused by viaduct traffic, will cease to be the problem it is today. Property usages may change as a result and property values may increase as well. Time will tell if the market responds in this manner.

Area 30-50 is zoned as a narrow band intended to scale down building heights from DOC 1, DOC 2 and higher DMC zones towards Elliott Bay. The new Coleman Center, a 16

Area 30-50 is zoned as a narrow band intended to scale down building heights from DOC 1, DOC 2 and higher DMC zones towards Elliott Bay. The new Coleman Center, a 16 story, mixed use, high rise apartment building, is near completion, at this time, in the 800 block of Western Avenue between Columbia and Marion Street, and under renovation is the 6-story, 51 University Building, previously known as the Immunex Building.

## **Downtown Retail Core: Neighborhood 30-60**

**Boundaries:** The Downtown Retail Core (DRC) is bounded to the north by Olive Way, to the east by 6<sup>th</sup> Avenue, to the south by Union Street and to the west by Second Avenue.

**Neighborhood Description:** The Downtown Retail Core is Seattle's major retail center and is considered a strong shopping magnet with a lively tourist and convention attraction. The area consists of major department stores, movie theaters, some residential, offices, shopping malls and many street-level retail stores and restaurants. There is very little availability of properties for lease or purchase.

A large percentage of buildings in this neighborhood have historical designations. This is a neighborhood of buildings with generally much lower heights than the surrounding neighborhoods. Many of the buildings are richly ornamented and architecturally distinctive.

The zone classification is Downtown Retail Core 85-150 (DRC 85-150), which allows a building height limit from 85 to 150 feet, coupled with significant retail requirements. This scaled-down zoning allows for an abundance of natural light, spaciousness and a casual/comfortable ambience.

Newer development in the neighborhood includes a supermarket in the old Kress Building which was the first major grocery store in downtown in many decades. Since then several other supermarket locations have opened in the downtown neighborhoods. Unsubstantiated rumors have swirled about the possibility of J.C. Penny moving back into downtown in much of the rest of the Kress building. While it has been reported that J.C. Penny did actually rent much of the Kress Building, they apparently are going to be sub-letting the space to another discount retailer. Retail demand had been fueled by the many new condo residents in the surrounding neighborhoods and is now being added to, with the construction of new apartment buildings in the surrounding neighborhoods. A major rehab of the Joshua Green Building has recently been completed with many new tenants. Also the old Macy Parking Garage was remodeled in conjunction with the 1Residence and Hotel project which was put on hold.

## **Downtown Office Core 2 (DOC 2 500-300/500): Neighborhood 30-70**

**Boundaries:** Neighborhood 30-70 is bounded on the north by Blanchard St., on the east by 9<sup>th</sup> Avenue, on the south by Union St. and on the west by 3<sup>rd</sup> Avenue. It is very irregular and its boundaries move in a zigzag pattern with the zoning. It is part of the Denny triangle area and extends west across Westlake Avenue.

### **Neighborhood Description:**

Neighborhood 30-70 can be considered as similar to the retail and office cores because parts of the uses in adjacent zonings spill into this zone. This area consists of mid to high-rise offices, hotels, condos, parking lots, retail structures and several auto dealerships which are believed to be relocating soon. Most of the older existing retail and office buildings have been remodeled and/or renovated. Pacific Place, The Washington State Convention Center and the Paramount Theater are major properties located in this neighborhood.

There had been much market interest in this neighborhood, prior to the economic downturn, as evidenced by a high number of vacant land sales that took place in 2006, but mostly in 2007, and the construction that followed. Two residential condo projects are fairly recent with the “Olive 8” completed in 2009 and the “Escala” completed in 2010. Construction activity, on “The Olivian” apartment building was completed in 2009. The new office project at 8<sup>th</sup> and Westlake was completed in 2009 as well as the office project, “1918 Eighth. The mixed-use project, “818 Stewart” was completed in 2008.

After a couple of years of much speculation but little neighborhood activity, Amazon.Com purchased three city blocks in this neighborhood, in December of 2012, with plans to build three high-rise office complexes that would total approximately a million square feet per complex. A portion of a downtown parking garage is being converted into, and added onto as, a Data center. Teutsch Partners is planning to start their seven-story apartment complex soon on the northwest corner of 9<sup>th</sup> Avenue and Pine Street and it is reported that the R.C.Hedreen Co., which has recently obtained the final parcels to the whole-block site where the Greyhound Bus Terminal is located, plans to start construction, within the next two years, on a whole-block development that will include two 45-to50-story towers and a podium.

## **Pike Place Market Historic District (PPM-85): Neighborhood 30-80**

**Boundaries:** Pike Place Market is bounded to the north by Lenora St., to the east by 1<sup>st</sup> Avenue, to the south by Union St. and to the west by the viaduct.

**Neighborhood Description:** Seattle’s Pike Place Market is the last farmer’s market in the United States, which has not been modernized. It was established by an ordinance in 1907. By 1917, much of the Market we know today was constructed, which is known as the Economy Market, Corner Market, Sanitary Market, and the lower levels of the Main

Market. In the 1920's and 1930's when farmers grew their produce closer to Seattle, there were many more farmers' stalls than there are now. Nevertheless, loss of these stalls has been made up by a greater variety of other vendors and retail outlets. In November of 1971, the people of Seattle, by initiative measure, voted to preserve the character and flavor of this market for all time. Specifically, they established a seven-acre Pike Place Market Historical District to be administered by a twelve-member citizen commission with the aid and cooperation of the city's Department of Community Development and Department of Neighborhoods.

Today, remodeled/rehabilitated retail stores, apartments, hotels, restaurants, and newer mixed-use condominiums/apartments surround the public areas within the zone. The Pike Place Market is Seattle's number one tourist attraction.

The guidelines for redevelopment are very similar to those described in the Pioneer Square and the International District sections and use restrictions are considered in valuation.

A "legacy levy" passed a couple of years ago which was designed to update the aging plumbing and electrical systems, has made the 'Market' wheelchair accessible, created new restrooms and elevators, did seismic work, was re-roofed and created new retail space. This was estimated to cost about \$80M. This work had been on-going and was completed early last year. In the fall of 2013, the Pike Place Market Preservation and Development Authority plans to start building, on the last piece of developable land in the market historic district, a project across from the market that will have apartments, retail, parking and storage, and a combination of artist lofts, offices and a food bank.

### **Downtown Mixed Commercial (DMC 340/290-400 & DMC 240/290-400) Neighborhood 30-100**

**Boundaries:** Neighborhood 30-100 is bounded on the north by Denny Way, on the east by I-5, to the southeast by Union St., to the southwest by Madison St. and to the west by Post Alley. This zoning wraps around the DOC 2, DRC & part of the DOC 1 zoned areas creating a stepped height limit from those zones encouraging a pleasing shape to the city skyline.

**Neighborhood Description:** Neighborhood 30-100 encompasses much of the Denny Triangle area where there are mixed-use condos, offices, retail stores, auto services, two colleges, hotels, and surface parking lots.

Area 30-100's zoning allows for a great variety of uses. It is now in the process of revitalization. In the past two to three years, several existing older buildings have been remodeled, renovated, or demolished to add new mid-rise structures, mostly apartments and condominiums with mixed-use commercial. "2200 Westlake" was completed at the end of 2008, with its sister project, located right across the street, "2201 Westlake" and "Enso" completed a year later at the end of 2009. Also, Cornish School of Arts has

increased it's presence with the purchase of land for future development. "1521 2<sup>nd</sup> Avenue" and the new "Four Seasons Hotel and Residence" were both completed at the end of 2008 and have been open for business and occupancy since. In 2010, the 37-story, 326 unit, Aspira Apartments were completed and last year, we had the completed renovation and opening of the Target retail store, at the base of the Newmark residential condominium tower. Also completed last year was the 7-story, mixed-use Gethsemane Lutheran Church, affordable housing project at 901 Stewart Street, right next to the Aspira Apartments.

Currently the Via6, a 654 unit, twin towered, apartment complex is under construction, and due to open this year, in the 2100 block of 6<sup>th</sup> Avenue. Also, the Viktoria Apartments, a 25-story, 249 unit building is under construction in the 1900 block of 2<sup>nd</sup> Avenue as well as the 815 Pine Apartments, a 42-story, 386 unit building across the street from the Paramount Theater. One other project is just now starting, having torn down the 1925, 2-story, Cosmopolitan Motors building, and that is a 39-story, 355-unit apartment tower on the northwest corner of 8<sup>th</sup> Avenue and Virginia Street.

### **Physical Inspection Identification:**

This year, neighborhood 30-10, the International District, was inspected.

### **Preliminary Ratio Analysis**

A Ratio Study was completed just prior to the application of the 2013 recommended values. This study benchmarks the current assessment level using 2012 posted values. The study was also repeated after application of the 2013 recommended values. The results are included in the validation section of this report, showing an improvement of the Coefficient of Variation (COV) from 15.69% to 14.93%, improvement of the Coefficient of Dispersion (COD) from 11.59% to 11.20%, improvement of the weighted mean, a statistical measure of assessment level, from 84.3% to 92.5%, and an improvement in the Price-related Differential (PRD) from 1.03 to 1.02. A discussion of the ratio measurements is included in the Model Validation section at the end of this report.

## **Scope of Data**

### **Land Value Data:**

Vacant sales from 1/1/10 to 12/31/12 were given primary consideration for valuing land. Improved sales with demolition, new construction and renovation activities after the sale date represent tear down, “shell” sales or interim use sales. Those sales, if any, are analyzed to reflect improvement contributions to overall price, where appropriate, thereby indicating the value allocation to the land.

### **Improved Parcel Total Value Data:**

Sales information is obtained from excise tax affidavits and reviewed initially by the Accounting Division, Sales Identification Section. Information is analyzed and investigated by the appraiser in the process of revaluation. All sales were verified, if possible, by calling either the purchaser or seller, inquiring in the field or calling the real estate agent. Characteristic data is verified for all sales if possible. Sales are listed in the “Sales Used” and “Sales Not Used” sections of this report. Additional information resides in the Assessor’s procedure manual located in the Public Information area of the King County Administration Building.

## **Land Value**

### **Land Sales, Analysis, Conclusions**

There were 12 recent sales, within Area 30, to be considered in the Area 30 land valuation analysis. All of the 12 sales occurred in 2012. No market representative land sales took place in the Central Business District in 2010 or 2011.

The neighborhoods within Area 30 are typically distinguished by their predominant zone classification. In analyzing the sales in Area 30, subject neighborhood and zoning were considered first. Downtown Seattle zonings are unique in the county and permit the highest densities.

For the most part, the 2012 sales showed a marked increase in values from sales prior to the economic downturn. As a result, land values in neighborhoods 30 through 100 were increased in value.

The Seattle City Council adopted new zoning changes for south downtown in April 2011. These changes took place in neighborhoods 10 and 20, the International District and Pioneer Square respectively. The changes allow taller residential buildings meant to attract more in-city residents. Since then, only one sale has taken place. That sale was for a price only slightly above the assessed value. As a result, only nominal land value changes were made to some of the new zones in order to distinguish values and recognize the new and greater height potential

The following is a table used in the finalization of land valuation for each of the zone classifications.



<b>Neighborhood</b>	<b>Zone Designation</b>	<b>Land Value/ SF of Land Area</b>
10	IDM 65-150	\$50
10	IDM 75-85	\$100
10	IDM 75/85-150	\$115
10	IDM 150/85-150	\$115
10	IDR 150	\$115
10	IDR 45/125-240	\$120
10	IDR/C 125/150-240	\$120
10	DMR/C	\$115
20	PSM 85-120	\$160
20	PSM 100	\$160
20	PSM 100/100-120	\$160
20	PSM 100/100-130	\$160
20	PSM 100/120-150	\$160
20	PSM 245	\$300
30	DMC 340/290-400	\$500
40	DOC1 U/450/U	\$700
50	DMC 125 & 160	\$250
60	DRC 85-150	\$350
70	DOC2 500/300-500	\$600
80	PMM-85	\$175
100	DMC 240/290-400 DMC 340/290-400	\$500

In addition to the adjustments made for the reasons stated on the preceding pages, an attempt to recognize additional development rights over and above the rights commensurate with the zoning classification was made. Many lots have transferred development rights (TDR's) to other parcels thereby reducing or eliminating the potential for development on one parcel and increasing the density of development on another parcel. The Assessor has recognized these increases and decreases to development potential by recognizing the amount of TDR's transferred. A list of affected properties (sending lots and receiving lots) was provided by the City of Seattle. Please note, in some instances parcels have sold TDR's to the "city bank", but those rights have not yet been transferred to another parcel. In these instances the Assessor recognizes fewer rights associated with the sending parcel, but does not recognize additional development rights on another parcel as the rights have not been transferred to another parcel yet, but rather remain available for purchase from the "city bank".

#### **Land Value Comparisons and Recommended Conclusions:**

The total land assessed value for the 2012 assessment year for Area 30 was \$2,435,595,760 and the total land assessed value for the 2013 assessment year is \$2,869,684,700. Application of these recommended values for the 2013 assessment year (taxes payable in 2014) results in a change from the 2012 assessment of + 17.82%.

A list of vacant sales used and those considered not reflective of market value are included in the subsequent sections.

## **Improved Parcel Total Values:**

### **Sales comparison approach model description**

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.

The sales presented in the Improved Sales Used list range in date from 5/10/2010 to 12/28/2012. There were 20 improved sales in Area 30 considered as 'good'. These are fair market transactions reflective of market conditions at the time sale. The Sales Comparison Approach was used to set value, correlate income values and set commercial condo values. The sale price 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. The ranges of sales are:

- Offices \$161.41 to \$500.54 per sq. ft.
- Retail \$122.39 per sq. ft.
- Commercial Condos \$163.31 to \$656.93 per sq. ft.

### **Sales Comparison Calibration**

Neighborhoods were treated independent of one another when dictated by the market. Individual prices were applied based on various characteristics deemed appropriate within each market on a dollar value per square foot of improved net rentable area. Because of the few sales in the last three years, the sale comparison approach was used primarily on the commercial condominium units which generally are owner occupied properties.

### **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. The cost was adjusted to the western region and the Seattle area. Cost estimates were relied upon in the valuation of schools, churches, museums and most buildings in special/public/governmental use.

## **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 the primary method utilized for income producing properties throughout Area 30. Income parameters were derived from the market place through the sales listed as well as through market surveys, appeals and available publications. This information along with other sources was relied upon in the estimation of market value via the Income Approach to valuation.

Income: Income parameters were derived from the market place through the listed fair market sales as well as through published sources (i.e. Office Space Dot.Com, Commercial Brokers Association, Costar, Multiple Corporate Real Estate Websites), and opinions expressed by real estate professionals active in the market.

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 personal knowledge of the area's rental practices. Within our income valuation models, the assessor used triple net expenses for typical retail/mixed-use & industrial type uses. For typical office/medical buildings, the assessor used full service expenses within the valuation models.

Capitalization Rates: Capitalization rates were determined by local published market surveys, such as CoStar, Real Estate Analytics, The American Council of Insurance Adjustors, Colliers International, Integra Realty Resources, and Korpaz. Other national reports include; Grubb & Ellis Capital Mkt. Update, Emerging Trends in Real Estate, Urban Land Institute, and Cushman & Wakefield – Annual Real Estate Trends. The effective age and condition of each building contributes to the capitalization rate applied in the model. For example; a building in poorer condition with a lower effective year (1930, 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.

SEATTLE / PACIFIC NW CAP RATES						
Source	Date	Location	Office	Industrial	Retail	Remarks
ACLI	Yr. End 2012	Seattle	5.48%	5.77%	6.42%	
		Pacific Region	6.38%	7.15%	6.61%	
PWC / Korpaz	4Q 2012	Pac. NW	6.96% 8.42% 6.50% 7.42%	- - - -	- - - -	Range = 4.5% to 10.00% (Inst. Grade) Range = 5.0% to 12.00% (Non-Inst. Grade) CBD Office Suburban Office
CBRE: Capital Markets Cap. Rate survey.	Aug.-12					CBRE professional's opinion of where cap rates are likely to trend in the 2 <sup>nd</sup> ½ of 2012 based on recent trades as well as interactions with investors. Value Added represents an underperforming property that has an occupancy level below the local average under typical market conditions.
		Seattle	5.50% - 5.75% 6.00% - 7.00% 6.50% - 7.00% 7.00% - 8.00% 5.50% - 6.25% 6.00% - 8.00% 6.50% - 7.50% 7.00% - 8.00% - - - - - - -	- - - - - - - - 5.25% - 5.50% 6.00% - 6.25% 6.00% - 6.50% 7.00% - 7.50% - - -	- - - - - - - - - - - - - 5.50% - 6.75% 5.75% - 7.75% 6.00% - 7.50% 6.00% - 8.50%	CBD - Class A CBD - Class A – Value Added CBD - Class B CBD - Class B – Value Added Suburban - Class A Suburban - Class A – Value Added Suburban - Class B Suburban - Class B – Value Added Class A Class A - Value Added Class B Class B - Value Added Class A (Neigh./Comm. w/Grocery) Class A (Neigh./Comm.) – Value Added Class B (Neigh./Comm. w/Grocery) Class B (Neigh./Comm.) – Value Added
	Feb.-13					
		Seattle	5.00% - 5.75% 6.00% - 7.00% 5.50% - 6.50% 7.00% - 8.00% 6.00% - 6.50% 6.00% - 8.00% 6.50% - 7.50% 7.00% - 8.00% - - - -	- - - - - - - - 5.00% - 5.75% 6.00% - 6.75% - -	- - - - - - - - - - - 5.50% - 5.75% 6.50% - 7.50%	CBD - Class A CBD - Class A – Value Added CBD - Class B CBD - Class B – Value Added Suburban - Class A Suburban - Class A – Value Added Suburban - Class B Suburban - Class B – Value Added Class A Class B Class A (Neigh./Comm. w/Grocery) Class B (Neigh./Comm. w/Grocery)
Real Capital Analytics	4Q 2012	Seattle	5.10% - -	- 7.60% -	- - N/A	5.80% - Prior 12 mos. (thru Q4 '12) 6.90% - Prior 12 mos. (thru Q4 '12) 6.40% - Prior 12 mos. (thru Q4 '12)
IRR: Viewpoint for 2013	Yr. End 2012	Seattle	5.50% 6.00% - - -	- - 6.00% 6.00% - 7.50% -	- - - 6.00% 6.00%	<u>"Institutional Grade Properties"</u> CBD Office Suburban Office Industrial Industrial/Flex Reg./Comm. Mall Neigh. Retail
Marcus & Millichap	Yr. End 2012	National	- - -	- - -	5.90% 7.90% 7.70%	Urban Properties Regional Malls Strip Centers
Colliers International Office Highlights	Q4 2012	Seattle - Puget Sound	4.40% 7.40%	- -	- -	CBD Office Suburban Office
Costar	Yr. End 2012	King County	6.68% - -	- 7.50% -	- - 7.17%	Size <100k/SF; CapRate <15%; \$/SF >\$100/SF Size <100k/SF; CapRate <15%; \$/SF >\$20/SF Size <100k/SF; CapRate <15%; \$/SF >\$100/SF

NATIONAL CAP RATES						
Source	Date	Location	Office	Industrial	Retail	Remarks
ACLI	4Q 2012	National	6.03% 7.65% 7.06% - 7.08% 5.80%	7.80% 8.50% 8.02% - 12.72% 7.14%	7.36% 10.62% 6.69% - 7.02% 6.71%	Overall Sq.Ft. - <50k Sq.Ft. - 50k-200k Sq.Ft. - 200K+
PWC / Korpaz	4Q 2012	National	6.70% 7.42% 7.84% - - - -	- - - 8.54% 6.73% - -	- - - - - 6.83% 6.98% 7.06%	CBD Office - (4.25% - 10.00%) Sub. Office - (5.00% - 10.50%) Medical Office - (5.75% - 11.00%) Flex/R&D - (7.12% - 8.54%) Warehouse - (5.00 - 10.00%) Regional Mall - (4.50% - 10.00%) Power Center - (6.00% - 8.75%) Neigh. Strip Ctrs. - (5.25% - 9.50%)
Real Capital Analytics	4Q 2012	National	6.80% - -	- 7.60% -	- - 7.00%	7.10% - Prior 12 mos. (thru Q4 '12) 7.70% - Prior 12 mos. (thru Q4 '12) 7.01% - Prior 12 mos. (thru Q4 '12)
IRR: Viewpoint for 2013	Yr. End 2012	National	7.65% 7.91% - - - -	- - 7.75% 8.30% - -	- - - - 7.28% - 7.60% 7.66%	"Institutional Grade Properties" CBD Office - (Range 5.00% - 10.50%) Sub. Office - (Range 6.00% - 9.00%) Industrial - (Range 6.00% - 9.75%) Flex Industrial - (Range 6.75% - 9.50%) Reg./Comm. Mall - (Range 6.00% - 8.75%) Neigh. Strip Ctrs. - (Range 6.00% - 9.00%)
RERC-CCIM: Investment Trends Quarterly	4Q 2012	National W. Region	6.30% 5.20% - 6.20% 6.30%	7.40% 6.30% - 7.00% 7.00%	7.10% 6.20% - 6.70% 5.70%	RERC Realized Cap Rates NCREIF Implied Cap Rates
Colliers International Office/Industrial Highlights	Q4 2012	National	7.40% 7.80% - -	- - 7.79% 7.75%	- - - -	CBD Office Suburban Office\ U.S. Total West Region
Marcus & Millichap	Yr.End 2012	National	- - - - - -	- - - - - -	5.90% 7.90% 7.70% High 7.00% Low 7.00% Low 7.00%	Urban Properties Regional Malls Strip Centers Net Lease - Big Box Net Lease - Drug Store Net Lease - Quick Service Rest.
Calkain: Net Lease Economic Report	Yr End 2012	National	- - - - -	- - - - -	7.18% 7.04% 7.20% 7.25% 8.00% 6.07%	Overall (Average) Drug Store Quick Service Rest. Restaurant Big Box Banks
The Boulder Group: Net Lease Market Report	4Q 2012	National	8.04%	8.15%	7.25%	Overall (Average)
Cassidy/Turley: Single Tenant Net Lease Overview	3Q 2012	National	- - - - -	- - - - -	6.90% 6.80% 7.10% 8.20% 7.70% 6.40%	Industrial Drug Store Quick Service Rest. Jr. Big Box - (20,000K/SF - 39,999/SF) Mid. Big Box - (40,000K/SF - 79,999/SF) Mega Big Box - (80,000/SF +)

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

### **Income approach calibration**

The models were calibrated after setting economic rents, vacancy, expenses, and capitalization rates by using adjustments based on size, effective age, construction class, quality, and location as recorded in the Assessor's records.

An individual analysis was done for each neighborhood within area 30. Income parameters differed somewhat significantly from neighborhood to neighborhood in some instances and even within neighborhoods in others. A general description of the income parameters used in each neighborhood follows. Income Tables were used in all neighborhoods.

#### **NEIGHBORHOOD 10: INTERNATIONAL DISTRICT**

##### **RETAIL, RESTAURANTS**

LEASE RATE RANGE (NNN)	\$10.50-\$28.50
TYPICAL LEASE RATE (NNN)	\$14.50-\$22.50
VACANCY AND COLLECTION LOSS	12%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	7.25%-9.25%

##### **OFFICE**

LEASE RATE RANGE (NNN)	\$16.50-\$27.50
TYPICAL LEASE RATE (NNN)	\$18.50-\$23.50
VACANCY AND COLLECTION LOSS	18%
OPERATING EXPENSES	\$6.25-\$8.00
CAPTIALIZATION RATE RANGE	7.00%-9.00%

##### **APARTMENTS, MULTI RESIDENCES ETC.**

LEASE RATE RANGE	\$8-\$19.50
TYPICAL LEASE RATE	\$10.25-\$17.75
VACANCY AND COLLECTION LOSS	7%
OPERATING EXPENSES	35%-40%
CAPTIALIZATION RATE RANGE	5.50%-6.30%

**STORAGE**

LEASE RATE RANGE (NNN)	\$6-\$10
TYPICAL LEASE RATE (NNN)	\$6-\$9
VACANCY AND COLLECTION LOSS	12%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	6.5%-8.25%jjj

**NEIGHBORHOOD 20: PIONEER SQUARE****RETAIL, RESTAURANTS**

LEASE RATE RANGE (NNN)	\$12.50-\$28
TYPICAL LEASE RATE (NNN)	\$14.50-\$25.25
VACANCY AND COLLECTION LOSS	12%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	7.50%-9.00%

**OFFICE**

LEASE RATE RANGE	\$17-\$30.25
TYPICAL LEASE RATE	\$18-\$26.50
VACANCY AND COLLECTION LOSS	18-23%
OPERATING EXPENSES	\$6.25-\$9.50
CAPTIALIZATION RATE RANGE	6.50%-8.75%

**BASEMENT/OPEN OFFICE & RETAIL**

LEASE RATE RANGE	\$6.25-\$18.10
TYPICAL LEASE RATE	\$7.55-\$16.20
VACANCY AND COLLECTION LOSS	15%-20%
OPERATING EXPENSES	25%
CAPTIALIZATION RATE RANGE	7.50%-10.00%

**APARTMENTS, MULTI RESIDENCES ETC.**

LEASE RATE RANGE	\$7.75-\$29
TYPICAL LEASE RATE	\$9-\$25
VACANCY AND COLLECTION LOSS	7%
OPERATING EXPENSES	35%
CAPTIALIZATION RATE RANGE	5.50%-6.25%

**STORAGE**

LEASE RATE RANGE (NNN)	\$6-\$12
TYPICAL LEASE RATE (NNN)	\$8-\$10
VACANCY AND COLLECTION LOSS	6%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	7.25%-7.75%



**NEIGHBORHOOD 30: DOWNTOWN MIXED COMMERCIAL  
(SOUTH PORTION)****OFFICE**

LEASE RATE RANGE	\$11.50-\$29.50
TYPICAL LEASE RATE	\$14.50-\$25.50
VACANCY AND COLLECTION LOSS	15%
OPERATING EXPENSES	\$7-\$9
CAPTIALIZATION RATE RANGE	6.50%-8.50%

**RETAIL, RESTAURANTS,**

LEASE RATE RANGE (NNN)	\$13.50-\$31
TYPICAL LEASE RATE (NNN)	\$16.50-\$27
VACANCY AND COLLECTION LOSS	11%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	7.50%-9.50%

**NEIGHBORHOOD 40: DOWNTOWN OFFICE CORE I****OFFICE**

LEASE RATE RANGE	\$18-\$30
TYPICAL LEASE RATE	\$20-\$26
VACANCY AND COLLECTION LOSS	15%
OPERATING EXPENSES	\$7-\$9
CAPTIALIZATION RATE RANGE	6.50%-8.50%

**RETAIL, RESTAURANTS**

LEASE RATE RANGE (NNN)	\$18-\$38
TYPICAL LEASE RATE (NNN)	\$20-\$34
VACANCY AND COLLECTION LOSS	8%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	6.75%-8.25%

**NEIGHBORHOOD 50: DOWNTOWN MIXED COMMERCIAL  
160'****OFFICE**

LEASE RATE RANGE	\$16-\$36
TYPICAL LEASE RATE	\$17-\$30
VACANCY AND COLLECTION LOSS	14%
OPERATING EXPENSES	\$6-\$9
CAPTIALIZATION RATE RANGE	7.50%-9.50%

**RETAIL, RESTAURANTS**

LEASE RATE RANGE (NNN)	\$18-\$32
TYPICAL LEASE RATE (NNN)	\$19-\$28
VACANCY AND COLLECTION LOSS	8%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	7.00%-9.00%

**NEIGHBORHOOD 60: DOWNTOWN RETAIL CORE****OFFICE**

LEASE RATE RANGE	\$16-\$36
TYPICAL LEASE RATE	\$18-\$28
VACANCY AND COLLECTION LOSS	15%
OPERATING EXPENSES	\$7.50-\$10
CAPTIALIZATION RATE RANGE	6.25%-8.25%

**RETAIL, RESTAURANTS**

LEASE RATE RANGE (NNN)	\$20-\$75
TYPICAL LEASE RATE (NNN)	\$23-\$70
VACANCY AND COLLECTION LOSS	5%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	6.75%-8.75%

## **NEIGHBORHOOD 70: DOWNTOWN OFFICE CORE II**

### **OFFICE**

LEASE RATE RANGE	\$16-\$38
TYPICAL LEASE RATE	\$18-\$32
VACANCY AND COLLECTION LOSS	15%
OPERATING EXPENSES	\$6-\$10
CAPTIALIZATION RATE RANGE	6.25%-8.50%

### **RETAIL, RESTAURANTS**

LEASE RATE RANGE (NNN)	\$17-\$72.50
TYPICAL LEASE RATE (NNN)	\$19-\$57.50
VACANCY AND COLLECTION LOSS	8%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	6.75%-8.25%

## **NEIGHBORHOOD 80: PIKE PLACE MARKET**

### **OFFICE**

LEASE RATE RANGE	\$11-\$29.25
TYPICAL LEASE RATE	\$14.50-\$27.40
VACANCY AND COLLECTION LOSS	15%
OPERATING EXPENSES	\$6-\$10
CAPTIALIZATION RATE RANGE	6.25%-8.25%

### **RETAIL, RESTAURANTS**

LEASE RATE RANGE (NNN)	\$14-\$35
TYPICAL LEASE RATE (NNN)	\$18-\$30
VACANCY AND COLLECTION LOSS	7%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	6.75%-8.25%

## **NEIGHBORHOOD 100: DOWNTOWN MIXED COMMERCIAL**

### **OFFICE**

LEASE RATE RANGE	\$15.75-\$36
TYPICAL LEASE RATE	\$17.75-\$30
VACANCY AND COLLECTION LOSS	15%
OPERATING EXPENSES	\$6-\$8.50
CAPTIALIZATION RATE RANGE	6.75%-8.25%

### **RETAIL, RESTAURANTS**

LEASE RATE RANGE (NNN)	\$17.25-\$35
TYPICAL LEASE RATE (NNN)	\$18.25-\$31
VACANCY AND COLLECTION LOSS	8%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	6.75%-8.75o9%

### **Parking Income Analysis**

Additionally, income from parking was considered. Income was based on an allocation of total parking spaces into daily and monthly rates. Monthly spaces were calculated as representing 67% of the total spaces while daily spaces accounted for the remaining 33%. No turnaround income was recognized on the daily spaces. A 240 day year was used for calculating daily parking income for the year. The Puget Sound Regional Council 2010 Parking Inventory Survey was utilized as a basis for establishing parking rates in the various neighborhoods in Downtown Seattle. It divides downtown Seattle into 13 neighborhoods and reports rental rates daily, hourly and monthly. A survey completed in 2004 established expense ratios which still apply.

### **Reconciliation:**

All parcels were individually reviewed for correctness of the model application before final value selection. All of the factors used to establish value by the model were subject to adjustment. The published market rents were used as a guide in establishing the market rental rates used. The market rental rate applied varies somewhat but falls within an acceptable range of variation from the established guideline. The Senior Appraiser, before posting, reviewed final values selected.

## **Model Validation**

### **Total Value Conclusions, Recommendations and Validation:**

Appraiser judgment prevails in all decisions regarding individual parcel valuation. Each parcel in physical inspection neighborhoods are field reviewed and 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 the 2012 and 2013 Ratio Analysis charts which are included in this report. Comparison of the 2012 Ratio Study Analysis with the 2013 Ratio Study Analysis indicates that the weighted mean statistical measure of assessment level went from 84.3% to 92.5%. The Coefficient of Dispersion (COD) went from 11.59% to 11.20%, the Coefficient of Variation (COV) went from 15.69% to 14.93%, and the Price-related Differential (PRD) went from 1.03 to 1.02. All these statistical measures show improvement.

Market activity picked up considerably in 2012 compared to the last several years. After no land sales downtown in the two previous years, there were twelve market representative land sales in 2012, with land sale prices well in excess of the prices during the last commercial real estate peak. Sales of top tiered commercial properties increased last year and 13,000 new jobs have been added in the downtown area during the same period. With all this market activity and growth in the Central Business District, Seattle is considered to be one of the top five economies in the nation.

There has been renewed interest in developing downtown apartments, with several under construction at this time and several more on the drawing board getting ready to go forward. This is due in part to the 13,000 new jobs added in the downtown area in the last year. Development of downtown, owner-user office complexes have not yet started construction but are going forward. Rumors of new, more speculative, multi-tenant office projects are being heard in the local market place and several local developers have been preparing for, what appears to be, near term development. The retail market has continued to firm up and the downtown office market has continued to show increased rental rates in conjunction with improved occupancy rates. The coming year is expected to continue this improving trend.

Applying the new market parameters in an income approach to the current group of sales has its draw-backs and pitfalls. The sales are too few in number to be statistically significant. There are not enough sales to give a clear indication of value ranges for all the different property types.

Because of the lack of sales over the last three years, it is felt that the income approach to value, based on market parameters, is more reliable to produce uniform and equalized values. Therefore, the income approach to value was selected as the appraisal method for most of the income producing properties.

The new indicated assessment level of 92.5% falls within the IAAO appraisal guidelines of 90% - 110% of sale prices, as all the other statistical measurements fall within the accepted IAAO guidelines. Therefore, it is recommended that the proposed values be posted for the 2013 assessment year.

The total assessed value in area 30 for the 2012 assessment year was \$5,105,566,160 and the total recommended value for the 2013 assessment year is \$5,552,377,500. Application of this recommended value for the 2013 assessment year (taxes payable in 2014) result in an increase of 8.75% from the total 2012 assessment value.

# **USPAP Compliance**

## **Client and Intended Use of the Appraisal:**

This mass appraisal report is intended for use by the public, King County Assessor and other agencies or departments administering or confirming ad valorem property taxes. Use of this report by others for other purposes is not intended by the appraiser. The use of this appraisal, analyses and conclusions is limited to the administration of ad valorem property taxes in accordance with Washington State law. As such it is written in concise form to minimize paperwork. The assessor intends that this report conform to the Uniform Standards of Professional Appraisal Practice (USPAP) requirements for a mass appraisal report as stated in USPAP SR 6-8. To fully understand this report the reader may need to refer to the Assessor's Property Record Files, 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, 3<sup>rd</sup> 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 are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.*
- *I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.*
- *I have no bias with respect to the property that is the subject of this report or to the parties involved.*
- *My engagement in this assignment was not contingent upon developing or reporting predetermined results.*
- *My compensation for completing this assignment is not contingent upon the development or reporting of predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.*
- *My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.*
- *The area(s) physically inspected for purposes of this revaluation are outlined in the body of this report.*

- *The individuals listed below were part of the “appraisal team” and provided significant real property appraisal assistance to the person signing this certification. Any services regarding the subject area performed by the appraiser within the prior three years, as an appraiser or in any other capacity is listed adjacent their name.*
  - *Any services regarding the subject area performed by me starting September 1, 2009 as an appraiser or in any other capacity is listed below: Any and all activities required under the Certificate of Appointment under sworn oath appointing the below signed appraiser to the position of true and lawful deputy in the Office of the King County Assessor, and authorized by the State of Washington, Department of Revenue under a Certificate of Accreditation. To include: all duties, responsibilities, and services associated with the position description of Commercial Appraiser II in the management and valuation of Commercial Area 30, or Central Business District. Such duties, responsibilities and services include, but are not limited to physical inspection, revalue, appeal response preparation, appeal hearing appearance, data collection, sale verification, new construction evaluation, and any other service which may be required from time to time and be determined significant or otherwise during the fulfillment of position requirements, and are made part of each real property parcel, is a matter of public record and this certification by reference.*
-

Area 030 - CENTRAL BUSINESS DISTRICT  
2012 Assessment Year

Quadrant/Crew:		Appr date :		Date:		Sales Dates:	
Central Crew		1/1/2012		4/2/2013		5/10/10 - 12/28/12	
Area		Appr ID:		Prop Type:		Trend used?: Y / N	
30		JARL		Improvement		N	
SAMPLE STATISTICS							
Sample size (n)		20					
Mean Assessed Value		5,994,200					
Mean Sales Price		7,110,500					
Standard Deviation AV		6,291,246					
Standard Deviation SP		7,293,633					
ASSESSMENT LEVEL							
Arithmetic mean ratio		0.869					
Median Ratio		0.884					
Weighted Mean Ratio		0.843					
UNIFORMITY							
Lowest ratio		0.5680					
Highest ratio:		1.0805					
Coefficient of Dispersion		11.59%					
Standard Deviation		0.1364					
Coefficient of Variation		15.69%					
Price-related Differential		1.03					
RELIABILITY							
95% Confidence: Median							
Lower limit		0.820					
Upper limit		0.944					
95% Confidence: Mean							
Lower limit		0.810					
Upper limit		0.929					
SAMPLE SIZE EVALUATION							
N (population size)		426					
B (acceptable error - in decimal)		0.05					
S (estimated from this sample)		0.1364					
Recommended minimum:		28					
Actual sample size:		20					
Conclusion:		ok					
NORMALITY							
Binomial Test							
# ratios below mean:		9					
# ratios above mean:		11					
z:		0.223606798					
Conclusion:		Normal*					
*i.e., no evidence of non-normality							

Ratio Frequency

Ratio	Frequency
0.6	1
0.7	2
0.8	2
0.9	6
1.0	5
1.1	4
1.2	0
1.3	0
1.4	0

Ratio

These figures reflect measurements before posting new values.

Area 030 - CENTRAL BUSINESS DISTRICT  
2012 Assessment Year

<i><b>Parcel Number</b></i>	<i><b>Assessed Value</b></i>	<i><b>Sale Price</b></i>	<i><b>Sale Date</b></i>	<i><b>Ratio</b></i>	<i><b>Diff: Median</b></i>
766620-6851	12,921,700	14,500,000	5/10/2010	0.8912	0.0067
266265-0010	868,000	890,000	6/24/2010	0.9753	0.0908
197570-0605	6,056,400	5,605,000	7/15/2010	1.0805	0.1961
524780-0300	10,358,300	10,300,000	12/13/2010	1.0057	0.1212
253883-0030	1,069,100	1,000,000	1/31/2011	1.0691	0.1846
269480-0030	815,100	900,000	4/11/2011	0.9057	0.0212
258500-1130	188,800	200,000	4/18/2011	0.9440	0.0595
197720-0020	26,588,800	30,290,770	8/23/2011	0.8778	0.0067
065900-0025	2,896,600	2,815,000	9/30/2011	1.0290	0.1445
197720-0935	3,658,901	4,000,000	10/26/2011	0.9147	0.0303
253883-0050	409,900	500,000	12/7/2011	0.8198	0.0647
258500-1110	678,600	750,000	1/4/2012	0.9048	0.0203
197720-0855	7,014,100	10,150,000	4/3/2012	0.6910	0.1934
069600-0025	5,185,000	6,563,246	6/1/2012	0.7900	0.0945
066000-0515	3,734,600	4,400,000	8/10/2012	0.8488	0.0357
919720-0010	9,605,800	11,200,000	8/28/2012	0.8577	0.0268
524780-0466	1,633,000	2,875,000	9/20/2012	0.5680	0.3165
197570-0605	6,056,400	8,550,000	9/26/2012	0.7084	0.1761
093900-0155	11,328,400	13,320,000	11/30/2012	0.8505	0.0340
066000-0625	8,816,900	13,400,000	12/28/2012	0.6580	0.2265

Area 030 - CENTRAL BUSINESS DISTRICT  
2013 Assessment Year

Quadrant/Crew:	Appr date :	Date:	Sales Dates:																	
Central Crew	1/1/2013	4/2/2013	5/10/10 - 12/28/12																	
Area	Appr ID:	Prop Type:	Trend used?: Y / N																	
30	JARL	Improvement	N																	
SAMPLE STATISTICS																				
Sample size (n)	20	<div>Ratio Frequency</div> <table><thead><tr><th>Ratio</th><th>Frequency</th></tr></thead><tbody><tr><td>0.7-0.8</td><td>1</td></tr><tr><td>0.8-0.9</td><td>2</td></tr><tr><td>0.9-1.0</td><td>4</td></tr><tr><td>1.0-1.1</td><td>7</td></tr><tr><td>1.1-1.2</td><td>3</td></tr><tr><td>1.2-1.3</td><td>2</td></tr><tr><td>1.3-1.4</td><td>1</td></tr></tbody></table>			Ratio	Frequency	0.7-0.8	1	0.8-0.9	2	0.9-1.0	4	1.0-1.1	7	1.1-1.2	3	1.2-1.3	2	1.3-1.4	1
Ratio	Frequency																			
0.7-0.8	1																			
0.8-0.9	2																			
0.9-1.0	4																			
1.0-1.1	7																			
1.1-1.2	3																			
1.2-1.3	2																			
1.3-1.4	1																			
Mean Assessed Value	6,579,200																			
Mean Sales Price	7,110,500																			
Standard Deviation AV	6,967,864																			
Standard Deviation SP	7,293,633																			
ASSESSMENT LEVEL																				
Arithmetic mean ratio	0.942																			
Median Ratio	0.967																			
Weighted Mean Ratio	0.925																			
UNIFORMITY																				
Lowest ratio	0.6625																			
Highest ratio:	1.2219																			
Coefficient of Dispersion	11.20%																			
Standard Deviation	0.1407																			
Coefficient of Variation	14.93%																			
Price-related Differential	1.02																			
RELIABILITY		These figures reflect measurements <u>after</u> posting new values.																		
95% Confidence: Median																				
Lower limit	0.850																			
Upper limit	1.010																			
95% Confidence: Mean																				
Lower limit	0.881																			
Upper limit	1.004																			
SAMPLE SIZE EVALUATION																				
N (population size)	426																			
B (acceptable error - in decimal)	0.05																			
S (estimated from this sample)	0.1407																			
Recommended minimum:	30																			
Actual sample size:	20																			
Conclusion:	ok																			
NORMALITY																				
Binomial Test																				
# ratios below mean:	9																			
# ratios above mean:	11																			
z:	0.223606798																			
Conclusion:	Normal*																			
*i.e., no evidence of non-normality																				

These figures reflect measurements after posting new values.

Area 030 - CENTRAL BUSINESS DISTRICT  
2013 Assessment Year

<i><b>Parcel Number</b></i>	<i><b>Assessed Value</b></i>	<i><b>Sale Price</b></i>	<i><b>Sale Date</b></i>	<i><b>Ratio</b></i>	<i><b>Diff: Median</b></i>
766620-6851	13,087,400	14,500,000	5/10/2010	0.9026	0.0640
266265-0010	861,600	890,000	6/24/2010	0.9681	0.0015
197570-0605	6,848,500	5,605,000	7/15/2010	1.2219	0.2553
524780-0300	10,664,100	10,300,000	12/13/2010	1.0353	0.0688
253883-0030	1,109,100	1,000,000	1/31/2011	1.1091	0.1425
269480-0030	896,700	900,000	4/11/2011	0.9963	0.0297
258500-1130	187,200	200,000	4/18/2011	0.9360	0.0306
197720-0020	30,230,000	30,290,770	8/23/2011	0.9980	0.0314
065900-0025	3,154,400	2,815,000	9/30/2011	1.1206	0.1540
197720-0935	4,039,300	4,000,000	10/26/2011	1.0098	0.0432
253883-0050	425,200	500,000	12/7/2011	0.8504	0.1162
258500-1110	672,700	750,000	1/4/2012	0.8969	0.0697
197720-0855	7,584,100	10,150,000	4/3/2012	0.7472	0.2194
069600-0025	6,481,000	6,563,246	6/1/2012	0.9875	0.0209
066000-0515	4,668,000	4,400,000	8/10/2012	1.0609	0.0943
919720-0010	10,808,900	11,200,000	8/28/2012	0.9651	0.0015
524780-0466	1,904,800	2,875,000	9/20/2012	0.6625	0.3040
197570-0605	6,848,500	8,550,000	9/26/2012	0.8010	0.1656
093900-0155	11,323,800	13,320,000	11/30/2012	0.8501	0.1164
066000-0625	9,788,400	13,400,000	12/28/2012	0.7305	0.2361



## Improvement Sales for Area 030 with Sales Used

03/20/2013

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
030	010	266265	0010	3,128	2448784	\$890,000	06/24/10	\$284.53	FUJISADA CONDOMINIUM	IDM-75-85	2	Y	
030	020	093900	0155	149,040	2576831	\$12,590,500	11/30/12	\$84.48	BUTLER GARAGE	PSM 100/100-130	1	Y	
030	020	258500	1110	2,925	2525313	\$750,000	01/04/12	\$256.41	FLORENTINE CONDOMINIUM	PSM-85-120	1	Y	
030	020	258500	1130	814	2487834	\$200,000	04/18/11	\$245.70	FLORENTINE CONDOMINIUM	PSM-85-120	1	Y	
030	020	524780	0300	63,814	2470348	\$10,300,000	12/13/10	\$161.41	WESTLAND BUILDING-DSHS	PSM-100/100-120	1	Y	
030	020	524780	0466	9,508	2565388	\$2,875,000	09/20/12	\$302.38	CITY CLUB BUILDING	PSM-100	1	Y	
030	020	766620	6851	60,552	2440682	\$14,500,000	05/10/10	\$239.46	WASHINGTON Shoe Bldg.	PSM-85-120	1	Y	
030	050	197720	0020	90,700	2506499	\$30,290,770	08/23/11	\$333.97	FIRST & STEWART BUILDING	DMC-125	1	Y	
030	050	197720	0935	11,770	2516047	\$4,000,000	10/26/11	\$339.85	OFFICE BUILDING W/RETAIL ON 1ST	DMC-125	1	Y	
030	060	065900	0025	23,000	2512940	\$2,815,000	09/30/11	\$122.39	SHERMAN CLAY	DRC 85-150	1	Y	
030	070	066000	0625	26,771	2582203	\$13,400,000	12/28/12	\$500.54	WATERMARK CREDIT UNION	DOC2 500/300-500	1	Y	
030	080	269480	0030	1,370	2486389	\$900,000	04/11/11	\$656.93	GARDEN CENTER BLDG. CONDOMINIUM	PMM-85	1	Y	
030	100	066000	0515	16,830	2558229	\$4,400,000	08/10/12	\$261.44	AUTOSPORT & LAW OFFICE	DMC 240/290-400	1	Y	
030	100	069600	0025	24,000	2546562	\$6,563,246	06/01/12	\$273.47	DOWNTOWN FAMILY MEDICAL	DMC 240/290-400	1	Y	
030	100	197570	0605	34,000	2450281	\$5,605,000	07/15/10	\$164.85	DOYLE BUILDING	DMC 240/290-400	1	Y	
030	100	197570	0605	34,000	2567928	\$8,550,000	09/26/12	\$251.47	DOYLE BUILDING	DMC 240/290-400	1	Y	
030	100	197720	0855	37,569	2540574	\$10,150,000	04/03/12	\$270.17	1ST & LENORA BUILDING	DMC 240/290-400	2	Y	
030	100	253883	0030	2,851	2476911	\$1,000,000	01/31/11	\$350.75	FIFTEEN TWENTY-ONE SECOND AVENUE	DMC 240/290-400	3	Y	
030	100	253883	0050	1,093	2521542	\$500,000	12/07/11	\$457.46	FIFTEEN TWENTY-ONE SECOND AVENUE	DMC 240/290-400	1	Y	
030	100	919720	0010	68,582	2561054	\$11,200,000	08/28/12	\$163.31	WATERMARK RESIDENTIAL CONDOMINIUM	DMC 240/290-400	1	Y	

Vacant Sales for Area 030 with Sales Used

03/13/2013

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
030	010	524780	1570	4,320	2582113	\$562,500	12/23/12	\$130.21	PARKING LOT	IDR 45/125-240	1	Y	
030	040	094200	0235	14,400	2550999	\$11,000,000	06/26/12	\$763.89	CROWNE PLAZA	DOC1 U/450/U	1	Y	
030	070	065900	0775	72,194	2580483	\$66,202,381	12/20/12	\$917.01	SIXTH AVENUE INN	DOC2 500/300-500	4	Y	
030	070	066000	0165	77,760	2580485	\$71,142,857	12/20/12	\$914.90	SURFACE PARKING LOT	DOC2 500/300-500	6	Y	
030	070	066000	0270	76,947	2580486	\$70,154,762	12/20/12	\$911.73	TOYOTA	DOC2 500/300-500	4	Y	
030	070	066000	0705	8,847	2565645	\$6,995,200	09/24/12	\$790.69	RAY & BONAIR APARTMENT	DOC2 500/300-500	1	Y	
030	100	066000	0335	6,480	2578541	\$4,276,000	12/11/12	\$659.88	SURFACE PARKING LOT	DMC 340/290-400	1	Y	
030	100	066000	0575	15,360	2570332	\$12,276,000	10/23/12	\$799.22	COSMOPOLITAN MOTORS	DMC 240/290-400	1	Y	
030	100	066000	0915	13,560	2551569	\$9,450,000	06/29/12	\$696.90	VACANT LAND	DMC 340/290-400	2	Y	
030	100	066000	1645	28,800	2580116	\$16,589,090	12/17/12	\$576.01	PARKING GARAGE	DMC 340/290-400	3	Y	
030	100	197720	0950	12,960	2532321	\$8,952,035	02/08/12	\$690.74	SECOND AVENUE PARKING GARAGE	DMC 240/290-400	1	Y	
030	100	197720	1015	27,262	2556484	\$22,000,000	07/31/12	\$806.98	VACANT LAND	DMC 240/290-400	3	Y	

## Improvement Sales for Area 030 with Sales not Used

03/13/2013

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Cl.	Ver. Code	Remarks
030	010	524780	1430	3,600	2587306	\$625,000	01/25/13	\$173.61	TAVERN & RESTAURANT	IDR/C 125/150-240	1	0	Sold after lien date
030	010	766980	0045	76,624	2515580	\$4,400,000	10/25/11	\$57.42	IMMIGRATION SERVICE BUILDING	IDM 150/85-150	1	18	Quit claim deed
030	020	258500	1150	1,819	2424781	\$205,000	01/05/10	\$112.70	FLORENTINE CONDOMINIUM	PSM-85-120	1	22	Partial interest (1/3, 1/2, etc.)
030	020	524780	0095	5,660	2547160	\$1,063,496	05/31/12	\$187.90	BOSTON HOTEL	PSM 100/100-120	1	63	Sale price updated by sales id group
030	020	524780	0390	143,579	2522065	\$19,100,000	12/09/11	\$133.03	GRAND CENTRAL ON THE PARK	PSM-100	3	61	Financial institution resale
030	020	524780	0780	36,630	2580772	\$4,600,000	12/21/12	\$125.58	GREYBAR BUILDING	PSM 100/100-120	1	51	Related party, friend, or neighbor
030	020	766620	6850	3,725	2429625	\$405,000	02/22/10	\$108.72	CHIPPERS RESTAURANT	PSM-85-120	1	52	Statement to dor
030	030	093900	0245	47,910	2566563	\$4,650,000	09/27/12	\$97.06	PACIFIC NW TITLE/OLD C. OF COMM.	DMC 340/290-400	1	30	Historic property
030	060	197570	0485	68,348	2512094	\$28,760,332	09/28/11	\$420.79	KRESS BUILDING	DRC 85-150	1	15	No market exposure
030	070	065900	0905	72,000	2477551	\$25,000	01/11/11	\$0.35	PARKING GARAGE	DOC2 500/300-500	1	24	Easement or right-of-way
030	070	065900	0920	13,650	2477550	\$25,000	02/04/11	\$1.83	JORDAN BUILDING/PALACE KITCHEN	DOC2 500/300-500	1	24	Easement or right-of-way
030	070	066000	0708	48,897	2541672	\$9,700,000	05/02/12	\$198.38	ROFFE BUILDING	DOC2 500/300-500	1	36	Plottage
030	080	766620	2405	44,074	2498038	\$7,030,000	06/27/11	\$159.50	MARKET SQUARE	PMM-85	1	22	Partial interest (1/3, 1/2, etc.)
030	080	787710	0030	1,387	2589225	\$9,250,000	02/14/13	\$6,669.07	SOUTH ARCADE CONDOMINIUM	PMM-85	1	0	Sold after lien date
030	100	169750	0010	4,446	2577325	\$139,000	10/23/12	\$31.26	COLONIAL/GRAND PACIFIC CONDO	DMC 240/290-400	1	24	Easement or right-of-way-subsurface
030	100	197720	1120	6,378	2571171	\$1,900,000	10/26/12	\$297.90	FAMILY ADULT SERVICE CENTER	DMC 240/290-400	2	17	Non-profit organization
030	100	606500	0020	0	2452408	\$15,520,000	07/30/10	\$0.00	THE NEWMARK BUILDING CONDO	DMC 240/290-400	2	48	Condo with garage, moorage, or stg

Vacant Sales for Area 030 with Sales not Used

03/13/2013

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
030	010	524780	1380	24,346	2547122	\$1,809,846	06/06/12	\$74.34	DOWNTOWNER HOTEL PARKING LOT	IDR/C 125/150-240	1	24	Easement or right-of-way
030	020	524780	0920	2,040	2580004	\$326,400	12/11/12	\$160.00	SURFACE PAVEMENT PARKING LOT	PSM 100/100-120	1	17	Non-profit organization
030	050	766620	2451	1,920	2591730	\$962,284	02/28/13	\$501.19	NORTHERN PACIFIC RAILROAD CO	DMC-160	1	0	RR strip after lien date
030	050	766620	2560	5,050	2572898	\$1,175,000	11/06/12	\$232.67	SURFACE PAVEMENT PARKING LOT	DMC-160	1	61	Financial institution resale
030	100	066000	0020	6,480	2580780	\$3,250,000	12/21/12	\$501.54	SURFACE PARKING LOT	DMC 240/290-400	1	51	Related party, friend, or neighbor
030	100	066000	0040	25,920	2487433	\$5,000	03/14/11	\$0.19	VACANT LAND	DMC 340/290-400	1	24	Easement or right-of-way
030	100	066000	0405	19,440	2580774	\$11,000,000	12/21/12	\$565.84	SURFACE PARKING LOT	DMC 240/290-400	1	51	Related party, friend, or neighbor
030	100	066000	1620	6,780	2428572	\$4,500,000	02/10/10	\$663.72	DANCE HALL & RETAIL	DMC 340/290-400	1	36	Plottage
030	100	066000	1640	21,600	2580113	\$3,200,000	12/17/12	\$148.15	SURFACE PAVEMENT PARKING LOT	DMC 340/290-400	2	5	Full sales price not reported
030	100	069700	0230	6,480	2580776	\$3,500,000	12/21/12	\$540.12	SURFACE PAVEMENT PARKING LOT	DMC 340/290-400	1	51	Related party, friend, or neighbor
030	100	197720	0990	15,058	2556486	\$12,151,500	07/31/12	\$806.98	SURFACE PARKING LOT	DMC 240/290-400	1	19	Seller's or purchaser's assignment

Area	Neighborhood	Major	Minor
30	10	008600	0000
30	10	008600	0760
30	10	008600	0770
30	10	127515	0000
30	10	127515	0010
30	10	127515	0020
30	10	266265	0000
30	10	266265	0010
30	10	266265	0020
30	10	355830	0000
30	10	355830	0010
30	10	355830	0020
30	10	355830	0030
30	10	355830	0040
30	10	355830	0050
30	10	364460	0000
30	10	364460	0010
30	10	364460	0020
30	10	524780	1410
30	10	524780	1430
30	10	524780	1431
30	10	524780	1440
30	10	524780	1461
30	10	524780	1465
30	10	524780	1515
30	10	524780	1525
30	10	524780	1526
30	10	524780	1545
30	10	524780	1560
30	10	524780	1565
30	10	524780	1570
30	10	524780	1575
30	10	524780	1590
30	10	524780	1595
30	10	524780	1606
30	10	524780	1610
30	10	524780	1615
30	10	524780	1620
30	10	524780	1630
30	10	524780	1635
30	10	524780	1640
30	10	524780	1655
30	10	524780	1657

30	10	524780	1660
30	10	524780	1665
30	10	524780	1745
30	10	524780	1765
30	10	524780	1801
30	10	524780	1830
30	10	524780	1835
30	10	524780	1850
30	10	524780	1855
30	10	524780	1875
30	10	524780	1881
30	10	524780	1900
30	10	524780	1905
30	10	524780	1910
30	10	524780	1915
30	10	524780	1920
30	10	524780	1925
30	10	524780	1935
30	10	524780	1945
30	10	524780	1975
30	10	524780	1985
30	10	524780	2000
30	10	524780	2025
30	10	524780	2030
30	10	524780	2080
30	10	524780	2090
30	10	524780	2260
30	10	524780	2275
30	10	524780	2285
30	10	524780	2295
30	10	524780	2300
30	10	524780	2315
30	10	524780	2325
30	10	524780	2330
30	10	524780	2335
30	10	524780	2350
30	10	524780	2360
30	10	524780	2365
30	10	524780	2370
30	10	524780	2380
30	10	524780	2410
30	10	524780	2415
30	10	524780	2430
30	10	524780	2485
30	10	524780	2530
30	10	524780	2540
30	10	524780	2560

30	10	524780	2580
30	10	524780	2605
30	10	524780	2615
30	10	524780	2630
30	10	524780	2650
30	10	524780	2655
30	10	524780	2665
30	10	524780	2680
30	10	524780	2690
30	10	524780	2695
30	10	524780	2700
30	10	524780	2710
30	10	524780	2715
30	10	524780	2725
30	10	524780	2735
30	10	524780	2740
30	10	524780	2745
30	10	524780	2755
30	10	524780	2765
30	10	524780	2770
30	10	524780	2775
30	10	524780	2785
30	10	539160	0060
30	10	539160	0080
30	10	539160	0085
30	10	539160	0095
30	10	539160	0100
30	10	539160	0300
30	10	539160	0310
30	10	605455	0000
30	10	605455	0010
30	10	605455	0020
30	10	605455	0030
30	10	683470	0005
30	10	766620	2650
30	10	766620	2657
30	10	766620	2665
30	10	766620	2690
30	10	766620	2695
30	10	766620	2700
30	10	766620	4812
30	10	766980	0004
30	10	766980	0045
30	10	766980	0085
30	10	766980	0090
30	10	859290	0065
30	10	859290	0080

30	10	859290	0105
30	10	859290	0285
30	10	859290	0325
30	10	859290	0335
30	10	859290	0345
30	10	859290	0375
30	10	865370	0000
30	10	865370	0010
30	10	884905	0000
30	10	884905	0010
30	10	884905	0020
30	10	982070	0015
30	10	982070	0050
30	10	982070	0085
30	10	982070	0095
30	10	982070	0100
30	10	982170	0015