



## King County

### Department of Assessments

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**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 Roll**

**Quadrant Name: Central King County Commercial Area 40**

### **Sales - Improved Summary:**

Number of Sales: 25

Range of Sale Dates: 01/25/2010 - 12/11/2012

### **Sales – Ratio Study Summary:**

	IMPROVED VALUE	SALE PRICE	RATIO	COD
2012 Average Value	\$514,600	\$519,600	99.00%	7.92%
2013 Average Value	\$515,400	\$519,600	99.20%	6.99%
CHANGE	\$800		+0.20%	-0.93%
% CHANGE	.16%		+0.20%	-11.74%

\*COD is a measure of uniformity, the lower the number the better the uniformity. The negative COD figures of -0.93% and -11.74% represent an improvement in assessment levels and uniformity.

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. The overall mean ratio improved from 99.00% to 99.20%. The COD improved from 7.92% to 6.99%.

### **Population – Parcel Summary Data:**

	LAND	IMPS	TOTAL
2012 VALUE	\$1,661,635,500	\$612,330,440	\$2,273,965,940
2013 VALUE	\$1,624,543,500	\$597,790,700	\$2,222,334,200
PERCENT CHANGE	-2.23%	-2.37%	-2.27%

Number of Parcels in the Population: 1,489, excluding specialties.

**Conclusion and Recommendation:**

The value conclusions in this report represent an improvement to Assessment levels as indicated by the 2013 Sales Ratio Study. Uniformity and equality are both improved over the previous year, and in consideration of current market conditions we recommend posting these values for the 2013 assessment year.

## Analysis Process

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

**Date of Appraisal Report:** December 31, 2012

### 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 or industrial use. Any opinion not consistent with this is specifically noted in our records and considered in the valuation of the specific parcel.

**As if improved:** Based on neighborhood trends, both demographic and current development patterns, the existing buildings represent the highest and best use of most sites. The existing use will continue until land value, in its highest and best use, exceeds the sum of value of the entire property in its existing use and the cost to remove the improvements. We find that the current improvements do add value to the property, in most cases, and are therefore the highest and best use of the property as improved. In those properties where the property is not at its highest and best use, a nominal value of \$1,000.00 is typically 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 property is put until it is ready for its future highest and best use is called an interim use. Thus, the interim use becomes the highest and best use, in anticipation of change over a relatively short time in the future.

**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 1/1/2010 thru 12/31/2012 were considered in all analyses.
- This report is intended to meet the requirements of the Uniform Standards of Professional Appraisal Practice, Standard 6 (USPAP compliant).

## Identification of the Area

### **Name or Designation: Area 40:**

Eastern International District (ID), Central District, Leschi, North Beacon Hill, North Rainier Valley, Mount Baker, Seward Park.

### **Boundaries:**

**Northern:** East Spruce Street

**Eastern:** Lake Washington

**Western:** Interstate 5

**Southern:** South Graham Street

### **Parcel Count:**

1,455 parcels, with 864 improved, under Commercial Assignment.

### **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 Overview:**

Area 40 is centrally located between Interstate 5 to the west and Lake Washington to the east. The subject area is divided into seven neighborhoods; Eastern International District (ID), Central District, Leschi, North Beacon Hill, North Rainier Valley, Mount Baker and Seward Park. The Rainier Valley geo area is predominantly a high-density residential area with interspersed business cores. The seven neighborhoods are similar in terms of mixed-use composition. However, each neighborhood has unique characteristics.

As the economy continues to recover, area 40 is beginning to attract new investment. This is mainly due to the continued operation of the first leg of link light rail. Light rail currently provides transportation to commuters and visitors from Seatac International Airport to Downtown Seattle and neighborhoods along the route. There are three light rail stations located in area 40; Beacon Hill, Mt Baker and Columbia City. The area around the light rail stations have been, or will be, up-zoned to encourage higher density "transit oriented development" (TOD) and promote neighborhood walkability.

The link light rail University Link is expected to begin service in 2016. The University Link will extend the current link with service to Capitol Hill and the University of Washington. By 2030, the University Link is expected to add 71,000 riders bringing the system wide total to 114,000. Transit oriented development is likely to spring up around the new light rail stations.

## Neighborhood 40-10: East International District – S. First Hill – Central District



Pacific Rim Center on South Jackson Street. Construction of the First Hill Street Car line can be seen in the foreground.

### **Boundaries:**

Neighborhood 40-10 boundaries are E. Spruce St. to the North, 23<sup>rd</sup> Avenue South to the east, Interstate 90 to the South and Interstate 5 to the West.

### **Neighborhood Description:**

This area is a convergence of a few different neighborhoods including the International District's eastern portion, the southernmost section of First Hill, Yesler Terrace and the Jackson Street Corridor. The area serves as the gateways to both the Rainier Valley and North Beacon Hill to the south.

The Eastern International District is one of the most historic and unique neighborhoods in the city of Seattle. Located east of Interstate-5 and west of Rainier Avenue S and centered along

12<sup>th</sup> Avenue S and S Jackson St. The neighborhood is comprised mostly of smaller international grocery stores and shops, retail services and restaurants.

As part of the Livable South Downtown Project, the city of Seattle Department of Planning and Design is proposing new zoning for several neighborhoods, including this neighborhood. The proposal is to replace the current commercial (C1), neighborhood commercial (NC3) and industrial commercial zoning with downtown mixed residential/commercial (DMR/C) zoning. The DMR/C zoning, as modified for the neighborhood, is intended to allow midrise buildings in either commercial or residential use, with ground floor retail. The final plan was approved in 2011 and will be implemented over the next several years.

The Seattle Housing Authority (SHA) is currently engaged in a comprehensive effort to replace the aging public housing buildings of Yesler Terrace with a new mixed-income community. The new Yesler Terrace will provide more housing, commercial, retail space and open spaces. The redevelopment will be a partnership between local government, non-profit partners and private business. Yesler Terrace will feature a mix of planned housing options including 661 units available to people with incomes below 30% Average Median Income (AMI), 290 units available to people with incomes from 30% - 60% AMI, 850 workforce housing units serving people with incomes below 80% AMI and approximately 1,200 – 3,200 market-rate housing units. SHA has received a Choice Neighborhood grant from the US Department of Housing and Urban Development in the amount of \$10.27 million. This will allow for 218 new units to be built beginning in 2013.

The First Hill Streetcar Line is the next stop for the Seattle Streetcar. Construction for the First Hill Streetcar began in 2012 and is expected to begin operations in 2014. The First Hill Streetcar Line will be an important link in the regional transit system. It will connect the diverse and vibrant residential neighborhoods and business districts of Capitol Hill, First Hill, Yesler Terrace, Central Area, International District and Pioneer Square. The Streetcar will also provide service to major medical centers including Harborview, Swedish, and Virginia Mason. It will provide transportation to Seattle Central Community College and Seattle University as well as major sporting event venues Century Link Field and Safeco Field. In addition, several construction projects are underway or plan to break ground while streetcar construction is taking place.



## Neighborhood 40-20 – Central District



Welch Plaza mixed-use condominium located on 23<sup>rd</sup> Avenue South.

### **Boundaries:**

Neighborhood 20 boundaries are E. Spruce Street to the north, 31st Avenue South to the East, Interstate 90 to the south, and 24<sup>th</sup> Avenue South to the west.

### **Neighborhood Description:**

This heavily urbanized area is made up of independently owned retail stores, small offices, churches, daycares, small private schools, multi-family apartments, townhomes and condominiums. The Urban Village developments are centered at the intersection of 23<sup>rd</sup> and Jackson. Neighborhood planning recommendations set out to strengthen this economic node and plan for the necessary street improvements, land use and zoning amendments, and desired community amenities to ensure that 23rd and Jackson remains the Central Area's shopping focal point and a true "Urban village".

The Central District is progressively transforming from an older, declining area to a rehabilitated area. The neighborhood is steadily changing as property owners and outside investment forces

capitalize on comparably lower land prices and acquisition potential. Investor interest and proximity to Downtown Seattle and the business, retail, and industrial cores suggest the Jackson Street corridor and surrounding areas will continue to evolve as availability of capital improves. Recent market activity suggests that owners are evaluating options.

### **Neighborhood 40-30 - Leschi**



Leschi Lake Center, neighborhood commercial, located on Lakeside Avenue.

### **Boundaries:**

The boundaries for neighborhood 30 are E. Spruce Street to the North, Lake Washington to the East, Interstate 90 to the South and 31st Avenue South to the West.

### **Neighborhood Description:**

Leschi is an established neighborhood consisting of mixed-use properties including apartments and residential condominiums, restaurants, retail and low to midrise office buildings. The area is attractive to buyers seeking small, owner-occupied properties in a close-in, urban neighborhood or along the Lake Washington waterfront.

## **Neighborhood 40-40: Beacon Hill**



McClellan Place Apartments: A proposed transit oriented development on the Beacon Hill light rail station block.

### **Boundaries:**

Neighborhood 40 boundaries are Interstate 90 to the North, Valentine Place South & 20<sup>th</sup> Avenue South to the East, Graham Street to the South and Interstate 5 to the West.

### **Neighborhood Description:**

Beacon Ave S is the main arterial, dividing the western and eastern portions of the neighborhood. Commercial properties of Beacon Hill primarily consist of independently owned retail, small offices, restaurants, multi-family and apartments. The Beacon Hill light rail station provides convenient access north to Downtown Seattle and south down the length of Rainier Valley and Seatac International Airport. The area immediately around the light rail station has been rezoned from NC2P-40 to NC2P-65 in order to promote mixed use development in the Beacon Hill core-retail area. The new zoning changes were adopted in 2012.

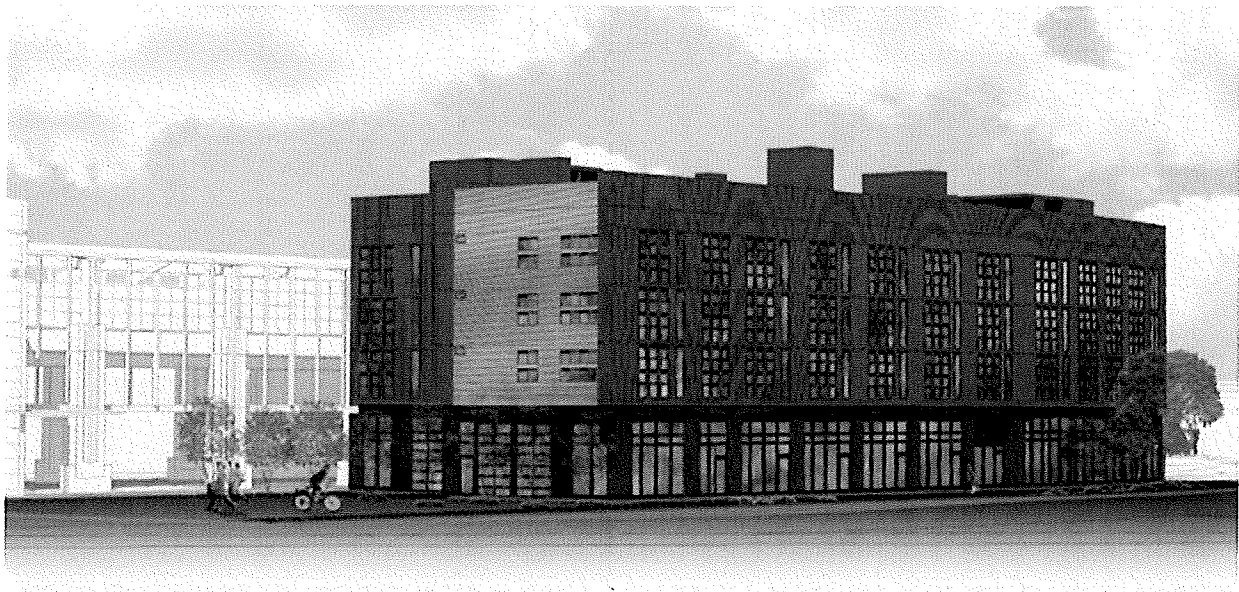
El Centro de la Raza has announced plans for a new low to mid-income mixed use development adjacent to the Beacon Hill light rail station. Located across the street from the Beacon Hill Light Rail Station, this new development will allow El Centro to expand existing services, create space for new services, add community meeting spaces, create options for affordable housing

units, and opportunities to generate earned revenue through retail spaces and other business ventures.

Additionally, a private investor has announced plans for a mixed use development at the southeast corner of the station block. Permits have been filed for construction of a six-story structure containing 46 residential units and 2,046 SF of retail space. Below grade parking for 17 vehicles will be provided.

Several new restaurants and retail businesses have opened and are thriving since the opening of the light rail station. New commercial activity in the neighborhood has contributed to increased walkability. The new businesses are bringing more visitors to Beacon Hill. As the economy improves, it is anticipated this neighborhood will continue to evolve.

### **Neighborhood 40-50: North Rainier Valley**



Mt Baker Lofts, an Art space transit oriented development near the Mt Baker light rail station.

### **Boundaries:**

Neighborhood 50 boundaries are Interstate 90 to the North, Lake Washington to the East, South Hanford Street & South Winthrop Street to the South, Valentine Place South and 20<sup>th</sup> Avenue South to the West.

### **Neighborhood Description:**

The Major business arterials in this area are Rainier Avenue South and Martin Luther King Junior Way South. The commercial buildings located along Rainier Avenue South and Martin Luther King Junior Way South are primarily retail, small offices, restaurants, franchise fast food,

light industrial, multi-family and apartments. Many parcels in area 40-50 are not developed to highest and best use or are vacant. This indicates opportunity for development.

The new Mt. Baker light rail station and the light rail tracks dominate the landscape and have influenced a shift in Highest and Best Use. Zoning changes have been proposed in order to promote higher density, transit oriented development and neighborhood walkability.

The city of Seattle is allocating more than \$27 million for the construction of seven new apartment buildings dedicated to affordable housing for the homeless, low-income families and seniors, with some set aside for veterans. The funds, much of it coming from the Seattle Housing Levy, will help create 476 new apartments. Artspace will receive \$3.7 million for 57 units available to low-income artists and their families. It will be located next to the Mt. Baker light rail station. Permits are on file to allow a four-story structure containing 10,665 SF of commercial space with 57 dwelling units.

The economic conditions over the past few years have slowed the rate of development in this neighborhood. As the economy continues to recover, new investment is expected to meet the demands of the growing housing sectors expanding from the north, south and west.

#### **Neighborhood 40-60: Columbia City**



Geraldine's Counter, Columbia City.

**Boundaries:**

Neighborhood 60 boundaries are South Winthrop Street, South Hanford Street and South Charleston Street to the North, 43rd Avenue South, 47th Avenue South, and 48<sup>th</sup> Avenue South to the East, South Graham Street to the South, Cheasty Boulevard, and Beacon Avenue South to the West.

**Neighborhood Description:**

Commercial activities are located primarily along Rainier Avenue South, South Genesee Street, Martin Luther King Junior Way South, and South Graham Street and within Columbia City. Columbia City was designated a Landmark District in 1978 by the City of Seattle and contains a significant number of buildings that embody the distinctive characteristics of turn of the century architecture. The majority of businesses are located on Rainier Avenue South and are primarily retail, retail services and restaurants. This area is progressively revitalizing after a long period of decline. Multi-family and townhouse style projects are now common due to the draw of Columbia City and the Columbia/Edmunds Street light rail station.

Harbor Greenhouse LLC has nearly completed the Greenhouse residential apartment project in the Columbia City neighborhood. The Greenhouse apartments is a five-story building containing 124 apartments. The project is a transit oriented development located a few blocks from the Columbia City light rail station and is intended to be conveniently located near multiple transit options.

Plans for a new mixed use development have been proposed at the nearby Columbia Plaza property. The proposed Angeline Apartments will be a six-story complex with 193 living units. The retail anchor tenant will be PCC Natural Market. PCC will occupy 25,000 SF of retail space with an additional 4,500 SF available for lease. The Angeline will break ground in 2013 and is expected to open in 2015.

Zoning changes have been proposed to increase density and promote neighborhood walkability. As both commercial and residential markets recover, evidence is strong that development projects will continue to reshape the neighborhoods.



## **Neighborhood 40-70 Seward Park**



Neighborhood office/retail building in Seward Park.

### **Boundaries:**

Neighborhood 70 boundaries are Lake Washington to the North and East, Graham Street to the South, 43<sup>rd</sup> Avenue South, 47<sup>th</sup> Avenue and 48<sup>th</sup> Avenue South to the West.

### **Neighborhood Description:**

Seward Park is an established neighborhood and is made up of older mixed-use properties, apartments, residential condominiums and mid to low-rise office buildings. The area also is in demand for small, owner-occupied properties by those who want to be in a close-in, urban neighborhood.

### **Physical Inspection Identification:**

Neighborhoods 40-50 and 40-70 were physically inspected for this 2013 revalue assessment year as required by WAC 458-07-015 4 (a). An exterior observation of the properties was made to verify the accuracy and completeness of property characteristics data that affect value.

## **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 improvement in the Coefficient of Dispersion (COD) from 7.92% to 6.99%. The weighted mean ratio, which is a statistical measure of assessment level, went from 98.00% to 99.20%. The Price-related Differential (PRD) changed from 0.98 to 0.99. 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 land sales that closed between 1/01/2010 to 12/31/2012 were given primary consideration for valuing the land parcels in Area 40.

The primary unit of comparison considered was based on price per square foot of land area. "Shell" sales, interim use sales, tear down sales, and land transactions that included plans and permits were considered in the analysis of the land values. The comparative sales approach generally is considered the most reliable method for land valuation. Zoning, location, and site size were primary variables considered in the valuation process. Changes were made based on recent land sales and to achieve equalization in neighborhoods in accordance with zoning, size and location. In the absence of sales in a neighborhood, sales in other similar neighborhoods were considered. Appraiser judgment prevails in all decisions regarding individual parcel valuation. 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.

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

Improved sales that closed from 1/01/2010 to 12/31/2012 were given primary consideration for establishing total value estimates. Sales information is obtained from excise tax affidavits and reviewed initially by the Accounting Division, Sales Identification Section. Information is analyzed and investigated by the appraiser in the process of revaluation. All sales were verified, if possible, by contacting either the purchaser or seller, inquiring in the field or contacting the real estate broker. Characteristic data is verified for all sales when possible. Due to time constraints, interior inspections were limited. Sales are listed in the "Sales Used" and "Sales Not Used" sections of this report. Additional information may reside in the Assessor's Real Property Database, Assessor's procedures, Assessor's "field" maps, Revalue Plan, separate studies, and statutes.



# Land Value

## Land Sales, Analysis, Conclusions

There were 19 vacant commercial land sales considered in Area 40 with recording dates from 1/15/2010 to 12/28/2012. Most of the sales parcels were improved at the time of sale and are considered to be an interim use. These sales were given primary consideration for land value as of 1/01/2013. Most weight was given to neighborhood, location, zoning, size and utility. As necessary, vacant commercial land sales in Area 25 to the north, as well as residential sales on commercially zoned land within Area 40, were considered. When recent sales were unavailable, sales from other, proximal, neighborhoods were also considered. Only sales verified as “arms-length” were used in the market analysis.

### International District – South First Hill – Central District: Neighborhood 40-10

A review of recent land sales indicate minor changes in land value for commercially zoned parcels is warranted in neighborhood 40-10. The table below represents the 2013 estimated land value per square foot for each zone in the area.

Area-Neighborhood	Zoning	2013 Typical A/V \$/SF Value
<b>Commercial</b>		
40-10	C1-65	\$95
40-10	C2-65	\$100
40-10	DMC 85/65-150	\$95
40-10	DMR/C 65/65-85	\$95
40-10	DMR/C 65/65-150	\$95
40-10	IC-65	\$60 - \$80
40-10	NC1-40	\$85
40-10	NC2-40	\$85
40-10	NC3-40	\$70 - \$85
40-10	NC2-65	\$85
40-10	NC3-65	\$70 - \$100
40-10	NC3P-65	\$100
<b>Multi-Family</b>		
40-10	LR1	\$50
40-10	LR2	\$60
40-10	LR2/RC	\$75
40-10	LR3	\$70 - \$80
40-10	LR3/RC	\$80
40-10	MR	\$100
<b>Single-Family</b>		
40-10	SF-5000	\$40

### Central District: Neighborhood 40-20

A review of recent land sales indicate minor changes in land value for commercially zoned and multi-family parcels are warranted in neighborhood 40-20. The table below represents the 2013 estimated land unit value per square foot for each zone in the Area.

Area-Neighborhood	Zoning	2013 Typical A/V \$/SF Value
<b>Commercial</b>		
40-20	C1-40	\$90
40-20	C1-65	\$90
40-20	NC1-30	\$85
40-20	NC1-40	\$85
40-20	NC2-40	\$85
40-20	NC3-65	\$85
<b>Multi-Family</b>		
40-20	LR1	\$50
40-20	LR2	\$50 - \$60
40-20	LR2 RC	\$60
40-20	LR3	\$70
<b>Single-Family</b>		
40-20	SF-5000	\$40 - \$50

### Leschi: Neighborhood 40-30

A review of recent land sales indicate minor changes in land value for commercially zoned and multi-family parcels are warranted in neighborhood 40-30. The table below represents the 2013 estimated land unit value per square foot for each zone in the area.

Area-Neighborhood	Zoning	2013 Typical A/V \$/SF Value
<b>Commercial</b>		
40-30	NC1-30	\$65
40-30	NC1-40	\$75 - \$120
<b>Multi-Family</b>		
40-30	LR1	\$110 (VIEWS)
40-30	LR2	\$80
40-30	LR3	\$80 - \$150 (VIEWS)
40-30	LR3 RC	\$150
<b>Single-Family</b>		
40-30	SF-5000	\$35 - \$50 (VIEWS)

### Beacon Hill: Neighborhood 40-40

A review of recent land sales support no increase or decrease in the land value of parcels for most zoning designations in neighborhood 40-40. The table below represents the 2013 estimated land unit value per square foot for each zone in the area.

Area-Neighborhood	Zoning	2013 Typical A/V \$/SF Value
<b>Commercial</b>		
40-40	C1-40	\$55 - \$70
40-40	NC1-30	\$35 - \$45
40-40	NC1-40	\$45 - \$60
40-40	NC2-40	\$45 - \$55
40-40	NC2-65	\$55
40-40	NC2P-40	\$50 - \$55
40-40	NC2P-65	\$55
<b>Multi-Family</b>		
40-40	LR1	\$25 - \$35
40-40	LR2	\$30 - \$50
40-40	LR3	\$45 - \$75
<b>Single-Family</b>		
40-40	SF 5000	\$30 - \$40
<b>Major Institution Overlay</b>		
40-40	MIO-105	\$15

### **Rainier Valley – Mount Baker: Neighborhood 40-50**

A review of recent land sales support no increase or decrease in the land value of parcels for most zoning designations in neighborhood 40-50. The table below represents the 2013 estimated land unit value per square foot for each zone in the area.

<b>Area-Neighborhood</b>	<b>Zoning</b>	<b>2013 Typical A/V \$/SF Value</b>
<b>Commercial</b>		
40-50	C1-40	\$55 - \$70
40-50	C1-65	\$70
40-50	C2-65	\$60 - \$70
40-50	NC1-30	\$45
40-50	NC1-40	\$60
40-50	NC3-65	\$70
40-50	NC3P-65	\$70
<b>Multi-Family</b>		
40-50	LR1	\$40 - \$50
40-50	LR2	\$50 - \$60
40-50	LR2 RC	\$50
40-50	LR3	\$50 - \$60
40-50	LR3 RC	\$60
<b>Single-Family</b>		
40-50	SF-5000/7200	\$30 - \$40

## Rainier Valley – Columbia City: Neighborhood 40-60

A review of recent land sales indicate minor changes in land value for commercially zoned and multi-family parcels are warranted in neighborhood 40-60. The table below represents the 2013 estimated land unit value per square foot for each zone in the area.

Area-Neighborhood	Zoning	2013 Typical A/V \$/SF Value
<b>Commercial</b>		
40-60	C1-40	\$40 - \$50
40-60	C1-65	\$45 - \$55
40-60	C2-40	\$50
40-60	C2-65	\$45 - \$65
40-60	NC1P-40	\$50 - \$55
40-60	NC2-30	\$45
40-60	NC2-40	\$45 - \$65
40-60	NC2-65	\$65
40-60	NC3-40	\$60
40-60	NC3-65	\$70
40-60	NC3P-40	\$65
40-60	NC3P-65	\$65
<b>Multi-Family</b>		
40-60	LR1	\$45
40-60	LR2	\$40 - \$45
40-60	LR2 RC	\$40 - \$60
40-60	LR3	\$40 - \$50
40-60	LR3 RC	\$50 - \$60
40-60	MR	\$45
<b>Single-Family</b>		
40-60	SF-5000	\$20 - \$45

### **Seward Park: Neighborhood 40-70**

A review of recent land sales indicate minor changes in land value for commercially zoned and multi-family parcels are warranted in neighborhood 40-70. The table below represents the 2013 estimated land unit value per square foot for each zone in the area.

<b>Area-Neighborhood</b>	<b>Zoning</b>	<b>2013 Typical A/V \$/SF Value</b>
<b>Commercial</b>		
40-70	NC1-30	\$40
<b>Single-Family</b>		
40-70	SF- 5000/7200/9600	\$20 - \$30

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

The total assessed land value in Area 40 for the 2012 assessment year was \$1,661,635,500 and the 2013 total recommended assessed land value is \$1,624,543,500. Application of these recommended values for the 2013 assessment year (taxes payable in 2014) results in an overall land value decrease of -2.23%. This decrease is mainly due to adjustments based on market sales. Parcel count, zoning changes and legal changes may affect the total assessed value, which in this case, indicates a slight decrease in total value. This decrease in land values is intended to improve uniformity and assessment levels for land in the Rainier Valley/Seattle real estate markets.

Vacant sales are listed in the "Sales Used" and "Sales Not Used" reports included in subsequent sections.

## **Improved Parcel Total Sales**

### **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 improved sales used range in sale dates from 01/25/2010 to 12/11/2012. There were 25 improved sales in Area 40 that were considered as fair market transactions and used in the overall analysis. All 25 sales were included in the ratio study.

Stratification of these sales shows the following market ranges:

- |    |   |                            |
|----|---|----------------------------|
| 1) | Retail:   | \$134 to \$183 per sq. ft. |
| 2) | Warehouse/Light Industrial                            | \$134 to \$184 per sq. ft. |
| 3) | Office Buildings                                      | \$152 to \$188 per sq. ft. |
| 4) | Commercial condo units, Live/Work<br>and/or Mixed Use | \$154 to \$270 per sq. ft. |

Commercial condominium units and live/work townhouse units were typically valued by the sales comparison approach when sufficient comparable sales were available. Other non-specialty commercial properties were typically valued using the income approach as fewer comparable sales of each property type were available. The improved sales used were referenced when developing the economic income parameters and capitalization rates for the income models used within each neighborhood and property type.

### **Sales Comparison Calibration**

Neighborhoods were treated independent of one another as dictated by the market. Individual values were applied based on various characteristics deemed appropriate within each market on a dollar value per square foot of improved net rentable area. Specific variables and price ranges for neighborhoods were discussed in general detail above. Given the relatively low sales count during this most recent economic period, applicability of Sales Comparison was considered limited for broad valuation purposes.

### **Cost approach model description**

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

## **Cost calibration**

The Marshall & Swift cost modeling system built within the Real Property Application is calibrated to the region as well as the Seattle area.

## **Income capitalization approach model description**

Three basic models were developed for income capitalization; those being retail, office and warehouse. Income tables were developed and then applied to the population. The tables were derived from market surveys and studies and subsequently applied to property data. A majority of properties in this area were valued utilizing an income approach (Direct Capitalization method).

**Income:** Income parameters were derived from the market place through listed fair market sales, advertised lease rates as well as through published sources (i.e. Officespace.com, Commercial Brokers Association, Costar, Multiple Corporate Real Estate Websites), opinions expressed by real estate professionals active in the market, and direct inquiry with property owners and tenants.

**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.

**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 – 16<sup>th</sup> Annual Real Estate Trends. The effective age and condition of each building also contributes to the capitalization rate applied in the model. For example; a building with a lower effective age of lesser condition will typically warrant a higher capitalization rate and a building in better condition with a higher effective age will warrant a lower capitalization rate.



### Cap rate summary of various published sources:

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	Seattle	5.50% - 5.75% 6.00% - 7.00% 6.50% - 7.00% 7.00% - 8.00% 8.00% - 9.00% 9.25% - 10.00% 5.50% - 6.25% 6.00% - 8.00% 6.50% - 7.50% 7.00% - 8.00% 7.50% - 9.00% 9.00% - 10.00% - - - - -	5.25% - 5.50% 6.00% - 6.25% 6.00% - 6.50% 7.00% - 7.50% 7.00% - 7.50% 7.50% - 8.50% - - - - - - - - -	- - - - - - - - - - - - 5.50% - 6.75% 5.75% - 7.75% 6.00% - 7.50% 6.00% - 8.50% 7.50% - 9.50% 9.00% - 11.00%	CBD - Class A CBD - Class A – Value Added CBD - Class B CBD - Class B – Value Added CBD - Class C CBD - Class C – Value Added Suburban - Class A Suburban - Class A – Value Added. Suburban - Class B Suburban - Class B – Value Added. Suburban - Class C Suburban - Class C – Value Added Nbh Center - Class A Nbh Center - Class A - Value Added Nbh Center - Class B Nbh Center - Class B - Value Added Nbh Center - Class C Nbh Center - Class C - Value Added
	Feb-13	Seattle	5.00% - 5.75% 6.00% - 7.00% 5.50% - 6.50% 7.00% - 8.00% 7.50% - 8.50% 9.00% - 10.00% 6.00% - 6.50% 6.00% - 8.00% 6.50% - 7.50% 7.00% - 8.00% - - - -	5.00% - 5.75% - 6.00% - 6.75% - 6.75% - 7.25% - - - - - - - - -	- - - - - - - - - - 5.50% - 5.75% 6.50% - 7.50% 7.50% - 9.50%	CBD - Class A CBD - Class A – Value Added CBD - Class B CBD - Class B – Value Added CBD - Class C CBD - Class C – Value Added Suburban - Class A Suburban - Class A – Value Added Suburban - Class B Suburban - Class B – Value Added Class A (Neigh./Comm. w/Grocery) Class B (Neigh./Comm. w/Grocery) Class C (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	Year End 2012	Seattle	7.25% 7.00% - - - -	- 8.50% 7.75% - -	- - - 7.75% 8.00%	CBD Office Suburban Office Flex Office/Warehouse Reg./Comm. Mall Neigh. Strip Ctrs.
CoStar Group	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
Kidder Mathews						
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

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 2013	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 +)

### Lease rate summary of various published sources:

SEATTLE / PACIFIC NW LEASE RATES						
Source	Date	Location	Rate	Vacancy	Expenses	Remarks
<b>CBRE – Capital Markets Cap. Rate survey.</b>	4Q 2012	Seattle				
Office	4Q 2012	Seattle	\$26.00 - \$44.00 Gross \$23.00 - \$35.00 Gross \$19.00 - \$26.00 Gross	14.75% 15.15% 11.15%	\$10.00 - \$11.50 Gross \$7.00 - \$11.00 Gross \$6.50 - \$9.50 Gross	CBD - Class A CBD - Class B CBD - Class C South Seattle Office Rates
		S. Seattle	\$24.87 Gross	23.30%		
<b>Colliers</b>	4Q 2012	Seattle				
Office	4Q 2012	Seattle	\$31.44 Gross \$26.24 Gross \$19.95 Gross	14.98% 16.53% 3.42%		CBD - Class A CBD - Class B CBD - Class C
		S. King Co	-	15.08% 15.95%		CBD – Total So King Co - Total
Industrial	4Q 2012	East of Duwamish	\$6.36 NNN \$7.32 NNN \$14.88 NNN \$7.68 NNN	2.62% 3.28% 4.54% 3.17%		Manufacturing Warehouse Flex Total
<b>CoStar</b>	4Q 2010	Seattle				
Retail	2012 Year End	S. Seattle	\$16.45 NNN \$27.21 NNN \$18.56 NNN	3.60% 5.10% 4.50%		General Retail Submarket Power Center Shopping Center
<b>Cushman &amp; Wakefield</b>	4Q 2012	Seattle				
Office	4Q 2012	Close-in S. Seattle	\$22.48 Gross	22.40%		Office - Overall
<b>Jones Lang Lasalle</b>	4Q 2012	Seattle				
Office	4Q 2012	S. Seattle	\$37.19 NNN \$21.37 NNN	47.60% 16.30%		Class A Class B
Industrial	4Q 2012	Gtown/ Duwamish N	\$7.20 NNN \$6.12 NNN \$15.48 NNN	10.50% 2.70% 1.00%		Warehouse/Distribution Manufacturing Flex
<b>Kidder Matthews</b>	4Q 2012	Seattle CBD/ Surrounding Area				
Office	4Q 2012	Seattle CBD/ Surrounding Area	\$29.19 Gross	10.68%		Overall Office MKT
Industrial	4Q 2012	Seattle Close-In	\$8.40 NNN	3.44%		Overall Industrial MKT
<b>Officespace.com</b>	2012 Year End	South/ West Seattle				
Office	2012 Year End	South/ West Seattle	\$21.04 Gross	16.55%		Overall Office MKT
Industrial	2012 Year End	South/ West Seattle	\$10.20 NNN \$13.80 NNN \$6.48 NNN \$6.24 NNN	13.72% 7.80% - -		Manufacturing Flex Manufacturing – Shell Flex - Shell
Retail	2012 Year End	South/ West Seattle	\$19.43 NNN	8.77%		Overall Retail MKT

The preceding tables demonstrate ranges of capitalization rates, lease 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 the local real estate market to develop the income model. The range of capitalization rates within the income model reflects the variety of properties in this area.

### **Income approach calibration**

The tables were calibrated after setting economic rents, vacancy, expenses and capitalization rates by using adjustments based on size, effective age, and construction quality as recorded in the Assessor's records. Net rents were used when possible. Some capitalization rates were adjusted from previous levels in response to the current economic conditions and real estate market. The following tables summarize the income parameters used for valuation in area 40. Some properties require deviation from the published tables due to issues including but not limited to location, size, and condition and appraiser judgment.

### **Neighborhood 40-10:**

<b>Property Type</b>	<b>Rent/SF</b>	<b>Vacancy</b>	<b>Expenses</b>	<b>OAR</b>
FAST FOOD RESTAURANT (349) RESTAURANT, TABLE SERVICE (350) RETAIL STORE (353) CONVENIENCE MARKET (419) MIXED-USE RETAIL (830) LAUNDROMAT (336) DISCOUNT STORE (319) MARKET (340) DAY CARE CENTER (426) BARBER SHOP (384)	\$13.00 to \$20.00	10%	10%	7.25% to 9.00%
BASEMENT, FINISHED (701) BASEMENT, OFFICE (705) MEZZANINES-DISPLAY (760) MEZZANINES-OFFICE (761) LOFT (338) WAREHOUSE OFFICE (810) BASEMENT, SEMI-FINISHED (702)	\$5.00 to \$13.00	10%	15%	7.50% to 7.75%
OPEN OFFICE (820) OFFICE BUILDING (344) MIXED-USE OFFICE (840) BANK (304)	\$12.00 to \$21.50	10%	15%	7.25% to 9.00%
INDUSTRIAL LT MANUFACTURING (494) INDUSTRIAL HVY MANUFACTURING (495) COLD STORAGE FACILITIES (447) STORAGE WAREHOUSE (406) GARAGE, STORAGE (326) WAREHOUSE, DISTRIBUTION (407) WAREHOUSE, FOODSTORE (533) BASEMENT, UNFINISHED (703) MEZZANINES-STORAGE (763) GARAGE, SERVICE REPAIR (528)	\$5.00 to \$11.00	10%	10%	7.25% to 8.50%

MEDICAL OFFICE (341) VETERINARY HOSPITAL (381) DENTAL OFFICE/CLINIC (444)	\$16.00 to \$27.00	10%	30%	7.25% to 9.00%
APARTMENT (300) MULTIPLE RESIDENCE (LOWRISE) (352) BASEMENT RESIDENT LIVING (707) FRATERNAL BUILDING (323) HOME FOR THE ELDERLY (330) ROOMING HOUSE (551) RESIDENCE (348)	\$11.25 to \$15.50	5%	25%	5.25% to 7.25%

**Neighborhood 40-20:**

Property Type	Rent/SF	Vacancy	Expenses	OAR
DISCOUNT STORE (319) LAUNDROMAT (336) MARKET (340) RETAIL STORE (353) CONVENIENCE MARKET (419) DAY CARE CENTER (426) SUPERMARKET (446) MIXED-USE RETAIL (830)	\$13.00 to \$22.00	10%	10%	7.25% to 9.00%
FAST FOOD RESTAURANT (349) RESTAURANT, TABLE SERVICE (350)	\$13.00 to \$22.00	10%	10%	7.25% to 9.00%
LOFT (338) BASEMENT, FINISHED (701) BASEMENT, OFFICE (705) BALCONY (751) MEZZANINES-DISPLAY (760) MEZZANINES-OFFICE (761)	\$5.00 to \$12.00	7%	10%	7.75% to 8.00%
BANK (304) OFFICE BUILDING (344) OPEN OFFICE (820) MIXED-USE OFFICE (840)	\$13.00 to \$21.00	10%	15%	7.25% to 9.00%
GARAGE, STORAGE (326) STORAGE WAREHOUSE (406) WAREHOUSE, DISTRIBUTION (407) COLD STORAGE FACILITIES (447) INDUSTRIAL LT MANUFACTURING (494) INDUSTRIAL HVY MANUFACTURING (495) GARAGE, SERVICE REPAIR (528) WAREHOUSE, FOODSTORE (533) BASEMENT, SEMI-FINISHED (702) BASEMENT, UNFINISHED (703) MEZZANINES-STORAGE (763)	\$7.00 to \$12.50	10%	10%	8.00%
MEDICAL OFFICE (341) VETERINARY HOSPITAL (381) DENTAL OFFICE/CLINIC (444)	\$15.00 to \$27.00	10%	30%	7.25% to 9.00%
APARTMENT (300) DORMITORY (321) FRATERNAL BUILDING (323) RESIDENCE (348) MULTIPLE RESIDENCE (LOWRISE) (352) ROOMING HOUSE (551)	\$11.50 to \$16.50	5%	25%	5.50% to 7.50%

**Neighborhood 40-30:**

Property Type	Rent/SF	Vacancy	Expenses	OAR
MARKET (340)	\$11.00	10%	15%	6.50%
RESTAURANT, TABLE SERVICE (350)	to			to
RETAIL STORE (353)	\$19.00			7.25%
MIXED-USE RETAIL (830)				
BANK (304)	\$12.00	10%	15%	7.25%
OFFICE BUILDING (344)	to			to
OPEN OFFICE (820)	\$22.00			9.00%
MIXED-USE OFFICE (840)				
STORAGE WAREHOUSE (406)	\$10.00	5%	15%	6.00%
	to			to
	\$15.00			7.00%
APARTMENT (300)	\$11.50 to	5%	25%	5.75% to
MULTIPLE RESIDENCE (LOWRISE) (352)	\$17.50			7.00%

**Neighborhood 40-40:**

Property Type	Rent/SF	Vacancy	Expenses	OAR
MARKET (340)	\$12.00	10%	15%	7.25 %
RETAIL STORE (353)	to			to
BARBER SHOP (384)	\$21.00			8.50%
CONVENIENCE MARKET (419)				
DAY CARE CENTER (426)				
SNACK BAR (529)				
MINI MART CONVENIENCE STORE (531)				
MIXED-USE RETAIL (830)				
FAST FOOD RESTAURANT (349)	\$12.00 to	10%	15%	7.25% to
RESTAURANT, TABLE SERVICE (350)	\$21.00			8.50%
BANK (304)	\$12.00	10%	15%	7.25%
OFFICE BUILDING (344)	to			to
OPEN OFFICE (820)	\$21.00			8.50%
MIXED-USE OFFICE (840)				
BASEMENT, FINISHED (701)	\$8.00	10%	10%	7.50%
BASEMENT, OFFICE (705)	to			
MEZZANINES-OFFICE (761)	\$12.00			
GARAGE, STORAGE (326)	\$6.50	7%	10%	7.25%
STORAGE WAREHOUSE (406)	to			to
SHED, MATERIAL STORAGE (468)	\$11.50			8.00%
EQUIPMENT SHED (472)				
BASEMENT, SEMI-FINISHED (702)				
BASEMENT, UNFINISHED (703)				
MEZZANINES-STORAGE (763)				
BASEMENT, STORAGE (708)				
MEDICAL OFFICE (341)	\$16.00	10%	30%	7.25%
VETERINARY HOSPITAL (381)	to			to 8.50%
DENTAL OFFICE/CLINIC (444)	\$28.00			
GARAGE, SERVICE REPAIR (528)	\$5.00	5%	10%	7.25%
	to			to 8.00%
	\$11.00			

APARTMENT (300) MULTIPLE RESIDENCE (LOWRISE) (352) BASEMENT RESIDENT LIVING (707) GROUP CARE HOME (424) ROOMING HOUSE (551) RESIDENCE (3480)	\$10.50 to \$17.00	10%	25%	6.00% to 7.00%
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**Neighborhood 40-50:**

Property Type	Rent/SF	Vacancy	Expenses	OAR
DISCOUNT STORE (319) LAUNDROMAT (336) MARKET (340) RETAIL STORE (353) BARBER SHOP (384) CONVENIENCE MARKET (419) DAY CARE CENTER (426) SUPERMARKET (446) MINI-MART CONVENIENCE STORE (531) WAREHOUSE FOOD STORE (533) MIXED-USE RETAIL (830)	\$13.00 to \$21.00	10%	15%	7.25% to 9.00%
LUMBER STORAGE SHED, HORIZONTAL (339) STORAGE WAREHOUSE (406) WAREHOUSE, DISTRIBUTION (407) COLD STORAGE FACILITIES (447) SHED, MATERIAL STORAGE (468) EQUIPMENT (SHOP) BUILDING (470) LT COMMERCIAL UTILITY BLDG (471) EQUIPMENT SHED (472) INDUSTRIAL LIGHT MFG (494) WAREHOUSE OFFICE (810)	\$7.00 to \$13.00	10%	10%	7.50% to 8.00%
FAST FOOD (349) RESTAURANT, TABLE SERVICE (350) BAR/TAVERN (442)	\$13.00 to \$25.00	10%	15%	7.25% to 9.00%
BANK (304) OFFICE BUILDING (344) OPEN OFFICE (820) MIXED-USE OFFICE (840)	\$13.00 to \$24.00	10%	15%	7.25% to 9.00%
BASEMENT, FINISHED (701) BASEMENT, SEMI-FINISHED (702) BASEMENT, UNFINISHED (703) MEZZANINES-DISPLAY (760) MEZZANINES-OFFICE (761) MEZZANINES-STORAGE (763)	\$4.00 to \$11.00	10%	15%	7.50% to 8.25%
MEDICAL OFFICE (341) VETERINARY HOSPITAL (381) DENTAL OFFICE/CLINIC (444)	\$17.00 to \$28.00	10%	30%	7.25% to 9.00%
MINI-LUBE GARAGE (423) GARAGE, SERVICE REPAIR (528)	\$9.00 to \$15.00	10%	15%	7.25% to 8.00%

APARTMENT (300) RESIDENCE (348) MULTIPLE RESIDENCE(LOWRISE) (352) ROOMING HOUSE (551) BASEMENT, RESIDENT LIVING (707)	\$10.00 to \$15.75	7%	25%	6.00% to 7.00%
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**Neighborhood 40-60:**

Property Type	Rent/SF	Vacancy	Expenses	OAR
DISCOUNT STORE (319) LAUNDROMAT (336) MARKET (340) RETAIL STORE (353) BARBER SHOP (384) CONVENIENCE MARKET (419) DAY CARE CENTER (426) SUPERMARKET (446) MINI-MART CONVENIENCE STORE (531) MIXED-USE RETAIL (830) THEATER, CINEMA (380) THEATER, LIVE STAGE (379)	\$13.00 to \$21.00	10%	15%	7.50% to 9.00%
BANK (304) OFFICE BUILDING (344) OPEN OFFICE (820) MIXED-USE OFFICE (840)	\$14.00 to \$23.00	10%	15%	7.25% to 9.00%
MEDICAL OFFICE (341) VETERINARY HOSPITAL (381) DENTAL OFFICE/CLINIC (444)	\$17.00 to \$28.00	10%	30%	7.25% to 9.00%
FAST FOOD RESTAURANTS (349) RESTAURANT, TABLE SERVICE (350) COCKTAIL LOUNGE (441) BAR/TAVERN (442)	\$14.00 to \$25.00	5%	15%	7.25% to 9.00%
GARAGE, STORAGE (326) LUMBER STOR SHED,HORIZONTAL(339) MATERIAL STORAGE BUILDING (391) STORAGE WAREHOUSE (406) WAREHOUSE, DISTRIBUTION (407) AUTOMOTIVE CENTER (410) SHED, MATERIAL STORAGE (468) EQUIPMENT (SHOP) BLDG (470) INDUSTRIAL LIGHT MFG (494) GARAGE, SERVICE REPAIR (528) BASEMENT SEMI-FINISHED (702) BASEMENT, UNFINISHED (703) MEZZANINES-STORAGE (763) AUTO DEALERSHIP, COMPLETE (455)	\$5.50 to \$13.00	6.50%	10%	8.00%
BASEMENT, FINISHED (701) BASEMENT, OFFICE (705) BALCONY (751) MEZZANINES-DISPLAY (760) MEZZANINES-OFFICE (761)	\$3.00 to \$9.00	10%	15%	7.00%



APARTMENT (300) HOME FOR THE ELDERLY (330) MULTIPLE RESIDENCE(LOWRISE)(352) GROUP CARE HOME (424) ROOMING HOUSE (551) BASEMENT RESIDENT LIVING (707) MIXED RETAIL W/RES UNITS (459) RESIDENCE (348)	\$11.00 to \$17.50	7%	25%	6.00% to 7.00%
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#### **Neighborhood 40-70:**

Property Type	Rent/SF	Vacancy	Expenses	OAR
MARKET (340)	\$13.00	10%	15%	7.25%
RESTAURANT, TABLE SERVICE (350)	to			to
RETAIL STORE (353)	\$20.00			9.00%
MIXED USE RETAIL (830)				
OFFICE BUILDING (344)	\$13.00	10%	15%	7.50%
VETERINARY HOSPITAL (381)	to			to
MIXED USE OFFICE (840)	\$22.00			9.00%
GARAGE, STORAGE (326)	\$7.00	10%	10%	7.75%
STORAGE WAREHOUSE (406)	to			to
EQUIPMENT (SHOP) BLDG (470)	\$12.00			8.00%
EQUIPMENT SHED (472)				
GARAGE, SERVICE REPAIR (528)				
BASEMENT, UNFINISHED (703)				
BASEMENT, STORAGE (708)				
APARTMENT (300)	\$11.00	5%	25%	7.00%
MULTIPLE RES (LOWRISE) (352)	to			
RESIDENCE (348)	\$15.50			

Stratification adjustments for the parameters listed in the above grids were based on quality of construction, effective age, size of rentable area, and location.

#### **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 market sales approach is considered the most reliable indicator of value when comparable sales were available, however the income approach was applied to most parcels in order to better equalize comparable properties. Whenever possible, market rents, expenses, and cap rates were ascertained from sales, and along with data from surveys and publications these parameters were applied to the income model.

The income approach to value was considered to be a reliable indicator of value in most instances. The market rental rate applied to a few properties varied from the model but fell within an acceptable range of variation from the established guideline.

## **Model Validation**

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

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

In the 2013 valuation model, the income approach is used to value the majority of the income producing properties that are not obsolesced (where land value is greater than the value produced by the income method), as there are an insufficient number and variety of sales to value the different sectors by the market approach. The income approach also insures greater uniformity and equalization of values.

The standard statistical measures of valuation performance are presented in the Executive Summary and the 2012 and 2013 Ratio Analysis charts included in this report. Comparison of the 2012 and 2013 Ratio Study Analysis indicates that the weighted mean statistical measure of assessment level went from 99.00% to 99.20%. The Coefficient of Dispersion (COD) went from 7.92% to 6.99%; the Coefficient of Variation (COV) went from 10.36% to 9.19%. The Price-related Differential (PRD) changed from 0.98 to 0.99.

The total assessed value in area 40, for the 2012 assessment year, was \$2,273,965,940 and the total recommended assessed value for the 2013 assessment year is \$2,222,340,200. Application of these recommended values for the 2013 assessment year results in an average total change from the 2012 assessments of -2.27%.

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

This mass appraisal report is intended for use only by the King County Assessor and other agencies or departments administering or confirming ad valorem property taxes. Use of this report by others 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 this 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**

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. [1961 c 15 §84.36.005]

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. [1989 c 246 § 4]

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 definition of fee simple estate as taken from The Third Edition of The Dictionary of Real Estate Appraisal, published by the 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 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:**

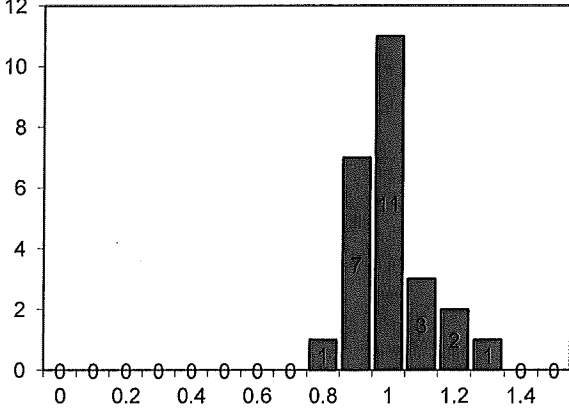
I certify that, to the best of my knowledge and belief:

- 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.
- No significant real property assistance as determined by the undersigned. All services as may be variously defined significant or otherwise, and performed by duly authorized and qualified King County Assessment staff employed in the areas of Public Information, Accounting/Abstract, Commercial, Residential, Information Services, Personal Property, Accounting/Mapping, Accounting/Support, Accounting/Appeals, Chief Appraiser, Accounting/Exemptions, Accounting/Levy Administration, who may have involvement in 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, is made part of each real property parcel as a matter of public record and this certification by reference.
- Any services regarding the subject area performed by me within the prior three years, as an appraiser or in any other capacity is listed below: Any and all activities required under the Certificate of Appointment dated 24 April 2004 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 Wit: all duties, responsibilities, and services associated with the position description of Commercial Appraiser I in the management and valuation of Commercial Area 40. 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 to 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.

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Area 040-000 - Rainier Valley  
2012 Assessment Year

Quadrant/Crew:	Appr date :	Date:	Sales Dates:	
Central Crew	1/1/2012	3/27/2013	1/25/10 - 12/11/12	
Area	Appr ID:	Prop Type:	Trend used?: Y / N	
040-000	NMOO	Improvement	N	
SAMPLE STATISTICS				
Sample size (n)	25	<div>Ratio Frequency</div>  <p>A histogram showing the frequency of ratios. The x-axis is labeled 'Ratio' and ranges from 0 to 1.4 with increments of 0.2. The y-axis is labeled 'Ratio Frequency' and ranges from 0 to 12 with increments of 2. The bars represent the following frequencies: 0.8-0.9: 1, 0.9-1.0: 7, 1.0-1.1: 11, 1.1-1.2: 3, 1.2-1.3: 2, 1.3-1.4: 1, 1.4-1.5: 0.</p>		
Mean Assessed Value	514,600			
Mean Sales Price	519,600			
Standard Deviation AV	481,145			
Standard Deviation SP	460,063			
ASSESSMENT LEVEL				
Arithmetic mean ratio	0.968			
Median Ratio	0.974			
Weighted Mean Ratio	0.990			
UNIFORMITY				
Lowest ratio	0.7930			
Highest ratio:	1.2078			
Coefficient of Dispersion	7.92%			
Standard Deviation	0.1003			
Coefficient of Variation	10.36%			
Price-related Differential	0.98			
RELIABILITY				
95% Confidence: Median		These figures reflect measurements <u>before</u> posting new values.		
Lower limit	0.891			
Upper limit	0.990			
95% Confidence: Mean				
Lower limit	0.929			
Upper limit	1.008			
SAMPLE SIZE EVALUATION				
N (population size)	812			
B (acceptable error - in decimal)	0.05			
S (estimated from this sample)	0.1003			
Recommended minimum:	16			
Actual sample size:	25			
Conclusion:	OK			
NORMALITY				
Binomial Test				
# ratios below mean:	12			
# ratios above mean:	13			
z:	0			
Conclusion:	Normal*			
*i.e., no evidence of non-normality				



Area 040-000 - Rainier Valley  
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>
713380-0110	1,416,200	1,600,000	1/25/2010	0.8851	0.0893
128230-1395	1,495,500	1,300,000	8/23/2010	1.1504	0.1760
364610-0978	345,200	380,000	11/9/2010	0.9084	0.0660
367740-0205	443,800	400,000	1/31/2011	1.1095	0.1351
042404-9058	343,400	349,950	9/30/2011	0.9813	0.0069
042404-9284	237,800	238,000	10/4/2011	0.9992	0.0248
059700-0650	409,900	435,000	1/4/2012	0.9423	0.0321
684365-0040	235,000	237,595	1/6/2012	0.9891	0.0147
713430-0235	1,931,100	1,850,000	1/13/2012	1.0438	0.0694
149830-2980	246,000	281,500	3/7/2012	0.8739	0.1005
149830-2983	243,600	256,100	3/17/2012	0.9512	0.0232
149830-2985	243,600	250,000	4/3/2012	0.9744	0.0000
149830-2986	243,600	249,500	4/3/2012	0.9764	0.0020
149830-2981	254,200	239,950	4/6/2012	1.0594	0.0850
149830-2982	243,600	245,950	4/6/2012	0.9904	0.0160
149830-2987	243,600	259,000	4/18/2012	0.9405	0.0339
684365-0010	282,000	260,000	5/14/2012	1.0846	0.1102
684365-0050	183,000	207,900	6/22/2012	0.8802	0.0942
364610-0280	879,700	995,000	7/13/2012	0.8841	0.0903
149830-2984	243,600	279,950	7/25/2012	0.8702	0.1042
684365-0080	205,000	230,000	10/11/2012	0.8913	0.0831
333050-0730	642,400	650,000	11/19/2012	0.9883	0.0139
059700-0685	299,300	360,000	11/27/2012	0.8314	0.1430
332000-0510	1,207,800	1,000,000	11/28/2012	1.2078	0.2334
364610-0978	345,200	435,330	12/11/2012	0.7930	0.1814

Area 040-000 - Rainier Valley  
2013 Assessment Year

Quadrant/Crew:		Appr date :		Date:		Sales Dates:	
Central Crew		1/1/2013		3/27/2013		1/25/10 - 12/11/12	
Area		Appr ID:		Prop Type:		Trend used?: Y / N	
040-000		NMOO		Improvement		N	
SAMPLE STATISTICS							
Sample size (n)		25					
Mean Assessed Value		515,400					
Mean Sales Price		519,600					
Standard Deviation AV		468,228					
Standard Deviation SP		460,063					
ASSESSMENT LEVEL							
Arithmetic mean ratio		0.980					
Median Ratio		0.974					
Weighted Mean Ratio		0.992					
UNIFORMITY							
Lowest ratio		0.8647					
Highest ratio:		1.2078					
Coefficient of Dispersion		6.99%					
Standard Deviation		0.0901					
Coefficient of Variation		9.19%					
Price-related Differential		0.99					
RELIABILITY							
95% Confidence: Median							
Lower limit		0.941					
Upper limit		0.999					
95% Confidence: Mean							
Lower limit		0.945					
Upper limit		1.016					
SAMPLE SIZE EVALUATION							
N (population size)		812					
B (acceptable error - in decimal)		0.05					
S (estimated from this sample)		0.0901					
Recommended minimum:		13					
Actual sample size:		25					
Conclusion:		OK					
NORMALITY							
Binomial Test							
# ratios below mean:		14					
# ratios above mean:		11					
z:		0.4					
Conclusion:		Normal*					
*i.e., no evidence of non-normality							

Ratio Frequency

These figures reflect measurements after posting new values.

Area 040-000 - Rainier Valley  
2013 Assessment Year

<b>Parcel Number</b>	<b>Assessed Value</b>	<b>Sale Price</b>	<b>Sale Date</b>	<b>Ratio</b>	<b>Diff: Median</b>
713380-0110	1,394,500	1,600,000	1/25/2010	0.8716	0.1028
128230-1395	1,399,400	1,300,000	8/23/2010	1.0765	0.1021
364610-0978	419,200	380,000	11/9/2010	1.1032	0.1288
367740-0205	443,800	400,000	1/31/2011	1.1095	0.1351
042404-9058	343,400	349,950	9/30/2011	0.9813	0.0069
042404-9284	237,800	238,000	10/4/2011	0.9992	0.0248
059700-0650	417,900	435,000	1/4/2012	0.9607	0.0137
684365-0040	235,100	237,595	1/6/2012	0.9895	0.0151
713430-0235	1,925,400	1,850,000	1/13/2012	1.0408	0.0664
149830-2980	246,000	281,500	3/7/2012	0.8739	0.1005
149830-2983	243,600	256,100	3/17/2012	0.9512	0.0232
149830-2985	243,600	250,000	4/3/2012	0.9744	0.0000
149830-2986	243,600	249,500	4/3/2012	0.9764	0.0020
149830-2981	254,200	239,950	4/6/2012	1.0594	0.0850
149830-2982	243,600	245,950	4/6/2012	0.9904	0.0160
149830-2987	243,600	259,000	4/18/2012	0.9405	0.0339
684365-0010	282,000	260,000	5/14/2012	1.0846	0.1102
684365-0050	183,900	207,900	6/22/2012	0.8846	0.0898
364610-0280	864,500	995,000	7/13/2012	0.8688	0.1056
149830-2984	243,600	279,950	7/25/2012	0.8702	0.1042
684365-0080	205,700	230,000	10/11/2012	0.8943	0.0801
333050-0730	632,400	650,000	11/19/2012	0.9729	0.0015
059700-0685	311,300	360,000	11/27/2012	0.8647	0.1097
332000-0510	1,207,800	1,000,000	11/28/2012	1.2078	0.2334
364610-0978	419,200	435,330	12/11/2012	0.9629	0.0115

## Improvement Sales for Area 040 with Sales Used

03/27/2013

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
040	010	332000	0510	5,309	2576274	\$1,000,000	11/28/12	\$188.36	WASHINGTON BURGLAR ALARM	DMR/C 6	1	Y	
040	010	684365	0010	1,659	2545301	\$260,000	05/14/12	\$156.72	PONTEDERA	NC3-65	1	Y	
040	010	684365	0040	1,383	2526456	\$237,595	01/06/12	\$171.80	PONTEDERA	NC3-65	1	Y	
040	010	684365	0050	1,082	2551229	\$207,900	06/22/12	\$192.14	PONTEDERA	NC3-65	1	Y	
040	010	684365	0080	1,210	2569349	\$230,000	10/11/12	\$190.08	PONTEDERA	NC3-65	1	Y	
040	010	713380	0110	11,900	2427484	\$1,600,000	01/25/10	\$134.45	WAREHOUSE	IC-65	1	Y	
040	010	713430	0235	10,049	2526322	\$1,850,000	01/13/12	\$184.10	YUEN LUI CORPORATE OFFICES	IC-65	4	Y	
040	020	042404	9058	1,431	2513229	\$349,950	09/30/11	\$244.55	townhouse unit	LR2 RC	1	Y	
040	020	042404	9284	881	2514738	\$238,000	10/04/11	\$270.15	townhouse unit	LR2 RC	1	Y	
040	020	364610	0280	6,544	2554109	\$995,000	07/13/12	\$152.05	KRAB RADIO & RETAIL STORE	NC3-65	1	Y	
040	020	364610	0978	2,466	2579284	\$435,330	12/11/12	\$176.53	Mixed Use/Live Work	NC1-30	1	Y	
040	020	364610	0978	2,466	2467159	\$380,000	11/09/10	\$154.10	Mixed Use/Live Work	NC1-30	1	Y	
040	040	059700	0650	3,250	2525655	\$435,000	01/04/12	\$133.85	Vacant Retail	NC2P-40	1	Y	
040	040	059700	0685	1,853	2577427	\$360,000	11/27/12	\$194.28	FAMILY DENTISTRY	LR2	1	Y	
040	040	367740	0205	2,184	2477557	\$400,000	01/31/11	\$183.15	Beacon BBQ Store & Deli and Blen	NC2-40	1	Y	
040	050	149830	2980	1,406	2536590	\$281,500	03/07/12	\$200.21	Live/Work Townhouse	C1-40	1	Y	
040	050	149830	2981	1,453	2538495	\$239,950	04/06/12	\$165.14	Live/Work Townhouse	C1-40	1	Y	
040	050	149830	2982	1,392	2537930	\$245,950	04/06/12	\$176.69	Live/Work Townhouse	C1-40	1	Y	
040	050	149830	2983	1,392	2536482	\$256,100	03/17/12	\$183.98	Live/Work Townhouse	C1-40	1	Y	
040	050	149830	2984	1,392	2560038	\$279,950	07/25/12	\$201.11	Live/Work Townhouses	C1-40	1	Y	
040	050	149830	2985	1,392	2537506	\$250,000	04/03/12	\$179.60	Live/Work Townhouse	C1-40	1	Y	
040	050	149830	2986	1,392	2537709	\$249,500	04/03/12	\$179.24	Live/Work Townhouse	C1-40	1	Y	
040	050	149830	2987	1,392	2539249	\$259,000	04/18/12	\$186.06	Live/Work Townhouse	C1-40	1	Y	
040	060	128230	1395	8,130	2456359	\$1,300,000	08/23/10	\$159.90	Institute for Cosmology	C1-65	1	Y	
040	060	333050	0730	3,674	2575631	\$650,000	11/19/12	\$176.92	B & H AUTO PARTS	NC2-40	1	Y	

Vacant Sales for Area 040 with Sales Used

02/12/2013

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
040	010	000760	0122	16,801	2582709	\$1,125,000	12/28/12	\$66.96	MEDICAL CLINIC	NC2-40	1	Y	
040	010	331950	0701	5,080	2443494	\$336,000	05/20/10	\$66.14	VACANT COMMERCIAL	L-3	1	Y	
040	010	331950	1235	17,744	2582554	\$1,225,000	12/27/12	\$69.04	STORAGE BUILDING (ASSOCIATE PA	NC3-40	3	Y	
040	010	331950	1245	5,416	2582561	\$900,000	12/27/12	\$166.17	VANS METAL SPINNERS (Associate p	NC3-40	1	Y	
040	010	331950	1265	11,341	2582792	\$1,050,000	12/27/12	\$92.58	RESTAURANT/OFC/WHSE	NC3-40	2	Y	
040	010	331950	1275	11,200	2583123	\$1,200,000	12/28/12	\$107.14	MANUFACTURING BLDG	NC3-40	1	Y	
040	010	817010	0385	12,000	2436489	\$1,019,000	04/14/10	\$84.92	ROYAL GLASS	IC-65	1	Y	
040	010	982670	0450	20,880	2531932	\$900,000	02/23/12	\$43.10	MULTIFAITH WORKS	LR3	3	Y	
040	020	364610	0340	103,759	2483918	\$7,634,160	03/25/11	\$73.58	STARBUCKS-WALGREENS	NC3-65	2	Y	
040	020	636290	0090	7,508	2536580	\$355,000	03/20/12	\$47.28	Turning Point CHURCH	LR1	1	Y	
040	020	982670	1300	12,800	2561744	\$724,950	08/29/12	\$56.64	SCHOOL - ODESSA BROWN CHILDR	LR2	1	Y	
040	020	982770	0005	1,460	2575345	\$95,000	11/16/12	\$65.07	VACANT LOT	LR3	1	Y	
040	040	308600	3260	7,200	2540003	\$724,500	04/19/12	\$100.63	Vacant	NC2P-65	1	Y	
040	050	000360	0028	9,571	2436081	\$337,500	04/07/10	\$35.26	8 UNIT APT	L-2 RC	1	Y	
040	050	159460	0110	4,900	2445117	\$410,000	06/04/10	\$83.67	WAREHOUSE	C1-65	1	Y	
040	060	152404	9012	13,432	2582250	\$955,000	12/24/12	\$71.10	SILVER FORK REST	C2-65	1	Y	
040	060	170290	1775	3,360	2479624	\$272,000	02/11/11	\$80.95	ANGIES TAVERN	NC3P-40	1	Y	
040	060	222404	9071	271,860	2582315	\$11,000,000	12/28/12	\$40.46	ZION PREP ACADEMY	LR3	2	Y	
040	060	564960	0172	48,050	2425754	\$3,454,422	01/15/10	\$71.89	Harbor Prop	C2-65	2	Y	

## Improvement Sales for Area 040 with Sales not Used

03/27/2013

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
040	010	000760	0192	29,110	2526496	\$2,700,000	01/13/12	\$92.75	SEATTLE URBAN LEAGUE	NC3-65	2	N	Imp char. changed since sale.
040	010	331950	1475	7,440	2451850	\$1,502,142	07/23/10	\$201.90	AMERICAN BUILDING MAINTENANCE	NC3-40	5	7	Questionable per sales identification
040	010	817010	0005	17,250	2466124	\$825,000	11/08/10	\$47.83	WHOLESALE/MFG/WHSE	NC3-65	2	8	Questionable per appraisal
040	010	817010	0520	10,249	2437559	\$4,323,365	04/19/10	\$421.83	MC MACHINERY & COMP CO	IC-65	1	31	Exempt from excise tax
040	020	982670	1300	4,707	2479987	\$625,000	02/22/11	\$132.78	SCHOOL - ODESSA BROWN CHILDR	L-1	1	61	Financial institution resale
040	040	367940	1205	1,653	2429195	\$1,700,000	02/16/10	\$1,028.43	PRODUCE STAND	NC1-40	1	8	Questionable per appraisal
040	050	149830	2805	2,400	2437578	\$547,000	04/20/10	\$227.92	STORAGE WAREHOUSE	C1-65	1	N	Imp char. changed since sale.
040	050	149830	2810	7,383	2468767	\$814,000	11/30/10	\$110.25	OFFICE/STORAGE	C1-65	1	13	Bankruptcy - receiver or trustee
040	060	128230	0285	3,500	2506481	\$450,000	08/17/11	\$128.57	PHO BAC II	NC3-65	1	51	Related party, friend, or neighbor
040	060	128230	0420	2,137	2592152	\$225,000	02/28/13	\$105.29	A & A Auto Repair + SFR	NC3-65	1		after appraisal date; not in ratio study
040	060	128230	0825	3,997	2501076	\$980,000	07/12/11	\$245.18	EMERALD CITY FOOD STORE	NC3-65	1	15	No market exposure
040	060	170290	0995	6,018	2533569	\$160,000	03/12/12	\$26.59	NEON ART GROUP	NC3-40	1	18	Quit claim deed
040	060	170290	1730	3,200	2437379	\$500,000	04/02/10	\$156.25	FLUOROCARBON - Saint g	NC2-40	1	22	Partial interest (1/3, 1/2, etc.)
040	060	170340	0016	18,000	2594642	\$7,175,000	03/20/13	\$398.61	COLUMBIA CITY MARKET	NC3P-65	1		after appraisal date; not in ratio study
040	060	170990	0020	1,840	2577491	\$160,000	11/28/12	\$86.96	VACANT BLDG	NC2-40	1	7	Questionable per sales identification
040	060	170990	0020	1,840	2587864	\$225,000	01/28/13	\$122.28	VACANT BLDG	NC2-40	1	N	after appraisal date; not in ratio study
040	060	234130	0585	2,987	2441646	\$400,000	05/13/10	\$133.91	DOS AMIGOS TAVERN	C1-40	1	23	Forced sale
040	060	333050	0935	6,620	2592441	\$550,000	02/26/13	\$83.08	MISC RETAIL	NC2P-40	1		after appraisal date; not in ratio study
040	060	564960	0173	14,000	2532396	\$1,437,778	02/22/12	\$102.70		C2-65	1	11	Corporate affiliates
040	060	564960	0450	853	2544334	\$223,000	05/15/12	\$261.43	Brandon Street II Townhomes	LR2	1	56	Builder or developer sales
040	070	123100	1039	1,580	2512630	\$250,000	09/20/11	\$158.23	RETAIL & APARTMENT	NC1-30	1	15	No market exposure
040	070	415430	4415	1,720	2436988	\$610,000	04/16/10	\$354.65	REAL ESTATE & INSURANCE OFFI	NC1-30	1	46	Non-representative sale

Vacant Sales for Area 040 with Sales not Used

02/12/2013

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
040	010	000760	0209	1,980	2560401	\$105,000	08/23/12	\$53.03	VACANT	C2-65	1	15	No market exposure
040	010	332050	0080	3,000	2552639	\$213,750	06/29/12	\$71.25	VACANT LAND	DMR/C 6	1	15	No market exposure
040	010	713230	0135	16,457	2426688	\$1,300,000	01/22/10	\$78.99	VACANT INDUSTRIAL	NC3-65	2	51	Related party, friend, or neighbor
040	020	042404	9058	2,057	2439844	\$80,000	05/03/10	\$38.89	LAND ONLY	L-2 RC	1	12	Estate administrator, guardian, or e
040	020	331950	0985	27,231	2458053	\$1,700,000	09/09/10	\$62.43	VACANT	C1-65	1	61	Financial institution resale
040	020	783380	0040	7,262	2432673	\$290,400	03/11/10	\$39.99	Vacant	SF 5000	1	17	Non-profit organization
040	040	640170	0015	5,920	2458263	\$205,000	09/09/10	\$34.63	Vacant Parcel	L-2	1	8	Questionable per appraisal
040	060	335740	0045	6,650	2524714	\$170,849	12/29/11	\$25.69	VACANT LAND	LR2 RC	1	16	Government agency
040	060	529220	0050	6,202	2473654	\$120,000	12/21/10	\$19.35	VACANT	L-2	1	8	Questionable per appraisal
040	060	564960	0172	36,949	2532369	\$8,500,000	02/22/12	\$230.05		C2-65	1	11	Corporate affiliates

Area	Neighborhood	Major	Minor
40	50	000360	0001
40	50	000360	0005
40	50	000360	0007
40	50	000360	0010
40	50	000360	0022
40	50	000360	0026
40	50	000360	0029
40	50	000360	0030
40	50	000360	0031
40	50	000360	0035
40	50	000360	0040
40	50	000360	0043
40	50	000360	0055
40	50	000360	0056
40	50	000360	0059
40	50	000360	0062
40	50	000360	0063
40	50	000360	0074
40	50	000360	0079
40	50	027200	0600
40	50	027200	0700
40	50	027200	0915
40	50	092404	9004
40	50	092404	9007
40	50	102404	9040
40	50	149830	1980
40	50	149830	1995
40	50	149830	2005
40	50	149830	2010
40	50	149830	2020
40	50	149830	2030
40	50	149830	2035
40	50	149830	2080
40	50	149830	2175
40	50	149830	2235
40	50	149830	2245
40	50	149830	2300
40	50	149830	2305
40	50	149830	2340
40	50	149830	2345
40	50	149830	2390
40	50	149830	2455
40	50	149830	2515
40	50	149830	2520
40	50	149830	2560



40	50	149830	2570
40	50	149830	2590
40	50	149830	2600
40	50	149830	2605
40	50	149830	2615
40	50	149830	2630
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40	50	149830	2987
40	50	149830	3000
40	50	149830	3015
40	50	149830	3030
40	50	149830	3040
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40	50	149830	3116
40	50	149830	3300
40	50	149830	3404
40	50	149830	3408
40	50	149830	3561
40	50	149830	3565
40	50	159460	0010
40	50	159460	0030
40	50	159460	0090
40	50	159460	0105
40	50	159460	0110
40	50	159460	0115
40	50	159460	0130
40	50	159460	0155
40	50	159460	0175
40	50	159460	0285
40	50	169590	0128

40	50	182230	0005
40	50	182230	0020
40	50	182230	0180
40	50	239460	0095
40	50	308300	0150
40	50	308400	1375
40	50	308500	1665
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40	50	308500	1995
40	50	308500	2065
40	50	308500	2085
40	50	308500	2100
40	50	368390	0005
40	50	388190	0465
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40	50	505830	0070
40	50	505830	0125
40	50	526030	0205
40	50	526030	0206
40	50	526030	0220
40	50	539360	1245
40	50	539360	1250
40	50	539360	1265
40	50	539360	1275
40	50	539460	0175
40	50	569920	0000
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40	50	569920	0060
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40	50	569920	0075
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40	50	690970	0085
40	50	713830	0005
40	50	713830	0015
40	50	713830	0035
40	50	713830	0055
40	50	713830	0080
40	50	713830	0090
40	50	713880	0010
40	50	713880	0025
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40	50	713880	0080
40	50	713880	0085
40	50	754830	0835
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40	50	754830	0855
40	50	754830	0860
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40	50	754830	0965
40	50	754830	0980
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40	50	754830	1085
40	50	754830	1095
40	50	754830	1100
40	50	754830	1115
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40	50	754830	1155
40	50	811110	0170
40	50	884770	0000
40	50	884770	0010
40	50	884770	0020
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40	50	885000	0735
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40	50	885000	0790
40	50	885000	0800
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40	50	885000	0975
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40	50	912200	0980
40	50	912200	1025
40	70	123100	0595
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40	70	123100	1065
40	70	232404	9007
40	70	372380	0100
40	70	415430	4405
40	70	415430	4415
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40	70	524980	0001
40	70	524980	3235
40	70	524980	3666
40	70	524980	3835
40	70	524980	3975
40	70	524980	3995
40	70	524980	4270
40	70	558320	0080
40	70	558320	0820
40	70	558320	0846
40	70	558320	0850
40	70	558320	0855
40	70	558320	1030
40	70	786750	0025