

Commercial Revalue

2016 Assessment roll

AREA
25

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

John Wilson, Assessor



King County

Department of Assessments

Accounting Division

500 Fourth Avenue, ADM-AS-0740
Seattle, WA 98104-2384

(206) 205-0444 FAX (206) 296-0106

Email: assessor.info@kingcounty.gov

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

John Wilson
Assessor

Dear Property Owners:

Property assessments are being completed by our team throughout the year and valuation notices are being mailed out as neighborhoods are completed. We value your property at fee simple, reflecting property at its highest and best use and following the requirements of state law (RCW 84.40.030) to appraise property at true and fair value.

We are continuing to work hard to implement your feedback and ensure we provide accurate and timely information to you. This has resulted in significant improvements to our website and online tools for your convenience. The following report summarizes the results of the assessments for this area along with a map located inside the report. It is meant to provide you with information about the process used and basis for property assessments in your area.

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

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

In Service,

John Wilson
King County Assessor

Executive Summary Report

Appraisal Date 1/1/16

Geographic Appraisal Area:

- Area 25: Capitol Hill/East Lake/ Madison Park

Sales – Improved Summary

- Number of Sales: 32
- Range of Sales Dates: 06/15/2013– 12/9/2015

Sales – Ratio Study Summary

Sales--Improved Valuation Change Summary				
	Mean Assessed val.	Mean Sale Price	Ratio	COD*
2015 Value	\$1,830,100	\$2,472,400	74.00%	16.96%
2016 Value	\$2,275,700	\$2,472,400	92.00%	5.95%
Abs.. Change	\$445,600		18.00%	-11.01%
	24.35%		24.32%	-64.92%

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

Sales used in analysis: All improved sales that were verified as good that did not have characteristic changes between the date of sale and the date of appraisal were included in the analysis. Examples of sales that are not included in the analysis are: sales that are leased back to the seller; sold as a portion of a bulk portfolio sale; net lease sales; sales that had major renovation after sale, or have been segregated or merged since being purchased. Note: the percentage change is skewed by one unique sale (parcel #780397-0010, E#2753523) removing it would result in 12.52% change.

Total Population - Parcel Summary Data			
	Land	Improvements	Total
2015 Value	\$1,920,479,300	\$1,900,391,300	\$3,820,870,600
2016 Value	\$2,147,946,600	\$1,853,385,400	\$4,001,332,000
% Change	11.84%	-2.47%	4.72%

Number of Parcels in the Population: **1,246**, excluding specialties and government-owned properties.

Conclusion and Recommendation:

Total assessed values for the 2016 revalue have increased 4.72%.

The values recommended in this report improve uniformity and equity; therefore it is recommended they should be posted for the 2016 Assessment Year.

Identification of the Area

Name or Designation

- Area 25 Capitol Hill

Area 25 Neighborhoods

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

Boundaries

North: **Lake Union Ship Canal**

South: **East Spruce Street and East Alder Street**

West: **Interstate 5 and Lake Union**

East: **Lake Washington**



Maps:

A general map of the area is included in this report. More detailed Assessor's maps are located on the 7th floor of the King County Administration Building.

Area Description:

Area 25 is centrally located between the downtown core on the west and Lake Washington on the east; it is divided into seven neighborhoods: Broadway, First Hill, Madison, North Capitol Hill-Montlake, Central District, Eastlake and Madison Park. The Capitol Hill geo area is predominantly a high-density residential area with interspersed business cores. The six different neighborhoods are similar in their mixed-use compositions but all unique in their own rights.

Area Overview:

The Capitol Hill (geographical area 25) is a busy vibrant collection of older Seattle neighborhoods easterly just up the hill from the Seattle downtown core. If one word was to be used as a descriptor I would choose "Variety". From the variety of individual and unique neighborhoods to the seemingly never ending assortment of restaurants, nighttime entertainment venues, retail shops (of all shapes and sizes) to even the wide-ranging choices in hospitals, health care facilities, schools and universities. And as you might imagine, the people that live, work and play within are as colorful and diverse as well as often outspoken in their varied beliefs. The hill is a unique and desirable attraction for

downtown professionals, students and young families. Many locations also have excellent views of both the cities of Seattle and/or Bellevue along with the surrounding waterfronts and Olympic or Cascade mountain ranges. The area is desirable from both a cultural, economic and real estate perspective. Most notably the main thoroughfares; the Pike / Pine corridor, Broadway and Madison Avenue with surrounding blocks have seen somewhat constant change and growth. The Link light rail station recently opened and started service with connections to the UW, downtown and southward all the way to Sea Tac airport. The large, empty lots around the station will remain closed in anticipation for a four-site TOD development project that will include housing, retail, and community space. The development is planned to meet community priorities for 418 apartments with 38% of units to rent for below market rate for 12 years and 86 units designated for “permanent affordable housing.” Plans for a Broadway retail “bazaar”, called The Market Hall, envision “a mix of local retailers, served by booths of varying sizes to accommodate the start-up entrepreneur as well as more established specialty retailers.” Construction is expected to begin in 2017 following planning and design review.

The First Hill streetcar service finally started testing in late 2015 with full service started in mid-January. The 2.5 mile, 10 stop route connects the neighborhoods and business districts of Capitol Hill, First Hill, Yesler Terrace, Central Area, Chinatown-International District and Pioneer Square, while also serving major medical centers (Swedish Medical Center and Harborview Medical Center), institutions of higher learning (Seattle Central College and Seattle University) and major sporting event venues (CenturyLink and Safeco Field).

The most prevalent new construction has continued to be multi-story mixed use developments with street level retail below residential apartments. The once aggressive popularity of new micro apartment developments have been slowing considerably and somewhat replaced by a very active trend of new single family townhomes, often replacing one single home with multiple multi-story townhomes.



Analysis Process

Effective Date of Appraisal: January 1st, 2016

Date of Appraisal Report: March 23rd, 2016

The following appraiser did the valuation for this geographic area:

- Raphael Roberge – Commercial Appraiser I

Highest and Best Use Analysis

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

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

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

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

Standards and Measurement of Data Accuracy

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

Special Assumptions and Limiting Conditions

All three approaches to value were considered in this appraisal.

- Sales from 06/15/2013 to 12/09/2015 (at minimum) were considered in all analyses.
- This report intends to meet the requirements of the Uniform Standards of Professional Appraisal Practice, Standard 6.

Area 25 is comprised of the following seven neighborhoods:

Broadway (25-41)

Boundaries: I-5 borders on the west from East Union street north to East Roy Street and on the east by 12th Avenue.

Neighborhood Description:

The Broadway neighborhood is a vibrant urban gateway to Downtown Seattle and one of Seattle’s oldest neighborhoods. The Capitol Hill Broadway neighborhood’s economy is healthy and seems to change daily. This is partially due to the proximity to downtown, and the concentration of Universities, Schools and major medical employers nearby.



The majority of commercial properties in this neighborhood are located along Broadway Avenue, Denny Avenue, Olive Street, Pike Street, and Pine Street. The existing commercial businesses in this area are mixed-use retail buildings, restaurants, stores, and office space.

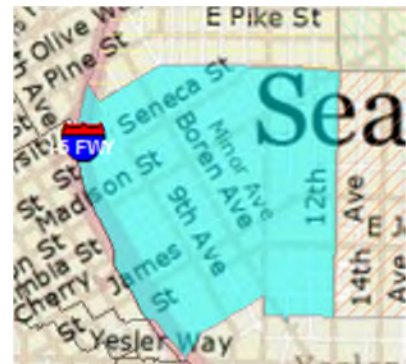
In the past the majority of buildings along Broadway were predominantly 1-2 stories in height. Over the last few years multiple 4-7 story mixed use buildings have been completed and the neighborhoods change of character is noticeable. More developments are planned or under construction so change will continue for some time to come. A large development that has been in the background has now completed construction and started actively leasing space is named the “Pike Motorworks” at 714 E Pike. The former BMW auto dealership will be redeveloped using the original 1926 brick façade. The current proposal calls for 7 stories containing 270 high quality luxury apartments above 22,000 of retail space. A unique feature of that retail, approximately 8,000 sq. ft. will have 22 foot ceilings.

First Hill (25-42)

Boundaries: I-5 on the west boundary from Alder Street up to Boren Avenue, then north from East Spruce Street up to East Union Street and 12th Avenue on the east.

Neighborhood Description:

First Hill is the central medical hub for the Seattle area. Several major institutions are located here, including Swedish Hospital, Harborview Medical Center, the Polyclinic and Virginia Mason.



Ongoing construction, upgrades and expansion of the hospitals has continued including the addition and renovation in progress at Harborview Hospital. Virginia Mason also continues to complete its newest addition, the Floyd & Delores Jones Pavilion, on a floor by floor basis.

The projected Yesler Terrace redevelopment directly to the south of First Hill will be a huge influence on First Hill and development continues to move along including the restoration of the old steam plant into community spaces. Started earlier this year, the “Decibel” project on the corner of 12th Ave and E Alder St. is one of the first of many that are planned around Yesler Terrace. It will consist of 75 work force housing units and 3,000 sq. ft. street level retail

The planned 24 story condominium project located at 1321 Seneca St. now named “Luma” will feature 189 condo units with 5 stories of underground parking is still under construction and will be completed in 2016. The 1001 Broadway medical office building still on the horizon will be redeveloped into a Whole Foods urban grocery store with 16 stories containing 288 residential units with 374 auto stalls and 98 bicycle spaces. Also at the corner of 8th and Madison the space previously occupied by M Street Grocery and empty since February 2011, has been remodeled into a 1.6 million dollar Veterinary hospital. One interesting tidbit about this building is before M Street martial arts instructor Taky Kimura operated a Shop Rite on the property with his family. Kimura taught Bruce Lee martial arts and the two gave martial arts classes together in the store's basement, the Daily Journal of Commerce reported in 2011.

On the corner of Broadway and Union Optimism Brewery and Tap House opened in early December 2015. The building was built in 1920 by Edward Sweeney to be a showroom for the Great Western Motors Company, one of the many car dealerships built on Capitol Hill at the time. The space occupies a prominent spot on Capitol Hill. While it's designed meticulously to make brewing the centerpiece, it's also a memorable place to hang out. The bar and the long community tables are all hand crafted specifically for Optimism from materials salvaged on site, keeping patrons close to the stainless steel and brewers hard at work. At 16,000 square feet, Optimism is capable of brewing 40 kegs of beer per run — significantly larger than most beer startups.

First Hill Streetcar Construction is complete and service officially started in January. The 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, Chinatown ID and Pioneer Square, while also serving major medical centers (Harborview, Swedish, and Virginia Mason), institutions of higher learning (Seattle Central College and Seattle University).

Madison (25-43)

Boundaries: 12th Avenue is the west boundary and starts at East Union Street on the south then up to East Roy Street and generally follows East Madison out to where East Roy crosses East Madison.



Neighborhood Description:

This neighborhood envelopes the east end of the Pike / Pine corridor and then out along E Madison Street north to the intersection of E Roy St. The commercial properties in this neighborhood serve the surrounding residential neighborhoods with a nucleus of restaurants, studios, unique retail shops, and older mixed-use properties.

There have been a number of micro apartment developments scattered throughout this neighborhood. Redevelopment of existing commercial buildings have been picking up along 15th Ave E from Madison Street north.

This neighborhood is also home to the Bullitt Foundations “Bullitt Center” The Bullitt Center awarded the Living Building Certification. It’s the first office building to get the designation, considered the most rigorous sustainability certification in the world.

Lake Washington/Eastlake (25-44)

Boundaries: Starting on East Galer and following Fairview Avenue East north to where it turns into Fuhrman Avenue East on the north down to East Shelby Street west to I-5 and south to East Galer Street.



Neighborhood Description:

The East Lake Washington neighborhood is predominantly residential condominium uses with most of the commercial retail and office space occurring along Eastlake Avenue East and some offices along Fairview Ave with views of Lake Union. Two medium sized mixed use projects are underway along Eastlake Ave.

Infill and redevelopment of single family homes into multifamily properties continues to be a popular trend in this neighborhood as well. As with the Capitol Hill or First Hill neighborhoods lately the trend has been development of single family or small 2-4 family properties into multiple parcel segregations supporting new multiple story single family townhomes.

Central District (25-45)

Boundaries: East Spruce Street on the south up 12th Avenue on the west to East Union Street, then northeasterly to East Howell Street then south along 30th Ave to Union, east to 32nd Ave then south to East Spruce Street.

Neighborhood Description:

The Central District is Seattle's oldest residential neighborhood. It was developed for housing in the mid-eighteen hundreds because of its proximity to the Central Business District. Most commercial activities in the neighborhood are located on 12th Avenue East and 23rd Avenue East, running north and south, while Union and Cherry Streets are the main commercial thoroughfares running east and west. The intersection of 23rd and Union continues to see change and has seen some new construction activity throughout 2015. The City of Seattle has been hard at work renewing and improving 23rd Ave. East through most of 2015. Unfortunately this has created some hardships for commercial business all along 23rd. Although Seattle has promised help, it is slow in coming. When completed access will be much better and is hoped will drive growth and redevelopment for years to come.

Uncle Ikes, Seattle's second recreational marijuana retail outlet at 2310 Union on the NE corner has been busy since day one.

Additional sales have occurred nearby on several properties on both sides of Union and along 23rd. All of these are creating a bright future for the neighborhood and has received many positive reviews in the local media. As in the First Hill neighborhood (#42) Yesler Terrace redevelopment project will be attracting future development to the south western boundary of this area in coming years. Yesler Terrace consists of a 28 acre site owned by the Seattle Housing Authority.

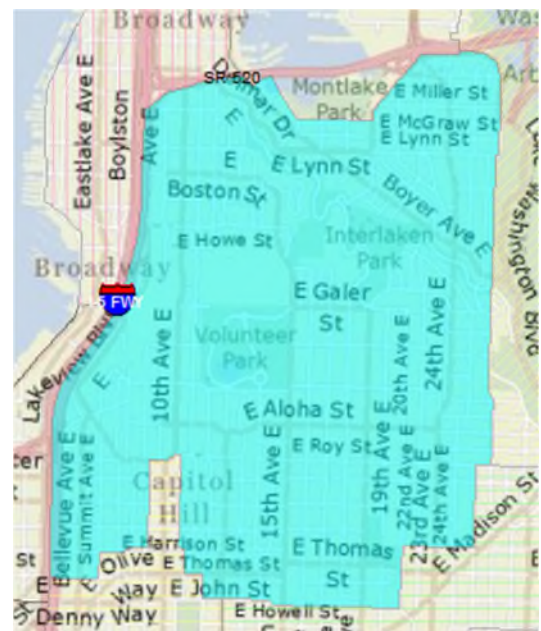


North Capitol Hill/Montlake (25-46)

Boundaries: Generally, with I-5 along the west border to Hwy 528 on the north, with the exception of Lake Washington Arboretum, to 26th Ave E on the East then down as far south to E Denny Way, with the exception of the portion of neighborhood 43 along Madison Avenue on the south east.

Neighborhood Description:

North Capitol Hill / Montlake is adjacent to the bustle of the Broadway shopping district, but is well removed in commercial use. This is predominantly a residential neighborhood with



Craftsman-style and one-story Tudor houses built in the early 20th century. The small commercial districts in Montlake consist of several stores and nice restaurants dispersed throughout with most occurring along 10th, 15th, 19th, and 24th Avenue East. Samples of Landmarks located within this neighborhood are Volunteer Park, Lake View Cemetery, Interlaken Park and a number of historic churches.

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

Lake Washington-Madison Park, (25-47)

Commercial waterfront properties bordering Lake Washington from Hwy 520 south to East Spruce Street and includes the Madison Park neighborhood and Madrona neighborhoods. This neighborhood was previously considered as a portion of neighborhood 25-44. Consideration for distance from the Eastlake market and its own unique location characteristics were driving factors to distinguish this area as its own neighborhood.

Neighborhood Description:

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

Very little new construction has occurred within the Madison Park area. Madrona has seen construction of interest, the Madrona Refuge being the largest and most notable. Located on 34th Ave and half a block south of the



Union Street intersection it consists of street level retail with 26 neighborhood office spaces on the upper floors. Next door the new 34th Street Townhomes with the two units fronting on 34th street offering live/work spaces for the owners. Of the seven neighborhood areas in the Capitol Hill Geo area, this neighborhood is typically the slowest for commercial sales and change in area 25 geographical neighborhoods.

Physical Inspection Area

WAC 458-07-015 requires each property to be physically inspected at least once during a 6 year revaluation cycle. At a minimum, an exterior observation of the properties is made to verify the accuracy and completeness of property characteristic data that affect value. Property records are updated in accordance with the findings of the physical inspection. Neighborhood 25-46 was physically inspected for the 2016 assessment year. This inspection area neighborhood comprised 150 parcels, or approximately 12.03% of the 1,246 total parcels located in Area 25 (not including government-owned or specialty properties). A list of the physically inspected parcels is included in the addendum of this report.

Scope of Data

Land Value Data: Vacant sales that closed between 1/1/2013 to 12/31/2015 were given primary consideration for valuing the land parcels in Area 25. Only sales that were recorded as good (arm's length) in the assessor's records were used.

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.

Improved Parcel Total Value Data: Improved sales that closed between 1/1/2013 to 12/31/2015 were given primary consideration for valuing the parcels in Area 25. Sales information is obtained from excise tax affidavits and reviewed initially by the Accounting Division, Sales Identification Section. Information is analyzed and investigated by the appraiser in the process of revaluation. All sales were verified, if possible, by contacting either the purchaser or seller, inquiring in the field or contacting the real estate broker. Characteristic data is verified for all sales when possible. Sales are listed in the "Sales Used" and "Sales Not Used" sections of this report. Additional

information may reside in the Assessor's Real Property Database, Assessor's procedures, Assessor's "field" maps, Revalue Plan, separate studies, and statutes.

Land Value

Land Sales, Analysis, Conclusions:

Geographical Area 25 market continues to experienced upward influence on land values due to its proximity to Seattle CBC and South Lake Union. Within this area, there are 23 verified commercial land sales that occurred during the last three years that were utilized in ratio analysis for the 2016 revalue. This is three less than the 26 verified sale transactions utilized for the 2015 revalue analysis. In the absence of land sales in a given neighborhood, land sales from other similar neighborhoods were considered. For land valuation purposes, the assessor used GIS (Geographic Information System) as the primary tool to establish new assessed land values. The new land values are based on neighborhood land sales that are equalized with adjacent and similarly zoned properties. In most of these neighborhoods, new commercial development sites are being created through the demolition of existing single family residences located on commercially zoned lots and through the demolition of older commercial and multi-family buildings.

The primary unit of comparison considered was based on price per square foot of land area. "Shell" sales, interim use sales, tear down sales, and land transactions that included plans and permits or outlier sales were reviewed individually in the analysis of the land values. 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. Every effort was made to equalize the assessed land values of similarly zoned land between adjacent areas. Assessed land values are based on land sales of properties with the same zoning or with similar development potential. In the absence of land sales in a given neighborhood, sales from other similar neighborhoods were considered. Only sales verified as "arms-length" were used in the market analysis.

The strongest increases occurred in the Broadway (25-41), First Hill (25-42) and Madison (25-43) neighborhoods. The total recommended assessed land value for the 2016 assessment year is \$4,648,555,600. The recommended land values for the 2016 assessment year result in an increase from the 2015 assessment of +10.10%. The preceding totals include all taxable and nontaxable parcels in Area 25, excluding government owned parcels.

Change in Assessed Land Value by Area				
Neighborhood	2015 Land Value	2016 Land Value	Change	% Change
25-41	\$666,701,300	\$842,079,400	175,378,100	26.31%
25-42	\$1,309,316,800	\$1,461,907,200	152,590,400	11.65%
25-43	\$452,466,400	\$529,235,600	76,769,200	16.97%
25-44	\$322,061,100	\$330,027,600	7,966,500	2.47%
25-45	\$393,569,800	\$397,178,800	3,609,000	0.92%
25-46	\$817,824,000	\$827,183,400	9,359,400	1.14%
25-47	\$260,320,500	\$260,943,600	623,100	0.24%
Total	\$4,222,259,900	\$4,648,555,600	426,295,700	10.10%

NEIGHBORHOODS AND SALES:

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

Area Overview

Since 2013, there have been a total of twenty-three (23) commercial land sales throughout Area 25 that meet the requirements of a fair market transaction.

Area 25-41 – Broadway

The Broadway neighborhood runs from I5 on the west side then easterly out to 12th Avenue and between East Union Street on the south and East Roy Street on the north. The majority of commercial properties in this neighborhood are located along Broadway Avenue, Denny Avenue, Olive Street, Pike Street, and Pine Street. The existing commercial businesses in this area are mixed-use retail buildings, restaurants, stores, and office spaces. There were four sales in area 25-41 used.

Area	Nbhd.	Major	Minor	Land Area	E#	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone
025	041	880490	0735	5,000	2617900	\$895,000	07/12/13	\$179.00	SFR - Dup	MR
025	041	872560	0240	29,872	2633227	\$9,200,000	09/30/13	\$307.98	MELROSE	NC3P-65
025	041	872560	0095	5,250	2707665	\$1,350,000	12/15/14	\$257.14	6 - UNIT A	MR
025	041	880490	0335	9,000	2708517	\$3,100,000	01/02/15	\$344.44	BAYSIDE	NC3P-65

E#2617900 - single parcel, 1908 duplex sold for land value. Plans and permits on property now, no construction started.

E#2633227 - Six parcel assemblage with multiple tear downs and redeveloped into a 9 story, 211 unit mixed use.

E#2707665 - One parcel sale with 6 unit tear down sold with plans and permits started six months prior to closing. Construction of new boarding house or possible micro apartment started late July 2015.

E#2708517 - Two parcel all cash sale of old Auto dealership. Plans and permits believed to be included or under way for redevelopment into mixed use multi story building with below grade parking.

Area 25-42 – First Hill

The First Hill neighborhood is also bordered on the west by I5 and on the east by 12th Avenue. The south side runs along Alder street and on the north side along East Union. This neighborhood contains the highest zoning for the Capitol Hill (Area 25) market. Even some of the lower height zones have zoning overlays allowing exceptions for certain uses. First Hill is the central medical hub for the Seattle area. Several major institutions are located here, including Swedish Hospital, Harborview Medical Center, the Polyclinic and Virginia Mason. There were four sales in this neighborhood used.

Area	Nbhd.	Major	Minor	Land Area	E#	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone
025	042	197920	0065	30,420	2685623	\$9,000,000	08/12/14	\$295.86	PARKING	HR
025	042	197920	0045	2,000	2685624	\$750,000	08/19/14	\$375.00	PARKING	HR
025	042	219760	0735	9,656	2692871	\$1,700,000	09/29/14	\$176.06	VACANT L	NC3P-65
025	042	219760	0742	4,477	2692870	\$850,000	09/29/14	\$189.86	Poor Cond	NC3P-65

E#2685623 - Large four parcel sale currently used as commercial parking located next to I5 overlooking downtown Seattle and south Lake Union. Purchased from First Presbyterian Church, redevelopment plans are unknown at this time.

E#2685624 - A smaller one parcel assemblage purchase together with the sale listed above, a four parcel sale located along I5 above downtown Seattle and south Lake Union.

E#2692871 & E#2692870 - Assemblage of 5 parcels to develop a six story 75 unit/ 3,000 sq. ft. commercial mixed use building named "Decibel" The overall price paid for the land is \$180.42 per sq. ft.

Area 25-43 – Madison

This neighborhood includes the east end of the Pike / Pine corridor and then out along E Madison Street north to the intersection of E Roy St. The commercial properties in this neighborhood serve the surrounding residential neighborhoods with a nucleus of restaurants, studios, unique retail shops, and older mixed-use properties. There were five sales in the Madison neighborhood used.

Area	Nbhd.	Major	Minor	Land Area	E#	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone
025	043	140730	0135	22,209	2651815	\$4,200,000	01/31/14	\$189.11	OSCAR'S	NC3P-65
025	043	172880	0075	12,266	2662602	\$3,600,000	04/16/14	\$293.49	PARKING	NC3P-65
025	043	949770	0010	23,895	2700061	\$5,700,000	10/29/14	\$238.54	PARTY H/	NC3P-65
025	043	949770	0075	8,800	2706108	\$1,800,000	12/17/14	\$204.55	FIRESTON	NC3P-65
025	043	022200	0020	5,700	2740868	\$1,775,000	07/02/15	\$311.40	Cleaners	NC3P-65

E#2651815 - Four parcel redevelopment sale from developer to developer. New 6 story mixed use building with 95 units and below grade parking under construction.

E#2662602 - Two parcel sale with plans and permits for a 70 unit mixed use building also parcels have contamination issues that effecting sale and construction.

E#2700061 - Six parcel sale with multiple buildings for redevelopment with plans/permits started and one year in escrow. Plans call for a 222 unit mixed use building with below grade parking and nearly 10,000 sq. ft. commercial space.

E#2706108 - Single parcel sale with small multi-tenant believed to be for redevelopment. It was listed on market for 16 months prior to sale. Directly across side street from sale listed above (E#2700061) and occurred soon after. No known plans or permits on file.

E#2740868 - Sale of single parcel improved with older 2 story mixed use building. This property was listed on market over 2 years and was purchased for future redevelopment project.

Area 25-44 – Lake Washington / Eastlake

Lake Washington / Eastlake starts on East Galer and following Fairview Avenue East north to where it turns into Fuhrman Avenue East on the north down to East Shelby Street west to I-5 and south to East Galer Street. This East Lake Washington neighborhood is predominantly residential condominium uses with most of the commercial retail and office space occurring along Eastlake Avenue East and some offices along Fairview Ave with views of Lake Union. There is one sale in area 25-44 utilized.

Area	Nbhd.	Major	Minor	Land Area	E#	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone
025	044	338390	0125	28,760	2644094	\$4,400,000	12/02/13	\$152.99	Azteca	C1-40

E#2644094 - Four parcel sale of former Azteca restaurant for redevelopment into twin 4 story mixed use towers over parking. Construction is currently under way.

Area 25-45 – Central District

The Central neighborhood follows East Spruce Street on the south up 12th Avenue on the west to East Union Street, then northeasterly to East Howell Street then south along 30th Ave to Union, east to 32nd Ave then south to East Spruce Street. The Central District is Seattle's oldest residential neighborhood. It was developed for housing in the mid-eighteen hundreds because of its proximity to the Central Business District. Most commercial activities in the neighborhood are located on 12th Avenue East and 23rd Avenue East, running north and south, while Union and Cherry Streets are the main commercial thoroughfares running east and west. There were five sales in the Central neighborhood utilized.

Area	Nbhd.	Major	Minor	Land Area	E#	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone
025	045	723460	0035	6,720	2594778	\$650,000	03/08/13	\$96.73	Halfway Hc	LR3
025	045	723460	0037	7,680	2626993	\$975,000	08/27/13	\$126.95	Townhome	LR3
025	045	225450	0935	61,440	2637888	\$9,249,000	10/28/13	\$150.54	VACANT LMIO-37-LR3	
025	045	225450	1050	5,280	2675193	\$500,000	06/20/14	\$94.70	VACANT	LR3
025	045	721740	0550	4,800	2692713	\$590,000	09/12/14	\$122.92	SFR Hous	NC2P-40

E#2594778 - Single parcel sale to developer with plans to do a partial redevelopment into residential townhomes.

E#2626993 - Single parcel sale to developer and has been segregated and redeveloped into six residential townhomes.

E#2637888 - Large three parcel sale from exempt seller (hospital services) to exempt buyer (Seattle University)

E#2675193 - Two parcel sale to residential developer, existing SFR was retained and remainder of property was reconfigured and developed into 6 new townhomes.

E#2692713 - Single parcel sale of SFR with detached garage converted into retail space. 138 days on market, purchased for future development.

Area 25-46 – North Capitol Hill / Montlake

Area 25-46 generally runs with I-5 along the west border to Hwy 528 on the north, with the exception of Lake Washington Arboretum, to 26th Ave E on the East then down as far south to E Denny Way, with the exception of the portion of neighborhood 43 along Madison Avenue on the south east. This is predominantly a residential neighborhood with a high count of multi residential properties mixed throughout. The small commercial districts in Montlake consist of several stores and nice restaurants dispersed throughout with most occurring along 10th, 15th, 19th, and 24th Avenue East.

Area	Nbhd.	Major	Minor	Land Area	E#	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone
025	046	216390	0566	1,733	2660485	\$40,000	03/07/14	\$23.08	VACANT	LR3
025	046	600350	0890	14,640	2699693	\$2,630,000	10/28/14	\$179.64	SFR - LAV	LR3

E#2660485 - Single small odd shaped parcel, unknown if buildable. No evidence of bad sale, possible topo issues.

E#2699693 - Three parcel sale on intersection of 12th and E John St. for redevelopment. Property includes a converted SFR office space. Buyer stated they purchased for future commercial redevelopment.

Area 25-47 – Lake Washington / Madison Park

This Madison Park / Madrona neighborhood runs north to south along the west shore of Lake Washington including Madison Park at the easterly end of E Madison Street. There are also a number of waterfront multi-family developments and small lakeside parks. The commercial activity is mostly centered along Madison Street from McGilvra Blvd out to the lake and 34th Ave and E. Union Street. There were two sales from this neighborhood 25-47 used.

Area	Nbhd.	Major	Minor	Land Area	E#	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone
025	047	034200	0125	36,800	2666807	\$3,300,000	05/08/14	\$89.67	GROUP H	SF 5000
025	047	034200	0120	6,000	2692839	\$400,000	09/24/14	\$66.67	vacant SF	SF 5000

E#2666807- Four parcel sale to a residential developer with intentions to build single family homes. Original Group home was demolished and land cleared. Land was segregated into six parcels after sale.

E#2692839 – Single lot sale of one new parcel from previous sale noted above. This sale was from a developer to builder.

The table below summarizes the land valuation model as it was applied to the properties in Area 25. All dollar amounts are stated as a price per square foot of land area. The table

is intended as a guide to “**typical**” land values with additional adjustments made for individual site variations.

Zoning (Detailed Descriptions Follow)	25-41 Broadway	25-42 First Hill	25-43 Madison	25-44 Lake Washington /SE Lake Union	25-45 Central District	25-46 North Capitol Hill/Mortlake	25-47 Madison Park
RLS/TC, SF5000, SF7200, SF9600			\$65/SF	\$65-\$75/SF	\$60-\$65/SF	\$65-\$140/SF	\$30-\$110
L-1, L1-RC, L-2, L2-RC, L-3, L3-RC, L3-PUD, L-4, LDT	\$110/SF		\$70-\$130/SF	\$80-\$130/SF	\$65-\$110/SF	\$70-\$120/SF	\$70-\$130
<i>Multi-Family</i>							
MR, MR-RC	\$125-\$200	\$150-\$175/SF				\$115-\$125	
HR, HR-PUD	\$300/SF	\$250-300/SF					
<i>Commercial</i>							
NC1-30, NC1-30 P2, NC1-40, NC1-65				\$110/SF	\$95-\$100/SF	\$85-\$125/SF	\$90-\$115
NC2-30, NC2-40, NC2/R-40, NC2-40 P2, NC2-65, NC2/R-65		\$150/SF	\$90-\$150/SF	\$105-\$110/SF	\$95-\$150	\$115-\$120	\$115
NC3-40, NC3-40 P1, NC3-65, NC3-65 P1, NC3-85, NC3-160	\$150-\$250/SF	\$150-\$280/SF	\$135-\$250/SF	\$110-\$115/SF	\$115-\$250/SF	\$135-\$165/SF	
<i>Major Institution Overlay</i>							
MIO: SF5000 L-1, L-2 L-3					\$70 SF	\$115	
NC2-40 NC2-40 P1 NC2 – 65 NC3-40 NC3-65 NC3-85 NC3 – 160 MR, HR	\$200/SF	\$150-\$300/SF			\$70-125/SF	\$115-\$120	
C1-40 C1-65 IGI U/45				\$100-\$150			

Zoning Definitions (per the City of Seattle Zoning Code):

Residential

SF (5000, 7200, and 9600), Single Family – These zones typify by detached single-family structures on lots compatible with the character of single-family neighborhoods. The three single family zones vary by minimum lot size required for each detached structure.

RSL (Residential Small Lot) – An area within an urban village that allows for the development of smaller detached homes that may be more affordable than available housing in single family zones. There are four separate RSL designations, which may only be assigned to areas within urban villages through adoption of a Neighborhood Plan.

RSL – One house per lot

RSL/T – Tandem Housing

RSL/C – Cottage Housing

Multifamily

LDT – Low-rise Duplex/Triplex

L1 – Low-rise 1 - 1/1600 (6 units/9,600 sf lot)

L2 – Low-rise 2 - 1/1200 (8 units/9,600 sf lot)

L3 – Low-rise 3 - 1/800 (12 units/9,600 sf lot)

L4 – Low-rise 4 - 1/600 (16 units/9,600 sf lot)

MR – Midrise – Midrise apartment building

HR – High-rise – High-rise apartment building

Industrial

IG1 – General Industrial 1 – Typical Land Uses: General and heavy manufacturing commercial uses, subject to some limits, high impact uses as a conditional use, institutional uses in existing buildings, entertainment uses other than adult, transportation and utility services, and salvage and recycling uses.

IG2 – General Industrial 2 – Typical Land Uses: Same as IG1 with some retail exceptions.

IB – Industrial Buffer – Typical Land Uses: Light and general manufacturing commercial use subject to some limits, some transportation services, entertainment uses other than adult, institutions generally in existing buildings, salvage and recycling uses. IB parcels near residential units subject to limited height restrictions.

IC – Industrial Commercial – Typical Land Uses: Light and general manufacturing, commercial uses, transportation facilities, entertainment other than adult, institutions generally in existing buildings, utilities and salvage and recycling uses.

Commercial

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

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

NC3 – Neighborhood Commercial 3 – A larger pedestrian-oriented shopping district serving the surrounding neighborhood and a larger community, citywide or regional clientele; allowing comparison shopping among a range of retail businesses.

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

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

Preliminary Ratio Analysis

The sales ratio study is an important assessment tool to ensure that properties are uniformly assessed based on market value. This analysis utilizes statistical methods to measure the relationship between a property's assessed value and its sale price by grouping individual sales according to property type and geographic area. This data can be used to review current assessment levels, identify inequities that need to be addressed, and assist in revaluation model development. A preliminary ratio study was done prior to the application of the 2015 recommended values.

RECOMMENDED IAAO STANDARDS ON RATIO STUDIES	
Appraisal Level	.90 to 1.10
Coefficient of Dispersion (COD)	5.0 to 20.0
Price Related Differential (PRD)	.98 to 1.03

The present improved ratio analysis using 32 verified sales has a mean assessed value of \$1,830,100 [\$1,330,700] and a mean sales price of \$2,472,400 [\$1,648,900] indicates a weighted mean ratio of 74.0% [80.70%], Coefficient of Dispersion of 16.96% [16.48%] and price related differential of 1.06 [.98]. Note: Included is one sale of a unique high value property (Parcel #780397-0010 E#2753523) that greatly affects the original analysis and is considered to be an outlier sale. Although, it is an arm's length sale included in the ratio analysis it skews the revaluation statistics. Listed immediately after above in parenthesis [] is the respective number/ratio not including this sale.

Appraisal (Assessment) Level: Estimates of appraisal level are based on measures of central tendency. The weighted mean ratio is the value-weighted average of the arithmetic mean and median ratios in which the weights are proportional to the sales prices. The weighted mean also is the ratio of the average assessed value to the average sales price value. The weighted mean gives equal weight to each dollar of value in the sample, whereas the median and mean give equal weight to each parcel. The weighted mean is an important statistic in its own right and also used in computing the price related differential (PRD), a measure of uniformity between high- and low- value properties.

The IAAO performance standards state that the weighted mean ratio should be between 0.90 and 1.10. The preliminary ratio study for Area 25 shows a weighted mean ratio of 0.740 [80.70%] which is not within the IAAO guidelines, indicating that the current assessment level, as measured using recent sales, is below the acceptable range.

Appraisal (Assessment) Uniformity: Measures of dispersion or variability relate to the uniformity of the ratios. The most generally useful measure of uniformity is the Coefficient of Dispersion (COD). The COD measures the average percentage deviation of the ratios from the median ratio.

The IAAO performance standards state that the COD should be between 5.0 and 20.0 for income producing property in smaller, rural jurisdictions and between 5.0 and 15.0 for larger, urban market jurisdictions. The preliminary ratio study for Area 25 shows a COD of 16.96% [16.48%], which is within the IAAO guidelines, indicating that the current level of assessment uniformity, as measured using recent sales, is in the acceptable range.

A second measure of uniformity utilized in the ratio study is the Price Related Differential (PRD). The PRD provides a measure of price related bias, or the equity between low and high priced property. The IAAO performance standards state that the PRD should fall between 0.98 and 1.03. A value below 0.98 would indicate progressivity in the data where assessment levels increase with increasing sales prices. Values above 1.03 indicate regressivity in the data where assessment level decreases with increases in sales price. The preliminary ratio study for Area 25 shows a PRD at the regressive value of 1.06 [.98] is NOT within the IAAO guidelines, giving a second indication that the current level of assessment uniformity as measured using recent sales is in the acceptable range.

Overall, excluding the sale mentioned the current assessment appears to be slightly progressively dispersed amongst lower and higher valued properties. The individual values are below market when compared to the average sales price of recent sales within area 25 and suggests a reassessment is warranted.

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.

There were 38 improved sales ranging in sale dates from 3/06/2013 to 12/09/2015 in Area 25 that were considered to be fair market transactions and used in the overall analysis. Of these 32 were included in the ratio study. Sale parcels that were segregated/killed, or where the improvements changed after the sale were not included in the ratio study.

These sales were organized into market segments based on predominant use. The sale price unit value ranges serve to establish a general upper and lower market boundary for the various property types within the subject area and were useful when analyzing the income parameters and capitalization rates used in the income models for the various neighborhoods, not all properties will fall with these ranges. Location, quality, and effective age were factors considered for adjustment. Stratification of these sales shows the following market ranges:

Commercial condominium units of mixed use condominium buildings were typically valued by the sales comparison approach when there were sufficient comparable sales available in the complex or from similar buildings. Other non-specialty commercial properties were usually valued by the income method because there were insufficient comparable sales of each property type available and because there was adequate market income data available. When necessary, sales of similar property types from other market areas were considered.

Typical Value Parameters	
Property Type	Adjustment Range per SF
Commercial Condos	\$250 - \$500
Live/Work - SFR conversions	\$375 - \$450

Sales comparison calibration

Calibration of the coefficients utilized in the models applied via the sales comparison approach was established via an analysis of sales within each neighborhood. Neighborhoods were treated independent of one another as dictated by the market. Individual prices were applied based on various characteristics deemed appropriate by each market. Specific variables and prices for each neighborhood are discussed in more detail above.

Cost approach model description

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

Cost calibration

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

Income capitalization approach model description

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

Income: Income data was derived from the market place from landlords and tenants, market sales, as well as through published sources (i.e. officespace.com, Commercial Brokers Association, Co-Star, and real estate websites such as CBRE, Colliers, Kidder Mathews, etc.), and opinions expressed by real estate professionals active in the market.

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

Expenses: Expense ratios were estimated based on industry standards, published sources, and the appraiser's knowledge of the area's rental practices.

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

SEATTLE / REGIONAL CAP RATES

Source	Date	Location	Office	Industrial	Retail	Remarks
			-	-	6.27%	Community Retail – Class A
			-	-	6.48%	Neighborhood Retail – Class A
Colliers	3 rd QTR 2015	Seattle Puget Sound	5.50% 7.10% -	- - 6.60%	- - -	CBD Office Suburban Office Industrial
CoStar	4Q 2015	Seattle Puget Sound	6.58% 6.22% 6.08% - - - - -	- - - 7.08% 6.77% 6.08% - -	- - - - - - 6.17% 6.51% 5.90%	Building Size < 25,000 SF Building Size 25,000 SF – 50,000 SF Building Size 50,000 SF – 300,000 SF Building Size < 25,000 SF Building Size 25,000 SF – 50,000 SF Building Size 50,000 SF – 300,000 SF Building Size < 25,000 SF Building Size 25,000 SF – 50,000 SF Building Size 50,000 SF – 300,000 SF

SEATTLE / REGIONAL CAP RATES

Source	Date	Location	Office	Industrial	Retail	Remarks
RERC: Real Estate Report Valuation Rates & Metrics	4Q 2015					1 st Tier properties are defined as new or newer quality const. in prime to good location; 2 nd Tier properties are defined as aging, former 1 st tier in good to average locations; 3 rd Tier are defined as older properties w/ functional inadequacies and/or marginal locations.
		Seattle	5.50%	-	-	Office CBD – 1 st Tier Properties
			6.30%	-	-	Suburban Office – 1 st Tier Properties
			-	5.90%	-	Warehouse – 1 st Tier Properties
			-	6.40%	-	R&D – 1 st Tier Properties
			-	6.60%	-	Flex – 1 st Tier Properties
			-	-	5.90%	Regional Mall – 1 st Tier Properties
			-	-	6.00%	Power Center – 1 st Tier Properties
			-	-	5.90%	Neigh/Comm. Cars. – 1 st Tier Properties
		West Region	4.00% - 8.00%	-	-	Office CBD – 1 st Tier Properties
			4.50% - 8.50%	-	-	Office CBD – 2 nd Tier Properties
			5.50% - 9.50%	-	-	Office CBD – 3 rd Tier Properties
			5.50% - 8.50%	-	-	Suburban Office – 1 st Tier Properties
			5.50% - 9.00%	-	-	Suburban Office – 2 nd Tier Properties
			6.00% - 10.00%	-	-	Suburban Office – 3 rd Tier Properties
			-	4.50% - 8.00%	-	Warehouse – 1 st Tier Properties
			-	5.00% - 9.00%	-	Warehouse – 2 nd Tier Properties
			-	6.00% - 10.00%	-	Warehouse – 3 rd Tier Properties
			-	5.00% - 8.00%	-	R&D – 1 st Tier Properties
			-	5.50% - 9.00%	-	R&D – 2 nd Tier Properties
			-	6.30% - 10.00%	-	R&D – 3 rd Tier Properties
			-	6.00% - 8.00%	-	Flex – 1 st Tier Properties
			-	6.00% - 9.00%	-	Flex – 2 nd Tier Properties
			-	6.30% - 10.00%	-	Flex – 3 rd Tier Properties
			-	-	4.00% - 8.00%	Regional Mall – 1 st Tier Properties
			-	-	4.50% - 8.50%	Regional Mall – 2 nd Tier Properties
			-	-	6.00% - 9.50%	Regional Mall – 3 rd Tier Properties
			-	-	5.50% - 8.00%	Power Center – 1 st Tier Properties
			-	-	5.50% - 8.50%	Power Center – 2 nd Tier Properties
			-	-	6.00% - 9.00%	Power Center – 3 rd Tier Properties
			-	-	5.00% - 8.50%	Neigh/Comm. Ctr. – 1 st Tier Properties
			-	-	5.50% - 9.00%	Neigh/Comm. Ctr. – 2 nd Tier Properties
			-	-	6.00% - 10.00%	Neigh/Comm. Ctr. – 3 rd Tier Properties
PWC / Korpaz	4Q 2015	Seattle	6.10%	-	-	Overall - 4.00% to 9.00%
			5.50%	-	-	CBD Office
			6.60%	-	-	Suburban Office
		Pac. NW	6.08%	-	-	Overall - 4.00% to 9.00%
			5.52%	-	-	CBD Office
			6.64%	-	-	Suburban Office
			-	5.25%	-	Warehouse – (3.75% - 7.00%)
ACLI	4Q 2015	Seattle – Bellevue - Everett MSA	5.34%	7.12%	6.60%	All Classes
		Pacific Region	5.56%	5.93%	4.73%	All Classes

SEATTLE / REGIONAL CAP RATES

Source	Date	Location	Multifamily	Hospitality	Remarks
CBRE: Capital Markets Cap. Rate survey.	2 nd Half (2015)	Seattle	4.00% - 4.50%	-	Infill – Class A
			4.50% - 5.00%	-	Infill – Class A – Value Added
			4.75% - 5.25%	-	Infill – Class B
			5.00% - 5.50%	-	Infill – Class B – Value Added
			5.50% - 6.00%	-	Infill – Class C
			5.25% - 6.25%	-	Infill – Class C – Value Added
			4.50% - 5.00%	-	Suburban – Class A
			4.75% - 5.00%	-	Suburban – Class A – Value Added
			5.00% - 5.50%	-	Suburban – Class B
			5.25% - 5.75%	-	Suburban – Class B – Value Added
			5.75% - 6.25%	-	Suburban – Class C
			6.00% - 6.50%	-	Suburban – Class C – Value Added
			-	5.50% - 6.00%	CBD – Luxury
			-	5.75% - 6.25%	CBD – Full-Service
			-	6.00% - 6.50%	CBD – Select-Service
			-	7.50% - 8.50%	CBD – Economy
			-	6.00% - 7.00%	Suburban – Luxury
-	7.00% - 7.50 %	Suburban – Full-Service			
-	7.25% - 8.00%	Suburban – Select-Service			
-	8.25% - 9.25%	Suburban – Economy			
RERC: Real Estate Report Valuation Rates & Metrics	4Q 2015	Seattle	4.70%	-	Apartments – All Classes
			-	7.00%	Hotels – All Classes
		West Region	3.80% - 8.00%	-	Apartments – 1 st Tier Properties
			4.50% - 9.00%	-	Apartments – 2 nd Tier Properties
			5.00% - 10.00%	-	Apartments – 3 rd Tier Properties
			-	6.00% - 9.00%	Hotels – 1 st Tier Properties
			-	6.50% - 9.50%	Hotels – 2 nd Tier Properties
	-	7.00% - 10.50%	Hotels – 3 rd Tier Properties		

NATIONAL CAP RATES						
Source	Date	Location	Office	Industrial	Retail	Remarks
RERC: Real Estate Report Valuation Rates & Metrics	4Q 2015					1 st Tier properties are defined as new or newer quality const. in prime to good location
		National	4.00% -9.00% 5.50% - 9.50%	- - 4.50% - 9.00% 5.00% - 9.00% 5.00% - 9.00%	- - - - -	Office CBD – 1 st Tier Properties Suburban Office – 1 st Tier Properties Warehouse – 1 st Tier Properties R&D – 1 st Tier Properties Flex – 1 st Tier Properties Regional Mall – 1 st Tier Properties Power Center – 1 st Tier Properties Neigh/Comm. Ctrs. – 1 st Tier Properties
IRR: Viewpoint for 2016	Yr. End 2015	West Region	6.03% 6.63% 6.41% 6.96% 7.00% 6.60%	- - - - - 6.00%	- - - - - -	Institutional Grade Properties’ CBD Office – Class A CBD Office – Class B Suburban Office – Class A Suburban Office – Class B Medical Office Medical Office – Non-Campus Industrial Flex Industrial Regional Mall Community Retail Neighborhood Retail Hotel - Full Service Hotel - Limited Service
ACLI	4Q 2015	National	5.35% 7.07% 6.66% 6.01% 5.13%	6.19% 7.00% 7.21% 6.75% 6.06%	5.31% 6.94% 6.65% 5.76% 4.78%	Overall Sq.Ft. - <50k Sq.Ft. - 50k – 100k Sq.Ft. – 100,001 – 200k Sq.Ft. – 200k+
PWC / Korpaz	4Q 2015	National	5.68% 6.36% 6.84%	- - 7.15% 5.48%	- - - -	CBD Office - (3.50% - 8.00%) Sub. Office - (4.25% - 9.00%) Medical Office - (4.75% - 10.00%) Flex/R&D - (5.75% - 9.00%) Warehouse - (3.00% – 7.00%) Mall- A+ = 4.63%; A = 5.23%; B+ = 6.28% Power Center - (4.75% - 8.00%) Neigh. Strip Ctrs. - (4.50% - 9.50%)
PWC / Emerging Trends in Real Estate	Reports 2/2016	National	5.60% 6.90% 6.40%	- - 6.10% 6.70% 6.10%	- - - -	U.S. Central City Office U.S. Suburban Office Medical Office U.S. Warehouse Industrial U.S. R&D Industrial U.S. Fulfillment Centers U.S. Neigh. Shopping Ctrs. U.S Power Centers U.S. Regional Malls
The Boulder Group: Net Lease Market Report	4Q 2015	National	7.00%	7.44%	6.25% 6.08% 5.20% 6.75% 6.59% 5.75% 6.70% 5.50%	Overall (Average) Big Box “Overall” Big Box “Investment Grade” Big Box “Non-Investment Grade” Jr. Big Box - (20,000/SF – 39,999/SF) Mid. Big Box - (40,000/SF – 79,999/SF) Mega Big Box - (80,000/SF +) Overall (Average)
Marcus & Millichap	4Q 2015	National	5.80% 7.50%	- -	- -	U.S. Central City Office U.S. Suburban Office

SEATTLE / PACIFIC NW LEASE RATES

Source	Date	Location	Annual Rate/SF	Vacancy	Annual Expenses/SF	Remarks
CBRE Snapshot						
Office	4Q 2015	Downtown Seattle	\$39.73 Full Service	10.30%	-	Class A – Asking
			\$33.22 Full Service	10.50%	-	Class B – Asking
			\$25.27 Full Service	12.70%	-	Class C – Asking
		Seattle Close-in	\$30.91 Full Service	14.30%	-	Class A – Asking
			\$22.02 Full Service	9.20%	-	Class B – Asking
			\$23.20 Full Service	8.30%	-	Class C – Asking
		Eastside	\$32.94 Full Service	9.30%	-	Class A – Asking
			\$27.45 Full Service	12.50%	-	Class B – Asking
			\$25.22 Full Service	6.60%	-	Class C – Asking
		Southend	\$22.15 Full Service	16.90%	-	Class A – Asking
			\$19.90 Full Service	19.90%	-	Class B – Asking
			\$15.18 Full Service	16.60%	-	Class C – Asking
Industrial	4Q 2015	Seattle Close-In	\$0.58 - \$0.75 NNN	2.80%	\$0.17 - \$0.22 SF/Mo	New Shell – Asking (Monthly)
			\$0.75 - \$0.90 NNN	-	-	New Ofc (Add-on) – Asking(Monthly)
			\$0.50 - \$0.60 NNN	-	-	Older Shell – Asking (Monthly)
			\$0.75 - \$0.85 NNN	-	-	2 nd Gen Ofc – Asking (Monthly)
		Kent Valley	\$0.42 - \$0.49 NNN	4.9%	\$0.14 - \$0.21 SF/Mo	New Shell – Asking (Monthly)
			\$0.75 - \$0.90 NNN	-	-	New Ofc (Add-on) – Asking(Monthly)
			\$0.36 - \$0.45 NNN	-	-	Older Shell – Asking (Monthly)
			\$0.75 - \$0.85 NNN	-	-	2 nd Gen Ofc (Add On) - Asking (Monthly)
		Eastside	\$0.62 - \$0.72 NNN	6.20%	\$0.20 – 0.29 SF/Mo	New Shell – Asking (Monthly)
			\$1.25 - \$1.45 NNN	-	-	New Ofc – Asking(Monthly)
			\$0.59 - \$0.65 NNN	-	-	Older Shell – Asking (Monthly)
			\$1.20 – \$1.35 NNN	-	-	2 nd Gen Ofc – Asking (Monthly)
Colliers						
Office	4Q 2015	Seattle	\$39.52 Gross	8.40% All	-	Class A - Asking
			\$28.24 Gross	Classes	-	Class B - Asking
			\$24.47 Gross	-	-	Class C – Asking
		S. King County	\$37.61 Gross	12.80% All	-	Class A - Asking
			\$21.81 Gross	Classes	-	Class B - Asking
			\$20.27 Gross	-	-	Class C – Asking
		Eastside	\$35.60 Gross	7.80% All	-	Class A - Asking
			\$29.43 Gross	Classes	-	Class B - Asking
			\$24.32 Gross	-	-	Class C – Asking
Industrial	4Q 2015	Seattle Close-in	\$0.85 NNN	1.10%	-	Manufacturing – Asking (Monthly)
			\$0.75 NNN	1.80%	-	Warehouse – Asking (Monthly)
			\$1.12 NNN	0.80%	-	Flex – Asking (Monthly)
		Kent Valley	\$0.53 NNN	1.10%	-	Manufacturing – Asking (Monthly)
			\$0.49 NNN	3.30%	-	Warehouse – Asking (Monthly)
			\$1.08 NNN	8.90%	-	Flex – Asking (Monthly)
		Eastside	\$0.82 NNN	2.00%	-	Warehouse – Asking (Monthly)
			\$1.31 NNN	9.10%	-	Flex – Asking (Monthly)
Cushman & Wakefield						
Office	4Q 2015	Seattle CBD	\$38.73 Gross	7.50%	-	All Classes – Asking
		Seattle – Close-in	\$31.91 Gross	10.00%	-	All Classes – Asking
			-	-	-	
		Southend	\$21.80 Gross	15.00%	-	All Classes – Asking
		Eastside	\$31.28 Gross	8.20%	-	All Classes – Asking
Industrial	4Q 2015	Seattle-Kent Valley	\$4.32 NNN	4.4% All	-	Manufacturing – Asking
			\$8.52 NNN	Classes	-	Flex – Asking
			\$5.76 NNN	-	-	Warehouse – Asking
		Eastside	\$8.04 NNN	5.80% All	-	Manufacturing – Asking
		Suburban	\$13.68 NNN	Classes	-	Flex – Asking
			\$9.60 NNN	-	-	Warehouse – Asking

SEATTLE / PACIFIC NW LEASE RATES						
Source	Date	Location	Annual Rate/SF	Vacancy	Annual Expenses/SF	Remarks
CoStar Retail Report						
Retail	4Q 2015	Downtown Seattle	\$24.67 NNN	1.80%	-	General Retail – Asking
			\$30.08 NNN	3.20%	-	Power Center – Asking
			\$22.72 NNN	4.80%	-	Shopping Center – Asking
		Eastside	\$20.81 NNN	2.50%	-	General Retail – Asking
			\$27.80 NNN	0.60%	-	Power Center – Asking
			\$24.64 NNN	4.80%	-	Shopping Center – Asking
		Southend	\$13.85 NNN	3.00%	-	General Retail – Asking
			\$30.55 NNN	4.70%	-	Power Center – Asking
			\$17.03 NNN	7.90%	-	Shopping Center – Asking

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

Income approach calibration

Income tables were developed for each of the seven neighborhoods that comprise Area 25. The tables pertain to the following property types: Retail, Industrial Engineering Buildings, Medical and Dental Offices, Discount Stores, Storage Garage, Basement Finish, Restaurant, Storage Warehouse, and Office, in addition to an exclusion table indicating property uses not covered by an income table. Properties which contain differing section uses may have multiple tables that are applicable to the property as a whole. All tables are included in the addendum of this report.

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

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

Typical Income Model Parameters:

Area 25-41 Broadway				
Property Type	Rent/SF Range	Vacancy Rate/ Collection Loss	Expense Rate- % of EGI	Capitalization Rate
Office/Medical Office	\$13 - \$30	10% - 15%	10% - 35%	7.00% - 8.75%
Retail/Mixed Use	\$13 - \$40	5% - 10%	10%	7.00% - 8.00%
Garage/Warehouse	\$3.75 - \$22.00	5%	10%	7.25% - 8.50%
Area 25-42 First Hill				
Property Type	Rent/SF Range	Vacancy Rate/ Collection Loss	Expense Rate- % of EGI	Capitalization Rate
Office/Medical Office	\$13 - \$34	10% - 15%	10% - 35%	7.00% - 8.75%
Retail/Mixed Use	\$13 - \$40	5% - 10%	10%	7.00% - 8.00%
Garage/Warehouse	\$3.75 - \$18.00	10%	10%	7.25% - 8.75%
Area 25-43 Madison				
Property Type	Rent/SF Range	Vacancy Rate/ Collection Loss	Expense Rate- % of EGI	Capitalization Rate
Office/Medical Office	\$13 - \$34	10% - 15%	10% - 35%	7.00% - 8.75%
Retail/Mixed Use	\$13 - \$20	10%	10%	7.00% - 8.50%
Garage/Warehouse	\$3.75 - \$18.00	10%	10%	7.25% - 8.75%
Area 25-44 Eastlake				
Property Type	Rent/SF Range	Vacancy Rate/ Collection Loss	Expense Rate- % of EGI	Capitalization Rate
Office/Medical Office	\$13 - \$26	15%	10% - 38%	7.25% - 8.75%
Retail/Mixed Use	\$13 - \$20	10%	10%	7.00% - 8.50%
Garage/Warehouse	\$3.75 - \$18.00	10%	10%	7.25% - 8.75%
Area 25-45 Central				
Property Type	Rent/SF Range	Vacancy Rate/ Collection Loss	Expense Rate- % of EGI	Capitalization Rate
Office/Medical Office	\$13 - \$34	7% - 15%	10% - 38%	7.00% - 8.75%
Retail/Mixed Use	\$12 - \$26	10%	10%	7.00% - 8.50%
Garage/Warehouse	\$3.75 - \$18.00	10%	10%	7.25% - 8.75%
Area 25-46 North Capital Hill/Montlake				
Property Type	Rent/SF Range	Vacancy Rate/ Collection Loss	Expense Rate- % of EGI	Capitalization Rate
Office/Medical Office	\$13 - \$26	10%	10% - 36%	7.00% - 8.50%
Retail/Mixed Use	\$13 - \$20	10%	10%	7.00% - 8.50%
Garage/Warehouse	\$3.75 - \$18.00	10%	10%	7.25% - 8.75%
Area 25-47 Madison Park				
Property Type	Rent/SF Range	Vacancy Rate/ Collection Loss	Expense Rate- % of EGI	Capitalization Rate
Office/Medical Office	\$13 - \$28	10%	10% - 36%	7.00% - 8.50%
Retail/Mixed Use	\$13 - \$26	10%	10%	7.00% - 8.50%
Garage/Warehouse	\$3.75 - \$18.00	10%	10%	7.25% - 8.75%

Reconciliation

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

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

Model Validation

Total Value Conclusions, Recommendations and Validation

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

Note: One sale of a unique high value property (Parcel #780397-0010 E#2753523) greatly affected the original analysis and is considered to be an outlier sale. Because it is an arm's length sale I believe it is correct to include it but also important in the decision to see its effects on the revaluation statistics. Listed immediately after in parenthesis [] is that respective number/ratio minus that sales effects.

The standard statistical measures of valuation performance are presented in both the 2015 and 2016 Ratio Analysis charts included in this report. Comparison of the 2015 Ratio Study Analysis with the 2016 Ratio Study Analysis indicates that the weighted mean, statistical measure of assessment level went from 74.0% [80.7%] to 92.0% [90.8%]. The Coefficient of Dispersion (COD) went down from 16.96% [16.48%] to 5.95% [6.07%], the Coefficient of Variation (COV) went down from 20.96% [20.80%] to 9.03% [9.18%], and the Price-related Differential (PRD) from 1.06 [.98] to 1.00 [1.01]. These are within the IAAO (International Association of Assessing Officers) appraisal guidelines for measures of valuation uniformity and equity. The ratio study presented in this report indicates substantial improvement in assessment level in addition improved uniformity. However with a sample size of only 32 improved sales for many different commercial types the weight given to the ratio study should be tempered.

2015 saw a trend of increased land sales (vacant and obsolesced properties) at higher than previously assessed land values. These properties were typically purchased by investors for multi-family mixed use, High rise residential or Micro apartment development in Broadway, First Hill, Madison and the westerly half of the Central District. These land sales support an increase in the assessed land values for most of the higher zoning designations in the 2016 revalue and an overall land value increase of 10.11%

The 2016 Assessment Year revalue of Area 25 (Broadway, First Hill, Madison, Eastlake, Central District, Montlake and Madison Park) is based on commercial real estate data available in 2015 and early 2016 that support the fee simple value of the non-specialty properties in these submarkets as of the valuation date of 1/01/2016. This valuation has occurred during a period of continued market growth and market expansion following the severe global, national, and regional economic downturn which had impacted local supply and demand dynamics.

In the 2016 valuation model the income approach is used to value the majority of the income producing properties that aren't obsolesced (land value is greater than value by the income method) because there are an insufficient number and variety of sales to value the various sectors by the market approach. The income approach also insures greater uniformity and equalization of values. With improving market fundamentals, values by the income method are generally increasing although they sometimes are below the value of the sales. This may be because some of these properties are purchased by owner-users, or in the case of interim use properties they might be purchased for investment value or future income rather than current income.

A review of market income data for the 1/01/2016 valuation indicates stronger income fundamentals for most properties with vacancy rates decreasing for retail and some office properties in most area 25 submarkets. Lease rates generally remained flat with minor increases throughout the Pike/Pine corridor, along Broadway on First and Capitol Hills or any dense, high-traffic neighborhoods areas. The total assessed values for Area 25 for the 2015 assessment year was \$3,820,870,600 and the total recommended value for the 2016 assessment year is \$4,001,332,000. This does not include specialty properties but it does include commercial condos (not multi-family units). In addition, the 2016 total does not include the value of new construction parcels which will be determined later and it does not reflect the downward contamination adjustments that will be applied later to several parcels by the contamination specialist appraiser. Application of these recommended values for the 2016 assessment year (taxes payable in 2017) results in a total value change of +4.72% from the previous year.

Change in Total Assessed Value			
2015 Total Value	2016 Total Value	\$ Change	% Change
\$3,820,870,600	\$4,001,332,000	\$180,461,400	4.72%

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, 3rd Addition, Appraisal Institute.

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

Assumptions and Limiting Conditions:

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

13. The movable equipment and/or fixtures have not been appraised as part of the real estate. The identifiable permanently fixed equipment has been appraised in accordance with RCW 84.04.090 and WAC 458-12-010.
14. I have considered the effect of value of those anticipated public and private improvements of which I have common knowledge. I can make no special effort to contact the various jurisdictions to determine the extent of their public improvements.
15. Exterior inspections were made of all properties in the physical inspection areas (outlined in the body of the report) however; due to lack of access and time few received interior inspections.

Scope of Work Performed:

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

CERTIFICATION:

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

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

Raphael Roberge
Commercial Appraiser I

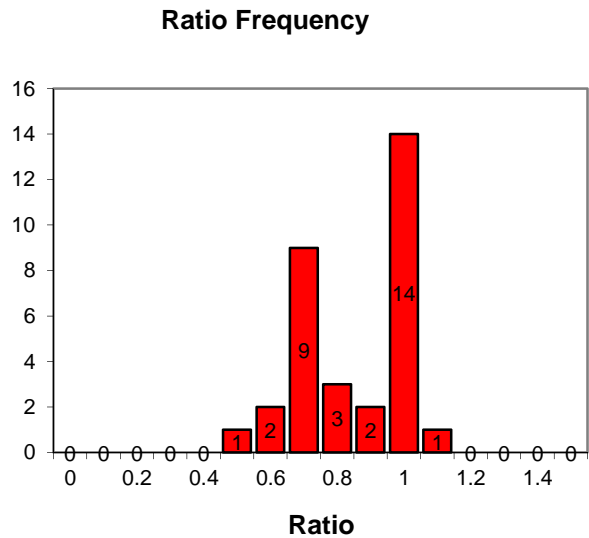
Date: 3/24/2016

Area 025 - Capital Hill
2015 Assessment Year

Parcel Number	Assessed Value	Sale Price	Sale Date	Ratio	Diff: Median
210770-0160	4,818,200	5,200,000	6/15/2013	0.9266	0.0701
721740-0578	553,200	592,000	7/15/2013	0.9345	0.0780
181780-0110	3,596,900	3,335,526	7/24/2013	1.0784	0.2219
942140-0005	971,900	1,075,000	8/20/2013	0.9041	0.0477
600300-0150	2,160,500	2,250,000	8/26/2013	0.9602	0.1038
225450-2010	228,300	250,000	9/27/2013	0.9132	0.0568
794930-0080	1,510,100	1,650,000	11/27/2013	0.9152	0.0588
195970-0015	2,875,300	3,150,000	1/3/2014	0.9128	0.0564
501480-0030	510,200	530,000	2/14/2014	0.9626	0.1062
181380-0005	451,200	486,250	2/19/2014	0.9279	0.0715
531910-0075	510,300	600,000	5/19/2014	0.8505	0.0059
600350-0190	5,044,700	5,400,000	6/3/2014	0.9342	0.0778
531910-0340	1,853,800	2,050,000	8/23/2014	0.9043	0.0479
290220-0630	523,600	576,000	8/25/2014	0.9090	0.0526
531810-1475	910,000	995,000	10/24/2014	0.9146	0.0581
715220-0300	424,000	825,000	3/23/2015	0.5139	0.3425
942140-0040	1,507,700	2,500,000	4/30/2015	0.6031	0.2534
745997-0050	300,500	506,756	5/11/2015	0.5930	0.2634
501600-0650	609,000	1,350,000	5/12/2015	0.4511	0.4053
722850-0500	581,600	815,000	5/26/2015	0.7136	0.1428
715220-0257	639,900	695,000	6/14/2015	0.9207	0.0643
195970-0015	2,875,300	4,242,500	7/1/2015	0.6777	0.1787
546410-0010	254,400	295,000	7/10/2015	0.8624	0.0059
715220-0040	520,000	849,900	7/22/2015	0.6118	0.2446
715220-0041	520,000	829,000	7/28/2015	0.6273	0.2292
912610-1725	282,300	367,000	8/17/2015	0.7692	0.0872
197920-0285	1,729,000	2,800,000	8/25/2015	0.6175	0.2389
780397-0010	17,310,900	28,000,000	9/1/2015	0.6182	0.2382
197820-0885	1,684,000	2,400,000	9/23/2015	0.7017	0.1548
721740-0579	439,700	722,500	10/20/2015	0.6086	0.2479
942140-0040	1,507,700	2,500,000	11/5/2015	0.6031	0.2534
689150-0010	858,800	1,280,000	12/9/2015	0.6709	0.1855

Area 025 - Capital Hill
2015 Assessment Year

Quadrant/Crew:	Appr date :	Date:	Sales Dates:	
Central Crew	1/1/2015	3/29/2016	6/15/13 - 12/09/15	
Area	Appr ID:	Prop Type:	Trend used?: Y / N	
25	RARO	Improvement	N	
SAMPLE STATISTICS				
Sample size (n)	32			
Mean Assessed Value	1,830,100			
Mean Sales Price	2,472,400			
Standard Deviation AV	3,097,962			
Standard Deviation SP	4,863,258			
ASSESSMENT LEVEL				
Arithmetic mean ratio	0.785			
Median Ratio	0.856			
Weighted Mean Ratio	0.740			
UNIFORMITY				
Lowest ratio	0.4511			
Highest ratio:	1.0784			
Coefficient of Dispersion	16.96%			
Standard Deviation	0.1645			
Coefficient of Variation	20.96%			
Price-related Differential	1.06			
RELIABILITY				
95% Confidence: Median	These figures reflect measurements before posting new values.			
Lower limit				0.627
Upper limit				0.915
95% Confidence: Mean				
Lower limit				0.728
Upper limit				0.842
SAMPLE SIZE EVALUATION				
N (population size)	1337			
B (acceptable error - in decimal)	0.05			
S (estimated from this sample)	0.1645			
Recommended minimum:	42			
Actual sample size:	32			
Conclusion:				
NORMALITY				
Binomial Test				
# ratios below mean:	15			
# ratios above mean:	17			
z:	0.176776695			
Conclusion:	Normal*			
*i.e., no evidence of non-normality				

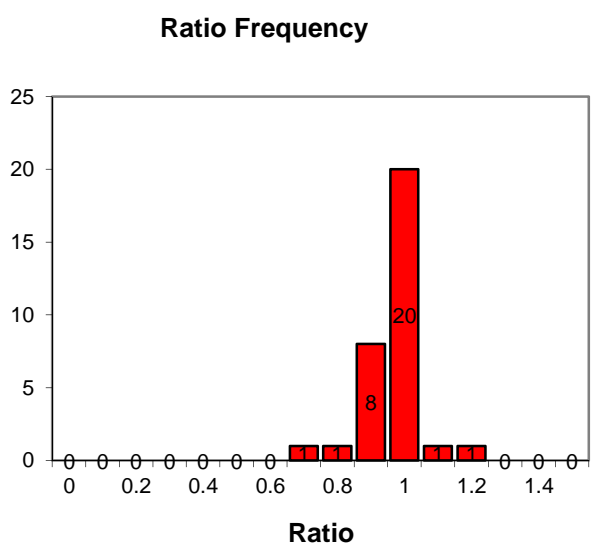


Area 025 - Capital Hill
2016 Assessment Year

Parcel Number	Assessed Value	Sale Price	Sale Date	Ratio	Diff: Median
210770-0160	4,818,200	5,200,000	6/15/2013	0.9266	0.0042
721740-0578	691,500	592,000	7/15/2013	1.1681	0.2457
181780-0110	3,596,900	3,335,526	7/24/2013	1.0784	0.1559
942140-0005	950,600	1,075,000	8/20/2013	0.8843	0.0381
600300-0150	2,160,500	2,250,000	8/26/2013	0.9602	0.0378
225450-2010	219,900	250,000	9/27/2013	0.8796	0.0428
794930-0080	1,510,100	1,650,000	11/27/2013	0.9152	0.0072
195970-0015	2,911,000	3,150,000	1/3/2014	0.9241	0.0017
501480-0030	510,200	530,000	2/14/2014	0.9626	0.0402
181380-0005	460,100	486,250	2/19/2014	0.9462	0.0238
531910-0075	594,400	600,000	5/19/2014	0.9907	0.0682
600350-0190	5,374,500	5,400,000	6/3/2014	0.9953	0.0729
531910-0340	1,996,400	2,050,000	8/23/2014	0.9739	0.0514
290220-0630	523,600	576,000	8/25/2014	0.9090	0.0134
531810-1475	910,000	995,000	10/24/2014	0.9146	0.0079
715220-0300	769,500	825,000	3/23/2015	0.9327	0.0103
942140-0040	2,156,500	2,500,000	4/30/2015	0.8626	0.0598
745997-0050	420,700	506,756	5/11/2015	0.8302	0.0922
501600-0650	1,223,900	1,350,000	5/12/2015	0.9066	0.0158
722850-0500	719,900	815,000	5/26/2015	0.8833	0.0391
715220-0257	639,900	695,000	6/14/2015	0.9207	0.0017
195970-0015	2,911,000	4,242,500	7/1/2015	0.6862	0.2363
546410-0010	282,700	295,000	7/10/2015	0.9583	0.0359
715220-0040	788,300	849,900	7/22/2015	0.9275	0.0051
715220-0041	788,300	829,000	7/28/2015	0.9509	0.0285
912610-1725	359,400	367,000	8/17/2015	0.9793	0.0569
197920-0285	2,151,400	2,800,000	8/25/2015	0.7684	0.1541
780397-0010	26,406,500	28,000,000	9/1/2015	0.9431	0.0207
197820-0885	2,034,700	2,400,000	9/23/2015	0.8478	0.0746
721740-0579	656,300	722,500	10/20/2015	0.9084	0.0140
942140-0040	2,156,500	2,500,000	11/5/2015	0.8626	0.0598
689150-0010	1,130,000	1,280,000	12/9/2015	0.8828	0.0396

Area 025 - Capital Hill
2016 Assessment Year

Quadrant/Crew:	Appr date :	Date:	Sales Dates:
Central Crew	1/1/2016	3/29/2016	6/15/13 - 12/09/15
Area	Appr ID:	Prop Type:	Trend used?: Y / N
25	RARO	Improvement	N
SAMPLE STATISTICS			
Sample size (n)	32		
Mean Assessed Value	2,275,700		
Mean Sales Price	2,472,400		
Standard Deviation AV	4,587,071		
Standard Deviation SP	4,863,258		
ASSESSMENT LEVEL			
Arithmetic mean ratio	0.921		
Median Ratio	0.922		
Weighted Mean Ratio	0.920		
UNIFORMITY			
Lowest ratio	0.6862		
Highest ratio:	1.1681		
Coefficient of Dispersion	5.95%		
Standard Deviation	0.0832		
Coefficient of Variation	9.03%		
Price-related Differential	1.00		
RELIABILITY			
95% Confidence: Median	These figures reflect measurements after posting new values.		
Lower limit			
Upper limit	0.951		
95% Confidence: Mean			
Lower limit			
Upper limit	0.950		
SAMPLE SIZE EVALUATION			
N (population size)	1337		
B (acceptable error - in decimal)	0.05		
S (estimated from this sample)	0.0832		
Recommended minimum:	11		
Actual sample size:	32		
Conclusion:	OK		
NORMALITY			
Binomial Test			
# ratios below mean:	16		
# ratios above mean:	16		
z:	-0.176776695		
Conclusion:	Normal*		
*i.e., no evidence of non-normality			



Improvement Sales for Area 025 with Sales Used

03/29/2016

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
025	044	290220	1020	6,900	2592632	\$1,795,000	03/06/13	\$260.14	Northwest Model & Talent Agency	NC2-40	1	26	Imp changed after sale; not in ratio
025	047	715220	0260	0	2611605	\$695,000	06/11/13	\$0.00	New townhomes	NC1-30	1	29	Seg/merge after sale; not in ratio
025	044	210770	0160	33,176	2614648	\$5,200,000	06/15/13	\$156.74	OFFICE BUILDINGS	C1-65	1	Y	
025	047	715220	0261	0	2614278	\$695,000	06/24/13	\$0.00	New Townhomes	NC1-30	1	29	Seg/merge after sale; not in ratio
025	045	721740	0578	1,844	2618623	\$592,000	07/15/13	\$321.04	Live work Unit	NC2P-40	1	Y	
025	041	181780	0110	15,300	2620407	\$3,335,526	07/24/13	\$218.01	RETAIL/Office	NC3P-65	1	Y	
025	043	942140	0005	3,770	2627459	\$1,075,000	08/20/13	\$285.15	DAYCARE- GROUP HEALTH - SEAT	LR3	1	Y	
025	043	600300	0150	14,765	2626929	\$2,250,000	08/26/13	\$152.39	CALLAHAN'S AUTO REBUILD	NC3-65	1	Y	
025	047	715220	0258	0	2627036	\$850,000	08/26/13	\$0.00	New SFR townhome	NC1-30	1	34	Use-change after sale; not in ratio
025	045	225450	2010	2,250	2632528	\$250,000	09/27/13	\$111.11	MISSION BAPTIST CHURCH	LR1	1	Y	
025	045	794930	0080	9,100	2649016	\$1,650,000	11/27/13	\$181.32	MIXED-USE APARTMENT	NC3P-40	1	Y	
025	044	195970	0015	5,960	2649362	\$3,150,000	01/03/14	\$528.52	retail	NC2-40	2	Y	
025	043	501480	0030	1,646	2654034	\$530,000	02/14/14	\$321.99	MADISON LOFTS CONDOMINIUM	NC2-40	1	Y	
025	043	181380	0005	1,484	2654664	\$486,250	02/19/14	\$327.66	Live work Unit	NC2-40	1	Y	
025	042	197820	1295	19,552	2660166	\$6,150,000	03/31/14	\$314.55	COMPLETE AUTOMOTIVE	NC3P-65	1	26	Imp changed after sale; not in ratio
025	047	531910	0075	2,800	2670407	\$600,000	05/19/14	\$214.29	RETAIL	NC1P-30	1	Y	
025	041	600350	0190	18,720	2671902	\$5,400,000	06/03/14	\$288.46	ARIA	NC3P-65	1	Y	
025	046	684820	0027	1,584	2676636	\$560,000	06/20/14	\$353.54	HARRYS FINE FOOD	LR3	1	26	Imp changed after sale; not in ratio
025	047	531910	0340	5,704	2687903	\$2,050,000	08/23/14	\$359.40	Office	LR3 RC	1	Y	
025	044	290220	0630	2,184	2688065	\$576,000	08/25/14	\$263.74	EDUCATIONAL OFFICE SERVICES	LR2 RC	1	Y	
025	047	531810	1475	1,820	2699070	\$995,000	10/24/14	\$546.70	RETAIL	NC1P-30	1	Y	
025	047	715220	0300	1,710	2721345	\$825,000	03/23/15	\$482.46	SFR - Scottish Tea Shop	NC1-30	1	Y	
025	046	942140	0040	9,700	2727726	\$2,500,000	04/30/15	\$257.73	GROUP HEALTH CREDIT UNION	NC2P-40	1	Y	
025	044	745997	0050	1,202	2731069	\$506,756	05/11/15	\$421.59	RUBY CONDOMINIUM	NC3-40	1	Y	
025	043	501600	0650	3,430	2731943	\$1,350,000	05/12/15	\$393.59	RETAIL	NC2-40	1	Y	
025	045	722850	0500	2,128	2733241	\$815,000	05/26/15	\$382.99	Day Care Center	NC2P-40	1	Y	
025	047	715220	0257	1,422	2737284	\$695,000	06/14/15	\$488.75	Pike Station Unit C	NC1-30	1	Y	
025	044	195970	0015	7,720	2740639	\$4,242,500	07/01/15	\$549.55	retail	NC2-40	2	Y	
025	041	546410	0010	1,131	2743880	\$295,000	07/10/15	\$260.83	MERIDIAN	HR	1	Y	
025	047	715220	0040	1,371	2745558	\$849,900	07/22/15	\$619.91	34th St Townhomes	NC1-30	1	Y	
025	047	715220	0041	1,371	2746286	\$829,000	07/28/15	\$604.67	34th St Townhomes - Live work unit	NC1-30	1	Y	
025	045	912610	1725	1,430	2751837	\$367,000	08/17/15	\$256.64	mixed use Retail service / residential	NC1-30	1	Y	
025	042	197920	0285	5,960	2752478	\$2,800,000	08/25/15	\$469.80	RESTAURANT	NC3P-16	1	Y	
025	042	780397	0010	44,862	2753523	\$28,000,000	09/01/15	\$624.14	601 BROADWAY MED BLDG	MIO-105-	1	Y	
025	042	197820	0885	2,236	2758156	\$2,400,000	09/23/15	\$1,073.35	1320 PROFESSIONAL CENTER	HR	1	Y	
025	045	721740	0579	1,750	2763690	\$722,500	10/20/15	\$412.86	Live work Unit	NC2P-40	1	Y	
025	046	942140	0040	9,700	2765706	\$2,500,000	11/05/15	\$257.73	GROUP HEALTH CREDIT UNION	NC2P-40	1	Y	
025	041	689150	0010	2,260	2770787	\$1,280,000	12/09/15	\$566.37	PRESS, THE	MR	1	Y	

Vacant Sales Used Area 25

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code
025	041	880490	0735	5,000	2617900	\$895,000	07/12/13	\$179.00	SFR - Duplex	MR	1	Y
025	041	872560	0240	29,872	2633227	\$9,200,000	09/30/13	\$307.98	MELROSE BLDG	NC3P-65	6	Y
025	041	872560	0095	5,250	2707665	\$1,350,000	12/15/14	\$257.14	6 - UNIT APARTMENT	MR	1	Y
025	041	880490	0335	9,000	2708517	\$3,100,000	01/02/15	\$344.44	BAYSIDE MOTORS	NC3P-65	2	Y
025	042	197920	0065	30,420	2685623	\$9,000,000	08/12/14	\$295.86	PARKING LOT	HR	4	Y
025	042	197920	0045	2,000	2685624	\$750,000	08/19/14	\$375.00	PARKING LOT	HR	1	Y
025	042	219760	0735	9,656	2692871	\$1,700,000	09/29/14	\$176.06	VACANT LAND	NC3P-65	3	Y
025	042	219760	0742	4,477	2692870	\$850,000	09/29/14	\$189.86	Poor Condition Board	NC3P-65	2	Y
025	043	140730	0135	22,209	2651815	\$4,200,000	01/31/14	\$189.11	OSCAR'S RESTAURANT	NC3P-65	4	Y
025	043	172880	0075	12,266	2662602	\$3,600,000	04/16/14	\$293.49	PARKING - TACO T	NC3P-65	2	Y
025	043	949770	0010	23,895	2700061	\$5,700,000	10/29/14	\$238.54	PARTY HALL	NC3P-65	6	Y
025	043	949770	0075	8,800	2706108	\$1,800,000	12/17/14	\$204.55	FIRESTONE TIRE	NC3P-65	1	Y
025	043	022200	0020	5,700	2740868	\$1,775,000	07/02/15	\$311.40	Cleaners	NC3P-65	1	Y
025	044	338390	0125	28,760	2644094	\$4,400,000	12/02/13	\$152.99	Azteca	C1-40	4	Y
025	045	723460	0035	6,720	2594778	\$650,000	03/08/13	\$96.73	Halfway House	LR3	1	Y
025	045	723460	0037	7,680	2626993	\$975,000	08/27/13	\$126.95	Townhomes	LR3	1	Y
025	045	225450	0935	61,440	2637888	\$9,249,000	10/28/13	\$150.54	VACANT LAND	MIO-37-LR3	3	Y
025	045	225450	1050	5,280	2675193	\$500,000	06/20/14	\$94.70	VACANT	LR3	2	Y
025	045	721740	0550	4,800	2692713	\$590,000	09/12/14	\$122.92	SFR House with Det	NC2P-40	1	Y
025	046	216390	0566	1,733	2660485	\$40,000	03/07/14	\$23.08	VACANT	LR3	1	Y
025	046	600350	0890	14,640	2699693	\$2,630,000	10/28/14	\$179.64	SFR - LAW OFFICE	LR3	3	Y
025	047	034200	0125	36,800	2666807	\$3,300,000	05/08/14	\$89.67	GROUP HOME	SF 5000	4	Y
025	047	034200	0120	6,000	2692839	\$400,000	09/24/14	\$66.67	vacant SF 5000	SF 5000	1	Y

Improvement Sales for Area 025 with Sales not Used

03/28/2016

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
025	042	197820	0005	0	2588231	\$100	02/05/13	\$0.00	FREEWAY PARK	HR	1	32	\$1,000 sale or less
025	046	134230	0235	2,864	2598141	\$680,000	03/26/13	\$237.43	Volunteer Park Market and Cafe'	SF 5000	1	44	Tenant
025	047	715220	0175	18,095	2597467	\$1,050,000	03/29/13	\$58.03	PACIFIC OAKS COLLEGE	NC1-30	3	51	Related party, friend, or neighbor
025	047	715220	0175	18,095	2597504	\$1,050,000	03/30/13	\$58.03	PACIFIC OAKS COLLEGE	NC1-30	3	51	Related party, friend, or neighbor
025	041	600300	0520	14,400	2613033	\$2,500,000	06/18/13	\$173.61	TAVERN/LOUNGE	NC3P-65	1	44	Tenant
025	045	794260	1875	3,050	2618831	\$975,000	07/10/13	\$319.67	SMALL OFFICE	SF 5000	1	51	Related party, friend, or neighbor
025	041	684870	0005	16,000	2621614	\$1,100,494	07/29/13	\$68.78	OLIVE CREST APTS	NC3P-65	1	22	Partial interest (1/3, 1/2, etc.)
025	045	322504	9016	9,534	2632611	\$4,600,000	09/26/13	\$482.48	Arnold R. Berkey House	NC3-65	1	36	Plottage
025	042	859090	0765	77,775	2636447	\$33,379,585	10/18/13	\$429.18	MINOR AND JAMES MEDICAL	NC3-85	1	59	Bulk portfolio sale
025	042	859090	0770	10,612	2636448	\$1,500,000	10/18/13	\$141.35	FIRST HILL MEDICAL BUILDING	NC3-85	1	59	Bulk portfolio sale
025	046	983120	0420	5,443	2638909	\$1,750,000	10/29/13	\$321.51	OFFICE & APARTMENT	NC3P-40	1	51	Related party, friend, or neighbor
025	044	290220	0490	2,700	2639567	\$1,350,000	10/31/13	\$500.00	ODEGARD'S CLEANERS & apts	NC1P-30	1	15	No market exposure
025	045	982670	1390	11,208	2643178	\$670,175	11/25/13	\$59.79	OFFICES/School	LR2	1	22	Partial interest (1/3, 1/2, etc.)
025	042	219760	0730	7,020	2643767	\$1,146,506	12/02/13	\$163.32	H & I AUTOMOTIVE INC.	NC3P-65	1	44	Tenant
025	041	600300	0530	6,364	2643898	\$40,717	12/04/13	\$6.40	Retail	NC3P-65	1	24	Easement or right-of-way
025	041	880490	0360	4,900	2646618	\$2,083,724	12/19/13	\$425.25	GARAGE	NC3P-65	1	59	Bulk portfolio sale
025	045	794260	0795	0	2646998	\$900,000	12/23/13	\$0.00	OLD RESIDENCE	MIO-65-S	1	52	Statement to dor
025	043	600300	1420	2,864	2648069	\$840,000	12/30/13	\$293.30	BROADWAY VETERINARY	NC3-40	1	51	Related party, friend, or neighbor
025	041	880490	0175	3,176	2649136	\$48,859	01/07/14	\$15.38	GROCERY STORE	NC3P-65	1	24	Easement or right-of-way
025	042	197820	1405	0	2649890	\$2,200,000	01/16/14	\$0.00	PARKING	MIO-105-	1	18	Quit claim deed
025	045	796010	0505	3,805	2652088	\$670,000	01/21/14	\$176.08	RETAIL	NC1-40	1	15	No market exposure
025	042	859090	0570	2,842	2652734	\$1,878,850	02/07/14	\$661.10	SFR - RICHARDS & KINERK	HR	1	30	Historic property
025	041	020006	0660	2,371	2662603	\$1,180,000	04/15/14	\$497.68	AMBASSADOR II PH 01 CONDOMIN	MR	2	48	Condo with garage, moorage, or stora
025	044	290220	0496	1,800	2681668	\$665,000	07/24/14	\$369.44	LAW OFFICE CONVERTED HOUSE	LR2 RC	1	51	Related party, friend, or neighbor
025	047	034200	0125	12,274	2692858	\$400,000	09/24/14	\$32.59	GROUP HOME	SF 5000	1	56	Builder or developer sales
025	047	034200	0125	12,274	2692862	\$400,000	09/24/14	\$32.59	GROUP HOME	SF 5000	1	56	Builder or developer sales
025	047	034200	0125	12,274	2692857	\$400,000	09/24/14	\$32.59	GROUP HOME	SF 5000	1	56	Builder or developer sales
025	047	531810	1505	1,640	2699453	\$565,000	10/22/14	\$344.51	RETAIL	NC1P-30	1	22	Partial interest (1/3, 1/2, etc.)
025	047	531810	1505	1,640	2699451	\$565,000	11/05/14	\$344.51	RETAIL	NC1P-30	1	22	Partial interest (1/3, 1/2, etc.)
025	045	796010	0480	1,152	2707242	\$900,000	12/19/14	\$781.25	CHURCH	SF 5000	3	56	Builder or developer sales
025	041	685070	0245	14,091	2709648	\$2,350,000	01/09/15	\$166.77	HARVARD EXIT THEATER	NC3P-40	1	13	Bankruptcy - receiver or trustee
025	042	925690	0030	1,470	2709273	\$1,034,000	01/09/15	\$703.40	COPY MART	NC3P-65	1	12	Estate administrator, guardian, or e
025	042	859040	0472	4,892	2715334	\$2,340,000	02/23/15	\$478.33	OFFICE BUILDING	HR	1	68	Non-gov't to gov't
025	045	684070	0210	2,621	2719848	\$820,000	03/05/15	\$312.86	JoAnna's Soul Cafe & Jazz Club	NC1-40	2	15	No market exposure
025	041	600300	0530	6,364	2738977	\$2,900,000	06/23/15	\$455.69	Retail	NC3P-65	1	65	Plans and permits
025	041	880490	0335	4,000	2743707	\$6,171,244	07/17/15	\$1,542.81	BAYSIDE MOTORSPORTS	NC3P-65	2	65	Plans and permits
025	043	181380	0030	2,010	2759584	\$31,078	08/13/15	\$15.46	SFR - Restaurant - CRUSH	NC2-40	1	24	Easement or right-of-way
025	044	202504	9033	10,328	2755559	\$6,000,000	09/02/15	\$580.95	UNITED INDIANS OF ALL TRIBES - g	C1-40	2	64	Sales/leaseback
025	045	794830	0155	5,700	2756802	\$1,368,000	09/16/15	\$240.00	Restaurant	MIO-65-N	1	64	Sales/leaseback
025	041	600300	0615	0	2760645	\$521,674	10/07/15	\$0.00	SUDDEN PRINTING	NC3P-40	1	11	Corporate affiliates
025	047	531910	0055	5,876	2765798	\$3,400,000	11/04/15	\$578.62	Bing's Cafe	NC1P-30	1	51	Related party, friend, or neighbor
025	047	531810	1475	1,820	2766980	\$1,143,900	11/13/15	\$628.52	RETAIL	NC1P-30	1	15	No market exposure
025	046	330370	0170	4,929	2776497	\$2,000,000	12/28/15	\$405.76	COASTAL KITCHEN	NC2P-40	1	44	Tenant

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
025	041	600350	0075	17,440	2610219	\$5,300,000	06/07/13	\$303.90	PARKING LOT	NC3P-65	1	22	Partial interest (1/3, 1/2, etc.)
025	042	197820	0940	14,400	2695009	\$919,726	10/08/14	\$63.87	PARKING LOT	HR	1	24	Easement or right-of-way
025	042	197820	0940	14,400	2688702	\$105,000	09/03/14	\$7.29	PARKING LOT	HR	1	24	Easement or right-of-way
025	042	219810	0015	21,600	2705192	\$7,500,000	12/12/14	\$347.22	VACANT LOT	NC3-85	4	65	Plans and permits
025	042	859040	0455	14,400	2625972	\$5,950,000	08/23/13	\$413.19	PKG LOT	HR	1	51	Related party, friend, or neighbor
025	042	859040	0875	10,800	2724838	\$1,930,000	04/13/15	\$178.70	PARKING LOT LEASED TO UPARK	HR	1	15	No market exposure
025	044	195970	1470	5,500	2712353	\$750,000	11/21/14	\$136.36	teardown	LR2	1	52	Statement to dor
025	044	338390	0145	6,700	2728644	\$944,000	05/04/15	\$140.90	HOWISEY FURNITURE REPAIR	C1-40	1	15	No market exposure
025	045	721740	0035	22,166	2731113	\$560,000	05/18/15	\$25.26	KEY BANK PARKING	NC2-40	3	61	Financial institution resale
025	045	721740	0530	13,560	2703563	\$1,230,000	11/25/14	\$90.71	RETAIL	NC2P-40	2	65	Plans and permits
025	045	722850	0255	16,185	2650581	\$3,800,000	01/21/14	\$234.79	Vacant Land	NC2P-65	1	65	Plans and permits
025	045	722850	0570	22,878	2698563	\$4,125,000	10/30/14	\$180.30	76	NC2P-40	2	1	Personal property included
025	046	330370	0115	4,577	2710836	\$1,525,000	01/21/15	\$333.19	CAPITAL HILL ANIMAL CLINIC	NC2P-40	1	15	No market exposure
025	046	942140	0035	7,380	2727713	\$800,000	04/30/15	\$108.40	GROUP HEALTH CREDIT UNION PAR	NC2P-40	1	15	No market exposure
025	047	212504	9048	30,896	2670334	\$3,000	05/14/14	\$0.10	520 shorelands	SF 7200	1	24	Easement or right-of-way
025	047	715220	0259	722	2696825	\$32,450	10/22/14	\$44.94	Vacant	NC1-30	1	51	Related party, friend, or neighbor
025	047	715220	0259	722	2646213	\$64,900	12/16/13	\$89.89	vacant townhome lot	NC1-30	1	18	Quit claim deed

2016 North Capital Hill Neighborhood 025-046

Major	Minor	PropName	SitusAddress
018800	0065	VACANT	No Situs Address
066243	0010	BELLAGIO ON CAPITOL HILL CONDOMINIUM	745 BELLEVUE AVE E
095800	0105	Restoration Life Church	306 22ND AVE E
133680	0260	SFR - PSYCHIATRIC CLINIC	620 15TH AVE E
133680	0925	GILMORE'S MARKET	903 19TH AVE E
133830	0595	Nineteenth & Prospect	1100 19TH AVE E
133830	0605	VOLUTE CONSULTING	1106 19TH AVE E
133830	0610	WINDERMERE REAL ESTATE	1110 19TH AVE E
133880	0075	RETAIL & OFFICES	900 19TH AVE E
133880	0835	Retail Store	1907 E ALOHA ST
133880	0840	Tully's	746 19TH AVE E
133880	0890	RUSSIAN COMMUNITY CENTER	702 19TH AVE E
133880	1105	SMALL OFFICE	1000 TURNER WAY E
134230	0235	Volunteer Park Market and Cafe'	1501 17TH AVE E
180690	0260	GUYKEMAA BLDG	324 15TH AVE E
180690	0305	GROUP HEALTH - SEATTLE	310 15TH AVE E
188000	0055	ST DEMETRIOS CHURCH	2100 BOYER AVE E
191210	0595	PAOLIACCI	2400 10TH AVE E
191210	0620		2412 10TH AVE E
191210	0630	VACANT	2410 10TH AVE E
191210	0990	Restaurant & Retail	2351 10TH AVE E
191210	1190	TRI-PLEX & Offices	2415 10TH AVE E
191210	1200	ROANOAKS TAVERN	2409 10TH AVE E
191210	1205		914 E MILLER ST
191210	1215	RETAIL & Offices	2405 10TH AVE E
191210	1225	Chiopractic Offices	2401 10TH AVE E
216390	0494	RETAIL - The Lookout Resteraunt	755 BELLEVUE AVE E
216390	0566	VACANT	726 BELLEVUE PL E
232920	0140	EMBASSY THE CONDOMINIUM	1005 E MILLER ST
232920	0150	EMBASSY THE CONDOMINIUM	2358 10TH AVE E
232920	0160	EMBASSY THE CONDOMINIUM	2350 10TH AVE E
266300	0455	SFR - OFFICES	710 10TH AVE E
292504	9062	Nucleus (hair) and Apts.	201 SUMMIT AVE E
292504	9092	OFFICE	231 SUMMIT AVE E
304320	0175		1811 20TH AVE
330370	0095	PARKING FOR SERVICE STATION	533 15TH AVE E
330370	0100	RETAIL STORES	519 15TH AVE E
330370	0105	RESTAURANT & STORES	509 15TH AVE E
330370	0115	Family Arcade	501 15TH AVE E
330370	0165	15TH AND REPUBLIC BLDG	431 15TH AVE E
330370	0170	COASTAL KITCHEN	427 15TH AVE E
330370	0175	2 SFR - being used as retail	423 15TH AVE E
330370	0180	The Red Balloon Co	417 15TH AVE E
330370	0185	RETAIL STORES	411 15TH AVE E
330370	0190	RETAIL STORES	409 15TH AVE E
330370	0235	HARRISON COURT	345 15TH AVE E

2016 North Capital Hill Neighborhood 025-046

Major	Minor	PropName	SitusAddress
330370	0240	KEY BANK	321 15TH AVE E
366750	0115	VACANT	2000 E JANSEN CT
423240	0240	MERCER PROFESSIONAL BLDG	1818 E MERCER ST
423240	0560	SFR - SUCCULENT NOODLE	524 15TH AVE E
423240	0565	OLYMPIA PIZZA	518 15TH AVE E
423240	0575	WALGREEN'S PHARMACY	500 15TH AVE E
423240	0635	SHOP RITE DRUGS	426 15TH AVE E
423240	0670	COMMUNITY CENTER	402 15TH AVE E
423240	1365	BAGEL DELI/OFFICES	340 15TH AVE E
423240	1370	Smith & Star Bucks	332 15TH AVE E
440020	0025	BETTY LEE MANOR-RETAIL & APTS	510 19TH AVE E
440020	0030	COUNTRY DOCTOR CLINIC	500 19TH AVE E
440020	0040	Mixed use Medical clinic w/apt	1908 E REPUBLICAN ST
440020	0050	PEA-PATCH	500 20TH AVE E
501500	1150	CATERING & APT	801 26TH AVE E
519110	0020	PELICAN BAY ARTS CO-OP	606 19TH AVE E
519110	0035	WOOD SPECIALITIES	1914 E MERCER ST
570750	0025		1808 E DENNY WAY
600300	1810	One One Six	116 13TH AVE E
600300	1869	OFFICE W/LIVING QUARTERS	101 14TH AVE E
600350	0890	SFR - LAW OFFICE	1123 E JOHN ST
600350	1355		200 10TH AVE E
600350	1390	Broadway Babies	222 10TH AVE E
600350	1391	RUSSEL JONES RE PARKING LOT	10TH AVE E
600350	1445	11-UNIT ROOMING HOUSE	215 11TH AVE E
600350	1470	SFR - INDIVIDUAL DEVELOPMENT CENTER	1020 E JOHN ST
600350	1731		1304 E JOHN ST
600350	1735		210 13TH AVE E
600350	1795	Renovation from Apts to Office	225 14TH AVE E
600350	1810	SFR - OFFICE/RETAIL BUILDING	211 14TH AVE E
600350	1815	SFR - CAPITOL HILL CHRISTMAS SHOP	203 14TH AVE E
600350	1919	SFR - LAW OFFICES	1416 E THOMAS ST
676270	0365	HOUSE USED FOR 7 OFFICES	1127 10TH AVE E
676270	0860	ST MARKS CATHEDRAL	1245 10TH AVE E
676270	0920	ST MARKS CATHEDRAL	1245 10TH AVE E
678820	1335	JAY'S DRY CLEANERS	2401 E MCGRAW ST
678820	1460	RETAIL	2311 24TH AVE E
678820	1461	RETAIL	2317 24TH AVE E
678820	1505	MOUNTLAKE GRILLHOUSE	2307 24TH AVE E
678820	1506	CAFE LAGO	2301 24TH AVE E
684820	0027	HARRYS FINE FOOD	601 BELLEVUE AVE E
684820	0330	Retail / Bar	609 SUMMIT AVE E
684820	0385	SUMMIT FOODS	530 SUMMIT AVE E
684820	0480	sfr	411 BELMONT AVE E
684820	0526	ALTURRA Micro housing 37 unit	306 SUMMIT AVE E
684820	0762	Parking for Minor 0700 (SFR)	311 BOYLSTON AVE E

2016 North Capital Hill Neighborhood 025-046

Major	Minor	PropName	SitusAddress
685070	0430	GOTTELAND&KACZARSKI ARCHITECTS	707 E HARRISON ST
685070	0475	PARKING LOT	422 BOYLSTON AVE E
685070	0480	Tucker House - Open Office with 2nd Floo	420 BOYLSTON AVE E
685070	0585	SFR - LAW OFFICE	614 BOYLSTON AVE E
685170	0110	Ilaria Micro Housing	No Situs Address
685170	0255	VACANT LOT	13TH AVE E
685270	0010		621 12TH AVE E
685270	0160		422 11TH AVE E
771460	0650	SHANNON CONDOMINIUM	601 BELMONT AVE E
808040	0005	OFFICES IN HISTORIC CHURCH - Catalysis	128 16TH AVE E
808040	0020	Sound Mental Health	122 16TH AVE E
808040	0050	PARKING LOT	100 17TH AVE E
808040	0091	GROUP HEALTH - SEATTLE (Central south bl	201 16TH AVE E
808040	0110	GROUP HEALTH - SEATTLE	201 16TH AVE E
872210	0004	MONTLAKE BICYCLE	2223 24TH AVE E
880590	1070	Parking for Minor 1090	E ROANOKE ST
880590	1090	HOP IN MARKET	2605 22ND AVE E
894410	0010	Tiny vacant lot	No Situs Address
942140	0035	GROUP HEALTH CREDIT UNION PARKING	15TH AVE E
942140	0040	GROUP HEALTH CREDIT UNION	115 15TH AVE E
942140	0045	YOGA ARTS & 4 PLEX	109 15TH AVE E
942140	0050	7-11 STORE	103 15TH AVE E
942140	0051	7-11 CARRIED ON MINOR 0050	E DENNY WAY
983120	0275	DAR LODGE BLDG	800 E ROY ST
983120	0420	OFFICE & APARTMENT	723 BROADWAY
983120	0425	THEOSOPHICAL SOCIETY	717 BROADWAY
983120	0430	THE LOVELESS BUILDING	711 BROADWAY