

Northgate / Maple Leaf / Meadowbrook

Area: 007

Residential Revalue for 2017 Assessment Roll



King County

Department of Assessments

Setting values, serving the community, and pursuing excellence

500 Fourth Avenue, ADM-AS 0708

Seattle, WA 98104-2384

OFFICE (206) 296-7300 FAX (206) 296-0595

Email: assessor.info@kingcounty.gov

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



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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



How Property Is Valued

King County along with Washington's 38 other counties use mass appraisal techniques to value all real property each year for property assessment purposes.

What Are Mass Appraisal Techniques?

In King County the Mass Appraisal process incorporates statistical testing, generally accepted valuation methods, and a set of property characteristics for approximately 700,000 residential, commercial and industrial properties. More specifically for residential property, we break up King County into 86 residential market areas and annually develop market models from the sale properties using multiple regression statistical tools. The results of the market models are then applied to all similarly situated homes within the same appraisal area.

Are Properties Inspected?

All property in King County is physically inspected at least once during each six year cycle. Each year our appraisers inspect a different geographic area. An inspection is frequently an external observation of the property to confirm whether the property has changed by adding new improvements or shows signs of deterioration more than normal for the property's age. From the property inspections we update our property assessment records for each property. In cases where an appraiser has a question, they will approach the residence front door to make contact with the property owner or leave a card requesting the taxpayer contact them.

RCW 84.40.025 - Access to property

For the purpose of assessment and valuation of all taxable property in each county, any real or personal property in each county shall be subject to visitation, investigation, examination, discovery, and listing at any reasonable time by the county assessor of the county or by any employee thereof designated for this purpose by the assessor.

In any case of refusal to such access, the assessor shall request assistance from the department of revenue which may invoke the power granted by chapter [84.08](#) RCW.

How are Property Sales Used?

For the annual revaluation of residential properties, three years of sales are analyzed with the sales prices time adjusted to January 1 of the current assessment year. Sales prices are adjusted for time to reflect that market prices change over time. During an increasing market, older sales prices often understate the current market value. Conversely, during downward (or recessionary) markets, older sales prices may overstate a property's value on January 1 of the assessment year unless sales are time adjusted. Hence time adjustments are an important element in the valuation process.

How is Assessment Uniformity Achieved?

We have adopted the Property Assessment Standards prescribed by the International Association of Assessing Officers that may be reviewed at www.IAAO.org. As part of our valuation process statistical testing is performed by reviewing the uniformity of assessments within each specific market area, property type, and quality grade or residence age. More specifically Coefficients of Dispersion (aka COD) are developed that show the uniformity of predicted property assessments. We have set our target CODs using the standards set by IAAO which are summarized in the following table:

Type of property—General	Type of property—Specific	COD Range**
Single-family residential (including residential condominiums)	Newer or more homogeneous areas	5.0 to 10.0
Single-family residential	Older or more heterogeneous areas	5.0 to 15.0
Other residential	Rural, seasonal, recreational, manufactured housing, 2–4 unit family housing	5.0 to 20.0
Income-producing properties	Larger areas represented by large samples	5.0 to 15.0
Income-producing properties	Smaller areas represented by smaller samples	5.0 to 20.0
Vacant land		5.0 to 25.0
Other real and personal property		Varies with local conditions

Source: IAAO, *Standard on Ratio Studies*, Table 1-3

More results of the statistical testing process is found within the attached area report.

Requirements of State Law

Washington property is required to be revalued each year to market value based on its highest and best use. (RCW 84.41.030; 84.40.030; and WAC 458-07-030). Washington Courts have interpreted fair market value as the amount of money a buyer, willing but not obligated to buy, would pay to a seller willing but not obligated to sell. Highest and Best Use is simply viewed as the most profitable use that a property can be legally used for. In cases where a property is underutilized by a property owner, it still must be valued at its highest and best use.

Appraisal Area Reports

The following area report summarizes the property assessment activities and results for a general market area. The area report is meant to comply with state law for appraisal documentation purposes as well as provide the public with insight into the mass appraisal process.



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King County Administration Bldg.
500 Fourth Avenue, ADM-AS-0708
Seattle, WA 98104-2384

John Wilson
Assessor

Northgate / Maple Leaf / Meadowbrook – Area 007

2017 Assessment Roll Year

Recommendation is made to post values for Area 007 to the 2018 tax roll:

Appraiser II: Cheryl Lewis

07/18/2017

Date

NW District Senior Appraiser: Ron Guidry

7/19/2017

Date

Residential Division Director: Debra S. Prins

7/19/2017

Date

This report is hereby accepted and the values described in the attached documentation for Area 007 should be posted to the 2018 tax roll.

John Wilson, King County Assessor

7/21/17

Date



Executive Summary

Northgate / Maple Leaf / Meadowbrook - Area 007

Physical Inspection

Appraisal Date: 1/1/2017
Previous Physical Inspection: 2010
Number of Improved Sales: 697
Range of Sale Dates: 1/1/2014 – 12/31/2016 Sales were time adjusted to 1/1/2017

Sales - Improved Valuation Change Summary:						
	Land	Improvements	Total	Mean Sale Price	Ratio	COD
2016 Value	\$216,500	\$321,000	\$537,500			9.10%
2017 Value	\$290,500	\$345,000	\$635,500	\$694,600	91.9%	7.71%
\$ Change	+\$74,000	+\$24,000	+\$98,000			
% Change	+34.2%	+7.5%	+18.2%			

Coefficient of Dispersion (COD) is a measure of the uniformity of the predicted assessed values for properties within this geographic area. The 2017 COD of 7.71% is an improvement from the previous COD of 9.10%. The lower the COD, the more uniform are the predicted assessed values. Assessment standards prescribed by the International Association of Assessing Officers identify that the COD in rural or diverse neighborhoods should be no more than 20%. The resulting COD meets or exceeds the industry assessment standards. Sales from 1/1/2013 to 12/31/2016 (at a minimum) were considered in all analysis. Sales were time adjusted to 1/1/2017

Population - Improved Valuation Change Summary:			
	Land	Improvements	Total
2016 Value	\$223,500	\$300,800	\$524,300
2017 Value	\$304,500	\$302,700	\$607,200
\$ Change	+\$81,000	+\$1,900	+\$82,900
% Change	+36.2%	+0.6%	+15.8%

Number of one to three unit residences in the population: 5,672

Physical Inspection Area:

State law requires that each property be physically inspected at least once during a 6 year revaluation cycle. During the recent inspection of Area 007 – Northgate / Maple Leaf / Meadowbrook, appraisers were in the area, confirming data characteristics, developing new valuation models and selecting a new value for each property for the assessment year. For each of the subsequent years, the previous property values are statistically adjusted during each assessment period. Taxes are paid on total value, not on the separate amounts allocated to land and improvements.

The current physical inspection analysis for Area 007 indicated a substantial change was needed in the allocation of the land and improvement value as part of the total. Land is valued as though vacant and at its highest and best use. The improvement value is a residual remaining when land is subtracted from total value.

Area 007 Physical Inspection Ratio Study Report

PRE-REVALUE RATIO ANALYSIS

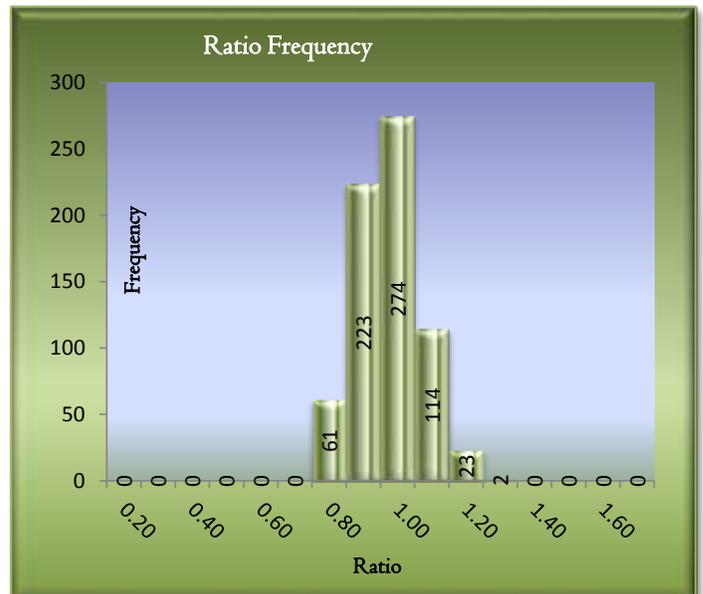
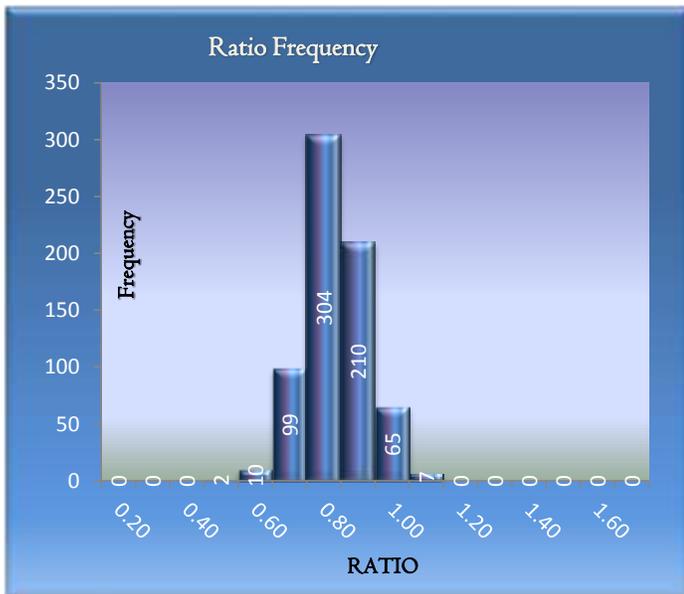
Pre-revalue ratio analysis compares time adjusted sales from 2014 through 2016 in relation to the previous assessed value as of 1/1/2016.

PRE-REVALUE RATIO SAMPLE STATISTICS	
<i>Sample size (n)</i>	697
<i>Mean Assessed Value</i>	537,500
<i>Mean Adj. Sales Price</i>	694,600
<i>Standard Deviation AV</i>	128,465
<i>Standard Deviation SP</i>	193,228
ASSESSMENT LEVEL	
<i>Arithmetic Mean Ratio</i>	0.785
<i>Median Ratio</i>	0.781
<i>Weighted Mean Ratio</i>	0.774
UNIFORMITY	
<i>Lowest ratio</i>	0.445
<i>Highest ratio:</i>	1.098
<i>Coefficient of Dispersion</i>	9.10%
<i>Standard Deviation</i>	0.090
<i>Coefficient of Variation</i>	11.51%
<i>Price Related Differential (PRD)</i>	1.015

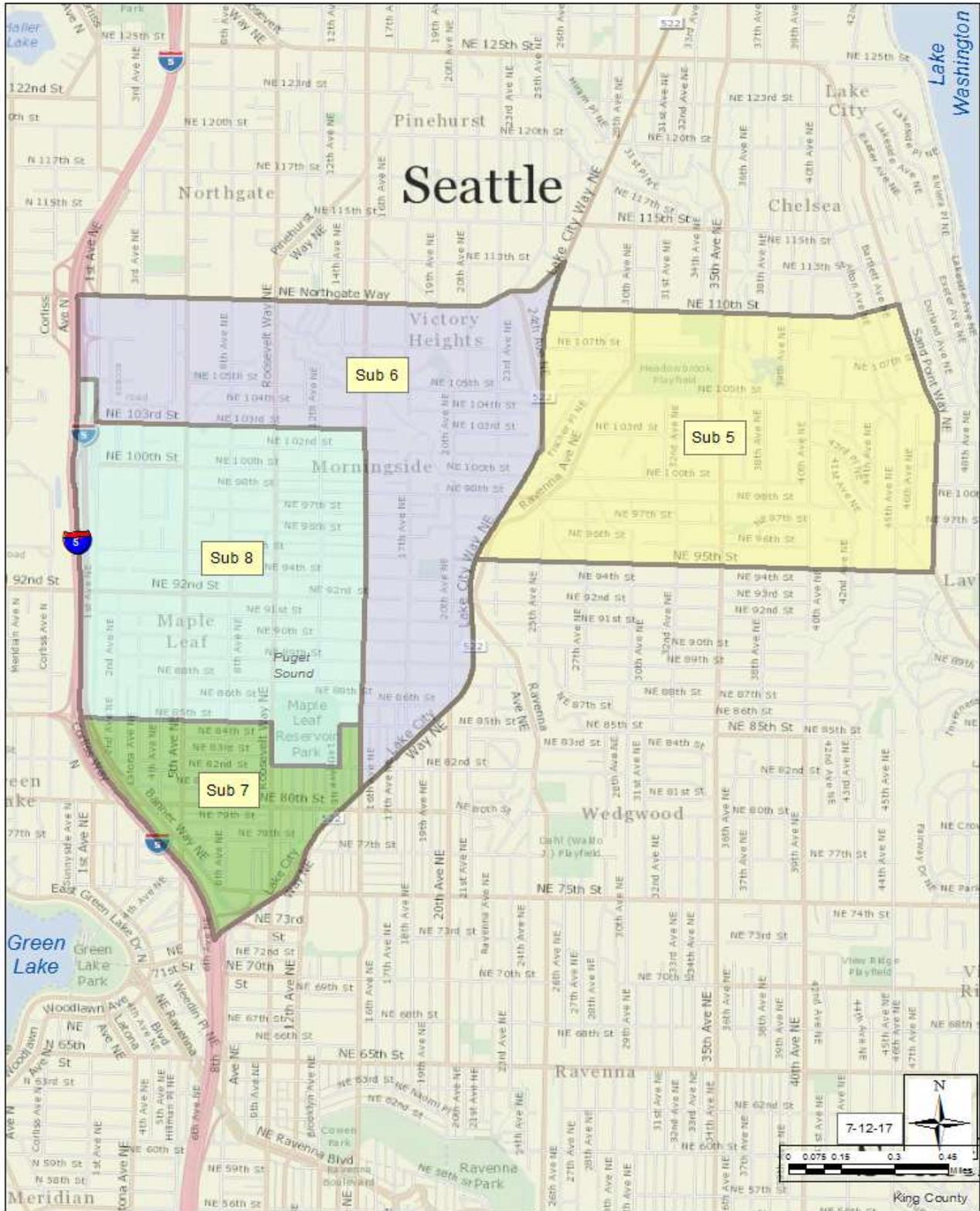
POST-REVALUE RATIO ANALYSIS

Post revalue ratio analysis compares time adjusted sales from 2014 through 2016 and reflects the assessment level after the property has been revalued to 1/1/2017.

POST REVALUE RATIO SAMPLE STATISTICS	
<i>Sample size (n)</i>	697
<i>Mean Assessed Value</i>	635,500
<i>Mean Sales Price</i>	694,600
<i>Standard Deviation AV</i>	165,817
<i>Standard Deviation SP</i>	193,228
ASSESSMENT LEVEL	
<i>Arithmetic Mean Ratio</i>	0.923
<i>Median Ratio</i>	0.919
<i>Weighted Mean Ratio</i>	0.915
UNIFORMITY	
<i>Lowest ratio</i>	0.711
<i>Highest ratio:</i>	1.238
<i>Coefficient of Dispersion</i>	7.71%
<i>Standard Deviation</i>	0.090
<i>Coefficient of Variation</i>	9.79%
<i>Price Related Differential (PRD)</i>	1.009

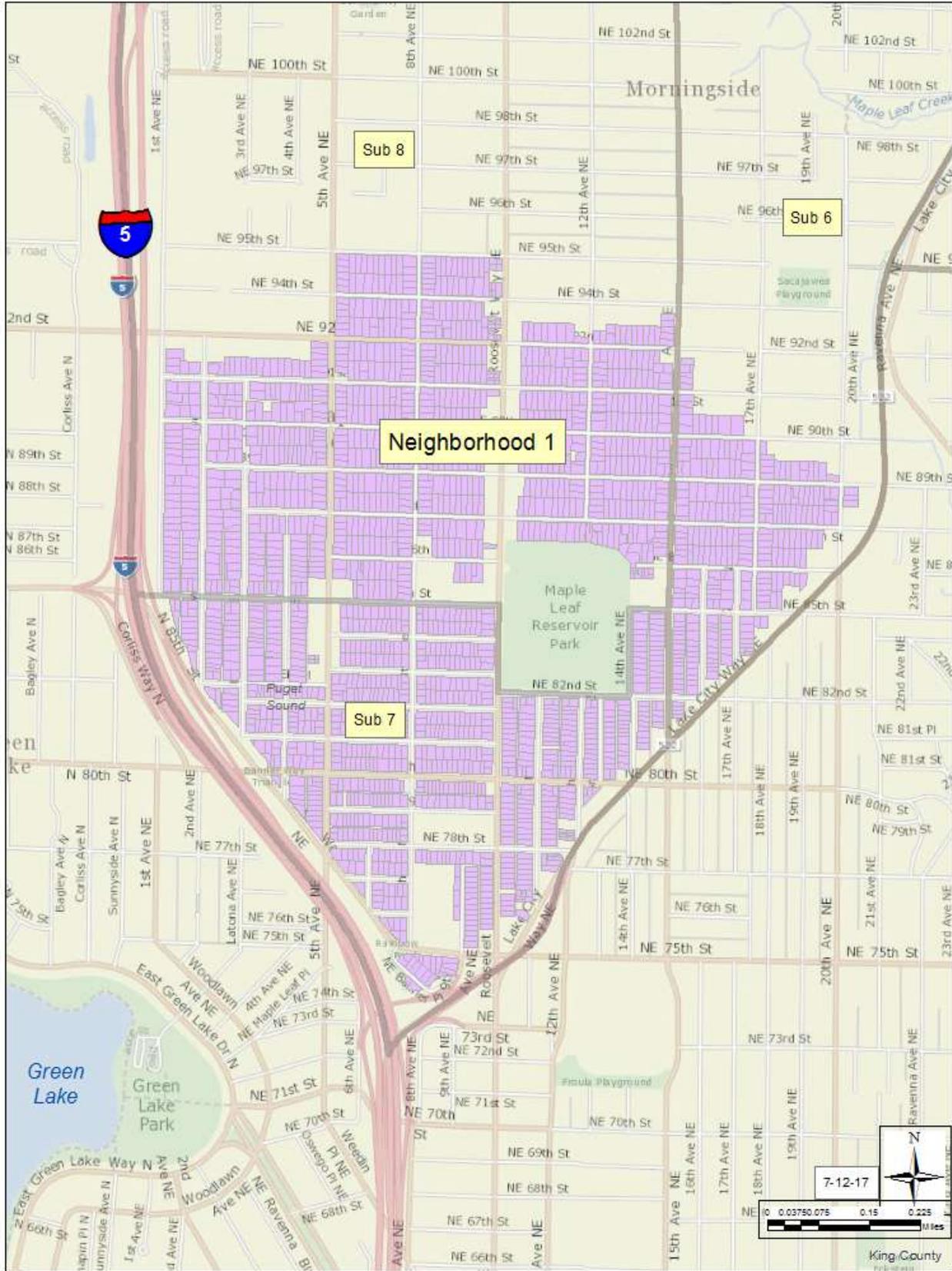


Area 007 Map



All maps in this document are subject to the following disclaimer: The information included on this map has been compiled by King County staff from a variety of sources and is subject to change without notice. King County makes no representations or warranties, express or implied, as to accuracy, completeness, timeliness, or rights to the use of such information. King County shall not be liable for any general, special, indirect, incidental, or consequential damages including, but not limited to, lost revenues or lost profits resulting from the use or misuse of the information contained on this map. Any sale of this map or information on this map is prohibited except by written permission of King County. Scale unknown.

Neighborhood Map



Area Information

Name or Designation

Area 007 - Northgate / Maple Leaf / Meadowbrook

Boundaries

The area is bordered to the North at Northgate Way in Sub area 6 and NE 110th St in Sub area 5; to the south at NE Banner Pl in Sub area 7 and NE 95th St in Sub area 5; to the west at I-5 and to the east at Lake City way in Sub area 6 and 7 and Sand Point Way in Sub area 5.

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 7 is located in NE Seattle. The population of area 7 is homogeneous and urban in nature. It's close proximity to Interstate 5 and Lake City Way provide access for employment in nearby suburbs and in downtown Seattle. Area 7 is well serviced by public transportation, schools and parks. In the coming years the underground tunnel which starts in downtown Seattle will have a station here. The Northgate Shopping Mall is located in the far northwest corner of the area. The shopping mall acts as a hub for numerous stores, cinemas and restaurants that serve people living in the north end of King County. North Seattle Community College is located directly west of area 7 on the west side of Interstate 5. Green Lake is located close to the Maple Leaf neighborhood and provides a three mile paved path to walk around the lake. Other parks in area 7 include Maple Leaf Reservoir Park, Rainbow Point Park and Meadowdale Playfield.

The area is divided into 4 sub areas encompassing Maple Leaf, Northgate and Meadowbrook (see map on page 7). Neighborhood 1 identifies that portion of the Maple Leaf neighborhood that is improved with sidewalks and curbs (See map on page 8).

There are a total of 6135 parcels in area 7 of which 5984 are improved. The improved parcels include 1 manufactured home, 135 Townhomes and 20 parcels with multiple improvements. Homes were built between 1900 and 2017 with the predominant age between 1920 to 1959. Eighty eight percent of the improved parcels are either grade 7 or grade 8. The average above grade living area for improvements is 1,405 square feet and the average total living area is 1,810 square feet.

Land characteristics that affect area 7 are view amenities, traffic, commercial influence, power lines and topography. Parcels in the area vary in size with a median lot size of approximately 7,000 square feet. Seven percent of the parcels have a view amenity of either the Cascades, Olympic Mountains, Green Lake, Lake Washington, Mount Rainier, or a territorial view. Approximately 22% of the population in area 7 are impacted by traffic noise, 4% are impacted by an other nuisance such as their location near a commercial property or power lines. Topography affects approximately 4% of the parcels in the area.

Land Valuation

Vacant sales from 1/1/2014 to 12/31/2016 were given primary consideration for valuing land with emphasis placed on those sales closest to January 1, 2017. Due to the limited number of land sales in the area, tear down sales were also used. A total of 17 sales, including both vacant land and tear down sales were used to develop the land model. Additional support and validation came from the land allocation and land abstraction methods. All sales were verified by field review and when possible, contact with the buyer or seller. Various observations were researched, analyzed and validated by current market sales. All land was valued at it's highest and best use as if vacant. A typical non view single site lot of approximately 7000 square feet has a value of \$325,000.

Land Model

Model Development, Description and Conclusions

Area 7 consists of 6135 parcels of which 151 (2%) are vacant. The predominant zoning in the area is Single Family Residential ranging from SF 5000 to SF 7200. Commercially zoned parcels represent less than 3% of the population. Area 7 being an older urban neighborhood has few vacant land sales. This is primarily because 98% of all parcels are improved. Of the 151 vacant parcels, 46% are owned by governmental entities for parks, trails or open space and are not available for development. There were 17 land sales in area 7, including both vacant and improved sales where the intention at the time of purchase was to tear down the improvement. Sales of new and newer single family homes and town homes were used to determine land values by the land abstraction method. Generally, the portion of the sale price of a new or newer home or town home is approximately 30% while the building accounts for 70%. This land to building ratio is determined by analyzing sales of new homes where there is an underlying land or tear-down sale.

Analysis of the area showed that location, zoning, views and lot size had the most significant positive impact on land values. Views with minor impact include mountain and territorial views. Views with greater impact, include views of Green Lake, Lake Washington and views of the downtown Seattle skyline. Negative adjustments were made for issues such as traffic noise, commercial influence, topography, restricted access, irregular size and shape, power lines and water/environmental issues. These adjustments were made based on analyzing matched pairs of vacant sales, teardown sales, and improved sales, combined with years of appraisal experience and knowledge of the area.

Neighborhood 1 identifies that portion of the Maple Leaf neighborhood that is improved with sidewalks and curbs and received a positive adjustment. (See map on page 8).

The land model adjusted 30% for extreme traffic for parcels adjacent to Interstate 5. Other arterials were adjusted 20% for high and 10% for moderate traffic. Parcels adjacent to commercial or power lines received a 10% adjustment.

Where townhome zoning exists, the square footage of the lot was divided by unit lot square footage of the zone. (See chart on page 11) Adjustments were made for traffic, topography and development costs. The base land value for townhomes is \$170,000 per unit.

Land Value Model Calibration

Area 7 Base Land Values

Lot Size Square Foot Range	SF 5000 & 7200	LR1 (1600)	LR2 (1200)
1-699	\$1,000	\$1,000	\$1,000
700-1000	\$170,000	\$170,000	\$170,000
1001-2399	\$200,000	\$170,000	\$170,000
2400-3199	\$225,000	\$170,000	\$340,000
3200-3599	\$245,000	\$340,000	\$340,000
3600-4799	\$265,000	\$340,000	\$510,000
4800-5399	\$290,000	\$510,000	\$680,000
5400-5999	\$310,000	\$510,000	\$680,000
6000-6399	\$320,000	\$510,000	\$850,000
6400-7199	\$325,000	\$680,000	\$850,000
7200-7999	\$330,000	\$680,000	\$1,020,000
8000-8399	\$335,000	\$850,000	\$1,020,000
8400-9000	\$340,000	\$850,000	\$1,190,000
9001-10000	\$350,000		
10001-11000	\$360,000		
11001-13000	\$370,000		
13001-15000	\$380,000		
15001-17000	\$390,000		
17001-19000	\$400,000		
19001-30000	\$410,000		
30001-50000	\$420,000		

Townhomes

Lot Size Square Foot Range	Value
1-699	\$1,000
700-2499	\$170,000

- If both Green Lake and Seattle Skyline view add 5% for average and 10% for good.
- If Green Lake or Seattle Skyline view no additional for Mountain or Territorial view.
- If Lake Washington and Mountain or Territorial view add 10% for lake view to the greater of the two views.
- If both Mountain and Territorial view only take the greater view.

Adjustments	
Neighborhood	Adjustment
1	5%
View	Adjustment
Lake Washington	
Fair	10%
Green Lake	
Average	15%
Good	20%
Seattle Skyline	
Average	15%
Good	20%
Territorial	
Average	5%
Good	10%
Excellent	15%
Mountain	
Average	5%
Good	10%
Excellent	15%
Nuisance/Impacts	Adjustment
Traffic	
Moderate	-10%
High	-20%
Extreme	-30%
Additional Adjustments	
Topography	Up to -90%
Other Nuisance (Commercial Influence)	-10%
Other Problems	-10%
Restricted Access	-5%
Water Problems	-10%
Power Lines	-5%
Restrictive Size/Shape	-10%
Other Environmental	Up to -50%
Documented Unbuildable	-75% to -90%
Development Costs	-25% to -35%

Improved Parcel Valuation

Improved Parcel Data:

Sales information is obtained from excise tax affidavits and reviewed initially by the Accounting Division, Sales Identification Section. Information is analyzed and investigated by the appraiser in the process of revaluation. All sales were verified if possible by calling either the purchaser or seller, inquiring in the field or calling the real estate agent. Characteristic data is verified for all sales if possible. Due to time constraints, interior inspections were limited. Available sales and additional Area information can be viewed on the Assessor's website with [sales lists](#), [eSales](#) and [Localscape](#). Additional information may reside in the Assessor's Real Property Database, Assessor's procedures, Assessor's "field" maps, Revalue Plan, separate studies, and statutes.

The Assessor maintains a cost model, which is specified by the physical characteristics of the improvement, such as first floor area, second floor area, total basement area, and number of bathrooms. The cost for each component is further calibrated to the 13 grades to account for quality of construction. Reconstruction Cost New (RCN) is calculated from adding up the cost of each component. Depreciation is then applied by means of a percent good table which is based on year built, grade, and condition, resulting in Reconstruction Cost New less Depreciation (RCNLD). The appraiser can make further adjustments for obsolescence (poor floor plan, design deficiencies, external nuisances etc.) if needed. The Assessor's cost model generates RCN and RCNLD for principal improvements and accessories such as detached garages and pools.

The Assessor's cost model was developed by the King County Department of Assessments in the early 1970's. It was recalibrated in 1990 to roughly approximate Marshall & Swift's square foot cost tables, and is indexed annually to keep up with current costs.

Model Development, Description and Conclusions:

Most sales were field verified and characteristics updated prior to model development. Sales were time adjusted to 1/1/2017.

A cost based model was developed for valuing the majority of parcels in area 7. The model was applied to detached single family residences as well as townhome style improvements. The model was tested for accuracy on all possible types of property in the population. Supplemental models were developed and applied to properties where the model was not deemed accurate. The valuation model was applied to the population after all of the properties were physically inspected. Based on the sales an overall assessment level of 91.9% was achieved. The uniformity of assessment improved as the coefficient of dispersion (COD) was reduced from 9.10% to 7.71%. In addition to the standard physical property characteristics, the analysis showed the following variables were influential in the market, age of improvement, fair condition house, good condition house, very good condition house, Res Sub Area 7, Neighborhood 1 not in Res Sub Area 7, Res Sub Area 6 not in Neighborhood 1, year built renovate before 1949, Present Use is Townhome.

Improved Parcel Total Value Model Calibration

Variable	Definition
Sale Day	Time Adjustment
BaseLandC	2017 Adjusted Base Land Value
ComboCostC	Bldg RCN + RCNLD Accessory Cost
Age	Age of Improvement
FairYN	House Condition is Fair
GoodYN	House Condition is Good
VGoodYN	House Condition is Very Good
Sub7YN	Res Sub Area 7
Nghb1NotSub7	Neighborhood 1 not in Res Sub Area 7
Sub6YNNotNghb1	Res Sub Area 6 not in Neighborhood 1
OldAgeYN	Year Built Ren before 1949
PresentUse29	Townhomes

Multiplicative Model

$(1-0.075) * 2.77042800364659 - 0.0922998089452426 * \text{AgeC} + 0.240754919481077 * \text{BaseLandC} + 0.495420362713819 * \text{ComboCost} - 0.115249774094344 * \text{FairYN} + 0.0359145877598452 * \text{GoodYN} - 0.0460227289743981 * \text{HvyTrafExtremeYN} + 0.0259884271160836 * \text{Nghb1NotSub7} + 0.0200469208288161 * \text{OldAgeYN} - 0.0392677818604893 * \text{PresentUse29} + 0.000312888092264132 * \text{SaleDay} - 0.0309273390469771 * \text{Sub6YNNotNghb1} + 0.0536496571511525 * \text{Sub7YN} + 0.0717518422912254 * \text{VGoodYN}$

EMV values were not generated for:

- Buildings with grade less than 6
- Buildings with condition less than fair
- Building two or greater. (EMV is generated for building one only.)
- If total EMV is less than base land value
- Lot size less than 100 square feet
- Obsolescence greater than 0
- Net Condition greater than 0
- Percent complete greater than 0
- Accessory Improvement only (Land + RCNLD)

Of the improved parcels in the population, 5576 parcels increased in value. They were comprised of 156 single family residences on commercially zoned land and 5420 single family residences or other parcels.

Of the vacant land parcels greater than \$1000, 60 parcels increased in value. Tax exempt parcels were excluded from the number of parcels increased.

Supplemental Models and Exceptions

Accessory Improvement only	Reconstruction Cost New Less Depreciation (RCNLD)
Building Grade 4, 5	RCNLD or \$1,000
Building Grade 10	Total EMV x 1.1
Poor Condition	Imp RCNLD x .75
Duplex/Triplex	Total EMV x .90
Multiple Imps	EMV for building one plus RCNLD for additional Imps.
Townhomes-Sub 7 south of NE 80 th St	EMV * .95
NetCond > 0	RCNLD or \$1,000
PctComplete <100	Imp EMV adjusted by applicable % if 50%-99% complete. RCNLD if below 50%
Obsolescence % > 0	Imp EMV adjusted by applicable %.
Total EMV < Baseland Value	\$1,000. If multiple sites or commercial zone, then use that model instead.
Multiple Site Parcels	EMV calculated on a single site, plus land value for additional sites.
Mobile Home only	RCNLD
LR1 & LR2	Value as multiple sites

Physical Inspection Process

Effective Date of Appraisal: January 1, 2017

Date of Appraisal Report: July 13, 2017

Appraisal Team Members and Participation

The valuation for this area was done by the following Appraisal Team. The degree of participation varied according to individual skill in relevant areas and depending on the time they joined the team.

- Cheryl Lewis – Appraiser II: Team lead, coordination, valuation model development and testing. Land and total valuation appraisals. Sales verification, physical inspection and report writing.
- Anne Main – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation.
- Eric Myhre – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation.
- Leslie Clay – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation.

Sales Screening for Improved Parcel Analysis

In order to ensure that the Assessor's analysis of sales of improved properties best reflects the market value of the majority of the properties within an area, non-typical properties must be removed so a representative sales sample can be analyzed to determine the new valuation level. The following list illustrates examples of non-typical properties which are removed prior to the beginning of the analysis.

1. Vacant parcels
2. Mobile Home parcels
3. Multi-Parcel or Multi Building parcels
4. New construction where less than a 100% complete house was assessed for 2016
5. Existing residences where the data for 2016 is significantly different than the data for 2017 due to remodeling
6. Parcels with improvement values, but no characteristics
7. Parcels with either land or improvement values of \$10,000 or less posted for the 2016 Assessment Roll
8. Short sales, financial institution re-sales and foreclosure sales verified or appearing to be not at market

(Available sales and additional Area information can be viewed from [sales lists](#), [eSales](#) and [Localscape](#))

Highest and Best Use Analysis

As If Vacant: Market analysis of the area, together with current zoning and current and anticipated use patterns, indicate the highest and best use of the overwhelming majority of the appraised parcels is single family residential. Any other opinion of highest and best use is specifically noted in our records, and would form the basis for the valuation of that specific parcel.

As If Improved: Where any value for improvements is part of the total valuation, we are of the opinion that the present improvements produce a higher value for the property than if the site was vacant. In appraisal theory, the present use is therefore the highest and best (as improved) of the subject property, though it could be an interim use.

Standards and Measurement of Data Accuracy

Sales were verified with the purchaser, seller or real estate agent where possible. Current data was verified via field inspection and corrected. Data was collected and coded per the assessor's residential procedures manual.

We maintain uniformity with respect to building characteristics such as year-built, quality, condition, living area, stories, and land characteristics such as location (sub-area and plat), lot size, views, and waterfront. Other variables that are unique to the specific areas are also investigated. This approach ensures that values are equitable for all properties with

Physical Inspection Process... Continued

respect to all measurable characteristics, whether the houses are larger or smaller, higher or lower quality, remodeled or not, with or without views or waterfront, etc.

Special Assumptions and Limiting Conditions

The sales comparison and cost approaches to value were considered for this mass appraisal valuation. After the sales verification process, the appraiser concluded that the market participants typically do not consider an income approach to value. Therefore the income approach is not applicable in this appraisal as these properties are not typically leased, but rather owner occupied. The income approach to value was not considered in the valuation of this area.

The following Departmental guidelines were considered and adhered to:

- Sales from 1/1/2014 to 12/31/2016 (at minimum) were considered in all analyses.
- Sales were time adjusted to 1/1/2017.
- This report is intended to meet the requirements of the Uniform Standards of Professional Appraisal Practice Standard 6.



Area 007 Market Value Changes Over Time

In a changing market, recognition of a sales trend to adjust a population of sold properties to a common date is required to allow for value differences over time between a range of sales dates and the assessment date. The following chart shows the % time adjustment required for sales to reflect the indicated market value as of the assessment date, **January 1, 2017**.

For example, a sale of \$475,000 which occurred on October 1, 2015 would be adjusted by the time trend factor of 1.154, resulting in an adjusted value of \$548,000 ($\$475,000 * 1.154 = \$548,150$) – truncated to the nearest \$1000.

SaleDate	Adjustment (Factor)	Equivalent Percent
1/1/2014	1.409	40.9%
2/1/2014	1.395	39.5%
3/1/2014	1.383	38.3%
4/1/2014	1.370	37.0%
5/1/2014	1.357	35.7%
6/1/2014	1.344	34.4%
7/1/2014	1.331	33.1%
8/1/2014	1.319	31.9%
9/1/2014	1.306	30.6%
10/1/2014	1.294	29.4%
11/1/2014	1.281	28.1%
12/1/2014	1.269	26.9%
1/1/2015	1.257	25.7%
2/1/2015	1.245	24.5%
3/1/2015	1.234	23.4%
4/1/2015	1.222	22.2%
5/1/2015	1.211	21.1%
6/1/2015	1.199	19.9%
7/1/2015	1.188	18.8%
8/1/2015	1.176	17.6%
9/1/2015	1.165	16.5%
10/1/2015	1.154	15.4%
11/1/2015	1.143	14.3%
12/1/2015	1.132	13.2%
1/1/2016	1.121	12.1%
2/1/2016	1.111	11.1%
3/1/2016	1.100	10.0%
4/1/2016	1.090	9.0%
5/1/2016	1.080	8.0%
6/1/2016	1.069	6.9%
7/1/2016	1.059	5.9%
8/1/2016	1.049	4.9%
9/1/2016	1.039	3.9%
10/1/2016	1.029	2.9%
11/1/2016	1.019	1.9%
12/1/2016	1.010	1.0%
1/1/2017	1.000	0.0%

Area 007 Market Value Changes Over Time

The time adjustment formula for Area 007 is: $1/EXP (\text{SaleDay} * + \text{SaleDaySq} * + \text{SaleDayCu} *)$

$\text{SaleDay} = \text{SaleDate} - 42736$

$\text{SaleDaySq} = (\text{SaleDate} - 42736)^2$

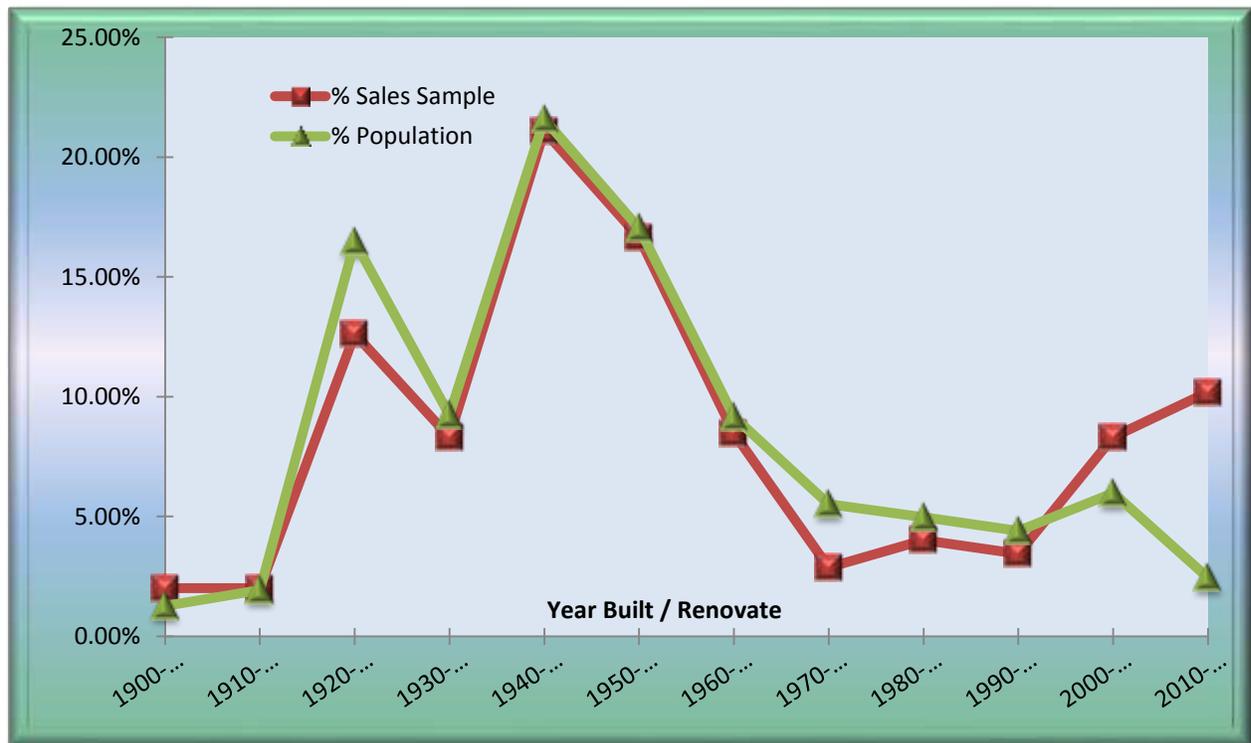
Sales Sample Representation of Population Year Built or Renovated

Sales

Year Built/Ren	Frequency	% Sales Sample
1900-1909	14	2.01%
1910-1919	14	2.01%
1920-1929	88	12.63%
1930-1939	58	8.32%
1940-1949	147	21.09%
1950-1959	116	16.64%
1960-1969	59	8.46%
1970-1979	20	2.87%
1980-1989	28	4.02%
1990-1999	24	3.44%
2000-2009	58	8.32%
2010-2017	71	10.19%
	697	

Population

Year Built/Ren	Frequency	% Population
1900-1909	72	1.27%
1910-1919	110	1.94%
1920-1929	934	16.47%
1930-1939	524	9.24%
1940-1949	1,224	21.58%
1950-1959	966	17.03%
1960-1969	519	9.15%
1970-1979	313	5.52%
1980-1989	282	4.97%
1990-1999	250	4.41%
2000-2009	339	5.98%
2010-2017	139	2.45%
	5,672	



Sales of new homes built over the last few years are over represented in this sample.

This is a common occurrence due to the fact that most new homes will sell shortly after completion. This over representation was found to lack statistical significance during the modeling process.

Sales Sample Representation of Population

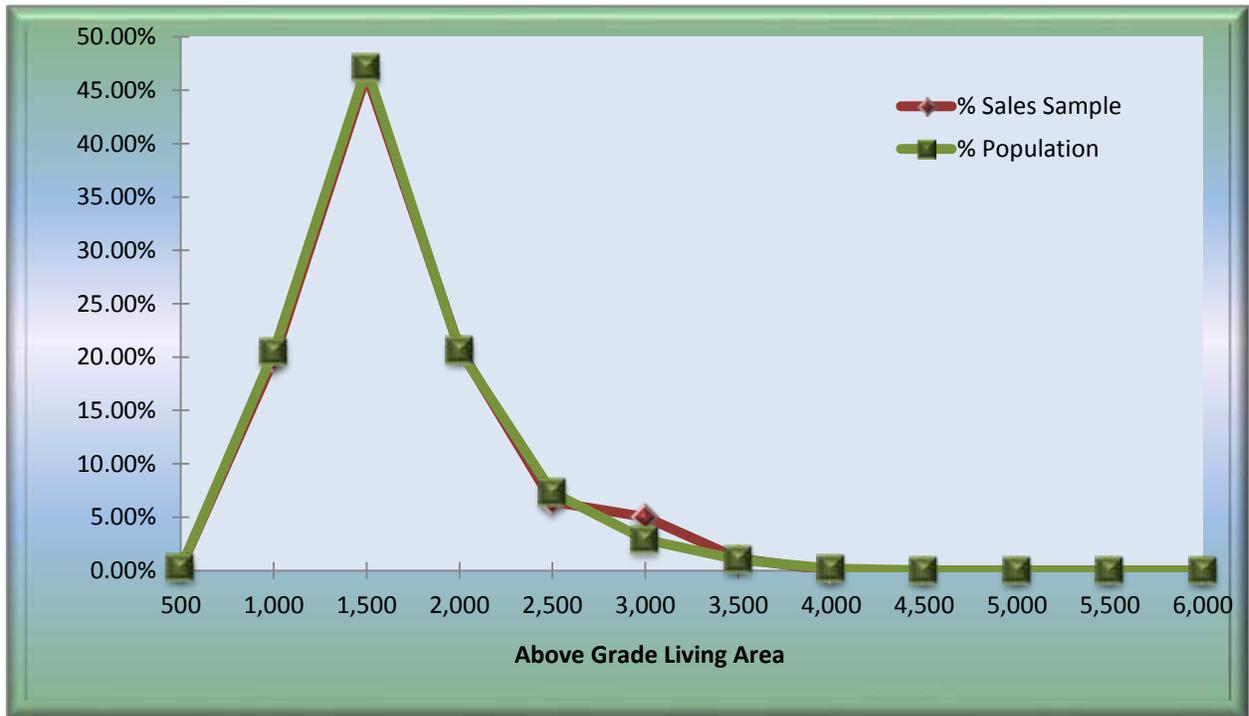
Above Grade Living Area

Sales

AGLA	Frequency	% Sales Sample
500	2	0.29%
1,000	138	19.80%
1,500	324	46.48%
2,000	145	20.80%
2,500	45	6.46%
3,000	35	5.02%
3,500	8	1.15%
4,000	0	0.00%
4,500	0	0.00%
5,000	0	0.00%
5,500	0	0.00%
6,000	0	0.00%
697		

Population

AGLA	Frequency	% Population
500	14	0.25%
1,000	1,163	20.50%
1,500	2,673	47.13%
2,000	1,171	20.65%
2,500	415	7.32%
3,000	165	2.91%
3,500	58	1.02%
4,000	10	0.18%
4,500	2	0.04%
5,000	0	0.00%
5,500	1	0.02%
6,000	0	0.00%
5,672		



The sales sample frequency distribution follows the population distribution very closely with regard to Above Grade Living Area (AGLA). This distribution is ideal for both accurate analysis and appraisals.

Sales Sample Representation of Population

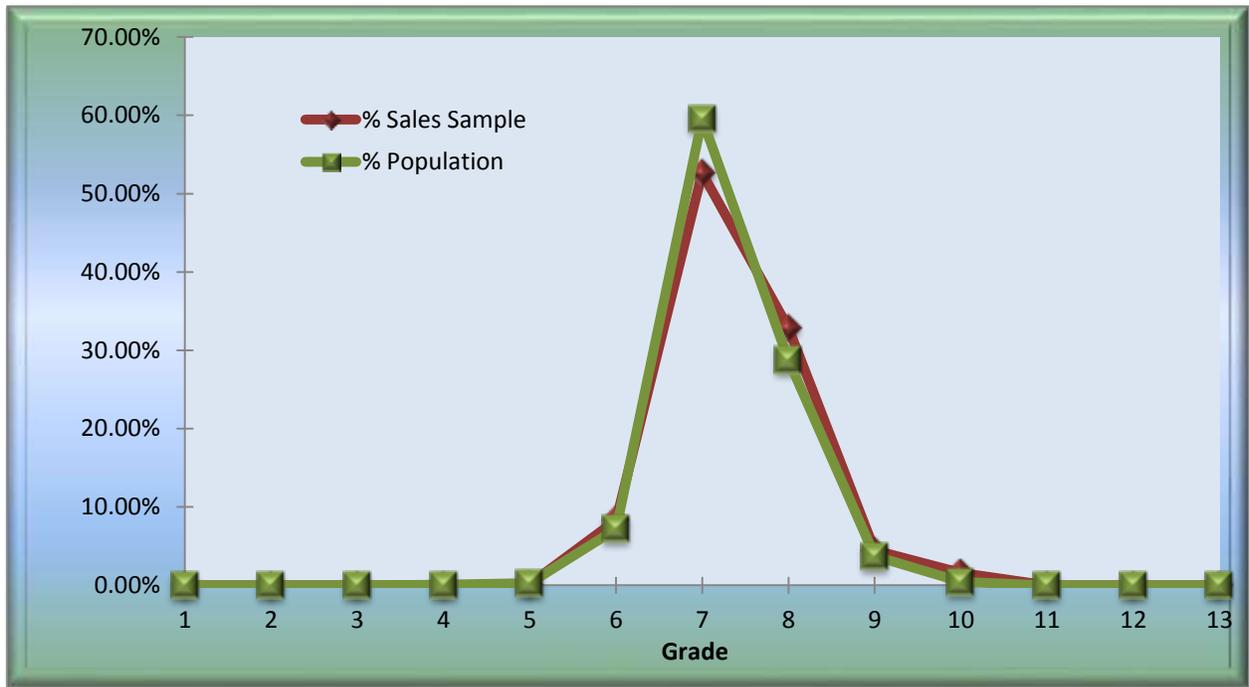
Building Grade

Sales

Grade	Frequency	% Sales Sample
1	0	0.00%
2	0	0.00%
3	0	0.00%
4	0	0.00%
5	1	0.14%
6	58	8.32%
7	367	52.65%
8	229	32.86%
9	31	4.45%
10	11	1.58%
11	0	0.00%
12	0	0.00%
13	0	0.00%
697		

Population

Grade	Frequency	% Population
1	0	0.00%
2	0	0.00%
3	0	0.00%
4	3	0.05%
5	15	0.26%
6	408	7.19%
7	3,381	59.61%
8	1,631	28.76%
9	210	3.70%
10	24	0.42%
11	0	0.00%
12	0	0.00%
13	0	0.00%
5,672		



The sales sample frequency distribution follows the population distribution very closely with regard to Building Grades. This distribution is ideal for both accurate analysis and appraisals.

Results

Appraiser judgment prevails in all decisions regarding individual parcel valuation. Each parcel is 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. This value estimate may be adjusted based on particular characteristics and conditions as they occur in the valuation area.

The assessment level target for all areas in King County, including this area, is 92.5. The actual assessment level for this area is 91.9%. The standard statistical measures of valuation performance are all within the IAAO recommended range of .90 to 1.10.

Application of these recommended values for the 2017 assessment year (taxes payable in 2017) results in an average total change from the 2016 assessments of +15.8%. This increase is due partly to market changes over time and the previous assessment levels.

A Ratio Study was completed just prior to the application of the 2017 recommended values. This study benchmarks the prior assessment level using 2016 posted values (1/1/2016) compared to current adjusted sale prices (1/1/2017). The study was also repeated after the application of the 2017 recommended values. The results show an improvement in the COD from 9.10% to 7.71%.

The Appraisal Team recommends application of the Appraiser selected values, as indicated by the appropriate model or method.

Note: More details and information regarding aspects of the valuations and the report are retained in the working files kept in the appropriate district office.

Area 007 Housing Profile



Grade 5/ Year Built 1949/ Total Living Area 820 SF



Grade 6/ Year Built 1912/ Total Living Area 920 SF



Grade 7/ Year Built 1926/ Total Living Area 1,330 SF



Grade 8/ Year Built 1931/ Total Living Area 2,430 SF



Grade 9/ Year Built 2006/ Total Living Area 2,960 SF



Grade 10/ Year Built 2015/ Total Living Area 3,190 SF

Glossary for Improved Sales

Condition: Relative to Age and Grade

- 1= Poor Many repairs needed. Showing serious deterioration.
- 2= Fair Some repairs needed immediately. Much deferred maintenance.
- 3= Average Depending upon age of improvement; normal amount of upkeep for the age of the home.
- 4= Good Condition above the norm for the age of the home. Indicates extra attention and care has been taken to maintain.
- 5= Very Good Excellent maintenance and updating on home. Not a total renovation.

Residential Building Grades

- Grades 1 - 3 Falls short of minimum building standards. Normally cabin or inferior structure.
- Grade 4 Generally older low quality construction. Does not meet code.
- Grade 5 Lower construction costs and workmanship. Small, simple design.
- Grade 6 Lowest grade currently meeting building codes. Low quality materials, simple designs.
- Grade 7 Average grade of construction and design. Commonly seen in plats and older subdivisions.
- Grade 8 Just above average in construction and design. Usually better materials in both the exterior and interior finishes.
- Grade 9 Better architectural design, with extra exterior and interior design and quality.
- Grade 10 Homes of this quality generally have high quality features. Finish work is better, and more design quality is seen in the floor plans and larger square footage.
- Grade 11 Custom design and higher quality finish work, with added amenities of solid woods, bathroom fixtures and more luxurious options.
- Grade 12 Custom design and excellent builders. All materials are of the highest quality and all conveniences are present.
- Grade 13 Generally custom designed and built. Approaching the Mansion level. Large amount of highest quality cabinet work, wood trim and marble; large entries.

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, Assessor's 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.

USPAP Compliance...Continued

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. (Samish 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. (Samish 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.

USPAP Compliance...Continued

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.

USPAP Compliance...Continued

8. No opinion is intended to be expressed for legal matters or that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers, although such matters may be discussed in the report.
9. Maps, plats and exhibits included herein are for illustration only, as an aid in visualizing matters discussed within the report. They should not be considered as surveys or relied upon for any other purpose.
10. The appraisal is the valuation of the fee simple interest. Unless shown on the Assessor's parcel maps, easements adversely affecting property value were not considered.
11. An attempt to segregate personal property from the real estate in this appraisal has been made.
12. Items which are considered to be "typical finish" and generally included in a real property transfer, but are legally considered leasehold improvements are included in the valuation unless otherwise noted.
13. The movable equipment and/or fixtures have not been appraised as part of the real estate. The identifiable permanently fixed equipment has been appraised in accordance with RCW 84.04.090 and WAC 458-12-010.
14. I have considered the effect of value of those anticipated public and private improvements of which I have common knowledge. I can make no special effort to contact the various jurisdictions to determine the extent of their public improvements.
15. Exterior inspections were made of all properties in the physical inspection areas (outlined in the body of the report) however; due to lack of access and time few received interior inspections.

Scope of Work Performed:

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

Certification:

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

- The statements of fact contained in this report are true and correct
- The report analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

USPAP Compliance...Continued

- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The area(s) physically inspected for purposes of this revaluation are outlined in the body of this report.
- The individuals listed below were part of the “appraisal team” and provided significant real property appraisal assistance to the person signing this certification. Any services regarding the subject area performed by the appraiser within the prior three years, as an appraiser or in any other capacity is listed adjacent their name.
- To the best of my knowledge the following services were performed by the appraisal team within the subject area in the last three years:

Anne Main, Eric Myhre and Leslie Clay

- Data Collection
 - Sales Verification
 - Appeals Response Preparation / Review
 - Appeal Hearing Attendance
 - Physical Inspection Model Development and Report Preparation
 - Land and Total Valuation
 - New Construction Evaluation
- Any services regarding the subject area performed by me within the prior three years, as an appraiser or in any other capacity is listed adjacent to my name.
 - To the best of my knowledge the following services were performed by me within the subject area in the last three years:

Cheryl Lewis

- Annual Up-Date Model Development and Report Preparation
- Data Collection
- Sales Verification
- Appeals Response Preparation / Review
- Appeal Hearing Attendance
- Physical Inspection Model Development and Report Preparation
- Land and Total Valuation
- New Construction Evaluation



07/18/2017

Appraiser II

Date



King County

Department of Assessments

King County Administration Bldg.
500 Fourth Avenue, ADM-AS-0708
Seattle, WA 98104-2384
(206) 296-7300 FAX (206) 296-0595
Email: assessor.info@kingcounty.gov

John Wilson
Assessor

As we start preparations for the 2017 property assessments, it is helpful to remember that the mission and work of the Assessor's Office sets the foundation for efficient and effective government and is vital to ensure adequate funding for services in our communities. Maintaining the public's confidence in our property tax system requires that we build on a track record of fairness, equity, and uniformity in property assessments. Though we face ongoing economic challenges, I challenge each of us to seek out strategies for continuous improvement in our business processes.

Please follow these standards as you perform your tasks.

- Use all appropriate mass appraisal techniques as stated in Washington State Laws, Washington State Administrative Codes, Uniform Standards of Professional Appraisal Practice (USPAP), and accepted International Association of Assessing Officers (IAAO) standards and practices.
- Work with your supervisor on the development of the annual valuation plan and develop the scope of work for your portion of appraisal work assigned, including physical inspections and statistical updates of properties;
- Where applicable, validate correctness of physical characteristics and sales of all vacant and improved properties.
- Appraise land as if vacant and available for development to its highest and best use. The improvements are to be valued at their contribution to the total in compliance with applicable laws, codes and DOR guidelines. The Jurisdictional Exception is applied in cases where Federal, State or local laws or regulations preclude compliance with USPAP;
- Develop and validate valuation models as delineated by IAAO standards: Standard on Mass Appraisal of Real Property and Standard on Ratio Studies. Apply models uniformly to sold and unsold properties, so that ratio statistics can be accurately inferred to the entire population.
- Time adjust sales to January 1, 2017 in conformance with generally accepted appraisal practices.
- Prepare written reports in compliance with USPAP Standard 6 for Mass Appraisals. The intended users of your appraisals and the written reports include the public, Assessor, the Boards of Equalization and Tax Appeals, and potentially other governmental jurisdictions. The intended use of the appraisals and the written reports is the administration of ad valorem property taxation.

Thank you for your continued hard work on behalf of our office and the taxpayers of King County. Your dedication to accurate and fair assessments is why our office is one of the best in the nation.

John Wilson
King County Assessor