Redmond Ridge and Environs

Area: 071

Residential Revalue for 2018 Assessment Roll

Photo courtesy of Elizabeth Shirer

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

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John Wilson
Assessor

Dear Property Owners,

Our field appraisers work hard throughout the year to visit properties in neighborhoods across King County. As a result, new commercial and residential valuation notices are mailed as values are completed. We value your property at its "true and fair value" reflecting its highest and best use as prescribed by state law (RCW 84.40.030; WAC 458-07-030).

We continue to work hard to implement your feedback and ensure we provide you accurate and timely information. We have made significant improvements to our website and online tools to make interacting with us easier. The following report summarizes the results of the assessments for your area along with a map. Additionally, I have provided a brief tutorial of our property assessment process. It is meant to provide you with background information about our process and the basis for the assessments in your area.

Fairness, accuracy and transparency set the foundation for effective and accountable government. I am pleased to continue to incorporate your input as we make ongoing improvements to 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 ever have any 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 of 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, 2013, Table 1-3.

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

Requirements of State Law

Within Washington State, 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.

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

John Wilson
Assessor

Redmond Ridge / Environs – Area 071

2018 Assessment Roll Year

Recommendation is made to post values for Area 071 to the 2019 tax roll:

Appraiser II: Madeline Scott — 6/25/2018 Date

Appraiser II: Elizabeth Shirer — 6/25/2018 Date

NE District Senior Appraiser: Jeff Darrow — 7/9/2018 Date

Residential Division Director: Debra S. Prins — 7/10/18 Date

This report is hereby accepted and the values described in the attached documentation for Area 071 should be posted to the 2019 tax roll.

John Wilson, King County Assessor — 7/10/18 Date

Executive Summary
Redmond Ridge / Environs - Area 071
Physical Inspection

Appraisal Date: 1/1/2018

Previous Physical Inspection: 2012

Number of Improved Sales: 877

Range of Sale Dates: 1/1/2015 – 12/31/2017 Sales were time adjusted to 1/1/2018

Sales - Improved Valuation Change Summary:						
	Land	Improvements	Total	Mean Sale Price	Ratio	COD
2017 Value	$303,300	$510,200	$813,500			8.22%
2018 Value	$307,500	$628,700	$936,200	$1,011,800	92.4%	6.31%
$ Change	+$4,200	+$118,500	+$122,700			
% Change	+1.4%	+23.2%	+15.1%			

Coefficient of Dispersion (COD) is a measure of the uniformity of the predicted assessed values for properties within this geographic area. The 2018 COD of 6.31% is an improvement from the previous COD of 8.22%. 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 1/1/2015 to 12/31/2017 (at a minimum) were considered in all analysis. Sales were time adjusted to 1/1/2018

Population - Improved Valuation Change Summary:			
	Land	Improvements	Total
2017 Value	$298,600	$469,900	$768,500
2018 Value	$303,000	$566,000	$869,000
$ Change	+$4,400	+$96,100	+$100,500
% Change	+1.5%	+20.5%	+13.1%

Number of one to three unit residences in the population: 5,456

Physical Inspection Area:

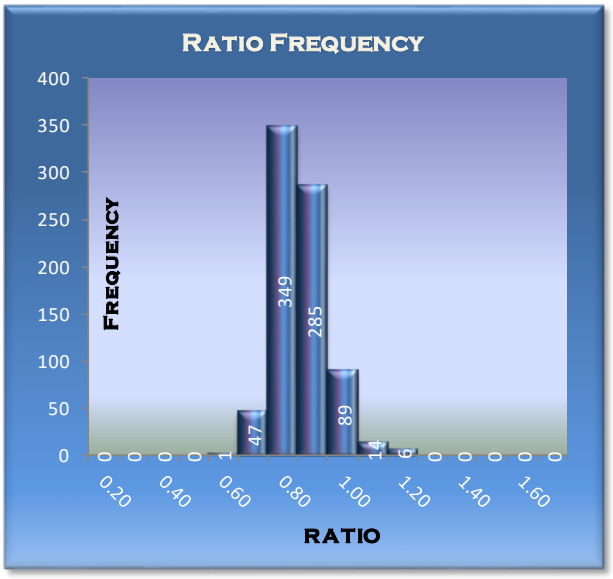
State law requires that each property be physically inspected at least once during a 6 year revaluation cycle. During the recent inspection of Area 071 – Redmond Ridge / Environs, appraisers were in the area, confirming data characteristics, developing new valuation models and selecting a new value for 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.

Area 071 Physical Inspection Ratio Study Report

PRE-REVALUE RATIO ANALYSIS

Pre-revalue ratio analysis compares time adjusted sales from 2014 through 2017 in relation to the previous assessed value as of 1/1/2017.

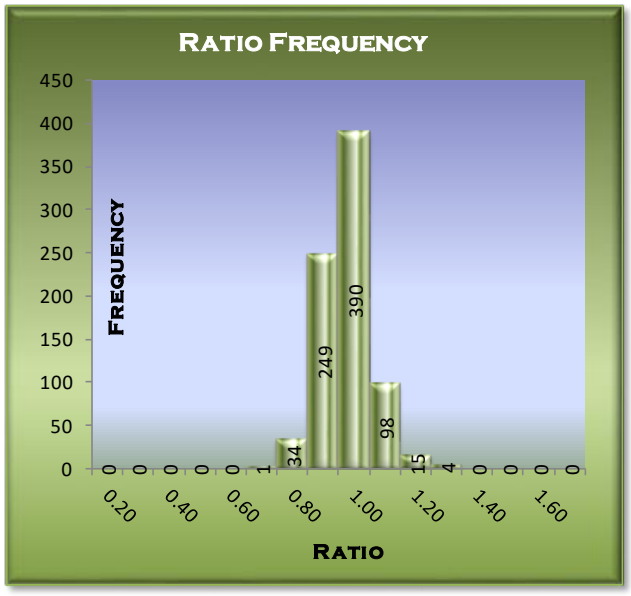
PRE-REVALUE RATIO SAMPLE STATISTICS	
Sample size (n)	791
Mean Assessed Value	815,800
Mean Adj. Sales Price	1,007,700
Standard Deviation AV	313,739
Standard Deviation SP	363,437
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.809
Median Ratio	0.800
Weighted Mean Ratio	0.810
UNIFORMITY	
Lowest ratio	0.584
Highest ratio:	1.173
Coefficient of Dispersion	8.22%
Standard Deviation	0.085
Coefficient of Variation	10.51%
Price Related Differential (PRD)	1.000



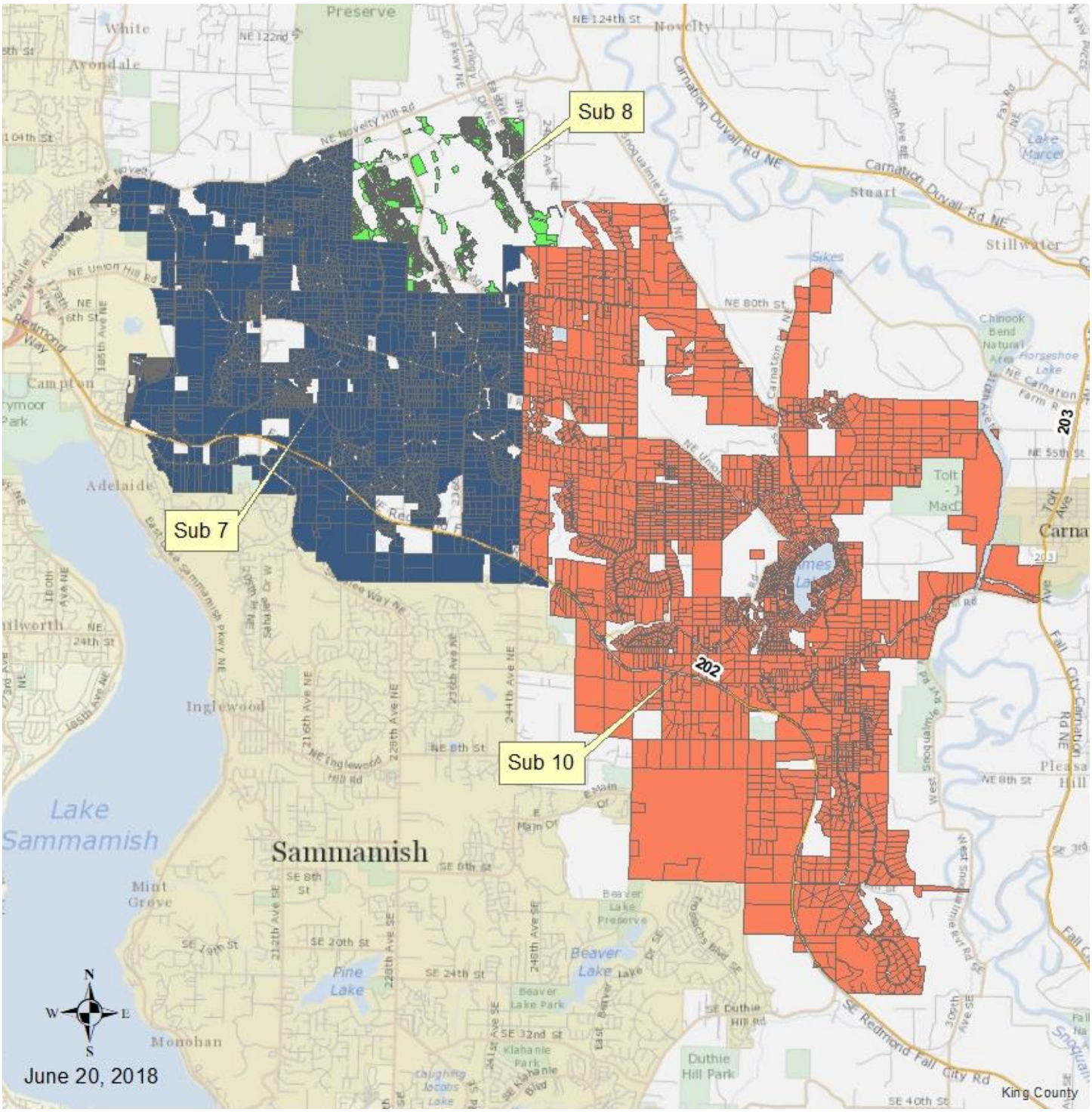
POST-REVALUE RATIO ANALYSIS

Post revalue ratio analysis compares time adjusted sales from 2015 through 2017 and reflects the assessment level after the property has been revalued to 1/1/2018.

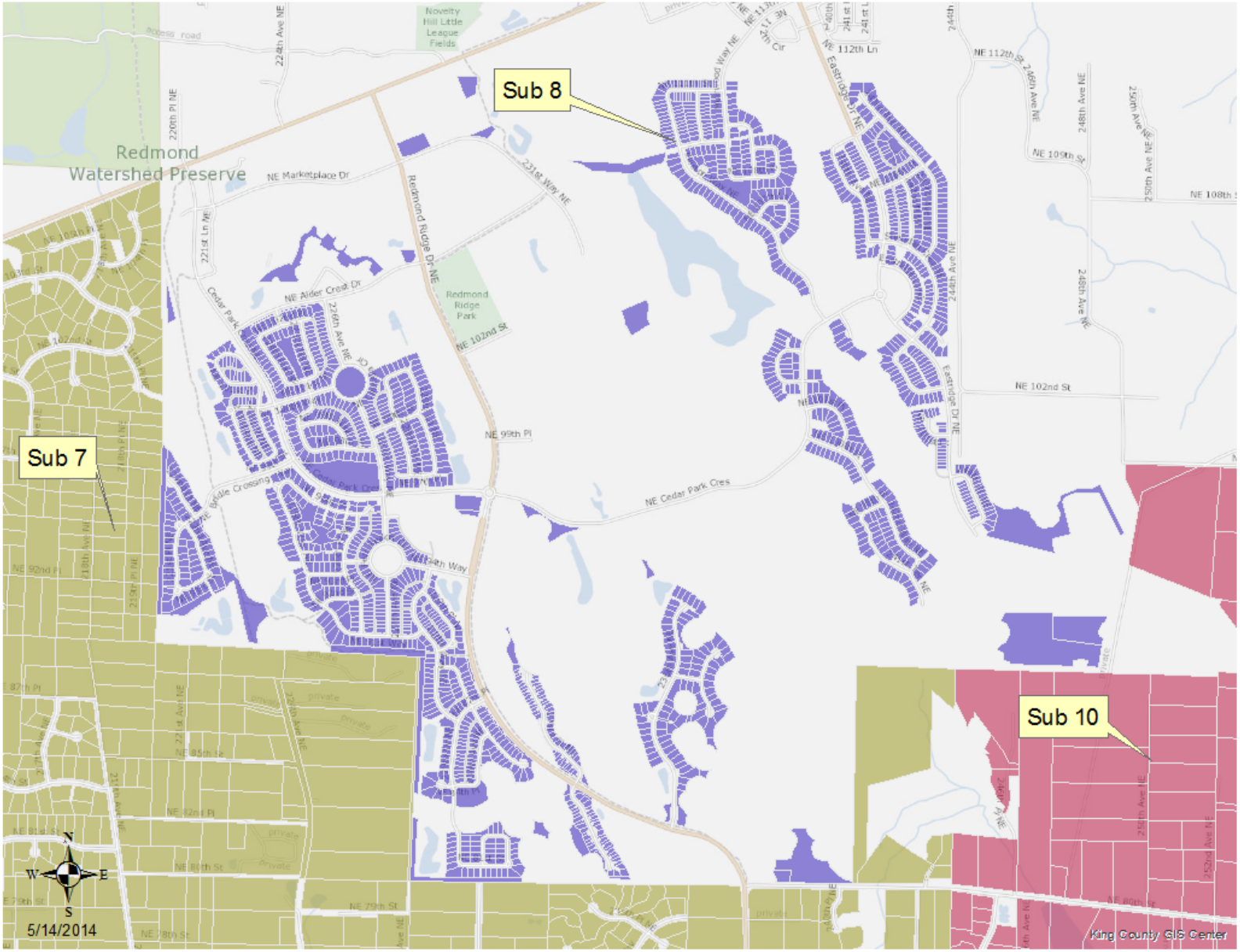
POST REVALUE RATIO SAMPLE STATISTICS	
Sample size (n)	791
Mean Assessed Value	929,400
Mean Sales Price	1,007,700
Standard Deviation AV	330,612
Standard Deviation SP	363,437
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.927
Median Ratio	0.924
Weighted Mean Ratio	0.922
UNIFORMITY	
Lowest ratio	0.694
Highest ratio:	1.253
Coefficient of Dispersion	6.31%
Standard Deviation	0.077
Coefficient of Variation	8.26%
Price Related Differential (PRD)	1.006



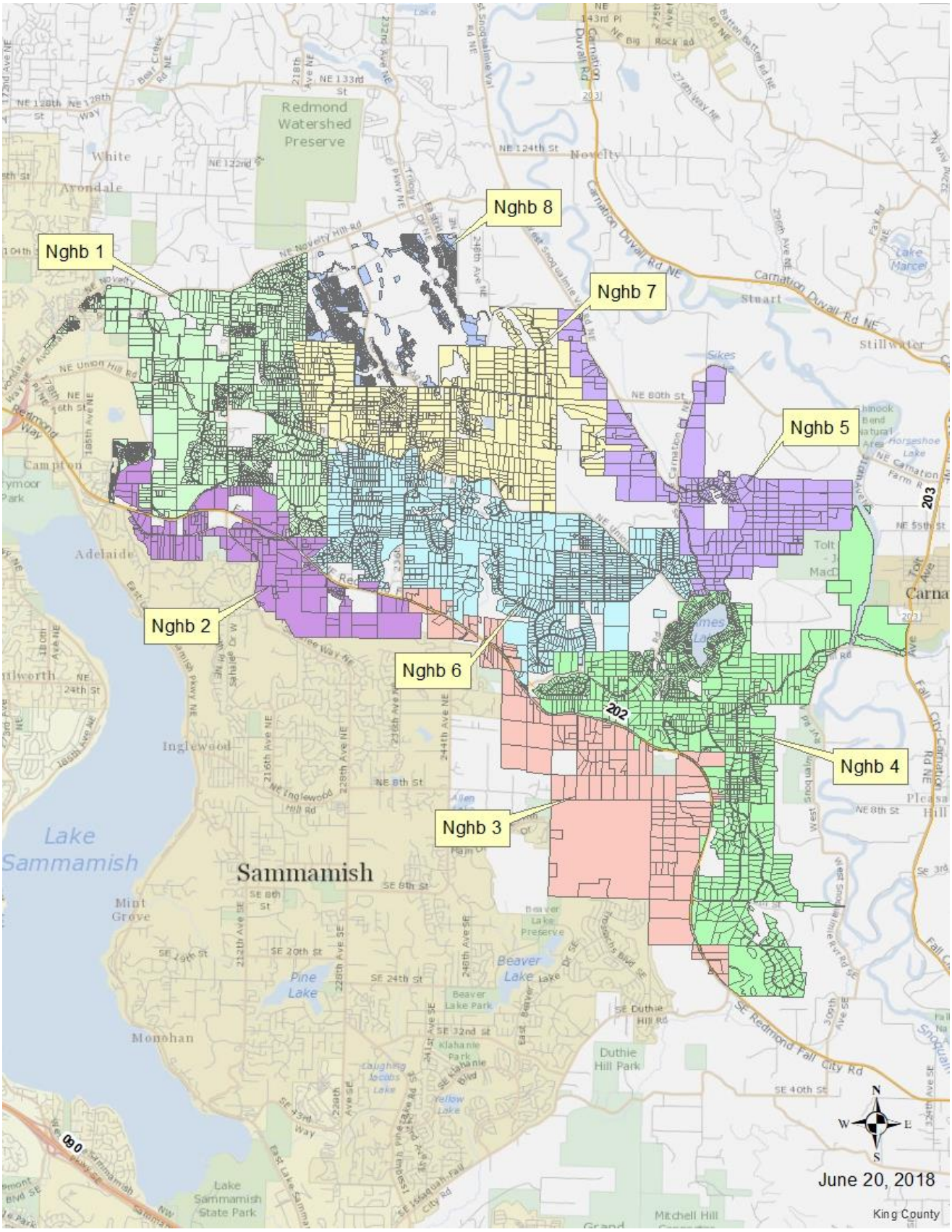
Area 071 Map



Area 071 Sub Area 8 – Redmond Ridge



Neighborhood Map



Area Information

Name or Designation

Area 071 - Redmond Ridge / Environs

Boundaries

Area 71 is bounded to the north by Novelty Hill Road, to the west by Avondale Rd, to the east by West Snoqualmie Valley Rd and the Snoqualmie valley to the south by the Sammamish plateau, with a number of parcels residing south of Redmond-Fall City Rd.

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 071 is located NE of the City of Redmond. Almost all of Area 71 is unincorporated King County with a small portion located within the City of Redmond. Major roads and highways include Avondale Rd NE, NE Novelty Hill Rd, NE Union Hill Rd, NE Ames Lake Rd, NE Tolt Hill Rd, NE Redmond-Fall City Rd (Hwy 202), Ames Lake-Carnation Rd and West Snoqualmie Valley Rd NE. Area 71 is divided into 3 sub areas and 8 neighborhoods.

Sub Area 7 is located closer to the City of Redmond and the local region's major employers and shopping centers, and is made up of a mixture of plats and tax lots. **Sub Area 8** consists of the newer planned unit developments Redmond Ridge and Redmond Ridge East**. Sub Area 10** describes the eastern and southern portions of the Area and has a more rural feel with larger acreage developments and waterfront properties on Ames Lake.

Area 71 is divided into 8 neighborhoods. **Neighborhood 1** is located closest to the City of Redmond and the major shopping and employment centers in the region. **Neighborhoods 2 and 3** are located south of NE Redmond-Fall City Rd (Hwy 202) and are made up of residential and agricultural properties. **Neighborhood 4** is the southeast portion of the area and includes Ames Lake. **Neighborhood 5** is a mix of residential and agricultural properties surrounding West Snoqualmie Valley Rd. **Neighborhood 6** is located in the center of the area between NE Union Hill Rd and Hwy 202, and **Neighborhood 7** is the area north of NE Union Hill Road and below Redmond Ridge and includes many premium equestrian and view properties. **Neighborhood 8** encompasses Sub Area 8 and includes Redmond Ridge.

There are 7,107 parcels in Area 71, of which 840 are vacant and 250 are exempt. The majority of the area is considered to be unincorporated King County, with under 500 parcels located in Redmond proper and a small handful in the City of Sammamish. Of the 7,107 total parcels, 2,322 are tax lots with the remaining being in platted subdivisions. Many of the platted lots are similar to tax lots, especially in 71-10, around Ames Lake, and parcels with custom homes and private, gated entrances. There are 113 waterfront parcels located on Ames Lake, which is lies approximately 9 miles southeast of the City of Redmond. A total of 227 parcels have either Cascade view and/or Territorial views.

Land Valuation

Vacant sales from 1/1/2015 to 12/31/2017 were given primary consideration for valuing land with emphasis placed on those sales closest to January 1, 2018. There are 7,107 parcels in Area 71, of which 840 are vacant. Emphasis was placed on verifying vacant sales in Area 71. All land sales were field verified and researched using GIS mapping. An effort was made to contact buyers, sellers or agents involved in the transactions. 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 baseland schedule accounts for impacts that are common in a specific area. The baseland schedule provided is intended to value all tax lots and the majority of platted subdivisions in Sub Areas 7 and 10. A separate schedule was developed for Area 71-8 and four platted subdivisions in Areas 71-7 and 71-10. See the Plat Adjustment page for values of these platted lots and Sub Area 8.

Characteristics that were found to have the most influence on property values are topography, wetlands, streams, traffic nuisance, and power lines. Analysis of unbuildable sales in Area 71 showed a typical reduction range from the baseland schedule of minus 80% to 90%. Properties considered unbuildable typically require documentation showing them to be non-developable. Unbuildable/non-developable sites include but are not limited to 100% impacted by wetlands, 100% impacted by topography, non-perc documentation on file, development rights sold and no feasible access.

Most of areas 71-7 and 71-10 are located outside the Urban Growth Area, thus the majority of properties located in these Sub Areas are subject to King County zoning R-5 which allows one building site per five acres. Some exceptions to R-5 include RA-10 (Rural Agricultural) which allows one building site for every 10 acres. RA-10 zoning is considered an agricultural buffer zoning typically feathering into A-35 zoning in the lower Snoqualmie Valley. R-2.5 zoning is also somewhat common, and allows one site per 2.5 acres if specific requirements are met. No prevalence of short platting or subdivision outside of the Urban Growth Boundary was noted. Area 71-8 is the planned unit developments of Redmond Ridge and Redmond Ridge East. These developments are subject to King County zoning code URPSO Urban Reserve Special Overlay. Refer to area Master Plans for land use restrictions.

A typical plat-valued lot under a half-acre in Area 71 has an average value range between $256,000 and $297,000 depending on size and location. A typical 5-acre tax lot or non-plat-valued lot without any impacts or adjustments is valued at $435,000 or $488,000 depending on neighborhood location. Most tax lots and non-plat-valued lots are adjusted to some degree for impacts or amenities.

Land Model

Model Development, Description and Conclusions

The land model is composed of two components: the land schedule and the adjustment table. The land schedule was developed using vacant land sales adjusted for different characteristics. The adjustment table was developed through a matched-pair analysis of characteristics such as traffic, views, and water front footage. Improved sales were reviewed and supported the vacant sales analysis. Again, appraiser judgement was applied where an exception was warranted.

Land Value Model Calibration

		Nghb 1,7	Nghb 2-6
Acres	SqFtLot	Value	Value
0.05	2,178	$ 233,000	$ 200,000
0.1	4,356	$ 238,000	$ 204,000
0.15	6,534	$ 243,000	$ 208,000
0.2	8,712	$ 249,000	$ 212,000
0.25	10,890	$ 254,000	$ 218,000
0.3	13,068	$ 260,000	$ 224,000
0.35	15,246	$ 265,000	$ 230,000
0.4	17,424	$ 270,000	$ 236,000
0.45	19,602	$ 276,000	$ 241,000
0.5	21,780	$ 281,000	$ 247,000
0.55	23,958	$ 287,000	$ 252,000
0.6	26,136	$ 292,000	$ 261,000
0.65	28,314	$ 297,000	$ 268,000
0.7	30,492	$ 303,000	$ 276,000
0.75	32,670	$ 308,000	$ 281,000
0.8	34,848	$ 315,000	$ 285,000
0.85	37,026	$ 322,000	$ 289,000
0.9	39,204	$ 326,000	$ 294,000
0.95	41,382	$ 332,000	$ 298,000
1	43,560	$ 337,000	$ 303,000
1.25	54,450	$ 353,000	$ 321,000
1.5	65,340	$ 371,000	$ 345,000
1.75	76,230	$ 386,000	$ 356,000
2	87,120	$ 399,000	$ 366,000
2.25	98,010	$ 411,000	$ 375,000
2.5	108,900	$ 421,000	$ 382,000
2.75	119,790	$ 429,000	$ 390,000
3	130,680	$ 438,000	$ 396,000
3.25	141,570	$ 447,000	$ 403,000
3.5	152,460	$ 454,000	$ 407,000
3.75	163,350	$ 460,000	$ 413,000
4	174,240	$ 468,000	$ 419,000
4.25	185,130	$ 472,000	$ 422,000
4.5	196,020	$ 477,000	$ 427,000
4.75	206,910	$ 483,000	$ 431,000
5	217,800	$ 488,000	$ 435,000
5.25	228,690	$ 493,000	$ 439,000
5.5	239,580	$ 497,000	$ 442,000

Land Value Model Calibration… Continued

		Nghb 1,7	Nghb 2-6
Acres	SqFtLot	Value	Value
5.75	250,470	$ 502,000	$ 445,000
6	261,360	$ 506,000	$ 449,000
6.25	272,250	$ 510,000	$ 453,000
6.5	283,140	$ 514,000	$ 456,000
6.75	294,030	$ 517,000	$ 457,000
7	304,920	$ 521,000	$ 460,000
7.25	315,810	$ 524,000	$ 463,000
7.5	326,700	$ 528,000	$ 466,000
7.75	337,590	$ 531,000	$ 468,000
8	348,480	$ 533,000	$ 471,000
8.25	359,370	$ 537,000	$ 473,000
8.5	370,260	$ 540,000	$ 475,000
8.75	381,150	$ 542,000	$ 478,000
9	392,040	$ 544,000	$ 480,000
9.25	402,930	$ 547,000	$ 481,000
9.5	413,820	$ 549,000	$ 483,000
9.75	424,710	$ 551,000	$ 486,000
10	435,600	$ 554,000	$ 488,000
10.25	446,490	$ 556,000	$ 490,000
10.5	457,380	$ 558,000	$ 492,000
10.75	468,270	$ 560,000	$ 493,000
11	479,160	$ 562,000	$ 494,000
11.25	490,050	$ 564,000	$ 496,000
11.5	500,940	$ 567,000	$ 498,000
11.75	511,830	$ 568,000	$ 500,000
12	522,720	$ 570,000	$ 502,000
12.25	533,610	$ 572,000	$ 504,000
12.5	544,500	$ 574,000	$ 505,000
12.75	555,390	$ 576,000	$ 506,000
13	566,280	$ 577,000	$ 508,000
13.25	577,170	$ 578,000	$ 509,000
13.5	588,060	$ 580,000	$ 510,000
13.75	598,950	$ 582,000	$ 511,000
14	609,840	$ 584,000	$ 513,000
14.25	620,730	$ 585,000	$ 514,000
14.5	631,620	$ 586,000	$ 516,000
14.75	642,510	$ 588,000	$ 517,000
15	653,400	$ 590,000	$ 518,000
15.25	664,290	$ 590,000	$ 519,000

Land Value Model Calibration… Continued

		Nghb 1,7	Nghb 2-6
Acres	SqFtLot	Value	Value
15.5	675,180	$ 592,000	$ 520,000
15.75	686,070	$ 593,000	$ 522,000
16	696,960	$ 594,000	$ 524,000
16.25	707,850	$ 596,000	$ 525,000
16.5	718,740	$ 597,000	$ 526,000
16.75	729,630	$ 598,000	$ 527,000
17	740,520	$ 600,000	$ 528,000
17.25	751,410	$ 601,000	$ 529,000
17.5	762,300	$ 603,000	$ 530,000
17.75	773,190	$ 603,000	$ 530,000
18	784,080	$ 605,000	$ 532,000
18.25	794,970	$ 606,000	$ 533,000
18.5	805,860	$ 607,000	$ 534,000
18.75	816,750	$ 609,000	$ 535,000
19	827,640	$ 610,000	$ 536,000
19.25	838,530	$ 611,000	$ 537,000
19.5	849,420	$ 612,000	$ 539,000
19.75	860,310	$ 613,000	$ 540,000
20	871,200	$ 614,000	$ 542,000
For every 5 acres over 20 acres, add $5,000			

***Values are interpolated between square foot sizes.**

Land Value Model Calibration… Continued

Impact/Amenity	Adjustment**	Notes*
Topography		
Mild impact	Less 5 to 15%	<1/3 of parcel affected, little to no impact to general use of parcel
Moderate impact	Less 20 to 30%	Some reduction in development potential, one or more potential building sites exist, <2/3 parcel affected
Extreme impact	Less 35 to 45%	Coupled with steep slope or landslide hazard, majority of parcel impacted or unusable
Traffic Noise		
Moderate (parcel adjacent to road, with or without access issues)	Less 5 to 10%	
High (Avondale Rd)	Less 10%	
High (Redmond-Fall City Rd with or without access issues)	Less 15 to 20%	
Gas Pipeline	Less 5 to 10%	Adjacent to parcel or along parcel edge, or heavy impact/bisecting parcel
Powerlines		
Mild impact (no pole on parcel, impacting edge of property)	Less 5 to 10%	
Heavy impact (power pole on parcel, bisecting property)	Less 15 to 25%	
Difficult/Restricted/Undeveloped Access	Less 10 to 30%	Special vehicle required, washed out/seasonal roads, no road
Restrictive Shape/Size	Less 5 to 15%	Minor adjustment for larger parcels or where it is a drainage tract or conservation easement cut out. 15% adjustment for extreme impact with little to no other environmental impacts.
Combined Environmental/Critical Areas Impacts		

Land Value Model Calibration… Continued

Mild	Less 5 to 15%	Small portion of parcel is impacted, most of parcel is usable
Moderate	Less 20 to 30%	Buildable with limited use of rest of parcel
High	Less 35 to 50%	Building site exists but most of parcel is impacted
Native Growth Protection Easement	Less 5%	Code if present, only adjust if not already encumbered by other impacts.
Questionable building site	Less 50 to 75%	Questionable per appraiser, heavily impacted, alteration exception required, etc.
Floodway Adjustments	*Coded and adjusted under "Other Problems"	
% Impacted	*Vacant*	*Improved*
<15%	No adjustment	No adjustment
15-24%	Less 15%	Less 10%
25-50%	Less 25%	Less 15%
51-70%	Less 50%	Less 20%
>70%	Less 75%	Less 25%
Floodplain Adjustments	*Floodplain/floodway adjustment takes precedent over combined environmental impacts.	
% Impacted	*Vacant*	*Improved*
<15%	No adjustment	No adjustment
15-29%	Less 10%	Less 5%
30-50%	Less 20%	Less 10%
>50%	Less 30%	Less 15%
Unbuildable		
Some recreational use or enjoyment	Less 80%	
No recreational use or enjoyment	Less 90%	
Views (Territorial/Cascade)		
Average Territorial	Plus 5%	
Good Territorial	Plus 10%	
Excellent Territorial	Plus 15%	
Average Cascades	Plus 10%	*Cascade is the dominant view. Views are not cumulative. Apply % adjustment for dominant view only.
Good Cascade	Plus 15%	
Excellent Cascade	Plus 20%	
Location Adjustment	Plus $80,000	

Lakefront (Ames Lake)		
1'-100'	Plus $500 per front foot	
101'-200'	Plus $300 per front foot	
201'-300'	Plus $200 per front foot	
>301'	No adjustment	
Low Bank	Plus $65,000	
Low Bank - Poor Quality or Restricted Access	Plus $50,000	
Medium Bank	Plus $60,000	
High Bank	Plus $50,000	
No Lake View	No adjustment	
Average Lake View	No adjustment	
Good Lake View	Plus 5%	
Excellent Lake View	Plus 10%	
Lakefront (Peterson Pond)		
Waterfront Adjustment	Plus $60,000	

*The table and notes are to be used as a guideline only; appraiser judgement is used to determine the total land adjustment to each parcel. Other land impacts may exist that are not listed in this table.

**Adjustments are aggregated (e.g. -10% adjustment for topography and -10% adjustment for traffic = -20% total land adjustment).

Example waterfront land valuation (Parcel 020310-0330):

36,589sf lot, 82’ waterfront feet, Low Bank, Good Lake view, no negative adjustments

$285,000 Baseland value + 5% Good Lake view adjustment + $65,000 Low Bank adjustment + 82ft($500/ft) = $405,000*

$285,000 + $14,000 + $65,000 + $41,000 = $405,000

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 1/1/2018.

The analysis of this area consisted of a systematic review of applicable characteristics which influence property values. Two models were developed for Area 71: one for Sub Areas 7 and 10, and a separate model for Sub Area 8. Sub Area 8 consists of the planned unit development of Redmond Ridge and was analyzed seperatly due to the extreme homogenality of the area as compared to the seemingly limitless variety of properties across Sub Areas 7 and 10.

For Sub Areas 7 and 10, in addition to standard physical property characteristics, the analysis showed that Ames Lake waterfront, neighborhoods 3 and 5, Sub Area 10, high grade (>10) improvements, and the platted subdivisions Gunshy Ridge, Hunter's Glen, Treemont Divisions 1 and 2, and Woodbridge were all influential variables in the market.

Improved Parcel Total Value Model Calibration

Sub Areas 7 and 10

Variable	Definition
SaleDay	Time Adjustment (see page 26)
AgeYrRenC	Age of residence or age of renovation plus five years
Ames_LK_WTF	Ames Lake Waterfront
BaseLandC	2018 Adjusted Base Land Value
ConditionC	Condition of improvement
Gunshyridge	Gunshy Ridge Plat
HiGradeYN	Building Grade > 10
HuntersGlen	Hunters Glen Plat
Nghb5_3YN	Neighborhood 3 or 5
Sub_10	Sub Area 10
TotalRcnC	Total reconstruction cost as new
Treemont1_2	Treemont Plat Division 1 or 2
Woodbridge	Woodbridge Plat

Multiplicative Model

(1-0.075)*EXP(2.34933076594277 - 0.151347156406338 * AgeYrRenC + 0.0823725214618963 * Ames_LK_WTF + 0.281391200406648 * BaseLandC + 0.220296047758386 * ConditionC + 0.0420124231364071 * Gunshyridge + 0.0237149442679047 * HiGradeYN + 0.0470451341944028 * HuntersGlen - 0.0317217656175007 * Nghb5_3YN - 0.0386894824511571 * Sub_10 + 0.517856880632965 * TotalRcnC + 0.0782731079930671 * Treemont1_2 + 0.0306470768316541 * Woodbridge)

Sub Area 8

Variable	Definition
SaleDay	Time Adjustment (see page 28)
SaleDaySq	Time Adjustment (see page 28)
BaseLandC	2018 Adjusted Base Land Value
Grade7BigAGLA	Grade = 7 and AGLA > 3500sf
GradeC	Building Grade
TotalRcnldC	Total reconstruction cost as new, less depreciation

Multiplicative Model

(1-0.075)*EXP(1.07668102698378 + 0.448862747657581 * BaseLandC - 0.0299602637236408 * Grade7BigAGLA - 0.0261880535514619 * GradeC + 0.616922947268357 * TotalRcnldC)

Improved Parcel Total Value Model Calibration…

Continued

EMV values were not generated for:

- Buildings with grade less than 5
- 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

Of the 5,456 improved parcels in the population, 5,185 parcels increased in value. They were comprised of 0 single family residences on commercially zoned land and 5,185 single family residences or other parcels.

Of the vacant land parcels greater than $1000, 277 parcels increased in value. Tax exempt parcels were excluded from this number.

Supplemental Models and Exceptions

Exceptions to EMV valuation method:

Adjustment Parameter	Adjustment
Accessory Only	BaseLandVal + TotalRCNLD
Multiple Buildings	EMV Bldg1 and Accy1 + RCNLD of remaining improvements and accessories
Building Grade < 6	BaseLandVal + TotalRCNLD
Lot size < 1000sf	Appraiser Judgement
Total EMV < BaseLandVal	BaseLandVal + $1000
Percent Complete	(EMV-BaseLandVal)*PcntComplete+BaseLandVal
Obsolescence	(EMV-BaseLandVal)*(100%-%Obsolescence)+BaseLandVal
Percent Net Condition	(EMV-BaseLandVal)* PcntNetCondition+BaseLandVal
Exception Combinations and Additional Exceptions	Work file or RealProperty Notes file

Supplemental models built into RealProperty EMV valuation system:

Adjustment Parameter	Adjustment
Building Grade = 12	Total EMV * 1.06
Building Grade = 13	Total EMV * 1.20
Fair Condition	EMV * 0.9
Redmond Ridge Major 720227	EMV * 1.025
Redmond Ridge Major 720236	EMV * 0.95

Mobile Home Valuation

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

For Mobile Homes the Assessor uses residential costs from Marshall & Swift, from the September prior to the Assessment year (i.e. Marshall & Swift's September 2017 update for the 2018 Assessment Year). The cost model specifies physical characteristics of the mobile home such as length, width, living area, class, condition, size, year built. 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, class, and condition, resulting in Reconstruction Cost New less Depreciation (RCNLD). The appraiser can also apply a net condition for Mobile Homes that have depreciated beyond the normal percent good for their age and condition.

Model Development, Description and Conclusions:
There was a limited number of sales available in developing the mobile home valuation model. Most sales were field verified and characteristics updated prior to model development. Sales were time adjusted to 1/1/2018.

The analysis of this area consisted of a systematic review of applicable characteristics which influence property values. Influential characteristics in the market included mobile home class and condition.

Mobile Home Total Value Model Calibration
A market adjusted cost approach was used to appraise mobile homes. A flat adjustment of $25,000 was added to the mobile home's Reconstruction Cost Less Depreciation (MHRCNLD) with further adjustments made depending on the mobile home's class and condition. The following valuation model was applied to the mobile home parcels in Area 071:

Total Value = Baseland + MHRCNLD + $25,000 (<1976 YrBlt and Class >Low) * Adjustment Factor + AccyRCNLD

Class	Condition	Adjustment Factor
Fair-Average	Good	1.2
Fair-Average	Very Good	1.35
Good-Excellent	Good	1.1
Good-Excellent	Very Good	1.2

Exceptions to this model include mobile homes that were built prior to 1977 and all single-wide mobile homes, which were valued at straight RCNLD. Mobile homes in poor condition were given a minimal value of $1,000.

There are 187 parcels in Area 071 improved with a mobile home and 16 sales used in the valuation. Sales used were from 1/1/2015 to 12/31/2017.

Mobile Home Results

Appraiser judgment prevails in all decisions regarding individual parcel valuation. Each parcel is field-reviewed and a value is 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 90%. 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 2018 assessment year (taxes payable in 2019) results in an average total change from the 2017 assessments of +1.45%. 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 2018 recommended values. This study benchmarks the prior assessment level using 2017 posted values (1/1/2017) compared to current adjusted sale prices (1/1/2018) of the 16 mobile home sales. The study was also repeated after the application of the 2018 recommended values. Although the assessement level remained static, the measures of uniformity, including the coefficient of dispersion and the coefficient of variability, improved significantly. The results are displayed in the *Mobile Home Ratio Study Report* page included in this report showing an improvement in the COD from 15.56% to 11.82% and an improvement in the COV from 20.55% to 16.34%. The small sample size is a significant limitation on the measures of central tendency and uniformity.

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

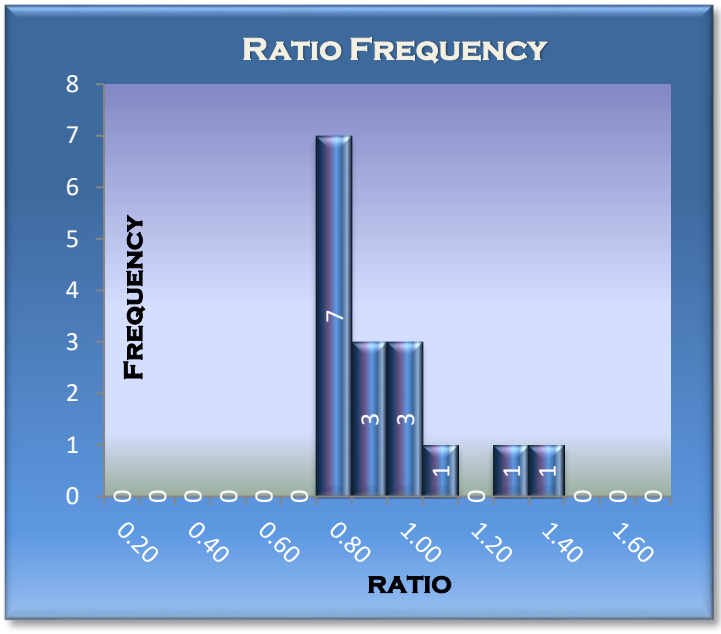
Note: More details and information regarding aspects of the valuations and the report are retained in the working files kept in the appropriate district office.

Area 071 Mobile Home 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 1/1/2017.

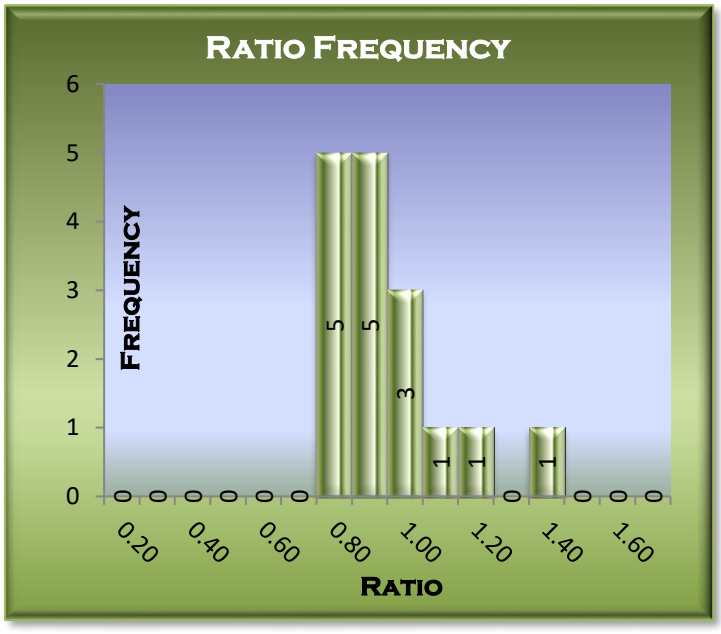
PRE-REVALUE RATIO SAMPLE STATISTICS	
Sample size (n)	16
Mean Assessed Value	420,600
Mean Adj. Sales Price	469,800
Standard Deviation AV	161,188
Standard Deviation SP	133,810
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.900
Median Ratio	0.836
Weighted Mean Ratio	0.895
UNIFORMITY	
Lowest ratio	0.706
Highest ratio:	1.364
Coefficient of Dispersion	15.56%
Standard Deviation	0.185
Coefficient of Variation	20.55%
Price Related Differential (PRD)	1.006



POST-REVALUE RATIO ANALYSIS

Post revalue ratio analysis compares time adjusted sales from 2015 through 2017 and reflects the assessment level after the property has been revalued to 1/1/2018.

POST REVALUE RATIO SAMPLE STATISTICS	
Sample size (n)	16
Mean Assessed Value	414,200
Mean Sales Price	469,800
Standard Deviation AV	109,125
Standard Deviation SP	133,810
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.899
Median Ratio	0.866
Weighted Mean Ratio	0.882
UNIFORMITY	
Lowest ratio	0.761
Highest ratio:	1.304
Coefficient of Dispersion	11.82%
Standard Deviation	0.147
Coefficient of Variation	16.34%
Price Related Differential (PRD)	1.020



Area 071-07 & 071-10 - 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, 2018**, in Sub Areas 7 and 10.

For example, a sale of $475,000 which occurred on October 1, 2016 would be adjusted by the time trend factor of 1.117, resulting in an adjusted value of $530,000 ($475,000 * 1.117=$530,575) – truncated to the nearest $1000.

SaleDate	Adjustment (Factor)	Equivalent Percent
1/1/2015	1.303	30.3%
2/1/2015	1.293	29.3%
3/1/2015	1.284	28.4%
4/1/2015	1.275	27.5%
5/1/2015	1.265	26.5%
6/1/2015	1.256	25.6%
7/1/2015	1.247	24.7%
8/1/2015	1.238	23.8%
9/1/2015	1.228	22.8%
10/1/2015	1.220	22.0%
11/1/2015	1.210	21.0%
12/1/2015	1.202	20.2%
1/1/2016	1.193	19.3%
2/1/2016	1.184	18.4%
3/1/2016	1.176	17.6%
4/1/2016	1.167	16.7%
5/1/2016	1.158	15.8%
6/1/2016	1.150	15.0%
7/1/2016	1.142	14.2%
8/1/2016	1.133	13.3%
9/1/2016	1.125	12.5%
10/1/2016	1.117	11.7%
11/1/2016	1.108	10.8%
12/1/2016	1.100	10.0%
1/1/2017	1.092	9.2%
2/1/2017	1.084	8.4%
3/1/2017	1.077	7.7%
4/1/2017	1.069	6.9%
5/1/2017	1.061	6.1%
6/1/2017	1.053	5.3%
7/1/2017	1.045	4.5%
8/1/2017	1.038	3.8%
9/1/2017	1.030	3.0%
10/1/2017	1.022	2.2%
11/1/2017	1.015	1.5%
12/1/2017	1.008	0.8%
1/1/2018	1.000	0.0%

Area 071-07 & 071-10 - Market Value Changes Over Time

The time adjustment formula for Area 071 is: 1/EXP(0.000241183676164161 * SaleDay)
SaleDay = SaleDate - 43101
SaleDaySq = (SaleDate – 43101)^2

Area 071-08 - 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, 2018**, in Sub Area 8 (Redmond Ridge).

For example, a sale of $475,000 which occurred on October 1, 2016 would be adjusted by the time trend factor of 1.191, resulting in an adjusted value of $565,000 ($475,000 * 1.191=$565,725) – truncated to the nearest $1000.

SaleDate	Adjustment (Factor)	Equivalent Percent
1/1/2015	1.457	45.7%
2/1/2015	1.445	44.5%
3/1/2015	1.434	43.4%
4/1/2015	1.421	42.1%
5/1/2015	1.409	40.9%
6/1/2015	1.396	39.6%
7/1/2015	1.384	38.4%
8/1/2015	1.371	37.1%
9/1/2015	1.358	35.8%
10/1/2015	1.345	34.5%
11/1/2015	1.333	33.3%
12/1/2015	1.320	32.0%
1/1/2016	1.307	30.7%
2/1/2016	1.294	29.4%
3/1/2016	1.282	28.2%
4/1/2016	1.269	26.9%
5/1/2016	1.256	25.6%
6/1/2016	1.243	24.3%
7/1/2016	1.230	23.0%
8/1/2016	1.217	21.7%
9/1/2016	1.204	20.4%
10/1/2016	1.191	19.1%
11/1/2016	1.178	17.8%
12/1/2016	1.166	16.6%
1/1/2017	1.152	15.2%
2/1/2017	1.139	13.9%
3/1/2017	1.128	12.8%
4/1/2017	1.115	11.5%
5/1/2017	1.102	10.2%
6/1/2017	1.089	8.9%
7/1/2017	1.076	7.6%
8/1/2017	1.063	6.3%
9/1/2017	1.051	5.1%
10/1/2017	1.038	3.8%
11/1/2017	1.025	2.5%
12/1/2017	1.013	1.3%
1/1/2018	1.000	0.0%

Area 071-08 – Market Value Changes Over Time

The time adjustment formula for Area 071 is: 1/EXP(0.000411417190168656 * SaleDay + 6.18317766547285E-08 * SaleDaySq)
SaleDay = SaleDate - 43101
SaleDaySq = (SaleDate – 43101)^2

Sales Sample Representation of Population

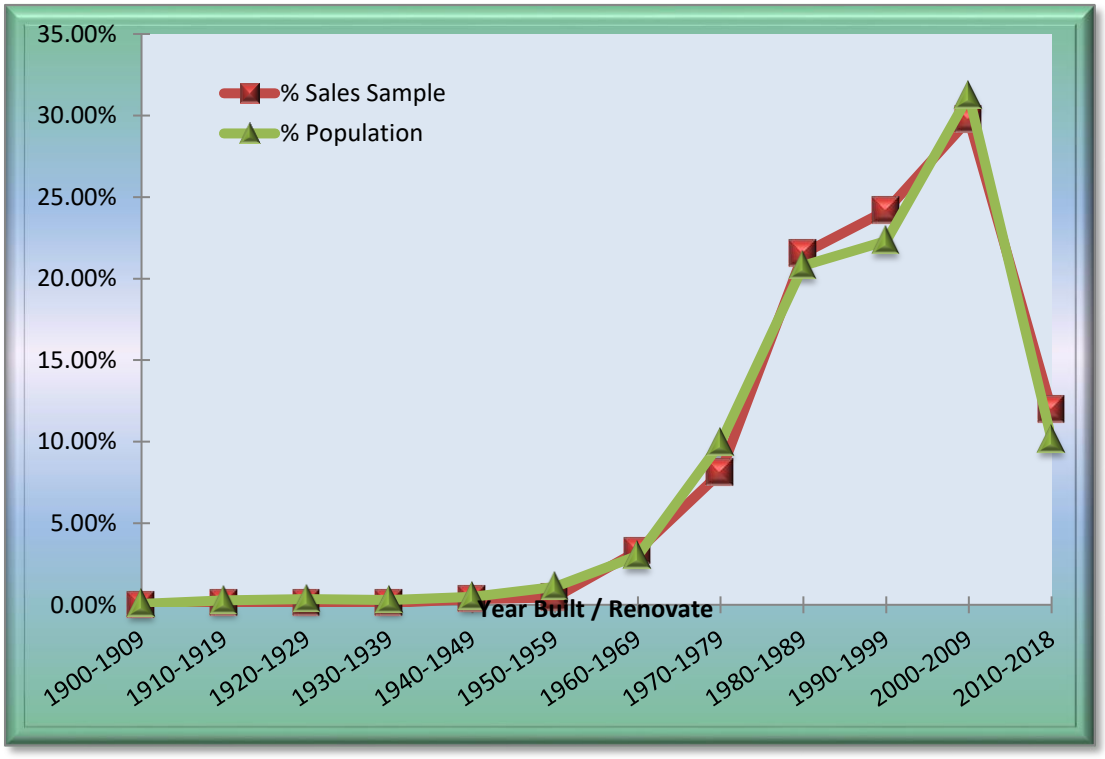
Year Built or Renovated

Sales

Year Built/Ren	Frequency	% Sales Sample
1900-1909	0	0.00%
1910-1919	1	0.11%
1920-1929	1	0.11%
1930-1939	1	0.11%
1940-1949	3	0.34%
1950-1959	4	0.46%
1960-1969	29	3.31%
1970-1979	71	8.10%
1980-1989	189	21.55%
1990-1999	212	24.17%
2000-2009	261	29.76%
2010-2018	105	11.97%
	877	

Population

Year Built/Ren	Frequency	% Population
1900-1909	3	0.05%
1910-1919	15	0.27%
1920-1929	19	0.35%
1930-1939	16	0.29%
1940-1949	27	0.49%
1950-1959	60	1.10%
1960-1969	165	3.02%
1970-1979	542	9.93%
1980-1989	1,135	20.80%
1990-1999	1,217	22.31%
2000-2009	1,704	31.23%
2010-2018	553	10.14%
	5,456	



The sales sample frequency distribution follows the population distribution very closely with regard to Year Built or Renovated. This distribution is ideal for both accurate analysis and appraisals.

Sales Sample Representation of Population

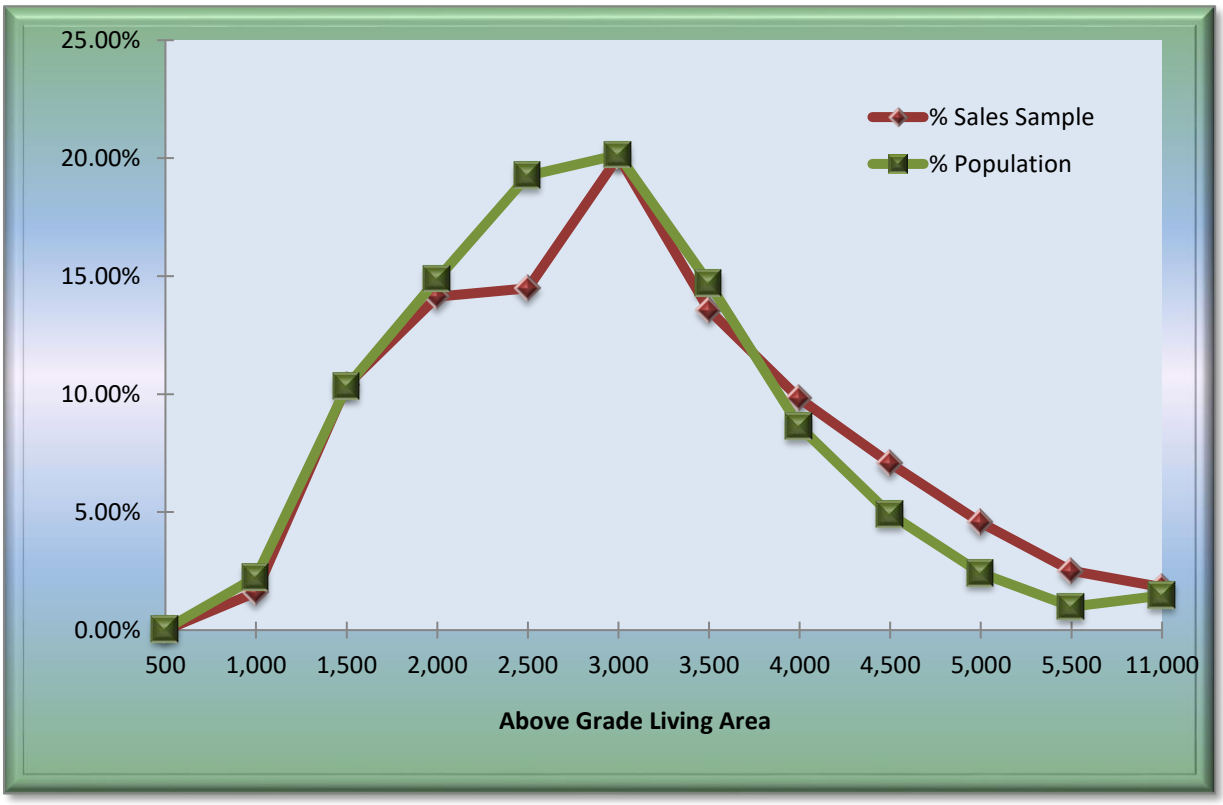
Above Grade Living Area

Sales

AGLA	Frequency	% Sales Sample
500	0	0.00%
1,000	14	1.60%
1,500	91	10.38%
2,000	124	14.14%
2,500	127	14.48%
3,000	176	20.07%
3,500	119	13.57%
4,000	86	9.81%
4,500	62	7.07%
5,000	40	4.56%
5,500	22	2.51%
11,000	16	1.82%
	877	

Population

AGLA	Frequency	% Population
500	2	0.04%
1,000	122	2.24%
1,500	563	10.32%
2,000	812	14.88%
2,500	1,051	19.26%
3,000	1,099	20.14%
3,500	802	14.70%
4,000	471	8.63%
4,500	268	4.91%
5,000	132	2.42%
5,500	54	0.99%
11,000	80	1.47%
	5,456	



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

Sales Sample Representation of Population

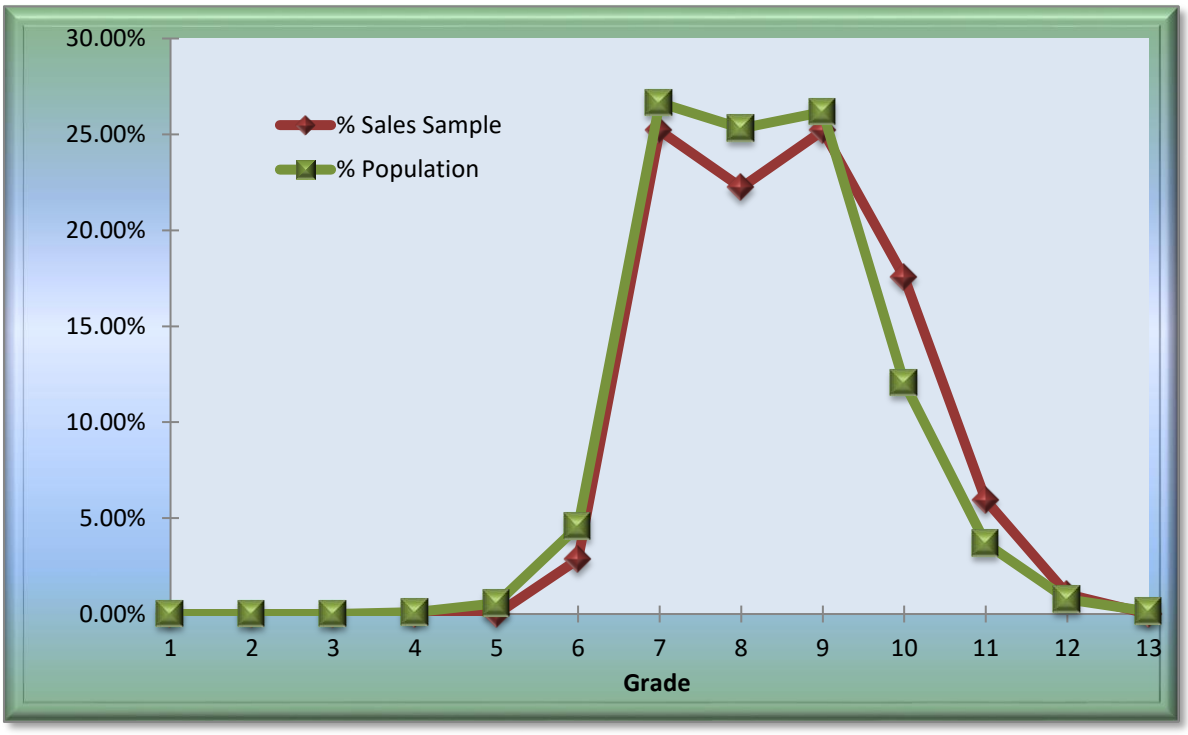
Building Grade

Sales

Grade	Frequency	% Sales Sample
1	0	0.00%
2	0	0.00%
3	0	0.00%
4	0	0.00%
5	0	0.00%
6	25	2.85%
7	221	25.20%
8	195	22.23%
9	221	25.20%
10	154	17.56%
11	52	5.93%
12	9	1.03%
13	0	0.00%
	877	

Population

Grade	Frequency	% Population
1	0	0.00%
2	0	0.00%
3	0	0.00%
4	5	0.09%
5	31	0.57%
6	249	4.56%
7	1,454	26.65%
8	1,381	25.31%
9	1,428	26.17%
10	658	12.06%
11	201	3.68%
12	42	0.77%
13	7	0.13%
	5,456	



The sales sample frequency distribution follows the population distribution relatively closely with regard to Building Grades. This distribution is adequate 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 0.925. The actual assessment level for this area is 0.924. 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 2018 assessment year (taxes payable in 2019) results in an average total change from the 2017 assessments of +13.1%. 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 2018 recommended values. This study benchmarks the prior assessment level using 2017 posted values (1/1/2017) compared to current adjusted sale prices (1/1/2018). The study was also repeated after the application of the 2018 recommended values. The results show an improvement in the COD from 8.22% to 6.31%.

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 071 Housing Profile

Grade 5/ Year Built 1964/ Total Living Area 1,060sf

Grade 6/ Year Built 1988/ Total Living Area 1,460sf

Grade 7/ Year Built 2010/ Total Living Area 1,460sf

Grade 8/ Year Built 2000/ Total Living Area 2,790sf

Grade 9/ Year Built 2003/ Total Living Area 3,480sf

Grade 10/ Year Built 2014/ Total Living Area 4,910sf

Grade 11/ Year Built 2011/ Total Living Area 4,580sf

Grade 12/ Year Built 2007/ Total Living Area 7,640sf

Grade 13 /Year Built 2004/ Total Living Area 10,380sf

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, 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. (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.

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

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

  Diana Ajemian – Appraiser I: sales verification, appeals response preparation/review, land and total valuation, new construction evaluation

  David McCourt – Appraiser I: sales verification, appeals response preparation/review, land and total valuation, new construction evaluation

  Mark Monahan – Appraiser I: sales verification, appeals response preparation/review, land and total valuation, new construction evaluation

  Elizabeth Shirer – Appraiser II: sales verification, appeals response preparation/review, land and total valuation, new construction evaluation, physical inspection model development and report preparation

- 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:

  Madeline Scott – Appraiser II: sales verification, appeals response preparation/review, land and total valuation, new construction evaluation, physical inspection model development and report preparation

6/25/2018

Appraiser II Date

King County

Department of Assessments
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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 2018 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, 2018 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