

# Kirkland/Bothell/North Woodinville Area 85

## *Commercial Revalue for 2020 Assessment Roll*



Lower Totem Lake Building C



**King County**

**Department of Assessments**

*Setting values, serving the community, and pursuing excellence*

500 Fourth Avenue, ADM-AS 0708

Seattle, WA 98104-2384

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



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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 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 commercial property, the Assessor breaks up King County into geographic or specialty (i.e., office buildings, warehouses, retail centers, etc.) market areas and annually develops valuation models using one or more of the three standard appraisal indicators of value: Cost, Sales Comparison (market) and Income. For most commercial properties the income approach is the primary indicator of value. The results of the models are then applied to all properties within the same geographic or specialty 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 neighborhood. 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 occupant 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 Commercial Properties Valued?

The Assessor collects a large amount of data regarding commercial properties: cost of construction, sales of property, and prevailing levels of rent, operating expenses, and capitalization rates. Statistical analysis is conducted to establish relationships between factors that might influence the value of commercial property. Lastly valuation models are built and applied to the individual properties. For income producing properties, the following steps are employed to calculate an income approach:

1. Estimate potential gross income
2. Deduct for vacancy and credit loss
3. Add miscellaneous income to get the effective gross income
4. Determine typical operating expenses
5. Deduct operating expenses from the effective gross income
6. Select the proper capitalization rate
7. Capitalize the net operating income into an estimated property value

## How is Assessment Uniformity Achieved?

The Assessor achieves uniformity of assessments through standardization of rate tables for incomes, operating expenses, vacancy and credit loss collections and capitalization rates which are uniformly applied to similarly situated commercial properties. Rate tables are generated annually that identify specific rates based on location, age, property type, improvement class, and quality grade. Rate tables are annually calibrated and updated based on surveys and collection of data from local real estate brokers, professional trade publications, and regional financial data sources. With up-to-date market rates we are able to uniformly apply the results back to properties based on their unique set of attributes.

Where there is a sufficient number of sales, assessment staff may generate a ratio study to measure uniformity mathematically through the use of a coefficient of dispersion (aka COD). A COD is developed to measure the uniformity of predicted property assessments. We have adopted the Property Assessment Standards prescribed by the International Association of Assessing Officers (aka IAAO) that may be reviewed at [www.IAAO.org](http://www.IAAO.org). The following are target CODs we employ based on standards set by IAAO:

Type of Commercial Property	Subtype	COD Range
Income Producing	Larger areas represented by large samples	5.0 to 15.0
Income Producing	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

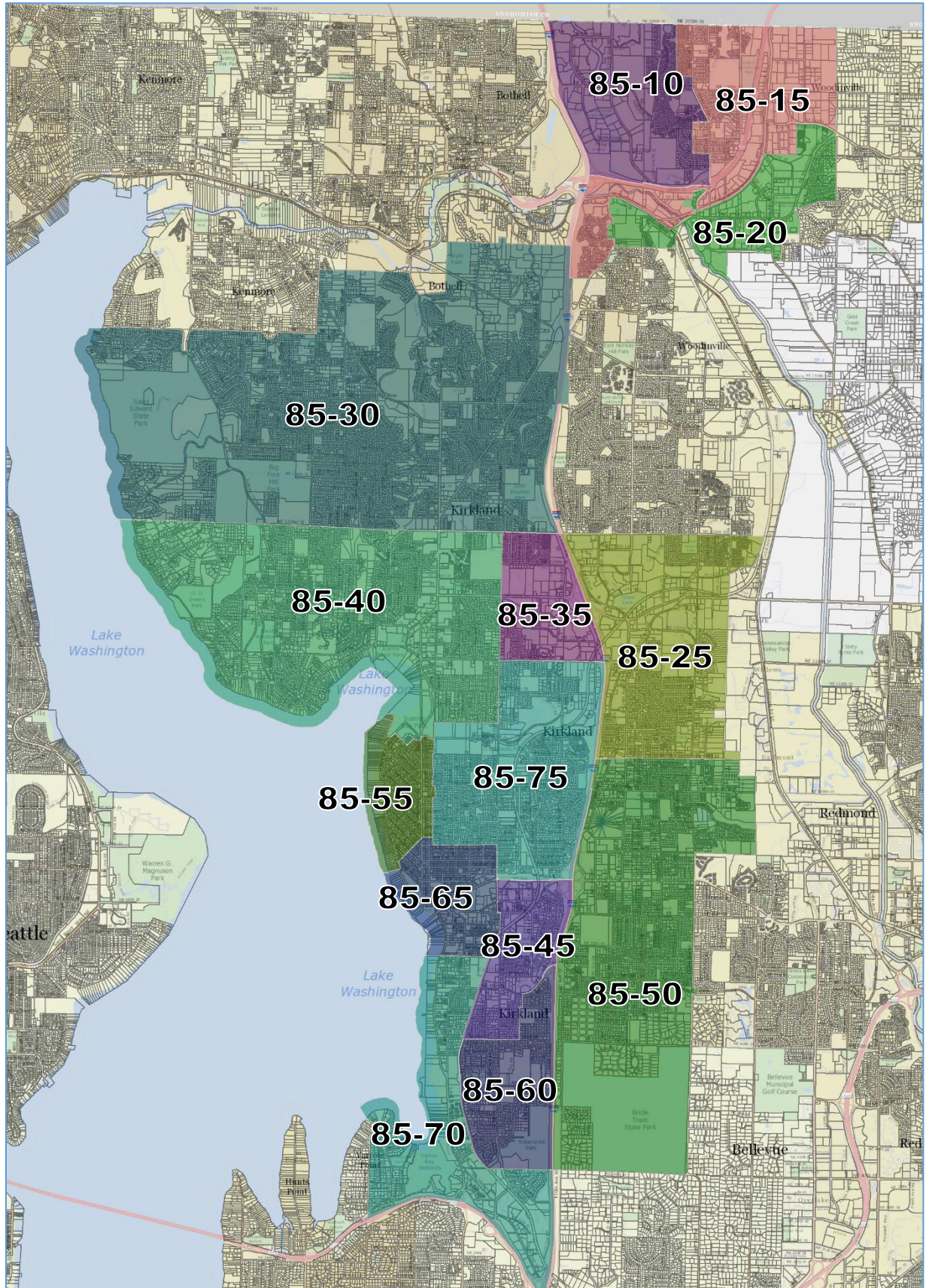
Within Washington State, property is required to be revalued each year to market value based on its highest and best use. (RCW 84.41.030; 84.40.030; and WAC 458-07-030). Washington Courts have interpreted fair market value as the amount of money a buyer, willing but not obligated to buy, would pay to 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.



# Area 85 - North Creek-Bothell/Kirkland/North Woodinville



# Area 85 Annual Update Ratio Study Report

## PRE-REVALUE RATIO ANALYSIS

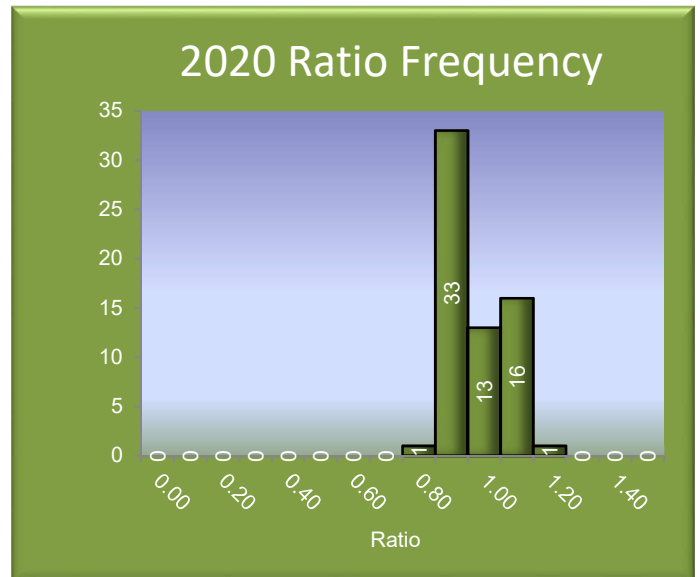
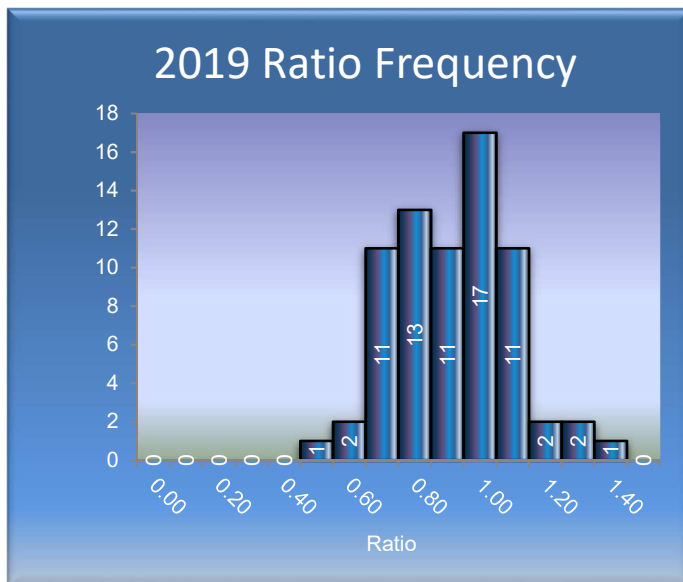
Pre-revalue ratio analysis compares sales from 2017 through 2019 in relation to the previous assessed value as of 1/1/2019.

PRE-REVALUE RATIO SAMPLE STATISTICS	
<b>Sample size (n)</b>	64
<b>Mean Assessed Value</b>	4,349,300
<b>Mean Adj. Sales Price</b>	5,473,900
<b>Standard Deviation AV</b>	5,258,456
ASSESSMENT LEVEL	
<b>Arithmetic Mean Ratio</b>	0.782
<b>Median Ratio</b>	0.836
<b>Weighted Mean Ratio</b>	0.795
UNIFORMITY	
<b>Lowest ratio</b>	0.3858
<b>Highest ratio:</b>	1.0715
<b>Coefficient of Dispersion</b>	18.73%
<b>Standard Deviation</b>	0.1878
<b>Coefficient of Variation</b>	24.03%
<b>Price Related Differential (PRD)</b>	0.98

## POST-REVALUE RATIO ANALYSIS

Post revalue ratio analysis compares sales from 2017 through 2019 and reflects the assessment level after the property has been revalued to 1/1/2020.

POST REVALUE RATIO SAMPLE STATISTICS	
<b>Sample size (n)</b>	64
<b>Mean Assessed Value</b>	5,121,500
<b>Mean Sales Price</b>	5,473,900
<b>Standard Deviation AV</b>	5,684,039
ASSESSMENT LEVEL	
<b>Arithmetic Mean Ratio</b>	0.927
<b>Median Ratio</b>	0.898
<b>Weighted Mean Ratio</b>	0.936
UNIFORMITY	
<b>Lowest ratio</b>	0.7036
<b>Highest ratio:</b>	1.1147
<b>Coefficient of Dispersion</b>	6.91%
<b>Standard Deviation</b>	0.0804
<b>Coefficient of Variation</b>	8.67%
<b>Price Related Differential (PRD)</b>	0.99





## Executive Summary Report

**Appraisal Date:** 1/1/2020

**Geographic Appraisal Area:**

- **Area 85:** North Creek-Bothell/Kirkland/North Woodinville

**Sales – Improved Summary:**

- Number of Sales: 68; 64 in ratio study
- Range of Sales Dates: 1/6/2017– 12/28/2019

**Sales – Ratio Study Summary:**

Sales--Ratio Study Summary				
	Mean Assessed Value	Mean Sale Price	Ratio	COD*
2019 Value	\$4,349,300	\$5,473,900	79.50%	18.73%
2020 Value	\$5,121,500	\$5,473,900	93.60%	6.91%
Abs. Change	\$772,200		14.10%	-11.82%
% Change	17.75%		17.74%	-63.11%

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

**Sales used in analysis:** All improved sales that were verified as good sales that did not have characteristic changes between the date of sale and the date of appraisal were included in the analysis. Examples of sales that are not included in the analysis are sales that are change of use after the sale date; sold as a portion of a bulk portfolio sale; net lease sales; sales that had major renovation after sale, or have been segregated or merged since being purchased.

**Total Population - Parcel Summary Data:**

Total Population - Parcel Summary Data			
	Land	Improvements	Total
2019 Value	\$2,219,927,100	\$2,011,805,400	\$4,231,732,500
2020 Value	\$2,213,716,900	\$2,157,404,100	\$4,371,121,000
% Change	-0.28%	7.24%	3.29%

**Number of Parcels in the Population:** 1,267 vacant and improved parcels, excluding specialty properties.

**Conclusion and Recommendation:**

Total assessed values for the 2020 revalue have increased by +3.29%.

The values recommended in this report improve uniformity and equity; therefore, it is recommended that the values should be posted for the 2020 Assessment Year.

# Identification of the Area

## Name or Designation

- **Area 85:** North Creek-Bothell/Kirkland/North Woodinville

## Area 85 Neighborhoods

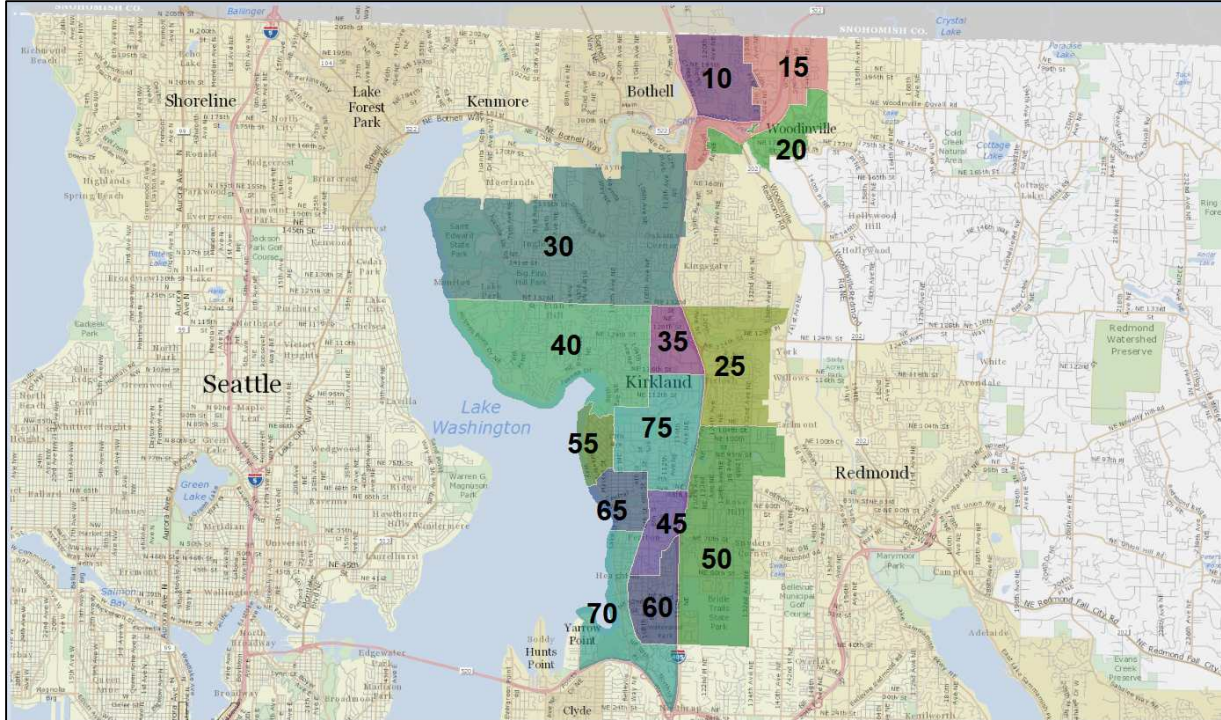
- **85-10** – Bothell at North Creek
- **85-15** – North Industrial Woodinville
- **85-20** – Woodinville CBD
- **85-25** – East Totem Lake
- **85-30** – Finn Hill/North Juanita
- **85-35** – West Totem Lake
- **85-40** – Juanita
- **85-45** – N Houghton/Everest
- **85-50** – S Rose Hill
- **85-55** – Market Street
- **85-60** – S Houghton
- **85-65** – Kirkland CBD
- **85-70** – Yarrow Bay/Carillon Pt
- **85-75** – Norkirk/Highlands

## Boundaries

- **West** – Lake Washington and Interstate 405
- **North** – Kirkland and Snohomish County
- **East** – Woodinville, Interstate 405 and Kirkland
- **South** – Bellevue

## Maps

General maps of the area are included in this report. More detailed Assessor's maps are located on the 7<sup>th</sup> floor of the King County Administration Building or on the King County Assessor website.



## Area Description

Geographic Area 85 consists of cities and neighborhoods located northeast of Lake Washington, which boundaries are generally defined as the King/Snohomish County line to the north, State Route 520 to the south, Woodinville and Redmond to the east, and Lake Washington and I-405 to the west.

Within the Geographic Area 85, there are fourteen distinct neighborhoods that have been established for valuation purposes. The northeastern portion of the City of Bothell which is located east of Interstate 405. The eastern boundary is Woodinville, northern boundary is Snohomish County, western boundary is Interstate 405 and southern boundary is Kirkland.

## Area Overview

The City of Kirkland is situated on the northeastern shore of Lake Washington with beautiful sunset views of the Olympic Mountains. Kirkland is working with developers in redevelopment of the Totem Lake Mall, Kirkland Urban and South Rose Hill Mall. Totem Lake Mall consists of a 26-acre site with projected mall area of up to one million square feet of mixed use buildings. The lower mall has finished buildings A, B, and C. The upper mall site is under construction and will be improved with 650 apartments and 40,000 square feet of retail, multiplex cinema, and restaurants.

Kirkland Urban on Central Way recently finished construction and includes 1.2 million square feet of commercial and residential buildings. Google recently acquired the office and retail portions of the development. Major tenants include Tableau Software with about 90,000 square feet are located in

Building E's 5th -7th floors, QFC taking the majority of the space in Building F's retail space. The below level parking garages are finished. The apartment construction and small retail standalone buildings are finished. South Rose Hill mixed use project is in the planning stages with 1.3 million square feet where the Petco and Outback have been on NE 85th St and 120th Ave NE. All of the buildings are slated for demolition after their leases expire.

2020 Revaluation Overall Metrics			
	Office	Retail	Industrial
Vacancy Rate	↔	↔	↔
Rental Rate	↗	↘	↗
Capitalization Rate	↘	↘	↘
Improved Property Values	↗	↗	↔
Land Values	↔	↔	↔

↔ = Stable; ↗ = Slight Increase; ↘ = Slight Decrease; ↑ = Increase; ↓ = Decrease

The preceding table summarizes the overall market trends within Area 85 for the current revalue, although individual property rates and conditions may vary. The following table summarizes the change in total assessed value by neighborhood.

Assessed Value Change by Neighborhood					
Neighborhood	# Parcels	% of Total	2019 AV	2020 AV	% Change
85-10 – Bothell at North Creek	41	3%	\$118,758,400	\$122,407,200	3.07%
85-15 – North Industrial Woodinville	160	13%	\$451,363,400	\$460,576,500	2.04%
85-20 – Woodinville CBD	134	10%	\$250,847,700	\$272,360,100	8.58%
85-25 – East Totem Lake	144	11%	\$791,174,500	\$805,567,300	1.82%
85-30 – Finn Hill/North Juanita	78	6%	\$290,909,200	\$296,558,200	1.94%
85-35 – West Totem Lake	40	3%	\$161,113,500	\$171,074,400	6.18%
85-40 – Juanita	102	8%	\$203,318,700	\$220,558,600	8.48%
85-45 – N Houghton/Everest	71	6%	\$200,082,100	\$205,370,100	2.64%
85-50 – S Rose Hill	124	10%	\$406,715,800	\$419,638,700	3.18%
85-55 – Market Street	22	2%	\$47,818,400	\$50,936,700	6.52%
85-60 – S Houghton	17	1%	\$104,623,400	\$104,141,200	-0.46%
85-65 – Kirkland CBD	142	12%	\$558,513,800	\$567,895,400	1.68%
85-70 – Yarrow Bay/Carillon Pt	111	9%	\$461,504,400	\$477,880,800	3.55%
85-75 – Norkirk/Highlands	81	6%	\$184,989,200	\$196,155,800	6.04%
<b>TOTAL</b>	<b>1,267</b>	<b>100%</b>	<b>\$4,231,732,500</b>	<b>\$4,371,121,000</b>	<b>3.29%</b>



## Analysis Process

**Effective Date of Appraisal:** January 1, 2020

**Date of Appraisal Report:** March 20<sup>th</sup>, 2020

**The following appraiser did the valuation for this geographic area:**

- Richard Welch – Commercial Appraiser I

The process and results were reviewed for quality control and administrative purposes by Andrew Murray, Senior Commercial Appraiser.

### Highest and Best Use Analysis

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

**As if improved:** Based on neighborhood trends, both demographic and current development patterns, the existing buildings represent the highest and best use of most sites. The existing use will continue until land value, in its highest and best use, exceeds the sum of value of the entire property in its existing use and the cost to remove the improvements. We find that the current improvements do add value to the property, in most cases, and are therefore the highest and best use of the property as improved. In those properties where the property is not at its highest and best use, a nominal value of \$1,000 is assigned to the improvements.

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

The use to which the property is put until it is ready for its future highest and best use is called an interim use. Thus, the interim use becomes the highest and best use, in anticipation of change over a relatively short time in the future.

### Standards and Measurement of Data Accuracy

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

### **Special Assumptions and Limiting Conditions**

- All three approaches to value were considered in this appraisal.
- Sales from 01/01/2017 to 12/31/2019 (at minimum) were considered in all analyses.
- This report intends to meet the requirements of the Uniform Standards of Professional Appraisal Practice, Standards 5 and 6 (USPAP compliant).

# Area Description

## Area 85-10: North Creek

### Neighborhood boundaries:

- North– Snohomish County
- South–NE 180th St
- East– 130th PI NE
- West– Interstate 405

The map insets in this report identify the boundaries of the neighborhood.



### Neighborhood Description:

The prominent commercial land uses within this neighborhood consist of business parks or regional development with office, warehouse, retail, and high-tech/flex buildings. Most of the improvements in this area have been constructed within the last 25 years. This area is Bothell’s Technology Corridor and includes four modern business parks: Canyon Park Business Center, North Creek, Quadrant North Creek and Quadrant Monte Villa Center. Google has a satellite office here with 58,000 square feet of space. The Seattle Times printing plant is also located in this area. The Seattle Times vacant corner parcel sold for nearly \$16 million and is intended to be developed with 94 townhouse units.



Seattle Times Vacant corner site- proposed construction for 94 unit townhomes #697920-0151

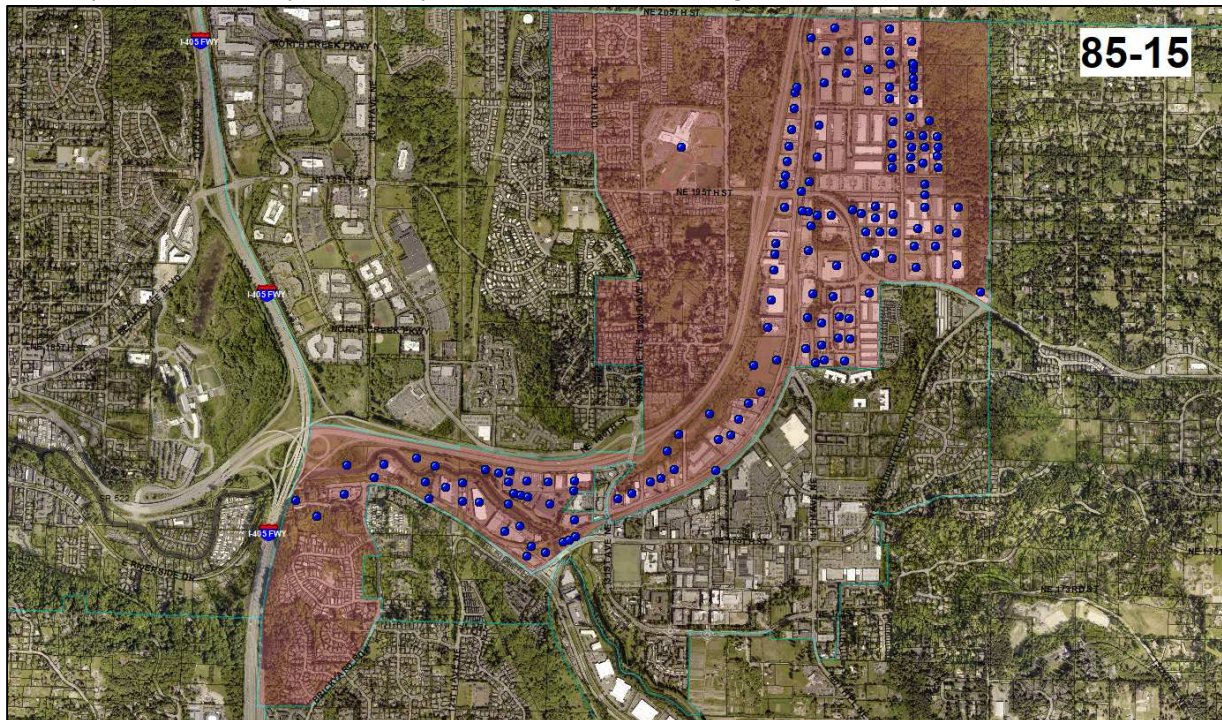


## Area 85-15: North Industrial Woodinville

### Neighborhood boundaries:

- North – Snohomish County
- South – Woodinville
- East – Woodinville
- West – City of Bothell

The map insets in this report identify the boundaries of the neighborhood.



### Neighborhood Description:

This neighborhood is considered the light industrial/general use district of Woodinville. The buildings are generally larger warehouses, manufacturing, or general use properties constructed between 1970 and 2005. The (I) Industrial zone is intended to provide for the location of industrial activities involving manufacturing, fabrication, research facilities, warehousing and heavy trucking. The (GB) General Business zone located adjacent to the downtown area is intended to provide for more intensive auto-oriented retail and services outside the downtown Central Business District.



14115 NE 189th St, Woodinville sold for \$5.2 million #95607500100

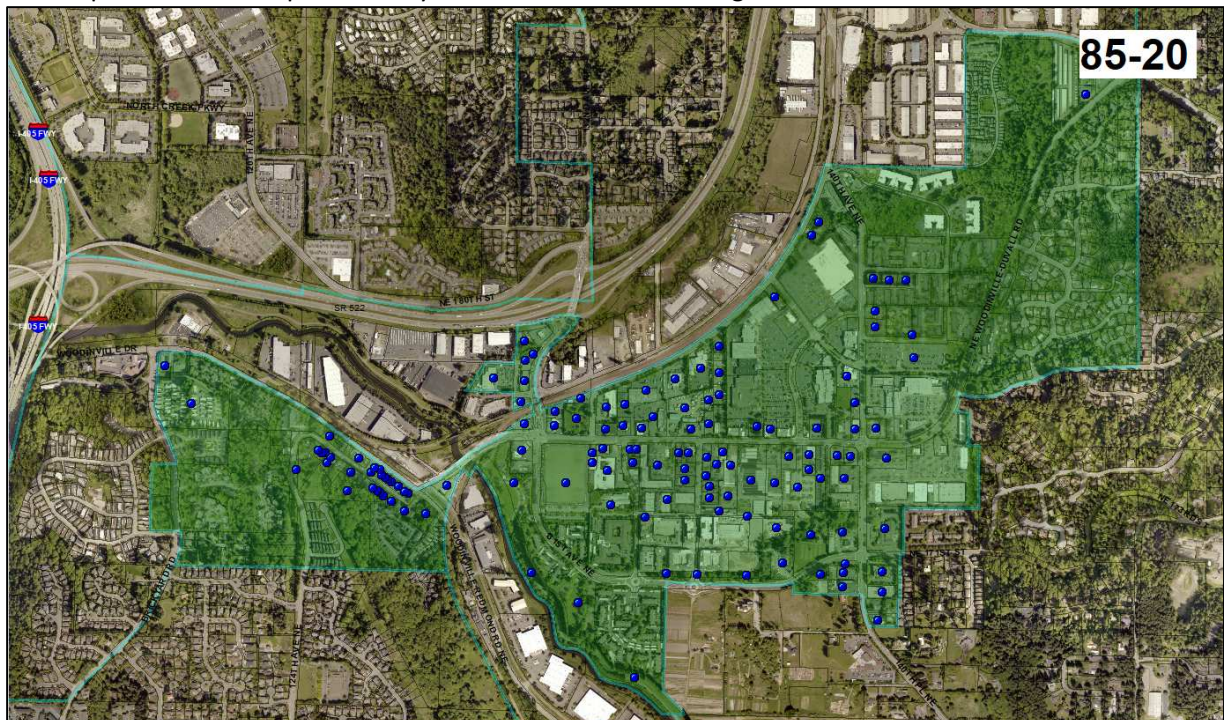


## Area 85-20: Woodinville CBD

### Neighborhood boundaries:

- North – Woodinville Dr.
- South – NE 171st St
- East – Woodinville
- West – Railroad Tracks

The map insets in this report identify the boundaries of the neighborhood.



### Neighborhood Description:

Neighborhood 85-20 is the CBD of Woodinville with NE 175th Street being the primary corridor. The properties consist typically of a mixture of retail, office, and multifamily buildings constructed between 1965 and 2000 with most in the mid 1980's. The CBD (Central Business District) zoning is intended to provide for a mix of retail, higher density residential, service and recreational/cultural uses with compatible storage and fabrication uses. Major businesses include Molbak's, the Woodinville Town Center shopping mall, and the City of Woodinville government buildings. The Old School House Campus is under construction with a 4-story 153 unit apartment project including a YMCA daycare center with 9 classrooms (permit cost is \$23 million).





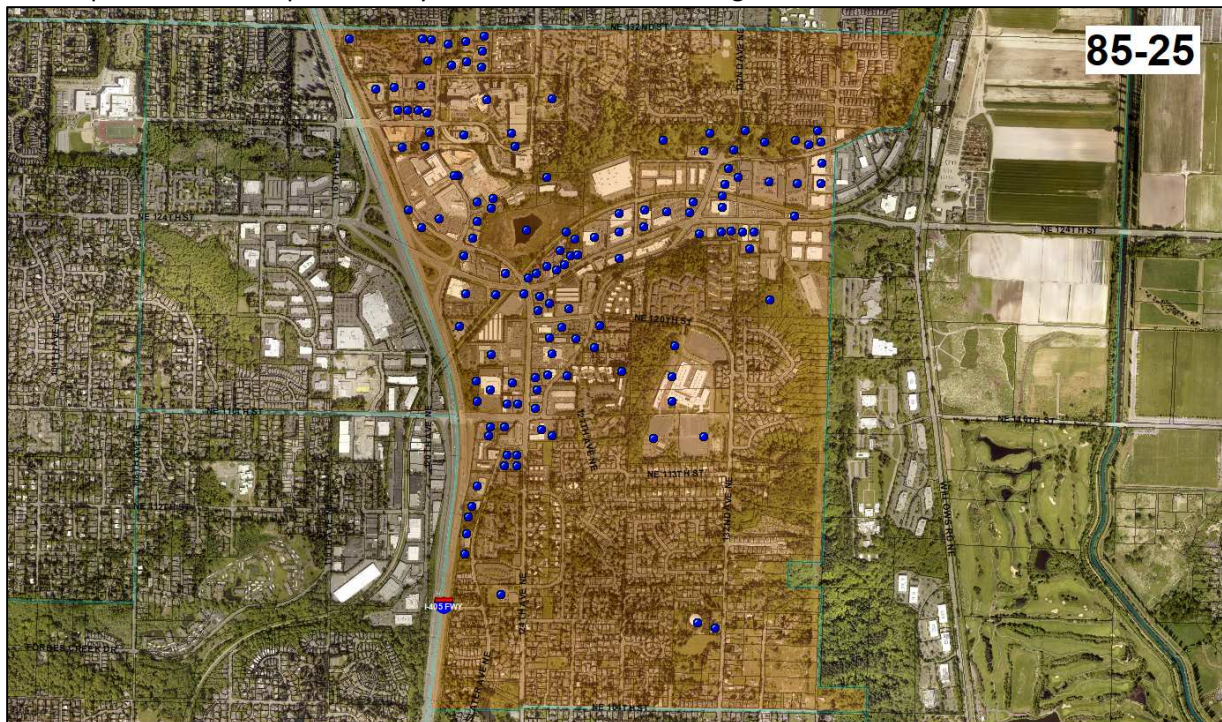
153 unit apartments & YMCA project #159940-0050

## Area 85-25: East Totem Lake

### Neighborhood boundaries:

- North – NE 132nd Street
- South – NE 104th Street
- East – 136th Avenue NE
- West – Interstate 405

The map insets in this report identify the boundaries of the neighborhood.



### Neighborhood Description:

The predominant land uses within this neighborhood include a mixture of retail, industrial, multi-family, and low-rise medical office buildings. The northern sector of this neighborhood is dominated by Evergreen Hospital and supported by medical office buildings surrounding it. Totem Lake Mall and Lake Washington Institute of Technology are the major properties located in the central area.

The Totem Lake Mall sold to CenterCal and they are in the process of redeveloping the 26-acre site northwest of the intersection of 124th Street NE and Interstate 405. They plan on keeping the freestanding Auto Zone structure and the building that houses Ross. Multi-story mixed use buildings will include department stores, fast food, coffee shops, offices, retail, restaurants, residential, and a cinema for a total of one million square feet. This will be one of the largest developments in Kirkland for the foreseeable future. The lower mall buildings A, B, C and satellite buildings have been completed. The upper mall is in the framing and buildout stage.





Lower Totem Lake Mall Building C- Totem Lake Mall #894441-0000



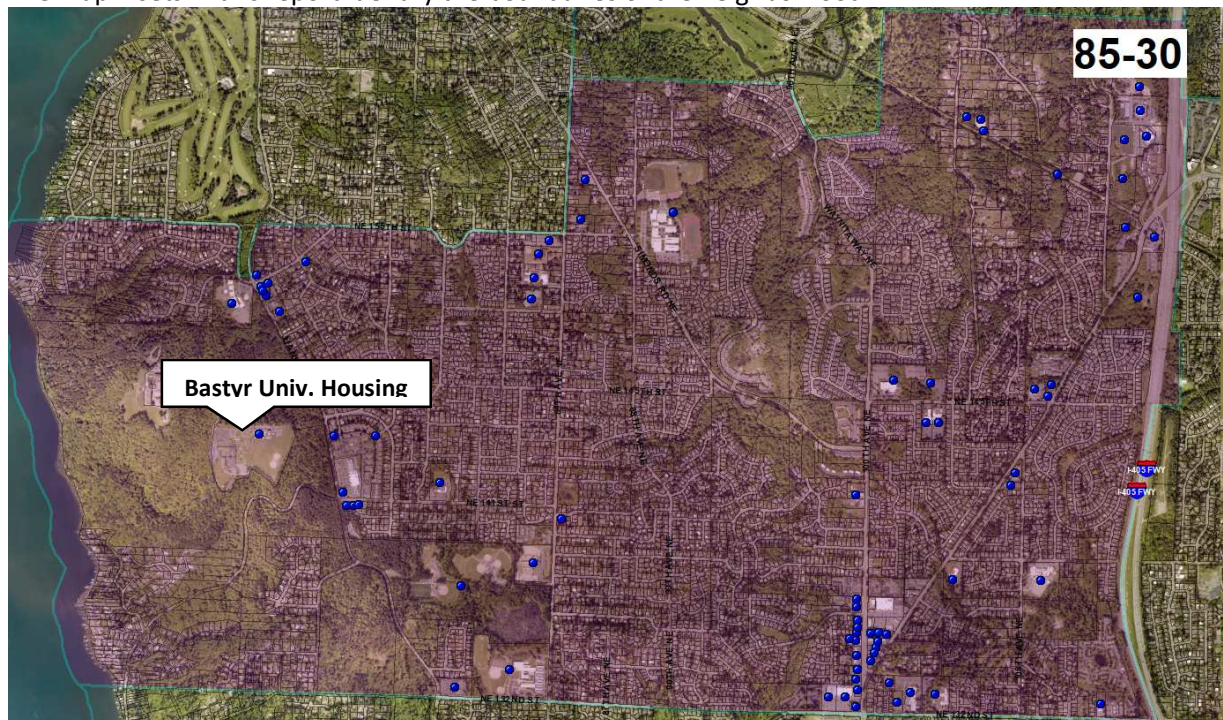
Upper Totem Lake Mall under construction #894439-0010

## Area 85-30: Finn Hill/North Juanita

### Neighborhood boundaries:

- North – NE 155th Street
- South – NE 132nd Street
- East – Interstate 405
- West – Lake Washington

The map insets in this report identify the boundaries of the neighborhood.



### Neighborhood Description:

The predominant land uses within this neighborhood include a mixture of retail, multi-family and low-rise office buildings. This neighborhood includes St. Edwards State Park and Bastyr University. The Seminary building at Saint Edwards State Park is being transformed into a lodge with restaurant and hotel rooms. The building needs \$50 million in restoration and Daniels Real Estate of Seattle is working to preserve and rehabilitate the seminary building into a lodge type hotel. The lease includes the seminary, pool, gymnasium, and parking lot with 5.5 acres of park. This project is in the middle stage of redevelopment.





Saint Edwards Lodge- #232604-9001

## Area 85-35: West Totem Lake

### Neighborhood boundaries:

- North – NE 132nd Street
- South – NE 116th Street
- East – Interstate 405
- West – 108th Avenue NE

The map insets in this report identify the boundaries of the neighborhood.



### Neighborhood Description:

The predominant commercial land uses within this neighborhood include a mixture of retail, industrial, multi-family, and low/mid-rise medical/office buildings. West Totem Lake is best known for its retail service core which includes line-retail, restaurants, and the Fred Meyer Shopping Complex. The area is also home to the Kirkland 405 Corporate center, a multi-building suburban office park home to numerous companies. This neighborhood will probably have the most to gain from the tenants being priced out of the redevelopment of the Totem Lake Mall due to proximity.



Kirkland 405 Corporate Center- #389060-0020

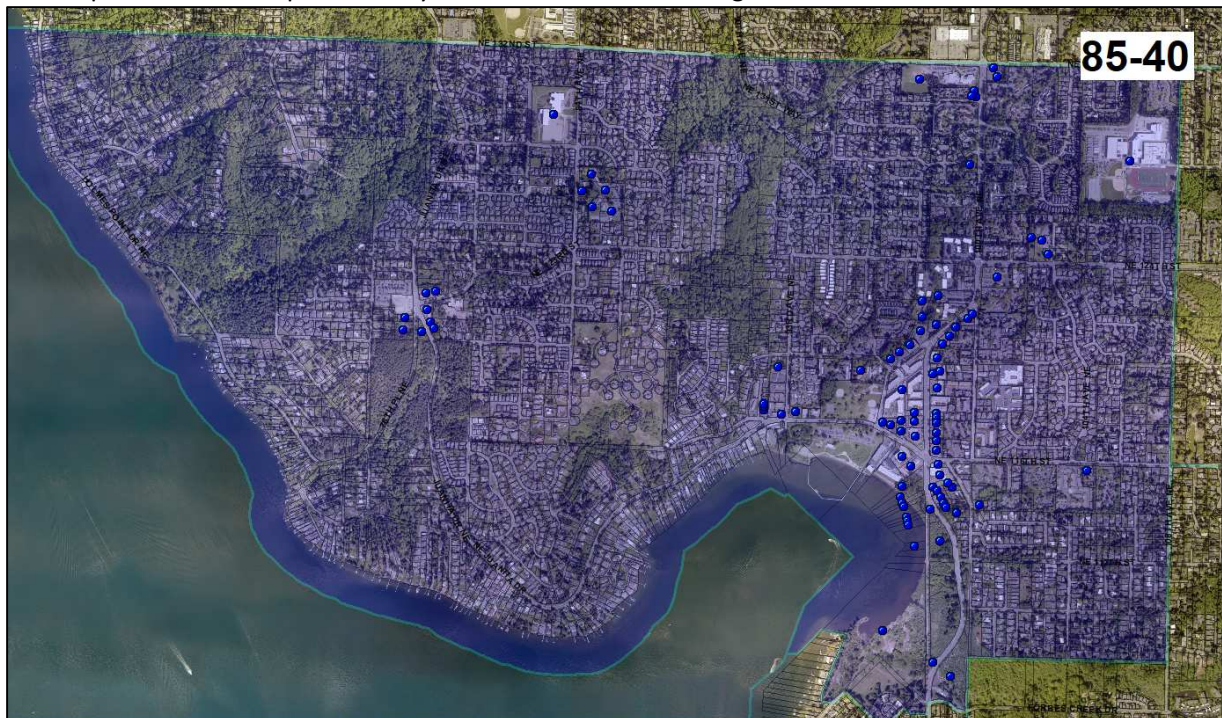


## Area 85-40: Juanita

### Neighborhood boundaries:

- North – NE 132nd Street
- South – NE 108th Street
- East – 108th Avenue NE
- West – Lake Washington

The map insets in this report identify the boundaries of the neighborhood.



### Neighborhood Description:

The predominant commercial land uses within this neighborhood include a mixture of retail buildings, apartments, condominiums, and professional low rise office buildings. Juanita Village is a modern take on the traditional mixed-use residential/commercial urban neighborhood center that also serves as the heart of the community. The Juanita Bay is centrally located in this neighborhood.



Juanita Pub sold for \$1,750,000. #302605-9274

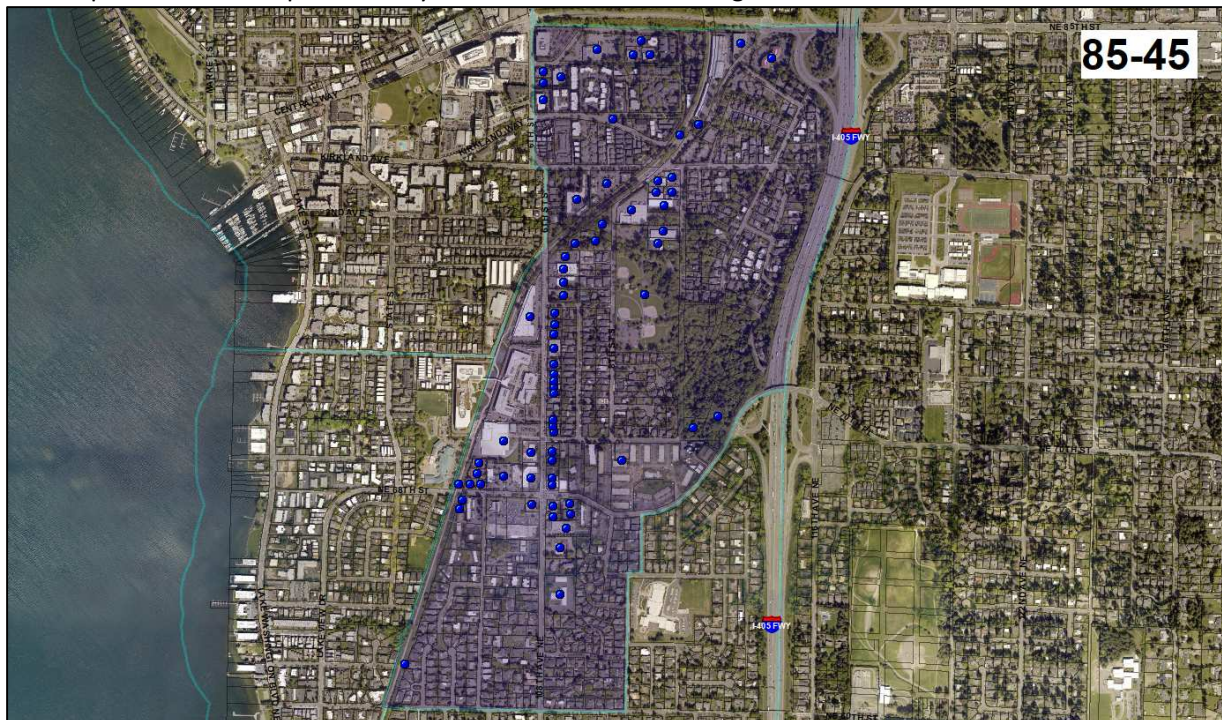


## Area 85-45: North Houghton/Everest

### Neighborhood boundaries:

- North – NE 85<sup>th</sup> Street
- South – NE 60<sup>th</sup> Street
- East – Interstate 405
- West – Burlington Northern Railroad (Cross Kirkland Corridor)

The map insets in this report identify the boundaries of the neighborhood.



### Neighborhood Description:

The predominant commercial land uses within this neighborhood include a mixture of retail buildings, low to mid-rise office buildings, and industrial properties. This area is home to Google's 355,000 square foot Kirkland campus.



Google – Kirkland- #788260-0180

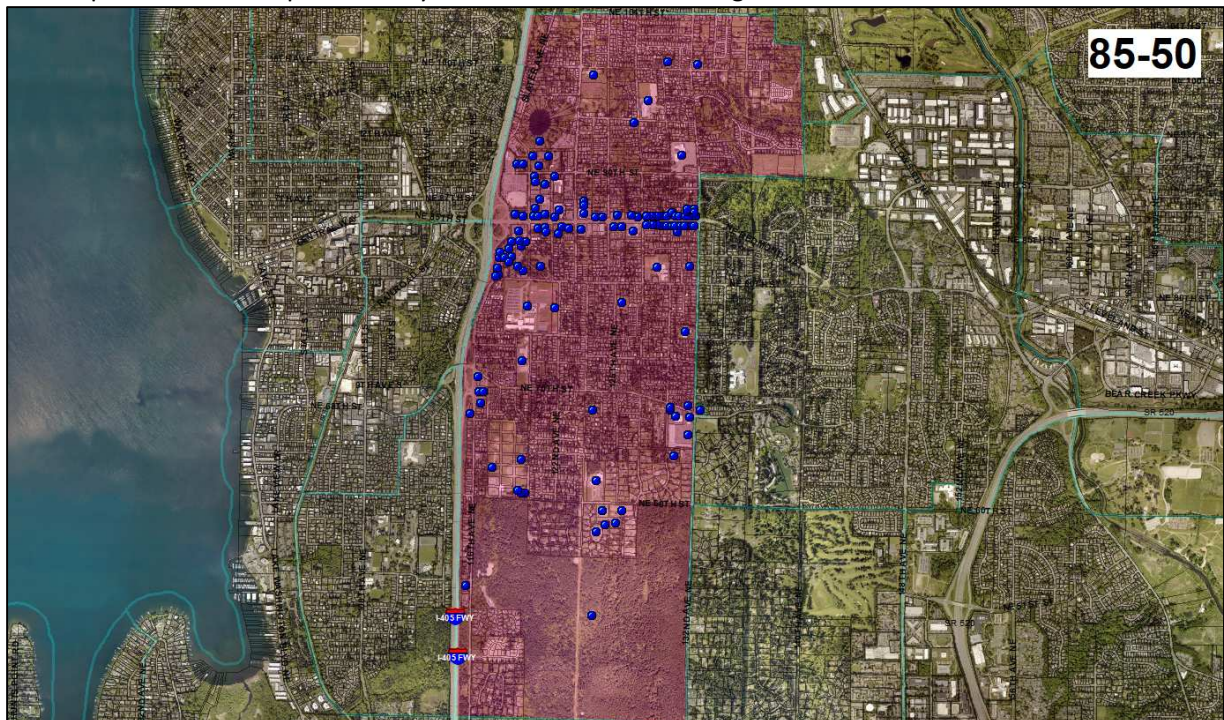


## Area 85-50: South Rose Hill

### Neighborhood boundaries:

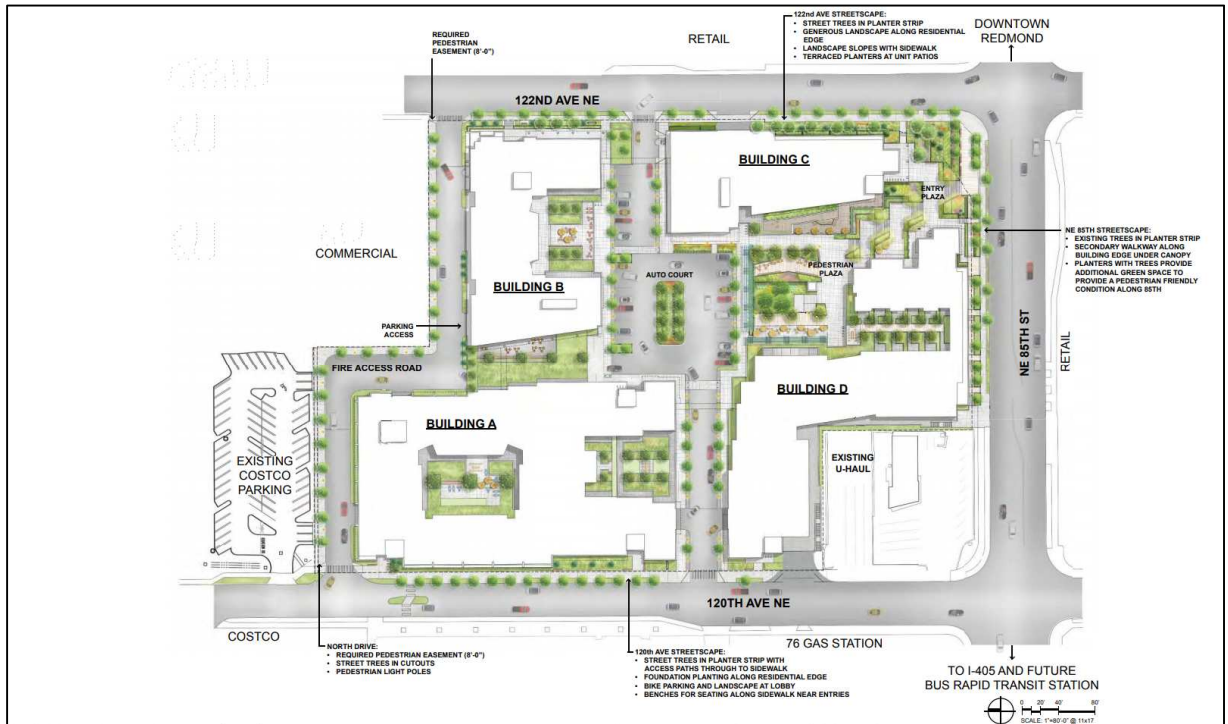
- North – NE 104<sup>th</sup> Street
- South – NE 40<sup>th</sup> Street
- East – 132<sup>nd</sup> Place NE
- West – Interstate 405

The map insets in this report identify the boundaries of the neighborhood.



### Neighborhood Description:

The predominant land uses within this neighborhood include a mixture of retail, low-rise office buildings, and some multi-family units. The retail oriented businesses include neighborhood shopping centers, line retail, restaurants, and car dealerships, mostly occurring along NE 85th Street. There is a proposed mixed use development for this area with 1.3 million square feet on NE 85th St and 120th Ave NE called the South Rose Hill Mall.



South Rose Hill Mixed Use Proposed- #123850-0115

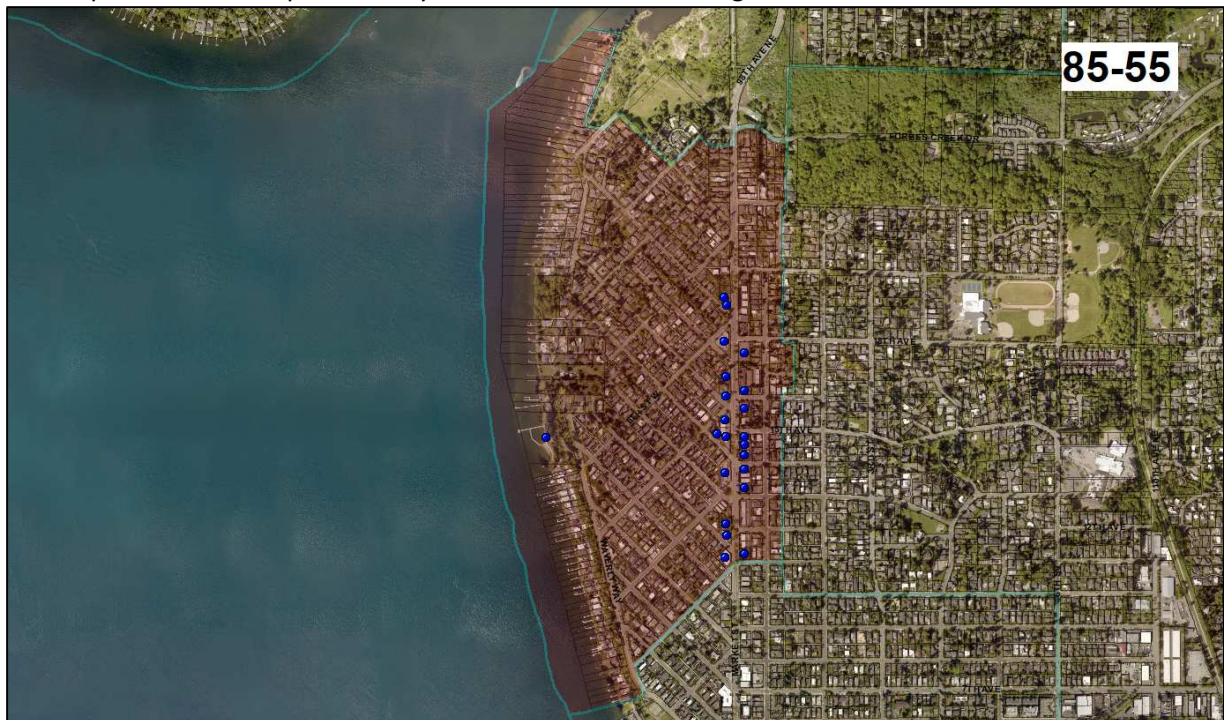


## Area 85-55: Market Street

### Neighborhood boundaries:

- North – Juanita Bay Park
- South – 3<sup>rd</sup> Street W
- East – 1<sup>st</sup> Street
- West – Lake Washington

The map insets in this report identify the boundaries of the neighborhood.



### Neighborhood Description:

The predominant land uses within this neighborhood include small neighborhood retail establishments, low-rise office buildings, and townhomes.





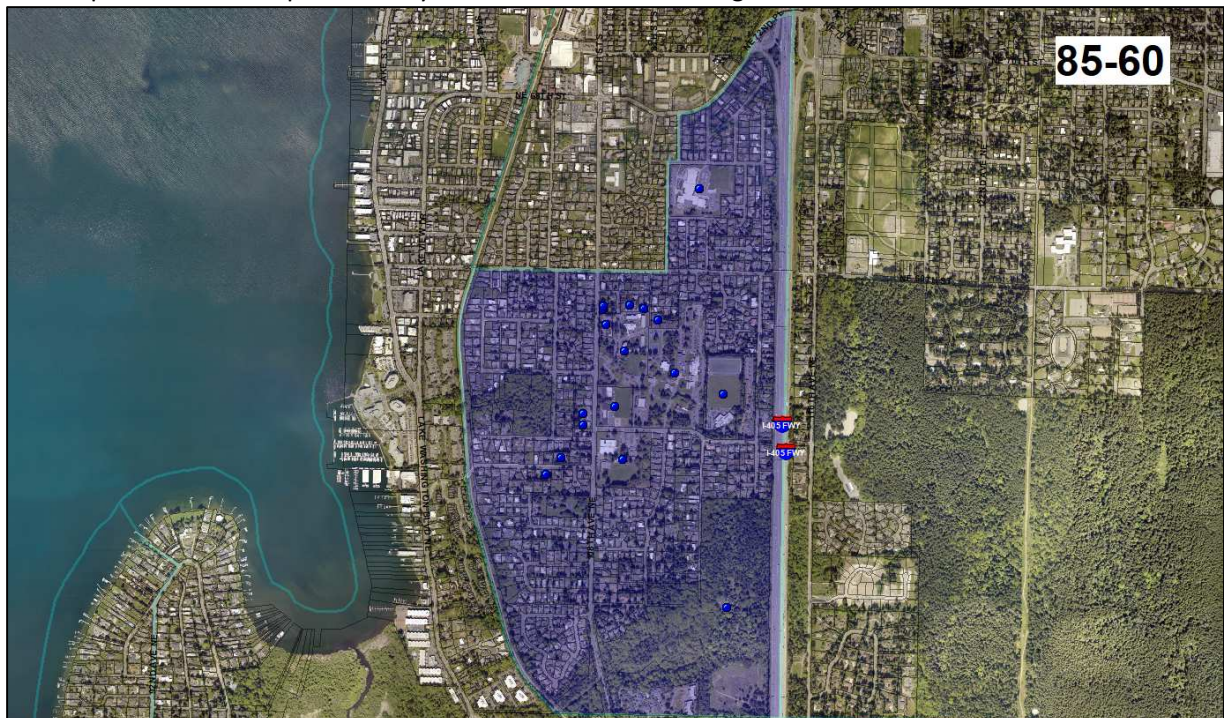
610 Market St sold for \$5,300,000. #388580-8120

## Area 85-60: South Houghton

### Neighborhood boundaries:

- North – NE 68<sup>th</sup> Street
- South – NE 39<sup>th</sup> Place
- East – Interstate 405
- West – Lake Washington Blvd

The map insets in this report identify the boundaries of the neighborhood.



### Neighborhood Description:

The predominant land uses within this neighborhood include mid-rise office buildings and small light industrial warehouse buildings. In addition, Northwest University is located in the northern part of this area.



Northwest College- #172505-9171

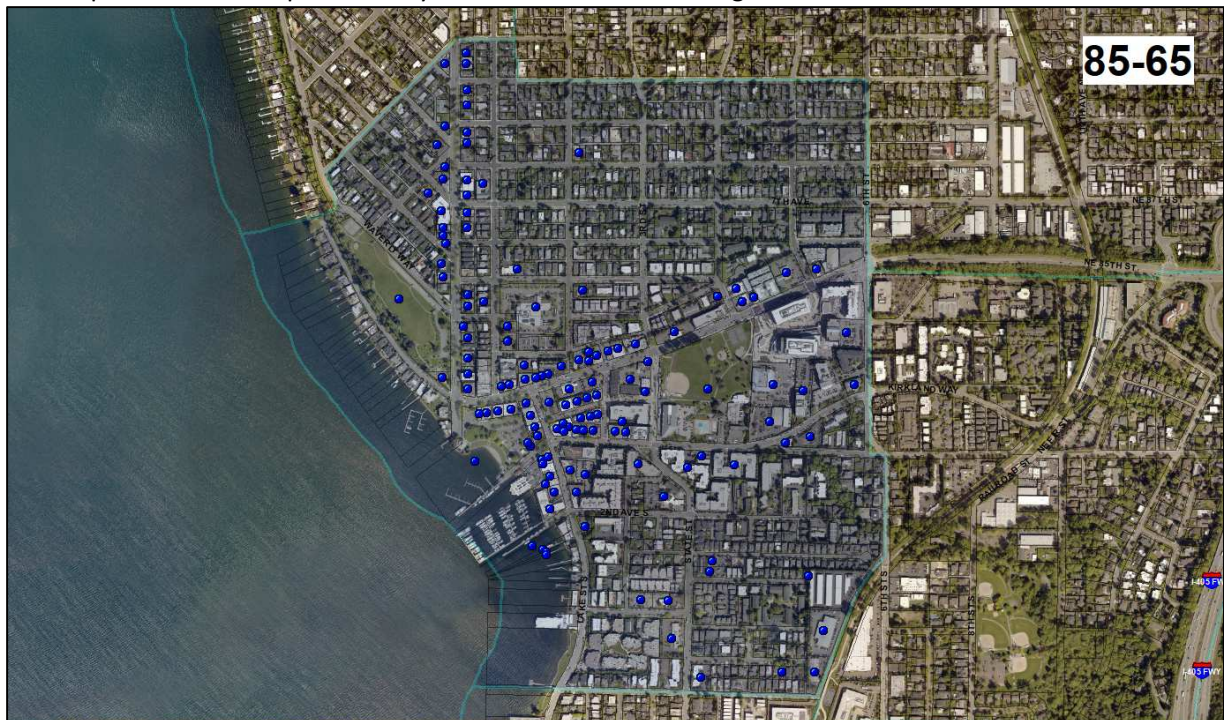


## Area 85-65: Kirkland CBD

### Neighborhood boundaries:

- North – 10<sup>th</sup> Avenue
- South – 7<sup>th</sup> Avenue S
- East – 6<sup>th</sup> Street S
- West – Lake Washington

The map insets in this report identify the boundaries of the neighborhood.



### Neighborhood Description:

The City of Kirkland is located on the eastern shore of Lake Washington, north of Bellevue and west of Redmond. Within a half square mile, it boasts one of the most dynamic downtowns in the state. New office and condominium projects continue to be built at a moderate pace, with older retail buildings being renovated into art galleries, restaurants, apartments, offices, and boutiques along Lake Street, Park Lane, and Central Way. They reflect the vitality and strength of the immediate area and the region. A healthy mix of small business, corporate headquarters, light industrial and manufacturing, and a growing base of high-tech and home based businesses characterize Kirkland's local economy. A competitive business climate, with no local Business and Occupation (B&O) Tax, and high quality of life make Kirkland a desirable location for both local and world class enterprises.

Kirkland Urban is the most significant redevelopment project completed in the downtown Kirkland area in a long time. Kirkland Urban sits on 11.7 acres adjacent to Peter Kirk Park. Talon and Ryan recently completed the project which features 1.2 million square feet including 605,000 sf of office space, 200,000



sf of retail, and around 300 residences. Talon received approval in December of 2015 from the city's design review board for the first phase which will consist of a new and enlarged the QFC grocery store, constructing two 190,000 sf office buildings, and a 205 unit residential building. Tableau (software) leased 90,000 sf and Wave (broadband provider) leased about the same amount @ Park Place. Google recently acquired the office and retail components of the development and have recently begun moving in.



Kirkland Urban Apartment Building- #390016-0000



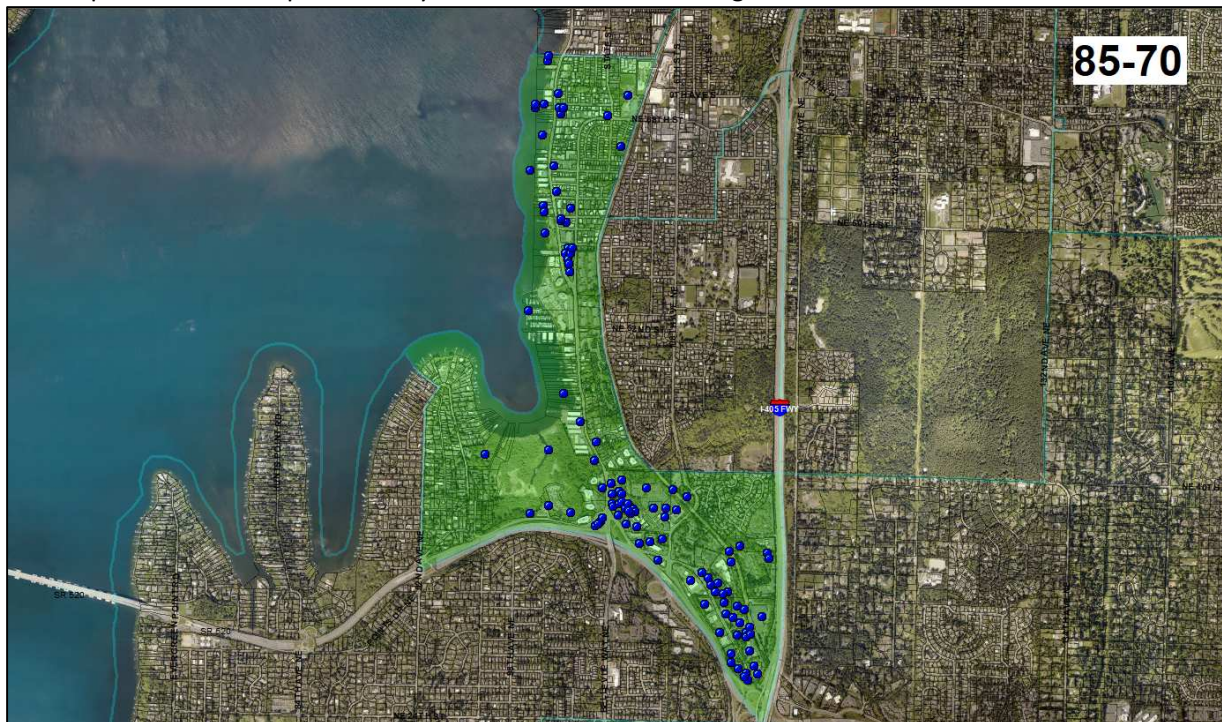
Former Wendy's Quick Service Restaurant #390010-1330

## Area 85-70: Yarrow Bay/Carillon Point

### Neighborhood boundaries:

- North – 7<sup>th</sup> Avenue S
- South – State Route 520 and Bellevue
- East – Burlington Northern Railroad (Cross Kirkland Corridor)
- West – Lake Washington

The map insets in this report identify the boundaries of the neighborhood.



### Neighborhood Description:

The predominant commercial land uses within this neighborhood include a mixture of neighborhood retail buildings, mid-rise professional office buildings, apartments, and condominiums. Major “Class A” office developments within this area include Carillon Point, Lake Washington Park, The Plaza at Yarrow Bay, and Waterfront Place office.





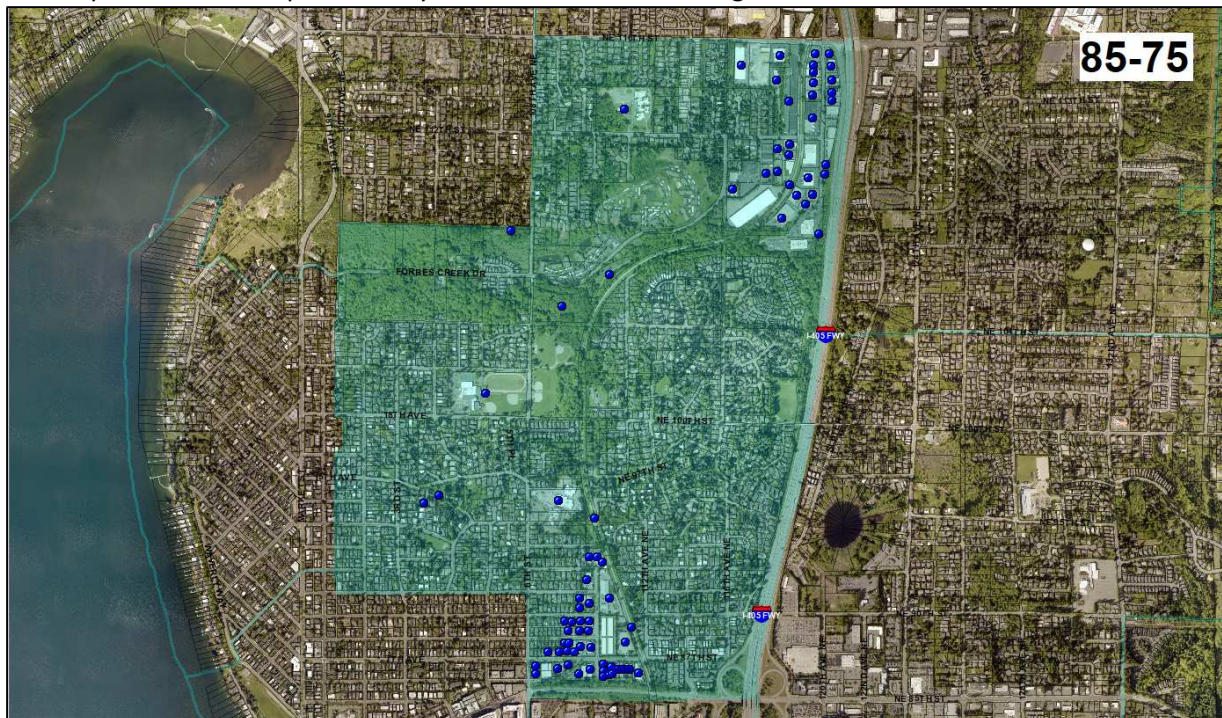
Potala Village Senior Center. #935490-0220

## Area 85-75: Norkirk/Highlands

### Neighborhood boundaries:

- North – NE 116<sup>th</sup> Street
- South – NE 85<sup>th</sup> Street
- East – Interstate 405
- West – 108<sup>th</sup> Avenue NE (North)/ 1<sup>st</sup> Street (Center)/6<sup>th</sup> Street (South)

The map insets in this report identify the boundaries of the neighborhood.



### Neighborhood Description:

The predominant commercial land uses within this neighborhood include a mixture of small neighborhood low-rise office buildings and light industrial manufacturing buildings. Very little new construction has occurred in this neighborhood recently and sales of industrial properties have been limited.

Area 85-75 contains two distinct industrial areas, both of which align along the paved hiking trail of the former BNSF railway. The first and most prominent is at the northeast of the area which features larger business park style industrial developments. The second smaller section is a triangle at the south end of the neighborhood. This vicinity features smaller scale, owner user light industrial and warehouse buildings. This area is adjacent to an older residential neighborhood and some of the parcels actually lie in the LIT (Light Industrial) zoned triangle. Some older homes have been purchased over the decade for re-development to a more conforming use.



Vareze 82 unit condominium project. #888125-0000



## Physical Inspection Identification:

WAC 458-07-015 requires each property to be physically inspected at least once during a six-year revaluation cycle. At a minimum, an exterior observation of the properties is made to verify the accuracy and completeness of property characteristic data that affect value. Property records are updated in accordance with the findings of the physical inspection. Former Area 85-15 Kenmore (now Area 10-50) with 215 parcels and Area 85-70 Yarrow Point/Carillon Point with 111 parcels were physically inspected for the 2020 assessment year. This inspection area comprises a total of 326 parcels or 15.5% of the 2,102 total parcels located in Area 85 (including specialty parcels). A list of the physically inspected parcels is included in the addendum of this report.

## SCOPE OF DATA

**Land Value Data:** Land market sales from 01/01/2017 through 12/31/2019 were given primary consideration for valuing land. There were 31 market land sales in Area 85 during this period. Sales in adjacent Commercial Areas were also considered. Details of those sales are in their respective area revaluation reports. The sales verified as “good” were coded “Y” in the Assessor’s records. Multi-parcel sales were also considered after combining the various aspects of all parcels involved in the sales.

**Improved Parcel Total Value Data:** Sales information is obtained from excise tax affidavits and reviewed initially by the Accounting Division, Sales Identification Section. Information is analyzed and investigated by the appraiser in the process of revaluation. All sales that were considered in this revaluation were verified, if possible, by calling either the purchaser or seller, inquiring in the field or calling the real estate broker. Characteristic data is verified for all sales whenever possible. Sales are listed in the “Sales Used” and “Sales Not Used” sections of this report. Additional information resides on the Assessor’s website.

The primary unit of comparison considered was based on price per square foot of land area. “Shell” sales, interim use sales, tear down sales, and land transactions that included plans and permits were considered in the analysis of the land values. The comparative sales approach generally is considered the most reliable method for land valuation. Zoning, location, and site size were primary variables considered in the valuation process. Changes were made based on recent land sales and to achieve equalization in neighborhoods in accordance with zoning, size and location. In the absence of sales in a neighborhood, sales in other similar neighborhoods were considered. Appraiser judgment prevails in all decisions regarding individual parcel valuation. The appraiser determines which available value estimate may be appropriate and may adjust for particular characteristics and conditions as they occur in the valuation area.

# LAND VALUE

## Land Sales, Analysis, Conclusions

Within Geographic Area 85, there are 31 verified commercial land sales that occurred during the last three years that were utilized for the 2020 revalue. This is a smaller number of verified sale transactions utilized for the 2019 revalue. In the absence of land sales in a given neighborhood, land sales from other similar neighborhoods were considered. For land valuation purposes, the assessor used GIS (Geographic Information System) as the primary tool to establish new assessed land values. The new land values are based on neighborhood land sales that are equalized with adjacent and similarly zoned properties. In some neighborhoods, new commercial development sites are being created through the demolition of existing single family residences located on commercially zoned lots and through the demolition of older commercial and multi-family buildings.

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

The total recommended assessed land value for the 2020 assessment year is \$5,058,588,200. Overall land values in Area 85 increased 0.18%. Land values remained stable in all neighborhoods of Area 85. The preceding total includes all taxable and nontaxable parcels in Area 85 including specialty parcels.

The following table shows the change in all land values based on Neighborhood:

<b>Assessed Land Value Change by Neighborhood</b>					
<b>Neighborhood</b>	<b># Parcels*</b>	<b>% of Total</b>	<b>2019 Land AV</b>	<b>2020 Land AV</b>	<b>% Change</b>
85-10 – Bothell at North Creek	91	4%	\$301,881,400	\$301,889,600	0.00%
85-15 – North Industrial Woodinville	175	8%	\$220,980,000	\$223,018,400	0.92%
85-20 – Woodinville CBD	197	9%	\$393,750,500	\$392,769,900	-0.25%
85-25 – East Totem Lake	233	11%	\$558,375,600	\$558,892,600	0.09%
85-30 – Finn Hill/North Juanita	133	6%	\$311,352,100	\$311,368,600	0.01%
85-35 – West Totem Lake	87	4%	\$213,941,000	\$214,022,400	0.04%
85-40 – Juanita	199	9%	\$359,436,300	\$359,523,500	0.02%
85-45 – N Houghton/Everest	140	7%	\$321,931,000	\$323,218,700	0.40%
85-50 – S Rose Hill	165	8%	\$362,526,400	\$363,840,000	0.36%
85-55 – Market Street	33	2%	\$55,882,300	\$55,298,300	-1.05%
85-60 – S Houghton	30	1%	\$89,119,100	\$89,123,500	0.00%
85-65 – Kirkland CBD	258	12%	\$805,518,200	\$807,018,600	0.19%
85-70 – Yarrow Bay/Carillon Pt	240	11%	\$889,336,400	\$891,489,800	0.24%
85-75 – Norkirk/Highlands	121	6%	\$165,395,800	\$167,114,300	1.04%
<b>TOTAL</b>	<b>2,102</b>	<b>100%</b>	<b>\$5,049,426,100</b>	<b>\$5,058,588,200</b>	<b>0.18%</b>

\*Includes government and specialty parcels

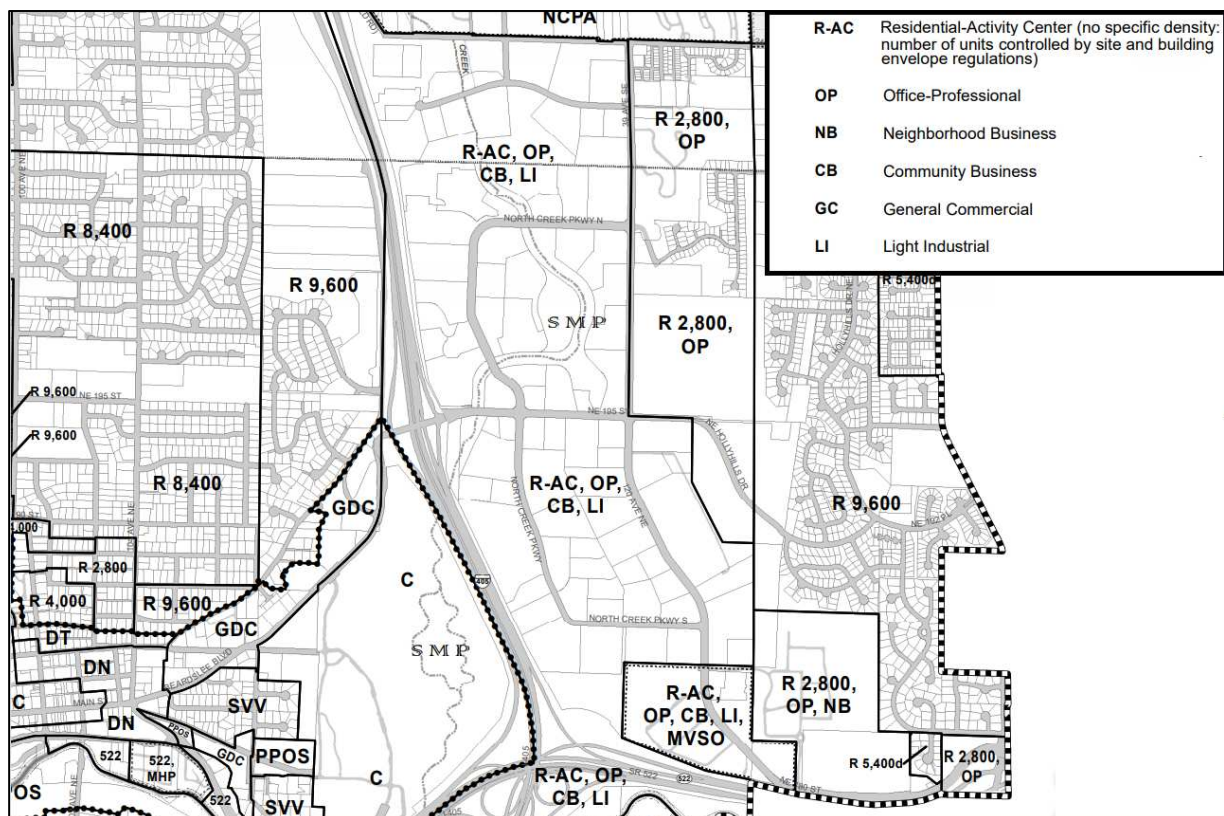


## Neighborhoods and Sales:

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

### Area 85-10: North Creek - Bothell

Commercial zoning in area 85-10 is regulated by the city of Bothell and primarily consists of R-AC, OP, CB, LI which allows for a wide variety of commercial and multi-family uses.



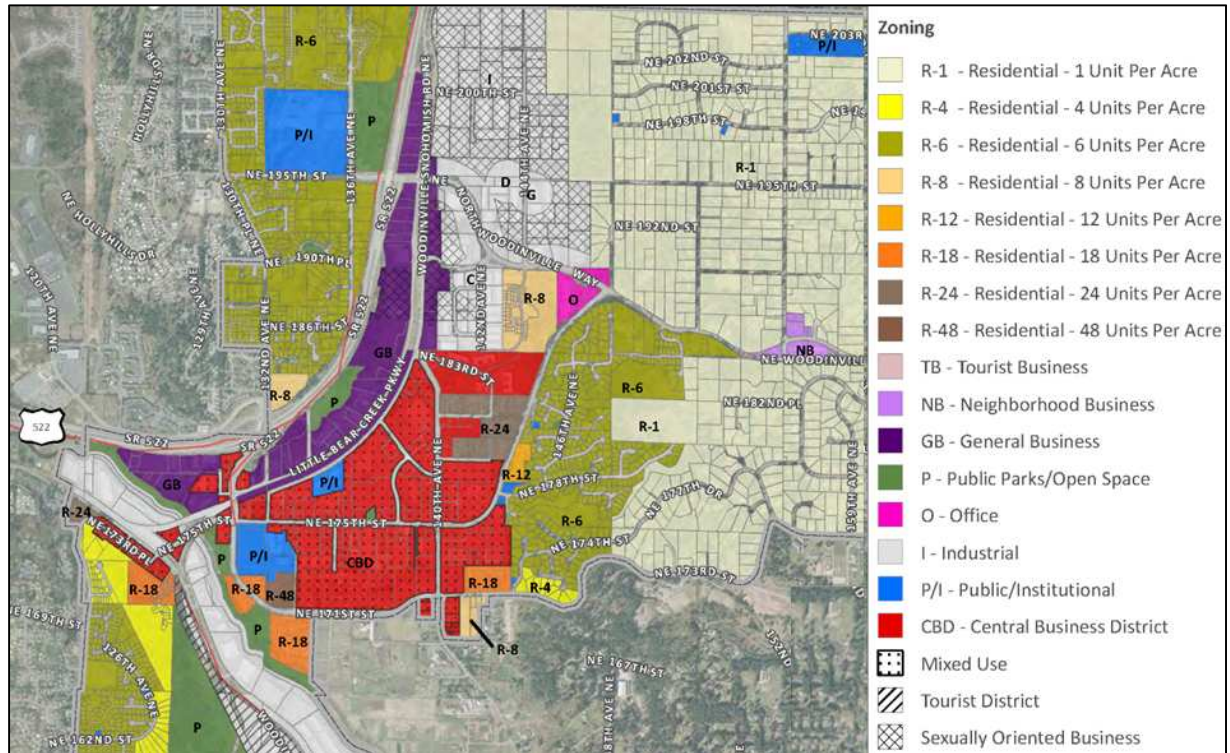
Within the last three years there has been only one commercial land sale shown as follows:

Area	Nbhd.	Major	Minor	Land Area	Excise #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
85	10	697920	0151	218,691	3013080	\$15,750,000	09/30/19	\$72.02	R-AC,OP,CB,LI	Vacant Lot

E# 3013080 – Location of this sale is at SE corner of NE 195th St and 120th Ave NE, sold @ \$15,750,000 on 9/30/19. Zoning is R-AC, OP, CB, LI allowing residential, office, business, light industrial. This site was vacant at the time of sale and has moderate sloping.

## Area 85-15: North Woodinville Industrial Area

Commercial zoning in this neighborhood is regulated by the city of Woodinville and primarily consist of GB (General Business) and I (Industrial).



There have been no land sales within the previous three years in this neighborhood.

## Area 85-20: Woodinville CBD

Commercial zoning in this neighborhood is regulated by the city of Woodinville and primarily consist of CBD (Central Business District), O (Office), and some multi-family.

Within this neighborhood there have been two vacant commercial land sales over the past three years. The sales are summarized below.

Area	Nbhd.	Major	Minor	Land Area	Excise #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
85	20	102605	9174	13,250	2852727	\$245,000	03/01/17	\$18.49	CBD	Vacant Lot
85	20	726910	0030	26,500	2973803	\$559,000	02/12/19	\$21.09	CBD	Vacant Lot

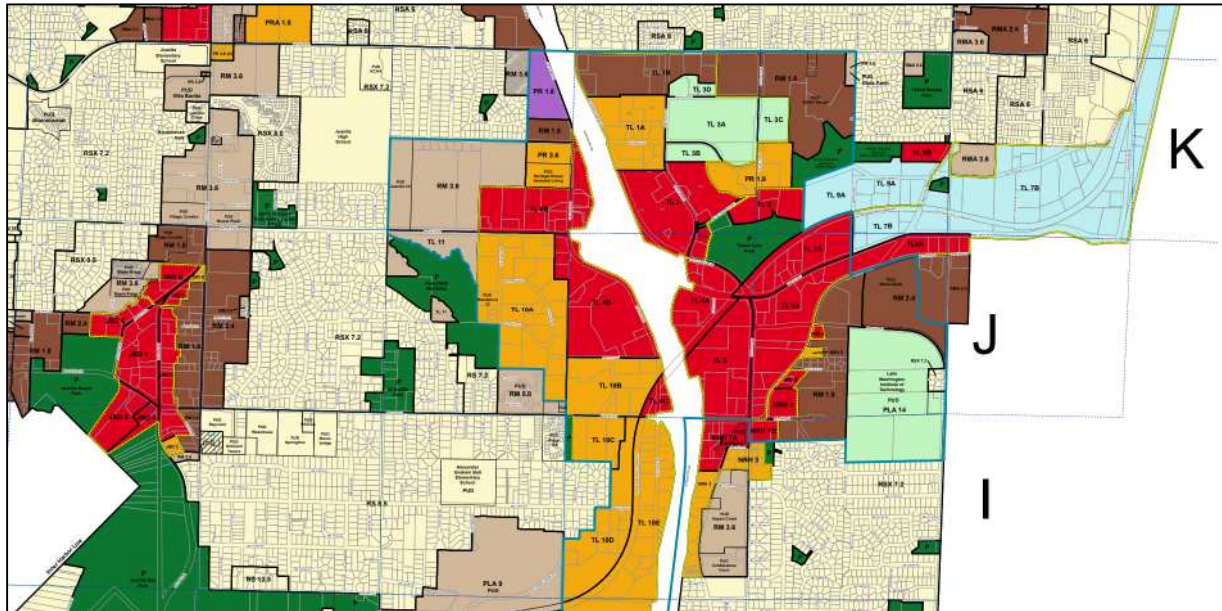
E# 2852727 – Parcel is located at the SW corner of NE 171st St and 140th Ave NE and sold @ \$245,000 on 3/1/17. This is a vacant site located on a corner site. Zoning is CBD Downtown Neighborhood.

E# 2973803 – Parcel is located at the middle of the block on 131st Ave NE south of SR 522 and sold @ \$559,000 on 02/12/19. This is a vacant site located on a corner site. Zoning is CBD Downtown Neighborhood.



## Area 85-25: East Totem Lake

Commercial zoning in East Totem Lake is regulated by the city of Kirkland and consists of commercial, industrial, and office-focused mixed-use designations along with medium-high density multi-family.



<span style="color: red;">■</span> Commercial Mixed Use	BC, BCX, BC1, BC2	Community Business	PLA	Planned Area
<span style="color: cyan;">■</span> Industrial Mixed Use	BN, BNA	Neighborhood Business	PO	Professional Office
<span style="color: purple;">■</span> Transit Oriented Development	CBD	Central Business District	PR, PRA	Professional Office Residential
<span style="color: orange;">■</span> Office Mixed Use	FHNC	Finn Hill Neighborhood Center	RH	Rose Hill Business District
<span style="color: brown;">■</span> High Density Residential	HENC	Houghton Everest Neighborhood Center	RM, RMA	Multi-Family Residential
<span style="color: tan;">■</span> Medium Density Residential	JBD	Juanita Business District	RS, RSX, RSA	Single Family Residential
<span style="color: yellow;">■</span> Low Density Residential	LIT	Light Industrial Technology	TL	Totem Lake
<span style="color: lightgreen;">■</span> Institutions	MSC	Market Street Corridor	WD	Waterfront District
	NRH	North Rose Hill Business District	YBD	Yarrow Bay Business District
	P	Park/Public Use		

There were seven vacant commercial sales within this neighborhood during the past three years which are summarized in the table below.

Area	Nbhd.	Major	Minor	Land Area	Excise #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
85	25	282605	9181	209,309	2921247	\$10,000,000	03/22/18	\$47.78	TL-6A	Change in Use
85	25	282605	9220	45,526	2889263	\$8,219,750	09/13/17	\$180.55	TL-1A	Change in Use
85	25	282605	9221	37,246	2889274	\$6,725,250	09/13/17	\$180.56	TL-1A	Change in Use
85	25	692840	0026	32,992	2961638	\$5,825,000	11/09/18	\$176.56	TL-1A	Change in Use
85	25	692840	0035	25,001	2900231	\$3,100,000	11/07/17	\$124.00	TL-2	Change in Use
85	25	692840	0030	431,301	2905890	\$42,700,000	12/13/17	\$99.00	TL-2	Change in Use
85	25	894441	0000	76,050	2923802	\$10,000,000	04/06/18	\$131.49	TL2	Change in Use

E# 2921247– Located at 12055 Slater Ave NE and sold @ \$10,000,000 on 3/22/18. This property is improved with a commercial building with a level site. Zoning TL-6A Totem Lake commercial zoning and it contains one parcel.



E# 2889263- Located at 11821 NE 128th St and sold @ \$8,219,750 on 9/13/17. This property is improved with a medical office building that will be razed and replaced with a 339 unit apartment building which will include the adjoining property. The buyers decided to move forward with this project because of the redevelopment of the Totem Lake Mall. The site area is 45,526 sf @ \$180.55/sf of TL 1A zoned land. Purchaser is the same party as E# 2889274.

E# 2889274- Located at 11811 NE 128th St and sold @ \$6,725,250 on 9/13/17. This property is improved with a medical office building that will be razed and replaced with a 339 unit apartment building which will include the adjoining property. The buyers decided to move forward with this project because of the redevelopment of the Totem Lake Mall. This site area is 37,246 sf @ \$180.56/sf of TL 1A zoned land. Purchaser is the same party as E# 2889263.

E# 2961638 – This property sold on 11/9/18 for \$5,825,000 and is located north of the Totem Lake Mall. The zoning is TL-1A which is being developed into a 6-story 134 unit apartment building. It is south of the Evergreen Hospital and east of Interstate 405. This site is irregular shaped and next to another apartment under construction with 339 units.

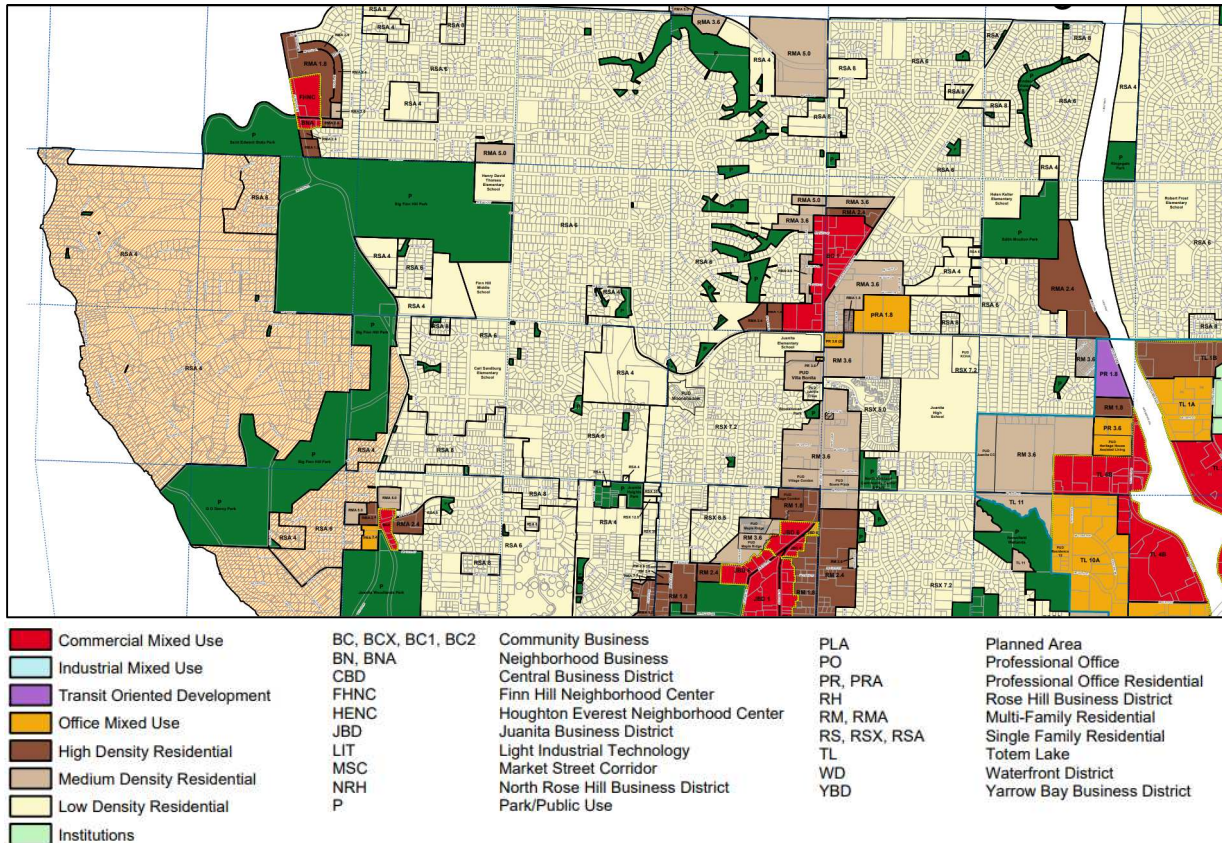
E# 2900231 – Parcel is located at 12560 120th Ave NE and sold @ \$3,100,000 on 11/7/17. This was a Wells Fargo bank branch site for the upper mall area and the developer purchased it in order to complete their redevelopment of the overall Upper Totem Lake Mall. Zoning is TL2 Totem Lake Two; a commercial property zoning.

E# 2905890 – Parcel is located at 12500 120th Ave NE and sold @ \$42,700,000 on 12/13/17 to Fairfield. This was the primary upper Totem Lake Mall site and a developer purchased it in order to complete the redevelopment of the Upper Totem Lake Mall with 655 apartments. After Fairfield completes their portion they will sell the non-residential portion back to VTL to complete the non-residential portion. Zoning is TL2 Totem Lake Two; a commercial property zoning. This multi-parcel sale included parcels 692840-0030 and 0035, excluding only the Chase Bank site on the corner and both site are now vacant.

E# 2923802- Parcel 894441-0000 sold to the builder for \$10,000,000 on 4/6/2018 which is the site for Building “C” located in the Lower Totem Lake Mall with lot area of 76,050 sf or \$131.49/sf.

## Area 85-30: Finn Hill/North Juanita

Commercial zoning in Finn Hill/North Juanita is regulated by the city of Kirkland and consists of commercial, industrial, and office-focused mixed-use designations along with medium-high density multi-family.



There were two commercial vacant land sales in this neighborhood within the past three years.

Area	Nbhd.	Major	Minor	Land Area	Excise #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
85	30	202605	9036	19,443	2879269	\$1,100,000	07/23/17	\$56.58	BC1	Change in Use
85	30	202605	9036	19,443	2959051	\$1,370,000	10/12/18	\$70.46	BC-1	Change in Use

E# 2879269 – This property is located at 13604 100th Ave NE and sold @ \$1,100,000 on 7/23/17. This is an improved site that has level topography. Zoning is BC-1 Community Business. The site is rectangular in shape and located on a moderate traffic street with good visibility. It appears that the land will be redeveloped.

E# 2959051 – Parcel sold for \$1,370,000 on 10/12/18 to Instyle Homes a development company. There is currently a duplex and retail building that is slated for demolition. This site is located between Safeway and a Shell gas station on a moderate traffic arterial.

## Area 85-35: West Totem Lake

Commercial zoning in East Totem Lake is regulated by the city of Kirkland and consists of commercial, industrial, and office-focused mixed-use designations along with medium-high density multi-family.

There were three commercial land sales in this neighborhood within the past three years.

Area	Nbhd.	Major	Minor	Land Area	Excise #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
85	35	282605	9085	533,647	2867379	\$23,500,000	05/26/17	\$44.04	TL 10B	Vacant lot
85	35	282605	9225	171,211	2970252	\$10,000,000	01/15/19	\$58.41	TL 4B	Change in Use
85	35	292605	9126	115,869	3023844	\$6,175,000	12/03/19	\$53.29	TL 10A	Vacant lot

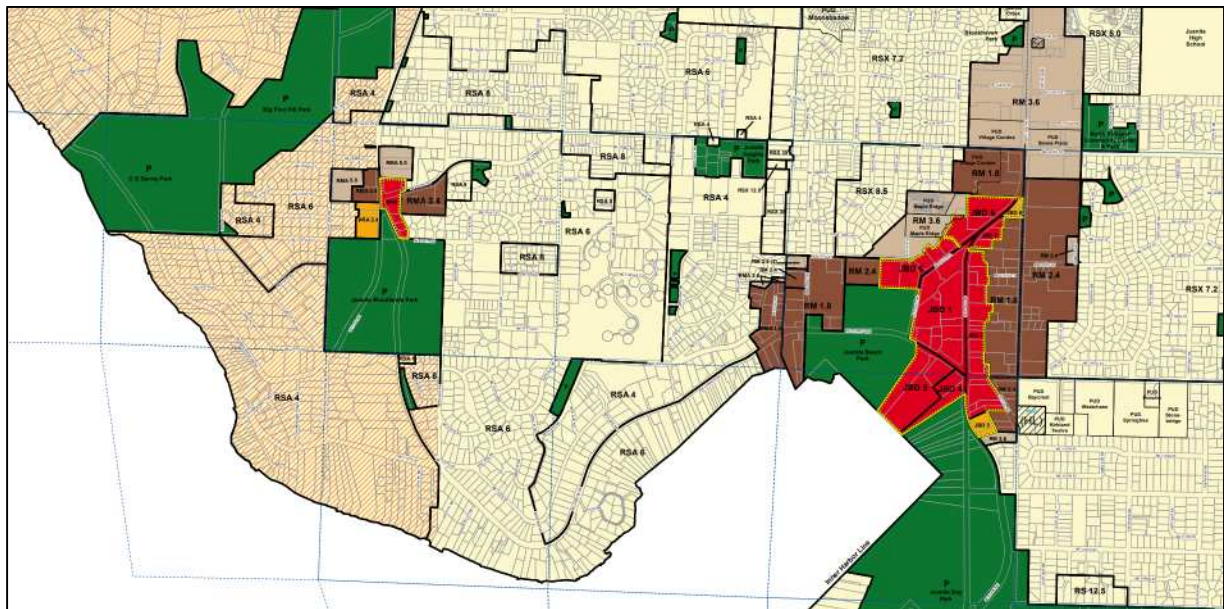
E# 2867379 – This property is located on NE 116th St west of I-405 and sold @ \$23,500,000 on 5/26/17. This is a two parcel site with a church improvement that will be replaced with an apartment building. Zoning is TL 10B Totem Lake Commercial. The southern portion of the site has sloping topography and likely will remain undeveloped.

E# 2970252 – Parcel sold for \$10,000,000 on 1/15/19. Possible change in use due to the redeveloped Totem Lake Mall.

E# 3023844 – Parcel sold for \$6,175,000 on 12/3/19. Possible redevelopment of the two single family residences and the large vacant lot.

## Area 85-40: Juanita

Commercial zoning in Juanita is regulated by the city of Kirkland and consists of commercial, industrial, and office-focused mixed-use designations along with medium-high density multi-family.





	Commercial Mixed Use	BC, BCX, BC1, BC2	Community Business	PLA	Planned Area
	Industrial Mixed Use	BN, BNA	Neighborhood Business	PO	Professional Office
	Transit Oriented Development	CBD	Central Business District	PR, PRA	Professional Office Residential
	Office Mixed Use	FHNC	Finn Hill Neighborhood Center	RH	Rose Hill Business District
	High Density Residential	HENC	Houghton Everest Neighborhood Center	RM, RMA	Multi-Family Residential
	Medium Density Residential	JBD	Juanita Business District	RS, RSX, RSA	Single Family Residential
	Low Density Residential	LIT	Light Industrial Technology	TL	Totem Lake
	Institutions	MSC	Market Street Corridor	WD	Waterfront District
		NRH	North Rose Hill Business District	YBD	Yarrow Bay Business District
		P	Park/Public Use		

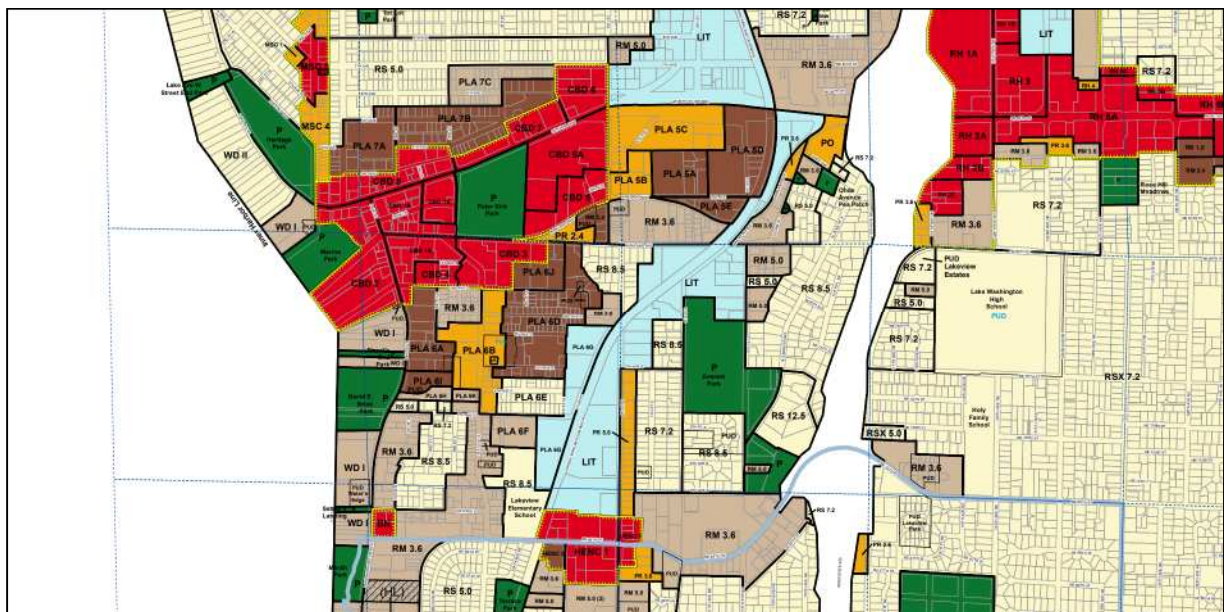
Within this neighborhood there was one commercial land sale that occurred within the previous three years.

Area	Nbhd.	Major	Minor	Land Area	Excise #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
85	40	141330	0035	11,125	2902103	\$350,000	11/07/17	\$31.46	RMA 1.8	Vacant lot

E# 2902103 – This property is located at 91st Ave NE and one lot north of NE 116th Pl and sold for @ \$350,000 on 11/7/17. This is a vacant site with sloping terrain. Zoning is RMA 1.8 Multi-Family Residential.

### Area 85-45: North Houghton/Everest

Commercial zoning in North Houghton/Everest is regulated by the city of Kirkland and consists of commercial, industrial, and office-focused mixed-use designations along with medium-high density multi-family.



	Commercial Mixed Use	BC, BCX, BC1, BC2	Community Business	PLA	Planned Area
	Industrial Mixed Use	BN, BNA	Neighborhood Business	PO	Professional Office
	Transit Oriented Development	CBD	Central Business District	PR, PRA	Professional Office Residential
	Office Mixed Use	FHNC	Finn Hill Neighborhood Center	RH	Rose Hill Business District
	High Density Residential	HENC	Houghton Everest Neighborhood Center	RM, RMA	Multi-Family Residential
	Medium Density Residential	JBD	Juanita Business District	RS, RSX, RSA	Single Family Residential
	Low Density Residential	LIT	Light Industrial Technology	TL	Totem Lake
	Institutions	MSC	Market Street Corridor	WD	Waterfront District
		NRH	North Rose Hill Business District	YBD	Yarrow Bay Business District
		P	Park/Public Use		

Within the last three years there has been four commercial land sales in this neighborhood.

Area	Nbhd.	Major	Minor	Land Area	Excise #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
85	45	012000	0200	71,366	2932805	\$5,376,600	05/29/18	\$75.34	LIT	Change in Use
85	45	012000	0150	37,858	2999920	\$8,200,000	07/17/19	\$216.60	LIT	Vacant lot
85	45	123510	0071	5,671	3005598	\$75,000	08/16/19	\$13.23	LIT	Vacant lot
85	45	082505	9313	10,632	3028271	\$1,225,296	12/24/19	\$115.25	HENC 3	Vacant lot

E# 2932805- Parcel 012000-0200 and 0190 sold for a combined price of \$5,376,000/71,366 sf = \$75.33/sf of land. This appears to be a good sale. It is located in proximity of Google offices and this area is being redeveloped into office buildings from industrial use.

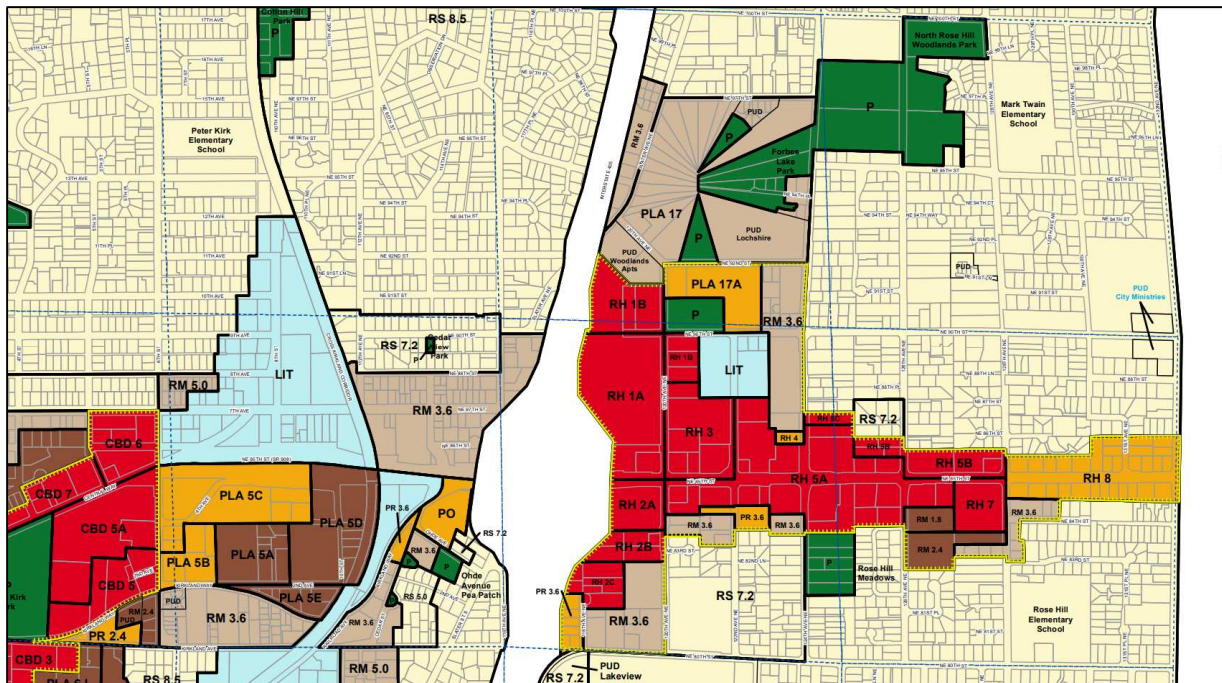
E# 2999920 – This property is located on the NE corner of 6th St S across from Google. It will be developed in the near future. Zoning is LIT. This parcel sold for \$8,200,000 on 7/17/19.

E# 3005598 – This property is located on Kirkland Way that sold for \$75,000 on 8/16/19. It is a small parcel that is being used as a parking lot. Zoning is LIT.

E# 3028271 – This property is located at 6700 108th Ave NE and sold for \$1,225,296 on 12/24/19. The zoning is HENC3 commercial property.

### Area 85-50: South Rose Hill

Commercial zoning in South Rose Hill is regulated by the city of Kirkland and consists of commercial, industrial, and office-focused mixed-use designations along with medium-high density multi-family.



 Commercial Mixed Use	BC, BCX, BC1, BC2	Community Business	PLA	Planned Area
 Industrial Mixed Use	BN, BNA	Neighborhood Business	PO	Professional Office
 Transit Oriented Development	CBD	Central Business District	PR, PRA	Professional Office Residential
 Office Mixed Use	FHNC	Finn Hill Neighborhood Center	RH	Rose Hill Business District
 High Density Residential	HENC	Houghton Everest Neighborhood Center	RM, RMA	Multi-Family Residential
 Medium Density Residential	JBD	Juanita Business District	RS, RSX, RSA	Single Family Residential
 Low Density Residential	LIT	Light Industrial Technology	TL	Totem Lake
 Institutions	MSC	Market Street Corridor	WD	Waterfront District
	NRH	North Rose Hill Business District	YBD	Yarrow Bay Business District
	P	Park/Public Use		

Within the last three years there has been four commercial land sales in this neighborhood.

Area	Nbhd.	Major	Minor	Land Area	Excise #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
85	50	388810	0220	18,157	2865085	\$872,000	05/04/17	\$48.03	RSX 7.2	Change in Use
85	50	123850	0100	30,984	2968100	\$815,000	12/18/18	\$26.30	RH 1B	Change in Use
85	50	124190	0051	10,767	3018770	\$1,150,000	10/28/19	\$106.81	RH 8	Change in Use
85	50	123850	0110	302,163	3026653	\$40,000,000	12/20/19	\$132.38	RH 3	Change in Use

E# 2968100 – This property is located at 8734 120th Ave NE and sold @ \$815,000 on 12/18/18. This is a single family residence that appears slated for redevelopment. Zoning is RH 1B- Rose Hill Commercial.

E# 2865085 – This parcel is located at 9752 130th Ave NE and sold @ \$872,000 on 5/4/17. This is a single family residence with a garage/warehouse and it is planned for redevelopment. Zoning is RSX 7.2 single family residential zone requiring 7,200 sf per dwelling. The potential number of units for the site is rounded to two, which indicates a price per potential site at \$436,000/site and it was a land sale.

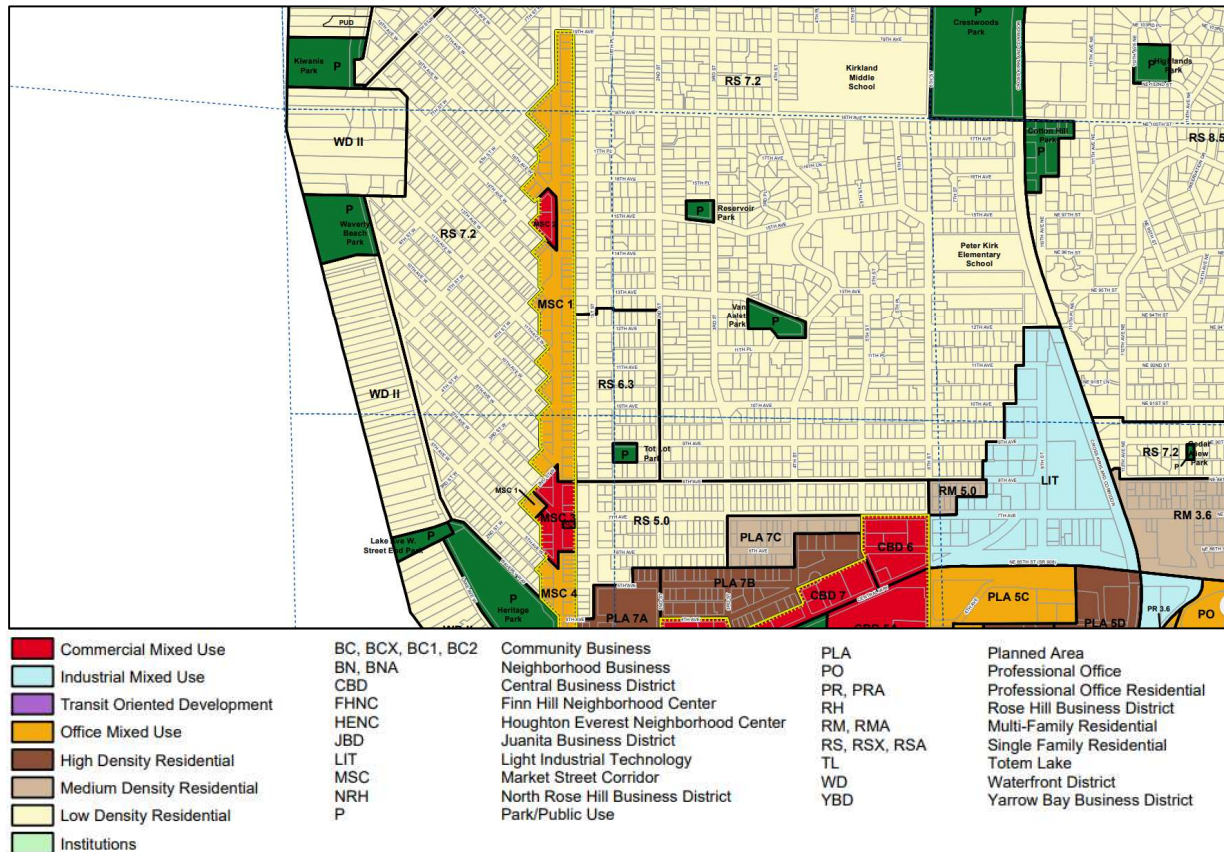
E# 3018770 – This property is located at 13021 NE 85th St and sold for \$1,150,000 on 10/28/19. It is zoned RH 3 that allows commercial development.

E# 3026653 – This property is located at 12120 NE 85th St and sold for \$40,000,000 on 12/20/19. This consists of 5 parcels and will be developed into the South Rose Hill Mall. The zoning is RH 3 allowing commercial development.



## Area 85-55: Market Street

Commercial zoning in Market Street is regulated by the city of Kirkland and primarily consists of commercial and office-focused mixed-use designations.



Within the last three years there has been two commercial land sales in this neighborhood.

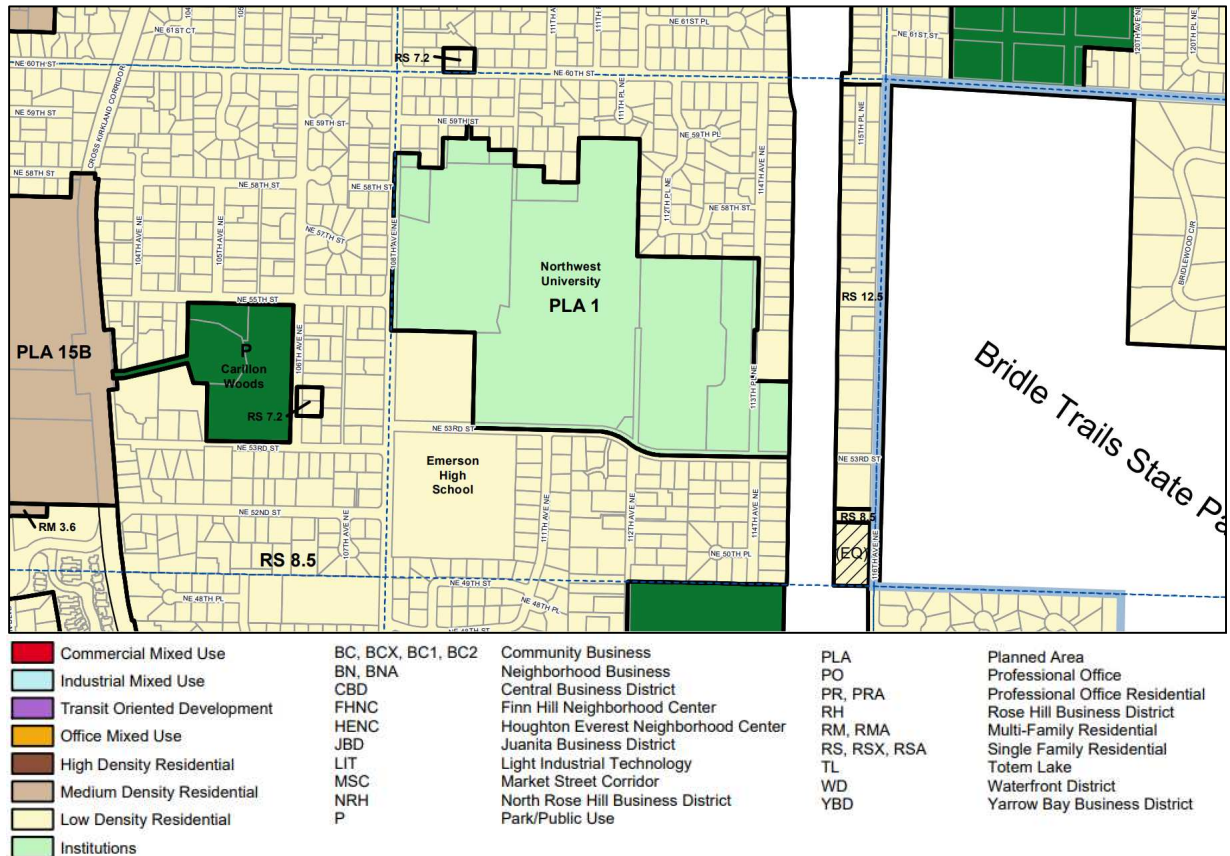
Area	Nbhd.	Major	Minor	Land Area	Excise #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
85	55	388580	8120	16,830	2944845	\$5,300,000	07/31/18	\$314.91	MSC 3	Change in Use
85	55	388580	0880	17,175	2948591	\$2,575,000	08/08/18	\$149.93	MSC 1	Change in Use

E# 2944845 – This sale property is located at 610 Market Street and sold for \$5,300,000 on 7/31/18. There is an office building currently on this site and it appears it will remain until the leases expire and plans are approved for a mixed use development. It is in proximity to the center business district and is very desirable and that is why the land value per square foot is so high.

E# 2948591 – This property is located at 207 8th Avenue West and sold for \$2,575,000 on 8/8/18. The current use is an old single family residence built in 1937 and will be torn down and developed into a mixed use property. This is a corner site that is in proximity to the central business district. However, only has a corner of the site located on Market Street.

## Area 85-60: South Houghton

Commercial zoning in South Houghton is regulated by the city of Kirkland and primarily consists of institutional zoning related to Northwest University.



There have been no land sales in this neighborhood since 2013.

## Area 85-65: Kirkland CBD

Commercial zoning in the Kirkland CBD is regulated by the city of Kirkland and consists of commercial, industrial, and office-focused mixed-use designations along with medium-high density multi-family

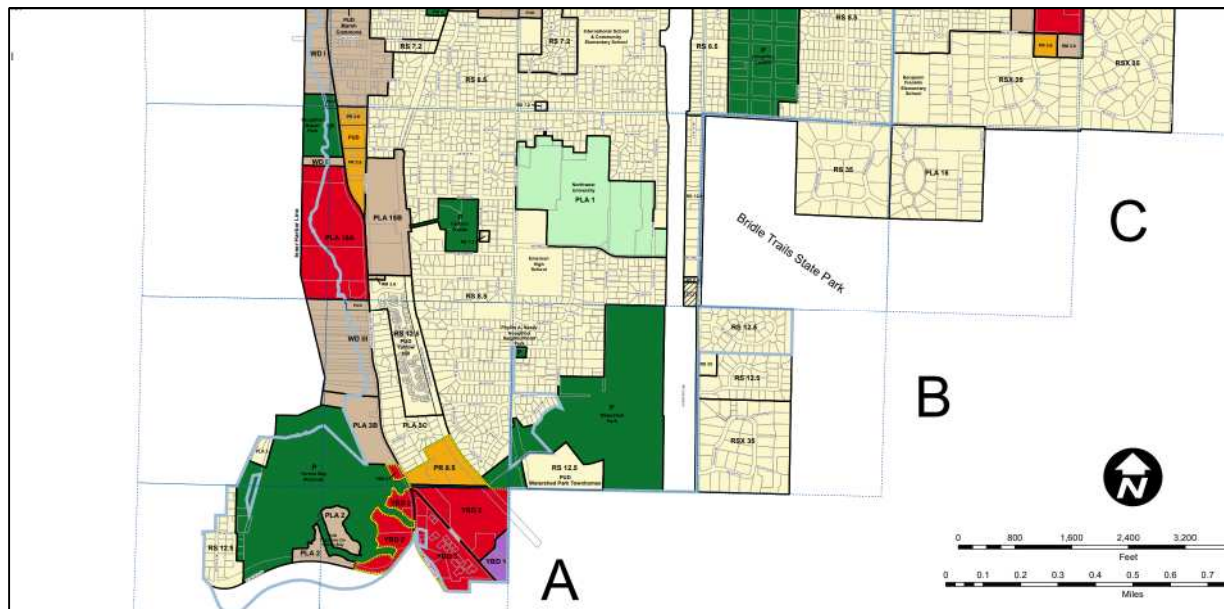
There has only been one commercial land sale in this neighborhood within the previous three years.

Nbhd.	Major	Minor	Land Area	Excise #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
65	788260	0083	29,259	3026209	\$4,000,000	12/11/19	\$136.71	PLA 6D	Change in Use

E# 3026209 – This parcel is located at 503 2nd Ave S and sold for \$4,000,000 on 12/11/19. It will be redeveloped into 7-10 residential units. Zoning is PLA 6D allowing multi-residential use.

## Area 85-70: Yarrow Bay/Carillon Point

Commercial zoning in Yarrow Bay/Carillon Point is regulated by the city of Kirkland and consists of commercial, industrial, and office-focused mixed-use designations along with medium-high density multi-family



<span style="color:red">■</span> Commercial Mixed Use	BC, BCX, BC1, BC2	Community Business	PLA	Planned Area
<span style="color:lightblue">■</span> Industrial Mixed Use	BN, BNA	Neighborhood Business	PO	Professional Office
<span style="color:purple">■</span> Transit Oriented Development	CBD	Central Business District	PR, PRA	Professional Office Residential
<span style="color:orange">■</span> Office Mixed Use	FHNC	Finn Hill Neighborhood Center	RH	Rose Hill Business District
<span style="color:brown">■</span> High Density Residential	HENC	Houghton Everest Neighborhood Center	RM, RMA	Multi-Family Residential
<span style="color:tan">■</span> Medium Density Residential	JBD	Juanita Business District	RS, RSX, RSA	Single Family Residential
<span style="color:yellow">■</span> Low Density Residential	LIT	Light Industrial Technology	TL	Totem Lake
<span style="color:green">■</span> Institutions	MSC	Market Street Corridor	WD	Waterfront District
	NRH	North Rose Hill Business District	YBD	Yarrow Bay Business District
	P	Park/Public Use		

There has been three commercial land sales in this neighborhood within the previous three years.

Area	Nbhd.	Major	Minor	Land Area	Excise #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
85	70	347180	0085	21,391	2847019	\$3,000,000	01/31/17	\$140.25	PR 3.6	Vacant lot
85	70	935490	0220	52,600	2883200	\$10,100,000	08/09/17	\$192.02	BN	Vacant lot
85	70	172505	9071	12,405	2983472	\$4,000,000	04/12/19	\$322.45	RM 3.6	Change in Use

E# 2847019 – This property is located on NE 60th St and sold @ \$3,000,000 on 1/31/17. The subject’s site is on the southwest corner of Lakeview Drive and NE 60th St. Zoning is PR 3.6 Multi-Family Residential with one unit per 3,600 sf of site area.

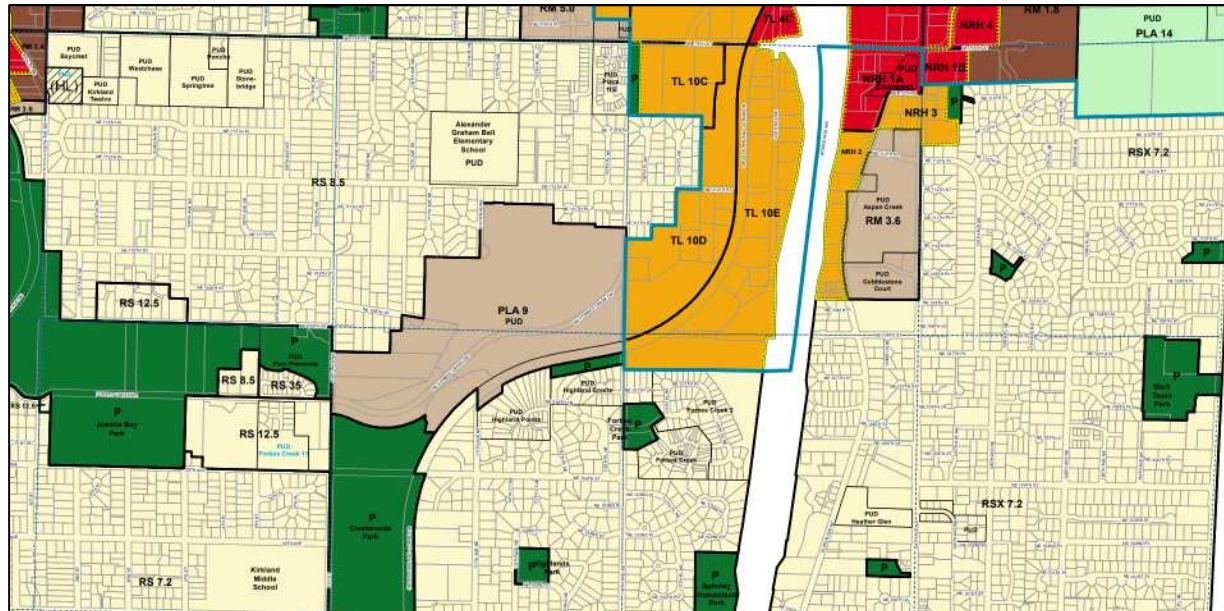
E# 2883200 – Sale property is located Lake St S and 10th Ave S and sold @ \$10,100,000 on 8/9/17. This sale contains three parcels. The future use is to be improved with a mixed use project consisting of apartments and retail.

E# 2983472 – Sale property is located at 5210 Lake Washington Blvd NE and sold for \$4,000,000 on 4/12/19. It is slated for redevelopment and is zoned RM 3.6 that allows multi-residential.



## Area 85-75: Norkirk/Highlands

Commercial zoning in Norkirk/Highlands is regulated by the city of Kirkland and consists of commercial, industrial, and office-focused mixed-use designations along with medium-high density multi-family



<span style="color: red;">■</span> Commercial Mixed Use	BC, BCX, BC1, BC2	Community Business	PLA	Planned Area
<span style="color: cyan;">■</span> Industrial Mixed Use	BN, BNA	Neighborhood Business	PO	Professional Office
<span style="color: purple;">■</span> Transit Oriented Development	CBD	Central Business District	PR, PRA	Professional Office Residential
<span style="color: orange;">■</span> Office Mixed Use	FHNC	Finn Hill Neighborhood Center	RH	Rose Hill Business District
<span style="color: brown;">■</span> High Density Residential	HENC	Houghton Everest Neighborhood Center	RM, RMA	Multi-Family Residential
<span style="color: tan;">■</span> Medium Density Residential	JBD	Juanita Business District	RS, RSX, RSA	Single Family Residential
<span style="color: yellow;">■</span> Low Density Residential	LIT	Light Industrial Technology	TL	Totem Lake
<span style="color: lightgreen;">■</span> Institutions	MSC	Market Street Corridor	WD	Waterfront District
	NRH	North Rose Hill Business District	YBD	Yarrow Bay Business District
	P	Park/Public Use		

There has only been one commercial land sale in this neighborhood within the previous three years.

Area	Nbhd.	Major	Minor	Land Area	Excise #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
85	75	332605	9152	181656	2864743	\$9,300,000	5/16/2017	\$51.20	TL-10C	Change in Use

E# 2864743 – Located at 11801 NE 116th St, which is an interior site and the buyer plans on developing 82 single family residences on the site. This property has convenient access to Interstate 405 and Totem Lake is north of this parcel. The buyer will be demolishing the existing Light Industrial Manufacturing building that is currently on site. The property is zoned TL 10C.

## Typical Land Values by Neighborhood and Zoning

Location, zoning, land attributes, and development potential were the primary variables considered in the valuation process. The +/- value adjustments to properties were due to their location, site shape and size, and land characteristics. The table on the following page summarizes the land valuation model as it was applied to the properties in Area 85. All dollar amounts are stated as a price per square foot of land area.

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

<b>Typical Land Value Ranges</b>						
By Neighborhood and Land Use						
2020 Revaluation						
Area 85 Neighborhoods	Multi-Family Land Uses		Commercial Land Uses		Industrial Land Uses	
	Zoning Designation	\$/SF Range	Zoning Designation	\$/SF Range	Zoning Designation	\$/SF Range
85-10 North Creek			R-AC,OP,CB,LI	\$22 - \$22	R-AC,OP,CB,LI	\$22 - \$22
85-15 North Woodinville			GB	\$13 - \$23	I	\$14 - \$17
85-20 Woodinville CBD			CBD O P/I	\$25 - \$38 \$25 - \$38 \$25 - \$38		
85-25 East Totem Lake	RSX 7.2 RM 1.8, RM 2.4, RM 3.6, R4 RM5.0	\$15 - \$17 \$17 - \$37 \$24 - \$24	PLA14, PR 1.8 TL 1A, 1B, 2, 4A, 5, 6A, 8 NRH 1A, 1B, 2, 3, 4, 5	\$7 - \$31 \$14 - \$40 \$16 - \$31	TL 7 TL 9A	\$14 - \$30 \$22 - \$24
85-30 Finn Hill/ North Juanita	RMA 1.8, 2.4, 3.6, 5.0; PRA 1.8 RSA 4, 6, 8; R-AC.OP,NB R 7200, R 9600 R5400a, R2800, R12, R18	\$14 - \$29 \$9 - \$18 \$7 - \$13 \$10 - \$27	BNA, BC 1 PRA 1.8 NB R-AC,OP,NB	\$30 - \$36 \$16 - \$28 \$16 - \$30 \$8 - \$13		
85-35 W Totem Lake	PR 1.8, 3.6, RM 1.8, 3.6, 5.0	\$16 - \$29	TL 4B, 4C, 6B TL 10A, B, TL 11	\$19 - \$39 \$22 - \$35		
85-40 Juanita	RM 1.8, 2.4, 3.6, RMA 1.8, 3.6, 5.0 RS 8.5 RSA 6, 8 RSX 7.2 PR 2.4, 3.6	\$13 - \$50 \$20 - \$27 \$13 - \$41 \$14 - \$30 \$21 - \$30	BNA JBD 1, 4, 5 JBD 2 JBD 3, 6 PR 2.4, 3.6	\$26 - \$28 \$15 - \$68 \$37 - \$50 \$30 - \$44 \$21 - \$30		
85-45 N Houghton/ Everest	PLA 5A, 5D, 5E RM 3.6, 5.0	\$70 - \$76 \$19 - \$80	PLA 5B, 5C PO, PR 3.6, 5.0	\$85 - \$105 \$70 - \$80	LIT	\$20 - \$70
85-50 S Rose Hill	PLA 16 PLA 17, 17A RM 1.8, 2.4, 3.6 RS 12.5, 7.2, 8.5, RSX 35, 7.2	\$7 - \$15 \$20 - \$46 \$16 - \$50 \$6 - \$27	BCX, BN, NC2 PR 3.6 RH 1A, 1B, 2A, 2B 2C RH 3, 5A, 5B, 5C, 7, 8	\$28 - \$31 \$20 - \$50 \$16 - \$55 \$30 - \$55	LIT	\$26 - \$30
85-55 Market St	RS 5.0, 7.2	\$50 - \$95	MSC 1, 2, 3, 4	\$88 - \$107		
85-60 S Houghton	PLA 1 RM 3.6 RS 8.5, 12.5	\$13 - \$15 \$55 - \$70 \$14 - \$45				
85-65 Kirkland CBD	PLA 6A PLA6D, 6E, 6G, 6I, 6J, 6k, 7A, 7B, 7C RM3.6,RS 5.0, 7.2 **WD I	\$90 - \$165 \$70 - \$145 \$55 - \$95 \$50 - \$100	CBD 1, 1B, 2, 3, 4 CBD 5, 6, 7 CBD 8 PLA 6B, MSC 4, MSC1,3 PR 2.4	\$90 - \$200 \$112 - \$130 \$115 - \$160 \$85 - \$170 \$100 - \$110	PLA 6G	\$36 - \$38
85-70 Yarrow Bay/ Carillon Point	PLA 15A,15B, 2,3B RM 3.6, RS 12.5,RS8.5 **WD I, WD III	\$35 - \$125 \$55 - \$150 \$55 - \$135	BN, PR 3.6, PR 8.5 PLA 3B	\$65 - \$140 \$65 - \$80	PLA 6G	\$42 - \$42
85-75 Norkirk/ Highlands	PLA 5, 9 RM 3.6 RS 7.2, 8.5	\$5 - \$9 \$52 - \$94 \$10 - \$23	TL 10C, 10D, 10E	\$21 - \$27	LIT	\$24 - \$36

\*Please note that this table is a summary of “typical” land values and is therefore not all inclusive.

\*\*The unit of value measure for WD I and WD III sites is typically \$/FF and not \$/sf, but for this table it is shown.

Appraisal judgment prevailed when determining when to depart from the Assessor's table. It should be noted that due to the nature of commercial real estate, not all properties fall within the typical parameters. Stratification adjustments may have deviated based on property specific factors such as location, transferable development rights, etc.

A list of Area 85 vacant land sales that were used along with those that were considered not reflective of current market conditions (Sales Not Used) is included in the following sections. Sales of vacant land in adjacent areas are provided in their respective area reports.



## Preliminary Ratio Analysis

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

IAAO Recommended Standards on Ratio Studies	
Appraisal Level	.90 to 1.10
Coefficient of Dispersion (COD)	5.0 to 20.0
Price Related Differential (PRD)	.98 to 1.03

The two major aspects of appraisal accuracy; appraisal level and appraisal uniformity are measured and evaluated using the ratio study. Appraisal level is a measure of the ratio of assessed value to sales price, while appraisal uniformity refers to the degree to which properties are appraised at equal percentages of market value. The International Association of Assessing Officers (IAAO) has developed performance standards to evaluate both the appraisal level and uniformity.

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

The IAAO performance standards state that the weighted mean ratio should be between 0.90 and 1.10. The preliminary ratio study for Area 85 showed a weighted mean ratio of 0.795 which is below the range of the IAAO guidelines, indicating that the 2019 assessment level, as measured using recent sales, is not in the acceptable range.

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

The IAAO performance standards state that the COD should be between 5.0 and 20.0 for income producing property in smaller, rural jurisdictions and between 5.0 and 15.0 for larger, urban market jurisdictions. The preliminary ratio study for Area 85 shows a COD of 18.73%, which is above the upper end of the range of the IAAO guidelines, indicating that the 2019 level of assessment uniformity, as measured using recent sales, is outside the acceptable range. In addition, a lower COD indicates better uniformity.

A second measure of uniformity utilized in the ratio study is the Price Related Differential (PRD). The PRD provides a measure of price related bias, or the equity between low and high priced property. The IAAO performance standards state that the PRD should fall between 0.98 and 1.03. A value below 0.98 would

indicate progressivity in the data where assessment levels increase with increasing sales prices. Values above 1.03 indicate regressive bias in the data where assessment level decreases with increases in sales price. The preliminary ratio study for Area 85 showed a PRD of 0.98 that is at the acceptable range of the IAAO guidelines.

The preliminary ratio study showed the 2019 assessment level needed to be adjusted to increase uniformity.

# Improved Parcel Total Values

## Market Sectors

Below follow discussion of individual market sector conditions. These are a synopsis of economic income parameters that are useful to the Assessor in valuation of improved properties in Area 85.

**Office Market Conditions:** The regional office market continues to improve to a point of relative stabilization, as evidenced by positive, but slowing overall absorption. The slowing absorption, along with stabilizing overall vacancy rates, has helped to spike average asking rates as well. In general, rental rates in the Eastside market area increased slightly. It's reported that vacancy rates and rental rates have caused leasing concessions to decline in frequency and value.

Office Market Statistics				
	Market Size (SF)	Total Vacancy %	Net Absorption	Avg. Asking Rate/SF
I-405	2,889,371	9.4%	(24,969)	\$42.41
Kirkland	1,817,646	5.9%	82,978	\$59.95

Source: CBRE Q4 2019 Puget Sound Office Marketview

**Retail Market Conditions:** The Seattle/Puget-Sound Region again experienced positive net absorption overall, except in Kirkland, and the overall vacancy rate dropped to 5% for year-end 2019. The Eastside submarket general retail market showed positive absorption this year. The table below summarizes vacancy rates and quoted rent rates for general retail properties in market areas within Area 85.

Retail Market Statistics				
	Market Size (SF)	Total Vacancy %	Net Absorption	Avg. Asking Rate/SF
Kirkland	3,300,000	1.4%	64,600	\$33.48

Source: Costar Q4 2019 Retail Report

**Industrial Market Conditions:** Vacancy rates are very low with Kirkland at 4.3% and North Seattle at 3.8%. Further, the overall net absorption is positive. The table below summarizes vacancy rates and quoted rent rates for general retail industrial properties in market areas within Area 85.

Industrial Market Statistics				
	Market Size (SF)	Total Vacancy %	Net Absorption	Avg. Asking Rate/SF*
Kirkland	2,445,805	2.4%	48,057	\$1.09

Source: CBRE Q4 2019 Puget Sound Industrial Marketview

\*Eastside



## Sales Comparison Approach Model Description

All sales were verified with all knowledgeable parties and inspections, when possible. The model for the sales comparison approach was based on characteristics from the Assessor's records including location, effective age, building quality and net rentable area. Sales with characteristics most similar to the subject properties were considered.

At the time of sale, information on vacancy and market absorption rates, capitalization rates, current and anticipated rents, and the competitive position of the properties were also gathered. Sales were then compared to similar properties within the area for valuation. These sales statistics also helped form the income approach to value by setting parameters for the income rates, vacancies, expenses and capitalization rates. When necessary, sales of similar improved properties in adjacent neighborhoods were also considered.

The improved sales used range in sale dates from 1/6/2017 to 12/28/2019. There were 68 improved sales in Area 85 that were considered as fair market transactions and used in the overall analysis. Of these, 64 were included in the ratio study. Examples of sales that are not included in the analysis are: sales that are leased back to the seller; sold as a portion of a bulk portfolio sale; net lease sales; non-representative specialty properties (e.g., churches, etc.); sales that had major renovation after sale, or have been segregated or merged since being purchased.

The sales comparison approach reflects the principles of supply and demand, balance, externalities, and substitution. The sales comparison approach is preferred when there are adequate sales data. The model for sales comparison is based on four characteristics; predominant use, effective age, condition, and size. These characteristics are taken from the Assessor's records. A search was made for sales data that most closely fit the subject property within each geographic area. These sales were organized by market segments based on predominant use. Based on sales analysis, each segment reflected a market price per square foot of net rentable area. The sales price range served to establish a general upper and lower market boundary for the various property types within each subject area.

The improved sales were organized into market segments based on predominant use. The sale price unit value ranges serve to establish a general upper and lower market boundaries for the various property types within the subject area and were useful when analyzing the income parameters and capitalization rates used in the income models for the various neighborhoods.

The four property types listed below were typically valued by the sales comparison approach when there were sufficient comparable sales available. The list presents the property type and the typical value per square foot range. The range is a function of property size, age, condition and specific neighborhood. When necessary, sales of similar property types from other market areas were considered.

Property Type	Value Range
Single Family Conversions	\$350 - \$850 per SF
Service Building/Garages <10,000 SF	\$200 - \$1,000 per SF
Offices <10,000 SF	\$275 - \$1,000 per SF
Daycare Centers	\$200 - \$500 per SF

Commercial condominium units of mixed use condominium buildings were typically valued by the sales comparison approach when there were sufficient comparable sales available in the complex or from

similar buildings. Other non-specialty commercial properties were usually valued by the income method because there were insufficient comparable sales of each property type available and because there was adequate market income data available. When necessary, sales of similar property types from other market areas were considered.

### **Sales Comparison Calibration**

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

### **Cost Approach Model Description**

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

### **Cost Calibration**

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

### **Income Capitalization Approach Model Description**

Three primary models were developed for income capitalization; those being retail, office, warehouse and other commercial income producing properties. Income tables were developed for all neighborhoods within Area 85 and then applied to the population. Income parameters were derived from the market place through market rental surveys, sales, and available real estate publications and websites. The Income Approach was considered a reliable approach to valuation for improved property types where income and expense data are available to ascertain market rates. A majority of properties in this area were valued utilizing an income approach (Direct Capitalization Method).

The valuation model includes the following steps:

1. The program multiplies the property's net rentable area by the market rent to derive potential gross income (PGI).
2. The program subtracts allowances for vacancy and operating expenses to derive net operating income (NOI).

3. The program capitalizes NOI (divides it by the overall rate) to produce the value estimate.

**Income:** Income data was derived from the market place from landlords and tenants, market sales, as well as through published sources (i.e. officespace.com, Commercial Brokers Association, Co-Star, and real estate websites such as CBRE, Colliers, Kidder Mathews, etc.), and opinions expressed by real estate professionals active in the market. When necessary, rental rates of similar property types from other market areas were considered.

**Vacancy:** Vacancy rates used were derived mainly from published sources and tempered by appraiser observation.

**Expenses:** Expense ratios were estimated based on industry standards, published sources, and the appraiser's knowledge of the area's rental practices. Within the income valuation models for Area 85, the assessor used primarily triple net expenses for retail/mixed-use and industrial type uses. For office/medical buildings, the assessor typically used full service gross or modified gross expenses.

**Capitalization Rates:** When market sales are available, an attempt is made to ascertain the capitalization rate on the sale or a pro-forma cap rate on the first year performance, during the sales verification process. In addition, capitalization rate data was collected from published market surveys, such as Co-Star, Real Capital Analytics, The American Council of Life Insurance (Commercial Mortgage Commitments), Integra Realty Resources, Korpacz Real Estate Investor Survey (PWC), CBRE – National Investor Survey, etc. These sources typically have capitalization rates or ranges based on surveys or sales, and they usually include rates for both the Seattle Metropolitan area and the nation.

The effective age and condition of each building contributes to the capitalization rate applied in the model. For example; a building in poorer condition with a lower effective year (1965, for example) will typically warrant a higher capitalization rate, and a building in better condition with a higher effective year (2010, for example) will warrant a lower capitalization rate.

The tables in the following pages demonstrate ranges of capitalization rates and trends that are compiled from information that is collected on a national or board regional scale. This information is reconciled with data specific to the real estate market in Area 85 to develop the income model. Property taxes are considered an allowable expense; therefore, no effective tax rate is included in the capitalization rates.



**SEATTLE / REGIONAL CAP RATES**

Source	Date	Location	Office	Industrial	Retail	Remarks
CBRE: U.S. Cap. Rate survey. Advance Review	H2 2019					CBRE professional's opinion of where cap rates are likely to trend in the 2 <sup>nd</sup> ½ of 2018 based on recent trades as well as interactions with investors. Value-Add represents an underperforming property that has an occupancy level below the local average under typical market conditions.
		Seattle	4.25% - 4.75% 4.75% - 5.25% 5.50% - 6.75% 5.50% - 6.50% 6.50% - 7.75% 6.75% - 8.50% 7.50% - 8.75% 5.25% - 5.75% 5.75% - 6.25% 6.25% - 7.25% 6.75% - 7.25% 7.25% - 8.25% 7.50% - 8.25% 8.00% - 9.00%	- - - - - - - - - - - - - - - - 3.75% - 4.25% 4.50% - 5.00% 4.25% - 4.75% 5.00% - 6.00% 5.50% - 6.25% 6.25% - 7.25%	- - - - - - - - - - - - - - - - - - 4.50% - 6.00% 5.50% - 7.50% 7.50% - 10.00% 7.50% - 9.00% 8.00% - 11.00% 6.00% - 7.00% 6.50% - 8.00% 7.50% - 9.00% 7.50% - 10.00% 8.00% - 12.00% 4.50% - 6.00%	CBD – Class AA CBD – Class A CBD – Class A – Value Added CBD – Class B CBD – Class B – Value Added CBD – Class C CBD – Class C – Value Added Suburban – Class AA Suburban – Class A Suburban – Class A – Value Added Suburban – Class B Suburban – Class B – Value Added Suburban – Class C Suburban – Class C – Value Added Class A Class A – Value Added Class B Class B – Value Added Class C Class C – Value Added Class A (Neigh./Comm) Class B (Neigh./Comm) Class B (Neigh./Comm.) – Value-Add Class C (Neigh./Comm) Class C (Neigh./Comm.) – Value-Add Class A (Power Centers) Class B (Power Centers) Class B (Power Centers) – Value-Add Class C (Power Centers) Class C (Power Centers) – Value-Add High Street Retail (Urban Core)
IRR: Viewpoint for 2019	Year-end 2019	Seattle	5.00% 6.00% 5.75% 6.50% - - - - - -	- - - - 6.75% 4.50%	- - - - - 5.00% 6.00% 6.25%	<u>Institutional Grade Properties</u> CBD Office – Class A CBD Office – Class B Suburban Office – Class A Suburban Office – Class B Flex Industrial Industrial Regional Mall Community Retail Neighborhood Retail
CoStar	Year-End 2019	Seattle Puget Sound	6.10% 5.20% 6.20% 6.30% - - - - -	- - - - 5.40% 5.00% 5.80% - -	- - - - - - - 6.00% 6.90% - 6.70% 6.60%	General Office 4 and 5 Star Office Buildings 3 Star Office Buildings 1 and 2 Star Office Buildings Industrial Flex Industrial Logistics Industrial General Retail Malls Power Centers Neighborhood Centers Strip Centers

**SEATTLE / REGIONAL CAP RATES**

Source	Date	Location	Office	Industrial	Retail	Remarks
RERC: Real Estate Report Valuation Rates & Metrics	4Q 2019					1 <sup>st</sup> Tier properties are defined as new or newer quality const. in prime to good location; 2 <sup>nd</sup> Tier properties are defined as aging, former 1 <sup>st</sup> tier in good to average locations; 3 <sup>rd</sup> Tier are defined as older properties w/ functional inadequacies and/or marginal locations.
		Seattle	5.80% 6.60%	- -	- -	Office CBD – 1 <sup>st</sup> Tier Properties Suburban Office – 1 <sup>st</sup> Tier Properties Warehouse – 1 <sup>st</sup> Tier Properties R&D – 1 <sup>st</sup> Tier Properties Flex – 1 <sup>st</sup> Tier Properties
			-	5.60%	-	Regional Mall – 1 <sup>st</sup> Tier Properties
			-	6.60%	-	Power Center – 1 <sup>st</sup> Tier Properties
			-	6.30%	-	Neigh/Comm. Ctrs. – 1 <sup>st</sup> Tier Properties
			-	-	6.40%	Office CBD – 1 <sup>st</sup> Tier Properties
			-	-	6.40%	Office CBD – 2 <sup>nd</sup> Tier Properties
			-	-	6.20%	Office CBD – 3 <sup>rd</sup> Tier Properties
		West Region	5.00% - 9.00%	-	-	Suburban Office – 1 <sup>st</sup> Tier Properties
			5.30% - 8.00%	-	-	Suburban Office – 2 <sup>nd</sup> Tier Properties
			5.50% - 9.00%	-	-	Suburban Office – 3 <sup>rd</sup> Tier Properties
			5.00% - 8.50%	-	-	Warehouse – 1 <sup>st</sup> Tier Properties
			5.50% - 8.80%	-	-	Warehouse – 2 <sup>nd</sup> Tier Properties
			6.00% - 9.50%	-	-	Warehouse – 3 <sup>rd</sup> Tier Properties
			-	4.50% - 8.00%	-	R&D – 1 <sup>st</sup> Tier Properties
			-	5.00% - 8.50%	-	R&D – 2 <sup>nd</sup> Tier Properties
			-	5.50% - 9.00%	-	R&D – 3 <sup>rd</sup> Tier Properties
			-	5.00% - 8.00%	-	Flex – 1 <sup>st</sup> Tier Properties
			-	5.30% - 8.50%	-	Flex – 2 <sup>nd</sup> Tier Properties
			-	5.80% - 9.80%	-	Flex – 3 <sup>rd</sup> Tier Properties
			-	4.80% - 8.00%	-	Regional Mall – 1 <sup>st</sup> Tier Properties
			-	5.30% - 8.50%	-	Regional Mall – 2 <sup>nd</sup> Tier Properties
			-	5.80% - 9.00%	-	Regional Mall – 3 <sup>rd</sup> Tier Properties
			-	-	5.00% - 8.50%	Power Center – 1 <sup>st</sup> Tier Properties
			-	-	5.50% - 9.00%	Power Center – 2 <sup>nd</sup> Tier Properties
			-	-	6.00% - 10.00%	Power Center – 3 <sup>rd</sup> Tier Properties
			-	-	5.50% - 8.80%	Neigh/Comm. Ctr. – 1 <sup>st</sup> Tier Properties
			-	-	6.00% - 8.10%	Neigh/Comm. Ctr. – 2 <sup>nd</sup> Tier Properties
			-	-	6.50% - 10.00%	Neigh/Comm. Ctr. – 3 <sup>rd</sup> Tier Properties
			-	-	5.00% - 8.30%	
			-	-	6.00% - 8.60%	
			-	-	6.00% - 9.00%	
IRR: Viewpoint for 2019	Year-end 2019	West Region	5.75% 6.38% 6.18% 6.77%	- - - -	- - - -	<u>Institutional Grade Properties</u> CBD Office – Class A CBD Office – Class B Suburban Office – Class A Suburban Office – Class B
			-	6.38%	-	Flex Industrial
			-	5.70%	-	Industrial
			-	-	6.17%	Regional Mall
			-	-	6.11%	Community Retail
			-	-	6.27%	Neighborhood Retail
PWC/ Korpaz Real Estate Investment Survey	4Q 2019	Seattle	4.00% - 8.00%	-	-	CBD Office
		Pacific NW Region	4.50% - 8.00%	-	-	Office
			-	3.70% - 5.50%	-	Warehouse
ACLI	4Q 2019	Seattle – Bellevue - Everett MSA	4.96%	5.59%	5.97%	All Classes
		Pacific Region	5.69%	5.21%	5.92%	All Classes

**SEATTLE / REGIONAL/ NATIONAL CAP RATES**

Source	Date	Location	Multifamily	Hospitality	Remarks
CBRE: U.S. Cap. Rate survey. Advance Review	H2 2019	Seattle	4.00% - 4.25%	-	Infill – Class A
			4.50% - 5.00%	-	Infill – Class A – Value Added
			4.25% - 4.75%	-	Infill – Class B
			5.00% - 5.50%	-	Infill – Class B – Value Added
			5.00% - 5.50%	-	Infill – Class C
			5.50% - 6.25%	-	Infill – Class C – Value Added
			4.50% - 4.75%	-	Suburban – Class A
			4.75% - 5.25%	-	Suburban – Class A – Value Added
			4.75% - 5.25%	-	Suburban – Class B
			5.25% - 5.75%	-	Suburban – Class B – Value Added
			5.00% - 5.75%	-	Suburban – Class C
			5.50% - 6.25%	-	Suburban – Class C – Value Added
			-	6.00% - 6.50%	CBD – Luxury
			-	6.25% - 7.00%	CBD – Full-Service
			-	6.50% - 7.00%	CBD – Select-Service
			-	8.50% - 9.25%	CBD – Economy
			-	6.50% - 7.50%	Suburban – Luxury
-	7.50% - 8.25%	Suburban – Full-Service			
-	7.50% - 8.25%	Suburban – Select-Service			
-	9.50% - 10.50%	Suburban – Economy			
RERC: Real Estate Report Valuation Rates & Metrics	4Q 2019	Seattle	5.50%	-	Apartments – All Classes
			-	7.10%	Hotels – All Classes
		West Region	4.00% - 6.50%	-	Apartments – 1 <sup>st</sup> Tier Properties
			4.50% - 7.80%	-	Apartments – 2 <sup>nd</sup> Tier Properties
			4.80% - 9.80%	-	Apartments – 3 <sup>rd</sup> Tier Properties
			-	6.00% - 8.00%	Hotels – 1 <sup>st</sup> Tier Properties
			-	7.00% - 8.50%	Hotels – 2 <sup>nd</sup> Tier Properties
-	7.50% - 10.50%	Hotels – 3 <sup>rd</sup> Tier Properties			
RERC: Real Estate Report Valuation Rates & Metrics	4Q 2019	National	4.00% - 6.00 %	7.00% - 8.30%	Apartment – 1 <sup>st</sup> Tier
					Hotel – 1 <sup>st</sup> Tier
IRR: Viewpoint for 2020	Year-end 2019	Seattle	4.25%		Urban Class A
			4.50%		Urban Class B
			4.75%		Suburban Class A
			5.25%		Suburban Class B
IRR: Viewpoint for 2020	Year-end 2019	West Region	4.46%	-	Urban Class A
			5.06%	-	Urban Class B
			4.68%	-	Suburban Class A
			5.27%		Suburban Class B
IRR: Viewpoint for 2020	Year-end 2019	Seattle		7.00%	Full Service
				8.50%	Limited Service
PWC / Korpaz Real Estate Investor Survey	4Q 2019	Pacific Region	3.65% - 6.00%	-	Apartments
ACLI	4Q 2019	Seattle-Bellevue Everett	4.67%		All Classes
		Pacific	4.78%	5.39%	All Classes



WEST / NATIONAL CAP RATES						
Source	Date	Location	Office	Industrial	Retail	Remarks
RERC: Real Estate Report Income Vs. Price Realities	4Q 2019					1 <sup>st</sup> Tier properties are defined as new or newer quality const. in prime to good location and typical owners/buyers are institutional investors
		National	4.50% - 6.80% 6.30% - 7.30%	- - 4.50% - 6.00% 5.50% - 8.00% 6.80% - 7.50%	- - - - 5.00% - 7.00% 6.20% - 7.50% 5.00% - 6.50%	Office CBD – 1 <sup>st</sup> Tier Properties Suburban Office – 1 <sup>st</sup> Tier Properties Warehouse – 1 <sup>st</sup> Tier Properties R&D – 1 <sup>st</sup> Tier Properties Flex – 1 <sup>st</sup> Tier Properties Regional Mall – 1 <sup>st</sup> Tier Properties Power Center – 1 <sup>st</sup> Tier Properties Neigh/Comm. Ctrs. – 1 <sup>st</sup> Tier Properties
IRR: Viewpoint 2020 Commercial Real Estate Trends report	Yr. End 2019	National	6.66% 7.52% 7.00% 7.77%	- - - - 6.61% 7.33%	- - - - - 6.89% 6.91% 7.07%	<u>Institutional Grade Properties</u> CBD Office – Class A CBD Office – Class B Suburban Office – Class A Suburban Office – Class B Industrial Flex Industrial Regional Mall Community Retail Neighborhood Retail
ACLI	4Q 2019	National	5.90% 6.69% 5.89% 6.42% 5.73%	5.64% 6.55% 6.08% 6.08% 5.43%	6.23% 6.58% 5.83% 5.98% 6.45%	Overall Sq.Ft. - <50k Sq.Ft. - 50k – 100k Sq.Ft. – 100,001 – 200k Sq.Ft. – 200k+
PWC / Korpaz Real Estate Investor Survey	4Q 2019	National	3.75% - 7.50% 4.00% - 9.25% 6.00% - 9.50% 4.25% - 10.00%	- - - - - 3.75% - 6.40%	- - - - - - 4.00% - 9.00% 5.25% - 8.25% 4.50% - 10.00% 4.00% - 8.00%	CBD Office Suburban Office Secondary Office Medical Office Flex/R&D Warehouse Regional Mall Power Center Neigh. Strip Centers Net Lease
The Boulder Group: Net Lease Market Report	4Q 2019 1Q 2019 3Q 2019	National	6.94% 5.30%	6.90%	6.07%	Overall (Average) Bank  Medical Office
The Boulder Group: Net Lease Market Report	4Q 2019 3Q 2019	West West	6.94% 6.27% 5.60%	6.90%	6.07%	Overall (Average) Bank  Medical Office

NATIONAL AND REGIONAL CAP RATES					
Source	Date	Location	Restaurant	Retail	
The Boulder Group: Net Lease Market Report	4Q 2019	National		7.00%	Big Box
				7.29%	Junior Big Box (20K-40K SF)
				6.99%	Mid Box (40K-80K SF)
				6.75%	Large Format (over 80K SF)
	5.95%	Median			
3Q 2019	National		6.22%	Drug Store	
1Q 2019	West		5.80%	Auto Parts Stores	
2Q 2019	West	5.10%		Casual Dining	
			4.45%	Quick Service Restaurants	

## Income Approach Calibration

Income tables were developed for each of the 14 neighborhoods in Area 85. The tables pertain to several general property types: Office/Medical Office, Retail, and Industrial/Warehouse in addition to an exclusion table indicating property uses not covered by an income table. Properties which contain differing section uses may have multiple tables that are applicable to the property as a whole. All tables are included in the addendum of this report.

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

The following tables contains the results of an analysis of this information and stratifies the major property types in Area 85 and the typical income parameters that were used to set value. It should be noted that due to the nature of commercial real estate, not all properties fall within the typical parameters.

Area 85-15 – North Industrial Woodinville: Typical Income Model Parameters				
Property Type	Rental Rates/SF Range	Vacancy Rate Range	Expenses % of EGI	Capitalization Rate
Office/Medical Office	\$15.00 - \$19.00	5%	7.50%	6.00% - 7.00%
Industrial/Whse.	\$7.00 - \$9.00	5%	7.50%	6.00% - 7.00%

Office rents in North Woodinville demonstrated a slight increase when compared to the previous assessment year, while vacancy and capitalization rates remained stable. There is very little vacant inventory available in the submarket.

Area 85-20 – Woodinville CBD: Typical Income Model Parameters				
Property Type	Rental Rates/SF Range	Vacancy Rate Range	Expenses	Capitalization Rate
Medical & Dental	\$16.00 - \$25.00	5%	\$8.00/SF	6.00% - 7.00%
Retail/Mixed Use	\$15.00 - \$26.00	5%	8.00% of EGI	6.00% - 7.00%

Office property rents in the Woodinville CBD have increased compared to the previous assessment year, while vacancy and capitalization rates remained stable. Retail properties experienced a slight increase in rental rates.

Area 85-25 – East Totem Lake: Typical Income Model Parameters				
Property Type	Rental Rates/SF Range	Vacancy Rate Range	Expenses % of EGI	Capitalization Rate
Office/Medical Office	\$27.00 - \$37.00	5%	25% - 35%	6.00% - 7.50%
Retail/Mixed Use	\$20.00- \$30.00	5%	7.75%	6.00% - 7.50%
Industrial/Whse.	\$5.00 - \$7.50	5%	7.75%	6.00% - 7.50%

Rental rates for office properties in East Totem Lake have stabilized from the previous assessment year, while capitalization rates have trended slightly lower. Retail properties experienced stable rents and vacancy rates. Industrial properties showed stable lease rates and vacancy while capitalization rates were slightly lower. There is very little vacant inventory available in the neighborhood. The Totem Lake Mall redevelopment project, with its prominent visibility from I-405, has sparked a lot of interest in the region. Tenants, including Whole Foods, Trader Joe's, and Nordstrom Rack plus hundreds of apartment units are a strong attraction to tenants and consumers.

<b>Area 85-30 – Finn Hill/North Juanita: Typical Income Model Parameters</b>				
<b>Property Type</b>	<b>Rental Rates/SF Range</b>	<b>Vacancy Rate Range</b>	<b>Expenses % of EGI</b>	<b>Capitalization Rate</b>
Office/Medical Office	\$22.00 - \$30.00	5%	24% - 35%	6.00% - 7.50%
Retail/Mixed Use	\$17.00- \$28.00	5%	7.75%	6.00% - 7.50%
Industrial/Whse.	\$6.00 - \$10.00	5%	7.75%	6.00% - 7.50%

Capitalization rates have decreased slightly in this neighborhood compared to the previous assessment while the other factors have remained stable.

<b>Area 85-35 – West Totem Lake: Typical Income Model Parameters</b>				
<b>Property Type</b>	<b>Rental Rates/SF Range</b>	<b>Vacancy Rate Range</b>	<b>Expenses % of EGI</b>	<b>Capitalization Rate</b>
Office/Medical Office	\$25.00 - \$36.00	5%	25% - 35%	6.00% - 7.50%
Retail/Mixed Use	\$20.00- \$28.00	5%	7.75%	6.00% - 7.50%
Industrial/Whse.	\$6.00 - \$12.00	5%	7.75%	6.00% - 7.50%

Capitalization rates have decreased slightly in this neighborhood compared to the previous assessment while the other factors have remained stable.

<b>Area 85-40 – Juanita: Typical Income Model Parameters</b>				
<b>Property Type</b>	<b>Rental Rates/SF Range</b>	<b>Vacancy Rate Range</b>	<b>Expenses % of EGI</b>	<b>Capitalization Rate</b>
Office/Medical Office	\$24.00 - \$35.00	5%	25% - 35%	6.00% - 7.50%
Retail/Mixed Use	\$22.00- \$35.00	5%	7.75%	6.00% - 7.50%
Industrial/Whse.	\$6.00 - \$13.00	5%	7.75%	6.00% - 7.50%



Capitalization rates have decreased slightly in this neighborhood compared to the previous assessment while the other factors have remained stable.

<b>Area 85-45 – N Houghton: Typical Income Model Parameters</b>				
<b>Property Type</b>	<b>Rental Rates/SF Range</b>	<b>Vacancy Rate Range</b>	<b>Expenses % of EGI</b>	<b>Capitalization Rate</b>
Office/Medical Office	\$24.00 - \$35.00	5%	25% - 35%	6.00% - 7.50%
Retail/Mixed Use	\$22.00- \$35.00	5%	7.75%	6.00% - 7.50%
Industrial/Whse.	\$6.00 - \$13.00	5%	7.75%	6.00% - 7.50%

Capitalization rates have decreased slightly in this neighborhood compared to the previous assessment while the other factors have remained stable.

<b>Area 85-50 – South Rose Hill: Typical Income Model Parameters</b>				
<b>Property Type</b>	<b>Rental Rates/SF Range</b>	<b>Vacancy Rate Range</b>	<b>Expenses % of EGI</b>	<b>Capitalization Rate</b>
Office/Medical Office	\$27.00 - \$35.00	5%	25% - 35%	6.00% - 7.50%
Retail/Mixed Use	\$21.00- \$29.00	5%	7.75%	6.00% - 7.50%
Industrial/Whse.	\$7.00 - \$13.00	5%	7.75%	6.00% - 7.50%

Capitalization rates have decreased slightly in this neighborhood compared to the previous assessment while the other factors have remained stable.

<b>Area 85-55 – Market Street: Typical Income Model Parameters</b>				
<b>Property Type</b>	<b>Rental Rates/SF Range</b>	<b>Vacancy Rate Range</b>	<b>Expenses % of EGI</b>	<b>Capitalization Rate</b>
Office/Medical Office	\$24.00 - \$35.00	5%	25% - 35%	6.00% - 7.50%
Retail/Mixed Use	\$19.00- \$29.00	5%	7.75%	6.00% - 7.50%
Industrial/Whse.	\$6.00 - \$13.00	5%	7.75%	6.00% - 7.50%

Capitalization rates have decreased slightly in this neighborhood compared to the previous assessment while the other factors have remained stable.

<b>Area 85-60 – South Houghton: Typical Income Model Parameters</b>				
<b>Property Type</b>	<b>Rental Rates/SF Range</b>	<b>Vacancy Rate Range</b>	<b>Expenses % of EGI</b>	<b>Capitalization Rate</b>
Office/Medical Office	\$24.00 - \$35.00	5%	25% - 35%	6.00% - 7.50%
Retail/Mixed Use	\$17.00- \$29.00	5%	7.75%	6.00% - 7.50%
Industrial/Whse.	\$7.00 - \$13.00	5%	7.75%	6.00% - 7.50%

Capitalization rates have decreased slightly in this neighborhood compared to the previous assessment while the other factors have remained stable.

<b>Area 85-65 – Kirkland CBD: Typical Income Model Parameters</b>				
<b>Property Type</b>	<b>Rental Rates/SF Range</b>	<b>Vacancy Rate Range</b>	<b>Expenses % of EGI</b>	<b>Capitalization Rate</b>
Office/Medical Office	\$24.00 - \$40.00	5%	25% - 35%	6.00% - 7.50%
Retail/Mixed Use	\$24.00- \$36.00	5%	7.75%	6.00% - 7.50%
Industrial/Whse.	\$7.00 - \$13.00	5%	7.75%	6.00% - 7.50%

Capitalization rates have decreased slightly in this neighborhood compared to the previous assessment while the other factors have remained stable. Very little vacant available inventory exists in this neighborhood.

<b>Area 85-70 – Yarrow Bay/Carillon Point: Typical Income Model Parameters</b>				
<b>Property Type</b>	<b>Rental Rates/SF Range</b>	<b>Vacancy Rate Range</b>	<b>Expenses % of EGI</b>	<b>Capitalization Rate</b>
Office/Medical Office	\$24.00 - \$38.00	5%	24% - 35%	6.00% - 7.50%
Retail/Mixed Use	\$23.00- \$35.00	5%	7.75%	6.00% - 7.50%
Industrial/Whse.	\$7.00 - \$13.00	5%	7.75%	6.00% - 7.50%

Capitalization rates have decreased slightly in this neighborhood compared to the previous assessment while the other factors have remained stable. Very little vacant available inventory exists in this neighborhood.

<b>Area 85-75 – Norkirk/Highlands: Typical Income Model Parameters</b>				
<b>Property Type</b>	<b>Rental Rates/SF Range</b>	<b>Vacancy Rate Range</b>	<b>Expenses % of EGI</b>	<b>Capitalization Rate</b>
Office/Medical Office	\$25.00 - \$35.00	5%	25% - 35%	6.00% - 7.50%
Retail/Mixed Use	\$20.00- \$29.00	5%	7.75%	6.00% - 7.50%
Industrial/Whse.	\$7.00 - \$13.00	5%	7.75%	6.00% - 7.50%

This neighborhood abuts Market Street and Kirkland CBD neighborhood to the southwest, Google is to the south, and the original Costco is to the east. Because this area doesn't have lake frontage, it is less expensive, but centrally located. Capitalization rates have decreased slightly compared to the previous year's assessment and the other factors have remained stable. Very little vacant available inventory exists in this neighborhood.

## Reconciliation

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

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

## Model Validation

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

Appraiser judgment prevails in all decisions regarding individual parcel valuation. Individual values are selected based on general and specific data pertaining to the parcel, the neighborhood, and the market. The appraiser determines which available value estimate is appropriate and may adjust for particular characteristics and conditions as they occur in the valuation area.

In the 2020 valuation model, the income approach is used to value the majority of the income producing properties that are not obsolesced (where land value is greater than the value produced by the income method), as there are an insufficient number and variety of sales to value the different sectors by the market approach. The income approach also insures greater uniformity and equalization of values. With improving market fundamentals, values by the income method are generally increasing although they sometimes are below the values indicated by sales. This may be due to some of these properties being purchased by owner-users. In the case of interim use properties, they might be purchased for investment value or future income rather than current income.

Comparison of the 2019 Ratio Study Analysis with the 2020 Ratio Study Analysis indicates that the weighted mean statistical measure of assessment level changed from 79.5% to 93.6%. The Coefficient of Dispersion (COD) changed from 18.73% to 6.91%, the Coefficient of Variation (COV) changed from 24.03% to 8.67%, and the Price-related Differential (PRD) changed from 0.98 to 0.99. These are within the IAAO (International Association of Assessing Officers) appraisal guidelines for measures of valuation uniformity and equity. The ratio study presented in this report indicates substantial improvement in uniformity. However, with a sample size of only 64 improved sales for many different commercial types, the weight given to the ratio study should be tempered.



### AREA 85 RATIO STUDY SUMMARY

RATIO STUDIES (Before and After)	1/1/2019	1/1/2020
Arithmetic Mean Ratio	0.782	92.7
Median Ratio	0.836	0.898
Weighted Mean Ratio	0.795	0.936
Coefficient of Dispersion (COD)	18.73%	6.91%
Standard Deviation (SD)	0.1878	0.0804
Coefficient of Variation (COV)	24.03%	8.67%
Price Related Differential (PRD)	0.98	0.99

The total assessed value in Area 85, for the 2019 assessment year, was \$4,231,732,500 and the total recommended assessed value for the 2020 assessment year is \$4,371,121,000. Application of these recommended values for the 2020 assessment year results in an average total change from the 2019 assessment of +3.29%.

### CHANGE IN TOTAL ASSESSED VALUE

2019 Total Value	2020 Total Value	\$ Change	% Change
\$4,231,732,500	\$4,371,121,000	\$139,388,500	3.29%

# Uniform Standards of Professional Appraisal Practice 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 Standards 5 and 6. 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:**

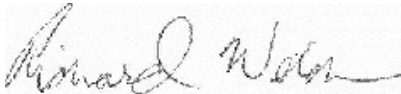
Research and analyses performed are identified in the body of the revaluation report. The assessor has no access to title reports and other documents. Because of legal limitations we did not research such items as easements, restrictions, encumbrances, leases, reservations, covenants, contracts, declarations 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.
- No one 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 to their name.
- To the best of my knowledge the following services were performed by me within the subject area in the last three years:
  - Annual 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



3/20/2020

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Richard Welch, Commercial Appraiser I

Date



Improvement Sales for Area 085 with Sales Used

03/19/2020

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
085	010	613785	0020	3,225	3027393	\$3,200,000	12/17/19	\$992.25	CHEVRON FOOD MART	R-AC, OP, CB, LI	1	Y	
085	015	032605	9043	82,300	2903394	\$13,200,000	11/30/17	\$160.39	WAREHOUSE - Western Marine Ele	I	1	Y	
085	015	032605	9093	2,240	2876529	\$3,500,000	07/07/17	\$1,562.50	STORAGE / RETAIL	GB	2	Y	
085	015	032605	9103	12,232	2985513	\$2,917,500	04/30/19	\$238.51	WAREHOUSE	I	1	Y	
085	015	032605	9121	16,275	2912797	\$2,155,000	01/31/18	\$132.41	WAREHOUSE - Northwood Industria	I	1	Y	
085	015	880180	0010	66,880	2953115	\$10,625,000	09/13/18	\$158.87	UNDERWOOD GARTLAND 140 SU	I	1	Y	
085	015	956075	0070	31,537	2849876	\$5,700,000	02/23/17	\$180.74	WAREHOUSE	I	1	Y	
085	015	956075	0100	20,782	3008394	\$5,200,000	08/28/19	\$250.22	WOODINVILLE BUSINESS PARK	I	1	Y	
085	020	092605	9031	3,204	2851199	\$916,700	02/27/17	\$286.11	RESTAURANT - McCorry's On The S	CBD	1	Y	
085	020	092605	9048	4,164	3014544	\$1,365,000	10/07/19	\$327.81	KRISCO AQUATECH	CBD	1	Y	
085	020	102605	9056	43,146	2845360	\$10,750,000	01/19/17	\$249.15	OFFICE - Woodinville City Center	CBD	1	Y	
085	020	102605	9078	33,820	2877463	\$12,400,000	07/17/17	\$366.65	WOODINVILLE MEDICAL CENTER	CBD	1	Y	
085	020	726910	0094	2,056	2939912	\$600,000	06/30/18	\$291.83	SPLASH & DASH CAR WASH	CBD	1	Y	
085	020	951710	0018	988	3019628	\$600,000	11/01/19	\$607.29	GUNS / U HAUL	CBD	1	Y	
085	020	951710	0140	41,584	2985565	\$12,857,143	05/01/19	\$309.18	WOODGATE CENTER BLDG C	CBD	2	Y	
085	020	951710	0160	5,742	2985566	\$2,142,857	05/01/19	\$373.19	WOODGATE CENTER BLDG D - O'	CBD	1	Y	
085	020	951810	0035	1,653	2866600	\$775,000	05/11/17	\$468.84	CONVERTED SFR	CBD	3	Y	
085	020	951810	0195	5,939	2990613	\$2,175,000	05/30/19	\$366.22	SHANNON BUILDING	CBD	3	Y	
085	025	282605	9010	8,000	2901485	\$4,400,000	11/03/17	\$550.00	TOTEM STATION	TL 2	2	Y	
085	025	282605	9046	13,801	3023896	\$18,000,000	12/04/19	\$1,304.25	INFINITI OF KIRKLAND	TL 6A	1	Y	
085	025	282605	9095	15,424	2851707	\$7,450,000	02/28/17	\$483.01	MEDICAL OFFICE	TL 1A	1	Y	
085	025	282605	9186	7,629	2894912	\$9,050,000	10/13/17	\$1,186.26	Totem Lake Retail Center	TL 4A	1	34	Use-change after sale; not in ratio
085	025	332605	9009	38,664	2875575	\$13,600,000	07/07/17	\$351.75	SLATER AVENUE	NRH 2	1	Y	
085	025	332605	9087	12,964	2940055	\$5,012,500	06/29/18	\$386.65	CDC BUILDING (405 BLDG)	NRH 2	1	Y	
085	025	692840	0025	16,928	2905820	\$7,200,000	12/08/17	\$425.33	TOTEM LAKE NORTH	TL 1A	1	Y	
085	025	894438	0030	58,834	2900232	\$2,300,000	11/08/17	\$39.09	Wells Fargo	TL 2	2	34	Use-change after sale; not in ratio
085	030	192605	9025	6,180	2933968	\$1,500,000	06/01/18	\$242.72	MISC OFFICE & RETAIL	BC 1	1	Y	
085	030	202605	9066	6,016	2977853	\$2,495,000	03/18/19	\$414.73	Office Building	BC 1	1	Y	
085	030	357980	0490	15,463	2994509	\$4,545,000	06/14/19	\$293.93	INGLEWOOD PROFESSIONAL CEN	BNA	3	Y	
085	030	364910	0510	2,500	3028387	\$1,000,000	12/28/19	\$400.00	ROCKY MARKET	NB	1	Y	
085	030	364910	0540	2,104	2936659	\$690,000	06/13/18	\$327.95	MONTESSORI SCHOOL	R6	1	Y	
085	035	292605	9125	37,000	2918844	\$14,799,500	03/06/18	\$399.99	KIRKLAND 405 CORP CTR BLDG A	TL 10A	1	Y	
085	035	292605	9252	36,350	3021166	\$22,800,000	11/18/19	\$627.24	Medical Office Building	PR 3.6	1	Y	
085	035	389060	0010	129,585	2974187	\$35,748,500	02/19/19	\$275.87	KIRKLAND 405 CORP CTR BLDG A	TL 10A	2	Y	
085	040	302605	9274	3,792	2929295	\$1,750,000	05/03/18	\$461.50	JUANITA PUB	JBD 6	1	Y	
085	040	302605	9313	1,320	3018318	\$1,000,000	10/30/19	\$757.58	pizza parlor	JBD 2	1	Y	
085	040	376245	0040	1,490	2929774	\$425,000	05/09/18	\$285.23	JUANITA PROFESSIONAL CENTER	JBD 6	1	Y	
085	040	376245	0060	400	2864367	\$150,000	05/08/17	\$375.00	JUANITA PROFESSIONAL CENTER	JBD 6	1	Y	
085	040	376245	0080	1,187	2917618	\$390,000	03/01/18	\$328.56	JUANITA PROFESSIONAL CENTER	JBD 6	1	Y	
085	040	376250	0020	1,186	2938107	\$643,000	06/22/18	\$542.16	JUANITA PROFESSIONAL PLAZA C	JBD 6	1	Y	
085	045	012000	0220	8,072	2894812	\$2,600,000	10/09/17	\$322.10	USArchive & Imaging Services	LIT	2	Y	
085	045	052505	9069	10,856	2969907	\$4,550,000	01/07/19	\$419.12	OFFICE BLDG	PLA 5C	1	Y	
085	045	082505	9038	5,900	2925965	\$2,800,000	04/20/18	\$474.58	OFFICE	PR 3.6	1	Y	
085	045	082505	9234	28,532	3024870	\$8,700,000	12/04/19	\$304.92	MOSS BAY COMMERCE CENTER	LIT	1	Y	

Improvement Sales for Area 085 with Sales Used

03/19/2020

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
085	045	788260	0602	17,051	2985059	\$4,400,000	04/25/19	\$258.05	HIRSCHLER MFG CO	LIT	1	Y	
085	050	123310	0282	7,344	2916854	\$3,525,000	02/07/18	\$479.98	BENNAOH BUILDING	PR 3.6	1	Y	
085	050	123310	0300	12,525	2970209	\$6,500,000	01/15/19	\$518.96	FARMERS INSURANCE	PR 3.6	1	Y	
085	050	123850	0165	47,840	2847784	\$12,425,000	02/07/17	\$259.72	Arris Building	LIT	1	Y	
085	050	124190	0052	2,260	3015708	\$1,260,000	10/14/19	\$557.52	BODY BOTIQUE	RH 8	1	Y	
085	050	384850	0705	20,229	2913081	\$5,722,300	01/29/18	\$282.88	RETAIL & 9 UNIT	NC2	1	Y	
085	050	863570	0015	2,096	2904991	\$900,000	11/30/17	\$429.39	WETHERHOLT & ASSOCIATES	RH 8	1	Y	
085	055	388580	4060	5,836	3026739	\$3,500,000	12/19/19	\$599.73	1414 OFFICE BUILDING	MSC 1	1	Y	
085	065	062505	9023	22,855	3026908	\$8,700,000	12/20/19	\$380.66	KIRKLAND LAKE BUILDING	CBD 2	1	Y	
085	065	062505	9042	3,437	3021146	\$2,100,000	11/18/19	\$611.00	Office/Retail	CBD 2	1	Y	
085	065	082505	9099	5,160	3011872	\$1,780,000	09/23/19	\$324.61	OLIVE YOU	CBD 2	1	Y	
085	065	388580	0190	5,400	2847191	\$2,550,000	02/01/17	\$472.22	OFFICE BLDG (VANCO)	MSC 4	1	Y	
085	065	390010	1055	5,610	3016811	\$4,000,000	10/23/19	\$713.01	Sports Bar and Line-Retail	CBD 8	1	Y	
085	065	514880	0020	843	2968417	\$720,000	12/18/18	\$854.09	MARINA HEIGHTS CONDOMINIUM	CBD 8	1	Y	
085	065	514880	0030	3,078	2993162	\$1,650,000	06/12/19	\$536.06	MARINA HEIGHTS CONDOMINIUM	CBD 8	1	Y	
085	070	202505	9055	6,518	2844824	\$3,900,000	01/06/17	\$598.34	THE BIG FISH GRILL	YBD 3	1	Y	
085	070	202505	9119	1,888	2967530	\$4,650,000	12/21/18	\$2,462.92	YARROW BAY 76	YBD 3	1	Y	
085	070	202505	9167	3,857	2853220	\$2,575,000	03/06/17	\$667.62	WOODLEY BUILDING	YBD 2	1	Y	
085	070	202505	9238	55,839	2900286	\$14,230,000	11/08/17	\$254.84	10700 BUILDING	O	1	70	Building Only; not in ratio
085	070	389810	0465	52,848	2891627	\$13,250,000	09/27/17	\$250.72	NORTHUP WEST OFFICE PARK	OLB	1	Y	
085	075	332605	9122	13,440	2943311	\$3,500,000	07/23/18	\$260.42	Lakeside Collision	TL 10E	1	34	Use-change after sale; not in ratio
085	075	388690	1295	23,044	3014424	\$6,194,000	10/04/19	\$268.79	MOSS BAY AUTO CENTER	LIT	1	Y	
085	075	388690	1400	11,250	2983698	\$3,200,000	04/18/19	\$284.44	MEAT DISTRIBUTORS INC	LIT	1	Y	
085	075	389310	0855	13,600	3020068	\$3,500,000	11/12/19	\$257.35	EDGE CONCRETE	TL 10D	1	Y	

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
085	010	697920	0151	218,691	3013080	\$15,750,000	09/30/19	\$72.02	SEATTLE TIMES - VACANT LAND	R-AC, OP, CB, LI	1	Y	
085	020	102605	9174	13,250	2852727	\$245,000	03/01/17	\$18.49	VACANT LAND	CBD	1	Y	
085	020	726910	0030	26,500	2973803	\$559,000	02/12/19	\$21.09	VACANT LAND	CBD	2	Y	
085	025	282605	9181	209,309	2921247	\$10,000,000	03/22/18	\$47.78	VERIZON	TL 6A	1	34	Use-change after sale; not in ratio
085	025	282605	9220	45,526	2889263	\$8,219,750	09/13/17	\$180.55	WASHINGTON SPORTS & HEALTH CTR	TL 1A	1	Y	
085	025	282605	9221	37,246	2889274	\$6,725,250	09/13/17	\$180.56	TOTEM LAKE MEDICAL ARTS	TL 1A	1	Y	
085	025	692840	0026	32,992	2961638	\$5,825,000	11/09/18	\$176.56	TOTEM GREEN ASSOC	TL 1A	1	34	Use-change after sale; not in ratio
085	025	692840	0035	25,001	2900231	\$3,100,000	11/07/17	\$124.00	WELLS FARGO BANK	TL 2	1	Y	
085	025	692840	0035	431,301	2905890	\$42,700,000	12/13/17	\$99.00	WELLS FARGO BANK	TL 2	2	Y	
085	025	894441	0000	76,050	2923802	\$10,000,000	04/06/18	\$131.49	VILLAGE AT TOTEM LAKE- LOWER SITE	TL 2	2	Y	
085	030	202605	9036	19,443	2879269	\$1,100,000	07/23/17	\$56.58	VAC RETAIL & DUPLEX	BC 1	1	Y	
085	030	202605	9036	19,443	2959051	\$1,370,000	10/12/18	\$70.46	VAC RETAIL & DUPLEX	BC 1	1	34	Use-change after sale; not in ratio
085	035	282605	9085	533,647	2867379	\$23,500,000	05/26/17	\$44.04	VACANT LAND	TL 10B	2	Y	
085	035	282605	9225	171,211	2970252	\$10,000,000	01/15/19	\$58.41	BUICK GMC OF KIRKLAND	TL 4B	2	34	Use-change after sale; not in ratio
085	035	292605	9126	115,869	3023844	\$6,175,000	12/03/19	\$53.29	VACANT LAND	TL 10A	4	Y	
085	040	141330	0035	11,125	2902103	\$350,000	11/07/17	\$31.46	VACANT	RMA 1.8	1	Y	
085	045	012000	0150	37,858	2999920	\$8,200,000	07/17/19	\$216.60	Vacant land	LIT	1	Y	
085	045	012000	0200	71,366	2932805	\$5,376,600	05/29/18	\$75.34	FGI.com	LIT	2	Y	
085	045	082505	9313	10,632	3028271	\$1,225,296	12/24/19	\$115.25	VACANT	HENC 3	1	Y	
085	045	123510	0071	5,671	3005598	\$75,000	08/16/19	\$13.23	Vacant	LIT	1	Y	
085	050	123850	0100	30,984	2968100	\$815,000	12/18/18	\$26.30	SFR - VALUE IN LAND across from Cosco	RH 1B	1	Y	
085	050	123850	0110	302,163	3026653	\$40,000,000	12/20/19	\$132.38	COSTCO - KIRKLAND (PKNG. FOR COSTCO)	RH 3	5	34	Use-change after sale; not in ratio
085	050	124190	0051	10,767	3018770	\$1,150,000	10/28/19	\$106.81	Health Source	RH 8	1	Y	
085	050	388810	0220	18,157	2865085	\$872,000	05/04/17	\$48.03	SFR HOUSE & GAR SVCS/WHSE	RSX 7.2	1	Y	
085	055	388580	0880	17,175	2948591	\$2,575,000	08/08/18	\$149.93	KILBURN MEDICAL OFFICE (SFR CONV)	MSC 1	1	34	Use-change after sale; not in ratio
085	055	388580	8120	16,830	2944845	\$5,300,000	07/31/18	\$314.91	SPEER OFFICE BLDG	MSC 3	1	Y	
085	065	788260	0083	29,259	3026209	\$4,000,000	12/11/19	\$136.71	APARTMENT	PLA 6D	1	Y	
085	070	172505	9071	12,405	2983472	\$4,000,000	04/12/19	\$322.45	FRESHWINDS	RM 3.6	1	Y	
085	070	347180	0085	21,391	2847019	\$3,000,000	01/31/17	\$140.25	vacant site	PR 3.6	2	Y	
085	070	935490	0220	52,600	2883200	\$10,100,000	08/09/17	\$192.02	POTALA VILLAGE - PROPOSED	BN	3	Y	
085	075	332605	9152	181,656	2864743	\$9,300,000	05/16/17	\$51.20	LIGHT INDUSTRIAL (MULTI-TENANT)	TL 10C	1	Y	

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
085	015	032605	9154	43,790	2960297	\$7,500,000	10/30/18	\$171.27	RIDGEWOOD CORPORATE PARK	I	1	15	No market exposure
085	020	951710	0165	9,033	2968503	\$3,925,000	12/28/18	\$434.52	KIDS COUNTRY	CBD	1	15	No market exposure
085	025	240870	0020	2,027	2974532	\$83,689	01/29/19	\$41.29	EVERGREEN 121 WAY MEDICAL	TL 1B	1	51	Related party, friend, or neighbor
085	025	240870	0020	2,027	2969437	\$99,999	01/08/19	\$49.33	EVERGREEN 121 WAY MEDICAL	TL 1B	1	22	Partial interest (1/3, 1/2, etc.)
085	025	240870	0040	2,155	2908007	\$1,100,000	12/20/17	\$510.44	EVERGREEN 121 WAY MEDICAL	TL 1B	1	15	No market exposure
085	025	242270	0020	3,271	2965042	\$880,445	12/06/18	\$269.17	EVERGREEN PARK NORTHWEST	TL 1B	1	59	Bulk portfolio sale
085	025	242270	0050	1,490	2965041	\$925,000	12/06/18	\$620.81	EVERGREEN PARK NORTHWEST	TL 1B	1	59	Bulk portfolio sale
085	025	282605	9043	23,534	2921655	\$8,000,000	03/29/18	\$339.93	OFFICE MAX	TL 4A	1	68	Non-gov't to gov't
085	030	142604	9070	37,300	3027173	\$7,400	12/03/19	\$0.20	ARROWHEAD ELEMENTARY SCHC	Public/Semi-Public	1	68	Non-gov't to gov't
085	030	667550	0210	3,748	2961619	\$737,500	11/08/18	\$196.77	FIRE STATION	RSA 6	1	67	Gov't to non-gov't
085	035	282605	9091	18,558	2965433	\$4,100,000	12/03/18	\$220.93	HILLTOP PLAZA INDUSTRIAL	TL 10B	1	64	Sales/leaseback
085	035	292605	9144	54,648	2886558	\$38,754	08/29/17	\$0.71	Value Village	TL 6B	2	24	Easement or right-of-way
085	035	292605	9171	1,568	2878943	\$150,000	03/20/17	\$95.66	ARCO AMPM	TL 6B	1	24	Easement or right-of-way
085	035	292605	9191	2,584	2870035	\$61,746	05/01/17	\$23.90	TOTEM LAKE FOOD STORE	TL 6B	1	24	Easement or right-of-way
085	035	292605	9191	2,584	2938326	\$2,550,000	06/16/18	\$986.84	TOTEM LAKE FOOD STORE	TL 6B	1	15	No market exposure
085	035	292605	9280	6,000	2873460	\$15,750	06/03/17	\$2.63	RETAIL PAD - TOTEM LAKE QFC	TL 6B	1	24	Easement or right-of-way
085	045	250550	0160	6,802	2989646	\$1,475,000	04/29/19	\$216.85	OFFICE BLDG	PR 5.0	1	51	Related party, friend, or neighbor
085	050	162505	9044	31,440	2962589	\$5,000	10/21/18	\$0.16	Central Park Tennis Club	PLA 16	1	24	Easement or right-of-way
085	055	431080	0010	3,139	2869265	\$1,522,100	05/25/17	\$484.90	LIFE ON MARKET (Retail Condo w/ f	MSC 1	2	60	Short sale
085	065	017600	0005	7,381	2929700	\$9,200,000	05/11/18	\$1,246.44	KIRKLAND LAKE STREET RETAIL S	CBD 1B	1	46	Non-representative sale
085	070	202505	9238	55,839	2900287	\$7,115,000	11/08/17	\$127.42	10700 BUILDING	O	1	22	Partial interest (1/3, 1/2, etc.)
085	070	431500	0180	69,300	2847116	\$15,812,500	02/01/17	\$228.17	EASTSIDE PREP CLASSES AND O	YBD 3	9	44	Tenant
085	075	388690	3405	8,856	2924906	\$1,900,000	04/16/18	\$214.54	OFFICE WAREHOUSE	LIT	1	63	Sale price updated by sales id group



Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
085	015	032605	9106	43,762	2960572	\$425,000	10/29/18	\$9.71	VACANT LAND	I	1	15	No market exposure
085	020	726910	0030	6,900	2973804	\$1,000	02/12/19	\$0.14	VACANT LAND	CBD	1	18	Quit claim deed
085	025	692840	0075	76,885	2861611	\$4,800,000	04/28/17	\$62.43	vacant land	PR 1.8	1	51	Related party, friend, or neighbor
085	025	866327	0060	1,154,701	2884514	\$20,000	08/14/17	\$0.02	KING CO. RETENTION POND (TOTEM LAKE	P	2	24	Easement or right-of-way
085	035	282605	9085	74,180	2902043	\$820,000	11/15/17	\$11.05	VACANT LAND	TL 10B	1	68	Non-gov't to gov't
085	035	282605	9085	74,180	2910051	\$820,000	11/15/17	\$11.05	VACANT LAND	TL 10B	1	68	Non-gov't to gov't
085	035	282605	9085	74,180	2904707	\$820,000	11/15/17	\$11.05	VACANT LAND	TL 10B	1	68	Non-gov't to gov't
085	045	012000	0190	114,759	2873879	\$3,200,000	06/29/17	\$27.88	VACANT INDUST. LAND	LIT	3	11	Corporate affiliates
085	045	082505	9315	15,511	2922810	\$2,238,750	04/02/18	\$144.33	SECURITY PACIFIC MORTGAGE (Office/Apa	PR 5.0	2	15	No market exposure
085	050	123850	0100	30,984	3015144	\$24,000	10/11/19	\$0.77	SFR - VALUE IN LAND across from Cosco	RH 1B	1	18	Quit claim deed
085	065	017600	0028	25,226	2929701	\$14,900,000	05/11/18	\$590.66	Interim Parking Lot	CBD 1B	1	46	Non-representative sale
085	065	082505	9107	6,066	3011869	\$1,000,000	09/23/19	\$164.85	PARKING	CBD 2	2	22	Partial interest (1/3, 1/2, etc.)

**2020 AREA 85 PHYSICAL INSPECTION**

<b>GeoArea</b>	<b>GeoNbhd</b>	<b>Major</b>	<b>Minor</b>	<b>AddrLine</b>
85	70	82505	9033	6023 LAKE WASHINGTON BLVD
85	70	82505	9034	
85	70	82505	9074	723 LAKE ST S
85	70	82505	9088	6731 LAKE WASHINGTON BLVD NE
85	70	82505	9143	700 LAKE ST S
85	70	82505	9169	
85	70	82505	9184	935 LAKE ST S
85	70	82505	9233	6700 LAKE WASHINGTON BLVD
85	70	82505	9244	1017 STATE ST
85	70	124620	26	6025 102ND AVE NE
85	70	135510	0	10117 NE 58TH ST
85	70	172505	9024	5612 LAKE WASHINGTON BLVD NE
85	70	172505	9029	
85	70	172505	9051	NE LAKE WASHINGTON BLVD
85	70	172505	9140	5540 LAKE WASHINGTON BLVD NE
85	70	172505	9172	5525 LAKE WASHINGTON BLVD NE
85	70	172505	9176	5555 LAKEVIEW DR
85	70	172505	9236	4055 LAKE WASHINGTON BLVD NE
85	70	172505	9250	4403 LAKE WASHINGTON BLVD NE
85	70	182505	9009	
85	70	192505	9276	
85	70	202505	9008	10723 NE 38TH PL
85	70	202505	9028	2755 NORTHUP WAY
85	70	202505	9029	2625 NORTHUP WAY
85	70	202505	9034	11641 NORTHUP WAY
85	70	202505	9036	2959 NORTHUP WAY
85	70	202505	9055	10426 NORTHUP WAY
85	70	202505	9064	3100 NORTHUP WAY
85	70	202505	9065	3101 NORTHUP WAY
85	70	202505	9073	10307 LAKE WASHINGTON BLVD NE
85	70	202505	9074	10604 NE 38TH PL
85	70	202505	9081	3677 108TH AVE NE
85	70	202505	9093	
85	70	202505	9099	
85	70	202505	9100	10833 NORTHUP WAY
85	70	202505	9117	
85	70	202505	9119	3828 NE LAKE WASHINGTON BLVD
85	70	202505	9128	2755 NORTHUP WAY
85	70	202505	9159	
85	70	202505	9167	3927 LAKE WASHINGTON BLVD NE
85	70	202505	9192	10301 NE LAKE WASHINGTON BLVD
85	70	202505	9193	11135 NE 33RD PL
85	70	202505	9212	10920 NORTHUP WAY
85	70	202505	9214	10733 NORTHUP WAY
85	70	202505	9222	2755 NORTHUP WAY
85	70	202505	9224	2750 NORTHUP WAY
85	70	202505	9225	10416 NE 38TH PL
85	70	202505	9226	11106 NORTHUP WAY
85	70	202505	9227	11010 NORTHUP WAY

**2020 AREA 85 PHYSICAL INSPECTION**

<b>GeoArea</b>	<b>GeoNbhd</b>	<b>Major</b>	<b>Minor</b>	<b>AddrLine</b>
85	70	202505	9228	10510 NORTHUP WAY
85	70	202505	9230	10500 NORTHUP WAY
85	70	202505	9231	10604 NE 38TH PL
85	70	202505	9232	2755 NORTHUP WAY
85	70	202505	9234	3805 108TH AVE NE
85	70	202505	9238	10700 NORTHUP WAY
85	70	202505	9247	11113 NE 33RD PL
85	70	202505	9248	11108 NORTHUP WAY
85	70	202505	9249	11112 NORTHUP WAY
85	70	202505	9257	3100 NORTHUP WAY
85	70	202505	9261	3501 LAKE WASHINGTON BLVD NE
85	70	202505	9262	9830 NE POINTS DR
85	70	202505	9271	
85	70	202505	9272	LAKE WASHINGTON BLVD
85	70	202505	9275	
85	70	202505	9276	
85	70	202505	9278	
85	70	246540	220	5729 LAKEVIEW DR NE
85	70	264950	5	6402 LAKE WASHINGTON BLVD NE
85	70	265000	15	6210 LAKE WASHINGTON BLVD NE
85	70	347180	40	
85	70	347180	65	5914 LAKE WASHINGTON BLVD NE
85	70	347180	70	5918 LAKE WASHINGTON BLVD NE
85	70	389810	3	11201 NE 32ND ST
85	70	389810	59	
85	70	389810	60	3006 NORTHUP WAY
85	70	389810	280	2821 NORTHUP WAY
85	70	389810	320	2950 NORTHUP WAY
85	70	389810	465	2820 NORTHUP WAY
85	70	389810	615	3000 NORTHUP WAY
85	70	389810	635	3000 NORTHUP WAY
85	70	389810	680	3000 NORTHUP WAY
85	70	389810	830	2900 NORTHUP WAY
85	70	389810	890	3110 112TH AVE NE
85	70	389810	920	2901 115TH AVE NE
85	70	389950	175	2700 NORTHUP WAY
85	70	410450	105	LAKE WASHINGTON BLVD
85	70	410450	240	10211 NE 43RD ST
85	70	415180	590	10351 NE 67TH ST
85	70	431500	10	10406 NE 37TH ST
85	70	431500	20	10408 NE 37TH ST
85	70	431500	30	10413 NE 37TH CIR
85	70	431500	40	10415 NE 37TH ST
85	70	431500	50	10420 NE 37TH ST
85	70	431500	60	10422 NE 37TH ST
85	70	431500	70	10504 NE 37TH ST
85	70	431500	90	10505 NE 38TH ST
85	70	431500	100	10501 NE 38TH ST
85	70	431500	110	10517 NE 38TH ST

**2020 AREA 85 PHYSICAL INSPECTION**

<b>GeoArea</b>	<b>GeoNbhd</b>	<b>Major</b>	<b>Minor</b>	<b>AddrLine</b>
85	70	431500	120	10519 NE 38TH ST
85	70	431500	130	10518 NE 38TH ST
85	70	431500	140	10516 NE 37TH ST
85	70	431500	180	10613 NE 38TH PL
85	70	431500	260	3724 LAKE WASHINGTON BLVD
85	70	619430	60	10606 NORTHUP WAY
85	70	678000	91	
85	70	788260	132	10400 NE 68TH ST
85	70	919525	61	
85	70	919525	62	
85	70	935490	220	
85	70	935490	240	
85	70	980870	725	4090 95TH AVE NE
10	50	11410	372	
10	50	11410	470	
10	50	11410	473	6844 NE 182ND ST
10	50	11410	475	
10	50	11410	480	18226 68TH AVE NE
10	50	11410	485	6906 NE 182ND ST
10	50	11410	495	18120 68TH AVE NE
10	50	11410	500	6837 NE 182ND ST
10	50	11410	512	
10	50	11410	560	
10	50	11410	585	7000 NE 181ST ST
10	50	11410	590	7010 NE 181ST ST
10	50	11410	605	6824 NE 181ST ST
10	50	11410	606	6820 NE BOTHELL WAY
10	50	11410	610	
10	50	11410	640	7021 NE 181ST ST
10	50	11410	650	7211 NE 181ST ST
10	50	11410	657	18021 73RD AVE NE
10	50	11410	660	7211 NE 181ST ST
10	50	11410	662	18001 73RD AVE NE
10	50	11410	663	7232 NE BOTHELL WAY
10	50	11410	664	7204 NE BOTHELL WAY
10	50	11410	670	7110 NE BOTHELL WAY
10	50	11410	673	7018 NE BOTHELL WAY
10	50	11410	674	7016 NE BOTHELL WAY
10	50	11410	690	6830 NE BOTHELL WAY
10	50	11410	695	18022 68TH AVE NE
10	50	11410	722	7517 NE 192ND ST
10	50	11410	740	7915 NE 192ND ST
10	50	11410	855	7900 NE BOTHELL WAY
10	50	11410	860	7850 NE BOTHELL WAY
10	50	11410	865	7800 NE BOTHELL WAY
10	50	11410	870	7760 NE BOTHELL WAY
10	50	11410	881	7638 NE BOTHELL WAY
10	50	11410	885	7750 NE BOTHELL WAY
10	50	11410	886	7630 NE BOTHELL WAY



**2020 AREA 85 PHYSICAL INSPECTION**

<b>GeoArea</b>	<b>GeoNbhd</b>	<b>Major</b>	<b>Minor</b>	<b>AddrLine</b>
10	50	11410	888	7638 NE BOTHELL WAY
10	50	11410	890	7640 NE BOTHELL WAY
10	50	11410	895	7614 NE BOTHELL WAY
10	50	11410	900	7620 NE BOTHELL WAY
10	50	11410	904	7520 BOTHELL WAY NE
10	50	11410	905	7520 NE BOTHELL WAY
10	50	11410	915	7504 NE BOTHELL WAY
10	50	11410	920	7340 NE BOTHELL WAY
10	50	11410	936	7330 NE BOTHELL WAY
10	50	11410	940	
10	50	11410	945	7304 NE BOTHELL WAY
10	50	11410	950	18030 73RD AVE NE
10	50	11410	955	18118 73RD AVE NE
10	50	11410	961	
10	50	11410	1211	8218 NE BOTHELL WAY
10	50	11410	1240	17606 80TH CT NE
10	50	11410	1249	8030 NE BOTHELL WAY
10	50	11410	1250	8002 NE BOTHELL WAY
10	50	11410	1255	8020 NE BOTHELL WAY
10	50	11410	1551	8302 NE BOTHELL WAY
10	50	12604	9010	19055 71ST AVE NE
10	50	12604	9046	6830 NE 185TH ST
10	50	12604	9054	8010 NE 185TH ST
10	50	22604	9016	
10	50	22604	9025	18515 68TH AVE NE
10	50	22604	9032	18737 68TH AVE NE
10	50	22604	9034	6620 NE 185TH ST
10	50	22604	9037	18518 66TH AVE NE
10	50	22604	9066	
10	50	112604	9001	6525 NE 175TH ST
10	50	112604	9008	6505 NE 175TH ST
10	50	112604	9010	6115 NE BOTHELL WAY
10	50	112604	9011	17511 68TH AVE NE
10	50	112604	9020	
10	50	112604	9030	5723 NE BOTHELL WAY
10	50	112604	9033	18018 61ST AVE NE
10	50	112604	9059	18023 62ND AVE NE
10	50	112604	9066	6126 NE BOTHELL WAY
10	50	112604	9067	6136 NE BOTHELL WAY
10	50	112604	9079	18021 61ST AVE NE
10	50	112604	9086	6115 NE 181ST ST
10	50	112604	9091	6131 NE BOTHELL WAY
10	50	112604	9092	6141 NE BOTHELL WAY
10	50	112604	9114	17455 68TH AVE NE
10	50	112604	9115	5701 NE BOTHELL WAY
10	50	112604	9118	6725 NE 175TH ST
10	50	112604	9121	17425 68TH AVE NE
10	50	112604	9126	NE 175TH ST
10	50	112604	9133	6523 NE 175TH ST

**2020 AREA 85 PHYSICAL INSPECTION**

<b>GeoArea</b>	<b>GeoNbhd</b>	<b>Major</b>	<b>Minor</b>	<b>AddrLine</b>
10	50	112604	9137	
10	50	112604	9142	17125 68TH AVE NE
10	50	112604	9151	6000 NE 175TH ST
10	50	112604	9153	6705 NE 175TH ST
10	50	112604	9158	17405 68TH AVE NE
10	50	112604	9160	16607 INGLEWOOD RD NE
10	50	112604	9163	6301 NE 175TH ST
10	50	112604	9164	6300 NE 175TH ST
10	50	112604	9165	6300 NE 175TH ST
10	50	112604	9166	
10	50	112604	9167	6161 NE 175TH ST
10	50	112604	9168	6161 NE 175TH ST
10	50	122604	9014	
10	50	132604	9147	16114 JUANITA DR NE
10	50	357730	10	16450 JUANITA DR NE
10	50	381550	185	18208 66TH AVE NE
10	50	381550	190	18218 66TH AVE NE
10	50	381800	0	17605 80TH CT NE
10	50	382020	10	6704 NE 181ST ST
10	50	382020	40	
10	50	382020	50	6728 NE 181ST ST
10	50	402770	830	19314 55TH AVE NE
10	50	402770	890	19804 55TH AVE NE
10	50	402770	895	19814 55TH AVE NE
10	50	414090	5	18512 58TH AVE NE
10	50	415670	4	7911 NE 175TH ST
10	50	416410	10	7204 NE 175TH ST
10	50	416410	15	7202 NE 175TH ST
10	50	416410	20	7206 NE 175TH ST
10	50	416410	25	7036 NE 175TH ST
10	50	416410	40	6852 NE 175TH ST
10	50	416410	55	6838 NE 175TH ST
10	50	416410	60	6834 NE 175TH ST
10	50	416410	65	6820 NE 175TH ST
10	50	416410	70	6806 NE 175TH ST
10	50	416410	80	7610 NE 175TH ST
10	50	416410	85	7604 NE 175TH ST
10	50	416410	86	7534 NE 175TH ST
10	50	416410	94	7524 NE 175TH ST
10	50	416410	100	7514 NE 175TH ST
10	50	416410	110	7500 NE 175TH ST
10	50	416410	115	7324 NE 175TH ST
10	50	416410	135	7304 NE 175TH ST
10	50	416410	140	7831 NE 175TH ST
10	50	416410	145	7817 NE 175TH ST
10	50	416410	150	7805 NE 175TH ST
10	50	416410	155	7729 NE 175TH ST
10	50	416410	163	
10	50	416410	171	

**2020 AREA 85 PHYSICAL INSPECTION**

<b>GeoArea</b>	<b>GeoNbhd</b>	<b>Major</b>	<b>Minor</b>	<b>AddrLine</b>
10	50	416410	195	7527 NE 175TH ST
10	50	416410	200	7515 NE 175TH ST
10	50	416410	205	7507 NE 175TH ST
10	50	416410	210	7415 NE 175TH ST
10	50	416410	225	7301 NE 175TH ST
10	50	416410	265	7031 NE 175TH ST
10	50	416410	270	7023 NE 175TH ST
10	50	416410	275	7001 NE 175TH ST
10	50	416410	280	7001 NE 175TH ST
10	50	416410	285	7003 NE 175TH ST
10	50	416410	290	6841 NE 175TH ST
10	50	416410	295	6837 NE 175TH ST
10	50	416410	300	6827 NE 175TH ST
10	50	416410	305	6815 NE 175TH ST
10	50	416410	310	6805 NE 175TH ST
10	50	563450	7	7215 NE 170TH ST
10	50	563450	851	16910 68TH AVE NE
10	50	563450	855	16730 68TH AVE NE
10	50	563450	857	6825 NE 170TH ST
10	50	563450	858	16928 JUANITA DR NE
10	50	618170	5	6414 NE BOTHELL WAY
10	50	618170	35	6461 NE 181ST ST
10	50	618170	40	6443 NE 181ST ST
10	50	618170	55	6417 NE 181ST ST
10	50	618170	86	6410 NE BOTHELL WAY
10	50	618170	91	6302 NE BOTHELL WAY
10	50	618170	125	6340 NE BOTHELL WAY
10	50	618170	126	6330 NE BOTHELL WAY
10	50	618170	127	6312 NE BOTHELL WAY
10	50	618170	145	
10	50	618170	325	6502 NE 181ST ST
10	50	618170	345	6524 NE 181ST ST
10	50	618170	350	6700 NE 181ST ST
10	50	618170	456	6708 NE 181ST ST
10	50	618170	496	6610 NE 181ST ST
10	50	618170	497	6620 NE 181ST ST
10	50	618170	498	6630 NE 181ST ST
10	50	794630	5	6215 NE BOTHELL WAY
10	50	794630	18	6233 NE BOTHELL WAY
10	50	794630	20	6233 NE BOTHELL WAY
10	50	794630	30	6251 NE BOTHELL WAY
10	50	794630	35	6251 NE BOTHELL WAY
10	50	794630	40	6251 NE BOTHELL WAY
10	50	794630	50	6319 NE BOTHELL WAY
10	50	794630	55	6319 NE BOTHELL WAY
10	50	794630	65	6701 NE 181ST ST
10	50	794630	66	6717 NE 181ST ST
10	50	794630	100	18017 68TH AVE NE
10	50	794630	101	6744 NE BOTHELL WAY

**2020 AREA 85 PHYSICAL INSPECTION**

<b>GeoArea</b>	<b>GeoNbhd</b>	<b>Major</b>	<b>Minor</b>	<b>AddrLine</b>
10	50	794630	105	18017 68TH AVE NE
10	50	794630	110	6734 NE BOTHELL WAY
10	50	794630	115	6722 NE BOTHELL WAY
10	50	794630	120	6720 NE BOTHELL WAY
10	50	794630	135	6702 NE BOTHELL WAY
10	50	794630	155	6505 NE 181ST ST
10	50	794630	165	6515 NE 181ST ST
10	50	794630	175	
10	50	794630	180	6531 NE 181ST ST
10	50	794630	185	6541 NE 181ST ST
10	50	794630	190	18031 67TH AVE NE
10	50	794630	195	6532 NE BOTHELL WAY
10	50	794630	196	
10	50	794630	205	6522 NE BOTHELL WAY
10	50	794630	210	6512 NE BOTHELL WAY
10	50	794630	225	6504 NE BOTHELL WAY
10	50	794630	240	6534 NE BOTHELL WAY
10	50	794630	250	6440 NE BOTHELL WAY
10	50	794630	265	6469 NE 181ST ST
10	50	794630	276	6465 NE 181ST ST
10	50	794630	280	6214 NE BOTHELL WAY
10	50	794630	290	6214 NE BOTHELL WAY
10	50	794630	325	6270 NE BOTHELL WAY
10	50	794630	350	6214 NE BOTHELL WAY
10	50	794630	360	6214 NE BOTHELL WAY
10	50	794630	365	6214 NE BOTHELL WAY
10	50	794630	370	6220 NE 181ST ST
10	50	794630	415	
10	50	794730	5	6211 NE BOTHELL WAY
10	50	794730	20	6214 NE BOTHELL WAY
10	50	794730	25	6214 NE BOTHELL WAY
10	50	883290	5	6016 NE BOTHELL WAY





## 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](mailto:assessor.info@kingcounty.gov)

**John Wilson**

*Assessor*

As we start preparations for the 2020 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, 2020 in conformance with generally accepted appraisal practices.
- Prepare written reports in compliance with USPAP Standards 5 and 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

Area 85



2020 Assessment Year

Department of Assessments

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