East West Seattle / Georgetown / South Park
Area: 018

Residential Revalue for 2022 Assessment Roll

King County
Department of Assessments

Setting values, serving the community, and pursuing excellence
201 S. Jackson St., Room 708, KSC – AS – 0708
Seattle, WA 98104

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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 residential property, we break up King County into 88 residential market areas and annually develop market models from the sale of properties using multiple regression statistical tools. The results of the market models are then applied to all similarly situated homes within the same appraisal area.

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

> RCW 84.40.025 - Access to property
>> For the purpose of assessment and valuation of all taxable property in each county, any real or personal property in each county shall be subject to visitation, investigation, examination, discovery, and listing at any reasonable time by the county assessor of the county or by any employee thereof designated for this purpose by the assessor.
>>
>> In any case of refusal to such access, the assessor shall request assistance from the department of revenue which may invoke the power granted by chapter 84.08 RCW.

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

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

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

Source: IAAO, Standard on Ratio Studies, 2013, Table 1-3

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

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

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

King County

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

John Wilson
Assessor

East West Seattle / Georgetown / South Park – Area 018

2022 Assessment Roll Year

Recommendation is made to post values for Area 018 to the 2023 tax roll:

_____   10/3/2022
Appraiser II: Jennifer Lizotte   Date

_____   10/03/2022
WC District Senior Appraiser: Adam Neel   Date

_____   10/04/2022
Residential Division Director: Jeff Darrow   Date

This report is hereby accepted and the values described in the attached documentation for Area 018 should be posted to the 2023 tax roll.

_____   10/17/2022
John Wilson, King County Assessor   Date

Executive Summary
East West Seattle / Georgetown / South Park - Area 018
Physical Inspection

Appraisal Date: 1/1/2022

Previous Physical Inspection: 2016

Number of Improved Sales: 998

Range of Sale Dates: 1/1/2019 – 12/31/2021 Sales were time adjusted to 1/1/2022.

Sales - Improved Valuation Change Summary:						
	Land	**Improvements**	**Total**	**Mean Sale Price**	**Ratio**	**COD**
2021 Value	$166,400	$426,700	$593,100			8.99%
2022 Value	$261,500	$396,000	$657,500	$718,200	92.2%	7.24%
$ Change	+$95,100	-$30,700	+$64,400			
% Change	+57.2%	-7.2%	+10.9%			

Coefficient of Dispersion (COD) is a measure of the uniformity of the predicted assessed values for properties within this geographic area. The 2022 COD of 7.24% is an improvement from the previous COD of 8.99%. The lower the COD, the more uniform are the predicted assessed values. Refer to the table on page 3 of this report for more detail surrounding COD thresholds. Area 18 is a more heterogenous area and the COD threshold prescribed by the IAAO should be no more than 15%. The resulting COD meets or exceeds the industry assessment standards. Sales from 1/1/2019 to 12/31/2021 (at a minimum) were considered in all analysis. Sales were time adjusted to 1/1/2022.

Population - Improved Valuation Change Summary:			
	Land	**Improvements**	**Total**
2021 Value	$193,000	$348,000	$541,000
2022 Value	$272,800	$359,200	$632,000
$ Change	+$79,800	+$11,200	+$91,000
% Change	+41.3%	+3.2%	+16.8%

Number of one to three-unit residences in the population: 5,258

The discrepancy between the population and the sales sample is related to the fact that attached townhomes are overrepresented in the sales sample relative to the overall population.

Physical Inspection Area:

State law requires that each property be physically inspected at least once during a six year revaluation cycle. During the recent inspection of Area 018 – East West Seattle / Georgetown / South Park, appraisers were in the area, confirming data characteristics, developing new valuation models and selecting a new value for each property for the assessment year. For each of the subsequent years, the previous property values are statistically adjusted during each assessment period. Taxes are paid on *total value*, not on the separate amounts allocated to land and improvements.

The current physical inspection analysis for Area 018 indicated a substantial change was needed in the allocation of the land and improvement value as part of the total. Land is valued as though vacant and at its highest and best use. The improvement value is a residual remaining when land is subtracted from the total value.

Since the last physical inspection in 2016, the demand for land has substantially increased in this area. In late 2019, approximately 16% of total parcels were rezoned by the city of Seattle. The new RSL zoning is beginning to spur new in-fill development and modified ADU guidelines have encouraged both attached and detached additional dwelling units, even in residential zoning. Most of the parcels in Area 18 have already been developed, and there is a shortage of vacant land for future development. Therefore, builders purchase older and smaller homes, tear them down, and then build new single-family residences, townhomes, and higher-density structures such as apartment buildings. In the past several years new single-family residences and townhomes have sold soon after they were built due to the higher demand for properties within the area. This increased demand for Seattle housing has produced higher prices for land acquisition. Concurrent with this high demand is an increase in raw materials and labor costs, resulting in a rising housing market.

Area 018 Physical Inspection Ratio Study Report
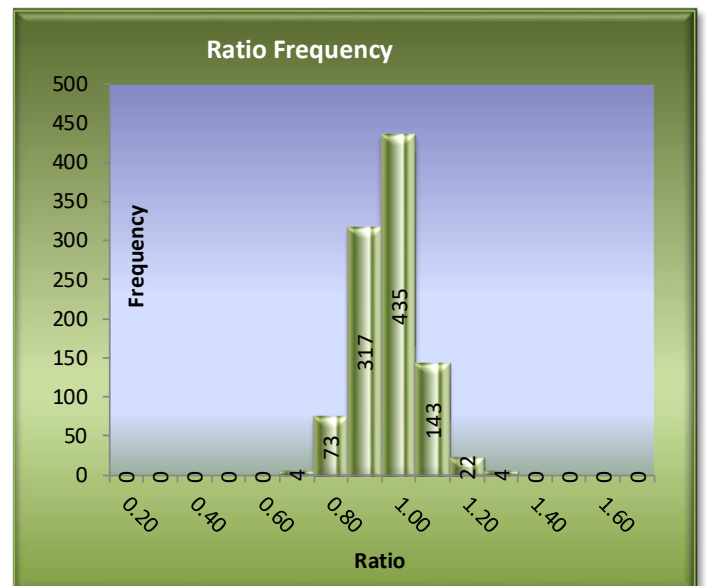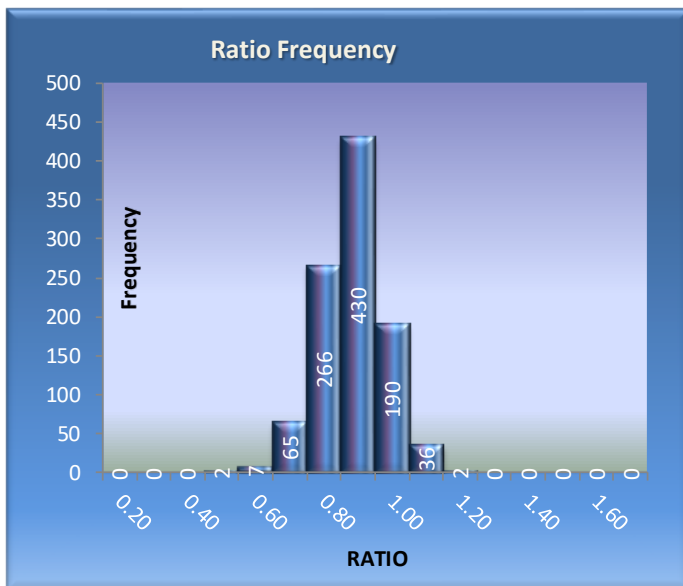
PRE-REVALUE RATIO ANALYSIS

Pre-revalue ratio analysis compares time adjusted sales from 2019 through 2021 in relation to the previous assessed value as of 1/1/2022.

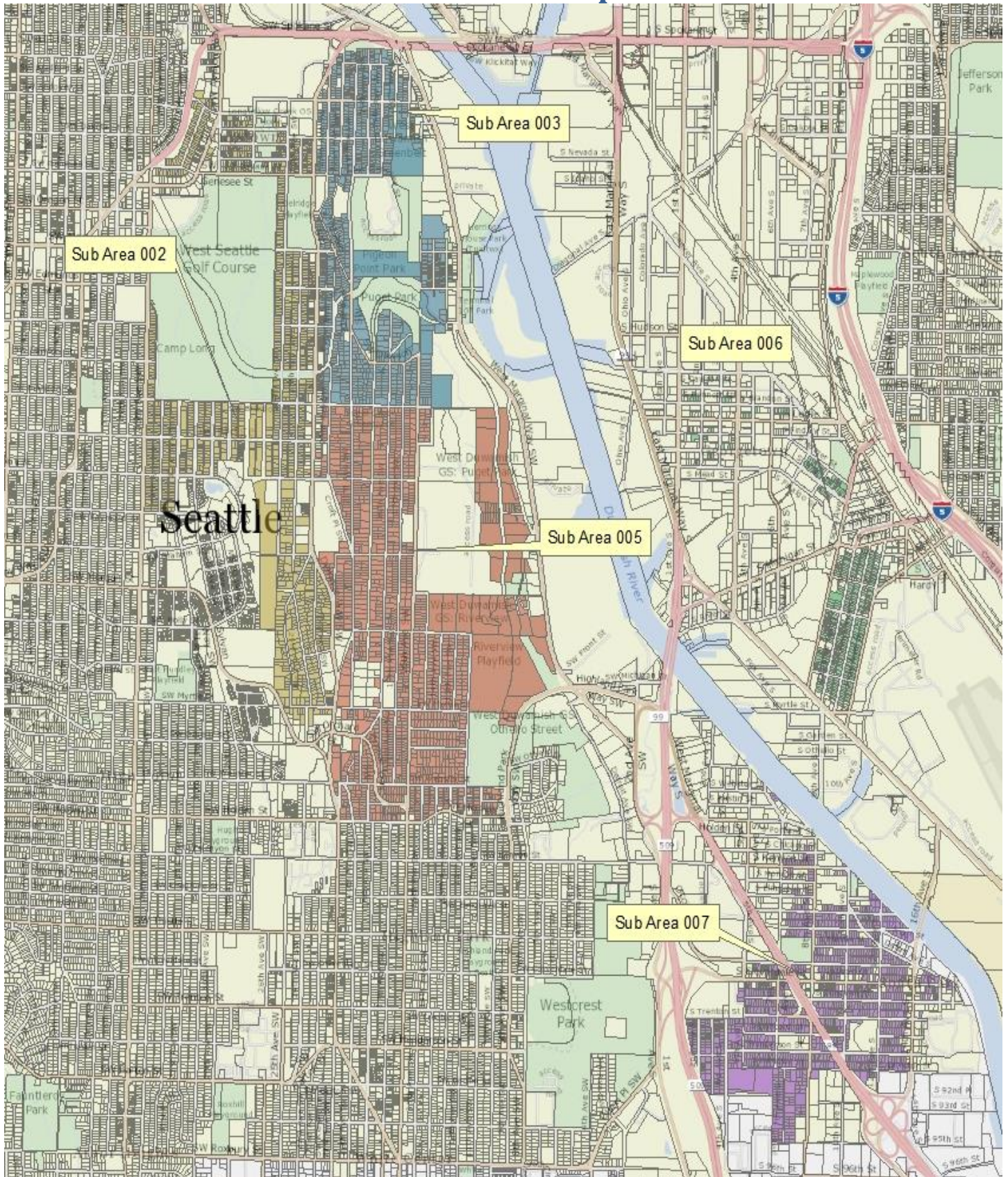| PRE-REVALUE RATIO SAMPLE STATISTICS	
Sample size (n)	998
Mean Assessed Value	593,100
Mean Adj. Sales Price	718,200
Standard Deviation AV	154,388
Standard Deviation SP	194,830
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.833
Median Ratio	0.837
Weighted Mean Ratio	0.826
UNIFORMITY	
Lowest ratio	0.408
Highest ratio:	1.148
Coefficient of Dispersion	8.99%
Standard Deviation	0.096
Coefficient of Variation	11.56%
Price Related Differential (PRD)	1.009
Price Related Bias (PRB)	-1.70%

POST-REVALUE RATIO ANALYSIS

Post revalue ratio analysis compares time adjusted sales from 2019 through 2021 and reflects the assessment level after the property has been revalued to 1/1/2022.

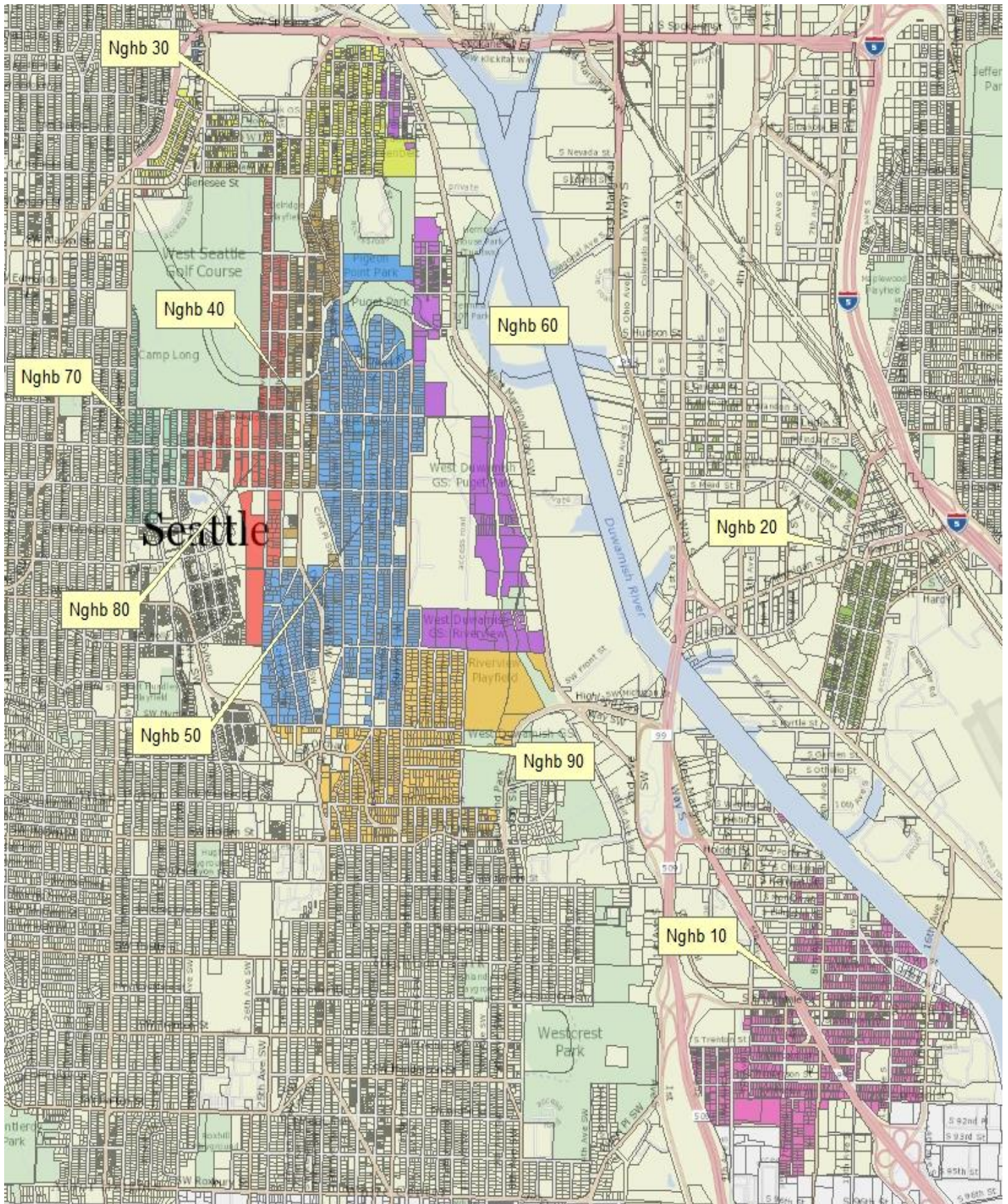| POST REVALUE RATIO SAMPLE STATISTICS	
Sample size (n)	998
Mean Assessed Value	657,500
Mean Sales Price	718,200
Standard Deviation AV	166,170
Standard Deviation SP	194,830
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.923
Median Ratio	0.922
Weighted Mean Ratio	0.915
UNIFORMITY	
Lowest ratio	0.622
Highest ratio:	1.272
Coefficient of Dispersion	7.24%
Standard Deviation	0.086
Coefficient of Variation	9.32%
Price Related Differential (PRD)	1.009
Price Related Bias (PRB)	-4.89%

Ratio Frequency (Pre-revalue): values 0, 0, 0, 2, 7, 65, 266, 430, 190, 36, 2, 0, 0, 0, 0, 0 across RATIO axis 0.20 to 1.60

Ratio Frequency (Post-revalue): values 0, 0, 0, 0, 4, 73, 317, 435, 143, 22, 4, 0, 0, 0, 0 across Ratio axis 0.20 to 1.60

Area 018 Map

Sub Area 003

Sub Area 002

Sub Area 006

Sub Area 005

Sub Area 007

Seattle

King County

Neighborhood Map

Nghb 30

Nghb 40

Nghb 60

Nghb 70

Nghb 20

Seattle

Nghb 80

Nghb 50

Nghb 90

Nghb 10

Area Information

Name or Designation

Area 018 - East West Seattle / Georgetown / South Park

Boundaries

East West Seattle is bounded on the east by West Marginal Way, on the north by the West Seattle Freeway; and on the west by 35th Avenue SW. The southern boundary is described in general as follows: beginning at the intersection of 35th Avenue SW and Morgan St. SW, then easterly and southeasterly along Morgan St., Sylvan Way SW, SW Holden St. and Highland Park Way SW to West Marginal Way.

Georgetown is bounded on the north by S. Dawson St., on the east by I-5, on the south by East Marginal Way, and on the west by 1st Avenue S. West Marginal Way and SR 509 separate East West Seattle from Georgetown and South Park.

South Park lies southeast of East West Seattle and is bounded on the west by Highway 509, on the north by S Fontanelle St, and on the east by the Duwamish River. The southern boundary is S. Barton St., following the city limits of Seattle to the Duwamish River.

Maps

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

Area Description

Area 18 - East West Seattle / Georgetown / South Park is located west of I-5 and south of the West Seattle Bridge. It is comprised of the Delridge, South Park and Georgetown neighborhoods. While most of the area is inside the Seattle City limits, there is a small portion that is unincorporated King County.

The Delridge neighborhood is home to South Seattle Community College, West Seattle Golf Course, Delridge Community Center, Youngstown Cultural Arts Center, Longfellow Creek watershed, and other urban green spaces.

Georgetown is north of the King County International Airport-Boeing Field and is in the flight path. Despite being surrounded on all sides by industry and major transportation corridors, Georgetown retains a sizeable number of residences and businesses.

South Park is located south of Georgetown and is comprised of single-family homes and manufacturing and industrial centers. A small group of parcels located in the southern portion of South Park along the Duwamish River are serviced by unincorporated King County.

Area 18 is a diverse area with easy access to many amenities and neighborhoods that appeal to a wide variety of living styles. The easy access from the Delridge area to downtown Seattle, Highway 99, and I-5 had been hampered by the West Seattle Freeway closure from March of 2020 to September of 2022, the bridge is now open and ease of access restored. There is good access to employment centers and shopping in downtown Seattle and Tukwila via the I-5 freeway, West Seattle Freeway, Highway 509, and Highway 99. Portions of the area are impacted by traffic noise, various commercial influences, topography / steep slope, streams, wetlands, and other sensitive area designations, Duwamish

waterfront, hillside locations which allow desirable views of the surrounding Territory, Cascade Mountains, Mt. Rainier, Puget Sound, and Seattle Skyline.

Although the area is almost fully developed, there are ongoing vacant land sales, tear-down sales, and new construction of single-family and townhome improvements occurring.

Area 18 is an extremely diverse area. Grades range from 4 to 11. The typical grade of homes in the area is 7 and a large portion of these were built between 1900-1929. Approximately 71% of the improved parcels are zoned Single-Family (SF 5000/ SF 7200/ RSL/ R4), the majority being SF 5000 zoned parcels. The typical Single-Family zoned lot size ranges between 5000sf – 7000sf. The new RSL zoning is beginning to spur new in-fill development and modified ADU guidelines have encouraged both attached and detached additional dwelling units, even in residential zoning.

Townhouse plats make up approximately 19% of the improved parcels, with the majority located in Sub Area 2. Most are attached units but there are also stand-alone structures. The typical townhouse lot sizes range from 1000sf - 1599sf and most have LR1*/ LR2*/ LR3* zoning.

Approximately 9% of the improved parcels have some degree of view: 2% have primary views of the Puget Sound and/or Seattle Skyline and the remaining enjoy secondary views of the surrounding Territory, Cascade Mountains and/or Mt. Rainier. Less than 1% of Area 18's parcels are Duwamish River waterfront parcels; they are located in South Park. Of the improved parcels, approximately 18% are coded for topography and 30% are coded for traffic nuisance.

At least 71% of improved parcels are zoned Single-Family (SF 5000/ SF 7200/ RSL/ R4). Multi-family (LR1*/ LR2*/ LR3*/ MR*) zoned parcels make up approximately 26% of improved parcels with the remainder being Commercial (C1*/ C2*/ NC1/ NC2*/ NC2P/ NC3*/ NC3P/ RB) or Industrial (IB*/ IG*) zoning.

Approximately 13% of the area are vacant parcels or have only an accessory improvement (777 parcels of which 480 are coded for topography and 103 are coded for wetlands). This includes 310 tax-exempt parcels.

During the years from 01/2019 to 01/2022 sales of improved properties ranged from $294,648 to $1,648,360. During that same time period, the average trended sale price for improved properties was $710,587.

Area 18 is divided into five Sub Areas:

Sub Area 2 is the largest of the five sub areas and is located west of Delridge Way SW. Approximately 28% of the area's total improved parcels are located here. It includes parcels from a number of neighborhoods. This is a desirable sub area due to its proximity to Alki Beach, downtown Seattle, and other commercial establishments. The West Seattle Golf Course, Delridge Community Center, and Delridge Park are all located in this subarea.

Sub Area 3 is located in the Northeast portion of the area, east of Delridge Way SW. About 18% of the total improved parcels are located here. Many parcels are on hillsides and are affected by topography. This location also provides some parcels with panoramic views of the Cascade Mountains and the

surrounding territory, as well as Puget Sound and Seattle skyline views. Pigeon Point Park and Puget Park are located in this subarea.

Sub Area 5 is the Southeast portion of Area 18. About 23% of area 18 improved parcels are located in sub area 5. Although some of the parcels are situated on a hillside, the view is not comparable to those in sub area 3. South Seattle Community College is located in this sub area.

Sub Area 6 is the Georgetown neighborhood, which is considered to be the oldest neighborhood in Seattle. This area is dominated by commercial establishments rather than single-family residences. Due to its proximity to downtown Seattle, stadiums, and recreational centers, this area is becoming a magnet for young generations. About 11% of Area 18 improved parcels are located in this area.

Sub Area 7 is the South Park neighborhood located on the Duwamish corridor. Approximately 20% of Area 18 improved parcels are located in sub area 7. About 40% of homes located in Seattle's only riverfront community were built before 1940. This area is bisected by Hwy 99 and dominated mostly by industrial warehouses, small to medium-scale industrial manufacturing centers, and semi-truck / van parking lots. Development of single-family residences and townhomes has increased in recent years. A large portion of the new RSL zoned parcels, approximately 92%, are located in this area. The new RSL zoning and modified ADU guidelines encouraging both attached and detached additional dwelling units in residential zoning is beginning to spur new in-fill development in this area.

Based primarily on location and building grade, 9 neighborhoods have been identified within Area 18. While these neighborhoods tend to be distinct, there is no clear boundary between them; rather gradual differences that increase with distance. These areas have been assigned neighborhood codes primarily as a means of identifying the different land values within them.

Land Valuation… Continued

Land Valuation

Vacant sales from 1/1/2019 to 12/31/2021 were given primary consideration for valuing land with emphasis placed on those sales closest to January 1, 2022.

Area 18 contains 6,130 parcels of which 5,258 have a single-family improvement, 93 have more than one improvement, 2 have a mobile home, 38 have an accessory improvement, and 739 are vacant. Location, lot size, zoning, traffic, and views are primary influences on land value in this area. Additional influences include topography, wetlands, stream channel, and proximity to commercial and industrial areas. In the last 3 years, there were 31 land sales which were used to develop the land model for Area 18. These sales included true vacant sites along with improved sales where it was the intention of the purchaser to remove the improvement (tear down sales). The Sales Comparison approach was utilized to determine land values and adjustments for land characteristics.

This area has a wide diversity of zoning. The predominant zoning in this area is single-family residential (SF 5000, SF 7200, RSL, and R4). Most of the mutli-family zoning in Area 18 is low-rise multifamily designations (LR1*, LR2*, and LR3*) which allow for higher density development. There is also midrise residential zoning (MR*), commercial zoning (C1*/ C2*/ NC1/ NC2*/ NC2P/ NC3*/ NC3P/ RB), and industrial (IB*/ IG*) zoning. It has been the trend to tear down the older homes and divide the site for new townhouse construction on non-single family zoned parcels. It was discovered during analysis of the sales that there did not seem to be a distinction between sale prices of the differing multi-family zoning designations.

Approximately 4% of the improved residential parcels are located on sites with midrise, commercial, or industrial zoning. These are known as "RC" properties and are scattered throughout this area with the highest concentration in the South Park and Georgetown neighborhoods. Heavily influenced by its zoning and surrounding commercial/industrial activity, special attention and consideration was given on an individual parcel basis for the potential for commercial use. In some cases of non-single-family zoned parcels, the land values were equalized with the single-family land schedule as these parcels did not show activity of being developed further. In other cases, the commercially zoned parcels were equalized to nearby commercial parcels at the appraiser's discretion depending on size, how the parcel is currently developed, and surrounding neighborhood trends.

A typical 5,000 square foot, non-view, SF 5000 zoned lot has a value of $217,000 to $290,000 based on neighborhood location.

A typical non-view, L zoned lot of 1,500sf has a value of $194,000 to $259,000 based on neighborhood.

Sites improved with Townhouse dwellings were equalized regardless of size since typically, a larger townhouse site is impacted by easements and parking that also benefit the smaller sites in a plat. Townhouse land was adjusted based on neighborhood ranging from $208,000 to $278,000 then adjustments were applied for impacts such as views and traffic, etc.

In 2019 the City of Seattle increased the zoning density limit or "up-zoned" many single-family and multi-family zoned parcels in Area 18. The city has also revised virtually all the multi-family zoning to include "Mandatory Affordable Housing" (MHA) requirements. MHA requires most new construction to include affordable housing or for the developer to contribute to a City fund for affordable housing. The RSL (residential small lot) zoned parcels have also been revised to include MHA coding. According

to the City of Seattle Zoning definitions, RSL parcels with the MHA coding may also be required to participate in providing affordable housing. The MHA zoning is denoted with a suffix of (M), (M1), or (M2); however, there is no zoning in Area 18 with the (M2) suffix. The MHA suffix determines the payment or performance amount.

Since the zoning changes occurred late in the valuation sales period it is too early to determine what impact the new zoning regulations will have on property values. However, when affordable housing is included in the site development the density limits for most projects are increased, or unlimited depending on the type of project being developed, the zoning, and the MHA suffix.

Green building also affects development standards in multifamily zones. Developers may voluntarily meet a green building standard in exchange for additional development capacity, such as extra floor area or height. Developments must demonstrate adherence to the LEED, Built Green, Passive House, Living Building Challenge, or Evergreen Sustainable Development certification program. For more information regarding City of Seattle zoning please refer to the City of Seattle zoning website: http://www.seattle.gov/sdci/codes/codes-we-enforce-(a-z)/zoning

All parcels were coded for topography based upon GIS analysis of King County topography contours overlay and city of Seattle overlays. Parcels in which topography was coded were analyzed to determine if an adjustment was needed. Those parcels in which topography has a negative impact on values were adjusted from -5% to -95% (based on sales and appraiser judgment).

Topography issues can cause a reduction in values by either reducing the site's utility or by significantly increasing the costs to develop the parcel into a building site. The amount of this cost to cure is expressed as a percentage of base land value and is shown in the 'percent base land value' impact field (%BLV) of Real Property. For improved parcels falling into the latter situation, the costs of development have been reflected in the improvement value. This adjustment considers that after an improvement has been placed on a parcel, the cost to cure for topography has been realized as additional building costs and is best reflected in the improved value. The amount of extra construction cost has been shifted from the land to the improvement.

West Seattle Bridge closure: Due to the illiquidity of real estate assets it takes time to isolate trends associated with a particular action. In light of the COVID-19 pandemic, trends associated specifically with the West Seattle Bridge closure that occurred in March of 2020 may be even more difficult to discern as of the 1/1/2022 date of valuation.

Land Model

Model Development, Description and Conclusions

Thirty percent of the Area 18 population is impacted by traffic, 7% of the population is impacted by proximity to commercial use parcels (other nuisance) or other problems, and 18% are impacted by topography. Approximately 9% of the population have some sort of view amenity. The predominant zoning in the area is Single-Family / SF 5000 which accounts for 47% of the population. The other 24% of single family zonings in this area are SF 7200, RSL*, and R4. Multi-family zoning in Area 18 includes Low-rise (LR1*/ LR2*/ LR3*) zoning which represents 25% of the population, midrise zoning (MR) which represents 1% of the population, General Commercial (C1* / C2*) & Neighborhood Commercial (NC*) zoning represents 2% of the population and Industrial (IG* / IB*) zoning represents less than 2% of the population.

31 vacant land sales from Area 18 were used to derive land value. Data on lot size, zoning, location, topography, access, and views were considered while developing the land model. The sales comparison approach and appraisal judgment were used to determine land value. Tear-down sales were also considered when developing the land schedule. The land abstraction method was used for tear-down sales.

Based primarily on location and building grade, 9 neighborhoods have been identified within Area 18. While these neighborhoods tend to be distinct, there is no clear boundary between them; rather gradual differences that increase with distance. These areas have been assigned neighborhood codes primarily as a means of identifying the different land values within them. A map of these neighborhoods is included in this report.

Parcels improved with townhouse dwellings have received an additional neighborhood coding in the last place digit of the neighborhood code. Only townhouses have this coding.
This coding is for the parcel's position within the plat as an end unit, middle unit, or stand-alone unit, and will be described in more detail in the improved parcel valuation section of the report.

Neighborhood 10: This is the South Park neighborhood, which is also sub area 7. The majority of homes in this neighborhood are grade 7 and were built before 1960. In this neighborhood, 13% of the population is townhomes, which were built from 2008 to present. This neighborhood has three beautiful parks: South Park Community Center and park, Westcrest Park and Duwamish Waterway Park. This neighborhood has a wide variety of industrial and warehouse use with some commercial establishments. Traffic is high in some portions of this neighborhood during the daytime. There are a handful of restaurants and stores in this neighborhood. Average trended sale price of improved parcels in this neighborhood is $567,000.

Neighborhood 20: This is the Georgetown neighborhood, which is also sub area 6. There are about 563 single-family residences in this neighborhood, with 43% of these being townhomes,

majority being grade 8 and built from 2002 to present. Most of the restaurants, fast food establishments, and grocery stores are in walking distance. Older homes in some parts of this neighborhood have been torn down for townhouse construction. Most of the homes in this neighborhood are grades 6 and 7, which were built in the early 1900s. Georgetown Playfield and park, Oxbow Park, and Georgetown Pea Patch Community Garden are located in this neighborhood. Average trended sale price of improved parcels in this neighborhood is $832,000.

Neighborhood 30: Neighborhood 30 is located east of Fauntleroy Ave SW, south of West Seattle Bridge, west of West Marginal Way SE, and north of the West Seattle Golf Course and SW Genesee. This area is desirable due to being in close proximity to downtown Seattle and in walking distance to major retailers, restaurants, health clubs, and fast food establishments. Many office buildings and apartments, as well as a steel plant, are located in this neighborhood. There is a fair to good view of Puget Sound and/or of the Seattle Skyline from the Pigeon Point neighborhood. The majority of homes in this neighborhood are grade 7. Delridge Way SW has been the center of townhouse development activity in the area and has numerous townhouses. There are approximately 900 parcels in this neighborhood, 38% of those are townhomes. Average trended sale price of improved parcels in this neighborhood is $751,000.

Neighborhood 40: Neighborhood 40 is a Delridge neighborhood. It is located west of neighborhood 50 and east of neighborhood 80. This neighborhood is heavily impacted by townhomes. There are about 490 parcels in this neighborhood and 46% of those are townhomes. The majority of homes in this neighborhood are grade 7. Average trended sale price of improved parcels in this neighborhood is $713,000.

Neighborhood 50: This neighborhood is located east of Delridge Way, west of neighborhood 60 and 90. South Seattle Community College is located here. Some parcels are affected by a wetland designation. The land value of such parcels was calculated using effective lot size methodology. Similarly, parcels affected by Longfellow Creek were valued using the same method. Longfellow Creek, which is 3.38 miles long, has nice trails for walkers, joggers, and runners that weave back and forth through natural and developed areas. Townhomes make up less than 4% of this neighborhood. The majority of homes in this neighborhood are grade 7. Average trended sale price of improved parcels in this neighborhood is $767,000.

Neighborhood 60: This is the smallest neighborhood in area 18. It is located west of West Marginal Way SW and east of Pigeon Point Park and Puget Park. There are no townhomes in this neighborhood. Most homes in this neighborhood are grade 6 and grade 7. This neighborhood is located in the middle of commercial warehouses and industries. Average trended sale price of improved parcels in this neighborhood is $729,000.

Neighborhood 70: This neighborhood is located south of the West Seattle Golf Course and Camp Long and east of 35th Ave SW. This neighborhood is in close proximity to the Alki Beach area and many restaurants, fast food establishments, and stores. There are no townhomes in

this neighborhood. The majority of homes in this neighborhood are grade 7. Average trended sale price of improved parcels in this neighborhood is $785,000.

Neighborhood 80: This neighborhood is located east of West Seattle Golf Course and south of Genesee Street. Townhomes make up less than 4% of this neighborhood. Most of the homes are grade 7 and were built before prior to 1940. Some of the parcels are affected by a stream channel (Longfellow creek). The land value of such parcels was calculated using effective lot size methodology. Average trended sale price of improved parcels in this neighborhood is $765,000.

Neighborhood 90: This neighborhood is located west of Holden St., south and east of neighborhood 50. The majority of homes are grade 7. Less than 4% of improvements in this neighborhood are townhome parcels. This neighborhood is close to Riverview Playfield. Average trended sale price of improved parcels in this neighborhood is $707,000.

Land Value Model Calibration

Single Family Land Schedule	
Lot Size	Value
1	$1,000
500	$46,000
1,000	$92,000
1,500	$136,000
2,000	$180,000
2,500	$190,000
3,000	$201,000
3,500	$211,000
4,000	$221,000
4,500	$232,000
5,000	$242,000
5,500	$252,000
6,000	$263,000
6,500	$273,000
7,000	$284,000
7,500	$294,000
8,000	$304,000
8,500	$315,000
9,000	$325,000
9,500	$335,000
10,000	$346,000
11,000	$366,000
12,000	$387,000
13,000	$408,000
14,000	$428,000
15,000	$449,000
16,000	$470,000
17,000	$490,000
18,000	$505,000
19,000	$516,000
20,000	$527,000
21,000	$537,000
22,000	$547,000
23,000	$556,000
24,000	$565,000
25,000	$573,000

Multi-Family Land Schedule	
Lot Size	Value
1	$1,000
500	$72,000
1,000	$144,000
1,500	$216,000
2,000	$274,000
2,500	$319,000
3,000	$356,000
3,500	$387,000
4,000	$414,000
4,500	$437,000
5,000	$459,000
5,500	$478,000
6,000	$495,000
6,500	$511,000
7,000	$526,000
7,500	$540,000
8,000	$553,000
8,500	$565,000
9,000	$577,000
9,500	$588,000
10,000	$598,000
11,000	$617,000
12,000	$635,000
13,000	$651,000
14,000	$666,000
15,000	$680,000
16,000	$693,000
17,000	$705,000
18,000	$717,000
19,000	$727,000
20,000	$738,000
21,000	$748,000
22,000	$757,000
23,000	$766,000
24,000	$774,000
25,000	$783,000

TH Plat Value no Nbhd	$232,000
Neighborhood	TH Plat w/ nbhd adj applied below
10	$208,000
20	$266,000
30	$278,000
40	$243,000
50	$232,000
60	$208,000
70	$278,000
80	$255,000
90	$232,000

*Townhouse location is indicated by the last digit of the Nghb (0=middle unit, 2=end unit, 3=stand alone unit). Ex: 100 indicates a middle unit, 102 indicates an end unit, 103 indicates a stand alone unit.

Neighborhood	Adjustment
10	90% of BLV
20	115% of BLV
30	120% of BLV
40	105% of BLV
50	100% of BLV
60	90% of BLV
70	120% of BLV
80	110% of BLV
90	100% of BLV

*The Nghb adjustment is to be applied to both Single Family & Multi-Family/Commercial zoned. The Townhouse Plat table above shows the value with this adjustment already applied.

Land values are not interpolated between square foot lot sizes.

Improved Parcel Total Value Model Calibration

Mountain (Cascades & Olympics)	Adjustment
Average	110%
Good	115%
Excellent	120%
Territorial	
Average	110%
Good	115%
Excellent	120%
Sm Lk/Rvr/Crk	
Average	105%
Good	110%
Excellent	115%
Seattle Skyline	
Average	115%
Good	120%
Excellent	125%
Puget Sound	
Fair	115%
Average	120%
Good	125%
Excellent	130%

*Primary Views only are not cumulative. If there are multiple views only the highest adjustment is applied.

Waterfront Footage (no view adjustment added if there is waterfront footage)

Waterfront footage was valued at $200 per front foot. Net Negative adjustment to be applied to total upland value + waterfront foot value. Ex. 5700sf lot in Nghb 10 with moderate traffic & 10 wfft:
Upland value $226,800 + Wfft 10 front feet x $200 = $2,000 = 228,800 x .95 = $217,000

Access	Adjustment
Restricted	-30%
Legal/Undeveloped	-20%
Walk In	-10%
Private	100%
Public	100%
Traffic	**Adjustment**
Moderate	-5%
High	-10%
Extreme	-15%
Restrictive Size/Shape	**Adjustment**
Yes	-20%
Unbuildable	**Adjustment**
Yes	-80%
Water Problems	**Adjustment**
Yes	-10%
Other Problems	**Adjustment**
Yes	-5% to -95%
Other Nuisance	**Adjustment**
Yes	-5% to -95%
Stream	**Adjustment**
Yes	-10%
Topography	**Adjustment**
Yes	-5% to -95%
Steep Slope	**Adjustment**
Yes	-10% if no topography adjustment
Landslide	**Adjustment**
Yes	-10%
Wetland	**Adjustment**
Yes	Case by Case Per Appraiser Judgement

*Negative Adjustments are cumulative except unbuildable which is to be applied after net positive & negative.

Improved Parcel Total Value Model Calibration

Land Value Calculation Example 1 (Single Family Zoning)

Zoning:	SF 5000
Lot Size:	5000
Neighborhood:	30
Townhouse:	N
Traffic:	N
Topography:	Y; Val %= -10
View:	Fair PS, Average Territorial
Calculation	
Land w/ NBHD Adj	$242,000*1.20=$290,400
Total Negative Adj	-10%
Total Positive Adj	+15%
Net Adj	+5%
New BLV=	$290,400*1.05=$304,000

Land Value Calculation Example 2 (Multi-Family Zoning)

Zoning:	LR3 (M)
Lot Size:	6000
Neighborhood:	10
Townhouse:	N
Traffic:	High
Topography:	None
View:	None
Calculation	
Land w/ NBHD Adj	$495,000*.90=$445,500
Total Negative Adj	-10%
Total Positive Adj	
Net Adj	+-10%
New BLV=	$445,500*.90=$401,000

Land Value Calculation Example 3 (Townhouse Plat)

Zoning:	LR2 (M)
Lot Size:	945
Neighborhood:	40
Townhouse:	Y
Traffic:	High
Topography:	None
View:	None
Calculation	
Land w/ NBHD Adj	$243,000
Total Negative Adj	-10%
Total Positive Adj	+0%
Net Adj	-10%
New BLV=	$243,000*.90=$218,000

Improved Parcel Valuation

Improved Parcel Data:

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

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

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

Model Development, Description and Conclusions:

Most sales were field verified and characteristics updated prior to model development. Sales were time adjusted to 1/1/2022.

The analysis of this area consisted of a systematic review of applicable characteristics which influence property values. A multiplicative model was developed for this area using market sales data adjusted to 1/1/2020. The model is cost based.

The valuation model applied to most properties was calibrated using multiple regression analysis, a statistical technique of estimating market values from sales and property characteristics. The valuation model incorporates characteristics that influence property values in the area. These characteristics include location, replacement cost, age, grade and condition. A list of variables for this model and their definitions is included below. The complete model equation and exception parcel parameters are also included in the section below.

Characteristics that indicated possible adjustments were analyzed using NCSS (Number Crunching Statistical Software) along with Microsoft Excel. A wide variety of charts, graphs, reports, and statistical diagnostics were analyzed to determine which specific variables would be included in the final valuation model.

998 sales from 1/2019 to 1/2022 were used to value a majority of the improved 1-3-unit parcels in Area 18. The sales sample represented the population well for most characteristics. Data used in the valuation models reflects the property characteristics at the time of the sale. There may be some

properties where the current data is different than the sales data due to the property being remodeled or changed in some manner and those properties were not included in this analysis.

There were some cases where the valuation model was not applicable. Those tended to be where the population was not adequately represented by the sales samples. Some examples of this are where the grade of the house is less than grade 5 quality, multiple buildings, condition lower than fair, and townhouses greater than average condition. Other valuation tools such as cost and cost less depreciation were available to aid in selecting a value for these types of properties or a factor of cost or cost less depreciation. Properties with more than one living unit were generally valued at EMV. Properties with more than one detached improvement were typically valued at EMV for primary unit and cost or cost less depreciation (RCN or RCNLD) for the additional units with a factor applied. In all cases, appraiser judgment was used in selecting the value for each parcel and when EMV was not used a note was left in Real Property describing the valuation method.

There are 2 mobile homes as primary residences in Area 18. Because of the lack of sales within Area 18 (no market sales between 2019 -2021), Land + (Total RCN*1.5) was used to value the properties. All of the manufactured homes were field-reviewed and characteristics were updated.

Improved Parcel Total Value Model Calibration

Non Townhouse Model

Variable	Definition
Sale Day	Time Adjustment
AgeC_sq	Age or Renovated Age of Improvement; Non Townhouse
BaseLandC_Allocation	2021 Base Land Value; Non Townhouse
ComboCostC	Building Cost New + Accy Cost less depreciation; Non Townhouse
FairYN	Fair Condition; Non Townhouse
FinBsmtYN	Finished Basement > 0; Non Townhouse
GoodYN	Good Condition; Non Townhouse
Grade6YN	Grade 6; Non Townhouse
Grade8YN	Grade 8; Non Townhouse
GradesAbove8YN	Grade 9 / Grade 10 / Grade 11; Non Townhouse
HvyTrafYN	Traffic > 0; Non Townhouse
Nghb30YN	Neighborhood 30; Non Townhouse
Nghb40YN	Neighborhood 40; Non Townhouse
Nghb70YN	Neighborhood 70; Non Townhouse
Nghb80YN	Neighborhood 80; Non Townhouse
Sub6YN	Sub Area 6; Non Townhouse
Sub7YN	Sub Area 7; Non Townhouse
VGoodYN	Condition Very Good; Non Townhouse

Multiplicative Model

(1-0.075) * EXP(4.13040492592329 - 0.0066277553730647 * AgeC_sq + 0.0796259685885201 * BaseLandC_Allocation + 0.36824970039377 * ComboCostC - 0.0620050983210668 * FairYN + 0.0150819672177717 * FinBsmtYN + 0.0260399798820524 * GoodYN - 0.0151151941875778 * Grade6YN + 0.0217928444859862 * Grade8YN + 0.0835361094148347 * GradesAbove8YN - 0.0164630048467832 * HvyTrafYN + 0.0467288960678553 * Nghb30YN + 0.0311402133928307 * Nghb40YN + 0.0327012619311342 * Nghb70YN + 0.0195008225901487 * Nghb80YN + 0.0621412380236429 * Sub6YN - 0.0480257279069068 * Sub7YN + 0.0661253774883194 * VGoodYN) * 1000

The information provided on this page serves as a basic illustration of the regression model and its components. This page is not intended to serve as a guide or framework for re-creating the regression model. More detailed information on the regression model, its components and variable transformations is available upon request.

Improved Parcel Total Value Model Calibration

EMV values were not generated for:

- Buildings with grade less than 5
- Buildings with poor condition
- Building two or greater. (EMV is generated for building one only.)
- If total EMV is less than base land value
- Lot size less than 500 square feet
- Buildings with Net Condition or Percent Complete

Improved Parcel Total Value Model Calibration

Townhouse Model

Variable	Definition
Sale Day	Time Adjustment
TH_AgeC_sq	Age or Renovated Age of Improvement; Townhouse
TH_BaseLandC_Allocation	2021 Base Land Value; Townhouse
TH_ComboCostC	Building Cost New + Accy Cost less depreciation; Townhouse
TotLivC	Total Living area; Townhouse
View UtilityYN	View Utility; Townhouse
GradeGreaterThan8YN	Grade 9 / Grade 10 / Grade 11; Townhouse
Middle_Unit_or_End_Unit_or_Detached_UnitC	Townhouse unit location (Middle Unit, End Unit, Stand Alone Unit)
Sub2YN	Sub Area 2; Townhouse
Sub7YN	Sub Area 7; Townhouse

Multiplicative Model

$(1-0.075) * EXP(\ 2.20601140224244 + 0.01763624033691 * GradeGreaterThan8YN + 0.00837206443279503 * Middle\_Unit\_or\_End\_Unit\_or\_Detached\_UnitC - 0.014481569019287 * Sub2YN - 0.0253995298146942 * Sub7YN - 0.00622741346184946 * TH\_AgeC\_sq + 0.334246435213188 * TH\_BaseLandC\_Allocation + 0.31510748603677 * TH\_ComboCostC + 0.255935158855234 * TotLivC + 0.0171367874769959 * ViewUtilYN) * 1000$

The information provided on this page serves as a basic illustration of the regression model and its components. This page is not intended to serve as a guide or framework for re-creating the regression model. More detailed information on the regression model, its components and variable transformations is available upon request.

EMV values were not generated for:

- Buildings less than average condition
- Buildings with good condition
- Building grade less than 6
- Building two or greater. (EMV is generated for building one only.)
- If total EMV is less than base land value
- Lot size less than 100 square feet
- Buildings with Net Condition or Percent Complete

Improved Parcel Total Value Model Calibration

Supplemental Models and Exceptions

Variable	Supplemental
Accessory Improvement Only	RCNLD (Reconstruction Cost New Less Depreciation)
Grade 4	RCNLD
Poor Condition	RCNLD
Multiple Imps	Land + ((Imp 1 EMV + Imp 2 RCNLD)*1.2); Factor is only applied if all imps are 100% complete
Net Condition > 0	Land + (Imp EMV * % Net Condition); If 50% Net Condition or less: RCNLD (RCNLD calculates the %)
Pct Complete > 0	Imp EMV adjusted by applicable % if 50% - 99%. RCNLD if below 50%
EMV < Baseland	Imp value $1,000 - $10,000 or RCNLD
Present Use=Townhouse & Good Condition	Total EMV * 1.04
Mobile Home	Land + (Total RCN * 1.5)

Note: In all cases Appraiser judgement prevails.

Physical Inspection Process

Effective Date of Appraisal: January 1, 2022
Date of Appraisal Report: October 3, 2022

Appraisal Team Members and Participation

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

- Jennifer Lizotte – Appraiser II: Team lead, coordination, valuation model development and testing. Land and total valuation appraisals. Sales verification, physical inspection and report writing.
- Nancy Wiggins – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation.
- Megan Persian – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation.
- Dick Pangallo – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation.

Sales Screening for Improved Parcel Analysis

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

1. Vacant parcels
2. Mobile Home parcels
3. Multi-Parcel or Multi Building parcels
4. New construction where less than a 100% complete house was assessed for 2021
5. Existing residences where the data for 2021 is significantly different than the data for 2022 due to remodeling
6. Parcels with improvement values, but no characteristics
7. Parcels with either land or improvement values of $1,000 or less posted for the 2021 Assessment Roll
8. Short sales, financial institution re-sales and foreclosure sales verified or appearing to be not at market
 (Available sales and additional Area information can be viewed from sales lists, eSales and Localscape)

Highest and Best Use Analysis

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

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

Standards and Measurement of Data Accuracy

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

We maintain uniformity with respect to building characteristics such as year-built, quality, condition, living area, stories, and land characteristics such as location (sub-area and plat), lot size, views, and waterfront. Other variables that are unique to the specific areas are also investigated. This approach ensures that values are equitable for all properties with respect to all measurable characteristics, whether the houses are larger or smaller, higher or lower quality, remodeled or not, with or without views or waterfront, etc.

Special Assumptions and Limiting Conditions

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

The following Departmental guidelines were considered and adhered to:
  ➢ Sales from 1/1/2019 to 12/31/2021 (at minimum) were considered in all analyses.
  ➢ Sales were time adjusted to 1/1/2022.
  ➢ This report is intended to meet the requirements of the Uniform Standards of Professional Appraisal Practice Standards 5 & 6.

Area 018 Market Value Changes Over Time

Non Townhouse

In a changing market, recognition of a sales trend to adjust a population of sold properties to a common date is required to allow for value differences over time. Market conditions prevalent in the last three years indicated that the best methodology for tracking market movement through time is a modeling technique using splines. Put simply, this is a way of drawing best fit lines through the data points in situations where there may be several different trends going on at different times. Splines are the use of two or more straight lines to approximate trends and directions in the market. Splines are best suited to react to the sudden market changes. To create larger and more reliable data sets for time trending, it was necessary in most instances to combine geographic areas that were performing similarly in the marketplace. The following chart shows the % time adjustment required for non townhouse sales to reflect the indicated market value as of the assessment date, **January 1, 2022**.

The time adjustment formula for Area 18 Non-Townhouse (Present Use <> Townhouse) is: (0.748377049077412 - 0.000111599273751711 * ((SaleDate<=44105)*SaleDate+(SaleDate>44105)*44105-44562) - 0.000335042422540958 * ((SaleDate>=44105)*SaleDate+(SaleDate<44105)*44105-44562))/(0.748377049077412 - 0.000111599273751711 * (-457))

For example, a sale of $600,000 which occurred on October 1, 2019 would be adjusted by the time trend factor of 1.243, resulting in an adjusted value of $745,800 ($600,000 * 1.243=$745,000) – truncated to the nearest $1000.

Area 018 Market Value Changes Over Time

Non Townhouse

SaleDate	Adjustment (Factor)	Equivalent Percent
1/1/2019	1.281	28.1%
2/1/2019	1.276	27.6%
3/1/2019	1.273	27.3%
4/1/2019	1.268	26.8%
5/1/2019	1.264	26.4%
6/1/2019	1.260	26.0%
7/1/2019	1.255	25.5%
8/1/2019	1.251	25.1%
9/1/2019	1.247	24.7%
10/1/2019	1.243	24.3%
11/1/2019	1.238	23.8%
12/1/2019	1.234	23.4%
1/1/2020	1.230	23.0%
2/1/2020	1.225	22.5%
3/1/2020	1.221	22.1%
4/1/2020	1.217	21.7%
5/1/2020	1.213	21.3%
6/1/2020	1.209	20.9%
7/1/2020	1.204	20.4%
8/1/2020	1.200	20.0%
9/1/2020	1.196	19.6%
10/1/2020	1.192	19.2%
11/1/2020	1.179	17.9%
12/1/2020	1.166	16.6%
1/1/2021	1.153	15.3%
2/1/2021	1.140	14.0%
3/1/2021	1.128	12.8%
4/1/2021	1.115	11.5%
5/1/2021	1.103	10.3%
6/1/2021	1.090	9.0%
7/1/2021	1.077	7.7%
8/1/2021	1.064	6.4%
9/1/2021	1.051	5.1%
10/1/2021	1.039	3.9%
11/1/2021	1.026	2.6%
12/1/2021	1.013	1.3%
1/1/2022	1.000	0.0%

Area 018 Market Value Changes Over Time

Townhouse Only

In a changing market, recognition of a sales trend to adjust a population of sold properties to a common date is required to allow for value differences over time. Market conditions prevalent in the last three years indicated that the best methodology for tracking market movement through time is a modeling technique using splines. Put simply, this is a way of drawing best fit lines through the data points in situations where there may be several different trends going on at different times. Splines are the use of two or more straight lines to approximate trends and directions in the market. Splines are best suited to react to the sudden market changes. To create larger and more reliable data sets for time trending, it was necessary in most instances to combine geographic areas that were performing similarly in the marketplace. The following chart shows the % time adjustment required for townhouse sales to reflect the indicated market value as of the assessment date, **January 1, 2022**.

The time adjustment formula for Area 18 for parcels coded with Present Use = Townhouse is:
((0.868291189531798 - 6.18221103725343E-05 * ((SaleDate<=44013)*SaleDate+(SaleDate>44013)*44013-44562) - 0.000254665859431927 * ((SaleDate>=44013)*SaleDate+(SaleDate<44013)*44013-44562))/(0.868291189531798 - 6.18221103725343E-05 * (-549))

For example, a sale of $600,000 which occurred on October 1, 2019 would be adjusted by the time trend factor of 1.174, resulting in an adjusted value of $704,400 ($600,000 * 1.174=$704,000) – truncated to the nearest $1000.

Area 018 Market Value Changes Over Time

Townhouse Only

SaleDate	Adjustment (Factor)	Equivalent Percent
1/1/2019	1.192	19.2%
2/1/2019	1.190	19.0%
3/1/2019	1.188	18.8%
4/1/2019	1.186	18.6%
5/1/2019	1.184	18.4%
6/1/2019	1.182	18.2%
7/1/2019	1.180	18.0%
8/1/2019	1.178	17.8%
9/1/2019	1.176	17.6%
10/1/2019	1.174	17.4%
11/1/2019	1.172	17.2%
12/1/2019	1.170	17.0%
1/1/2020	1.167	16.7%
2/1/2020	1.165	16.5%
3/1/2020	1.163	16.3%
4/1/2020	1.161	16.1%
5/1/2020	1.159	15.9%
6/1/2020	1.157	15.7%
7/1/2020	1.155	15.5%
8/1/2020	1.146	14.6%
9/1/2020	1.137	13.7%
10/1/2020	1.129	12.9%
11/1/2020	1.120	12.0%
12/1/2020	1.112	11.2%
1/1/2021	1.103	10.3%
2/1/2021	1.094	9.4%
3/1/2021	1.086	8.6%
4/1/2021	1.078	7.8%
5/1/2021	1.069	6.9%
6/1/2021	1.060	6.0%
7/1/2021	1.052	5.2%
8/1/2021	1.043	4.3%
9/1/2021	1.034	3.4%
10/1/2021	1.026	2.6%
11/1/2021	1.017	1.7%
12/1/2021	1.009	0.9%
1/1/2022	1.000	0.0%

Sales Sample Representation of Population

Year Built or Renovated

Sales

Year Built/Ren	Frequency	% Sales Sample
1900-1909	37	3.71%
1910-1919	67	6.71%
1920-1929	34	3.41%
1930-1939	15	1.50%
1940-1949	72	7.21%
1950-1959	31	3.11%
1960-1969	37	3.71%
1970-1979	25	2.51%
1980-1989	48	4.81%
1990-1999	45	4.51%
2000-2009	123	12.32%
2010-2019	313	31.36%
2020-2021	151	15.13%
	998	

Population

Year Built/Ren	Frequency	% Population
1900-1909	315	5.99%
1910-1919	439	8.35%
1920-1929	399	7.59%
1930-1939	181	3.44%
1940-1949	558	10.61%
1950-1959	323	6.14%
1960-1969	275	5.23%
1970-1979	262	4.98%
1980-1989	337	6.41%
1990-1999	464	8.82%
2000-2009	725	13.79%
2010-2019	657	12.50%
2020-2021	323	6.14%
	5,258	
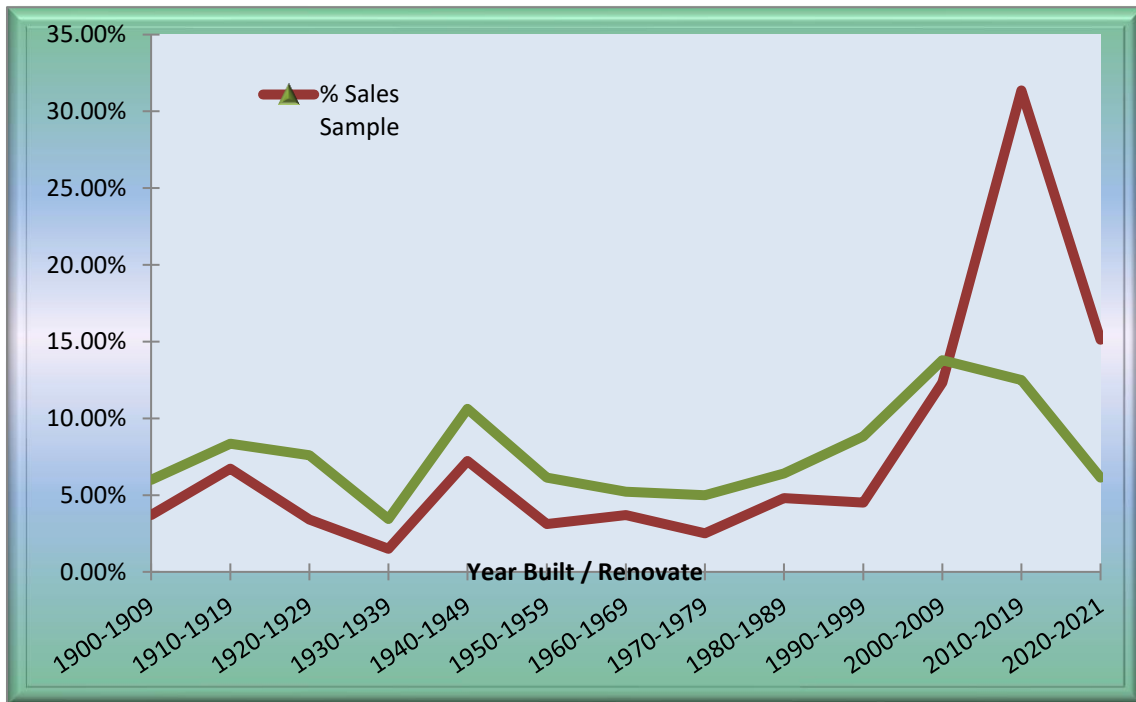
Sales of new homes built over the last few years are over represented in this sample.

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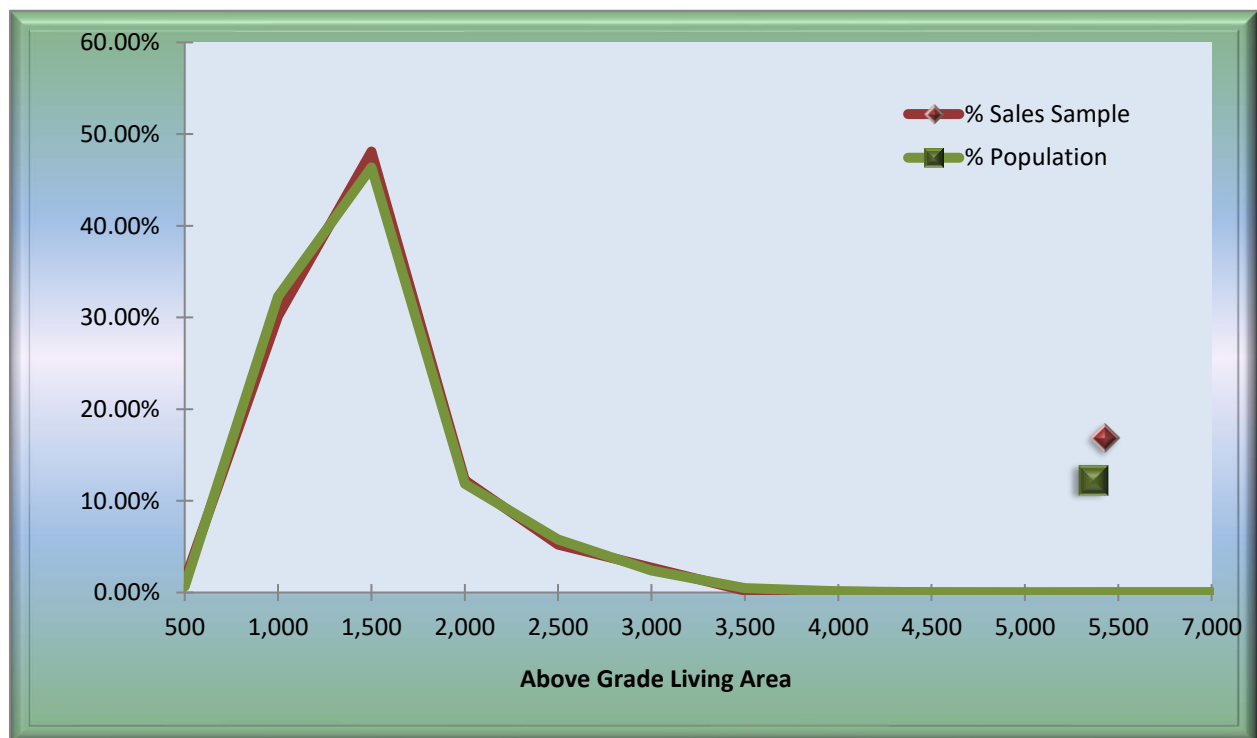
Sales Sample Representation of Population

Above Grade Living Area

Sales

AGLA	Frequency	% Sales Sample
500	13	1.30%
1,000	301	30.16%
1,500	480	48.10%
2,000	122	12.22%
2,500	52	5.21%
3,000	27	2.71%
3,500	2	0.20%
4,000	1	0.10%
4,500	0	0.00%
5,000	0	0.00%
5,500	0	0.00%
7,000	0	0.00%
	998	

Population

AGLA	Frequency	% Population
500	34	0.65%
1,000	1,697	32.27%
1,500	2,438	46.37%
2,000	623	11.85%
2,500	305	5.80%
3,000	126	2.40%
3,500	25	0.48%
4,000	7	0.13%
4,500	1	0.02%
5,000	0	0.00%
5,500	1	0.02%
7,000	1	0.02%
	5,258	

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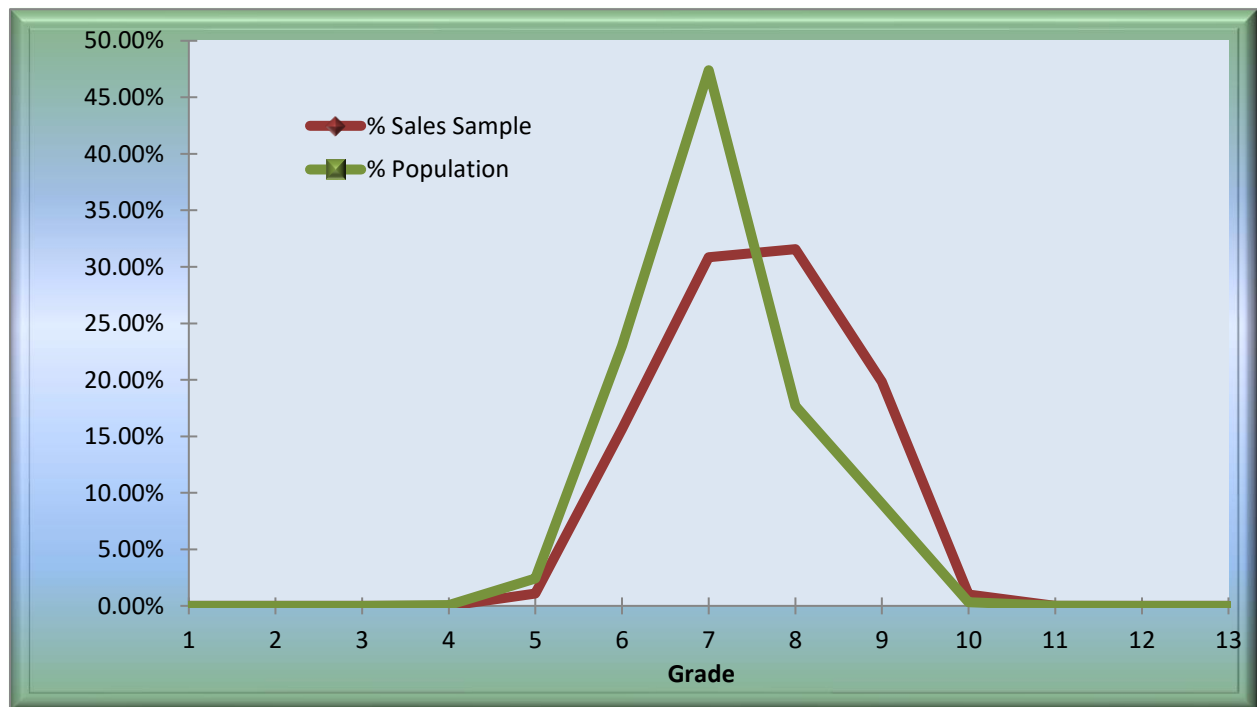
Sales Sample Representation of Population
Building Grade

Sales

Grade	Frequency	% Sales Sample
1	0	0.00%
2	0	0.00%
3	0	0.00%
4	0	0.00%
5	11	1.10%
6	156	15.63%
7	308	30.86%
8	315	31.56%
9	198	19.84%
10	10	1.00%
11	0	0.00%
12	0	0.00%
13	0	0.00%
	998	

Population

Grade	Frequency	% Population
1	0	0.00%
2	0	0.00%
3	0	0.00%
4	4	0.08%
5	128	2.43%
6	1,210	23.01%
7	2,492	47.39%
8	930	17.69%
9	476	9.05%
10	17	0.32%
11	1	0.02%
12	0	0.00%
13	0	0.00%
	5,258	

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

Results

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

The assessment level target for all Residential areas in King County, including this area, is 0.925. The International Association of Assessing Officers recommends a range of 0.90 to 1.10. Due to rounding or other statistical influences the median for a particular area may be slightly above or below this target. The median assessment level for this area is 92.2% .

Application of these recommended values for the 2022 assessment year (taxes payable in 2023) results in an average total change from the 2021 assessments of +16.8%. This increase is due partly to market changes over time and the previous assessment levels.

A Ratio Study was completed just prior to the application of the 2022 recommended values. This study benchmarks the prior assessment level using 2021 posted values (1/1/2021) compared to current adjusted sale prices (1/1/2022). The study was also repeated after the application of the 2022 recommended values. The results show an improvement in the COD from 8.99% to 7.24%.

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

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

2112700825/ Grade 5/ 1918 Blt/ 470sf TLA

2734100868/ Grade 5/ 1950 Blt/ 620sf TLA

7547300035/ Grade 6/ 1918 Blt/ 720sf TLA

0013002225/ Grade 6/1942 Blt/ 700sf TLA

5263300120/ Grade 7/1929 BLT/ 1430 TLA

3438500818/ Grade 7/ 1959 Blt/ 2840sf TLA

1722800830/ Grade 8/ 1900 BLT/ 2390sf TLA

1773100267/ Grade 8/ 2017 BLT/ 1670sf TLA

8941800080/ Grade 9/ 1992 BLT/ 2760sf TLA

1773600692/ Grade 9/ 2016 BLT/ 3120sf TLA

3438501771/ Grade 10/ 2007 BLT/ 3350 TLA

2135200150/ Grade 10/ 2017 BLT/ 3120 TLA

Glossary for Improved Sales

Condition: Relative to Age and Grade

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

Residential Building Grades

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

USPAP Compliance

Client and Intended Use of the Appraisal:

This mass appraisal report is intended for use by the public, King County Assessor and other agencies or departments administering or confirming ad valorem property taxes. Use of this report by others for other purposes is not intended by the appraiser. The use of this appraisal, analyses and conclusions is limited to the administration of ad valorem property taxes in accordance with Washington State law. As such it is written in concise form to minimize paperwork. The assessor intends that this report conform to the Uniform Standards of Professional Appraisal Practice (USPAP) requirements for a mass appraisal report as stated in USPAP Sandard 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.

- The individuals listed below were part of the "appraisal team" and provided significant real property appraisal assistance to the person signing this certification. Any services regarding the subject area performed by the appraiser within the prior three years, as an appraiser or in any other capacity is listed adjacent their name.
- To the best of my knowledge the following services were performed by the appraisal team within the subject area in the last three years:
  - Nancy Wiggins, Megan Persian, Dick Pangallo
  - Data Collection
  - Sales Verification
  - Appeals Response Preparation / Review
  - Appeal Hearing Attendance
  - Land and Total Valuation
  - New Construction Evaluation

- Any services regarding the subject area performed by me within the prior three years, as an appraiser or in any other capacity is listed adjacent to my name.

- To the best of my knowledge the following services were performed by me within the subject area in the last three years:
  - Jennifer Lizotte
  - 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

_____   10/3/2022

Appraiser II   Date

Department of Assessments
King County Administration Bldg.
201 S. Jackson St., Room 708, KSC – AS – 0708
Seattle, WA 98104
(206) 296-7300   FAX (206) 296-0595
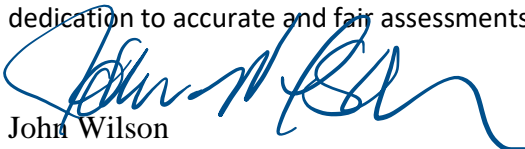**Email: assessor.info@kingcounty.gov**

John Wilson
Assessor

As we start preparations for the 2022 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, 2022 in conformance with generally accepted appraisal practices.
- Prepare written reports in compliance with USPAP Standard 6 for Mass Appraisals. The intended users of your appraisals and the written reports include the public, Assessor, the Boards of Equalization and Tax Appeals, and potentially other governmental jurisdictions. The intended use of the appraisals and the written reports is the administration of ad valorem property taxation.

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

John Wilson