

Fairwood

Area: 030

Residential Revalue for 2023 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

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

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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 with 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 on 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 that 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 are found in 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
201 S. Jackson St., Room 708, KSC – AS – 0708
Seattle, WA 98104

John Wilson
Assessor

Fairwood – Area 030
2023 Assessment Roll Year

Recommendation is made to post values for Area 030 to the 2024 tax roll:

Appraiser II: Erin McMurtrey

09/11/2023

Date

SW District Senior Appraiser: Cheryl Lewis

09/12/2023

Date

Residential Division Director: Jeff Darrow

9/13/2023

Date

This report is hereby accepted, and the values described in the attached documentation for Area 030 should be posted to the 2024 tax roll.

John Wilson, King County Assessor

9/14/2023

Date



Executive Summary

Fairwood - Area 030

Physical Inspection

Appraisal Date: 1/1/2023
Previous Physical Inspection: 2017
Number of Improved Sales: 827
Range of Sale Dates: 1/1/2020 – 12/31/2022 Sales were time adjusted to 1/1/2023.

Sales - Improved Valuation Change Summary:						
	Land	Improvements	Total	Mean Sale Price	Ratio	COD
2022 Value	\$219,900	\$479,900	\$699,800			6.83%
2023 Value	\$247,200	\$379,800	\$627,000	\$665,100	92.1%	6.71%
\$ Change	+\$27,300	-\$100,100	-\$72,800			
% Change	+12.4%	-20.9%	-10.4%			

The coefficient of dispersion (COD) is a measure of the uniformity of the predicted assessed values for properties within this geographic area. The 2023 COD of 6.71% is an improvement from the previous COD of 6.83%. 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 030 is a more homogenous market area, and the COD threshold prescribed by the IAAO should be no more than 10%. The resulting COD meets or exceeds the industry assessment standards. Sales from 1/1/2020 to 12/31/2022 (at a minimum) were considered in all analyses. Sales were time-adjusted to 1/1/2023.

Population - Improved Valuation Change Summary:			
	Land	Improvements	Total
2022 Value	\$219,000	\$427,700	\$646,700
2023 Value	\$247,900	\$332,700	\$580,600
\$ Change	+\$28,900	-\$95,000	-\$66,100
% Change	+13.2%	-22.2%	-10.2%

Number of one to three-unit residences in the population: 6,405

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 030 – Fairwood, 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 030 indicated that a substantial change was needed in the allocation of the land and improvement value as part of the total. The 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.

Area 030 Physical Inspection Ratio Study Report

PRE-REVALUE RATIO ANALYSIS

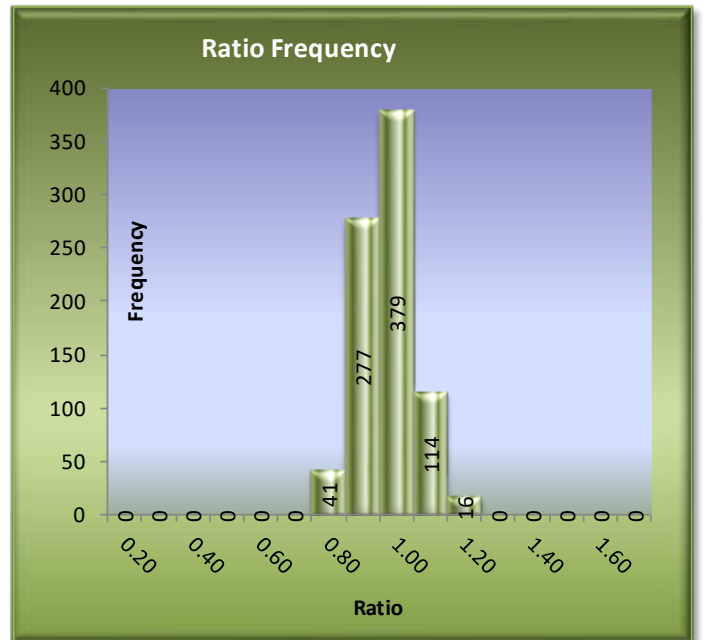
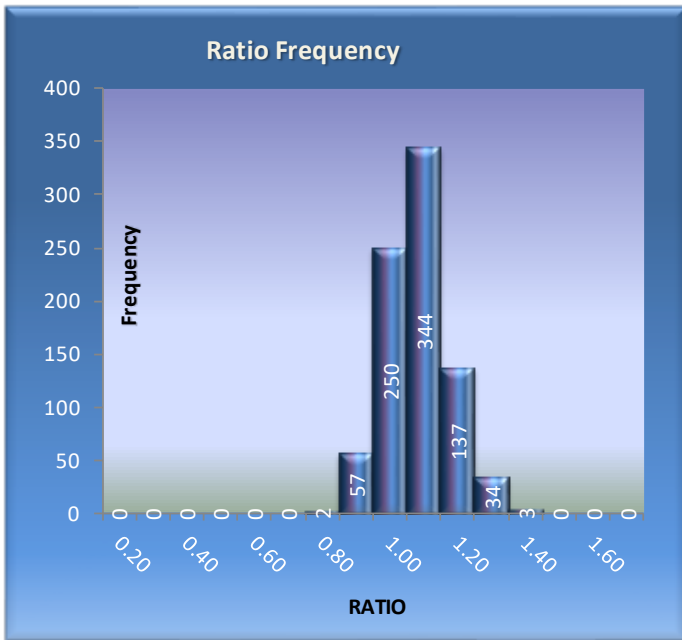
Pre-revalue ratio analysis compares time adjusted sales from 2020 through 2022 in relation to the previous assessed value as of 1/1/2023.

PRE-REVALUE RATIO SAMPLE STATISTICS	
<i>Sample size (n)</i>	827
<i>Mean Assessed Value</i>	699,800
<i>Mean Adj. Sales Price</i>	682,900
<i>Standard Deviation AV</i>	178,675
<i>Standard Deviation SP</i>	182,462
ASSESSMENT LEVEL	
<i>Arithmetic Mean Ratio</i>	1.031
<i>Median Ratio</i>	1.027
<i>Weighted Mean Ratio</i>	1.025
UNIFORMITY	
<i>Lowest ratio</i>	0.791
<i>Highest ratio:</i>	1.378
<i>Coefficient of Dispersion</i>	6.83%
<i>Standard Deviation</i>	0.090
<i>Coefficient of Variation</i>	8.77%
<i>Price Related Differential (PRD)</i>	1.006
<i>Price Related Bias (PRB)</i>	-1.95%

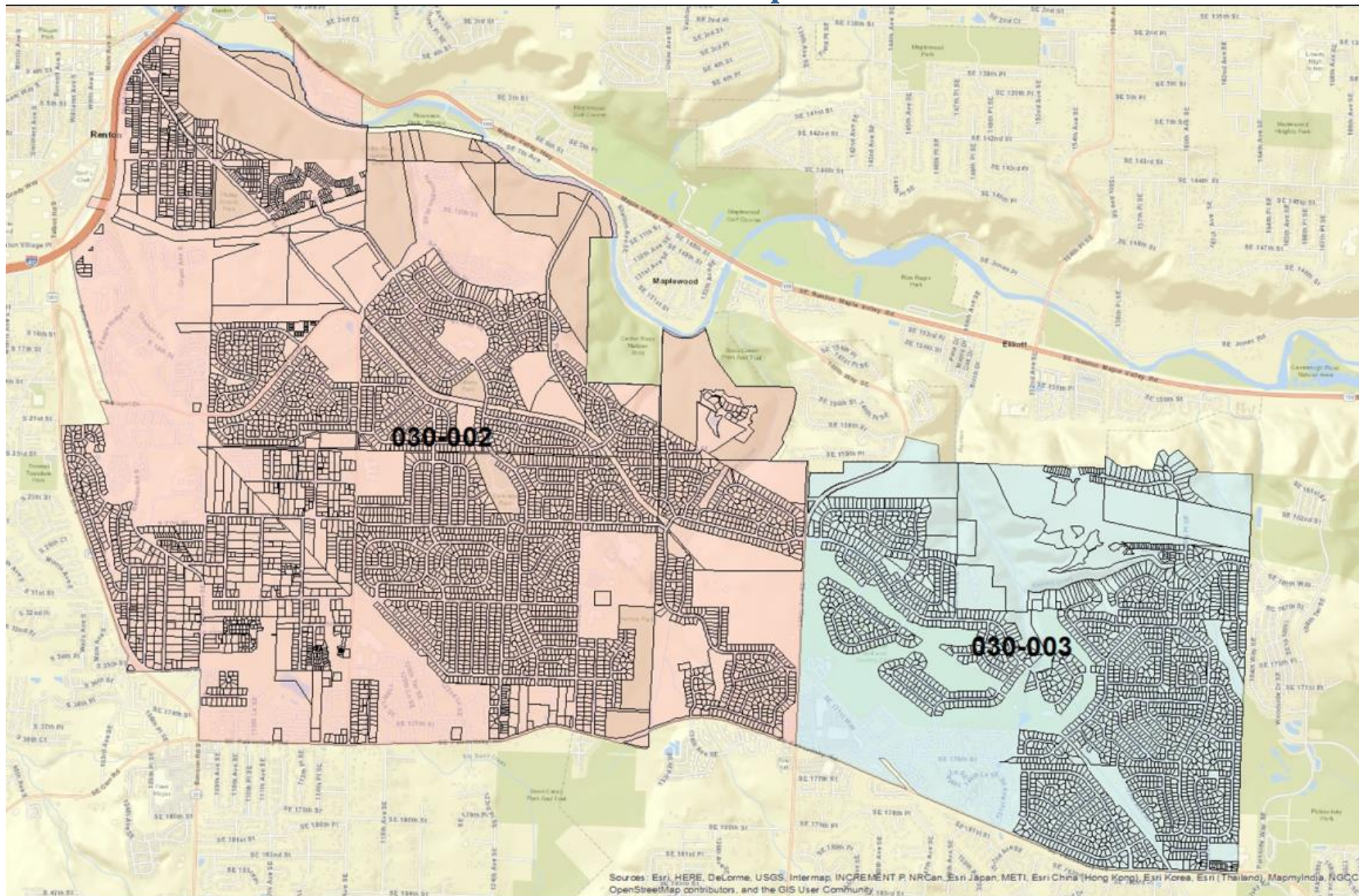
POST-REVALUE RATIO ANALYSIS

Post revalue ratio analysis compares time adjusted sales from 2020 through 2022 and reflects the assessment level after the property has been revalued to 1/1/2023.

POST REVALUE RATIO SAMPLE STATISTICS	
<i>Sample size (n)</i>	827
<i>Mean Assessed Value</i>	627,000
<i>Mean Sales Price</i>	682,900
<i>Standard Deviation AV</i>	156,895
<i>Standard Deviation SP</i>	182,462
ASSESSMENT LEVEL	
<i>Arithmetic Mean Ratio</i>	0.925
<i>Median Ratio</i>	0.921
<i>Weighted Mean Ratio</i>	0.918
UNIFORMITY	
<i>Lowest ratio</i>	0.720
<i>Highest ratio:</i>	1.177
<i>Coefficient of Dispersion</i>	6.71%
<i>Standard Deviation</i>	0.078
<i>Coefficient of Variation</i>	8.48%
<i>Price Related Differential (PRD)</i>	1.007
<i>Price Related Bias (PRB)</i>	-4.01%

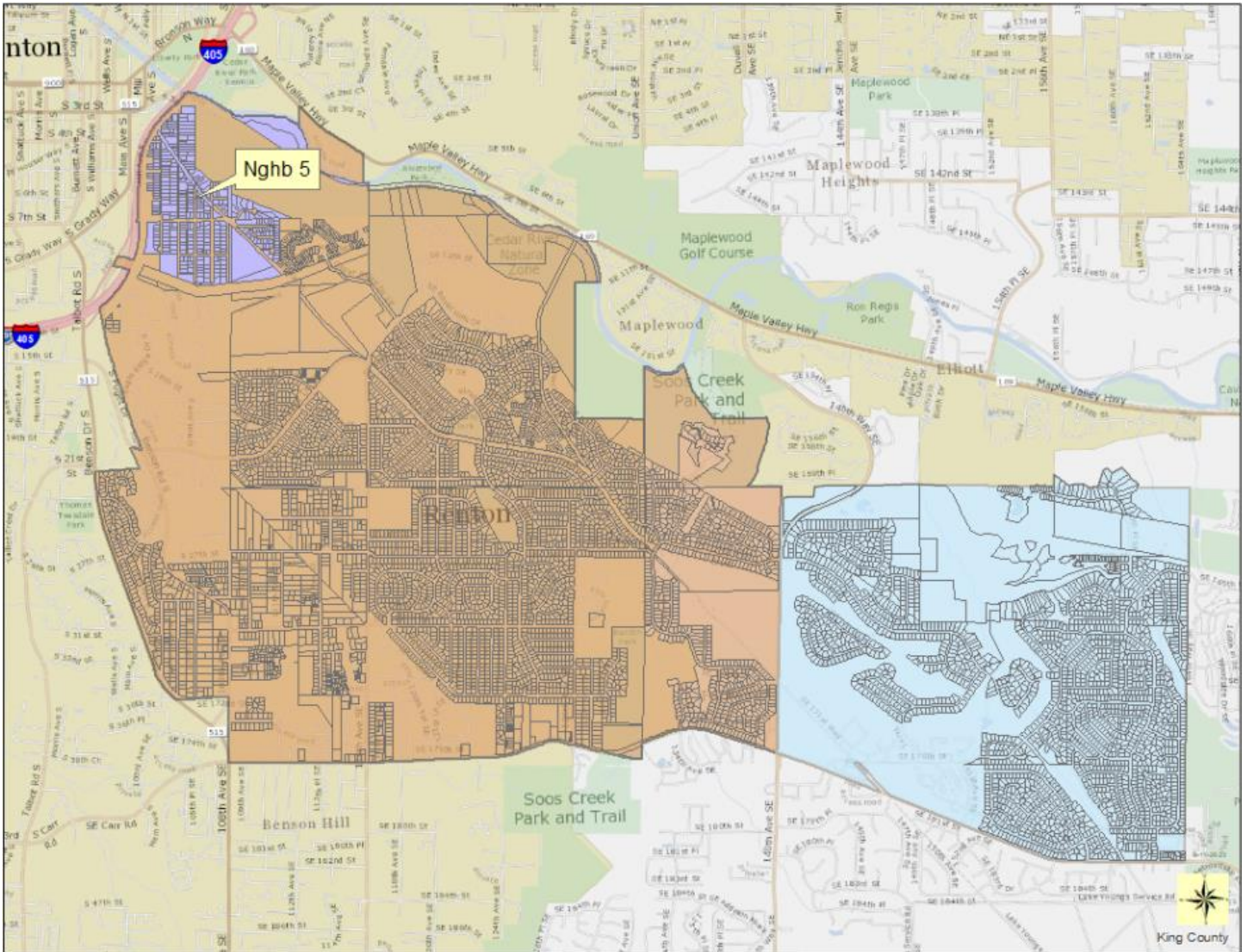


Area 030Map



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

Neighborhood Map



Area Information

Name or Designation

Area 030 - Fairwood

Boundaries

Area 30 is bounded on the north by the Cedar River and a greenbelt just south of Highway 169 ; on the south by SE Petrovitsky Road; on the west by Benson Drive S and I-405; and on the east by 163rd Place SE.

Maps

A general map of the area is included in this report. More detailed Assessor's maps are located on the 7th floor at 201 S Jackson St, Room 708, Seattle, WA.

Area Description

Area 30 is comprised of three market areas: Upper Renton Hill, Cascade, and Fairwood. This area is mostly homogenous with the majority of the parcels located within the City of Renton. Upper Renton Hill and Cascade are located within the Renton city limits, while Fairwood is in unincorporated King County. Area 30 is in close proximity to three major freeways (i.e. I-405, Valley Freeway 167, and I-5), business and employment centers, transportation hubs, shopping and medical facilities, and the Fairwood Golf course. Some topography and traffic noise issues impact this area.

The majority of the improvements in Area 30 consist of platted subdivisions of Grade 6, 7, and 8 single-family homes built primarily between 1960 and 1999 in average condition. New construction has been limited due to the lack of large developable parcels and scarcity of vacant lots. There are some small subdivisions that are being built, but overall new construction is limited to infill sites. Most of the larger available acreage tracts are affected by topography, wetlands, and sensitive areas. Remodeling and updating improvements are proceeding at a steady pace and are common in the area.

Area 30 is divided into subarea 2 and 3. Subarea 2 includes market areas of Fairwood, Cascade, and the Upper Renton Hill. The Upper Renton Hill area is coded as Neighborhood 5. This neighborhood is located southeast of downtown Renton, is not as homogeneous as the platted area, and has a significant variety of lot sizes and amenities. Many of the parcels in Neighborhood 5 have Lake Washington, territorial, and/or mountain views with differing parcel sizes and amenities (i.e. underground utilities, sidewalks, curbs/gutters, and streetlights). Subarea 3 consists of the Fairwood Greens Golf Course community and similar neighboring subdivisions.

Land Valuation

Vacant sales from 1/1/2020 to 12/31/2022 were given primary consideration for valuing land with emphasis placed on those sales closest to January 1, 2023.

A total of 9 vacant land and tear-down sales from Area 30 were analyzed to derive the land value. Data on lot size, zoning, location, topography, access, utilities, and views were considered while developing the land model.

Area 30 has 7,156 parcels, of which 233 are vacant sites. The median vacant site is approximately 15,000 square feet, while the median improved site size is approximately 8,000 square feet. A typical platted lot in the area has an average value range between \$210,000 and \$260,000, depending on size, location, and plat amenities. A typical non-platted lot in the area has an average value range of \$175,000 to \$245,000, with consideration given to size, sensitive areas, views, and access.

Land Model

Model Development, Description, and Conclusions

Land values were determined using the sales comparison approach and supplemented with the land allocation approach. For land allocation, we estimated a starting land-to-total value allocation of 25%. We used the starting allocation percentage in conjunction with the Assessor's depreciation table to calculate indicated land values for improved sold properties. The allocation approach gave results that were consistent with the limited number of vacant sales.

Land values were determined by a neighborhood plat value when applicable or a per-lot basis for tax lots and sites that have fewer amenities. Approximately 80% of the parcels within area 30 are located within an identified homogeneous plat. Plats with similar amenities such as curbing, sidewalks, street lights, and lot sizes, were given a single neighborhood coding and value. If a plat was more heterogeneous, the base lot schedule was used to value the land.

Typical characteristics for neighborhood 10 plat values may include little to no curbing, no sidewalks or a single narrow sidewalk on one side, and inadequate street lighting, with typical average usable lot sizes within the plat ranging from 4,000-6,000 square feet.

Typical characteristics for neighborhood 11 plat values may include little to no curbing, no sidewalks or a single narrow sidewalk on one side, and inadequate street lighting, with typical average usable lot sizes within the plat ranging from 6,000-10,000 square feet.

Typical characteristics for neighborhood 12 plat values may include little to no curbing, no sidewalks or a single narrow sidewalk on one side, and inadequate street lighting, with typical average usable lot sizes within the plat ranging from 10,000-15,000 square feet.

Typical characteristics for neighborhood 20 plat values may include some curbing, narrow to average sidewalks on one or both sides of the road, and inadequate to adequate street lighting, with typical average usable lot sizes within the plat ranging from 6,000-10,000 square feet.

Land Model... Continued

Typical characteristics for neighborhood 30 plat values may include some curbing, generally average sidewalks on both sides of the road, and adequate street lighting, with typical average usable lot sizes within the plat ranging from 6,000-10,000 square feet.

Typical characteristics for neighborhood 40 plat values may include curbing, generally average sidewalks on both sides of the road, and adequate to abundant street lighting, with typical usable lot sizes ranging from 5,000-7,000 square feet.

Typical characteristics for neighborhood 41 plat values may include curbing, generally average sidewalks on both sides of the road, and adequate to abundant street lighting, with typical usable lot sizes ranging from 7,000-10,000 square feet.

Neighborhood 70 plat is located within subarea 3, Fairwood, and includes the following majors: 247300, 247320, 247335, 247337, 247341, 247345-247353, 731335, and 937870.

Neighborhood 71 plat is located within subarea 3, Candlewood, and includes majors 132830-132835.

Land Value Model Calibration

Lot Size	Buildable
To	Value
<3,001	150,000
3001-4,000	175,000
4001-7,000	200,000
7001-10,000	220,000
10,001-15,000	245,000
15,001-20,000	270,000
20,001-26,000	295,000
26,001-35,000	320,000
35,001-43,559	345,000
1.0-1.25 acres	365,000
1.26-1.5 acres	385,000
1.51-1.75 acres	405,000
1.76-2 acres	420,000
2.01-2.25 acres	435,000
2.26-2.5 acres	450,000
2.51-2.75 acres	465,000
2.76-3.0 acres	480,000
3.01-10 Acres	Add \$30,000/Acre
10.01- 20 Acres	Add \$20,000/Acre
20.01-30 Acres	Add \$15,000/Acre
30.01+ Acres	Add \$10,000/Acre

Nghd Adjustment	
Nbhd	Adjustment
5	1.15

Plat Adjustments		
Major	Plat Name	Adjustment
885690	Valley Faire	1.15
951220	Wooddale	1.25
147306	Cedarwood	1.45

Views: Olympic/Territorial/Seattle Skyline	
Average	+10%
Good	+15%
Excellent	+20%
Views: Lake Washington	
Fair	+10%
Average	+15%
Good	+20%
Excellent	+25%
*Views are not cumulative, use highest percentage adjustment only	

Adjacent to Golf Course	+15%
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Land Value Model Calibration... Continued

Traffic Nuisance	
Moderate	-5%
High	-10%
Extreme	-15%

Other Negative Adjustments	
Unbuildable	-90%
Powerlines	Up to 90%
Topography	Up to 90%
Wetlands	Up to 90%
Other	Up to 90%
Easement	Up to 90%
Landslide	Up to 90%
Stream	Up to 90%
Road Access	Up to 90%

Plat Values	
Nbhd	Value
10	210,000
11	220,000
12	230,000
20	230,000
30	240,000
40	250,000
41	260,000
70	275,000
71	260,000

Land Valuation Example

5,000 sqft lot not located within a homogenous plat with good Seattle skyline view +15%, topography -5%, moderate traffic -5%

Overall Adjustment +5% (+15-5-5=+5)

*Base land value is adjusted as follows \$200,000 * 1.05= \$210,000*

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 the quality of construction. Reconstruction cost new (RCN) is calculated by 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 1/1/2023.

The analysis of this area consisted of a systematic review of applicable characteristics which influence property values. Characteristics that indicated possible significance in the marketplace were determined to be land value, age, and condition. In addition, the analysis showed townhomes, neighborhood 5 (see map (pg 8) and detailed description (pg 9)), and plats: Tiffany Park, Victoria Hills, and Rolling Hills Townhomes were also influential in the market.

Mobile Homes:

There are 41 mobile homes as primary residences in Area 30. There were 3 mobile home sales within the 3-year period analyzed. Because of the lack of mobile home sales in the area, the manufactured homes were valued as follows:

Base Land Value + RCNLD

Improved Parcel Total Value Model Calibration

Variable	Definition
Sale Day	Time Adjustment
AgeC_Ren	Age of Improvement
BaseLandC	2023 Adjusted Base Land Value
GoodYN	Condition Rating Good
VGoodYN	Condition Rating Very Good
Nghb5YN	Located in Neighborhood 5
TiffanyPark	Major>=864550 and Major<=864560
VictoriaHills	Major=889870
RollingHillsTH	Major=739910
TownhouseYN	Townhouse
TotalRcnC	Total Replacement Cost New

Multiplicative Model

$(1-0.075) * \text{EXP}(3.15335948646213 - 0.108788803208751 * \text{AgeC_Ren} + 0.240978355430996 * \text{BaseLandC} + 0.0550284155579205 * \text{GoodYN} + 0.0854292246867984 * \text{Nghb5} - 0.0845052608579132 * \text{RollingHillsTH} - 0.0352099902001068 * \text{TiffanyPark} + 0.40407078304547 * \text{TotalRcnC} - 0.145806018458121 * \text{TownhouseYN} + 0.126852941666942 * \text{VGoodYN} + 0.0723654522244871 * \text{VictoriaHills}) * 1000$

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 with a condition rating of poor
- 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 Obsolescence>0
- Buildings with Percent Complete>0
- Buildings with Net Condition>0

Supplemental Models and Exceptions

Description	Value Method
Poor Condition	BaseLandValue + \$1,000 imp value
Accessory Only	BaseLandValue + AccyRCNLD
Improvement Count greater than 1	Total EMV (for Imp 1) + BldgRNCLD for remaining imps
Obsolescence	BaseLandValue + ImpEMV (100 - % Obs)
Net Condition	BaseLandValue + (ImpEMV * %Good)
Percent Complete	BaseLandValue + (ImpEMV * %Complete)
EMV less than BaseLandValue	BaseLandValue + Minimal Imp Value
Mobile homes	BaseLandValue + AccyRCNLD + MHRCNLD

*In all cases, appraiser judgment may prevail over the listed methods above.

**When valuing properties with more than one building, add RCNLD to the calculated imp value for any accessories not associated with building 1.

Supplemental Built into EMV

Description	Value Method
Fair Condition	EMV * .90

*Because this is built into the model, use EMV when making value selections

Physical Inspection Process

Effective Date of Appraisal: January 1, 2023

Date of Appraisal Report: 09/11/2023

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.

- Erin McMurtrey – Appraiser II: Team lead, coordination, valuation model development and testing. Land and total valuation appraisals. Sales verification, physical inspection, and report writing.
- Jeff Holding – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection, and total valuation.
- Cynthia Smith – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection, and total valuation.
- Chris Wheeler – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection, and total valuation.
- Shayla Bergman – 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 2023
5. Existing residences where the data for 2022 is significantly different than the data for 2023 due to remodeling
6. Parcels with improvement values, but no characteristics
7. Parcels with either land or improvement values of \$10,000 or less posted for the 2022 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 that the highest and best use of the overwhelming majority of the appraised parcels is single-family residential. Any other opinion of the 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.

Physical Inspection Process... Continued

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 1/1/2020 to 12/31/2022 (at minimum) were considered in all analyses.
- Sales were time-adjusted to 1/1/2023.
- This report is intended to meet the requirements of the Uniform Standards of Professional Appraisal Practice Standards 5 & 6.

Area 030 Market Value Changes Over Time

In a changing market, recognition of a sales trend to adjust a population of sold properties to a common date is required to allow for value differences over time. 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 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 sales to reflect the indicated market value as of the assessment date, **January 1, 2023**.

The time adjustment formula for **Error! Reference source not found.** is:

$$(0.86425627160256-0.000612252312411631*((SaleDate \leq 44666)*SaleDate+(SaleDate > 44666)*44666-44927)+0.000706390638690712*((SaleDate \geq 44666)*SaleDate+(SaleDate < 44666)*44666-44927))/(0.86425627160256-0.000612252312411631*(-261))$$

For example, a sale of \$600,000 which occurred on October 1, 2021, would be adjusted by the time trend factor of 0.937, resulting in an adjusted value of \$562,000 ($\$600,000 * 0.937 = \$562,200$) – truncated to the nearest \$1000.

Area 030 Market Value Changes Over Time

SaleDate	Adjustment (Factor)	Equivalent Percent
1/1/2020	1.319185008	31.9%
2/1/2020	1.300651006	30.1%
3/1/2020	1.283312745	28.3%
4/1/2020	1.264778743	26.5%
5/1/2020	1.246842611	24.7%
6/1/2020	1.228308609	22.8%
7/1/2020	1.210372477	21.0%
8/1/2020	1.191838475	19.2%
9/1/2020	1.173304472	17.3%
10/1/2020	1.155368341	15.5%
11/1/2020	1.136834339	13.7%
12/1/2020	1.118898207	11.9%
1/1/2021	1.100364205	10.0%
2/1/2021	1.081830202	8.2%
3/1/2021	1.065089813	6.5%
4/1/2021	1.04655581	4.7%
5/1/2021	1.028619679	2.9%
6/1/2021	1.010085677	1.0%
7/1/2021	0.992149545	-0.8%
8/1/2021	0.973615543	-2.6%
9/1/2021	0.95508154	-4.5%
10/1/2021	0.937145409	-6.3%
11/1/2021	0.918611406	-8.1%
12/1/2021	0.900675275	-9.9%
1/1/2022	0.882141272	-11.8%
2/1/2022	0.86360727	-13.6%
3/1/2022	0.846866881	-15.3%
4/1/2022	0.828332878	-17.2%
5/1/2022	0.830999454	-16.9%
6/1/2022	0.852383196	-14.8%
7/1/2022	0.873077141	-12.7%
8/1/2022	0.894460883	-10.6%
9/1/2022	0.915844626	-8.4%
10/1/2022	0.93653857	-6.3%
11/1/2022	0.957922313	-4.2%
12/1/2022	0.978616257	-2.1%
1/1/2023	1	0.0%

Sales Sample Representation of Population

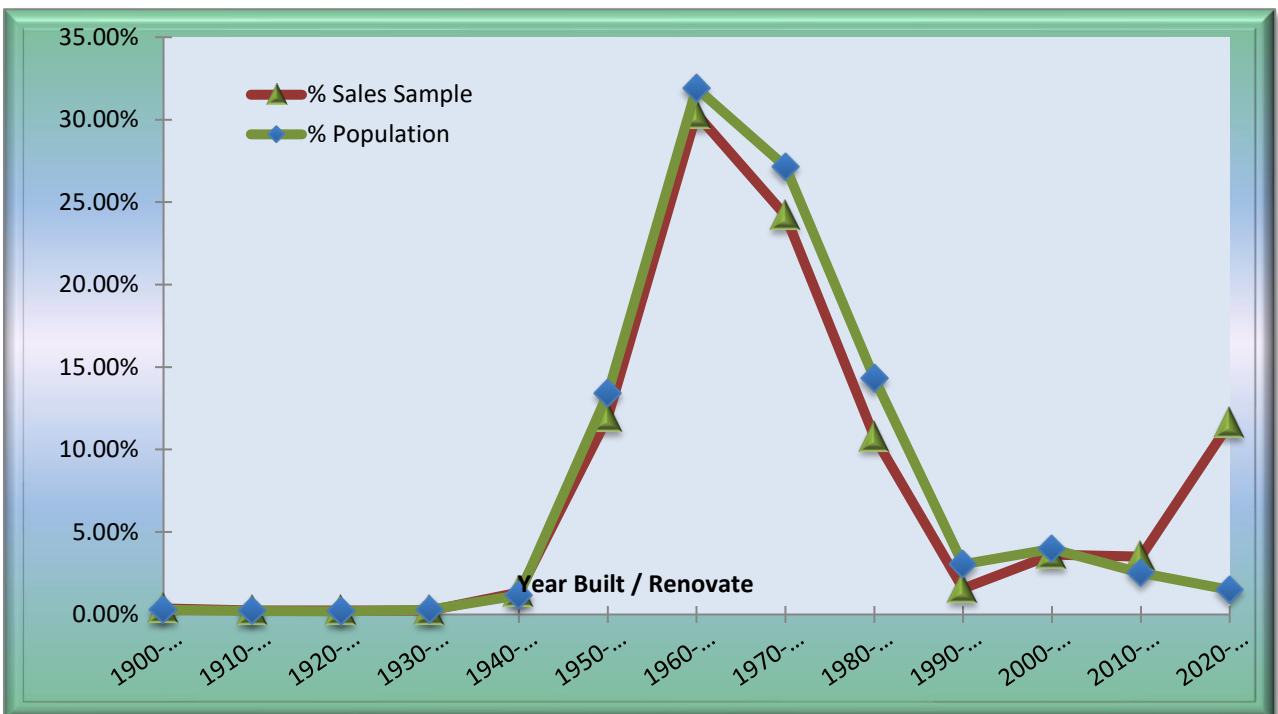
Year Built or Renovated

Sales

Year Built/Ren	Frequency	% Sales Sample
1900-1909	3	0.36%
1910-1919	2	0.24%
1920-1929	2	0.24%
1930-1939	2	0.24%
1940-1949	11	1.33%
1950-1959	99	11.97%
1960-1969	251	30.35%
1970-1979	200	24.18%
1980-1989	89	10.76%
1990-1999	13	1.57%
2000-2009	30	3.63%
2010-2019	29	3.51%
2020-2022	96	11.61%
Total	827	

Population

Year Built/Ren	Frequency	% Population
1900-1909	19	0.30%
1910-1919	14	0.22%
1920-1929	12	0.19%
1930-1939	18	0.28%
1940-1949	75	1.17%
1950-1959	859	13.41%
1960-1969	2,044	31.91%
1970-1979	1,740	27.17%
1980-1989	917	14.32%
1990-1999	195	3.04%
2000-2009	254	3.97%
2010-2019	162	2.53%
2020-2022	96	1.50%
Total	6,405	



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

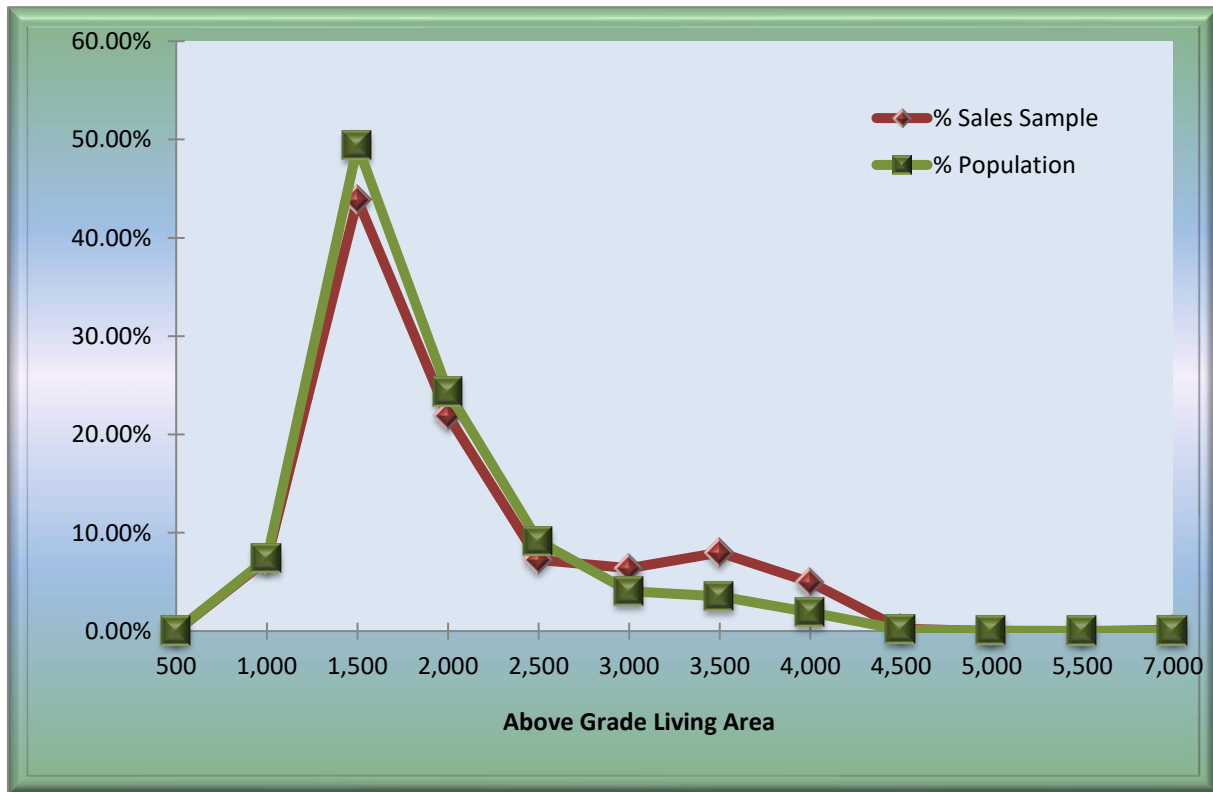
Above Grade Living Area

Sales

AGLA	Frequency	% Sales Sample
500	0	0.00%
1,000	60	7.26%
1,500	363	43.89%
2,000	181	21.89%
2,500	60	7.26%
3,000	53	6.41%
3,500	66	7.98%
4,000	41	4.96%
4,500	2	0.24%
5,000	0	0.00%
5,500	0	0.00%
7,000	1	0.12%
827		

Population

AGLA	Frequency	% Population
500	2	0.03%
1,000	473	7.38%
1,500	3,163	49.38%
2,000	1,558	24.32%
2,500	585	9.13%
3,000	260	4.06%
3,500	227	3.54%
4,000	123	1.92%
4,500	9	0.14%
5,000	3	0.05%
5,500	1	0.02%
7,000	1	0.02%
6,405		



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

Sales Sample Representation of Population

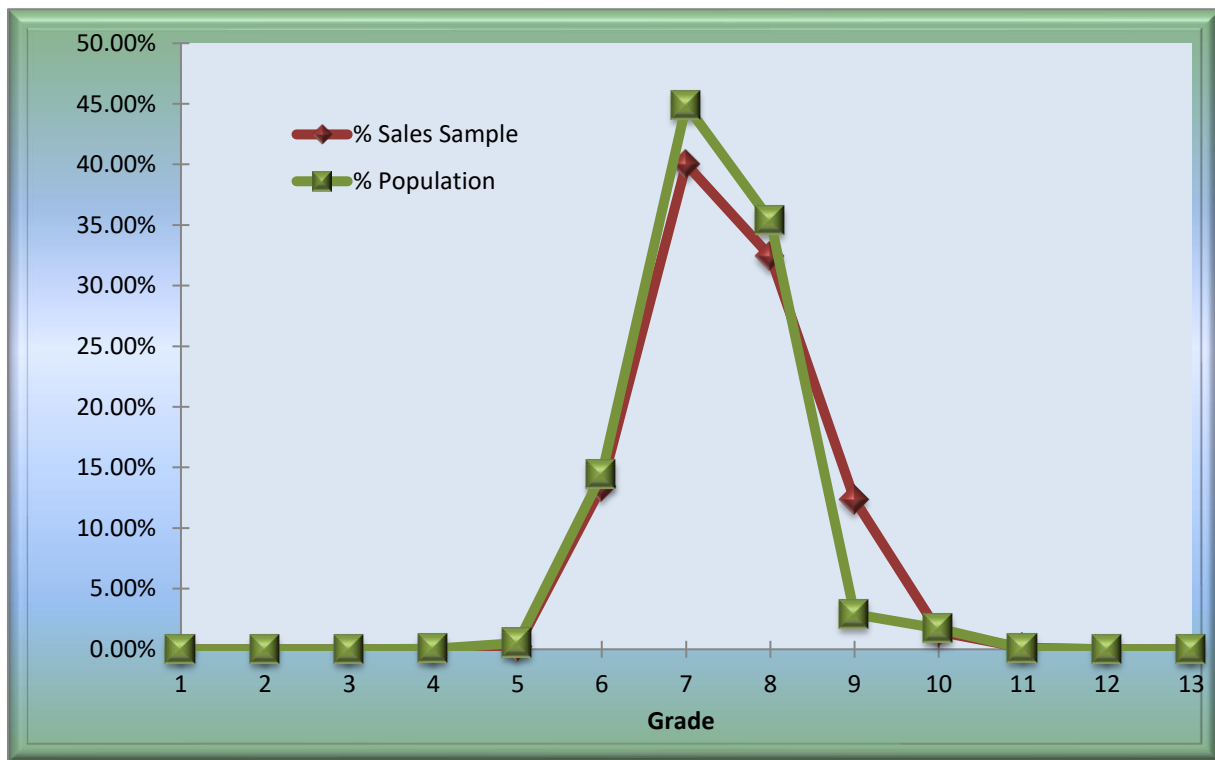
Building Grade

Sales

Grade	Frequency	% Sales Sample
1	0	0.00%
2	0	0.00%
3	0	0.00%
4	0	0.00%
5	2	0.24%
6	111	13.42%
7	331	40.02%
8	268	32.41%
9	102	12.33%
10	12	1.45%
11	1	0.12%
12	0	0.00%
13	0	0.00%
827		

Population

Grade	Frequency	% Population
1	0	0.00%
2	0	0.00%
3	0	0.00%
4	3	0.05%
5	34	0.53%
6	925	14.44%
7	2,876	44.90%
8	2,267	35.39%
9	186	2.90%
10	109	1.70%
11	4	0.06%
12	1	0.02%
13	0	0.00%
6,405		



The sales sample frequency distribution follows the population distribution fairly 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 is selected based on general and specific data pertaining to the parcel, the neighborhood, and the market. The appraiser determines which available value estimate may be appropriate. This value estimate may be adjusted based on particular characteristics and conditions as they occur in the valuation area.

The assessment level target for all 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 92.1%.

Application of these recommended values for the 2023 assessment year (taxes payable in 2024) results in an average total change from the 2022 assessments of -10.2%. This decrease 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 2023 recommended values. This study benchmarks the prior assessment level using 2022 posted values (1/1/2022) compared to current adjusted sale prices (1/1/2023). The study was also repeated after the application of the 2023 recommended values. The results show an improvement in the COD from 6.83% to 6.71%.

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

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

Area Error! Reference source not found. Housing Profile



Grade 5/ 1947 Year Built/ Total Living Area 880



Grade 6/ 1958 Year Built/ Total Living Area 1,130



Grade 7/ 1962 Year Built/ Total Living Area 1,960



Grade 8/ 1983 Year Built/ Total Living Area 1,520



Grade 9/ 2020 Year Built/ Total Living Area 2,020



Grade 10/ 2014 Year Built/ Total Living Area 4,308

Glossary for Improved Sales

Condition: Relative to Age and Grade

- 1= Poor Many repairs needed. Showing serious deterioration.
- 2= Fair Some repairs are needed immediately. Much deferred maintenance.
- 3= Average Depending upon the age of improvement; the 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 codes.
- 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 a concise form to minimize paperwork. The assessor intends that this report conforms to the Uniform Standards of Professional Appraisal Practice (USPAP) requirements for a mass appraisal report as stated in USPAP Standard 6. To fully understand this report the reader may need to refer to the Assessor's property record files, Assessor's real property database, 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 the 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 the 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 the amount of money a buyer willing but not obligated to buy would pay for it to a seller willing but not obligated to sell. In arriving at a determination of such value, the assessing officer can consider only those factors which can within reason be said to affect the price in negotiations between a willing purchaser and a willing seller, and he must consider all of such factors. (AGO 65,66, No. 65, 12/31/65)

Retrospective market values are reported herein because the date of the report is subsequent to the effective date of valuation. The analysis reflects market conditions that existed on the effective date of appraisal.

Highest and Best Use

RCW 84.40.030

All property shall be valued at one hundred percent of its true and fair value in money and assessed on the same basis unless specifically provided otherwise by law.

An assessment may not be determined by a method that assumes a land usage or highest and best use not permitted, for that property being appraised, under existing zoning or land use planning ordinances or statutes or other government restrictions.

USPAP Compliance...Continued

WAC 458-07-030 (3) True and fair value -- Highest and best use.

Unless specifically provided otherwise by statute, all property shall be valued on the basis of its highest and best use for assessment purposes. Highest and best use is the most profitable, likely use to which a property can be put. It is the use which will yield the highest return on the owner's investment. Any reasonable use to which the property may be put may be taken into consideration and if it is peculiarly adapted to some particular use, that fact may be taken into consideration. Uses that are within the realm of possibility, but not reasonably probable of occurrence, shall not be considered in valuing property at its highest and best use.

If a property is particularly adapted to some particular use this fact may be taken into consideration in estimating the highest and best use. (Samish Gun Club v. Skagit County, 118 Wash. 578 (1922))

The present use of the property may constitute its highest and best use. The appraiser shall, however, consider the uses to which similar property similarly located is being put. (Finch v. Grays Harbor County, 121 Wash. 486 (1922))

The fact that the owner of the property chooses to use it for less productive purposes than similar land is being used shall be ignored in the highest and best use estimate. (Samish Gun Club v. Skagit County, 118 Wash. 578 (1922))

Where land has been classified or zoned as to its use, the county assessor may consider this fact, but he shall not be bound to such zoning in exercising his judgment as to the highest and best use of the property. (AGO 63-64, No. 107, 6/6/64)

Date of Value Estimate

RCW 84.36.005

All property now existing, or that is hereafter created or brought into this state, shall be subject to assessment and taxation for state, county, and other taxing district purposes, upon equalized valuations thereof, fixed with reference thereto on the first day of January at twelve o'clock meridian in each year, excepting such as is exempted from taxation by law.

RCW 36.21.080

The county assessor is authorized to place any property that is increased in value due to construction or alteration for which a building permit was issued, or should have been issued, under chapter 19.27, 19.27A, or 19.28 RCW or other laws providing for building permits on the assessment rolls for the purposes of tax levy up to August 31st of each year. The assessed valuation of the property shall be considered as of July 31st of that year.

Reference should be made to the property card or computer file as to when each property was valued. Sales consummating before and after the appraisal date may be used and are analyzed as to their indication of value at the date of valuation. If market conditions have changed then the appraisal will state a logical cutoff date after which no market date is used as an indicator of value.

USPAP Compliance...Continued

Property Rights Appraised: Fee Simple

Wash Constitution Article 7 § 1 Taxation:

All taxes shall be uniform upon the same class of property within the territorial limits of the authority levying the tax and shall be levied and collected for public purposes only. The word "property" as used herein shall mean and include everything, whether tangible or intangible, subject to ownership. All real estate shall constitute one class.

Trimble v. Seattle, 231 U.S. 683, 689, 58 L. Ed. 435, 34 S. Ct. 218 (1914)

...the entire [fee] estate is to be assessed and taxed as a unit...

Folsom v. Spokane County, 111 Wn. 2d 256 (1988)

...the ultimate appraisal should endeavor to arrive at the fair market value of the property as if it were an unencumbered fee...

The Dictionary of Real Estate Appraisal, 3rd Addition, Appraisal Institute.

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

Assumptions and Limiting Conditions:

1. No opinion as to the 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 the provision of specific professional or governmental inspections.
4. Rental areas herein discussed have been calculated in accordance 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 that may or may not be present on or near the property. The existence of such substances may have an effect on the value of the property. No consideration has been given in this analysis to any potential diminution in value should such hazardous materials be found (unless specifically noted). We urge the taxpayer to retain an expert in the field and submit data affecting value to the assessor.

USPAP Compliance...Continued

8. No opinion is intended to be expressed for legal matters or that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers, although such matters may be discussed in the report.
9. Maps, plats, and exhibits included herein are for illustration only, as an aid in visualizing matters discussed within the report. They should not be considered as surveys or relied upon for any other purpose.
10. The appraisal is the valuation of the fee simple interest. Unless shown on the Assessor's parcel maps, easements adversely affecting property value were not considered.
11. An attempt to segregate personal property from the real estate in this appraisal has been made.
12. Items that 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 the 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 within the time limits indicated in the Revaluation Plan and as budgeted. The scope of work performed and disclosure of research and analyses not performed are identified throughout the body of the report.

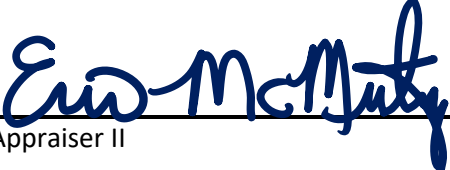
Certification:

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

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

USPAP Compliance...Continued

- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The area(s) physically inspected for purposes of this revaluation are outlined in the body of this report.
- The individuals listed below were part of the “appraisal team” and provided significant real property appraisal assistance to the person signing this certification. Any services regarding the subject area performed by the appraiser within the prior three years, as an appraiser, or in any other capacity are listed adjacent to 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:
 - Jeffery Holding, Cynthia Smith, Chris Wheeler, Shayla Bergman
 - Data Collection
 - Sales Verification
 - Appeals Response Preparation / Review
 - Appeal Hearing Attendance
 - Physical Inspection Model Development and Report Preparation
 - Land and Total Valuation
 - New Construction Evaluation
- Any services regarding the subject area performed by me within the prior three years, as an appraiser or in any other capacity are 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:
 - Erin McMurtrey
 - Annual Up-Date Model Development and Report Preparation
 - Data Collection
 - Sales Verification
 - Appeals Response Preparation / Review
 - Appeal Hearing Attendance
 - Physical Inspection Model Development and Report Preparation
 - Land and Total Valuation
 - New Construction Evaluation


Appraiser II

09/11/2023

Date



King County

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

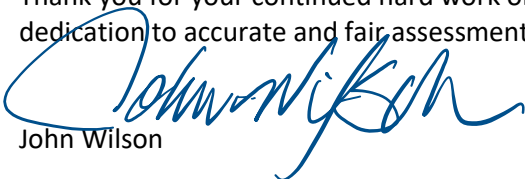
John Wilson
Assessor

As we start preparations for the 2023 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 the 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 as 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, 2023, 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, the 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