Executive Summary Report

Appraisal Date 1/1/2002 - 2002 Assessment Roll

Area Name / Number: East Rural King County / 90
Previous Physical Inspection: 1997

Sales - Improved Summary:
Number of Sales: 65
Range of Sale Dates: 01/01/1999 – 12/31/2001

Sales – Improved Valuation Change Summary

	Land	Imps	Total	Sale Price	Ratio	COV
2001 Value	$26,300	$107,300	$133,600	$146,200	91.4%	23.69%
2002 Value	$29,200	$113,400	$142,600	$146,200	97.5%	12.21%
Change	+$2,900	+$6,100	+$9,000		+6.1%	-11.48%
% Change	+11.0%	+5.7%	+6.7%		+6.7%	-48.46%

*COV is a measure of uniformity, the lower the number the better the uniformity. The negative figures of –11.48% and –48.46% actually represent an improvement.

Sales used in Analysis: All improved sales which were verified as good were included in the analysis. Multi-parcel, multi-building, and mobile home sales were excluded. In addition the summary above excludes sales of parcels that had improvement value of $1,000 or less posted for the 2002 Assessment Roll. This excludes previously vacant and destroyed property partial value accounts.

Population - Improved Parcel Summary Data:

	Land	Imps	Total
2001 Value	$24,500	$101,700	$126,200
2002 Value	$27,100	$108,300	$135,400
Percent Change	+10.6%	+6.5%	+7.3%

Number of improved Parcels in the Population: 656

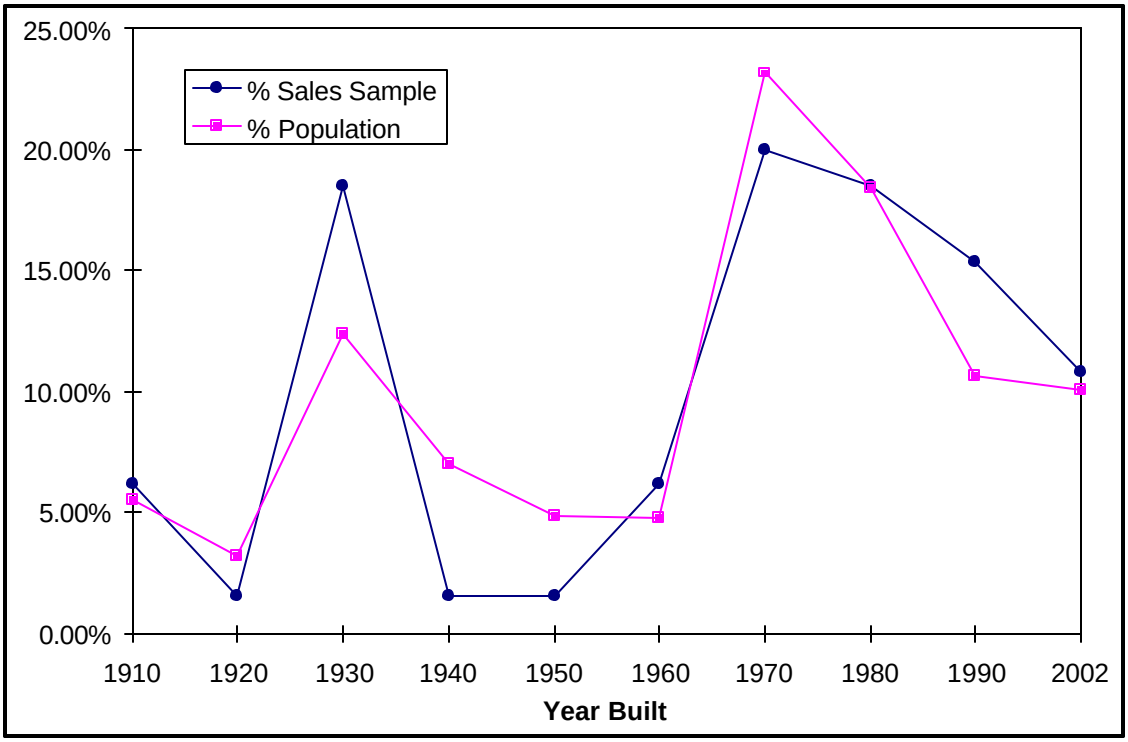
The population summary above excludes multi-building, and mobile home parcels. In addition parcels with 2001 or 2002 Assessment Roll improvement values of $1,000 or less were excluded to eliminate previously vacant or destroyed property value accounts. These parcels do not reflect accurate percent change results for the overall population.

Conclusion and Recommendation:
Since the values recommended in this report improve uniformity, assessment level and equity, we recommend posting them for the 2002 Assessment Roll.

Sales Sample Representation of Population - Year Built

Sales Sample		
Year Built	Frequency	% Sales Sample
1910	4	6.15%
1920	1	1.54%
1930	12	18.46%
1940	1	1.54%
1950	1	1.54%
1960	4	6.15%
1970	13	20.00%
1980	12	18.46%
1990	10	15.38%
2002	7	10.77%
	65	

Population		
Year Built	Frequency	% Population
1910	36	5.49%
1920	21	3.20%
1930	81	12.35%
1940	46	7.01%
1950	32	4.88%
1960	31	4.73%
1970	152	23.17%
1980	121	18.45%
1990	70	10.67%
2002	66	10.06%
	656	



The sales sample adequaltely represents the population. Sales that were built between 1921 and 1930 are over-represented in the sales sample.

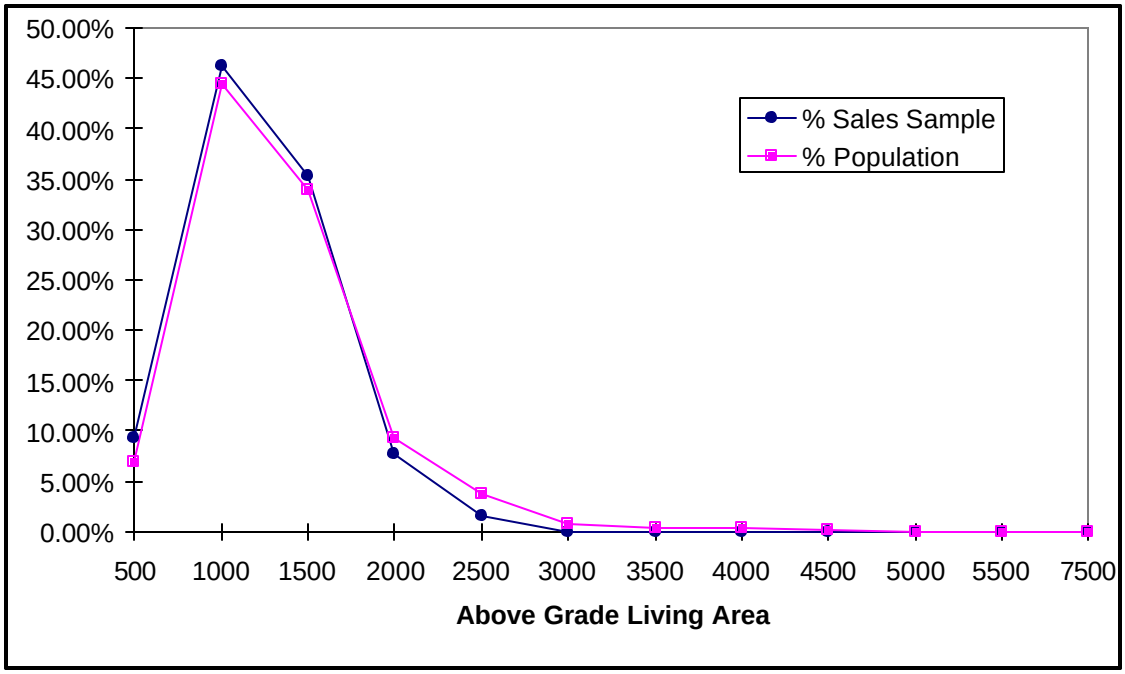
Sales Sample Representation of Population - Above Grade Living Area

Sales Sample

AGLA	Frequency	% Sales Sample
500	6	9.23%
1000	30	46.15%
1500	23	35.38%
2000	5	7.69%
2500	1	1.54%
3000	0	0.00%
3500	0	0.00%
4000	0	0.00%
4500	0	0.00%
5000	0	0.00%
5500	0	0.00%
7500	0	0.00%
	65	

Population

AGLA	Frequency	% Population
500	46	7.01%
1000	291	44.36%
1500	223	33.99%
2000	61	9.30%
2500	25	3.81%
3000	5	0.76%
3500	2	0.30%
4000	2	0.30%
4500	1	0.15%
5000	0	0.00%
5500	0	0.00%
7500	0	0.00%
	656	

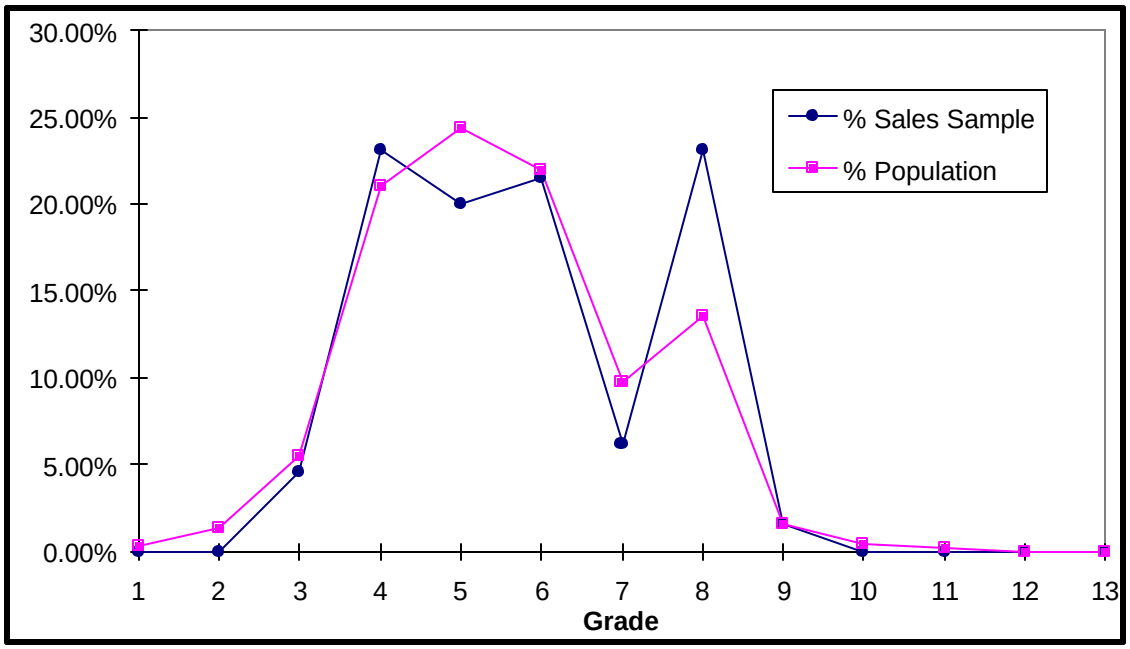


The sales sample frequency distribution follows the population distribution very closely with regard to Above Grade Living Area. This distribution is ideal for both accurate analysis and appraisals.

Sales Sample Representation of Population – Grade

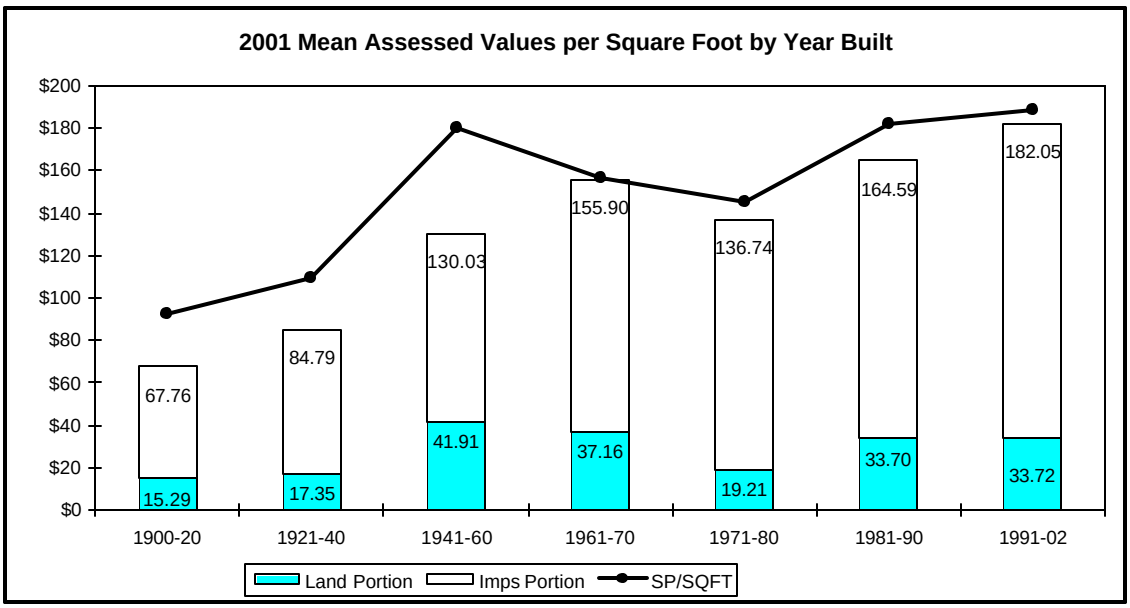
Sales Sample		
Grade	Frequency	% Sales Sample
1	0	0.00%
2	0	0.00%
3	3	4.62%
4	15	23.08%
5	13	20.00%
6	14	21.54%
7	4	6.15%
8	15	23.08%
9	1	1.54%
10	0	0.00%
11	0	0.00%
12	0	0.00%
13	0	0.00%
	65	

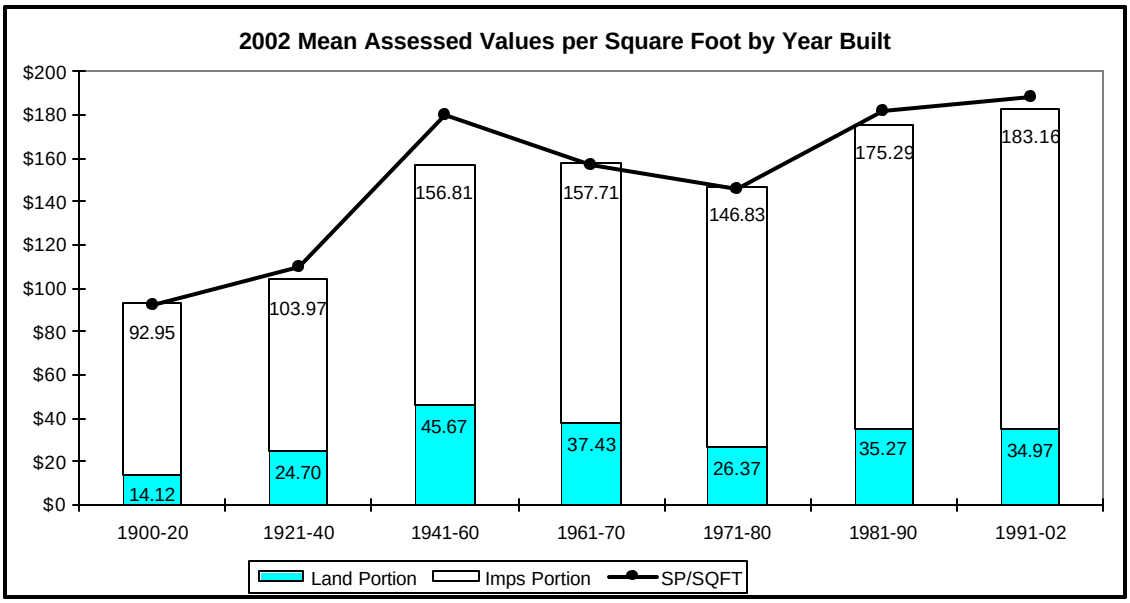
Population		
Grade	Frequency	% Population
1	2	0.30%
2	9	1.37%
3	36	5.49%
4	138	21.04%
5	160	24.39%
6	144	21.95%
7	64	9.76%
8	89	13.57%
9	10	1.52%
10	3	0.46%
11	1	0.15%
12	0	0.00%
13	0	0.00%
	656	



The sales sample frequency distribution follows the population distribution very closely with regard to Building Grade. This distribution is ideal for both accurate analysis and appraisals. Sales with a grade of 8 are over-represented in the sales sample.

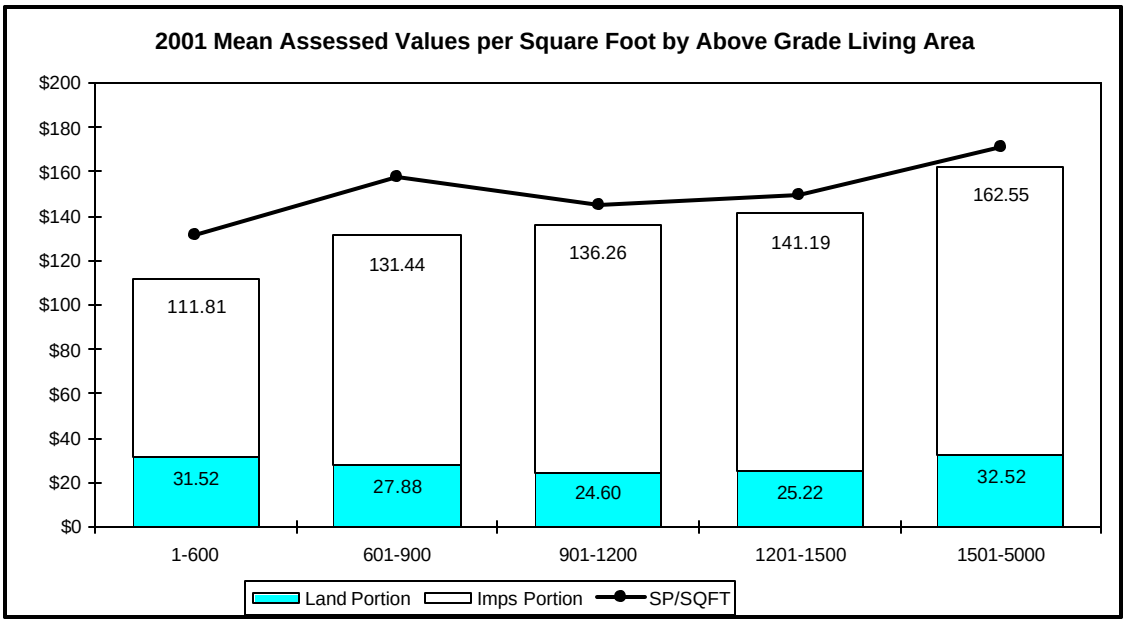
Comparison of 2001 and 2002 Per Square Foot Values by Year Built

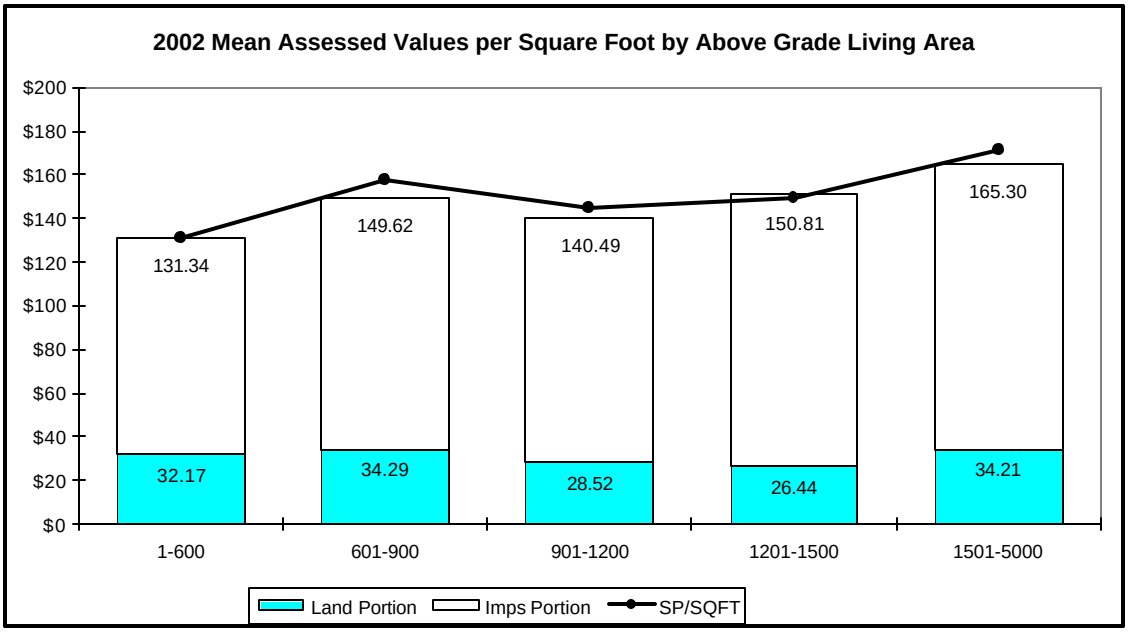




These charts clearly show an improvement in assessment level and uniformity by Year Built as a result of applying the 2002 recommended values. The values shown in the improvement portion of the chart represent the value for land and improvements. The sales sample had only 5 sales that were built between 1941 and 1960 thus limiting any statistical significance.

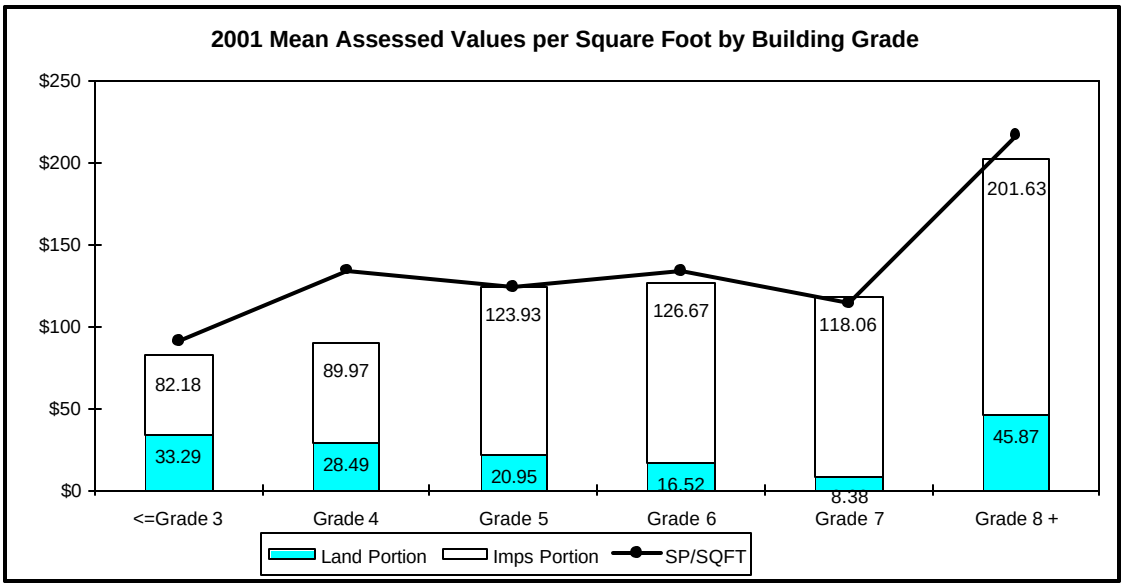
Comparison of 2001 and 2002 Per Square Foot Values by Above Grade Living Area

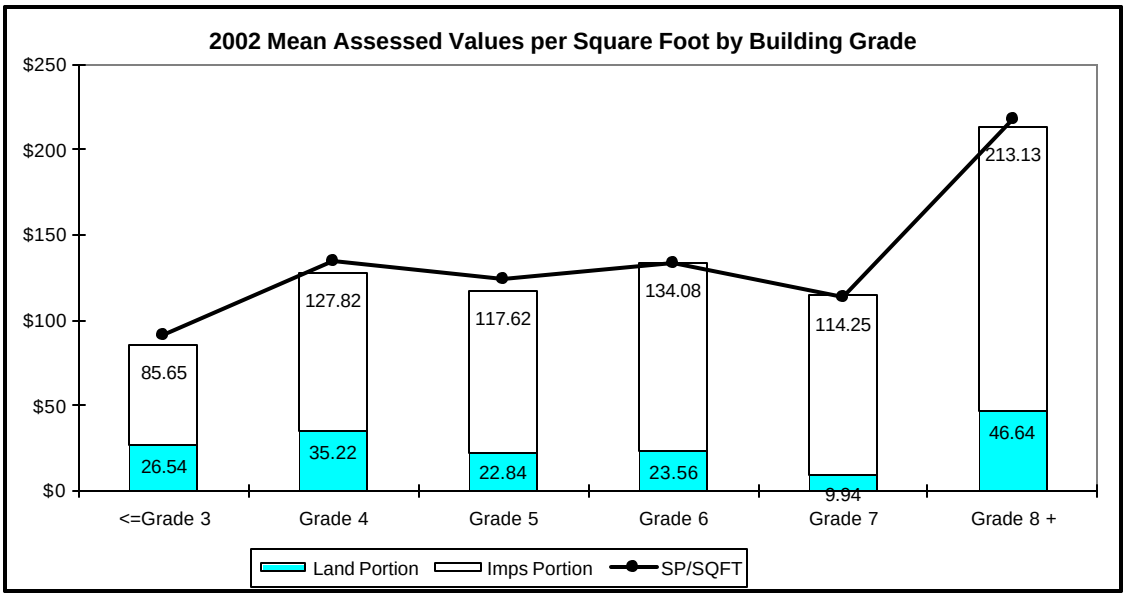




These charts clearly show an improvement in assessment level and uniformity by Above Grade Living Area as a result of applying the 2002 recommended values. The values shown in the improvement portion of the chart represent the value for land and improvements.

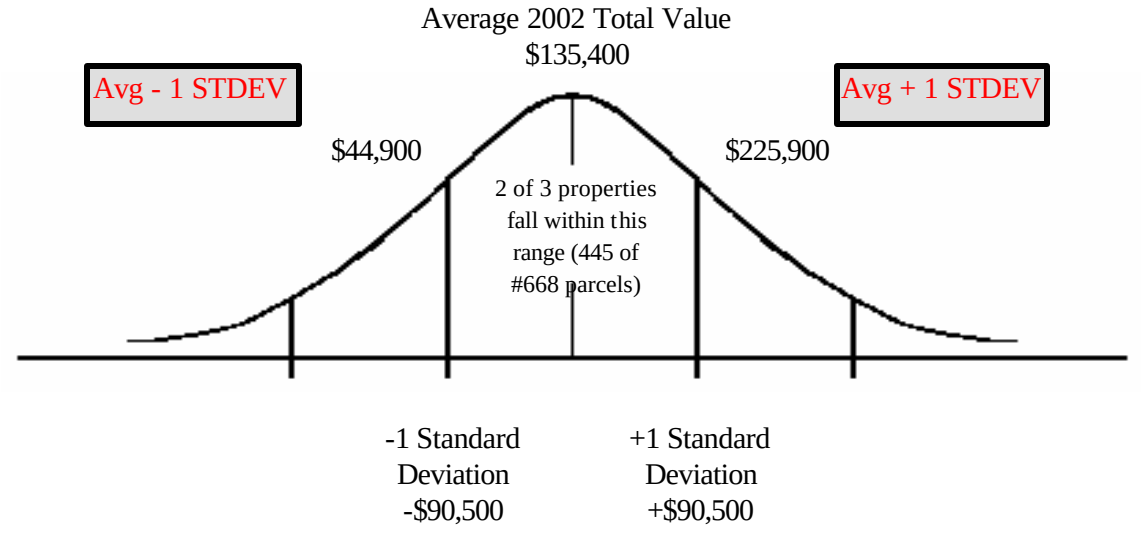
Comparison of 2001 and 2002 Per Square Foot Values by Grade





These charts clearly show an improvement in assessment level and uniformity by Building Grade as a result of applying the 2002 recommended values. The values shown in the improvement portion of the chart represent the value for land and improvements.

Population Summary



The chart above shows the average value for the population. Two of three parcels fall within the upper and lower value limits indicated.

The population summary above does not include sites with multiple buildings or mobile homes that were not included in the sales sample used to develop the valuation model. Parcels with 2001 or 2002 improvement values of $1,000 or less were also excluded. These were not utilized because of the inaccurate ratios presented by them, since they are largely composed of previously vacant sites, or parcels with improvements, which make relatively little contribution to total value.

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 of the valuation of that specific parcel. A significant number of properties are located within floodway boundaries and are either not developable or have severe restrictions on building. The highest and best use as if vacant on these properties would be recreational use.

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.

Special Assumptions, Departures 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.

The following Departmental guidelines were considered and adhered to:

- Sales from 01/01/1999 to 12/21/2001 (at minimum) were considered in all analyses.
- No market trends (market condition adjustments, time adjustments) were applied to sales prices. Models were developed without market trends. The utilization of three years of market information without time adjustments, averaged any net changes over that time period.
- This report intends to meet the requirements of the Uniform Standards of Professional Appraisal Practice, Standard 6.
- King County Residential Appraisers have carefully considered the impact of the national and regional economy on King County's residential real estate market. Prior to the current assessment cycle, countywide ratio studies were performed to reaffirm market direction and promote uniform valuation.

Identification of the Area

Name or Designation:

Area 90 – East Rural King County: Baring, Grotto, Skykomish, Scenic Hotsprings, Lake Hancock and Alpental.

Boundaries:

Area 90 is bounded to the North by the King/Snohomish County line; To the east by King/Chelan and King/Kittitas County lines; To the south by the township ranges 20-8, 20-9, 20-10, 20-11, 20-12 and 20-13 which run along the King/Pierce County line; To the west by the Snoqualmie Valley.

Maps:

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

Area Description:

Area 90 covers most of the eastern portion of King County to the crest of the Cascade Mountains. The majority of the improved parcels in Area 90 are located along either Highway 2 (Stevens Pass Highway) from Baring to Stevens Pass or Interstate 90 from just past North Bend to Snoqualmie Pass. The town of Skykomish is the only incorporated municipality in the area with a population of less than 300. The unincorporated communities of Baring , Grotto, Scenic Hotsprings, Lake Hancock and Alpental are also worthy of note.

A large number of the properties in Area 90 are located on rivers or in riverfront communities. Approximately 50% of the improved parcels in Area 90 have either waterfront or waterfront access. Due to location in flood plains or floodways many properties located on or near rivers are not developable or have development restrictions. These properties still have utility as recreational properties. These properties can still be used as RV, camping or day use sites. A significant percentage of improved properties are seasonal use properties thus are not permanently occupied. The improved parcels along both highway corridors are also in close proximity to winter sports destinations.

The majority of the total land area in East Rural King County is of tax-exempt status. These areas include The Mt. Baker Snoqualmie National Forest and The Alpine Lakes Wilderness Area.

Preliminary Ratio Analysis

A Ratio Study was completed just prior to the application of the 2002 recommended values. This study benchmarks the current assessment level using 2001 posted values. The study was also repeated after application of the 2002 recommended values. The results are included in the validation section of this report, showing an improvement in the COV from 23.61% to 12.21%.

Scope of Data

Land Value Data:

Vacant sales from 01/01/1999 to 12/31/2001 were given primary consideration for valuing land. Additionally some older sales were given consideration due to the limited amount of sales data. Enough vacant land sale data was available to make alternative land valuation techniques such as residual, extraction or allocation unnecessary. All accessible vacant land sales were inspected in the field and many were confirmed with parties to the sale.

Improved Parcel Total Value Data:

Sales information is obtained from excise tax affidavits and reviewed initially by the Accounting Division, Sales Identification Section. Information is analyzed and investigated by the appraiser in the process of revaluation. All sales 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. Sales are listed in the "Sales Used" and "Sales Removed" sections of this report. Additional information resides in the Assessor's procedure manual located in the Public Information area of the King County Administration Building.

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 principle 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.

Land Model

Model Development, Description and Conclusions

There are 2,834 parcels in Area 90. Of those parcels, 2,050 are vacant and 1,227 parcels have exempt status. Both tax lots and platted lots were valued using the same land valuation schedule with positive or negative adjustments applied to specific plats if necessary. Parcels that are recognized as exceptions, in a specific neighborhood were given an appropriate positive or negative adjustment.

Nearly 60% of Area 90 is coded with one or more Sensitive impacts such as topography, erosion, contamination, landslide hazard, seismic hazard, steep slope, stream, wetland, water problems, 100 year flood plain or other nuisances. Just over 18% of properties in Area 90 have some sort of waterfront footage. Less than 1% are located on Lake frontage (20 parcels on Lake Hancock) with the remaining 17% being river front. Many subdivisions or plats have shared waterfront access for upland lots. In evaluating the impact of river frontage on marketability the actual effects on market value were mixed. Parcels with river frontage offer an aesthetic appeal but also present possible hazards that could impact any future development. Appraisers were thorough in coding all apparent and/or acknowledged impacts on each property. Current FEMA flood maps as well as King County sensitive area data were considered when coding impacted properties.

More than 50 vacant land sales were analyzed and the land models were developed from the direct sales comparison approach. Approximately 90% land sales used are located in Area 90-1. Due to the limited number of land sales in Area 90-4, sales from the eastern portion of Area 80 and sales occurring before 01/01/1999 were considered as additional support to the Area 90-4 land values. The eastern portion of Area 80 is considered a similar and competing neighborhood to Area 90-4. Tax lots and platted lots were valued in relationship to there lot square footage. Adjustments both positive and negative were necessary for some plats.

The analysis of Area 90 revealed that two land models were necessary separating sub-areas 90-1 and 90-4. The analysis also revealed the necessity to make positive adjustments for river or lake front location. These adjustments are made in the form of an amount per front foot in addition to the base land value. Negative adjustments were necessary for non-developable lots, access issues, topography, traffic nuisances, power lines, water problems/flood, railroad track proximity and contamination. These negative adjustments were implemented in the form of a percent reduction. Petroleum contamination from a nearby rail yard has contaminated several properties in the town of Skykomish. Contamination data was referenced from a Washington State Department of Ecology study dated 10/17/2001 along with conversations with residents.

A list of vacant sales used and those considered not reflective of market are included in the following sections.

Land Value Model Calibration – Area 90

Area 90 Benchmark Land Values			
Acreage	Square Feet	Area 90-1	Area 90-4
0.05	2178	$5,000	$35,000
0.25	10890	$15,000	$50,000
0.50	21780	$20,000	$65,000
0.75	32670	$25,000	$72,500
1.00	43560	$30,000	$80,000
1.25	54450	$32,500	$82,500
1.50	65340	$35,000	$85,000
1.75	76230	$37,500	$87,500
2.00	87120	$40,000	$90,000
2.25	98010	$42,500	$92,500
2.50	108900	$45,000	$95,000
2.75	119790	$47,500	$97,500
3.00	130680	$50,000	$100,000
3.50	152460	$52,500	$102,500
4.00	174240	$55,000	$105,000
4.50	196020	$57,500	$107,500
5.00	217800	$60,000	$110,000
6.00	261360	$65,000	$115,000
7.00	304920	$70,000	$110,000
8.00	348480	$75,000	$115,000
9.00	392040	$80,000	$120,000
10.00	435600	$90,000	$125,000
11.00	479160	$91,250	$127,500
12.00	522720	$92,500	$130,000
13.00	566280	$93,750	$132,500
14.00	609840	$95,000	$135,000
15.00	653400	$96,250	$137,500
16.00	696960	$97,500	$140,000
17.00	740520	$98,750	$142,500
18.00	784080	$100,000	$145,000
19.00	827640	$101,250	$147,500
20.00	871200	$102,500	$150,000
21.00	914760	$103,750	$152,500
22.00	958320	$105,000	$155,000
23.00	1001880	$106,250	$157,500
24.00	1045440	$107,500	$160,000
25.00	1089000	$108,750	$162,500
26.00	1132560	$110,000	$165,000
27.00	1176120	$111,250	$167,500
28.00	1219680	$112,500	$170,000
29.00	1263240	$113,750	$172,500
30.00	1306800	$115,000	$175,000

Land Value Model Calibration – Area 90

Adjustment Range to Benchmark Land Values	
Riverfront Adjustments	
90-1	
1' to 100'	$150 to $175 per front foot + base land value
100' to 200'	$125 to $150 per front foot + base land value
200' to 300'	$100 to $125 per front foot + base land value
300' to 500'	$75 to $100 per front foot + base land value
90-4	
1' to 100'	$300 to $350 per front foot + base land value
100' to 200'	$250 to $300 per front foot + base land value
200' to 300'	$200 to $250 per front foot + base land value
300' to 400'	$150 to $200 per front foot + base land value
400' to 500'	$100 to $150 per front foot + base land value
No further adjustment above 500' of waterfront	
Subtract % From Benchmark Value	
Non-Developable Lots:	50% to 75%
Access:	10% to 40%
Topography:	10% to 40%
Moderate Traffic:	5% to 10%
High Traffic:	10% to 20%
Extreme Traffic:	20% to 25%
Power lines/Easements:	10% to 20%
Water Problems/Flood Plain:	10% to 25%
Other (Railroad tracks):	5% to 10%
Contamination:	50%

Land Value Model Calibration – Area 90 – Plats

90-1

PLAT NAME	MAJOR	SEC / TWN / RGE	# LOTS	LOT SIZE	YR BLT	GRADE	SITE VALUE
The Plat of the Berg	076050	SE 26-26-11	1	0.32 AC	1970	7	$17,000
Berg Replat	076070	SE 26-26-11	6	.16 to .24 AC	1980	7	$8,000 to $15,000
Town of Berlin	077310	NE & NW 28-26-11	56	.01 to 4.04 AC	1902 to1928	1 to 4	$500 to $55,000
1st Add to Town of Berlin	077410	NW 28-26-11	34	.28 to 2.33 AC	1906 to 2001	2 to 7	$15,000 to $43,000
Cass's Tye River TRS	143690	SW 30-26-12	15	.21 to 1.34 AC	1904 to 1974	3 to 8	$18,000 to $40,000
Cass's Tye River TRS #2	143750	SW 30-26-12	18	.25 to 1.02 AC	1920 to 1990	1 to 5	$10,000 to $18,000
Chamonix Village Add	150850	NE, NW & SE 2-26-10	25	.25 to 1.02 AC	1961 to 2001	4 to 8	$25,000 to $53,000
Foss River Cabin Sites	260860	SW 32-26-12	29	.24 to .90 AC	1963 to 1980	3 to 7	$1,000 to $40,000
Grotto Add	294310	SW 17-26-11	46	.05 to .74 AC	1906 to 1983	3 to 7	$3,000 to $24,000
Maloney's 1st Add	506080	SW 26-26-11	9	.01 to .16 AC	1903 to 1950	4 to 5	$500 to $4,000
Maloney's 2nd Add	506130	SW 26-26-11	27	.09 to 4.23 AC	1912 to 1928	3 to 6	$2,000 to $58,000
Maloney's 3rd Add	506180	SW 26-26-11	11	.02 to .31 AC	1900 to 1928	3 to 6	$500 to $14,000
Maloney's 4th Add	506230	SW & SE 26-26-11	41	.08 to 1.31 AC	1916 to 1070	3 to 7	$6,000 to $34,000
Maloney's 5th Add	506330	SE 26-26-11	21	.11 to 1.30 AC	1930 to 1948	4 to 6	$2,000 to $32,000
Montagna Park	558170	NW 2-26-10	32	.18 to .49 AC	1940 to 1993	2 to 6	$4,000 to $16,000
Riverwood Park #1	734970	NE 11-26-10 & NW 12-26-10	60	.23 to 4.63 AC	1964 to 2000	3 to 8	$1,000 to $36,000
Riverwood Park #2	734980	NE 11-26-10 & NW & SW 12-26-10	94	.16 to .72 AC	1971 to 1998	4 to 8	$15,000 to $26,000
Sky River Estates	780560	SE 26-26-11	25	.22 to .36 AC	1980 to 1998	6 to 8	$12,000 to $48,000
Skyco Park Add	780660	SE 2-26-10	34	.03 to .38 AC	1930 to 1971	4 to 6	$1,000 to $18,000
Town of Skykomish	780780	SW 26-26-11	44	.01 to .58 AC	1900 to 1948	4 to 7	$1,000 to $20,000
Skylandia Add	780940	SE 2-26-10	52	.21 to .76 AC	1961 to 1994	3 to 6	$4,000 to $8,000
Timber Lane Village	864940	SW 30-26-12	125	.12 to 3.06 AC	1924 to 2001	3 to 9	$4,000 to $40,000
Tye River Lodge TRS	873270	SW 29-26-13	75	.01 to 2.45 AC	1960 to 2001	4 to 6	$1,000 to $20,000

90-4

PLAT NAME	MAJOR	SEC / TWN / RGE	# LOTS	LOT SIZE	YR BLT	GRADE	SITE VALUE
Aces Friday Creek	002500	SE 18-20-11	7	.12 to 14.72 AC	1945 to 1954	3	$1,000 to $39,000
Alpental Add	019230	NW, SW, SE 33-23-11	126	.21 to .78 AC	1966 to 2001	8 to 11	$5,000 to $75,000
Lake Hancock Hideouts	403250	SW 9-24-9	20	.09 to 1.02 AC	1920 to 1987	1 to 8	$26,000 to $60,000

Verified Vacant Sales Available to Develop the Valuation Model
Area 90

Sub Area	Major	Minor	Sale Date	Sale Price	Lot Size	View	Water-front
1	022610	9085	07/09/99	15000	417304	N	N
1	077310	0545	10/17/01	23000	132590	N	N
1	077310	2100	06/07/00	28950	135950	N	N
1	077410	0585	06/07/00	33950	64298	N	N
1	077410	0665	02/22/99	32950	78947	N	N
1	077410	0805	12/16/99	35950	64000	N	N
1	077410	0845	07/06/01	35500	51000	N	N
1	077410	1290	10/09/00	33950	59346	N	N
1	077410	1425	12/04/00	33950	59346	N	N
1	077410	1435	12/06/00	33950	59346	N	N
1	077410	1565	07/13/99	42950	59346	N	N
1	077410	1565	01/11/01	28000	59346	N	N
1	077410	1755	01/04/99	33000	66250	N	N
1	077410	1765	12/16/99	37000	69159	N	N
1	077410	1770	04/14/00	34950	51000	N	N
1	112610	9030	05/20/99	32000	398138	N	N
1	112610	9085	02/11/00	32000	292287	N	N
1	112610	9088	10/21/99	25000	20908	N	Y
1	252611	9057	08/10/01	8000	16100	N	N
1	260860	0310	09/13/00	18000	23010	N	N
1	262611	9013	08/20/01	95000	291852	Y	Y
1	282611	9007	01/23/01	91000	436900	N	Y
1	282611	9031	01/26/01	30950	53049	N	N
1	282611	9032	01/04/99	58000	96268	Y	Y
1	282611	9032	05/30/01	70000	96268	Y	Y
1	282611	9038	09/23/99	38950	72330	N	N
1	282611	9039	12/16/99	35950	76386	N	N
1	282611	9040	04/03/00	31950	86701	N	N
1	282611	9041	06/16/00	35950	104953	N	N
1	282612	9020	05/10/99	22500	199069	Y	Y
1	294310	0240	04/03/00	25000	30450	N	N
1	302612	9015	12/19/00	50000	248727	N	N
1	302612	9036	12/20/99	56000	192970	N	N
1	302612	9037	01/12/00	60000	196020	N	N
1	302612	9038	10/31/01	60000	217800	N	N
1	302612	9039	04/16/01	98000	282268	N	Y
1	302612	9040	02/06/01	95000	286624	N	Y
1	506230	0117	05/17/00	20000	10000	N	N
1	558170	0165	06/01/99	5000	21124	N	N
1	734980	0350	12/13/00	10000	9100	N	N
1	734980	0680	03/01/99	16000	12500	N	N
1	734980	0680	08/11/00	26950	12500	N	N
1	734980	0880	04/10/00	15000	10218	N	N
1	780940	0010	10/13/00	6000	18942	N	N

Verified Vacant Sales Available to Develop the Valuation Model
Area 90 (Continued)

Sub Area	Major	Minor	Sale Date	Sale Price	Lot Size	View	Water-front
1	864940	0060	10/03/00	21000	9750	N	N
1	864940	0560	09/15/00	12000	13050	N	N
1	873270	0880	05/11/00	15000	59241	Y	Y
4	019230	0080	02/22/99	52000	13440	Y	Y
4	019230	0430	04/02/01	65000	14240	Y	N
4	019230	1030	12/11/01	98000	12646	Y	N
4	019230	1280	09/23/99	72000	33938	Y	N
4	292309	9019	07/27/01	346000	2311729	Y	Y

Verified Vacant Sales Removed From Model Development

Area 90

Sub Area	Major	Minor	Sale Date	Sale Price	Comments
1	077410	1565	11/03/99	42950	1031 TRADE;
1	112509	9003	02/18/00	31000	GOVERNMENT AGENCY; TIMBER AND FOREST LAND;
1	112610	9088	10/21/99	25000	ESTATE ADMINISTRATOR, GUARDIAN, OR EXECUTOR;
1	112610	9099	08/20/99	8000	RELATED PARTY, FRIEND, OR NEIGHBOR;
1	260860	0110	03/05/01	32500	QUIT CLAIM DEED; RELATED PARTY, FRIEND, OR NEIGHBOR;
1	260860	0310	09/13/00	18000	RELATED PARTY, FRIEND, OR NEIGHBOR;
1	262611	9013	08/20/01	95000	ESTATE ADMINISTRATOR, GUARDIAN, OR EXECUTOR;
1	272611	9010	10/12/99	8485	GOVERNMENT AGENCY; EXEMPT FROM EXCISE TAX; AND OTHER WARNINGS;
1	272611	9062	03/01/99	8000	NON-REPRESENTATIVE SALE;
1	282611	9032	05/30/01	70000	RELATED PARTY, FRIEND, OR NEIGHBOR;
1	282611	9038	09/23/99	38950	IMP. CHARACTERISTICS CHANGED SINCE SALE;
1	282611	9042	11/03/99	42950	1031 TRADE;
1	282612	9020	05/10/99	22500	EXEMPT FROM EXCISE TAX; RELATED PARTY, FRIEND, OR NEIGHBOR;
1	282613	9015	04/30/01	8333	PARTIAL INTEREST (1/3, 1/2, Etc.);
1	292613	9051	04/30/99	120000	NON-PROFIT ORGANIZATION;
1	292613	9051	06/11/99	70000	GOVERNMENT AGENCY;
1	294310	0076	10/11/00	8000	QUIT CLAIM DEED;
1	294310	0195	01/31/00	3000	QUIT CLAIM DEED; RELATED PARTY, FRIEND, OR NEIGHBOR;
1	294310	0200	01/31/00	3000	QUIT CLAIM DEED; RELATED PARTY, FRIEND, OR NEIGHBOR;
1	294310	0240	04/03/00	25000	RELATED PARTY, FRIEND, OR NEIGHBOR;
1	506230	0117	05/17/00	20000	RELATED PARTY, FRIEND, OR NEIGHBOR;
1	864940	0060	10/03/00	21000	MULTI-PARCEL SALE;
1	864940	0290	10/11/99	6000	RELATED PARTY, FRIEND, OR NEIGHBOR;
4	019230	0090	02/24/99	26228	NON-REPRESENTATIVE SALE;
4	019230	0250	12/20/99	11700	NON-REPRESENTATIVE SALE;
4	062210	9009	04/08/00	12000	NO MARKET EXPOSURE;
4	122309	9005	05/23/00	110000	GOVERNMENT AGENCY;
4	192211	9001	12/15/00	197242	GOVERNMENT AGENCY;
4	312011	9002	12/15/99	25713097	GOVERNMENT AGENCY; TRADE; AND OTHER WARNINGS;

Improved Parcel Total Value Model:

Model Development, Description and Conclusions

Most sales were field verified and characteristics updated prior to model development. Additionally, all sales from 01/01/1999 to 12/31/2001 were given equal consideration and weight in the model. The assessment level sought in this valuation is 100% of market as mandated by the governing jurisdiction.

East Rural King County is not subject to similar market dynamics common to most of King County. The more remote locations of improved properties in Area 90 have limiting impacts on both supply and demand. These limiting impacts include but are not limited to, the distance from major employment centers, location of many area properties in flood plains or floodways, and more extreme weather conditions. Because of these limiting impacts 3 years of sales were considered to develop the valuation model. A large percentage of improvements in Area 90 are for recreational/seasonal use, thus not occupied year around. The majority of properties with year around habitation are located near the town of Skykomish or the community of Baring. These communities are located within a 1.5 to 2 hour drive of Seattle. New Construction in Area 90 is limited to spot lot construction. A large percentage of the new construction in Area 90 is for recreational/seasonal use properties. No new subdivisions are currently being developed. Market conditions such as higher development costs, lack of new construction in the market area as well as federal and/or local restrictions on land use led to the conclusion that existing improvements tended to sell at a premium. Approximately 75% of the improved population in Area 90 is grade 7 (average) or lower. Roughly 75% of Area 90 is located in platted subdivisions with the remainder being located on tax lots. Approximately 92% of improved properties in Area 90 are located on lots smaller than 1 acre and approximately 40% of improved parcels are located on waterfront.

A total of 65 sales were considered for Area 90 out of a population of 656 improved parcels. The analysis consisted of a systematic review of pertinent characteristics such as base land value, improvement costs, grade, year built, condition, waterfront, living area, accessory costs, stories, lot size, sub area and plats. After the initial review, characteristics that indicated a possible adjustment were analyzed using NCSS (Number Crunching Statistical Software) along with Microsoft Excel. A number of diagnostic charts, graphs and reports were used to determine which specific variables would be included in the final valuation model. These tools indicated that variables such as Total RCNLD (replacement cost less depreciation), First Floor Area, Waterfront Footage, Base Land Value and location in the Alpental plat improved the level of assessment uniformity. Through this process a cost and characteristic based multiplicative EMV (estimated market value) model was developed. The EMV formula tended to predict market value best in neighborhoods or subdivisions with adequate sales representation. Slightly over half of improved parcels in the population were valued using EMV or an adjustment thereof.

The remaining properties were valued using RCNLD, adjusted RCNLD or given a minimal contributory value. Approximately 13% of the population was valued using RCNLD. Properties valued using RCNLD typically had either minimal improvement values, excessive accessory improvements or tended to be newer improvements built after 1995. Improved properties on Lake Hancock were also valued using RCNLD. Adjusted RCNLD was a better indicator of market value for properties that had limited sales representation. These properties include improvements

that are grade 9 or better, poor, fair or very good condition, first floor area is greater than 1200 sq. ft. or less than 380 sq. ft, or more than one living unit/building. Adjustments to RCNLD were derived from the sales sample. The small number of remaining properties were given a minimal contributory value. These properties typically were those with high percentages of obsolescence. EMV was not considered an accurate predictor of market value for any of these properties.

The majority of properties in Area 90 were valued using EMV or adjusted RCNLD. The combination of these two methods along with RCNLD and minimal contributory value resulted in an assessment level of 97.5%. The use of these methods together improved the assessment level and overall assessment uniformity. Appraisers working in Area 90 took measures to ensure that properties within defined parameters such as neighborhoods, plats or subdivisions were valued using consistent methodology.

Improved Parcel Total Value Model Calibration

This is a multiplicative appraisal model estimated using NCSS (Number Crunching Statistical Software). Rcnld is an acronym for replacement cost new less depreciation.

Variable	**Definition**	**Transformation**
Plat019230YN	Major = 019230	If Major = 019230 Then Natural Log of 10
TotalRcnldC	Total Rcnld	Natural Log of Total Rcnld divided by 1000
BaseLandC	Base Land Value	Natural Log of Base Land divided by 1000
FstFlrC	First Floor Area	Natural Log of First Floor Area divided by 100
WftFootC	Waterfront Footage	Natural Log of waterfront footage plus 1
BaseLandLowYN	Base Land <= 9000	If base Land <= 9000 Then Natural Log of 10

Formula:

Area 90 EMV

=2.849794+0.290348*Plat019230YN+0.1098088*BaseLandC+0.156264*TotalRcnldC +0.447742*FstFlrC+0.04358743*WftFootC -0.08357553*BaseLandLowYN

Truncate result to “000”. Then: SelectLandVal = Base land Value
SelectImpsVal = EMV - SelectLandVal

The above written transformations are designed as a basic explanation of individual variables within the valuation model. It is important to note that these transformations were not written in mathematical format thus making it difficult to translate the above model into a working model.

Improved Parcel Total Value Model Calibration (Continued)

Exceptions:

EMV = 0 if:

Number of Buildings <> 1

Lot Size < 1000

Building Grade < 3

Total EMV < Base Land Value

Obsolescence > 0

Net Condition > 0

Percent Complete > 0

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.

Verified Improved Sales Available to Develop the Valuation Model
Area 90

Sub Area	Major	Minor	Sale Date	Sale Price	Above Grade Living	Finished Bsmt	Bld Grade	Year Built	Cond	Lot Size	View	Water-front	Situs Address
001	143750	0055	9/10/2001	32,000	100	0	1	1940	1	10,878	N	N	11801 TYE RIVER RD NE
001	143750	0065	9/10/2001	32,000	170	0	1	1920	1	15,207	N	N	11828 FOSS RIVER RD NE
001	302612	9026	1/5/1999	65,000	430	0	3	1950	2	23,522	N	N	11610 FOSS RIVER RD NE
001	292613	9061	5/21/1999	48,000	480	0	3	1964	3	8,712	N	N	11920 876TH PL NE
001	506130	0030	12/21/2001	58,000	560	0	3	1922	2	5,000	N	N	235 THELMA ST
001	506180	0065	7/6/1999	20,000	1,070	0	3	1900	1	13,485	N	N	NE OLD CASCADE HW
001	873270	1240	9/1/1999	39,000	310	0	4	1972	3	17,100	N	N	87430 NE 121ST ST
001	077410	0040	9/25/2001	39,950	320	0	4	1925	2	32,400	N	N	69918 NE 130TH ST
001	506230	0205	11/7/2000	50,000	380	0	4	1916	5	5,000	N	N	3RD ST
001	294310	0085	8/15/2000	69,800	480	0	4	1975	3	8,700	N	N	14624 681ST LN NE
001	143750	0015	9/28/2001	85,000	490	0	4	1959	3	38,500	N	N	11881 TYE RIVER RD NE
001	734970	0390	7/26/1999	65,000	500	0	4	1969	3	12,300	N	N	18226 642ND AV NE
001	506130	0135	2/1/2001	60,000	510	0	4	1924	4	4,500	N	N	306 NE OLD CASCADE HW
001	260860	0240	10/3/2001	53,500	520	0	4	1963	3	38,528	N	N	10037 FOSS RIVER PL NE
001	506230	0120	6/11/1999	69,000	590	0	4	1929	4	15,000	N	N	101 3RD ST
001	294310	0065	10/19/1999	89,950	680	0	4	1906	3	9,750	N	N	14601 682ND AV NE
001	272611	9049	3/29/2000	64,500	700	0	4	1923	4	23,250	N	N	71651 NE OLD CASCADE HW
001	558170	0055	6/17/1999	60,000	750	0	4	1960	3	10,500	N	N	63115 NE 196TH ST
001	262611	9073	7/25/2001	110,000	840	0	4	1924	5	47,480	N	N	115 WEST CASCADE HW
001	260860	0090	11/27/2001	150,000	1,030	0	4	1963	3	11,775	N	N	10201 FOSS RIVER PL NE
001	506130	0005	9/1/1999	112,000	1,200	0	4	1922	5	9,280	N	N	NE OLD CASCADE HW
001	734970	0330	11/19/1999	71,500	440	0	5	1968	2	15,390	N	N	18205 643RD AV NE
001	734970	0280	7/3/2000	80,000	560	0	5	1969	3	14,000	N	N	64239 NE 182ND ST
001	262611	9051	12/14/2000	87,500	580	0	5	1926	4	5,662	N	N	NE OLD CASCADE HW
001	506230	0270	10/19/2000	69,700	650	0	5	1928	3	10,000	N	N	NE OLD CASCADE HW
001	150850	0150	11/15/1999	100,000	660	0	5	1967	3	39,300	N	N	63530 NE 194TH PL
001	780660	0100	8/25/2000	125,000	720	0	5	1936	4	5,875	N	N	19003 640TH LN NE
001	734970	0090	10/31/2001	137,500	740	0	5	1967	3	14,250	N	N	18227 642ND AV NE
001	734980	0780	4/1/1999	93,000	740	0	5	1975	3	9,800	N	N	64448 NE 179TH ST
001	780780	0800	5/1/2001	69,900	860	0	5	1910	3	4,500	N	N	318 RAILROAD AV
001	864940	0530	7/6/1999	120,000	870	0	5	1924	5	14,805	N	N	75610 NE 123RD ST
001	022610	9053	9/8/2000	107,900	1,010	0	5	1950	4	12,250	N	N	18500 639TH AV NE
001	864940	0900	12/12/2001	100,000	1,030	0	5	1970	3	9,170	N	N	75803 NE 122ND ST
001	022610	9016	4/20/2000	120,000	1,040	0	5	1928	3	114,998	N	N	63928 NE STEVENS PASS HW

Sub Area	Major	Minor	Sale Date	Sale Price	Above Grade Living	Finished Bsmt	Bld Grade	Year Built	Cond	Lot Size	View	Water-front	Situs Address
001	150850	0040	8/17/1999	83,000	1,080	0	5	1967	3	10,214	N	N	63614 NE 194TH PL
001	150850	0140	10/16/2001	130,000	1,080	0	5	1967	4	39,250	N	N	19419 636TH AV NE
001	780780	0025	9/22/1999	164,950	1,120	0	5	1910	5	6,500	N	N	408 RAILROAD AV
001	292613	9035	12/18/2001	82,000	1,150	0	5	1930	4	4,440	N	N	11902 876TH PL NE
001	262611	9050	2/10/1999	79,000	1,200	0	5	1925	4	3,484	N	N	NE OLD CASCADE HW
001	864940	0950	1/15/2001	95,000	620	0	6	1981	3	10,400	N	N	75843 NE 122ND ST
001	272611	9063	7/15/1999	124,500	690	600	6	1973	4	6,750	N	N	71830 NE OLD CASCADE HW
001	272611	9063	9/6/2000	135,000	690	600	6	1973	4	6,750	N	N	71830 NE OLD CASCADE HW
001	864940	0680	11/18/1999	94,500	710	0	6	1970	4	12,950	N	N	12214 757TH AV NE
001	864940	1140	12/21/1999	85,000	720	0	6	1969	3	9,375	N	N	75909 NE 123RD ST
001	864940	1270	9/15/2000	150,000	780	0	6	1989	3	9,680	N	N	12209 762ND AV NE
001	260860	0050	5/26/2001	140,000	860	0	6	1963	3	38,688	N	N	10043 FOSS RIVER PL NE
001	734980	0460	7/26/2001	125,000	910	0	6	1980	3	10,450	N	N	17904 646TH AV NE
001	260860	0300	5/5/2000	117,000	950	0	6	1980	3	24,095	N	N	10220 FOSS RIVER PL NE
001	864940	0770	6/3/1999	75,000	960	0	6	1925	4	19,100	N	N	75530 NE 122ND ST
001	734970	0290	11/13/2000	85,000	960	0	6	1970	3	13,783	N	N	64247 NE 182ND ST
001	150850	0220	4/26/2000	178,000	1,000	0	6	1965	4	10,425	N	N	63601 NE 194TH PL
001	734980	0260	1/18/1999	127,940	1,020	0	6	1979	3	12,960	N	N	64713 NE 175TH ST
001	252611	9040	4/25/2001	141,000	1,040	0	6	1953	4	19,405	N	N	12423 744TH AV NE
001	077410	1125	7/20/2001	125,000	1,300	0	6	1906	5	12,000	N	N	69905 NE 130TH ST
001	150850	0190	8/4/2000	174,500	1,340	0	6	1983	3	10,163	N	N	63619 NE 194TH PL
001	734980	0840	8/29/2000	129,950	1,480	0	6	1975	3	11,054	N	N	64404 NE 179TH ST
001	150850	0240	9/22/1999	107,000	1,940	0	6	1979	4	10,125	N	N	63531 NE 194TH PL
001	864940	0430	1/29/1999	148,800	930	0	7	1998	3	9,030	N	N	75742 NE 123RD ST
001	864940	0020	8/28/2001	144,000	940	0	7	1997	3	9,750	N	N	75913 NE 122ND ST
001	262611	9055	6/14/1999	65,000	1,140	0	7	1925	3	3,920	N	N	NE OLD CASCADE HW
001	294310	0129	7/23/1999	108,500	1,230	0	7	1983	4	10,260	N	N	14609 681ST AV NE
001	864940	0010	3/7/2001	130,000	1,230	0	7	1996	3	8,450	N	N	75905 NE 122ND ST
001	282611	9038	9/23/1999	38,950	1,310	675	7	2001	3	72,330	N	N	69507 NE MONEY CREEK RD
001	076050	0010	10/24/2000	132,000	1,330	0	7	1970	3	14,000	N	N	NE OLD CASCADE HW
001	780560	0090	3/31/1999	142,000	1,460	0	7	1982	3	15,470	N	N	540 SKY LN
001	734970	0370	3/10/1999	131,000	1,770	0	7	1992	3	11,745	N	N	18206 642ND AV NE
001	864940	0060	10/3/2000	21,000	790	0	8	2001	3	9,750	N	N	76009 NE 122ND ST
001	864940	0060	5/9/2001	133,492	790	0	8	2001	3	9,750	N	N	76009 NE 122ND ST

Sub Area	Major	Minor	Sale Date	Sale Price	Above Grade Living	Finished Bsmt	Bld Grade	Year Built	Cond	Lot Size	View	Water-front	Situs Address
001	864940	0400	4/25/2000	225,000	2,080	0	8	1979	4	10,615	N	N	75808 NE 123RD ST
004	403250	0065	11/20/2000	90,105	780	0	4	1940	2	20,562	N	N	SE LAKE HANCOCK RD
004	019230	0730	10/28/1999	285,000	860	860	8	1984	3	10,635	N	N	24 SAINT ANTON STR
004	019230	1140	11/13/2001	285,000	940	680	8	1993	3	12,457	N	N	28 ALPENTAL STR
004	019230	0130	6/23/2001	249,000	1,020	660	8	1968	3	12,866	N	N	25 SAINT ANTON STR
004	019230	1130	10/18/2001	223,100	1,060	720	8	1967	3	12,457	N	N	26 ALPENTAL STR
004	019230	0280	11/28/2000	253,000	1,090	0	8	1993	3	12,253	N	N	8 SAINT ANTON STR
004	019230	1100	7/21/1999	277,000	1,120	0	8	1987	3	13,883	N	N	45 ALPENTAL STR
004	019230	0940	6/14/2001	275,000	1,260	0	8	1993	3	21,788	N	N	1 ZURS STR
004	019230	0210	9/7/1999	280,000	1,340	0	8	1979	3	9,657	N	N	7 SAINT ANTON STR
004	019230	0470	7/11/2000	300,000	1,440	720	8	1991	3	12,420	N	N	73 UNTER STR
004	019230	1200	5/18/1999	340,000	1,620	380	8	1981	3	16,553	N	N	40 ALPENTAL STR
004	019230	0720	6/18/1999	310,000	1,700	0	8	1987	3	13,636	N	N	19 OBER STR
004	019230	0380	10/13/1999	345,000	1,820	730	8	1984	3	11,225	N	N	48 OBER STR
004	292309	9021	2/21/2001	300,000	1,890	0	8	1983	3	17,800	N	N	49824 SE 172ND ST
004	019230	0530	2/23/1999	355,000	1,460	0	9	1969	4	9,364	N	N	63 OBER STR
004	019230	0770	11/10/2000	815,000	3,670	1,200	11	1981	3	21,206	N	N	32 SAINT ANTON STR

Verified Improved Sales Removed From Model Development

Area 90

Sub Area	Major	Minor	Sale Date	Sale Price	Comments
001	143750	0015	9/28/2001	85000	IMP. CHARACTERISTICS CHANGED SINCE SALE;
001	780780	0025	9/22/1999	164950	MULTI-PARCEL SALE;
001	150850	0040	8/17/1999	83000	NON-REPRESENTATIVE SALE;
001	780660	0055	9/18/1999	1000	ESTATE ADMINISTRATOR, GUARDIAN, OR EXECUTOR; $1,000 SALE OR LESS;
001	143750	0055	9/10/2001	32000	TEAR DOWN; MULTI-PARCEL SALE; AND OTHER WARNINGS;
001	864940	0060	10/3/2000	21000	MULTI-PARCEL SALE;
001	864940	0060	5/9/2001	133492	MULTI-PARCEL SALE;
001	143750	0065	9/10/2001	32000	TEAR DOWN; MULTI-PARCEL SALE; AND OTHER WARNINGS;
001	506080	0095	12/21/2000	21518	QUIT CLAIM DEED;
001	294310	0110	5/31/2000	9500	QUIT CLAIM DEED;
001	294310	0129	7/23/1999	108500	IMP. CHARACTERISTICS CHANGED SINCE SALE;
001	150850	0135	9/7/2000	205000	MULTI-PARCEL SALE;
001	150850	0140	9/7/2000	205000	MULTI-PARCEL SALE;
001	150850	0140	12/28/2001	33000	QUIT CLAIM DEED;
001	150850	0140	10/16/2001	130000	SEGREGATION AND/OR MERGER;
001	150850	0150	11/15/1999	100000	SEGREGATION AND/OR MERGER;
001	150850	0220	4/26/2000	178000	MULTI-PARCEL SALE;
001	294310	0225	6/1/2001	68600	QUIT CLAIM DEED;
001	294310	0225	9/7/2001	85201	BANKRUPTCY - RECEIVER OR TRUSTEE;
001	780560	0230	8/28/2001	89500	BANKRUPTCY - RECEIVER OR TRUSTEE;
001	150850	0240	9/22/1999	107000	IMP. CHARACTERISTICS CHANGED SINCE SALE;
001	734970	0370	3/10/1999	131000	RELATED PARTY, FRIEND, OR NEIGHBOR;
001	734970	0390	7/26/1999	65000	MULTI-PARCEL SALE;
001	780780	0420	8/5/1999	38500	RELATED PARTY, FRIEND, OR NEIGHBOR;
001	864940	0430	1/29/1999	148800	MULTI-PARCEL SALE;
001	734970	0520	10/30/2000	68500	GOVERNMENT AGENCY;
001	780780	0605	3/6/2001	80000	RELATED PARTY, FRIEND, OR NEIGHBOR;
001	734980	0740	12/4/2001	96000	BANKRUPTCY - RECEIVER OR TRUSTEE;
001	864940	0770	5/1/2001	105000	RELATED PARTY, FRIEND, OR NEIGHBOR;
001	864940	0770	6/3/1999	75000	IMP. CHARACTERISTICS CHANGED SINCE SALE;
001	864940	1270	9/15/2000	150000	PERSONAL PROPERTY INCLUDED;
001	262611	9035	3/15/1999	30000	ESTATE ADMINISTRATOR, GUARDIAN, OR EXECUTOR;
001	262611	9036	4/25/2000	84000	NON-REPRESENTATIVE SALE;
001	282611	9038	9/23/1999	38950	IMP. CHARACTERISTICS CHANGED SINCE SALE;
001	022610	9053	9/8/2000	107900	IMP. CHARACTERISTICS CHANGED SINCE SALE;
001	262611	9055	6/14/1999	65000	IMP. CHARACTERISTICS CHANGED SINCE SALE;
001	292613	9061	5/21/1999	48000	IMP. CHARACTERISTICS CHANGED SINCE SALE;
004	019230	0090	2/24/1999	26228	NON-REPRESENTATIVE SALE;
004	019230	0550	6/30/1999	210000	QUIT CLAIM DEED; RELATED PARTY, FRIEND, OR NEIGHBOR;
004	019230	0570	6/7/1999	88000	MULTI-PARCEL SALE;
004	019230	0770	11/10/2000	815000	MULTI-PARCEL SALE;
004	019230	0900	9/7/1999	195000	NON-REPRESENTATIVE SALE;
004	292309	9031	5/10/2000	90000	NON-REPRESENTATIVE SALE;

Model Validation

Total Value Model Conclusions, Recommendations and Validation:

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 and may adjust particular characteristics and conditions as they occur in the valuation area.

Application of the total Value Model described above results in improved equity between sub-area, grades, living area, and age of homes. In addition the resulting assessment level is 97.5%. The standard statistical measures of valuation performance are all within IAAO guidelines and are presented both in the Executive Summary and in the 2001 and 2002 Ratio Analysis charts included in this report.

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

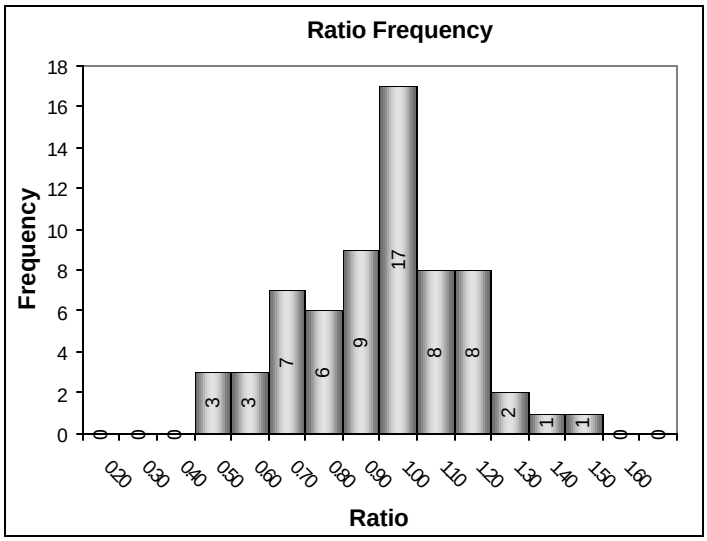
Application of these recommended value for the 2002 assessment year (taxes payable in 2003) results in an average total change from the 2001 assessments of +7.3%. This increase is due partly to upward market changes over time and the previous assessment levels.

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

2001 Improved Parcel Ratio Analysis (Before)

District/Team:	Lien Date:	Date of Report:	Sales Dates:
NE / Team - 3	01/01/2001	6/17/2002	01/1999 - 01/2001
Area	**Analyst ID:**	**Property Type:**	**Adjusted for time?:**
90-1, 4	JDAR	Single Family Residences	No

SAMPLE STATISTICS	
Sample size (n)	65
Mean Assessed Value	133,600
Mean Sales Price	146,200
Standard Deviation AV	86,839
Standard Deviation SP	90,041
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.913
Median Ratio	0.944
Weighted Mean Ratio	0.914
UNIFORMITY	
Lowest ratio	0.473
Highest ratio:	1.440
Coefficient of Dispersion	18.00%
Standard Deviation	0.216
Coefficient of Variation	23.69%
Price Related Differential (PRD)	0.999
RELIABILITY	
95% Confidence: Median	
Lower limit	0.858
Upper limit	0.982
95% Confidence: Mean	
Lower limit	0.860
Upper limit	0.966
SAMPLE SIZE EVALUATION	
N (population size)	656
B (acceptable error - in decimal)	0.05
S (estimated from this sample)	0.216
Recommended minimum:	74
Actual sample size:	65
Conclusion:	Uh-oh
NORMALITY	
Binomial Test	
# ratios below mean:	30
# ratios above mean:	35
z:	0.620
Conclusion:	***Normal****
***i.e. no evidence of non-normality**	



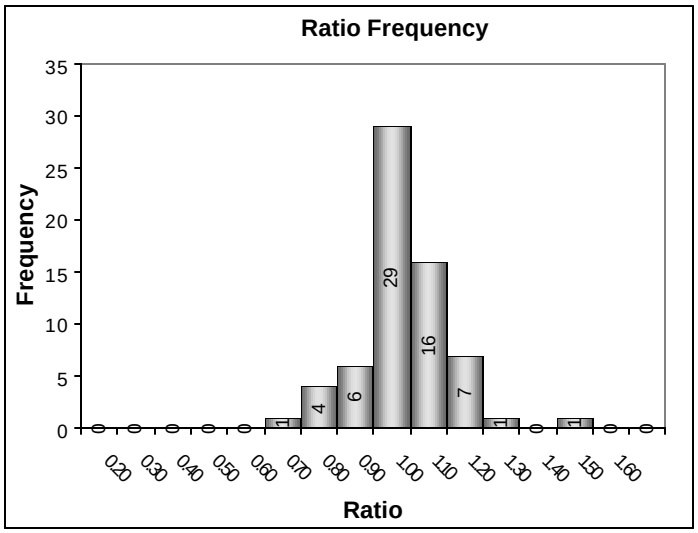
COMMENTS:

Single Family Residences throughout area 90

2002 Improved Parcel Ratio Analysis (After)

District/Team:	Lien Date:	Date of Report:	Sales Dates:
NE / Team - 3	01/01/2002	6/17/2002	1/1999 - 12/2001
Area	**Analyst ID:**	**Property Type:**	**Adjusted for time?:**
90-1, 4	JDAR	Single Family Residences	No

SAMPLE STATISTICS	
Sample size (n)	65
Mean Assessed Value	142,600
Mean Sales Price	146,200
Standard Deviation AV	87,037
Standard Deviation SP	90,041
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.986
Median Ratio	0.988
Weighted Mean Ratio	0.975
UNIFORMITY	
Lowest ratio	0.609
Highest ratio:	1.433
Coefficient of Dispersion	8.36%
Standard Deviation	0.120
Coefficient of Variation	12.21%
Price Related Differential (PRD)	1.011
RELIABILITY	
95% Confidence: Median	
Lower limit	0.960
Upper limit	1.007
95% Confidence: Mean	
Lower limit	0.957
Upper limit	1.016
SAMPLE SIZE EVALUATION	
N (population size)	656
B (acceptable error - in decimal)	0.05
S (estimated from this sample)	0.120
Recommended minimum:	23
Actual sample size:	65
Conclusion:	OK
NORMALITY	
Binomial Test	
# ratios below mean:	31
# ratios above mean:	34
z:	0.372
Conclusion:	***Normal****
***i.e. no evidence of non-normality**	



COMMENTS:

Single Family Residences throughout area 90

Both assessment level and uniformity have been improved by application of the recommended values.

Area 90 Physical Inspection Ratio Confidence Intervals

These tables represent the percentage changes for specific characteristics.

A 2002 LOWER 95% C.L. greater than the overall weighted mean indicates that assessment levels may be relatively high. A 2002 UPPER 95% C.L. less than the overall weighted mean indicates that levels may be relatively low. The overall 2002 weighted mean is 97.5%.

The confidence interval for the arithmetic mean is used as an estimate for the weighted mean.

It is difficult to draw valid conclusions when the sales count is low.

Bldg Grade	Count	2001 Weighted Mean	2002 Weighted Mean	Percent Change	2002 Lower 95% C.L..	2002 Upper 95% C.L.
3	3	0.923	0.923	0.0%	0.632	1.214
4	15	0.650	0.941	44.6%	0.841	1.041
5	13	0.998	0.949	-4.9%	0.875	1.023
6	14	0.959	1.007	5.0%	0.954	1.061
7	4	1.038	1.005	-3.2%	0.849	1.162
8	15	0.927	0.976	5.3%	0.936	1.017
9	1	0.989	0.997	0.9%	N/A	N/A
Year Built	**Count**	**2001 Weighted Mean**	**2002 Weighted Mean**	**Percent Change**	**2002 Lower 95% C.L..**	**2002 Upper 95% C.L.**
1900-1920	5	0.755	1.000	32.5%	0.839	1.162
1921-1940	13	0.785	0.947	20.6%	0.876	1.018
1941-1960	5	0.753	0.892	18.5%	0.528	1.256
1961-1970	13	0.977	1.012	3.6%	0.944	1.079
1971-1980	12	0.979	0.994	1.6%	0.936	1.052
1981-1990	10	0.904	0.962	6.4%	0.924	1.000
1991-2002	7	0.970	0.976	0.6%	0.891	1.062
Condition	**Count**	**2001 Weighted Mean**	**2002 Weighted Mean**	**Percent Change**	**2002 Lower 95% C.L..**	**2002 Upper 95% C.L.**
Poor	1	0.950	0.750	-21.1%	N/A	N/A
Fair	5	0.931	0.980	5.3%	0.882	1.077
Average	41	0.935	0.973	4.1%	0.930	1.016
Good	13	0.877	0.984	12.2%	0.929	1.038
Very Good	5	0.727	0.983	35.1%	0.919	1.046
Stories	**Count**	**2001 Weighted Mean**	**2002 Weighted Mean**	**Percent Change**	**2002 Lower 95% C.L..**	**2002 Upper 95% C.L.**
1	22	0.780	0.947	21.3%	0.890	1.003
1.5	35	0.966	0.994	2.8%	0.950	1.037
2	7	0.929	0.969	4.4%	0.921	1.018
2.5	1	0.990	0.930	-6.1%	N/A	N/A

Area 90 Physical Inspection Ratio Confidence Intervals

Above Grade Living Area	Count	2001 Weighted Mean	2002 Weighted Mean	Percent Change	2002 Lower 95% C.L..	2002 Upper 95% C.L.
<600	12	0.860	0.988	14.9%	0.915	1.060
601-900	19	0.845	0.957	13.3%	0.879	1.035
901-1200	18	0.936	0.971	3.7%	0.910	1.032
1201-1500	10	0.945	1.006	6.4%	0.960	1.052
>1501	6	0.950	0.964	1.4%	0.939	0.988
View Y/N	Count	2001 Weighted Mean	2002 Weighted Mean	Percent Change	2002 Lower 95% C.L..	2002 Upper 95% C.L.
N	34	0.952	0.992	4.2%	0.954	1.030
Y	31	0.896	0.968	7.9%	0.919	1.016
Wft Y/N	Count	2001 Weighted Mean	2002 Weighted Mean	Percent Change	2002 Lower 95% C.L..	2002 Upper 95% C.L.
N	45	0.931	0.982	5.4%	0.950	1.014
Y	20	0.880	0.963	9.4%	0.892	1.033
Sub	Count	2001 Weighted Mean	2002 Weighted Mean	Percent Change	2002 Lower 95% C.L..	2002 Upper 95% C.L.
001	48	0.927	0.990	6.7%	0.954	1.025
004	17	0.900	0.960	6.7%	0.902	1.019
Lot Size	Count	2001 Weighted Mean	2002 Weighted Mean	Percent Change	2002 Lower 95% C.L..	2002 Upper 95% C.L.
3000-6000	8	0.855	0.958	12.0%	0.865	1.052
6001-10000	13	0.919	1.024	11.4%	0.973	1.074
10001-12000	10	0.975	0.983	0.8%	0.867	1.100
12001-15000	16	0.951	0.970	2.0%	0.905	1.035
15001-20000	6	0.922	0.970	5.1%	0.902	1.037
>20001	12	0.794	0.931	17.3%	0.843	1.019

Mobile Home Parcel Valuation Model

Model Development, Description and Conclusions

Mobile Home sales were verified in the field and characteristics were updated prior to valuation.

Area 90 has 47 real property manufactured homes and 3 personal property manufactured homes.

Due to the limited number of manufactured housing sales in Area 90 and the wide variations in types of manufactured homes the most accurate method of valuation is the direct sales comparison method. There were 9 Manufactured home sales in Area 90, 4 of which were removed from consideration. All 9 sales were located in Area 90-1.

Each Manufactured home was given an estimated replacement cost using the 2001 edition of Boeckh's "Mobile-Manufactured Housing Guide." A regional cost multiplier and market factor was applied for valuation of the Manufactured homes. This cost estimate was used as a valuation aide in conjunction with the direct sales comparison method. Other improvements were valued using the Assessor's cost system (RCNLD).

Application of these recommended values for the 2002 (taxes payable in 2003) results in an average total change of 41.5%. The current Assessment level for Manufactured homes is 85.8% improving from a 2001 Assessment level of 60.6%. These percentages are derived limited sales sample of 5. With such a limited sales sample it is very difficult to derive meaningful statistics as a single outlier can significantly skew any results. The increases in value are a result of upward market pressure and previous assessment levels.

The majority of manufactured homes in area 90 were of the double-wide variety sharing similar utility to many of the lower grade stick built homes in the area. These properties were valued with the direct sales comparison method using Manufactured homes as comparables. Most single-wide manufactured homes were valued at the replacement cost derived from Boeckh's "Mobile-Manufactured Housing Guide." The majority of single-wide manufactured homes were built before 1980.

Verified Manufactured Home Sales Available For Model Development
Area 90

Sub Area	Major	Minor	Sale Date	Sale Price	Size	Total Area	Year Built	Class	Cond.	Lot Size	View	Water-front	Site Address
001	150850	0010	08/09/99	45095	27X57	1539	1987	2	2	.22 AC	N	N	63642 NE 194TH PL
001	734970	0260	01/27/99	65000	24X60	1440	1978	2	2	.35 AC	N	N	64225 NE 182ND ST
001	734980	0110	04/19/99	62000	12X37	444	1984	1	2	.21 AC	Y	Y	64461 NE 179TH ST
001	150850	0100	09/14/99	84150	24X60	1440	1979	2	2	.27 AC	N	N	19422 636TH AVE NE
001	150850	0010	01/07/00	68950	27X57	1539	1987	2	2	.22 AC	N	N	63642 NE 194TH PL
001	734970	0260	07/10/01	97000	24X60	1440	1978	2	2	.35 AC	N	N	64225 NE 182ND ST
001	150850	0090	07/05/01	36000	12X60	768	1970	1	1	.25 AC	N	N	19418 636TH AVE NE
001	734970	0350	08/07/01	73000	14X66	924	1978	1	2	.28 AC	N	N	64220 NE 182ND ST
001	022610	9002	08/23/01	169000	24X48	1152	1982	2	3	5.0 AC	N	N	19724 637TH PL NE

Verified Manufactured Home Sales Removed From Model Development

Area 90

See insert

Sub Area	Major	Minor	Sale Date	Sale Price	Comments
001	150850	0010	08/99	45095	CORPORATE AFFILIATES; NON-REPRESENTATIVE SALE; AND OTHER WARNINGS;
001	734970	0260	1/27/1999	65,000	MOBILE HOME; NON-REPRESENTATIVE SALE;
001	150850	0010	1/7/2000	68,950	CORPORATE AFFILIATES; NON-REPRESENTATIVE SALE; MOBILE HOME; EXEMPT FROM EXCISE TAX;
001	150850	0090	7/5/2001	36,000	CORPORATE AFFILIATES; MOBILE HOME;

USPAP Compliance

Client and Intended Use of the Appraisal:

This summary mass appraisal report is intended for use only by the King County Assessor and other agencies or departments administering or confirming ad valorem property taxes. Use of this report by others 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 ***summary mass appraisal report*** *as stated in USPAP SR 6-7. To fully understand this report the reader may need to refer to the Assessor's Property Record Cards, 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 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 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) . . . 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)

Highest and Best Use

WAC 458-12-330 REAL PROPERTY VALUATION—HIGHEST AND BEST USE.

All property, unless otherwise provided by statute, 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. Uses which are within the realm of possibility, but not reasonably probable of occurrence, shall not be considered in estimating the 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. (Sammish 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. (Sammish 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

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. [1961 c 15 §84.36.005]

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. [1989 c 246 § 4]

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 a 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

The definition of fee simple estate as taken from The Third Edition of The Dictionary of Real Estate Appraisal, published by the 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."

Special assumptions and limiting conditions:

That no opinion as to title is rendered. Data on ownership and the 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 the maps or property record cards. The property is appraised assuming it to be under responsible ownership and competent management and available for its highest and best use.

That 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.

That rental areas herein discussed have been calculated in accord with standards developed by the American Standards Association as included in Real Estate Appraisal Terminology.

That the projections included in this report are utilized to assist in the valuation process and are based on current market conditions, anticipated short term supply and demand factors, and a continued stable economy. 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.

That 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.

That 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 our analysis to any potential diminution in value should such hazardous materials be found. We urge the taxpayer to retain an expert in the field and submit data affecting value to the assessor.

That 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.

That 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.

Exterior inspections were made of all properties however, due to lack of access few received interior inspections.

The property is assumed uncontaminated unless the owner comes forward to the Assessor and provides other information.

We appraise fee simple interest in every property. Unless shown on the Assessor's parcel maps, we do not consider easements as adversely affecting property value.

We have attempted to segregate personal property from the real estate in our appraisals.

We have not appraised movable equipment or fixtures as part of the real estate. We have appraised identifiable permanently fixed equipment with the real estate in accordance with RCW 84.04.090 and WAC 458-12-010.

We have considered the effect of value of those anticipated public and private improvements of which we have common knowledge. We can make no special effort to contact the various jurisdictions to determine the extent of their public improvements.

The appraisers have no personal interest or bias toward any properties that they appraise.

Departure Provisions:

Which if any USPAP Standards Rules were departed from or exempted by the Jurisdictional Exception

SR 6-2 (g)

The assessor has no access to title reports and other documents. Because of budget limitations we did not research such items as easements, restrictions , encumbrances, leases, reservations , covenants, contracts, declarations and special assessments. The mass appraisal must be completed in the time limits as indicated in the Revaluation Plan and as budgeted.