Snohomish County Assessor's Office

Residential Mass Appraisal Report

Residential Appraisal Management Area: Region 1

Appraisal Date: **January 1, 2011 for 2012 Property Taxes**

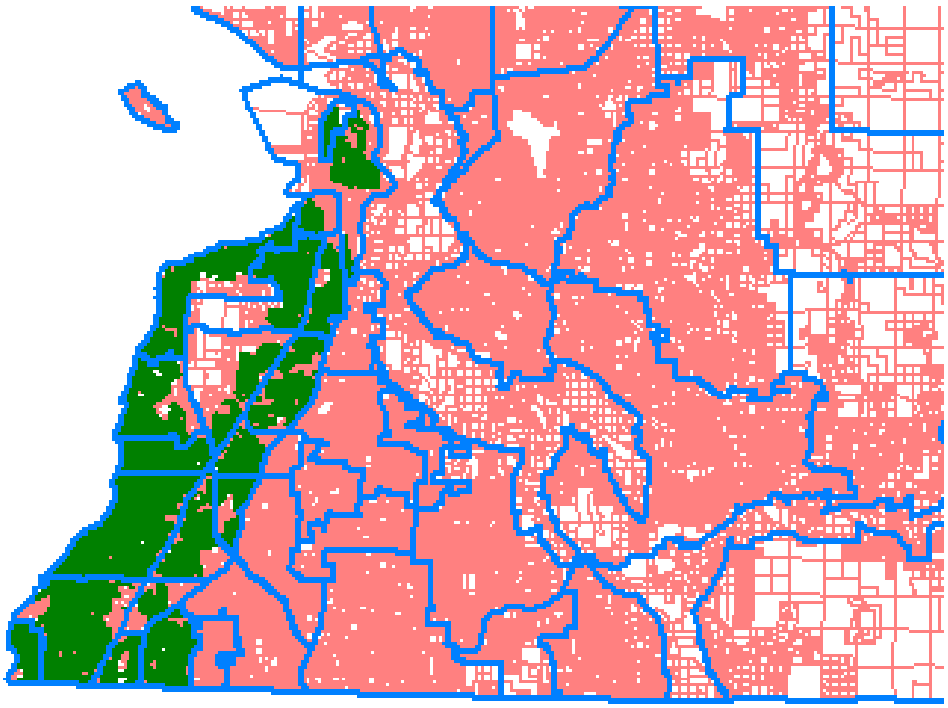
Report Date: **June 1, 2010**

Prepared For: **Cindy Portmann, Snohomish County Assessor**

Properties Appraised

All parcels located within the boundaries of Residential Appraisal Management Area: Region 1

Member Parcels - Residential Appraisal Management Area: Region 1



Legend:

Red: Residential Management Regions 2 3 and 4 (not part of this report) and commercial properties

Green: Member Parcels - Residential Management Area: Region 1

Blue: Neighborhood Boundaries

The map above shows the economic residential appraisal management area known as Residential Region 1 The residential division of the Snohomish County Assessor's Office is responsible for the annual revaluation of all of the parcels denoted in '**green**'.

Residential Management Region 1 is a large geographic area that is bordered - That area generally located: from Everett south to the King County line and west of I-5 and East of Puget Sound. It includes all of the cities of Mukilteo, Edmonds, Woodway and Mountlake Terrace. It includes most of the cities of Lynnwood and Everett. Also includes those residential parcels in this area that are unincorporated Snohomish County. All of the area is within Urban Growth Areas (UGA's).

Pre 2011 Revaluation Market Analysis:

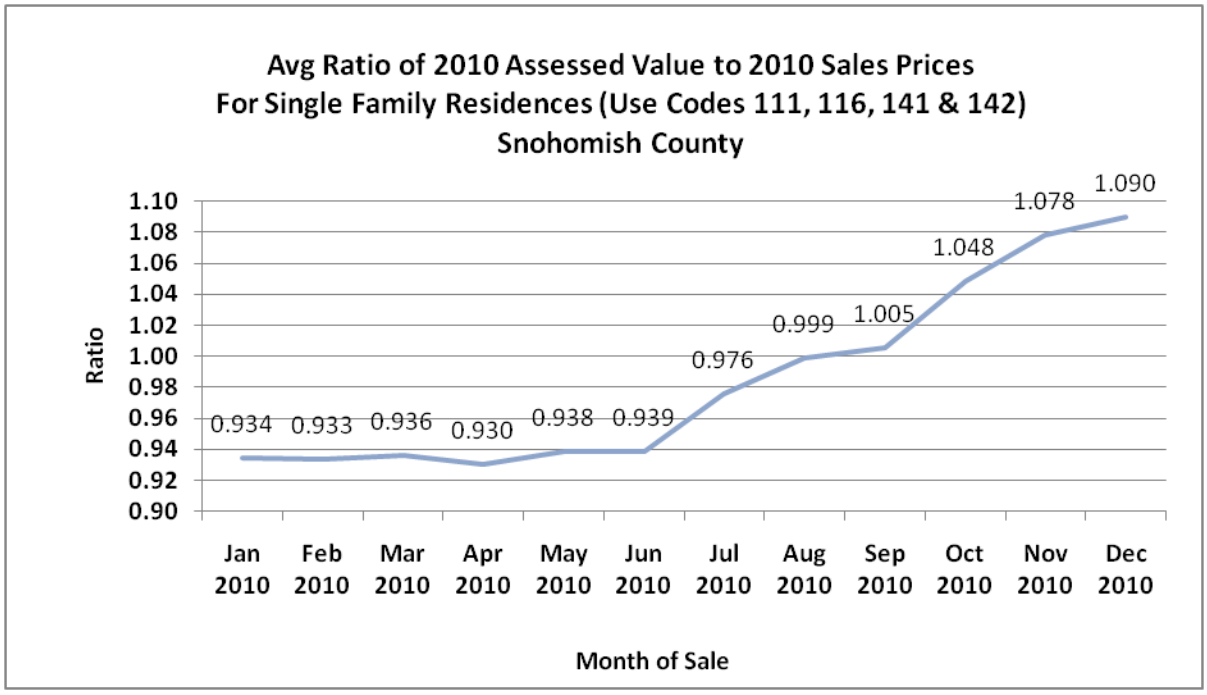
Preliminary to the initiation of the 2011 revaluation, ratio studies were conducted to measure the relationship of current assessed values (January 1, 2010 Assessments) to 2010 sales prices and to determine if property values were changing over time.

The following chart summarizes both ratio and the change in ratio over time for single family residences county wide. If no revaluation occurred, on average, single family residences would be assessed at **109%** (December 2010 Sales Ratio) This ratio indicates that a revaluation is warranted.

2010 Assessed Value

Compared to 2010 Sales Prices

Entire County (Single Family Residences)



A rising ratio over time indicates declining sales prices.

Note: The study above and the two following include only single family residences (Use code 111, 116, 141 and 142) as this is the predominant property type in the residential appraisal management region and to only those sales that met the criteria listed section "Appraisal Performance – Mass appraisal reports- sales." It is felt that these sales represent the market and overall residential market trend for the Snohomish County.

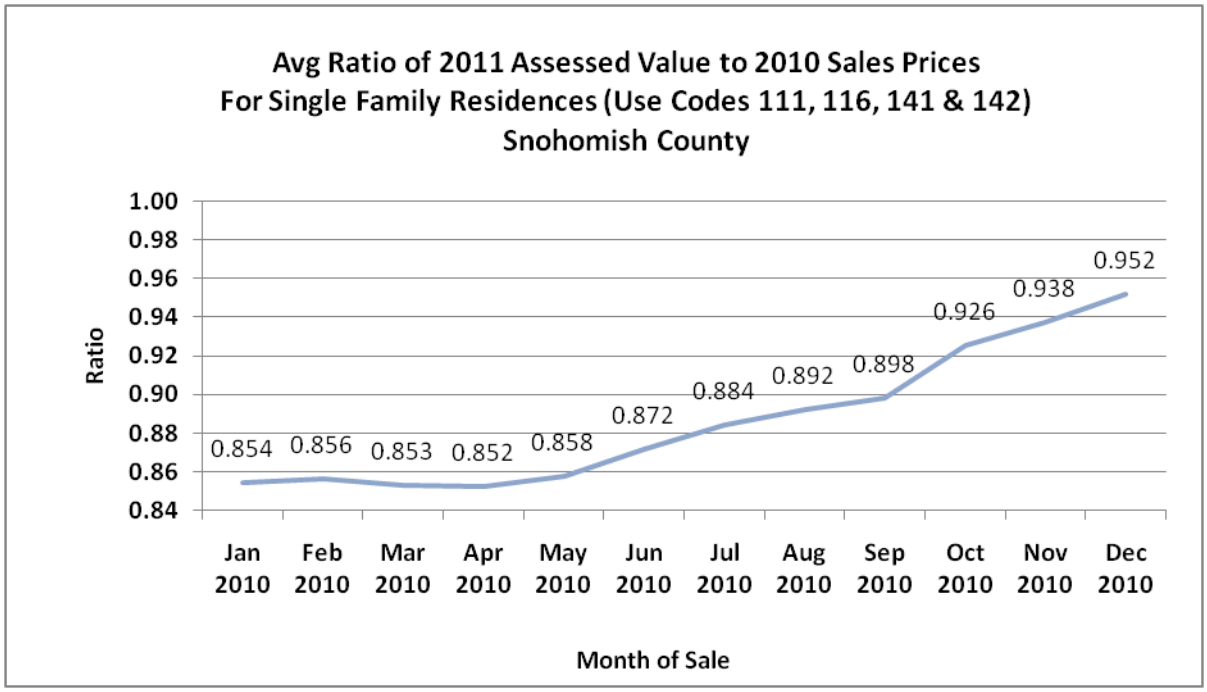
Post Revaluation Ratio Study

The following chart summarizes the post revaluation ratio and the change in ratio over time for single family residences countywide. From the chart we can see that as a result of the revaluation, on average, single family residences are assessed at **95%** (December 2010 Sales Ratio).

2011 Assessed Value

Compared to 2010 Sales Prices

Entire County (Single Family Residences)



A rising ratio over time indicates declining sales prices.

Adjusting For Market Changes Over Time

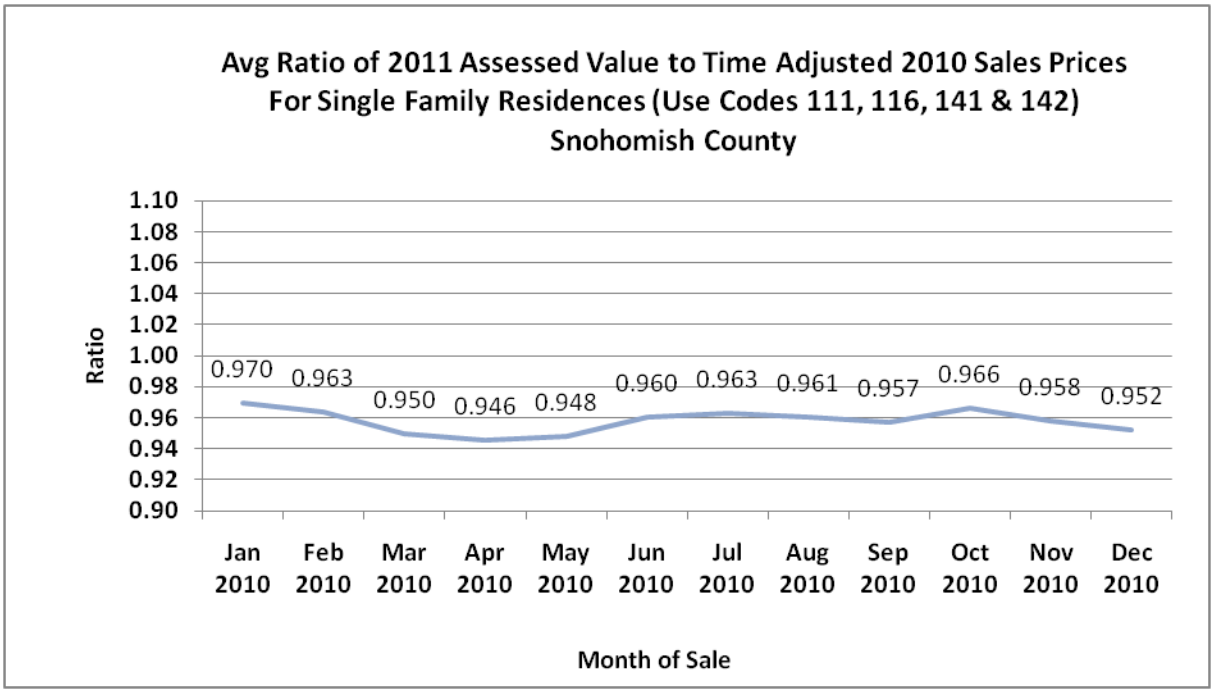
The purpose of time adjusting sales prices is to better represent the market changes over time. This allows sales occurring earlier in the year (or prior years) to be used in the analysis to determine the fair market value as of the assessment date. For example, if one home sold January 1, 2010 for $100,000 and an identical homes sold January 1, 2011 for $88,000 this would indicate the market has declined 12% over that one year time period. The Time Adjusted Sale Price (TASP) of the first house would be $88,000 ($100,000 sale price less 12%). Both houses would be assessed at $88,000 and the Time Adjusted Sales Ratio (TASP ratio) for both would be 1.00. Without the TASP adjustments the Sale price ratios would be .88 for the earlier sale and 1.00 for the later sale.

The following chart summarizes 2011 assessed values to 2010 sales prices adjusted for market changes in 2010. This change is often referred to as 'time trend'.

2011 Assessed Value

Compared to 2010 Time Adjusted Sales Prices

Entire County (Single Family Residences)



Summary of Value Change:

Parcels Appraised: **64,987**

	Land	Improvements	Total
2010 Assessment Year	10,750,688,600	9,054,084,490	19,804,773,090
2011 Assessment Year	8,567,716,700	8,874,160,840	17,441,877,540
Value Change	-2,182,971,900	-179,923,650	-2,362,895,550
% Change	-20.3%	-2.0%	-11.9%

The **Summary of Value Change** table above reflects the aggregate change in value for ALL parcels that existed in the study area at the time the study was conducted. Value Change and % Change include the value for new parcels that were created and assessed for the first time in the current assessment year but that did not exist in the prior assessment year.

Data Sources: All data in this report was summarized from post-certification Residential Characteristics extracts and/or Abstract Reports dated: **5/24/2011**

Snohomish County Assessor's Office

Residential Appraisal Management Area: Region 1

Executive Summary

Appraisal Level and Uniformity:

Non Time Adjusted Sales Ratio Study:

Study Period: January 1, 2010 through December 31, 2010

Number of Sales: 1561

Pre Revaluation Ratio -1/1/2010 Certified Value Compared to 2010 Sales Prices

Mean	Median	Weighted Mean	Price Related Differential	Coefficient of Dispersion
1.002	.982	.964	1.039	.146

Post Revaluation Ratio – 1/1/2011 Worksheet Values Compared to 2010 Sales Prices

Mean	Median	Weighted Mean	Price Related Differential	Coefficient of Dispersion
.891	.869	.872	1.022	.119

The above ratio study only includes sales where the property existed both in the prior assessment year and in the current assessment year, must be 100% complete at the time of the analysis, must have sold for more than $1,000 and the post revaluation ratio must not be an 'outlier' (< 0.25% or > 1.75%).

The pre appraisal ratio is calculated by dividing the **2010** certified value by the **2010** sales price.

The post appraisal ratio is calculated by dividing the **2011** pre certification appraised (worksheet) value by the **2010** sales price (report data is extracted just prior to value certification).

The sales prices used in the above ratio study **have not** been adjusted for changes in market conditions that occurred throughout the year.

A direct comparison of the pre appraisal ratio and the post appraisal ratio is inappropriate as the values used are from different points in time and the ratios, which are an average over the entire year of sales, do not reflect changes in market conditions over time.

Snohomish County Assessor's Office

Residential Appraisal Management Area: Region 1

Executive Summary

Appraisal Level and Uniformity:

Time Adjusted Sales Ratio Study (Single Family Residences):

Study Period: January 1, 2010 through December 31, 2010

Number of Sales: 1400

Pre Revaluation Ratio - 01/01/2010 Certified Value Compared to 2010 Sales Prices

Mean	Median	Weighted Mean	Price Related Differential	Coefficient of Dispersion
1.088	1.069	1.049	1.037	.123

Post Revaluation Ratio – 01/01/2011 Worksheet Values Compared to 2010 Sales Prices

Mean	Median	Weighted Mean	Price Related Differential	Coefficient of Dispersion
.972	.950	.949	1.024	.096

The above ratio study only includes sales where the property existed both in the prior assessment year and in the current assessment year.

The pre appraisal ratio is calculated by dividing the **2010** certified value by the **2010** time adjusted sales price.

The post appraisal ratio is calculated by dividing the **2011** pre certification appraised (worksheet) value by the **2010** time adjusted sales price (report data is extracted just prior to value certification).

The ratio study **ONLY** includes Single Family Residences, Property Class Codes 111, 116, 141 and 142 (the most frequently occurring property types).

The sales prices used in the above ratio study have been adjusted for time.

Residential Management Area: Region 1 – Value Change Summary

Property Class	Number of Parcels		Total Value	Total Value	Value Change	% Change
Agricultural	25	L:	13,906,900	10,438,800	-3,468,100	-24.9%
		B:	3,207,700	3,020,500	-187,200	-5.8%
		T:	17,114,600	13,459,300	-3,655,300	-21.4%
Industrial	1	L:	202,500	142,200	-60,300	-29.8%
		B:	258,700	268,100	9,400	3.6%
		T:	461,200	410,300	-50,900	-11.0%
Commercial	559	L:	423,165,900	286,210,200	-136,955,700	-32.4%
		B:	452,784,390	454,150,500	1,366,110	0.3%
		T:	875,950,290	740,360,700	-135,589,590	-15.5%
Residential	58,860	L:	9,803,269,000	7,887,042,500	-1,916,226,500	-19.5%
		B:	8,416,210,900	8,221,302,400	-194,908,500	-2.3%
		T:	18,219,479,900	16,108,344,900	-2,111,135,000	-11.6%
Multifamily	1,427	L:	187,901,900	138,552,300	-49,349,600	-26.3%
		B:	181,333,400	195,419,340	14,085,940	7.8%
		T:	369,235,300	333,971,640	-35,263,660	-9.6%
Forest	-	L:	0	0	0	0.0%
		B:	0	0	0	0.0%
		T:	0	0	0	0.0%
Other	4,115	L:	322,242,400	245,330,700	-76,911,700	0
		B:	289,400	0	-289,400	-1
		T:	322,531,800	245,330,700	-77,201,100	0
Totals	64,987	L:	10,750,688,600	8,567,716,700	-2,182,971,900	-20.3%
		B:	9,054,084,490	8,874,160,840	-179,923,650	-2.0%
		T:	19,804,773,090	17,441,877,540	-2,362,895,550	-11.9%

Categories are groups by Property Class Code as Follows:

Agriculture:	Farms General, Open Space Ag, Open Space General
Industrial:	Manufacturing Facilities
Commercial:	Retail, Schools and Churches
Residential:	Single Family Residences, Condominiums and Manufactured Homes
Multifamily:	All Multiple Family Parcels Including Duplexes and Triplexes
Forest:	Designated Forest Land and Open Space Timber
Other:	All Remaining Categories Including Vacant Land

Certificate of Appraisal

- The appraiser is (at minimum) Accredited by the State of Washington, Department of Revenue. By signing this report, the Appraisers certifies that he or she has the appropriate knowledge and experience to complete this Assessor's Report of the Mass Appraisal, with professional assistance if required and disclosed.

- To the best of the appraiser's knowledge and belief, all statements and information in this report are true and correct, and the Appraisers have not knowingly withheld any significant information

- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and is the appraiser's personal, impartial and unbiased professional analysis, opinions and conclusions.

- The appraiser has no present or prospective interest in the property that is the subject of this report with the exception of the property listed below, and has no personal interest with respect to the parties involved.

Residential Appraisal Management Region 1

Properties owned by the preparer within the scope of this report:

Snohomish County Parcel ID: None

- All employees of the Assessor's Office have completed declarations listing all properties within Snohomish County in which they have a financial interest. Those declarations are on file in the Assessor's office.

- The appraiser has no bias with respect to any property that is the subject of this report or to the parties involved with this assignment.

- The appraiser's engagement in this assignment was not contingent upon developing or reporting predetermined results.

- The appraiser's compensation for completing this assignment is not contingent upon the reporting of a 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.

- The appraiser's analyses, opinions, and conclusions were developed and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP).

- Inspections were performed by members of the Snohomish County Assessor's Office Residential Appraisal Team in accordance with the 2010 – 2015 revaluation plan approved by the Washington State Department of Revenue, June 10, 2009.

  Residential appraisal neighborhoods are identified with a seven (7) digit number. The first character of the neighborhood codes identifies the region in which the property is located. The second digit identifies the inspection year of the approved revaluation plan. Properties located in Residential Appraisal Management Region 1, inspection year inspection year two (2), were inspected for the appraisal period covered by this report.

- Assessor's Office mass appraisal is a team effort. Significant participants and tasks are listed below:

Property Inspections and Data Collection

Residential Physical Inspection Region 1 Team Mermbers

Rowdy Radke, Residential Appraisal Crew Supervisor
Richard Cleary, Appraiser
Mara Hanson Appraiser
Carol Healey, Appraiser
Mark Keeney, Appraiser
Robert Kitchner, Appraiser
Lori Owens, Appraiser
James Schmidtgall, Appraiser
Evelina Shtiui, Appraiser
Matt Terwilliger, Appraiser
Jason Tourtellot, Appraiser

Land Value

Residential Modeling Team Members

Kelly Stevens, Residential Appraisal Crew Supervisor
Tom Blum, Residential Appraiser Analyst – Area 1

Brad Cone, Residential Appraiser Analyst / Open Space
Robert Kitchner, Residential Appraiser – Areas 1

Model Specification:

Manatron – ProVal implementation of Marshall & Swift® cost approach.

ProVal is a licensed re-distributor of the Marshall & Swift® cost data.
Snohomish County is a licensed user of the Marshall & Swift® cost data.

Model Calibration / Analysis and Statistics:

Kelly Stevens, Residential Appraisal Crew Supervisor
Tom Blum, Residential Appraiser Analyst – Area 1
Tom O'Brien Residential Appraiser Analyst – Area 2
Brad Cone, Residential Appraiser Analyst / Open Space
Robert Kitchner, Residential Appraiser – Area 1
Laura Washabaugh, Assessment Systems Manager
John Moore, Property Assessment Program Analyst

Preliminary Valuation Review

Kelly Stevens, Residential Appraisal Crew Supervisor

Final Valuation Review

Stephen Lightle, Residential Appraisal Manager

Mass Appraisal Report Preparation

Laura Washabaugh, Assessment Systems Manager – Data Extracts
John Moore, Property Assessment Program Analyst – Data Extracts
Kelly Stevens, Residential Appraisal Crew Supervisor
Tom Blum, Residential Appraiser Analyst – Area 1
Brad Cone, Residential Appraiser Analyst / Open Space

This mass appraisal report was prepared by:

_____ Date: June 1, 2011

Tom Blum, Residential Appraiser Analyst

Type of Report – Mass Appraisal Report

Report of the Snohomish County Assessor's Mass Appraisal for the geographic area named in this report as required under Standard 6-8, Uniform Standards of Professional Appraisal Practice (USPAP).

This document is not intended to be a self contained documentation of the mass appraisal but to summarize the methods and data used and to guide the reader to other documents or files which were relied upon to perform the mass appraisal. These other documents may include the following:

- Individual Property Records - Contained in Assessor's Property System Database / ProVal
- Real Estate Sales File – Part of Assessor's Property System Database / ProVal
- Sales Review File (Returned Questionnaires)
- Land Sales and Model Calibration Spreadsheets including published 'Benchmark' tables
- Residential Cost Tables – Contained in Assessor's Property System Database / ProVal
- Residential Depreciation Tables – Contained in the Assessor's Property System Database / ProVal
- Residential Time Trend Study Spreadsheet
- Revised Code of Washington (RCW) - Title 84
- Washington Administrative Code (WAC) – WAC 458
- Uniform Standards of Professional Appraisal Practice (USPAP) published by the Appraisal Standards Board of the Appraisal Foundation
- 2010 – 2015 Snohomish County Revaluation plan as approved by the Washington State Department of Revenue
- Mass Appraisal Report data extracts and sales files
- Measuring Real Property Appraisal Performance in Washington's Property Tax System – Office of Program Research, Washington House of Representatives (Accessed at.
- http://www.leg.wa.gov/House/Committees/WAYS/Documents/Forms/AllItems.aspx?RootFolder=%2FHouse%2FCommittees%2FWAYS%2FDocuments%2FFinance&View=%7bABD434CE%2d1C16%2d4447%2dB7A7%2dC64FB63DAB84%7d)

- Glossary Mass Appraisal Report (Separate Document)

Introduction

This mass appraisal report is a 'post revaluation' 'report card' on the performance of the valuation model(s) used. As noted previously it is not a fully self contained appraisal but rather a summary of the performance of the model for the geographic area identified in the report. The summary statistics apply to the population of sales used as a whole and are not appropriate to apply to any specific property. For example, this report may show that on average, properties increased or decreased XX%. This cannot be construed to mean that all properties increased / decreased XX%. While property values in a general geographic area may on average change by XX%, individual properties may increase or decrease at greater or lesser amounts due to changes in property characteristics or localized market factors that do not affect the broader geographic area that this report covers.

Client

This residential mass appraisal report was prepared for the Snohomish County Assessor as per the client's instructions.

Client Instructions To Appraisers:

- Appraise all properties in each Residential Appraisal Management Region by the date specified in the approved Snohomish County revaluation calendar.
- The appraisals are to be compliant with Washington State Law (RCW), Washington State Administrative Code (WAC), Washington State Department of Revenue (DOR) guidelines, International Association of Assessing Officers (IAAO) standard on ratio studies, July 2007 edition and the Uniform Standards of Professional Appraisal Standards (USPAP) Standard 6: Mass Appraisal, Development and Reporting.
- The appraisals are to be performed using industry standards mass appraisal techniques, including adjusting sales prices for time.
- Physical inspections must comply with the 2010 – 2015 revaluation plan approved by the Washington State Department of Revenue June 10, 2009. Physical inspections will at a minimum be a curbside visit and review of the property characteristics.
- An effort should be made to inspect and review all qualified sales that occurred in the year prior to the assessment date. At a minimum, those qualified sales determined to be 'outliers' should be examined or in lieu of examination, a sales questionnaire mailed to them.
- A written mass appraisal report that is compliant with USPAP Standard 6 must be completed for each of Snohomish County's Residential Appraisal Management Regions.

- The intended use of the appraisals and subsequent report is the administration of ad valorem property appraisals.
- The intended users include the Assessor (Client), the Snohomish County Board of Equalization, the Washington State Board of Tax Appeals and the Washington State Department of Revenue.

Intended User(s)

Intended users include the Snohomish County Assessor, the Snohomish County Board of Equalization and/or the Washington State Board of Tax Appeals and Washington State Department of Revenue. No other users are intended or implied.

Use of This Report

The use of this report, its analysis and conclusions, is limited to the administration of appraisals for property tax purposes in accordance with Washington State law and administrative code. The information and conclusions contained in this report cannot be relied upon for any other purpose.

Assumptions and Limiting Conditions

1. This revaluation is a mass appraisal assignment resulting in conclusions of market value for ad valorem tax purposes and no one should rely on this study for any other purpose. The opinion of value on any parcel may not be applicable for any use other than ad valorem taxation.

2. This is a retrospective analysis with an assumed data cut-off date as of the appraisal date specified in this report.

3. Properties are appraised as if free and clear of any and all liens or encumbrances unless otherwise stated.

4. No personal property is included in the value. Fixtures are generally accepted as real property. Business value is personal property and exempt.

5. Responsible ownership and competent property management are assumed.

6. It is assumed that there are no hidden conditions of the property, subsoil or structures that render it more or less valuable unless specifically noted in the property system database.

7. The appraiser is not qualified to detect the existence of potentially hazardous material which may or may not be present on or near the property. The existence of such substances may have an effect on the value of the property. It is assumed that there are no hazardous materials affecting the value of the property, unless specifically identified in the property system database.

8. It is assumed that there is full compliance with all applicable federal, state and local environmental regulations and laws unless noncompliance has been noted in the property system database.

9. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless otherwise noted in the property system database.

10. It is assumed that all required licenses, permits, certificates, consents, easements or other legislative or administrative authority from any local, state or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate is based, unless otherwise noted in the property system database.

11. It is assumed that there are no adverse easements, encroachments, restrictions, encumbrances, leases, reservations, covenants, contracts, declarations, special assessments, ordinances or other items of similar nature significantly affecting the value of the property, unless otherwise noted in the property system database.

12. No responsibility is assumed for matters pertaining to legal or title considerations.

13. Fiscal constraints may impact data completeness and accuracy, valuation methods and valuation accuracy.

14. The Assessor's records are assumed to be correct for the properties appraised.

15. Sales utilized are assumed to be "arm's-length" market transactions; fiscal constraints limit the Assessor's ability to verify the transactions beyond initial sales screening. Secondary screening is limited to the mailing of sales questionnaires and/or inspection of 'outlier' sales.

16. The subject property is assumed to be buildable unless otherwise noted in the property system database.

17. It is assumed that the property is unaffected by "sensitive or critical areas" regulations (federal, state or local) unless otherwise noted in the property system database.

18. Maps, aerials, and drawings may be included to assist the intended user in visualizing the property; however, no responsibility is assumed as to their exactness.

19. The value conclusions contained in this report apply to the subject parcels only and are valid only for assessment purposes. No attempt has been made to relate the conclusions in this report to any other revaluation, past, present or future.

20. It is assumed that 'exposure time' for the properties appraised is typical for their market area.

21. It is assumed that the legal descriptions stored in the Assessor's property system database for the properties appraised are correct. No survey or search of title of the properties has been made for this report and no responsibility for legal matters is assumed.

22. Rental rates, when employed, were calculated in accord with generally accepted appraisal industry standards.

23. The Snohomish County Assessor's office does not employ a sales database that captures property characteristics at the time of sale. Staffing resources preclude the level of sales review required to support this activity. Not employing a static sales database may bias the mass appraisal results when there are few sales with which to calibrate the market model.

24. The use of valuation models for residential properties other than the sales adjusted cost approach is generally precluded or difficult to employ due to limitation of the appraisal software used by the Assessor's office.

25. Exterior inspections were made of all properties in the physical inspection areas per the revaluation plan approved by the Washington State Department of Revenue dated June 10, 2009. Due to lack of staff, time and access, few properties received 'walk around' inspections nor did improved properties receive interior inspections. An effort was made to either inspect or contact by mailed questionnaire 'outlier' sales.

26. The values reported herein are only valid as of the date of this report. Values of individual properties may change through normal jurisdictional processes.

Inspection of Properties

RCW 84.41.041

Each county assessor shall cause taxable real property to be physically inspected and valued at least once every six years in accordance with RCW 84.41.030, and in accordance with a plan filed with and approved by the Department of Revenue.

Jurisdictional Exception

The mass appraisal must be completed within the time constraints set by statute and with the work force and financial resources available. As these constraints limit the scope of work performed for the mass appraisal, limiting the ability to fully comply with USPAP Standards 6, the Jurisdictional Exception as provided for in Standard 6 is invoked.

Date of Appraisal: January 1, 2011

The appraisal date for properties other than new construction is January 1, 2011

> **RCW 84.40.020**
> Assessment date — Average inventory basis may be used — Public inspection of listing, documents, and records.
>
> All real property in this state subject to taxation shall be listed and assessed every year, with reference to its value on the first day of January of the year in which it is assessed.

The appraisal date for new construction, that is those properties that were issued a building permit or should have been issued a building permit, is July 31, 2011.

> **RCW 36.21.080**
> New construction building permits — When property placed on assessment rolls.
>
> 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.

Type of Value – Market Value For Assessment Purposes

Market Value: The basis of all assessments is the true and fair market value of property. True and fair market value (Spokane etc. R. Company v. Spokane County, 75 Wash. 72 (1913); Mason County Overtaxed, Inc. v. Mason County, 62d (1963); AGO 57-58, No. 2, 1/8/57; AGO 65-66, No. 65 12/31/65... or amount of money a buyer is 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 that can within reason be said to affect the price in negotiations between a willing purchaser and willing seller, and he must consider all of such factors (AGO 65.66. No. 65, 12/31/65).

Property Rights Appraised – Fee Simple

Fee Simple Title: Fee simple title indicates ownership that is absolute and subject to no limitation other than eminent domain, police power, escheat and taxation. (International Association of Assessing Officers, *Glossary for Property Appraisal and Assessment, (Chicago. IAAO 1997).*

Region Profile by Property Class / Use Code:

The first 2 digits of the property class code conform to the 2 digit land use code standards published in the Washington State Department of Revenue ratio procedures manual, April 1997.

Property Class / Use Code	Parcel Count	Sold Parcels	% Sold
001 Reference Account	1	0	0.0%
110-Sr Cit Exemption Residual	25	0	0.0%
111-Single Family Residence	51,971	1,181	2.3%
112-2 Single Family Residences	364	4	1.1%
113-3 Single Family Residences	20	0	0.0%
114-4 Single Family Residences	2	0	0.0%
115-5+ Single Family Residence	5	0	0.0%
116-Comon Wall SFR	491	28	5.7%
117-Manufac Home (Leased Site)	42	0	0.0%
118-Manufac Home (Owned Site)	333	4	1.2%
119-Manuf Home (MHP)	2,518	105	4.2%
122-Duplex	1,341	24	1.8%
123-Tri-Plex	75	1	1.3%
124-Four Plex	7	0	0.0%
130-Mult Family 5-7 units	4	0	0.0%
141-SFR Condominium Detached	2,344	164	7.0%
142-SFR Condominium CommonWall	625	27	4.3%
150-Mobile Park 1-20 Units	2	0	0.0%
174-Retirement Home/Orphanages	1	0	0.0%
175-Religious Residence	3	0	0.0%
183-Non Residential Structure	92	1	1.1%
188-SFR Converted to GroupHome	22	0	0.0%
189-Other Residential	6	0	0.0%
249-Other Lumber & Wood Prod	1	0	0.0%
411-Railroad Transportation	7	0	0.0%
421-Bus Transportation	1	0	0.0%
451-Freeways	3	0	0.0%
453-Parkways	1	0	0.0%
454-Arterial Streets	3	0	0.0%
456-Local Access Streets	66	0	0.0%
457-Alleys	6	0	0.0%

Property Class / Use Code	Parcel Count	Sold Parcels	% Sold
459-Other Highway NEC	52	0	0.0%
461-Automobile Parking (Lot)	12	0	0.0%
471-Telephone Communication	5	0	0.0%
481-Electric Utility	22	0	0.0%
483-Water Util & Irrig & Stg	16	0	0.0%
484-Sewage Disposal	5	0	0.0%
489-Other utilities, NEC	8	0	0.0%
541-Groceries	1	0	0.0%
624-Funeral/Crematory Services	22	0	0.0%
641-Automobile Repair Services	1	0	0.0%
649-Other Repair Services	1	0	0.0%
659-Other Professional Service	1	0	0.0%
671-Exec,Legislative,Judicial	1	0	0.0%
672-Protective Functions	11	0	0.0%
675-Military Base/Reservation	1	0	0.0%
681-Nursery,Primary,Second Sch	60	0	0.0%
682-Univ,College,Jr College	5	0	0.0%
683-Special Training/Schooling	2	0	0.0%
691-Religious Activities	113	0	0.0%
692-Welfare/Charitable Service	1	0	0.0%
699-Other Misc Services	2	0	0.0%
719-Other Cultural Activities	1	0	0.0%
723-Public Assembly	2	0	0.0%
741-Sports Activities	2	0	0.0%
742-Playgrounds/Athletic Areas	9	0	0.0%
745-Trails (Centennial, etal)	1	0	0.0%
749-Other Recreation	5	0	0.0%
752-Group & Organized camps	1	0	0.0%
761-Parks, General Recreation	91	0	0.0%
762-Parks, Leisure & Ornamental	7	0	0.0%
769-Other Parks, NEC	2	0	0.0%
790 Other Cult. Entertainment	3	0	0.0%
830-Open Space Agriculture	1	0	0.0%
910-Undeveloped Land	3,246	21	0.6%
911-Vacant Site/Mobile Park	239	0	0.0%

Property Class / Use Code	Parcel Count	Sold Parcels	% Sold
914-Vacant Condominium Lot	194	1	0.5%
915-Common Areas	179	0	0.0%
916-Water Retention Area	59	0	0.0%
922-Nonreserve Forests	1	0	0.0%
935-Saltwater Tidelands	190	0	0.0%
939-Other Water Areas	6	0	0.0%
940-Open Space General	24	0	0.0%
Grand Total	**64,987**	**1,561**	**2.4%**

Region Profile by Land Type:

Land Type	Parcel Count	Sold Parcels	% Sold
	2,857	105	3.7%
23 Open Space General	2	0	0.0%
54 No Perk	25	0	0.0%
59 Other Acreage Type	6	0	0.0%
65 Topo Problems I	164	1	0.6%
66 Topo Problems II	102	0	0.0%
81 Tidelands	194	0	0.0%
86 Utility Easement (P/L)	11	0	0.0%
88 Contiguous-less than 1 acre	969	0	0.0%
A1 Sewer Fair NH	3,437	57	1.7%
A2 Sewer Avg Older Mixed NH	24,060	470	2.0%
A3 Sewer Avg Homogeneous NH	9,925	203	2.0%
A4 Sewer Average Plus NH	5,178	143	2.8%
A5 Sewer Good Older Mixd NH	1,692	40	2.4%
A6 Sewer Good Homogenous NH	2,987	108	3.6%
A7 Sewer Very Good NH	233	7	3.0%
A8 Sewer Excellent NH	103	3	2.9%
A9 Exception Plat	172	4	2.3%
B1 Septic Fair NH	30	0	0.0%
B2 Septic Average Mixed NH	726	8	1.1%
B4 Septic Average NH	239	5	2.1%
B6 Septic Good Homogenous NH	225	5	2.2%
B9 Septic Pub Water Exception	1	0	0.0%
C1 SFR CondoDet Fair NH UC 141	184	10	5.4%
C2 SFR Condo Det Avg NH -141	1,774	127	7.2%
C3 SFR Condo Det Avg+ NH-141	545	28	5.1%
C4 Condo Cmnwall@LivArea - 142	486	18	3.7%
C5 Condo Cmnwall@Gar UC 142	60	4	6.7%
C6 SFR Commonwall - UC 116	477	20	4.2%
C8 Condo Cmnwall MidUnit - 142	1	1	100.0%
C9 Exception Condo Plat	109	4	3.7%
CA Common Areas	253	0	0.0%
F1 SFR Cmnwall MidUnit - 116	44	8	18.2%
SC SrCit Residual Contiguous	1	0	0.0%

Land Type	Parcel Count	Sold Parcels	% Sold
U1 Waterfront I	115	1	0.9%
U2 Waterfront II	54	0	0.0%
U3 Waterfront III	62	2	3.2%
U4 Waterfront IV	15	0	0.0%
UD Undevelopable Land	711	0	0.0%
V1 View/Wtrfrt Type I	1,268	33	2.6%
V2 View/Wtrfrt Type II	1,218	28	2.3%
V3 View/Wtrfrt Type III	974	34	3.5%
V4 View/Wtrfrt Type IV	969	22	2.3%
V5 View/Wtrfrt Type V	686	20	2.9%
V6 View/Wtrfrt Type VI	765	23	3.0%
V7 View/Wtrfrt Type VII	239	3	1.3%
V8 View/Wtrfrt Type VIII	639	16	2.5%
Grand Total	**64,987**	**1,561**	**2.4%**

N/A: Building Only Accounts (Parcels with No Land)

Region Profile By House Type (Stories):

House Type / Stories	Parcel Count	Sold Parcels	% Sold
11 - 1 Story	19,552	381	1.9%
12 - 1 Story Bsmt	7,718	174	2.3%
14 - 1 1/2 Story	1,470	33	2.2%
15 - 1 1/2 Story Bsmt	1,676	33	2.0%
17 - 2 Story	12,742	464	3.6%
18 - 2 Story Bsmt	2,511	70	2.8%
20 - 2+ Story	614	43	7.0%
21 - 2+ Story Bsmt	40	3	7.5%
23 - Split Entry	7,831	164	2.1%
24 - Tri Level	3,113	63	2.0%
26 - Quad Level	21	0	0.0%
27 - Multi Level	5	1	20.0%
71 - DW Manuf. Home	1,969	67	3.4%
72 - DWB Manuf. Home	4	0	0.0%
74 - SW Manuf. Home	890	41	4.6%
77 - TW Manuf. Home	8	1	12.5%
96 - Geodesic Dome	1	0	0.0%
N/A	4,822	23	0.5%
Grand Total	**64,987**	**1,561**	**2.4%**

N/A: Land Only Accounts or Non Single Family Structures

Region Profile By House Quality / Grade:

Quality / Grade	Parcel Count	Sold Parcels	% Sold
15 Sub Std	52	2	3.8%
25 Low	721	21	2.9%
35 Fair	7,424	150	2.0%
41 Avg Minus	1,463	38	2.6%
45 Average	34,701	816	2.4%
49 Avg Plus	8,123	242	3.0%
55 Good	5,653	190	3.4%
65 Very Good	1,754	63	3.6%
75 Excellent	274	16	5.8%
N/A	4,822	23	0.5%
Grand Total	**64,987**	**1,561**	**2.4%**

Includes Detached and Attached Single Family Residences Condominiums, Townhomes, Duplexes, Triplexes, and Manufactured Homes.

N/A: Land Only Accounts or Miscellaneous Structures (Barns, Sheds, etc).

Region Profile By Year Built Range:

Year Built Range	Parcel Count	Sold Parcels	% Sold
1899 & older	74	1	1.4%
1900 - 1909	797	17	2.1%
1910 - 1919	1,626	33	2.0%
1920 - 1929	2,155	40	1.9%
1930 - 1939	1,174	24	2.0%
1940 - 1949	3,152	64	2.0%
1950 - 1959	10,437	202	1.9%
1960 - 1969	10,603	209	2.0%
1970 - 1979	8,164	190	2.3%
1980 - 1989	7,196	172	2.4%
1990 - 1999	7,008	157	2.2%
2000 - 2009	7,604	364	4.8%
2010 - 2011	175	65	37.1%
Grand Total	**60,165**	**1,538**	**2.6%**

Includes Detached and Attached Single Family Residences Condominiums, Townhomes, Duplexes, Triplexes, and Manufactured Homes.

N/A: Land Only Accounts or Miscellaneous Structures (Barns, Sheds, etc).

Region Profile By Living Area Range:

Total Living Area	Parcel Count	Sold Parcels	% Sold
N/A	4,824	23	0.5%
1 - 499	162	4	2.5%
500 - 749	1,195	28	2.3%
750 - 999	4,151	99	2.4%
1000 - 1249	7,062	152	2.2%
1250 - 1499	8,018	162	2.0%
1500 - 1749	8,684	231	2.7%
1750 - 1999	8,246	250	3.0%
2000 - 2249	6,962	185	2.7%
2250 - 2499	4,829	132	2.7%
2500 - 2749	3,463	75	2.2%
2750 - 2999	2,257	69	3.1%
3000 - 3249	1,713	47	2.7%
3250 - 3499	1,061	28	2.6%
3500 - 3749	730	20	2.7%
3750 - 3999	488	9	1.8%
4000 - 4249	346	17	4.9%
4250 - 4499	206	6	2.9%
4500 - 4749	136	6	4.4%
4750 - 4999	96	7	7.3%
5000 - Over	358	11	3.1%
Grand Total	**64,987**	**1,561**	**2.4%**

Includes Detached and Attached Single Family Residences Condominiums, Townhomes, Duplexes, Triplexes, and Manufactured Homes.

N/A: Land Only Accounts or Miscellaneous Structures (Barns, Sheds, etc).

Scope of Work

Inspection of Property

The modeling process relies on the physical inspections performed by the Residential Physical Inspection Team members and the data contained in the Assessor's property system database (ProVal).

All known land sales were investigated and site visits performed to verify the physical characteristics of the parcel unless precluded from doing so due to lack of access or lack of time that coincided with an extreme weather condition such as snow or flooding in which case aerial photographs and Parcel Analyst maps were utilized.

Sales Source

The Snohomish County Assessor's office utilizes sales obtained from Real Estate Excise Tax Affidavits filed with the Snohomish County Treasurer's Office.

Sales Review

Sales are assumed to be arm's length transactions based on initial screening in the sales verification process utilizing standards published by the Washington State Department of Revenue. The mass appraisal must be completed within the time constraints set by statute and with the work force and financial resources available. These constraints limit the amount of sales review that can occur.

Sales located in the scheduled physical inspection review area receive at a minimum an external inspection.

Sales identified by Residential Appraisal Crew Supervisor, Kelly Stevens, as being an 'outlier' may receive a sales questionnaire and/or be scheduled for sales review. The sale review may include a site visit and/or contact with either the buyer or seller of the property. The number of properties that actually receive a sales review is determined by the number of 'outliers' and the availability of staff to perform he task.

The majority of the sales (not just outlier sales) in Residential Management Region 1 were reviewed for accuracy for 2012 tax. The total amount of sales reviewed was limited by time and availability of staff, as previously mentioned.

All sales of duplexes and triplexes in the residential neighborhoods were investigated and where possible, rent information was obtained from the tenants.

Model Specification & Data Requirements

Model Specification

Time constraints, staffing level and lack of funding preclude the investigation of value models other than the following:

- Sales adjusted cost approach where the base model is specified by Manatron / ProVal. The Manatron / ProVal cost model is a derivative of the Marshall & Swift® valuation service cost approach. This approach is often referred to by ProVal as a Market Calibrated Stratified Cost Approach.

- Gross Rent Multiplier (GRM) market based valuation model for duplexes and triplex.

The income approach is not applicable to the appraisal of land, single family residences or manufactured homes, the predominant property types in the residential appraisal management areas and therefore was not considered.

CAMA system limitations, time constraints, staffing and lack of funding preclude utilization of multiple regression based direct market value models or 'comparable sales' value applications.

Data Requirements

The data requirements for the Manatron specified Market Calibrated Stratified Cost Approach reside in the ProVal database and are maintained by Assessor staff.

Data Collection

The appraisal staff relies on a number of tools to collect and verify property characteristics including:

- Physical Inspection of Properties

- Maps including but not limited to:

  Aerials
  Topographic Maps,
  Wetland and STREAM Maps
  Easement Maps
  Utility Maps
  Zoning Maps

Comprehensive Plan Maps
UGA Maps
Any map that conveys property characteristic data

- Blueprints
- Real Estate Flyers & Brochures
- Real Estate Web Sites
- Snohomish Health District

Property characteristics data is maintained annually from the various maps, through sales review and property re-inspections per the approved revaluation plan. Property characteristics may also be verified and updated in the course of re-inspection of a property in response to an appeal or taxpayer inquiry.

Data is captured in ProVal.

Sales review notes are contained in the analysis spreadsheets and in the Assessor's Property System Database / ProVal.

Sales questionnaire results are contained in the sales questionnaire file (cabinet).

Model Chosen

Sales Adjusted Cost Approach for all residential properties (SFR's, Manufactured Homes, SFR style condominiums).

Cost Approach for outbuildings and miscellaneous structures.

Market Approach / GRM and/or Sales Adjusted Cost Approach for Duplexes and Triplexes.

Value Model Calibration

Model calibration is conducted using ratio studies. The standards applied are those published by the IAAO, January 2010. The level of appraisal is set by RCW.

In 2011, preliminary initial ratio studies indicated a need to recalibrate the valuation model(s). The following steps were employed:

1. Recalibration of the base SFR improvement model

   For the 2011 revaluation for 2012 tax, model calibration was performed using a combination of 'house type models' and 'relative desirability factors (RDF) AKA Market Modifiers. House type models are percentage factors applied to the calculated improvement value on a neighborhood wide basis. RDF's are percentage adjustments applied to individual properties (in addition to the house type model).

   a. Depreciation Study: An analysis of Everett properties was conducted which indicated changes to Depreciation Model 3 was warranted. This depreciation study was further expanded countywide. In general, for better maintained older houses the depreciation schedule was reduced. And newer houses needing repairs depreciation was increased. The new county wide model is Depreciation Model 5.

      A new depreciation schedule was also developed for manufactured homes based on: existing depreciation schedule, depreciation schedule for SFR's, and market conditions.

   b. Field inspection by Residential Appraisal Supervisors Rowdy Radke and Larry Donk, noted that the condition of houses 2-10 years of age were generally in good condition if the quality was low to average plus. Houses of good and very good quality were noted to be in very good condition. As a result of this field inspection conditions were changed on houses 2-10 years of age in Pro-Val to reflect these characteristics.

2. Update of the land value model / land tables

   a. Land Value Influence Adjustments were recoded due to new features in ProVal. This allowed additional uniformity in coding of land influences countywide. It also allowed to the use of additional codes.

3. Recalibration of the whole property value model.

   a. A new cost calibration model was created by ProVal, tested, adjusted for local conditions and installed by the CAMA department,

Land

When sufficient land sales exist, the land calibration is based wholly on land sales. When there are insufficient land sales, land values are abstracted from improved property sales.

Land sales were inspected and their property characteristics verified. The sales were entered on a spreadsheet and stratified by land type, size and other property characteristics. A preliminary land table was developed and ratio study performed to determine how effective the land model is in predicting the sales prices. The number and type of land sales available were insufficient to construct the entire land model so a combination of land sales and residuals were used.

Due to continuing overall declines in the market, land values continue to fall. Development of land for new living units has continued to be weak. Land values were typically abstracted from sales of improved properties. Consideration was given for on site and off site costs along with a risk premium to developable vacant land to reflect costs and current market conditions.

Single Family Residences (AKA SFR's), Manufactured Homes (not in parks) & Condominiums

Initial ratio analysis indicated the need to recalibrate the base SFR value model.

The performance of the base cost model was evaluated on a neighborhood by neighborhood basis; house type by house type; and by year built and specific location (as examples) and the base cost model refined until it produces acceptable performance statistics. Refinements to the base cost model were made using house type factor models (applied universally by neighborhood by house style), the application of improvement modifiers (AKA Market Modifiers or Relative Desirability Factors (RDF)), lump sum or percentage land factors and modifications to depreciation tables. Refer to the model performance summary analysis tables for details.

Manufactured Homes (AKA MFG) – In Parks

Initial ratio analysis indicated the need to recalibrate the Manufactured Home value model. The analysis was performed county wide, with sales stratified by Manufactured Home Park. Individual grade, style (SW vs. DW vs. TW) and age/condition adjustments were made.

The final model was applied to all manufactured homes located in parks. For Manufactured Homes, values are created in Excel and then written back to the CAMA system.

Manufactured Homes located in Parks typically have a large range of values and sales prices. This is due to a number of reasons, potentially including but not limited to

- Limited market exposure
- Limited financing options
- Limited knowledge of market by buyers and sellers

- Motivation of buyers and sellers
- Park nuances: rent, restrictions, management, number of units, age restrictions.
- Park location
- Diversity between parks
- Diversity within parks
- Overall Age / condition / quality of MH
- Concerns regarding park closure (not as critical now)

These reasons and others result in a less uniformity of deviation.

Residential Neighborhoods Multi Family (Primarily Duplexes & Triplexes)

Initial ratio analysis indicated the need to adjust the value of duplexes and triplexes. Rental and GRM information was obtained by site inspection, questionnaires or published studies of the Snohomish County rental market. A new rent schedule / GRM table was constructed, applied to the sold properties and performance ratio studies performed until the results met standards.

In some instances, such as, duplexes in historical neighborhoods, waterfront duplexes or duplexes with large sub-dividable land parcels the residential sales adjusted cost model performed better than the GRM market model and was therefore employed in those instances.

The new appraised values for properties valued by the GRM market model are created in Excel and then written back to the CAMA system. Which properties were valued by which model is noted in the certification code of each individual property in ProVal.

North Everett

Neighborhoods Sub neighborhoods in north Everett were delineated using neighborhood maps of Everett, physical inspections and sales. Six sub neighborhoods were identified – Northwest, Delta, Bayside, Riverside, Port Gardner and Lowell.

North Everett was part of the physical inspection area. Prior to Physical inspection a review of quality of construction, condition of houses, actual year built vs. effective year built and market modifiers, was conducted by Tom Blum and Rowdy Radke.

Quality of Construction: a review of quality included interior inspection of numerous houses in Everett, review of Marshall – Swift guidelines, Snohomish County guidelines and other jurisdiction guidelines for quality of construction. Numerous photos were taken and catalog of houses in North Everett. All SFR were reviewed in the field in BMA 1201000 by Tom Blum and Rowdy Radke. When this field inspection resulted in a change from the record in ProVal quality the change was made and a corresponding note added. When the field inspection resulted in no change only a field note was added. During Physical inspection, appraisers were instructed to review quality and discuss potential errors with either Tom Blum or Rowdy Radke.

Condition: A review of condition included interior inspection of numerous North Everett houses, review of Marshall-Swift guidelines and, Snohomish County guidelines and other jurisdiction guidelines.

Actual Year built vs. Effective Year ProVal valuation model uses effective year in the calculation of depreciation. In most cases effective year will equal actual year built . Appraiser will adjust effective year per office guidelines.

Market Modifiers: In North Everett, Market Modifiers based on house style and effective year built was applied several years ago and modified each year. Based on research of sales these modifiers could be removed by adjusting building rates, depreciation and land values. Modifiers were subsequently removed.

Building rates: Building rates were adjusted for local market conditions based on sales

Outbuildings & Miscellaneous Improvements

Outbuildings and miscellaneous improvements are valued using the ProVal cost model.

Time Adjustments

Time adjustments were determined by performing a sales ratio trend analysis as described in the *Mass Appraisal of Real Property*, IAAO, 1999. When sales prices are compared to assessed values (S/A Ratio) and arrayed against sale year / month of sale, the average change in market value for the sample can be determined. Increasing S/A ratio values indicate increasing market values over time where as decreasing S/A ratios indicate a declining market.

The sales ratio trend analysis was not performed until the majority of the prior year's sales have been entered into the CAMA database in order to have sufficient data to make an informed decision.

The study was performed using average S/A ratio vs. month of sale as opposed to using median S/A ratios as the analysis was performed Excel® using pivot tables which do not calculate medians.

Value Conclusions

The ratio analysis was done in Excel and IBM® SPSS® Statistics (previously known as PASW Statistics or SPSS). The sold properties are stratified by neighborhood, plat, grade, age, style, land type, sale month/year, etc. and performance statistics generated, including, Mean Ratio, Median Ratio and COD.

The ratio results were reviewed by Kelly Stevens, Residential Appraisal Crew Supervisor with final approval by Stephen Lightle, Residential Appraisal Manager. Upon approval the summary statistics were published for reference.

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.

(1) …The appraisal shall be consistent with the comprehensive land use plan, development regulations under chapter 36.70A RCW, zoning and any other governmental policies or practices in effect at the time of the appraisal that affect the use of property as well as physical and environmental influences. An assessment may not be determined by a method that assumes a land usage or highest and best use not permitted, for that property being appraised, under existing zoning or land use planning ordinances or statutes or other government restrictions….

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

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

This mass appraisal relies on the determinations of Highest and Best Use made by the Assessor's appraisal staff as part of Physical Inspection and/or Sales Review.

Current Use Properties – The appraised values of parcels in a 'current use' or 'designated forest' category are set according to RCW and WAC, not on Highest and Best Use.

Appraisal Performance

Mass Appraisal Reports – Sales:

Sales meeting the following criteria are included in the ratio analysis:

Sales within the Date Range of:.....01/01/2010 – 12/31/2010

Sales Qualification Code: .....Q (qualified)

In a letter dated June 30, 2009, the Department of Revenue instructed the Snohomish County Assessor to assume Short Sales and Bank Sales were qualified sales, unless the appraiser could determine they were invalid due to another reason, i.e. Family Sale, Divorce, etc.

Short Sales' and 'REO Sales' which meet the DOR ratio study standards are included as 'Q' sales. Auction sales are not.
Properties with multiple sales in the selected date range:.....Only the most current sale used

Based on Washington State Department of Revenue Ratio Procedures Manual – April 1997, the following sales were excluded from the ratio analysis:

- Outliers - Sales ratios (certified value divided by sales price) below 0.25 or greater than 1.75.
- Sales that are less than $1,000.
- Sales with a DOR ratio study invalid code (any sales whose qualification code is not 'Q').
- Sales that are not transferred by either a Warranty Deed or Real Estate Contract, with the exception of manufactured homes where the deed type is generally other than a Warranty Deed.

Additional sales excluded:

- Sales involving multiple parcels
- Sales where the prior year's appraised value did not include an improvement value by the sales price included improvements i.e. new construction that has not yet been appraised for the current assessment year.
- Sales where the improvements were appraised at less than 100% as of July 31st of the prior assessment year but the sales price was for a 100% complete home.
- A sale that included an appraised improvement value and the improvement was subsequently torn down or moved and the current appraised value does not include any improvement value.

- A sale on a parcel that did not exist for the prior assessment year but exists for the current assessment year (new plats, short plats, condominiums, etc). These parcels are excluded from the ratio report as their inclusion would distort the before and after ratio.

- Sales, which meet the DOR ratio study standard, but which investigation reveals to be non-market transactions. These sales are denoted as such in the appraisal spreadsheets and in the ProVal database sales file, field 'transaction type' as 'NM' (not market).

Valuation Model Performance Statistics – Adjusted For Changes In Market Conditions Over Time

Use Code 111 – Single Family Detached
Use Code 116 – Single Family Attached
Use Code 141 – Single Family Detached / Condominium
Use Code 142 – Single Family Attached / Condominium (Row House Style),

Ratio is revaluation assessed value divided by non time trended sales price. TASP_Ratio is revaluation assessed value divided by time trended sales price. The table below compares the two on a month by month basis.

An increasing non time adjusted ratio indicates a decline in sales prices.

Mean

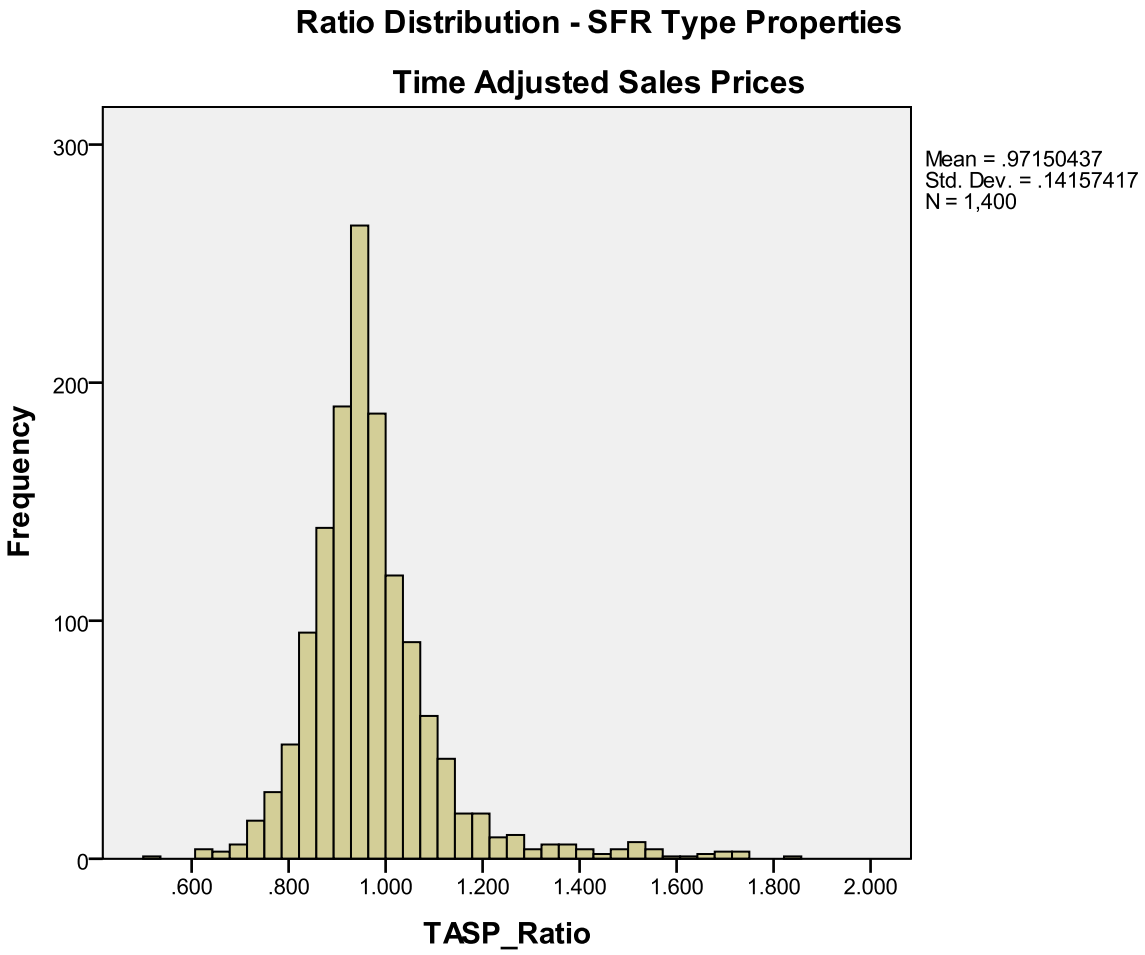
Trans_Yr_Mo	Ratio	TASP_Ratio
2010/01	.870	.987
2010/02	.875	.984
2010/03	.860	.957
2010/04	.866	.961
2010/05	.862	.953
2010/06	.895	.986
2010/07	.890	.970
2010/08	.907	.976
2010/09	.918	.978
2010/10	.942	.983
2010/11	.949	.969
2010/12	.967	.967
Total	**.896**	**.972**

Valuation Model Performance Statistics By Neighborhood – All Sales / Use Codes 111, 116, 141, & 142:

Note: The sales used for this ratio study **are** adjusted for time.

Group	Count	Mean	Median	Weighted Mean	Price Related Differential	Coefficient of Dispersion
1106	88	.974	.963	.960	1.015	.093
1107	106	.958	.959	.946	1.013	.067
1201	107	1.031	.984	.990	1.042	.160
1205	76	.978	.960	.965	1.013	.112
1208	50	.992	.973	.976	1.016	.097
1209	108	.954	.947	.946	1.008	.062
1217	72	.935	.926	.911	1.027	.096
1302	50	.953	.939	.955	.998	.049
1310	77	.989	.946	.972	1.018	.113
1315	80	.955	.953	.948	1.007	.048
1403	77	1.004	.989	.993	1.012	.096
1407	10	.961	.938	.947	1.015	.077
1408	19	.968	.930	.934	1.037	.121
1409	62	.981	.950	.955	1.027	.115
1504	193	.971	.946	.947	1.025	.107
1605	212	.953	.943	.930	1.024	.090
1606	13	.950	.935	.934	1.017	.079
Overall	**1400**	**.972**	**.950**	**.949**	**1.024**	**.096**

Valuation Model Performance Frequency of Ratio Distribution – All Sales / Use codes 111, 116, 141, & 142:

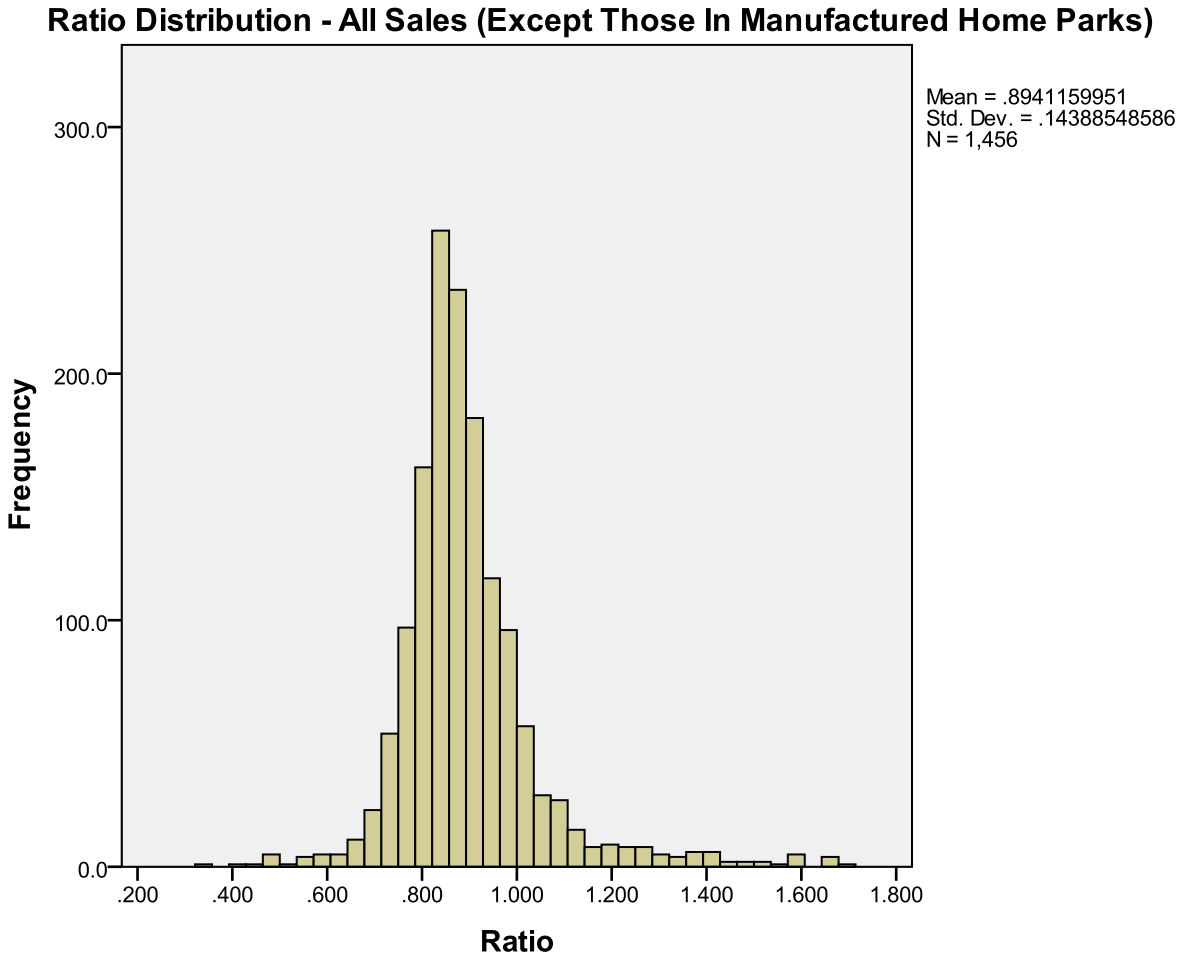


Valuation Model Performance Statistics By Neighborhood - All Sales / All Use Codes: (Except Manufactured Homes In Parks):

Note: The sales used for this ratio study **are not** adjusted for time.

Group	Count	Mean	Median	Weighted Mean	Price Related Differential	Coefficient of Dispersion
1106	100	.902	.890	.891	1.012	.103
1107	109	.882	.880	.873	1.010	.076
1201	115	.956	.910	.918	1.041	.166
1205	79	.885	.857	.876	1.010	.133
1208	52	.912	.878	.894	1.020	.112
1209	110	.875	.874	.870	1.006	.069
1217	74	.858	.846	.838	1.023	.103
1302	50	.887	.873	.888	1.000	.060
1310	83	.895	.858	.885	1.012	.139
1315	81	.883	.864	.868	1.017	.063
1403	81	.925	.899	.913	1.013	.099
1407	10	.867	.858	.854	1.015	.076
1408	19	.898	.843	.868	1.034	.118
1409	63	.912	.866	.883	1.033	.129
1504	199	.890	.868	.859	1.037	.118
1605	218	.880	.862	.858	1.025	.093
1606	13	.882	.860	.866	1.019	.083
Overall	**1456**	**.894**	**.870**	**.872**	**1.025**	**.107**

Valuation Model Performance Frequency of Ratio Distribution – All Sales / All Use Codes: Except Manufactured Homes Located In Manufactured Home Parks

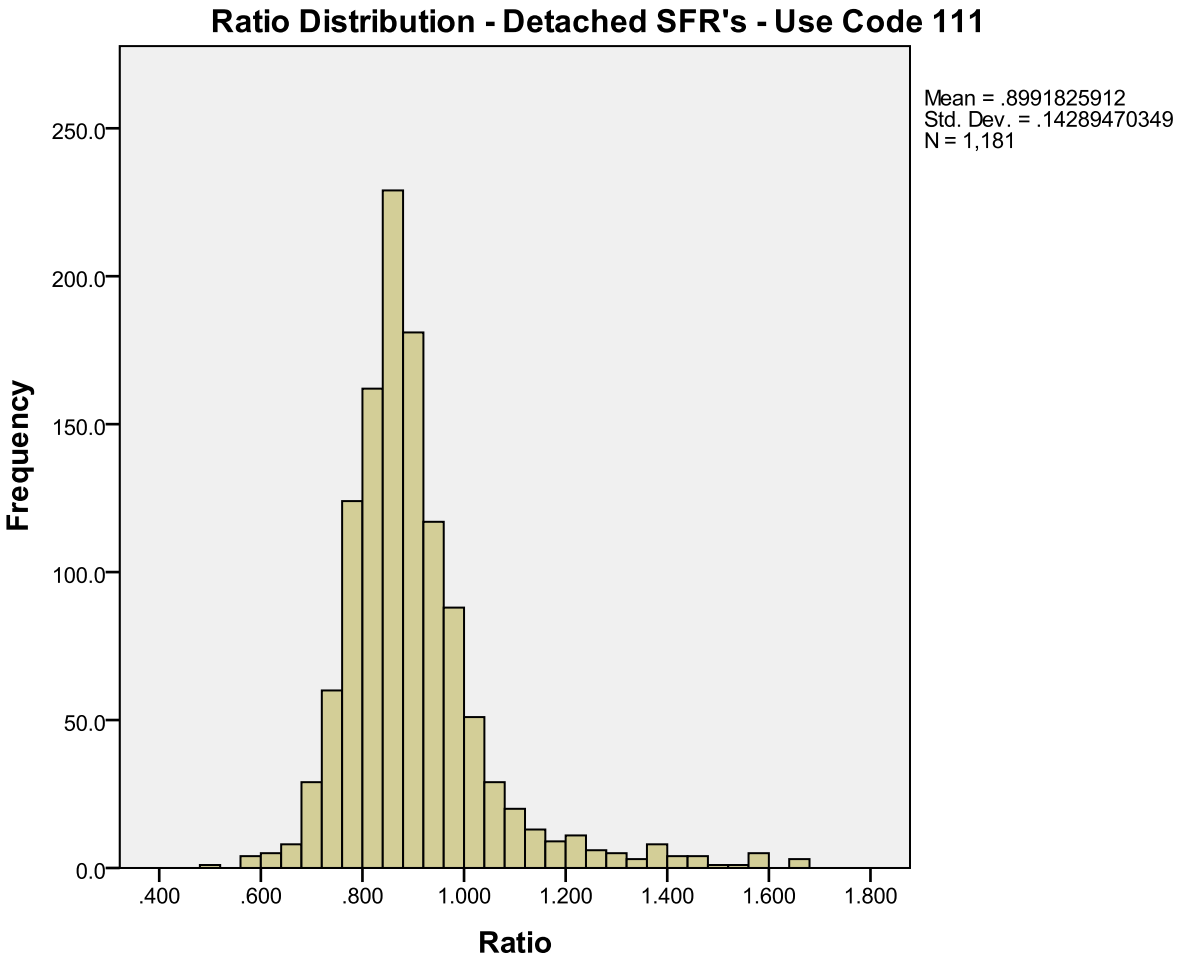


Valuation Model Performance Statistics Use Code 111:

Note: The sales used for this ratio study **are not** adjusted for time.

Group	Count	Mean	Median	Weighted Mean	Price Related Differential	Coefficient of Dispersion
1106	88	.895	.874	.882	1.015	.096
1107	100	.886	.878	.874	1.014	.072
1201	103	.959	.912	.921	1.041	.164
1205	73	.897	.858	.882	1.017	.131
1208	19	.952	.903	.920	1.035	.148
1209	100	.879	.877	.871	1.009	.065
1217	56	.857	.846	.835	1.026	.106
1302	18	.913	.880	.914	.999	.091
1310	46	.934	.856	.904	1.033	.161
1315	37	.869	.861	.859	1.011	.053
1403	64	.927	.918	.917	1.011	.090
1407	10	.867	.858	.854	1.015	.076
1408	19	.898	.843	.868	1.034	.118
1409	62	.913	.863	.883	1.033	.131
1504	183	.898	.871	.872	1.030	.115
1605	190	.881	.863	.858	1.027	.097
1606	13	.882	.860	.866	1.019	.083
Overall	**1181**	**.899**	**.873**	**.874**	**1.028**	**.108**

Valuation Model Performance Frequency of Ratio Distribution – Use Codes 111:

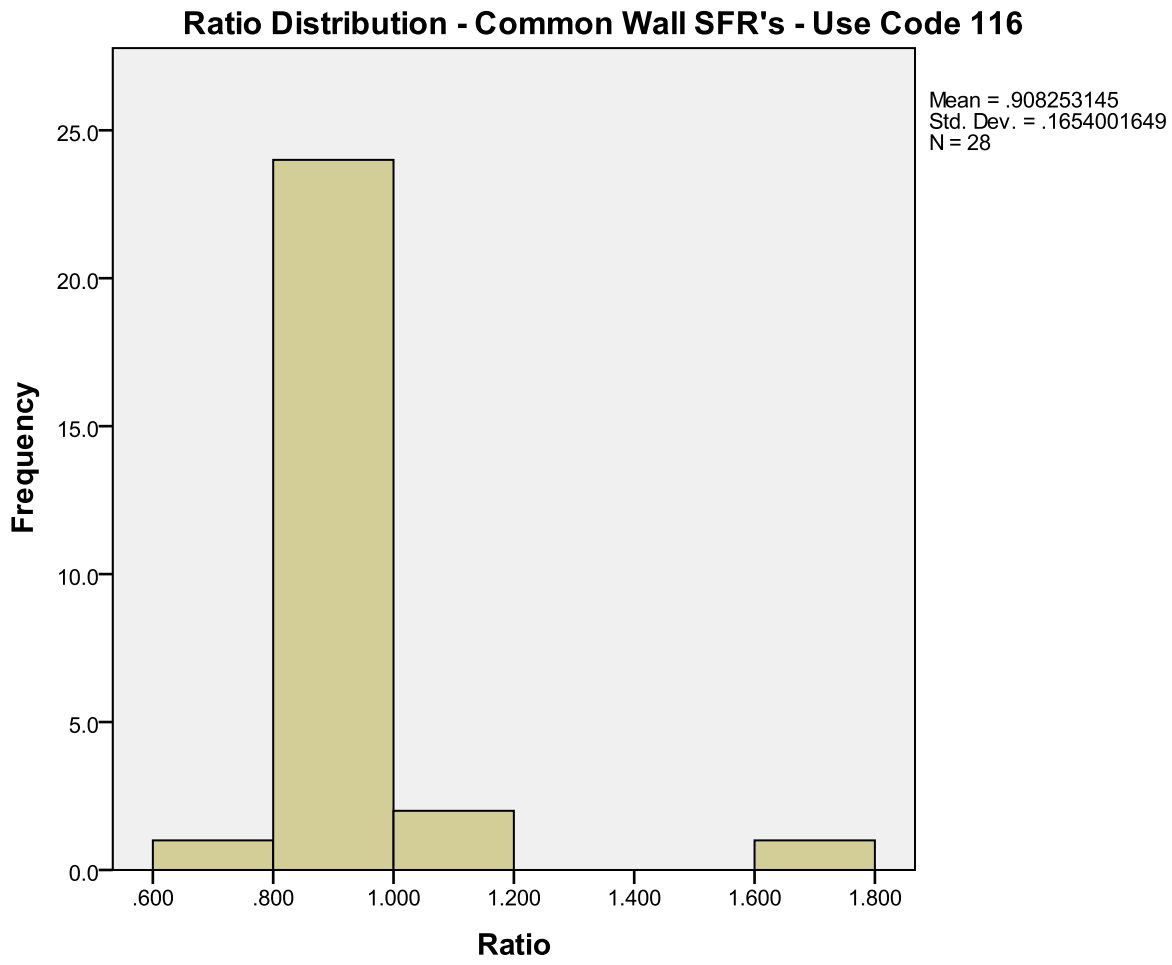


Valuation Model Performance Statistics Use Code 116:

Note: The sales used for this ratio study **are not** adjusted for time.

Group	Count	Mean	Median	Weighted Mean	Price Related Differential	Coefficient of Dispersion
1107	6	.870	.888	.860	1.012	.076
1201	4	.892	.860	.888	1.004	.065
1208	1	.935	.935	.935	1.000	.000
1209	4	.875	.841	.870	1.006	.068
1310	3	.911	.922	.901	1.011	.057
1315	1	.802	.802	.802	1.000	.000
1403	4	1.066	.878	.990	1.076	.257
1605	5	.882	.881	.877	1.006	.040
Overall	**28**	**.908**	**.879**	**.885**	**1.027**	**.095**

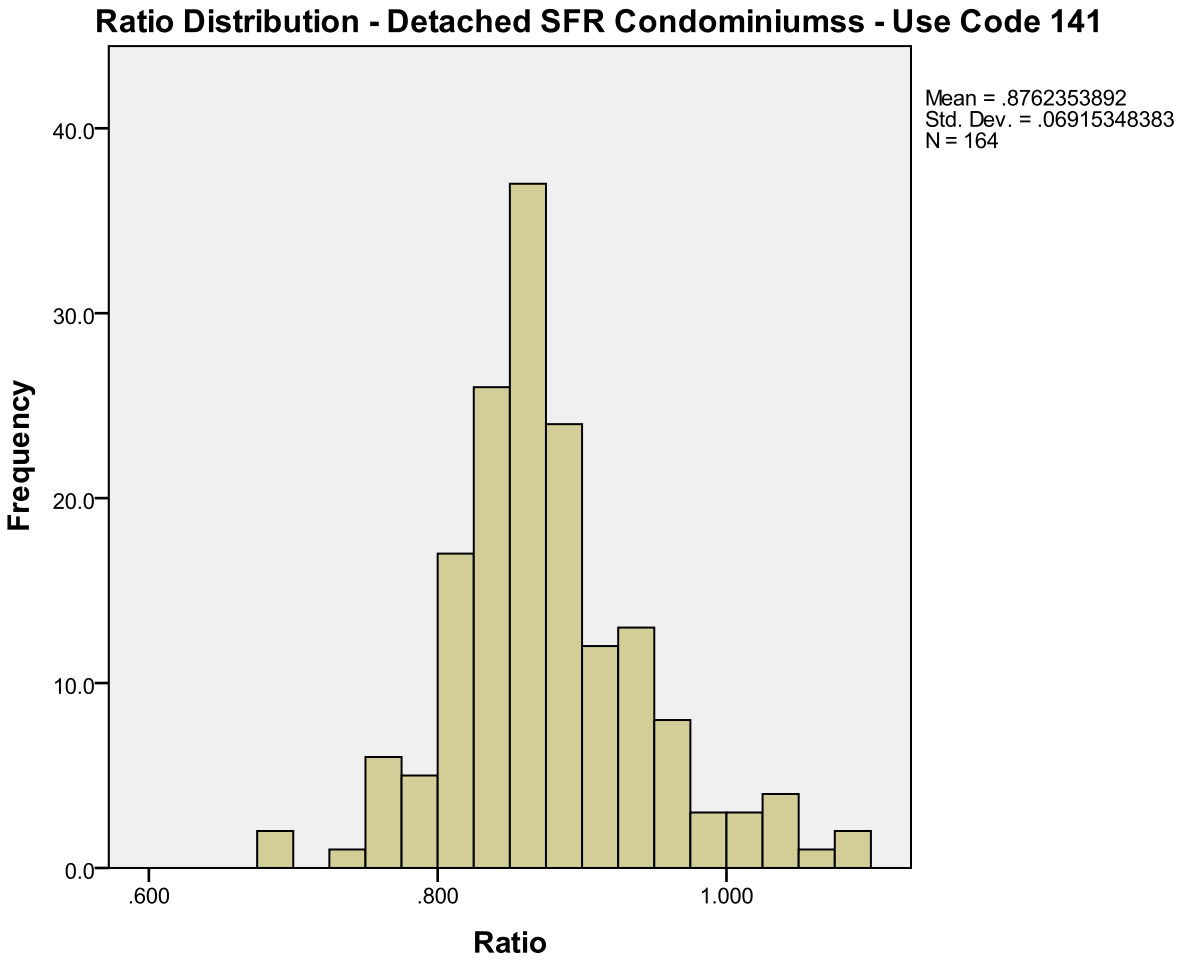
Valuation Model Performance Frequency of Ratio Distribution – Use Codes 116:



Valuation Model Performance Statistics Use Code 141:

Group	Count	Mean	Median	Weighted Mean	Price Related Differential	Coefficient of Dispersion
1205	1	.869	.869	.869	1.000	.000
1208	27	.878	.875	.870	1.009	.079
1217	14	.886	.862	.885	1.001	.063
1302	26	.883	.876	.881	1.002	.040
1310	26	.881	.870	.876	1.006	.076
1315	38	.878	.863	.876	1.002	.050
1403	9	.853	.839	.848	1.006	.034
1504	6	.874	.869	.874	1.000	.040
1605	17	.859	.852	.853	1.006	.045
Overall	**164**	**.876**	**.866**	**.872**	**1.005**	**.058**

Valuation Model Performance Frequency of Ratio Distribution – Use Codes 141:

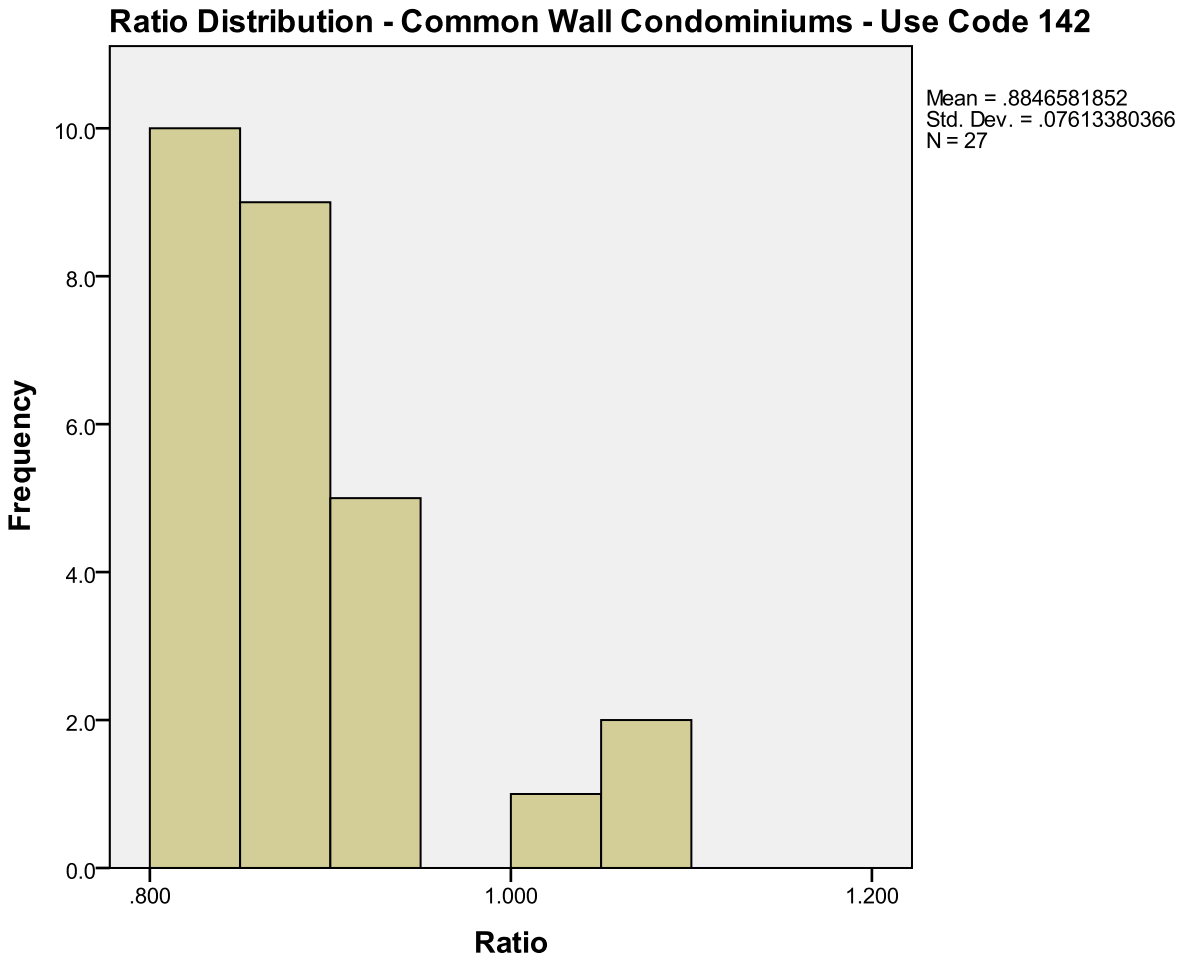


Valuation Model Performance Statistics Use Code 142:

Note: The sales used for this ratio study **are not** adjusted for time.

Group	Count	Mean	Median	Weighted Mean	Price Related Differential	Coefficient of Dispersion
1205	2	.838	.838	.838	1.000	.042
1208	3	1.021	1.076	1.022	.999	.052
1209	4	.891	.904	.888	1.003	.046
1217	2	.923	.923	.921	1.002	.120
1302	6	.830	.831	.829	1.000	.009
1310	2	.883	.883	.883	1.000	.007
1315	4	.887	.908	.890	.996	.041
1504	4	.862	.863	.862	1.000	.008
Overall	**27**	**.885**	**.869**	**.879**	**1.006**	**.062**

Valuation Model Performance Frequency of Ratio Distribution – Use Codes 142:



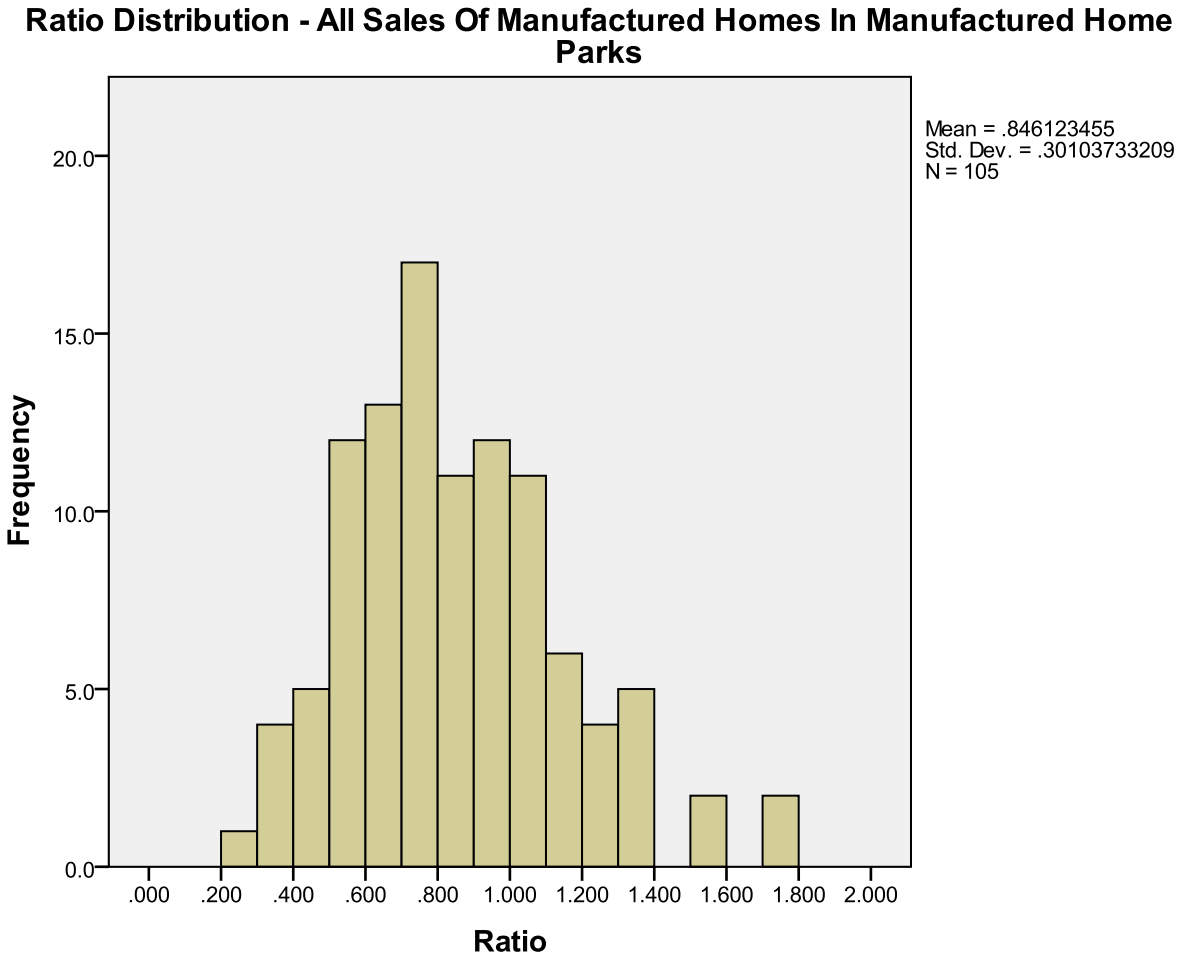
Valuation Model Performance Statistics By Neighborhood – Manufactured Homes In Parks Property Class Code 119:

The dispersion in sales prices for Manufactured homes located in manufactured home parks is considerably greater than that for other residential property types. Due to this disparity, the statistics for manufactured homes located in parks are reported separately from the region as a whole.

Note: The sales used for this ratio study **are not** adjusted for time.

Group	Count	Mean	Median	Weighted Mean	Price Related Differential	Coefficient of Dispersion
1106	3	1.173	.960	1.158	1.013	.309
1208	18	.859	.758	.760	1.131	.279
1310	29	.888	.879	.829	1.071	.247
1315	10	.800	.743	.791	1.011	.275
1403	20	.770	.799	.657	1.172	.374
1407	14	.847	.871	.733	1.156	.304
1409	4	.740	.779	.797	.929	.166
1504	5	.763	.743	.783	.974	.181
1605	2	1.037	1.037	1.080	.961	.274
Overall	**105**	**.846**	**.800**	**.794**	**1.066**	**.298**

Valuation Model Performance Frequency of Ratio Distribution – Manufactured Homes In Parks Use Codes 119:

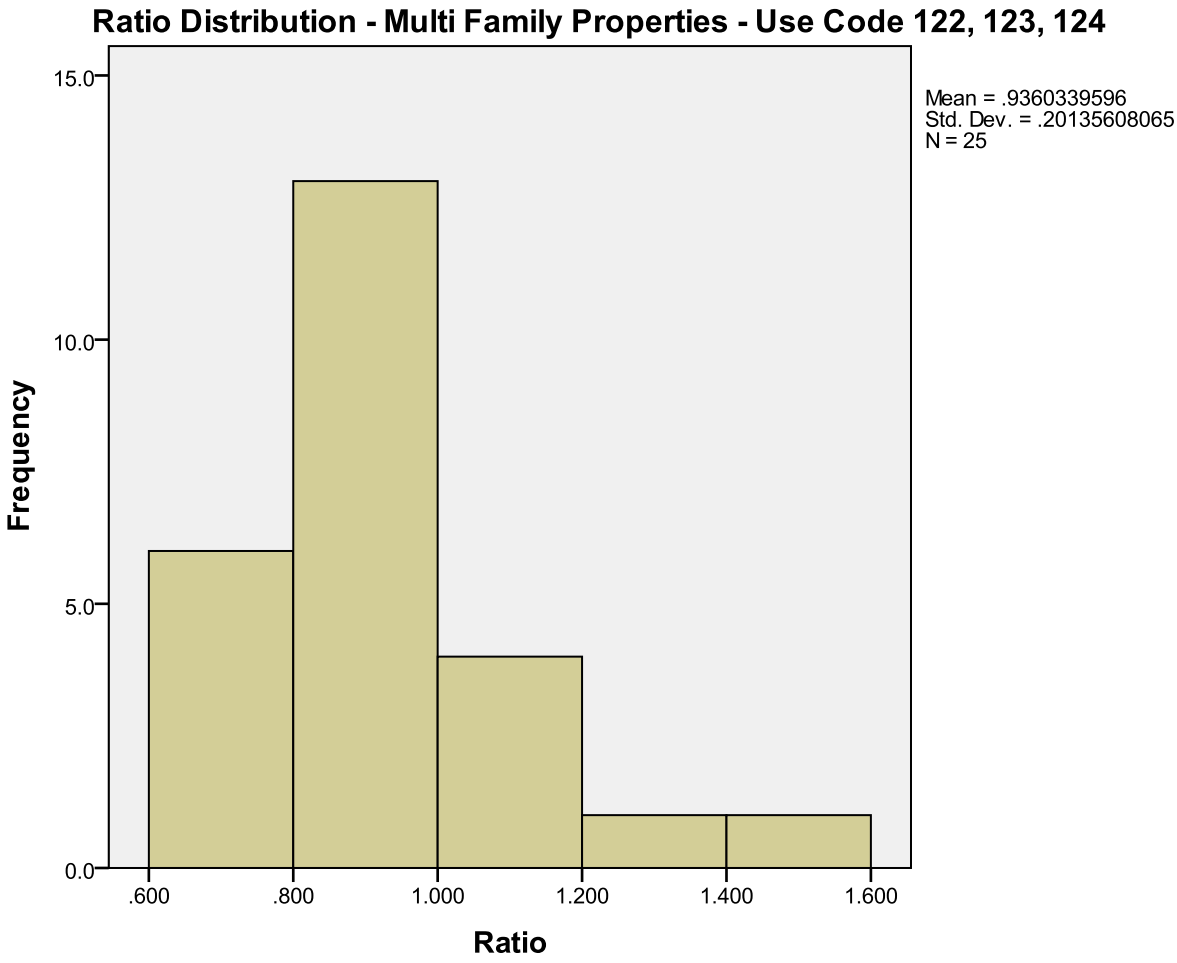


Valuation Model Performance Statistics Use Code 122, 123, 124:

Note: The sales used for this ratio study **are not** adjusted for time.

Group	Count	Mean	Median	Weighted Mean	Price Related Differential	Coefficient of Dispersion
1106	11	.990	.983	.984	1.006	.079
1107	1	.967	.967	.967	1.000	.000
1201	8	.950	.894	.891	1.066	.239
1205	1	.679	.679	.679	1.000	.000
1208	1	.755	.755	.755	1.000	.000
1217	1	.792	.792	.792	1.000	.000
1310	1	.848	.848	.848	1.000	.000
1605	1	.875	.875	.875	1.000	.000
Overall	**25**	**.936**	**.933**	**.904**	**1.035**	**.149**

Valuation Model Performance Frequency of Ratio Distribution – Use Codes 122, 123, 124:

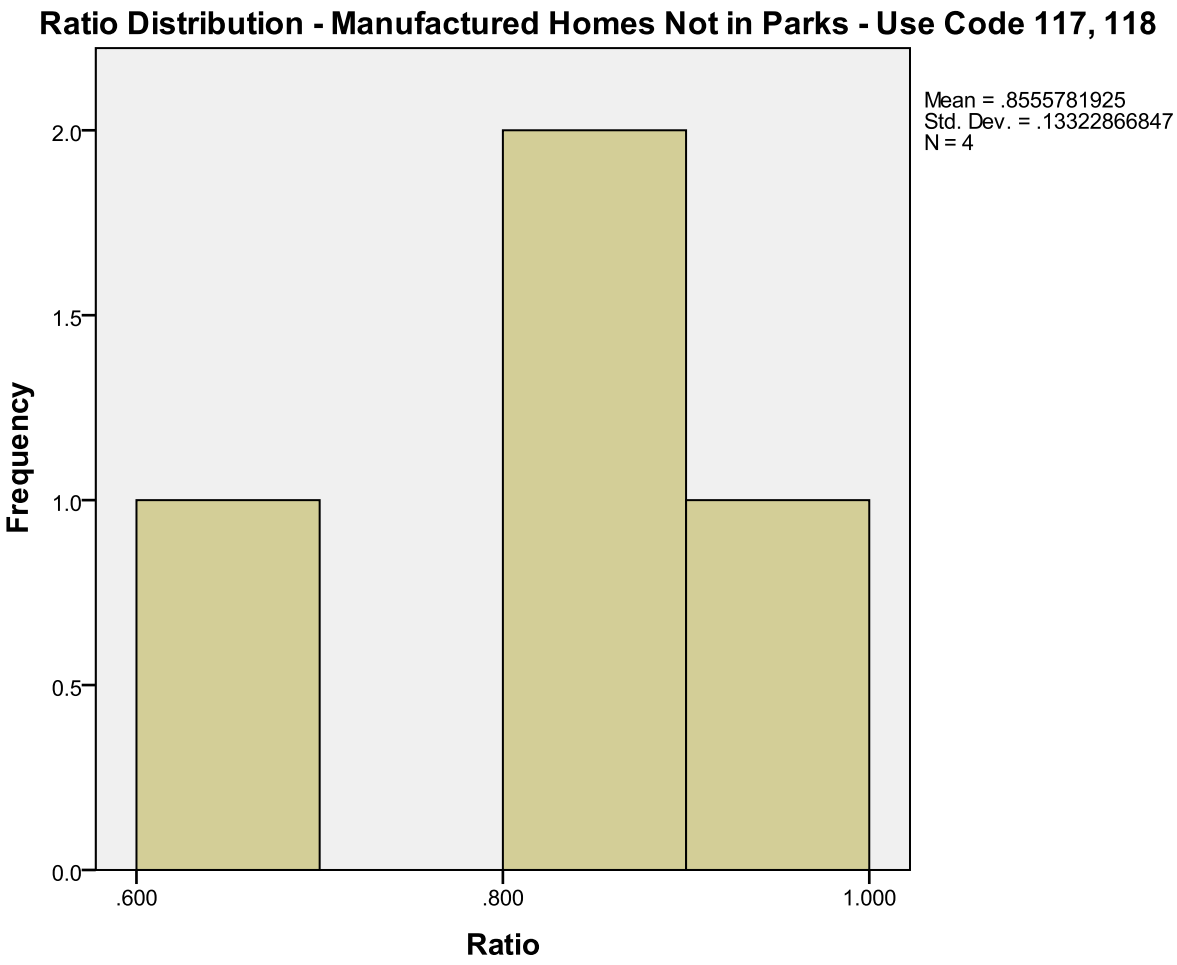


Valuation Model Performance Statistics Use Code 117 – 118 (Manufactured Homes Not In Parks):

Note: The sales used for this ratio study **are not** adjusted for time.

Group	Count	Mean	Median	Weighted Mean	Price Related Differential	Coefficient of Dispersion
1208	1	.863	.863	.863	1.000	.000
1310	2	.832	.832	.852	.977	.191
1409	1	.895	.895	.895	1.000	.000
Overall	**4**	**.856**	**.879**	**.868**	**.986**	**.099**

Valuation Model Performance Frequency of Ratio Distribution – Use Codes 117 – 118:



Reconciliation and Conclusion

The basic mass appraisal valuation models employed in this revaluation have been in place and utilized by the Assessor's office for a number of years. It has consistently produced reliable appraised values, as measured by ratio studies that meet or exceed the IAAO standards for ratio studies. Considering the quantity and quality of the data and the model performance results and documented here in, we conclude that the sales adjusted cost approach produces a reliable estimate of market value.

Sales Used / Excluded:

The sales used or excluded in the preparation of this report are found in the file named 2010 Region 1 Mass Appraisal Report Sales File.xls. The file is presorted by neighborhood id number and then by parcel id number.

Footnotes: