

Snohomish County Assessor's Office

Residential Mass Appraisal Report

**Residential Appraisal Management Area:
Region 4**

Appraisal Date: January 1, 2011 for 2012 Property Taxes

Report Date: June 1, 2011

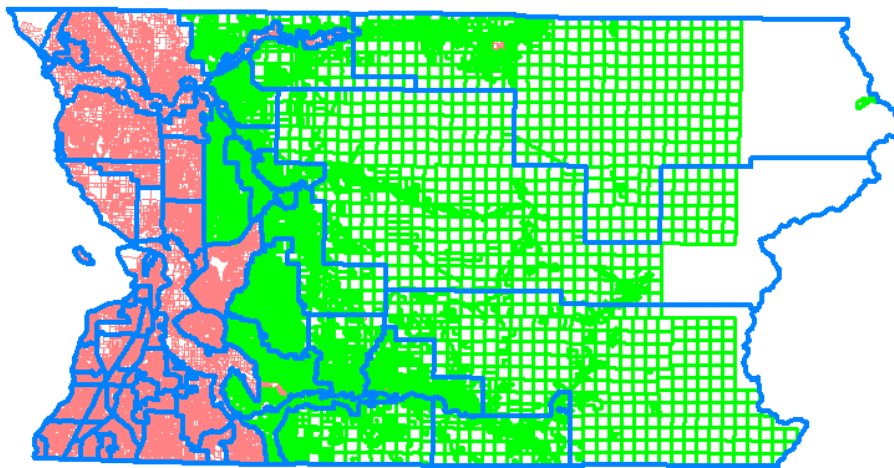
Prepared For: Cindy Portmann, Snohomish County Assessor



Properties Appraised

All parcels located within the boundaries of Residential Appraisal Management Area: Region 4

Member Parcels - Residential Appraisal Management Area: Region 4



Legend:

- Red:** Residential Management Regions 1, 3 and 4 (not part of this report)
- Green:** Member Parcels - Residential Management Area: Region 4
- Blue:** Neighborhood Boundaries

The map above shows the economic residential appraisal management area known as Residential Region 4. 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 4 is a large geographic area that is bordered on the north by Skagit County, on the east by Chelan County, on the south by King County, and is roughly bordered on the west by Highway 9 and Highway 2.

Residential Management Region 4 is a diverse area, containing mining & forestry land, no perc recreational lots, and septic & sewer sites/acreage with development potential. The makeup of the neighborhoods range from extremely remote with limited access to dense suburban areas. Darrington, Granite Falls, Monroe, Sultan, Gold Bar and Index are the main centers of population.

Residential Management Region 4 is accessed via State Route 530, State Route 92, and Highway 2.





Pre 2011 Revaluation Market Analysis:

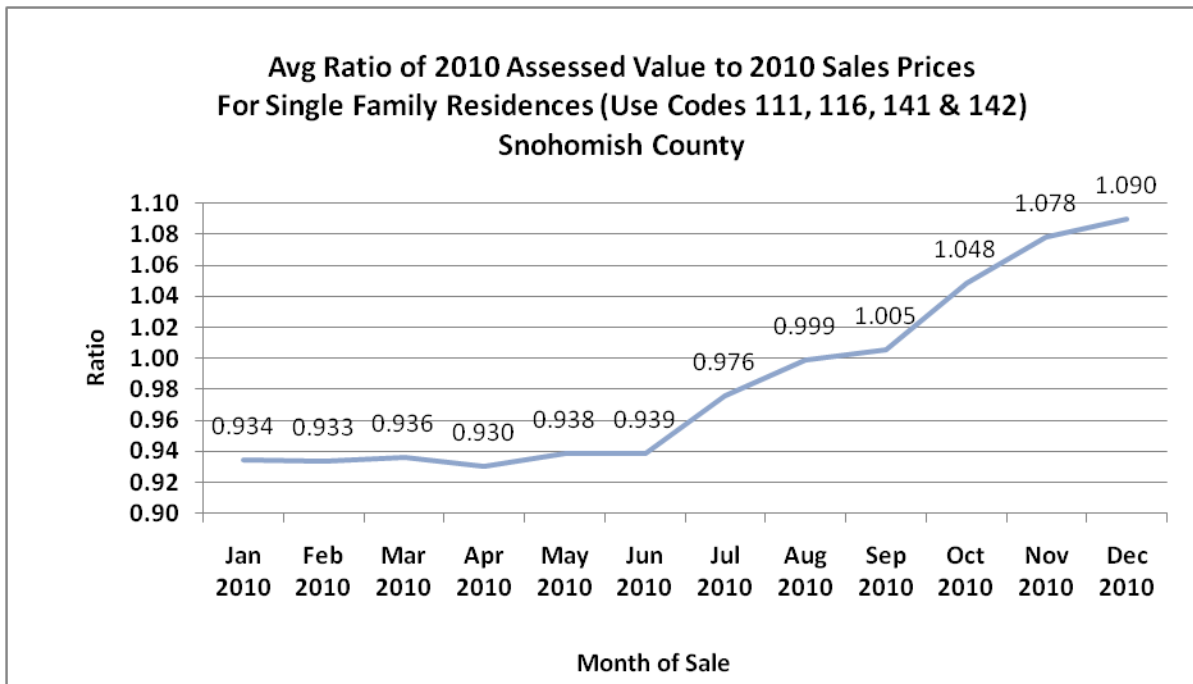
Preliminary to the initiation of the 2011 revaluation, ratio studies were conducted to measure the relationship of current assessed values (January 1, 2010 Assessments) to 2010 sales prices and to determine if property values were changing over time.

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.



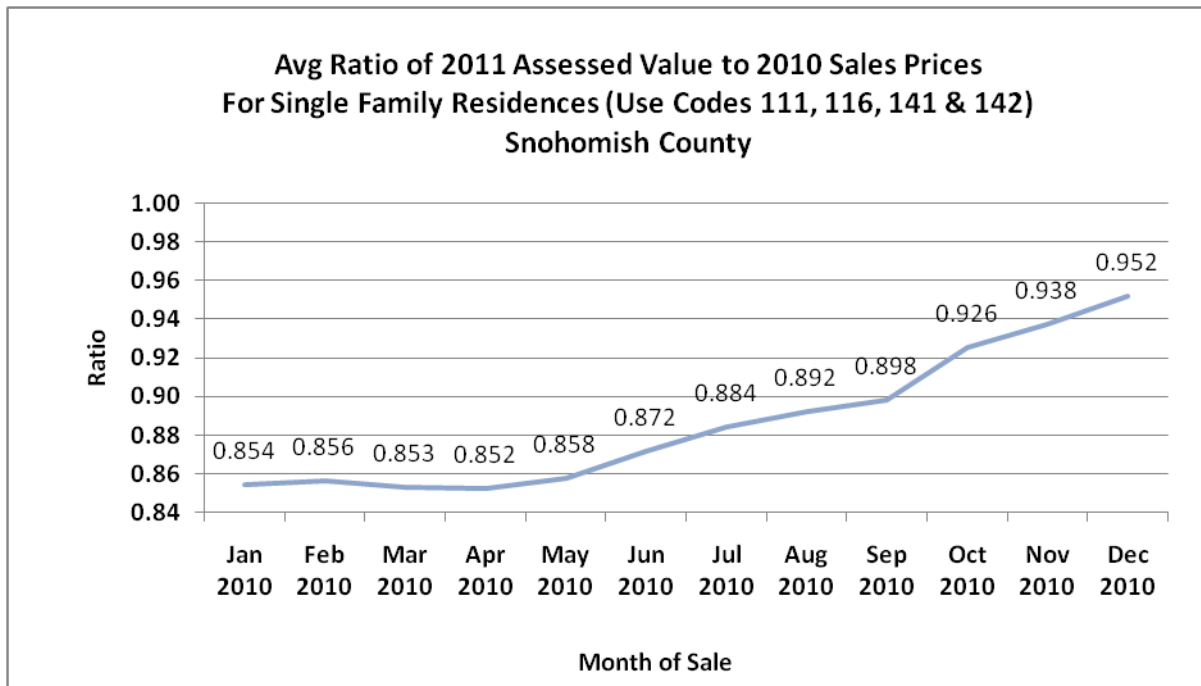
Post Revaluation Ratio Study

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

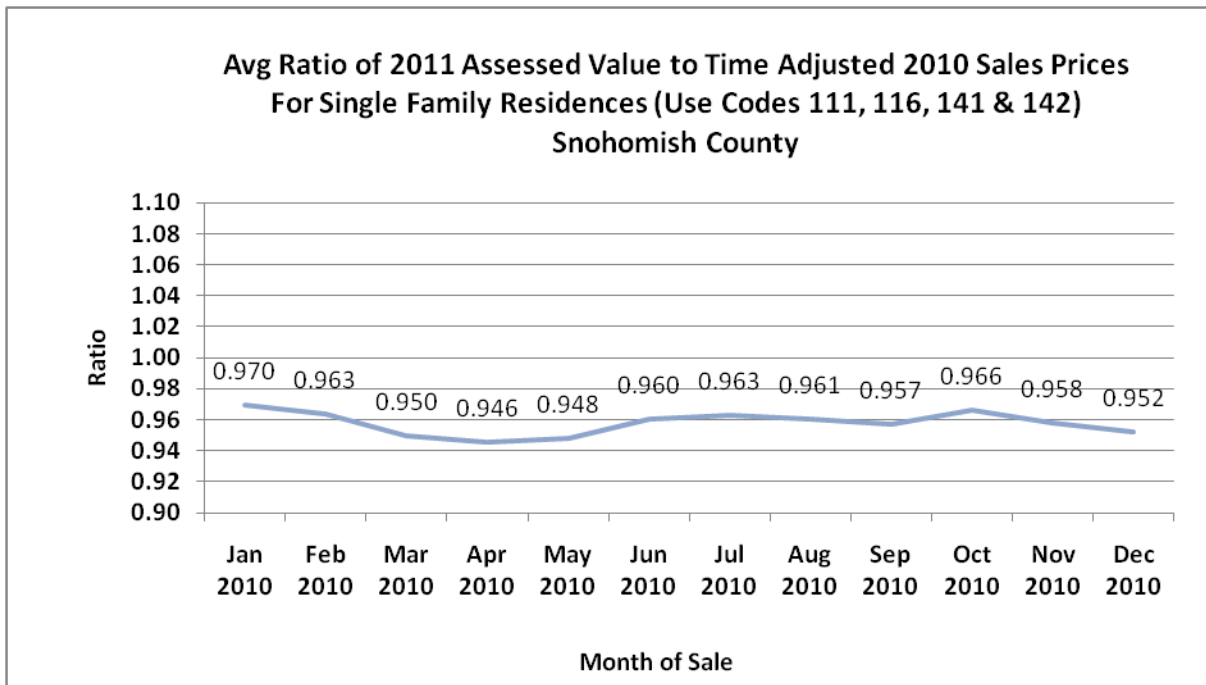
The purpose of time adjusting sales prices is to better represent the market changes over time. This allows sales occurring earlier in the year (or prior years) to be used in the analysis to determine the fair market value as of the assessment date. For example, if one home sold January 1, 2010 for \$100,000 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: 44,470

	Land	Improvements	Total
2010 Assessment Year	4,610,511,100	4,244,081,900	8,854,593,000
2011 Assessment Year	3,517,932,462	4,145,338,000	7,663,270,462
Value Change	-1,092,578,638	-98,743,900	-1,191,322,538
% Change	-23.7%	-2.3%	-13.5%

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: **05/26/2011**



Appraisal Level and Uniformity:

Non Time Adjusted Sales Ratio Study:

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

Number of Sales: 713

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

Mean	Median	Weighted Mean	Price Related Differential	Coefficient of Dispersion
1.022	.988	.994	1.029	.172

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

Mean	Median	Weighted Mean	Price Related Differential	Coefficient of Dispersion
.888	.876	.876	1.014	.121

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.

Appraisal Level and Uniformity:

Time Adjusted Sales Ratio Study (Single Family Residences):

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

Number of Sales: 565

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

Mean	Median	Weighted Mean	Price Related Differential	Coefficient of Dispersion
1.099	1.075	1.074	1.023	.128

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

Mean	Median	Weighted Mean	Price Related Differential	Coefficient of Dispersion
.966	.948	.955	1.012	.092

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 4 – Value Change Summary

Property Class	Number of Parcels		2010 Total Value	2011 Total Value	Value Change	% Change
Agricultural	847	L:	170,196,800	127,216,800	-42,980,000	-25.3%
		B:	81,075,300	81,118,000	42,700	0.1%
		T:	251,272,100	208,334,800	-42,937,300	-17.1%
Industrial	4	L:	406,100	341,500	-64,600	-15.9%
		B:	119,700	139,200	19,500	16.3%
		T:	525,800	480,700	-45,100	-8.6%
Commercial	593	L:	61,325,400	44,833,200	-16,492,200	-26.9%
		B:	122,886,600	122,716,800	-169,800	-0.1%
		T:	184,212,000	167,550,000	-16,662,000	-9.0%
Residential	29,626	L:	3,328,513,900	2,465,033,362	-863,480,538	-25.9%
		B:	3,958,248,300	3,859,771,830	-98,476,470	-2.5%
		T:	7,286,762,200	6,324,805,192	-961,957,008	-13.2%
Multifamily	211	L:	22,906,800	16,435,200	-6,471,600	-28.3%
		B:	30,889,100	32,086,270	1,197,170	3.9%
		T:	53,795,900	48,521,470	-5,274,430	-9.8%
Forest	1,717	L:	85,612,100	67,664,200	-17,947,900	-21.0%
		B:	49,003,000	47,976,900	-1,026,100	-2.1%
		T:	134,615,100	115,641,100	-18,974,000	-14.1%
Other	11,472	L:	941,550,000	796,408,200	-145,141,800	-15.4%
		B:	1,859,900	1,529,000	-330,900	-17.8%
		T:	943,409,900	797,937,200	-145,472,700	-15.4%
Totals	44,470	L:	4,610,511,100	3,517,932,462	-1,092,578,638	-23.7%
		B:	4,244,081,900	4,145,338,000	-98,743,900	-2.3%
		T:	8,854,593,000	7,663,270,462	-1,191,322,538	-13.5%

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 appraiser 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 appraisers'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 4

Properties owned by the preparer(s) 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 Countywide, 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 4 Team Members

Larry Donk, Residential Appraisal Crew Supervisor
Keri Grafe, Appraiser
Mara Hanson Appraiser
Carol Healey, Appraiser
Mark Keeney, Appraiser
Matt Terwilliger, Appraiser
Susan Walde, Appraiser
Diane Wood, Appraiser

Land Value

Residential Modeling Team Members

Kelly Stevens, Residential Appraisal Crew Supervisor
Quinten Schmit, Residential Appraiser Analyst – Area 4
Brad Cone, Residential Appraiser Analyst / Open Space
Susan Walde, Residential Appraiser – Areas 2 and 4



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
Quinten Schmit, Residential Appraiser Analyst – Area 4
Brad Cone, Residential Appraiser Analyst / Open Space
Susan Walde, Residential Appraiser – Areas 2 and 4
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
Quinten Schmit, Residential Appraiser Analyst – Area 4
Brad Cone, Residential Appraiser Analyst / Open Space

This mass appraisal report was prepared by:

Quinten Schmit, Residential Appraiser Analyst

Date: **June 1, 2011**

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
110-Sr Cit Exemption Residual	299	0	0.0%
111-Single Family Residence	21,229	559	2.6%
112-2 Single Family Residences	531	7	1.3%
113-3 Single Family Residences	14	0	0.0%
114-4 Single Family Residences	4	0	0.0%
115-5+ Single Family Residence	2	0	0.0%
116-Comon Wall SFR	64	1	1.6%
117-Manufac Home (Leased Site)	692	3	0.4%
118-Manufac Home (Owned Site)	4,432	47	1.1%
119-Manuf Home (MHP)	438	11	2.5%
122-Duplex	198	4	2.0%
123-Tri-Plex	9	0	0.0%
124-Four Plex	3	0	0.0%
130-Mult Family 5-7 units	1	0	0.0%
141-SFR Condominium Detached	39	3	7.7%
142-SFR Condominium CommonWall	148	2	1.4%
143-SFR Condominium MFR	1	0	0.0%
150-Mobile Park 1-20 Units	1	0	0.0%
179-Other Group Quarters	2	0	0.0%
183-Non Residential Structure	721	6	0.8%
184-Septic System	144	2	1.4%
185-Well	46	2	4.3%
186-Septic & Well	101	0	0.0%
187-Non Res Structure Condo	40	9	22.5%
189-Other Residential	5	0	0.0%
198-Vacation Cabins	676	7	1.0%
242-Sawmills and Planing Mills	1	0	0.0%
249-Other Lumber & Wood Prod	1	0	0.0%
326-Concrete;Gypsum;Plaster	2	0	0.0%
411-Railroad Transportation	161	0	0.0%
422-Motor Freight Transport.	1	0	0.0%
429-Other Motor Vehicle Transp	1	0	0.0%



Property Class / Use Code	Parcel Count	Sold Parcels	% Sold
451-Freeways	9	0	0.0%
454-Arterial Streets	1	0	0.0%
456-Local Access Streets	88	0	0.0%
457-Alleys	1	0	0.0%
459-Other Highway NEC	26	0	0.0%
471-Telephone Communication	5	0	0.0%
473-Radio Communication	2	0	0.0%
479-Other Communications (NEC)	1	0	0.0%
481-Electric Utility	23	0	0.0%
482-Gas Utility	10	0	0.0%
483-Water Util & Irrig & Stg	27	0	0.0%
484-Sewage Disposal	1	0	0.0%
485-Solid Waste disposal	5	0	0.0%
489-Other utilities, NEC	4	0	0.0%
491-Oth Pipeline Right-of-Way	2	0	0.0%
499-Other Transp, Comm, Util.	1	0	0.0%
511-Motor Vehicle & Auto Equip	1	0	0.0%
541-Groceries	2	0	0.0%
599-Other Retail Trade	1	0	0.0%
615-Real Estate Services	1	0	0.0%
624-Funeral/Crematory Services	6	0	0.0%
637-Warehouse/Storage Services	1	0	0.0%
661-General Contract Const	1	0	0.0%
672-Protective Functions	12	0	0.0%
674-Correctional Institutions	1	0	0.0%
681-Nursery,Primary,Second Sch	19	0	0.0%
682-Univ,College,Jr College	1	0	0.0%
683-Special Training/Schooling	1	0	0.0%
691-Religious Activities	50	0	0.0%
699-Other Misc Services	6	0	0.0%
711-Cultural Activities	2	0	0.0%
721-Entertainment Assembly	1	0	0.0%
722-Sports Assembly	1	0	0.0%
723-Public Assembly	3	0	0.0%
729-Other Public Assembly	4	0	0.0%
741-Sports Activities	1	0	0.0%
742-Playgrounds/Athletic Areas	4	0	0.0%



Property Class / Use Code	Parcel Count	Sold Parcels	% Sold
743-Swimming Areas	1	0	0.0%
744-Marinas	3	0	0.0%
745-Trails (Centennial, etal)	40	0	0.0%
749-Other Recreation	7	0	0.0%
751-Resorts	3	0	0.0%
752-Group & Organized camps	12	0	0.0%
761-Parks, General Recreation	30	0	0.0%
762-Parks, Leisure & Ornamenta	1	0	0.0%
769-Other Parks, NEC	3	0	0.0%
790 Other Cult. Entertainment	2	0	0.0%
813-Farms Field Crops	1	0	0.0%
816-Farms & Ranches	1	0	0.0%
817-Farms Poultry	3	0	0.0%
818-Farms General	8	1	12.5%
819-Other Agricultural	1	0	0.0%
829-Other Ag Related	2	0	0.0%
830-Open Space Agriculture	517	0	0.0%
842-Fishery Services	2	0	0.0%
849-Other Fishery Activities	2	0	0.0%
850-Mine Claims Mineral Rights	171	0	0.0%
854-Mining & Quarrying	32	0	0.0%
855-Mining Services	4	0	0.0%
880-DF Timber Acres Only	1,211	0	0.0%
881-DF Timber Ac w/ ImpAcBldg	146	0	0.0%
889-DF Timber Ac w/ImpAcNoBldg	94	0	0.0%
890-Other Resource Production	1	0	0.0%
910-Undeveloped Land	9,697	49	0.5%
911-Vacant Site/Mobile Park	1,083	0	0.0%
915-Common Areas	138	0	0.0%
916-Water Retention Area	21	0	0.0%
919-Trans. Development Rights	17	0	0.0%
921-Forest Reserve	234	0	0.0%
922-Nonreserve Forests	51	0	0.0%
923-PILT NonCommercial Forest	63	0	0.0%
931-Rivers,Streams,Creeks	6	0	0.0%
932-Lakes	2	0	0.0%
939-Other Water Areas	9	0	0.0%



Property Class / Use Code	Parcel Count	Sold Parcels	% Sold
940-Open Space General	235	0	0.0%
941-Open Space General Ag Cons	81	0	0.0%
950-Open Space Timber	203	0	0.0%
Grand Total	44,470	713	1.6%



Region Profile by Land Type:

Land Type	Parcel Count	Sold Parcels	% Sold
	2,748	15	0.5%
14 US Forest Land	1,568	0	0.0%
21 Designated Forest	1,330	0	0.0%
22 Open Space Forest	83	0	0.0%
23 Open Space General	94	0	0.0%
24 Open Space Ag	160	0	0.0%
33 Septic Site	133	0	0.0%
4 Septic Site	51	1	2.0%
41 Septic Site	168	2	1.2%
42 Septic Site	249	7	2.8%
43 Septic Site	3	0	0.0%
46 Spt/Well Site	1,441	33	2.3%
47 Spt/Well Site	23	1	4.3%
54 No Perk	233	1	0.4%
56 Spt/Wtr Acreage	1	0	0.0%
57 Other Acreage Type	9,125	128	1.4%
58 Other Acreage Type	17	0	0.0%
59 Other Acreage Type	325	11	3.4%
6 Exception	301	3	1.0%
61 Exception	111	0	0.0%
62 Exception	102	1	1.0%
63 Exception	99	0	0.0%
65 Topo Problems I	942	0	0.0%
66 Topo Problems II	18	0	0.0%
67 Remote/No Power	7	0	0.0%
68 Misc Land	5	0	0.0%
84 Pipeline Easement	3	0	0.0%
86 Utility Easement (P/L)	80	0	0.0%
88 Contiguous-less than 1 acre	476	0	0.0%
A1 Sewer Fair NH	260	11	4.2%
A2 Sewer Avg Older Mixed NH	1,924	47	2.4%
A3 Sewer Avg Homogeneous NH	2,786	79	2.8%
A4 Sewer Average Plus NH	6	0	0.0%
AG AG-10 FHZ	56	0	0.0%
B1 Septic Fair NH	2,921	48	1.6%



Land Type	Parcel Count	Sold Parcels	% Sold
B2 Septic Average Mixed NH	3,247	78	2.4%
B3 Septic - Access DNA Devlpm	1,183	44	3.7%
B4 Septic Average NH	4,689	81	1.7%
B5 Septic UGA	255	3	1.2%
B6 Septic Good Homogenous NH	1,338	56	4.2%
B7 Septic VG NH	688	13	1.9%
C Contiguous	3	0	0.0%
C1 SFR CondoDet Fair NH UC 141	38	3	7.9%
C4 Condo Cmnwall@LivArea - 142	128	0	0.0%
C5 Condo Cmnwall@Gar UC 142	4	1	25.0%
C6 SFR Commonwall - UC 116	52	1	1.9%
C9 Exception Condo Plat	39	9	23.1%
CA Common Areas	195	0	0.0%
DV PDR TDR & Lot Status Certs	17	0	0.0%
FK Creek Front	104	1	1.0%
FR Riverfront	134	1	0.7%
MN Mining	165	0	0.0%
R1 Recreational Lot	931	5	0.5%
R2 Recreational Lot Wtrf	548	4	0.7%
R3 Spt/Well Site	185	4	2.2%
R4 Spt/Well Site	77	1	1.3%
R5 Spt/Well Site	85	1	1.2%
R6 Spt/Well Site	137	0	0.0%
SC SrCit Residual Contiguous	122	0	0.0%
U1 Waterfront I	269	4	1.5%
U2 Waterfront II	432	3	0.7%
U3 Waterfront III	58	2	3.4%
U4 Waterfront IV	43	0	0.0%
U5 Waterfront V	113	0	0.0%
U6 Waterfront VI	77	2	2.6%
U7 Waterfront VII	42	1	2.4%
U8 Waterfront VIII	57	0	0.0%
U9 Waterfront IX	46	1	2.2%
UD Undevelopable Land	977	2	0.2%
W1 Wtrfrt/View Type I	50	0	0.0%
W2 Wtrfrt/View Type II	48	2	4.2%
W3 Wtrfrt/View Type III	20	0	0.0%



Land Type	Parcel Count	Sold Parcels	% Sold
W4 Wtrfrt/View Type IV	25	2	8.0%
Grand Total	44,470	713	1.6%

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	9,697	213	2.2%
12 - 1 Story Bsmt	1,772	31	1.7%
14 - 1 1/2 Story	1,670	29	1.7%
15 - 1 1/2 Story Bsmt	493	11	2.2%
17 - 2 Story	6,553	224	3.4%
18 - 2 Story Bsmt	812	19	2.3%
20 - 2+ Story	48	0	0.0%
21 - 2+ Story Bsmt	26	1	3.8%
23 - Split Entry	1,509	39	2.6%
24 - Tri Level	646	14	2.2%
26 - Quad Level	4	0	0.0%
27 - Multi Level	5	0	0.0%
71 - DW Manuf. Home	3,760	37	1.0%
72 - DWB Manuf. Home	15	1	6.7%
74 - SW Manuf. Home	1,520	20	1.3%
75 - SWB Manuf. Home	1	0	0.0%
77 - TW Manuf. Home	202	3	1.5%
78 - TWB Manuf. Home	1	0	0.0%
96 - Geodesic Dome	14	0	0.0%
N/A	15,722	71	0.5%
Grand Total	44,470	713	1.6%

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	313	2	0.6%
25 Low	1,229	17	1.4%
35 Fair	3,607	55	1.5%
41 Avg Minus	1,526	70	4.6%
45 Average	13,828	291	2.1%
49 Avg Plus	3,381	114	3.4%
55 Good	3,995	83	2.1%
65 Very Good	818	9	1.1%
75 Excellent	51	1	2.0%
N/A	15,722	71	0.5%
Grand Total	44,470	713	1.6%

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 Year Built Range:

Year Built Range	Parcel Count	Sold Parcels	% Sold
1899 & older	35	0	0.0%
1900 - 1909	340	3	0.9%
1910 - 1919	450	12	2.7%
1920 - 1929	667	9	1.3%
1930 - 1939	506	8	1.6%
1940 - 1949	514	8	1.6%
1950 - 1959	875	15	1.7%
1960 - 1969	2,460	38	1.5%
1970 - 1979	4,263	58	1.4%
1980 - 1989	4,302	67	1.6%
1990 - 1999	7,894	163	2.1%
2000 - 2009	6,301	206	3.3%
2010 - 2011	141	55	39.0%
N/A	15,722	71	0.5%
Grand Total	44,470	713	1.6%

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	15,725	71	0.5%
1 - 499	947	10	1.1%
500 - 749	1,121	15	1.3%
750 - 999	2,276	38	1.7%
1000 - 1249	3,795	76	2.0%
1250 - 1499	4,183	95	2.3%
1500 - 1749	4,180	94	2.2%
1750 - 1999	3,443	72	2.1%
2000 - 2249	2,462	61	2.5%
2250 - 2499	1,726	57	3.3%
2500 - 2749	1,422	36	2.5%
2750 - 2999	939	22	2.3%
3000 - 3249	737	25	3.4%
3250 - 3499	510	12	2.4%
3500 - 3749	353	14	4.0%
3750 - 3999	194	4	2.1%
4000 - 4249	146	4	2.7%
4250 - 4499	82	2	2.4%
4500 - 4749	69	1	1.4%
4750 - 4999	41	0	0.0%
5000 - Over	119	4	3.4%
Grand Total	44,470	713	1.6%

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).

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 the task.

The majority of the sales in Residential Management Region 4 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 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.

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	.856	.972
2010/02	.871	.980
2010/03	.851	.947
2010/04	.856	.950
2010/05	.884	.977
2010/06	.910	1.002
2010/07	.904	.984
2010/08	.875	.942
2010/09	.913	.972
2010/10	.915	.955
2010/11	.958	.979
2010/12	.937	.937
Total	.891	.966



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.

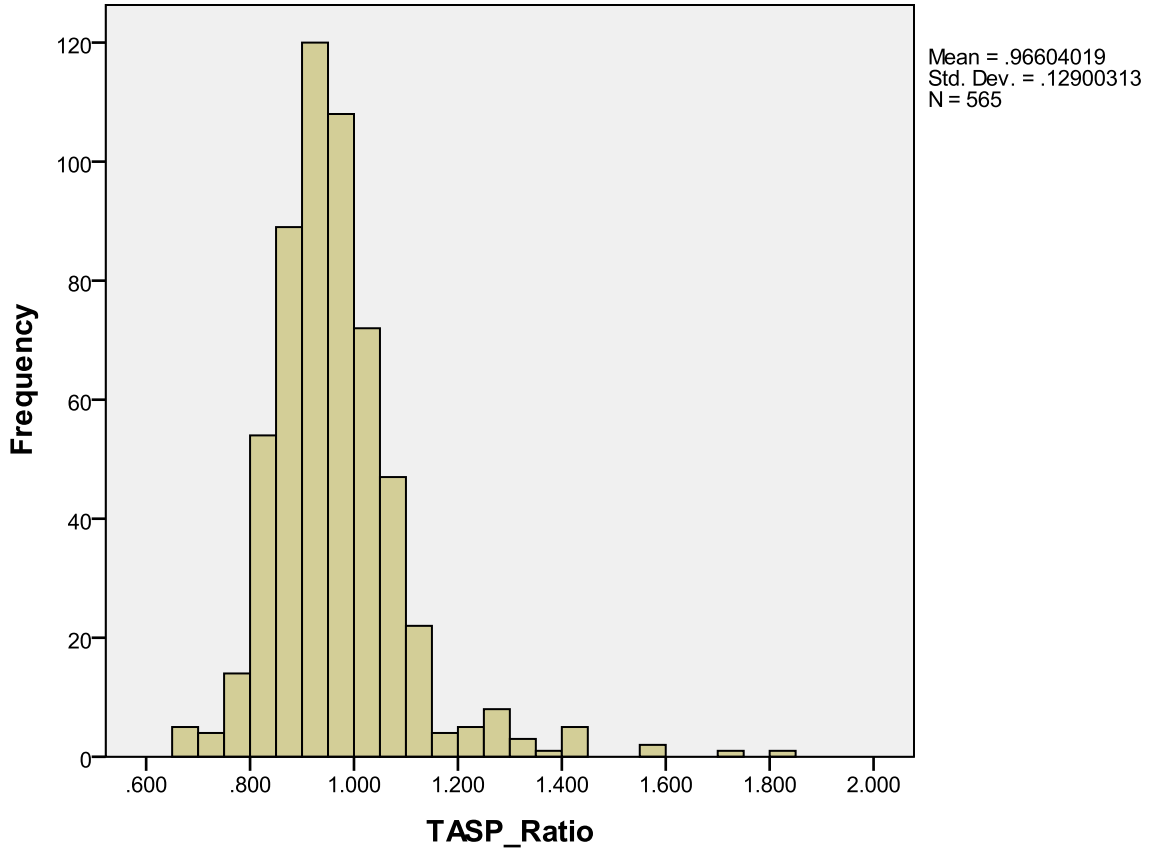
Group	Count	Mean	Median	Weighted Mean	Price Related Differential	Coefficient of Dispersion
4102	1	.925	.925	.925	1.000	.000
4120	16	.966	.945	.971	.995	.092
4121*	7	1.074	1.094	1.054	1.019	.182
4217	17	.922	.946	.932	.989	.103
4218	70	.974	.971	.961	1.014	.085
4303	31	.979	.941	.951	1.030	.113
4304*	28	1.004	.942	.989	1.015	.117
4307	63	.950	.932	.935	1.015	.102
4416	165	.963	.936	.957	1.006	.090
4505	47	.954	.957	.947	1.008	.059
4506	23	.957	.956	.948	1.010	.058
4509	51	.951	.955	.951	.999	.082
4601	14	1.045	1.038	.992	1.053	.141
4602	8	.952	.954	.937	1.017	.051
4610	23	.972	.952	.980	.992	.078
4611	1	.943	.943	.943	1.000	.000
Overall	565	.966	.948	.955	1.012	.092

* Includes sales not available to the appraiser at the time of analysis and/or sales in which characteristics have changed subsequent to the sale.



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

Ratio Distribution - SFR Type Properties
Time Adjusted Sales Prices





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

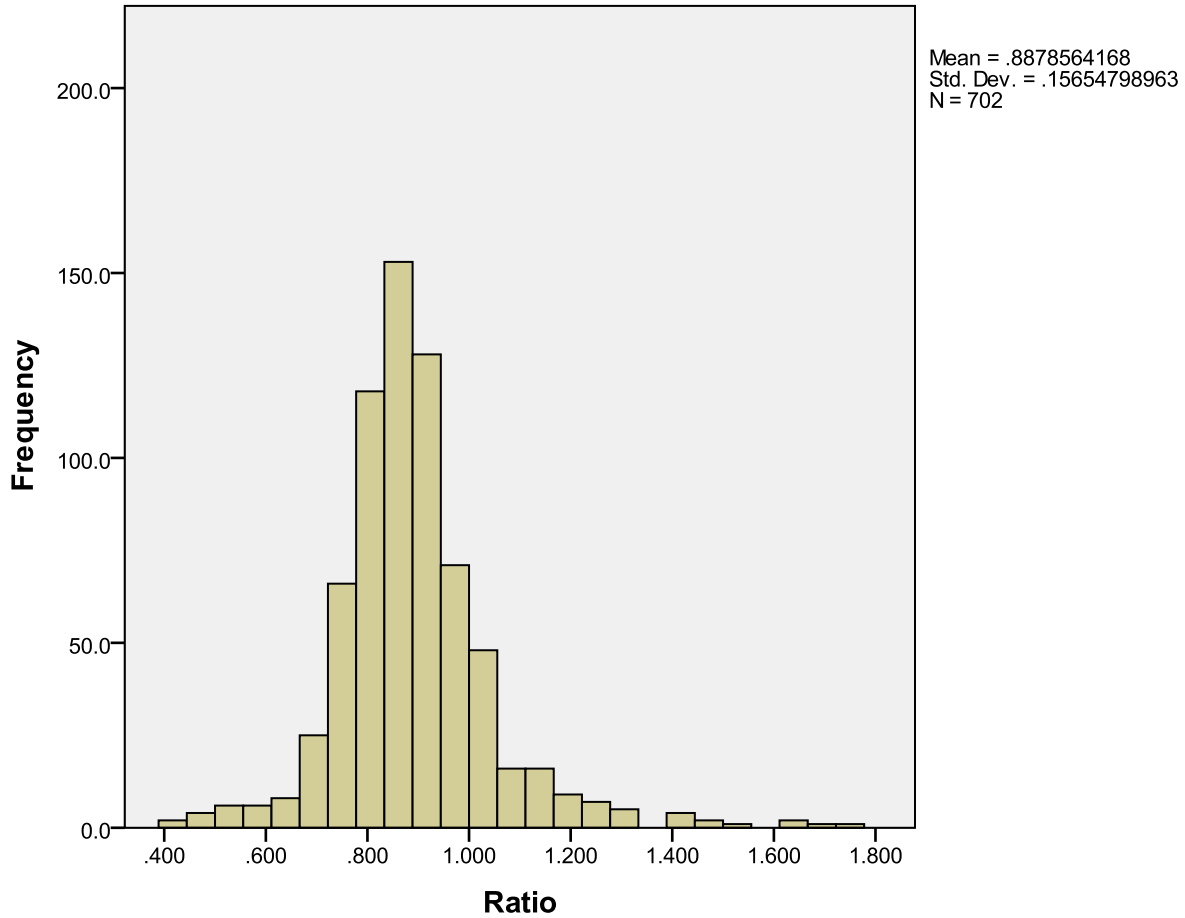
Note: The sales used for this ratio study **are not** adjusted for time.

Group	Count	Mean	Median	Weighted Mean	Price Related Differential	Coefficient of Dispersion
4102	5	.911	.929	.917	.994	.056
4119	1	1.018	1.018	1.018	1.000	.000
4120	24	.819	.847	.877	.934	.135
4121	14	.949	.974	.947	1.002	.148
4217	23	.833	.859	.860	.969	.143
4218	83	.903	.889	.877	1.030	.119
4303	37	.901	.852	.873	1.032	.144
4304	31	.951	.879	.922	1.031	.148
4307	74	.862	.848	.856	1.007	.119
4416	179	.886	.877	.881	1.006	.104
4505	59	.869	.868	.857	1.014	.099
4506	31	.896	.880	.890	1.007	.088
4509	68	.877	.876	.874	1.004	.113
4601	23	.918	.927	.899	1.022	.158
4602	19	.932	.878	.871	1.070	.158
4610	28	.899	.885	.892	1.008	.116
4611	3	.898	.904	.859	1.045	.095
Overall	702	.888	.876	.876	1.014	.119



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

Ratio Distribution - All Sales (Except Those In Manufactured Home Parks)





Valuation Model Performance Statistics Use Code 111:

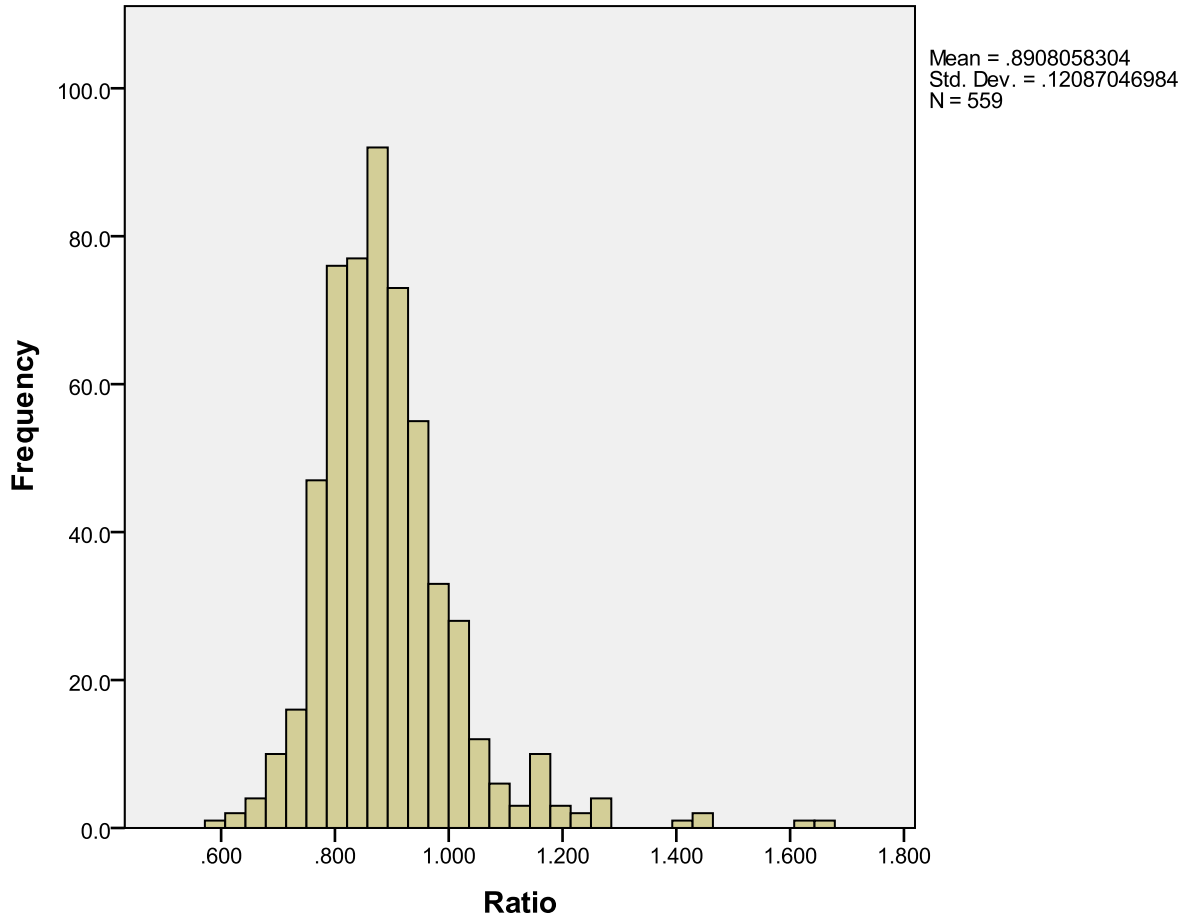
Note: The sales used for this ratio study **are not** adjusted for time.

Group	Count	Mean	Median	Weighted Mean	Price Related Differential	Coefficient of Dispersion
4102	1	.906	.906	.906	1.000	.000
4120	16	.899	.868	.905	.993	.083
4121	7	.991	1.071	.971	1.020	.173
4217	17	.855	.859	.864	.990	.104
4218	67	.903	.894	.889	1.017	.092
4303	31	.901	.843	.872	1.034	.123
4304	28	.927	.860	.911	1.017	.130
4307	63	.873	.850	.860	1.015	.106
4416	163	.888	.876	.882	1.007	.094
4505	47	.872	.868	.867	1.006	.058
4506	23	.881	.878	.877	1.005	.057
4509	50	.877	.881	.878	.999	.081
4601	14	.958	.932	.912	1.051	.131
4602	8	.879	.863	.856	1.027	.064
4610	23	.892	.885	.896	.995	.090
4611	1	.904	.904	.904	1.000	.000
Overall	559	.891	.876	.879	1.013	.095



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

Ratio Distribution - Detached SFR's - Use Code 111





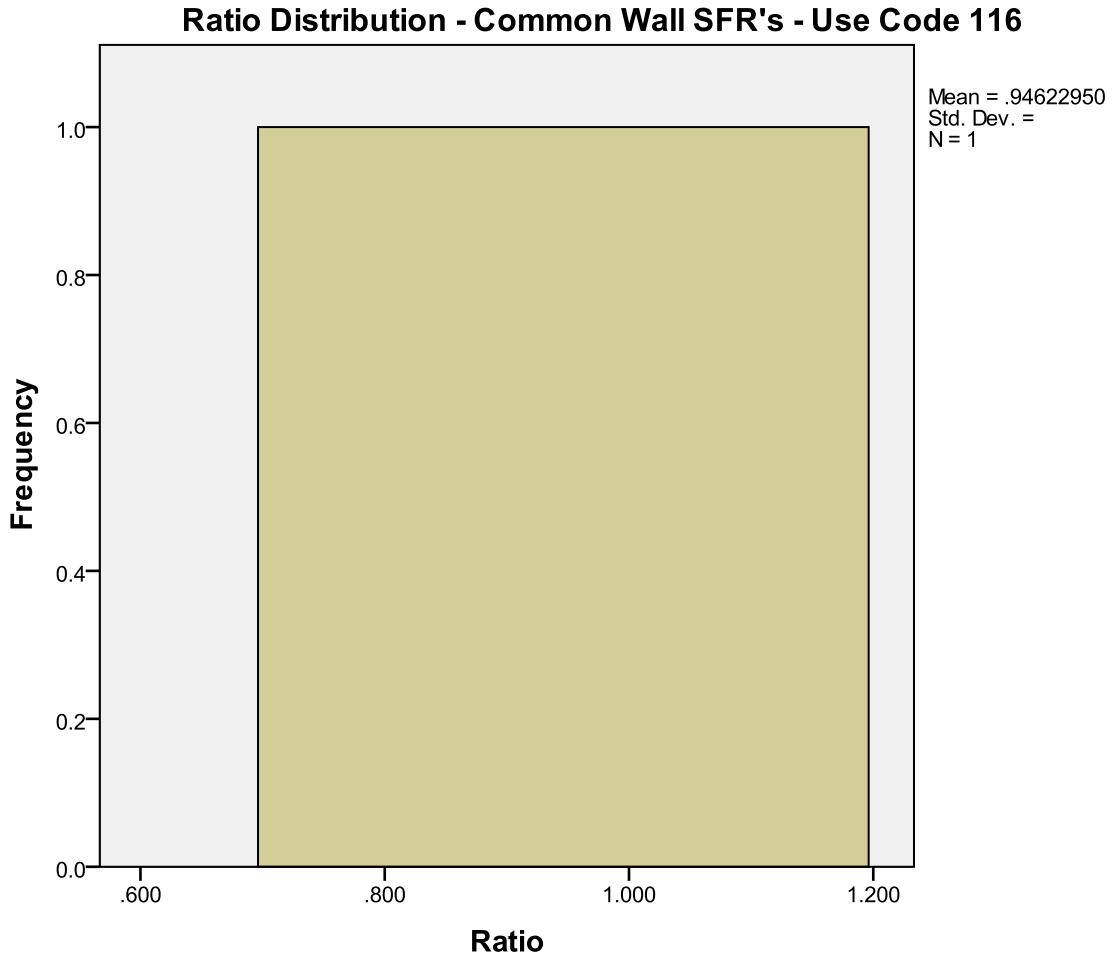
Valuation Model Performance Statistics Use Code 116:

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
4416	1	.946	.946	.946	1.000	.000
Overall	1	.946	.946	.946	1.000	.000



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





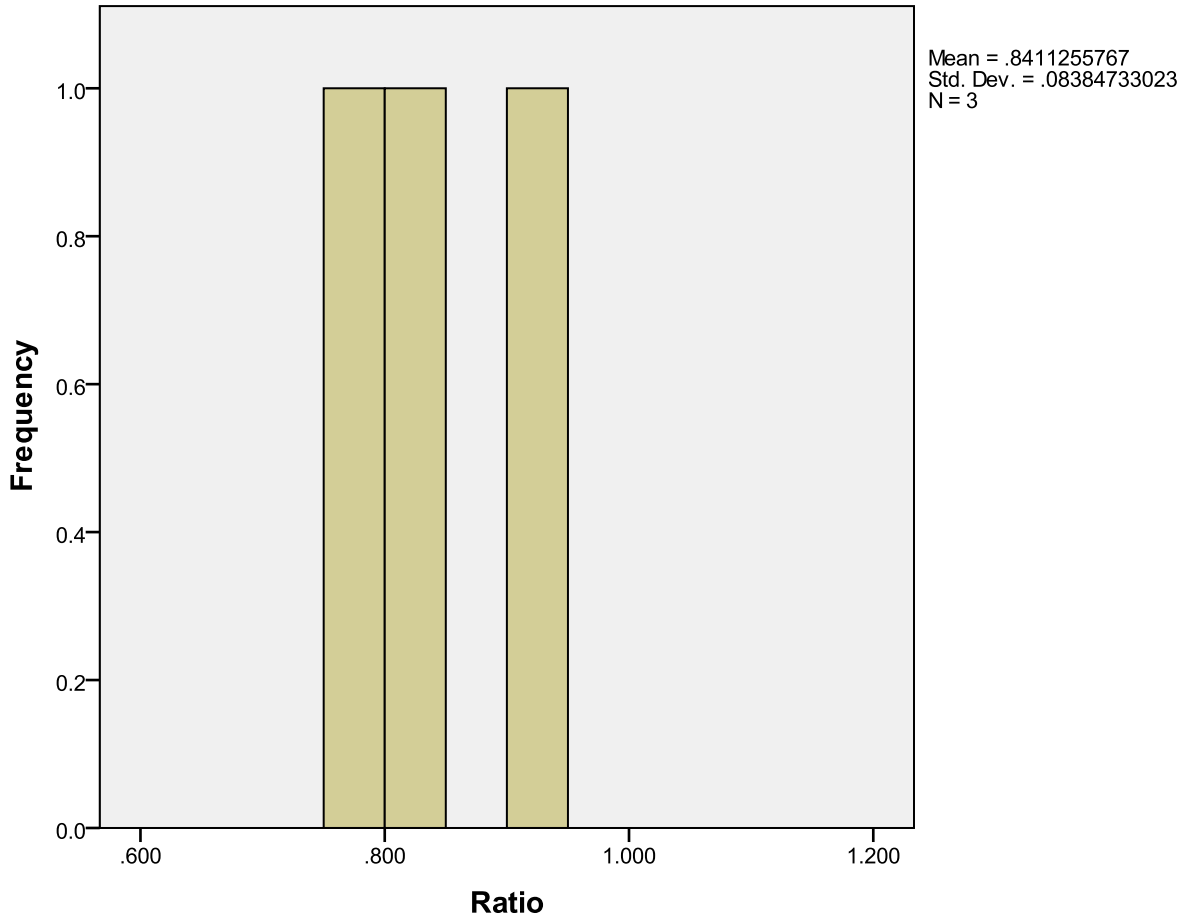
Valuation Model Performance Statistics Use Code 141:

Group	Count	Mean	Median	Weighted Mean	Price Related Differential	Coefficient of Dispersion
4218	3	.841	.837	.835	1.007	.067
Overall	3	.841	.837	.835	1.007	.067



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

Ratio Distribution - Detached SFR Condominiumss - Use Code 141





Valuation Model Performance Statistics Use Code 142:

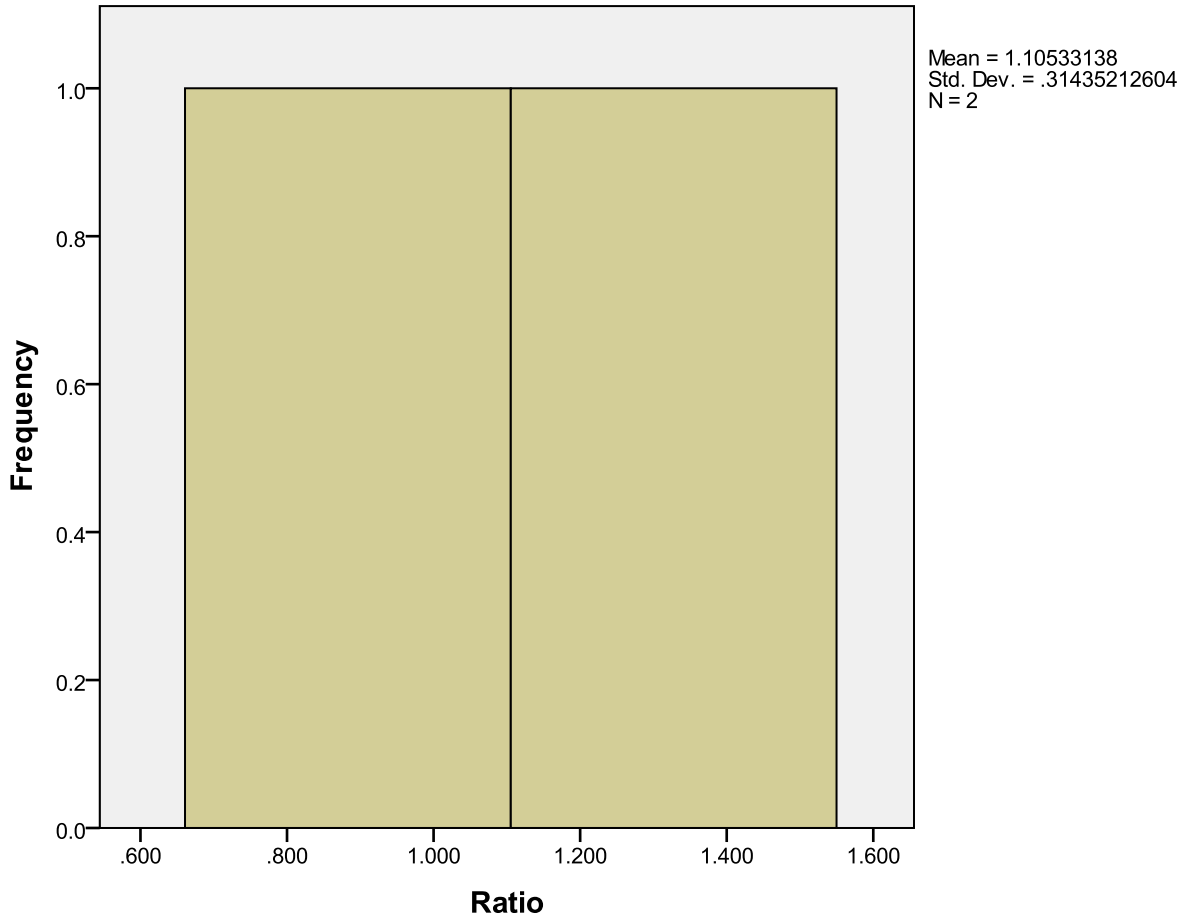
Note: The sales used for this ratio study **are not** adjusted for time.

Group	Count	Mean	Median	Weighted Mean	Price Related Differential	Coefficient of Dispersion
4416	1	1.328	1.328	1.328	1.000	.000
4509	1	.883	.883	.883	1.000	.000
Overall	2	1.105	1.105	1.044	1.059	.201



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

Ratio Distribution - Common Wall Condominiums - Use Code 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.

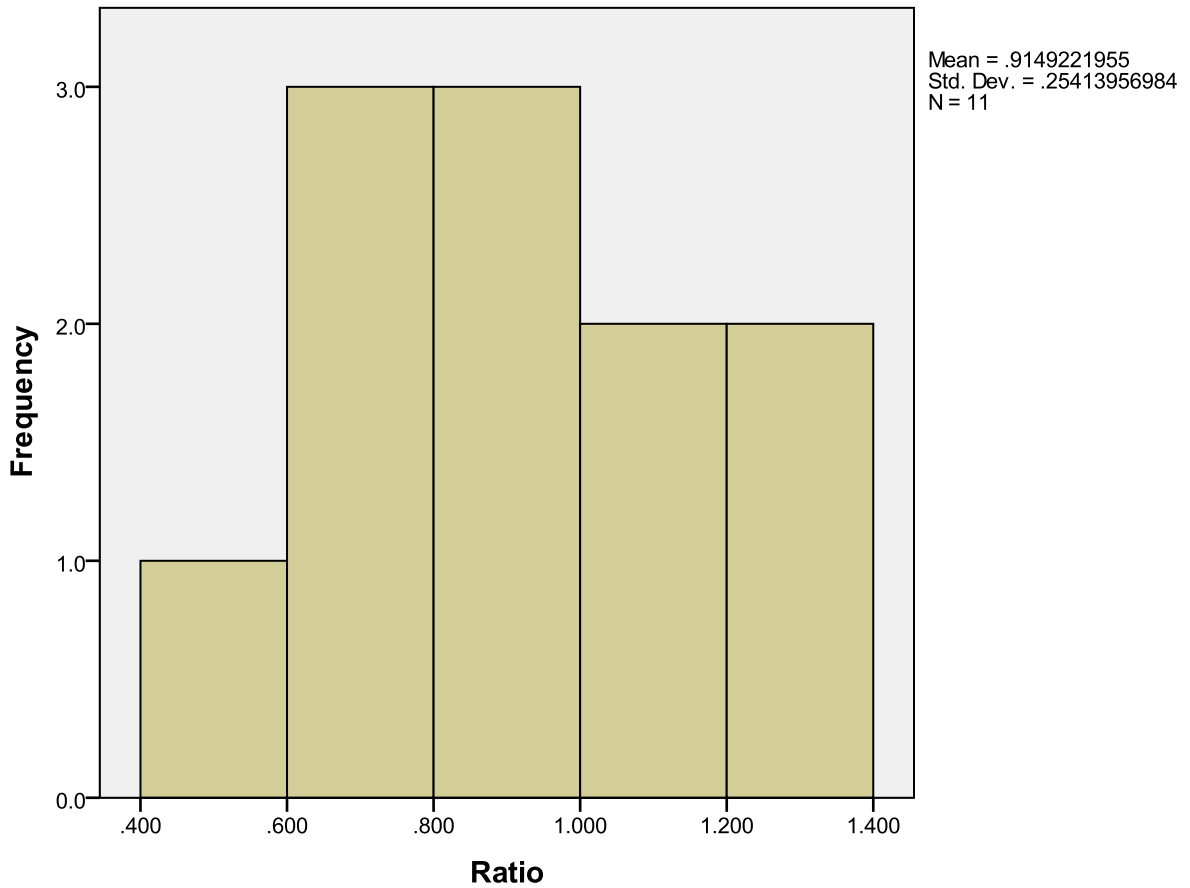
Note: The sales used for this ratio study **are not** adjusted for time.

Group	Count	Mean	Median	Weighted Mean	Price Related Differential	Coefficient of Dispersion
4218	8	.947	.985	.818	1.157	.229
4307	1	.975	.975	.975	1.000	.000
4416	1	.854	.854	.854	1.000	.000
4601	1	.663	.663	.663	1.000	.000
Overall	11	.915	.950	.794	1.152	.211



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

Ratio Distribution - All Sales Of Manufactured Homes In Manufactured Home Parks





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

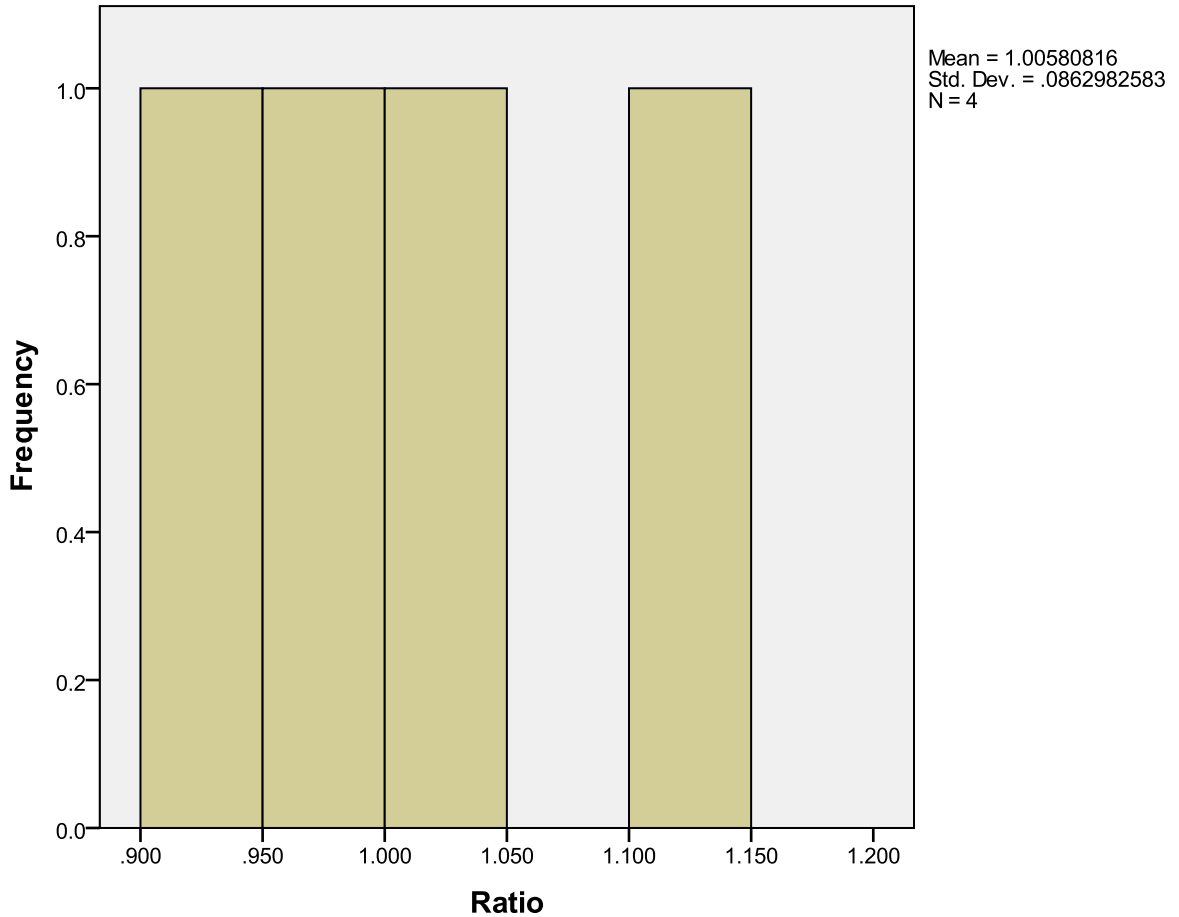
Note: The sales used for this ratio study **are not** adjusted for time.

Group	Count	Mean	Median	Weighted Mean	Price Related Differential	Coefficient of Dispersion
4218	1	.919	.919	.919	1.000	.000
4304	2	.990	.990	.990	1.000	.012
4505	1	1.124	1.124	1.124	1.000	.000
Overall	4	1.006	.990	1.001	1.005	.058



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

Ratio Distribution - Multi Family Properties - Use Code 122, 123, 124





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

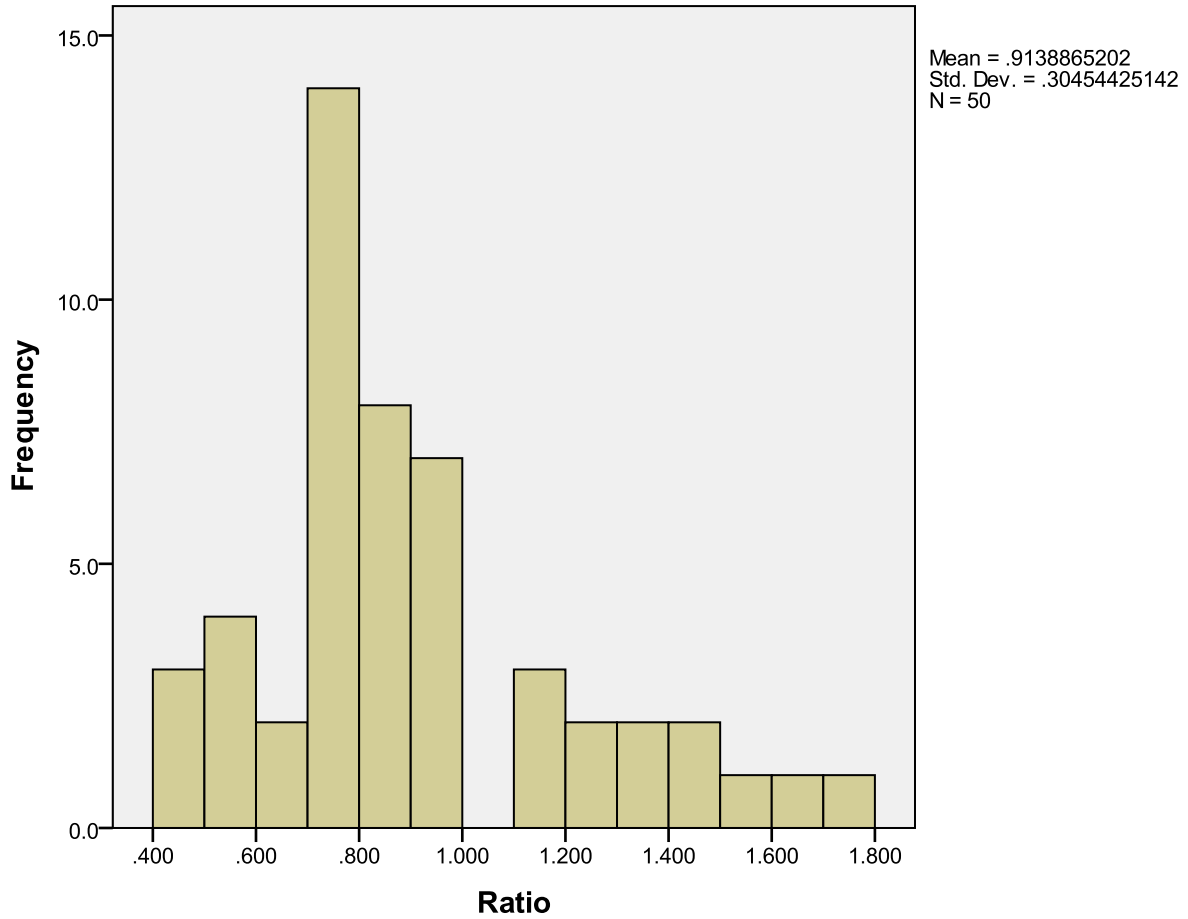
Note: The sales used for this ratio study **are not** adjusted for time.

Group	Count	Mean	Median	Weighted Mean	Price Related Differential	Coefficient of Dispersion
4120	2	.676	.676	.693	.975	.274
4217	3	.756	.848	.791	.957	.155
4218	8	.909	.766	.759	1.198	.381
4304	1	1.539	1.539	1.539	1.000	.000
4307	6	.840	.822	.834	1.007	.101
4416	5	.869	.807	.856	1.014	.150
4505	3	.876	.900	.825	1.062	.273
4506	4	1.066	1.057	1.007	1.059	.121
4509	8	.959	.793	.869	1.103	.288
4601	1	.808	.808	.808	1.000	.000
4602	5	.985	.878	.916	1.076	.253
4610	4	.896	.840	.831	1.079	.250
Overall	50	.914	.828	.847	1.079	.261



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

Ratio Distribution - Manufactured Homes Not in Parks - Use Code 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 4 Mass Appraisal Report Sales File.xls. The file is presorted by neighborhood id number and then by parcel id number.

Footnotes: