

**DRAFT**

Economic Feasibility Study —  
Proposed Maple Precinct Sewer  
Local Improvement District (LID) Project

**Location:**

Between 172<sup>nd</sup> Place SW and 176<sup>th</sup> St SW, west of 60<sup>th</sup> Ave W  
to just west of 64<sup>th</sup> Ave W, Lynnwood, WA.

**Prepared for:**

Mr. Jesse Perrault  
Project Manager  
City of Lynnwood  
PO Box 5008  
Lynnwood, WA 98046

**Date of Valuation:**

February 16, 2011

**Date of Report:**

March 1, 2011

Job #10-255Draft

File: 10-255.0311

**Prepared by:**

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**DRAFT**

March 1, 2011

Mr. Jesse Perrault  
Project Manager  
City of Lynnwood  
PO Box 5008  
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RE: Proposed Maple Precinct sewer local improvement district (LID) project located between 172<sup>nd</sup> Place SW and 176<sup>th</sup> St SW, west of 60<sup>th</sup> Ave W to just west of 64<sup>th</sup> Ave W, Lynnwood, WA. Job No. 10-255Draft.

Dear Mr Perrault:

As requested, we have completed an economic feasibility study and prepared this brief report summarizing our findings and arriving at estimates of special benefit (difference in market value) resulting from a proposed local improvement district (LID) project within the Maple Precinct neighborhood. Boundaries of the proposed project are as shown on the exhibits contained in this report. This analysis is intended for internal use by the client to evaluate economic feasibility of the project for possible formation of an LID. The report is intended to comply with Standard 6 of the Uniform Standards of Professional Appraisal Practice (USPAP) for a summary mass appraisal report. As such, it includes limited discussions of the data, reasoning and analyses utilized in the valuation process; supporting documentation is retained in the appraisers' files. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated herein. The appraisers are not responsible for unauthorized use of this report, which is the result of a limited valuation process.

To make estimates of probable increases in market value or special benefit resulting from the proposed project, market sales of the subject residential land and improved properties within the proposed LID boundary and similar property in competing areas were researched. These property types consist of the following zoning designations: residential and one commercial site which is already serviced by sewer. Also, engineering and economic studies relating to supply and demand, absorption and population growth trends were reviewed. Individual properties within the proposed LID boundary specially benefit from the project by enhanced neighborhood reputation, potential for more intensive land use, and elimination of the risk of on-site septic system failures.

In this feasibility study, residential properties within the LID boundary are segregated into two general classifications (improved and vacant) based on highest and best use. Analysis is then made of representative parcels in each property class. The difference in market value (special benefit) is then extrapolated over the other parcels in each respective classification, arriving at an estimate of the total special benefit accruing to property within the boundary due to the proposed project.

The proposed LID boundary encompasses approximately 106 tax parcels totaling 33± acres. There are five parcels (including one commercial parcel) within the LID boundary for which sanitary sewer service is already utilized. Of the improved properties, 7± parcels have excess land that has future development potential.

There have been several failures of existing septic systems in the subject area. If a sewer system infrastructure is not constructed, the continued risk of additional failing systems would necessitate potentially expensive upgrades or new septic systems for existing improvements. A significant factor in the analysis is the assumption that, without the sewer project, development of currently unimproved residential land would not be allowed. Significant remodeling and expansion of existing single family residences would also not be allowed under current city requirements.

The following points summarize some major conclusions of this feasibility study; they are discussed further within the report.

- (1) Properties improved to their highest and best use with functioning on-site septic systems receive less special benefit from the project than vacant land or those improved parcels with excess land.
- (2) Vacant land or parcels with excess land receive more special benefit due to the potential for more intensive development with the project completed.
- (3) A more detailed (parcel-by-parcel) study is needed to more definitively estimate special benefit to individual improved tracts which feature excess land available for future development.

Utilizing the proposed boundary as shown on the exhibits in this report, the total estimated range in special benefit to affected parcels is concluded to be as follows:

Improved parcels no excess land (90) .....	\$1,800,000 to \$1,900,000
Improved parcels with excess land (8) .....	\$575,000 to \$675,000
Vacant parcels (1) .....	...\$25,000
Total estimated special benefit range .....	<b>\$2,400,000 to \$2,600,000</b>

This report is a brief summary of the conclusions resulting from this study. In order for the preliminary estimates to be refined, a more detailed and extensive special benefit/proportionate assessment study would need to be undertaken. This involves analysis of each individual property, both with and without the LID assumed completed, as opposed to this feasibility study, which has a more broad-based scope.

Respectfully submitted,  
MACAULAY & ASSOCIATES, LTD.

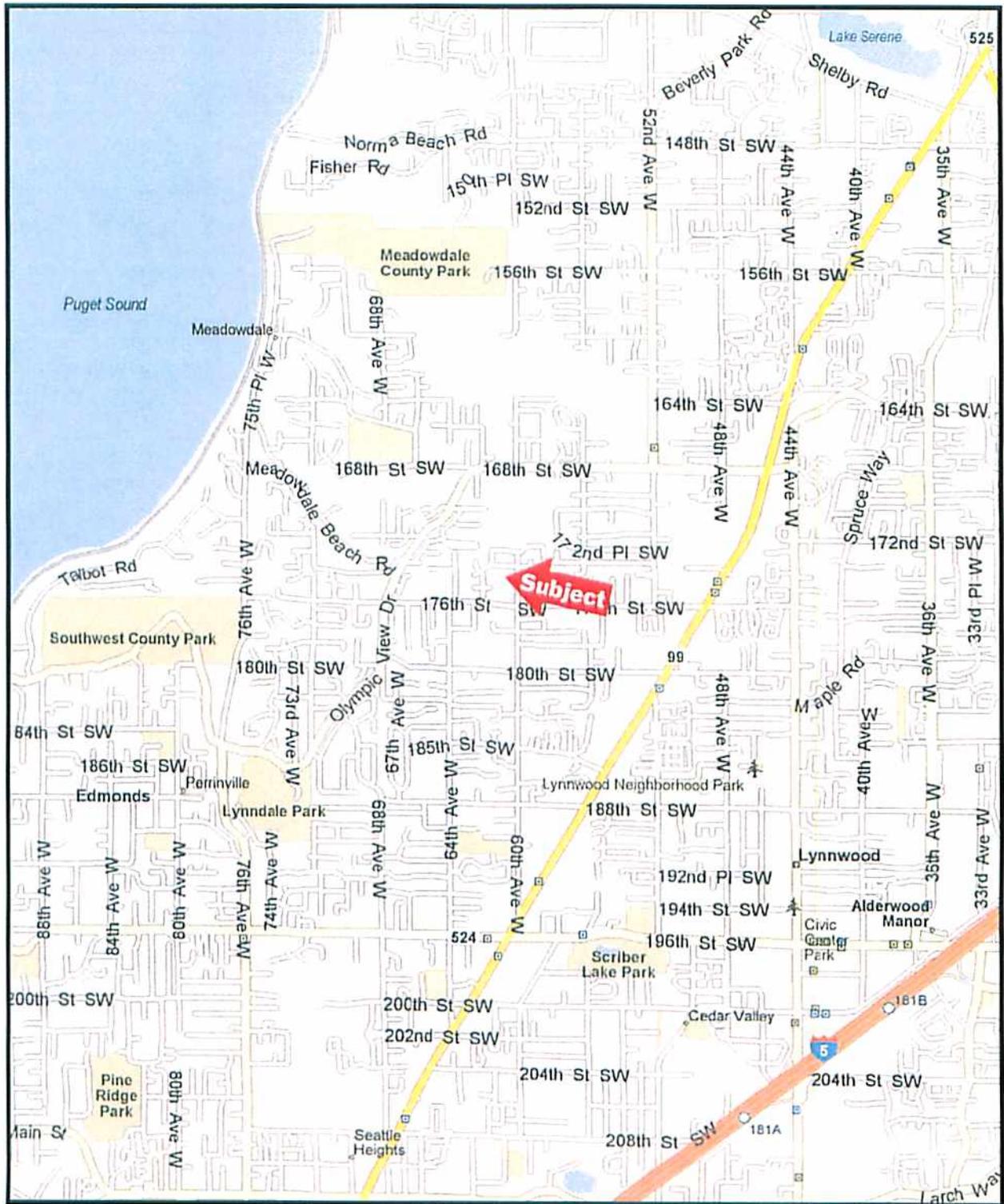
## Table of Contents

Location Map .....	1
Vicinity Map .....	2
Aerial Photograph .....	3
Proposed LID Boundary Map .....	4
Neighborhood/LID Project Area .....	5
Summary of Economic Feasibility Study and Assumptions .....	12
Assumptions and/or Limiting Conditions .....	21
Certification .....	22
Qualifications .....	24

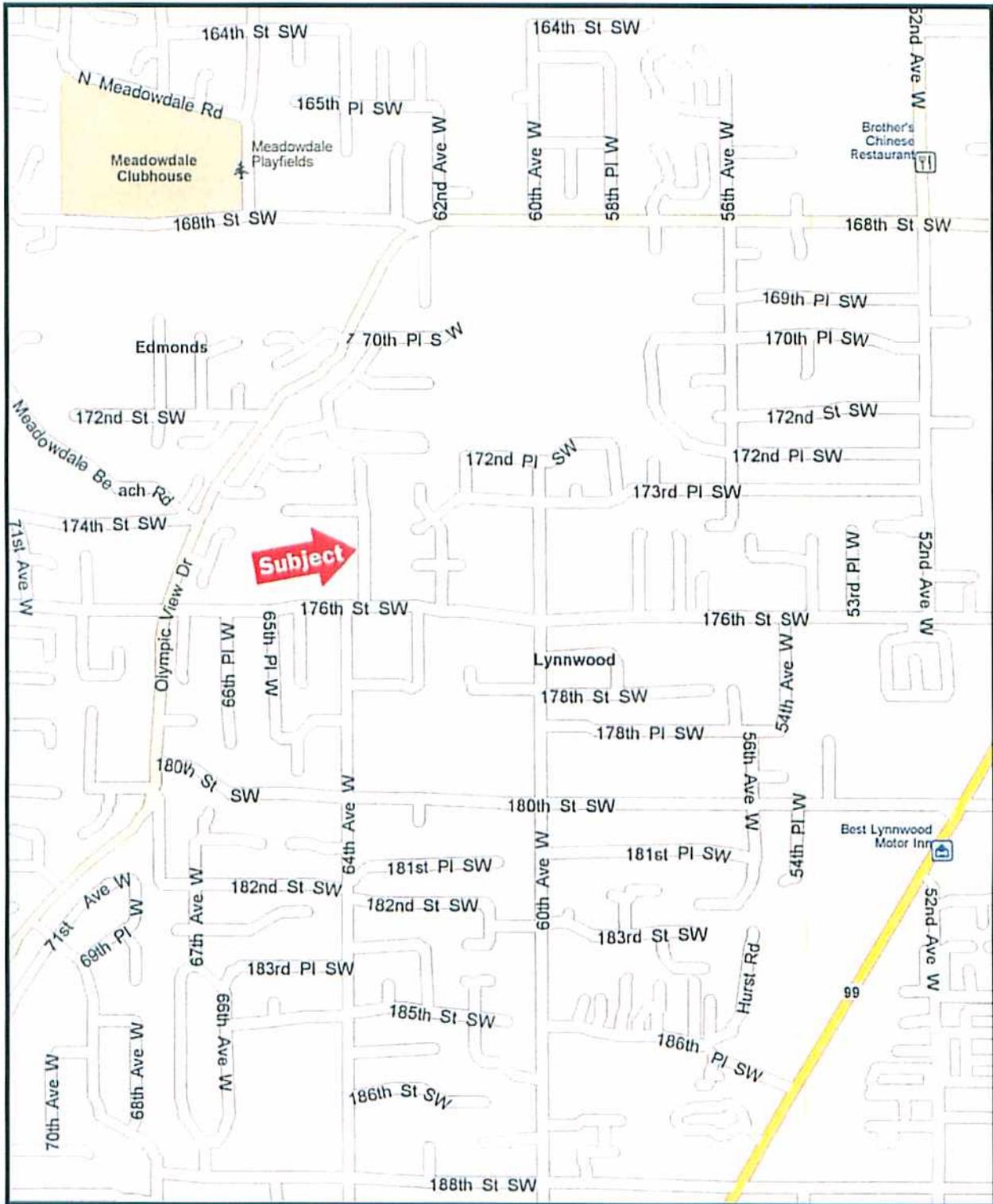
### Addenda

Comparable Land Sales Map .....	28
Comparable Land Sales Tabulation .....	29

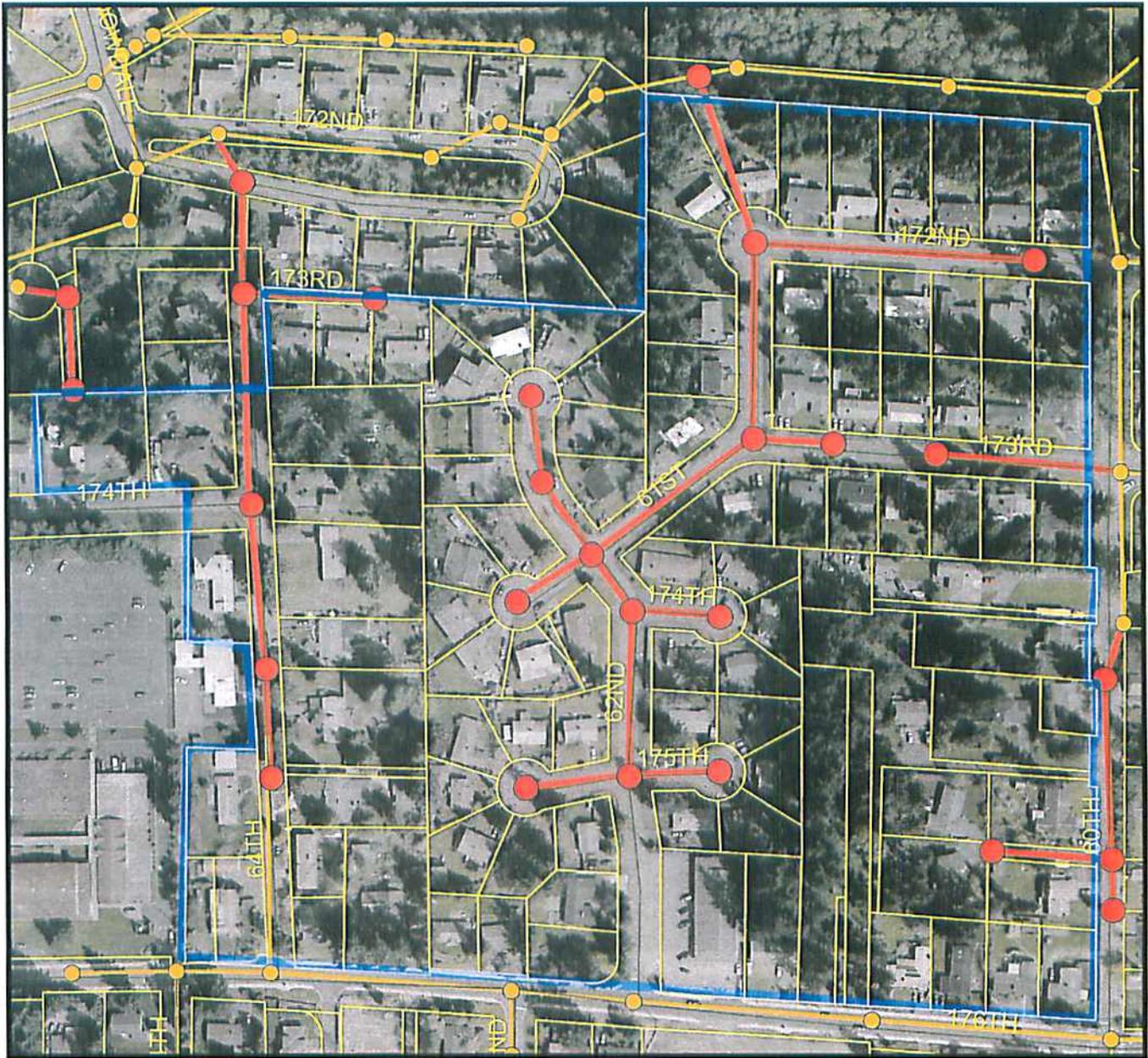
# Location Map



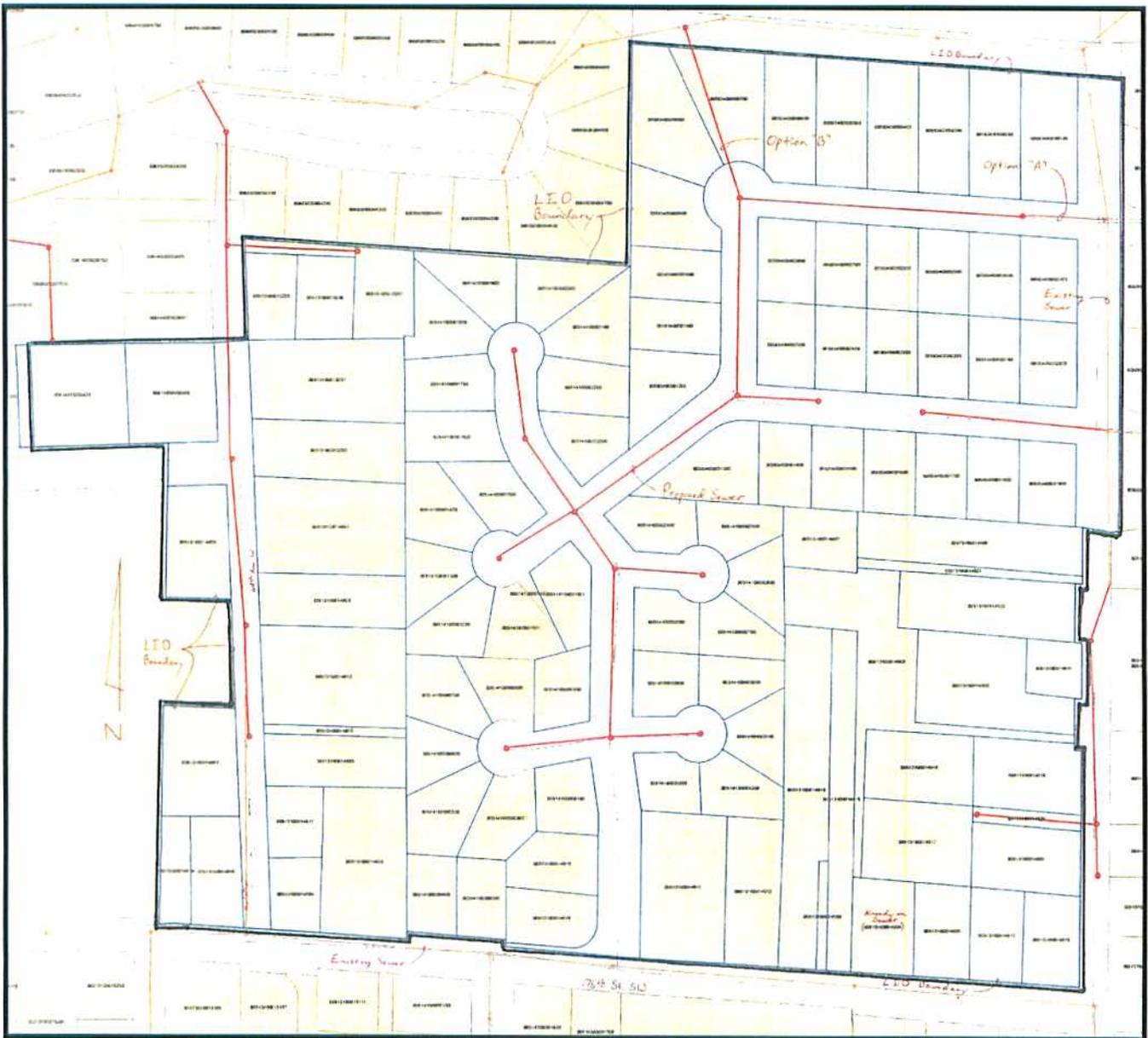
# Vicinity Map



# Aerial Photograph



# Proposed LID Boundary Map



## Neighborhood/LID Project Area

The immediate subject area was previously an “island” of land in unincorporated Snohomish County surrounded by property within the City of Lynnwood. The 33± acres known as Maple Precinct, bounded by 176<sup>th</sup> Street SW to the south, 60<sup>th</sup> Avenue W and 64<sup>th</sup> Avenue West to the east and west, was annexed into the city on July 24, 2009.

The proposed sewer system involves the extension of existing lines from surrounding areas to the north and east, branching into streets in the subject area. The vehicle for establishing and funding the project will be a local improvement district whereby benefitted property owners are responsible for proportionate shares of the cost of the system through assessments which can be paid in installments. This economic feasibility study is being completed in connection with the proposed local utility district.

The larger subject market area is defined as all of Snohomish County and the immediate market area is the newly incorporated subject area and surrounding City of Lynnwood. Snohomish County is located on Puget Sound, in the north central portion of western Washington, between Skagit County to the north and King County to the south. Snohomish County is the third most populous county in the state behind King and Pierce counties.

The county encompasses approximately 2,100 square miles, of which 43%± (to the east) includes portions of the Mt. Baker-Snoqualmie National Forest and the Glacier Peak Wilderness Area. Most of the population is concentrated in the foothills of the Cascades and the Puget Sound lowlands.

The City of Lynnwood is located in southwest Snohomish County just west of the Interstate Highway 5 (I-5) and Interstate Highway 405 (I-405) interchange, about halfway between Seattle and Everett. I-5, the major north-south transportation corridor in western Washington, runs through the southeastern quadrant of Lynnwood. State Route 99, a four-lane arterials which parallels I-5, bisects the city. State Routes 521 and 524 (also known as 196<sup>th</sup> Street SW) are four-lane roads which run east-west through the southern portion of the city. Lynnwood is built on gentle slopes with elevation at approximately 400 feet above sea level. It is bounded by the neighboring cities of Everett to the north, Mill Creek and Bothell to the east, Mountlake Terrace and Brier to the south, and Edmonds to the west.

The sprawling shape of Lynnwood was created in large part by the automobile. After World War II and into the early 1950's, the advent of the family automobile encouraged mobility and freed daily commuters from ties to inner city bus routes. As land prices within the cities rose, people looked to suburban communities and began relocating further from city centers. By the time Lynnwood was incorporated in 1959, it was a suburban community of Seattle.

The commercial center of Lynnwood, originally located at the intersection of 196th Street SW and Highway 99, shifted in 1963 after the construction of I-5 and is now located around the intersection of 196th Street SW and 44th Avenue W, which are the principal access roads leading to I-5. The Alderwood Mall regional shopping center (constructed in the late 1970's and early 1980's) and surrounding area have developed into a second commercial hub located north of I-5 near 36th Avenue West and Alderwood Mall Boulevard.

The commercial center and surrounding areas consist mainly of retail trade and services providing a vast array of consumer goods as well as personal, professional and business services. Products and services provided by businesses in this area tend to be sufficiently high value or volume to support the relatively high rents charged by landlords. Businesses such as motels, service stations and automobile shops, which occupy more land area and pay lower rents, tend to occupy strip arterials. Office development, generally up to five stories, is usually located on the periphery of major shopping centers where there is good automobile access, high visibility and adequate parking. The newly expanded Alderwood Mall, strip arterials and offices attract a majority of their customers from south Snohomish and north King counties.

Zoning in the subject neighborhood is RS8, a single family residential designation allowing one dwelling unit per 8,400 SF of land. In the subject area, a tract at the northeast corner of 62<sup>nd</sup> Avenue W and 176<sup>th</sup> Street SW is designated B-3, neighborhood business, by the City of Lynnwood. The surrounding neighborhoods are zoned RS8, as are all the other subject parcels. There is a park, zoned P1, (public) located directly north of the proposed LID boundary. To the east along Highway 99, land is predominantly zoned CG, general commercial. Along secondary arterials and collector streets, there is a mix of single family and multi-family residential zoning.

## Population

Following is a summary of population growth for selected areas.

Population Growth Trends					
City	1990	1995	2000	2005	2010
Lynnwood	28,637	31,950	33,847	34,830	36,160
% change	N/A	11.6%	5.9%	2.9%	3.8%
Mill Creek	7,180	9,278	11,525	14,320	18,700
% change	N/A	29.2%	24.2%	24.3%	30.6%
Everett	69,974	79,180	91,488	97,500	104,100
% change	N/A	13.2%	15.5%	6.6%	6.8%
Mukilteo	6,982	14,760	18,019	19,360	20,150
% change	N/A	111.4%	22.1%	7.4%	4.1%
Snohomish County	465,628	525,600	606,024	655,800	711,100
% change	N/A	12.9%	15.3%	8.2%	8.4%

*Source:* State of Washington Office of Financial Management, April 2010

## Employment

Below is a summary of employment growth trends in selected areas.

Employment Trends			
Year	Swamp Creek Forecast Area Zone (FAZ)	Lynnwood Area FAZ Group	Snohomish County
1980	1,350	14,474	103,401
1990	1,887	24,225	169,350
% growth	39.8%	67.4%	63.8%
2000	3,306	27,805	217,673
% growth	75.2%	14.8%	28.5%
2010 (est.)	4,827	34,588	249,152
% growth	46.0%	24.4%	14.5%

*Source:* Puget Sound Regional Council, October 2006 (latest available)

According to the Snohomish County Business Journal, the largest private employer in Lynnwood is Eldec Corporation with 797 workers, and the largest public employer is the Edmonds School District with 1,440 employees. The largest employment sector is trade and services, centered around the Alderwood Mall regional shopping center.

### Local Economy

The recessionary U.S. economy, rising energy prices, tight credit and the housing downturn constitute a formidable force, one that is estimated to continue to flatten local job growth for some time to come. The jobless rate for Washington State fell to 9.1% in January 2011, down from 9.3% in December 2010, according to the Washington State Employment Security Department. In Snohomish County, the rate dropped to 9.8% in December 2010 from an adjusted rate of 10.1% in November.

### Single Family Residential Market

The Central Puget Sound Real Estate Research Report indicates that the median price of a newly constructed home in Snohomish County decreased to \$319,386 in the second quarter of 2010 from \$327,663 in the first quarter. Market conditions softened considerably from one year prior and there was three sales of newly constructed single family residences in the first quarter and one in the second quarter of 2010 with a sale price of \$469,950.

### Apartment Market

Apartments are typically 2- or 3-story buildings, usually located near commercial development, providing an effective transitional buffer between the two relatively incompatible land uses of commercial enterprises and single family detached housing.

For the rental market, the primary data source used is publications by Dupre + Scott Apartment Advisors of Seattle. Many multi-family residential complexes in the subject submarket are "garden" projects typical of the Snohomish County market, consisting of multiple buildings of wood frame construction, two to three stories in height with walk-up access, ranging in size from 20 to 150 units. However, there is a sizable segment of smaller apartment buildings. Vacancy rates for the subject submarket are presented below.

For comparison purposes, data for Bothell, Mill Creek, Silver Lake, and Snohomish County is also included.

Apartment Market Vacancy Rates - 2007 - 2010								
	9/10	3/10	9/09	3/09	9/08	3/08	9/07	3/07
Lynnwood Market vacancy	5.3%	5.3%	7.4%	6.8%	5.6%	4.8%	3.9%	3.6%
Bothell Market vacancy	4.8%	4.4%	5.0%	5.6%	4.0%	4.3%	4.7%	4.5%
Mill Creek Market vacancy	4.7%	3.9%	6.0%	7.0%	6.0%	4.6%	3.8%	3.2%
Silver Lake Market vacancy	6.6%	4.9%	7.0%	7.5%	6.4%	5.5%	4.3%	4.6%
Snohomish County Market vacancy	5.7%	5.7%	6.8%	6.8%	5.8%	4.8%	4.0%	4.0%
<i>Source: Dupre + Scott Apartment Advisors, October 2010</i>								

According to Dupre + Scott data, although vacancy rates are improving, they have still generally increased from the 2007 lows.

#### Office Market

According to a Kidder Mathews fourth quarter 2010 report, office vacancy is 12.92% in the Puget Sound region, down from the mid-year 2010 rate of 13.23%. There is virtually no new space being constructed and the amount now under construction is less than 400,000 SF. Vacancy rates are expected to show gradual improvement with rental rates remaining flat during 2011.

Snohomish County's office vacancy rate was 12.7% at year end 2010, up from 12.59% in the third quarter. Leasing activity has been limited to renewals with many including the downsizing of space. The year-end rental rate for office space was \$22.42/SF, down from \$22.72/SF at year-end 2009. The failures of Frontier and City Bank (Snohomish County banks) have returned office space to the market as well as further limited local financing options for smaller businesses and developers.

Office development, generally up to five stories, is usually located on the periphery of major shopping centers where there is good automobile access, high visibility and adequate parking. The Alderwood Mall, strip arterials and offices attract a majority of their customers from south Snohomish and north King counties.

## Retail Market

According to a year-end 2010 retail survey by Kidder Mathews, overall retail activity showed some improvement last year. The regional vacancy rate was 6.75% at year-end 2010, down from 8% at mid-year although still higher than the 6.37% at year-end 2009 (after ranging between 4% and 5% in 2005 - 2008). Net absorption was negative 255,919 SF in 2010 and is anticipated to be positive in 2011 at 500,000 SF to 1,000,000 SF. Retail development peaked in 2008; as of year-end 2010, there was less than 60,000 SF under construction in the region. In Snohomish County, the mid-year 2010 (latest available data) vacancy rate was 6.48%, up from the year-end 2009 rate of 6.02%.

The Alderwood Mall regional shopping center (constructed in the late 1970's and early 1980's) and surroundings have developed into a commercial hub located north of I-5 near 36th Avenue West and Alderwood Mall Boulevard. Development has continued to occur along Alderwood Mall Parkway and the owners of the mall have recently completed a \$50 million renovation, with an additional 500,000 SF of retail space and three parking garages.

The commercial center and surrounding areas consist mainly of retail trade and services providing a vast array of consumer goods as well as personal, professional and business services. Products and services provided by businesses in this area tend to be of sufficiently high value or volume to support the relatively high rents charged by landlords. Businesses such as motels, service stations and automobile shops, which occupy more land area and pay lower rents, tend to occupy strip arterials.

## Industrial Market

In a year-end 2010 survey by Kidder Mathews, the Puget Sound region's industrial vacancy rate dropped to 8.29% from the third quarter rate of 8.32%. Sales activity increased with 119 sales closing through the end of December totaling \$445.2 million. This is compared to \$210.6 million (72 sales) closing in 2009. Rental rates in the region are expected to be flat through the first quarter of 2011; however, demand for warehouse space is expected to increase by mid-year. In 2010, 447,621 SF of new space was added although leasing activity did not keep pace and vacant space in the region increased by 1.8 million SF. The regional absorption rate through year-end 2010 was negative 1.4 million SF although Snohomish and Pierce counties experienced positive absorption.

Snohomish County's industrial vacancy rate at year-end 2010 was 8.07%, down from 8.24% at mid-year. Because of the relatively small size of the Snohomish County market, occupancy statistics are susceptible to skewing, as evidenced by the 1.3 million square feet The Boeing Company put back into the market in 2002. The year-end vacancy rate in December 2001 was 6.64% by comparison, and it jumped over 2% after Boeing scaled back. Currently, there are no industrial projects under construction in Snohomish County and absorption was 196,583 SF at year-end 2010.

#### Social Influences

Local residents are generally middle income and 61% of households in the Lynnwood area are in single family residences.

#### Environmental Influences

No adverse environmental influences are noted for the immediate vicinity.

#### Summary

The subject area is located in the northern portion of the City of Lynnwood, a medium-sized city of 35,230 situated along the I-5 corridor. It is the retail focus of south Snohomish County and a major employment center. The proposed LID encompasses a small residential neighborhood west of Interstate 5 and 6± miles north of the King/Snohomish County line. Although the current real estate market is slow, the recent annexation of the subject area and proposed extension of sanitary sewer service should benefit the subject parcels by improving their competitive position in the surrounding market.

## **Summary of Economic Feasibility Study and Assumptions Forming the Basis of the Study**

### **Introduction**

Utilizing limited assignment/mass appraisal techniques, this feasibility study involves estimating market value of the fee simple interest in a representative number of parcels both without the proposed local improvement district (LID) and with the local improvement district project assumed completed. The difference in market value, if any, (expressed as a range) without and with the LID is the special benefit accruing due to the project. The terms “without” and “with” are used instead of “before” and “after” to remove the inference of a time interval between the two value estimates. The meaning of the two sets of terms is identical.

A feasibility study differs from a more detailed special benefit study in that each individual property in the project area is not analyzed. As discussed, properties within the proposed boundary are separated into classifications based on highest and best use. Analysis is then made of individual parcels within each classification without as opposed to with the LID project completed. The difference (special benefit) is then extrapolated to other similar parcels in the respective classifications, arriving at a total estimated range in special benefit. For this relatively small project, the affected parcels (with one exception) are all residentially zoned and are divided for analysis purposes into only two classifications; improved and unimproved.

### **Project Description**

The proposed project would provide sewer service to all properties within the conceptual LID boundary area, which is as shown on the exhibits included in this report. For purposes of this analysis, it is assumed that, with the LID project in place, sanitary sewer service would be available along each parcel’s road frontage.

### **Washington State Definition of Market Value**

“Fair market value” is the amount in cash which a well-informed buyer willing, but not obligated to buy the property, would pay, and which a well-informed seller willing, but not obligated to sell it, would accept, taking into consideration all uses to which the property is adapted and might in reason be applied.

(Washington State definition of "Fair Market Value," Washington State Department of Transportation Right-of-Way Manual, March, 2002).

### **Highest and Best Use**

Highest and best use is the most fundamental premise upon which estimations of market value are based. According to "The Appraisal of Real Estate" (Thirteenth Edition, 2008), highest and best use is defined as:

*... "The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value."*

Highest and best use analysis is a highly relevant consideration in the appraisal process. This analysis forms the basis upon which property is appraised, whether it is vacant land or land plus existing improvements. To this end, it is necessary to do two tests: 1) Highest and best use of land as though vacant, and 2) Highest and best use of the property as improved.

The primary reason for estimating the highest and best use of land as vacant is to estimate land value. If there is an existing improvement on the site, the land is viewed as though vacant. A conclusion is then reached as to what use creates the highest residual to the land or the highest land value. It is then possible to identify comparable sales of vacant land.

Highest and best use of property as improved considers the existing improvements and estimates whether they represent the maximally productive use or create the highest market value. If not, a decision must be made as to whether the improvements should be expanded, renovated, converted or razed to make way for that use which produces the highest return to an investor.

Market sale prices often indicate that an increase in the value of real property within the LID boundary occurs as a result of a proposed project. This anticipatory increment in value is called project enhancement and, as in eminent domain procedures, is not included in the estimate of value without, or before, the LID project. The market value estimate with the LID project assumed completed within a reasonable time recognizes changes in highest and best use and value resulting from the project.

### **Interim Use and Interim Value**

The use of a site or improved property during the period of transition from existing to more intensive highest and best use is called an interim use. Interim uses are current highest and best uses that the market indicates will change in a relatively short time. Farms, parking lots, old buildings, and temporary buildings may be interim uses. Interim value, or contributory value, is created when old buildings or other uses produce gross revenues which exceed reasonable operating expenses. The discussion of interim use on page 292 of *The Appraisal of Real Estate*, 13<sup>th</sup> Edition, states that, "...the value of such improved properties may be less than the value of their sites as though vacant when demolition costs are considered. The value of these sites is based entirely on their potential highest and best uses."

### **Anticipatory Use and Market Value**

In some instances, highest and best use of a parcel of land or an improved property may be anticipatory investment. Anticipatory highest and best use of unimproved land would be to remain vacant until development is justified by market demand, which occurs frequently when real estate markets are oversupplied. For many parcels, however, achieving the highest and best use requires some change or improvement which may be provided by the LID project.

Within this analysis, anticipatory use reflects the current market's anticipation of intensity of use as measured by buyers and sellers in the marketplace both without and with the LID project. Market value for an anticipatory use is not an estimate of projected future value, but reflects the current market for real estate based on its highest and best use. Anticipatory use resulting in project enhancement is not recognized in the valuation of real estate under the "without LID" premise.

### **Definition and Discussion of Special Benefit**

A special benefit is defined as a specific, measurable increase in value of certain real property in excess of enhancement to the general area (and benefitting the public at large) due to a public improvement project. It is measured as the difference, occurring by reason of the LID project, between the market value of each parcel studied, without the LID project, and market value of the same parcel with the LID project completed. For this analysis, the date of valuation is February 16, 2011.

Special benefit accrues to affected properties due to the proposed project by enhancing the neighborhood's reputation, aesthetic appeal and character, and creating a more desirable location for residential/commercial property owners and tenants. In addition to removing the costs and risk associated with on-site septic system failures, more intensive land use and development are possible with the project completed. Individual properties within the proposed LID boundary also specially benefit from the project by enhanced neighborhood reputation. Typically, special benefit to property is reflected in the underlying land value. As the result of a project like that which is proposed for the subject area, the market will pay a higher price for land; in this instance, probable increases in land value are primarily due to the aforementioned factors.

The total special benefit accruing to affected parcels due to the project, as estimated in this feasibility study and utilizing the boundary as depicted herein, is \$2,400,000 to \$2,600,000.

#### **Definition of Local Improvement District**

An LID is a defined geographical area with a specific improvement of a public nature which provides a special benefit to the real property within its boundaries. The increase in market value of each ownership provides for a portion of the cost of improvements to be paid by the property owners of the benefitted property over a period of time, usually 10 to 20 years.

#### **Date of Valuation**

The effective date of the applicable land use regulations and valuation analysis utilized in this report is February 16, 2011.

#### **Purpose of the Analysis**

The purpose of this study is to provide a total estimated range in special benefit resulting from the proposed Maple Precinct infrastructure improvement (sanitary sewer) project within the currently proposed boundary, which is as depicted on the enclosed exhibits.

#### **Use of the Study**

This study is intended for use by the client for internal purposes. It is a mass appraisal report prepared in accordance with the requirements set forth under "Standard 6: Mass Appraisal, Development and

Reporting" of the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Institute and, as such, utilizes limited appraisal valuation techniques.

### **Scope of Study**

As part of this assignment, the appraisers made a number of independent investigations and analyses. Area and neighborhood analysis included examination of data such as demographic information, land use policies and trends, growth forecasts and employment statistics pertaining to Snohomish County and the City of Lynnwood.

Site and improvement descriptions were obtained from the client, the Snohomish County Assessor's records and by field inspection of the exterior of the subject parcels. Individual parcel land areas are based on Snohomish County Assessor's records and, in some instances, information provided by the client. No definitive information on wetlands or other unusable areas was provided; if such pertinent information becomes available, the right is reserved, if necessary, to revise the valuation conclusions presented in this report.

Two main valuation approaches (each of which encompasses various techniques) consisting of the Income Approach and Sales Comparison Approach were considered, where appropriate, in the valuation estimates for each property class, both without and with the proposed LID project.

Most market data analyzed to date focuses on sales of improved and unimproved property. It was obtained from public records, individual buyers and sellers, local Realtors, developers and area property managers. Some income and expense information was also reviewed. Pertinent data was analyzed and used as a basis for valuation conclusions. Summary tabulations of selected market sales are included in the Addenda and location maps are retained in the appraisers' files.

### **Feasibility Analysis Summary**

In general, due to the current economic recession and continuing difficulties in obtaining adequate financing for planned projects, market demand for unimproved commercial, industrial and residential land is limited. This is especially true in the case of residential land suitable for subdivision and development

with single family residences as this market is extremely oversupplied. However, because the current lack of sanitary sewer service in the subject area has significant adverse impacts on site preparation costs and allowable development density, there is a significant difference in market value of the subject parcels without as opposed to with the availability of sewer service. Without sanitary sewer service, septic systems for land with soil characteristics similar to those in the subject neighborhood range from \$15,000 to \$20,000 and any prudent purchaser would recognize the costs and risk involved in purchasing property on septic systems.

A significant factor in the analysis is the assumption that, without the sewer project, development of currently unimproved residential land would not be allowed. Additionally, significant remodeling and expansion of existing single family residences would not be allowed under current city restrictions.

Without the LID or construction of a similar project, considerable risk is inherent in the purchase of property in the area, particularly unimproved land. This is due to the risks of drinking water contamination caused by inadequate or failing septic systems and poor soil conditions, and also because the Maple Precinct area is within an urban growth area (UGA). As it is now within the City of Lynnwood, sewer service is needed to comply with the 1990 Washington State Growth Management Act (GMA) requirements for UGAs. Individual properties within the proposed LID boundary specially benefit from the project by enhanced neighborhood reputation, potential for more intensive land use, and elimination of the risk of on-site septic system failures.

As stated, individual parcels within the study area were segregated into two classifications based on highest and best use. Physical characteristics, zoning, lot size and location were the most significant aspects used in segregating property. All parcels within the subject area (except one) are zoned RS8, a single family residential designation allowing one dwelling unit per 8,400 SF of land. There is also one tract at the northeast corner of 62<sup>nd</sup> Avenue W and 176<sup>th</sup> Street SW zoned B-3, a neighborhood business designation by the City of Lynnwood. It is improved with a commercial building comprised of a corner grocery store and several smaller retail spaces. This site is already connected to sanitary sewer and improved to its highest and best use.

Improved property with no excess land or parcels which lack sufficient land area to create additional lots but could expand or remodel existing improvements with sewer service receive less special benefit with the LID in place than a comparably sized vacant parcel which is similarly zoned and development potential increases dramatically with the availability of sewer service. Parcels with excess land can be subdivided with sewer service; therefore, accruing more special benefit due to the project. An investment in improved property has less inherent risk if sewer service does not come to the area than an investment in vacant (unimproved) land. Although costs and risk associated with purchasing an improved property without the LID remain, the potential loss in value if the sewer project is not constructed is less.

Market value of single family residentially-zoned land that has the potential to be subdivided, such as subject parcel numbers 6, 8, 15, 88, 89, 90, 91, 94 and 95, was estimated based on a subdivision analysis which considered potential lot yields, probable selling prices for finished lots, development costs and absorption discounts. Similar to commercial land, vacant land would experience a higher per square foot special benefit range than an improved residential property, where market risk is less.

The primary economic factor influencing the increase in market value of properties within the proposed LID boundary is the intensity of use to which the land can be put with, as opposed to without, sanitary sewer service. With sewer service available, higher density residential development is possible. Without sewers, development potential is limited; currently unimproved residential land could not be developed and significant remodeling and expansion of existing single family residences would not be allowed under current city restrictions.

When special benefit (increase in market value) occurs due to a project, it is generally reflected as increases in land value. Within the proposed LID, vacant land experiences the largest increase in value. Without the LID, there is very limited use potential for the currently undeveloped land. With sewers in place, vacant or undeveloped sites can be put to their economic highest and best use, as dictated by the underlying zoning. Highest and best use of vacant sites or properties with expansion or renovation potential without sewers is for investment hold. Parcels already developed to their highest and best use experience much more modest market value increases although the risk of septic system failure is eliminated and investment in these properties becomes more desirable compared to the existing status without sewer service and the potential complications associated with maintaining on-site septic systems.

The proposed LID boundary encompasses 106 individual tax parcels ranging in size from approximately .05 acres to 0.7 acres. Over 100 of the parcels (or portions thereof) are improved with various residential structures. One parcel is improved with a commercial structure. Of the 106 tax parcels; five parcels within the LID boundary (along 176<sup>th</sup> Street SW) already have sanitary sewer service available.

Current sales of unimproved and improved property in the subject market area were researched, together with other land sales in Snohomish County and the greater Lynnwood area, to form the basis for estimating land value both without and with the LID for the two classifications discussed above. Also, other market areas with generally similar physical and economic characteristics were researched. Only one land sale occurred within the proposed LID boundary in the last five years (October 2008); a parcel with excess land was divided into two lots. Both parcels were subsequently hooked up to an existing sewer line and a single family residence has been constructed on the southerly lot. Some land sales in the greater subject market occurred based on an investment hold premise due to the current lack of sewer service. Numerous additional sales of land in the Lynnwood/Bothell and south Snohomish County vicinities were researched and pertinent information is retained in the appraisers' files. In the Addenda is a summary tabulation of land sales occurring in the greater subject market area over the last three years.

The following points summarize the major factors considered in the analysis:

- (1) Properties improved to their highest and best use with functioning on-site septic systems receive less special benefit from the project than vacant land or improved parcels with excess land. Less special benefit accrues to parcels already improved to their highest and best use (when virtually all of a site's land area supports the existing development) and served by functioning septic systems.
- (2) Unimproved land or improved parcels with excess land receive more special benefit due to the potential for more intensive development with the project completed.
- (3) A more detailed (parcel-by-parcel) study is needed to more definitively estimate special benefit to individual improved tracts which feature excess land available for future development. For properties with excess land, i.e., more land than is currently being utilized, additional special benefit is generated by the project since the excess land can be used for the expansion of existing structures, development of additional buildings on a site for the same or another use, or for segregation and sale as a separate parcel. Although beyond the scope of this preliminary study, factors such as specific locations of buildings on a site, the extent and configuration of excess land,

and the age and condition of septic systems would need to be studied for each improved parcel. This information is essential for estimating market value differences on a parcel-by-parcel basis without as opposed to with the LID project in place.

In general, residential lot value in the subject area without sewer service ranges from approximately \$65,000/lot to \$80,000/lot depending on size, location, zoning and development potential. Probable special benefit to unimproved sites or those with significant excess land ranges from \$25,000/lot to \$223,000±/lot, again depending on site size, location and zoning. Special benefit to improved sites generally ranges from \$20,000/lot to \$25,000/lot depending on excess land, building age and specific location of structures on the site. Analysis conclusions are summarized below:

Improved parcels no excess land (90) .....	\$1,800,000 to \$1,900,000
Improved parcels with excess land (8) .....	\$575,000 to \$675,000
Vacant parcel (1) .....	...\$25,000
Total estimated special benefit .....	<b>\$2,400,000 to \$2,600,000</b>

## Assumptions and/or Limiting Conditions

1. This is a summary report which is intended to comply with the reporting requirements set forth under Standards Rule 2-2 of the Uniform Standards of Professional Appraisal Practice for a Summary Appraisal Report. As such, it contains summary discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraisers' opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraisers' file. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraisers are not responsible for unauthorized use of this report.
2. That the title to the property appraised in this report is good in that no liability is assumed on account of matters of legal character affecting the property such as title defect, encroachments, liens, or overlapping property lines, etc.
3. That the report is to be used only in its entirety. Distribution of the total value estimate between land and improvements applies only under the proposed conditions of utilization and reflects their estimated contribution to the overall value of the property.
4. That there are no hidden or unapparent conditions of the property subsoil or structures which would render it more or less valuable. No responsibility is assumed for such conditions, including hazardous waste or asbestos materials, or for engineering and other investigations which might be required to discover such conditions.
5. Any information in this report furnished by others is believed to be reliable; however, the appraisers assume no responsibility for its accuracy.
6. The omission or change of any part of this appraisal without the written authorization of the appraisers invalidates the entire appraisal.
7. No requirements shall be made of the appraisers for testifying or attending in court by reason of this report with reference to the property in question.
8. No definitive information regarding wetlands (delineations, reconnaissance studies, etc.) has been provided. If pertinent data on wetlands or other unusable areas is received, the right is reserved, if necessary, to modify the valuation conclusions contained herein.
9. That this study is a limited assignment appraisal resulting in conclusions of estimated special benefit for affected parcels, both without and with the proposed LID project.

## Certification

We, the undersigned appraisers, do hereby certify that, except as otherwise noted in this appraisal report:

1. We personally inspected the subject area and the exterior of the parcels within the proposed LID boundary on various dates in January, February and March, 2011.
2. We certify that, to the best of our knowledge and belief, the statements of fact contained in this limited assignment mass appraisal report are true and correct.
3. We certify that the reported analyses, opinions and conclusions are limited only by the reported qualifying conditions and are our personal, impartial and unbiased professional analyses, opinions and conclusions. No one provided significant assistance to us in the preparation of this report.
4. We also certify that we had no specified present or prospective interest in the property that is the subject of this report, and we have no personal interest or bias with respect to the properties involved or to the parties involved with this assignment. Our compensation is not contingent on any action or event resulting from the analyses, opinions or conclusions in, or the use of, this preliminary study.
5. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. Our compensation for completing this assignment is not contingent upon the reporting of predetermined values or directions in value that favors the cause of the client, the amount of the value opinion(s), the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this study.
7. We further certify that value conclusions are applicable only as related to this proposed LID and are subject to assumptions, conditions and premises contained in this study. The reported analyses, opinions and conclusions were developed, and this limited assignment appraisal report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice (USPAP).
8. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives. We have completed the requirements under the voluntary continuing education program of the Appraisal Institute.

9. We do not authorize the out-of-context quoting from or partial reprinting of this economic enhancement/feasibility study report. Further, neither all nor any part of this limited assignment appraisal report shall be disseminated to the general public by use of the media for public communication, without the prior written consent of the analyst signing this economic enhancement/feasibility study.

It is our opinion that, based on preliminary analysis, the estimated range in special benefit due to the proposed sewer infrastructure improvement project to be constructed within the boundaries described herein, as of March 1, 2011, is:

Estimated Special Benefit Range:  
**\$2,400,000 to \$2,600,000**

Respectfully submitted,  
MACAULAY & ASSOCIATES, LTD.

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Robert J. Macaulay, MAI  
WA State Certified - General Appraiser No. 1100517

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Kelly R. Hao, Associate Appraiser  
WA State Certified - General Appraiser No. 1101618

**ROBERT J. MACAULAY, MAI**  
Washington State License No. 1100517

**EDUCATION**

1983	B.A. Economics, Washington State University
2005	Subdivision Valuation, Appraisal Institute Special Purpose Properties, Appraisal Institute
2004	Real Estate Finance, Value and Investment Performance, Appraisal Institute Appraisal Consulting, Appraisal Institute
2003	USPAP - Courses 400 & 420
2002	Environmental & Property Dangers, Appraisal Institute & Center for Advanced Property Economics
1999	Advanced Sales Comparison and Cost Approach Analysis, Appraisal Institute Partial Interest Valuation - Undivided, Appraisal Institute Case Studies in Commercial Highest and Best Use, Appraisal Institute Standards of Professional Practice, Part C (430); Appraisal Institute
1986 to 1995	Real Estate Appraisal Principles 1A-1; Basic Valuation Procedures 1A-2; Capitalization Theory & Techniques 1B-A; Capitalization Theory & Techniques 1B-B; Case Studies in Real Estate Valuation 2-1; Standards of Professional Practice - SPP; Report Writing and Valuation Analysis 2-2; Standards of Professional Practice, Module A; Advanced Applications; Standards of Professional Practice, Module B; Comprehensive Appraisal Workshop

**EXPERIENCE**

10/89 to present	Macaulay & Associates, Ltd.
2/86 to 10/89	Schueler, McKown & Keenan, Inc., Seattle, WA.
8/84 to 1/86	Underwriter/Secondary Market Analyst, Weyerhaeuser Mortgage Co., Los Angeles, CA.

Appraisal assignments include a wide variety of commercial, industrial and residential properties for various financial institutions, governmental entities, law firms, corporations and private individuals. Examples include office buildings, retail shopping centers, multi-family residential complexes, industrial warehouses, restaurants, retail stores, mobile home parks, service stations, single family subdivisions and special purpose properties. Other valuation assignments cover rental valuations, partial interest studies (leasehold/leased fee estates), waterfront commercial and industrial properties for various port authorities, together with remote large acreage agricultural and forest land. Also, real estate counseling with private individuals.

Local improvement district (LID) special benefit and feasibility study experience includes a variety of road improvement, utility and other infrastructure projects. Examples are Northpoint LID for the City of Spokane (1990), Lake Stevens ULID No. 7 Sewer Interceptor infrastructure for the Lake Stevens Sewer District (1991 & 1993), City of Issaquah Newport Way/Maple Street LID (1993/1995), Lake Stevens Sewer District LID Nos. 8, 9 and 10 (1993), City of Lynnwood I-5/196th Street SW LID (1998), Ocean Shores wastewater treatment facility and sewer line extension (9,000± parcels - 1997-1999), three LID's for the City of Washougal for road and utility improvements (2000 and 2003) and City of Sumner SR-167 interchange project (2005). Examples of recent multi-parcel R/W acquisition projects are Highway 527 improvements for the City of Everett (1999-2003) and Marine Drive improvements for Pertee Engineering, Inc. of Everett (2000-2001). Also, consultation with engineering firms on feasibility issues relating to proposed LID projects. Feasibility studies for proposed LID's have been completed for a sewer LID near Willapa Bay in Pacific County, an underground transmission line for the City of Clyde Hill in King County and numerous waterlines for Skagit County PUD. These studies involved a variety of commercial, industrial, residential and special purpose properties.

**EXPERIENCE (con't.)**

A wide variety of multi-parcel right-of-way acquisition appraisals have been completed, such as riverbank protection easements for the City of Tukwila, right-of-way acquisition for road widening for the City of Bellingham and utility line easements, road widening and other public improvement projects for the City of Everett. A large right-of-way project for the Montana Department of Highways near Kalispell, Montana was completed several years ago. Also, eminent domain appraisals have been completed for the Washington State Department of Transportation (WSDOT) and Burlington Northern Santa Fe Railroad in Wenatchee and Tacoma. Other special purpose assignments are 6,000 acres on the Tulalip Indian Reservation for the Tulalip Tribes, 80 acres on Burrows Island in Skagit County, 900 acres in Skagit County for Skagit County Parks and Recreation Department, and the Eagle Harbor ferry maintenance site on Bainbridge Island for WSDOT. Various reports on mineral rights have been completed, including an 80-acre operating quarry in Bremerton, WA.

**BUSINESS AND PROFESSIONAL AFFILIATIONS**

Macaulay & Associates, Ltd., Real Estate Appraisers and Consultants Everett, WA.  
 MAI designation, Appraisal Institute (Member No. 10,712)  
 Certified Real Estate Appraiser - General Classification, State of Washington (License No. 1100517)  
 Approved Appraiser and Review Appraiser, Washington State Department of Transportation  
 Member International Right-of-Way Association  
 Board of Trustees - Washington Center for Real Estate Research, Washington State University, Pullman, WA.

**COURT AND HEARING TESTIMONY**

Testified in various cases in King, Snohomish and Skagit counties, together with presentations at LID hearings on preliminary and final assessment rolls. Qualified as expert witness in the states of Washington and Montana.

**SUMMARY OF APPRAISAL CLIENTS**

<b>Financial Institutions</b>	<b>Private Corporations</b>
AEGON Realty Advisors Northwest Life Assurance Co. of Canada US Bank of Washington First Interstate Bank of Washington Evertrust Bank First Heritage Bank American First National Bank Frontier Bank Commerce Bank Coastal Community Bank Prime Pacific Bank Horizon Bank North County Bank	Weyerhaeuser Company The Boeing Company Coates Field Service, Inc. Pharos Corporation Universal Field Service Gray & Osborne, Inc. Earth Tech Anderson Hunter Foster Pepper Shefelman Burgess, Fitzer, Leighton & Phillips Inslee, Best & Dozier Perteet Engineering Preston, Gates & Ellis

**GOVERNMENTAL AGENCIES**

City of Everett City of Lynnwood City of Issaquah City of Mount Vernon City of Bellingham City of Edmonds City of Mukilteo City of Spokane City of Pacific City of Port Angeles City of Stanwood City of Washougal Port of Everett Port of Anacortes US Army Corps of Engineers	US Navy University of Washington Everett School District Mukilteo School District Monroe School District Lake Stevens School District Tulalip Tribes of Washington Washington State Dept. of Transportation Montana Department of Highways Snohomish County King County Island County Skagit County PUD Skagit County Parks & Recreation Department Snohomish County PUD No. 1
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## **KELLY R. HAO, ASSOCIATE APPRAISER**

Washington State License No. 1101618

### **EDUCATION**

2010	Advanced Concepts & Case Studies, Appraisal Institute
2010	Appraisal of Partial Acquisitions, International Right of Way Association
2009	General Appraiser Sales Comparison Approach, Appraisal Institute
2007	National USPAP update, Appraisal Institute
2007	Uniform Appraisal Standards for Federal Land Acquisitions, Appraisal Institute
2006	Highest and Best Use and Market Analysis, Appraisal Institute
2005	National USPAP update, Appraisal Institute
2004	Advanced Income Capitalization, Appraisal Institute
2002	General Applications, Appraisal Institute
	Standards of Professional Appraisal Practice: Part A, Appraisal Institute
	Standards of Professional Appraisal Practice: Part A, Appraisal Institute
2001	Basic Income Capitalization, Appraisal Institute
2000	Appraisal Procedures, Appraisal Institute
	Appraisal Principles, Appraisal Institute

### **WORK EXPERIENCE**

5/96 to present	<p>Ms. Hao began work with Macaulay and Associates, Ltd. in May 1996. In May 2004, Kelly became a Certified General Real Estate Appraiser in the State of Washington.</p> <p>Property types include single family residential land and improvements, professional and medical offices, commercial buildings, mixed-use properties, special purpose buildings, industrial properties and vacant land. Assignments including valuation of existing properties, renovation and proposed construction, right-of-way acquisition valuation and special benefit/proportionate assessment studies for local improvement districts.</p>
5/93 to 4/96	Research Analyst, Safety Dept., Providence General Medical Center, Everett, WA.

### **BUSINESS AND PROFESSIONAL AFFILIATIONS**

Appraiser, Macaulay & Associates, Ltd., Real Estate Appraisers and Consultants  
 Certified Real Estate Appraiser - General Classification, State of Washington (No. 1101618)  
 Associate Member, Appraisal Institute  
 Member International Right-of-Way Association

### **APPRAISAL CLIENTS SERVED**

#### **Financial Institutions**

Bank of America  
 Business Bank of Washington  
 Cascade Bank  
 City Bank  
 Coastal Community Bank  
 EverTrust Bank  
 First Heritage Bank  
 Fortune Bank  
 Foundation Bank  
 Frontier Bank  
 Horizon Bank  
 Mountain Pacific Bank  
 Peoples Bank  
 The Bank of Washington  
 Washington Federal Bank

#### **Corporations**

American Property Analysts, Inc.  
 Anderson Hunter Law Firm  
 Bargreen Coffee Company  
 Bell & Ingram  
 Everett Symphony  
 Habitat for Humanity of Snohomish Co.  
 Pacific Coca-Cola Bottling Co.  
 Pharos Corporation  
 Providence Everett Medical Center  
 Skillings Connolly  
 State Farm Insurance  
 The Salvation Army  
 Vulcan Inc.  
 Weed, Graafstra and Benson, Inc.  
 YWCA

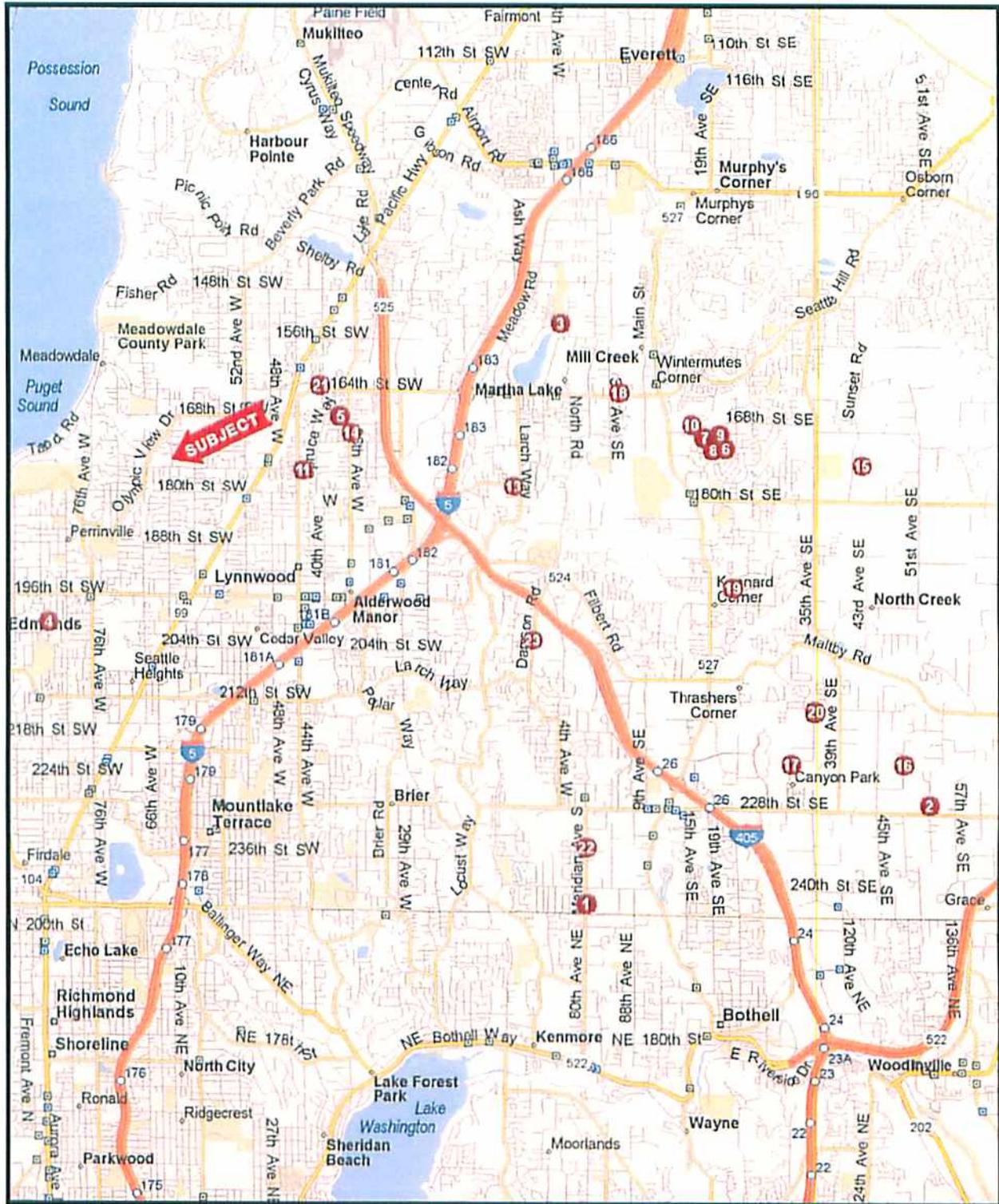
**GOVERNMENTAL AGENCIES**

City of Bellingham  
City of Edmonds  
City of Edgewood  
City of Everett  
City of Lake Stevens  
City of Lynnwood  
City of Marysville  
City of Monroe  
City of Mukilteo  
City of Sumner  
City of Tacoma

City of Tukwila  
Kitsap County Public Works  
Nat'l Park Service, Dept. of Interior  
Everett School District  
Port of Everett  
Snohomish County  
South Snohomish County PFD  
Swinomish Indian Tribal Community  
Tulalip Tribes of Washington  
US Army Corps of Engineers  
US Dept. Of the Interior, OST

KRHRResume.0111

# Comparable Land Sales Map



## Residential Land Sales

#	Location	Sale Date	Zoning	Sale Price	Size (SF)	Size (Acres)	Price Per SF	Comments
Map 36	17526 62nd Ave W, Lynnwood	10/31/2008	RS-8	\$98,000	9,436	0.22	\$10.39	Previously part of Map. No. 35, subdivided and sold. SFR subsequently built on site.
1	24212 Meridian Ave S, Bothell	2/7/2011	R-9600	\$75,000	13,504	0.31	\$5.55	Bank owned sale, sewer not available. Pd \$10,000 less for distress sale. Sewer cost \$12,000 + design, etc. = \$15,000 (Would have paid \$100,000± with sewer.)
2	225xx 53rd Ave SE, Bothell	1/21/2011	R-5	\$262,500	217,800	5.00	\$1.21	Sewer not available - no subdivision now.
3	303 Lakeview Rd, Lynnwood	12/29/2010	R-8400	\$105,000	8,276	0.19	\$12.69	Sewer in street
4	20023 3rd Ave W, Edmonds	5/24/2010	RS-8	\$62,500	10,890	0.25	\$5.74	Sewer in street. Since sold for \$407,000 12/16/10 with SFR.
5	3805 167th Place SW, Lynnwood	8/17/2010	RS-8	\$125,000	7,560	0.17	\$16.53	Sewer available, foundation in. Since sold 12/13/10 for \$470,942 with SFR.
6	1511 170th Street SE, #27, Bothell	12/1/2010	MR	\$150,000	4,356	0.10	\$34.44	\$5,000 sewer capacity charges. Bank owned lot - bought by builder. Plans to hold onto for now.
7	1519 170th Street SE, #29, Bothell	12/1/2010	MR	\$120,000	3,484	0.08	\$34.44	\$5,000 sewer capacity charges. Bank owned lot - bought by builder. Plans to hold onto for now.
8	1523 170th Street SE, #30, Bothell	12/1/2010	MR	\$105,563	3,484	0.08	\$30.30	\$5,000 sewer capacity charges. Bank owned lot - bought by builder. Plans to hold onto for now.
9	1527 170th St SE #31, Bothell	12/1/2010	MR	\$108,275	3,484	0.08	\$31.08	\$5,000 sewer capacity charges. Bank owned lot - bought by builder. Plans to hold onto for now.
10	17008 16th Dr SE #45, Bothell	12/1/2010	MR	\$75,000	3,049	0.07	\$24.60	\$5,000 sewer capacity charges. Bank owned lot - bought by builder. Plans to hold onto for now.
11	4311 176th Place SW, Lynnwood	11/30/2010	RS-8	\$105,000	8,712	0.20	\$12.05	Sewer on site.
12	21229 35th Ave SE, Bothell	1/28/2010	R-7200	\$105,000	4,440	0.10	\$23.65	Sold 11/29/10 for \$366,000 with SFR.
13	1102 178th St SW, Lynnwood	10/29/2010	R-9600	\$115,010	30,056	0.69	\$3.83	Sewer in street; sold as is with old house which is a tear down.
14	17019 36th Ave W, Lynnwood	10/27.10	RS-8	\$268,000	67,082	1.54	\$4.00	Sewer available; bank owned
15	4211 174th St SE, Bothell	10/13/2010	R-7200	\$2,300,000	608,533	13.97	\$3.78	R-7200 zoning; average lots of 4,023 SF; bank owned; sewer available.
16	22022 49th Ave SE, Bothell	9/23/2010	R-5	\$450,000	105,415	2.42	\$4.27	SFR with detached 2 car garage. Sewer not available
17	xxx 220th St SE, Bothell	8/5/2010	R-9600	\$200,000	124,582	2.86	\$1.61	Subdividable land with sewer available.
18	243 4th Ave, Bothell	6/10/2010	R-9600	\$45,000	65,340	1.50	\$0.69	Sewer not available - 100' away. Two tax parcels
19	19323 22nd Ave SE, Bothell	6/1/2010	LDMR	\$90,000	19,166	0.44	\$4.70	Sewer not available - bank owned property
20	21227 35th Ave SE, Bothell	1/28/2010	MR	\$105,000	5,000	0.11	\$21.00	Owner financing available, sewer on property
21	4015 164th St SW, Lynnwood	1/15/2010	R-8400	\$4,042,971	669,953	15.38	\$6.03	228 townhome sites; 40 units can hook up to sewer upon permitting
22	Shelton Estates, 19 lots 233rd St SE & Meridian Ave S, Bothell	4/21/2010	R-8400	\$138,568	9,000	0.21	\$15.40	9,000± SF per lot at \$138,568/lot. Total sale on 4/21/10 for \$2,632,792. 19 - 9,000± SF lots at \$138,568/lot.
23	Foxfire Trails, 34 lots, 20125 Damson Road, Lynnwood area	11/30/2009	R7200	\$120,838	6,500	0.15	\$18.59	34 lots, 6,500± per lot at \$120,838/lot. Total sale on 11/30/09 of 34 lots at \$4,108,492