Audit Request #2

AUDIT #2 Assessed Value vs. Appraised Value Compliance Audit

King County Auditor Request — Submitted via Councilmember Reagan Dunn
Prepared by: Citizens' Alliance for Property Rights (CAPR), King County Chapter
Initial Complainant Parcel for Evidence: 0321059104

EXECUTIVE SUMMARY

This audit seeks to determine whether the King County Assessor's Office is complying with statutory and constitutional requirements governing valuation of real property, specifically the requirement that assessments represent the "true and fair value in money" (market value) and remain consistent with appraisal-industry standards and mortgage-industry valuation practices.

Material new evidence—contained in Exhibit A: Assessor's Written Response for Parcel 0321059104—shows that the Assessor's Office openly admits:

1. Recently sold properties used as model inputs are often "market-prepped" through repairs, updates, renovations, and staging.
2. Such sale-ready properties are not representative of the broader housing stock.
3. The County does not perform appraisals, nor does it produce USPAP-compliant valuation documents.
4. The County uses subjective judgments ("inferior," "unrepresentative") to reject taxpayer comparables without data or inspection.
5. The County uses the same comparable sales both as "invalid" when submitted by the taxpayer and "valid" when advantageous to the County.
6. The County's mass appraisal relies on MLS photographs and online images instead of field verification or interior inspection.

These admissions confirm that the County's valuation system fails to satisfy:

- USPAP Standard 6 (Mass Appraisal)
- Washington Constitution, Art. VII § 1 and § 2
- RCW 84.40.030 (true and fair value)

- Equal protection and due process requirements
- Standards required for credible valuations used by mortgage lenders

This audit concludes that the Assessor's valuation methods rely on invalid primary data sources, contradictory evidentiary standards, and non-representative sale data, resulting in assessments that frequently exceed credible market value and contribute to improper taxation, denial of PMI removal, and financial harm to property owners.

I. AUDIT OBJECTIVES

This audit request seeks a comprehensive investigation into whether King County's assessed property values comply with state law, constitutional uniformity requirements, and professional appraisal standards.

The objectives of this audit are to evaluate:

1. Whether King County assessed values exceed true and fair market value as defined by statute.
2. Whether mass appraisal inputs are representative, verifiable, and USPAP-compliant. USPAP prohibits unverifiable assumptions regarding interior conditions, materials, and effective age.
3. Whether assessed values improperly exceed certified appraisal values, especially where certified appraisals exist.
4. Whether reliance on recently sold, market-prepped properties leads to systemic overvaluation. Sales properties represent upgraded, staged, sale-ready homes-not representative of common homes.
5. Whether the assessment methodology creates systemic inflation or "upward bias." Sale-ready homes command a premium that cannot be applied to unsold, non-inspected homes.
6. Whether the Assessor's methodology aligns with mortgage-industry valuation standards used by lenders for PMI removal and underwriting. Assessed value is ignored for PMI removal, indicating that assessments are neither credible nor considered reflective of true value.

II. SCOPE AND METHODOLOGY

This audit evaluates the practices, procedures, models, and data inputs used by the King County Assessor's Office to determine assessed values, and assesses whether those practices comply with statutory, constitutional, and professional appraisal standards.

Scope of Review

The audit encompasses:

- Mass appraisal inputs and modeling processes
- Comparable-sale selection methodologies
- Data verification procedures
- USPAP Standard 6 compliance
- Statutory and constitutional compliance under RCW 84.40, RCW 84.48, and Article VII of the Washington Constitution
- Alignment between assessed values and certified appraisal values used in mortgage underwriting
- The relationship between assessed-value methodology and PMI determinations
- Appeals process documentation relevant to valuation justification
- Internal practices as evidenced by Exhibit A (Assessor's written response for Parcel No. 0321059104)

The scope includes all parcel classifications (residential, rural, commercial, agricultural, and vacant) across the last 10 assessment cycles.

Methodology

To evaluate compliance and systemic reliability, the audit shall:

1. Review mass appraisal models including coefficients, calibration methods, statistical assumptions, depreciation schedules, and validation materials.
2. Examine comparable-sale selection procedures including criteria for inclusion, exclusion, weighting, and proximity requirements.
3. Evaluate data verification practices such as the use of MLS photographs, online sources, absence of interior inspection, and assumption-based condition ratings.

4. Review appraisal data used in mortgage underwriting, refinancing, and PMI determination to compare with assessed values.
5. Examine internal documentation including memos, modeling notes, valuation rules, and quality-control procedures.
6. Review appeals documentation to evaluate the consistency of valuation evidence, explanation standards, and disclosure of valuation methodology.
7. Assess the representativeness and reliability of sales data used as mass appraisal inputs, including whether recently sold properties are materially different from non-sold inventory.
8. Evaluate automated valuation models (AVMs) such as Zillow and Redfin as a supplemental benchmark to identify variance patterns.
9. Analyze compliance with USPAP Standard 6, including verification of data sources, representative sampling, model transparency, and documentation sufficiency.

Primary sources reviewed include:

- Exhibit A — Assessor's Written Response for Parcel No. 0321059104
- RCW 84.40 and RCW 36.21
- Washington Constitution, Article VII, Sections 1–2
- USPAP Standards (primarily Standard 6)
- Industry appraisal requirements (Fannie Mae, Freddie Mac, FHA)

This audit does not attempt to determine the market value of any specific parcel; it evaluates the lawfulness, transparency, and validity of the County's mass appraisal valuation system as a whole.

III. STATUTORY AND CONSTITUTIONAL FRAMEWORK

Constitutional Issues

Washington Constitution, Art. VII § 1 — Uniformity Clause

Requires taxation to be uniform within the same class of property.

Washington Constitution, Art. VII § 2 — True and Fair Value

Property must be assessed at true and fair value in money.

Washington Constitution, Art. I §3 – due process (when inflated assessments impose unlawful tax burdens).

Professional Standards (USPAP)

- Standard 1, 2, and 6 – mass appraisal must reflect market reality and be supported by sales/appraisal data.

RCW 84.40.030 —.0301— Market Value Requirement "true and fair value" & professional appraisal standard compliance

> Values must reflect the amount a property would sell for in an open-market transaction between willing parties.

RCW 84.48.010–.018 (From Session Law 1961)— equalization and correction of overvaluation

USPAP Standard 6

Mass appraisal must:

- use credible, verified data
- ensure representative sampling
- document model assumptions
- provide transparent methodologies
- use market-derived inputs

Federal Lending Guidelines

Certified appraisals determine:

- PMI removal
- loan-to-value ratios
- refinance eligibility

Assessed values are not recognized in place of appraisals.

IV. BACKGROUND ON KING COUNTY PRACTICES

Washington law requires that property assessments be conducted in a uniform, fair, and legally compliant manner. Three primary frameworks govern the Assessor's valuation obligations:

A. Constitutional Requirements

Article VII, Section 2 of the Washington Constitution requires that taxation be:

- uniform,
- equal, and
- based on the true and fair value of property.

Uniformity requires equal treatment of similarly situated properties. True and fair value is generally interpreted as market value unless otherwise provided by statute.

B. Statutory Requirements

RCW 84.40.030 establishes that assessed value may not exceed a property's true and fair market value. RCW 84.48 (1961) required equalization across property classes, neighborhoods, and geographical areas to ensure consistent taxation and avoid disproportionate burdens.

Statutory requirements apply uniformly to all parcels and all valuation approaches, including mass appraisal.

C. Professional Standards (USPAP Standard 6)

Under USPAP Standard 6 (Mass Appraisal), assessors must:

- verify data sources for accuracy and representativeness,
- utilize reliable condition assessments,
- disclose model assumptions,
- provide support for adjustments and coefficients,
- maintain documentation demonstrating model calibration and validation, and
- avoid unsupported or arbitrary assumptions.

These standards apply to all mass appraisal activities used in ad valorem taxation.

D. Overview of King County's Current Assessment Practices

King County relies on a computer-assisted mass appraisal (CAMA) system that utilizes:

- recent arm's-length sales,
- MLS and online listing photographs,
- exterior inspection data,
- neighborhood grouping and class coding,
- model-derived adjustments, and
- supplemental manual overrides when needed.

Interior inspections are generally not conducted. Condition ratings often rely on MLS photos of recently sold properties, which may reflect seller-initiated repairs or updates undertaken specifically to prepare properties for the open market.

Recent sales typically represent a small portion of the countywide parcel inventory and may not reflect conditions of properties not listed for sale.

E. Appeals Documentation and Exhibit A

Exhibit A contains the Assessor's written response for Parcel No. 0321059104. This document reflects several aspects of current practice, including:

- the exclusion of taxpayer-provided comparable properties deemed "non-representative,"
- reliance on a limited number of hand-selected sales chosen by the Assessor,
- the absence of documentation explaining the model's specific valuation path,
- acknowledgment that recently sold properties often include repairs and upgrades not representative of the general parcel population, and
- reliance on MLS and listing-photo data in lieu of field inspections.

These characteristics are consistent with documentation reviewed across other appeals and appear reflective of standard operational practice.

F. Relationship Between Assessed Values, Certified Appraisals, and Market Behavior

Certified appraisals used for mortgage lending, refinancing, and PMI determination generally involve:

- interior inspections,

- detailed condition assessments,
- adjustment grids,
- market-supported comparable selection, and
- full USPAP compliance.

In contrast, assessed values may be developed without interior inspection and may rely on assumptions about condition or quality based on external or secondary information.

Although assessed value and a certified appraisal need not be identical, both valuation systems:

- rely on market data,
- operate under USPAP standards, and
- must reflect actual market behavior.

Stakeholder reports, public records, and appeals documentation indicate that assessed values in many instances significantly exceed certified appraisal values prepared within the same time period. Mortgage underwriters generally do not recognize assessor values for lending purposes and instead rely solely on certified appraisals as evidence of market value.

This divergence affects homeowners financially through:

- higher tax burdens derived from inflated assessed values,
- continued PMI obligations based on certified appraisals reflecting lower market value, and
- impaired ability to refinance or qualify for lending programs.

G. Observed Systemic Issues Requiring Audit Review

Based on the materials reviewed to date—including Exhibit A, constituent submissions, appeal packets, and publicly available sales data—several recurring themes warrant independent verification through audit procedures:

1. The representativeness of sales used in mass appraisal models.
2. The extent to which assessed values exceed market indicators or certified appraisal values.
3. The degree of uniformity across neighborhoods, classes, and parcel types.

4. The transparency of valuation models and documentation of valuation decisions.
5. The consistency of evidence standards applied during BOE appeals.
6. The alignment of mass appraisal practices with USPAP Standard 6.
7. The coherence between assessed values and statutory definitions of “true and fair value.”

These observed patterns do not constitute findings; they highlight areas where independent review is both necessary and appropriate.

H. Need for Audit

Given the statutory, constitutional, and professional standards governing assessment practices, and the concerns raised through appeals documentation and constituent evidence, a comprehensive operational and compliance audit by the King County Auditor is warranted to evaluate whether current practices align with legal and professional requirements.

V. FINDINGS

The audit identified multiple areas in which the Assessor’s valuation practices, data methodology, and evidentiary standards appear inconsistent with statutory requirements, constitutional mandates, professional appraisal standards, and industry valuation practices. The findings below summarize systemic issues observed in the valuation data, appeals documentation, mass-appraisal methodology, and Exhibit A (Assessor’s Written Response for Parcel No. 0321059104).

Finding 1 — Assessed Values Frequently Exceed Market Indicators, Including Market-supported Appraisals and Actual Sale Prices

Across multiple parcel types—residential, rural, agricultural, and vacant—documentation reviewed indicates that assessed values often exceed:

1. Market-supported sales appraisals
2. Actual sale prices
3. Underwriting-approved collateral valuations
4. Appraisals used for PMI removal, refinancing, and mortgage origination

Because RCW 84.40.030 prohibits assessments that exceed true and fair market value, these variances raise concerns about statutory compliance. Mortgage lenders uniformly

reject assessed values as unreliable, requiring certified appraisals instead. This discrepancy indicates assessor values do not meet professional valuation standards.

Impact:
Taxpayers may be taxed on equity they do not possess, continue paying PMI unnecessarily, or face restricted refinancing opportunities.

Finding 2 — Recent Market Sales Used in Mass Appraisal Models Are Not Representative of the Countywide Parcel Inventory

Mass appraisal models rely heavily on recent sales; however, these represent only 2–5% of properties countywide. As documented in Exhibit A:

- Recently sold homes are typically updated, repaired, staged, and “market-prepped.”
- These homes include interior inspections by licensed appraisers and often reflect higher-than-typical condition levels.

Using data from upgraded, sale-ready properties to value the full inventory—including uninspected, outdated, or deferred-maintenance properties—introduces predictable upward bias.

Observed Effects:

- Systemic inflation in assessed values
- Loss of uniformity under Article VII
- Overassessment of rural and vacant parcels lacking comparable market characteristics

The Assessor acknowledges this non-representativeness in Exhibit A, stating that certain sales are “not at market for modeling purposes due to updating after the point of sale.”

Finding 3 — Interior Conditions Are Assumed Rather Than Verified (USPAP Standard 6 Violation)

USPAP Standard 6 requires:

- Verification of data sources
- Reliable and supportable condition ratings
- Documentation of assumptions
- Transparent modeling methodology

Audit materials, including Exhibit A, show reliance on:

- MLS photographs
- Online images
- Assumed condition ratings
- Default effective age values

No documentation indicates that the Assessor verifies interior condition, quality grade, effective age, or functional utility. Properties used as comparables, however, have full interior appraisals performed by certified professionals.

This asymmetry creates a methodological inconsistency: interior-conditioned data is used to value properties whose interior condition is unknown.

Finding 4 — Contradictory Evidentiary Standards Are Applied in Appeals

The appeals documentation reveals conflicting treatment of evidence:

A. Assessed values of other properties are rejected by the County as “not evidence,” yet the County uses assessed-value-derived mass appraisal models to value all properties.

B. Taxpayer-provided comparable sales are dismissed as “inferior,” “non-representative,” or “insufficient,” while the County presents 2–4 comparables selected solely by the Assessor.

C. In Exhibit A, the same sale is described as inferior (when addressing taxpayer evidence) and also used as an Assessor comparable (when supporting the County’s position).

This raises concerns about procedural fairness and evidentiary consistency within the appeals process.

Finding 5 — Lack of Transparency in Mass Appraisal Modeling and Insufficient Documentation (USPAP Non-Compliance)

The Assessor’s office does not provide:

- Model coefficients
- Weighting factors
- Calibration methodology
- Model performance measures

- Error rates
- Ratio study details
- Documentation showing how specific assessed values were produced

USPAP Standard 6 requires full documentation sufficient for an independent appraiser or auditor to replicate the valuation process. The lack of such documentation inhibits verification, reduces transparency, and impedes due process in appeals.

Finding 6 — Discrepancies Between Assessed Values and Lending Standards Undermine the Reliability of Assessor Valuations

Lenders and PMI underwriters:

- do not accept assessor values as reliable evidence of market value
- require certified appraisals for PMI removal and refinancing
- treat assessor values as non-market indicators

If assessed values reflected true market value, they would serve as acceptable collateral valuations in lending. Their universal rejection by lenders suggests the valuation methodology does not align with industry-recognized market standards.

Finding 7 — Evidence in Exhibit A Demonstrates Internal Contradictions That Undermine the Reliability of the Assessment Process

A. Non-representative sale data acknowledged

Exhibit A states:
“Sale 2 is marked not at market for modeling purposes due to updating after the point of sale.”

B. Reliance on unverified online images

Exhibit A references MLS photographs and “[photos] taken from the web.”

Finding 8 — Improper Handling of Comparable Evidence Creates an Unlawful Evidentiary Vacuum

Based on Exhibit A and appeals documentation, mass appraisal currently operates under the following constraints:

1. Market sales are acknowledged to be non-representative due to sale-ready upgrades.

2. Assessed values of other properties cannot be used by taxpayers.

If market sales are non-representative *and* assessed values are inadmissible *and* market-supported appraisals are not granted probative weight, the County effectively leaves taxpayers with no usable evidence—a due-process deficiency.

Finding 9 — Potential Correlation Between Assessment Patterns and Revenue Needs

Preliminary analysis of taxpayer-submitted evidence suggests that valuation increases may align more closely with levy certification cycles and revenue requirements than with market trends. While causation cannot be determined without full audit access, this observed pattern warrants further investigation.

Summary of Findings

Collectively, the findings suggest:

- systemic upward bias in mass appraisal models,
- non-representative data inputs,
- insufficient verification practices,
- internal contradictions in evidence handling,
- inconsistent treatment of taxpayer evidence,
- misalignment with certified appraisal values,
- professional standards non-compliance, and
- potential statutory and constitutional concerns.

VI. IMPACT ASSESSMENT

The observed issues in valuation methodology, data representativeness, evidentiary standards, and documentation practices have measurable operational, financial, and systemic impacts on King County taxpayers, the housing market, and public confidence in the assessment system. The impacts identified through documentation review, stakeholder submissions, and Exhibit A fall into the following categories:

1. Financial Impact on Homeowners

A. Overvaluation and Increased Tax Burden

When assessed values exceed market indicators or certified appraisal values, taxpayers may incur higher property tax obligations than warranted. Overassessment can result in material financial strain, particularly among rural, vacant, or older properties that may not reflect the characteristics of upgraded, market-ready homes used as mass-appraisal comparables.

B. Effects on PMI, Refinancing, and Access to Credit

Because mortgage lenders rely on certified appraisals rather than assessor valuations:

- Borrowers may be unable to remove PMI even when the assessor indicates sufficient equity.
- Families may face difficulty refinancing if certified appraisals reflect lower values than assessed valuations.
- Escrow accounts tied to tax obligations may increase due to elevated assessed values.

These effects create additional financial burdens beyond the tax system itself.

2. Impact on Procedural Fairness and Due Process

The contradictory evidentiary standards identified in appeals documentation—including rejection of taxpayer comps, inconsistent treatment of comparable sales, and absence of transparent valuation documentation—may limit taxpayers' ability to meaningfully challenge assessments.

A system in which taxpayers cannot obtain the methodology behind their valuation, cannot use assessor-derived values as evidence, and cannot rely on certified appraisals places taxpayers at a procedural disadvantage, potentially affecting the fairness and accessibility of the appeals process.

3. Impact on Market Transparency and Housing Affordability

Assessed values that diverge from market behavior can create distortion in:

- homeowner perceptions of property value,
- municipal revenue projections,
- escrow and mortgage-related obligations, and
- affordability assessments used by buyers and lenders.

When assessments are consistently above market value, this may give the appearance of higher equity than exists, potentially compounding affordability challenges for households

already affected by increased taxes and lending constraints.

4. Impact on System Integrity and Public Confidence

Lack of transparency in model calibration, coefficient disclosure, and valuation documentation can reduce confidence in the assessment system. Internal contradictions—such as those documented in Exhibit A—along with asymmetrical evidence standards may contribute to perceptions of inconsistency or inequity.

Public trust in property taxation depends on:

- transparency,
- uniformity,
- verifiable methodology, and
- consistency with statutory and constitutional directives.

If taxpayers perceive valuations as non-representative or non-rebuttable, confidence in the broader taxation framework may decline.

5. Fiscal and Operational Implications for King County

Should systemic overvaluation be substantiated through full audit procedures, the County may face:

- Appeals corrections on a significant number of parcels
- Potential adjustments to valuation models and calibration procedures
- Increased administrative burdens in processing revised assessments
- Policy or statutory compliance corrections
- Possible refunds or tax recalibration obligations

Operational and fiscal impacts would depend on the scale of identified inconsistencies and corrective actions recommended by the audit.

Summary

The combined effects of valuation inconsistencies, non-representative data inputs, and procedural limitations may result in:

- financial burdens for homeowners,

- reduced access to refinancing and PMI removal,
- decreased transparency in the appeals process,
- distortions in perceived market value, and
- erosion of public trust in the assessment system.

A comprehensive audit would clarify the extent of these impacts and inform necessary corrective measures.

VII. RECOMMENDATIONS

Based on the findings in Section V, the Auditor should implement a combined set of evaluative actions and require the Assessor's Office to adopt corrective measures to restore statutory compliance, improve transparency, ensure uniformity, and align valuation practices with USPAP Standard 6.
These recommendations and corrective actions are combined to provide a cohesive, actionable roadmap.

1. Evaluate the Representativeness of Sales Data Used in Mass Appraisal Models

The Auditor should conduct a representativeness analysis comparing properties used in calibration (recent sales) to the broader property inventory. This should include:

- condition comparisons between sold and unsold homes;
- identification of "market-prepped" upgrades captured in MLS listings;
- analysis of sale-ready premiums;
- testing for systemic upward bias created by non-representative inputs.

The objective is to determine whether sales data used in the model reflects typical King County properties.

2. Review and Standardize Comparable-Sales Selection Criteria

The Auditor should analyze whether comparable-selection criteria are applied consistently across:

- mass appraisal modeling,
- taxpayer appeals, and
- assessor-generated evidence.

The Assessor should be required to:

- document inclusion/exclusion rules,
- provide written justification for comparable choices, and
- ensure alignment with RCW 84.40.030 and USPAP comparability standards.

This action addresses inconsistencies highlighted in Exhibit A.

3. Require Verification of Condition, Quality, and Effective Age in Accordance With USPAP Standard 6

The Auditor should review the Assessor's methods for determining:

- interior condition,
- quality grade,
- effective age, and
- depreciation assumptions

without interior inspection.

The Assessor must document:

- how condition is inferred,
- how MLS photos and web images are used,
- how uncertainty is accounted for, and
- how assumptions are verified or reconciled.

USPAP-compliant verification protocols must be implemented.

4. Assess the Financial Impact of Assessment/Appraisal Discrepancies on PMI, Lending, and Refinancing

The Auditor should quantify:

- PMI continuation despite inflated assessed values;
- refinance denials where appraised values differ significantly;
- borrower financial harm from escrow increases;

- geographic and class-level distribution of these issues.

The Assessor should be required to produce anonymized summaries of appraisal conflicts for review.

5. Conduct a Comprehensive Review of Sales-Data Inclusion and Exclusion Decisions

The Auditor should analyze:

- which sales were included in model construction;
- which were excluded;
- how quality-control rules were applied;
- whether exclusion patterns create systemic valuation bias.

The Assessor must produce consistent documentation supporting each inclusion or exclusion decision.

6. Evaluate Compliance With RCW 84.40.030 and Constitutional Uniformity Requirements

The Auditor should determine whether:

- assessed values exceed true and fair value,
- valuation practices produce uniform taxation across parcel types and geographic areas,
- relying on non-representative sales contributes to unequal treatment,
- certain parcel classes (rural, vacant, etc.) experience disproportionate assessment increases.

Policy changes may be required if systemic non-uniformity is confirmed.

7. Develop a Framework for Public Verification of Model Outputs

The Assessor must publish:

- parcel-level outputs;
- worked examples showing how values were calculated;
- ratio-study performance metrics;
- GIS and CSV datasets supporting independent review.

This ensures valuation processes are transparent and auditable.

8. Publish a Countywide Impact Report

The Assessor must quantify:

- parcels affected by overassessment;
- patterns of geographic or class-specific valuation distortion;
- financial impacts on taxpayers;
- implications for levy calculations and tax burdens.

This report is essential to determining the scope of systemic impacts.

9. Implement a Formal USPAP Standard 6 Compliance Plan

The Assessor must submit a compliance plan including:

- verification protocols;
- documentation standards;
- comparable-selection consistency;
- quality-control measures;
- staff training requirements;
- annual compliance reporting.

This corrective plan must be reviewed and approved by the Auditor.

Summary

These combined recommendations and corrective actions address:

- data integrity,
- methodological transparency,
- evidentiary consistency,
- USPAP compliance,
- statutory and constitutional alignment,
- taxpayer financial protection, and
- public accountability.

Adopting this unified framework will allow the King County Auditor to identify deficiencies, require corrective measures, and strengthen the fairness and reliability of the property assessment system.

VIII. Transparency & Reproducibility Requirements

To ensure the assessment system can be independently validated, and to support public confidence in valuation accuracy, the Auditor should adopt transparency and reproducibility requirements consistent with professional appraisal standards, public-records obligations, and government-audit best practices.

The following measures will allow independent verification of model performance, compliance, and valuation consistency:

1. Publication of Core Datasets Necessary for Independent Review

The Auditor should require the Assessor to make available the datasets used in model calibration and valuation analysis, including:

- parcel-level assessed values (with parcel numbers)
- associated certified appraisal data (where available and legally releasable)
- sale prices and sales characteristics used in model development
- property characteristics and coding tables relevant to valuation
- ratio-study results and calibration datasets

Where privacy restrictions apply, data should be anonymized rather than withheld.

These datasets are required for meaningful public oversight.

2. Disclosure of Valuation Methodology and Statistical Modeling Procedures

The Auditor should require publication of:

- mass appraisal model specifications
- statistical assumptions and regression structures
- variable selection methodology
- calibration and validation procedures
- weighting logic and adjustment factors

- decision rules for comparable inclusion or exclusion

This information is necessary for evaluating whether the valuation system adheres to USPAP Standard 6 and RCW 84.40.030.

3. Allowance for Independent Replication of Audit Analyses

Reproducibility is fundamental to scientific and professional verification.
The Auditor should ensure that all published datasets and methodological descriptions are sufficient to allow:

- independent replication of statistical comparisons
- recalculation of assessed-to-appraised ratios
- re-running of model-validation tests
- third-party evaluation of data representativeness

Independent replication strengthens public confidence in the audit's conclusions.

4. Publication of Full Audit Findings, Appendices, and Technical Notes

To ensure transparency and avoid selective disclosure, the Auditor should publish:

- all findings in full
- supporting tables, charts, and ratio-study outputs
- technical appendices
- model-performance summaries
- documentation of assumptions and limitations

Complete publication is essential for public accountability.

5. Prohibition on Non-Transparent or Proprietary Modeling Logic

Because ad valorem taxation must be verifiable under constitutional and statutory standards, mass appraisal models used for tax assessment should not rely on:

- proprietary algorithms,
- undisclosed logic,
- black-box valuation methods, or

- vendor systems that cannot be audited or explained.

The Auditor should require that all valuation logic be fully documented, reviewable, and reproducible, ensuring that no portion of the tax base rests on non-auditable processes.

6. Provision of Public GIS Layers and Downloadable Data Files

To facilitate geographic and statistical analysis, the Auditor should require the Assessor to publish:

- GIS shapefiles or equivalent spatial layers
- parcel-boundary datasets
- neighborhood and valuation-area boundaries
- CSV files containing parcel-level valuation data

These resources should be made accessible to:

- CAPR
- researchers
- community members
- taxpayers
- public-interest groups
- journalists

Providing GIS and CSV access supports transparency across diverse constituencies and allows for robust community-level analysis.

Summary

The transparency and reproducibility measures above are essential to:

- enable independent verification of assessment accuracy,
- ensure statutory and constitutional compliance,
- support public oversight of mass appraisal processes, and
- maintain the integrity of King County's property-tax system.

These requirements also ensure that audit results cannot be obscured, selectively presented, or rendered unverifiable.

IX. CONCLUSION

Documentation reviewed during this preliminary assessment—including Exhibit A, taxpayer submissions, appeals records, and publicly available data—indicates significant concerns regarding the accuracy, consistency, transparency, and statutory compliance of the King County property assessment system.

The issues identified include:

- reliance on sales data that may not be representative of the broader parcel inventory,
- inconsistent treatment of comparable-sales evidence,
- insufficient documentation supporting model assumptions,
- limited verification of property condition and quality,
- divergence between assessed values and certified appraisal values, and
- procedural limitations affecting the ability of taxpayers to effectively challenge assessments.

These concerns raise substantive questions regarding compliance with:

- RCW 84.40.030 (true and fair value),
- statutory equalization requirements under RCW 84.48,
- constitutional uniformity provisions under Article VII, and
- USPAP Standard 6 governing mass appraisal transparency, verification, and documentation.

The presence of internal contradictions documented in Exhibit A, combined with observed systemic patterns in assessment behavior, underscore the need for a comprehensive operational and compliance audit. A formal audit conducted by the King County Auditor would provide an independent, objective evaluation of:

- the representativeness and reliability of data inputs used in valuation,
- the consistency and fairness of comparable-selection criteria,
- the alignment of assessment practices with professional appraisal standards, and

- the financial and procedural impacts on taxpayers countywide.

Such an audit is necessary to ensure that valuation practices are transparent, legally compliant, and uniformly applied across all parcel types and geographic areas.

King County residents rely on the property-tax system to function accurately, lawfully, and equitably. A full audit will help restore confidence in the assessment process, support corrective policy actions where needed, and reinforce the County's commitment to fair and uniform taxation.

X. EXHIBIT

Exhibit A — Assessor's Written Response for Parcel 0321059104

Prepared and submitted by Dominique Scarimbolo, King County Chapter President, Citizens' Alliance for Property Rights (CAPR). Published at domscarimboloforassessor.com