
Rate Development Comments

Tax Year: 2007

Neighborhood: 8400203

Prop Type:

1	Multifamily
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Entered by: CM27 2/15/2006

Label:

2	1/1
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Base rent: C- \$7380;
D- \$6,600; Old rate \$5455.45
E- \$5,520; New rate

We used rents we received from the Poulsbo area to establish rates.

Vacancy: C- 5.5%;
D- 5.5%; Old rate 6.9%
E- 5.5%;

Dupree and Scott Sept 2005 report: 3.5% Physical vacancy.
We added 2% to compensate for economic vacancy.

Expense: C- 45%;
D- 48%; Old rate 47.8%
E- 48%;

Adopted rates from 201 and 202

Cap Rate: C- 6.5%;
D- 7.0%; Old rate 10.5%
E- 7.0%;

Same rates used in downtown and Highway 305 area. 4 sales and 2 reports support our CAP rates;
1) King, Snohomish, Pierce apt. sales trends dated June '05 at 6.0%;
2) Urban Land Inst. 3rd Qtr '05 at 6.4%.

Sale base: Not developed Old rate \$30,000

For Section 515 apartments we used a sales approach of \$35,900 per unit or reported rents.

Cost:

Comments: The Viking Way rates are similar to Downtown and the Highway 305 neighborhood. We used the same rates in all three Poulsbo neighborhoods. We added two new classes to this neighborhood to accommodate adjustments needed for age and condition.

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Tax Year: 2007

Neighborhood: 8400203
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Prop Type:

1 Multifamily

Entered by: CM27 2/15/2006

Label:

3 2/1

Base rent:

C- \$8,460;
D- \$7,800; Old rate \$6461.34
E- \$6,960; New rate

13% Trend indicated from 2 rents. For 'C' trended old rate
13% for 'D' used actual reported rents.

Vacancy:

C-10%
D-10%; Old rate 5.5%
E-10%

Dupree and Scott Sept '05 report: 3.5% physical vacancy,
Trends Spring 2005 reports 7.9% vacancy and Our Poulsbo
rent survey indicates 8%. We added 2% for economic vacancy.

Expense:

C- 45%
D- 48%; Old rate 49.4%
E- 48%

Adopted rates from 201 and 202.

Cap Rate:

C- 6.5%
D- 7.0% Old rate 10.5%
E- 7.0%

Same rates used in downtown and Highway 305 area. 4 sales
and 2 reports support our CAP rates;
1) King, Snohomish, Pierce apt. sales trends dated June '05 at
6.0%;
2) Urban Land Inst. 3rd Qtr '05 at 6.4%.

Sale base:

Not Developed Old rate \$30,000.

For Section 515 apartments we used a sales approach of
\$35,900 per unit or reported rents.

Cost:

Comments:

The Viking Way rates are similar to Downtown and the
Highway 305 neighborhood. We used the same rates in all
three Poulsbo neighborhoods. We added two new classes to
this neighborhood to accommodate adjustments needed for
age and condition.

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Tax Year: 2007

Neighborhood: 8400203
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Prop Type:

Entered by: CM27 2/15/2006

Label:

Base rent:

D- \$8,400; Old rate \$6,600

We used rents we received from the Poulsbo area to establish rates.

Vacancy:

D- 8%; Old rate 5%

Dupree and Scott Sept '05 report: 3.5% physical vacancy, Trends Spring 2005 reports 7.9% vacancy and Our Poulsbo rent survey indicates 8%. We added 2% for economic vacancy.

Expense:

D- 48%; Old rate 40%

Adopted rates from 201 and 202.

Cap Rate:

D- 7.0% Old rate 10.5%

Same rates used in downtown and Highway 305 areas. 4 sales and 3 reports support our CAP rates;

- 1) King, Snohomish, Pierce apt. sales trends June '05, 6.0%;
- 2) Urban Land Inst. 3rd Qtr '05, 6.4%.
- 3) Korpacz '05 3rd Qtr, 6.28%

Sale base:

Not Developed Old rate \$30,000

For Section 515 apartments we used a sales approach of \$35,900 per unit or reported rents.

Cost:

Comments:

The Viking Way rates are similar to Downtown and the Highway 305 neighborhood. We used the same rates in all three Poulsbo neighborhoods. We added two new classes to this neighborhood to accommodate adjustments needed for age and condition.

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Tax Year: 2007

Neighborhood: 8400203
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Prop Type:

Entered by: CM27 2/15/2006

Label:

Base rent: D- \$8,160; Old rate \$7,200

We used rents we received from the Poulsbo area to establish rates.

Vacancy: D- 5%; No change

Trends Spring 2005 report 2.8%. We have added 2% for economic vacancy.

Expense: D- 48%; Old rate 40%

Adopted rates from 201 and 202.

Cap Rate: D- 7.0% Old rate 10.5%

Same rates used in downtown and Highway 305 areas. 4 sales and 2 reports support our CAP rates;

- 1) King, Snohomish, Pierce apt. sales trends dated June '05 at 6.0%;
- 2) Urban Land Inst. 3rd Qtr '05 at 6.4%.

Sale base: Not Developed Old rate \$30,000

For Section 515 apartments we used a sales approach of \$35,900 per unit or reported rents.

Cost:

Comments: The Viking Way rates are similar to Downtown and the Highway 305 neighborhood. We used the same rates in all three Poulsbo neighborhoods. We added two new classes to this neighborhood to accommodate adjustments needed for age and condition.

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Tax Year: 2007

Neighborhood: 8400203
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Prop Type:

Entered by: CM27 2/15/2006

Label:

Base rent: C - \$7; New rate.

We used rents we received from the Poulsbo area to establish rates. Average large retail was derived from the 8400203 retail model.

Vacancy: 5%; Old rate 6%,

Trends Spring 2005 less than 1%, and lists Poulsbo as having lowest vacancy in Kitsap County. We noticed very little vacancy in Poulsbo during inspections. Future vacancy rate may be impacted by Olhava project.

Expense: 26%.

Adopted rates from 201 and 202.

Cap Rate: 7.5%; Old D rate 10.5%

Adopted Silverdale model calibrated for this neighborhood based on local sales. Three sales with a cap range of 5.2% to 6.22%.

Sale base: Not developed.

Cost:

Comments: Poulsbo sample of six rents range from \$9.49 - \$14.71. The average six year trend of five actual rent from Poulsbo is 27% to 33%.

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Tax Year: 2007

Neighborhood: 8400203
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Prop Type:

5	Retail
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Entered by: CM27 2/15/2006

Label:

2	Retail
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Base rent: A - \$27; New rate,
B - \$22; New rate,
C - \$17; Old rate \$9.65,
D - \$13; Old rate \$5.25,
E - \$9; New rate.

We used rents we received from the Poulsbo area to establish rates.

Vacancy: 5%; Old rate 6%,

Trends Spring 2005 less than 1%, and lists Poulsbo as having lowest vacancy in Kitsap County. We noticed very little vacancy in Poulsbo during inspections. Future vacancy rate may be impacted by Olhava project.

Expense: A, B - 20%; Old B rate 15%,
C - 22%; Old rate 10%,
D - 24%,
E - 26%.

Adopted rates from 201 and 202.

Cap Rate: A - 6.5%
B, C - 7.0%; Old C rate 10.5%
D, E - 7.5%; Old D rate 10.5%

Adopted Silverdale model calibrated for this neighborhood based on local sales. Three sales with a cap range of 5.2% to 6.22%.

Sale base: Not developed.

Cost:

Comments: Poulsbo sample of six rents range from \$9.49 - \$14.71. The average six year trend of five actual rent from Poulsbo is 27% to 33%.

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Tax Year: 2007

Neighborhood: 8400203
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Prop Type:

Entered by: CM27 2/15/2005

Label:

Base rent: Adopt retail rates
B - \$22.00 Old rate \$9.00
C - \$17.00 Old rate \$7.00.
D - \$13.00; Old rate \$6.30

Vacancy: B -5% Old rate.40%
C -5%
D- 5%

Expense: B - 20%
C - 22%
D - 24%

Cap Rate: B - 7%
C - 7%
D - 7.5%
Old cap rate for all classes 12%

Sale base: Not developed

Cost:

Comments: Values correlate well with rates used for retail.
Typical ratings.
Rent Class B: (typically smaller used car dealerships with partial service leases)
Rent Class C: (20-40,000 sf, typically newer larger auto dealerships)
Rent Class D: (>18,000 sf, typically 30-year old steel structures)
Average land to building ratio 9:1.

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Tax Year: 2007

Neighborhood: 8400203
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Prop Type:

Entered by: CM27 2/15/2005

Label:

Base rent: Adopt retail rates
B - \$22.00 Old rate \$9.00
C - \$17.00 Old rate \$7.00.
D - \$13.00; Old rate \$6.30

Vacancy: B -5% Old rate.40%
C -5%
D- 5%

Expense: B - 20%
C - 22%
D - 24%

Cap Rate: B - 7%
C - 7%
D - 7.5%

Sale base: Not developed

Cost:

Comments: Values correlate well with rates used for retail.
Typical ratings.
Rent Class B: (typically smaller used car dealerships with partial service leases)
Rent Class C: (20-40,000 sf, typically newer larger auto dealerships)
Rent Class D: (>18,000 sf, typically 30-year old steel structures)
Average MH sales lot 20:1 land to building ratio.

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Tax Year: 2007

Neighborhood: 8400203
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Prop Type:

Entered by: CM27 2/21/2006

Label:

Base rent: A- \$24; New rate
B- \$19.50; Old rate \$13.40
C- \$15; Old rate \$8.80
D- \$11.50; New rate
E- \$7; New rate

Vacancy: A- 6%
B- 8% Old rate 6%
C- 6% Old rate 5%
D- 6%
E- 6%

Trends early '05 5.94%, no indication of significant change and inspection survey was 5.83%.

Expense: A- 28%
B- 28% Old rate 29%
C- 30% Old rate 23%
D- 32%
E- 35%

Cap Rate: A- 6.5%
B- 7.0% Old rate 10.5%
C- 7.0% Old rate 10.5%
D, E- 7.5%

We used a county-wide study excluding multifamily to obtain a median of 6.5% for all grades. The median for deficient/typical is 7.02%, and 5.87% for superior. Korpacz 3rd Qtr 2005 8.88% average.

Sale base: Not developed

Cost:

Comments: Poulsbo median rent increase over the last six years was +25% based on nine rent comps. Three new rates added to this area to accommodate adjustments needed for age and class. Rent and vacancy rates are similar to downtown and Highway 305 areas. We adopted expense rates from those areas due to lack of reported expense data.

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Tax Year: 2007

Neighborhood: 8400203
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Prop Type:

Entered by: CM47 2/15/2006

Label:

Base rent: ADOPT OFFICE RATES: Plus one rent class
B- \$24.00; New rate
C- \$19.50; New rate
D- \$15.00; New rate
E- \$11.50; New rate

Vacancy: B- 6%
C- 8%;
D- 6%
E- 6%

Trends early '05 5.94%, no indication of significant change.
Inspection survey was 5.83%.

Expense: B- 28%
C- 28%;
D- 30%
E- 32%

Cap Rate: B- 7.0%
C- 7.5%;
D- 7.5%
E- 8.0%

Sale base: Not developed.

Cost:

Comments: Medical rate equals the office rate plus one rent class.
Example 'C' class medical equals 'B' class office rate.

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Tax Year: 2007

Neighborhood: 8400203
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Prop Type:

Entered by: CM27 2/15/2006

Label:

Base rent: Adopt retail model
C- \$17;
D- \$13; Old rate \$11.25

Vacancy: C- 5%;
D-5%; Old rate 7.4%,

Trends <1%, no noticeable vacancy problem, Future vacancy rate may be impacted by College Marketplace project.

Expense: C- 22%
D- 24%; Old rate 10%

Cap Rate: C- 7.0%. Old rate 10.5%
D- 7.5%

Sale base: Not Developed.

Cost: M & S Cost tables.

Comments: Health clubs or gyms are considered as a retail use. This does not imply that these are easily converted to retail or office space. Correlated income approach with Marshall & Swift cost tables.

Prop Type:

Entered by: CM27 2/15/2006

Label:

Base rent: Adopt retail model
D- \$13; Old rate \$11.00

Vacancy: 5%; No change

No noticable vacancy problem, one in Poulsbo area.

Expense: D- 24% Old rate 10%

Cap Rate: D- 7.5% Old rate 10%

Sale base: Not Developed.

Cost:

Comments: One Cinema in neighborhood built in 1998.

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Tax Year: 2007

Neighborhood: 8400203
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Prop Type:

10	Eating and Drink
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Entered by: CM00 2/15/2006

Label:

2	Rest
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Base rent: ADOPT RETAIL RATES
A - \$27: New rate
B- \$22: New rate
C- \$17: Old rate \$9.90;
D- \$13: Old rate \$4.45;
E - \$9: New rate.

Vacancy: B- 5%
C- 5% No change.

5%; Trends <1%, no noticable vacancy problem, Future vacancy rate may be impacted by Olhava project.

Expense: A- 20%
B- 20%
C- 22%; Old rate 12%
D- 24%; Old rate 10%
E- 26%

Multiple samples indicate expense rates around 20%

Cap Rate: A- 6.0%
B- 6.5%.
C- 6.5%. Old rate 9.5%
D- 7.0%. Old rate 9.5%
E- 7.0%

Sample of three sales ranging from 5.2% to 6.22%.

Sale base: Not Developed

Cost:

Comments: Both retail and eating and drinking have high level of correlation to each other in reported information. The average increase of five retail rents was 27% to 33.5% over 6 years.

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Tax Year: 2007

Neighborhood: 8400203
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Prop Type:

Entered by: CM27 2/15/2006

Label:

Base rent: Adopt retail model.
A - \$27; New rate;
B- \$22; New rate;
C- \$17: Old rate \$11.20;
D- \$13: Old rate \$6.40;
E - \$9: New rate;

Vacancy: A, B- 5%
C- 5% Old rate 5% No change
D- 5% Old rate 10%
E- 5%

5%; Trends <1%, no noticable vacancy problem, 2 small spaces vacant. Furture vacancy rate may be impacted by Olhava project.

Expense: A- 20%:
B- 20%:
C- 22%; Old rate 6%
D- 24%; Old rate 10%
E- 26%:

Multiple samples indicate expense rates around 20%

Cap Rate: A- 6.5%
B- 7.0%.
C- 7.0%. Old rate 12%
D- 7.5%. Old rate 12%
E- 7.5%

Sale base: Not Developed

Cost:

Comments:

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Tax Year: 2007

Neighborhood: 8400203
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Prop Type:

Entered by: CM42 3/1/2006

Label:

Base rent: A - \$14,400 down from \$15,696
B - \$10,800 up from \$10,464
C - \$ 8,400 up from \$7,848
D - \$ 6,000 down from \$6,540
E - \$ 4,000 up from \$3,924

Vacancy: 10%; No change

Expense: 15%; no change

Cap Rate: 7.25% up from 7.21%

Sale base: A - \$151,940
B - \$113,960
C - \$ 88,630
D - \$ 63,310
E - \$ 42,210

Cost:

Comments: Rates were developed from 2006 county-wide rent sample.

Prop Type:

Entered by: CM27

Label:

Base rent: County wide model, see neighborhood 8000000

Vacancy:

Expense:

Cap Rate:

Sale base:

Cost:

Comments: Model 0 rates

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Tax Year: 2007

Neighborhood: 8400203
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Prop Type:

Entered by: CM27 3/1/2006

Label:

Base rent: We applied the cost approach.

Vacancy:

Expense:

Cap Rate:

Sale base:

Cost: We applied the cost approach.

Comments: We applied the cost approach.

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Tax Year: 2007

Neighborhood: 8400203
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Prop Type:

Entered by: CM47 1/30/2006

Label:

Base rent: A- \$10.50 New rate,
B- \$8.10 Old rate \$6
C- \$6.50 Old rate \$4.80
D- \$5.40 Old rate \$4
E- \$4.00 New rate,

Sample of 8 rents received have a 35% increase over six years.

Vacancy: 4.9% Old rate 4.6%,

Trends Spring 2005 2.9%, added 2% for economic factors

Expense: 20%, Old rate 10%,

Added 10% tax component, rent survey indicates a range of 5% - 32%.

Cap Rate: A- 6.5%
B- 7%
C- 7%, Old rate 10%
D- 7.75%
E- 7.75%

Consistent with retail, Sales #1715390 6.08%, #1715655 6%,
#1287267 6.25%, #1167709 7.5%

Sale base: Not developed

Cost:

Comments:

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Tax Year: 2007

Neighborhood: 8400203
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Prop Type:

Entered by: CM27 2/15/2006

Label:

Base rent: New rates, adopt warehouse less one grade
A- \$8.10
B- \$6.50
C- \$5.40
D- \$4.00
E- \$1.00

'D' Warehouse rate = 'C' Aux Storage

Vacancy: 4.9%- New rate
E-0%

Expense: 20%- New rate
E- 0%

Cap Rate: A- 7%
B- 7%
C- 7.75%
D- 7.75%
E- 100%

Sale base: Not Developed

Cost:

Comments: Aux Storage will be the method of value for all SFR basement areas, unless clearly developed into finished rentable space. Per following criteria
A- New
B- Better grade wall finish, heated
C- Minimal wall finish-heated or unheated
D- No finish but dry
E- Lacking true usability. Used to track accurate building size.

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Tax Year: 2007

Neighborhood: 8400203
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Prop Type:

Entered by: CM00 2/15/2006

Label:

Base rent: D - \$7.50: Old rate \$6.70.

One in neighborhood. Rates up 13% from prior reval.

Vacancy: D- 10% no change:

Actual observed vacancies were 5-10%.

Expense: D- 40%, was 30%: Now includes property tax

Cap Rate: D- 9.2%: Was 9.5%,

Self Storage Inv Survey Winter 2004 9.19%. Self Storage Trends Winter 2005 8.28% average, in-house mini-storage cap rate survey 8.25%.

Sale base: Not developed

Cost: Developed if data was readily available

Comments: Adopted Silverdale rates for vacancy, expense, and CAP. We found a good correlation between rates in Poulsbo and Silverdale

Prop Type:

Entered by: CM47 1/20/2006

Label:

Base rent: County Model, reference 2007 tax year Fast Food Analysis documents

Vacancy:

Expense:

Cap Rate:

Sale base:

Cost: Developed if data was readily available.

Comments:

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Tax Year: 2007

Neighborhood: 8400203
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Prop Type:

Entered by: CM47 1/20/2006

Label:

Base rent: County Model, reference 2007 tax year Fast Food Analysis documents.

Vacancy:

Expense:

Cap Rate:

Sale base:

Cost: Developed if data was readily available.

Comments:

Prop Type:

Entered by: CM27 2/15/2006

Label:

Base rent: New model
A- \$20.00; \$18.75, \$18.82
B- \$16.50; \$16.36 and \$17.14
C- \$13.00;
D- \$8.75;
E- \$6.00

Sample of 7 rents.

Vacancy: 6%; same as Poulsbo office

Expense: A-28%
B-28%
C-30%
D-32%
E-35%

Cap Rate: 5.75%

Used 6% in Silverdale; one sale in Poulsbo 5.47%

Sale base: Did analysis on sales in Poulsbo and Silverdale; sale prices consistent with income approach values.

Cost:

Comments:

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Tax Year: 2007

Neighborhood: 8400203
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Prop Type:

Entered by: CM27 2/15/2006

Label:

Base rent: Adopt retail model,
A - \$27; New rate,
B - \$22;
C - \$17;
D - \$13;
E - \$9;

Vacancy: 5%; No change,

Trends Spring 2005 less than 1%, Pouslbo has lowest vacancy in Kitsap county. No noticeable vacancy problem. Future vacancy rate may be impacted by Olhava project.

Expense: A, B- 20%;
C- 22%;
D- 24%;
E- 26%;

Cap Rate: A - 6%
B, C- 6.5%; Old 'C' rate 10%
D, E- 7%;

Three sales with a cap range of 5.2% to 6.22%.

Sale base: Not developed

Cost: Developed if data was available.

Comments: Retail rates and Bank rates collected in our survey correlate well.

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Tax Year: 2007

Neighborhood: 8400203
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Prop Type:

Entered by: CM27 1/11/2006

Label:

Base rent:
1+ unit \$25,000
10+ units \$20,000
30+ units \$15,000
50+ units \$12,500
80+ units \$10,000
100+ units \$9,000
150+ units \$6,500
200+ units \$5,000

Vacancy:

Expense:

Cap Rate:

Sale base:

Cost:

Comments: We analyzed multifamily land sales county wide for a sample of 11. An adjustment was made to waterfront sites.

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Tax Year: 2007

Neighborhood: 8400203
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Prop Type:

Entered by: CM47 11/16/2005

Label:

Base rent: See comments

Vacancy: 0

Expense: 0

Cap Rate: 0

Sale base:

Cost:

Comments: We analyzed commerical land sales in Reappraisal Area 2. Due to a lack of inferior and superior commercial land sales, we applied modifiers based on the Reappraisal Area 1 schedule to the commercial typical rate developed in the Area 2 analysis. The typical and superior land rates in 8400203 are adjusted -30% based on two sales. The inferior rate is used for parcels situated as a back lot or suffering from topography or significant cost to cure issues. The superior rate is used for corner lots or lots with higher than typical visibility.

Prop Type:

Entered by: CM27 1/11/2006

Label:

Base rent:

Vacancy:

Expense:

Cap Rate:

Sale base:

Cost:

Comments: 2007 County Wide Industrial Land Model (reference 80000000).