
Rate Development Comments

Tax Year: 2007

Neighborhood: 8400207

Prop Type:

1	Multifamily
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Entered by: CM42 8/7/2006

Label:

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Base rent: A - \$9,600; New rate
B - \$8,100; New rate
C - \$7,380; New rate
D - \$6,600; Old rate \$4,200
E - \$5,100; New rate

Our market survey indicated a 15 - 30% trend in rents. One parcel 8400204 experienced a 50% rent trend over six years.

Vacancy: 5.5%; Old D rate 5%

Dupree and Scott Report Sept 2005 3.5% physical vacancy. We added 2% for economic vacancy.

Expense: A, B, C- 45%
D, E- 48%; Old D rate 40%

Cap Rate: A - 6%
B, C - 6.5%
D - 7%; Old rate 10.5%

King, Shohomish, Pierce Apartment Sales Trends June 2005 - 6%; Urban Land Inst 3rd qtr 2005 - 6.4%, Korpacz 2005 3rd Qtr - 6.28%. Four local sales 6.07% - 8.37%.

Sale base: Not developed, old rate \$26,000

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

Cost:

Comments: Adopted 8400203. Models were developed utilizing area wide market data from Poulsbo. We added additional classes to accommodate adjustments needed for location, quality, age and condition.

Tax Year: 2007

Neighborhood: 8400207

Prop Type:

Entered by: CM42 8/8/2006

Label:

Base rent: A - \$32: New rate, current listings \$22 - \$28/sf NNN in College Marketplace. Analyze five rents of new retail with superior location in Kitsap, 07_8400207 Rate Analysis.xls.
B - \$27; New rate, adopt class "A" Silverdale '06 model.

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%; New rate and neighborhood, adopt Silverdale '06.

Cap Rate: Adopted Silverdale model calibrated for this neighborhood based on local sales.
A, B - 6.5%

Sale base: Not Developed

Cost: Developed if data was available.

Comments:

Prop Type:

Entered by: CM47 2/10/2006

Label:

Base rent: County Model, reference model 8000000 documentation

Vacancy:

Expense:

Cap Rate:

Sale base:

Cost:

Comments:

Tax Year: 2007

Neighborhood: 8400207

Prop Type:

Entered by: CM47 1/20/2006

Label:

Base rent: Adopt 8400202 for this new neighborhood
Limited number of office rent comps; adopted Front St. retail
table rates
A- \$24 New rate: 1 listing \$18/sf NNN
B- \$19.50
(SEE BELOW)

Vacancy: A- 6% New rate; Trends early '05 5.94%, no indication of
significant change; inspection survey was 5.83%; Silverdale '06
was 5-7%.
B- 8%
C- 6%
D- 6%
E- 6% New rate

Expense: Adopting Silverdale office expense rates
A- 28%
B- 28%
C- 30%
D- 32%
E- 35%

Cap Rate: County-wide study excl mf showed 6.5% for all grades, 7.02%
for typical, and 5.87% for superior. Used retail model plus 0.5%.
Korpacz 3rd Qtr 2005 8.88% average.
A- 7.0%
B- 7.5%
C- 7.5% Old rate 11%
D- 8.0%
E- 8.0%

Sale base: A - C Not developed
D- \$90: Austin Sign 6/05 & Jensen atty office 5/04
E - Not developed.

Cost: Developed if available.

Comments: C- \$15
D- \$11.50
E- \$7

Nine rents had a trend rmedian of +25%.

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Prop Type:

Entered by: CM42 8/7/2006

Label:

Base rent: D- \$13: Silverdale '06; new rate,

Vacancy: 5%; Trends <1%, no noticable vacancy problem,

Expense: D- 24%: Silverdale
Multiple samples indicate expense rates around 20%

Cap Rate: Used Silverdale model, calibrated for this neighborhood based on sales.
D- 7.5%. Three sales ranging from 5.2% to 6.22%.

Sale base: Not Developed

Cost: Developed if applicable

Comments: Adopt 8400203 rate

Tax Year: 2007

Neighborhood: 8400207

Prop Type:

14	Warehouse
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Entered by: CM47 8/7/2006

Label:

1	Warehs
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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: Adopt 8400203

Tax Year: 2007

Neighborhood: 8400207

Prop Type:

Entered by: CM42 8/7/2006

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, B- 7%
C, D- 7.75%
E- 100%

Sale base: Not Developed

Cost:

Comments: New model for reappraisal area. 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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Label:

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B - \$27; New rate, adopt class "A" Silverdale '06 model.

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%; New rate and neighborhood, adopt Silverdale '06.

Cap Rate: Adopted Silverdale model calibrated for this neighborhood based on local sales.
A, B - 6.5%

Sale base: Not Developed

Cost: Developed if data was available.

Comments: