

Poulsbo Reappraisal Area 202

Tax Year 2007

Executive Summary

February 13, 2006

Parcel Count

- 151 accounts
 - 118 improved
 - 33 bare land
 - Including 9 exempt

Approaches

- 165 income groups
- 96 income approaches
- 3 sales approaches
- 49 cost approaches

Trended Sale Ratio - Starting

- 78% Ratio
- 22.21 COD
- 8 sales

Predominant Property Classes

- Bare Land
 - 33 accounts (22%)
 - 7% of total AV
- Office
 - 26 accounts (17%)
 - 24% of total AV

Predominant Property Classes

- Retail
 - 20 accounts (13%)
 - 18% of total AV
- Medical Office
 - 13 accounts (9%)
 - 11 of total AV

Taxable Assessed Value Totals

- 32% increase in total AV
- 34% median increase
- \$164.3 million prior total
- \$216.9 million new total
- \$52.6 million increase

Predominant Classes

- Office
 - Median increase 25%
 - Top PGI from \$16.64 to \$24.00
 - Vacancy changes "B" -3%, "C" 1%, and "D" -11%
 - Cap rate down from 10.5% to 7% - 8%

Predominant Classes

- Retail
 - Median increase 47%
 - Added 2 new rates
 - Top PGI from \$18.80 to \$27.00
 - No change in vacancy
 - Cap rate down from 11% to range of 6.5% - 7.5%

Predominant Classes

- Medical Office
 - Median increase 24%
 - Top PGI from \$17.18 to \$24.00
 - Vacancy rate up 1% ("B" up 2%)
 - Cap rate down from 10.5% to 7%-8%
 - Added 4 new rates

Significant Changes

- Converted SFR median up 74%
 - Created new income group
 - Higher land rates
 - Recent sales
- Multi-family median up 52%
 - 15-30% increase in rents
 - Lower cap rate
- Retail median up 47%
 - Lower cap rate
 - 27% Increase in rent

Trended Sale Ratio - Ending

- 84% Ratio
- 11.57 COD
- 8 sales