

Kitsap County Assessor

Narrative for Mini-Warehouse Valuation

Appraisal Date 1/1/2009, Tax Year 2010

Updated 6/22/09 by CM27

Valuation Summary

Approach Used – The income approach is the primary approach used for this occupancy. The apartment, office, or retail area is included in the model. No separate income groups should be added for these uses.

Analysis and Conclusion Summary - Mini-warehouse rates were reviewed with current data from the local market. Due to the competitive nature of the business we do not display the rents, vacancy, or expenses in even the simplest format. Market data from CB Richard Ellis indicated a static NOI between 2007 and 2008, further confirming our local market data.

Property Type Overview

Population- The mini-warehouse model is used to value ten taxable accounts.

Economic Conditions- The current market conditions are not favorable; economists have said we are experiencing a recession. Commercial sales volume has declined from 2007 to 2008.

Model Calibration

Preliminary Ratio Analysis- The model correlates well with sales from around the county.

Market Sales Approach Data and Analysis

Sales - Range of Sales Dates – 01/01/2006 – 01/01/2009. Sales report is attached.

Income Approach Data and Analysis

A letter was sent to local businesses requesting income, vacancy, and expense data. The response to our request was good. We supplemented this data with interviews during our field inspections.

Sufficient local sales exist to support our CAP rate.

Model Validation

Final Ratio Analysis- No local sales were found, however the model rates used correlate well with sales outside the neighborhood.

Commercial Sales and Cap Rate Comps

19 Mini Warehouse

Neighborhood 8402205

Property Name	Adj'd Sale Price	Units	Price Per Unit	Cap Rate	Sale Date	Lrsn	Av	Account No.
Overall Rating	Land Rating	Lot Sq feet: Land2BldgRatio	Year_Built:	Sale Ratio				
Sentry Mini Storage	\$1,347,000	18,361	\$73.36	5.82%	4/1/2008	1776749	4796-031-003-0002	
Typical	Typical	59242 3:1	1997	0.72	\$974,180	V	V	
08EX01875								

Neighborhood 8402602

Property Name	Adj'd Sale Price	Units	Price Per Unit	Cap Rate	Sale Date	Lrsn	Av	Account No.
Overall Rating	Land Rating	Lot Sq feet: Land2BldgRatio	Year_Built:	Sale Ratio				
ARROWOOD MINI STORAGE	\$2,171,500	30,220	\$71.86	6.84%	6/19/2008	1212588	332402-2-044-2001	
Typical	Typical	168577 5.5:	1998	0.82	\$1,787,200	V	V	
08EX03560 SQVS: PP declared on Sales letter. Adjusted sale price for PP, 5 new buildings added before and (maybe)since the sale. New owner added U-haul rentals.								

Neighborhood 8402604

Property Name		Adj'd Sale Price	Units	Price Per Unit	Cap Rate	Sale Date	Lrsn	Av	Account No.
Overall Rating	Land Rating	Lot Sq feet:	Land2BldgRatio	Year_Built:	Sale Ratio				
Sound Storage-SK Business Park		\$4,170,000	41,080	\$101.51	5.50%	1/16/2008	2298586		022301-4-103-2004
Typical	Typical	125453		1998	0.78		\$3,260,290	V	V
08EX00271	Three partners purchased project together. Sale represents transfer of entire project.								

Neighborhood 8303403

Property Name		Adj'd Sale Price	Units	Price Per Unit	Cap Rate	Sale Date	Lrsn	Av	Account No.
Overall Rating	Land Rating	Lot Sq feet:	Land2BldgRatio	Year_Built:	Sale Ratio				
Bainbridge Self Storage		\$6,596,125	73,500	\$89.74	7.65%	1/12/2006	1302561		222502-1-004-2003
Superior	Typical	204296	2.75	1999	0.69		\$4,556,480	V	V
06EX00334	SVQS: FSBO 6-months,								

Neighborhood 8402601

Property Name		Adj'd Sale Price	Units	Price Per Unit	Cap Rate	Sale Date	Lrsn	Av	Account No.
Overall Rating	Land Rating	Lot Sq feet:	Land2BldgRatio	Year_Built:	Sale Ratio				
Bay St Mini-stg + Wft Off		\$539,000	6,825	\$78.97	6.30%	10/7/2005	1738129		4650-004-003-0004
Inferior	Superior	18731	2.74	1945	0.81		\$437,850	V	V
05EX09976	Bay Street waterfront mixed-use building with self storage, warehouse, office and retail. SVQS: Marketed by RE agent 3-years, ordinary transaction, building in fair condition. SVQB: Price by appraisal and owner estimate, marketd by RE agent, shopped 6-mon								

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Overall Rating	Land Rating	Lot Sq feet: Land2BldgRatio	Year_Built:	Sale Ratio				
SmithCo Ministorage near		\$4,000,000	53,525	\$74.73	6.86%	10/14/2005	2446409	312402-1-075-2007
Typical	Typical	88862	1.66	2002	0.72	\$2,890,350	V	V
05EX10193	SVQS: Marketed by RE agent 90 days, ordinary transaction. SVQB: Bill Herdman - cap 6.8 - 7.0%							

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Rate Development Comments

Model: 302009 **Prop type:** Mini Warehouse
Nbrhd: 0 **Sub-type:**
Label: <26

Entered by:

Entered dt:

General note:

No change to prior model.

Rent: Model guideline rates were set for ty 2009. Area 5 rental rates, vacancy, and expenses were consistent with data used in the existing model

A	0.00
B	9.50
C	9.00
D	7.50
E	0.00

Vacancy:

A	0.0%
B	10.0%
C	10.0%
D	10.0%
E	0.0%

Model: 302009

Prop type: Mini Warehouse

Nbrhd: 0

Sub-type:

Label: <26

Expense:

A	0%
B	40%
C	40%
D	40%
E	0%

Cap:

A	0.00%
B	7.75%
C	7.75%
D	7.75%
E	0.00%

Sale:

A	0.00
B	0.01
C	0.01
D	0.01
E	0.00

Cost: