

**Kitsap County Assessor
Tax Year 2012 Commercial Annual Update**

Neighborhood	Property Class	Account Number	Project Name	Excise	Valid Code	Sale Date	Sale Price	Trended Sale Price	Tax Year 2011 Assessed Value Total	Before Annual Update Ratio	Tax Year 2012 Assessed Value Total	Tax Year 2012 Annual Update Ratio
Stratification by School District												
Bremerton School District												
Commercal Neighborhoods												
8100502	910	3734-013-001-0009	SW of 9th & Mead Parking fenced	2010EX02562	Valid	05/25/10	155,000	151,246	110,190	.73	110,190	0.73
8100504	690	212401-1-007-2003	Hallett Office Building	2011EX01483	Valid	03/28/11	650,000	656,126	980,060	1.49	879,330	1.34
8100501	640	3738-001-004-0007	Former Bremerton Fire Station	2010EX04054	Valid (WVO)	08/09/10	1,010,000	993,951	768,030	.77	733,430	0.74
8100504	640	222401-2-071-2001	3737 Arsenal Way - Auto Repair	2010EX03351	Valid	06/30/10	300,000	293,918	218,730	.74	218,730	0.74
8100506	541	012401-2-124-2003	JACKPOT FOOD MART	2010EX05133	Valid	10/04/10	680,000	673,368	800,070	1.19	762,400	1.13
9100542	138	022401-3-008-2001	Willows Age Restricted Apartments	2010EX06569	Valid	12/16/10	10,701,244	10,682,480	8,165,500	.76	8,165,500	0.76
8100504	111	4502-016-031-0004	SFR Zoned IND Loxie Eagans	2010EX03439	Valid	07/06/10	149,900	146,959	95,660	.65	96,170	0.65
8100505	111	3967-002-011-0008	SFR zoned INST	2010EX04618	Valid	09/09/10	167,000	164,914	284,300	1.72	284,300	1.72
									Count:	8	Count:	8
									Lowest:	0.65	Lowest:	0.65
									Highest:	1.72	Highest:	1.72
									Median Ratio:	0.77	Median Ratio:	0.75
									Average Dev.:	0.29	Average Dev.:	0.26
									C.O.D.:	37.25	C.O.D.:	34.73
Hybrid Neighborhoods (Cost Approach)												
9100521	131	3782-001-005-0308	Three Duplexes High Avenue	2011EX00438	Valid	01/31/11	307,000	308,009	317,600	1.03	311,340	1.01
9100541	121	3734-009-003-0005	DUPLEX ON MONTGOMERY	2011EX00916	Valid	02/28/11	110,000	110,699	69,630	.63	73,100	0.66
9100543	111	3914-004-003-0800	SPECIAL EFFECT BEAUTY SHOP	2011EX01199	Valid	03/14/11	200,000	201,578	182,390	.90	181,480	0.90
									Count:	3	Count:	3
									Lowest:	0.63	Lowest:	0.66
									Highest:	1.03	Highest:	1.01
									Median Ratio:	0.90	Median Ratio:	0.90
									Average Dev.:	0.13	Average Dev.:	0.12
									C.O.D.:	14.81	C.O.D.:	12.98
Conclusion												
<p>Statistics suggested an upward change was needed despite continued economic downturn. However, COD statistics were outside acceptable standards. Twenty-four improved listings were identified and analysis produced a median ratio of .88 when compared to the tax year 2011 assessment. Nine land listings produced a median ratio of .68 when compared to the tax year 2011 assessment. The gas station sale is further analyzed with convenience store with gas county wide model analysis. Regional market indicators showed an increase in capitalization (cap) rates. A review of existing income models confirmed a cap rate increase was warranted for some property types or property type rent classes. Statistics for interim use single-family residences on commercial or industrial land indicated the cost approach produced more accurate models. Bremerton is the most diverse area in the county and significant market changes have occurred over the last three years. An update by property type was needed. Income model cap rates were updated if warranted. Interim use single-family residences on commercial or industrial zoned land were valued with the cost approach. An economic adjustment was applied to the Wheaton corridor south of Riddell experiencing continued higher than typical vacancy. Parcels in hybrid (9000) neighborhoods were valued consistent with residential land annual update changes.</p>												

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Stratification by School District												
Bainbridge Island School District												
8303401	690	272502-4-161-2001	Dockside Building	2010EX05646	Valid	10/27/10	2,100,000	2,084,811	1,794,600	.86	1,794,600	0.86
8303401	637	4178-000-028-0105	Steelhead Dev and MH	2010EX02302	Valid (WO)	05/11/10	540,000	526,093	524,390	1.00	515,600	0.98
8303460	500	8056-001-023-0007	Winslow Wharf	2010EX02504	Valid	05/20/10	99,000	96,548	79,130	.82	79,130	0.82
8303460	500	8056-002-029-0009	28 LF Winslow Wharf	2011EX01587	Lease	03/30/11	32,000	32,309	35,760	1.11	35,760	1.11
8303460	500	8056-004-010-0006	Winslow Wharf D-10 42LF	2010EX05432	Lease	10/18/10	306,500	303,981	237,740	.78	237,740	0.78
8303460	500	8056-004-018-0008	Winslow Wharf	2010EX06164	Lease	11/29/10	83,000	82,700	71,920	.87	71,920	0.87
8303401	111	262502-3-016-2001	SFR ON ERICKSEN	2010EX05747	Valid	11/01/10	497,000	493,678	404,380	.82	406,230	0.82
<i>Conclusion</i>									Count:	7	Count:	7
<i>Seven sales occurred on Bainbridge Island (four boat slip sales are further analyzed in the condo boat slip county wide analysis). Three improved commercial sales had trended median ratios of .82, .86, and 1.0. Six listings produced a median ratio of .84 when compared to tax year 2011 assessments. There were no commercial condominium sales during the time frame but listings indicated continued high vacancy. Market changes showed an increase in income capitalization rates regionally. A review of existing income models confirmed a cap rate increase was warranted for some property types or property type rent classes. Bainbridge Island had a significant annual update land reduction (-20%) applied in tax year 2011. Analysis of sales and listings did not support a further land reduction. An update by property type was needed to address the change in cap rates. Income model cap rates were updated if warranted. A factor of -5% was applied to office and retail condominiums income vacancy and market sales rates. Parcels in hybrid (9000) neighborhoods were valued consistent with residential land annual update changes.</i>									Lowest:	0.78	Lowest:	0.78
									Highest:	1.11	Highest:	1.11
									Median Ratio:	0.86	Median Ratio:	0.86
									Average Dev.:	0.08	Average Dev.:	0.08
									C.O.D.:	9.17	C.O.D.:	8.83
North Kitsap School District												
8400404	850	312602-2-004-2009	Ind land - SR305 & Totten Rd.	2010EX06729	Valid	12/23/10	260,000	259,744	299,000	1.15	299,000	1.15
8400202	690	142601-4-080-2004	Boxlight Office	2010EX02472	Valid	05/19/10	1,900,000	1,852,734	1,466,980	.79	1,457,200	0.79
8400202	690	142601-3-096-2008	Creekside Office Center	2010EX04953	Valid	09/27/10	8,600,000	8,509,523	7,937,170	.93	7,743,420	0.91
8400202	651	142601-3-116-2004	Oral Surgery Clinic	2010EX01754	Valid	04/15/10	1,150,000	1,117,107	707,320	.63	682,280	0.61
8400203	637	8195-000-004-0004	Bovela Building Condo Unit 4	2010EX05683	Valid	10/28/10	155,000	153,896	177,320	1.15	144,970	0.94
8400305	637	222702-3-038-2007	Kountry Korner Warehouse	2010EX05708	Valid	11/01/10	265,000	263,228	239,040	.91	199,680	0.76
8400305	637	222702-3-039-2006	Premier Rentals	2010EX06816	Valid	12/28/10	475,000	474,792	384,760	.81	336,350	0.71
8400301	541	262702-4-002-2003	AM*PM Conv W/gas Kingston	2010EX01435	Valid	03/29/10	1,780,000	1,725,771	1,602,590	.93	1,657,810	0.96
8400206	500	8070-001-021-0001	Poulsbo Yacht Club 44lf covered	2010EX05989	Lease	11/15/10	51,500	51,235	54,030	1.05	51,329	1.00
8400206	500	8070-002-027-0003	PYC 44LF	2010EX05378	Lease	10/18/10	28,000	27,770	28,730	1.03	27,294	0.98
8400206	500	8070-003-003-0009	PYC 36LF	2011EX00636	Lease	02/09/11	15,000	15,064	16,700	1.11	15,865	1.05
8400206	500	8070-005-011-0004	PYC 50LF	2011EX01260	Lease	03/16/11	49,500	49,901	40,600	.81	38,570	0.77
8400204	111	232701-2-036-2001	Big Valley Antiques, Espresso	2010EX00095	Valid	01/11/10	410,000	394,049	458,280	1.16	349,880	0.89
<i>Conclusion</i>									Count:	13	Count:	13
<i>Thirteen sales occurred in the area. Fifty-one listings were identified and reviewed. Seven improved listings in the outlying area (Kingston, Suquamish, and Hansville) produced a median ratio of .84. Twelve improved listings in the Poulsbo vicinity produced a median ratio of .76. Five land listings in the Poulsbo vicinity produced a median ratio of .85. Twenty-seven land listings in College Market Place produced a median ratio of .59 when compared to tax year 2011 assessed values. The latest College Market Place land sales trended produced acceptable ratios, however sales are typically negotiated several years prior to recording. The project is scheduled for a thorough market study and revaluation physical inspections in 2011/2012 for tax year 2013 so no change to land value is recommended. Market changes showed an increase in capitalization rates regionally. A review of income models indicated an increase in cap rates was needed for some property types. A review of market models indicated a change was needed for some property types. Regionally market changes continued to show economic decline, however, over the past three years the Poulsbo area experienced less of an impact compared to most commercial areas in the county. The area is scheduled for a market study and physical inspections in 2011/2012 for tax year 2013. Income cap and market sales model rates were updated if warranted. Parcels in hybrid (9000) neighborhoods were valued consistent with residential land annual update changes.</i>									Lowest:	0.63	Lowest:	0.61
									Highest:	1.16	Highest:	1.15
									Median Ratio:	0.93	Median Ratio:	0.91
									Average Dev.:	0.14	Average Dev.:	0.12
									C.O.D.:	14.67	C.O.D.:	13.24

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Stratification by School District												
Central Kitsap School District (Outside of Area 1 Silverdale Revaluation Area)												
8401606	651	352501-4-046-2003	Franklin Park Prof Center	2010EX05142	Valid	10/04/10	1,200,000	1,188,296	1,266,620	1.07	1,259,840	1.06
<i>Conclusion</i>												
<p>The bulk of Central Kitsap School District is in the Area 1 revaluation and is not part of this analysis. One sale occurred in the area with a median ratio of 1.07. Four listings were identified and produced median ratios of .74, .96, 1.10, and 1.12 when compared to tax year 2011 valuations. Market changes showed an increase in income capitalization rates regionally. A review of existing income models confirmed a cap rate increase was warranted for some property types or property type rent classes. Given the low sales volume and higher than typical median ratio, land values were adjusted consistent with Area 6 south. Statistics for interim use single-family residences on commercial or industrial land indicated the cost approach produced more accurate models. Market and capitalization rates were updated if warranted. Interim use single family residences on commercial or industrial zoned land were valued with the cost approach. Parcels in hybrid (9000) neighborhoods were valued consistent with residential land annual update changes.</p>												
South Kitsap School District												
8402303	590	8198-002-001-0000	Anchors at Manchester Commons	2010EX06130	Valid	11/22/10	200,000	199,123	162,700	.82	162,700	0.82
8402691	559	012301-4-010-1009	Horseshoe Auto Wrecking	2011EX00397	Valid	01/26/11	400,000	401,096	426,220	1.06	394,750	0.98
8402303	541	032202-3-004-2005	Al's Grocery	2011EX01064	Valid	03/03/11	525,000	528,510	452,850	.86	486,110	0.92
8402691	430	8103-000-005-0004	Hangar Condo 8103	2010EX03431	Lease	07/06/10	30,000	29,412	34,580	1.18	27,660	0.94
8402691	430	8103-000-028-0007	Hangar Condo 8103	2010EX02723	Lease	06/01/10	37,000	36,132	34,580	.96	27,660	0.77
8402691	430	8163-013-004-0005	Condo Hangar 8163	2011EX01511	Lease	03/28/11	80,000	80,754	88,150	1.09	70,520	0.87
8402691	430	8193-002-001-0005	Box Hangar Bldg 2 Unit 1	2010EX06853	Lease	12/29/10	374,092	373,969	434,770	1.16	347,820	0.93
8402601	111	4650-017-007-0002	SFR Downtown Pt Orchard	2010EX00173	Valid	01/14/10	165,000	158,635	158,330	1.00	111,850	0.71
8402604	111	012301-3-040-2003	SFR HTC corner Crawford & Bethel	2011EX01590	Valid	03/30/11	50,000	50,482	62,860	1.25	52,880	1.05
8402605	111	4607-002-012-0001	SFR HTC Gorst	2010EX05305	Valid	10/12/10	71,000	70,370	90,900	1.29	67,430	0.96
									Count:	10	Count:	10
									Lowest:	0.82	Lowest:	0.71
									Highest:	1.29	Highest:	1.05
									Median Ratio:	1.08	Median Ratio:	0.92
									Average Dev.:	0.13	Average Dev.:	0.08
									C.O.D.:	11.84	C.O.D.:	8.43
Hybrid Neighborhoods (Cost Approach)												
9402690	119	4757-010-003-0003	MH @1557 Oregon, MU zoning	2010EX02690	Valid	05/27/10	143,000	139,568	104,130	.75	93,440	0.67
9402690	119	4820-002-014-0000	MH MU Rose Rd	2010EX06348	Valid	12/07/10	142,000	141,611	153,480	1.08	138,180	0.98
9402690	111	4757-002-005-0008	SFR MU Cedar	2010EX06887	Valid	12/30/10	210,000	209,954	172,430	.82	158,840	0.76
									Count:	3	Count:	3
									Lowest:	0.75	Lowest:	0.67
									Highest:	1.08	Highest:	0.98
									Median Ratio:	0.82	Median Ratio:	0.76
									Average Dev.:	0.11	Average Dev.:	0.10
									C.O.D.:	13.71	C.O.D.:	13.49
<i>Conclusion</i>												
<p>Thirteen sales occurred in the area with a median ratio of 1.08. Five sales are further analyzed in the county wide hangar and convenience store with gas model analysis. Nineteen land listings were identified and produced a median ratio of .62 and COD of 37.93 when compared to tax year 2011 valuations, however six transitional properties sold with ratios suggesting a downward trend in the market. Two sales involving a wrecking yard and condominium sale but no valid sales of retail or office occurred. The low volume of commercial sales supported a downward value change. Fifteen commercial improved listings were identified and produced a median ratios of .84 when compared to tax year 2011 valuations. Regional indicators supported an increase in income capitalization rates. A review of existing income models confirmed an increase was warranted for some property types or property type rent classes. Market and capitalization rates were updated if warranted. Land values were adjusted -10%. Interim use single family residences on commercial or industrial zoned land were valued with the cost approach. Parcels in hybrid (9000) neighborhoods were valued consistent with residential land annual update changes.</p>												