

Kitsap County Assessor

Narrative for Auto Service - Lube & Tune Valuation - Car Wash Valuation

Appraisal Date 1/1/2011, Tax Year 2012

Updated 10/12/11 by CM43

Valuation Summary

Approach Used - The cost approach was used.

Analysis and Conclusion Summary - Limited sales and income data was available. Four rent questionnaires for lube and tunes from the last three years were received. No carwash rents were reported. No lease listings were discovered. One property sold twice in 2011 and was listed for sale during the re-inspection cycle. Potential alternative uses were limited so adopting another income or market approach was not a valid option.

Property Type Overview

Population - One lube and tune and two carwashes were identified in the Area 1 neighborhoods. The median land to building ratio for lube and tune was 4.63:1 countywide with an average absolute deviation of 3.31. Additional land value was added to the income if a 7.94:1 ratio was exceeded. The median land to building ratio for carwash was 11.64:1 countywide with an average absolute deviation of 3.08. Additional land was added to the income if a 14.72:1 ratio was exceeded. Insufficient land adjustments were considered if the land to building ratio fell below one-third of the associated median.

Economic Conditions - The most recent lube and tune sales did not indicate the ongoing downturn in the economy has affected this property type. With limited market data the entire impact is difficult to assess.

Rating System - Three levels of quality were quantified from construction materials, exterior finish, interior finish, lighting, plumbing, and heat source.

Model Calibration

Preliminary Ratio Analysis - One sale countywide of a lube and tune property on June 29, 2011 for \$620,000 (less \$45,000 personal property declared on excise) produced a ratio of 86%.

Market Sales Approach Data and Analysis

Regional Sales - Range of Sales Dates - 01/01/08 - 06/30/11 - See attached sale document.

Current Sale Listings - The one sale property was listed during the Area 1 re-inspection cycle for \$649,000 including the associated personal property.

Market Sales Rates - Limited market data, sales were not sufficient to develop a market approach.

Income Approach Data and Analysis

Rent Data - Four rent questionnaires were received. Data was inconsistent and insufficient to develop an income approach.

Vacancy Data - Historically little to no vacancy has been noted. No vacancy was listed on income questionnaires. No vacancy was noted during physical inspections.

Expense Data - Two expenses were reported at 20% and 59%. No rates were developed.

Cap Data - Not developed.

Current Lease Listings - None were documented.

Model Validation

Final Ratio Analysis - The cost approach with an updated land value produced a ratio of 83% for the one sale.

Sources

Internet -

<http://cba.epropertydata.com/pub/index.cfm>

<http://www.windermerecommercial.com/>

Publications - Marshall Valuation Service

Other - None

Tax Year 2012

Auto Service - Lube & Tune Model Definition

Class	Exterior	Interior	Lighting & Plumbing	Heat
Good	Good ornamental block and parapet, storefront lobby	Good drywall, acoustic tile, pavers, vinyl composition tile, carpet, good office/waiting room	Good lighting and plumbing, service outlets	Forced air
Average	Masonry bearing walls or frame, roll-up doors	Painted walls, slab, some partitions, floor and ceiling finish, waiting area	Adequate lighting and plumbing, service outlets	Space heaters
Fair	Block, cheap brick, tilt-up, light construction	Painted wall, slab, few partitions, small office area	Minimum lighting and plumbing, service outlets	Space heaters

To configure a mini-lube:

Put the building on as a building in the sketch page, do not use outbuildings.

On the building tab, make sure to use Mini-Lube Garage (GCI).

For underground level add as basement, use Service Garage (GCI).

Use Fire Resistant for Class/Framing for concrete block structures.

Use M&S Perim/Shape 2.

Wall Height - fill in appropriate wall height.

Leave the rest alone, do not populate heat, lights, etc.

Make sure to value paving using the outbuilding yard item.

For Lube & Tunes associated with a CSWG or other income stream use the income approach, adding the building cost from the lube & tune cost record plus the associated land value using the median ratio of land to building which is 4.63:1.

Enter cost of building and associated land in site special - additional land column.

Tax Year 2012 Auto Service - Car Washes

Self Serve

Grade	Exterior	Interior	Lighting & Plumbing	Heat
Good	Decorative block or brick, bay doors, good roof	Unfinished, concrete floor, good drains and sump, equipment room.	Good lighting and outlets, adequate water.	Space Heaters
Average	End and bay walls only, block or low cost brick, average roof cover, trim.	Unfinished, concrete floor, adequate drains and sump, equipment room	Adequate electrical and water service and outlets.	None
Fair	End and half-bay walls only, concrete block, shed or flat roof	Unfinished, concrete floor, adequate drains and sump, equipment room	Adequate electrical and water service and outlets.	None

Drive-Thru

Grade	Exterior	Interior	Lighting & Plumbing	Heat
Good	Decorative block or tilt-up, tunnel doors, good roof and trim	Unfinished, concrete floor, good drains and sump.	Good lighting and outlets, adequate water.	Space Heaters
Average	Open ends, block or low-cost brick, average roof cover, little trim.	Unfinished, concrete floor, adequate drains and sump.	Adequate electrical and water service and outlets.	None
Fair	Side walls only, concrete block, shed or flat roof, very plain.	Unfinished, concrete floor, adequate drains and sump.	Adequate electrical and water service and outlets.	None

Configure car washes as either a self-serve (bays and wands) or a drive-thru.
 Put the building on as a building in the sketch page, do not use outbuildings.
 On the building tab, make sure to use correct Car Wash, either drive-thru or self serve.
 Use Fire Resistant for Class/Framing for concrete block structures.
 Use M&S Perim/Shape 2.
 Wall Height - fill in appropriate wall height.
 Leave the rest alone, do not populate heat, lights, etc.
 Make sure to value paving using the outbuilding yard item.

For carwashes associated with a CSWG or other income stream use the income approach, adding the building cost from the carwash cost record plus the median associated land from the land to building ratio sheet. See L:B calculation for ratio. Enter cost of building and associated land in site special - additional land column.

Tax Year 2012
Auto Service - Lube & Tune and Car Wash
Sales From 01/01/08 to 06/30/11

No.	Neighborhood - Vicinity	Property Class	Account Number	Project Name	Units	Excise	Validity Code - Description	Sale Date	Sale Price	Assessed Value	Ratio
1	8402604 - SE Port Orchard Coml	640 - Repair Services	362401-2-079-2007	Xpress Lube - Bethel Road	4,248	11EX03301	V - Valid	06/29/11	\$575,000	\$477,170	0.83

Count	1
Lowest	0.83
Highest	0.83
Median Ratio	0.83
Avg Abs Dev	0.00
COD	0.00

Local Income Survey

Property Type Lube and Tune

Sub Type Lube & Tun

Date	PGI per Unit	Vacancy	EGI per Unit	Expense %	NOI per Unit
8/9/2010	\$24.64	0%	\$24.64	0%	\$24.64
8/9/2010	\$23.90	0%	\$23.90	20%	\$19.04
11/15/2009	\$16.53	0%	\$16.53	59%	\$6.78
8/9/2010	\$13.58	0%	\$13.58	0%	\$13.58