

# **Kitsap County Assessor**

## **Narrative for Area 1 Land – Commercial Zoned RC Valuation**

**Appraisal Date 1/1/2011, Tax Year 2012**  
*Updated 09/20/2011 by CM43*

### **Valuation Summary**

**Approach Used** - The market approach was used.

**Analysis and Conclusion Summary** - Analysis of all valid sales from Area 1 in general indicated a slight decline to improved property values across the sale date range. A negative trend of 4% per year was utilized to adjust these sales. Analysis of unimproved land did not show a negative trend, those sales were not adjusted for time.

### **Property Type Overview**

**Population** - Revaluation Area 1 contains zonings within Kitsap County's jurisdiction. RC – Regional Commercial zoning is intended to provide for the shopping and service needs of the entire region. The entire commercial zoning code is on the Kitsap County website under county code Chapter 17.355. A separate land schedule for this zoning was indicated from the sales analysis performed. Regional Commercial zoned land is centered in the Silverdale core area where the regional shopping mall is located. Since the last re-inspection cycle a limited amount of land north and west of State Highway 3 has been rezoned to this use to allow for expansion. The rezoned area lacks some of the necessary infrastructure for development therefore an inferior rate adjustment was created from sales analysis and utilized to value this area.

**Economic Conditions** - In general improved properties in Area 1 with commercial zoning showed a slight decline in value while unimproved land sales indicated no negative trend. Overall a downturn in the local economy is evident.

**Rating System** - Sufficient sales (including improved sales utilizing the abstraction method) allowed for the development of three levels of classification (Superior, Typical, and Inferior) along with adjustments for other various positive and negative influence factors as noted in the model definition.

### **Model Calibration**

**Preliminary Ratio Analysis** - Thirteen sales with a ratio of assessed value to sale price ranging from 49% to 143%, an average ratio of 82%, a median ratio of 77%, and a COD of 23.34.

### **Market Sales Approach Data and Analysis**

**Regional Sales - Range of Sales Dates** - 01/01/2008 - 03/31/2011

**Current Sale Listings** - Three listings of unimproved land were noted with a range of assessed value to listing price ratios ranging from 80% to 85%.

**Market Sales Rates** - Rates were developed from the sales of unimproved land and improved properties where improvement costs were abstracted from the sale price. Any negative and/or positive land influences of each property were considered and accounted for prior to rate development. Sales analysis indicated the price per square foot decreased as lot size increased. The rates reflect this finding and diminish as parcels become larger. Rates are applied to the square feet of the site. Adjustments for positive and negative influences are added to the base rate using percentages.

### **Model Validation**

**Final Ratio Analysis** - Application of the new land schedule to the thirteen sales resulted in assessed value to sale price ratios ranging from 73% to 99%, an average ratio of 90%, a median ratio of 90%, and a COD of 6.75.

**Model Definition**

<b>Commercial Land Zoned RC (Regional Commercial), NC (Neighborhood Commercial), MU (Mixed Use), and UH (Urban High Residential)</b>		Underground Utilities	Power	Water	Sewer	Natural Gas	Telephone, Fiber Optics, Cable TV	Storm Sewers / Retention Ponds	Fire Hydrants	Paved Roads	Easy Access to Major Arterial	Located in Heavily Traveled Area
<b>SUPERIOR</b>	Superior Lots are located on lighted intersections fronting a four lane road (Silverdale Way, Kitsap Mall Boulevard) or in developed shopping complex with synergy that fronts a four land road. Minimal topographical issues.	Yes	Yes	Public water available	Yes	Yes	Yes	Off-site or storm sewers	Yes	Yes	Yes	Yes
<b>TYPICAL</b>	Sites located in the middle of the street, on lighted corners, less than four way lighted corners, or unlighted corners (see lighted corner, less than four way lighted corner, and non-lighted corner adjustments). Back lots accessed through a developed shopping complex with limited synergy. Back lots not accessed through a developed shopping complex and/or with limited visibility (see no frontage/limited visibility adjustments). Lots with difficult or one way access (see difficult/one way access adjustment).	Yes	Yes	Public water available	Yes	Yes	Yes	Off-site or storm sewers, possibly on-site	Yes	Yes	Yes	Yes
<b>INFERIOR</b>	Sites lacking sewer. Additional adjustments for encumbrances, storm water retention facilities, topography issues, back lot sites, and limited/no visibility.	Possible	Power available but might be located a short to moderate distance away	Public water probably available	May or may not be available, no sewer lines in road	Possible	Maybe	On-site or none	Yes	Yes	Possible	Possible

Land Characteristics for Review:

**Size:** Typical; **Shape:** Typical;  
**Frnt/Expo:** Superior; **Topo:** Inferior;  
**Dist fm Util:** Typical; **Access:** Typical  
**Overall:** Superior

ZONING CODES Area 6			Kitsap County
8L	NC	Neighborhood Commercial	KC
8M	RC	Regional Commercial	KC
8T	MU	Mixed Use	KC
8U	UH	Urban High Residential	KC

Adjustment	Code	Adj%	Base
Inferior (No Sewer)	H	-50%	Typical
Superior (Fronts Four Lanes AND Four Way Lighted Corner)	P	32%	Typical
Waterfront	P	32%	Typical
Four Way Lighted Corner	b	20%	Typical
Less Than Four Way Lighted Corner	b	15%	Typical
Non-lighted Corner	b	10%	Typical
Fronts Four Lane Roadway	b	10%	Typical
View	5	10%	Typical
Difficult/One Way Access	c	-10	Typical
No Frontage/Limited Visibility	b	-10% to -20%	Typical
Topography / Retention Ponds (percentage impacted)	J / c	*	Typical
Easements/Shape/Other	p / F / O	*	Typical
*Appraiser judgment			

Adjustments for retention ponds, topography, etc, should not reduce land value to a point lower than the value of the unimpacted useable area.

**Tax Year 2012**  
**Commercial Land Area 1 - Zoned Regional Commercial**  
**Sales from 01/01/08 to 03/31/11**

No.	Neighborhood	Property Class	Account Number	Project Name	Land Units	Excise	Validity Code	Sale Date	Sale Price	Trended Sale Price	Cost Basis Total Value	Cost Basis Improvement Value	Residual Land Value	Land per Square Foot	Ratio/Sale Price	Ratio/Trended Sale Price
1	8401102	690	202501-1-072-2003	Nail Salon	3,920	09EX03871	V	07/23/09	\$310,000	\$292,096	\$279,080	\$147,740	\$144,356	\$36.83	0.90	0.96
2	8401102	111	4458-011-003-0003	Seaport Salon & Day Spa	14,810	10EX06150	V	11/24/10	\$485,000	\$482,980	\$350,680	\$134,350	\$348,630	\$23.54	0.72	0.73
3	8401101	590	162501-3-007-2005	Lover's Package	26,572	10EX06329	V	12/06/10	\$637,000	\$635,185	\$628,160	\$198,430	\$436,755	\$16.44	0.99	0.99
4	8401101	640	092501-3-040-2003	Garage/Apartment	29,185	09EX05234	V	09/24/09	\$380,000	\$360,677	\$335,930	\$141,040	\$219,637	\$7.53	0.88	0.93
5	8401101	690	212501-1-164-2001	Social Security Admin Bldg	40,511	10EX00314	V	01/25/10	\$2,559,000	\$2,463,371	\$2,147,690	\$1,400,270	\$1,063,101	\$26.24	0.84	0.87
6	8401101	910	212501-1-165-2000	BL Bucklin & Mickelberry	46,609	10EX05729	V	11/01/10	\$1,150,000	\$1,150,000	\$1,033,280	\$24,490	\$1,125,510	\$24.15	0.90	0.90
7	8401101	910	162501-3-123-2004	BL on Levin	47,045	08EX03022	V	05/27/08	\$850,000	\$850,000	\$762,600	\$0	\$850,000	\$18.07	0.90	0.90
8	8401101	690	162501-4-119-2008	Cavalon - Building 4	85,378	08EX06349	V	10/31/08	\$10,500,000	\$9,588,658	\$9,531,460	\$7,971,540	\$1,617,118	\$18.94	0.91	0.99
9	8401101	611	172501-1-064-2008	Navy Federal Credit Union	87,120	10EX02444	V	05/18/10	\$1,754,300	\$1,754,300	\$1,443,660	\$0	\$1,754,300	\$20.14	0.82	0.82
10	8401101	651	172501-1-055-2009	Achieve Kitsap Eye	103,673	08EX01236	V	03/03/08	\$2,300,000	\$2,039,375	\$1,864,790	\$890,770	\$1,148,605	\$11.08	0.81	0.91
11	8401101	111	082501-4-065-2002	2 SFRs Clear Creek	155,074	09EX03976	M	07/29/09	\$1,332,500	\$1,332,500	\$1,164,040	\$0	\$1,332,500	\$8.59	0.87	0.87
12	8401101	111	082501-4-064-2003	Conv SFR Clear Creek	231,739	08EX05329	M	09/12/08	\$2,000,000	\$1,815,453	\$1,421,800	\$5,020	\$1,810,433	\$7.81	0.71	0.78
13	8401101	590	162501-1-052-2003	Lowes - Silverdale	541,451	08EX03286	V	06/06/08	\$11,551,720	\$10,363,001	\$10,141,210	\$6,331,200	\$4,031,801	\$7.45	0.88	0.98

Count: 13  
Lowest: 0.73  
Highest: 0.99  
Mean Ratio: 0.90  
Median Ratio: 0.90  
Average Dev.: 0.06  
C.O.D.: 6.75

**Listings**

No.	Neighborhood	Property Class	Account Number	Project Name	Land Units				Listing Price		Cost Basis Total Value	Cost Basis Improvement Value	Residual Land Value	Land per Square Foot	Ratio/List Price	
1	8401101	910	162501-3-134-2001	Creekside Plaza - Lot B	56,628				\$1,200,000		\$1,023,450	\$0	\$1,023,450	\$21.19	0.85	
2	8401101	111	082501-4-021-2005	SFR Clear Creek Rd	15,246				\$699,000		\$219,320	\$48,170	\$171,150	\$11.07	0.80	
		910	082501-4-033-2001	BL Clear Creek Rd	43,560						\$339,450	\$0	\$339,450			
3	8401102	910	202501-1-182-2000	BL NW Anderson Hill	42,253				\$395,000		\$332,070	\$0	\$332,070	\$9.35	0.84	

**Codes**

Neighborhoods
8401101 - Silverdale
8401102 - Old Silverdale

Property Classes
111 - Single Family Residence
590 - Other Retail Trade
611 - Banks
640 - Repair Services
651 - Medical/Dental Offices
690 - Misc. Services
910 - Undeveloped Land

Validity Codes
V - Valid
M - Other

## Regional Commercial Land Rate Benchmarks

Square Feet	\$ Per Square Foot Area 1	Lot Value
500	\$34.50	\$17,250
2,500	\$33.12	\$82,800
5,000	\$29.44	\$147,200
7,500	\$26.68	\$200,100
10,000	\$25.30	\$253,000
15,000	\$22.54	\$338,100
20,000	\$21.16	\$423,200
30,000	\$19.55	\$586,500
40,000	\$18.49	\$739,600
50,000	\$17.85	\$892,500
60,000	\$17.39	\$1,043,400
70,000	\$17.02	\$1,191,400
80,000	\$16.74	\$1,339,200
90,000	\$16.51	\$1,485,900
100,000	\$15.73	\$1,573,000
200,000	\$14.72	\$2,944,000
300,000	\$11.96	\$3,588,000
400,000	\$9.89	\$3,956,000
500,000	\$8.10	\$4,050,000
600,000	\$6.85	\$4,110,000