



Kitsap County Assessor

Documentation for Countywide Model

Tax Year: 2020 Appraisal Date: 1/1/2019

Property Type: Convenience Store with Gas Station

Updated 5/2/2019 by CM20

Area Overview

Countywide models are for properties located throughout Kitsap County, rather than by neighborhood.

Property Type Overview

Kitsap County has a population of approximately 70 convenience stores with gas stations (CSWG) with two currently vacant. The median building size is approximately 2,500 square feet (sf). Total unit size calculation for a CSWG is the building size plus the number of nozzle/gas grades multiplied by 100.

CSWG are reviewed countywide and are ranked according to location, population density, traffic patterns, synergy from surrounding businesses, and overall condition of the buildings.

Land to Building Ratio: The national land to building ratio for this property type is 7:1. The countywide land to building ratio for this property type is: 7.5:1.

The land to building ratio is used to determine excess or surplus land. Review of zoning requirements such as total lot coverage or parking requirements, as well as topography and easements, must also be considered before calculating value for this land.

Economic Overview: The economic condition is stable with sales occurring every couple of years.

Valuation Summary

Approach Used: Market/Sales Comparison

Analysis and Conclusion Summary: The three approaches to value were considered.

The cost approach was given little consideration in the appraiser's final analysis. Cost approach components such as replacement cost new, effective age, and depreciation are difficult to accurately calculate in a mass appraisal model.

The market/sales comparison approach was determined to be the best method for valuing these properties.

The income approach was given little consideration in the appraiser's final analysis. Insufficient data from the market was received to accurately calculate a model.

Model Calibration

Preliminary Ratio Analysis: Analysis of 12 sales resulted in a mean ratio of 114%, a median ratio of 96%, and a coefficient of dispersion (COD) of 9.75.

Market/Sales Comparison Approach Data and Analysis

Sales: Range of Sale Dates: 1/1/2015 to 12/31/2018. A total of 12 local sales, and 16 regional sales, and 0 national sales were used in the sales analysis. Additional information is provided on the sales analysis data sheet.

Kitsap County attempts to review, analyze, and validate via telephone, mail, or in person interviews, all commercial sales within the county for inclusion or exclusion in our market/sales approach.

Market/Sales Rates: Sales ranged from \$161.94 to \$304.05 per unit.

Property type: Convenience Store with Gas Station (continued)

Three sales occurred in 2015, none in 2016, one in 2017, and two in 2018. These six sales represent 8.57% of the population. Emphasis was placed on the three most recent sales. Six additional sales were removed from the analysis. One had the building demolished after the sale, it was purchased for redevelopment. One was a bank sale, one was a corporate buyout, two had multiple income streams (mixed use properties) and the value for just the CSWG could not be determined. The last sold with undisclosed adjustments for cost to cure roof and contamination.

Income Approach and Data Analysis

No income model was developed.

Income and expense information was collected from mailed surveys, property representatives, on-site visits, and market research (publications, newsletters, websites, etc.)

The majority of CSWG located in Kitsap County are owner occupied. Only four rents were documented. With this limited amount of data, no income analysis was developed.

Rent Data: The Assessor validated rents from 0% of the market. Typical reported rents had a range of \$ to \$. We selected \$ to \$ for our model.

Vacancy Data: Typical reported vacancy had a range of 0% to 0%. We selected 0% to 0% for our model.

Expense Data: Typical reported expense had a range of 0% to 0%. We selected 0% to 0% for our model.

Capitalization Rate (Cap) Data: Typical sale cap rates ranged from 0% to 0%. We selected 0% to 0% for our model.

Income Model Value Range: The income approach calculates a range of values from \$0 to \$0 per unit.

Final Ratio Analysis: Analysis of 12 sales resulted in a mean ratio of 94%, a median ratio of 81%, and a coefficient of dispersion (COD) of 45.72.

Sources

Kitsap County Board of Equalization appeal documentation.

Washington State Board of Tax appeal documentation.

Kitsap County income and expense surveys.

Kitsap County sales questionnaires.

The Dictionary of Real Estate Appraisal, Appraisal Institute, Third Edition, 1993

Property Appraisal and Assessment Administration, IAAO, 1990

Glossary for Property Appraisal and Assessment, IAAO, 1997

LoopNet - www.loopnet.com

Commercial Brokers Association - www.commercialmls.com

MODEL GUIDELINES FOR COUNTYWIDE CONVENIENCE STORE WITH GAS STATION

Class	Location	Population Density	Traffic Pattern	Synergy	Condition
A	The property is located at a freeway off-ramp location. This can mean “immediately at an intersection with a freeway” or “within sight of that intersection” or the C-SWG can be attached to or in close proximity to a large retail store operation such as: <i>Silverdale Safeway, Silverdale Costco, Fred Meyer on Bethel, Albertson's on Sedgwick & Sidney, Highway 3 and Werner Road, or East Bremerton WalMart.</i>	Urban	High traffic with ease of access regardless of time of day.	Surrounding businesses contribute to increased traffic flow.	The structure should be either new or nearly so, or alternatively have been renovated within the past few years. Industry standards for C-SWG's mandate a 10 to 12 year renovation cycle. If the structure does not show such regular renovation, placement of the C-SWG should probably be in Class B. Industry standards also are shifting to much larger store facilities.
B	C-SWG facilities in this class are typically located at the corner of busy streets, most often with the primary afternoon traffic flow oriented so that the store is on the right hand side of that flow. Occasionally, some facilities are located not exactly at a corner, but essentially act as if they were located on one. <i>Chevron - Bethel & Sedgwick, Gradens Market - Sedgwick and Sidney.</i>	Urban	High traffic and located on the right hand side of traffic flow during afternoon commute. Mainly corner locations.	Limited synergy from nearby businesses.	As with the Class A facilities, the physical structure of the C-SWG should be new within the past few years, or have had a fairly recent renovation. Condition and modernization of facilities relate to the comfort of customers and their willingness to frequent the C-SWG.
C	Located in the same geographical location as Class B (corners or mid-street) but on the wrong side of the street for afternoon traffic flow. Visibility is inferior to Class A or B. Traffic flow may be less than typical. <i>76 Food Market - Jackson & Sedgwick,</i>	Urban or Suburban	High traffic flow on the wrong side of the street, or moderate traffic flow. Mid-street location or corner location with lower traffic count.	Limited synergy from nearby businesses.	Good maintenance on structures.
D	Located in rural areas, may be well maintained but are designed to serve a local clientele. <i>Al's of Olalla,</i>	Rural	Lighter traffic flow, designed to serve local residents.	None.	Maintenance ranges from well maintained to deferred maintenance.
E	Older and smaller facilities located in rural areas with limited neighborhood traffic patterns. <i>Long Lake Grocery</i>	Rural	Limited to surrounding residential traffic.	None.	Deferred maintenance.

Kitsap County Assessor

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Neighborhood: 0

Not Used	Not Used	C-Swg			
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Class A

Rent		263.52			
Vac %					
Exp %					
Cap Rate		100.00			
Market		263.52			

Class B

Rent		234.00			
Vac %					
Exp %					
Cap Rate		100.000			
Market		234.00			

Class C

Rent		185.76			
Vac %					
Exp %					
Cap Rate		100.00			
Market		185.76			

Class D

Rent		120.78			
Vac %					
Exp %					
Cap Rate		100.00			
Market		120.78			

Class E

Rent		89.10			
Vac %					
Exp %					
Cap Rate		100.00			
Market		89.10			

Kitsap County Assessor
Tax Year 2020
Local Income Survey for Converted SFR - SFR Conv

PGI per Unit	Vacancy	EGI per Unit	Expense %	NOI per Unit
\$16.67	0%	\$16.67	0%	\$16.67
\$15.27	0%	\$15.27	32%	\$10.31
\$14.29	0%	\$14.29	0%	\$14.29
\$13.40	0%	\$13.40	0%	\$13.40

Tax Year 2020
Convenience Store with Gas Station
Sales from 01/01/2015 through 01/01/2019

No.	NBRHD	PC	Account Number	Project Name	Class	Units	Excise No.	VC	Sales Date	Sales Price	Adj ustment to Sales Price - FF&E, Non-Compete, Goodwill	Adjusted Sales Price	CSWG Model Value	Other Values	Total TY2020 Value	Ratio
1	8401101	541	162501-2-014-2008	Circle K + Karate	C	6,280	2015EX05485	V	06/03/15	\$1,369,300	-\$20,000	\$1,349,300	\$1,166,573	\$558,360	\$1,724,933	128%
2	8401104	541	172501-3-042-2001	BP/Circle K	B	5,488	2015EX06262	V	06/03/15	\$1,199,800	-\$13,000	\$1,186,800	\$1,284,192		\$1,284,192	108%
3	8402306	541	252401-2-039-2009	BP, Car Wash & C&S Auto Service	B	6,786	2015EX06260	V	06/03/15	\$1,729,900	-\$13,000	\$1,716,900	\$1,587,924	\$287,860	\$1,875,784	109%
4	8401104	541	5319-000-019-0004	CSWG & Car Wash Silv Way/Bennington	B	7,600	2017EX00226	V	01/11/17	\$3,225,000	-\$1,225,000	\$2,000,000	\$1,778,400	\$133,720	\$1,912,120	96%
5	8401101	541	162501-2-014-2008	Circle K + Karate	C	6,280	2018EX04778	V	06/22/18	\$1,017,000	\$0	\$1,017,000	\$1,166,573	\$558,360	\$1,724,933	170%
6	8401113	541	102501-3-052-2005	CSWG - Ridgetop & Tahoe	B	5,920	2018EX09124	V	11/19/18	\$1,950,000	-\$150,000	\$1,800,000	\$1,385,280	\$0	\$1,385,280	77%

NBRHD-	Neighborhood
8100502	West Bremerton
8303601	Bainbridge Island
8400202	Highway 305
8400204	Greater Poulsbo
8400302	North Kitsap
8401101	Silverdale
8401104	Central Kitsap
8401508	Brownsville Hwy
8402305	SK UGA Other
8402306	Port Orchard UGA
8402307	South Kitsap UGA

VC-Validity Code	
V	Valid
W	With other property
M	Other
R	Imps Added

PC - Property Class	
541	Convenience store with gas station

Count	6
Lowest	77%
Highest	170%
Median	109%
Mean	115%
AAD	0.21
COD	19.30
All Sales	
Count	3
Lowest	0.77
Highest	1.70
Median	0.96
Mean	1.14
AAD	0.09
COD	9.75
2017-2018 Sales	

Sales Removed from Analysis

No.	NBRHD	PC	Account Number	Project Name	Class	Units	Excise No.	VC	Sales Date	Sales Price	Adj ustment to Sales Price - FF&E, Non-Compete, Goodwill	Adjusted Sales Price	Comments
1	8400202	541	232601-1-141-2006	Chevron Hwy 305 & Hostmark	B	4,658	2015EX02755	M	04/20/15	\$1,312,000	\$0	\$1,312,000	Building demolished after sale
2	8402307	541	302402-4-209-2001	Barry's Union 76	C	4,557	2017EX00329	V	01/13/17	\$675,000	\$0	\$675,000	Bank Sale
3	8401101	541	5095-000-001-0103	CSWG - Ridgetop/Myhre Rd	B	7,457	2017EX00783	M	01/31/17	\$4,815,000	-\$215,000	\$4,600,000	Corporate buyout
4	8400302	541	282702-1-005-2004	Kountry Komer Store	B	5,250	2017EX05888	V	07/31/17	\$2,270,000	\$0	\$2,270,000	Mixed income stream
5	8402305	541	012301-4-092-2008	76 Food Market - Jackson & Sedgwick	C	6,528	2017EX08780	V	10/27/17	\$3,200,000	\$0	\$3,200,000	Mixed income stream
6	8400204	541	142501-2-019-2005	Central Valley Texaco	E	4,760	2019EX00173	M	12/31/18	\$190,000	\$0	\$190,000	Cost to cure roof & contamination adj.

