



# Kitsap County Assessor

## Documentation for Area 6 - Bainbridge Island

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

Property Type: Office - General Office, Medical Office, and Banks

Updated 5/8/2019 by CM27

### Area Overview

Bainbridge Island and its communities such as Lynnwood Center, Rolling Bay, and Industrial Day Road.

### Property Type Overview

An office building is used primarily for administration, clerical work, consulting, or other client services not related to retail. Office buildings can be single tenant, multiple tenant, and are a variety of sizes.

**Land to Building Ratio:** The national land to building ratio for this property type is 4-5:1. The countywide land to building ratio for this property type is: use national ratio.

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:**

Area 6 or Bainbridge Island has 153 parcels where office is the predominant use. The income approach was applied to 141 parcels, 124 general office, 9 banks, and 8 medical offices. Twelve of the office parcels are located on residential land and are valued with the cost approach. The model is also applied to properties with mixed uses where the predominant use is not office.

### Valuation Summary

**Approach Used:** Income

**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.

A market/sales comparison approach uses sale prices of comparable properties to calculate value. The market/sales approach was not applied as Kitsap County lacks sufficient, recent sales.

The income approach was selected as the best method for valuing these properties. The data used to develop our current model data was collected from our mail survey, site visits, local sales, national publications, and data supplied for review or appeal.

Limited sales of general offices were found. No adjustment was made to general office, medical office or bank occupancy's.

### Model Calibration

**Preliminary Ratio Analysis:** Analysis of 7 sales resulted in a mean ratio of 96%, a median ratio of 96%, and a coefficient of dispersion (COD) of 6.99.

### Market/Sales Comparison Approach Data and Analysis

**Sales:** Range of Sale Dates: 1/1/2016 to 3/31/2019. A total of 7 local sales, and 0 regional sales, and 0

Updated 5/8/2019 by CM27

## **Property type: Office - General Office, Medical Office, and Banks (continued)**

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 \$152.81 to \$446.85 per square foot.

### **Model Validation**

**Final Ratio Analysis:** Analysis of 7 sales resulted in a mean ratio of 96%, a median ratio of 96%, and a coefficient of dispersion (COD) of 6.99.

### **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](http://www.loopnet.com)  
Commercial Brokers Association - [www.commercialmls.com](http://www.commercialmls.com)

Kitsap County Assessor  
 Tax Year 2020  
 Office- General, Medical, Bank, and Condo Units  
 Sales from 01/01/2016 to 03/31/2019

No.	Neighborhood - Vicinity	Prop Class	Account Number	Project Name	Acres	Land SF	Building Units	Excise	Valid	Sale Date	Sale Price	Price per Unit	Trended Sale Price (3%)	2020 Tax Year Value	2020 Ratio (Trended)
<b>BAINBRIDGE ISLAND</b>														<b>1.00</b>	
1	8303601 - City of Bainbridge Island	690	272502-4-097-2000	DLI Leasing Office Bldg	0.9	39,204	10,739	2016EX07375	V	9/29/2016	\$2,500,000	\$232.80	\$2,669,500	\$2,626,440	0.98
2	8303601 - City of Bainbridge Island	611	262502-3-081-2001	American Marine Bank	0.95	41,382	12,475	2016EX06309	D	8/22/2016	\$3,650,000			\$3,235,330	
	8303601 - City of Bainbridge Island	460	4114-004-007-0000	American Marine Bank - pkg	0.18	7,841	0	2016EX06309	D	8/22/2016	\$3,650,000			\$472,160	
					1.13	49223	12,475				\$3,650,000	\$292.59	\$3,908,420	\$3,707,490	0.95
3	8303601 - City of Bainbridge Island	690	262502-3-041-2000	Office Ericksen Ave	0.89	38,768	14,260	2017EX05627	V	7/17/2017	\$2,500,000	\$175.32	\$2,609,500	\$1,980,930	0.76
4	8303601 - City of Bainbridge Island	651	272502-1-013-2007	Dahlia Center & Malone pediatrics	0.59	25,700	2,126	2017EX07786	V	9/18/2017	\$950,000	\$446.85	\$986,765	\$915,780	0.93
5	8303601 - City of Bainbridge Island	690	262502-2-083-2001	Office Ericksen Ave	0.4	17,424	5,008	2018EX00282	V	1/2/2018	\$955,000	\$190.69	\$983,650	\$848,830	0.86
6	8303601 - City of Bainbridge Island	690	262502-2-063-2005	Eagle Harbor Bldg	0.34	14,810	4,964	2018EX01496	V	2/26/2018	\$812,000	\$163.58	\$832,706	\$776,050	0.93
7	8303601 - City of Bainbridge Island	690	262502-2-125-2001	Ericksen Office Bldg	1.1	47,916	22,250	2018EX06939	V	8/27/2018	\$3,400,000	\$152.81	\$3,435,700	\$3,539,260	1.03

Property Class

611 - Bank
651 - Medical office
690 - General Office
910 - Bareland

Count	7.00
Min	0.76
Max	1.03
Average	0.92
Median	0.93
COD	6.32

**Income Model:** 302019

**Property Type:** Office

**Neighborhood:** 8303601, 9303602, 604, 605, 606, 608

	Office	Med	Bank	CondoSmOfc	Condo Ofc	OfficeUpper
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**Class A**

Rent	32.48	33.00	29.00	29.00	33.00	
Vac %	5.00	5.00	5.00	5.00	5.00	
Exp %	30.00	30.00	30.00	25.00	25.00	
Cap Rate	7.25	7.75	7.75	7.75	7.75	
Market	0.01	0.01	0.01	0.01	0.01	

**Class B**

Rent	25.76	29.00	26.00	26.00	29.00	
Vac %	5.00	5.00	5.00	5.00	5.00	
Exp %	35.00	30.00	35.00	25.00	25.00	
Cap Rate	7.500	8.000	8.000	8.000	8.000	
Market	0.01	0.01	0.01	0.01	0.01	

**Class C**

Rent	19.60	23.00	23.00		24.00	
Vac %	5.00	5.00	5.00		5.00	
Exp %	35.00	35.00	35.00		25.00	
Cap Rate	7.75	8.25	8.25		8.25	
Market	0.01	0.01	0.01		0.01	

**Class D**

Rent	16.80	17.50	17.50			
Vac %	5.00	5.00	5.00			
Exp %	40.00	35.00	35.00			
Cap Rate	7.75	8.25	8.25			
Market	0.01	0.01	0.01			

**Class E**

Rent	13.44	17.00	15.00			
Vac %	5.00	5.00	5.00			
Exp %	45.00	40.00	40.00			
Cap Rate	8.25	8.75	8.75			
Market	0.01	0.01	0.01			