



## Kitsap County Assessor

Documentation for Area 3 North - Kingston & North Kitsap East

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

Kingston including rural Northeast Kitsap to Hansville, Port Gamble, Four Corners, Indianola.

### 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 3 North has 20 parcels where office is the predominant use. The income approach was applied to 16 parcels, 12 general offices, 2 medical offices, and 2 banks. Three 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.

No local sales were found. Some office buildings with blended occupancy have value changes due to updates for other uses.

### Model Calibration

**Preliminary Ratio Analysis:** Analysis of 0 sales resulted in a mean ratio of 0%, a median ratio of 0%, and a coefficient of dispersion (COD) of 0.

### Market/Sales Comparison Approach Data and Analysis

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

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## **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 \$0 to \$0 per square foot.

### **Model Validation**

**Final Ratio Analysis:** Analysis of 0 sales resulted in a mean ratio of 0%, a median ratio of 0%, and a coefficient of dispersion (COD) of 0.

### **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)

**Income Model:** 302019

**Property Type:** Office

**Neighborhood:** 8400301, 302, 9400303, 313, 390

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

Rent	30.25	32.00	31.00		27.00	
Vac %	7.00	5.00	5.00		5.00	
Exp %	30.00	30.00	30.00		30.00	
Cap Rate	6.50	7.50	7.50		7.75	
Market	0.01	0.01	0.01		0.01	

**Class B**

Rent	24.75	28.50	28.50		21.00	
Vac %	10.00	7.00	7.00		7.00	
Exp %	31.00	31.00	31.00		31.00	
Cap Rate	6.500	7.500	7.500		8.000	
Market	0.01	0.01	0.01		0.01	

**Class C**

Rent	19.50	25.00	25.00		17.00	
Vac %	10.00	10.00	10.00		15.00	
Exp %	32.00	32.00	32.00		32.00	
Cap Rate	7.00	7.50	7.50		8.25	
Market	0.01	0.01	0.01		0.01	

**Class D**

Rent	13.75	18.00	18.00		11.00	
Vac %	15.00	12.00	12.00		20.00	
Exp %	32.00	35.00	35.00		32.00	
Cap Rate	7.75	7.75	7.75		8.25	
Market	0.01	0.01	0.01		0.01	

**Class E**

Rent	10.25	11.50	11.50		8.50	
Vac %	20.00	15.00	15.00		20.00	
Exp %	35.00	35.00	35.00		35.00	
Cap Rate	8.25	8.25	8.25		8.75	
Market	0.01	0.01	0.01		0.01	