



Kitsap County Assessor

Documentation for Countywide Model

Tax Year: 2024 Appraisal Date: 1/1/2023

Property Type: Countywide Retail - Large Single Tenant

Updated 6/1/2023 by CM10

Area Overview

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

This area was physically inspected for the 2019 tax year.

Property Type Overview

Large single tenant retail stores are between approximately 10,000 square feet (sqft.) to 40,000 sqft. per tenant occupancy. These stores will include anchor as well as secondary or junior anchor stores and older supermarkets. This property type can be part of a shopping center or a freestanding building.

Kitsap County has 58 parcels developed with Retail-Large property type. Total population size is approximately 1,703,646 sqft. .

Land to Building Ratio: The national land to building ratio for this property type is 3-4:1. The countywide land to building ratio for this property type is: 3.7:1.

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: Large single tenant retail buildings typically remain occupied for a significant portion of the buildings life and are stable through various economic conditions. If a building becomes vacant, however, it often remains vacant for several years. Repurposing of older units indicates this population is still in demand.

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.

Model Calibration

Preliminary Ratio Analysis: Analysis of 6 sales resulted in a mean ratio of 90%, a median ratio of 100%, and a coefficient of dispersion (COD) of 15.02.

Market/Sales Comparison Approach Data and Analysis

Property type: Countywide Retail - Large Single Tenant (continued)

Sales: Range of Sale Dates: 1/1/2018 to 12/31/2022. A total of 6 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 \$90.84 to \$390.38 per square foot.

Income Approach and Data Analysis

Values were calculated using a triple net (NNN) income model.

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

Rent Data: The Assessor validated rents from 51% of the market. Typical reported rents had a range of \$2.02 to \$18.64. We selected \$5 to \$16.50 for our model.

Vacancy Data: Typical reported vacancy had a range of 0% to 100%. We selected 10% to 10% for our model.

Expense Data: Typical reported expense had a range of 6% to 42%. We selected 6% to 6% for our model.

Capitalization Rate (Cap) Data: Typical sale cap rates ranged from 6.2% to 9.5%. We selected 6.25% to 7.5% for our model.

Income Model Value Range: The income approach calculates a range of values from \$56.4 to \$223.34 per square foot.

Final Ratio Analysis: Analysis of 6 sales resulted in a mean ratio of 86%, a median ratio of 88%, and a coefficient of dispersion (COD) of 8.85.

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

Kitsap County Assessor

Tax Year: 2024

Property Type: Retail Countywide

Neighborhood: 0

	Rtl>10K	Outside	BigBox-Lg	SA Drug	SupMkt	BigBox-Med
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Class A

Rent	16.50		9.62	26.77	11.27	11.27
Vac %	10.00		8.00	5.00	10.00	10.00
Exp %	6.00		6.00	6.00	6.00	6.00
Cap Rate	6.25		7.00	6.00	6.50	6.50
Market	0.01		0.01	0.01	0.01	0.01

Class B

Rent	13.52		8.38	23.21	10.35	10.35
Vac %	10.00		8.00	5.00	10.00	10.00
Exp %	6.00		6.00	6.00	6.00	6.00
Cap Rate	6.500		7.250	6.250	6.750	6.750
Market	0.01		0.01	0.01	0.01	0.01

Class C

Rent	10.02	6.50	6.96		8.13	8.13
Vac %	10.00	20.00	9.00		10.00	10.00
Exp %	6.00	6.00	6.00		6.00	6.00
Cap Rate	6.75	9.75	7.50		7.00	7.00
Market	0.01	0.01	0.01		0.01	0.01

Class D

Rent	6.57		5.93		5.89	5.89
Vac %	10.00		10.00		10.00	10.00
Exp %	6.00		6.00		6.00	6.00
Cap Rate	7.25		7.75		7.25	7.25
Market	0.01		0.01		0.01	0.01

Class E

Rent	5.00		3.66		4.32	4.32
Vac %	10.00		20.00		10.00	10.00
Exp %	6.00		6.00		6.00	6.00
Cap Rate	7.50		8.00		7.50	7.50
Market	0.01		0.01		0.01	0.01

Kitsap County Assessor
Tax Year 2024
Local Income Survey for Retail Lrg 10k-40k

PGI per Unit	Vacancy	EGI per Unit	Expense %	NOI per Unit
\$27.14	0%	\$27.14	0%	\$27.14
\$18.34	25%	\$13.75	28%	\$9.84
\$17.61	0%	\$17.61	16%	\$14.83
\$16.43	0%	\$16.43	0%	\$16.42
\$16.29	0%	\$16.29	0%	\$16.29
\$16.12	0%	\$16.12	40%	\$9.67
\$15.75	0%	\$15.75	40%	\$9.45
\$14.00	0%	\$14.00	0%	\$14.00
\$13.60	0%	\$13.60	0%	\$13.60
\$13.60	0%	\$13.60	0%	\$13.60
\$13.50	0%	\$13.50	0%	\$13.50
\$13.21	0%	\$13.21	0%	\$13.21
\$12.82	0%	\$12.82	70%	\$3.85
\$12.35	0%	\$12.35	40%	\$7.41
\$12.11	0%	\$12.11	0%	\$12.11
\$12.04	0%	\$12.04	0%	\$12.04
\$11.89	0%	\$11.89	0%	\$11.89
\$11.29	0%	\$11.29	0%	\$11.29
\$10.98	0%	\$10.98	0%	\$10.98
\$10.76	0%	\$10.76	0%	\$10.76
\$10.62	0%	\$10.62	0%	\$10.62
\$10.41	0%	\$10.41	0%	\$10.41
\$10.23	2%	\$9.99	28%	\$7.19
\$9.38	0%	\$9.38	0%	\$9.38
\$9.16	0%	\$9.16	0%	\$9.16
\$8.84	0%	\$8.84	0%	\$8.84
\$8.77	0%	\$8.77	0%	\$8.77
\$8.12	0%	\$8.12	0%	\$8.12
\$7.92	0%	\$7.92	0%	\$7.92
\$7.69	0%	\$7.69	0%	\$7.69
\$6.65	0%	\$6.65	0%	\$6.65
\$6.41	0%	\$6.41	0%	\$6.41
\$6.14	0%	\$6.14	0%	\$6.14
\$6.00	0%	\$6.00	0%	\$6.00
\$6.00	0%	\$6.00	0%	\$6.00

Local Income Survey for Retail-CW

\$5.68	0%	\$5.68	46%	\$3.09
\$5.43	0%	\$5.43	0%	\$5.43
\$1.25	0%	\$1.25	0%	\$1.25
	20%		0%	

Tax Year 2024
Countywide Retail Large Single-Tenant,
Sales from 01/01/2018 through 01/17/2023

No.	NBRHD	PC	Account Number	Project Name	Rent Class	Property Type	Units	Excise No.	VC	Sales Date	Sales Price	Trended Sales Price	Model Value	Other Values	Total Value	Ratio
1	8401101	590	162501-2-077-2002	BevMo	A	Retail-Large	13116	2018EX05995	V	8/1/2018	\$ 2,400,000.00	\$ 3,461,260.27	\$ 2,929,379.90		\$ 2,929,379.90	85%
2	8402307	590	362401-3-081-2001	Staples - Port Orchard	C	Retail-Large	23940	2019EX04417	V	6/28/2019	\$ 2,394,000.00	\$ 3,235,507.40	\$ 3,006,480.96		\$ 3,006,480.96	93%
3	8400202	590	142601-3-044-2001	Rite Aid - Poulsbo	C	Retail-Large	30186	2019EX07296	V	10/3/2019	\$ 3,185,000.00	\$ 4,219,906.85	\$ 3,790,878.62		\$ 3,790,878.62	90%
4	8401101	590	162501-2-005-2009	Whistle Workwear Castle	A	Retail-Large	20000	2020EX09784	V	12/15/2020	\$ 3,800,000.00	\$ 4,577,698.63	\$ 4,466,880.00		\$ 4,466,880.00	98%
5	8400207	590	102601-2-039-2004	Petco Poulsbo	A	Retail-Large	14867	2022EX05745	V	7/22/2022	\$ 5,250,000.00	\$ 5,250,000.00	\$ 3,320,455.25		\$ 3,320,455.25	63%
6	8401101	590	162501-2-084-2003	REI	B	Retail-Large	24390	2023EX00259	V	1/17/2023	\$ 5,000,000.00	\$ 5,000,000.00	\$ 4,291,859.52		\$ 4,291,859.52	86%

Retail-Large Sales	Count	
	Low	63%
	High	98%
	Median	88%
	Mean	86%
	AAD	0.08
	COD	8.85

**Kitsap and Other County Sales
Cap Rate and NOI from Public Sources
January 1, 2018 - December 31, 2022**

Retail-Large 10K-40K

County	Account No	Project	Excise	Source	Date	Sale Price	Size	\$/Unit	Cap	NOI
Benton	1-3594-301-3460-001	Shopko	145993	Loopnet	09/17/2019	\$ 3,775,000	26,030	\$ 145.02	7.68%	\$ 11.14
Island	S7600-00-00008-0	Big 5 - Oak Harbor	39807	CBA	07/25/2019	\$ 2,070,000	10,000	\$ 207.00	8.16%	\$ 16.89
King	042104-9110	Safeway Federal Way	2967928	Kidder Mathews	12/19/2018	\$ 7,650,000	25,780	\$ 296.74	5.27%	\$ 15.64
King	953820-0030	Grocery Outlet/Dollar Tree	2967126	Loopnet	12/14/2018	\$ 4,065,000	43,374	\$ 93.72	6.90%	\$ 6.47
King	312305-9014	Harbor Freight Tools	3028349	Loopnet 17303048	12/20/2019	\$6,090,000	15,600	\$ 390.38	5.77%	\$ 22.52
Kitsap	362401-3-081-2001	Staples-Port Orchard	2019EX04417	Loopnet	06/28/2019	\$ 2,394,000	23,940	\$ 100.00	9.50%	\$ 9.50
Pierce	4920200888	Value Village	4473873	Assessor	07/24/2018	\$ 2,157,000	23,744	\$ 90.84	7.16%	\$ 6.50
Pierce	042024-3107	McLendon Hardware	4523146	Loopnet 17397459	02/13/2020	\$10,771,684	34,400	\$ 313.13	6.00%	\$ 18.79
Pierce	407521-0541	McLendons	4487138	Assessor	08/30/2018	\$ 11,400,000	86,782	\$ 131.36	6.26%	\$ 8.22
Pierce	032031-1056	former Furniture Factory	4487138	Assessor	12/20/2018	\$ 5,900,000	50,118	\$ 117.72		
Skagit	P106656	United Furniture Warehouse	20193276	Loopnet	07/30/2019	\$ 2,525,000	21,250	\$ 118.82	7.60%	\$ 9.03
Snohomish	00513800010202	Value Village	1175237	Kidder Mathews	08/10/2018	\$ 4,663,000	22,810	\$ 204.43	6.24%	\$ 12.76
Stevens	11380	Colville Grocery Outlet	22166	Loopnet	08/01/2019	\$ 3,795,000	26,750	\$ 141.87	7.63%	\$ 10.82
Whatcom	3803180565420000	Petco-Bellingham	221643	Kidder Mathews	05/01/2018	\$ 3,991,835	12,096	\$ 330.01	6.80%	\$ 22.44
Thurston	09080088101	Smart Foodservice	E005619	Loopnet 15106690	04/21/2020	\$4,400,000	20,000	\$ 220.00	7.05%	\$ 15.50
Spokane	23072.0099	Grocery Outlet	201917901	Loopnet 17048779	11/21/2019	\$6,200,000	16,456	\$ 376.76	6.15%	\$ 23.17
Kitsap	102601-2-039-2004	Petco- College market place	2022EX05745	Loopnet/Assessr	7/22/2022	\$ 5,250,000	14,867	\$ 353.13	7%	\$ 24.74
Kitsap	162501-2-084-2003	REI	2023EX00259	Assessor/Agent	1/17/2023	\$ 5,000,000	24,390	\$ 205.00	4.80%	\$ 9.84