



Kitsap County Assessor

Documentation for Area 3 South - Port Orchard & South Kitsap UG

Tax Year: 2026 Appraisal Date: 1/1/2025

Property Type: Retail - Strip Retail and Small Single Tenant Retail

Updated 5/19/2025 by CM10

Area Overview

Rural South Kitsap to the Mason and Pierce County Lines including Manchester, Southworth, Olalla, South portion of Highway 16.

Area 3S Port Orchard has approximately 103 parcels, and Area 4 South Kitsap has approximately 18 parcels improved with Retail Small as the main use. Since Area 4 South Kitsap has such a small population, the income model from Area 3S Port Orchard was adopted.

Property Type Overview

Strip retail is an attached row of stores or service outlets managed as a coherent retail entity, with onsite parking usually located in front of the stores. It may be configured in a straight line or have an L or U shape. There are no enclosed walkways linking the stores. The tenants offer a narrow range of goods and services usually targeted to a local neighborhood. Included in this property type are standalone structures less than 10,000 square feet in size which are designed for one tenant.

Rents and vacancies are area specific. Each area carries an independent income approach and sales analysis.

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: 4:1.

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:

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 4 sales resulted in a mean ratio of 91%, a median ratio of 93%, and a coefficient of dispersion (COD) of 14.76.

Property type: Retail - Strip Retail and Small Single Tenant Retail (continued)

Market/Sales Comparison Approach Data and Analysis

Sales: Range of Sale Dates: 1/1/2020 to 12/31/2024. A total of 4 local sales, and 0 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 \$132.10 to \$236.01 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 0% of the market. Typical reported rents had a range of \$5.26 to \$31.91. We selected \$4.73 to \$22.46 for our model.

Vacancy Data: Typical reported vacancy had a range of 0% to 42%. We selected 10% to 15% for our model.

Expense Data: Typical reported expense had a range of 0% to 47%. We selected 6% to 6% for our model.

Capitalization Rate (Cap) Data: Typical sale cap rates ranged from 0% to 0%. We selected 6% to 7% for our model.

Income Model Value Range: The income approach calculates a range of values from \$53.99 to \$316.69 per square foot.

Final Ratio Analysis: Analysis of 4 sales resulted in a mean ratio of 91%, a median ratio of 93%, and a coefficient of dispersion (COD) of 14.76.

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

Crexi - www.crexi.com

Kitsap County Assessor

Tax Year: 2026

Property Type: Retail

Neighborhood: 8402403

Not Used	Retail-Sml	Retail-Med	Not Used	Condo Rtl	Not Used
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Class A

Rent		22.46	21.34			
Vac %		10.00	10.00			
Exp %		6.00	6.00			
Cap Rate		6.00	6.00			
Market		0.01	0.01			

Class B

Rent		17.60	16.72			
Vac %		10.00	10.00			
Exp %		6.00	6.00			
Cap Rate		6.250	6.250			
Market		0.01	0.01			

Class C

Rent		11.99	11.39			
Vac %		15.00	15.00			
Exp %		6.00	6.00			
Cap Rate		6.50	6.50			
Market		0.01				

Class D

Rent		7.24	6.88			
Vac %		15.00	15.00			
Exp %		6.00	6.00			
Cap Rate		6.75	6.75			
Market		0.01	0.01			

Class E

Rent		4.98	4.73			
Vac %		15.00	15.00			
Exp %		6.00	6.00			
Cap Rate		7.00	7.00			
Market		0.01	0.01			

KITSAP COUNTY ASSESSOR
TAX YEAR 2026
Retail-Small and Condo Retail - Port Orchard and South Kitsap UGA Area 3 South
Sales From 01/01/2020 - 12/31/2024

Trend 3%

No.	Nbrhd	Account Number	Project Name	Excise	VC	Sale Date	Sale Price	Trended Sale Price	Units	Trended Price \$/SF	RC	Model	Model Value	Total Value	Ratio	Trend Ratio
1	8402307	362401-2-026-2001	Salon & Barber Shop-Bethel	2020EX07947	V	10/22/2020	\$ 162,000	\$ 177,539	1344	\$ 132.10	C	Retail-Sm	\$ 198,085	\$ 198,085	122%	112%
2	8402307	252401-4-046-2006	Lucky One Smoke Shop	2021EX08757	M	10/06/21	\$ 410,000	\$ 437,565	2400	\$ 182.32	C	Retail-Sm	\$ 353,723	\$ 353,723	86%	81%
3	8402307	022301-4-108-2009	Bethel Center Bldg A - #1551	2021EX09031	V	10/18/2021	\$ 1,550,000	\$ 1,652,682	8750	\$ 188.88	C	Retail-Sm	\$1,289,617	\$ 1,289,617	83%	78%
4	8402306	4062-005-001-0005	Day Spa Massage	2023EX05606	V	9/28/2023	\$ 350,000	\$ 350,000	1483	\$ 236.01	B	Retail-Sm	\$ 353,300	\$ 353,300	101%	101%

Nbrhd	Neighborhood
8402306	Port Orchard UGA Downtown
8402307	South Kitsap UGA
8402405	Rural Coml South Kitsap

VC	Validity Code
V	Valid
R	Remodel after sale
M	Other
2	Corporate affiliates

	Count	4	4
All Sales	Low	83%	78%
	High	122%	112%
	Median	94%	91%
	Mean	98%	93%
	AAD	0.13	0.13
	COD	14.35	14.76

REMOVED SALES

No.	Nbrhd	Parcel No.	Project Name	Excise#	VC	Sale Date	Sale Price	Notes
1	96	292402-4-013-2000	PJ's Market	2020EX06981	U	09/22/20	\$ 450,000	Purchased by SKFD for new fire station.
2	8402307	362401-2-097-2005	Strip Retail Mile Hill	2021EX02684	S	03/23/21	\$ 42,280	Seg
3	8402408	332401-3-002-2000	Gorst Center & Natte Latte	2021EX03764	L	05/07/21	\$ 10,000	Sale of espresso stand building only
4	8402403	8198-002-005-0006	Unit C5, Building B	2021EX06014	V	07/21/21	\$ 61,000	Condo retail, outlier
5	8402307	022301-1-074-2005	Lot C & Drainage System-Shop	2022EX04104	M	5/25/2022	\$ 20,000	Allocated Value
6	8402307	022301-1-073-2006	Tremont Place Lot B Retail Strips	2022EX04105	M	5/25/2022	\$ 5,780,000	1031 exchange not marketed - between acquaintances
7	8402403	8198-002-004-0007	Unit C4, Building A	2022EX05877	V	7/15/2022	\$ 380,000	
8	9402390	022301-4-047-2003	Conv SFR Retail 4108 Bethel	2023EX02178	V	4/28/2023	\$ 610,000	Converted SFR
9	9402403	4787-000-015-0004	Southworth Grocery & Post Office	2024EX00065	V	1/5/2024	\$ 575,000	The only CommI property surrounded by RR- changed to cost and put into hyb. Neigh.
10	8402405	062301-2-037-2005	Brothers Nursery	2024EX01169	3	3/12/2024	\$ 399,474.00	.
11	8402408	322401-4-080-2004	Custom Hearth, Sundance Solar	2024EX04714	D	8/15/2024	\$ 1,700,000.00	Tenant buyout not valid With Warehouse behind.

Kitsap County Assessor

Tax Year 2026

Local Income Survey for Retail

Retail - Retail-Small/Strip

PGI	VACANCY%	EXPENSE%	NOI
\$20.56	5.00%	33.33%	\$13.02
\$20.31	0.00%	0.00%	\$20.31
\$18.71	0.00%	0.00%	\$18.70
\$13.20	0.00%	0.00%	\$13.20

Retail - Retail-Sml

PGI	VACANCY%	EXPENSE%	NOI
\$31.91	0.00%	0.00%	\$31.91
\$31.46	0.00%	0.00%	\$31.46
\$30.30	0.00%	0.00%	\$30.30
\$26.69	0.00%	0.00%	\$26.69
\$25.00	15.00%	0.00%	\$21.25
\$23.28	17.00%	0.00%	\$19.33
\$21.00	0.00%	0.00%	\$21.00
\$20.73	0.00%	27.00%	\$15.13
\$19.80	0.00%	27.00%	\$14.45
\$19.75	0.00%	36.00%	\$12.64
\$19.20	0.00%	0.00%	\$19.20
\$19.00	0.00%	0.00%	\$19.00
\$18.85	0.00%	0.00%	\$18.85
\$18.85	0.00%	0.00%	\$18.85
\$18.63	0.00%	0.00%	\$18.63
\$18.57	0.00%	0.00%	\$18.57
\$18.25	0.00%	0.00%	\$18.25
\$18.00	42.00%	0.00%	\$10.44
\$17.45	0.00%	47.00%	\$9.25
\$16.25	0.00%	0.00%	\$16.25
\$16.20	0.00%	0.00%	\$16.20
\$16.20	0.00%	0.00%	\$16.20
\$16.09	0.00%	0.00%	\$16.09
\$15.90	0.00%	0.00%	\$15.90
\$15.87	0.00%	47.00%	\$8.41
\$15.64	0.00%	0.00%	\$15.64

Local Income Survey for Retail

\$15.00	0.00%	0.00%	\$15.00
\$14.82	0.00%	0.00%	\$14.82
\$14.52	0.00%	27.00%	\$10.60
\$14.25	0.00%	27.00%	\$10.40
\$14.01	0.00%	0.00%	\$14.01
\$13.85	0.00%	0.00%	\$13.85
\$13.40	0.00%	0.00%	\$13.40
\$13.10	0.00%	0.00%	\$13.10
\$13.00	100.00%	0.00%	\$0.00
\$12.75	0.00%	0.00%	\$12.75
\$12.67	0.00%	0.00%	\$12.67
\$12.50	0.00%	0.00%	\$12.50
\$12.50	0.00%	0.00%	\$12.50
\$12.42	5.00%	36.00%	\$7.55
\$12.11	0.00%	36.00%	\$7.75
\$12.00	0.00%	0.00%	\$12.00
\$12.00	0.00%	0.00%	\$12.00
\$12.00	0.00%	0.00%	\$12.00
\$12.00	0.00%	0.00%	\$12.00
\$12.00	0.00%	0.00%	\$12.00
\$12.00	0.00%	0.00%	\$12.00
\$12.00	33.00%	0.00%	\$8.04
\$12.00	0.00%	0.00%	\$12.00
\$11.93	0.00%	0.00%	\$11.93
\$11.88	0.00%	0.00%	\$11.87
\$11.80	0.00%	36.00%	\$7.55
\$10.88	0.00%	22.00%	\$8.48
\$10.75	0.00%	0.00%	\$10.75
\$10.00	0.00%	0.00%	\$10.00
\$9.93	0.00%	0.00%	\$9.93
\$9.66	37.00%	0.00%	\$6.08
\$9.29	0.00%	0.00%	\$9.29
\$8.80	0.00%	33.00%	\$5.90
\$8.76	33.00%	0.00%	\$5.87
\$8.54	0.00%	0.00%	\$8.54
\$8.33	50.00%	0.00%	\$4.17
\$7.40	0.00%	36.00%	\$4.74
\$7.20	0.00%	0.00%	\$7.20

Local Income Survey for Retail

\$7.00	0.00%	0.00%	\$7.00
\$6.70	8.33%	0.00%	\$6.14
\$6.35	0.00%	0.00%	\$6.35
\$6.30	0.00%	0.00%	\$6.30
\$6.02	0.00%	0.00%	\$6.02
\$5.26	0.00%	0.00%	\$5.26
\$1.13	0.00%	0.00%	\$1.13
\$0.63	0.00%	0.00%	\$0.62