



Kitsap County Assessor

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

Tax Year: 2025 Appraisal Date: 1/1/2024

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

Updated 5/28/2024 by CM10

Area Overview

This property type was physically inspected for the 2025 tax year.

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: see area.

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 7 sales resulted in a mean ratio of 105%, a median ratio of 101%, and a coefficient of dispersion (COD) of 16.2.

Market/Sales Comparison Approach Data and Analysis

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

Sales: Range of Sale Dates: 1/1/2019 to 12/31/2023. A total of 7 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 \$92.40 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 55% of the market. Typical reported rents had a range of \$5.26 to \$31.91. We selected \$4.98 to \$22.46 for our model.

Vacancy Data: Typical reported vacancy had a range of 0% to 100%. We selected 10% to 15% for our model.

Expense Data: Typical reported expense had a range of 0% to 33%. 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 \$56.84 to \$316.69 per square foot.

Final Ratio Analysis: Analysis of 7 sales resulted in a mean ratio of 96%, a median ratio of 93%, and a coefficient of dispersion (COD) of 13.77.

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: 2025

Property Type: Retail

Neighborhood: 8402307

| Not Used | Retail-Sml | Retail-Med | Not Used | Condo Rtl | |
|----------|------------|------------|----------|-----------|--|
|----------|------------|------------|----------|-----------|--|

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 TY 2025

Local Income Survey for Retail

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 |
| \$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 |

Local Income Survey for Retail

| | | | |
|---------|---------|--------|---------|
| \$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 | 33.00% | 0.00% | \$8.04 |
| \$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 | 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 |
| \$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 |

**KITSAP COUNTY ASSESSOR
TAX YEAR 2025**

**Retail-Small and Condo Retail - Port Orchard and South Kitsap UGA Area 3 South
Sales From 01/01/2019 - 12/31/2023**

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 | 252401-4-046-2006 | Convenience store | 2019EX07472 | M | 10/15/2019 | \$ 360,000 | \$ 405,567 | 2400 | \$ 168.99 | C | Retail-Sml | \$ 353,720 | \$ 353,720 | 98% | 87% |
| 2 | 8402305 | 312402-3-012-2009 | Retail Lund Dominoes | 2019EX01191 | V | 2/20/2019 | \$ 754,000 | \$ 864,125 | 6598 | \$ 130.97 | C | Retail-Sml | \$ 826,570 | \$ 826,570 | 110% | 96% |
| 3 | 8402306 | 4650-009-005-0001 | Retail Bay Street | 2019EX09386 | V | 12/18/2019 | \$ 400,000 | \$ 448,526 | 4854 | \$ 92.40 | D | Retail-Sml | \$ 416,000 | \$ 416,000 | 104% | 93% |
| 4 | 8402307 | 362401-2-026-2001 | Salon & Barber Shop-Bethel | 2020EX07947 | V | 10/22/2020 | \$ 162,000 | \$ 177,539 | 1344 | \$ 132.10 | C | Retail-Sml | \$ 246,600 | \$ 246,600 | 152% | 139% |
| 5 | 8402307 | 252401-4-046-2006 | Lucky One Smoke Shop | 2021EX08757 | M | 10/06/21 | \$ 410,000 | \$ 437,565 | 2400 | \$ 182.32 | C | Retail-Sml | \$ 353,720 | \$ 353,720 | 86% | 81% |
| 6 | 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-Sml | \$ 1,289,620 | \$1,289,620 | 83% | 78% |
| 7 | 8402306 | 4062-005-001-0005 | Day Spa Massage | 2023EX05606 | V | 9/28/2023 | \$ 350,000 | \$ 350,000 | 1483 | \$ 236.01 | B | Retail-Sml | \$ 353,310 | \$ 353,310 | 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 |

| | | | |
|-----------|--------|-------|------|
| All Sales | Count | 7 | 7 |
| | Low | 83% | 78% |
| | High | 152% | 139% |
| | Median | 101% | 93% |
| | Mean | 105% | 96% |
| | AAD | 0.16 | 0.13 |
| COD | 16.20 | 13.77 | |

REMOVED SALES

| No. | Nbrhd | Parcel No. | Project Name | Excise# | VC | Sale Date | Sale Price | Notes |
|-----|---------|-------------------|----------------------------|-------------|----|-----------|------------|---|
| 1 | 8402307 | 312402-1-024-2009 | Convenience store & garage | 2019EX05662 | U | 08/07/19 | \$ 327,000 | Change of use, remodel after purchase. |
| 2 | 96 | 292402-4-013-2000 | PJ's Market | 2020EX06981 | U | 09/22/20 | \$ 450,000 | Purchased by SKFD for new fire station. |
| 3 | 8402307 | 362401-2-097-2005 | Strip Retail Mile Hill | 2021EX02684 | S | 03/23/21 | \$ 42,280 | Seg |
| 4 | 8402408 | 332401-3-002-2000 | Gorst Center & Natte Latte | 2021EX03764 | L | 05/07/21 | \$ 10,000 | Sale of espresso stand building only |
| 5 | 8402403 | 8198-002-005-0006 | Unit C5, Building B | 2021EX06014 | V | 07/21/21 | \$ 61,000 | Condo retail, outlier |