



Kitsap County Assessor

Documentation for Countywide Model

Tax Year: 2022 Appraisal Date: 1/1/2021

Property Type: Auto Service - Repair

Updated 5/3/2021 by CM20

Area Overview

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

This property type was physically inspected for the 2020 tax year.

Property Type Overview

Auto service centers are designed for repair, parts sales, and service and will have showroom-sales area, office, storage, and repair space commensurate with the quality. Service garages are buildings designed primarily for vehicular repair and maintenance. Auto service centers and service garages are covered by this model.

Kitsap County has 115 parcels developed as Auto Service-Repair.

Land to Building Ratio: The national land to building ratio for this property type is n/a. The countywide land to building ratio for this property type is: 4.6:1.

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: The market appears stable with ten valid sales since January 1, 2016 with three occurring in 2020.

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 10 sales resulted in a mean ratio of 91%, a median ratio of 96%, and a coefficient of dispersion (COD) of 15.66.

Market/Sales Comparison Approach Data and Analysis

Sales: Range of Sale Dates: 1/1/2016 to 12/31/2020. A total of 10 local sales, and 0 regional sales, and 0 national sales were used in the sales analysis. Additional information is provided on the sales analysis

Property type: Auto Service - Repair (continued)

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 \$49.58 to \$242.90 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 15% of the market. Typical reported rents had a range of \$4.69 to \$27.09. We selected \$3.58 to \$12.5 for our model.

Vacancy Data: Typical reported vacancy had a range of 5% to 20%. We selected 10% to 10% for our model.

Expense Data: Typical reported expense had a range of 1% to 42%. We selected 6% to 6% for our model.

Capitalization Rate (Cap) Data: Typical sale cap rates ranged from 3% to 7.34%. We selected 8% to 8.75% for our model.

Cap rates were sourced from local sales.

Income Model Value Range: The income approach calculates a range of values from \$34.61 to \$132.19 per square foot.

Final Ratio Analysis: Analysis of 10 sales resulted in a mean ratio of 93%, a median ratio of 98%, and a coefficient of dispersion (COD) of 13.58.

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

Tax Year 202
Auto Service - Repair Model Guideline

| Class | Location/Access | Parking | Construction | Exterior Finish | Interior Finish | Age/Condition | Office/Retail % | Unit Size | Wall Height |
|----------|--|--|---|--|---|---|---------------------------------|---|--|
| A | High visibility on or near a major highway, in a core area, or fronting a major road with high traffic flow | Ample off street paved parking | Heavy steel and/or concrete frame, fireproof construction | Good quality finish and fenestration, resembles office or retail at main entrance, mix of concrete, brick, tile, concrete fiber, or stucco | Good quality finished, insulated, and heated sales area partitioned from garage, garage probably insulated and can be heated, heavy concrete flooring | New or recent complete renovation, very little or no deferred maintenance or obsolescence, all major short-lived items are like new, high curb appeal | 25% or more office/retail space | Smallest structures of less than 1,500 square feet, may need to be raised one class, all else being equal | Very tall - wall height 17 feet and over |
| B | Good visibility fronting a main road with high traffic flow, may be in a core area | Ample off street paved parking | Steel or concrete frame, fire resistant construction | Better than typical quality finish and fenestration, resembles lower quality office/retail at entrance, may have mix of concrete, wood, or stucco exterior | Better than typical quality finished, insulated, and heated sales area partitioned from garage, garage area can be heated, concrete flooring | 7 to 15 year effective age, little deferred maintenance evident, but not everything new, no obsolescence evident, appearance and utility better than typical | 15 - 25% office/retail space | Smaller than typical structures of 1,500 to 2,499 square feet | Tall - wall height 16 feet |
| C | Limited visibility, may be on or very near a main road, may be in or near a residential or transitional area | Some off street paved parking | Wood, steel, or concrete block, fire resistant construction | Typical finish and plain fenestration, resembles typical service garage, may have concrete, wood, stucco, or metal exterior | Plain drywall, heat, and maybe insulation in sales area, sales area probably partitioned from garage, garage area likely no insulation and unheated, concrete floor | 15 to 25 year effective age, some deferred maintenance and/or functional obsolescence evident but major components still function and have utility not unappealing | 5 - 15% office/retail space | Typical size range of 2,500 to 4,999 square feet | Average - wall height 13 to 15 feet |
| D | Side street, not very visible, low traffic flow, residential or rural area | Limited off street parking, may not be paved | Wood or pole frame, combustible construction | Little fenestration, very plain appearance, plain metal or wood siding | Minimally or inexpensively finished sales area, sales area may be open to garage, garage area not insulated and unheated, concrete floor | 25 - 35 year effective age, deterioration is somewhat worse than normally expected, some obvious deferred maintenance and functional obsolescence, appears worn | 0 - 5% office/retail space | Larger than typical size of 5,000 to 9,999 square feet | Lower than average - wall height 10 to 12 feet |
| E | Side street, narrow roadway, no visibility or traffic flow, residential or rural area | Little to no off street parking, may be gravel | Pole frame, combustible construction | Inexpensive metal or plywood sheet siding with little or no fenestration | May lack separate sales area or have small unfinished or minimally finished sales area open to garage, no insulation and unheated garage area, concrete floor | 35+ years, obvious deferred maintenance and functional obsolescence, deterioration much worse than normal, some major components need repair or replacement, substandard utility, unappealing | No office/retail space | Largest structures of 10,000 square feet and up, may need to be lowered one class, all else being equal | Low - wall height 10 feet and under |

Kitsap County Assessor

Tax Year: 2022

Property Type: Auto Service

Neighborhood: 0

| Repair | Lube Tun | Not Used | Car W-Auto | Car W-Self | |
|--------|----------|----------|------------|------------|--|
|--------|----------|----------|------------|------------|--|

Class A

| | | | | | |
|----------|-------|--|--|--|--|
| Rent | 12.50 | | | | |
| Vac % | 10.00 | | | | |
| Exp % | 6.00 | | | | |
| Cap Rate | 8.00 | | | | |
| Market | 0.01 | | | | |

Class B

| | | | | | |
|----------|-------|--|--|--|--|
| Rent | 9.50 | | | | |
| Vac % | 10.00 | | | | |
| Exp % | 6.00 | | | | |
| Cap Rate | 8.000 | | | | |
| Market | 0.01 | | | | |

Class C

| | | | | | |
|----------|-------|--|--|--|--|
| Rent | 7.15 | | | | |
| Vac % | 10.00 | | | | |
| Exp % | 6.00 | | | | |
| Cap Rate | 8.25 | | | | |
| Market | 0.01 | | | | |

Class D

| | | | | | |
|----------|-------|--|--|--|--|
| Rent | 6.00 | | | | |
| Vac % | 10.00 | | | | |
| Exp % | 6.00 | | | | |
| Cap Rate | 8.50 | | | | |
| Market | 0.01 | | | | |

Class E

| | | | | | |
|----------|-------|--|--|--|--|
| Rent | 3.58 | | | | |
| Vac % | 10.00 | | | | |
| Exp % | 6.00 | | | | |
| Cap Rate | 8.75 | | | | |
| Market | 0.01 | | | | |

Kitsap County Assessor
Tax Year 2022
Local Income Survey for Repair

| PGI per Unit | Vacancy | EGI per Unit | Expense % | NOI per Unit |
|--------------|---------|--------------|-----------|--------------|
| \$27.09 | 0% | \$27.09 | 34% | \$18.00 |
| \$25.32 | 0% | \$25.32 | 0% | \$25.32 |
| \$20.07 | 0% | \$20.07 | 0% | \$20.07 |
| \$19.97 | 0% | \$19.97 | 0% | \$19.97 |
| \$19.50 | 0% | \$19.50 | 0% | \$19.50 |
| \$18.99 | 0% | \$18.99 | 0% | \$18.99 |
| \$16.03 | 0% | \$16.03 | 0% | \$16.03 |
| \$12.90 | 0% | \$12.90 | 0% | \$12.90 |
| \$12.66 | 0% | \$12.66 | 0% | \$12.66 |
| \$12.50 | 0% | \$12.50 | 0% | \$12.50 |
| \$8.32 | 0% | \$8.32 | 0% | \$8.32 |
| \$7.52 | 0% | \$7.52 | 19% | \$6.07 |
| \$7.33 | 0% | \$7.33 | 0% | \$7.33 |
| \$7.27 | 0% | \$7.27 | 0% | \$7.27 |
| \$6.79 | 0% | \$6.79 | 0% | \$6.79 |
| \$6.47 | 0% | \$6.47 | 0% | \$6.47 |
| \$4.69 | 0% | \$4.69 | 0% | \$4.69 |

KITSAP COUNTY ASSESSOR
TAX YEAR 2022
Countywide Auto Service - Repair
Sales from 01/01/2016 to 12/31/2020

| No. | NBRHD | PC | Account Number | Project Name | Units | Excise | VC | Sale Date | Sale Price | \$/SqFt | Assessed Value | Sale Ratio |
|-----|---------|-----|-------------------|--------------------------------------|--------|-------------|----|-----------|--------------|-----------|----------------|------------|
| 1 | 8100502 | 640 | 212401-1-005-2005 | All About Transmissions | 19,500 | 2017EX03016 | V | 04/27/17 | \$ 1,300,000 | \$ 66.67 | \$ 1,271,220 | 98% |
| 2 | 8401101 | 640 | 092501-3-040-2003 | Repair/Apartment | 4,447 | 2017EX03675 | V | 05/24/17 | \$ 380,000 | \$ 85.45 | \$ 432,370 | 114% |
| 3 | 8100502 | 640 | 3810-004-019-0005 | 2330 6th St. - 2 story auto repair | 14,120 | 2017EX03935 | V | 06/01/17 | \$ 700,000 | \$ 49.58 | \$ 843,210 | 120% |
| 4 | 8100502 | 640 | 3811-002-016-0001 | 1546 6th Street - Service garage | 1,548 | 2018EX00538 | V | 01/18/18 | \$ 376,005 | \$ 242.90 | \$ 235,670 | 63% |
| 6 | 8100502 | 640 | 3752-003-031-0001 | Wicked Auto Works & Retail Bldg | 6,467 | 2019EX00499 | V | 01/22/19 | \$ 500,000 | \$ 77.32 | \$ 452,770 | 91% |
| 7 | 9100592 | 640 | 122401-1-066-2002 | Corner Perry & Sheridan auto repair | 4,485 | 2019EX05160 | V | 07/22/19 | \$ 335,000 | \$ 74.69 | \$ 328,840 | 98% |
| 8 | 8401101 | 640 | 162501-2-006-2008 | Silverdale Auto Center | 16,247 | 2019EX07132 | V | 10/01/19 | \$ 2,547,000 | \$ 156.77 | \$ 2,584,150 | 101% |
| 10 | 8100502 | 640 | 3783-001-010-0003 | 3703 Kitsap Way - Auto Repair Garage | 3,620 | 2020EX00849 | V | 02/07/20 | \$ 490,000 | \$ 135.36 | \$ 265,420 | 54% |
| 11 | 8402307 | 640 | 022301-2-050-2001 | Port Orchard Collision & Automotive | 8,162 | 2020EX02348 | V | 03/10/20 | \$ 595,000 | \$ 72.90 | \$ 578,780 | 97% |
| 13 | 9402405 | 640 | 302402-4-208-2002 | Integrity Repair Garage Horstman Rd | 1,978 | 2020EX07462 | V | 10/13/20 | \$ 125,000 | \$ 63.20 | \$ 118,120 | 94% |

| | |
|--------|-------|
| Count | 10 |
| Median | 98% |
| Mean | 93% |
| AAD | 0.13 |
| COD | 13.58 |

Removed Sales

| No. | NBRHD | PC | Account Number | Project Name | Units | Excise | VC | Sale Date | Sale Price | Notes |
|-----|---------|-----|-------------------|-------------------------------------|--------|-------------|----|-----------|--------------|--|
| | 8100504 | 640 | 4600-010-018-0005 | Cain Custom w/017 res land | 3,125 | 2016EX01134 | M | 02/26/16 | \$ 315,000 | Estate sale, on contract, included undisclosed amount for tools and other PP. |
| | 9402401 | 640 | 4505-000-017-0201 | SFR, Repair Shop, and Land | 5,870 | 2016EX04826 | V | 07/04/16 | \$ 255,000 | Mixed use, cost approach. |
| | 9303606 | 640 | 4178-000-003-0104 | Greenlight Auto Repair | 3,008 | 2017EX03883 | W | 05/24/17 | \$ 800,000 | Lease option to purchase exercised. Personal property in sales price not disclosed on REETA. |
| | 9303627 | 910 | 4178-000-001-0403 | Land | | 2017EX03883 | | | | |
| | 9303627 | 183 | 4178-000-003-0203 | Small Garage | | 2017EX03883 | | | | |
| | 7303627 | 910 | 4178-000-004-0202 | Land | | 2017EX03883 | | | | |
| | 8100502 | | 3752-003-025-0009 | Auto Repair 6th and Naval | 1,618 | 2018EX02720 | E | 04/11/18 | \$ 100,000 | Estate sale. |
| | 8402307 | 640 | 312402-2-019-2004 | Walt's | 3,797 | 2018EX02778 | M | 04/30/18 | \$ 695,000 | Tenant buyout. |
| | 8402307 | 559 | 292402-3-048-2001 | Leos Towing | 1,500 | 2018EX03159 | V | 04/27/18 | \$ 320,000 | Cost approach, excess land |
| | 8100510 | | 3806-005-037-0006 | 2607 Burwell - Rainier Auto Repair | | 2018EX05249 | F | 07/09/18 | \$ 150,000 | Foreclosure |
| | 8303601 | 640 | 202502-1-078-2006 | Modern Collision Rebuild | 11,222 | 2018EX08995 | Q | 11/14/18 | \$ 840,000 | Quit Claim Deed |
| | 8402307 | 640 | 312402-1-053-2003 | Nowka's | 5,528 | 2018EX10061 | M | 12/26/18 | \$ 420,000 | Purchased with business, price not disclosed on Reeta |
| | | 183 | 312402-1-058-2008 | | 320 | | | | | |
| | 8100501 | 640 | 3718-017-024-0003 | Lawson Garage | 2,724 | 2019EX00478 | M | 01/23/19 | \$ 150,000 | Distress sale |
| | 8401101 | 640 | 162501-4-080-2003 | Flex-a-Dent & Car Wash | 4,728 | 2019EX08837 | V | 11/23/19 | \$ 1,233,500 | Mixed use, cost approach. |
| | 8100501 | 640 | 3718-019-037-0004 | 893 4th Street - Auto Repair | 2,891 | 2020EX00208 | V | 01/10/20 | \$ 320,000 | Mixed use |
| | 9402401 | 640 | 4505-000-017-0201 | SFR, Repair Shop, and Land | 5,870 | 2020EX01827 | V | 03/24/20 | \$ 300,000 | Mixed use, cost approach. |
| | 8402405 | 559 | 012301-4-030-1005 | Airport Auto Wrecking | 9,000 | 2021EX00785 | E | 12/29/20 | \$ 500,000 | Estate sale. |
| | | 559 | 012301-4-021-1006 | | | | | | | |
| | | 559 | 012301-4-031-1004 | | | | | | | |
| | 8402307 | 640 | 022301-2-050-2001 | Port Orchard Collision & Automotive | 8,162 | 2020EX02356 | V | 04/17/20 | \$ 650,000 | 1031 Exchange |
| | 8401101 | 640 | 092501-3-040-2003 | Garage with apartment | 4,121 | 2017EX03675 | V | 05/14/17 | \$ 380,000 | Mixed use |