



Kitsap County Assessor

Documentation for Countywide Model

Tax Year: 2021 Appraisal Date: 1/1/2020

Property Type: Countywide Retail - Big Box - Large

Updated 5/11/2020 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 2019 tax year.

Property Type Overview

Big Box Retail are buildings typically in excess of 100,000 square feet. They fall into two categories, the fully finished retail stores such as Walmart and Target, and the warehouse discount stores like Lowe's, Home Depot, and Costco. These properties are predominately owner occupied and rarely sell.

Kitsap County has a total of 12 Big Box Retail properties with no vacancies. Recently, two vacant stores have been reconfigured to other sizes and uses.

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: 4.2:1.

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 overall condition is stable.

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 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 12/31/2019. A total of 0 local sales, and 8 regional sales, and 0 national sales were used in the sales analysis. Additional information is provided on the sales analysis data sheet.

Property type: Countywide Retail - Big Box - Large (continued)

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 \$48.42 to \$131.36 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 \$ to \$. We selected \$4.00 to \$11.00 for our model.

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

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

Capitalization Rate (Cap) Data: Typical sale cap rates ranged from 0% to 0%. We selected 7.5% to 8.25% for our model.

Cap rate information was gathered from publications and regional sales information.

Income Model Value Range: The income approach calculates a range of values from \$34.38 to \$118.91 per square foot.

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

Commercial Brokers Association - www.commercialmls.com

Boulder Group

CBRE

KITSAP COUNTY ASSESSOR
TAX YEAR 2021
BIG BOX MODEL DEFINITION

Class	Description	Location	Visibility	Traffic	Lighted Corner
A	Stand-alone concrete shell buildings with new or better quality materials and workmanship. The buildings have minimal partitioning for office and storage areas. Ceilings, walls, and floors have average or fair quality finish and the building has a prominent entrance. (<i>Fred Meyer, Target, Walmart, Poulsbo Home Depot</i>)	High visibility, high traffic count, easy access, typically lighted intersection, multiple access points.	High	High	Yes
B	Newer stand-alone concrete shell buildings with fair to average quality materials and workmanship. The buildings have minimal partitioning for office and storage areas. Ceilings, walls, and floors have average or fair quality finish and the building has a prominent entrance. (<i>Home Depot, Lowe's, Costco</i>)	High visibility, high traffic count, easy access, typically lighted intersection, multiple access points.	Good - High	Average - High	Yes
C	Stand-alone concrete shell buildings with fair to average quality materials and workmanship. The buildings have minimal partitioning for office and storage areas. Ceilings, walls, and floors have average or fair quality finish and the building has a prominent entrance.	Good visibility, average traffic count, easy access, multiple access points.	Average	Average	Possible
D	Older stand-alone concrete shell buildings with fair to average quality materials and workmanship. Standard entrance design, partitioning, and interior finish.	Average visibility, fair to average traffic count	Average	Fair to Average	Possible
E	Stand-alone concrete shell buildings with fair quality materials and workmanship. Minimal entrance design, partitioning, and interior finish, may need significant remodel and/or have functional obsolescence.	Limited visibility, fair traffic count	Fair to Average	Fair	No

Kitsap County Assessor

Tax Year: 2021

Property Type: Retail Countywide

Neighborhood: 0

Rtl Lg	Outside	BigBox-Lg	SA Drug	SupMkt	BigBox-Med
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Class A

Rent	16.50		11.00	29.00	13.00	13.00
Vac %	10.00		8.00	5.00	10.00	10.00
Exp %	6.00		6.00	6.00	6.00	6.00
Cap Rate	7.50		8.00	6.50	7.50	7.50
Market	0.01		0.01	0.01	0.01	0.01

Class B

Rent	13.00		9.25	26.00	11.50	11.50
Vac %	10.00		8.00	5.00	10.00	10.00
Exp %	6.00		6.00	6.00	6.00	6.00
Cap Rate	7.500		8.000	7.000	7.500	7.500
Market	0.01		0.01	0.01	0.01	0.01

Class C

Rent	10.00	6.50	7.65		9.00	9.00
Vac %	10.00	20.00	9.00		10.00	10.00
Exp %	6.00	6.00	6.00		6.00	6.00
Cap Rate	7.75	9.75	8.25		7.75	7.75
Market	0.01	0.01	0.01		0.01	0.01

Class D

Rent	7.25		6.50		6.50	6.50
Vac %	10.00		10.00		10.00	10.00
Exp %	6.00		6.00		6.00	6.00
Cap Rate	8.00		8.50		8.00	8.00
Market	0.01		0.01		0.01	0.01

Class E

Rent	5.50		4.00		4.75	4.75
Vac %	10.00		20.00		10.00	10.00
Exp %	6.00		6.00		6.00	6.00
Cap Rate	8.25		8.75		8.25	8.25
Market	0.01		0.01		0.01	0.01

Kitsap and Other County Sales
Cap Rate and NOI from Public Sources
January 1, 2016 - December 31, 2019

Big Box >100K

County	Account No	Project	Excise	Source	Date	Sale Price	Size	\$/Unit	Cap	NOI
King	'5514000010	Midway Lowes	2832894	Loopnet	11/08/16	\$ 14,115,500	135,041	\$ 104.53		
King	'3523049103	Dania	2781736	Assessor	02/26/16	\$ 10,000,000	100,036	\$ 99.96		
Benton	1-3199-400-0002-005	At Home	147930	Loopnet	12/07/19	\$ 10,450,000	106,238	\$ 98.36	7.12%	\$ 7.00
Island	R13203-211-4510	Walmart-Oak Harbor	41514	Loopnet	12/13/19	\$ 4,575,000	101,703	\$ 44.98	4.88%	\$ 2.20
Pierce	407521-0614 (Multiple Parcels)	McClendons	4478223	Loopnet	08/30/18	\$ 11,400,000	86782	\$ 131.36	6.26%	\$ 8.22
Skagit	P26247	Lowe's Mount Vernon	20181419	Loopnet	04/08/18	\$ 16,991,453	137472	\$ 123.60	5.85%	\$ 7.23
Walla Walla	360730580022	Shopko Walla Walla	132043	Loopnet	03/15/17	\$ 6,643,357	83,211	\$ 79.84	7.66%	\$ 6.12
Whatcom	380212560360	former Costco - Bellingham	213571	CBA	07/21/17	\$ 6,500,000	133,149	\$ 48.82		

Big Box Medium 40K-75K

County	Account No	Project	Excise	Source	Date	Sale Price	Size	\$/Unit	Cap	NOI
King	2725059172	former 24 Hour Fitness	2790792	CBA	04/18/16	\$ 6,750,000	43,299	\$ 155.89		
Pierce	'0319332035	Kmart	4422372	Kidder Mathews	01/27/17	\$ 2,800,000	55,552	\$ 50.40		
Pierce	032031-1056	Building Shell/Vacant	4487138	Loopnet	12/20/18	\$ 5,900,000	50,187	\$ 117.56		
Pierce	2320000082	Best Buy-Tacoma	4493239	Kidder Mathews	03/12/19	\$ 6,056,000	46,592	\$ 129.98	6.85%	\$ 8.90
Whatcom	4003191371900000	Tractor Supply	204459	Kidder Mathews	08/15/16	\$ 4,057,000	47,503	\$ 85.41	6.00%	\$ 5.12
Whatcom	380213-328008-000	Big Lots-Bellingham	219203	Loopnet	02/23/18	\$ 2,000,000	41,261	\$ 48.47	13.42%	\$ 6.50
Whatcom	3802125133090000	Best Buy/TJ Maxx/Bed Bath	226117	CBA	10/29/18	\$ 22,500,000	188,885	\$ 119.12	9.54%	\$ 11.36

Supermarkets

County	Account No	Project	Excise	Source	Date	Sale Price	Size	\$/Unit	Cap	NOI
Clallam	0630105091000000	former Albertson's	112920	Assessor	09/18/17	\$ 1,716,000	47,287	\$ 36.29		
Clallam	0630990069100000	Safeway Port Angeles	115913	Loopnet	06/04/18	\$ 17,950,000	55,164	\$ 325.39	5.52%	\$ 17.95
King	9517600010	Country Market	2820467	Assessor	08/30/16	\$ 4,500,000	39,973	\$ 112.58		
King	332205-9135	Safeway Kent	2967297	Kidder Mathews	12/19/18	\$ 17,900,000	61,313	\$ 291.94	5.76%	\$ 16.82
Kitsap	142601-4-114-2004	Safeway Poulsbo	2018EX07469	Loopnet	09/18/18	\$ 17,300,000	62,854	\$ 275.24	5.45%	\$ 15.00
Pend Oreille	463118-52-0004	Newport Safeway	7973	Loopnet	09/17/18	\$ 2,100,000	41,222	\$ 50.94	5.72%	\$ 2.91
Pierce	0420041184	Albertson's	4404391	Assessor	07/18/16	\$ 8,795,000	53,880	\$ 163.23		
Pierce	5002320020	former Haggen Grocery	4393698C	Loopnet	03/15/16	\$ 8,904,910	49,896	\$ 178.47		
Pierce	7470021611	former Haggen Grocery	4412571	Loopnet	10/06/16	\$ 5,600,000	44,647	\$ 125.43		
Snohomish	27033600107701	PCC-Organic Foods	1124902	Assessor	01/26/17	\$ 2,900,000	34,393	\$ 84.32		
Snohomish	00804000000101	former Albertson's	1131418	Assessor	04/21/17	\$ 3,200,000	46,963	\$ 68.14		
Snohomish	27070600200900	Albertson's	1124855	Assessor	01/16/17	\$ 4,468,960	54,269	\$ 82.35		
Snohomish	30050900302800	Former Albertson's	1159539	Assessor	02/15/18	\$ 2,000,000	50,826	\$ 39.35		
Snohomish	30050900302800	Former Albertson's	1175845	Assessor	08/21/18	\$ 6,500,000	50,826	\$ 127.89		
Snohomish	00717300000200	Safeway	1169849	Kidder Mathews	06/21/18	\$ 13,142,000	60,536	\$ 217.09	5.52%	\$ 11.98
Snohomish	00582101401700	Safeway	1161117	Assessor	03/08/18	\$ 13,325,000	47,513	\$ 280.45		
Thurston	11817131903	Safeway Olympia	389100	Kidder Mathews	08/31/18	\$ 10,800,000	58,670	\$ 184.08	5.82%	\$ 10.71
Thurston	11822220600	Safeway Lacey	388887	Kidder Mathews	08/17/18	\$ 7,150,000	43,329	\$ 165.02	5.40%	\$ 8.91
Yakima	181436-21442	Save On Foods	452319	Assessor	11/05/18	\$ 2,075,000	42,300	\$ 49.05		

Drug Stores

County	Account No	Project	Excise	Source	Date	Sale Price	Size	\$/Unit	Cap	NOI
Benton	275686	Rite Aid	135356	Loopnet	05/30/18	\$ 5,050,000	16,752	\$ 301.46	6.57%	\$ 19.81
Benton	111983020403003	Rite Aid Richland	141085	Loopnet	02/28/19	\$ 4,900,000	17,493	\$ 280.11	6.88%	\$ 19.27
Clark	157503003	Walgreens Vancouver	760952	Loopnet	02/15/17	\$ 6,400,000	14,820	\$ 431.85	5.28%	\$ 22.80
Grays Harbor	052209000100	Rite Aid - Hoquiam	E236913	Loopnet	02/07/20	\$ 7,500,000	17,339	\$ 432.55	7.52%	\$ 32.53
King	320380-0005	Bartell Drugs	2853142	Loopnet	03/14/17	\$ 4,100,000	12,480	\$ 328.53	6.27%	\$ 20.60
King	122800-0044	Walgreen's	2853550	Kidder Mathews	03/15/17	\$ 5,500,000	13,905	\$ 395.54	6.18%	\$ 24.44
Kitsap	272702-2-044-2006	Rite-Aid Kingston	2019EX01042	Kidder Mathews	02/25/19	\$ 6,000,000	18,187	\$ 329.91	7.49%	\$ 24.71
Kitsap	232601-1-154-2000	CVS Pharmacy	2019EX07473	Loopnet	10/08/19	\$ 8,895,000	14,500	\$ 613.45	5.00%	\$ 30.67
Pierce	031909-3019	Walgreen's	4496330	Loopnet	04/15/19	\$ 5,300,000	13,905	\$ 381.16	6.02%	\$ 22.95
Snohomish	280530-004-068-00	Walgreen's Everett	E063919	Loopnet	03/11/16	\$ 4,150,000	13,771	\$ 301.36	7.71%	\$ 23.23
Snohomish	00585300001803	CVS Pharmacy	1149410	Assessor	09/27/17	\$ 9,682,737	14,224	\$ 680.73		
Snohomish	00373700500301	Walgreen's	1151826	Assessor	10/31/17	\$ 4,900,000	14,977	\$ 327.17		
Snohomish	00374300100101	Bartell's	1185448	Kidder Mathews	01/04/19	\$ 6,575,000	16,328	\$ 402.68	6.21%	\$ 25.01
Snohomish	30061300406400	Rite Aid - Granite Falls	1204169	Loopnet	09/03/19	\$ 7,147,508	17,272	\$ 413.82	7.12%	\$ 29.46
Whatcom	3803314491000000	Walgreen's Bellingham	201969	Kidder Mathews	05/01/16	\$ 8,195,000	14,490	\$ 565.56	5.43%	\$ 30.71

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	09/17/19	\$ 3,775,000	26,030	\$ 145.02	7.68%	\$ 11.14
Island	S7600-00-00008-0	Big 5 - Oak Harbor	39807	CBA	07/25/19	\$ 2,070,000	10,000	\$ 207.00	8.16%	\$ 16.89
King	042104-9110	Safeway Federal Way	2967928	Kidder Mathews	12/19/18	\$ 7,650,000	25,780	\$ 296.74	5.27%	\$ 15.64
King	953820-0030	Grocery Outlet/Dollar Tree	2967126	Loopnet	12/14/18	\$ 4,065,000	43,374	\$ 93.72	6.90%	\$ 6.47
Kitsap	362401-3-081-2001	Staples-Port Orchard	2019EX04417	Loopnet	06/28/19	\$ 2,394,000	23,940	\$ 100.00	9.50%	\$ 9.50
Kittitas	183134	Vacant	2019-684	Loopnet	06/23/17	\$1,570,000.00	25438	\$ 61.72		
Skagit	P106653	Goodwill	20173309	Assessor	05/01/17	\$ 1,475,000	19,992	\$ 73.78		
Skagit	P106656	United Furniture Warehouse	20193276	Loopnet	07/30/19	\$ 2,525,000	21,250	\$ 118.82	7.60%	\$ 9.03
Snohomish	'00518000002100	Petco	1107892	Kidder Mathews	07/11/16	\$ 4,745,000	11,552	\$ 410.75	5.97%	\$ 24.52
Snohomish	'32041900311100	Petco & Grocery Outlet	1116340	Assessor	09/28/16	\$ 8,300,000	28,702	\$ 289.18		
Snohomish	'00393000000500	O'Reilly Auto Parts	1125638	Kidder Mathews	02/06/17	\$ 3,250,000	17,712	\$ 183.49		
Snohomish	005219005000600	Mountlake Terrace Market	1116987	Kidder Mathews	10/17/16	\$ 2,500,000	27,590	\$ 90.61		
Snohomish	00513800010202	Value Village	1175237	Kidder Mathews	08/10/18	\$ 4,663,000	22,810	\$ 204.43	6.24%	\$ 12.76
Stevens	11380	Colville Grocery Outlet	22166	Loopnet	08/01/19	\$3,795,000	26750	\$ 141.87	7.63%	\$ 10.82
Whatcom	3802125004110000	Petsmart	206487	Kidder Mathews	10/24/16	\$ 4,353,000	25,272	\$ 172.25		
Whatcom	3803180565420000	Petco-Bellingham	221643	Kidder Mathews	05/01/18	\$ 3,991,835	12,096	\$ 330.01	6.80%	\$ 22.44

Active Sale Listing Information

Big Box >100K

County	Account No	Project	Source	Date	Asking Price	Size	\$/Unit	Cap	NOI
King	182305-9118	McLendon Renton	Loopnet 17277907	09/24/19	\$18,380,435	117830	\$ 155.99	5.75%	\$8.97

Big Box Medium 40K-75K

County	Account No	Project	Source	Date	Asking Price	Size	\$/Unit	Cap	NOI
Clark	155138-000	Big Lots	Loopnet 17555582	10/25/19	\$6,957,000	48066	\$ 144.74	5.75%	\$8.32
Pierce	041903-7005	At Home & 24 Hour Fitness	Loopnet 15879640	04/26/19	\$24,530,000	124435	\$ 197.13	6.25%	\$12.32
Pierce	704500-0371	Big Lots Tacoma	Loopnet 17569293	10/28/19	\$4,740,000	43327	\$ 109.40	5.94%	\$6.50
Pierce	022135-8002	McLendon Tacoma	Loopnet 17277838	09/24/19	\$6,722,323	66572	\$ 100.98	5.75%	\$5.81
Snohomish	003929-005-008-00	Big Lots	Loopnet 17573170	10/28/19	\$6,174,000	44423	\$ 138.98	5.75%	\$7.99

Supermarket

County	Account No	Project	Source	Date	Asking Price	Size	\$/Unit	Cap	NOI
Thurston	59320000100	Safeway Lacey	Loopnet 17259834	09/21/19	\$16,922,628	56199	\$ 301.12	5.25%	\$15.81

Standalone Drug

County	Account No	Project	Source	Date	Asking Price	Size	\$/Unit	Cap	NOI
Clark	162948-000	Walgreens	Loopnet 17055627	08/28/19	\$6,335,652	14820	\$ 427.51	5.75%	\$24.58
Kitsap	022301-1-068-2003	Rite Aid Port Orchard	Loopnet 17171074	09/11/19	\$6,019,419	16740	\$ 359.58	6.50%	\$23.37
Kitsap	272702-2-044-2006	Rite Aid Kingston	Loopnet 17540882	10/27/19	\$6,256,557	17272	\$ 362.24	7.00%	\$25.36
Snohomish	00518-000-022-02	Walgreens	Loopnet 17341033	10/01/19	\$9,618,000	15361	\$ 626.13	5.75%	\$36.00
Snohomish	320419-003-092-00	Rite Aid Stanwood	Loopnet 17171112	09/11/19	\$5,904,489	16750	\$ 352.51	6.50%	\$22.91
Spokane	25121.4413	Walgreens - Spokane	Loopnet 18340192	01/29/20	\$7,941,000	15120	\$ 525.20	5.95%	\$31.25
Whatcom	400106-317420-0000	Rite Aid Blaine	Loopnet 15800774	10/23/19	\$7,912,262	17340	\$ 456.30	6.50%	\$29.66
Whatcom	400330-022524-0000	Rite Aid Lynden	Loopnet 17073020	08/22/19	\$8,750,000	17579	\$ 497.75	7.81%	\$38.87

Retail-Large 10K-40K

County	Account No	Project	Source	Date	Asking Price	Size	\$/Unit	Cap	NOI
Clark	110390-000	Office Max/Sola Salons	Loopnet 16867717	08/09/19	\$6,650,000	29761	\$ 223.45	6.49%	\$14.50
King	312305-9014	Harbor Freight Tools	Loopnet 17303048	09/26/19	\$6,219,000	15600	\$ 398.65	5.65%	\$22.52
Kitsap	162501-4-110-2007	Bucklin Place Tractor Supply & Lg Retail	CBA 613576	09/06/19	\$10,345,000	59026	\$ 175.26	6.25%	\$10.95
Kitsap	362401-2-047-2006	BO Ace Hdw/New 2 You	Loopnet 15106609	05/21/19	\$10,800,000	146964	\$ 73.49	8.19%	\$6.02
Lewis	005605-096-000	Staples - Chehalis	Loopnet 14323267	11/07/18	\$2,784,000	23524	\$ 118.35	8.97%	\$10.62
Pierce	042024-3107	McLendon Hardware	Loopnet 17397459	10/08/19	\$10,771,677	34400	\$ 313.13	6.00%	\$18.79
Snohomish	00564100000603	Retail Showroom & Warehouse	CBA 609978	03/28/19	\$5,500,000	25476	\$ 215.89		
Spokane	23072.0099	Grocery Outlet	Loopnet 17048779	08/29/19	\$6,354,000	16456	\$ 386.12	6.00%	\$23.17
Thurston	09080088101	Smart Foodservice	Loopnet 15106690	02/07/19	\$5,740,000	20000	\$ 287.00	5.40%	\$15.50
Wahkiakum	10806340001	Dollar General	Loopnet 17702002	11/02/19	\$2,312,974	9100	\$ 254.17	5.75%	\$14.61
Whatcom	P23561	Big 5	Loopnet 17329312	09/30/19	\$3,400,000	15099	\$ 225.18	7.25%	\$16.33
Yakima	191332-24409	PetSmart	Loopnet 16630905	07/16/19	\$2,730,000	19495	\$ 140.04	8.25%	\$11.55