



Kitsap County Assessor

Documentation for Countywide Model

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

Property Type: Countywide Retail - Standalone Drug Store

Updated 5/6/2024 by CM10

Area Overview

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

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

Kitsap County has 10 standalone drug stores.

Property Type Overview

A standalone drug store is a good quality single tenant building with approximately 14,500 square feet to 18,000 square feet in size. Situated at high traffic lighted intersections they command some of the best commercial locations available in Kitsap County. Drug store tenants in attached units associated with shopping centers are valued using the Retail Large Single Tenant model.

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: 5.3:1.

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: This property type typically remains occupied for the economic life of the building.

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 3 sales resulted in a mean ratio of 91%, a median ratio of 91%, and a coefficient of dispersion (COD) of 2.52.

Market/Sales Comparison Approach Data and Analysis

Sales: Range of Sale Dates: 1/1/2019 to 12/31/2023. A total of 3 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.

Property type: Countywide Retail - Standalone Drug Store (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 \$329.91 to \$440.02 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 20% of the market. Typical reported rents had a range of \$23.37 to \$30.28. We selected \$25.99 to \$29.00 for our model.

Vacancy Data: Typical reported vacancy had a range of 0% to 0%. We selected 5% to 5% 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 6.81% to 7.49%. We selected 7% to 7.5% for our model.

Income Model Value Range: The income approach calculates a range of values from \$309.45 to \$369.96 per square foot.

Final Ratio Analysis: Analysis of 3 sales resulted in a mean ratio of 91%, a median ratio of 91%, and a coefficient of dispersion (COD) of 2.52.

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 Countywide

Neighborhood: 0

	Rtl>10K	Outside	BigBox-Lg	SA Drug	SupMkt	BigBox-Med
Class A						
Rent	16.50		9.62	29.00	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	7.00	6.50	6.50
Market	0.01		0.01	0.01	0.01	0.01
Class B						
Rent	13.52		8.38	25.99	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	7.500	6.750	6.750
Market	0.01		0.01	0.01	0.01	0.01
Class C						
Rent	10.02		6.96		8.13	8.13
Vac %	10.00		9.00		10.00	10.00
Exp %	6.00		6.00		6.00	6.00
Cap Rate	6.75		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	5.50		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 2025
Local Income Survey for SA Drug

PGI/Unit	Vacancy	EGI_per_Unit	Expense_percent	NOI_per_Unit
\$ 30.28	0%	\$ 30.28	0%	\$ 30.28
\$ 29.97	0%	\$ 29.97	0%	\$ 29.97
\$ 28.32	0%	\$ 28.32	0%	\$ 28.32
\$ 24.98	0%	\$ 24.98	0%	\$ 24.98
\$ 23.98	0%	\$ 23.98	0%	\$ 23.98
\$ 23.37	0%	\$ 23.37	0%	\$ 23.37

Tax Year 2025
Countywide Retail Large Single-Tenant, Standalone Drug Stores, Big Box Medium, and Supermarkets
Sales from 01/01/2019 through 12/31/2023

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	8400302	590	272702-2-044-2006	Rite Aid - Kingston	B	Drug	18,187	2019EX01042	V	02/25/2019	\$6,000,000		\$5,628,045	\$ -	\$5,628,045	94%
2	8100502	590	3777-006-009-0003	Rite Aid - Kitsap Way	A	Drug	17,272	2019EX09169	V	12/16/2019	\$7,600,000		\$6,389,900	\$214,950	\$6,604,850	87%
3	8400302	590	272702-2-044-2006	Rite Aid - Kingston	B	Drug	18,187	2021EX01427	V	03/02/2021	\$6,168,437		\$5,628,045		\$5,628,045	91%

Drug Store	Count	3
	Low	87%
	High	94%
	Median	91%
	Mean	91%
	AAD	0.02298276
	COD	2.52

Active Sale Listing Information

Stand Alone Drug

County	Account No	Project	Source	Date	Asking Price	Size	\$/Unit	Cap	NOI
Clark	162948-000	Walgreens	Loopnet 17055627	08/28/2019	\$6,335,652	14820	\$427.51	5.75%	\$24.58
Clark	165447000	Walgreens-Vancouver	CBA 10975475	04/14/2021	\$6,750,000	13610	\$495.96	5.60%	\$27.77
Clark	164346000	Rite Aid - Vancouver	CBA 10970265	06/30/2021	\$6,220,000	17272	\$360.12	7.00%	\$25.21
Snohomish	004379-363-010-00	Bartell Drugs	Loopnet 24636692	12/09/2021	\$5,815,000	15137	\$384.16	5.50%	\$21.13
Snohomish	320419-003-092-00	Rite Aid Stanwood	Loopnet 17171112	09/11/2019	\$5,904,489	16750	\$352.51	6.50%	\$22.91
Whatcom	400330-022524-0000	Rite Aid Lynden	Loopnet 17073020	08/22/2019	\$8,750,000	17579	\$497.75	7.81%	\$38.87
	P32947	Walgreens - Anacortes	Loopnet 25195485	03/07/2022	\$7,130,435	14257	\$500.14	5.75%	\$28.76
Kitsap	172501-4-041-2000	Walgreens Silverdale	Loopnet 25368851	01/31/23	\$6,855,484	14490	\$473.12	4.65%	\$22.00

Other County Closed Sales with Cap Rates from Listing Information

Stand Alone Drug

County	Account No	Project	Excise	Source	Date	Sale Price	Size	\$/Unit	Cap	NOI
Benton	111983020403003	Rite Aid Richland	141085	Loopnet	02/28/2019	\$4,900,000	17,493	\$280.11	6.88%	\$19.27
Grays Harbor	052209000100	Rite Aid - Hoquiam	E236913	Loopnet	02/07/2020	\$7,500,000	17,339	\$432.55	7.52%	\$32.53
Pierce	031909-3019	Walgreen's	4496330	Loopnet	04/15/2019	\$5,300,000	13,905	\$381.16	6.02%	\$22.95
Snohomish	'0051800002202	Walgreens	1215922	Loopnet 17341033	02/13/2020	\$9,550,000	15361	\$621.70	5.79%	\$36.00
Snohomish	00374300100101	Bartell's	1185448	Kidder Mathews	01/04/2019	\$6,575,000	16,328	\$402.68	6.21%	\$25.01
Snohomish	30061300406400	Rite Aid - Granite Falls	1204169	Loopnet	09/03/2019	\$7,147,508	17,272	\$413.82	7.12%	\$29.46