



Kitsap County Assessor

Documentation for Countywide Model

Tax Year: 2023 Appraisal Date: 1/1/2022

Property Type: Warehouse - Flex Warehouse

Updated 4/25/2022 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

Flex warehouses allow for a wide range of office/retail and warehouse uses. Flex buildings are usually multi-tenant buildings with units ranging between 1,000 sqft and 5,000 sqft. They have a lower ceiling height than typical warehouses, but have both a man door and an overhead door for access. Small, standalone warehouse buildings are also included in this property type.

There are 139 parcels developed with flex warehouse. Additional parcels use this income model may have a mixture of regular warehouse, retail, and/or office spaces.

Land to Building Ratio: The national land to building ratio for this property type is 3:1. 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: A total of 9 sales occurred in 2021, with 3 sales being valid for analysis purposes.

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 16 sales resulted in a mean ratio of 107%, a median ratio of 106%, and a coefficient of dispersion (COD) of 4.56.

Market/Sales Comparison Approach Data and Analysis

Sales: Range of Sale Dates: 1/1/2017 to 12/31/2021. A total of 16 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: Warehouse - Flex Warehouse (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 \$49.75 to \$206.16 per square foot.

Sales were reviewed countywide, but income models were developed for the following areas: Bainbridge Island, Kington & Poulsbo/North Kitsap, Silverdale, Bremerton, Port Orchard/South Kitsap.

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 29% of the market. Typical reported rents had a range of \$3 to \$42. We selected \$3.50 to \$15.76 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 21% to 45%. We selected 6% to 6% for our model.

Capitalization Rate (Cap) Data: Typical sale cap rates ranged from 6.33% to 9.5%. We selected 6.75% to 8.25% for our model.

Income Model Value Range: The income approach calculates a range of values from \$35.89 to \$208.5 per square foot.

Final Ratio Analysis: Analysis of 16 sales resulted in a mean ratio of 93%, a median ratio of 93%, and a coefficient of dispersion (COD) of 5.86.

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: 2023

Property Type: Warehouse 2

Neighborhood: 81005XX,

Flex<30	Flex>30	Flex<30 BI	Flex>30 BI		
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Class A

Rent	8.56	12.05				
Vac %	10.00	15.00				
Exp %	6.00	6.00				
Cap Rate	6.75	6.75				
Market	0.01	0.01				

Class B

Rent	6.76	10.74				
Vac %	10.00	15.00				
Exp %	6.00	6.00				
Cap Rate	7.000	7.000				
Market	0.01	0.01				

Class C

Rent	5.37	7.83				
Vac %	10.00	15.00				
Exp %	6.00	6.00				
Cap Rate	7.25	7.25				
Market	0.01	0.01				

Class D

Rent	4.24	6.15				
Vac %	10.00	15.00				
Exp %	6.00	6.00				
Cap Rate	7.50	7.50				
Market	0.01	0.01				

Class E

Rent	3.50	4.50				
Vac %	10.00	15.00				
Exp %	6.00	6.00				
Cap Rate	8.25	8.25				
Market	0.01	0.01				

Kitsap County Assessor

Tax Year: 2023

Property Type: Warehouse 2

Neighborhood: 084002XX, 84015XX 83036XX

84003XX

Flex<30	Flex>30	Flex<30 BI	Flex>30 BI		
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Class A

Rent	10.36	12.12	12.81	15.76		
Vac %	10.00	15.00	5.00	5.00		
Exp %	6.00	6.00	6.00	6.00		
Cap Rate	6.75	6.75	6.75	6.75		
Market	0.01	0.01	0.01	0.01		

Class B

Rent	7.89	10.41	9.78	13.54		
Vac %	10.00	15.00	5.00	5.00		
Exp %	6.00	6.00	6.00	6.00		
Cap Rate	6.750	6.750	6.750	6.750		
Market	0.01	0.01	0.01	0.01		

Class C

Rent	6.47	7.85	8.05	10.19		
Vac %	10.00	15.00	5.00	5.00		
Exp %	6.00	6.00	6.00	6.00		
Cap Rate	7.25	7.25	7.25	7.25		
Market	0.01	0.01	0.01	0.01		

Class D

Rent	5.11	6.19	6.34	8.04		
Vac %	10.00	15.00	10.00	15.00		
Exp %	6.00	6.00	6.00	6.00		
Cap Rate	7.50	7.50	7.50	7.50		
Market	0.01	0.01	0.01	0.01		

Class E

Rent	3.82	4.58	4.97	5.95		
Vac %	10.00	15.00	10.00	15.00		
Exp %	6.00	6.00	6.00	6.00		
Cap Rate	8.25	8.25	8.25	8.25		
Market	0.01	0.01	0.01	0.01		

Kitsap County Assessor

Tax Year: 2023

Property Type: Warehouse 2

Neighborhood: 84011XX

Flex<30	Flex>30	Flex<30 BI	Flex>30 BI		
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Class A

Rent	12.13	14.92				
Vac %	10.00	15.00				
Exp %	6.00	6.00				
Cap Rate	6.75	6.75				
Market	0.01	0.01				

Class B

Rent	9.25	12.81				
Vac %	10.00	15.00				
Exp %	6.00	6.00				
Cap Rate	6.750	6.750				
Market	0.01	0.01				

Class C

Rent	7.62	9.63				
Vac %	10.00	15.00				
Exp %	6.00	6.00				
Cap Rate	7.25	7.25				
Market	0.01	0.01				

Class D

Rent	6.01	7.59				
Vac %	10.00	15.00				
Exp %	6.00	6.00				
Cap Rate	7.50	7.50				
Market	0.01	0.01				

Class E

Rent	4.69	5.63				
Vac %	10.00	15.00				
Exp %	6.00	6.00				
Cap Rate	8.25	8.25				
Market	0.01	0.01				

Kitsap County Assessor

Tax Year: 2023

Property Type: Warehouse 2

Neighborhood: 84023XX

Flex<30	Flex>30	Flex<30 BI	Flex>30 BI		
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Class A

Rent	11.88	14.60				
Vac %	10.00	10.00				
Exp %	6.00	6.00				
Cap Rate	6.75	6.75				
Market	0.01	0.01				

Class B

Rent	9.03	12.51				
Vac %	10.00	15.00				
Exp %	6.00	6.00				
Cap Rate	6.750	6.750				
Market	0.01	0.01				

Class C

Rent	7.46	9.42				
Vac %	10.00	15.00				
Exp %	6.00	6.00				
Cap Rate	7.25	7.25				
Market	0.01	0.01				

Class D

Rent	5.87	7.42				
Vac %	10.00	15.00				
Exp %	6.00	6.00				
Cap Rate	7.50	7.50				
Market	0.01	0.01				

Class E

Rent	4.59	5.51				
Vac %	10.00	15.00				
Exp %	6.00	6.00				
Cap Rate	8.25	8.25				
Market	0.01	0.01				

Kitsap County Assessor
Tax Year 2023
Local Income Survey for Warehouse 2

PGI per Unit	Vacancy	EGI per Unit	Expense %	NOI per Unit
\$60.00	0%	\$60.00	0%	\$60.00
\$22.18	0%	\$22.18	0%	\$22.18
\$20.13	0%	\$20.13	0%	\$20.13
\$19.50	0%	\$19.50	0%	\$19.50
\$19.19	0%	\$19.19	0%	\$19.19
\$18.75	0%	\$18.75	0%	\$18.75
\$18.63	0%	\$18.63	0%	\$18.63
\$17.68	0%	\$17.68	0%	\$17.68
\$16.80	0%	\$16.80	0%	\$16.80
\$16.80	0%	\$16.80	0%	\$16.80
\$16.20	0%	\$16.20	0%	\$16.20
\$16.13	0%	\$16.13	0%	\$16.13
\$15.62	0%	\$15.62	23%	\$11.99
\$15.28	17%	\$12.62	37%	\$7.93
\$15.00	0%	\$15.00	0%	\$15.00
\$13.49	0%	\$13.49	0%	\$13.49
\$13.22	0%	\$13.22	0%	\$13.22
\$12.80	0%	\$12.80	0%	\$12.80
\$12.15	0%	\$12.15	0%	\$12.15
\$12.00	0%	\$12.00	0%	\$12.00
\$12.00	0%	\$12.00	0%	\$12.00
\$11.32	0%	\$11.32	21%	\$8.92
\$11.27	0%	\$11.27	0%	\$11.27
\$11.25	0%	\$11.25	0%	\$11.25
\$11.21	0%	\$11.21	0%	\$11.21
\$11.07	0%	\$11.07	0%	\$11.07
\$10.29	0%	\$10.29	21%	\$8.10
\$10.18	0%	\$10.18	0%	\$10.18
\$10.14	0%	\$10.14	0%	\$10.14
\$9.98	0%	\$9.98	0%	\$9.98
\$9.82	0%	\$9.82	0%	\$9.82
\$9.82	0%	\$9.82	0%	\$9.82
\$9.69	0%	\$9.69	0%	\$9.69
\$9.58	0%	\$9.58	0%	\$9.58
\$9.00	0%	\$9.00	0%	\$9.00

Local Income Survey for Warehouse 2

\$8.76	0%	\$8.76	0%	\$8.76
\$8.61	0%	\$8.61	0%	\$8.61
\$8.53	0%	\$8.53	0%	\$8.53
\$8.47	0%	\$8.47	0%	\$8.47
\$8.16	0%	\$8.16	0%	\$8.16
\$8.08	0%	\$8.08	0%	\$8.08
\$7.88	0%	\$7.88	26%	\$5.82
\$6.80	0%	\$6.80	0%	\$6.80
\$6.60	0%	\$6.60	0%	\$6.60
\$6.00	0%	\$6.00	0%	\$6.00

KITSAP COUNTY ASSESSOR
Tax Year 2023
Flex Warehouse >30 and Flex Warehouse <30 - Countywide Sales
Sales from 01/01/2017 - 12/31/2021

Bremerton																			Trend		5%	
No.	Nbrhd	Parcel ID	LRSN	Business Name	RC	PC	Excise	Valid	Sale Dt	Price	Trended Price	Units	Price per Unit	Trended Price per Unit	Income Model	2023 Value	Ratio	Trended Ratio				
1	8100502	212401-2-127-2006	2039626	Blanchard Auto Electric	C	630	2018EX08438	V	10/24/2018	\$310,000	\$359,515	3960	\$ 78.28	\$ 90.79	Flex	\$323,530	1.04	.90				
2	8100502	222401-2-109-2007	2538684	Air Data Express Whse Arsenal Way	B	630	2019EX06608	V	8/29/2019	\$1,200,000	\$1,340,877	14660	\$ 81.86	\$ 91.46	Flex	\$1,157,370	.96	.86				
3	8100504	4502-019-022-0009	1674068	Whse - 611 National	C	630	2019EX08222	V	11/4/2019	\$150,000	\$166,233	1000	\$ 150.00	\$ 166.23	Cost	\$164,430	1.10	.99				
4	8100502	162401-4-090-2002		Ootopia Coffee on Kitsap Way	C	630	2021EX04206	V	6/1/2021	\$156,395	\$156,395	2751	\$ 56.85	\$ 56.85	Cost	\$165,050	1.06	1.06				
																	Count:	4	4			
																	Median Ratio:	1.05	0.94			
																	Mean	1.04	0.95			
																	AAD	0.04	0.07			
																	C.O.D.:	3.42	7.45			

East Bremerton										Trend 5%									
No.	Nbrhd	Parcel ID	LRSN	Business Name	RC	PC	Excise	Valid	Sale Dt	Price	Trended Price	Units	Price per Unit	Trended Price per Unit	Income Model	2023 Value	Ratio	Trended Ratio	
1	8401508	352501-1-130-2006	2607554	2 tenant bldg, Dawn Rd	E	630	2019EX00686	V	1/30/2019	\$125,000	\$143,288	2880	\$ 43.40	\$ 49.75	Flex	112,820	1.20	1.05	
															Excess Land	37,350			
																	Count:	1	1
																	Median Ratio:	1.20	1.05
																	Mean	1.20	1.05
																	AAD	0.00	0.00
																	C.O.D.:	0.00	0.00

Bainbridge																			Trend		5%	
No.	Nbrhd	Parcel ID	LRSN	Business Name	RC	PC	Excise	Valid	Sale Dt	Price	Trended Price	Units	Price per Unit	Trended Price per Unit	Income Model	2023 Value	Ratio	Trended Ratio				
1	8303601	8207-001-004-0008	2593788	Bldg A Unit 4	B	503	2017EX02893	V	4/8/2017	\$185,000	\$228,842	1,116	\$ 165.77	\$ 205.06	Flex	\$173,860	.94	.76				
3	8303601	092502-1-040-2006		Tristrata Group Warehouse	C	637	2021EX01756	V	3/8/2021	\$2,000,000	\$2,000,000	6,400	\$ 98.04	\$ 98.04	Flex	\$571,120	1.01	1.01				
												14,000			Whse>30	\$1,446,660						
					C																	
																	Count:	2	2			
																	Median Ratio:	0.97	0.88			
																	Mean	0.97	0.88			
																	AAD	0.03	0.10			
																	C.O.D.:	3.55	11.81			

Poulsbo & North Kitsap										Trend 5%								
No.	Nbrhd	Parcel ID	LRSN	Business Name	RC	PC	Excise	Valid	Sale Dt	Price	Trended Price	Units	Price per Unit	Trended Price per Unit	Income Model	2023 Value	Ratio	Trended Ratio
1	8400202	102601-1-009-2002	1328574	NK Auto Rebuild, Chico Towing		910	2017EX07220	D	9/12/2017	\$1,000,000	\$1,215,479	7,360	\$ 135.87	\$ 165.15	Land	168,240	1.07	.88
		102601-1-010-2009	1328582		B	630									Flex <30	727,810		
			1328582		B										Excess Land	173,870		

2	8400203	8195-000-005-0003	2513133	Bovela #5 Kitsap Aikido	B	503	2017EX06309	V	8/10/2017	\$162,500	\$198,250	1,584	\$ 102.59	\$ 125.16	Flex <30	156,640	.96	.79
3	8400204	312602-2-023-2006	2260677	Units G1 & G2	B	630	2018EX01438	D	2/22/2018	\$648,000	\$773,162	3,600	\$ 90.00	\$ 107.38	Flex <30	356,000	1.10	.92
		312602-2-024-2005	2260685	Units H1 & H2	B	630						3,600			Flex <30	356,000		
4	8400302	292702-3-078-2001	2558708	Cutting Edge - Warehouses Bond Rd	B	630	2018EX04941	V	6/19/2018	\$2,100,000	\$2,471,959	23,200	\$ 90.52	\$ 106.55	Flex <30	2,294,370	1.09	.93
5	8400203	8195-000-001-0007	2513091	Bovela Building Condominium	B	503	2019EX05477	D	7/30/2019	\$440,000	\$493,463	1,606	\$ 90.91	\$ 101.96	Flex <30	158,820	1.09	.97
		8195-000-002-0006	2513109		B	503						1,617			Flex <30	159,900		
		8195-000-003-0005	2513117		B	503						1,617			Flex <30	159,900		
8	8400203	8195-000-004-0004		Bovela Unit 4	B	503	2021RC06337	V	7/23/2021	\$172,000	\$172,000	1,628	\$ 105.65	\$ 105.65	Flex <30	160,980	.94	.94
Count: 66 Median Ratio: 1.080.92 Mean 1.040.90 AAD 0.050.04 C.O.D.: 4.784.38																		

Silverdale																		
Trend 5%																		
No.	Nbrhd	Parcel ID	LRSN	Business Name	RC	PC	Excise	Valid	Sale Dt	Price	Trended Price	Units	Price per Unit	Trended Price per Unit	Income Model	2023 Value	Ratio	Trended Ratio
1	8401104	192501-2-028-2009	2564599	Flex Warehouse		630	2017EX04098	D	6/1/2017	\$503,000	\$618,483	3000	\$ 167.67	\$ 206.16	Flex	347,790	1.27	1.03
		192501-2-027-2000		Land		910						Land			91,270			
		192501-2-026-2001		Land		910						Land			97,860			
		192501-2-025-2002		Land		910						Land			101,400			
																	Count: 1	1
																	Median Ratio: 1.27	1.03
																	Mean 1.27	1.03
																	AAD 0.00	0.00
																	C.O.D.: 0.00	0.00

South Kitsap										Trend 5%									
No.	Nbrhd	Parcel ID	LRSN	Business Name	RC	PC	Excise	Valid	Sale Dt	Price	Trended Price	Units	Price per Unit	Trended Price per Unit	Income Model	2021 Value	Ratio	Trended Ratio	
1	8402305	5392-000-009-0006	2337848	Port Orchard Industrial Park- Warehouse at PO Ind Park	B	637	2016EX01210	V	2/26/2016	\$835,000	\$1,079,438	9384	\$ 88.98	\$ 115.03	Flex	1,062,040	1.27	.98	
2	8402305	112301-4-004-2003	1049915	Ecklund Business Park 1 of 2	C	630	2017EX09277	W	11/16/2017	\$850,000	\$1,025,589	4880	\$ 100.24	\$ 120.94	Flex	506,620	1.02	.84	
	1049915	Flex Warehouses		3600							Flex	313,380							
	8402305	112301-4-008-2009	1049956	Parking		910						Lane	44,970						
																	Count:	2	2
																	Median Ratio:	1.14	.91
																	Mean	1.14	.91
																	AAD	.13	.07
																	C.O.D.:	11.11	7.69

Nbrhd	Neighborhood
8100502	West Bremerton
8100504	Auto Center
8303601	Bainbridge Island
8400202	Highway 305
8400203	Viking Way
8400204	Greater Poulsbo
8400302	North Kitsap
8401104	Central Kitsap
8401508	Hwy 303 East Bremerton
8402305	South Kitsap UGA Other

COUNTYWIDE		
	Ratio	Trended Ratio
Count:	16	16
Median Ratio:	1.06	.93
Mean	1.07	.93
AAD	0.05	0.05
C.O.D.:	4.56	5.86

Sales Removed

No.	Nbrhd	Parcel ID	LRSN	Business Name	RC	PC	Excise	Valid	Sale Dt	Price	Notes
	8303601	222502-1-028-2005		Hatletveit Bld &Comn area 027&029		630	2020EX00041	1	1/3/2020	\$1,100,000	Family sale
	8400202	142601-3-077-2001		Flex on 7th		630	2019EX05131	M	7/25/2019	\$1,275,000	Sold to tenant
	8400203	152601-4-023-2003		Clear Creek RV & Wms Automotive		551	2019EX03223	V	5/21/2019	\$975,000	Mixed use property