



Kitsap County Assessor

Documentation for Countywide Model

Tax Year: 2024 Appraisal Date: 1/1/2023

Property Type: Restaurants, Bars, and Taverns

Updated 4/20/2023 by CM10

Area Overview

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

Restaurants, Bars, and Taverns are reviewed on a countywide basis, but individual areas carry their own income approach. This model addresses freestanding buildings developed as restaurants, bars, and taverns. Some large units in mixed use buildings are also valued using this model.

Property Type Overview

Restaurants are constructed for the purpose of preparation and sale of food and beverages. The average dining area is 60 to 70 percent of the gross building size. The balance is used by the kitchen, storage, and prep areas. Bars and taverns are designed mainly for the sale of beverages with limited food production and typically will have a higher seating ratio.

There are approximately 116 parcels countywide improved with one or more single tenant buildings developed as restaurants or bars/taverns. Sizes range between 388 and 10,100 square feet (sqft) with a countywide average of 3,850 sqft.

Land to Building Ratio: The national land to building ratio for this property type is 8-10:1. The countywide land to building ratio for this property type is: 8.6:1.

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:

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 9 sales resulted in a mean ratio of 94%, a median ratio of 101%, and a coefficient of dispersion (COD) of 11.94.

Market/Sales Comparison Approach Data and Analysis

Property type: Restaurants, Bars, and Taverns (continued)

Sales: Range of Sale Dates: 1/1/2018 to 1/1/2022. A total of 9 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 \$79.91 to \$284.83 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 31% of the market. Typical reported rents had a range of \$3.00 to \$51.64. We selected \$5.48 to \$27.56 for our model.

Vacancy Data: Typical reported vacancy had a range of 0% to 100%. We selected 5% to 25% for our model.

Expense Data: Typical reported expense had a range of 0% to 45%. 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 8% for our model.

Income Model Value Range: The income approach calculates a range of values from \$56.4 to \$348.35 per square foot.

Final Ratio Analysis: Analysis of 9 sales resulted in a mean ratio of 96%, a median ratio of 96%, and a coefficient of dispersion (COD) of 7.94.

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: 2024

Property Type: Eating & Drinking

Neighborhood: 840020X

	Bar	Rest	Not Used	Not Used		
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Class A

Rent	26.25	26.25				
Vac %	10.00	10.00				
Exp %	6.00	6.00				
Cap Rate	7.00	7.00				
Market	0.01	0.01				

Class B

Rent	18.13	18.13				
Vac %	10.00	10.00				
Exp %	6.00	6.00				
Cap Rate	7.250	7.250				
Market	0.01	0.01				

Class C

Rent	14.55	14.55				
Vac %	10.00	10.00				
Exp %	6.00	6.00				
Cap Rate	7.50	7.50				
Market	0.01	0.01				

Class D

Rent	10.03	10.03				
Vac %	10.00	10.00				
Exp %	6.00	6.00				
Cap Rate	7.75	7.75				
Market	0.01	0.01				

Class E

Rent	6.40	6.40				
Vac %	10.00	10.00				
Exp %	6.00	6.00				
Cap Rate	8.00	8.00				
Market	0.01	0.01				

Kitsap County Assessor

Tax Year: 2024

Property Type: Eating & Drinking

Neighborhood: 840030X

	Bar	Rest	Not Used	Not Used		
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Class A

Rent	26.25	26.25				
Vac %	10.00	10.00				
Exp %	6.00	6.00				
Cap Rate	7.00	7.00				
Market	0.01	0.01				

Class B

Rent	18.13	18.13				
Vac %	10.00	10.00				
Exp %	6.00	6.00				
Cap Rate	7.250	7.250				
Market	0.01	0.01				

Class C

Rent	14.55	14.55				
Vac %	10.00	10.00				
Exp %	6.00	6.00				
Cap Rate	7.50	7.50				
Market	0.01	0.01				

Class D

Rent	10.03	10.03				
Vac %	10.00	10.00				
Exp %	6.00	6.00				
Cap Rate	7.75	7.75				
Market	0.01	0.01				

Class E

Rent	6.40	6.40				
Vac %	10.00	10.00				
Exp %	6.00	6.00				
Cap Rate	8.00	8.00				
Market	0.01	0.01				

Kitsap County Assessor

Tax Year: 2024

Property Type: Eating & Drinking

Neighborhood: 81005XX

	Bar	Rest	Not Used	Not Used		
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Class A

Rent	19.25	19.25				
Vac %	15.00	15.00				
Exp %	6.00	6.00				
Cap Rate	7.00	7.00				
Market	0.01	0.01				

Class B

Rent	16.99	16.99				
Vac %	20.00	20.00				
Exp %	6.00	6.00				
Cap Rate	7.250	7.250				
Market	0.01	0.01				

Class C

Rent	11.51	11.51				
Vac %	20.00	20.00				
Exp %	6.00	6.00				
Cap Rate	7.50	7.50				
Market	0.01	0.01				

Class D

Rent	9.12	9.12				
Vac %	25.00	25.00				
Exp %	6.00	6.00				
Cap Rate	7.75	7.75				
Market	0.01	0.01				

Class E

Rent	6.40	6.40				
Vac %	25.00	25.00				
Exp %	6.00	6.00				
Cap Rate	8.00	8.00				
Market	0.01	0.01				

Kitsap County Assessor

Tax Year: 2024

Property Type: Eating & Drinking

Neighborhood: 84011XX

	Bar	Rest	Not Used	Not Used		
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Class A

Rent	27.56	27.56				
Vac %	15.00	15.00				
Exp %	6.00	6.00				
Cap Rate	7.00	7.00				
Market	0.01	0.01				

Class B

Rent	20.93	20.93				
Vac %	10.00	10.00				
Exp %	6.00	6.00				
Cap Rate	7.250	7.250				
Market	0.01	0.01				

Class C

Rent	17.18	17.18				
Vac %	10.00	10.00				
Exp %	6.00	6.00				
Cap Rate	7.50	7.50				
Market	0.01	0.01				

Class D

Rent	11.48	11.48				
Vac %	10.00	10.00				
Exp %	6.00	6.00				
Cap Rate	7.75	7.75				
Market	0.01	0.01				

Class E

Rent	9.60	9.60				
Vac %	10.00	10.00				
Exp %	6.00	6.00				
Cap Rate	8.00	8.00				
Market	0.01	0.01				

Kitsap County Assessor

Tax Year: 2024

Property Type: Eating & Drinking

Neighborhood: 84023XX

	Bar	Rest	Not Used	Not Used		
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Class A

Rent	24.71	24.71				
Vac %	10.00	10.00				
Exp %	6.00	6.00				
Cap Rate	6.00	6.00				
Market	0.01	0.01				

Class B

Rent	19.00	19.36				
Vac %	10.00	10.00				
Exp %	6.00	6.00				
Cap Rate	6.250	6.250				
Market	0.01	0.01				

Class C

Rent	13.19	13.19				
Vac %	15.00	15.00				
Exp %	6.00	6.00				
Cap Rate	6.50	6.50				
Market	0.01	0.01				

Class D

Rent	7.96	7.96				
Vac %	15.00	15.00				
Exp %	6.00	6.00				
Cap Rate	6.75	6.75				
Market	0.01	0.01				

Class E

Rent	5.48	5.48				
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: 2024

Property Type: Eating & Drinking

Neighborhood: 840150X

	Bar	Rest	Not Used	Not Used		
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Class A

Rent	19.25	19.25				
Vac %	10.00	10.00				
Exp %	6.00	6.00				
Cap Rate	7.00	7.00				
Market	0.01	0.01				

Class B

Rent	16.99	16.99				
Vac %	10.00	10.00				
Exp %	6.00	6.00				
Cap Rate	7.250	7.250				
Market	0.01	0.01				

Class C

Rent	11.51	11.51				
Vac %	10.00	10.00				
Exp %	6.00	6.00				
Cap Rate	7.50	7.50				
Market	0.01	0.01				

Class D

Rent	7.29	7.29				
Vac %	15.00	15.00				
Exp %	6.00	6.00				
Cap Rate	7.75	7.75				
Market	0.01	0.01				

Class E

Rent	5.97	5.97				
Vac %	15.00	15.00				
Exp %	6.00	6.00				
Cap Rate	8.00	8.00				
Market	0.01	0.01				

Kitsap County Assessor

Tax Year: 2024

Property Type: Eating & Drinking

Neighborhood: 8303601

	Bar	Rest	Not Used	Not Used		
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Class A

Rent	19.25	19.25				
Vac %	5.00	5.00				
Exp %	6.00	6.00				
Cap Rate	7.00	7.00				
Market	0.01	0.01				

Class B

Rent	14.05	14.05				
Vac %	5.00	5.00				
Exp %	6.00	6.00				
Cap Rate	7.250	7.250				
Market	0.01	0.01				

Class C

Rent	11.36	11.36				
Vac %	5.00	5.00				
Exp %	6.00	6.00				
Cap Rate	7.50	7.50				
Market	0.01	0.01				

Class D

Rent						
Vac %						
Exp %						
Cap Rate						
Market						

Class E

Rent						
Vac %						
Exp %						
Cap Rate						
Market						

Kitsap County Assessor
Tax Year 2024
Local Income Survey for Eating & Drinking

PGI per Unit	Vacancy	EGI per Unit	Expense %	NOI per Unit
\$51.64	0%	\$51.64	0%	\$51.64
\$37.36	0%	\$37.36	0%	\$37.36
\$35.50	0%	\$35.50	26%	\$26.27
\$33.08	0%	\$33.08	28%	\$23.81
\$31.00	0%	\$31.00	30%	\$21.70
\$28.92	0%	\$28.92	0%	\$28.92
\$27.07	0%	\$27.07	5%	\$25.72
\$24.84	0%	\$24.84	37%	\$15.65
\$24.17	0%	\$24.17	36%	\$15.47
\$24.00	0%	\$24.00	0%	\$24.00
\$23.88	0%	\$23.88	0%	\$23.88
\$22.12	0%	\$22.12	0%	\$22.12
\$20.03	0%	\$20.03	0%	\$20.03
\$20.00	0%	\$20.00	0%	\$20.00
\$19.96	0%	\$19.96	0%	\$19.96
\$19.62	0%	\$19.62	0%	\$19.62
\$19.53	0%	\$19.53	0%	\$19.53
\$19.24	0%	\$19.24	0%	\$19.24
\$18.71	0%	\$18.71	0%	\$18.71
\$18.53	0%	\$18.53	0%	\$18.53
\$18.07	0%	\$18.07	0%	\$18.07
\$17.55	0%	\$17.55	0%	\$17.55
\$17.50	16%	\$14.70	32%	\$9.96
\$17.37	0%	\$17.37	0%	\$17.37
\$16.28	0%	\$16.28	0%	\$16.28
\$15.68	0%	\$15.68	0%	\$15.68
\$15.18	0%	\$15.18	0%	\$15.18
\$14.29	0%	\$14.29	10%	\$12.86
\$13.70	2%	\$13.42	0%	\$13.42
\$13.56	0%	\$13.56	0%	\$13.56
\$13.09	0%	\$13.09	45%	\$7.20
\$11.12	0%	\$11.12	0%	\$11.12
\$10.53	0%	\$10.53	0%	\$10.53
\$10.02	0%	\$10.02	0%	\$10.02
\$8.89	0%	\$8.89	0%	\$8.89

Local Income Survey for Eating & Drinking

\$8.40	50%	\$4.20	0%	\$4.20
\$6.32	0%	\$6.32	36%	\$4.04
\$3.00	0%	\$3.00	0%	\$3.00

KITSAP COUNTY ASSESSOR
Tax Year 2024
Eating & Drinking - Countywide Sales
01/01/2018 - 12/31/2022

No.	Nbrhd	Type	Parcel No.	ProjectName	RC	#Units	VC	Sales Date	Excise	Sales Price	Trend		Model Value	Total Value	Ratio	T Ratio
											Trended Sales Price	5%				
1	840240	Restauran	222402-3-002-200	Manchester Restaurant	C	3200	V	05/01/2019	2019EX02704	\$ 500,000	\$591,918	\$ 184.97	\$ 518,794	\$ 518,794	104%	88%
2	840110	Restauran	162501-3-003-200	Shady Jack's	D	4556	V	05/31/2019	2019EX03569	\$ 1,100,000	\$1,297,699	\$ 284.83	\$1,341,098	\$1,341,098	122%	103%
3	840020	Restauran Office	4366-009-032-010 4366-009-032-010	Casa Mexico	E E	2384 672	V	09/16/2019	2019EX06770	\$ 209,625	\$244,199	\$ 79.91	\$ 159,742 \$ 45,650	\$ 205,392	98%	84%
4	810050	Restauran Land	122401-1-032-200 4575-000-019-020	White Horse	C	5742	D	11/05/2019	2019EX08229	\$ 620,000	\$718,011	\$ 125.05	\$ 656,040 \$ 91,780	\$ 747,820	121%	104%
5	810050	Restauran	3972-000-010-000	Former Sizzler	D	5460	V	04/06/2020	2020EX02102	\$ 464,000	\$527,625	\$ 96.63	\$ 448,437	\$ 448,437	97%	85%
6	840230	SFR Restauran	272401-4-019-200 272401-4-039-200	Restaurant & SFR Bay Rest	C	1115 2383	D	12/28/2020	2020EX09786	\$ 550,000	\$605,377	\$ 173.06	\$ 348,630 \$ 233,286	\$ 581,916	106%	96%
7	840150	Restauran	352501-1-112-200	Restaurant RNJ Meats	B	6224	V	05/03/2022	2022EX03298	\$ 1,100,000	\$1,100,000	\$ 176.74	\$1,221,605	\$1,221,605	111%	111%
8	840230	Restauran Bar	4027-003-001-000	Blue Goose Tavern	D D	3074 1008	V	06/27/2022	2022EX04880	\$ 670,000	\$670,000	\$ 164.14	\$ 498,366 \$ 163,421	\$ 661,787	99%	99%
9	810050	Restauran	152401-3-094-200	Brother Dons	B	2370	E	10/27/2022	2022EX08005	\$ 450,000	\$450,000	\$ 189.87	\$ 413,479	\$ 413,479	92%	92%

5 vacant at time of sale
6 vacant at time of sale

Count	9	9
Median	104%	96%
Mean	105%	96%
AAD	0.08	0.08
COD	7.94	7.94

Removed sales

No.	Nbrhd	Type	Parcel No.	ProjectName	RC	#Units	VC	Sales Date	Excise	Sales Price	Notes
1	840240	Bar	322401-1-128-200	Troy's Topless		3587	N	01/19/2017	2017EX00470	\$ 375,000	Remodel after sale.
2	840110	Bar	052401-3-068-200	9th Hole Tavern		3443	M	06/13/2017	2017EX04712	\$ 1,000,000	Not exposed to market.
3	940239	Restauran	4601-000-024-000	China West		2966	1	08/30/2017	2017EX07268	\$ 260,000	Family sale.
4	810051	Restauran Parking	3734-010-024-000 3734-010-024-000	Restaurant on Callow Parking lot		6827	D	05/09/2018	2018EX04017	\$ 210,000	Bank sale.
5	910054	Restauran	3779-001-019-010	Happy Teriyaki		1458	M	09/27/2018	2018EX07722	\$ 1,050,000	Sale included business value.
6	810050	Restauran	3787-000-016-020	Emperor's Palace		2309	M	12/24/2018	2018EX10038	\$ 300,000	Between acquaintances.
7	840240	Restauran	4539-000-001-000	Jimmy D's		5568	V	08/15/2019	2019EX05885	\$ 925,000	Multiple income streams
8	840230	Restauran	5458-000-004-000	Shari's Port Orchard		3896	2	06/27/2019	2019EX04584	\$ 2,824,486	Corporate affiliates
9	840030	Restauran	4316-007-001-060	Drifter's Galley		3530	V	07/31/2018	2018EX05979	\$ 722,888	Remodel after sale.
10	840230	Restauran	4060-005-018-010	The Grey House		4618	M	07/13/2021	2021EX05744	\$ 1,000,000	Special financing
11	840110	Restauran	052401-3-032-200	Former Seabeck Pizza		922	M	01/07/2021	2021EX00149	\$ 175,000	Not exposed to market.

Nbrhd	Neighborhood
810050	Downtown Bremerton
810050	West Bremerton
810050	Wheaton Way
810051	Callow
840020	Greater Poulsbo
840030	Downtown Kingston
840110	Silverdale
840110	Old Silverdale
840110	Central Kitsap
840230	Port Orchard UGA Downtown
840230	South Kitsap UGA
840240	Manchester
840240	Gorst
910054	W Bremerton Uplands
940239	Port Orchard-COM

VC	Validity Code
1	Family
2	Corporate Affiliates
D	Not economic unit
E	Estate
M	Other
N	New Construction
R	Remodel
U	Change of Use
V	Valid
X	Exempt