

CLS BUILDING

VALUE-ADD OR OWNER-USER OPPORTUNITY FEAT. BELOW MARKET RENT WITHIN WALKING DISTANCE OF LYNNWOOD LIGHT RAIL STATION AND MINUTES FROM I-5

4720 200TH ST SW, LYNNWOOD, WA 98036



OFFERING MEMORANDUM

Marcus & Millichap
BROWN RETAIL GROUP

INVESTMENT SALES TEAM

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01. EXECUTIVE OVERVIEW

- INVESTMENT OVERVIEW
- INVESTMENT HIGHLIGHTS



INVESTMENT OVERVIEW

MARCUS & MILLICHAP'S BROWN RETAIL GROUP is pleased to present the exclusive offering of the **CLS Building**, a **15,976 SF value-add or owner/user opportunity located in Lynnwood, WA**, adjacent to the newly completed Lynnwood Light Rail Station and just minutes from I-5. The property houses tenants in a variety of industries, and offers direct access to dense residential communities and key employment centers. Currently 88% occupied with tenants paying below market rent, it provides investors or owner-users with immediate cash flow and a prime opportunity to implement a value-add strategy in one of the region's fastest-growing submarkets.

The property has a City Center West zoning designation in the City Center District, which is designed to promote higher density housing, retail and restaurants, and professional uses. The property is well-positioned for eventual redevelopment at a maximum height of 140 feet.



INVESTMENT HIGHLIGHTS



VALUE-ADD OR OWNER-USER OR OPPORTUNITY

The Property is currently 88% occupied, offering an investor significant upside through leasing the vacant spaces at market rents; or allowing an owner-user to immediately occupy space and collect cash flow.



EXCEPTIONALLY LOCATED

The Offering is adjacent to the newly finished Lynnwood light rail station and is less than half a mile from I-5, providing businesses with swift access to convenient transportation.



SIGNIFICANTLY BELOW MARKET RENT

Average rent at the property is \$20.16/SF Gross, with market rents achievable in the \$29-\$32/SF Gross range per CoStar (30% below market), providing substantial upside through leasing the vacant suite and fair market rent renewals.



EXCELLENT DEMOGRAPHICS

The property is located in the heart of a 3-mile population exceeding 140,000 residents with an above average household income of over \$120,000.



FUTURE DEVELOPMENT POTENTIAL

The CCW zone promotes high-density multi-family development up to 140 feet in height, or continued professional/retail use.



ESSENTIAL SERVICE TENANT BASE

Home to a mix of in-person, essential service providers including recreational activities, healthcare, and finance and marketing professionals that cater to nearby residential areas.

02.

PROPERTY SUMMARY

- PROPERTY OVERVIEW
- FLOOR PLANS

PROPERTY OVERVIEW

Pricing	
List Price	\$3,000,000
Price Per Square Foot	\$188
Price Per Land SF	\$70

Location	
Property Street Address	4720 200th St SW
City, State, Zip	Lynnwood, WA 98036
Parcel Number(s)	003726-006-007-03
Product Type	Office
Zoning	City Center West - (CC-W)

Building Size	
Rentable Building Area	15,976 SF
Land Area (SF)	43,124 SF (0.99 Acres)
Occupancy	88%

Building Features	
Year Built / Renovated	1980 / 2016
Building Height	27'
Parking Stalls	42 Stalls
Parking Ratio	2.63/1,000 SF

03.

FINANCIAL SUMMARY

- RENT ROLL
- OPERATING STATEMENT
- PRICING DETAILS

RENT ROLL

AS OF JUNE 2026

Tenant Name	Suite	Square Feet	Lease Comm.	Lease Exp.	Annual Rent/Sf	Total Rent/Mo.	Total Rent/Yr.	Pro Forma Rent/Yr. ^[1]	Lease Type	Notes
Haven Dance ^[2]	100-103	4,761	6/7/16	12/31/26	\$20.04	\$7,950	\$95,400	\$119,025	Gross	2, 5-Year Option @ FMR
Reign Marketing and Management Inc.	105	1,522	1/12/26	1/31/28	\$22.00	\$2,790	\$33,484	\$44,138	Gross	1, 2-Year Option @ FMR
Synergy	107	840	9/1/24	MTM	\$20.36	\$1,425	\$17,100	\$24,360	Gross	1, 1-Year Option @ FMR
Vision Research Group	109	850	5/1/24	4/30/27	\$17.97	\$1,273	\$15,277	\$15,735	Gross	1, 3-Year Option @ 3% Annual Increases
Parkview Services	200/207	6,130	11/1/22	10/31/27	\$21.31	\$10,885	\$130,619	\$153,250	Gross	2, 5-Year Option @ FMR
Vacant	205	1,873	-	-	-	-	-	\$54,317	Gross	-
Total		15,976			\$20.34 (avg)	\$24,323	\$291,880	\$410,825		

Notes:

[1] Pro Forma column assumes rent increased to \$29/SF Gross (market rent, per CoStar) in suites 105 and 107, and \$25/SF Gross in suites 100-103 and 200/207 at fair market rent renewals; and vacant suite (205) leased at \$29/SF Gross.

[2] Seller and Haven Dance Studio are in renewal discussions for its 5 year option. Underwriting assumes tenant exercises its 5-year FMR option at a 5% increase in rent.

OPERATING DATA

FOR THE PERIOD 6/1/2026 - 5/31/2027

Income	Year 1	Per SF	Pro Forma	Per SF	Notes
Scheduled Base Rental Income	296,526	18.56	410,825	25.72	[1][6]
Expense Reimbursement Income	0	0.0%	0	0.0%	[1]
Potential Gross Revenue	296,526	18.56	410,825	25.72	
General Vacancy	0	0.0%	(20,541)	(1.29)	[2]
Effective Gross Revenue	\$296,526	\$18.56	\$390,284	\$24.43	

Operating Expenses	Year 1	Per SF	Pro Forma	Per SF	
Cleaning	9,378	0.59	9,659	0.60	[3]
Landscaping	4,648	0.29	4,787	0.30	[3]
Repairs & Maintenance	13,241	0.83	13,639	0.85	[3]
Security	4,493	0.28	4,627	0.29	[3]
Supplies	1,214	0.08	1,251	0.08	[3]
Telephone	1,841	0.12	1,896	0.12	[3]
Utilities	37,153	2.33	38,268	2.40	[3]
Insurance	9,838	0.62	10,133	0.63	[3]
Real Estate Taxes	26,737	1.67	27,539	1.72	[4]
Management Fee	11,861	4.0%	15,611	4.0%	[5]
Total Expenses	\$120,404	\$7.54	\$127,411	\$7.98	
Expenses as % of EGR	40.6%		32.6%		
Net Operating Income	\$176,122	\$11.02	\$262,873	\$16.45	

Notes

[1] All tenants operate on gross leases.

[2] Year 1: no vacancy factor (property 88% occupied). Pro Forma scenario: 5% vacancy factor.

[3] Per Seller's 2025 P&L in Year 1. Pro Forma scenario reflects a 3% increase.

[4] 2026 Property Taxes per Snohomish County Assessor.

[5] Management Fee 4% of EGI. Seller currently self-manages.

[6] Pro Forma scenario assumes rent increased to \$29/SF Gross (market rent, per CoStar) in suites 105 and 107, and \$25/SF in suites 100-103 and 200/207 at FMR renewals; and vacant suite (205) leased at \$29/SF Gross.

PRICING DETAILS

The Property	
Price	\$3,000,000
Year 1 Cap Rate	5.87%
Pro Forma Cap Rate	8.76%^[6]
Rentable Building Area	15,976 SF
Price Per SF	\$188
Price Per Land SF	\$70
Suites	6
Occupancy	88%
Year Built / Renovated	1980 / 2016

Acquisition Financing

Lender	Bank or Credit Union
Rate	5.75% - 6.25%
Term	5, 7, or 10 Years Fixed
Amortization	25 - 30 Years
Loan to Value	Up to 60%

Income	Year 1	Pro Forma
Base Rental Income	\$296,526	\$410,825
Reimbursement Income	0.0% \$0	0.0% \$0
Potential Gross Revenue	\$296,526	\$410,825
Less: General Vacancy	\$0	(20,541)
Effective Gross Revenue	\$296,526	\$390,284
Less: Operating Expenses	40.6% (\$120,404)	32.6% (\$127,411)
Net Operating Income	\$176,122	\$262,873

Operating Expenses	Year 1	Pro Forma
CAMS	\$71,968	\$74,127
Insurance	\$9,838	\$10,133
Real Estate Taxes	\$26,737	\$27,539
Management Fee	\$11,861	\$15,611
Total Expenses	\$120,404	\$127,411
Expenses/SF	\$7.54	\$7.98

04.

MARKET OVERVIEW

- LOCAL DEMOGRAPHICS
- NEARBY DEVELOPMENTS
- REGIONAL CONNECTIONS

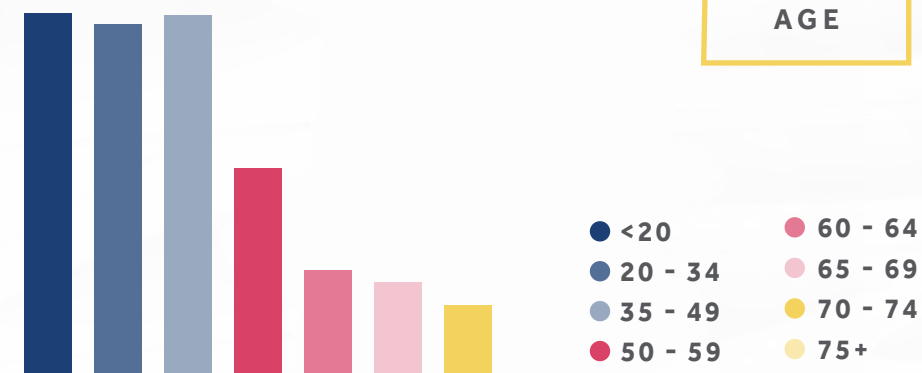
LOCAL DEMOGRAPHICS IN A 5-MILE RADIUS



POPULATION



AGE



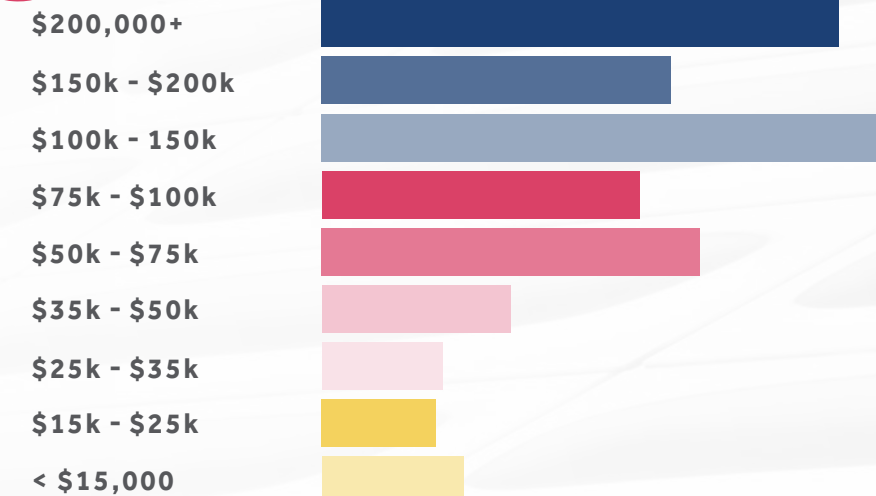
HOUSEHOLDS



34 MIN
AVERAGE TRAVEL TIME TO WORK



INCOME BY HOUSEHOLD



\$130,170
AVERAGE HH INCOME

\$104,941
MEDIAN HH INCOME

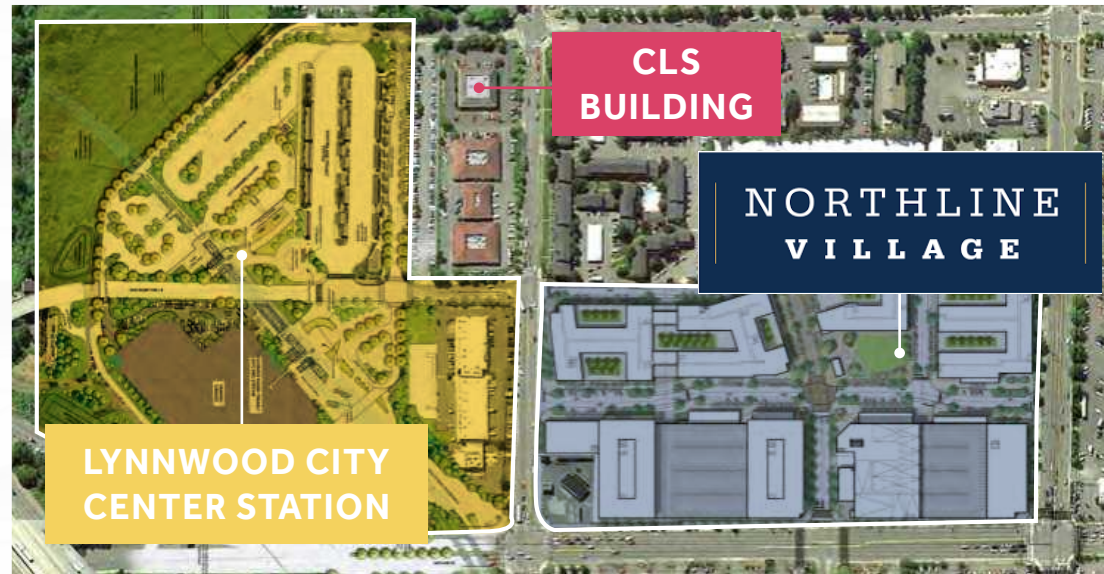


NEARBY DEVELOPMENTS

NORTHLINE VILLAGE

Northline Village is a transformative 19.1-acre mixed-use development in Lynnwood, Washington, designed to create a vibrant urban center adjacent to the new Lynnwood Link light rail station. Located just 0.3 miles from the offering, the project includes nearly 1,400 residential units and over 750,000 SF of Class A commercial space, all centered around community spaces like the Village Green. With infrastructure improvements underway - such as new grid streets and park spaces - Northline Village aims to enhance connectivity and foster a live-work-play environment in the heart of Lynnwood.

- SITE AREA:** 19.1 Acres
- RESIDENTIAL UNITS:** 1,369-1,400
- PARKING:** Approximately 4,700 spaces



NEARBY DEVELOPMENTS



BEAVER CREEK APARTMENTS

A recently renovated affordable housing community located near the Lynnwood Transit Center. The development offers modern amenities and is designed to be walkable, providing easy access to public transportation.

- 1-2 BED UNITS**
- INCOME-RESTRICTED UNITS**
- PROXIMITY TO LYNNWOOD TRANSIT CENTER**

4807 200TH ST SW, LYNNWOOD
0.1 MILES FROM THE OFFERING



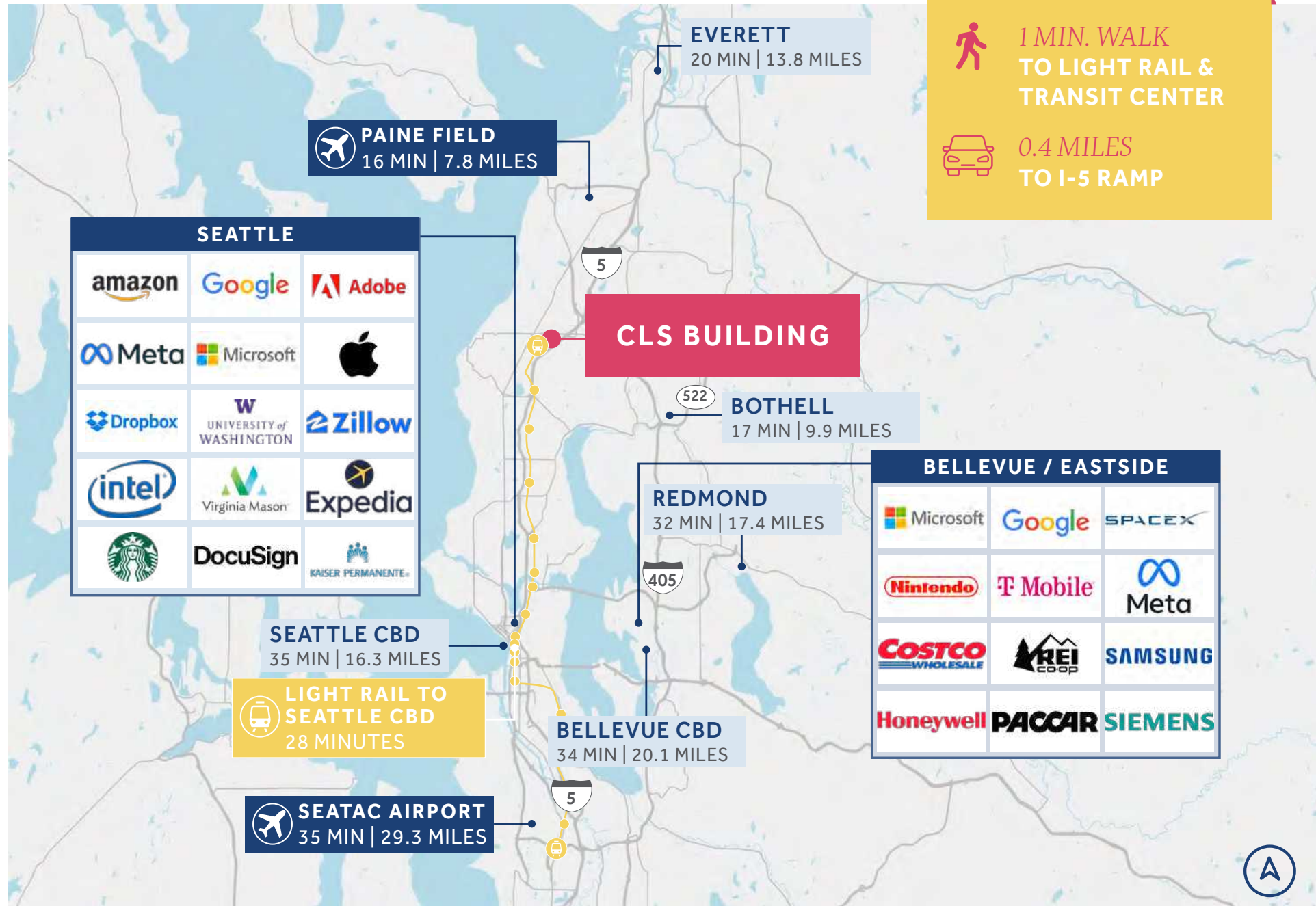
THE DISTRICT-LYNNWOOD PUBLIC FACILITIES DISTRICT MASTER PLAN

A recently renovated affordable housing community located near the Lynnwood Transit Center. The development offers modern amenities and is designed to be walkable, providing easy access to public transportation.

- 1-2 BED UNITS**
- INCOME-RESTRICTED UNITS**
- PROXIMITY TO LYNNWOOD TRANSIT CENTER**

3711 196TH ST SW, LYNNWOOD
0.9 MILES FROM THE OFFERING

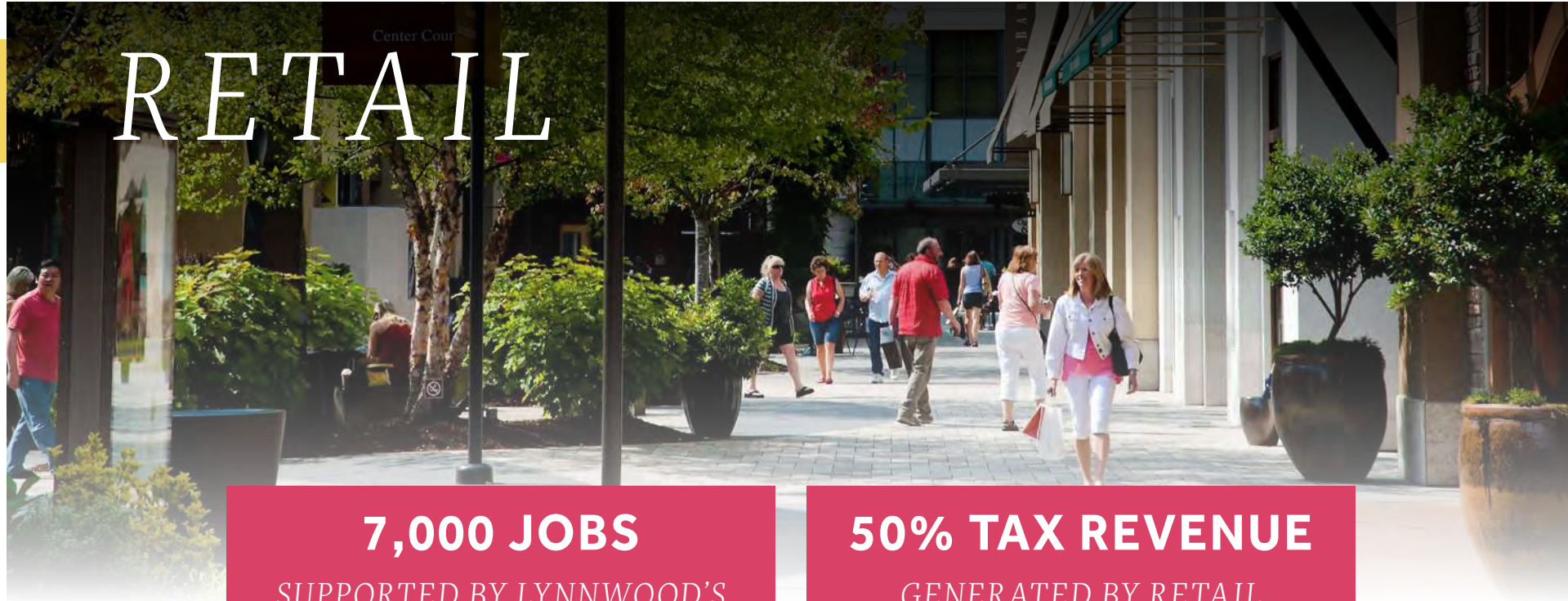
REGIONAL MAP & DRIVE TIMES



FUTURE DEVELOPMENT POTENTIAL

The CCW zone promotes high-density multi-family development up to 140 feet in height, or continued professional/retail use.

REGIONAL ECONOMIC DRIVERS



RETAIL

7,000 JOBS

SUPPORTED BY LYNNWOOD'S
RETAIL SECTOR

50% TAX REVENUE

GENERATED BY RETAIL
ACTIVITY IN LYNNWOOD

Lynnwood is a key retail hub in Snohomish County, anchored by **Alderwood Mall—the county's largest shopping center with over 170 stores**. The retail sector plays a vital role in the city's economy, both as a major employer and a significant source of municipal revenue.

KEY EMPLOYERS



REGIONAL ECONOMIC DRIVERS



LIGHT RAIL CONNECTION

The completion of the Link Light Rail extension to Lynnwood in August 2024 has markedly improved regional connectivity. This major infrastructure investment enhances access to the Seattle metropolitan area, making Lynnwood more attractive to commuters and businesses alike.

EVERETT LINK EXTENSION (OPENS 2037-2041)

16 MILES (7 STATIONS)
LENGTH OF EVERETT LINK EXTENSION

\$5.05 - \$6.9 BILLION
COST OF EVERETT LINK EXTENSION

 **33 MIN**
EVERETT TO LYNNWOOD CITY CENTER

 **60 MIN**
EVERETT TO DOWNTOWN SEATTLE

REGIONAL LIGHT RAIL CONNECTION



0.2 MILES FROM THE OFFERING TO LYNNWOOD CITY STATION

28 MIN
TO
DOWNTOWN SEATTLE



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An aerial photograph of a commercial development. In the foreground, there are several large, dark-roofed buildings, likely retail or office spaces, surrounded by extensive parking lots filled with cars. A light rail train is visible on an elevated track that runs horizontally across the middle of the image. The background shows a dense forest of trees and distant mountains under a clear sky.

Marcus & Millichap

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SEATTLE | PORTLAND | BOISE

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