

Puget Sound



Lynnwood Submarket

City Core and Transit Growth

Lynnwood Submarket

City Core Revival

Located at the intersection of I-405 and I-5, Lynnwood has become a highly desirable location for tenants, families and businesses with a favorable tax structure and an educated work force. It has one of the largest concentrations of retailers in the region and a major transit center located in the developing city center.

The Lynnwood City Center continues to provide attractive incentives to interested developers. In addition to being the current home to Alderwood Mall and the future home to one of the most significant transit hubs in the north suburban market, it is also a designated Opportunity Zone (OZ). In 2010, the City Council decided to offer Transportation Impact Fee (TrIF) exemptions up to \$600,000 for each of the first three developments that qualified in the City Center zone. Based on updated projections, the City has decided to extend these exemptions to include a fourth development.

The City of Lynnwood has recently approved two of those four projects. In early-December 2019, the City Council approved the development agreement for Merlone Geier's Northline Village. This 18-acre site spans from 196th Ave SW south to 200th Ave SW, and from 44th Ave W west to 46th Ave W. The mixed-use project will include 1,370 apartments, nearly 250,000 SF of retail and entertainment, over 500,000 SF of office, and 4,400 parking stalls. Then on February 10th, 2020, the City approved another significant development only blocks away from Northline Village. Kinect @ Lynnwood, to be developed by American Property Development, will provide an additional 239 units. Obviously, the opening of the light rail station is a major driver but the proximity to all of the in-place amenities located at Alderwood Mall is also an added benefit.

The Lynnwood market has proven to be quite resilient since the last downturn in 2008. Office rents returned to their prerecession highs quicker than both Seattle and the Eastside. The Class A vacancy rate now stands at 9.7% as of Q1. Market rents have increased by approximately 25% over the last five years, which is the strongest growth outside of downtown Seattle and the core Eastside markets.



39K



2020
Population

8.96%



2010-2020
Population Growth

30%



Professional
Degrees
age 25 yrs+

14%



Retail: 2nd largest
employment sector
by population share

751



Multifamily units
Under Construction

9.7%



Class A
Office Vacancy

2.5%



Class B
Office Vacancy

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Market Drivers


Transit and commuter options include Community Transit, King County Metro and Sound Transit. There are more than 1,370 parking stalls available to commuters at the Lynnwood Transit Center


Lynnwood Link Extension Project:
Sound Transit will begin operating Link light rail service to Lynnwood Transit Center in 2024, connecting to Downtown Seattle and the Bellevue-Redmond area. Light rail service is planned to be extended north to Downtown Everett in 2036. By 2040, the system is expected to add 112+ miles of track.

Lynnwood Transit Center: This elevated station serves as one of the busiest transit centers in the region. A new parking structure replaces a portion of the surface parking lot, adding approximately 500 new spaces.
Travel time: Lynnwood to Westlake (downtown Seattle) - 27 minutes


Photo Source: www.soundtransit.org


LEGEND

**Drive Times**
To Seattle: 25 minutes
To SeaTac: 35 minutes
To Bellevue: 30 minutes

**Light Rail Times**
To Seattle: 27 minutes
To SeaTac: 60 minutes
To Bellevue: 51 minutes

Light Rail
A Train Every **4 MIN**

**Light Rail Expansion**
Lynnwood-Seattle-Federal Way

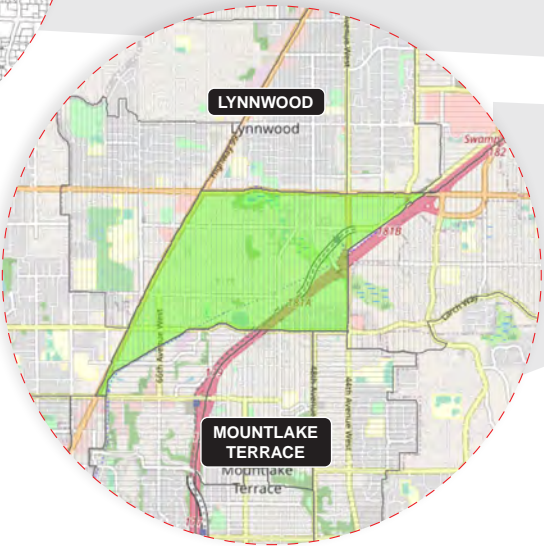
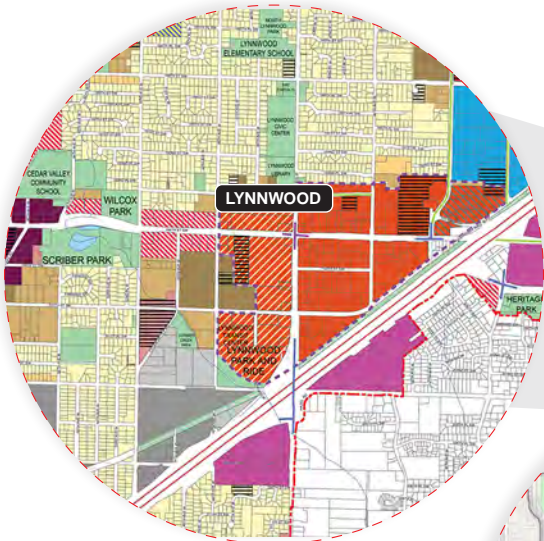
**Transit Hub**



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Zoning Map

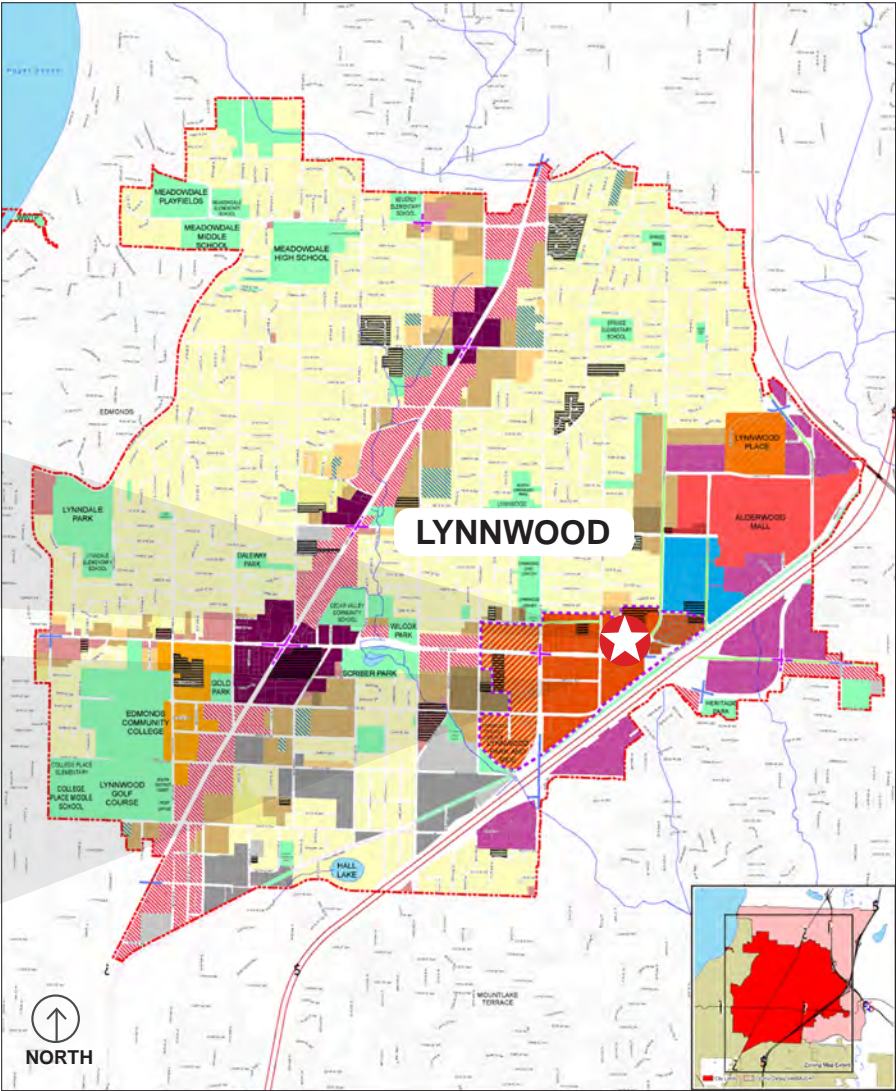
City Center Zoning



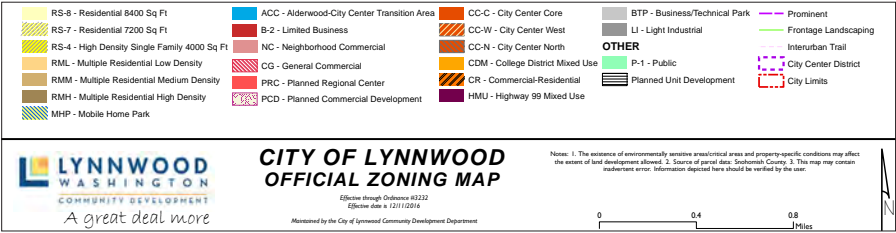
Opportunity Zone (OZ)

LEGEND

City Center Core Zone	350' height limit south of 196th St SW
	240' height limit up to 360 feet north of 196th St SW center line
	130' height limit beyond 360 feet north of 196th St SW center line
City Center West Zone	140' height limit
City Center North Zone	140' height limit
All City Center Zones	35' height limit within 150' of residential zones



[Click here to view full zoning map](#)



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Development

The map here is indicative of development trends along the Lynnwood Link Extension. The 2022 - 2024 completion of these major development projects and the light rail station will redefine and rejuvenate this commercial pocket in Lynnwood. Given the impact light rail has had in submarkets like Roosevelt and Northgate we are confident that it will drive market fundamentals, particularly rent.

DEVELOPMENT LEGEND

Property	# Units	Status	Delivery
1 Avalon Alderwood 18600 Alderwood Mall Pkwy	328 Units	Proposed	2022
2 Cosmos Apartments 18631 Alderwood Mall Pkwy	349 Units	Proposed	2024
3 Northline Village 19800 44th Ave W	1,370 Units	Proposed	2024
4 Kinect @ Lynnwood 4100 Alderwood Mall Blvd	239 Units	Proposed	2024
5 Atlas 236 23609 56th Ave W	151 Units	Under Construction	2020
6 Terrace Station 6004 237th St SW	600 Units	Under Construction	2020

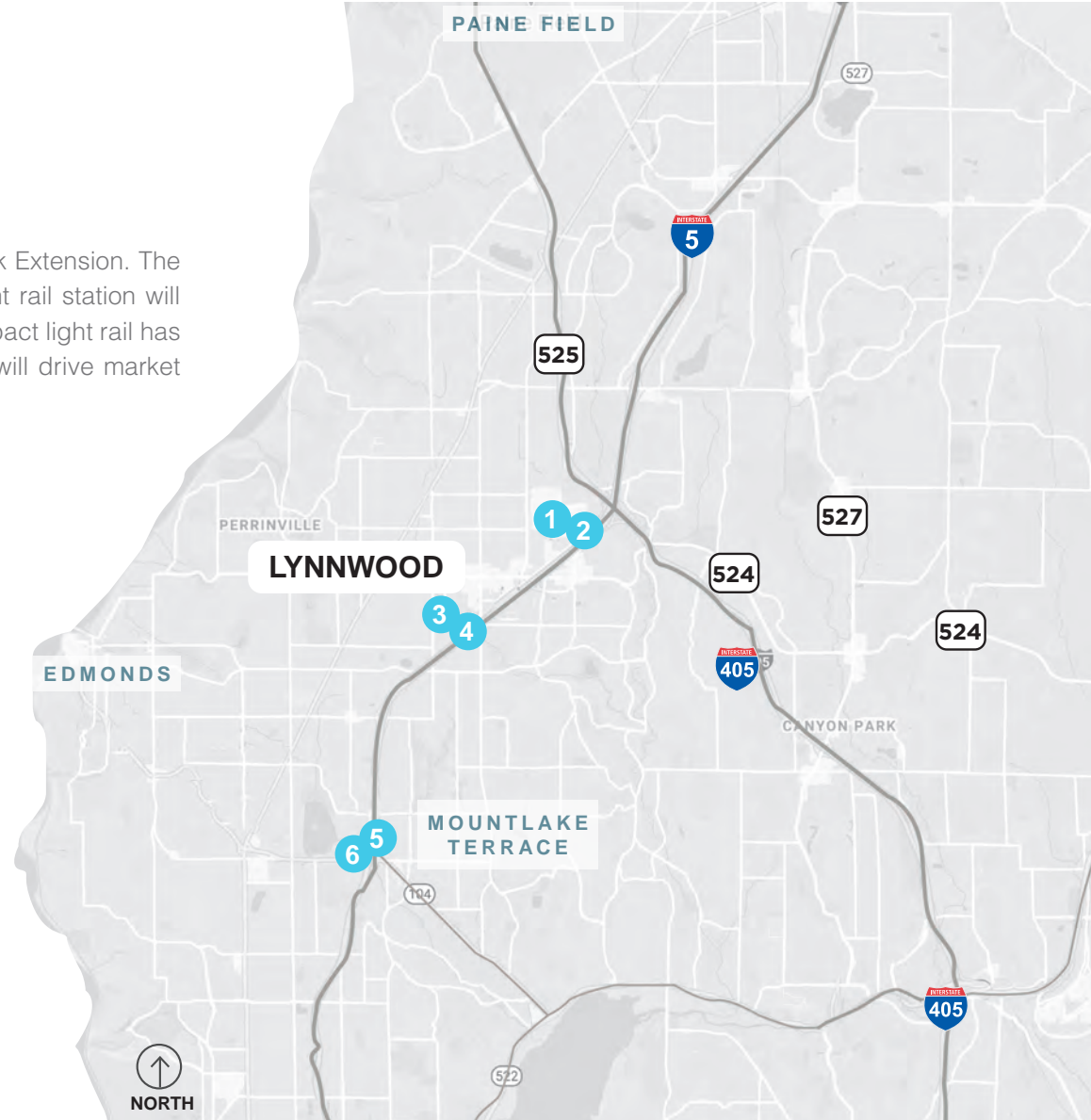


Photo Source: Michael Walmsley Photography; CoStar; and CallisonRTKL Renderings 2019