CONFIDENTIAL OFFERING MEMORANDUM

Lake Hill Medical Dental Center

FULLY OCCUPIED, MULTI-TENANT MEDICAL/DENTAL CENTER WITH SIGNIFICANT RENTAL UPSIDE

13410 Highway 99 Everett, WA 98204

Northmarq

Northmarq

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$2,490,000
Price

7.53%
Year 1 Cap Rate

8.41%
Pro Forma Cap Rate

Investment Overview

Northmarq is pleased to present the Lake Hill Medical Dental Center, a value-add investment opportunity in one of Everett's high-barrier-to-entry submarkets. The offering is 100% occupied, boasting durable NNN income across a diversified roster of seven medical, dental, and professional tenants.

The 11,712 SF building recently benefited from ±$194K capital improvements including a new roof, HVAC, and structural upgrades, reducing near-term capex exposure for a buyer.

In-place rents average $17.27/SF against a submarket average of $24.00/SF, representing significant embedded rent upside. With several leases rolling in the near term, ownership is well positioned to capture meaningful rental increases as tenants renew to market rates. All seven leases are structured on a NNN basis, insulating ownership from operating expense growth.

Positioned with immediate access to Highway 99 and SR 525, the property offers strong visibility and convenience for tenants and their patients. No competing office product has been delivered or is under construction in the submarket over the past 10 years, underscoring the site's high barrier to entry.


Residents within 5 miles spend $1.1B annually on health care, outpacing the national average by 11%
525
LA|FITNESS
Public Storage
LAKE HILL MEDICAL DENTAL CENTER
99
40,000 VPD
WA State Route 99

Investment Highlights

PASSIVE NNN INVESTMENT

All seven leases are structured NNN, insulating ownership from operating expense growth and preserving net cash flow.

EMBEDDED RENTAL UPSIDE

In-place rents average $17.27/SF against a submarket average of $24.00/SF, leaving substantial mark-to-market potential as leases roll to market.

FULL OCCUPANCY ACROSS SEVEN TENANTS

The property is 100% leased, signaling durable tenant demand giving a new owner immediate, uninterrupted income.

Investment Highlights

RECENT CAPITAL IMPROVEMENTS

A new Roof, HVAC, and structural upgrades reduce near-term capex exposure for a buyer and extend the asset's functional life.

HIGH BARRIER TO ENTRY

No office space has been delivered or is under construction in the submarket over the past 10 years, limiting new competitive supply and keeping the building fully occupied.

HIGHWAY ACCESS & VISIBILITY

Immediate access to Highway 99 and SR 525 supports convenience and exposure for medical/dental tenants and their patients.

Property Overview

Property Street Address	13410 Highway 99, Everett, WA 98204
Parcel Number	003733-008-003-00
Year Built	1967
Building SF	11,712 SF
Lot Size	28,750 SF (0.66 Acres)
Zoning	Mixed Use Corridor (MUC)
Construction	Concrete
Parking Stalls	42 (3.59/1,000 SF)
Elevator	1
Sprinkler	Fully Sprinklered

Tenant Highlights

Lake Hill Medical Dental Center is anchored by a diverse mix of established healthcare providers, led by a long-tenured orthodontic practice and a physical therapy group operating across two suites. The building's tenant base reflects consistent demand from medical and rehabilitative users seeking visibility and accessibility along the Highway 99 corridor.

CHAISON ORTHODONTICS

EMI CHAISON
DDS, MS

4,060 SF
Square Feet Occupied

12/31/2030
Lease Expiration

CHAISON ORTHODONTICS

Chaison Orthodontics occupies 4,060 SF under a lease through December 31, 2031. Led by Dr. Emi Chaison, a University of Washington dental school graduate and Temple University-trained orthodontist, the practice provides comprehensive orthodontic care — including Invisalign, traditional braces, and iTero digital scanning — to patients of all ages. As the property's largest and longest-tenured tenant, Chaison Orthodontics anchors the rent roll with a well-established local patient base and long-term lease commitment.

View Website

ATLAS
Physical Therapy & Industrial Rehabilitation
We've got your back!

2,700 SF
Square Feet Occupied (Combined)

7/31/2031
Lease Expiration

ATLAS

Atlas Physical Therapy / Atlas Work Rehabilitation together occupy 2,700 SF across Suites 203/204 and 205, both under leases through July 31, 2031. Led by Dr. Titonath Dith, DPT, the practices specialize in physical therapy, sports medicine, hand therapy, and workplace injury recovery, blending Eastern and Western treatment approaches. The combined footprint and matching long-term lease expirations reflect a deeply rooted operator with two complementary service lines under one roof.

View Website

Capital Improvements

Ownership has invested approximately $194,000 in capital improvements since 2025, including a full roof replacement, four new rooftop HVAC package units with economizers, replacement ductwork, and updated interior flooring, significantly reducing near-term capex risk for a new owner.

±$194K

Total Capital Invested

Category	Scope of Work	Investment
Roofing	Full roof replacement (torch-down system), including layer removal/haul-away, plywood deck replacement, skylight framing/sistering, and scupper installation	$96,370.04
HVAC	Replacement of four rooftop package units (one 3-ton heat pump, three 4-ton heat pumps) with new economizers, programmable thermostats, and filtration	$73,594.47
HVAC	Rooftop ductwork replacement (galvanized, insulated)	$14,300.00
Interior Finishes	Carpet tile and broadloom carpet replacement (lobby, upstairs hallway, stairwell — 20 steps + landing), new cove base, demo of existing flooring	$9,722.35
Total Capital Investment		**$193,986.86**

Rent Roll

AS OF **SEPTEMBER 2026**

Tenant Name	Square Feet	Square Feet	Lease Comm.	Lease Exp.	Annual Rent/SF	Base Rent/Mo.	Base Rent/Yr.	Pro Forma Rent/Yr	Rent Increase	Lease Type	Renewal Options
Coqui Taxes	101	848 SF	8/1/24	7/31/27	$15.15	$1,071	$12,850	$20,352	FMV	NNN	2x3 Yr Opt
Chaison Orthodontics	102/103	4,060 SF	1/1/20	12/31/30	$17.50	$5,921	$71,050	$74,828	3.00%	NNN	3x5 Yr Opt
Ophelia Huang	104	1,270 SF	8/16/24	8/15/29	$18.96	$2,007	$24,082	$24,082	None	NNN	3x5 Yr Opt
Servimax	201	1,618 SF	3/1/24	7/31/28	$17.80	$2,400	$28,800	$28,800	None	NNN	-
Dr. Samuel Lin	202	1,216 SF	1/1/20	12/31/27	$13.90	$1,408	$16,898	$29,184	FMV	NNN	1x5 Yr Opt
Atlas PT (Tito Dith)	203/204	1,690 SF	3/1/14	7/31/31	$20.69	$2,914	$34,964	$34,964	None	NNN	-
Atlas Work Rehabilitation	205	1,010 SF	8/1/20	7/31/31	$14.63	$1,232	$14,778	$14,778	None	NNN	-
Total		**11,712 SF**			**$17.37 (avg)**	**$16,952**	**$203,421**	**$226,987**			

Operating Statement

FOR THE PERIOD 10/1/2026 - 9/30/2027

Income	Current		Per SF	Pro Forma		Per SF
Scheduled Base Rental Income	$205,020		$17.51	$226,987		$19.38
CAM	$36,308		$3.10	$37,397		$3.19
Insurance	$7,708		$0.66	$7,941		$0.68
Real Estate Taxes	$28,958		$2.47	$29,827		$2.55
Management Fees	$10,251		$0.88	$11,349		$0.97
Total Reimbursement Income	$83,225	97.9%	$7.11	$86,514	98.0%	$7.39
Potential Gross Revenue	$288,245		$24.61	$313,501		$26.77
General Vacancy	($14,412)	5.0%	($1.23)	($15,675)	5.0%	($1.34)
Effective Gross Revenue	**$273,832**		**$23.38**	**$297,826**		**$25.43**

Operating Expenses	Current		Per SF	Pro Forma		Per SF
Utilities	$15,811		$1.35	$16,286		$1.39
CAM	$5,856		$0.50	$6,032		$0.52
R&M	$14,640		$1.25	$15,079		$1.29
Insurance	$7,709		$0.66	$7,940		$0.68
Real Estate Taxes	$28,958		$2.47	$29,827		$2.55
Management Fee	$10,251	5.0%	$0.88	$11,349	5.0%	$0.97
Reserves	$1,757		$0.15	$1,810		$0.15
Total Expenses	$84,982		$7.26	$88,322		$7.54
Expenses as % of EGR	31.0%			29.7%		
Net Operating Income	**$188,851**		**$16.12**	**$209,505**		**$17.89**

Pricing Details

$2,490,000 *Price*	**100%** *Occupancy*
7.53% *Year 1 Cap Rate*	**8.41%** *Pro Forma Cap Rate*
11,712 SF *RBA*	**$212.60** *Price Per SF*
7 *Suites*	**1,673 SF** *Average Suite Size*

3 Years, 5 Months
WALT

Acquisition Financing	
Lender	Bank or Credit Union
Rate	6.50%
Term	5, 7, or 10 Years Fixed
Amortization	25 - 30 Years
Loan to Value	65%

Income		Year 1		Pro Forma
Base Rental Income		$205,020		$226,987
Reimbursement Income	97.9%	$83,225	98.0%	$86,514
Potential Gross Revenue		$288,245		$313,501
Less: General Vacancy	5%	($14,412)	5.0%	($15,675)
Effective Gross Revenue		$273,832		$297,826
Less: Operating Expenses	31.0%	($84,982)	29.7%	($88,322)
Net Operating Income		**$188,851**		**$209,505**
Less: Debt Service		($131,139)		($131,139)
Net Cash Flow After Debt Service	7.03%	$57,712	9.5%	$78,366
Principal Reduction		$26,723		$28,513
Total Return	**10.28%**	**$84,435**	**13.0%**	**$106,879**

Operating Expenses	Year 1	Pro Forma
CAMS	$36,307	$37,396
Insurance	$7,709	$7,940
Real Estate Taxes	$28,958	$29,827
Management Fee	$10,251	$11,349
Reserves	$1,757	$1,810
Total Expenses	**$84,982**	**$88,322**
Expenses Per Foot	**$7.26**	**$7.54**

MSA & Submarket Overview

S Everett/Harbor Point has emerged as one of the Puget Sound region's most disciplined office submarkets, recording **zero new construction deliveries or starts over the past decade.** This structural scarcity has kept vacancy anchored near its long-run historical average even as the broader Seattle metro contends with elevated, near-record vacancy — underscoring the submarket's insulation from wider market volatility. **Strong regional infrastructure**, including direct access to I-5, Paine Field, and Boeing's largest manufacturing campus, continues to attract stable, long-term tenancy to the corridor. For medical and healthcare users specifically, this stability is reinforced by structurally tight vacancy and **durable rent growth across the broader medical office sector**, positioning S Everett/Harbor Point as a rare combination of affordability, access, and long-term demand security.

KEY MARKET INDICATORS

(Metrics represent: S Everett/Harbor Point Submarket)

- **Total Inventory:** 2.68M SF
- **Under Construction**: 0 SF / 0% of Inventory
- **Vacancy Trend:** 5.8% (Decreasing, -0.2 pts YoY)
- **Rent Growth:** 3.4% Average Annual Increase (10-Year)

SUBMARKET VS. MSA

	S Everett/Harbor Point (Submarket)	Seattle MSA
Total Inventory	**2.68M SF**	237.6M SF
Vacancy Rate	**5.80%**	17.20%
Under Construction	**0 SF (0%)**	1.2M SF (0.5%)
Rent Growth (10-Yr Avg)	**3.40%**	1.70%

MEDICAL OFFICE TAILWIND (SEATTLE METRO)

4.3%
Seattle medical office vacancy

641K
SF Leased in last 12 months

21K SF
Medical office under construction (0.1%)

±220%
Medical office growth compared to traditional office

Local Demographics
IN A 3-MILE RADIUS

Population

2026 Total Population	153,380
2031 Projected Population	159,226

Age

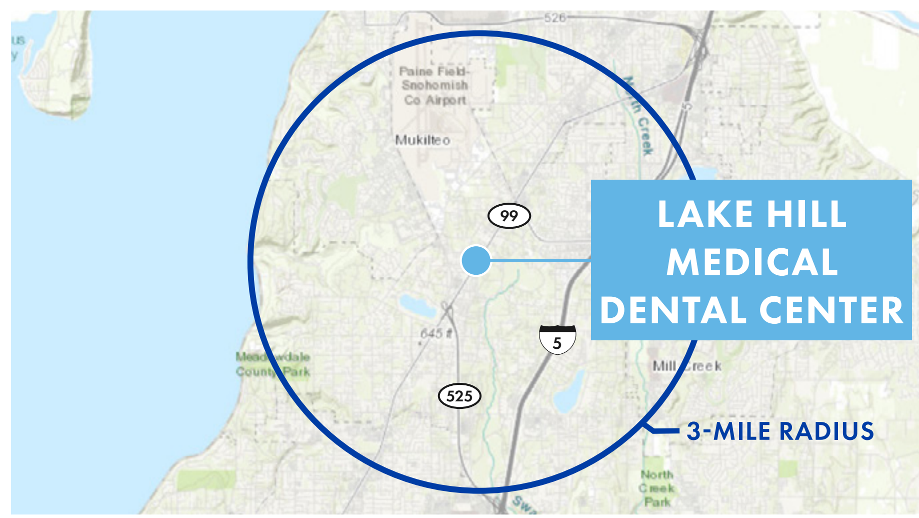
15 - 24	11.9%
25 - 34	16.0%
35 - 44	16.1%
45 - 54	12.8%
55 - 64	10.9%
65 - 74	9.0%
75+	6.0%

Income By Household

$200,000+	19.9%
$150K-$200K	12.1%
$100K-$150K	18.6%
$75K-$100K	12.8%
$50K-$75K	14.2%
$35K-$50K	7.8%

$133,149
AVERAGE HOUSEHOLD INCOME

$101,093
MEDIAN HOUSEHOLD INCOME



Nearby Developments

ROWAN PARK

D.R. Horton has proposed 248 for-sale homes, including 156 townhomes and 92 detached single-family lots, on the vacant approximately 19-acre site. The plan also includes stormwater and utility upgrades, approximately 25,400 square feet of play/open-space amenities, and 547 parking spaces.

Status: Proposed; the May 21, 2026 report indicated the application was on correction hold. As the closest major rooftop pipeline to the subject, this development would meaningfully expand the surrounding customer and employee base available to medical and dental tenants.

1.5 MI | 6 MIN
Distance from Subject Property

248 HOMES
Including townhomes and single-family lots

FOUR CORNERS

The former Kmart site is being redeveloped into 430 affordable apartments across five buildings, with capacity for more than 1,000 residents. The first building opened in March 2024, while additional buildings were still being delivered and occupied at the time of reporting. Amenities include a fitness center, indoor pool/hot tub, playground, and business center.

Status: Recently delivered and in phased occupancy. The influx of new households and supporting amenities points to broadening, recurring healthcare demand across the South Everett–Everett customer base.

4 MI | 12 MIN
Distance from Subject Property

430 APARTMENTS
Five Affordable Buildings

Nearby Developments

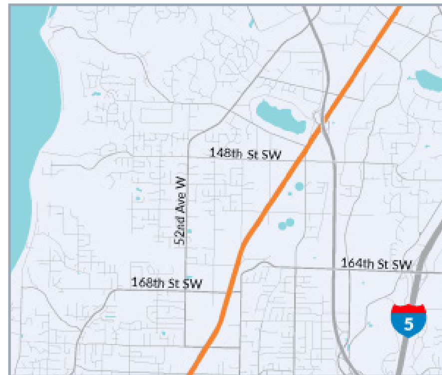
KAISER PERMANENTE EVERETT MEDICAL CENTER EXPANSION

The expansion opened June 3, 2025, adding access to more than 20 specialties, including dermatology, endocrinology, podiatry, neurology, gastroenterology, and rheumatology, along with MRI, CT, ultrasound, X-ray, mammography, bone-density diagnostics, pharmacy, and other services.

Status: Delivered and operating. This expanded healthcare and employment node adds further weight to Everett's growing medical-services ecosystem and the durability of long-term healthcare demand in the trade area.

9.6 MI | 17 MIN
Distance from Subject Property

20+ SPECIALTIES
Expanded Medical & Imaging Services



SR 99 LYNNWOOD & UNINCORPORATED SNOHOMISH COUNTY CORRIDOR IMPROVEMENTS

WSDOT's pre-design study and prioritization work focus on complete streets, transit access, walking/rolling/biking, safety, and mobility; the corridor is served by Swift connections, with future Link expansion toward Everett including a proposed Airport Road station.

Status: Planning and prioritization; not confirmed as funded or under construction. Should these long-term corridor improvements move forward, they could enhance access, visibility, and transit-oriented tenant demand — though at this stage the project remains a potential catalyst rather than a committed one.

TRANSIT & MOBILITY
Swift BRT & Future Link Light Rail Access

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