



21125 81ST DR NE
ARLINGTON, WA 98223

OFFERING MEMORANDUM



**PORTAGE CREEK
APARTMENTS**

PROJECT LEADS

STEVE FISCHER

Senior Vice President
425.830.2254
sfischer@northmarq.com

JOE KINKOPF

Senior Vice President
206.321.8344
jkinkopf@northmarq.com

BRENDAN GREENHECK

Associate
425.749.9593
bgreenheck@northmarq.com

INVESTMENT SALES

TAYLOR WYMAN

Associate
425.577.8481
twyman@northmarq.com

TYLER SMITH

Senior Vice President
206.612.2475
tsmith@northmarq.com

DEBT & FINANCING

STUART OSWALD

Managing Director
425.974.1055
soswald@northmarq.com

BOB SPIRO

Managing Director
425.974.0182
bspiro@northmarq.com

JACK BELL

Vice President
425.974.1058
jbell@northmarq.com

BEN BIGGERS

Vice President
425.974.1056
bbiggers@northmarq.com

This Offering Memorandum has been prepared solely for informational purposes to assist prospective investors in evaluating a potential real estate investment opportunity. Northmarq makes no guarantees, representations, or warranties of any kind, expressed or implied, regarding the information including, but not limited to, warranties of content, completeness, accuracy, reliability, and fitness for any particular purpose. This document does not constitute an offer to sell or a solicitation of an offer to buy any securities, nor shall it be construed as investment, legal, or tax advice. Prospective investors are encouraged to conduct their own independent due diligence and consult with their financial, legal, and tax advisors before making any investment decisions. The projections, assumptions, and forward-looking statements included in this memorandum are for illustrative purposes only and are subject to significant uncertainties and risks. Actual results may differ materially from those expressed or implied. Past performance is not indicative of future results. By accepting this memorandum, the recipient agrees to keep its contents confidential and not to disclose or reproduce it, in whole or in part, without prior written consent. Neither the property owner nor any of its affiliates shall be liable for any loss or damage arising from reliance on the information contained herein. ANY RELIANCE ON THE CONTENT OF THIS OFFERING MEMORANDUM IS SOLELY AT YOUR OWN RISK. © 2025. All rights reserved.



TABLE OF CONTENTS

01. EXECUTIVE SUMMARY
02. FINANCIAL ANALYSIS
03. MARKET COMPARABLES
04. LOCATION OVERVIEW



01.

**EXECUTIVE
SUMMARY**

INVESTMENT OVERVIEW

Portage Creek Apartments is a well-maintained 28-unit property located in Arlington, offering investors immediate rent growth with minimal execution risk. The property has benefited from significant capital improvements, with 24 of 28 units already renovated featuring updated flooring, paint, cabinets, and countertops. In addition, the exterior has been recently repainted, enhancing curb appeal and reinforcing the asset's strong physical condition. Despite these upgrades, in-place rents remain below market, providing a clear opportunity to increase revenue without the need for further interior renovations. All units include in-unit washers and dryers and feature large floor plans averaging 1,009 square feet, a compelling differentiator in the local rental market.

The unit mix is further enhanced by value-added amenities, including several units with attached garages and a total of 14 garages on site, two of which are currently utilized by ownership and offer immediate incremental income potential. Most units also feature expansive private decks, adding desirable outdoor living space that supports tenant retention and higher market rents. With a strong renovation base already in place, investors can focus on mark-to-market rent growth, selective completion of remaining upgrades if desired, and long-term optionality through future redevelopment potential via the excess parking area. Collectively, these attributes position **Portage Creek Apartments** as a high-quality asset with multiple, low-friction avenues for income growth and appreciation.

INVESTMENT HIGHLIGHTS

- **Efficiently Scaled Asset:** 28 units totaling 28,247 net rentable square feet, featuring a diverse mix of one, two, three, and rare five bedroom residences with an average unit size of 1,009 SF, appealing to families and workforce renters
- **Value-Add Opportunity:** Rents well below market, providing significant upside through rent repositioning
- **Stabilized Occupancy:** Fully occupied, demonstrating strong tenant demand and consistent cash flow
- **Established Construction:** Built in 1992, offering more modern systems relative to older vintage assets
- **Attached Garage Parking:** Offered with a number of units providing tenants with secure parking and additional storage
- **In-Unit Laundry:** Laundry included within each residence
- **Strategic Location:** Located in Arlington, Washington, with close proximity to Skagit Regional Health and Cascade Valley Hospital, supporting durable, healthcare-driven rental demand
- **Future Redevelopment Upside:** The property offers potential to expand density through redevelopment of the excess parking area, allowing for the construction of additional apartment units.



PROPERTY SUMMARY

Address
21125 81st Dr NE
Arlington, WA 98223

Year Built / Renovated
1992

No. of Units
28

Property Type
Low-Rise Apartments

No. of Buildings
2

Net Rentable Area
± 28,247 SF

Land Area
± 187,308 SF

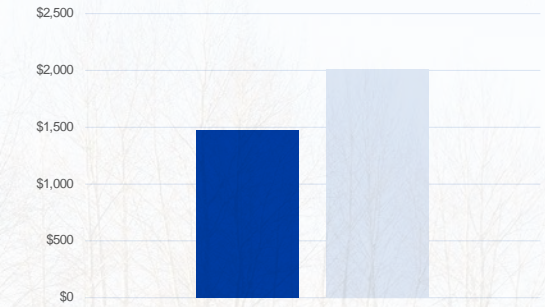
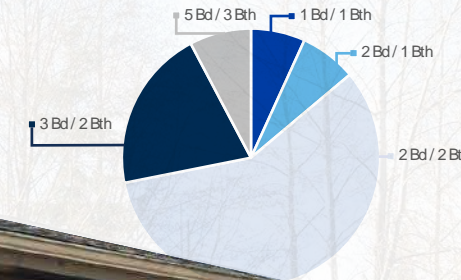
APN
007768-000-022-00;
007768-000-023-00

Parking
Surface: 47 | Garage: 14

UNIT MIX

Type	Count	SF	%	Current		Stabilized	
1 Bd / 1 Bth	4	480	7%	\$1,059	\$2.21	\$1,250	\$2.60
2 Bd / 1 Bth	2	1,000	7%	\$1,334	\$1.33	\$1,975	\$1.98
2 Bd / 2 Bth	16	1,024	58%	\$1,537	\$1.50	\$2,050	\$2.00
3 Bd / 2 Bth	5	1,152	20%	\$1,528	\$1.33	\$2,250	\$1.95
5 Bd / 3 Bth	1	2,184	8%	\$2,085	\$0.95	\$3,300	\$1.51
Average	28 Units	1,009 SF	100%	\$1,472	\$1.46	\$2,011	\$1.99

Floor Plans





02.

**FINANCIAL
ANALYSIS**

INCOME AND EXPENSES

PRICE ANALYSIS

LIST PRICE	\$7,300,000
Number of Units	28
Price Per Unit	\$261,000
Price Per NRSF	\$258
Current Cap	3.94%
Current GRM	14.76
Stabilized Cap	6.35%
Stabilized GRM	11.22
Year Built	1992
Approx. Lot Size (SF)	±187,308
Approx. NRSF	± 28,247

INCOME

	CURRENT	STABILIZED
Gross Potential Rent	\$675,600	\$675,600
Loss to Lease	(\$180,888)	\$0
Gross Scheduled Rent	\$494,712	\$675,600
Vacancy	(\$24,736)	(\$33,780)
Net Rental Income	\$469,976	\$641,820
RUBS	\$0	\$36,960
Parking	\$7,800	\$16,800
Pet	\$4,800	\$4,800
Misc. Income	\$0	\$8,400
Total Other Income	\$12,600	\$66,960
Effective Gross Income	\$482,576	\$708,780

EXPENSES

	CURRENT	STABILIZED
Maint/Repair:	\$19,600	\$20,188
Turnover:	\$5,040	\$5,191
R&M Payroll:	\$16,800	\$17,304
Landscaping:	\$7,200	\$7,416
Marketing:	\$1,680	\$1,730
Admin:	\$4,200	\$4,326
Total Controllable Expenses	\$57,320	\$59,040
RE Taxes:	\$41,489	\$58,671
Insurance:	\$25,085	\$25,837
Utilities W/S/G/E:	\$40,036	\$41,237
Management:	\$24,043	\$35,439
Total Non-Controllable Expenses	\$130,653	\$161,184
TOTAL EXPENSES	\$188,058	\$220,223
NET OPERATING INCOME	\$294,518	\$488,557
Reserves:	\$7,000	\$7,210
NET OPERATING INCOME (AFTER RESERVES)	\$287,518	\$481,347

RENT ROLL

Unit	Type	SF	Current		Stabilized	
A100	2 Bd / 1 Bth	1,000	\$1,292	\$1.29	\$1,975	\$1.98
A102	2 Bd / 2 Bth	1,095	\$1,540	\$1.41	\$2,050	\$1.87
A104	2 Bd / 2 Bth	1,095	\$1,375	\$1.26	\$2,050	\$1.87
A106	2 Bd / 2 Bth	1,095	\$1,375	\$1.26	\$2,050	\$1.87
A108	2 Bd / 2 Bth	1,095	\$1,523	\$1.39	\$2,050	\$1.87
A110	2 Bd / 2 Bth	1,095	\$1,500	\$1.37	\$2,050	\$1.87
A111	5 Bd / 3 Bth	2,184	\$2,085	\$0.95	\$3,300	\$1.51
A200	3 Bd / 2 Bth	1,152	\$1,550	\$1.35	\$2,250	\$1.95
A202	2 Bd / 2 Bth	1,068	\$1,700	\$1.59	\$2,050	\$1.92
A203	1 Bd / 1 Bth	480	\$1,200	\$2.50	\$1,250	\$2.60
A204	2 Bd / 2 Bth	1,068	\$1,523	\$1.43	\$2,050	\$1.92
A205	1 Bd / 1 Bth	480	\$900	\$1.88	\$1,250	\$2.60
A206	2 Bd / 2 Bth	1,068	\$1,400	\$1.31	\$2,050	\$1.92
A207	1 Bd / 1 Bth	480	\$935	\$1.95	\$1,250	\$2.60
A208	2 Bd / 2 Bth	1,068	\$1,435	\$1.34	\$2,050	\$1.92
A209	1 Bd / 1 Bth	480	\$1,200	\$2.50	\$1,250	\$2.60
B100	3 Bd / 2 Bth	1,152	\$1,578	\$1.37	\$2,250	\$1.95
B101	3 Bd / 2 Bth	1,152	\$1,523	\$1.32	\$2,250	\$1.95
B102	3 Bd / 2 Bth	1,152	\$1,468	\$1.27	\$2,250	\$1.95
B103	3 Bd / 2 Bth	1,152	\$1,523	\$1.32	\$2,250	\$1.95
B200	2 Bd / 1 Bth	1,000	\$1,375	\$1.38	\$1,975	\$1.98
B201	2 Bd / 2 Bth	948	\$1,523	\$1.61	\$2,050	\$2.16
B202	2 Bd / 2 Bth	948	\$1,523	\$1.61	\$2,050	\$2.16
B203	2 Bd / 2 Bth	948	\$1,430	\$1.51	\$2,050	\$2.16
B300	2 Bd / 2 Bth	948	\$1,600	\$1.69	\$2,050	\$2.16
B301	2 Bd / 2 Bth	948	\$1,600	\$1.69	\$2,050	\$2.16
B302	2 Bd / 2 Bth	948	\$2,050	\$2.16	\$2,050	\$2.16
B303	2 Bd / 2 Bth	948	\$1,500	\$1.58	\$2,050	\$2.16
Total	28 Units	28,247 SF	\$41,226	\$1.46	\$56,300	\$1.99



03.

**MARKET
COMPARABLES**

RENT COMPARABLES

1 BEDROOM / 1 BATH

PROPERTY NAME	PROPERTY ADDRESS	UNIT TYPE	AVG SF	RENT	RENT/SF
★ Portage Creek Apartments	21125 81st Dr NE, Arlington WA	1 Bd / 1 Bth	480	\$1,059	\$2.21
01 Wesley Point	1033 Wesley Ave Arlington, WA	1 Bd / 1 Bth	693	\$1,205	\$1.74
02 320 E Burke	320 E Burke Ave Arlington, WA	1 Bd / 1 Bth	650	\$1,550	\$2.38
03 14310 67th	14310 67th Ave NE Arlington, WA	1 Bd / 1 Bth	600	\$1,285	\$2.14
Property Averages			648	\$1,347	\$2.09

2 BEDROOM / 1 BATH

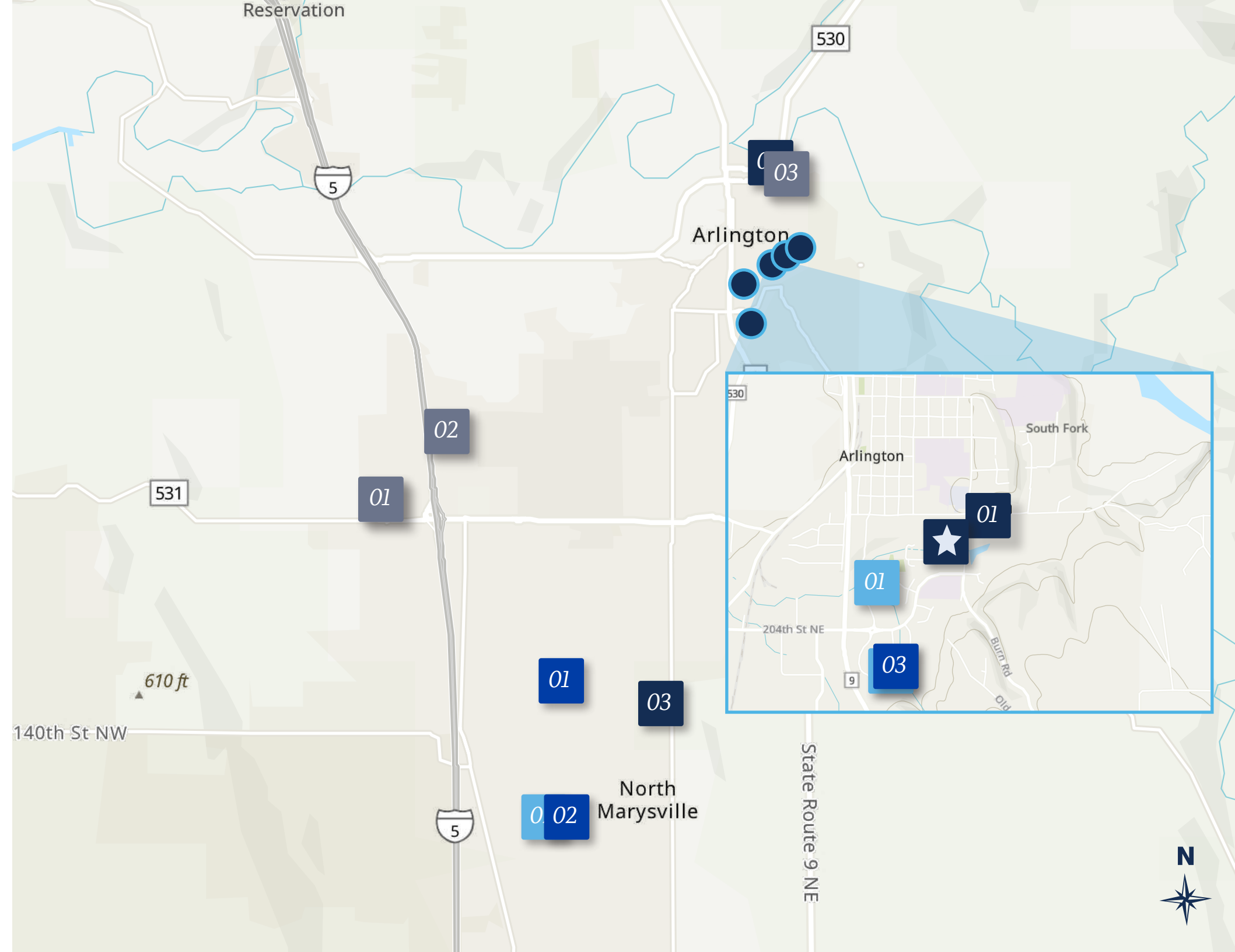
PROPERTY NAME	PROPERTY ADDRESS	UNIT TYPE	AVG SF	RENT	RENT/SF
★ Portage Creek Apartments	21125 81st Dr NE, Arlington WA	2 Bd / 1 Bth	1,000	\$1,334	\$1.33
01 Arise Townhomes	3207 Smokey Point Blvd Arlington WA	2 Bd / 1 Bth TH	950	\$1,895	\$1.99
02 18012 Smoke Point	18012 Smokey Point Blvd, Arlington, WA	2 Bd / 1 Bth	960	\$2,095	\$2.18
03 Terrace Park	725 E 5th St, Arlington, WA 98223	2 Bd / 1 Bth	844	\$1,850	\$2.19
Property Averages			918	\$1,947	\$2.12

2 BEDROOM / 2 BATH

PROPERTY NAME	PROPERTY ADDRESS	UNIT TYPE	AVG SF	RENT	RENT/SF
★ Portage Creek Apartments	21125 81st Dr NE, Arlington WA	2 Bd / 2 Bth	1,024	\$1,537	\$1.50
01 South Village Apartments	20721 Olympic Pl NE Arlington, WA	2 Bd / 2 Bth	988	\$1,950	\$1.97
02 12705 48th	12705 48th Ave NE Marysville, WA	2 Bd / 2 Bth	1,088	\$1,850	\$1.70
03 The Villas at Portage Creek	7980 200th St NE Arlington, WA	2 Bd / 2 Bth	937	\$2,023	\$2.16
Property Averages			1,004	\$1,941	\$1.94

3 BEDROOM / 2 BATH

PROPERTY NAME	PROPERTY ADDRESS	UNIT TYPE	AVG SF	RENT	RENT/SF
★ Portage Creek Apartments	21125 81st Dr NE, Arlington WA	3 Bd / 2 Bth	1,152	\$1,528	\$1.33
01 14716 50th	14716 50th Dr NE Marysville, WA	3 Bd / 2 Bth	1,230	\$2,450	\$1.99
02 12712 51st	12712 51st Ave NE Marysville, WA	3 Bd / 2 Bth	1,114	\$2,225	\$2.00
03 The Villas at Portage Creek	7980 200th St NE Arlington, WA	3 Bd / 2 Bth	1,230	\$2,488	\$2.02
Property Averages			1,191	\$2,388	\$2.00

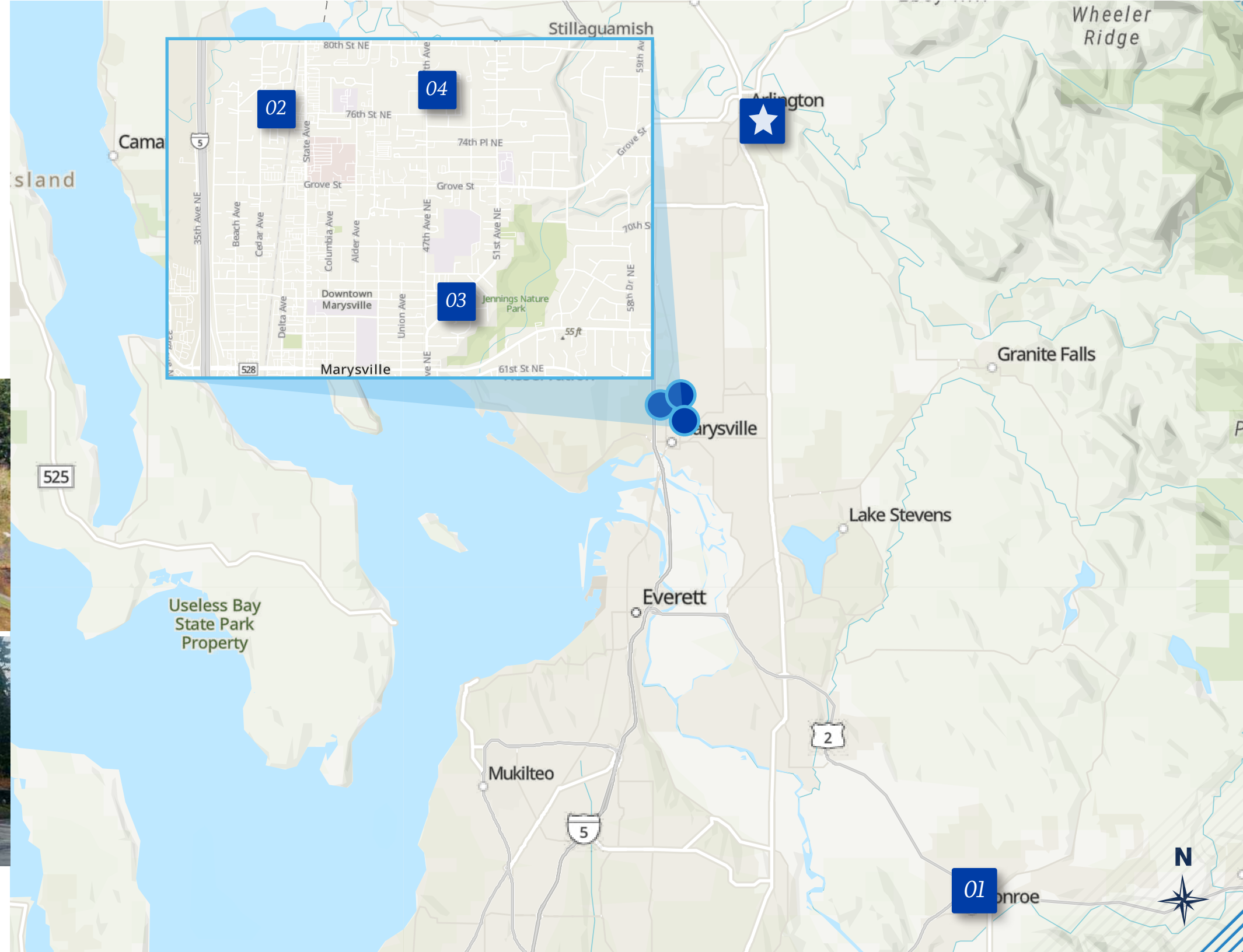


SALES COMPARABLES

PROPERTY NAME	PROPERTY ADDRESS	UNITS	YEAR BUILT	SALE DATE	PRICE	PER UNIT	PER NET SF
★ Portage Creek	21125 81st Dr NE, Arlington WA	28	1992	TBD	\$7,300,000	\$261,000	\$258
01 Parkside Apartments	700 W Maple St Monroe, WA	29	1982	TBD	\$7,550,000	\$260,345	\$296
02 Hidden Firs	1316 Cedar Ave Marysville, WA	16	1985	4/4/25	\$2,640,000	\$165,000	\$247
03 The Armar	6511 Armar Rd Marysville, WA	11	1968	5/23/25	\$2,640,000	\$240,000	\$230
04 Liberty Gardens	7629 47th Ave NE Marysville, WA	27	1986	2/14/25	\$8,080,000	\$299,259	\$284
Property Averages					\$241,151	\$264	



NORTHMARQ





04.
**LOCATION
OVERVIEW**

ARLINGTON WASHINGTON

Arlington, Washington is a growing north Snohomish County market strategically positioned along the Interstate 5 corridor, approximately 40 miles north of Seattle and 10 miles north of Everett. The city has experienced steady population growth driven by relative affordability, expanding employment opportunities, and strong regional connectivity. Median household income is above many regional peers, supporting durable consumer demand and workforce stability. Arlington benefits from a balanced demographic profile with a strong concentration of working-age residents and families, reinforcing long-term housing demand and the viability of neighborhood-serving commercials uses.

Arlington's economic foundation is anchored by a diverse employment base that includes manufacturing, healthcare, education, construction, and logistics. The city is a key participant in the Cascade Industrial Center (CIC), a state-designated Manufacturing-Industrial Center and one of the Puget Sound region's primary long-term employment hubs. This designation positions Arlington as an emerging industrial and logistics market within the greater Seattle- Everett supply chain, supported by available industrial zoning, expanding infrastructure, and proximity to regional transportation networks, including I-5 and the Arlington Municipal Airport. While Arlington is not among Washington's largest commercial real estate markets by volume, it is increasingly viewed as a cost-advantaged secondary market offering attractive fundamentals for industrial, flex, and neighborhood retail investment, with continued residential growth supporting service-oriented and workforce-driven commercial demand.

AREA DEMOGRAPHICS

Within 5 miles of the subject property

43,403

2024 TOTAL
POPULATION

39.1

MEDIAN AGE
OF RESIDENTS

\$561,472

MEDIAN HOME
VALUE

\$114,476

AVERAGE HOUSEHOLD
INCOME

0.32%

ANNUAL POPULATION
GROWTH

2,158

TOTAL
BUSINESSES

5,347

RENTER OCCUPIED
HOUSEHOLDS

11,275

OWNER OCCUPIED
HOUSEHOLDS



CASCADE

INDUSTRIAL CENTER

The **Cascade Industrial Center** is a hub of industrial activity that is the second-largest Manufacturing-Industrial Center in Snohomish County. The Cascade Industrial Center received its regional designation as one of only 10 manufacturing industrial centers in Puget Sound region, and one of two in Snohomish County.

The Cascade Industrial includes a total land area within the MIC boundaries of 4,019 acres, of which 57% is in Arlington and 43% lies in Marysville. Nearly 1,762 acres, or about 44%, of the Cascade Industrial Center land area consists of lands with the capacity for additional development, including partially-used sites, re-developable sites and vacant sites. Most developable sites are within the city limits of Marysville. Arlington Airport is at the center of the CIC.

INNOVATION HUB

The CIC is Snohomish County's Hub for Manufacturing Innovation. A wide range of mechanized and technology-driven industries are supported by a distinctive and abundantly qualified advanced manufacturing workforce, smart manufacturing practices, and access to emerging platform technologies. Throughout the surrounding region, businesses will find a concentration of mechanical engineering, instrumentation and fabrication experts. More than 20,000 family-wage jobs are projected for CIC through its build-out and they're well on their way to achieving that goal. This also helps create higher quality communities where residents work close to home, contribute to life in the neighborhoods, and boost the local economy.



CASCADE VALLEY HOSPITAL

Cascade Valley Hospital opened in 1901 to serve the greater Arlington community. The hospital underwent a significant renovation and expansion in 2010 and is now licensed for 48 beds. The hospital is one of the region's primary providers of critical health services, including a Level IV emergency department and multidisciplinary clinical care that reduces the need for residents to travel long distances for essential treatment. It also operates multiple clinics and a surgery center, reinforcing local access to healthcare across a broad service area.

ECONOMIC CONTRIBUTOR

Cascade Valley Hospital has long been a significant employer and economic contributor in the Arlington area, with several hundred full- and part-time employees and a multi-million-dollar operating budget. Its role extends to community wellbeing by enhancing public health infrastructure and supporting workforce stability. Recent operational affiliations with larger health systems like Skagit Regional Health, and potential future partnerships with regional healthcare networks, aim to secure and expand service offerings, improve physician recruitment, and enhance continuity of care — outcomes that benefit residents and strengthen the local labor market.





PORTAGE CREEK APARTMENTS

BELLEVUE OFFICE

10500 NE 8TH STREET #1925 BELLEVUE, WA 98004

PROJECT LEADS:

STEVE FISCHER

Senior Vice President

425.830.2254

sfischer@northmarq.com

JOE KINKOPF

Senior Vice President

206.321.8344

jkinkopf@northmarq.com

BRENDAN GREENHECK

Associate

425.749.9593

bgreenheck@northmarq.com

This Offering Memorandum has been prepared solely for informational purposes to assist prospective investors in evaluating a potential real estate investment opportunity. Northmarq makes no guarantees, representations, or warranties of any kind, expressed or implied, regarding the information including, but not limited to, warranties of content, completeness, accuracy, reliability, and fitness for any particular purpose. This document does not constitute an offer to sell or a solicitation of an offer to buy any securities, nor shall it be construed as investment, legal, or tax advice. Prospective investors are encouraged to conduct their own independent due diligence and consult with their financial, legal, and tax advisors before making any investment decisions. The projections, assumptions, and forward-looking statements included in this memorandum are for illustrative purposes only and are subject to significant uncertainties and risks. Actual results may differ materially from those expressed or implied. Past performance is not indicative of future results. By accepting this memorandum, the recipient agrees to keep its contents confidential and not to disclose or reproduce it, in whole or in part, without prior written consent. Neither the property owner nor any of its affiliates shall be liable for any loss or damage arising from reliance on the information contained herein. ANY RELIANCE ON THE CONTENT OF THIS OFFERING MEMORANDUM IS SOLELY AT YOUR OWN RISK. © 2025. All rights reserved.