8874-8878 DEPOT RD
LYNDEN, WA 98264

8881-8885 DEPOT RD
LYNDEN, WA 98264

Northmarq

OFFERING MEMORANDUM

DEPOT
ESTATES & VILLAS

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Northmarq

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EXECUTIVE SUMMARY

INVESTMENT *OVERVIEW*

Northmarq is pleased to present **Depot Estates and Villas**, a 92-unit multifamily community in Lynden, Washington. The property offers investors a stabilized asset with strong in-place operations and long-term growth potential in one of Northwest Washington's most supply-constrained multifamily markets.

Completed in two phases in 2017 and 2022, the property features a highly desirable mix of spacious two- and three-bedroom residences designed to meet the needs of Lynden's growing family-oriented renter base. The community consists of 48 two-bedroom, two-bath units averaging 1,021 square feet and 44 three-bedroom, two-bath units averaging 1,185 square feet. The asset also offers a compelling mark-to-market opportunity, with current rents generally ranging from $50 to $150 per month below comparable market levels.

Lynden continues to benefit from steady population growth, a young and family-oriented demographic profile, and a diversified economic base supported by agriculture, manufacturing, retail, healthcare, and cross-border commerce. With a median household income of approximately $103,800, the city also demonstrates the income strength needed to support sustained rental demand. The city's limited multifamily development pipeline and constrained housing supply create favorable fundamentals for long-term occupancy and rent growth, positioning Depot Estates and Villas as a compelling long-term investment opportunity.

INVESTMENT *HIGHLIGHTS*

- **Modern, Two-Phase Construction:** Completed in 2017 and 2022, offering contemporary design, quality building systems, and limited near-term capital requirements
- **Demographics & Regional Tenant Base:** Lynden's growing, family-oriented population and diverse economic drivers support a stable and expanding renter pool
- **Mark-to-Market Rental Upside:** Current rents are generally estimated to be $50 to $150 per month below comparable market levels, providing investors with a clear path for future revenue growth
- **Utility Bill-Back Upside:** Currently implemented in only 61 of 92 units, providing the next owner with a clear path to immediate NOI growth through full property-wide RUBS implementation.
- **Limited New Supply:** Constrained multifamily development pipeline supports long-term rental demand and occupancy stability
- **Desirable Unit Mix:** Large two- and three-bedroom floor plans cater to the area's strong demand for family sized housing
- **In-Unit Washer/Dryer:** Every unit is equipped with full-size washers and dryers, adding to resident comfort and overall appeal
- **Strategic Whatcom County Location:** Positioned near the Canadian border and within the greater Northwest Washington economic corridor, providing access to a broad regional employment base

PROPERTY *SUMMARY*

Address
8874-8878 Depot Rd & 8881-8885 Depot Rd Lynden, WA 98264

Year Built
2017/2022

No. of Units
92

Property Type
Garden Apartments

No. of Buildings
6

Net Rentable Area
± 101,142 SF

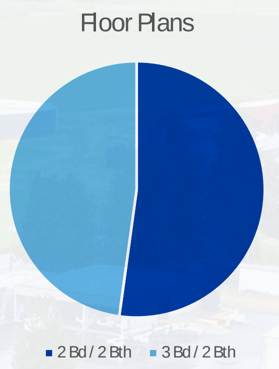
Land Area
± 179,903 SF

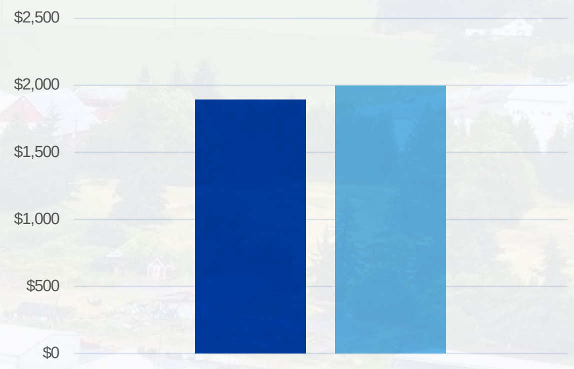
APN
4003173055110000
4003172505270000
4003172505180000

Parking
Surface: 136 | Garage: 42

UNIT *MIX*

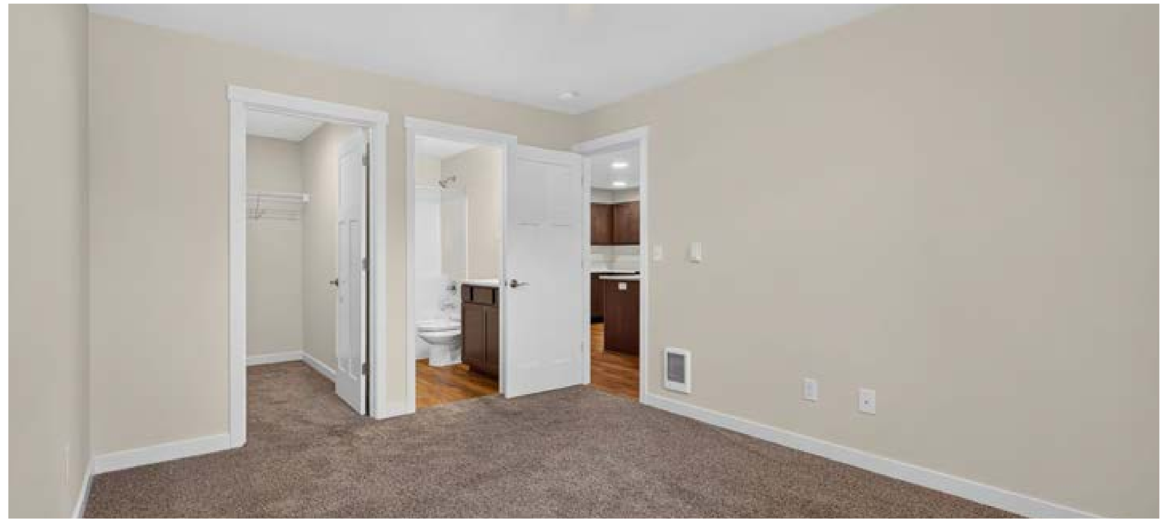
Type	Count	SF	%	Current		Market	
2 Bd / 2 Bth	48	1,021	52%	$1,821	$1.78	$1,900	$1.86
3 Bd / 2 Bth	44	1,185	48%	$1,972	$1.66	$2,100	$1.77
Average	**92 Units**	**1,099 SF**	**100%**	**$1,893**	**$1.72**	**$1,996**	**$1.82**





DEPOT ESTATES

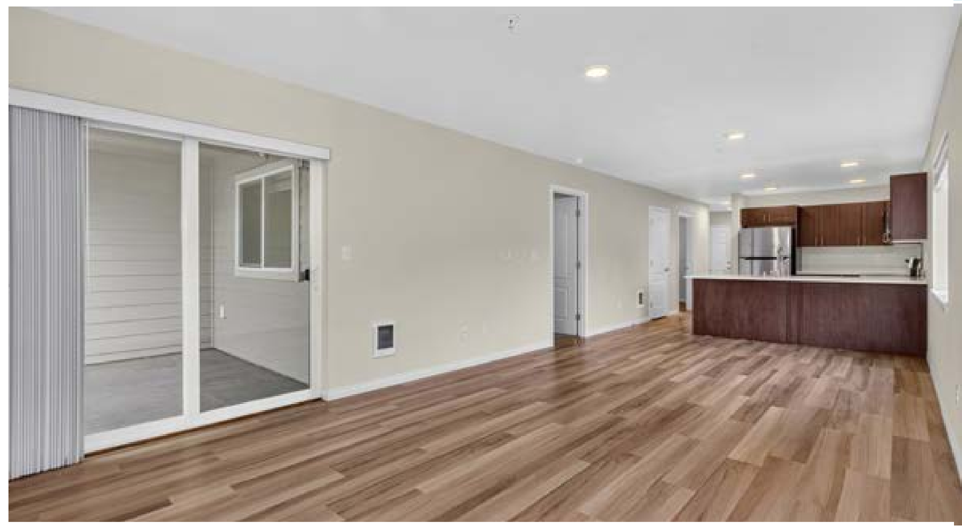
INTERIOR *PHOTOS*



DEPOT VILLAS
INTERIOR *PHOTOS*







03.

FINANCIAL ANALYSIS

INCOME AND *EXPENSES*

	Current		Market	
Income				
Gross Potential Rent	$2,203,200	$23,948	$2,203,200	$23,948
Loss to Lease	($113,256)	5.14%	$0	0.00%
Gross Scheduled Rent	$2,089,944	$22,717	$2,203,200	$23,948
Vacancy	($104,497)	5.00%	($110,160)	5.00%
Net Rental Income	$1,985,447	$21,581	$2,093,040	$22,750
RUBS	$84,545	$919	$136,176	$1,480
Parking	$27,785	$302	$27,785	$302
Pet	$16,779	$182	$16,779	$182
Misc Income	$21,552	$234	$21,552	$234
Total Other Income	$150,661	$1,638	$202,292	$2,199
Effective Gross Income	$2,136,108	$23,219	$2,295,332	$24,949
Expenses				
Maintenance & Repairs	$52,304	$569	$55,752	$606
Turnover	$32,239	$350	$32,239	$350
Payroll	$46,000	$500	$46,000	$500
R&M Payroll	$46,000	$500	$46,000	$500
Contract Services	$23,745	$258	$15,197	$165
Landscaping	$26,400	$287	$26,400	$287
Marketing	$13,616	$148	$13,664	$149
Admin	$18,400	$200	$18,400	$200
Total Controllable Expenses	$258,704	$2,812	$253,652	$2,757
Property Taxes	$163,408	$1,776	$150,000	$1,630
Insurance	$61,590	$669	$61,590	$669
Utilities: W/S/G/E	$151,311	$1,645	$151,311	$1,645
Property Management	$74,764	$813	$80,337	$873
Total Non-Controllable Expense	$451,073	$4,903	$443,238	$4,818
Total Operating Expense	$709,777	$7,715	$696,889	$7,575
Net Operating Income	$1,426,331	$15,504	$1,598,443	$17,374
Reserves	$23,000	$250	$23,000	$250
Net Operating Income (After Reserves)	$1,403,331	$15,254	$1,575,443	$17,124

FINANCIAL *ASSUMPTIONS*

Income	Notes
RUBS	T1 RUBS. Market assumes 90% recapture
Parking	T12 Parking
Pet	T12 Pet + Non-Refund Pet Fee
Misc Income	T12 Cleaning, Late Fee

Expenses	Notes
Maintenance & Repairs	T12 R&M
Turnover	T12 Turnover
Payroll	Assuming $500/Unit
R&M Payroll	Assuming $500/Unit
Contract Services	T12 Fire, Pest Control, & Cleaning
Landscaping	Assuming $2,200/Month
Marketing	T12 Marketing
Admin	Assuming $200/unit
Property Taxes	2026 County Assessed Taxes
Insurance	T12 Depot Estates Insurance + $670/Unit for Villas
Utilities: W/S/G/E	T12 Utilities
Property Management	3.5% of EGI
Reserves	$250 per unit

Property Analysis	
Number of Units	92
Year Built	2017/2022
Approx. Lot Size (SF)	± 179,903
Approx. NRSF	± 101,142

04.

MARKET COMPARABLES

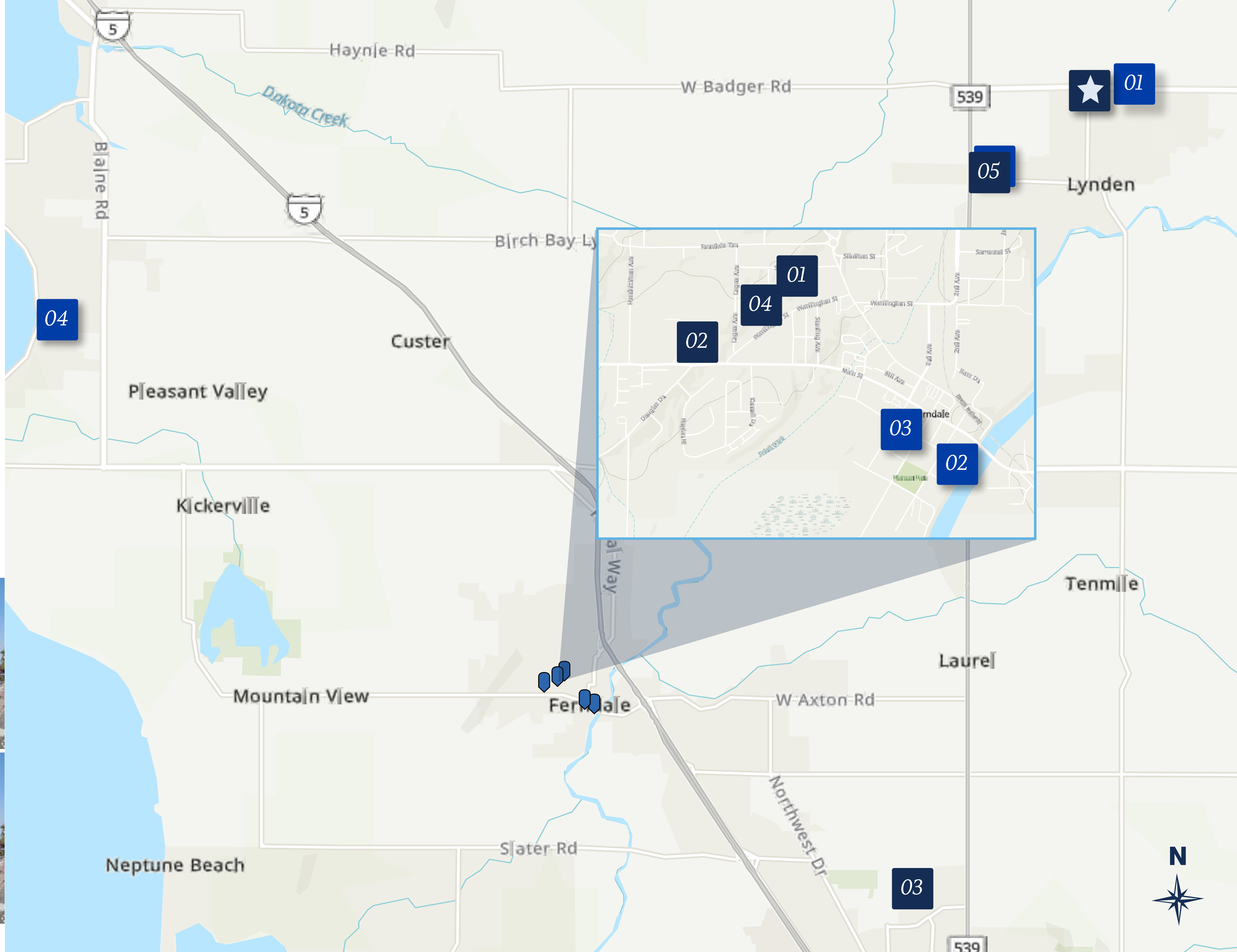
RENT COMPARABLES

2 BED / 2 BATH

	PROPERTY NAME	PROPERTY ADDRESS	UNIT TYPE	AVG SF	RENT	RENT/SF
★	**Depot Estates & Villas**	**8874-8878 Depot Rd & 8881-8885 Depot Rd Lynden, WA**	**2 Bd/ 2 Bth**	**1,021**	**$1,821**	**$1.78**
01	2160 Siddle	2160 Siddle Loop, Ferndale, WA 98248	2 Bd / 2 Bth TH	1,058	$2,015	$1.90
02	2250 Main	2250 Main St, Ferndale, WA 98248	2 Bd / 2 Bth TH	1,000	$1,835	$1.84
03	4615 Quinn	4615 Quinn Ct, Bellingham, WA 98226	2 Bd / 2 Bth	1,126	$2,000	$1.78
04	5739 Fallbrook	5739 Fallbrook Ln, Ferndale, WA 98248	2 Bd / 2 Bth TH	1,088	$1,995	$1.83
05	City Gate Apartments	1900 Front St. Lynden, WA 98264	2 Bd / 2 Bth	1,025	$1,875	$1.83
	Property Averages			**1,059**	**$1,944**	**$1.84**

3 BED / 2 BATH

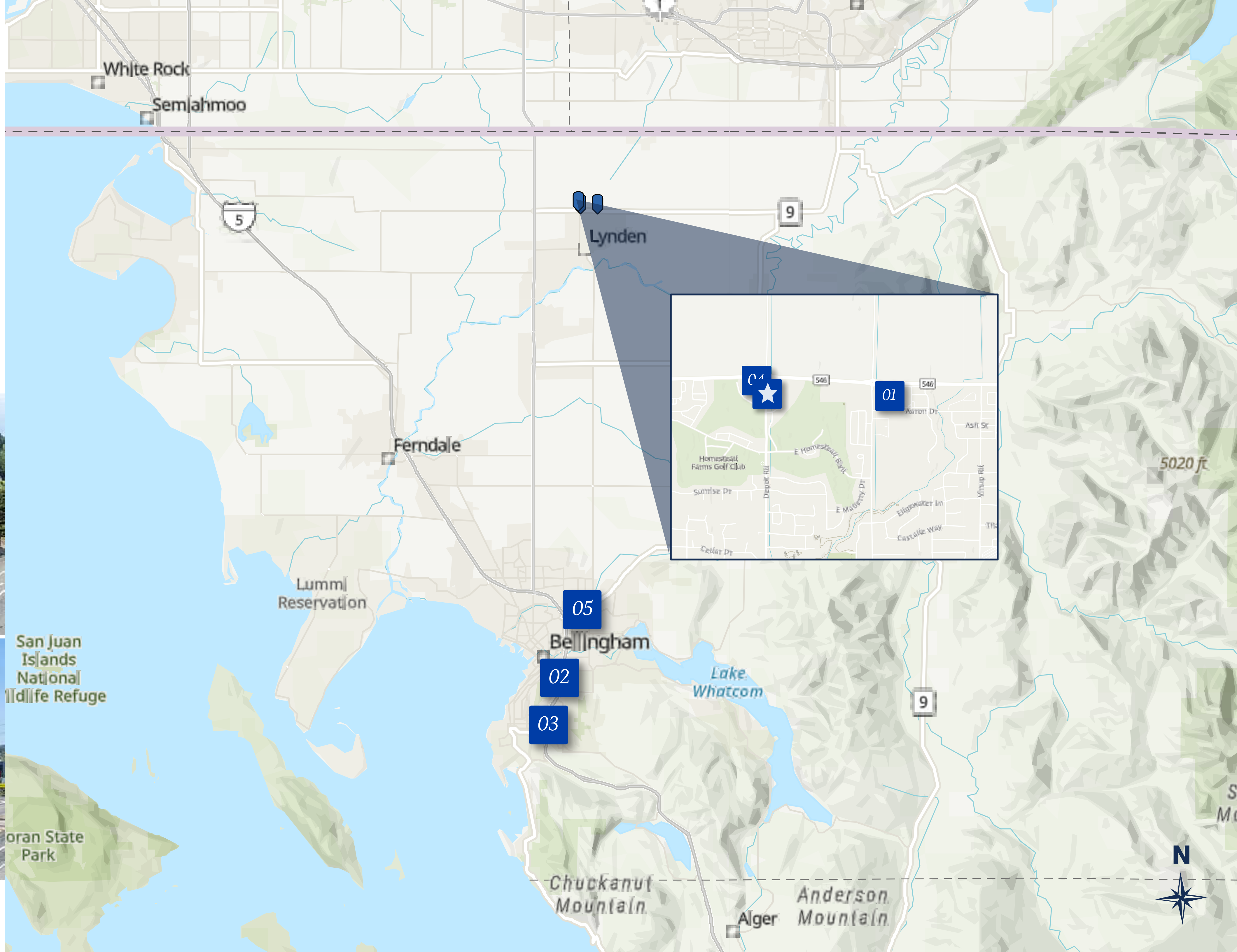
	PROPERTY NAME	PROPERTY ADDRESS	UNIT TYPE	AVG SF	RENT	RENT/SF
★	**Depot Estates & Villas**	**8874-8878 Depot Rd & 8881-8885 Depot Rd Lynden, WA**	**3 Bd / 2 Bth**	**1,185**	**$1,972**	**$1.66**
01	Parkview	801 Aaron Dr, Lynden, WA 98264	3 Bd / 2 Bth	1,119	$2,025	$1.81
02	Aldergrove Condos	1991 Alder St, Ferndale, WA 98248	3 Bd / 2 Bth	1,100	$2,200	$2.00
03	2031 Alder	2031 Alder St, Ferndale, WA 98248	3 Bd / 2 Bth	1,285	$2,245	$1.75
04	4710 Alderson	4710 Alderson Rd, Blaine, WA 98230	3 Bd / 2 Bth	1,100	$2,100	$1.91
05	City Gate Apartments	1900 Front St. Lynden, WA 98264	3 Bd / 2 Bth	1400	$2,495	$1.78
	Property Averages			**1,201**	**$2,213**	**$1.85**



SALES *COMPARABLES*

	Property Name	Property Address	Units	Year Built	Sale Date	Price	Price/Unit	Price /NRSF
★	**Depot Estates & Villas**	**8874-8878 Depot Rd & 8881-8885 Depot Rd Lynden, WA**	**92**	**2017/2022**	**TBD**	**TBD**	**TBD**	**TBD**
01	Parkview Apartments	801 Aaron Dr. Lynden, WA	86	1995/2024	5/5/26	$18,900,000	$219,767	$316
02	Fairhaven	3129 Old Fairhaven Pkwy, Bellingham, WA	86	2023	2/25/26	$19,800,000	$230,233	$264
03	Barkley Apartments	3126 Racine St. Bellingham, WA	202	2002	10/23/25	$47,900,000	$237,129	$270
04	Depot Road Apartments	8889 Depot Rd. Lynden, WA	18	2024	7/15/25	$5,000,000	$277,778	$253
05	Kerf Apartments	208 N Samish Way, Bellingham, WA	196	2024	7/3/25	$50,150,000	$255,867	$396
	Property Averages						**$244,155**	**$300**

n Northmarq = Northmarq Sale



05.

LOCATION OVERVIEW

LYNDEN
WASHINGTON

Lynden, Washington, is a charming small city in Whatcom County, known for its strong Dutch heritage, agricultural roots, and picturesque setting near the Canadian border. Founded in the late 19th century, the city embraces its history with Dutch-style architecture, annual events like the Northwest Washington Fair, and a welcoming community. Lynden is surrounded by lush farmland, making it a hub for dairy farming, berry production, and other agricultural industries. The city offers a mix of small-town charm and modern amenities, with quaint shops, cozy cafés, and scenic parks. Whether exploring Front Street's windmills and bakeries or enjoying outdoor activities at Berthusen Park, Lynden provides a peaceful and vibrant atmosphere that celebrates both tradition and progress.

AREA *DEMOGRAPHICS*

Within 5 miles of the subject property

21,729
2024 TOTAL POPULATION

37.8
MEDIAN AGE OF RESIDENTS

$478K
MEDIAN HOME VALUE

$100,398
AVERAGE HOUSEHOLD INCOME

0.82%
ANNUAL POPULATION GROWTH

940
TOTAL BUSINESSES

2,720
RENTER OCCUPIED HOUSEHOLDS

5,405
OWNER OCCUPIED HOUSEHOLDS

TRAVEL *TIME*

BELLINGHAM
20 MINUTES

ABBOTSFORD
35 MINUTES

VANCOUVER AIRPORT
56 MINUTES

EVERETT
1 HOUR

SEATTLE
1 HOUR 45 MINUTES

WHISTLER
2 HOURS

MT. BAKER
1 HOUR 15 MINUTES

WHATCOM COUNTY
TOP EMPLOYERS

LUMMI NATION

21.3 Miles, 1,698 Employees

- Lummi Nation employs 1,698 employees across multiple government/healthcare sectors
- Reservation is approximately 13,500 acres of land with an additional 10,500 acres of tideland
- Lummi is adding additional jobs through the construction of a new rehabilitation center to help combat an ongoing battle with the drug epidemic

PEACEHEALTH ST. JOSEPH MEDICAL CENTER

15.1 Miles, 3,728 Employees

- PeaceHealth is a trauma Center that provides general medical care as well as treatment for heart and joint conditions.
- Currently constructing a 120,000-square-foot building to increase capacity, add additional emergency, childbirth, and pediatrics departments

WESTERN WASHINGTON UNIVERSITY

17.2 Miles, 4,091 Employees

- Campus size of 215 acres across over 60 buildings.
- Enrollment has increased 11% since Fall of 2021.
- Recently constructed a 53,345 SF building for STEM education.

BELLINGHAM PUBLIC SCHOOL

13.9 Miles, 1,669 Employees

- Has 25 Schools across Bellingham with plans on adding an additional school at the civic stadium to help increase capacity.
- Enrollment has consistently averaged around 11,000, with a slight decline in previous years

LYNDEN
LOCAL ATTRACTIONS

DOWNTOWN *LYNDEN*

Downtown Lynden is a picturesque and charming district that reflects the city's strong Dutch heritage and small-town hospitality. The heart of the town is Front Street, where visitors will find Dutch-style architecture, colorful storefronts, and the iconic Dutch Village Mall, complete with a windmill that has become a local landmark. The area is home to a variety of unique shops, cozy cafés, and bakeries serving traditional Dutch treats like stroopwafels and oliebollen. Local favorites include Avenue Bread and Edaleen Dairy, where visitors can enjoy fresh, locally made goods. Downtown Lynden also features the Lynden Pioneer Museum, which offers a glimpse into the town's rich history with its extensive collection of artifacts and exhibits. Throughout the year, the district hosts events such as the Northwest Raspberry Festival and holiday celebrations, making it a vibrant gathering place for locals and tourists alike. Whether strolling through its charming streets, exploring its history, or indulging in delicious Dutch-inspired cuisine, Downtown Lynden offers a warm and welcoming experience.

NORTHWEST WASHINGTON *FAIRGROUNDS*

The Northwest Washington Fairgrounds in Lynden is a central hub for community events, agricultural showcases, and family-friendly entertainment. Best known for hosting the Northwest Washington Fair every August, the fairgrounds attract thousands of visitors who come to enjoy carnival rides, live concerts, rodeos, and livestock exhibitions. The fair highlights the region's strong agricultural heritage with 4-H competitions, horse shows, and local farm displays. Beyond the annual fair, the fairgrounds serve as a year-round venue for various events, including craft shows, trade expos, and seasonal festivals. With well-maintained facilities, ample space, and a welcoming atmosphere, the Northwest Washington Fairgrounds play a vital role in bringing the community together while celebrating the traditions and industries that define the region.

DEPOT
ESTATES & VILLAS

Northmarq

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