

Trailway Apartments Information

Trailway Apartments is a 50-unit apartment property in St. Louis Park, which includes two 11-unit buildings, one 27-unit building and one SFH. The property is set on 1.74 acres and is adjacent to the Cedar Bike Trail. There has been significant development within a half mile of this property including the Texa-Tonka strip center and new apartment construction.

Assumable Loan

There is an assumable loan with interest rate of 3.91% fixed to 2/2027. As of 5/21/24, the balance is \$3,265,060. After 2/2027, the interest rate adjusts every 6 months, with a maximum change of 1% for each adjustment, with a floor of 3.91%. The loan balloons in 2/2037.

RUBS Implementation

Starting in April 2024, management began to implement RUBS. As of 5/31/24, there are 7 leases on RUBS. As of 6/30/24, there will be at least 24 leases on RUBS. The remaining 26 leases will be rolling onto RUBS over the following months. The result of this implementation is that tenants will be reimbursing the landlord for approximately 70% of the total utility expense.

Rent Roll Summary

Type	Count	Avg Rent
Remodeled 2BR	4	\$1,183
Regular 2BR	16	\$1,155
Remodeled 1BR	3	\$1,030
Regular 1BR	26	\$1,003
2BR SFH	1	\$1,195
Total	50	\$53,575 monthly rent roll

Trailway Apartments	
Pro Forma - 1 Year	
	1 Year
RUBS	43,389
Other Income	33,296
Rental Income	606,929
Total Income	683,614
Expenses	
Administrative	11,874
Insurance	38,184
Management fee	32,036
Payroll Expense	92,997
Real estate taxes	85,358
Repairs and maintenance	36,075
Utilities	66,752
Total Expenses	363,277
Net Operating Income	320,337

CAPEX Projects

- New roofs in about 2019
- New plumbing supply lines in 8400 building in about 2012
- New windows in 2948 and 8340 buildings in about 2019.
- All bathrooms remodeled in 2015-2020.
- 7 Units remodeled in 2020-2022.

Common Pictures







Typical Remodeled Unit Pictures







Typical Non-Remodeled Unit



