

SALE PACKAGE

2409 Lyndale Avenue South

Minneapolis, MN 55405

Metro Group Real Estate

952-445-5970

612-239-6390

jerry@metrogre.com

www.metrogre.com



INTRODUCTION LETTER

October 2, 2025

Re: FOR SALE - 2409 Lyndale Avenue South, Minneapolis, MN 55405

Dear Investor,

Thank you for expressing an interest in this 6-Unit Mixed-Use property. These properties are in very good condition and will make a great long-term investment.

The Seller Offer Price is: **\$963,500**

Investment Highlights:

- 4 Residential Units (Two 2-Bedroom Units, Two 1-Bedroom Units) & 2 Commercial Units
- Six separate PID's
- Potential Owner Occupant Opportunity
- All Units have been Updated with High-End Finishes
- Newer Roof
- Lots of Parking

This mixed used property consists of 4 residential units (two 2-bedroom units and two 1-bedroom units) and 2 commercial units. All the units, except residential unit 202, are owned by one owner. Unit 202 is owner occupied, and the unit is homesteaded. The property has been converted to condos so each of the 6 units has its own PID and there is an association. Both Sellers agree the ideal Buyer will be purchased the entire property. Potential for owner-occupant to purchase one of the residential units to reside in and use a residential mortgage and purchase the remaining building using a commercial mortgage. The owner of unit 202 currently owns the only garage plus 2 parking spaces at the back of the property. The entire site has 15 parking spaces.

Please feel free to contact me about viewing the property.

Thank You,

METRO GROUP REAL ESTATE

Jerry Lindeen

Jerry Lindeen
Broker/Owner

Memberships: Multiple Listing Service (MLS), Costar, Loopnet, Minnesota Multi Housing Association, Minneapolis Realtors Association, Minnesota Realtors, National Association of Realtors.

[Additional Property Photos](#)
[Disclosure Documents](#)
[Agency Relationships in Real Estate](#)

Note: All communication, inquiries and requests for more data should be addressed to Jerry Lindeen, as representatives of the Seller. Management at the property should not be contacted directly.

Property Visit: Interested investors are required to schedule a time to meet with Jerry Lindeen or a Representative of Metro Group Real Estate to tour the asset and discuss any potential offers. Please contact Jerry Lindeen to schedule a tour or if you have any questions.

CONFIDENTIALITY AGREEMENT

Metro Group Real Estate has been engaged to act as a Facilitating Agent of the Seller/Owner in connection with the proposed property sale indicated by the property address above.

This will serve to confirm you agree to the term expressed by Metro Group Real Estate concerning certain material, data and information (the "Offering Materials") which the owner may make available to you as the ("Prospective Purchaser (Buyer) or Broker/Agent") for study in connections with a possible purchase by Prospective Purchaser of the Subject Property with related improvements, located at the above-mentioned address.

1. In connection with your request, Metro Group Real Estate shall provide to the Buyer and its designated representatives, an opportunity to examine the certain confidential records and the Property, as may be reasonably requested by them. In examining the confidential records and Property, Buyer/Buyer's Representative shall act in a manner to prevent disruption to or interference with the activities conducted at the Property and the business of Owner/Seller/Property Management.

2. All information provided or to be provided by Metro Group Real Estate, its officers, directors, employees, affiliates and agents, to Buyer, its officers, directors, affiliates and agents in connections with your evaluation of the Property, whether written or oral, is provided on a strictly confidential basis for the Buyer's use solely in evaluating the possible purchase of the Property and may not be used for any other purpose or disclosed, reproduced or disseminated without the prior written consent of Seller/Owner (except as may be required by law or regulatory or judicial process and except for documents which are recorded in the public records).

3. Buyer agrees to hold in strict confidence all confidential information obtained with respect to the Property. Upon demand by Seller/Owner or Seller's Broker at any time, Buyer shall return to Seller/Owner or Seller's Broker all confidential information provided to Buyer without retaining any copies or abstracts thereof. Any unauthorized disclosure or use of the confidential information by Buyer may cause irreparable harm and result in significant damages to Seller/Owner and such harm and damages may be difficult to ascertain. Therefore, Seller/Owner shall have the right to an immediate injunction against any breach of this letter agreement by Buyer. The provisions of this paragraph shall survive expiration or termination of this letter agreement.

4. Neither Metro Group Real Estate nor the Owner makes any claims or assumes any responsibility for the accuracy or completeness of the Confidential Information. This information was furnished to Metro Group Real Estate by others and has not been independently verified by Metro Group Real Estate. Neither the Owner nor Metro Group Real Estate shall have any liability for any reason to the Prospective Purchaser and/or Broker resulting from the use of the Confidential Information by the Prospective Purchaser and/or Broker.

5. This letter shall be interpreted in accordance with the laws of the State of Minnesota, applicable to agreements made and performed in that state. This letter states the complete agreement between the parties and all prior negotiations and agreements, if any, are merged in this letter. This agreement may not be changed, modified or discharged orally, but only by a written instrument executed by the party against whom enforcement of the change, modification or discharge is sought.

By accepting this Full Sale Package, you agree to the above terms and conditions.

EXECUTIVE SUMMARY

ASKING PRICE

\$963,500

Offer Price/Unit:	\$160,583	CAP Rate (Proforma):	7.15%
Offer Price/Bedroom:	\$160,583	Gross Rent Multiplier:	7.8563
Offer Price/NRSF:	\$168.27	Cash-on-Cash Return:	4.51%
Offer Price/Land SF:	\$82.90	Cash-on-Cash Return After Taxes:	6.32%
Offer Price/Assessed Value:	114.95%		

PROPERTY INFORMATION

Property Name:	Lyndale Mixed Use Opportunity		
Property Address:	2409 Lyndale Avenue South Minneapolis, MN 55405		
County:	Hennepin		
Residential Units:	4	Com. Units:	2
Bedrooms:	6		
Residential SF:	3,492	Com. SF:	2,234
Year Built:	1911		
PID:	3402924230237		
Occupancy:	100.00%		
Garages:	1		
Parking Spaces:	15		
Laundry:	4		
Stories:	2		
Baths:	6		

UNIT MIX & RENTAL INFORMATION

Unit Type	# of Units	Rent Range	Average
1 Bedroom	2	\$1,075 - \$1,150	\$1,113
2 Bedroom	2	\$1,650 - \$1,850	\$1,750
Commercial	2	\$1,000 - \$3,040	\$2,025

SITE INFORMATION

Lot Size (Acres):	0.2668
Lot Size (SF):	11,622
Lot Dimensions:	96.85 x 120
Legal Description:	See County
Zoning:	CM2 / Corridor Mixed Use Dist
Utilities:	All
Land Value:	\$365,200
Assessed Value:	\$838,200

PROFORMA INFORMATION

	PROFORMA	/UNIT	/Mon	%
Total Gross Rent Income	\$120,420	\$30,105	\$10,035.00	98.67%
Other Income	\$1,620	\$405	\$135.00	1.33%
Gross Potential Income	\$122,040	\$30,510	\$10,170.00	100.00%
Less Vacancy	\$6,132	\$1,533	\$511.00	5.02%
Effective Gross Income	\$115,908	\$28,977	\$9,659.00	94.98%
Less Operating Expenses (% of EGI)	\$47,618	\$11,905	\$3,968.17	41.08%
Less Replacement Reserves (% of EGI)	\$0	\$0	\$0.00	0.00%
Net Operating Income (% of EGI)	\$68,290	\$17,072	\$5,690.83	58.92%
Less Debt Service	\$57,209	\$14,302	\$4,767.43	49.36%
Cashflow	\$11,081	\$2,770	\$923.40	9.56%
Debt Coverage Ratio	1.20			
Break-Even Occupancy	89.97%			

POTENTIAL FINANCING ANALYSIS

Loan Amount	\$722,700
Interest Rate	6.250%
Loan Constant	0.0066
Monthly P & I	\$4,767
Amortization	25
Term	5
Loan-to-Value	75%
Down Payment	\$240,800
Purchase Closing Costs	\$18,100
Due at Closing	\$258,900

PRICE ALLOCATION

Units 001, 002, 101, 102, 201	\$743,600
Unit 202	\$219,900
Total	\$963,500

Each Owner will have separate Listing Contracts.

ABOUT

Residential Units:	4
Commercial Units:	2
Bedrooms:	6
Baths:	6
Garages:	1
Net Rental Square Feet:	5,726
Gross Building Square Feet:	7,442
Land Square Feet:	11,662

Versatile Mixed-Use Space: Embrace the historic charm of this six-unit building boasting four residential units and two adaptable commercial spaces. Perfectly suited for a variety of tenant needs, the commercial units offer flexible layouts to accommodate diverse businesses. Residential units have Tier 1 rental licenses with the city of Minneapolis. Enjoy ample parking convenience with 15 spaces available across adjacent and rear lots, along with additional amenities like laundry facilities, a patio, storage, and a single-stall garage.

Prime Location on Lyndale Ave: Command attention with nearly 100 feet of frontage along bustling Lyndale Avenue, boasting a robust traffic count of 24,000 vehicles per day. Nestled in a vibrant neighborhood teeming with trendy restaurants, boutique shops, and other retail offerings, this location promises unparalleled visibility and foot traffic.

Recent Renovations for Modern Appeal: Elevate your investment with recent renovations and upgrades throughout all four residential units, ensuring modern comfort and style. One of the commercial spaces has also undergone a transformation within the past year, enhancing its appeal to prospective tenants or buyers.

LOCATION

Whittier is a neighborhood within the Powderhorn community in the U.S. city of Minneapolis, Minnesota, bounded by Franklin Avenue on the north, Interstate 35W on the east, Lake Street on the south, and Lyndale Avenue on the west. It is known for its many diverse restaurants, coffee shops and Asian markets, especially along Nicollet Avenue (also known as "Eat Street"). The neighborhood is home to the Minneapolis Institute of Art, the Minneapolis College of Art and Design, and the Children's Theatre Company.

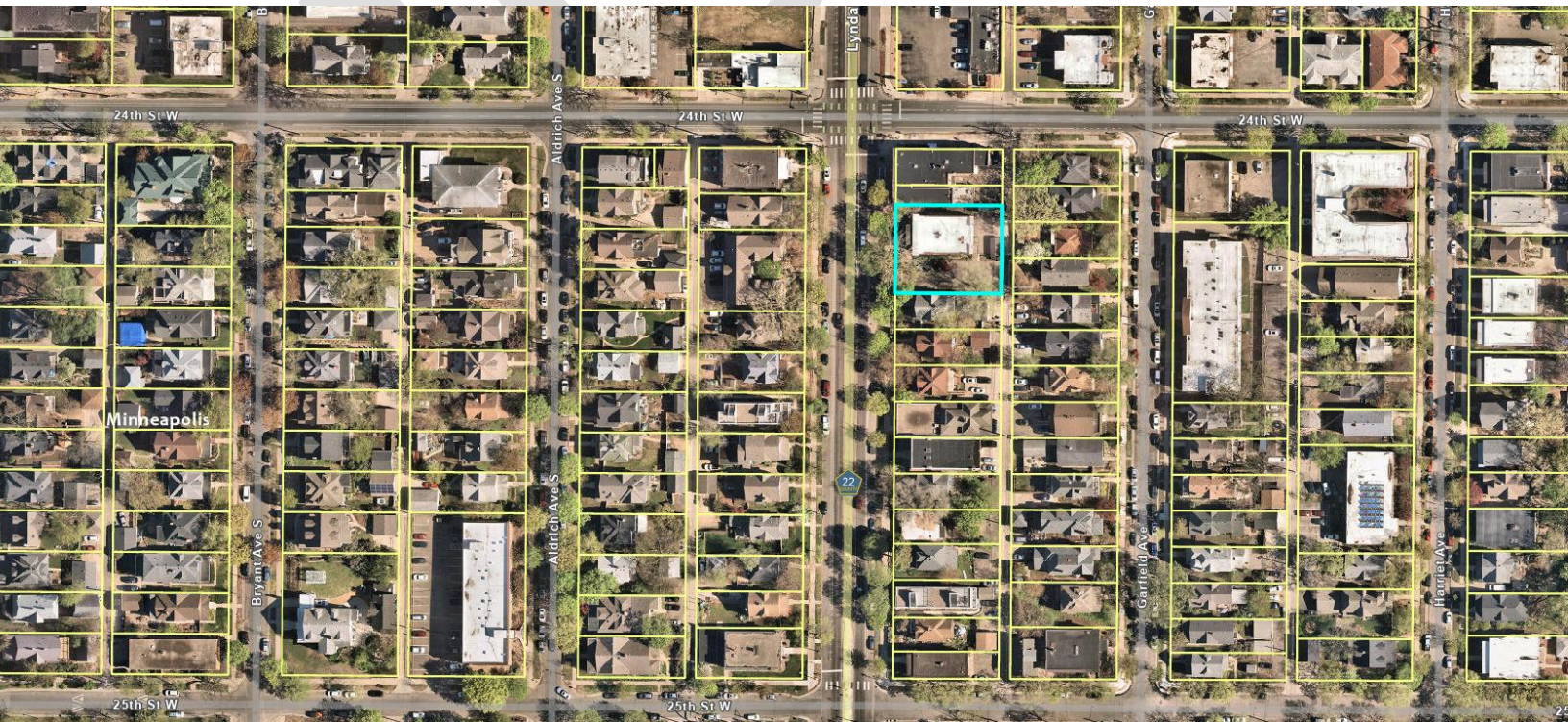
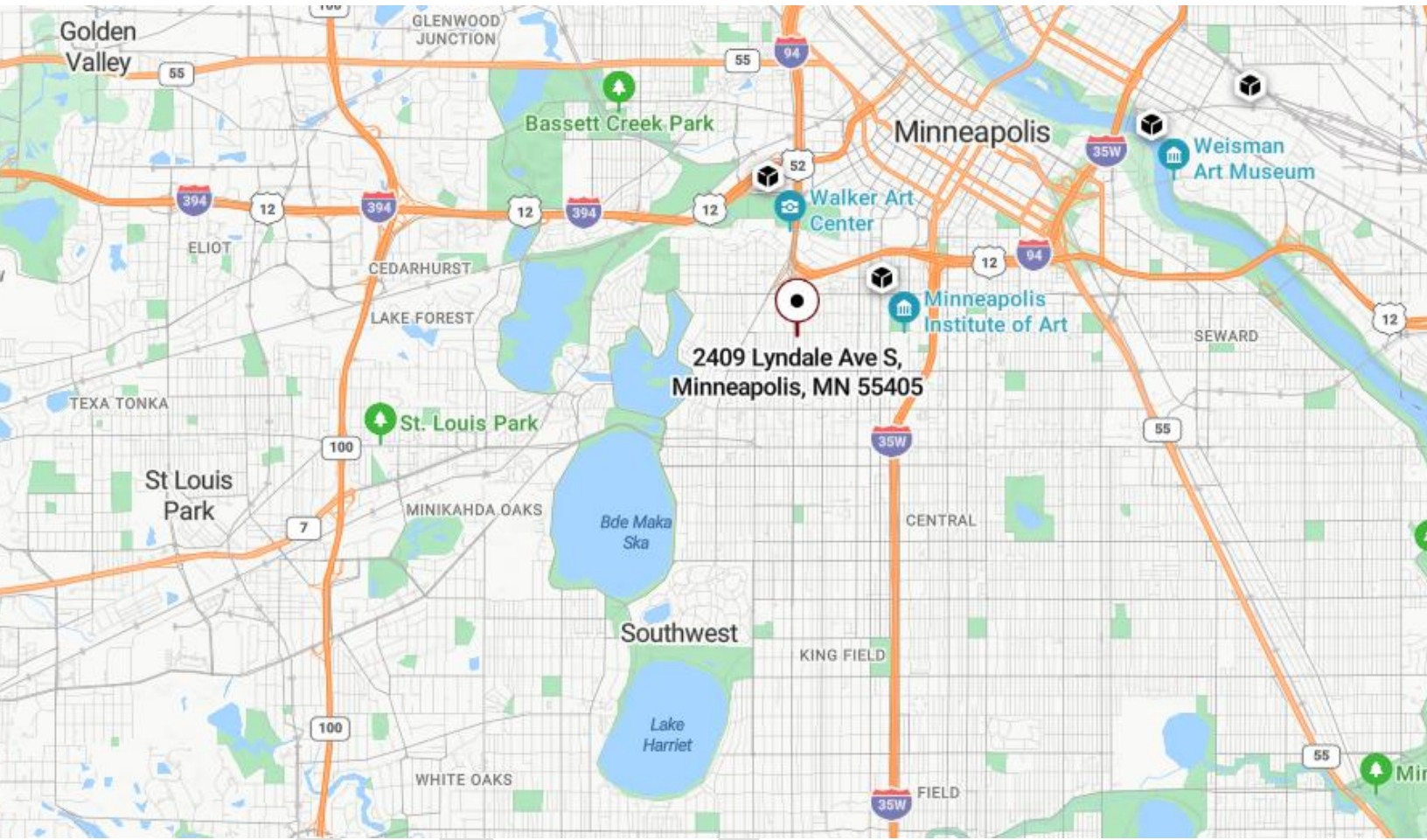
While the neighborhood is officially part of the greater Powderhorn community, it is separated from most of those areas by Interstate 35W, and also lies further north than the rest of the community area. Most of Powderhorn is east of Interstate 35W and south of Lake Street; the Whittier neighborhood is west of I-35W and north of Lake Street. Whittier is often associated with adjacent neighborhoods, such as Lowry Hill East in the Calhoun-Isles community to the west and Stevens Square neighborhood in the Central community to the north.

Lowry Hill East, also known as the Wedge because of its wedge-like shape, is a neighborhood in southwest Minneapolis, Minnesota, United States, part of the Calhoun Isles community. It is bounded on the east by Lyndale Avenue, on the west by Hennepin Avenue and on the south by Lake Street. Lyndale and Hennepin intersect on the northern side at Interstate 94. This creates a neighborhood roughly triangular in shape.

Lowry Hill East developed in the 1880s along a horse-drawn streetcar line built by Thomas Lowry. The interior of the neighborhood is residential, with large early 20th century homes and multi-unit apartment buildings, while the border streets are lined with bars, restaurants, grocery stores, coffee shops, and other small businesses. Most housing is renter-occupied.

"Twin Cities" is sometimes used to refer to the seven-county region governed by the Metropolitan Council regional governmental agency and planning organization. The United States Office of Management and Budget officially designates 15 counties as the "Minneapolis-St. Paul-Bloomington MN-WI Metropolitan Statistical Area". It is the 16th-largest metropolitan statistical area in the U.S. and third-largest metropolitan area in the Midwest, with a population of 3,690,261 at the 2020 census. The larger 21-county Minneapolis-St. Paul MN-WI Combined Statistical Area, the nation's 16th-largest combined statistical area, had a population of 4,078,788 at the 2020 census.

LOCATION MAP



PROFORMA

Property Name	Lyndale Mixed Use Opportunity			
Property Address	2409 Lyndale Avenue South			
Number of Units	6			
Garages	1		Expense Inflation Rate	3%
Rentable Square Feet	5,726		Vacancy	5%
Land Size	11,622		Replacement Reserves	\$0
Built	1911		Management Fee	5%

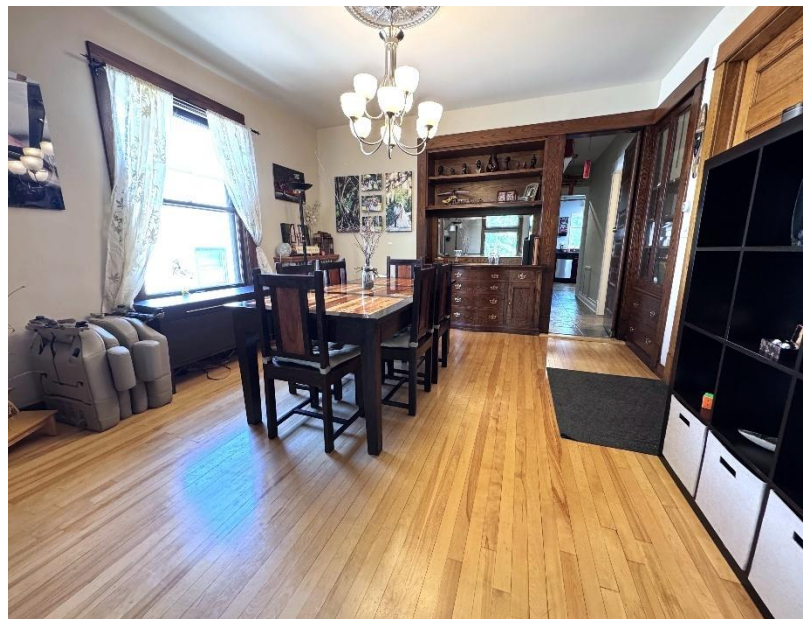
	Proforma	/Unit	/SF	% of GI	/Month
Income					
Gross Potential Residential Rent	\$48,720	\$8,120	\$8.51	39.73%	\$4,060
Gross Potential Commercial Rent	\$48,600	\$8,100	\$8.49	39.63%	\$4,050
Gross Potential Rent - Unit 202	\$22,200	\$3,700	\$3.88	18.10%	\$1,850
Laundry Income	\$0	\$0	\$0.00	0.00%	\$0
Parking Income	\$900	\$150	\$0.16	0.73%	\$75
Pet Allowance	\$600	\$100	\$0.10	0.49%	\$50
Storage	\$0	\$0	\$0.00	0.00%	\$0
Past Due Collected	\$0	\$0	\$0.00	0.00%	\$0
Utility Reimbursement	\$1,620	\$270	\$0.28	1.32%	\$135
TOTAL GROSS POTENTIAL INC	\$122,640	\$20,440	\$21.42	100.00%	\$10,220
Vacancy	\$6,132	\$1,022	\$1.07	5.00%	\$511
Bad Debt	\$0	\$0	\$0.00	0.00%	\$0
Rent Concessions	\$0	\$0	\$0.00	0.00%	\$0
Allowance	\$0	\$0	\$0.00	0.00%	\$0
Total Vacancy	\$6,132	\$1,022	\$1.07	5.00%	\$511
EFFECTIVE GROSS INCOME	\$116,508	\$19,418	\$20.35	95.00%	\$9,709
Expenses: % of EGI					
Real Estate Taxes	\$15,753	\$2,625	\$2.75	13.52%	\$1,313
Insurance	\$8,640	\$1,440	\$1.51	7.42%	\$720
Gas	\$2,000	\$333	\$0.35	1.72%	\$167
Electricity	\$3,000	\$500	\$0.52	2.57%	\$250
Trash	\$1,800	\$300	\$0.31	1.54%	\$150
Water/Sewer	\$2,300	\$383	\$0.40	1.97%	\$192
Common Area Maintenance	\$2,500	\$417	\$0.44	2.15%	\$208
Unit Maintenance	\$2,000	\$333	\$0.35	1.72%	\$167
Management Fee	\$5,825	\$971	\$1.02	5.00%	\$485
Administrative	\$750	\$125	\$0.13	0.64%	\$63
License/Permits	\$200	\$33	\$0.03	0.17%	\$17
Snow Removal	\$1,800	\$300	\$0.31	1.54%	\$150
Yard/Landscaping	\$800	\$133	\$0.14	0.69%	\$67
Supplies	\$250	\$42	\$0.04	0.21%	\$21
Other	\$0	\$0	\$0.00	0.00%	\$0
TOTAL EXPENSES	\$47,618	\$7,936	\$8.32	40.87%	\$3,968
Replacement Reserves	\$0	\$0	\$0.00	0.00%	\$0
TOTAL EXPENSES	\$47,618	\$7,936	\$8.32	40.87%	\$3,968
NET OPERATING INCOME	\$68,890	\$11,482	\$12.03	59.13%	\$5,741
DEBT SERVICE	\$57,209	\$9,535	\$9.99	49.10%	\$4,767
CASH FLOW	\$11,681	\$1,947	\$2.04	10.03%	\$973

HISTORICAL OPERATING STATEMENTS

Year	2022	2023	2024
Residential Rent	\$52,449	\$48,000	\$44,720
Commercial Rent	\$42,724	\$35,514	\$32,370
Potential Rent - 202	\$22,200	\$22,200	\$22,200
Pet Allowance	\$0	\$300	\$300
Utility Reimbursement	\$0	\$0	\$435
Total Income	\$117,373	\$106,014	\$100,025
Expenses			
Real Estate Taxes	\$14,647	\$13,997	\$14,591
Insurance	\$5,950	\$6,546	\$7,737
Gas / Electric	\$9,156	\$8,953	\$5,841
Trash	\$2,126	\$2,498	\$2,292
Water/Sewer	\$2,973	\$2,079	\$1,803
Maintenance	\$5,681	\$7,133	\$8,584
Admin	\$99	\$149	\$189
License/Permits	\$387	\$170	\$190
Snow Removal	\$1,600	\$1,100	\$1,800
Yard/Landscaping	\$0	\$0	\$1,505
Supplies	\$508	\$157	\$0
Other	\$0	\$0	\$0
Total Expenses	\$43,127	\$42,781	\$44,532
Net Operating Income	\$74,246	\$63,233	\$55,493

Notes

Unit 102 vacancy, partial year Turnover in unit 101; Unit 102 vacancy partial year



RENT ROLL

# of Units	Unit	Unit #	SF	Beds	Rent	Rent/SF	Other	Rent/Mon	Year
1	Residential Tenant	001	723	1	\$1,150	\$1.59	\$60	\$1,210	\$14,520
2	Residential Tenant	002	668	1	\$1,075	\$1.61	\$75	\$1,150	\$13,800
3	Residential Tenants (2)	201	1,105	2	\$1,650	\$1.49	\$50	\$1,700	\$20,400
4	Papa Chuy's Bakery	101	1,255	Com	\$3,050	\$2.43	\$0	\$3,050	\$36,600
5	Red Peony Acupuncture	102	979	Com	\$1,000	\$1.02	\$0	\$1,000	\$12,000
	Monthly		4,730	4	\$7,925	\$1.68	\$185	\$8,110	\$97,320
6	Occupied by Owner	202	996	2	\$1,850	\$1.86	\$75	\$1,925	\$23,100
	Total		5,726	6	\$9,775	\$1.71	\$260	\$10,035	\$120,420



UNIT EXPENSES PAYER

Expenses by Unit - Who Pays - Currently

Unit	Unit - Heat	Gas - Stove	Electric	Water/Sewer	Trash	Hot Water	Yard/Snow
001 - Rented - Res	TF: \$60	TF: \$60	TF: \$60	Assoc	Assoc	TF: \$60	Assoc
002 - Rented - Res	TF: \$75	TF: \$75	TF: \$75	Assoc	Assoc	TF: \$75	Assoc
201 - Rented - Res	Ten	Ten	Ten	Assoc	Assoc	UO	Assoc
101 - Rented - Com	Ten	Ten	Ten	Assoc	Assoc	UO	Assoc
102 - Rented - Com	Ten	Ten	UO	Assoc	Assoc	UO	Assoc
202 - Owner Occ - Res	UO	UO	UO	Assoc	Assoc	UO	Assoc

Unit Owner:	UO
Association:	Assoc
Tenant Fee in Lease:	TF
Tenant Reimbursement:	TR

Units 001-002 - Forced Air Furnace Heat
 Units 101-102-201-202 - Boiler Heat

Expenses by Unit - Who Pays with One Owner

Unit	Unit - Heat	Gas - Stove	Electric	Water/Sewer	Trash	Hot Water	Yard/Snow
001 - Rented - TF Fee \$60	BO	BO	BO	BO	BO	BO	BO
002 - Rented - TF Fee \$75	BO	BO	BO	BO	BO	BO	BO
201 - Rented	Ten	Ten	Ten	BO	BO	BO	BO
101 - Rented	Ten	Ten	Ten	BO	BO	BO	BO
102 - Rented	Ten	Ten	BO	BO	BO	BO	BO
202 - Owner Occ or Rented	Ten	Ten	Ten	BO	BO	BO	BO

Unit Owner:	UO
Association:	Assoc
Tenant:	Ten
Tenant Fee in Lease:	TF
Building Owner:	BO

Units 001-002 - Forced Air Furnace Heat
 Units 101-102-201-202 - Boiler Heat



DISCOUNTED CASHFLOW ANALYSIS / PROJECTIONS

Lyndale Mixed Use Opportunity Units		6	ASSUMPTIONS				REPLACEMENT RESERVES				5%	
			INCOME INFLATION RATE				MANAGEMENT FEE				\$0	
			EXPENSE INFLATION RATE				CLOSING COSTS				5%	
			CAPITALIZATION RATE								6%	
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	YEAR 11	
Average Unit Rent	\$677	\$697	\$718	\$739	\$762	\$784	\$808	\$832	\$857	\$883	\$909	
Rent Inflation Rate	Base	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	
RENTAL INCOME	\$48,720	\$50,182	\$51,687	\$53,238	\$54,835	\$56,480	\$58,174	\$59,919	\$61,717	\$63,569	\$65,476	
HOUSING ASSISTANCE PMTS	\$48,600	\$50,058	\$51,560	\$53,107	\$54,700	\$56,341	\$58,031	\$59,772	\$61,565	\$63,412	\$65,314	
INTEREST INCOME	\$22,200	\$22,866	\$23,552	\$24,259	\$24,986	\$25,736	\$26,508	\$27,303	\$28,122	\$28,966	\$29,835	
LAUNDRY INCOME	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
PARKING INCOME	\$900	\$927	\$955	\$983	\$1,013	\$1,043	\$1,075	\$1,107	\$1,140	\$1,174	\$1,210	
PET ALLOWANCE	\$600	\$618	\$637	\$656	\$675	\$696	\$716	\$738	\$760	\$783	\$806	
STORAGE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
PAST DUE COLLECTED	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
OTHER INCOME	\$1,620	\$1,669	\$1,719	\$1,770	\$1,823	\$1,878	\$1,934	\$1,992	\$2,052	\$2,114	\$2,177	
GROSS INCOME	\$122,640	\$126,319	\$130,109	\$134,012	\$138,032	\$142,173	\$146,439	\$150,832	\$155,357	\$160,017	\$164,818	
LESS COLLECTION LOSS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
LESS VACANCY	\$6,132	\$6,316	\$6,505	\$6,701	\$6,902	\$7,109	\$7,322	\$7,542	\$7,768	\$8,001	\$8,241	
TOTAL VACANCY LOSS	(\$6,132)	(\$6,316)	(\$6,505)	(\$6,701)	(\$6,902)	(\$7,109)	(\$7,322)	(\$7,542)	(\$7,768)	(\$8,001)	(\$8,241)	
EFFECTIVE GROSS INCOME	\$116,508	\$120,003	\$123,603	\$127,311	\$131,131	\$135,065	\$139,117	\$143,290	\$147,589	\$152,017	\$156,577	
LESS EXPENSES												
Real Estate Taxes	\$15,753	\$16,225	\$16,712	\$17,213	\$17,730	\$18,262	\$18,809	\$19,374	\$19,955	\$20,554	\$21,170	
Insurance	\$8,640	\$8,899	\$9,166	\$9,441	\$9,724	\$10,016	\$10,317	\$10,626	\$10,945	\$11,273	\$11,611	
Gas/Electric	\$2,000	\$2,060	\$2,122	\$2,185	\$2,251	\$2,319	\$2,388	\$2,460	\$2,534	\$2,610	\$2,688	
Electricity	\$3,000	\$3,090	\$3,183	\$3,278	\$3,377	\$3,478	\$3,582	\$3,690	\$3,800	\$3,914	\$4,032	
Trash	\$1,800	\$1,854	\$1,910	\$1,967	\$2,026	\$2,087	\$2,149	\$2,214	\$2,280	\$2,349	\$2,419	
Water/Sewer	\$2,300	\$2,369	\$2,440	\$2,513	\$2,589	\$2,666	\$2,746	\$2,829	\$2,914	\$3,001	\$3,091	
Common Area Maintenance	\$2,500	\$2,575	\$2,652	\$2,732	\$2,814	\$2,898	\$2,985	\$3,075	\$3,167	\$3,262	\$3,360	
Unit Maintenance	\$2,000	\$2,060	\$2,122	\$2,185	\$2,251	\$2,319	\$2,388	\$2,460	\$2,534	\$2,610	\$2,688	
Management Fee	\$5,825	\$6,000	\$6,180	\$6,366	\$6,557	\$6,753	\$6,956	\$7,165	\$7,379	\$7,601	\$7,829	
Administrative	\$750	\$773	\$796	\$820	\$844	\$869	\$896	\$922	\$950	\$979	\$1,008	
License/Permits	\$200	\$206	\$212	\$219	\$225	\$232	\$239	\$246	\$253	\$261	\$269	
Snow Removal	\$1,800	\$1,854	\$1,910	\$1,967	\$2,026	\$2,087	\$2,149	\$2,214	\$2,280	\$2,349	\$2,419	
Yard/Landscaping	\$800	\$824	\$849	\$874	\$900	\$927	\$955	\$984	\$1,013	\$1,044	\$1,075	
Supplies	\$250	\$258	\$265	\$273	\$281	\$290	\$299	\$307	\$317	\$326	\$336	
Rehab	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
TOTAL OPERATING EXPENSES	\$47,618	\$49,047	\$50,518	\$52,034	\$53,595	\$55,202	\$56,858	\$58,564	\$60,321	\$62,131	\$63,995	
LESS REPLACEMENT RESERVES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
TOTAL EXPENSES	\$47,618	\$49,047	\$50,518	\$52,034	\$53,595	\$55,202	\$56,858	\$58,564	\$60,321	\$62,131	\$63,995	
NET OPERATING INCOME	\$68,890	\$70,957	\$73,085	\$75,278	\$77,536	\$79,862	\$82,258	\$84,726	\$87,268	\$89,886	\$92,582	
LESS DEBT SERVICE	\$57,209	\$57,209	\$57,209	\$57,209	\$57,209	\$57,209	\$57,209	\$57,209	\$57,209	\$57,209	\$57,209	
CASHFLOW	\$11,681	\$13,747	\$15,876	\$18,069	\$20,327	\$22,653	\$25,049	\$27,517	\$30,059	\$32,677	\$35,377	
LESS CAPITAL CONTRIBUTION	(\$258,900)											
CASHFLOW MINUS INVESTMENT	(\$247,219)	\$13,747	\$15,876	\$18,069	\$20,327	\$22,653	\$25,049	\$27,517	\$30,059	\$32,677	\$35,377	
Debt Coverage Ratio	1.20	1.24	1.28	1.32	1.36	1.40	1.44	1.48	1.53	1.57	1.62	
Break-Even Occupancy	89.97%	88.54%	87.16%	85.81%	84.50%	83.23%	81.99%	80.80%	79.63%	78.50%	77.41%	
Annual Cash-on-Cash Return	4.51%	5.31%	6.13%	6.98%	7.85%	8.75%	9.68%	10.63%	11.61%	12.62%	13.66%	
Accumulated Cashflow	\$11,681	\$25,428	\$41,304	\$59,373	\$79,700	\$102,353	\$127,403	\$154,919	\$184,978	\$217,655	\$252,032	
Accumulated Cash-on-Cash Ret	4.51%	9.82%	15.95%	22.93%	30.78%	39.53%	49.21%	59.84%	71.45%	84.07%	97.74%	
RESALE		YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	
SALE CAP RATE		\$992,401	\$1,022,173	\$1,052,838	\$1,084,423	\$1,116,956	\$1,150,465	\$1,184,978	\$1,220,528	\$1,257,144	\$1,294,858	
LESS CLOSING COSTS		\$59,544	\$61,330	\$63,170	\$65,065	\$67,017	\$69,028	\$71,099	\$73,232	\$75,429	\$77,691	
SALE PROCEEDS		\$932,857	\$960,842	\$989,668	\$1,019,358	\$1,049,939	\$1,081,437	\$1,113,880	\$1,147,296	\$1,181,715	\$1,217,167	
LESS MORTGAGE BALANCE		\$608,282	\$551,073	\$493,863	\$436,654	\$379,445	\$322,236	\$265,027	\$207,818	\$150,608	\$93,399	
CASH RECEIVED AT CLOSING		\$324,575	\$409,770	\$495,804	\$582,704	\$670,493	\$759,201	\$848,853	\$939,479	\$1,031,107	\$1,123,767	
LOAN AMORTIZATION		YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	
Beginning Mortgage Balance		\$722,700	\$665,491	\$608,282	\$551,073	\$493,863	\$436,654	\$379,445	\$322,236	\$265,027	\$207,818	
Principal & Interest		\$57,209	\$57,209	\$57,209	\$57,209	\$57,209	\$57,209	\$57,209	\$57,209	\$57,209	\$57,209	
Interest		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Principal Paydown		\$57,209	\$57,209	\$57,209	\$57,209	\$57,209	\$57,209	\$57,209	\$57,209	\$57,209	\$57,209	
ENDING MORTGAGE BALANCE		\$665,491	\$608,282	\$551,073	\$493,863	\$436,654	\$379,445	\$322,236	\$265,027	\$207,818	\$150,608	
NET PRESENT VALUE ANALYSIS			NET OPERATING INCOME (NOI) FROM PROPERTY									
DISCOUNT RATE	NPV	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	
7.15%	\$1,151,837	\$68,890	\$70,957	\$73,085	\$75,278	\$77,536	\$79,862	\$82,258	\$84,726	\$87,268	\$1,307,052	
7.65%	\$1,111,235											
8.15%	\$1,072,469											
8.65%	\$1,035,444											
9.15%	\$1,000,070											
9.65%	\$966,265											
10.15%	\$933,948											
10.65%	\$903,045											
11.15%	\$873,485											
11.65%	\$845,201											
12.15%	\$818,130											
TAX ANALYSIS		YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	
Cashflow		\$11,681	\$13,747	\$15,876	\$18,069	\$20,327	\$22,653	\$25,049	\$27,517	\$30,059	\$32,677	
-Depreciation		(\$22,923)	(\$22,923)	(\$22,923)	(\$22,923)	(\$22,923)	(\$22,923)	(\$22,923)	(\$22,923)	(\$22,923)	(\$22,923)	
Taxable Income		(\$11,243)	(\$9,176)	(\$7,047)	(\$4,855)	(\$2,596)	(\$2,270)	\$2,126	\$4,593	\$7,135	\$9,753	
Inc Tax Savings (Paid) - 35% Rate		3,935	3,212	2,466	1,699	909	95	(744)	(1,608)	(2,497)	(3,414)	
Inc Tax Paid/Cashflow		-33.69%	-23.36%	-15.54%	-9.40%	-4.47%	-0.42%	2.97%	5.84%	8.31%	10.45%	
Cashflow + Taxes		\$15,616	\$16,959	\$18,343	\$19,768	\$21,236	\$22,748	\$24,305	\$25,909	\$27,561	\$29,263	
Cash-on-Cash with Taxes		6.32%	6.86%	7.42%	8.00%	8.59%	9.20%	9.83%	10.48%	11.15%	11.84%	
Accumulated Cashflow + Taxes		\$15,616	\$32,575	\$50,917	\$70,685	\$91,921	\$114,669	\$138,974	\$164,883	\$192,444	\$221,707	
Accumulated Return CF + Taxes		6.32%	13.18%	20.60%	28.59%	37.18%	46.38%	56.21%	66.70%	77.84%	89.68%	

AGENCY RELATIONSHIPS IN REAL ESTATE TRANSACTIONS

1. Page 1

2. **MINNESOTA LAW REQUIRES** that early in any relationship, real estate brokers or salespersons discuss with
3. consumers what type of agency representation or relationship they desire.⁽¹⁾ The available options are listed below. This
4. is **not** a contract. **This is an agency disclosure form only. If you desire representation you must enter into a**
5. **written contract, according to state law** (a listing contract or a buyer/tenant representation contract). Until such time
6. as you choose to enter into a written contract for representation, you will be treated as a customer and will not receive
7. any representation from the broker or salesperson. The broker or salesperson will be acting as a Facilitator (see
8. paragraph IV on page two (2)), unless the broker or salesperson is representing another party, as described below.

9. **ACKNOWLEDGMENT: I/We acknowledge that I/we have been presented with the below-described options.**
10. **I/We understand that until I/we have signed a representation contract, I/we am/are not represented by the**
11. **broker/salesperson. I/We understand that written consent is required for a dual agency relationship.**

12. **THIS IS A DISCLOSURE ONLY, NOT A CONTRACT FOR REPRESENTATION.**

13. _____
(Signature) (Date) (Signature) (Date)

14. I. **Seller's/Landlord's Broker:** A broker who lists a property, or a salesperson who is licensed to the listing broker,
15. represents the Seller/Landlord and acts on behalf of the Seller/Landlord. A Seller's/Landlord's broker owes to
16. the Seller/Landlord the fiduciary duties described on page two (2).⁽²⁾ The broker must also disclose to the Buyer
17. material facts as defined in MN Statute 82.68, Subd. 3, of which the broker is aware that could adversely and
18. significantly affect the Buyer's use or enjoyment of the property. (MN Statute 82.68, Subd. 3 does not apply to
19. rental/lease transactions.) If a broker or salesperson working with a Buyer/Tenant as a customer is representing the
20. Seller/Landlord, he or she must act in the Seller's/Landlord's best interest and must tell the Seller/Landlord any
21. information disclosed to him or her, except confidential information acquired in a facilitator relationship (see paragraph
22. IV on page two (2)). In that case, the Buyer/Tenant will not be represented and will not receive advice and counsel
23. from the broker or salesperson.

24. II. **Buyer's/Tenant's Broker:** A Buyer/Tenant may enter into an agreement for the broker or salesperson to represent
25. and act on behalf of the Buyer/Tenant. The broker may represent the Buyer/Tenant only, and not the Seller/Landlord,
26. even if he or she is being paid in whole or in part by the Seller/Landlord. A Buyer's/Tenant's broker owes to the
27. Buyer/Tenant the fiduciary duties described on page two (2).⁽²⁾ The broker must disclose to the Buyer material facts
28. as defined in MN Statute 82.68, Subd. 3, of which the broker is aware that could adversely and significantly affect
29. the Buyer's use or enjoyment of the property. (MN Statute 82.68, Subd. 3 does not apply to rental/lease transactions.)
30. If a broker or salesperson working with a Seller/Landlord as a customer is representing the Buyer/Tenant, he or
31. she must act in the Buyer's/Tenant's best interest and must tell the Buyer/Tenant any information disclosed to him
32. or her, except confidential information acquired in a facilitator relationship (see paragraph IV on page two (2)). In
33. that case, the Seller/Landlord will not be represented and will not receive advice and counsel from the broker or
34. salesperson.

35. III. **Dual Agency - Broker Representing both Seller/Landlord and Buyer/Tenant:** Dual agency occurs when one
36. broker or salesperson represents both parties to a transaction, or when two salespersons licensed to the same
37. broker each represent a party to the transaction. Dual agency requires the informed consent of all parties, and
38. means that the broker and salesperson owe the same duties to the Seller/Landlord and the Buyer/Tenant. This
39. role limits the level of representation the broker and salesperson can provide, and prohibits them from acting
40. exclusively for either party. In a dual agency, confidential information about price, terms and motivation for pursuing
41. a transaction will be kept confidential unless one party instructs the broker or salesperson in writing to disclose
42. specific information about him or her. Other information will be shared. Dual agents may not advocate for one party
43. to the detriment of the other.⁽³⁾

44. Within the limitations described above, dual agents owe to both Seller/Landlord and Buyer/Tenant the fiduciary
45. duties described below.⁽²⁾ Dual agents must disclose to Buyers material facts as defined in MN Statute 82.68, Subd.
46. 3, of which the broker is aware that could adversely and significantly affect the Buyer's use or enjoyment of the
47. property. (MN Statute 82.68, Subd. 3 does not apply to rental/lease transactions.)

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**AGENCY RELATIONSHIPS IN
REAL ESTATE TRANSACTIONS**

48. Page 2

49. IV. **Facilitator:** A broker or salesperson who performs services for a Buyer/Tenant, a Seller/Landlord or both but
50. does not represent either in a fiduciary capacity as a Buyer's/Tenant's Broker, Seller's/Landlord's Broker or Dual
51. Agent. **THE FACILITATOR BROKER OR SALESPERSON DOES NOT OWE ANY PARTY ANY OF THE FIDUCIARY**
52. **DUTIES LISTED BELOW, EXCEPT CONFIDENTIALITY, UNLESS THOSE DUTIES ARE INCLUDED IN A**
53. **WRITTEN FACILITATOR SERVICES AGREEMENT.** The facilitator broker or salesperson owes the duty of
54. confidentiality to the party but owes no other duty to the party except those duties required by law or contained in
55. a written facilitator services agreement, if any. In the event a facilitator broker or salesperson working with a Buyer/
56. Tenant shows a property listed by the facilitator broker or salesperson, then the facilitator broker or salesperson
57. must act as a Seller's/Landlord's Broker (see paragraph I on page one (1)). In the event a facilitator broker or
58. salesperson, working with a Seller/Landlord, accepts a showing of the property by a Buyer/Tenant being represented
59. by the facilitator broker or salesperson, then the facilitator broker or salesperson must act as a Buyer's/Tenant's
60. Broker (see paragraph II on page one (1)).

61. ⁽¹⁾ This disclosure is required by law in any transaction involving property occupied or intended to be occupied by
62. one to four families as their residence.

63. ⁽²⁾ The fiduciary duties mentioned above are listed below and have the following meanings:

64. **Loyalty** - broker/salesperson will act only in client(s)' best interest.

65. **Obedience** - broker/salesperson will carry out all client(s)' lawful instructions.

66. **Disclosure** - broker/salesperson will disclose to client(s) all material facts of which broker/salesperson has knowledge
67. which might reasonably affect the client(s)' use and enjoyment of the property.

68. **Confidentiality** - broker/salesperson will keep client(s)' confidences unless required by law to disclose specific
69. information (such as disclosure of material facts to Buyers).

70. **Reasonable Care** - broker/salesperson will use reasonable care in performing duties as an agent.

71. **Accounting** - broker/salesperson will account to client(s) for all client(s)' money and property received as agent.

72. ⁽³⁾ If Seller(s)/Landlord(s) elect(s) not to agree to a dual agency relationship, Seller(s)/Landlord(s) may give up the
73. opportunity to sell/lease the property to Buyer(s)/Tenant(s) represented by the broker/salesperson. If Buyer(s)/
74. Tenant(s) elect(s) not to agree to a dual agency relationship, Buyer(s)/Tenant(s) may give up the opportunity to
75. purchase/lease properties listed by the broker.

76. **NOTICE REGARDING PREDATORY OFFENDER INFORMATION:** Information regarding the predatory offender
77. registry and persons registered with the predatory offender registry under MN Statute 243.166 may be
78. obtained by contacting the local law enforcement offices in the community where the property is located,
79. or the Minnesota Department of Corrections at (651) 361-7200, or from the Department of Corrections Web site at
80. www.corr.state.mn.us.

MN:AGCYDISC-2 (8/19)

Metro Group Real Estate is a locally owned Investment Real Estate Sales, Finance Facilitator & Property Management Company focused primarily on Multifamily Real Estate.

Over 25 years of experience in investment real estate transaction management including buying and selling millions of dollars' worth of properties for others as clients and business partners. Commercial real estate finance experience closing millions of dollars of real estate loans for investors and business partners. Experience with 1031 Exchanges, condominium conversions, property flips.

Property operating experience with property and financial management, maintenance, marketing & leasing, property rehab, staff & vendor management.

Jerry Lindeen - Broker & Owner

Jerry Lindeen has over 25 years of business experience in the multifamily and commercial real estate business. He received a Bachelor of Science degree with an emphasis in real estate from St. Cloud State University in Minnesota in 1995.

From the strong encouragement of a local commercial real estate executive, Jerry entered the investment real estate sales business in the Twin Cities area. Since then, Jerry has sold several million dollars' worth of investment real estate from single family housing to 50+ unit apartment properties. Jerry's understanding of finance, investment, networking, and real estate operations has proven valuable in helping investors make wise real estate investment decisions.

Commercial Real Estate Finance

The first five years of his career were spent in the commercial real estate finance arena, primarily as an analyst/underwriter and a construction real estate lender.

In those first five years he learned the ins-and-outs of commercial real estate finance from construction lending/administration in a direct lender environment to permanent finance working for a national commercial mortgage brokerage organization. He performed commercial real estate financial analysis on all property types, including multifamily, office, retail, industrial and mixed-use. He coordinated and closed millions of dollars of real estate construction and permanently financed real estate, working directly with borrowers, lenders, and third-party service providers.

Multifamily Housing Investor

Since 1996, Jerry has completed over \$8,000,000 worth of multifamily real estate transactions on behalf of himself and his equity partners. He is majority owner and managing partner of 5 multifamily properties consisting of 47 market rate apartment units in Northeast Minneapolis, Columbia Heights and St. Cloud, MN and 10 townhomes in Jordan, MN. He has been involved in every aspect of multifamily investment and property management, including acquisition/disposition, 1031 exchanges, condominium conversions, finance, negotiations, underwriting, financial and property operations, marketing and leasing, property rehab and maintenance and vendor and staff management.

Veteran

Jerry Lindeen was honorably discharged from the MN Army National Guard in 1999 after serving 10 years.

Memberships: Multiple Listing Service (MLS), Costar, Crexi, Loopnet, Minnesota Multi Housing Association, Minneapolis Realtors Association, Minnesota Realtors, National Association of Realtors.

