

Chowen Bend Townhomes

Minnesota Brokerage Group

32 Units

12641 Chowen Bend
Burnsville, MN 55337

\$ 4,760,000



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MBG

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Chowen Bend Townhomes

PROPERTY SUMMARY

Property: **Chowen Bend Townhomes**
12641 Chowen Bend
Burnsville, MN 55337

Unit Mix:

2 Bedrooms	18
3 Bedrooms	14

Property Basics:

Buildings	8
Stories	2
Lot size	1.68 Acres
Year built	1981
Zoning	
Parking	32 Garages 30 Surface Spaces
PID:	02-67800-02-020, 02-67800-02-021, 02-67800-02-030



Chowen Bend Townhomes is an attractive, 32-unit affordable townhome community in Burnsville, Minnesota. The professionally managed and meticulously maintained buildings, are situated on a large wooded lot. This asset also includes detached garages and ample off-street parking.

Real Estate Taxes: \$33,238 (2018)

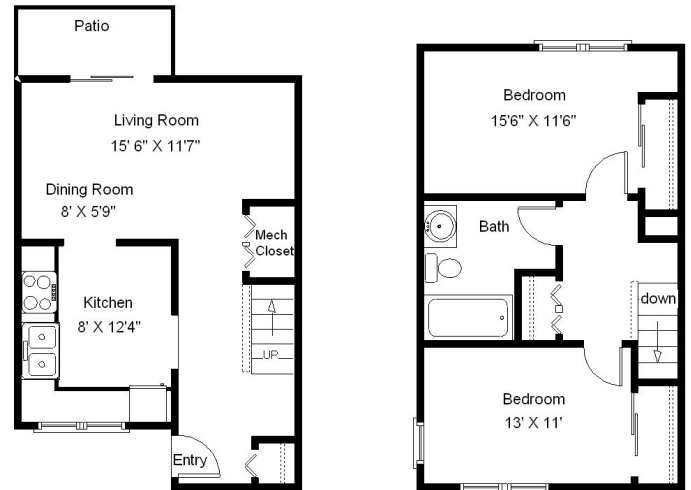
PROPERTY PHOTOS



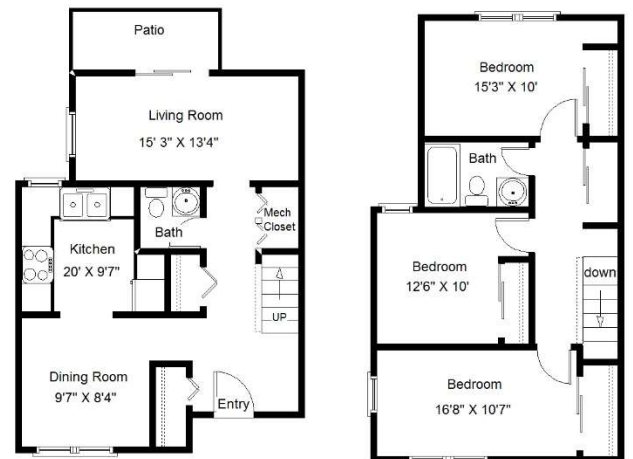
Chowen Bend Townhomes

PROPERTY DETAILS

Exterior	Hardy Planks
Roof	Pitched
Windows	High efficient
Heating	Forced Air
AC	Central Air
Electrical	100 Amps
Laundry	Washer & Dryer in units
Parking	Garages + off street
Appliances	Refrigerator, Dishwasher Electric Range
Flooring	Carpet/ Vinyl
Counter Tops	Laminate



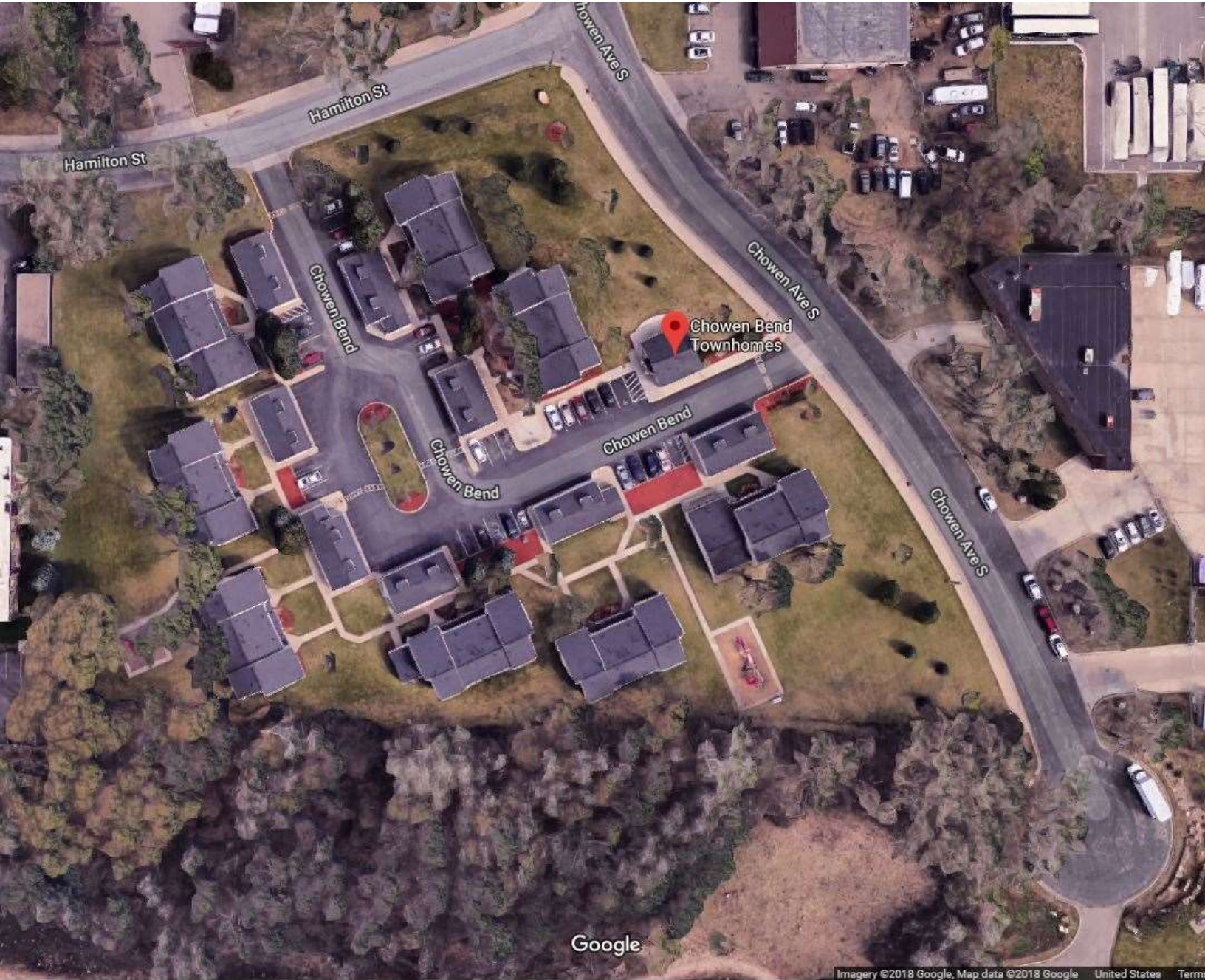
2 Bedroom / 1 Bath
1065 sq. ft.



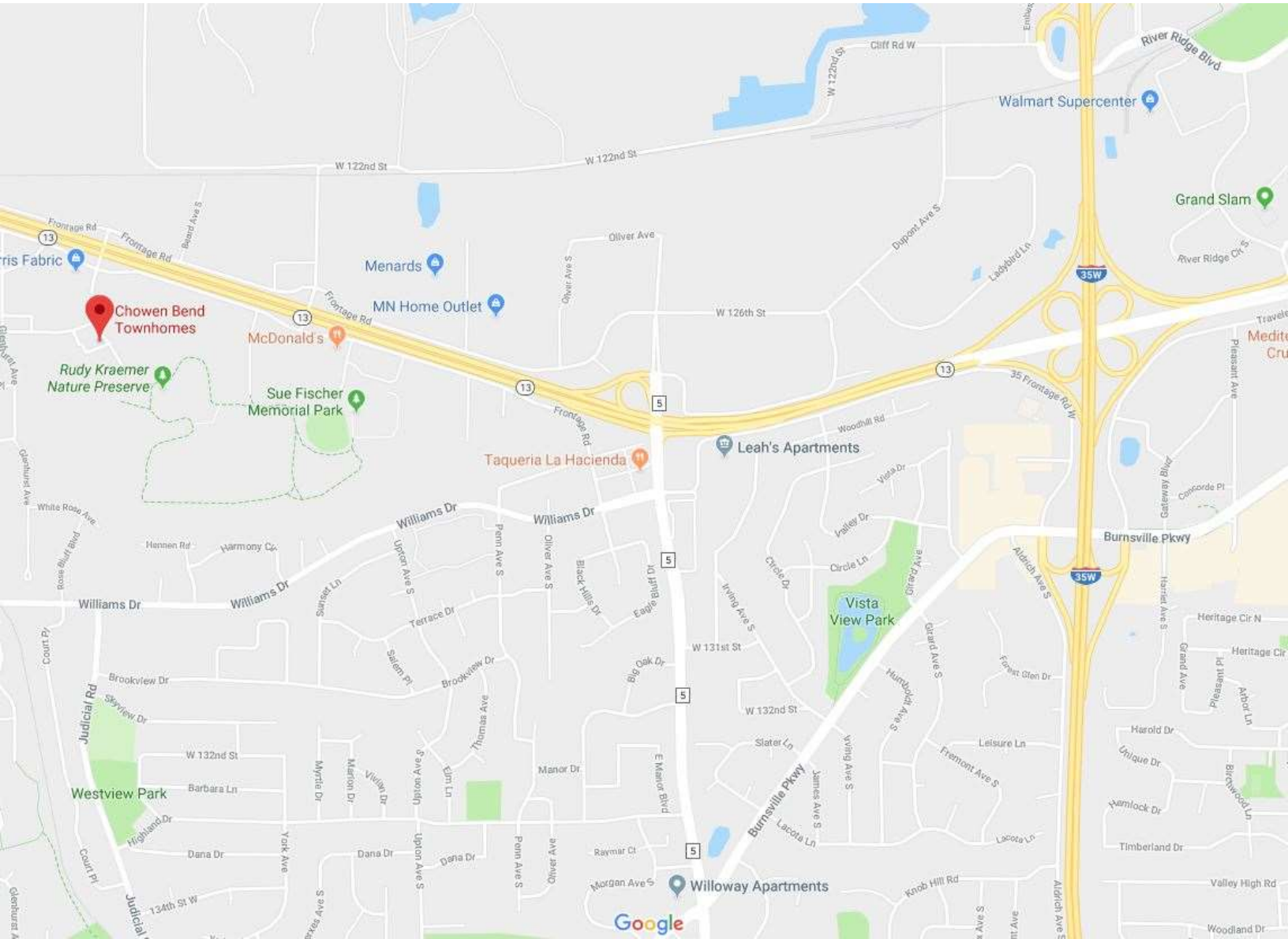
3 Bedroom / 1.5 Bath
1331 sq. ft.

Chowen Bend Townhomes

ARIAL MAP



STREET MAP



FINANCIAL SUMMARY

ANNUALIZED FINANCIAL SUMMARY

RENTAL INCOME: \$498,504
VACANCY: \$ 14,775
GROSS REVENUE: \$483,729
TOTAL EXPENSES: \$210,241

FINANCING

DOWN PAYMENT: \$ 1,190,000
INTEREST RATE: 4.5%
AMORTIZATION: 25 YEARS

UNIT MIX

SQUARE FEET

UNITS

2 BEDROOM	1070	18
3 BEDROOM	1331	14
	Total:	32

FINANCIAL SUMMARY

Chowen Bend Townhomes

12641 Chowen Bend
Burnsville, Minnesota 55337

32 Townhomes

No. Units	Type	Present
18	2 BR	\$1,178
14	3 BR	\$1,417
Monthly Total		\$41,042

ANNUAL INCOME		<u>Present</u>
Scheduled Gross Income		\$492,504
Vacancy Allowance	3%	14,775
Misc		6,000
Gross Operating Income		\$483,729

EXPENSES	Source	Present	% GOI
Real Estate Taxes '18	Dakota County	33,238	6.9%
Insurance	Owner	8,900	1.8%
Water & Sewer	Owner	19,082	3.9%
Gas	Owner	1,014	0.2%
Electricity	Owner	2,099	0.4%
Maintenance	Broker Est.	33,861	7.0%
Supplies	Broker Est.	4,837	1.0%
Office	Owner	5,120	1.1%
Management	Broker Est.	24,186	5.0%
Staff Payroll	Owner	44,681	9.2%
Trash	Owner	6,225	1.3%
Advertising	Owner	300	0.1%
Reserve (\$250/Unit/Month)	Broker Est.	8,000	1.7%
Lawn Care/Snow removal	Owner	14,794	3.1%
Legal & Accounting	Owner	1,371	0.3%
License & Permits	Owner	1,032	0.2%
Misc	Broker Est.	1,500	0.3%
Total Expense		\$210,241	43.5%

Net Operating Income \$273,488

BENEFIT ANALYSIS		<u>Present</u>
Net Operating Income		\$273,488
Less Debt Service Payments		238,119
Cash Flow		\$35,369 3.0%

SUGGESTED SALE TERMS			
Price:	\$4,760,000	Downpayment:	\$1,190,000 25.0%
Terms:	\$3,570,000	New Mortgage	Price per unit Present
	4.50%	Interest	\$148,750
	25	Amortization	Times gross: 9.8
			Capitalization rate: 5.75%

This information is obtained from sources believed to be reliable, but is not guaranteed.

MINNESOTA BROKERAGE GROUP

4725 Excelsior Boulevard, Suite 500, Minneapolis, MN 952-922-4405 FAX 952-922-8351

Chowen Bend Townhomes

COMMUNITY OVERVIEW



Burnsville is located just 15 miles south of Minneapolis, MN, along the south bank of the Minnesota River.

Situated near Interstate 35 and Highway 13, Chowen Bend Townhomes boasts a central location close to popular attractions, such as the Burnsville Center, Buck Hill, the Minnesota Zoo and the Mall of America

DEMOGRAPHICS

	1 MILE	3 MILES	3 MILES
POPULATION	6451	60,344	160,763
MEDIAN HH INCOME	\$ 60,765	\$ 75,003	\$ 77,514
MEDIAN AGE	36	38	39
HOUSEHOLDS	2,398	23,119	63,767



Chowen Bend Townhomes

SNAPSHOT

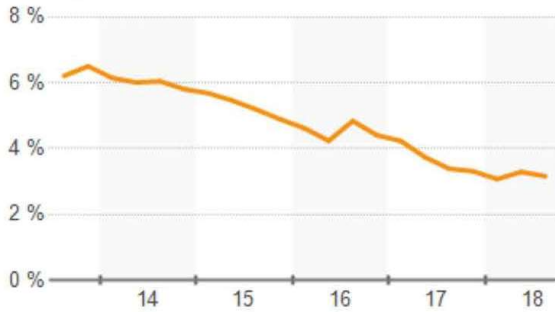
Availability	Survey	5-Year Avg
Rent Per SF	\$10.08	\$9.05
Vacancy Rate	3.2%	4.3%
Vacant SF	1,746,978	2,666,422
Availability Rate	6.4%	7.4%
Available SF	3,614,332	4,678,135
Sublet SF	225,442	315,290
Months on Market	11.9	22.6

Inventory	Survey	5-Year Avg
Existing Buildings	1,988	1,940
Existing SF	88,070,923	85,474,931
12 Mo. Const. Starts	1,181,578	1,105,180
Under Construction	2,565,755	1,351,836
12 Mo. Deliveries	1,310,836	967,644

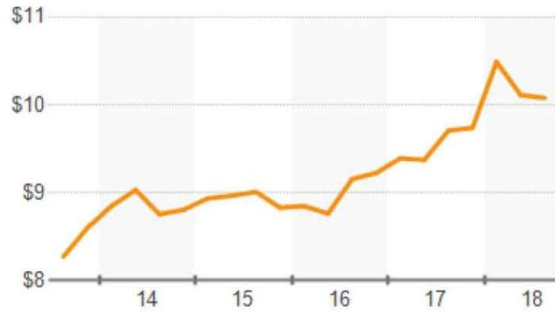
Demand	Survey	5-Year Avg
12 Mo. Absorption SF	851,871	744,635
12 Mo. Leasing SF	1,944,862	2,124,093

Sales	Past Year	5-Year Avg
Sale Price Per SF	\$123	\$94
Asking Price Per SF	\$151	\$103
Sales Volume (Mil.)	\$522	\$414
Cap Rate	6.5%	7.0%

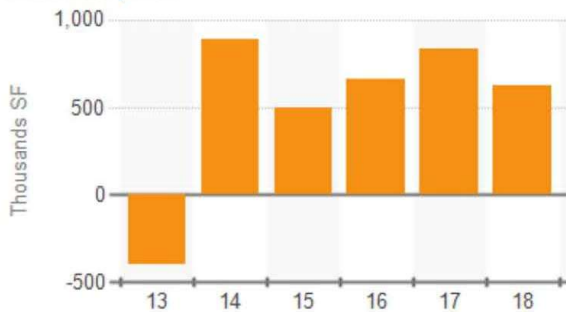
Vacancy Rate



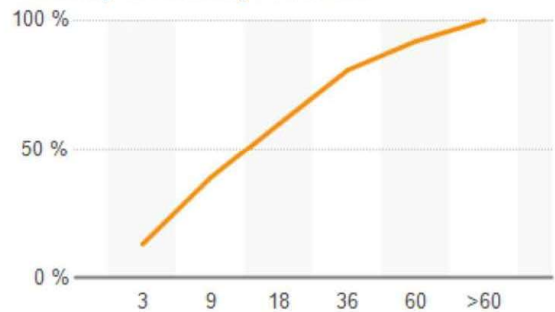
Asking Rent Per SF



Net Absorption



Probability of Leasing in Months



Chowen Bend Townhomes

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Sale Comparables

12641 Chowen Bend - Chowen Bend Townhomes

1 200 West Apartments - 200 W 97th St Bloomington, MN 55420 - East Bloomington Neighborhood



SALE

Sale Date: **2/1/2018**
 Sale Price: **\$4,716,000**
 Price Per Unit: **\$124,105**
 Price Per SF: **\$145**
 Cap Rate: **3.8%**

PROPERTY

Property Size: **36 Units, 2 Floors**
 Average Unit Size: **769 SF**
 Year Built: **1971**
 Vacancy At Sale: **0%**
 Parking Spaces: **50 Spaces; 1.4 per Unit**

CONTACTS

Buyer: **Premier Properties**
 Seller: **Goldmark Commercial Real Estate, Inc.**

FINANCING

\$2,800,000 from JP Morgan Chase Bank

UNIT MIX AT SALE

Bed	Bath	Avg SF	Unit Mix		Vacancy		Avg Asking Rent		Avg Effective Rent		Concessions
			Units	Mix %	Units	Vac %	Per Unit	Per SF	Per Unit	Per SF	
Studio	1	550	4	11.1%	0	0.0%	\$833	\$1.51	\$831	\$1.51	0.3%
1	1	750	26	72.2%	0	0.0%	\$858	\$1.14	\$856	\$1.14	0.3%
2	1.5	1,000	6	16.7%	0	0.0%	\$979	\$0.98	\$977	\$0.98	0.3%
Totals		769	36	100%	0	0.0%	\$875	\$1.14	\$873	\$1.13	0.3%

SITE AMENITIES

Controlled Access, Elevator, Gameroom, Grill, Laundry Facilities, Picnic Area, Property Manager on Site

UNIT AMENITIES

Balcony, Carpet, Dishwasher, Heating, Kitchen, Range, Refrigerator

TRANSACTION NOTES

On February 1, 2018, the 36-unit apartment community at 200 W 97th St in Bloomington, MN was sold for \$4,716,000, or \$124,105 per unit.

At the time of the sale, the community was 100% occupied. It is comprised of a mix of studio, one-, and two-bedroom units.

According to a press release from the listing broker, the property garnered a high amount of interest with 13 written offers. It sold for more than 10 percent above the initial listing price due to the number of interested parties.

The cap rate was 3.76%.

The verified details in this report were confirmed with the listing broker and public record information.



Chowen Bend Townhomes

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Sale Comparables

12641 Chowen Bend - Chowen Bend Townhomes

2 Nicollet Woods - 10044 Nicollet Ave S Bloomington, MN 55420 - East Bloomington Neighborhood



SALE		PROPERTY	
Sale Date:	1/2/2018	Property Size:	24 Units, 3 Floors
Sale Price:	\$2,541,000	Average Unit Size:	783 SF
Price Per Unit:	\$105,875	Year Built:	1973
Price Per SF:	\$132	Vacancy At Sale:	4.2%
Cap Rate:	-	Parking Spaces:	49 Spaces; 2.0 per Unit

CONTACTS

Buyer: **Hornig Companies, Inc.**
Seller: **Charles W T Houts**

FINANCING

\$1,623,750 from JP Morgan Chase Bank

UNIT MIX AT SALE

Bed	Bath	Avg SF	Unit Mix		Vacancy		Avg Asking Rent		Avg Effective Rent		Concessions
			Units	Mix %	Units	Vac %	Per Unit	Per SF	Per Unit	Per SF	
Studio	1	500	8	33.3%	0	0.0%	\$824	\$1.65	\$820	\$1.64	0.5%
1	1	750	8	33.3%	0	0.0%	\$893	\$1.19	\$889	\$1.19	0.5%
2	1	1,100	8	33.3%	0	0.0%	\$1,123	\$1.02	\$1,118	\$1.02	0.5%
Totals		783	24	100%	1	4.2%	\$947	\$1.21	\$942	\$1.20	0.5%

SITE AMENITIES

Recycling

UNIT AMENITIES

Air Conditioning, Balcony, Dishwasher, Disposal, Oven, Range, Refrigerator

TRANSACTION NOTES

On 1/2/2018, Swahnkolden Enterprises, LLC sold the multi-family property in Saint Paul, MN, to Hornig companies, LLC for \$2,541,000, or approximately \$132 per square foot.

The subject property is a 19,236 SF, three-story multi-family apartment property located at 10044 Nicollet Ave S. in Saint Paul, MN 55420. The property sits on a 39,204 SF lot. It was constructed in 1973 in the East Bloomington Multi-family submarket.

The buyer confirmed the details of this transaction.



Chowen Bend Townhomes

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Sale Comparables

12641 Chowen Bend - Chowen Bend Townhomes

3 Penn Village Townhomes - 2101-2109 W 90th St Bloomington, MN 55431 - Bloomington West Neighborhood



SALE		PROPERTY	
Sale Date:	10/27/2017	Property Size:	30 Units, 3 Floors
Sale Price:	\$3,900,000	Average Unit Size:	1,104 SF
Price Per Unit:	\$130,000	Year Built:	1961
Price Per SF:	\$118	Vacancy At Sale:	3.3%
Cap Rate:	5.5%	Parking Spaces:	50 Spaces; 1.7 per Unit

CONTACTS

Buyer: Twin Cities Ventures LLC
Seller: FIDES Capital Partners

UNIT MIX AT SALE

Bed	Bath	Avg SF	Unit Mix		Vacancy		Avg Asking Rent		Avg Effective Rent		Concessions
			Units	Mix %	Units	Vac %	Per Unit	Per SF	Per Unit	Per SF	
2	1	1,104	30	100%	1	3.3%	\$1,213	\$1.10	\$1,208	\$1.09	0.4%
Totals		1,104	30	100%	1	3.3%	\$1,213	\$1.10	\$1,208	\$1.09	0.4%

SITE AMENITIES

Controlled Access, Laundry Facilities, Maintenance on site, Playground, Pool, Property Manager on Site

UNIT AMENITIES

Air Conditioning, Cable Ready, Carpet, Ceiling Fans, Dining Room, Dishwasher, Hardwood Floors, Heating, Kitchen, Range, Tile Floors, Tub/Shower, Vinyl Flooring, Walk-In Closets, Washer/Dryer, Window Coverings

TRANSACTION NOTES

The thirty unit multi family property sold for \$3.9 million.

The property was on the market six months with an initial asking price of \$4 million. The investment property yields a cap rate of 5.5% .

Transaction details verified with listing broker and buyer.

