

OFFERING MEMORANDUM

Minnetonka Multifamily
Development Opportunity

**COUNTY RD 101
MINNETONKA, MN**

Investment Contacts:

Mike Salmen

Managing Principal
(612) 840 1978
mike.salmen@transwestern.com

Frank Richie

Vice President
(612) 359 1674
frank.richie@transwestern.com

Erik Coglianese

Associate
(612) 359 1611
erik.coglianese@transwestern.com

MINNETONKA MULTIFAMILY DEVELOPMENT OPPORTUNITY

The Offering

Transwestern is pleased to offer a multifamily redevelopment opportunity blocks from prestigious Lake Minnetonka. Located just south of Grays Bay and within walking distance of retailers and restaurants, the property is tucked into one of the most desirable areas in the Twin Cities. The property consists of three contiguous parcels measuring a combined 2.1 acres and is currently improved with a small office and two duplexes. The tenants are on short term leases which provides buyers with the unique ability to acquire a cash flowing property while undergoing entitlements and final planning. High household incomes, strong demand for rental housing, and a void of new apartments in the immediate area ensures a successful apartment project.

Property Overview

The subject consists of three contiguous parcels totaling 2.1-acres. Parcel 18-117-22-41-0007 is currently improved with a 4,800 SF single-family house that was converted to an office. Parcels 18-117-22-41-0076 and 18-117-22-41-0077 are both improved with duplexes. All three parcels are guided as Mixed Use in the 2040 comprehensive plan which allows for upwards of 125 units per acre.



FAST FACTS

3514 COUNTY RD 101

PID: 18-117-22-41-0007

Current Use: Office

Year Built: 1948

Size: 4,800 SF

Zoning: B-1 - "Office Business District"

2040 Comp Plan: Mixed-Use

Land Area: 0.93 AC

3518 COUNTY RD 101

PID: 18-117-22-41-0076

Current Use: Duplex

Year Built: 1979

Size: 2 Residential Units

Zoning: R-2 - "Low Density Residential District"

2040 Comp Plan: Mixed-Use

Land Area: 0.59 AC

3522 COUNTY RD 101

PID: 18-117-22-41-0077

Current Use: Duplex

Year Built: 1979

Size: 2 Residential Units

Zoning: R-2 - "Low Density Residential District"

2040 Comp Plan: Mixed-Use

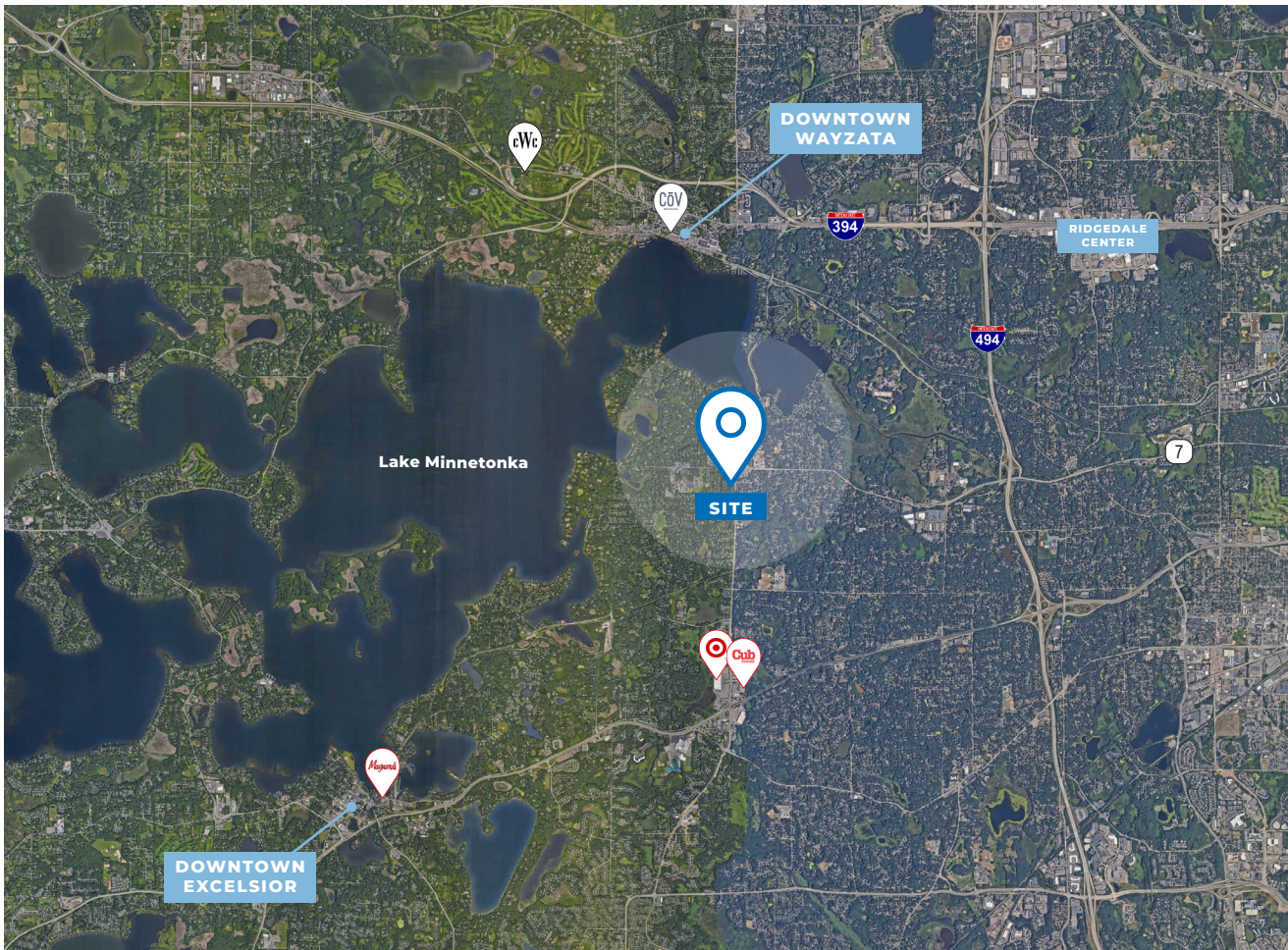
Land Area: 0.59 AC



MINNETONKA, MN

Location & Proximity

Minnetonka is a fully developed suburban community of more than 53,000 residents located eight miles west of Minneapolis. The city's natural surroundings — including trees, wetlands, prairies and diverse bodies of water — set it apart from similar-sized suburbs and give the community a distinct character. The uniquely beautiful landscape, three top-ranked public school districts, a regional shopping center, year-round recreational opportunities, an eclectic housing stock and a host of thriving businesses, make Minnetonka a premier location for people of all ages to live and work.



DEMOGRAPHICS



Daytime Population

1-MILE	3-MILE	5-MILE
4,854	50,928	146,399



Median Household Income

1-MILE	3-MILE	5-MILE
\$153,404	\$135,174	\$110,151



Population With Bachelors

1-MILE	3-MILE	5-MILE
48.1%	42.0%	39.1%



Median Age

1-MILE	3-MILE	5-MILE
49.6	49.0	45.9

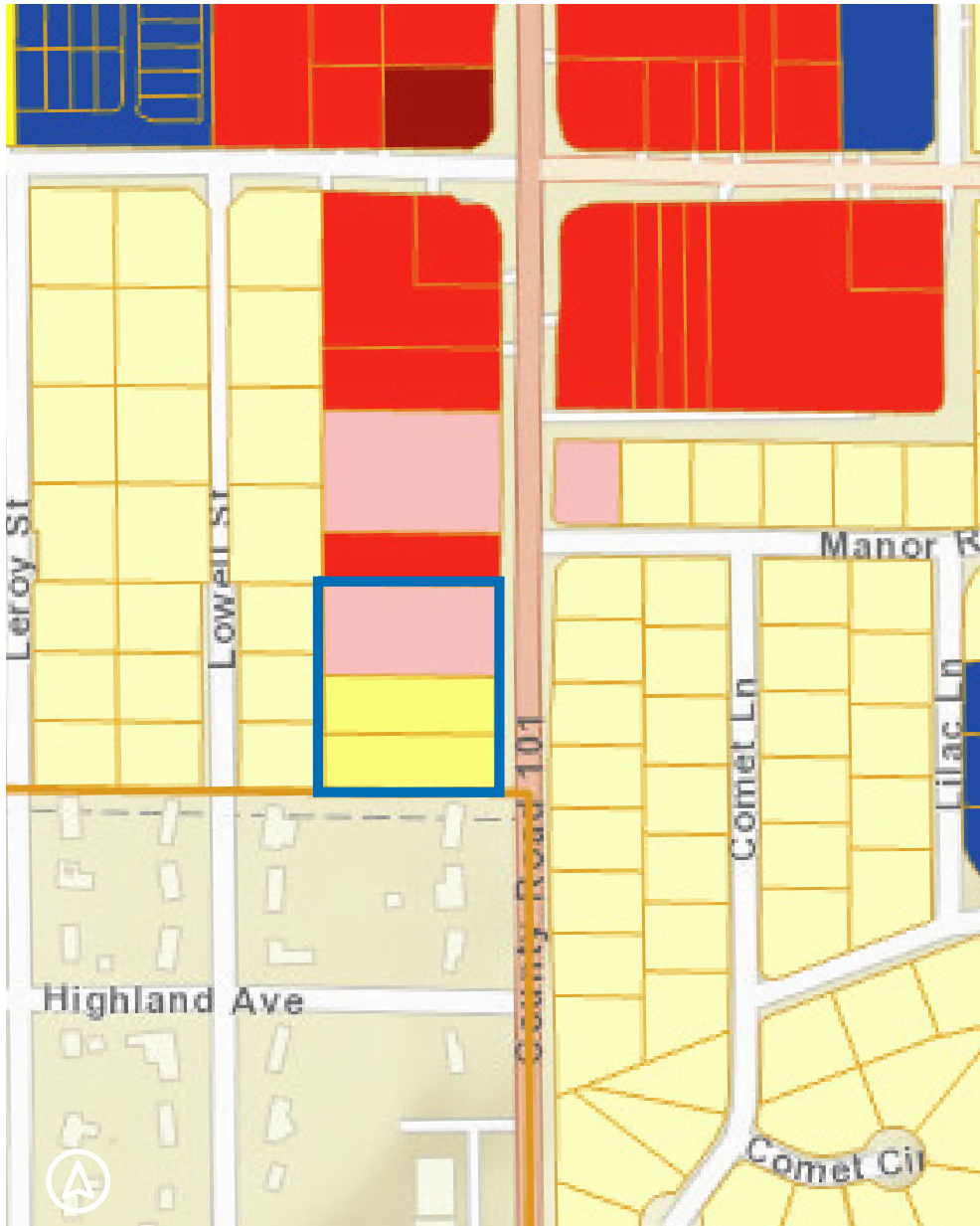
MINNETONKA, MN

The Neighborhood

The subject is located just south of the Minnetonka Boulevard/Highway 5- County Road 101 intersection, within the Groveland neighborhood. The immediate area retail is anchored by Lifetime Fitness, Lakewinds Food Co-op, Minnetonka Tennis Club, and features other restaurants and retailers including a nearby Target. It is conventionally located within a mile of Grays Bay Public Landing, 2.5-miles from downtown Wayzata, and 5-miles from downtown Excelsior. Nearby parks include Reich Park, Kelly Park and Bennett Family Park. This site is walkable to Groveland Elementary and has immediate access to walking and bike trails.



Zoning



- B-1
- B-2
- B-3
- I-1
- PID
- PURD
- PUD
- R-1
- R-1 PURD
- R-2
- R-2 PURD
- R-3
- R-3 PURD
- R-4
- R-4 PURD
- R-5

B-1

The purpose of the B-1 district is to provide a district for office and accessory service uses but which excludes general retail and service uses. Retail sales shall be prohibited except for uses established primarily in support of the principal office use. Exterior display of merchandise shall be prohibited. The B-1 district is intended for those areas of the city identified for office development by the comprehensive plan or for transitional areas between residential and more intense uses.

R-2

The purpose of the R-2 district is to provide a district for two family dwellings in those areas where such development is consistent with the low-density residential designation of the comprehensive plan and compatible with surrounding land use characteristics. Development within this district may occur at densities not exceeding three dwelling units per acre.

2040 Comprehensive Plan



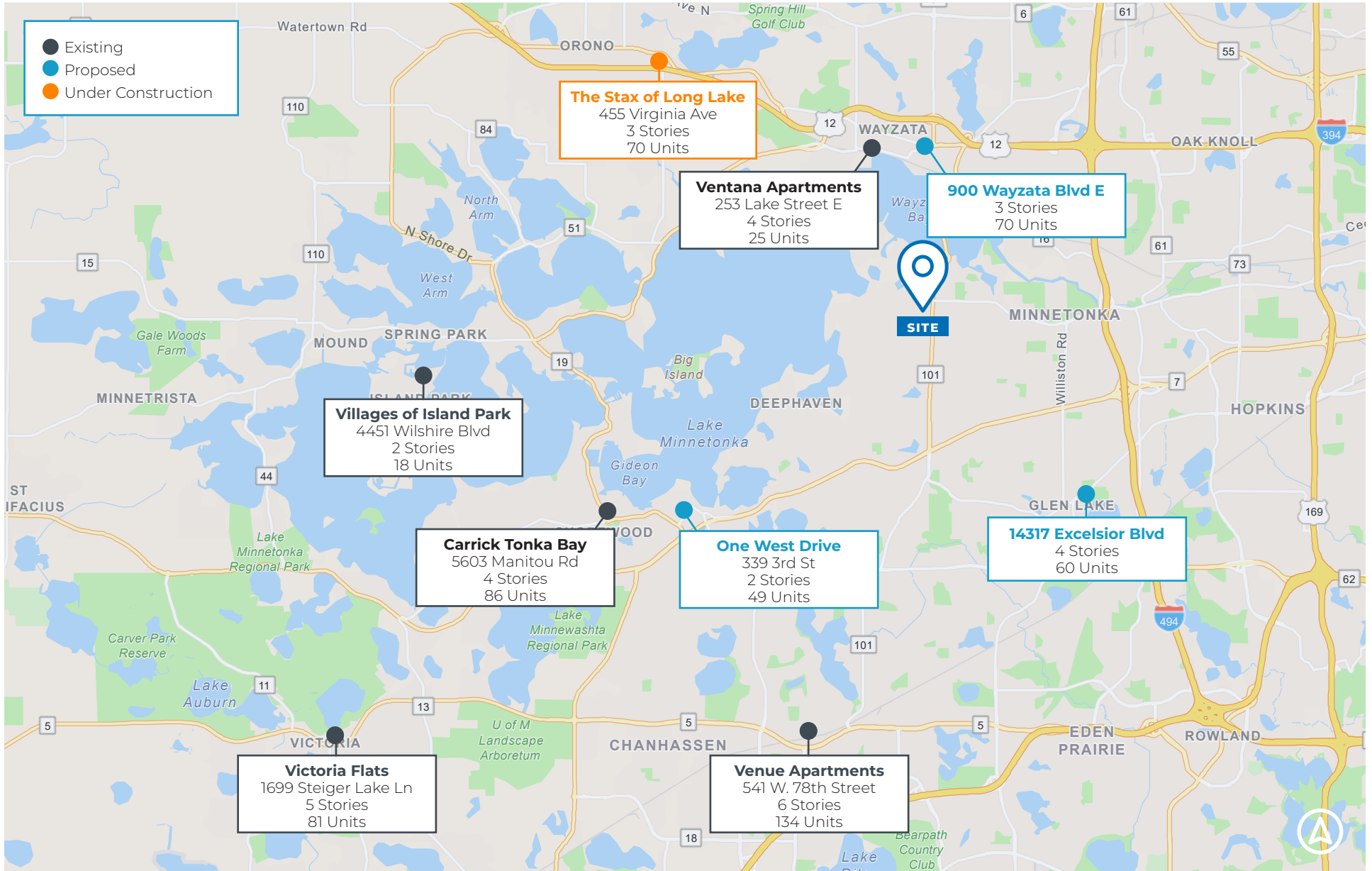
Mixed Use

Mixed use areas with residential are primarily located in the existing commercial areas. They represent those village centers as places for both commerce and living. Uses are mixed horizontally and vertically on properties. Areas planned for a mix of residential and commercial/retail uses should be designed to include a residential character, within specific mixed use buildings or within a compact village area. Buffering and transitions, as well as careful consideration of noise and light impacts, are important to the viability of such mixed use areas, since they include higher density and more activity than exclusive medium or high density neighborhoods.

Site design and access to pedestrian friendly open space and parks is important in mixed use areas that include a residential component. Accessibility and convenient parking as well as streetscape enhancements in public and private areas are valued features for residents choosing to live in mixed use areas. Densities between 12-125 units per acre are appropriate, depending on the specific location and site conditions. In particular, in Opus and Shady Oak station areas where the city is targeting significant residential growth, will likely see higher densities than other mixed use areas. Although station area minimum housing densities of 20 units per acre are required, target densities in these station areas are 40-75+ units per acre.

PRIME MULTI-FAMILY OPPORTUNITY

Recent Multifamily New Development



Apartment Rent Comparables



1. Ventana Apartments

Address	253 Lake Street E, Wayzata
# of Units	25
Year Built	2022
Avg. Unit SF	1,752 SF
Avg Asking/Unit	\$6,985
Avg Asking/SF	\$3.98



2. Carrick Tonka Bay

Address	5603 Monitou Rd, Tonka Bay
# of Units	86
Year Built	2021
Avg. Unit SF	1,101 SF
Avg Asking/Unit	\$2,735
Avg Asking/SF	\$2.48



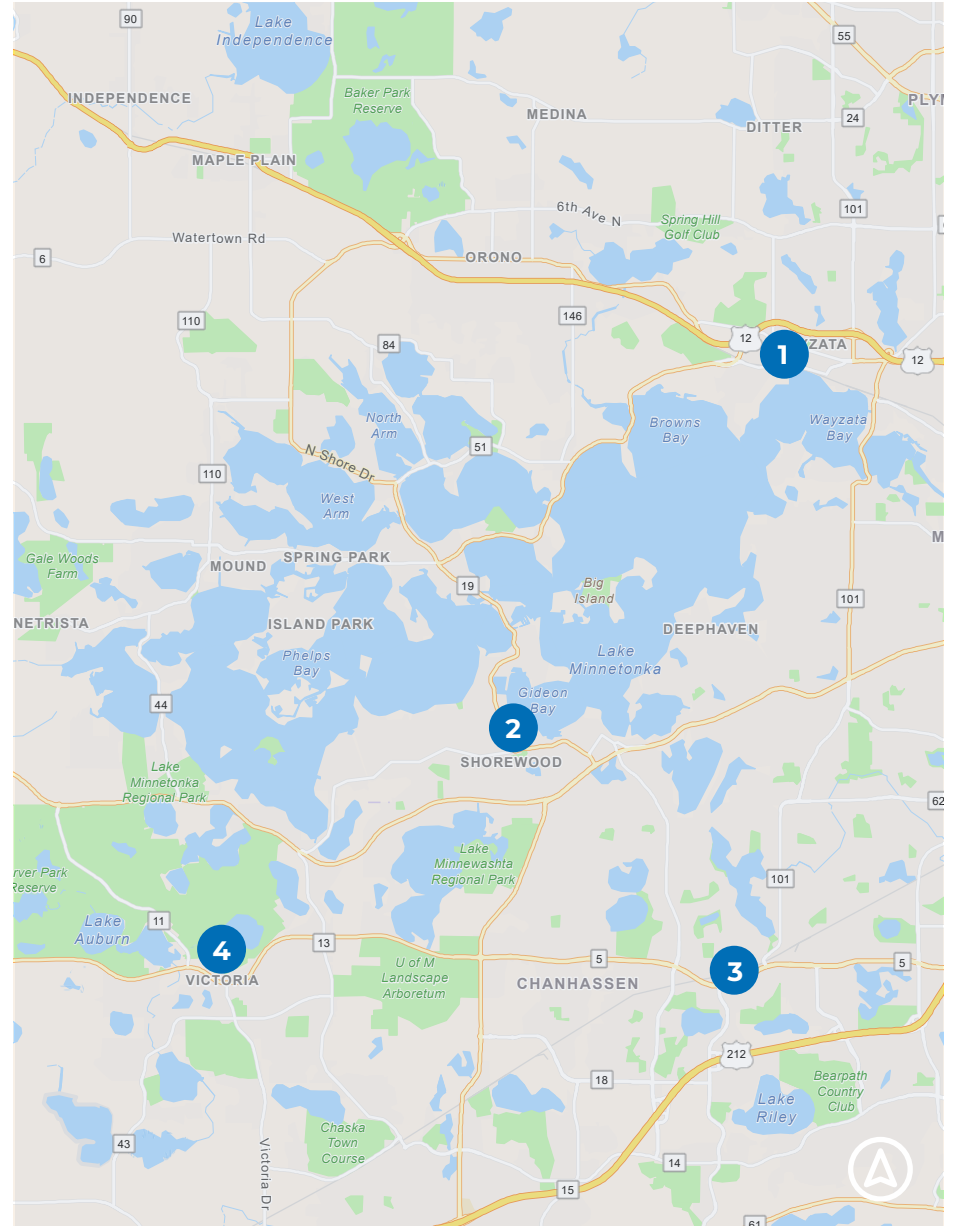
3. Venue Apartments

Address	541 W. 78th Street, Chanhassen
# of Units	134
Year Built	2019
Avg. Unit SF	847 SF
Avg Asking/Unit	\$1,878
Avg Asking/SF	\$2.22



4. Victoria Flats

Address	1699 Steiger Lake Lane, Victoria
# of Units	81
Year Built	2018
Avg. Unit SF	826 SF
Avg Asking/Unit	\$1,928
Avg Asking/SF	\$2.33



THINKING BEYOND THE OBVIOUS

Investment Advisors:



Frank Richie

Vice President
(612) 359-1674
frank.richie@transwestern.com



Mike Salmen

Managing Principal
(612) 840-1978
mike.salmen@transwestern.com



Erik Coglianese

Associate
(612) 359-1611
erik.coglianese@transwestern.com