



**255 1ST AVE SW
ROCHESTER, MN**



LISTING INFORMATION

EXECUTIVE SUMMARY

TENANT INFORMATION

LUMI RESTAURANT & BAR

GUARANTOR	PERSONAL
LEASE TYPE	ABSOLUTE NNN
TERM REMAINING	9+ YEARS
RENEWAL OPTIONS	(1) 10-YEAR OPTION
PROPERTY TAXES & INSURANCE	TENANT RESPONSIBLE
ROOF & STRUCTURE	TENANT RESPONSIBLE
REPAIRS & MAINTENANCE	TENANT RESPONSIBLE

LIST PRICE: \$2,953,000

CAP RATE: 6.5%



PROPERTY INFORMATION

255 1ST AVE SW | ROCHESTER, MN 55902

YEAR BUILT	2008
YEAR RENOVATED	2022
LOT SIZE	.20 ACRES
NET RENTABLE AREA	7,772 SF

PROPERTY PHOTOS



PROPERTY PHOTOS



INVESTMENT HIGHLIGHTS

PERSONAL GUARANTEE

The lease includes a personal guarantee from the tenant, offering added assurance and accountability for investors seeing long-term security.

ABSOLUTE NNN LEASE

The property is leased on an absolute triple-net basis, with zero landlord responsibilities, allowing for passive income and minimal management.

EXCELLENT DOWNTOWN LOCATION

Strategically positioned in the heart of Downtown Rochester, the property benefits from strong foot traffic and a vibrant commercial environment.

EASE OF ACCESS

Directly connected to the downtown skyway system, offering convenient access to nearby parking ramps and skyway entrances.

HIGH TRAFFIC AREA

Situated along a busy corridor, the property enjoys significant exposure to both pedestrian and vehicular traffic, maximizing visibility for the tenant.

STUNNING RENOVATION

The 7,772 Sq. Ft. commercial space has undergone a transformative \$2.5 million renovation by Powers Ventures, creating a modern, high-end environment.

PREMIUM BUILDING UPGRADES

Recent capital improvements include all-new plumbing and electrical systems, state-of-the-art HVAC, integrated audio/visual systems, a fully equipped brand-new commercial kitchen, and new fixtures, furniture and equipment (FFE).



FINANCIAL SUMMARY



TENANT - Lumi Restaurant & Bar

LEASE COMMENCEMENT - 9/1/2024

LEASE EXPIRATION - 8/31/2034

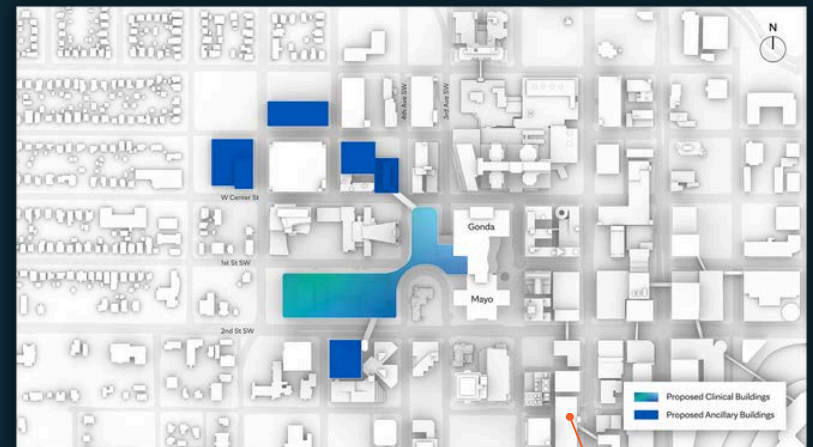
TERM	MONTHLY RENT	RENT PER SF	ANNUAL RENT	ANNUAL RENT PER SF
CURRENT-8/31/2025	\$15,000	\$1.93	\$180,000	\$23.16
9/1/2025-8/31/2026	\$16,000	\$2.06	\$192,000	\$24.70
9/1/2026-8/31/2027	\$17,000	\$2.19	\$204,000	\$26.25
9/1/2027-8/31/2028	\$18,000	\$2.32	\$216,000	\$27.79
9/1/2028-8/31/2029	\$19,000	\$2.44	\$228,000	\$29.34
9/1/2029-8/31/2030	\$19,570	\$2.52	\$234,840	\$30.22
9/1/2030-8/31/2031	\$20,157	\$2.59	\$241,885	\$31.12
9/1/2031-8/31/2032	\$20,761	\$2.67	\$249,141	\$32.06
9/1/2032-8/31/2033	\$21,384	\$2.75	\$256,616	\$33.02
9/1/2033-8/31/2034	\$22,026	\$2.83	\$264,314	\$34.01



In Rochester, a \$5 billion project, "Bold. Forward. Unbound.", is underway to transform the campus into a more integrated and patient-friendly environment, with the project set to be completed by 2030.

MAYO CLINIC \$5 BILLION EXPANSION

ALL LOCATED WITHIN WALKING DISTANCE OF THE SITE



255 1st Ave SW

The expansion will include the construction of five new buildings, including two nine-story clinical buildings, designed to create "unified care neighborhoods" that streamline patient care. This project is part of the larger Destination Medical Center initiative, which aims to transform Rochester into a global destination for healthcare.

AERIAL





HOME TO
MAYO CLINIC & DESTINATION
MEDICAL CENTER



MAYO CLINIC NATIONAL RANKINGS

1st

Diabetes & Endocrinology
Gastroenterology (GI) & GI
Surgery & Pulmonology & Lung
Surgery Urology

2nd

Orthopedics
Neurology & Neurosurgery

3rd

Cancer
Cardio, Heart & Vascular
Surgery
Obstetrics & Gynecology

4th

Geriatrics
Ear, Nose & Throat

5th

Rheumatology

6th

Urology

RANKED THE #1 HOSPITAL IN THE U.S. AND WORLDWIDE

MAYO CLINIC IN ROCHESTER TREATS OVER 1.3 MILLION PATIENTS ANNUALLY, DRAWING INDIVIDUALS FROM ALL 50 U.S. STATES AND 137 COUNTRIES — AVERAGING 3,500 PATIENTS EACH DAY.

WHAT IS DESTINATION MEDICAL CENTER?

Destination Medical Center (DMC) is a unique 20-year economic development initiative. With the expansion of Mayo Clinic and DMC, Rochester is a global destination for health, wellness, and so much more.

DMC IS A WIN-WIN FOR ROCHESTER'S FUTURE

PRIVATE INVESTMENT

\$5+ BILLION

In projected private investment by Mayo Clinic and other private entities over the next 20 years

CITY OF ROCHESTER TAX REVENUE

\$270 MILLION

In additional tax revenues over a 20-year period

BUS RAPID TRANSIT

\$203 MILLION

11,850 daily riders coming into Downtown Rochester

OLMSTED COUNTY TAX REVENUE

\$218 MILLION

In additional tax revenues over a 20-year period

NEW JOBS

MORE THAN 30,000

New jobs in Minnesota generated by overall DMC growth

STATE OF MINNESOTA TAX REVENUE

\$1.9 - \$2.2 BILLION

In additional tax revenues over a 20-year period

An aerial photograph of a city skyline. In the foreground, a river flows through a park-like area with green grass and trees. A large, circular, light-brown building with a flat roof is situated on a peninsula in the river. A small bridge connects the peninsula to the mainland. In the background, a dense urban area with various high-rise buildings is visible under a blue sky with scattered clouds.

LOCAL INFORMATION/DATA



ROCHESTER, MN 3RD LARGEST CITY IN MINNESOTA

Located on the Zumbro River's south fork, the city of Rochester has a population of 124,213. It is the seat of Olmsted County, Minnesota's third-largest city, and the largest city located outside of the Minneapolis-St. Paul-Bloomington Metropolitan Statistical Area

GROWING ECONOMY

Mayo Clinic forms the core of Rochester's economy. The clinic's many facilities, along with hotels, restaurants and retail stores, comprise nearly all of the city's downtown. Excluding the state government, Mayo Clinic is the largest employer in Minnesota. Other care providers, including the Rochester Federal Medical Center, are significant employers. IBM's Rochester campus is one of the company's most important manufacturing centers. Seven employees at the Rochester IBM campus created IBM Employees Credit Union, which is now Think Mutual Bank, a chain of banks in the Rochester and Twin Cities metropolitan areas. The economy of Rochester is also influenced by the agricultural nature of the region. Seneca Foods has a processing plant in Rochester, and Kerry Flavours and Ingredients maintains a production plant in Rochester that specializes in fermented ingredients, found in breads, meats, and other processed foods.

MAJOR AREA EMPLOYERS



MAYO CLINIC
42,000 EMPLOYEES



ROCHESTER PUBLIC SCHOOLS
2,872 EMPLOYEES



IBM
2,800 EMPLOYEES



OLMSTED MEDICAL CENTER
1,371 EMPLOYEES



CITY OF ROCHESTER
1,166 EMPLOYEES

NO.3 'TOP 100 BEST PLACES TO LIVE' 2022, [LIVABILITY.COM](https://www.livability.com)

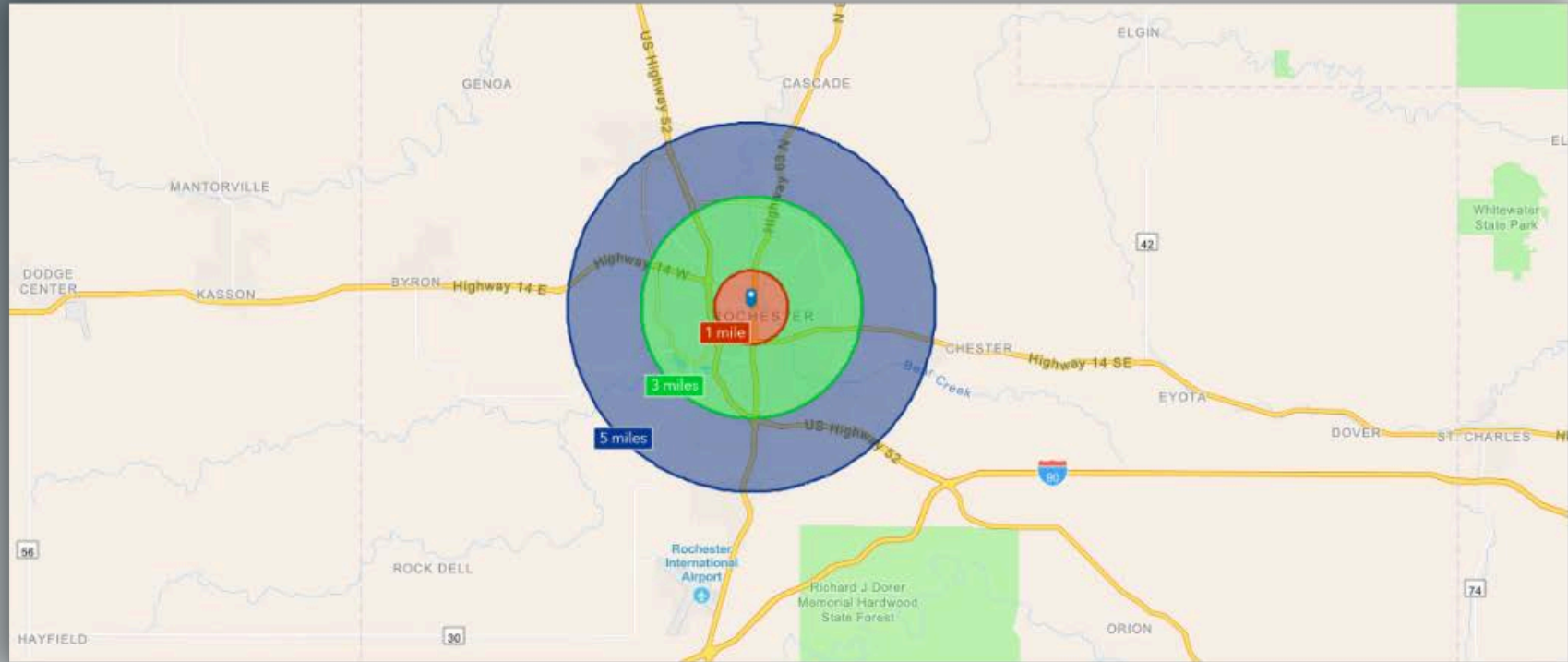
NO.1 'MOST LIVABLE MID-SIZED CITY' 2020, [SMARTASSET](https://www.smartasset.com)

NO.1 'HOSPITAL IN THE NATION' 2021-2023, [U.S. NEWS & WORLD REPORT](https://www.usnews.com)

NO.3 'MOST INNOVATIVE CITY IN THE US' 2019, [BUSINESS INSIDER](https://www.businessinsider.com)



DEMOGRAPHICS



Source: This infographic contains data provided by Esri (2025, 2030). © 2025 Esri

0-1 MILES



POPULATION
14,427



HOUSEHOLDS
7,620



**MEDIAN HOUSEHOLD
INCOME**
\$62,086



POPULATION
60,854



HOUSEHOLDS
25,740



**MEDIAN HOUSEHOLD
INCOME**
\$83,116



3-5 MILES

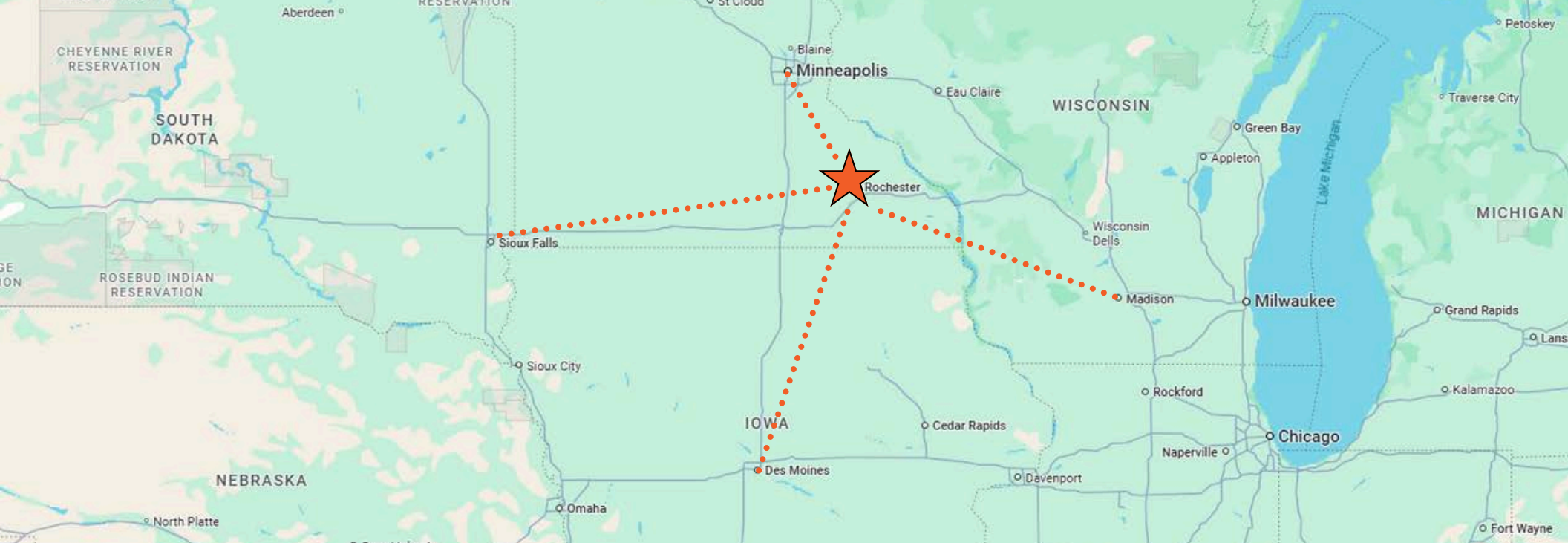
POPULATION
40,133



HOUSEHOLDS
15,866



**MEDIAN HOUSEHOLD
INCOME**
\$83,433



TRAVEL TO ROCHESTER



FROM SIOUX FALLS, SD
3 HR 30 MIN | 236.6 MILES



FROM MINNEAPOLIS - ST. PAUL INTL AIRPORT
1 HR 13 MIN | 80.2 MILES



FROM DES MOINES, IA
3 HR 6 MIN | 210.3 MILES



FROM ROCHESTER INTL AIRPORT AND I-90
15 MIN | 13.6 MILES



FROM MADISON, WI
3 HR 12 MIN | 207.2 MILES

Rochester is served by three U.S highways (U.S 14, U.S 52, and U.S 63), and the southern edge of Rochester is skirted by Interstate Highway 90 and State Highway 30. Olmsted County Highway 22 is also a main highway in the city because it circles most of Rochester. A combination of skyways and subterranean walkways, subways, link most downtown buildings. Public bus transit is run by Rochester Public Transit. It's operations are carried out by First Transit. A proposed Twin Cities-Rochester rail link has been the subject of a series of studies since the late 1980s. Rochester previously had service to Chicago to the southeast and to Rapid City, South Dakota to the west until the Chicago and North Western Railway's Rochester 400 streamliner ended service in 1963.



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