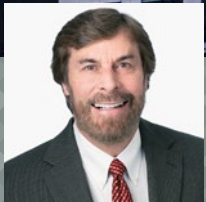


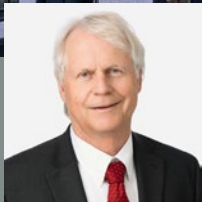
Twin Cities | *Multifamily Market*

2024 YEAR IN REVIEW

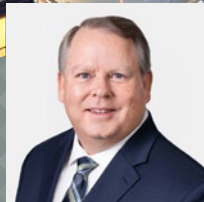
OVER
\$2.5B
IN APARTMENT
PROPERTIES
SOLD!



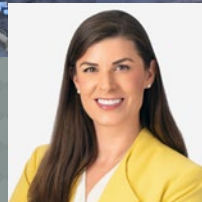
Steve Michel
612.850.4539



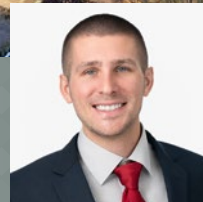
Peter Michel
612.790.8246



Phil Reesnes
612.759.5000



Heidi Addo
612.805.5023



Jesse Thurston
651.380.9058



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MARKET SUMMARY



Strength in Stability

The Twin Cities multifamily market continues to demonstrate exceptional stability, successfully absorbing the recent wave of new construction while maintaining strong demand and attracting new investment groups. **Sales volume in 2024 increased by approximately 35% compared to 2023**, even in the face of ongoing interest rate unpredictability.

Investors are consistently drawn to the Twin Cities' well-established market advantages, including its diverse employment opportunities, highly educated workforce, and exceptional quality of life. Additionally, the region's **wage growth of 4.2% significantly outpaces current rent growth of 1.2%**, reinforcing its position as one of the most affordable and appealing places to live and invest in the nation. These strengths continue to elevate the Twin Cities as a leading market for multifamily investment.

MARKET OVERVIEW

Educated Workforce

2nd in the Nation
for residents holding a high school degree or higher
(94.6% of residents)

7th in the Nation
for residents holding a bachelor's degree or higher
(46.2% of residents)

A Robust & Diverse Economy

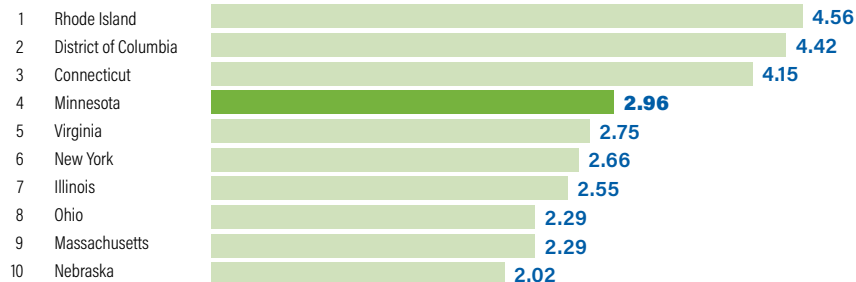
17 Fortune 500 Companies:

4th in the Nation

for most Fortune 500 companies per 1 million people



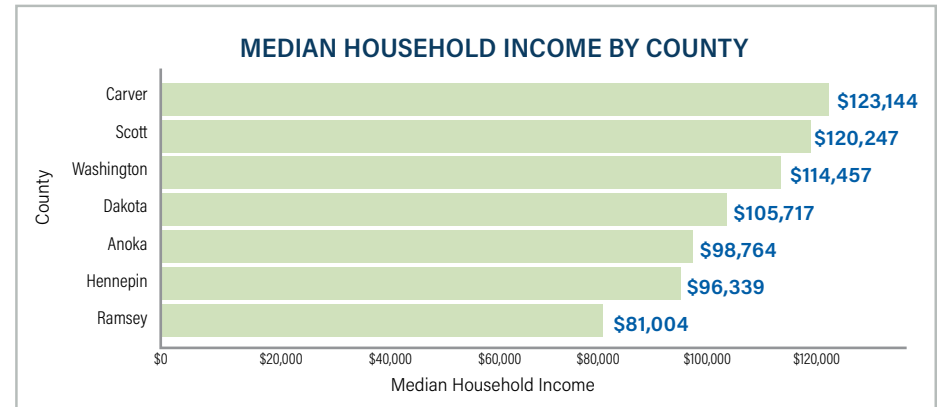
FORTUNE 500 COMPANIES PER 1 MILLION PEOPLE



Wealthy Residents

Wage Growth:
4.2%

Median Household Income:
\$96,282



Affordable Housing

5th
Most Affordable
Housing MSA
in the U.S.

18.9%
Rent-to-Income Ratio
(National average
is about 27%)

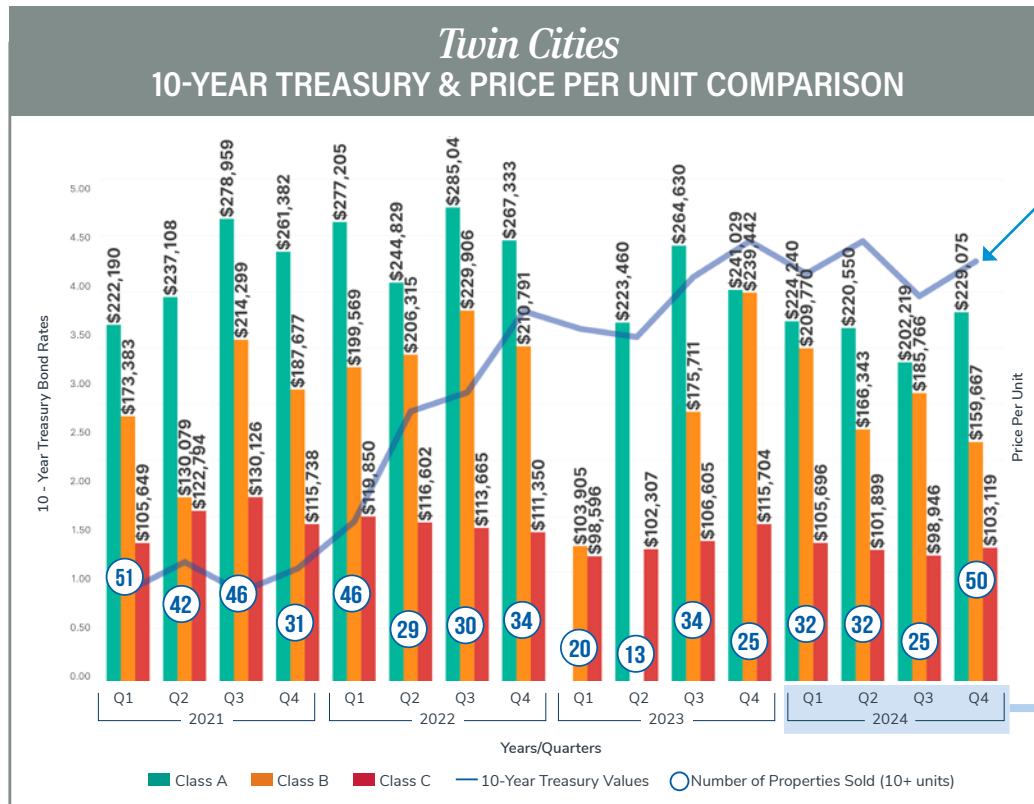
\$1,517
Average
Monthly Rent
in the Twin Cities

THE INTEREST RATE SAGA

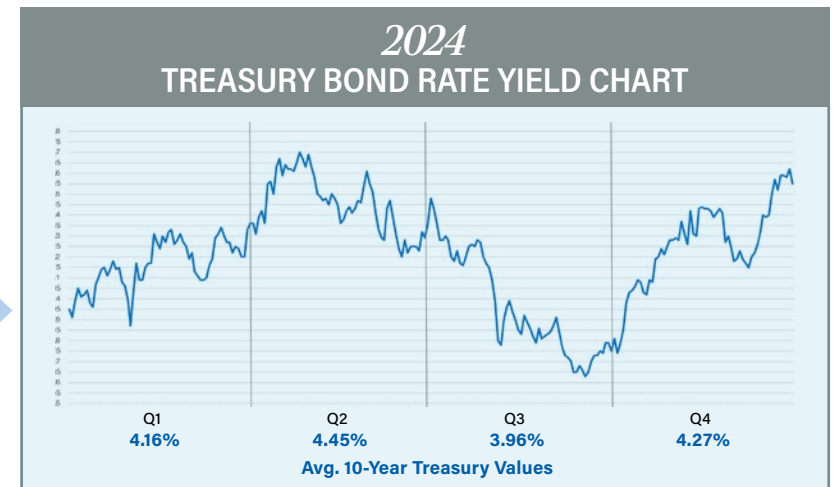
Higher for Longer

2024, much like 2023, was marked by interest rate volatility, presenting challenges for buying and selling multifamily properties due to the need for predictability when buyers aim to make executable offers. Deals that were underwritten and offered on during periods of lower interest rates, only to face significant rate increases before the buyers could lock in their rates, often resulted in price adjustments or, in some cases, rendered deals unviable.

2024 Q4 AVG. PRICE PER UNIT (Compared to 2023)		
Class A	Class B	Class C
↓ \$219,829 Per Unit	↓ \$169,019 Per Unit	↓ \$102,338 Per Unit



Q4 Avg. 10-Year Treasury Value
4.27%



The fluctuating interest rates have added significant challenges to buying and selling properties.

SHIFT IN SENTIMENT AND RESOLVE

Despite the uncertainty, the second half of 2024 marked a significant shift in sentiment and resolve among sellers, buyers, and lenders, as all groups began adapting to the ongoing rate fluctuations.



Many **SELLERS** who had previously delayed listing their properties in anticipation of rate reductions are now revising their expectations to reflect current market conditions.



BUYERS remain cautious yet optimistic, anticipating increased property availability after a slow acquisition period driven by the gap between their investment metrics and sellers' pricing expectations at elevated interest rates.



LENDERS are also demonstrating renewed enthusiasm, with debt terms becoming slightly more favorable, signaling a steady adaptation to the interest rate environment.



Largest Property Sold
IndiGO Apartments
Bloomington | 395 Units



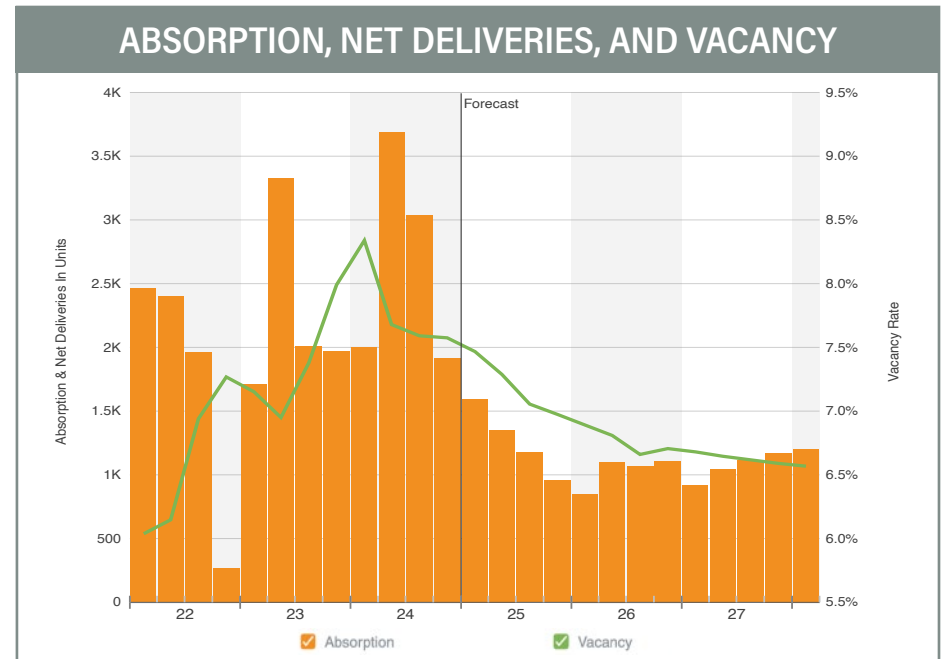
Highest Price Per Unit
Elan West End
St. Louis Park | \$325,610/Unit

ROBUST ABSORPTION IN THE SUBURBS

Declining Vacancies, Reduced Concessions, and Emerging Rent Growth

Many Twin Cities suburbs are seeing robust absorption of new multifamily developments, marked by declining vacancy rates, fewer concessions, and emerging rent growth. The temporary supply-demand imbalance, which led to elevated vacancies and tempered rent growth following a historic surge in new development over recent years, is now stabilizing. As the supply pipeline slows due to high interest rates, that often make new projects financially unviable, **the market is steadily absorbing the influx of units, creating conditions for rent growth that could surpass previous levels.**

This absorption is driven by the Twin Cities' ongoing housing needs, further amplified by a tight single-family home market that is causing renters to remain in rental housing longer. **The region continues to rank as one of the most supply-constrained markets in the nation,** with new development activity experiencing a roughly 60% decline in production. As a result, the projected supply of new housing falls well short of the estimated 18,000 units needed by 2030 to meet rising demand.



The average age of first-time homebuyers has risen from 31 to 37, reflecting longer stays in rental housing.



↓ 10,132

Overall 12 Month Units Delivered



↓ 5,867

Overall Units Under Construction



↓ 7.6%

Overall Vacancy



↑ \$1,517

Overall Avg Rent

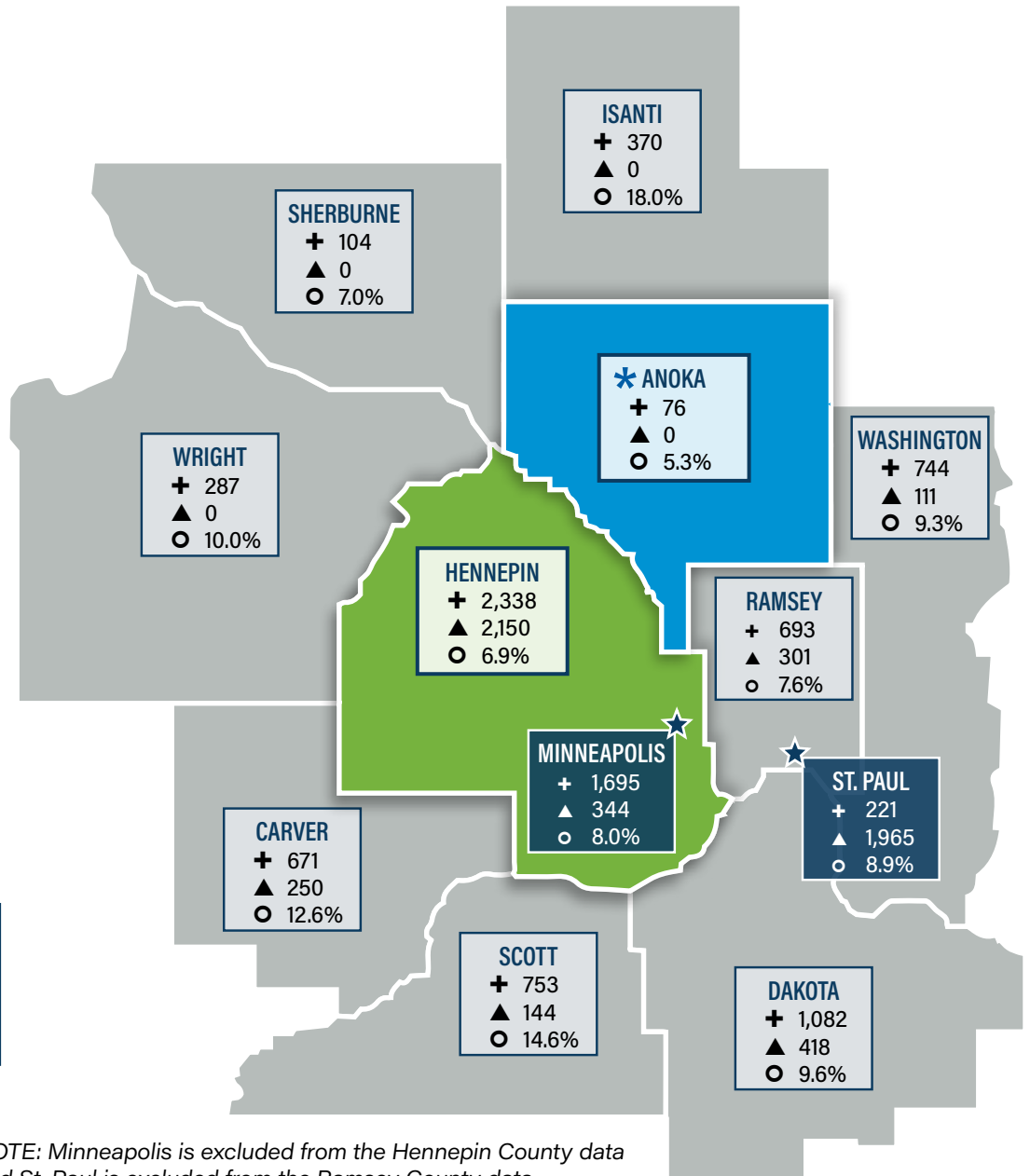
ANOKA & HENNEPIN COUNTIES LEAD IN ABSORPTION

Elevated Vacancy Rates Driven by Recent Development

Strong absorption trends are particularly evident in supply-constrained yet highly desirable suburban areas, where demand remains robust. This is especially true in the western and northwestern suburbs of Hennepin and Anoka Counties, which are experiencing sustained demand and declining vacancy rates.

*** Anoka County is projected to lead in rent growth over the next 12 months, fueled by low vacancy rates and the absence of market-rate deliveries in the coming year.**

KEY	
+	12-Month Deliveries
▲	Under Construction
○	Vacancy



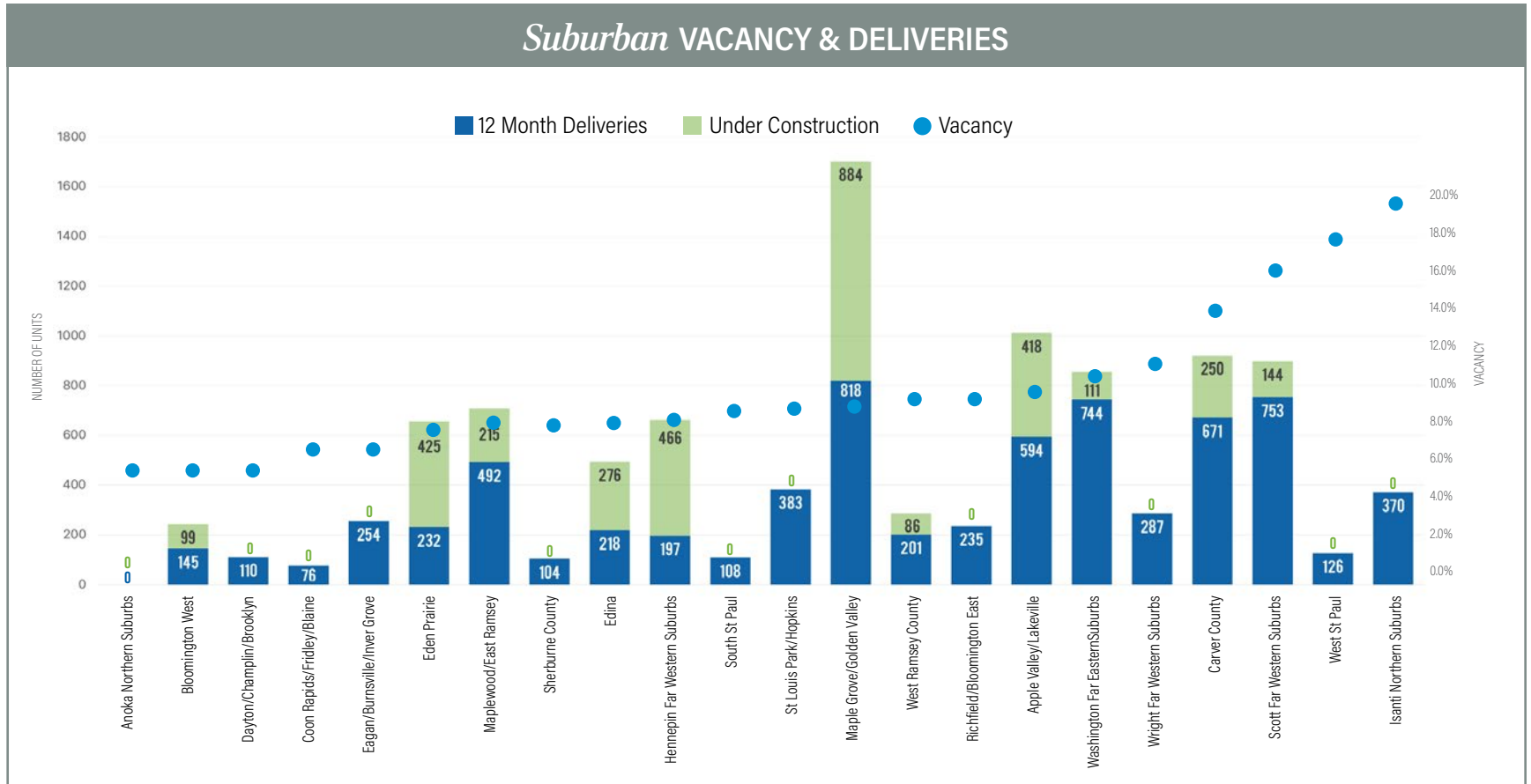
NOTE: Minneapolis is excluded from the Hennepin County data and St. Paul is excluded from the Ramsey County data.

SUBURBAN MARKET STRENGTH

Supply-Constrained Suburbs are Leading

Renters continue to favor suburban living, driven by a growing focus on affordability, space, and neighborhoods that offer walkability and safety. Suburbs with the lowest vacancy rates have experienced limited new deliveries over the past 12 months, while higher-vacancy suburbs are still in the process of absorbing an influx of new units.

It is anticipated that vacancy rates across all Twin Cities suburbs will steadily decline as new units are absorbed. Coupled with a slowdown in new supply, this is expected to drive strong rent growth and reduced concessions in most, if not all, suburbs as absorption continues.

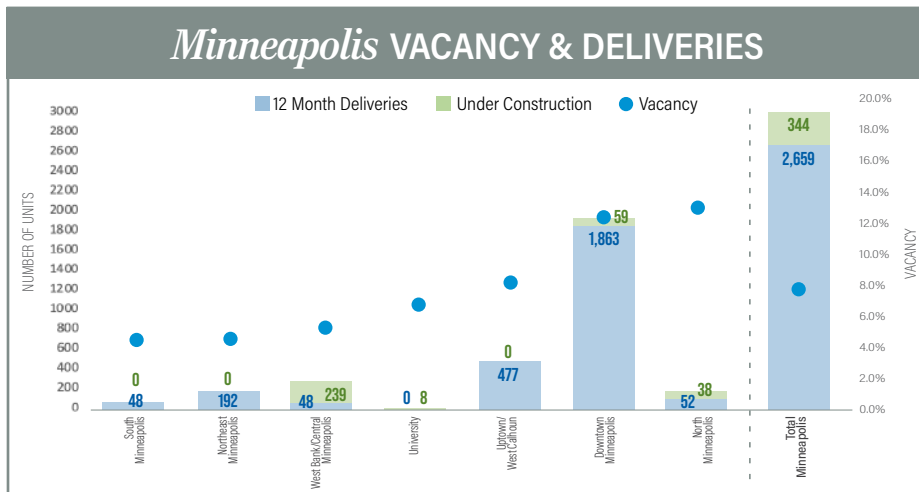


POSITIVE MOMENTUM IS EMERGING IN THE URBAN CORE

Similar Yet Unique Challenges

While the urban core continues to face challenges stemming from evolving work patterns and ongoing safety concerns, signs of positive momentum are beginning to emerge for both Minneapolis and St. Paul.

MINNEAPOLIS is navigating a temporary oversupply imbalance, driven by a surge of new developments and a shift in demand toward the suburbs. This has resulted in elevated vacancy rates and subdued rent growth, positioning Minneapolis, alongside San Francisco, as one of the few major markets where downtown rents remain below pre-pandemic levels. However, **positive momentum is building, as multifamily owners and operators are reporting increased leasing activity and a steady rise in occupancy rates.**



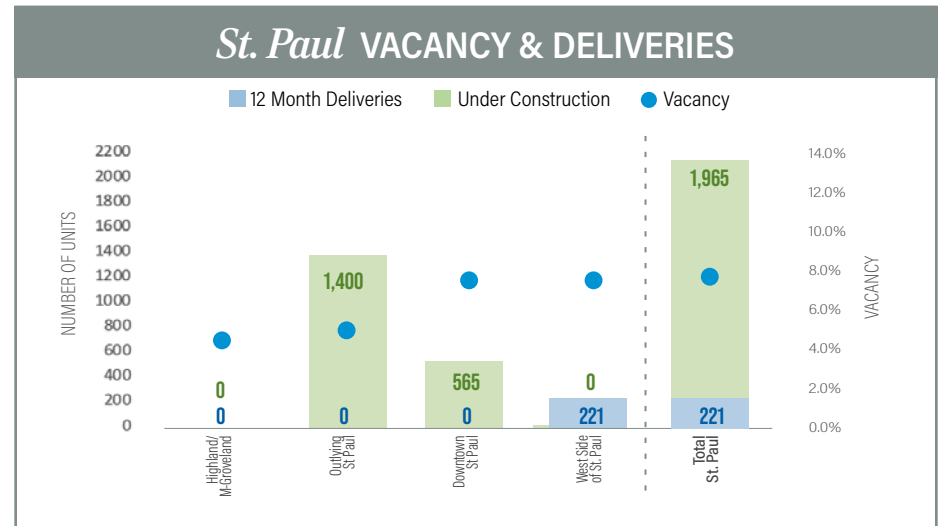
The North Loop: A Thriving Urban Neighborhood



The North Loop continues to stand out as a bright spot in the city. This vibrant live/work/play hub remains one of the metro's most dynamic and sought-after communities.

THE RISE OF NEW CONSTRUCTION IN ST. PAUL

The city of **ST. PAUL** is seeing positive momentum with **a robust pipeline of primarily affordable housing developments planned or under construction**. However, since the adoption of the rent control ordinance, the city has struggled to attract significant market-rate projects. While efforts are underway to try to loosen the rent control policies, challenges persist, limiting opportunities to expand the city's tax base and address the city's aging housing inventory.



New Construction Spotlight:

THE HEIGHTS: Bringing 1,000 New Homes to St. Paul

Sherman Associates, in partnership with JO Companies and Twin Cities Habitat for Humanity, is developing a diverse range of housing options designed to serve all ages and income levels. This strategic initiative includes a mix of housing types, encompassing workforce market-rate, affordable, and deeply affordable options.



Q1 OUTLOOK

Continued Market Improvement

Sales activity is expected to remain strong; however, significant price growth is unlikely without a meaningful shift in interest rates.

Ongoing Decline of Vacancy Rates

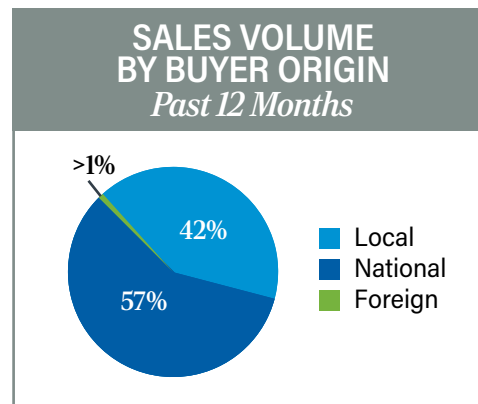
A slowdown in multifamily construction, coupled with the steady leasing of newly delivered units, is pushing vacancy rates lower. This consistent demand is anticipated to enhance the overall performance of existing properties.

Meaningful Rent Growth on the Horizon

Continued housing demand, combined with a pull back in multifamily development and the increasing cost of homeownership, is expected to drive ongoing rent growth.

New-to-Market Buyers

New investment groups are entering the market, highlighting the Twin Cities' strong fundamentals and emphasizing the area's desirability and long-term growth potential.



Outside of the Metro

Rochester, MN Leads the Nation in Employment Growth

The Rochester MSA achieved the **largest employment gains in the nation** (from November 2023 to November 2024), adding approximately **7,000 jobs**—a remarkable **6.3% year-over-year increase**. The **healthcare sector** remains the region's top employer, driving much of this growth.



2024 Twin Cities Multifamily Transactions – *Class A*



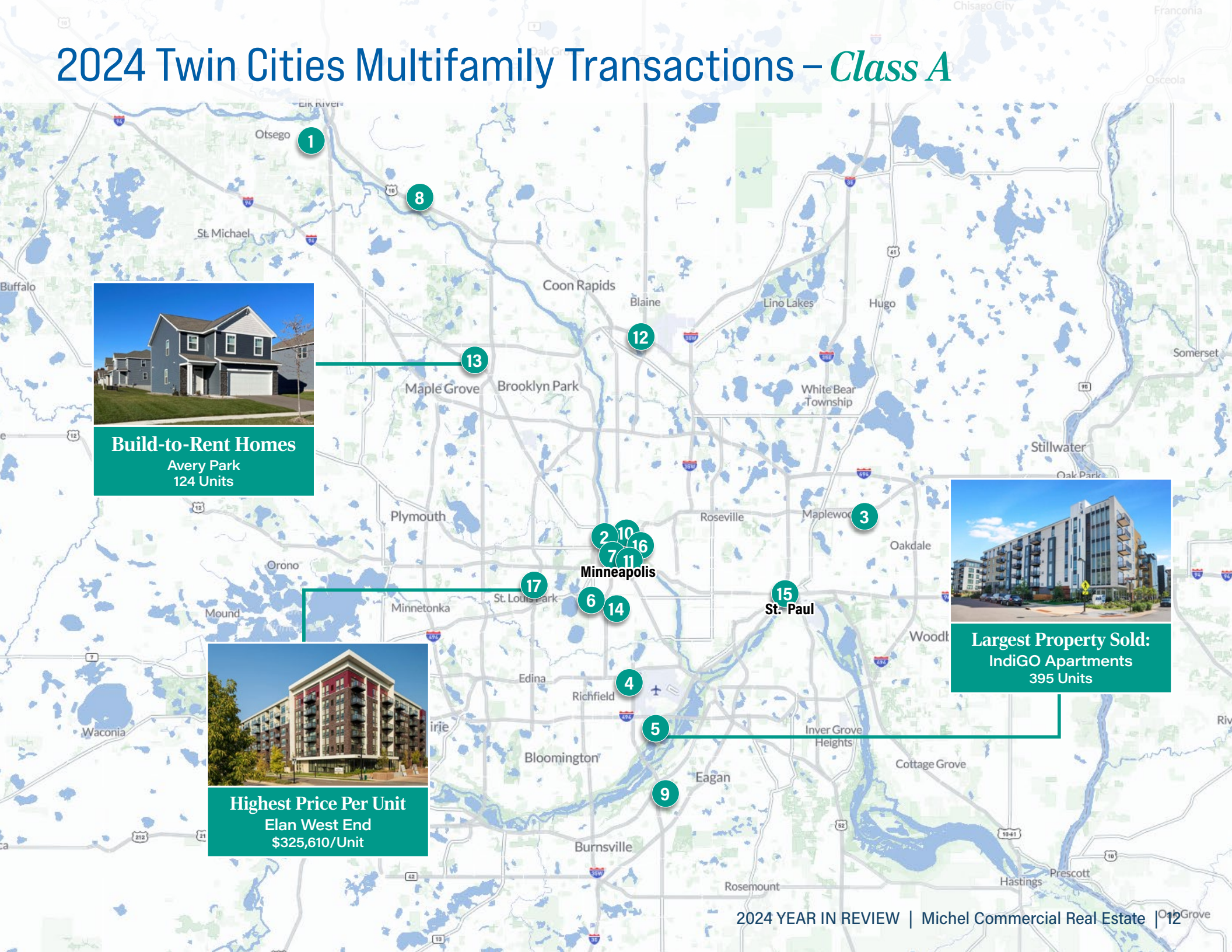
Build-to-Rent Homes
Avery Park
124 Units



Largest Property Sold:
IndiGO Apartments
395 Units



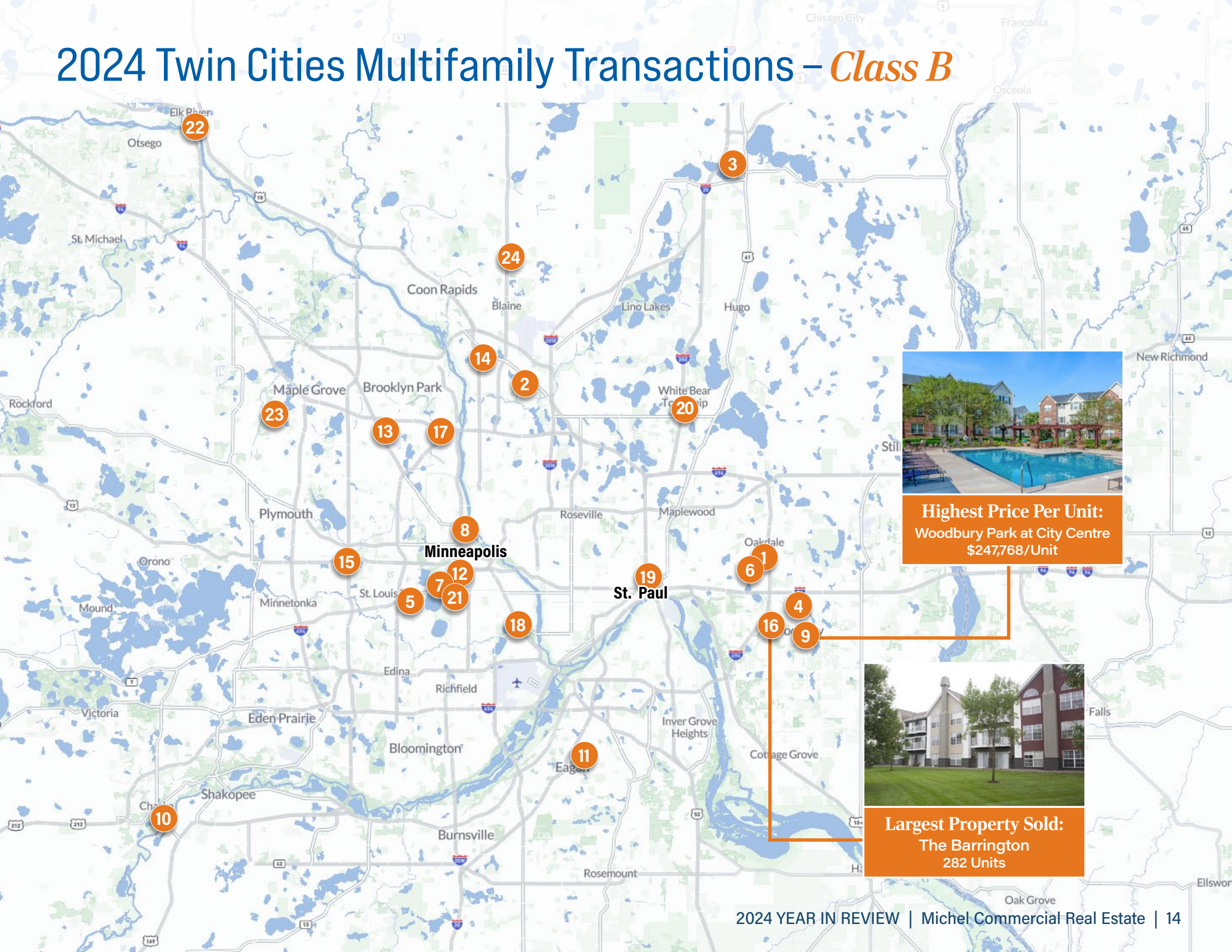
Highest Price Per Unit
Elan West End
\$325,610/Unit



2024 Twin Cities Multifamily Transactions – *Class A*

No.	Property Name	Property Address	Property City	Year Built	No. Of Units	Building Class	Price Per Unit	Sale Price	Sale Date
1	Parkview Grand	15667 88th St NE	Otsego	2022	70	A	\$229,286	\$16,050,000	12/17/2024
2	Maverick Apartments	120 Hennepin Ave	Minneapolis	2017	168	A	\$304,762	\$51,200,000	12/5/2024
3	R7 Lofts	133 7th St	St. Paul	1917	48	A	\$188,542	\$9,050,000	12/4/2024
4	RYA Apartments	6400 Richfield Pky	Richfield	2022	237	A	\$220,253	\$52,200,000	11/12/2024
5	IndiGO Apartments	8001 33rd Ave S	Bloomington	2016	395	A	\$202,532	\$80,000,000	10/9/2024
6	Blue Apartments	2922 Aldrich Ave S	Minneapolis	2008	242	A	\$190,083	\$46,000,000	9/4/2024
7	Lime Apartments	2904 Lyndale Ave S	Minneapolis	2014	171	A	\$201,754	\$34,500,000	9/4/2024
8	Affinity at Ramsey	14529 Willemite St NW	Ramsey	2019	174	A	\$188,506	\$32,800,000	8/1/2024
9	Affinity at Eagan	4000 Eagan Outlets Pky	Eagan	2018	174	A	\$228,534	\$39,765,000	8/1/2024
10	NordHaus	309-315 1st Ave NE	Minneapolis	2018	280	A	\$265,179	\$74,250,000	6/27/2024
11	4Marq	400 Marquette Ave	Minneapolis	2015	261	A	\$203,065	\$53,000,000	5/15/2024
12	Berkshire Central	9436 Ulysses St NE	Blaine	2017	191	A	\$193,407	\$36,940,797	4/12/2024
13	Avery Park (Build-to-Rent Homes)	9713 95th Pl	Maple Grove	2023	124	A	\$361,452	\$44,820,000	3/28/2024
14	SoPHI Apartments	811 E Lake St	Minneapolis	2020	48	A	\$157,813	\$7,575,000	2/13/2024
15	The Cosmopolitan	250 E 6th St E	St. Paul	1915	258	A	\$131,395	\$33,900,000	1/31/2024
16	Trademark	1119 4th St SE	Minneapolis	2020	69	A	\$144,928	\$10,000,000	1/24/2024
17	Elan West End	1325 Utica Ave S	Saint Louis Park	2020	164	A	\$325,610	\$53,400,000	1/18/2024
Class A Averages				2006	181	B	\$219,829	\$39,732,400	

2024 Twin Cities Multifamily Transactions – *Class B*



Highest Price Per Unit:
Woodbury Park at City Centre
\$247,768/Unit

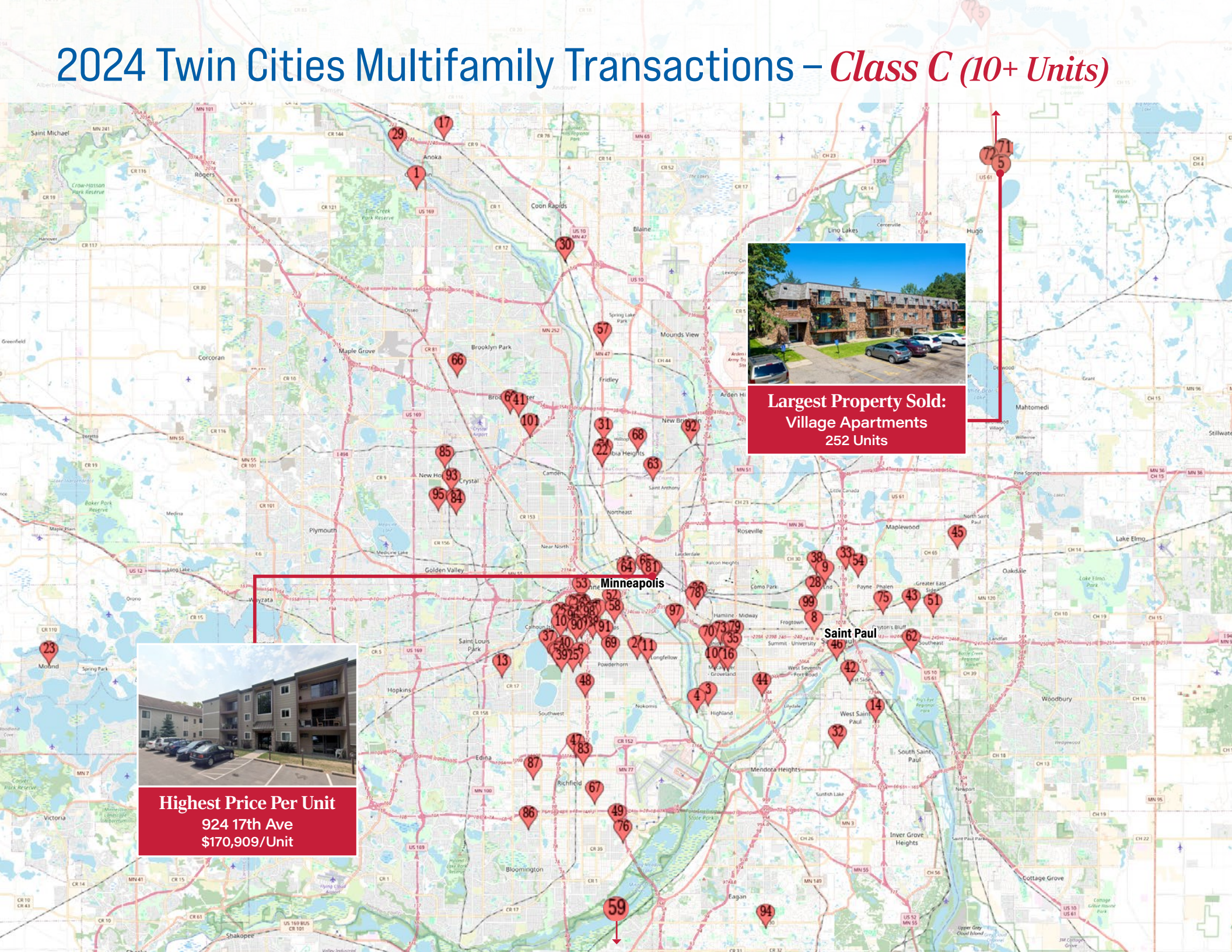


Largest Property Sold:
The Barrington
282 Units

2024 Twin Cities Multifamily Transactions – *Class B*

No.	Property Name	Property Address	Property City	Year Built	No. Of Units	Building Class	Price Per Unit	Sale Price	Sale Date
1	Cottages of Aspen	1745 Granada Ave N	Oakdale	1995	114	B	\$127,193	\$14,500,000	11/27/2024
2	Silver Lake Pointe Apartments	2701 County Road I	Mounds View	1995	83	B	\$102,711	\$8,525,000	11/13/2024
3	Westview Apartments	680 12th St SW	Forest Lake	2003	64	B	\$85,000	\$5,440,000	11/8/2024
4	Seasons Villas	8630-8847 Summer Wind Alcove	Woodbury	1987	214	B	\$242,991	\$52,000,000	11/1/2024
5	Cityscape Apartments	5707 Highway 7	Saint Louis Park	1990	156	B	\$202,724	\$31,625,000	10/28/2024
6	Oakdale Terrace Townhomes	1247 Gentry Ave N	Oakdale	1997	17	B	\$170,000	\$2,890,000	10/22/2024
7	3021 Holmes Ave S	3021 Holmes Ave S	Minneapolis	2009	60	B	\$164,167	\$9,850,000	10/10/2024
8	Second Street Lofts	129 2nd St N	Minneapolis	1915	47	B	\$182,553	\$8,580,000	10/8/2024
9	Woodbury Park at City Centre	2150 Vining Dr	Woodbury	1997	224	B	\$247,768	\$55,500,000	9/5/2024
10	Townsquare Apartments	220 N Walnut St	Chaska	1989	30	B	\$143,333	\$4,300,000	8/27/2024
11	Crossroads of Eagan	1264 Duckwood Dr	Eagan	1985	32	B	\$245,000	\$7,840,000	8/26/2024
12	MODI	2015 Lyndale Ave	Minneapolis	2018	75	B	\$130,000	\$9,750,000	8/14/2024
13	The Groves Apartments	6802 63rd Ave N	Brooklyn Park	1967	120	B	\$100,000	\$12,000,000	8/9/2024
14	Banfill Crossing	8310 University Ave NE	Fridley	1999	110	B	\$162,727	\$17,900,000	7/19/2024
15	Creekside Apartments	200 Nathan Ln N	Plymouth	1999	204	B	\$228,431	\$46,600,000	6/24/2024
16	The Barrington	7225-7255 Guider Dr	Woodbury	1998	282	B	\$172,340	\$48,600,000	5/23/2024
17	Lux Apartments	6100 Summit Dr N	Minneapolis	1987	141	B	\$122,979	\$17,340,000	5/10/2024
18	MOD 42	4200 S 32nd Ave	Minneapolis	2021	30	B	\$122,167	\$3,665,000	5/10/2024
19	The Schurmeier Lofts	328-330 9th St E	St. Paul	1885	40	B	\$225,000	\$9,000,000	5/3/2024
20	Cottages of White Bear	4700-4768 Golden Pond Ln	White Bear Lake	1994	60	B	\$180,000	\$10,800,000	4/25/2024
21	3116 Girard Apartments	3116 Girard Ave S	Minneapolis	1960	29	B	\$130,000	\$3,770,000	4/11/2024
22	Granite Shores	633 Main St	Elk River	2008	67	B	\$149,826	\$10,038,349	4/10/2024
23	Silvan Townhomes	6876 Vicksburg Ln	Maple Grove	1997	48	B	\$213,021	\$10,225,000	2/26/2024
24	Emberwood	12664 Central Ave NE	Blaine	2016	112	B	\$206,518	\$23,130,000	2/20/2024
Class B Averages				1988	98	B	\$168,874	\$16,316,015	

2024 Twin Cities Multifamily Transactions – *Class C (10+ Units)*



Largest Property Sold:
Village Apartments
252 Units



Highest Price Per Unit
924 17th Ave
\$170,909/Unit

2024 Twin Cities Multifamily Transactions – *Class C (10+ Units)*

No.	Property Name	Property Address	Property City	Year Built	No. Of Units	Building Class	Price Per Unit	Sale Price	Sale Date
1	Sunset Apartments	26 & 30 Sunset Dr E	Champlin	1969	36	C	\$112,083	\$4,035,000	12/19/2024
2	Girard Arms	3308 Girard Ave S	Minneapolis	1962	10	C	\$115,000	\$1,150,000	12/19/2024
3		643 Cleveland Ave S	St. Paul	1959	22	C	\$100,000	\$2,200,000	12/19/2024
4	Mount Curve Apartments	760 Mt Curve Blvd	St. Paul	1925	35	C	\$81,429	\$2,850,000	12/19/2024
5	Village Apartments	407 11th Ave SW	Forest Lake	1969	252	C	\$97,222	\$24,500,000	12/18/2024
6		3334 Blaisdell Ave	Minneapolis	1925	12	C	\$106,667	\$1,280,000	12/18/2024
7	Portland Village	1825 Portland Ave	Minneapolis	1962	24	C	\$136,667	\$3,280,000	12/17/2024
8		578 Galtier St	St. Paul	1978	32	C	\$61,875	\$1,980,000	12/13/2024
9		44 Arlington Ave W	St. Paul	1969	30	C	\$77,000	\$2,310,000	12/13/2024
10	1207 W 25th	1207 W 25th St	Minneapolis	1905	13	C	\$83,192	\$1,081,500	12/12/2024
11		3226 Minnehaha Ave	Minneapolis	1963	12	C	\$108,333	\$1,300,000	12/6/2024
12	Groveland Terrace	1787 Grand Ave	St. Paul	1960	18	C	\$122,222	\$2,200,000	12/5/2024
13	Liv Apartments	4505 W 36 1/2 St	Saint Louis Park	1967	66	C	\$111,682	\$7,371,000	11/26/2024
14	Riverwest Apartments	1073-1075 Waterloo Ave	West Saint Paul	1966	36	C	\$103,472	\$3,725,000	11/26/2024
15		515 5th St SE	Minneapolis	1900	11	C	\$130,000	\$1,430,000	11/20/2024
16		1716 Grand Ave	St. Paul	1915	10	C	\$130,000	\$1,300,000	11/20/2024
17	Meadowview Apartments	650 Garfield St	Anoka	1973	60	C	\$124,375	\$7,462,500	11/13/2024
18	Valley Place	7201 36th Ave N	Crystal	1971	71	C	\$119,190	\$8,462,500	11/13/2024
19		1524 Lasalle Ave	Minneapolis	1919	26	C	\$79,231	\$2,060,000	11/8/2024
20	The Gables	1200 W Franklin Ave	Minneapolis	1908	17	C	\$113,244	\$1,925,141	11/8/2024
21		2205 Bryant Ave S	Minneapolis	1956	13	C	\$95,082	\$1,236,071	11/8/2024
22	Parkview Apartments	4200 3rd St NE	Columbia Heights	1964	17	C	\$95,588	\$1,625,000	10/31/2024
23	Lakecrest	5600 Grandview Blvd	Mound	1970	88	C	\$111,364	\$9,800,000	10/25/2024
24		3123 23rd Ave	Minneapolis	1962	12	C	\$85,833	\$1,030,000	10/24/2024
25	Harriet Avenue Villas	3449 Harriet Ave S	Minneapolis	1967	17	C	\$103,529	\$1,760,000	10/23/2024
26	Grove 94	215 Oak Grove St	Minneapolis	1974	228	C	\$83,128	\$18,953,226	10/21/2024
27	Loring Park Flats - 330 Oak Grove	330 Oak Grove St	Minneapolis	1952	196	C	\$69,116	\$13,546,774	10/21/2024
28	Sun Place Apartments	1721 Marion St	St. Paul	1971	30	C	\$75,000	\$2,250,000	10/20/2024

CONT.

2024 Twin Cities Multifamily Transactions – *Class C (10+ Units)*

No.	Property Name	Property Address	Property City	Year Built	No. Of Units	Building Class	Price Per Unit	Sale Price	Sale Date
29	Woodland Park	2610-2618 Cutters Grove Ave	Anoka	1993	90	C	\$147,222	\$13,250,000	10/17/2024
30	Tralee Terrace	9900 Redwood St NW	Coon Rapids	1993	68	C	\$144,118	\$9,800,000	10/17/2024
31		4927-4935 University Ave NE	Columbia Heights	1961	22	C	\$85,909	\$1,890,000	10/16/2024
32	Allen Avenue Apartment	1526 Allen Ave	West Saint Paul	1978	24	C	\$112,500	\$2,700,000	10/15/2024
33	Goldenstar Apartments	321 Larpenteur Ave E	Maplewood	1966	109	C	\$72,936	\$7,950,000	10/10/2024
34		1670 Marshall Ave	St. Paul	1923	10	C	\$120,000	\$1,200,000	10/4/2024
35		1630 Marshall Ave	St. Paul	1929	10	C	\$96,000	\$960,000	10/4/2024
36	Park Crossing Apartments	1068 Raymond Ave	St. Paul	1991	18	C	\$104,167	\$1,875,000	10/3/2024
37		2901-2905 James Ave S	Minneapolis	1914	13	C	\$101,019	\$1,313,250	10/2/2024
38	Wheelock Parkway Apartments	1609 Woodbridge St	St. Paul	1965	103	C	\$72,816	\$7,500,000	9/30/2024
39	3500 Dupont Ave	3500 Dupont Ave S	Minneapolis	1926	28	C	\$87,500	\$2,450,000	9/30/2024
40		3125 Colfax Ave S	Minneapolis	1927	10	C	\$95,000	\$950,000	9/30/2024
41	The Avenue Apartments	6331-6401 Beard Avenue North	Brooklyn Center	1960	36	C	\$82,000	\$2,952,000	9/27/2024
42	Wabasha Apartments	426 Wabasha St S	Saint Paul	1886	21	C	\$73,810	\$1,550,000	9/18/2024
43	Birmingham Woods Apartments	1424-1436 Case Ave	St. Paul	1983	28	C	\$130,000	\$3,640,000	9/16/2024
44	The Lex	1136 Randolph Ave	St. Paul	1950	64	C	\$100,781	\$6,450,000	9/13/2024
45	Regency Park	2240 Skillman Ave E	North Saint Paul	1969	104	C	\$105,769	\$11,000,000	9/6/2024
46	The Hotel Lowry Apartments	345 Wabasha St N	St. Paul	1926	134	C	\$52,239	\$7,000,000	9/4/2024
47		2740 Pleasant Ave S	Minneapolis	1969	18	C	\$140,000	\$2,520,000	8/28/2024
48		4200 1st Ave S	Minneapolis	1961	12	C	\$112,500	\$1,350,000	8/23/2024
49	Bloomington 79 Townhomes	7940 Bloomington Ave S	Bloomington	1983	16	C	\$149,013	\$2,384,205	8/22/2024
50		3320 Fremont Ave S	Minneapolis	1950	12	C	\$102,083	\$1,225,000	8/22/2024
51		1807 Stillwater Ave	St. Paul	1962	13	C	\$115,000	\$1,495,000	8/12/2024
52		1101 S 7th St	Minneapolis	1915	25	C	\$70,600	\$1,765,000	8/8/2024
53	The Alden Apartments	1205 Hawthorne Ave	Minneapolis	1925	68	C	\$86,618	\$5,890,000	7/25/2024
54		510 Hoyt Ave E	St. Paul	1967	12	C	\$88,333	\$1,060,000	7/18/2024
55	Soleil Apartments	1425 Lasalle Ave	Minneapolis	1914	41	C	\$74,390	\$3,050,000	7/17/2024
56	Redwood Estates	9950 Redwood St NW	Coon Rapids	1998	54	C	\$112,056	\$6,051,000	6/17/2024

CONT.

2024 Twin Cities Multifamily Transactions – *Class C (10+ Units)*

No.	Property Name	Property Address	Property City	Year Built	No. Of Units	Building Class	Price Per Unit	Sale Price	Sale Date
57	Highland Park Apartments	610-680 Osborne Rd NE	Fridley	1969	77	C	\$110,390	\$8,500,000	6/11/2024
58	Ventura Flats	1818 14th Ave S	Minneapolis	1967	74	C	\$65,203	\$4,825,000	6/7/2024
59	Shalimar Estates	13340 Parkwood	Burnsville	1992	48	C	\$148,958	\$7,150,000	5/30/2024
60	Granite Peaks	3907 65th Ave N	Brooklyn Center	1963	54	C	\$99,915	\$5,395,400	5/30/2024
61	Montclair	2103 Harriet Ave	Minneapolis	1921	21	C	\$94,048	\$1,975,000	5/22/2024
62	Birmingham Apartments	250-304 Birmingham St	St. Paul	1950	150	C	\$66,667	\$10,000,000	5/16/2024
63	Stinson Boulevard Apartments	3806-3816 Stinson Blvd NE	Columbia Heights	1964	34	C	\$83,088	\$2,825,000	5/15/2024
64		326 6th Ave SE	Minneapolis	1967	27	C	\$95,000	\$2,565,000	5/15/2024
65		1313 Como Ave SE	Minneapolis	1972	13	C	\$142,308	\$1,850,000	5/15/2024
66	Granite Ridge	7521 Jersey Ave N	Brooklyn Park	1967	92	C	\$95,924	\$8,825,000	5/10/2024
67		420 E 73rd St	Minneapolis	1961	11	C	\$114,545	\$1,260,000	5/10/2024
68	Highview Manor	4650 Johnson St NE	Columbia Heights	1968	17	C	\$109,000	\$1,853,000	5/7/2024
69		3124 12th Ave S	Minneapolis	1928	14	C	\$107,143	\$1,500,000	5/6/2024
70	Mint Properties Apartments	356 Cleveland Ave N	St. Paul	1925	39	C	\$110,718	\$4,318,000	4/30/2024
71	North Shore Apartments	1167 Shore Dr N	Forest Lake	1969	60	C	\$107,083	\$6,425,000	4/23/2024
72	Forest Parks II Apartments	1001 7th Ave SW	Forest Lake	1974	60	C	\$87,917	\$5,275,000	4/23/2024
73	Union Park Apartments	400 Dewey St	St. Paul	1975	35	C	\$85,714	\$3,000,000	4/23/2024
74		4347 University Ave NE	Columbia Heights	1960	11	C	\$90,000	\$990,000	4/19/2024
75		910 Forest St	St. Paul	1963	18	C	\$89,194	\$1,605,500	4/18/2024
76	Park Villa	1800 E 84th St	Bloomington	1965	10	C	\$125,000	\$1,250,000	4/16/2024
77		1900 S Clinton Ave	Minneapolis	1965	12	C	\$108,333	\$1,300,000	3/28/2024
78	Raymond Place Apartments	22 Raymond Pl	St. Paul	1965	12	C	\$97,500	\$1,170,000	3/21/2024
79		425 Roy St N	St. Paul	1937	16	C	\$85,156	\$1,362,500	3/18/2024
80		1900 1st Ave S	Minneapolis	1919	52	C	\$54,615	\$2,840,000	3/14/2024
81	924 17th Ave	924 17th Ave SE	Minneapolis	1969	11	C	\$170,909	\$1,880,000	3/8/2024
82	1724-1732 Rollins Ave	1724-1732 Rollins Ave SE	Minneapolis	1958	14	C	\$115,000	\$1,610,000	3/8/2024
83		6141 Nicollet Ave S	Minneapolis	1958	11	C	\$97,727	\$1,075,000	3/7/2024
84	Barcelona Apartments	3501 Louisiana Ave N	Crystal	1972	71	C	\$93,521	\$6,640,000	3/6/2024

CONT.

2024 Twin Cities Multifamily Transactions – *Class C (10+ Units)*

No.	Property Name	Property Address	Property City	Year Built	No. Of Units	Building Class	Price Per Unit	Sale Price	Sale Date
85	Wingate Apartments	7700 49th Ave N	New Hope	1967	136	C	\$94,118	\$12,800,000	3/5/2024
86	Washburn Circle Townhomes	8001-8011 Washburn Cir	Bloomington	1963	24	C	\$157,333	\$3,776,000	3/1/2024
87	Southdale Parc Apartments	2720 W 66th St	Richfield	1962	69	C	\$89,855	\$6,200,000	2/29/2024
88	2535 Clinton Ave S	2535 Clinton Ave S	Minneapolis	1969	52	C	\$111,538	\$5,800,000	2/29/2024
89		2545-2549 Blaisdell Ave	Minneapolis	1914	21	C	\$119,048	\$2,500,000	2/29/2024
90		2633 Pleasant Ave	Minneapolis	1964	24	C	\$99,167	\$2,380,000	2/29/2024
91	Midtown Plaza Apartments	2644 Chicago Ave S	Minneapolis	1971	26	C	\$51,923	\$1,350,000	2/29/2024
92		462 9th Ave NW	New Brighton	1961	11	C	\$104,545	\$1,150,000	2/15/2024
93	New Hope Apartments	4111-4121 Nevada Ave N	Minneapolis	1961	41	C	\$62,195	\$2,550,000	2/9/2024
94	Lexington Hills	4100-4160 Lexington Ave S	Eagan	1988	168	C	\$126,518	\$21,255,000	2/8/2024
95	Bella Vista Apartments	8100 36th Ave N	New Hope	1973	24	C	\$121,250	\$2,910,000	2/6/2024
96	Harriet Apartments - Uptown	2300 Harriet Ave	Minneapolis	1915	20	C	\$102,500	\$2,050,000	2/5/2024
97		2000 Sharon Ave SE	Minneapolis	1963	11	C	\$115,455	\$1,270,000	2/2/2024
98	2111 2nd Ave	2111 2nd Ave S	Minneapolis	1951	10	C	\$100,000	\$1,000,000	2/1/2024
99		333 Atwater St	St. Paul	1964	10	C	\$115,000	\$1,150,000	1/31/2024
100	1947 Grand Ave	1947 Grand Ave	St. Paul	1939	20	C	\$130,000	\$2,600,000	1/30/2024
101	Gateway Commons	2850 Northway Dr	Brooklyn Center	1968	252	C	\$119,183	\$30,034,000	1/1/2024
Class C Averages				1956	45	C	\$102,338	\$4,389,738	

Q1 MICHEL COMMERCIAL HIGHLIGHTS – *Under Contract*



Glenfield Park Estates
8585 NE Groveland Ct, Blaine
BUILT: 2023 UNITS: 152



Sunset Ridge Apartments
2387-2467 Pioneer Rd, Fergus Falls
BUILT: 2015 UNITS: 105



Richfield Portfolio
50 West 78th St, 1300-1324 East 78th St,
and 7500 & 7544 Cedar Ave, Richfield
BUILT: 1964-71 TOTAL UNITS: 236



Shoreview Hills Apartments
4130 Lexington Ave N, Shoreview Hills
BUILT: 1970 UNITS: 240



Riverview Estates
411 Dayton Rd, Champlin
BUILT: 1971 UNITS: 99



Portland Terrace Apartments
512 E 73rd St, Richfield
BUILT: 1963 UNITS: 68



Kestrel Townhomes
2401 14th St E, Glencoe
BUILT: 1999 UNITS: 30



Stinson Apartments
3826 Stinson Blvd, Columbia Heights
BUILT: 1964 UNITS: 17

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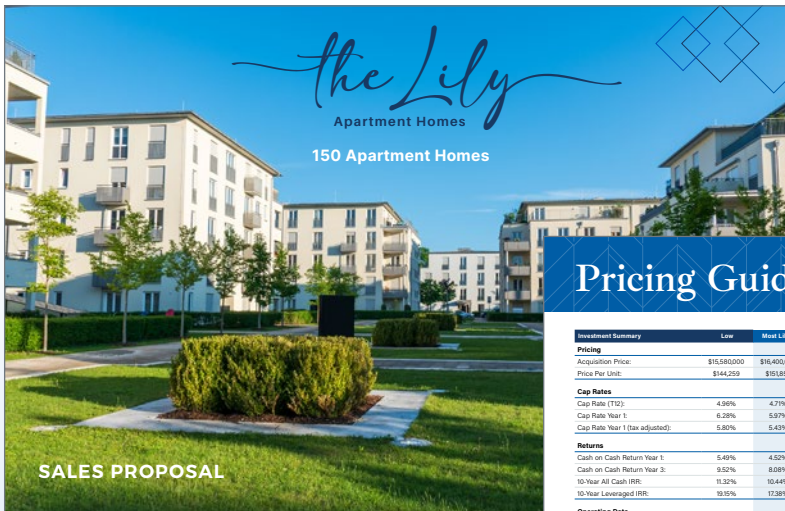
We are market experts who stay up-to-date with prevailing market conditions and trends. With our in-depth knowledge, we strategically position your property to maximize its appeal and attract the right buyers.



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Includes comprehensive market and financial analysis as well as recent like-kind rent and sale comparables.

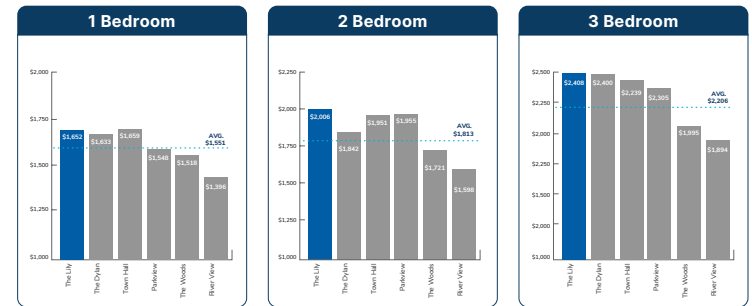


Pricing Guidance

Investment Summary	Low	Most Likely	High
Pricing			
Acquisition Price:	\$15,580,000	\$16,400,000	\$17,220,000
Price Per Unit:	\$144,259	\$151,852	\$159,444
Cap Rates			
Cap Rate (T12):	4.98%	4.71%	4.49%
Cap Rate Year 1:	6.28%	5.97%	5.68%
Cap Rate Year 1 (Tax-adjusted):	5.80%	5.43%	5.08%
Returns			
Cash on Cash Return Year 1:	5.49%	4.52%	3.64%
Cash on Cash Return Year 3:	9.52%	8.08%	6.78%
10-Year All Cash IRR:	11.32%	10.44%	9.61%
10-Year Leveraged IRR:	10.52%	11.28%	12.02%
Operating Data			
Net Operating Income Year 1 (Tax-adjusted):	\$904,032	\$885,742	\$875,452
Annual Debt Service:	\$702,549	\$738,525	\$776,502
Debt Service Coverage Ratio:	1.29	1.20	1.13
Cash Flow After Debt:	\$201,483	\$150,216	\$98,950
Financing Data			
Down Payment:	\$4,674,000	\$4,920,000	\$5,166,000
Closing/Financing Costs:	\$351,130	\$368,300	\$381,470
Loan Amount:	\$10,906,000	\$11,480,000	\$12,054,000
Financing Assumptions			
LTV:	70%		
Int. Rate:	5.00%		
Term:	30		
Amortization:	30		

THE LILY APARTMENT HOMES | Michel Commercial Real Estate

Bedroom/Rent Comparison



THE LILY APARTMENT HOMES | Michel Commercial Real Estate

Valuation Example with Pricing Guidance and Bedroom/Rent Comparison

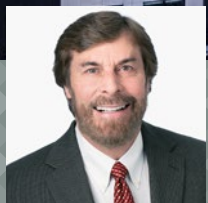


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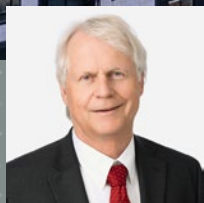
Twin Cities | *Multifamily Market*

2024 YEAR IN REVIEW

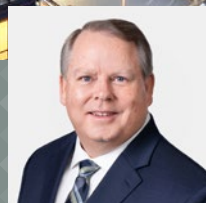
OVER
\$2.5B
IN APARTMENT
PROPERTIES
SOLD!



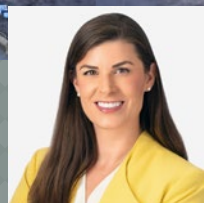
Steve Michel
612.850.4539



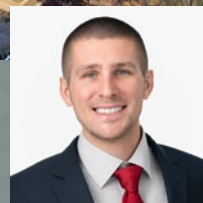
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Sources: CoStar, U.S. Bureau of Labor Statistics, U.S. Census Bureau