

# SALE PACKAGE

## Minnehaha Four-Plex

4255 Minnehaha Avenue  
Minneapolis, MN 55406

Metro Group Real Estate  
952-445-5970  
612-239-6390  
[www.metrogre.com](http://www.metrogre.com)





# INTRODUCTION LETTER

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August 7, 2023

**Re: FOR SALE - 4255 Minnehaha Avenue, Minneapolis, MN 55406**

Dear Investor,

Thank you for expressing an interest in this Four-Plex on Minnehaha Avenue in Minneapolis, MN. The building is in a very good location and will make a great investment.

The Seller Offer Price is: **\$572,500**

Classic brownstone building with 4 one-bedroom units located on Minnehaha Avenue just 4-block north of Minnehaha Regional Park and the famous Minnehaha Falls and three blocks east of Hiawatha Avenue/Hwy 55, with direct access to downtown Minneapolis. The site has four garage stalls in the back with alley access. The units have original hardwood floors, classic woodwork and the dining room hutch that is common with the classic brownstone building. The kitchens and baths have been updated but still have the classic brownstone feel. Caretaker on site sees to keeping the property clean. Multiple long-term tenants with rents below market. One vacant unit for an owner occupant. Let the rent pay your mortgage.

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](#)  
[Property Location Map](#)  
[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.

Tell Us What You Think About This Deal. Feedback is always appreciated.

# CONFIDENTIALITY AGREEMENT

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**Metro Group Real Estate** has been engaged to act as the Exclusive 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

# \$572,500

Offer Price/Unit:	\$143,125
Offer Price/Bedroom:	\$143,125
Offer Price/NRSF:	\$113.59
Offer Price/Land SF:	\$122.07
Offer Price/Assessed Value:	116.60%
<b>CAP</b>	5.65%
Gross Rent Multiplier:	10.8799
Cash-on-Cash Return:	-0.13%
Cash-on-Cash Return After Taxes:	4.21%

## PROPERTY

Property Name:	Minnehaha Four-Plex
Property Address:	4255 Minnehaha Avenue Minneapolis, MN 55406
County:	Hennepin
Number of Units:	4
Number of Bedrooms:	4
Building SF:	5,040
Year Built:	1926
PID:	07-028-23-42-0151
Occupancy:	100
Garages:	4
Parking Spaces:	0
Laundry:	2
Stories:	2
Baths:	4

## PROFORMA

Total Gross Rent Income	
Other Income	
Gross Potential Income	
Less Vacancy	
Effective Gross Income	
Less Operating Expenses (% of EGI)	
Less Replacement Reserves (% of EGI)	
Net Operating Income (% of EGI)	



## UNIT

Unit Type	# of Units	Rent Range	Average
1 Bedroom	4	\$950 - \$1,100	\$1,028

**Market Rent \$1,100**

## SITE

Lot Size (Acres):	0.1077
Lot Size (SF):	4,690
Lot Dimensions:	SW40X122X41X113
Legal Description:	See County
Zoning:	RM1/Res Goods & Serv Dist
Utilities:	All
Land Value:	\$75,000
Assessed Value:	\$491,000

PROFORMA	/UNIT	/Mon	%
\$49,320	\$12,330	\$4,110.00	93.73%
\$3,300	\$825	\$275.00	6.27%
\$52,620	\$13,155	\$4,385.00	100.00%
\$2,631	\$658	\$219.25	5.00%
\$49,989	\$12,497	\$4,165.75	95.00%
\$17,622	\$4,406	\$1,468.50	35.25%
\$0	\$0	\$0.00	0.00%
\$32,367	\$8,092	\$2,697.25	64.75%



## ABOUT

Residential Units: 4  
Bedrooms: 4  
Baths: 4  
Year Built: 1926  
Stories: 2.00  
Building Area (+ Basement): 5,040  
Ground Floor: 1,680  
Basement Area: 1,680  
Garages: 4

Lot Size: 4,690  
Zone: RM1 / Residence Goods and Services District  
Approximate parcel size: SW 40 X 122 X 41 X 113  
Legal Description: Minnehaha Terrace Mpls  
Lot: 020  
Block: 004

Abstract or Torrens: Abstract





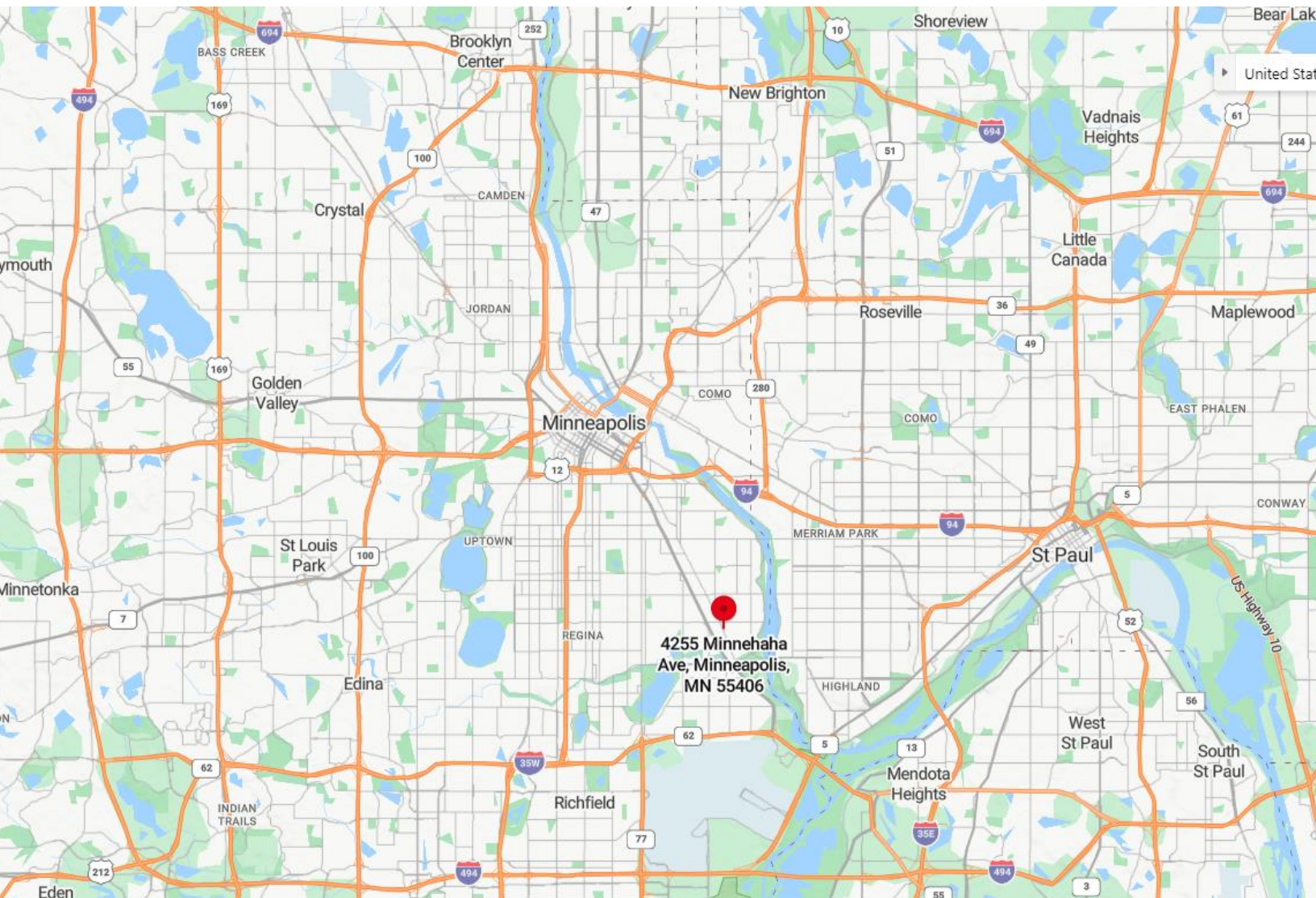
## LOCATION

Hiawatha is a neighborhood within the larger Longfellow community in Minneapolis. It is bordered by Howe to the north, the Mississippi River to the east, Minnehaha Park and Minnehaha neighborhood to the south, and Ericsson and Standish to the west. The Hiawatha neighborhood is bordered by 40th Street to the north, the Mississippi River to the east, 54th Street East to the south, and Hiawatha Avenue to the west.

City of Minneapolis is a city in the state of Minnesota and the county seat of Hennepin County. As of the 2020 census the population was 429,954, making it the largest city in Minnesota and the 46th-most-populous in the United States. Nicknamed the "City of Lakes", Minneapolis is abundant in water, with thirteen lakes, wetlands, the Mississippi River, creeks, and waterfalls. Minneapolis has its origins as the 19th century lumber and flour milling capital of the world, and, to the present day, preserved its financial clout. It occupies both banks of the Mississippi River and adjoins Saint Paul, the state capital of Minnesota.

Before European settlement, the site of Minneapolis was inhabited by Dakota people. The settlement was founded along Saint Anthony Falls—the only natural waterfall on the entire length of the Mississippi River – on a section of land north of Fort Snelling. Its growth is attributed to its proximity to the fort and the falls providing power for industrial activity. Minneapolis, Saint Paul, and the surrounding area are collectively known as the Twin Cities, a metropolitan area home to 3.69 million inhabitants.

<https://www.mncompass.org/profiles/city/minneapolis/hiawatha>



# PROFORMA

Property Name	Minnehaha Four-Plex				
Property Address	4255 Minnehaha Avenue				
Number of Units	4				
Garages	4		Expense Inflation Rate	3%	
Rentable Square Feet	5,040		Vacancy	5%	
Land Size	4,690		Replacement Reserves	\$0	
Built	1926		Management Fee	0%	
	<b>Proforma</b>	<b>/Unit</b>	<b>/SF</b>	<b>%</b>	<b>/Month</b>
<b>Income</b>					
Gross Potential Rent - Actual	\$49,320	\$12,330	\$9.79	93.73%	\$4,110
Housing Assistance Pmt	\$0	\$0	\$0.00	0.00%	\$0
Interest Income	\$0	\$0	\$0.00	0.00%	\$0
Laundry Income	\$500	\$125	\$0.10	0.95%	\$42
Parking Income - Potential	\$2,400	\$600	\$0.48	4.56%	\$200
Pet Allowance	\$0	\$0	\$0.00	0.00%	\$0
Storage	\$0	\$0	\$0.00	0.00%	\$0
Past Due Collected	\$0	\$0	\$0.00	0.00%	\$0
Misc. Income	\$400	\$100	\$0.08	0.76%	\$33
<b>TOTAL</b>	<b>\$52,620</b>	<b>\$13,155</b>	<b>\$10.44</b>	<b>100.00%</b>	<b>\$4,385</b>
Vacancy	\$2,631	\$658	\$0.52	5.00%	\$219
Bad Debt	\$0	\$0	\$0.00	0.00%	\$0
Rent Concessions Allowance	\$0	\$0	\$0.00	0.00%	\$0
<b>Total</b>	<b>\$2,631</b>	<b>\$658</b>	<b>\$0.52</b>	<b>5.00%</b>	<b>\$219</b>
<b>EFFECTIVE</b>	<b>\$49,989</b>	<b>\$12,497</b>	<b>\$9.92</b>	<b>95.00%</b>	<b>\$4,166</b>
<b>Expenses:</b>					
Real Estate Taxes	\$8,147	\$2,037	\$1.62	16.30%	\$679
Insurance	\$2,200	\$550	\$0.44	4.40%	\$183
Gas	\$0	\$0	\$0.00	0.00%	\$0
Electricity	\$400	\$100	\$0.08	0.80%	\$33
Trash	\$0	\$0	\$0.00	0.00%	\$0
Water/Sewer/Trash	\$3,200	\$800	\$0.63	6.40%	\$267
Common Area Maintenance	\$800	\$200	\$0.16	1.60%	\$67
Unit Maintenance	\$1,200	\$300	\$0.24	2.40%	\$100
Management Fee	\$0	\$0	\$0.00	0.00%	\$0
Administrative	\$300	\$75	\$0.06	0.60%	\$25
License/Permits	\$175	\$44	\$0.03	0.35%	\$15
Snow Removal	\$600	\$150	\$0.12	1.20%	\$50
Yard/Landscaping	\$400	\$100	\$0.08	0.80%	\$33
Supplies	\$200	\$50	\$0.04	0.40%	\$17
Other	\$0	\$0	\$0.00	0.00%	\$0
<b>TOTAL</b>	<b>\$17,622</b>	<b>\$4,406</b>	<b>\$3.50</b>	<b>35.25%</b>	<b>\$1,469</b>
Replacement Reserves	\$0	\$0	\$0.00	0.00%	\$0
<b>TOTAL EXPENSES</b>	<b>\$17,622</b>	<b>\$4,406</b>	<b>\$3.50</b>	<b>35.25%</b>	<b>\$1,469</b>
<b>NET</b>	<b>\$32,367</b>	<b>\$8,092</b>	<b>\$6.42</b>	<b>64.75%</b>	<b>\$2,697</b>

Number two and a neighbor across the alley rent garage stalls for \$30 a month. Seller currently has two stalls for storage.

## RENT ROLL

#	Bldg	Unit	SF	Beds	Rent	Potential		
						Potential	PR-Actual	Year
1	4255	1 - Caretaker	775	1	\$950	\$1,100	\$150	\$13,200
2	4255	2	775	1	\$1,025	\$1,100	\$75	\$13,200
3	4255	3	775	1	\$1,035	\$1,100	\$65	\$13,200
4	4255	4 - Vacant	775	1	\$1,100	\$1,100	\$0	\$13,200
Monthly			3,100	4	\$4,110	\$4,400	\$290	\$52,800
Annual					\$49,320			

## COMPARABLE RENTALS

Address	Distance	Rent	SF	\$/sqft	Beds	Baths	Property	List
4230 S 39th Ave #2	0.07	\$1,095	767	\$1.43	1	1	Condo	5/30/2023
4444 Minnehaha Ave	0.36	\$1,175	800	\$1.47	1	1	Apartment	6/9/2023
4555 Minnehaha Ave	0.56	\$1,305	422	\$3.09	1	1	apartment	5/30/2023
3550 E 46th St	0.58	\$1,450	679	\$2.14	1	1	Apartment	5/30/2023
4200 S 32nd Ave	0.60	\$1,145	461	\$2.48	1	1	Apartment	5/30/2023
4621 Snelling Ave	0.61	\$1,461	631	\$2.32	1	1	apartment	5/30/2023
4603 Minnehaha Ave	0.64	\$1,425	535	\$2.66	1	1	Apartment	5/30/2023
4757 Hiawatha Ave	0.86	\$1,935	635	\$3.05	1	1	Apartment	5/30/2023
4217 S 28th Ave	1.00	\$995	672	\$1.48	1	1	Condo	5/30/2023
3815 Hiawatha Ave	1.10	\$1,195	424	\$2.82	1	1	Apartment	5/30/2023
3729 Snelling Ave	1.12	\$999	550	\$1.82	1	1	apartment	5/30/2023
3806 S 28th Ave	1.32	\$1,430	659	\$2.17	1	1	Apartment	5/30/2023
740 Mississippi River Blvd S	1.46	\$1,608	892	\$1.80	1	1	Apartment	6/4/2023
2325 E 38th St	1.62	\$1,325	500	\$2.65	1	1	Apartment	5/30/2023
<b>Average</b>		\$1,325	616	\$2.24				
Minimum		\$995	422	\$1.43				
Maximum		\$1,935	892	\$3.09				
Median		\$1,315	633	\$2.25				



# COMPARABLE SALES

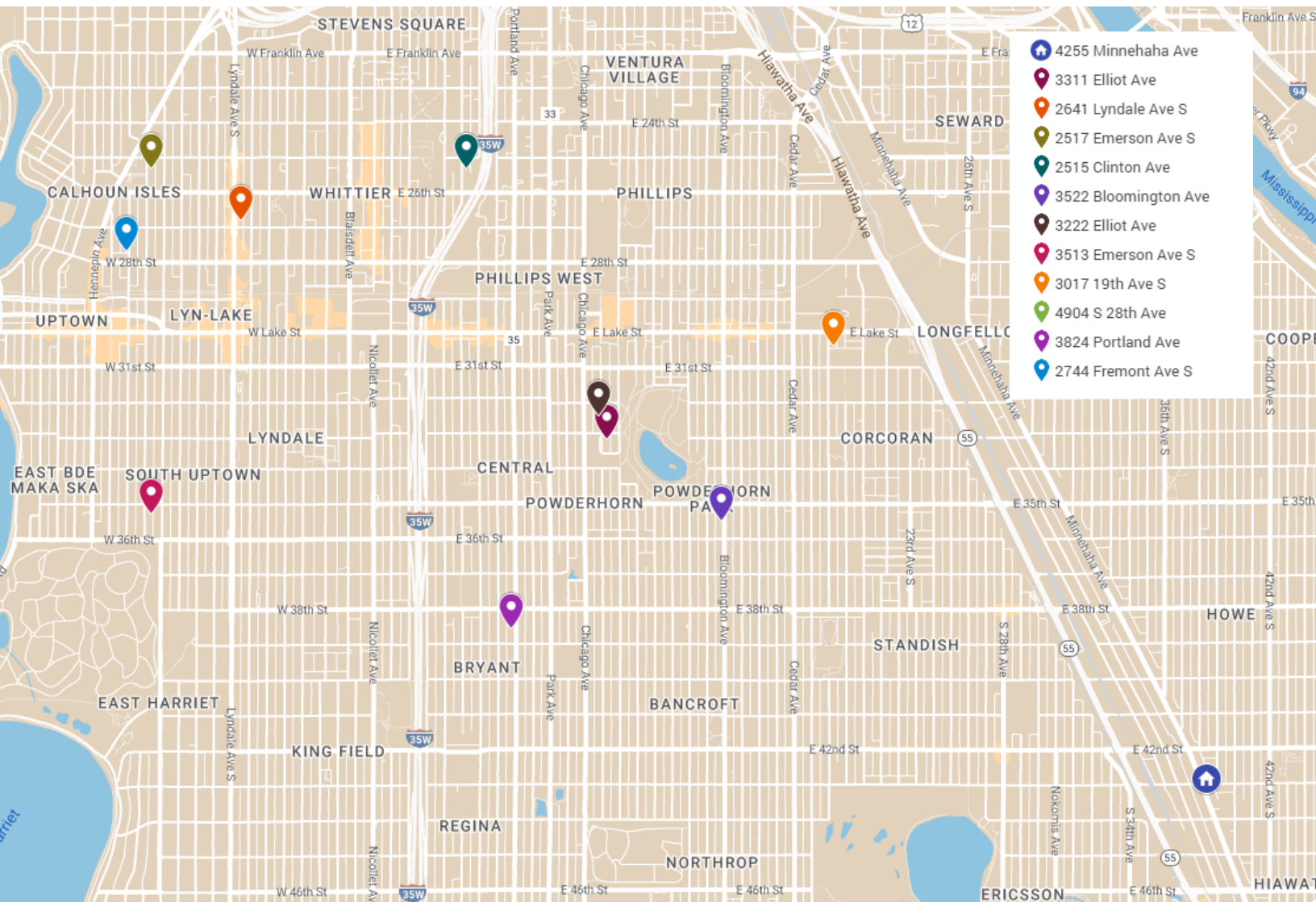
## Property Data

Property Address	Neighborhood	Units	Beds	Baths	Stories	Bldg	Land	Gges	Built
3311 Elliot Ave	Powderhorn Park	4	4	4	2.50	2,684	5,063	3	1900
2641 Lyndale Ave S	Whittier	4	4	4	2.00	3,978	5,337	0	1912
2517 Emerson Ave S	Lowry Hill East	4	4	4	2.00	4,222	5,152	3	1908
2515 Clinton Ave	Whittier	4	4	4	2.00	4,440	6,246	0	1909
3522 Bloomington Ave	Powderhorn Park	4	4	4	2.00	6,264	6,145	0	1926
3222 Elliot Ave	Powderhorn Park	4	6	4	2.50	3,748	4,958	2	1900
3513 Emerson Ave S	South Uptown	4	4	4	1.00	4,980	5,416	0	1957
3017 19th Ave S	Corcoran	4	8	4	2.00	5,400	5,629	0	1959
4904 28th Ave S	Keewaydin	4	4	4	2.50	4,300	5,586	4	1940
3824 Portland Ave	Bryant	4	8	4	2.00	3,888	8,540	0	1907
2744 Fremont Ave S	Lowry Hill East	4	5	4	2.00	3,882	5,150	2	1900
<b>Total</b>		<b>44</b>	<b>55</b>			<b>47,786</b>	<b>63,222</b>		

## Comparison Analysis

Property Address	\$/Unit	\$/Bed	\$/SF	\$/Ld	Sale	Sale	Tax	SP/TX
3311 Elliot Ave	\$116,250	\$116,250	\$173.25	\$91.84	\$465,000	7/27/2023	\$418,000	111.24%
2641 Lyndale Ave S	\$118,750	\$118,750	\$119.41	\$89.00	\$475,000	5/31/2023	\$559,000	84.97%
2517 Emerson Ave S	\$133,750	\$133,750	\$126.72	\$103.84	\$535,000	6/23/2023	\$657,000	81.43%
2515 Clinton Ave	\$139,000	\$139,000	\$125.23	\$89.02	\$556,000	3/30/2023	\$516,000	107.75%
3522 Bloomington Ave	\$141,250	\$141,250	\$90.20	\$91.94	\$565,000	3/17/2023	\$458,000	123.36%
3222 Elliot Ave	\$142,500	\$95,000	\$152.08	\$114.97	\$570,000	6/26/2023	\$518,000	110.04%
3513 Emerson Ave S	\$146,250	\$146,250	\$117.47	\$108.01	\$585,000	6/15/2023	\$732,000	79.92%
3017 19th Ave S	\$150,000	\$75,000	\$111.11	\$106.59	\$600,000	5/5/2023	\$510,000	117.65%
4904 28th Ave S	\$162,500	\$162,500	\$151.16	\$116.36	\$650,000	2/28/2023	\$575,000	113.04%
3824 Portland Ave	\$177,500	\$88,750	\$182.61	\$83.14	\$710,000	5/1/2023	\$681,000	104.26%
2744 Fremont Ave S	\$193,750	\$155,000	\$199.64	\$150.49	\$775,000	4/27/2023	\$633,000	122.43%
<b>Total</b>					<b>\$6,486,000</b>		<b>\$6,257,000</b>	
<b>Average</b>	<b>\$147,409</b>	<b>\$117,927</b>	<b>\$135.73</b>	<b>\$102.59</b>	<b>\$589,636</b>		<b>\$568,818</b>	<b>103.66%</b>
Minimum	\$116,250	\$75,000	\$90.20	\$83.14	\$465,000		\$418,000	79.92%
Maximum	\$193,750	\$162,500	\$199.64	\$150.49	\$775,000		\$850,000	123.36%
Median	\$142,500	\$133,750	\$126.72	\$103.84	\$570,000		\$567,000	110.04%

# COMPARABLE SALES MAP





## ABOUT METRO GROUP REAL ESTATE

**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 the 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, Loopnet, Minnesota Multi Housing Association, Minneapolis Realtors Association, Minnesota Realtors, National Association of Realtors.

