



ALDI Grocery Store

Ranked #5 on Forbes Global Private Companies

St. Paul, Minnesota



CONFIDENTIALITY + CONDITIONS
Newmark Knight Frank (the "Agent") has been engaged as the exclusive sales representative for the sale of ALDI (the "Property") by Rice 36 North, LLC (the "Seller").

This Memorandum does not constitute a representation that the business or affairs of the Property or Seller since the date of preparation (September 2019) of this Memorandum have remained the same. Analysis and verification of the information contained in this Memorandum are solely the responsibility of the prospective purchaser.

Additional information and an opportunity to inspect the Property will be made available upon written request of interested and qualified prospective purchasers. Seller and Agent each expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers regarding the Property, and/or terminate discussions with any party at any time with or without notice. Seller reserves the right to change the timing and procedures for the Offering process at any time in Seller's sole discretion. Seller shall have no legal commitment or obligations to any party reviewing this Memorandum, or making an offer to purchase the Property, unless and until such offer is approved by Seller, and a written agreement for the purchase of the Property has been fully executed and delivered by Seller and the Purchaser thereunder.

This Memorandum and the contents, except such information which is a matter of public record or is provided in sources available to the public, are of a confidential nature. By accepting this Memorandum, you agree that you will hold and treat it in the strictest confidence, that you will not forward, photocopy or duplicate it, that you will not disclose this Memorandum or any of the contents to any other entity (except to outside advisors retained by you, if necessary, for your determination of whether or not to make a proposal and from whom you have obtained an agreement of confidentiality) without the prior written authorization of Seller or Agent, and that you will not use this Memorandum or any of the contents in any fashion or manner detrimental to the interest of Seller or Agent.

COOPERATING BROKERS
ALDI is being marketed to principals. NKF will cooperate with other licensed brokers to ensure the highest sale price is generated for the Owner, provided:

- NKF accepts the cooperating broker's written registration of a specific prospect.
- The cooperating broker and the party they represent sign a confidentiality agreement.
- The cooperating broker agrees to be paid by their client.

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EXECUTIVE SUMMARY



EXECUTIVE SUMMARY

PURCHASE PRICE | PSF

\$3,500,000 | \$194.59

CAP RATE

5.24%

Newmark Knight Frank (“Broker”) is exclusively offering the Single Tenant Net Leased ALDI Grocery Store (the “Property”) to qualified investors. The ALDI Grocery Store (“ALDI” and/or the “Tenant”) is 17,987 square feet and located on Rice Street, the primary north/south commercial corridor servicing the communities of Little Canada, Roseville, St. Paul and parts of Maplewood.

ALDI, a tenant since 2003, recently expanded their premises and extended their lease for 10 years, and completely renovated the exterior façade, installed a new roof, improved and modernized the store’s interior spaces to conform with ALDI’s new prototype and improved the parking lot, at the tenant’s expense. ALDI’s obligations under the lease are to pay directly for all interior and exterior repairs and replacements.

ADDRESS	2350 Rice Street Little Canada, MN
TENANT	ALDI, Inc.
YEAR BUILT RENOVATED	2004 2019
RENTABLE BUILDING AREA	17,987
ACREAGE	2.17
PARKING SPACES	96
PARKING RATIO	5.3 per 1,000 SF
REAL ESTATE TAX PARCEL ID	07-29-22-32-0047



Corporate Guarantee
with ALDI, Inc.

INVESTMENT HIGHLIGHTS

RECENT RENOVATION, EXPANSION AND EXTENSION

ALDI, at their expense, recently completed improvements to the building and parcel which consists of a new exterior façade and signage; new roof; milled and resurfaced the parking lot and an interior modernization to conform with ALDI’s new prototype. ALDI expanded by 1,617 square feet, extended the term for 10 years and has been a tenant at this location since 2003. ALDI has four (4) five-year options to renew with a 8% increase in rent in each of the options.

HIGH TRAFFIC LOCATION

Rice Street serves the communities of Little Canada, St. Paul, Roseville and parts of Maplewood, MN, and is the primary commercial corridor for the area. With an average daily vehicle count of more than 81,000, the Tenant’s billboard location is a proven sales generator.

LIMITED COMPETITION

Within a two (2) mile radius there is only one other competing grocery store.

ATTRACTIVE DEMOGRAPHICS

Within three (3) miles of the Property there are approximately 100,000 people with AHHI of more than \$81,000 which is projected to increase to \$94,500 within the next 3-4 years.

DEMOGRAPHICS



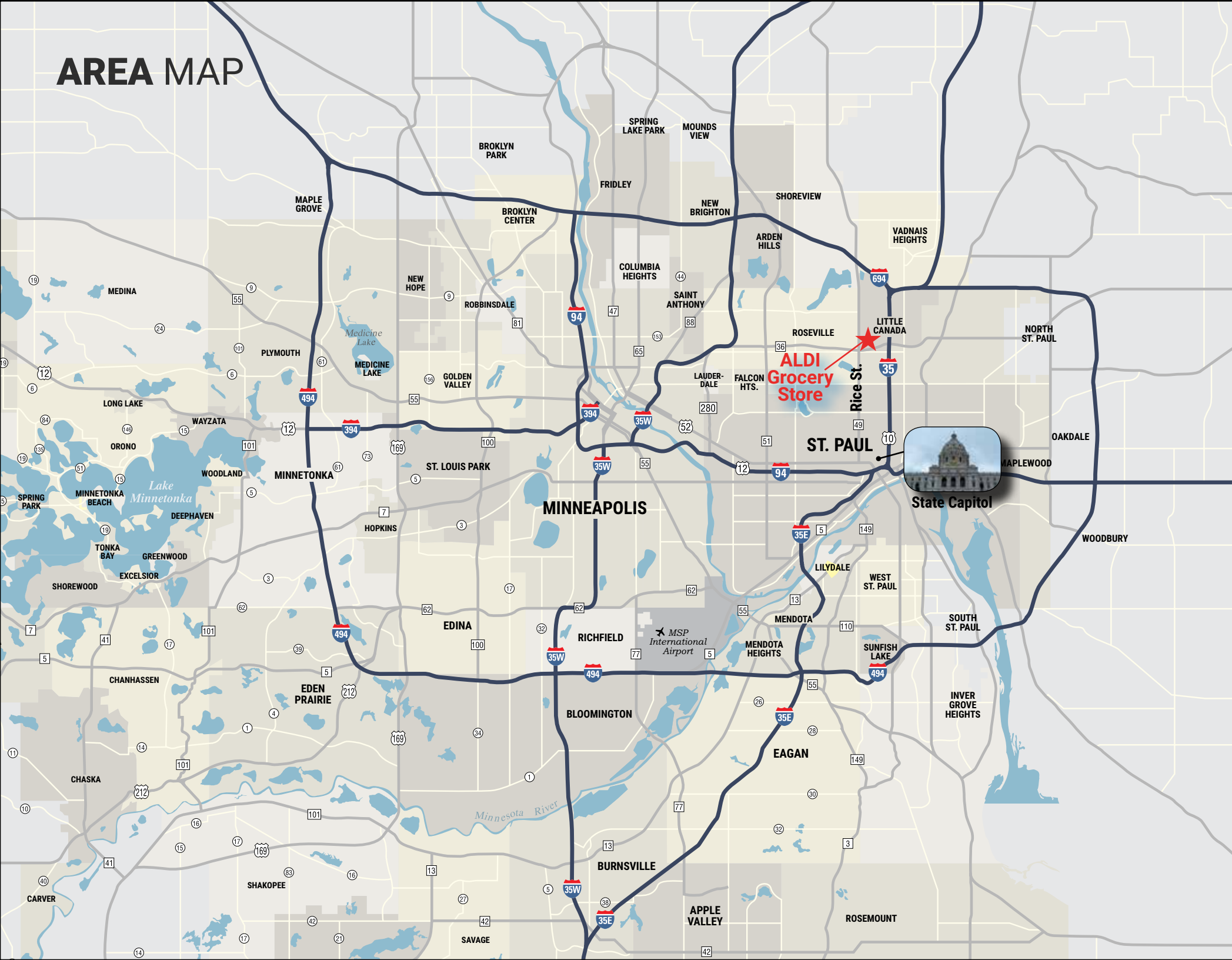
POPULATION
1 mile 10,438
3 miles 100,244
5 miles 296,267



HOUSEHOLDS
1 mile 4,868
3 miles 39,322
5 miles 114,978



AHHI
1 mile \$76,847
3 miles \$81,260
5 miles \$79,946





DESSERTS

BREAKFAST

MEALS

PIZZA

VEGETABLES

SEAFOOD

FRESHNESS
MADE
SIMPLE.



SHOPPERS
MADE
HAPPY.



ALDI is on pace to be the #1 grocer in Minnesota by store count as soon as 2021.

THE TENANT

GUARANTEED
QUALITY



TENANT PROFILE

For nearly 40 years, ALDI US has adhered to the same guiding principal: Great quality shouldn’t come at a high price; rather, great quality should come with everyday low prices.

Founded by the Albrecht family, the first ALDI store opened in 1961 in Germany. Headquartered in Batavia, Illinois, ALDI now has more than 1,900 stores across 35 states, employs over 25,000 people and has been steadily growing since opening its first US store in Iowa in 1976. In the last 10 years, ALDI has nearly doubled in size and by 2018, has brought its total number of US stores to nearly 2,000, with 70 locations in Minnesota. The no-frills grocery shopping experience focuses on customers first—delivering high quality food, responsive customer service, everyday low prices and a quick-and-easy shopping experience. Each store has only four or five aisles and all the must-haves and display them in their shipping boxes to help save time and resources to restock the shelves.

Additionally, ALDI partners with a wide variety of growers—including some local farmers—to offer a wide variety of fresh, in-season produce, including organic fruits and vegetables. From USDA Choice meats to gluten-free and organic foods, ALDI is committed to bringing shoppers the highest quality products at the lowest possible prices.

ALDI is the only supermarket to be named Retailer of the Year twice in the last five years, 2015 and 2018. ALDI has also been named one of America’s Top Largest Employers by Forbes for four years in a row.

In June 2017, ALDI announced a new \$3.4 billion capital investment plan to expand to 2,500 US stores by end of year 2022. **ALDI is on pace to be the #1 grocer in Minnesota by store count as soon as 2021.**



Corporate Guarantee
ALDI, Inc.

#5

Ranking on
Forbes Global
Private Companies



US Locations
1,900 | 11,234 Worldwide



Net Worth (as 1/6/19)
\$21.2 Billion



US Employees
25,000



Yearly Revenue
\$13.5 Billion



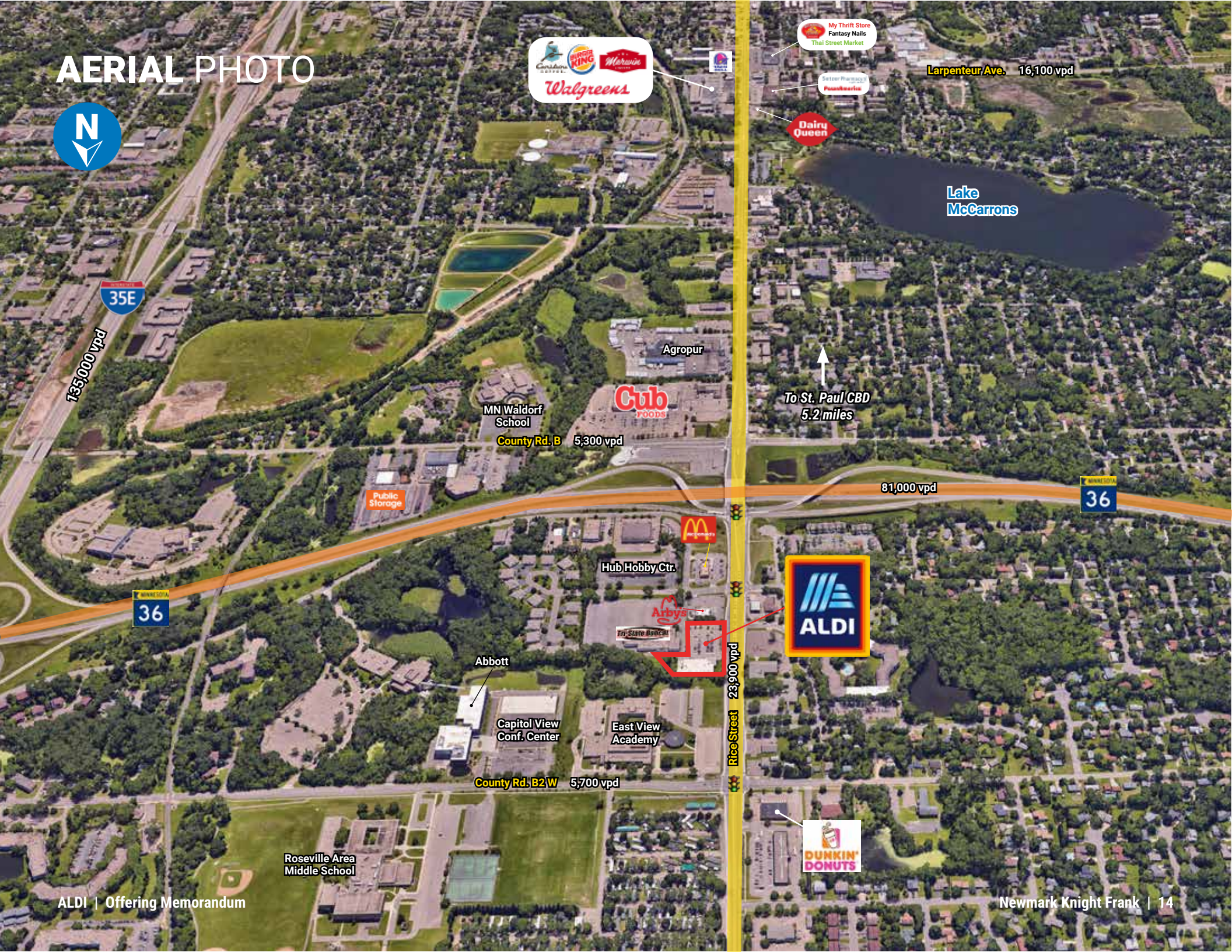
LEASE SUMMARY

Address	2350 Rice Street
Lease Commencement Date	September 12, 2019
Tenant	ALDI, Inc., an Illinois Corporation
Annual Rent	\$183,305
Square Footage	17,987
Rent Per Square Foot	\$10.19
Acreage	2.17
Lease Expiration Date	September 11, 2029
Landlord Obligations	NNN
Rent Increases	In Options
Options	4 (four), 5 (five) year periods
Expenses	NNN
Insurance	Tenant
Estoppel	20 days
Taxes	Tenant to Reimburse Landlord
Utilities	Tenant

RENT SCHEDULE	YEAR	ANNUAL RENT	% INCREASE
	Years 1 - 10	\$183,305.00	
	Renewal Option 1	\$183,305.00	
	Renewal Option 2	\$197,969.40	8.00%
	Renewal Option 3	\$213,806.95	8.00%
	Renewal Option 4	\$230,911.51	8.00%



AERIAL PHOTO



SITE PLAN



TAX SUMMARY

Property ID:	07-29-22-32-0047
Site:	2350 Rice Street, Little Canada
County:	Ramsey
Acres:	2.17 acres / 94,525 SF
	St. Paul, MN
2019 Market Value	\$2,006,400
2019 Property Taxes	
Property Taxes	\$71,476
Special Assessments	\$ 0
2019 Total Taxes	\$71,476

MARKET OVERVIEW



AREA OVERVIEW

MINNEAPOLIS/ST. PAUL

The Twin Cities of Minneapolis | St. Paul are a GROWING economically diverse region with world class education and health systems, a stable and financially sound government, a center for transportation and a corporate hub to many of the worlds biggest and most respected companies.

In addition to being an economic powerhouse, Minneapolis | St. Paul is a nationally recognized cultural center featuring six professional sports teams and stadiums, internationally acclaimed theatres and museums such as The Guthrie Theatre and Walker Art Center. Minneapolis | St. Paul is continually ranked in the top tier of major markets in terms of the quality of life with the largest park system in the country, 1,600 metro area lakes and is consistently ranked as the one of the healthiest and affordable places to live.

BY-THE-NUMBERS

16th Largest MSA
& 13th Largest
Economy

3.6 MILLION
13-COUNTY MSA

4.6% 5 Year
Labor Growth
Rate

12% HIGHER THAN
THE NATIONAL
AVERAGE

16 Fortune
500
Companies

INCLUDING TARGET, 3M,
UNITEDHEALTH GROUP,
& US BANCORP

#1 Largest
Private
Company

CARGILL

#1 Hospital
in the
World

MAYO CLINIC

3 Hour
Flight

TO ANY
CONTINENTAL U.S.
CITY FROM BEST
AIRPORT IN NORTH
AMERICA OF ITS SIZE

#1 Park
System
in US

#1 MOST BIKEABLE
CITY IN US

7th in
Average HH
Income

\$101,405 – 2018

ECONOMIC OVERVIEW

A DIVERSE AND GROWING ECONOMY

Minneapolis | St. Paul is not overly-reliant on any one industry, boasting a diverse business community with roots in agriculture, banking, and manufacturing. The Twin Cities has a history of innovation across multiple industries including software, medical devises and healthcare.

MAJOR INDUSTRIES

BANKING

Minneapolis | St. Paul is the 4th largest banking center in the nation and home to the 9th Federal Reserve Bank. In addition to being US Bancorp's headquarters, Wells Fargo recently completed a 1.1 million square foot downtown regional headquarters campus.

HEALTHCARE

United Health Group, based in the Twin Cities, is the nation's largest managed health care company, ranking #6 on Fortune 500 with more than \$226 billion in annual revenues. The Mayo Clinic, consistently recognized as the #1 Hospital in the world, is also Minnesota's largest employer, with more than 41,000 highly-educated employees.

AGRICULTURE

The agriculture sector is a major contributor to Minnesota's gross economic activity. Cargill founded and based in Minneapolis | St. Paul is the nation's largest private company. Other notable companies that were started or are currently based in Minneapolis | St. Paul are CHS, General Mills, Pillsbury and Land 'O Lakes.

MANUFACTURING

Minneapolis | St. Paul has a robust manufacturing sector and is the world headquarters of industry titans such as 3M and Ecolab. The area is also recognized as being the 2nd largest medical device manufacturer in North America with Boston Scientific and Medtronic each having a massive employment footprint in the metropolitan area. The manufacturing sector represents approximately 10% of all employment.

RETAIL

Home to nationally respected retailers like Target and Best Buy, each having their world headquarters in the metropolitan area. In addition, the nation's largest shopping center, The Mall of America generates more than 40 million visits per year resulting in \$2 billion in annual economic activity alone.

EDUCATION

34 Colleges and Universities are in the Minneapolis | St. Paul metropolitan area. Minnesota's flagship is the University of Minnesota, a premier public research university with more than 50,000 students spread across four campuses.

TWIN CITIES EMPLOYMENT BY INDUSTRY

-  Trade | Transportation | Utilities **18.2%**
-  Education & Health Services **16.6%**
-  Professional & Business Services **16.2%**
-  Government **12.5%**
-  Manufacturing **9.9%**
-  Leisure & Hospitality **9.4%**
-  Financial Activities **7.3%**

ECONOMY & WORKFORCE BY-THE-NUMBERS

1.7 Million
TOTAL
EMPLOYMENT

1.96%
EMPLOYMENT
GROWTH
YEAR-OVER-YEAR

3.3%
UNEMPLOYMENT
RATE
(VS. 4.0% U.S.)

69.7%
LABOR FORCE
PARTICIPATION
(VS. 62.9% U.S.)

93.6%
HIGH SCHOOL
DIPLOMA
(VS. 88% U.S.)

41.8%
BACHELOR'S
DEGREE OR HIGHER
(VS. 32% U.S.)

37
MEDIAN
AGE
(VS. 38.2 U.S.)

57.4%
5-YEAR BUSINESS
SURVIVAL RATE
(#1 IN U.S.)

4th
MOST PATENTS
ISSUED

QUALITY OF LIFE

Minneapolis | St. Paul is a nationally recognized cultural center featuring six professional sports teams and stadiums, internationally acclaimed theatres and museums such as The Guthrie Theatre, Walker Art Center, The Children’s Theatre and the Minneapolis Institute of Arts. Minneapolis | St. Paul is continually ranked in the top tier of major markets in terms of the quality of life with the largest park system in the country, 1,600 metro area lakes and is consistently ranked as the one of the healthiest places to live.

SPORTS

One of the few U.S. metropolitan areas with six professional sports teams.



U.S. Bank Stadium



Target Field



Xcel Energy Center



Target Center



Allianz Field

ARTS

Home to the world-renowned Guthrie Theatre and Walker Art Center, Minneapolis | St. Paul is second only to New York City in live theatre per capita.



Courtesy of Daniel Cornigan

PARKS & LAKES

Minneapolis | St. Paul features 1,600 lakes and is recognized as having the #1 parks system nationwide.



TRANSPORTATION

A vibrant public transportation system including expanding light rail, express bus lines and the nation’s most expansive biking infrastructure. MSP Airport services over 38 million passengers a year and for the 3rd year in row has been ranked as the “Best Airport in North America.”



HEATH & WELLNESS

Is consistently ranked as one of the fittest and healthiest cities in the world. (#2 Highest quality of life ranking – World Population Review, 2019.) (#3 Fittest cities in the U.S. – American Fitness Index, 2019)



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North America

Canada
United States

Europe

Austria
Belgium
Czech Republic
France
Germany
Ireland
Italy
Netherlands
Poland
Portugal
Romania
Russia
Spain
Switzerland
United Kingdom

Latin America

Argentina
Brazil
Chile
Colombia
Costa Rica
Dominican Republic
Mexico
Peru
Puerto Rico

Asia-Pacific

Australia
Cambodia
China
Hong Kong
India
Indonesia
Japan
Malaysia
New Zealand
Philippines
Singapore
South Korea
Taiwan
Thailand

Africa

Botswana
Kenya
Malawi
Nigeria
South Africa
Tanzania
Uganda
Zambia
Zimbabwe

Middle East

Saudi Arabia
United Arab Emirates