



**BANK OF
AMERICA**

ADJACENT TO
**SHINGLE CREEK
CROSSING**



◆ NEW CONSTRUCTION ABSOLUTE NNN GROUND LEASE ◆ LONG-TERM 15-YEAR LEASE ◆ SIGNALIZED INTERSECTION NEAR FREEWAY ◆



In Association with Rob Wise CBRE | A Licensed Minnesota Broker #40309200

OFFERING MEMORANDUM
BROOKLYN CENTER (MINNEAPOLIS), MINNESOTA



HANLEY INVESTMENT GROUP
REAL ESTATE ADVISORS



OFFERING MEMORANDUM

BROOKLYN CENTER (MINNEAPOLIS), MINNESOTA

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HANLEY INVESTMENT GROUP
REAL ESTATE ADVISORS

OFFERING SUMMARY

BANK OF AMERICA



HANLEY INVESTMENT GROUP
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LOCATION

Bank of America (Ground Lease)
2545 County Road 10
Brooklyn Center, MN 55430

OFFERING SUMMARY

Price:	\$2,735,000
Current Net Operating Income (NOI):	\$130,000
Current Capitalization Rate:	4.75%
December 2023 Net Operating Income (NOI):	\$143,000
December 2023 Capitalization Rate:	5.23%
Net Rentable Area:	4,370
Year Built:	2019
Lot Size (Acres):	1.06

LEASE TERMS (1)

Lease Commencement:	11/26/2018
Lease Expiration:	11/30/2033
Lease Term:	15 Years
Lease Type:	Absolute NNN Ground Lease
Roof & Structure:	Tenant Responsibility
Monthly Rent:	\$10,833
Annual Rent:	\$130,000
Rental Increases:	10% Every 5 Years
Renewal Options:	Five 5-Year @ 10% Each Option

(1) All lease provisions to be independently verified by Buyer during the Due Diligence Period.



**BANK OF
AMERICA**

QUICK FACTS

4,600

**LOCATIONS IN
ALL 50 STATES**

46M

**CUSTOMERS SERVING
80% OF THE U.S.**

#2

**LARGEST BANK
IN THE U.S.**





- **Single-Tenant Bank of America Ground Lease:**

- Absolute NNN ground lease; zero landlord responsibilities
- New 15-year lease with 10% increases every 5 years
- Five 5-year options to renew at 10% increases
- Bank of America (NYSE: BAC; S&P: BBB+) is one of the world's leading financial institutions with over 4,300 retail centers across all 50 U.S. states and 35 countries

- **Adjacent to Shingle Creek Crossing:** New 800,000 square foot community center anchored by Walmart Supercenter, T.J.Maxx, LA Fitness, Michaels, and Five Below

- Construction of the shopping center began in 2011; several pad sites off of Bass Lake Road along Shingle Creek Parkway are in the final stages of development

- **Ideally Situated at the Signalized Intersection of Bass Lake Road and Shingle Creek Parkway; 27,000 Cars Per Day**

- **Direct Freeway Access Which Leads to the Twin Cities:**

- Located just off of Highway 100 which leads to neighboring suburbs and freeways that connect with downtown Minneapolis and St. Paul
- Central and easily accessible to Interstate-94/694, Highway 252, Highway 169, and Interstate-35 West

- **Strong Neighboring Retail Synergy:** The immediate area is a regional shopping destination with major retailers such as Walmart Supercenter, T.J.Maxx, LA Fitness, Michaels, Five Below, and Cub Foods

- Other nearby national retailers include Arby's, Big O Tires, Burger King, Chipotle, CVS/pharmacy, Domino's, IHOP, McDonald's, Popeyes, Starbucks, Taco Bell, Verizon, Wells Fargo, and Wendy's





- **Dense Demographic Area:** Over 323,000 people within a 5-mile radius of the subject property
- **Brooklyn Center Continues to Develop and Grow:**
 - *FBI Minneapolis Field Office* – Relocated from downtown to Brooklyn Center in 2011 more than doubling the size of their space and is the only FBI office in Minnesota
 - *Top Golf* – Opened in 2018; less than 3 miles from the subject property and is the only Top Golf in Minnesota
 - *Highway 100/Bass Lake Road* – Directly across the street from the subject property; 35-acre mixed-use development; proposed 575-unit luxury apartments
 - *Shingle Creek Crossing* – 800,000 square foot redevelopment of the former Brookdale Mall site
 - *Brooklyn Building (1.5-miles from the property)* – Proposed 81,000 square foot office building and coworking space
- **Brooklyn Center is a part of the Twin Cities MSA, one of the Strongest Midwest Economies:** Only a 15-minute drive to Downtown Minneapolis and a 30-minute drive to Minneapolis-Saint Paul International Airport (38 million passengers in 2018)
 - GDP is the second largest in the Midwest behind only Chicago
 - 15th largest economy in the nation
 - 10% population increase in Minneapolis since 2010
 - Strong population growth in a robust job market that is home to 19 Fortune 500 companies such as Target, General Mills, Best Buy, UnitedHealth Group, and 3M





SHINGLE CREEK
CROSSING
NOT A PART



SITE PLAN / PARCEL MAP

BANK OF AMERICA



HANLEY INVESTMENT GROUP
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NOT A PART



SUBJECT PROPERTY



PROPERTY PARCEL

APN: 02-118-21-24-0022





MINNEAPOLIS
- 15-MINUTE DRIVE TIME -



**MINNEAPOLIS-SAINT PAUL
INTERNATIONAL AIRPORT**
- 24-MINUTE DRIVE TIME -



**NORTH MEMORIAL
HEALTH HOSPITAL**
- 353 BEDS -

HUMBOLT INDUSTRIAL



TopGolf



**CENTERBROOK
Golf Course**

SUBJECT PROPERTY
Bank of America



O'Reilly AUTO PARTS
FAMILY DOLLAR

Walmart
Supercenter

FUTURE RETAIL

MINNESOTA 100
69,000 CPD

**HOM
FURNITURE**

verizon
Aspen Dental
Domino's

WING STOP
COFFEE & BAGELS

Foot Locker
T-Mobile

BASS LAKE ROAD

ALTAUS DEVELOPMENT

- \$200M Mixed-Use Development
- 575-775 Housing Units; 200k SF of Office Space, a Movie Theatre, Hotel, and a Park

27,000 CPD
- INTERSECTION -

BROOKDALE TOWERS
- 6-STORY OFFICE BUILDING -
- 66K SF OF OFFICE SPACE -

**ExtraSpace
Storage**

**DOLLAR
TREE**



DIRECT FREEWAY ACCESS WHICH LEADS TO TWIN CITIES

One block from Highway 100 which leads to neighboring suburbs and freeways that connect with downtown Minneapolis and St. Paul



CVS pharmacy

WELLS FARGO

27,000 CPD
- INTERSECTION -

SHINGLE CREEK PARKWAY

ALTAUS DEVELOPMENT

- \$200M Mixed-Use Development
- 575-775 Housing Units; 200k SF of Office Space, a Movie Theatre, Hotel, and a Park

DEMOGRAPHICS

	1-Mile	3-Mile	5-Mile
Population:	12,944	119,434	323,348
Household Income:	\$63,156	\$66,460	\$72,723



- ◆ 65,000 SQUARE FOOT, \$5.6 MILLION ENTERTAINMENT CENTER
- ◆ HEADQUARTERED IN DALLAS, TEXAS; 46TH LOCATION WORLDWIDE
- ◆ \$264.5 MILLION ECONOMIC OUTPUT EXPECTED OVER THE NEXT 10 YEARS
- ◆ TOP GROSSING TOPGOLF SITE IN THE U.S.
- ◆ OPEN 363 DAYS A YEAR; EMPLOYS 500+ PEOPLE
- ◆ 45,600 AVERAGE VISITS PER DAY IN 2018





MINNEAPOLIS-ST. PAUL INTERNATIONAL AIRPORT (MSP)

- 38 million annual passengers
- 168 destinations with direct flights to Chicago, Atlanta, Los Angeles, Seattle, Canada, and more



15

MINUTE COMMUTE
TO MINNEAPOLIS

TOP 10

LOWEST COST OF LIVING
IN THE COUNTRY

24

MINUTES TO MINNEAPOLIS
ST. PAUL INT'L AIRPORT

65%

OF THE STATE'S POPULATION
RESIDE IN THE MSA





BANK OF AMERICA

Bank of America is one of the world's largest financial institutions, serving individual consumers, small- and middle-market businesses, institutional investors, large corporations, and governments with a full range of banking, investing, asset management, and other financial and risk management services. The bank currently has a total of \$2.38 trillion in assets and approximately 208,000 full-time employees.

Bank of America has operations in all 50 states, the District of Columbia, the U.S. Virgin Islands, Puerto Rico, and more than 35 countries. Its retail banking footprint covers approximately 80% of the U.S. population, serving a total of 46 million consumers and small businesses. The bank has 4,600 retail financial centers, 15,900 ATMs, and a leading online and mobile banking platforms with approximately 34 million active accounts and more than 22 million mobile active users.

S&P Global Market Intelligence, a financial industry research firm, ranked Bank of America #2 "Largest Bank in the United States." The company's Consumer Banking segment covers its deposits and consumer lending operations through retail financial centers, ATMs, and online and mobile platforms. Net income to this segment increased 47% over 2017 to \$12 billion in 2018. Net Income for the bank's Global Banking segment increased 18% over 2017 to \$8.2 billion in 2018.

TOP HONORS

- **#1 "Global Research Firm"** - Institutional Investor Magazine (2019, 2012-2016)
- **46 Million Customers Serving 80% of the U.S. Population**
- **#2 "Largest Bank in the U.S."** - S&P Global Market Intelligence (2019)

Company Type: Public (NYSE: BAC; S&P: BBB+)
Locations: 4,600 (Retail Financial Centers) 15,900 (ATMs)
Website: www.bankofamerica.com

MINNEAPOLIS/ST. PAUL BUSINESS JOURNAL



Alatus's \$200M-plus Vision for Brooklyn Center Includes Offices, Housing, Cinema and Retail

By Nick Halter | March 28, 2018

The city of Brooklyn Center has chosen Alatus LLC to redevelop 33 acres that was once a shopping center and Ford dealership.

Alatus pitched a preliminary vision that would add 575 to 775 housing units, 200,000 to 265,000 square feet of office space, a movie theater, a 200- to 250-room hotel, several restaurants and a park. The project, done in phases, would overhaul mainly vacant buildings and surface parking lots near the Interstate 694/Highway 100 interchange. Alatus estimated that the project would cost more than \$200 million.



[CLICK FOR ARTICLE](#)

FINANCE & COMMERCE



REIT pays \$38M for Brooklyn Center's Topgolf

By Matt M. Johnson | November, 28, 2018

VEREIT has paid \$37.8 million for a recently completed Brooklyn Center Topgolf facility, giving the retail-focused investor a toehold in the trending sports entertainment market.

The Phoenix-based real estate investment trust paid cash for the golf and party venue at 6420 Camden Ave. N., according to a certificate of real estate value recently made public. The 65,000-square-foot facility opened in September in the northwest quadrant of Highway 252 and Interstate 694. The location is Dallas-based Topgolf's first in the Twin Cities.

The seller is an entity related to Atlanta-based Stonemont Financial Group, a commercial real estate company that specializes in sale-leaseback and build-to-suit financing. The deal closed on Nov. 2.



[CLICK FOR ARTICLE](#)



Brooklyn Center, Minnesota

- Located on the west bank of the Mississippi River, on the northwest border of Minneapolis
- Centrally located in the Minneapolis-St. Paul MSA; also known as the Twin Cities Seven County Metropolitan Area
- 2.8 million population in the MSA; home to several Fortune 500 companies
- Center of Twin Cities' main highway system which includes: Interstates 694 and 94 as well as Highway 100, 252, and 169
- 15-minute commute to Minneapolis and 30-minute commute to St. Paul

ECONOMY

- Top industries are trade, transportation, utilities, education, health services, and manufacturing
- Major employers include Medtronic, Brooklyn Center Schools, and Caribou Coffee
- Relatively young population with a median age of 32 vs. 38 in the nation
- 12,300 businesses 80% of which are privately owned
- 3.0% unemployment rate versus 3.2% in the state, and 3.5% in the nation
- 38% future job growth projected over the next decade
- 14.4% projected increase in average household income in the next 2 years
- \$71,429 annual household income (2019)
- Many large companies have offices in Brooklyn Center due to easy short 22-minute commute to nearby cities
- **Medtronic** - A global healthcare solutions company with offices in the city totaling over 1,200 employees
- **Caribou Coffee** - Headquartered in the city with over 250 employees
 - #78 on "America's Best Midsize Employers" - Forbes (2017)
- **FBI Minneapolis Office** - Relocated to a \$61 million complex in the city; 20-year lease
 - City's top 10 property-tax generators
 - 200 employees consisting local agents and staff members
- 5-story building with its own 3-story, 200-space parking structure
- \$60 million in building permits in 2018 compared with \$40 million in 2017
- Top 10 lowest cost of living in the county

City of Brooklyn Center *Highlights*

32,000
2019 POPULATION
IN THE CITY

3.0%
UNEMPLOYMENT RATE
VS. 3.5% IN THE NATION

\$60M
IN BUILDING
PERMITS IN 2018





Brooklyn Center, Minnesota

- 70 miles of trails and sidewalks, abundant parks, river access, green golf course, and community center
- Blossoming retail and business environment with the new Shingle Creek Crossing shopping area, new Honda and Toyota Dealerships, along with office and industrial space

DEVELOPMENT

- **Shingle Creek Crossing** - \$100 million, 800,000 square foot, mixed-use redevelopment project of the former Brookdale Mall
 - Anchored by a 181,000+ square foot Walmart
 - Bass Lake Road creates a ring road around the development that provides key ingress and egress points, making it convenient for patrons
 - 6 restaurant pads and 12 retail pad sites
 - ◆ National retailers include: LA Fitness, Michaels, T.J.Maxx, Five Below, HOM Furniture, Rainbow, and Rue21
- **Brooklyn Boulevard** - Redevelopment corridor within the city with many projects completed or underway
 - Serves as the primary transportation corridor
 - Main connection between Minneapolis and its surrounding suburbs
 - Provides access to the city from Highway 100 and Interstate 694

- **Sanctuary at Brooklyn Center** - 4-story assisted living and memory care facility located on Brooklyn Boulevard; opened January 2018
- **Luther Automotive - Phase III** - Multi-phase \$25 million project
 - Plans to construct two new 52,000 square feet buildings for Honda and Toyota
- **Thor Living Apartment Project** - 113-unit apartment complex; proposed
- **Gateway Commons Apartments** - \$3.5 million renovation of gated community with 11 buildings; completed

EDUCATION

- Largest universities are National American University-Brooklyn Center, ITT Technical Institute-Brooklyn Center, and Brown College-Brooklyn Center
- 14.2% increase in school district enrollment from 2013 to 2019; 3rd highest increase in the area
- **Hennepin Technical College & N. Hennepin Community College** - Public 2-year college just outside the city; 11,000+ combined student population
- **Anoka Ramsey Community College** - Public non-profit 2-year college with 9,000+ students; less than 10 minutes from the city

City of Brooklyn Center Highlights

#1

**DIVERSE SUBURBS
IN MINNESOTA**

\$100M

**SHINGLE CREEK
CROSSING DEVELOPMENT**

3RD

**HIGHEST SCHOOL DISTRICT
ENROLLMENT IN THE STATE**



Minneapolis-Saint Paul MSA

- Major metropolitan area built around the Mississippi and Saint Croix rivers in east central Minnesota
- 16th largest metropolitan area in the country; 15th largest by GDP
- \$260.1 billion gross domestic product
- Approximately 65% (3.6 million) of the state's population resides in the 15-county greater metropolitan area
 - Instrumental in driving the state's economy

ECONOMY

- Primary business center between Chicago and Seattle
 - \$18.3 billion of exports in 2018; \$246.7 billion gross regional product
 - 1.8% projected annual job growth
- 20th highest median income in the U.S. (2018)
 - \$73,230 median household income; nearly 20% higher than the U.S. median income (\$61,400)
 - 65.7% of jobs pay a family sustaining wage
- Dubbed one of the most business friendly regions in the nation by CNBC
- 4.6% labor force growth from 2013-2018 (4.1% national growth over the same period)
 - 12% projected additional growth over the next 20 years
- The area draws young professionals and creative class workers as a hub for innovation and education
- Diverse economic landscape with strong core industries that include financial services, technology, biomedical, retail, health care services and research, manufacturing, and agriculture
- One-third of all Fortune 500 companies that are located in large metropolitan areas, are located in Minneapolis
 - 18 Fortune 500 company headquarters are located in the MSA including UnitedHealth Group, Target, Best Buy, U.S. Bank, 3M, CHS, U.S. Bancorp, and General Mills
 - ◆ Only 3 fewer Fortune 500 companies than Houston, a metro area with almost double Minneapolis' population
- #18 "Best Places for Business and Careers" - Forbes (2018)
- Cargill, the largest private company in the nation, has consistently grown for over a century in the metro area
- More than \$1 billion worth of new construction permits issued annually for 7 straight years



2.8M

**PEOPLE LOCATED
IN THE MSA**



**12% PROJECTED LABOR FORCE
GROWTH IN THE NEXT 20 YEARS**

\$18.3B

**OF EXPORTS
IN 2018**





Minneapolis-Saint Paul MSA

- #2 "Best States" - U.S. News & World Report (2018)
 - Based on measurements of the state's economy, opportunities for citizens, quality of life, healthcare, education, infrastructure, public safety, and fiscal stability of the state government
- Nicknamed the "Twin Cities" after its two largest cities, Minneapolis, the most populous city in the state, and Saint Paul, the state capitol
- Saint Paul is similar to an east coast city with quaint neighborhoods and a vast collection of well-preserved late-Victorian architecture

TRANSPORTATION

- **Minneapolis-Saint Paul International Airport (MSP)** - Over 38 million passengers annually (2018)
 - 16th busiest U.S. airport for passengers
 - Generates \$15.9 billion a year for the Twin Cities' economy; 87,000 workers
 - Named "Best Airport in North America Among Air Terminals that Serve 25 to 40 Million Passengers Annually" - The Airports Council International (2016-2018)

TOURISM

- 34.5 million annual visitors in 2018, up 4% from the previous year
- \$8 billion tourism-related spending, up 3.3% from the previous year
- Supports 36,000 jobs in Minneapolis; 4th largest industry in terms of jobs

- Goal is to attract 50 million annual visitors by 2030; cultural center of the state (2nd only to New York City in live theatre)
- 1 of 13 metropolitan areas to have professional sports teams in 5 major sports: NFL, MLB, NBA, NHL, and MLS
- **Mall of America** - Largest shopping and entertainment complex in North America with 40 million annual visitors
- **U.S. Bank Stadium** - Won the "Venue Project of the Year" at The Stadium Business Awards (2017)

EDUCATION

- **The University of Minnesota** - Public university offering undergraduate and graduate programs; serves 51,000 students; employs 18,000
 - #8 largest campus student body in the U.S. overall
 - Ranked #25 in the U.S. and #35 in the world by Center for World University Rankings (2018)
- **University of St. Thomas** - Private, Roman Catholic, liberal arts and archdiocesan university; serves 10,148 students; employs 1,745



38M

PASSENGERS ANNUALLY AT
MINNEAPOLIS-ST PAUL AIRPORT



20TH HIGHEST
MEDIAN INCOME IN THE U.S.

\$8B

TOURISM RELATED
SPENDING ANNUALLY



	<u>1-Mile</u>	<u>3-Mile</u>	<u>5-Mile</u>
Population			
2023 Projection	12,424	116,926	317,900
2018 Estimate	12,944	119,434	323,348
2010 Census	12,310	114,037	307,056
2000 Census	12,444	114,065	313,539
Growth 2010-2018	5.15%	4.73%	5.31%
Households			
2023 Projection	4,694	45,855	125,806
2018 Estimate	4,691	45,514	124,568
2010 Census	4,500	43,599	118,562
2000 Census	4,916	45,224	121,866
Growth 2010-2018	4.24%	4.39%	5.07%
Growth 2018-2023	0.06%	0.75%	0.99%
2018 Est. Population by Single-Classification Race			
White Alone	5,853	60,446	179,878
Black or African American Alone	3,349	31,519	76,019
American Indian and Alaska Native Alone	144	1,230	3,201
Asian Alone	2,166	13,902	34,372
Native Hawaiian and Other Pacific Islander Alone	4	48	129
Some Other Race Alone	711	6,103	13,936
Two or More Races	684	5,896	14,984
2018 Est. Population by Ethnicity (Hispanic or Latino)			
Hispanic or Latino	1,283	11,417	27,062
Not Hispanic or Latino	11,661	108,017	296,286
2018 Est. Average Household Income	\$63,156	\$66,460	\$72,723

CONFIDENTIALITY AGREEMENT

BANK OF AMERICA



HANLEY INVESTMENT GROUP
REAL ESTATE ADVISORS

The information contained herein does not purport to provide a complete or fully accurate summary of the Property or any of the documents related thereto, nor does it purport to be all-inclusive or to contain all of the information which prospective buyers may need or desire. All financial projections are based on assumptions relating to the general economy, competition, and other factors beyond the control of the Owner and Broker and, therefore, are subject to material variation. This Marketing Package does not constitute an indication that there has been no change in the business or affairs of the Property or the Owner since the date of preparation of the information herein. Additional information and an opportunity to inspect the Property will be made available to interested and qualified prospective buyers.

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\$6+ BILLION
retail sales nationwide



SHARED DATABASE
collaborative proprietary database



TOP BROKERAGE GLOBALLY
in investment sales



COSTAR POWER BROKER
top sales brokers & firm in OC



NATIONWIDE REACH
retail & investors across the U.S.