

BANK OF AMERICA



NEW 15-YEAR LEASE • 2ND LARGEST BANK IN THE U.S. • ADJACENT TO ALLIANZ SOCCER STADIUM



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

OFFERING MEMORANDUM
ST. PAUL, MINNESOTA



HANLEY INVESTMENT GROUP
REAL ESTATE ADVISORS



OFFERING MEMORANDUM

ST. PAUL, MINNESOTA

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EXCLUSIVELY LISTED BY:

Jeff Lefko

Executive Vice President
jlefkco@higrea.com
844.585.7682

Bill Asher

Executive Vice President
basher@higrea.com
844.585.7684

Local Area Expert:

Rob Wise

Vice President
rob.wise@cbre.com
612.336.4274 | Lic. #40309200



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LOCATION

Bank of America
1636 University Avenue West
St. Paul, MN 55104



OFFERING SUMMARY

Price:	\$6,100,000
Current Net Operating Income (NOI):	\$305,000
Current Capitalization Rate:	5.00%
Net Rentable Area:	4,667
Year Built:	2020
Lot Size (Acres):	0.18

LEASE TERMS (1)

Lease Commencement:	7/22/2020
Lease Expiration:	7/31/2035
Lease Term:	15 Years
Lease Type: (2)	Absolute NNN
Roof & Structure: (2)	Tenant Reimburses
Monthly Rent:	\$25,417
Annual Rent:	\$305,000
Rental Increases:	10% Every 5 Years
Renewal Options:	Two 5-Year @ FMV

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

(2) Contact broker for further details.




BANK OF AMERICA

QUICK FACTS

4,300

**LOCATIONS IN
ALL 50 STATES**

46M

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

#2

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





- **Single-Tenant Absolute NNN Bank of America:**

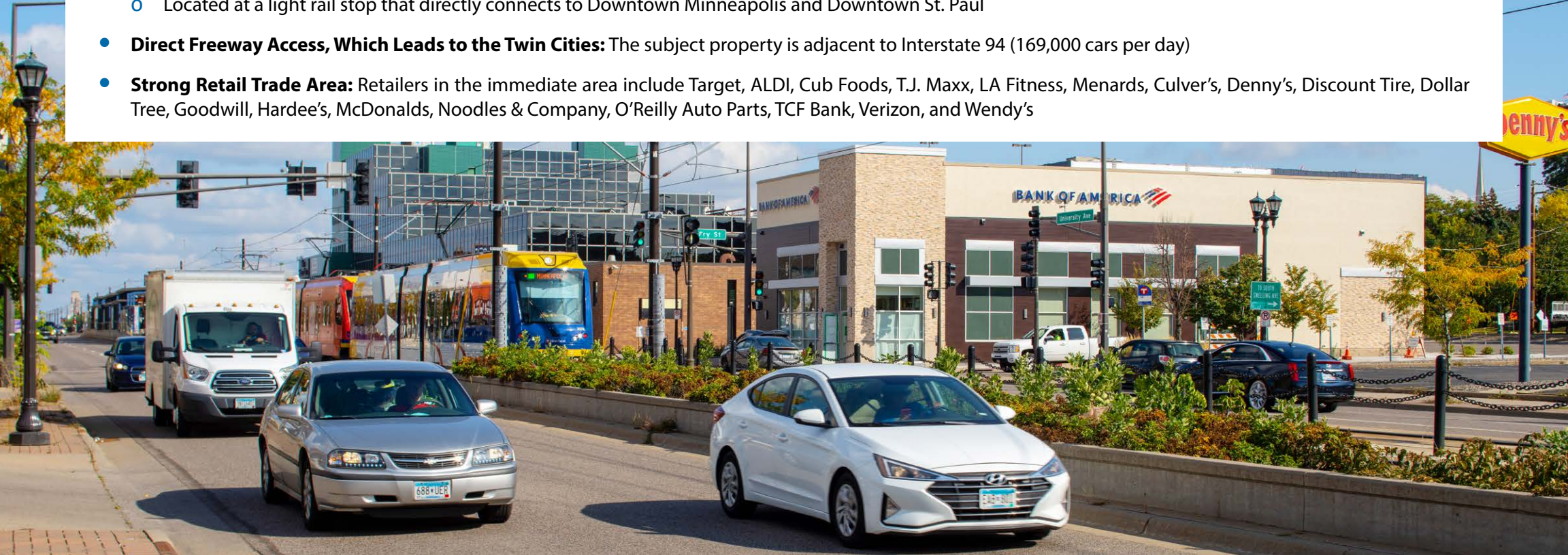
- Absolute NNN; zero landlord responsibilities
- New 15-year lease with 10% increases every 5 years
- Brand new construction, fee simple investment (building and land)
- Bank of America (NYSE: BAC; S&P: BBB+) is one of the world's leading financial institutions with over 4,300 retail centers across all 50 U.S. states and 35 countries
- #2 "10 Largest Banks in America" – MarketCap (2020)
- #1 "Best Bank in the World" – Global Finance (2019)
- #2 "America's Top 250 Wealth Advisors" – Forbes (2018)

- **High-Traffic Location Along University Avenue West:**

- Just off the University and Snelling intersection, the busiest St. Paul intersection with over 54,000 cars per day
- Located at a light rail stop that directly connects to Downtown Minneapolis and Downtown St. Paul

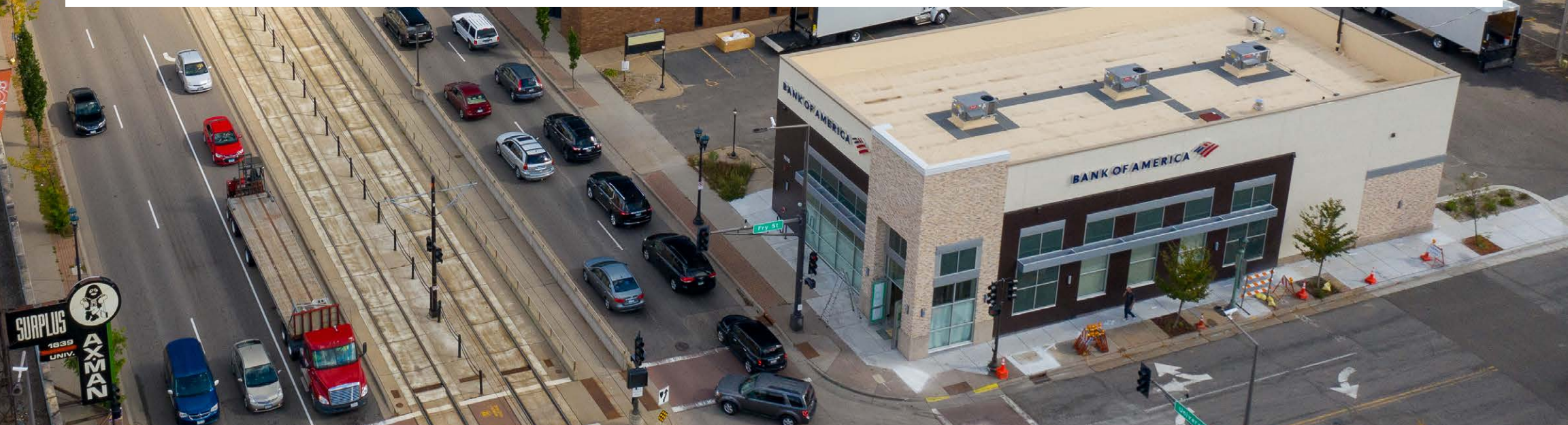
- **Direct Freeway Access, Which Leads to the Twin Cities:** The subject property is adjacent to Interstate 94 (169,000 cars per day)

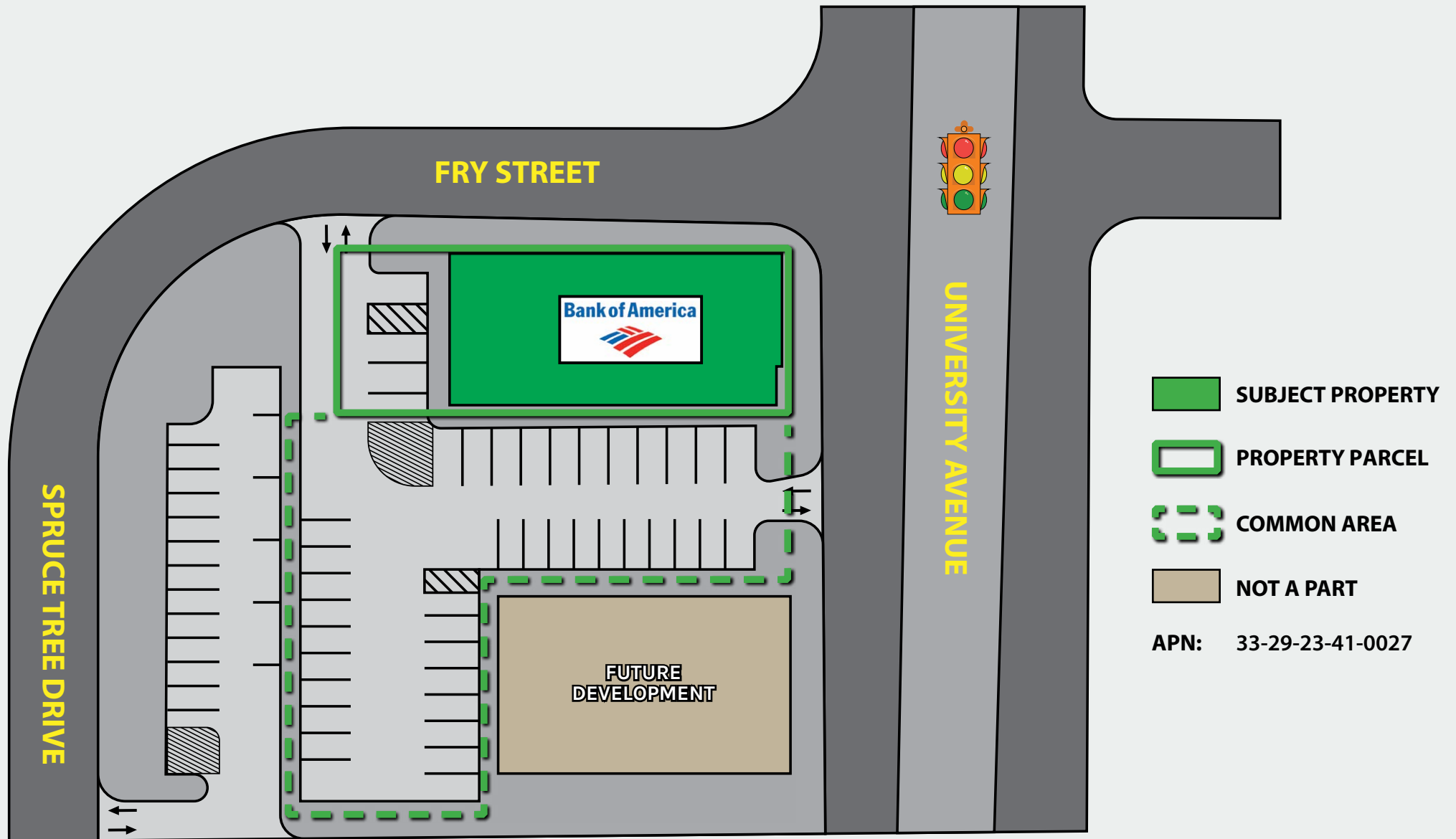
- **Strong Retail Trade Area:** Retailers in the immediate area include Target, ALDI, Cub Foods, T.J. Maxx, LA Fitness, Menards, Culver's, Denny's, Discount Tire, Dollar Tree, Goodwill, Hardee's, McDonalds, Noodles & Company, O'Reilly Auto Parts, TCF Bank, Verizon, and Wendy's





- **Site of Significant Growth and Development Surrounding Allianz Field (Opportunity Zone):** The city of St. Paul has stated that it plans to turn the area directly surrounding Allianz Field, that today is largely surface parking lots, into a thriving urban neighborhood
 - **Allianz Field** – A recently completed \$250 million, 19,400-seat soccer stadium and the future home of Major League Soccer
 - At least 550 new multifamily housing units are planned or under construction within a 1-mile stretch of Snelling Avenue and the Stadium
- **Significant Daytime Population:** 349,000 employees within a 5-mile radius of the subject property
- **Dense, Affluent Demographics:** Nearly 432,000 people within a 5-mile radius of the subject property and average household incomes of over \$90,000 within a 3-mile radius
- **St. Paul is part of the Twin Cities MSA, one of the Strongest Midwest Economies:** Only a 10-minute drive to Downtown Minneapolis and St. Paul downtown Airport and a 20-minute drive to Minneapolis-St. Paul International Airport (38 million passengers in 2018)
 - GDP is 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 robust job market that is home to 19 Fortune 500 companies such as Target, General Mills, Best Buy, UnitedHealth Group, and 3M







Allianz Field

- ◆ **"BEST STADIUM EXPERIENCE IN MLS"** - ESPN 2019
- ◆ **HOME TO MINNESOTA UNITED FC** of Major League Soccer
- ◆ **PRIVATELY FUNDED, \$250 MILLION STADIUM** completed in 2019
- ◆ **19,400-SEAT CAPACITY** with 17 different types of seats and service offerings
- ◆ **"BREW HALL"** features a 60-foot bar with 96 beers on tap and full food service in 4,000 square feet, overlooking the north end of the field
- ◆ **1.9 MILLION MINNESOTANS** within 30 miles

345,000 TOTAL SQUARE FEET

PREMIUM CLUBROOM ACCESSIBLE TO 240 FIELD CLUB MEMBERS

AERIAL OVERVIEW

BANK OF AMERICA





DEMOGRAPHICS



Population:

1-Mile Radius	22,220
3-Mile Radius	175,643
5-Mile Radius	431,837



Household Income:

1-Mile Radius	\$73,960
3-Mile Radius	\$90,493
5-Mile Radius	\$80,795

SUBJECT PROPERTY
Bank of America



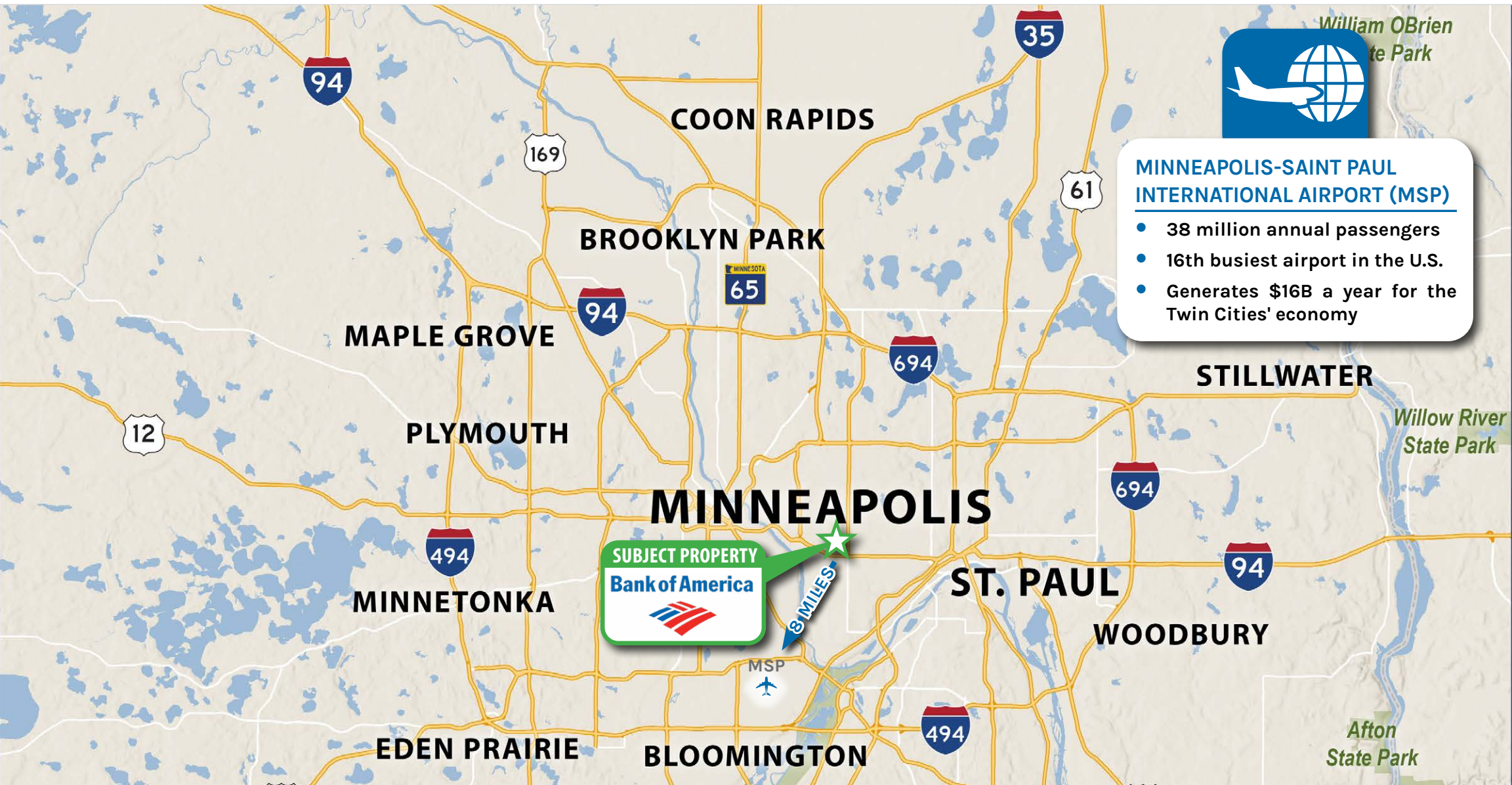
FRY STREET

UNIVERSITY AVENUE

UNIVERSITY AVENUE







10

MINUTE COMMUTE
TO MINNEAPOLIS

8%

PROJECTED
POPULATION GROWTH
(2018-2023)

20

MINUTES TO MINNEAPOLIS
ST. PAUL INT'L AIRPORT

65%

OF THE STATE'S POPULATION
RESIDES IN THE MSA





BANK OF AMERICA

Bank of America is a multinational banking and financial service corporation headquartered in Charlotte, North Carolina that serves individual consumers, small and middle-market businesses, and large corporations. It is the 2nd largest bank in the nation by total assets, deposits, loans, revenue, and number of employees. This financial institution provides a full range of banking, investing, asset management, and other financial and risk management products and services.

As one of the "Big Four" banks in the United States, the \$2.3 trillion asset bank holds an estimated 11% of all bank deposits in the nation. The company's retail branch network covers more than 80% of the U.S. population. The Bank's business segments include retail banking, preferred and small business banking, U.S. trust, commercial, corporate and investment banking, global markets, and Merrill Lynch wealth management. With 208,000 employees, it serves over 65 million retail and SME customers through 16,800 ATMs and 4,300 branches and financial centers nationwide.

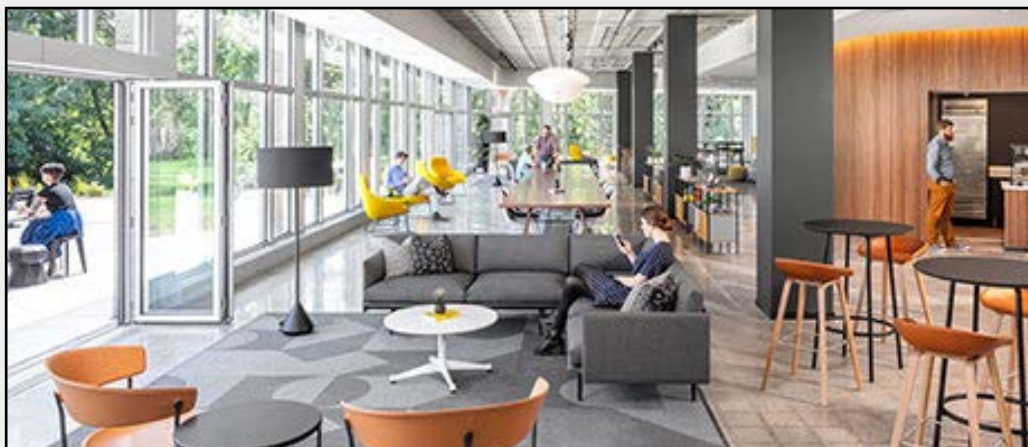
Bank of America serves clients through its operations in all 50 states, the District of Columbia, the U.S. Virgin Islands, Puerto Rico, and more than 35 countries.

TOP HONORS

- **#2 "10 Largest Banks in America"** - Market Cap (2020)
- **#1 "Best Bank in the World"** - Global Finance (2019)
- **#2 "America's Top 250 Wealth Advisors"** - Forbes (2018)
- **#6 "America's Largest Public Companies"** - Forbes (2018)

Company Type: Public (NYSE: BAC)
Locations: 4,300 banking centers
Website: www.bankofamerica.com

REBUSINESS
ONLINE



Strong Mix of Fortune 500 Companies Helps Fuel Growth of Twin Cities

By Kristin Hiller | November 21, 2019

Even in the context of a sustained stretch of national economic growth and a Midwest region where there are plenty of high-performing markets, Minneapolis-St. Paul stands out. The commercial real estate market in and around the Twin Cities is thriving, in large part due to some impressive structural fundamentals.

The state of Minnesota — especially the Minneapolis-St. Paul metro area — has a very diverse base of employment, with a long list of significant Fortune 500 companies, including familiar and even iconic names like Target, Best Buy, 3M, U.S. Bancorp, General Mills, Medtronic, C.H. Robinson and United Health Care. United Health Care alone generated \$226 billion in revenue in 2018.

RE [CLICK FOR ARTICLE](#)

MINNPOST



Twin Cities rising: 10 game-changing commercial real estate developments

By Burl Gilyard | April 3, 2020

Is the economy slowing down? Not if you keep watch on construction cranes in the Twin Cities.

Development of new apartments, hotels, and industrial properties remains particularly robust. But there are also select office and retail projects under way.

We zeroed in on 10 large projects that all have game-changing potential in their respective markets. These aren't blue-sky plans that someone dreamed up. The list includes developments that just opened, are under construction or close to starting, and some multiphase long-range projects that are already under way.

Market experts who keep waiting for apartment demand to slow down can keep waiting. Brent Wittenberg, vice president with Minneapolis-based Marquette Advisors, says that nearly 6,000 market-rate units were completed in 2019 and another 8,000 apartments could be delivered this year.

MINN
POST [CLICK FOR ARTICLE](#)

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

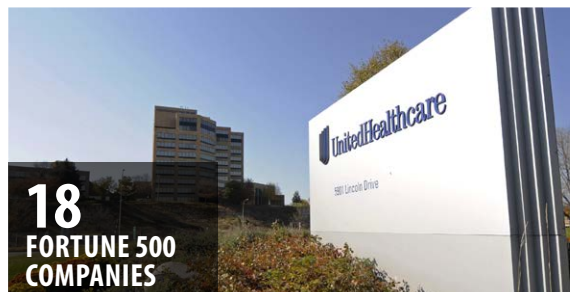
**PEOPLE LOCATED
IN THE MSA**



**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

DEVELOPMENTS

- **Village at Midway** - Mixed-use development; ground breaking planned for October 2020
 - home to Big Top Liquors
 - Development would include 234 apartments, 35,000 square feet of retail space and an additional 30,000 square feet of co-working
 - Residential towers would stand 17 stories and 12 stories tall and would sit atop the commercial space and a 150,000 square foot parking podium
- **The Pitch Apartments** - 6-story mixed-use building with 175 apartments and 18,000 square feet of ground floor retail; under construction
- **The Pivot Apartments** - Mixed-use building with 137 apartments and 6,000 square feet of ground floor retail; under construction

- **150 & 164 Snelling Ave** - Mixed-use 163-unit apartment building with 4,100 square feet of ground floor retail; completed 2020

TOURISM

- 34.5 million annual visitors; \$8 billion tourism-related spending
- 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

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



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			
2024 Projection	22,558	178,008	441,059
2019 Estimate	22,220	175,643	431,837
2010 Census	20,883	165,740	403,050
2000 Census	20,806	168,554	399,083
Growth 2010-2019	6.40%	5.98%	7.14%
Growth 2019-2024	1.52%	1.35%	2.14%
Households			
2024 Projection	9,700	75,077	183,322
2019 Estimate	9,508	73,761	178,231
2010 Census	8,764	68,579	163,761
2000 Census	8,747	68,974	161,753
Growth 2010-2019	8.49%	7.56%	8.84%
Growth 2019-2024	2.02%	1.78%	2.86%
2019 Est. Population by Single-Classification Race			
White Alone	15,543	121,352	266,141
Black or African American Alone	3,737	23,747	70,951
American Indian and Alaska Native Alone	204	1,458	6,693
Asian Alone	1,238	18,829	48,107
Native Hawaiian and Other Pacific Islander Alone	22	105	216
Some Other Race Alone	482	3,285	20,642
Two or More Races	936	6,480	17,775
2019 Est. Population by Ethnicity (Hispanic or Latino)			
Hispanic or Latino	1,258	8,827	43,760
Not Hispanic or Latino	20,962	166,816	388,077
2019 Est. Average Household Income	\$73,960	\$90,493	\$80,795

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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Owner and Broker expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers to purchase the Property and/or terminate discussions with any entity at any time with or without notice. Owner has no legal commitment or obligations to any entity reviewing this Marketing Package or making an offer to purchase the Property unless and until such sale of the Property is approved by Owner in its sole discretion, a written agreement for purchase of the Property has been fully delivered, and approved by Owner, its legal counsel and any conditions to the Owner's obligations thereunder have been satisfied or waived.

This Marketing Package and its contents, except such information which is a matter of public record or is provided in sources available to the public (such contents as so limited herein called the Contents), are of a confidential nature. By accepting this Marketing Package, you unconditionally agree that you will hold and treat the Marketing Package and the Contents in the strictest confidence, that you will not photocopy or duplicate the Marketing Package or any part thereof, that you will not disclose the Marketing Package or any of the Contents to any other entity (except in the case of a principal, who shall be permitted to disclose to your employees, contractors, investors and outside advisors retained by you, or to third-party institutional lenders for financing sought by you, if necessary, in your opinion, to assist in your determination of whether or not to make a proposal) without the prior authorization of the Owner or Broker, and that you will not use the Marketing Package or any of the Contents in any fashion or manner detrimental to the interest of the Owner or Broker.

EXCLUSIVELY LISTED BY:

Jeff Lefko

Executive Vice President
jlefk@hanleyinvestment.com
949.585.7682 | BRE #01942025

Bill Asher

Executive Vice President
basher@hanleyinvestment.com
949.585.7684 | BRE #01318078

Local Area Expert:

Rob Wise

Vice President
rob.wise@cbre.com
612.336.4274 | Lic. #40309200

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\$6.6 BILLION
retail sales nationwide



SHARED DATABASE
collaborative proprietary database



GLOBEST. INFLUENCERS
in retail & net lease sales



COSTAR POWER BROKER
top sales brokers & firm in OC



NATIONWIDE REACH
retail & investors across the U.S.