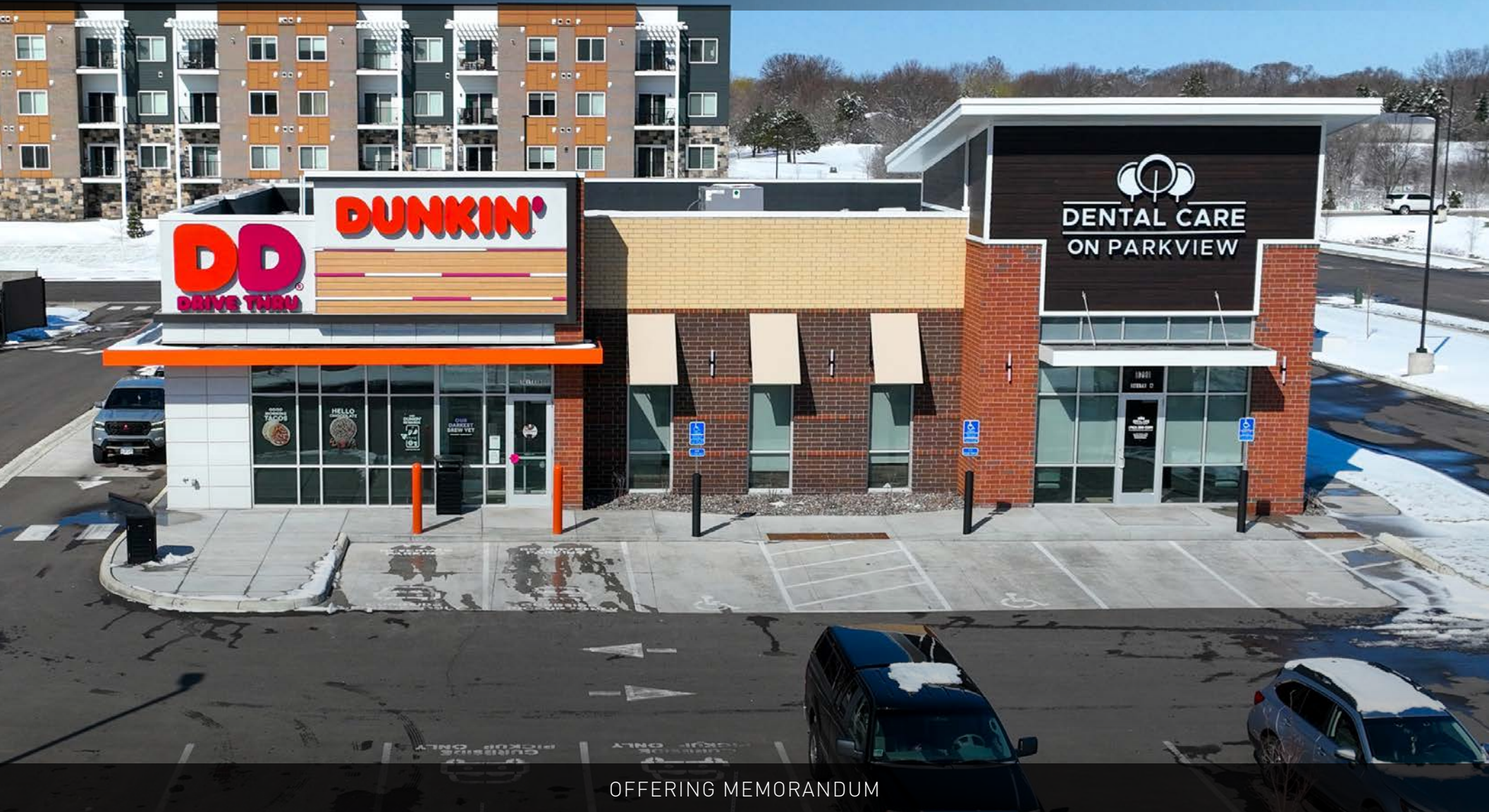


HEARTLAND DENTAL & DUNKIN'

8798 PARKVIEW AVENUE NORTHEAST, OTSEGO, MINNESOTA (MINNEAPOLIS MSA)



OFFERING MEMORANDUM

Marcus & Millichap



TARGET
Denny's
WYNDHAM GARDEN
TIRE PLUS TOTAL CAR CARE

HEARTLAND DENTAL & DUNKIN'

THE HOME DEPOT
TSC TRACTOR SUPPLY CO.
Walmart
PET SMART
Walgreens
SONIC
AutoZone
Panera BREAD

RUM RIVER HILLS GOLF CLUB

COSTCO WHOLESALE
Starbucks
Buffalo Wild Wings
TJ-maxx
PET SMART
BEST BUY
DICK'S SPORTING GOODS
TARGET
MENARDS
crumbl cookies
RIVERDALE VILLAGE & COMMONS

HAM LAKE PARK & CAMPGROUND

lululemon
Starbucks
COACH
adidas
five BELOW
FIVE GUYS BURGERS and FRIES
THE NORTH FACE
FAMOUS footwear
OLD NAVY
Levi's
ALBERTVILLE PREMIUM OUTLETS

FOX HOLLOW GOLF CLUB

DAYTONA GOLF CLUB

ANOKA COUNTY FAIR

MAJESTIC OAKS GOLF CLUB

BUNKER HILLS GOLF CLUB

Allina Health
MERCY HOSPITAL

ELM CREEK PARK RESERVE

ANOKA-RAMSEY COMMUNITY COLLEGE
CAMBRIDGE • COON RAPIDS
11,300 STUDENTS

Cabela's
Hampton by HILTON
EMAGINE THE MAGIC OF MOVIES & MORE
Freddy's STEAKBURGERS
KOHL'S
noodles & COMPANY
HOM FURNITURE
TARGET
TESLA
NORTHERN TOOL + EQUIPMENT
HARBOR FREIGHT TOOLS
Holiday Inn Express
Caribou COFFEE

TRADER JOE'S Total Wine & MORE
L&B LUNDS & BYERLYS
SHAKE SHACK
WHOLE FOODS MARKET
DAVE & BUSTERS
Portillo's
RED LOBSTER
FLOOR DECOR
THE SHOPPES AT ARBOR LAKES

94

10



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Rent Roll

Lessee Information as of July 2023

8798 Parkview Avenue NE, Otsego, MN 55330

| SUITE # | TENANT NAME | APPROX. RENTABLE SF | PERCENT OCCUPANCY | EST. LEASE COMMENCEMENT | EST. LEASE EXPIRATION | APPROX. RENT PSF | BASE RENT PER MONTH | ANNUAL RENT | LEASE TYPE | RENTAL INCREASES | RENEWAL OPTIONS |
|--------------|------------------|---------------------|-------------------|-------------------------|-----------------------|------------------|---------------------|--------------|------------|-------------------|-------------------|
| 1 | Dunkin' | 1,725 | 31.8% | 7/20/2022 | 7/19/2032 | \$35.00 | \$5,031.25 | \$60,375.00 | NNN | 10% Every 5 Years | 4, 5 Year Options |
| 2 | Heartland Dental | 3,693 | 68.2% | 10/25/2022 | 11/30/2032 | \$37.00 | \$11,386.75 | \$136,641.00 | NNN | 10% Every 5 Years | 4, 5 Year Options |
| Total SF | | 5,418 | 100% | | | | Monthly Income | \$16,418 | | | |
| Occupied SF | | 5,418 | 100% | | | | Annual Income | \$197,016 | | | |
| Available SF | | 0 | 0% | | | | Average Rent PSF | \$36.36 | | | |



Income & Expense Summary

Heartland Dental & Dunkin'

| | |
|------------------------------|------------|
| Total Square Feet Per Leases | 5,418 SF |
| Lot Size | 1.19 Acres |
| Year Built | 2022 |
| Occupancy as of July 2023 | 100% |

INCOME

| | |
|-------------------------------------|-----------|
| Scheduled Base Rent | \$197,016 |
| Estimated Total Potential Base Rent | \$197,016 |
| Plus Expense Reimbursements | \$72,504 |
| GROSS INCOME | \$269,520 |
| EFFECTIVE GROSS INCOME | \$269,520 |

ESTIMATED OPERATING EXPENSES

| | | PSF |
|--------------------------|----------|---------|
| CAM Expense | \$38,251 | \$7.06 |
| Insurance | \$4,985 | \$0.92 |
| Property Taxes | \$21,618 | \$3.99 |
| Management Fee @ 3%* | \$5,910 | \$1.09 |
| TOTAL OPERATING EXPENSES | \$70,764 | \$13.06 |

NET OPERATING INCOME **\$198,756**

OFFERING PRICE **\$3,180,000**

CAPITALIZATION RATE **6.25%**

PRICE PER SF **\$586.93**

*Dunkin' reimburses Management Fee equal to 15% of CAM as admin fee. Heartland Dental reimburses Management Fee up to 5% of CAM.

5,418 SF
total square feet
per leases

100%
occupancy as of
July 2023

DUNKIN'





**OTSEGO
MARKETPLACE
SHOPS**

**WYNDHAM
GARDEN**

ROCKWOODS

Guardian Angels
SENIOR SERVICES
ASSISTED LIVING

**THE OFFICES AT
OTSEGO WATERFRONT**

53,800 CPD
MN HWY 101

bright eyes
POUR!
Wine Bar & Bistro

COBORN'S
Employee Owned
Caribou COFFEE

12,500 CPD
COUNTY RD 39 NE

Denny's

TARGET

Holiday

The Bank
OF ELK RIVER

**HEARTLAND DENTAL
& DUNKIN'**

7,900 CPD
PARRISH AVE NE

**PARKVIEW
GRAND**
71 UNITS

FUTURE DEVELOPMENT



DOWNTOWN MINNEAPOLIS



THE VILLAGE
Luxury Living
190 UNITS

53,800 CPD
MN-101


Wings
FINANCIAL
CREDIT UNION

Michael's
COMING SOON


TARGET


COMING SOON

7,900 CPD
PARRISH AVE NE

FUTURE DEVELOPMENT


**PARKVIEW
GRAND**
71 UNITS

**HEARTLAND DENTAL
& DUNKIN'**



Property Description



INVESTMENT HIGHLIGHTS

- » Brand New 10-Year Leases with 10 Percent Rental Increases Every Five Years and Multiple Renewal Options
- » New High-Quality 2022 Construction with a Drive-Thru
- » **100% Leased to Two Diverse National Tenants**
- » Subject Property is the 2023 Winner of the Minnesota Shopping Center Association STARR Award for New Construction: Retail Multi-Tenant under 10,000 SF. Properties in this Category were Judged on Site Challenges, Architectural Image, Landscaping, Creative Use of Materials, Signage, and Integration into the Community
- » **52,049 Residents within a Five-Mile Radius - Minneapolis MSA**
- » Households are Projected to Increase Over 11 Percent in the Immediate Area by 2027
- » **Directly Across from Target and Adjacent to an ALDI that is Currently In Development**
- » Excellent Visibility Along Parrish Avenue NE with Immediate Access to MN Highway 101
- » **Average Household Income Exceeds \$123,000 within a Five-Mile Radius**



DEMOGRAPHICS

1-mile

3-miles

5-miles

Population

| | | | |
|--------------------|--------|--------|--------|
| 2027 Projection | 3,992 | 26,626 | 55,906 |
| 2022 Estimate | 3,613 | 24,947 | 52,049 |
| Growth 2022 – 2027 | 10.49% | 6.73% | 7.41% |

Households

| | | | |
|--------------------|--------|--------|--------|
| 2027 Projection | 1,382 | 10,371 | 20,300 |
| 2022 Estimate | 1,241 | 9,606 | 18,687 |
| Growth 2022 – 2027 | 11.32% | 7.96% | 8.63% |

Income

| | | | |
|------------------------------------|-----------|-----------|-----------|
| 2022 Est. Average Household Income | \$110,252 | \$109,733 | \$123,300 |
| 2022 Est. Median Household Income | \$97,575 | \$95,321 | \$104,722 |
| 2022 Est. Per Capita Income | \$37,908 | \$42,578 | \$44,459 |

Tenant Overview



Effingham, IL **1,650+** **1995** **heartland.com**

Headquarters Supported Offices Founded Website

Heartland Dental is a leading dental support organization in the United States. With more than 1,650 supported offices in 38 states, Heartland Dental supports over 2,600 dentists. Affiliated doctors through Heartland Dental retain clinical autonomy in their practices. Heartland Dental provides dentists, hygienists, and non-clinical team members with world-class non-clinical administrative and operational support to help them succeed.

Heartland Dental is experiencing rapid growth nationwide. The company offers its affiliated doctors career opportunities, state-of-the-art facilities, continuing education, and more.



Canton, MA **11,300+** **1950** **dunkindonuts.com**

Headquarters Locations Founded Website

Dunkin' is the world's leading baked goods and coffee chain, serving over 3 million customers every day. Dunkin' is a market leader in sales of coffee, bagels, donuts and muffins. There are more than 11,300 Dunkin' restaurants worldwide: over 8,500 restaurants in 41 states across the United States and over 3,200 international restaurants across 36 countries.

Dunkin' is part of the Inspire Brands family of restaurants, the second-largest restaurant company in the U.S.

FRANCHISEE – This is a five-unit franchisee with plans to develop up to 12 locations in Minnesota over the next few years. The lease is personally guaranteed by Stephen Silberfarb and Teddy Nachmias.

Property Photos



Location Overview

HEARTLAND DENTAL & DUNKIN'

- 8 Miles to Albertville Premium Outlets
- 31 Miles to Downtown Minneapolis
- 35 Miles to University of Minnesota
- 42 Miles to Minneapolis-St. Paul International Airport

The Minneapolis-St. Paul metro consists of 16 counties in the southeastern portion of central Minnesota and western Wisconsin and is home to more than 3.6 million people. Nearly 1,000 of Minnesota's 10,000 lakes are located within the metro, along with the Mississippi, Minnesota, and St. Croix rivers. The Twin Cities of Minneapolis and St. Paul straddle the Mississippi River and encompass

As a hub for corporate headquarters, the Minneapolis-St. Paul metro's diverse economic base includes 15 Fortune 500 companies including Target Corp., Land O' Lakes, Best Buy, 3M Company, U.S. Bancorp, and General Mills. Additionally, medical institutions such as the University of Minnesota and the Mayo Clinic underpin a growing biomedical research and development sector. Minneapolis, with its strong financial base, houses the Ninth Federal Reserve District, which services Minnesota, North Dakota, South Dakota, Montana, and portions of Michigan and Wisconsin.

[exclusively listed by]

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