



RETAIL INVESTMENT SUMMARY | TWIN CITIES MN HALLOWEEN EDITION Q3 2023

Dear Valued Investors and Clients,

We're glad to be along for the ride with you, in what is turning out to be a bumpy ride. Now more than ever is the time to rely on the professionals and market experts in your industry as we all wade into territory that many of us haven't seen in our careers. Mortgage rates have risen at their fastest pace in over 40 years, and not an hour goes by that we're not talking about them. The debt market continues to pose challenges for transacting retail investment properties, with overall transaction volume down between 20 – 40%+ depending on who you talk to. The silver lining is that we anticipate some amazing opportunities over the next 18 months for investors who are patient and able to navigate the market.

As always, please feel invited to reach out to our team to discuss the current market, to review your portfolio, or just to talk.

~ Mark, Amy, Zach, & Emily ~



IN THE CAULDRON'S MYSTIC BREW,
INTEREST CLIMBS, SKIES TURN ASKEW,
VACANCY'S TALE, A RECORD LOW,
IN THIS FINANCIAL EBB AND FLOW.
INSURANCE COSTS, THEY START TO SOAR,
WHILE NEW CONSTRUCTION'S SEEN NO MORE,
WITCH'S CHANT, A HAUNTING TUNE,
UNDERNEATH THE RISING MOON.



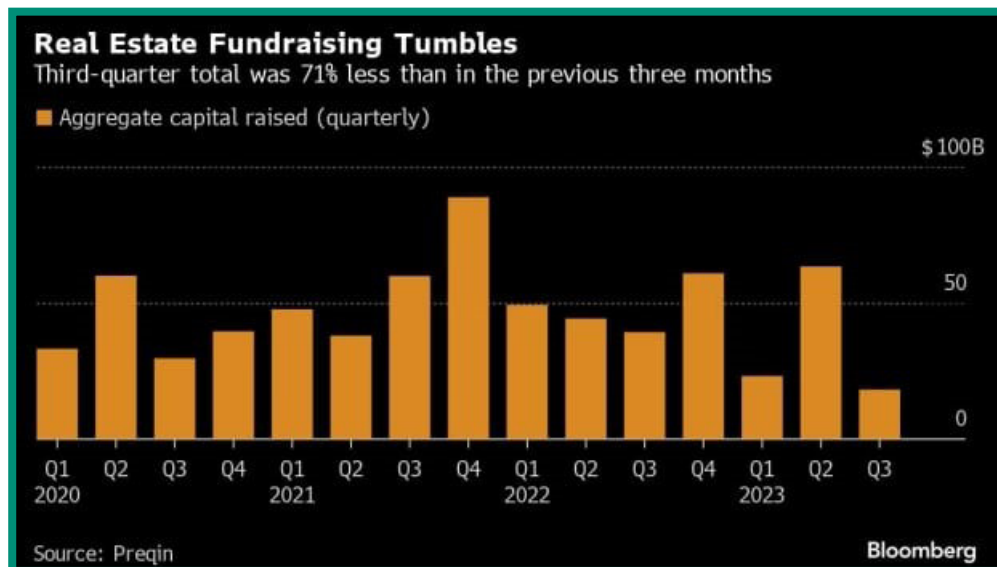
RETAIL INVESTMENT SUMMARY | TWIN CITIES MN HALLOWEEN EDITION Q3 2023

CRE Memes aren't the only thing we've been getting creative with. Our team has been busier than ever getting creative on our existing listings and deals.

It is proving much more difficult to transact now given both interest rates and availability of debt. That has sidelined some buyers, but there is still more than **\$205 billion currently earmarked for investment in CRE**. While that number is large, **it appears fundraising is down 71%**, meaning less capital will be coming into CRE.

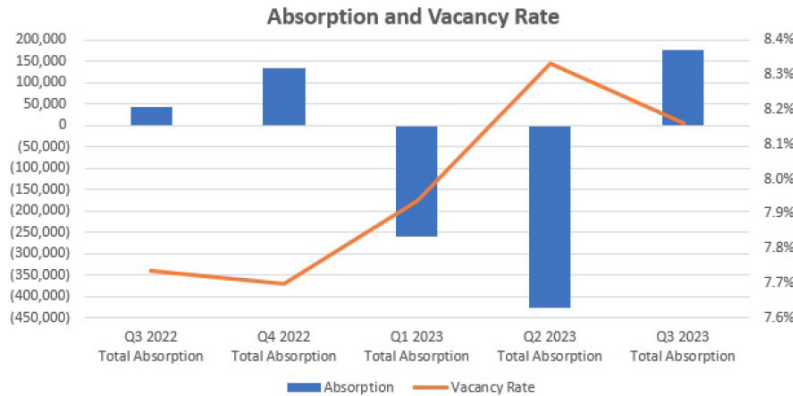
This has been proven by our recent experiences, whereas there are still many buyers in the market both locally and nationally, we are spending much more time finding them and pushing them for offers. Additionally, we've spent time sharpening our marketing approach, including drone videos, property remodel renderings, and construction bids.

Lastly, because buyers and their lenders are pickier in the current climate, we're encouraging our clients to make it as easy as possible for a buyer to transact by proactively ordering title, PCA reports, and renewing tenants early.

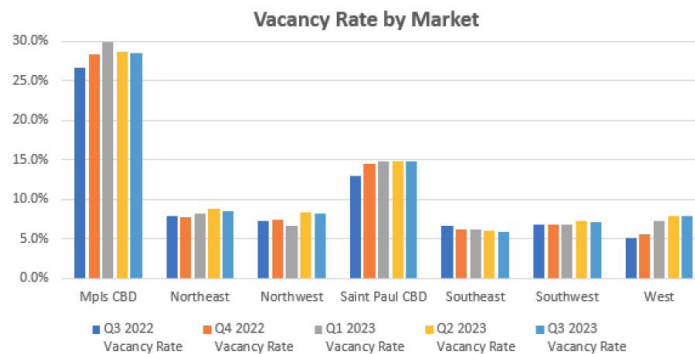




Q3 2023 RETAIL ABSORPTION & VACANCY RATE



Q3 2023 RETAIL VACANCY RATE BY MARKET



Q3 2023 NOTABLE RETAIL SALES

\$131M Twin Cities Retail Investment Sales Volume in Q3 2023



Northtown | Blaine, MN

Price: \$31,000,000

GLA Sold: 720,674

PSF: \$73

Occupancy: 88%

Anchors: Champs, Best Buy, Becker Furniture, Bath & Body Works, Chipotle, Hobby Lobby, Verizon, T-Mobile, Kay Jewelers

[Click for Expanded Q3 Notable Transactions List](#)



OUR TEAMS' ACTIVE LISTINGS

click photo
for more info



Chase Bank | Richfield, MN

Price: \$2,845,000

Site Size: 0.43 AC

Cap Rate: 4.55%

Gross Leasable Area: 3,720 SF



Planet Fitness | Duluth MN

Price: \$6,071,000

Year Built: 2023

Cap Rate: 6.25%

Gross Leaseable Area: 22,320 SF



Willmar Uptown | Willmar, MN

Site #1: South Strip

Site #2: Outlot

Site #3: South Anchors

Site #4: Former JCP

Site #5: Former Herbergers

Site #5: Interior Mall

EMAIL US FOR DETAILS!



Virginia Uptown | Virginia, MN

Site #1: Hobby Lobby

Site #2: 3 Tenant Grocery Anchor

EMAIL US FOR DETAILS!



Long Lake Retail Cntr | Long Lake, MN

UNDER CONTRACT

Gross Leasable Area: 12,100 SF

[Click HERE to see all of our listings](#)



RETAIL INVESTMENT SUMMARY | TWIN CITIES MN HALLOWEEN EDITION Q3 2023

NEW LEASES SIGNED Q3 2023



- **PLANET FITNESS**
Riverdale Village, Coon Rapids



- **RH OUTLET**
Roseville

- **MECCA LINENS**
NE Minneapolis

- **BALL PARK AMERICA**
Blaine



- **NAUTICAL BOWLS**
New Hope



- **RUTH'S CHRIS**
Rochester



- **STARBUCKS**
Red Wing



- **SHADE STORE**
The Promenade of Wayzata

MID-AMERICA *knows* RETAIL



MARK ROBINSON, CCIM

Principal

mrobinson@midamericagrp.com
952-563-6664

Mark joined Mid-America Real Estate – Minnesota, LLC in 2012 and focuses on single & multi-tenant retail investment sales throughout Minnesota and Western Wisconsin. Mark has completed transactions with an aggregate value of over \$550M. 2022 MNCAR Broker Of The Year.



AMY SENN

Vice President

asenn@midamericagrp.com
952-563-6605

Amy's primary focus is on the sale of retail properties in the Twin Cities and greater Minnesota. She currently serves as Vice President of the Investment Sales team at Mid-America Real Estate-Minnesota, LLC. For her entire 22 year career, Amy has specialized in retail real estate.



ZACH SHOCKENCY, CCIM

Analyst

zashockency@midamericagrp.com
952-563-6659

Zach joined Mid-America Real Estate – Minnesota, LLC in 2022. He focuses on financial underwriting and analysis of investment sales, property due diligence, document preparation, including ebuyer/seller communications. Thus far in his career, he has been directly involved in transactions with an aggregate value of over \$220M



EMILY UNGER

Marketing Assistant

eunger@midamericagrp.com
952-563-6683

Emily joined Mid-America Real Estate - Minnesota, LLC in 2021. She is responsible for marketing, social media, providing creative direction relating to pitch packages, property brochures, and all related marketing materials as well as providing administrative support.



MID-AMERICA®
Real Estate-Minnesota, LLC

MINNESOTA MARKET

Q3 2023 NOTABLE RETAIL TRANSACTIONS

	Property/Location	Date Sold	GLA Sold	Sale Price/ Price PSF	Year Built/Reno	Occupancy	Anchors
1	 Northtown 405-554 87th Lane NE Blaine, MN	8/23	720,674	\$31,000,000 \$73	1972	88%	Champs, Best Buy, Becker Furniture, Bath & Body Works, Chipotle, Hobby Lobby, Verizon, T-Mobile, Kay Jewelers
2	 Canal Park 302 Lake Ave S Duluth, MN	8/23	45,260	\$8,500,000 \$188	1886	n/a	Canal Park General Store & Gas, Cloud 9 Bistro, Green Mill, Grizzly's, Teeny Weeny Miniature Cottage
3	 Burnsville Center 1178 Burnsville Center Burnsville, MN	9/23	609,991	\$6,250,000 \$10	1977	61%	Aeropostale, Bath & Body Works, Chuck E Cheese, Eddie Bauer, DSG, Finish Line, Famous Footwear, JCP, Hot Topic, Macy's
4	 Cottage Grove Plaza 8711 E Point Douglas Rd S Cottage Grove, MN	8/23	29,147	\$5,995,000 \$206	1991	100%	Dollar Tree, T-Mobile, Family & Cosmetic, GNC, Great Clips, Chuck & Don's, Ashland Credit Union, Sally Beauty
5	 Oak 36 5980 Krueger Lane Oak Park Heights, MN	9/23	12,279	\$5,819,522 \$474	2018	100%	Crisp & Green, Potbelly, Shoptikal, AT&T, Aspen Dental



MID-AMERICA®
Real Estate-Minnesota, LLC

MINNESOTA MARKET



Q3 2023 NOTABLE RETAIL TRANSACTIONS

	Property/Location	Date Sold	GLA Sold	Sale Price/ Price PSF	Year Built/Reno	Occupancy	Anchors
6	 TJ Maxx 1901 1st Street S Willmar, MN	9/23	23,387	\$4,450,000 \$194	2023	100%	TJ Maxx
7	 3924-3926 W 50th St Edina, MN	7/23	12,960	\$3,900,000 \$301	1971	100%	At Home & Co, District on 50th Salon & Spa
8	 5816 Lincoln Dr Edina, MN	8/23	10,788	\$3,500,000 \$324	2000	n/a	Caribou Coffee, D Brians' Deli, Edible Arrangements, Edina Nails, UPS Store, Volono
9	 Hillside Mall 542 Cedar St Monticello, MN	8/23	26,539	\$3,304,000 \$125	1991	100%	Brittos Burrito, Craig Chi- ropractic, Soulstis, Going In Style Salon, Nordic Brew Pub, Omi Learning Center, Uptown Eye Care
10	 Manka Plaza 110 11th St NE Little Falls, MN	9/23	12,000	\$2,130,000 \$178	1990	100%	Subway, Great Clips, Papa Murphy's, State Farm, Verizon



MID-AMERICA®
Real Estate-Minnesota, LLC

MINNESOTA MARKET Q3 2023 NOTABLE RETAIL TRANSACTIONS

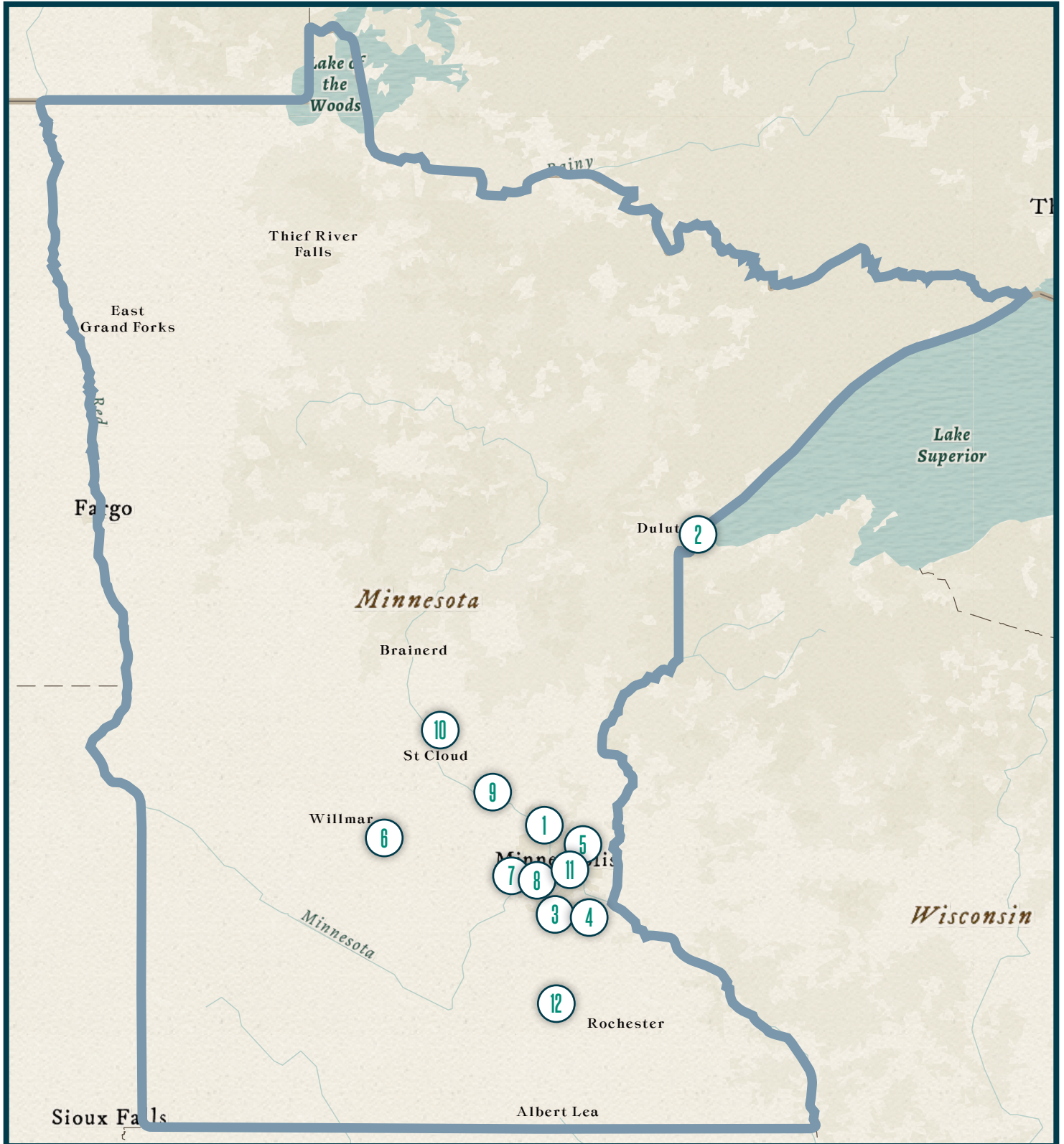
	Property/Location	Date Sold	GLA Sold	Sale Price/ Price PSF	Year Built/Reno	Occupancy	Anchors	
11		5406 S 34th Ave Minneapolis, MN	7/23	18,484	\$1,600,000 \$87	1935	100%	Berry Sweet Kitchen, Crafters Haven, Hiawatha Dry Cleaners
12		609-615 4th St NW Faribault, MN	8/23	7,092	\$1,120,000 \$158	1998	100%	Great Clips, Papa Murphy's, Mizuki Fusion





MINNESOTA MARKET

Q3 2023 NOTABLE RETAIL TRANSACTIONS MAP



THANK YOU



MID-AMERICA®

MidAmericaGrp.com



▶ MINNESOTA

5353 Wayzata Blvd, Suite 650
Minneapolis, Minnesota 55416
952.563.6600

ILLINOIS

One Parkview Plaza, 9th Floor
Oakbrook Terrace, Illinois 60181
630.954.7300

CHICAGO

410 N Michigan Ave, Suite 1100
Chicago, Illinois 60611
630.954.7327

MICHIGAN

38500 Woodward Ave, Suite 100
Bloomfield Hills, Michigan 48304
248.855.6800

WISCONSIN

600 N Plankinton Ave, Suite 301
Milwaukee, Wisconsin 53203
414.273.4600