TWIN CITIES MINNESOTA RETAIL INVESTMENT SUMMARY Q1 2024

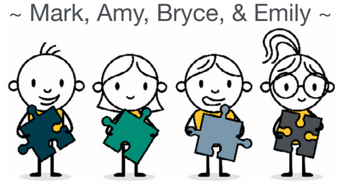
Dear Valued Investors and Clients,

We are happy to report that retail real estate is having its moment! The fundamentals of retail real estate remain healthy with fewer new construction deliveries and the scarce supply is fueling a competitive market! Not surprisingly, the vast demand is flowing into unanchored neighborhood strip centers, the darling of retail real estate investment, however, that is not reflective of the transactions in the Twin Cities Q1 investment sales activity.

In this newsletter we will take a deep dive into transactions that took place in Q1 and provide some key characteristics as to what sold, who sold and who bought retail real estate in the first quarter of 2024.

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

~ Mark, Amy, Bryce, & Emily ~

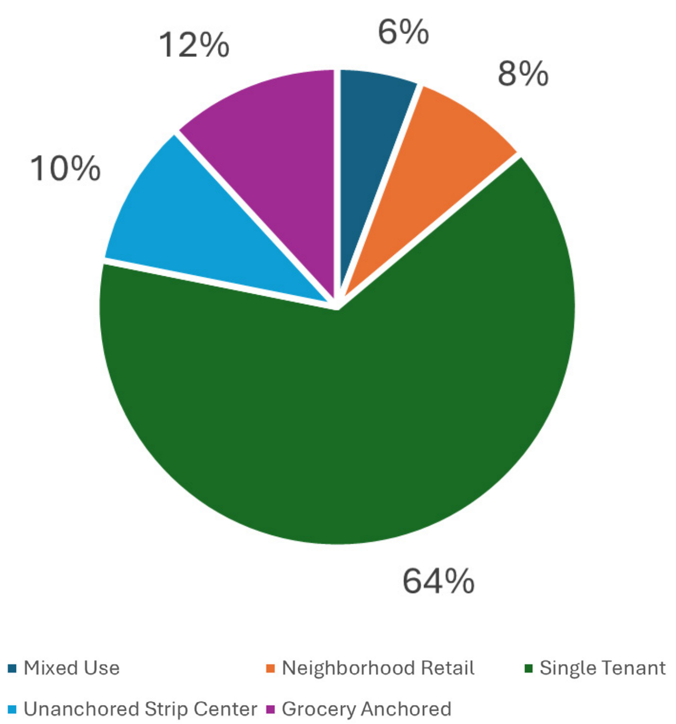


$128M
Q1 Retail Investment Sales In Metro MSP

7.3%
Avg Retail Vacancy Rate (not including MPLS & St Paul CBD)

353K SF
Retail Leased in Q1

Q1 Retail Investment Sales Volume by Category

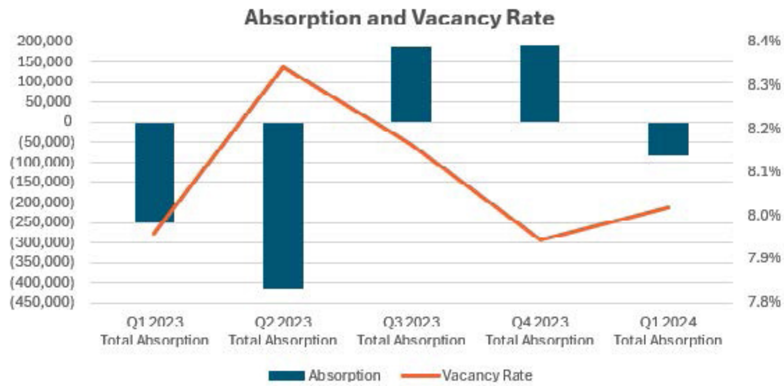


10 KEY TAKE AWAYS FROM RETAIL SALES IN Q1 2024

- Overall retail transaction volume is down 13.5% compared to Q1 2023.
- **Single Tenant was by far the largest category but offset by one large transaction (Cabela's in Rogers for $42M) also the largest retail sale of the quarter.**
- Only one grocery anchored retail center traded in Q1, Cub Foods anchored, Forest Lake Marketplace.
- **Buyers were made up of mostly private investors and private equity funds.**
- There are no OBVIOUS distressed sales.
- **Sellers are mostly private investors and private equity funds.**
- Unanchored retail, the most sought-after subcategory of retail, made up only 10% of the quarter's sales volume.
- **Average sale price per square foot was $295.**
- Restaurants made up 13% of the single tenant sales volume.
- **There were no power centers or junior box lineups sold in Q1.**

TWIN CITIES MINNESOTA
RETAIL INVESTMENT SUMMARY
Q1 2024

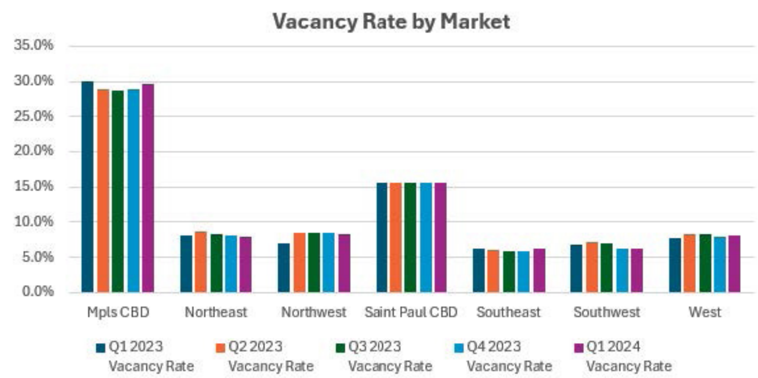
Q1 2024 RETAIL ABSORPTION & VACANCY RATE



7.3% Average Vacancy Rate (not including MPLS & St Paul CBD)

Source: MNCAR Q1 2024 Retail Report

Q1 2024 RETAIL VACANCY RATE BY MARKET



Southwest Leads Market at 6.2%

Source: MNCAR Q1 2024 Retail Report

Q1 2024 NOTABLE RETAIL SALES

$128M Twin Cities Retail Investment Sales Volume in Q1 2024

Forest Lake Marketplace | Forest Lake, MN

Price: $15,200,000

GLA Sold: 93,853

PSF: $162

Occupancy: 98%

Anchors: Cub Foods, MGM Liquor, UPS

Click for Expanded Q1 Notable Transactions List

TWIN CITIES MINNESOTA
RETAIL INVESTMENT SUMMARY
Q1 2024

OUR TEAMS' ACTIVE LISTINGS

Goodyear | STNL

GLA: 22,240 SF

EMAIL US FOR DETAILS!

Riverdale Commons | Coon Rapids, MN
GLA: 227,838 SF
Occupancy: 99.5%
Tenants: Total Wine, Petco, Five Below Sportsman's Warehouse, HomeGoods, Party City
EMAIL US FOR DETAILS!

Hastings Midtown | Hastings, MN
GLA: 59,061 SF
Occupancy: 95%
Land Size: 3.37 AC
Price: $8,200,000
Cap Rate: 7.46%
Tenants: Perkins, T-Mobile, Dollar Tree, Wuollet Bakery, Salvation Army

Popeyes | Oak Park Heights, MN
GLA: 2,515 SF
Occupancy: 100%
Land Size: 0.88 AC
Price: $2,000,000
Cap Rate: 5.0%
Tenants: Popeyes

Click HERE to see all of our listings

MID-AMERICA *knows* RETAIL

MARK ROBINSON, CCIM | PRINCIPAL

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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. Awarded 2022 MNCAR Broker of The Year.

AMY SENN | VP INVESTMENT SALES

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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 25 year career, Amy has specialized in retail real estate.

BRYCE THOMPSON | RETAIL SPECIALIST

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Bryce is a Retail Specialist, focusing on leasing representation, and Investment Sales for Mid-America Real Estate-MN, LLC. He is responsible for working with owners, developers, and retailers to provide leasing services. Bryce also focuses on the sale of retail properties in the Twin Cities and greater Minnesota.

EMILY UNGER | MARKETING

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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.

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Real Estate-Minnesota, LLC

MINNESOTA MARKET
Q1 2024 NOTABLE RETAIL TRANSACTIONS

		Property/Location	Date Sold	GLA Sold	Sale Price	Price PSF	Anchors
1		Forest Lake Marketplace 2009 W Broadway Ave Forest Lake, MN	3/18	93,853	$15,150,000	$161	Cub Foods MGM Liquor UPS, Tobacco
2		Cabela’s 20200 Rogers Drive Rogers, MN	3/15	151,623	$41,795,379	$276	Cabela’s
3		Northtown Retail 499 Northtown Drive Blaine, MN	3/15	10,034	$4,700,000	$468	Chipotle, Verizon FedEx, GameStop Potbelly
4		Northtown Center 17089th Ave NE Blaine, MN	2/29	56,757	$4,200,000	$74	Salvation Army Salon Concepts
5		Goodwill 4450 12th Ave E Shakopee, MN	2/22	20,172	$4,425,000	$219	Goodwill

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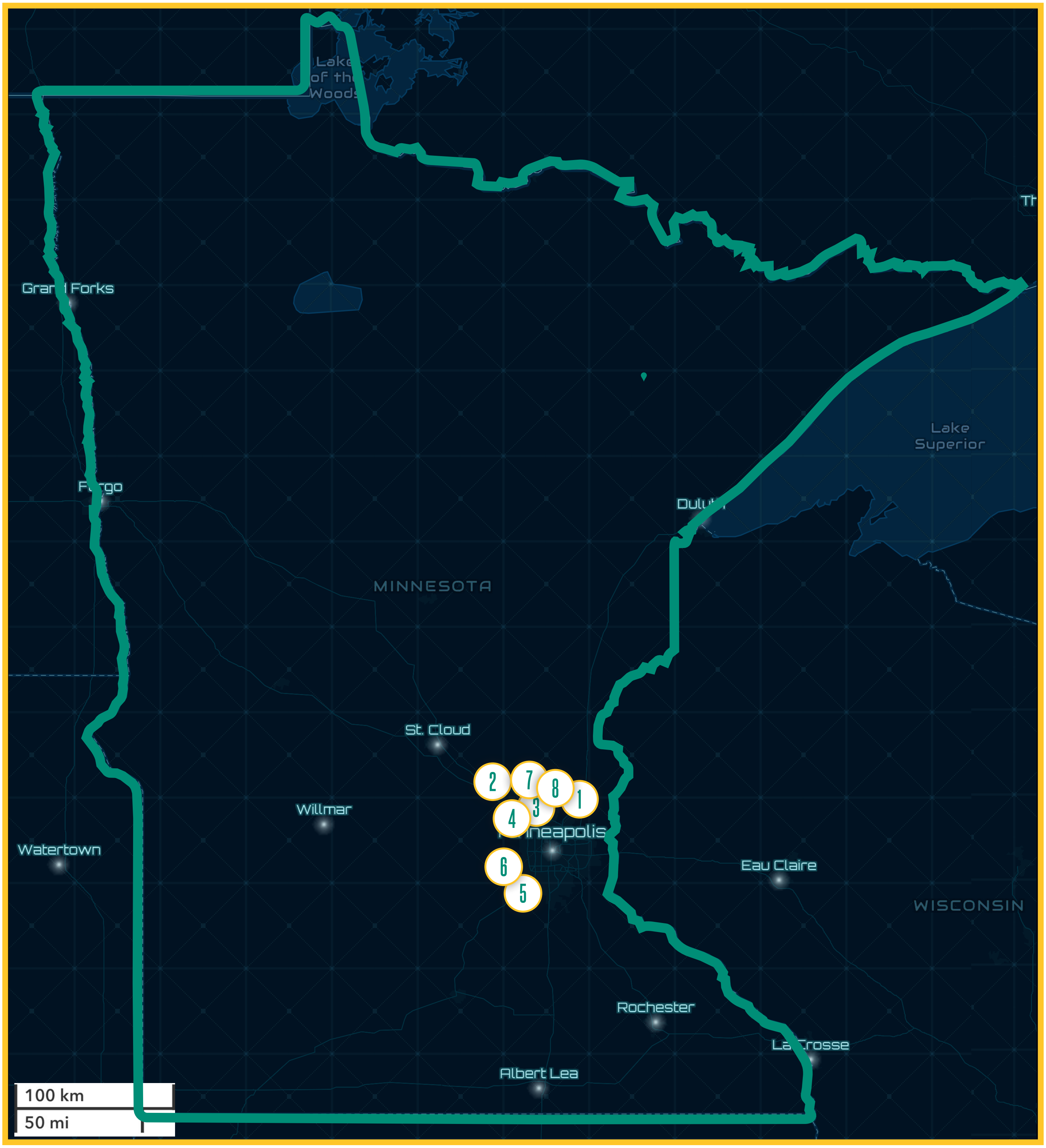
MINNESOTA MARKET
Q1 2024 NOTABLE RETAIL TRANSACTIONS

		Property/Location	Date Sold	GLA Sold	Sale Price	Price PSF	Anchors
6		17420 Minnetonka Blvd Minnetonka, MN	2/20	6,959	$1,745,998	$251	Great Harvest Bread Sushi Grill
7		Coon Rapids Square 3005 Coon Rapids Blvd Coon Rapids, MN	1/16	40,955	$3,250,000	$79	Goodwill Dollar Tree
8		Village Shops 30 Central Street Circle Pines, MN	1/3	13,475	$1,175,000	$87	Mint Salon & Spa Liquor Barrel

MINNESOTA MARKET
Q1 2024 NOTABLE RETAIL TRANSACTIONS MAP



THANK YOU

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