

FLATS ON FELTY ROCHESTER, MN

234-unit Multifamily Development

PROJECT HIGHLIGHTS

- The Flats on Felty is a 234-unit multifamily development within a 10-minute commute of the Mayo Clinic, which will enable us to offer housing at favorable market rates to the well-compensated and growing healthcare employment sector.
- Optimally located, the site is 2.5 miles from downtown, close enough for quick commutes yet far enough to be quiet and obtain the benefit of the suburban lifestyle with abundant greenspace.
- Adjacent amenities include a golf course, park containing mountain bike trails, greenspace, and a baseball/kickball diamond. Immediately across the highway is the Rochester Community and Technical College.



INVESTMENT SUMMARY

- 234-unit multifamily development will consist of 3 modern buildings surrounded by 314 surface parking spaces.
- Amenities will include a pool, leasing lounge, fitness room, yoga studio, package/mail room, working stations, conference rooms, kitchen space, coffee bar, dog washroom, lounge space with fireplace, restrooms and storage space.
- Apartments will offer renters highly amenitized, open concept units at market rates.

Business Plan: Build & Exit

Estimated Project Cost	\$56,873,421
Cost / Unit	\$243,049
Total Equity Required	\$12,309,592
Expected Construction Loan	\$34,500,000
Financed Amount	60% LTV
Expected Hold Period	3-5 Years
Yield on Cost (Stabilized NOI / Project Cost)	7.07%
Projected Returns*	19.08%

*- Risks and Limitations- the risks associated with making investment decisions based on targeted metrics is that they are targets. Commercial real estate investing is risky, and that means that the investment will not always play out according to expectations. Targeted returns involved multiple degrees of uncertainty and risk related but not limited to rental rates, lease expiration dates, occupancy rates, length of the investment period, exit cap rates, and interest rates.

- Targeted returns shown are the XIRR, or Extended Internal Rate of Return, which is a time-weighted performance calculation that measures the actual return of an investment with irregular cash flows

- Criteria and Assumptions- how a sponsor approaches the underwriting process (conservative, moderate, aggressive) may change the assumptions of the model which include targeted: cash yield, equity multiple, IRR, investment period and distribution rates

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ROCHESTER, MN

SITE PLAN



Unit Mix				
BR/BA	Units	SF	Rent/Month	Rent/SF
1/1	129	615	\$1,600	\$2.60
2/2	75	970	\$1,950	\$2.01
3/2	30	1,300	\$2,250	\$1.73
Total/Average	234	817	\$1,796	\$2.30
Details				
# of Buildings			3	
# of Units			234	
# of Parking Spaces			314	
Acreage			8.48	

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