



TO: Ms. Alisha Gray, Economic Development & Housing Manager  
City of Minnetonka

FROM: Brent Wittenberg, CRE, Vice President  
Marquette Advisors

R.E.: Minnetonka Housing Market Update

DATE: September 1, 2022

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## **BACKGROUND & UNDERSTANDING**

The City of Minnetonka (“City”) has seen a considerable ramp up in housing construction recently, particularly multifamily rental housing and especially within the Opus Park, as several infill/redevelopment projects are underway and planned for this area. As such, the City (both staff and elected officials) would like to better understand what’s happening in the residential market, especially related to supply & demand trends, both regionally and within Minnetonka. In this regard, the City retained Marquette Advisors to assess current and projected market conditions and provide guidance to the City regarding future housing needs and the potential demand for various housing types in the community. This information will be used by the City as it plans for future development and redevelopment city-wide, especially along the SW LRT corridor and within the Opus Park.

This report provides a concise overview of Minnetonka and Twin Cities housing market conditions, with a particular focus on new housing production and potential supply-demand imbalance due to market inefficiencies and other factors. Housing types examined include for-sale housing, market rate apartments, age-restricted senior housing, and affordable housing.

Presented first is a summary of our city-wide housing demand forecast for Minnetonka, shown on Tables 1 and 2 on the following page. This is followed by a discussion of market conditions. The appendix includes more detail including a variety of metrics in tabular and graph formats.

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**TABLE 1**  
**Housing Demand Potential -- General Occupancy (Non-Senior) Rental and For-Sale Residences**  
**City of Minnetonka**

HH Group by % of AMI	1-5 Years			5-10 Years			10-15 Years			15-20 Years		
	Rental	For-Sale	Total	Rental	For-Sale	Total	Rental	For-Sale	Total	Rental	For-Sale	Total
30% AMI	1,083	0	1,083	150	0	150	115	0	115	115	0	115
50% AMI	871	0	871	217	0	217	165	0	165	165	0	165
60% AMI	1,288	0	1,288	258	0	258	195	0	195	195	0	195
80% AMI	958	0	958	333	0	333	445	0	445	445	0	445
Market Rate	1,500	300	1,800	1,200	600	1,800	900	450	1,350	900	450	1,350
<b>Total</b>	<b>5,700</b>	<b>300</b>	<b>6,000</b>	<b>2,158</b>	<b>600</b>	<b>2,758</b>	<b>1,820</b>	<b>450</b>	<b>2,270</b>	<b>1,820</b>	<b>450</b>	<b>2,270</b>

**Projected New Supply**

HH Group by % of AMI	1-5 Years		
	Rental	For-Sale	Total
30% AMI	0	0	0
50% AMI	93	0	93
60% AMI	26	0	26
80% AMI	77	0	77
Market Rate	947	150	1,097
<b>Total</b>	<b>1,143</b>	<b>150</b>	<b>1,293</b>

**Remaining Unmet Demand**

HH Group by % of AMI	1-5 Years		
	Rental	For-Sale	Total
30% AMI	1,083	0	1,083
50% AMI	778	0	778
60% AMI	1,262	0	1,262
80% AMI	881	0	881
Market Rate	553	150	703
<b>Total</b>	<b>4,557</b>	<b>150</b>	<b>4,707</b>

*Source: Marquette Advisors*

**TABLE 2**  
**Senior Housing Demand Summary by Product Type/Service Level (2022-2031)**  
**City of Minnetonka**

Product Type/Service Level	Short Term Demand (1-5 yrs)	Long-Term Demand (5-10 yrs)
Adult/Few Services & Independent	396	447
Assisted Living	207	367
Memory Care	66	121
<b>Total</b>	<b>669</b>	<b>935</b>

*Source: Marquette Advisors*

## **MINNETONKA HOUSING DEMAND SUMMARY**

Marquette Advisors has developed estimates of housing demand in Minnetonka over 20 years. The forecast is segmented into 5-year increments by product type as shown on the preceding tables. The following points summarize our projections.

### ***General Occupancy (Non-Senior) Housing Demand***

- 1–5-year demand is measured from January 1, 2022 through December 31, 2026. Our calculations for this initial timeframe shown on Table 1 indicate potential demand for approximately 6,000 general occupancy (non-senior) housing units in the community. This includes an estimated 1,800 market rate units and another 4,200 affordable housing units.
- It is important to note that this short-term affordable housing demand estimate at 4,200 units far exceeds the projected mid-range and long-range demand forecasts because it also includes current “pent-up” demand for affordable housing in the community. Pent-up demand as measured here accounts for an estimated 3,200 households currently living in Minnetonka who earn less than 80% of AMI and are “housing cost burdened,” meaning they must allocate more than 30% of their monthly incomes toward their housing cost. The remaining 1,000 units of affordable housing demand as shown for the 1–5-year period is attributable to household formation and in-migration to Minnetonka during this time.
- Table 1 also compares estimated 1-5-year demand with projected new housing construction in Minnetonka during this time, based on our review of projects currently under construction or proposed in the city. From this analysis, it appears that as of this writing there is likely to be remaining unmet demand for another 700 or so market rate units in 4,000 affordable housing units in Minnetonka. This is the estimated demand over and above what is currently under construction or proposed in the city.
- We note that the majority of market demand (and expected new supply) is in fact for rental housing, especially in the short-term. We estimate demand for around 300 new for-sale housing units in Minnetonka over 5 years. Much of this demand is expected to remain unmet, due to market challenges which are impacting both buyers and homebuilders – notably rising construction costs and also mortgage rates. These issues are discussed further in this report. Home ownership in Minnetonka has become unattainable for many young couples and families. We note the median sale price in the community thus far in 2022 is \$465,000 according to MLS statistics. Presently there are 109 homes for sale in Minnetonka with a median list price of \$599,000.

- Table 1 also shows 5–10-year demand in Minnetonka estimated at 2,758 units, decreasing to 2,270 units from 10-15 and 15-20 years. These forecasts are based on our review of regional growth and economic trends, as well as Met Council household growth projections at the macro (metro area) level. The region is projected to grow by about 11,400 households/year from 2020-2030, decreasing to around 9,600 households/year between 2030-2040 according to Met Council projections. The Met Council forecast indicates Minnetonka should capture around 2.1% of regional household growth between 2020-2030, decreasing to about 1.8% from 2030-2040. However, we believe Minnetonka has the potential to capture a greater percentage of regional household growth, if in fact a sufficient supply of attractive and appropriately priced housing units are constructed in the community to meet this demand. Our forecast for Minnetonka is based on a more aggressive 4% capture of regional household growth from 2020-2030, declining slightly to 3.5% from 2030-2040.
- The more aggressive 3.5% to 4.0% capture rates for Minnetonka are reasonable in our view, based on a number of factors:
  - The city’s strong economic base – Minnetonka accounts for approximately 3.5% of metro area employment presently, including major corporate headquarters such as United Health Group, Cargill and Starkey Laboratories. As well, Minnetonka also provides a convenient connection to other major employment nodes just outside the city, such as the “Golden Triangle” area of Eden Prairie and the I-494 and I-394 corridors. In fact, an estimated 240,000 jobs are based within a 10-minute drive from Minnetonka’s “Opus Park” area, representing about 14% of total employment in the metro area.
  - Attractiveness factors – the availability of goods/services in the community with a strong retail & commercial base, convenient freeway access, walkable neighborhoods, community amenities such as parks & trails, strong schools, etc.
  - Construction of SW-LRT, further enhancing the appeal of Minnetonka (and other SW suburbs) for commuters. Construction of SW-LRT station areas also brings with it opportunities for redevelopment and infill housing. The impact of this project is already being felt in the community, with 482 new housing units completed in the Opus Park recently and 848 units now under construction in three new developments. Demand for housing in this area is expected to peak around 2027-2029 following completion of SW-LRT in 2027.

### ***Senior Housing Demand***

- Our senior housing demand estimates are summarized on Table 2 (see report p. 2). Senior housing demand in Minnetonka is estimated at 669 units within 5 years, increasing to 935

units between 5-10 years. Presently there is one senior housing development under construction in Minnetonka, *Amira*, comprising 186 “active adult” units. More than 1/2 of projected market rate senior housing demand in Minnetonka over 10 years is expected to be for this product type and similar developments restricted to adults age 55+ offering few, if any services. This should include a mix of for-sale (including co-ops) and rental units. Additional senior housing inventory information is provided in the Appendix on Tables 13 and 14. Detailed demand calculations for senior housing by service level (independent, assisted living, and memory care) are provided on Tables 15, 16, and 17.

## **HOUSING MARKET OBSERVATIONS**

The following are key points from our analysis of housing market conditions in Minnetonka, the southwest suburban market area, and the Twin Cities metro area as a whole.

**Market Rate (Non-Senior) Apartments Account for a Growing Share of Twin Cities Housing Production** – The Twin Cities market is in the midst of an apartment construction boom. Over the past 5 years (2017-2021), nearly 29,000 market rate rental units have been constructed in the metro area. This is nearly double the number of units constructed during the preceding five years. A summary of Minnetonka and Metro Area housing construction from 2017-2021 is shown below on Table 3.

Product Type	Minnetonka			Twin Cities Metro Area		
	New Units	%	% of Metro	New Units	%	% of Metro
For-Sale	155	9.3%	0.4%	34,608	37.9%	100.0%
Market Rate Rental	766	46.2%	2.6%	28,954	31.7%	100.0%
Affordable Rental	582	35.1%	3.2%	18,449	20.2%	100.0%
Senior (market rate)	155	9.3%	1.7%	9,277	10.2%	100.0%
<b>Total</b>	<b>1,658</b>	<b>100.0%</b>	<b>1.8%</b>	<b>91,288</b>	<b>100.0%</b>	<b>100.0%</b>

The increase in apartment construction in Minnetonka and throughout the metro area correlates with strong demand for this type of housing, as apartment absorption<sup>1</sup> (demand) has kept pace with new supply. As of mid-year 2022 metro area apartment vacancy stood at 4.0% (4.6% including new supply still in lease-up). Market rate apartment vacancy in Minnetonka was even lower at just 2.4% in the Summer of 2022. A vacancy rate of less than 5% is generally considered to reflect under-supply (i.e. an “owner market”), with insufficient supply available to meet demand from prospective renters. Based on the current vacancy rate, it is apparent that Minnetonka, along with many other submarkets in the metro area, remains under-supplied and should continue to support additional apartment housing.

Minnetonka has accounted for only 1.8% of metro area housing construction over the past five years, including 2.6% of market rate rental and 3.2% of affordable housing production. We’ve noted previously in this memo that we believe a 3.5% to 4.0% capture rate is in fact realistic for Minnetonka, based on a review of its economic base and attractiveness factors. However, this assumes an adequate supply of housing is in fact produced to meet this level of demand – this will require infill and redevelopment activity at high densities, and, in most cases, financial feasibility will require public private partnerships.

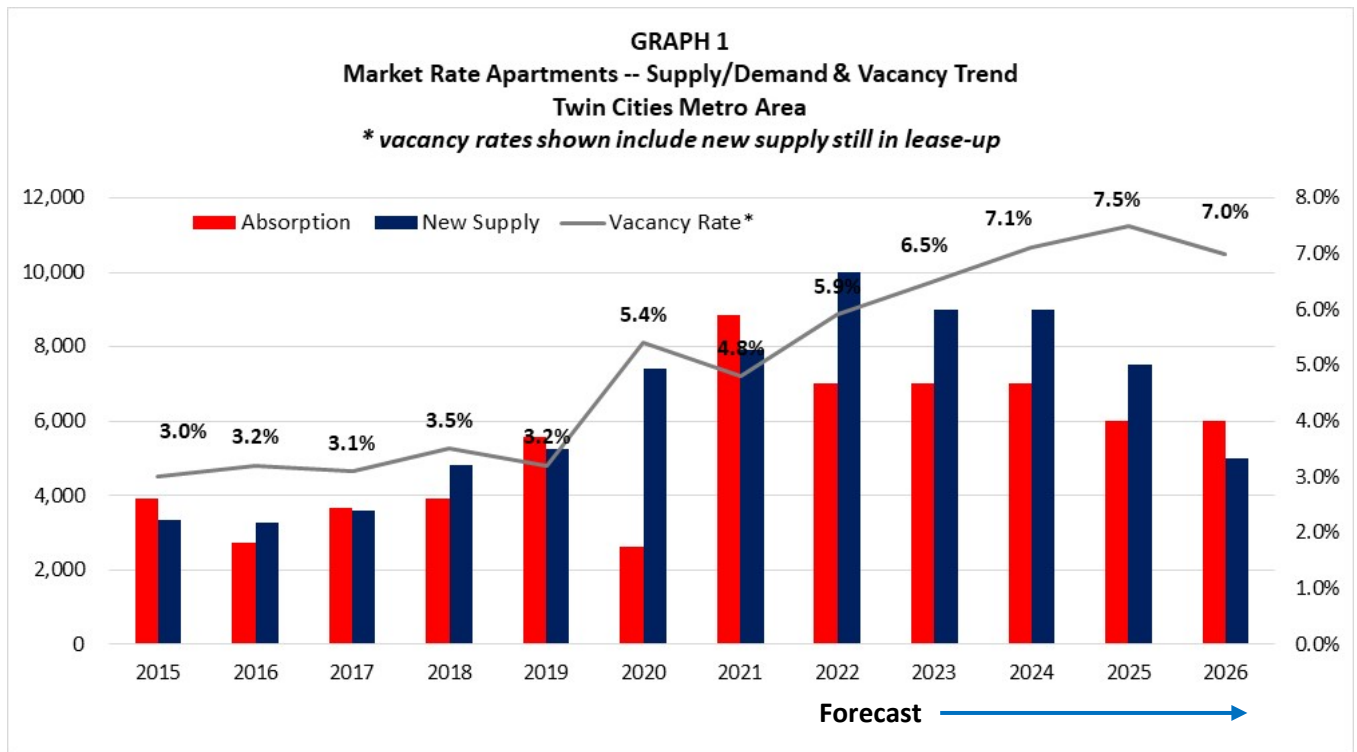
<sup>1</sup> Absorption (Definition) – the increase in the number of occupied units over time (i.e. apartment demand).

***Record Demand for Market Rate Apartments in the Metro Area*** – Developers have responded to strong demand for rental housing from varied household groups, although “Millennials” continue to comprise the primary demand segment. That said, many other household groups are choosing a rental over a home purchase due to both lifestyle and economic factors. The Twin Cities market saw record absorption of more than 8,800 market rate apartment units 2021, a trend which has continued into 2022 as another 3,985 units were absorbed through the first six months of the year. This trend data is shown on Tables 8 & 9 in the Appendix, along with data for the southwest metro area and the city of Minnetonka, specifically.

Although conditions vary somewhat by submarket, apartment managers generally have noted a surge in demand for all unit types, ranging from small Studio and Alcove floorplans to larger 2BR and 3BR apartments, as well as rental townhomes and an emerging market of single-family rental homes. Demand for smaller unit types across the Twin Cities comes from primarily young, single renters. Meanwhile, demand for larger unit types comes primarily from couples – this includes mostly older Millennials, although renter characteristics vary by submarket. Secondary demand segments for 2BR apartments include roommate situations, single parents and couples with young children, as well as older adult “empty nesters.”

***Rising Housing Costs Keeping Millennials in Rental Housing*** – Millennials are now between the ages of 25 and 40. Although many older Millennials may have considered a home purchase recently, large numbers remain in rental housing as they have been challenged by a low inventory of for-sale listings, a highly competitive market, and rising prices. Further complicating this situation, mortgage rates have ramped from 3.0% to nearly 7% in recent months. The impact of this rate increase on a \$400,000 mortgage is +\$975 per month, keeping even more households who might otherwise be homebuyers in rental housing. This situation in the housing market will not resolve in the short term. Therefore we expect a growing share of older Millennials will continue to rent their housing. Many will remain in apartments, while others seek alternatives such as rental townhomes or single-family home rentals.

***Expect Rising Apartment Vacancy in Some Parts of Metro Area with New Supply Outpacing Demand (2022-2026)*** -- Apartment demand has lagged only slightly behind new supply in the metro area recently, with some submarkets becoming temporarily over-supplied – these examples are mostly urban, such as downtown Minneapolis, which has experienced an elevated vacancy rate as several new developments are leasing up. On a macro basis we expect that supply will exceed demand from 2022-2025. Around 35,000 new market rate apartment units are expected to deliver in the metro area from 2022-2025. Meanwhile we expect demand for approximately 27,000 units during this period. As such, the metro area’s overall market rate apartment vacancy rate is projected to shift slightly out of balance, likely exceeding 7%+ at points as this new supply is absorbed. Graph 1 on the following page shows historical data and our forecast of market rate apartment supply & demand for the metro area through 2026.



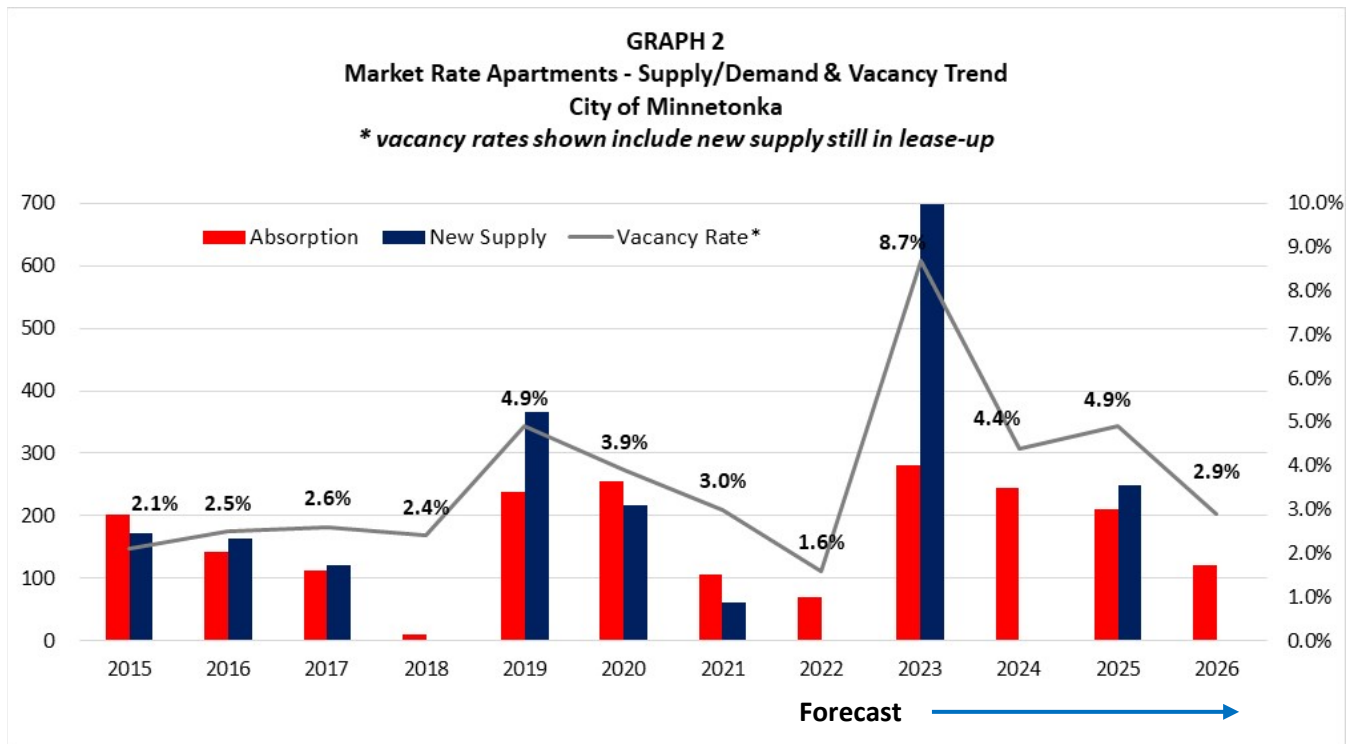
**Ramp-up in Suburban Apartment Construction, Including SW Metro Suburbs** – Urban submarkets led the surge in apartment construction beginning in 2013, but suburban construction has ramped up considerably in recent years. The SW metro area has seen the construction of more than 3,000 market rate apartments from 2019 to date. This includes 644 new units in Minnetonka. Demand has kept pace with this wave of new supply, however, as apartment vacancy stood at 5.4% in the SW metro and just 2.4% in Minnetonka at the mid-point of 2022.

From 2022-2026, the SW metro is expected to see the addition of more than 8,000 market rate apartments, accounting for approximately 20% of metro area construction during this time. The SW-LRT corridor accounts for the lion’s share of the current development pipeline, with considerable activity focused around station areas in St. Louis Park, Hopkins, Minnetonka and Eden Prairie. SW-LRT corridor communities St. Louis Park, Hopkins, Minnetonka and Eden Prairie are expected to account for about 4,700 new market rate units during this period. This includes 947 new units in Minnetonka (about 2.7% of metro area construction), while neighboring cities Hopkins (1,424 units), St. Louis Park (1,272 units) and Eden Prairie (1,056 units) account for a larger share of current SW metro development.

Table 11 in the Appendix shows a listing of under construction and proposed general occupancy (non-senior) rental housing developments in Minnetonka and nearby communities at this time, including both market rate and affordable housing units and the expected timing of these projects.



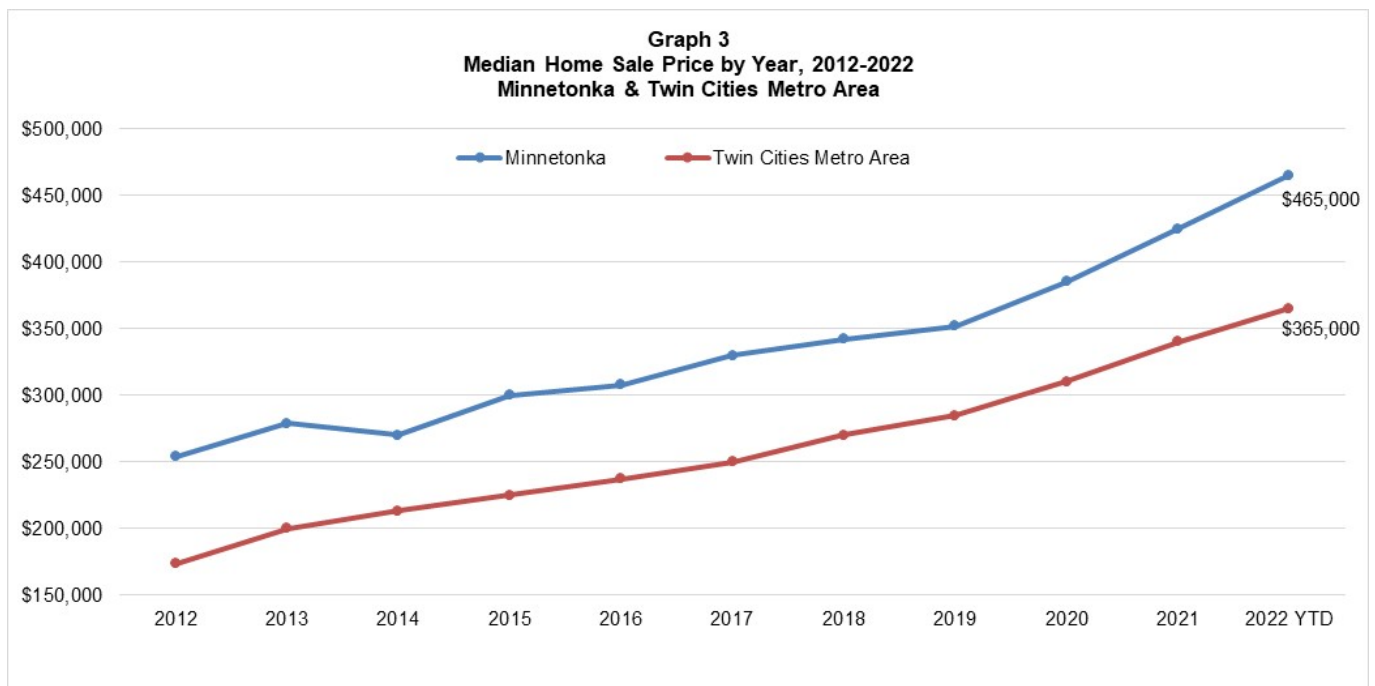
**Expect Continued Low Vacancy in Minnetonka’s Market Rate Apartments, as City Remains Under-Supplied from 2022-2026** -- Over the next five years, we expect another 947 market rate apartments will open in Minnetonka. We’ve noted previously that we estimate 5-year demand to comprise around 1,500 units (300/year on average). As such, while a temporary upward adjustment in apartment vacancy is expected in 2023 when nearly 700 new units open, we expect this new supply will be mostly absorbed in 2024 with vacancy declining to around 4.4% by year-end. This trend data is shown below on Graph 2. From our analysis it appears there is “room” for another 500+ market rate apartments in the Minnetonka, over and above the 947 market rate units currently under construction and formally proposed in the city.



**A Challenging For-Sale Housing Market** -- For-sale housing demand over the past several months far exceeds supply across most Twin Cities submarkets, including Minnetonka. Homebuilders are simply not able to construct new for-sale housing that is affordable to a large portion of the area’s workforce. A further complication in Minnetonka is a limited supply of developable land which is prohibitive to subdivision activity for single-family housing. Meanwhile, challenges such as rising construction costs and construction warranty laws make higher density housing development such as condos very difficult across the Twin Cities – exceptions are at the very high end of the market (i.e. \$1.0m+ sale prices) where developers can generate an attractive return on investment. Because of these issues, the city of Minnetonka may in fact need to take a more active role in supporting for-sale housing development in the community – examples may include land assembly and write down, as well as TIF, and creative public-private partnerships in order

to increase opportunities for entry-level priced for-sale housing construction such as townhomes and condos.

Presently, there are very limited opportunities for young couples and families to purchase homes in many Twin Cities locations, including Minnetonka. The city has seen very limited new construction activity of this product type -- only 155 new for-sale housing units have been added in the city over the past five years, accounting for just 0.4% of metro area new construction. With very little new construction and a relatively few listings in the community, Minnetonka has seen considerable price appreciation over several years. This trend is illustrated on Graph 3 below. Because of this, for-sale housing in the community is unattainable for many young couples and families. The median sale price in Minnetonka through the first half of 2022 was \$465,000, a full \$100,000 higher than the median price for the metro area as a whole. Minnetonka’s median sale price has increased by more than 35% in less than five years. As of this writing, there are 109 active listings in Minnetonka with a median list price of \$599,000.



		Median Home Sale Price by Year										
		2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 YTD
<b>Minnetonka</b>		\$254,000	\$279,000	\$270,000	\$300,000	\$307,750	\$329,900	\$342,000	\$352,000	\$385,000	\$425,000	\$465,000
	<i>% Change by Year</i>		9.8%	-3.2%	11.1%	2.6%	7.2%	3.7%	2.9%	9.4%	10.4%	9.4%
<b>Twin Cities Metro Area</b>		\$173,390	\$199,900	\$213,000	\$225,000	\$237,000	\$250,000	\$269,900	\$285,000	\$310,000	\$340,000	\$365,000
	<i>% Change by Year</i>		15.3%	6.6%	5.6%	5.3%	5.5%	8.0%	5.6%	8.8%	9.7%	7.4%

Source: Mpls. Area Association of Realtors-Northstar MLS

**Still Considerable Demand for Affordable Housing in Minnetonka Despite Recent Developments**

– Minnetonka has seen the recent (2021) addition of 482 affordable housing units in two Opus Park developments by Dominion. This includes 262 age-restricted senior housing units (age 55+) and 220 workforce housing units, all of which are restricted to households earning <60% of AMI. Even with these recent additions, we estimate there are still more than 3,200 Minnetonka households who remain “housing cost burdened.” Additionally, annual affordable housing demand due to household formation and in-migration to the community is estimated at approximately 190 units per year going forward.

**Shrinking Supply of NOAH Housing in Minnetonka** – Over many years Minnetonka has benefited from a large supply of naturally occurring affordable housing. The community has had a large base of older apartment communities with modest rents. These units continue to be very well occupied. Within the current market environment, however, this NOAH housing supply is very much at risk due to increasing rents. With strong demand for apartments in Minnetonka (and throughout the metro area), many apartment owners have been aggressive with rent increases over the past several months. In some cases, owners have invested in upgrades to older (Class “B” and “C”) properties and have followed that with significant rent increases. Some other owners have not made any significant property improvements but have nonetheless increased their rental rates due to strong demand for rental housing. The net effect of these trends is a shrinking supply of “NOAH” units in Minnetonka. More renters have been effectively “priced out” of this housing. While many of these renters remain in place, they have been forced to allocate a greater % of their incomes (often more than 30%) toward their monthly housing cost.

To illustrate this trend, Marquette Advisors completed a 2022 update to our previous 2017 survey provided on behalf of the City of Minnetonka to demonstrate low vacancy and rising rents across the Minnetonka apartment stock, especially older Class “B” and “C” properties. Table 5 on the following page shows vacancy and average rents by unit type according to our survey. Table 10 in the Appendix includes detailed survey data for individual properties. A total of 4,046 units were included in the survey. For the survey group, the overall average rent increased by 33.2% between 2017 and 2022. Older Class “B” and “C” properties experienced more significant rent growth at +37.2% and +29.2%, respectively, compared to a +15.0% increase at newer Class “A” properties. Table 4 at right summarizes the change in the NOAH unit supply (at 60% AMI) within the surveyed market rate apartment communities between 2017 and 2022. As a result of rent increases, the number of naturally occurring affordable housing units within these buildings has declined by nearly 42% over the past five years.

TABLE 4 Shrinking Supply of NOAH Units, 2017-2022 *				
Unit Type	NOAH Unit Supply at 60% AMI		Change, 2017-2022	
	2017	2022	No.	Pct.
Studio	50	50	0	0.0%
1BR	870	478	-392	-45.1%
2BR	1,029	613	-416	-40.4%
3BR	12	0	-12	-100.0%
4BR	0	0	0	0.0%
Total	1,961	1,141	-820	-41.8%

\* Based on a survey of 22 buildings with a combined 4,046 units.

Source: Marquette Advisors

**TABLE 5**  
**Summary of Market Rents and Vacancy -- 2017 & 2022 Comparison**  
**Surveyed Apartment Comparables by Class -- City of Minnetonka**

	2017				2022				Rent Increases 2017-2022 % Change
	Units Surveyed	Vacancy No.	Pct.	Average Rent	Units Surveyed	Vacancy No.	Pct.	Average Rent	
<b>Total -- All Surveyed Properties</b>									
Stu	74	1	1.4%	\$956	74	0	0.0%	\$1,127	17.9%
1BR	1,547	35	2.3%	\$1,099	1,547	33	2.1%	\$1,472	34.0%
1+Den	211	1	0.5%	\$1,294	211	2	0.9%	\$1,743	34.7%
2BR	1,851	46	2.5%	\$1,292	1,851	53	2.9%	\$1,718	33.0%
2BR+Den/3BR	345	8	2.3%	\$1,743	345	11	3.2%	\$2,330	33.7%
3BR+Den/4BR	18	1	5.6%	\$2,293	18	0	0.0%	\$2,907	26.8%
<b>Total</b>	<b>4,046</b>	<b>92</b>	<b>2.3%</b>	<b>\$1,255</b>	<b>4,046</b>	<b>99</b>	<b>2.4%</b>	<b>\$1,672</b>	<b>33.2%</b>
<b>Class "A" Properties (Built 2010 to date)</b>									
Stu	6	0	0.0%	\$1,335	6	0	0.0%	\$1,430	7.1%
1BR	272	3	1.1%	\$1,541	272	2	0.7%	\$1,797	16.6%
1+Den	32	0	0.0%	\$1,712	32	1	3.1%	\$2,131	24.5%
2BR	151	4	2.6%	\$2,161	151	5	3.3%	\$2,389	10.6%
2BR+Den/3BR	33	0	0.0%	\$2,821	33	1	3.0%	\$3,331	18.1%
<b>Total</b>	<b>494</b>	<b>7</b>	<b>1.4%</b>	<b>\$1,825</b>	<b>494</b>	<b>9</b>	<b>1.8%</b>	<b>\$2,098</b>	<b>15.0%</b>
<b>Class "B" Properties (1980's-90's built)</b>									
Stu	56	0	0.0%	\$947	56	0	0.0%	\$1,117	18.0%
1BR	1,173	30	2.6%	\$1,014	1,173	30	2.6%	\$1,418	39.8%
1+Den	158	1	0.6%	\$1,266	158	1	0.6%	\$1,726	36.3%
2BR	1,517	39	2.6%	\$1,235	1,517	42	2.8%	\$1,690	36.8%
2BR+Den	84	2	2.4%	\$1,462	84	1	1.2%	\$2,057	40.7%
3BR	216	6	2.8%	\$1,715	216	9	4.2%	\$2,301	34.1%
3BR+Den	6	0	0.0%	\$1,908	6	0	0.0%	\$2,720	42.6%
4BR	12	1	8.3%	\$2,485	12	0	0.0%	\$3,000	20.7%
<b>Total</b>	<b>3,222</b>	<b>79</b>	<b>2.5%</b>	<b>\$1,195</b>	<b>3,222</b>	<b>83</b>	<b>2.6%</b>	<b>\$1,640</b>	<b>37.2%</b>
<b>Class "C" Properties (1970's built)</b>									
Stu	12	1	8.3%	\$808	12	0	8.3%	\$1,023	26.7%
1BR	102	2	2.0%	\$888	102	1	1.9%	\$1,221	37.6%
1+Den	21	0	0.0%	\$860	21	0	0.0%	\$1,278	48.6%
2BR	183	3	1.6%	\$1,048	183	6	2.0%	\$1,394	33.1%
3BR	12	0	0.0%	\$1,225	12	0	0.0%	\$2,006	63.8%
<b>Total</b>	<b>330</b>	<b>6</b>	<b>1.8%</b>	<b>\$1,030</b>	<b>330</b>	<b>7</b>	<b>1.9%</b>	<b>\$1,331</b>	<b>29.2%</b>

Source: Marquette Advisors

**Opus Park Residential Development** – Table 6 below summarizes recent and ongoing apartment construction, as well as formal proposals within the Opus Park area of Minnetonka, specifically. Recent developments include the noted 482 affordable housing units here by Dominion, which opened in 2021. No new units are expected to open in 2022. Projected 2023 deliveries include 699 market rate apartments and 149 affordable units. Based on our review of market demand and competitive supply factors, we expect these developments will reach a stabilized occupancy level of 95%+ within approximately 18 months following completion. As noted previously, we expect the overall Minnetonka apartment market will see a temporary upward adjustment in apartment vacancy before restabilizing in the 4.4% to 4.6% range by the end of 2024. It should be noted that the timing of this expected re-stabilization will obviously be impacted by the specific opening dates of these new projects in 2023. At this time, we assume each of the noted 2023 deliveries will occur within the first half of the year.

TABLE 6 Residential Construction -- Recent Additions & Current Pipeline Opus Park -- Minnetonka, MN									
Project Name	Developer	Projected Occupancy Date	Number of Units			Affordable Units by % of AMI			
			Market Rate	Affordable	Total	30%	50%	60%	80%
Legends of Mtk (Senior)	Dominium	2021	0	262	262	0	0	262	0
The Preserve at Shady Oak	Dominium	2021	0	220	220	0	0	220	0
<b>Total Units - 2021</b>			<b>0</b>	<b>482</b>	<b>482</b>	<b>0</b>	<b>0</b>	<b>482</b>	<b>0</b>
<b>Total Units -- 2022</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Minnetonka Station	Linden Street	Early 2023	247	28	275	0	28	0	0
Unnamed	Doran	Spring 2023	297	53	350	0	18	17	18
Unnamed	Wellington	Summer 2023	155	68	223	0	23	0	45
<b>Total Units -- 2023</b>			<b>699</b>	<b>149</b>	<b>848</b>	<b>0</b>	<b>69</b>	<b>17</b>	<b>63</b>
<b>Total Units -- 2024</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Unnamed	Greystar	2025?	248	27	275	0	14	0	14
<b>Total Units -- 2025</b>			<b>248</b>	<b>27</b>	<b>275</b>	<b>0</b>	<b>14</b>	<b>0</b>	<b>14</b>
<b>Total Units, 2022-2025</b>			<b>947</b>	<b>658</b>	<b>1,605</b>	<b>0</b>	<b>83</b>	<b>499</b>	<b>77</b>

Source: City of Minnetonka

Current residential construction in the Opus Park area is generally focused to the west around Red Circle Drive, Bren Road and Shady Oak. Presently, we view this part of Opus Park as being the most attractive for housing based on walkability, access to neighborhood amenities (i.e. shops/restaurants near Shady Oak Road), and quick freeway connections (MN-62, US 169, US 212) which allow for short trips to other commercial and employment nodes.

Most of the retail and restaurant development in Opus Park is also focused in this same area due to factors such as visibility, traffic counts, ease of access and quick freeway connections (MN-62, US 169 and US 212). Retail development is challenging within the central portion of the Opus

Park, including the Minneapolis Mart site, due to much more limited visibility from main avenues and highways, and this area's one-way street network. Even with the completion of LRT and additional housing in the central portion of Opus Park, retail/restaurant development will be difficult due to these factors. Sites nearer to Shady Oak which provide better visibility and good access to freeways are much more conducive to this type of development.

The completion of SW-LRT slated for 2027, along with improvements to the area's street system, trail network and public spaces (making the area more pedestrian and car friendly), will enhance the appeal of interior sites within Opus Park for residential development over the mid- to long-term (i.e. 2027+). Given these factors, and the limited availability of potential development sites elsewhere in Minnetonka, we believe the Opus Park area is poised to accommodate a large share of the city's development over the next 10+ years. We believe the Opus Park area is best suited for the following housing product types:

- High-density market rate, mixed-income and affordable rental housing development, comprising a mix of low to mid-rise buildings.
- Rental townhomes (financial feasibility more challenging due to lower density)
- For-sale townhomes (similar financial feasibility issue)

Absent significant public subsidy, high-rise construction will be very difficult in this area due to construction costs. In fact, low and mid-rise development in most cases will require creative public-private partnerships and the use of tax increment financing.

While we would expect a positive market response to for-sale condos here within 5-10 years, the economics of condo development are extremely challenging due and create a high level of risk for developers due to construction warranty laws. As such, current condo development only makes sense at the very high end of the market at a price point of \$800+ per square foot. We do not view the Opus Park area as being well suited for this type of luxury development.

Senior housing products could also be considered for Opus Park, although this area currently does not provide convenient access to goods/services and medical facilities, while the one-way street network presents another challenge.

Following the opening of 699 market rate apartments in the Opus Park in 2023, we believe the market will support another 500 or so units delivering in the 2025/2026 timeframe. This would include the proposed Greystar project and perhaps one additional project with around 200+ units. In our view, this would allow ample time for these units to absorb prior to the opening of new housing in a large-scale redevelopment of the current Minneapolis Mart site.

**Minneapolis Mart Site** -- Marquette Advisors was asked to opine on the potential for redevelopment of the Minneapolis Mart property. Redevelopment of this 20-acre parcel is assumed to commence in about 2027, with the delivery of new residential units and other project components such as public spaces/amenities and commercial development beginning in 2029. SW-LRT and the Opus Station is expected to be completed in 2027. As noted previously, we believe the Minnetonka market could support an average of 300 new market rate apartment units per year. It is reasonable to expect that much of this new development can be accommodated within the Opus Park. For the Minneapolis Mart site, specifically, we would recommend an initial development phase with around 300 to 350 market rate rental units, perhaps in two buildings with a staggered delivery over approximately 12-18 months. Depending on the structuring of public-private partnerships and the availability of financing, this area could also support an affordable housing component (either stand-alone or mixed-income) with 75 to 100 units (potentially more depending on the amount of subsidy available). A small amount of restaurant and/or retail development may also become viable here following the introduction of more housing, although we caution that one-way streets and challenging access are barriers that must be overcome, not to mention a sufficient supply of convenient parking to support retail and/or restaurant concepts.

We expect that new apartments here will attract renters seeking a modern suburban luxury apartment in a highly-amenitized building with good access to neighborhood amenities and LRT. Improved trails and public spaces, green space and more availability of neighborhood restaurants and gathering spaces will greatly enhance this location. Young single renters are expected to comprise the primary demand segment, with most of these renters seeking smaller unit types. Secondary market segments are expected to include older Millennials (including both singles and couples who continue to rent for the reasons noted in this report), and empty nesters. Both of these groups will show a preference for larger unit types.

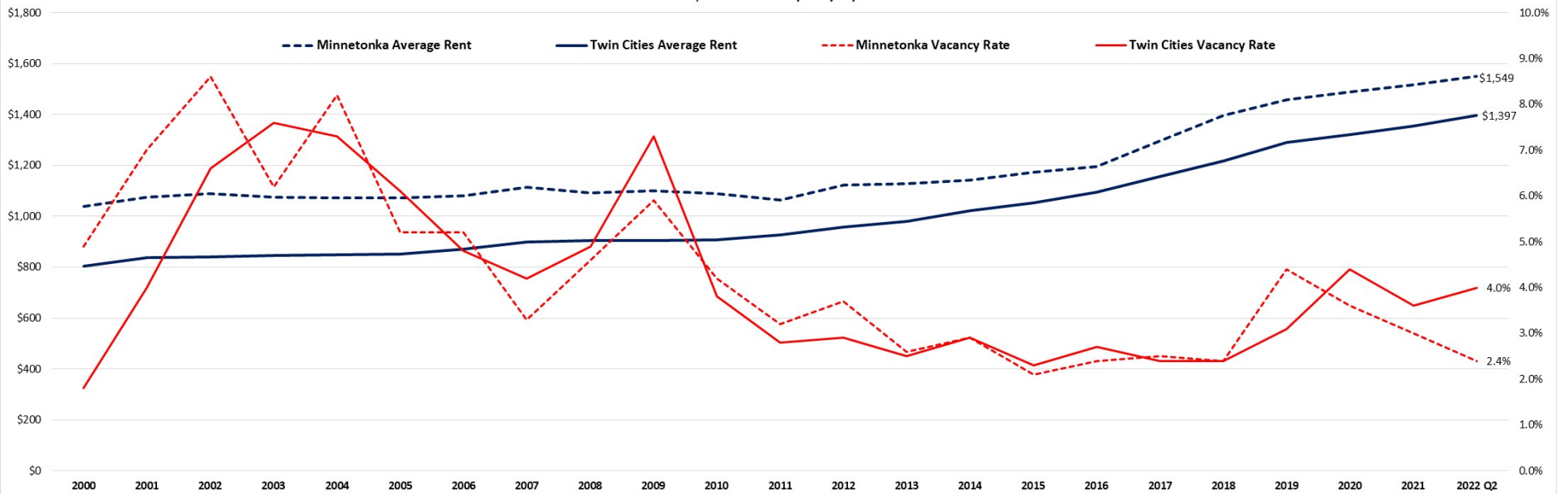
Market conditions continue to evolve and must be constantly monitored as a considerable amount of new product opens in Minnetonka and throughout the SW metro next year. Nonetheless, based on our analysis of current and projected future market conditions, we have provided on Table 7 on the following page a suggested unit mix for approximately 350 units on the Minneapolis Mart site (likely spread across two buildings with staggered delivery timing). Rents shown are in current August 2022 dollars.

<b>TABLE 7</b> <b>Preliminary Unit Mix &amp; Rent Schedule (for illustration purposes only)</b> <b>Possible Market Rate Apartment Development (2 buildings) -- Mpls Mart Site</b>							
Unit Type	No.	Pct.	Unit Size	Total SF	Esimated Current Market Rent (Aug 2022)		
					per Unit	PSF	Total \$/Month
Studio	24	6.9%	450	10,800	\$1,350	\$3.00	\$32,400
Alcove	32	9.1%	550	17,600	\$1,495	\$2.72	\$47,840
Alcove	24	6.9%	600	14,400	\$1,595	\$2.66	\$38,280
<b>Subtotal</b>	<b>80</b>	<b>22.9%</b>	<b>535</b>	<b>42,800</b>	<b>\$1,482</b>	<b>\$2.77</b>	<b>\$118,520</b>
1BR, 1Ba	32	9.1%	650	20,800	\$1,650	\$2.54	\$52,800
1BR, 1Ba	44	12.6%	680	29,920	\$1,695	\$2.49	\$74,580
1BR, 1Ba	44	12.6%	720	31,680	\$1,750	\$2.43	\$77,000
1BR, 1Ba	24	6.9%	780	18,720	\$1,825	\$2.34	\$43,800
<b>Subtotal</b>	<b>144</b>	<b>41.1%</b>	<b>702</b>	<b>101,120</b>	<b>\$1,723</b>	<b>\$2.45</b>	<b>\$248,180</b>
1BR+Den, 1Ba	16	4.6%	850	13,600	\$1,925	\$2.26	\$30,800
<b>Subtotal</b>	<b>16</b>	<b>4.6%</b>	<b>850</b>	<b>13,600</b>	<b>\$1,925</b>	<b>\$2.26</b>	<b>\$30,800</b>
2BR, 1Ba	12	3.4%	880	10,560	\$2,150	\$2.44	\$25,800
2BR, 1Ba	12	3.4%	920	11,040	\$2,225	\$2.42	\$26,700
2BR, 2Ba	24	6.9%	1,000	24,000	\$2,375	\$2.38	\$57,000
2BR, 2Ba	20	5.7%	1,100	22,000	\$2,475	\$2.25	\$49,500
2BR, 2Ba	16	4.6%	1,200	19,200	\$2,650	\$2.21	\$42,400
<b>Subtotal</b>	<b>84</b>	<b>24.0%</b>	<b>1,033</b>	<b>86,800</b>	<b>\$2,398</b>	<b>\$2.32</b>	<b>\$201,400</b>
2BR+Den, 2Ba	7	2.0%	1,300	9,100	\$2,950	\$2.27	\$20,650
2BR+Den, 2Ba	6	1.7%	1,400	8,400	\$3,150	\$2.25	\$18,900
<b>Subtotal</b>	<b>13</b>	<b>3.7%</b>	<b>1,346</b>	<b>17,500</b>	<b>\$3,042</b>	<b>\$2.26</b>	<b>\$39,550</b>
3BR, 2Ba	7	2.0%	1,360	9,520	\$3,025	\$2.22	\$21,175
3BR, 2Ba	6	1.7%	1,460	8,760	\$3,225	\$2.21	\$19,350
<b>Subtotal</b>	<b>13</b>	<b>3.7%</b>	<b>1,406</b>	<b>18,280</b>	<b>\$3,117</b>	<b>\$2.22</b>	<b>\$40,525</b>
<b>TOTAL</b>	<b>350</b>	<b>100.0%</b>	<b>800</b>	<b>280,100</b>	<b>\$1,940</b>	<b>\$2.42</b>	<b>\$678,975</b>
<i>Source: Marquette Advisors</i>							



**APPENDIX:  
SUPPORTING DATA**

**GRAPH 4**  
**Average Apartment Rents & Vacancy Trend, 2000-2022**  
**Minnetonka & Twin Cities Metro Area**  
**Market Rate, General-Occupancy Apartments**



**TABLE 8**  
**Market Tracker -- Supply/Demand & Rent Growth Trends (Market Rate, General-Occupancy Apartments)**  
**-- Southwest Suburban Market Area**  
**-- Twin Cities Metro Area**

	Southwest Suburban Market Area									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 1st half
Total Units *	27,677	28,075	28,736	28,900	29,986	30,485	31,560	32,355	33,068	33,564
New Supply	491	398	661	164	1,086	499	1,075	795	713	496
Vacant Units	952	931	988	723	750	870	1,262	2,123	1,776	1,822
Vacancy Rate**	3.4%	3.3%	3.4%	2.5%	2.5%	2.9%	4.0%	6.6%	5.4%	5.4%
Occupied Units	26,725	27,144	27,748	28,178	29,236	29,615	30,298	30,232	31,292	31,742
Absorption	463	420	604	429	1,059	379	682	(65)	1,060	450
Avg. Rent	\$1,081	\$1,118	\$1,141	\$1,193	\$1,238	\$1,332	\$1,411	\$1,445	\$1,463	\$1,515
Rent Growth	2.9%	3.4%	2.1%	4.6%	3.8%	7.6%	5.9%	2.4%	1.2%	3.6%

	Twin Cities Metro Area									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 1st half
Total Units *	173,799	178,190	181,525	184,777	188,350	193,157	198,415	205,831	213,731	217,593
New Supply	2,763	4,391	3,335	3,252	3,573	4,807	5,258	7,416	7,900	3,862
Vacant Units	4,345	5,975	5,382	5,902	5,819	6,704	6,396	11,184	10,222	10,099
Vacancy Rate**	2.5%	3.4%	3.0%	3.2%	3.1%	3.5%	3.2%	5.4%	4.8%	4.6%
Occupied Units	169,454	172,215	176,143	178,875	182,531	186,453	192,019	194,647	203,509	207,494
Absorption	3,378	2,761	3,928	2,732	3,656	3,922	5,566	2,628	8,862	3,985
Avg. Rent	\$981	\$1,021	\$1,053	\$1,095	\$1,155	\$1,219	\$1,290	\$1,321	\$1,354	\$1,398
Rent Growth	2.5%	4.1%	3.1%	4.0%	5.4%	5.6%	5.8%	2.4%	2.5%	3.2%

<b>SW Metro Area Market Share</b>										
<b>SW % of Metro Area Occupied Units</b>	15.8%	15.8%	15.8%	15.8%	16.0%	15.9%	15.8%	15.5%	15.4%	15.3%
<b>SW % of Metro Area New Supply</b>	17.8%	9.1%	19.8%	5.0%	30.4%	10.4%	20.4%	10.7%	9.0%	12.8%
<b>SW % of Metro Area Absorption</b>	13.7%	15.2%	15.4%	15.7%	29.0%	9.7%	12.3%	-2.5%	12.0%	11.3%

\* Unit supply includes market rate apartments in complexes with 10+ units. Excludes subsidized apartments and senior living communities.

\*\* Note that the vacancy rate shown here includes both stabilized properties and new units still in lease-up.

**Source: Marquette Advisors**

**TABLE 9**  
**Market Tracker -- Supply/Demand & Rent Growth Trends (Market Rate, General-Occupancy Apartments)**  
-- City of Minnetonka  
-- Twin Cities Metro Area

	Minnetonka									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 1st half
Total Units *	3,949	3,949	4,122	4,286	4,406	4,406	4,773	4,990	5,052	5,052
New Supply	0	0	173	164	120	0	367	217	62	0
Vacant Units	103	115	87	107	115	106	234	195	152	121
Vacancy Rate	2.6%	2.9%	2.1%	2.5%	2.6%	2.4%	4.9%	3.9%	3.0%	2.4%
Occupied Units	3,846	3,834	4,035	4,179	4,291	4,300	4,539	4,795	4,900	4,931
Absorption	43	(12)	201	143	113	9	239	256	105	30
Avg. Rent	\$1,128	\$1,142	\$1,172	\$1,196	\$1,295	\$1,397	\$1,459	\$1,490	\$1,517	\$1,549
Rent Growth	6.0%	1.2%	2.6%	2.0%	8.3%	7.9%	4.4%	2.1%	1.8%	2.1%

	Twin Cities Metro Area									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 1st half
Total Units *	173,799	178,190	181,525	184,777	188,350	193,157	198,415	205,831	213,731	217,593
New Supply	2,763	4,391	3,335	3,252	3,573	4,807	5,258	7,416	7,900	3,862
Vacant Units	4,345	5,975	5,382	5,902	5,819	6,704	6,396	11,184	10,222	10,099
Vacancy Rate	2.5%	3.4%	3.0%	3.2%	3.1%	3.5%	3.2%	5.4%	4.8%	4.6%
Occupied Units	169,454	172,215	176,143	178,875	182,531	186,453	192,019	194,647	203,509	207,494
Absorption	3,378	2,761	3,928	2,732	3,656	3,922	5,566	2,628	8,862	3,985
Avg. Rent	\$981	\$1,021	\$1,053	\$1,095	\$1,155	\$1,219	\$1,290	\$1,321	\$1,354	\$1,398
Rent Growth	2.5%	4.1%	3.1%	4.0%	5.4%	5.6%	5.8%	2.4%	2.5%	3.2%

<b>Minnetonka Market Share</b>										
<b>Tonka % of Metro Area Occupied Units</b>	2.3%	2.2%	2.3%	2.3%	2.4%	2.3%	2.4%	2.5%	2.4%	2.4%
<b>Tonka % of Metro Area New Supply</b>	0.0%	0.0%	5.2%	5.0%	3.4%	0.0%	7.0%	2.9%	0.8%	0.0%
<b>Tonka % of Metro Area Absorption</b>	1.3%	-0.4%	5.1%	5.2%	3.1%	0.2%	4.3%	9.8%	1.2%	0.8%

\* Unit supply includes market rate apartments in complexes with 10+ units. Excludes subsidized apartments and seniors housing.

\*\* Note that the vacancy rate shown here includes both stabilized properties and new units still in lease-up.

**Source: Marquette Advisors**

**TABLE 10**  
**Survey of Market Rate, General-Occupancy Apartment Communities -- City of Minnetonka**  
**2017 & 2022 Comparisons**

Property Name/Location	Year Built	2017						2022							
		Unit Types	Total	Vacancy		Market		Avg.	Unit Types	Total	Vacancy		Market		Avg.
				No.	Pct.	Rental Rates				No.	Pct.	Rental Rates			
<b>Class "A" Properties</b>															
<b>1700 Residences</b>	2017	Stu	6	0	0.0%	\$1,295 - \$1,375	\$1,335	Stu	6	0	0.0%	\$1,380 - \$1,475	\$1,430		
1700 Plymouth Rd		1BR	48	1	2.1%	\$1,500 - \$1,695	\$1,598	1BR	48	0	0.0%	\$1,660 - \$1,820	\$1,705		
Minnetonka		1+Den	8	0	0.0%	\$1,695 - \$2,095	\$1,895	1+Den	8	0	0.0%	\$1,965 - \$1,965	\$1,965		
		2BR	43	2	4.7%	\$1,895 - \$2,495	\$2,195	2BR	43	2	4.7%	\$2,015 - \$2,680	\$2,425		
		2BR+Den/3BR	10	0	0.0%	\$2,595 - \$3,295	\$2,945	2BR+Den/3BR	10	1	10.0%	\$3,875 - \$3,715	\$3,795		
		<b>Total</b>	<b>115</b>	<b>3</b>	<b>2.6%</b>	<b>\$1,295 - \$3,295</b>	<b>\$1,945</b>	<b>Total</b>	<b>115</b>	<b>3</b>	<b>2.6%</b>	<b>\$1,380 - \$3,875</b>	<b>\$2,160</b>		
<b>The Overlook</b>	2016	Studio	0	0	N/A	N/A - N/A	N/A	Studio	0	0	N/A	N/A - N/A	N/A		
9731 Minnetonka Blvd.		1BR	47	0	0.0%	\$1,400 - \$1,575	\$1,488	1BR	47	0	0.0%	\$1,660 - \$2,713	\$2,187		
Minnetonka		1+Den	19	0	0.0%	\$1,495 - \$1,650	\$1,573	1+Den	19	0	0.0%	\$1,856 - \$2,615	\$2,236		
		2BR	29	1	3.4%	\$1,650 - \$2,095	\$1,873	2BR	29	2	6.9%	\$1,533 - \$2,501	\$2,017		
		2+Den	4	0	0.0%	\$2,150 - \$2,250	\$2,200	2+Den	4	0	0.0%	\$2,084 - \$3,723	\$2,904		
		<b>Total</b>	<b>99</b>	<b>1</b>	<b>1.0%</b>	<b>\$1,400 - \$2,250</b>	<b>\$1,645</b>	<b>Total</b>	<b>99</b>	<b>2</b>	<b>2.0%</b>	<b>\$1,533 - \$3,723</b>	<b>\$2,175</b>		
<b>The Island Residences</b>	2015	Studio/Alcove	0	0	N/A	N/A - N/A	N/A	Studio/Alcove	0	0	N/A	N/A - N/A	N/A		
501 Carlson Parkway		1BR	95	2	2.1%	\$1,405 - \$1,755	\$1,580	1BR	95	2	2.1%	\$1,550 - \$2,100	\$1,825		
Minnetonka		1+Den	5	0	0.0%	\$1,950 - \$1,950	\$1,950	1+Den	5	1	20.0%	\$1,997 - \$1,997	\$1,997		
		2BR	55	1	1.8%	\$2,290 - \$2,435	\$2,363	2BR	55	1	1.8%	\$2,582 - \$2,795	\$2,689		
		2+Den	9	0	0.0%	\$2,610 - \$2,610	\$2,610	2+Den	9	0	0.0%	\$2,899 - \$2,899	\$2,899		
		3BR	10	0	0.0%	\$3,135 - \$3,135	\$3,135	3BR/PH	10	0	0.0%	\$3,428 - \$3,428	\$3,428		
		<b>Total</b>	<b>174</b>	<b>3</b>	<b>1.7%</b>	<b>\$1,405 - \$3,135</b>	<b>\$1,981</b>	<b>Total</b>	<b>174</b>	<b>4</b>	<b>2.3%</b>	<b>\$1,550 - \$3,428</b>	<b>\$2,251</b>		
<b>Chase at Nine Mile Creek</b>	2016	Stu	0	0	N/A	N/A - N/A	N/A	Stu	0	0	N/A	N/A - N/A	N/A		
5709 Rowland Road		1BR	82	0	0.0%	\$1,395 - \$1,595	\$1,495	1BR	82	0	0.0%	\$1,495 - \$1,695	\$1,595		
Minnetonka		1+Den	0	0	N/A	N/A - N/A	N/A	1+Den	0	0	N/A	N/A - N/A	N/A		
		2BR	24	0	0.0%	\$1,785 - \$2,195	\$1,990	2BR	24	0	0.0%	\$1,885 - \$2,295	\$2,090		
		2+Den/3BR	0	0	N/A	N/A - N/A	N/A	2+Den/3BR	0	0	N/A	N/A - N/A	N/A		
		<b>Total</b>	<b>106</b>	<b>0</b>	<b>0.0%</b>	<b>\$1,395 - \$2,195</b>	<b>\$1,607</b>	<b>Total</b>	<b>106</b>	<b>0</b>	<b>0.0%</b>	<b>\$1,495 - \$2,295</b>	<b>\$1,707</b>		
<b>Class "A" Totals</b>		Stu	6	0	0.0%	\$1,295 - \$1,375	\$1,335	Stu	6	0	0.0%	\$1,380 - \$1,475	\$1,430		
		1BR	272	3	1.1%	\$1,395 - \$1,755	\$1,541	1BR	272	2	0.7%	\$1,495 - \$2,713	\$1,797		
		1+Den	32	0	0.0%	\$1,495 - \$2,095	\$1,712	1+Den	32	1	3.1%	\$1,856 - \$2,615	\$2,131		
		2BR	151	4	2.6%	\$1,650 - \$2,495	\$2,161	2BR	151	5	3.3%	\$1,533 - \$2,795	\$2,389		
		2BR+Den/3BR	33	0	0.0%	\$2,150 - \$3,295	\$2,821	2BR+Den/3BR	33	1	3.0%	\$2,084 - \$3,723	\$3,331		
		<b>Total</b>	<b>494</b>	<b>7</b>	<b>1.4%</b>	<b>\$1,295 - \$3,295</b>	<b>\$1,825</b>	<b>Total</b>	<b>494</b>	<b>9</b>	<b>1.8%</b>	<b>\$1,380 - \$3,723</b>	<b>\$2,098</b>		

(Continued)

**TABLE 10**  
**Survey of Market Rate, General-Occupancy Apartment Communities -- City of Minnetonka**  
**2017 & 2022 Comparisons**

Property Name/Location	Year Built	2017						2022					
		Unit Types	Total	Vacancy		Market Rental Rates		Avg.	Unit Types	Total	Vacancy		Market Rental Rates
<b>Class "B" Properties</b>													
<b>Brier Creek</b> 10641 Greenbrier Rd Minnetonka	1986	Stu	17	0	0.0%	\$825 - \$875	\$850	Stu	17	0	0.0%	\$975 - \$1,025	\$1,000
		1BR	123	4	3.3%	\$995 - \$1,175	\$1,085	1BR	123	0	0.0%	\$1,300 - \$1,325	\$1,313
		1+Den	8	1	12.5%	\$1,225 - \$1,325	\$1,275	1+Den	8	0	0.0%	\$1,256 - \$1,256	\$1,256
		2BR	45	0	0.0%	\$1,250 - \$1,350	\$1,300	2BR	45	0	0.0%	\$1,395 - \$1,650	\$1,523
			193	5	2.6%	\$825 - \$1,350	\$1,122		193	0	0.0%	\$975 - \$1,650	\$1,332
<b>Cedar Hills</b> 11050 Cedar Hills Blvd Minnetonka	1987	1BR	122	5	4.1%	\$890 - \$905	\$898	1BR	122	2	1.6%	\$1,200 - \$1,450	\$1,325
		2BR	152	4	2.6%	\$1,050 - \$1,080	\$1,065	2BR	152	2	1.3%	\$1,575 - \$1,625	\$1,600
			274	9	3.3%	\$890 - \$1,080	\$990		274	4	1.5%	\$1,200 - \$1,625	\$1,478
<b>Cedar Pointe Townhomes</b> 11229 Cedar Pointe Dr Minnetonka	1997	1BR	20	0	0.0%	\$1,139 - \$1,240	\$1,190	1BR	20	1	5.0%	\$1,745 - \$1,815	\$1,780
		1+Den	12	0	0.0%	\$1,225 - \$1,321	\$1,273	1+Den	12	0	0.0%	\$1,850 - \$1,950	\$1,900
		2BR	20	2	10.0%	\$1,550 - \$1,697	\$1,624	2BR	20	1	5.0%	\$2,400 - \$2,443	\$2,422
		2BR+Den	12	1	8.3%	\$1,750 - \$1,925	\$1,838	2BR+Den	12	0	0.0%	\$2,600 - \$2,800	\$2,700
		3BR	70	3	4.3%	\$1,695 - \$1,937	\$1,816	3BR	70	1	1.4%	\$2,615 - \$2,650	\$2,633
		3BR+Den	6	0	0.0%	\$1,820 - \$1,995	\$1,908	3BR+Den	6	0	0.0%	\$2,710 - \$2,730	\$2,720
		4BR	12	1	8.3%	\$2,395 - \$2,575	\$2,485	4BR	12	0	0.0%	\$2,950 - \$3,050	\$3,000
			152	7	4.6%	\$1,139 - \$2,575	\$1,723		152	3	2.0%	\$1,745 - \$3,050	\$2,473
<b>Cedar Ridge</b> 10201 S. Cedar Lake Rd Minnetonka	1980	1BR	108	3	2.8%	\$759 - \$779	\$769	1BR	108	3	2.8%	\$1,250 - \$1,399	\$1,325
		2BR	72	1	1.4%	\$879 - \$979	\$929	2BR	72	1	1.4%	\$1,499 - \$1,499	\$1,499
			180	4	2.2%	\$759 - \$979	\$833		180	4	2.2%	\$1,250 - \$1,499	\$1,394
<b>Chasewood Gates</b> 6100 Chasewood Pkwy Minnetonka	1988	1BR	52	1	1.9%	\$900 - \$995	\$948	1BR	52	1	1.9%	\$1,295 - \$1,325	\$1,310
		2BR	154	3	1.9%	\$1,125 - \$1,295	\$1,210	2BR	154	3	1.9%	\$1,525 - \$1,595	\$1,560
			206	4	1.9%	\$900 - \$1,295	\$1,144		206	4	1.9%	\$1,295 - \$1,595	\$1,497
<b>Avana Minnetonka</b> 12300 Marion Rd Minnetonka	1985	Stu	6	0	0.0%	\$909 - \$949	\$929	Stu	6	0	0.0%	\$909 - \$949	\$929
		1BR	117	1	0.9%	\$950 - \$1,199	\$1,075	1BR	117	7	6.0%	\$1,380 - \$1,817	\$1,599
		1+Den	62	0	0.0%	\$1,079 - \$1,359	\$1,219	1+Den	62	0	0.0%	\$1,750 - \$1,910	\$1,830
		2BR	190	5	2.6%	\$1,099 - \$1,359	\$1,229	2BR	190	5	2.6%	\$1,466 - \$1,790	\$1,628
		2BR+Den	66	1	1.5%	\$1,159 - \$1,649	\$1,404	2BR+Den	66	1	1.5%	\$1,885 - \$2,000	\$1,943
		3BR	15	0	0.0%	\$1,479 - \$1,979	\$1,729	3BR	15	4	26.7%	\$2,105 - \$2,660	\$2,383
			456	7	1.5%	\$909 - \$1,979	\$1,226		456	17	3.7%	\$909 - \$2,660	\$1,709
<b>Claremont</b> 10681 Smetana Rd Minnetonka	1985	1BR	120	4	3.3%	\$760 - \$819	\$790	1BR	120	4	3.3%	\$1,220 - \$1,685	\$1,453
		2BR	198	7	3.5%	\$920 - \$1,030	\$975	2BR	198	7	3.5%	\$1,475 - \$2,128	\$1,802
			318	11	3.5%	\$760 - \$1,030	\$905		318	11	3.5%	\$1,220 - \$2,128	\$1,670
<b>Deer Ridge Townhomes</b> 5190 Nolan Drive Minnetonka	1995	2BR	33	0	0.0%	\$1,635 - \$1,665	\$1,650	2BR	33	0	0.0%	\$1,975 - \$2,275	\$2,125
		3BR	77	2	2.6%	\$1,750 - \$1,750	\$1,750	3BR	77	0	0.0%	\$1,905 - \$2,221	\$2,063
			110	2	1.8%	\$1,635 - \$1,750	\$1,720		110	0	0.0%	\$1,905 - \$2,275	\$2,082
<b>Gates at Carlson Center</b> 300 Carlson Pkwy Minnetonka	1989	1BR	216	4	1.9%	\$975 - \$1,065	\$1,020	1BR	216	0	0.0%	\$1,298 - \$1,623	\$1,461
		1+Den	30	0	0.0%	\$1,113 - \$1,464	\$1,289	1+Den	30	0	0.0%	\$1,701 - \$1,884	\$1,793
		2BR	183	3	1.6%	\$1,196 - \$1,538	\$1,367	2BR	183	2	1.1%	\$1,688 - \$1,777	\$1,733
		2BR+Den	6	0	0.0%	\$1,254 - \$1,456	\$1,355	2BR+Den	6	0	0.0%	\$2,036 - \$2,036	\$2,036
			435	7	1.6%	\$975 - \$1,538	\$1,189		435	2	0.5%	\$1,298 - \$2,036	\$1,606

(Continued)

**TABLE 10**  
**Survey of Market Rate, General-Occupancy Apartment Communities -- City of Minnetonka**  
**2017 & 2022 Comparisons**

Property Name/Location	Year Built	2017						2022						
		Unit Types	Total	Vacancy		Market		Avg.	Unit Types	Total	Vacancy		Market	
				No.	Pct.	Rental Rates				No.	Pct.	Rental Rates		
<b>Hunter's Ridge</b>	1980	Studio/Alcove	15	0	0.0%	\$880 - \$910	\$895	Studio/Alcove	15	0	0.0%	\$1,027 - \$1,027	\$1,027	
19000 Stratford		1BR	55	0	0.0%	\$950 - \$1,665	\$1,308	1BR	55	3	5.5%	\$1,075 - \$1,275	\$1,175	
Minnetonka		2BR	53	2	3.8%	\$1,100 - \$1,260	\$1,180	2BR	53	2	3.8%	\$1,460 - \$1,485	\$1,473	
			123	2	1.6%	\$880 - \$1,665	\$1,202		123	5	4.1%	\$1,027 - \$1,485	\$1,285	
<b>Minnetonka Hills</b>	1987	1BR	75	4	5.3%	\$980 - \$1,115	\$1,048	1BR	75	3	4.0%	\$1,250 - \$1,465	\$1,358	
2828 Jordan Avenue S		2BR	161	9	5.6%	\$1,125 - \$1,375	\$1,250	2BR	161	9	5.6%	\$1,490 - \$1,740	\$1,615	
Minnetonka		3BR	5	0	0.0%	\$1,565 - \$1,705	\$1,635	3BR	5	0	0.0%	\$1,954 - \$1,984	\$1,969	
			241	13	5.4%	\$980 - \$1,705	\$1,195		241	12	5.0%	\$1,250 - \$1,984	\$1,542	
<b>Raspberry Woods</b>	1999	1BR	32	0	0.0%	\$1,315 - \$1,315	\$1,315	1BR	32	0	0.0%	\$1,592 - \$1,675	\$1,634	
920 Woodhill Ct.		2BR	32	0	0.0%	\$1,625 - \$1,625	\$1,625	2BR	32	0	0.0%	\$1,885 - \$1,938	\$1,912	
Minnetonka			64	0	0.0%	\$1,315 - \$1,625	\$1,470		64	0	0.0%	\$1,592 - \$1,938	\$1,773	
<b>Regency Woods</b>	1988	Studio/Alcove	18	0	0.0%	\$1,075 - \$1,100	\$1,088	Studio/Alcove	18	0	0.0%	\$1,335 - \$1,395	\$1,365	
2200 S Plymouth Rd		1BR	110	3	2.7%	\$1,160 - \$1,260	\$1,210	1BR	110	6	5.5%	\$1,420 - \$1,530	\$1,475	
Minnetonka		1+Den	46	0	0.0%	\$1,285 - \$1,340	\$1,313	1+Den	46	1	2.2%	\$1,545 - \$1,615	\$1,580	
		2BR	108	2	1.9%	\$1,420 - \$1,635	\$1,528	2BR	108	6	5.6%	\$1,810 - \$1,915	\$1,863	
			282	5	1.8%	\$1,075 - \$1,635	\$1,340		282	13	4.6%	\$1,335 - \$1,915	\$1,634	
<b>Saddlewood Park</b>	1985	2BR	37	0	0.0%	\$1,375 - \$1,395	\$1,385	2BR	37	1	2.7%	\$1,895 - \$2,115	\$2,005	
16863 Saddlewood		3BR	36	0	0.0%	\$1,430 - \$1,495	\$1,463	3BR	36	2	5.6%	\$2,170 - \$2,285	\$2,228	
Minnetonka			73	0	0.0%	\$1,375 - \$1,495	\$1,423		73	3	4.1%	\$1,895 - \$2,285	\$2,115	
<b>Southampton</b>	1988	1BR	23	1	4.3%	\$1,050 - \$1,050	\$1,050	1BR	23	0	0.0%	\$1,535 - \$1,545	\$1,540	
5455 Smetana Dr		2BR	79	1	1.3%	\$1,320 - \$1,320	\$1,320	2BR	79	3	3.8%	\$1,530 - \$1,695	\$1,613	
Minnetonka		3BR	13	1	7.7%	\$1,685 - \$1,685	\$1,685	3BR	13	2	15.4%	\$2,015 - \$2,295	\$2,155	
			115	3	2.6%	\$1,050 - \$1,685	\$1,307		115	5	4.3%	\$1,530 - \$2,295	\$1,659	
<b>Class "B" Totals</b>		Stu	56	0	0.0%	\$825 - \$1,100	\$947	Stu	56	0	0.0%	\$909 - \$1,395	\$1,117	
		1BR	1,173	30	2.6%	\$759 - \$1,665	\$1,014	1BR	1,173	30	2.6%	\$1,075 - \$1,817	\$1,418	
		1+Den	158	1	0.6%	\$1,079 - \$1,464	\$1,266	1+Den	158	1	0.6%	\$1,256 - \$1,950	\$1,726	
		2BR	1,517	39	2.6%	\$879 - \$1,697	\$1,235	2BR	1,517	42	2.8%	\$1,395 - \$2,443	\$1,690	
		2BR+Den	84	2	2.4%	\$1,159 - \$1,925	\$1,462	2BR+Den	84	1	1.2%	\$1,885 - \$2,800	\$2,057	
		3BR	216	6	2.8%	\$1,430 - \$1,979	\$1,715	3BR	216	9	4.2%	\$1,905 - \$2,660	\$2,301	
		3BR+Den	6	0	0.0%	\$1,820 - \$1,995	\$1,908	3BR+Den	6	0	0.0%	\$2,710 - \$2,730	\$2,720	
		4BR	12	1	8.3%	\$2,395 - \$2,575	\$2,485	4BR	12	0	0.0%	\$2,950 - \$3,050	\$3,000	
			3,222	79	2.5%	\$759 - \$2,575	\$1,195		3,222	83	2.6%	\$909 - \$3,050	\$1,640	

(Continued)

**TABLE 10**  
**Survey of Market Rate, General-Occupancy Apartment Communities -- City of Minnetonka**  
**2017 & 2022 Comparisons**

Property Name/Location	Year Built	2017							2022							
		Unit Types	Total	Vacancy		Market Rental Rates		Avg.	Unit Types	Total	Vacancy		Market Rental Rates		Avg.	
				No.	Pct.						No.	Pct.				
<b>Class "C" Properties</b>																
<b>Belgrove</b> 10100 Minnetonka Blvd Minnetonka	1970	1BR	12	0	0.0%	\$800 -	\$870	\$835	1BR	12	1	8.3%	\$1,099 -	\$1,099	\$1,099	
		2BR	18	1	5.6%	\$900 -	\$1,050	\$975	2BR	18	0	0.0%	\$1,399 -	\$1,399	\$1,399	
			30	1	3.3%	\$800 -	\$1,050	\$919		30	1	3.3%	\$1,099 -	\$1,399	\$1,279	
<b>Stratfordwood</b> 18900 Stratford Minnetonka	1973	Studio/Alcove	12	1	8.3%	\$795 -	\$820	\$808	Studio/Alcove	12	0	0.0%	\$988 -	\$1,058	\$1,023	
		1BR	66	2	3.0%	\$895 -	\$975	\$935	1BR	66	0	0.0%	\$1,173 -	\$1,343	\$1,258	
		1+Den	21	0	0.0%	\$860 -	\$860	\$860	1+Den	21	0	0.0%	\$1,188 -	\$1,368	\$1,278	
		2BR	144	2	1.4%	\$995 -	\$1,195	\$1,095	2BR	144	6	4.2%	\$1,250 -	\$1,537	\$1,394	
		3BR	12	0	0.0%	\$1,150 -	\$1,300	\$1,225	3BR	12	0	0.0%	\$1,856 -	\$2,156	\$2,006	
		255	5	2.0%	\$795 -	\$1,300	\$1,027		255	6	2.4%	\$988 -	\$2,156	\$1,360		
<b>Wilshire Wood</b> 10925 Wayzata Blvd Minnetonka	1972	1BR	24	0	0.0%	\$850 -	\$850	\$850	1BR	24	0	0.0%	\$1,144 -	\$1,144	\$1,144	
		2BR	21	0	0.0%	\$1,125 -	\$1,125	\$1,125	2BR	21	0	0.0%	\$1,261 -	\$1,261	\$1,261	
			45	0	0.0%	\$850 -	\$1,125	\$978		45	0	0.0%	\$1,144 -	\$1,261	\$1,199	
<b>Class "C" Totals</b>		Stu	12	1	8.3%	\$795 -	\$820	\$808	Stu	12	0	0.0%	\$988 -	\$1,058	\$1,023	
		1BR	102	2	2.0%	\$800 -	\$975	\$888	1BR	102	1	1.0%	\$1,099 -	\$1,343	\$1,221	
		1+Den	21	0	0.0%	\$860 -	\$860	\$860	1+Den	21	0	0.0%	\$1,188 -	\$1,368	\$1,278	
		2BR	183	3	1.6%	\$900 -	\$1,195	\$1,048	2BR	183	6	3.3%	\$1,250 -	\$1,537	\$1,394	
		3BR	12	0	0.0%	\$1,150 -	\$1,300	\$1,225	3BR	12	0	0.0%	\$1,856 -	\$2,156	\$2,006	
			330	6	1.8%	\$795 -	\$1,300	\$1,010		330	7	2.1%	\$988 -	\$2,156	\$1,331	

Source: Marquette Advisors



**TABLE 11**  
**Apartment Development Pipeline (Non-Senior), 2022-2025 -- known developments and proposals as of August 2022**  
**Primary Market Area (Minnetonka, Eden Prairie, St. Louis Park & Hopkins)**

Project Name	Developer	Location	City	Status	Projected Occupancy Date	Number of Units			
						Market Rate	Affordable	Total	
Raspberry Ridge II	Raspberry Ridge Ltd.	6th & Main St.	Hopkins	Under Construction	Summer 2022	43	0	43	
Via Sol	Place	Wooddale Station	St. Louis Park	Under Construction	Summer 2022	65	152	217	
Parkway Flats	Sela	31st & Inglewood	St. Louis Park	Under Construction	Summer 2022	0	6	6	
Volo at Texa-Tonka	Paster	2939 Texas Ave. S.	St. Louis Park	Under Construction	Fall 2022	90	22	112	
						<b>Total Units -- 2022</b>	<b>198</b>	<b>180</b>	<b>378</b>
Paravel Apts	Timberland	Prairie Center Dr. & Castlemoor	Eden Prairie	Under Construction	Spring 2023	182	63	245	
The Ellie	United Properties	Eden Prairie Rd. & Lincoln Ln.	Eden Prairie	Approved	Fall 2023	220	25	245	
Blake Road Station - Phase I	Trilogy Real Estate	Excelsior Blvd. & Blake Rd.	Hopkins	Under Construction	Fall 2023	223	0	223	
Vista 44	Beacon Interfaith	1st St. S. & 12th Ave.	Hopkins	Approved	Fall 2023	0	50	50	
Minnetonka Station	Linden St. Investments	10400, 10500, 10550 Bren Rd. E.	Minnetonka	Under Construction	Early 2023	247	28	275	
Unnamed	Doran Companies	5959 Shady Oak Rd	Minnetonka	Under Construction	Spring 2023	297	53	350	
Unnamed (Phase I)	Wellington	10901 Red Circle Dr.	Minnetonka	Under Construction	Summer 2023	155	68	223	
Luxe Residential	Luxe Residential Services	5235 Wayzata Blvd.	St. Louis Park	Under Construction	Summer 2023	207	0	207	
Unnamed	Opus	3440 Beltline Blvd.	St. Louis Park	Under Construction	Fall 2023	225	25	250	
Wooddale Avenue Apts	Real Estate Equities	3801 Wooddale Avenue	St. Louis Park	Approved	Fall 2023	0	114	114	
Rise on 7	Common Bond	8115 Hwy. 7	St. Louis Park	Approved	Fall 2023	0	120	120	
						<b>Total Units -- 2023</b>	<b>1,756</b>	<b>546</b>	<b>2,302</b>
Blue Stem North - Phase I	Greco	6901 Flying Cloud Drive	Eden Prairie	Proposed	2024	176	61	237	
The Ellie	United Properties	16316 Lincoln Ln	Eden Prairie	Proposed	2024	179	60	239	
The Grove	Ryan Companies	N. of Valley View, W. of Plaza Dr	Eden Prairie	Approved	2024	158	53	211	
325 Blake Rd. - Phase I - Bldg C	Alatus LLC	325 Blake Road North	Hopkins	Approved	2024	342	0	342	
Hopkins Apartments	Enclave Development	1118 Mainstreet	Hopkins	Proposed	2024	150	0	150	
Unnamed	Hopkins Park Plaza	5th & Main St.	Hopkins	Conceptual	2024	180	0	180	
Beltline Station Apts - Bldg 2	Sherman Associates	Beltline Station	St. Louis Park	Approved	2024	0	82	82	
Beltline Station Apts - Bldg 1	Sherman Associates	Beltline Station	St. Louis Park	Approved	2024	156	0	156	
Unnamed	Bigos	9808 & 9920 Wayzata Blvd.	St. Louis Park	Approved	2024	186	47	233	
Union Park Flats	Project for Pride in Living	3700 Alabama Ave. S.	St. Louis Park	Approved	2024	0	60	60	
Olyhi SLP	Saturday Properties	Wooddale Station	St. Louis Park	Approved	2024	197	49	246	
Beltline Station Apts - Bldg 1	Sherman Associates	Beltline Station	St. Louis Park	Approved	2024	146	0	146	
						<b>Total Units -- 2024</b>	<b>1,870</b>	<b>412</b>	<b>2,282</b>
Blue Stem North - Phase II	Greco	6901 Flying Cloud Drive	Eden Prairie	Proposed	2025	141	47	188	
325 Blake Rd. - Phase II - Bldg D	Alatus LLC	325 Blake Road North	Hopkins	Proposed	2025	129	33	162	
325 Blake Rd. - Phase II - Bldg A	Alatus LLC	325 Blake Road North	Hopkins	Proposed	2025	0	112	112	
Blake Road Station - Phase II	Trilogy	Excelsior Blvd. & Blake Rd.	Hopkins	Approved	2025	250	0	250	
Hopkins Cinema Site	Enclave	1118 Main Street	Hopkins	Proposed	2025	150	0	150	
Unnamed	Greystar Development	10701 Bren Rd	Minnetonka	Proposed	2025?	248	27	275	
						<b>Total Units -- 2025</b>	<b>918</b>	<b>219</b>	<b>1,137</b>
						<b>Totals - 2022-2025</b>	<b>4,742</b>	<b>1,357</b>	<b>6,099</b>

Sources: Marquette Advisors; Cities of Minnetonka, Eden Prairie, St. Louis Park and Hopkins

**TABLE 12**  
**Market Rate, General Occupancy Apartment Supply & Absorption Trend, 2018-2026**  
**City of Minnetonka & Twin Cities Metro Area**

	Historic				Forecast				
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
<b>Twin Cities Metro Area</b>									
Total Units	193,157	198,415	205,831	213,731	223,731	232,731	241,731	249,231	254,231
New Supply	4,807	5,258	7,416	7,900	10,000	9,000	9,000	7,500	5,000
Vacant Units	6,704	6,396	11,184	10,222	13,222	15,222	17,222	18,722	17,722
Vacancy Rate *	3.5%	3.2%	5.4%	4.8%	5.9%	6.5%	7.1%	7.5%	7.0%
Occupied Units	186,453	192,019	194,647	203,509	210,509	217,509	224,509	230,509	236,509
Absorption	3,922	5,566	2,628	8,862	7,000	7,000	7,000	6,000	6,000
<b>Minnetonka</b>									
Total Units	4,406	4,773	4,990	5,052	5,052	5,751	5,751	5,999	5,999
New Supply	0	367	217	62	0	699	0	248	0
Vacant Units	106	234	195	151	81	500	255	293	173
Vacancy Rate *	2.4%	4.9%	3.9%	3.0%	1.6%	8.7%	4.4%	4.9%	2.9%
Occupied Units	4,300	4,539	4,795	4,901	4,971	5,251	5,496	5,706	5,826
Absorption	239	239	256	106	70	280	245	210	120
<b>Minnetonka Market Share</b>									
% of Metro Total Supply	2.3%	2.4%	2.4%	2.4%	2.3%	2.5%	2.4%	2.4%	2.4%
% of Metro New Supply	0.0%	7.0%	2.9%	0.8%	0.0%	7.8%	0.0%	3.3%	0.0%
% of Metro Absorption	6.1%	4.3%	9.7%	1.2%	1.0%	4.0%	3.5%	3.5%	2.0%

\* Vacancy rate shown includes all vacant units, including new units still in lease-up as of year-end.

**Source: Marquette Advisors**

<b>TABLE 13</b> <b>Senior Housing Supply -- Market Rate (as of August 2022)</b> <b>City of Minnetonka</b>		
<b>Property Name</b>	<b>Year Built</b>	<b>Number of Units</b>
<b>Adult/Few Services -- Ownership</b>		
Zvago Sr. Cooperative	2017	54
Applewood Pointe of Minnetonka	2016	87
	<b>Subtotal</b>	<b>141</b>
<b>Adult/Few Services (55+) -- Rental</b>		
Avidor	2020	168
	<b>Subtotal</b>	<b>168</b>
<b>Independent with Services (Congregate)</b>		
Havenwood of Minnetonka	2019	36
Orchards of Minnetonka	2019	75
Westridge	1998	102
Beacon Hill	1995	107
The Glenn	2011	69
Ridgepointe I & II	1986/1988	274
	<b>Subtotal</b>	<b>663</b>
<b>Assisted Living</b>		
Havenwood of Minnetonka	2019	36
Orchards of Minnetonka	2019	50
Amira Choice	2017	71
Brookdale Minnetonka	1995	86
Sunrise of Minnetonka	2005	39
Brookdale Minnetonka	1996	78
Elder Homestead	1986	30
Beacon Hill Commons	1995	42
The Glenn	2011	54
	<b>Subtotal</b>	<b>486</b>
<b>Memory Care</b>		
Havenwood of Minnetonka	2019	24
Orchards of Minnetonka	2019	20
Amira Choice	2017	22
Brookdale Minnetonka	1999	35
Sunrise of Minnetonka	1995/2007	30
Emerald Crest	1998	36
Elder Homestead II	1986	20
The Glenn	2011	24
	<b>Subtotal</b>	<b>211</b>
<b>Care Suites</b>		
Amira Choice	2017	6
	<b>Subtotal</b>	<b>6</b>
	<b>TOTAL</b>	<b>1,675</b>

**TABLE 14**  
**Senior Housing Development Pipeline, as of Aug 2022**  
**Minnetonka**

Project	Developer / Operator	Location	Product Type/Service Level					Notes:			
			Total Units	Coop	Condo	55+ Adult	Independent w/Services		Assisted Living	Memory Care	Skilled Nursing
Amira	United Properties / Ebenezer	801 Carlson Parkway	186	0	0	186	0	0	0	0	Under construction, projected 2023 opening.
		<b>Total by Product/Service Level</b>	<b>186</b>	<b>0</b>	<b>0</b>	<b>186</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

Source: City of Minnetonka

**TABLE 15**  
**Estimated Demand for Adult/Few Services & Independent ("Congregate") Senior Housing**  
**City of Minnetonka**

<b>Short-Term Demand -- 5 Yrs (2022-2026)</b>	<b>Age 55-64</b>	<b>Age 65-74</b>	<b>Age 75+</b>	<b>Total</b>
Estimated Households with incomes of \$25,000-\$34,999	133	177	389	699
(times) Homeownership Rate	88%	87%	70%	78%
(equals) Potential Market	117	154	272	543
(plus) Estimated Income Qualified Household Base (\$35,000+ Income)	4,592	4,062	2,905	11,559
(equals) Potential Local Market Base	4,709	4,216	3,177	12,102
(times) Product Short-Term Capture Rate	3.0%	5.0%	20.0%	8.6%
(equals) Short-Term Demand Potential (local)	149	222	669	1,040
(plus) Estimated Additional Demand from Outside the Market Area @ 20%	47	70	211	328
(equals) Total Short Term Demand Potential	196	292	880	1,368
Compare to # of Existing Adult/Few Services & Independent Senior Housing Units				972
<b>(equals) Projected Short-Term Unit Surplus or (Shortage) (Next 5 Years as of Jan. 2022)</b>				<b>(396)</b>
<b>Long-Term Demand -- 5-10 yrs (2027-2031)</b>	<b>Age 55-64</b>	<b>Age 65-74</b>	<b>Age 75+</b>	<b>Total</b>
Estimated Households with incomes of \$25,000-\$34,999	49	99	310	458
(times) Homeownership Rate	88%	87%	70%	76%
(equals) Potential Market	43	86	217	346
(plus) Estimated Income Qualified Household Base (\$35,000+ Income)	4,058	4,562	4,104	12,724
(equals) Potential Local Market Base	4,101	4,648	4,321	13,070
(times) Product Short-Term Capture Rate	3.0%	5.0%	20.0%	9.3%
(equals) Short-Term Demand Potential (local)	123	232	864	1,220
(plus) Estimated Additional Demand from Outside the Market Area @ 20%	39	73	273	385
(equals) Total Short Term Demand Potential	162	306	1,137	1,605
Compare to Projected # of Adult/Few Services & Independent Senior Housing Units				1,158
<b>(equals) Projected Short-Term Unit Surplus or (Shortage) (Next 5 Years as of Jan. 2027)</b>				<b>(447)</b>

**Source: Marquette Advisors**

**TABLE 16**  
**Estimated Assisted Living Senior Housing Demand**  
**City of Minnetonka**

		<b>Short Term (1-5 yrs.)</b>	<b>Long Term (5-10 yrs.)</b>
		<u>2022-2026</u>	<u>2027-2031</u>
<b><u>Demand from Market Area Seniors Ages 75-79</u></b>			
Market Area Population Ages 75-79		2,304	3,137
(times) Percent Needing Assitance with ADL's	x	25%	25%
<b>(equals) Estimated Seniors Ages 75-79 Needing Assistance with ADL's *</b>	<b>=</b>	<b>576</b>	<b>784</b>
<b><u>Demand from Market Area Seniors Ages 80-84</u></b>			
Market Area Population Ages 80-84		1,542	2,016
(times) Percent Needing Assitance with ADL's	x	33%	33%
<b>(equals) Estimated Seniors Ages 80-84 Needing Assistance with ADL's</b>	<b>=</b>	<b>509</b>	<b>665</b>
<b><u>Demand from Market Area Seniors Ages 85+</u></b>			
Market Area Population Age 85+		1,937	2,155
(times) Percent Needing Assitance with ADL's	x	50%	50%
<b>(equals) Estimated Seniors Age 85+ Needing Assistance with ADL's</b>	<b>=</b>	<b>969</b>	<b>1,078</b>
<b>Total Market Area Seniors Ages 75+ Needing Assistance with ADL's</b>	<b>=</b>	<b>2,053</b>	<b>2,527</b>
(times) Percent Income Qualified	x	90%	90%
(times) Potential Penetration Rate for Assisted Living Housing	x	30%	30%
<b>(equals) Potential Assisted Living Demand from Market Area Seniors</b>	<b>=</b>	<b>554</b>	<b>682</b>
(add) Additional Demand from Outside Market Area @ 20%	+	139	171
<b>(equals) Potential Total Assisted Living Sr. Housing Units Supportable in Market Area</b>	<b>=</b>	<b>693</b>	<b>853</b>
<b>Compare to Existing Supply of Assisted Living Units</b>		<b>486</b>	<b>486</b>
<b>(equals) Excess Short-Term Unit Surplus or (Shortage) in Minnetonka (next 5 years)</b>	<b>=</b>	<b>(207)</b>	<b>(367)</b>
<i>* ADL's = Activities of Daily Living</i>			
<b>Source: Marquette Advisors</b>			

**TABLE 17**  
**Estimated Memory Care Housing Demand**  
**City of Minnetonka**

		<b>Short-Term (1-5 yrs)</b>	<b>Long-Term (5-10 yrs)</b>
		<b><u>2022-2026</u></b>	<b><u>2027-2031</u></b>
<b><u>Demand from Market Area Seniors Ages 65-74</u></b>			
Market Area Population Ages 65-74		7,533	8,161
(times) Dementia Incidence Rate	x	1.5%	1.5%
<b>(equals) Estimated Sr's Ages 65-74 with Dementia</b>	<b>=</b>	<b>113</b>	<b>122</b>
<b><u>Demand from Market Area Seniors Ages 75-84</u></b>			
Market Area Population Ages 75-84		3,846	5,153
(times) Dementia Incidence Rate	x	16%	16%
<b>(equals) Estimated Sr's Ages 75-84 with Dementia</b>	<b>=</b>	<b>615</b>	<b>824</b>
<b><u>Demand from Market Area Seniors Ages 85+</u></b>			
Market Area Population Age 85+		1,937	2,155
(times) Dementia Incidence Rate	x	44%	44%
<b>(equals) Estimated Sr's Age 85+ with Dementia</b>	<b>=</b>	<b>852</b>	<b>948</b>
<b>Estimated Total Market Area Seniors with Dementia</b>	<b>=</b>	<b>1,581</b>	<b>1,895</b>
(times) Percent Income/Asset Qualified	x	70%	70%
(times) Potential Penetration Rate for Specialized Memory Care Housing	x	20%	20%
<b>(equals) Potential Memory Care Housing Demand from Market Area Seniors</b>	<b>=</b>	<b>221</b>	<b>265</b>
(add) Additional Demand from Outside Market Area @ 20%	+	55	66
<b>(equals) Potential Total Memory Care Housing Units Supportable in Minnetonka</b>	<b>=</b>	<b>277</b>	<b>332</b>
<b>Compare to Existing Supply of Memory Care Units in Minnetonka</b>	<b>-</b>	<b>211</b>	<b>211</b>
<b>(equals) Excess Short-Term Surplus or (Shortage) in the Minnetonka (next 5 years)</b>	<b>=</b>	<b>(66)</b>	<b>(121)</b>

*Source: Marquette Advisors*

**TABLE 18**  
**Minnetonka Rental Housing Inventory - General Occupancy & Senior Housing**

Property	Address	City	Zip	Property Class	Year Built	Year Contractual Affordability Expires	Studio	1-bedroom	2-bedroom	3-bedroom	4-bedroom	Total # of Units	# of Affordable Units	# at 30%	# at 50%	# at 60%	# at 80%	Market Rate
Minnetonka Station	10400 Bren Road E	Minnetonka	55343	A	2023	03/16/2051	65	169	41			275	28	-	28	-		247
Amira (The Pointe) (Senior)	801 Carlson Pkwy	Minnetonka	55305	A (Senior)	2022	11/12/2050		88	88	10		186	19	-	10	9		167
Wellington (Red Circle) Phase 1	10901 Red Circle Dr	Minnetonka	55343	A	2022	08/23/2051	37	150	32	4		223	68	-	23	-	45	155
Doran (Opus)	5959 Shady Oak Road	Minnetonka	55343	A	2022	7/27/2051	74	212	55	15		356	53	-	18	17	18	303
Shady Oak Crossing	4312 Shady Oak Road	Minnetonka	55416	A	2021	07/13/2050	23	30	22			75	23	-	-	23		52
Bren Road Station (Senior)	10987 Bren Road E	Minnetonka	55343	A (Senior)	2020	10/02/2048		59	149	54		262	262	-	-	262	-	-
Preserve at Shady Oak	10987 Bren Road E	Minnetonka	55343	A	2020	10/02/2048		55	121	44		220	220	-	-	220	-	220
The Birke	11706 Wayzata Blvd	Minnetonka	55305	A	2020	04/05/2049	34	103	38			175	35	-	35	-		140
Altitude Residences	2814 Jordan Ave S	Minnetonka	55305	A	2019		19	39	20			77	-	-	-	-	-	77
Avidor	12610 Ridgedale Dr.	Minnetonka	55305	A	2019			105	126			168	-	-	-	-	-	168
Havenwood (Senior)	17710 Excelsior Blvd	Minnetonka	55345	A (Senior)	2019		29	56	15			100	-	-	-	-	-	100
Orchards of Minnetonka (Senior)	10955 Wayzata Blvd	Minnetonka	55345	A (Senior)	2019		70	78				147	-	-	-	-	-	147
The Luxe	12501 Ridgedale Dr.	Minnetonka	55305	A	2019			50	28			77	-	-	-	-	-	77
1700 Residences	1700 Plymouth Rd.	Minnetonka	55305	A	2017		6	56	43	10		115	-	-	-	-	-	115
Amira Choice (Senior)	2004 Plymouth Rd.	Minnetonka	55305	A (Senior)	2017	05/10/2046	32		21			100	10	-	-	8	2	90
Rize at Opus Park	10101 Bren Road E	Minnetonka	55343	A	2017	10/03/2047	34	107	34			322	32	-	-	-	32	290
The Chase at Nine Mile Creek (Tonka on the Creek)	5709 Rowland Road	Minnetonka	55343	A	2016	06/11/2044		82	24			106	22	-	22	-	-	84
The Island Residences	501 Carlson Pkwy	Minnetonka	55305	A	2016		10	87	67	10		174	-	-	-	-	-	174
The Overlook	9731 Minnetonka Blvd	Minnetonka	55305	A	2016	07/01/2044		66	33			100	20	-	20	-	-	80
The Ridge	12708 Wayzata Blvd	Minnetonka	55305	B+	2012	10/22/2044	12	33	19			64	48	-	-	48	-	16
The Glenn	5300 Woodhill Road	Minnetonka	55345	B+	2010	01/04/2040		98	25			159	30	-	-	30	-	129
Oaks Glen Lake Apartments	14414 Stewart Ln	Minnetonka	55345	B+	2008	08/01/2025	5	27	20			52	13	-	-	13	-	39
Sunset Ridge Town Homes (Senior)	791 Sunset Dr S	Minnetonka	55305	A-/B+ (Senior)	2003			8				8	-	-	-	-	-	8
Ridgegate	1919 YMCA Ln	Minnetonka	55305	B+	2002		46		14			60	-	-	-	-	-	60
Waterstone Place	9700 Waterstone Pl	Minnetonka	55305	B+	2002		3	56	105			164	-	-	-	-	-	164
Cedar Pointe Townhomes	11229 Cedar Pointe Dr	Minnetonka	55305	B	1997			32	32	76	12	152	-	-	-	-	-	-
Crown Ridge Apartments	11367 Fairfield Rd	Minnetonka	55305	B-	1997	12/31/2052		12	36	16		64	64	-	64	-	-	-
Minnetonka Mills Townhomes	11330 Minnetonka Mills Rd	Minnetonka	55305	B	1997	04/26/2026			7	17	6	30	28	28	-	-	-	2
Westridge (Senior)	11201 Fairfield Rd	Minnetonka	55305	B (Senior)	1997			52	50			102	61	-	61	-	-	41
Boulevard Gardens Sr.	11333 Fairfield Rd	Minnetonka	55305	B-	1996			45	1			46	46	-	46	-	-	-
Fraser Excelsior Court	5125 Porter Ave	Minnetonka	55345	C	1996			23	1			24	24	-	24	-	-	-
Deer Ridge Townhomes	5190 Nolan Dr	Minnetonka	55343	B	1995			33	77			110	-	-	-	-	-	110
Beacon Hill	5330 Beacon Hill Rd.	Minnetonka	55345	B	1994			27	20	19		152	62	-	62	-	-	90
The Gates at Carlson Center	300 Carlson Pkwy	Minnetonka	55343	B+	1990			246	189			435	216	-	-	216	-	219
Minnetonka Heights	5809 Highway 101 S.	Minnetonka	55345	C-	1972	01/01/2027			52	20		172	152	90	-	62	-	20
Belgrove	10100 Minnetonka Blvd	Minnetonka	55305	C	1969			12	18			30	30	-	30	-	-	-
Chasewood Gates	6100 Chasewood Pkwy	Minnetonka	55343	B	1988			52	154			206	206	-	-	206	-	-
Regency Woods	2210 Plymouth Rd.	Minnetonka	55305	B+	1988		18	156	108			282	-	-	-	-	-	147
Woodlands of Minnetonka	10275 Greenbrier Rd	Minnetonka	55305	B+	1988				108	48		252	-	-	-	-	-	252
Minnetonka Hills	2828 Jordan Ave	Minnetonka	55305	B	1987			75	161	5		319	236	-	-	236	-	83
Ridgepoint 2 (Senior)	12800 Marion Ln	Minnetonka	55305	B (Senior)	1987			61	67			128	-	-	-	-	-	128
Brier Creek	10551 Greenbrier Rd	Minnetonka	55305	B	1986		17	131	45			192	17	-	-	17	-	175
Cedar Hills - East	11050 Cedar Hills Blvd	Minnetonka	55305	C+	1986			58	73			131	131	-	-	131	-	-
Saddlewood Park Town Homes	16863 Saddlewood Trail	Minnetonka	55345	B	1986				37	36		73	-	-	-	-	-	73
Cedar Hills - West	11100 Cedar Hills Blvd	Minnetonka	55305	C+	1985			63	80			143	143	-	-	143	-	-
Ridgepoint 1 (Senior)	12600 Marion Ln	Minnetonka	55305	B (Senior)	1985			82	60			142	21	-	-	21	-	121
Southampton	5455 Smetana Rd	Minnetonka	55343	B	1985			23	79	13		115	23	-	-	23	-	92
The Claremont	10681 Smetana Dr	Minnetonka	55343	B-	1985			120	198			330	198	-	-	198	-	132
The Cliffs (I and II) of Minnetonka	12300 Marion Ln	Minnetonka	55305	B+	1985		6	179	256	15		456	6	-	-	6	-	450
Cedar Hills Town Homes	10800 Cedar Bend	Minnetonka	55305	C	1983	12/05/2026			20	9	1	30	30	30	-	-	-	-
Elmbrooke Town Homes	5420 Smetana Dr	Minnetonka	55343	C-	1981				36	10		46	46	-	-	-	-	-
Glen Lake Landing (Senior)	5416 Beacon Hill Rd.	Minnetonka	55345	C (Senior)	1980	4/23/2031		91	6			97	97	97	-	-	-	-
Hunters Ridge	19000 Stratford Rd	Minnetonka	55345	C	1979		15	55	53			123	68	-	-	68	-	55
Stratfordwood I	18900 Stratford Rd	Minnetonka	55345	B-	1974		12	87	144	12		255	189	-	33	156	-	66
Stratfordwood II Townhmes	18900 Stratford Rd	Minnetonka	55345	B-	1974			4	14	24		42	42	-	-	42	-	-
Wilshire Wood	10925 Wayzata Blvd	Minnetonka	55305	C	1973			24	21			45	45	-	45	-	-	-
Cedar Ridge	10201 Cedar Lake Rd.	Minnetonka	55305	C+	1969		20	108	72			180	180	-	180	-	-	-
Knollwood Oaks	10213 34th St. W	Minnetonka	55305	C-	1966				20			40	40	-	40	-	-	-
One Twelve 6 Plex		Minnetonka		C-	1963							6	6	-	6	-	-	-
Haugdahl - 6 Plex		Minnetonka		C-	1940		8		2			6	6	-	6	-	-	-
<b>TOTAL UNITS</b>							<b>595</b>	<b>3,624</b>	<b>3,401</b>	<b>544</b>	<b>19</b>	<b>8,721</b>	<b>3,296</b>	<b>291</b>	<b>747</b>	<b>2,161</b>	<b>97</b>	<b>5,358</b>
<b>% AFFORDABLE</b>													<b>37.8%</b>	<b>3.3%</b>	<b>8.6%</b>	<b>24.8%</b>	<b>1.1%</b>	



**PROFILE OF  
MARQUETTE ADVISORS**

# Marquette Advisors

*Real Estate Consultants*



*The Residential Analytics Group*



## ***Marquette Advisors -- The Residential Analytics Group***

The ***Residential Analytics Group*** of Marquette Advisors provides market and financial feasibility studies, appraisals, and varied consulting and advisory services on behalf of the real estate development community. We offer a team of the industry's foremost market experts who are regularly called upon to assist property owners, developers, investors, and lenders, as well as planners and government agencies in making intelligent decisions regarding the market potential and financial feasibility of residential and mixed-use development and redevelopment projects.

Marquette Advisors provides a focused analysis that is customized to meet the individual needs of each client. We strive to provide the right advice and solutions for every project on which we consult. Throughout our team's history, we have analyzed hundreds of situations, providing clear development advisory services and thoughtful answers to client questions and problems.

The Residential Analytics Group of Marquette Advisors provides market and financial feasibility analyses, valuation and advisory services in the following areas:

- Multifamily residential (for-sale & rental)
- Single-family & residential subdivision development
- Seniors housing
- Student housing
- Hotel condos & fractional housing
- Mixed-use developments, incorporating residential and commercial uses
- Community housing needs assessments

Additionally, through its ***Hospitality Group***, Marquette Advisors also provides full range of market research, financial advisory and feasibility study services related to hotels, casinos, entertainment and convention facilities, sports arenas, and recreational developments.

### **Marquette Advisors Offices:**

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# Marquette Advisors

## FEASIBILITY STUDIES

All of our assignments are scoped according to the specific needs of the client. Our market studies are regularly used to evaluate and guide real estate development projects, ranging from acquisition/rehab opportunities, to free-standing new apartment or condominium developments, to complex mixed-use communities. Our feasibility studies typically evaluate both the market viability and financial feasibility of a development project. These reports are regularly used to secure financing.



A Marquette Advisors feasibility study typically includes each of the following components:

- Site Analysis
- Analysis of demographics & economic conditions
- Competitive Market Analysis with detailed competitive supply audit and development pipeline assessment
- Buyer/renter profile analysis
- Development recommendations – project sizing, unit mix, price/rents, amenities, design considerations
- Demand analysis and absorption forecast
- Financial feasibility

## COMMUNITY HOUSING NEEDS ASSESSMENTS

Our community housing needs assessments and policy studies employ the disciplined methodology outlined above and focus on the needs of a particular geographical area – a city or a county, for example – to facilitate the strategic development of a variety of housing products. Our clients include, but are not limited to: municipalities, counties, non-profit affordable housing organizations, and downtown business associations.

## ECONOMIC IMPACT ANALYSIS

Marquette Advisors has developed a specialty in providing economic impact studies for residential development projects, as well as studies which analyze the economic impact of affordable and workforce housing shortages upon individual communities and entire regions.



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## **DEVELOPMENT CONSULTING**

As fee-paid developers, Marquette Advisors have executed programs for large residential parcels, including development conceptualization, programming, planning and sale for those owners and investors who require professional assistance to enhance and maximize their residential property assets. We have recently worked on the behalf of property owners in advising and assisting them in the evaluation of condominium conversion opportunities.



## **BUSINESS PLANS**

Marquette Advisors have developed business plans scaled for large single-family, multi-family and multi-use developments. We are expert at developing strategic plans required for successful implementation.



## **VALUATION SERVICES**

Marquette Advisors offers a complete range of MAI appraisal products for all real estate property classes throughout the country. Our appraisals have been utilized to underwrite and support new developments, execute re-merchandising strategies, assist in workouts of problem projects, and complete acquisitions.



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**PROFESSIONAL QUALIFICATIONS OF  
BRENT E. WITTENBERG, CRE**

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***Vice President  
Marquette Advisors***



Brent E. Wittenberg is Vice President of Marquette Advisors, a Minneapolis-based firm providing comprehensive real estate consulting services to residential, retail, industrial, office, hospitality, gaming, entertainment and recreational developments. Mr. Wittenberg is an invited member of the American Society of Real Estate Counselors (CRE).

Brent has a diverse background and over 25 years has completed numerous consulting assignments for a wide variety of income producing real estate developments. He has completed assignments in 37 states and in Canada, including feasibility studies and varied development advisory services. He is a known expert in the field of real estate research and feasibility analysis, spanning all property sectors. He has completed engagements related to multifamily housing, residential subdivision analysis, seniors housing, casinos, hotels, conference and banquet facilities, golf courses, retail shopping centers and individual retail store operations, gas station/convenience stores, truck stops, office and industrial developments, community centers and health clubs, and aviation-related real estate operations such as corporate hangar facilities and FBOs. Brent has developed an expertise in providing feasibility studies for complex mixed-use projects, redevelopment projects, urban infill and downtown development. He understands the unique aspects of redevelopment and public-private partnerships, having worked in both sectors.

Brent has also developed a specialty in providing affordable housing market analyses and needs assessments on behalf of cities, counties, regional and state planning agencies throughout the United States. Specifically, his studies have addressed the relationship between housing affordability and economic development. Recently, he has authored reports on this issue on behalf of clients in Minneapolis/St. Paul, Tallahassee, FL, Portland, OR and Jasper and Beaufort Counties (Hilton Head), SC.

Brent has spoken at Urban Land Institute conferences and seminars sponsored by the Minnesota Multi-Housing Association and the Institute of Real Estate Management. He has also been a guest lecturer at local universities. Mr. Wittenberg is regularly quoted in *The Business Journal of Minneapolis-St. Paul*, *Minnesota Real Estate Journal*, *Finance and Commerce*, *Minneapolis StarTribune*, *St. Paul Pioneer Press*, *Heartland Real Estate Business*, *National Real Estate Investor*, and *Apartment Finance Today* regarding multifamily market trends, and has provided articles for several of these publications. Brent has served as a “Best in Real Estate” judge on behalf of the Twin Cities Business Journal in 2002, 2003 and 2010. He served on the Board of Directors of the Minnesota Multi-Housing Association in 2005 and 2006 and is currently active on multiple committees with the organization.

Mr. Wittenberg earned a Master of City and Regional Planning Degree (MCRP) from Clemson University, where he was recognized by the American Institute of Certified Planners (AICP) for outstanding attainment in the study of planning. He earned a Bachelor of Arts Degree in Local and Urban Affairs at St. Cloud State University.



## PROFESSIONAL QUALIFICATIONS OF LOUIS W. FRILLMAN, CRE, FRICS, MAI

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*President*

**MARQUETTE ADVISORS & MARQUETTE CAPITAL ADVISORS**



Louis W. Frillman has been engaged in the business of providing counsel to the real estate investment and development business nationwide since 1975. During this time, he has completed counseling assignments dealing with significant decisions regarding market feasibility and absorption analysis studies, valuations and disposition of major business properties, and investment analyses for acquisition of property by institutional investors of all types. In addition, he has actively overseen major development programs for all types of property developments; he holds the professional designations FRICS (Fellow, Royal Institution of Chartered Surveyors), MAI (Member Appraisal Institute), and CRE (Member, American Society of Real Estate Counselors).

Marquette Advisors currently operates a national real estate counseling practice with offices in Minneapolis and Seattle. Marquette provides comprehensive solutions to complex real estate problems and is practiced at managing and overseeing large real estate consulting projects nationwide. Marquette Capital Advisors specializes in transactional advisory services, crossing all property types and geographic boundaries.

Mr. Frillman formerly was Executive Vice President of Marquette Partners, a 490-employee firm that managed and oversaw 49 million sf of investment properties of all types, including regional and community shopping centers nationwide, as well as office and industrial properties and corporate portfolios.

Mr. Frillman is regularly retained to advise on large real estate assets and portfolios which require solutions to complex problems involving ownership and financial structuring. He is a recognized expert at devising complex value-enhancement strategies. He has completed several thousand market studies, appraisals, and devised business plans for properties of all types. His practice has spanned North America and parts of Europe regularly for over 25 years.

Mr. Frillman has a Bachelor of Arts Degree in Finance from the College of St. Thomas. He has lectured and taught real estate-related topics at the University of St. Thomas and has been a guest lecturer at numerous continuing education seminars for the Law Board, NAIOP, American Society of Real Estate Counselors, and NACORE. He has spoken frequently at varied industry conferences.

Mr. Frillman is a licensed and bonded real estate broker in multiple states. He is an affiliate member of the National Association of Industrial and Office Parks (NAIOP), and served on the Legislative Committee of that association. He is a member of the American Society of Real Estate Counselors, the real estate counseling affiliate of the National Association of Realtors. He is an elected member of the Appraisal Institute and has served on the MAI Demonstration Appraisal Reports Committee nationally and was a member of the Board of Directors for the local Institute Chapter as well as on the local admissions committee. He has also served as Chairman of the Candidate Guidance Committee. He is an invited member as a Fellow of the Royal Institute of Chartered Surveyors, the most widely recognized group of real estate development and investment experts in the world.



Mr. Frillman has developed all types of income-producing properties, and in addition, has developed single-family custom housing. Finally, he has provided counsel to real estate buyers, sellers, investors and lenders concerning virtually all types of real estate, worldwide.

Mr. Frillman's community activities include being a full member of the Greater Minneapolis Board of Realtors, an associate member of the Urban Land Institute, a member of the National Trust for Historic Preservation, and the Riverfront Development Committee of the Downtown Council of Minneapolis.

Mr. Frillman is an invited member of Lambda Alpha International, the Honorary Society for the Advancement of Land Economics.

Mr. Frillman's charitable activities include eight years as director of Catholic Charities for the Elderly; he served that board as development coordinator of Marian Center, a 150-bed skilled care and 100-unit assisted living care facility. He was responsible for coordinating all aspects of development including facility design and review, construction management, marketing programming, and ongoing management supervision.

Currently, Louis W. Frillman resides at 1661 Harbor Avenue SW, Seattle, Washington. He and his wife maintain a pied' a tierre at 1060 Grand Avenue in St. Paul, Minnesota He is married to the former Carol A. Motsinger and has four children.





## ***PARTIAL LISTING OF ENGAGEMENTS RESIDENTIAL ANALYTICS GROUP***

The following is a sample description of engagements recently completed by our firm. The list is not intended to be comprehensive, as Marquette has consulted on hundreds of residential and mixed-use developments over 20+ years. Rather, this partial list is intended to illustrate the variety and breadth of our experiences as advisors to real estate market participants and investors. We are pleased to provide additional project examples and/or references upon request.

### **DEVELOPERS / INVESTORS / LENDERS**

**RYAN COMPANIES – Development Consulting & Market Analytics – “Eleven” ultra-luxury condo tower – Minneapolis, MN:** Market research and advisory services regarding a proposed luxury condominium development on France Avenue near Southdale Center in Edina, MN.

**RYAN COMPANIES – Market Feasibility Study – Proposed Apartments -- Minneapolis Downtown East --** Market feasibility study for proposed luxury high-rise overlooking The Commons Park in the “East Town” neighborhood of Downtown Minneapolis.

**RYAN COMPANIES – Development Consulting – Proposed “Estelle” Luxury Condominiums – Edina, MN:** Market research and advisory services regarding a proposed luxury condominium development on France Avenue near Southdale Center in Edina, MN.

**RYAN COMPANIES – Development Consulting – Proposed Five-Star Luxury Hotel & Branded Residences – Mall of America, Bloomington, MN:** Market feasibility study, development recommendations and financial projections for a proposed five-star hotel and branded residences at the Mall of America in Bloomington, MN.

**KRAUS ANDERSON DEVELOPMENT CO. – “HQ” - Downtown Minneapolis apartment feasibility:** Market study and development recommendations for luxury apartment tower in downtown Minneapolis, Minnesota.

**KRAUS ANDERSON DEVELOPMENT CO. – “The Larking” - Downtown Minneapolis apartment feasibility:** Market study and development recommendations for luxury apartment tower in downtown Minneapolis, Minnesota.

**KRAUS ANDERSON DEVELOPMENT CO. – Eden Prairie, MN apartment feasibility:** Market study and development recommendations for apartment development on an infill site in Eden Prairie, MN.

**KRAUS ANDERSON DEVELOPMENT CO. – Bloomington, MN apartment feasibility:** Market study and development recommendations for a proposed redevelopment of a shopping center site in East Bloomington incorporating market rate apartments and grocery-anchored retail development.

**KRAUS ANDERSON DEVELOPMENT CO. – “Five 90 Park” – St. Paul MN “micro” apartment feasibility:** Market study and development recommendations for development of “micro” apartments on a site near the MN State Capital and Regions and Gillette Children’s Hospitals in St. Paul.

**OPUS DEVELOPMENT CORP. – “365 Nicollet” – Downtown Minneapolis, MN:** Marquette Advisors provided a complete market feasibility study and development recommendations for 365 Nicollet, a luxury high-rise apartment community on the former “Ritz” hotel block in Downtown Minneapolis.



**OPUS DEVELOPMENT CORP. – “The Nic on 5<sup>th</sup>” – Downtown Minneapolis, MN:** Market study and due diligence consulting in support of Opus regarding a proposed luxury high-rise development, including a review of the proposed development concept, recommendations regarding unit mix, sizing, amenities and supportable rental rates.

**OPUS DEVELOPMENT CORP. – “Oxbo” – Downtown St. Paul, MN:** Market study and development recommendations for luxury apartment development on West 7<sup>th</sup> Street in Downtown St. Paul.

**OPUS DEVELOPMENT CORP. – “The Maven on Broadway” – Downtown Rochester, MN:** Market study and development recommendations for upscale apartment development in Downtown Rochester, MN.

**HINES INTERESTS – “Dock Street Flats” - Downtown Minneapolis apartment feasibility:** Market study and development recommendations for proposed luxury apartment community on Washington Avenue in downtown Minneapolis, Minnesota.

**LENNAR MULTIFAMILY COMMUNITIES – Market Study & Development Recommendations – “NordHaus” – Northeast Minneapolis, MN:** Market feasibility study for a proposed mixed-use development incorporating luxury rental apartments along with a mix of retail and restaurant concepts on a site on 1<sup>st</sup> Avenue NE in Minneapolis. Analysis included a detailed assessment of the development concept and full review of both apartment and retail market conditions in the immediate neighborhood and broader market areas.

**LENNAR MULTIFAMILY COMMUNITIES – “Indigo at Bloomington Central Station” and “Onyx” Apartments – Bloomington & Edina, MN:** Marquette Advisors provided market research, data and advisory services regarding Lennar development proposals near Southdale and at Bloomington Central Station.

**UNIVERSITY OF MN ALUMNI ASSOCIATION – Market Research and Development Advisory Services – Proposed Alumni Condominium Housing, Minneapolis, MN:** Marquette Advisors provided a market study and development recommendations on behalf of the UMMA Housing Task Force in reference to a proposed alumni housing development on the Minneapolis campus. Multiple development alternatives were considered, including senior cooperative housing and for-sale condominiums.

**MCGOUGH CO. – proposed multifamily development – Rochester, MN –** Market study and development recommendations for a proposed infill development in Downtown Rochester incorporating both market rate rental apartments and for-sale condos in two buildings near the Zumbro River.

**MCGOUGH CO. – “Bloomington Central Station” -- proposed multifamily development –Bloomington, MN –** Market study and development recommendations for a proposed infill development within the South Loop area of Bloomington, MN.

**MCGOUGH CO. – proposed multifamily development – St. Paul, MN –** Feasibility study for a proposed development incorporating primarily “micro” apartments on a site on West 7<sup>th</sup> Street in Downtown St. Paul.

**MORTENSON CO. – “Rafters” -- Minneapolis, MN:** Market study for a proposed high-rise apartment tower in Northeast Minneapolis.

**ELEVAGE DEVELOPMENT GROUP – proposed luxury apartment tower – Minneapolis, MN –** Market study and development recommendations for a proposed luxury high-rise near Lake Bde Maka Ska in southwest Minneapolis.

**DOUGHERTY FUNDING/KROISS DEVELOPMENT – “TMBR” luxury condos – North Loop, Downtown Minneapolis, MN:** feasibility study and complete market value appraisal report for proposed luxury condo development.



**ALATUS – “Latitude 45” – Downtown Minneapolis apartment feasibility study:** Market feasibility study and development recommendations for luxury mid-rise apartment development on Washington Avenue in the Mill District.

**ALATUS – “Ironwood” – New Hope, MN apartment feasibility study:** Market feasibility study for upscale apartment community on site adjoining the New Hope Village Golf Course.

**ALATUS – “Humboldt Greenway” – Minneapolis, MN for-sale housing development:** Market study, development recommendations and pricing analysis for new-construction single-family and townhomes along the Humboldt Greenway in Minneapolis.

**ALATUS LLC – “Alia” luxury condo tower – Minneapolis -- development Consulting:** Market research and advisory services regarding a proposed 30-story luxury condominium development at 2<sup>nd</sup> & Central in NE Minneapolis.

**ALATUS LLC & CRG – “200 Central” luxury apartment tower – Minneapolis:** Market study, development recommendations and analysis of supportable rental rates for proposed luxury high-rise development in the St. Anthony Main neighborhood of Minneapolis.

**ALATUS LLC – “The Berkman” Apartments – Rochester, MN:** Market study and development recommendations proposed luxury apartments and rental townhomes on 2<sup>nd</sup> Street in Rochester, just north of the St. Mary’s Medical Center campus of Mayo Medical Center.

**ALATUS – Columbia Heights, MN apartment feasibility study:** Market feasibility study and development recommendations for proposed redevelopment incorporating market rate apartments along with a new Columbia Heights city hall and retail tenant spaces.

**ALATUS & CRG – “200 Central” Luxury Apartments – Minneapolis, MN apartment feasibility study:** Market feasibility study and development recommendations for luxury high-rise development in Downtown Minneapolis.

**BADER DEVELOPMENT – “West Lake Quarter” – Minneapolis, MN:** Market research and development advisory services on behalf of the project team related to a planned \$225 million development comprising 613 new apartment units in southwest Minneapolis.

**BADER DEVELOPMENT & RON CLARK CONSTRUCTION – proposed apartments – Bloomington, MN:** Market study and development recommendations for upscale apartment development on a site near the Minnesota River in east Bloomington, MN.

**BADER DEVELOPMENT & RON CLARK CONSTRUCTION – proposed apartments – Crystal, MN:** Market study and development recommendations for a proposed redevelopment site along Bass Lake Road in Crystal. Planned development program incorporates 130 market rate apartments.

**KAEDING DEVELOPMENT – Hotel Conversion Feasibility Study – Bloomington, MN:** Market study and development recommendations for proposed conversion of the Crowne Plaza-Bloomington to rental apartments.

**T2 Investments – Hotel Conversion Feasibility Study – Orlando, MN:** Market study and development recommendations for proposed conversion of the hotels to workforce housing targeting Disney and other service- and tourism-industry employees.

**DOUGHERTY MORTGAGE / DORAN DEVELOPMENT – “Triple Crown Residences” – Shakopee, MN:** Feasibility study for proposed upscale apartment complex near Canterbury Park in Shakopee.



**COLLIERS MORTGAGE / DORAN DEVELOPMENT – Proposed apartment development – NE Minneapolis, MN:** Feasibility study for proposed apartment development at 2<sup>nd</sup> & Lowry in NE Minneapolis.

**DORAN DEVELOPMENT – Proposed apartment development – Tonka Bay, MN:** Market study and development recommendations for proposed upscale apartment development in Tonka Bay.

**DORAN COMPANIES – Proposed Uptown Minneapolis Apartments:** Market study, development recommendations, rent estimates and demand forecast for a contemplated luxury apartment development in the Uptown neighborhood of Minneapolis.

**COLLIERS MORTGAGE – Development Appraisal – “Risor of Bloomington Apartments” – Bloomington, MN:** Market value appraisal of this to-be-constructed apartment development in the South Loop district of Bloomington. As-is, as-complete and as-stabilized values provided.

**COLLIERS MORTGAGE – Development Appraisal – “TMBR” – Minneapolis, MN:** Market value appraisals provided regarding a proposed infill luxury multifamily development. Project was valued under both for-sale condo and rental apartment development scenarios.

**JMS CUSTOM HOMES – Multifamily Development Market Research & Consulting:** Market research and advisory services in consideration of a luxury infill multifamily development on a site near 50<sup>th</sup> & France in Minneapolis, MN. Development analysis provided for both condo and apartment alternatives.

**MWF DEVELOPMENT – Proposed Apartments, Burnsville, MN:** Market feasibility study for a proposed infill apartment development on a site near Burnsville Center.

**MWF DEVELOPMENT – Proposed Apartments, Blaine, MN:** Market study and phased development recommendations for a contemplated multifamily development in Blaine, MN.

**NORTH SHORE PARTNERS – Proposed Apartments, New Brighton, MN:** Market feasibility study for redevelopment of former office site near I-694 to rental apartments.

**THE CORNERSTONE GROUP – Lyndale Gardens – for-sale townhomes - Richfield, MN:** Market study, development recommendations and pricing analysis for infill development of single-level and two-story townhomes in Richfield, MN.

**AECOM – “RiversEdge” Downtown St. Paul Mixed Use Development:** Market research and advisory services relating to program development for proposed major mixed-use development on the riverfront in Downtown St. Paul, inclusive of for-sale and rental apartments, hotel, and retail components.

**TIMBERLAND PARTNERS – “333 on the Park” Downtown St. Paul:** Market research and advisory services relating to program development for office conversion project in Downtown St. Paul. Marquette Advisors provided a market study and detailed recommendations regarding unit mix, sizes and supportable rents for this apartment project in the Lowertown area of St. Paul.

**TIMBERLAND PARTNERS – “Green on 4th” Apartments – Minneapolis, MN** – Market feasibility study for mixed-income apartment community in the Prospect Park neighborhood of Minneapolis, MN.

**TIMBERLAND PARTNERS – “Elevate at SW Station” – Eden Prairie, MN** – Market feasibility study for mixed-income apartment community in Eden Prairie, MN.



**TIMBERLAND PARTNERS – “Sundance at Settlers Ridge” – Woodbury, MN** – Market feasibility study for proposed rental townhouse community in Woodbury, MN.

**INLAND DEVELOPMENT PARTNERS – Comprehensive Apartment Market Analysis – Bloomington, MN** – Complete review of the Bloomington, MN apartment market on behalf of IDP in consideration of potential development and acquisition/value-add investment opportunities in this suburban Twin Cities market.

**STAR REAL ESTATE VENTURES – Valuation of U.S. Apartment Portfolio** – complete valuation of a portfolio of 17 suburban apartment communities located in Michigan, Ohio, Illinois, Indiana, Texas, Georgia, North Carolina and Florida.

**EL-AD GROUP CANADA – “Emerald City, Cite Nature and Maple Grove” - Residential Condominium Development Feasibility & Valuation – Toronto and Montreal, Canada:** Marquette Advisors provided market studies, as-is and prospective appraisals on behalf of El-Ad related four major residential condo developments, including two in Toronto (Emerald City and Maple Grove) and two in Montreal (Cite Nature and Nordelec).

**EL-AD U.S. HOLDING, INC. – “250 West Apartments” – New York, NY:** Marquette Advisors provided a market assessment and appraisal for proposed renovation and repositioning of former office building to multi-family residential units in Manhattan.

**EL-AD U.S. HOLDING, INC. – “108 Leonard Apartments” – New York, NY:** Marquette Advisors provided a complete appraisal for proposed renovation and repositioning of former office building to luxury residential condominium units in the Tribeca neighborhood of Manhattan.

**GRECO – “Mississippi Crossing” – Champlin, MN apartment feasibility:** Market study and development recommendations for proposed upscale apartment complex and for-sale townhouse development on a site near the Mississippi River in Champlin, MN.

**GRECO – “Blue Stem North” – Eden Prairie, MN apartment feasibility:** Market study and development recommendations for proposed TOD mixed-income apartment development comprising 400+ units near the under construction SW-LRT and Golden Triangle Station.

**DOUGHERTY MORTGAGE, INLAND DEVELOPMENT PARTNERS – “Parker Station Flats” – Robbinsdale, MN apartment feasibility:** Market feasibility study for proposed apartment development in downtown Robbinsdale, MN.

**DOUGHERTY MORTGAGE, INLAND DEVELOPMENT PARTNERS & KRAUS ANDERSON CO. – “The Chamberlain” – Richfield, MN apartment feasibility:** Market feasibility study for proposed mixed-income apartment development in Richfield, MN. Project includes both adaptive re-use and repositioning of existing workforce housing and construction of new apartment complex.

**DOUGHERTY MORTGAGE, TIMBERLAND PARTNERS & PROSPECT PARK PROPERTIES – “Green on 4th” – mixed-income apartment feasibility:** Market feasibility study for proposed mixed-income apartment community in the Prospect Park neighborhood of Minneapolis, inclusive of both affordable and market rate housing.

**SOLHEM COMPANIES – “The Julia” – Northeast Minneapolis** – Market assessment and development recommendations for infill apartment development at Broadway & Marshall.

**SOLHEM COMPANIES – “Ox Op Gallery & Residences” – Downtown Minneapolis** – Market assessment and development recommendations for infill apartment development on Washington Avenue in Downtown Minneapolis.



**SOLHEM COMPANIES – “Borealis” – North Loop – Downtown Minneapolis** – Market assessment and development recommendations for apartment development in the North Loop.

**SOLHEM COMPANIES – “The Fred” – Edina, MN** – Market feasibility study for planned 400-unit apartment development on an infill/redevelopment parcel in the Pentagon Park district.

**SOLHEM COMPANIES – “Archive” – North Loop – Downtown Minneapolis** – Market assessment and development recommendations for apartment development in the North Loop.

**TE MILLER & SOLHEM COMPANIES -- “Solhavn Apartments” - Downtown Minneapolis, MN:** Complete market study, development recommendations, rent estimates and absorption forecast for a proposed 137-unit apartment community in the North Loop neighborhood of Downtown Minneapolis.

**TE MILLER DEVELOPMENT -- “The Gibson” - NE Minneapolis, MN:** Market study, development recommendations, and analysis of market rents for infill mid-rise apartment development in NE Minneapolis.

**SOLHEM COMPANIES & TE MILLER DEVELOPMENT – “The Lyndy” – Minneapolis, MN:** Market study and development recommendations for The Lindy, an infill development in the Lyn/Lake neighborhood of Minneapolis on the Midtown Greenway.

**SOLHEM COMPANIES & TE MILLER DEVELOPMENT – Development Consulting – Proposed North Loop Luxury Condo Development -- Minneapolis:** Market assessment, development program review and pricing analysis for proposed boutique condo residence in the North Loop neighborhood of Downtown Minneapolis.

**T.E. MILLER DEVELOPMENT – Market study and highest and best use consulting, Richfield, MN:** Market study and development recommendations for a proposed 33-acre redevelopment project at I-35 and Penn Avenue in Richfield, MN. Marquette provided a detailed assessment of residential, retail, office and lodging market trends and provided specific phased development recommendations for this prime site along the I-494 strip in the Twin Cities metro area.

**LUND HOLDINGS – “Landsby on Penn Apartments” – Richfield, MN:** Market feasibility study for a planned new market rate apartment community adjacent to a renovated Lund’s & Byerly’s market in Richfield, MN.

**REAL ESTATE EQUITIES – proposed senior housing – Lauderdale, MN:** Market feasibility study for a planned new independent living senior housing development in Lauderdale, MN.

**REAL ESTATE EQUITIES – proposed workforce apartments – Coon Rapids, MN:** Market study for a planned workforce apartment community in Coon Rapids.

**LECESSE CO. – “Skye at Arbor Lakes” – Maple Grove, MN** – Market research and consulting services related to planned upscale apartment development in the Arbor Lakes area of Maple Grove.

**LECESSE CO. – “RiZE at Opus Park” – Minnetonka, MN** – Feasibility study for upscale apartment community in the Opus Park in Minnetonka, MN.

**LECESSE CO. – “RiZE on Grand” – Burnsville, MN** – Market assessment and development recommendations for a proposed apartment development in this south-metro suburb.



**TITAN VENTURES – Proposed High-Rise Apartment Development – Downtown Rochester, MN:** Market feasibility study and development recommendations for luxury apartments within a planned mixed-use high-rise development in Downtown Rochester incorporating hotel, residential and commercial uses.

**ALTSHULER SHAHAM PROVIDENT FUNDS LTD. – “Symphony Tower,” Syracuse, NY – Valuation and Workout Analysis:** Marquette Advisors provided an as-is appraisal for a stalled (failed) development involving the conversion of a former hotel tower to rental apartments in downtown Syracuse, NY. As well, Marquette provided detailed financial projections under varied development and repositioning scenarios on behalf of client considering purchase of the property.

**SILVER POINT INVESTORS – Proposed Residential Subdivision Development – Park City, UT:** Complete appraisal via discounted cash flow approach for a proposed 250-acre master planned community in Park City. This development incorporated a variety of single family and townhouse products and varied timeshare units.

**VERMILION DEVELOPMENT – “The Wallis” -- Proposed Mixed Use Development – Prospect Park – Minneapolis, MN:** Market study and development recommendations for proposed rental apartments, for-sale condos, and retail space on an infill/redevelopment site.

**FLAHERTY & COLLINS / DOUGHERTY MORTGAGE – “2700 University” – St. Paul, MN:** Market feasibility study for a proposed apartment development on University Avenue, adjacent to the planned Westgate LRT Station.

**KRAUS ANDERSON REALTY CO / TRUCORE REALTY – “430 Oak Grove” luxury apartments, Downtown Minneapolis, MN:** Market research, consulting and advisory services on behalf of team involving complete renovation and conversion of a historic Loring Park office building to 76 luxury apartments.

**DOUGHERTY MORTGAGE / DOMINIUM DEVELOPMENT – Proposed general occupancy and senior affordable apartments – St. Paul, MN:** Feasibility studies for proposed senior and general occupancy affordable apartments near University Avenue and MN-280.

**COOKIE DRAWER CO. – “Ray” Apartments – St. Paul, MN:** Market study and development recommendations for infill development of “micro” apartments near University & Raymond and the Green Line LRT in St. Paul.

**DOUGHERTY FUNDING / NOLAN PROPERTY GROUP / BADER DEVELOPMENT – “700 Central” – Minneapolis, MN:** Complete market feasibility study for a proposed mixed-use development, inclusive of residential apartments and retail space for lease within the context of a historic renovation project.

**IRONTON ASSET GROUP – “Custom House” Rental Apartments Feasibility – Downtown St. Paul, MN:** Market study, concept review, demand analysis and complete development recommendations for proposed conversion of former US Post Office property on Kellogg Blvd to a high-rise apartment community.

**TARGET CORPORATION / CUNINGHAM GROUP – Mixed Use Market Study & Master Plan – Target Corporate Campus – Brooklyn Park, MN:** Marquette Advisors provided a market study and advisory services on behalf of Target Corporation related to master planning of a 320-acre land holding near U.S. 169 and MN Hwy. 610. Marquette was retained to provide a review of the development potential for added corporate office, retail/restaurant, hotel and residential components and appropriate development phasing.

**DOUGHERTY MORTGAGE & THE MELROSE CO. – “Arlington Row” rental townhomes, St. Louis Park, MN:** Market feasibility study for proposed “workforce” housing development on two sites in St. Louis Park, MN.



**THE EXCELSIOR GROUP & GRANDBRIDGE REAL ESTATE CAPITAL – “The Flats at West End” Rental Apartments Feasibility – St. Louis Park, MN:** Feasibility study, including complete development recommendations and revenue forecast for a proposed luxury apartment community in St. Louis Park, MN.

**SCHAFFER-RICHARDSON – “M on Hennepin” – NE Minneapolis, MN:** Complete market study and development recommendations for a proposed apartment development along Hennepin Avenue in NE Minneapolis.

**SCHAFFER-RICHARDSON – “Cameron Apartments” – Minneapolis, MN:** Market study for a proposed affordable apartment community in the North Loop neighborhood of Minneapolis, involving the renovation of a historic warehouse building to a 43-unit apartment complex. Marquette provided a market study to be utilized by the developer in project planning and related to Low Income Housing Tax Credit application process.

**CPM DEVELOPMENT – “Wa-Hu” – Student Housing & Retail Development – Stadium Village, University of MN:** Marquette Advisors provided a market feasibility study for a proposed mixed-use redevelopment project near Oak and Washington in the Stadium Village neighborhood. Full market studies provided for a gourmet grocery store and a hotel development at this prime site near the U of M.

**OPUS DEVELOPMENT CORP. – “Station at Washington” Student Housing – U of M - Minneapolis, MN:** Marquette Advisors provided a market feasibility study for a proposed 100-unit (160-bed) student apartment community in the Stadium Village neighborhood near the U of M main campus.

**OPUS DEVELOPMENT CORP. – “The Marshall” Student Housing – U of M - Minneapolis, MN:** Market feasibility study and development recommendations for student housing development in Dinkytown.

**JPI STUDENT HOUSING – U of M - Minneapolis, MN:** Market study and demand forecast for on and off-campus housing needs related to the U of M student population.

**THE EXCELSIOR GROUP – “The Vintage on Selby Apartments” - St. Paul, Minnesota:** Market feasibility study, inclusive of full development and phasing recommendations for a proposed mixed-use development at Snelling and Selby in St. Paul, MN involving luxury apartments along with an upscale gourmet grocery store.

**TRUCORE REALTY – “The Plymouth Building” – Proposed Historic Renovation & Conversion to Apartments – Downtown Minneapolis, MN:** Complete market feasibility study and development recommendations regarding a proposal to convert historic office building to residential apartments over street-level retail and restaurant space at 6<sup>th</sup> & Hennepin in Downtown Minneapolis.

**HARBOR BAY REAL ESTATE – “ENDI” Apartments – Duluth, MN:** Market analysis and development advisory services for a proposed upscale 140-unit market rate apartment community on London Road in Duluth, MN.

**HARBOR BAY REAL ESTATE – “Preserve on Maine” Apartments – Rochester, MN:** Market analysis and development advisory services for a proposed upscale 160-unit market rate apartment community in the Shoppes on Maine in southwest Rochester, MN.

**DUKE REALTY – Proposed “West End” Mixed Use Development, St. Louis Park, MN:** Market assessment and development recommendations for a major mixed-use redevelopment project on a site near the I-394/Hwy. 100 interchange in St. Louis Park, Minnesota. Study included an initial analysis of the potential to develop residential (for-sale and rental housing), retail, restaurant, hotel and office components within a vibrant mixed-use development concept.





**INSIGNIA DEVELOPMENT GROUP – Proposed Conversion to Residential Condos – “The Lowry Building” – Downtown St. Paul, MN:** Marquette Advisors provided a complete market feasibility study for a proposed 60-unit luxury condominium development in Downtown St. Paul.

**THE GOODMAN GROUP – “Signature 41” - Chaska, MN:** Marquette Advisors provided a market feasibility study for a proposed luxury apartment community in Chaska, MN.

**DOUGHERTY FUNDING / LECESSÉ DEVELOPMENT – “Skye at Arbor Lakes” – Maple Grove, MN:** Marquette Advisors provided a complete market feasibility study for a proposed 240-unit luxury apartment community in the Arbor Lakes area of Maple Grove.

**TPI PROPERTY INVESTMENTS – Proposed Hotel & Residential Development, Spicer, MN:** Market analysis regarding a proposed mixed-use development incorporating hotel and condo units on a site near Green Lake in Spicer, MN.

**HUNTER-EMERSON INC. – “MartinBlu” Apartments – Eden Prairie, MN:** Market feasibility study and development recommendations for Mitchell Crossing, a planned 192-unit luxury apartment community near the intersection of I-494 & MN Hwy. 5 in Eden Prairie, MN.

**BADER DEVELOPMENT – “The Ellipse” Apartments – St. Louis Park, MN:** Marquette Advisors was retained to provide advisory services including a detailed review of the proposed unit mix, unit sizes and features, amenity package and rental rates for this luxury apartment community in St. Louis Park.

**ABACUS CAPITAL GROUP – Proposed Golden Valley, MN Apartment Development** – Complete market study used by investor group considering an investment opportunity involving a proposed 300+ unit apartment development in Golden Valley, MN.

**OAK GROVE CAPITAL / QUEST DEVELOPMENT -- Proposed Apartments, Plymouth, MN:** Market feasibility study for proposed 159-unit, mixed income apartment community at MN Hwy 55 & US 169 in Plymouth, MN.

**FLAHERTY & COLLINS INC. – Proposed Southdale Apartments – Edina, MN:** Marquette Advisors provided a complete market feasibility study for a proposed 250-unit luxury apartment community in near Southdale Center in Edina, MN.

**HANS HAGEN HOMES – “Red Cedar Canyon” -- Hudson, WI:** Market study and development recommendations for proposed luxury rental townhomes in Red Cedar Canyon of Hudson, WI.

**HANS HAGEN HOMES – “North Bay” rental townhomes - Blaine, MN:** Market study and consulting services regarding proposed rental townhomes within *The Lakes* of Blaine. In addition to providing a market feasibility study which was utilized to secure financing for the project, Marquette Advisors was integral in the development of an appropriate unit mix, features and amenity package for the first luxury rental townhome development in Blaine in several years.

**HANS HAGEN HOMES – Apartment Portfolio Valuation – Maple Grove, MN, Hudson, WI, Woodbury, MN and Blaine, MN:** Valuation of portfolio of rental townhouse communities in four Twin Cities suburban locations.

**CBRE / CPM DEVELOPMENT – “1800 Lake” - Uptown Minneapolis:** Market study, development recommendations, feasibility and valuation services for “1800 Lake,” a 57-unit luxury apartment community at Lake St. & Knox Avenue near Lake Calhoun in Minneapolis’ “Uptown” neighborhood.



**UNIVERSITY OF MINNESOTA – DEPARTMENT OF RESIDENTIAL LIFE:** Marquette Advisors provided a complete review and analysis of on and off-campus housing market conditions near the University’s Minneapolis campus. Study included a detailed supply audit and review of recent developments, occupancy levels and market rents.

**STUART COS. – “Upper Landing” – St. Paul, MN:** Marquette Advisors provided a detailed review of this existing Class A apartment community near Downtown St. Paul in terms of its market positioning, competitive unit/amenity package, and market rental rates.

**AGM Financial Services – Proposed “Parkside Village Apartments” – Apple Valley, MN:** Marquette Advisors was retained to provide a market value appraisal for this proposed 322-unit apartment community near 152<sup>nd</sup> & Galaxie in Apple Valley.

**JAS APARTMENTS – “The Marmont” - Downtown Minneapolis apartment feasibility:** Market study and development recommendations for proposed 350-unit apartment community known as *The Marmont* in downtown Minneapolis, Minnesota near the Guthrie Theater.

**RON CLARK CONSTRUCTION – Proposed Apartments – Chanhassen, MN:** Site analysis and preliminary development advisory services on behalf of Ron Clark Construction in consideration of a possible luxury apartment community in Chanhassen, MN.

**VARDE PARTNERS – Residential Land Development Consulting - National:** Marquette Advisors provided ongoing market research and pricing/absorption forecasting related to varied subdivision investments held by Varde throughout the United States.

**ROTTLUND HOMES, WELSH CO., & ROSEVILLE PROPERTIES – Market study for proposed “Twin Lakes” mixed use development at County C & Cleveland in Roseville, MN:** Market assessment and demand analysis for *Twin Lakes*, a proposed mixed-use redevelopment project at County Road C and Cleveland Avenue in Roseville, Minnesota. The proposed development program included 490 for-sale townhouse and condominium units, 240 units of senior housing, 317,000 square feet of retail and restaurant space and 221,000 square feet of office space. Marquette Advisors provided an analysis current and projected market conditions, and provided a demand forecast for each of the proposed development components to determine whether there was sufficient market support for the project.

**CENTRAL BANK – Condominium Valuation & Work-Out Analysis – Stone Bay of Orono, MN:** Review and as-is valuation of failed/partially complete residential condominium development in far western suburb of Minneapolis.

**SHELTER CORPORATION – Burnsville, MN apartment market study:** Market study, rent and occupancy projections for the Burnsville/Savage rental market and Shelter-managed apartment communities, *Dakota Station* and *Winfield Townhomes*.

**STEVEN SCOTT MANAGEMENT & DEVELOPMENT – Lakeville, MN apartment assessment:** Market analysis and development advisory services related to *Lakeville Woods Apartments* in Lakeville, MN.

**BLAISSELL APARTMENTS - TURNSTONE GROUP – South Mpls. apartment mkt study:** Market study, demand analysis and rental rate recommendations regarding a proposed acquisition/rehab apartment investment in south Minneapolis utilizing *Section 42 LIHTC*.

**SHERMAN ASSOCIATES – Sect. 42 apartment feasibility, Minneapolis:** Market feasibility study for proposed apartment development near St. Anthony/Main in Minneapolis.



**LUPE DEVELOPMENT PARTNERS – Sect. 42 apartment feasibility, Minneapolis:** Market feasibility study for proposed apartment development in the East Phillips Neighborhood in Minneapolis, MN.

**MIDLAND MORTGAGE INVESTMENT CORPORATION, Clearwater, Florida – Washington DC senior housing market study:** A feasibility study for a proposed rental housing project for seniors to be developed in Washington, DC through the ***Sect. 42 Low-Income Housing Tax Credit*** program.

**TRK DEVELOPMENT – Sect. 42 apartment feasibility, Delano, MN:** Market feasibility study for a proposed ***Section 42*** rental housing community in Delano, Minnesota.

**LUPE DEVELOPMENT PARTNERS – Minneapolis condominium consulting:** Downtown Minneapolis residential condominium market consulting and advisory services.

**PEDEERSEN VENTURES – Apple Valley mixed use feasibility:** Market feasibility study and detailed development recommendations for a proposed mixed use residential and retail development in Apple Valley. This development, known as *The Village at Founders Circle*, is being designed as a new downtown for this suburban Twin Cities community.

**EDINA DEVELOPMENT COMPANY – Residential subdivision mkt. study, St. Cloud, MN:** A market feasibility study and development recommendations for proposed rental and for-sale townhomes planned for a master planned community east of St. Cloud.

**JPI STUDENT HOUSING – Minneapolis student housing analysis:** A study of the market potential for a student housing project on a site near the campus of the University of Minnesota.

**KMS PROPERTIES – Uptown Minneapolis apartment market positioning:** A study of market rents and rental rate recommendations for an apartment community, subject to renovation and repositioning in the Uptown Minneapolis neighborhood.

**AIMCO – Lake Calhoun, Minneapolis area apartment market:** Market study and due diligence consulting on behalf of AIMCO in evaluation of investment opportunity in Lake Calhoun area of Minneapolis.

**K2 URBAN CORP – Tallahassee, FL residential demand analysis:** Market study, demand analysis and economic impact consulting for Evening Rose, a proposed for-sale townhouse community in Tallahassee, FL. Marquette also provided due diligence and advisory services in support of a grant application submitted by K2 Urban to the State of Florida.

**ROTTLUND HOMES, St. Louis Park, MN retail market consulting:** Site assessment and expert opinion memorandum regarding the potential for retail development at 36<sup>th</sup> & Wooddale in St. Louis Park, Minnesota.

**HARTMAN DEVELOPMENT – Brooklyn Park, MN apartment market:** Market research and due diligence regarding the acquisition of a 360-unit apartment community in Brooklyn Park, Minnesota.

**CENTRAL COMMUNITY HOUSING TRUST (CCHT) – Rosemount, MN apartment analysis:** Market feasibility study for a proposed market rate apartment community in Rosemount, Minnesota.

**EDINA DEVELOPMENT COMPANY – Residential subdivision mkt. study, Buffalo, MN:** A market feasibility study and development recommendations for a master planned community of 550 homes on a site near Lake Pulaski in Buffalo, Minnesota.



**KMS PROPERTIES – Woodbury apartment repositioning analysis:** A study of market rents and rental rate recommendations for an apartment community, subject to renovation and repositioning in Woodbury, Minnesota.

**CORNERSTONE GROUP – Richfield condo market study:** A feasibility study for *Kensington Park*, a mixed-use residential and retail development project in Richfield, Minnesota near the I-494/Lyndale Avenue interchange. The project includes retail and restaurant development, along with for-sale townhomes and loft-style condominiums.

**DEL AMERICAN – Bloomington apartment feasibility:** A feasibility study for *Le Chateau Grand*, a proposed ultra-luxury apartment tower in Bloomington, Minnesota and an analysis of the potential for condominium conversion and pricing.

**STATE TEACHERS RETIREMENT SYSTEM OF OHIO – Regional apartment market consulting:** A market assessment and demand forecast for 1) the Twin Cities regional apartment market, and 2) the downtown Minneapolis apartment market.

**MMA FINANCIAL, LLC – Rochester rental townhouse feasibility:** A feasibility study for a proposed luxury rental townhome development known as *Grandeville at Cascade Lakes* in Rochester, Minnesota.

**ROTTLUND COMPANY, Osseo, Minnesota – land development analysis:** Preliminary market overview for a proposed urban resort and golf course to be included in a suburban planned unit development.

**CROCKETT ASSOCIATES, INC – South Minneapolis apartment feasibility.:** A feasibility study for a proposed mixed-use redevelopment project at the intersection of 48<sup>th</sup> and Chicago in south Minneapolis, Minnesota.

**CENTEX MULTI-FAMILY – Plymouth, MN apartment feasibility:** A feasibility study for a proposed upscale rental housing development in Plymouth, Minnesota.

**CENTEX MULTI-FAMILY – Downtown St .Paul condo mkt study:** An assessment of the market potential of luxury condominiums and townhomes in the proposed “Upper Landing” development adjacent to Downtown St. Paul and the Mississippi River.

**HOLIDAY COMPANIES – Bloomington, MN mixed-use feasibility:** A feasibility study for a proposed apartment development in Bloomington, Minnesota. An analysis of potential mixed-use redevelopment options for a site in Bloomington.

**BDC MANAGEMENT – Apartment valuation services, Minneapolis & St. Paul:** Market value appraisals for six rental properties in Minneapolis and St. Paul.

**US BANK: - Apartment valuations, Raleigh, NC** Market value appraisals for apartment property portfolio in Raleigh, NC.

**PEDERSON GROUP – Apartment valuation, Edina:** Market value appraisal of the Cedars of Edina, a 600-unit apartment community in Edina, MN.



## **PARTIAL LISTING OF OUR PUBLIC-SECTOR CLIENTS**

**CITY OF MINNETONKA, MN – Comprehensive housing needs assessment:** Marquette Advisors provided a comprehensive analysis of the housing stock in Minnetonka, MN. This included a review of current and projected future housing needs within the community, by product type and by price/rent level. A detailed analysis of the housing/jobs balance was provided, with insight regarding housing affordability, commuting patterns, and potentially unmet demand for workforce housing in the community.

**CITY OF MINNETONKA, MN – Comprehensive retail, office & industrial market assessment:** Additionally, Marquette Advisors provided a comprehensive analysis of the retail, office and industrial market conditions in Minnetonka and throughout the metro area. This report was used to inform the city’s comprehensive plan update.

**HENNEPIN COUNTY / SW-LRT COMMUNITY WORKS – SW-LRT Corridor Housing Gaps Analysis** -- Marquette Advisors was retained to provide a comprehensive assessment of housing gaps and future development potential for the “Green Line” LRT corridor and for specific station areas along the route which will connect Downtown Minneapolis with the Twin Cities southwest suburbs.

**CITY OF WOODBURY, MN – Comprehensive real estate market assessment:** Marquette Advisors provided a comprehensive analysis of housing, retail, office and hotel development in Woodbury, MN. This study was provided as part of a master planning initiative led by HKGi of Minneapolis related to planned BRT Gold Line Station Areas. Marquette Advisors provided a comprehensive review of real estate market conditions, including a forecast of future demand for all property types in the community. A review of each Gold Line Station Area was provided along with recommendations regarding best suited development types for each station and a discussion of possible barriers to development and mechanisms/strategies for the city to support and set the stage for quality development at each station.

**PORTLAND, OREGON BUSINESS ALLIANCE AND PORTLAND DEVELOPMENT COMMISSION – Comprehensive Downtown Portland residential Market study & economic impact analysis:** A comprehensive study of housing market trends and a 5-year demand forecast for housing by price point in downtown Portland, Oregon. The study identified several barriers to development of affordable workforce housing in downtown Portland, estimated the cost to develop affordable housing and the needed public subsidy to support new construction. Further, the analysis included an economic impact study which measured the economic benefits of increasing the supply of affordable workforce housing in downtown Portland, and then measured this impact against the needed subsidy to support new construction. The report documented the “return on investment” (workforce housing development subsidies and incentive programs) from the standpoint of local government.

**THE FAMILY HOUSING FUND, THE MINNESOTA HOUSING FINANCE AGENCY, THE METROPOLITAN COUNCIL, AND THE MINNESOTA MULTI-HOUSING ASSOCIATION – An assessment of “workforce” housing needs tin the Twin Cities region:** A study of the economic impact of the lack of affordable “workforce” housing in the Twin Cities Metropolitan Area. This study measured the current and future demand for affordable housing in the metro area, as well as cost to produce such housing, the level of subsidy required to support this construction, and the return on investment this investment.

**BEAUFORT COUNTY, SOUTH CAROLINA – Comprehensive housing needs assessment:** Completion of a for-sale and rental housing needs assessment with detailed 5-year demand projections and development recommendations by price/rent and location for Beaufort County, South Carolina. This coastal South Carolina County includes the Hilton Head area, which has seen rapid resort and high-end residential development during the past five to eight years. Meanwhile, a growing share of the workforce is effectively being priced out of the local housing market, to the point where many of the Hilton Head area workforce is commuting long distances to



more affordable housing in adjacent counties. Marquette developed a demand forecast and development recommendations for Beaufort County over a five-year period, assisted in identifying the primary barriers to development of affordable housing in the county, and suggested strategies for reducing or eliminating many of these barriers in support of affordable housing construction in the years ahead.

**JASPER COUNTY, SOUTH CAROLINA – Comprehensive housing needs assessment:** Analysis of county-wide market rate and affordable housing needs. Marquette Advisors quantified current and future housing needs throughout the county and evaluated the impact of zoning and development density upon residential development feasibility and affordability.

**CITY OF MINNEAPOLIS, MINNESOTA – Uptown Minneapolis Small Area Plan:** Market study provided to guide development of the Uptown Small Area Plan. Marquette also provided market and financial review of several development scenarios for multiple parcels within the study area, identifying the financial viability of varied alternatives and need for gap financing.

**CITY OF MINNEAPOLIS, MINNESOTA – Downtown Minneapolis housing market study:** A feasibility study for a proposed luxury high-rise to be constructed in conjunction with a new library and planetarium in downtown Minneapolis, Minnesota.

**CITY OF CHAMPLIN, MINNESOTA – Restaurant/Events Center & Commercial Development market study:** Market study for a Champlin Crossings, a proposed mixed-use redevelopment project on U.S. 169 at the Mississippi River in Champlin, MN.

**CITY OF ST. LOUIS PARK, MINNESOTA – Proposed Mixed-Use Development – Excelsior & France:** Market study for a proposed street level commercial development within “The Ellipse,” a mixed-use development incorporating retail and restaurant space along with luxury apartments.