



FOR SALE | MULTIFAMILY INVESTMENT

411 3RD STREET NORTH, LE SUEUR, MN 56058

Le Sueur Apartments



Presented By:
PETER MICHEL

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Michel Commercial Real Estate International, Inc. | michelcommercialre.com

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Legal questions should be discussed by the party with an attorney. Tax questions should be discussed by the party with a certified public accountant or tax attorney. Title questions should be discussed by the party with a title officer or attorney. Questions regarding the condition of the property and whether the property complies with applicable governmental requirements should be discussed by the party with appropriate engineers, architects, contractors, other consultants and governmental agencies. All properties and services are marketed by Michel Commercial Real Estate International, Inc. in compliance with all applicable fair housing and equal opportunity laws.



SECTION 1

PROPERTY INFORMATION

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OFFERING SUMMARY

Offering Price:	\$2,268,000
Number of Units:	40
Price Per Unit:	\$56,700
Cap Rate:	7.0%
NOI:	\$158,751
Year Built:	1975
Occupancy:	95%
PID:	21.800.1050
	21.800.0970
	21.590.0030

PROPERTY OVERVIEW

The Le Sueur Apartments were built in 1975 and have a 3 story design with a pitched roof and a metal siding exterior. There are a total of 40 apartment units including 24 one bedroom units (599 Sq Ft), 12 two bedroom units (811 Sq Ft) and 4 three bedroom units (1,013 Sq Ft). Some of the common area amenities include a secured entry, community room, playground, a laundry facility and an office. The heat is supplied by a gas fired boiler with hot water baseboard heat. The landlord pays all the utilities. Some recent capital improvements in the last 5 years include a new roof and new hot water heaters.

LOCATION OVERVIEW

The property is located in the City of Le Sueur which is about a half hour south of the Twin Cities. The Le Sueur Apartments are located in the center of town at the intersection of Church Street and North 4th Street. The residents find it very convenient to be within walking distance of Down town Le Sueur, schools and parks with easy access to Highway 169.

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PROPERTY HIGHLIGHTS

- Great Location
- Good Occupancy
- Community Room
- Laundry Facility
- Ceiling Fan
- Cable Ready
- Manager's Office
- Controlled Access
- Picnic/Grill Area
- Newer Pitched Roofs
- Some Remodeled Kitchens
- Attractive Metal Siding Exterior
- Minutes from Downtown Le Sueur
- Home To Cambria Headquarters
- Easy Access to Highway 169





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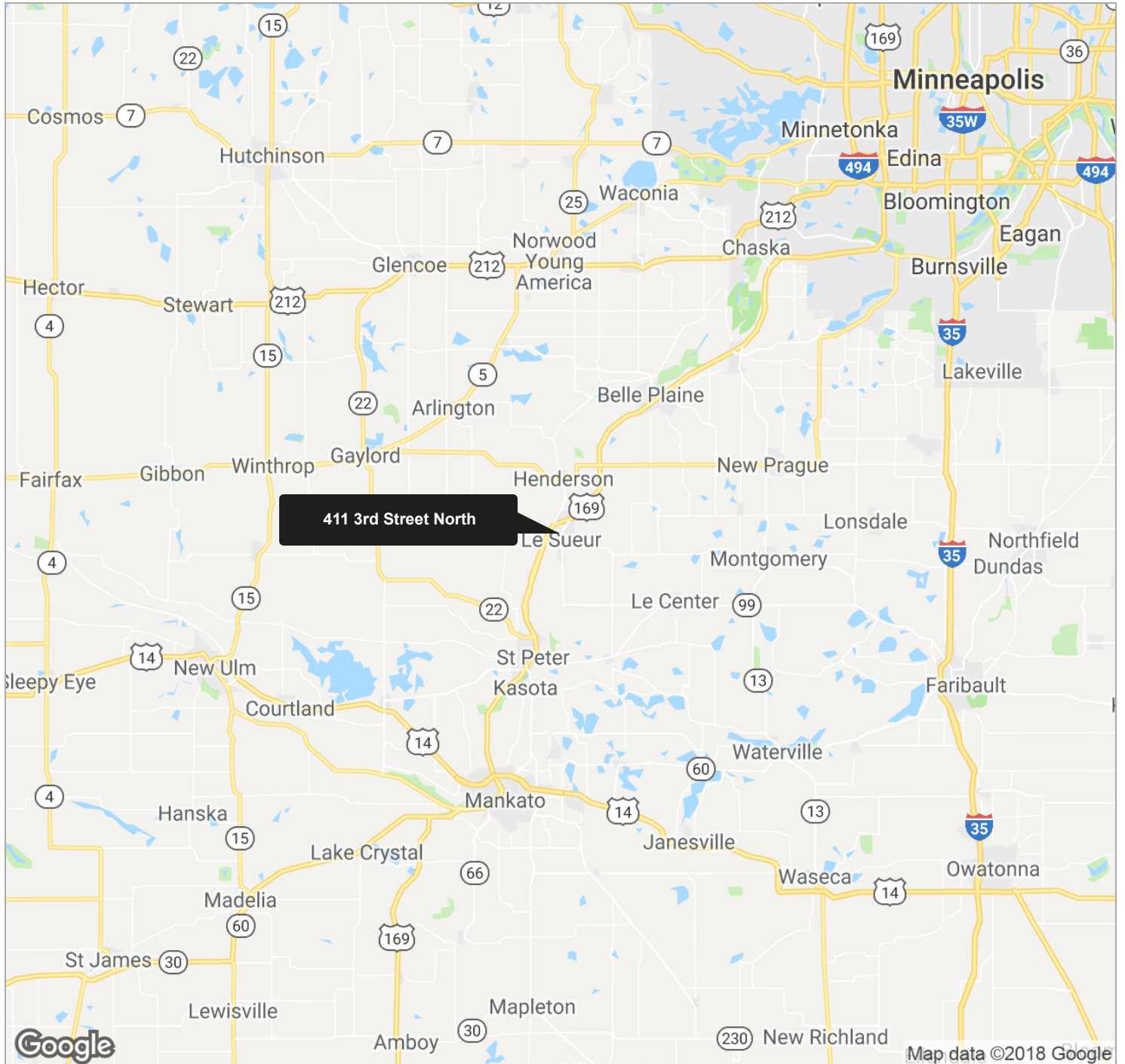
SECTION 2

LOCATION INFORMATION

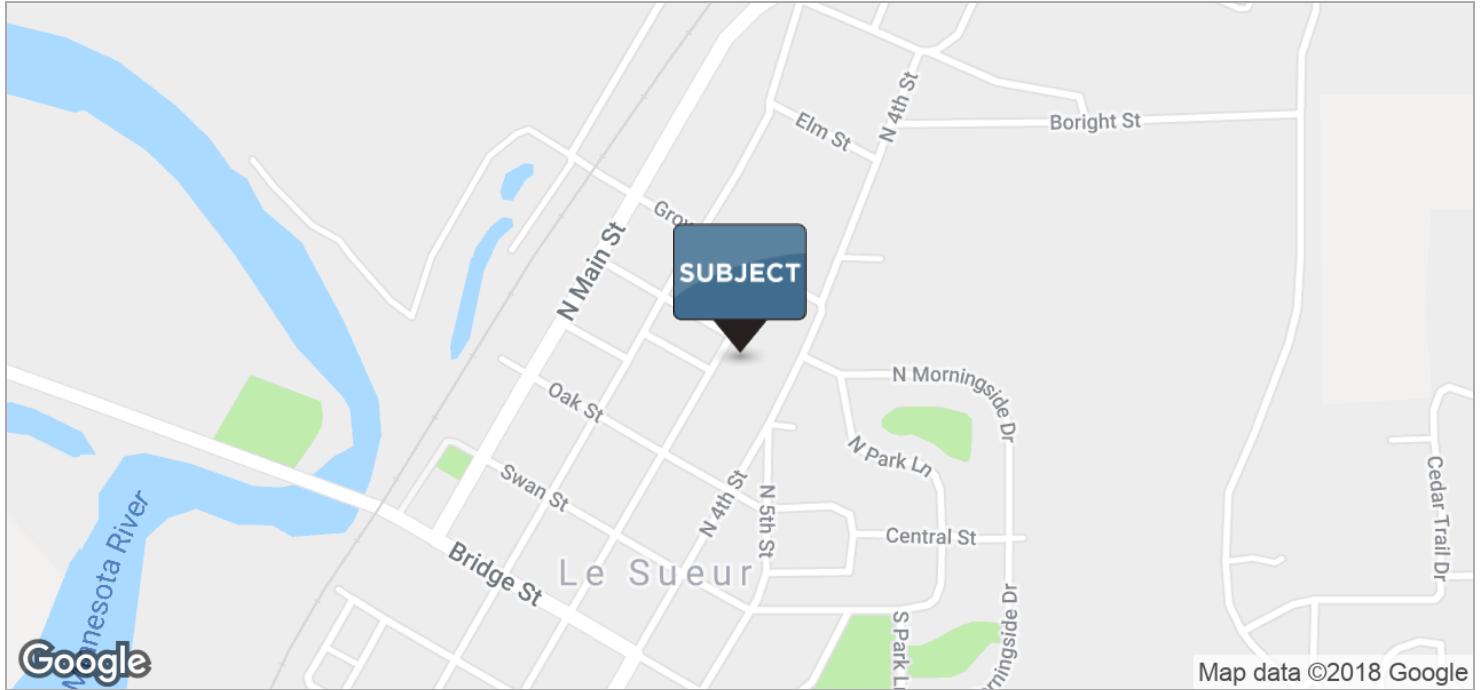
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SECTION 3

FINANCIAL ANALYSIS

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INVESTMENT OVERVIEW

Price	\$2,268,000
Price per Unit	\$56,700
GRM	6.9
CAP Rate	7.0%
Cash-on-Cash Return (yr 1)	7.47 %
Total Return (yr 1)	\$78,738
Debt Coverage Ratio	1.36

OPERATING DATA

Gross Scheduled Income	\$330,960
Other Income	\$5,652
Total Scheduled Income	\$336,612
Vacancy Cost	-\$16,550
Gross Income	\$320,062
Operating Expenses	\$161,311
Net Operating Income	\$158,751
Pre-Tax Cash Flow	\$42,379

FINANCING DATA

Down Payment	\$567,000
Loan Amount	\$1,701,000
Interest Rate	4.75
Amortization	25 Years
Debt Service	\$116,372
Debt Service Monthly	\$9,697
Principal Reduction (yr 1)	\$36,359

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INCOME SUMMARY
PER UNIT

Scheduled Rental Income (Market)	\$330,960	\$8,274
Vacancy (5% Estimate)	-\$16,550	-\$413
Laundry/Other Income (2018 Annualized)	\$5,652	\$141
GROSS INCOME	\$320,062	\$8,001

EXPENSE SUMMARY
PER UNIT

Advertising (2018 Annualized)	\$2,298	\$57
Utilities (2018 Annualized)	\$77,106	\$1,927
Snow Removal (2017)	\$1,550	\$38
Maintenance (2018 Annualized)	\$23,992	\$599
Property Taxes (2018 Payable)	\$23,144	\$578
Insurance (2017)	\$15,153	\$378
Management (2018 Annualized)	\$11,748	\$293
Rubbish (2018 Annualized)	\$4,362	\$109
Legal/Professional (2018 Annualized)	\$794	\$19
Permits/License (2018 Annualized)	\$20	\$0
Pest Control (2018 Annualized)	\$1,144	\$28
GROSS EXPENSES	\$161,311	\$4,032
NET OPERATING INCOME	\$158,751	\$3,968

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UNIT TYPE	COUNT	% TOTAL	SIZE (SF)	MIN RENT	MAX RENT	MARKET RENT	MARKET RENT/SF
One Bedroom	24	60.0	599	\$625.00	\$635.00	\$635	\$1.06
Two Bedroom	12	30.0	811	\$725.00	\$735.00	\$735	\$0.91
Three Bedroom	4	10.0	1,013	\$880.00	\$880.00	\$880	\$0.87
Totals / Averages	40	100%	28,160	\$27,220.00	\$27,580.00	\$27,580	\$0.98





SECTION 4

SALE COMPARABLES

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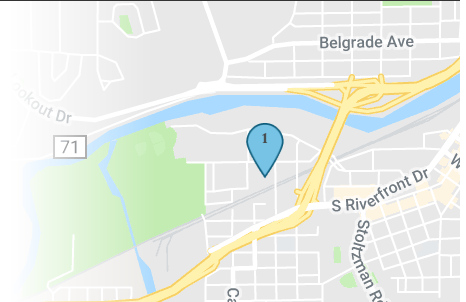
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230 Hubbell St | Mankato, MN 56001

Sale Price:	\$1,353,000	Year Built:	1985
No. Units	20	Price / Unit	\$67,650
Closed:	02/16/2018		



870-880 Kingsway Dr | Le Sueur, MN 56058

Sale Price:	\$2,950,000	Year Built:	2001
No. Units	48	Price / Unit	\$61,458
Closed:	07/01/2013		



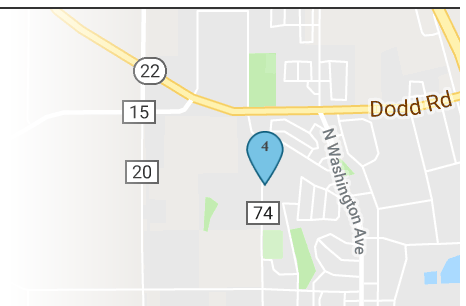
1866 Lee Blvd | North Mankato, MN 56003

Sale Price:	\$4,325,000	Year Built:	1991
No. Units	72	Price / Unit	\$60,069
Closed:	12/19/2014		



1435 Sunrise Dr | Saint Peter, MN 56082

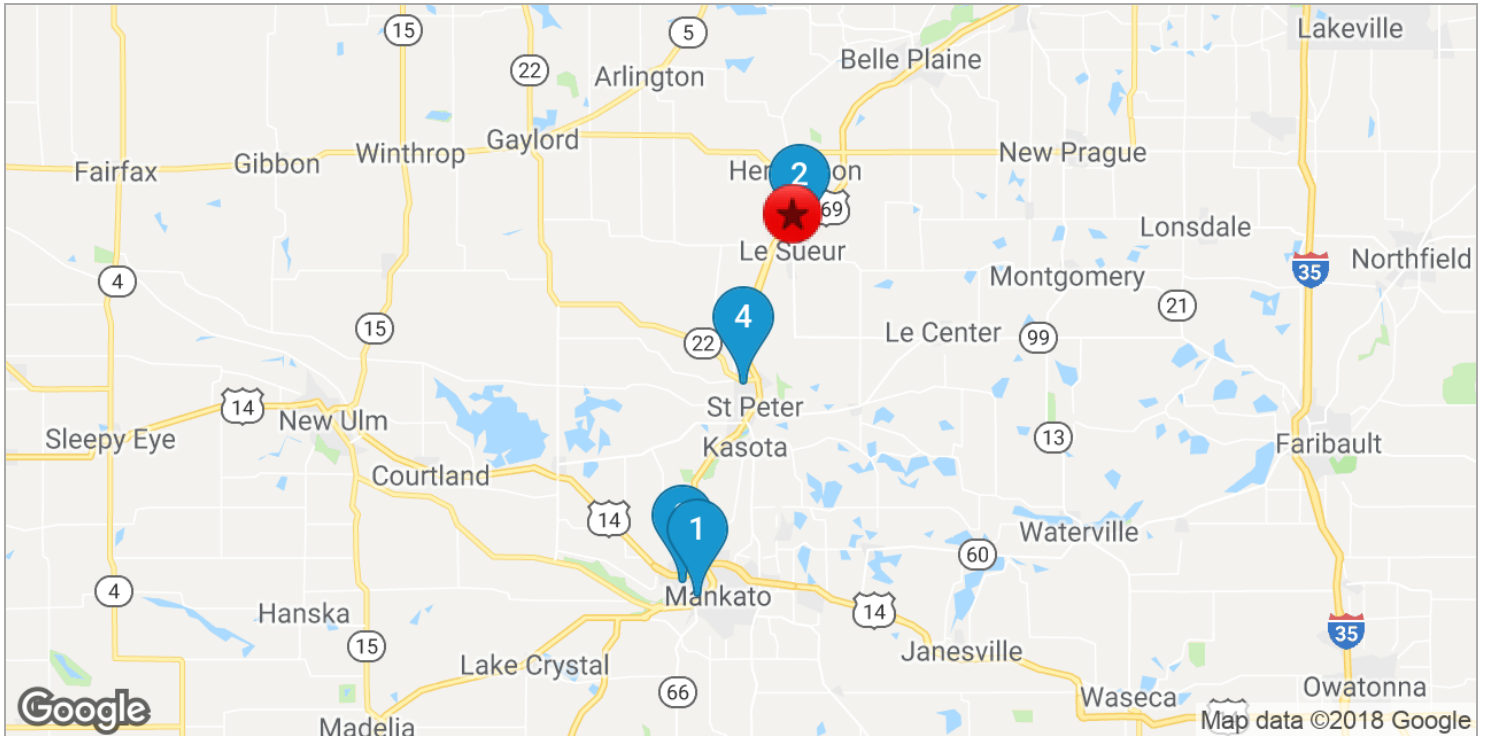
Sale Price:	\$3,400,000	Year Built:	1978
No. Units	63	Price / Unit	\$53,968
Closed:	12/20/2016		



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SUBJECT PROPERTY		PRICE	PRICE/UNIT	# OF UNITS	
	Le Sueur Apartments				
	411 3rd Street North Le Sueur, MN 56058	\$2,268,000	\$56,700	40	
SALE COMPS		PRICE	PRICE/UNIT	# OF UNITS	CLOSE
1	230 Hubbell St Mankato, MN 56001	\$1,353,000	\$67,650	20	02/16/2018
2	870-880 Kingsway Dr Le Sueur, MN 56058	\$2,950,000	\$61,458	48	07/01/2013
3	1866 Lee Blvd North Mankato, MN 56003	\$4,325,000	\$60,069	72	12/19/2014
4	1435 Sunrise Dr Saint Peter, MN 56082	\$3,400,000	\$53,968	63	12/20/2016
		PRICE	PRICE/UNIT	# OF UNITS	
TOTALS/AVERAGES		\$3,007,000	\$59,251	50.75	

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SUBJECT PROPERTY

411 3rd Street North | Le Sueur, MN 56058



230 Hubbell St
Mankato, MN 56001



870-880 Kingsway Dr
Le Sueur, MN 56058



1866 Lee Blvd
North Mankato, MN 56003



1435 Sunrise Dr
Saint Peter, MN 56082



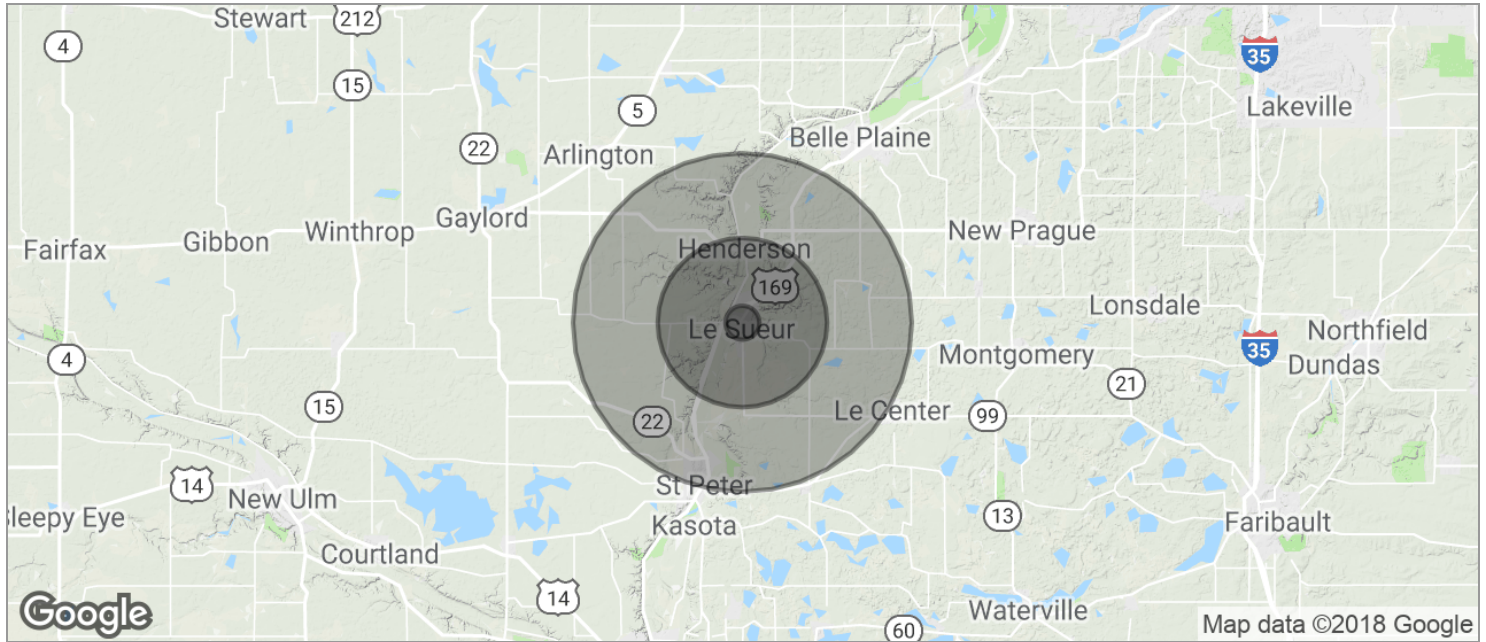
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DEMOGRAPHICS

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POPULATION	1 MILE	5 MILES	10 MILES
TOTAL POPULATION	459	6,371	23,038
MEDIAN AGE	38.7	38.3	36.8
MEDIAN AGE (MALE)	36.7	36.7	35.7
MEDIAN AGE (FEMALE)	39.5	38.9	37.4
HOUSEHOLDS & INCOME	1 MILE	5 MILES	10 MILES
TOTAL HOUSEHOLDS	183	2,521	8,922
# OF PERSONS PER HH	2.5	2.5	2.6
AVERAGE HH INCOME	\$61,148	\$62,799	\$64,270
AVERAGE HOUSE VALUE		\$259,457	\$232,471

* Demographic data derived from 2010 US Census



SECTION 6

ADVISOR BIOS

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Professional Background

Peter joined Michel Commercial Real Estate Intl. Inc in 1991 and focuses solely on selling multifamily housing in Minnesota, North Dakota, South Dakota, Wisconsin and Iowa. The Company represents both private and institutional groups, including local owners and national investors. Michel Commercial Real Estate Intl. Inc. has provided investment sale and acquisition services for nearly 30 years offering clients extensive market research, accurate property valuations, and a smooth transaction process. Michel Commercial successfully brokers 1,500+ units of multifamily housing a year. The list of apartment projects sold ranges from 50 units to 500 units.

Education

B.A. Concordia College, Moorhead , Minnesota