

2816 PILLSBURY AVE

Minneapolis, MN 55408

**Multifamily
Investment Opportunity**

Offering Memorandum



MATTHEWS™

EXCLUSIVELY LISTED BY



Thomas Bagnoli

Associate

(612) 605-8156

thomas.bagnoli@matthews.com

License No. 40945713 (MN)



Kurt Sauer

Market Leader

(612) 276-5685

kurt.sauer@matthews.com

License No. 40945713 (MN)

Kurt Sauer

Broker of Record

Broker License No. 40628602 (MN)

Firm License No. 41005445 (MN)

MATTHEWS™





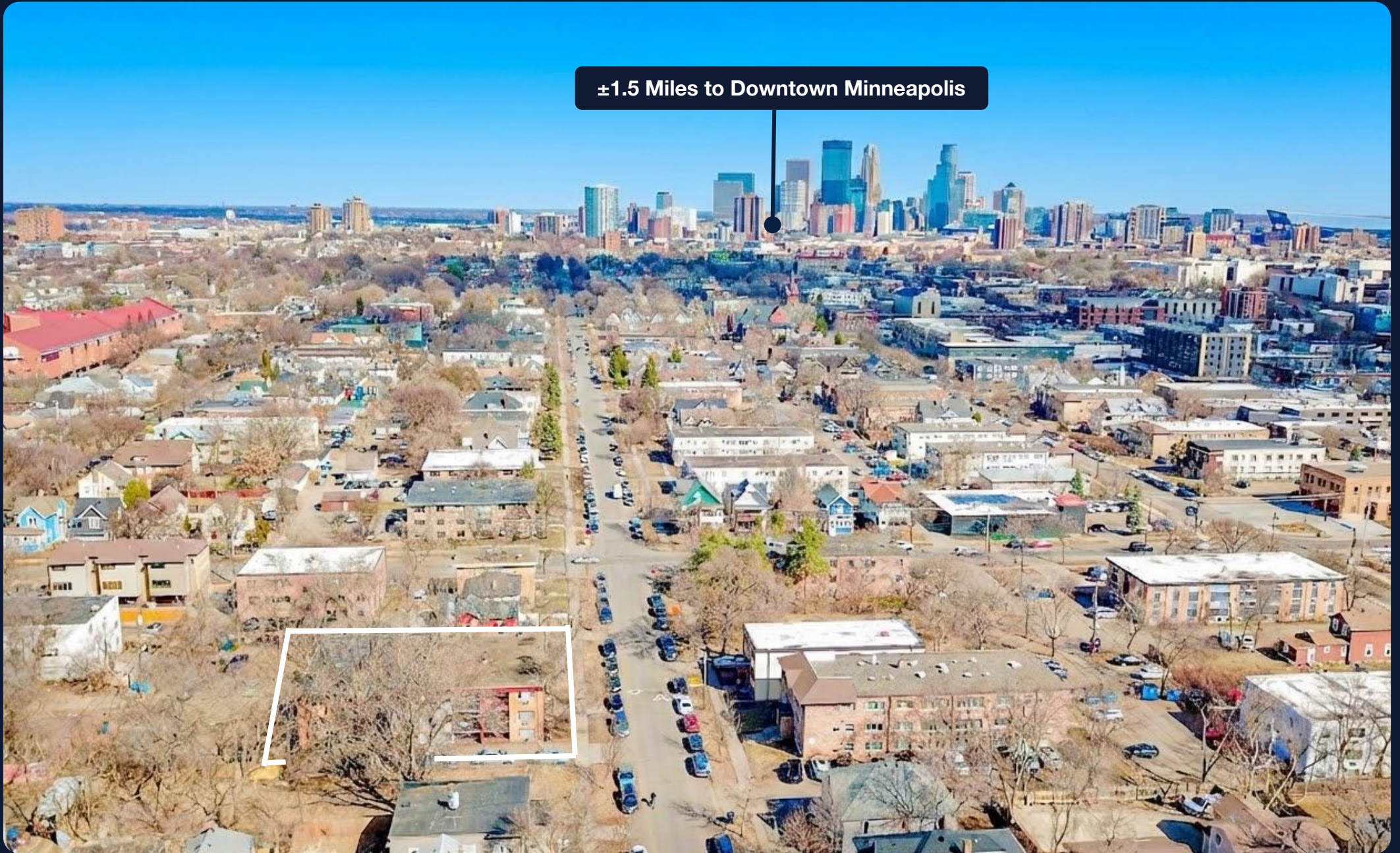
Table of Contents

- 04** Property Overview
- 09** Financial Overview
- 14** Market Overview

PROPERTY OVERVIEW

2816 Pillsbury Ave
Minneapolis, MN 55408

±1.5 Miles to Downtown Minneapolis



EXECUTIVE SUMMARY

2816 Pillsbury Ave

Minneapolis, MN 55408

23

Total Units

±700

Average SF Per Unit

±16,100

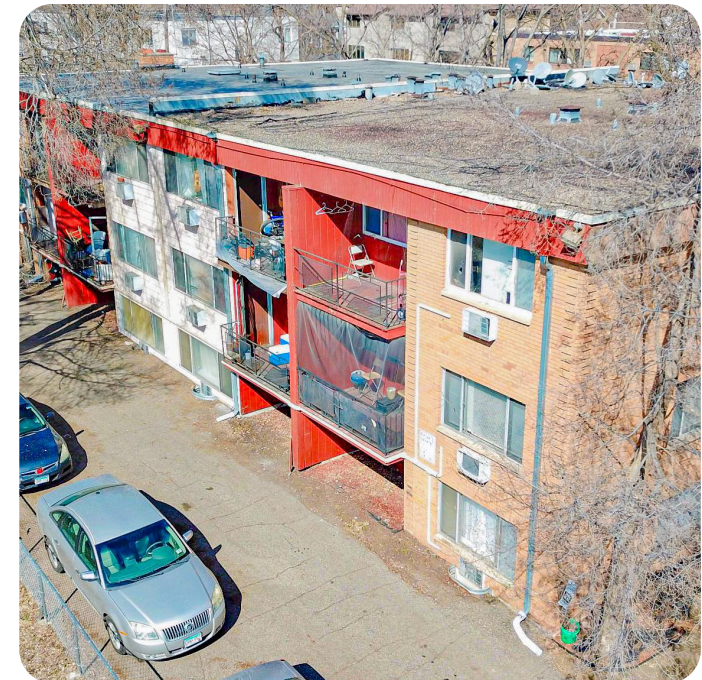
Total Rentable SF

The Opportunity

Matthews™ is pleased to present the opportunity to acquire a multifamily apartment community located at 2816 Pillsbury Avenue South in Minneapolis, Minnesota. Constructed in 1964, the property consists of a 23-unit apartment building totaling approximately 16,100 square feet. The three-story asset features a classic brick exterior and offers a mix of residential units within a well-maintained structure positioned in an established urban neighborhood.

The property is located within the Whittier neighborhood, commonly referred to as “The International Neighborhood,” known for its diverse population, strong rental demand, and proximity to a wide array of dining, retail, and cultural amenities. Residents benefit from a highly walkable and bike-friendly environment with convenient access to major thoroughfares, public transportation, and downtown Minneapolis, located less than three miles away. The surrounding area features a dense concentration of local businesses, restaurants, and neighborhood services that support consistent tenant demand.

Positioned in a centrally located and supply-constrained submarket, 2816 Pillsbury Avenue South offers investors the opportunity to acquire a stabilized multifamily asset with in-place scale and long-term operational upside within one of Minneapolis’ most established rental corridors.



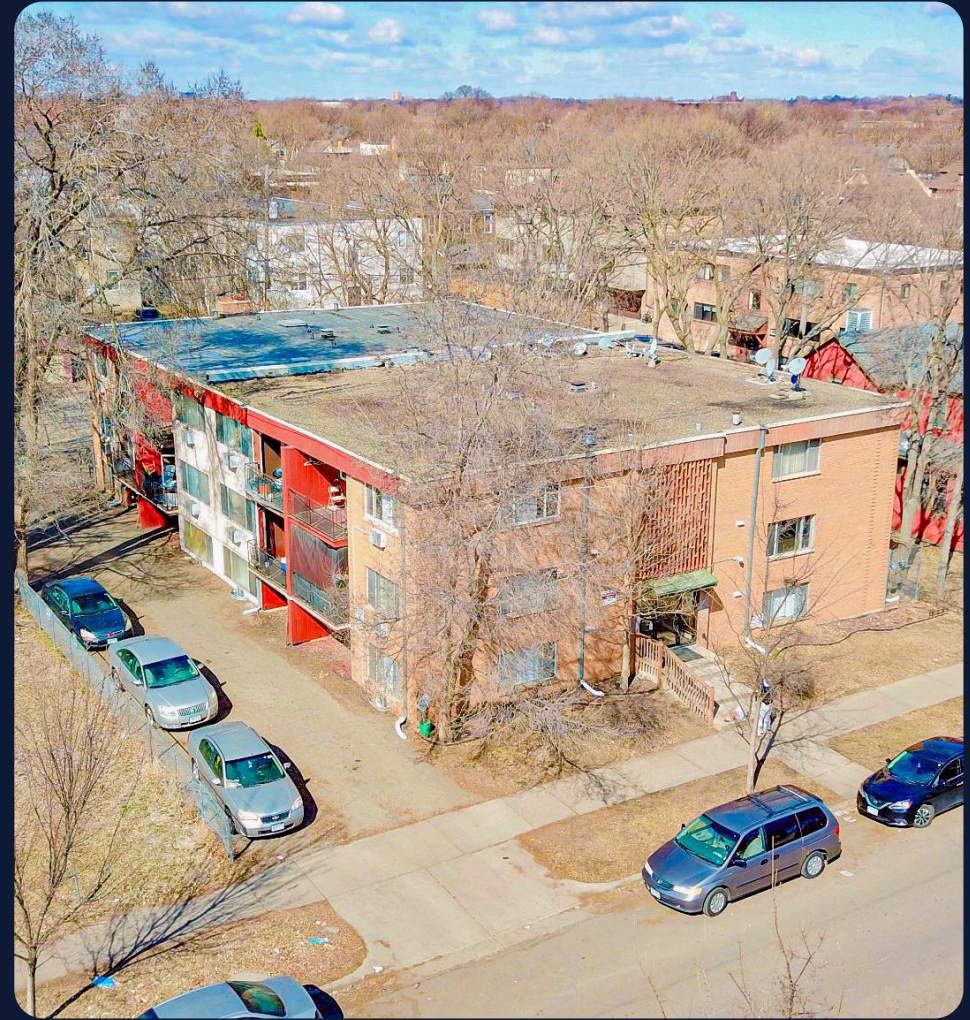
INVESTMENT HIGHLIGHTS

Property Highlights

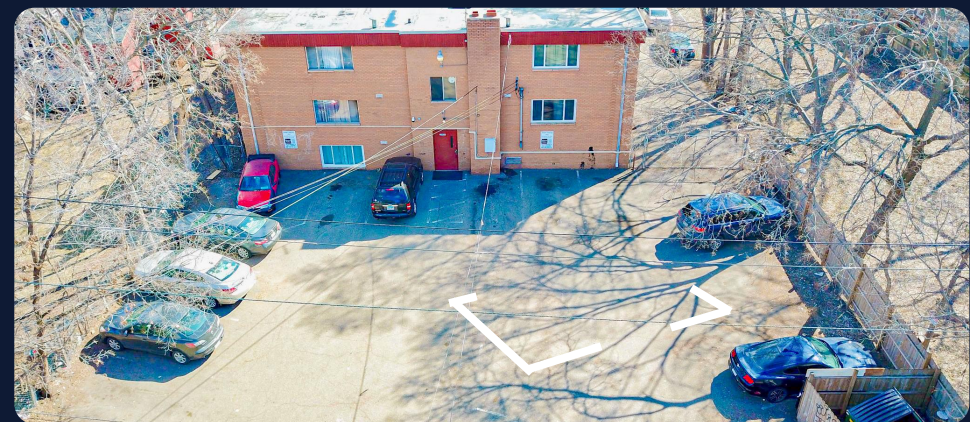
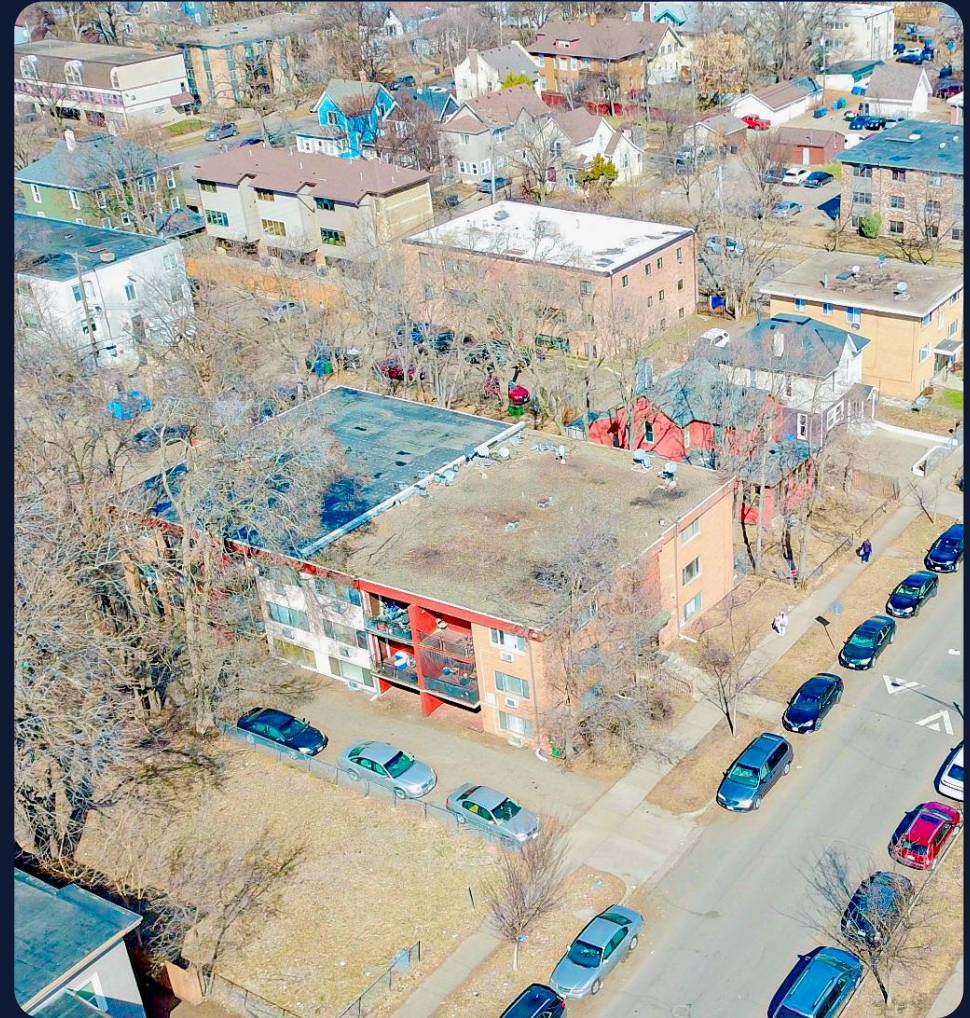
- **Recent Capital Improvements** – Part of the roof replaced in 2024, new boiler installed in 2024, and water heater replaced in 2019
- **Unit Upgrades Underway** – 13 of 23 units feature updated kitchens and bathrooms
- **New Windows in Select Units** – 4 of the 23 units have brand-new windows
- **Balconies for Majority of Units** – 14 of 23 units include private balconies
- **Off-Street Parking for All Units** – Dedicated off-street parking available for all 23 units
- **Prime Location Near Retail & Transit Corridors** – Conveniently located near Lake Street retail hubs and major highways, providing easy access to shopping, dining, and commuter routes.
- **Strong Rental Market Fundamentals** – Market rents in the area support continued growth and long-term investment stability.
- **Month-to-Month Leases** – Flexible lease structure allows new ownership to quickly reposition rental rates
- **Stable Occupancy** – Historically strong occupancy with low year-to-year vacancy



PROPERTY PHOTOS



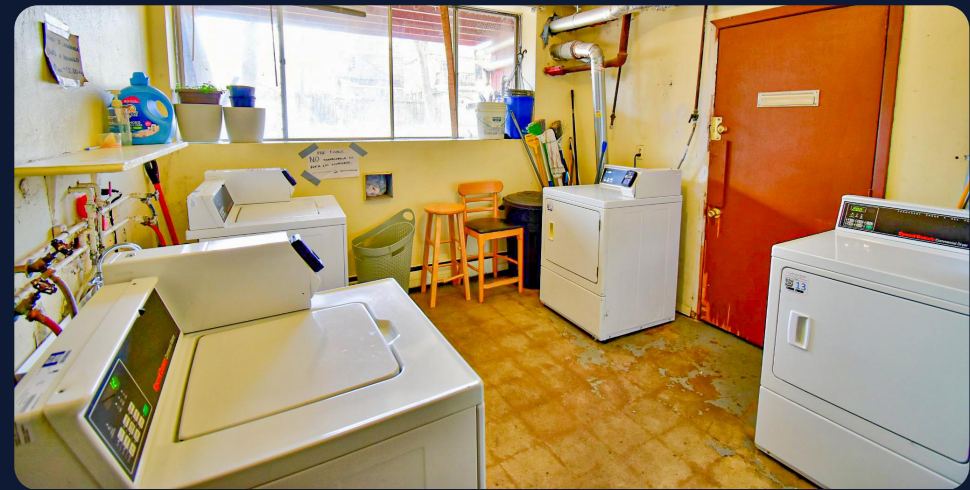
PROPERTY PHOTOS



INTERIOR PHOTOS



INTERIOR PHOTOS





Theodore Wirth Golf Course
Golf Course



University of Minnesota Twin Cities
±39,550 Students

Bryn Mawr Elementary School
±391 Students

±101,000 VPD

Minneapolis



±131,000 VPD



Burnham Woods
±2.6 Miles Away

±800 Students



M Health Fairview University of Minnesota Medical Center
±1,700 Beds



The Minikahda Club
Golf Course



Abbott Northwestern Hospital
±996 Beds



±193,000 VPD

South High School
±1,261 Students

±69,000 VPD

Google Earth

FINANCIAL OVERVIEW

2816 Pillsbury Ave
Minneapolis, MN 55408



FINANCIAL SUMMARY

\$2,280,000

List Price

\$99,130

Price Per Unit

\$141.61

Price Per SF

8.27%

Cap Rate

7.60x

GRM

Unit Mix

Total Units	Unit Mix	Unit Mix %	Avg. Square Feet	Current Avg. Rent PSF	Current Avg. Rent	Market Avg. Rent	Market Rent PSF	Current Max Rent	Total Current Monthly Rent	Market Monthly Rent
23	1+1	100%	700	\$1.55	\$1,087	\$1,175	\$1.68	\$1,175	\$25,010	\$27,075
23	Average		700	\$1.55	\$1,087	\$1,175	\$1.71	\$1,175	\$25,010	\$27,075
	Total		16,100	\$35.73	\$25,010	\$27,075	\$39.43	\$1,825	\$300,120	\$324,900

FINANCIAL SUMMARY

Annual Operating Summary

		T-12	Per Unit	Year 1 Adjusted	Per Unit	Market	Per Unit
Gross Potential Rent		\$300,120		\$324,900	Market Rent	\$324,900	8% Upside
Less Vacancy	Pro Forma Estimates	\$0	0.00%	-\$16,560	-5.0%	-\$16,245	-5.0%
Loss/Gain to Lease	-5.0%	\$0	0.00%	-\$31,080	-9.4%	-\$3,249	-1.0%
Less Concessions	Actual	\$0	0.00%	-\$828	-0.3%	-\$812	-0.25%
Less Change in Delinquency	-0.25%	\$0	0.00%	-\$828	-0.3%	-\$812	-0.25%
Expense/Utility Reimbursement	-0.25%	\$0	\$0	\$30,665	\$1,333	\$30,665	\$1,333
Parking Fees	100% Collected	\$6,360	\$277	\$19,080	\$830	\$19,080	\$830
Gross Operating Income		\$306,480		\$331,649		\$353,527	
Expenses		\$117,831	38.4%	\$166,840	47.91%	\$168,372	45.53%
Net Operating Income		\$188,649	\$8,202	\$164,809	\$7,166	\$185,155	\$8,050
Loan Payments		\$117,922		\$117,922		\$119,797	
Pre-Tax Cash Flow		\$70,727	10.3%	\$46,887	6.85%	\$65,358	9.56%
Plus Principal Reduction		\$18,702		\$18,702		\$18,180	
Total Return Before Taxes		\$89,429	13.07%	\$65,589	9.59%	\$83,538	12.21%

FINANCIAL SUMMARY

Pro Forma Annual Operating Summary

	Pro Forma Estimates	% of Current SGI	T-12	Per Unit	Year 1 Adjusted	Per Unit	Market	Per Unit	% of SGI
Real Estate Taxes	5.00% Over Actual	12.13%	\$36,390	\$1,582	\$38,210	\$1,661	\$38,210	\$1,661	11.8%
Property Management Fee	7.0% x GOI	6.88%	\$20,657	\$898	\$23,240	\$1,010	\$24,747	\$1,076	7.6%
Insurance	\$800 Per Unit	3.65%	\$10,958	\$476	\$18,400	\$800	\$18,400	\$800	5.7%
Payroll	\$750 Per Unit	0.00%	\$0	\$0	\$17,250	\$750	\$17,250	\$750	5.3%
General and Administrative	\$350 Per Unit	0.00%	\$0	\$0	\$8,050	\$350	\$8,050	\$350	2.5%
Contract Services	\$100 Per Unit	2.71%	\$8,148	\$354	\$2,300	\$100	\$2,300	\$100	0.7%
Landscaping/Grounds	\$200 Per Unit	0.00%	\$0	\$0	\$4,600	\$200	\$4,600	\$200	1.4%
Turnover	\$200 Per Unit	0.00%	\$0	\$0	\$4,600	\$200	\$4,600	\$200	1.4%
Repairs & Maintenance	\$500 Per Unit	3.87%	\$11,614	\$505	\$11,500	\$500	\$11,500	\$500	3.5%
Water/Sewer	2% Over Actual	4.55%	\$13,657	\$594	\$13,930	\$606	\$13,930	\$606	4.3%
Trash Removal	2% Over Actual	1.61%	\$4,820	\$210	\$4,916	\$214	\$4,916	\$214	1.5%
Other Utilities/Fuel/Gas	2% Over Actual	3.86%	\$11,587	\$504	\$11,819	\$514	\$11,819	\$514	3.6%
Marketing/Advertising	\$100 Per Unit	0.00%	\$0	\$0	\$2,300	\$100	\$2,300	\$100	0.7%
Reserves	\$250 Per Unit	0.00%	\$0	\$0	\$5,750	\$250	\$5,750	\$250	1.8%
Total Expenses		38.45%	\$117,831	\$5,123	\$166,864	\$7,255	\$168,372	\$7,321	51.8%
			Current	Per Unit	% of SGI				
Non-Controllable Expenses: Taxes, Ins., Reserves			\$47,348	\$2,059	14.6%				
Total Expense Without Taxes & Reserves			\$81,441	\$3,541	25.07%				

RENT ROLL

Unit Mix	Unit #	# of Units	SF	Current Rent	Current Rent/SF	Market Rent	Market Rent/SF	Loss to Lease	Upside (%)	Occupied/Vacant
1+1	1	1	700	\$1,065	\$1.52	\$1,175	\$1.68	-\$110	10%	Occupied
1+1	2	1	700	\$1,065	\$1.52	\$1,175	\$1.68	-\$110	10%	Occupied
1+1	3	1	700	\$1,065	\$1.52	\$1,175	\$1.68	-\$110	10%	Occupied
1+1	4	1	700	\$1,100	\$1.57	\$1,175	\$1.68	-\$75	7%	Occupied
1+1	5	1	700	\$1,100	\$1.57	\$1,175	\$1.68	-\$75	7%	Occupied
1+1	6	1	700	\$1,100	\$1.57	\$1,175	\$1.68	-\$75	7%	Occupied
1+1	7	1	700	\$1,125	\$1.61	\$1,175	\$1.68	-\$50	4%	Occupied
1+1	8	1	700	\$1,100	\$1.57	\$1,175	\$1.68	-\$75	7%	Vacant
1+1	9	1	700	\$1,030	\$1.47	\$1,175	\$1.68	-\$145	14%	Occupied
1+1	10	1	700	\$1,100	\$1.57	\$1,175	\$1.68	-\$75	7%	Occupied
1+1	11	1	700	\$1,095	\$1.56	\$1,175	\$1.68	-\$80	7%	Occupied
1+1	12	1	700	\$1,150	\$1.64	\$1,175	\$1.68	-\$25	2%	Occupied
1+1	13	1	700	\$1,070	\$1.53	\$1,175	\$1.68	-\$105	10%	Occupied
1+1	14	1	700	\$1,065	\$1.52	\$1,175	\$1.68	-\$110	10%	Occupied
1+1	15	1	700	\$1,030	\$1.47	\$1,175	\$1.68	-\$145	14%	Occupied
1+1	16	1	700	\$1,025	\$1.46	\$1,175	\$1.68	-\$150	15%	Occupied
1+1	17	1	700	\$1,100	\$1.57	\$1,175	\$1.68	-\$75	7%	Occupied
1+1	18	1	700	\$1,175	\$1.68	\$1,200	\$1.71	-\$25	2%	Occupied
1+1	19	1	700	\$1,065	\$1.52	\$1,175	\$1.68	-\$110	10%	Occupied
1+1	20	1	700	\$1,060	\$1.51	\$1,175	\$1.68	-\$115	11%	Occupied
1+1	21	1	700	\$1,070	\$1.53	\$1,175	\$1.68	-\$105	10%	Occupied
1+1	22	1	700	\$1,080	\$1.54	\$1,175	\$1.68	-\$95	9%	Occupied
1+1	23	1	700	\$1,175	\$1.68	\$1,200	\$1.71	-\$25	2%	Occupied
Totals		23	16,100	\$25,010	\$35.73	\$27,075	\$1.68	-\$2,5065	8%	1
Averages			700	\$1,087	\$1.55	\$1,177	\$1.68	-\$90		4.35%

MARKET OVERVIEW

2816 Pillsbury Ave
Minneapolis, MN 55408



MINNEAPOLIS, MN

429,954

Total Population

\$76,487

Median HH Income

188,812

of Households

49.3%

Homeownership Rate

238,500

Employed Population

52.6%

% Bachelor's Degree

32.9

Median Age

\$312,200

Median Property Value



Local Neighborhood Overview

Located in the Whittier neighborhood just south of Downtown Minneapolis, the area surrounding Pillsbury Avenue benefits from a highly connected, urban-infill setting known for its walkability, cultural diversity, and proximity to employment hubs. The neighborhood sits between Uptown and Downtown, offering immediate access to major thoroughfares including I-35W and Lake Street, while also being well-served by public transit and bike infrastructure. Residents are drawn to the area's blend of historic character and modern redevelopment, with a strong presence of local restaurants, coffee shops, art institutions, and neighborhood retail corridors.

The immediate area is anchored by a mix of multifamily housing, boutique retail, and community amenities, making it particularly attractive to young professionals and renters seeking an urban lifestyle at a relative value compared to core downtown pricing. Nearby attractions such as the Minneapolis Institute of Art, Eat Street dining corridor, and the Chain of Lakes reinforce the neighborhood's appeal. Continued investment in streetscape improvements, mixed-use developments, and transit accessibility supports long-term demand and positions the area as a stable and evolving residential submarket within the greater Minneapolis metro.

Property Demographics

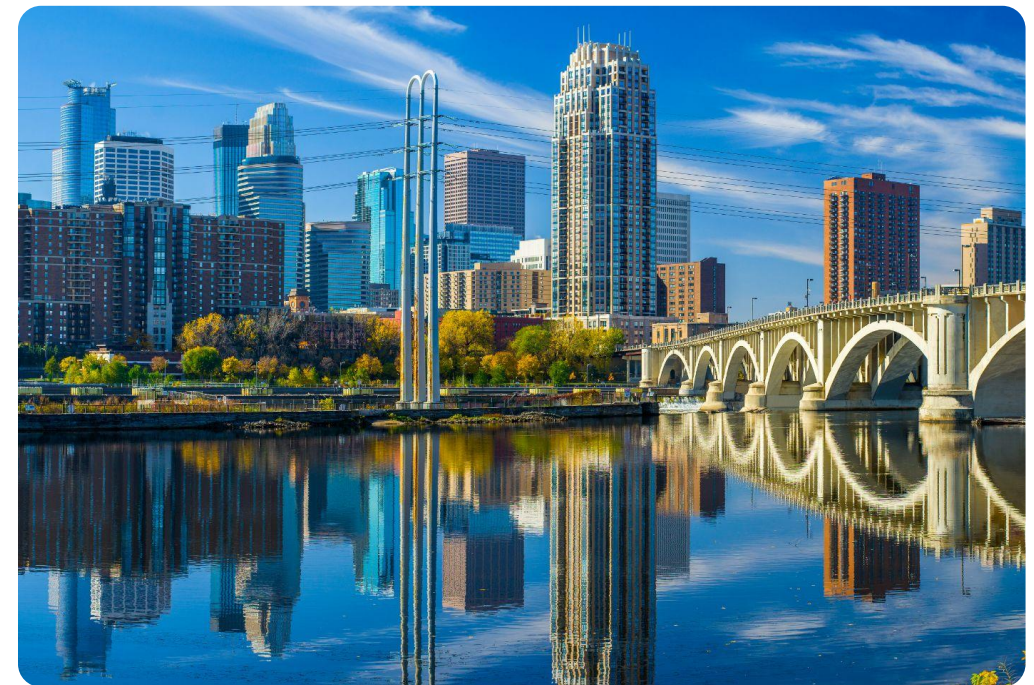
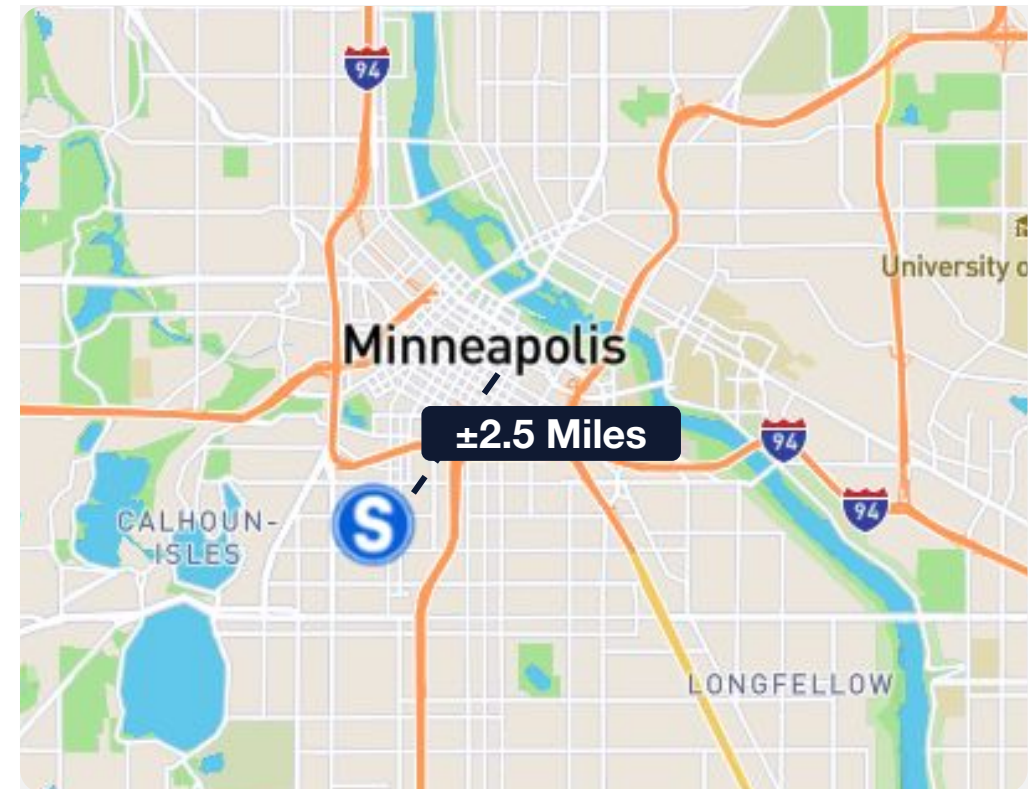
Population	1-Mile	3-Mile	5-Mile
Five-Year Projection	53,072	259,524	522,075
Current Year Estimate	53,569	255,314	517,857
2020 Census	53,220	249,588	511,642
Growth 2020-Current Year	0.66%	2.29%	1.21%
Households	1-Mile	3-Mile	5-Mile
Five-Year Projection	27,029	127,177	240,470
Current Year Estimate	27,049	122,576	234,506
2020 Census	26,512	115,674	225,195
Growth 2020-Current Year	2.03%	5.97%	4.13%
Income	1-Mile	3-Mile	5-Mile
Average Household Income	\$92,156	\$122,094	\$130,197

ECONOMY

The Minneapolis economy is robust and diverse, supported by a range of industries that contribute to its economic stability and growth. The city's strong business environment, skilled workforce, and thriving entrepreneurial ecosystem make it a major economic center in the Midwest region. One of the key sectors driving the Minneapolis economy is finance and banking. The city is home to several major financial institutions, including headquarters of national and regional banks, investment firms, and insurance companies. This sector provides a significant number of jobs and contributes to the city's overall economic vitality.

Minneapolis is also known for its strong healthcare industry. The city is home to renowned medical centers and hospitals that provide top-quality healthcare services, research opportunities, and employment opportunities. The presence of major healthcare organizations contributes to the local economy and positions Minneapolis as a regional healthcare hub. The city has a robust technology and innovation sector, attracting startups, tech companies, and entrepreneurs. Minneapolis has seen significant growth in industries such as software development, information technology, and digital marketing. This sector not only creates jobs but also fosters innovation and contributes to the city's reputation as a tech hub.

Minneapolis has a diverse manufacturing sector, with companies specializing in areas such as medical devices, food processing, printing, and precision instruments. These industries provide employment opportunities and contribute to the city's economic output. The city's retail and hospitality sectors also play a significant role in the economy. Minneapolis is home to various shopping centers, upscale boutiques, and a dynamic restaurant scene. The city attracts tourists, business travelers, and visitors attending conventions and events, which supports the hospitality industry and generates revenue for local businesses.





TOURISM

Minneapolis offers a wealth of attractions and experiences that make it a vibrant destination for tourists. The city's unique blend of natural beauty, cultural offerings, and outdoor recreational opportunities creates an inviting and diverse tourism scene.

One of the highlights of Minneapolis is its thriving arts and cultural scene. The city is home to numerous theaters, art galleries, and museums that showcase a wide range of artistic expressions. The iconic Walker Art Center, known for its contemporary art exhibitions, and the Minneapolis Institute of Art, housing a vast collection spanning different periods and cultures, are must-visit destinations for art enthusiasts. Additionally, the historic Guthrie Theater offers world-class theater performances and stunning views of the Mississippi River.

SPORTS

Sports enthusiasts can immerse themselves in Minneapolis's vibrant sports culture. The city is home to professional sports teams such as the Minnesota Vikings (NFL), Minnesota Timberwolves (NBA), Minnesota Twins (MLB), and Minnesota Wild (NHL). Attending a game or exploring sports-themed attractions like the U.S. Bank Stadium or Target Field can be a thrilling experience for visitors.



MUSIC & THEATRE

Minneapolis is known for its vibrant music and theater scene. The city has a thriving live music culture, with numerous venues offering a wide range of genres, from rock and jazz to hip-hop and classical. The historic First Avenue nightclub, made famous by Prince, is a must-visit for music enthusiasts. Theater lovers can enjoy Broadway-caliber shows at the Orpheum Theatre, State Theatre, and Guthrie Theater, which offer a variety of performances throughout the year.



The University of Minnesota is a leading public research university located in Minneapolis, Minnesota, and serves as the flagship institution of the state's higher education system. Founded in 1851, the university enrolls more than 50,000 students across undergraduate, graduate, and professional programs, making it one of the largest campuses in the United States. Recognized among top-tier research institutions, the university is a member of the Association of American Universities (AAU) and is known for its strengths in engineering, business, healthcare, and the sciences. Its urban campus provides direct access to the economic, cultural, and corporate resources of the Minneapolis–Saint Paul metropolitan area, fostering strong industry partnerships and career opportunities.

50,000+

Enrollment

900+ Courses

Student Life



MATTHEWS™

EXCLUSIVELY LISTED BY



Thomas Bagnoli

Associate

(612) 605-8156

thomas.bagnoli@matthews.com

License No. 40945713 (MN)



Kurt Sauer

Market Leader

(612) 276-5685

kurt.sauer@matthews.com

License No. 40945713 (MN)

Kurt Sauer | Broker of Record | Broker License No. 40628602 (MN) | Firm License No. 41005445 (MN)

2816 Pillsbury Ave | Minneapolis, MN 55408

This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at **2816 Pillsbury Ave, Minneapolis, MN, 55408** ("Property"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews™. The material and information in the Offering Memorandum is unverified. Matthews™. has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Neither owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner.

Matthews Real Estate Investment Service™. is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any entity's name or logo, including any commercial tenant's name or logo, is informational only and does not indicate or suggest any affiliation and/or endorsement of Matthews™., the property, or the seller by such entity.

Owner and Matthews™. expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Owner or Matthews™. or any of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date of this Offering Memorandum.

Net Lease Disclaimer – There are many different types of leases, including gross, net, single net ("N"), double net ("NN"), and triple net ("NNN") leases. The distinctions between different types of leases or within the same type of leases, such as "Bondable NNN," "Absolute NNN," "True NNN," or other NNN leases, are not always clear. Labels given to different leases may mean different things to different people and are not defined legal terms. Buyers cannot rely on the labels or marketing descriptions given to any lease when making their purchasing decisions. Buyers must closely review all lease terms and are advised to seek legal counsel to determine the landlord and tenant's respective rights and duties under the lease to ensure the lease, regardless of how labeled or described, meets the buyers' particular needs.