

900 8th St

Farmington, MN 55024

Six-Unit Multifamily | Rental Upside & Strong Farmington Location



MATTHEWS™

Exclusively Listed By



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Matthews of Minnesota, LLC

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Property Overview

Executive Summary

900 8th St

Farmington, MN 55024

6

Total Units

±4,625

Total Rentable SF

Property Highlights

- **Significant Rental Upside** – Opportunity to raise rents to market and increase NOI with limited capital investment.
- **Desirable Unit Mix** – Six units consisting of one garden-level one-bedroom and five spacious two-bedrooms.
- **Well-Maintained Asset** – Meticulously cared for with a **brand-new shingle roof** and original boiler.
- **Low-Maintenance Operations** – Separately metered electric, multiple entrances, and off-street parking included with leases.
- **Strong Location** – Convenient access to **Robert Street's major retail corridor and transit**, with Farmington Elementary School just two blocks away.
- **Low-Inventory Market** – Limited multifamily supply supports strong tenant demand and continued rent growth in Farmington



Property Photos



Spacious, Well-Maintained Interiors with Functional Layouts & Abundant Natural Light





 **Airlake Airport**
±43,000 Annual takeoffs & landings

 **Robert Boeckman Middle School**
±855 Students



 **Great Oaks Academy**
±531 Students

 **Lennar at Vermillion Commons**
±276 Townhomes and single-family homes

 **Farmington Elementary**
±493 Students



 **Farmington Special Education**
±1,400 Students



 **Subject Property**



Amcon Gas Station

± 13,000 VPD

3

Taqueria Espartaco Food Truck



 **8TH ST Apartments**
±24 Units

 **9th Street Townhomes**
±16 Homes



900 8th St Farmington, MN 55024

Financial Overview

Financial Overview

\$675,000

List Price

7.89%

Cap Rate

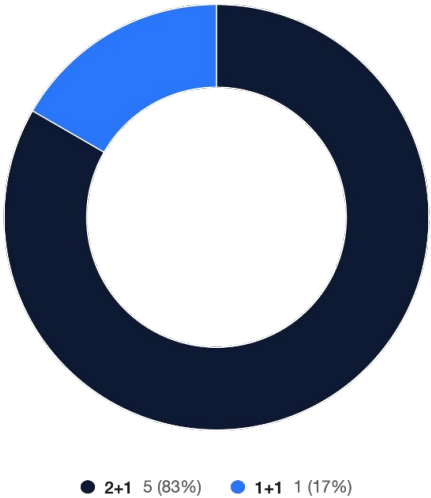
\$112,500

Price Per Unit

\$145.95

Price Per SF

Total Units	Unit Mix	Unit Mix %	Avg. SF	Current Avg. Rent PSF	Current Avg. Rent	Market Avg. Rent	Market Rent PSF	Current Max Rent	Total Current Monthly Rent	Market Monthly Rent
1	1+1	17%	500	\$1.90	\$950	\$1,100	\$2.20	\$950	\$950	\$1,100
5	2+1	83%	825	\$1.36	\$1,120	\$1,300	\$1.58	\$1,140	\$5,600	\$6,500
6	Average		771	\$1.45	\$1,092	\$1,267	\$1.68	\$1,108	\$6,550	\$7,600
	Total		4,625	\$8.69	\$6,550	\$7,600	\$10.08	\$3,353	\$78,600	\$91,200



Rent Roll

Unit Mix	Unit #	# of Units	SF	Current Rent	Current Rent/SF	Market Rent	Market Rent/SF	Loss to Lease	Upside (%)
1+1	1	1	500	\$950	\$1.90	\$1,100	\$2.20	-\$150	16%
2+1	2	1	825	\$1,140	\$1.38	\$1,300	\$1.58	-\$160	14%
2+1	3	1	825	\$1,140	\$1.38	\$1,300	\$1.58	-\$160	14%
2+1	4	1	825	\$1,140	\$1.38	\$1,300	\$1.58	-\$160	14%
2+1	5	1	825	\$1,140	\$1.38	\$1,300	\$1.58	-\$160	14%
2+1	6	1	825	\$1,040	\$1.26	\$1,300	\$1.58	-\$260	25%
Totals		6	4,625	\$6,550	\$8.69	\$7,600	\$1.68	-\$1,050	16%
Averages			771	\$1,092	\$1.45	\$1,267	\$1.68	-\$175	

Pro Forma Comparison

		T-12	Per Unit	Year 1 Adjusted	Per Unit	Market	Per Unit
Gross Potential Rent	Pro Forma Estimates	\$78,600		\$91,200	Market Rent	\$91,200	16% Upside
Less Vacancy	-5.0%	\$0	0.00%	-\$4,560	-5.0%	-\$4,560	-5.0%
Loss/Gain to Lease	Actual	\$0	0.00%	-\$12,600	-13.8%	-\$912	-1.0%
Less Concessions	-0.25%	\$0	0.00%	-\$228	-0.3%	-\$228	-0.25%
Less Change in Delinquency	-0.25%	\$0	0.00%	-\$228	-0.3%	-\$228	-0.25%
Expense/Utility Reimbursement	100%	\$0	\$0	\$6,986	\$1,164	\$6,986	\$1,164
Laundry Fees	2%	\$576	\$96	\$588	\$98	\$588	\$98
Gross Operating Income		\$79,176		\$81,158		\$92,846	
Expenses		\$25,913	32.7%	\$32,893	38.37%	\$32,893	33.77%
Net Operating Income		\$53,263	\$8,877	\$48,265	\$8,044	\$59,953	\$9,992
Loan Payments		\$36,776		\$36,776		\$36,776	
Pre-Tax Cash Flow		\$16,487	8.1%	\$11,489	5.67%	\$23,177	11.45%
Plus Principal Reduction		\$5,036		\$5,036		\$5,036	
Total Return Before Taxes		\$21,523	10.63%	\$16,525	8.16%	\$28,213	13.93%

	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	13.59%	\$10,682	\$1,780	\$11,216	\$1,869	\$11,216	\$1,869	12.3%
Insurance	\$800.00Per Unit	6.11%	\$4,800	\$800	\$4,800	\$800	\$4,800	\$800	5.3%
Payroll	\$200.00Per Unit	0.00%	\$0	\$0	\$1,200	\$200	\$1,200	\$200	1.3%
General and Administrative	\$100.00Per Unit	0.00%	\$0	\$0	\$600	\$100	\$600	\$100	0.7%
Contract Services	\$100.00Per Unit	0.00%	\$0	\$0	\$600	\$100	\$600	\$100	0.7%
Landscaping/Grounds	\$200.00Per Unit	0.19%	\$150	\$25	\$1,200	\$200	\$1,200	\$200	1.3%
Turnover	\$200.00Per Unit	0.00%	\$0	\$0	\$1,200	\$200	\$1,200	\$200	1.3%
Repairs & Maintenance	\$500.00Per Unit	3.82%	\$3,000	\$500	\$3,000	\$500	\$3,000	\$500	3.3%
Electricity	2% Over Actual	0.55%	\$432	\$72	\$441	\$73	\$441	\$73	0.5%
Water/Sewer	2% Over Actual	1.63%	\$1,280	\$213	\$1,306	\$218	\$1,306	\$218	1.4%
Trash Removal	2% Over Actual	1.36%	\$1,068	\$178	\$1,089	\$182	\$1,089	\$182	1.2%
Other Utilities/Fuel/Gas	2% Over Actual	5.73%	\$4,501	\$750	\$4,591	\$765	\$4,591	\$765	5.0%
Marketing/Advertising	\$25.00Per Unit	0.00%	\$0	\$0	\$150	\$25	\$150	\$25	0.2%
Reserves	\$250.00Per Unit	0.00%	\$0	\$0	\$1,500	\$250	\$1,500	\$250	1.6%
Total Expenses		32.73%	\$25,913	\$4,319	\$32,893	\$5,482	\$32,893	\$5,482	36.1%
			Current	Per Unit	% of SGI				
Non-controllable expenses: Taxes, Ins., Reserves:			\$15,632	\$2,605	17.1%				
Total Expense without Taxes & Reserves			\$15,231	\$2,539	16.70%				

A long-exposure photograph of a city skyline at dusk. The sky is a mix of purple, pink, and blue. The city is filled with lit-up buildings of various heights. In the foreground, a river flows, and a bridge with warm orange lights spans across it. The lights from the bridge and buildings are reflected in the water. A blue banner is overlaid on the bottom right of the image.

900 8th St Farmington, MN 55024

Market Overview

Farmington, MN

23,902

Total Population

\$123,673

Median HH Income

8,313

of Households

13,600

Employed Population



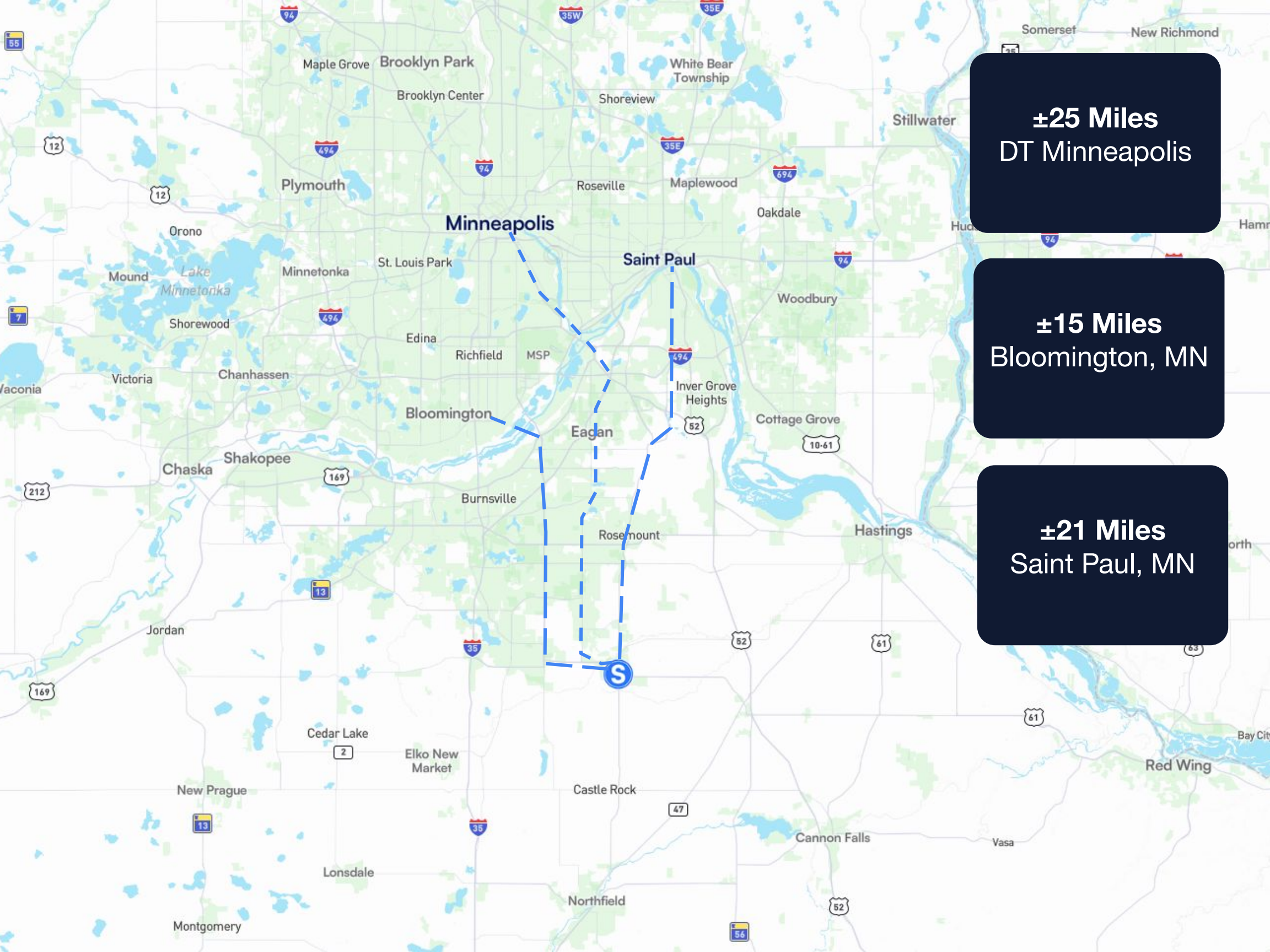
Neighborhood Overview

Located in an established area of Farmington near the city's historic downtown and Robert Street's Highway 3 corridor , 900 8th St benefits from convenient access to neighborhood services, schools, parks, and everyday retail. Farmington combines an established small-town residential character with continued growth across its residential and commercial sectors. The community offers an extensive recreation network, including approximately 913 acres of park land, open space, and natural areas and 48 miles of paved trails, nature trails, and boardwalks. Nearby Rambling River Park provides additional access to the Vermillion River and outdoor recreation.

The property's location in southern Dakota County provides connectivity to the broader Twin Cities metro, with the Highway 3 corridor serving as an important north-south route through Farmington and nearby communities. The city continues to pursue economic growth and reinvestment through its Highway 3 Corridor Plan, Downtown Redevelopment Plan, and ongoing residential, commercial, and industrial development. Farmington is also served by ISD 192, with Farmington Elementary, Boeckman Middle School, and other district facilities located within the community. These transportation connections, public amenities, established neighborhoods, and continued development support Farmington's long-term residential stability and investment appeal.

Property Demographics

Population	1-Mile	3-Mile	5-Mile
Current Year Estimate	22,728	168,235	370,331
Households	1-Mile	3-Mile	5-Mile
Current Year Estimate	10,404	73,408	154,931
Income	1-Mile	3-Mile	5-Mile
Average Household Income	\$153,970	\$122,207	\$114,427



±25 Miles
DT Minneapolis

±15 Miles
Bloomington, MN

±21 Miles
Saint Paul, MN

Confidentiality Agreement & Disclaimer

This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at **900 8TH ST, FARMINGTON, MN, 55024** ("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.

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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.

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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.

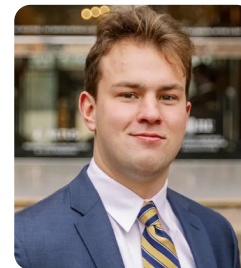
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This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date of this Offering Memorandum.

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