OFFERING MEMORANDUM

Bemidji Federal Building

522 MINNESOTA AVE NW

Bemidji, MN 56601

PRESENTED BY:

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SVN | NORTHCO

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This Offering Memorandum is a solicitation of interest only and is not an offer to sell the Property. The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest to purchase the Property and expressly reserves the right, at its sole discretion, to terminate negotiations with any entity, for any reason, at any time with or without notice. The Owner shall have no legal commitment or obligation to any entity reviewing the Offering Memorandum or making an offer to purchase the Property unless and until the Owner executes and delivers a signed Real Estate Purchase Agreement on terms acceptable to Owner, in Owner's sole discretion. By submitting an offer, a prospective purchaser will be deemed to have acknowledged the foregoing and agreed to release the Owner and the SVN Advisor from any liability with respect thereto.

To the extent Owner or any agent of Owner corresponds with any prospective purchaser, any prospective purchaser should not rely on any such correspondence or statements as binding Owner. Only a fully executed Real Estate Purchase Agreement shall bind the property and each prospective purchaser proceeds at its own risk.

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SECTION 1

Property Information

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PROPERTY SUMMARY

OFFERING SUMMARY

BUILDING SIZE:	50,499 SF
LOT SIZE:	+/- 0.64
YEAR BUILT/RENOVATED:	1959/2008
APN:	80.00964.00
ZONING:	Urban Renaissance
VIRTUAL TOUR:	https://bit.ly/413A0Xu

PROPERTY OVERVIEW

SVN | Northco is pleased to present for sale 522 Minnesota Ave NW in Bemidji, Minnesota, better known as the Bemidji Federal Building ("Property"). The Property is a +/-50,499 office building that is a fantastic redevelopment opportunity in the heart of downtown Bemidji. Bemidji has a thriving arts community as well as a strong retail sector, and the City has a diverse range of industries including healthcare, education, manufacturing, and tourism. It is also home to Bemidji State University and its 5,000+ students, and the school's campus is in close proximity to the Property. The Property is eligible for Federal Historic Tax Credits, and State Historic Tax Credits, which are stackable.

PROPERTY HIGHLIGHTS

- The Property has been partially gutted in preparation for renovation. This is an ideal property for multifamily conversion.
- .±50,499 square foot brick and granite multi-level redevelopment opportunity in the heart of Bemidji, MN
- 100% vacant and offered "as-is" at well below replacement cost and at a substantial discount to market value
- Eligible for both Federal (20% of uncapped construction costs) and State (10% of 25% on uncapped construction costs) Historic Tax Credits. These incentives can be stacked.

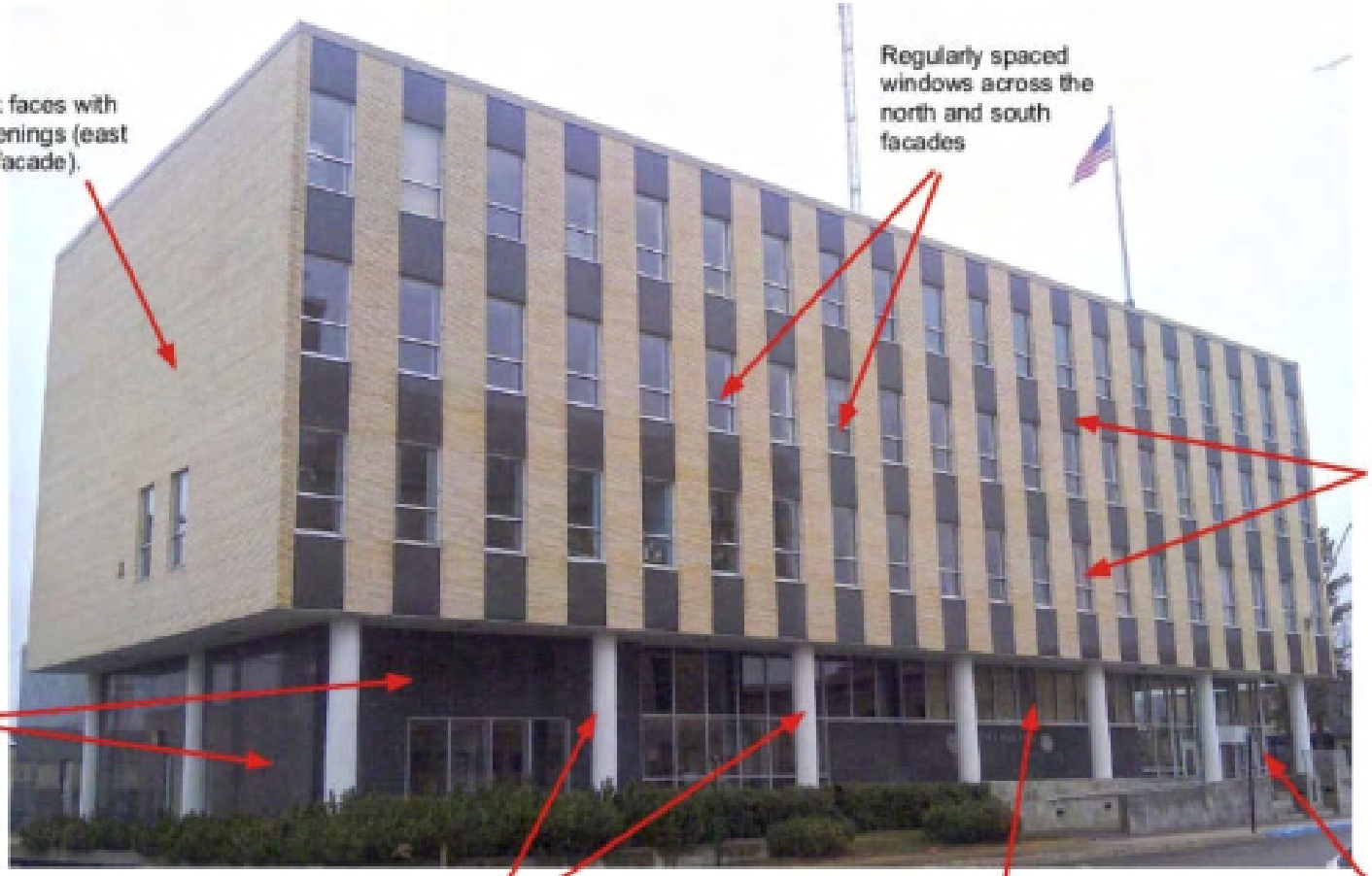
PROPERTY HIGHLIGHTS

- The Property has been partially gutted in preparation for renovation. This is an ideal property for multifamily conversion.
- ±50,499 square foot brick and granite multi-level office building redevelopment opportunity in the heart of Bemidji, MN
- 100% vacant and ideally positioned for residential re-development, however a number of different scenarios are possible, including utilizing the building as an owner-user opportunity (with additional rentals)
- Urban Renaissance Zoning offers maximum flexibility
- Eligible for both Federal (20% of uncapped construction costs) and State (10% of 25% on uncapped construction costs) Historic Tax Credits. These incentives can be stacked.
- Built in 1959 and renovated in 2008
- Situated on +/-0.64 acres, with +/-28 parking stalls (0.55 spaces per 1,000sf leased)
- Typical floorplate of of 12,625 SF; 4 stories. Building FAR of 1.81.
- Situated in the commercial and cultural heart of the city and only blocks from Lake Bemidji and Bemidji State University
- Eligible for the National Register of Historic Places- qualifies for the federal 20% Historic Rehabilitation Tax Credit
- Easy access to the Bemidji Regional Airport and State Highways
- Formerly owned by the Federal Government and originally built as U.S. Post Office
- 2020 Assessed Value: $8,307,900

OTHER INFORMATION

- **Legal Description:** Section 09, Township 146, Range 33, Bemidji Lot 017, Block 008 & Lots 18-24 (Federal Building), Beltrami County, Minnesota.
- **Utility Providers:** Otter Tail Power Company (electric), City of Bemidji (water & sewer), Minnesota Energy Resources (gas provider)
- The building's heating is provided by natural gas-powered boilers producing steam and heated water, with fuel oil providing a backup fuel source. The cooling for the building is provided by chillers located in the basement and a cooling tower found on the roof.
- **Building Description:** The exterior finish is a combination of brick and granite. Concrete columns provide the structural framing and the building has a flat, built-up tar and rock covered roof. There are four (4) floors and a basement which contains the mechanical rooms.The building has one (1) elevator powered by electric pulley. The building features a large lobby on the main floor which was renovated in 2008.

EXTERIOR DESCRIPTION



SECTION 2

Location Information

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ADDITIONAL PHOTOS

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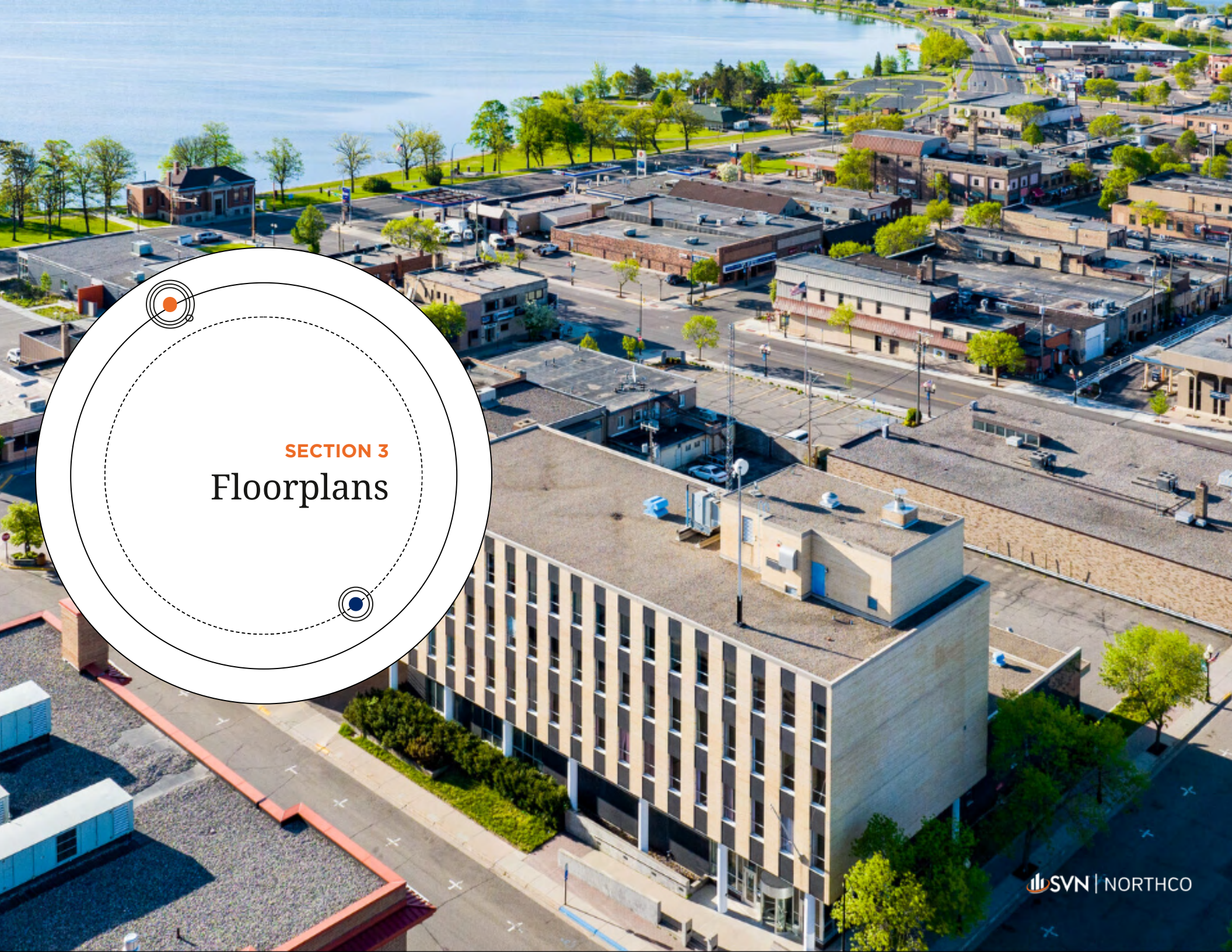

SECTION 3

Floorplans

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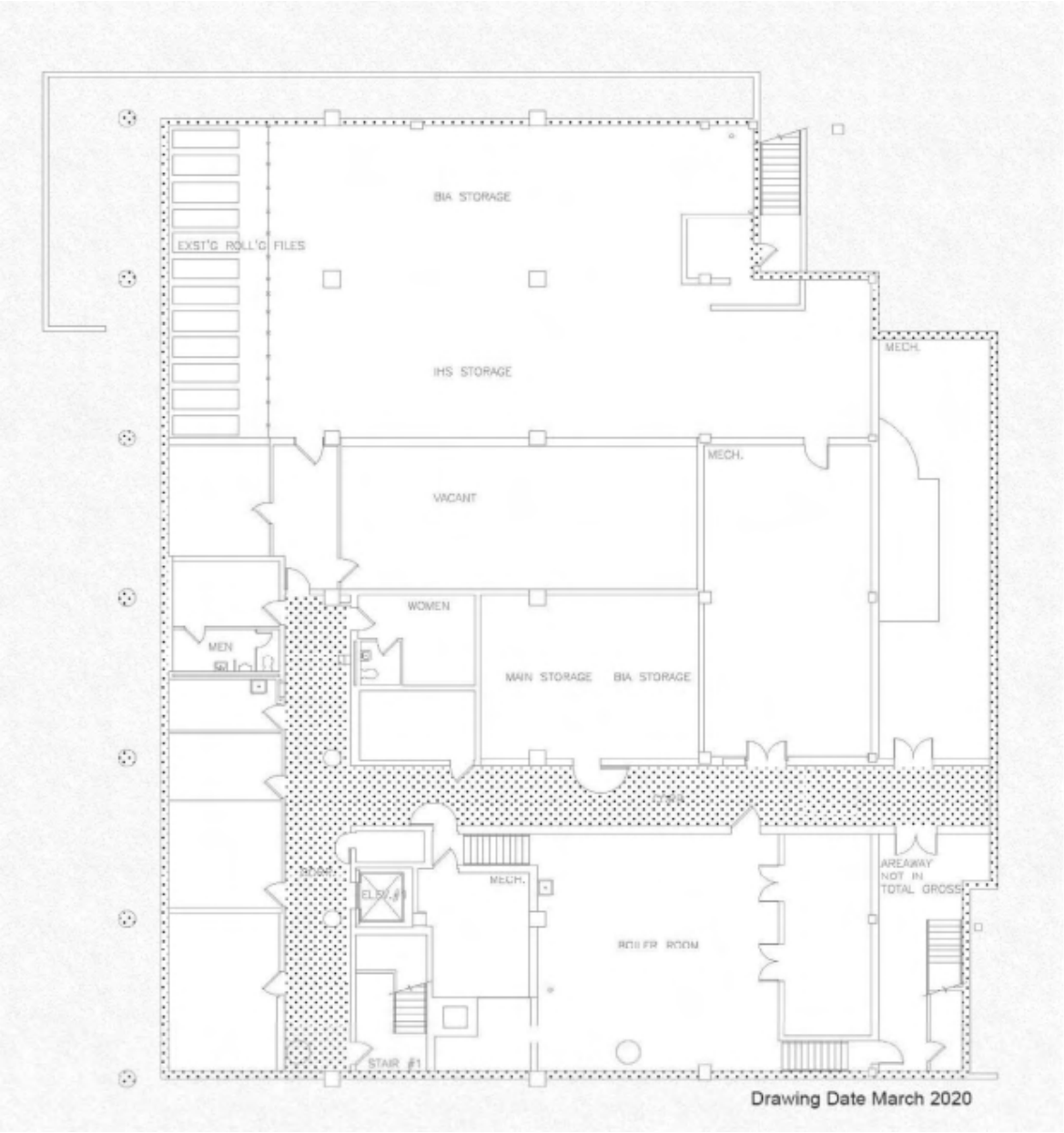
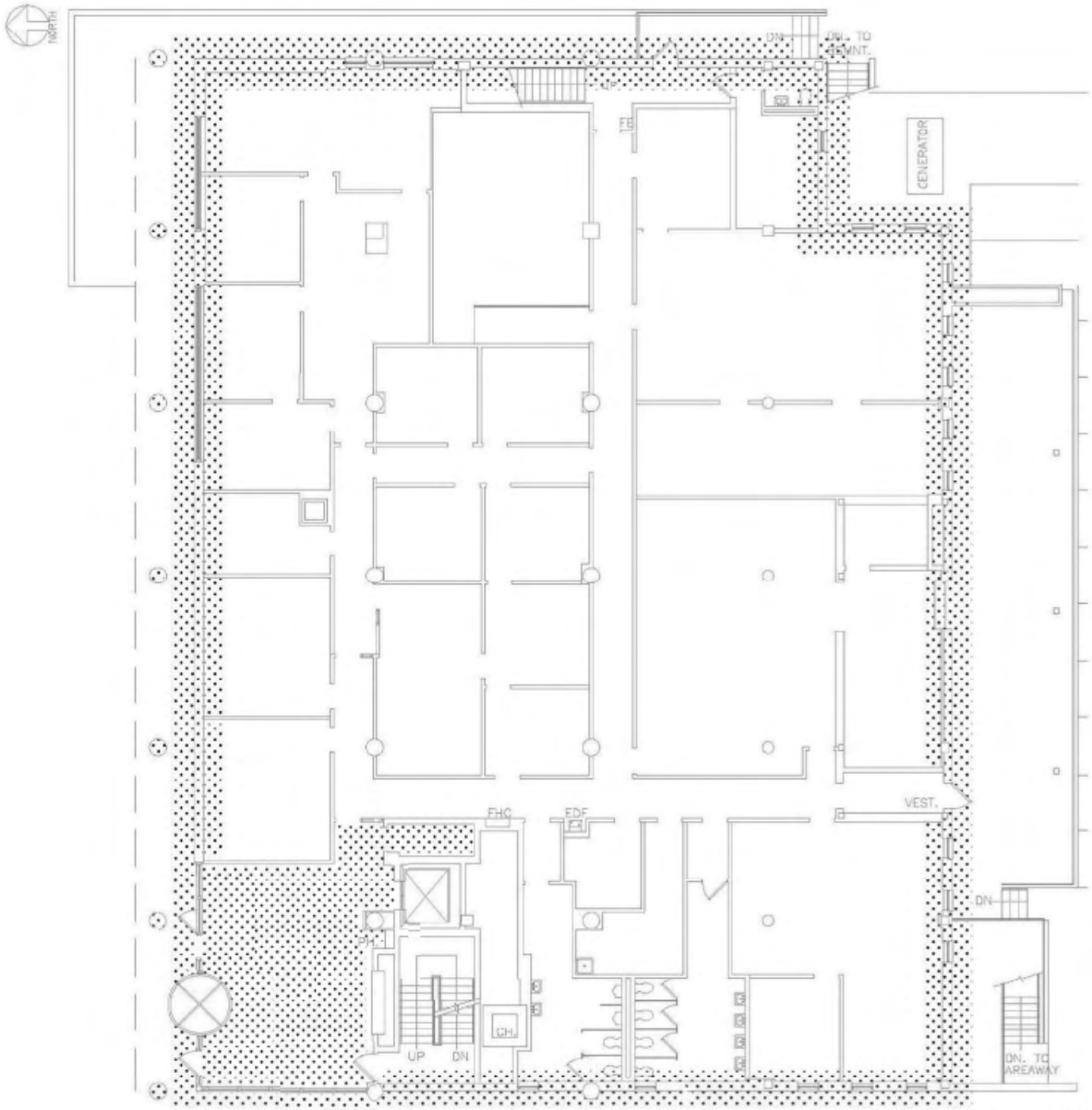
FLOORPLANS - BASEMENT

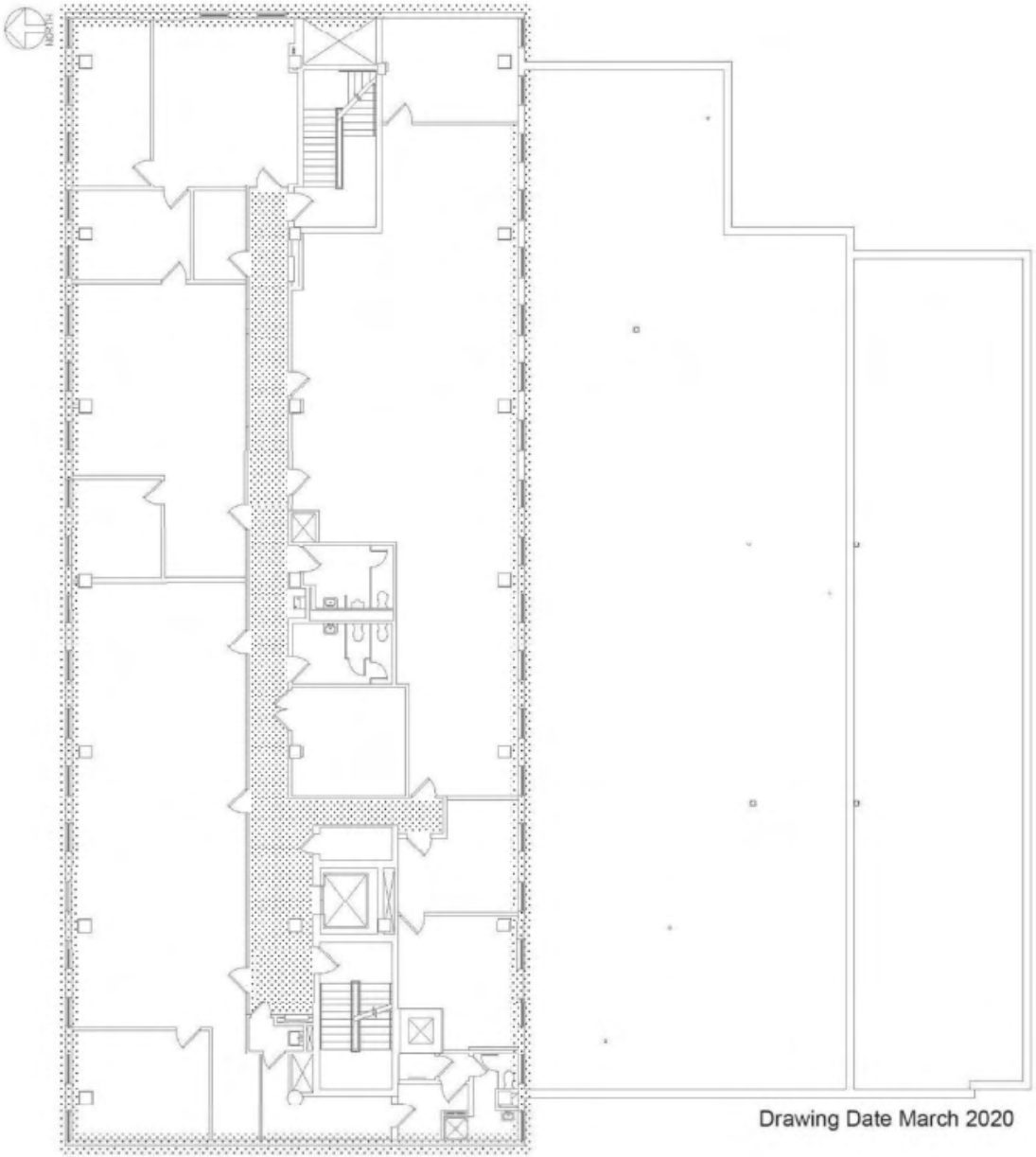


FLOORPLANS - FIRST FLOOR

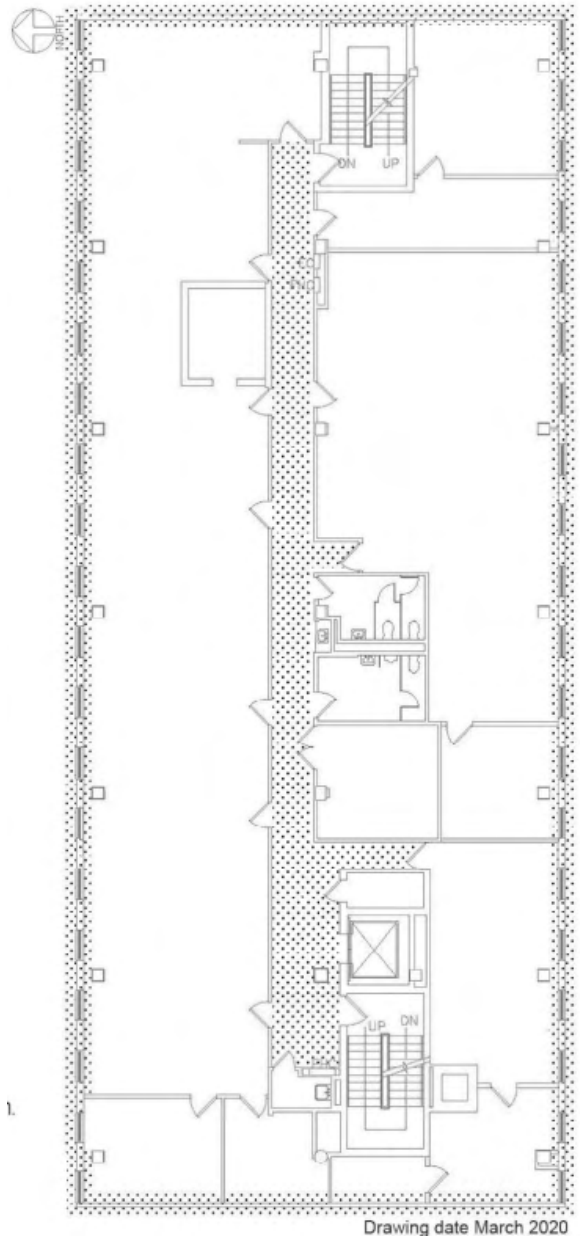


Drawing Date March 2020

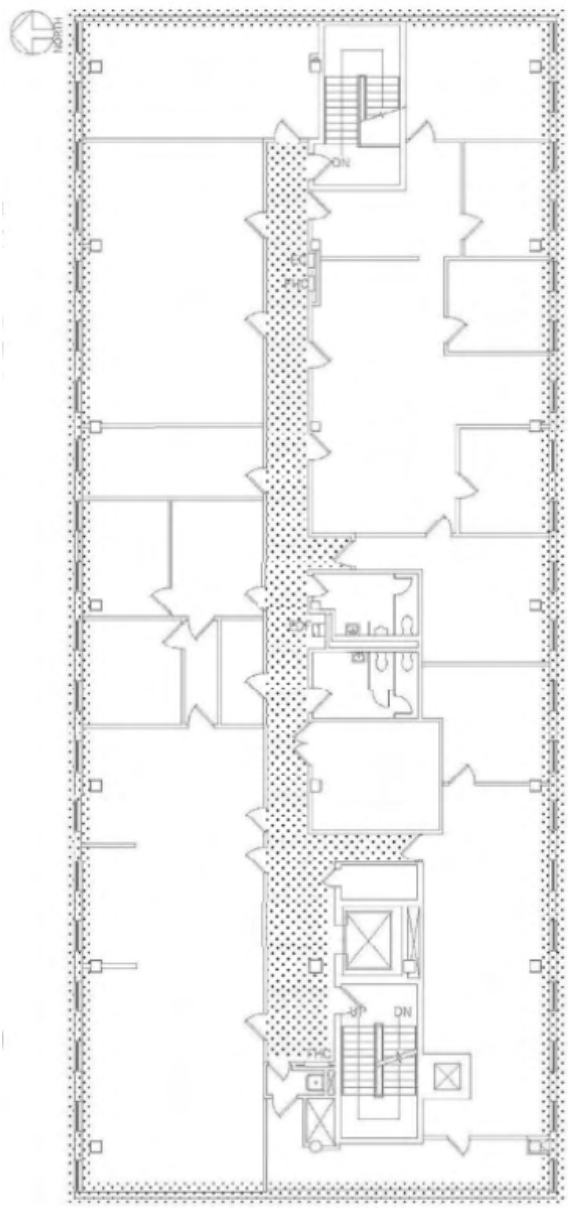
FLOORPLANS - SECOND FLOOR



FLOORPLANS - THIRD FLOOR



FLOORPLANS - FOURTH FLOOR



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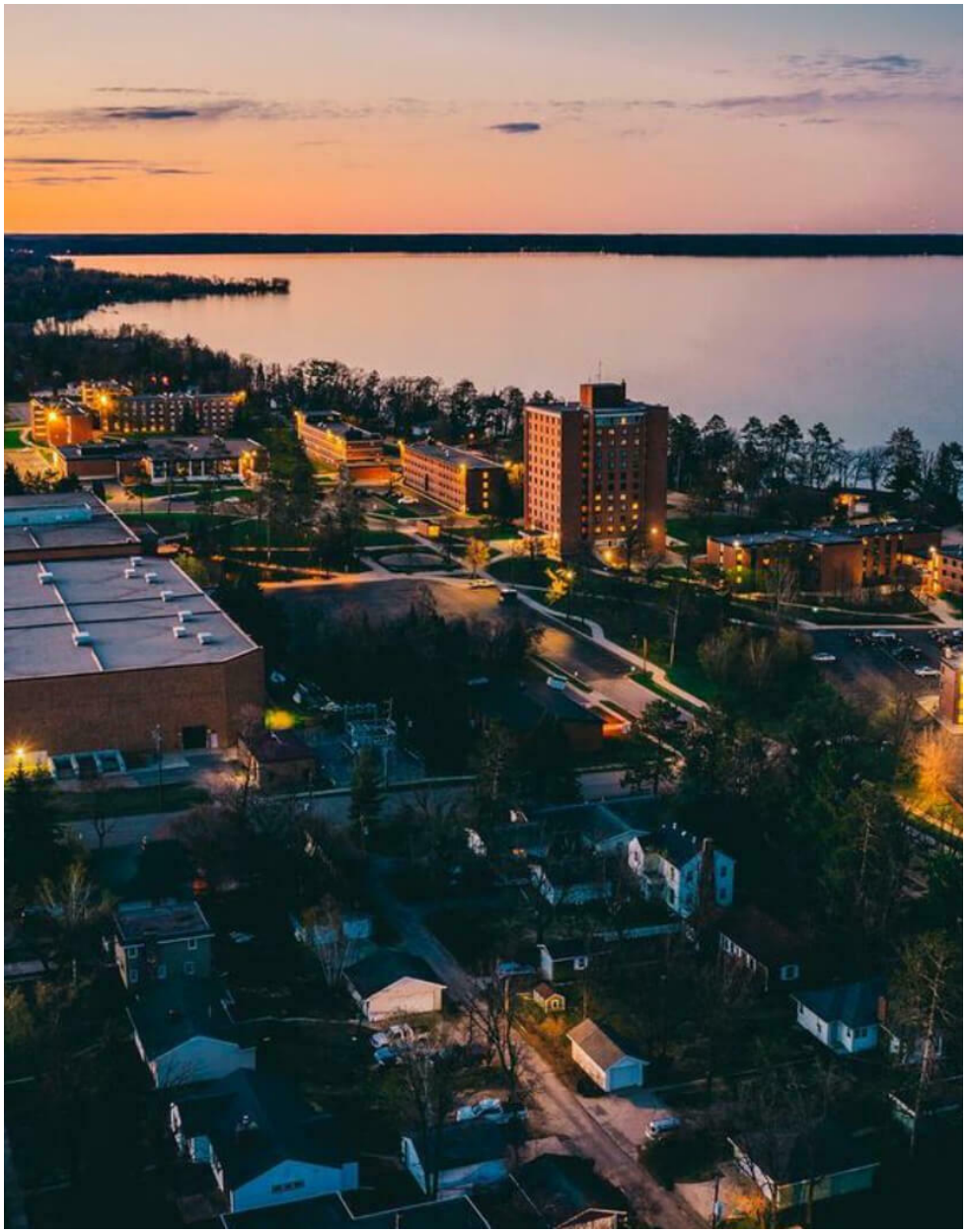


BEMIDJI, MN

The Property is positioned in the CBD of downtown Bemidji and just blocks from Lake Bemidji and Bemidji State University. Bemidji is the largest city in Beltrami County with approximately 15,000 inhabitants and offers abundant opportunities for outdoor recreation such as fishing, boating, swimming, and more. It is also home to the Mississippi River's headwaters, a popular tourist destination.

The city has a thriving arts community, with several art galleries, theaters, and music venues. It is also home to Bemidji State University, which provides education to over 5,000 students.

Bemidji has a a strong retail sector and a diverse range of industries including healthcare, education, manufacturing, and tourism.

Distances to larger cities ("as the crow flies"):

Grand Rapids: 55 miles west of Grand Rapids
Grand Forks: 100 miles east of Grand Forks
Fargo: 100 miles Northeast of Fargo
Duluth: 130 miles west of Duluth
Minneapolis: 180 miles Northwest of Minneapolis

STATE OF THE HOUSING MARKET: BEMIDJI

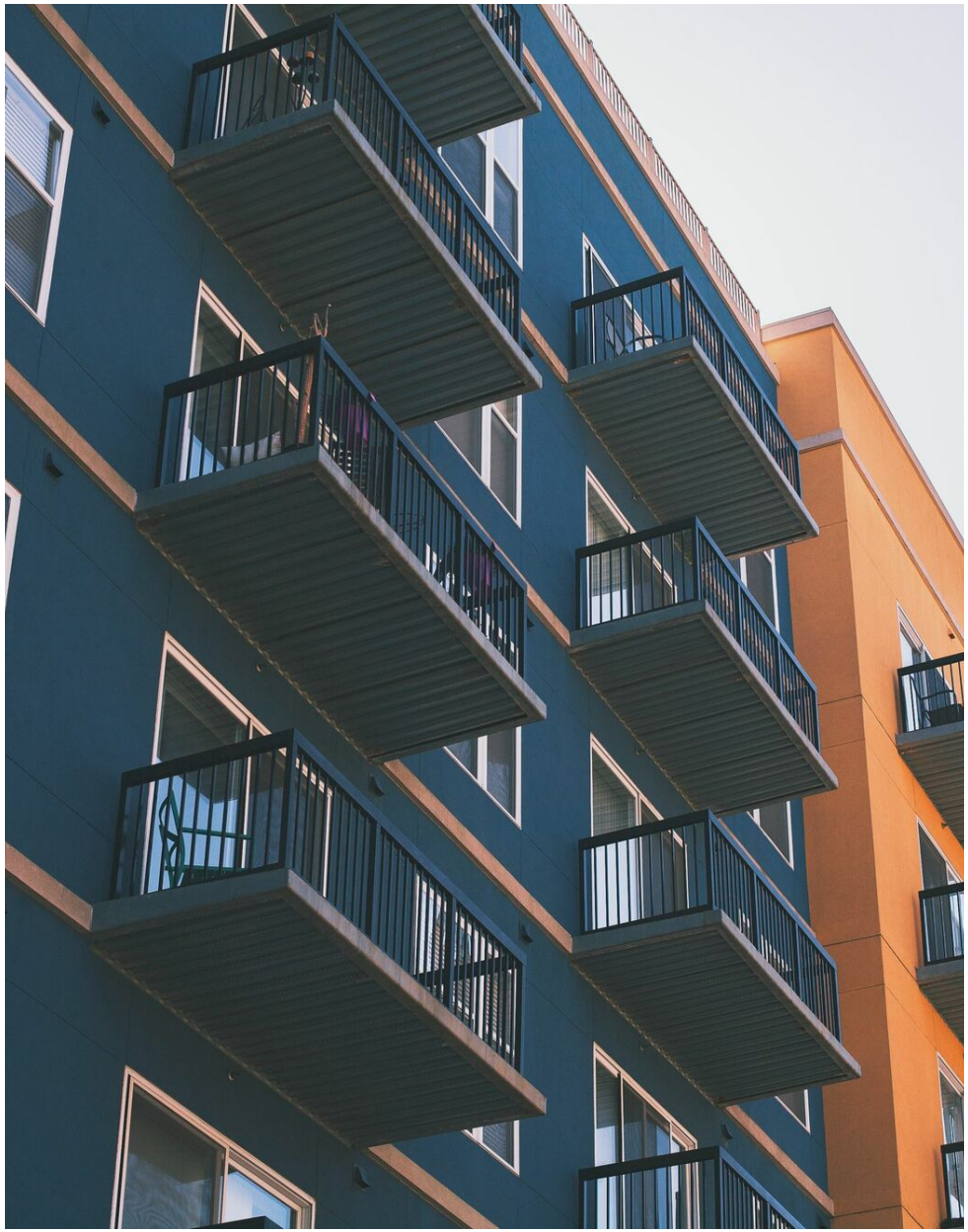
Bemidji is located in the heart of Northern Minnesota and is surrounded by beautiful natural scenery, including the pristine waters of Lake Bemidji and towering pine forests.

Bemidji has experienced steady population and economic growth in recent years. The economy is diverse with a mix of industries that support both the local community and surrounding region alike. One of the largest employers in Bemidji is Bemidji State University, which employs over 700 people, and is mere blocks from the Property. Another key driver of Bemidji's economic growth is the healthcare industry, which is supported by several major hospitals and medical centers in the area which has created numerous job opportunities.

The Bemidji housing market has seen steady growth in recent years, with an increase in the number of new homes being built and a rise in property values. However, there is still a shortage of available homes for sale, along with rentals (especially affordable housing), causing increasing home prices, and more people are searching for rentals. According to Zillow, median home prices have risen by 12.3% in the past year as of March, 2023, suggesting demand for housing is increasing and opportunities for profitable re-development opportunities are sought after. Approximately half of Bemidji residents are renters, and 76% of those tenants live below the poverty line, according to a September 17, 2022 article in the Bemidji Pioneer.

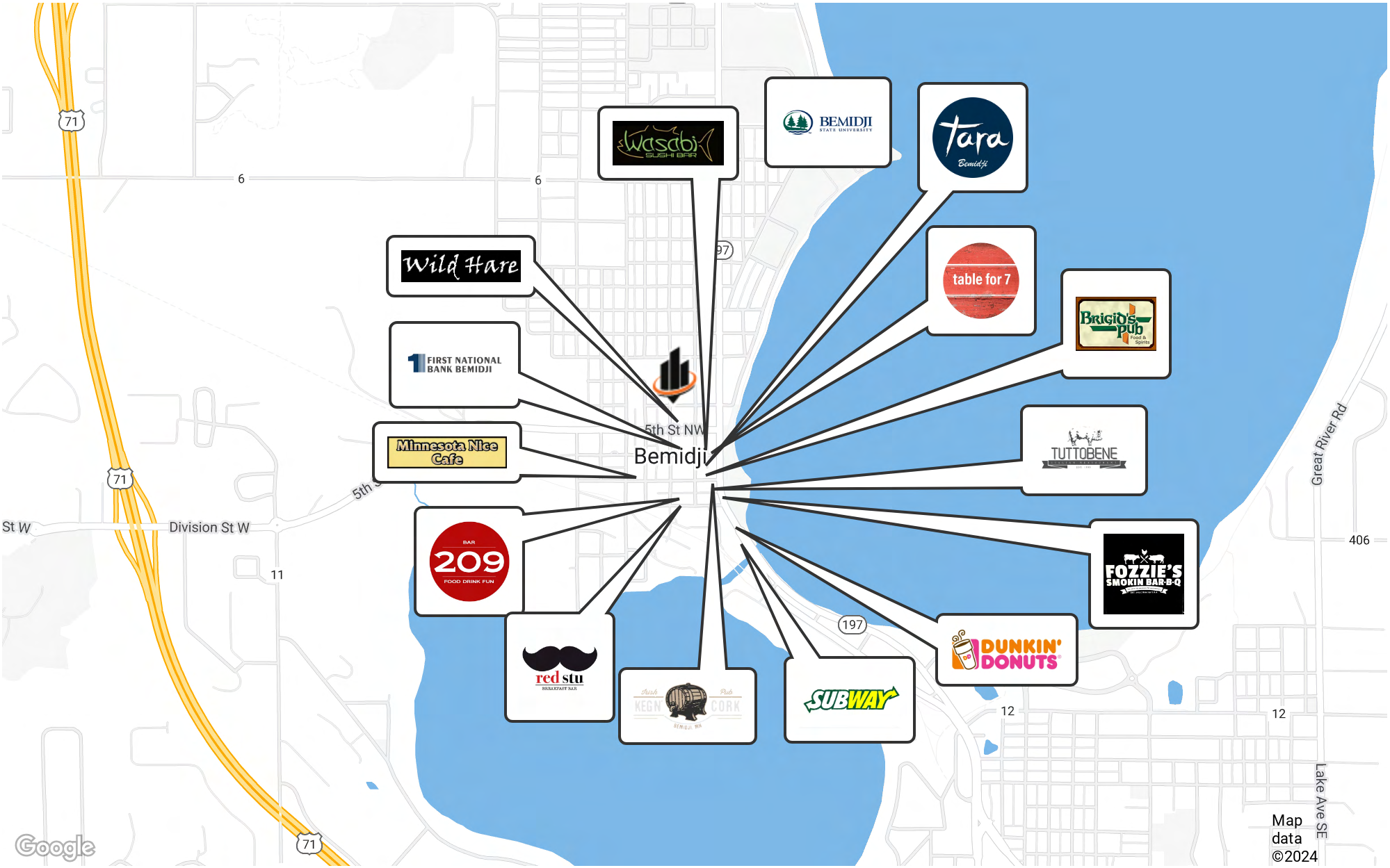
Major Employers (2021 estimates):

Sanford Health (2,200 employees)
Bemidji Public Schools (975 employees)
Bemidji State University (555 employees)
Beltrami County (325 employees)

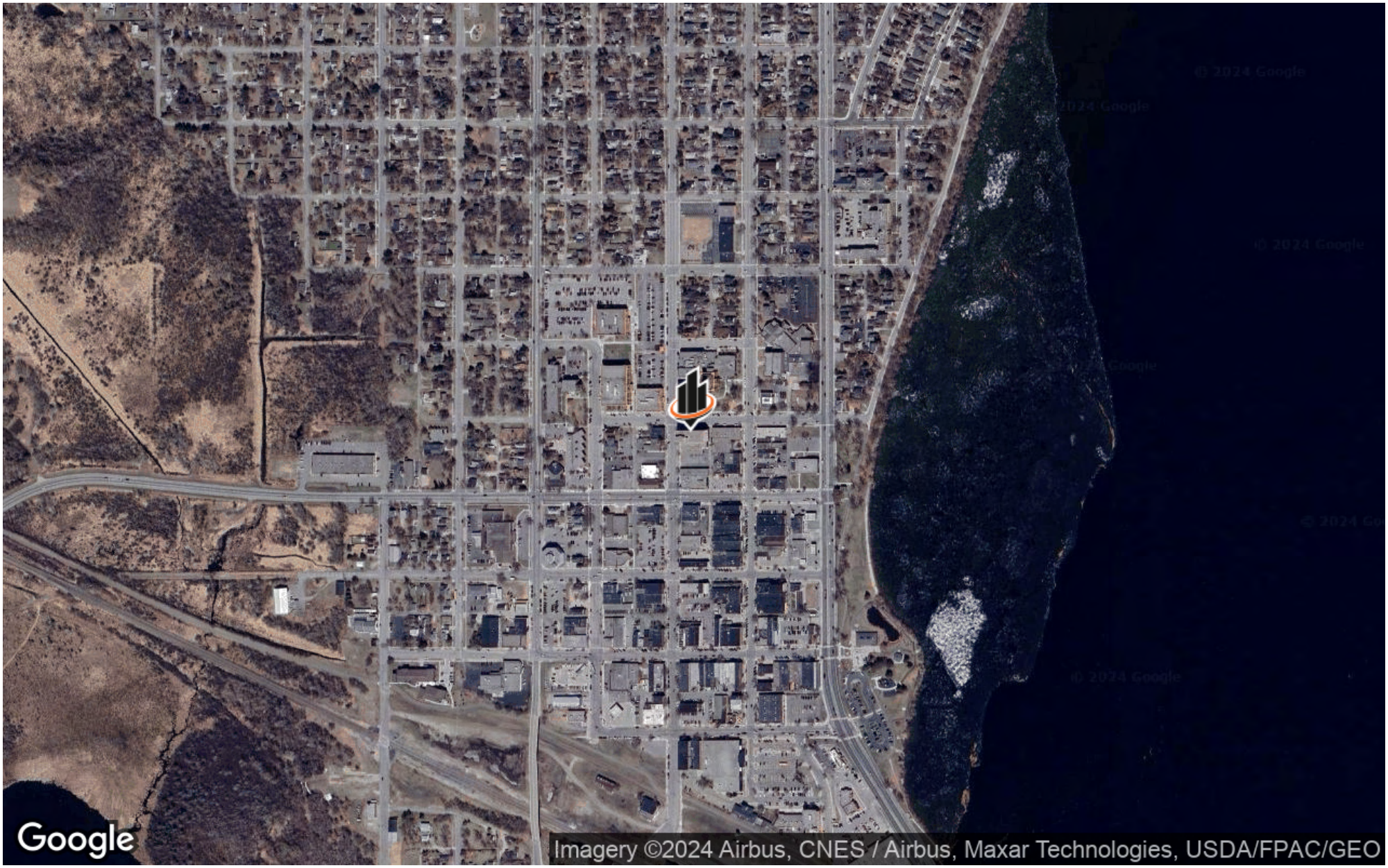


PARCEL MAP

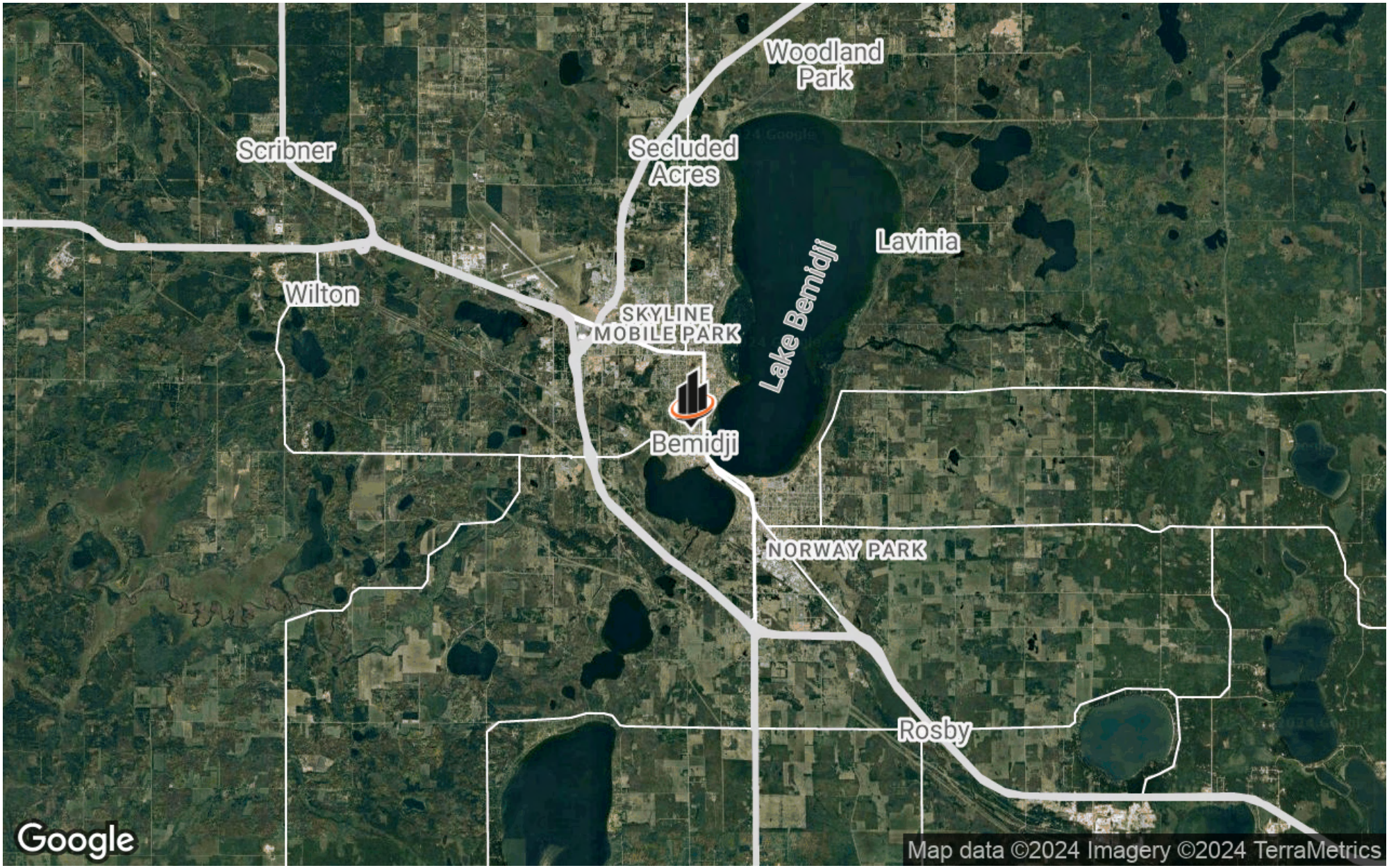
RETAILER MAP



AERIAL MAP


Google
Imagery ©2024 Airbus, CNES / Airbus, Maxar Technologies, USDA/FPAC/GEO

LOCATION MAP



REGIONAL MAP

SECTION 4

Demographics

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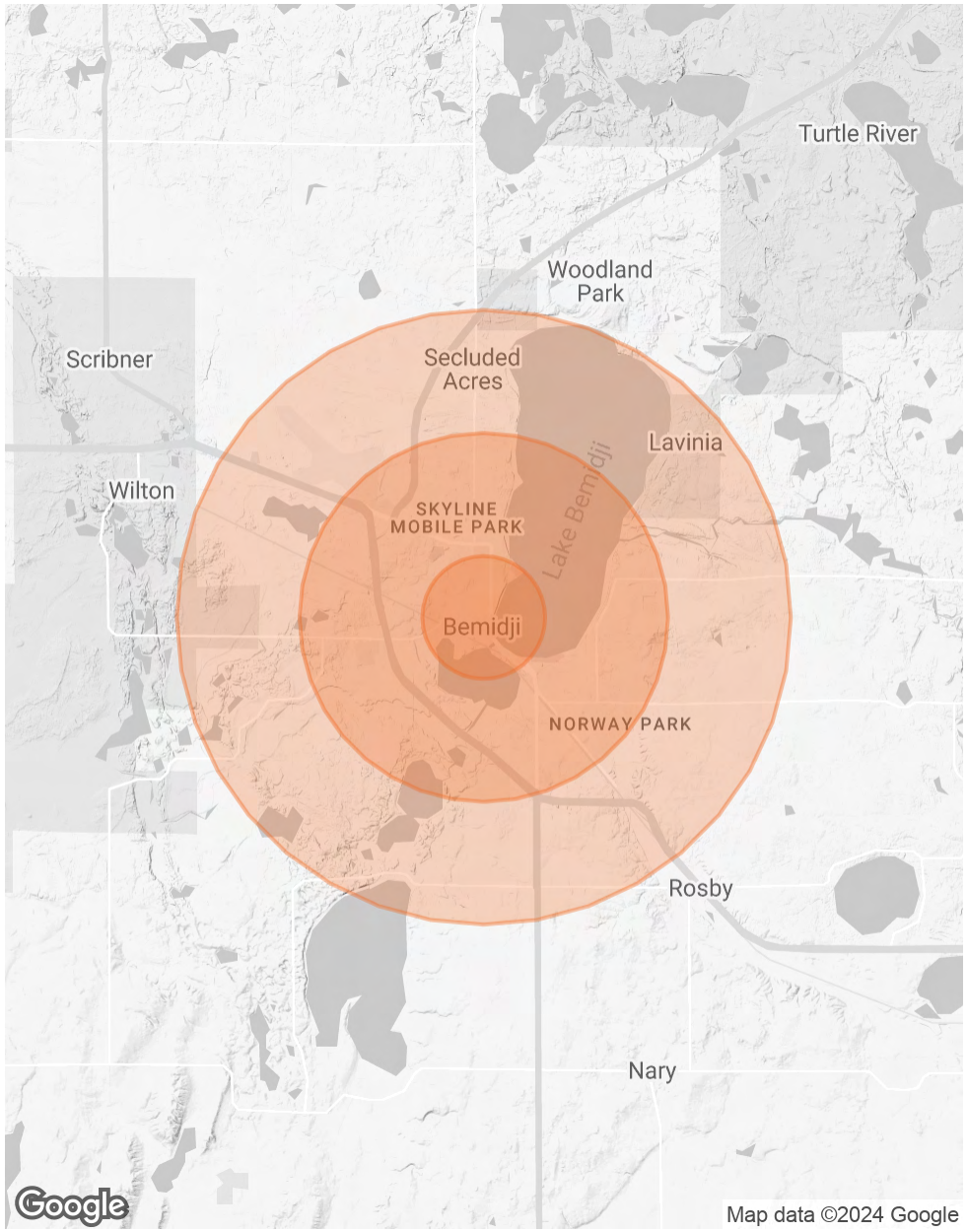
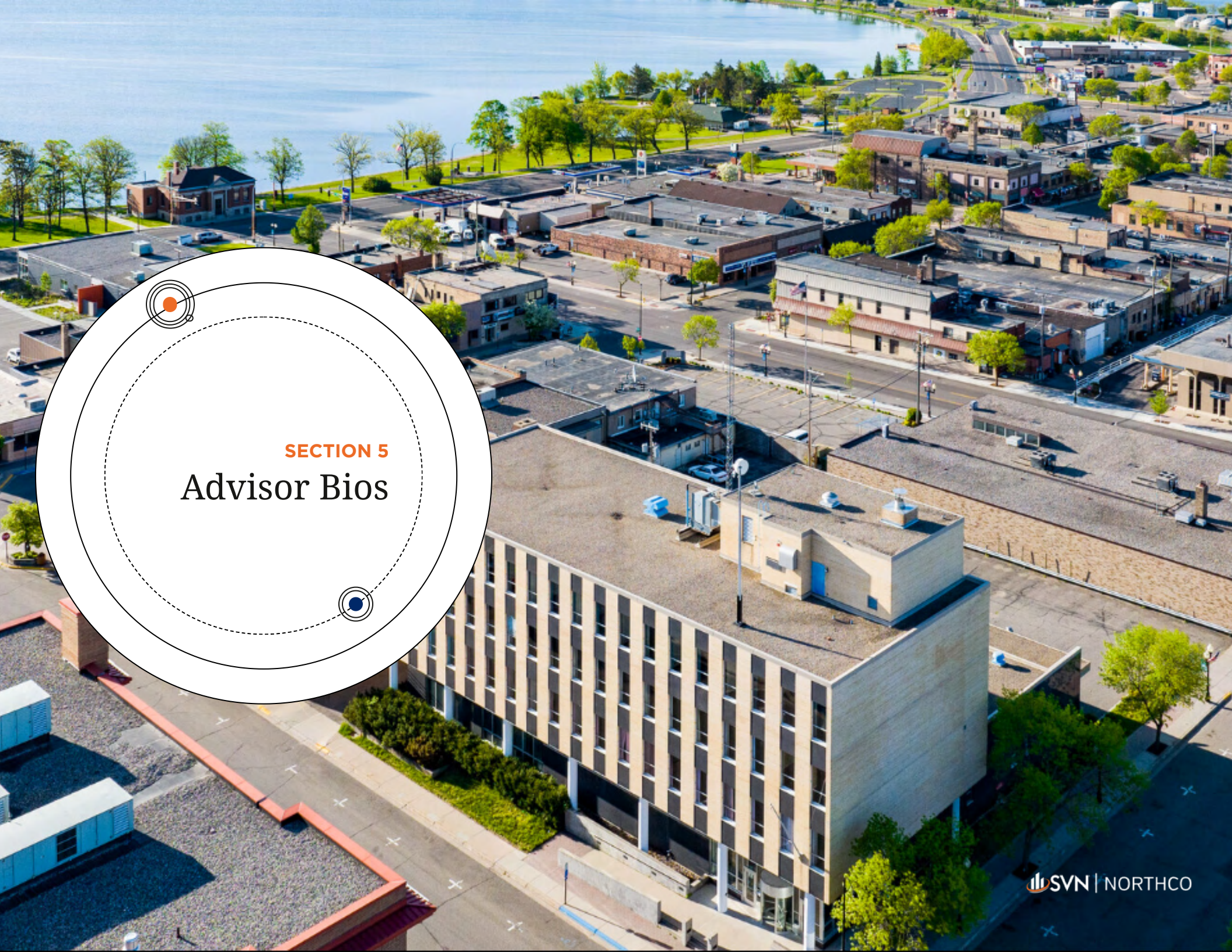
DEMOGRAPHICS MAP & REPORT

POPULATION	1 MILE	3 MILES	5 MILES
TOTAL POPULATION	4,378	15,472	21,665
AVERAGE AGE	28.1	36.9	37.1
AVERAGE AGE (MALE)	27.9	34.6	35.7
AVERAGE AGE (FEMALE)	28.6	37.5	37.3

HOUSEHOLDS & INCOME	1 MILE	3 MILES	5 MILES
TOTAL HOUSEHOLDS	1,615	6,806	9,759
# OF PERSONS PER HH	2.7	2.3	2.2
AVERAGE HH INCOME	$37,032	$50,211	$54,155
AVERAGE HOUSE VALUE	$133,281	$145,175	$147,347

2020 American Community Survey (ACS)





SECTION 5

Advisor Bios

SVN | NORTHCO

EDWARD RUPP

Principal

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Cell: 651-492-0563
edward.rupp@svn.com

Edward J. ("Ned") Rupp is a Principal and Senior Advisor at SVN | Northco and is a member of the SVN | Northco Resort & Golf team and the SVN | Northco Commercial Real Estate team. The SVN | Northco office is located in Minneapolis, Minnesota. SVN | Northco is a full service commercial real estate firm that has been a leader in the Twin Cities market since 1975.

Ned's career has spanned a number of areas over the years, including: commercial real estate, hospitality, marketing, sales, project management, and property management. Ned has managed teams at an award-winning boutique hotel in Saint Paul, a luxury island resort in Birchwood, Wisconsin, and a private membership club in Saint Paul. In addition, Ned served as a Project Manager for a commercial real estate development and management company located in Saint Paul.

Having grown up in the Cathedral Hill neighborhood of Saint Paul and having spent his entire life in the Midwest, Ned is an expert in the Saint Paul hospitality and commercial real estate market, and since joining SVN | Northco has broadened his commercial real estate practice to the entire Twin Cities market, and his hospitality practice nationally.

SPECIALIZATIONS
Real Estate
Business
Management
Hospitality
Resort & Golf

WEB PAGES
www.northco.com

1660 Highway 100 S
Suite 330
Minneapolis, MN 55416

Experience

2016 - Present: Principal & Senior Advisor, SVN | Northco and all affiliated companies
2012 - 2016: Commonwealth Properties, Inc.
2016: Stouts Island Lodge (Seasonal)
2014 - 2016: University Club of St Paul
2012 - 2016: Hotel 340 of St Paul

Education

University of Minnesota, Twin Cities - Bachelor of Arts - Psychology
CAPA, Florence, Italy - General Studies

Professional Recognitions / Affiliations

Licensed Real Estate Agent in Minnesota and Wisconsin
SVN Resort & Golf Group
Minnesota Commercial Association of Realtors (MNCAR)

Achievements

SVN Top 100 Advisors
SVN Advisor Elite
SVN Firm of the Year

MARK BATTLES

Associate Advisor

Phone: 952-820-1600
Cell: 651-503-9361
mark.battles@svn.com

SPECIALIZATIONS
Medical
Resort & Golf

WEB PAGES
www.northco.com

1660 Highway 100 South
Suite 330
Minneapolis, MN 55416

Mark Battles, DVM is an Associate Advisor at SVN | Northco and is a member of the SVN | Northco Golf & Hospitality team and the SVN | Northco Commercial Real Estate team. The SVN | Northco office is located in Minneapolis, Minnesota.

Mark joins the SVN team after spending the better part of a decade as a practicing veterinarian in Denver, CO. Mark grew up in the St. Paul, Minnesota area, and moved to Washington, DC for undergraduate studies, then to Pomona, CA to earn his degree in veterinary medicine.

In 2023 Mark returned home to the Twin Cities to join SVN | Northco and begin a career in commercial real estate. Mark decided to move into commercial real estate not only to find a new challenge for himself, but also to help others to fulfill their real estate needs in order to excel in their careers. Through his years working as a small animal veterinarian and medical director in a busy general practice, urgent care, and emergency veterinary hospitals, Dr. Battles has gained invaluable knowledge concerning the workings and requirements for healthcare spaces.

SVN | Northco is a full service commercial real estate firm that has been a leader in the Twin Cities market since 1975.

Experience

2023 - Present: Associate Advisor, SVN | Northco Real Estate Services

2016 - Present: Practicing Veterinarian

Professional Recognitions / Affiliations

Licensed Real Estate Agent - MN

Minnesota Commercial Association of Realtors (MNCAR)

Education

Western University of Health Sciences: Doctor of Veterinary Medicine

The George Washington University: B.S. in Biology

Achievements

SVN Firm of the Year