

Plymouth-based Dominion is investing about \$22 million in the refinancing and rehabilitation of the 176-unit Park Haven senior apartments at 7024 76th Ave. N. in Brooklyn Center. (Submitted photo: CoStar)

Just Sold: Dominion closes on \$22M Brooklyn Center sale-rehab

By: Anne Bretts | August 17, 2016 7:02 am | 0

Editor's note: "Just Sold" is a Finance & Commerce feature based on certificates of real estate value recently filed for commercial transactions and significant residential transactions in Twin Cities counties. Additional details in the transactions come from Plat Research, the Minnesota Secretary of State's Office, company documents, online real estate listings, F&C archives, CoStar and other research. Some purchase prices and per-unit calculations have been rounded. Full prices are available on the CRVs posted here.

7024 76th Ave. N., Brooklyn Center

Plymouth-based Dominion, a national provider of affordable and market-rate housing, has closed on a \$13 million internal transaction that sets the stage for a \$9 million renovation of the 176-unit Park Haven apartments in Brooklyn Center.

The Park Haven campus, which was built between 1965 and 1972, has 17 buildings on 10.5 acres. They include 12-unit low-rise buildings with one- and two-bedroom apartments, as well as townhomes with three-bedroom units.

Project One Construction in Kimball is the general contractor for the project, which will include replacing roofs, plumbing and mechanical units, as well as new appliances, countertops, lighting and other fixtures in residential units. Residents won't have to be relocated during the renovations, which are slated to be completed in summer 2017.

"It's good to see the existing housing stock get the rehab it needs," said Eric Omdahl, who is working on the rehab with Jeff Huggett, vice president and project partner for Dominion.

Low-rise apartment buildings from the 1960s often are modest in design but sturdy in construction, making them perfect targets for rehabilitation, Omdahl said. The result is that they can be renovated for far less than the cost of new construction.

Typical Park Haven apartments range from 598-square-foot, one-bedroom apartments with rents of \$470, to 1,112-square-foot, three-bedroom apartments with rents of \$795.

The \$13.065 million sale price works out to \$74,233 per unit. The total \$22.065 million finished cost works out to \$125,369 per unit. The average sales price per unit for apartments in the Twin Cities metro area is \$109,571, according to the Finance & Commerce Apartment Sales Tracker at finance-commerce.com. The tracker has recorded the sale of 29,210 apartment units since Aug. 31, 2011.

Purchase price: \$13.065 million, with a \$200 down payment and new financing

Price per unit: Sale cost is \$74,233; total rehabbed cost \$125,369

Property ID: 29-119-21-12-0007

Date of deed: 8-11-16

ECRV released: 8-12-16

Longtime owners sell Brooklyn Park properties

Description: A 6,250-square-foot warehouse, built in 1979, and a 15,000-square-foot Class C industrial building, built in 1990, both on 4.71 acres

Buyer: Legacy Investments III LLC, Edina

Seller: Jane and Gerald Hulbert, Edina

Purchase price: \$1.48 million with a \$444,000 down payment and a new mortgage

Price per square foot: \$69.65

The transaction: Longtime owners Gerald and Jane Hulbert have sold the two buildings he developed on 4.71 acres at 4105 85th Ave. N. in Brooklyn Park for \$1.48 million.

"We renewed the leases and sold it as an investment," said Joe Owen of Colliers, who represented both sides in the Hulberts' sale to Legacy Investments III.

Gerald Hulbert developed the 6,250-square-foot warehouse in 1979 and the 15,000-square-foot Class C office and industrial building in 1990 for his own business, and remained as landlord for two decades after a new owner bought the company but not the building. Today the company is part of Houston-based Merchant Metals Inc. and still leases space on the campus from the new owner. The site also is home to Olidia Care, a home health care company, to All American Roofing & Restoration LLC and to one of two locations of Wheeler Landscape Supply.

The price in the current sale, which closed July 29, works out to an average of \$69.65 per square foot.

Last sale: N/A; Hennepin Count values the property at nearly \$1.28 million for tax purposes

Property ID: 22-119-21-21-0007

Date of deed: 7-29-16

ECRV released: 8-8-16

Red Lobster building sells for \$2.7 million

Description: 5,280-square-foot Red Lobster restaurant, built in 1975, on 2.3 acres

Buyer: 13612 Harbor Boulevard LLC, Claremont, California

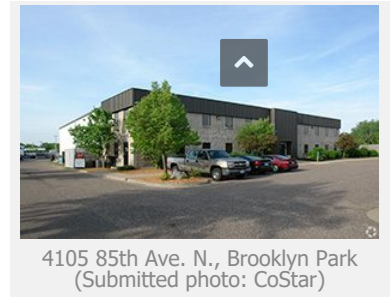
Seller: GGC Real Estate Investments IV L.P., San Francisco

Purchase price: \$2.72 million cash

Price per square foot: \$514.89

The transaction: An entity related to Golden Gate Capital in San Francisco has sold a Red Lobster restaurant building in Golden Valley for \$2.7 million in cash to a private investor in a Los Angeles suburb. The buyer confirmed the acquisition but declined further comment.

The price works out to \$514.89 per square foot. The single property sale, which closed Aug. 1, is part of an ongoing



drama about the fate of Red Lobster and how best to handle its real estate.

Last sale: The seller paid a little more than \$2 million in 2015

Property ID: 31-118-21-31-0042

Date of deed: 8-1-16

ECRV released: 8-12-16



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