



INVESTMENT OPPORTUNITY

MAYOWOOD COMMONS RETAIL CENTER

ROCHESTER, MN



OFFERED AT: \$6,000,000 | 5.40% CAP



Actual Property



Actual Property

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Confidentiality Agreement & Disclosures

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BROKER OF RECORD

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-- OFFERING SUMMARY --

INVESTMENT HIGHLIGHTS	
Offering Price:	\$6,000,000
Net Operating Income:	\$324,080
Cap Rate:	5.40%
Price/SF:	\$560

PROPERTY OVERVIEW	
Address:	793 16th Street SW Rochester, MN 55902
Property Size:	10,710 Sq. Ft.
Land Size:	2.07 Acres
Occupancy:	100% Leased
Property Type:	Multi-Tenant (3 Spaces)
Buffalo Wild Wings	6,068 Sq. Ft.
First Meeting Noodle	2,022 Sq. Ft.
Associated Bank	2,468 Sq. Ft.
Ownership:	Fee Simple (land & building)
Year Built:	2018

Lee & Associates is pleased to exclusively offer for sale to qualified investors, the opportunity to purchase the Mayowood Commons Retail Center, a multi-tenant retail shopping center located at 793 16th Street SW in Rochester, MN (the "Property"). The subject property was built in 2018 and consists of a 10,710-square-foot retail building that sits on an approximately 2.07-acre parcel. The east end of the property features a drive-thru lane for the Associated Bank space and the Buffalo Wild Wings end-cap benefits from an outdoor patio area for additional seating.

Mayowood Commons is 100% leased to an attractive mix of national and regional tenants including Buffalo Wild Wings, Associated Bank, and First Meeting Noodle. The current rent roll ideally provides for both staggered lease expirations and steady rent growth. The Associated Bank lease features 2% annual rent increases and First Meeting Noodle's lease featured an annual rent increase of \$1.00/sf/year. The Buffalo Wild Wings lease features a 10% increase in Year 8 of the lease.

Mayowood Commons is located at the entrance to the Red44, a 159-unit furnished apartment complex, and the Home2Suites by Hilton hotel (103 rooms). It is across from The Waters on Mayowood, a 5-story luxury senior living community with 175 units that focuses on a variety of programs that nurture the wellbeing of its residents and promotes an active lifestyle. Additionally, the center is located near the Apache Mall, a 782,318-square-foot super-regional shopping center anchored by Macy's and Scheels, with other national retailers American Eagle Outfitters, Barnes & Noble, lululemon athletica, H&M, and Bath & Body Works. These surrounding tenants provide a strong draw to the immediate area, supporting the tenants' success.

Strategically located at the hard corner signalized intersection of 16th St SW & Mayowood Commons Dr, the center benefits from visibility to 31,000 cars per day. It is situated 1/2 mile from the on/off ramp to Hwy 52 (21,350 CPD), offering quick access to Downtown Rochester and north to Minneapolis-St Paul.

The site offers outstanding surrounding demographics, with over 105,000 people living within a 5-mile radius of the subject property with an average household income over \$102,000. lending well to the center's success.

Mayowood Commons is located in Rochester, the third-largest city in Minnesota after Minneapolis-St Paul with an estimated population of nearly 120,000 people. Rochester is consistently rated one of the best cities to live in the U.S. (U.S. News & World Report), with an excellent quality of life, plentiful outdoor recreation opportunities, scenic beauty, and abundant dining, shopping and entertainment options. Rochester is home of the Mayo Clinic, a nonprofit academic medical center focused on integrated health care, education, and research that is consistently rated the #1 hospital in the U.S. As one of the largest employers, the Mayo Clinic is the core of Rochester's economy, employing 34,000 people and making an economic impact of \$9.8 billion.



Actual Property



Actual Property





-- INVESTMENT HIGHLIGHTS --



SUBJECT PROPERTY LOCATED AT ENTRANCE TO RED44 APARTMENTS (159 UNITS), HOME2SUITES BY HILTON (103 ROOMS) • ACROSS FROM THE WATERS ON MAYOWOOD, A 175-UNIT SENIOR LIVING COMMUNITY • ADJACENT TO APACHE MALL, LARGEST ENCLOSED SHOPPING MALL IN ROCHESTER

- Located at the entrance to the Red44 apartment complex, with 159 furnished rental units and the Home2Suites by Hilton hotel featuring 103 rooms.
- Across from The Waters on Mayowood, a 5-story luxury senior living community with 175 units
- Only 1/2 mile from the Apache Mall, a 782,318-square-foot super-regional shopping center anchored by Macy's and Scheels, with other national retailers American Eagle Outfitters, Barnes & Noble, lululemon athletica, H&M, and Bath & Body Works
- Strong consistent draw to the immediate trade area is the key to Mayowood Commons' success



100% LEASED MULTI-TENANT RETAIL CENTER • STRONG MIX OF INVESTMENT GRADE (S&P: BBB+) CREDIT & STRONG FRANCHISEE CREDIT (\$30M NET WORTH) • END CAP DRIVE-THRU LANE & OUTDOOR PATIO SEATING • STRONG BANK DEPOSITS (\$58M+ IN 2020)

- Fully leased 10,710-square foot multi-tenant retail strip center built in 2018
- Strong Credit Mix: Buffalo Wild Wings (Approx. \$30M Net Worth), Associated Bank (S&P: BBB+), First Meeting Noodle (Local Credit)
- Associated Bank (NYSE: ASB) features an End Cap Drive-up Teller Lane | Annual Deposits of over \$58,000,000 (2020)
- Buffalo Wild Wings features Outdoor Patio Seating



MANAGEMENT FEES 100% PASS THROUGH TO TENANTS • NEWER NNN LEASES • STAGGERED LEASE EXPIRATIONS • STRONG RENT GROWTH • MINIMAL LANDLORD RESPONSIBILITIES

- Leases allow for 100% pass-through of management fee or administrative costs to all 3 tenants
- Buffalo Wild Wings has 12 years remaining on a 15-year NNN lease with a 10% rent increase in Year 8 of the Lease
- First Meeting Noodle just commenced a new 7-year NNN lease which features \$1.00/sf rent increases per year
- Associated Bank has 7 years remaining on its 10-year NNN lease, which features 2% annual rent increases
- NNN leases offer minimal landlord responsibilities for a new owner



PROXIMITY TO THE MAYO CLINIC HOSPITALS • SHUTTLE SERVICES OFFERED BY ADJACENT HOTEL/APARTMENTS • AFFLUENT DEMOGRAPHICS

- Subject property is within 3 miles of Mayo Clinic facilities:
 - » Mayo Clinic Hospital, Saint Marys Campus, with 1,265 beds and 70 operating rooms
 - » Mayo Clinic Hospital, Methodist Campus, with 794 beds and 37 operating rooms
 - » Red44 Apartments & Home2Suites by Hilton offer shuttle services
- Strong surrounding demographics support tenants' success: Over 105,000 people living within a 5-mile radius of the subject property with an average household income over \$102,000



HARD CORNER SIGNALIZED LOCATION AT INTERSECTION OF 16TH ST SW & MAYOWOOD COMMONS RD (31,000+ CPD) • EXCELLENT VISIBILITY • NEAR ON/OFF RAMP TO HWY 52

- On the hard corner signalized intersection of 16th St SW & Mayowood Commons
- Outstanding visibility to 31,000 cars per day
- Situated 1/2 mile from the on/off ramp to Hwy 52 (21,350 CPD)
- Quick access to Downtown Rochester and north to Minneapolis-St Paul area



LOCATED IN ROCHESTER • 3RD-LARGEST CITY IN MINNESOTA • CONSISTENTLY RATED ONE OF THE TOP CITIES IN THE U.S. • HOME OF THE MAYO CLINIC, #1 HOSPITAL IN THE NATION & CORE OF ROCHESTER'S ECONOMY • \$9.8 BILLION ECONOMIC IMPACT

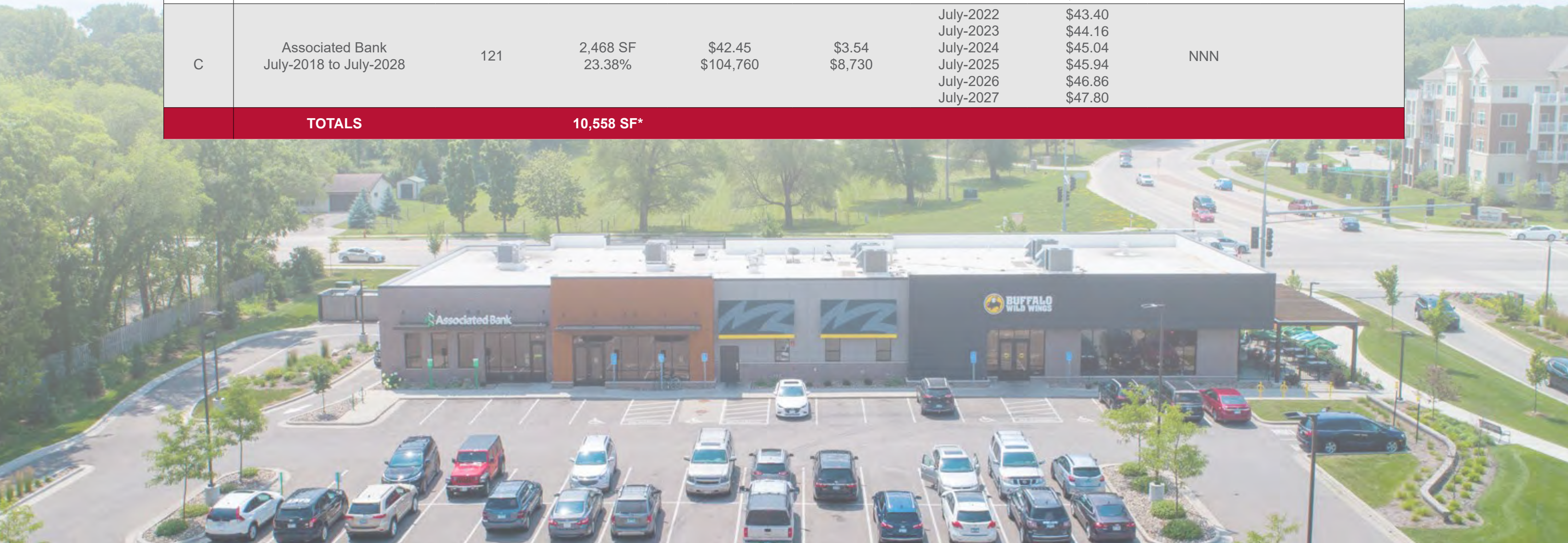
- Located in Rochester, the third-largest city in Minnesota after Minneapolis-St Paul
- Estimated population of nearly 120,000 people
- Rochester consistently rated one of the best cities to live in the U.S. (U.S. News & World Report)
- Home of the Mayo Clinic (www.mayoclinic.org)
- The Mayo Clinic is the core of Rochester's economy - Employs 34,000 People - \$9.8 Billion Economic Impact with \$1.5 Billion in Annual Tax Revenue (4% of Minnesota's GDP)
- #1 Ranked Hospital in the Nation for the 6th Consecutive Year in 14 Specialties





-- RENT ROLL --

Suite	Tenant Name Lease Dates	Lease Term (Months)	Size Bldg Share	Rent/SF/Year Annual Rent	Rent/SF/Mo Monthly Rent	Increase Date	New Rent/Yr	Lease Type	Renewal Options
A	Buffalo Wild Wings July-2018 to July-2033	181	6,068 SF 57.47%	\$30.00 \$182,400	\$2.50 \$15,200	July-2025	\$33.00	NNN	
B	First Meeting Noodle June-2021 to June-2028	85	2,022 SF 19.15%	\$18.00 \$36,396	\$1.50 \$3,033	June-2022 June-2023 June-2024 June-2025 June-2026 June-2027	\$19.00 \$20.00 \$21.00 \$22.00 \$23.00 \$24.00	NNN	
C	Associated Bank July-2018 to July-2028	121	2,468 SF 23.38%	\$42.45 \$104,760	\$3.54 \$8,730	July-2022 July-2023 July-2024 July-2025 July-2026 July-2027	\$43.40 \$44.16 \$45.04 \$45.94 \$46.86 \$47.80	NNN	
TOTALS			10,558 SF*						





-- CASH FLOW PROJECTION --

For the Years Ending	Year 1 Oct-2021	Year 2 Oct-2022	Year 3 Oct-2023	Year 4 Oct-2024	Year 5 Oct-2025	Year 6 Oct-2026	Year 7 Oct-2027	Year 8 Oct- 2028	Year 9 Oct- 2029	Year 10 Oct-2030	Year 11 Oct-2031
POTENTIAL GROSS REVENUE											
Base Rental Revenue	324,080	326,859	331,029	339,703	357,343	361,644	365,491	369,330	374,402	379,627	385,008
Absorption & Turnover Vacancy	-	-	-	-	-	-	(28,093)	-	-	-	-
Total Rental Revenue	324,080	326,859	331,029	339,703	357,343	361,644	337,398	369,330	374,402	379,627	385,008
Total Expense Recoveries	110,635	113,954	117,373	120,894	124,521	128,256	122,741	136,067	140,149	144,354	148,684
Potential Gross Revenue	434,715	440,813	448,402	460,597	481,864	489,900	460,139	505,397	514,551	523,981	533,692
Vacancy Allowance	--	--	--	--	--	--	--	--	--	--	--
Effective Gross Revenue	434,715	440,813	448,402	460,597	481,864	489,900	460,139	505,397	514,551	523,981	533,692
OPERATING EXPENSES											
Bank Fees	268	276	284	293	302	311	320	330	339	350	360
Management Fees	12,989	13,379	13,780	14,193	14,619	15,058	15,510	15,975	16,454	16,948	17,456
Administrative Expenses	650	670	690	710	732	754	776	799	823	848	874
Licenses & Permits	275	283	292	300	310	319	328	338	348	359	370
Water/Sewer/Electric (Common)	1,250	1,288	1,326	1,366	1,407	1,449	1,493	1,537	1,583	1,631	1,680
Trash	-	-	-	-	-	-	-	-	-	-	-
Water	-	-	-	-	-	-	-	-	-	-	-
Maint/Repairs/Cleaning/Janitorial	1,500	1,545	1,591	1,639	1,688	1,739	1,791	1,845	1,900	1,957	2,016
Supplies	1,000	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344
Fire & Safety Monitoring	750	773	796	820	844	869	896	922	950	979	1,008
Grounds & Snow Removal	16,500	16,995	17,505	18,030	18,571	19,128	19,702	20,293	20,902	21,529	22,175
Common Facilities	7,200	7,416	7,638	7,868	8,104	8,347	8,597	8,855	9,121	9,394	9,676
Property Taxes	63,978	65,897	67,874	69,910	72,008	74,168	76,393	78,685	81,045	83,477	85,981
Insurance	4,275	4,403	4,535	4,671	4,812	4,956	5,105	5,258	5,415	5,578	5,745
Total Operating Expenses	110,635	113,955	117,372	120,893	124,523	128,257	132,105	136,067	140,147	144,355	148,685
Net Operating Income	324,080	326,858	331,030	339,704	357,341	361,643	328,034	369,330	374,404	379,626	385,007



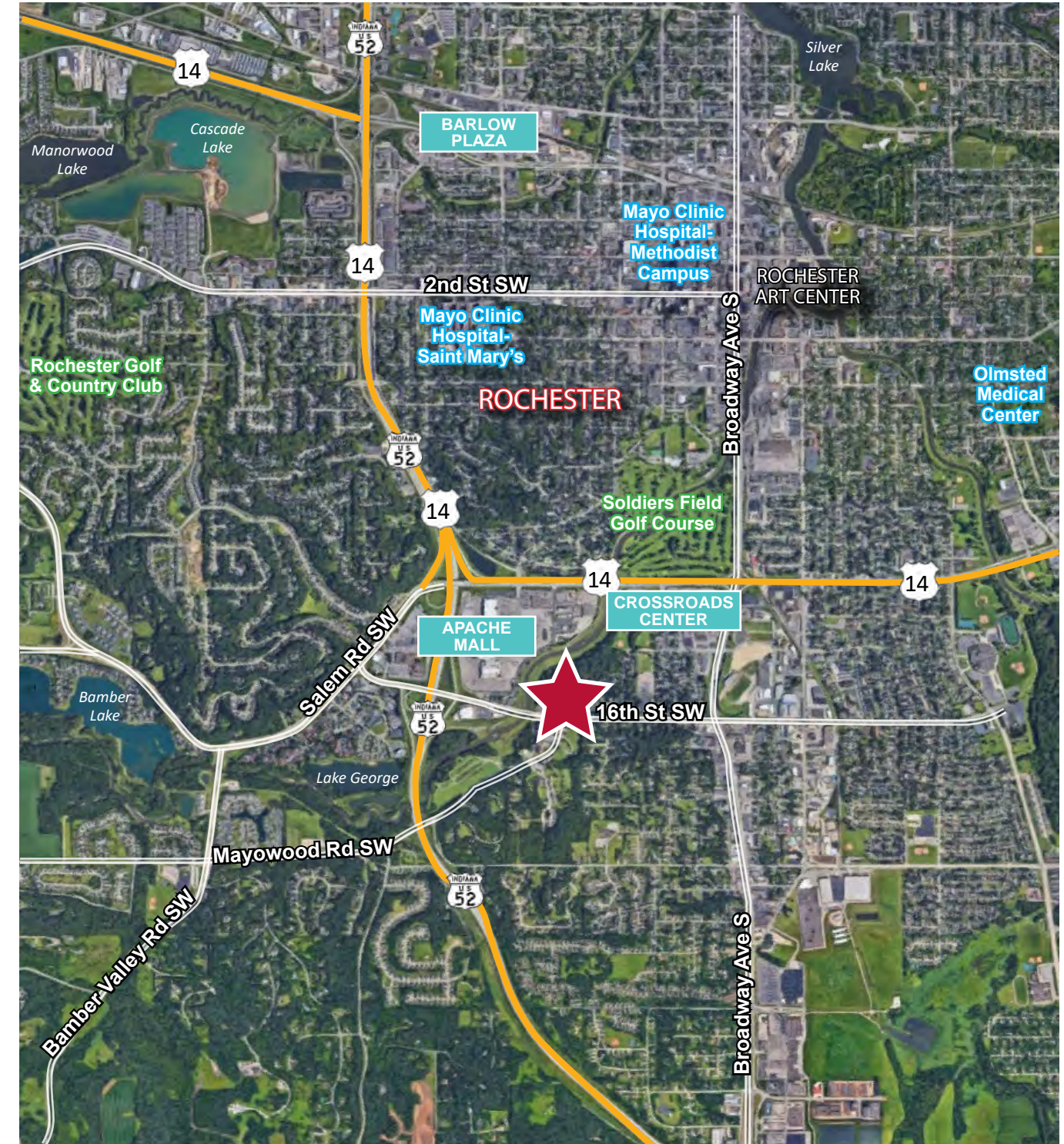
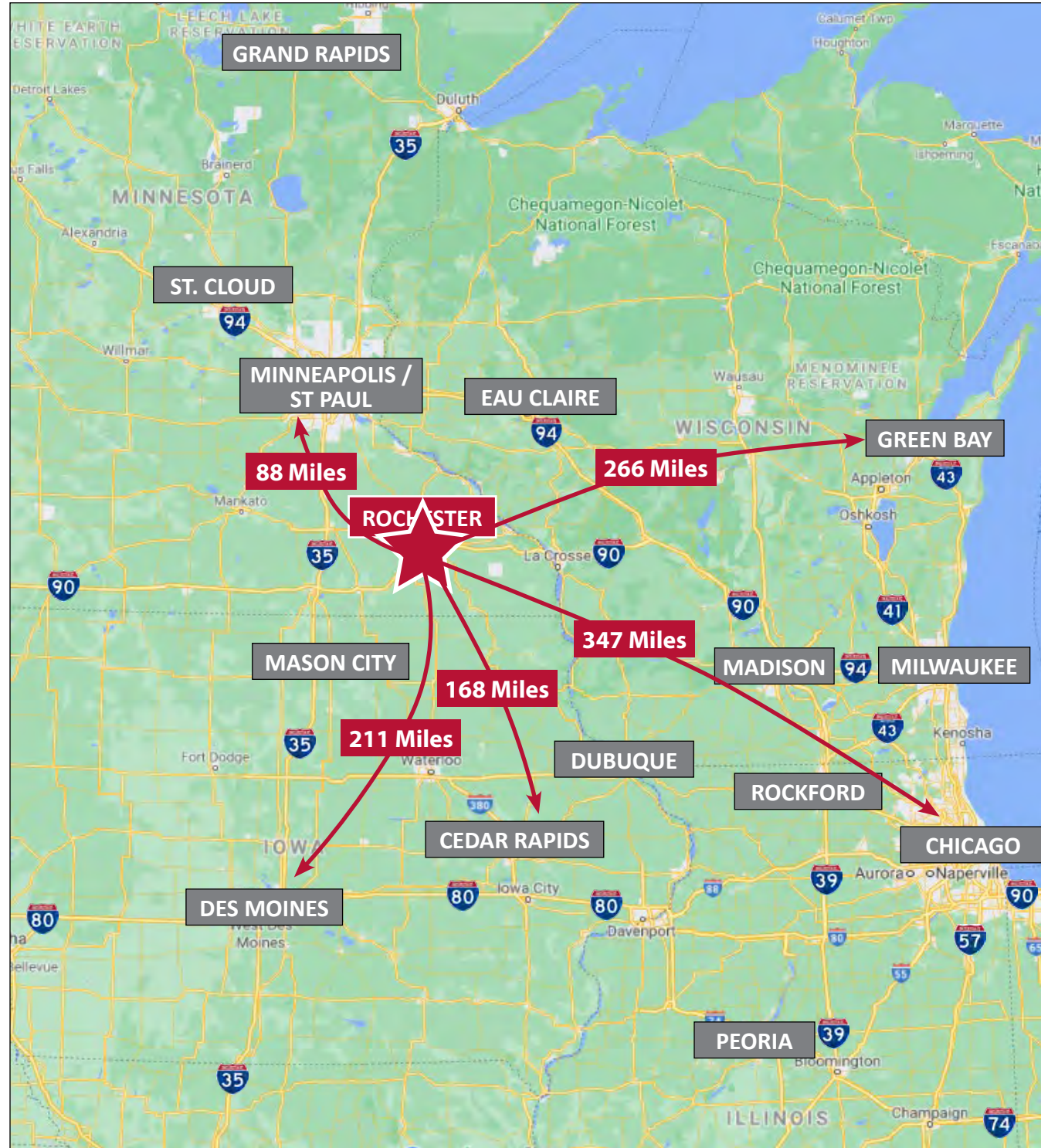
**MAYOWOOD COMMONS
RETAIL CENTER**

ROCHESTER, MN





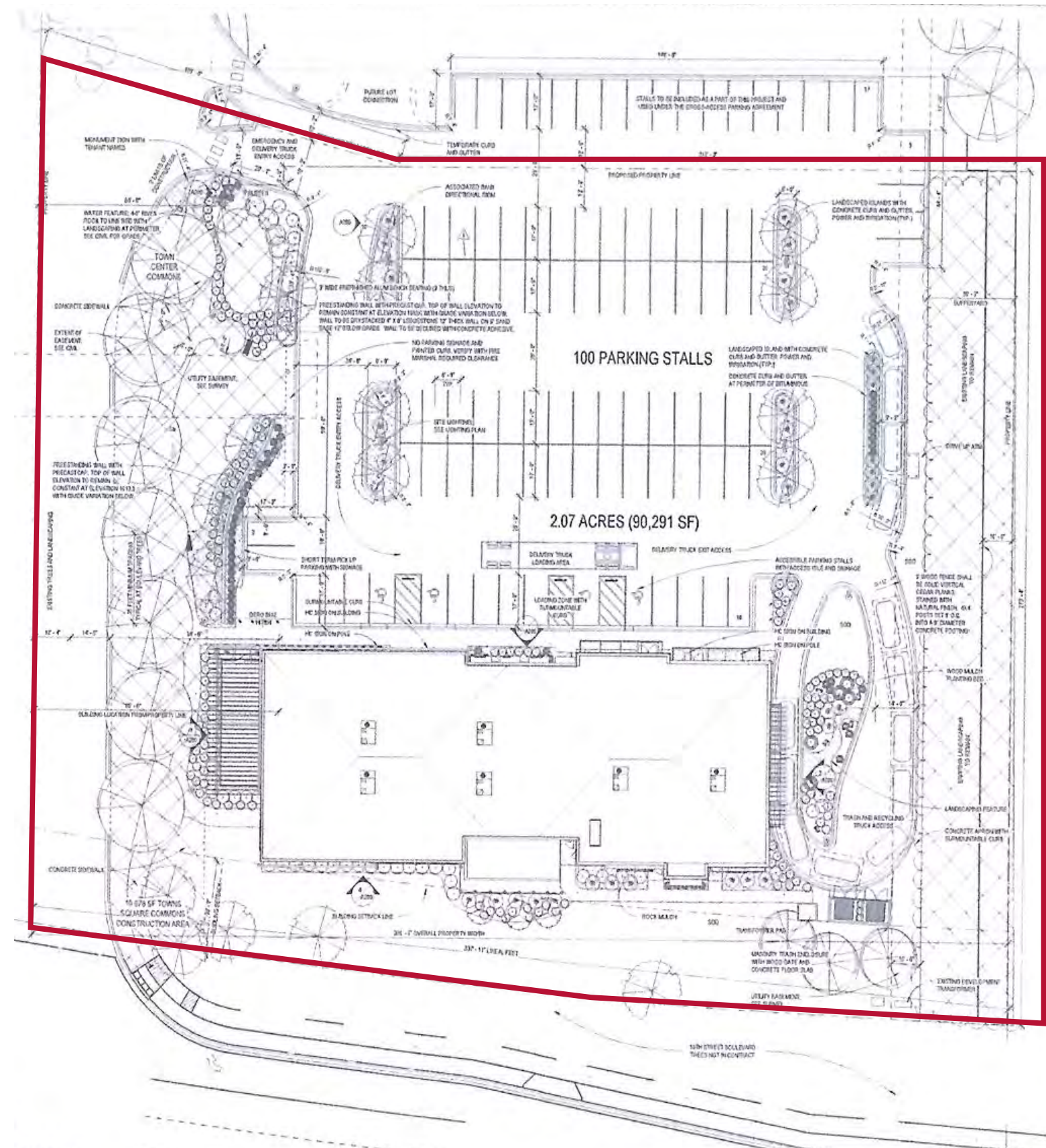
-- LOCATION MAPS --





-- SITE PLAN --

OVERALL SITE PLAN





-- FRONT ENTRANCE VIEW OF THE PROPERTY --





-- VIEW OF PROPERTY FROM 16TH STREET NW --





-- PATIO SEATING AT BUFFALO WILD WINGS --





-- DRIVE-UP WINDOW AT ASSOCIATED BANK --





-- ADJACENT CO-TENANTS --





-- ADJACENT CO-TENANTS --



RESIDENCE INN - RENDERING
(Planned - Adjacent Parcel)





-- THE WATERS ON MAYOWOOD SENIOR LIVING --





-- ADJACENT TO THE APACHE MALL --





-- OVERHEAD VIEW --

FUTURE SITE OF
Residence INN
BY MARRIOTT

DRIVE-UP TELLER
WINDOW LANE

 **Associated
Bank**

 **FIRST MEETING**
CHINESE FRESH HAND PULLED NOODLES

 **BUFFALO WILD WINGS**
GRILL & BAR

ACCESS

MAYOWOOD RD SW

ACCESS

16TH STREET SW



COMBINED TRAFFIC COUNT
31,000 CARS PER DAY





-- LOOKING WEST --

BAMBER VALLEY SCHOOL

CRYSTAL BAY TOWNHOMES
76 UNITS



GREEN MEADOWS VILLAGE

Kids Come 1st Children's Centers
think BANK
KinderCare LEARNING CENTERS
PB Premier Banks
WELLS FARGO
Merchants Bank

TRADER JOE'S

SALEM RD SW

NATURAL GROCERS
TJ-maxx
DAVID'S BRIDAL
KWIK TRIP
SALLY BEAUTY SUPPLY
cricket wireless
H&R BLOCK
AAA
FIREHOUSE SUBS
HomeGoods
DUNN BROTHERS COFFEE

21,350 CPD

13,350 CPD



APACHE MALL
782,318 SF
SCHEELS
BARNES & NOBLE BOOKSELLERS
Red Lobster
macy's
CHEVROLET
AMERICAN EAGLE OUTFITTERS
H.M.

SALEM RD SW

THE WATERS ON MAYOWOOD SENIOR LIVING COMMUNITY
141 UNITS



MAYOWOOD RD SW

COMBINED
31,000 CPD

16TH STREET SW

HOME 2 SUITES BY HILTON



RED44

FUTURE SITE OF
Residence INN BY MARRIOTT

STONE BARN ESTATES

16TH STREET SW





Location Maps

Site Plan

Property Photos

Neighboring Tenants

• Aerials •

-- LOOKING NORTHWEST --



13,350 CPD

21,350 CPD

12,650 CPD

HOME 2
SUITES BY HILTON

RED44

FUTURE SITE OF
Residence INN
BY MARRIOTT

THE WATERS ON MAYWOOD
SENIOR LIVING COMMUNITY
141 UNITS

COMBINED
31,000 CPD



IBM
ROCHESTER TECHNOLOGY
CAMPUS

MAYO CLINIC-ST MARY'S
1,265 BEDS
70 OPERATING ROOMS

APACHE MALL
782,318 SF
SCHEELS * macy's
BARNES & NOBLE BOOKSELLERS
Red Lobster AMERICAN EAGLE OUTFITTERS CHEVROLET H.M.





Location Maps

Site Plan

Property Photos

Neighboring Tenants

• Aerials •

-- LOOKING NORTH --

MAYO CLINIC-ST MARY'S
1,265 BEDS
70 OPERATING ROOMS

MAYO CLINIC-METHODIST
794 BEDS
37 OPERATING ROOMS

DOWNTOWN ROCHESTER
3 MILES

SOLDIER FIELD GOLF COURSE

CROSSROADS CENTER

APACHE MALL

12TH STREET SW

12,650 CPD

12TH STREET SW

RED44

FUTURE SITE OF

Residence INN
BY MARRIOTT

STONE BARN ESTATES

HOME 2
SUITES BY HILTON

Panera BREAD

16TH STREET SW

COMBINED
31,000 CPD

MAYWOOD RD SW

THE WATERS ON MAYWOOD SENIOR LIVING COMMUNITY
141 UNITS





-- LOOKING EAST --





Location Maps

Site Plan

Property Photos

Neighboring Tenants

• Aerials •

-- LOOKING SOUTH --



21,350 CPD



THE WATERS ON MAYWOOD SENIOR LIVING COMMUNITY 141 UNITS

STONE BARN ESTATES

16TH STREET SW

COMBINED 31,000 CPD



FUTURE SITE OF

Residence INN BY MARRIOTT



RED44







-- LEASE ABSTRACT --

LEASE INFORMATION	
Tenant:	Rochester Wings 2, LLC dba Buffalo Wild Wings
Lease Guarantor (Personal):	Michael L. Jones and Mark A. Jones Approx. \$30,000,000 Net Worth
Size:	6,068 Sq. Ft.
% of Total Leaseable SF:	57.47%
Rent Commencement:	July 1, 2018
Lease Expiration:	July 31, 2033
Base Lease Term:	15 Years
Base Term Remaining:	10+ Years
Renewal Options:	(2) 5- Year Options
Annual Rent:	\$182,040
Rental Increases:	10% in Year 8 of Primary Term (2025) & Options
Sales Reporting:	Yes



-- LEASE SUMMARY --

PRIMARY LEASE TERM						
TERM	START DATE	END DATE	NOI/YR	NOI/MO	NOI/SF/YR	INCREASE
Years 4 - 7	7/1/2021	6/30/2025	\$182,040.00	\$15,170.00	\$30.00	15%
Years 8 - 15	7/1/2025	6/30/2033	\$200,244.00	\$16,687.00	\$33.00	10%
OPTION PERIODS - (2) 5-YEAR OPTIONS						
Option 1	7/1/2033	6/30/2038	\$218,448.00	\$18,204.00	\$36.00	10%
Option 2	7/1/2038	6/30/2043	\$242,719.92	\$20,226.66	\$40.00	10%

Management Fees or Administrative Costs may be 100% passed through to the tenant

-- TENANT INFORMATION --



Buffalo Wild Wings is an American casual dining restaurant and sports bar franchise in the United States. The chain is best known for Buffalo-style chicken wings along with over a dozen sauces, as well as a complement of other items such as chicken tenders and legs. The chain’s menu also features appetizers, burgers, tacos, salads, and desserts, along with beer, wine, and other beverages. They are known for their famous “Blazin Wing Challenge”, where they challenge customers to eat 12 of their hottest wings under six minutes.

Today, Buffalo Wild Wings has nearly 1,300 restaurants in 10 countries, employing over 44,000 people and reporting revenue of \$3.669 billion in 2020. Buffalo Wild Wings is part of the Inspire Brands family of restaurants.

Buffalo Wild Wings & Weck was founded in 1982 by Jim Disbrow and Scott Lowery. Lowery’s parents had become Disbrow’s guardians as they were his ice skating coaches. After Disbrow had finished judging an amateur figure skating competition at Kent State University, the pair met up to get some Buffalo-style chicken wings to eat. Failing to find any restaurant serving them, they decided to open their own restaurant serving wings. For the first location, they selected a location near Ohio State University, Columbus.

INSPIRE Inspire Brands was founded in February 2018 with a vision to invigorate great brands and supercharge their long-term growth. In an industry facing increasing disruption, our leaders saw an opportunity to build a restaurant company unlike any other – one that brings together differentiated yet complementary brands and aims to make them stronger than they would be on their own.

In just three years, the Inspire portfolio has grown to encompass nearly 32,000 Arby’s, Baskin-Robbins, Buffalo Wild Wings, Dunkin’, Jimmy John’s, Rusty Taco, and SONIC Drive-In restaurants across more than 60 countries and all 50 states. It is now the 2nd-largest restaurant company in the U.S., reporting over \$27 Billion in global system sales.





Buffalo Wild Wings

• First Meeting Noodle •

Associated Bank

-- LEASE ABSTRACT --

LEASE INFORMATION	
Tenant:	First Meeting Noodle, LLC
Lease Guarantor (Personal):	ShanShan Chen
Size:	2,022 Sq. Ft.
% of Total Leaseable SF:	19.15%
Rent Commencement:	June 1, 2021
Lease Expiration:	May 31, 2028
Base Lease Term:	7 Years
Base Term Remaining:	6+ Years
Renewal Options:	(1) 3- Year Option
Annual Rent:	\$36,396
Rental Increases:	\$1.00 per SF Annual Increases
Sales Reporting:	Yes

-- LEASE SUMMARY --

PRIMARY LEASE TERM						
TERM	START DATE	END DATE	NOI/YR	NOI/MO	NOI/SF/YR	INCREASE
Year 1	6/1/2021	5/31/2022	\$36,396.00	\$3,033.00	\$18.00	--
Year 2	6/1/2022	5/31/2023	\$36,396.00	\$3,033.00	\$18.00	\$1.00/SF
Year 3	6/1/2023	5/31/2024	\$38,418.00	\$3,201.50	\$19.00	\$1.00/SF
Year 4	6/1/2024	5/31/2025	\$40,440.00	\$3,370.00	\$20.00	\$1.00/SF
Year 5	6/1/2025	5/31/2026	\$42,462.00	\$3,538.50	\$21.00	\$1.00/SF
Year 6	6/1/2026	5/31/2027	\$44,484.00	\$3,707.00	\$22.00	\$1.00/SF
Year 7	6/1/2027	5/31/2028	\$46,506.00	\$3,875.50	\$23.00	\$1.00/SF
OPTION PERIODS - (1) 3-YEAR OPTION						
Option 1	6/1/2028	5/31/2029	\$48,528.00	\$4,044.00	\$24.00	\$1.00/SF
	6/1/2029	5/31/2030	\$50,550.00	\$4,212.50	\$25.00	\$1.00/SF
	6/1/2030	5/31/2031	\$52,572.00	\$4,381.00	\$26.00	\$1.00/SF

Management Fees or Administrative Costs may be 100% passed through to the tenant

-- TENANT INFORMATION --



First Meeting Noodle is a casual noodle restaurant specializing in Chinese hand-pulled noodles, dumplings & rice bowls. This is their second location, with another restaurant in St. Paul, and expansion planned into other markets.





Buffalo Wild Wings

First Meeting Noodle

• Associated Bank •

-- LEASE ABSTRACT --

LEASE INFORMATION	
Tenant:	Associated Bank, N.A.(S&P: BBB; NYSE: ASB)
Annual Deposits:	\$58,569,000 (2020)
Size:	2,468 Sq. Ft.
% of Total Leaseable SF:	23.38%
Rent Commencement:	July 1, 2018
Lease Expiration:	June 30, 2028
Base Lease Term:	10 Years
Base Term Remaining:	6+ Years
Renewal Options:	None
Annual Rent:	\$104,760
Rental Increases:	2% Annual Rent Increases



-- LEASE SUMMARY --

PRIMARY LEASE TERM						
TERM	START DATE	END DATE	NOI/YR	NOI/MO	NOI/SF/YR	INCREASE
Year 4	7/1/2021	6/30/2022	\$104,760.00	\$8,730.00	\$42.45	2%
Year 5	7/1/2022	6/30/2023	\$106,864.40	\$8,905.36	\$43.30	2%
Year 6	7/1/2023	6/30/2024	\$108,986.88	\$9,082.24	\$44.16	2%
Year 7	7/1/2024	6/30/2025	\$111,183.40	\$9,265.28	\$45.05	2%
Year 8	7/1/2025	6/30/2026	\$113,404.60	\$9,450.38	\$45.95	2%
Year 9	7/1/2026	6/30/2027	\$115,675.16	\$9,639.60	\$46.87	2%
Year 10	7/1/2027	6/30/2028	\$117,970.40	\$9,830.86	\$47.80	2%

Management Fees or Administrative Costs may be 100% passed through to the tenant

-- TENANT INFORMATION --



Associated Bank, N.A. (NYSE: ASB) has total assets of \$34 billion and is Wisconsin’s largest bank holding company. Headquartered in Green Bay, Wisconsin, Associated Bank is a leading Midwest banking franchise, offering a full range of financial products and services from more than 220 banking locations serving more than 120 communities throughout Wisconsin, Illinois and Minnesota, and commercial financial services in Indiana, Michigan, Missouri, Ohio and Texas.

Associated Bank is known for its strong relationships with the customers and communities it serves:

- Approximately 4,000 employees, serving over one million customers
- More than 220 banking locations serving more than 120 communities throughout Wisconsin, Illinois and Minnesota and commercial financial services in Indiana, Michigan, Missouri, Ohio and Texas
- Wisconsin’s #1 mortgage lender for ten consecutive years

Associated offers a full range of banking services and other financial products and services:

Corporate and Commercial Specialty

- Commercial and specialty lending
- Commercial real estate lending
- Deposit and cash management
- Fiduciary, investment and financial planning services†
- Specialized financial services such as interest rate risk management, foreign exchange solutions and commodity hedging

Community, Consumer and Business

- Business lending
- Deposits and transactional solutions
- Residential mortgage, home equity loans and lines of credit, and other lending solutions
- Debit, credit and digital payment solutions
- Insurance (not FDIC Insured or Bank Guaranteed)



AREA OVERVIEW

**MAYOWOOD COMMONS
RETAIL CENTER**

ROCHESTER, MN



-- ROCHESTER OVERVIEW --



Rochester is the county seat of Olmsted County in southeast Minnesota. With a 2019 estimated population of nearly 119,000 people, it is Minnesota's third-largest city and the largest city located outside the Minneapolis-St. Paul-Bloomington Metropolitan Statistical Area. Situated alongside the south fork of the Zumbro River, Rochester offers residents plenty of opportunities to enjoy the outdoors with access to numerous parks and trails. Rochester is as pedestrian-friendly as it gets, laced with parks, 136 kilometers of weaving bike paths and a smart public transportation system composed of tunnels above and below ground.

Located about an hour from Minneapolis and Saint Paul, Rochester is accessible to U.S. Routes 14, 52, and 63 as well as Interstate 90. The additional presence of Rochester International Airport allows for simple travels and commutes. Consistently rated as one of the best cities to live in the United States, Minnesota's Rochester is an excellent place to visit. Rochester is distinguished by its culture of caring, spirit of innovation, and friendly hospitality. Visitors also appreciate Rochester for its scenic beauty, relaxing pace, and abundant dining, shopping and entertainment options.

HOME OF THE MAYO CLINIC • THE #1 HOSPITAL IN THE NATION • CORE OF ROCHESTER'S ECONOMY • KEY COMPONENT OF THE DMC PROJECT

Rochester is home to the world-renowned Mayo Clinic, Minnesota's largest employer and the worldwide leader in medicine. Mayo Clinic generates more than \$9.6 billion in economic impact to the State of Minnesota, and has made Rochester a global destination for healing and wellness, drawing patients and visitors to the region and stimulating additional growth of the state's biosciences and technology sectors.

Rochester also is home to the largest public-private economic development partnership in Minnesota history with the DMC project. The \$5.6 billion plan includes \$585 million in funding from the state over 20 years, \$3.5 billion pledged from the Mayo Clinic and an additional \$2.1 billion in planned investments.

Sources: ExploreMinnesota.com, Raedi.com, DMC.mn, SitesUSA.com; City of Rochester



-- MAYO CLINIC: #1 RANKED HOSPITAL IN THE NATION --



Mayo Clinic in Rochester, Minnesota, is the original and largest Mayo Clinic campus. Located in the heart of Rochester — a dynamic city just 90 minutes south of the Twin Cities of Minneapolis and St. Paul — Mayo Clinic has been safely caring for patients from around the world for more than 100 years.

Mayo Clinic offers highly specialized medical care, and a large portion of the patient population are referrals from smaller clinics and hospitals across the upper Midwest and the United States. **Mayo Clinic physicians are paid a fixed salary, which is not linked to patient volume (relative value units) or income from fee-for-service payments. This practice is thought to decrease the monetary motivation to see patients in excessive numbers and increase the incentive to spend more time with individuals.**

Mayo Clinic remains at the forefront of medical innovation leading hundreds of clinical trials and offering groundbreaking therapies, such as CAR-T and proton therapies. They are currently one of the leading research centers for the COVID-19 epidemic and were one of the first institutions offering plasma exchange for this patient population.

Mayo Clinic has adopted more than 15,000 mobile devices from Apple for patient care, including the iPad, iPad Mini, and iPhone. Mayo Clinic then created an app for these devices called Synthesis Mobile, which integrated hundreds of their health systems. For Mayo Clinic Care Network members, more apps were created to help patients see their medical records or ask clinicians for assistance.



DESTINATION MEDICAL CENTER (DMC) IS A UNIQUE, PUBLIC- PRIVATE PARTNERSHIP AND ECONOMIC DEVELOPMENT INITIATIVE THAT BEGAN IN 2013.

The \$5.6 billion plan is the largest in Minnesota's history. The partnership combines Mayo Clinic private development with that of other developers and investors, in addition to public infrastructure investment from the city of Rochester, Olmsted County and the State of Minnesota. By leveraging these investments, DMC promotes Rochester, and more broadly, the County and State.

The DMC Model is Working

In DMC's first phase, over 7,000 new jobs were created, and more than 80% of new jobs paid more than Rochester's Area Median Income. The increase in jobs and investments led to net new tax revenue ahead of projections at the end of 2019. Ninety-eight million dollars in public investments spurred private investment of \$963 million in the DMC district, and the initiative is attracting investment from outside Minnesota. [View more details at www.dmc.mn](http://www.dmc.mn).

The #1 hospital in the nation.

U.S. News & World Report has again recognized Mayo Clinic as the No. 1 hospital overall and top ranked in fourteen specialties.

- 1st
 - » Diabetes & Endocrinology
 - » Gastroenterology (GI) & GI Surgery
 - » Gynecology
 - » Pulmonology & Lung Surgery
 - » Urology
- 2nd
 - » Cardiology & Heart Surgery
 - » Orthopedics
- 3rd
 - » Cancer
 - » Geriatrics
 - » Rheumatology
- 4th
 - » Ear, Nose & Throat
- 6th
 - » Neurology & Neurosurgery
 - » Rehabilitation
 - » Psychiatry
- 9th
 - » Rehabilitation
 - » Psychiatry

Source: U.S. News & World Report
"Best Hospitals Honor Roll" 2021-2022



-- OVERVIEW: THE TWIN CITIES REGION --

GREATER MINNEAPOLIS-ST. PAUL AREA

Minneapolis–Saint Paul is a major metropolitan area built around the Mississippi, Minnesota and St. Croix rivers in east central Minnesota. The Minneapolis-St. Paul metro area is home to 65% of the state’s population. It also serves as the state’s economic hub, with companies such as Target, U.S. Bancorp, General Mills, 3M and Medtronic headquartered there.

The area is commonly known as the “Twin Cities” after its two largest cities, Minneapolis, the city with the largest population in the state, and Saint Paul, the state capital. It is an example of twin cities in the sense of geographical proximity. Despite the Twin moniker, both cities are independent municipalities with defined borders. Minneapolis is somewhat younger with modern skyscrapers, while Saint Paul has been likened to an East Coast city, with quaint neighborhoods and a vast collection of well-preserved late-Victorian architecture.



The Minneapolis-St. Paul area is incredibly diverse. Visitors will find upscale lodging, dining and award-winning theater, all in an area with dozens of parks, trails and green space including the Mississippi National River and Recreation Area, a national park site that boasts 72 miles of public riverfront.

Minneapolis-St. Paul ranks 10th among the 30 largest metro areas in real per capita GDP (\$65,343), surpassing the national average by 15%. Greater MSP’s labor force has grown by nearly 2.0% over the last five years (almost twice the national average) and is expected to grow an additional 5.6% through 2030. The MSP metro area ranks 3rd in the US for quality of life, according to Nerdwallet.com, based on a healthy work-life balance, relatively low cost of living and high rates of health coverage.

The Greater MSP region is a hub of thriving companies who take advantage of locational assets the region has to offer. Sixteen of the Fortune 500 largest U.S. corporations are headquartered in the Twin Cities. The area is also home to 30 Fortune 1000 companies and several of the world’s largest private companies. These companies include: UnitedHealth Group, Target, Best Buy, Supervalu, 3M, CHS, U.S. Bancorp, Medtronic and General Mills. They attract international recognition every year for their innovation, sustainability, ethical leadership, brand value, corporate citizenship and leadership. A total of seven Twin Cities companies made Forbes’ annual list of the largest private companies. Cargill, the largest private company in the nation, has flourished in Greater MSP for more than 100 years.



Minnesota was named the second best state in the nation by U.S. News and World Report

Twin-Cities Ranked #22 Best Places to Live in U.S.

~ RealEstate.usnews.com, 2021 ~

Twin-Cities Ranked 9th Best Place to Work in Tech

~ SmartAsset.com, 2021 ~



MINNEAPOLIS SKYLINE AT TWILIGHT



MINNESOTA CAPITOL BUILDING IN ST. PAUL

One of America’s Top 10 Places to Live

The Greater MSP region consistently reports lower cost of living measures than other U.S. cities - that includes the average price people pay for food, clothing, shelter, fuel, transportation, medical care and day-to-day living.

Graduates Gain Here

In 2019, Forbes ranked Greater MSP the #32 best city for new college graduates, reflecting the area’s attractive employment opportunities, average income, education, rent and age. Those same factors propelled two Greater MSP suburbs onto Money Magazine’s 2016 short list of “Best Places to Live.”





-- DEMOGRAPHICS --



POPULATION SNAPSHOT

- There are over **105,000 people** within a 5-mile radius of the subject property.
- Rochester is located in Olmsted County, which had a 2019 population of 158,293.
- Beloit has a median population age of 35.7, which is below the U.S. median age of 37.4.



HOUSING SNAPSHOT

- The median home value in Rochester is \$283,184, which reflects an increase of 10.8% over the past year.
- The home ownership rate in the Rochester area is 67.8%, which is higher than the national rate of 63.9%.
- There are over **47,000 households** in Rochester.



ECONOMY SNAPSHOT

- Rochester has a labor force of 61,900 workers.
- Rochester's total Gross Domestic Product in 2019 was \$14.162 million.
- Rochester's top employers include: Mayo Clinic | 40,100; Rochester Public Schools | 2,872; IBM | 2,791; Olmsted Medical Center | 1,372; City of Rochester | 1,181; McNeilus Truck & Manufacturing | 1,170

	1 Mile	3 Miles	5 Miles	
POPULATION	2021 Estimated Population	7,352	59,909	105,773
	2026 Projected Population	7,812	64,056	112,855
	2010 Census Population	6,933	52,781	93,230
	2000 Census Population	6,948	49,610	85,462
	Projected Annual Growth 2021 to 2026	1.3%	1.4%	1.3%
	Historical Annual Growth 2000 to 2021	0.3%	1.0%	1.1%
2021 Median Age	42.8	38.5	38.0	
HOUSEHOLDS	2021 Estimated Households	3,311	26,040	44,731
	2026 Projected Households	3,517	27,719	47,523
	2010 Census Households	2,981	22,016	38,171
	2000 Census Households	2,946	20,233	34,187
	Projected Annual Growth 2021 to 2026	1.2%	1.3%	1.2%
	Historical Annual Growth 2000 to 2021	0.6%	1.4%	1.5%
RACE & ETHNICITY	2021 Estimated White	80.7%	75.9%	77.5%
	2021 Estimated Black or African American	6.2%	9.9%	9.0%
	2021 Estimated Asian or Pacific Islander	7.0%	7.2%	7.5%
	2021 Estimated American Indian or Native Alaskan	0.3%	0.3%	0.3%
	2021 Estimated Other Races	5.8%	6.6%	5.7%
	2021 Estimated Hispanic	5.9%	8.3%	6.8%
INCOME	2021 Estimated Average Household Income	\$104,316	\$98,709	\$102,244
	2021 Estimated Median Household Income	\$78,286	\$77,372	\$82,747
	2021 Estimated Per Capita Income	\$47,239	\$43,334	\$43,518
BUSINESS	2021 Estimated Total Businesses	418	2,537	3,935
	2021 Estimated Total Employees	4,997	35,735	57,837
	2021 Estimated Employee Population per Business	12.0	14.1	14.7
	2021 Estimated Residential Population per Business	17.6	23.6	26.9

Sources: ExploreMinnesota.com, Raedi.com, SitesUSA.com; City of Rochester



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