REAL ESTATE EQUITIES

October 27, 2025

Re: Real Estate Equities – Lyndale Avenue Apartment Development

Dear Development Review Committee,

This narrative is to provide information regarding Real Estate Equities proposal to develop an approximately 180-unit workforce housing development at 9955 Lyndale Ave S.

Company Background

Real Estate Equities (REE) is a St. Paul based real estate development and property management company, which currently owns and manages approximately 5,000 apartment homes throughout Minnesota and Arizona. In recent years, REE's focus has been on developing workforce housing developments financed with low-income housing tax credits (LIHTC) and tax-exempt bonds, the majority of which have been in the Twin Cities metro. REE owns and manages the properties it develops long-term (15+ years) as required by the federal funding sources used to develop the apartment buildings.

Recent Developments

Listed below are recent workforce housing properties REE has developed throughout the Twin Cities metro:

- **Spring House** – Coon Rapids – 168 units – Completed February 2021
- **Aster House** – Eagan – 204 units – Completed June 2022
- **Arbor Court** – St. Louis Park – 114 units – Completed February 2024
- **Landing at Amber Fields** – Rosemount – 160 units – Completed December 2024
- **Decatur Landing** – Brooklyn Park – 350 units – Under Construction
- **Reserve at Settler's Ridge** – Woodbury – 252 units – Under Construction

Proposed Development

Proposed Unit Mix:

- 1-Bed: 36
- 2-Bed: 104
- 3-Bed: 40
- **Total: 180 (~46 units per acre)**

Proposed Parking:

- 154 surface stalls
- 165 underground stalls
- **319 total stalls (1.77 stalls/unit)**

The property will qualify for a parking reduction as allowed in the Opportunity Housing Ordinance due to its inclusion of rent and income restricted units (more details further below).

Apartment Home Features:

- Stainless steel appliances
- Luxury vinyl plank flooring
- Granite countertops
- In-unit washer/dryer
- Type A and sensory accessible units will be incorporated throughout the building

Community Amenities:

- Clubroom
- Outdoor patio with grilling area
- Playground
- Secure bike storage
- Underground resident parking

Green Energy:

- Energy Star certification
- Enterprise Green communities
- EV car chargers
- High efficiency mechanical systems
- LED lighting with occupancy sensors
- Low-flow plumbing fixtures
- High insulation value windows
- Energy Star appliances
- Continuous exterior insulation

Rent and Income Restrictions:

All units in the development will be rent and income restricted to households making 30-70% of the Area Median Income (AMI), with an average of 60% AMI.

Note: REE is open to further discussing the AMI levels with City staff.

Anticipated Timeline (subject to change):

- **November 4th**: Development Review Committee
- **December 2025**: Approval of preliminary bond resolution by City Council
- **Late December 2025**: Initial application to Minnesota Management and Budget for state bonding volume cap (expected to not receive funding, placed on priority list)
- **January 2026**: Planning application submitted
- **Spring 2026**: Planning approvals received; preliminary city financial assistance discussions
- **July 2026**: Second application to MMB; funding awarded
- **Fall 2026**: City financial assistance approved, building permit application submitted
- **Prior to year end 2026**: Building permit received, project closes on all financing