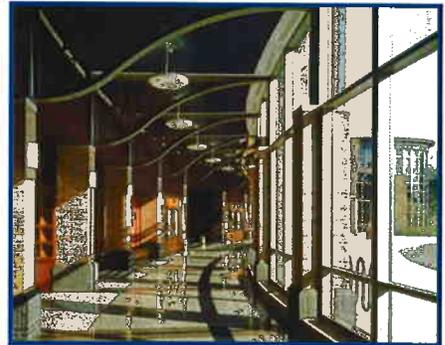
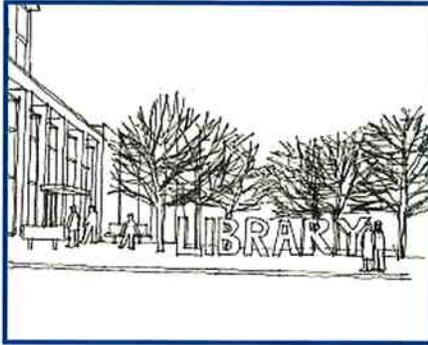


proposal for
new walker library



1 February 2005

Developer:
The Lander Group, Inc.
dba Lander Group (Minnesota S corporation)
3503 Hennepin Avenue South
Minneapolis, MN 55408
Federal ID# 41-1833525
State ID# 2601313

Michael Lander, President, The Lander Group, Inc.

Contact:
Michael Lander, President
612-822-7668 office
612-250-6655 cell
612-825-8146 fax
michael@landergroup.com

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 - Lander Group

- Financing

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APPENDIX

(Includes Consent to Release of Response Data form)

INTRODUCTION

We are pleased to present our proposal for redevelopment of the Walker Library in Uptown. We are excited about the opportunity to bring a new, state of the art Walker Library, along with new housing and retail, to provide an all new “above the ground” energy to this vital urban corner.

The project presents an opportunity to better link the Library with its surrounding neighbors, including the transit center, the Mall greenspace to the north, the Midtown Greenway, and the Uptown and LynLake neighborhoods. The new housing will offer a truly multi-modal lifestyle in this “center of everything” location combined with great views and easy access to all the neighborhood and Minneapolis has to offer.

This project also represents an opportunity to demonstrate new public/private collaboration to solve pressing economic challenges facing our Libraries and our City itself. Leveraging this high value site with the economic boost of new housing and retail, together with shared use, create a new way to provide capital for much needed and valued public services. These new resources, combined with other available programs identified in the proposal, help replace more traditional library financing sources.

Our team is unmatched in experience with mixed use projects, housing, and libraries. We are uniquely suited to deliver a project with award winning design, on time and on budget. We commit to work with the Library Board and staff, CPED, and the neighborhoods to create a truly 21st Century library.

Economic Issues

Our research has indicated the four story height limit and zoning code parking requirements are two RFP requirements that should be reconsidered to:

- a) reduce project costs (less parking)
- b) raise additional funds (more housing yields increased land value and tax base)

We understand both issues are a concern to stakeholders but many appear to support these alternatives – especially if chosen by and benefiting the library and larger community.

Our proposal puts the decision to seek a Conditional Use Permit (CUP) for additional height in the hands of the stakeholders – not the developer. If the stakeholders agree that the taller project is acceptable on this site, then there is an additional \$1.1 M of funds generated by the additional higher value housing to provide capital for the library construction.

If a 56’ tall building is the only acceptable approach, then an additional \$1.1M of public funding will need to be identified and secured to fill the larger financial GAP. The Library portion of the project is essentially the same in either scenario.

We have included all the information requested in the RFP and believe our proposal meets or exceeds the project requirements in every way but height and parking.

PROJECT DESCRIPTION

Our development proposes to acquire the Library property, demolish the existing improvements and construct a new eight story mixed use project with:

- A new 17,000 square foot one-level library and 1,400 square feet of retail on the ground floor
- 46 units of for sale condominium loft housing in seven stories above the ground floor
- Two levels of underground parking with a total of 90 parking spaces

See the site plan and building footprints included for more information on design and layout. We believe the project can be financed with the identified available sources of public and private financing.

Library

The proposal includes a budget for all development costs for the library, library parking, FF&E and an allowance for an interim library fund. The budget includes architectural fees for MS&R, a highly respected and awarded library design architect. We have provided a full budget for the library component including hard construction costs of \$173 per square foot for the library based on the experience and research of MS&R. Once final design and specifications have been established, and the public financing tools have been secured, Lander Group will deliver the new library turn key for a guaranteed maximum price. There are challenges in structuring private delivery of a public building – procurement and legal arrangements in particular. Our attorney, Angela Christy, is very experienced in complicated public/private deal structures and requirements. Our team is committed to working with the Library board and CPED to create the most cost effective arrangements and approach to deliver a very good building and excellent service.

Housing

The fully funded eight story proposal includes 44 market rate loft style housing units with an average size of 1,000 square feet and an average price of just over \$300 per square foot. There will be a mix of studio, one, two, and three bedroom units. The larger, more expensive units will occupy the upper floors. Each unit will include one parking space. 21 additional parking spaces will be available to purchase. The housing will be privately financed.

Project Amenities

The principal project amenities will be location and view. In addition to the new Library downstairs, the Uptown location provides great multi-modal transportation options, connection by the Greenway to the Grand Rounds and Minneapolis Park system, and access to goods, services, restaurants, and entertainment. The residential entry off of Lagoon will provide 24-hour security. The homes will include 9'6" ceilings, open floor plans, large windows, and contemporary finishes.

PROJECT DEVELOPMENT

Retail

The small retail space at the corner of Hennepin and Lagoon will activate the corner through large glass storefronts and activity over longer hours. We envision a coffee shop or museum-type gift store to be synergistic neighbors for the library. Other small food vendors and general retail users would also be attracted to this high visibility, high traffic corner to create revenue for the project and service and urban energy for the community.

The project will be developed by Lander Group and supported by an accomplished and familiar team. The team members have all worked together before on many projects in different combinations. Lander Group has worked with ESG, Close, Dock, and Paradise on all recent projects, including 301 Kenwood and Midtown Lofts. Our team includes Caren Dewar serving as the primary liason to the Library Staff and Board.

The team will comply with all public requirements and conditions in delivery of the full range of development services for the project. Lander Group will control all facets of the development, including but not limited to: project architect, engineer, and other design professionals, consultants, legal, financing sources, general contractor, property manager, sales and marketing team, and all other development services.

Lander Group will form a single project LLC to develop the project. Lander Group will control and provide all development services for the LLC. If additional equity is required, equity partners will receive a non-controlling interest in the LLC.

INTERIM LIBRARY

We have included \$250,000 toward interim library costs. Additional funds may be available from a range of other sources, including: private fundraising, local neighborhoods and businesses, corporate sponsors, etc.

PARKING

Parking for the Library and the public is replicated from the existing site. Segregated by a security garage door are 65 new parking spaces for the residential units. All parking is provided in two levels underground and accessed at the existing location off of Lagoon. More aggressive parking management will be pursued to maximize use of the public parking and parking revenues. In addition, we will provide a parking space and car for the hOurCar car sharing program.

DESIGN PRINCIPLES/ FEATURES

ZONING

Our project will require a parking variance to reduce the required parking for the Library from current standards – essentially endorsing the replication of the existing conditions. Additionally, foregoing the retail parking necessitates a variance.

The project will require a Conditional Use Permit for the height to go from 56 feet to 99 feet 6 inches. The project will also require sideyard setback variances to achieve a 0 feet setback on Lagoon, 0 feet on Hennepin, 1 foot on the north side of the project, and 6 feet on the alley side of the project. In addition, a variance for total floor area from 61,122 square feet (as zoned with 2.5 FAR and 20% covered parking bonus) to 89,516 square feet will be required.

A library is symbolic of the social and educational aspirations of a community. As such, a library should distinguish itself as unique amongst the surroundings and celebrate its place/role within the larger community. The team's approach to design will explore how the community interacts with the library and their attitudes toward the library – both as a destination and its role/identity within the greater local community – and use those values to design a library that reflects the values of the local community and confidently understands its role in the neighborhood.

This site marks a gateway into the heart of the Uptown district and represents a connection to the Greenway and the Mall. The Walker Library design must appropriately embrace this important function within Uptown as well as lift the spirits of all those who enter the building. Increased visibility of the library and better visual connection to the 29th Street trail and the Mall – as well as creating a more significant dialogue between building and sidewalk/street traffic – will create an appropriate identity for the library on that site and increase its value to the neighborhood. High ceilings, a functional and efficient layout, and user friendly design will benefit both the library staff and the patron and lead to higher satisfaction for all.

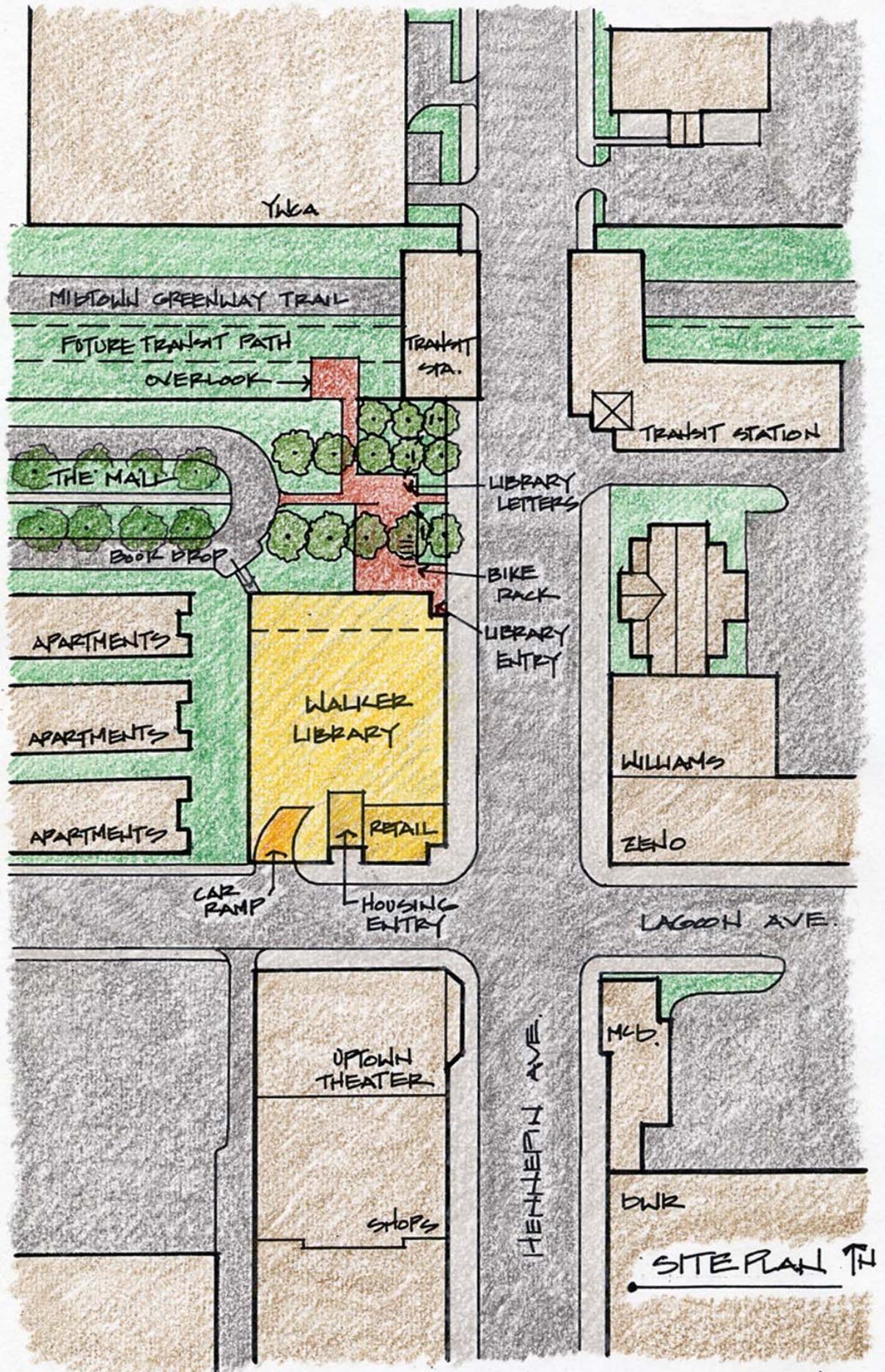
We are committed to meeting all of the Design goals listed in the RFP Development Objectives – except height. We have not included a finished design for the Library for two main reasons:

- 1) Lack of stakeholder input. We have not had the benefit of engagement with the Library staff, Library board, local neighborhood boards, neighboring business, etc. If selected, the final design will result from additional engagement with stakeholders.
- 2) Beyond the scope of preselection work. A high quality, cost effective, stakeholder supported design, must grow from #1 and significantly more time from the design team than is available for a RFP.

In lieu of a specific design, we are including the following ideas and principles that will guide and inform the final project design.

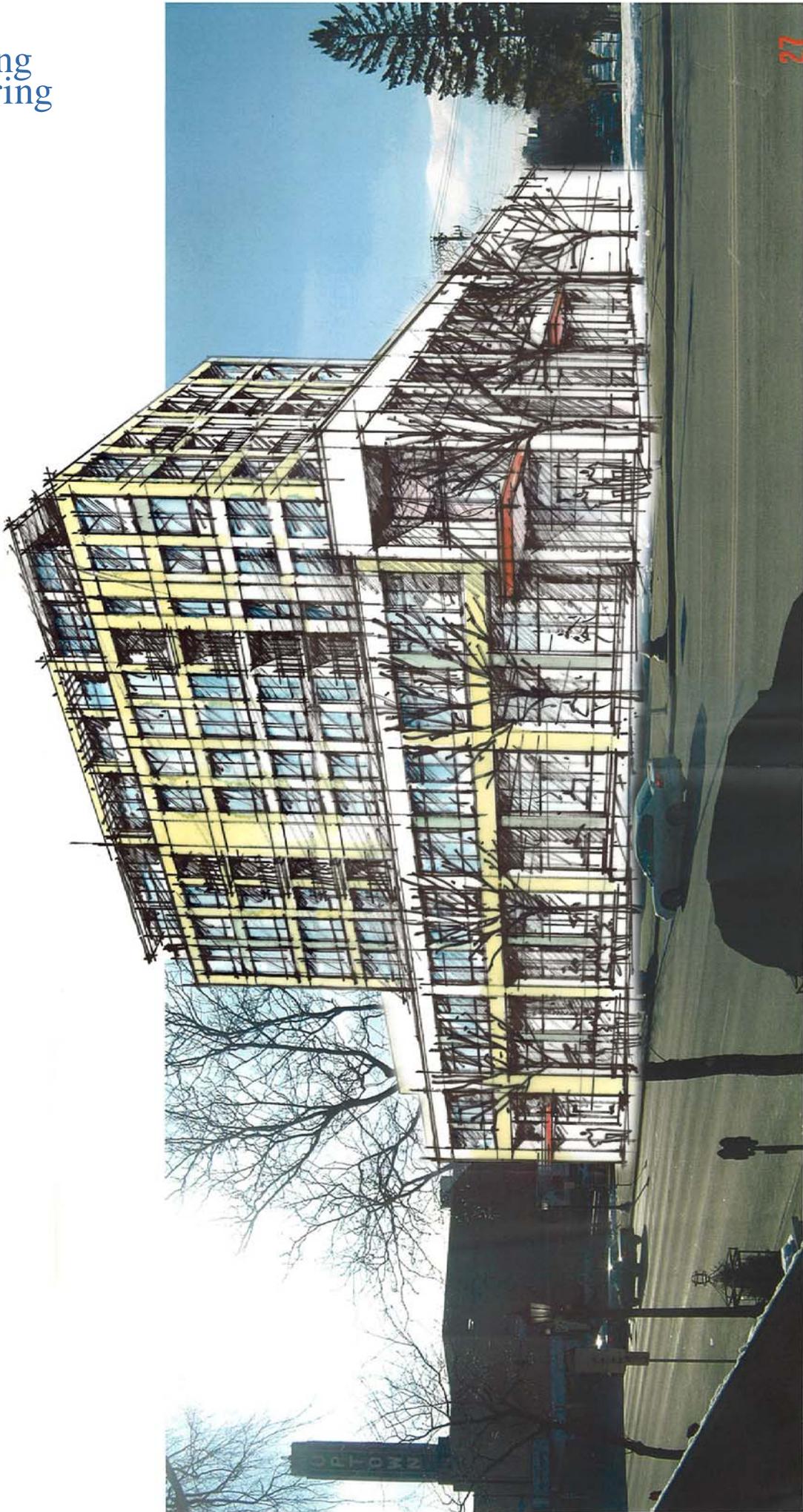
- 1) Scale. The main design concept creates a tall two story base building mass to establish an identity for the Library and match the scale of the existing Uptown Theatre and commercial buildings on the northeast corner of Hennepin and Lagoon. An additional six stories of housing above this two story base is setback to maintain a human scale at the street and maintain a dignified civic identity for the Library.
- 2) The new Library is located on one level on the ground floor and entered on the northeast corner. The north wall will be transparent and open to a redesigned greenspace at the east end of the Mall (in collaboration with the Park Board and Midtown Greenway).
- 3) A small 1,400 square foot retail use, possibly connected internally to the Library, will occupy and activate the Lagoon and Hennepin corner.
- 4) Two levels of underground parking provide 65 residential spaces, 24 public spaces, and 9 dedicated Library spaces.
- 5) Building walls with transparency to the street on Lagoon, Hennepin, and the Mall space. New sidewalks and landscape for a high quality public realm.
- 6) Green building principles to reduce waste and improve quality and performance.
- 7) A plenum or other protective measure to insure the security of the Library collections and equipment.

site plan

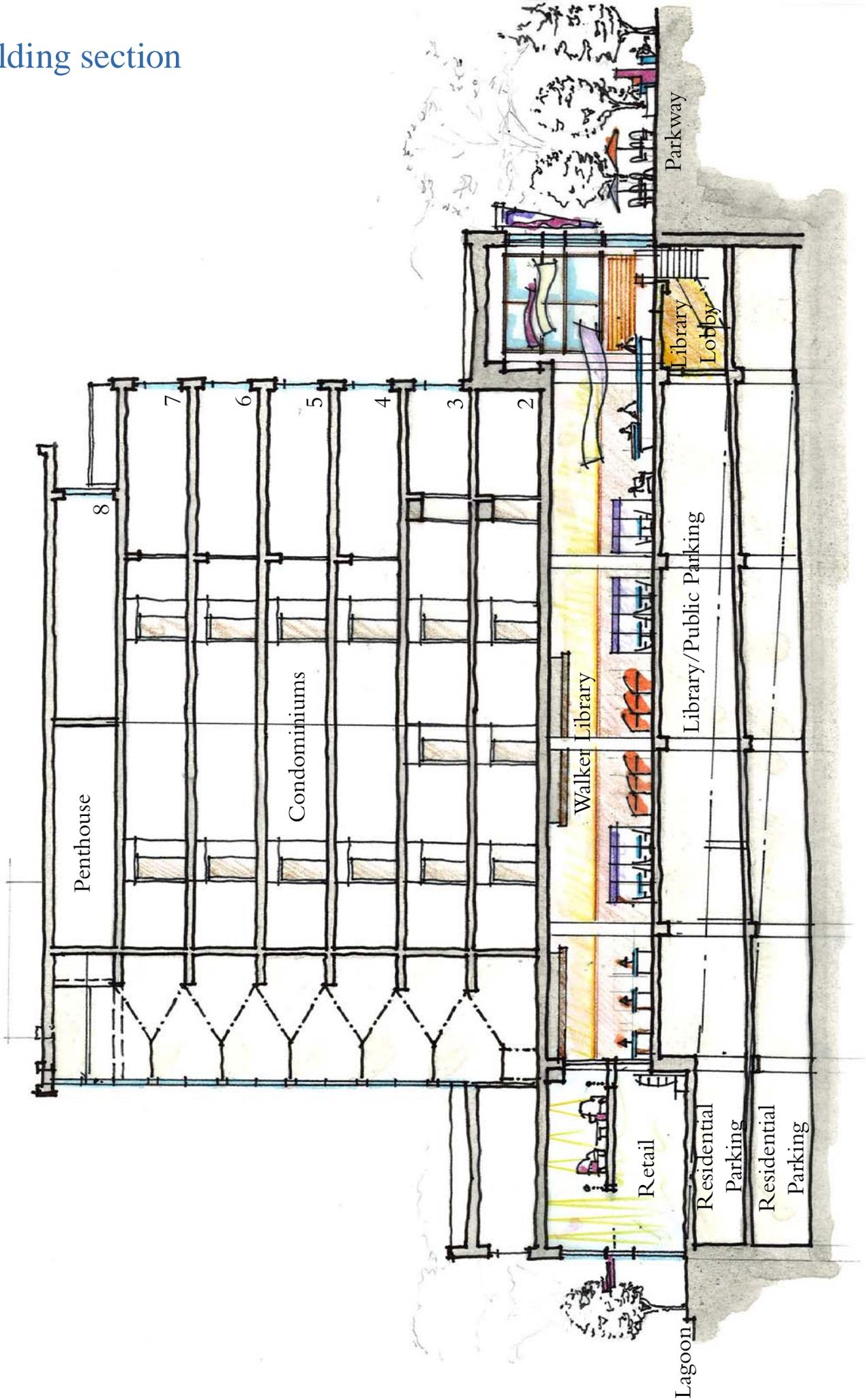


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JAN 2005

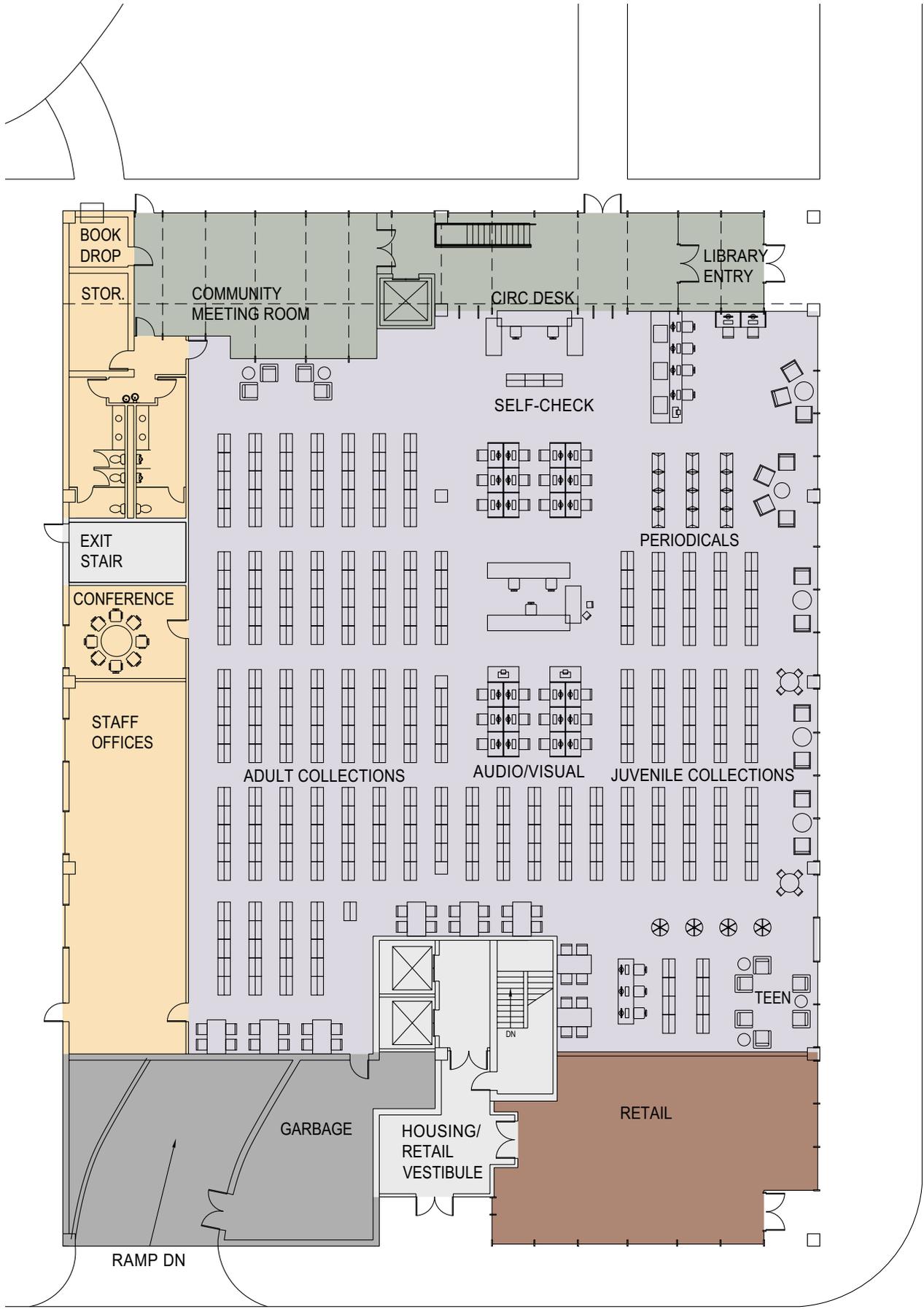
building
rendering



building section



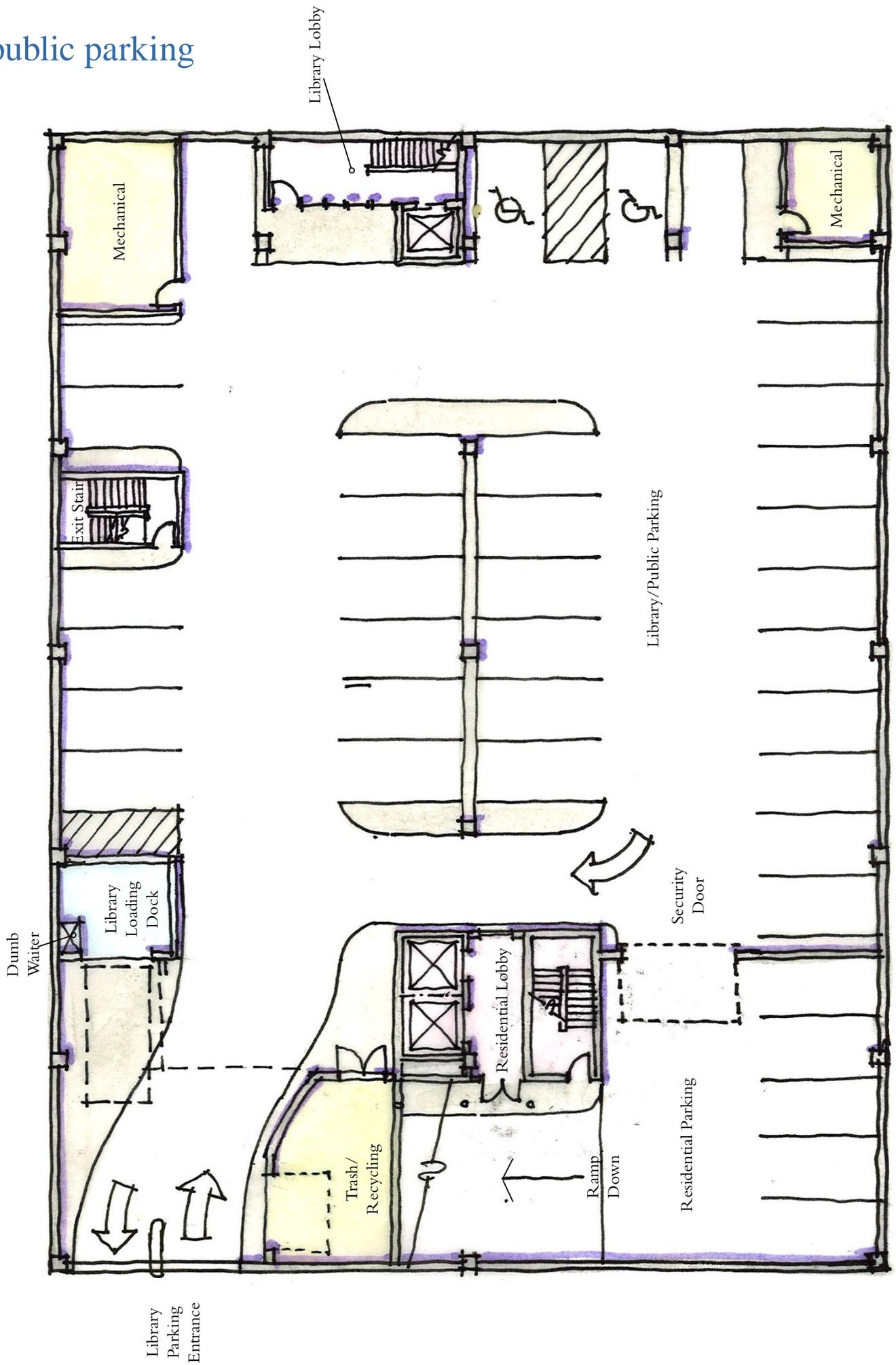
library plan



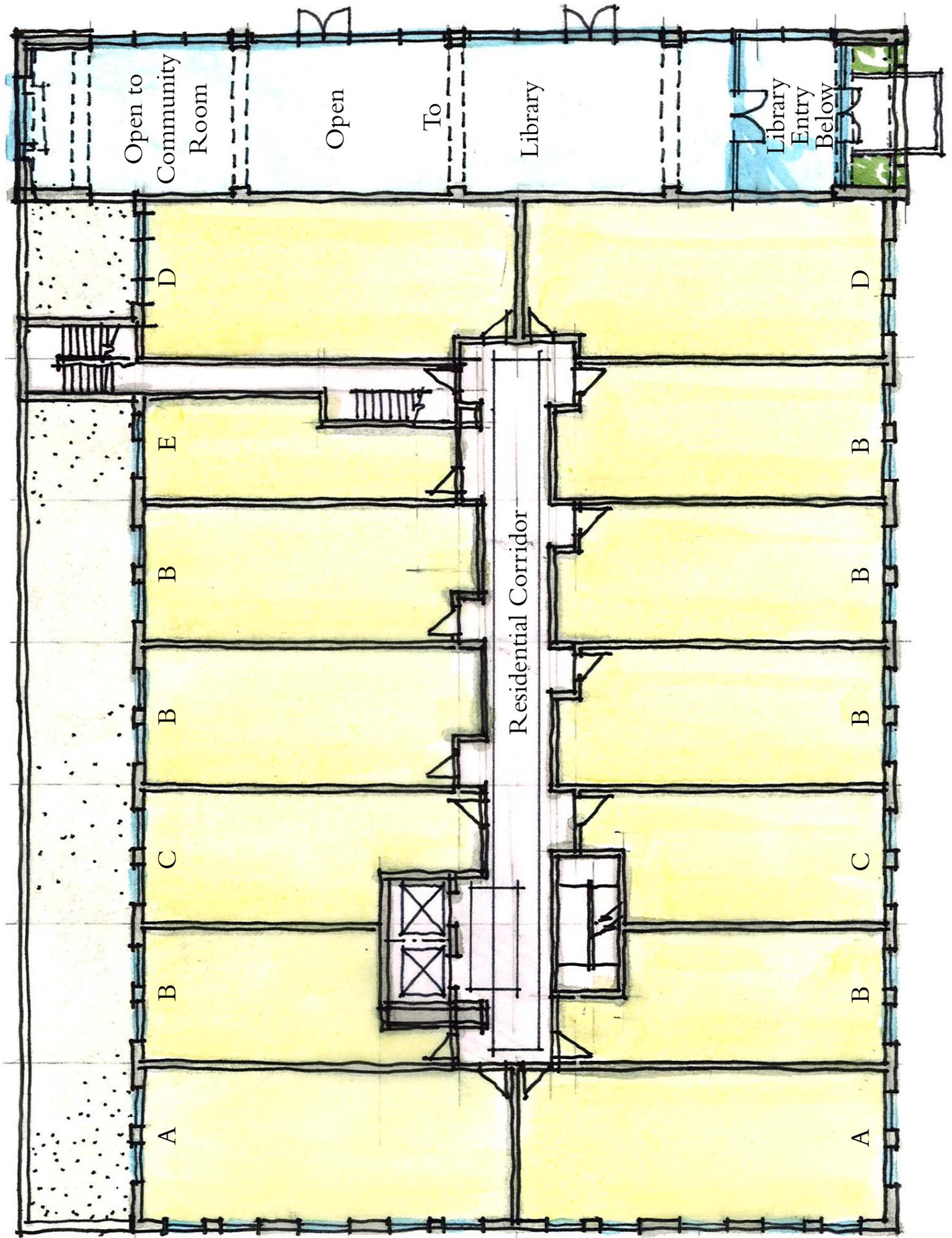
MAIN LEVEL

LIBRARY SQ. FT.= 16,617 SQ. FT.
RETAIL SQ. FT.= 1,401 SQ. FT.

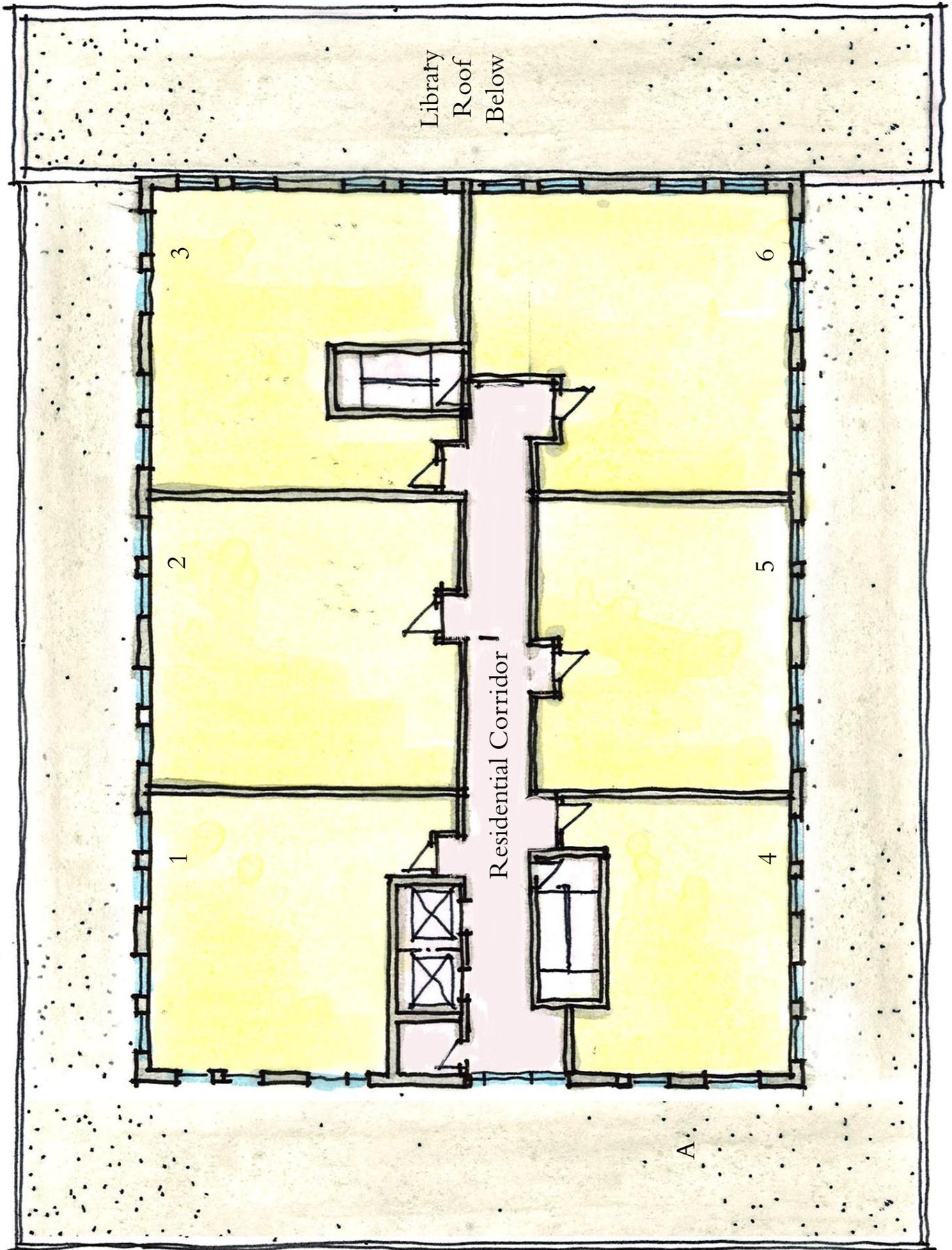
public parking



second floor



typical floor



site photos



View Looking West from Lagoon



View Looking North on Hennepin

site photos



View Looking West from Lagoon



View Looking East on Mall towards Old Walker Library

PROJECT TEAM

Lander Group has assembled a highly experienced and qualified project team, including professionals from each discipline who are recognized experts in their field. More information on Lander Group follows directly. Information on other team members is included in the Appendix.



Developer	Michael Lander Lander Group
Library Architect	Tom Meyer MS&R
Housing Architect	Art Bartels/Pongsorn Khaw ESG
Landscape Architect	Bob Close Close Associates
Library and Stakeholder Liaison	Caren Dewar Dewar & Associates
Traffic Engineer	Fred Dock Meyer, Mohaddes Associates
Public Financing Legal Advisor	Angela Christy Faegre & Benson
Development Agreement Legal Advisor	David Kelley LSD
Condominium Management	Maggie Paradise Paradise & Associates

RELEVANT DEVELOPER EXPERIENCE



Lander Group has developed over 700 urban housing units and a number of mixed use urban projects – a solid track record of commitment to good architecture and urban design, community involvement, and creative public/private partnerships.

Recent Examples

West River Commons – recently completed on Lake Street at West River Parkway. West River Commons includes 53 rental housing units, 3 ownership housing units, and 8,000 square feet of neighborhood retail service. The project was financed through a combination of public and private financing. The project also includes a gateway plaza with a public art installation. The development website is www.westrivercommons.com.

Midtown Lofts – currently completing construction between Bryant and Colfax on the north edge of the Midtown Greenway. Midtown Lofts includes 72 mixed income ownership housing units in three buildings and is 90% sold. Midtown Lofts is part of a larger “urban village” site redeveloped by the City of Minneapolis in collaboration with three private developers. The building design includes many green building features and will be completed in May 2005. The development website is www.themidtownlofts.com.

Market Lofts – Our project most similar to the Walker project is completing predevelopment and will go under construction in mid-2005. The project is downtown St. Paul, directly across from the 150 year old outdoor farmer’s market. The project includes a 15,000 square foot indoor farmer’s market on the ground floor with 44 loft condominiums above, all over one level of underground parking. The project is being developed with partner Sherman and Associates. The project architect is ESG. The development website is www.themarketlofts.com.

The project includes many of the challenges of the Walker redevelopment site:

- 1) Small site.
- 2) Mix of uses.
- 3) Public ownership of ground floor.
- 4) Separation of housing services from market.
- 5) Urban neighborhood context.
- 6) Economic gap – creative public financing.

LANDER GROUP

The Lander Group, led by principal Michael Lander, brings more than 30 years of experience in developing and building successful urban projects. Its hands-on approach ensures high quality execution from start to finish.

Recognition

In Lander Group's outstanding work and commitment to design and smart growth have been recognized both a local and national level. In 2003, Lander Group received national recognition with the following awards:

- Builder Magazine Builder's Choice Grand Award for 9th Street Lofts
- Builder Magazine Builder's Choice Merit Award for 21st Avenue Lofts
- Best in American Living Award for the Wacouta Commons neighborhood

In recent years, Lander Group received City Business' "Best New Residential Neighborhood in the Twin Cities," The Business Journal's "Best in Real Estate" – Finalist, Minneapolis HPC awards, local CUE awards, and Minnesota AIA recognition to name a few. Frequently published, Lander Group has been featured in Builder Magazine, Minnesota Architecture, Mpls-St. Paul, Midwest Home & Garden, Furnishings Magazine, and Midwest Home Furnishings.

Commitment to Urban Design

Lander Group incorporates time-tested principles of urban design into each project and is known for high-quality architecture and developments that reflect the unique character of the neighborhoods in which they are located. Creating great places where people live, work, and play means including green space, street-level activity, a range of housing types including ownership and rental, and mixed-use buildings, including commercial/retail and residential.

Company Strengths

Lander Group's extensive experience, long-term focus, and company philosophy put the company in a unique position among its competitors. Lander Group's strengths include:

- Sound mitigation – measures taken in floors, ceilings, and demising walls for sound reduction
- Efficiency of square footage – using space effectively for maximum impact and utility
- Understanding of parking issues for both residents and communities – providing adequate, safe parking with minimum impact on street-level activity
- Building in accessible, high-quality public space in each development – including landscaped courtyards, parks, and community rooftop decks
- Identifying neighborhoods with key amenities for tenants/residents
- Providing a high level of quality in the main product – many "upgrades" are included in base sales price
- Providing a well-built, reliable product – including an 11-month service walk-through with contractor and developer
- On-time delivery



FINANCING

We have included pro formas and financial analysis for both 4 story and 8 story projects to demonstrate the value of additional housing on the site. The proposal detail and commentary will focus on the 8 story alternate. Each pro forma is arranged four sheets as follows:

Sheet 1: Fact Sheet on Project and corresponding assumptions

Sheet 2: Cost Sheet detailing the cost assumptions (includes overall costs and costs per component type i.e. library, housing, parking)

Sheet 3: Type Analysis detailing revenue assumptions, cost assumptions, and corresponding profit and financing gap results (includes complete project analysis and component type analysis i.e. library, housing, parking)

Sheet 4: Overall Pro forma detailing sources and uses for the project

The following chart details the quantitative Library Board benefit of the 8 story structure (see Sheet 3 of each of the pro formas for back up data):

	8 Story	4 Story	Difference
Land Valuation	\$1,500,000	\$1,049,929	\$450,071
Tax Abatement	\$1,715,049	\$1,058,430	\$656,619
Total Funding Difference			\$1,106,690

Having an additional \$1.1 million to help aid the financing gap allows for a more reasonable reliance on funding sources including Hennepin County, Met Council, LCDA, CPED Corridor Initiative, NRP Funds, and public and private community fundraising. Our analysis shows the reliance on these sources to be \$725,117 with the 8 story building and \$1,882,937 with the 4 story structure (both numbers reveal the gap after taking into account sale of the land, the library trust fund, sale of the former Walker library, and capitalized retail revenues).

The acquisition and redevelopment will be financed with a combination of public and private financing outlined below. The housing component will be financed 100% privately and receive no public subsidy. All of the available public financing funds, including the land sale proceeds, are dedicated to the library costs in the project.

The final most advantageous financing structure will be determined with CPED based on the requirements of the different funding sources.

- 1) Land acquisition. The project will pay the Library \$1,500,000 for the land as a credit against the cost of the Library in the Development Agreement.
- 2) Preconstruction development soft costs. The developer will finance these costs as part of the equity in the project. Some costs may be reimbursed to the developer from project financing.
- 3) Construction Loan. The project construction loan will be privately

financed by US Bank, TCF, BNC, or other local bank. Michael Lander will personally guarantee the construction loan.

- 4) Tax abatement. We have included approx. \$1.4 million of project funding through a 15 year abatement without the School district portion of the taxes, less a 10% administrative fee.
- 5) The remaining unfunded GAP of approx. \$750,000 will be funded by one or more of the following sources:
 - a. LCDA. We will apply for funding from the LCDA at Met Council.
 - b. We will apply to all four adjoining neighborhoods for NRP funds.
 - c. We will apply to Hennepin County for Transit Corridor funding.
 - d. We will apply to DTED for any environmental cleanup required.
 - e. We will apply to CPED for the Corridor Housing Initiative.
 - f. Other private fundraising.
- 6) In the event the above funding sources are not available or adequate, our lawyers have advised we can probably conform to Tax Increment Financing requirements (in lieu of tax abatement) and receive the longer 25 year credits. This could provide all required project funding.

OPERATING EXPENSES

It is expected the non-staff operating expenses for the new 17,000 will be reduced from the existing levels for at least the following reasons:

- 1) New construction. Lower maintenance costs.
- 2) Conventional construction.
- 3) Shared systems – roof, structural system, parking, sidewalks.
- 4) Increased energy efficiency – HVAC, lighting
- 5) Reduced insurance costs.

FURNITURE & FIXTURES

We are proposing to reuse some of the existing furniture and fixtures. We have included \$250,000 for purchase of new furniture, fixtures, computers, or other equipment. In keeping with our green building principles, we encourage the Library to recycle as much as possible, including some of the lighting, shelving, art, chairs, tables, and possibly the large Library letters. If desired by the stakeholders, the design team will attempt to incorporate the large letters in the new plan.

TARGET MARKET

We conduct ongoing market analysis of the urban housing market. We have not conducted an independent market analysis but have included the recent DSU market study of the Twin Cities condominium market. It presents a very positive outlook overall, with caution about short term overbuilding in

the downtown market. We believe the demand exceeds the supply of new urban ownership housing options in the Uptown market.

The market for these urban loft style condominiums in active, mixed use urban settings is increasing at a significant rate. The average sales price of just over \$300 reflects our pricing and sales success at our Midtown Lofts project. It has sold very well and demonstrated additional demand in this submarket location. We believe the library site provides an even better location supporting even higher values. Pricing also reflects selling in early late 2005 or early 2006 and delivering units in 2007.

The buyers are expected to be a combination various 1 and 2 person households – primarily young professionals (28-35) and younger empty nestors (45-55). They will be attracted to the location and Lander Group brand homes.

ESTIMATED TIMELINE

Developer Selection	Month 1 (April 1, 2005)
Negotiate Development Agreement	Months 2-6
Design/Planning	Month 2-9
Project Financing	Month 2-12
Working drawings/bidding	Months 8-12
Project Bidding	Month 13
Value Engineering	Months 14-15
Close Projects Financing/Demolition	Month 15
Start of Construction	Month 16 (August 1, 2006)
Completion of Library Construction	Month 33 (January 1, 2008)

PUBLIC BENEFITS

- 1) New building reduces and controls future operating costs. New library has predictable, stable, and shared maintenance costs.
- 2) Single level library allows for more efficient operations.
- 3) Higher quality spatial experience – natural light, connection to green.
- 4) State of the art technology.
- 5) Civic pride – new library is a visible commitment to learning and community.
- 6) Demonstrate Smart Growth, good urban design, and green building principles.
- 7) New model of public/private cooperation in challenging economic environment.
- 8) 44 new households (approx. 70 residents) to support the library, transit, and neighborhood business.
- 9) Approximately \$15,000,000 of new tax base to support new Library construction in the short term and City vitality in the long term.
- 10) Enhanced green space on the Mall and better connection to the Greenway.
- 11) Housing provides additional capital support for library by covering land cost and share of building frame costs.
- 12) Improved storm water management for improved water quality.
- 13) More active corner at Lagoon and Hennepin.
- 14) Above ground library encloses and creates the outdoor room – enhancing the urban experience.

Team Qualifications

MS&R
ESG Architects
Close Landscape Architecture
Dewar & Associates
Meyer, Mohaddes Associates
Faegre & Benson
Paradise & Associates

References

Neighborhood Meeting Notes

Developer Experience

301 Kenwood
9th Street Lofts
Market Lofts
West River Commons
21st Avenue Lofts
734 Summit

MS&R Public Library Experience Detail

Market Viewpoint Condominium Study

Financial Analysis

4-story Analysis
8-story Analysis

Consent for Release of Response Data Form

team qualifications

MS&R



Meyer, Scherer & Rockcastle, Ltd., (MS&R) is a Minnesota corporation founded in 1981 by the three principals: Thomas Meyer, AIA, Jeffrey Scherer, FAIA, and Garth Rockcastle, FAIA. The firm has one office in Minneapolis, Minnesota. Associate principals of the firm include managing partner and architect Jack Poling, AIA; head of interiors Lynn Barnhouse, CID; and CFO Bill Meeker. The firm employs a total of forty-eight individuals.

Specializing in architecture and interior design, MS&R has a reputation for creating exceptional and enduring renewable design for a diverse mix of building types. The firm works both locally and nationally. Notable projects include the national awardwinning Mill City Museum in Minneapolis (winner of a 2005 American Institute of Architects Honor Award and 2004 National Trust for Historic Preservation Honor Award); Urban Outfitters corporate headquarters in Philadelphia's historic Navy Yard; Fayetteville Public Library in Fayetteville, Arkansas; and Sahara West Public Library and Fine Arts Museum in Las Vegas.

MS&R has won ninety-seven national and state design awards and is frequently published in major regional and national periodicals. The firm was named one of the 100 Leading U.S. Architecture Design Firms by the Almanac of Architecture & Design 2001 and also received the AIA Minnesota Firm Award in 1999.

MS&R's Range of Services:

- Full architectural services
- Lighting design
- Historic preservation
- Feasibility studies
- Programming
- Presentation drawings
- Model making
- Value engineering
- Code & ordinance work
- Solicitation & coordination of intrinsic arts & crafts
- Interior design
- Urban design
- Architectural research
- Site selection & master planning
- Space planning
- Computer-aided design & visualization
- Furniture design
- Project phasing
- Construction observation



ELNESS SWENSON GRAHAM ARCHITECTS



Since the early 70's, Elness Swenson Graham Architects has helped clients create award winning residential communities. Beginning with the early days and along our journey to becoming the firm we are today, our commitment to excellence has remained constant. We are proud of our national architectural practice and its over 70 talented staff members with projects that span across more than half of the fifty states.

Residential Design

ESG is a leader in the design of residential architecture specializing in several different areas of housing including: mixed-use communities, renovation, urban living, and student residences. These areas of specialization have significant overlap which allow new trends in one area to inform the others.

Our Service

An award winning architecture, master planning and interior design team leads every project with Elness Swenson Graham Architects.

We create with clients in the following primary markets:

- Multi-Family Housing
- Student Housing and Higher Education
- Lifestyle Living
- Corporate/Commercial Office Workplace Environments
- Resorts and Hotels
- Conference Centers
- Senior Housing

Commitment to Quality

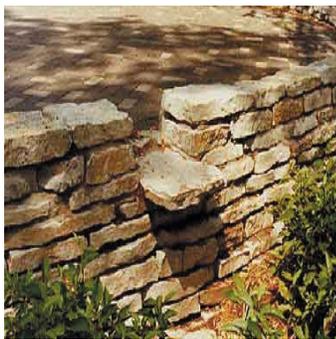
We are known for our innovative architectural designs that envelope our clients' needs while meeting the technical requirements of each development.

- Creative architectural design
- Delivering design solutions that are consistently creative and cost-responsive
- Commitment to the quality of our people, processes & documents
- Consistently working with clients to identify and solve their problems and challenges
- Revitalizing urban neighborhoods through innovative site planning and urban design, earning more than 60 local and national design awards

Team Players

Elness Swenson Graham is known as collaborators who respect all participants in the development process. We encourage participation by clients, consultants and contractors and we utilize and appreciate their expertise.

CLOSE LANDSCAPE ARCHITECTURE



Established in 1976, Close Landscape Architecture, Inc. is a planning and design firm located in downtown Saint Paul. With a focus on urban design and landscape architecture, we have a recognized reputation as a creative and collaborative office, working with both public and private sector clients to develop places that enhance our quality of life.

In our design work, we emphasize innovative yet realistic design solutions based on the unique opportunities, specific program goals and distinctive characteristics of each site. The common threads through all our work are the enrichment of the human experience, a commitment to design, and the creation of high quality, engaging and sustainable environments that are accessible to all users.

Whether working with private clients or communities, we are known for our ability to generate ideas, shape a vision and craft a design that addresses the complex issues of human activity on the land. We have a proven process to engage community residents and businesses as well as elected leaders and city staff in focused dialogue to achieve consensus and move ideas into implementation.

Close Landscape Architecture has a talented team of planners and designers who are committed to working with each client to achieve design excellence and provide unparalleled service.

Close Landscape Architecture, Inc. is certified as a Small Business Enterprise (SBE) by the City of Minneapolis.

DEWAR & ASSOCIATES

Caren Dewar, Owner and President of Dewar & Associates, has provided leadership and planning direction, with a focus on project implementation, for a variety of complex, local and regional initiatives. She has led many multi-disciplinary teams in support of public / private partnerships, bridging diverse stakeholders in pursuit of innovative redevelopment, integrating land use, transportation and the environment.

As Deputy Regional Administrator with the Metropolitan Council, Ms. Dewar provided leadership in the provision of high-quality, coordinated planning, policy and program development to support regional growth. She served as a key member of the Chair's Executive Management Team setting policy and coordinating legislative activity. Her background in neighborhood-based planning and economic development, real estate investment, and bricks and mortar project implementation, has led to successful completion of numerous 'headline' projects throughout the Twin Cities area.

Ms. Dewar's current clients include the Urban Land Institute, Midtown Community Works Partnership, Northwest Corridor Partnership, Center for Neighborhoods and Heritage Housing LLC. She currently serves on the University of Minnesota's Humphrey Institute of Public Affairs Advisory Board and the St. Paul Riverfront Corporation Board of Directors.

Meyer, Mohaddes Associates is a consulting engineering firm specializing in transportation planning, traffic engineering and Intelligent Transportation Systems (ITS). MMA staff has extensive experience in multi-modal transportation planning, design, and implementation efforts for both public and private clients. The firm specializes in the application of new technologies in urban traffic control to enhance mobility, as well as innovative approaches to the application of historic transportation modes—light rail transit, bus, commercial vehicles, auto and other vehicular modes. Our firm is nationally recognized as an authority in traffic operations, traffic control systems, and Advanced Traffic Management Systems (ATMS). MMA staff offers significant experience in livable community planning, travel demand forecasting, policy analysis and traffic impact assessment/mitigation programs.

MMA has prepared transportation master plans for neighborhoods, private transit-oriented development projects, cities and counties. We utilize our expertise in the areas of multi-modal travel demand modeling, traffic impact analysis, neighborhood traffic management and consensus building on our projects.

MMA's recent projects are advancing the state of the art in livable arterial roadway design, travel demand modeling of mixed-use villages, and local and regional planning for smart growth. Our experience with charrette-based design projects ranges from new towns to urban infill and includes light rail, commuter rail, and rapid bus transit-oriented development.

General Overview

MMA, founded in 1991, is a business unit of Iteris, Inc., which is incorporated in Delaware. Iteris, Inc. is a publicly-traded company. More information is available at www.iteris.com under Transportation Systems.

Iteris/MMA is headquartered in Anaheim, CA and has a staff of approximately 210 people in 18 branch offices located in Minneapolis, Minnesota; Sacramento, Oakland, Los Angeles, and Anaheim, California; Las Vegas and Reno, Nevada; Boise and Idaho Falls, Idaho; Salt Lake City, Utah; Denver, Colorado; Lincoln, Nebraska; Chicago, Illinois; Atlanta, Georgia; Sterling, Virginia; Tallahassee, Florida; and Detroit, Michigan. Iteris/MMA has been working with Mn/DOT's Office of Traffic, Security and Operations since 1997 and MMA's Minneapolis office was established in 2000.

Awards

2002 Outstanding Plan of the Year awarded by the Minnesota Chapter of the American Planning Association for *Northwest Corridor Planning and Design Framework—County Road 81 Corridor*.

2001 Honor Award for Public Planning from the Minnesota Chapter of the American Society of Landscape Architects for the *South Robert Street Redevelopment Framework*



Angela M. Christy is a partner in Faegre & Benson's Real Estate Department in Minneapolis, Minnesota. Angela's practice focuses on affordable housing, particularly tax credit transactions. She has represented non-profit and for-profit developers, investors and governmental entities in more than 170 tax credit transactions throughout the United States. She also has represented numerous contractors and developers regarding construction documents for housing, office buildings and other developments.

Housing

Most of Angela's clients develop projects with many layers of financing. In her practice, Angela assists clients in structuring developments to assure the compatibility of various financing sources. Many developments have included local resources such as tax-increment financing and state funds.

As a real estate practitioner, she focuses on creating real estate structures that help to achieve clients' objectives. This results in the use of condominiums, townhouses, leasehold cooperatives, vertical plats, complicated use restrictions and easements and unique subdivisions and plats.

The developments range from projects for homeless youth and chronic alcoholics to mixed-income developments in the suburbs and rural areas. Angela has also worked extensively on preserving important historic buildings as both affordable housing and luxury condominiums.

Federal Programs

Angela has represented clients in working through the maze of ever-changing federal programs. Her projects have included: 236 decouplings, HOME funds, Section 8, CDBG, Federal insurance, 2530 approvals, Public housing funds, Fair Housing compliance, Supportive Housing Program, HOPWA, NAHASDA, Housing revenue bonds, and 501(c)(3) bonds.

Non-Profits

Many of Angela's clients are owners and developers of the largest non-profit housing developments in Minnesota. Through the use of tax credits, 501(c)(3) bonds and other affordable housing tools, she has assisted non-profits in a variety of innovative housing developments, including Anishinabe Wakiagun in Minneapolis, East Village in Minneapolis, Portland Village in Minneapolis, Skyline Tower in Saint Paul, Riverside Homes in Minneapolis, The Glenwood in Minneapolis, Franklin Lane in Anoka, Hopkins Village in Hopkins, and Park Plaza in Minneapolis.

Angela has been involved in efforts with the Internal Revenue Service to clarify the participation of non-profit housing corporations as general partners of tax credit limited partnerships.

Angela received a degree in chemistry, specializing in polymers and coatings, from North Dakota State University in 1978 and her law degree from the University of Minnesota in 1981 (J.D., cum laude).

PARADISE & ASSOCIATES

Paradise & Associates, LLC, a licensed Real Estate Company, was formed to professionally manage homeowner associations. The Paradise & Associates principals are in their twenty-fifth year of property and association management. They have become some of the most respected professionals in this business. Over the years they have successfully managed apartments, townhomes, condominiums, retail, and office space.

With a versatile staff of Certified Property Managers and support staff that combine administrative, creative and maintenance capabilities, Paradise & Associates offers leadership and a proven success record to associations of all sizes and budgets.

Paradise & Associates builds effective programs for its clients through a commitment to quality in the firm's operations, in the caliber of its personnel and, very importantly, in the staff relationship with the elected leaders of the association. These personal relationships depend on mutual professional respect, through knowledge of the profession and candid continuous communication

Paradise & Associates Services

- Administrative Functions
- Insurance Planning and Property Restoration
- Communication & Publishing
- Financial Management
- Property Management
- Long Range Planning
- Public and Government Relations
- Coordination of Board Activities

Benefits

- Continuity of management through periods of change in the volunteer management of your organization.
- Central source to handle your financial affairs, including dues collection, disbursement, investments or reserves.
- A clearinghouse to channel communication to and from members and others, staffed by experienced personnel.
- Expertise in all areas of association and property management

references

Allen Carlson
City of Saint Paul PED
1300 City Hall Annex
25 W. 4th Street
Saint Paul, MN 55102
651.266.6616

Lucy Thompson
City of Saint Paul PED
1300 City Hall Annex
25 W. 4th Street
Saint Paul, MN 55102
651.266.6578

Cynthia Lee
Minneapolis Community Development Agency
105 5th Avenue South, Suite 200
Minneapolis, Minnesota 55401
612.673.5266

Paul Bauer
TCF Bank - Commercial Real Estate
801 Marquette Ave
Minneapolis, MN 55402
612.661.8305



Longfellow Community Council
Longfellow, Cooper, Howe & Hiawatha Neighborhoods

Phone: (612) 722-4529 • Fax: (612) 724-1024
2727-26th Avenue South • Minneapolis, Minnesota 55406

January 21, 2003

Mr. Randal Hemmerlin
Minneapolis Community Development Agency
Crown Roller Mill, Suite 200
105 Fifth Ave. S.
Minneapolis, MN 55401-2534

Dear Mr. Hemmerlin:

I am pleased to write this letter on behalf of the Longfellow Community Council (LCC) in support and appreciation of the LanderGroup and their West River Commons East Gateway development project at the intersection of Lake Street and West River Road in South Minneapolis.

The LanderGroup West River Commons project is located in the Greater Longfellow neighborhood. This is an extremely important development project that fulfills a major development goal that has been a priority for our community for a long time. We feel strongly that the project will make our neighborhood a more attractive, desirable place to live and work. We are also pleased that the development includes affordable housing units and a public input art component.

Greater Longfellow community members have gone to great lengths to develop a plan for the East Lake Street Corridor and the East Gateway node in particular. These community plans are reflected in our community-planning document, The East Lake Street Corridor Study. The LanderGroup project incorporates ideas and objectives laid out in The East Lake Street Corridor Study. Overall, the LanderGroup has made every effort to incorporate community ideas and interests in their development project.

We are excited about the West River Commons project and pleased to be able to participate. If you have any questions or would like further information, please feel free to contact me at 612-722-4529.

Sincerely,

A handwritten signature in black ink that reads "S. Haddad." The signature is written in a cursive style.

Stephanie Haddad, Executive Director

Lisa Goodman
Council Member, Seventh Ward

350 South 5th Street - Room 307
Minneapolis MN 55415-1383

Office (612) 673-2207
Fax 673-3940
TTY 673-2157



January 14, 2002

Dear *City Business* Selection Committee,

I am writing to support the application for a *City Business* "Best in Real Estate Award" submitted by the residential development at 301 Kenwood Parkway in the Lowry Hill neighborhood of Minneapolis.

As the Council Member that represents that neighborhood, I consider 301 Kenwood Parkway a landmark project for the area. A development of this quality is a vote of confidence in the health and vitality of our Minneapolis residential neighborhoods. This development and its design point the way toward other future projects that will utilize city neighborhoods, cultural institutions, and parks as principal amenities.

Not only is the development itself significant in terms of quality, architecture, and location but the way in which it has been pursued is a case study for responsible development in Minneapolis neighborhoods. The developers, The Lander Group, Inc. and Urban Land, have worked with the surrounding neighbors, the neighborhood association, and the City from the beginning. They have worked hard to ensure that the development is a positive experience for all concerned. Potential issues and problems have been resolved early, and the project enjoys a high level of support in the surrounding neighborhood.

In short, I feel that 301 Kenwood Parkway does indeed represent the best in real estate. Please don't hesitate to contact me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Lisa Goodman", is written over the typed name.

Lisa Goodman, Council Member
Seventh Ward

DEPARTMENT OF PLANNING
& ECONOMIC DEVELOPMENT

Brian Sweeney, Director



CITY OF SAINT PAUL

Norm Coleman, Mayor

25 West Fourth Street
Saint Paul, MN 55102Telephone: 651-266-6565
Facsimile: 651-228-3261

December 28, 2000

City Business
527 Marquette Avenue, Suite 300
Minneapolis, MN 55402

Dear City Business:

I am pleased to support the Lander Group/Sherman Associates nomination of their mixed-use project in the North Quadrant of downtown Saint Paul for a City Business "Best in Real Estate" award. The first phase of the project, consisting of an ownership residential building and a mixed commercial-rental residential building, is the first step in the revitalization of a portion of downtown that been a sea of surface parking lots for decades.

This project is worthy of an award for several reasons:

1. It is the first new infill development of its scale in downtown Saint Paul to be guided by the principles of the *Saint Paul on the Mississippi Development Framework*, the City's vision for the revitalization of downtown and the central riverfront.
2. It demonstrates vision, leadership, commitment to quality, a willingness to take risk and perseverance.
3. The developers have approached their work in the North Quadrant as building a *neighborhood* rather than a project.
4. The developers worked with community organizations, existing property owners, City staff and an array of stakeholders to design and develop a new neighborhood that meets both community expectations and market opportunities.
5. The developers worked with City staff, representatives of the Saint Paul on the Mississippi Design Center and community representatives to prepare a set of urban design guidelines for the new neighborhood, which they followed in an exemplary way.
6. Along with a central green, the redevelopment of this first block will be the impetus for further public and private investment in the North Quadrant.

City Business
December 28, 2000
Page Two

Please feel free to contact me at 651-266-6578 if you have questions or need further information.
Thank you for your consideration.

Sincerely,



Lucy Thompson
Planner

cc: Allen Carlson, PED
Brian Sweeney, PED
Bob Schreier, PED

January 21, 2003

Mr. Randal Hemmerlin
Housing Development, MCDA
105 5th Avenue South
Minneapolis, MN 55401

Dear Mr. Hemmerlin:

I am pleased to support the Lander Group's candidacy for a Business Journal Real Estate Award. I believe they are creating one of the most compelling and attractive housing and mixed use developments in the city today.

I serve as Artistic Director for FORECAST Public Artworks, a 25-year-old non-profit facilitator of public art in the region. We were contacted by Mr. Lander regarding the inclusion of public art for the public space portions of the development on Lake Street at the West River Road. He believed, and rightly so, that public art could enhance the community access portions of the site, provide a unique sense of place, and serve as a mechanism for involving the surrounding community in the design and planning process.

I was hired to help the Lander Group identify public art strategies, find qualified artists, and secure additional funding. Three highly qualified finalists were interviewed by a panel that included the developer, the landscape designer, community representatives, and art professionals. There was overwhelming support for artist Andrea Myklebust, who has a strong connection to the neighborhood, is extremely talented, and very familiar with community process.

Additional support for the public art portion of the project was obtained from the city of Minneapolis and the Longfellow Neighborhood's NRP funds. Designs for site modifications are underway currently, and I have every reason to believe that the resulting efforts will make a significant contribution to the revitalization of the area.

I strongly urge your support of this effort as a model of community involvement and design enhancement beyond the merely functional, and certainly beyond the low-budget housing projects so often developed in the city. If you need additional information, please feel free to contact me at your convenience.

Sincerely yours,

From

 651-641-0028

Fri, Apr 4, 2003

3:48 PM
Page 3 of 3

Jack Becker
Artistic Director, FORECAST Public Artworks

WALKER ART CENTER MINNEAPOLIS SCULPTURE GARDEN

January 16, 2001

Diane Cormany, Focus Editor
City Business - Best in Real Estate 2001
527 Marquette Avenue South, Suite 300
Minneapolis, MN 55402

Re: 301 Kenwood Parkway Condominiums

Dear Ms. Cormany:

The Lander Group contacted the Walker Art Center prior to the start of this project to share the concept with us and ask for our feedback. We greatly appreciated this "heads up," and I know they used the same approach successfully with Lowry Hill Residents, Inc. Since then the Walker has been kept apprised of the project's progress. We support the project and are excited to have new neighbors at 301 Kenwood Parkway.

Very truly yours,


David M. Galligan
Administrative Director

January 24, 2003

To Whom It May Concern:

I am a resident of the Cooper/Longfellow neighborhood in Minneapolis, and a member of the Neighborhood Development Committee. I was an active participant in the neighborhood process to review the planning of the *West River Commons Development* located within our neighborhood.

When *The Lander Group* was researching this project as a potential development opportunity; the neighborhood was concurrently working on a study of East Lake Street to define a vision and guidelines to direct development. This prime location adjacent to the only river gorge on the Mississippi River, on the Parkway system and on a major commercial/transit corridor made it a top neighborhood priority for a development which would respect its unique location and provide a catalyst for revitalization of East Lake Street as a community and as a regional amenity.

When Michael Lander first approached the neighborhood about a vision for developing this site the project appeared to meet the neighborhood vision. Though there was great support, residents did have valid concerns regarding housing density and types as well as how parking and traffic issues would negatively impacts the single-family, quite neighborhood character.

From the very start of the project, Michael Lander listened to the neighborhood vision and concerns and was responsive in the design and re-design of the project to address specific issues. Michael Lander met with neighbors for over forty meetings to address and provide workable solutions to mitigate the projects impact. Changes in zoning, housing densities and types and circulation/parking options were put forward for the neighborhood to respond.

Though not everyone got everything they wanted, I feel that the tireless effort of *The Lander Group* to have a real and meaningful dialog resulted in a project which provides the neighborhood with many of our important objectives. The architecture style reflects the quality and character of the neighborhood and provides a gateway element into the city, the units have eyes on the street and some underground parking is provided. A plaza located overlooking the river reflects the desire for a wonderful community gathering space to enjoy a cup of coffee or a great meal and to meet and mingle with neighbors. It includes seating areas, native plantings and public art.

The inclusion of the neighborhood into the process has resulted in a wonderful community assets and a viable project for the developer. I look forward to the completion of this project as a welcome addition to the neighborhood.

Respectfully Submitted,

Joan MacLeod
2817 43rd Ave South
Minneapolis, MN 55406

neighborhood meeting notes

LOWRY HILL EAST (WEDGE)

January 21, 2005

In attendance:

Carolyn
David
Carol Wilson
Gary
Sonya H.
Mike Dean
John
Leslie
Tonya
Meg Tuthill

Carol

- Look at adjacent park property for opportunity
- Not just 3 or 4 stories
- Want improved library (needs more sqft)
- Strength of foundation?
- OK with higher than 8 stories
- Empowerment zone

Tonya

- Concerned about height
- More commercial OK
- Alien spaceship OK or classical

Meg

- Like new out of ground library
- Real sensitive to height

Leslie

- Concerned about losing altogether in this process
- Bike 3 seasons, more bike racks
- More computers
- Working area same or larger
- Hold street
- Open up to park
- Welcoming (modern??)
- Children's corner
- Like St. Anthony kid area
- Not floor to ceiling glass
- Proportion is important

John

- Small site
- Height may need to be stretched
- Whole package, not one liner
- Be a gem

David

- 5 or 6 stories may be OK
- Entrance close to sidewalk, don't want to guess where entry is
- Hold street
- Watch shading
- Human scale (six stories)
- Quality materials

Gary

- He's running for library board
- Respectfully disagree on height (don't like over 4)
- Human scale
- East on Lake St. 5-8 OK
- Jewel location
- Maybe mezzanine

CARAG

December 7, 2004

In attendance:

Diana

Pam

Jill

Howard

Scott

Brian

Aaron

Diana

- Multi-use
- Generating income/museum shop?
- Daytime shop activity
- Useable green space

Pam

- Preserve green space
- Affordable housing
- Height – not over 56'
- Keep letters

Howard

- Height OK
- Functionality is most important
- Connection to Mall/gateway to greenspace
- Improve connection to Hennepin and Mall
- Don't like letters

Jill

- Fix roof
- Like town square feeling now
- Not all building with no open space
- Traditional style/grand
- Traffic concerns

Brian

- Parking is ugly

Aaron

- Love mixed use
- Seems crazy to fix
- Open to consider parking reduction/shared parking/transit
- Height 4 story ideal, 5 or 6 maybe
- Good library is great
- Open difficult?

EAST ISLES

Kay

- Usually radical, now conservative
- Worried about losing library
- Love library
- Prefer no change (except fix roof)
- Use for nighttime parking in snow

Gary

- Concerned about costs
- Use kiosks for money

Larry

- Keep existing
- Too much development

Caroline

- Too high (4 stories)
- Too much
- Like greenspace
- Family park

Lars

- Should be civic building, not mixed use

John Dietrick

- Want good auto access
- Height should be looked at
- Must be accessible
- Good book drop

ECCO

ECCO

- Concerned about Edgewater
- Maybe open to more height (Gary F.)
- Want to keep library there
- Open to proposals

developer experience

301 Kenwood : Minneapolis, Minnesota



Located on one of the most honored sites in Minneapolis, across the street from the Minneapolis Sculpture Garden, Walker Art Center, Guthrie Theatre, and facing the dramatic Minneapolis skyline, 301 Kenwood Parkway will become a new Minneapolis Landmark. This elegant new eight story condominium building reflects the personality of the vibrant, cosmopolitan, cultural and historical Kenwood neighborhood. At 301 Kenwood, art, shopping, work, worship, indoor and outdoor recreation, and dozens of restaurants are within walking distance.

9th Street Lofts : St. Paul, Minnesota



The 9th Street Lofts conversion will create 48 state-of-the-art open plan condominium flats and two story dwellings within the shell of a pre-existing industrial warehouse. Like the Lowry Building Renovation, this warehouse structure features heavy concrete construction and large industrial window openings. ESG is working with Lander Sherman to create an innovative new interpretation of “loft living” which will provide open yet livable interior environments within the stout industrial shell. ESG is developing a flexible “kit of parts” for the loft dwelling interiors including fixed core areas and a series of moveable interior components to allow for a variety of living styles. The 9th Street Lofts is part of the Northeast Quadrant renaissance from a worn industrial sector into a vibrant St. Paul urban neighborhood.

Market Lofts : St. Paul, Minnesota



The Market Lofts is a unique integration of urban loft condominiums situated over an indoor Farmers Market. The indoor Farmers Market is an extension of the exterior Farmers Market located in the historic Lower Town District of Saint Paul, Minnesota. This new infill project will create a fascinating new interpretation of vertical mixed-use which will build on the pedestrian and market activity at Street Level. The project will feature 42 loft style dwellings with open plans and large window openings. Unit sizes range from approximately 1,000 SF to 1,450 SF to maintain a level of affordability.



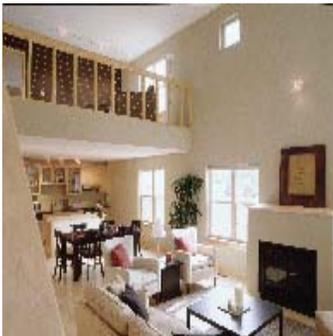
West River Commons : Minneapolis, Minnesota



West River Commons is a mixed-use development in the Longfellow neighborhood near the Mississippi River in Minneapolis. The project includes 53 rental apartments, three owner-occupied townhomes, and approximately 7,925 square feet of retail/service commercial space.

West River Commons occupies a magnificent site where Lake Street crosses West River Parkway and the popular Minneapolis "Grand Round" trail system. The retail part of the project fronts Lake Street and encloses a significant public plaza positioned at the foot of the bridge spanning the Mississippi River gorge between Minneapolis and St. Paul. The plaza features artwork commissioned from a nationally-known local artist. The project was completed in 2004.

21st Avenue Lofts : Minneapolis, Minnesota



The goals of this innovative project were to deliver high-end design in a few affordable homes that take advantage of the amenities of the flourishing Seward neighborhood. The 21st Avenue Lofts consist of five two-story townhomes and two lofts surrounding a modest central courtyard. The townhomes all feature light on three sides and big windows to take advantage of it; the lofts have oversized windows offering great views of the downtown skyline and daylight from all four walls. The Seward neighborhood has long been known for its diversity and bohemian flavor, successfully combining the best of urban and small town values. This project's bold design, fresh materials, and slightly funky feel are right at home.

734 Summit : St. Paul, Minnesota



This innovative infill new construction project takes advantage of both the grandeur of Saint Paul's renowned Summit Avenue and the lively shopping district along Grand Avenue, one block to the south. Two very different structures - a mansion building hosting four condominium flats facing Summit, and a group of three two-story townhouses facing Grotto Street - are combined in a single residents' association. The design of the buildings is contemporary, but classic, and respects the historic structures among which they are set. This project set new standards for construction along Summit Avenue, and new price levels for the neighborhood.

LIBRARY DESIGN APPROACH



Stillwater Public Library

Good design begins with good conversation. By having meaningful and relevant conversations with all constituencies, we develop a deeper level of understanding. Because the library is such an important and powerful resource in a community, it is crucial that we take every opportunity to listen, learn, lead, and create an atmosphere where the “best idea wins—period.” This approach ensures an open, accessible, and egalitarian design process and buildings that will last for generations. Performance, price, and operational efficiency must complement aesthetics for the overall success of the building.

MS&R strives to design libraries that are about connecting people to what they want in a friendly and accessible way. Innovative lighting, clear pathways, operational efficiency, and flexibility must go hand in hand with an award-winning design. Creating a library with meaning is an incredible responsibility—one that we take very seriously. Design is an act of defining what a building means to people. For this reason, there is consciously not an MS&R architectural style—only a dedication to quality.

Our designs are tailored particularly for each community.

OUR PURPOSE

Because a library is important for what it symbolizes, as well as what it does, a unique library design must fulfill four purposes:

1. Functional

First and foremost, the library must function perfectly as a state-of-the-art library. The purpose of a library varies according to the perspective of each user. In our view, a functionally successful library should be efficiently organized to meet the needs, and support the activities, of the staff as well as the patron. As the nature and means of distributing information change, the building should be able to change gracefully and economically over time. And above all, the library should permit patrons to find what they are looking for (or discover anew) with ease, comfort and safety.

2. Symbolic

Great civic architecture should have a compelling and



Carmel Clay Public Library
(personal access computer stations in lobby & children's services information desk)

LIBRARY DESIGN APPROACH

Emerging Library Technologies:

- Wireless communication.
- Full-motion video & accompanying audio.
- Information kiosks in remote locations within communities.
- Fully networked study tables (configured for patron laptops).
- Combined fiber connections to desktop (or hybrid copper-fiber systems) allowing Gigabyte Ethernet.
- Flat screen monitors for public catalogs & access points.
- Audio & video previewing in A/V service areas.
- Patron e-mail & posting of e-mail reference questions.
- Satellite downlinks for live data & video connections.
- Distance learning centers, including two-way communication.

“[MS&R’s] Scherer and Wagner surprised me when they proposed registering the project with the LEED certification program, something of which I was only dimly aware. LEED is, in essence, an audit process for buildings. I realized that if the building were LEED certified, our citizens would know that their library would be as green as we advertised. I didn’t know that registering for LEED would open up a world of possible green building technologies.”

—Louise Schaper,

“Public Input Yields Greener Library Design,” *Library Journal*

memorable identity and be mindful of its context. By identity, we mean that the character of the building should distinguish itself as “the library” and embody the traditions and promise the future holds for the library in the community. By mindfulness of its context, we mean that the facility should be sensitive to its community’s heritage and architectural fabric.

3. Key Social and Technological Issues Influencing the Design of Public Libraries

Society and technology—in juxtaposition—encompass the very heart of the major issues facing libraries around the world. Our society has been locked in a delicate tango—with machines as one partner and service to humanity the other. At the center of this dance is the library.

We live in a country where increasingly its citizens are somehow convinced that technology will be the muse of salvation. We are in a love-hate relationship with technology, and the library is expected to cater (quickly and economically) to the public expectations.

Every era in library development over the past century has seen constantly emerging technologies with the corresponding dilemmas—both social and practical.

4. Sustainable and Healthy Design

Our philosophy embraces a sustainable design ethic and operates within realistic and affordable implementation techniques. Our knowledge includes:

- Integrated life-cycle costing.
- Ergonomic design for work places.
- Energy conservation techniques, such as auto-dimming lighting.
- Low VOC materials selection.
- Use of recycled and recyclable materials.

For example, for the renovation of the historically listed Edward Durell Stone library in Palo Alto, California, we employed building integrated voltaic panels and automatically operating windows. The new library we designed for Fayetteville, Arkansas, is that state’s first LEED-registered building—employing locally produced materials, waterless urinals and grass roofs.

PUBLIC LIBRARY PROJECTS



Carmel Clay Public Library
(main stair)

“I love this library, staff, and community and think we have a great future. It doesn’t hurt to be in such a wonderful building, either! . . . I’ve always believed this building and project team deserve significant recognition.”

—Wendy Phillips, Director,
Carmel Clay Public Library



Denton North Branch Library

- **Argie Cooper Public Library—Shelbyville, TN**
New 26,000 sf library.
- **Austin Public Library—Austin, MN**
New 27,000 sf library (*with TSP*).
- **Bentonville Public Library—Bentonville, AR**
Library consulting for a 20,000 sf - 24,000 sf library.
- **Bowling Green Public Library Depot Branch—Bowling Green, KY**
Adaptive reuse of historic railroad depot into 10,773 sf library.
- **Bud Werner Memorial Library—Steamboat Springs, CO**
Site selection for new two-story 30,000 sf library.
- **Carmel Clay Public Library—Carmel, IN**
New 113,600 sf library (*with Browning Day Mullins Dierdorf*).
- **Chanhassen Public Library—Chanhassen, MN**
New 32,000 sf library (*with Robert Rohlf*).
- **Charles City Public Library and Fine Arts Gallery—Charles City, IA**
12,000 sf expansion, including art gallery and meeting space.
- **Chaska Public Library—Chaska, MN**
Renovation of 6,000 sf library and 6,000 sf expansion, including library and administrative offices (*with HTG Architects*).
- **Clear Lake Public Library—Clear Lake, IA**
Renovation of 10,540 sf library and 5,430 sf adaptive reuse of adjacent historic Masonic Temple building.
- **Cook Memorial Library—Libertyville, IL**
Feasibility study for renovation of 33,000 sf library and 39,000 sf expansion.
- **Denton Public Library North Branch Library—Denton, TX**
Adaptive reuse of grocery store into 32,000 sf branch library.
- **Detroit Lakes Public Library—Detroit Lakes, MN**
Historic renovation of 3,200 sf Carnegie library and 10,000 sf expansion.
- **Edina Public Library and Senior Center Interiors—Edina, MN**
New 18,000 sf library and 16,000 sf senior center (*with Opus Architects*).
- **Fairfield Public Library—Fairfield, IA**
New 24,072 sf library replacing the oldest Carnegie library west of the Mississippi River.

PUBLIC LIBRARY PROJECTS



Fort Smith Public Library
(main entry facade)

“The crowds are not letting up and I am watching our patrons leave with bags full of books. The sight is absolutely lovely. I wish you could see what we have here. It is a great time in Fort Smith history, indeed.”

—Amy Jordan, Development Officer,
Fort Smith Public Library



Ridgedale-Hennepin County Regional Center
(main entry)

- **Fargo Public Library—Fargo, ND**
Programming and pre-design for new 82,500 sf main library and 20,000 sf branch library (*with T. L. Stroh Architects*).
- **Fayetteville Public Library’s Blair Library—Fayetteville, AR**
New 83,181 sf library and 200-car parking garage (*with Amirmoez Foster Hailey Johnson*).
- **Fletcher Community Library—Little Rock, AR**
Program review for new 13,500 sf library (*with AMR*).
- **Fort Smith Public Library—Fort Smith, AR**
New 67,000 sf main library and three branch libraries of 11,720 sf each (*with MAHG Architecture*).
- **Greensboro Public Library Interiors—Greensboro, NC**
Interior design services for new 98,500 sf library with \$1,400,000 furniture budget (*with J. Hyatt Hammond*).
- **Handley Public Library—Winchester, VA**
Study for 30,252 sf historic library renovation.
- **Hastings Public Library—Hastings, NE**
Feasibility study and site selection for new 45,000 sf library (*with The Schemmer Associates*).
- **Hedberg Public Library—Janesville, WI**
Renovation of 40,500 sf library, including 20,799 sf expansion.
- **Hennepin County Champlin Library—Champlin, MN**
Library design consulting for new 8,905 sf library (*with TSP*).
- **Hennepin County Maple Grove Library—Maple Grove, MN**
New 40,000 sf library.
- **Hennepin County Ridgedale Regional Center Expansion—Minnetonka, MN**
Renovation of 103,000 sf, including 61,450 sf expansion and 225-car parking garage, for library, administrative offices, county service center, and courts.
- **Hennepin County Southdale Library—Edina, MN**
Renovation of 65,000 sf regional library, including 15,000 sf expansion.
- **Hudson Public Library—Hudson, WI**
Preliminary space layout and design for relocation of 10,000 sf library from original Carnegie building to city municipal courts building.
- **Indiana State Library Interiors—Indianapolis, IN**
Interior design services for historic renovation of 88,000 sf library (*with Browning Day Mullins Dierdorf*).

6. PUBLIC LIBRARY PROJECTS



Kendall Young Library
(renovated Carnegie library building)

“Your attention to detail played a large part in the success of the building. All your little touches help make the addition feel like a natural extension of the original structure.”

—Cynthia Weiss, Director,
Kendall Young Library



Hosmer Community Library

- **Iowa City Public Library—Iowa City, IA**
Schematic design services for renovation of 47,350 sf library, including 30,000 sf expansion.
- **John F. Henderson Memorial Library—Westville, OK**
Study and programming for renovation of 2,556 sf library, including 2,800 sf expansion.
- **Kendall Young Library—Webster City, IA**
Historic renovation of 9,000 sf Carnegie library, including 12,000 sf expansion.
- **Kirkendall Public Library—Ankeny, IA**
New 25,000 sf library.
- **Kirkwood Public Library—Kirkwood, IL**
Pre-design for new 45,000 sf library (referendum failed).
- **Kitchigami-Pine River Regional Library—Pine River, MN**
Study for new 17,000 sf library and headquarters.
- **Mesa County Central Library—Grand Junction, CO**
Pre-design for expansion of central library to 59,200 sf (*with Chamberlin Architects*).
- **Minneapolis Public Library Central Library Interim Facility—Minneapolis, MN**
Office space fit-out for 85,012 sf temporary central library.
- **Minneapolis Public Library Franklin Community Library—Minneapolis, MN**
Historic renovation of 10,500 sf city branch Carnegie library, including 4,000 sf expansion.
- **Minneapolis Public Library Hosmer Community Library—Minneapolis, MN**
Historic renovation of 8,000 sf city branch Carnegie library, including 4,700 sf expansion.
- **Minneapolis Public Library Roosevelt Community Library—Minneapolis, MN**
Pre-design for 12,000 sf branch library, including mixed-use development.
- **Mount Prospect Public Library—Mount Prospect, IL**
Renovation of 50,000 sf library, including 40,000 sf expansion.
- **New Prague Memorial Library—New Prague, MN**
Renovation of 4,500 sf library, including 3,000 sf expansion.

6. PUBLIC LIBRARY PROJECTS



Millard Branch Library

“Rather than make the building the amalgam of two distinct functions and parts, [Rockcastle] and MS&R library specialist Jeff Scherer conceived a 122,000-square-foot whole that responds to site conditions such as views of downtown to the east and mountains to the west with an attempt to mitigate the effects of the harsh Nevada climate. . . . The glow, evocative but more subtle than the neon halo of downtown, is the message of the [Sahara West Public Library and Fine Arts Museum].”

—Karen Stein, *Architectural Record*



Sahara West Public Library and Fine Arts Museum

- **Omaha Public Library Charles Washington Branch Library—Omaha, NE**
Renovation of 10,329 sf library and 7,931 sf expansion (*with The Schemmer Associates*).
- **Omaha Public Library Millard Branch Library—Omaha, NE**
Renovation of 10,320 sf city branch library, including 9,023 sf addition (*with The Schemmer Associates*).
- **Omaha Public Library W. Dale Clark Central Library—Omaha, NE**
Renovation of 22,864 sf library (*with The Schemmer Associates*).
- **Oshkosh Public Library—Oshkosh, WI**
Feasibility study for renovation of 80,000 sf historic library.
- **Palo Alto Public Library—Palo Alto, CA**
Pre-design study for renovation and expansion for 70,000 sf library (*with ELS Architects*).
- **Pioneer Public Library System Libraries—Norman, OK**
Pre-design study for new 60,000 sf central library and two 12,000 sf branch libraries.
- **Pleasant Hill Public Library—Hastings, MN**
New 16,360 sf library.
- **Prior Lake Public Library and Community Center—Prior Lake, MN**
New 15,000 sf library and renovation of existing 5,500 sf building into community space/dance studio.
- **Ramsey County Shoreview Library—Shoreview, MN**
Internal reorganization for 7,000 sf library.
- **Rancho Mirage Public Library—Rancho Mirage, CA**
New 30,000 sf library (*with The Cunningham Group*).
- **Robert W. Barlow Memorial Library—Iowa Falls, IA**
New 15,500 sf library.
- **Sahara West Public Library and Fine Arts Museum—Las Vegas, NV**
New 122,000 sf library and art museum.
- **Saint Cloud Public Library—Saint Cloud, MN**
Site selection, programming, and schematic design for new 90,000 sf library.
- **Saint Paul Public Library Central Library—Saint Paul, MN**
Historic renovation of 81,500 sf central library on National Register of Historic Places.

6. PUBLIC LIBRARY PROJECTS



Merriam Park Branch Library

“As a resident of Merriam Park, I have watched with delight as the building has gone up. The result is an edifice of grace and charm, full of light, truthful to its purpose, welcoming to its public, [and] humane in its proportions.”

—Reverend John Marcus Cox



Stillwater Public Library

- **Saint Paul Public Library Internet Stations—Saint Paul, MN**
Furniture upgrade or replacement for Internet stations at nine Saint Paul Public Library branches.
- **Saint Paul Public Library Merriam Park Branch Library—Saint Paul, MN**
New 14,500 sf city branch library.
- **Saint Paul Public Library Materials Management Center—Saint Paul, MN**
8,000 sf addition to branch location for storage and collections management.
- **San Diego Central Library Interiors—San Diego, CA**
Programming, library technology consulting, and interior design for new nine-story 357,000 sf library (*with Rob Wellington Quigley*).
- **Savage Public Library—Savage, MN**
New 19,800 sf library.
- **Springdale Public Library—Springdale, AR**
Functional layout review of 43,000 sf library (*with McGoodwin, Williams & Yates*).
- **State of Ohio Library—Columbus, OH**
Programming for renovation of 90,000 sf library.
- **Stewart Public Library—Grinnell, IA**
Site selection and pre-design for 30,000 sf library.
- **Stillwater Public Library—Stillwater, MN**
Historic renovation of 13,126 sf Carnegie library.
- **Thousand Oaks Public Library—Thousand Oaks, CA**
Study for 20,000 sf expansion to 60,000 sf library.
- **Toledo-Lucas County Public Library—Toledo, OH**
Technology consulting for main library and 18 branch libraries.
- **Waconia Public Library (interior design)—Waconia, MN**
Interior design for new 16,000 sf library.
- **Washington County Library Park Grove Branch Library—Cottage Grove, MN**
New 21,500 sf library for the Washington County Library System.
- **Watertown Regional Library—Watertown, SD**
Pre-design study and conceptual plans for renovation to 15,686 sf library and 25,909 sf addition.

PUBLIC LIBRARY PROJECTS



Wilkinson Public Library

“Your fabulous artistic eye and design experience have brought to us the pride of our community in our new library. Thank you for all you’ve done for us to make our dreams come true!”

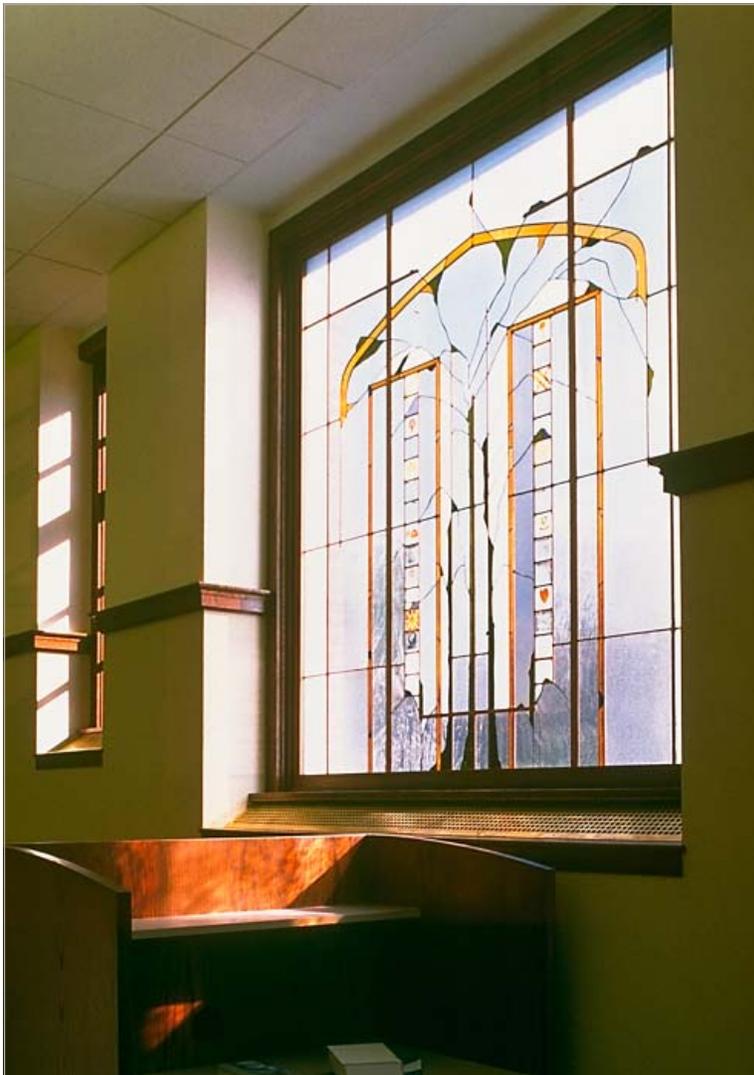
—Andrea Benda, Library Board President,
Wilkinson Public Library

- **Wescott Public Library Interiors—Eagan, MN**
Interior design for renovation of 4,000 sf library, including 4,500 sf expansion.
- **West Des Moines Public Library—West Des Moines, IA**
New 51,400 sf library and city offices.
- **West Duluth Service Center—Duluth, MN**
New 5,300 sf library, fire station, and senior center.
- **Wilkinson Public Library—Telluride, CO**
New 21,000 sf library, including additional 16,000 sf basement and underground parking.

PUBLIC LIBRARY PROJECTS



Exterior showing expansion



Art glass window

MINNEAPOLIS PUBLIC LIBRARY HOSMER COMMUNITY BRANCH

Location: Minneapolis, MN
Size: 8,000 sf (renovation)
4,700 sf (addition)
Completion Year: 1997

- Renovation and expansion to Minneapolis Public Library community branch.
- Winner of a Minneapolis Heritage Preservation Award for Restoration & New Addition and a Minneapolis Committee on Urban Environment (CUE) Award.

The Hosmer Community Library, located in south Minneapolis, has been a strong centerpiece for the Bryant and Central neighborhoods for decades. Built with a Carnegie grant in 1916, the facility was substantially renovated in 1980 to provide handicap accessibility. Unfortunately, the original renovation altered some of the key architectural features of the building and compromised the library's functionality.

With this new renovation and addition, the main level is now almost twice the original size, with half of the public service area devoted to Children's and Young Adult collections. The central axis and grand entry have been restored without compromising accessibility. Vibrant colors accent the rich oak woodwork to create an interior that is both traditional and lively. An art glass window at the south end of the axis complements the historic leaded glass window preserved over the main entry doors. All interior finishes are designed for maximum aesthetic appeal and minimal maintenance.

PUBLIC LIBRARY PROJECTS

MINNEAPOLIS PUBLIC LIBRARY HOSMER COMMUNITY BRANCH

“The Hosmer Community Library renovation and expansion project is magnificent. The project was challenging in the careful attention to detail required to make an historic renovation successful. . . . Thank you, for the wonderful way in which you worked with Amy Ryan and the Hosmer Community so that the neighbors and library users saw this project as their own. Hosmer is another wonderful architectural accomplishment for your firm.”

—Mary L. Lawson,
Former Director,
Minneapolis Public Library



Entrance to children's area



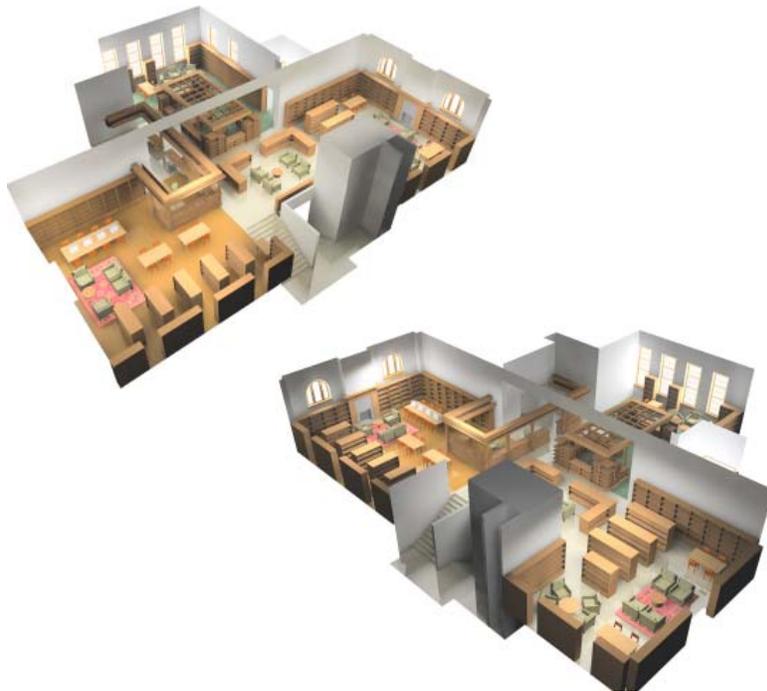
Central axis

PUBLIC LIBRARY PROJECTS



“Thanks for a successful design development for Franklin Library. The design is great.”

—Amy Ryan, Project Director,
Community Libraries, Minneapolis Public Library



3-D computer rendering of floor plans

MINNEAPOLIS PUBLIC LIBRARY FRANKLIN COMMUNITY BRANCH

Location: Minneapolis, MN
Size: 14,500 sf (renovation)
4,000 sf (addition)
Completion Year: 2005

Built in 1914 with a grant from Andrew Carnegie, the Franklin Community Library is Minneapolis’ oldest library. Today it thrives as an active community resource for people of all ages. The popular Phillips Computer Center and Franklin Learning Center, located within the library, add value to this essential neighborhood gathering place. The historic building however, has been stretched beyond its capacity for programming and library materials and is in need of repair. The architectural beauty and distinctive features of the building are being carefully retained and preserved with the renovation under way. The renovation will include restoration of the library’s distinctive stone and masonry features and also the alignment of the lower level floors (which were added over time and do not presently align). This alignment increases the program area—allowing increased usage of the lower level area—without expanding beyond the perimeter of the library’s exterior walls.

PUBLIC LIBRARY PROJECTS



View of the library's north facade and main entry off of Rice Park

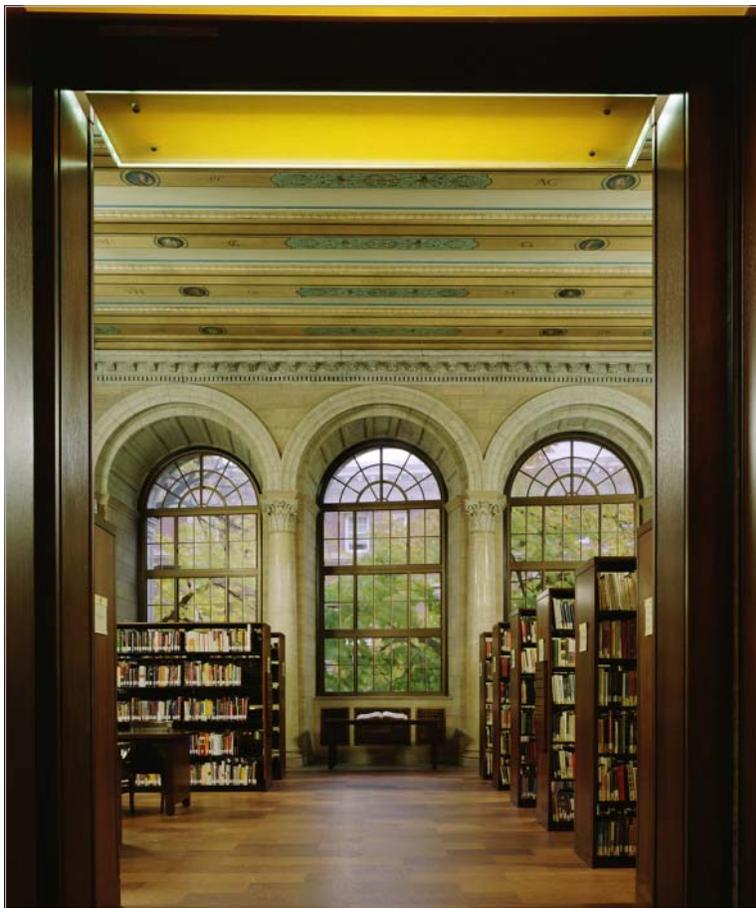
SAINT PAUL PUBLIC LIBRARY CENTRAL LIBRARY

Location: Saint Paul, MN
Size: 81,500 sf (renovation)
Completion Year: 2002

- Winner of a Preservation Alliance of Minnesota Honor Award and Saint Paul Heritage Preservation Award.

A historic landmark building in downtown Saint Paul, constructed in 1917 and on the National Register of Historic Places, the Saint Paul Central Library was undersized, inefficiently organized and technologically out of date.

The renovation increases public accessibility to the collection, consolidate service points, upgrade power, data and communication systems, and restore historically significant interior spaces. The design both respects and enhances the historic and aesthetic nature of the building. The renovation also creates a new entrance addition on Kellogg Boulevard. A major renovation of the West Wing features four new floors to accommodate periodicals and books, study carrels, and computers to access electronic library catalogs. The existing stone and plaster surfaces were cleaned, and new ceiling and lighting systems, new flooring, new accessible and flexible systems for power and data, new HVAC distribution, and new fire suppression system have been added. Renovation of the East Wing entailed remodeling the interior partitions and spaces, cleaning the existing stone and plaster surfaces, new electrical and mechanical systems, and a new access ramp system for the Lower Level Youth Services.



New entry to non-fiction area

PUBLIC LIBRARY PROJECTS



Nonfiction collection and reading room, after restoration, featuring energy-efficient light fixtures fashioned after the historic originals

“The renovation [of the Saint Paul Central Library] by the Minneapolis firm of Meyer, Scherer & Rockcastle ... has polished the gem, which had been dulled by years of use and make-do alterations. The inside has been reorganized into a workable space for both the public and the staff. And restoration of the historic reading rooms has revived some of the most sublime spaces in the Twin Cities.”

—*Minneapolis Star Tribune*

SAINT PAUL PUBLIC LIBRARY CENTRAL LIBRARY



Cut-out in the new accessible stair/elevator lobby, providing a visual link to the original stair lobby above

“Ever since it opened in 1917, St. Paul’s Central Library overlooking Rice Park has been one of the indisputably great buildings of the city. . . . Yet like many of its grand Beaux-Arts relatives, the library has proved to be a difficult building to adapt to changing uses. . . . Now, however, the library has finally been brought up to date in a \$15.9 million project that includes everything from new wiring and furniture to a major restructuring of the interior. Repainted, buffed up and shining with new life, the building’s signature spaces . . . look simply wonderful.”

—Larry Millett, *Saint Paul Pioneer Press*

PUBLIC LIBRARY PROJECTS



New entry



MOUNT PROSPECT PUBLIC LIBRARY

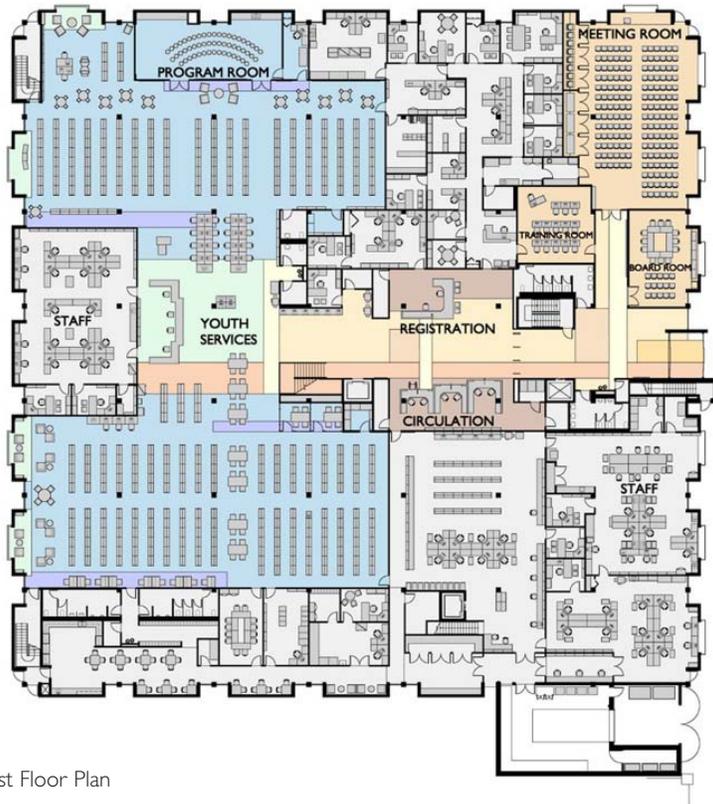
Location: Mount Prospect, IL
Size: 50,000 sf (renovation)
55,000 sf (expansion)
Completion Year: 2004

MS&R provided pre-design and full architecture and interior design services for the extensive renovation and expansion of the Mount Prospect Public Library, which will reopen its doors this weekend. Tied to the original structure with a completely redesigned exterior facade, a new 50,000-square-foot second-floor addition doubles the size of the library. Large openings cut into the existing exterior walls convey a new identity for the library and provide additional daylight. The redesigned main entry serves as an anchor for a new public exterior space, which extends from the proposed Village Hall (to be constructed to the south of the library).

The renovation also includes new HVAC, electrical, technology, and security systems and new interior finishes and furniture. A new central stair provides a visual datum around which public service desks are organized. Larger, reorganized staff areas increase functionality and efficiency.

PUBLIC LIBRARY PROJECTS

MOUNT PROSPECT PUBLIC LIBRARY



First Floor Plan



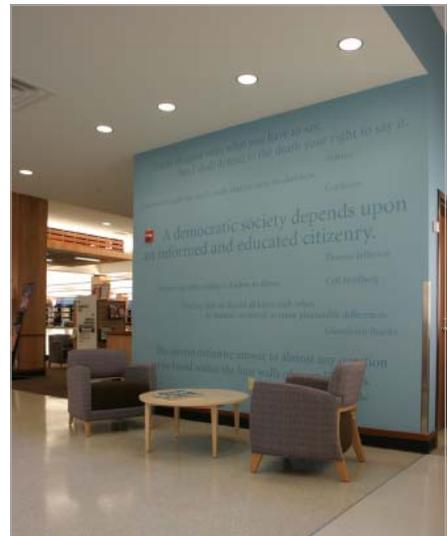
Entrance to genealogy and local history room



Reading area



Second Floor Plan



PUBLIC LIBRARY PROJECTS



“Exterior alterations including a glass curtain wall and a long canopy entrance transformed the former Food Lion grocery store into an elegantly modern public library. . . . ‘We wanted a warm, inviting place so people wouldn’t just check out a book and leave,’ [library director Eva] Poole says. ‘Much to our delight, this new library is a place people come to and stay. It’s not drab and ordinary; it’s alive and extraordinary.’”

—Camille LeFevre, *Architecture Minnesota*



DENTON PUBLIC LIBRARY NORTH BRANCH

Location: Denton, TX
Size: 32,000 sf
Completion Year: 2003

- Featured in *Architecture Minnesota* and *American Libraries Annual Showcase of New and Renovated Facilities*.

The Denton Public Library System hired MS&R to convert an existing grocery store building into a new branch library. Design challenges include reconfiguring the site to provide a foreground for the building that supports its reuse, visually transforming the building from a grocery store into a library, and successfully adapting the existing building footprint into a functional library.

Inserted planes and volumes enhance the building by reducing and breaking up the mass and monotony of the existing building shell. The addition of a translucent glass bar and entry canopy transforms the entry facade, while linear strip windows are introduced on the other facades. Functional areas of the library are arranged around the building entry for easy orientation and wayfinding. The site now also includes linear rows of trees that, when mature, will create exterior spaces consistent with the concepts of the new building plan and exterior.



Grocery store prior to adaptive reuse

PUBLIC LIBRARY PROJECTS

DENTON PUBLIC LIBRARY
NORTH BRANCH



Front entrance



Reading area



View into children's area



Youth services area

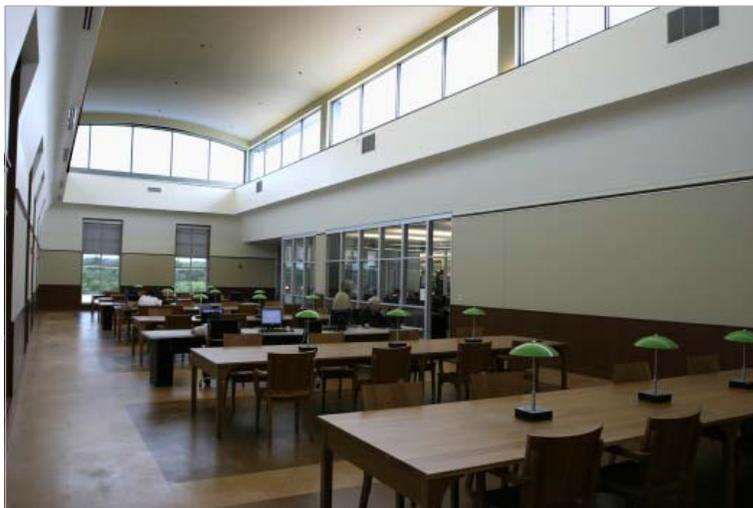


Cafe and front lobby

PUBLIC LIBRARY PROJECTS



Main entry at night



Main reading area



Cafe

FAYETTEVILLE PUBLIC LIBRARY'S BLAIR LIBRARY

Location: Fayetteville, AR
 Size: 83,000 sf
 Completion Year: 2004

- New main library and first LEED registered building in State of Arkansas.
- Published in *Environmental Design + Construction Magazine*, *Library Journal*, and *Smarter Architecture: Energy-efficient Communities, Building Designs, Construction Techniques and Materials in Arkansas*, published by the Arkansas Department of Economic Development–Arkansas Energy Office.

Following a national search, the Library Board hired MS&R to complete a comprehensive master plan, provide a feasibility study and full design services for a new central library. Because Fayetteville is a very public-participatory community, MS&R conducted a series of thirty-seven public forums to address the issues of expansion versus building a new facility, with a final decision to build a new 83,000 square-foot facility. The design of the new library extends the historic fabric of Fayetteville's town center and incorporates the newly established downtown design guidelines. The urban texture and figure-ground of the library ensure that the building reinforces the fabric of the city. The building will be placed on the northeast quadrant of the site to take full advantage of the site's topographical shape, preserve as many trees as practical, provide easy access to parking and to place the entrance to the library at the highest point on the site. The library is the first LEED-certified building project in the State of Arkansas.

PUBLIC LIBRARY PROJECTS

FAYETTEVILLE PUBLIC LIBRARY'S
BLAIR LIBRARY



Kid Tech room



Service desk

PUBLIC LIBRARY PROJECTS



“Inviting is an appropriate word to describe the Carmel Clay Public Library. Facing the street, the library’s concave main entrance serves as a welcoming metaphor—opening its arms to the residents of Carmel, Indiana, and Clay Township. . . . The community received a ‘crown jewel,’ according to the library’s Wendy Phillips, who says the facility—which embraces good built environment as well as a world of books—is frequently cited by new residents as a deciding factor in choosing to move to the community.”

—*Building Design & Construction*



CARMEL CLAY PUBLIC LIBRARY

Location: Carmel, IN
 Size: 113,600 sf
 Completion Year: 1999

- Winner of a 2001 *Building Design & Construction Magazine* Project Team Merit Award.
- Ranked third for libraries serving populations between 25,000-49,999 in *American Libraries* 1999 Hennen’s American Public Library Ratings Index II.

The new Carmel Clay Public Library serves as a physical and metaphorical bridge between many different constituencies frequenting the building. The form and siting of the building intentionally respect the street grid (a prominent gesture in Midwestern cities) and are inflected with a concave space that uses “open arms” as the welcoming metaphor. The exterior form reflects the needs of a civic building—gravity, order, proportion, and substantiality. The internal public “street” created by the curved physical gesture includes access to the coffee shop, public meeting rooms, and rest rooms and serves as a gathering/waiting area for patrons. While maintaining a simple and classical ordering of space, MS&R balances tradition with playfulness, symbolizing the joy in discovery. The overall design considers the need for both open spaces and sequestered nooks.

PUBLIC LIBRARY PROJECTS



“Thank you again for your magnificent work on the new Wilkinson Public Library. It is truly a gem in our community, and everyone at MS&R played such a major role in its manifestation.”

—Andrea Benda, Library Board President, Wilkinson Public Library



WILKINSON PUBLIC LIBRARY

Location: Telluride, CO
Size: 21,000 sf
15,000 sf underground parking ramp
Completion Year: 2000

After only ten years, the community of Telluride outgrew its library facility and hired MS&R and library consultant Anders Dahlgren to evaluate the feasibility of expanding the existing facility versus building new, ultimately deciding to build a new facility. Because of site constraints and land costs, the library extends vertically onto two floors with underground parking, required by city zoning laws. From the vigorous review process conducted by the local historical preservation board arose colors and detailing that abstractly recall Telluride’s early prosperity as a flourishing mining town. The central feature of the library—a two-story rotunda surrounded by a reading plaza—borrows its design imagery from a historic railroad water tower. Functionally, the new facility better accommodates today’s technology, including a separate room for computer research.



PUBLIC LIBRARY PROJECTS



Main entrance



Children's area

FORT SMITH PUBLIC LIBRARY

Location: Fort Smith, AR
Size: 67,000 sf (main library)
11,720 sf (each of 3 branches)
Completion Year: 2001

- Winner of a 2001 Associated Builders & Contractors Excellence in Construction Merit Award.

MS&R evaluated seven sites for a new main library and three branch libraries in Fort Smith, resulting in the selection of a historic intersection overlooking Creekmore Park for the main library and central locations in the eastern, northern, and southern communities for the branches. These new facilities emphasize patron and customer service by building upon the library's traditional resources simultaneously with the library's goal of expanding its use of newer, electronic information resources. New features and services for the main library include a large electronic meeting room to seat 150 people for community use; an enhanced genealogy center and Arkansas/Fort Smith history collection; youth services for ages preschool through high school; an expanded reference section with more computers for Internet access; "smart" carrels for laptop computer use; and a computer lab for training classes.

PUBLIC LIBRARY PROJECTS

FORT SMITH PUBLIC LIBRARY



Main Library west elevation showing arched main entry and lantern



Detail of main entry lantern



Fort Smith Branch Libraries



Main stair and entry to genealogy department



PUBLIC LIBRARY PROJECTS

SAHARA WEST PUBLIC LIBRARY
AND FINE ARTS MUSEUM

Location: Las Vegas, NV
 Completion Year: 1996
 Size: 122,000 sf

- Featured in *Architectural Record* and *Design Quarterly*.

Regional, civic, and site phenomena informed the design of the building's articulated mass, compound spaces, and expressive details. Unique programmatic components, a sensitive response to the harsh climate, and our interest in representing a variety of metaphorical and symbolic ideas, underlie much of the building and site design. Inside, the entry court creates a shared entry for the two separate institutions and is spatially continued by an internal atrium that unites the library and museum. Appropriate shared functions (assembly hall, board meeting room, used book store, fine arts reading room, visiting artist studio, and museum store) all gather around this center.

The library is formed as a stable, plain container for the gridded stacks of books it holds. It is crowned by a telescoping gaze to the east, toward the world famous gaming "strip" and Sunrise Mountain. An arched "celestial wall" marks seasonal, mythic and celestial events as "concrete" or built story. Harsh southern sunlight is shielded by broad overhanging screens to protect the windows facing the sculpture garden, and is scattered and driven down through the central spine of the library on the north side of the central vault of the upstairs reading room. The result is gentle, even, comfortable daylight throughout the library.

ACADEMIC AND SPECIAL LIBRARY PROJECTS



Bakken Library & Museum of Electricity in Life

“In an era of cheap construction and pared-down architecture, the Bakken Museum’s handsome addition is as delightfully out-of-step as the idiosyncratic little museum itself. . . . Meyer, Scherer & Rockcastle treated this domestic jewel with the gentle hand it deserved. . . . For the children who come to the Bakken, experiencing architecture of such quality may be as startling a revelation as feeling the spark of electricity.”

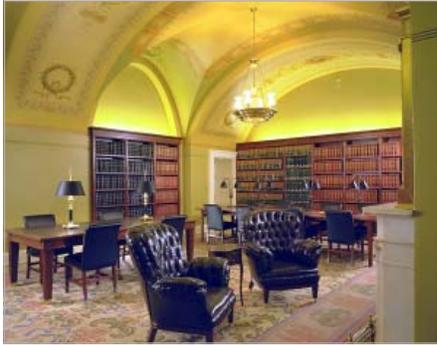
—*Minneapolis Star Tribune*



Carthage College Hedberg Library

- **Arkansas State University Abingdon Library—Beebe, AR**
Program and library design consultant.
- **Arkansas Technical University Ross Pendergraft Library and Technology Center—Russellville, AR**
Programming and design consulting for new 89,000 sf library (*with AMR*).
- **Bakken Library and Museum of Electricity in Life—Minneapolis, MN**
Renovation of 14,000 sf historic Tudor mansion, including 12,000 sf expansion, for library and museum.
- **Bemidji State University A. C. Clark Library—Bemidji, MN**
Interior design services and technology consulting for renovation of 66,900 sf library, including 4,600 sf addition (*with TSP Architects*).
- **Carleton College Laurence McKinley Gould Library—Northfield, MN**
Master planning and programming for renovation of 124,000 sf library, including 27,000 sf expansion.
- **Carthage College Hedberg Library—Kenosha, WI**
New 65,000 sf library.
- **Concordia University Buenger Memorial Library and Information Technology Center—Saint Paul, MN**
New 45,000 sf library (*with TKDA*).
- **Gateway Technical College Library—Kenosha, WI**
Consulting services for renovation of 9,000 sf library (*with campus architects, Partners in Design*).
- **Luther Seminary Library and Electronic Classroom—Saint Paul, MN**
Strategic planning for interim use (1996-2000) of existing library and programming for new 45,450 sf library.
- **Metropolitan State University Library and Learning Center—Saint Paul, MN**
New 86,295 sf library, including 5,000 sf public branch library for the Saint Paul Public Library System (*with TSP Architects*).
- **North Carolina State University Libraries Master Plan and Main Library Renovation—Raleigh, NC**
Comprehensive master planning, programming, and space planning for all campus libraries, including 387,000 sf main library and future expansions; first-phase 60,000 sf renovation to main library (*with J. Hyatt Hammond*).
- **Northland College Library and Fine Arts Center—Ashland, WI**
New 55,000 sf library and visual arts center.

ACADEMIC AND SPECIAL LIBRARY PROJECTS



United States Senate Library,
United States Capitol Building
(restored reading and reference room)

“The [United States Senate Library] renovation included the three rooms in the U.S. Capitol Building that have served as the U.S. Senate Library since 1870. . . . Before the renovation by MS&R, a fireplace was hidden, murals were in disrepair, and bookshelves covered every available wall space. The MS&R work recovered and restored the fireplace and murals, and updated mechanical, electrical, and communication systems. New details were sensitively designed, including air diffusers that were discretely placed within the top of mahogany perimeter shelving.”

—*Architectural Record*



Waldorf College Luise V. Hanson Library

- **Palmer Chiropractic University Learning Resources Center—Davenport, IA**
New 32,438 sf learning resources center.
- **Philander Smith College Library and Technology Center—Little Rock, AR**
Design review for new 49,400 sf library (*with RPPY Architects*).
- **Rhode Island School of Design Library—Providence, RI**
Programming and design study for new 50,000 sf library.
- **Saint Cloud State University James W. Miller Learning Resources Center—Saint Cloud, MN**
Technology consulting for 225,761 sf library (*with Leonard Parker*).
- **Saint John’s University Alcuin Library—Collegeville, MN**
Study for renovation and expansion of 65,000 sf archive library.
- **Saint Paul Technical College Library—Saint Paul, MN**
Programming and schematic design for 5,000 sf library renovation.
- **United States Senate Library—Washington, DC**
Partial relocation of library into 7,000 sf in the Russell Senate Office Building and historic restoration of 3,000 sf in U. S. Capitol Building into reading and reference rooms.
- **University of Arkansas-Pine Bluff—Pine Bluff, AR**
Programming and design review for library renovation and expansion (*with Foster, Evans, Wistell & Rascoe*).
- **University of Minnesota James Ford Bell Library—Minneapolis, MN**
Pre-design study for historic renovation of special collections library.
- **University of New Mexico Library and Learning Center—Los Alamos, NM**
Renovation of 12,500 sf research library and archives, including 9,300 sf expansion (*with Ellis/Browning Architects*).
- **University of Saint Thomas O’Shaughnessey-Frey Library—Saint Paul, MN**
Functional reorganization of collections in 56,698 sf library.
- **University of Virginia Clark Hall Science and Engineering Library Interiors—Charlottesville, VA**
Interior design services for 48,000 sf library renovation and expansion.
- **Waldorf College Luise V. Hanson Library—Forest City, IA**
New 27,855 sf college library (*with TSP One*).

ACADEMIC AND SPECIAL LIBRARY PROJECTS



“Before the renovation by MS&R, a fireplace was hidden, murals were in disrepair, and bookshelves covered every available wall space. The MS&R work recovered and restored the fireplace and murals, and updated mechanical, electrical, and communication systems. New details were sensitively designed, including air diffusers that were discretely placed within the top of mahogany perimeter shelving.”

—*Architectural Record*



UNITED STATES SENATE LIBRARY HISTORIC RENOVATION/ RELOCATION

Location: Washington, D. C.
Size: 10,000 sf
Completion Year: 2000

Located in the United States Capitol Building, this project involved the restoration of the United States Senate Library reading and reference rooms with the partial relocation of the collection to the Russell Senate Office Building. The design restores the Reading and Reference Rooms back to the period of initial occupation (c. 1870), featuring a Neo-classical design. New mahogany shelves line the walls, original rugs have been recreated, Minton tile and wood floors have been repaired and restored, and the furniture has been replicated or rejuvenated. The Senate Curator, along with MS&R and The Architect of the Capitol, have archivally restored fireplaces and decorative murals that were discovered during the renovation. The relocated Senate Library in the Russell Building houses on-line reading and research areas. As the first project on Capitol Hill to be networked into the new Capitol Hill computer mainframe and Senate Array, the new location offers cutting edge technology in addition to its historic book and document collection.

ACADEMIC AND SPECIAL LIBRARY PROJECTS



“In an era of cheap construction and pared-down architecture, the Bakken Museum’s handsome addition is as delightfully out-of-step as the idiosyncratic little museum itself. . . . Meyer, Scherer & Rockcastle treated this domestic jewel with the gentle hand it deserved. . . . For the children who come to the Bakken, experiencing architecture of such quality may be as startling a revelation as feeling the spark of electricity.”

—*Minneapolis Star Tribune*



BAKKEN LIBRARY AND MUSEUM OF ELECTRICITY IN LIFE

Location: Minneapolis, MN
 Size: 14,000 sf (renovation);
 12,000 sf (addition)
 Completion Year: 1999

- Winner of a 2000 Minneapolis Heritage Preservation Award.
- Winner of a 2000 Minneapolis Committee on Urban Environment (CUE) Award.

Housing an internationally recognized collection of rare books, manuscripts, and instruments documenting the history of electromagnetism in biology and medicine, the Bakken Library & Museum outgrew the walls of its 1920s Tudor-style mansion and hired MS&R to reorganize the Bakken’s administration, research, and curatorial functions within the mansion, while moving the exhibits and classrooms into a fully handicap-accessible addition. The building design balances the respect for historical precedent with the demands of a modern institution that promotes innovative inquiry into science. The new plan places the majority of the additional floor space underground, forming a neutral link between the old and new. The new building materials—Mankato stone, cast stone, and slate—present a visually compatible face to the community in the form of a strong podium for the original house.

ACADEMIC AND SPECIAL LIBRARY PROJECTS



CARTHAGE COLLEGE HEDBERG LIBRARY

Location: Kenosha, WI
Size: 65,000 sf
Completion Year: 2001



Located on the heavily-wooded site of a former city park, the new Hedberg Library replaces Carthage College's original library with a state-of-the-art facility adjacent to the Siebert Chapel and Johnson Art Center complex.

To work more effectively with patrons, staff areas are located on both levels. Public areas include the collection and browsing areas, reading and study spaces, individual and group study rooms, electronic classrooms, and a presentation room. The design features two state-of-the-art technological areas. The Information Commons—the center of activity of the library—functions as an updated reference area where reference materials previously housed on shelves, are now accessed electronically. The Cyber Cafe offers a 24-hour gathering place with food and laptop hookups with Internet and campus network connections.



Market Viewpoint

Produced by DSU Research

the market research division of
Dahlgren, Shardlow and Uban, Inc.

Twin Cities

Condo Market

2004-2005



Market Viewpoint

Twin Cities Condo Market 2004-2005

DSU Research

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Acknowledgments:

Thomas G. O'Neil wrote this report with research assistance from Sam Newberg and Peter Edeburn. Shannon Churchward completed the report's design and layout, and Hongyi Duan created its maps.

Disclaimer:

This report broadly assesses the Twin Cities condo market as of the third quarter of 2004. In no way should important, site-specific development decisions be made using the data in this report exclusively. Rather, such decisions should be made with the help of a detailed market study, which would reveal the unique supply and demand characteristics of the market area under consideration.

The following people and organizations provided data for this report:

Leasing Personnel and Building Managers at Various Properties
Martin & Associates
Regional Multiple Listing Service
Urban Land Institute
U.S. Census Bureau
The Metropolitan Council

Front Cover Images: Sam Newberg and DSU Research

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Dear Clients, Colleagues and Friends,

We are pleased to present our annual Market Viewpoint: Twin Cities Condo Market 2004-2005, this year's assessment of the residential condominium market in the greater Twin Cities region. We have enjoyed preparing this report for you, and hope that it helps deepen your knowledge of this vibrant, growing market.

We at DSU Research have learned a great deal through hundreds of real estate market research assignments over the years. What we see in the current condo market both excites and challenges us. On one hand, we see exciting new lifestyle products for a diverse range of consumers, whether they



Tom O'Neil, Director of Market Research

are young couples and singles seeking the "urban experience," middle-age professionals desiring close proximity to work, or empty nesters and active retirees seeking lower-maintenance living. On the other hand,

we see challenges in absorbing the unprecedented number of units –nearly 11,000 at last count – that are poised to hit the regional market in the next few years.

Our report aims to provide you with detailed information about supply characteristics and broader demographic trends under-

lying condominium development throughout the seven core counties of the Twin Cities. The report covers all condominium development in the region since 1995, including new construction and renovations in buildings of 10 or more units.

A report such as this lays the important foundation for understanding and further discussion. We produced this report to help a variety of stakeholders, including property owners, developers and government leaders, understand the vital role that condominiums play in the larger housing system in the Twin Cities.

We encourage you to contact us with your comments and questions. We thrive on communicating with the larger community and grow more knowledgeable from your opinions. And as always, we stand ready to help you master the dynamics of the real estate market with innovative market research.

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas G. O'Neil". The signature is fluid and cursive.

Thomas G. O'Neil
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DSU Research is the market research arm of Dahlgren, Shardlow and Uban, Inc., a full-service community planning and urban design firm with offices in the Warehouse District of Minneapolis.

INTRODUCTION

Few real estate sectors in the Twin Cities have been more dynamic in recent years than the residential condominium market. Developers, seeking to capture broadening consumer interest in “lifestyle housing,” to take advantage of low interest rates for buyers, and to move away from sluggish commercial markets, have inundated the Twin Cities region with no fewer than 3,500 condominium units since 2000. Many of these units sold quickly and rapidly appreciated in value, giving additional developers the courage to jump into the market.

In the current year, a variety of developers will introduce over 2,100 new condo units to the market by year’s end, a number greater than all units developed in the previous nine years. This year has been exemplified by successes all over the Twin Cities: new loft projects in the Warehouse District of Minneapolis and the North Quadrant of St. Paul; the region’s first landmark condo high-rise in years at Grant Park in Minneapolis; and handsome suburban projects in such communities as Richfield, St. Anthony and Hopkins.

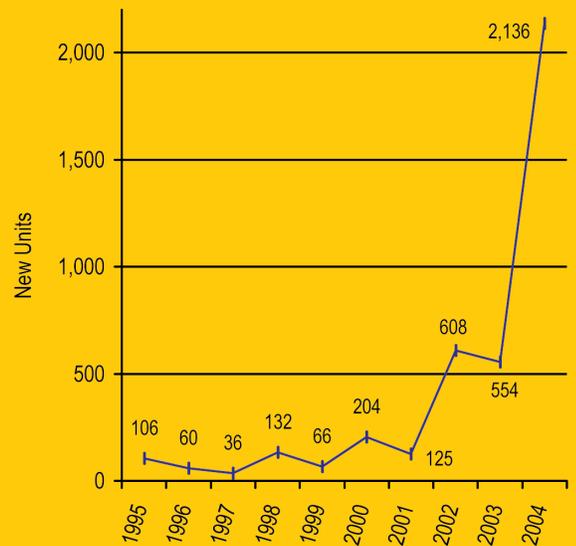
Throughout the market, many people are asking “When is the market for condos going to drop out?” While this answer is difficult to predict in an emerging market such as the current one, a variety of demographic indicators suggest that the condo market has “legs” over the long term.

Despite periodic swings in production and absorption, condos should be in demand for many years to come.

This report focuses on condominiums developed in the 7 core counties of the Twin Cities between 1995 and 2004 (based on data through the 3rd quarter). Most projects that will be finished before the end of 2004 were already under construction at press time, and thus, figures for this full year are reasonably accurate.

This report surveys buildings of 10 or more units that were newly constructed or renovated to housing from commercial uses or vacant states. This report does not cover apartment-to-condo conversions.

EXHIBIT 1
Condominiums Built by Year
Twin Cities Metro Area
1995-2004



Note: Only covers buildings of 10 or more units. Does not include senior cooperatives or senior condos with bundled services.

Source: DSU Research

Legally, condos make up one form of “common-interest” homeownership in Minnesota, with the other two forms being cooperatives and townhomes. In simple language, condos give buyers ownership of “what’s between the walls” and rights to use common areas, townhomes give ownership to a unit plus some land, and cooperatives grant buyers a share in a corporate entity that owns the building, along with a lease to occupy a particular unit.

While the definitive answer of what is and what is not a condominium lies in the legal ownership arrangement, the idea of a condominium in the eyes of buyers is much more of a function of the “look and feel” of a building and its units. In the minds of most people, a condo resembles an apartment more than a townhome, is usually part of a higher-density building, and generally requires residents to share common spaces, especially parking. Also, condominium buyers often expect to be “up in the air,” holding a unit on an upper floor, with no direct access from their unit to the street.

To simplify our analysis, we focus on the buyer perspective on what is and what is not generally considered a condominium. We therefore focus on design details – most notably the unit entry – and not the technical, legal ownership arrangement.



For this report, a condo building has these essential characteristics:

- It is **at least two stories in height**.
- It is designed such that **some units can only be accessed from the upper floors through common space**. Thus, some residents will access their unit through garages or common hallways, and will not have direct access at the ground level, a distinguishing feature of all townhomes.

A Note About Cooperatives

Cooperatives are a thriving, growing housing alternative in the Twin Cities. More than 2,200 units have been built in the 7-county metro since 1996, spread across roughly a dozen cities. However, with one exception – The Gramercy Club at City Bella in Richfield – cooperatives have been exclusively targeted to seniors. Because of the highly-focused market positioning of most cooperatives, we chose to exclude them from this report.



CONDOMINIUM SUBTYPES

The Twin Cities region is home to six main condominium subtypes, not including apartment conversions:

New construction low-rise – buildings of 4 stories or less

- 51% of the Twin Cities condo supply in the past 10 years*
- Examples: Marketplace Lofts in Hopkins, RiverStation in Minneapolis



New construction mid-rise – buildings between 5 and 12 stories

- 10% of the Twin Cities condo supply in the past 10 years*
- Example: Rock Island Lofts in Minneapolis, 301 Kenwood Parkway in Minneapolis

New construction high-rise – buildings with 13 or more stories

- 10% of the Twin Cities condo supply in the past 10 years*
- Examples: Grant Park in Minneapolis, The Tower at Normandale in Bloomington



Warehouse loft renovations – former warehouse buildings, often older with historic character, in older commercial districts in Minneapolis and St. Paul.

- 15% of the Twin Cities condo supply in past 10 years*
- Examples: Rossmor Lofts in St. Paul, 801 Washington in Minneapolis

Other renovations – buildings other than historic warehouses that are renovated to condos. This is a rare, but growing, form of condominium in the Twin Cities.

- 1% of the Twin Cities condo supply in the past 10 years*
- Example: Six Quebec in Minneapolis, Cloud 9 in Minnetonka



Age-restricted (senior) condos – Condominiums reserved for residents age 55+ or 62+.

- 13% of the Twin Cities supply in the past 10 years*
- Examples: Roseville Commons in Roseville, Grey Oaks in Andover

* Market share calculations do not factor in apartment-to-condo conversions.

REGIONAL BREAKDOWN OF CONDO MARKETS

To best inform our readers about trends within the Twin Cities, we divided the region into these eight submarkets:

Minneapolis / Downtown – the area within the I-94/I-35W freeway ring, as well as areas immediately adjacent, such as the Walker Art Center area, the International Market Square district and the Old St. Anthony riverfront area.

Minneapolis / Out of Downtown – all other areas not included in Downtown.

St. Paul / Downtown – the area within the I-94/I-35E freeway loop, between Chestnut Street on the west and Lafayette Road on the east. Includes the Upper Landing site.

St. Paul / Out of Downtown – all other areas not included in Downtown.

Northeast – generally covers the suburbs east of the Mississippi River and north of I-94, except Coon Rapids and Ramsey.

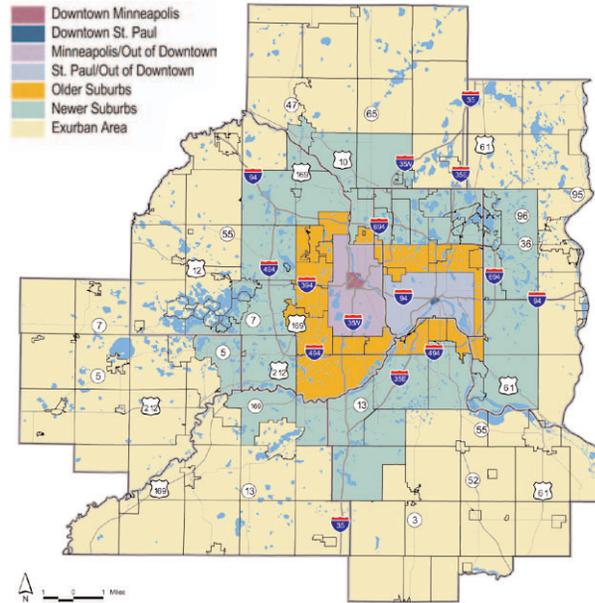
Northwest – generally includes all suburbs north of I-394/US 12 and west of the Mississippi River, plus Anoka, Ramsey, Coon Rapids and Andover.

Southeast – the suburbs south of I-94 and St. Paul, east of I-35W/I-35 and southeast of the Minnesota River. Includes all of Burnsville and Lakeville.

Southwest – generally includes all suburbs south of I-394/US 12 and west of I-35W/I-35. Includes all of Bloomington and Richfield.

Since redevelopment sites in the core cities and older suburbs are driving new condo opportunities, we also present development patterns by growth ring, along these lines:

Twin Cities Growth Rings



Minneapolis / Downtown – defined the same as above.

Minneapolis / Out of Downtown – defined the same as above.

St. Paul / Downtown – defined the same as above.

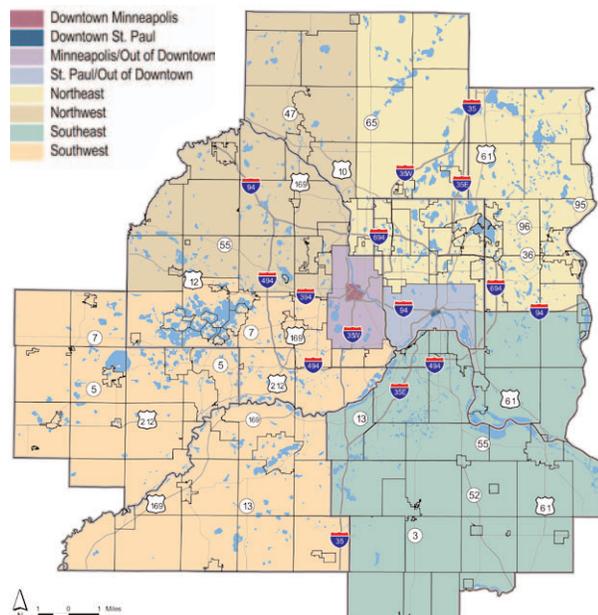
St. Paul / Out of Downtown – defined the same as above.

Older Suburbs – Essentially the first ring of suburbs around Minneapolis and St. Paul. These areas were generally developed in the 1950s and 1960s.

Newer Suburbs – This area generally includes all suburbs past the first ring, and up to the current edge of development around the Twin Cities. Cities within this area connect fairly quickly to the main highway grid surrounding the central cities.

Exurban Area (urban edge) – Areas generally outside of the contiguous built-up area of the Twin Cities, or those areas, such as the west side of Lake Minnetonka, that present significant commuting challenges due to distance off the main highway grid.

Twin Cities Condo Submarkets



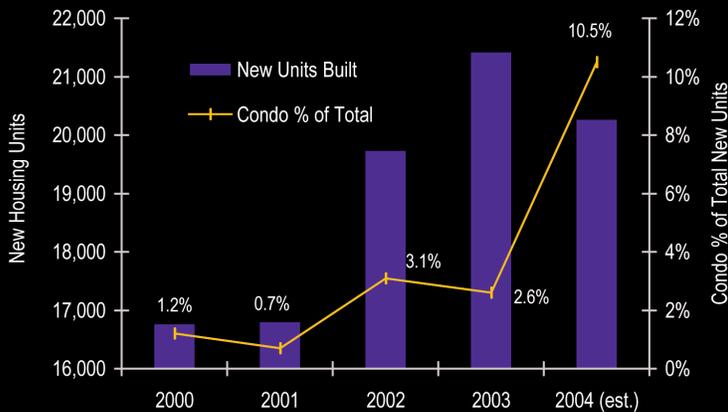
CONDO DEVELOPMENT PATTERNS IN THE TWIN CITIES

A Growing Piece of the Twin Cities Housing Market

Since 2000, the annual number of housing units built in the Twin Cities Metropolitan Area has averaged around 18,700, peaking at 21,400 in 2003. Multifamily units (anything other than a single-family home) have accounted for an increasing share of new Twin Cities housing, rising from 27% in 2000 (4,500 units) to a peak of 40% in 2002 (7,800 units).

Condominiums have grown with the rising tide of multifamily construction. Condos comprised just 1% or less of all new construction in 2000 and 2001, but rose to 3% in 2002 and 2003. With more than 20,000 new housing units of all types forecast in the seven Metro Area counties this year, condominiums should comprise over 10% of all new residential development in the region, an unprecedented share in the recent history of the Twin Cities.

EXHIBIT 2
Condominium Development as Percentage of Total New Housing in the Twin Cities 2000-2004

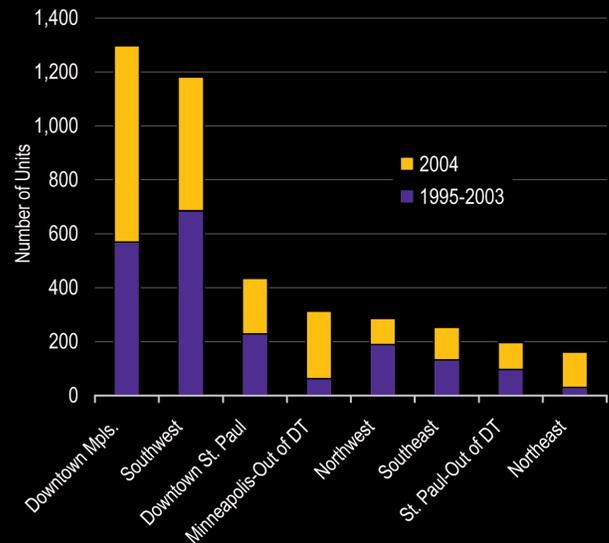


Source: U.S. Census Bureau, Survey of Construction, DSU Research

Development by Submarket, 1995-2004

Downtown Minneapolis has led the Twin Cities in condominium development since 1995 with over 1,300 units built. To underscore the force of the current market, more than 53% of the new units built in Minneapolis over the past 10 years will be added in 2004 alone.

EXHIBIT 3
Condo Units Built by Submarket in the Twin Cities 1995-2004



Source: DSU Research

The Southwest suburbs have also shown great strength over the past 10 years, adding over 1,100 new condo units, with a high percentage of the total added solely in 2004. Between 1995 and 2003, the Southwest submarket actually led all sectors in terms of overall units completed with roughly 700.

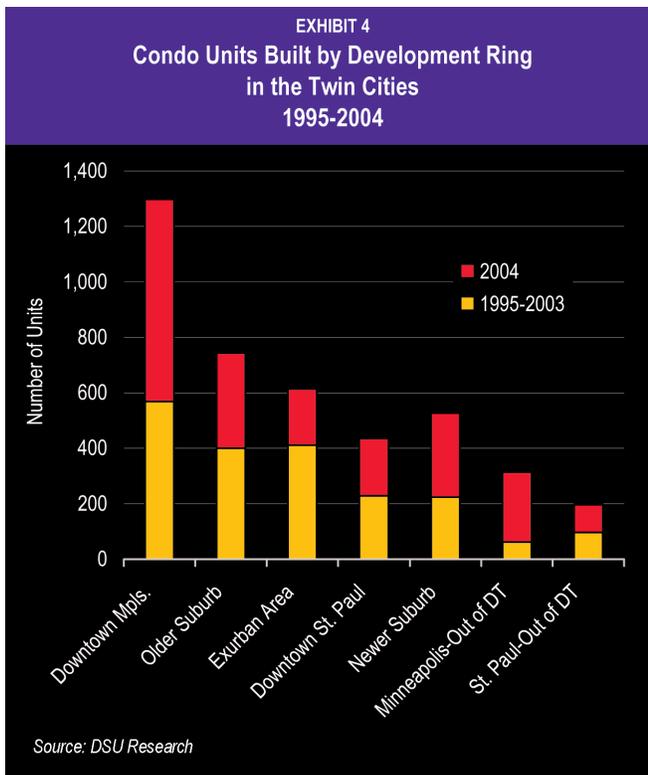
St. Paul has added over 400 units over the past decade, showing a similar geographic pattern of construction as in Minneapolis. Within each city, the Downtown areas, especially along the riverfront, have seen the most development.

The Northwest, Northeast and Southeast suburbs all showed moderate condominium development over the past decade with between 150 and 300 units each.

Development by Growth Ring, 1995-2004

Our tally of new condo construction by development ring shows two intriguing trends.

First, condo development has emerged as an important new housing product in the older suburbs, where a lack of affordable, raw land stifles the overall pace of growth, and virtually eliminates any new single-family product. In the older suburbs – communities such as St. Louis Park, Roseville, Edina and Richfield – over 700 units have been built since 1995, second in the region only to Downtown Minneapolis, with 1,300+ new units.



Several factors are driving condominium development in the older, inner-ring suburbs. First, civic leaders in places like St. Anthony and Maplewood are leading revitalization efforts on key redevelopment sites, many of which are ideal for housing. Second, developers are recognizing the substantial market of older, long-time residents who want to remain in their communities; condos are an ideal product for many of these buyers.

Third, the convenience of inner-ring suburbs to both suburban and central-city employment is tapping into the interest of working professionals who desire suburban living in close proximity to their jobs.

The second important condo trend to emerge in the past 10 years is the surprising growth of condos in exurban areas. Between 1995 and 2003, the collective exurban area around

EXHIBIT 5
Recent Condo Projects in Exurban or Fringe Cities

Project	City	Year Built
Grey Oaks	Andover	2003
Village Grace Condos	Chaska	2002
Cameron Woods	Farmington	2000
Lakefront Plaza	Prior Lake	2003
Creekside Commons	Prior Lake	2003
Stonegate Commons	Prior Lake	2002
Wachter Lake	Rosemount	2003
Village by the Bay	Mound	2003
Villas at St. Albans Bay	Shorewood	2003

Source: DSU Research

the Twin Cities – a vast land area at the urban fringe – saw the construction of more new units than the newer suburbs, all of St. Paul, or even Minneapolis (outside of Downtown). Driving this trend are age-restricted projects for seniors, which have made up more than 60% of exurban condo development since 1995. Condos in the exurbs have been a great alternative to keep retirees in their own communities, as well as offer them the chance to move closer to children and grandchildren.

Newer suburbs have lagged behind all other development areas in the Twin Cities since 1995, with the exception of those parts of Minneapolis and St. Paul that are outside Downtown, and Downtown St. Paul. This is due to a variety of reasons, especially the availability of raw land that is affordable enough to support lower-density single-family or townhome development.

Minneapolis

Condominium development over the past few years in Downtown Minneapolis has occurred on both sides of the Mississippi River. Several renovated mills now house warehouse lofts near St. Anthony Falls, including the North Star, Stone Arch, Washburn and Humboldt Lofts. Up the river on the west side, the North Loop Neighborhood has also added over 1,000 housing units in the past seven years, a substantial number of which are condominiums. RiverStation, a 360-unit, multi-phase development built between 1998 and 2002, helped initiate the condo boom in the North Loop.

Development in the Loring Park area is also picking up. Several projects are either under construction or planned for the area including 301 Clifton, The Groveland, and a possible project on the former Allina Hospital site along the eastern side of the Park itself.

The Elliot Park Neighborhood, which has not experienced owner occupied housing development in decades, is adding 332 units at Grant Park, a joint Opus/APEX project that is gradually opening this year and next. Numerous townhome units were sold and occupied this year, and the condo tower component opened in Summer 2004, beginning with the lower floors and working up. At least two other high-rise towers are also planned in the Elliot Park area.

Downtown is embarking on a new era with several high-rise projects planned in the coming years, most notably The Carlyle, another joint Opus/APEX project, located at 1st Street South and 3rd Avenue South. Scheduled to open in early 2006, it will contain 39 floors, making it the highest residential tower in Minneapolis – for the moment. It will likely be displaced by The Nicollet, a proposed 513-foot, 48-story tower at 10th and Nicollet that was revealed in late summer 2004.

Other high-rise projects poised for Downtown Minneapolis include The Ivy Hotel and Residence, the long-awaited preservation of the historic, iconic Ivy Tower building. This cosmopolitan project will give building residents access to hotel amenities and services, providing luxury on a scale found only in places like New York, Chicago and San Francisco. It has reportedly sold well in the initial stages of marketing.

St. Paul

Downtown St. Paul is experiencing substantial residential development, although its condominium boom began a couple years after the boom in Minneapolis. The North Quadrant and Lowertown areas are quickly expanding with numerous projects, including the Dakota and Essex by the Lander Group (2002 and 2003), and the Great Northern Lofts, a 53-unit warehouse renovation by The Cornerstone Group that opened in 2004.

The Upper Landing, perhaps the most ambitious riverfront redevelopment effort in the history of the Twin Cities, began to transform St. Paul's riverfront in 2001. When finished, this riverfront site just west of Downtown will hold nearly 600 housing units of owner and rental styles, with Centex Homes and David Bernard leading the ownership portion of the project. According to the City of St. Paul, 200 condominiums will be built on the site.

Across the Mississippi River from Downtown St. Paul and the Upper Landing, is the West Side Flats, a 45-acre, vast redevelopment site in St. Paul's West Side Neighborhood that began this year with the marketing of condo units by the Lander Group. When finished, West Side Flats is expected to offer 700 or more housing units in rental and ownership styles.

Southwest Suburbs

The Southwest submarket has been the most active suburban submarket over the past 10 years, with nearly 690 units opened between 1995 and 2003, and an additional 500 units due to open in 2004. Considerable activity has been found in older suburbs within the Southwest submarket, including St. Louis Park, Richfield, Hopkins and Edina. The Southwest submarket has been especially popular for condominium development due to its large share of metro area employment.

Notable developments that recently opened in the Southwest submarket include:

- Marketplace Lofts, a 48-unit condominium project in Hopkins, developed by The Cornerstone Group. Marketplace Lofts is notable due to its close proximity to more than 150,000 jobs, a large share of units priced below \$200,000

that attracted younger buyers, and ground floor retail space, a growing component among condominium projects on redevelopment sites in the Twin Cities.

- Grandview Square I and II, a two-phased development by Ron Clark containing 123 units on a redevelopment site along Vernon Avenue, close to Highway 100. A third phase of 50-60 units is planned for this site, which lies adjacent to a new Hennepin County library and senior center.
- Southwest Station, a three-building condo complex on a high-visibility site along Highway 5, west of Eden Prairie Center in Eden Prairie. Developed by North American Properties, this project benefits from its location adjacent to the Southwest Transit Station, a regional bus terminal with a 1,400-car park and ride lot.
- Kensington Park in Richfield, a 96-unit condo building on Lyndale Avenue, just north of I-494. Kensington Park began to open in 2004, and is being developed by The Cornerstone Group. The project holds ground floor retail space and a large number of units priced below \$200,000.
- The 80-unit Lakefront Plaza in Prior Lake, one of several condominium projects developed recently by Wensmann Homes. It also offers ground floor retail space, as well as a desirable lakefront setting.

Northwest Suburbs

Very few projects have been developed in the Northwest submarket since 1995, and most of the activity has been centered in Golden Valley, a suburb conveniently located near Downtown Minneapolis jobs. Projects in Golden Valley include Medley Hills Condos, Villas at Bassett Creek and Wesley Commons. Wesley Commons is notable as it was the first foray into condominium development by Rottlund Homes, via its David Bernard subsidiary. Rottlund has since replicated this concept in Eden Prairie at Hartford Commons, in St. Paul at The Upper Landing and in Downtown Minneapolis at Metropolitan Lofts. Units in these projects are mostly one-story

townhome/condominium hybrids, containing “stacked flats” with access to common, heated parking.

Other condo development in the Northwest submarket includes Grey Oaks I and II in Andover, which opened in 2003 and 2004, respectively. Both projects are part of a larger, master-planned community that includes mostly single-family homes. Each project contains 30 condo units.

Northeast Suburbs

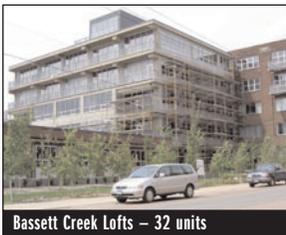
To date, the Northeast submarket has had the fewest condominium units built or renovated since 1995. In 2000, Mendota Homes developed Roseville Commons, a 30-unit, age-restricted development in Roseville.

Projects due to open in 2004 include the 77-unit Oak Hill Condominiums in North St. Paul, which was also developed by Mendota Homes. Stillwater is embarking on a spate of condominium units, the first 55 of which, Terra Springs I and II, began to open in 2004 on the former Stillwater Prison site. Other projects planned in Stillwater include The Lofts of Stillwater, a riverfront mid-rise building that will target the upper-end market, and Stillwater Mills on Main, a 98-unit project on Main Street.

Southeast Suburbs

Wachter Lake in Rosemount and Cameron Woods in Farmington, both age-restricted condominiums, have been the only projects built in this submarket since 1995. Wensmann Homes is adding two projects in 2004 in Apple Valley and Rosemount, named Midtown Terraces and Bards Crossing, respectively.

Technically outside of the Southeast submarket, but right at its edge, is Eagle's Point at St. Croix, a 43-unit condominium in Prescott, Wisconsin developed by Prescott Land Development. Due to its location overlooking the Mississippi River, it has units priced as high as \$870,000. Eagle's Point is scheduled to open by the end of 2004.



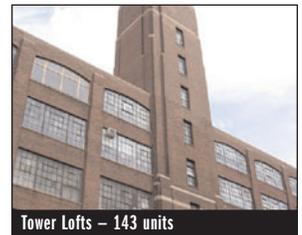
Bassett Creek Lofts – 32 units



918 Lofts – 30 units



801 Washington Lofts – 63 units



Tower Lofts – 143 units



RiverStation – 347 units



710 Lofts – 60 units



Bookmen Lofts/Stacks – 57 units/43 units



Lofts at IMS – 96 units



Carlyle – 283 units



Six Quebec – 21 units



301 Kenwood Parkway – 15 units



301 Oak Grove – 59 units



The Groveland – 135 units



301 Clifton – 44 units



Grant Park – 332 units



DOWNTOWN



nits



Lindsay Lofts – 52 units



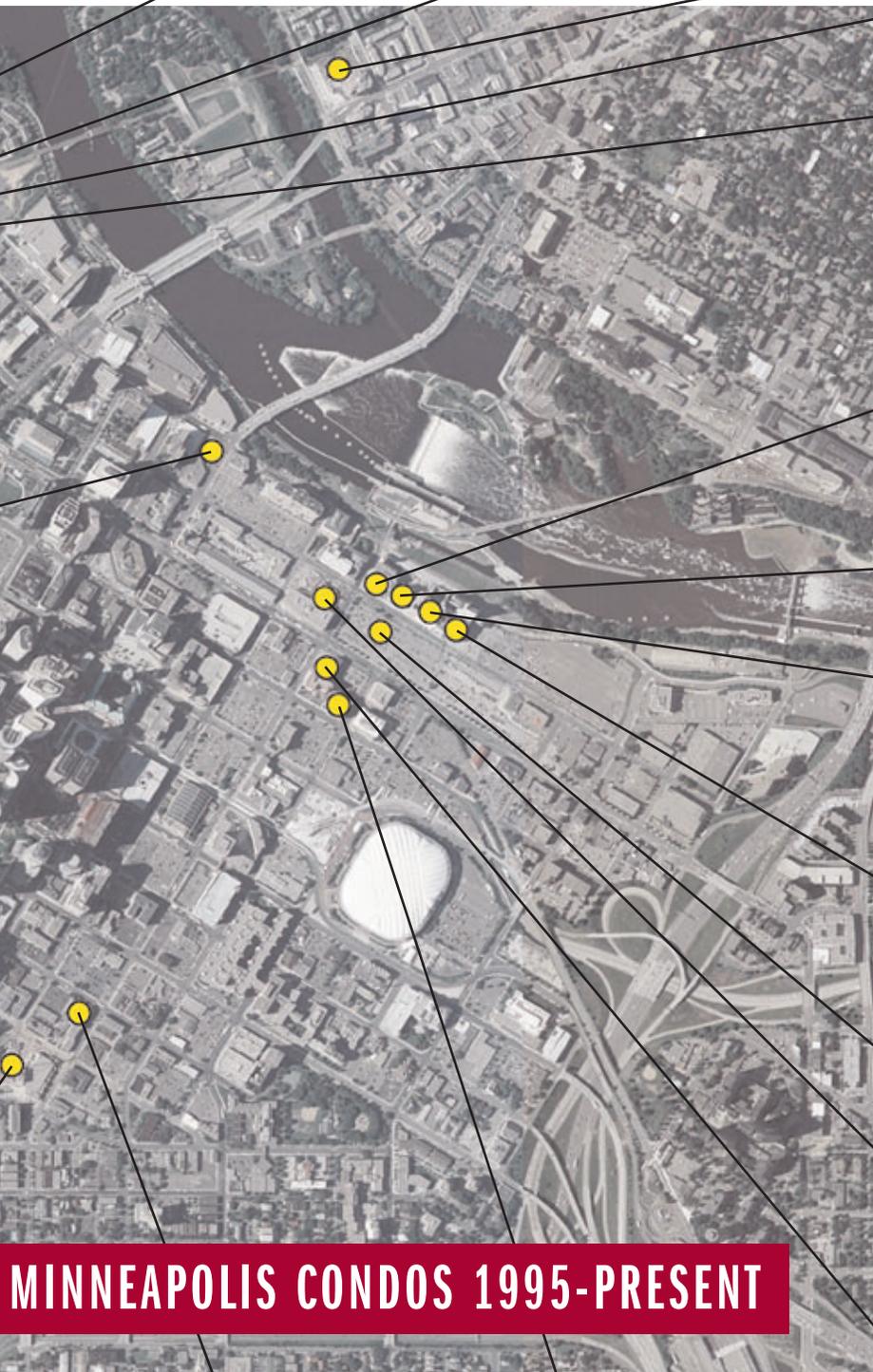
Rock Island Lofts – 63 units



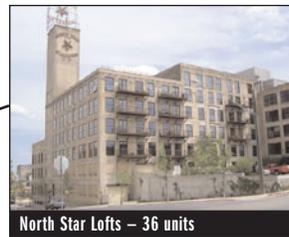
Village at St. Anthony Falls – 47 units/63 units



Security Lofts – 54 units



212 Lofts – 55 units



North Star Lofts – 36 units



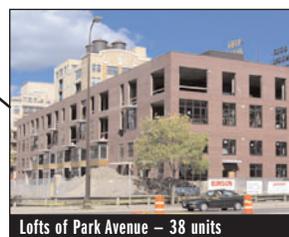
Stone Arch Lofts – 35 units



Washburn Lofts – 23 units



Humboldt Lofts – 36 units



Lofts of Park Avenue – 38 units

MINNEAPOLIS CONDOS 1995-PRESENT



The Lenox – 24 units



American Trio Lofts – 90 units



607 Lofts – 30 units



Metropolitan Lofts – 22 units

CONDO PRICING IN THE TWIN CITIES

General Trends

Overall prices for new condos in the Twin Cities increased by 10% annually between 1999 and 2003, based on sales through the Regional Multiple Listing Service (Exhibit 6). On a

per-square-foot basis, Twin Cities area condos have escalated from about \$150 to \$220 on average in the past 4 1/2 years.

Since 2002, when the condo supply really started to emerge with 600+ new units, Downtown Minneapolis has been the

highest-priced submarket, with average prices consistently hitting over \$215 per square foot over the past 2 1/2 years, and over \$270 since the beginning of last year (Exhibit 7).

This year, the St. Paul/Out of Downtown submarket has passed the critical \$200 per-square foot barrier across all units sold through the RMLS. Emerald Gardens, just off of University Avenue near Highway 280, has driven the activity in this submarket.



EXHIBIT 7
Overall Average Condo Sales Price (per square foot)
Twin Cities Submarkets
2002-2004 (through 9/15)

	2002		2003		2004 (9/15)	
	Price Per Sq. Ft. ¹	Projects Reporting ²	Price Per Sq. Ft. ¹	Projects Reporting ²	Price Per Sq. Ft. ¹	Projects Reporting ²
Downtown Minneapolis	\$218	3	\$287	7	\$271	9
St. Paul-Out of Downtown	\$192	2	\$191	3	\$214	5
Northwest	\$158	2	\$199	4	\$190	2
Minneapolis-Out of Downtown	N/A ³	--	N/A ³	--	\$187	3
Southwest	\$236	5	\$173	10	\$168	11
Southeast	N/A ³	--	\$162	1	\$155	5
Northeast	N/A ³	--	N/A ³	--	\$153	2
Downtown St. Paul	\$171	1	\$184	2	N/A ³	--
Twin Cities Average/Total	\$207	13	\$217	27	\$222	37

¹ Grand average figure; the sum of all sales prices divided by the sum of all unit sizes.

² This is the number of projects reporting new sales through the Regional Multiple Listing Service. This is a market sample and not the full universe of new units, many of which are sold directly by developers, outside of the RMLS system.

³ There were too few closed, recorded sales to produce meaningful analysis.

Sources: Regional Multiple Listing Service, DSU Research

CONDO PRICING IN THE TWIN CITIES continued

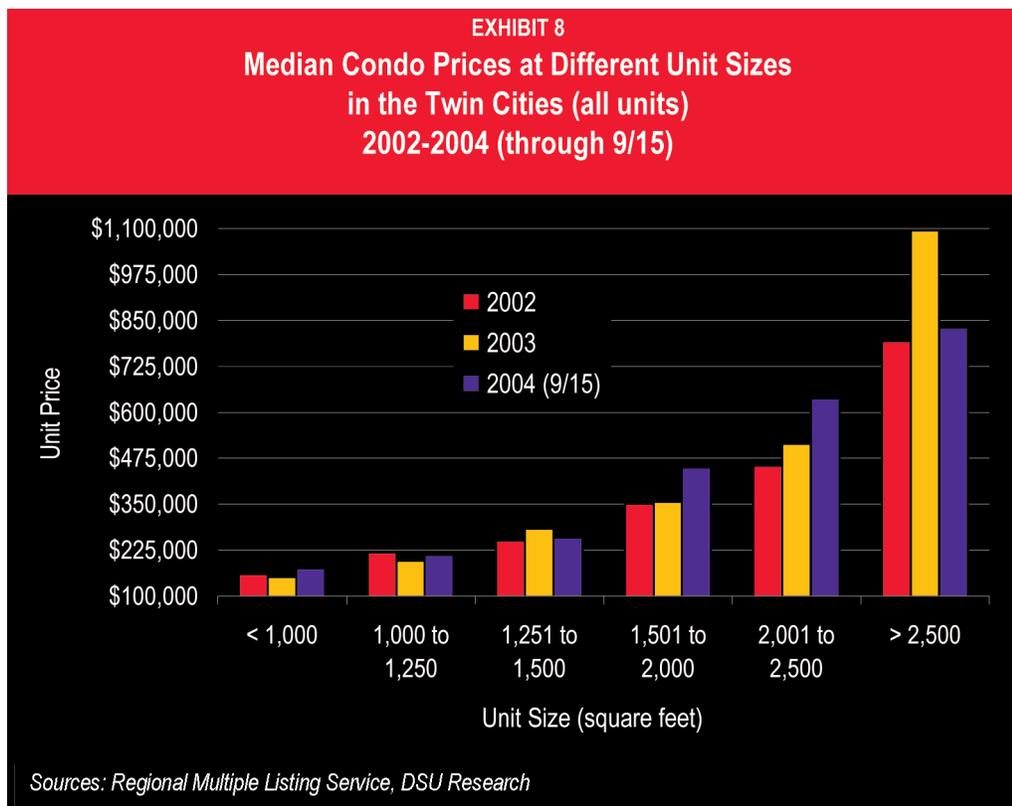
Besides St. Paul/Out of Downtown and Downtown Minneapolis, only the Southwest submarket has averaged over \$200 in any given year since 2002, hitting \$236 in 2002. Strong pricing in the Southwest submarket was driven by Grandview Square in Edina and smaller projects in the Lake Minnetonka area.

Condo Pricing by Unit Size

Price appreciation has generally occurred among all unit sizes since the beginning of 2002, although units above 1,500 square feet have shown the strongest growth in recent years (Exhibit 8). The median price for all new condo units above 1,500 square feet sold through the RMLS increased by roughly

20% between 2002 and August 2004. At the same time, the increase for units smaller than 1,500 square feet was only about 5%.

The median raw sales price in any given year is dependent upon the specific supply of units at the time, so market fluctuations between years could simply reflect an influx of lower- or higher-value products. For example, the high spike in median prices in 2003 for units above 2,500 square feet was driven by 301 Kenwood Parkway, a 16-unit, Minneapolis project near the Walker Art Institute that displayed an average sales price above \$1.2 million for the year.



The Value of the Housing Dollar

The competition for new condo units has been remarkably strong in many submarkets over the past 2 to 3 years – especially in Downtown Minneapolis – and this has shown up in purchasing power. Between 2002 and 2003, the amount of unit a typical Twin Cities buyer could get for the dollar fell at all price points, especially at higher sales prices (Exhibit 9). In essence, buyers received less for their money as they bid

at St. Anthony Falls (2002) triggered a strong response from upscale buyers all throughout the Twin Cities, driving up prices.

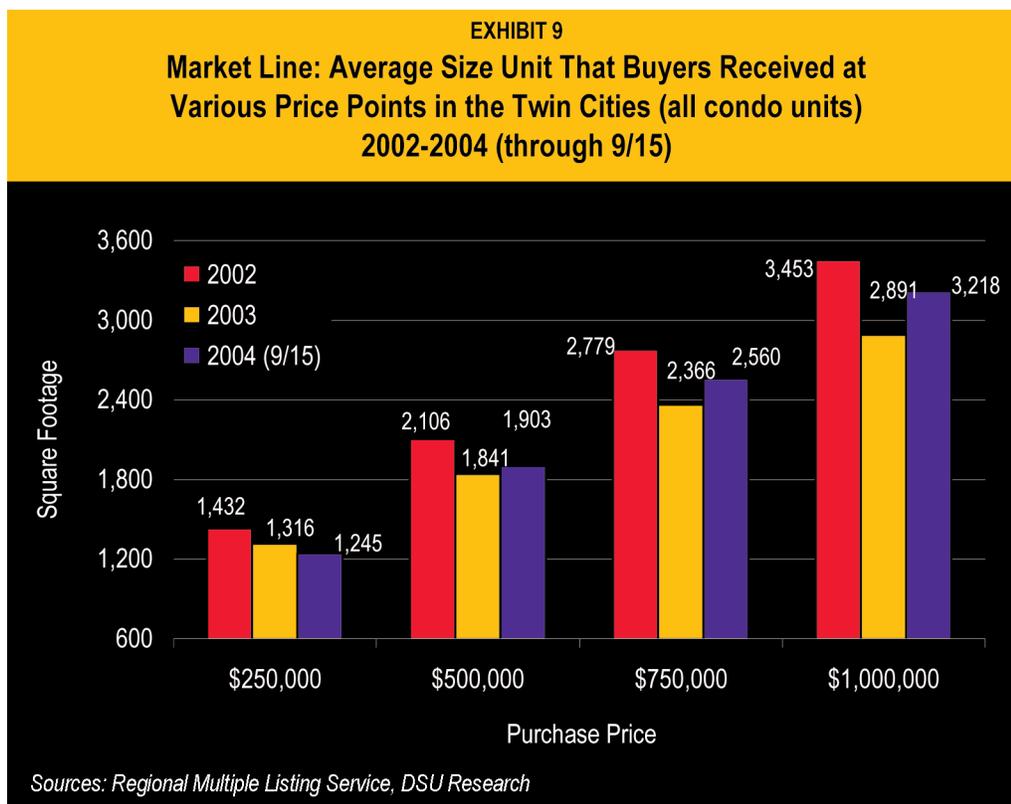
There are strong signs that the Twin Cities condo market is quickly turning to a buyer's market, at least in relative terms compared to 2003. Thus far this year, buyers have been receiving "more unit for the money" across all price levels, with the exception of units priced at about \$250,000. Buyers at this price point have been receiving slightly less unit for

their money this year compared to last, likely in response to the large number of younger buyers who have entered the market recently.

As the number of units coming on-line grows over the next few years, the purchasing power of buyers at the low end should stay stable, or even rise. A large number of projects slated for 2005 or after plan to focus on the buyer segment at \$200,000 or below, which should open up the market at the entry level.

Individual projects in

high demand, such as The Carlyle, a 39-story high-rise in Minneapolis, have bucked the trend toward loosening prices this year. Demand for reservations at this and other high-rise projects was substantial, and prices rose quickly in response. However, buyers in other product niches with much deeper competition will face much more stable pricing levels in the coming year, as they will likely have more available product from which to choose.



up prices in competition with one another, pursuing relatively few unit offerings.

A clear example was for buyers in the \$1,000,000 price bracket; at this price point, average unit size dropped by 560 square feet. The emergence of successful upscale renovations along the River in Minneapolis, including The Stone Arch Lofts (2001), Washburn Lofts (2002) and the first phase of the Village

Emerging Housing Opportunities

For several decades, there has been a consistent shift away from the traditional nuclear family – a married couple with their own children – toward households of all types and structures. In fact, between 1970 and 2000, the percentage of nuclear families among all U.S. households dropped from 43% to 24%, signaling the end of family-dominated communities, and giving rise to communities with a wide range of household types – single professionals, permanently-childless couples, active retirees, single-parents, divorcees, and more.

As this gradual, consistent shift away from the traditional, family-centered community has occurred in many cities, “lifestyle” housing has emerged with great momentum. Condos are perhaps the best example of this trend, allowing residents the opportunity to live in exciting urban areas, near a variety of conveniences, without the burdens of yard work, snow shoveling and other exterior chores.

Over the course of this decade, the shift away from the nuclear family will intensify as the leading edge of the baby-boom cohort ages toward 60, the children of boomers form their own households, and many “older-boomer” households become empty nesters. As 2010 projections from the national consulting firm of Martin & Associates reveal, remarkably, U.S.

households with children are expected to decline by about 87,000, while households with no children – including childless couples, singles and roommates – are expected to swell by nearly 12 million (Exhibit 10). This growth pattern has profound implications on housing demand, and presents substantial potential for low-maintenance, amenity-laden housing products such as condos.

A close look at projections by specific market segment (Exhibit 11) reveals clear opportunities for condominiums throughout the rest of the decade, led by the aging of the baby boomers and the continuing strong health of many retirees. Of the top ten U.S. growth segments this decade, not one consists of a householder under age 45, and only one (45-54 year olds) includes households with children under 18.

Furthermore, the two top growth segments are comprised of 55-64 year-old persons, either married and childless, or single and living alone. Together these two market segments should drive half of the growth of new households in the U.S. by 2010. Households led by 45-54 year-olds, the younger half of the baby boomers, will drive an additional 20%, with growth again led by childless couples and singles.

These national growth patterns, which also apply to the Twin Cities, clearly show why the demand for low-maintenance,

EXHIBIT 10 Emerging Housing Opportunities in the United States (Growth by Household Type) 2000-2010						
Total Household Change	Household Type					
	Without Children				With Children	
	Married without Children	Single Persons	Adult Relatives Living Together	Roommates	Single-Parents	Married with Children
11,732,000	5,276,000	4,948,000	1,023,000	572,000	(11,000)	(76,000)
	11,819,000				(87,000)	

Sources: Bureau of the Census, Martin & Associates, DSU Research

DEMOGRAPHIC DRIVERS OF CONDOMINIUM DEMAND cont.

lifestyle-oriented condos has been so strong in recent years. These patterns also likely indicate sustained condo demand throughout the rest of the decade.

Other national trends in condo demand that apply to the Twin Cities include the following:

- Financially successful “Gen X-ers” (born between 1965 and 1976 and currently between the ages of 28 and 39) make up a significant component of demand, especially for moderately-priced units (under \$200,000 in the Twin Cities), in exciting urban neighborhoods.
- First-time buyers, including singles, couples without children, or couples with very young children, see condos as a great way to gain affordable ownership housing before they settle into single-family housing, often in the suburbs.
- Single females are one of the fastest-growing market segments as condos offer an affordable and safe home-ownership option. In particular, many condo buyers in their 40s and up are divorcees, or are married for the second time, without children.
- Changing housing expectations among young adults – namely that rental housing isn’t the only option – is helping drive the youngest households to condos and townhomes.
- Moderately-priced units in the suburbs are catering to the large majority of working buyers with an affinity to suburban living.
- Condo units with convenient transit connections to employment centers and airports work very well for traveling professionals. Southwest Station, in Eden Prairie near a regional bus terminal, and Reflections at Bloomington Central Station, adjacent to Twin Cities International airport and a Hiawatha LRT station, are local examples.

EXHIBIT 11
Top 10 Housing Market Opportunities in the U.S.
(New Households by Age and Type)
2000-2010

Market Segment: Age and Type		Number of New Households	Growth Rate
Age 55-64	Married without Children <18	3,115,000	48%
Age 55-64	Single, Living Alone	2,287,000	35%
Age 45-54	Married without Children <18	1,169,000	30%
Age 45-54	Single, Living Alone	1,063,000	28%
Age 45-55	Married with Children <18	855,000	23%
Age 65-74	Married without Children <18	806,000	46%
Age 75+	Single, Living Alone	801,000	62%
Age 65-74	Single, Living Alone	777,000	44%
Age 55-64	Adult Relatives Living Together	540,000	8%
Age 75+	Married without Children <18	378,000	10%

Sources: Bureau of the Census, Martin & Associates, DSU Research

Where We Are in the Market Lifecycle

The condo market in the Twin Cities is an evolving, yet still immature market with significant volatility at the moment. In many respects, the Twin Cities area is experiencing a “gold rush” with condos, with developers hurrying to capture a piece of the dramatic growth – while the growth is still dramatic. Development is being fueled by demographic changes, but also by commercial developers shifting focus toward condos to keep their internal project pipelines full during a slow period in the office market.

We believe that condo development in the coming years will follow a pattern somewhat similar to that of senior housing over the past two decades. The senior housing market in the Twin Cities expanded rapidly by tapping into pent-up demand with new products. Growth did not necessarily occur because of high growth in the underlying consumer base. There are some similarities with the current condo market; pent-up demand is leading the way.

The initial years of the current condo boom have revealed that new projects are largely serving pent-up demand as buyers are realizing the substantial benefits of condo living through a variety of new condo products, in an assortment of new settings. As the next few years unfold and condos become a staple product with a predictable share of new development, the market will settle into a more-mature stage, where developers merely respond to year-by-year growth, and pent-up demand has largely been satisfied.

This latter, mature-market phase of the Twin Cities condo market is still years off, in our opinion, although it is difficult to predict exactly when pent-up demand will largely be satisfied; we probably won't know until it has already past. However, the movement of baby boomers out of their single-family homes could drive the market for years to come, offering significant, ongoing opportunities for developers. For now, in this early-market phase, developers and buyers will have to live with considerable volatility in the market, in terms of pricing changes, competitive entrants, and product absorption rates.

Market Test One: The Overall Twin Cities

In many respects, 2005 could be a “make or break” year for condos in the Twin Cities. First and foremost, market watchers will find out whether the Twin Cities market is deep enough to handle a virtual doubling of production over 2004. Of the 95 new projects known about at this time and expected to open in 2005 or after (Exhibit 12), nearly 40 have planned initial occupancy dates sometime in 2005, representing nearly 3,700 new units. An additional 1,300+ units known about at this time are expected to be under construction in 2005 and poised for delivery in 2006; as time progresses, this number could rise considerably.

EXHIBIT 12 Condo Projects in the Planning Stages in the Twin Cities Market Entry: 2005 and After			
Submarket	Number of Projects	Units Planned	% of Metro
Downtown Minneapolis	41	6,198	57%
Southwest	21	1,629	15%
Northeast	7	721	7%
Northwest	3	586	5%
Downtown St. Paul	6	552	5%
St. Paul-Out of Downtown	5	510	5%
Minneapolis-Out of Downtown	9	485	4%
Southeast	3	238	2%
Totals	95	10,919	100%

Note: Based on market data through 10/1/04. Some projects in the planning stages lack unit totals at this time.

Source: DSU Research

Fortunately, much of the coming condo product will be well spread throughout the Twin Cities region. Based on what is known now, roughly 41% of future supply (over 4,100 units) is planned in suburban locations, or on sites in the central cities, outside of Downtown. Thus, a good supply of new product will be distributed over a large geographic area, targeted to a variety of different buyers and marketed through an assortment of unique positioning points. If developers build high-quality product, and are responsive to product details and competitive pricing, they should have success in most of these non-Downtown and suburban locations.

Market Test Two: Downtown Minneapolis

The second litmus test to determine the depth of the local condo market centers on Downtown Minneapolis, the submarket with 57% of the planned condo product across the Twin Cities (nearly 6,200 units). At press time, over 40 condo projects were either planned, formally proposed, seeking city approvals or in some stage of construction in Downtown Minneapolis. This does not include four projects that are stalled, and may still become viable. In total, Downtown Minneapolis is poised to see construction begin on over 5,100 new units between 2005 and 2007, based on current data.

Planned condo development is creating new subdistricts in Downtown Minneapolis, with concentrations arising in the North Loop Warehouse District, the Downtown Office Core, along the east end of Washington Avenue near the Mill Ruins area, in Elliot Park and around Loring Park. Each district offers its own unique benefits for buyers, and each district has its own competitive situation.

Downtown Minneapolis is leading the way with condo development because it has truly grown into the center of activity for entertainment, nightlife, culture and business in the Twin Cities. A variety of changes Downtown, including numerous new upscale restaurants on Nicollet Mall, enhanced Riverfront open spaces, the new Guthrie Theater and the redeveloped Block E, have made Downtown Minneapolis much more cosmopolitan, attracting corporate transferees, highly-educated immigrants, and younger and older lifestyle-oriented residents. As well, with 165,000 plus daily workers, Downtown Minneapolis has underlying demand strength from workers who are interested in living near their work, perhaps without a car.

The ongoing strength of Downtown Minneapolis should fuel several successful condo projects in the coming year. We estimate that about 500 new condo units will be absorbed in Downtown Minneapolis in 2004 (MLS and non-MLS sales). We expect this number to rise to between 750 and 1,000 in 2005, as the marketing behind the high volume of new product in Downtown Minneapolis creates broader reach across the Twin Cities.

Remainder of the Twin Cities

The Southwest submarket, with 1,600+ units planned, should perform well in the coming years for two main reasons. First, the 21 proposed condo projects in the Southwest submarket are spread across ten different cities, many of which have seen no condo construction over the past 10 years. Thus, many of these projects will be serving pent-up demand exclusively. In particular, Reflections at Bloomington Central Station, a 270-unit condo project in twin high-rises, could be appealing to south metro working professionals due to its proximity to the Hiawatha LRT line, the Mall of America and the international airport.

Second, the Southwest submarket has roughly 400,000 jobs (about 25% of the 7-county total), many of which are white-collar positions. The high number of technical, sales, managerial and professional jobs in the Southwest submarket makes this region a natural place to build innovative, lifestyle-oriented condos.

In particular, St. Louis Park will be a city to watch in the coming years. This well-located first-ring suburb in the Southwest submarket has 6 condo projects somewhere in the planning stages, accounting for 426 units. The degree of sales success in this city will be an important barometer for condo development elsewhere in the Twin Cities.

Of the remaining submarkets, the Northeast will begin to surge forward in 2005. At press time, over 700 units were planned for market delivery in 2005 in this area. Several hundred of the units will be added in Downtown Stillwater, a focused test-case for condo product absorption in an area with many "lifestyle" selling points.

Downtown St. Paul, the Northwest suburbs, and the non-Downtown portions of Minneapolis and St. Paul, each have between 450 and 590 units in the planning stages at this time. Each area holds between 4% and 5% of units expected in 2005 or after. The Southeast submarket holds the least activity of all Twin Cities submarkets, with under 300 units planned at this time.

Overall, the increasing supply of condos across the Twin Cities will put an increasing premium on location. Those projects that can boast of open space amenities, exciting retail and entertainment options or excellent access to transportation and jobs should perform well.

DSU RESEARCH

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Other Services

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- Panel discussions and expert testimony
- Client representation in front of public bodies
- Community group meetings

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FACT SHEET - 4 STORY - 2 Story Concrete, 2 Story Wood Frame

Walker Library - 2858 Hennepin Ave S
The Lander Group, Inc.

1/31/2005

OVERALL SITE FACTS:

Site Size	20,374		168' (Fronting Hennepin) x 122' (fronting Lagoon)				
Zoning	OR2		(20,374 sq. ft. x 2.5 FAR x 1.2 underground pkg bonus)				
Square Footage Allowed	61,122						
Total Square Footage Designed (including pkg.)	101,872						
Total Square Footage Designed Less pkg.	61,122						
Gross Residential Square Footage (w/o pkg.)	42,722						
Gross Library Square Footage (w/o pkg.)	17,000						
Retail Square Footage (w/o pkg.)	1,400						
Residential Parking Square Footage	25,112		440.56	square feet per stall			
Library Parking Square Footage	3,965						
Public Parking Square Footage	10,573						
Parking Stalls	90						
Residential Parking Stalls	57		1.68 per housing unit				
Library Parking Stalls	9						
Public Parking Stalls	24						
Housing Units	34						

RESIDENTIAL PORTION STATISTICS							
Residential Square Footage	42,722						
Residential Saleable Square Footage	34,178						
Efficiency	80.00%						
Residential Parking Stalls	57						
Residential Parking Square Footage	25,112						
Square Footage Per Stall	441						
Parking Ratio	1.68						
Average Unit Size in Saleable Square Feet	1,005						
Average Unit Size in Gross Square Feet	1,257						
Average Price Per Saleable Square Feet	\$130						
Average Unit Price	\$130,691						

LIBRARY PARCEL STATISTICS							
Library Square Footage	17,000						
Library Parking Square Footage	3,965						
Library Entry, Mechanical, Loading	1,100						
Square Footage Per Stall	441						

PUBLIC PARKING STATISTICS							
Public Parking Square Footage	10,573						
Square Footage Per Stall	441						

RETAIL PARCEL STATISTICS							
Retail Shell Square Footage	1,400						

COST SHEET - 4 STORY - 2 Story Concrete, 2 Story Wood Frame

Walker Library - 2858 Hennepin Ave S
The Lander Group, Inc.

1/31/2005

OVERALL CONSTRUCTION COST: 2 Levels of Parking, 8 Story Post Tension Concrete

LEVEL	Gross Sq. Ft.	Gross Cost/Sq. Ft.	Total Cost	Saleable Sq. Ft.	Saleable Cost/Sq. Ft.	Total Cost	Type	Use
Parking 1 - below grade	20,375	\$40	\$815,000	20,375	\$40.00	\$815,000	PT Concrete	Parking
Parking 2 - @ grade	19,275	\$40	\$771,000	19,275	\$40.00	\$771,000	PT Concrete	Parking
Library - Entry, Loading, Mechanical	1,100	\$40	\$44,000	1,100	\$40.00	\$44,000	PT Concrete	Library
Level 1 - Library @ grade	17,000	\$175	\$2,975,000	17,000	\$175.00	\$2,975,000	PT Concrete	Library
Level 1 - Retail Shell	1,400	\$100	\$140,000	1,400	\$100.00	\$140,000	PT Concrete	Com. Room
Level 2 - Housing	17,000	\$145	\$2,465,000	13,600	\$181.25	\$2,465,000	PT Concrete	Housing
Level 3 - Housing	17,000	\$125	\$2,125,000	13,600	\$156.25	\$2,125,000	PT Concrete	Housing
Level 4 - Housing	8,722	\$125	\$1,090,250	6,978	\$156.25	\$1,090,250	PT Concrete	Housing
Totals Including Parking	101,872	\$102	\$10,425,250	93,328	\$112	\$10,425,250		

RESIDENTIAL CONSTRUCTION COST	Gross Sq. Ft.	Gross Cost/Sq. Ft.	Total Cost	Saleable Sq. Ft.	Saleable Cost/Sq. Ft.	Total Cost	Type	Use
Residential Parking	25,112	\$40	\$1,004,467	25,112	\$40.00	\$1,004,467	PT Concrete	Parking
Level 2 - Housing	17,000	\$145	\$2,465,000	13,600	\$181.25	\$2,465,000	PT Concrete	Housing
Level 3 - Housing	17,000	\$125	\$2,125,000	13,600	\$156.25	\$2,125,000	Wood Frame	Housing
Level 4 - Housing	8,722	\$125	\$1,090,250	6,978	\$156.25	\$1,090,250	Wood Frame	Housing
Totals for Residential Construction Component	67,834	\$99	\$6,684,717	59,289	\$113	\$6,684,717		
Total Saleable Residential Square Feet				34,178				

LIBRARY CONSTRUCTION COST	Gross Sq. Ft.	Gross Cost/Sq. Ft.	Total Cost				Type	Use
Library Parking	3,965	\$40	\$158,600				PT Concrete	Parking
Library Entry, Loading, Mechanical	1,100	\$40	\$44,000				PT Concrete	Library Misc.
Level 1 - Library @ grade	17,000	\$175	\$2,975,000				PT Concrete	Library
Totals for Library Construction Component	22,065	\$144	\$3,177,600					

PUBLIC PARKING CONSTRUCTION COST	Gross Sq. Ft.	Gross Cost/Sq. Ft.	Total Cost				Type	Use
Level 1 - Public Parking @ grade	10,573	\$40	\$422,933				PT Concrete	Public Parking
Totals for Public Parking Construction Component	10,573	\$40	\$422,933					

RETAIL CONSTRUCTION COST	Gross Sq. Ft.	Gross Cost/Sq. Ft.	Total Cost				Type	Use
Level 1 - Retail Shell	1,400	\$100	\$140,000				PT Concrete	Retail
Totals for Retail Construction Component	1,400	\$100	\$140,000					

TYPE ANALYSIS - 4 STORY - 2 Story Concrete, 2 Story Wood Frame

Walker Library - 2858 Hennepin Ave S
The Lander Group, Inc.
 1/31/2005

SOURCES PER TYPE

RESIDENTIAL	Price / Sq. Ft.	Saleable Sq. Ft. / Floor	Revenue Per Floor	Cost Per Floor	Profit Per Floor
For Sale Residential Parking	\$25,000/stall	11 extra stalls	\$275,000	\$276,782	(\$1,782)
Residential Parking w/unit		46 stalls	\$0	\$1,157,451	(\$1,157,451)
Level 2 - Housing	\$285	13,600	\$3,876,000	\$3,519,662	\$356,338
Level 3 - Housing	\$300	13,600	\$4,080,000	\$3,034,192	\$1,045,808
Level 4 - Housing	\$325	6,978	\$2,268,287	\$1,566,719	\$711,568
Residential Totals	\$130	34,178	\$10,499,287	\$9,544,806	\$954,481
Residential Programmed Profit (10% of costs)					\$954,481
Residential Net:					\$0

PUBLIC PARKING	Price / Sq. Ft.	Saleable Sq. Ft. / Floor	Revenue Per Floor	Cost Per Floor	Profit Per Floor
Public Parking (24 stalls @ \$1800/year @ 7% cap)	\$40	10,573	\$617,143	\$603,887	\$13,256
Public Parking Totals		10,573	\$617,143	\$603,887	\$13,256
Public Parking Net					\$13,256

RETAIL CONSTRUCTION	Price / Sq. Ft.	Saleable Sq. Ft./ Floor	Revenue Per Floor	Cost Per Floor	Profit Per Floor
Level 1 - Retail Shell (Revs \$35 net @ 8% cap)	\$100	1,400	\$612,500	199,900	\$412,600
Retail Net					\$412,600

LIBRARY	Price / Sq. Ft.	Saleable Sq. Ft. / Floor	Revenue Per Floor	Cost Per Floor	Profit Per Floor
USES					
Library Parking		3,965	\$0	\$226,458	(\$226,458)
Library - Entry, Mechanical, Loading		1,100	\$0	\$62,826	(\$62,826)
Level 1 - Library @ Grade		17,000	\$0	\$4,247,868	(\$4,247,868)
Library Furniture and Fixtures			\$0	\$250,000	(\$250,000)
Interim Library Costs			\$0	\$250,000	(\$250,000)
Library Total Uses		22,065	\$0	\$5,037,152	(\$5,037,152)
SOURCES					
Land Sale					\$1,049,929
Library Trust Fund					\$180,000
Sale of Former Library					\$440,000
Library Total Sources					\$1,669,929
Library Gap					(\$3,367,223)

ADDITIONAL GAP RESOURCES FUNDED BY HOUSING, OTHER	Sources				
Residential Tax Abatement (\$10,800,000 @ 1.5% @ 15 yrs. @ 5% int)					\$1,058,430
Public Parking Net					\$13,256
Retail Net					\$412,600
Hennepin County, Met Council, LCDA, CPED Corridor Initiative, NRP Funds, Public and Private Community Fundraising					\$1,882,937
ADDITIONAL NET GAP RESOURCES FUNDED BY HOUSING, OTHER					\$3,367,223

OVERALL SOURCES					
RESIDENTIAL REVENUES:					\$10,499,287
PUBLIC PARKING:					\$617,143
RETAIL REVENUES:					\$612,500
LIBRARY REVENUES:					\$1,669,929
ADDITIONAL NET GAP RESOURCES FUNDED BY HOUSING (Less Public Pkg Net, Retail Net)					\$2,941,367
TOTAL SOURCES					\$16,340,225

OVERALL USES:					
COST OF HOUSING:					\$9,544,806
COST OF LIBRARY:					\$5,037,152
COST OF PUBLIC PARKING:					\$603,887
COST OF RETAIL:					\$199,900
DEVELOPER PROFIT:					\$954,481
TOTAL USES:					\$16,340,225

OVERALL PROFORMA - 4 STORY - 2 Story Concrete, 2 Story Wood Frame

Walker Library - 2858 Hennepin Ave S
The Lander Group, Inc.
 1/31/2005

LOAN TERMS:

Loan (70% of costs):				\$	10,150,000	
Loan Period (# Months):					15	
Interest:					6.5%	
Loan Points					1%	

USES**% of Costs**

Land				\$	1,049,929	7.05%
Title Insurance				\$	5,000	0.03%
General Legal				\$	50,000	0.34%
City Approvals				\$	5,000	0.03%
Condominium Documents				\$	7,000	0.05%
Contracts				\$	5,000	0.03%
Real Estate Taxes				\$	-	0.00%
Soil Testing				\$	5,000	0.03%
Environmental Review				\$	5,000	0.03%
SAC Charges (\$1350/unit)				\$	45,900	0.31%
Library Architect (9% of Construction Costs)				\$	285,984	1.92%
Architect (3% of Construction Costs)				\$	213,230	1.43%
Surveys				\$	7,500	0.05%
Subdivision Survey				\$	10,000	0.07%
Structural Engineer				\$	35,538	0.24%
Electrical Engineer				\$	10,000	0.07%
Mechanical Engineer				\$	10,000	0.07%
Soil Engineering				\$	12,000	0.08%
Demolition				\$	200,000	1.34%
Arch/Eng. Reimbursables				\$	5,000	0.03%
Interest				\$	412,344	2.77%
Loan Points (1% of loan)				\$	101,500	0.68%
Closing Costs (buying)				\$	10,000	0.07%
Appraisal				\$	5,000	0.03%
Lender's Attorney/Architect				\$	7,500	0.05%
Residential Construction & Pkg (57 stalls)				\$	6,684,717	44.91%
Library Construction & Pkg. (9 stalls)				\$	3,177,600	21.35%
Public Parking (24 stalls)				\$	422,933	2.84%
Retail Construction				\$	140,000	0.94%
Commissions (2.7% of Unit Rev co-broker; 2.5% of Unit Rev in house)				\$	375,874	2.53%
Marketing (2.0% of Unit Revenue)				\$	209,986	1.41%
Closing Costs (\$1000 x 52 units)				\$	34,000	0.23%
Development Fee Housing (5% of costs except land, dev. Fee, cont.)				\$	466,050	3.13%
Development Fee Library (8% of costs except land, dev. Fee, cont.)				\$	431,276	2.90%
Builder's Risk - Holding Cost				\$	75,000	0.50%
Construction Contingency (3% of const. costs)				\$	312,758	2.10%
Development Contingency (.5% of const. costs)				\$	52,126	0.35%
TOTAL DEVELOPMENT BUDGET:				\$	14,885,745	100.00%

ADDITIONAL USES:

Development Profit (10% of housing costs)					\$954,481	
Library Furniture and Fixtures				\$	250,000	
Interim Library Costs				\$	250,000	
TOTAL USES:					\$16,340,225	

SOURCES:

Residential Revenue				\$	10,499,287	
Public Parking Revenue Capitalized				\$	617,143	
LIBRARY SOURCES:						
Land Sale				\$	1,049,929	
Library Trust Fund				\$	180,000	
Sale of former Library				\$	440,000	
Retail Revenues Capitalized				\$	612,500	
Residential TIF				\$	1,058,430	
Hen. Cty, Met Council, LCDA, CPED Cor. Initiative, NRP Funds, Public and Private Com. Fundraising				\$	1,882,937	
TOTAL SOURCES:				\$	16,340,225	

FACT SHEET - 8 STORY POST TENSION CONCRETE

Walker Library - 2858 Hennepin Ave S
The Lander Group, Inc.

1/31/2005

OVERALL SITE FACTS:

Site Size	20,374		168' (Fronting Hennepin) x 122' (fronting Lagoon)				
Zoning	OR2		(20,374 sq. ft. x 2.5 FAR x 1.2 underground pkg bonus)				
Square Footage Allowed	61,122						
Total Square Footage Designed (including pkg.)	129,950						
Total Square Footage Designed Less pkg.	89,200						
Gross Residential Square Footage (w/o pkg.)	70,800						
Gross Library Square Footage (w/o pkg.)	17,000						
Retail Square Footage (w/o pkg.)	1,400						
Residential Parking Square Footage	25,112		440.56	square feet per stall			
Library Parking Square Footage	3,965						
Public Parking Square Footage	10,573						
Parking Stalls	90						
Residential Parking Stalls	57		1.24 per housing unit				
Library Parking Stalls	9						
Public Parking Stalls	24						
Housing Units	46						

RESIDENTIAL PORTION STATISTICS

Residential Square Footage	70,800						
Residential Saleable Square Footage	56,640						
Efficiency	80.00%						
Residential Parking Stalls	57						
Residential Parking Square Footage	25,112						
Square Footage Per Stall	441						
Parking Ratio	1.24						
Average Unit Size in Saleable Square Feet	1,231						
Average Unit Size in Gross Square Feet	1,539						
Average Price Per Saleable Square Feet	\$311						
Average Unit Price	\$382,758						

LIBRARY PARCEL STATISTICS

Library Square Footage	17,000						
Library Parking Square Footage	3,965						
Library Entry, Mechanical, Loading	1,100						
Square Footage Per Stall	441						

PUBLIC PARKING STATISTICS

Public Parking Square Footage	10,573						
Square Footage Per Stall	441						

RETAIL PARCEL STATISTICS

Retail Shell Square Footage	1,400						
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COST SHEET - 8 STORY POST TENSION CONCRETE

Walker Library - 2858 Hennepin Ave S
The Lander Group, Inc.

1/31/2005

OVERALL CONSTRUCTION COST: 2 Levels of Parking, 8 Story Post Tension Concrete

LEVEL	Gross Sq. Ft.	Gross Cost/Sq. Ft.	Total Cost	Saleable Sq. Ft.	Saleable Cost/Sq. Ft.	Total Cost	Type	Use
Parking 1 - below grade	20,375	\$40	\$815,000	20,375	\$40.00	\$815,000	PT Concrete	Parking
Parking 2 - @ grade	19,275	\$40	\$771,000	19,275	\$40.00	\$771,000	PT Concrete	Parking
Library - Entry, Loading, Mechanical	1,100	\$40	\$44,000	1,100	\$40.00	\$44,000	PT Concrete	Library
Level 1 - Library @ grade	17,000	\$175	\$2,975,000	17,000	\$175.00	\$2,975,000	PT Concrete	Library
Level 1 - Retail Shell	1,400	\$100	\$140,000	1,400	\$100.00	\$140,000	PT Concrete	Com. Room
Level 2 - Housing	17,000	\$145	\$2,465,000	13,600	\$181.25	\$2,465,000	PT Concrete	Housing
Level 3 - Housing	9,600	\$145	\$1,392,000	7,680	\$181.25	\$1,392,000	PT Concrete	Housing
Level 4 - Housing	9,600	\$145	\$1,392,000	7,680	\$181.25	\$1,392,000	PT Concrete	Housing
Level 5 - Housing	9,600	\$145	\$1,392,000	7,680	\$181.25	\$1,392,000	PT Concrete	Housing
Level 6 - Housing	9,600	\$145	\$1,392,000	7,680	\$181.25	\$1,392,000	PT Concrete	Housing
Level 7 - Housing	9,600	\$145	\$1,392,000	7,680	\$181.25	\$1,392,000	PT Concrete	Housing
Level 8 - Housing	5,800	\$145	\$841,000	4,640	\$181.25	\$841,000	PT Concrete	Housing
Totals Including Parking	129,950	\$116	\$15,011,000	115,790	\$130	\$15,011,000		

RESIDENTIAL CONSTRUCTION COST	Gross Sq. Ft.	Gross Cost/Sq. Ft.	Total Cost	Saleable Sq. Ft.	Saleable Cost/Sq. Ft.	Total Cost	Type	Use
Residential Parking	25,112	\$40	\$1,004,467	25,112	\$40.00	\$1,004,467	PT Concrete	Parking
Level 2 - Housing	17,000	\$145	\$2,465,000	13,600	\$181.25	\$2,465,000	PT Concrete	Housing
Level 3 - Housing	9,600	\$145	\$1,392,000	7,680	\$181.25	\$1,392,000	PT Concrete	Housing
Level 4 - Housing	9,600	\$145	\$1,392,000	7,680	\$181.25	\$1,392,000	PT Concrete	Housing
Level 5 - Housing	9,600	\$145	\$1,392,000	7,680	\$181.25	\$1,392,000	PT Concrete	Housing
Level 6 - Housing	9,600	\$145	\$1,392,000	7,680	\$181.25	\$1,392,000	PT Concrete	Housing
Level 7 - Housing	9,600	\$145	\$1,392,000	7,680	\$181.25	\$1,392,000	PT Concrete	Housing
Level 8 - Housing	5,800	\$145	\$841,000	4,640	\$181.25	\$841,000	PT Concrete	Housing
Totals for Residential Construction Component	95,912	\$118	\$11,270,467	81,752	\$138	\$11,270,467		
Total Saleable Residential Square Feet				56,640				

LIBRARY CONSTRUCTION COST	Gross Sq. Ft.	Gross Cost/Sq. Ft.	Total Cost				Type	Use
Library Parking	3,965	\$40	\$158,600				PT Concrete	Parking
Library Entry, Loading, Mechanical	1,100	\$40	\$44,000				PT Concrete	Library Misc.
Level 1 - Library @ grade	17,000	\$175	\$2,975,000				PT Concrete	Library
Totals for Library Construction Component	22,065	\$144	\$3,177,600					

PUBLIC PARKING CONSTRUCTION COST	Gross Sq. Ft.	Gross Cost/Sq. Ft.	Total Cost				Type	Use
Level 1 - Public Parking @ grade	10,573	\$40	\$422,933				PT Concrete	Public Parking
Totals for Public Parking Construction Component	10,573	\$40	\$422,933					

RETAIL CONSTRUCTION COST	Gross Sq. Ft.	Gross Cost/Sq. Ft.	Total Cost				Type	Use
Level 1 - Retail Shell	1,400	\$100	\$140,000				PT Concrete	Retail
Totals for Retail Construction Component	1,400	\$100	\$140,000					

TYPE ANALYSIS - 8 STORY POST TENSION CONCRETE

Walker Library - 2858 Hennepin Ave S
The Lander Group, Inc.

1/31/2005

SOURCES PER TYPE

RESIDENTIAL	Price / Sq. Ft.	Saleable Sq. Ft. / Floor	Revenue Per Floor	Cost Per Floor	Profit Per Floor
For Sale Residential Parking	\$25,000/stall	11 extra stalls	\$275,000	\$274,132	\$868
Residential Parking w/unit		46 stalls	\$0	\$1,146,370	(\$1,146,370)
Level 2 - Housing	\$275	13,600	\$3,740,000	\$3,485,968	\$254,032
Level 3 - Housing	\$290	7,680	\$2,227,200	\$1,968,546	\$258,654
Level 4 - Housing	\$300	7,680	\$2,304,000	\$1,968,546	\$335,454
Level 5 - Housing	\$310	7,680	\$2,380,800	\$1,968,546	\$412,254
Level 6 - Housing	\$315	7,680	\$2,419,200	\$1,968,546	\$450,654
Level 7 - Housing	\$330	7,680	\$2,534,400	\$1,968,546	\$565,854
Level 8 - Housing	\$356	4,640	\$1,651,785	\$1,189,330	\$462,455
Residential Totals	\$311	56,640	\$17,532,385	\$15,938,532	\$1,593,853
Residential Programmed Profit (10% of costs)					\$1,593,853
Residential Net:					(\$0)

PUBLIC PARKING	Price / Sq. Ft.	Saleable Sq. Ft. / Floor	Revenue Per Floor	Cost Per Floor	Profit Per Floor
Public Parking (24 stalls @ \$1800/year @ 7% cap)	\$40	10,573	\$617,143	\$598,106	\$19,037
Public Parking Totals		10,573	\$617,143	\$598,106	\$19,037
Public Parking Net					\$19,037

RETAIL CONSTRUCTION	Price / Sq. Ft.	Saleable Sq. Ft./ Floor	Revenue Per Floor	Cost Per Floor	Profit Per Floor
Level 1 - Retail Shell (Revs \$35 net @ 8% cap)	\$100	1,400	\$612,500	197,986	\$414,514
Retail Net					\$414,514

LIBRARY	Price / Sq. Ft.	Saleable Sq. Ft. / Floor	Revenue Per Floor	Cost Per Floor	Profit Per Floor
USES					
Library Parking		3,965	\$0	\$224,290	(\$224,290)
Library - Entry, Mechanical, Loading		1,100	\$0	\$62,224	(\$62,224)
Level 1 - Library @ Grade		17,000	\$0	\$4,207,202	(\$4,207,202)
Library Furniture and Fixtures			\$0	\$250,000	(\$250,000)
Interim Library Costs			\$0	\$250,000	(\$250,000)
Library Total Uses		22,065	\$0	\$4,993,716	(\$4,993,716)
SOURCES					
Land Sale					\$1,500,000
Library Trust Fund					\$180,000
Sale of Former Library					\$440,000
Library Total Sources					\$2,120,000
Library Gap					(\$2,873,716)

ADDITIONAL GAP RESOURCES FUNDED BY HOUSING, OTHER				Sources
Residential Tax Abatement (\$17,500,000 @ 1.5% @ 15 yrs. @ 5% int)				\$1,715,049
Public Parking Net				\$19,037
Retail Net				\$414,514
Hennepin County, Met Council, LCDA, CPED Corridor Initiative, NRP Funds, Public and Private Community Fundraisint				\$725,117
ADDITIONAL NET GAP RESOURCES FUNDED BY HOUSING, OTHER				\$2,873,717

OVERALL SOURCES				
RESIDENTIAL REVENUES:				\$17,532,385
PUBLIC PARKING:				\$617,143
RETAIL REVENUES:				\$612,500
LIBRARY REVENUES:				\$2,120,000
ADDITIONAL NET GAP RESOURCES FUNDED BY HOUSING (Less Public Pkg Net, Retail Net)				\$2,440,166
TOTAL SOURCES				\$23,322,194

OVERALL USES:				
COST OF HOUSING:				\$15,938,532
COST OF LIBRARY:				\$4,993,716
COST OF PUBLIC PARKING:				\$598,106
COST OF RETAIL:				\$197,986
DEVELOPER PROFIT:				\$1,593,853
TOTAL USES:				\$23,322,194

OVERALL PROFORMA - 8 STORY POST TENSION CONCRETE

Walker Library - 2858 Hennepin Ave S
The Lander Group, Inc.
 1/31/2005

LOAN TERMS:	
Loan (70% of costs):	\$ 14,700,000
Loan Period (# Months):	15
Interest:	6.5%
Loan Points	1%

USES		% of Costs
Land	\$ 1,500,000	7.07%
Title Insurance	\$ 5,000	0.02%
General Legal	\$ 50,000	0.24%
City Approvals	\$ 5,000	0.02%
Condominium Documents	\$ 7,000	0.03%
Contracts	\$ 5,000	0.02%
Real Estate Taxes	\$ -	0.00%
Soil Testing	\$ 5,000	0.02%
Environmental Review	\$ 5,000	0.02%
SAC Charges (\$1350/unit)	\$ 62,100	0.29%
Library Architect (9% of Construction Costs)	\$ 285,984	1.35%
Architect (3% of Construction Costs)	\$ 350,802	1.65%
Surveys	\$ 7,500	0.04%
Subdivision Survey	\$ 10,000	0.05%
Structural Engineer	\$ 58,467	0.28%
Electrical Engineer	\$ 10,000	0.05%
Mechanical Engineer	\$ 10,000	0.05%
Soil Engineering	\$ 12,000	0.06%
Demolition	\$ 200,000	0.94%
Arch/Eng. Reimbursables	\$ 5,000	0.02%
Interest	\$ 597,188	2.81%
Loan Points (1% of loan)	\$ 147,000	0.69%
Closing Costs (buying)	\$ 10,000	0.05%
Appraisal	\$ 5,000	0.02%
Lender's Attorney/Architect	\$ 7,500	0.04%
Residential Construction & Pkg (57 stalls)	\$ 11,270,467	53.09%
Library Construction & Pkg. (9 stalls)	\$ 3,177,600	14.97%
Public Parking (24 stalls)	\$ 422,933	1.99%
Retail Construction	\$ 140,000	0.66%
Commissions (2.7% of Unit Rev co-broker; 2.5% of Unit Rev in house)	\$ 627,659	2.96%
Marketing (2.0% of Unit Revenue)	\$ 350,648	1.65%
Closing Costs (\$1000 x 52 units)	\$ 46,000	0.22%
Development Fee Housing (5% of costs except land, dev. Fee, cont.)	\$ 735,912	3.47%
Development Fee Library (8% of costs except land, dev. Fee, cont.)	\$ 496,196	2.34%
Builder's Risk - Holding Cost	\$ 75,000	0.35%
Construction Contingency (3% of const. costs)	\$ 450,330	2.12%
Development Contingency (.5% of const. costs)	\$ 75,055	0.35%
TOTAL DEVELOPMENT BUDGET:	\$ 21,228,341	100.00%

ADDITIONAL USES:	
Development Profit (10% of housing costs)	\$ 1,593,853
Library Furniture and Fixtures	\$ 250,000
Interim Library Costs	\$ 250,000
TOTAL USES:	\$ 23,322,194

SOURCES:	
Residential Revenue	\$ 17,532,385
Public Parking Revenue Capitalizec	\$ 617,143
LIBRARY SOURCES:	
Land Sale	\$ 1,500,000
Library Trust Fund	\$ 180,000
Sale of former Library	\$ 440,000
Retail Revenues Capitalizec	\$ 612,500
Residential TIF	\$ 1,715,049
Hen. Cty, Met Council, LCDA, CPED Cor. Initiative, NRP Funds, Public and Private Com. Fundraising	\$ 725,117
TOTAL SOURCES:	\$ 23,322,194

EXHIBIT H
Form of Consent for Release of Response Data

February 1, 2005

City of Minneapolis
Department of Community Planning and Economic Development
105 5th Avenue S.
Minneapolis, MN 55401

Re: Walker Library Request for Proposals
Consent for Release of Response Data

Michael Lander, on behalf of Lander Group hereby consents to the release of its development proposal in response to the Walker Library Request for Proposals and waives any claims it may have under Minnesota Statutes Section 13.08 against the City of Minneapolis for making such information public. The foregoing consent and waiver does not extend to financial statements submitted under separate confidential cover.