

EverWest Provides Financing For Lake Calhoun Minneapolis Multifamily Development

The property fills demand for Class A residential living in Lake Calhoun submarket.

By Steve Lubetkin | December 04, 2018



Rendering of LakeHaus, Minneapolis, MN

MINNEAPOLIS, MN—EverWest Real Estate Investors, together with its investor **LibreMax Capital**, is financing the development of **LakeHaus**, an eight-story, best-in-class multifamily project being developed by **Brickstone Partners** and **KMK Capital** in the Lake Calhoun community of Minneapolis.

A **Holliday Fenoglio Fowler** team worked exclusively on behalf of **Brickstone Partners** and **KMK Capital**, in partnership with **Deutsche Finance America**, to secure a low-leverage, floating-rate construction loan through a national bank. Additionally, **HFF** procured mezzanine financing through **EverWest**. The development is anticipated to be valued at more than \$119 million when complete.

Located at **3100 W. Lake St.**, **LakeHaus** is scheduled to begin construction in November and deliver during the second quarter of 2020. When completed, it will have 200 luxury apartments situated on the last developable parcel of land along the northwest shore of Lake Calhoun, a premier live-work-play community within one of the country's strongest rental markets.

"**LakeHaus** takes full advantage of a market need, delivering in-demand luxury living options with a direct connection to both employment centers and recreation," says **Zi Sen Chong**, senior associate for structured finance with **EverWest**. "That points to a bright future for the development."

Apartments at **LakeHaus** will include studio, one- and two-bedroom floorplans with floor-to-ceiling windows, oak hardwood floors, gas ranges, stainless steel appliances, wireless thermostats, automated lighting and fiber optic connection. Most units have exterior balconies and views of the lake, downtown or both.

Residents will be served by a secure underground parking garage, a resort-style rooftop pool, fitness facilities, a designated creative workspace, lounge with chef-quality kitchen and bar, ground-floor park and bike repair and car wash stations.

The community sits between Lake Calhoun and the **Midtown Greenway Trail**, which connects to approximately 100 miles of biking and walking trails. It is four miles from downtown, one block from the future Lake Calhoun light rail stop and walkable to dozens of restaurants and retailers including **Whole Foods, Walgreens, Chipotle, Wakami Sushi and Bistro, Caribou Coffee, Moda Yoga** and **ShowPlace Icon Theatre**.

EverWest launched its structured finance platform in 2013 under the direction of industry veterans **Tom McCahill** and **Joe Chickey**, with a focus on originating and managing mezzanine debt, preferred equity financing and B-notes for commercial properties and developments throughout the US.

"The **LakeHaus** investment aligns extremely well with that platform, delivering an in-demand product to an underserved market," says **McCahill**. "We are equally confident in the development team and their proven track record in planning, entitling and

building premier projects in the apartment sector. We have every confidence that they will make exceptional use of this opportunity.”

The Lake Calhoun apartment submarket has a 5.7 percent vacancy rate, with rent growth averaging 6.5 percent since 2013 and expected to continue to grow for the foreseeable future. Average household income within one mile of the **LakeHaus** site is \$133,276 and nearby home prices typically range from \$1 million to \$7 million.