

Minnesota
Market Reports

For Experts
and Enthusiasts

Twin Cities

411

Multifamily



1st SELECT

Q3 2025

INTRODUCTION

Minneapolis' multifamily market showed renewed strength in Q3, driven by solid demand and a sharp pullback in new supply. After reaching a record-high vacancy rate of 8.4% earlier this year, vacancies have tightened to 6.3%—their lowest level in five years. A resilient labor market and relative affordability fueled one of the strongest quarters of absorption on record, with roughly 2,500 units of demand—double the pre-pandemic average. Meanwhile, new construction slowed dramatically, with fewer than 1,100 units delivered in Q2, marking a 60% drop from the five-year average.

While the market still faces residual oversupply from the post-2020 building boom, rent growth has proven resilient. Minneapolis rents rose over 1% for the second consecutive quarter, pushing annual gains to 1.9%, outpacing the national average. Looking ahead, rent growth is expected to accelerate modestly through year-end as construction activity continues to decline. With fewer than 3,000 units started over the past year—an 80% drop from 2022 peaks—the pipeline has thinned considerably. Combined with steady suburban demand, these conditions are expected to support further vacancy tightening and more balanced market fundamentals heading into 2025.

At 1st Select, we're helping owners navigate this moment, not just survive it. If you're considering a purchase, sale, or simply need management support in a tough operating environment, our team is here. We live and breathe this market. And we're proud to help investors make sense of the chaos and capitalize on what comes next.

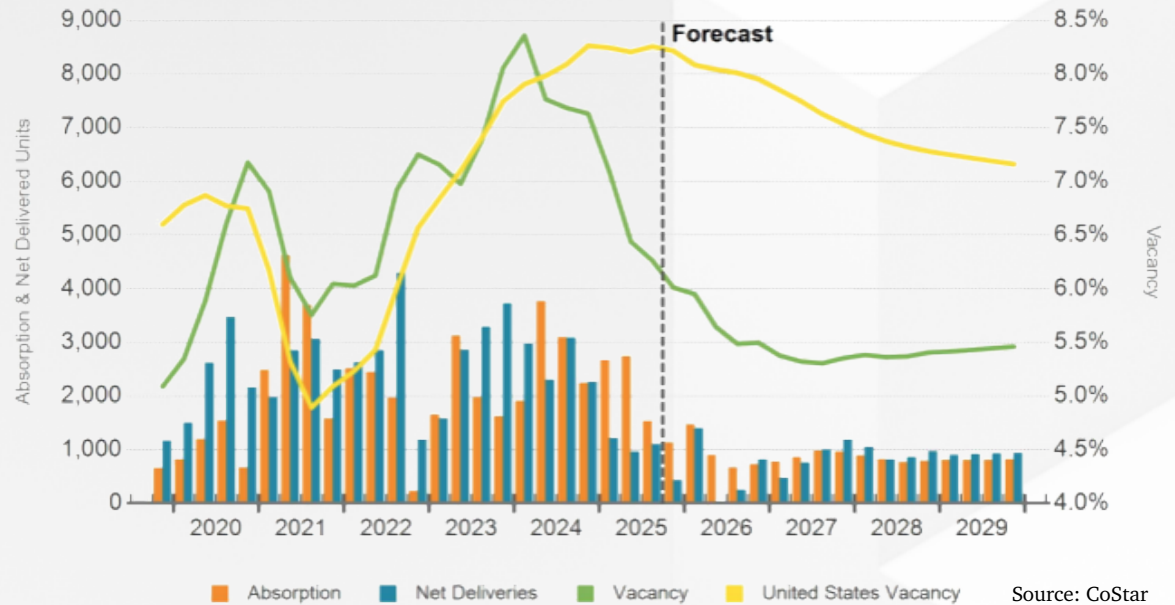
Stay informed. Stay strategic.

Rent & Vacancy

2025 Q3 Metrics:

- **Vacancy Rate: 4.7%**
*for 10-100 unit class B & C buildings
- **Rent per Unit: \$1,295**
*for 10-100 unit class B & C buildings

ABSORPTION, NET DELIVERIES & VACANCY



4 & 5 Star	3 Star	1 & 2 Star	Market
\$1.887	\$1,529	\$1,190	\$1,554

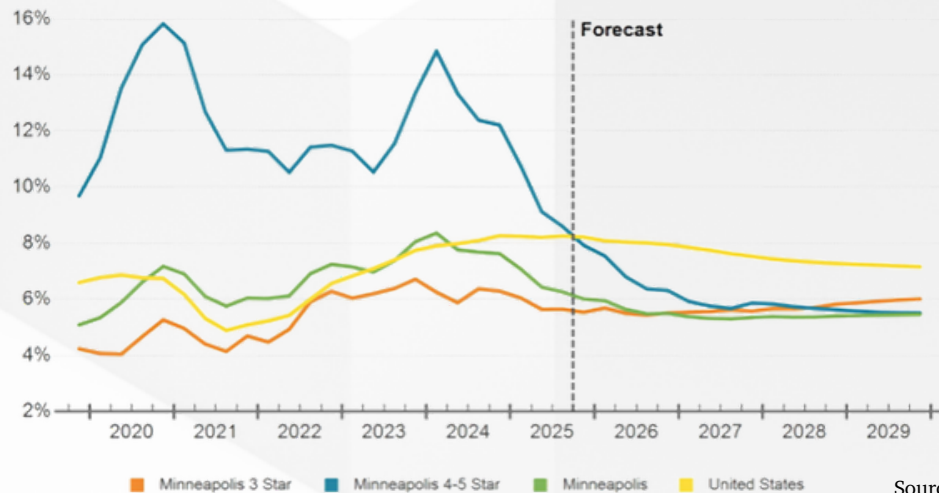
Source: CoStar

4 & 5 Star	3 Star	1 & 2 Star	Market
8.7%	5.7%	4.8%	6.3%

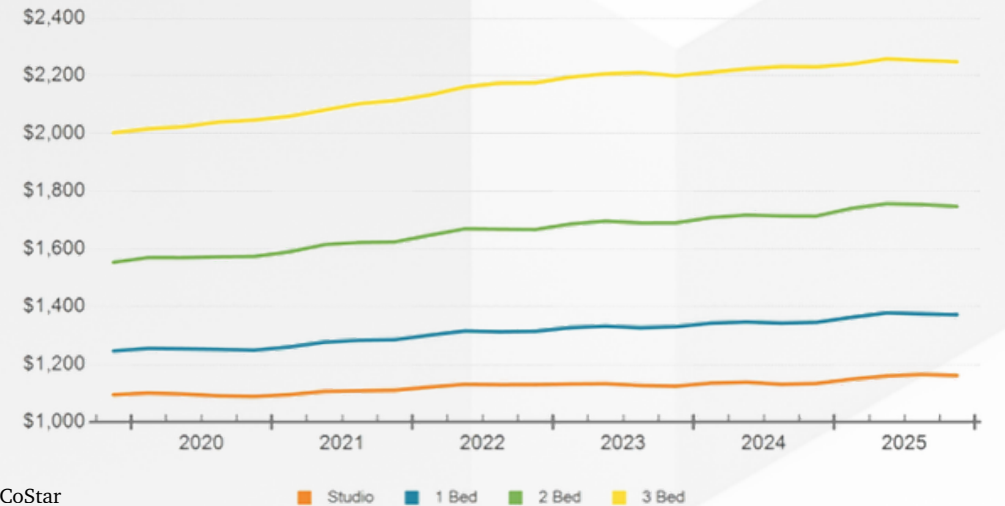
Source: CoStar

Rent & Vacancy

VACANCY RATE for all building sizes and classes



MARKET RENT PER UNIT BY BEDROOM for all building sizes and classes



Studio	1 Bedroom	2 Bedroom	3 Bedroom
\$971	\$1,144	\$1,451	\$1,697

Source: CoStar

**Average Rent for 10-100
Unit Class B or C Buildings**

Sales Volume

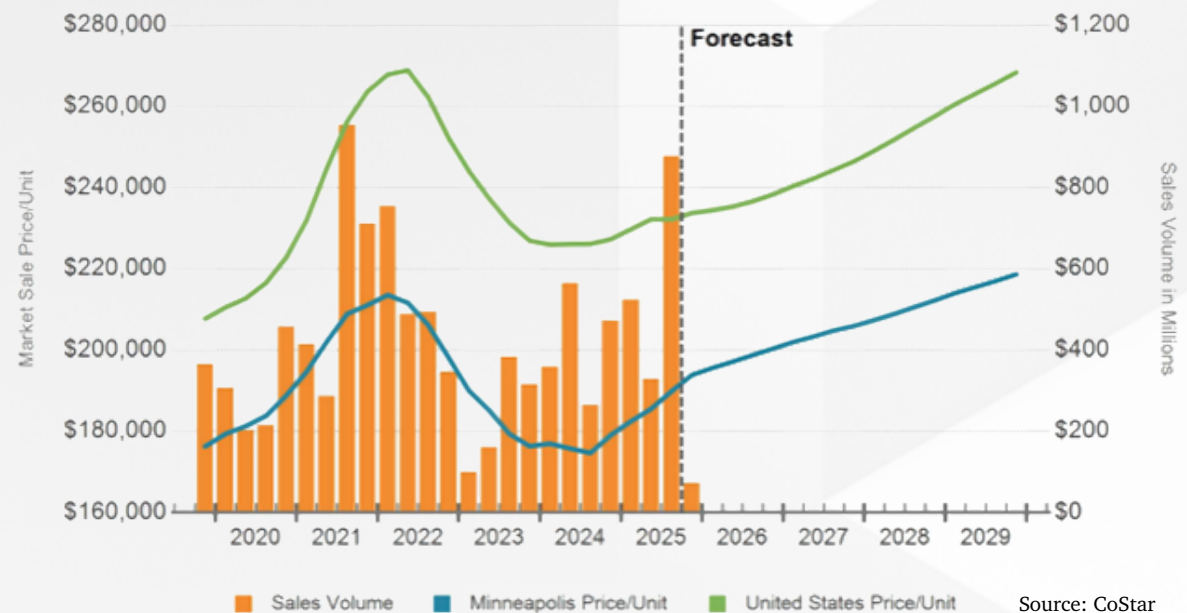
2025 Q3 for 10-100 Unit Class B & C Buildings in the Twin Cities

Sales Volume	\$112M	▲ +72%
Properties Sold	34	▲ +41%
Avg. Price/Unit	\$132,427	▲ +23%
Months to Sale	3.1	▼ -39%
Avg. Cap Rate	6%	▼ -6.2%
Avg. Vacancy at Sale	4.6%	▼ -39%

^ ^ ^
compared
to Q3 2024

Sales Volume & Market Sale Price Per Unit

for all Q3 2025 multifamily transactions



Q3 Sales

Building Address	City	Class	Built	Units	Price/Unit
1250 Main St S	Cambridge	C	1979	24	\$265,833
1185 S Main St	Cambridge	C	1979	54	\$118,148
1120 Porter St	Clearwater	C	1971	12	\$78,333
739-819 Lucas Ln	Ellsworth	C		24	\$131,250
925 Norton St	Hammond	C		11	\$117,273
1401 Namekagon St	Hudson	C	1995	72	\$113,611
11070 39th St	Lake Elmo	B	2021	60	\$295,224
2711 Grand Ave S	Minneapolis	C	1967	12	\$102,083
305 W Franklin Ave	Minneapolis	C	1967	72	\$85,417
3100 Girard Ave S	Minneapolis	C	1969	12	\$154,167
2709 Blaisdell Ave	Minneapolis	C	1920	14	\$106,786
2420 1st Ave S	Minneapolis	C	1921	19	\$79,474
500 W 28th St	Minneapolis	C	1961	11	\$100,455
2912 Harriet Ave	Minneapolis	C	1962	17	\$118,105
2926 Harriet Ave	Minneapolis	C	1962	13	\$45,556

Building Address	City	Class	Built	Units	Price/Unit
3500 Emerson Ave S	Minneapolis	C	1962	18	\$100,000
5901 Maple St	North Branch	C	1976	16	\$64,188
2210 Eldridge Ave E	North Saint Paul	C	1969	17	\$94,000
10806 Shore Dr	Plymouth	C	1969	17	\$127,353
1300-1328 E 78th St	Richfield	C	1965	90	\$116,667
7500-7544 Cedar Ave S	Richfield	C	1971	42	\$95,238
6715 Penn Ave S	Richfield	C	1960	12	\$119,167
4259 W Broadway Ave	Robbinsdale	B	1971	31	\$112,097
250 Marshall Ave	Saint Paul	C	1914	10	\$115,000
1797 Old Hudson Rd	Saint Paul	C	1967	12	\$92,500
888 Grand Ave	Saint Paul	C	1922	20	\$104,250
1922 Wilson Ave	Saint Paul	B	2021	12	\$216,667
1031-1037 Cromwell Ave	Saint Paul	C	1964	22	\$112,152
1216-1254 Clarence St	Saint Paul	C	1981	20	\$90,000
3637 Bellaire Ave	White Bear Lake	C	1968	18	\$136,389
26125 Main St	Zimmerman	B	2019	65	\$196,923

Our Featured Listings

1305 3rd Ave S
Wheaton



Year Built	1971 & 1984
Type	Apartments
Listed at	\$1.55M

195 Oneida St
Saint Paul



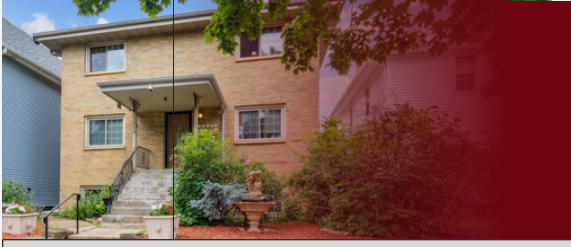
Year Built	1880
Type	4
Listed at	\$495,000

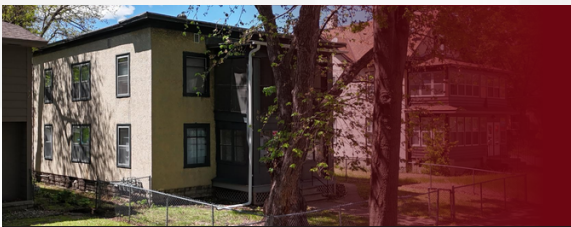
1271 7th St W
Saint Paul



Year Built	1893
Units	4
Listed at	\$599,000

Sold Listings

	SOLD by John Stiles
1267 - 1269 7th ST W Saint Paul	September, 2025

	SOLD by John Stiles
3204 23rd AVE S Minneapolis	July, 2025

	SOLD by Brian Leneweaver
2515 Birchview LN Minnetonka	July, 2025

The 1st Select Difference

Brokerage

This is where it all starts. With a commitment to personalized service and deep understanding of local markets, we navigate your real estate journey with precision and professionalism.

We offer unparalleled expertise in:

- Investment Analysis
- Buying
- Selling
- Leasing

Property Management

We know the journey doesn't end after a purchase. Turning your investment into a long-term success has just begun.

Our team of agents, managers, and back of house experts manage your property as if it was their own. Whether it's multifamily or commercial, stop spending time making calls and worrying about the details, let us do it instead.

Property Maintenance

Our facility team boasts over 100 years of combined experience, ensuring top-tier expertise in:

- General Maintenance
- HVAC Repairs & Maintenance
- Painting & Unit Turns
- Remodeling & Repairs
- Custodial Services

Plus, our **24/7 emergency service** guarantees peace of mind when you need it most. Experience the 1st Select difference.

For more: www.1stSelect.net

Our Team



John Stiles

Agent
(612) 554-7794
jstiles@1stSelect.net



Brian Leneweaver

Agent
(612) 208-3859
bleneweaver@1stSelect.net



Jake Bents

Agent
(612) 518-8598
jbents@1stSelect.net



William Cullen

Broker
(952) 934-0468
wcullen@1stselect.net



Molly Burns-Houseman

Director
(612) 403-6432
mhouseman@1stSelect.net

Connect With Us

Stay ahead of the trends with 1st Select!

Follow us on social media to see real-time transactions, articles written by experts, and comprehensive data insights. Don't miss out on the latest news and valuable content.



www.1stselect.net



[1stSelectMN](https://www.facebook.com/1stSelectMN)



[1stSelectMN](https://www.instagram.com/1stSelectMN)



[1stSelectMN](https://www.youtube.com/1stSelectMN)



[first_select](https://www.linkedin.com/company/first_select)