

FINANCE & COMMERCE



PEBB Enterprises sold the approximately 3-acre Tesla center at 2590 Maplewood Drive N. in Maplewood on Dec. 22. (Submitted photo)

Maplewood Tesla center sells for \$9.1M

By: Kelly Busche ◉ December 28, 2020 2:56 pm

Upland Real Estate Group Inc. sold the Tesla Service Plus Center in Maplewood to an unnamed buyer for \$9.1 million last week.

The Minneapolis-based company, representing the seller PEBB Enterprises, sold the approximately 3-acre site on Dec. 22. Tesla has a long-term lease for the property, located at 2590 Maplewood Drive N., according to a news release from Upland.

According to Ramsey County property records, C/O Pebb Enterprises Accelerated Investments Mn Llc currently owns the property. This entity shares an address with PEBB Enterprises, a private equity real estate investment company located in Boca Raton, Florida, according to its website.

The Maplewood site is one of several that PEBB Enterprises has developed for Tesla. It has also built Tesla service centers in West Palm Beach, Florida; Raleigh, North Carolina; and Wexford, Pennsylvania. In October, it sold the Florida center for \$12.87 million after originally purchasing the site for \$5 million in 2018, its website said.

The seller is a built-to-suit developer, and was interested in the property as a development entity and not as a long-term investment, said Deborah Vannelli, Upland's director of net lease sales.

Vannelli declined to name the buyer due to a confidentiality agreement. But she confirmed the buyer is an institutional buyer, like a real estate investment trust.

Tesla's long-term lease interested the buyer. Corporate, net lease properties, like the Tesla center, are in high demand nationwide, Vannelli said.

"Whether the buyers are located in Minnesota, or not, [there was] national interest in the property," she said.

However, the pandemic has decreased buyer interest in smaller, franchise tenants — especially those in the hospitality industry, she said.

The property has an estimated market value of nearly \$3.159 million this year, according to county property records. The last recorded sale was in 2017, when Edina-based Walser Real Estate, LLC sold the property to PEBB Enterprises, according to the 2017 certificate of real estate value.

Originally constructed in 1980, it's directly east of U.S. Highway 61, less than 1 mile north of Minnesota State Highway 36, and around 2 miles south of Interstate 694.

Upland is a commercial real estate investment and brokerage company that focuses nationwide on single and multitenant net lease investment properties. Vannelli, Keith Sturm and Amanda Leathers from Upland represented the buyer, according to a news release from Upland.

Tesla runs more than 330 locations in dozens of states and 25 other countries. It has a second Minnesota location in Eden Prairie.

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ABOUT KELLY BUSCHE



Kelly joined Finance & Commerce in late 2020 as an economic developer reporter. She's a 2019 graduate of the University of Minnesota, where she double majored in journalism and political science. During her time there, she worked at the student-run newspaper, the Minnesota Daily, and eventually became the paper's editor in chief. She's held internships with APM Reports, the St. Paul Pioneer Press and Star Tribune. After graduation, Kelly joined the Duluth News Tribune, covering health and business.



