

HOBBY LOBBY

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WATCH VIDEO TOUR



ACTUAL PHOTO

 1995 WEST 49TH ST, HIALEAH, FL 33012

Marcus & Millichap

INVESTMENT OVERVIEW

Marcus & Millichap is pleased to present for sale, the 100% Fee Simple interest in the Hobby Lobby located on the hard-signalized intersection of West 49th Street and the Palmetto Expressway in Hialeah, FL.

The highly visible 43,928 square foot building benefits from and is accessible to an excess of 294,000 vehicles daily. Comprised of 3.34 acres, the out-parcel to the Westland Mall which sees an annual 5.5 million visitors, also benefits from its strategic location on one of the busiest destinations in the West 49th retail corridor. The 49th street retail corridor is one of the most successful and dense retail submarkets in all of Miami, with annual sales of \$600 per square foot. Additionally, the property has easy access to the neighboring upper-income communities of Doral, Palm Springs North and Miami Lakes via the Palmetto Expressway and Miami Springs via Okeechobee Road.

Hialeah is one of the most dynamic and densely populated cities in South Florida. There are over 210,000 people living within a three-mile radius of the subject property and well over 400,000 in a five-mile radius. This high-density demographical area is under-retailed for the amount of population. Due to the lack of available buildable commercial land, this has created an incredibly constant demand for retail.

The building was constructed in 2016 with concrete tilt-wall construction. Hobby Lobby is operating under a 15-year triple-net lease with 12 years of term remaining. The lease is guaranteed by Hobby Lobby Stores, Inc., an internationally recognized brand with 843 stores and a very strong corporate structure with over \$4.5 billion in gross sales worldwide. It is ranked as the 106th largest private company in the United States by Forbes.

This investment property offers a rare opportunity for an investor to acquire a long term, net leased asset with strong corporate backed cash flow in a trophy location of Miami, Florida.

INVESTMENT HIGHLIGHTS

- Corporate Guaranteed Hobby Lobby Lease
- Hobby Lobby is an internationally recognized brand currently operating 843 stores with an estimated revenue of \$4.5 Billion (2018)
- 12 Years Remaining with Minimal Landlord Responsibilities
- 2016 Construction
- Prominent High Profile Location with Incredible Visibility to 294,000+ Vehicles Daily
- High Density Demographics - 216,600 within 3 Miles doubles to 438,400 within 5 Miles
- Daytime employment of 110,900 people within 3 miles, 272,700 workers within 5 Miles
- Growth Market - Projected 5-year population growth rate of 6.2% versus 3.7% US National Average
- Outparcel to Westland Mall with 5.5 Million Visitors Annually and Strong Mall Sales at \$672/FT (Above National Average)
- Rare Concrete Tilt Wall Construction Building
- Limited to Zero Competition

THE OFFERING

 **Hobby Lobby**
1995 West 49th Street,
Hialeah, Florida 33012

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PROPERTY DETAILS

Lot Size	149,846 SF (3.44 Acres)
Rentable Square Feet	43,928 SF
Price/SF	\$313.49
Year Built	2016

FINANCIAL OVERVIEW

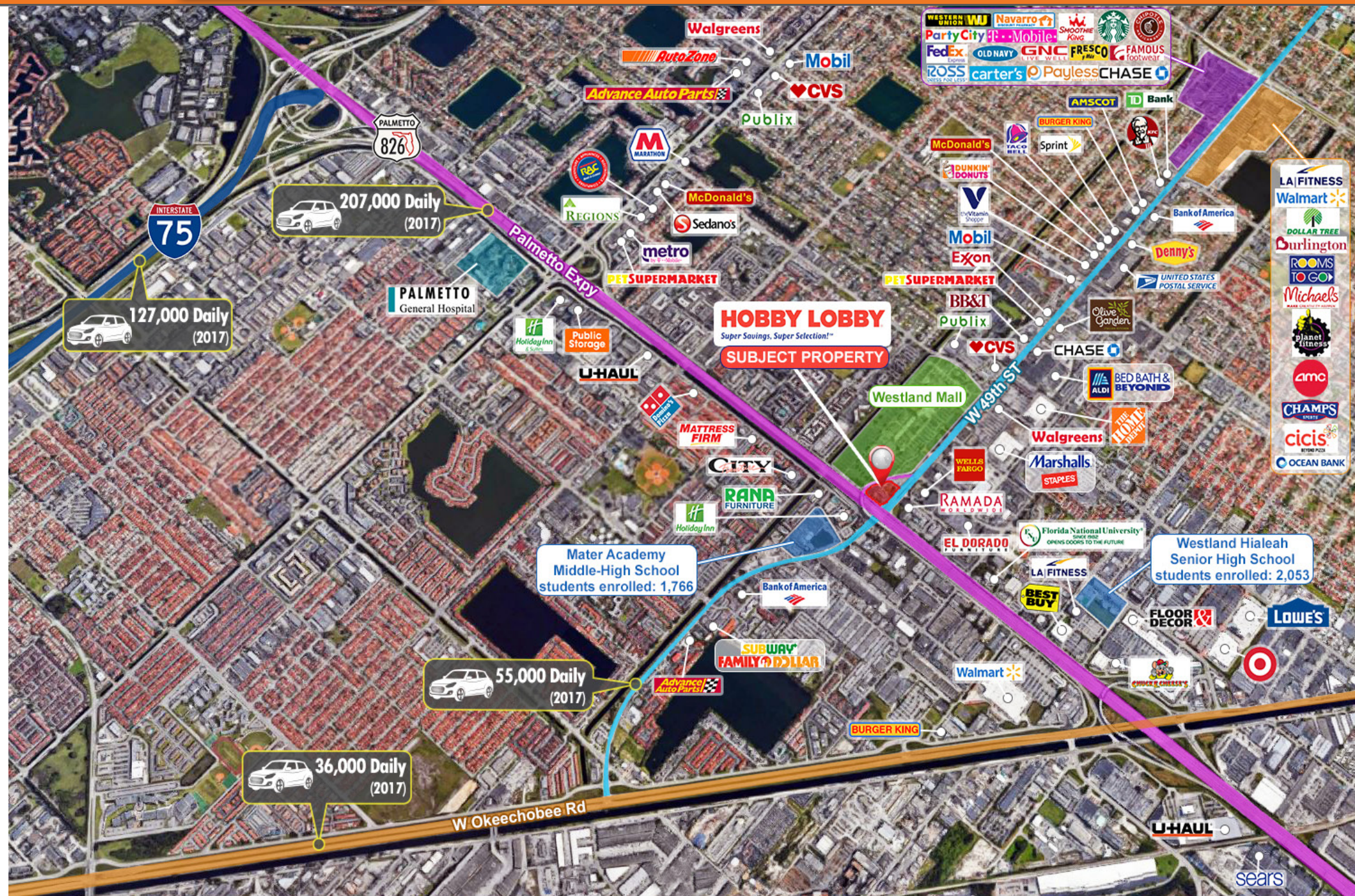
List Price	\$13,770,782
Down Payment	100% / \$13,770,782
Cap Rate	5.75%
Type of Ownership	Fee Simple

PROPERTY RENT DATA

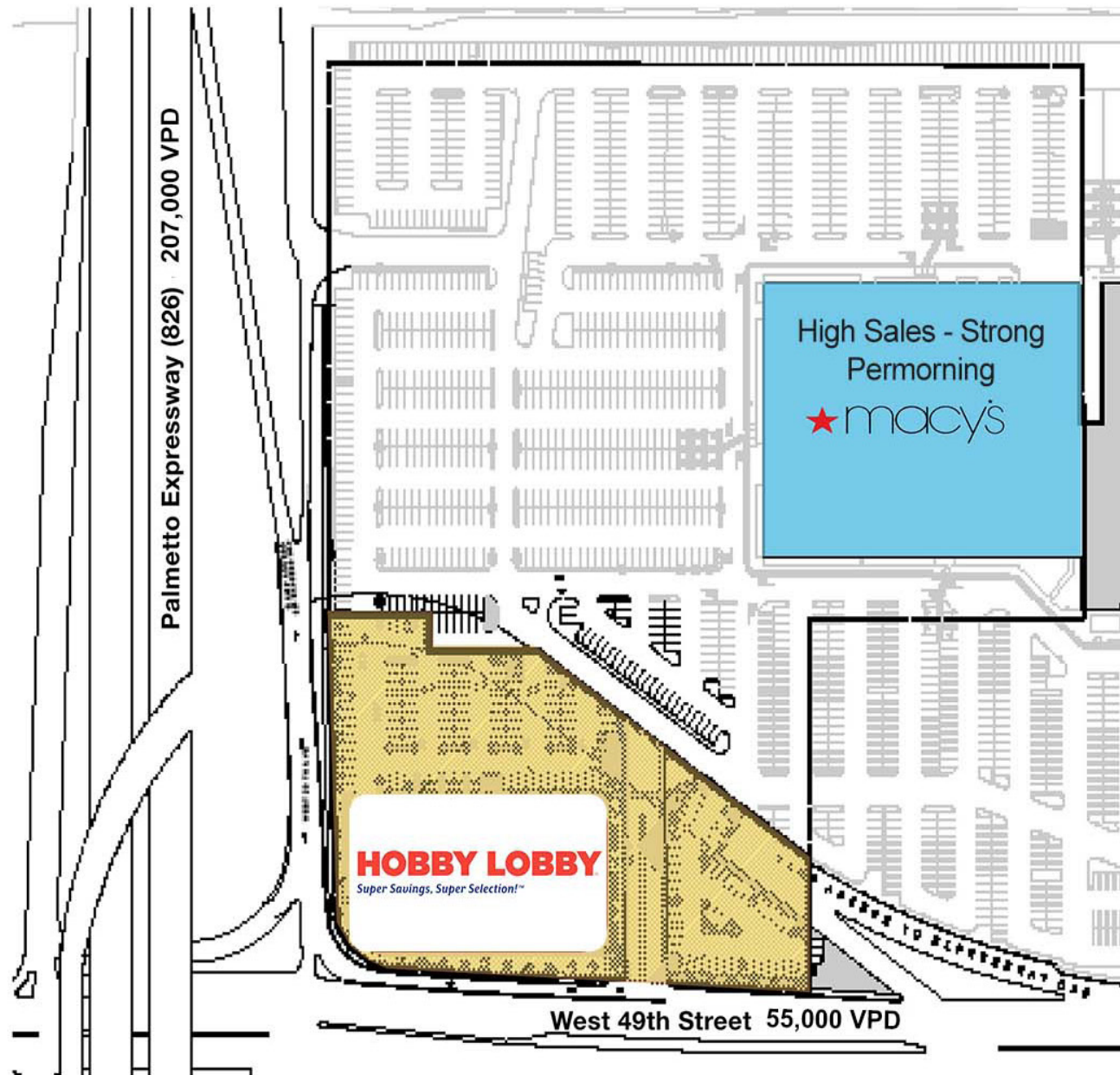
RENT INCREASES	MONTHLY RENT	ANNUAL RENT
03/2016 - 02/2021 (CURRENT)	\$65,985	\$791,820
03/2021 - 02/2026	\$67,81.92	\$813,815
03/2026 - 02/2031	\$69,650.83	\$835,810
03/2031 - 02/2036 (OPTION 1)	\$71,483.75	\$857,805
03/2036 - 02/2041 (OPTION 2)	\$73,316.67	\$897,800
03/2041 - 02/2046 (OPTION 3)	\$75,149.58	\$901,795
Base Rent (\$18.03 /SF)		\$791,820
Net Operating Income		\$791,820.00
TOTAL ANNUAL RETURN	CAP 5.75%	\$791,820

LEASE ABSTRACT

Tenant Trade Name	Hobby Lobby
Tenant	Corporate Store
Ownership	Private
Guarantor	Corporate Guarantee
Lease Type	NNN
Lease Term	15 Years
Lease Commencement Date	03/28/2016
Rent Commencement Date	03/28/2016
Expiration Date of Base Term	03/31/2031
Term Remaining on Lease	12+ Years
Increases	\$.50/SF at Year 6 & 11 and Each Renewal Option Period
Options	Three Five Year Options
Landlord Responsibility	Roof & Structure
Property Type	Net Leased Miscellaneous











ABOUT **HOBBY LOBBY**

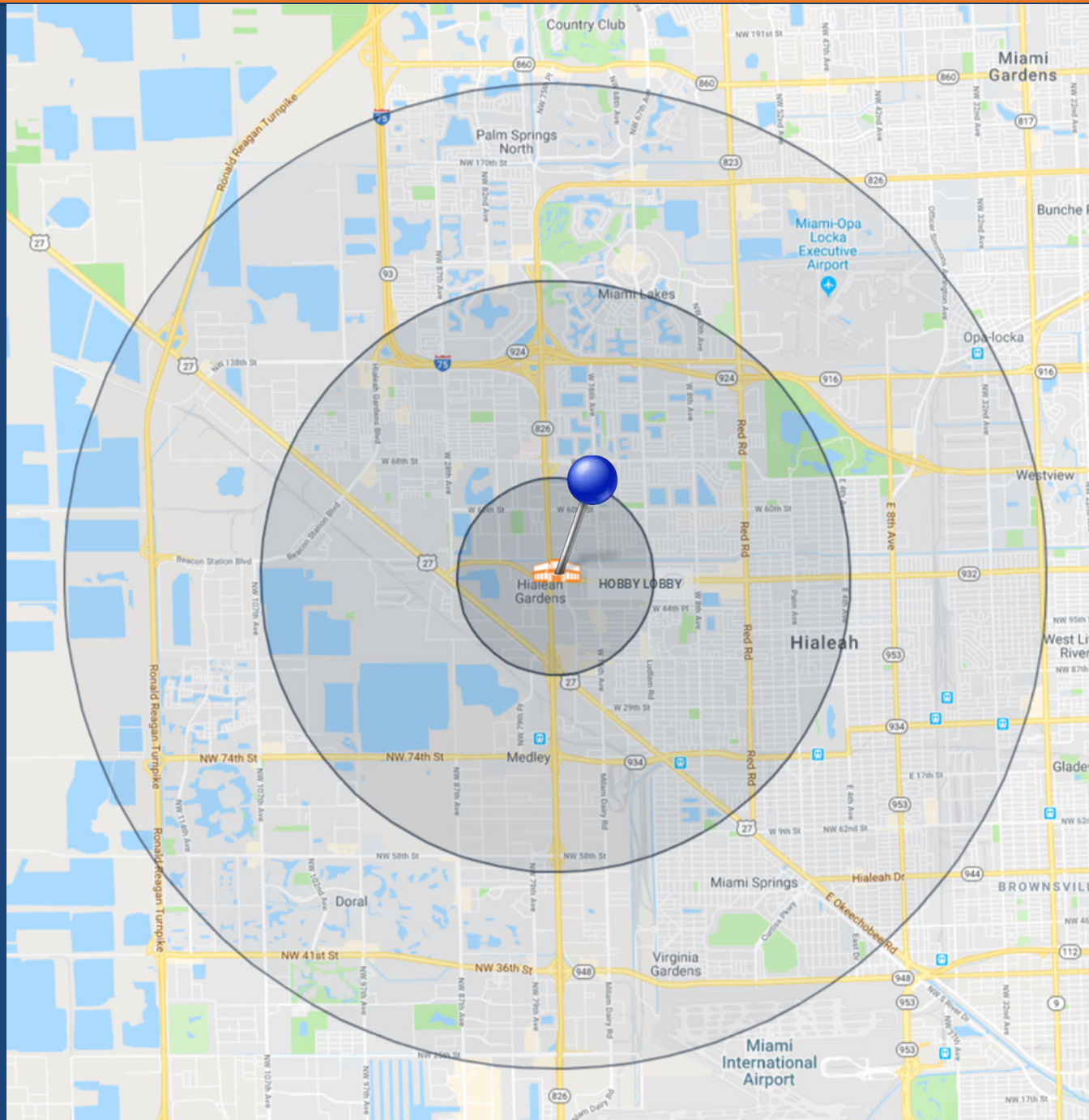
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Hobby Lobby is one of the largest players in the Arts and Crafts industry with estimated revenue of \$4.5 billion for 2018, an 8% increase compared to the previous year. Founded in 1970 by David and Barbara Green, the Company remains privately held and now has stores in 47 states. Hobby Lobby opened 55 net stores in 2016, with a long term target of over 1,000 stores. These locations are typically 45,000 to 55,000 square feet, single level stores in open air community shopping centers and power centers. Rapid expansion has been funded with strong cash flow. With an EBITDA margin estimated at 20%, Hobby Lobby is generating roughly \$860.0 million in annual EBITDA. The Company does not currently have any debt and maintains an unsecured \$275.0 million revolver with Bank of Oklahoma.

The Arts and Crafts market was recently valued at an excess of \$30.00 billion and has steadily grown approximately 3% per year, evidenced by the increasing revenues from the industry's largest participants. Hobby Lobby currently competes with Michaels, Jo-Ann Stores and to a lesser extent, A.C. Moore.

NAME	Hobby Lobby
HQ	Oklahoma City, OK
NUMBER OF LOCATIONS	843 (2018)
ANNUAL REVENUE	\$4.5 Billion
NUMBER OF EMPLOYEES	32,000 (2018)
WEBSITE	www.hobbylobby.com

	1 Miles	3 Miles	5 Miles
POPULATION			
2022 Projection	49,333	213,907	442,200
2017 Estimate	49,184	213,617	425,509
2010 Census	46,661	200,636	395,107
2000 Census	49,857	200,103	352,629
INCOME			
Average	\$37,629	\$48,270	\$56,690
Median	\$27,178	\$34,174	\$39,208
PerCapita	\$13,274	\$15,337	\$18,054
HOUSEHOLDS			
2022 Projection	17,559	68,717	142,291
2017 Estimate	17,202	67,333	134,638
2010 Census	16,349	63,773	126,079
2000 Census	16,687	62,367	112,799
HOUSING			
2017	\$140,123	\$183,009	\$207,208
EMPLOYMENT			
2017 Daytime Population	51,331	216,864	471,134
2017 Unemployment	7.65%	6.55%	5.92%
2017 Median Time Traveled	28	28	29
RACE & ETHNICITY			
White	92.20%	92.34%	89.12%
Native American	0.00%	0.00%	0.01%
African American	2.75%	2.77%	4.96%
Asian/Pacific Islander	0.44%	0.48%	1.01%



GEOGRAPHY: 5 MILE



POPULATION

In 2018, the population in your selected geography is 425,509. The population has changed by 20.67% since 2000. It is estimated that the population in your area will be 442,200.00 five years from now, which represents a change of 3.92% from the current year. The current population is 48.36% male and 51.64% female. The median age of the population in your area is 41.34, compare this to the US average which is 37.83. The population density in your area is 5,425.89 people per square mile.



HOUSEHOLDS

There are currently 134,638 households in your selected geography. The number of households has changed by 19.36% since 2000. It is estimated that the number of households in your area will be 142,291 five years from now, which represents a change of 5.68% from the current year. The average household size in your area is 3.07 persons.



INCOME

In 2018, the median household income for your selected geography is \$39,208, compare this to the US average which is currently \$56,286. The median household income for your area has changed by 13.77% since 2000. It is estimated that the median household income in your area will be \$45,448 five years from now, which represents a change of 15.92% from the current year.

The current year per capita income in your area is \$18,054, compare this to the US average, which is \$30,982. The current year average household income in your area is \$56,690, compare this to the US average which is \$81,217.



RACE AND ETHNICITY

The current year racial makeup of your selected area is as follows: 89.12% White, 4.96% Black, 0.01% Native American and 1.01% Asian/Pacific Islander. Compare these to US averages which are: 70.42% White, 12.85% Black, 0.19% Native American and 5.53% Asian/Pacific Islander. People of Hispanic origin are counted independently of race.

People of Hispanic origin make up 89.46% of the current year population in your selected area. Compare this to the US average of 17.88%.



HOUSING

The median housing value in your area was \$207,208 in 2018, compare this to the US average of \$193,953. In 2000, there were 62,915 owner occupied housing units in your area and there were 49,884 renter occupied housing units in your area. The median rent at the time was \$586.



EMPLOYMENT

In 2018, there are 287,441 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 54.78% of employees are employed in white-collar occupations in this geography, and 45.21% are employed in blue-collar occupations. In 2018, unemployment in this area is 5.92%. In 2000, the average time traveled to work was 29.00 minutes.

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