



HOBBY LOBBY.

11+ Year Term!

280 McMahan Blvd | Marion, OH 43302

Offering Memorandum

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES

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11+ Year Term!

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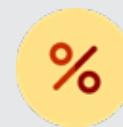
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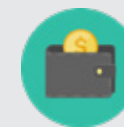
ADDRESS: 280 MCMAHAN BLVD
MARION, OH 43302



LIST PRICE:
\$4,232,000



YEAR 1 CAP RATE:
6.50%



YEAR 1 NOI:
\$275,100

OFFERING SUMMARY

Matthews is pleased to offer the opportunity to acquire the fee simple interest in a 55,020 square foot Hobby Lobby (the "Property") located within Legacy Crossing, co-anchored by Kohl's, Petco, and Dollar Tree in Marion, OH (Columbus MSA). This store opened in 2006 and Hobby Lobby recently executed an early lease renewal extending their term through March 2031. The Property is located at the northeast corner of the most prominent retail intersection within the trade area and is less than one mile from The Ohio State University at Marion and Marion Technical College. At only \$75 per building square foot, an investor has an opportunity to acquire a long-term lease with one of the most highly regarded national retailers well below replacement cost.

*ACREAGE TBD UPON LOT SPLIT



GLA:
± 55,020 SF



SITE SIZE:
± 1.7 AC*



YEAR BUILT:
2006



OCCUPANCY:
100%

INVESTMENT HIGHLIGHTS



Long Term Lease

Hobby Lobby recently executed an early 9-year renewal extending their lease through March 2031, so there is over 11 years of firm term remaining on the lease.



Strong National Tenant with No Debt

Hobby Lobby remains the second largest player in the Arts and Crafts industry with estimated revenue of \$4.60 billion for 2018, a 7% increase compared to the previous year. It is ranked in the Top 100 of Forbes list of America's Largest Private Companies (#92) for 2018. Also, the company does not currently have any debt.



Minimal Maintenance Responsibilities

The Operator of Legacy Crossing handles maintaining and insuring all common areas for the Property. Landlord is only responsible for roof and structure. Also, the center was built in 2006 and has been well kept since its construction, so there is minimal deferred maintenance. There is an assignable roof warranty in place through 3/2022.



Favorable Low Rent and Cost Per Square Foot

The Property has excellent intrinsic qualities given the low rent of \$5.00 per square foot and asking price of \$75 per square foot, which is well below replacement cost.



Strategic Location

Situated on the corner of Marion-Mt. Gilead Road (SR-95), which is the primary east-west commercial thoroughfare for Marion, and McMahan Boulevard, the Property is located on the most prominent retail intersection within the trade area. Along with Kohl's, Petco, and Dollar Tree, Hobby Lobby co-anchors Legacy Crossing. The Property is also across McMahan Boulevard from Eastland Towne Center, which is anchored by Kroger and a Walmart Supercenter.



Proximity to University

The Property is ideally positioned less than one mile from The Ohio State University at Marion and Marion Technical College. With a combined enrollment of almost 4,000 students, these universities supply the Property with an additional consumer base.



Pylon Signage on Major Thoroughfares

Hobby Lobby enjoys tremendous signage on two separate pylon signs as part of Legacy Crossing. One of the pylon signs is visible from US-23 (22,000 VPD), which is a major north-south state highway, and the other is at the corner of SR-95 (12,200 VPD) and McMahan Boulevard.



Significant Economic Growth in the Area

There are numerous companies that have recently been expanding their business in Marion. In 2017, Poet Biorefinery announced a \$120 million expansion of their corn ethanol production plant, which will have a major impact on the local economy, including 225 temporary construction jobs and 18-21 new permanent jobs at the site. It also adds new corn demand for farmers. Also, Whirlpool Corp. began a new dryer manufacturing line that created 300 jobs, machining company Sakamura USA Inc. announced plans to expand, and most recently, CenMac MetalWorks, which specializes in automated machine tools, welding, stamping and plasma cutting, announced an \$8.6 million expansion bringing 55 new jobs.



Unencumbered Asset

Offered free and clear of any existing financing, a new investor can take advantage of historically low interest rates and ample availability in the capital markets to significantly enhance returns through aggressive capitalization structures.





PROPERTY ADDRESS

280 McMahan Boulevard
Marion, OH



NET RENTABLE AEA

± 55,020 SF



LAND AREA

± 1.7 AC ¹



APN

20-011000.5203



PARKING SPACES

± 277 Spaces (± 5.03 : 1,000 SF)



YEAR BUILT

2006

PROPERTY OVERVIEW



¹ACERAGE IS APPROXIMATE. ACTUAL LOT SIZE IS TBD UPON LOT SPLIT.

FINANCIAL OVERVIEW

FINANCIAL SUMMARY

Offering Price	\$4,232,000
Cap Rate	6.50%
Current Annual Rent	\$275,100
Current Rent PSF	\$5.00
Lease Structure	NN
Gross Leasable Area	±55,020 SF
Land Area	±1.7 Acres

LEASE SUMMARY

Tenant	Hobby Lobby
Lease Expiration	March 31, 2031
Lease Term Remaining	11+ Years
Renewal Options	Two, 5-year
Rent Increases	None
Landlord Responsibilities	Roof & Structure





ABOUT HOBBY LOBBY

Hobby Lobby Stores, Inc. owns and operates a chain of arts, crafts, hobbies, home décor, holiday, and seasonal products stores in the United States. The company sells products in various categories that include home décor and frames, fabric and sewing, scrapbook and paper crafts, floral and wedding supplies, party and baking, baskets, art supplies, yarn and needle art, seasonal, beads and jewelry, and wearable arts. It also sells products online.

Hobby Lobby Stores, Inc. was founded in 1972 and is based in Oklahoma City, Oklahoma with additional offices in Hong Kong; and Shenzhen and Yiwu, China. With more than 850 stores, Hobby Lobby is the largest privately owned arts-and-crafts retailer in the world with over 37,500 employees and operating in forty-six states. What began as a \$600 start-up, continues to grow and expand—enabling customers across the nation to live a creative life.

WWW.HOBBYLOBBY.COM

2018 REVENUE
\$4.6 BILLION

FOUNDED
1972

±850
TOTAL LOCATIONS

HOBBY LOBBY.
Super Savings, Super Selection!™

LEASE ABSTRACT

Tenant Name	Hobby Lobby Stores, Inc.
Tenant Size (SF)	55,020
Rent Commencement Date	April 1, 2007
Expiration Date	March 31, 2031
Remaining Lease Term (Current - 3/31/2031)	142 Months
No. & Term of Options	2x5 years
Contract Rental Rate (Current - 3/31/2031)	\$275,100
1st Option (5 years)	\$275,100
2nd Option (5 years)	\$275,100
Commons Area Maintenance	The Operator of Legacy Crossing is responsible for maintaining and insuring the common area of the Property.
Utilities	Tenant is responsible for direct payment of all utilities to the appropriate billing authority.
Real Estate Taxes	Tenant is responsible for reimbursing Landlord for 100% of the real estate taxes levied against the Property.
Insurance	Tenant shall maintain an all-risk commercial property policy covering the building (including Tenant's fixtures, equipment, furnishings, merchandise, and other items contained in the building) for full replacement value and commercial general liability insurance with a combined single limit of not less than \$2,000,000

SITE PLAN



SURROUNDING RETAIL



SURROUNDING RETAIL



AREA OVERVIEW



MARION, OH

Marion, Ohio is located in North Central Ohio, 45 miles north of the capital city of Columbus. The city of Marion has a population of 36,837; 66,501 are in Marion County.

Marion is a progressive city that enjoys exceptional benefits in terms of transportation, convenience and proximity to markets. Marion County is situated in north central Ohio's rich agricultural area. The majority of the United States' eastern, northern and mid-western metropolitan markets are within easy reach. Approximately two-thirds of the U.S. and Canadian markets are within a day's truck drive from Marion.

COLUMBUS MSA



Over \$1.3 Billion
Gross Domestic
Product (MSA)



2,078,725
MSA
Residents



5
Fortune 500
Headquarters

ECONOMY

Marion is a progressive city that enjoys exceptional benefits in terms of transportation, convenience and proximity to markets. Marion County is situated in north central Ohio's rich agricultural area. The majority of the United States' eastern, northern and mid-western metropolitan markets are within easy reach. Approximately two-thirds of the U.S. and Canadian markets are within a day's truck drive from Marion.

Agriculture and diversified industries form the economic base of the Marion area. Approximately 80 percent of Marion County's land area is devoted to farming with corn, soybeans, hogs and dairy cattle as the principal products. A number of Marion's industries reflect the importance of agriculture to this community. Morral Companies, LLC, Nachurs Alpine Solutions, Ohigro, Inc., POET Biorefining – Marion, ReConserve of Ohio, Inc. and Wyandot, Inc. are among the ag-related industries.

Marion's largest industrial employer is Whirlpool Corp. – the largest dryer manufacturer in the world. Other major industrial employers include Silver Line Windows and Doors an Andersen Company, Nucor Steel Marion, Inc., Martel Bakery Mix LLC and Marion Industries, Inc.

DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2024 Projection	4,847	32,866	50,605
2019 Estimate	4,766	33,047	51,121
2010 Census	4,273	33,164	51,956
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2024 Projection	2,114	12,548	18,326
2019 Estimate	2,080	12,626	18,504
2010 Census	1,877	12,810	19,091
INCOME	1-MILE	3-MILE	5-MILE
2019 Average Household Income	\$64,964	\$52,193	\$53,498

COLUMBUS, OH

Columbus is the most populous city in the state of Ohio and the 14th most populous city in America. As the capital of Ohio, Columbus is a well-blended mixture of government, industry and the enormous Ohio State University. There is a strong high tech presence in the city, in addition to other major industries of education, insurance, banking, fashion, defense, medical research, and hospitality, amongst others. The diverse economic base in Columbus brings it more economic stability and growth than many of its Rust Belt neighbors. Having been ranked as one of the best places in the country to operate a business in, Columbus is home to the headquarters of five Fortune 500 companies: Nationwide Mutual Insurance Company, American Electric Power, L Brands, Cardinal Health and Big Lots.

Efforts to revive the downtown area and inner neighborhoods have been underway with the emergence of sprawling and attractive residential suburbs just west of the university. These areas have excellent housing, shopping, schools, golf courses and civic amenities in a layout more spacious, wooded and appealing than many similar cities in the region. Plenty of employment opportunities in commercial centers are available in and near these suburbs and with the added low cost of living for the available amenities, Columbus continues to entice those looking to relocate to a more affordable city.

THE OHIO STATE UNIVERSITY - COLUMBUS

Columbus is home to one of the top colleges in the nation with over 45,946 undergraduate and 13,891 graduate students while being the third largest employer in the state with close to 30,000 employees. Ohio State University is known for educating successful individuals as they are ranked 10th for awarding degrees to Fortune 500 CEO's.

The University's football team has a massive economic impact on the city of Columbus and state as a whole. Competing in the NCAA Division, each football game brings in about \$7.15 million with the majority coming from their 108,000 seat stadium ticket sales, and the rest from concessions and parking. The popular team attracts tourists from around the country who spend additional money on hotels, food and attractions.

THE OHIO STATE UNIVERSITY - MARION

The Ohio State University at Marion is located 45 miles north of Columbus and is shared with the Marion Technical College. This campus is comprised of eight different buildings ranging from academic to recreational. These students have over 30 clubs to be apart of as well as intramural sports such as basketball, softball, and volleyball. Students may complete one-to-three years of Ohio State University's over 200 majors (available coursework varies by major) in Marion before making the transition to the Columbus campus to complete their degree.



CONFIDENTIALITY AGREEMENT AND DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Hobby Lobby** located in **280 McMahan Blvd, Marion, OH 43302** (“**Property**”). It has been prepared by Matthews Real Estate Investment Services. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the **Property**. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the **Property**, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the **Property** and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the **Property** unless and until a written agreement for the purchase and sale of the **Property** has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the **Property** or in the future you discontinue such negotiations, then you agree to purge all materials relating to this **Property** including this Offering Memorandum.

A prospective purchaser’s sole and exclusive rights with respect to this prospective transaction, the **Property**, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the **Property**.

This Offering Memorandum shall not be deemed to represent the state of affairs of the **Property** or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

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LISTED BY

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