

# HOBBY LOBBY

1560 Military Road  
Niagara Falls, NY 14304

CBRE





Sprint T-Mobile verizon  
Wegmans Olive Garden chili's Panera

Qdoba maurices menchie's frozen yogurt  
petco SUPERCUTS

SHOE CARNIVAL  
ULTA BEAUTY BED BATH & BEYOND  
five BELOW



Sams Club

HOBBY LOBBY

Walmart  
Supercenter

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By receipt of this Memorandum, you agree that this Memorandum and its contents are of a confidential nature, that you will hold and treat it in the strictest confidence and that you will not disclose this Memorandum or any of its contents to any other entity without the prior written authorization of the Owner or CBRE, Inc. You also agree that you will not use this Memorandum or any of its contents in any manner detrimental to the interest of the Owner or CBRE, Inc.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return this Memorandum to CBRE, Inc.

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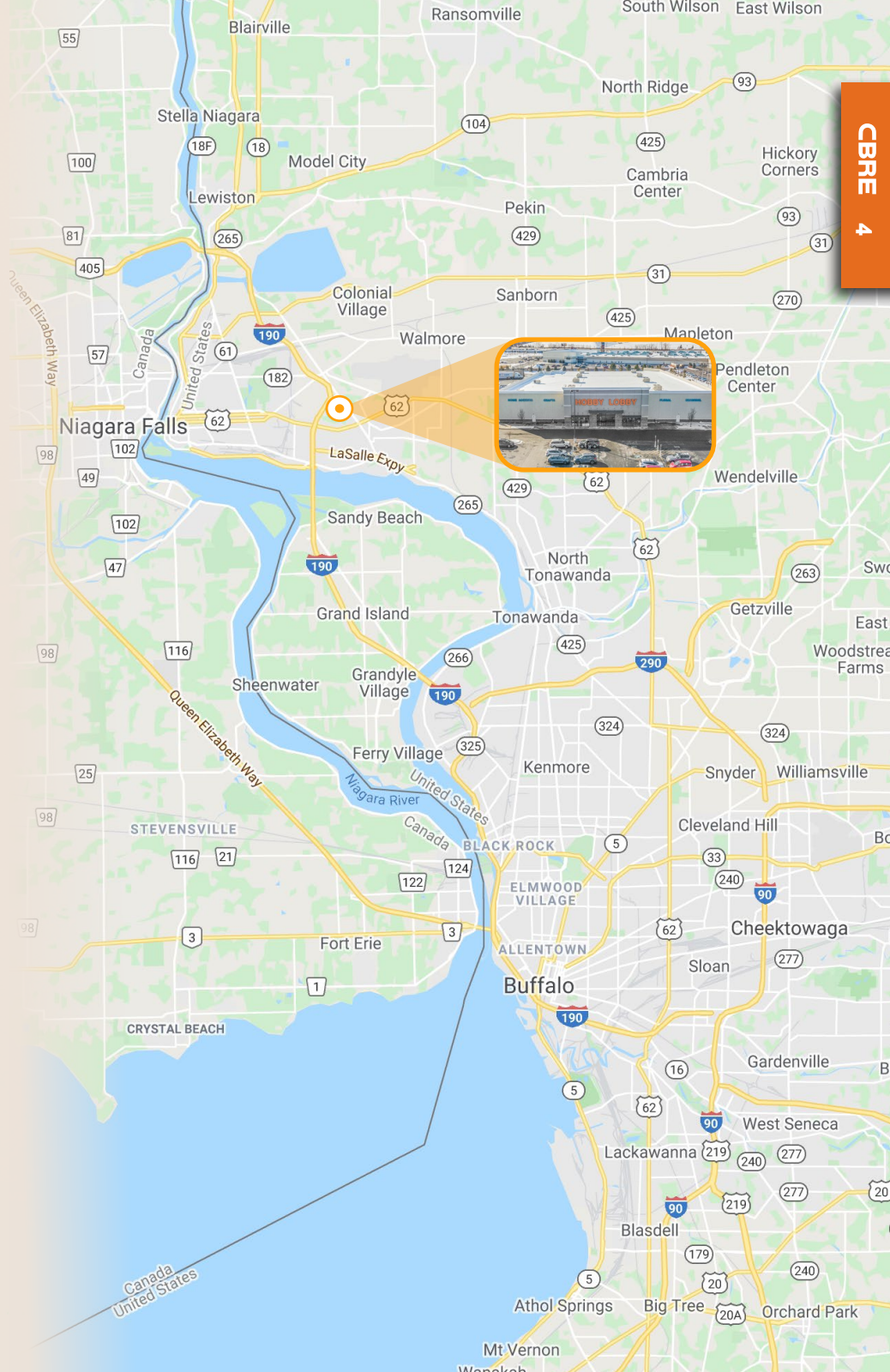
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## AREA OVERVIEW 13





# INVESTMENT OVERVIEW

The CBRE Net Lease Property Group is pleased to exclusively offer for sale the 54,087-square-foot Hobby Lobby situated on 6.21 acres in Niagara Falls, New York—a component of the Buffalo MSA (1.13M). Built in 2011, Hobby Lobby's net lease features ±11.8 years of primary term remaining with \$0.50 PSF rent increases every 5 years in the initial term and in each of the two 5-year options. In addition, Hobby Lobby recently extended their lease early, which demonstrates their long-term commitment to the location.

The property is positioned 18 miles north of Buffalo's CBD and boasts excellent access and visibility along Military Road (23,219 VPD), which intersects with Niagara Falls Boulevard (36,389 VPD) 0.8 miles south of the site. Hobby Lobby is ideally located in one of Niagara Fall's most premier shopping centers, which includes Walmart Supercenter, Sam's Club, Bed Bath & Beyond, Shoe Carnival, Petco, Maurice's, ULTA Beauty, Five Below, Verizon Wireless, T-Mobile, Panera Bread, Olive Garden, Chili's, Qdoba and Menchie's.

Hobby Lobby benefits from its position within the city's preeminent retail and commercial corridor with 5.5MSF of retail, 3.6MSF of industrial and 1,656 multifamily units within a 3-mile radius. The retail scene is highlighted by the 700,000-square-foot Fashion Outlets of Niagara Falls (adjacent to the site), which is home to 165 stores and restaurants, such as Sacks Off 5th, Marshalls, GAP, Polo Ralph Lauren, Nike Factory Store, Old Navy, H&M, Tommy Hilfiger and Banana Republic, among many others. Hobby Lobby is also just 1.2 miles from Niagara Consumer Square—home to Target, Tops Market, TJ Maxx, Party City, Dollar Tree, Zoom Tan, Five Star Urgent Care, Sally Beauty, Subway, Aspen Dental, Key Bank, GNC, Weight Watchers and Broadway Pizza. Additional retailers in the immediate area include Wegmans, Home Depot, Regal, Burlington, Big Lots, JOANN, Office Depot, Tractor Supply, Harbor Freight Tools, Family Dollar, Goodwill, LA Fitness, Crunch Fitness, Planet Fitness, Sprint, Walgreens, Citizens Bank, Advance Auto Parts, LongHorn Steakhouse, Bob Evans, Chipotle, Popeye's, Dairy Queen, Dunkin' Donuts, Tim Hortons, Subway, Denny's, Pizza Hut, KFC, Taco Bell, Burger King, Arby's and McDonalds, among others.

Hobby Lobby is less than 2 miles from Niagara Falls International Airport—a major traffic driver in the region, serving over 230,000 passengers annually with routes services by Spirit and Allegiant Air. The primary economic driver for the region, Niagara Falls State Park, is located just 6 miles to the west of the site, along with several other attractions, including Niagara Falls Adventure Theater, Niagara Wax Museum, The Conference & Event Center, and Seneca Gaming Corporation. Hobby Lobby is also proximate to Niagara University (Enrollment: 3,763) and Niagara County Community College (Enrollment: 5,047), and is the only Hobby Lobby within a 25 mile radius. The site further benefits from dynamic demographics with a population of 40,843 with an average household income of \$62,352 in a 3-mile radius.

## INVESTMENT SUMMARY

ADDRESS	1560 Military Road Niagara Falls, NY 14304
PARCEL SIZE	±6.21 Acres
BUILDING SIZE	54,087 SF
PARKING SPACES	260 Spaces
TERM REMAINING	±11.8 Years
NOI	\$402,948
PRICE	\$6,715,800
CAP RATE	6.00%





# INVESTMENT HIGHLIGHTS



## TENANT

Hobby Lobby Stores, Inc. (Hobby Lobby) is a US-based retail company. The company provides broad mix of products, including arts and crafts supplies, fashion fabrics, baskets, silk flowers, needlework, wearable art, picture framing, cards, party supplies and furniture. Its product portfolio covers more than 70,000 items under the store channel.



## LONG-TERM NET LEASE WITH RENT ESCALATIONS

Built in 2011, Hobby Lobby's net lease features ±11.8 years of primary term remaining with \$0.50 PSF rent increases every 5 years in the initial term and in each of the two 5-year options.



## EARLY EXTENSION

Hobby Lobby agreed to an early extension in 2019, demonstrating their long-term commitment to the location.



## STRONG YoY SALES INCREASES

Hobby Lobby's YoY sales have increased by 11%, 11%, and 9% over the past three years, respectively.



## RENT BUMP IN 2021

The 12/1/2021 rent escalation increases the cap rate to 6.40%.



## EXCELLENT ACCESS

The property is positioned 18 miles north of Buffalo's CBD and boasts excellent access and visibility along Military Road (23,219 VPD), which intersects with Niagara Falls Boulevard (36,389 VPD) 0.8 miles south of the site.



## STRATEGIC LOCATION

The site is ideally located in one of Niagara Fall's most premier shopping centers, which includes Walmart Supercenter, Sam's Club, Bed Bath & Beyond, Shoe Carnival, Petco, Maurice's, ULTA Beauty, Five Below, Verizon Wireless, T-Mobile, Panera Bread, Olive Garden, Chili's, Qdoba and Menchie's.



## PREEMINENT RETAIL & COMMERCIAL CORRIDOR

Hobby Lobby benefits from its position within the city's preeminent retail and commercial corridor with 5.5MSF of retail, 3.6MSF of industrial and 1,656 multifamily units within a 3-mile radius. The retail scene is highlighted by the 700,000-square-foot Fashion Outlets

of Niagara Falls (adjacent to the site), which is home to 165 stores and restaurants, such as Sacks Off 5th, Marshalls, GAP, Polo Ralph Lauren, Nike Factory Store, Old Navy, H&M, Tommy Hilfiger and Banana Republic, among many others.



## SURROUNDING DEVELOPMENT

Hobby Lobby is also just 1.2 miles from Niagara Consumer Square—home to Target, Tops Market, TJ Maxx, Party City, Dollar Tree, Zoom Tan, Five Star Urgent Care, Sally Beauty, Subway, Aspen Dental, Key Bank, GNC, Weight Watchers and Broadway Pizza. Additional retailers in the immediate area include Wegmans, Home Depot, Regal, Burlington, Big Lots, JOANN, Office Depot, Tractor Supply, Harbor Freight Tools, Family Dollar, Goodwill, LA Fitness, Crunch Fitness, Planet Fitness, Sprint, Walgreens, Citizens Bank, Advance Auto Parts, LongHorn Steakhouse, Bob Evans, Chipotle, Popeye's, Dairy Queen, Dunkin' Donuts, Tim Hortons, Subway, Denny's, Pizza Hut, KFC, Taco Bell, Burger King, Arby's and McDonalds, among others.



## KEY POINTS OF INTEREST

Hobby Lobby is less than 2 miles from Niagara Falls International Airport—a major traffic driver in the region, serving over 230,000 passengers annually with routes services by Spirit and Allegiant Air. The primary economic driver for the region, Niagara Falls State Park, is located just 6 miles to the west of the site, along with several other attractions, including Niagara Falls Adventure Theater, Niagara Wax Museum, The Conference & Event Center, and Seneca Gaming Corporation. Hobby Lobby is also proximate to Niagara University (Enrollment: 3,763) and Niagara County Community College (Enrollment: 5,047), and is the only Hobby Lobby within a 25 mile radius. The site further benefits from dynamic demographics with a population of 40,843 with an average household income of \$62,352 in a 3-mile radius.



## NIAGARA FALLS, NY

Part of the Buffalo MSA (Population: 1.13 Million), Niagara Falls is home to over 50,000 residence and welcomes nearly 10 million tourists annually. Incorporated in 1892, the city's economy was rooted in industrial and manufacturing, but has since turned towards a more diversified focus, with an emphasis on tourism and green technology. The lure of Niagara Falls State Park (the oldest state park in the U.S), its surrounding attractions, and vibrant downtown scene have provided the city with a revived sense of community. Niagara Falls prides itself in delivering an authentic experience where you can experience a natural wonder of the world, explore acres of pristine hiking trails, immerse yourself in outdoor adventure, visit local boutiques, outlets and farmers markets, and enjoy award winning wineries and restaurants.

DEMOGRAPHICS						TRAFFIC COUNTS
1-Mile Pop	1 Mile AHI	3-Mile Pop	3-Mile AHI	5-Mile Pop	5-Mile AHI	
6,297	\$62,825	40,843	\$62,352	80,609	\$64,659	Military Road: 23,219 VPD Niagara Falls Boulevard: 36,389 VPD Interstate 190: 58,436 VPD



Niagara Falls International Airport

INTERSTATE 190: 58,436 VPD

Fashion Outlets of Niagara Falls USA

FASHION OUTLETS BOULEVARD: 6,920 VPD

MILITARY ROAD: 23,219 VPD

HOBBY LOBBY

Walmart Supercenter

Tim Hortons

NAPA

SUBWAY

Chrysler Dealership

Advance Auto Parts

BURGER KING

Marshalls

KIRKLAND'S SHOE DEPT.

DQ

Firestone COMPLETE AUTO CARE



Advance  
Auto Parts

Wendy's

BURGER  
KING

NIAGARA FALLS BOULEVARD: 36,389 VPD

TARGET

TACO  
BELL

PartyCity

Tops  
Friendly Markets

DOLLAR TREE TJ-maxx

KFC

DUNKIN'  
DONUTS

Bob Evans  
FARMS

REGAL

THE  
HOME  
DEPOT

Industrial

LA FITNESS

godwill

INTERSTATE 190: 58,436 VPD

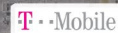
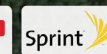
Walmart  
Supercenter

HOBBY  
LOBBY

Lake  
Fifth  
Avenue OFF  
5TH

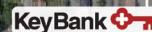
Fashion Outlets  
of Niagara Falls  
USA





INTERSTATE 190: 58,436 VPD

NIAGARA FALLS BOULEVARD: 36,389 VPD



MILITARY ROAD: 23,219 VPD



# LEASE SUMMARY

<b>TENANT</b>	Hobby Lobby Stores, Inc.
<b>LEASE COMMENCEMENT</b>	November 2, 2011
<b>LEASE EXPIRATION</b>	November 30, 2031
<b>LEASE TERM REMAINING</b>	±11.8 Years
<b>LEASE TYPE</b>	NN
<b>CURRENT TERM RENT</b>	Current - 12/1/2021: \$402,948 12/1/2021-11/30/2026: \$429,992 12/1/2026 - 11/30/2031: \$457,035
<b>RENT INCREASES</b>	\$0.50 PSF every 5 years
<b>REMAINING RENEWAL OPTIONS</b>	Two 5 year options
<b>OPTION RENT</b>	1st Option: \$484,078 2nd Option: \$511,122
<b>OPTION RENT INCREASES</b>	\$0.50 PSF in each option
<b>TAXES</b>	Tenant shall directly pay to the taxing authority 100% of the Taxes attributable to the Tax Parcel during the Term of this Lease on or before the day such taxes are due.
<b>INSURANCE</b>	The Tenant agrees that it will keep the Leased Premises insured by all-risk commercial property policy, and agrees to maintain commercial general liability insurance covering the Leased Premises and the Tenants Common Area Maintenance Area, having a combined single limit coverage of not less than \$3,000,000.  *Tenant may self-insure if Tenant has a net worth in excess of \$50,000,000.
<b>REPAIRS &amp; MAINTENANCE</b>	Tenant shall maintain at Tenant's sole cost and expense, the interior of the Leased Premises, including roof-top and other heating and air conditioning equipment, plumbing within the building envelope, internal electrical components, doors, windows and plate glass located on the Leased Premises.  Landlord shall, at Landlords sole cost and expense, maintain in good condition the i) exterior of the Tenant's building, but not limited to guttering, downspouts and exterior paint, ii) the structural components of the Leased Premises, iii) the roofing system of the Leased Premises (including, but not limited to the roof structure, roof membrane and roof access), iv) the load bearing walls and foundation of the Leased Premises, and v) water, sewer and other utility lines serving the Leased Premises.
<b>CAM</b>	The Tenant, at its sole cost and expense, shall perform all required maintenance, repairs, and replacements to the Common Area located within the Tenant's parcel. Tenant shall pay to Declarant during the primary and any renewal term of this Lease a fixed access maintenance fee of \$1,500 annually.









# TENANT OVERVIEW

Hobby Lobby Stores, Inc. (Hobby Lobby) is a US-based retail company. The company provides broad mix of products, including arts and crafts supplies, fashion fabrics, baskets, silk flowers, needlework, wearable art, picture framing, cards, party supplies and furniture. Its product portfolio covers more than 70,000 items under the store channel. The stores feature a large department devoted to seasonal merchandise. Hobby Lobby offers classes in areas including cake decorating, drawing, jewelry making, painting, sewing, needlework, floral design and knitting. The company offers a diversified range of products including fixtures, candles, scented products, office supplies and educational products through its affiliated companies, namely Hemispheres and Mardel Christian & Education. Its wide product base enables the company to cater to the diverse needs of its consumers, thereby providing an edge over its competitors.

## COMPANY OVERVIEW

YEAR FOUNDED	1970
PRIVATE/PUBLIC	Private
NUMBER OF LOCATIONS	850+
NUMBER OF EMPLOYEES	37,500+
HEADQUARTERS	Oklahoma City, OK
WEBSITE	<a href="http://www.hobbylobby.com">www.hobbylobby.com</a>





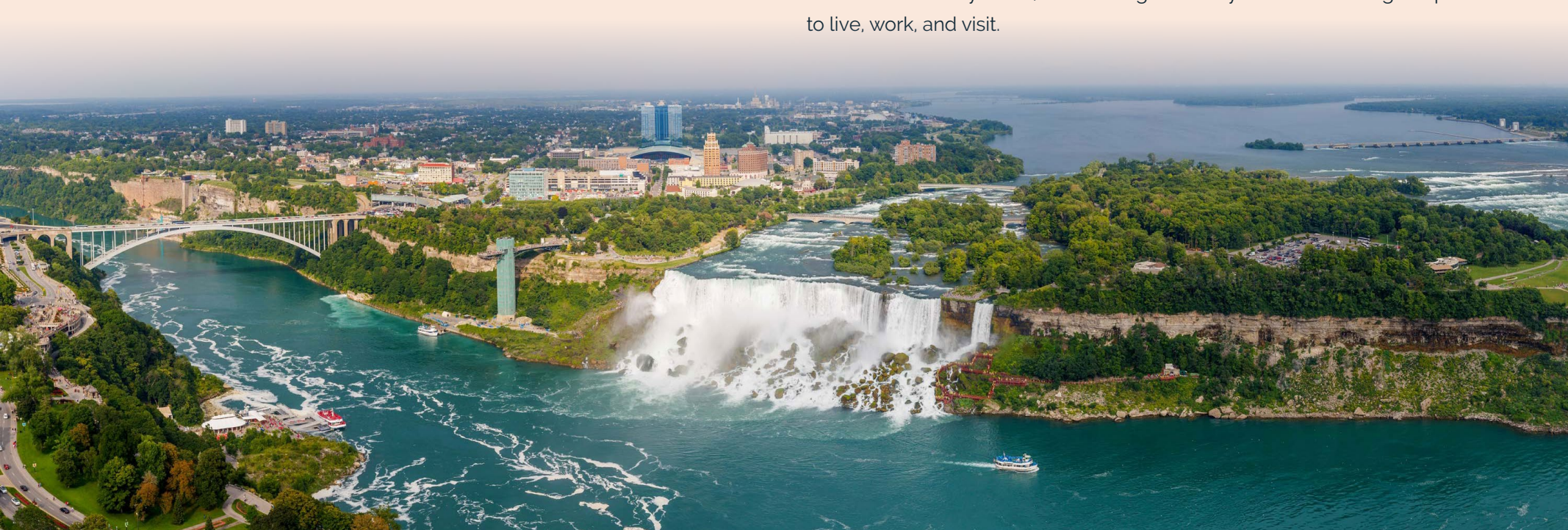
# BUFFALO–NIAGARA FALLS, MSA OVERVIEW

## NIAGARA FALLS, NEW YORK

Part of the Buffalo MSA (Population: 1.13 Million), Niagara Falls is home to over 50,000 residence and welcomes nearly 10 million tourists annually. Incorporated in 1892, the city's economy was rooted in industrial and manufacturing, but has since turned towards a more diversified focus, with an emphasis on tourism and green technology. The lure of Niagara Falls State Park (the oldest state park in the U.S), and its surrounding attractions and vibrant downtown scene, have provided the city with a revived sense of community. Niagara Falls prides itself in delivering an authentic experience where you can experience a natural wonder of the world, explore acres of pristine hiking trails, immerse yourself in outdoor adventure, visit local boutiques, outlets and farmers markets, and enjoy award winning wineries and restaurants.

## BUFFALO MSA

Located in the western part of New York, along the shores of Lake Erie and Lake Ontario, Buffalo-Niagara has a prime location on the Canadian-American border, less than 100 miles from Toronto. The Buffalo MSA (Population: 1.13 Million) is a classic American city and is undergoing over \$1 billion in redevelopment, a revitalized waterfront and neighborhoods, new attractions, restaurants and hotels. Buffalo is known for its classic American architecture including several Frank Lloyd Wright buildings as well as having a world renowned art scene. The area has a highly-skilled work force with more than 20 public and private colleges and Universities making Buffalo the 7th strongest job market in the US according to BusinessWeek. The major economic sectors of Buffalo include industrial, manufacturing, high technology and services. Strong business incentives, low cost of living, excellent school systems, and thriving economy make Buffalo a great place to live, work, and visit.





# BUFFALO–NIAGARA FALLS, MSA OVERVIEW

## ECONOMY

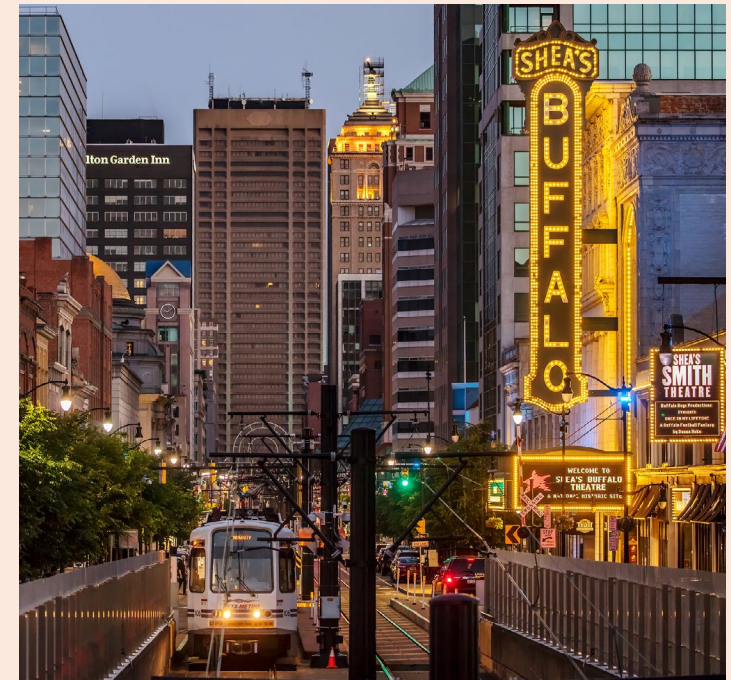
Buffalo has a thriving economy and has capitalized on its strengths – location and natural resources – to build a diversified economy based on financial services (M&T Bank's Headquarters), life science research and services, and high-technology and computer equipment manufacturing. Buffalo has held on to some of its largest traditional employers which are automotive part manufacturers and the flour industry. The major emphasis has been on development of the Byte Belt of 700 high-tech companies in the region, with the much support from the local government Information Technology Council that is encouraging the growth and sustenance of companies in the area. Buffalo is considered one of the most wired municipalities in the U.S., with extensive fiber optic networks that are attractive to high-tech entrepreneurs. In addition, its position on the U.S. Canada border has allowed it to capitalize on the opportunity for foreign trade since 1988, when a free trade agreement was forged between the two countries.

## TOURISM

Western New York is one of the state's centers of high technology and research, and retail sales is a healthy and growing segment of the region's economy. Buffalo is located about 25 miles south of Niagara Falls, one of the world's premier tourist attractions drawing more than 10 million visitors annually. Toronto, Ontario, is less than two hours away from Buffalo. Tourists, shoppers, and theater-goers visiting these popular spots add significantly to Buffalo's economy.

## RESEARCH & DEVELOPMENT

The University of Buffalo's two campuses in Buffalo and Amherst support more than 50 research centers which have been the source of major leaps in research and development, particularly in the life sciences. Success stories include creation of the first internal cardiac pacemaker, development of the prostate cancer screening procedure, and Beta-interferon therapy for multiple sclerosis. The university's technological resources are also made available to private industry through its alliance with Insyte Consulting, Inc., part of the Western New York Technology Development Centers network.





# BUFFALO–NIAGARA FALLS, MSA OVERVIEW

## CULTURE

The Buffalo-Niagara region is a great place to live with four distinct seasons and cultural resources comparable to that of a larger city. In fact, Buffalo's Theatre District boasts more live stages (except for Broadway) than anywhere else in the region. With a region so rich in the arts it should come as no surprise that Buffalo was named the #1 Arts Destination for Mid-Size Cities by American Style Magazine. Art lovers will feel at home at the Albright-Knox Gallery or at the newly constructed Burchfield Penney Art Center. The Buffalo-Niagara region is also a major entertainment and sports center, not to mention being home to natural wonder, Niagara Falls, helping to make Niagara Falls one of Forbes Traveler's Top Most Visited Tourist Attractions. The Buffalo Niagara region's assets are consistently highlighted by leading publications including: Bloomberg BusinessWeek, CNBC, Brookings Institution, Business Facilities, CNN Money and BusinessWeek.

## EDUCATION

Buffalo has more than 292 public schools serving the MSA including a growing number of charter schools. Buffalo has an excellent magnet school system, featuring schools that attract students with special interests including bilingual studies and Native American studies. Buffalo is home to three Universities including University of Buffalo (Enrollment: 29,850), Buffalo State College (Enrollment: 10,661) and Erie Community College (Enrollment: 15,084). These higher educational facilities give Buffalo one of the most educated work force in the country making Buffalo the 7th strongest job market in the US according to BusinessWeek.







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