



# HOBBY LOBBY

# UPLAND

REAL ESTATE GROUP, INC.

## HOBBY LOBBY

1660 S Robert Street | West St. Paul, MN | 5518

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As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Package is not a substitute for your thorough due diligence investigation of this investment opportunity. Upland Real Estate Group, Inc. expressly denies any obligation to conduct a due diligence examination of this Property for Buyer.

Any projections, opinions, assumptions or estimates used in this Marketing Package are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial, legal and other advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal, financial and other advisors must request and carefully review all legal, financial and other documents related to the property and tenant. While past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

All information, including price change and withdrawal from the market, is subject to change without notice.

**By accepting this Marketing Package you agree to release to Upland Real Estate Group, Inc. and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.**

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- Hobby Lobby is the largest privately owned arts-and-crafts retailer in the world with 900 Stores in 46 States.
- Hobby Lobby is subleasing from J.E. West Saint Paul 2014 LLC with 6 years remaining on the primary lease term. The master lease is guaranteed by Roundy's, Inc., a subsidiary of Kroger. Roundy's operates 150 retail stores in Wisconsin & Illinois. Kroger operates 2,755 stores in 35 states.
- Excellent location near Super Target, Wal-Mart and Lowe's.
- Strong demographics with a 5-mile population of 224,310 and average household income of \$86,278.
- High traffic counts in front of the property averaging 23,400 vehicles daily on South Robert Street.
- Large lot size over 4 acres.

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**INVESTMENT SUMMARY**

PRICE	\$6,964,640
CAP	7.00%
NOI	\$487,524.84
RENT/SF	\$7.90
PRICE/SF	\$112.86
RENT ADJUSTMENTS	
YEARS 14-20	\$487,524.84
OPTION 1	\$526,526.76
OPTION 2	\$586,646.76
OPTION 3	\$614,140.80
OPTION 4	\$663,272.04

**LEASE INFORMATION**

LEASE TYPE	NN
LEASE TERM REMAINING	6 Years
RENEWAL OPTIONS	Four 5-Year
LEASE COMMENCEMENT	03/21/2006
LEASE EXPIRATION	12/31/2026


**LEASE NOTES:**

Net, Net. Landlord is responsible to repair and replace roof and structure. Taxes and Insurance are Passed through to Tenant.

Hobby Lobby is sub leasing and shall pay Sublandlord rent in the amount of \$308,560 through 12/31/2021 and \$339,416 from 1/1/2022-12/31/2026. J.E. West Saint Paul 2014 pays full Rent to Landlord.

**PROPERTY INFORMATION**

ADDRESS	1660 S Robert Street West St. Paul, MN 55118
BUILDING SIZE	61,712 SQ FT
LOT SIZE	4.07 Acres
COUNTY	Dakota
YEAR BUILT/ RENOVATED	1982/2015

**DEMOGRAPHIC INFORMATION**

	1-MILE RADIUS	3-MILE RADIUS	5-MILE RADIUS
2020 POPULATION	10,709	75,532	224,310
2025 POPULATION	11,024	77,707	232,516
2020 MEDIAN HOUSEHOLD INCOME	\$46,868	\$59,683	\$60,063
2020 AVERAGE HOUSEHOLD INCOME	\$68,596	\$85,458	\$86,278

All demographic information is obtained from Site To Do Business, which compiles US Census Bureau data and Esri projections for 2020 and 2025.

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MASTER LEASE	
TENANT	Roundy's Supermarkets, Inc.
REVENUES	Private
NET WORTH	Private
S&P RATING	Non-Rated



LEASE ASSIGNED TO	
ASSIGNED TENANT	J.E. West Saint Paul 2014, LLC.
REVENUES	Private
NET WORTH	Private
S&P RATING	Private



SUBTENANT	
SUBTENANT	Hobby Lobby Stores, Inc.
REVENUES	Private
NET WORTH	Private
S&P RATING	Private



SUBSIDIARY	
SUBSIDIARY OF	The Kroger Co.
REVENUES	Private
NET WORTH	Private
S&P RATING	Private

# HOBBY LOBBY

**Hobby Lobby** is primarily an arts-and-crafts store but also includes hobbies, picture framing, jewelry making, fabrics, floral and wedding supplies, cards and party ware, baskets, wearable art, home accents and holiday merchandise. Corporate headquarters include over 10-million-square-foot of manufacturing, distribution, and an office complex in Oklahoma City. Today, with more than 900 stores, Hobby Lobby is the largest privately owned arts-and-crafts retailer in the world with over 43,000 employees and operating in forty-six states. Hobby Lobby also owns stores in Canada and operates offices in China and Hong Kong.

**J.E. West Saint Paul 2014** is the tenant assigned to the lease. The founder of J.E. West Saint Paul 2014 is the operator of the Cub Foods, down the street.

**Roundy's Supermarkets, Inc.** is the Master tenant on the lease. Roundy's currently operates 151 stores in both Wisconsin and Illinois. Roundy's Supermarkets, Inc. is a supermarket/grocery store, primarily engaged in the retail sale of all sorts of canned foods and dry goods, such as tea, coffee, spices, sugar, and flour, fresh fruits and vegetables; and fresh prepared meats, fish and poultry.

**Roundy's is a subsidiary of The Kroger Co.** Kroger is the world's largest traditional grocer, despite Wal-Mart overtaking the chain as the world's largest seller of groceries years ago. It operates more than 2,755 supermarkets in 35 states under variety of local banners. The company offers Pickup and Harris Teeter Express Lane—personalized order online, pick up at the store services and some provide home delivery service. It also has 35 food processing plants.

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DOWNTOWN ST. PAUL



This Hobby Lobby is located on South Robert Street near several national retailers including Super Target, Wal-Mart, LA Fitness, Lowe's, The Home Depot, Menards, Chick-Fil-A, Raising Cane's, Cub Foods, ALDI, McDonalds, Starbucks Coffee, Walgreens Pharmacy, Panera, O'Reilly, and Caribou Coffee to mention a few. West St. Paul is a first ring suburb city in Dakota County, immediately south of St. Paul and west of South Saint Paul offering the tranquility and beauty of the county as well as the diverse amenities of the city.

West St. Paul offers a high quality of life and is rich with opportunities for growth and development. The City of West St. Paul is five square miles in size and contains 69.16 miles of city streets. The City provides excellent connectivity to area highway/freeway systems and is located minutes from St. Paul, Minneapolis, and MSP airport.

The professional and business climate in West St. Paul is thriving. There are over 600 businesses and a light industrial park located within the city providing excellent products and services ranging from manufacturing to retail. On average 29,000 cars per day travel along Robert Street's commercial/retail district providing many opportunities for retail development to thrive. West St. Paul is home to both national retailers and smaller, owner-operated businesses including medical services, automotive services, and financial services. The business community has a strong history of community support and involvement. There are many features that make West St. Paul an ideal location to start or relocate a business.

The Twin Cities metro area has a population exceeding 3.4 million residents. Home to 19 Fortune 500 companies, including Target 3M, Medtronic, General Mills, Best Buy, Supervalu, Land O' Lakes, U.S. Bancorp, Xcel Energy, and Ameriprise Financial, the Twin Cities is a thriving hub of business and commerce. While the Central Business District is focused in Minneapolis, St. Paul contains all the state's political institutions, as it is the state capital, as well as popular attractions such as the Science Museum of Minnesota and the Xcel Energy Center. The metro area is also home to many institutions of higher education, most notably the University of Minnesota, which has a current enrollment over 51,000 students, making it the 6th largest university in the nation.

DODGE NATURE CENTER



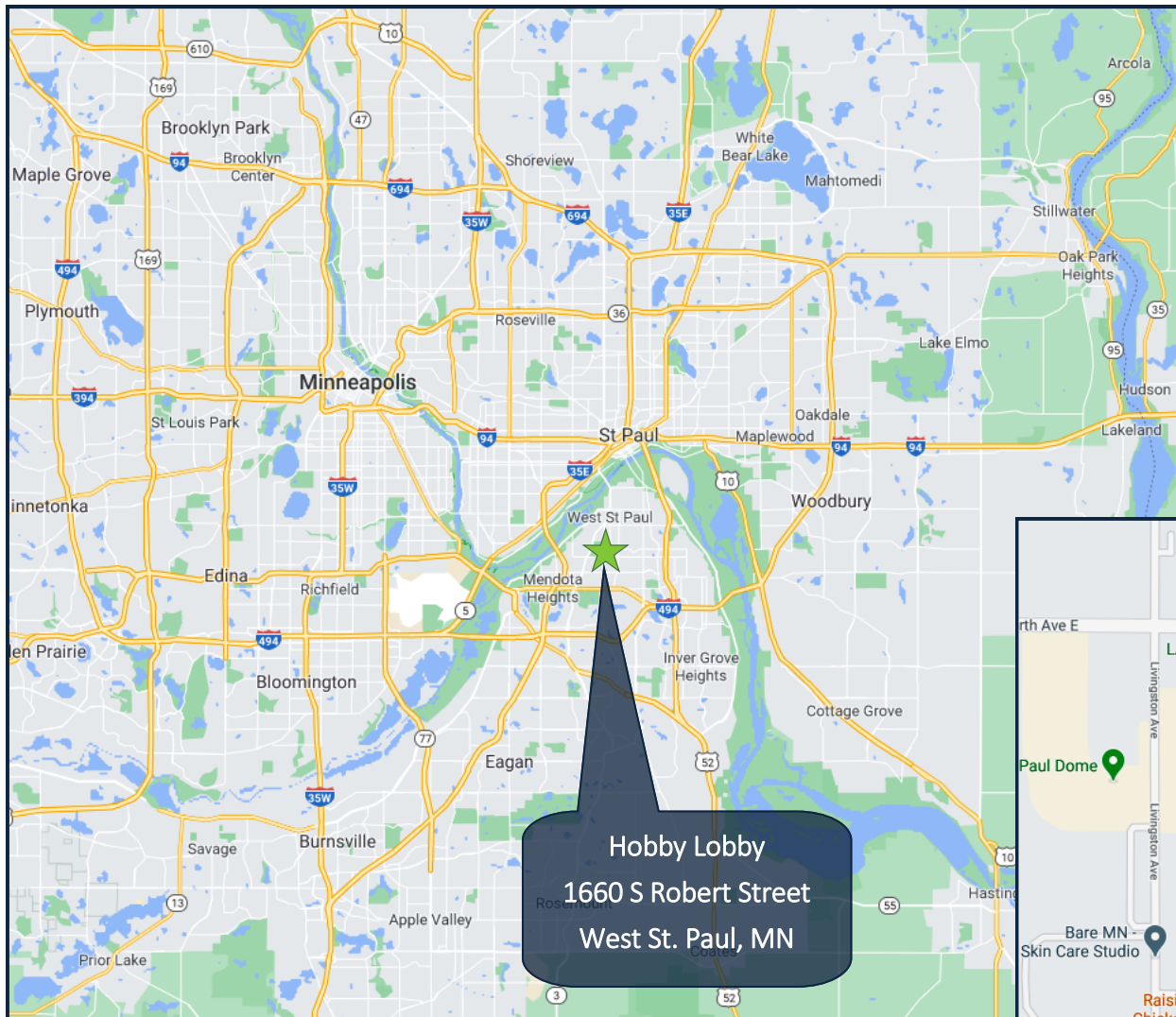
DAKOTA COUNTY SERVICES CENTER



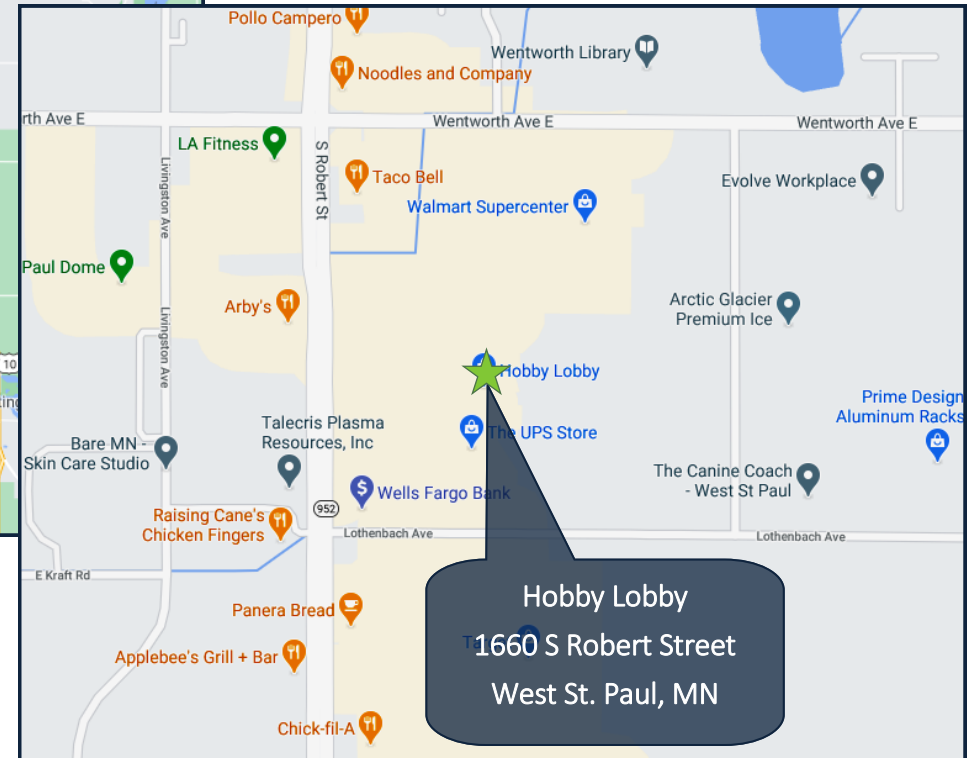
SOUTHVIEW COUNTRY CLUB

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## MINNESOTA MARKET HIGHLIGHTS

**\$5.5 Million      \$3.5 Million      11,842      69,200      \$16 Billion**

Minnesota

Population

Minneapolis St. Paul Metro

Area Population

Number of Lakes

Over 10 Acres

Miles added up of

River & Streams

Amount of money

produced from Tourism

## HOME TO THE FOLLOWING 15 FORTUNE COMPANY HEADQUARTERS (2020 Revenues shown)



**\$242.1**  
Billion



**\$78.1**  
Billion



**\$43.6**  
Billion



**\$32.1**  
Billion



**\$31.9**  
Billion



**\$27.3**  
Billion



**\$16.8**  
Billion



C.H. ROBINSON

**\$15.3**  
Billion



**\$78.1**  
Billion



**\$13.1**  
Billion



**\$11.5**  
Billion



**\$9.4**  
Billion



**\$8.6**  
Billion



**\$6.8**  
Billion



**\$6.6**  
Billion

## RANKINGS

**Ranked #3**  
**Overall Best**  
**State**  
(2019 US News)

**Ranked #2**  
**Best States to**  
**Live In**  
(2019 WalletHub)

**Ranked #1**  
**Friendliest**  
**State**  
(2019 Big 7 Travel)

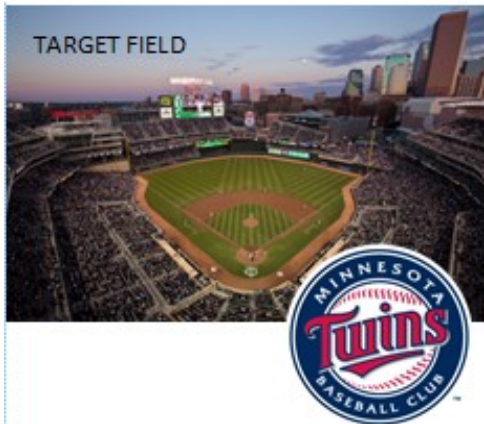
**Minneapolis and St.**  
**Paul Ranked #1 and #2**  
**Best Park System**  
(2019 Trust for Public Land)

**Ranked #1**  
**Healthiest City**  
(2011 Forbes)

**Minneapolis**  
**Named Best**  
**Places to Visit**  
(2018 WSJ)

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- Home to the largest continuous skyway system in the world. Connects second level of buildings 9.5 miles of pathways for a total of 80 city blocks throughout downtown Minneapolis keep us warm or cool.
- Home to 78 Minnesota Four Year Colleges and Universities of 142 Minnesota Colleges, Community College's, and Trade Schools
- University of Minnesota, University of St. Thomas, Bethel University, St. Catherine University, College of St. Scholastica, Carleton College, Macalester College, St. Olaf College, College of St. Benedict, Gustavus Adolphus College (US NEWS ranked)
- Lake Superior is the world's largest freshwater lake at the end of the St. Lawrence Seaway, which bring boats from around the world to the port of Duluth, MN.
- \$2 Billion in Economic Activity which is Generated for Minnesota by the Mall of America
- Minneapolis-St. Paul International Airport has over a 100 Gates, serves 163 Nonstop markets, 136 domestic and 27 International markets. The cost to airlines per enplaned passenger is \$6.32. MSPs 2016 estimated cost to airplanes per enplaned passenger ranks among the lowest third of large hub airports. 60% of passengers originate from Minneapolis while the other 40% of people are connecting passengers.



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### THE UPLAND ADVANTAGE

Upland Real Estate Group, Inc., which was founded in 1995, is a Minneapolis based commercial real estate, brokerage, and investment company, which focuses on passive real investments, 1031 solutions, real estate portfolio diversification, and wealth preservation. Upland offers "big business service" with the attentiveness you expect from a boutique shop.

Our ability to swiftly match buyers with sellers is one of the many reasons Upland Real Estate Group, Inc. is the nation's primary resource for the purchase or sale of net leased, credit investment properties. Many investors and 1031 tax deferred exchange buyers have benefited from the experience and expertise of our team of net leased investment sales specialists.

### BENEFITS OF WORKING WITH UPLAND

- Nationally recognized CCIM accredited sales team
- Comprehensive and searchable online database
- Excellent reputations and credibility
- Online Letter of Intent forms
- Access to confidential off-market properties
- Extensive referral network
- Prompt follow-up and attention to detail

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### PROVEN SUCCESS RECORD

- Completed in excess of 800 net leased sales transactions totaling over \$2.1 billion
- Combined sales experience of over 60 years
- Specialized in NNN investment market for more than 20 years

Upland's 1031 investment specialists have successfully completed net lease sales transactions with tenants including, but not limited to:

7-Eleven	Dollar General	O'Reilly Auto Parts
Advance Auto	Family Dollar	Petco
Applebee's	Gander Mountain	Sherwin Williams
Arby's	Goodwill	Starbucks
BJ's Wholesale	Jack in the Box	Taco Bell
Bridgestone/Firestone	Jiffy Lube	Tires Plus
Buffalo Wild Wings	KinderCare Learning Center	Tractor Supply
Burger King	Kohl's	Trader Joe's
Camping World	McDonald's	Valvoline
CVS Pharmacy	National Tire & Battery	Walgreens



L to R: Emily Marsh; Larissa Jackson; Amanda Leathers; Keith Sturm, CCIM; & Deb Vannelli, CCIM