



ACTUAL SITE

HOBBY LOBBY

13780 MILLARD AVENUE
OMAHA, NEBRASKA 68137

OFFERING MEMORANDUM

Represented by:

JUSTIN ZAHN

CIA BROKERAGE COMPANY

9383 East Bahia Drive, Suite 130 | Scottsdale, Arizona 85260

480.718.5555 – Direct | 402.730.6021 – Cell

justin@ciadvisor.com

www.ciadvisor.com

CIA
commercial
investment
advisors

INVESTMENT OVERVIEW

HOBBY LOBBY
OMAHA, NEBRASKA

LOCATION	13780 Millard Avenue Omaha, Nebraska 68137
MAJOR CROSS STREETS	On Millard Ave, North of Q St
TENANT	HOBBY LOBBY STORES, INC.
PURCHASE PRICE	\$5,520,000
CAP RATE	6.80%
NET OPERATING INCOME	\$375,355
GROSS LEASEABLE AREA	63,728 SF
RENTAL ESCALATIONS	\$0.50 PSF Every 5 Years
LEASE TYPE	NN*
OWNERSHIP	(Building & Land) Fee Simple
YEAR BUILT REMODELED	1990 2004
LOT SIZE	±7.74 Acres
LEASE EXPIRATION	May 31, 2024
OPTIONS	Two 5-Years Remaining
ROOF	Rubber Membrane/Rock Ballast (20-Yr Transferable Warranty – Installed 2020)
PARKING LOT	Asphalt

* Landlord is responsible for Roof, Structure, Parking Lot in excess of annual CAP & Gutters/Downspouts.

POINTS OF INTEREST

RETAIL | SHOPPING: Nearby retailers include **Walmart Supercenter, Sam's Club, Target, Home Depot, Kohl's, Barnes & Noble, PetSmart, ULTA Beauty, Petco, Michaels, Maurices, Shoe Carnival, Kirkland's, Five Below, Cost Plus World Market, Hy-Vee, Super Saver, Dollar Tree**, etc.

HIGHER EDUCATION: 9.5 miles from **University of Nebraska Omaha (UNO)** (a public research university offering over 200 undergraduate programs & over 70 graduate degrees & certificates with total enrollment of 15,431); 7.5 miles from **College of St. Mary** (a Catholic women's university offering more than 30 undergraduate & 7 graduate programs with 1,168 students)

HEALTH CARE: 4 miles from **CHI Health Lakeside Hospital** (West Omaha's only full-service hospital with 157 beds)

INVESTMENT HIGHLIGHTS

LEASE: 3 Years Remaining on Corporate Guaranteed NN Lease with \$0.50 PSF Rental Increases Every 5 Years

TENANT: Hobby Lobby Stores, Inc. is a Private For-Profit Corporation **Operating ±932 (as 2020) Retail Stores Nationwide**

SEASONED SALES LOCATION: Hobby Lobby has been Successfully Open & Operating at this Location Since 2004 & Recently Executed Their Second 5-Year Option to Renew! ***ASK BROKER FOR DETAILS ON PERFORMANCE***

TRAFFIC COUNTS: Situated on a Large ±7.74-Acre Parcel, About Half a Mile from US 275 where Traffic Counts Exceed 67,040 CPD on the Hard Corner of Millard Ave & Q St!

STRONG INTRINSIC VALUE | BRAND NEW ROOF: Priced Below Replacement Cost with Current Rent Well Below Market - \$6.00 PSF. New Roof Installed in 2020 with 20-Year Transferable Warranty!

UPSIDE POTENTIAL: Potential Opportunity to Subdivide an Outparcel (Subject to Hobby Lobby Approval)

2021 AFFLUENT DEMOGRAPHICS (5-MI): Total Population: 212,755 | **Average Household Income: \$116,620**

UNEMPLOYMENT RATE (APRIL 2020): Nebraska Rate at 2.8% - National Rate at 14.8%



FINANCIAL ANALYSIS

HOBBY LOBBY
OMAHA, NEBRASKA

SUMMARY

TENANT	Hobby Lobby Stores, Inc.
PURCHASE PRICE	\$5,520,000
CAP RATE	6.80%
GROSS LEASABLE AREA	63,728 SF
PRICE PER SQ FT	\$86.62
RENT PER SQ FT	\$6.00

FINANCING SUMMARY

All Cash or Buyer to obtain new financing at Close of Escrow.

ANNUALIZED OPERATING DATA

INCOME	ACTUAL
2020 Gross Rental Income	\$381,612
Expense Reimbursement*	\$153,906
Admin Fee	\$1,734
Gross Annual Income	\$537,252
EXPENSES	
Operating Expenses	(\$161,897)
Total Expenses	(\$161,897)
NET OPERATING INCOME	\$375,355

2020 ANNUALIZED OPERATING EXPENSES

Property Taxes	\$100,574
Insurance	\$21,285
Management	\$7,681
Snow Removal	\$7,675
Parking Lot Repairs	\$11,435
Electrical/Parking Lot Lights	\$2,151
Landscaping/Trash Pickup	\$11,096
Total Operating Expenses	\$161,897

* Controllable CAM Expenses are capped at \$24,471.87 YE 2020 with 3% Annual Escalations).

RENT ROLL

HOBBY LOBBY
OMAHA, NEBRASKA

TENANT INFO		LEASE TERMS	RENT SUMMARY			
TENANT NAME	SQ FT	TERM	INCREASE	RENT	RENT PSF	ANNUAL INVESTOR RETURN
Hobby Lobby Stores, Inc.	63,728	2 nd Option (Years 16 to 20): 06/01/19 to 05/31/24	Current	\$381,612	\$6.00	6.80%

RENEWAL OPTIONS	3 rd Option (Years 21 to 25): 06/01/24 to 05/31/29	\$0.50	\$413,413	\$6.50
	4 th Option (Years 26 to 30): 06/01/29 to 05/31/34	\$0.50	\$445,214	\$7.00



TENANT OVERVIEW

HOBBY LOBBY
OMAHA, NEBRASKA

HOBBY LOBBY

TYPE	PRIVATE
# OF LOCATIONS	±932 RETAIL STORES NATIONWIDE (2020)
# OF EMPLOYEES	37,500 (2019)

<https://www.hobbylobby.com/>

Hobby Lobby Stores, Inc. is a private for-profit corporation which owns a chain of American arts & crafts that are managed by corporate employees. Each store offers over 70,000 crafting and home decor products including floral, fabric, needle art, custom framing, baskets, home accents, wearable art, arts and crafts, jewelry making, scrapbooking and paper crafting supplies.

Currently, there are ±932 Hobby Lobby stores nationwide.

Hobby Lobby is based in Oklahoma City, Oklahoma.

HOBBY
LOBBY



FACING WEST



HOBBY LOBBY | OMAHA, NEBRASKA

FACING SOUTH



HOBBY LOBBY | OMAHA, NEBRASKA

FACING EAST



HOBBY LOBBY

HOBBY LOBBY | OMAHA, NEBRASKA

SITE PLAN



The Parcel Outline
(According to Douglas County
Assessor Website)

NOT A
PART

MILLARD AVE 34,818 CPD

LOT SIZE

±7.74 Acres

GLA

63,728 SF

HOBBY LOBBY | OMAHA, NEBRASKA

OMAHA



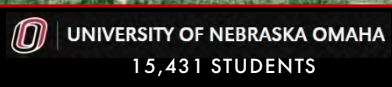
HOBBY LOBBY | OMAHA, NEBRASKA

OMAHA ZOOMED OUT

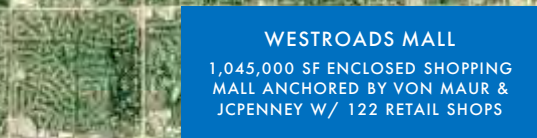
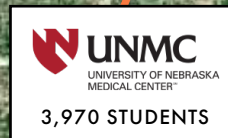


HOBBY LOBBY | OMAHA, NEBRASKA

OMAHA CITY VIEW



OMAHA



IOWA

NEBRASKA



HOBBY LOBBY | OMAHA, NEBRASKA

LOCATION OVERVIEW

HOBBY LOBBY
OMAHA, NEBRASKA

Omaha is the largest city in and the county seat of Nebraska's Douglas County.

According to USA Today, Omaha ranks eighth among the nation's 50 largest cities in both per-capita billionaires and Fortune 500 companies. With diversification in several industries, including banking, insurance, telecommunications, architecture/construction, and transportation, Omaha's economy has grown dramatically since the early 1990s. In 2001, Newsweek identified Omaha as one of the Top 10 high-tech havens in the nation. Six national fiber optic networks converge in Omaha.

Fortune 500 Omaha-based companies: **Berkshire Hathaway, Union Pacific Railroad, Kiewit Corporation and Mutual of Omaha.**

Fortune 1000 Omaha-based companies: **Valmont Industries, Green Plains, Inc., TD Ameritrade, West Corporation and Werner Enterprises.**

Omaha is the headquarters of several other major corporations, including **The Gallup Organization, TD Ameritrade, infoGROUP, Werner Enterprises, First National Bank, Gavilon and First Comp Insurance.** Many large technology firms have major operations or operational headquarters in Omaha, including **Bank of the West, First Data, PayPal & LinkedIn.** The city is also home to three of the 30 largest architecture firms in the United States, including **HDR, Inc., DLR Group, Inc. & Leo A. Daly.**

In 2013, Forbes named Omaha among its list of the Best Places for Business and Careers.



2021 DEMOGRAPHICS

	1-MI	3-MI	5-MI
Total Population	9,935	89,872	212,755
Projected Population (2026)	10,245	92,761	224,344
Daytime Demographics Age 16+	15,217	80,974	187,401
Population Median Age	37.4	37.2	37.4
Average Household Income	\$85,486	\$101,659	\$116,620

OMAHA, NEBRASKA ACCOLADES

Forbes #5 – 2018 Best States for Business (Nebraska)

W **WalletHub** #20 – 2018 Best Big City to Live In

ZipRecruiter #1 – 2018 Best City to Find a Job (Omaha)

TIME 2015 5 Best Big Cities (Best in the Midwest – Omaha)

UNITED STATES DEPT. OF LABOR Apr 2020 Unemployment Rate (Nebraska): 2.8%

Omaha, 'economic powerhouse of the Midwest,' ranked No. 2 among 'small cities'

Omaha has earned the No. 2 spot on a list of “America’s Top 10 Small Cities” for the second year in a row.

Resonance Consultancy, a tourism, real estate and economic development advising company, examined America’s “large” cities, with populations of more than 1 million; and “small” cities, with populations from 200,000 to 1 million.

The listing referred to Omaha as the “discreet economic powerhouse of the Midwest.” It references billionaire Warren Buffett’s decision to stay in Omaha. “The Berkshire Hathaway CEO’s hometown loyalty doesn’t surprise Omaha locals, who know that this city on the Missouri River is one of the best spots in the country to start a business, raise a family and let your hair down on a Saturday night.”

Greater Omaha Chamber President David Brown said everyone in Omaha owns a share of the ranking.

“This recognition lets us know we’re accelerating in the right direction and pushes us, at the same time, to work that much harder to be that much better,” Brown said.

Omaha came in second to Honolulu in the overall ranking.

In the category of prosperity, Omaha ranked No. 1, due to its number of Fortune 500 companies. The study also mentioned the city’s nightlife; culinary scene, including steakhouses; and low cost of living.

The city’s lowest score was in the “people” category, which examined diversity and educational attainment.

According to a recent Bloomberg story, the Resonance rankings stand out because they look at more than just tourism and include “comprehensive data about a city’s public perception and appeal to locals, visitors and business people.”

Omaha’s Largest Employers

11 companies, organizations or institutions in the Omaha-area have 2,500 or more employees (According to 2018 data from the Omaha Chamber of Commerce)

1 OFFUTT AFB

OF EMPLOYEES: 5,000 & OVER

INDUSTRY: PUBLIC ADMINISTRATION

2 CHI HEALTH

OF EMPLOYEES: 5,000 & OVER

INDUSTRY: HEALTH CARE & SOCIAL ASSISTANCE

3 NEBRASKA MEDICINE HOSPITALS & CLINICS

OF EMPLOYEES: 5,000 & OVER

INDUSTRY: HEALTH CARE & SOCIAL ASSISTANCE

4 METHODIST HEALTH SYSTEM

OF EMPLOYEES: 5,000 & OVER

INDUSTRY: HEALTH CARE & SOCIAL ASSISTANCE

5 FIRST DATA

OF EMPLOYEES: 2,500 & 4,999

INDUSTRY: INFORMATION

6 CHILDREN’S HOSPITAL

OF EMPLOYEES: 2,500 & 4,999

INDUSTRY: HEALTH CARE & SOCIAL ASSISTANCE

7 UNIVERSITY OF NEBRASKA MEDICAL CTR

OF EMPLOYEES: 2,500 & 4,999

INDUSTRY: HEALTH CARE & SOCIAL ASSISTANCE

8 FIRST NATIONAL BANK

OF EMPLOYEES: 2,500 & 4,999

INDUSTRY: FINANCE & INSURANCE

9 UNION PACIFIC RAILROAD

OF EMPLOYEES: 2,500 & 4,999

INDUSTRY: TRANSPORTATION & WAREHOUSING

10 MUTUAL OF OMAHA

OF EMPLOYEES: 2,500 & 4,999

INDUSTRY: FINANCE & INSURANCE

11 PAYPAL

OF EMPLOYEES: 2,500 & 4,999

INDUSTRY: FINANCE & INSURANCE



By Jessica Wade / World-Herald Staff Writer

June 9, 2019

CONFIDENTIALITY AGREEMENT

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Commercial Investment Advisors, Inc. and should not be made available to any other person or entity without the written consent of Commercial Investment Advisors, Inc. | CIA Brokerage Company. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Commercial Investment Advisors, Inc. | CIA Brokerage Company has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. Any projections, opinions, assumptions or estimates used in the Marketing Brochures are for example only and do not represent the current or future performance of any property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Commercial Investment Advisors, Inc. | CIA Brokerage Company has not verified, and will not verify, any of the information contained herein, nor has Commercial Investment Advisors, Inc. | CIA Brokerage Company conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. Like all real estate investments, all of these investment carries significant risks. Purchaser and Purchaser's legal and financial advisors must request and carefully review all legal and financial documents related to the properties and tenants. While the tenant's past performance at these locations 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, Purchaser 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 Purchaser may be able to negotiate with a potential replacement tenant considering the location of the property, and Purchaser's legal ability to make alternate use of the property. All potential buyers must take appropriate measures to verify all of the information set forth herein.

BY ACCEPTING THIS MARKETING BROCHURE YOU AGREE TO RELEASE COMMERCIAL INVESTMENT ADVISORS, INC. | CIA BROKERAGE COMPANY HOLD IT HARMLESS FROM ANY KIND OF CLAIM, COST, EXPENSE, OR LIABILITY ARISING OUT OF YOUR INVESTIGATION AND/OR PURCHASE OF ANY PROPERTY.

FOR MORE INFORMATION:

JUSTIN ZAHN

Vice President

O +1 480 718 5555

C +1 402 730 6021

justin@ciadvisor.com

