

HOBBY LOBBY

3219 WATERMILL DRIVE BURLINGTON, NC



OFFERED
FOR SALE
\$7,234,000
6.35% CAP

CONFIDENTIAL OFFERING MEMORANDUM



HOBBY LOBBY

EXECUTIVE SUMMARY

Atlantic Capital Partners is pleased to present a freestanding Hobby Lobby in Burlington, NC. This top-performing store ranks in the 91st percentile nationally per PlacerAI and the tenant recently executed a long-term extension, ensuring durable cash flow.

Strategically located in Burlington's dominant retail corridor, the property benefits from strong co-tenancy, regional draw, and excellent visibility. This asset benefits from pylon sign rights on I-40 (130k+ VPD), University Dr (40k), and Garden Rd. Hobby Lobby, with 1,000+ stores nationwide and \$8 billion in 2024 revenues, represents institutional-quality tenancy that is committed to the location.

With long-term lease stability from a high-performing national retailer, this asset offers investors a compelling opportunity for secure income in a growing, high-demand North Carolina market.

RENT SCHEDULE	LEASE YEARS	ANNUAL RENT
1st Renewal Option - Exercised	6/1/2024 - 5/31/2029	\$459,375
2nd Renewal Option - Exercised	6/1/2029 - 5/31/2034	\$459,375
3rd Renewal Option	6/1/2034 - 5/31/2039	\$485,625
4th Renewal Option	6/1/2039 - 5/31/2044	\$511,875

NOI	\$459,375
CAP	6.35%
PRICE	\$7,234,000

ASSET SNAPSHOT

Tenant Name	Hobby Lobby
Signator/Guarantor	Hobby Lobby Stores, Inc.
Address	3219 Watermill Drive, Burlington, NC
Building Size (GLA)	52,500 SF
Land Size	4.78 AC
Year Built	2009
Lease Type	NN
Landlord Responsibilities	Exterior Structure & Roof
Lease Expiration Date	5/31/2034
Remaining Term	9 Years
Renewal Options	2 x 5-Years Remaining
NOI	\$459,375



41,537 PEOPLE
IN 3 MILE RADIUS



\$88,445 AHHI
IN 3 MILE RADIUS



132,000 VPD
ON INTERSTATE 40



STRONG PERFORMING STORE

Hobby Lobby's Burlington location ranks in the top 91% of stores nationally per Placer.ai, underscoring above-average foot traffic and strong sales performance compared to its national portfolio



FREESTANDING BIG-BOX ASSET IN REGIONAL HUB

Positioned as a high-visibility, freestanding box within Burlington's primary retail corridor, the store benefits from excellent access, strong co-tenancy, and a regional consumer draw from the broader Greensboro-Winston-Salem-High Point MSA



LONG-TERM LEASE COMMITMENT

The tenant has recently executed a long-term lease extension, reaffirming its commitment to the site and providing investors with stable, predictable income for years to come

HOBBY LOBBY

INSTITUTIONAL-QUALITY CREDIT TENANT

Hobby Lobby operates over 1,000 stores nationwide with revenues of approximately \$8 billion in 2024, making it a highly attractive tenant for institutional capital and private investors seeking a stable national brand with proven performance



FAVORABLE CAPITAL MARKETS CONDITIONS

With recent interest rate cuts and additional easing expected imminently, the current environment creates a compelling opportunity for investors to acquire stable, long-term cash flow at favorable financing terms





INTERSTATE 40 I-40 132,000 VPD

**HOBBY
LOBBY**
BURLINGTON
NORTH CAROLINA







HOBBY LOBBY
BURLINGTON
NORTH CAROLINA

CHURCH STREET COMMONS
Publix
Dunham's Sports

Harris Teeter
Fresh Produce, Meat & Seafood

Starbucks

S CHURCH ST 23,700 VPD

Jersey Mike's

AutoZone

GOLD'S GYM

LOWE'S

HUFFMAN MILL RD 35,800 VPD

Walmart
Supercenter
TRACTOR SUPPLY CO.

Academy Sports+Outdoors
Burlington planet fitness

FOOD LION

THE HOME DEPOT

WAYFARE AT GARDEN CROSSING
288 APARTMENTS

40

40

I-40 132,000 VPD

UNIVERSITY COMMONS
TARGET **PET SMART**
ROSS **BEST BUY** **Starbucks** **Red Robin**
DRESS FOR LESS
Michael's **TJ-MAXX** **ULTA**

ALAMANCE CROSSING
belk **JCPenney**
Dillard's **BJ's** **five BELOW**
BARNES & NOBLE
KOHL'S **Red Robin**
DICK'S **SPORTING GOODS** **BUFFALO WILD WINGS**

UNIVERSITY DRIVE 40,000 VPD

Hampton Inn & Suites **truh**
OUTBACK STEAKHOUSE

Wendy's
WAFFLE HOUSE
Hardee's

CONE HEALTH ALAMANCE REGIONAL
238 BEDS

1 MILE
4,156 PEOPLE
\$71,081 AHHI

3 MILES
41,537 PEOPLE
\$88,445 AHHI

5 MILES
79,967 PEOPLE
\$79,306 AHHI



WINSTON SALEM40 MILES
0:45 DRIVE**GREENSBORO**15 MILES
0:23 DRIVE**HOBBY
LOBBY**
BURLINGTON
NORTH CAROLINA**DURHAM**34 MILES
0:40 DRIVE**RALEIGH**53 MILES
1:04 DRIVE

Burlington, North Carolina, is a growing city within the Greensboro–Winston-Salem–High Point Combined Statistical Area, strategically located along the I-40/I-85 corridor between the **Research Triangle** and the **Triad**. The trade area benefits from steady residential growth, strong commuter traffic, and a diverse employment base.

Alamance Crossing, where Hobby Lobby is located, serves as the region's premier open-air shopping destination. Anchored by Belk, Dillard's, BJ's, Dick's, Barnes & Noble, and Hobby Lobby, the center draws consistent shopper traffic from both Alamance County and surrounding markets. The corridor along University Drive has evolved into Burlington's dominant retail hub, offering a full spectrum of shopping, dining, and entertainment options. Healthcare and education are significant demand drivers in the trade area. Alamance Regional Medical Center (a Cone Health hospital) employs over 2,000 people, while Elon University, just minutes away, enrolls more than 7,000 students and contributes meaningfully to the area's economy. The market is also supported by a mix of advanced manufacturing, logistics, and professional services.

Residents and visitors alike are drawn to Burlington's accessibility, with direct interstate connectivity linking the trade area to Greensboro (20 minutes west) and Durham/Chapel Hill (30 minutes east). This central positioning, combined with robust co-tenancy and continued regional growth, makes the Alamance Crossing trade area one of the most dynamic and sought-after retail corridors in central North Carolina.

 **ALAMANCE
CROSSING**

Alamance Crossing is an open-air lifestyle center located in Burlington, North Carolina. The property sits at the intersection of the Interstate-85/Interstate-40 corridor (130,000+ VPD) and University Drive (40,000 VPD)—one of the state's major thoroughfares. Burlington is strategically positioned between the Greensboro-Winston-Salem-High Point, NC and Raleigh-Durham-Chapel Hill, NC markets, which have a combined population of 3.8 million residents.

The property is anchored by: BJ's (Shadow Anchor), Belk, Kohl's (Shadow Anchor), Carousel Cinemas, Dillard's (Shadow Anchor), Hobby Lobby, JCPenney (Shadow Anchor), Dick's (Shadow Anchor)

These anchors are complimented by a strong mix of national and regional retailers, including Bath & Body Works, Foot Locker, and Victoria's Secret, along with dining options such as Buffalo Wild Wings and Red Robin.

ONGOING ALAMANCE CROSSING UPGRADES

- Common Area Activation Plan
- Includes new hardscaped patios, 3 new lit/shaded pergolas, **fire pit, performance stage, outdoor furniture, outdoor games** (life size chess and cornhole)
- Landscape Upgrades
- Nearly 100% new landscape plan across entire project
- Façade improvement Plan
- Includes painting, repairs and pressure washing
- New Storefronts
- Upgraded Pylon Signs
- Upgraded Directional Signage
- Others



Hobby Lobby Stores, Inc. is a privately held, family-owned retailer specializing in arts and crafts, home décor, framing, floral, and seasonal merchandise. Founded in 1972 and headquartered in Oklahoma City, Oklahoma, the company has grown into one of the largest craft retailers in the United States. As of 2025, Hobby Lobby operates more than 1,000 stores across 48 states.

Each store offers a wide assortment of over 70,000 products, ranging from fabrics and floral supplies to custom framing and holiday décor, positioning Hobby Lobby as a destination anchor within shopping centers. Notably, all locations close on Sundays, aligning with the company's Christian-based operating philosophy. In addition to its core retail business, Hobby Lobby owns Mardel Christian & Education Supply, further diversifying its customer reach.

With its extensive footprint, strong brand recognition, and continued expansion strategy, Hobby Lobby provides landlords with a stable, high-traffic anchor tenant. While the company is not publicly rated due to its private ownership, its scale, financial performance, and long-standing market presence support its reputation as a reliable national retailer.

HOBBY LOBBY QUICK FACTS

Founded:	1972
Headquarters:	Oklahoma City, OK
Ownership:	Private
Locations:	1,000+
Guaranty:	Corporate
Website:	https://www.hobbylobby.com



LESSEE:	Hobby Lobby			
LAND:	4.78 Acres			
LEASE TERM:	Fifteen (15) Years			
RENT COMMENCEMENT DATE:	May, 11 2009			
EXPIRATION DATE:	May 31, 2034			
BASE RENT:	Period (Lease Years)	Annual	Monthly	PSF
1st Renewal Option - Exercised	6/1/2024 - 5/31/2029	\$459,375	\$38,281	\$8.75
2nd Renewal Option - Exercised	6/1/2029 - 5/31/2034	\$459,375	\$38,281	\$8.75
3rd Renewal Option	6/1/2034 - 5/31/2039	\$485,625	\$40,469	\$9.25
4th Renewal Option	6/1/2039 - 5/31/2044	\$511,875	\$42,656	\$9.75
SECURITY DEPOSIT:	None.			
SIGNATOR/GUARANTOR:	Hobby Lobby Stores, Inc.			
RENEWAL TERM(S):	Tenant has two (2) five (5) year renewal options remaining.			
USE RESTRICTIONS:	Broad restrictions per Exhibit I, Schedule 1 (no nuisance, industrial, storage, second-hand, pawn/tattoo/gun, entertainment/nightclub, medical/office/daycare, auto/gas, supermarket/restaurant, hotel, beauty/health, or similar uses).			
TERMINATION OPTION(S):	None.			
REAL ESTATE TAXES:	Tenant reimburses Landlord 100% of real estate taxes; may contest at own expense			
COMMON AREA EXPENSES:	Includes parking, roadways, sidewalks, service areas, etc.; Landlord maintains to shopping-center standards; excludes buildings, exclusive drive-thrus/loading, and unjustifiable/admin costs.			
REPAIRS & MAINTENANCE:	Tenant maintains interior (HVAC, plumbing/electric to meter, doors/windows/glass); must return premises broom-clean; abandoned property may become Landlord's. Landlord maintains Common Area, exterior, roof, structure, foundation, and utility lines outside Premises at Landlord's cost (except Tenant-caused damage).			
UTILITIES:	Landlord provides utility lines/meters; Tenant pays all usage charges and must prevent/discharge liens			
INSURANCE:	Landlord insures buildings/common areas; Tenant carries \$1M liability naming Landlord as additional insured; each delivers certificates; Landlord not liable for Tenant's property (except negligence/willful acts)			
ASSIGNMENT, SUBLETTING & GO DARK:	Tenant may assign or sublease with Landlord's consent (not unreasonably withheld); Landlord may terminate on 60 days' notice if Tenant discontinues operations or assigns/sublets			
ESTOPPEL CERTIFICATE:	Tenant must execute SNDA or Estoppel Certificate within 20 days of request			
HOLDING OVER:	Holdover period will move to month-to-month tenancy at 125% of last year's rent; no renewal implied			

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3219 WATERMILL DRIVE BURLINGTON, NC

Exclusively Offered By



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