

Brand New Construction



True NNN Leased Investment



1975 Harshman Road, Riverside, Ohio 45431

Representative 3D Rendering

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Representative 3D Rendering



Representative 3D Rendering

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*Tim Hortons*

# Executive Overview



Representative 3D Rendering



## Offering Summary

Colliers International, as exclusive advisor to the seller, is pleased to present to market the net-leased investment opportunity of the fee-simple interest in a brand new Tim Horton's restaurant, located in Riverside, Ohio (Dayton MSA).

A 15-year, absolute NNN lease will be executed upon completion of construction, which is expected to be completed April 2<sup>nd</sup>, 2017. The lease structure includes three (3) options to extend with rare 1.75% annual rent increases throughout both the primary term and all option periods exercised.

The subject period is located on Harshman Road, less than 0.25 miles from the exit from Ohio State Route 4. Immediate surrounding retailers include McDonalds, KFC, Bob Evans, Speedway, Public Storage and Subway. The local high school and middle school are located within walking distance of the subject site, as well as many various manufacturing/distribution employers.

<b>Address</b>	1975 Harshman Road, Riverside, OH 45431
<b>Building Size</b>	1,776 Square Feet
<b>Lot Size</b>	22,500 Square Feet   0.52 Acres
<b>Construction Completion</b>	April 2 <sup>nd</sup> , 2017
<b>APN</b>	139 00203 0043
<b>Restaurant Seats</b>	28
<b>Parking Spaces</b>	14



Actual Site 3D Rendering

## Brand Summary

Tim Horton, a National Hockey League legend opened the first location in 1964, with its first United States location opening 20 years later in 1984. In 2006, Tim Hortons became a publically traded company trading on the NYSE under THI. In 2014, Burger King and 3G Capital acquired Tim Hortons to form the third-largest restaurant brand in the world, Restaraunt Brands International.

Restaurant Brands International Inc. (NYSE: QSR) is one of the world's largest quick service restaurant companies with more than \$23 billion in system sales and over 19,000 restaurants in nearly 100 countries and U.S. territories.

Restaurant Brands International, Inc. disclosed their intent to aggressively pursue the Central Ohio market in a January 2017 press release.

3<sup>rd</sup> Quarter results were posted with the following highlights:

- Tim Hortons sales showed an increase of 2.0% and a 3.4% increase in restaurant count, a total of 28 new Tim Hortons restaurant openings
- System-wide sales growth was reported at 4.8% for Tim Hortons



## Tenant Summary

The operator has strategized a development plan to unfold over the next six years with Restaurant Brands International, Inc. to acquire existing Tim Hortons locations in the Columbus, Dayton, and Zanesville markets in addition to a substantial development initiative of new Tim Hortons locations.

In addition to its Tim Hortons strategized growth in Central Ohio, the tenant also operates Long John Silvers, Taco Bell, A&W and KFC restaurants in both the southern and midwest regions of the United States, providing a broad operating experience across multiple brands.

*Tim Hortons*



**CRISPY CHICKEN SANDWICHES**



**NEW GREEK YOGURT**  
with MIXED BERRIES and  
FRUIT & ALMOND GRANOLA

**\$2.99**



# Financial Overview



## Financial Details

Price	\$1,292,000
NOI	\$77,500
Cap Rate	6.00%
Price PSF Building	\$727.29
Price PSF Land	\$57.41



Representative 3D Rendering



Representative 3D Rendering

## Lease Abstract

Tenant	Regional Multi-Unit Operator
Primary Term	15 years
Term Commencement	Upon completion of construction
Option(s) to Extend	Three (3) 5-year Options
Rent Increases	1.75% annual increases throughout Primary Term and Option Periods
Guaranty	
Holding Over	125%
Right of First Refusal	Yes
Maintenance/Repairs	Tenant responsibility
Taxes	Tenant responsibility
Utilities	Tenant responsibility
Landlord Responsibilities	None - Absolute NNN Lease
Assignment/Subletting	With prior written consent from Landlord
Alterations (Structural)	With prior written consent from Landlord
Alterations (Continued)	Without prior written consent from Landlord if pursuant to remodeling requirements from Franchise Agreement



## Rent Schedule

Lease Year	Annual Rent	Increase	Cap Rate
1	\$77,500		6.00%
2	\$78,856	1.75%	6.11%
3	\$80,236	1.75%	6.21%
4	\$81,640	1.75%	6.32%
5	\$83,069	1.75%	6.43%
6	\$84,522	1.75%	6.54%
7	\$86,001	1.75%	6.66%
8	\$87,506	1.75%	6.77%
9	\$89,038	1.75%	6.89%
10	\$90,596	1.75%	7.01%
11	\$92,181	1.75%	7.14%
12	\$93,795	1.75%	7.26%
13	\$95,436	1.75%	7.39%
14	\$97,106	1.75%	7.52%
15	\$98,806	1.75%	7.65%
<b>Total</b>	<b>\$1,316,294</b>	<b>Average</b>	<b>6.79%</b>

Option Period 1	Annual Rent	Annual Increase	Cap Rate
1	\$100,535	1.75%	7.78%
2	\$102,294	1.75%	7.92%
3	\$104,084	1.75%	8.06%
4	\$105,906	1.75%	8.20%
5	\$107,759	1.75%	8.34%
<b>Total</b>	<b>\$520,580</b>	<b>Average</b>	<b>8.06%</b>

Option Period 2	Annual Rent	Annual Increase	Cap Rate
1	\$109,645	1.75%	8.49%
2	\$111,564	1.75%	8.64%
3	\$113,516	1.75%	8.79%
4	\$115,503	1.75%	8.94%
5	\$117,524	1.75%	9.10%
<b>Total</b>	<b>\$567,753</b>	<b>Average</b>	<b>8.79%</b>

Option Period 3	Annual Rent	Annual Increase	Cap Rate
1	\$119,581	1.75%	9.26%
2	\$121,674	1.75%	9.42%
3	\$123,803	1.75%	9.58%
4	\$125,969	1.75%	9.75%
5	\$128,174	1.75%	9.92%
<b>Total</b>	<b>\$619,201</b>	<b>Average</b>	<b>9.59%</b>

<b>Potential Total</b>	<b>\$3,023,829</b>	<b>Total Average</b>	<b>8.31%</b>
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# Property Overview

# Property Details

**Address:**

1975 Harshman Road, Riverside, OH  
45431

**Buidling Size:**

1,176 square feet

**Lot Size:**

22,500 square feet | 0.52 acres

**Construction Completion:**

2017

**Parcel Number:**

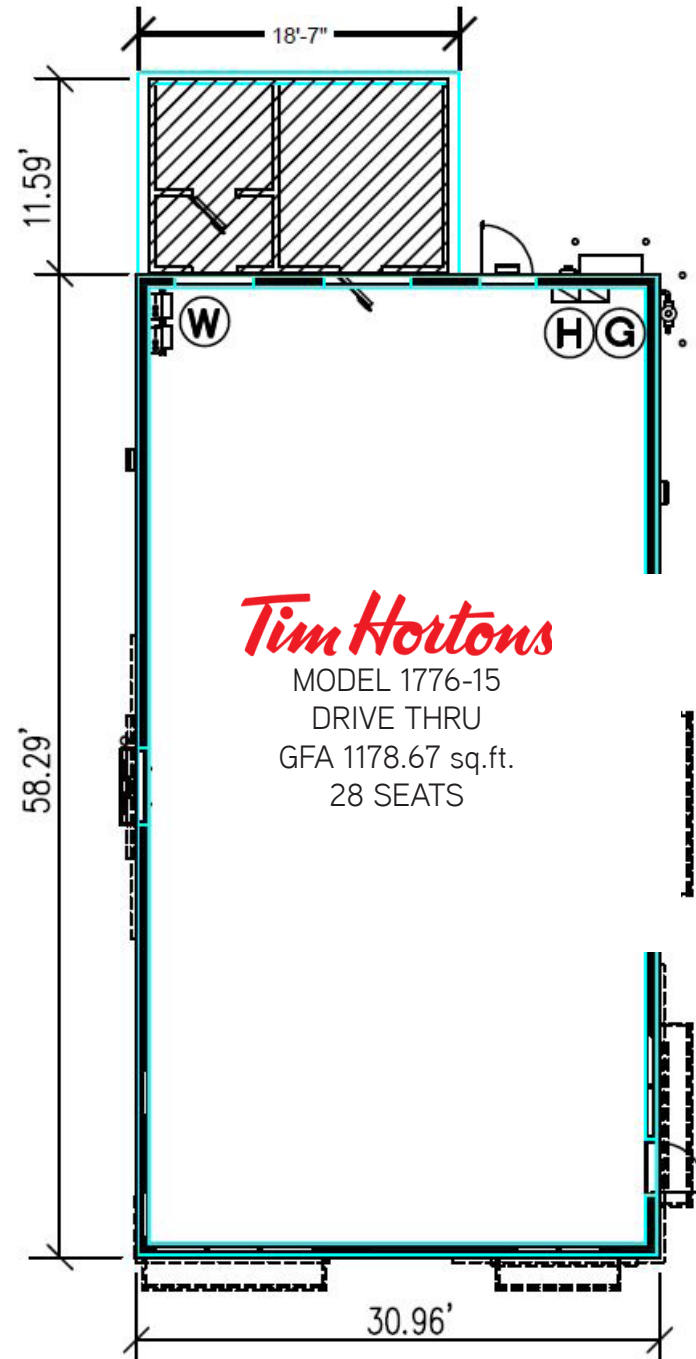
139 00203 0043

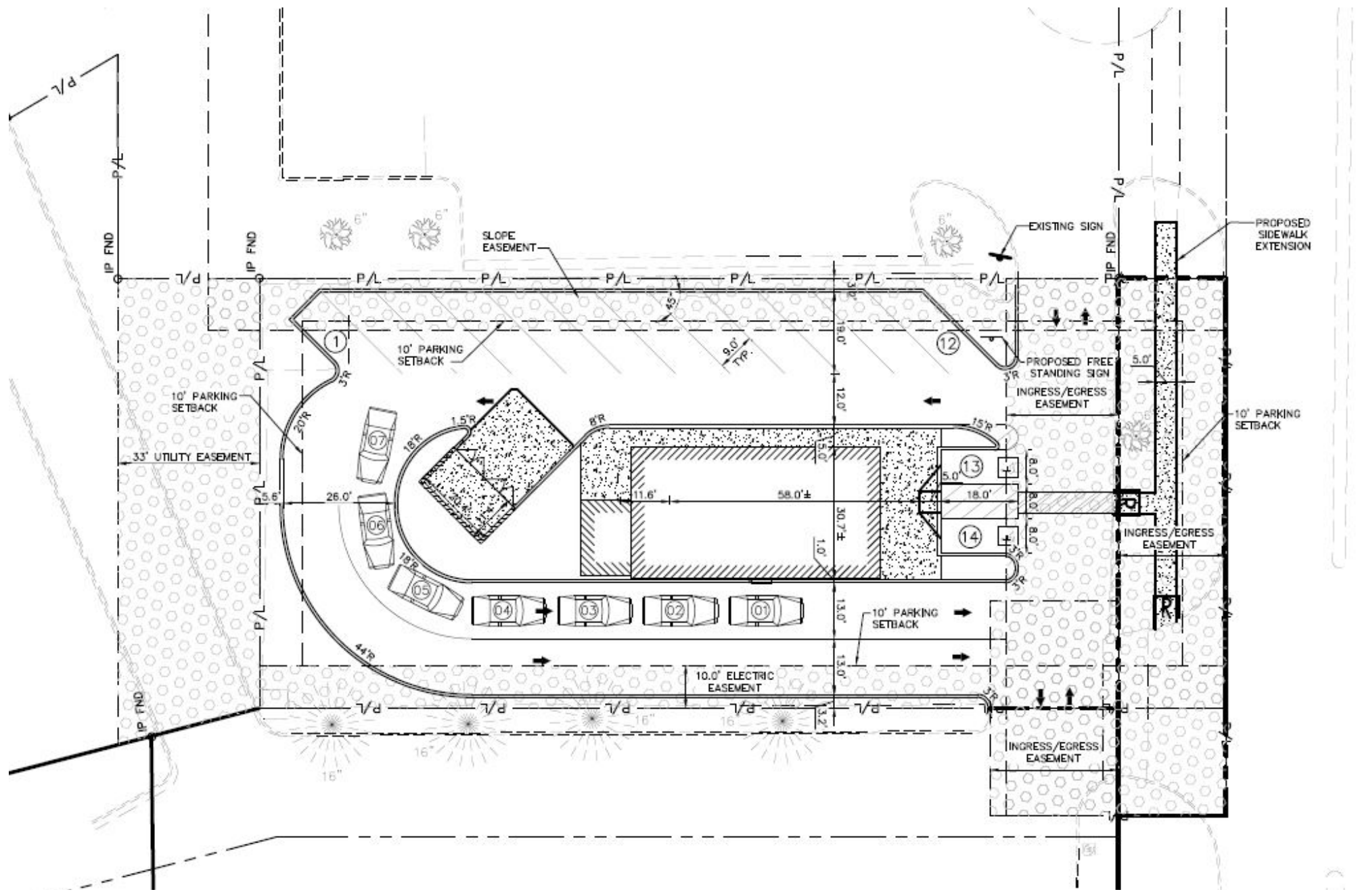
**Restaurant Seats:**

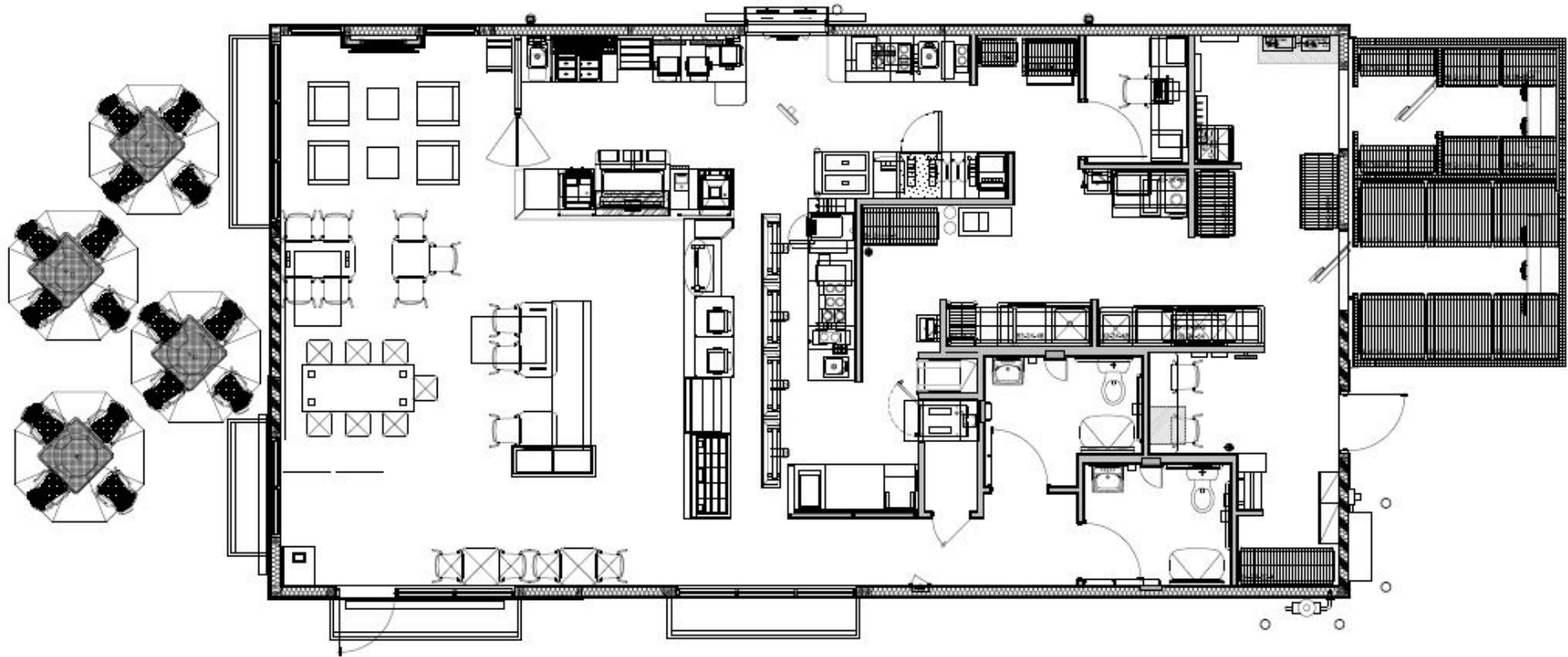
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**Parking Spaces:**

14





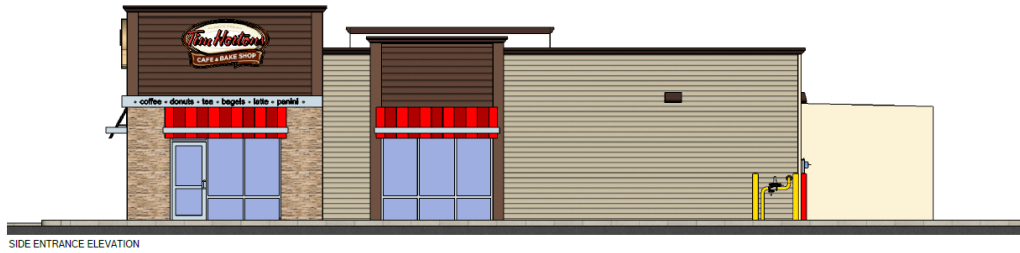


Seating Capacity	28
Seating Area	551 square feet
Service Area	416 square feet
Washroom Area	105 square feet
Back of House	697 square feet
Total Area	1,776 square feet

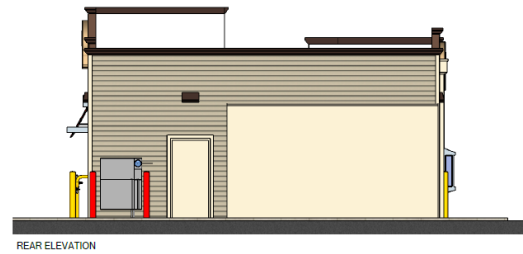
\*Measurements rounded to full square feet



FRONT ELEVATION



SIDE ENTRANCE ELEVATION



REAR ELEVATION



DRIVE-THRU ELEVATION

# Proposed Site Aerial



Valley Road

Harshman Road

27,947 Cars Per Day



# Location Overview



Tim Hortons



20,120 Cars Per Day



30,477 Cars Per Day



27,947 Cars Per Day



Eastwood Lake

4

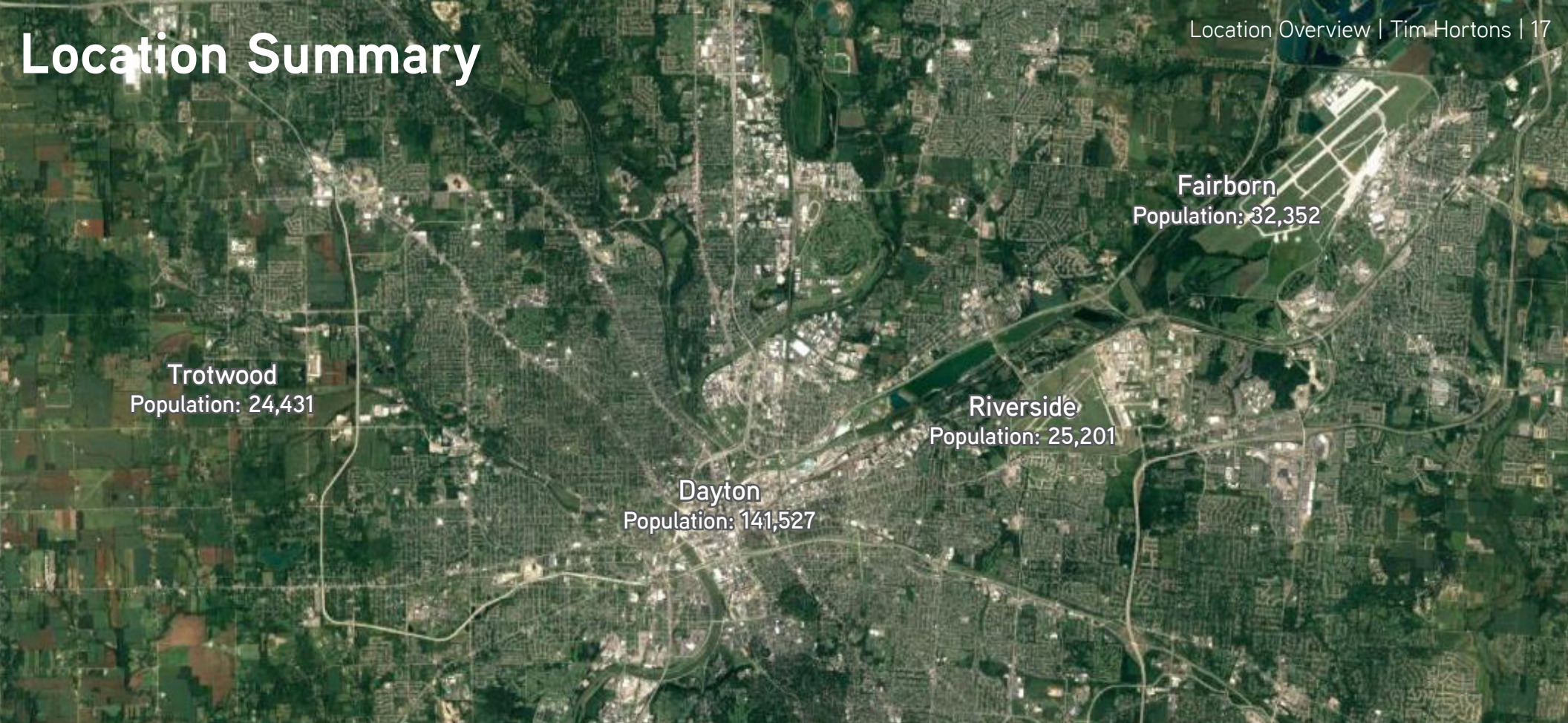
Harshman Road



# Surrounding Retailers & Points of Interest



# Location Summary



## Geographic and Employment Overview

Riverside, Ohio is part of Montgomery County and included in the Dayton, Ohio MSA. Riverside is located in the southwestern region of Ohio, approximately 4 miles east of Dayton, approximately 60 miles east of Columbus and approximately 50 miles north of Cincinnati. Riverside is intersected by Ohio State Route 4, which leads to Ohio Interstate 75, a major south-north thoroughfare. The subject property is located just off of Ohio State Route 4 and Harshman Road, the exit for which sees approximately 25,000 cars per day.

The corridor along Harshman road is home to various retailers including Taco Bell, McDonald's, Speedway, Subway, Bob Evans and Public Storage. Harshman Road also is home to Stebbins High School and Mad River Middle School. Various freight companies are located within the immediate area such as a UPS Freight Facility, Holland Regional Shipping facility, YRC Freight, Old Dominion Freight Line, Saia LTL Freight, and Old Dominion Freight Line, amongst many others. This variety of retailers, workplaces and schools provides a stable day-to-day population of Tim Hortons customers.

The Dayton MSA is home to approximately 805,000 residents. The unemployment rate in the Dayton MSA was 4.2%, as compared to the national average of 5.3%. Nearly 25% of the population within a 3 mile radius earn an excess of \$75,000 annually.

**Largest Dayton, OH MSA Employers**

Employer	Employees
Wright-Patterson Air Force Base	27,585
Premier Health	13,500
Kettering Health Network	8,288
Montgomery County	4,389
Kroger Co.	4,267
Wright State University	3,715
Miami University	3,685
Sinclair Community College	3,206
LexisNexis	3,000
Honda of America Manufacturing	2,850
University of Dayton	2,535
AK Steel	2,400
Dayton Public Schools	2,271
Dayton VA Medical Center	2,182
Speedway LLC	2,155
Dayton Children's Hospital	2,082
Meijer, Inc.	1,933
City of Dayton	1,900
Care Source	1,900
Community Mercy Health Partners	1,752

**Dayton, OH MSA Demographics****Population**

2022 Projection	804,257
2017 Estimate	800,766
2010 Census	799,232
Growth 2017 - 2022	0.44%
Growth 2010 - 2017	0.19%

**Population by Single Classification Race**

White Alone	625,288   78.09%
Black or African American Alone	125,515   15.67%
Amer. Indian and Alaska Native Alone	1,901   0.24%
Asian Alone	18,296   2.28%
Native Hawaiian and Other Pacific Islander Alone	389   0.05%
Some Other Race Alone	7,122   0.89%
Two or More Races	22,255   2.78%

**2017 Estimated Average Age****Households**

2022 Projection	334,170
2017 Estimate	331,396
2010 Census	327,630
Growth 2017 - 2022	0.84%
Growth 2010 - 2017	1.15%

2017 Estimated Average Household Income	\$67,521
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## Confidentiality & Disclaimer Statement

This Offering Memorandum contains select information pertaining to the business and affairs of a privately owned **Tim Hortons Restaurant located at 1975 Harshman Road, Riverside, OH 45431 (Property)**. It has been prepared by Colliers International. 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 Owner or Colliers International. The material is based in part upon information supplied by the Owner and in part upon financial information obtained by Colliers International from sources it deems reliable. Neither Owner, nor their officers, employees, or agents make 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 from Colliers International, 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 Owner.

Owner and Colliers International 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 **Tim Hortons** 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 Owner or Colliers International 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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