

# Tim Hortons

DETROIT, MI



**BERKELEY**  
CAPITAL ADVISORS

IN COOPERATION WITH  
**SCOTT REID & PARASELL INC.**  
MICHIGAN RE LICENSE NO.:  
6505425224

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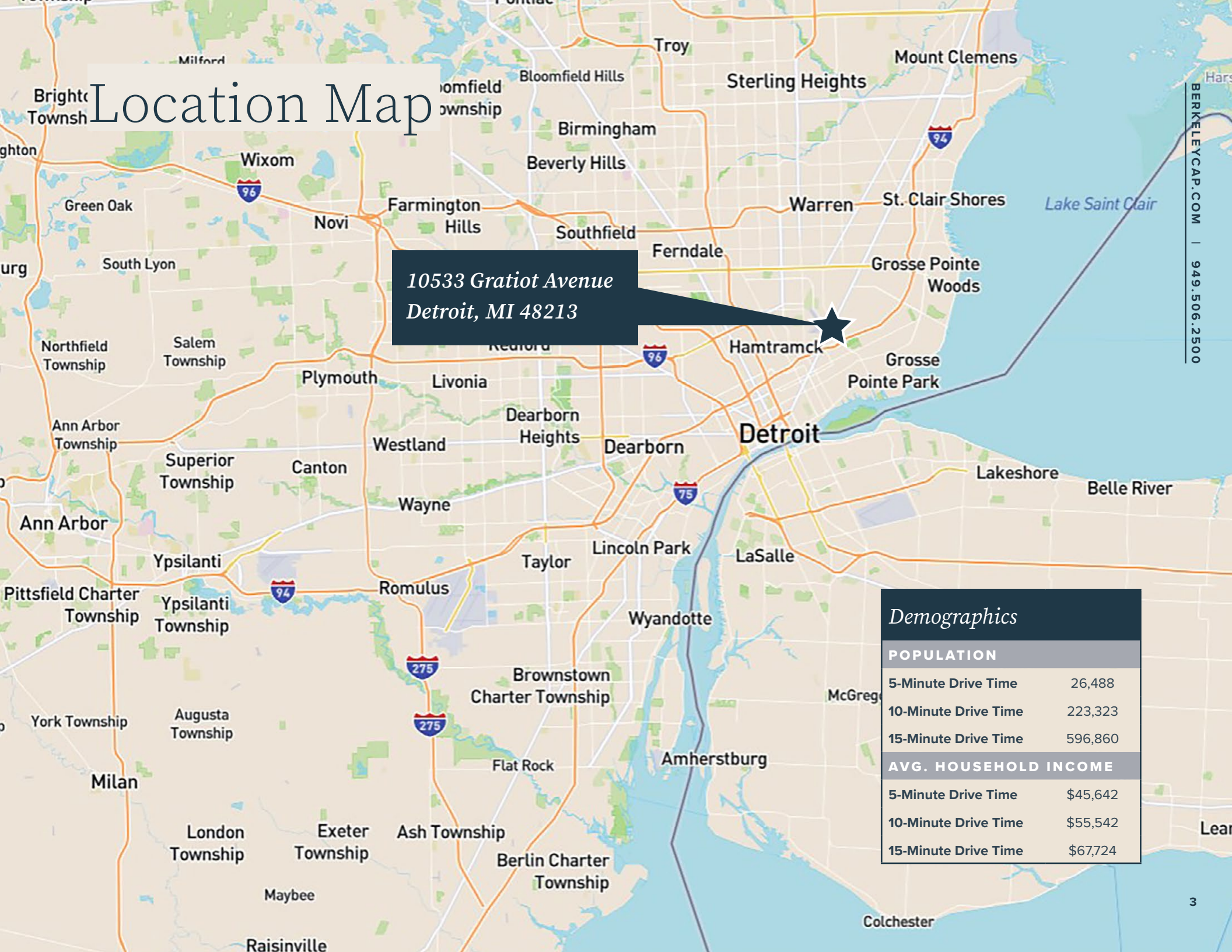
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# Location Map

10533 Gratiot Avenue  
Detroit, MI 48213

Demographics	
POPULATION	
5-Minute Drive Time	26,488
10-Minute Drive Time	223,323
15-Minute Drive Time	596,860
AVG. HOUSEHOLD INCOME	
5-Minute Drive Time	\$45,642
10-Minute Drive Time	\$55,542
15-Minute Drive Time	\$67,724

# Investment Overview

## PROPERTY

*Tim Hortons*

## ADDRESS

*10533 Gratiot Avenue  
Detroit, MI 48213*

LEASE GUARANTOR	Kava Restaurants LLC (±17 Units)
RENT COMMENCEMENT	July 3, 2019
LEASE EXPIRATION	July 31, 2039
ORIGINAL LEASE TERM	20 Years
LEASE TERM REMAINING	±16 Years
OPTIONS REMAINING	Four, 5-Year
LEASE TYPE	NNN
LANDLORD RESPONSIBILITIES	None
NOI	\$55,000
RENT INCREASES	7.5% Every 5
RIGHT OF FIRST OFFER	Yes - 14 Days

## PROPERTY DETAILS

1,344  
*Square Feet*

0.76  
*Acres*

2013  
*Year Built*

22  
*Parking Spaces*

*Note: All lease provisions to be independently verified by Buyer during the Due Diligence Period.  
The information contained herein has been obtained from sources we deem reliable.*

# \$932,000

*Asking Price (5.90% Cap Rate)*

## RENT SCHEDULE

LEASE YEAR	MONTHLY RENT	ANNUAL RENT	RENT INCREASES	CAP RATE
Current - 7/31/24	\$4,583.33	\$55,000	—	5.90%
8/1/24 - 7/31/29	\$4,927.08	\$59,125	7.50%	6.34%
8/1/29 - 7/31/34	\$5,296.61	\$63,559	7.50%	6.82%
8/1/34 - 7/31/39	\$5,693.86	\$68,326	7.50%	7.33%
Option 1	\$6,120.90	\$73,451	7.50%	7.88%
Option 2	\$6,579.97	\$78,960	7.50%	8.47%
Option 3	\$7,073.47	\$84,882	7.50%	9.11%
Option 4	\$7,603.98	\$91,248	7.50%	9.79%





# Property Highlights

## PROPERTY HIGHLIGHTS

- Long-term lease | There are  $\pm 16$  years remaining on the base term of the lease
- Passive investment | Absolute NNN lease with zero Landlord responsibilities
- Strong sales trends | Sales have increased each of the last two years | Tenant operated at a near 6.50% rent-to-sales ratio in 2022 | Speak with Agent for details
- Strong hedge against inflation | The lease has 7.50% scheduled rent increases every 5 years throughout the initial term and options
- Signalized, hard corner location with excellent access and visibility from Gratiot Ave and French Rd | Combined 39,850 VPD
- Strong guarantor | Kava Restaurants LLC operates  $\pm 17$  units (13 Tim Hortons and 4 Cold Stones in Michigan)
- Less than 1.5 miles from the new (2019) Stellantis Mack Assembly Plant | First new assembly plant within the City of Detroit in three decades | \$4.5B project for then known as Fiat Chrysler Automobiles | Site is currently producing the Dodge Durango and the new version of the Jeep Grand Cherokee
- Located a couple blocks from Coleman A. Young International Airport
- About 2.5 miles from the GM Factory ZERO Detroit-Hamtramck Assembly Center
- Walking distance to I-94 | 129,250 VPD
- Dense area | Over 107,000 residents within a 3-mile radius

## DEMOGRAPHIC SNAPSHOT

596,860

2022 POPULATION WITHIN  
FIFTEEN MINUTES

\$67,724

2022 AVERAGE HOUSEHOLD  
INCOME WITHIN FIFTEEN MINUTES







amazon



Country Club of Detroit

Coleman A. Young International Airport  
90 flights/day



Ascension St. John Hospital  
714 beds

GROSSE POINTE

Detroit Golf Club

INDUSTRIAL AREA

INDUSTRIAL AREA



Chandler Park Golf Course

Wayne County Community College  
Eastern Campus



129,250 VPD

Henry Ford Hospital  
877 beds

Wayne State University  
±24,900 students

Detroit Medical Center | Children's Hospital of Michigan  
2,227 total beds

STELLANTIS  
283 acres  
4,874 employees



Beaumont Hospital Grosse Pointe  
280 beds



Ford Field | Comerica Park

DOWNTOWN DETROIT

BELLE ISLE

DETROIT RIVER

WINDSOR

CANADA



# Property Photos





# Tenant Overview



Tim Hortons Inc., commonly nicknamed Tim's, Timmie Horton's or Timmie's, is a Canadian multinational coffeehouse and restaurant chain. Based in Toronto, Tim Hortons serves coffee, doughnuts, sandwiches, and other fast-food items. It is Canada's largest quick-service restaurant chain, with 5,600+ restaurants in 16 countries, as of February 2023.

On August 26, 2014, Burger King agreed to merge with Tim Hortons for \$11.4 billion. The two chains became subsidiaries of Toronto-based holding company Restaurant Brands International ("RBI"), which is majority-owned by Brazilian investment firm 3G Capital, on December 15, 2014.

RBI is one of the world's largest quick service restaurant companies with over \$35B in annual system-wide sales and over 30,000 restaurants across 100+ countries. Some of their most prominent and iconic brands include Burger King, Tim Hortons, Popeyes, and Firehouse Subs.

Tim Hortons had an impressive 2022 with total revenue increasing 14%, driven by an uplift in comparable sales and new stores in international markets.

5,600+  
*Total Locations*

1964  
*Year Founded*

\$7.16B  
*2022 Total Revenue*





# Market Overview | Detroit, MI



#1

*Largest City in Michigan by  
Size and Population*

Big 3

*Auto Manufacturers  
General Motors, Ford  
and Stellantis N.A. are  
Headquartered in Detroit*

1,100

DAILY FLIGHTS OUT OF DETROIT  
METRO WAYNE COUNTY AIRPORT

877

HENRY FORD HOSPITAL IN DETROIT  
HAS 877 BEDS AND 1,200 PHYSICIANS  
& SCIENTISTS

51K+

51,225 STUDENTS ATTEND UNIVERSITY OF  
MICHIGAN – 45 MINUTES FROM DETROIT

10

*Fortune 500 Company  
Headquarters*

\$24B

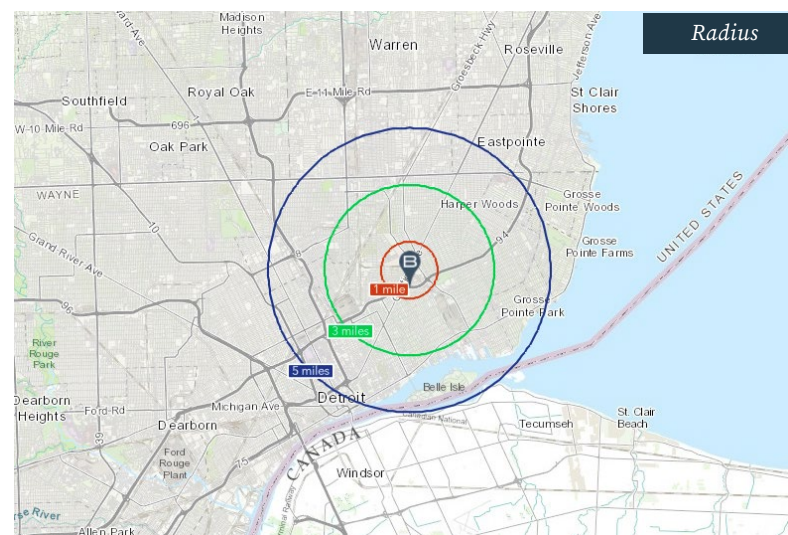
*Tourism Dollars Spent in  
Michigan in 2023*



# Demographics

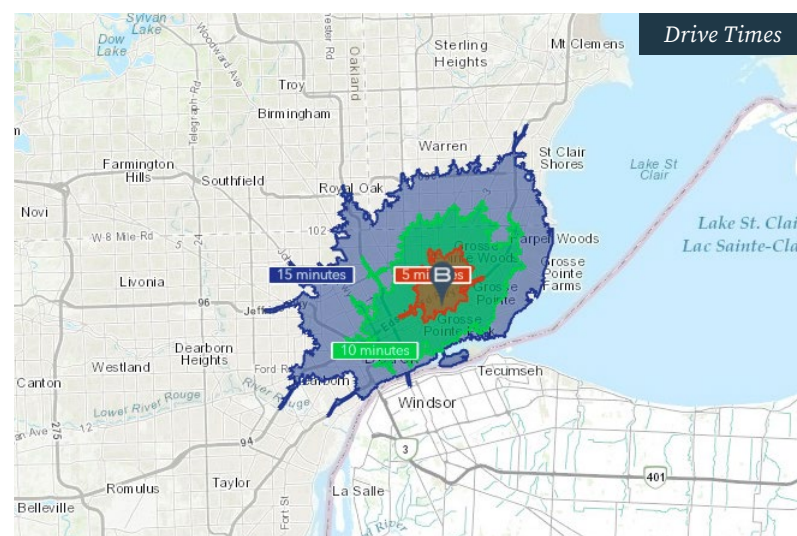
## Radius

POPULATION	1-MILE	3-MILE	5-MILE
2028 Projection	7,326	106,144	334,505
2023 Population	7,364	107,030	336,571
2020 Census	7,492	107,692	337,658
2010 Census	10,533	134,221	365,489
2023-2028 Annual Rate	-0.10%	-0.17%	-0.12%
2020-2023 Annual Rate	-0.53%	-0.19%	-0.10%
2010-2020 Annual Rate	-3.35%	-2.18%	-0.79%
HOUSEHOLDS			
2028 Total Households	2,757	37,848	133,814
2023 Total Households	2,741	37,759	133,095
2020 Households	2,734	37,698	132,874
2010 Households	3,576	44,937	136,868
2023-2028 Annual Rate	0.12%	0.05%	0.11%
2020-2023 Annual Rate	0.08%	0.05%	0.05%
2010-2020 Annual Rate	-2.65%	-1.74%	-0.30%
<b>2023 AVG. HH INCOME</b>	<b>\$46,203</b>	<b>\$47,441</b>	<b>\$65,166</b>



## Drive Times

POPULATION	5-MINUTE	10-MINUTE	15-MINUTE
2028 Projection	26,244	222,622	593,206
2023 Population	26,488	223,323	596,860
2020 Census	26,639	223,318	599,304
2010 Census	37,962	253,066	653,033
2023-2028 Annual Rate	-0.18%	-0.06%	-0.12%
2020-2023 Annual Rate	-0.17%	0.00%	-0.13%
2010-2020 Annual Rate	-3.48%	-1.24%	-0.85%
HOUSEHOLDS			
2028 Total Households	10,135	88,141	242,590
2023 Total Households	10,120	87,316	241,040
2020 Households	10,127	86,577	240,400
2010 Households	13,371	92,903	251,031
2023-2028 Annual Rate	0.03%	0.19%	0.13%
2020-2023 Annual Rate	-0.02%	0.26%	0.08%
2010-2020 Annual Rate	-2.74%	-0.70%	-0.43%
<b>2023 AVG. HH INCOME</b>	<b>\$45,642</b>	<b>\$55,542</b>	<b>\$67,724</b>





# Confidentiality Disclaimer

Berkeley Capital Advisors, LLC ("BCA") has been authorized by the owner of the subject property (the "Seller") to present you with this marketing package. This is a confidential package intended solely for your own limited use and benefit, as a principal, in considering whether you desire to pursue negotiations to acquire the subject property.

Your receipt and acceptance of this package serves to acknowledge your agreement to: (1) hold the information and materials contained herein, and the offering they represent, in the strictest of confidence; (2) not disclose, directly or indirectly, the information and materials contained herein, or the offering they represent, to any other person, firm or entity without prior written authorization from BCA or the Seller; (3) not use the information and materials contained herein in any fashion or manner detrimental to the interest of BCA or the Seller; (4) not disturb any tenants in possession of the subject property nor reveal to them the offering this package represents.

This marketing package was prepared by BCA and it has been reviewed by representatives of the Seller. The information and materials contained herein are selective and limited in nature, and neither BCA nor the Seller purports this to be an all-inclusive report on the subject property. Within this package, certain leases, documents and other materials are described in summary form. These summaries do not purport to be complete nor necessarily accurate descriptions of the full agreements involved, nor do they purport to constitute a legal analysis of the provisions of those documents. Interested and qualified prospective purchasers will be afforded an opportunity to review additional information and to inspect the subject property, and all such prospective purchasers should conduct their own independent due diligence.

This package is based in part upon information supplied by the Seller and in part upon information obtained by BCA from sources believed to be reliable. All income, expense and/or investment projections contained herein are provided for general reference purposes only, in that they are based on assumptions relating to the general economy, competition and other factors beyond the control of BCA and the Seller, and all such projections are therefore subject to variation. This package shall not be deemed an indication of the state of affairs of the subject property, nor constitute an indication that there has been no change in the business or affairs of the subject property since the date of preparation of this package.

Neither BCA, the Seller, nor any of their respective officers, employees or agents, has made or does make any representation or warranty, expressed or implied, as to the accuracy or completeness of this package or any of its contents, and no legal commitments or obligations shall arise by reason of this package or its contents.

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If, after reviewing this package, you have no further interest in acquiring the subject property at this time, please return this package in its entirety to BCA. Likewise, if the terms contained in this Confidentiality & Disclaimer section are not acceptable to you, please immediately return this package to BCA.

## AGENT'S DUTIES

When you contract with a real estate firm to act as your agent in a real estate transaction, the agent must help you obtain the best price and terms possible, whether you are the buyer or seller. The agent also owes you the duty to:

- Safeguard and account for any money handled for you
- Act with reasonable skill, care and diligence
- Be loyal and follow reasonable and lawful instructions
- Disclose to you any information which might influence your decision to buy or sell

Even if the agent does not represent you, the agent must still be fair and honest and disclose to you all "material facts" which the agent knows or reasonably should know. A fact is "material" if it relates to defects or other conditions affecting the property, or if it may influence your decision to buy or sell. This does not require a seller's agent to disclose to the buyer the minimum amount the seller will accept, nor does it require

## AGENTS WORKING WITH SELLERS

A seller can enter into a "listing agreement" with a real estate firm authorizing the firm and its agent(s) to represent the seller in finding a buyer for his property. The listing agreement should state what the seller will pay the firm no matter who finds the buyer.

The listing firm may belong to a listing service to expose the seller's property to other agents who are members of the service. Some of those agents may be working with buyers as buyers' agents; others will be working with buyers but still representing the sellers' interests as an agent or "subagent". When the buyer's agents and seller's subagents desire to share in the commission the seller pays to the listing firm, the listing agent may share the commission with the seller's permission.

## AGENTS WORKING WITH BUYERS

A buyer may contract with an agent or firm to represent him (as a buyer's agent), or may work with an agent or firm that represents the seller (as a seller's agent or subagent). All parties in the transaction should find out at the beginning who the agent working with the buyer represents.

If a buyer wants a buyer's agent to represent him in purchasing a property, the buyer should enter into a "buyer agency agreement" with the agent. The buyer agency agreement should state how the buyer's agent will be paid. Unless some other arrangement is made which is satisfactory to the parties, the buyer's agent will be paid by the buyer. Many buyer agency agreements will also obligate the buyer to pay the buyer's agent no matter who finds the property that the buyer purchases.

A buyer may decide to work with a firm that is acting as agent for the seller (a seller's agent or subagent). If a buyer does not enter into a buyer agency agreement with the firm that shows him properties, that firm and its agents will show the buyer properties as an agent or subagent working on the seller's behalf. Such a firm represents the seller (not the buyer) and must disclose that fact to the buyer.

The terms and conditions stated in this Confidentiality & Disclaimer section apply and relate to all of the sections of this package as if stated independently therein. Prospective purchasers of the subject property are hereby notified that Berkeley Capital Advisors, and its agents, are acting in the capacity of a "Seller's Agent" during the course of this offering, and as such are solely representing the interests of the Seller

**[PLEASE CLICK HERE TO VIEW WORKING  
WITH REAL ESTATE AGENTS BROCHURE](#)**



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