

# Land Brokerage/Pre-Development Services Case Study DYC Realty

## Challenge

DYC Realty owned 40 acres on East 96th Street, in Carmel, Indiana, an area of emerging high retail land values. The owners desire to realize the property's highest and best economic value was threatened on several fronts. The floodway of Carmel Creek reduced the usable acreage and thereby the land value by approximately 50%, an adjacent residential neighborhood was opposed to commercial development in their backyard and the property depth required the creation of a rear lot. The property also lacked a corner location at an intersection that could further add to the value. Meridian's challenge was to address each of these mitigating factors, create a land plan optimizing the usable acreage, and identify multiple market buyers, ready, willing and able to close simultaneously on multiple parcels.

## Solution

Meridian Director of Land Brokerage/Pre-Development Services, Ross Reller, assembled a team of engineering and legal professionals to tackle the valuation issues. Paul I. Cripe, Inc., was retained to redesign the floodway and obtain a letter of map revision from the Indiana Department of Natural Resources. This increased the usable acreage from 20 acres to approximately 35 acres. Meridian conducted a highest and best use analysis of the remaining acreage and recommended the creation of an auto park, an assemblage of multiple car dealers located in a single setting. Purchase contracts were negotiated with two competing local dealers, Tom Wood Lexus and Tom O'Brien Chrysler, to occupy the two parcels fronting on 96th Street. A remainder parcel located behind the two dealers was also designated for auto dealerships. It would be accessed by a central boulevard separating the two front dealers. A building setback and line of site easement was also created to protect the value of the remainder parcel. Meridian assisted the legal team of Nelson & Frankenger in representing the interests of the buyers and sellers to the adjacent neighborhood association and in the municipal approvals with the City of Carmel. A sale closing late in 2000 resulted in sale proceeds to DYC in excess of \$5,500,000 for approximately 3/4 of the original parcel's acreage, including the remainder parcel acquired by Tom Wood for Volvo and Range Rover. With the support of the City of Carmel and the neighborhood association, the remainder acreage located on the west side of the creek and west of the auto park was developed for office buildings.

