

Case Study

High-Value Commercial Land Sale

LHT, LLC / Monarch Beverage

Quote / Testimonial

“Ross, You have been the perfect professional. I am thankful for all your effort and persistence.”

Paul Estridge, Jr., Owner, LHT

Challenge

An investment group including our client had assembled over 90 acres in Lawrence, Indiana, including a former drive-in movie theater, for the purpose of building a pari-mutual horse racing facility. Owner had rezoned the property for this use and obtained numerous state and local approvals before learning a rival would challenge the location of the facility. Ross Reller, Meridian Real Estate was consulted on a re-marketing strategy for this large parcel that would no longer be suitable for its highest and best economic use. Property basis ruled out all residential land uses.

Solution

One of our first observations was that the parcel represented one of the largest contiguous parcels of commercially-zoned land in Indianapolis. This fact proved to be instrumental in selling the site. We also noted that the parcel was located in the City of Lawrence which was enjoying considerable revenue from a tax increment financing district established when Fort Harrison was purchased from the federal government and converted to private land uses. The parcel was under contract with a retail developer on September 11, 2001. Following the termination of their contract, the Owner had numerous opportunities to sell portions of the large tract. The consensus of Owner and Meridian Real Estate was that the parcel should not be divided. A local investor group attempted a rezoning of the parcel for an industrial park. They alienated local officials enabling the Owner to seize the asset back and complete a rezoning allowing for industrial uses that were mutually acceptable to the community, Owner, and Meridian Real Estate. Following the successful rezoning of the parcel, a potential user for the entire site was identified. Monarch Beverage, a major distributor of beer and wine throughout the state, had concluded the subject property might be feasible for their operations. Thanks to Meridian Real Estate's previous efforts, Owner was able to recognize the merits of working exclusively with Monarch and participating in a time consuming (but profitable) due diligence process. On September 11, 2008 (irony intended), the parties completed a \$6 Million land sale. The new improvements will comprise the year's largest single-story, privately funded building in Marion County, nearly 1 million square feet.