

DEVELOPMENT OR REDEVELOPMENT OFFERING

CONFIDENTIAL OFFERING MEMORANDUM

45-Unit Entitled Adaptive Reuse • Commercial Development or Redevelopment
870 US Highway 42 NE, London, OH 43140 • Deercreek Township / Madison County

OwnerLand
REALTY®
HOSPITALITY

45 Units

ENTITLED DENSITY

6.04 AC

TOTAL LAND (2+ AC EXCESS)

C-2 Cond.

APPROVED ZONING

Call for Offers

OFFERING BASIS

1. EXECUTIVE SUMMARY

Investment Overview

This offering presents the exclusive opportunity to acquire **870 US Highway 42 NE, London, Ohio 43140** — a 6.04-acre commercial parcel improved with an 85-key exterior-corridor lodging facility currently operating as the FairBridge Inn Express.

The asset carries a formal entitlement approval from the Madison County Board of Zoning Appeals (BZA Case #23-26) for a **Conditional Use Permit under C-2 Commercial zoning, authorizing conversion of the existing 85 unit hotel into 45 residential dwelling units for extended and workforce stays of up to 12 months**. Positioned directly at the I-70 and US-42 interchange (Exit 79) within the high-growth West Columbus / Madison County industrial corridor, the site affords an incoming sponsor an immediate, de-risked pathway to deliver below-market workforce housing or micro-apartments at a fraction of ground-up replacement cost and construction time.

Future Development Upside: In addition to the 45-unit redevelopment, the land includes **over 2+ additional acres of vacant land for future development (pending the approval)**, creating substantial upside for commercial outlots, retail pads, or expanded amenities.



Property Exterior • 870 US Highway 42 NE



Lobby & Front Office / Reception Area

Property & Offering Snapshot

Property Name	FairBridge Inn Express (Former Knights Inn / Motel 6)
Address	870 US Highway 42 NE, London, OH 43140
Jurisdiction / County	Deercreek Township / Madison County, Ohio
Parcel ID / Tax PIN	05-00443.002 (VMS 8965, Parcel 612)
Land Area	≈ 6.04 Acres (263,102 SF) • Includes 2+ AC Vacant Surplus Land
Gross Building Area	≈ 27,072 SF across 4 one-story buildings (1987 Construction)
Current Configuration	85 Physical Hotel Keys + Front Office / Reception Building
Current Zoning / Land Use	C-2 Commercial / Code 410 (Motels & Tourist Cabins)
Approved Adaptive Reuse	45 Dwelling Units (BZA Conditional Use Approval, Dec 4, 2023)
Permitted Lease Duration	Up to 12-Month Leases
Entitlement Tenancy Condition	Private Market Non-HUD Housing (Strictly No HUD Funding/Tenants)
County Appraised Value	\$857,670 (Assessed: \$300,180)
Offering Price	Call for Offers

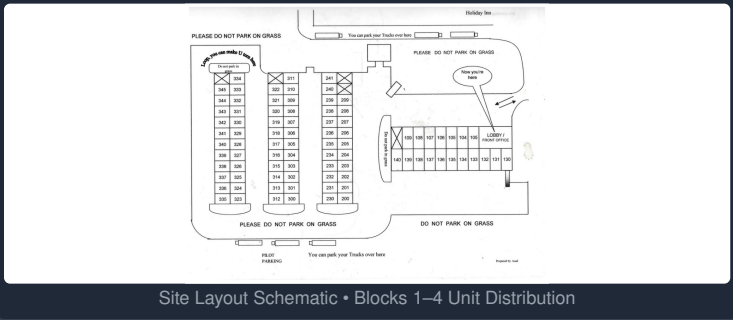
2. INVESTMENT HIGHLIGHTS

- Approved Residential Density (45 Entitled Units):** The property possesses a secured, unappealed Conditional Use Permit approved 3–1 by the Madison County BZA to convert 85 transient guest rooms into 45 consolidated residential units, bypassing multi-year speculative rezoning processes.
- Exceptional Basis Relative to Replacement Cost:** An investor can deliver stabilized housing units at a steep discount to ground-up multifamily construction (\$180k–\$240k+/door) and regional sale comp averages (\$75k–\$98k/door).
- Significant Surplus Land for Development or Redevelopment:** With over 2+ acres of excess vacant land and total building coverage under 11%, the site offers immediate potential for commercial outlot development (QSR, convenience retail, fleet storage) or secondary residential expansion pending municipal approval.
- Regional Industrial & Semiconductor Growth Corridor:** Located along the critical I-70 West corridor between Columbus and Springfield, the asset directly captures structural workforce housing demand driven by regional logistics parks, the Intel Silicon Heartland ecosystem, and the Honda/LG Energy EV pipeline.
- Substantial Infrastructure Upgrades in Immediate Vicinity:** The Mid-Ohio Water and Sewer District (MOWSD) has assumed regional wastewater authority and acquired adjacent land along I-70/US-42 (Parcel 05-00224.000) for a new \$107.7M Regional Wastewater Treatment Facility, ensuring robust long-term utility capacity.

3. PROPERTY & BUILDING CONFIGURATION

The property consists of four detached, single-story, exterior-corridor building blocks arranged around a central drive with direct US-42 ingress and dedicated truck / resident surface parking:

- **Block 1 (Far West Wing):** 24 keys (Rooms 323–334 & 335–345)
- **Block 2 (West-Central Wing):** 23 keys (Rooms 300–311 & 312–322)
- **Block 3 (East-Central Wing):** 22 keys (Rooms 200–209 & 230–241)
- **Block 4 (Front Wing):** 16 keys (Rooms 104–109 & 130–140) + Lobby, Front Office, and Manager Support Facility
- **Total In-Place Footprint:** 85 Keys (27,072 SF)



4. ADAPTIVE REUSE CONVERSION & FLOOR PLAN STRATEGY

CORE CONVERSION ARCHITECTURE:

2 Typical Motel Keys (≈ 250 SF each) → 1 Consolidated Residential Suite (≈ 500 SF)

Unit Layout: Living/sleeping quarters, dedicated private bathroom, full kitchenette fit-out, and independent HVAC PTAC units.

Amenities & Support Facilities: Reconfiguration of Block 4’s commercial office into an on-site leasing office, live-in manager suite, secure mail/package locker room, and a centralized coin/app-operated resident laundry facility.

5. ZONING ENTITLEMENT & REGULATORY PROFILE

Madison County BZA Case #23-26 Summary

Governing Body	Madison County Board of Zoning Appeals
Hearing Date & Vote	December 4, 2023 • Approved 3–1 (Peart: Yes, Hann: Yes, Reardon: Yes; Bobo: No)
Entitled Use	Conversion of motel units into long-term residential dwellings allowing leases up to 12 months under C-2 Commercial zoning
Explicit Condition	NO HUD Funding / HUD-subsidized Tenancy. Must operate as private-market, unsubsidized workforce housing.
Building & Life-Safety	Building plans submitted to local building department must address Central Township Joint Fire District standards (smoke alarms, fire hydrants, sprinkler retrofits).

6. MARKET COMPARABLES & ANALYTICS

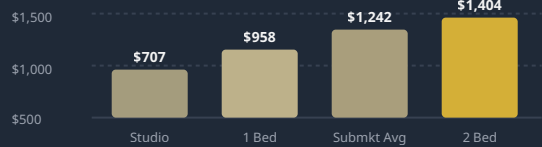
MULTIFAMILY BENCHMARK (15-MILE RADIUS):

Average Cost Per Unit on Sold Multifamily Comps: **\$75,641 / Unit**

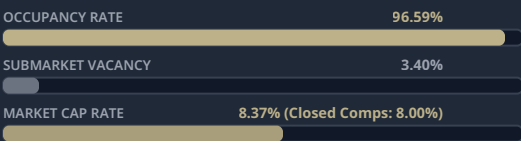
\$75,641 / UNIT AVG

Submarket Multifamily Performance (15-Minute Radius / Madison County): Analytics for the London / Madison County submarket reflect robust rental fundamentals driven by industrial expansion, severe housing supply constraints, and zero 12-month competitive multifamily deliveries:

SUBMARKET ASKING RENT BY UNIT TYPE (\$/MO)



KEY SUBMARKET OPERATIONAL METRICS



Multifamily Sale Comps Analytics Summary (15-Mile Radius)

COMP METRIC	SUBMARKET LOW	SUBMARKET MEDIAN	SUBMARKET AVERAGE	SUBMARKET HIGH
Sale Price	\$1,550,000	\$2,950,000	\$2,950,000	\$4,350,000
Sold Units per Property	30 units	92 units	98 units	228 units
Sale Price Per Unit	\$51,666 / unit	\$71,146 / unit	\$75,641 / unit	\$90,625 / unit
Closed Sale Cap Rate	8.00%	8.00%	8.00%	8.00%
Vacancy Rate at Sale	0.8%	0.8%	1.2%	3.4%
Parcel Land Size	1.90 Acres	7.00 Acres	9.60 Acres	30.20 Acres

Source: CoStar market analytics, 15-mile radius multifamily sale comparables.

Commercial Land Sale Benchmark (Surplus / Outlot Valuation)

Property Address	10 State Road 29, West Jefferson, OH 43162 (Madison County)
Sale Date & Price	January 24, 2025 • \$3,870,000
Land Size & Pricing	7.38 Acres (321,473 SF) • \$524,390 / Acre (\$12.04 / SF)
Buyer / Seller	RaceTrac, Inc. (Buyer) / Pace Financial Group, LLC (Seller)
Underwriting Relevance	Demonstrates institutional demand and high land valuations (\$524k/AC) for commercial frontage parcels near major interchanges within Madison County, underscoring the intrinsic value of the 2+ acres of excess vacant land at 870 US-42.

7. OFFERING PROCESS & TERMS OF SALE

The property is being offered on an **as-is, where-is** basis under a structured **Call for Offers** format.

Submission Guidelines & LOI Deliverables:

- **Pricing Structure:** All bids must be submitted without a fixed seller reserve, reflecting buyer valuation under the 45-unit adaptive reuse entitlement and surplus land value.
- **Proposed Terms:** Purchase Price, Earnest Money Deposit, Due Diligence Period (recommended 30–45 days), and Closing Timeline (30 days post-diligence).
- **Qualifications:** Evidence of Funds and summary of developer track record in hospitality, multifamily conversion, or commercial development.
- **Zoning Acknowledgment:** Acknowledgment of BZA Case #23-26 conditions (private-market workforce housing with no HUD funding).
- **Property Tours:** Guided site visits are available strictly by appointment with the listing brokerage.



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Disclaimer: The information contained in this Offering Memorandum has been obtained from sources believed reliable, including Madison County public records, Board of Zoning Appeals proceedings, and CoStar market analytics. While we do not doubt its accuracy, we make no guarantee, warranty, or representation about it. It is your responsibility to independently confirm its accuracy and completeness, including life-safety requirements, building permits, future development approvals, and environmental conditions.