



SALZILLO REALTY CO.

EXCLUSIVE OFFERING MEMORANDUM



APPROVED MULTIFAMILY DEVELOPMENT

30-UNIT PARUM ROAD RESIDENCES

**31 PARUM ROAD
COLCHESTER, CONNECTICUT**

A fully entitled §8-30g set-aside development on 2.56 acres at Colchester's Route 2 and Route 11 interchange. Public water and sewer at the site.

ASKING PRICE

\$750,000

\$25,000 / APPROVED UNIT

Approvals, architecture, civil engineering, MEP and survey all convey to the buyer.

30

APPROVED UNITS

2.56

ACRES

25,202

SF NET RENTABLE

7.85%

YIELD ON COST

SEP 2025

PZC APPROVAL

JOSEPH SALZILLO

Broker / Owner · (860) 637-1379

RYAN O'KEEFFE

Co-Listing Agent · (203) 297-0849

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Renderings shown are artistic concept visualizations prepared from the approved architectural drawings and are illustrative only. Final constructed appearance may vary.

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By accepting this Memorandum, you agree to the above terms and conditions.



EXCLUSIVELY OFFERED BY

Salzillo Realty Co.

42 Alice Lane
Southington, CT 06489
salzillorealty.com

A FULLY APPROVED 30-UNIT BUILDING. NOTHING LEFT TO ENTITLE.

Salzillo Realty Co. has been exclusively retained to offer 31 Parum Road, Colchester, Connecticut — a **2.56-acre site carrying a final, conditioned Planning & Zoning approval for a 30-unit multifamily building** under Connecticut General Statutes Section 8-30g. The approval, the complete architectural set, the civil engineering, the MEP design and the boundary and topographic survey all convey to the buyer at closing.

The site sits on Parum Road (State Route 354) where it meets Colchester's Route 2 and Route 11 interchange, with public water and public sanitary sewer already in the road. Under base SU zoning the parcel would support ten units in a single building. The 8-30g set-aside — nine units restricted, thirty percent of the project — is what unlocks thirty. That density is the asset being sold.

Ownership has carried the project from raw land through a contested public hearing process to an approval issued **September 24, 2025**, and has since completed a full 88-sheet construction-level architectural and MEP package. A buyer acquires a project that is engineered, designed and permitted — priced at **\$25,000 per approved unit**.

30

APPROVED UNITS

2.56

ACRES

44

PARKING SPACES

25,202

SF NET RENTABLE

18 / 12

ONE-BED / TWO-BED

7.85%

YIELD ON COST

PROJECTED STABILIZED NOI

\$572,189

Year-one stabilized, per ownership pro forma. 1.44× DSCR at the modeled construction facility.

TOTAL PROJECT BASIS

\$7,285,427

Land, hard costs, soft costs and construction-period financing. \$242,848 per unit.

WHY THIS TRADES AT \$25,000 PER APPROVED UNIT

Comparable approved multifamily sites in the region are being offered at \$28,333 and \$29,500 per approved unit. 31 Parum Road is priced below both — and is the only one of the three delivered with a completed construction-level architectural and MEP set.

APPROVED SEPTEMBER 17, 2025. THE HARD PART IS DONE.

APPROVAL OF RECORD

Decision	PZC2025-0010
Action	Approved with Conditions
Commission vote	September 17, 2025
Notice of Decision	September 24, 2025
Permit type	Special Permit & Site Plan
Zoning district	SU — Suburban Use
Statute	C.G.S. §8-30g Set-Aside
Assessor MBL	Map 18, Block 00, Lot 065

WHAT CONVEYS TO THE BUYER

- **Special Permit & Site Plan approval** — PZC2025-0010
- **Architectural set** — 88 sheets, construction level, Lifecare Design Inc., Hartford
- **Civil engineering & site plan** — Yantic River Consultants, LLC, Lebanon
- **MEP engineering** — CQ & J Engineer Group (sprinkler, mechanical, ductwork, piping)

THE SET-ASIDE

Nine of the thirty units — thirty percent — are restricted under §8-30g for a forty-year term beginning at initial occupancy. Restricted rents are governed by the recorded Affordability Plan and administered by a third-party administrator reporting annually to the Town.

THE DENSITY TRADE

Base SU zoning permits **10 units per building**. The set-aside permits **30**. Ownership's pro forma prices ten units at restricted rents — roughly \$53,000 of annual rent foregone in exchange for twenty additional units.

- **Property & topographic survey** — Class A-2 / T-2, Stephen M. Giudice, L.S.
- **Geotechnical engineering** — Clarence Welti Associates, Inc., Glastonbury
- **Wetlands delineation** — Ian T. Cole, Professional Soil Scientist, June 2024
- **Affordability Plan** and proposed §8-30g zoning regulation

REMAINING PRE-CONSTRUCTION ITEMS

Standard conditions of approval remain to be satisfied by the buyer prior to mylar endorsement and construction start: incorporation of Fire Department and Sewer & Water Department review comments into the plans, posting of an erosion and sediment control bond with the Town Engineer, and a CTDOT District 2 encroachment permit for the Route 354 frontage improvements. No further discretionary land-use approvals are required.

MODELED PATH TO STABILIZATION

OCT 2026

 CLOSING &
CONSTRUCTION
START

18 MOS

 VERTICAL
CONSTRUCTION

APR 2028

 CERTIFICATE OF
OCCUPANCY

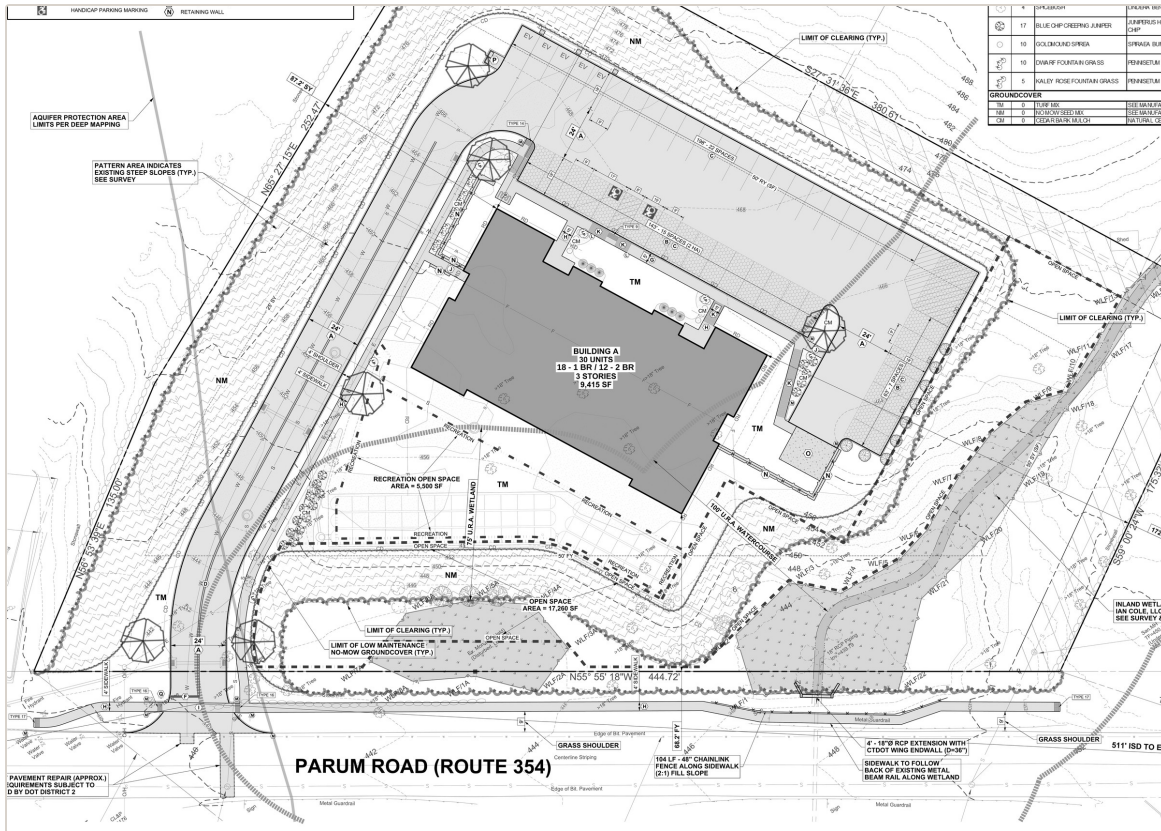
7 MOS

 LEASE-UP TO
95% OCCUPANCY

\$572K

 STABILIZED
NET OPERATING
INCOME

ONE BUILDING. THIRTY UNITS. WELL INSIDE EVERY ZONING CAP.



APPROVED DEVELOPMENT LAYOUT PLAN · YANTIC RIVER CONSULTANTS, LLC · REV. 08/01/2025

ZONING COMPLIANCE	REQUIRED	PROPOSED
Lot area	2.00 ac	2.56 ac
Buildable area	0.92 ac	1.88 ac
Units per building	30	30
Frontage	50 ft	444.7 ft
Building height	45 ft	43'-3"
Building coverage	30%	12%
Impervious coverage	45%	42%
Open space	16,715 SF	17,260 SF
Recreation area	5,655 SF	6,500 SF
Parking spaces	38	44

9,415

SF FOOTPRINT

28,245

SF GROSS BUILDING

1,110

SF ROOF TERRACE

1.47

PARKING PER UNIT

- Public water and public sanitary sewer already in Parum Road
- New 8" ductile iron water main to Colchester WPCA standards
- 44 spaces including 2 ADA and EV-designated stalls
- Landscape plan, lighting photometrics and sidewalk in the approved set
- Wetlands delineated and preserved outside the development area

FOUR LEVELS OVER A WALK-OUT BASE, WITH A 1,110 SF ROOF TERRACE.



LEVEL	UNITS	1-BR	2-BR	NET SF
Lower (walk-out)	6	4	2	4,468
First	10	6	4	7,891
Second	10	6	4	8,099
Third / Loft	4	2	2	4,744
Total	30	18	12	25,202

BUILDING SPECIFICATION	
Construction type	Type VB, Group R-2
Stories	3 + walk-out level
Average unit	840 SF
Fire protection	Full NFPA 13 sprinkler
HVAC	VRF split + ERV
Circulation	Two stair cores

UNIT PROGRAM

Twelve 649 SF one-bedrooms, two 753 SF and two 788 SF one-bedrooms, six 936 SF two-bedrooms, two 941 SF and two 1,045 SF two-bedrooms, two 1,182 SF two-bedroom / two-bath residences, and two 1,190 SF one-bedroom loft residences with a private mezzanine. Balconies throughout; stone veneer base; standing-seam metal roof.

\$788,832 OF GROSS POTENTIAL RENT ACROSS THIRTY UNITS.

LOWER LEVEL & FIRST FLOOR

UNIT	TYPE	SF	RENT
LL-1	2 BR	936	\$1,800
LL-2 – LL-5	1 BR (4)	649	\$1,441
LL-6	2 BR	936	\$1,800
101	2 BR	936	\$2,700
102 – 105	1 BR (4)	649	\$2,175
106	2 BR	936	\$2,700
107	2 BR	941	\$1,800
108	1 BR	788	\$2,350
109	1 BR	753	\$2,300
110	2 BR	941	\$2,700
Subtotal — 16 units		12,359	\$32,614

SECOND & THIRD FLOOR

UNIT	TYPE	SF	RENT
201	2 BR	936	\$1,800
202 – 203	1 BR (2)	649	\$1,441
204 – 205	1 BR (2)	649	\$2,175
206	2 BR	936	\$2,700
207	2 BR	1,045	\$2,825
208	1 BR	788	\$2,350
209	1 BR	753	\$2,300
210	2 BR	1,045	\$2,825
301 / 304	2 BR·2 BA (2)	1,182	\$2,950
302 / 303	1 BR Loft (2)	1,190	\$2,595
Subtotal — 14 units		12,843	\$33,122

TOTAL MONTHLY

\$65,736

ANNUAL GPR

\$788,832

AVERAGE UNIT

\$2,191

PER RENTABLE SF

\$2.61

AFFORDABLE UNIT ALLOCATION

Ten units are underwritten at restricted rents — one more than the nine required — at \$1,441 per one-bedroom and \$1,800 per two-bedroom. The recorded Affordability Plan permits higher maximum rents than those modeled here, and only nine units carry the obligation. Both represent upside a buyer may capture. Ancillary income of \$17,250 annually (administrative, application, pet and EV charging fees) is carried separately.

RENT SUMMARY	UNITS	NET SF	MONTHLY	ANNUAL	\$ / SF
Market-rate units	20	17,624	\$49,889	\$598,668	\$2.83
Restricted units (§8-30g)	10	7,578	\$15,847	\$190,164	\$2.09
Total — All Units	30	25,202	\$65,736	\$788,832	\$2.61

A 7.85% YIELD ON COST AGAINST A 5.5% MARKET.

DEVELOPMENT BUDGET

USE OF FUNDS	TOTAL	PER UNIT
Land acquisition	\$750,000	\$25,000
Closing costs	\$20,000	\$667
Construction — hard	\$5,649,000	\$188,300
Contingency (5%)	\$282,450	\$9,415
Soft costs	\$394,073	\$13,136
Construction interest	\$189,904	\$6,330
Total Project Cost	\$7,285,427	\$242,848

CAPITAL STRUCTURE

SOURCE	AMOUNT	%
Construction debt	\$5,060,418	69.5%
Sponsor equity	\$2,225,009	30.5%
Total Sources	\$7,285,427	100%

Modeled at 6.20%, 18-month construction term, 80% of construction cost. Debt service \$398,710 annually.

STABILIZED OPERATIONS

INCOME & EXPENSE	ANNUAL
Gross potential rent	\$788,832
Other income	\$17,250
Vacancy & credit loss (5%)	(\$40,304)
Effective Gross Income	\$765,778
General & administrative	(\$42,289)
Payroll & related	(\$11,000)
Utilities	(\$9,500)
Maintenance & repair	(\$21,800)
Marketing & leasing	(\$5,000)
Taxes & insurance	(\$104,000)
Total Operating Expenses	(\$193,589)
Net Operating Income	\$572,189

RETURN METRICS

Yield on cost	7.85%
Debt service coverage	1.44x
Cash flow after debt	\$167,354
Operating expense ratio	25.3%
Cost per rentable SF	\$289
Cost per gross SF	\$260
Spread to a 5.5% exit	235 bps

STABILIZED VALUE SENSITIVITY

EXIT AT 5.50 %

\$10,403,000

\$3,118,000 over basis · 42.8%

EXIT AT 6.00 %

\$9,536,000

\$2,251,000 over basis · 30.9%

EXIT AT 6.50 %

\$8,803,000

\$1,517,000 over basis · 20.8%

SCHEDULE

October 2026 closing, 18 months to certificate of occupancy in April 2028, seven-month lease-up. Sensitivity is calculated on year-one stabilized NOI; all figures are ownership estimates.

PRICED BELOW THE MARKET FOR APPROVED UNITS — AND FOR RENT.

APPROVED DEVELOPMENT SITE COMPARABLES

PROPERTY	MARKET	ACRES	UNITS	PRICE	PER UNIT
31 Parum Road — Subject	Colchester	2.56	30	\$750,000	\$25,000
124 Halls Hill Road	Colchester	5.14	30	\$850,000	\$28,333
0 Crystal Lake Road	Groton	8.38	92	\$2,714,000	\$29,500

Both comparables are active asking prices, not closed transactions.

SUBJECT PRICE PER APPROVED UNIT

\$25,000

12% below the nearest Colchester comparable and 15% below the Groton offering — with a completed construction-level design package.

PRICE PER ACRE

\$293,000

The subject achieves its density on less than half the land of the Halls Hill site, in a single building on public utilities.

RENT COMPARABLES

PROPERTY	MARKET	TYPE	SF	RENT	\$/SF	BUILT
102H Edgewater Circle	East Hampton	2 BR · 2 BA	900	\$2,459	\$2.73	2015
502 Edgewater Circle #C	East Hampton	2 BR · 2 BA	1,017	\$2,650	\$2.61	2015
31 Parum Road — 2 BR range	Colchester	2 BR	936–1,182	\$2,700–\$2,950	\$2.50–\$2.88	2028

Edgewater Hill, East Hampton — the closest new-generation rental product to the subject market. 102H leased at \$2,459 on July 25, 2026; 502 #C was offered at \$2,650 in June 2026. Both are eleven-year-old buildings; the subject delivers as 2028 new construction with a roof terrace, in-unit VRF conditioning and structured balconies.

RENT POSITIONING

The subject's two-bedroom pricing brackets both comparables on a per-foot basis while delivering a materially newer product. Detailed unit-by-unit rent assumptions are set out on page 07 and in the full financial model available in the diligence package.

HOW THE SUBJECT DIFFERENTIATES

- **Single building on 2.56 acres** — one foundation, one roof, one utility connection rather than five separate structures
- **Construction-level design complete** — an 88-sheet architectural and MEP package, not schematic drawings
- **Amenity differentiation** — a 1,110 SF roof terrace, private balconies and loft residences, none of which exist in the local rental stock
- **Public water and sewer in the road** — no on-site septic or well infrastructure to build or maintain

AT COLCHESTER'S ROUTE 2 AND ROUTE 11 INTERCHANGE.



31 PARUM ROAD (STATE ROUTE 354) · COLCHESTER, NEW LONDON COUNTY, CONNECTICUT

ACCESS

- **Route 2** expressway — Hartford in under 30 minutes
- **Route 11** interchange — direct southbound access
- **Route 85 & Route 16** at Colchester Town Green, minutes north
- Norwich, New London and the I-395 corridor to the southeast

IMMEDIATE AMENITIES

- Stop & Shop, Dunkin', McDonald's and Snap Fitness within a mile
- Colchester Golf Course and Hidden Brook Golf Club
- Salmon River State Forest, Day Pond and Moorhouse State Parks
- Colchester public schools and the Route 16 village center

15,760

TOWN POPULATION

\$79,000

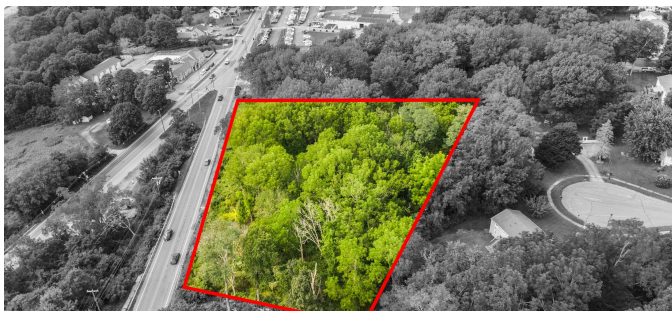
MEDIAN HH INCOME

47%

RENTER HOUSEHOLDS

<30 min

TO HARTFORD



SUBJECT PARCEL OUTLINED · PARUM ROAD FRONTAGE AT LEFT



PARUM ROAD FRONTAGE ACROSS THE SITE



— NEXT STEP

REQUEST THE FULL DILIGENCE PACKAGE.

The complete document package — approvals and notice of decision, the 88-sheet architectural set, civil engineering and site plans, MEP drawings, survey, geotechnical report, wetlands delineation, Affordability Plan and the full financial model — is **available upon execution of a confidentiality agreement.**

BROKER / OWNER

Joseph Salzillo

(860) 637-1379
josephsalzillo.re@gmail.com

CO-LISTING AGENT

Ryan O'Keeffe

(203) 297-0849
ryanokeeffe.re@gmail.com



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