



THE RESIDENCES AT GROTON

GROTON, CT



Approved with Full Construction Drawings:
195-Unit Market Rate Development Opportunity



EXECUTIVE SUMMARY

Cushman & Wakefield has been engaged by Merion Ledges II, L.P (the “Owner”) to arrange for the sale or joint venture development (co-GP) of 375 Drozdyk Drive – an approved and shovel ready 195 unit ground up apartment development project (the “Property” or “Project”) located in the shoreline town of Groton, Connecticut. The Property is situated just off Interstate-95 convenient to the area’s major employers, retail and many nearby lifestyle and recreational amenities in the town of Groton.

Strategically located between New York City and Boston, the town of Groton offers excellent regional highway (Interstate 95 and 395) and rail (Amtrak and the Shore Line East Commuter Rail) access, a deep-water port, an airport, a foreign trade zone, and an enterprise zone. With a total of about 27,000 jobs, Groton is home to major employers, including General Dynamics Electric Boat Shipyard, the U.S. Navy Submarine Base, Pfizer Pharmaceutical, and Avery Point, a regional campus of the University of Connecticut. The Property is proximate to these resident demand drivers and is well positioned to capitalize on the housing demand driven by the expansion of the region’s largest employer, Electric Boat, located just 3 miles away. Electric Boat has announced plans to add thousands of jobs in Groton over the next decade.

Process & Pricing

375 Drozdyk Drive is available on an “as-is” basis and is being offered without a formal asking price. Qualified investors should sign the Confidentiality Agreement to receive the Offering Memorandum and access to the due diligence materials available in the C&W document center. Once investors have had the opportunity to review the offering materials and tour the property, C&W will schedule a “Call for Offers”.

For more information on the property and to sign the Confidentiality Agreement, please visit: multifamily.cushwake.com/listings/ResidencesatGroton





PROJECT HIGHLIGHTS

# of Units:	195
Stories:	5 + Basement
Gross SF:	195,007
Net SF:	160,016
Building Height:	61'
Constr Type:	Wood Framed
Parking:	256 Surface Parking Spaces (1.3/Unit)* *includes 14 tandem parking spaces

PROJECT OVERVIEW

As currently planned, the Project will feature 195 units in a 5-story, wood-framed building over an integral 7,400 SF amenity space at the ground level. 256 parking spaces are evenly dispersed adjacent to the building's two primary entrances. The Property will offer a mix of studio (40), one-bedroom (88), and two-bedroom (67) units averaging 820 square feet. The Project is fully entitled with all permits, approvals and drawings required for construction.

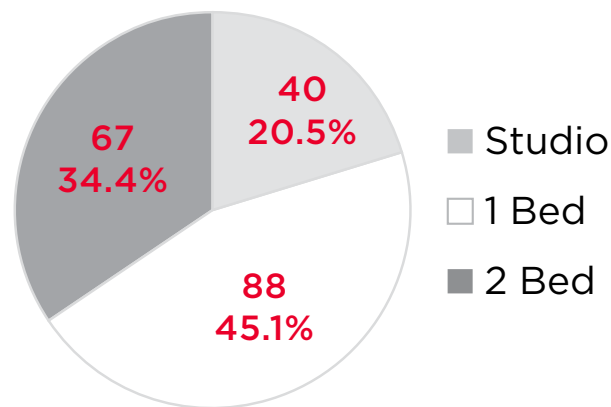
Obtaining the building permit from the town of Groton is the last remaining step. 375 Drozdyk Drive represents a truly rare shovel-ready development opportunity in an excellent location where it's possible to break ground in the near term.

Programed Amenity Package

The ground floor amenity area includes a leasing office and reception area, mail and secure package room, large community lounge, co-working areas, fitness center. Outdoor amenity space includes an active courtyard with two grills and seating areas, bocce court and lawn areas. Bike storage and a dog park area are located near the at-grade plaza adjacent to the building entrance. Individual storage areas are dispersed through all levels of the building. Over 65% of the units feature private balcony or patio areas. Laundry facilities are provided within each individual unit.



Unit Mix Summary			
	# Units	Avg SF	%
Studio	40	576 SF	20.5
1 BR	88	734 SF	45.1
2 BR	67	1,080 SF	34.4



Shennecossett Beach

Thames River

General Dynamics Electric Boat

New London Station



Shennecossett Golf Course



M&T Bank

TJ-maxx

Groton Shopping Center

Bank of America

Citizens



LIBERTY BANK



Walgreens



Drozdyk Drive

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Groton Reservoir

Groton Square

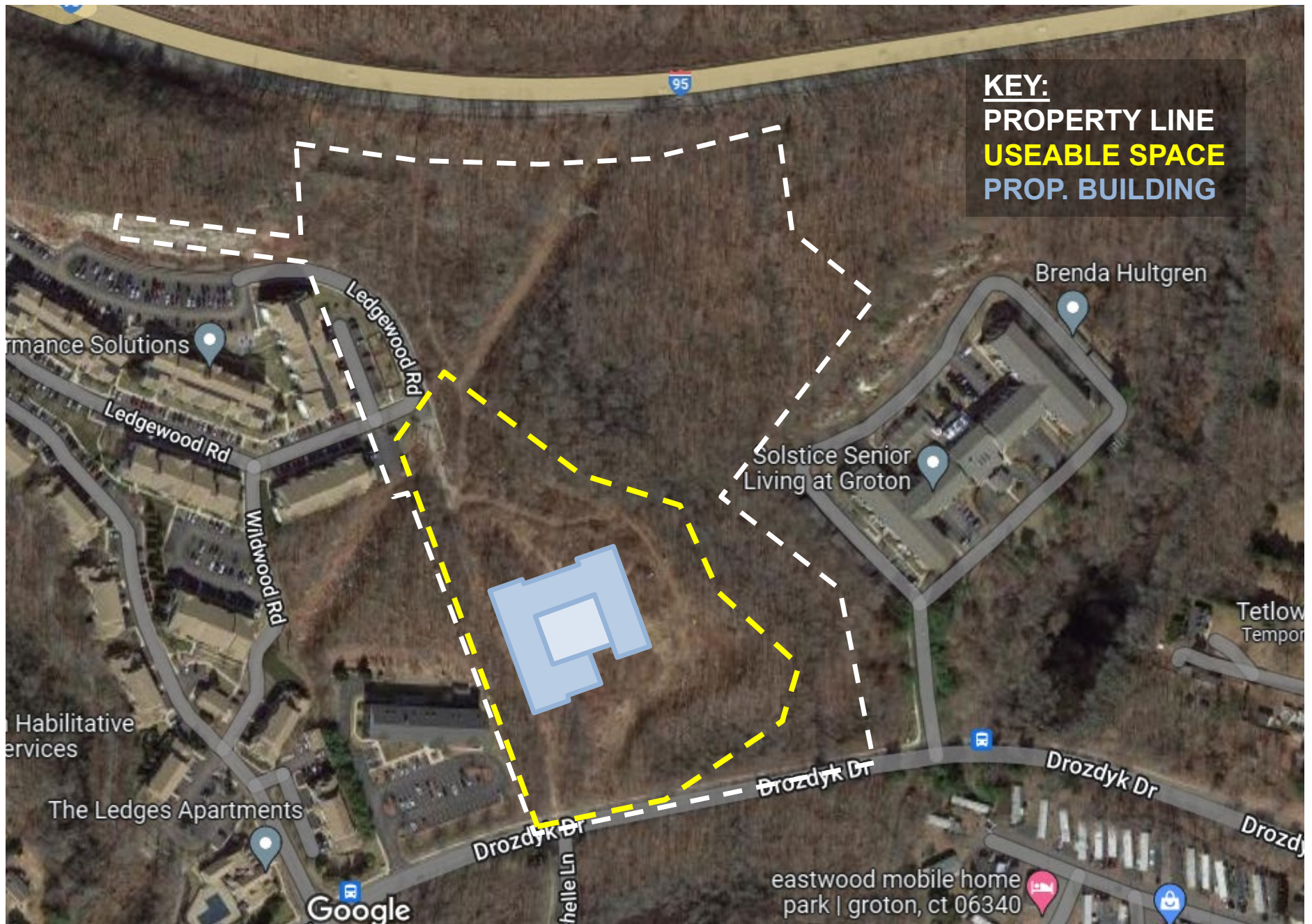
Stop&Shop

Walmart+

KOHL'S

PROPERTY OVERVIEW

Address	375 Drozdyk Drive, Groton, CT	
Site Size	17.61-acres	
Utilities	All municipal utilities available with adequate capacity	
Zoning District	RM (Multi-Family Residence)	
Conservation	Easement on +/- 3.25-acres in the northeast corner of the site abutting I-95.	
Flood Zone	Not located within Coastal Zone, FEMA Flood Zone or Natural Diversity Data Base (NDDDB) Critical Area	
RE Taxes (FY26)	Assessed FMV	\$2,502,100
	70% Assessed Value	\$1,751,470
	Mill Rate	\$28.91
	Annual Taxes	\$50,635



INVESTMENT HIGHLIGHTS

► Approved & Shovel Ready Apartment Development

375 Drozdyk Drive is an approved 195-unit, 100% market-rate development opportunity in the shoreline town of Groton, CT. The site is “shovel ready” with all entitlements completed and full construction drawings in-hand.

► Design Flexibility

Buyers are encouraged to submit offers based on the current shovel ready design or propose changes to the design that maximizes the project.





► Excellent Commuter Location (I-95, I-395) with Nearby Train Service

Located just off I-95, and minutes from I-395 the Property offers a convenient commuter location relative to major employers throughout Groton, New London, southeastern, CT and beyond. The Property is located 5 miles from Amtrak train stations in downtown Mystic and New London for those commuting to New Haven, New York City, Providence and Boston, as well as points in-between and beyond along Amtrak's Northeast Corridor.

► Established Employment HUB

Major employers and resident demand sources in Groton include General Dynamics Electric Boat, Pfizer, US Naval Submarine Base, Lawrence + Memorial Hospital, Foxwoods and Mohegan Sun Casinos, as well as academic campuses for US Coast Guard Academy, Connecticut College and UConn Avery Point, all within 20 minutes of the Property. The region's largest employer, Electric Boat, which is located 3 miles from the Property, has multi-billion dollar contracts in-place with the US Navy to build Columbia- and Virginia-class submarines over the next two decades. The company is expected to add 18,000 new workers over the next decade to the local workforce in Groton/New London, Connecticut and Quonset Point, Rhode Island.

► High Quality Schools

Groton schools are ranked as some of the best in the region, which continues to attract new households. US News recently ranked the Marine Science Magnet High School of Southeastern Connecticut, located in Groton (minutes from the Property), the #1 high school in Connecticut.

► Abundance of Lifestyle Amenities

The location offers residents an abundance of lifestyle amenities and recreational activities. Notably nearby retailers include Stop & Shop, Big Y, Walmart, Kohl's, Aldi, Planet Fitness, Starbucks, Dunkin, as well as numerous restaurants and dining options. The Property is less than 15 minutes from Mystic, CT, an idyllic coastal New England village filled with shops, bakeries, cafes and restaurants set along the Mystic River. Groton also offers numerous outdoor activities that residents can enjoy with many beaches, parks, trails, a golf course and reservoir within in town.

In 2023, USA Today ranked Mystic as the fourth top tourist destination in the U.S. (the only city in New England to make the coveted list).

► Demand for High Quality Housing

According to the housing market study by Camoin Associates, there is substantial unmet demand for new housing units in the town. The study projects market demand for 6,450 new housing units over the next decade and identifies significant pent-up demand for modern upscale apartment units.

HOUSING MARKET STUDY – TOWN OF GROTON

In 2021 and 2023, the Town of Groton commissioned a housing market study to identify the development potential and the need for new housing in the community. The following were key takeaways from the independent study by Camoin Associates:

- ▶ The town of Groton is well poised to take advantage of a strong housing market that is expected to last into the foreseeable future.
- ▶ Hiring at Electric Boat over the next decade will drive strong demand for housing units in the town and region.
- ▶ High quality rental apartments are particularly in demand after years of little development.
- ▶ The town's immediate proximity to Electric Boat provides a unique competitive advantage to absorb a significant portion of future housing demand.
- ▶ Over the next decade (2023-2033) there is housing market potential for up to 6,450 units in the town of Groton.
- ▶ Only 405 units were permitted in Groton from 2013 to 2022 (Note, this figure excludes the Project, which was approved in 2023).
- ▶ Apartment vacancy rates are extremely low at 2.3% and the lack of rentals has driven rents up by 19% since the pandemic.
- ▶ The median single-family home price has grown to \$350,000+ in the town putting home ownership beyond the reach of many local households and workers.
- ▶ The Town continues to “underproduce” housing and is failing to keep pace with local and regional demand.
- ▶ There is substantial pent-up demand for modern upscale apartment units in the region. If the right product types were available in the town, there is estimated potential for up to 1,970 housing units over 10 years from rental “upgraders”.

Groton, CT Demographics



Population
38,700



Average Home Value
\$365,741



Average Household
Income \$106,110



Educational Attainment (25+)
54% Bachelor's Degree or higher



THE RESIDENCES AT GROTON



Drozdyk Drive



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