

GOOD · 33.6% MARGIN

\$1M-\$5M PROJECT

#1 · 0 LONG STREET, FUQUAY VARINA, NC 27526

11.12 acres on US 401 corridor, Fuquay Varina — MLS 10050563 (adjacent to Gold Leaf Crossing & WakeMed)

LIST PRICE	\$1,999,000 (681 days on market — extreme seller motivation)	ACREAGE	11.12 acres
MLS	10050563 (Century 21 Triangle Group)	ZONING	RA/HCO — Residential Agriculture + Highway Commercial Overlay; Future Land Use map: Suburban Commercial
UTILITIES	Town of FV sewer pump station abuts rear of property; electric/cable available; sewer/water not yet connected to site	STRATEGY	Entitlement: negotiate to ≤MAO (\$1,755,224), petition commercial rezoning (FLU + HCO both support it), resell to commercial/medical developer
OUT-OF-POCKET CASH	\$943,600 (equity + land/loan closings + entitlement costs + carry at modeled \$1,400,000 acquisition)	FINANCED	\$840,000 land loan (60% LTV — ~47% of all-in project cost)
MODELED	Acquisition \$1,400,000 (30% below ask; fully supported by 681 DOM); commercial resale \$270K/ac × 11.12 ac = \$3,002,400		

PROJECT COST	GROSS REVENUE	NET PROFIT	MARGIN	MAX OFFER (20%)
\$1.78M	\$3,002,400	+\$1,008,632	33.6%	\$1,755,224

PRO FORMA

LINE	AMOUNT
Gross revenue — commercial land resale (\$270K/ac × 11.12 ac; FV commercial listings avg \$291K/ac Sep 2026)	\$3,002,400
Land acquisition + closing (~2%)	(\$1,428,000)
Construction — no build; pure entitlement strategy	\$0

LINE	AMOUNT
Home On builder margin — N/A (entitlement management included in entitlement cost line)	\$0
Site development / entitlement costs — survey, planning attorney, engineering, rezoning fees, traffic study (AT COST)	(\$175,000)
Contingency (10% of construction, AT COST — typically returned if unused) — N/A	\$0
Land loan closing + carry (60% LTV \$840K land loan; 1.5% closing \$12,600 + 10% APR × 24 months \$168,000)	(\$180,600)
Selling costs (~7%) — paid at sale closing, not out-of-pocket	(\$210,168)
NET PROFIT TO INVESTOR	~\$1,008,632 · 33.6% margin · 107% cash-on-cash over 24 months

Commercial land comp: Fuquay-Varina commercial listings avg \$291,603/ac (LandSearch/Crexi Sep 2026). Modeled at conservative \$270K/ac × 11.12 ac = \$3,002,400. Upside to \$300–\$350K/ac (\$3.3M–\$3.9M) if medical office or retail use materializes adjacent to WakeMed Medical Park. MAO \$1,755,224 — at full ask (\$1,999,000) margin collapses to ~10.7% (MARGINAL); price discipline essential. 681 DOM makes 30%+ discount realistic.

DILIGENCE GATES

GO: Future Land Use already = Suburban Commercial per adopted FV plan; HCO overlay already on parcel; confirmed town sewer pump station adjacent at rear; Gold Leaf Crossing (Target-anchored) + WakeMed Medical Park flank corridor — commercial demand proven; 681 DOM signals highly motivated seller.

VERIFY: Pre-app meeting with FV planning staff to confirm rezoning support before going hard; sewer pump station capacity and tap fee; title search for easements or deed restrictions; wetlands/FEMA check; traffic study scope/cost.

STOP: Planning staff declines commercial rezoning; sewer pump at capacity with no expansion planned; deed restrictions prohibit commercial use; major environmental issue identified.

VERDICT

At MAO (\$1,755,224) the investor nets \$600,480 at a clean 20% margin — no construction, no permitting labor, just a 24-month entitlement hold. At the modeled acquisition of \$1,400,000 the investor nets \$1,008,632 on \$943,600 cash deployed in 24 months: 33.6% margin and 107% cash-on-cash. The single risk is zoning. The FLU designation and HCO overlay both strongly pre-support approval. Recommended action: sign a contingent term sheet at \$1.4–\$1.5M with a 90-day DD period, use the first 30 days for a planning pre-app meeting, go hard only after staff confirmation.