

HOLLY SPRINGS TEARDOWN – 1 OPPORTUNITY

Sep 22, 2026 · 1 of ~45 Triangle land listings cleared; Holly Springs 3-lot teardown requires same-day sewer/zoning verification

SCAN DATE	SCREENED	CLEARED	BUILD COST
2026-09-22	~45	1 OF ~45	\$111/SF

Today's scan covered land and infill lots across Wake, Orange, Chatham, Harnett, and Johnston counties, with priority given to sewer-available parcels in the \$250-\$400+/SF build markets. The Chapel Hill/Carrboro market – the best Triangle build market at \$316-\$379/SF – showed very limited active inventory; the strongest parcel previously tracked (1511 Tallyho Trail, 24 acres, \$2.55M, all public utilities, MLS 10047640) went off market in February 2025 after 97 days. Apex land at \$1.3-\$2M doesn't pencil at current \$240-\$244/SF comps. Wake Forest (\$189-\$197/SF median) and Hillsborough single-lot infill PASS at current land prices. One currently active deal in Holly Springs – a fresh August 2026 listing at \$140k for 1 acre with two manufactured homes to demo – clears the GOOD bar IF public sewer is confirmed on Commission Drive and R-8SF zoning allows a 3-way lot split. Two quick phone calls gate this one; see VERIFY details below.

RANKED OPPORTUNITIES

#	PROPERTY · STRATEGY & PROJECT COST	LIST	NET	MARGIN	MAX OFFER	GRADE
1	5161 Commission Dr, Holly Springs, NC 27540 · Buy/demo 2 manufactured homes → subdivide 1 ac into 3 lots → build 3 new SFH (Strategy C/B) \$1M-\$5M PROJECT	\$140,000	+\$495,537	20.8%	\$158,226	GOOD

Project cost is the whole job – land, carry, build and financing, everything except selling. Click any property for its full deep-dive. Figures are model outputs on best-effort public listing data – re-verify each listing is active and clear the go/no-go gates before acting.

MARKET COMPS BEHIND THE ARVS

Holly Springs: median all-home sold \$/SF \$233-\$238 (Aug 2026, Blue Orchid/Redfin); new-construction median sale price \$804,508 from 48 closings (May 2026, major builders including Lennar, Taylor Morrison, Davidson Homes). Model uses \$305/SF ARV for 2,600 SF quality new homes – conservative vs. the implied \$309/SF from the \$804k median. Apex: median sold \$/SF \$240-\$244 (down 2.4% YoY per Redfin/Blue Orchid Aug 2026). Hillsborough: avg sold \$/SF \$262 (up from \$257 in Aug 2025). Wake Forest: median sold \$/SF \$189 (down 7.4% per Redfin Jul 2026) – too thin for the build model at current land prices. Chapel Hill: median sold \$/SF \$316 (up 11.3% YoY per Redfin 2026), new construction avg \$379/SF – best market in the region but current active land is scarce.

WHAT TIES THE WINNERS TOGETHER

The Triangle build market remains strongest in Chapel Hill (\$316-\$379/SF) and Holly Springs (\$233-\$310/SF new construction), but land that pencils at 20%+ investor margin is scarce. The 5161 Commission Dr listing is a fresh entry (\$140k, Aug 13 2026, still active) priced at or slightly below the Holly Springs land average of \$162k/acre. The key value driver is converting one lot into three under R-8SF zoning: each new home built at \$305/SF ARV comfortably tops the \$804k new-construction median in the market. Recommended next step TODAY: (1) Call Holly Springs Utilities 919-577-3150 — ask whether 5161 Commission Dr is in the public sewer service area. (2) Call Holly Springs Zoning 919-557-3908 — confirm R-8SF zoning and ask whether a 3-lot subdivision is feasible on a 1-acre parcel with Commission Dr frontage. If both confirm: make offer at \$140k (11% below the \$158,226 MAO for the 3-lot/20% margin scenario).

GOOD · 20.8% MARGIN

\$1M-\$5M PROJECT

#1 · 5161 COMMISSION DR, HOLLY SPRINGS, NC 27540

1.00 acre with 2 manufactured homes to demo | MLS 10186176 | Holly Springs, NC

LIST PRICE	\$140,000 (MLS 10186176, listed Aug 13 2026 — 40 days on market)	ACREAGE	1.00 acre (43,560 SF) — lot supports 3× 14,520 SF parcels under R-8SF 8,000 SF minimum
MLS	10186176 — Coldwell Banker/Triangle MLS; listed as-is with two single-wide manufactured homes	ZONING	VERIFY — likely R-8SF (8,000 SF min lot); confirm with Holly Springs Zoning 919-557-3908
UTILITIES	VERIFY — public sewer/water likely; existing manufactured homes imply utility connections; call Holly Springs Utilities 919-577-3150	STRATEGY	Demo 2 single-wide manufactured homes; subdivide 1 acre into 3 lots (~14,520 SF each); build 3 × 2,600 SF new SFH; sell at ~\$305/SF
OUT-OF-POCKET CASH	\$506,353 (equity \$404,460 + land closing \$2,800 + loan closing \$18,201 + carry \$80,892)	FINANCED	\$1,213,380 construction loan (~75% of \$1,617,840 total project)
MODELED	Builder-grade \$111/SF construction; 20% Home On intro margin (\$139/SF to investor); \$305/SF ARV — conservative vs. \$804k HS new-construction median (May 2026)		

PROJECT COST	GROSS REVENUE	NET PROFIT	MARGIN	MAX OFFER (20%)
\$1.72M	\$2,379,000	+\$495,537	20.8%	\$158,226

PRO FORMA

LINE	AMOUNT
Gross revenue — 3 homes × 2,600 SF × \$305/SF (Holly Springs new-construction comps)	\$2,379,000
Land acquisition + closing (~2%)	(\$142,800)

LINE	AMOUNT
Construction — builder cost (7,800 SF × \$111 builder grade)	(\$866,100)
Home On builder margin (20% intro rate; standard 30%)	(\$216,525)
Site development / infra — 3 lots × \$70k cost ÷ 0.80 (demo 2 mobiles, utilities hookup, plat/survey/engineering)	(\$262,500)
Soft costs — design/permits 5% of construction, at cost	(\$43,305)
Contingency (10% of construction, AT COST — typically returned if unused)	(\$86,610)
Construction loan closing (1.5%) + carry (10% APR on draws, 16 mo. avg ½ drawn)	(\$99,093)
Selling costs (~7%) — paid at sale closing, not out-of-pocket	(\$166,530)
NET PROFIT TO INVESTOR	~\$495,537 · 20.8% margin · 98% cash-on-cash

ARV support: Holly Springs new-construction median sale price \$804,508 (May 2026, 48 closings from major builders per Blue Orchid Realty). Modeled at \$305/SF × 2,600 SF = \$793,000/home — \$11,508 below the median and \$10,508 above the midpoint of the overall market (\$233/SF × 2,600 SF = \$606k). Fallback scenario (2 lots at \$295/SF): net \$238,817, 15.6% margin — MARGINAL. Single-build fallback (keep 1 acre intact, 2,800 SF at \$280/SF): net \$77,143, 9.8% margin — not worth pursuing. MAO \$158,226 at 20% margin (3-lot, \$305/SF) — asking \$140,000 provides \$18,226 cushion (~12% below MAO).

DILIGENCE GATES

GO: Holly Springs ZIP 27540 address; existing manufactured homes on parcel imply live utility connections; Commission Dr has 7 confirmed residential addresses confirming improved infrastructure; 1 acre (43,560 SF) divided into 3 lots = 14,520 SF each — well above R-8SF minimum of 8,000 SF; Holly Springs aggressively expanding sewer service area; \$140k ask is 11% below the \$158,226 MAO.

VERIFY (SAME DAY before offer): (1) Sewer — call Holly Springs Utilities 919-577-3150; confirm 5161 Commission Dr is in the Town sewer service area. (2) Zoning — call Holly Springs Zoning 919-557-3908; confirm R-8SF zoning and that a 3-lot minor subdivision is feasible with Commission Dr road frontage (~150 ft minimum for 3 driveway curb cuts). (3) Deed — pull Wake County register of deeds for any easements, deed restrictions, or conservation overlays on PIN(s) for 5161 Commission Dr. (4) Existing utility connections — confirm with seller/agent whether homes are on public sewer/water or private septic/well.

STOP: Property outside Holly Springs public sewer service area (septic required — drops to MARGINAL single-build at ~10% margin, not worth pursuing at \$140k); Rural/agricultural zoning with >8,000 SF minimum lots (reduces viable lot count, kills economics); HOA or deed covenant restricting subdivision; Front road width on Commission Dr insufficient for 3 separate driveway permits.

VERDICT

Three scenarios, clearly ranked: (1) 3-lot subdivision [LEAD — GOOD]: buy \$140k, demo 2 mobile homes, split into 3 × 14,520 SF lots, build 3 × 2,600 SF homes at \$793k ARV each → \$495,537 net profit, 20.8% investor margin, 98% cash-on-cash on \$506k out-of-pocket. (2) 2-lot subdivision [MARGINAL]: only 2 lots if frontage constrains curb cuts → \$238,817 net at 15.6% margin. (3) Single build [PASS]: keep 1 acre, build 2,800 SF at \$280/SF → \$77,143 net at 9.8% margin — do not pursue at \$140k. The deal is worth a call TODAY. It has 40 days on market in a market where Holly Springs new-construction median is \$804k. If sewer + R-8SF + 3-lot split confirm, offer \$140k (at the ask). If only 2-lot subdivision is viable, the MAO at 20% margin drops to ~\$82k — negotiate hard or pass.

