

DURHAM DEVELOPMENT: 2 APPROVED TOWNHOME SITES + 1 INFILL

Sep 24, 2026 scan — 2 GOOD + 1 MARGINAL out of ~35 Triangle parcels screened

SCAN DATE	SCREENED	CLEARED	BUILD COST
2026-09-24	~35	3 OF ~35	\$111/SF

This run screened ~35 land and development parcels across Wake Forest, Holly Springs, Apex, Fuquay-Varina, Raleigh, Durham, Chapel Hill, and Chatham County. The South Wake markets (Holly Springs \$233–238/SF, Wake Forest ~\$197/SF) showed limited raw-land inventory with public sewer at a buildable basis today. The strongest three opportunities surfaced in Durham: two approved or near-approved townhome development sites and one 2-lot infill play with permits in hand. No client-requested analyses this run.

RANKED OPPORTUNITIES

#	PROPERTY · STRATEGY & PROJECT COST	LIST	NET	MARGIN	MAX OFFER	GRADE
1	5202 Garrett Rd (Lots 62–64), Durham, NC 27707 · Build 6 approved townhomes — SW Durham near Duke/UNC \$1M–\$5M PROJECT	\$400,000	+\$535,578	18.6% (base \$480K/unit) → 20.1% at \$490K/unit	\$363,000 at \$480K ARV · \$444,000 at \$500K ARV	GOOD
2	7403 Leesville Rd, Durham, NC 27703 · Build 8 townhomes — near-final approval, plans complete, US-70/Southpoint corridor \$1M–\$5M PROJECT	\$449,900	+\$782,840	21.3%	\$493,000	GOOD
3	516 N Maple St + 517 Spruce St, Durham, NC 27703 · Build 2 SFH — East Durham infill, permits approved, low capital entry \$500K–\$1M PROJECT	\$240,000 (2 lots combined)	+\$130,221	15.5% (base); 20%+ requires ≥\$380/SF ARV or ≤\$204K land price	\$204,500	MARGINAL

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

Sold comps supporting ARV estimates: Durham overall median \$227/SF (Redfin, Aug 2026); Garrett area Durham median home \$625,000 / avg \$638,571 (May 2025); Southpoint Durham townhomes \$340K–\$615K, median \$449,444 (Dec 2025); new construction near Duke University — 1012 Manor Way Durham sold \$1,150,000 / 2,682 SF = \$429/SF (2025); Holly Springs median new construction \$873K (Sep 2026); Chapel Hill

median \$316/SF up 11.3% YoY (Aug 2026). Source: Redfin, Blue Orchid Realty, HollyspringsUpdate.com, Living in Raleigh NC Blog.

WHAT TIES THE WINNERS TOGETHER

Durham's approved-project pipeline is where the margin lives right now. The three deals share a common driver: sellers who completed expensive, time-consuming entitlement work and are passing the benefit to a builder-buyer willing to execute quickly. The 5202 Garrett Rd site stands out — fully permitted, Garrett area median \$625K, and land basis at \$67K/door. Recommended next step: schedule showings and request the approved site plans for both Durham townhome sites this week; the 7403 Leesville deal warrants a quick call to confirm final approval status before serious pursuit.

GOOD · 18.6% (base \$480K/unit) → 20.1% at \$490K/unit MARGIN

\$1M-\$5M PROJECT

#1 · 5202 GARRETT RD (LOTS 62-64), DURHAM, NC 27707

1.11 acres · 6 townhomes approved · MLS 10176692 · SW Durham near Duke/UNC

LIST PRICE	\$400,000	ACREAGE	1.11 acres (48,352 SF)
MLS	10176692	ZONING	City of Durham residential — 6 townhomes fully approved
UTILITIES	Public water & sewer (City of Durham)	STRATEGY	Build 6 new-construction townhomes on approved plan; sell individually
OUT-OF-POCKET CASH	\$633,460 (equity + closings + carry + listing prep)	FINANCED	\$1,514,363 construction loan (~75% of project)
MODELED	6 × 1,500 SF builder-grade townhomes @ \$480K/unit (\$320/SF conservative)		

PROJECT COST

\$2.14M

GROSS REVENUE

\$2,880,000

NET PROFIT

+\$535,578

MARGIN

18.6% (base \$480K/unit) → 20.1% at \$490K/unit

MAX OFFER (20%)

\$363,000 at \$480K ARV · \$444,000 at \$500K ARV

PRO FORMA

LINE	AMOUNT
Gross revenue — 6 units × \$480K (Garrett area comps)	\$2,880,000
Land acquisition + closing (~2%)	(\$408,000)
Construction — builder cost (9,000 SF × \$111 builder grade)	(\$999,000)
Home On builder margin (20% intro rate; standard 30%)	(\$249,750)
Site development / infrastructure (6 lots × \$35K cost, incl. 20% margin)	(\$262,500)
Contingency (10% of construction, AT COST — typically returned if unused)	(\$99,900)
Construction loan closing + carry (1.5% closing + 10% APR, 16 mo)	(\$123,672)

LINE	AMOUNT
Selling costs (~7%) — paid at sale closing, not out-of-pocket	(\$201,600)
NET PROFIT TO INVESTOR	~\$535,578 · 18.6% margin · 84.5% cash-on-cash

ARV support: Garrett area Durham median home \$625,000 / avg \$638,571 (May 2025); Southpoint townhomes \$340–615K median \$449K; new construction near Duke \$429/SF (1012 Manor Way, \$1.15M / 2,682 SF, 2025). Modeling \$480K/unit (\$320/SF) is conservative for new construction in the Garrett neighborhood. At \$490K/unit the investor clears 20.1% margin. MAO \$363K at \$480K ARV; \$444K at \$500K ARV — current \$400K ask sits between, making ARV verification the single most important gate before offer.

DILIGENCE GATES

GO: Permits fully approved by City of Durham; public sewer/water; land basis \$67K/door below typical Durham approved-site market; Garrett area median \$625K validates ARV; fully cleared MLS listing 10176692 active.
VERIFY: Pull approved site plan from seller; confirm no outstanding permit conditions; run Durham County GIS for setbacks/flood zone; title search; get 3 recent new-construction comps from local agent for ZIP 27707 to validate \$480K+ unit price; confirm public sewer service point location.
STOP: Environmental contamination; outstanding permit conditions delaying CO; new-construction comps in ZIP 27707 consistently below \$430K (margin becomes negative).

VERDICT

Strong, low-risk build opportunity. The full entitlement is done — Home On executes the build, the investor takes the profit. At \$480K/unit (conservative \$320/SF) the investor nets +\$535,578 (18.6% margin, 84.5% CoC). Bumping even \$10K/unit to \$490K pushes margin to 20.1%. With \$400K land basis, the MAO at base ARV is \$363K — negotiate toward \$375–385K if possible. At \$500K/unit (achievable given \$625K neighborhood median) the investor nets +\$647,178 (21.6% margin, 102% CoC). Recommend: visit site, request site plan, pull 3 recent new-construction comps in 27707 before offer.

GOOD · 21.3% MARGIN

\$1M-\$5M PROJECT

#2 · 7403 LEESVILLE RD, DURHAM, NC 27703

0.71 acres · 8 townhomes R-10-CU · MLS 10188672 · US-70 / Southpoint corridor

LIST PRICE	\$449,900	ACREAGE	0.71 acres (30,928 SF)
MLS	10188672 (listed 8/26/2026, 29 days on market)	ZONING	R-10-CU (City of Durham)
UTILITIES	Public water & public sewer available	STRATEGY	Complete final approval; build 8 new townhomes; sell individually
OUT-OF-POCKET CASH	\$779,146 (equity + closings + carry + listing prep)	FINANCED	\$1,865,414 construction loan (~75% of project)
MODELED	8 × 1,400 SF builder-grade townhomes @ \$460K/unit (\$329/SF)		

PROJECT COST

\$2.64M

GROSS REVENUE

\$3,680,000

NET PROFIT

+\$782,840

MARGIN

21.3%

MAX OFFER (20%)

\$493,000

PRO FORMA

LINE	AMOUNT
Gross revenue — 8 units × \$460K (Southpoint/US-70 corridor comps)	\$3,680,000
Land acquisition + closing (~2%)	(\$458,898)
Construction — builder cost (11,200 SF × \$111 builder grade)	(\$1,243,200)
Home On builder margin (20% intro rate; standard 30%)	(\$310,800)
Site development / infrastructure (8 lots × \$35K cost, incl. 20% margin)	(\$350,000)
Contingency (10% of construction, AT COST — typically returned if unused)	(\$124,320)
Construction loan closing + carry (1.5% closing + 10% APR, 16 mo)	(\$152,342)

LINE	AMOUNT
Selling costs (~7%) — paid at sale closing, not out-of-pocket	(\$257,600)
NET PROFIT TO INVESTOR	~\$782,840 · 21.3% margin · 100.5% cash-on-cash

ARV support: Southpoint Durham townhomes \$340K–\$615K, median \$449,444 (Dec 2025). Modeling \$460K/unit (\$329/SF) for new construction 1,400 SF townhomes near US-70/Southpoint corridor is in line with existing market range and represents a modest new-construction premium. MAO \$493K vs. \$449,900 ask = \$43K cushion at 20% margin. At \$475K/unit the investor nets +\$894,440 (23.5% margin, 115% CoC).

DILIGENCE GATES

GO: Public water and sewer confirmed available; R-10-CU zoning supports townhomes; building plans already complete; land basis \$56K/door; Southpoint townhome market validates \$460K ARV; corner lot with asphalt frontage on public road.

VERIFY: Most critical — confirm "final approval stage" means city approval is GRANTED, not merely applied for; if not yet granted, get written timeline and conditions; confirm 8 units is by-right on 0.71 acres under R-10-CU; verify utility service point and any connection fees; pull recent new-construction townhome comps from agent.

STOP: If city approval is not yet issued and conditions are unresolvable; if zoning interpretation limits unit count below 8; environmental issues on former agricultural site.

VERDICT

Solid pipeline play — the seller has done the entitlement legwork and the building plans are complete. At \$460K/unit the investor nets +\$782,840 (21.3% margin, 100.5% CoC). MAO \$493K gives a \$43K cushion over the \$449,900 ask. Critical due-diligence item: verify the approval is in-hand, not merely pending. If approved, this clears the bar comfortably. If still pending, treat as an entitlement risk and negotiate price down accordingly (~\$390–\$410K range). At \$475K/unit the investor nets +\$894,440 (23.5%).

MARGINAL · 15.5% (base); 20%+ requires $\geq \$380/\text{SF}$ ARV or $\leq \$204\text{K}$ land price MARGIN

\$500K–\$1M PROJECT

#3 · 516 N MAPLE ST + 517 SPRUCE ST, DURHAM, NC 27703

0.18 acres · 2 SFH lots · permits approved · MLS 10193318 · East Durham near Downtown

LIST PRICE	\$240,000 (both lots combined)	ACREAGE	0.18 acres total (~2,600 SF per lot)
MLS	10193318 (listed 9/17/2026 — 6 days on market, very fresh)	ZONING	R-3 (City of Durham)
UTILITIES	Public water & sewer connected to both lots	STRATEGY	Build 2 separate SFH homes on individually subdivided lots; sell
OUT-OF-POCKET CASH	\$187,649 (equity + closings + carry + listing prep)	FINANCED	\$468,330 construction loan (~75% of project)
MODELED	2 × 1,200 SF builder-grade SFH @ \$420K/unit (\$350/SF); permit-approved plans		

PROJECT COST

\$651K

GROSS REVENUE

\$840,000

NET PROFIT

+\$130,221

MARGIN

15.5% (base); 20%+ requires $\geq \$380/\text{SF}$ ARV or $\leq \$204\text{K}$ land price

MAX OFFER (20%)

\$204,500

PRO FORMA

LINE	AMOUNT
Gross revenue — 2 homes × \$420K (\$350/SF East Durham new construction)	\$840,000
Land acquisition + closing (~2%)	(\$244,800)
Construction — builder cost (2,400 SF × \$111 builder grade)	(\$266,400)
Home On builder margin (20% intro rate; standard 30%)	(\$66,600)
Site development / infrastructure (2 lots, sewer at lot, hookup only, 20% margin)	(\$20,000)
Contingency (10% of construction, AT COST — typically returned if unused)	(\$26,640)

LINE	AMOUNT
Construction loan closing + carry (1.5% closing + 10% APR, 10 mo)	(\$26,539)
Selling costs (~7%) — paid at sale closing, not out-of-pocket	(\$58,800)
NET PROFIT TO INVESTOR	~\$130,221 · 15.5% margin · 69.4% cash-on-cash

ARV uncertainty is the central risk. Durham overall median \$227/SF (Aug 2026). East Durham near Downtown is a rapidly gentrifying corridor; recent new construction near the American Tobacco District / downtown axis has commanded \$320–\$400/SF. Modeling \$350/SF (\$420K/home) is in the middle of that range. Deal only pencils at 20%+ margin if: (a) new-construction comps verify $\geq$ \$380/SF in this specific block, OR (b) land is negotiated to $\leq$ \$204K (~\$102K/lot). MAO \$204,500 vs. current \$240K ask = \$35,500 over. A counter at \$195–\$205K resets the math.

DILIGENCE GATES

GO: Both lots legally subdivided with separate addresses; permits fully approved by City of Durham; public sewer and water connected; R-3 allows SFH on each lot; only 6 days on market — motivated seller possible; low \$187,649 cash requirement suits smaller investors.

VERIFY: Pull recent sold comps for NEW CONSTRUCTION within 0.5mi of N Maple St — this is the single go/no-go gate; confirm exact lot dimensions via Durham GIS for setback compliance (lots are ~2,600 SF — tight); confirm approved plans allow minimum 1,200 SF home per lot; negotiate price to \$195–\$205K target.

STOP: If new construction comps in this specific block are below \$310/SF (deal at a loss at list price); if lot setbacks restrict buildable footprint below 800 SF; any environmental issues (East Durham has historical industrial use nearby); if permits have outstanding conditions.

VERDICT

Fresh listing, low capital entry (\$188K OOP), permits in hand — but the margin is thin at list price. At \$350/SF the investor nets +\$130,221 (15.5%, 69.4% CoC). To hit 20% margin either (a) negotiate land to $\leq$ \$204K (about a \$36K cut from ask), or (b) confirm new construction comps $\geq$ \$380/SF in this block. This suits an investor with limited capital (under \$200K) who wants a quick 12-month turnaround in a gentrifying area. Best play: offer \$195,000–\$200,000, verify comps before closing.