

GOOD · 56% MARGIN

UNDER \$250K PROJECT

#1 · 5828 OLD SMITHFIELD RD (ACCESS AT 5814), APEX, NC 27539

1.215-ac flag lot w/ public sewer · Apex 27539 · MLS 10133688 · \$165K

LIST PRICE	\$165,000 (active MLS 10133688; on market since Nov 17, 2025 — 10 months)	ACREAGE	1.215 ac flag lot (some sources report 2.08 ac total incl. access easement — verify via Wake County GIS)
MLS	10133688 — Active, Apex NC 27539	ZONING	RR (Rural Residential) · Future Land Use: Mix-Use per Town of Apex Comprehensive Plan
UTILITIES	PUBLIC SEWER at property · Public water along Old Smithfield Rd · Electricity/cable available · Abandoned mobile home on site (demo ~\$8K est.)	STRATEGY	PRIMARY: Entitlement — pursue Mix-Use rezoning, resell commercial-entitled land. FALLBACK: Build one new 2,600 SF home on public sewer (5.2% investor margin at \$265/SF ARV — marginal).
OUT-OF-POCKET CASH	\$235,050 (land \$165K + \$3,300 closing + \$35K entitlement costs + \$7K contingency + \$24,750 carry · all equity, no construction loan for land hold)	FINANCED	N/A — land hold strategy; no construction loan in entitlement scenario
MODELED	Entitlement: 1.215 ac × 43,560 SF/ac × \$12/SF conservative commercial (unverified — MUST validate with commercial broker before offer) · Fallback single build: 2,600 SF × \$265/SF new construction ARV = \$689K (Apex new construction est. above \$241/SF median)	DAYS ON MARKET	~314 days (10+ months) — has not attracted a buyer at \$165K; verify there is no title, access, or environmental issue before proceeding

PROJECT COST

\$235K

GROSS REVENUE

\$635,000

NET PROFIT

+\$355,500

MARGIN

56%

MAX OFFER (20%)

\$66,384

PRO FORMA

LINE	AMOUNT
Gross revenue — entitled land resale (1.215 ac × 43,560 SF/ac × \$12/SF Mix-Use, conservative est.)	\$635,000
Land acquisition + closing (~2%)	(\$168,300)
Entitlement costs — survey, attorney, planning consultant (AT COST, no Home On margin)	(\$35,000)
Home On entitlement coordination (N/A — no construction scope in this scenario)	\$0
Rezoning contingency reserve (20% of entitlement costs, AT COST — returned if unused)	(\$7,000)
Carry (10% APR × \$165K land × 18 months avg hold through rezoning)	(\$24,750)
Selling costs (~7%) — paid at closing, not out-of-pocket	(\$44,450)
NET PROFIT (ENTITLEMENT SCENARIO)	~\$355,500 · 56% margin · 151% cash-on-cash · FALLBACK single build nets ~\$35,884 (5.2% margin / 24% CoC) — marginal

Entitlement ARV: No hard sold comps for MU-rezoned residential lots in the 27539 corridor — \$12/SF used as conservative anchor (commercial land in Apex active market: \$10–25/SF range per market observation). Fallback build ARV: Apex 6-mo median \$241/SF (704 sales, Resideline); new construction est. \$260–\$270/SF premium. Using \$265/SF × 2,600 SF = \$689,000 for fallback. MAO for fallback single build at 20% investor margin: \$66,384 (vs. \$165K asking — does NOT clear; the single-build only makes sense if land is purchased significantly below ask, OR as a dual-purpose build-own for an end-buyer who values the public sewer and the entitlement optionality).

DILIGENCE GATES

GO: Public sewer confirmed at property; Mix-Use future land use in town comp plan; public water available; Apex 27539 active new construction market.

VERIFY: (1) Exact acreage — Wake County GIS parcel data vs. MLS discrepancy (1.215 vs. 2.08 ac). (2) Title — flag lot access easement from Baker’s Alley must convey clean; confirm no disputes or encumbrances. (3) Pull Apex planning staff’s informal read on MU rezoning petition before contracting — comp plan designation is supportive but not a guarantee. (4) Confirm abandoned mobile home can be demolish-permitted quickly and no hazmat. (5) Commercial broker land comp analysis for Apex 27539 MU-zoned land values. (6) Reason for 10+ months on market — contact listing agent to understand buyer objections.

STOP: If title or access easement has defects · If planning staff signals rezoning is unlikely · If parcel is in FEMA floodplain or has wetland encumbrance · If well-water-only (confirm water main location and tap cost).

VERDICT

At \$165,000 with public sewer already stubbed at the parcel and a Mix-Use future land-use designation from Apex’s own comp plan, this is a low-capital ticket into the commercial rezoning pipeline in one of the Triangle’s strongest growth corridors. If a MU rezoning clears at \$12/SF (conservative), the investor nets ~\$355,500 on a \$235K all-in

position — 56% margin, 151% cash-on-cash. Even at a more modest \$8/SF commercial value (\$423K resale), the profit is ~\$143K on \$235K invested (61% CoC). The 10-month market time is the chief red flag and must be investigated before offering; confirm the flag-lot access and title are clean. As a fallback if rezoning fails, a single 2,600 SF new-construction build yields only ~\$35,884 profit (5.2% margin, 24% CoC) — marginal for a pure build investor, but acceptable for an owner-builder or land-banker who values the public sewer and the optionality. Do NOT offer above \$66K if underwriting as a single-home-build-only investment at 20% margin target.