

GREAT · 24.2% MARGIN

\$1M-\$5M PROJECT

#1 · 107 EDENBURGH RD, RALEIGH 27608

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LIST PRICE	\$479,000 (price reduced from prior \$499,000 — motivated seller)	ACREAGE	0.26 acres (cleared, ready to permit)
MLS	10172565 (listed via Compass Raleigh; last updated Aug 7, 2026)	ZONING	R-6 residential — single family
UTILITIES	Public water + public sewer confirmed on parcel	LOCATION	Budleigh, Inside the Beltline — directly across from Carolina Country Club
STRATEGY	Build-Invest (sell) or Build-Own (personal home); 3,000 SF builder-grade custom	OUT-OF-POCKET CASH	\$340,792 (equity + closings + 9-mo carry)
FINANCED	\$744,210 construction loan (~75% of project)	MODELED	3,000 SF builder grade at \$111/SF cost; \$500/SF ARV (conservative vs. Budleigh East comps)

PROJECT COST	GROSS REVENUE	NET PROFIT	MARGIN	MAX OFFER (20%)
\$1.03M	\$1,500,000	+\$363,649	24.2%	\$541,401

PRO FORMA

LINE	AMOUNT
Gross revenue — sale price (3,000 SF × \$500/SF, Budleigh East 2025–2026 comps)	\$1,500,000
Land acquisition + closing (~2%)	(\$488,580)
Construction — builder cost (3,000 SF × \$111 builder grade)	(\$333,000)
Home On builder margin (20% intro rate; standard 30%)	(\$83,250)
Site development / public utilities (\$30,000 cost + 20% HO margin)	(\$37,500)
Soft costs — design, permits, survey (5% of construction, at cost)	(\$16,650)

LINE	AMOUNT
Contingency (10% of construction, AT COST — typically returned if unused)	(\$33,300)
Construction loan closing + carry (1.5% closing + 10% APR, 9 mos half-drawn)	(\$39,071)
Selling costs (~7%) — paid at sale closing, not out-of-pocket	(\$105,000)
NET PROFIT TO INVESTOR	~\$363,649 · 24.2% margin · 106.7% cash-on-cash

ARV support: Budleigh East 2025–2026 new construction — 2622 Tidwell St \$1,659,000/2,888 SF = \$575/SF; 2608 Tidwell St \$1,575,000/2,888 SF = \$545/SF; 2623 Marchmont St \$1,995,000/4,164 SF = \$479/SF (Compass Raleigh). Model uses \$500/SF conservative (3,000 SF = \$1,500,000). Downside at \$479/SF (Marchmont): profit \$306,559, margin 21.3%. MAO \$541,401 — \$62,401 cushion below ask price of \$479,000.

DILIGENCE GATES

GO: R-6 zoning confirmed; public water + public sewer confirmed on parcel; cleared lot ready to permit; no Neuse buffer (ITB, above the falls); no FEMA flood zone indicated; no HOA noted in listing.
VERIFY: Raleigh UDO R-6 setbacks (20' front, 5' side, 20' rear) — confirm buildable envelope for 3,000 SF footprint on 0.26 ac; survey for any easements crossing the lot; confirm lot was previously cleared and no demolition cost; title search for deed restrictions near Carolina Country Club.
STOP: Restrictive covenants limiting size or architectural style; setbacks that constrain buildable SF below 2,500; any off-record encumbrances.

VERDICT

GREAT — the strongest deal on the board. Buy a cleared, public-sewer R-6 lot in Budleigh (Raleigh ITB) for \$479,000 and build 3,000 SF. Net profit \$363,649 (24.2% margin, 107% cash-on-cash) at a conservative \$500/SF ARV. Comps from 2025–2026 Budleigh East new construction support \$545–575/SF — at those levels profit runs \$469,000–485,000 (29–31% margin). Even at the most conservative Marchmont comp (\$479/SF), deal delivers 21.3% margin. Price was recently cut from \$499k; MAO is \$541k (\$62k above ask). Submit offer immediately — ITB cleared lots with confirmed sewer do not sit long. Also suitable for an investor who wants to build their own home.