

GOOD · 21.2% MARGIN

\$1M-\$5M PROJECT

#3 · 4830 OPTIMIST FARM RD, HOLLY SPRINGS 27540

12.43-ac MXR tract near I-540 · Holly Springs · MLS 10126374

LIST PRICE	\$750,000 (MLS data from Dec 2025 — VERIFY current active status before proceeding)	ACREAGE	12.43 acres (rolling topography, mature trees, flowing creek on property)
MLS	10126374 (listed by Seagate NC LLC / Louis Ligon Gerald; last data update Dec 4, 2025)	ZONING	MXR — Neighborhood Mixed-Use Residential (Holly Springs); allows detached & attached dwellings, small/large-scale apartments, limited commercial
UTILITIES	Public water + public sewer listed as available — subject to confirmation with Town of Holly Springs	LOCATION	Near Sunset Lake Rd / Optimist Farm Rd intersection, Holly Springs — minutes from I-540, RTP, Cary, Fuquay-Varina
STRATEGY	Entitlement: clear MXR plan for 25 townhome/SF lots, get plat approved, sell lots at \$125k each (conservative)	OUT-OF-POCKET CASH	\$796,908 (equity + closings + 15-mo carry)
FINANCED	\$1,590,938 development loan (~75% of project)	MODELED	Lot-sale: 25 lots × \$125,000; assumes 8.5 developable ac after creek buffer; \$35k/lot infra cost

PROJECT COST	GROSS REVENUE	NET PROFIT	MARGIN	MAX OFFER (20%)
\$2.24M	\$3,125,000	+\$661,702	21.2%	\$786,000

PRO FORMA

LINE	AMOUNT
Gross revenue — 25 approved platted lots × \$125,000 (Holly Springs, conservative basis)	\$3,125,000
Land acquisition + closing (~2%)	(\$765,000)
Entitlement — survey, civil engineering, plat approval (at cost, no HO markup)	(\$175,000)

LINE	AMOUNT
Subdivision infrastructure cost (25 lots × \$35,000/lot cost)	(\$875,000)
Home On infrastructure margin (20% intro rate; standard 30%)	(\$218,750)
Contingency (10% of infrastructure cost, AT COST — typically returned if unused)	(\$87,500)
Development loan closing + carry (1.5% closing + 10% APR, 15 mos half-drawn)	(\$123,298)
Selling costs (~7%) — paid at lot closings, not out-of-pocket	(\$218,750)
NET PROFIT TO INVESTOR	~\$661,702 · 21.2% margin · 83.0% cash-on-cash

Lot-value support: Holly Springs median new-home listing ~\$500–600k (27540); production builders pay \$125–175k for approved townhome lots in the I-540 corridor. \$125k/lot modeled as floor; at \$150k/lot profit = \$1,073,912 (32.5% margin). Land at \$60k/acre is cheap for MXR-zoned land this close to I-540. MAO \$786,000 — \$36,000 cushion above ask at \$125k/lot model. CAUTION: listing data is 10 months old — confirm availability immediately.

DILIGENCE GATES

GO (conditional): MXR zoning allows all residential types including townhomes and apartments; land price at \$60k/acre in Holly Springs near I-540 is very cheap for this zoning; confirmed listing at \$750k.

VERIFY: CALL LISTING AGENT FIRST (Seagate NC LLC) — listing last updated Dec 2025, may be sold/under contract; confirm public sewer connection point with Town of Holly Springs (listed as available but "subject to confirmation"); commission stream buffer survey on the flowing creek (Neuse tributary or unnamed stream — 50-ft buffer each side if subject to Riparian Buffer Rules; map creek corridor to confirm developable acreage; 12.43 gross may net 8–9 developable ac after buffers); wetlands delineation; tree survey for grading cost; confirm MXR allows 3–4 units/acre townhome density for 25-lot plan.

STOP: If creek triggers 50-ft undisturbed Neuse buffer on both banks and reduces net lots below 18; if sewer is not available within 400 ft; if listing is under contract.

VERDICT

GOOD (verify first) — 12.43 acres of MXR-zoned land at \$60k/acre near I-540 in Holly Springs is cheap by any measure. Entitlement path: get 25-lot plat approved and sell to production builders. At \$125k/lot (conservative), investor nets \$661,702 (21.2% margin, 83% C-o-C). Upside at \$150k/lot: \$1.07M profit (32.5% margin). MAO is \$786k vs. \$750k ask — good cushion. Key unknowns: listing status (call agent immediately), sewer confirmation, and creek buffer extent. Do not go under contract without confirming all three. If all verify, this is the highest-upside lot in today's scan.