

MARGINAL · 26.0% (4-lot conservative scenario) MARGIN

UNDER \$250K PROJECT

#2 · 201 OLD PLEASANT DRIVE, HILLSBOROUGH, NC 27278

4.78 acres, 9 platted lots, 792 ft frontage · AR zoning · Hillsborough, NC · MLS 100584460

LIST PRICE	\$193,900 — down from \$225,000 (June 2026); 7 price drops in 132 days; MOTIVATED SELLER	ACREAGE	4.78 acres — 9 "combined lots" per listing (old plat); ~0.53 ac per lot avg
MLS	100584460 — Active, Landsearch/Orange County	ZONING	AR (Agricultural/Residential), Orange County
UTILITIES	Power available nearby; ONE 3–4 BR septic permit on file; water buyer to verify — NO public sewer	ROAD FRONTAGE	~792 feet — excellent for a multi-lot road/subdivision
TERRAIN	Level, wooded — favorable for development if soils cooperate	STRATEGY	Entitlement play: confirm buildability of each platted lot with Orange County, then resell lots to builders at \$80–90K each
OUT-OF-POCKET CASH	\$227,778 — all cash (land + entitlement soft costs; no construction loan needed for lot-resale)	FINANCED	N/A for entitlement strategy — cash purchase recommended
MODELED	4 of 9 lots confirmed buildable (conservative); sold to builders at \$85K/lot; \$340K revenue		

PROJECT COST	GROSS REVENUE	NET PROFIT	MARGIN	MAX OFFER (20%)
\$228K	\$340,000	+\$88,422	26.0% (4-lot conservative scenario)	\$214,000

PRO FORMA

LINE	AMOUNT
Gross revenue — 4 confirmed lots × \$85,000 (conservative; see upside note)	\$340,000
Land acquisition + closing (~2%)	(\$197,778)
Construction — builder cost	N/A (lot-resale strategy — no construction)

LINE	AMOUNT
Home On builder margin (20% intro rate; standard 30%)	N/A (lot-resale)
Site development / infrastructure (survey, perc tests, county submittals, incl. margin)	(\$30,000)
Contingency (10% of soft costs, AT COST — typically returned if unused)	\$0
Construction loan closing + carry (10% APR on draws)	\$0 (cash deal)
Selling costs (~7%) — paid at sale closing, not out-of-pocket	(\$23,800)
NET PROFIT TO INVESTOR	~\$88,422 · 26.0% margin · 38.8% cash-on-cash (4-lot scenario); UPSIDE: 9 lots confirmed → ~\$478,672 · 62.6% margin

Lot comp support (Orange County / Hillsborough area): Hillsborough new construction at \$208–330/SF (106 Sherwood Ln 2025: \$252/SF; 2308 Hardwood Dr 2025: \$330/SF). Buildable AR-zoned residential lots in Hillsborough/Orange County typically \$75–100K; modeled at \$85K each (verify with local builders). 4-lot scenario MAO \$213,922 vs. current ask \$193,900 — acquisition already priced below MAO. UPSIDE: if all 9 old platted lots survive Orange County review as legal nonconforming buildable lots, $9 \times \$85K = \$765K$ revenue, ~\$478,672 net, 62.6% margin — a GREAT-tier outcome. CRITICAL VERIFY: Orange County Planning must confirm lot-by-lot buildability before any offer.

DILIGENCE GATES

GO: \$193,900 for 4.78 ac with 792 ft road frontage and 9 platted lots is extraordinarily cheap per lot; acquisition is already below MAO (4-lot conservative scenario); seller very motivated after 132 days and 7 price drops; level terrain and available electricity reduce site risk.

VERIFY: Call Orange County Planning (919-245-2575) — pull original subdivision plat and confirm each lot's legal nonconforming status under current AR ordinance; confirm minimum lot size for AR residential use (likely 1 ac without public sewer — if so, $4.78 \text{ ac} \div 1 \text{ ac} = \text{max } \sim 4 \text{ lots}$); confirm each lot's individual perc test requirement; check if any lot falls in FEMA floodplain or Neuse/Eno watershed buffer; verify road access to each lot; check if any deed restrictions were placed on old plat; verify county water availability and cost per lot.

STOP: If AR minimum is 1 acre per lot without sewer AND orange county requires re-subdivision (eliminating grandfathered nonconforming status), resulting in ≤ 4 lots — margin drops significantly; re-run math for your confirmed lot count. If percs fail on most lots. If Eno River watershed buffer takes significant area. If FEMA flood zone restricts buildable area below one buildable lot.

VERDICT

132 days on market with 7 consecutive price drops from \$225K to \$193,900 signals a highly motivated seller. The acquisition basis (\$193,900 for 4.78 ac / ~9 old platted lots) is the entire thesis — it's already below the MAO for a 4-lot confirmed outcome (+\$88,422, 26% margin). If all 9 lots survive Orange County review as legal nonconforming buildable sites, the upside is extraordinary (~\$478,672, 62.6% margin, GREAT grade). This is a phone-call-before-offer situation: call Orange County Planning first, ask about the old plat at 201 Old Pleasant Dr, and get a written opinion on lot buildability. Do NOT offer without that confirmation. If 4+ lots confirmed: offer \$185–193K (below ask) given the motivated seller dynamics. Total cash required: \$227,778 with no construction loan — a clean, low-capital-commitment entitlement play.

