

THE OPPORTUNITY

Prime ground-up development opportunity featuring highly desirable NX-3 zoning with Transit Overlay District (TOD) benefits. This 7,405 SF parcel offers exceptional flexibility for a high-density residential or mixed-use project in a rapidly appreciating corridor. With gentle topography and proximity to downtown Raleigh, this site is perfectly positioned to capture the strong demand for new construction housing.

PROPERTY SNAPSHOT	
Address	6 Hill St, Raleigh, North Carolina, 27610
Parcel Size	±7,405 SF
Zoning	NX-3-CU (w/ TOD Overlay) CONDITIONAL
Unit Count	N/A (Land)
Condition	Vacant Land VALUE-ADD
Historic District	Not Designated

INVESTMENT SCENARIOS

A. Small Multifamily Development

Construct a 4-6 unit residential multiplex leveraging TOD parking reductions.

B. Mixed-Use Project

Ground floor neighborhood commercial with residential units above (3 stories max).

C. Townhome Development

Subdivide for a row of 3-4 fee-simple townhomes for resale.

REGULATORY SUMMARY	
Use Permission	Neighborhood Mixed Use (NX) allows residential & commercial
Height Limit	3 Stories max (-3 suffix)
Transit Overlay	TOD applies (potential density/parking bonuses)
Topography	Gentle slope (2.6%) - minimal grading needed

EAST RALEIGH / COLLEGE PARK MARKET (JANUARY 2026)

\$340,000

MEDIAN SALE

96.0%

OCCUPANCY

5.5%

CAP RATE

INDICATIVE PRO FORMA (NEW CONSTRUCTION)

WOOD FRAME (TYPE V)

Land Cost	\$85K - \$136K (land)
Construction	\$375K - \$875K (2,500-3,500 SF × \$150-250/SF)
Soft Costs	\$188K (~30% of construction)
Total Basis	\$554K - \$1.32M
NOI	\$12,636/yr (Est. Rent \$1,620/mo)
Yield	1.0% - 2.3%

STEEL/CONCRETE (TYPE III)

Land Cost	\$85K - \$136K (land)
Construction	\$750K - \$1.75M (2,500-3,500 SF × \$300-500/SF)
Soft Costs	\$375K (~30% of construction)
Total Basis	\$1.02M - \$2.50M
NOI	\$12,636/yr (Est. Rent \$1,620/mo)
Yield	0.5% - 1.2%

WHY THIS SITE

- Strategic Zoning** — NX-3-CU with Transit Overlay District (TOD) offers rare density and parking flexibility.
- Construction Ready** — Gentle 2.6% slope and available utilities minimize site prep costs.
- Strong Rental Demand** — Nearby rentals showing \$1,700+ for 3BR units indicates robust income potential.
- Path of Progress** — Located in a high-growth corridor with significant recent appreciation.
- Versatile Exit Strategies** — Viable for build-to-rent hold or build-to-sell townhome strategy.

IDEAL BUYER PROFILES

✓ Small-scale developers

✓ Local builders

✓ Build-to-rent investors

✓ Land bankers

INVESTMENT THESIS

✓ Recommended: Ground-up Multifamily Development

This site represents a textbook infill development opportunity in a surging Raleigh submarket. By leveraging the Transit Overlay District benefits, a developer can maximize unit count while minimizing parking costs, driving superior returns. The combination of reasonable acquisition basis and strong demand for new construction housing creates a compelling upside scenario for immediate development.



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