

DOWNTOWN
RALEIGH



NORTH
HILLS



540 NORTH

6700 & 7022 CAPITAL BOULEVARD, RALEIGH, NC 27616

± 130.24-ACRE ZONED I-540 ADJACENT NORTH RALEIGH DEVELOPMENT SITE

Interstate Adjacent Development in High-Growth Area Zoned for Multifamily, Single-Family, & Commercial

401

540

540

1

CAPITAL BOULEVARD



FOUNDRY
COMMERCIAL

INVESTMENT HIGHLIGHTS

ADDRESS 6700 & 7022 Capital Boulevard
Raleigh, NC 27616

WAKE COUNTY PINS 1727742742, 1727838941

JURISDICTION City of Raleigh

ACREAGE ±130.24 acres

ZONING CX-5-CU with SHOD-2 Overlay

UTILITIES Water and Sewer

ACCESS Triangle Town Boulevard

PRICING Call for Offers on 11/30/2023

CLICK FOR DUE DILIGENCE INFORMATION

EXECUTIVE SUMMARY

540 NORTH | THE INVESTMENT OPPORTUNITY

Foundry Commercial, a North Carolina broker, has been retained as the exclusive agent for the owner of 540 North (the "Property"), a ±130.24-acre development opportunity located adjacent to I-540/Capital Boulevard in Raleigh, NC. 540 North is zoned CX-5-CU allowing for by-right residential and commercial development. The CX zoning designation does not specify density maximums, however, the conditional uses limit multifamily development to the portion of the property south of Perry Creek. Additionally, the maximum allowed commercial usage of the site is 250,000 SF. Due to size and flexible zoning designation, the site provides an ideal mix of varying degrees of residential density as well as supporting commercial uses.

Per the zoning conditional uses, the developer will be required to connect Triangle Town Boulevard with the north adjacent neighborhood and the east adjacent neighborhood. Additionally, the City of Raleigh has identified Triangle Town Boulevard to be extended to the northwest of the site up to Capital Boulevard. The planned roadway connections will provide for further connectivity to neighboring areas as well as Triangle Town Center to the south of the site. The roadway connections will provide a direct connection to Triangle Town Center as well as the nearby Walmart Supercenter, Target, and other retail and shopping amenities.

The immediate area surrounding the site has seen immense growth in the last few years evidenced by over 1,000 multifamily units proposed and/or under construction and over 500 planned single-family residences within two miles of the site. The demand remains strong for new product with low vacancies averaging 6% for stabilized multifamily product and over 189 new construction single-family sales in the last 12 months. The site is strongly supported by robust absorption and average townhome sales pricing of \$362,000 and \$553,000 for detached homes. For the multifamily portion of the site, nearby comparables are commanding nearly \$1,652 average chunk rent (\$1.61 PSF). With the cost of for-sale product ranging from \$362,000 to \$550,000, achievable rents for for-rent product provide an appealing delta of approximately \$900 per month when compared to new construction townhome/single-family home sale prices.

INVESTMENT HIGHLIGHTS

- Favorable CX zoning allowing by-right development of residential and commercial
- Adjacent to the I-540 (59,000 VPD)/Triangle Town Boulevard signalized intersection
- Robust single-family residential sales averaging \$553,000 within three miles (last 12 months)
- Large site provides for a unique mix of product types
- Immediate access to City of Raleigh water and sewer infrastructure
- Offers for the entire development are preferred though bids for individual components will be considered



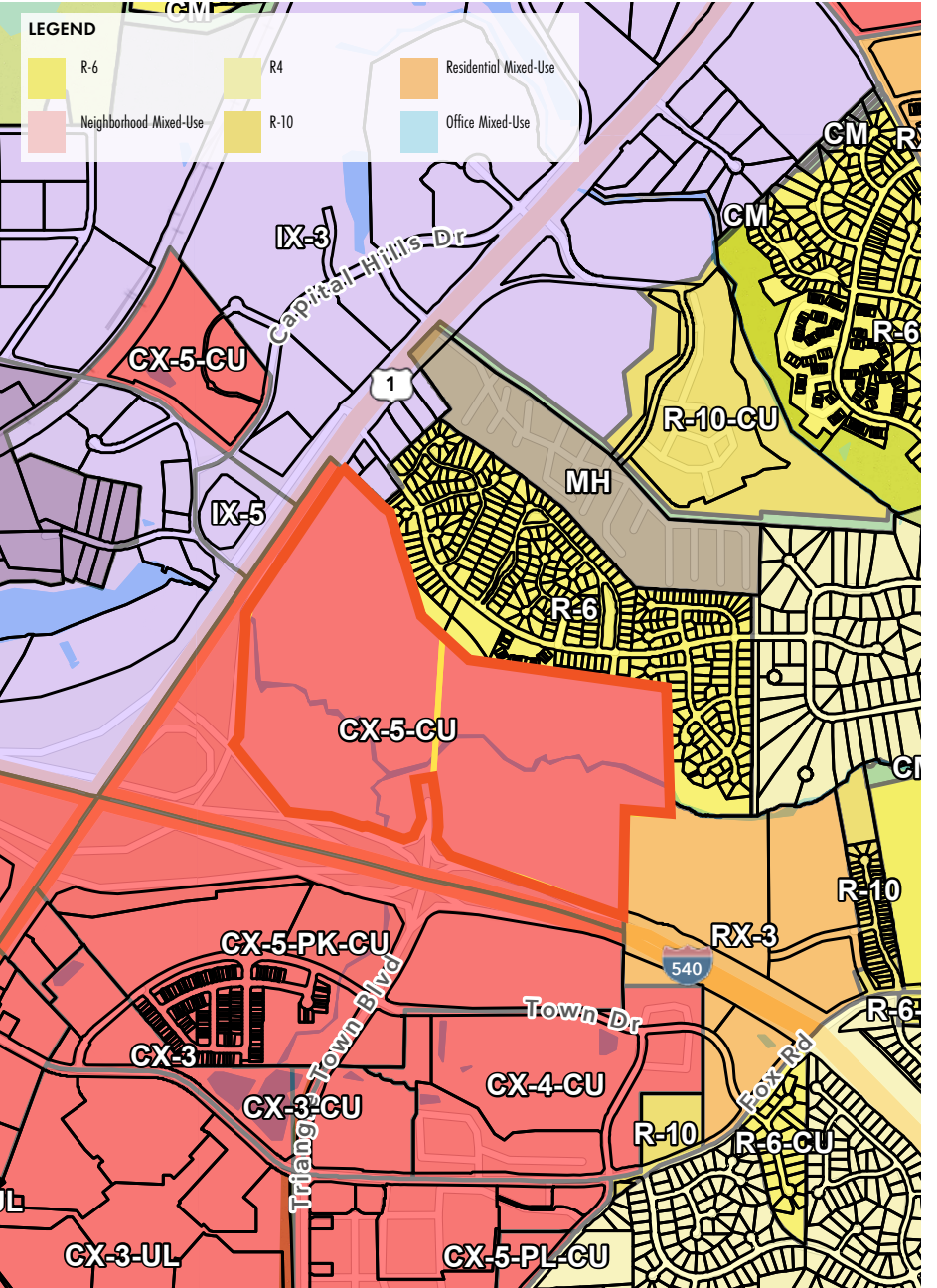
540 NORTH | ZONING

The site was rezoned to CX-5-CU with a SHOD-2 overlay in August 2022 and is subject to the conditions outlined within the approved rezoning document. The site can be developed by-right for single-family residential, multifamily, and/or commercial, or those uses allowed within the CX zoning district, outlined in the City of Raleigh UDO. Additional information regarding the State Highway Overlay District - 2 can be found [here](#).

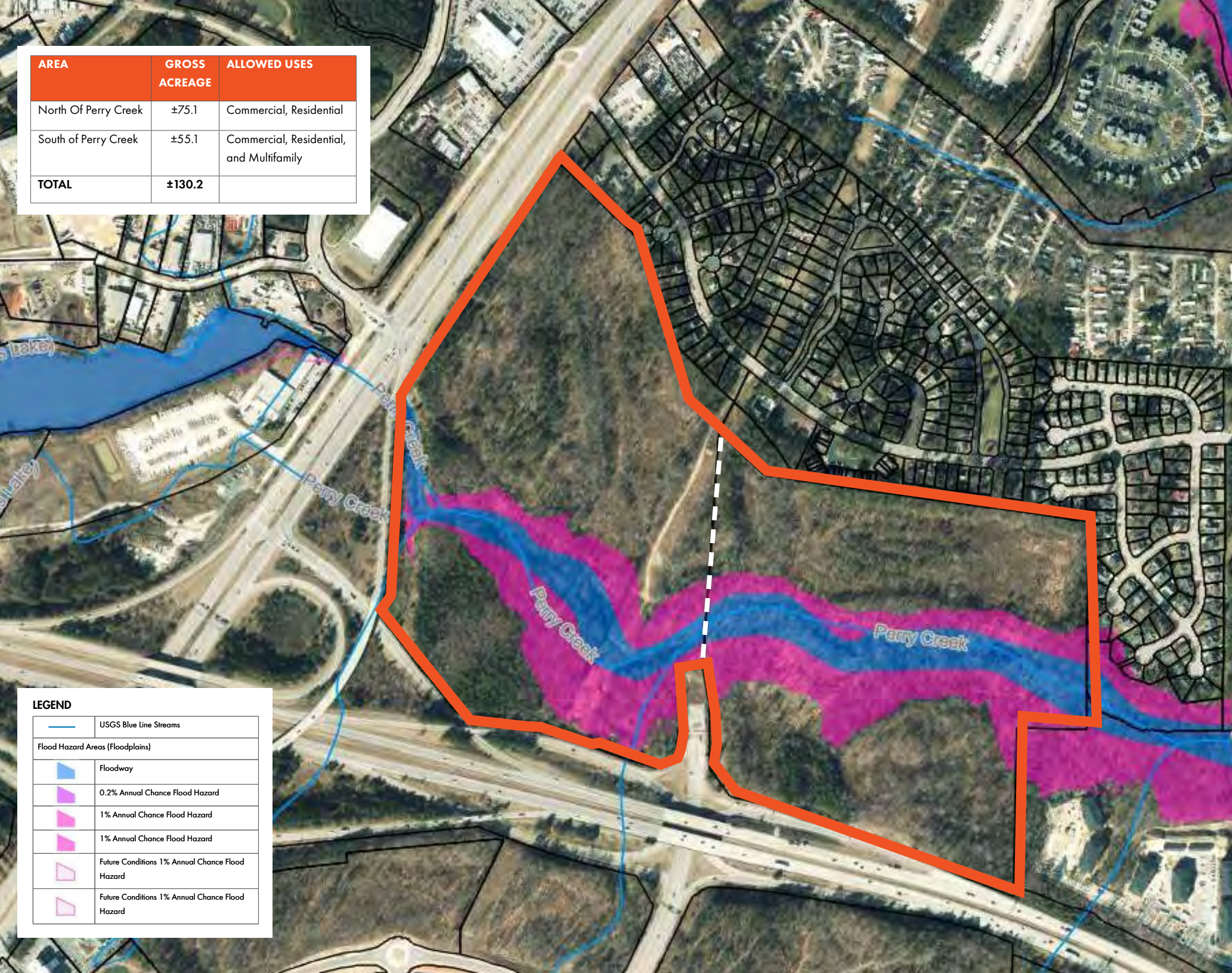
The Commercial Mixed Use (CX) zoning district allows for development of residential building types including detached, attached, townhomes, and apartments as well as commercial structures for office, retail, and civic uses. Per the zoning conditions, the area north of Perry Creek shall be limited to single-unit, two-unit, or multi-unit living with apartments prohibited. On this area of the property, non-residential uses are permitted within 500 feet of the Capital Boulevard right-of-way with a maximum height of four stories or 68 feet. Non-residential uses for the entire site may not exceed 250,000 SF. The zoning conditions are summarized below and the full list of conditions can be found [here](#).

Zoning Conditions:

- Area North of Perry Creek
 - Residential uses shall be limited to single-unit living, two-unit living, multi-unit living
 - Apartments are prohibited
 - Max height of three stories or 50 feet
 - Non-residential uses permitted within 500' of Capital Boulevard ROW
 - Max height shall be four stories or 68 feet
 - Max ground story floor plate for non-residential uses shall be 24,000 SF, excluding structured parking
- Non-residential uses are limited to 250,000 SF for entire property
- 100-year flood plain is to remain undisturbed
- Public streets shall be installed connecting Triangle Town Boulevard to align with Draper Road (northern property line) and the Creekwater Drive (eastern property line)
- A minimum 10' wide pedestrian and bicycle multi-use crossing of Perry Creek shall be provided on 7022 Capital Boulevard.
- Landscape buffer with a minimum width of 50' measured from the property line abutting US-1 and I-540 shall be provided and shall be planted in accordance with SHOD-1 protective yard unless established as a tree conservation area.



AREA	GROSS ACREAGE	ALLOWED USES
North Of Perry Creek	±75.1	Commercial, Residential
South of Perry Creek	±55.1	Commercial, Residential, and Multifamily
TOTAL	±130.2	



LEGEND	
	USGS Blue Line Streams
Flood Hazard Areas (Floodplains)	
	Floodway
	0.2% Annual Chance Flood Hazard
	1% Annual Chance Flood Hazard
	1% Annual Chance Flood Hazard
	Future Conditions 1% Annual Chance Flood Hazard
	Future Conditions 1% Annual Chance Flood Hazard

540 NORTH | WETLANDS & INFRASTRUCTURE IMPROVEMENTS



STREAM & WETLANDS DELINEATION

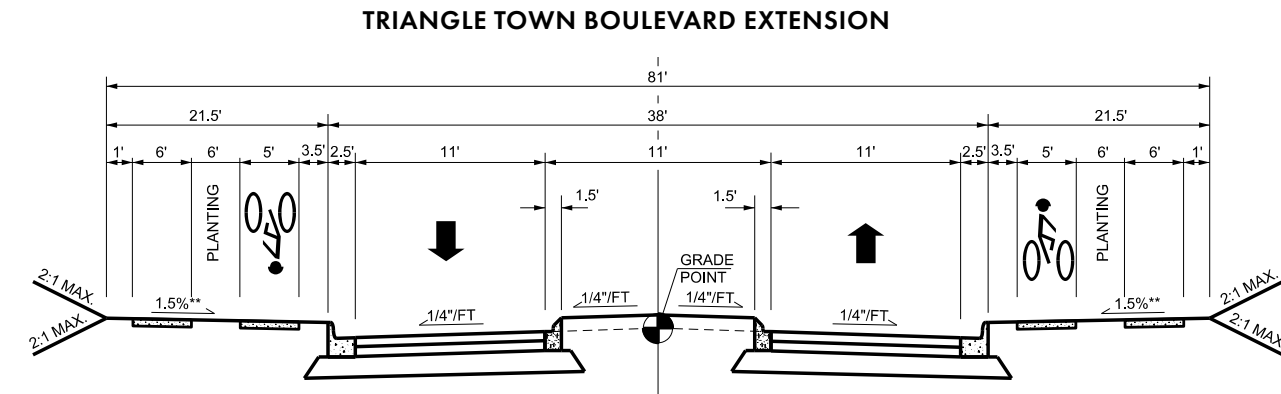
A stream and wetlands delineation was conducted at the site in 2017, which resulted in marginal and jurisdictional wetlands as well as Perry Creek, a perennial stream, which may require a 50 foot buffer. Additionally, per the zoning conditions, no area within the 100-year floodplain may be disturbed.

EXPIRED MAY 2022

LEGEND	
	Evaluation Area
	Perennial Stream
	Intermittent Stream
	Marginal Channel
	Potentially Jurisdictional Ditch
	Jurisdictional Linear Wetland
	Potential 50' Buffer
	Jurisdictional Wetland
	Marginal Wetland

ON-SITE ROADWAYS

Per the zoning conditions, the developer will need to align Triangle Town Boulevard with Draper Road, located on the northern property boundary and Creekwater Drive located on the eastern property boundary with publicly dedicated roadways. In addition, the City of Raleigh has identified Triangle Town Boulevard to be extended to the northwest property boundary up to Capital Boulevard.



LEGEND - STREET PLAN

	Sensitive Area Street
	Sensitive Area Parkway
	Sensitive Area Parkway Proposed
	Sensitive Area Avenue
	Sensitive Area Avenue Proposed
Local Streets	
	Neighborhood Street
	Neighborhood Street Proposed
	Multifamily Street
	Multifamily Street Proposed
Mixed Use Street	
	Avenue 2-Lane, Undivided
	Avenue 2-Lane, Undivided Proposed
	Avenue 2-Lane, Divided
	Avenue 2-Lane, Divided Proposed
	Avenue 3-Lane, Parallel Parking
	Avenue 3-Lane, Parallel Parking Proposed
	Main Street, Parallel Parking
	Main Street, Parallel Parking Proposed
	Main Street, Angle Parking
	Main Street, Angle Parking Proposed
Major Streets	
	Avenue 4-Lane, Parallel Parking
	Avenue 4-Lane, Parallel Parking Proposed
	Avenue 4-Lane, Divided
	Avenue 4-Lane, Divided Proposed
	Avenue 6-Lane, Divided
	Avenue 6-Lane, Divided Proposed
	Busway 2-Lane
	Busway 2-Lane Proposed

540 NORTH | MULTIFAMILY RENT COMPARABLES

ALL UNITS

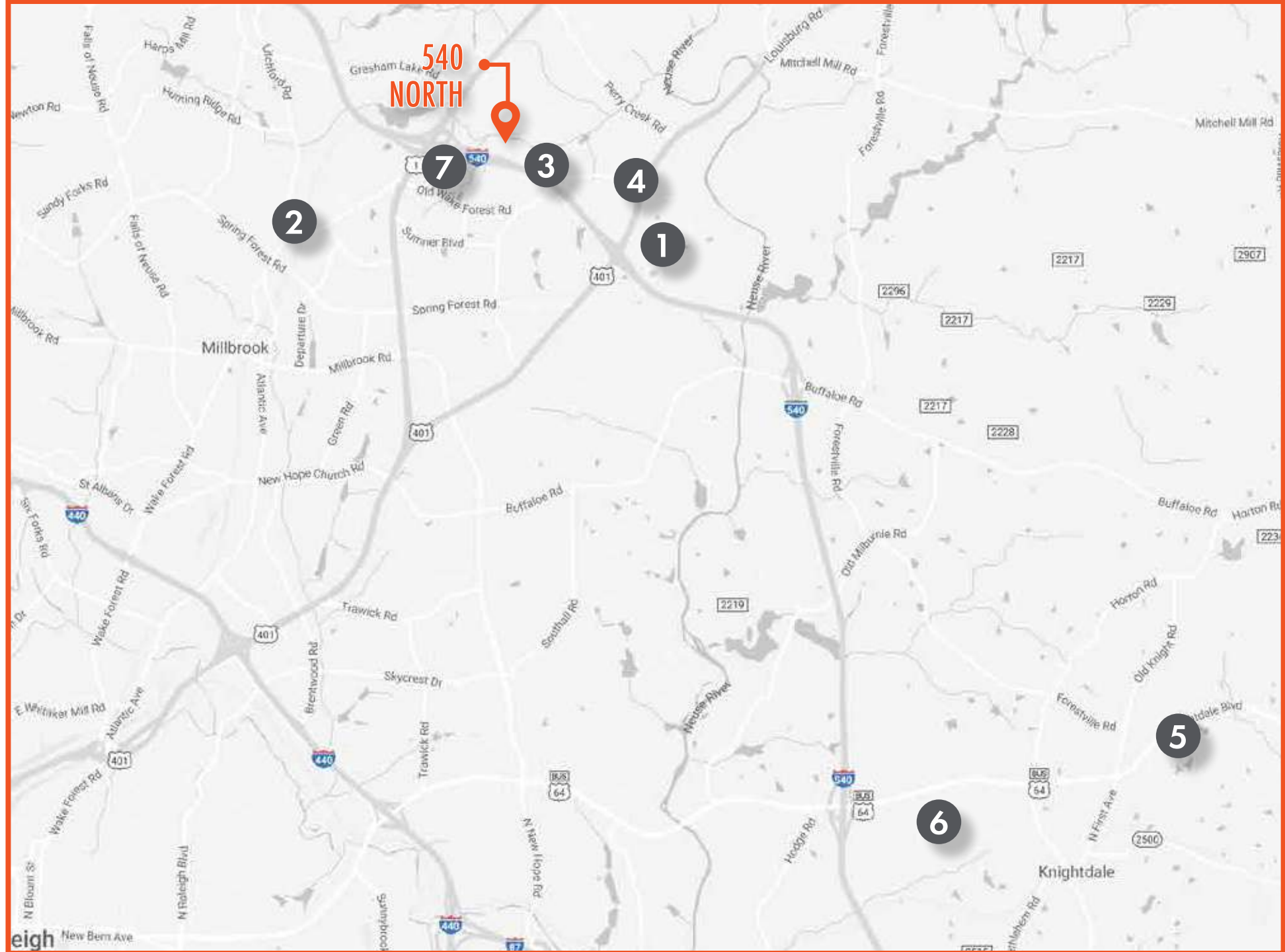
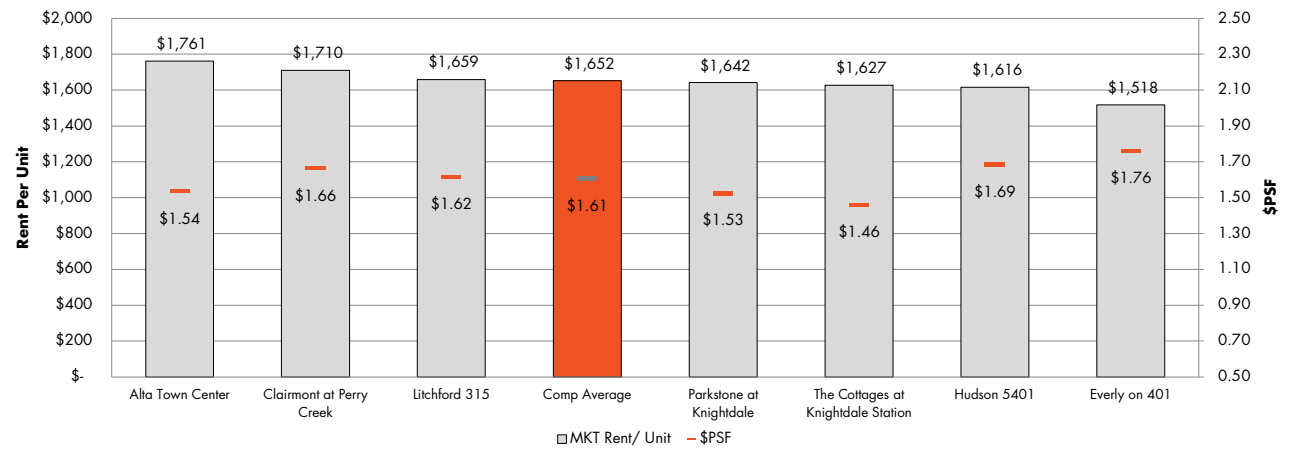
PROPERTY	YR BLT	OCC. %	UNITS	AVG SF	MKT RENT/UNIT	\$PSF
TOTALS/AVERAGES	2020	66.8%	306	1,029	\$1,652	\$1.61
1 Hudson 5401	2019	47.8%	456	959	\$1,616	\$1.69
2 Litchford 315	2021	95.4%	240	1,027	\$1,659	\$1.62
3 Clairmont at Perry Creek	2016	92.4%	328	1,028	\$1,710	\$1.66
4 Everly on 401	2023	25.0%	240	862	\$1,518	\$1.76
5 The Cottages at Knightdale Station	2018	94.4%	192	1,114	\$1,627	\$1.46
6 Parkstone at Knightdale	2018	94.0%	350	1,076	\$1,642	\$1.53
7 Alta Town Center	2023	18.6%	336	1,146	\$1,761	\$1.54

SOURCE: COSTAR

STRONG RENTS DRIVEN BY RECENT DEVELOPMENT AND EMPLOYMENT OPPORTUNITIES

- Strong demographics and nearby employment
- Significant growth in the North Raleigh submarket
- Average chunk rent of \$1,652 (\$1.61 PSF)
- Low vacancies for established product averaging 6.2%
- Notable Properties
 - Litchford 315 with \$1,659 average monthly rents (\$1.62 PSF)
 - Hudson 5401 with \$1,616 average monthly rents (\$1.69 PSF)

Per Unit and PSF Rent Matrix

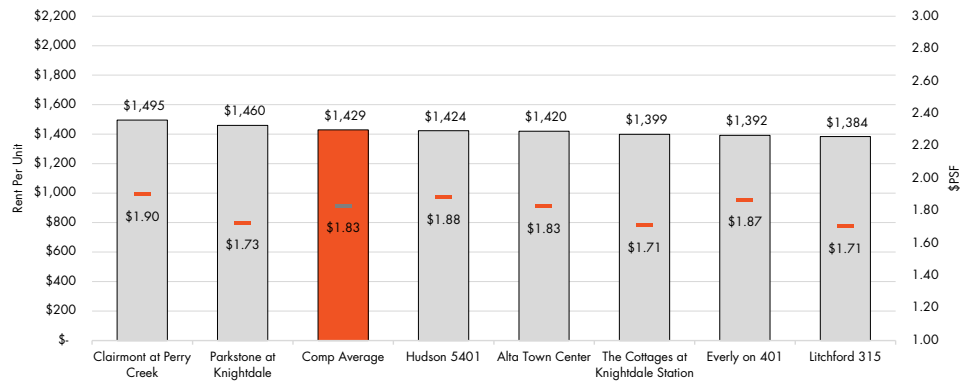


540 NORTH | MULTIFAMILY RENT COMPARABLES

1 BEDROOM MARKET RENT COMPS

PROPERTY	UNITS	SF	MKT RENT	\$/PSF
C# Comp Average	111	780	\$1,429	\$1.83
1 Hudson 5401	240	756	\$1,424	\$1.88
2 Litchford 315	72	810	\$1,384	\$1.71
3 Luxury Apartments at Foxwood	186	891	\$1,364	\$1.53
4 Everly on 401	150	744	\$1,392	\$1.87
5 The Cottages at Knightdale Station	48	817	\$1,399	\$1.71
6 Parkstone at Knightdale	100	845	\$1,460	\$1.73
7 Alta Town Center	36	776	\$1,420	\$1.83

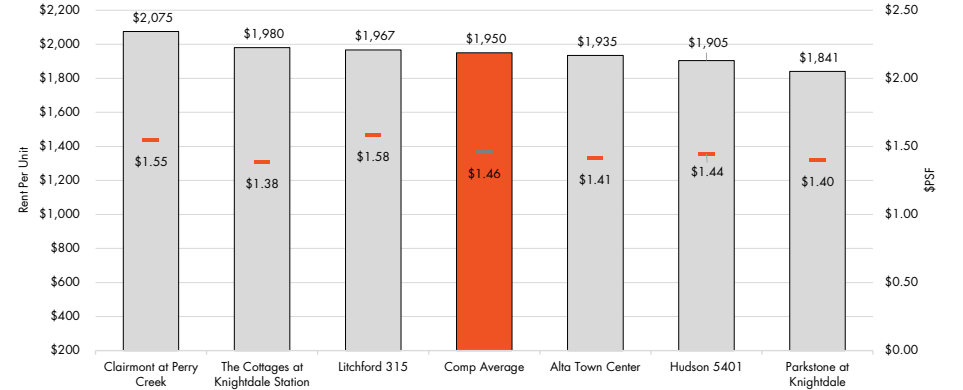
SOURCE: COSTAR



3 BEDROOM MARKET RENT COMPS

PROPERTY	UNITS	SF	MKT RENT	\$/PSF
C# Comp Average	52	1,337	\$1,950	\$1.46
1 Hudson 5401	36	1,320	\$1,905	\$1.44
2 Litchford 315	48	1,244	\$1,967	\$1.58
3 Luxury Apartments at Foxwood	50	1,315	\$1,809	\$1.38
5 The Cottages at Knightdale Station	24	1,431	\$1,980	\$1.38
6 Parkstone at Knightdale	52	1,317	\$1,841	\$1.40
7 Alta Town Center	125	1,369	\$1,935	\$1.41

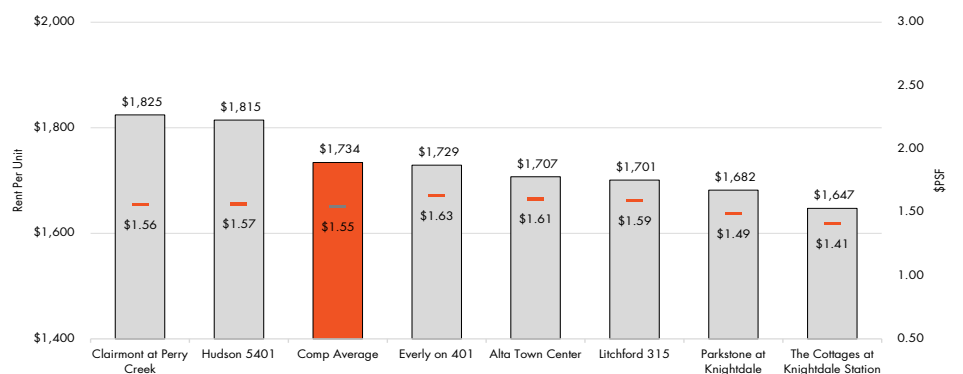
SOURCE: COSTAR



2 BEDROOM MARKET RENT COMPS

PROPERTY	UNITS	SF	MKT RENT	\$/PSF
C# Comp Average	151	1,122	\$1,734	\$1.55
1 Hudson 5401	180	1,157	\$1,815	\$1.57
2 Litchford 315	120	1,070	\$1,701	\$1.59
3 Luxury Apartments at Foxwood	225	1,169	\$1,495	\$1.28
4 Everly on 401	90	1,059	\$1,729	\$1.63
5 The Cottages at Knightdale Station	120	1,169	\$1,647	\$1.41
6 Parkstone at Knightdale	198	1,130	\$1,682	\$1.49
7 Alta Town Center	175	1,063	\$1,707	\$1.61

SOURCE: COSTAR



540 NORTH | FOR-SALE COMPARABLES

NEW CONSTRUCTION SINGLE-FAMILY & TOWNHOME FOR-SALE

- Multitude of for-sale options available but dearth of for-rent in this corridor
- For-rent product provides appealing delta to for-sale product
- Single-family sales averaging \$362,000 for TH and \$553,000 for SF
- Absorption continues to outpace demand

SINGLE-FAMILY HOUSING SUMMARY

	SUBDIVISION	AVERAGE LOT SF	AVERAGE SALE PRICE	TOTAL SALES
1	North	5,227	\$494,000	1
2	The Oasis	8,422	\$480,167	3
3	5401 North	5,399	\$479,114	66
4	Belmont	7,787	\$658,816	49
	Grand Total	6,457	\$553,261	119

SINGLE FAMILY: RENT VERSUS BUY COMPARISON

APPROXIMATE MONTHLY COST CALCULATION	
Home Price	\$550,000
Downpayment (10%)	\$55,000
Loan (30-yr Fixed)	7.65%
Principal & Interest (Monthly)	\$3,121
Property Tax (Monthly)	\$394
Insurance (Monthly)	\$110
PMI (Monthly)	\$195
HOA (Monthly)	\$150
Total Monthly Cost	\$3,970

SOURCE: ZONDA

TOWNHOME HOUSING SUMMARY

	SUBDIVISION	AVERAGE LOT SF	AVERAGE SALE PRICE	TOTAL SALES
1	North	2,004	\$366,700	5
2	North River	1,805	\$303,357	21
3	5401 North	2,151	\$369,699	244
4	North Ridge	4,356	\$582,500	1
5	Riverwalk	2,753	\$347,472	72
6	Stoneridge Townes	2,506	\$370,620	77
7	Thornton Reserve	1,916	\$346,667	30
	Grand Total	2,280	\$362,070	450

TOWNHOME: RENT VERSUS BUY COMPARISON

APPROXIMATE MONTHLY COST CALCULATION	
Home Price	\$360,000
Downpayment (10%)	\$36,000
Loan (30-yr Fixed)	7.65%
Monthly Principal & Interest	\$2,298
Monthly Property Tax	\$245
Monthly Insurance	\$80
PMI (Monthly)	\$159
HOA (Monthly)	\$150
Total Monthly Cost	\$2,932

SOURCE: ZONDA



540 NORTH | NEARBY AMENITIES

1 TRIANGLE TOWN CENTER

- 1.4M SF of Retail and Commercial
- Key Tenants Include:
 - Belk
 - Macy's
 - Dillard's
 - Saks Fifth Avenue

4 Minute Drive



2 PARKS & GREENWAYS

- WRAL Soccer Park - 122 Acres
 - 22 Soccer Fields
 - 8 Full Sized Turf Fields
 - Clubhouse
 - Indoor Fitness Center

7 Minute Drive



- Neuse River Greenway
 - Encompasses over 27.5 miles of paved trails
 - Scenic Neuse River views
 - Connects Johnston County, Knightdale, and Wake Forest

9 Minute Drive



- Horseshoe Farm Nature Preserve - 146 acres
 - Multiple walking trails through upland fields and floodplain forests
 - Connects to the Neuse River Greenway

8 Minute Drive



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