HAUS 121

ARCHITECTURAL DRIVEN | DETAIL FOCUSED

Development Opportunity Checklist

A practical due diligence tool for reviewing a potential residential development opportunity before committing significant time, design effort, or capital.

START WITH THE SITE.

Then test the opportunity.

Use this checklist to organize the questions that drive feasibility: zoning, site conditions, infrastructure, market demand, development costs, approvals, financing and exit strategy.

01

SCREEN

Identify obvious deal breakers before spending heavily on predevelopment.

02

VERIFY

Assign the right professionals to confirm zoning, utilities, title and site conditions.

03

DECIDE

Test market, cost, approvals and returns before deciding to advance.

Use this checklist as an early screening and coordination tool. It is not a substitute for legal, zoning, engineering, environmental, tax, lending, appraisal or other professional advice.

PROPERTY SNAPSHOT

Project Intake + Quick Screen

Property / Site	
Address / Parcel ID	
Owner / Contact	
Target Use	
Target Units	
Target Acquisition Price $	
Date Reviewed	

QUICK SCREEN	YES	NO	VERIFY
Zoning Use and density appear compatible with the concept	☐	☐	☐
Access Legal street access and emergency access appear feasible	☐	☐	☐
Utilities Water, sewer, power and stormwater path identified	☐	☐	☐
Site No obvious fatal slope, flood, easement or soil issue	☐	☐	☐
Market Target housing type has credible buyer/renter demand	☐	☐	☐
Economics Preliminary residual land value / return appears workable	☐	☐	☐
Approvals Entitlement and permitting path is understood	☐	☐	☐
Team Key professionals can be engaged within budget and schedule	☐	☐	☐

INITIAL OBSERVATIONS / QUESTIONS

01 ZONING + DEVELOPMENT RIGHTS

Confirm what the jurisdiction appears to allow before assuming a concept is viable.

- [ ] Confirm the current zoning designation and mapped overlays.
- [ ] Identify permitted residential uses and whether the proposed use is by-right or discretionary.
- [ ] Confirm maximum dwelling units, density, minimum lot area and minimum lot width.
- [ ] Check front, side and rear setbacks, height limits and lot coverage.
- [ ] Review parking, loading, bicycle and access requirements.
- [ ] Check ADU, duplex, townhome, stacked-flat, multifamily or subdivision rules, as applicable.
- [ ] Identify historic district, design review, conservation or special overlay requirements.
- [ ] Determine whether rezoning, variance, special exception, subdivision or another entitlement may be required.
- [ ] Review affordable/workforce housing requirements, inclusionary zoning or density incentives, if applicable.
- [ ] Confirm whether pending code or comprehensive-plan changes could affect the site.

NOTES / FINDINGS

02 SITE + BUILDABILITY

A site can be legally developable but physically difficult or expensive to build.

- [ ] Obtain or review a boundary survey and confirm lot dimensions and legal description.
- [ ] Confirm legal street frontage and physical access to the site.
- [ ] Review topography, slope and likely grading requirements.
- [ ] Identify easements, rights-of-way, encroachments and building restriction lines.
- [ ] Review floodplain, floodway, wetlands, streams or other environmental constraints.
- [ ] Check existing trees, tree-save requirements and likely clearing limits.
- [ ] Assess drainage, stormwater routing and potential on-site stormwater requirements.
- [ ] Review known soil conditions and determine whether geotechnical testing may be needed.
- [ ] Identify demolition, hazardous-material or environmental investigation needs for existing improvements.
- [ ] Confirm construction staging, material delivery and equipment access are realistic.

NOTES / FINDINGS

03 UTILITIES + INFRASTRUCTURE

Infrastructure can turn a promising site into an expensive one - verify early.

- [ ] Confirm public water availability, service size and connection location.
- [ ] Confirm public sewer availability, connection point and capacity.
- [ ] Identify electric, gas and telecommunications service requirements.
- [ ] Confirm whether utility extensions, upgrades, relocations or off-site work may be required.
- [ ] Review stormwater infrastructure and discharge options.
- [ ] Confirm roadway, curb, sidewalk, alley or streetscape improvement requirements.
- [ ] Identify fire hydrant, fire access and emergency circulation requirements.
- [ ] Estimate utility tap, impact, capacity or system-development fees.
- [ ] If public utilities are unavailable, evaluate well and septic feasibility.
- [ ] Document utility-owner coordination items and expected lead times.

NOTES / FINDINGS

EARLY UTILITY QUESTION

Where is the nearest usable water, sewer, power and stormwater connection - and what will it cost to reach it?

04 MARKET + PRODUCT FIT

Build what the market can absorb - not simply the maximum unit count.

- ☐ Define the target customer or resident: buyer, renter, household size and likely income range.
- ☐ Review recent new-construction sales and/or comparable rents.
- ☐ Assess absorption, vacancy and competing projects in the immediate market.
- ☐ Identify the housing type most appropriate to the site: detached, duplex, townhome, stacked flat, small multifamily, etc.
- ☐ Test unit sizes, bedroom mix, parking assumptions and amenity expectations.
- ☐ Confirm the proposed price or rent is supportable by credible comparables.
- ☐ Evaluate proximity to employment, transit, schools, retail, parks and daily services.
- ☐ Identify market risks: oversupply, weak demand, high HOA/condo fees, insurance costs or buyer affordability constraints.

NOTES / FINDINGS

05 PROJECT COSTS + FINANCIAL FEASIBILITY

A buildable site is not automatically a financially viable development.

- ☐ Estimate land acquisition cost and all closing costs.
- ☐ Budget architecture, engineering, surveys, testing, legal and other soft costs.
- ☐ Estimate entitlement, permit, utility and impact fees.
- ☐ Estimate demolition, clearing, grading, site work and infrastructure costs.
- ☐ Prepare a preliminary vertical construction budget with appropriate allowances.
- ☐ Include financing fees, interest, draw costs and carrying costs.
- ☐ Include insurance, taxes, security, utilities and maintenance during development.
- ☐ Include contingency appropriate to the project stage and risk profile.
- ☐ Estimate sales, leasing, marketing, commissions and closing costs.
- ☐ Calculate total development cost and compare it with projected sale value or stabilized value.
- ☐ Test developer/investor return, margin, cash-on-cash return, yield or other required return metrics.
- ☐ Run downside scenarios for cost increases, schedule delays and lower-than-expected values.

NOTES / FINDINGS

06 APPROVALS + PROJECT DELIVERY

Map the path from concept to shovel-ready.

- ☐ Identify all reviewing agencies and approval authorities.
- ☐ Confirm whether the project is by-right, administrative or discretionary.
- ☐ List required surveys, studies, engineering packages and supporting documents.
- ☐ Estimate approval, permitting and utility coordination timelines.
- ☐ Identify public hearing, neighborhood outreach or community engagement requirements.
- ☐ Confirm building code, accessibility and fire/life-safety considerations for the proposed building type.
- ☐ Identify long-lead design, permit, utility or procurement items.
- ☐ Prepare a realistic predevelopment and construction schedule.
- ☐ Assign responsibility for each approval and major deliverable.

NOTES / FINDINGS

CONCEPT	DESIGN	APPROVALS	PERMIT	CONSTRUCTION

07 DEAL STRUCTURE + CAPITAL

The right site still needs the right transaction and capital structure.

- [ ] Confirm proposed purchase price, deposit, due diligence period and closing timeline.
- [ ] Identify contingencies needed for zoning, approvals, financing, utilities, survey/title or environmental review.
- [ ] Review title commitments, liens, covenants, restrictions and exceptions with appropriate counsel.
- [ ] Determine whether the project will be acquired outright, optioned, ground leased, jointly ventured or structured another way.
- [ ] Identify required equity and likely debt sources.
- [ ] Confirm lender requirements for experience, guarantees, presales, appraisal, reserves or completion support.
- [ ] If partnering with a landowner, document land contribution, valuation, decision rights, distributions and exit terms.
- [ ] Confirm tax, legal and entity-structure implications with qualified advisors.

NOTES / FINDINGS

08 RISK + RED FLAGS

Surface the issues most likely to kill the deal or materially change the economics.

- [ ] No clear legal access or inadequate frontage.
- [ ] Utilities unavailable, undersized or prohibitively expensive to extend.
- [ ] Floodplain, wetlands, steep slope, unstable soils or significant retaining requirements.
- [ ] Easements or restrictions materially reduce the usable building area.
- [ ] Entitlement outcome is uncertain or inconsistent with adopted plans.
- [ ] Site work or off-site improvements consume too much of the budget.
- [ ] Market pricing/rents do not support total development cost.
- [ ] Financing terms or interest carry materially reduce projected return.
- [ ] Construction access, staging or neighbor impacts create unusual execution risk.
- [ ] Title, environmental or prior-use issues remain unresolved.

CRITICAL ISSUES / REQUIRED FOLLOW-UP

DEVELOPMENT DECISION SCORECARD

Go / No-Go Snapshot

Use this scorecard only as a decision aid. A strong score does not replace professional due diligence, and a low score may simply mean more information is needed.

CATEGORY	1 - HIGH RISK	2	3	4	5 - STRONG	SCORE
Zoning / Rights	○	○	○	○	○	
Site / Buildability	○	○	○	○	○	
Utilities / Infrastructure	○	○	○	○	○	
Market / Product Fit	○	○	○	○	○	
Financial Feasibility	○	○	○	○	○	
Approvals / Schedule	○	○	○	○	○	
Capital / Deal Structure	○	○	○	○	○	
Execution / Team	○	○	○	○	○	

TOTAL SCORE _____ **/ 40**

PRELIMINARY DECISION

- ☐ Advance
- ☐ Advance with Conditions
- ☐ Hold / Verify
- ☐ No-Go

TOP 3 REASONS TO ADVANCE

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TOP 3 RISKS / CONDITIONS TO RESOLVE

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NEXT STEP Assign unresolved items to the appropriate architect, engineer, surveyor, land-use professional, contractor, lender or counsel.

Questions about a residential development opportunity? info@h121.com | (540) 498-7746