VMU (**Vertical Mixed Use**) can have a dramatic effect on land value because it changes what a developer can build and how much income the site can potentially generate.

For your property at **2448–2508 S. 1st**, the value is likely driven more by the zoning and redevelopment potential than by the existing restaurant building. The property is marketed as having **CS-V-ETOD-DBETOD** zoning, which includes the Vertical Mixed Use component.

Why VMU Increases Value

1. Residential Units Above Commercial

VMU generally allows residential units above ground floor commercial space. A developer is no longer limited to a single-story restaurant or retail use.

For example:

- Traditional commercial lot: restaurant only.
- VMU lot: restaurant + apartments above.
- More rentable square footage = higher land value.

2. Greater Density

The listing specifically notes VMU and ETOD-related density opportunities. More units on the same parcel mean a developer can spread land costs across more apartments or condos.

A developer might pay:

- $150/SF of land for conventional commercial.
- $200–$300+/SF of land if VMU allows a substantially more buildable area.

3. Reduced Parking Requirements

Transit-oriented and mixed-use zoning often reduces parking burdens compared with older commercial development standards. Less land devoted to parking can mean more land devoted to income-producing improvements.

4. Higher Residual Land Value

Developers often determine land value by working backward:

Plain Text

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Projected completed value
- Construction costs
- Financing
- Soft costs
```

- Profit
= Residual land value

When VMU allows additional apartments, the projected completed value rises, and the residual land value rises along with it.

Applying It to 2448–2508 S. 1st

The site contains approximately:

- 15,264 SF of land
- About 0.35 acres
- Prime South First frontage
- VMU and ETOD-related development potential
-

At the current asking price of approximately **$3.1 million**, the land is effectively being offered at about **$203 per land square foot.**

A buyer purchasing the property solely for restaurant operations might struggle to justify that price. A developer evaluating VMU density, however, may view the site very differently because they're buying future development rights as much as the existing improvements.

The Real Question

The biggest driver of value is not simply "Does it have VMU?"

The question is:

"How many residential units and how much FAR, height, and density can actually be achieved under the CS-V-ETOD-DBETOD zoning?"

If a developer can build, for example, 30 units, the land has one value. If they can build 60 units, the value may be substantially higher.

For your marketing effort, I'd emphasize:

- CS-V zoning
- VMU overlay
- ETOD location
- Density Bonus opportunities
- South First frontage
- Existing income-producing restaurant improvements

Those are the features developers pay premiums for.

Given the current Austin entitlement environment, the VMU and ETOD components are likely worth more to a developer than the existing 2,439-SF restaurant building itself.