Land Buying Tips

Benefits & Secrets of Owning Land
Dear friend,

This collection of tips is designed to help you discover the benefits of owning land, and how to get the best value at purchase.

Our company and its affiliates have established communities all over country, from the mountain tops, from lake retreats to new urban living communities across the US.

At NationalLandPartners.com, we are committed to careful environmental stewardship, high-integrity dealings, building quality infrastructures, and most of all – making the process of purchasing land as smooth and seamless as possible.

That’s why we’re pleased to provide you with these helpful tips on buying land. Here’s to success in finding your best place.

I think the great American cowboy humorist Will Rogers said it best when he uttered, “Buy land. They ain’t making any more of the stuff.”
The land has an intrinsic ability to inspire us, give us serenity and help us to dream. Owning land can also be an excellent value. These tips reflect our wisdom gained from years of developing land for community use, observing changing markets and real estate opportunities, and working with many different kinds of investors and stakeholders. We hope you find them helpful.

**Tip #1** Land is more fun to own than stocks. There’s a reason it’s called “real” estate. When you own the land, you have the foundation to dream, plan and build your new home when the time is right. Plus, buying acreage gives you space, much more than crowded city lots. You can fit five city houses on a one-acre homesite.

**Tip #2** Purchase land one to five years BEFORE you plan to build. Pre-buying the land allows you to benefit from value appreciation, rather than paying that higher value later.

**Tip #3** Look for a development property with “no time-frame to build.” This is the best option if you want to pre-buy land with developer amenities and infrastructure.

**Tip #4** Buying land from a developer can save you money. It’s important to anticipate all future development costs and eliminate surprises. Is water supplied by the city, private water company or your own well? Will electric power be available at your property boundary? What about gas lines, sewage disposal and road maintenance? Will you want cable TV and Internet? When you buy from a land developer, the cost of infrastructure and modern amenities is part of the package up front – and because it is a shared community cost, it is less than developing the land yourself.
Tip #5  Purchase land in the path of growth markets. Owning land near prime or up-and-coming growth areas means your property has a greater chance of increasing in value at a faster rate. Check the area for zoning, building codes, and other regulations to ensure the area will maintain its value for years to come.

Tip #6  Purchase high quality land for the best value. Natural beauty is universally attractive; the presence of trees, hills, picturesque views, water access or water frontage, often yield higher value over time.

Tip #7  Many banks will finance up to 90% of a lot loan in a development with high quality covenants. Covenants are legal agreements guiding the use of the land. Covenants protect property value and provide neighborhood stability. Banks consider quality covenants to be an important protection, and so should you – even if you don’t intend to borrow money for your land purchase.

Tip #8  Plan ahead to secure your 10% down payment. Planning is the most important secret to acquiring the property of your dreams. Having your down payment in hand allows you to make a decision the same day – ahead of competitive buyers who may be considering the same property.

“The major fortunes in America have been made in land.”
– John D. Rockefeller

Tip #9  Be prepared to make a decision the day you view the property. Being a successful land buyer means being prepared to act. Do investigative homework prior to the visit and be prepared to use that knowledge to maximize your financial leverage. And if you find the perfect property for your needs on your first visit, don’t wait. Don’t let someone else beat you to the bargaining table.
Tip #10 Take advantage of developer discounts to pay less than list price. Land sales can save you thousands of dollars. The end of week, month or year are good times to check for discount offers – when developers are motivated to close deals.

“...small landholders are the most precious part of the state.”
– Thomas Jefferson

Tip #11 Buy land with modern infrastructure. Modern conveniences add value to your property and increase your everyday enjoyment and comfort.

Tip #12 Amenities enhance quality of life and increase resale value. Tennis, fishing, swimming, and golf – land developers offer amenities that few homeowners can afford to build on their own.

Tip #13 Acquire land and build with resale in mind. Always purchase the type of land (views, trees, infrastructure and amenities) that the majority of the buying public would want themselves. A smart land purchase is about not only yourself, but also the person you may try to sell to in the future.

Tip #14 Always purchase from a known and respected developer. You should have complete confidence in the ability of the developer to complete all amenities and infrastructure in the promised timeframe.

Tip #15 Check to see if the developer has registered the property with the U.S. Department of Housing and Urban Development (HUD) or complied with an exemption to registration. This gives you confidence that consumer protections and legal safeguards are in place. It is costly to register property with HUD, and many under-funded or one-off developers skip this step in order to avoid both the cost, and compliance with the strict regulations governing land development sales.
Tip #16  When touring a development, check the quality of the homes under construction. Who are the builders? Are they using quality materials? These are important indicators of the future value of your property.

“Ninety percent of all millionaires become so through owning real estate.”

– Andrew Carnegie

Tip #17  Ask the sales representative what banking institutions they work with. When a land developer has established relationships with well-known banks and mortgage companies, it’s another indication they are a reputable company you can trust. It should raise a red flag if the developer just wants to sell you the property and then leave you to go find your own financing. You want an experienced developer who can help with financing, work with you through closing, and make the process as seamless as possible.