

# Your Guide to **BUYING LAND** **LAND LOAN CONSIDERATIONS:** PART 2



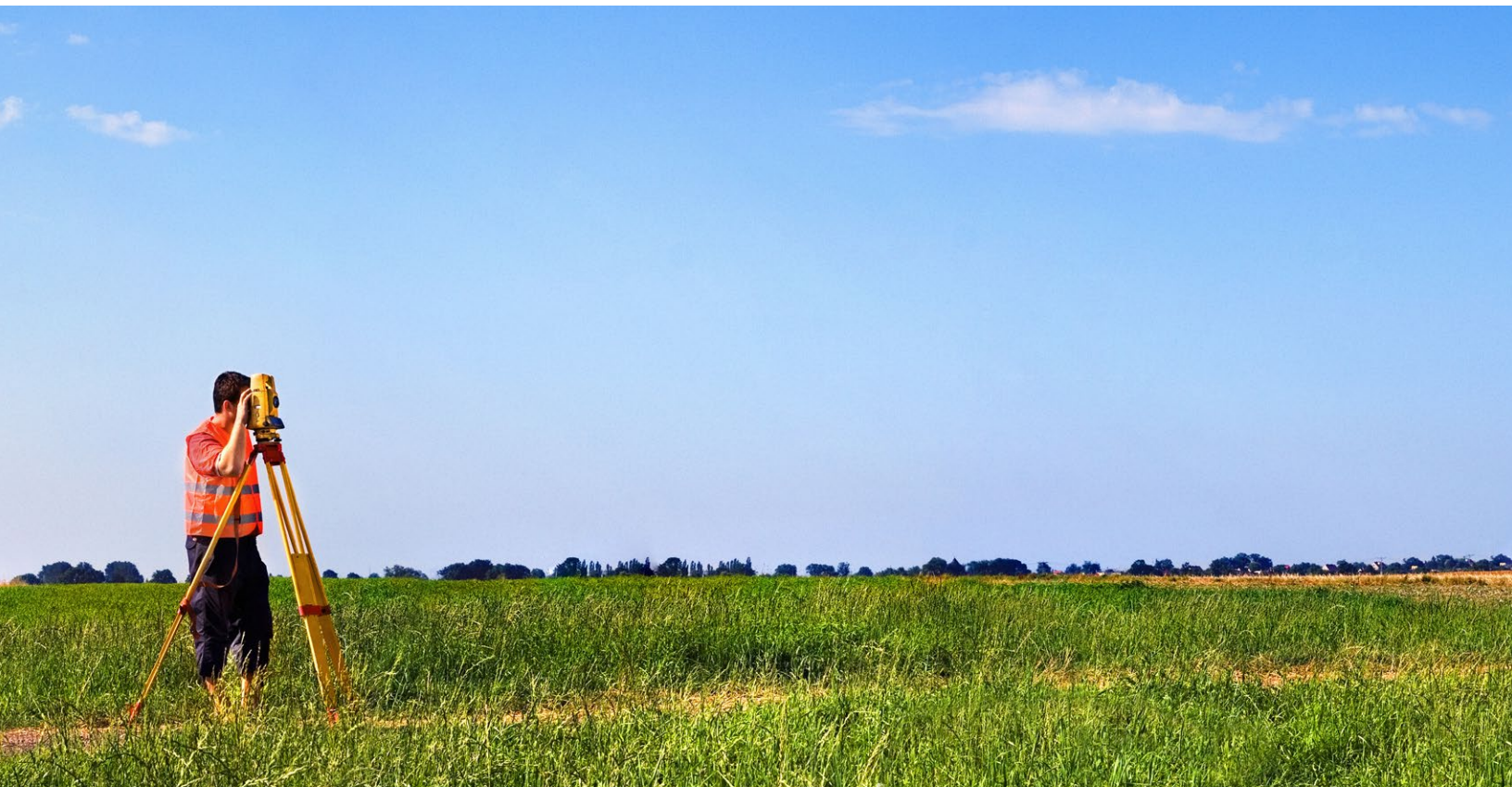
# LAND LOAN CONSIDERATIONS: PART 2

As our territory continues to grow in population, land ownership seems to be more and more attractive. Finding the property and making it your own can sometimes pose challenges, however. We have some tips to help avoid pitfalls and make the process go smoothly.

One of the first steps, in addition to touching base with your loan officer, is to identify the land. That may seem obvious but when dealing with land parcels surprises are sometimes unwrapped. Identifying the land is super simple if you're buying a piece of property that is already identified by a tax parcel number or a survey, but other situations can be somewhat more challenging.

Often we have people who find 50 acres for sale but they want to carve out only 15 acres. This makes the preapproval process difficult if the 15 acres you'd like to purchase are not legally identified out of what is called the parent tract. Getting a survey of the land is required in this and other circumstances.

Another consideration is to make sure you meet the planning and zoning requirements. Every county requires different things so to realistically identify the right piece of property for your needs and plans can sometimes take a few more steps than pointing at a map and saying this is it.







## PROPERTY ACCESSIBILITY AND EASEMENTS

Property accessibility may seem obvious but as larger parcels may be cut up and sold you need to make sure you can easily access the land. The easiest situation is to purchase land that touches a state-maintained road to ensure legal access to your property. If the land does not touch a state-maintained road, it's important as the buyer to learn whether the property has legal access to it, most likely by an easement. This may require obtaining an attorney to research property deeds. Easement size is important as well since you want your easement to be wide enough to transport whatever item you plan to move to and from the state road to your property. This includes vehicles, trailers or any farm implements. Lenders need to know the buyer has a legal and physical access point to the piece of property, and these need to be one and the same.

Easement battles can be quite difficult because people understandably don't want to give up 'their property' rights. Someone may have a legal easement and not a physical easement. This means that they would have to clear the way and establish a road to reach their property, which can become very expensive. We try to address these issues up front to help the buyer work through them as smoothly as possible. Being aware of such pitfalls and doing the needed research early on to learn about easements on your property and with any neighbors can help head off unwanted surprises.

**Read about land surveys, when to conduct a perc test, down payments and the paperwork to have in hand when applying for a land loan in part 1 of Land Loan Considerations.**

