

Buying property is not just an investment in real estate; it's an investment in your dreams and the place where your life's story unfolds.



How to Buy Land - The Ultimate Guide

Start your home building journey on a solid foundation

You've always dreamed of building your own home or, you're just growing increasingly frustrated with the limited housing options available in the market, and are thinking about building a house from the ground up. Either way, you're not alone. According to the most recent estimates from Freddie Mac, the country is short about 3.8 million units of housing, both for-rent and for-sale – meaning there aren't enough homes to keep up with the number of new households that are forming. For you that may mean that building a home is your best option.

However, when it comes to building your dream home, finding the right building lot is a critical first step. So, where do you start when you're ready to take that first step? Buying land. In this guide, we will provide you with a comprehensive overview of everything you need to know about purchasing land to bring your dream home to life.

For assistance purchasing your home site, please contact us: [585.687.8652](tel:585.687.8652) or chris@modishcustomhomes.com



Finding the right lot

It's important to take your lifestyle into account when you're buying land. After all, this lot will be the foundation of your home — and will represent a big chunk of your total expenses, typically **25 to 35 percent of your final home value**.

But be careful not to rush in with your land purchase before conducting your due diligence. Here are some crucial factors to consider before you make an offer:



1. Determine Your Budget:

Assess your finances and establish a realistic budget for buying land. Consider not only the cost of the land but also additional expenses like permits, utilities, and site preparation. Lenders often charge more to finance vacant land than they would to finance a home — it's riskier, since more can go wrong. So if you are able to, the best way to buy land is probably paying cash. If that's not an option, look to your local bank or credit union to finance the transaction. They're more likely to finance a local land purchase than a national lender.

2. Define Your Needs and Wants:

Compile a checklist outlining the essential criteria for your land, such as location, size, terrain, and zoning regulations. Differentiate between your must-haves and nice-to-haves. Even if you plan to build a smaller home, you may want an expansive lawn and garden — especially if you enjoy spending time outdoors.

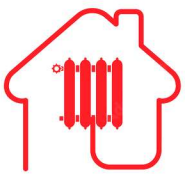
However, a large lot can come with additional expenses. For example, you'll likely need to pay more for landscaping and watering, which could eat up a lot of your budget. If you are a serious gardener, you may want to have a soil analysis done to see if you will be able to grow everything you want to.



3. Research Locations:

Start with the basics: You can't build your dream home on land that isn't zoned for residential use. Some land may have complicated legal protections in place as well. A **Design Feasibility Study** can help you understand the zoning in your area and make sure you're not wasting time looking at land that can't be used for your purposes.

Common restrictions include lot line setbacks, limitations on accessory structures, minimum and maximum building area, as well as the maximum height for your home.



4. Utilities:

When you're looking at a lot, ask about the utility services in the area. If it's in a fairly populated region — or part of a new development or master-planned community — it will likely already have access to the necessary utility services. In rural areas, though, you may need to have electricity, water and sewage lines (or a septic tank) hooked up to the property.

The cost of connecting to utility services can be a substantial part of your overall purchase. Check to see if there are any moratoriums in place, and make sure the lot is big enough to meet your needs if you will be installing a septic system or drilling a well. In some cases, you may need to get a permit from the local utility provider. If that's the case, you may not be able to finalize the sale until the water and electric companies have completed their work.



A Lindal Cedar Homes materials package being delivered to an island location via barge.

5. Accessibility:

Your dream home lot won't do you any good if it's unreachable. Land purchases most often take place outside a city, which can mean long drives and rural roads. Consider how you'll be accessing the property and whether it requires building an access road or a driveway, which can be a significant expense — especially if it requires an easement. Don't forget to factor in gas costs and commute times, as well.

Lindal homes are designed for all climates and have been built on almost every continent. Because we can deliver our home package anywhere, they are a popular choice for difficult sites. This Lindal home was designed for placement on an extremely steep slope.

6. Ecology:

It's critical to understand how potential environmental factors can impact your land buying decision. Certain properties, especially those in rural areas, might come with conservation regulations that restrict development. The property's slope, rules regarding tree removal and, other limitations, should be taken into consideration. It's also wise to consider soil testing and checking the water table since both have an impact on the suitability of the land for building. We recommend enlisting the services of an experienced property surveyor to thoroughly investigate the land's rights and restrictions, particularly concerning natural resources.



7. Consider Easements:

Simply put, easements are claims that neighbors, utility companies, or the general public have to a property. An easement may be granted to facilitate the use of your property to run a power line or to gain access to your land if there's no public road leading to it. Similarly, easements are granted in situations where private land is blocking the only access to a public road or area, such as a beach. Before you settle on your dream lot, you'll want to know if any entity has legal use over part of the land you intend to purchase.



8. Preparing for Construction:

In most places, you'll need to get a building permit or permission from the city or county in order to build on the land you buy. Find out whether this will be the case for your property, and make sure that the permit is in place before you begin. Before you even start on the design of your home, it's a good idea to have a clear understanding of the characteristics of the site you'll be working with. A topographic map can help you determine the ideal flat areas where you can build your home. Try to find spaces that are already free of rocks or vegetation, as clearing and preparing the land will require an investment of time and labor. As you plan your build, you'll also want to consider such features as drainage, sun direction and privacy as you determine the placement of your home. At Mōdish, we tune our designs to take full advantage of your sites natural beauty and place your home for the most efficient solar orientation.



The Bottom Line:

As with just about any real estate purchase, it's critical to do your research before you buy land to build a house on. Home construction comes with its own set of headaches – and expenses – so making sure the land is in order first gives you a great head start. Working with a pro who can lead you through the process, including potentially complex permitting and zoning issues, is also essential. At Mōdish we guide you through the entire home building process, including assessing your land to see how it may impact your dream home.