

Ten Quick Tips for Buying Land in the Country for Investment and Profit

1. Don't make a deal on your first visit. Don't buy impulsively. Don't make an offer before scoping the property. If you disregard this advice, include a 60-day study contingency with results acceptable to buyer in your contract; this allows you to void the contract if you find something during escrow that's a deal-killer.
2. Visit on a cold, rainy miserable day. Look for water problems on the roof and at the foundation. Is the creek high or in flood?
3. Visit at night and on weekdays. Is night-time lighting offensive? Traffic? Noise? Odors?
4. Submit your offer in the lowest low of the off-season. Early January is a great time to buy rural property outside of the South, especially when the seller's Hummer bogs down as he's driving you around.
5. Never confide in a real-estate broker or agent who is working for the seller. Never reveal your finances or your best price. Never tell such a broker or agent that you love the seller's property or that you need to have it. NEVER.
6. Rework the standard broker's purchase contract with your lawyer. Delete what you don't like and add language that you want. Do this before you present your offer. Read the contract you submit. Make sure that you understand the meaning and implications of phrases like, "___ acres, more or less," "Warranties to survive contract" and "Time is of the essence."
7. Have your local lawyer with you when you present your offer to the seller or his agent. Have your lawyer help draft any last-minute changes that are needed to get the deal done. If you're not confident in your negotiating ability, have your local lawyer dicker with the seller over price and terms.
8. Ask both the seller and his agent to disclose in writing all material defects, both latent and manifest, in the property and its title that would negatively impact your possession, use and enjoyment. Buying "as is" does not exempt a seller from state-established disclosure requirements; it means that the seller refuses to fix/repair anything the buyer doesn't like.
9. Let the property you're buying help you pay for it. Sell something from what you buy at a higher price than what you paid.
10. Location, Location, Location.

Location is important, but it's a factor that a buyer can use to work down the seller's price. In buying country property, location has three meanings.

First, it's the proximity of the seller's property to local goods and services. A farm ten miles from town may not be priced lower than a property five miles from town, because farms, locally, are valued for other factors not their proximity to town. A remote property—far from a publicly maintained road—should be priced lower than one with road frontage, all other things being equal. A buyer who does not need or want proximity to town or public road should not be expected to pay as much as he would for more convenient property. Use the absence of location and access to your advantage. Hunters looking for hunting tracts should look for land that's comparatively cheap owing to its remoteness. If the seller's property is close to town, complain about its closeness.

Second, location involves the proximity of the seller's property to the buyer's principal residence. The buyer, not the seller, puts a value on this location factor. Use distance from your home in your negotiations with the seller. Even if they're pretty close to each other, complain about the stress of increasing traffic—a fact of everyone's life.

Third, the seller's property is valued higher or lower according to what's around it. A public trash station opposite the seller's entrance decreases value. Complain in a resigned voice about something around the seller's property. A pretty open field across the road may become the next mega-development—it's possible.