



Perfect Realty Partners LLC

Residential | Commercial
Property Development | Investment Syndication
Concept, Plan, Design, Build, Manage
www.PerfectRealtyPartners.com



INVESTING IN LAND - CONSIDERATIONS

➤ Property Location

- ✓ Educated prediction
- ✓ Incorrect estimate – time value of money
- ✓ Potential end use

➤ Physical Features

- ✓ Sloping foothill land – attractive views – high priced homes

➤ Timing

- ✓ Buy low and sell high

➤ Zoning

➤ Utilities

➤ Flood Zone



CONSIDERATIONS . . .

- Topography
- Tax Obligations
- Usage Restrictions
- Easements
- Size and Shape
- Road frontage
- Environmental risks
- Surrounding development



ACREAGE LANDS

- Resale or for sub-dividing
- Speculators
 - ✓ Whole is more valuable than sum of parts
- Developers
 - ✓ Sum of parts is more than whole
- Valuation
 - ✓ Future use rather than present
 - ✓ Predict eventual use and its timing
- Development forecast
 - ✓ Supply, demand, availability
 - ✓ Growth patterns



ACTIVE VS PASSIVE

➤ Passive Investment

- ✓ Typical of speculators
- ✓ Holding Costs
- ✓ Opportunity Costs

➤ Active Investment

- ✓ Typical of Developers
- ✓ Value Addition
 - Zoning
 - Repairing the land (ex: curing easements)
 - Infrastructure
 - Sub-division
 - Construction



LAND INVESTMENT - BENEFITS

- Long term, conservative investment
- Ideal for passive investors
- Tangible investment
- Low maintenance
 - ✓ Property tax exemption



LAND INVESTMENT -RISKS

- Cash flow
- Liquidity
- Difficult to sell
- Could drop in value
- Long term strategy
- No depreciation benefit