

Meta: Don't know what "unimproved land" is? Learn more about this type of land and why investing in one can be a wise choice by reading this guide.

What Is Unimproved Land?

Here is a hack to real estate that almost no one knows about. Did you know that you can purchase unimproved property for a fraction of the price of developed real estate, and that with some small planning and wise investments, you may transform that land into a successful venture? Let's first start with the basics. Unimproved land is a broad, open area of land that needs substantial work before it can be put to use. Unimproved land is land that is devoid of amenities and services including street access, power, water, and telephone. For anyone interested in investing in this type of land, understanding what is unimproved land is essential.

This blog post will provide an overview of unimproved land, including its benefits and tips to consider before investing.



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What Is Unimproved Land and How It Be Used?

Unimproved land can be used for a variety of purposes. The easiest use is to simply hold onto it and resell it once the property values begin to rise.

It can be utilized to build houses or companies, farms and ranches, outdoor activities like hiking and camping, off-grid living, or simply to enjoy the beauty of nature.

Businesses may purchase undeveloped land as an investment for commercial or industrial developments like factories or storage facilities.

Companies that require a lot of space but not a lot of infrastructure benefit greatly from this type of property.

Land that hasn't been developed yet can be rented out by real estate owners.

Finally, unimproved land can also be used for conservation purposes.



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Why Should You Buy Unimproved Land?

There are numerous advantages to purchasing unimproved land. Here's what you should consider if you're wondering if this is a fruitful path for you.

Flexibility

The flexibility undeveloped land offers is unprecedented. You'll can build what you want when you want it granted the zoning regulations allow it. It also allows room for creative freedom and customization compared to buying a pre-built home or piece of property.

Affordability

Because unimproved land has no structures in place, the initial investment will be considerably lower than if you purchase developed land.



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Tax Benefits

Depending on where you live, owning unimproved land may come with certain property tax benefits such as depreciation or deferral of capital gains.

Financial Maintenance

When you [buy just land](#), the maintenance costs are low. Up to 3% of the purchase price is spent on upkeep and repairs when buying a home. This, however, isn't the case when buying unimproved land.

Less Competition

Unimproved land is typically much less competitive than other types of property, making it easier to find a piece that fits your needs and budget.

Return on Investment

If you make use of the right strategies and develop your unimproved land in a smart way, you can easily boost the resale value of your property and make significant returns on investment.



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When Should You Buy Unimproved Land?

Purchasing unimproved land is a great option if you intend to build on your own terms. This is a simple path to take if you want it to be distinctive and individually designed.

Furthermore, unimproved plots are frequently secluded and offer privacy.

However, keep in mind that you'll want to be able to research the local zoning laws and natural barriers before buying land in case they contradict your idea.



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What You Should Consider Before Buying Unimproved Land

Before making a purchase, consider the following:

Location

Location is key when it comes to purchasing unimproved land. Make sure you research the location and learn about zoning laws, access to utilities, infrastructure, and proximity to other amenities.

Zoning Restrictions

Before investing, you should check your desired area's zoning laws. What can and cannot be built on your unimproved land? Are there any restrictions?



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Land Quality

You'll also want to check for any issues with the land itself such as water damage or erosion. A comprehensive evaluation of the property before purchasing might ultimately save you both time and money.

Future Plans

You'll want to think through your plans for the property before you buy. What are your goals? What type of amenities or features do you need? That way you can narrow down the options and find the land that meets your needs.



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Investment Potential

Is there a potential return on investment? What are the rental prospects? What kind of appreciation will the property experience over time? Doing research on these topics can help you determine whether buying unimproved land is a wise decision or not.

Cost of Development

Keep in mind that developing unimproved land can be costly. Calculate the costs associated with construction, infrastructure, and other development fees to determine how much you should budget for this purchase.



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Utilities

You must take into account the possibilities of bringing utilities. What kind of connections are you going to need to create to get access to services like water, power, and other necessities?

Special Permits

You might need to apply for specific licenses or permits in order to develop the land, depending on the locality.

When making an investment, you should be informed of any limitations relating to building materials, soil type, and other aspects.

Access

Check if your plot of land is [landlocked](#), which means it is surrounded by other people's property and lacks access to things like a main road or utilities.

If that's the case, make sure you have an [easement](#) to obtain access. If the vacant land already has an easement, make sure you are completely aware of your rights.



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What's The Easiest Way to Purchase Unimproved Land?

A raw land loan isn't handled by lending institutions in the same way as a [mortgage](#).

There is significantly less risk when lenders finance a home. If a borrower defaults on the loan, improved land is considerably simpler to sell than an empty lot.

So, it's not uncommon for lenders to demand a down payment of up to 50% to offset the higher risk associated with the unimproved property.

Luckily, with [Discount Lots](#), you can [buy land](#) without having to save for years to put together enough of a down payment.

We offer low down payment options and competitive interest rates so that you can purchase the land of your dreams. What's more, we are dedicated to providing excellent customer service with friendly and knowledgeable staff to help guide you through the process.



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What Is Unimproved Land: Final Thoughts

Unimproved land can be a great investment opportunity if you're willing to do your homework and make sure it aligns with your long-term goals. With the right strategy and maintenance, this type of property can prove to be a profitable venture.

By doing proper research, you can ensure that any unimproved land purchase is the right move for you. What you'll gain from such investment property will be priceless.

If you're looking for a way to buy unimproved land without having to jump through hoops, contact Discount Lots today!

We can help make your dream of owning raw land a reality. We offer a wide selection of properties and provide financing solutions tailored to meet your needs.