

So You Want to Buy a Ranch?: Rural Land Purchasing 101

AT A GLANCE

Rural land ownership is a reality that is within your reach if you take the time to determine an accurate assessment of your financial capabilities, your lifestyle and long term goals.

The Situation

Many individuals move to the Inland Northwest in search of a rural way of life. Whether it is a desire to try farming or ranching on a small scale, or to be closer to the natural amenities of the region, purchasing rural land by those with little experience with rural property has become increasingly common. In Clearwater County for example, over 31% of the residents are over 60, and many of these are new arrivals from out of the area. In addition, individuals already living in the region seek to purchase rural property and move outside of town.

Rural property is a large investment for most people, and given the considerable complexities involved with rural land (easements, water rights, property tax categories, access, etc.), the investment can be fraught with financial peril. There was not a readily available source of consumer information for prospective rural property owners to assist them in making wise purchase decisions.

Helping future rural land owners make better land investment decisions will help create a more prosperous rural economy.

Our Response

U of I Extension—Clearwater County developed a three-week workshop series on purchasing rural land entitled “So You Want to Buy a Ranch?: Rural Land Purchasing 101.” Held in Lewiston, Idaho in March



to coincide with the beginning of the annual real estate purchasing season. The workshop brought together Extension, realtors, rural land appraisers, and rural land financing professionals to provide attendees with the information they need to make wise decisions in purchasing rural property. Topics covered included purchase and sale agreements, negotiating, access easements and the law of easements, water availability and water rights, view shed, property tax categories, financing a rural land purchase, estimating the value of rural property, land use goals, planning, and location considerations, fire protection and insurability, soils, making the offer, and more. Attendees were also provided information on Extension and agency resources available to rural land owners to assist them in managing their properties.

Program Outcomes

The first workshop in March of 2014 was a huge success with over 20 people registered. Others, from out

of the area who were looking to purchase property, contacted the office to get the workshop materials. One surprise was the large number of professional realtors who took the workshop series to learn more about rural land purchasing for professional development.

Attendees voiced much approval for the workshop – e.g. “I am so thankful I took this class, I learned so much! Thank you!” – and based on evaluations at the end of the workshop, reported a 71% gain in knowledge.

Given the interest in the workshop from prospective rural land purchasers from out of the area, and to make the workshop material more widely known, the plan is to create a recorded webinar that could be posted on realty web sites with links in real estate publications.

Given the success of the program in its first year, it is planned to become an annual or biennial event, with an anticipated increase in interest as the program becomes more widely known and increasing number of Americans reach retirement age within the next five to ten years.

FOR MORE INFORMATION

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