

How To Find Raw Land For Acquisition With Development Potential

January 31, 2023 by [Cody Bjugan](https://vestright.com/author/codyb/) (<https://vestright.com/author/codyb/>)

What we like to call “raw land” is undeveloped land without any structures or [public utilities](https://vestright.com/cost-utilities-raw-land/) (<https://vestright.com/cost-utilities-raw-land/>) – and right now, developers are clamoring for it.

Raw land (also known as “off-market” land) is rare to find, so it’s extremely valuable. That means there’s a huge opportunity right now in **land acquisition** (<https://vestright.com/land-acquisition/>) – for real estate professionals and entrepreneurs to profit from the untapped market of raw land.

With the right specialized knowledge – which we teach – professionals like you can level up their careers by finding raw, off-market land that developers are interested in acquiring.

I’ll break it all down for you in this guide.



(https://go.vestright.com/7-figure-land-paydays2/?utm_content=-&utm_source=direct&utm_medium=none&utm_term=-&utm_campaign=direct&utm_clientid=19934936471678916750&utm_fpur=https%3A%2F%2Fvestright.com%2Fland-acquisition%2F)

What Is Raw Land Development?

Raw land development is the process of buying a piece of undeveloped property with plans to develop it, build on it, rent it out, or maintain it so it can appreciate in value.

But buying land, as you already know, can be risky.

And at VestRight, we *don’t buy the land*. We aren’t investors.

Instead, we tee up deals *between the owner of the land and the home developer*, who generally provides the funding.

First, we find a piece of [raw land](https://vestright.com/raw-land/) (<https://vestright.com/raw-land/>) with development potential, get the deal ready for the developer, and then we have the option to exit the deal and get a portion of the end profit.

As a land acquisition specialist, you won’t take on the risk of buying land and, if you’re working with a big developer, you could receive a large fee for your brokerage work.

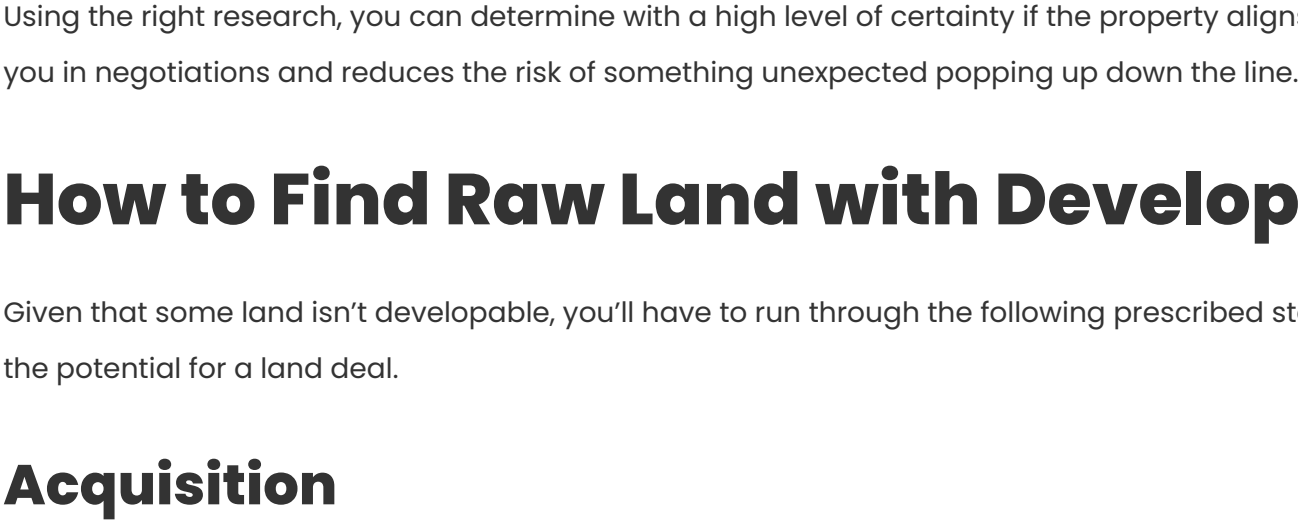
One important tool to negotiate these deals is knowing how to identify land with development potential. And that’s not easy.

Through our programs, we teach you everything you need to know about what can and can’t be done with a property—because those insights will dictate the kinds of deals they can make.

Benefits of Raw Land Acquisition

As mentioned, you don’t take on the financial burden of buying or investing in the land. You don’t have to worry about owning property or taking on debt, and you don’t do the heavy lifting to develop it.

Unlike house wholesalers who rely on distressed property owners, land acquisition specialists don’t take advantage of sellers, who tend to get the appraised fair market value.



You add value to the deal by finding off-market land, taking it through entitlements, calculating what the appraised fair market value would be, and understanding the costs to develop the property, the timeline, and the correct terms and conditions a developer requires to close on a deal.

Needless to say, you have to understand every step of the development process before you can put together deals. This will allow you to hand-deliver a perfectly packaged deal to a developer – a deal that matches exactly what the developer is looking for, and a deal that will make them millions.

The developer (not you) takes on all the risk, while you get a juicy cut.

How do you know if the land is developable? Well, as a land acquisition specialist with VestRight, you’ll learn all this.

Using the right research, you can determine with a high level of certainty if the property aligns with the developer’s plans. That creates a huge advantage for you in negotiations and reduces the risk of something unexpected popping up down the line.

How to Find Raw Land with Development Potential

Given that some land isn’t developable, you’ll have to run through the following prescribed steps to ensure the raw land you’ve been researching actually has the potential for a land deal.

Acquisition

Developers are the ones who are going to purchase the land, so you’ll need to know what they’re looking for. First, you need basic acquisition criteria, and that’s easy to do by just picking up the phone.

Talk to developers about what they’re looking for. They’ll tell you.

Criteria can include what part of town the developer wants to build in, the size of the property, and the type of development that’s planned – whether it’s multi-family, single-family, or retail.

Other considerations include the flatness or slope of the land and the current zoning of the property. And – get this – even if a property already has the desired zoning, that doesn’t mean it can immediately be developed, or that it’ll actually be approved for development.

For example, [land zoned](https://vestright.com/land-zoning/) (<https://vestright.com/land-zoning/>) for 300 units might only get approved for 100 units by the city or the county. Or the town might unexpectedly reject an application to build a unit taller than two stories. That’s why a developer won’t close on a property until all approvals, including for planned developments, are in place – a process that can take a year or two.

On the flip side, if a property you’ve found doesn’t have the zoning you want, it can still go through an annexation process and get rezoned, but this process can take months or even years.

Researching

Finding property owners is surprisingly easy. Land and property ownership is public information, so you can find property owners listed online through title companies (by doing a title search) or through your county.

Depending on where you find the land, the local Recorder’s Office, Registrar of Deeds department, or County Clerk should have records of all property deeds of ownership. You might also be able to find land owners’ contact information on the Geographic Information Systems (GIS) map on the website for the County Assessor’s Office where the land is located.

If you go in person, you might be able to use the office’s public computers to find property owners. Online portals like [SearchSystems](http://publicrecords.searchsystems.net/) (<http://publicrecords.searchsystems.net/>) also list property ownership information. A little bit of research combined with building relationships with title companies can give you all the leads you need.

And guess what? These landowners will probably be happy to hear from you.

Why? We offer them a fair market price for their land, so sellers are typically happy and cooperative. No hardball is needed. Also no need for “motivated sellers,” or to look for vulture deals or deep discounts. It’s a win-win situation.

Better yet, there’s no competition from dozens of wholesalers and flippers filling up their mailboxes with postcards and yellow prospecting letters. That’s because the vast majority of real estate players don’t know how raw land deals work, let alone how to get it through the approvals process.

So your niche as a land acquisition specialist puts you at a huge advantage.

Financing

Now it’s time to calculate the development value and figure out your profit margin. To calculate this, you have to interview and survey the builders/developers (who are your potential clients) to see how they do their math in figuring out how much raw land is worth.

Don’t guess. Ask questions. Talk to every builder in your market you consider to be a potential client/customer. They’ll answer your questions when you make it clear you’re there to bring them deals.

Then you can calculate your profit using our [own Land Deal Profit calculator](https://go.vestright.com/profitcalculator/) (<https://go.vestright.com/profitcalculator/>?utm_content=calcfull&utm_medium=video&utm_source=youtube), where you’ll need to enter the size of the lot, homebuilder profit, permit costs, miscellaneous costs, and more.



(https://go.vestright.com/profitcalculator/?utm_content=calcfull&utm_medium=content&utm_source=blog)

After you strike a deal with the landowner, you can sell to a home developer.

The value you bring is finding deals and ensuring landowners get paid fairly. The builder will pay, using their own funds, for all the work needed in order to close the deal.

This leads us to feasibility studies.

Feasibility Study

Once you’ve found a land deal and have it under contract, the feasibility study begins.

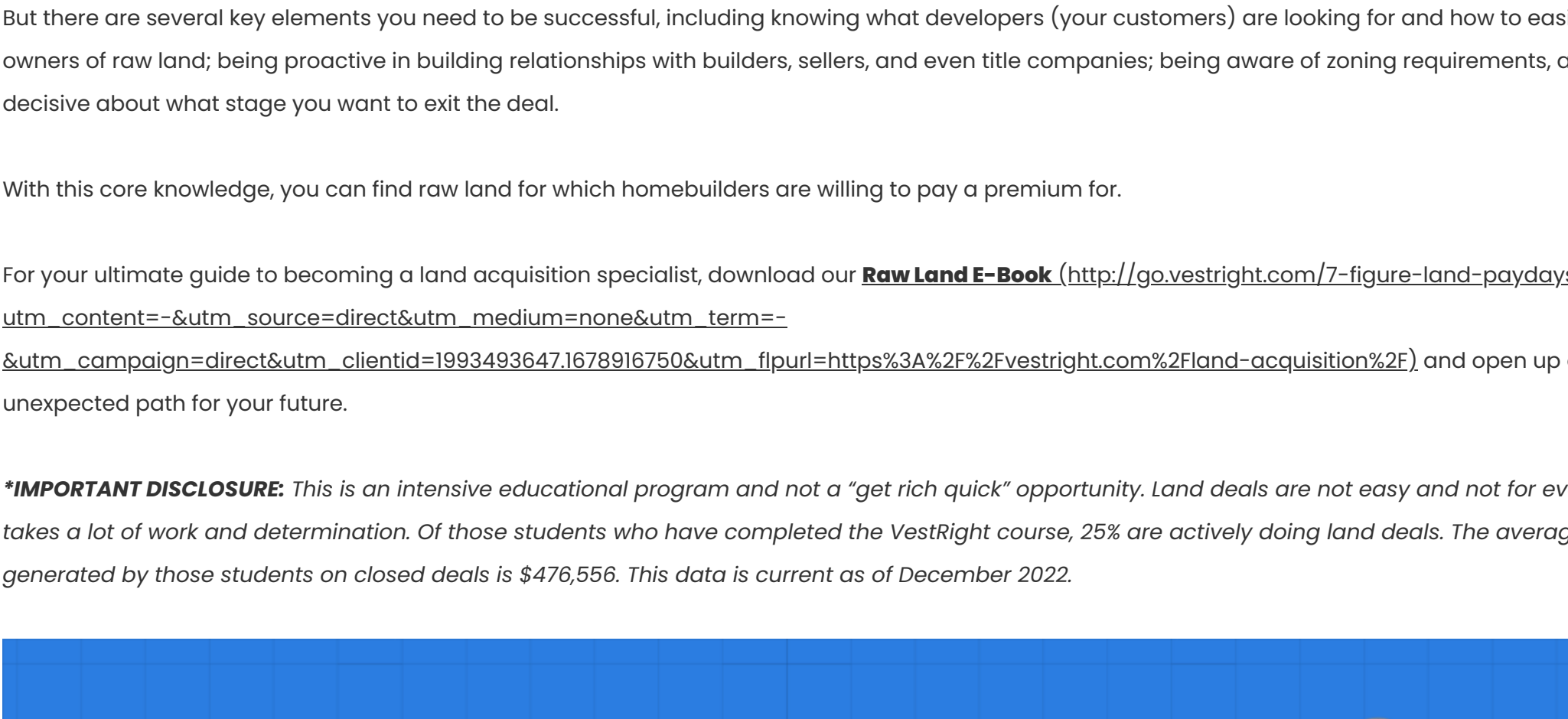
What’s a feasibility study?

They are necessary procedures for deals to get city/county government approval.

A feasibility study determines what can be physically and legally built on the site. This involves researching the rules and regulations that apply to the raw land, height limitations, open space requirements, soil analysis to determine septic system requirements, zoning regulations, environmental challenges concerns, building codes, historic designations, and beyond.

At VestRight, whether you’re part of the feasibility study stage is up to you.

You have the option to learn the process from start to finish. That is, finding raw land, putting it under contract, taking it through approvals and entitlements, and then selling it to home developers – a completed process. This option is available through our Land Acquisition Academy program.



On the other hand, if you want to cash out sooner (before the deal is completed), you can simply find the right piece of land and share the lead with our partners at Allied Development. From there, they’ll complete the remaining process. And you’ll have the option to “exit” before the feasibility study.

Of course, if you decide to exit early, you may not profit as much.

As you’ve probably already guessed, feasibility studies are expensive processes with long processing timelines. They’re typically done by a consultant and paid for by the developer – so, if you decide to stay on for this stage, this step won’t cost you anything.

Tips on Finding Raw Land For Acquisition

Now, if this all seemed a bit overwhelming, here are some land acquisition tips for you when going through the process:

- While finding raw land and underwriting deals for it can seem complex, don’t shy away from this potential wealth builder – even as a beginner
- Get in touch with homebuilders and developers, who are your potential customers. Ask what they’re looking for in raw land
- Remember: if there’s been a recent increase in development projects in a certain area, buyers will probably be looking to purchase land in and around that location
- You can easily find out who owns a property through state and county online portals, like the assessor’s office
- Don’t underestimate the importance of zoning. Builders will need to get approval for the kind of development they have planned. So make sure you understand the area’s zoning laws
- Keep in mind that what gets approved by the county or city might be different from what a property is zoned for (e.g. 300 unit zoning getting reduced to 100 units)
- Be sure you’re ready for a process that can take months, even years

Getting Started with Land Acquisition

Raw land is land that’s undeveloped, vacant, and in its most natural state. A rare and valuable resource, it’s also an overlooked market – and this lack of competition can open up a world of new opportunities for you.

Some of our most successful students have made 6 to 7 figures as land acquisition specialists, teeing up raw land deals between owners and developers.*

But there are several key elements you need to be successful, including knowing what developers (your customers) are looking for and how to easily find the owners of raw land; being proactive in building relationships with builders, sellers, and even title companies; being aware of zoning requirements, and being decisive about what stage you want to exit the deal.

With this core knowledge, you can find raw land for which homebuilders are willing to pay a premium for.

For your ultimate guide to becoming a land acquisition specialist, download our **Raw Land E-Book** (http://go.vestright.com/7-figure-land-paydays2?utm_content=-&utm_source=direct&utm_medium=none&utm_term=-&utm_campaign=direct&utm_clientid=19934936471678916750&utm_fpur=https%3A%2F%2Fvestright.com%2Fland-acquisition%2F) and open up a new unexpected path for your future.

***IMPORTANT DISCLOSURE:** This is an intensive educational program and not a “get rich quick” opportunity. Land deals are not easy and not for everyone. It takes a lot of work and determination. Of those students who have completed the VestRight course, 25% are actively doing land deals. The average profit generated by those students on closed deals is \$476,556. This data is current as of December 2022.



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