



What is land banking? Make money in real estate

The Land Banking Process

How does land banking work?

Key Players in Land Banking

- Landowners that are looking to sell their property.
- Real estate brokers
- Civil engineers and surveyors
- Engineers and environmental specialists
- Title insurance companies and attorneys
- Politicians and local and regional government officials
- Economists and market analysts from the local and regional areas
- Interested Land Flippers

Essential Steps in Land Banking

- Step 1 - Make accurate predictions
- Step 2 - Locate and control desirable land
- Step 3 - Negotiate land purchase
- Step 4 - Organise acquisition and operating costs funding
- Step 5 - Keep tabs on legal and consulting fees
- Step 6 - Limit Maximum Losses
- Step 7 - Purchase adjoining land parcels (assemblage)

Controllable costs with land banking

- Interest on capital borrowed
- Cumulative preferred returns on equity capital
- Option Payments
- Insurance against liability
- Taxes on real estate
- Maintenance of roads and drainage channels
- Acquisitions of adjacent land
- Interim land-use improvements

What are the significant risks in land banking?

What is land flipping?

Land Flippers

How does land flipping work?

Key players in the land flipping

- State Authorities
- Regional development agencies
- Local authorities
- Adjacent landowners
- Neighbourhood activists
- Politicians
- Landowners
- Title lawyers and insurers
- Engineers and surveyors
- Architects
- Traffic experts
- Environmentalists

Significant tasks involved in the land flipping

- Plan Feasibility Study
- Plan land concept
- Fix titles and surveys
- Get public permissions
- Get private permissions, permits, and agreements.
- Arranging Finance
- Find marketing expenses and strategies.
- Promote land developers

How can you control costs in land flipping?

- Price and financing
- Permit fees
- Engineer and planner fees
- Surveying, title costs
- Marketing and advertising costs

Major risks in the land flipping

- Unfavourable feasibility studies
- Increased development expenses
- Market expectations worsen
- Standardisation changes
- Deteriorating capital markets
- Loss of land control
- Denied or delayed public approvals

Summary