

The Affordable Housing Crisis and How Your Land Can Help



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Foreword

As you embark on the journey of understanding and confronting the affordable housing crisis, this eBook offers a pragmatic and insightful examination of a problem that touches the lives of millions of fellow Americans.

In a time when the dream of homeownership in the United States seems increasingly out of reach for many, the reality of the housing crisis has come to bear a weight that is felt across the nation. The statistics are sobering: in 2023 alone, homeownership became a distant dream for over two million American renters. The financial burden of housing has soared to unprecedented heights, further exacerbating the divide between the haves and the have-nots. With the supply of available and affordable homes on the market dwindling to alarming lows, the crisis has reached a fever pitch, demanding action and innovative solutions.

This book is a narrative of challenges and a call to landowners to become part of the solution. It beckons you to look at your land, whether sitting idle or bustling with commercial activity and consider its potential in easing the housing burden. It explores how much land is available for use, the types of land that can be utilized, and the current pace of development. It guides navigating the common obstacles that impede progress, from title complications to disputes over access, and presents practical solutions to overcome them.

Selling land to an investor can be daunting, but this informative eBook “The Affordable Housing Crisis and How Your Land Can Help” demystifies the process. It assures you of a fair and swift offer, a hassle-free experience devoid of the usual financial burdens like closing costs, and a partnership that values efficiency and effectiveness.

For those contemplating the traditional route of selling through a realtor, the eBook provides a realistic overview of the responsibilities and potential delays, equipping you with the knowledge to make informed decisions.

Finally, the eBook introduces you to the ethos of E3 Land. This company understands the intricacies of the land and real estate market, and is committed to forging buying and selling partnerships beneficial to sellers.

Whether you are a landowner, investor, policymaker, or someone simply interested in the dynamics of affordable housing, this book is a vital resource. It does not shy away from the complexity of the issues at hand, yet it remains optimistic, providing a blueprint for how individual actions can contribute to a collective solution.

As you turn the pages, let this eBook be both a roadmap and a reflection of the change you can inspire. The affordable housing crisis is a challenge of our time, and your land, coupled with the insights from Colin Esplin and the expertise of E3 Land, can indeed be part of a powerful remedy.



Facts on the Affordable Housing Crisis

In 2023, the Homeownership Cost Was Low, Excluding 2.4 million Renters from the Market

The past year has seen a steep rise in the cost of homeownership, a culmination of several years of market pressure and economic factors. Data from the National Association of Realtors indicated a spike in median home prices, outpacing wage growth and pushing homeownership in the USA out of reach for approximately 2.4 million renters. This surge has been attributed to low housing inventory, high demand, and increased material and labor costs, further exacerbated by supply chain disruptions.

The Financial Strain of Housing Costs Has Hit Its Peak in Recent Years

Housing costs have traditionally been a significant component of household expenses, but recent years have witnessed these costs stretching budgets to their breaking points. A Joint Center for Housing Studies report of Harvard University highlighted that over 30% of households are cost-burdened, spending more than 30% of their income on housing. The situation is even more dire for renters, with many metropolitan areas reporting that a significant portion of renters are spending more than half of their income on rent, placing them in the category of “severely cost-burdened.”

The Availability of Homes on the Market Continues to Be Alarmingly Low

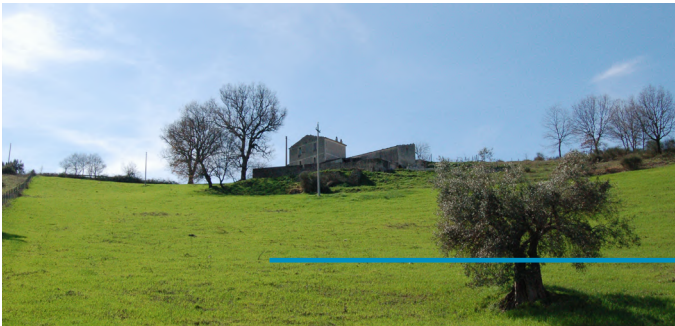


The inventory of available homes for sale has hit historic lows, with the supply not keeping pace with demand. Analysts have pointed to a deficit of millions of homes, creating a seller’s market where bidding wars and homes selling for above asking price have become commonplace. Factors contributing to this shortage include a slowdown in construction, zoning restrictions, and increased investor purchases, often converting homes into rental properties.



State and Local Initiatives Are Paving the Path for Solutions

In response to the crisis, state and local governments spearhead various initiatives to increase affordable housing stock and provide financial assistance to potential homeowners. Measures include zoning law reforms for more high-density housing, tax incentives for developers to build affordable units, and direct subsidy programs for low-income buyers. Moreover, some localities have implemented rent control measures to protect renters from steep increases, while others have launched first-time homebuyer programs that offer down payment assistance.



How Much Land Is Available for Use?

Some Broad Statistics

According to the U.S. Department of Agriculture, the United States has about 2.3 billion acres of land. Urban areas comprise about 3% of this total, although not all urban land is used for housing. Furthermore, the Bureau of Land Management oversees approximately 245 million acres of public land, with varying degrees of availability for development due to legal, environmental, and logistical considerations.

What Type of Land Is Available? Vacant Res Versus Agricultural or Commercial

Various types of land in the United States could be used for housing development, including vacant residential, agricultural, and commercial properties.

The types of land available for sale by the government include undeveloped land tracts, office buildings, warehouses, and single- and multi-family homes. These are sold by agencies such as the General Services Administration (GSA) and the Bureau of Land Management (BLM), which handle the sales of excess federal lands that may be available for individual sale. These lands can range from undeveloped plots with no improvements to properties with existing structures that could potentially be repurposed or redeveloped.

From a development perspective, between 2001 and 2019, there has been a substantial increase in developed land across the contiguous United States, adding over 14,000 square miles of new development. This development has been uneven across the country, with significant growth in suburbs in states like Arizona and Nevada and retirement communities in Florida, driven by housing costs and demographic shifts.

Regarding new housing construction, the outlook for 2024 and 2025 shows a positive trend in single-family residential construction. It is based on builder confidence returning to positive levels and the number of building permits issued, suggesting an increase in the supply of new homes shortly. The data suggests a continuing demand for single-family homes, which could be an opportunity for landowners looking to develop or sell their property for residential construction.



How Much Land Is Being Developed Annually?

Over the past two decades, more than 11 million acres of U.S. farmland were lost to development, indicating a substantial amount of land being converted from agricultural use to developed land. This conversion and fragmentation of farmland have been particularly prevalent around urban and suburban areas, which can threaten the integrity of local and regional food systems.

Regarding major land uses, the USDA Economic Research Service (ERS) provides a comprehensive accounting of land use in the United States, with reports published every five years. The most recent data available in this series dates back to 2012, but it is part of a continuous effort to monitor and report on land use changes.

The trends indicate that the development of land for urban use, including residential, commercial, and industrial purposes, is ongoing, with significant expansions in certain regions of the United States, particularly in the Sun Belt areas such as Arizona, Nevada, Texas, and Florida, which have experienced rapid growth over the past 20 years.



Typical Problems That Get in the Way of Selling and How to Solve Them

Complications With Title

Complications with a title can arise for various reasons and can significantly hinder the closing process of a real estate transaction. These complications might include errors in public records, undisclosed liens, illegal deeds, missing heirs, forgeries, undiscovered encumbrances, unknown easements, or boundary/survey disputes. Such issues can put into question the legal ownership of the property.

Solving title complications and working with a title company is integral to ensuring a clean transfer of property ownership. A title company meticulously reviews historical records, identifying and rectifying any discrepancies that could threaten the buyer's claim to the property. It involves resolving outstanding liens, correcting public record errors, and addressing any legal encumbrances that may surface.

The title company also issues title insurance, which safeguards against future claims or legal issues. It protects the buyer and assures them of the property's clear title. The title company's role extends to facilitating the closing process, managing the exchange of funds, and filing the necessary paperwork to record the property's change of ownership.

Presence of Flood Zones, Wetlands, or Desert

The presence of flood zones, wetlands, or desert areas on a property can present significant challenges for development and use. To resolve these issues, it's crucial to comprehensively understand the land's characteristics and any environmental regulations that may apply.

To effectively address the challenges posed by flood zones, wetlands, or desert areas on a property, obtaining a detailed survey and environmental report is crucial. This approach begins with commissioning a professional land survey to accurately delineate the property's boundaries, topography, and natural features. Such a survey is essential to identify the specific environmental characteristics of the land.

Following this, an environmental report, or a Phase I Environmental Site Assessment, should be conducted. This report assesses potential environmental hazards and comprehensively analyzes the property's environmental conditions, including any history of contamination or protected ecological features.

Land Lacking Direct Access or with Easement Disputes

Effective resolution often involves careful negotiation with neighbors when dealing with land lacking direct access or easement disputes. The process starts with a thorough understanding of the issue, possibly requiring professional assessment from a real estate attorney or a land surveyor to clarify legal rights and property boundaries.



Initiate dialogue with adjacent property owners diplomatically, aiming for a cooperative solution. Offer and discuss various solutions, like creating a new easement, modifying an existing one, or exploring alternative access options, and remain open to compromise. If direct negotiation is challenging, consider mediation with a neutral third party.

Once an agreement is reached, ensure it is formalized in writing and legally recorded. This approach resolves immediate access issues and helps maintain harmonious relationships with neighbors, preventing future disputes.

Family Disputes

Resolving family disputes over property involves several key steps. It starts with open communication among family members to understand each person's perspective and concerns. Mediation, facilitated by a neutral third party, can be highly effective in navigating the emotional and complex nature of family dynamics.

Seeking legal counsel is advisable to ensure that all legal aspects, such as inheritance laws, are properly addressed. Exploring various options for the property, like selling and dividing proceeds or buyouts, helps find a mutually beneficial solution.

Compromise is often necessary, and any agreement should be formalized in writing to prevent future disputes. In some cases, family counseling may also help resolve underlying issues and improve communication. The goal is to reach an agreement respecting all involved rights and wishes while maintaining family relationships.

Issues With Boundary Encroachment

Resolving encroachment issues in real estate typically involves several crucial steps. It begins with obtaining legal counsel to understand the legal implications and rights involved. A professional property survey is often necessary to accurately determine the boundaries and extent of the encroachment.

Attempting to resolve the matter through negotiation or mediation is a recommended initial approach, seeking an amicable solution between the parties involved. Possible solutions include removing or altering the encroaching structure, financial compensation, or legal alteration of property boundaries.

Any agreement should be documented in writing for clarity and legal validity. Legal action might be necessary if negotiations are unsuccessful, although this is usually considered a last resort due to the potential for lengthy and costly proceedings. The goal is to resolve the encroachment in a manner that respects the property rights of all parties involved.



Probate Issues

Resolving probate issues in real estate typically involves the engagement of an independent fiduciary, or real estate attorney who plays a crucial role in managing and distributing the estate of a deceased person. Their responsibilities include assessing the estate's assets and liabilities, navigating the probate legal processes, and ensuring compliance with state laws. They manage the sale of real estate within the estate, ensuring that transactions are fair and in the best interest of the beneficiaries.

Additionally, they are responsible for resolving disputes among heirs, paying off debts, and handling tax issues related to the estate. The process concludes with the legal team finalizing the estate after all distributions to beneficiaries are made. This approach ensures that the estate is managed impartially and efficiently, adhering to legal directives and the wishes of the deceased.



Liens

Resolving liens on a property typically involves a straightforward yet meticulous process. Initially, it's essential to identify and understand the details of the lien, including the amount owed. This step usually requires reviewing public records or conducting a title search.

Next, communication with the lienholder must confirm the total amount due, including any additional fees or interest. The debtor is then responsible for arranging payment in full to the lienholder. Once payment is made, obtaining a release of the lien document from the lienholder is critical. This document must be filed with the local recording office to remove the lien from the public record officially.

Finally, a follow-up title search is recommended to ensure the lien is properly released. This process ensures the property's title is clear, which is crucial for any sale or refinancing activities.



All About Selling Land to Land Investors

Expect a Quick and Fair Offer for Your Land

Land investors often work swiftly, meaning sellers can expect to receive an offer relatively quickly after expressing interest in selling. It is particularly advantageous for sellers looking to dispose of their property promptly.

Investors generally offer a price that reflects the land's fair market value. This value is usually based on location, size, zoning, market demand, and the land's current condition.

Land Investors Deal with Property Complexities, Streamlining the Process for You

Land Investors are often experienced in dealing with a wide range of property types, from undeveloped land to properties with existing structures. They can efficiently navigate issues related to zoning, environmental concerns, and land use restrictions. They are well-versed in managing the legal and administrative aspects of land transactions. It includes tackling title issues, resolving disputes, and ensuring compliance with local regulations.

They have streamlined processes for purchasing land, with less bureaucracy and quicker decision-making compared to traditional buyers. It can significantly reduce the time from offer to closing.

You Will Skip Paying Closing Costs, Real Estate Commissions, or Any Extra Fees

When selling land to a land investor, sellers can expect financial benefits primarily due to the reduction or elimination of typical real estate transaction costs. It includes not having to pay closing costs, often a significant expense in traditional sales. The investor usually handles these costs, like title searches, attorney fees, and transfer taxes.

Additionally, no real estate agent commissions are involved in direct sales to investors, leading to further savings for the seller. Extra fees associated with traditional sales methods, such as listing fees, marketing costs, and other miscellaneous expenses, are also avoided. The transaction process is generally more straightforward and quicker, reducing hidden costs and time spent on the sale.

Land Investors Handle

When selling land to investors, a notable advantage for the seller is that investors often handle financial complexities such as back taxes or existing debts on the property.

It means that if any outstanding financial obligations are tied to the property, such as unpaid property taxes or debts secured by the property, the investor typically takes responsibility for clearing these as part of the transaction. It can alleviate a significant burden on the seller, as dealing with these financial issues can be complex and costly.

For the seller, this aspect of the deal simplifies the process and reduces potential financial liabilities associated with the property, making the sale more straightforward and less stressful.

Land Investors Collaborate with Title Companies for a Fast and Smooth Transaction

Collaboration with title companies in land investor transactions is key to ensuring a fast and smooth transaction. Investors typically work closely with these companies to handle all the necessary title work and due diligence.

This collaboration ensures that title issues are promptly identified and resolved, the legal paperwork is accurately handled, and the closing process is efficiently managed. The involvement of a title company streamlines the transaction, reducing the time and complexity typically associated with property sales. This approach is beneficial in ensuring that the transaction is conducted smoothly and within a shorter time frame.



What You Need to Know If You Think About Selling with a Realtor

You're Responsible for All Costs Related to the Property Until It's Sold

As the property owner, you are responsible for all costs related to the property until it is sold. It includes ongoing expenses like property taxes, maintenance, utilities, and mortgage payments. These costs continue to accrue when the property is listed and until the sale is finalized.

Realtors May Not Assist with Liens, Overdue Taxes, Access Issues, or Legal Matters

Realtors typically focus on marketing and selling the property. They may not assist with legal issues such as liens, overdue taxes, access disputes, or other complex legal matters. These issues often require the services of legal professionals like real estate attorneys.



Your Property Could Be Listed for Sale for a Long Time Without Finding a Buyer

There is no guarantee of a quick sale when listing with a realtor. The property could be on the market for an extended period, depending on factors like market conditions, property location, price, and its condition. This duration can be unpredictable and varies widely.

Plan to Spend Roughly 10% of the Sale Price on Real Estate Agent Fees

Hiring a realtor involves paying commission fees, typically a percentage of the property's sale price. On average, this can be around 10% of the sale price, though it can vary. This fee is usually split between the buyer's and seller's agents and is paid out of the sale proceeds.



Meet the Owner from E3 Land

I'm Colin Esplin, the founder of E3 Land. Growing up on a cattle farm in rural Utah, I learned firsthand the immense value of land and the importance of being a responsible steward of this precious resource.

I started this company with a specific goal in mind: to unlock the potential of unused vacant land. My passion lies in being an active part of the solution to the affordable housing crisis we face in America today. Through our efforts, I am committed to transforming vacant land into opportunities for affordable housing, making a tangible difference in the lives of families nationwide.



How E3 Land Can Help You

Our Mission

We believe at the root of our housing crisis lies a lack of available land for home builders. Land itself is not the issue but rather available land. Our core mission is to bring to market unused vacant land and to provide an avenue through which that land realizes its highest potential.

How We Work with Sellers



E3 Land exists to feed home builders the much-needed raw land they are starving for. We do this by identifying off-market land with development potential, negotiating a fair and equitable purchase with the seller, and then delivering that land to a local home builder so they can do what they do best - build homes!

- ✔ We guarantee to close on your property at the contract price and in the contract timeframe.
- ✔ We pride ourselves in keeping promises and a smooth transaction is our promise to you!
- ✔ We will give you updates regularly so you will always know where we are in the closing process.
- ✔ We will negotiate taxes/liens down for you and will incorporate these into our deal to ensure a clean slate.
- ✔ We will arrange closing at a time that works for you and will always use a title company to keep the escrow and transaction safe.



How to Contact Us

We value your feedback, inquiries, and any other communication you may have with us. We are here to assist you in the best way possible. You can reach us by calling **(864) 385-2402**, or email us at [**colin@ethreeland.com**](mailto:colin@ethreeland.com), or visit our website at [**ethreeland.com**](http://ethreeland.com) and submit your details via our web form.

No matter how you choose to contact us, we are committed to providing you with excellent service and addressing your needs promptly. Your feedback and questions are important to us and we look forward to working with you.



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