

## **Purchasing Rural Property in Colorado**

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The purchase of a small acreage or farmland is a major investment. There are many factors to consider such as price, appearance, suitability for planned use, amenities, construction, etc.

Purchasing rural property, particularly in some parts of Colorado, requires consideration of additional factors by the prospective buyer. There are special considerations, hazards and problems with rural land and housing that are different from those usually associated with urban property. Prospective purchasers who have not lived in rural areas, particularly mountain areas, may not be aware of these considerations.

Generally, buyers purchase property at their own risk. Property – either land or housing – usually is sold on an “as is” or “let buyer beware” basis. It is up to the prospective purchaser to do their own due diligence to discover potential problems before a sale contract has been signed. Advance knowledge of potential hazards, suitability for planned use and problems should reduce the risk of an unsatisfactory investment.

This checklist has been developed to assist prospective rural property purchasers in their decision process. It is intended as a guide to some of the potential hazards and problems that buyers may encounter. It is not an all-inclusive list. Many other factors must be considered in addition to those listed.

Answers to some questions may be obtained by visual inspection of the property. Other information sources that should be utilized by a prospective rural property buyer include: present property owner, realtor, property deed, homeowners’ association document, building contractor, county planning or land use department, county health department, county engineer, county road department, county Extension office, county sheriff’s office, county weed department, Natural Resources Conservation Service office, conservation district office, Colorado Parks and Wildlife, state or federal forest service, utility company, ditch company, well company, telephone company and neighbors.

### **My plans/expectations**

Why do you want to live on a small acreage or in a rural area?

What are your desires/plans/expectations for the property? Is the property suitable for this use?

How long am I willing to wait for my expectations to be met?

How do I feel about driving behind slow moving vehicles, the unique smells, animal noises, crop dusters, wildlife issues, being the last area to have roads cleared during blizzards, floods, power outages, crop dusters, etc. that come with rural living?

Am I willing to be flexible with my plans if necessary?

Does the rest of the family support my plans and are interested in and willing to help with the work? How will this change as the children get older?

If I am sick or injured and as I get older, will I be willing to continue maintaining the property and the animals? Do I have backup help?

### **My experience**

How much experience do I have?

Am I willing to learn or pay someone else to help?

Is there someone that can help me when I have a question?

### **Financial**

How much money do I have to spend and am I willing to commit to maintaining or improving the property?

Am I willing to contract some work to others?

Do I have sufficient finances to purchase additional equipment and maintain it or to contract the work?

### **Equipment**

What equipment do I have and am I willing and able to maintain it or learn to maintain it?

What equipment can I borrow from a friend, neighbor or rent? What happens if it breaks down, who will pay for repairs?

### **Time**

How much time do I realistically have to spend maintaining the property and reach my goals?

### **Animals/Crops**

What do I want to grow (crops) or raise (livestock)? Do I have any experience with the crop or livestock?

Do I have a vet? Shearer, etc.? Am I willing to learn some basic veterinarian skills?

What do I plan to do with the manure?

Am I willing to euthanize an animal if necessary? How do I plan on disposing of carcasses?

Do I understand how to maintain the health of the pasture and animals? (i.e. grazing management, livestock health and nutrition principles.) Am I willing to learn?

Will I produce enough forage or have sufficient finances to purchase additional forage for my livestock needs?

If I am gone, who will take care of my livestock?

Do I have a biosecurity (how will I keep diseases from coming onto my property and affecting my livestock and deal with them once the disease is on the property) and emergency evacuation plan? How will I evacuate my animals in an emergency? Where will I evacuate my animals to?

Have I planned two different evacuation routes in case one is blocked, and will my truck and trailer be able to navigate both evacuation routes?

Does my fencing match the livestock species I have or plan on purchasing? Will it need to be modified/replaced (cost)?

Are my livestock branded or marked in another approved method?

Are my buildings appropriate to the livestock species? Do they need to be modified or torn down and rebuilt?

Am I willing to get any special licenses/certifications needed? (i.e. Commercial Driver's License, pesticide applicators license, organic certification.)

How will I get water to the livestock (especially in winter)? How will I keep water from freezing?

Colorado has an open range law. If you do not want cattle, sheep or other livestock on your property, it is your responsibility to fence them out. It is not the responsibility of the rancher to keep his/her livestock off your property.

## **Property**

How large is the property in acres and where are the property lines? Has it been surveyed recently? The fence may not be on the property line or the creek may have moved over time.

Will this size support my plans? Some counties may allow more livestock per acre than the land can provide for their forage needs.

Can I get homeowner's insurance? Due to special site conditions, do I need additional insurance? For example, in a forest area.

What will the county or city allow me to do? Can I get a building permit?

Is there any historical significance on or to the property? What restrictions will this cause?

Have I walked the entire property looking for potential problems?

Does the seller have clear title to the property? Are there any liens against the property?

Are there any non-written agreements with the neighbors such as allowing them to access their back pasture by crossing my pasture? If so, am I willing to let them continue?

Do I have any endangered species on the property that may limit what I can do? What will their presence restrict?

Has anyone ever dumped anything on the property? Oil? Chemicals?

Who owns the access road to the property? If it crosses other property, is there a permanent easement for it?

What easements are attached to the property for roads, trails, utility lines, irrigation ditches, other? What rights do these easements provide other parties? Are these easements in a legal document or are they based on a handshake? What will be the cost to make it legal?

## **Structures**

What is the condition of any existing buildings, fences, ditches, etc.?

Are any of them a safety hazard? What do I need to do (cost?) to make them safe?

Can any of them be modified for my uses or should they be torn down?

Have the livable structures been tested for radon, lead and asbestos?

If the property includes a residence, does it meet current city/county building codes in the following areas?

1. Electrical
2. Plumbing
3. Heating
4. Structural
5. Fire resistance

## **Location**

If rural residential property, is it located in a:

1. Flood plain? Is there a flooding or flash flood hazard? Do I need flood insurance and what will it cost?
2. Slide area? This can include rock slides, mud slides or snow slides.
3. Fire chimney slope? This is an area where winds create chimney draft effect, causing fire to move more quickly uphill.
4. A high wind, hail or tornado prone area?
5. North facing slope? This may mean increased heating costs, driveways and walks more difficult to keep clear of snow and ice, increased wind chill.
6. Is the property susceptible to drifting snow? Can I use a windbreak to mitigate?

If a house or building site is located on a hill or mountainside, is the slope so steep that:

1. Special construction methods are needed? This can add to construction costs.
2. Access roads or driveways will become too slippery to use?
3. Soil erosion of yard area or roadway will be a problem?

What is the basic soil type? Does the soil shrink and swell (expansive soil)? This can cause cracks in foundation, basements or paved areas.

1. Do I have problem areas (i.e. alkaline, saline, wet)?
2. Is the soil corrosive to metal or concrete?

Are scenic views obstructed by:

1. Buildings presently constructed?
2. Possible future construction?

Does the property have adequate and proper storm or snowmelt drainage, especially in higher precipitation years? What direction does the water drain, toward or away from the house? Is there a drainage tile system and is it in good condition? If not, what will it cost to repair?

Is the ground water table (level of underground water) deep enough for:

1. Basement construction? Will a sump pump be required?
2. Septic tank installation? Or will an above ground system be required and what is the cost?
3. Will additional foundation drainage be needed?

To what depth does the ground freeze during the winter? Are water, gas and sewer lines and well pump sufficiently deep to prevent freezing?

Is there sufficient unobstructed space for a solar house or solar panel installation or retrofit? Are there restrictions for solar system installation?

If rural residential property, is it located in any of the following hazard areas?

1. Air pollution?
  - a. Smoke from factories, sawmills, power plants, etc.
  - b. Dust from mining, timbering, gravel extraction, agricultural operations, etc.
  - c. Odors from manufacturing, timber, processing and agricultural operations (i.e. feed lots, sanitary landfills, sewage treatment facilities)
2. Noise pollution?
  - a. Industrial, agricultural operations, firearm target practice range
  - b. Auto, truck, airport, highway
3. Radioactivity?
  - a. Known underground radioactive ore sites
  - b. Mine tailings
4. Chemical waste dumps?
5. Light pollution?
  - a. Industrial site, airports, etc.

## **Zoning – Deed Restrictions**

In what zoning classification is the property located? Agricultural, rural, rural residential, etc.

1. What are the permitted uses in this classification?
2. Are other zones located near the property, such as industrial or commercial?
3. Have undesirable variances been permitted nearby?

What are the legal restrictions on:

1. Subdividing the property?
2. Adding additional structures or remodeling current structures?
3. Adding rental structures such as mobile homes?

What deed restrictions apply to the property?

1. Is the lot a legal building size or are there restrictions due to the size? (i.e. 35 acres)
2. Can you use the property for such things as a home business, renting rooms, raising or boarding livestock (including horses)?
3. Is there an architectural committee or Land Use/Planning Department which must approve remodeling, additions, house color, etc.?
4. Are there restrictions on parking boats, travel trailers, etc.?

## **Special Districts**

Within what special taxing/service districts is the property located and what does this mean?

1. Road improvement district
2. Water supply district
3. Sewer district
4. Fire district
5. Recreation district
6. Library district
7. Hospital district
8. Other

Is the property located in a rural subdivision? Is there a homeowner's association and is membership mandatory or optional? Inspect a copy of the constitution/bylaws/rules of the homeowners association.

1. What is the monthly/yearly fee?
2. What privileges does the membership offer the landowner?
3. What services are provided by the homeowners association (i.e. snow plowing, road grading, trash, etc.)?
4. What are the responsibilities of the resident as a member of the homeowners association?
5. What rules have been adopted by the homeowners association?

## **Vegetation**

What is the current health of the pastures and landscaping?

1. Is the pasture suitable for grazing or haying?
2. Is the property suitable for other agricultural operations?
3. Am I happy with the type of vegetation? Will it produce the forage or effect I want?
4. What is the carrying capacity of the land? (i.e. how many animals will the vegetation support?)
5. Is there a sacrifice area and am I willing to use it so that I don't overgraze the entire property?
6. Are streams/water areas fenced to prevent livestock/animals from entering?
7. Are there noxious/poisonous/nuisance weeds? If so, how many and what type?
8. What type of management methods am I willing to do?
9. Am I willing to use herbicides if necessary to manage weeds or am I willing to commit to the time it will take to manage them organically?
10. Will I need to get a Private Applicators License to manage weeds?
11. Do I have a weed management plan?
12. Are the native plants in the pasture compatible with my livestock plans? Are any of them poisonous to the livestock I have?

Am I willing to take the steps necessary to reduce forest fire danger? What are my insurance company's requirements?

## **Emergency/Safety/Security/Protection**

Who provides the emergency response (police/sheriff/fire/ambulance) for the property? Are there additional fire protection fees?

Are emergency communications systems available (i.e. reverse 911)? If so, what are they and how do I sign up for them?

What are the fire insurance rates for the property?

1. Will I need to do mitigation or alter other aspects of the property to obtain insurance or lower rates?
2. Is the house constructed of fire resistant materials? Do I need to replace any? (i.e. decking or roofing material)
3. Am I willing to perform maintenance (i.e. mowing, thinning trees, gutter cleanout) or do I have sufficient finances to hire someone to do the work?

Is there adequate water on the property for fire protection needs? Do I need an additional cistern and what will it cost?

How will I maintain access to the property during extreme conditions such as blizzard, fire, and flood?

Do I have an evacuation plan, food supplies, power generation and water supplies (both domestic and for firefighting) for an emergency situation? ( i.e. wildfire, blizzard, flood)

Do I have sufficient emergency equipment access (i.e. turn arounds, turn out space) specifically for fire trucks?

Do I have appropriate trailers/trucks, etc. to remove my animals in case of an evacuation?

Will my animals quickly load into a trailer in an emergency? Remember, they will sense your stress and may become more difficult to load.

Do I have a home and farm security plan? For example, gates, security system, motion activated lights to keep unwanted guests from entering the property.

Will I need to protect the home and other structures from wildfire by creating a wildfire defensible zone?

## **Utilities and Services**

### **Electrical service**

1. Does the property have electrical services? If not, how much will it cost to obtain services?
2. Is the electrical service reliable? Are there potential problems from wind, snow, ice, fire, etc.?
3. Can I cope with not having service for a time? Under certain weather conditions such as wildfires, blizzards, or floods, you may not have service for days to weeks.
4. Do I have a generator, and do I know how to use it? Do I have an adequate supply of fuel for it?

### **Water supply**

#### **Water tap**

1. Does the property have a water tap?
2. If not, how much will a tap cost?
3. Is there adequate water pressure?
4. Do I have a back-up plan if the water service is interrupted?

#### **Well**

1. Does the property have an operating, permitted well? What is it permitted for? Household or livestock use only?
2. If there is no well, are there legal restrictions that prevent drilling one and what will it cost?
3. Will I need a cistern to provide adequate supply and what will it cost and where will it be located?
4. Is the water of drinkable quality? Is it contaminated with minerals, acids, salts, radioactive substances, bacteria, etc.? Has it been tested and can I get the results?
5. Is the well located where human and animal wastes will not drain into it?

6. Do I have a back-up energy source for the well pump?

### **Irrigation water**

1. Do I have water rights, how much do I have (each ditch company's shares are for different amounts) and what does this all mean?
  - a. Who is the ditch company contact?
  - b. If I don't have any water, can I purchase any?
  - c. Can I get the water to the property?
2. If the property is to be used for crop production, are sufficient water rights included to meet irrigation needs?
3. Do I have the water right certificates or can I get them?
4. What is the priority of the water right?
5. Is there a ditch easement running through the property? Which ditch company manages the ditch?
6. What does the easement allow the ditch company to do?

### **Heating**

What methods of heating are available? Compare availability, reliability and cost.

1. Natural gas
2. Electricity
3. Liquid gas
4. Wood
5. Coal
6. Solar
7. Wind
8. Geothermal
9. Hydroelectric

### **Sewage disposal**

#### **Municipal sewage system**

1. Is the property connected to sewer line?
2. If not, can I connect and how much will it cost to connect?
3. What are the monthly charges?

#### **Septic system**

##### **No current system**

1. Is the subsoil permeable so that percolation can take place?
2. Is the subsurface drainage field sufficiently large for current and future needs?

##### **Existing system**

1. Where is the septic tank located and can it be cleaned easily?
2. Is the system in good condition? If not what will be the cost to repair/improve?
3. Is the size of the system adequate for current and future needs?
4. How old is the system?
5. Is the system permitted and do I need to change or get a new permit?
6. How long since the tank was pumped?

### **Telephone/Internet service**

1. Does the property have land line telephone or cellular service?
2. If not, how much will it cost to obtain service?
3. How many parties will be on the line? Some rural Colorado areas may have a party line.
4. Is telephone service reliable? Are there potential problems from wind, snow, ice, fire, etc.?
5. Is a reverse 911 notification service available and how do I sign up?

### **Trash disposal**

1. Do it yourself. How far is it to the nearest landfill?
2. Private refuse collection. What is the availability and cost?
3. Am I required to use a bear proof container?

### **Road Maintenance and Accessibility**

Who is responsible for road maintenance and snow removal?

Is the property on the school bus route or will I need to drive my children to the nearest bus stop?

Who pays for road damage during a natural disaster (i.e. flood)?

Will I need a 4-wheel drive vehicle for extreme weather?

Is mail delivery available to the property?

Emergency response time cannot be guaranteed. Under some extreme conditions, you may find that emergency response is slow and expensive.

### **Mineral rights**

Do I own the mineral and gas/oil rights? If not, who does and what are they allowed to do? (i.e. drill new well, access to property, close livestock gates, etc.)

Can I purchase the mineral/oil/gas rights and what will they cost?

Are there any mines or mining claims on the property? Are the mines safe? Do they need to be closed?

### **Miscellaneous**

Are there problems on the property concerning any of the following?

1. Animals/wildlife (i. e. prairie dogs)
2. Rodents
3. Insects

Obtaining answers to these questions should reduce the possibility of unpleasant surprises and make rural ownership a much more pleasant experience.

<sup>1</sup>Tom Davis, CSU Extension Assistant Professor, Recreation Resources (5/1/82), Originally published as Fact Sheet 6.300, Revised by Sharon Bokan, CSU Boulder County Extension (1/19)