

**T**he Terra Nova sub-division, located west of No. 1 Road and Westminster in Richmond, used to be inexpensive agriculture land before 1980. However, its real estate market value multiplied after the request, made in 1980, for re-zoning it for residential, park, and business purposes got approved in 1988.

Compared with the other types of re-zoning, it is a much longer and more complicated process to re-zone an agriculture land for residential and business uses. First, the owner of the property submits an application to the city government, posts signs in front of the land to declare the intended change of usage, and advertises it on newspapers and other media. Then, he/she will have to prepare all the required documents and get audited by the city government before his/her application can be forwarded to the Agriculture Department for review and approval.

Even though this process consumes a lot of time and effort from the city government, the government would still opt to do it because more land for residential housing is in demand as the city population grows.

Investors who expect a high return in their investment should not only familiarize themselves with this process to plan ahead, but also conduct market research to make a wise decision on their investment.

In my experience, even if re-zoning is not possible, agriculture land would still be a good investment option, considering its much lower price. In addition, it seldom causes a loss. In the Greater Vancouver, residential area can locate in the same zone as farming field. In recent years many investors prefer to purchase agriculture land in Richmond, Surrey, and Langley for the size of land they can get with the price they pay. Some of the agriculture lands in Richmond (east of No. 4 Road, for example) are only 3-5 minutes driving distance to downtown Richmond. With a million dollars, you can purchase a big piece of land, build a luxurious house with beautiful woods surrounding it, and enjoy a relaxing life away from the busy world. You can also design the house the way you want it to fit your special needs; swimming pool, tennis court, green house, animal barn, you name it. However, with the same amount of money you can only get a 2000-square-foot house on a 4000-square-foot lot in other areas of Richmond.

No matter you purchase a piece of agriculture land as an investment choice or to build your own residence, you should have a basic understanding on its geographical location, permitted uses, property tax, water, waste and sewage system. Information about the government's assessment on the land, its market value, and estimated return rate is important to know as well. Enough research on such issues allows you to make a well-informed decision.

It is also recommended that you keep in mind the available fund and manpower you have. List all the potential problems you might encounter along the process and think about potential solutions in advance. An experienced real estate agent will not only help you identify a property with a good return but also ensure a smooth transaction for you.

For the sellers out there, if you want to get a better resale value on your agriculture land, make sure to pick one that is wide and open, sits on a plane, and close to all the conveniences.

# AGRICULTURAL LAND POSSESSES GREAT POTENTIAL IN REAL ESTATE INVESTMENT



Realtor  
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