

# Realtors claim steady demand for raw land

WASHINGTON, D.C. — and governmental policies. Despite high costs, the uncertainty of profit prospects and regulations, there still is a general attitude of optimism about investment in raw land, says the National Association of Realtors.

The association's Department of Economics and Research reports in its annual Spring market survey that the demand for finished lots and acreage with utilities available is strong, and is expected to continue strong with land prices outstripping the rate of inflation.

Complex zoning ordinances, slow- or no-growth policies, and environmental regulations have not lessened the demand for land, the report indicates.

The survey is based upon responses from a panel of realtors across the nation who specialize in the sale of non-farm land.

Risks involved in investment in raw land for some time have led traditional lenders to be wary of financing these purchases. And, in today's tight mortgage credit market, lenders are even less willing to make land loans. Forty-five per cent of the respondents described land investment credit as "tight" and 14 per cent said it was not available.

In view of the reluctance of conventional sources for credit, the report says, financing by the seller is often the answer to land purchase funding.

Although the seller has to settle for a mortgage rather than cash, he can offer a greater flexibility in conditions of the transaction. A higher loan-to-value ratio may be presented, and lower interest rates and longer mortgage terms may be

negotiated than with an institutional lender.

Additionally, the realtor economists point out, the seller can minimize his tax liability by qualifying the transaction as an installment contract.

Despite mortgage credit obstacles to land sales, the demand for residential development land is strong, although it varies with location and zoning requirements, the report says. Eight-one per cent of the respondents reported a substantial or moderate increase in the demand for such land from a year ago.

An increase in demand for commercial sites was claimed by 70 per cent. Land destined for industrial development, recreational use or held for speculation showed a lesser increase in demand, with from 41 to 48 per cent of the areas surveyed indicating an increase.

The volume of land transactions this Spring in all categories was holding up well, the report notes, with nearly three-quarters of the respondents reporting that residential site sales were up either moderately or substantially.

Nearly two-thirds said the same for commercial sites, and more than 40 per cent indicated increases in land transfers for industrial, speculative and recreational sites. In none of the categories did more than 11 per cent report a decline in sales.

Price increases reflected a

similar pattern, the report says, with residential land prices up about 12 per cent, commercial sites up 9 per cent and the other categories showing about a 6 per cent increase.

## Bergland will visit Communist China

WASHINGTON, D.C. — Secretary of Agriculture Robert Bergland has accepted an invitation to visit Communist China in October, and said he would discuss export possibilities with Chinese leaders.

## Dauphin Co. pig roast held



Members of the Upper Dauphin County Beef and Pork Club held a pig roast last Sunday, cooking a 100 lb animal for the event. Don Sunday, here seen on the right, supervised the roast, getting some help from host Jim Fair on the left, and Merrill Crone, from the York Co. Extension Service. The pig was donated by the Sweigard's, of Halifax R3. Over 50 people attended the event.

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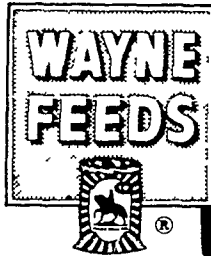
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**CONGRATULATE  
TOM GOOD**

Member of the Manheim Central FFA Chapter on having the Grand Champion Hog at the 16th Annual Lancaster County FFA Market Hog Show and Sale.



**CONGRATULATE  
KERRY BOYD**

Member of the Cloisters FFA Chapter, Ephrata, Pa. on having the Reserve Champion Hog at the 16th Annual Lancaster County FFA Market Hog Show And Sale.

