

Worksheet #1 - Buying a Rural Property

Why should you be concerned?

- Rural life involves active participation in monitoring the immediate environment for your well-being.
- Your property may fall within a hazard zone that is governed by particular regulations.
- Your new property may have a private well and a septic system. You will need to know where these are on the property and how to maintain them properly so as to avoid water contamination and expensive repairs for you

tip

Get to know your property *before* you make any changes. For more information, read the worksheet section *Getting to Know your Rural Property*.

What can you do?

1. Consider noise, odours and traffic from nearby properties and activities (such as farming and industry) and consider the challenges, maintenance, and legal restrictions that come with rural/hazard land ownership.
2. Altering a shoreline or watercourse has legal implications for the owner. If the property is along a shoreline or watercourse, have the current shoreline assessed by a representative from your local Conservation Authority and budget for improvements and maintenance.
3. If purchasing a ‘legal non-conforming’ property (containing buildings or structures which existed before the current municipal zoning by-law was passed), check to make sure you can obtain any necessary future permits, i.e., septic building.
4. Want an open view? Choose a property that already offers one instead of clearing existing trees and shrubs. Alternatively, contact a resource person to help design selective breaks in tree canopies.
5. Visit the property during and immediately following a major rainfall event. Note drainage patterns and any evidence of flooding.

Purchaser Checklist

Supplementary Questions for Seller Property Information Statement-Residential.

Adapted, in part, from: On The Living Edge: Your Handbook for Waterfront Living. © 2003. Sarah Kipp and Clive Callaway.

Anyone who is considering purchasing rural and/or hazard land property should ask the seller the following questions in addition to those in the *Ontario Real Estate Association's Seller Property Information Statement-Residential*. This list is only a guide and may not include all possible considerations.

Is the property serviced by a private well or is water obtained from a surface supply?*

If YES in either case:

- | | yes | no | not sure | N/A |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| • Do you have records of water quality tests? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Do you have well records? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Is the well properly sealed? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Is there an underground cistern? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Is there a seasonal variation in the well water level? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Has the well ever run dry? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Do you know the normal rate of flow? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Do you know what the draw down data for the well capacity is? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Is the property serviced by a septic system?

If YES:

- | | | | | |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
| • Is there a permit for the system? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Is the leaching bed over 30m (100 ft) from surface water or a well? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Has the tank been pumped in the last 3 years? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Does the tank adequately serve the dwelling(s) size? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Is there an effluent lift pump? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Is there a second leaching bed or space for it? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • If the property is serviced by a septic holding tank, are there any cracks or holes in the tank? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Is a community or municipal sewer system planned in the next 3 years? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Are there any unregistered easements or rights-of-way?

If YES:

- | | | | | |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
| • Does access to the property require any un-registered means such as historic use, handshake agreement, easement, etc.? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
|--|--------------------------|--------------------------|--------------------------|--------------------------|

- | | yes | no | not sure | N/A |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| • Does anyone else have unregistered access across the property? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Are there any adjoining road allowances for public water access, including any old shoreline road allowances? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Are there conservation easements on the property? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Erosion

- | | | | | |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
| • Are you aware of any erosion problems or instability? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Are you aware of any neighbours with erosion problems? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Are there erosion control structures or buffers on the property or nearby? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Are there any runoff control measures (culverts, water- bars) in place? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Are there any culverts/ creeks that drain onto the property? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Is the location of the 100 year erosion-limit known? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Does the property fall within a dynamic beach? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Access to Water

- | | | | | |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| • Is there access to water? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • If so, is it within a reasonable distance for your plans? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • If there is a dock, is it pulled out seasonally? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Water Levels

- | | | | | |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| • Is any of the property within the 100 year floodplain? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Is the basement, crawl space, or main floor 0.3 m (1 foot) or more above the floodplain and in compliance with regulations? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Is the 100-year flood elevation and wave reach known? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Purchaser Checklist

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Zoning	yes	no	not sure	N/A
• Are there any special zoning regulations, setbacks, or shoreline protection buffers?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Does all existing development on the property conform to local zoning by-laws?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Are all buildings/structures located fully on the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Have previous /current land-uses of the property and adjacent properties been disclosed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other				
• Is the existing plumbing system built for year-round use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Are there any registered or unregistered ancient burial sites or archaeological relics?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Are there any environmentally significant areas (ESAs), areas of natural and scientific interest (ANSIs), or provincially significant wetlands?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Are there species at risk on your property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Does the property have areas eligible under the Conservation Land Tax Incentive Program?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Is there a Managed Forest Tax Incentive Plan for the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Are there any easements on the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Are there any hydro or pipeline corridors on the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Purchasing Farm Land

	yes	no	not sure	N/A
• Do you know what kind of ditch/ drain system you have on your property and who is responsible for maintaining it?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Are there any municipal, mutual agreement, or private drains, and how do they affect the property and its maintenance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• If you have fields, are they tile drained? If yes, is the system still functioning? Where are the outlets?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• What crops are or have been growing in the fields? Will this interfere with your goals for the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Are there noxious or toxic weeds growing in the fields?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• What type of soil do you have? Is it fast or slow draining?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Are there soil sample results?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Springs and Other Water Source Areas

• Are there springs or other groundwater sources on the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Do you know their location and condition?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Is your property covered under provisions of the Clean Water Act? Contact your local Conservation Authority for this information.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

tip

Your municipality can tell if your property is eligible for the Conservation Land Tax Incentive Program or if it has a Managed Forest Tax Incentive Plan.

Renting Your Farmland

Why should you be concerned?

Leasing and renting farmland is a common practice in rural Ontario. The significant cost of land purchase makes renting an attractive alternative to ownership for farmers. If you're considering renting your farmland to a farmer or are approached by a farmer to rent your land, there are some important things to think about and resolve with the potential renter.

To be successful the lease arrangement must satisfy both the landlord and the tenant. Before entering into a lease the landlord and the tenant should consider more than just price. The compatibility of the landlord and the tenant and the fairness of the lease are important aspects. Some fundamental considerations:

- **Compatibility:** Can you get along and discuss differences?
- **Honesty:** Do you trust the person you're dealing with?
- **Clarity:** Do you both know the terms of the lease and are they in writing?
- **Equitable Terms:** Are you both happy with the terms?
- **Flexibility:** Can you adjust the lease if changes occur?
- **Suitability:** Does the lease fit the crop and encourage good agricultural practices?

Things to consider...

- Remember – it's your land and you are the steward. Ensure you are knowledgeable and comfortable with the renter's agricultural practices and methods. Has the farmer done an Environmental Farm Plan workshop? If applicable, does he have a manure management plan?
- Make sure your own needs are met (e.g., you want to maintain a trail to the woodlot) but recognize also the impact your requirements might have on the farmer.
- While verbal agreements are common for short term leases (and constitute a valid contract), a written agreement will present its advantages should disagreements arise. Leases longer than 3 years must be in writing to be a valid lease agreement.
- There are three types of cropland leases — cash rental, flexible cash rent and crop share leases. What makes each of these leases different is how the payment for the land is calculated. Cash rental is fixed. Flexible cash rental and crop share are based on a division of revenue from the crop in a pre-determined fashion. Each has its advantages and disadvantages.
- Tax implications may be advantageous or not depending on your situation. Make sure you are aware of these and guide your decisions accordingly
- It should be clear this list presents only preliminary information. The factsheet *Land Lease Arrangements*, available from the Ontario Ministry of Agriculture, Food, and Rural Affairs, provides excellent background. Talking with neighbours and consulting a resource person is also important.

Long Term Conservation:

What about the future... ?

Most landowners feel a pride and love of their land. That is why the majority of them want to be good stewards. Acquiring this guide and working through it shows you want to do the things that will enhance the environmental quality of your land and the impact on the broader landscape and environment. What about when your stewardship ends? What will become of the property and all your work when you are gone? These are questions more and more landowners are asking themselves.

Options are available to ensure the conservation of your land by future owners and into perpetuity. Essentially, these can be broken down into options within either: transferring ownership to a conservation organization, or; retaining ownership and establishing legally binding conditions on use of the land by any future owners. Further information is outlined opposite.

The disposition of land for long term conservation requires careful consideration of the legal and financial aspects unique to each property and type of transaction. If you are interested in exploring these options a helpful place to start is with **Ontario Land Trust Alliance**. This organization can give you more details about conservation options and also direct you to the local organizations who can work with you directly.

A landowner who wants to transfer land ownership can:

- grant a right of first refusal or option to purchase
- donate all or part of the land
- donate the land, but reserve the right to live on and/or use it
- sell land at a discount and get a tax receipt for the difference
- enter into a conservation agreement before the transfer
- grant a conservation agreement through a will
- transfer the land subject to trust conditions
- put conservation terms into a mortgage
- sell to a “conservation buyer” who will steward the property
- carry out a land exchange
- consider co-ownership options
- combine several options together

A landowner who wants to retain land ownership can:

- apply for property tax and other incentives
- put conservation terms in a management agreement or lease
- enter into a formal long-term conservation agreement that binds all future owners
- inform conservation organizations of future plans

Adapted from *A Landowner's Conservation Options*
Kawartha Heritage Conservancy

Resources List

Buying a Rural Property

For more information...

Conservation Authorities

Watercourse and floodplain regulations as well as wetland and Environmentally Sensitive Area details

Centre for Sustainable Watersheds Book

On the Living Edge: Your Handbook for Waterfront Living

LandOwner Resource Centre

Factsheet

A Business Approach to Owning Rural Property

Municipalities

Consult the Blue Pages in your phone book
Landuse zoning, Environmentally Sensitive Areas, municipal drains

Ontario Land Trust Alliance

information on long term land conservation

Contact information starts on page 208

Ontario Ministry of Agriculture, Food and Rural Affairs

Factsheets/Leaflets:

Land Lease Arrangements (order no. 01-065)
(provides detailed information about renting your farmland to a farmer)

So, What's a Municipal Drain? (order no. 01-059)

Ontario Ministry of Natural Resources

Managed Forest Tax Incentive Program

<http://ontariosforests.mnr.gov.on.ca/spectrasites/internet/ontarioforests/mftip.cfm>

Conservation Land Tax Incentive Program

www.mnr.gov.on.ca/MNR/cltip/index.html