

A FREE GUIDE FROM ANTONIO RUBIO · TU CASA

The Complete Guide to Land, Acreage & Building

Water, septic, zoning, access — and how to finance a home you build yourself.



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BEFORE YOU START READING

A Note From Antonio

A house comes with answers. Land comes with questions. When you walk into a home you can see the kitchen, run the faucet, and flip the lights on. When you walk onto a parcel, almost everything that determines its value is invisible from where you're standing.

This guide is for buyers looking at raw land, acreage, or rural property, and for anyone planning to build. It covers the six things that have to be verified before you buy, how land and construction financing actually work, and what each stage of a build really involves. Land can be a wonderful purchase — it's also the one where careful homework matters most, because the problems don't announce themselves. Let's go find them before you own them.

— Antonio Rubio, CalDRE #01472558

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1. Why Land Is a Different Transaction

Two parcels can sit side by side, look identical from the road, and be worth wildly different amounts. One has a permitted well producing good water, a recorded easement guaranteeing access, and soil that will pass a septic test. The other has none of those, and no amount of walking the property will tell you which is which.

That's the whole nature of a land purchase. With a house, an inspection tells you the condition of something you can see. With land, the questions are about water, legal buildability, and access — and the answers live in county records, permit files, and test results, not in the view.

This is not a reason to avoid land. Land is how a lot of families in this region get exactly the property they want, with room and privacy a subdivision can't offer. It's a reason to do the checklist in the next chapter, in full, before your contingency period expires. The value of due diligence on land isn't in seeing the parcel — it's in the answers you collect before you own it.

The one rule that matters most

- Never assume. Every item in the next chapter must be verified with the county, a licensed professional, or a recorded document — not with the seller's recollection or a neighbor's description.
- “It's always been that way” is not legal access. “There's a well” is not a permitted, producing well. “You can build there” is not a zoning determination.
- Verification costs a few hundred dollars and some phone calls. Being wrong costs you the parcel's entire value.

2. The Six-Point Land Due-Diligence Checklist

Work through all six before your contingency period ends. Any one of them can change what a parcel is worth — or whether it's worth buying at all.

Water	Is there a permitted well? How deep, what is its production rate in gallons per minute, and what does a water quality test show? If there's no well, what do neighboring wells cost to drill and what depth do they hit water at? Water is usually the single largest variable in rural land value.
Septic	Is there a permitted, functioning septic system — or if not, will the soil pass a percolation test? A parcel that cannot pass a perc test may not be buildable at all, regardless of what zoning allows.
Zoning & Use	Is it zoned agricultural or residential? What is the minimum parcel size, and is a second dwelling permitted? Check for a conservation contract such as a Williamson Act agreement, which trades reduced property taxes for restrictions on development and can take years to unwind.
Legal Access	Is there a recorded easement giving you the legal right to reach the parcel — not merely a road people have always used? Also confirm who is obligated to maintain a shared road, and how those costs are divided.
Soil & Plantings	What is the soil class, and is the parcel in an irrigation district? Are there water rights attached? If there's an existing orchard or crop, understand what it produces, what it costs to maintain, and how it limits what else you could do with the land.
Hazard & Flood	What is the parcel's flood zone status? This directly affects insurance cost and availability, and can affect financing. Also ask about fire hazard severity zone, which increasingly affects insurance in California.

Your agent, the county planning and environmental health departments, a title company, and where warranted a surveyor or civil engineer are the people who answer these. Get answers in writing wherever you can.

3. Financing Raw Land & New Construction

The financing that makes buying a house straightforward mostly doesn't apply to bare land. Lenders view raw land as riskier collateral — it produces no income, it's harder to sell quickly, and there's no structure to foreclose on. That shows up in the terms.

Land Loans

Expect a larger down payment and a shorter term than a home mortgage, with rates above what a comparable house would carry. Terms vary widely between lenders, and local banks and credit unions that know the area often do better on land than large national lenders.

USDA Rural Financing

USDA financing can be an excellent option for rural property, but it's generally aimed at parcels that already have a qualifying home on them, not at bare land you intend to build on later. If a rural property already has a house, it's worth asking about.

Agricultural Loans

If the parcel is a working agricultural property — an orchard, row crops, pasture — agricultural lenders are a separate path with their own underwriting, and they'll evaluate the operation as much as the land.

Construction-to-Permanent Loans

This is the most common way to finance a build, and it's worth understanding clearly. A short-term construction loan funds the build in staged payments called draws, released as milestones are completed and inspected. When the home is finished, the loan automatically converts into a standard long-term mortgage. The advantage is one closing and one set of costs, instead of financing construction and then separately refinancing into a mortgage.

The alternative, a construction-only loan, funds the build and then must be paid off — normally by refinancing into a mortgage as a second transaction, with a second closing and second set of costs. It's occasionally the right choice, but for most buyers construction-to-permanent is simpler and cheaper.

A rule of thumb worth remembering

- Budget no more than about 20% of your total project cost for the land itself. Land at half your budget usually means a house you can't afford to finish on it.
- Construction lenders underwrite the builder and the plans, not just you. A builder with weak references or thin experience can sink an otherwise strong application.
- Draws are released after inspection, which means you and your builder need working capital between milestones. Ask exactly how the draw schedule works before you sign.

From Raw Land to Move-In

1	Confirm Buildability Zoning, legal access, septic feasibility and water — verified with the county before anything else.
2	Set a Full Budget Land, construction, permits, design, utilities and landscaping — not just the builder's construction bid.
3	Choose Your Financing Construction-to-permanent or construction-only, and understand how the draw schedule affects your cash flow.
4	Choose a Builder or Architect Genuine custom-home experience, checkable references, and a written contract with a real scope.
5	Finalize Design & Permits Grading, zoning, electrical and plumbing permits pulled and approved before any ground is broken.
6	Prepare the Site Soil stability, grading, utility routing, well work and access built to carry construction traffic.
7	Break Ground & Manage Draws The lender's inspector verifies progress before funds release, alongside separate code-compliance inspections.
8	Final Walkthrough & Move In Punch list completed, occupancy approved, the loan converts to a mortgage, and the house is yours.

4. Building a House — What Each Stage Involves

1. Confirm Buildability

Before design, before budget, before anything: sit down with the county. Confirm the zoning allows what you intend to build, that legal access exists, that septic is feasible on this soil, and that water is available or drillable. A parcel that fails any one of these isn't a discount — it's a different product entirely, and sometimes an unbuildable one.

2. Set a Full Budget

The builder's construction bid is one line in a larger budget. Add the land, permits and impact fees, design and engineering, the well and septic, utility runs to the house, driveway and grading, and landscaping. Then add a contingency, because custom builds discover things. Budgets that only counted the construction bid are the most common way a build goes wrong financially.

3. Choose Your Financing

Decide between construction-to-permanent and construction-only, and read the draw schedule carefully. Draws are reimbursements after work is completed and inspected, which means there's a gap between spending and funding. Understanding that rhythm before you start prevents the most common cash-flow surprise of a build.

4. Choose a Builder or Architect

Look for genuine custom-home experience, not just volume production work — they're different disciplines. Check references you contact yourself, visit completed homes if you can, verify their licence, bond and insurance yourself at cslb.ca.gov, and read the contract's scope, allowances, and change-order process before signing. Your lender will evaluate this builder too, so a strong choice helps your financing as well as your house.

5. Finalize Design & Permits

Plans get finalized and submitted, and grading, zoning, electrical, and plumbing permits are pulled and approved before ground is broken. This stage takes longer than most people expect, and it is not a stage to rush or work around — building without a required permit can mean tearing out finished work.

6. Prepare the Site

Site prep covers soil stability and grading, routing power, water, and any gas or communications to the building site, drilling or connecting the well, installing the septic system, and building an access road that can carry heavy construction traffic in the weather your site actually gets. On rural parcels this stage regularly costs more than buyers plan for.

7. Break Ground & Manage Draws

Construction proceeds through milestones — foundation, framing, roof, mechanical systems, finishes. At each one the lender's inspector verifies the work before funds are released, which is a genuine protection for you: it means someone independent of the builder is confirming progress. Separately, the county performs code-compliance inspections at required stages. The two are different, and you need both.

8. Final Walkthrough & Move In

You walk the finished home and build a punch list of anything incomplete or incorrect, and the builder resolves it. The county issues occupancy approval, the construction loan converts to your permanent mortgage, and you move into a house that exists because you decided it should. Few things in real estate are as satisfying.

5. California Rules That Decide What You Can Build

A parcel's price tells you almost nothing about what you are allowed to do with it. In California several statewide rules decide that for you, and each belongs in your due diligence and your budget.

Groundwater — the well question has changed

California's Sustainable Groundwater Management Act put local groundwater agencies in charge of bringing basins into balance, and permitting a new well is no longer the routine paperwork it once was. Before you buy land whose value depends on drilling, confirm with the county environmental health department and the local groundwater sustainability agency what is currently permitted on that parcel, what a well will cost, and how deep it must go.

Septic

California regulates onsite wastewater systems statewide, administered through the county. Where soil will not pass a percolation test, an engineered alternative may still be possible at several times the cost. Get the perc test done inside your contingency period.

What a new California home is required to include

- **Solar** — California's energy code requires a solar photovoltaic system on new single-family homes. It is a real line in your construction budget, not an upgrade you can decline.
- **Title 24 energy standards** — Insulation, windows, ventilation, water heating and efficiency requirements stricter than most of the country, shaping both the design and the cost.
- **Fire hardening and defensible space** — In a designated high or very high fire hazard severity zone, construction material and defensible space requirements apply — and increasingly decide whether an insurer will write a policy at all. Confirm the parcel's zone designation before you design.

Accessory dwelling units

California has spent several years making it substantially easier to add a second dwelling. If a guest house, a unit for a parent, or future rental income is part of why you want acreage, ask the county what an accessory dwelling unit on that parcel would require. State law removed many of the old obstacles, but local standards, setbacks and utility connections still vary.

Verify your builder's license yourself

California licenses contractors through the Contractors State License Board, and any builder's licence status, bond and workers' compensation coverage are public at cslb.ca.gov. Check it yourself, and confirm the classification covers the work you are hiring for.

Two budget lines rural buyers routinely forget

- Building triggers a supplemental property tax assessment. When the house is finished the county assesses the new construction and bills you separately, once, on top of your regular tax — after you have moved in and spent your budget.
- A Williamson Act contract lowers property tax in exchange for keeping land in agriculture, and it does not end when you buy. Cancelling one is slow and expensive — confirm whether one is recorded before you plan a house.

Summary of California rules as of 2026. Codes and local ordinances change and vary by county. Confirm with the county and licensed professionals before relying on this.

6. Land & Building FAQ

Can I get a normal mortgage on raw land?

Usually not. A standard mortgage is written against a home. Bare land is financed with a land loan, which typically means a larger down payment, a shorter term, and a higher rate. Local banks and credit unions familiar with the area are often the better place to start.

What should I check about a well?

Whether it's permitted, how deep it is, its production rate in gallons per minute, and what a current water quality test shows. A low-producing well can make a parcel impractical for a family home even though water technically exists. If there's no well, find out what neighbors paid to drill and at what depth they found water.

Can I build on any parcel I buy?

No, and this is the assumption that causes the most expensive mistakes in land buying. Buildability depends on zoning, septic feasibility, water availability, and legal access — all four. Always verify with the county before your contingency period ends, and never rely on what a seller believes to be true.

What is a perc test and why does it matter?

A percolation test measures how quickly soil absorbs water, which determines whether a conventional septic system can be installed. If the soil fails, you may need an expensive engineered alternative system, or the parcel may not support a home at all. On land without sewer service, this single test can decide the purchase.

What is a Williamson Act contract?

A California program where an owner agrees to keep land in agricultural use in exchange for reduced property taxes. The contract runs with the land, so it becomes yours, and cancelling it is a slow and costly process measured in years. If a parcel is under one, understand exactly what it restricts before you buy.

Do land sellers need an agent too?

Yes, arguably more than a house seller does. Land buyers are a smaller and more specific pool, and reaching them takes different marketing than a residential listing. A land seller also benefits from having the due-diligence answers assembled in advance — a parcel with documented water, septic feasibility, and recorded access sells faster and for more than an identical one where every buyer has to investigate from scratch.

Is a construction loan hard to qualify for?

It's more involved than a standard mortgage. The lender underwrites you, your builder, and your plans as a package, and wants to see that the finished home's value supports the loan. Complete plans, a detailed budget, and an experienced licensed builder make the process substantially smoother.

How long does it take to build a custom home?

Design and permitting commonly take several months before construction begins, and construction itself often runs close to a year, depending on size, complexity, weather, and inspection scheduling. Anyone promising dramatically faster than that on a custom build is worth a second look.

What does legal access actually mean?

A recorded, legal right to reach your parcel from a public road — typically a recorded easement across neighboring property. A dirt road everyone has used for decades is not the same thing. Land without recorded legal access can be effectively unusable and very difficult to finance or resell.

Should I buy land now and build later?

It's a common plan and it can work well, but budget for holding costs: property taxes, loan payments if financed, insurance, and basic maintenance like weed abatement. Also confirm that today's zoning permits what you intend to build eventually, and understand that rules can change while you wait.

VERIFIED RESOURCES

Check All of This Yourself

Every program named in this guide is real, currently operating, and run by the agency listed below. These links go to the official source — not to me, and not to a sign-up form. Verified September 2026.

Williamson Act — Dept. of Conservation www.conservation.ca.gov/dlrp/lca

Groundwater & well rules (SGMA, Dept. of Water Resources) water.ca.gov — [SGMA groundwater management](#)

Check a contractor's licence (CSLB) www.cslb.ca.gov/consumers/

Yuba County (planning, environmental health) www.yuba.org/

Sutter County (development services) www.sutter.gov/

USDA property eligibility map eligibility.sc.egov.usda.gov/

Programs, funding and rules change, sometimes mid-year. If a page below has moved or a program has closed, that is the moment to call rather than assume — and it is exactly the kind of thing I keep track of for the people I work with.

ABOUT YOUR GUIDE

Antonio & Ana Rubio

Since 2005 I've helped families across Yuba City, Marysville, and the greater Yuba-Sutter region buy and sell real estate, in both English and Spanish. I work alongside my daughter Ana, a licensed agent since 2016, as a father-daughter team. Our promise is simple: we treat your move with the same care we'd want for our own family.

Find Antonio — Everywhere He Works

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HOW THIS SERIES WORKS

The Five-Guide Library

Each guide stands on its own, but they are built to be read together — most people move through more than one stage of property ownership in their life. Here is the whole library, and where the guide in your hands sits in it.

The Antonio Rubio Guide Library	
1	The First-Time Home Buyer Guide Loans, down payments, inspections, and negotiating your first offer.
2	Second Home & Investment Property Guide How rentals are financed and how to run the numbers before you buy.
3	Selling Your Home Guide Pricing with evidence, preparing, marketing, and negotiating the whole offer.
4	Land, Acreage & Building Guide Water, septic, zoning, access — and financing a home you build yourself. YOU ARE READING THIS ONE
5	Commercial Guide — Apartments & Business Multifamily metrics, commercial lending, and buying an existing business.

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Land Is Where Families Plant Something

There is a particular satisfaction in standing on ground that's yours, in a house that exists because you decided it should, on a piece of the valley you chose on purpose.

The questions in this guide aren't obstacles between you and that. They're the work that makes it real — and every one of them has an answer you can go get.

Ask them early, verify them properly, and land becomes what it should be: the most permanent thing a family can own.

Educational content only. Zoning, permitting, septic and well requirements, conservation contracts, flood and fire hazard designations, and loan terms vary by county, by parcel, and over time. Nothing in this guide is a determination of buildability, a commitment to lend, or legal, engineering, or financial advice. Verify every item with the appropriate county department and your own licensed professionals before purchasing or building. © 2026 Antonio Rubio · CalDRE #01472558 · Better Homes Realty. Equal Housing Opportunity.