

Subdivide or Split your Property

In real estate terms, subdividing is where a larger parcel of land is divided, and a separate legal title is established for each of the new smaller sections. Successfully subdividing land into residential real estate lots can have many benefits, including providing the landowner with increased profits and flexibility. Subdivisions are the act of dividing land into pieces that are easier to sell or otherwise develop, usually via a plat. The former single piece as a whole is then known as a subdivision.

This is typically done by hiring a surveyor to map out the boundaries of the new parcels. The surveyor will also provide a legal description of the parcels and other relevant information. The surveyor will also provide the paperwork required to complete the process, such as a deed, title, and other legal documents.

Division is breaking something down into parts, splitting it up.

Under the right circumstances, a subdivision can offer a range of benefits.

1. Potentially Higher Profits
2. It Could Be a Quick Way to Expand Your Property Portfolio
3. Investors Can Boost Cash Flow with Subdivisions

The Cons of Subdivisions

Even though it can be beneficial, a subdivision isn't suitable for every situation. It comes with a set of challenges that might not be worth your time and money.

1. You May Face Unexpected Costs
2. You May Need to Extend Project Lead Times
3. Subdividing Can Reduce the Value of Large Properties

Consider Your Options

As you can see, subdivisions can be an effective strategy for some developers. But this doesn't make it the best strategy for everyone, and certainly not every time. Depending on your project's specs, another strategy might turn out better.

But how do you know if a subdivision suits your project?

Elliott Land Surveys in New Mexico has a great deal of experience throughout the State in dividing property.