



WILSON CRIBBS + GOREN  
REAL ESTATE LAW

## Land Use for The Lender: Due Diligence and Problem Solving

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### Entitlements

#### Public

- Platting
- Zoning
- Traffic/Parking
- Signage
- Landscape/Trees
- Setbacks
- Grandfathering/Vested rights
- Development Agmts.

#### Private

- Restrictive Covenants
- Easements
- Condo
- Master Planned Communities



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## Assumption

Collateral may be used for desired

- Use
- Structure
- Density



## Importance of Entitlements



"They strung me along... and strung me along... and strung me along. Why didn't they just tell me NO in the first place?"

## Due Diligence Focus



- 1) Status quo
- 2) Confirm assumed use, structures, density
- 3) Problems
- 4) Solutions



**Full Entitlement Now**

Otherwise – “**ENTITLEMENT RISK**”

## Due Diligence Tips/Warnings



### **Platting-**

- Muni. Certification
- No Title Ins.

### **Zoning-**

- Zoning Letters Unreliable
- No Title Ins.
- Check Comp. Plan

### **Dev. Agmt.-**

- Estoppel Letters Unreliable

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## Title search: Land Use Law in the Loan Process: Due Diligence and Problem Solving

Also available as part of the eCourse

[Answer Bar: The Ins and Outs of Commercial Real Estate Loans and Title Insurance](#)

First appeared as part of the conference materials for the  
51<sup>st</sup> Annual William W. Gibson, Jr. Mortgage Lending Institute session  
"Land Use Law in the Loan Process: Issue Spotting and Resolution"