

## How much will the ABC Pay for Land?



*Collect rents on land that was bought with funny money  
- Why didn't I think of that?*

Land has no objective value, a different subjective value to every prospective homeowner, and a different business value to every different enterprise.

The [ABC](#) has no way of knowing what the land is worth to a person or business who sells their land into the [commons trust](#). The total property value is usually known, but land's percentage of that value, and the percentage of value due to structures and improvements, vary considerably.

The [nationwide average value of land on a homeowner's property is 33%](#), but variance in the data shows that properties range from negative land values to values well over 90%. It can vary widely from house to house, based on the condition of the house and relative size of the yard. When a building is in pristine condition, most of the property value is in the structure. If the building is ready to be demolished, all of the property value is in the land.

There are several reasons why the ABC pays full property value, including:

1. The difficulty and variance of measuring land value.
2. Eliminate potential liability from a [trebled property owner](#) who claims they did not understand the terms of the lease.
3. It makes the prospect of selling one's land into the commons trust extremely attractive.

**The ABC will pay the full market value of the property, even though the homeowner or landlord retains free and clear ownership of all structures. That includes all income streams or proceeds from a sale!**

The [average rent can be calculated as a percentage of purchase price](#), based on [land share](#). The average rent at 40% land share is just under 2.5% purchase price, which is more than sufficient to pay ABC and VIP operations. Counties receiving 30% of that will do well from the start if their property tax rate is below 0.75%.

Land shares above 40% are favored, early on, to keep the average rent at 2% once rent falls to its appropriate value. Once set, the starting rent [falls by 67% annually](#), unless raised or frozen by the property owner. Lower land-share property owners who plan to be owner-occupants will likely be placed on a waiting list.

All rents begin at 5% of purchase price for owner occupants. However, rents on [“for sale” properties](#) where the owner abandons the property after closing can start at 50% of purchase price or higher at auction.

Property owners can receive their payment in either U.S. dollars or VIP\$. There is no advantage in accepting [VIP\\$](#) for the purchase when exchange rates are stable. If one seeks VIP\$, they can be [purchased at market](#) for a 1% discount.

The choice to be paid in VIP\$ occurs when the value of the VIP\$ at market exceeds 100% of the peg. This will happen from time to time during [Phase I](#) when the ABC is unable to purchase land into the commons trust fast enough. This is true whether the reasons are political or logistical. Revaluation of the [peg](#) is not allowed in [Phase I](#). In [Phase II](#), only VIP\$ are paid for land.

After [federation](#), the [Federation Commons Trust](#) will continue to pay full property value to purchase land into the commons. However, a [land tax](#) on privately held land, based on neighboring rents, and a [no-treble premium](#), will reduce the purchase price to less than the structure value alone. It is unlikely any privately held land will remain a century after [Worldwide Federation](#).

The private owners of land following federation are the unlucky chumps at the bottom of a pyramid scheme. Homeowners have lost all their land value, and speculators on vacant land have lost everything.

They would do best to sell their property into the commons trust just before the [hyperdeflation event horizon](#). Those who hold out at the horizon will find themselves with a worthless albatross of [debt-based capitalism](#). Hopefully, they at least get sentimental value from owning the land.

**[A bit of Ponzi, with the first reaping the greatest rewards and the last getting the scraps, but a small price to pay for a new epoch in humanity!](#)**