How to Get Your Very Own Homestead on the Cheap
Believe it or not, what I’ve just described to you is more possible than you might think… And we’ve got the key tips you’ll need to know to secure a homestead of your own.

But first, let’s hear what our resident Hero of Homesteads – Bill Bonner – has to say on the subject… direct from his hideaway in Gualfin (End of the Road), Argentina.

Imagine sitting on your front porch on a warm July evening…
The sun is setting… The air is still, save for the occasional firefly…
Your wife comes out with fresh strawberries picked from your very own garden.
You feel a breeze across your cheek. In the distance your fruit trees gently sway…
You moved out here just a year ago… far from the traffic and the noise… from the stress and anxiety…
This is your place… Where bad ideas can’t touch you…
where the anger and chaos can’t reach you… You take a deep breath –
there’s a hint of honeysuckle in the air – and know you’re home.

Bonner & Partners (B&P): Now we’re currently conducting this interview via computer because you’re out at your ranch in South America… tell us a little about how you found it and why you’re out there…

Bill Bonner (BB): It was mostly an accident. In the back of my mind, of course, was the idea that it would be fun to own a ranch in South America. And we were com-
ing in at a time when land prices seemed particularly low. What would cost you $1 million in the American Southwest was only about $100,000 in northwest Argentina. I thought I couldn’t go too far wrong.

My daughter says I discovered “my inner cowboy.” Maybe, but I think something else... something very particular about this place must have rung some hidden bell.

Here we have to learn to speak Spanish. We have to study how the local people think and why they do things the way they do. It’s a challenge. But a very satisfying one.

We are operating a ranch – and a vineyard – far from the nearest public utility. So we generate our own power. We have to import our own supplies. We carry two spare tires in the back of the truck, because it is not unusual to have two flats on a single trip. To make matters worse, during the rainy season, the river floods and we can’t go anywhere.

All of these challenges keep the project interesting and engaging. But I haven’t told you about what really makes it worthwhile. For thousands of years, people lived in this valley and learned how to farm with little rainfall. We see traces of them all around us – in the terraced hillsides, for example. Their descendants still live here. And they still know how to move water through canals to irrigate their fields. So, despite it being a desert, you see green pastures, gardens, and orchards... all with towering mountains in the distance... like a Shangri-La in the Andes.

One of them, at the end of the valley, is snow-covered all year round. Hardly a day – or night – goes by that the scenery doesn’t take my breath away.

B&P: You seem to enjoy acquiring properties somewhat “off the beaten path.” Is that just a happy accident or are you actively seeking these places out?

BB: Properties are like other investments. You can’t make any money buying things whose value is already fully appreciated. Those places tend to be “on the beaten path,” you could say. But the path changes over time. What you want to be on is the path that will be beaten in the future, not the one that was beaten in the past...

I like to tell the story of a building we own in Baltimore in the 1920s, it was in the most prestigious section of the richest city in America. What could go wrong?

In the event, everything went wrong – the decline of heavy industry, high taxes, suburbs, urban riots, welfare, and predatory, incompetent city politicians. In 1929, that house was worth around $3 million, in terms of 2017 dollars. Sixty-six years later – two full generations – I was able to buy it for $600,000.

And then, it was no longer considered a wise acquisition. It seemed a little reckless. Because everybody knew the city was no place to try to do business. Everybody knew the taxes were high and the workforce was illiterate. Everybody knew Baltimore was doomed. The beaten path had moved elsewhere.

And maybe they were right. Still, we haven’t regretted our decision to house our business in Baltimore’s inner city. And now we have a "campus" with seven historic buildings.

We used similar logic when we bought a large stretch of coastline in Nicaragua. There, too, Nicaragua was still recovering from communist rule. It was the poorest country in Latin America – next to Haiti – and thought to be a basket case.

But we had never seen prettier beaches. And we had never seen lower prices. In the 1990s, we bought beachfront land there for scarcely $1,000 an acre. Later, we regretted only that we had not bought more.

B&P: One example that’s particularly interesting is that in the early days of Agora, you ran the business out of a building you bought from the city of Baltimore for $1... How did that happen?

BB: There’s a really good example of “off the beaten path.” Baltimore was so down-and-out in the ’80s that the mayor decided to sell property for $1, if you’d agree to put your business there. Washington was expensive (at least comparatively). So we moved up to Baltimore.

I liked the idea so much, I bought two of these $1 buildings and fixed them up. But it was a rough neighborhood. One day, I decided to take my whole staff – about eight people back then – to a nearby restaurant. But getting there involved walking through “the projects” (public housing that was considered quite dangerous). We had barely begun our walk when a Baltimore city police car pulled up beside us.

“What the hell are you people doing?” yelled the officer.

“We’re just going down to the restaurant on the next block.”

“Well, you ought to have better sense. If anything happens to you people, we’re going to call it a suicide.”
Ten years later, we moved to a better neighborhood and sold the buildings.

It was this same period that I bought a family house in Baltimore for $27,000, with owner financing. Beautiful house. Bad neighborhood.

**B&P:** You were involved in the Earthship movement when it began in New Mexico. What was it that appealed to you about these types of houses?

**BB:** Well, I wasn’t much involved. A friend of mine helped develop the Earthship. I was inspired.

The idea of the Earthship was to build houses that would not sit on top of the land but be a part of it. They used passive solar heating. And they generally avoided the use of siding, soffits, roofing, and all the other parts of a house that are foreign to the landscape, lose energy, and can be expensive to maintain. Ideally, almost the only thing exposed to the elements is double-paned glass. Almost everything else is covered with earth.

You get a sense of satisfaction when you take a shower, knowing that the hot water cost you nothing. Or when you are standing in your house on a snowy day, dressed in a T-shirt – without spending any money on heat. I know that if the power grid goes down in the wintertime, most people will be in great discomfort. But in my Earthship I will be safe and warm. It was more the sensation of coziness, comfort, and protection that motivated me… and still does.

Yes, I am a “doom and gloomer.” I like to be prepared for calamity, not because I see it around the corner; I don’t know what is coming any more than anyone else. But when I see how our modern society is organized, and by whom, it amazes me that it hasn’t fallen apart already.

A social, technological, or financial collapse is very much like the danger of a stock market collapse. It doesn’t happen very often. So, in any given period, it is unlikely to happen at all. But if it does happen, it can be calamitous.

I was probably marked for life by the experience of my grandfather. He went broke in the Great Depression. He lost everything. He had to borrow from his brother just to keep his family fed. When I knew him, many years later, he was cheerful and even-tempered. So maybe the experience had more of an effect on me that it did on him. But it must have been devastating.

**B&P:** Since then, you’ve built a couple of Earthships... But in two very different types of climates... Tell us about that...

**BB:** I have built two houses on loose Earthship principles. One in Maryland. The other in Argentina. In the first, I was experimenting with my own design and my own construction techniques. I can honestly say that no one ever built a house like my “helmet house” in Maryland... and no one ever will again.

It is built of ferro-cement, sprayed on a woven basket of rebar and shaped like a football helmet and buried in the ground, with only the glass visor visible. When it was completed, my wife refused to live in it. She claimed it attracted snakes.

Then, we used it as a schoolhouse for our children. In one exercise, the kids were meant to write letters to American soldiers in Kosovo. My son Jules, who was writing from the helmet house, began his letter...

“You think you have it bad…”

Still, the house was a pleasure to me. I still use it as a guesthouse and a workshop. Over the 25 years I have had it, it has used not a single dollar’s worth of fuel for heating. As for maintenance, it has had almost none. Most of it is underground. The part that is not covered by earth, grass, and vines needs little attention. And, contrary to what you might think, it is not a dark place. The visor wall is a soaring glass wall 18 feet high.

The house in Argentina was built 20 years later. It attempted to correct the mistakes of the first one while bringing a whole new dimension to the Earthship concept. The idea was to combine solar/underground design with arches, vaulted ceilings, and a cupola. The ceiling was meant to be similar to a Gallo-Roman church of the 10th century, built by me and my sons along with some local gauchos, using techniques from the Roman era. We had a book that showed how it was done.

This would leave us with a practical building, requiring no heat or energy, but one that was architecturally fascinating, classically complex, and beautiful.

The other advantage was that it was almost free. We used stones and adobe mud – both available in abundance. We put flagstones on the floor; granite stones on the walls; and adobe, mud, and bricks on the ceiling. Almost no wood – except for doors and windows – was used.

The result is satisfactory. At almost no cost, we
have a very comfortable, and very interesting, little house. Since it was a study in minimalism, we also rigged up a system of hot and cold running water, using only one 12-volt auto battery and a small pump. The water is heated in something I call a “Bonner Box.” It is a thin, stainless-steel tank painted black. The water goes in one end cold and comes out the other hot. No moving parts. No energy, other than the sun.

We also use the battery (which is charged with a small solar panel) to power a couple of lights for reading at night and a charger for our laptop computers. We cook over an open fire, located in a fireplace in the center of the house.

What more could you want?

B&P: You do quite a lot of building... What's the appeal?

BB: I've always enjoyed building things. But I'm better at concept than execution. I can be a little reckless and sloppy. If you're like me, you should team up with a meticulous perfectionist. If the two of you can stand each other you'll probably produce some good things.

I think I like building because it is so different from my work in the financial world. In finance, investments, and economics you should never forget the Hollywood expression: "Nobody knows anything." Because it's all abstraction. It's all based on guesswork... and a fair amount of self-deception. Nothing is solid. Nothing is reliable. Nothing is sure or certain. Everything "depends." And it always depends on so many things that you can rarely trust any conclusion, no matter how sure or certain it appears.

Building is a whole other thing. When you drive a nail it either goes where it is supposed to go or it doesn't. If it doesn't, you can't present a theory that explains that it would have gone in the right place, but for X, Y, or Z... and that you actually hammered it correctly... and that you'll hammer the next one exactly the same way, because now the cumulative effect of your hammering will drive the next one where it was really meant to go.

You are working with real things... things you can't argue with. Something is either straight... or it isn't. Something either stays put... or it doesn't. It is level or it is crooked.

Building is, shall we say, "concrete." It is not abstract... conjecture or "gobbledygook." And when you are building something, you get a much deeper feeling of satisfaction than you can ever get in the financial world. Even when you make a prediction in the financial world and it turns out that you were right, you still don't know if your analysis was correct. It could have been a coincidence. Your logic could have been completely wrong. Nobody knows anything.

B&P: Finally, what advice would you give someone looking to go "off the beaten path," so to speak?

BB: I would say that this is a good time to go "off the beaten path." Because I believe the beaten path is going to get beaten up. There are too many things -- including real estate values -- that depend on too many other things that aren't solid. The only reason our stocks and real estate prices are so high -- not to mention our living standards -- is that we can buy trillions of dollars' worth of things "on credit." The relationship of income to debt has gotten totally out of whack, thanks to six decades of credit expansion.

Every credit expansion is followed, sooner or later, by a credit contraction. That will mean that trillions of dollars' worth of asset values will disappear as the volume of debt goes down. So, you don’t want to owe $500,000 on a house that is only worth $300,000 five years from now. You don’t want to put $1 million of your retirement savings into stocks that are worth only $500,000 when you need the money.

And it’s worth pointing out that when these sorts of changes occur – say, in a credit reduction – the social impact can be devastating. Suddenly, people don’t have the resources they thought they had. And they are not very happy about it.

That’s why it’s worth thinking a little out-of-the-box, including about where and how you live. Suburban property in some areas is very expensive. And your living expenses are going to be high there as well.

If I were in the typical $300,000 suburban house, for example, I would consider relocating. My own preference would be for a $100,000 farm. Then I could grow my own food... cut my own firewood... and even raise a pig or two. It would be fun. And I’d have some protection from the kind of breakdown that doesn’t happen very often but is excruciatingly painful when it does.

Not only would I be much more independent and safe. I’d also have that $200,000 to work with.
Where to Find Great Land That Won’t Require Another Mortgage

Beautiful hideaways aren’t just limited to exotic ranches in South America or sprawling estates in the Hamptons or oceanfront villas in Florida. There are gorgeous properties to be found all over the U.S. for a fraction of the price.

For example, in San Bernardino, California, you can find land for around $1000 per acre. A typical suburban house sits on about a quarter of an acre of land… So that’s FOUR TIMES the size of a typical suburban plot… For the cost of a plane ticket.

And there’s plenty more where that came from...

Luna County, New Mexico, has listed properties at $500 an acre, the cost of getting your tires changed!

There’s also large land plots available for around $300 an acre within view of the Humboldt mountain range in Pershing County, Nevada.

Scurry County, West Texas, lists some large plots at around $1000 an acre.

In Adair County, Kentucky, you can find sprawling plots of beautiful hunting land for $1,250 an acre, or large plots in Hancock County, Georgia, for $1,500 an acre – beautifully forested with Red Maple and Short-leaf Pine trees.

And the list goes on...

Large properties are listed every day at these (or better) prices. You can easily find these kinds of listings at www.landwatch.com or www.landsofamerica.com.

If you’re looking for a more urban setting you can look on Realtor.com for dozens of properties that sell for around $1,000 an acre and measure up to 2,500 square feet. Many even contain additional lots of up to 5,000 square feet, more than one-tenth of an acre!

Desert Farms

Farmland in New Mexico currently sells for around $600 an acre, an almost 80% discount from the national average. You can easily find 10-acre plots northeast of Columbus with a beautiful view of the Florida Mountains.

These farms aren’t barren wastelands either. Farmers in Deming, New Mexico, have had great success growing pecans with a method called “subsurface drip irrigation” – a system of perforated garden hoses that slowly trickle moisture into the soil around plants. And the water comes from an elevated tank that lets gravity do the job of a water pump. So, this method is even energy-free.

If you’re interested in raising animals, desert farming can also be a great way to support livestock. Dry climates are the perfect place to grow hay, with New Mexico farms producing up to 4 tons per acre. With just a single acre devoted to hay, you could sustain several milk-producing goats, enough to run a small dairy.

Another great reason to consider an isolated plot in the New Mexico desert is the potential for renewable alternative energy. At the time of this writing, the state boasts 1,126MW of renewable power, mostly from solar and wind. They even offer a 6% tax credit on any solar-electric, energy storage, or geothermal projects larger than 1MW, up to a total of $60 million.

And don’t worry about not being able to have a garden… Light, sandy soil can be perfect for certain crops:
• Potatoes prefer sandy soil
• Raspberries and blackberries thrive in well-drained, light soil
• Asparagus prefers sandy soil as moist soil causes root-rot
• Cereal rye tolerates dry, sandy soil and helps to prevent erosion

Keeping alternative climates in mind can help enormously when try-
ing to find the most affordable land, and the clear desert sky at night is truly a sight to behold.

**Suggested reading:**


### Buying Land at Auction

A lot of land at auction sells for far below its market price. Many land listings start at $1 and can be bid on in person or over the Internet. The site [www.bid4assets.com](http://www.bid4assets.com) has information on multiple $1 listings and [www.hubzu.com](http://www.hubzu.com) offers a large database of bank-owned property you can bid for online. Even [www.eBay.com](http://www.eBay.com) lists great deals on land.

The most important part of any property auction starts long before the auction itself. You should walk into an auction already knowing which properties you're interested in. You don't want to start making tough decisions in the middle of a bidding war.

Of course, you'll want to look up the property listing online, but, if at all possible, you should also take a look at the land with your own eyes. Take a road trip to visit the property itself and get to know the locals. This will give you a leg up on any buyers who haven't done the same.

**6 Quick Rules for Buying at Auction**

1. Look for opportunities to bid against people who clearly don't know the potential value of the property being auctioned.
2. Stay calm, especially if you know you've got an edge on the other bidders.
3. Avoid bidding wars; they only drive up the price.
4. Don't fixate on a single property, no matter how perfect it seems. If the price starts to feel too high, drop out quickly.
5. Always be willing to back down. Avoid overconfidence and stubbornness.
6. Approach with caution. If something seems too good to be true, it probably is.

### Acquiring Foreclosed and Tax-Delinquent Property

You can also look for programs that sell tax-delinquent property:
- Dayton, Ohio, has a program called “Lot Links” that sells tax-delinquent property to homesteaders for the cost of the foreclosure, usually around $2,000. Website: [www.daytonohio.gov/187/Lot-Links](http://www.daytonohio.gov/187/Lot-Links).
- Newport, Virginia, offers a five-year tax abatement for 50% of the cost of rehabilitating tax-delinquent property. Contact commissioner of the revenue for info and an application: 757-926-8752.

### Homesteading

Thirteen years ago, Charlie and Linda gave up their suburban home in Ontario and moved to a 40-acre woodland paradise... They've been happily living off the grid ever since. You can read about their experience (and even get free advice) from their blog: [www.voicefromthebush.com](http://www.voicefromthebush.com).

While “giving it all up” for a new adventure is certainly not for everyone, homesteading can be a life-changing experience.

Most of these offers are for smaller plots of land and may involve fees for sewer and water assessment. But that's a small price to pay for land you're essentially getting FOR FREE:
- New Richland, Minnesota, offers 86-by-133-foot plots provided you build a home on them within one year. Website: [www.cityofnewrichlandmn.com](http://www.cityofnewrichlandmn.com); City Office: 507-465-3514.
Marquette, Kansas, offers free building lots to interested families. Website: [www.freelandks.com](http://www.freelandks.com).

Mankato, Kansas, is an agricultural town offering free lots to applicants. Home construction must be started within six months and completed in two years. Website: [www.mankatoks.com](http://www.mankatoks.com); City of Mankato: 785-378-3141.

Washington, Kansas, has lots available for industrial use only. Applicants must have a plan to create jobs. Website: [www.washingtonks.net](http://www.washingtonks.net); City Hall: 785-325-2284.

Marne, Iowa, offers free building lots; however, their potential is rather limited as restrictions state you may only build one 1,200-square-foot structure. Livestock is prohibited. Website: [www.marneiowa.com/marne-free-lots](http://www.marneiowa.com/marne-free-lots); City Council: webmaster@marneiowa.com.

Manilla, Iowa, offers free single-family lots with a five-year, 100% tax abatement and no fees for utility hook-ups. Website: [www.manillia.com](http://www.manillia.com); Manilla Economic Development Corporation: 712-654-2732.

Curtis, Nebraska, offers lots in rural areas to those interested in building a single-family home. Website: [www.curtis-ne.com](http://www.curtis-ne.com); for more information, contact Consolidated Telephone Company: rollnhills@nebnet.net.

Alaska allows "Remote Recreational Cabin Site" staking, in which an applicant can stake a parcel of land to use recreationally for a limited time: [http://dnr.alaska.gov/mlw/landsale/remote_recsites.htm](http://dnr.alaska.gov/mlw/landsale/remote_recsites.htm).

Going “Off the Grid” from the Comfort of Your Home

Don’t want to leave your family and friends? Still love the old neighborhood? You can gain all the advantages of an “off the grid” life without leaving home. We’re seeing it more and more...

Don’t make the mistake of thinking you need a lot of land to grow a lot of food.

Entire gardens can be planted on your walls and ceilings, both interior and exterior.

**Vertical gardening** brings the garden right into your home. You can use recycled bottles or coffee cans as "floating planters" that hang on string from the ceiling. It’s even possible to reuse old gutters to grow fruit on the exterior walls of your home [http://homeguides.sfgate.com/grow-strawberries-rain-gutters-25601.html](http://homeguides.sfgate.com/grow-strawberries-rain-gutters-25601.html). Growing multiple kinds of crops in a small area, called intercropping, increases yield and offers a diverse range of foods.

**Urban farming** allows you to enjoy fresh eggs and even cheese without schlepping it to the store.

Despite having only small backyard plots, urban farmers in Rogue River, Oregon, have built small coops to house chickens and ducks for their eggs.

Chicago hosts an annual Urban Livestock Expo, where urban homesteaders gather in the hundreds to discuss keeping small stock like goats, chickens, rabbits, and bees.

If you’re interested in learning more, check out: [www.urbanfarmonline.com](http://www.urbanfarmonline.com).

There are already many organizations that support and promote urban farms and agriculture:

- Baltimore Free Farms turned an abandoned lot into several terraced garden beds, and now use it as a community garden with rentable plots.
- The Whitelock Community Farm is an urban farm built on a single vacant lot and has harvested 7,000 pounds of food since 2010.
- The Michigan Urban Farming Initiative is in the process of converting 1.5 acres of vacant land surrounding urban property into 150 raised community garden beds.

Don’t overlook beekeeping either! Beehives can be built and populated at little to no cost. You can construct two beehives from a single 55-gallon plastic barrel and some scrap wood.
Learn how here.

Besides honey's delicious taste and low-glycemic index, recent studies have also found that it's rich in antioxidants and even lowers cholesterol.

And here's the best part: The government will actually pay you to keep bees. For instance, in Virginia, you can receive a $200 grant per beehive up to a maximum of $2,400 per person. The USDA has allocated $8 million as incentives for beekeepers in Michigan, Minnesota, North and South Dakota, and Wisconsin.

If you want some great tips and stories from a family who has actually done all this, check out www.urbanhomestead.org.

Another Way to Get Your Own Homestead: Caretaking

Wealthy landowners with multiple pieces of property are often looking for someone to watch over or even farm their land. Try asking someone who owns a large plot of unused land. They may be interested in allowing you to use a piece of it.

Elderly landowners moving into assisted-living homes often still want to retain their property for future sale and may be willing to pay for its upkeep. I've even heard stories of caretakers who are paid to upkeep gorgeous waterfront property while the owners are serving decade-long prison sentences for tax evasion.

Sound appealing? Take a look at the caretaking resources below for specific opportunities:

- The Caretaker Gazette is a subscription-based publication that lists caretaking opportunities and updates constantly: www.caretaker.org.
- Working Couples specifically caters to couples and teams looking for a variety of jobs, including caretaking: www.workingcouples.com.
- Caretaker-Jobs has a huge listing you can search for free. Applying for jobs requires membership: www.caretaker-jobs.com.

The more places you're willing to look, the more rare opportunities you'll find. Even if a situation isn't ideal for your purposes, keep in mind that every opportunity taken opens up more options for the future.