



Capital Area
Association of REALTORS®

ATTENTION DUPLEX OWNERS

In our area duplexes can vary in the way in which they are zoned. They can be classified as individual parcels that share a common wall (what is known as a “zero lot line” or “attached”), or in some cases duplexes can be zoned as a condominium consisting of two units.

With many changes in the lending environment, conventional financing is becoming more difficult to secure. This has led to an increase in the reliance on FHA loan products. FHA loan products are generally not an option for duplex condominiums. Duplex properties that are zoned as zero lot line are much more likely to be eligible for FHA financing.



WHAT IS ZERO LOT LINE?

Zero lot line is essentially an imaginary line drawn through the center of a shared wall, as well as a dividing line that separates a duplex lot into two separate parcels. By dividing the parcel at the zero lot line, the duplex lot is split into two parcels of land (with separate tax id numbers), in contrast to condominium zoning in which the entire duplex lot is considered common area.

Zero lot line also provides for a waiver of interior, side lot set back requirements. Due to the nature of a shared wall (or party wall), the setback from the lot line would be zero. **Dividing the lot into separate parcels allows homeowners more flexibility in financing, and more certainty as to the property they actually own.**



STEPS NEEDED TO CONVERT A DUPLEX FROM CONDOMINIUM ZONING TO ZERO LOT LINE ZONING:

- All affected parties must agree to the zoning change.
- Because the change will affect the homeowners on either side of the zero lot line, a party wall agreement will need to be developed.
- An agreement will also need to be reached to remove the properties from their classification as condominiums.
- Quit Claim Deeds will also be needed due to the changes being made to the legal description of each of the properties.
- A new survey of the property must be performed by a licensed surveyor, establishing the zero lot line as well as the specific dimensions of the new parcels.
- A title search will have to be performed for both new parcels.
- The new parcels will need to be recorded.

Your REALTOR® can guide you through the process!

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