

A BORROWER'S GUIDE · NO. 04 · SERVING NC & SC

The Lake Home Buyer's Guide

Practical checks and thoughtful questions for buying on the water in the Carolinas.

A lake home comes with details an in-town purchase doesn't: shoreline rules, docks, septic systems, flood zones and changing water levels. This guide keeps things general. Each lake is managed differently, so **please verify every detail with the right authority** for the specific lake and property.

WHO TYPICALLY MANAGES THE SHORELINE

Keowee & Jocassee SC UPSTATE

Duke Energy reservoirs. Docks and shoreline work are generally handled through Duke Energy's shoreline management program. Much of Jocassee's shoreline is protected land, so private frontage there is limited.

Lake Hartwell SC / GA BORDER

U.S. Army Corps of Engineers lake. Corps-owned land often lies between private lots and the water, and private docks generally require a Corps shoreline use permit.

Norman, Wylie & James NC / SC

Duke Energy reservoirs on the Catawba River chain. Shoreline and dock permitting generally goes through Duke Energy, along with local zoning.

Lake Murray SC MIDLANDS

A hydroelectric reservoir operated by Dominion Energy South Carolina, which manages shoreline permits and rules.

Lake Lure NC MOUNTAINS

Owned and managed by the Town of Lake Lure, which sets its own rules for docks, boathouses and lake structures.

A general overview only; management, permit offices and rules can change. Confirm with the authority for your lake and county. I'm licensed in NC and SC, so this guide focuses on Carolinas properties.

01 Financing: primary, second home or investment

How you plan to use the home shapes the loan options, documents and requirements. Lenders classify occupancy carefully, so it's important to be accurate from the start.

Primary residence

- You intend to live there as your main home, generally within a set time after closing
- May open the widest range of programs, such as conventional, FHA or VA, depending on eligibility and property
- Some rural lake areas *may be eligible* for USDA financing; eligibility depends on location, income and property

Second home

- Typically a one-unit home you occupy for part of the year, suitable for year-round use and under your control
- Generally not rented full-time or run by a management company that controls occupancy
- Requirements often differ from a primary residence

PLANNING TO RENT IT OUT?

Significant short-term or full-time rental use may mean the home is treated as an **investment property**, with different requirements. Also check whether the HOA, county or lake authority restricts short-term rentals.

02 Shoreline & dock permits

- ☐ Ask whether the existing dock, boathouse, seawall or rip-rap is **permitted**, and request copies of the permits
- ☐ Find out whether permits transfer with a sale or whether the new owner must apply (this varies by authority)
- ☐ On Corps of Engineers lakes, confirm where the government property line is and what you can mow, clear or build
- ☐ On Duke Energy, Dominion Energy and town-managed lakes, check shoreline management guidelines before planning any new dock or shoreline work
- ☐ Ask whether the lot is eligible for a dock at all; water depth, cove width and shoreline classification can matter

03 Flood zones, septic & water

Flood zones

- Check the FEMA flood map for the property and ask about an elevation certificate
- If the home is in a special flood hazard area, a lender will typically require flood insurance
- Get insurance quotes early (flood, wind and homeowners), since they can affect your budget

Water levels

- Levels on some lakes change with rainfall, drought and hydropower operations
- Ask neighbors and the managing authority how the cove behaves in dry years
- A dock that floats in summer might sit on the bottom in a drought

Septic & wells

- Many lake homes use septic systems. Request permits and records, and consider a septic inspection
- Confirm the system is sized for the number of bedrooms
- In SC, septic permits are handled by the SC Department of Environmental Services; in NC, by the county health department
- If the home has a private well, consider water quality and flow testing

HOA, roads & access

- Review HOA covenants, dues, special assessments and rules on docks, boats, rentals and building
- Ask whether roads are public or private, and who maintains them
- Check for shared driveways, easements and steep-lot access

04 Questions to ask before you commit

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| ☐ Who manages this lake's shoreline, and what permits exist for this property? | ☐ Are there HOA rules on rentals, boats, docks or building? |
| ☐ Is the dock permitted, and what happens to the permit when I buy? | ☐ How will I use the home: primary, second home or rental? |
| ☐ Is any part of the property in a flood zone? | ☐ What will insurance cost, including flood? |
| ☐ What type of septic system is there, and when was it last serviced? | ☐ Is the home accessible year-round, including in winter on mountain lakes? |
| ☐ What does the water level do here in a dry year? | ☐ Have I budgeted for dock, shoreline and septic upkeep? |

NEXT STEPS

Let's talk about *the lake*.



I'm Chelsea Reeder, a mortgage broker serving North and South Carolina, from the Upstate to Charleston and Charlotte, and up to Hendersonville, Asheville and Boone. I'm glad to help you think through financing for a primary or second home on the water.

If you have questions about anything in this guide, I'm happy to walk through your situation with you, at your pace and with no pressure.

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BOOK A 30-MINUTE CALL

<https://calendly.com/loanofficerchels/30min>

START AN APPLICATION

<https://communitymtgsolutions.com/borrower-portal?lo=c-helsea-reeder>

IMPORTANT INFORMATION

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