

Chapter 8

Getting Our Land - Leasing

The first question is always, “How do I get started in leasing land?”

The answer to this one is easy... Obtain a map of your region, find where you live, then draw a circle 5 miles in radius around your house... Next get into your car and start driving all the roads in this nearly 80 square miles. Look closely for idle, overgrown land. When you find such a spot, mark it so you can identify it when you go to the courthouse to find out who owns it.

When you have completed this exercise and have a list of properties that fit your description, make a list of owners and their contact



information. Remember, the closer to your home the better, because you are going to have to visit it at least daily from now on. Also, if you can find places that tie together, at least nearby, mark those for possible future expansion.

If it should be that you cannot find what you want here, expand your range to a 10 mile radius from your home. This will expand your search area to 314 square miles... Nearly 4 times your original range.

Your ideal plot would have some fencing on the perimeter, some access, but not complete and it would be overgrown in brush, broom sage or other, less than ideal growth. There would be little to no infrastructure... Not that these are not desirable, but the more there is, the higher the lease per acre! I don't want to pay \$50 per acre per year if I can find land that is adequate that I can lease for \$10 per acre per year!

The reason is not that I am cheap, it is that with \$50 land I cannot afford to improve it at my own expense... If I can lease 200 acres on a 5 year or 10 year lease (never lease by the year!) for \$10 versus \$50 per acre, that gives me \$8000



per year in my pocket to pay for such improvements. Does it need a better water system? I can do that on that \$10 lease, but might not be able to do so on

the more expensive land.

“Oh,” you say, “but I am only wanting 20 acres for my homestead, what should I do with that 200 acres?”

I would never turn down an opportunity to lease because the parcel is too large... If I could think of nothing else to do with it, I would offer it for custom grazing at two dollars to three dollars per day per cow calf pair for the grazing season let's see, 180 extra acres at two cow calf pairs per acre for 180 days at say \$2.50 per pair... That is an added income of \$10,000 for moving them from paddock to paddock daily and seeing their water trough is full... And that is simply if I am not ready to farm it for myself!

Landowner Categories

As we can easily imagine, there are a variety of types of landowners and that same number of ways to approach them. There are some things that are universal and, generally speaking, merely amount to common sense. The simplest way of thinking about this, is to put yourself in that landowner's place and ask yourself what could that person do to impress me enough to lease my land to him? Let's look at these categories and a few things we can do to better our odds of succeeding. The first thing we must remember is that those are business people! In almost all cases they own this land not by default, but by design! Therefore, they must be regarded as such and be so treated.

Meeting My Landowner

- A firm handshake... you have 30 seconds to make your sale and it begins here!
- Clean clothes and be clean shaven or trimmed neatly.
- Clean vehicle.
- Introduce yourself and explain what you do.
- Don't overwhelm them... K.I.S.S. (Keep It Simple Stupid).

- First visit, one hour... Leave them with something to study.

Absentee Owner

Our first category is the absentee owner... This person owns the land but lives elsewhere. In some cases it has been inherited

but many times it is a professional family who purchase it for nothing more than to get away for a weekend now and then. Many times this



owner lives in the general area but often they may live states away. Most I have known tend to worry about their property when they are not there. Are people trespassing and tearing it up? Are they hunting there without my permission? What happens if someone trespasses and hurt themselves causing an outrageous lawsuit?

These are all vital concerns that are alleviated by a manager who is on the land daily. This manager carries the liability insurance so the landowner is relieved of that responsibility. The manager is responsible for the water, for access and for fencing... He may even be liable for structures if that is part of the lease agreement.

In many cases this land was purchased as an investment, and what better for an investment then to have a manager who is paying you to improve your land? We know that our methods will improve his pasture land from 80 to 100 cow calf pairs year per acre to well over 300 cow calf pair days per year per acre... Rough, bare, brushy ground during the time of your lease will become prime pasture land... healthy and productive, with a watering system in place, good fencing and be a veritable showplace of farms.

If the landowner can still bring his family out when he has time... can hunt his land if he wishes or fish his ponds, he has lost absolutely nothing and has gained all of this while realizing an annual cash inflow... free money, so to speak!

Interestingly enough, as of New Year's Day, 2021, the largest single farm hold owner... Owning more family farmland in



the US, some 244,000 acres, is Mr. Bill Gates, founder of Microsoft corporation... What do you suppose would be the result if we sent Bill an eMail... "Dear Bill, it has come to my attention that you have acquired the old Farmer Dell Ranch out by

Turnipville, Idaho. I am an independent farm manager who is looking for land to lease on a 5 to 10 year term for the purpose of farming it, using the Permaculture methodology... As you know, this method is very productive, yielding the finest in grass fed, organically grown products, while improving the soil in the process without the use of dangerous and damaging chemicals

which can cause extreme runoff contamination and waterway pollution. If this sounds like a program that might fit within your plans for this farm, please allow me one hour of your valuable time to outline my proposal and make my offer to you. Sincerely – –“

What do you think he would do? What would you do in his position? With the absentee landowner, it is very often just that simple.

Perhaps in your initial inquiry you might ask for permission to inspect his property with an eye towards showing him some specifics your use might entail and the advantages appertaining thereto to him and his land. Then, when that information is forthcoming, take a video, fly a drone, edit, or have it edited, if you cannot do it yourself and your children or grandchildren are unavailable (aren't they the most

skilled on all aspects of this modern technology?)

... Make him a video of his land for him to keep! Upload it to a DVD and give it as a

gift... doors will open that you will not believe possible.



There is a fellow in Missouri of my acquaintance that is a much sought after speaker and proponent of this system. Greg started this system with \$12 in his checking account and has become very comfortable today, owning now, three

different farms, and maintaining, literally, thousands of acres under lease. Greg tells the story of one of his first leases... A 250 acre farm he drove by every day going to and from work in town, making it ideal for him to service the livestock twice a day by just stopping by and doing what needed doing... The landowner was a doctor in Dallas, Texas and the family visited a couple of times a year. Because of the worry and stresses imposed by absentee ownership as discussed prior, unbeknownst to Greg, the doctor and his wife had decided to put it on the market, hating to do so, but the concerns were becoming overwhelming. To make The story shorter, he decided to give Greg a 10 year lease at \$10 per acre per year. Greg now controlled management of 250 acres worth a market price of \$750,000 for a mere \$2500 per year for the next decade... Meaning it would be necessary to raise 2.5 cows per year to pay the lease...

After the first year of operation, the family came to visit the farm. Of course Greg did the grand tour for them. He had a big barbecue dinner for them featuring their own pasture raised beef. He showed him how the brush was disappearing because he had cut it low and



the cattle kept it that way... On and on, he shared with them when, finally, at last, the doctor simply said, "Greg, your lease is no good... And he pulled \$2500 cash in \$100 bills

from his pocket and said here is your lease money back... I cannot take it."

Imaginably, Greg was beyond devastated he could not speak even. He had done it all correctly, he thought, and now he was being turned out... He was going to have to move out... When the doctor continued... "Oh, I'm not dispossessing you! In fact, I am so totally thrilled by what you have done and what you are doing with our farm that I am giving you a lifetime lease for free! I have had it put in my will that my children cannot sell this place for as long as you are alive!"

That is the type of relationships that can be achieved through this type of program. Greg does say, however, he does not go deer hunting with those particular children!

Hunter Land Owner/Wildlife Landowner

A new class of landowner has emerged over the past several years... The "hunter landowner" and the "wildlife landowner". In these cases, usually, five or six people will band together to buy a piece of ground for the sole purpose of having a safe and secure place to hunt or simply to raise wildlife. They usually only even see it during the hunting season or when some type of maintenance is necessary.

The only real difference



between these two classes is that one hunts and the other does not. Both of them have a common goal of maximizing the carrying capacity of the ground... how many animals it will support. The hunter group has the further goal of maximizing the quality of the individual animals resident there.

With the hunter, The “trophy” aspect is of a high degree of importance while that is not at all significant to the wildlife group.

For these two groups of people stressing how the Permaculture practice of pulse grazing... The rapid rotation from paddock to paddock, with long rest between stimulates and the new plant growth, how the practice will encourage the broad leaves the deer love and how quality animals are a product of quality forage... That management is the key to this type of biome.

It is important to teach that our forging system keeps from placing heavy demands on the forest land and leaves most of the mast crop on the ground for the wildlife. These groups need to know that the way our management works, instead of having to plant and tend a half acre food plot for a few animals, the entire farm is becoming a food plot, which, to the game population, is a major benefit... Deer, bear, turkeys, pheasant and quail all rely on these crops to survive and with Permaculture, it is always noted how the game quality and quality rebounds.



Hobby Landowner

I would say our most unpredictable and hardest to deal with class of landowner is the hobbyist. This person is generally very wealthy and has purchased his farm as a toy. He has no need of extra income nor tax deductions for he is probably already milking his land for every legitimate loophole available.

About the only incentive I am seeing that would work here is the opportunity to learn a new, ultra ecologically pure method of improving his ground with out the dangers involved with chemical fertilizers or waste being discharged into his waterways and providing the finest purest and best tasting food products available.

This Oliver Wendell Douglas (if we remember our “Greenacres” from a couple of generations past) wannabe is very environmentally concerned and likes the idea of being able to provide clean, nutritious and chemically/GMO free food to his family and friends while doing a major service to the earth, they will be well enthused!



Do not avoid this class, but do you know they will require our best work to reach an agreement.

Retired Farmers

Today, the average age of the independent, privately managed farm owner is over 60 years old. These farmers have been on their land a lifetime... They've seen their kids raised there and have watched them leave... mostly for school and a job in town... Only to return home on birthdays and holidays... And perhaps during hunting season.

Many of these lands have been farmed by the same family for multiple generations. They are rooted there! They probably have family buried there... Perhaps even a spouse or a child, and, of course, they do not ever want to leave there. It is "Home" with a capital AITCH! The wise visitor treats it that way! He knows that this family is going to want to help and allows it from time to time. He keeps the



landowner abreast of his plans and timing...

"George, we are going to be shifting the chicks from the

brooders to the pasture on this Thursday, would you like to be part of that?"

Let him drive the four wheeler that is pulling the chicken tractors into place... Chances are he'll be asking you if you'd like to use his old tractor in the operation... If you can, do it... It will mean the world to him to be useful again, for, the most difficult part of growing old and having to retire is the feeling of not being useful any longer.

When it comes time to put your hay up, consider asking him if he would like to contract for the job of mowing, raking and bailing... He's forgotten more than we will ever know about making hay, and here is our chance to learn it! Remember this, however, he is probably not familiar with Permaculture farming and he will likely think that many of the things we do are nuts... Like using half acre paddocks and moving the stock every day at the same time... That's OK...

"Why don't you use antibiotics to prevent disease? I always did that for my cows..." "How come you don't trim those chicken's beaks so they won't peck one another?" The questions will roll in, and he'll likely shake his head at your answers but eventually, he will understand... Long before the professor at the University actually, and will probably be your strongest ally!

One of the last advantages to this class of owner is the fact that he lives right there, so if anything untoward happens he will be on at like a duck on a June bug! If



anyone disturbs the stock he will know it and have action taken before you ever get a whisper of it! If that isn't it worth a ham or a turkey come butchering time, something he would be more apt to accept than cash, then I don't know my crusty old farmers nearly as well as I think I do!

In Summary

What we are looking for in leased land?

- Idle property
- Limited infrastructure
- Hayfields
- Brushy fields

Remember... the less attractive the land, the cheaper the lease!

I recently came across the numbers from Missouri. Let's compare the cost of owning versus the cost of leasing our ground... In this part of Missouri to graze a cow calf pair for a year requires 4 acres of pasture. The land in that area that is suitable for grazing sells for at least \$2500 per acre. Therefore, our land cost is \$10,000 per cow calf pair!!

Selling our calf at the end of the year will mean selling a 450 pound calf at two dollars per pound for gross price of \$900

Owned land

- Land cost is \$10,000 per calf
- \$9100 land debt remains
- Will take 11 years to break even with 0% interest and 100% calf crop annually

Leased Land

Land cost is \$160 per calf
\$740 gross profit, first year!

Advantages to leasing

- Leasing land is your first great advantage over owning
- You can manage the land without owning it
- Operations are easily scaled up or scaled down to meet market demand

- Lease payments are 100% tax deductible and land payments are not... land must be depreciated over decades.

None of this comes easily or without work. You will work as hard, for longer hours, than you ever have... Believe me when I say that farming leased land puts you into the showmanship business. Do it right and it's a perfect show place for the future lease projects prospects!



Never ever lease the farm by the year... always have a written agreement, even if it is on the back of a napkin and you only have both signed it. Terms should be clearly stated and the length of the lease should be at least five years but 10 is better.

Always maintain a positive and upbeat attitude... It shows us off to everyone we meet.

Once you have your lease... The rest is easy... Simply plan your work and work your plan!