

Key Components of a Successful Negotiation

Identifying Common Barriers to Land Access Survey Results



MICHIGAN STATE UNIVERSITY Extension

Demographic Information & Base Questions

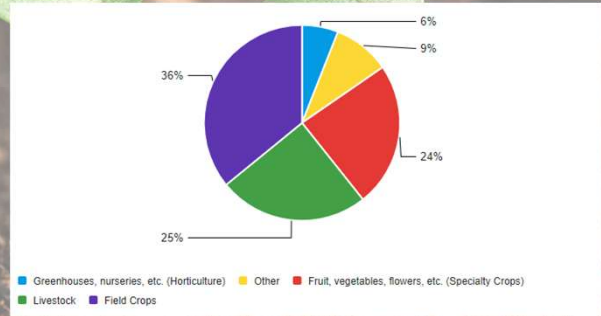
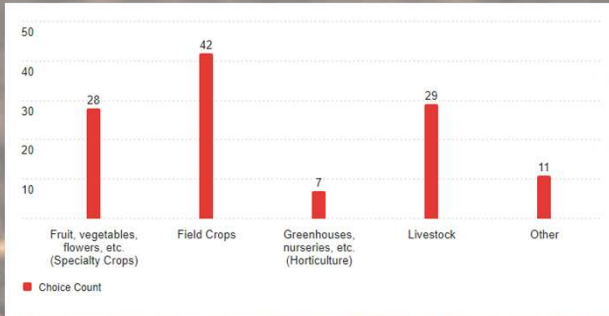
How large is your farming operation?

Farming Operation Size	Number of Respondents
no land	8
less than 5 acres	8
5-99 acres	32
100-499 acres	18
500+ acres	13

Farming Operation Size	Percentage
500+ acres	16%
100-499 acres	23%
5-99 acres	41%
less than 5 acres	10%
no land	10%

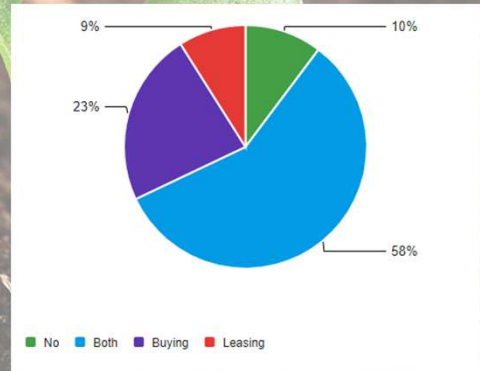
Demographic Information & Base Questions

Type of Farm?



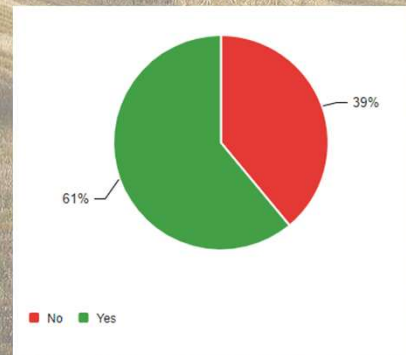
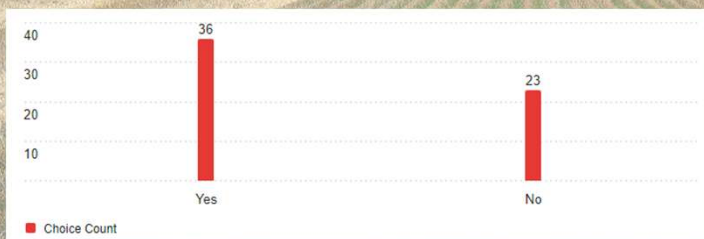
Demographic Information & Base Questions

Have you encountered obstacles to leasing land, buying land, or both?



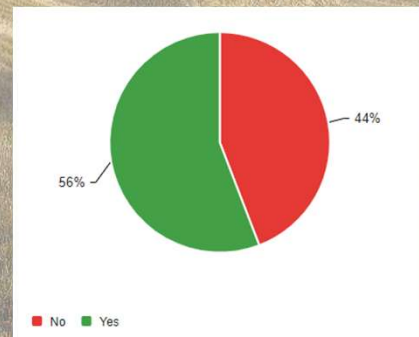
Land Lease Questions

Do land suitability concerns create obstacles for finding space to farm?



Land Lease Questions

Do land suitability concerns create obstacles for establishing a lease agreement?



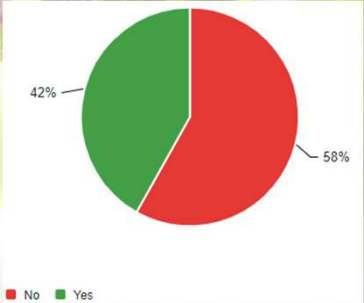
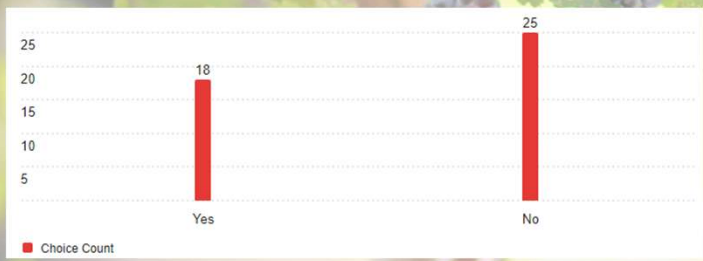
If “Yes,” what concerns have you experienced?

High lease rates	25%
Land does not match needs	25%
Length of leases	13%
Competition (big farms vs. small farms)	13%
Land restoration & costs	8%
Location/proximity	8%
Production practices are questioned/limited	4%
Wildlife is not managed	4%



Land Lease Questions

Does the length of lease agreement create obstacles to recoup investment?
For example, cropping limitations (terms prevent hay establishment, orchard establishment, etc.)



If "Yes," please describe:

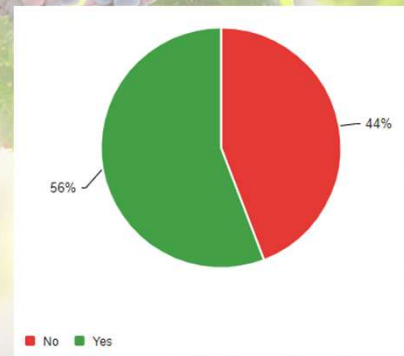
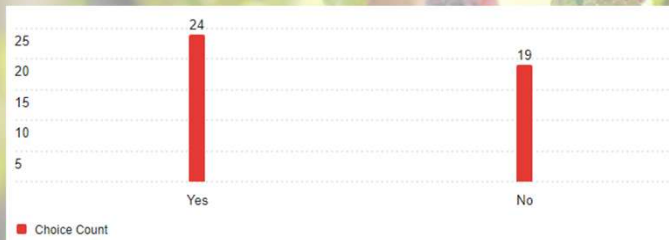
Irrigation	23%
Fertility	23%
Landowners prefer shorter leases	23%
Tile drainage	15%
Risk is too much to recoup any investment	15%



Land Lease Questions

Does the length of lease agreement create an obstacle to improve the land?

For example, terms prevent recoup of fertilizer and other soil amendment costs to build soil.



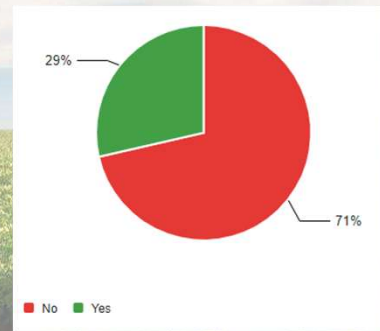
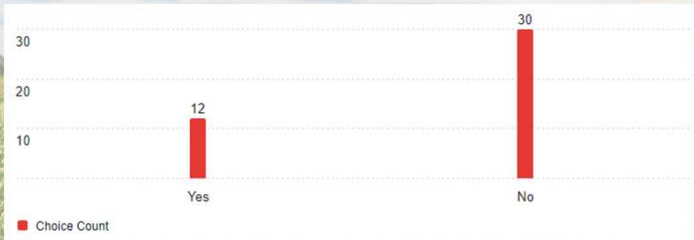
If “Yes,” please describe:

Soil health/fertility costs vs ROI	43%
Infrastructure improvement ROI longer than lease terms	24%
Sustainable practices take longer for land restoration	19%
Crop rotation restrictions	10%
Landowners prefer shorter leases	5%



Land Lease Questions

Does the length of lease agreement create an obstacle to securing suitable land?

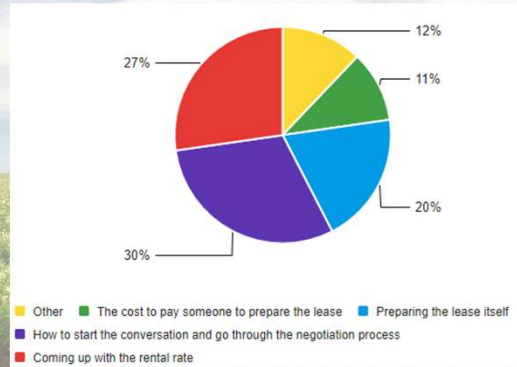
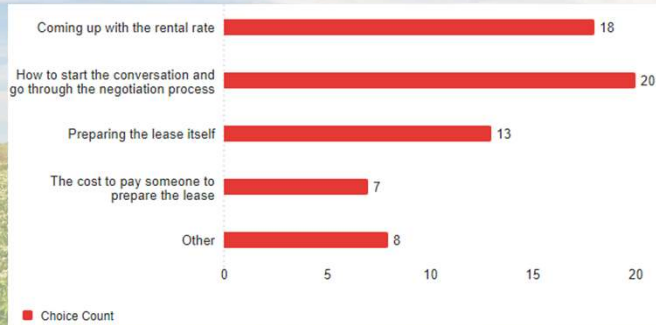


If "Yes," please describe:

Ability to fulfill lease terms (various reasons)	43%
Lease doesn't transfer with property to new owners	29%
Competition (non-farm uses)	14%
Access and timing of funding	14%

Land Lease Questions

What challenges have you experienced when negotiating a lease agreement?
(Check all that apply):

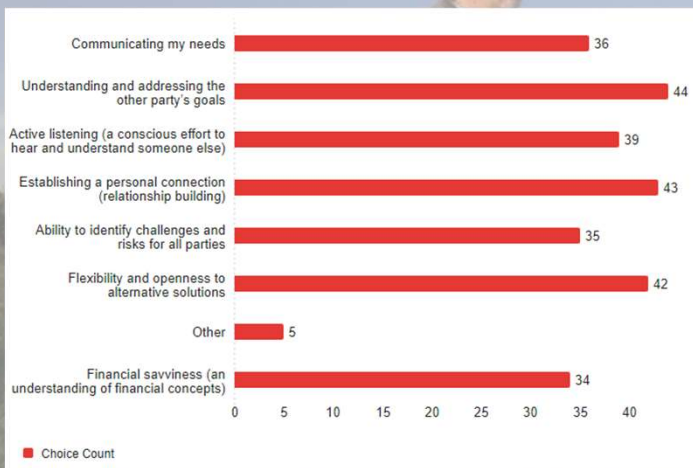


Please describe these and other challenges you have experienced or seen in negotiating lease agreements.

Landowner vs. farmer expectations	26%
Competition (big farms vs. small farms)	21%
High lease rates	21%
Lack of available farmers to rent to	16%
Availability of leasable land	5%
Credit history	5%
Landowner knowledge on conservation practices	5%

Land Lease Questions

What soft skills are needed to negotiate a lease agreement?



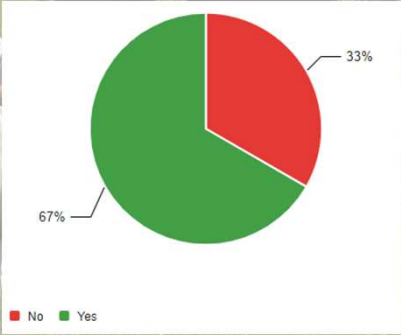
Soft vs. Hard Skills

Soft Skills = Behavior Traits

Hard Skills = Technical Knowledge

Buying Land Questions

Do land suitability concerns create an obstacle for buying land?



Do land suitability concerns create an obstacle for buying land?



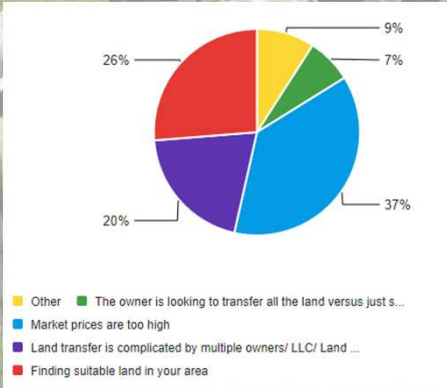
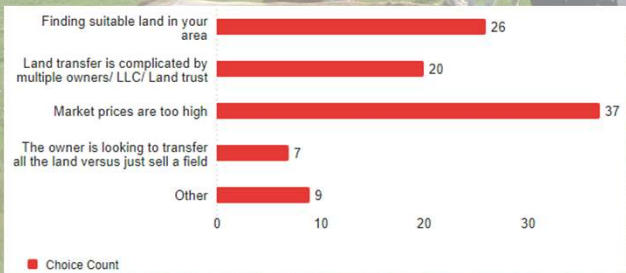
If "Yes," what concerns have you experienced?

Land does not match needs	33%
High purchase price	21%
Land is not adequately marketed as "available"	13%
Competition (non-farm uses)	13%
Land restoration & costs	13%
Competition (big farms vs. small farms)	4%
Regulatory challenges (i.e., zoning, environmental)	4%



Buying Land Questions

What issues cause challenges for purchasing or transferring land?
(Check all that apply):

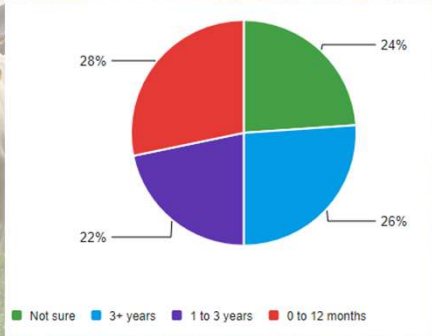


Please describe these and other challenges you have experienced or seen in purchasing land.

High purchase price	35%
Lack of funding	30%
Competition (non-farm uses)	17%
Competition (other farms)	13%
Capital gains tax limits willingness to sell at higher prices	4%

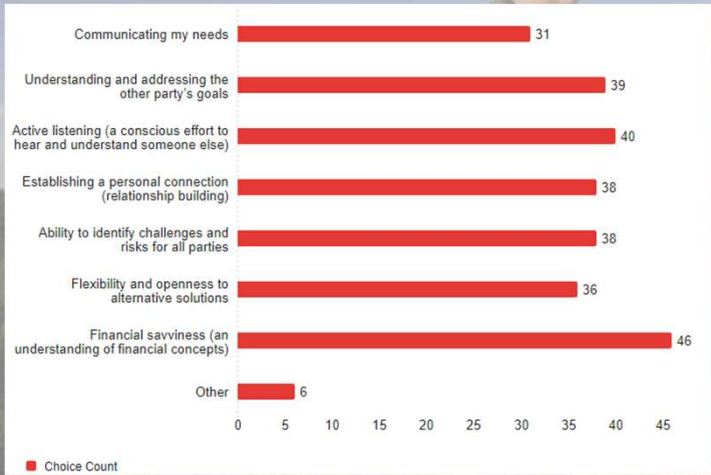
Buying Land Questions

What is your timeline for acquiring or transitioning land?



Buying Land Questions

What soft skills are needed to negotiate a purchase or land transfer?



Soft vs. Hard Skills
 Soft Skills = Behavior Traits
 Hard Skills = Technical Knowledge

Support Question

What kind of leasing, buying, or land transfer support would help you most?

