



7 STRATEGIES TO FORTIFY LANDLORD RELATIONSHIPS

CONTENTS

3 5 Strategies to Impress Landlords

Rapport pays off, but it takes investment to build

6 Strategy #6: Develop a Yearlong Marketing Calendar

Stay in touch with your landlords and build the relationships

8 Strategy #7: Fine-tune Your Rental Agreement

Details make a difference in this critical document

PHOTO: DARRELL SMITH

5 Strategies to Impress Landlords

66 Don't limit your conversations to harvesttime just because that's when most leases annually renew. A swith any relationship, you must invest time and effort to build a rapport with your landlord. When discussing price, consider your landlord's point of view and base the conversation around facts, says Chris Barron, director of operations and president of Carson and Barron Farms Inc., in Rowley, Iowa, and a financial consultant for Ag View Solutions. Follow these strategies to strengthen landlord relationships.

1. TALK OFTEN.

Don't limit your conversations to harvesttime just because that's when most leases annually renew, Barron says. Additionally, if you are asking for a lower rental rate, don't spring that discussion on your landlord close to your lease renewal.

"With communication, more is better," he says. "Think about your different landowners. You probably have the best relationship with the ones you communicate with the most." Make a list of the landowners you haven't visited or talked to in a while, and make it a priority to reconnect with them.

\bigcirc

2. SHARE YOUR MARKET, YIELD AND PROFIT OUTLOOK.

When you meet with your landlord, be transparent about your operation, Barron says. Talk through the current farm economy, market prices and your production expectations. "It's OK to be positive and have a good outlook," he says. "That doesn't mean rent will go higher if you have a positive outlook."

Most landowners don't understand why they should lower cash rent when inflation is accelerating in urban areas. "This is why farmers need to know their cost structure and be willing to discuss that with landlords," says Alejandro Plastina, assistant professor of economics and Extension economist at lowa State University.

3. TREAT YOUR LANDLORD AS A BUSINESS PARTNER.

"Most producers approach lease negotiation with a lawyer or a banker differently than with the lady down the road," says Mykel Taylor, ag economist at Kansas State University. "There needs to be a different approach, a different strategy." Regardless, Taylor says be professional and view them as business partners.

Your dress and physical appearance are major components to your professionalism, says Mark Gannon, owner of Gannon Real Estate and Consulting in Ames, Iowa. Make sure your written and verbal correspondence is respectful and proper.







Watch this Margin Minute video from Chris Barron to hear first-hand how to develop strong relationships with landlords.

4. GIVE A GIFT.

A kind gesture speaks volumes, Barron says. Give your landlord a gift, such as sweet corn, a farm hat or another token of appreciation. Those gifts combined with fixing fence or snow plowing their driveway in the winter are greatly appreciated.

Beyond those nice services, share updates when you apply fertilizer, address weed issues or harvest in the fall. If you have a drone, make a video of your landlord's land and show it to them. Photos or videos will let your landowner know you are taking good care of their farm, Plastina adds.

5. ASK TWO IMPORTANT QUESTIONS.

At the end of every conversation with your landlord, Barron suggests asking these questions:

- 1. Is there anything changing in your world?
- 2. What can I do better?

Tenants can be dealt a huge blow if a landlord decides to sell land or looks for a new tenant. Be proactive.

"Tell your landlord that it's important you all have a good working relationship," he says.

By Sara Schafer, sschafer@farmjournal.com

Strategy #6: Develop a Marketing Calendar

ow often are you communicating with your landlords? Likely, it's not enough.

"A top goal in marketing is to be top of mind for your customer," says Mark Faust, business coach and author. "You have to touch a customer at least eight times a year to have top-of-mind awareness." Regardless of your current strategy (or best intentions), you can do more. "I've never heard of a landowner getting too much information from their grower," he says.

"Regular communication helps strengthen relationships," adds Sara McClendon,

> content strategist for marketing agency Rhea + Kaiser.

Develop a yearlong business marketing calendar. For most months, aim to have some form of interaction with your landlords.

"A calendar allows you to look at the year all at once and think strategically," Faust says. "You want to mix it up, as that variety makes all the difference in being top of mind."

PHOTO: DARRELL SMITH

You want to be as transparent as possible and over communicate. Think about your audience, McClendon says, and consider the information they would find helpful. She offers these suggestions:

- Be authentic instead of perfect.
- Personalize the message.
- Capture your farm's story. Include a message that highlights what you want your landlords to know about your operation in every piece of communication.

Include your contact information and ask for feedback. "You want to be as transparent as possible and over communicate," Faust says. "This is all part of proving you are an excellent farmer."

By Sara Schafer,

sschafer@farmjournal.com

JANUARY

State of the union of your business. This can be written or shared in person. Include your finances, production practices, future plans, etc.

FEBRUARY

Bi-annual farm newsletter.

MARCH

▶Postcard. Let your landlords know you're thinking about them or that you're learning at a farm event.

MAY Phone call with planting update.

JUNE

A copy of an article your landlord would find interesting. Mail or email a brief note with your perspective.

JULY

Appreciation event for partners.

AUGUST

Bi-annual farm newsletter.

OCTOBER

Phone call with harvest update.

NOVEMBER

Farm-branded gift. Consider work gloves, mugs, etc.

DECEMBER

Personalized calendar.

Strategy #7: Fine-tune Your Rental Agreement

comprehensive agreement can demonstrate to **R**landlords that you're committed to sustainable farming practices, says Corbett Kull, co-founder and CEO of Tillable, a farmland rental management platform. Plus, they help protect both the landlord and the tenant. "Put your expectations for the land's performance in ink and create a record of your agreements to strengthen everyone's understanding of the land's health," Kull says.

TERMS AND CONDITIONS

Be sure to specifically describe the farmer and landowner relationship. As the tenant, do you maintain just the tillable acres or also the waterways and/or alleys? Make sure these expectations are captured in the agreement. Include the length of the rental arrangement and the process for renewing or terminating it.



PHOTO: ISTOCI



DATA DELIVERY REQUIREMENTS

Include the expectations for sharing information on yields and fertilization. This helps keep everyone informed about the land's health.

COMMITMENT TO SUSTAINABLE FARMING PRACTICES

"Sustainable farming practices aren't just another trending phrase; your farmland rental agreement is that document where you get to outline your shared expectations for soil health and tillage practices," Kull says.

SOIL HEALTH

Spell out the expectations for tillage practices and soil management (especially if a farm is no-till). This ties into the data delivery. Plan to share receipts for fertilizer and other costs related to soil health.

PROOF OF INSURANCE

Include insurance requirements for both the tenant (ex: crop insurance) and the owner (ex: general liability insurance).

COMMUNICATION PROTOCOLS

Detail both parties' preferred method of communication so everyone stays informed.

By Sara Schafer, sschafer@farmjournal.com