

### **Farm Access Decision Tool**

This decision tool organizes the basic farm access methods into three categories. Each category lays out the division of interests (rights) in the property, the legal vehicles, and the parties involved. Most land tenure arrangements will fall into one of these categories. This tool helps you compare methods and make informed decisions. It accompanies the Farm Access Methods Guide found at www.landforgood.org/resources/toolbox/.

WHAT IS MY FARM ACCESS GOAL?

### **Ownership Now**

# Ownership in the Future

### No Ownership

#### WHICH ARRANGEMENTS MIGHT WORK FOR ME?

#### Sole Ownership

Farmer acquires title to land; known as Fee Simple

- Outright Purchase
- ► Financed purchase with conventional or alternative financing
- Gift or Inheritance from family member or other

#### Whole Shared Ownership Interests

A group of farmers, or farmers with non-farmers, forms a legal entity to own the farmland

- LLC or Corporation
- Cooperative

# Partial Ownership Interests

Farmer and other entities own different interests (rights) in the land

- Ground lease where entity owns land; farmer owns structures and rents land
- ▶ Life estate where non-farmer retains rights to occupy
- Easement

#### Path to Ownership

Farmer purchases a specific farm over time

- Lease-to-own with right of first refusal or purchase option
- ▶ Land contract where farmer pays landowner toward purchase
- LLC or corporation within which equity in the farm is gradually transferred
- ▶ **Gift** of land over time

#### **Leasehold Interest**

Farmer (tenant) has a contractual agreement assigning use rights and responsibilities; may be written or oral

- ▶ Short-term lease
- ▶ Long-term lease
- Ground Lease where entity owns land; farmer owns structures and rents land

## Other Arrangements for Land

Farmer has agreement granting permission to use the land (technically not a tenant)

- License or Permit
- Agreement

#### WHO MIGHT BE INVOLVED?

- Private bank
- ▶ State/Federal lender
- **▶** Seller-financer
- Community/Alternative lender
- ▶ Family/trust
- Employer
- Other private landowner

- Other farmers
- **Community members**
- **▶** Investors
- **▶** Family

- ▶ Community land trust
- **▶** Conservation land trust
- ▶ Other Non-profit
- ▶ Public/Gov't entity
- ▶ Private landowner
- **▶** Investors

- ▶ Private landowner
- **▶** Family
- Non-profit (e.g., land trust, school)
- ▶ Public/Gov't entity
- Investors

- ▶ Private landowner
- Family
- ▶ Public/Gov't entity
- Non-profit
  (e.g., land trust, school)
- **▶** Investors

- ▶ Private landowner
- ▶ Public/Gov't entity
- Non-profit
  (e.g., land trust, school)
- ▶ Other landholding entity

©2018 Land For Good