

In the agricultural world, land is central to one's emotional, relational and economic health. As we watch harvest progress, our thoughts turn to this important resource. Alleah describes how an interactive relationship with the land helps us think of how land is our legacy, while Davon challenges us to think about the strategies one might use to expand on a foundation of land ownership. The theologian [Walter Brueggemann](#), writing about Israel's relationship to land in his book [The Land](#), says "...yearning for a place is a decision to enter history with an identifiable people in an identifiable pilgrimage." An apt description, indeed, of the life-giving choice to farm and ranch with your family! Enjoy this month's writing and let us know your thoughts.

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## Land's Influence on Our Legacy

By [Alleah Heise](#)

Many important conversations I have with families considering their estate plans are related to legacy. So often in agriculture, family members consider their land a substantial part of their legacy. And rightly so. The financial assets that are accumulated over the course of a generation are put right back into the land – whether through expansion or improvements.

It is true – we shape the land. But the land shapes us, too. We are intertwined in a reciprocal relationship of shaping the land and being shaped by the land. And so, our legacy as connected to the land is in a constant state of being defined and redefined.

Here are a few thoughts on how land shapes us and our legacy:

- **Wealth Generation:** Maybe this isn't happening for most right now. But over the long term, land continues to be a source of wealth generation for families across the country. Whether that land wealth is generated through farming, grazing, trying specialty crops or anything in between, land is a source of revenue. Land also creates bountiful opportunities for interpersonal wealth. The interactions we have with our families on our land, the connections land provides with our neighbors, and the friends we make through caring for the land all create the intangible networks that increase our personal wealth.
- **Historical Connection:** We have friends who own a Century Farm in Kansas. In addition to maintaining the homeplace for more than 100 years, the family has tales galore they share of the generations that preceded them. There is so much to be learned about our ancestors through their stories and through their vision of legacy. It is nearly always tied back to their commitment of nurturing the land for the next generation.
- **Proof:** Finally, the ability to own and pass land on to another generation is undeniable proof of a career spent feeding the world. It's proof that the long nights, the cold days, the time away from our families, and the agonizing over the best strategies was all worth it.

Land is often an important part of our legacy. The opportunities created by land – teaching the next generation about stewardship and work ethic, forging relationships with those we might otherwise never interact with, and creating a set of values and teachings about the land – are as important as the land itself.

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## We're Going to Buy Land WHERE?

By [Davon Cook](#)

As Alleah ably points out, land is valuable—both financially and emotionally--in agricultural families.



Recently we've been observing some ag families wrestling with the question of whether to diversify land holdings in different regions. And in this case, I'm talking about holdings in different states or countries-- not two counties away.

Why do it? For some it is typical diversification reasons such as different crops with new marketing opportunities or better water availability. But we are also seeing a variety of reasons beyond that: arbitrage opportunities to make a higher return in different land markets; the business has maxed out what's practical in its area or community but still wants to grow; the writing on the wall of current or future regulation or development; a desire to "replant" the family's next generation in communities that will provide better education and opportunity long-term.

There's a logic behind all those reasons, but there are significant steps to take before making the decision. That's where understanding the dynamics of family business may be relevant. In business structures with multiple family members having a say in a land-owning entity, that decision requires understanding and agreement on the *strategy*, not to mention the actual tract to purchase. It's not only understanding the *opportunity* elsewhere, but it's also being ok with the *opportunity cost*—giving up what that money could buy nearby within the historical norm or in entirely different investments beyond land. For some, this may be the first real test of how good they are at making big decisions together, because past purchases of land down the road were a lot more obvious. I recall hearing a surprised, "We're going to buy land WHERE?" in a family meeting.

There is significant homework required to figure out which region to investigate, who will help in laying out attractive options, the taxes and economics, which tract to buy, and whether to depend on a land management company or tenant relationship (putting aside scenarios of operating it oneself, which leads to a much longer list of decisions). Producers who love farming and will be landlord in the new scenario especially need to reflect on how closely one wants to be "connected" to that new land. Seeing land once a year versus six times a year leads to different distance thresholds. Being content to receive an update twice a year in a report versus being notified the day the operator starts planting requires different relationships with the operator. Honest reflection up front on those management preferences helps avoid frustration down the road.

Investing in land far from home, just like any capital purchase, is an important strategic and financial decision, with its own unique considerations.

