



Creative Approaches to Accessing Grazing Land

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Overview



- What creates value in a lease?
- Why the high bid isn't always the best option!
- Creative leases
- Contract grazing
- Custom grazing
- Lessee-Lessor Relationships

Background

- Flying Mule Farm operates almost entirely on “leased” land – we are not “paying” for any of it this year.
- We have also provided paid targeted grazing services (with our own livestock and with others’ animals).
- Currently the herdsman at the UC Sierra Foothill Research and Extension Center.



Value Considerations for Grazing Leases

- Quantity and quality of forage (carrying capacity)
 - Annual rangeland
 - Irrigated pasture
- Infrastructure
 - Water
 - Fences
 - Corrals
 - Loading facilities
 - Internal road system
 - Irrigation system
 - Others?
- Proximity to other grazing land
- Headache factors
 - Trespass
 - Rural vs. urban/suburban (suburban neighbors mean LOTS of phone calls)
 - Theft
 - Predators
 - Can be related to infrastructure
- Duration
 - Season of use
 - Tenure (length of lease)

Why the high bid isn't always the best bid

- Relationships are important!
What will the tenant be doing?
- High bids can sometimes result in pressure to over-stock a property.
- Short-term gain versus long-term benefit for the land.



Creative Leases

- Reduced cost leases
- Non-monetary leases (value is exchanged)
- Contract grazing

Reduced-cost Leases



- Cost can be reduced in exchange for certain considerations:
 - Flexibility
 - Repair and upkeep of infrastructure
 - Public relations
 - Non-grazing labor (e.g., patrolling)

Non-monetary Leases

- Value is exchanged – just not money
- We will manage fuel-load for free if we can do it to our own specs and on our own schedule
- Headache factors
 - Non-ranching landlords
 - Perceptions about what grazed land should look like post-grazing
 - Scheduling issues



Contract Grazing



- You mean people will pay me to do this?!
- We generally charge by the acre (like any other vegetation management service).
- Requires knowledge about:
 - Plants, including toxic and invasive plants
 - Public relations
 - Grazing behavior
- Where will your animals go next?!

Custom Grazing

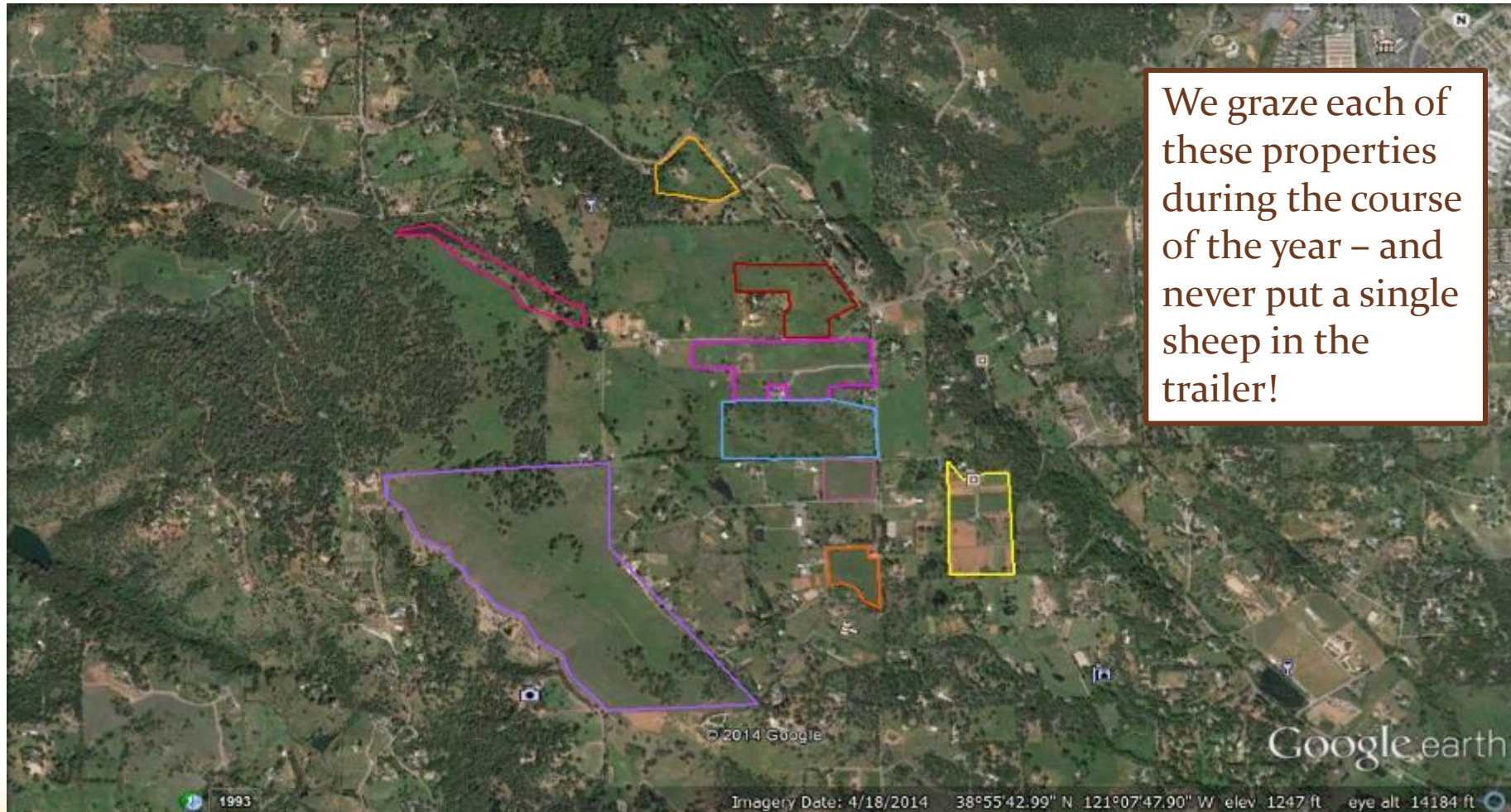


- Consider grazing livestock for other producers to stock ranch at an appropriate level.
- Look for other producers who may be willing to custom graze your animals!

Lessor-Lessee Relationships

- Communication is critical
 - Landowner goals vs. grazer goals
 - Who is responsible for what?
 - Boundaries
 - Scheduling
- Expectations
 - What does your landlord want the land to look like?
 - Are there external factors that may impact access to parts of the property?
- Patience
 - Relationships take time and work!
 - Your tenant may have other properties and groups of animals that require attention
- It's not a hobby! Ranching is a business, and BOTH income and expenses matter!

More Leases = More Complexity



Building your portfolio

- I look at grazing leases like a job interview!
- Build your skills
 - Stockmanship
 - Infrastructure maintenance
 - Grazing management
 - Public relations
- Monitoring
 - Photos
 - Results



Questions?



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