

Landlord - Tenant Communication is Crucial

AGRI-VIEWS

by Chuck Otte, Geary County Extension Agent

The deadline for terminating oral agricultural leases has passed. Which means that landlords and tenants are locked in to another year of partnership. I don't use the word partnership lightly because essentially that is what you have with an agricultural lease, especially a crops shares lease.

While oral leases can't be terminated again until next year, landlords and tenants can still renegotiate the terms as long as both parties agree to them. In other words, the landlord can't force a tenant to accept new terms, "or else". We're past the date for termination, unless there is a written lease that states different dates. If the tenant doesn't agree to the new terms, the lease continues on as it was last year. The landlord could issue a notice of termination, but it wouldn't be able to take effect until March 1, 2020.

So like it or not, landlords and tenants, you are stuck with each other for another year! What you can do, in the months ahead, is communicate. Communication is far too lacking in many ag lease situations. Communication only occurs when it has to. But tenants need to remember that many of the landlords, spent much of their lives farming that land or grazing cattle on those pastures. They are very interested in what is going on. Sure, you are busy, but taking time once a month or so, to stop and visit with the landlord, or drive them around to see the crops, the pastures, the cattle, the equipment, is time well spent. Talk about what you are doing, things you want to try, perhaps fences or conservation structures that may need some maintenance.

If a landlord is an absentee landlord, then they may not have the same connection with the land that a local landlord might have. So your communications may have to take a different angle that is more of a basic farming/ranching 101 flavor. If the landlord has a cell phone find out if it's okay to text them photos. Or email them to their email address. If they have neither a cell phone or an email address, take photos, print them out, write a letter, and mail them. Yes, again we are talking about taking a couple of hours once a month, or so, to keep in contact with the landlord. If you, the tenant, are the one initiating the communication, then there's less of a chance of a surprise on down the road.

An ag lease is a relationship. The tenant has the equipment, the inputs, basically everything that they need to produce a crop. What they are missing, is the land. The landlord has that missing piece. Each needs the other regardless of whether it's a crop shares lease or a cash lease. A good relationship is crucial to each party. Open and honest communications. When the landlord is asking questions, tenants shouldn't immediately feel like they are in trouble. I've often referred to this as the trip to the principal's office that we all feared in school! The landlord is often just curious. They like to know what's happening on their land!

It's far too easy for a landlord and tenant to get crosswise with each other. It happens all the time, everyone in the community often knows it (except the current tenant) and then other potential tenants start circling like vultures. These adversarial relationships are easy to avoid by spending a little time each month developing meaningful communications. Don't think of the work you could be doing, sit down with some pie and coffee and talk - food always helps! It's the little things that make a big difference either for good, or bad. So start communicating now for a better partnership tomorrow!