

How to *Sell* Farmland

If the thought of selling farmland has ever crossed your mind, you've likely felt some anxiety before you really even started the process of selling your farm.

Why should I sell my farm anyways?

How does someone even go about selling a farm?

What kind of money would I earn from a sale?

How complicated will this get?

What paperwork do I need?

Will I find a buyer?

What does the market look like? Should I wait?

We get it. The process for selling farmland can be overwhelming, confusing, and tedious. You probably don't even know where to start.

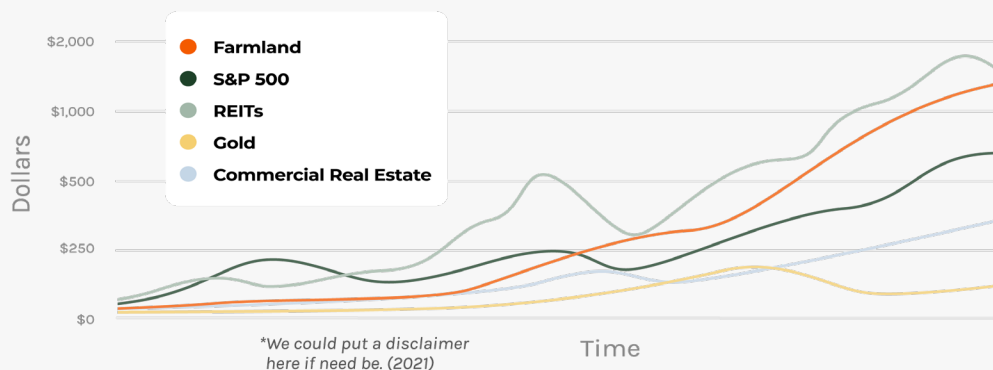
So why should you sell your farm?

Selling your farm could help you...

1. Take advantage of value appreciation ([farmland values in the U.S. have increased steadily over the last decade](#))
2. Earn liquid cash to reinvest or retire
3. Use funds from the sale to invest in other farmland or expand your operations with new equipment.
4. Lease back and continue to farm the land.
5. Take the opportunity to get out of day-to-day operations.

How do Field Yield investments *make money*?

Farmland makes investors money in two ways:



If any of those benefits speak to you, then it might be time to talk to us. Once you've made your decision, the road ahead might feel complicated and unclear. You might have already answered the question of whether you should sell, but if you're wondering how to sell a farm, you're definitely not alone.

The factors impacting the process will be different for everyone, but here are the general steps for selling farmland:

Determine your price

This first step can be the trickiest. But it also might be the most important. You don't want to sell your farm for less than what it's worth. But you also don't want to value the land at a drastically higher price than what it's actually worth, and scare away potential buyers. So establishing an appropriate price for your farmland is a critical first step. Some factors to consider in determining your price include:

1. The overall market in your region for farmland
2. The income currently being produced by the property
3. Any other potential assets on the land such as irrigation power and wells
4. Historical income and yields from your land
5. Soil quality
6. Water quality and quantity on the farm You can also use online resources and calculators to help determine a general range for the price you want to ask for.

Reach out to a tax professional to figure out your responsibilities

Any money you earn from a farm sale can be considered income. It's important to understand clearly what your tax responsibilities will be on that income. This can vary based on the state you're in, whether there are any disputed property lines, if the property has been owned by an individual or a corporation, and much more. You can't be expected to understand the ins and outs of tax law yourself, but it's important you hire someone who does. Nothing will dampen the enthusiasm of a successful farm sale quite like a surprise tax bill.



Get your land “sale ready”

Much like selling a house, selling farmland involves making the property as presentable as possible for potential buyers. Maybe this means doing some extra mowing, repairing fencing, or getting rid of old equipment or trash that might be lying around. This doesn't have to be a weeks-long project, but a little can go a long way.

Obtain a land survey

If you're looking to sell your farm, it can be a good idea to get the land surveyed beforehand. This will ensure everyone is on the same page as far as where the property lines are. Plus, it will give any future buyer peace of mind about what they're actually getting. If you already have a current survey, you should mark your corners and flag or paint your lines. You can also ask your surveyor to come out and freshen them up.

Gather your documents

This is no one's favorite task, no matter the context. Whether it's going to get an updated driver's license or you're selling 500 acres of farmland, no one likes to chase after sometimes years-old documents. But doing so is vital to a potential sale.

When you're preparing to sell farmland, it would be a good idea to have on hand any property maps, crop yield records, soil or environmental test results, your FSA-156EZ (which shows historical info about your land), your FSA-578 (which gives planting records), crop insurance paperwork, water management information, any government paperwork you have (for example, have you participated in any government-funded programs since you've owned the land?), and any other documents you've collected over the years that display your upkeep on the land, what the land has yielded, and any ongoing legal obligations.



Finding a buyer

There are a couple different ways to find your ideal farmland buyer. You can write a listing for the land, hire a local broker, use online platforms, and word of mouth. You could put the land up for auction and hope for the best. You could also use farmland investment companies like Field Yield, and our land professionals can assist you in all of the steps in getting your land ready to sell, start the marketing process, or if your farm fits Field Yield's criteria we will sell it through our platform.

Finalize the sale

Now the best part: you're done! Selling a farm can be a long, arduous process, but it can also be worth it. Once you finalize the sale, you'll want to tie up any loose ends, hand over any important documents or materials to the new owner, and, of course, enjoy your new windfall. And if you want to use some of that income to invest in different parcels of farmland,

[Field Yield land professionals can help you through the re-investment process.](#)



Still have questions?
Contact us at FieldYield.io

