

# NAVIGATING SUCCESSION, LIQUIDITY & LEGACY IN LAND OWNERSHIP



There's a long-standing assumption in agriculture that succession follows a relatively simple path: land passes from one generation to the next, the operation continues, and the legacy stays intact. While that model worked for many families for decades, in our conversations with landowners today the reality is often more complex. Succession isn't just about identifying who comes next—it's increasingly about whether the ownership structure itself can hold up over time. And with research from the [USDA](#) showing more than 60% of U.S. farmland is still owner-operated or passed down through families, succession remains one of the most consequential forces shaping agricultural land today.

We know firsthand that modern agricultural families often span multiple generations at once, each with different roles, expectations, and financial needs. At the same time, farmland has become more valuable, complex, and exposed to outside forces—from water realities to market volatility to tax considerations. All of this makes succession less of a single moment and more of a long-term strategic conversation, one that families ultimately have to navigate together.

## LEGACY VS LIQUIDITY. STEWARDSHIP VS FLEXIBILITY. EMOTIONAL VS MARKET VALUE.

We want to stress that none of these comparative dynamics reflect a failure of leadership, planning or values. They're simply the natural result of land assets that have grown in both value and importance across generations. We are watching clients work through these options in real time and often find ourselves helping families navigate decisions that carry real long-term implications.

In one situation, Murray Ag Real Estate® worked with a family in the Central Valley where the landowner is in their mid-90s and the children are now in their mid-60s. For decades, the assumption was that the land would simply stay in the family but the next generation is looking at retirement themselves and their priorities are different. Continuing to manage the property feels daunting, while the option to liquidate and move into the next stage of life is very attractive.

Yet preserving legacy doesn't always mean preserving the structure exactly as it is. It means adapting ownership in thoughtful ways so the land can continue to serve the entire family over time.

	Legacy/Stewardship Orientation	Liquidity/Flexible Orientation
<b>Purpose of Land</b>	It is a family legacy meant to be preserved across generations	Land is a financial asset that can support exchanging lifestyles
<b>Management Approach</b>	Stewardship mindset—continue operating, farming, or leasing the property	Flexible ownership—sale, partial sale, or restructuring to reduce management burden
<b>Value Lens</b>	Emotional & heritage value tied to family history, identity, and tradition	Market value viewed through financial opportunity and retirement planning
<b>Time Horizon</b>	Focus on long-term continuity and keeping land within the family	Focus on present and near-term needs of the current generation
<b>Typical Motivation</b>	Preserve family roots and agricultural legacy	Create liquidity, simplify ownership, and support retirement

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## WHY AVOIDING THE CONVERSATION OFTEN CREATES MORE RISK

Uncomfortable situations among families are increasingly common, with [The Wall Street Journal](#) highlighting how inheritance is becoming one of the defining pressures on family farms. The most discomfort we see is when families delay these conversations because the decisions feel difficult or uncertain. While this may be completely understandable, postponing the discussion often creates its own set of challenges.

When succession planning is deferred for too long, your options tend to narrow. Illiquidity can quietly become a pressure point, particularly when land values have increased faster than the income the property produces. Or the contrary effect, when gross income falls below the operating expenses of the farm and ranch operation. At the same time, those external forces mentioned above—tax exposure, market cycles, water availability, and evolving family needs—move forward with or without a decision. In other words, inaction becomes its own strategy; just not usually the most resilient one.

## REFRAMING SUCCESSION FOR THE MODERN LANDOWNER

More and more, we encourage families to think about succession less as a single outcome and more as an ongoing design decision. Instead of focusing only on who will own or operate the land next, start the conversation with three broader questions:

- **What aspects of this land need to endure?**
- **What needs to perform financially today?**
- **Where does flexibility matter most for the next generation?**

These questions always lead to more productive conversations about structure, ownership, and long-term goals. Ultimately, succession planning isn't simply about deciding whether land should be sold or held, it's about creating structures that can adapt as circumstances change and protecting the legacy families care about.

And in many ways, that's what multi-generational agricultural land ownership has always been about. Not standing still, but making thoughtful decisions that enable the land, and the families connected to it, to thrive and prosper for generations.

**Murray Ag Real Estate® connects buyers and sellers of prime agricultural land, combining deep industry roots with trusted expertise and a relentless commitment to long-term client success.**

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