

Perspectives on Generating Revenue from Hunting Leases

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Why a Hunting Lease?

- Supplement forest/agricultural income
- Diversification
- Better control of trespassing, poaching, and property damage
- Development of recreation opportunities
 - Increase land value
 - Approx 36% (Jones et al. 2006)
- AL average lease = \$5 - \$12/acre

Alabama Hunting

- 391,000 hunters
 - 352,000 big game
 - 126,000 small game
 - 73,000 migratory bird
- \$678 million annually
 - \$316 million in equipment
 - \$239 million in trip related expenses
 - \$123 million in other items

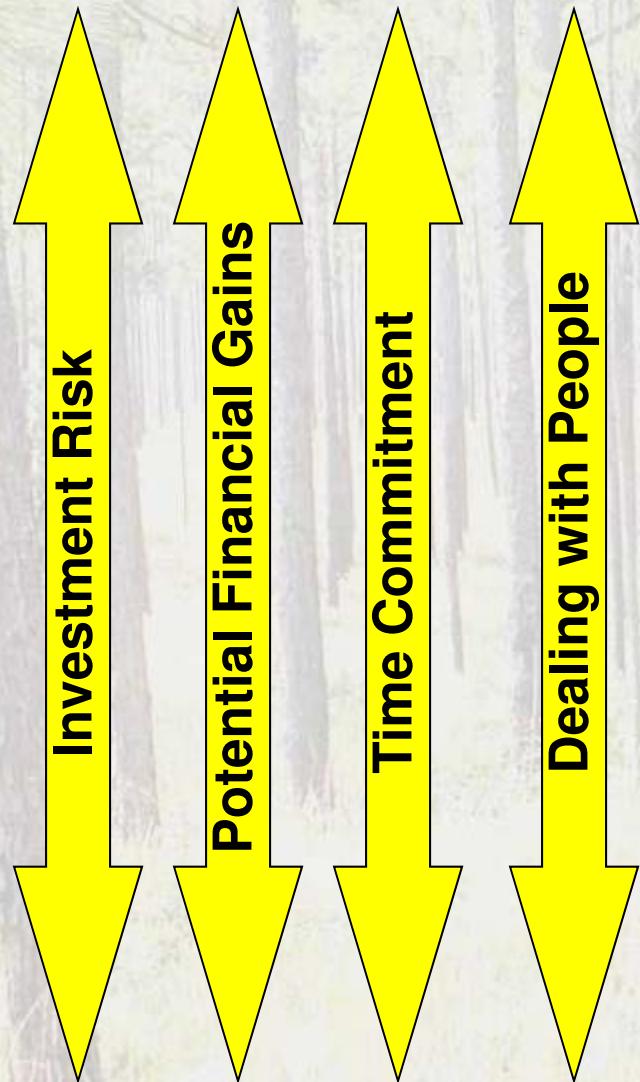


Primary species hunted

- Deer, deer, and more deer!
- Turkeys, and more turkeys!
- Waterfowl
- Small game



Hunting Revenue Options



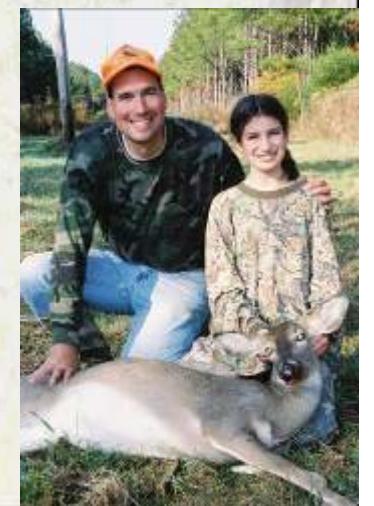
Fully Guided and Outfitted Hunts

Land lease plus:
accommodations
habitat management

Land lease

What are hunters looking for?

- *****A quality hunting experience*****
 - See plenty of game
 - See quality game/knowing the big one is out there
 - Time with family and friends
 - Solitude, relaxation
 - Privacy
 - Harvest





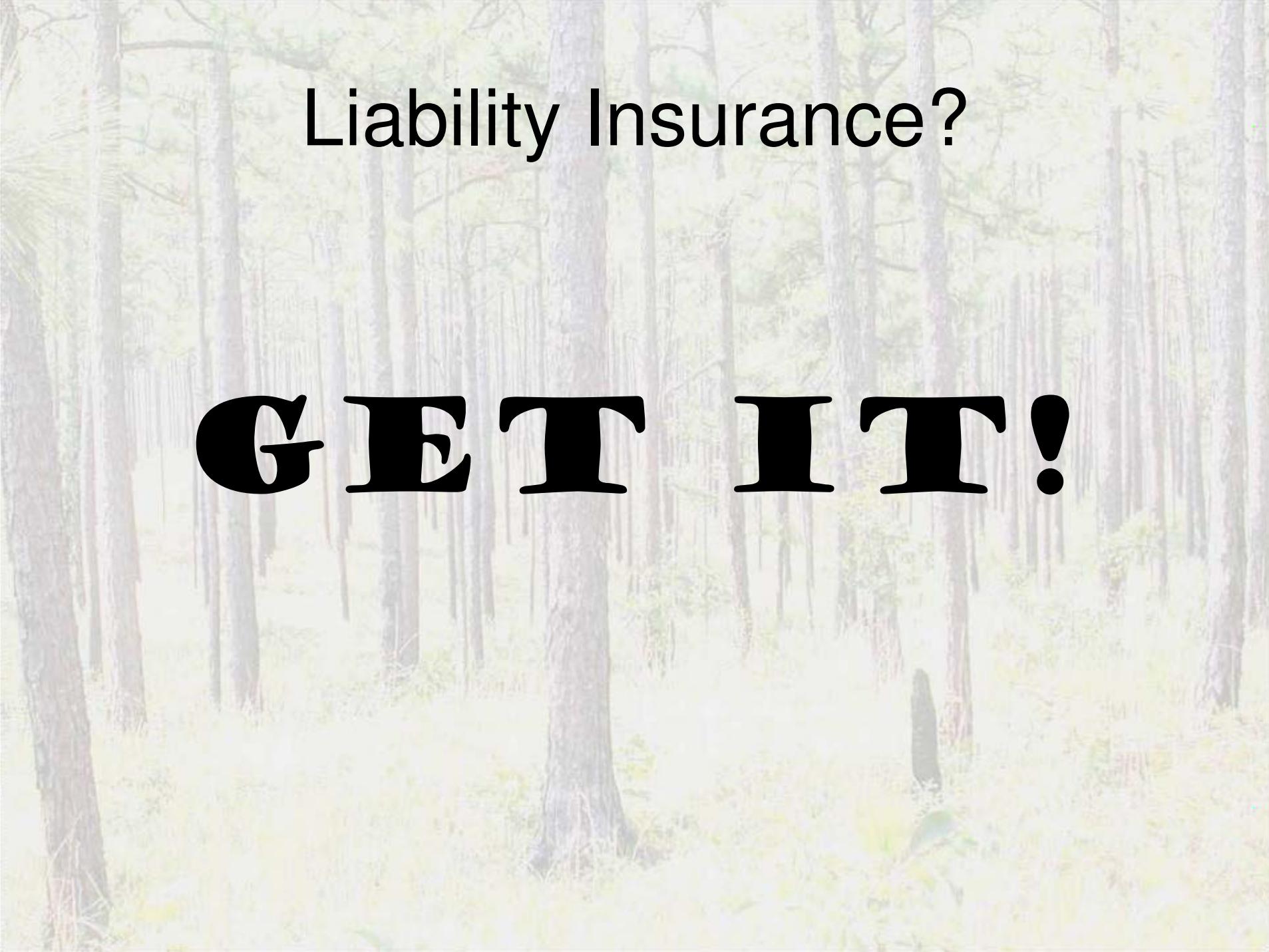
Wall-hangers
are a big plus,
but not a
requirement!





Lease Arrangements

- Multi-year
 - Provides stability
- Yearly
 - Most common, easiest
 - Usually for all species
- Seasonal
 - Deer hunters in fall/winter
 - Turkey hunters in spring
- Daily
 - common for waterfowl, doves



Liability Insurance?

GET IT!

What influences a lease rate?

- Location, location, location!
- Land cover (forested/agriculture)
- Tract Size
- Distance to urban areas
- Abundance of game
- Accommodations
- Who you market to
- How well you market
- Who you lease to

THERE IS NO SET STRUCTURE FOR ESTABLISHING A LEASE PRICE



Marketing!

- Where to advertise
 - Newspapers
 - Local/regional hunting magazines
 - Internet! eBay! Craig's List!
- You have to “Sell” your property
 - What do you have to offer?
 - Accommodations are a big plus...and opens up a bigger pool of prospective lessees
 - Fishing opportunities
 - Game camera photos of deer on your property
 - Harvest records!
 - What type of management do you do or require the lessee to do
 - Deer harvest restrictions

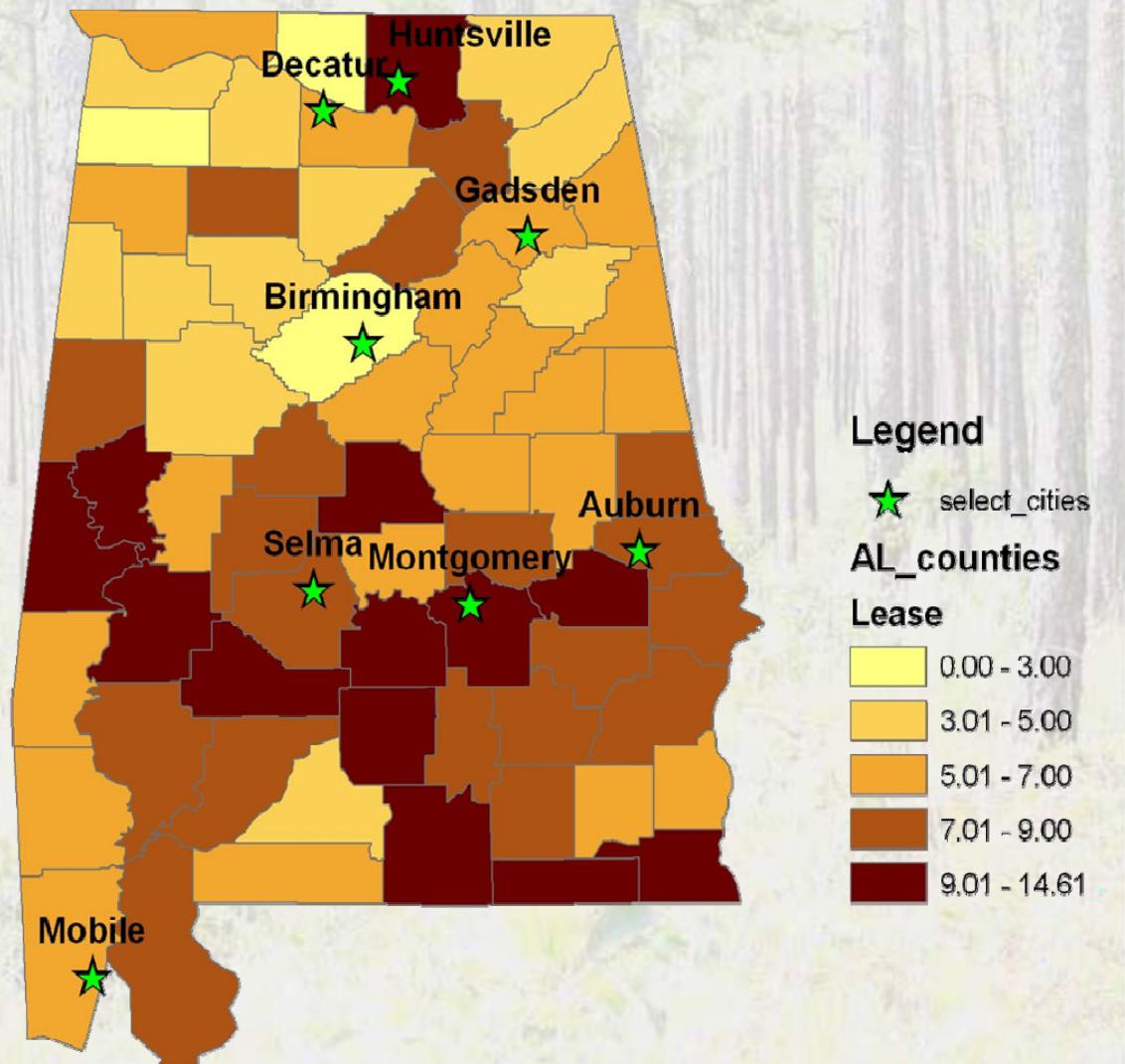


Simple Things Add Up!

- Primary
 - Accommodations
 - Water and electricity!
 - Food Plots
 - Shooting Stands
 - Freezer/cooler/walk-in cooler
 - Skinning/cleaning shed
 - Shooting bench/range
 - Secure storage
 - Outside lighting
- Secondary
 - Skeet/trap shooting
 - Fishing access
 - Outside fireplace/pit

2006 AFOA Survey

- AFOA members who purchased liability insurance

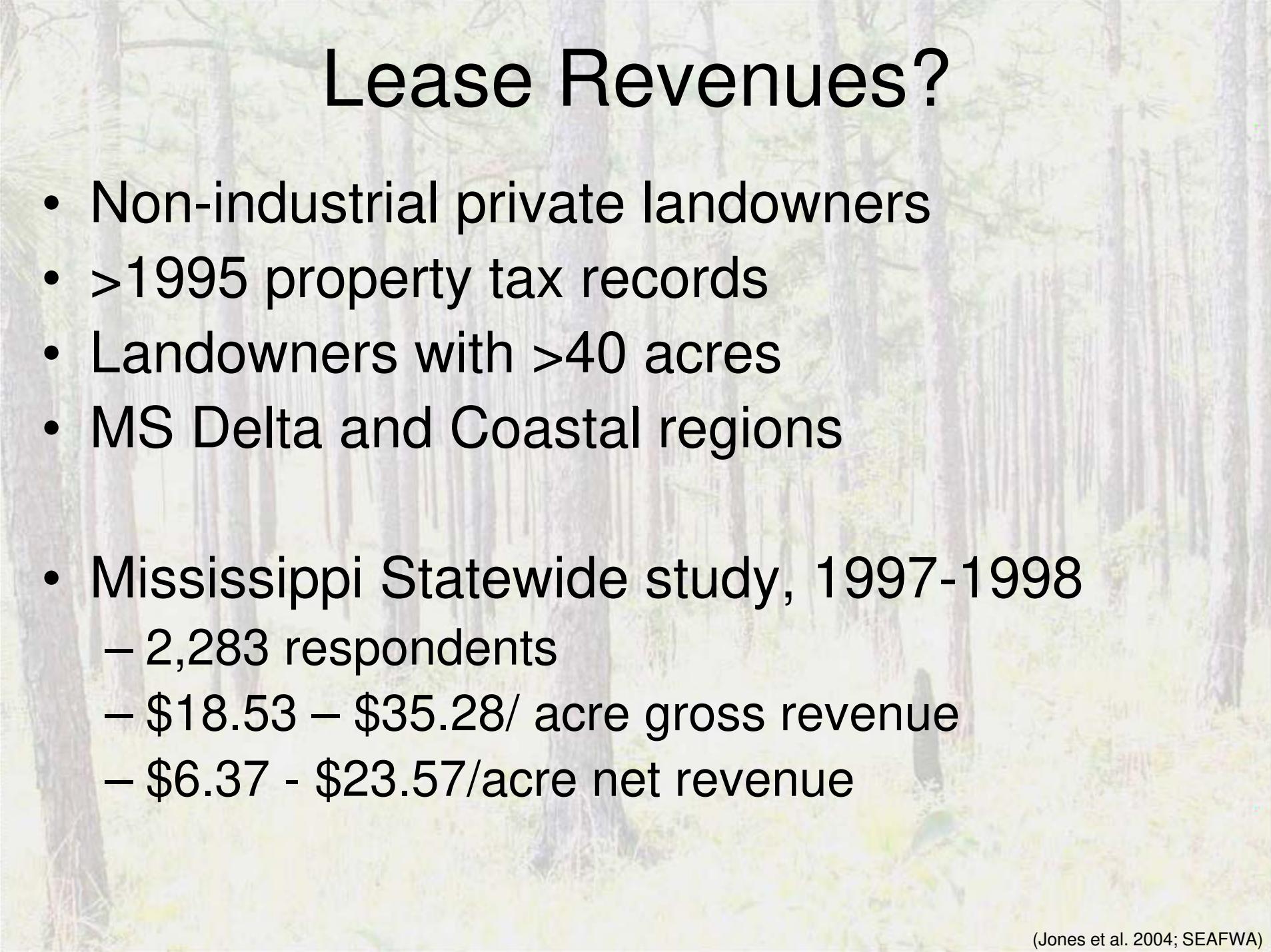


Alabama “Willingness to Pay” Study

- Average hunt club lease = \$9.36/acre
- Willing to pay up to \$23.22/acre!
- Lack of quality game reduced the probability of paying more for a lease by about 17%
- No link between harvest success and hunter satisfaction
- Other factors
 - Hunting experience
 - Household income
 - Number of dependents

Survey of AL NIPF

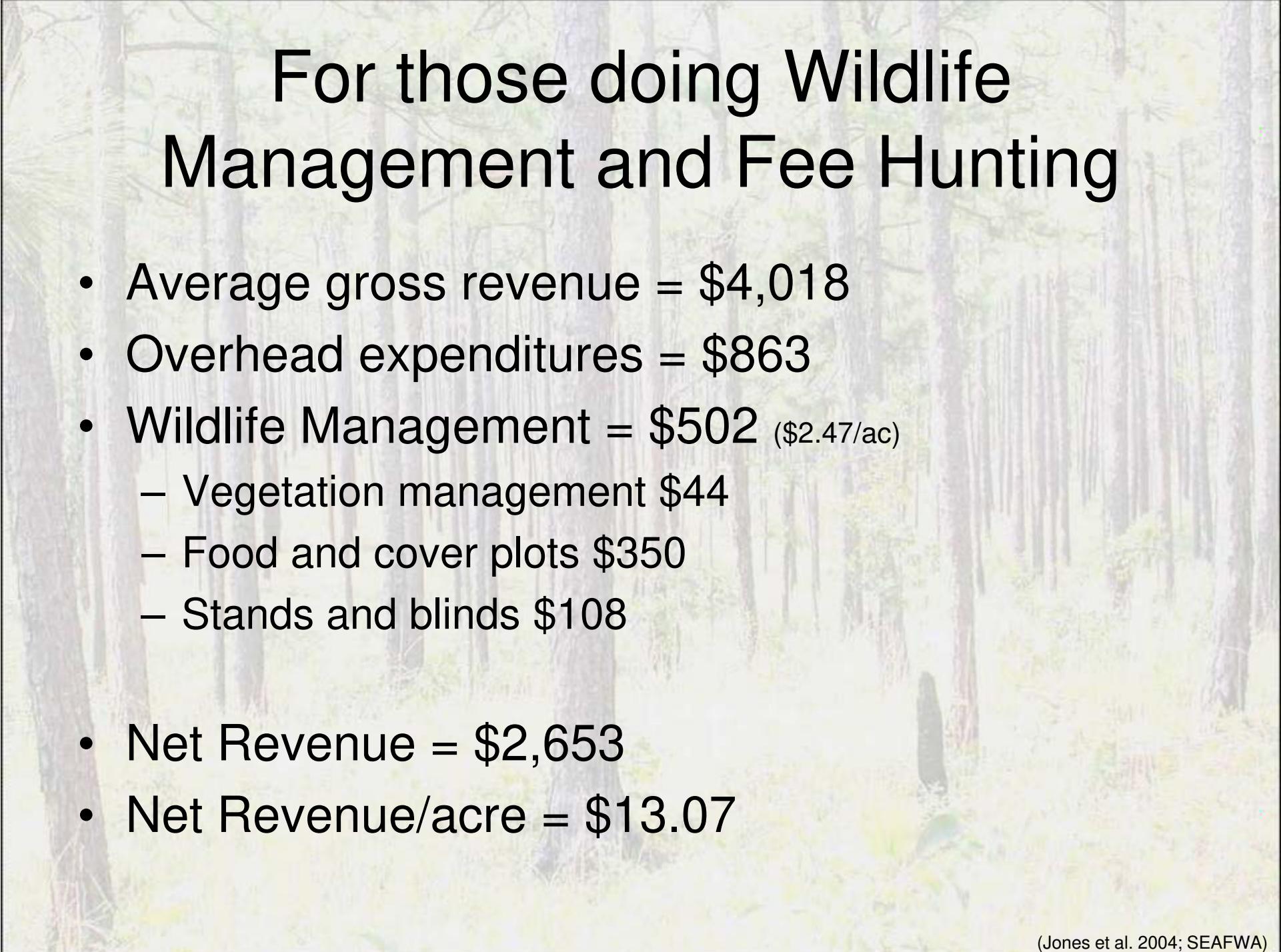
- Non-industrial private forest landowners
- County tax records
- Landowners with >100 acres
- Random sample from 119,715 landowners from 55 counties
- Factors leading to increased lease rates
 - Access roads
 - Year-round water supply
 - Secluded site quality
 - Services
 - Food
 - Lodging
 - Stands
 - Guidance
 - Investment in Habitat Management



Lease Revenues?

- Non-industrial private landowners
- >1995 property tax records
- Landowners with >40 acres
- MS Delta and Coastal regions

- Mississippi Statewide study, 1997-1998
 - 2,283 respondents
 - \$18.53 – \$35.28/ acre gross revenue
 - \$6.37 - \$23.57/acre net revenue



For those doing Wildlife Management and Fee Hunting

- Average gross revenue = \$4,018
- Overhead expenditures = \$863
- Wildlife Management = \$502 (\$2.47/ac)
 - Vegetation management \$44
 - Food and cover plots \$350
 - Stands and blinds \$108
- Net Revenue = \$2,653
- Net Revenue/acre = \$13.07

Forest Stand Improvement/ Mid-rotation Release





Opportunities for Landowners with Small Acreage

DOVE HUNTS!

FEE-FISHING!



Small Properties

- Consider developing a Cooperative
 - Diffuse management expenses
 - Tractors, spreaders
 - People to do the work
 - Share in financial returns
 - Shared accommodations
 - Provides for better wildlife management opportunities

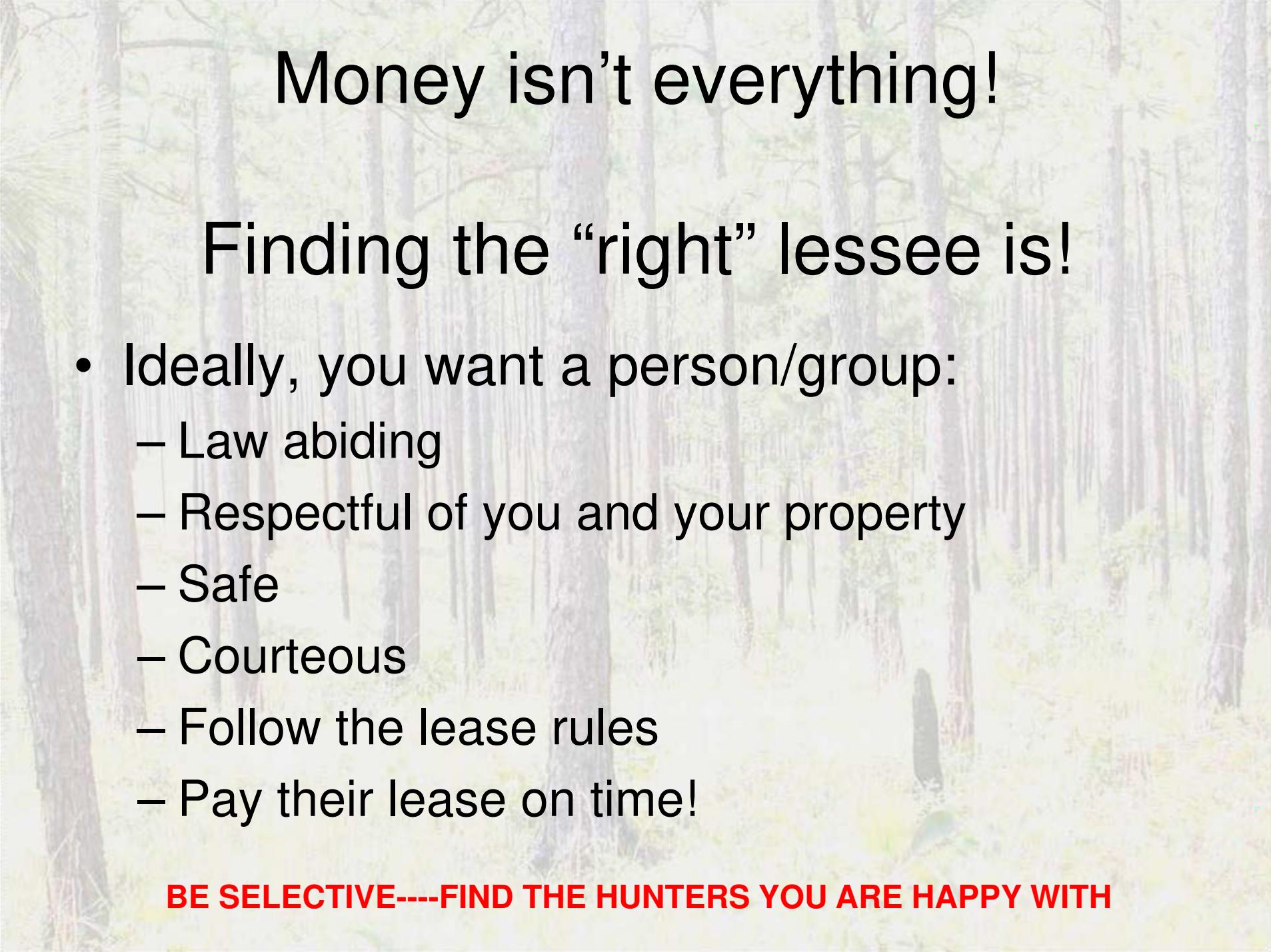
Small Properties---Dove Hunting

- Whole field lease
- Individual daily lease
 - How many hunters?
 - About 1 hunter/acre or 1 hunter/100yds of field edge
 - How much to charge?
 - \$25-100+/hunter/day



Investing in Wildlife Management?

- White-tailed deer---easiest to manage!
 - Population management thru harvest management
 - Encourage older age class bucks
 - Appropriate harvest of does
 - Written into lease agreement and enforced (no cost!)
 - Rhyne and Munn (2004)
 - MS 16th Section Lands
 - Increase in avg B&C score = Increase in per acre revenue
- Good Timber Management = Good Wildlife Management
 - Proper thinning
 - Prescribed burning
 - Control of hardwood competition
- **Need to think beyond the lease price!**
 - Increase game populations
 - Increase land value (36%)
 - Increase timber value



Money isn't everything!

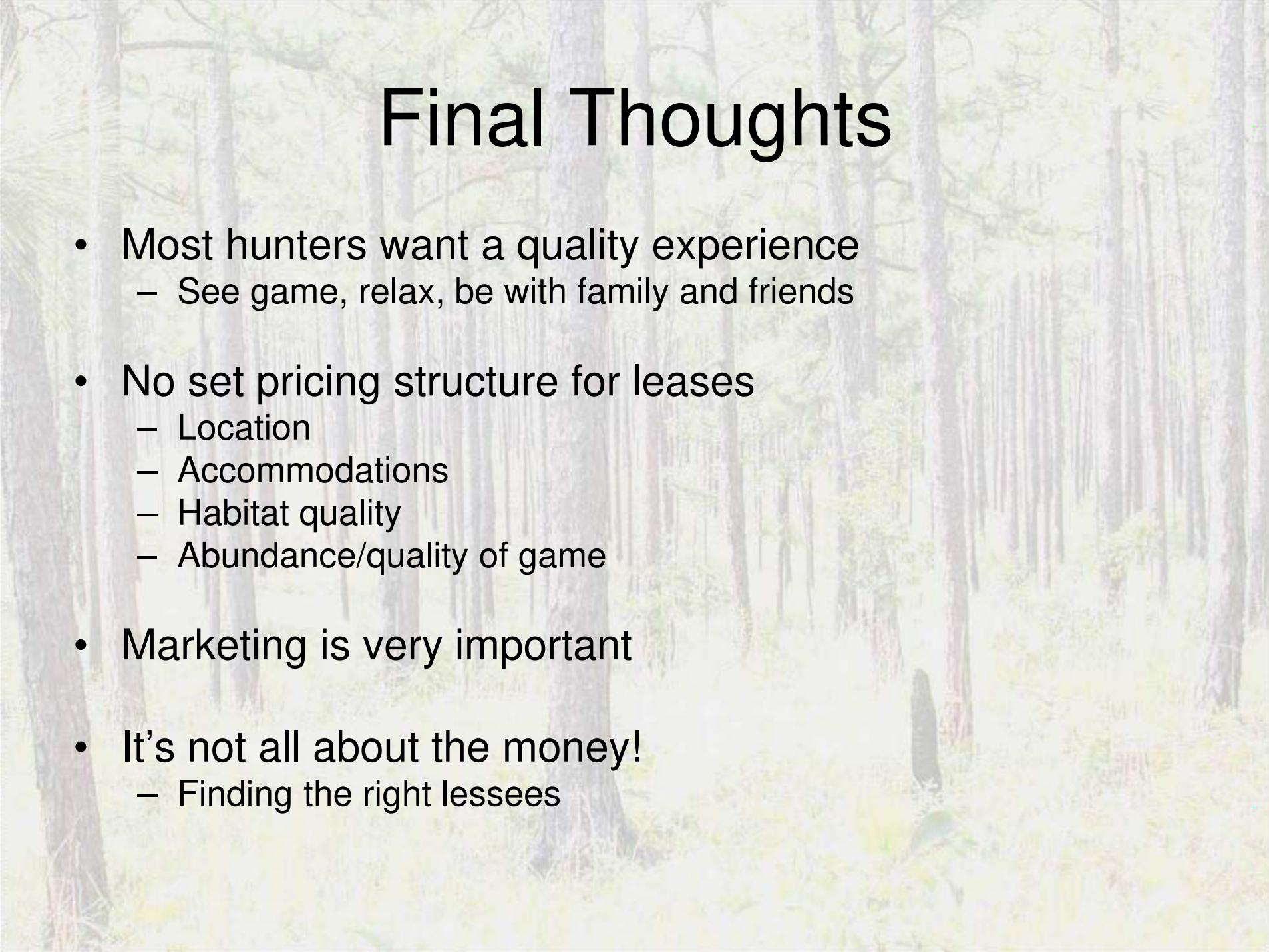
Finding the “right” lessee is!

- Ideally, you want a person/group:
 - Law abiding
 - Respectful of you and your property
 - Safe
 - Courteous
 - Follow the lease rules
 - Pay their lease on time!

BE SELECTIVE----FIND THE HUNTERS YOU ARE HAPPY WITH







Final Thoughts

- Most hunters want a quality experience
 - See game, relax, be with family and friends
- No set pricing structure for leases
 - Location
 - Accommodations
 - Habitat quality
 - Abundance/quality of game
- Marketing is very important
- It's not all about the money!
 - Finding the right lessees