
Crowdfunding and Financing Farmland Acquisition

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A brief explanation of Crowd-Funding

- An **internet platform**, more than just giving
- A **target sum**: an amount which is needed to create a specific outcome
- A **specified time limit**, with milestones along the way
- Different **levels of support**; low entry point
- **All or nothing**



What is Crowd-Funding – *continued*

- **Build** a crowd. **Engage** the crowd
- **Benefits in return** – goods, product, opportunities, events, tributes, etc.
- **Gift Aid** is available
- The possibility of a **financial return**: a ***revenue share*** or ***interest*** or even an ***equity*** stake

The **Crowd** is as important as the **Funding**

- **Engaged supporters**
- They can give **advice, ideas, feedback, skills**
- **Give more. Do more. Find more.** Ask when you need something; and ask again when you need to
- They will be **there for you next time**



Loans as well as donations

Types of loan

- **Principal only**
- A determined rate of **interest**
- **Revenue share** (also available for donations)
- A return **in kind**
- A **blended return**

Some reasons for loans

- People tend to **give more** and be **more ready to give**
- **Co-venturing**, sharing in your success
- **Continuing contact** with your supporters
- They may **not want their money back!**

Different reasons for giving support

- **Personal support:** mobilising support from people you know and in your networks who want to support you and your project.
- **Supporting the cause**, which they too believe in.
- People looking for **a bit of fun** – accessing the “Money can’t buy” returns that you are offering.
- **Sales in advance.**
- **Ethical or social investment** – looking to put money into something worthwhile and seeking a financial or a social return.
- **Outliers:** Projects that can publicity and catch the imagination.

The Bristol Blue Finger project



Crowdfunding and land purchase

Option 1

- Enabling people to **own land**. Seeking their help to buy an acre for £7,000 (or a smaller plot for less). Linking the support given with an actual plot of land that is purchased. They could use the land or be given a share of the produce grown on “their land” in return.
- Create a structure such that the horticultural use and community benefit will both be **preserved in perpetuity**.
- Market it as an **investment**, which is tradable at a determined market price (subject to finding a buyer).
- Packaging it so that it can be **given as a present** “for the future”.

Crowdfunding and land purchase

Option 2

- **Crowdfunding** a larger number of smaller sums from people who share the dream of preserving the land and would like to do something to help.
- Creating a package of **exciting benefits** (that cost quite little and are easy to deliver) to be offered in return.
- Asking for the money as **donations** with Gift Aid or in the form of a **loan** (possibly with some sort of participation), as selected by the donor.
- Using green networks and Bristol networks and publicity to **promote the “offer”** to potential supporters.

Developing a way forward

- Determine the budget; workout a realistic **fundraising strategy**; and develop a **plan** for raising the money In all likelihood this will be a blended solution.
- Explore and create the best **legal framework** for doing this and for its **governance**.
- Create a structure for overseeing and implementing the **fundraising**.
- Negotiating an **option to purchase the land** and a time frame for exercising this which allows for a successful fundraising campaign.
- **Get started.**

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positive people backing bright ideas