

Record Keeping – The Time to Start is Now

Is my rental rate fair to me and my tenant? Are areas of the farm under producing? What have the yields been on my farm for the past 10 years? Is my tenant maintaining or building the fertility levels on my property? These are just a few of the many questions that absentee and non-operating landowners ask themselves each year. In situations where owners do not have access to farm data in order to review and analyze the farm on an annual basis it is extremely difficult to make informed decisions regarding their land; these decisions could include selling, adjusting rental rate or making improvements to the property, to name a few. The practice of obtaining, analyzing and maintaining records is truly invaluable in today's age of farming.

It is no secret that row crop production has grown into big business over the last several years. The era of "Big Data" is not only here to stay but sources of farm data grow each year. More and more operators are implementing precision agriculture into their operation. This technology gives them access to information and data that helps them make well informed decisions. The owners should also have access to this information in order to make better decisions concerning their land. The sharing of information helps to facilitate trust and long term relationships between owner and operator.

There is an endless amount of data that is available but being able to decipher what is important for the landowner can be difficult. Knowing the fertility levels and understanding the soil test is a crucial first step. In order for the farm to produce well the soil needs to be fertilized well and remain in optimum to high levels. Yield is everything in determining the value of your farm. A lot of people reference a farm's CSR value when referring to the value of a property. CSR can be used as a good benchmark, but the true value of a property lies within its production history. Having records of the yield history allows a potential renter or buyer to make a better offer because they have a evidence of what the farm is able to produce and what their return would be. The biggest question we hear from tenants looking to rent ground is; "what is the production history of the farm?" or "what are the soil test results?" If the owner can't answer these questions operators are less likely to offer as high of cash rent to farm the ground.

When searching for a car are you more likely to buy a vehicle that has a complete history report or one that would be bought sight unseen? Obviously, you would purchase and feel more comfortable with the car that has available records and information. Farm ground is the exact same, operators and buyers will be willing to make higher offers when more information is made available to them. Not only does record keeping help boost your potential income, but there is also a satisfaction that comes from knowing that your property is being cared for and maintained the right way. Farmland owners control one of the most valuable assets not only in the United States but in the world and it is their responsibility to treat it that way.

Farmland Stewardship Solutions has an online record keeping database that is made available to all of our clients. Landowners and operators are able to easily and efficiently access and review any important documents tied to the farm through this database. FSS also produces an annual report which provides a comprehensive analysis of the property from an economic, agronomic and stewardship standpoint, this allows for clients to better understand the data and ultimately lead to better decision making. There are tons of great operators who will be more than happy to share this information with you. At the end of the day the purpose of record keeping is to help strengthen the trust and relationship that the landowner and operator have already begun to develop over the years, as well as to provide the owner with a better understanding of his/her property.