

## Farm Management



Adam Thien from Thien Farm Management spoke at the Treynor Optimist Club on March 8. Gary Thien started the company in 1994 after working in the farm management business for 20 years for Council Bluffs Savings Bank and its successors. His son David graduated from Iowa State University (ISU) in 1999 and joined the company and Adam joined in 2008 after graduating from ISU. All three are Accredited Farm Managers and Gary is an Accredited Rural Appraiser. Thien Farm Management manages about 30,000 acres in Iowa and Nebraska, from Dallas County to Lincoln. Their primary customers are absentee land owners. 65% of the acres they manage are for cash rent, 25% is custom farming, and 10% is for crop sharing. In 2013 cash rent prices jumped up. The contract year is March 1 to February 28. Either party can terminate the lease, but they must notify the other party by September 1. The leases auto-renew if not terminated.

2014 cash rent prices in many cases are being reduced. The farmer can ask for a lower price and this year the owners are often agreeing. The average lease is being reduced by \$20-\$30 per acre. Adam said that their highest priced lease was \$510 last year and was reduced to \$400 this year. Lease prices are usually based on the Corn Suitability Ratings (CSR), which ranges from 5 to 100. (see <https://www.extension.iastate.edu/agdm/wholefarm/html/c2-86.html> for more information on CSR.

Adam encourages landowners to do soil tests with 2.5 acre samples, which are typically used for 4 years. Most landowners leave that to the tenants since it costs \$9.50 per acre.

Adam said that the new farm program rules and requirements will probably not be available until this fall. They will be retroactive.

Asked about farm prices, Adam said that in 2013 almost all farm buyers were farmers. This year investors are coming back into the market.