

2017
April

a view from the WINDMILL

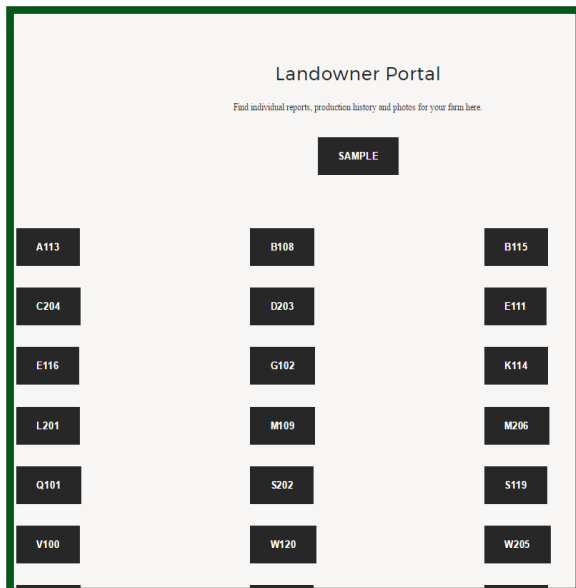


ON THE WEB

FarmFirst has always made communication with its clients a top priority. We have recently made some changes to our website to give clients instant access to information about their farm. When visiting www.farmfirstllc.com, clients will find a tab in the menu for “**Landowner Portal**.” In the **Landowner**

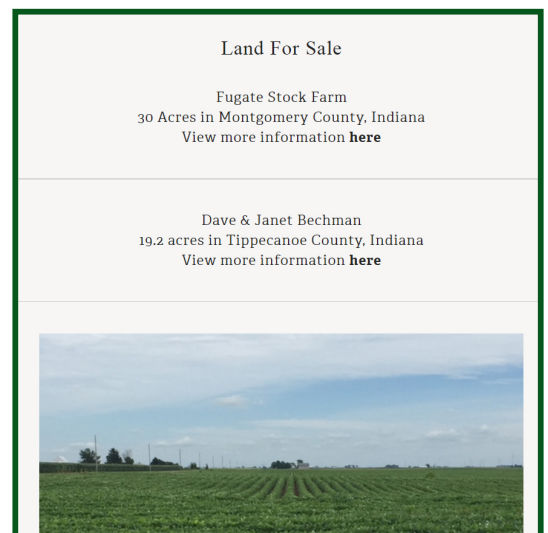
Portal, each farm has a unique page code and password for secure access to photos, reports, financial statements and more. For example, we recently created a video of a tiling project on a farm we manage using footage from a drone. The clients who own the farm are able to access the video on their page in the Landowner Portal.

Also on our website you can find our current **real estate listings**. If you are looking for property to buy, we may have a farm that interests you. You can also learn more about FarmFirst



on the **Company Profile** page. This is where you will find contact information for each FarmFirst team member as well as the services we offer. The **Industry News** page provides links to other websites to keep you informed on what is happening in the agriculture industry.

Be sure to connect with us through **social media**. You can find us on Facebook, Instagram and Twitter by clicking on the social media icons in the top right corner of any page on our website.



Cash Rent & Land Values

Winter is normally a slow time for farmers, but a very active period for farm real estate. This is the time of year when farmland is changing hands through sale or lease changes. However, this winter we have seen a very slow land market in west central Indiana. There has been an extraordinarily low number of public land auctions, and many of the farms sold have been on marginal to average soils, as opposed to prime farmland. A recent survey of the Indiana Society of Farm Managers and Rural Appraisers indicated Indiana land values have dropped on average 8.8% in the last year. When looking at survey and sales data, it is important to consider the story behind the numbers. The decline in average price could be more representative of the quality of farms that are selling. The slowing of the market can represent a flattening in prices, especially reflected in the continued strength in the price of above-average farmland. It is vital to remember land is a unique asset in that each farm needs to be evaluated on its individual merits. The best way to estimate a farm's value is not necessarily with surveys and market data, but through the consultation of local farm real estate experts.

Cash rent negotiations are also an important task during the cold months of the year. This winter, we have been pleasantly surprised with how easy these talks with tenants have been. For our company this has been the result of a few factors, including a relatively positive local farm economy. The most important factor has been cultivating long-standing relationships with the best available farming operations. This allows us to put both the landowner and the tenant in a win-win situation. The implementation of a flex, or bonus, lease in many instances has allowed us to protect the interests of both parties. Using this long-term outlook in farm leasing, FarmFirst, LLC has not

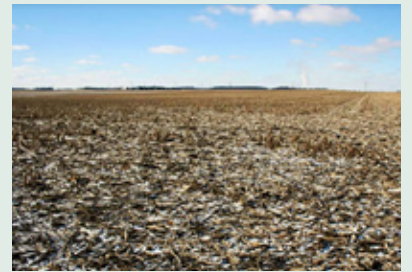
had to lower a single cash rent going in to 2017. This seems to buck the Indiana Society of Farm Managers and Rural Appraisers survey trend of a 9% decrease in cash rents statewide. Just like in evaluating farmland, it is crucial not to evaluate rent values as a commodity using statewide survey data, but rather as a unique situation that considers the individuality of each farm.

Land Sale Spotlight

Montgomery County

High-quality farm
near Linden, Indiana

sold for:
\$8,500/acre



Seller: Fugate Stock Farm, Inc.
Selling Agent: **FarmFirst, LLC**



*“Agriculture is our wisest
pursuit because it will, in the end,
contribute most to real wealth, good
morals and happiness.”*

- Thomas Jefferson

ANTIQUÉ AGRICULTURE



Left: An advertisement in 1965 for an Allis-Chalmers D17 tractor with a side-mounted mower. The ad praised the tractor and mower combination to be “so quiet you can almost hear the hay fall.”

Right: Modern hay equipment focuses on optimal cutting for the best feed quality and low maintenance to save farmers time and money.



COMPANY NEWS

John Bechman recently joined the FarmFirst team as a farm manager and real estate broker. He has seven years of local experience in the agriculture industry. John also operates his own independent crop insurance agency. He can be contacted at (765) 404-0396 or john@farmfirstllc.com.

did you know?

Elevators in the Statue of Liberty use a soybean-based hydraulic fluid.

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FarmFirst, LLC

Real Estate Services

farmfirstllc.com

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FEATURED LISTING

19 ± **Tippecanoe County, Indiana**
acres **Wabash Township**
Frontage on South River Road

Call John for more information
(765) 404-0396

