

Weekly Article

12-6-2021

Fair Pasture Rental Agreements

Hello, my Name is Richard Purdin with OSU Extension, Ag and Natural Resource Educator and Community Development Educator for Adams County. I hope to better inform local producers and the public of the latest news in the world of agriculture. December is here and that means fall is ending and old man winter is knocking at the door. This week I was updated on the 2022 winter and spring forecast. With the report came good and bad news (depending on the point of view). The 2022 winter and spring for the Ohio valley is going to be controlled by a strong La Nina weather pattern, historically this calls for warmer winters with spirts of cold weather events such as artic blast of air from Canada that doesn't last long. If you like warmer weather during winter, then this is probably a good forecast. Warmer winters with average precipitation tell me that I and many other livestock producers will have to fight the mud (what is new!). Now the bad news, La- Nina weather patterns usually mean cool wet springs and dry summers, it is a little early to be predicting next spring and summer but just be prepared in case the forecast holds true. Speaking of next spring, many livestock producers might be looking at strong livestock markets now and thinking about expanding their operation. More animals equal more mouths to feed, this also means you need more grass. With the increase in fertilizer cost landowners with hay fields might be interested in leasing out to neighboring producers. Today I want to discuss a few pasture rental agreements as potential options for the 2022 grazing season.

1. **Animal Unit per Month method-** This method considers the average annual animal unit times the average hay price per ton times the pasture quality rating. An animal unit is based on 1000 lbs., for example if you have a 1000 lb. cow with a 2-month calf by its side (about 200lbs) the animal unit = 1.2 or let's say you have an ewe weighing 150 lbs. =.15 Animal units. The average fair grass hay price in Ohio ranges from \$80/ton – \$150/ton. Pasture rating are general rating given to pasture based on their comparison to hay markets. Fair to good pastures will have a rating of .15 and excellent grass-based pastures =.20. Example = let's say you have 1000 lb pregnant cows and you are wanting to lease a fair pasture= $1.0 \times \$80/\text{ton hay price} \times .15 \text{ pasture rating}$, your rental price would be \$12/head per month.
2. **Per Acre rental method-** this is an easy and quick method of renting pasture; this does not mean that it fits your operation adequately. According to USDA NASS 2020 average rental for pasture across Ohio

ranged from \$17/acre- \$50.50/acre. For south central Ohio the average price = \$32/acre.

3. **Pasture rental based on yield and soil capabilities-** Information gathered from local county soil surveys will be utilized in coming up with a rental price. For example, Soil surveys will give soil ratings for forage growth and yield and rating on how many Animal Units can be grazed per day (AUD). Example \$40/ton pasture equivalent x 2.5 ton/ac average yield x 60 days of potential grazing period / 150 Animal unit grazing day period = \$40/acre

In summary there is no one size fits all pasture rental agreement, each operation is different and proper budgeting and research should be done prior to entering a pasture rental agreement. Communication is critical in the lease agreement construction and implementation. Making sure that the landowner and you the livestock owner know each other's responsibilities. This may include pasture fertility, fencing and repairs, mowing, weed control, watering systems, and insurance. Last but not least make sure to write down everything and get a copy of the lease agreement in writing.

Some other details to go over.

- Private, Commercial, and Fertilizer applicator testing dates will be January 13, 2022, and March 10th, 2022, located at Ohio valley CTC. To register online by going to pested.osu.edu or call ODA (pesticide division) at 614-728-6987.
- January 11, 2022, private pesticide applicator/fertilizer applicator recertification 5:00pm-9:00pm held at the Ohio valley CTC 175 Lloyd Rd West Union, Ohio 45693 Cost is \$35 for both pesticide and fertilizer and \$15 for those just needing fertilizer recertification only. Please register with our office first by calling (937) 544-2339 and mailing your checks to 215 North Cross St Rm. 104 West Union, Ohio 45693.
- February 15th will be the second private pesticide/fertilizer applicator recertification, location of this event will be at the West Union Frisch's (back meeting room) 11157 St Rt 41, West Union, Ohio 45693. Register by calling (937) 544-2339 and mailing payments of \$35 for both Pesticide and fertilizer or \$15 dollars for fertilizer only to the office 215 North Cross St RM104 West Union, OH 45693
- USDA NRCS announces deadlines for the Environmental Quality Incentive Program (EQIP), Conservation Stewardship Program (CSP), and Regional Conservation Partnership Program (RCPP). The deadline to apply for these cost share programs is January 14th, 2022. Call (937) 544-2033 ext. 3 for details.