



FARM CREDIT LEASING

AAA Farms MILAN, TENNESSEE

Opportunity knocks in the unlikely of places. For entrepreneur Andy Atwood, it was on a country road in Arkansas where his GPS led him on an unexpected route through chicken country. The quiet and efficiency of what was clearly a robust industry was instantly appealing.

“It was intriguing because no one was there working, at least visibly, but animals were still being raised, so it was attractive as a business you could run with relatively low labor cost,” Atwood said. “And it’s clearly a thriving industry because we saw chicken house after chicken house. They were everywhere.”

Recognizing its potential, Atwood started researching the poultry industry. And he’d be a good judge: he owns multiple enterprises, including rent-to-own portable buildings, residential rentals and a construction company.

Just a few months after the seed was planted, a large poultry integrator announced plans to build a new chicken processing plant in nearby Humboldt, Tennessee. Atwood was one of the first to register interest with the company and start the process of becoming a contract grower with the nation’s largest chicken processor, which included buying two plots of farmland to demonstrate his commitment. Then he started looking into financing the facilities and equipment he’d need, which brought him to Farm Credit Mid-America and CoBank Farm Credit Leasing.

“I’ve always preferred to own things, but when I ran the numbers from Farm Credit Leasing it opened my eyes and changed my whole mindset,” Atwood said.

Atwood launched AAA Farm’s poultry business—the farm also has a cattle herd—with ten chicken houses financed with a multi-million dollar turn-key lease. The lease includes the barn structures themselves along with all the equipment needed to care for and raise healthy animals: feeders and watering systems, heaters and fans, feed bins and auger systems, and computer systems to monitor and run the facilities.

AAA Farms finished constructing its first chicken house the day before the first load of chicks arrived from the integrator to fill it, and continued that pattern until all ten houses were finished and filled. Once raised to the proper size, the chickens are taken to be processed by the integrator, and Atwood’s barns are cleaned in preparation for the next delivery of animals. AAA Farm’s poultry venture was so successful in just its first six months that Atwood contracted for four additional chicken houses, which he also plans to lease through Farm Credit Leasing.

“The team at Farm Credit Mid-America and Farm Credit Leasing are very knowledgeable and accommodating, and the benefits of leasing are substantial enough that there was no question of how I’d finance the next group of houses,” said Atwood. “As an added bonus, we’ll receive significant financial benefits at lease-end to facilitate transferring the business to my children.”



1 BOSTON HOWE
Sr. Relationship Mgr.
CoBank Farm
Credit Leasing

2 ANDY ATWOOD
Owner
AAA Farms

3 BRANDON MCEARL
Sr. Financial Officer
Farm Credit
Mid-America

