



Rooster Ag'

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Farm Management

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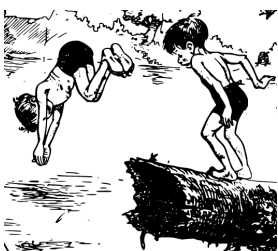
A Family Owned Company

March 2020



Investor Pool

As the farmers have finally put the operational part of the 2019 crop season behind them, they are still dealing with the emotional and financial side, especially for those who were not properly or fully insured, making the financial hit they incurred that much worse. Banks have tightened their Ag' lending criteria, adding further stress that is still lingering from the 2019 crop year. As a result, 2020 land sales are for the most part falling into the hands of **Investors**. These **Investor Pools** became very active in the last half of the 2019 crop season and are pushing even harder here at the start of this new decade. Farmland being held by non-farming operations has reached 30% and is growing higher by the day. This is kicking the Generational Shift into high gear to further fill in the needs of the **Investor Pools**. The recent volatility in agricultural markets has created excitement for **Investors**, compelling them to pursue long term investments in farmland and agriculture, not just in the traditional sense one may think. The **Investor Pools** focus has always been centered around net return on investments which is the starting point. That, along with value-added proposition add-ons like private hard-money lending for operational needs. Purchase of existing grain facilities, as well as new grain bin construction on their own farms, hog facilities, wind turbines leases, solar field leases, as well as growing interest in organics and organic farming. These added benefits have spread the word to the **Investor Pool**... to come on in, the water is fine.



Step-Up Basis

When you inherit a piece of property your **Basis** for capital gains **Steps Up** to the value of the properties appraised value as of the date of the passing of the individual whom willed the property to you. So, if Mom & Dad paid \$500 per acre for a farm in DeKalb County in 1965 and you inherit the farm in 2020 and the appraised value as of the date of death that triggered the inheritance is \$10,000 per acre, that is your new **Basis**, versus the \$500 paid in 1965, totally erasing the capital gains taxes between the \$500 and the \$10,000 per acre value. If one desires to sell that property for \$10,000 per acre that individual would owe no capital gains tax on that transaction. If you find yourself in this situation, **Step Up** and give us a call and we will meet you at your kitchen or conference room table, take care of your estate tax appraisal, hook you up with one of the CPA's from CLA, and walk you through all the details involved in **Step-Up Basis**.

Crop Insurance and PLC or ARC

Brian Bark, our **Crop Insurance** specialist has been reviewing his clients' **Crop Insurance** claims from 2019 along with what is the best of the multiple **Crop Insurance** options available for the 2020 crop year. He has also been walking them through the decision as to what government program to sign up for 2019 & 2020. Brian says the general consensus with his growers is to sign up for **ARC-IC** (Agricultural Risk Coverage-Individual) on any farms that were prevent plant or had very low yields in 2019, as the farms should certainly receive a payment. There will be almost no compensation for **PLC** (Price Loss Coverage) and some small potential for compensation in specific counties on **ARC-CO** (Agricultural Risk Coverage-County) for the 2019 crop year. **PLC** has a better chance for some compensation in 2020 if we can assume for a normal production year and the corn price is lower as a result of a good crop. As such for 2019/2020 the majority of growers are signing up with **PLC** on the corn acres that were not prevent planted or had low yields and **ARC-CO** on the farms that were soybeans. The time is now to make your decisions as the sign up on **Crop Insurance**, **PLC & ARC** needs to be done by March 15. Need help? Give Brian a call, he will meet you at your shop, office or kitchen table to walk you through the decisions on your **Crop Insurance** as well as help you out with your decision on **PLC or ARC**. Meet with Brian to discuss your **Crop Insurance** Needs today!

~ Weather Almanac ~

by Meteorologist Frank Watson



March Weather Outlook

Here is your March Weather Almanac prepared by Consulting Meteorologist Frank Watson. Frank can be reached at Watsonwx@aol.com or online at WeathermanWatson.com.

Temperatures are favored to average cooler than normal. Precipitation is expected to total below near normal.

Clouds with passing showers are favored to open the month but look for a bigger rain to snow event around March 3-5. Cooler and sunnier skies are favored from March 6-8. A passing shower is expected on March 9 with mostly sunny skies favored from March 10-12. Clouds and showers from March 13-16.

Mostly sunny skies are favored from March 17-21. Expect an increase in clouds and shower activity to dominate the last week of the month from March 22-31.



Weather Trivia

**"MARCH BORROWS THREE DAYS FOR APRIL,
AND THEY ARE GREAT"**

The finest three days of any month are usually typical of the next month. In March, this usually meets with our favor!

March Astronomy Calendar

March will offer good morning viewing opportunities of Saturn, Jupiter and Mars while Venus will be the planet shining in the evening sky. We'll also enjoy an increase of 1 hour and 24 minutes of daylight and the sun will be setting after 7pm thanks to daylight saving time which begins on Sunday, March 8. Spring begins on Friday, March 20 at 10:49pm.

The first Quarter moon is Monday, March 2.

Mercury rises shortly before sunrise, low in the eastern sky, and will be tough view much of the month. A waning crescent moon will be near Mercury the morning of Saturday, March 21.

Venus rises after sunrise and will be viewable in the evening hours in the west skies after sunset. Look for the waxing crescent moon below Venus on Friday, March 27. Telescope users should look for **Uranus** below Venus the evening of Monday, March 9.

The moon is Full on Monday, March 9.

Mars will be the first of the three morning planets to rise in the southeast sky a couple of hours before sunrise. A waning crescent moon will be below Mars on Wednesday, March 18.

The last Quarter moon is Monday, March 16.

Jupiter will be the second of the three morning planets rising shortly after Mars. Look for a waning crescent moon below Jupiter on Wednesday, March 18 with Mars just to the right. After March 22 Jupiter will be rising before Mars.

The moon is New on Tuesday, March 24.

Saturn will be the last of the three morning planets to rise. It will be the lowest of the three planets in the southeast sky of Mars, Jupiter and Saturn. Look for a waning crescent moon to the lower left of Saturn on Thursday, March 19.

Morning Planets: Mercury (dawn), Mars, Jupiter, Saturn

Evening Planets: Venus, Uranus

Future Weather Outlook

April is expected to experience colder than normal temperatures.

Precipitation is expected to total near normal. Favored dates for heavier precipitation center on April 1, 2, 3, 7, 8, 9, 11, 13, 14, 15, 22 and 28.

Long-Range Weather Outlook

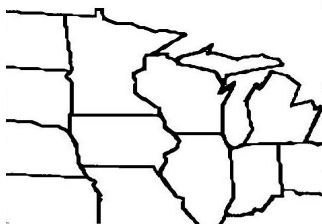
May: expect warmer than normal temperatures with below normal precipitation.

June: expect above normal temperatures with wetter normal precipitation.

July: outlook favors above than normal temperatures and above normal precipitation.

August: outlook favors warmer than normal temperatures and above normal precipitation.

September: expect warmer than normal temperatures with above normal precipitation.




Weather projections, features and facts created by Bruce Watson for our **Weather Almanac** are presented as scientific guidelines as to what we might expect over a large area of the Midwest, as well as our part of the state and general service area. The "Normals" appearing on the back page are provided for the particular counties we serve and reflect the average high and low temperatures, plus average amount of sunshine and precipitation experienced week to week in the area over the past 170 years.

Frank Watson utilizes a model that Bruce Watson specially designed, based on weather observations that much more clearly represent our local climate than do shorter, 30-year National Weather Service averages. These figures draw on the long history of systematic observations begun by the U.S. Army in 1817.





Northern Illinois Ag' Center

A Rooster Ag' Company 

"Where work gets done!"

www.niac.farm

1100 S. County Line Rd. Maple Park, IL 60151

NIAC Spotlight

Organic Farming

There are so many pros and cons to organic farming in today's world. In 2016 alone, organic sales were up by 23 percent which amounted to over \$7.6 billion and counting. However, it takes a minimum of three years to become certified organic which can be extremely costly, and eat up a significant chunk of a farmer's time and energy.

Do the pros of organic farming, such as in the elimination of genetically altered seed, manufactured fertilizers, herbicides and insecticides, outweigh the pros these products provide for conventional farming? Conventional farming and the use of these products has been the go-to method for decades to enable farmers the ability to grow enough grain to fulfill the world demand.

To help offset the costs and entice farmers to transition to organic, companies such as Annie's are offering incentives, working with farmers individually, and creating partnerships with organizations that support organic and regenerative farmers.

Individual states also offer different financial help to farmers looking to transition to organic. Illinois has a program where they will reimburse farmers for their certification process, as well as a way for farmers to sell their products under a "transition" label, so that money can still be made during this risky/lengthy process.

Another plus side to organic farming, according to a study done by Proceedings of the National Academy of Sciences, organic farming is 22 to 35 percent more profitable than conventional farming; something conventional farmers are beginning to consider, enticing them to begin the conversion to organic on portions of their operations on farms that are well suited for organics.

What are your thoughts on organic farming? Is it worth the time to transition to organic? Is it where you want to invest your resources? Would you prefer to invest in a conventional farm or an organic farm? We look forward to hearing your thoughts on the future of organic farming!

Grain Facility For Sale



Perfect Facility for Non-GMO, Organic, or Specialty Grains!

Located at the Northwest corner of S. Somonauk Road & West Elm Ave. in Cortland, IL, this grain facility is located on 2.35± acres.

This facility boasts a storage capacity of **332,717 bushels**, and listed at **\$450,000**.

Please contact Joe for more information!



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Important Crop Insurance Reminder

The crop insurance sales closing date is **March 15th**.

If you plan on insuring your crops, **you must have a policy in place by the 15th**. Meet with Brian today to choose the coverage options that are right for you.



FARMLAND FOR SALE

DeKalb County—Paw Paw Twp—246.22±/222.00± tillable acres. Located off Chicago Road on the DeKalb/Lee County line. Good soils with a soil PI of 131.20. **Divisible via (6) 40 acre parcels! \$8,000 per acre**

DeKalb County—Milan Twp—117.36± acres/115.58± tillable: Located at the intersection of Keslinger & Tower Rd. 98% Tillable, with 115.58 tillable acres of good soils and an average PI of 132. **\$9,450 per acre.**

DeKalb Co—Victor Twp—5.15 acre Leland, Shop/Storage Buildings & Grain Facility, including a Heated Shop, Machine Shed, (2) Equipment Storage Sheds & a Part Building. This site also includes a fully operational 273,500bu grain facility. Great for specialty crops or Organics. **\$550,000.00**

DeKalb Co – Cortland Twp— 327,717bu Grain Facility with 10,101±SF of building space. Seller will include a tower dryer in the sale if a purchaser desires. Well maintained and recently painted. Great for specialty crops or Organics. **\$450,000.00**

Henry County—Kewanee Twp—1,787 acres/1,273 tillable acres. Known to be one of the largest contiguous tracts of land for sale in Illinois. Income generated by both the farm rent and CRP. At ask price the farm kicks off a 3.5% ROI. **\$5,375.25 per acre.**

Henry County—Alba Twp—123.55 acres/118.48 tillable acres. Located North East of Atkinson, IL off E. 2400. Good soils with excellent yield history. Includes 1,350' electric irrigator which covers 113 tillable acres. **\$8,800 per acre**

Kane County—Blackberry Twp—46.29± acres/34.61± tillable acres. Excellent location off Finley Road & Scott Road just south west of Route 47 & the new I88 interchange. Perfect organic site! **\$990,000.00**

Kendall County—Seward Twp—180.00±/173.04 tillable acres. Excellent location off County Line Road, just south of Route 52 in Minooka, IL. Mostly Tillable! **Divisible via multiple configurations! \$8,611 per acre**

Kendall County—Little Rock Twp—101.41± acres/94.88 tillable acres. Excellent location off Little Rock Road & Griswold Springs Road in Plano, IL. **Adjacent to Walmart! \$9,950 per acre**

Lake Co—Newport Twp—227.75± acres/199± tillable acres. Excellent location off of Rt. 173 in Wadsworth, IL. Rare tract for this size and location. Great 1031 Trade parcel. **Divisible via multiple parcels ranging from 11 acres to 40 acres. Price Reduced! \$9,250 per acre.**

RECENT COMPARABLE FARMLAND SALES/CLOSE

Date	County	Twtnshp	Acres	Price/Acre	Date	County	Twtnshp	Acres	Price/Acre
11/19	Bureau	Berlin	182.0	\$10,298	12/19	LaSalle	Troy Grove	135.0	\$9,981
11/19	DeKalb	Paw Paw	159.0	\$8,447	12/19	Lee	Nachusa	226.0	\$5,978
11/19	DeKalb	Franklin	160.0	\$7,907	12/19	Ogle	Flagg	315.0	\$9,511
12/19	Kane	Burlington	115.0	\$9,799	12/19	Stephenson	Ridott	122.0	\$7,750
01/20	Kendall	Little Rock	50.0	\$10,455	11/19	Winnebago	Rockton	312.0	\$5,296

The sales reported are randomly chosen from the most recent issue of the Illinois Land Sales Bulletin, a bi-monthly report on farmland sales of 20 acres or greater. This data is obtained from the transfer declarations recorded at 90+ courthouses around the state. Subscriptions are available by visiting www.ilsb.us or calling 608-543-3125.

🐓*** Denotes Sales by Rooster Ag'



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**If we had no winter,
the spring would not
be so pleasant.**



NORMALS FOR THE MONTH

FEB. 23 TO 29	MARCH 8 TO 14	MARCH 15 TO 21	MARCH 22 TO 28	MARCH 1 TO 7
AVG. HIGH..... 29	AVG. HIGH..... 44	AVG. HIGH..... 47	AVG. HIGH..... 50	AVG. HIGH..... 41
AVG. LOW..... 10	AVG. LOW..... 24	AVG. LOW..... 27	AVG. LOW..... 29	AVG. LOW..... 22
SUNSHINE..... 52	SUNSHINE..... 47	SUNSHINE..... 52	SUNSHINE..... 52	SUNSHINE..... 49
% DAYLIGHT HOURS	% DAYLIGHT HOURS	% DAYLIGHT HOURS	% DAYLIGHT HOURS	% DAYLIGHT HOURS
Precipitation 0.35	Precipitation 0.51	Precipitation 0.59	Precipitation 0.68	Precipitation 0.46