



Rooster Ag'

**Farmland Real Estate · Farm Management
Federal Crop Insurance · Farm Appraisal Services**

Website · www.roosterag.com

Email · rooster@mc.net

Office · (815) 333-4354



~ Don't let your money collect dust, Invest in dirt! ~

A Family Owned Company

May 2020

Times Like These



As we prepared for 2020, I let the Family and the workforce at Rooster Ag' and the NIAC know that based on our projections, things were looking great for 2020. That is, as long as someone doesn't fly a plane into a building, we don't have another financial institution crisis, or any other unforeseen crisis we would be all set. Now that we are in **Times Like These**, our economy and a good portion of our national workforce has had to hit the pause button. But this time, this downturn seems different, there appears to be optimism and renewed values in the American public, which has been created from **Times Like These**. We have noticed a sense of unity in couples/families taking walks, bike rides, sit down family dinners, time for home improvement projects, vision, restructuring of business, phone conversations that are not rushed, providing good old give and take along with some feelings of gratitude and harmonic meetings of the minds. All things that are truly important, but maybe, the hustle, the bustle and gain that had taken precedence, now may take a backseat created from **Times Like These**. I believe we all feel as when this passes, where it soon will be a distant memory, we can all go back to the things that are essential for us to survive and thrive but most importantly, keep and cherish the values we reignited in **Times Like These**.

Land Values

On a daily basis I am asked, "so what's happened to the **Land Values** with the price of corn and ethanol being affected by the price of sub-zero oil?" The answer today is clear: the biggest factor on **Land Values** is net return on investment. When we sell and appraise farms, we have found that there is a direct correlation between a farms cash rent and comparable land sales. For the most part the ROI strike point has been a 3% net ROI down from 10 years ago where investors desired 5%. Then over night it dropped to a desired 4% net ROI. Then over the last 5 years 3% has become our target net ROI. Today it appears that the buyer pool is comfortable taking that net ROI below that 3% mark, looking to diversify into more tangible assets, and the fact that land provides food, and people need to eat, investing in land and the opportunity to own a productive piece of our planet is a solid investment. So, if you drop from a 3% desired net ROI to a 2.5% net ROI goal that would *increase* comparable land sales on a class A farm by some \$1,400 per acre. The other side of the equation is income i.e. net cash rents. Since cash rents for the year 2020 had been previously negotiated and paid in part or full, that ROI factor is still in place until we negotiate 2021 farm leases. This process is typically done in June, July & August where we typically see the high in the corn price for the year. As we sit today, **Land Values** have remained steady with little movement from sellers off of their desired selling price providing for farms to be sold at or below the 3% net ROI. Once we negotiate 2021 farm leases the final piece of the puzzle will be in place to tell us the future of **Land Values**.

Farmland Appraisals

With the Generational Shift in full force, we find our **Farmland Appraisal** staff hammering out appraisals for families, estates, banks, individuals and attorneys throughout Illinois. To determine a farms' market value, we have revamped our appraisal process eliminating the old school minutia. Thus, creating **Farmland Appraisals** based on multiple factors that need to be considered which depicts what a property's most probable price is on a specific date that a property would sell for, if for a voluntary sale. Have questions? Give us a call, we will meet you at your kitchen or conference room table, gather the specific data required to analyze what your farms' true values are based off of our proprietary **Farmland Appraisal** report.

~ Weather Almanac ~

by Meteorologist Frank Watson



May 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 warmer than normal. Precipitation is expected to total below normal. Clouds and showers are expected from May 1-3 with lingering showers on May 4 (it may be even cold enough for snow). Sun May 5-7. Clouds and rain dominating with little sun from May 8-14. A mix of sun and clouds and scattered showers from May 15-21.

Sunny May 22-25. Spring like showers and thunderstorms return from May 26-31.

“April weather, rain and sunshine both together.”



Weather Trivia

“WINDY WEATHER AFTER DARK BRINGS A STORMY NIGHT”

A storm system is almost always approaching when the wind blows strongly at night.

May Astronomy Calendar

What a better time to introduce your kids and other family members to what is occurring in the heavens above and introduce them to astronomy. Whether you're up early or out late there is always something to see when you look up.

Mercury rises shortly around sunrise, low in the eastern sky, and will be lost in the morning twilight for much of the month. Viewing opportunities will present itself the last week of the month as it sets after sunset in the western horizon.

The moon is Full on Thursday, May 7.

Venus will be seen setting in the northwest sky for the first three weeks of the month.

The last Quarter moon is Thursday, May 14.

Mars will be the last of the three morning planets to rise in the southeast sky a couple of hours before sunrise. The last quarter moon will be below Mars on Friday, May 15.

The moon is New on Friday, May 22.

Jupiter will be the first of the three morning planets rising shortly before Saturn. Look for last quarter moon to the right of Jupiter on Tuesday, May 12.

The first Quarter moon is Friday, May 29.

Saturn will be the second of the three morning planets to rise. Look for the last quarter moon to the lower left of Saturn on Wednesday, May 13.

Morning Planets: Mercury (dawn), Mars, Jupiter, Saturn, Uranus and Neptune

Evening Planets: Venus, Mercury after May 24.

June Weather Outlook



June is expected to experience warmer than normal temperatures.

Precipitation is expected to total above normal. Favored dates for heavier precipitation center on June 1, 2, 8, 9, 10, 15, 19, 20, 22, 23, and 26.



Long-Range Weather Outlook

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.

October expect warmer than normal temperatures with below normal precipitation.

November expect above near temperatures with wetter 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

New Listing!

106± acres in La Salle Co., Sheridan Township, IL

Beautiful farm/recreational/
hunting property with endless
opportunities!

\$7,700 per acre

Find more information on our web-
site, or call Tyler at (815) 451-1152!



NIAC BUILDING DIRECTORY

Rooster Ag'

Kelly Ludwig	COO, Designated Mng. Broker, Owner	(630) 546-8267
Joe Ludwig	CBO, RE Broker, Owner	(630) 774-5887
Stason Ludwig	CEO	(815) 762-2136
Brian Bark	Crop Insurance Agent	(815) 509-6568
Karl Viksne	Crop Insurance Agent	(630) 770-8708
Steve Edwards	Farm Manager, RE Independent Broker	(630) 774-7470
Tyler Creath	RE Broker, Service	(815) 451-1152
Lonnie Latimer	RE Independent Broker	(815) 378-4854
Jason Desplinter	RE Independent Broker	(309) 644-2055
Juna Schmitt	Marketing Director	(515) 975-8915

First National Bank of Ottawa

Jeff Main	Commercial Loan Officer	(815) 751-3058
Stephanie H.	Mortgage Loan Originator	(815) 762-9744

Clifton Larsen Allen

Alex Calendo	CPA	(815) 285-9329
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Wade Law

Wade Joyner	Attorney at Law	(630) 768-1042
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Michelle Conklin Photography

Michelle C.	Photographer	(847) 476-1948
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Thorn Creek Insurance

Connor Loftus	Independent Insurance Agent	(217) 891-7347
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Advanced Trading Inc.

Fred Dietz	Ag Risk Management Advisor	(815) 515-4926
Brett Mapel	Ag Risk Management Advisor	(815) 427-4180
Mike Rhodes	Livestock Specialist	(312) 533-9607

Midwest Material Management

Chris McGill	Compost Specialist	(847) 812-6897
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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. **Price Reduced! \$8,995 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. **Divisible via multiple parcel configurations ranging from 115—1,122 acres!** Income generated by both the farm rent and CRP program. Kicks off a **3%+ Net ROI** at the list price of **\$6,300 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. Kicks off a **3%+ Net ROI** at the list price of **\$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—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	Twncshp	Acres	Price/Acre	Date	County	Twncshp	Acres	Price/Acre
01/20	Bureau	Arispie	73.0	\$9,385	02/20	LaSalle	Groveland	457.0	\$9,260
02/20	Bureau	Ohio	276.0	\$9,782	02/20	Lee	Lee Center	114.0	\$9,732
03/20	DeKalb	Milan	345.0	\$9,891	04/19	Ogle	Dement	145.0	\$9,749
03/20	DeKalb	Shabbona	80.0	\$8,500	01/20	Stephenson	Dakota	144.0	\$8,685
03/20	DeKalb	Milan	130.0	\$10,695	03/20	Winnebago	Rockford	123.0	\$7,011

🐓 *** Denotes Sales by Rooster Ag' Realty

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.

Rooster Ag'
1100 S. County Line Rd.
PO BOX 297
Maple Park, IL 60151



NORMALS FOR THE MONTH

APRIL 26 TO MAY 2	MAY 3 TO 9	MAY 10 TO 16	MAY 17 TO 23	MAY 24 TO 30
AVG. HIGH..... 65	AVG. HIGH..... 68	AVG. HIGH..... 71	AVG. HIGH..... 73	AVG. HIGH..... 75
AVG. LOW..... 41	AVG. LOW..... 43	AVG. LOW..... 45	AVG. LOW..... 48	AVG. LOW..... 50
SUNSHINE..... 56	SUNSHINE..... 58	SUNSHINE..... 59	SUNSHINE..... 61	SUNSHINE..... 61
% DAYLIGHT HOURS				
Precipitation 0.91	Precipitation 0.90	Precipitation 0.84	Precipitation 0.87	Precipitation 0.91