



Rooster Ag'

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Farm Management

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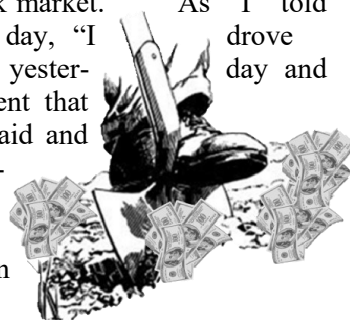
A Family Owned Company

April 2020



Invest In Dirt

Over the years we have all looked back over our shoulder at history as a guide to provide us with assumptions and presumptions. We use this method as part of our basis in our cash rent formula. Which is directly tied to the trends grain marketers use to hedge the grain in conjunction with their multiple crop insurance options. Which in most years turns out to provide superior results. So, if we take this model and look at the history of those who **Invest in Dirt**, we find the same success. Where over the last 50 years farmland has increased over 6.1% per year with only 5 down years during that period. That is on top of the cash on cash return on investment. Since 1991 based on appreciation and cash on cash income combined allowed for 11.5% ROI to those who **Invest in Dirt**. Outperforming almost all other investments including gold over that time, as unlike gold the land kicks off a return on investment. Today farmers and ranchers own 61% of America's farmland; However, that trend is changing due to the Generational Shift, which is providing quality farmland opportunities for investors who are looking to add land to their investment portfolio to help offset the volatility of the stock market. As I told one investor the other day, "I by to inspect your farm yesterday it was still there, the rent that had been agreed to is paid and deposited in your account," providing her the peace of mind that comes from her decision to **Invest in Dirt**."



Future Farmers of America

As a lifelong supporter and a former officer who was stationed by the flag of the **Future Farmers of America**. Where per the FFA creed, *I do believe in the future of Agriculture with a faith born not of words but of deeds, through our achievements won by our present and past generations of agriculturists. I do believe in the promise of better days through better ways and that even as better things we now enjoy truly have come to us from the struggles of mine and my successors of former years.* The future is yet to come, and the future looks bright with in the **Future Farmers of America**. With their technology ease and views that individualize them as our **Future Farmers**, not accepting the old school ways, but combining that old school knowledge with new school tech. By their motto they are *learning to do, doing to learn, earning to live and living to serve* our Ag sector. All of which gives me great pride of our efforts to support and believe in our youth through succession plans focused around the **Future Farmers of America**.



Estate Tax

There has always been confusion between one's inheritance and how much **Estate Tax** is owed upon the net inheritance of an **Estate**. Let's say if one inherits a farmland asset and the **Estate** total valuation is below a combined valuation of \$4,000,000, in Illinois no **Estate Tax** is due. Any overage of the four million is taxed based on ones specific situation. For federal **Estate Tax** if for up to \$11,600,000 no tax is due; any overage of the combined \$11,600,000 is also taxed based on one's specific situation. Good information to keep in mind as you plan for the future to make sure you are up to speed on **Estate Tax**. If you need more assistance, give us a call and we will line you up with one of our in-house Accountants to work you through the specifics as it applies to your specific situation on **Estate Tax**.

~ Weather Almanac ~

by Meteorologist Frank Watson



April Weather Outlook

Here is your April 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 colder than normal. Precipitation is expected to total near normal. Expect an active start to the first three days of the month with passing showers. A mix of sun, clouds and passing showers is favored from April 4-12.

Clouds and showers from April 13-15.

April 16-20 is expected to be a dry period with only a slight chance for showers on April 18.

Partly to mostly cloudy skies with scattered showers from April 21-23.

Mostly to partly sunny from April 24-27. Variable cloudiness with scattered showers from April 28-30.

"April weather, rain and sunshine both together."



Weather Trivia

"A DARK WALL ON THE HORIZON UNDER A BRIGHT CLOUD MEANS A STORM IS IMMINENT"

When you see a dark, featureless sky that looks like some kind of a solid wall between a bright cloud and the horizon, you are looking at a heavy rain. If such a sight is to the west, it is wise to "batten down the hatches".

April Astronomy Calendar

April 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 48 minutes of daylight from the beginning to the end of the month.

The first Quarter moon is Wednesday, April 1.

Mercury rises shortly before sunrise, low in the eastern sky, and will be lost in the morning twilight.

Venus has been the shining planet this spring and will continue to be a great view this month after sunset.

Look for the waxing crescent moon to the left of Venus on Sunday, April 26. Venus will lose some of its illumination during the course of the month.

The moon is Full on Tuesday, April 7.

Mars will be the last 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 Thursday, April 16.

The last Quarter moon is Tuesday, April 14.

Jupiter will be the first of the three morning planets rising shortly before Saturn. Look for first quarter moon to the right of Jupiter on Tuesday, April 14.

The moon is New on Wednesday, April 22.

Saturn will be the second of the three morning planets to rise. Look for a first quarter moon to the lower left of Saturn on Wednesday, April 15.

The first Quarter moon is Thursday, April 30.

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

Evening Planets: Venus, Uranus

Future Weather Outlook

May is expected to experience warmer than normal temperatures.

Precipitation is expected to total below normal. Favored dates for heavier precipitation center on May 1, 2, 3, 4, 8, 9, 10, 11, 12, 14, 18, 28, 29, and 30.

Long-Range Weather Outlook

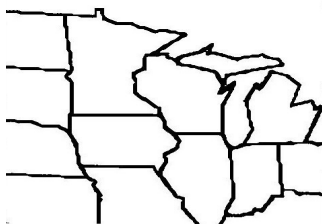
June expect above normal temperatures with wetter normal precipitation.

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.

October expect warmer than normal temperatures with below 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.





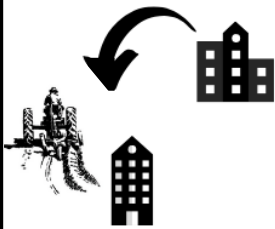
Northern Illinois Ag' Center

A Rooster Ag' Company 

"Where work gets done!"

www.niac.farm

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



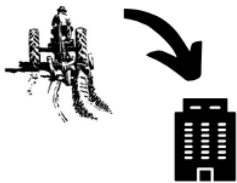
WHAT IS A 1031 EXCHANGE?

A 1031 Exchange is a way to defer tax on income from the sale of real estate.

For the deferment of taxes to take place, there must be intent to reinvest all the revenue from the sale (including debt,) into one or multiple real estate properties within a specified period of time.

Have Questions About Doing a 1031 Trade?

Stop into the Northern Illinois Ag' Center in Maple Park or call us at **815-333-4354** so we can get you set up with a specialist today!



HOW DOES IT WORK?

The owner wants to sell a property while acquiring one or multiple properties.

Instead of selling the property and purchasing a new one, It would be structured as **an exchange of the properties** to defer paying taxes on any profits made.



WHO IS INVOLVED?

There are **four** parties involved in a typical 1031 Tax Deferred Exchange:

1. **Taxpayer:** The initial Seller who wants to defer the taxes.
2. **The Buyer:** Purchases the taxpayer's property.
3. **The Seller:** owns the replacement property the taxpayer is acquiring.
4. **The Intermediary:** takes the funds from the taxpayer's initial sale and purchases the (seller's) replacement property(ies) the taxpayer wishes to acquire. The intermediary does this for a fee & does all the heavy lifting to ensure all is in compliance with trade regulations. **These funds cannot come into the hand of the one whom wants to defer taxes.** So, the intermediary is an essential part of any 1031 exchange.



HOW LONG IS THE PROCESS?

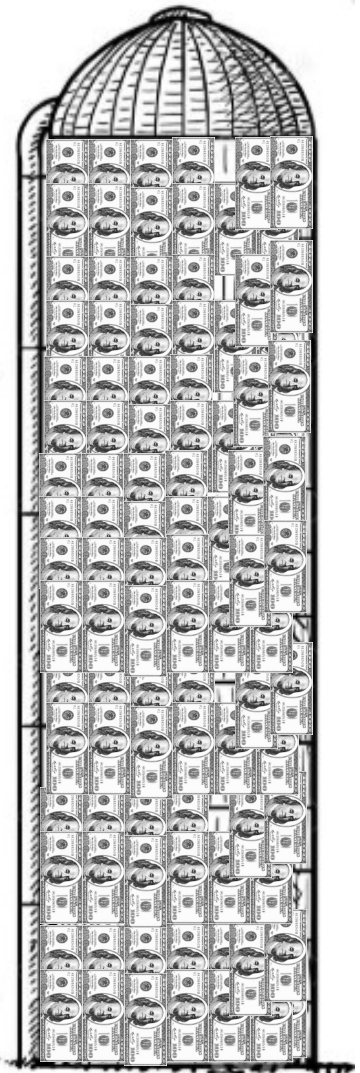
From the date of the sale, the new property(ies) must be **identified within 45 days**. One can identify 3 properties of any value, or as many properties as one desires, up to 200% of the sales proceeds.

The purchase of the property(ies) **must take place within 180 days after the date of the sale of the original property(ies)**.

180 days in total to effectuate the transactions.

WHAT KIND OF PROPERTIES CAN BE USED?

1. Only **investment or business** properties can be used, **no personal properties**.
2. The properties must be **"like-kind,"** Investment or Business properties i.e. office buildings, commercial buildings, apartment buildings, or farmland. **These are all considered "like-kind"** and may be exchanged for one another.
3. The properties **do not** have to be located in the same state, but **must be located in the U.S.**



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. **Divisible!** Income generated by both the farm rent and CRP. At ask price the farm kicks off a 3.5% ROI. **\$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. **\$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—99.98± acres/94.88 tillable acres. Excellent location off Little Rock Road & Griswold Springs Road in Plano, IL. Adjacent to Walmart! **\$9,950 per acre**

Winnebago County—Pecatonica Twp—697± acres/633± tillable acres. Located north of Pecatonica, IL with road frontage along Pecatonica, Brick School & Green Roads. Good soil quality, with well maintained waterways/drainage. **\$8,900 per acre**

McHenry County—Dorr Twp—92.33± acres/73.53± tillable acres. Excellent location off McConnell Road in Woodstock, IL. Farm to Future Development Potential. **Price Reduced to \$7,750 per acre**

McHenry Co—Marengo Twp—42± acres: Mostly tillable. Located west of RTE. 23 on Kishwaukee Valley Rd. **\$7,450 per acre.**

RECENT COMPARABLE FARMLAND SALES/CLOSE

Date	County	Twtnshp	Acres	Price/Acre	Date	County	Twtnshp	Acres	Price/Acre
02/20	Boone	Leroy	75.0	\$9,658	03/20	Kane	Sugar Grove	198.0	\$8,585
12/19	Bureau	Indiantown	337.0	\$8,323	02/20	Lee	Lee Center	114.0	\$9,732
02/20	DeKalb	Afton	160.0	\$10,498	12/19	Lee	Viola	159.0	\$7,537
02/20	DeKalb	Milan	212.0	\$10,335	01/20	Ogle	Leaf River	181.0	\$8,499
02/20	DeKalb	Pierce	320.0	\$9,860	12/19	Stephenson	Ridott	88.0	\$9,200

*** Denotes Sales by Rooster Ag'

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



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NORMALS FOR THE MONTH

MARCH 1 TO 7

AVG. HIGH.....41
AVG. LOW..... 22
SUNSHINE..... 49
% DAYLIGHT HOURS
Precipitation 0.46

MARCH 29 TO APRIL 4

AVG. HIGH.....53
AVG. LOW.....32
SUNSHINE.....53
% DAYLIGHT HOURS
Precipitation 0.79

APRIL 5 TO 11

AVG. HIGH.....56
AVG. LOW..... 34
SUNSHINE..... 58
% DAYLIGHT HOURS
Precipitation 0.88

APRIL 12 TO 18

AVG. HIGH.....59
AVG. LOW..... 36
SUNSHINE..... 55
% DAYLIGHT HOURS
Precipitation 0.92

APRIL 26 TO MAY 2

AVG. HIGH.....65
AVG. LOW..... 41
SUNSHINE..... 56
% DAYLIGHT HOURS
Precipitation 0.91