



Rooster Ag

Farmland Real Estate · RA Commercial Properties
Farm Management · Federal Crop Insurance
Gold Standard Farmland Appraisal Services

www.roosterag.com

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



THE GOLD STANDARD

Family Owned & Operated

April 2022

THE BUBBLE



With land prices escalating, one would think that landowners, estates, and trustees, would be making the decisions to sell their farm assets, pay the capital gains tax or reposition those funds into other 1031 Trade opportunities, pay off debt, disburse the funds amongst the heirs, and settle estates. While that is happening on a small scale there are multiple landowners who are considering selling but are sitting back and watching the land market for an indication of when we may have reached the peak, just before the burst of **The Bubble**. At present, Rooster Ag's appraisal team has performed 70+ *Gold Standard Market Analysis*' on over 12,000 acres of farms that landowners are contemplating selling, to determine today's market value. While some auctions are still achieving unexpected highs, there have also been some no sales and sales below what Seller's expectations were. We get asked everyday, "Is this a **Bubble**? When is it going to burst?" The driving factors of high land sales are, **Inventory**: we now have a low inventory = high prices. **Corn Price**: High corn price equates to more perceived income, as \$50 per acre in additional cash rent perceivably increases value per acre of \$1,600 per acre on a 3% return and vice versa. So watch the price of corn. **1031 Trade Buyer's**: Typically, the 1031 Trade pipeline of funds is very active in the first 4 months of the year. Where here, in 2022 was no exception, further adding to the supply demand rational, where these investors threw the 3% desired net ROI out the window in an effort to grab something tangible at whatever the return may be. **Interest rates**: While interest rates have increased from December by some 20%, this has slowed land purchases slightly, but not too significantly, as a good majority of farms are not being purchased with borrowed funds, but more over cash. Money invested in land is better than money in one's mattress. Considering all these factors, we are seeing the land market leveling off, where we will see an increase in available farms and the beginning of the deflation of **The Bubble**.

NORTH OF THE BORDER

While the majority of us Northern Illinoisians have been to Wisconsin for recreational purposes, our network has pushed us **North of the Border** on thousands of acres of farm management and consulting. Making it only fitting for Kelly, our Designated Managing Broker here in Illinois and Iowa to expand Rooster Ag's Real Estate division's reach into Wisconsin. Congratulations Kelly on your hard work and effort to expand Rooster Ag' Realty **North of the Border**.



SENSIBLE CROP INSURANCE OPTIONS

While the **Crop Insurance** industry does its best to make **Crop Insurance** confusing, we found this year was a breeze. Where last year growers needed to spend \$60 per acre on a farm that has a 200bu Actual Production History (APH) to insure \$870 per acre in order to guarantee themselves a breakeven. While also utilizing a multitude of Government subsidized policies and **Crop Insurance** provider private products to do so. Talk about expensive and confusing! This year Jeff and Karl analyzed all options available on the market, where it quickly became apparent that due to the Spring projected price of \$5.90 per bushel on corn, one could insure over \$1,000 per acre and a profit on a 200bu farm in DeKalb County for \$25 per acre. If ones farms are in a location where wind turbines are prevalent, adding on a Wind & Hail policy fulfilled our recommendations of **Sensible Crop Insurance Options**.

FAIR/EQUAL

Over the years we have worked with several family estates putting together a plan on how to settle the estate while being **Fair** and **Equal** to all involved. Where everyone in agriculture knows about **Fair** and **Equal**. We may believe these two words seem similar, but can actually be worlds apart when dividing a farm estate. **Equals** definition is being the same in quantity, size, degree, or value, but **Fair**, is defined as honesty, and justice, free from self-interest, or favoritism, without cheating, or trying to achieve unjust advantage. Typically, what happens is one of the family members is involved in the family operation, with Mom and Dad, where that member and Dad have an extremely close personal and business relationship. The other siblings live off the farm and have jobs that have nothing to do with the family farming operations. The off-farm family members and their spouses have no idea what will ultimately happen with the family estate. This is when it is the utmost importance to use caution and keep in mind what it means to be **Fair** and **Equal**.

Weather Almanac



by Meteorologist Frank Watson



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, 20-year National Weather Service averages. These figures draw on the long history of systematic observations begun by the U.S. Army in 1817.



Full Moon

April 16th

Pink Moon



April Weather Outlook

April Summary

Temperatures are favored to average colder than normal. Precipitation is expected to total near normal. Expect increasing clouds and a threat of showers from April 1-3. A mix of sun and clouds with an occasional shower is possible from April 4-8. Sun is favored for April 9-10.



Clouds and passing showers are likely from April 11-17. I wouldn't count out the possibility of snow on April 14-15. Shower prospects diminish as sunnier skies are favored from April 18-22. Showers and possible thunderstorms are favored from April 23-25. Sun on April 26. Showers and thunderstorms possible from April 27-29. Sun on April 30.



Morning Planets: Venus, Mars, Jupiter
Saturn, Neptune

Evening Planets: Mercury, Uranus

April Astronomy ~ It's in the Stars



Mercury rises low in the southeast sky in the morning twilight to open the month. **Venus** rises before sunrise to open the month to be viewed low in the southeastern sky. Venus, Saturn and Mars will be grouped together before sunrise much of the first half of the month. Jupiter will appear to the lower left of Venus and above the crescent moon on Wednesday, April 27.

Mars rises to the right of Saturn with Venus to the left of Saturn to open the month. On Tuesday April 5th Saturn will be above Mars and then begin to pull away to the right of Mars as we move into the weeks ahead. Mars will be to the upper left of the crescent moon on Monday, April 25.

Jupiter, lost in the sun's glare last month, will come into view midmonth before sunrise low in the eastern sky.

Saturn rises between Venus and Mars to open the month before sunrise. After the first week of the month Saturn will be rising earlier and earlier and begin to pull away to the right of Mars. Look for Saturn to the upper left of the moon on Sunday, April 24.

Future Weather Outlook

May is expected to experience colder than normal temperatures.

Precipitation is expected to total wetter than normal. Favored dates for heavier precipitation center on May 2, 3, 4, 5, 9, 12, 13, 14, 16, 17, 18, 20, 21, 25, 26, 28, and 30.

Long-Range Weather Outlook

June expect warmer than normal temperatures with near normal precipitation.

July expect warmer than normal temperatures with below normal precipitation.

August outlook favors warmer than normal temperatures and near normal precipitation.

September expect near normal temperatures with below normal precipitation.

Interesting Anecdotes for April

April 1: April Fool's Day

April 3: First Pony Express Ride 1860

April 6: International Pillow Fight Day

April 7: National No Housework Day

April 15: Income Taxes Due

April 15: Good Friday

April 17: Easter

April 21: Go Fly a Kite Day

April 22: Earth Day

April 30: National Arbor Day

**A cow with its tail to the west....
makes weather the best.**

**A cow with its tail to the east....
makes weather the least.**

A cold and moist April fills the cellar and fattens the cow.



~Farmland for Sale~

HOT BUY - Kane/DeKalb County – Burlington/Sycamore Townships – 227.36± acres/ 212.05± tillable acres. Lease is still open for 2022. This rare farm is located on Lakin Road just north of Route 64. Mostly tillable with excellent soils. Soil PI is 134.8. **\$12,695 per acre**

Kane County—Big Rock Twp—270± acres/250.86± tillable acres. Located on the west side of Big Rock, IL with frontage along Route 30, Wheeler Rd & Davis Rd. Excellent cash rental income as well as income from 2 houses and multiple outbuildings on the farm. **\$29,908 per acre**

Kane County—Blackberry Twp—46.29± acres/34.61± tillable acres. Fixer-upper house and buildings. Excellent location off Finley Road & Scott Road just south west of Route 47 & the new I88 interchange. **\$21,400 per acre**

McHenry County – Riley Township - 34.36± acres/29.97± tillable acres. Located off Grange Road, west of Route 23. Excellent mix of income producing farmland & recreational hunting land. **\$7,100 per acre**

Ogle County -Flagg Township - 30± acres/28.42± tillable acres. Located in Section 25, Flagg Township. Zoned B-3 Commercial and located in the industrial park on the south edge of the City of Rochelle. **\$24,000 per acre**

Winnebago County—Roscoe Township - 49.57+/- acres/48.75± tillable acres. Located in Section 22, Roscoe Township. On the east side of Route 90, Northeast of the Village of Roscoe and east City of Rockton. **\$10,900 per acre**

~Wanted Land for Ready Buyers~

\$8.5M - Land just North or South of US Rte 30 into Northern LaSalle County. Funds Available the first 1/4 of 2022.

\$5M - North of Rte 72 to Rte 90. Funds available the end of Q4 2022.

\$10M - DeKalb, Lee, Ogle, Kane. Lease back available. Funds available the second quarter of 2022.

\$3M - Yorkville, Sugar Grove, Lily Lake. Lease back available. Funds available NOW.

\$2.3M - Northern Illinois. Lease back available. Funds available the first quarter of 2022

\$3.2M - Somonauk, Sandwich, Lake Holiday. Lease back available. Funds available NOW.

\$1.5M - Yorkville, Plano, Sandwich. Funds available NOW.

\$2M - Sublette, Walnut, Amboy. Funds available NOW.

\$3M - Hinckley, Waterman, Shabbona. Lease back available. Funds available NOW.

\$1.5M - Waterman, Shabbona. Funds available NOW.



DeKalb Co – Cortland Township - 2 Commercial Buildings totaling 10,400± SF. Concrete floors and ample power in a great location in the middle of town. Well maintained and recently painted. Property also has 327,700bu grain storage bins. **\$340,000.00**

DeKalb County—Afton Twp—78.49 acres/75.57 tillable acres. Located south of I88 at the NWC of Route 23 & Keslinger Road, just south of the Ferrara Candy Distribution Center & the future Facebook Data Center. **\$29,950 per acre**

DeKalb County—Cortland Twp—57.18 acres/53.50 tillable acres. Located at the SEC of Route 38 & Somonauk Road, just northeast of the Ferrara Candy Distribution Center & the future Facebook Data Center **\$29,950 per acre**

Kane County—Big Rock Twp—8.98 acres—Under Contract. Located at the SEC of Route 30 & the future Dauberman extension. Includes a house along with multiple well maintained outbuildings. **\$595,000**

Kane County—Big Rock Twp— 3.75 acres. Located at the SWC of Route 30 & the future Dauberman extension. Zoned MCU—Mixed Use Commercial. Excellent location to open your business! **\$250,000**

Kendall County—Oswego Twp—15 acres. Located at the hard corner lighted intersection of Route 30 & 5th Street in Montgomery, IL Adjacent to the Farm & Fleet. Zoned B-3. **\$5.51 per square foot.**

McHenry County — Hebron Twp—5± acres. Located at intersection of Price Road & Route 47 Hebron, IL. Outlots available.



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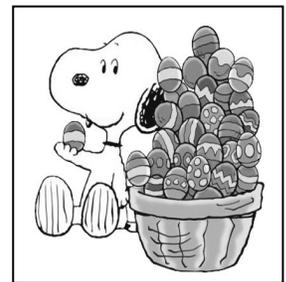
~Normal for the Month~

APRIL 3 to 9
Avg. High 56
Avg. Low 34
Sunshine 53% Daylight Hours
Precipitation 0.88

APRIL 10 to 16
Avg. High 59
Avg. Low 36
Sunshine 58% Daylight Hours
Precipitation 0.92

APRIL 17 to 23
Avg. High 62
Avg. Low 38
Sunshine 55% Daylight Hours
Precipitation 0.97

APRIL 22 to 30
Avg. High 65
Avg. Low 41
Sunshine 56% Daylight Hours
Precipitation 0.91



Denotes Sales by Rooster Ag' Realty

RECENT COMPARABLE FARMLAND SALES/CLOSED

Date	County	Twncshp	Acres	Price/Acre	Date	County	Twncshp	Acres	Price/Acre
01/2022	Boone	Flora	108.00	\$11,080	01/2022	Kane/Kendall	Aurora/Oswego	189.51	\$11,600
12/2021	DeKalb	Clinton	95.00	\$13,999	12/2021	Kane	Kaneville	43.00	\$12,000
01/2022	DeKalb	DeKalb	121.00	\$12,437	12/2021	Kendall	Big Grove	115.00	\$11,046
12/2021	DeKalb	Victor	64.00	\$10,000	10/2021	Kendall	Little Rock	160.00	\$9,562
01/2022	Kane	Burlington	50.00	\$10,000	12/2021	McHenry	Hartland	96.00	\$9,895

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.landsalesbulletin.com or calling 608-329-4210.

View our listings as well as more information at Rooster Ag' online at:
www.roosterag.com



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