



# Rooster Ag

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

www.roosterag.com

Office/Fax · (815) 333-4354

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



*Family Owned & Operated*

**May 2022**

## Fundamentals



When we talk in terms of investing in farmland, we have always applied central or primary guidelines to follow, or our **Fundamentals**. As of late we are being pushed to change our **Fundamentals**, when it comes to land sales and listings. As an old cob roller, change in general is hard for me to swallow, but an unhinged change in the proven **Fundamentals** of farm buying and selling is a gamble with odds that need to be considered for the short and long term. My reasons for pause are the certain unknowns that are out of step with the **Fundamentals** with farmland prices rising to the point of exuberance. In which land prices have become out of sync with economic **Fundamentals** providing distorted expectations on ROI and high risk of a devaluation of the asset once normalcy returns. With the uncertainty of the future of the farmers input cost and grain prices, we are merely gambling on what cash rents and land values will look like in the future. Only time will tell. Until then we will do our best to encourage both buyers and sellers to remember what I always say... that, "Just because you're lost doesn't mean your compass is broken," and pay attention to the proven **Fundamentals** of buying and selling farms.

## Seller's Market

Over the past few months we have seen land prices increase at record levels, quickly changing from a Buyer's Market to a **Seller's Market**. Some Seller's are holding off formally listing their properties due to 1031 Trade concerns and are uncertain as to taking advantage of the market highs and try to find a suitable trade property or pay the capital gains tax. Finding a suitable trade property using the 1031 Trade allows 45 days to identify up to 3 properties of any value or as many as you wish up to 200% of your trade funds, where you need to close within 180 days of the initial closing date of your original property. The question remains, why sell high and buy high, with the risk of not finding a desirable trade property? Should you just pay the capital gains? If we do the math of selling at today's price points and paying taxes, you potentially could be money ahead, even after paying capital gains tax of where you would have been if for a sale in 2021 and 1031 traded those funds. If you did decide to trade, you could find a recreational property, a building, an investment house down south or a better quality farm closer to your operation with higher income potential, better location with the potential for a greater upside. We need to remember that the market can fall just as quickly as it rose, where we believe we are at the extreme highs! Let us run a market analysis on your property, sit down at your office, conference room, shop or kitchen table and discuss how to take advantage of this **Seller's Market!**

## Farm Leases

It's hard to believe lease writing for the 2023 growing season is soon upon us. Naturally, Corn futures market price is a key component to calculate total rent in all of our lease structures. Futures markets are just that – markets move based on uncertainty about the future crop, prior to harvest delivery. This creates seasonal price trends. Historically, market prices increase over the spring months with anticipation about the growing season: How many acres will be planted? Will the crop be planted on time? Is their adequate heat and moisture? Will the crop be stressed during pollination? These yield indicators are largely answered between May-July, and as the calendar passes beyond pollination most of the potential crop risks have been revealed letting the market decline into harvest. Conflict between Russia and Ukraine is straining the worlds breadbaskets ability to plant and export corn and wheat due to fertilizer, fuel, and labor shortages. These geopolitical and economic tensions all increase volatility in the grain markets which in turn effects a growers bottom line. If you're interested in learning more on how these factors effect cash rents, reach out to our Farm Management division and talk to Jill about **Farm Leases**.



# 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, 30-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**

**May 15**

**Flower Moon**



## May Weather Outlook

### May Summary

Temperatures are favored to average colder than normal. Precipitation is expected to total wetter than normal. After some sun on Sunday, May 1, look for a weather system to bring showers and thunderstorms from Monday to Thursday, May 2-5. I wouldn't rule out some snow on the back-



side of this system as it moves off. Sun on May 6-7. A mix of sun and clouds with occasional showers is favored from May 8-13. Precipitation prospects increase from May 14-21. Sun on May 22. A partly cloudy period with passing showers is expected from May 23-26. An active and wet end to the month is favored from May 27-31. Expect showers and thunderstorms on Memorial Day, Monday, May 30.

**When apple blossoms bloom at night, for 15 days no rain in sight.**

### May Astronomy ~ It's in the Stars



As with last month, mornings will be filled with viewing opportunities this month. Mercury rises low in the northeastern sky in the morning twilight to open the month. It will be very low on the western horizon the last week of the month after sunset and you might get a glimpse of it the first week of the month. Look for the crescent moon on May 2 at sunset with Mercury to the lower right. Venus rises along with Jupiter before sunrise to open the month low in the southeastern sky. Jupiter will be pulling away from Venus as the days pass.

Look for a waning crescent moon to the lower left of Venus on Thursday, May 26. Mars rises in the east southeastern sky before sunrise. You should be able to view Mars throughout the month. Jupiter will be to the left of Mars on Tuesday, May 24. Mars will be to the upper left of the crescent moon on Tuesday, May 24. Jupiter rises along with Venus in the eastern sky to open the month. As stated earlier, Jupiter will pull away from Venus and pass by Mars to end the month. Look for Jupiter above the moon on Wednesday, May 25. Saturn rises in the southeastern sky before sunrise. Look for Saturn above the moon on Sunday, May 22.



**Morning Planets:** Venus, Mars, Jupiter  
Saturn, Neptune  
**Evening Planets:** Mercury (dusk)

### Future Weather Outlook

June is expected to experience warmer than normal temperatures.

Precipitation is expected to total near normal. *Favored dates for heavier precipitation center on June 2, 3, 8, 9, 10, 11, 14, 19, 20, 21, 22, 26, 27 and 30.*

### Long-Range Weather Outlook

**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.

**October** expect below normal temperatures with near normal precipitation.

### May Fun Facts

**May 1st—May Day**

**May 4th—Star Wars Day**

**May 5th—Cinco de Mayo**

**May 8th—Mother's Day**

**May 11th—Eat whatever you want day!**

**May 15th—Peace Officer Memorial Day**

**May 30th—Memorial Day**



**NEW LISTING - DeKalb County – Pierce Township – 72.80 +/- acres/ 70.96 +/- tillable acres.** This rare DeKalb County farm is located at the southwest corner of Chase & Harter Road. Mostly tillable with excellent soils. Soil PI is 132.8. **\$15,000 per acre**

**Kane/DeKalb County – Burlington/Sycamore Townships – 227.36± acres/ 212.05± tillable acres.** 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~

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

**\$13.5M - All Geographies.** Lease back available. Funds available mid-May

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

**\$2.3M - Northern Illinois.** Lease back available. Funds available NOW.

**\$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**

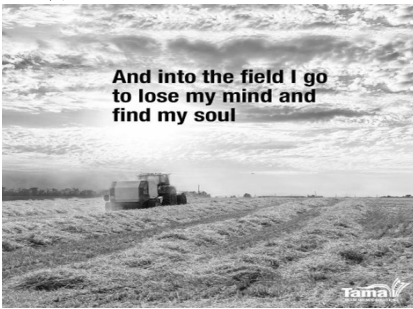
**Kane County—Big Rock Twp—8.98 acres—Under Contract. Located at the SEC of Route 30 & the future Dauberman extension.** Includes a house along with multiple well maintained outbuildings. **\$595,000**

**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.**



**Rooster Ag'**  
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~Normal for the Month~

<p><b>May 1 to 7</b></p> <p>Avg. High 63</p> <p>Avg. Low 43</p> <p>Sunshine 56% Daylight Hours</p> <p><b>Precipitation 0.90</b></p>	<p><b>May 8-14</b></p> <p>Avg. High 71</p> <p>Avg. Low 45</p> <p>Sunshine 57% Daylight Hours</p> <p><b>Precipitation 0.84</b></p>	<p>May 15-21</p> <p>Avg. High 73</p> <p>Avg. Low 48</p> <p>Sunshine 59% Daylight Hours</p> <p><b>Precipitation 0.87</b></p>	<p><b>May 22 to 28</b></p> <p>Avg. High 75</p> <p>Avg. Low 50</p> <p>Sunshine 62% Daylight Hours</p> <p><b>Precipitation 0.91</b></p>	<p><b>May 29 to June 4</b></p> <p>Avg. High 78</p> <p>Avg. Low .52</p> <p>Sunshine 61% Daylight Hours</p> <p><b>Precipitation 0.95</b></p>
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Denotes Sales by Rooster Ag' Realty

**RECENT COMPARABLE FARMLAND SALES/CLOSED**

Date	County	Twtnshp	Acres	Price/Acre	Date	County	Twtnshp	Acres	Price/Acre
03/2022	Boone	Caledonia	143.00	\$10,218	01/2022	Kendall	Lisbon	40.00	\$13,600
02/2022	DeKalb	Sycamore	114.00	\$15,401	01/2022	Kendall	Seward	213.00	\$8,920
02/2022	DeKalb	Victor	40.00	\$10,625	01/2022	Lee	Reynolds	98.00	\$12,471
01/2022	Kane	Kaneville	94.00	\$9,211	02/2022	Ogle	Flagg	50.00	\$15,950
01/2022	Kane	Kaneville	79.00	\$9,803	04/2022	Ogle	Lynnville	106.76	\$10,500

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](http://www.landsalesbulletin.com) or calling 608-329-4210.

**View our listings as well as more information at Rooster Ag' online at:**  
**[www.roosterag.com](http://www.roosterag.com)**



**ROOSTER AG' DIRECTORY**



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<b>Kristi Dummer</b>	<b>Marketing Specialist</b>	<b>(224) 723-9399</b>
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