

# Midwest Farmowner

News & Information from Soy Capital Ag Services

## Farmland Sale with Soy Capital an Educational Opportunity



*Olivet Nazarene University chose Soy Capital Ag Services to manage a farmland sale from a trust after learning the company had the knowledge and experience to manage the sale effectively from start to finish.*

When Olivet Nazarene University in Bourbonnais, Ill., needed to sell farmland from a trust, university officials did not know much about the process. But Dan Ferris, Olivet Nazarene’s executive director of development and foundation, learned that Soy Capital Ag Services had the knowledge and experience he needed to become educated along the way.

“We do not always have farmland donated to us. In this case, the property was donated to the Gerhard W. Dubbert Trust for the university. The agreement was that we would sell the property when we received it if the land market was strong,” says Ferris. “This was good land.”

Soy Capital held an auction for the 119.23 acres sold as two tracts on August 21, 2012.


“We did not manage the farm before the sale, but we had a few meetings during 2012 to set up the auction with Dan Ferris,” says Jaret Wicker, farm manager and broker in Soy Capital’s Kankakee, Ill., office. David Klein was auctioneer for the sale held in Manteno, Ill.

“The auction was well attended by several bidders that learned of the opportunity through our multiple

advertising avenues,” says Wicker. “During the auction, we had several conversations with Dan so that everyone was on the same page. We understood his goal for the auction from our initial meetings and developed a marketing plan to fit.”

Ferris was pleased with the entire process, including beginning with research into finding a company to manage the sale. “The farm tenant of the property also was a tenant for Soy Capital managed farmland in the area and was satisfied with their work,” he says. “Olivet is the beneficiary of a trust that is managed by Soy Capital Bank, of which about one third is farmland, so I took that into consideration. I also sought recommendations around the area and with others that worked with the property donor and received many good words about Soy Capital.”

Ferris initially met with Don McCabe, Soy Capital Ag Services president, and Wicker. “Jaret is just a quality young man. He was not pushy and was very thorough in his follow-through,” says Ferris. “I sat in on another auction per Jaret’s recommendation, and decided that was the best approach. Soy Capital drafted all of the materials and took care of all the details. I learned a lot through the process but especially, if you sell farmland, choose someone who specializes in it.”

Contact Jaret Wicker at [jwicker@soybank.com](mailto:jwicker@soybank.com) or 815-936-8978. 

Inside: Crop Insurance is Effective Risk Management Tool

# Farm Manager Spotlight: Kevin Hilligoss

Kevin Hilligoss doesn't believe you can manage farms strictly from behind a desk. He likes to put his boots on and head into the country to see crops and clients himself.

"That really is Soy Capital's philosophy," says Hilligoss, who recently was named vice president and regional manager for the Decatur office following Jim Flanigan's semi-retirement. "We like to take a hands-on approach by getting out of the office from time to time. I grew up on a farm and still farm myself, so it is important to me to get out and visit with people."

Hilligoss has been a farm manager with Soy Capital Ag Services' Decatur office since 2008. He manages more than 10,000 acres of Central Illinois farmland, working closely with farm tenants on crop input decisions, marketing grain and reporting crop progress to farm owners. He also enjoys the new business development aspect of the job.

"Agriculture is changing so rapidly, and that brings lots of opportunity. Soy Capital farm managers try to be in the right place at the right time to provide services farmland owners may need," he says. "We want to meet whatever requests clients or prospective clients might have."

Hilligoss also is a licensed Illinois real estate broker. "We have been very busy buying and selling farmland for clients during the last four or five years," he says.

"With Jim's retirement, there is much responsibility that I and other farm managers in the office will need to pick up," Hilligoss continues. "Thankfully Jim will still be around, which will help us fill in the gaps with all his knowledge and experience. Our goal is to not miss a beat in working with individual clients to keep them informed about their operations."

Hilligoss previously worked for Busey Bank in Decatur as an assistant vice president and farm manager. He received his bachelor's degree in agriculture from Illinois State University in 1999. He and wife, Emily, have two boys, Wyatt and Will, and live on a small grain/livestock farm in rural Lovington, Ill. Hilligoss enjoys spending time with family, coaching his sons' baseball teams, Fighting Illini basketball and Chicago Cubs baseball. For more information, contact Hilligoss at 217-421-9618 or [khilligoss@soybank.com](mailto:khilligoss@soybank.com). MF



Kevin Hilligoss

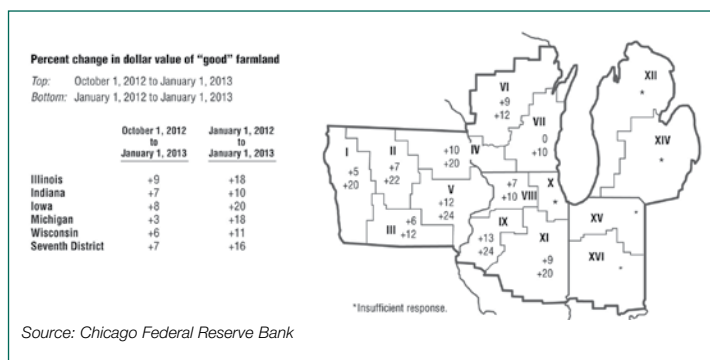
## Illinois Farmland Market Remains Strong

Farmland finished 2012 on solid footing, rising to record values throughout the last quarter of 2012 and into the new year.

"We finished 2012 with higher highs toward year-end, and completed the first two months of 2013 averaging \$12,978 across all acres sold by Soy Capital," says David Klein, Soy Capital Ag Services managing broker and auctioneer based in the Bloomington, Ill., office. "This comes on the heels of a tremendous farm income year throughout Illinois, despite dry conditions. Farmers and farmland owners are reinvesting their earnings into the asset class they believe is giving them the best returns right now, and they are comfortable placing their money in farmland. Low interest rates and relatively high grain prices are the main contributors, but also uncertainty surrounding the value of the dollar and general economy are also factors."

The Chicago Federal Reserve Bank recently released the results of its annual survey, showing farmland values up 10-24 percent across Illinois, depending on location.

"Areas that received better rainfall in 2012 have farmers willing to pay stronger rents or have higher cash earnings, and that is being capitalized into higher farmland values," says Klein.



He says particular strength was seen in western Illinois and the I-80 corridor during the winter for both land values and rental rates. Other regions that have had as many as four poor years, ranging from too much rain in 2009-2010 to extremely dry conditions in 2011-2012, had a softer market. However, Klein adds the general supply of farmland available can drive the market to extremes in tightly held areas.

To discuss farmland values and marketing or purchasing investment-grade farmland, call David Klein at 800-532-LAND. MF

# Crop Insurance Helps Manage Production and Price Risk

Corn and soybean producers have experienced rising revenues per acre in the wake of higher grain prices and better yield potential. Protecting those revenues in an industry dependent on the weather is important, and crop insurance can be an excellent, and many times necessary, choice to manage production and price risk.

“Producers have many corn and soybean insurance products available to them,” says Kevin Meiss, Soy Capital farm manager in the Bloomington office. “Insurance may protect losses from production only, or production and price, depending on the product selected. Producers also have the choice to insure farms on an individual basis or their entire countywide operation. Different coverage levels allow each producer to choose the protection needed, so finding a policy to fit each individual operation is likely.”

Crop insurance is offered by USDA’s (United States Department of Agriculture) RMA (Risk Management Agency). The RMA program is not available from local USDA offices, but is delivered by local private insurance agencies working with private insurance companies.

“A big advantage of the USDA crop insurance program is cost to producers. Currently, producers only pay a portion of the total premium of these crop insurance policies,” explains Meiss. “The remaining cost is subsidized by the federal government. The level of subsidy depends on the product selected and the level of coverage, but is currently more than half of the cost on most policies. Cost to manage risk with these products is very reasonable.”

Meiss adds that with the drought of 2012, many corn and soybean producers would have suffered huge financial losses if they had not protected themselves with crop insurance. Crop insurance helps stabilize the agriculture industry and should be considered as an important risk management tool by each producer. If you have any questions regarding crop insurance and products available, please contact Kevin Meiss at 309-665-0056 or [kmeiss@soybank.com](mailto:kmeiss@soybank.com). MF



*Many corn and soybean producers would have suffered huge financial losses in 2012 had they not protected themselves with crop insurance.*

## Flanigan Retires as Decatur Manager, Continues as Land Broker

After 40 years of farm management service, Jim Flanigan has stepped aside as regional manager for Soy Capital Ag Services’ Decatur office. Kevin Hilligoss has been named his replacement. Flanigan will remain with the office as managing real estate broker. He has experience selling large and small tracts of land and timber in the southern half of Illinois.

“I plan to focus solely on real estate sales and acquisitions,” says Flanigan. “Technology and farming efficiencies during the last 40 years have really enhanced our ability to work with clients, in terms of communications, creating financial reports and overall farm management. I expect management and real estate sales will evolve in much the same manner in the future.”

Flanigan is a licensed real estate broker with the state of Illinois. He holds an agricultural science undergraduate degree from the University of Illinois and received an MBA from Illinois State University. Flanigan can still be reached at 217-421-9614 or [jflanigan@soybank.com](mailto:jflanigan@soybank.com). MF



*Jim Flanigan*

**Ag Real Estate?  
Farm Management?  
Rural Appraisal?**



**Talk To Us First  
Soy Capital Ag Services**

**[www.soycapitalag.com](http://www.soycapitalag.com)**

**BLOOMINGTON, IL**  
(309) 665-0955

Brian R. Thompson, AFM, ARA•  
bthompson@soybank.com  
Chad A. Hoke, AFM•  
choke@soybank.com  
David Klein, AFM•, ALC  
dklein@soybank.com  
Dan Patten, AFM, CCA•  
dpatten@soybank.com  
Kevin R. Meiss, AFM•  
Kevin.Meiss@soybank.com  
Mark R. Smith  
msmith@soybank.com  
Amy Russell  
arussell@soybank.com

**DECATUR, IL**  
(217) 421-9616

Kevin Hilligoss  
khilligoss@soybank.com  
Bill W. Brown  
bbrown@soybank.com  
Daniel W. Moehring  
dmoehring@soybank.com  
Tyler Roth  
troth@soybank.com

**SPRINGFIELD, IL**  
(217) 547-2880

Keith L. Waterman, AFM•, ALC  
kwaterman@soybank.com  
Thomas L. Toohill, AFM•  
ttoohill@soybank.com

**PEORIA, IL**  
(309) 687-6007

Steven L. Burrow, AFM•  
sburrow@soybank.com  
Douglas W. Fehr, AFM•  
dfehr@soybank.com

**KANKAKEE CO., IL**  
(815) 936-8971

Don McCabe, AFM•  
dmccabe@soybank.com  
Steven P. Jacob  
sjacob@soybank.com  
John M. Tammen, AFM•  
jtammen@soybank.com  
Jaret Wicker  
jwicker@soybank.com

**WEST LAFAYETTE, IN**  
(765) 430-6246

Ed McCabe  
emccabe@soybank.com

**REAL ESTATE ASSOCIATES**

**R.E. Office in Peoria, IL**  
(309) 687-6007

Norman W. Bjorling, AFM•  
nbjorling@soybank.com  
Marvin Knobloch

**R.E. Office in Bloomington, IL**  
(309) 665-0961

Wallace L. Yoder, AFM, ARA•  
Barrett J. Soliday  
Garrett Schoenholz  
Garrettshow@gmail.com  
John Feit  
john.feit@frontier.com

**R.E. Office in Decatur, IL**  
(217) 421-9616

James R. Flanigan, AFM•  
jflanigan@soybank.com

•Accredited designations of the American Society of Farm Managers and Rural Appraisers, American Society of Agronomy, and the Realtors Land Institute.

Published by Soy Capital Ag Services © Copyright 2013



Printed on recycled paper



**[www.soycapitalag.com](http://www.soycapitalag.com)**

ADDRESS SERVICE REQUESTED

P.O. Box 1607  
6 Heartland Drive, Suite A  
Bloomington, IL 61702-1607

**Soy Capital Ag Services**



**Midwest  
Farmowner**

**Inside This Issue...**

- New Regional Manager Named in Soy Capital Decatur Office
- Farm Sale Becomes Educational Opportunity for University
- Illinois Farmland Rises to Record Values

PRSRT STD  
U.S. POSTAGE  
PAID  
PERMIT #19  
HEYWORTH, IL