

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 or 815-936-8978. MF

Inside: Crop Insurance is Effective Risk Management Tool

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. 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. MF



Jim Flanigan

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