

Midwest Farmowner

News & Information from Soy Capital Ag Services

Soy Capital Farm Managers Can Help Maximize Profits in Today's Environment

For most farms Soy Capital Ag Services manages, maximizing efficiency and profit for clients is the main objective. Ross Albert, farm manager based in Bloomington, notes farmland management has been a rewarding financial investment for the past several years for landowners.

He points to the booming demand base led by ethanol and short production years that caused commodity prices to rally higher than expected. With \$5 per bushel corn and \$12 per bushel soybeans becoming the short-term “norm,” returns per acre rose. Farmers responded by quickly filling the supply gap with more acres of production and more bushels per acre.

“The \$5 corn and \$12 soybeans seem a thing of the past for the time being. Profit margins are smaller and solid management decisions have become even more important,” he says. “We place emphasis on our philosophy that every decision a Soy Capital farm manager makes is rooted in what is best for individual clients to meet their unique and specific goals.”

The agricultural environment presents more information and decisions than ever before, says Albert. Finding the right combination of management practices can be challenging, but Soy Capital farm managers are adept at helping make the best decisions.

For example, hundreds of corn hybrids are available on the market. Selecting the best placement for each one could mean a significant difference in return per acre. Soy Capital farm managers conduct their own tests and analysis of the lead hybrids available to empower managers to make the best placement choices for clients.



Ross Albert

“We also study and analyze weed management systems, tillage practices, fertility, field drainage, crop insurance, grain marketing, lease arrangements and government programs,” he says. “Some results may depend on weather, but research data, basic fundamentals, feasibility studies and experience are used to make decisions that maximize returns and minimize risk.”

No different from any other industry, Albert says the key to solid decision-making is continuing education. Soy Capital farm managers perform research studies, attend education forums, evaluate third-party data and collaborate with industry experts.

“The strength of Soy Capital farm managers comes from working as a team. People naturally tend to be experts about topics where they have passion. We have individual managers passionate about grain marketing, seed selection, agronomics, crop insurance, lease analysis and government programs,” he says. “Our diverse group has ongoing discussions, and shares thoughts, concerns, successes and mistakes. Our collective team approach brings more skill to each individual farm manager and better results to each of our clients.”

If your farm is in need of attention in any fashion, Soy Capital can provide a solution. With 20 farm managers located in five offices throughout Illinois, an individual plan to service any farm can be implemented with assurance. Contact farm manager Ross Albert with concerns or questions regarding your farm at 309-665-0958 or rAlbert@soybank.com. 



Soy Capital farm managers conduct their own seed tests and crop production analysis to have the knowledge to make the best choices for clients.

Inside: Long-Time Soy Capital Expertise Leads to Successful Sale

Soy Capital Managers Help Farmowners Evaluate Cover Crops

Cover crop research and applications have seen a surge in renewed interest during the last five years, especially in the Midwest. Soy Capital Ag Services farm managers say the positive impact of cover crops on multiple soil properties, combined with their ability to supply and scavenge nutrients, have been documented in multiple research trials.



Soy Capital farm managers can help landowners match the cover crop to the goal trying to be achieved.

But successfully utilizing cover crops can be very challenging. “For owner/operators considering the use of cover crops, I recommend discussing the objective of cover crop use and its establishment and termination and how these points can be efficiently implemented into the current operation,” says Justin Wheeler, farm manager in Soy Capital’s Decatur office.

First and foremost, Wheeler says an objective or goal first needs to be established for the cover crop. Farm managers can help match the cover crop to the goal trying to be achieved. For instance, if the decision for a spring termination of cover crops is too big of a risk from a timing perspective, then a cover crop that winter kills should be considered.

“Once the objective is determined, establishing a cover crop can be the next big hurdle. Typically, cover crops are planted in the fall by various means, including aerial application while the previous crop is still standing, drilling or broadcasting,” says Wheeler. “Incorporating seed into the soil has resulted in better stands, but the tradeoff is a shorter growing window.”

Favorable weather conditions are crucial to achieving a good stand. And, Wheeler cautions, fall is when the ability to be flexible can prevent losing a return on the investment.

“If it gets late into the year, and conditions turn very cool with limited growing units, using a cover crop that winter kills will mostly like fail to get any return,” he explains.

When and how to terminate cover crops is one question farm managers can help answer. Multiple ways to achieve cover crop termination exist, including chemical and mechanical means, and Mother Nature. If the decision is made to terminate the crop in the spring, farmowners must realize that wet conditions may delay termination and postpone planting.

“Cover crops are another tool that can be utilized when a situation calls for it. When first implementing cover crops, I would suggest starting small and making on-farm comparisons

to see if they achieve the objective you set for them,” says Wheeler. “If they do not meet your objectives, make adjustments and reevaluate if cover crops are right for your operation.”

Wheeler recently completed his master’s degree at Illinois State University, focusing on nitrogen rate optimization for grain yield within fall and spring applications and cover crop systems. Contact Justin Wheeler at jwheeler@soybank.com or 217-412-9615. **MF**



Justin Wheeler

Farm Bill Implementation is Multi-Step Process

The 2014 Farm Bill was passed by Congress and signed by the President in mid-2014. This was a late start for a program that covers the 2014-18 crop years. And the slow start was further delayed as USDA needed time to interpret the legislation, create the computer software to implement the program, and train staff and agricultural producers on the program options.

February and March 2015 saw the first steps in the actual sign-up process for the 2014 Farm Bill. The opportunity provided in the legislation to update crop acreage bases and historical program yields had a deadline of Feb. 27, 2015. The next deadline was set for the end of March to complete election of each farm’s participation option of either Agriculture Risk Coverage – County (ARC-CO), Agriculture Risk Coverage – Individual (ARC-IC), or Price Loss Coverage (PLC) for the term of the five-year program. A final contract for participation in the 2014 and 2015 crop years will be required sometime this spring or summer.

Each step of the 2014 Farm Bill has required specific decisions for every farm. Soy Capital farm managers have been assisting clients through this multi-step process. If you have farm management questions, feel free to contact any one of our five offices. **MF**

David Klein Named Illinois Land Broker of the Year

Soy Capital Ag Services Principal Managing Broker and Auctioneer David Klein was named Land Broker of the Year by the Illinois Farm & Land Chapter of the REALTORS Land Institute (RLI) at its annual meeting late last year. Klein was recognized for his professional accomplishments as well as his dedication and service to the community.

“David’s nomination acknowledged his professionalism and ethics as a realtor and his knowledge and expertise when dealing with the Illinois land market,” says Brian Thompson, Soy Capital Ag Services president based in the Bloomington, Ill., office.

Klein is a long-time and active member of RLI and the Illinois Farm & Land Chapter of RLI serving as the chapter’s president in 2012-13. RLI is dedicated to building knowledge, relationships and business for its members who broker, lease, sell, develop and manage land. Klein earned his Accredited Land Consultant (ALC) designation in 2006, and recently obtained the ALC Advanced designation -- one of 19 professionals to hold the prestigious accreditation.

Klein is a member of the American Society of Farm Managers and Rural Appraisers (ASFMRA) and earned Accredited Farm Manager (AFM) designation with the ASFMRA in 1999. In 2001, the ASFMRA named Klein and the Soy Capital team “National Farm Manager of the Year.” For more than 10 years, he has chaired the Region 4 report for the Land Values and Lease Trends survey for the Illinois Society of Professional Farm Managers & Rural Appraisers.

Klein specializes in farmland real estate brokerage, auctions, management and consulting. The Soy Capital team consists of 32 licensed real estate professionals located throughout the state of Illinois. Contact David Klein at dklein@soybank.com or 309-665-0961. **MF**



David Klein

Successful Sale Settles McLean County Estate

Bob Brucker did not know much about the farm his uncle, Warren Webber, had in McLean County. But as executor of his uncle’s estate, Brucker learned a lot about the farmland real estate process in having the 325 acres sold in November 2014.

Soy Capital Ag Services had managed the farm for years for Webber, a well-respected individual and former banker from Peoria. “I asked them for a sales proposal and was very pleased with their recommendations,” says Brucker. “They clearly knew the farm well, and were able to fill in the gaps for me with their knowledge. There were many heirs involved, so I was pleased Soy Capital could provide a good sales solution.”

The farm had been managed by Steve Burrow, regional manager in Soy Capital’s Peoria, Ill., office. He worked with the real estate specialists in Peoria and Bloomington to plan the sale.

“Some of the property had wind turbines, so that made the sale more complex. The farmstead located there was sold privately to the long-time farm operator, Brian Dirks. Through discussions with Steve, David Klein and Norm Bjorling, we decided to auction the farmland acreage as four separate tracts. We had to deal with setbacks, the cutout for the farmstead and zoning,” says Brucker. “We talked about how best to divide the land. Soy Capital was very confident about the best way to handle it, and they were right.”

Brucker says regular communications with the Soy Capital team helped the sales process go smoothly. Soy Capital provided all of the marketing materials and chose the auction site and date, as well as provided an adequate number of staff on site to manage the auction in support of auctioneer David Klein. They also gave Brucker



Farmland sales may be more complex if wind turbines are located on them. Soy Capital has the expertise to navigate the process for farmland sellers.

direction on land surveys and inspections and in handling a septic issue prior to sale.

“Even with concerns the land market might be softening, the price we received was very fair,” he says. “If you have land for sale, do not bypass Soy Capital. I strongly recommend them. They have a tremendous amount of agricultural knowledge, they are very professional, and are responsive and willing to help you through the entire process. That includes helping to resolve any issues with the seller or buyers after the auction until closing of the transaction.”

For more information, contact Steve Burrow at sburrow@soybank.com or 309-687-6008. **MF**



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