

# Midwest Farmowner

News & Information from First Mid Ag Services

Fall 2020 – Vol. 28, No. 3

## Farmland Market Remains Steady into Year End

Farmland remains a steady, safe asset, having weathered 2020's volatility. Now, as the calendar heads toward 2021, a low supply of land for sale across the Midwest combined with certain outside market drivers increasing investor demand could make this winter a seller's market, according to First Mid Ag Services Managing Broker and Auctioneer David Klein.

He outlines five key drivers that will support land prices in the last quarter of 2020:

1. **Low interest rates** are forcing investors to purchase dividend earning assets just to get some return. This includes both equities and farmland. In the same manner, Klein says lenders are able to offer money on farmland at historically low levels.
2. **Positive grain markets** are in place as soybean and corn prices have recovered nicely from summer lows. Production issues in Iowa and parts of northern Illinois from August's derecho, along with a dry start in South America, are all contributing to higher prices.
3. **A lower U.S. dollar** in historical comparison to other countries leads to more purchases of U.S. exportable commodities. It also allows money from outside the United States to purchase more land with the same amount of foreign currency. Klein says that leads to higher demand for Illinois and Indiana farmland, where foreign ownership is allowed.
4. **Continued government support** in late summer provided much needed cash flow for farmers and landowners that are responsible for growing crops.
5. **The low to moderate supply** of farmland has been met with steady demand. Klein says farmers and investors seem ready to purchase publicly offered properties at current land price levels and accept the returns they can provide.

Klein notes in 2020, First Mid Ag Services sold more than 70 farms in the first three quarters of the year. Most were listings, due to COVID-19 restrictions. In the final quarter of the year, one online-

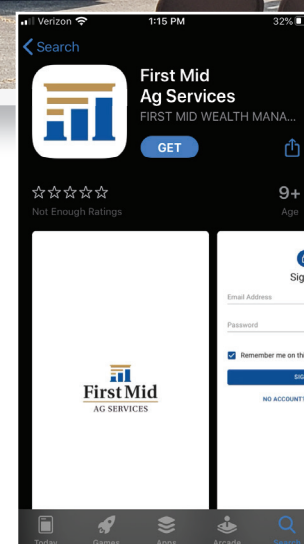


First Mid Ag Services Managing Broker and Auctioneer David Klein conducts a sealed bid request auction to control crowd size during the pandemic.

only auction concluded in late October. Three sealed bid auctions followed by live private auctions are scheduled for November and more will be added over the winter.

"Buyers and sellers can now download the First Mid Ag Services App on a phone or mobile device. The bidding platform is designed specifically for farmland," says Klein. "We intend to meet people where they are most comfortable during this time, in person or remotely. Ultimately, we know that one size does not fit all landowners or a certain property's needs. Each client is met with careful consideration by our staff of 35 farmland real estate professionals."

To learn more about farmland for sale through First Mid Ag Services through the end of the year, visit [www.firstmidag.com](http://www.firstmidag.com), follow First Mid Ag Services on Facebook and like the page, or call Managing Broker David Klein at 800-532-LAND. **MF**



Inside: Two First Mid Ag Services Farm Managers Earn AFM Designation



## First Mid Ag Services

### First Mid Ag Services Tailors Plan for Each Client's Real Estate Needs

First Mid Ag Services works to find the best method possible to bring together sellers and buyers in a farmland transaction. And with the current COVID-19 restrictions in place, that has meant becoming creative with the auction process and listings, says First Mid Ag Services Managing Broker David Klein.

"Each marketing plan must be tailored to best suit the client's goals and objectives," he says. "When working for buyers, it may mean going out to contact potential sellers because of a unique trait that a certain land tract possesses. When working for sellers, we have provided online-only auctions, sealed bid request auctions (to control crowd size) with both live, in-person bidding and remote participation options, and listing farms at reasonable market prices that will provide liquidity within a certain time period."

Laura Zahren was one recent client who weighed those options. She and her brothers and sister had inherited a farm near Stanford, Illinois, in McLean County. Zahren contacted Klein in early August to inquire about selling their farm. The decision was made to sell it during a sealed bid request followed by live auction in late September. Only the top sealed bidders were invited to the in-person auction.

"We interviewed two companies and chose First Mid Ag Services for their high degree of professionalism and almost immediate response to our inquiry," says Zahren. "With COVID-19, we appreciated that First Mid presented us with options besides an all virtual auction. We believe the sealed bid process and the competitive auction bidding increased the price we received."

Zahren says shortly after they talked with David Klein, Bloomington office broker and farm manager, Craig Thompson, stepped in to work with the family. Thompson was familiar with the land and current tenant, which lead to a smooth collection of information and efficient



*First Mid Ag Services sign draws attention to a farmland auction in Illinois.*

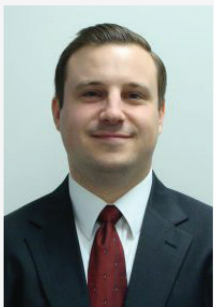
bidder contact timeline for prospective buyers. Thompson also is a CPA, which gave Zahren confidence in the numbers being presented for their sale.

"Our assurance we made the right decision went up when we found out Craig knew the area," she says. "Both Craig and David were always available when we had questions and clearly knew what they were doing. We also felt their commission rates were very competitive. I would tell others interested in selling their farmland to go ahead and check around with other companies. But I think most sellers would choose First Mid Ag Services because they will find they get a better outcome." MF

## Farm Managers Thompson, Watson Earn AFM Designation

First Mid Ag Services is committed to ongoing training and education for its farm managers to better serve their clients. One such commitment is having managers attain the Accredited Farm Manager (AFM) designation from the American Society of Farm Managers and Rural Appraisers (ASFMRA). The ASFMRA is the largest professional association for rural property land experts with more than 2,100 members in 31 chapters across the United States.

Craig Thompson, farm manager in the Bloomington office, and Casey Watson, farm manager in the Peoria office, were both recently awarded the AFM designation. Both earned their AFM by meeting stringent requirements in experience and education and by passing a rigorous written examination and abiding by the American Society's Code of Ethics.



*Craig Thompson*

"We are proud of the dedication and work Craig and Casey have demonstrated in attaining their AFMs," says Brian Thompson, First Mid Ag Services President based in the Bloomington office. "Our organization seeks to provide the highest quality service possible to our clients and the AFM designation is one more avenue to reach that goal."

Accredited Farm Managers are specifically educated and experienced in agricultural management. They understand efficient production and profitable marketing by focusing on procedure, analysis, critical thinking and innovation. AFMs possess additional specialized expertise and are connected to a national network of professional resources and information. MF



*Casey Watson*

## First Mid Ag Services

### Steve Burrow Plans Retirement Transition from Peoria Office

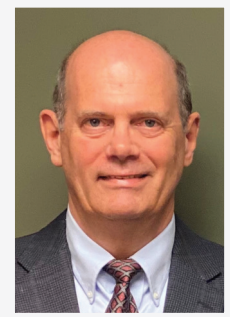
After more than 40 years of service to clients, Steve Burrow will step down from his position as vice president and regional manager of the First Mid Ag Services Peoria office in April 2021. Relinquishing the responsibilities will be his first step toward retirement, although he will remain active with the company managing a reduced number of farm accounts through the remainder of next year.

"This will allow a smooth transition for his landowners as management duties are transferred to other farm managers in the office over a 15-month timeframe," says First Mid Ag Services President Brian Thompson. "He will also remain managing broker for the Peoria office assisting in real estate sales and acquisitions."

"I feel extremely fortunate to have worked in this job for 42 years beginning with the former Commercial National Bank in 1978. The bank name has changed a few times, but the commitment to excellent service has always been there," says Burrow. "I had the opportunity to work with some special folks over the years and have appreciated the trust my clients placed in me and in First Mid Ag Services."

Casey Watson will be promoted to vice president and regional manager when Burrow steps down in April. Watson is from Manito, Illinois, and has farm roots in that community. He received his Bachelor of Science degree from Western Illinois University in 2009 and completed his master's degree in crop science at the University of Illinois in 2018. Prior to joining First Mid Ag Services in August 2018, he worked with seed production companies and in crop consulting/crop input sales. He received his Real Estate Broker's License in April 2019.

"I am confident we will have a smooth transition in management responsibilities for the office," says Burrow. "Casey has the ability to communicate well with clients and co-workers. He is extremely organized and will be up to the task as he takes on this new role." MF



Steve Burrow

### First Mid Ag Services Adds New Manager to Peoria Office



Ashley McEwen

First Mid Ag Services recognizes Ashley McEwen as the newest member of the farm management team in its Peoria office. McEwen grew up on a family farm near Bushnell, Illinois, where she gained first-hand experience with livestock and crop production.

McEwen graduated from the University of Illinois in 2018 with a degree in agricultural and consumer economics concentrating on agribusiness markets and management. She earned her master's degree in crop science from the University of Illinois in 2020 while

working at the same time. She also holds the Certified Crop Adviser (CCA) designation.

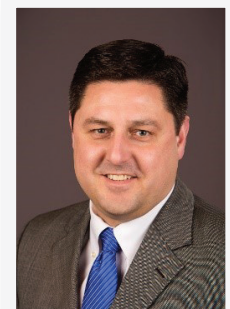
McEwen's prior experience includes working in the seed industry as a key account specialist in the Peoria area. In that role, she made direct corn and soybean product recommendations and sales to customers and assisted them with digital ag technologies.

"Ashley's previous agronomic background and work experience are an ideal match as she begins to manage farms out of the Peoria office," says Brian Thompson, president with First Mid Ag Services. "She is working to attain her real estate brokerage license and looks forward to assisting clients with buying and selling farmland in the future."

McEwen enjoys still helping out on the family farm, exercising and being on water. MF

### Klein Receives 2020 Land Broker of the Year Award

First Mid Ag Services Managing Real Estate Broker David Klein recently received the 2020 Land Broker of the Year Award from the Illinois Farm & Land Chapter of the REALTORS Land Institute. The award recognizes the professionalism, ethics, land business activities, realtor service and community service of the recipient. Klein also received the award in 2014. MF



David Klein



# Midwest Farmowner

## Inside This Issue...

- Several Changes Coming to Personnel in the Peoria Office
- Farmland Values Remain Steady Headed into 2021
- First Mid Ag Services Adjusts Auction Options During COVID-19

Photo by USDA

## First Mid AG SERVICES

A Division of First Mid Wealth Management  
P.O. Box 1607  
6 Heartland Drive, Suite A  
Bloomington, IL 61702-1607  
RETURN SERVICE REQUESTED

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

[www.firstmidag.com](http://www.firstmidag.com)



Printed on recycled paper



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



Talk To Us First  
**First Mid Ag Services**  
[www.firstmidag.com](http://www.firstmidag.com)

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

#### Bloomington, IL

(309) 665-0955  
Brian R. Thompson, AFM, ARA\*  
bthompson@firstmid.com  
Chad A. Hoke, AFM\*  
choke@firstmid.com  
David E. Klein, AFM\*, ALC  
dklein@firstmid.com  
Daniel S. Patten, AFM, CCA\*  
dpatten@firstmid.com  
Kevin R. Meiss, AFM\*  
kmeiss@firstmid.com  
Mark R. Smith, AFM\*  
mrsmith@firstmid.com  
Tyler S. Roth, CCA  
troth@firstmid.com  
Craig R. Thompson, CPA, AFM\*  
crthompson@firstmid.com  
Ross Perkins, AFM\*  
rperkins@firstmid.com

#### Decatur, IL

(217) 421-9616  
Kevin Hilligoss  
khilligoss@firstmid.com  
Daniel W. Moehring  
dmoehring@firstmid.com  
Shaun Cotner  
scotner@firstmid.com  
Justin Wheeler  
jwheeler@firstmid.com

#### Kankakee CO., IL

(815) 936-8971  
John M. Tammen, AFM\*  
jtammen@firstmid.com  
Joseph Richie  
jrichie@firstmid.com  
Michael Bernhard  
mbernhard@firstmid.com

#### Mattoon, IL

(217) 258-0498  
Cory Kauffman, AFM  
ckauffman@firstmid.com  
Eric Schumacher  
eschumacher@firstmid.com  
Austin Hornstein  
ahornstein@firstmid.com

#### Peoria, IL

(309) 687-6008  
Steven L. Burrow, AFM\*  
sburrow@firstmid.com  
Casey Watson, AFM\*  
cwatson@firstmid.com  
Ashley McEwen, CCA  
amcewen@firstmid.com

#### Springfield, IL

(217) 547-2880  
Keith L. Waterman, AFM\*, ALC  
kwaterman@firstmid.com  
Thomas L. Toohill  
ttoohill@firstmid.com  
Tom Hill, CCA  
thill@firstmid.com

#### Real Estate Associates

##### R.E. Office in Bloomington, IL

(309) 665-0961  
Ross Albert  
ross.albert88@gmail.com  
Garrett Schoenholz  
Garrettshow@gmail.com  
John Feit  
John.feit@comcast.net  
John Croft

Chris Kolodziej

Aaron Benoit

##### R.E. Office in Mattoon, IL

(217) 258-2022

Ron Pierce

Justin Wood  
Jlwood25@gmail.com

##### R.E. Office in Kankakee, IL

(815) 936-8971

Don McCabe, AFM\*  
dmccabe@firstmid.com

Steven P. Jacob  
sjacob@firstmid.com

Sean Riordan  
sciord@yahoo.com

##### R.E. Office in Peoria, IL

(309) 687-6008

Douglas W. Fehr  
fehrrdoug48@gmail.com