

# Quarterly Combine

## 2016 Winter Land Seminar Recap

*Kirk Swenson, President, Broker, REALTOR®*



Our winter land seminar in Mesa set a new attendance record this year. There were 83 attendees from all over the US, with a mixture of farm operators, landowners, and investors. As you can see by these pictures we had a great crowd that enjoyed the always informative Mark Schultz. Mark's usual insight to world markets of all kinds will be helpful for everyone in the coming year.



*Mark Schultz*

Some of the topics Mark covered were:

- Strongest El Nino on record; impact on crops?
- Grain farmers are seeing red ink.
- Input costs are slowly working lower.
- If there is a grain rally, soybeans will lead the way.



*Peter R. Wand*

This year Peter R. Wand, a partner with the law firm Lewis Roca Rothgerber, LLP from Phoenix, gave the audience a wonderful presentation on succession planning. Peter did an excellent job in presenting this information in a way all of us could understand.

Peter's succession planning goals included the following:

- Ensure cash flow for surviving spouse
- Limit gift & estate tax liability
- Limit income/capital gains tax liability
- Preserve capital assets (farms)



The 1 Stop staff, Roger Heller, Gary Hotovec, Pat Keltgen, Wendy Forthun and myself presented various topics dealing with land and rental values in the midwest. Roger also covered tile drainage, the benefits of it and many heads-up issues in dealing with government compliance and permitting.

If you were unable to attend this very informative seminar but have questions for our staff or our guest speakers, please don't hesitate to give one of our "Experienced Farmland Professionals!" a call or email.

# 1 Stop Realty Sales Recap - 2015

Location	Buyer	Sold	Sale Price	Acres	\$/Acre	Type of Sale
Lac qui Parle Co, MN	Acreege	2/5/15	\$91,000	10	\$9,100	Private Sale
Dodge County, MN	Acreege	2/10/15	\$150,000	35.98	\$4,168	Private Sale
Renville County, MN	Farmer	3/5/15	\$1,370,000	149	\$9,194	Private Sale
Dodge County, MN	Commercial	3/24/15	\$42,500	1.35	—	Private Sale
Cochise County, AZ	Commercial	4/1/15	\$385,000	41.83	—	Private Sale
Lac qui Parle Co, MN	Farmer	4/30/15	\$696,000	120	\$5,800	Auction
Dodge County, MN	Residential	5/4/15	\$163,700	0.46	—	Private Sale
Lac qui Parle Co, MN	Farmer	5/7/15	\$358,240	73.17	\$4,895	Auction
Dodge County, MN	Residential	6/19/15	\$200,000	0.49	—	Private Sale
Olmsted County, MN	Residential	6/26/15	\$192,500	0.26	—	Private Sale
Olmsted County, MN	Acreege	6/30/15	\$395,000	10	\$39,500	Private Sale
Dodge County, MN	Acreege	7/20/15	\$205,000	40.04	\$5,119	Private Sale
Cochise County, AZ	Investor-1031	9/1/15	\$3,900,000	1097.15	\$3,554	Private Sale
McLeod County, MN	Investor	10/6/15	\$320,000	49.26	\$6,496	Private Sale
Renville County, MN	Farmer	10/7/15	\$945,743	106.15	\$8,909	Auction
Dodge County, MN	Residential	11/10/15	\$33,000	0.21	—	Private Sale
Winona County, MN	Residential	11/13/15	\$347,000	0.26	—	Private Sale
Steele County, MN	Farmer	11/30/15	\$472,000	75.57	\$6,245	Private Sale
Dodge County, MN	Acreege	12/11/15	\$320,000	13.1	\$24,427	Private Sale
Goodhue County, MN	Acreege	12/18/15	\$130,000	41.63	\$3,122	Private Sale
Redwood County, MN	Farmer	12/18/15	\$676,200	147	\$4,600	Auction
Redwood County, MN	Farmer	12/18/15	\$180,000	36	\$5,000	Auction

## Cooking With Jan

### Grampa Elmer's Favorite Glorified Rice

Jan Schley, GRI, REALTOR®



#### Ingredients:

½ cup Minute rice  
 ½ cup sugar  
 1 tsp. Vanilla  
 1 can crushed pineapple  
 1 cup real cream whipped (I cheat and use a container of Cool Whip)

Cook rice (as directed on packaging) until fluffy, add pineapple, fold-in the whipped cream and vanilla.

Refrigerate for several hours so the flavors fully strike through.



**SPRING IS HERE!!!!**

This old family recipe was a favorite of Roger's Dad Elmer; we have made it for many family get-togethers.

It makes a tasty and refreshing salad to serve with almost any menu.

Enjoy the wonderful weather, and here's to making happy memories at your family get-togethers!

**Don't forget to check out our website for more details!**

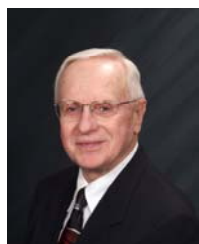
**[www.1stop-realty.com](http://www.1stop-realty.com)**

**2**

"There seem to be but three ways for a nation to acquire wealth. The first is by war, as the Romans did, in plundering their conquered neighbors. This is robbery. The second by commerce, which is generally cheating. The third by agriculture, the only honest way, wherein

# Updating Your Tile Map

Roger Heller, A.F.L.B., A.F.M.



If you are a landowner and you have drain tile on your farm, here are a few suggestions about the value of good accurate tile maps.

First you may ask why they are important. A few valid reasons are:

1. You or your heirs may want to add additional tile to your farm someday. Adding tile is a very common occurrence. Without proper information, you may be adding more or less than required or placing the new tile in the wrong place. Even worse is the strong possibility that today's tile plows may plow right through existing lines creating breaks and costly repairs.
2. When selling a farm, good tile maps help the sale price. When you or your heirs put the farm up for sale someday, removing the uncertainty about the drainage gives the buyer confidence to bid more for the farm. In the case of pattern tiled farms, it may mean a bonus of \$500.00 per acre or more in that sale price if you have a valid, accurate tile map.
3. The tile map can help you maintain the quality of your existing tile. For example, several years ago we assumed the management of a farm that was supposed to include pattern tiled acres, but were showing wet soils. The previous renter had plowed up some of the open inlets, causing the soil to enter the system and the entire investment in existing pattern tile was full of soil and had to be abandoned, creating a need to re-tile that 20 acre area in a pattern system at a cost of over \$15,000. Had the landowner had tile maps showing the location of those open inlets and had he supervised those open inlets, that expenditure could have been avoided.

*Where do I start and how do I get an improved tile map if I don't have one?* One might start to put the puzzle together in the following ways:

1. Interview people or search your files for old invoices to determine who installed the tile on your farm. Many of the old tiling contractors made and retained maps. They were not always accurate, but they are a good start.
2. Occasionally, you can find information at the NRCS office. Years ago, the old SCS cooperating farmers each had a file at the county office. In some cases, the SCS

provided technical assistance and engineering for the early tile systems. In some counties, FSA and/or NRCS retained old aerial photographs of the farms in their county. Because the earlier tile systems were trenched in instead of plowed, the disturbed clay would show up on the aerial photos for many years. Often we can determine where the main tile are using these old photos.

3. Determine where your tile outlets can be a starting point. For that information go to the County Ditch Inspector or County Auditor's office to determine the location and quality of your tile outlet. If your farm's tile does not outlet into a private ditch, stream or county tile on your farm, you may anticipate that it outlets into a neighbors tile and which eventually outlets into one of the above venues. In attempt to determine the likelihood of that situation, a visit to the county courthouse, register of deed's office and a search of the tract index may show tile easements or drainage agreements with neighboring farms. If you are unsure whether or not your farm has been assessed into county or judicial ditch systems, it can be determined at the auditor's office.

## Other Diagnostic Tools for Finding Tile

1. Infrared maps taken in the spring can delineate tile lines. (Those tiled strips warm up faster than the wet soils between the tile lines because air warms faster than water.)
2. Flying over the farm with a small aircraft just as the frost is leaving the ground in the spring can show the existence of tile lines.
3. Probing the soil with a soil probe can locate the exact location of the tile if you once know about where to probe. Tiling contractor locators are well versed in that, as well as looking for disturbed soil where tile was trenched in.
4. Tile locating camera - Some county ditch inspectors have access to cameras that can travel into larger main tile to help you determine the quality and condition of the tile. Septic contractors frequently have those also.
5. Digging with a backhoe by an experienced tile locator can help you locate tile also. They know how to recognize disturbed soil and can sometime follow the topography and locate tile.

*Continued on page 4*

## **Making the Map: (Now that you are done with the detective work)**

The ultimate current tile map today will utilize GPS coordinates. New tile machines are often equipped with the necessary GPS equipment to produce that kind of map. Insist on getting such a map from your contractor if he has such equipment for your new projects.

We have also hired the services of a farmer with the RTK version of GPS to drive and map the tile lines with his tractor or ATV. If you've been able to locate old lines by probing or other means, those can be flagged and mapped also.

At a minimum, I would recommend accurate GPS. mapping of tile intakes and tile outlets and providing such a map to your operators. If a tile intake or outlet has vanished from what that map shows, it allows immediate action to locate that inlet or outlet to make the needed repair.

With some care and hard work, you can make a composite map from partial or incomplete maps. Most any map is an improvement over none.

Good luck with your tile mapping. It will be worth your effort!

---

## **MN Planting Progress**

*Roger Heller, A.F.L.B., A.F.M.*

Dry conditions and warm temperatures allowed an early start to planting in much of Southern Minnesota. The first planting date that Federal Crop Insurance covers sugar beets is April 11. On that date, many planters were already rolling. In the West Central Minnesota area, some corn planters were also planting. The seed beds were good to excellent. Very windy conditions accompanied the warm dry weather making it very difficult for producers to hold enough moisture in the top 1 - 1½ inches to germinate the small sugar beet seeds. Corn can be planted deeper so the dry top soils were not as big of a concern.

By April 23, the Southern Minnesota Beet Sugar Co-op reported that their entire 100,000+ acre crop was planted. That is the earliest planting completion on record for the Co-op.

The USDA planting progress report on April 25, 2016 showed that 30% of the nation's corn crop had been planted compared to 16% in an average year.

Minnesota's corn crop indicated 45% planted on April 25. It is estimated that in the West Central region of Minnesota, that the corn crop was 75% planted by that date with some communities 100% completed.

During the week of April 20<sup>th</sup>, a few producers planted

soybeans even though soil temperatures and the weather forecast did not justify that planting decision.

On Sunday, April 24, a cold front moved through the northern plains and western Corn Belt, triggering rain which was sorely needed to replenish the loss of top soil moisture. From April 24 through April 29, the rainfall amounts varied from 1 to nearly 3 inches in some isolated areas. The rain was accompanied by very cool temperatures struggling to get up to 50 F degrees most days and overnight temperatures got down into the mid 30's some nights. Even a few snow flurries reminded us that this is still Minnesota. Nice gentle rainfall after planting is always a positive in that it covers up the operators planting errors and allows even germination and crop emergence.

The cold soil temperatures that came about as a result of this cold front lasting almost an entire week becomes the negative factor when it lasts for any period of time. Sugar beets tolerate the cold soils better than other crops, however, emerged beets are very susceptible to frost in the cotyledon and first true leaf stage.

As I write this article, the forecast for the first week of May is favorable with seasonal temperatures and mostly sunny days.

# New Listings

## 453± AC High Quality Farmland

Sections 11, 12, & 13 - Hayfield Twp  
Dodge County, MN

453.22± acres with 431.67± tillable acres. Largest, high quality, contiguous, pattern tiled farm to be offered in Dodge County in many years.

Average 94.7 CPI, good location with proximity to grain markets.

Great expansion or first investment opportunity.

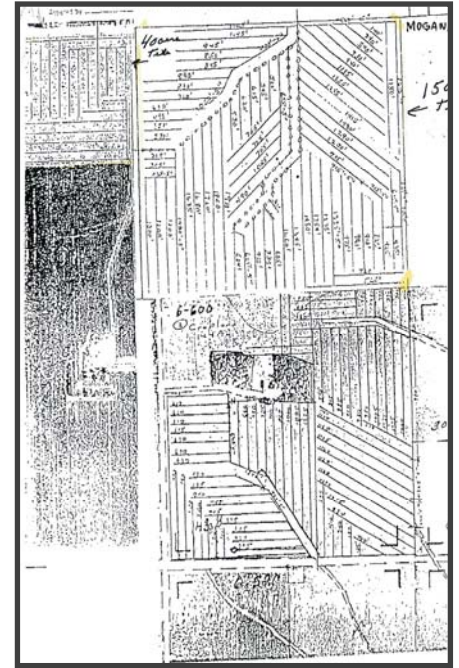
Has lease for 2016 crop year.

MLS# 4069627

For more information, or an information packet, contact:

Kirk Swenson 507-634-7033 or [kirk@1stop-realty.com](mailto:kirk@1stop-realty.com)

Wendy Forthun 507-251-1637 or [wendy@1stop-realty.com](mailto:wendy@1stop-realty.com)



## 257± AC Farmland Offered in 4 Parcels

### Parcel 1: 20± AC Farmland - Sec 33 - Kalmar Twp.

Great exposure on high traffic U.S. Hwy 14. Currently zoned AG, with 14.66± tillable ac. Could have future commercial potential. 9 miles west of Rochester, just off the stop light intersection.

MLS#4070347

**Parcel 2: 35± AC Farmland with Home Site.** Looking for the perfect hobby farm? Then this is it! Large walk-out rambler with 5 bedrooms, 3.25 baths, main floor laundry, and an extra kitchen in the basement. Includes: 32± tillable ac, large barn, corn crib, granary, and workshop shed. All right at the edge of town on blacktop road, 9 miles west of Rochester.

MLS#4070350

### Parcel 3: 85± AC Farmland - Sec 33 - Kalmar Twp.

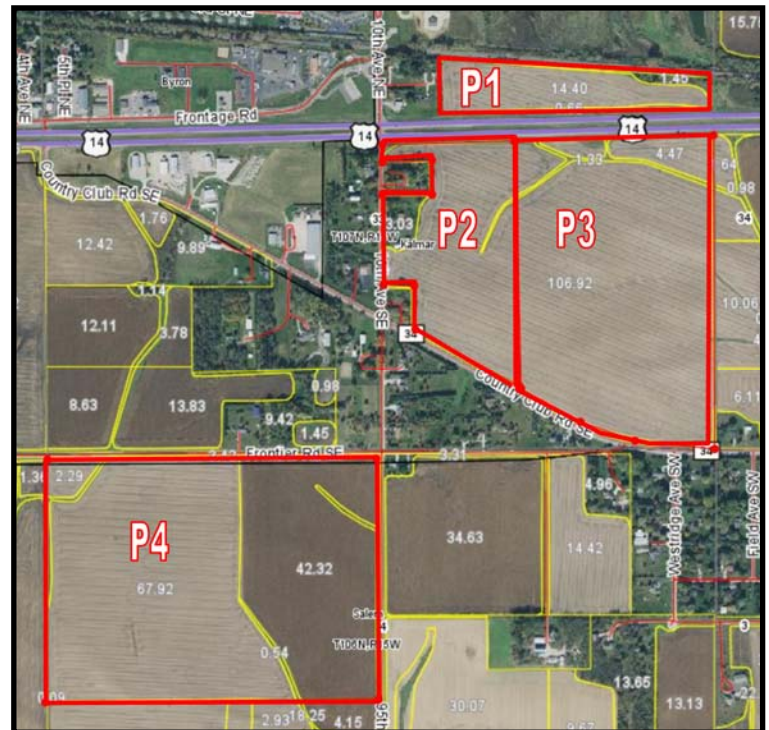
Good quality farmland with 80± tillable ac, 87 CPI value, and some tile. 9 miles west of Rochester along U.S. Hwy 14.

MLS#4070351

### Parcel 4: 117.15± AC Farmland - Sec 4 - Salem Twp

Good quality farmland with 112.53± tillable acres, 88 CPI value, and some tile. Nice first farm purchase or a great add-on to existing operations.

MLS#4070348



For more information, or an information packet, contact:

Wendy Forthun 507-251-1637 or [wendy@1stop-realty.com](mailto:wendy@1stop-realty.com)

Kirk Swenson 507-634-7033 or [kirk@1stop-realty.com](mailto:kirk@1stop-realty.com)

*Ye Old Required Disclaimer:* This newsletter is intended as general information to our clients and friends on agricultural subjects. It is not intended to render specific advice; such advice can only be given when related to actual situations and will be different for each person. If you have any questions, please contact "The Experienced Farmland Professionals" today at: **Kasson: 507-634-7033, or Olivia: 320-523-1050.**

20 4th Street SE  
Kasson, MN 55944  
Phone: 507-634-7033  
www.1stop-realty.com



1302 West DuPue Ave  
Olivia, MN 56277  
Phone: 320-523-1050  
www.hellergrouplandsales.com

**FARMLAND SALES - FARMLAND MANAGEMENT - FARMLAND AUCTIONS**

**Kirk E Swenson**



kirk@1stop-realty.com  
507-634-7033

**Wendy Forthun**



wendy@1stop-realty.com  
507-251-1637

**Roger Heller**



roger@1stop-realty.com  
320-523-1050

**Pat Keltgen**



pat@1stop-realty.com  
320-523-1050

**Our Mission:**



**To handle all your Agricultural real estate needs, in a professional friendly manner, so that sellers, buyers, landlords, and tenants have a pleasant and enjoyable experience.**



**Gary Hotovec**



gary@1stop-realty.com  
612-202-5090

**Brian Fernholz**



brian@1stop-realty.com  
320-598-7711

**Wayne Alberts**



wayne@1stop-realty.com  
507-696-0955

**Tammy Alberts**



tammy@1stop-realty.com  
507-319-3479

**Jan Schley**



jan@1stop-realty.com  
507-421-8440