



February 2023

When I was drafting the February newsletter, Sandy Nehring (Land Pro LLC Director of Operations) brought to my attention that 2023 marks the 20th anniversary of Land Pro LLC. Sandy also designed our anniversary logo. All of this caught me completely by surprise. As the old saying goes, time flies when you're having fun.

After an early retirement as President of a large agricultural company at the beginning of 2003, I had a strong desire to continue providing agricultural real estate services and formed Land Pro LLC. We started out with two small farm management accounts and no farm listings. Over the years, Land Pro LLC has grown because we established strong business relationships with many people and for that we are forever grateful. It has been, and always will be, our mission to provide highly professional services to all our clients.

So far not a bad winter. As I was shoveling snow from the driveway, my wife reminded me winter is nearly half over with spring not too far away. But we all know February can bring some major snowstorms, particularly around Valentine's Day. Fortunately, the snow does not stay around for long. I am hopeful we get some warm enough weather to thaw out the frozen soil to allow spring rains to replenish the subsoil.

Land Pro LLC had our best real estate brokerage year in 2022. In networking with other real estate professionals, the same was true. Most likely, 2022 will go down in history as the most acres sold at the highest prices to date.

During 2023, I feel the market will remain strong with no sharp declines but may experience some downward pressure. In January, we observed some high-quality Class A farms selling at good prices, but in some cases, perhaps \$500-\$1,000 per acre under the record highs of \$20,000+ per acre last year. We got spoiled when achieving those record prices and forgot that just two years ago those same farms may have sold for \$12,000-\$15,000 per acre. And certainly, no two farms are alike.

The last two years have generated a very strong agricultural economy generating cash for investment in farmland and leveraged at very low interest rates. It is likely a certain amount of that cash found a home in purchasing adjoining or nearby land owned by some investors, creating strong demand and competitive land prices. It may be that most of those funds have been expended, and with higher interest rates, there may be fewer competitive buyers. I feel many families, for whatever reason, became aware of the very strong land market in 2022 and decided to sell the farm at record setting prices, contributing to a record number of farms offered for sale. Time will tell if that trend continues in 2023.

In some counties, many farms were brought to the market and may have caused what is called market saturation with buyers having bought what they wanted and now have limited resources to purchase more land in the area. If your farm is in an area where very few farms sold in 2022, it may be there remains strong, patient money looking to add more land, and all it takes is two bidders/buyers to create a high sale price.

Is this still a good time to sell a farm? A sale can take place at any time with the proper planning. But at this time of year, most farms are leased for 2023. If sold, the lease is assigned to the new owner at closing and the existing rent can be pro-rated, which is negotiable. Most buyers would prefer the lease be open so they can choose to either operate the farm themselves or negotiate a new lease with a tenant they choose at negotiated terms and conditions.

If an auction is preferred, it is best to hold the auction prior to the spring planting season, or next fall after harvest. We found just following harvest through early December appears to be the best time to auction a farm.

As we head into 2023, *DTN-Progressive Farmer* reports most fertilizer prices are back down to the fall prices of 2021 after a big run up. That is nice to hear, but my guess is most farm operators have already applied and paid for their fall fertilizer in preparation for the spring planting. Hopefully, those inflated crop expenses will continue to moderate as we continue through 2023.

It looks like commodity prices will remain good but are under downward pressure regarding forthcoming large Brazilian crop production and reduced United States demand from key importers China and Mexico.

Hope to see some of you (either in-person or online) at the upcoming Hull Farm Auction, being held on February 14, 2023, 2:00 pm at the Amboy Community Center, 280 W. Wasson Road, Amboy, IL.

Ray

Ray L. Brownfield, ALC AFM
Designated Managing Broker | Owner
Accredited Land Consultant
Accredited Farm Manager
ray@landprollc.us



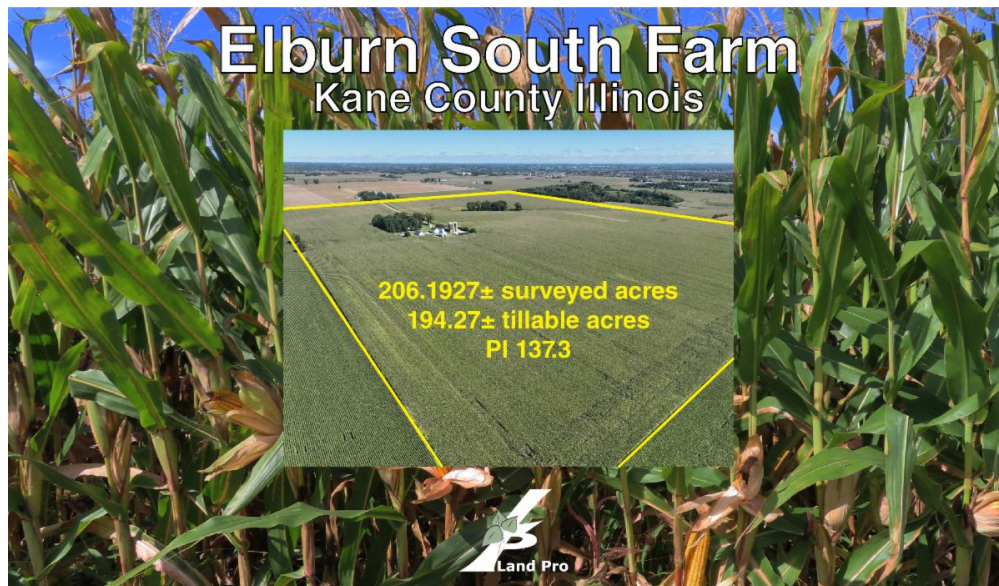
Hull Farm

Lee County Illinois



Hull Farm
February 14, 2023 | 2:00 pm
Amboy Community Center | 280 W. Wasson Road | Amboy, IL 61310
77.04± tax acres | Section 10 | PI 126.9
Amboy Township | Lee County Illinois
[Ray L. Brownfield](#) ALC AFM, Designated Managing Broker

Land Pro LLC Listings



Elburn South Farm

High Quality. Class A Soils. Well Drained.

The Elburn South Farm is a 206.1927± surveyed acre high quality Class A soil farm with a Productivity Index of 137.3. It contains 194.27± tillable acres which are leased for 2023 at a very attractive cash rental rate. There is a set of farm buildings along with a 3-bed, 2-bath home that is rented through the end of 2022.

The location is excellent with Hughes Road frontage on the north side and Bunker Road frontage on the east side, only 1.5 miles southeast of Elburn, 6.8 miles west of Batavia, 7.3 miles southwest of Geneva, 11.7 miles southwest of

St. Charles, and 47.0 miles west of Chicago. The Illinois Route 47/I-88 interchange is only 2.5 miles southwest of the farm. It is an excellent investment opportunity with potential for future development.

[Ray L. Brownfield](#), ALC AFM Broker

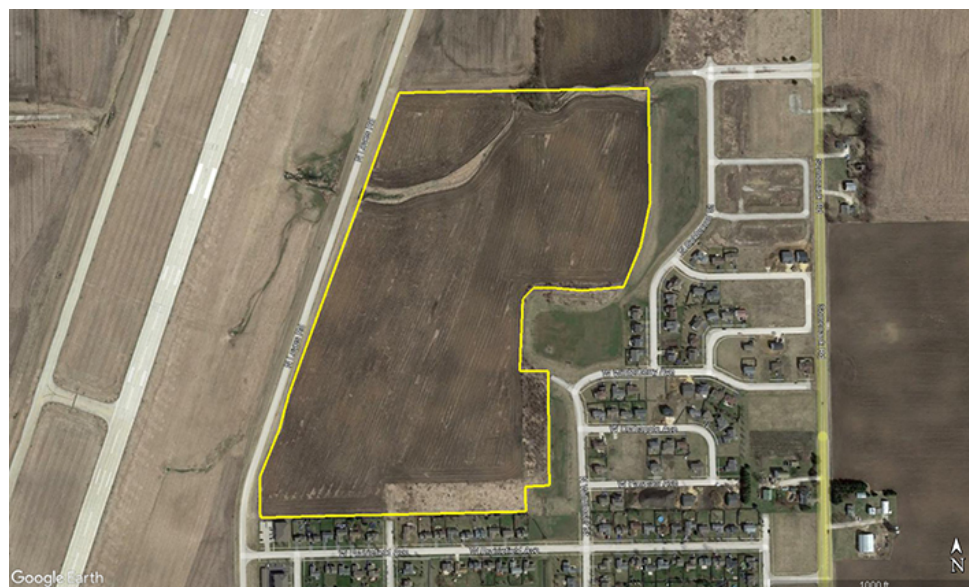


[Cortland Farm](#)

*Future Residential Development
Annexed to Cortland, Illinois
Platted for Subdivision*

The Cortland Farm located in Section 17 of Cortland Township and contains 56.64± surveyed acres (53.69± tillable acres). The soils have a PI of 138.2 and are comprised mostly of Danabrook and Elpaso.

The 2021 real estate taxes were \$2,811.64 (\$49.64/ac), there are no buildings, the property is multi-zoned, is annexed to Cortland, Illinois, and is adjacent to DeKalb, Illinois. [Dave Oster](#), Broker

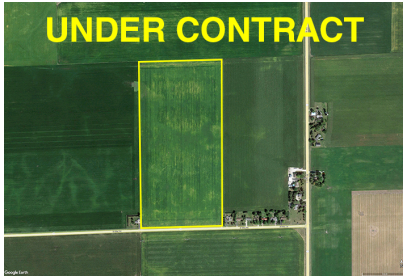


Hudson Lakes Property
Future Residential Development
Platted for Subdivision

141.29± acres (10.00 acres to be donated to school to the north), annexed to Yorkville IL, platted for subdivision. Kendall Township, Section 10, Kendall County IL, PI 124.0 (Saybrook, La Rose, Elpaso soils). **Dave Oster**, Broker



UNDER CONTRACT



McDonnell Farm

accepted bid: \$17,300/acre
77.8577± acres | 76.93± tillable acres | PI 143.5
Section 14 | Dayton Township
LaSalle County IL

SOLD



Kendall Township Farm

\$15,188.67/acre
66.4969± acres (future development potential)
No buildings. PI 135.2
Section 17 | Kendall Twp | Kendall County IL



Seegers Farm

\$10,100/acre
141.677± acres | 139.79± tillable acres | PI 119.8
Section 32 | Genoa Township
DeKalb County IL

Thinking of Selling?



The Land Pro LLC auction marketing system attracts serious, qualified buyers to every sale, regardless of whether it is a traditional live in-person event or live online. Our specialized expertise will ultimately maximize the sale price of your property, whether by auction or private treaty. Visit [Land Pro LLC Auctions](#) to find out if your property is suited for an auction!

Professional Land Specialists

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