

Farmland SEASONS

FALL 2025



Real Estate • Farm Management • Appraisals

We plant profitable investment ideas in every season

A service of Martin, Goodrich & Waddell, Inc. (MGW) –
Helping you harvest abundance in America

GO WITH THE FLOW: BOOST YOUR LAND'S VALUE WITH WATER MANAGEMENT

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GO WITH THE FLOW: BOOST YOUR LAND'S VALUE WITH WATER MANAGEMENT

If you've ever observed how a wet year affects your farmland, it can reveal a lot—including areas of your fields that have inadequate drainage. Those show up as ponds or wet spots, even after the rest of the field dries out.

Ever considered what percentage of your acres don't produce a crop, or only produce a partial crop, due to poor drainage? These wet areas affect your annual income and the value of your farmland.

Even in a backyard garden, well-drained soil maximizes plant growth. It's even more critical in fields where corn and soybeans are planted.

When drainage is inadequate, rainwater can't filter through the soil profile fast enough. This deprives plant roots of oxygen, which can stunt or kill crops. The roots of most Midwest crops cannot tolerate excessively wet conditions for more than a couple days.

Proper subsurface drainage offers a proven

way to control these challenges. You can see from the yield maps on the following page that the addition of drainage tile can lead to some dramatic yield improvements.

Consider one of MGW's farm management clients, whose farm experienced low yields on some wet areas of the property. In years of heavier precipitation, these spots would hold water at the surface and remain wet for extended periods, causing yield loss.

To fix the problem, we didn't recommend tiling the whole field. Instead, a drainage contractor was hired to install pattern tile only in the problem spots (keep reading for more details on pattern tile). Now yields are more consistent across the entire field. The landowner is happy, and so is the farmer.

5 REASONS TO INVEST IN AG DRAINAGE

Now's a great time to think about how drainage might benefit your acres, since most tiling projects occur in the fall/early winter after harvest.

1. Drainage removes excess soil water in the root zone. This allows for improved soil aeration, which helps plant roots grow. Seedlings don't struggle to grow in well-drained fields and yields become more consistent.

2. A well-designed ag drainage system doesn't take all the water out of the soil. It manages the water table to keep it at a constant depth, which is usually 3 to 5 feet below the soil surface. This means plants can access the water they need during the growing season, without getting drowned out during wet periods.

3. Removing excess soil water helps the soil warm up faster in the spring, allowing for earlier planting. This jump on the growing season gives the plants more time to maximize sunlight capture. Plant leaves function like mini "solar panels." Sunlight powers photosynthesis, the process where plants convert light energy into carbohydrates for growth and grain



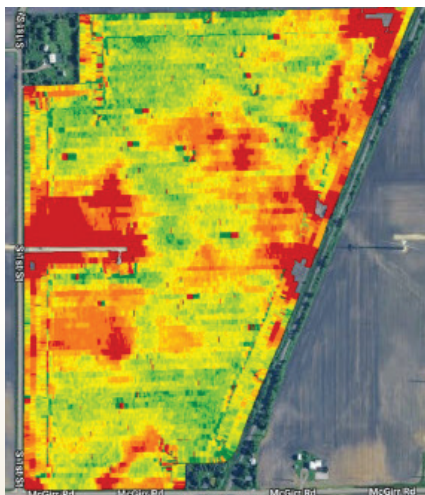
In the absence of a waterway, surface runoff has displaced valuable topsoil on this farm.



A newly-installed waterway that has been graded and seeded.



This high-quality waterway holds topsoil in place and produces grass hay for baling.



Yield map before and after: Red zones on the left map reflect low yields from excessive water. Drainage tile was selectively installed in these wet areas (black lines in the right image), leading to higher, more consistent yields.

production.

4. Well-drained soil can help control compaction of the soil profile by heavy farm equipment. Plants require oxygen and water in the root zone for optimum growth. Controlling compaction protects the large and small pores in the soil that hold the oxygen and water that help plants grow and maximize yield potential.

5. Proper drainage puts money back in your pocket. Well-drained fields smooth the income stream, since your fields are more consistently productive.

RUNNING THE NUMBERS

If you can improve a portion of the farm by increasing yields, sometimes you can get a return on your investment quickly. The cost of drainage tile varies widely, depending on how much of the farm needs tile. In some cases, it makes sense to pattern tile, where underground drainage pipes are installed in a grid pattern across parts of the field, or even the entire field. Other times, you may only need to add drainage lines in certain locations of a property.

In case you're wondering, a small drainage project can range from a few thousand dollars to tens of thousands of dollars. The payback period for a drainage project can be as little as a few years, with some projects

taking longer. MGW's knowledgeable Farm Managers can help you evaluate the most cost-effective way to improve drainage on your farm and increase the value of your land. If you think your farm might benefit from improved drainage, we can help you pinpoint the wet areas of your fields that might benefit from more ag tile. There are no cookie-cutter solutions here. We tailor recommendations to your specific acres.

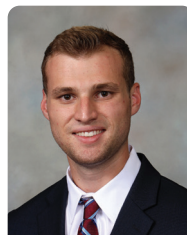
We visit your field(s), and often utilize

Speak with an MGW Farm Manager for water management solutions on your property

Call us at (815) 756-3606, email us at management@mgw.us or visit our website at www.mgw.us.



Steve Diedrich,
Accredited Farm
Manager



Grant Kuppler,
Farm Manager

yield maps from your land. We can run the numbers (the cost of installing tile drainage, plus a timeline for return on investment) and explain the pros and cons of a drainage project on your farm. Drainage is a long-term investment, and we want to help you make an informed decision. If you decide to invest in ag drainage, we can recommend contractors and get price quotes, as well.

WHAT ABOUT WATERWAYS?

Managing water on farmland isn't limited to subsurface drainage. Grassed waterways are also needed in some fields to manage the flow of water across the surface of the landscape and hold your valuable soil in place.

Waterways are shallow ditches that are strategically placed within fields, among the row crops, to help control runoff and erosion. They are designed to slow down the flow of water across the field in areas where excess water tends to cut rills (narrow channels in the soil) and gullies. Keeping soil from washing not only controls erosion, but it holds nutrients in place, which helps protect water quality, too.

While waterways can be incredibly useful in certain fields, they require periodic maintenance to prevent erosion and manage water flow. Regular inspections and timely maintenance practices (such as controlling weeds and removing volunteer trees) will ensure your waterway's effectiveness and longevity.

Waterways can fill in with soil that washes toward them over time. As a waterway directs excess rainwater slowly out of a field, the vegetation in the waterway helps trap soil particles flowing with the water. If a waterway fills up with soil, it becomes as flat as the surrounding land, meaning it no longer functions properly. When that occurs, and rain falls faster than the land can absorb it, the excess water runs alongside the waterway, instead of flowing into the waterway. At this point, the waterway needs to be re-cut and re-shaped to help control erosion.

If you would like to learn more about how MGW's Farm Managers could develop plans to install and manage grass waterways or ag drainage on your land, feel free to give us a call. We're available to discuss drainage options that can make all your acres more valuable for years to come.

CELEBRATING SUCCESS AT AREA COUNTY FAIRS

School is back in session, but the learning never stopped this past summer for students who exhibited livestock and other projects at a county fair.

At MGW, we look for opportunities to support the next generation of agriculture and enjoyed being part of many local county fairs. Some highlights included having our very own Mark Mommsen conduct the hay auction at the Clinton County Fair in DeWitt, Iowa, alongside local farmer and friend Wayne Grantz.

Mark and Grant Kuppler also attended the DeKalb County Fair in Sandwich, Illinois, and MGW was honored to purchase the Champion Bucket Calf at the DeKalb County 4-H Blue Ribbon Auction in early August. The calf was raised by Rylee Brendle of Kirkland, Illinois—congratulations, Rylee!

It was terrific to see such great support from local community members at the



county fairs in our area. We'd like to extend a huge congratulations to all the 4-H exhibitors, their families, and their leaders for their dedication and hard work. Well done!

CRONUS CHEMICAL FERTILIZER PLANT SPURS GROWTH

The construction of Cronus Chemical's new \$2 billion fertilizer production facility in Central Illinois is set to transform the Midwest agricultural landscape. Announced in August 2025, this plant will meet rising fertilizer demand, create jobs, and help stabilize input costs for row crop farmers, ensuring more reliable access to essential nutrients for crop production.

THE LAND REPORT HONORS MARTIN, GOODRICH & WADDELL, INC. (MGW)

While we're more focused on serving our clients than competing for awards, we're humbled when industry observers take note.

We're honored to be included once again in The Land Report magazine, which is a key source of news, information, and insight into America's most valuable natural resource: land.

Martin, Goodrich & Waddell, Inc. (MGW) was named to the America's Best Brokerages list, which recognizes the largest land brokerages in the Midwest by transaction volume. As The Land Report

The LandReport

noted, we help clients with the acquisition, sale, appraisal and management of land, focusing on farm, recreational, transitional and development land.

The Land Report also highlighted a "wow factor" in the Best Brokerage list, recognizing our sale of 1,035 contiguous acres in Kane County, Illinois, just west of the Chicago suburbs. When The Land Report asked us earlier this year how 2025 was shaping up, we reported that buyer activity has picked up, land prices have held steady, and demand remains strong, especially from 1031 exchange buyers.

New Iowa Processing Plant Transforms Corn

Qore, a joint venture between Cargill and Germany-based HELM, opened its new \$300 million, bio-based plant in Eddyville, Iowa in July 2025. The new plant will make QIRA®, a substance that uses corn as a replacement for petroleum in consumer products. QIRA is used in manufacturing processes across multiple industries, including fashion and footwear, packaging, beauty and personal care products, and automotive and electronics.

Record Corn and Soybean Yields Forecast for 2025

USDA's August 2025 Crop Production report projects a record national corn yield of 188.8 bushels per acre and a strong soybean yield of 53.6 bushels per acre. These robust projections are driven by favorable Midwest weather and advanced farming practices.



Analyzing the One Big Beautiful Bill Act (OBBBA) from a CPA's View

The One Big Beautiful Bill Act (OBBBA), which was signed into law on July 4, is going to affect us all, from tax cuts to ag policy.

To get more clarity on pivotal issues like this, we work closely with ag professionals, including Aspen Tipp, a CPA and Partner with Lucas Group CPAs & Advisors. We asked Aspen for her insights into the OBBBA Act.

With farm real estate prices near record highs, many farm families are faced with substantial taxes in estate situations. Could you speak to the OBBBA's increased estate exemption? The permanent, increased federal estate exemption is now \$15 million per person, and \$30 million for married couples. Generally speaking, if a landowner passes away and the value of their estate is less than \$15 million, no federal estate tax is due. This higher dollar amount provides relief to many farm families whose land holdings have increased substantially in value over the last five years. Without the OBBBA, federal estate taxes would have been due on individual estates over roughly \$7 million in 2026.

Individual states have their own laws, so there's still a \$4 million threshold concern in Illinois. This is not an issue for Iowa or Wisconsin.

For landowners who decide to sell their land, what are some key considerations within the OBBBA? The biggest benefit lies in the four-year installment of capital gains on farmland. If the seller has held the land for 10 years or more, and the land sells to a "qualified farmer" who will also use it as farmland for 10 years, he or she is able to spread the recognition of the capital gain over four equal annual installments, rather than recognizing the entire gain in the year of sale. This deferral can aide in the payment burden in the year of sale.

Even though farm profitability has decreased, how does the OBBBA encourage continued investment in land and farming operations? The new Section 179 allowance doubles to \$2.5 million, with a higher phase-out spending cap. This provision encourages



Aspen Tipp, CPA and
Partner with Lucas Group
CPAs & Advisors

farmers to make much larger investments in equipment and single-purpose buildings by allowing immediate expensing of the asset on the farmer's tax return, instead of depreciating it over time. The higher limit applies to equipment like tractors, combines, irrigation improvements, and structures like hog buildings or grain bins.

The new legislation also permanently reinstates 100% bonus depreciation for any excess assets not utilizing or eligible for Section 179.

In these times of lower grain prices, what kind of support does the OBBBA provide at the farm level? While the OBBBA doesn't replace the 2018

Farm Bill, it greatly expands upon some of the structure already available, including revisions to the commodity title program. This is the government's safety net program for farmers. The Act increases reference prices, which are used to calculate payments to farmers during years of low yields and/or low prices. It is projected that farm payments for the 2025 corn and soybean crop could rise by \$25 to \$30 per acre. Additionally, crop insurance benefits were expanded. That will also be beneficial as farmers face unpredictable weather challenges.

Beyond land and farming, what are some of the key OBBBA provisions that could benefit taxpayers? There are some generalized tax ramifications that benefit all taxpayers, including:

- A higher standard deduction
- Increased itemized deductions (if applicable)
- A senior deduction for people older than 65
- Vehicle interest deductions for new, non-farm vehicles, etc.
- Permanently reduced income tax rates

All in all, there are some great tax planning opportunities available. You can leverage some of these increased deductions to optimize adjusted gross income (AGI) phase-outs and tax brackets, which would provide short-term tax savings and opportunities for long-term income averaging.

10 TIPS FOR SUCCESS IN FARMING & LIFE

Drive about 100 miles west of Chicago, and you'll arrive in Dixon, Illinois, the childhood home of President Ronald Reagan. Rural roots run deep here for many locals, including Bob Olson, a longtime associate and friend of MGW.

The Olson family's farming heritage reflects a unique blend of driven entrepreneurs and long-time farmers. Bob's father, Robert, was a first-generation farmer. Multi-generational farming defined his mother's side, along with their Irish heritage. "I'm a seventh-generation farmer on my mom's side of the family," notes Bob, 61, who raises corn, soybeans and seed corn with his family.

Throughout this journey, Bob and his wife, Wendy, have passed along a love of the land to their four children and 11 grandchildren. "We're excited to have two more grandchildren on the way," Bob adds.

As a multi-generational family farming operation, the Olson family has learned how to work together successfully with an eye toward the future. MGW asked Bob to share some of the success strategies he and his family have learned along the way.

1 Honor your heritage. Looking back can offer powerful glimpses of how to move forward. Bob was reminded of this when his father died in 2020 at age 82. "Dad was adopted when he was three. He was raised pretty poor, but I really never considered what all that meant until we were at his wake. He was such a hard worker and a lifelong farmer. I was blown away by his commitment," Bob is also glad his mother, Mary, who was born in 1939, is still part of the family farm.

2 Respect the land. That includes respecting Mother Nature, working hard and not giving up when the going gets tough, Bob says. Respecting the land also extends to owned and rented acres. Long-term relationships matter, both with families and the land itself.

3 Diversify. Wendy is a residential Realtor, while Bob sells farm real estate with MGW. He also sells crop insurance. As the younger generation of the Olson family gets more involved in the farming

operation, everyone has a specific role to play. The Olson's oldest daughter, Ashley, is an accountant and children's book author, and works on the farm. Their second daughter, Courtney, is an attorney in town who specializes in wind and solar energy issues. Their youngest daughter, Kristen, is a sales and operations planning manager in the local community, plus she serves as the nucleus of the family, keeping everyone organized and connected. The Olson's son, Cole, farms full time and runs a cow-calf herd.

4 Know your numbers. It's essential to keep close tabs on the financial side of a farming business throughout the year. Review the numbers regularly, and also make time for a year-end review, Bob says.

5 Communicate early and often. Instead of everyone working from home, the Olsons have chosen to have an office in town, where everyone has his or her own desk. "This makes it easier and more efficient to communicate and work together," says Bob, who adds that the farm includes six to eight employees. "Good communication is key."

6 Deal with issues straight on. "Don't let them fester," Bob advises. "Be willing to have the tough conversations and work through them." It helps if you've faced difficult situations before and can draw on this experience, Bob adds. "I served on the local school board for 16 years. I'm bomb-proof."

7 Don't forget to laugh. While farming comes with plenty of challenges, it also brings joy. Look for the lighter side of life, Bob says. "You need a sense of humor."

8 Make succession planning a priority. You can't start too early, Bob emphasizes. "You need a succession plan. I'm big on the 'run over by a bus' theory." Don't get caught when a key person is suddenly unavailable due to illness or death (or even a decision to leave the farm). Contingency planning helps avoid major bumps in the road that can endanger the farm business. "Have those awkward conversations with your family, go see a good estate attorney and move forward," Bob says.

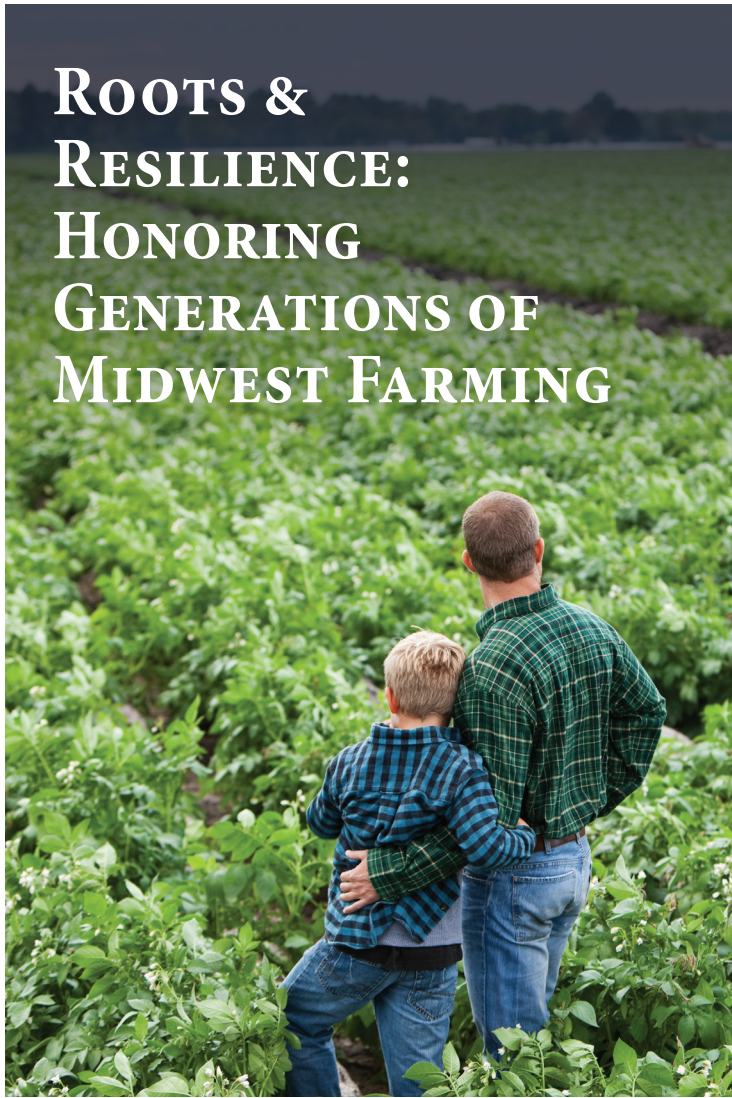
9 Give back. Bob and Wendy have encouraged all their children to get involved in the community. "We want them to serve others," Bob says. "Also, you can't complain if you're not involved." Cole Olson serves on the Lee County Board of Review, while Bob is the chairman of the Lee County Board, which sets the budget, financial policies and more for the county. Since 2007, the Olson family has also owned the Long Branch Saloon, a Wisconsin-style supper club southeast of Dixon that's been part of the little town of Amboy, Illinois, since the 1960s. "We're proud to serve the local community," Bob says.

10 Enjoy life. While farming is a mix of family and business, it's vital to distinguish between the two. "Have family time, and business time," Bob says. "I want my family to enjoy the farm and love what they do."



Generations of the Olson family on the farm in Lee County, Illinois.

ROOTS & RESILIENCE: HONORING GENERATIONS OF MIDWEST FARMING



Farming is a family business at its core. Generational farming—land and knowledge passed down through the decades—forms the backbone of our region's identity.

From the cornfields of Iowa to the soybean fields of Illinois to the vegetable farms of Wisconsin, these operations are more than businesses; they're legacies rooted in tradition, grit, and a deep connection to the land.

Those legacies haven't come easy. Every generation has faced challenges—sometimes overwhelming hardships—yet the families on the land today have endured.

THE FIRST GENERATIONS: 1800S TO EARLY 1900S

While every farm has its own unique story, many trace their origins to the Homestead Act of 1862, which lawmakers approved during the Civil War. The Homestead Act created an unprecedented opportunity that would forever transform America.

Free land propelled settlement at a speed that's almost unimaginable. People who didn't want to wait five years to "prove up" (build a home

and a farm) on their 160 acres could acquire the title after a six-month residency and basic improvements to the land, as long as they paid the U.S. government \$1.25 per acre. (That's the equivalent of roughly \$40 an acre today.)

Settling this raw land came at a huge cost, though. The pioneers faced harsh winters, unpredictable markets, isolation and more. Breaking the prairie demanded costly, back-breaking labor that could only be completed during a narrow window each spring. Those early farmers relied on manual labor and rudimentary tools, year in and year out, with crop failures and illness often threatening survival.

By sheer perseverance, however, hardy families transformed untamed acres into productive farmland. Their success attracted more newcomers, who built thriving businesses, churches, schools and towns.

THE MID-20TH CENTURY: 1940S TO 1980S

By the twentieth century, the next generation of farm families faced new hurdles. Economic necessity forced farmers to form cooperatives to get better prices on the inputs they bought and the grain they sold.

The post-World War II boom introduced new opportunities, from tractors to chemicals, but this era also came with debt. By the early 1980s, plunging commodity prices and high interest rates fueled the Farm Crisis, which forced many farms into foreclosure.

The Farm Crisis of the 1980s wasn't just an economic crisis; it was an identity crisis. Family farms grew larger to stay competitive. Survivors embraced a new willingness to utilize innovation, from modern seed genetics to biofuels, to grow their future.

THE MODERN ERA: 1990S TO TODAY

In the past 30 years, family farms have balanced tradition with technology to navigate today's fast-paced global environment. Challenges include higher land prices, rising input costs, and global competition. Younger farmers struggle to buy land, with 40% of U.S. farmland owned by people over age 65. Off-farm jobs are often necessary to sustain farming operations.

On the upside, precision agriculture tools (GPS, drones, data analytics and more) are helping boost yield potential. More young farmers are also diversifying with agritourism and other revenue streams to keep farms viable. Through it all, farm families pass along not only land, but values like stewardship, resilience, hard work, and community. After all, a farm is much more than land and crops. It's a family's heritage and its future.



Mark Mommsen
President
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Martin, Goodrich & Waddell, Inc. (MGW), with offices in Sycamore, Illinois and DeWitt, Iowa, is a leading agricultural real estate services company. Since 1976, MGW has sold, appraised, and managed farms for thousands of clients across the U.S., with a special focus on Illinois, Iowa, and Wisconsin.

CURRENT LAND LISTINGS

Our Feature Farm: The Rochelle Farm, Ogle County, IL (pictured above)

The Rochelle Farm is a well-located farm with 53[±] acres in the city of Rochelle, Illinois. In close proximity to both I-88 & I-39, this property has excellent future development potential and is zoned R-5, Multi-Family, High-Density Residential. This productive cropland is 96% tillable with a Productivity Index of 140.2. The asking price is \$24,500/acre.



MARTIN, GOODRICH & WADDELL, INC. REAL ESTATE SERVICES

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ILLINOIS PROPERTY

BOONE COUNTY

20 ac. Stilke Farm, NE of Capron. \$315,000.
51 ac. Carlson Road Farm, SE of Belvidere. \$15,275/ac. SOLD

BUREAU COUNTY

80 ac. Croissant Farm, NE of Princeton. \$16,950/ac. SOLD

DEKALB COUNTY

54 ac. Brickville Farm, contiguous to Sycamore. \$16,900/ac.
5 ac. Snyder Farmette, N of Maple Park. \$585,000.
873 ac. Sycamore Farm, city of Sycamore. \$21,500/ac.
139 ac. Mary Walter Trust Farm, contiguous to Cortland. \$16,850/ac. PENDING
208 ac. Far West 208 Farm, city of Sandwich. \$12,075/ac. SOLD
204 ac. Shirley M. Snyder Farm, contiguous to Maple Park. \$12,450/ac. SOLD
533 ac. Henke Farm, N of DeKalb. \$16,950/ac. SOLD

JO DAVIESS COUNTY

708 ac. Shellady Farm, NE of Galena. \$7,900/ac. SOLD

KANE COUNTY

50 ac. Big Rock Farm, S of Big Rock. \$16,950/ac.
40 ac. Middleton Road Equestrian Property, S of Burlington. \$1,195,000.
1035 ac. Burlington Farm, village of Burlington. \$13,600/ac. SOLD

KANKAKEE COUNTY

118 ac. Rockville West, W of Manteno. \$13,500/ac. PENDING
91 ac. Rockville Farm, NW of Manteno. \$12,750/ac. SOLD

LASALLE COUNTY

226 ac. Whipple North Farm, N of North Utica. AUCTION - SOLD
36 ac. Mosbach 36 Farm, contiguous to Oglesby. \$16,450/ac. SOLD

LEE COUNTY

80 ac. Ranken Farm, SW of Rochelle. \$13,900/ac.
21 ac. Flewellyn Farm, village of Lee. \$10,900/ac.
109 ac. Steward Road Farm, S of Steward. \$12,800/ac. SOLD
424 ac. Harmon Farm, village of Harmon. \$12,900/ac. SOLD

MCHENRY COUNTY

496 ac. Richmond Farm, W of Richmond. \$12,950/ac. SOLD
396 ac. Woodstock Farm, NW of Woodstock. \$12,500/ac. SOLD

OGLE COUNTY

65 ac. Deckard Farm, contiguous to Davis Junction. \$9,650/ac.
53 ac. Rochelle Farm, city of Rochelle. \$24,500/ac.
126 ac. Ogle County Crossroads Property, city of Rochelle.
41 ac. Ivy Road Farm, S of Monroe Center. \$11,900/ac. PENDING
189 ac. Pine Rock Farm, W of Rochelle. \$12,950/ac. SOLD

WHITESIDE COUNTY

19 ac. Como Interstate Farm, SW of Sterling. \$7,750/ac.
13 ac. Shaver Property, city of Sterling. \$24,500/ac.

WILL COUNTY

94 ac. Monee Farm, contiguous to Monee. \$39,500/ac.
36 ac. Frankfort Property, village of Frankfort. \$42,500/ac.
78 ac. Brandt Property, contiguous to New Lenox & Joliet. \$31,500/ac. PENDING

WINNEBAGO COUNTY

39 ac. Rockford Farm, W of Rockford. \$12,900/ac.

293 ac. Route 75 Farm, E of Durand. \$11,300/ac.
76 ac. Savala-Anders 76 Farm, NE of Pecatonica. \$6,950/ac. SOLD
60 ac. Cook Farm, village of Cherry Valley. \$29,900/ac. SOLD

IOWA PROPERTY

CLINTON COUNTY

10.5 ac. Calamus Farm, NW of Calamus. PENDING
60 ac. Petersen Trust Farm, E of Wheatland. \$3,975/ac.

HUMBOLDT COUNTY

100 ac. Cougar Farm, SE of Gilmore City. \$14,950/ac. SOLD

JONES COUNTY

207 ac. Borhart Farm, N of Mechanicsville. \$15,900/ac. SOLD

SCOTT COUNTY

399 ac. Anderson 400, city of Princeton. \$36,215/ac.

WISCONSIN PROPERTY

ROCK COUNTY

77 ac. Rykowski Farm, W of Beloit. \$8,850/ac. & 259,500. SOLD

For additional details on these properties, scan the QR code to the right, call us at (815) 756-3606, or visit our website at www.mgw.us.com.

