

2012 LAND Seminar Another Success!

Wendy Forthun, Vice President, Associate Broker, REALTOR®



Here's to another successful and informative Land Seminar! Land owners from around the country gathered in Mesa, AZ on February 1st to attend 1 Stop Realty's Annual Winter LAND Seminar. There were over 40 people in attendance.

We started off the morning with nationally recognized AG expert, CPA and principal of Clifton-LarsonAllen, Mr. Andrew Biebl. Andy specializes in taxation, small business entity selection, S Corps and agricultural taxation. He is a past recipient of the Outstanding Discussion Leader Award for the AIPCA, and for both the MN and IA CPA Societies.

He had some wonderful information on many topics that landowners should know about, including some of the following:

- Understanding our tax system
- Depreciation incentives
- Installment sales benefits
- Succession planning for landowners
- Tax savings techniques when selling

Andy sure hit many good points that got the landowners thinking how any one of those topics could apply to their situations.

The afternoon session was led by staff at 1 Stop Realty. Kirk Swenson-President/Broker, Roger Heller-Vice President/ Broker, Gary Hotovec-Auctioneer/REALTOR® and myself, Wendy Forthun-Vice President/Broker. Roger started his discussion on the current land values and rents in west central Minnesota. As many of you know these prices out west have really boomed. They are seeing land prices ranging from \$7,000-\$8,500/acre with rents following in the \$225-\$350+/acre. Pretty amazing!

Kirk then gave the audience an update on what the market was doing in and around the south eastern part of the state. We are seeing land prices ranging from \$5,700-\$7,500/acre with rents in the \$250-\$350+/acre range. We are not as strong as the western part of the state, but these numbers were based on quarterly sales from county assessors and some of the quarters didn't have any sales data available, so those numbers may be a little behind. All I know is the prices we are seeing around here are just as astonishing as the increases the whole Midwest has been experiencing.

Gary Hotovec, our experienced auctioneer from Hutchinson, was able to bring some timely information to the crowd with the Benefits of Land Auctions in Today's Market. We believe the best way to sell your land in today's market is at **public auction**. Here are just some of the benefits in using the auction method to get you "top dollar" for your land:

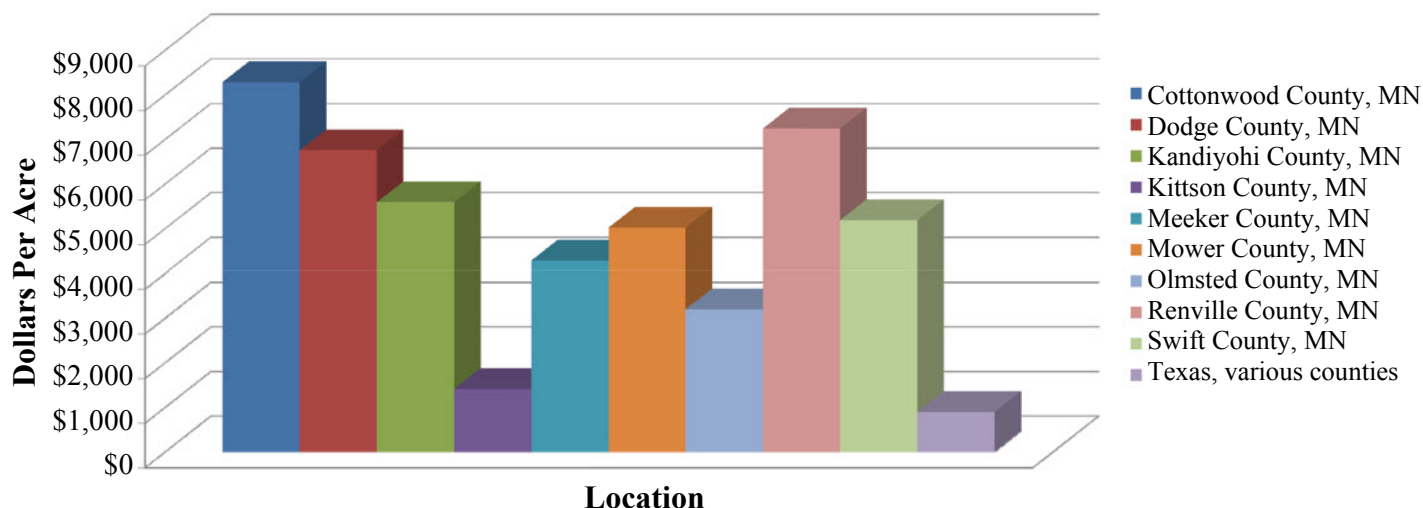
- Sellers are picking the date and time that their land will sell, creating that sense of urgency
- Auction selling is "up-selling" and no negotiations are needed
- Competitive bidding at an auction assures buyers that land is sold for "market value"

In closing Roger and Kirk discussed the general Land Values and Trends and answered some of the questions many landowners are wondering:

- What is driving higher farmland values?
- Are current gains in farmland values rational?
- Are these higher prices sustainable?

If you were unable to attend this very informative meeting but have questions, please don't hesitate to give one our "Experienced Farmland Professionals" a call or email. We would be more than happy to answer any questions on the topics we covered at the LAND Seminar.

2011 Farmland Sales & Auctions



Location	Buyer	Sold Date	Sale Price	Acres	\$/ Acre	Type of Sale
Mower County, MN	Neighbor	01/18/11	\$ 118,750	36.4	\$3,264	Private Sale
Dodge County, MN	Farmer	02/18/11	\$ 449,400	80.0	\$5,617	Auction
Kandiyohi County, MN	Investor	02/24/11	\$2,300,000	407.0	\$5,651	Private Sale
Olmsted County, MN	Farmer	03/24/11	\$ 494,400	154.5	\$3,200	Private Sale
Swift County, MN	Farmer	04/15/11	\$ 254,506	49.0	\$5,194	Auction
Mower County, MN	Neighbor	05/02/11	\$ 466,000	80.0	\$5,825	Auction
Hartley County, TX	Investor	08/19/11	\$5,500,000	9,888.0	\$ 556	Private Sale
Hartley County, TX	Investor	08/19/11	\$3,969,743	3,200.0	\$1,240	Private Sale
Dodge County, MN	Neighbor	09/30/11	\$ 40,000	10.0	\$4,000	Private Sale
Renville County, MN	Neighbor	10/19/11	\$3,437,381	472.0	\$7,282	Auction
Cottonwood County, MN	Farmer	11/29/11	\$ 663,000	80.0	\$8,287	Auction
Renville County, MN	Investor	12/06/11	\$1,385,000	193.4	\$7,161	Private Sale
Kandiyohi County, MN	Farmer	12/14/11	\$1,250,870	154.2	\$8,111	Auction
Meeker County, MN	Farmer	12/15/11	\$ 798,000	200.0	\$3,990	Auction
Meeker County, MN	Farmer	12/15/11	\$ 531,300	110.0	\$4,830	Auction
Kandiyohi County, MN	Investor	12/16/11	\$ 505,466	118.3	\$4,272	Auction
Kittson County, MN	Farmer	12/22/11	\$ 300,000	212.0	\$1,415	Private Sale
Kandiyohi County, MN	Farmer	12/27/11	\$ 182,320	40.0	\$4,558	Auction
Kandiyohi County, MN	Farmer	12/27/11	\$ 171,979	69.0	\$2,491	Auction
Dodge County, MN	Neighbor	12/27/11	\$2,092,973	292.0	\$7,168	Auction

Watch the next edition for details about next year's Annual Winter Land Seminar held in Mesa AZ, early 2013

Testimonials from the 2012 Land Seminar....

“Great value for the money, very informative” *“Thanks, learned a lot!”*

“Enjoyed the workshop!”

“We get your newsletter and appreciate the articles & content, plus the results from your auctions”

2 Ole was never very bright in school, but one day the teacher started speak'en his language. She asked the class, "Can anyone use the words defense, defeat and detail in one sentence?"

Cooking With Jan

Jan's Favorite! "MEATLOAF"

Jan Schley GRI, REALTOR®



LOAF

2-lbs ground beef, 2 eggs, ¾ cup oatmeal, 1 chopped onion, 1 teaspoon salt, ¼ teaspoon pepper

TOPPING

1 cup ketchup, 1 teaspoon mustard, ¼ cup brown sugar

Put loaf ingredients in large bowl, mix really good. I use my hands (washed of course). Mix topping ingredients together in separate bowl, set aside. Put meat in small roaster or oven proof baking dish, pour on topping, bake covered for 1 hour @ 350°. I Love this Meatloaf - hot or cold, leftovers make great sandwiches!

HAPPY NEW YEAR!

It is already 2012. Don't these years fly by too fast ? I became a REALTOR® back in 1983, that is 29 years ago. That same year our first grandchild was born, and many changes have taken place since then. I thought it would be FUN to search the internet and see what was going on way back then in "1983"

Microsoft was being introduced • Motorola was testing out cell phones • compact discs and camcorders were new to the market • last hand cranked telephones went out of service, switched over to direct dial • legal documents had to be hand delivered or sent by mail (a stamp cost 20 cents) • a gallon of gas was \$1.24 (wish that price was back!) • crude oil was \$29.00 • gallon of milk was \$1.89 • loaf of white bread 50 cents • dozen eggs 89 cents • chocolate candy bar only 35 cents • McDonalds hamburgers 50 cents and chicken nuggets were a new item on their menu.

Brand new home \$89,000 • 1 story 2 bedroom \$36,000, 2 story 4 bedroom \$83,000 • interest rates were high, fixed 14% ,adjustable rates went as high as 21% WOW! Today they are as low as 3.75% to 5 % we buyers like that • average land values for a 160 acre parcel went for \$1,667.00 per acre, we are enjoying a much better market then that at present time • commodity prices were lower, soybeans \$7.83, corn \$2.60, wheat \$3.90, got these figures from US Department of Agriculture • Dodge Ram pick-up was under \$5,700.00 today's price about \$20,000.00 • Minimum wage was \$3.75 • Sally Ride first American woman in space • last episode of M*A*SH* was aired • most sought after toy for Christmas was the new cabbage patch kid dolls, I have four of them.

These facts may not all be exact - I did get the information off the internet, but they give us an idea of the changes that have taken place in the past 29 years, WAY BACK WHEN IT WAS 1983 !

Changes for me have been significant too. We now have 13 grand kids—and just recently our first great grandchild was born— learned how to use a computer, email most of my legal documents, and am 29 years older! Things that have not changed; still am a REALTOR®, have enjoyed 27 years of them at 1 Stop Realty, married to the same fellow for 53 years and never have moved off the farm.

I saw this little quip in a magazine and think this sums it all up for us Rural Folks. *Farmers want to give birth and grow old and laugh and die, bonded and sustained by the soil which is the oldest way of "LIFE" Americans know.*

Have a Healthy Wonderful New Year !

**Check our website for
current listings!**

www.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.

Ole sprang to his feet with his arm stretched in the air. The teacher very surprised, told him to go ahead. Ole proudly stated, "Ven de horse jumps over de fence de tail comes after de feet."

The Auctioneer's Corner

Choosing The Auction Method That Fits You Best

Gary Hotovec, Auctioneer, REALTOR®



I hope our clients and readers aren't getting tired of hearing: "Isn't this an easy winter without any snow? Can you believe it?" Last year while writing this article in January, I was looking out the office window and could see nothing but snow banks and fields covered with many inches if not feet of snow on them.

On the down side of this "BROWN" winter, we ask ourselves, "Where is the moisture?". Owning a "Livestock Auction Barn" in Hutchinson, MN, I have a chance to visit with many farmers, active and retired, every week. Three retired farmers, all in their 80's, told me last fall that their grandfathers told them that weather patterns are 7 to 8 months long. Their predictions were: No snow this winter and March will be the month our snow and rain will be coming. Only time will tell now with March just around the corner.

Owning farmland can be interesting and rewarding. **Agriculture's most worthy asset is land!** But sometimes, your life changes and the need or want to sell your farmland will be the right decision.

While many aspects of the economy in this country are still struggling, *the land market today is strong*. Many publications are still indicating that in the year 2012, both livestock and grain sectors of United States agriculture will remain leaders in our economy, domestically and abroad. Land prices are remaining strong. Some articles I've been reading lately are indicating land prices have reached a plateau in some areas.

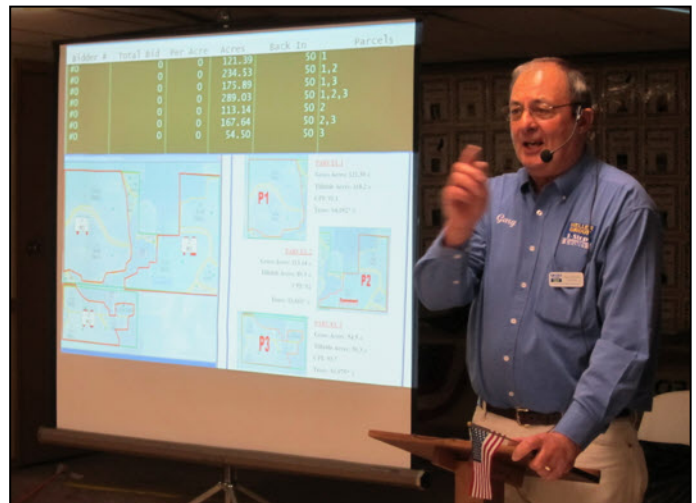
The best way for you to take advantage of today's high prices is to choose the marketing method that fits you best. Your choices include listing land the traditional way or today's marketing advantage, **the real estate auction**. At 1 Stop Realty, our real estate auctions can be done several ways, *sealed bid auctions, live bidding auctions, or multi-parcel auctions*.

The sealed bid auction is where the buyers submit a written bid in an envelope and submit it at our office by a certain time and date. The individual bids are opened and only the top 3 or so bidders will be invited to advance their bids until the bidding stops. The second method in the live auction where

the auctioneer calls for bids and chants the auction until the bidding stops. The third method is our new "Multi-Parcel" computer software choice and is our most exciting!

The computer generated "Multi-Parcel" choice is a proven auction method and will in most cases, generate top dollar. Owners having large acreages can offer their farm land to be sold in smaller 40, 80, or 160 acre parcels for example, giving the opportunity to the buyers to bid on any one of the individual combinations or the entire farm being offered. We are so excited about this cutting edge software that is available to our clients! Gone are the outdated grease boards and messy markers!

On November 29th Roger, Marissa and I traveled to Dodge Center, MN to assist and conduct a computer generated multi-parcel real estate auction for the Zaitz Trust consisting of 292 +/- acres. The promotion and hard work professionally done by our staff made for a very successful auction. Offering the farm in three separate tracts, we received bids on



several different combinations and on the individual parcels. The computer software program did exactly what it was supposed to do. It got the highest price possible for the seller and did not leave any bidder out. It was a real treat for us from Olivia to work with Kirk, Wendy, and the entire staff from the Kasson office.

Looking back over the past 5 years and seeing the rising values of farm land, I feel that competent and professional

4 I know of no pursuit in which more real and important services can be rendered to any country than by improving its agriculture, its breed of useful animals, and other branches of a husbandman's cares. ~ **George Washington**

Choosing The Auction Method That Fits You Best

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farm brokers are needed now more than ever. It doesn't take many acres to generate several thousands or even several millions of dollars. Just one small overlooked detail can cost a seller in today's market many tens if not hundreds of thousands of dollars. Professional and experienced farm land companies such as 1 Stop Realty, can and will, through a coordinated team effort insure total peace of mind when marketing and selling your farm. At 1 Stop Realty farm land **IS** our specialty. Our professional team will work side by

side with our client/seller from the initial meeting right through the closing after the sale.

Today's professional, well planned and executed real estate auction will meet or exceed owner's expectations in most cases. When the time comes to sell your farm, for whatever reason, 1 Stop Realty in Kasson and Heller Group – 1 Stop Realty Group in Olivia will promote and market your land for maximum exposure to the buying public.

Tackling The Rural / Urban Divide - Working With Twin Cities Farm Owners

Kristine Fladeboe Duininck, Auctioneer, REALTOR® and Glen Fladeboe, Auctioneer, REALTOR®



We have a confession to make – we are spending a lot of time in the land business working in the Twin Cities!



These days it is nearly as likely to see us at a Starbucks in downtown Minneapolis as seeing us meeting with a family in the town of Starbuck, in the heart of rich Minnesota farm country in western Minnesota. No doubt, in either location, the topic will be the same – we are talking farmland.

If you see us at the Starbucks in Minneapolis, the person sitting across from us is probably a 4-H alumni, or an FFAer who wore the blue jacket, or a Minnesotan who knows what it feels like to stack hay in a hot barn in July, or a person who was once a grandkid who loved visiting their grandparents on the farm. These are farm kids at heart, and are proud of their heritage, and are living in the Twin Cities.

Yes, it has been an advantage that we grew up on a farm in west-central Minnesota and our dad still farms 600 acres. And yes, it has been an advantage for us to have an office and sales personal living in Minneapolis. We know how to beat the rush hour traffic on I94, but we also know the price of corn and fair cash rental rates in Kandiyohi County.

But the bond is much deeper than that. It is a bond not based on the latest marketing techniques of Facebook, Twitter or email blasts; nor it is a bond based on us attending the same colleges or universities; it is a bond based on true appreciation, respect and enthusiasm for our rural, agricultural herit-

age. Where people can sit at a suburban restaurant and get excited together about what is happening in the farm economy (this is kind of like the excitement when you see someone from your home state when you are out of the country)! It is this personal connection that has created some of the best business relationships we have had in the history of our company, and even more importantly, some life-long friendships.

The truth is, many of our Twin Cities sellers are facing the same tough life choices as our rural sellers. Can we keep the land forever, and afford our retirement dreams? What do we do when some of our siblings want to sell, and others don't? The land prices are so high now, if we wait, will they go down? If we sell our land now, where should we invest it?

These are all tough choices, with very few easy answers. And like our rural sellers, our Twin Cities sellers aren't looking for us to have a perfect answer for everything, or predict by looking into a crystal ball.

What they are looking for is a real estate professional who can connect to them, and can share their personal attachment to the land, and relate to the opportunities of selling land in this market, and give them honest and professional service based on their long-term goals.

Not only have we enjoyed interacting with them - and servicing their real estate needs -we have enjoyed the relationship with people who are still in love with the farm today, even though the road of life took them to the Twin Cities.

Our deep respect for the land and its harvest is the legacy of generations of farmers who put food on our tables, preserved our landscape, and inspired us with a powerful work ethic. ~ **James H. Douglas**

What's For Sale?

8.3 +/- AC Approved Building Site
Milton Twp - Dodge County
MLS # 4033527 - \$85,000



Beautiful wooded site with Conditional Use Permit in place is secluded, but still in the Kasson-Mantorville school district. Located 5 miles north of Mantorville on blacktop roads, it is far enough off of the highway to enjoy wildlife and the peaceful country setting. Perfect building site for the home of your dreams!

Contact **Wayne Alberts** for more details
507-696-0955 or wayne@1stop-realty.com

37.58 +/- AC Approved Building Site
Milton Twp - Dodge County
MLS # 4021996 - \$214,900



26+/- tillable acres, creek, and 11+/- wooded acres with good hunting! This parcel has it all! Only 17 miles to Rochester on Hwy 52. If you are looking for a private peaceful setting to build your dream home or to start a hobby farm, then this is it!

Contact **Wendy Forthun** for more details
507-251-1637 or wendy@1stop-realty.com

OFFERING
THE
Rio Corp.
Baudette, Minnesota FARM

A LARGE SCALE FARM OPPORTUNITY
Wheat - Oilseeds Production

±3,972 acres with ±2,600 acres tillable plus 146.2 acres in CRP and CRP filter strips and 200 acres planted to trees.
Extensive River Frontage Recreational Land

PENDING



UPCOMING AUCTION

Thursday, March 15, 2012 @ 1:30 p.m.

160 +/- AC Quality Farmland
Kandiyohi Twp, Kandiyohi Co, MN

Auction Location: Atwater Civic Center

Features & Benefits:

138.8 +/- Tillable AC of which 26.64 +/- AC are in CRP
Crop Production Index 76.4 • Some Tile
To Be Sold In One Parcel

Folks, this is a great opportunity for you to expand your farming operation. If you are looking for quality, tilled farmland, don't miss this auction on March 15, 2012.

For more information, contact **Kristine Fladeboe Duinick**
320-212-9379 or kristine@1stop-realty.com

Fladeboe Auctions

Auctioneer Kristine Fladeboe Duinick - Lic. #34-05-006

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

www.1stop-realty.com

35.98 +/- AC Approved Building Site

Wasioja Twp - Dodge County
MLS # 4022765 - \$200,000



Just outside of Dodge Center & part of proposed urban expansion, it is good for 1 building site & can be plated for more. There is abundant wildlife, plenty of wooded area, & a small stream. A perfect opportunity to build your dream home in the sanctuary of the woods with the comforts of town right next door.

Contact **Wayne Alberts** for more details
507-696-0955 or wayne@1stop-realty.com

AUCTION

Monday, November 21, 2011 @ 1:30 p.m.

66.28 +/- AC Towne Square Project



Auction Located: On site, County Road 7 NE, Byron MN

This is a rare opportunity to purchase land that is in the path of development, with 38 +/- cropland acres for income to offset holding costs until development is complete. Don't miss out on the chance to own this unique property.

Owners: Byron Other Real Estate, LLC

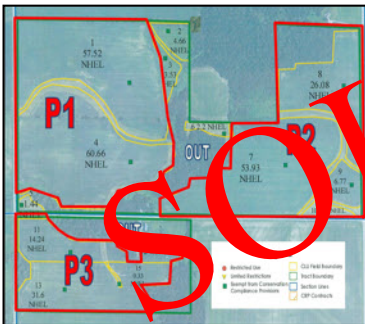
For more information, contact **Wayne Alberts**
507-696-0955 or wayne@1stop-realty.com

Kirk E Swenson, Broker, Auctioneer - Lic. #20-11-04
Kristine Fladeboe Duinick - Lic.# 34-05-006

AUCTION

Tuesday, November 29, 2011 @ 1:30 p.m.

**292 +/- AC High Quality Farmland
Ripley Twp, Dodge County**



Offered in 3 parcels with high percentage of tillable, 92 CPLs, and varying sizes to suit most any buyer. Located in a strong demand rental market and a good production area. We will be using a Multi-Parcel system to make combination that suits you best. If you are interested in land ownership, don't miss this sale!

For more information, contact **Wendy Forthun**
507-251-1637 or wendy@1stop-realty.com

Kirk E. Swenson - Broker, Auctioneer - Lic# 20-11-04
Gary Hotovec - Auctioneer - Lic# 6570

66.9 +/- ACRE HUNTING/FARMLAND

Located in Section 23 of Sumter Twp
McLeod County, MN



54 +/- ac tillable, 24 +/- ac CRP. Excellent habitat including lake, with cash flow from tillable land. 40 minutes or less from western Twin Cities suburbs.

Call **320-523-1050** or email
Roger Heller - roger@1stop-realty.com
Gary Hotovec - gary@1stop-realty.com

402 S Mantorville Ave
Kasson, MN 55944
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FARMLAND SALES • FARMLAND MANAGEMENT • FARMLAND AUCTIONS

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Our Mission:

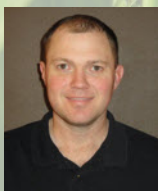
To handle all your Agricultural real estate needs, in a professional friendly manner, so that sellers, buyers, landlords, and tenants have a pleasant and enjoyable experience.

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