

REAL
ESTATE
NEWS AND
VIEWS

land LINES

FROM THE
AUCTION
INDUSTRY

Serving Landowners Since 1944

FIRST QUARTER 2021 HIGHLIGHTS

Land Value Results Across the Country, from Timberland in Georgia to Midwest Farms and Western Ranches

Coffee County
North of Douglas

LAND SOUTHERN GEORGIA AUCTION

3,094[±] acres
Offered in 22 Tracts from 17[±] to 479[±] acres

- Prime Deer & Turkey Hunting
- Excellent Wildlife Habitat, Trophy Deer
- Great Recreational Tracts with 9,000[±] ft of frontage on the Ocmulgee River
- Excellent Timber Investment
- Mix of Loblolly Pine, Slash Pine & Hardwood Bottoms
- Ages of Pine Range from 1 to 23 years
- Excellent Site Index for Timber Growth

WEDNESDAY, JANUARY 27 AUCTION STARTS AT 5:00PM AT SOUTHSIDE SOCIAL HALL, DOUGLAS

\$5,373,500

KANSAS CITY AREA LAND AUCTION

Tuesday, March 30 • 5pm CST

Auction Held at The Rock Trees Space, Harrisonville, MO

Cass County (Missouri)
879[±] Acres

- 30 Miles South of Kansas City, Missouri
- High Percentage Tillable Acres • Irrigated Cropland
- 100,000 Bushel Grain Bin Set-Up Being Offered Separately

- Several Improvements Including 16,000 Sq. Ft. Shop
- Tracts Ranging from 5[±] to 167[±] Acres
- 5 House Tracts • Wooded Recreational Land

\$7,140,000

Virtual Irrigated Farmland, Building Sites & Pasture
COLORADO LAND AUCTION

WELD COUNTY
1,120[±] acres
Offered in 9 Tracts

- 230[±] Irrigated Acres (Currently in Soil)
- 2 Homes, Shop Buildings, Grain Storage & Feed Yards
- Multiple Potential Building Sites
- Outdoor Roping Arena (295 ft. x 170 ft.)
- Fenced and Cross Fenced Pastures
- 45+ Miles to Denver International Airport

\$5,886,400

Saturday, March 27
@ 10:00am CST

Montgomery & St. Clair Counties, IL

899[±] Acres
Offered in 10 Tracts, Combinations or as a Whole

2021 Farming Rights Included!

Held at The Event Center of Montgomery County
11198 IL Rt 185, Hillsboro, IL

Illinois Land Auction

- Tracts Range from 1-175[±] Acres
- Country Home
- Near Hillsboro

\$6,152,190

TILLABLE, IRRIGATED & PASTURE LAND

- 8,084[±] Tillable Acres • 1,440[±] Acres of Irrigated Cropland • 760[±] CRP Acres
- Total of approx. 375,000 Bushel in Grain Bin Set Ups with Several Large Machinery Sheds
- Tracts Ranging from 5.5[±] Acres to 1,991[±] Acres in Size • Immediate Access for 2021 Farming
- All Growing Wheat Crop Transferred to New Buyer

12,027[±] Acres
OFFERED IN 33 TRACTS

DEUEL 1,859.5[±] Acres
KEITH 8,727.5[±] Acres
PERKINS 1,440[±] Acres

Major NEBRASKA LAND AUCTION

WEDNESDAY, MARCH 22 • 10:00 am MT

\$16,452,600

Michigan Monroe and Washtenaw Counties, MI

LAND AUCTION

Farms located near Dundee and Milan, just Northwest of Toledo, OH

- Productive Tillable
- Woods for Hunting
- 2021 Farming Rights
- 1,249[±] Total Tillable Acres
- Investment Grade Farms
- Development Potential w/ Rail Access

1,436[±] Acres
Offered in 26 Tracts

Thursday, February 25th • 10 am

Auction Held at The Pinnacle, 1772 Indian Wood Cir. Maumee, OH 43537

\$9,334,000

land LINES

REAL ESTATE NEWS AND VIEWS FROM THE AUCTION INDUSTRY

SPRING / SUMMER 2021

Serving Landowners Since 1944

COVER STORY

Although Many 2020 Auctions Looked Different, Land Values Demonstrated Strength

Few people living today have witnessed a year like 2020. From the COVID-19 pandemic to the social and political unrest, it has been an overwhelming year for nearly everyone. But even with government restrictions forcing many Schrader auctions to be virtual or online, there were strong results across the board on farmland.

As many states across the country limited public gatherings, Schrader was forced to get creative on how to provide our popular multi tract auction method without a live audience. The result was a live-streamed virtual auction setup that allowed bidders to bid by smartphone or computer while a live chant was occurring in Schrader's new studio.

One of our biggest auctions using this virtual format was that of 1,132 acres, sold in 21 tracts across six counties and 312 miles, in Illinois. The challenge of covering such a vast area in a single auction with no live crowd was certainly complex. However, we were still able to smoothly facilitate the sale for the investment fund. The sale totaled over \$7 million.

Live auction results were no different,

"The auction was professionally and well executed by the Schrader team. Even though there were 21 tracts in six counties, bidding online could not have been easier. Their platform was easy to use and operate. The team at Schrader offered great communication prior to and during the sale, which allowed us to be comfortable in the manner in which we were bidding. Selling farms located in six different counties online allowed us to efficiently put together and purchase properties in the manner which we desired."

-Auction Buyer

as the choice of a live or virtual auction was decided on a case-by-case basis. Schrader completed the sale of 962 acres for \$7 million for one of the largest landowners in America at a live venue in Royal Center, IN. Toward the end of the year, Schrader conducted two live auctions on consecutive days in Bucyrus, OH and Posey County, IN, with many bidders participating online. The first in Ohio had 718 acres sell for 30% over appraised value, and the next day in Posey County, the sale grossed over \$10 million.

Perhaps some of the most surprising strength has appeared in recreational land values. From November 11th to November 30th, Schrader performed four auctions of recreational land across the country, with prices well above expectations. In Illinois on Nov 11, 372 acres, of which 40% was water, averaged just under \$4,000/acre. Less than a week later, 380 acres of pasture and hunting land in Oklahoma appraised for \$836,000 and brought \$975,000.



Shortly after, on Nov 24, in an area known for its heavy whitetail population near Richmond, IN, 166 acres that appraised for \$560,000 brought \$785,000. And concluding the November recreational spurt, 275 acres in Michigan, known for its deer and duck hunting, averaged over \$4,000/acre.

"I wanted to thank you again for the great work you did in selling the Rawson Property in Bureau County, IL. You have been great folks to work with from start to finish. The sale was a huge success and we appreciate your attention to detail, marketing of this unique property and the communication that you had with us throughout the process."

-Dan Legner, Compeer Financial



Today's Farmland Values

By R.D. Schrader, President



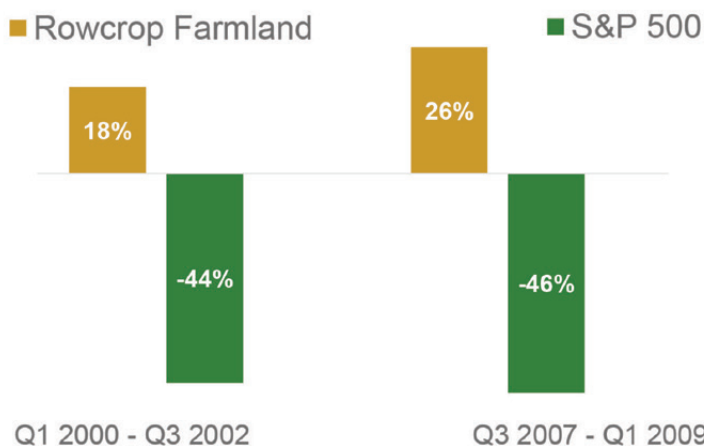
Rolling out of (in many ways) a volatile 2020, farmland again displayed its inherent stability by maintaining its value and, in many cases, appreciating. Since March 2020 when Covid restrictions went into effect, we have sold farmland in 13 different states and have seen abundant evidence of the strength in the farmland market. As we enter 2021, farmland continues its upward trend in the marketplace.

The chart below displays the value of farmland during a couple of the recent periods of downward volatility in the U.S. equity markets, - the "dot com bubble" period and the "financial meltdown" period. The chart compares the total returns in the S&P 500 to the total returns in rowcrop farmland. While this is just a snapshot picture of two periods of time, it certainly reflects the benefits of farmland diversification and the stability it can provide in a sometimes shaky world.

Two of the overriding variables we often talk about at Schrader, farm incomes and interest rates, have been driving forces of the upward movement in land values. While interest rates continue to hover around historically low levels, farm incomes increased significantly through 2020 and appear to be strong in 2021.

Diversification vs. Equities

Total Return of Rowcrop Farmland vs. S&P 500
During Equity Drawdowns



Source: NCREIF Commodity Cropland Index; S&P

Over the years, the end result of low interest rates and increasing incomes has consistently been increasing land values, and that is what we are seeing today.

Farm incomes and interest rates are impacted by many underlying factors. Incomes are benefiting from increased grain prices due to much tighter ending grain stocks. China demand has returned, and other developing markets desire more protein and higher quality diets - outpacing the supply. Our growing worldwide population needs to be fed, and there is a limited supply of farmland to accomplish this. Farm incomes have also recently benefited from a boost from the government in the form of Covid relief payments.

Interest rates have been pushed down to historically low levels by the work of the Federal Reserve to keep the economy churning. So far, the absence of significant inflation has provided the Fed with the flexibility to do so. Of course, if inflation were to pick up as some folks predict, land's historic role as a hedge against inflation will be valued. These low interest rates also tend to limit the attractiveness of alternative investments that compete with land - particularly "fixed income" options.

As we always want to reiterate, value is very location dependent, and even the weather in a specific locale can make a big difference. But we have had some examples of the strongest competition we have seen at auction in the last five or six years. Going forward, there is a lot of optimism in the land market. Based on the current grain markets and production expenses, incomes are projected to remain strong. And the Fed is currently indicating that it will keep interest rates low for the near future.

While there seems to be a turbulent geopolitical atmosphere, plenty of people desire to invest in the "safe haven" of farmland and the idea of a sustainable food supply. I often think that when world politics get really shaky, I want to be like Joseph in the Old Testament - the guy with the food.



SCHRADER AGENTS

Schrader has a dedicated staff of Sales Representatives who specialize in marketing real estate and equipment.

Access a list of our agents at www.schraderauction.com/about/our_people. Their contact information is available to you. Feel free to contact any one of them with questions about your property.

Thank You!

Thanks to all of our clients and customers, Schrader Real Estate and Auction Company celebrated a **tremendous sales year in 2020!**

We sincerely appreciate the opportunity to serve you; the land and equipment owners!

Appraising Over the Years

In the 1980s, when I first started appraising farms, I found that improved farm incomes tended to correlate with higher land prices the following year. It seemed reasonable that better incomes would encourage farmers to buy more land. And it would seem that the farmers waited until they cashed in their crop to be aggressive in the land marketplace.

That all changed by the time we got to the rapid rise of the price of corn and soybeans that occurred in the year 2012. The increase in land prices occurred almost simultaneously with the rise of corn and soybean prices. It has been suggested that a shift in the response time to higher commodity prices was related to farmers becoming more adept at forward pricing of their crop. In other words, when commodity prices went up to a higher level, farmers buying land would contract their crops for delivery in the following year and possibly contract their next year's production at the higher prices available. When commodity prices rose sharply, this time was reduced from six to eight months to one or two months.

There are many other factors contributing to high-er land prices. These include limited supply of farmland

on the market, low interest rates and optimism resulting from higher corn and soybean prices. Going forward, it seems there is no question about whether farmland prices will continue to rise or not. The question is: how far will they continue to rise? I look to upcoming land auctions and farmland sales to show the increase in farmland prices. I believe the average increase has been at least 10%. But there is always a lot of variation. Some sales have indicated increases much greater than 10% in value.

-Fred Geyer



An Appraisal Legacy

Fred Geyer is an icon in the appraisal industry as he brings over 40 years of experience to the table. Fred received his Master's degree from Purdue University and went on to complete his PHD from Michigan State in 1967. He then went on to work for Corn Products in New York City. After 12 years working for Corn Products, Fred joined Schrader's in 1979. Fred's role in the appraisal industry is very unique. As an in-house appraiser for an auction company, he consistently is able to compare his appraisal to the market value after auctions occur. Appraising what subsequently sells in the open marketplace keeps Fred's feet to the fire and his work tied to reality. It is this constant reality that has made Fred the appraiser he is and allowed him to continue to lead the industry in many facets.

TECHNOLOGY

Schrader Sells Virtual and Online-Only During Pandemic

In the midst of a pandemic, it pays to pay attention and be prepared. Beginning early in 2020, Schrader was paying attention to prospects of a nationwide shutdown in response to a virus outbreak. Leaning on twenty years of experience in online auctions, we were able to prepare and then thrive in a season of virtual and online-only auctions.

Twenty years ago, the turn of the millennium was a big deal, and it was that year that Schrader conducted the world's first online real estate multi-tract auction on the Internet simultaneous with a live auction. Since then, bringing auctions virtually over the Internet to those who cannot physically be onsite has been a part of the Schrader Maximum Marketing Method.

In early 2020, virtual auctions took on new meaning as many onsite auctions became virtual. Our virtual auctions, like our traditional live auctions, use a live auctioneer, boards, and our Graphic Bidding Viewer software. The bidders are all remote, though, and our team of talented bid assistants use the phone and our proprietary bidding platform to receive the bids.

With COVID restrictions on banquet rooms and township halls, Schrader has equipped a new video studio to hold and conduct our virtual auctions. The space is equipped with the latest in video and lighting technology. As a result, we are able to host virtual auctions of 50+ tracts.

As always, Schrader is investing in the right tools to maximize prices for our sellers. For more information, please visit SchraderAuction.com/studio.



Farm Equipment

Quality used equipment values continue to stay very strong. Low use pre-emission tractors and trucks are in very high demand. The strong market for used equipment is being driven in part by a combination of strong post-harvest commodity prices, subsidy payments, and delayed delivery dates of new equipment.

2021 SCHRADER'S AREA FARMER & CONTRACTORS EQUIPMENT AUCTION

SALE

SAURDAY, FEBRUARY 20 @ 10:00AM

AUCTION SITE - Turkey Farm 877 E 900 S - CORNER OF STATE ROAD 9 & 900 S WHITLEY COUNTY, IN

Don't Miss this Large Auction!

SCHRADER Equipment Added Daily! Visit: www.schraderauction.com for Updates!

TOTAL \$2,971,713

Registered Bidders	1,683
States Bidders were from	24

Absolute Michigan Farm Equipment Auction Monroe County Milan, MI

Timed Online Only

• Tractors • Backhoe • Planting
• Seed Tenders • Pro Boxes • Applicators
• Tillage • Combine • Heads • Grain Cart
• Semi • Trailers • Pickup • Fuel Tanks
• Saddle Tanks • Farm Misc • Snowmobiles
• Screens • Globes • Shop Equipment • Parts

Tuesday, March 2nd
Call 800-451-2709 or visit www.schrader.com

SCHRADER Online Only Virtual

TOTAL \$2,284,638

Registered Bidders	843
States Bidders were from	7



Willshire, OH

TRACTORS
ROTARY MOWERS
MISC. FARM EQUIPMENT
SKID LOADERS
FORKLIFTS
UTILITY TRACTORS
COMBINES
HEADS & HEAD CARTS
MANURE & LIVESTOCK
HAY EQUIPMENT
HARVEST EQUIPMENT
GRAIN CARTS & WAGONS
TILLAGE
FERTILIZER EQUIPMENT
PLANTERS
DRILLS
SEED TENDERS
CONSTRUCTION &
TILE EQUIPMENT
TRUCKS & TRAILERS
TIRES, DUALS & WEIGHTS
ATVS & LAWN MOWERS
ANTIQUE TRACTORS &
EQUIPMENT
TOYS
WOOD



2021
Farmers Grain & Ag LLC
**EXTRA FARM
EQUIPMENT**

**SAURDAY, MARCH 20
AT 10:00 AM**

SCHRADER

Real Estate and Auction Company, Inc. Includes Items from the Retirement of Denver & Jane Neuhaus and Bob Carr!

More items being added - check website for continual updates - www.schraderauction.com

TOTAL \$2,981,965

Registered Bidders	1,530
States Bidders were from	11



Introducing Our Wisconsin Agents

We are pleased to introduce two of our new agents to our staff over the past year in Darrell Crapp and Chris Hoffman located in the Southwest Wisconsin area. Between the two, they also hold licenses in Iowa and Illinois and are in the process of acquiring licenses in Minnesota and Nebraska. Living in Wisconsin his entire life, Darrell has been involved in several agricultural industries over the duration of his career and brings a wealth of knowledge to the table. While Chris brings a unique background to the team after formally being a chiropractor, his energy and innovation are irreplaceable.

Darrell and Chris managed several successful land auctions this past fall, and have also sold farms through the private listing route. We are excited about what the future holds with the addition of these two in both land and equipment sales.



Darrell Crapp



Chris Hoffman

Southwest Sales

Our team has had a very successful run in the southwest over the past year with Brent Wellings leading the charge. Most notably was Brent's sale of the famous Dillingham Ranch in Okmulgee County, Oklahoma. One of the most unique properties to hit the market in recent years, the ranch of nearly 6,000 contiguous acres was located just 20 miles south of Tulsa and offered nearly 5 miles of paved road frontage.

"With any ranching operation across the country it is vital that you have good fencing and cross fencing to allow for rotational grazing, and the Dillingham ranch offered exceptional perimeter fence and numerous cross fence pastures across the interior of the ranch," said sale manager Brent Wellings.



A deeper dive into the farms operational status boasted two main facets to the ranch, a grass-fed beef operation and a purebred quarter horse operation, both self-sufficient and sustainable.

The farm was operated by the Dillingham family for 70 years. "Our family has taken very seriously the stewardship of this beautiful piece of property" said Gay Dillingham. With a background in environmental science, she reached out to the Noble Foundation as an independent third-party source to help evaluate and maintain the health of the land. "The older we've gotten the more blessed we realized we've been to grow up on this sacred piece of Earth."

The sellers were ultimately very pleased with the result of the sale.

Scan to View
Video of Property



A Tribute to a Great Leader

We are sad to share the news of the unexpected loss of Roger Diehm. The compassion for others, energy, and drive that Roger brought to our team was next to none. Those who knew him well often say he was one of the most unique individuals they had ever met. He loved and served tremendously with everyone he interacted with. Roger's reach extended far beyond the auction business, as he strived to empower not only those just in his community but across the world. We are extremely thankful for the time we had with Roger on our team, and his legacy will continue to live on through those he impacted.



Roger Diehm

1967 - 2021

March 14

March 20

landLINES

SPRING / SUMMER 2021



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Columbia City, IN 46725

800-451-2709

www.schraderauction.com

Follow Us:   



Suite G: The Versatile Multimedia Team Promoting Your Auctions And Listings

In the early 2000s, the people who produced Schrader's brochures and ads were located in a small corner office of the Columbia City, Indiana building. To make things easy for clients, they established a single email address for the graphics suite, suiteg@schraderauction.com. Soon, everybody began referring to "Suite G," and the name stuck even through several moves.

As we've grown, so has Suite G (the G stands for graphics, obviously), which plays a critical role in creating marketing materials of all types for well over 200 auctions a year. But today's version includes not only brochures and ads, but web design, digital advertising campaigns, video, GIS mapping, auction-day slide presentations, video production, and much more.

Here are today's Suite G folks. They all have their own emails now, but the original Suite G email will still reach them. Four different professionals have graphic design responsibilities, which cover the full range of media. Following are some of the other areas of responsibility for the team members:

Leslie Basinger, Team Leader/Graphic Designer. Leslie not only designs materials, but she also oversees production schedules, handles promotion and special projects, marketing summaries, ads for private treaty listings, as well as PowerPoint presentations for use on auction days.

Ryan Carper, GIS Specialist/Graphic Designer. Along with designing effective marketing pieces and proposals, Ryan handles the mapping in QGIS (Geographic Information System) mapping, which we use to overlay aerial photos and drone video, soil maps, and other applications.

Lindsey Mendenhall, Graphic Designer. Lindsey has been a great addition to the Suite G team since joining in 2018! Lindsey helps design marketing materials, special projects, marketing summaries, as well as the Graphical View files for use on auction days.

Jason Fest, Photographer/Videographer/GIS Specialist. Jason is a seasoned professional photographer who stays on the road a lot, getting images of properties from the

ground and air. His other areas of expertise include video editing and drone work. Jason also handles the mapping of properties in GIS (Geographic Information System) mapping.

Megan Landrigan, Print Production. Megan has recently joined the Suite G team! She will not only print brochures, flyers, and other media, but also prepares them to be mailed. Megan will also handle most of the day-to-day management of the Schrader website, and Facebook posts as well.



Schrader Auction is a five time recipient of Auction of the Year, and has won an International Design Award. Since 2015, Schrader Auction has won 35 First Place National Marketing Awards, placing highest out of all land sales in 2020!