

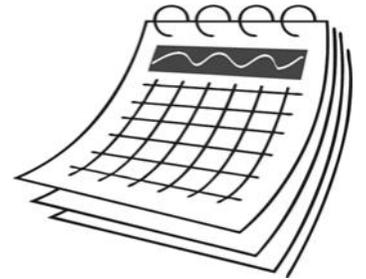


American Society of Farm Managers and Rural Appraisers Iowa Chapter

The Iowa Chapter of the American Society of Farm Managers and Rural Appraisers works to inspire its members to professional competence, high ethical standards and educational excellence while enhancing networking opportunities and public awareness.

Mark Your Calendars

- Iowa State SMLV Conference: August 12, 2020—Ames, IA (tentative)
- ~~ASFMRA Education Week: July 14-26, 2020—Des Moines, IA~~
- ~~ASFRMA Leadership Institute: September 7-11, 2020—Washington, DC~~
- ASFMRA/RLI "Spring" Seminar: September 23, 2020—Ankeny, IA
- ASFMRA National Meeting: November 7-13, 2020—San Antonio, TX
- ASFMRA Iowa Chapter Annual Meeting: February 3-4, 2021—Ames, IA
- ASFMRA IA/IL Joint Summer Meeting: June 17-18, 2021—Quad Cities



President's Comments, Deb Stanbro

Hello fellow Iowa Chapter members,

Spring has arrived in Iowa and planting season is underway or complete, depending where you are in the state. Last week, the ASFMRA Iowa Chapter Board of Directors held our board meeting. This was the first time we held a Zoom board meeting, like many others have had to do through-out the country. Brian Stockman, EVP/CEO and Paul Moore, ARA, RPR and ASFMRA President joined our meeting. They provided information on future education opportunities and insight on cancelling 2020 Education Week. If you were planning on attending for the ALM classes, National is offering those virtually. Seminars, those that can be offered virtually, will be. If you were planning on taking Ethics during Education Week, that will be offered as an online course.

National ASFMRA is working on getting additional educational opportunities available for our membership. Several webinars are in the works, to provide information to members. Keep a watch on messages from ASFMRA to keep up-to-date. Leadership Institute has also been cancelled but they are looking in to a virtual leadership summit. At this time, the ASFMRA National Meeting is still scheduled in San Antonio, TX in November.

During the next few months we will be preparing for our 2021 Annual Meeting. We received good feedback after our last meeting and look forward to providing a quality meeting in 2021. If you have speaker suggestions, please pass that information to me or Traci.

Adam Thien, AFM has provided results in an article in this newsletter from the Membership Reach Survey. Thank you to those that returned their surveys.

"The way you see your future determines your thinking today. Your thinking today determines your performance today. Your performance in the todays of your life determines your future." Zig Ziglar



ASFMRA Iowa Chapter Membership Scope

Adam Thien, AFM

The results of our Iowa Chapter Membership Survey have been tabulated. I would like to thank all who took the time and submitted responses. The survey results represent 111 separate farm managers and 121 separate appraisers.

Based on the survey results, the Iowa Chapter manages 1,889,385 acres of land. To put the acre number into a dollar figure, I used Iowa State University's 2019 Land Value Survey results of \$7,432.00 per acre. Multiplying our number of acres managed by their value per acre, the **Iowa Chapter has a little**

over \$14 billion of assets under management. The average Iowa chapter manager is responsible for 16,919 acres and each manager interacts with 47 different clients and 34 different farm operators.

The Iowa Chapter appraisers responses are also very impressive. The 121 separate appraisers represented in the survey were responsible for appraising 2,349,751 acres in 2019. Using the same average value per acre, the **Iowa Chapter provided appraisals on over \$17 billion of Iowa farm ground.** Each appraiser was responsible for 19,287 acres on average and interacted with 17 separate clients during the year.

Based on these preliminary numbers, you can see the reach of the Iowa Chapter is impressive. As we investigate and analyze the responses further, I think the influence of the Iowa Chapter will be even greater than these numbers indicate.

Once again, I would like to thank all who replied to the survey. It is our hope to repeat this type of survey every few years.



Education Week is Cancelled—Now What?

ASFMRA made the difficult decision to cancel Education Week earlier this month. While this was not an easy decision, it is the correct one not only for the Society but for its members as well. The uncertainty surrounding the current COVID-19 pandemic has injected risk in so many facets of our businesses and lives. By providing virtual education experiences, the ASFMRA hopes to mitigate these risks while remaining the most trusted resource for rural property professionals and the clients they serve.

Virtual Agricultural Land Management Courses

- ALM 1 – July 16-18
- ALM 2 – July 20-22
- ALM 3 – July 23-25
- ALM 4 – July 26
- ALM Exam—July 27-28

Appraisal Qualifying Education

- September (Denver): Integrated Approaches to Value (A304)
- October (Denver): Advanced Rural Case Studies (A400) and Foundations of Appraisal Review (A600)
- November (San Antonio): Sales Comparison Approach (A302), Advanced Appraisal Exam Prep (A500) and the Accredited Rural Appraiser Exam

Virtual Seminars for Appraiser CE *(These are approved in Iowa for CE)*

- May 27—Practical Rural Work Problems – Brent Stanger
- June 10—Property Rights – Doug Hodge, ARA

Upcoming Webinars

- May 19 – Historical Perspective and Analysis - Dr. Barry Flinchbaugh
- May 26 – NCREIF Agricultural Appraisal Guidelines - Rich Matheson, Matt Marshall, ARA and Eric Roget
- May 28 – Ag Trade & China in the Year of COVID-19 – Wendong Zhang and Nick Paulson
- June 4 - Succession Planning for Your Farm or Business - Fred Hepler, AFM, AAC
- June 9 - Analyzing Swine Comparable Sales - Kraig Van Hulzen, ARA

A full calendar of education opportunities is available online: www.asfmra.org/education/education-calendar

Grain Price Ratios

Dennis Reyman, ARA, AFM

Now that most of Iowa is off to a good start with our 2020 crops the question is, what kind of opportunities will we have to price it? We have a lot of weather ahead of us, which reminds me that in 2012 we planted a similar number of acres in rapid fashion, as well. However, the Drought Monitor showed 82.5% of Iowa was already abnormally dry on May 22, with 15% being in moderate drought. Other major corn states were getting dry as well. Today, less than 13% of the Corn Belt east of the Missouri River is abnormally dry. Other major corn states are also in pretty good shape, so we're not set up for a weather market yet. An easily-forgotten factor affecting the lower yields in 2010-2012 was hot night-time temps in July and August.



Local elevator corn bids are about \$2.85 today. The best ethanol bid is \$3.00. None of us are excited about that, but is it unusually low? No, we've had sub-\$3.00 cash corn at some point in 9 of the past 13 years, which is what we consider the "ethanol era." The average low price at an elevator we've tracked was \$2.81 during those nine years. For a reference, the low price has averaged 65% of the high price for the year. Standard deviation on that is about 10%. So far, the elevator we're tracking has posted a high closing bid since October 1 of \$3.83 and a low of \$2.64, which is 69% of the high bid. That's close to the average and well within the standard deviation.

By that measure, we're not that far off the long-term averages. The difference is the economic outlook and potential carry-over inventories. It looks like we're poised for a big crop. What if yields go off the charts (compared to trend line) like they did in 2004 and 2009? Without strong demand, it gets burdensome fast! Our best "ethanol era" reference points are a few years ago. The 2016/17 crop topped out at about \$3.50 cash, but spent few days above \$3.30 (22 of 252 marketing days). The average daily price for that marketing year was \$3.14. USDA's May report put an average price of \$3.20 on the upcoming 2020/21 crop.

One more measure we've found is this: when coming off a year that posts a multi-year high corn price, don't expect much increase over the October price average. This year is case in point. The 2018/19 high was \$4.46 per bushel, the highest cash price in five years. What should we expect for the 2019/20 prices? About 3-5% higher than the October average was all. That doesn't give you much return for storage. The cash high of \$3.83 was exactly 5% higher than the October average of \$3.65. Most years will give you at least 11% gain over the October average. The low year of 2016/17 provided a 14.4% gain from October to the high of the next year.

It is kind of amazing that beans work on similar price ratios, but when you consider how interwoven they are for acres, it's not all that surprising. The corn-bean price ratio is 2.63, based on daily prices since 1998. It stays between 2 and 3 about 75% of the time.

Who knows what we have in store, but it does help to have some reference points to work from.

Dennis Reyman, ARA, AFM is a Partner at Stalcup Agricultural Service in Storm Lake, Iowa. Dennis holds both the Accredited Rural Appraiser (ARA) and Accredited Farm Manager (AFM) designations through ASFMR. He is president-elect of the national ASFMR organization and will become president later this year. You can contact Dennis at dreyman@stalcupag.com

Public Relations Committee

The Public Relations Committee and Board of Directors have been hard at work figuring out how to best get publicity for our chapter and members. We are partnering with Warren Clark (CCI Marketing) to help distribute press releases. Below is information we could use from you to help get some momentum.

- Every other month, we will submit an industry related article to the press written by one of our members. In addition to that, Warren will send out notices that we have experts who are willing to be interviewed should a media source need a professional opinion or statement. If you are interested in being considered an expert on any of the topics, please fill in your name on the linked [google doc](#).
- We would like to highlight if any of you have been quoted by the media this year. If you have been quoted or featured, please send [Traci](#) a link to that article.
- Are there certain media sources you regularly go to for updates? We want to make sure our member's top media sources are getting extra push from our press releases.

We believe this new marketing push will be a great benefit to Iowa Chapter members as well as our chapter and industry. If you have any feedback, feel free to contact [Chad Hertz](#), PR Committee Chair.

Not an ASFMRA Member? Consider Joining!

Becoming a member of ASFMRA is taking an important step in your business and career development. Members of the American Society of Farm Managers and Rural Appraisers are recognized as the most trusted rural property professionals. They adhere to high standards of professionalism and a rigorous code of ethics.

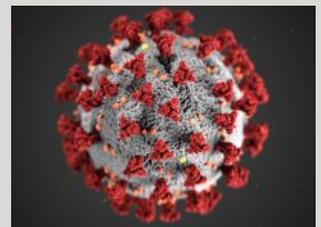
Benefits of membership include:

- Access to Management, Appraisal and Consulting Education **at discounted member rates.**
- A competitive advantage in the marketplace with ASFMRA Accreditations
- Opportunities for Continuing Education to maintain licensure and/or your designation.
- Vast network of professionals via the ASFMRA Community and ASFMRA Members.
- Representation in Washington, DC – keeping you abreast of issues affecting our industry
- And more!

A person who wants to become a member of ASFMRA can apply in one of the four categories: Associate, Affiliate, Academic, or Student. You must be a member of national ASFMRA to be a member of the Iowa Chapter. Membership Information can be found online: <https://www.asfmra.org/membership/join>

Track COVID-19's Economic Impacts , Iowa State University

Tracking COVID-19's economic impacts, especially in the state of Iowa, is now possible thanks to resources on a new web hub. The webpage, "[COVID-19 Pandemic: Research and Resources](#)," developed by the Center for Agricultural and Rural Development and the Department of Economics at Iowa State University, examines the pandemic's impacts on the economy, agriculture and business across local, regional and global economies.



The hub includes graphs, tables and maps visually representing the scale and extent of the pandemic's impact and features related press releases and publications, such as "The Impact of COVID-19 on Iowa's Corn, Soybean, Ethanol, Pork, and Beef Sector" released in April. It also offers a tool to estimate total losses to Iowa's corn, soybean and ethanol markets due to COVID-19.

The site shares relevant queries from Iowans who contact the Department of Economics' [Ask an Economist](#) service. Current questions examine beef prices, the potential devaluation of the dollar, and how to start a pandemic-related business. Resources will continue to be added. Weekly updates to corn, soybean, ethanol, pork and beef markets will automatically adjust as new data become available.

ASFMRA Member Focus

Jim Franzen, AFM

Each issue of the ASFMRA Iowa Chapter newsletter will focus on one of our members. This month we introduce Jim Franzen, one of our ASFMRA Iowa Chapter Directors.



Describe your experience and education related to the property professional field.

I am an Accredited Farm Manager (AFM) for Farmers National Company located in our Algona, Iowa office. I manage farms in the North Central area of Iowa, and also assist clients with real estate and crop insurance sales.

Describe what led you to become a chapter member of the Iowa ASFMRA Chapter and why you remain a member.

As an employee/owner at Farmers National Company, we feel it is important to be active in industry professional organizations like the ASFMRA. As I have been a member of the Iowa chapter for approximately ten years, I have benefited from timely educational courses as well as valuable networking opportunities with fellow members. Thus, I have gladly volunteered as a past member of the scholarship selection committee, and now serving on the Iowa chapter board of directors. I would encourage all members to consider volunteering some time to the ASFMRA organization.

Describe personal background items that would be of interest to fellow chapter members.

My wife (Kara) and I have raised our family in the farm house my great grandparents built in 1902. Our kids are the fifth generation to have grown up on our small farm that still has a "cob shed" located fifty feet from our home. We live in a strong German heritage community, and my parents both learned "low German" as their first language.

Describe a couple memorable or unique experiences in your life.

I was in a graduating class of eleven from Titonka High School in 1987 (seven boys – four girls). I was the captain of the boys basketball team that achieved our schools only perfect season, and is often talked about in our small community coffee shop. Unfortunately, the record was 0-19. However, we were close to beating the Burt Bears twice that year :)

May and June Anniversaries

Congratulations to the following members celebrating anniversaries with ASFMRA!

John Nissly, AFM - 06/27/51	Dennis Reyman, AFM, ARA - 05/07/93	Travis Nissen, ARA - 05/18/12
John Cotton - 06/24/63	Stephen Baade - 05/07/93	Brian Olson, AFM - 06/29/12
James Frevert, AFM - 05/31/64	David Thien, AFM - 05/31/96	Erin VanderHeiden - 06/13/14
Charles Wearda - 06/01/76	Thomas Carlson, AFM - 06/14/99	Steven Johnston - 06/27/14
James Rebhuhn, AFM - 06/20/80	Adam Sylvester, AFM - 06/14/99	Mollie Aronowitz, AFM - 05/12/16
Kirk Weih, AFM - 06/20/80	Benjamin Watson, AFM - 06/14/99	Colin Hogrefe, AFM - 05/26/16
Marvin Borcharding, AFM - 06/03/81	Larry Fishback - 06/18/99	Adam Meyer, AFM - 05/26/16
Calvin Dickson, AFM - 06/23/84	Troy Louwagie - 06/09/00	Justin Bahr - 06/23/16
Craig Harris - 06/21/85	Morgan Troendle, AFM - 06/04/09	Craig Welter - 06/29/18
Bruce Ahrens, AFM - 05/08/87	Michael Koopmans - 05/13/10	Jennifer Plate - 05/06/19
Tim Pick, AFM - 05/08/87	Chad Husman, AFM - 06/06/11	Jake Miller - 05/20/19

ASFMRA—Iowa Chapter

Traci Schermerhorn, Executive Secretary

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