

Farm Management

STOCK REALTY & AUCTION CO. FARM MANAGEMENT

Stock Realty & Auction Co. Management System

The Stock Realty & Auction Co. system is a complete farm management service custom designed to facilitate each individual landowners needs. We begin each client discussion with a determination of goals as well as specific short and long-term objectives and other considerations. A landowner may identify some or all of these objectives as important in their overall plan for their property and it's management:

- Increased income
- Asset conservation
- Management continuity
- Consistent communications
- Budgeting to achieve cost control
- Improved crop marketing to increase profits

Based on client goals, Stock Realty & Auction Co. will handle all day-to-day operations of farm management, always keeping the client informed about changes in agriculture and their impact on the operation. Throughout the association with Stock Realty & Auction Co., we will keep the lines of communication open.

Resource Evaluation

Once we have determined our clients' goals, we conduct a thorough initial farm analysis and environmental review. Our local professional farm manager will conduct the analysis and develop an inventory of available resources on the property from soil types to buildings. The local manager also may prepare a computer generated lease analysis and perform other evaluations to provide recommendations about options to achieve your goals. From this information, a comprehensive farm management plan is developed.

Working with the Operator

Teamwork is the order of the day when it comes to the operation of the farm. A good working relationship with the farm operator is essential to the success of the Stock Realty & Auction Co. system and the success of the farm. The manager and operator will work closely throughout the year. At the start of every crop year, the manager will develop a farm management plan and operating budget with the farm operator. The plan, as well as any changes considered necessary during the year, will be submitted for your approval. If a new operator is needed on the farm, the local farm manager will interview likely candidates in the area, and make a recommendation to you for operator selection. Then with your approval, a new operator can be selected and placed on the farm.

Timely Farm Inspections and Written Reports

After each farm visit, our local farm manager supplies our client with various reports and records. The Crop Acreage Report is prepared each spring, and includes a Plat of

the farm and a field by field crop acreage. Regular farm inspections are made through the growing season followed by written reports to you to keep you informed of what is growing on the farm. Supplemental Reports are sent as required for special projects and approvals. Within two weeks of harvest, harvest results are reported, inventory is accounted and a marketing plan is developed for any unsold inventory. At the end of the crop year, clients receive a complete analysis of the farm's performance for the season.

Profitable Crop Marketing

Crop marketing is a full-time job at Stock Realty & Auction Co. devoted solely to evaluating and taking advantage of marketing trends, Stock Realty & Auction Co.'s marketing specialist works consistently to improve your profits. A marketing plan is developed yearly and updated daily for each farm that is under our management. Specific sales goals are established by our commodity marketer, and implemented by the local farm manager based on local conditions. The plan is designed to sell crops, under our control, in the top one-third of the yearly market range, and avoid the bottom one-third of the market where 75% of the grain grown in the US is currently sold. We have a proven track record at Stock Realty & Auction Co., and would be glad to provide you with specific examples of success from past years.

Financial Reporting

Stock Realty & Auction Co. system is more than just local farm management. When you are working with Stock Realty & Auction Co., you hire a team of professionals. Each local farm manager has a farm accountant at the home office that works with them to do the financial reporting on all managed farms. Along with the farm managers, our financial professionals will maintain the farm account, reviewing and paying bills and depositing funds

As a client at Stock Realty & Auction Co., you will receive monthly financial reporting statements (if there is activity in the account). Financial reports on multiple owner properties are available at either the farm or the owner level, or both, depending on your needs. At the end of the year you will receive a summary of income and expenses and cash flows for use in tax preparation. As a client you have two options for cash management. We can establish an interest bearing account on your behalf, and hold funds there to pay expenses as bills come in, and deposit funds there as income comes into the farm. The interest bearing account is an on demand account, and you may take the cash out at any time.

We also offer a funds advanced account, set up so that you receive, or pay your cash balance (as appropriate) at the end of the month.

Care and Conservation of the Land and the Environment

Stock Realty & Auction Co. understands the benefits of soil and water conservation as well as clean environment and expects responsible soil stewardship on every managed farm. We encourage practices that minimize soil and wind erosion, such as terracing, contouring and no-till farming practices which in turn improve productivity in both short and long term.

Farm managers are encouraged to develop a strong soil and water conservation ethic. We ensure our conservation ethics at Stock Realty & Auction Co. carries through to all of our managers today.

Company Designated Farm Managers



Mark Stock



Ron Stock



John Waterbury



Rex Mahoney