



Professional Farm Managers
•
Real Estate Appraisers
•
Real Estate Sales and Acquisitions
•
Real Estate Auctions
•
Consultants

415 South 11th Street P.O. Box 500 Nevada, IA 50201-0500 (515) 382-1500
Fax: (515) 382-3762 www.Hertz.ag

HERTZ
FARM MANAGEMENT, INC.
Client Information Package

HERTZ FARM MANAGEMENT, INC.

Carl F. Hertz, the founder of Hertz Farm Management, began in the farm management business in 1934 after graduating in Agriculture from Iowa State University. In 1937, he started the first formal professional farm management office in Iowa and in 1946 began his own business. In 1939, he became one of the first Accredited Farm Managers in the United States. Carl's philosophy of integrity and superior work continues through the company today.

The growth of Hertz Farm Management has come primarily from referrals of satisfied clients and ag-related businesses. Its highly trained and experienced staff is available to provide clients with prompt, personalized service. The expertise and longevity of its staff have allowed continuity of management for our clients. There is combined farm management experience of well over 800 years within the organization.

All of the professionals within the organization continually update their knowledge of agricultural technologies and techniques so they are able to maintain a competitive edge and efficiently and profitably adjust to changes within agriculture. Hertz professionals have made a commitment to provide leadership within their respective professional societies. They have served as national and state presidents within the various farm management, appraisal, and real estate organizations.

Starting as a one-man office in 1946, the organization has grown to a management, real estate and appraisal staff of over 60 professionals with offices in Illinois, Iowa and Nebraska. The offices in Iowa include Cedar Falls, Humboldt, Mason City, Mt. Vernon, Nevada, Strawberry Point, and Washington. The Illinois offices are located in DeKalb, Geneseo, Kankakee, and Monticello; the Nebraska offices are in Norfolk and Omaha.

Hertz Farm Management is providing professional farm management, real estate sales and acquisitions, land auctions and appraisal services across the Corn Belt from Indiana to eastern Colorado.

Our theory is that today's farmland owners want more than just someone to keep an eye on the place. In keeping with this philosophy, our management decisions are based on a client's personal goals and objectives of farm ownership.

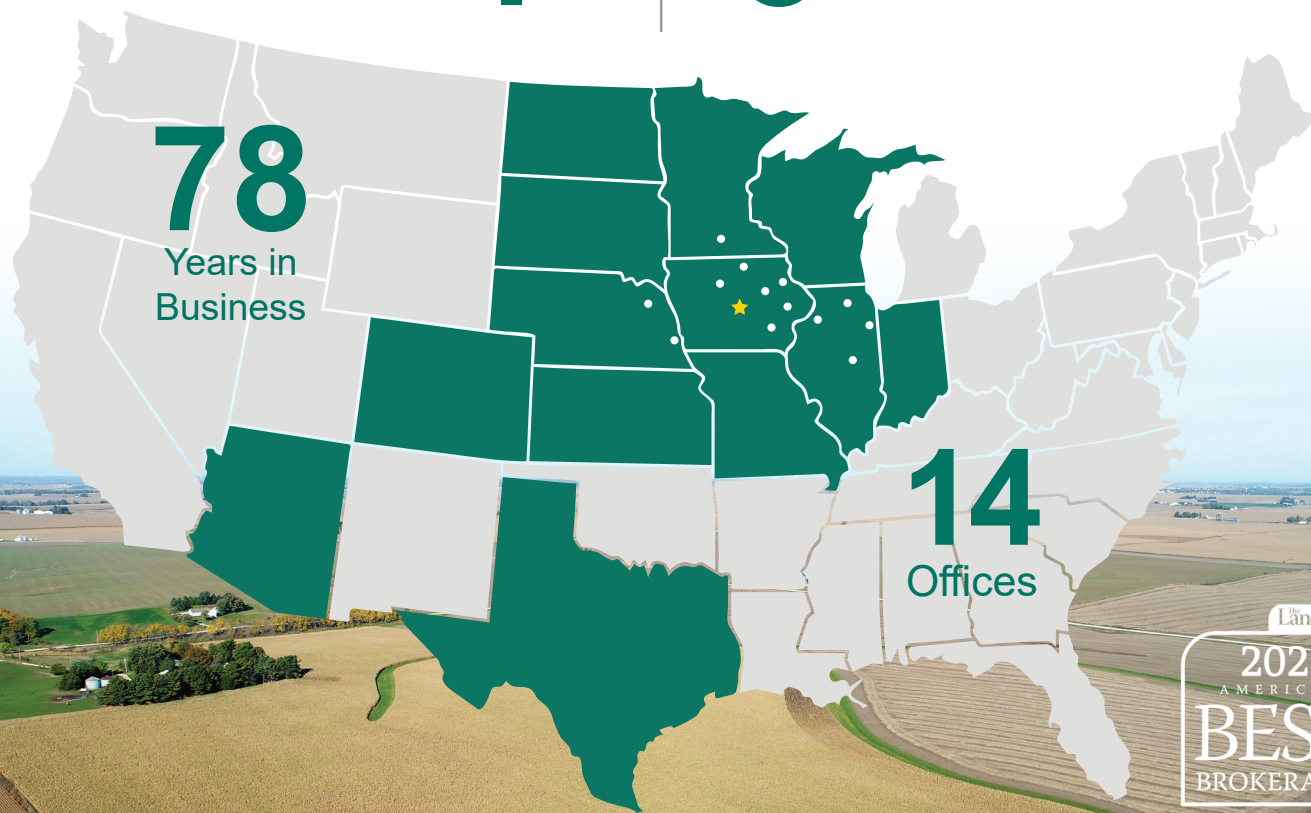
The key is our "learning attitude" and our ability to sort out what is practical and important from the wealth of information available in agriculture. We work with hundreds of farm operators, with whom we share information and work together on a team approach. Our staff has been pace setters in agriculture, working to improve individual farm operations, and providing for long-term ownership of farmland by families from generation to generation.



Your Farmland, Our Expertise

*We Invest In Our Farmland Professionals So You Can Be Confident
You're Making Informed Decisions For Your Farm*

Accredited Farm Managers	32	14	ASFMRA National Farm Managers of the Year
Accredited Land Consultants	14	8	Certified General Real Property Appraisers
Certified Crop Advisors	7	3	Accredited Rural Appraisers



653,800

Farmland Acres Managed

\$511,576,754

Farmland Real Estate Sold in 2023

Hertz Farmland Professionals are continually striving to provide the highest level of service, advice, communication and commitment with integrity and care. One of the ways they stay at the forefront is through **Professional Accreditations**.



American Society
of Farm Managers
& Rural Appraisers

The American Society of Farm Managers and Rural Appraisers (ASFMRA) offers professional accreditations in both farm management and rural appraising.

Accredited Farm Manager (AFM)

To qualify for Accredited Farm Manager designation, a farmland professional needs to meet the following qualifications:

- 4 years of experience in farmland management
- 4-year college degree
- ASFMRA membership
- Completion of ASFMRA course work
- Submission of a successful farm management plan
- Pass the ASFMRA accreditation exam

Accredited Rural Appraiser (ARA)

To qualify for Accredited Rural Appraiser designation, a farmland professional needs to meet the following qualifications:

- 5 years of appraisal experience
- 4-year college degree
- ASFMRA membership
- Completion of ASFMRA course work
- Submission of 6 appraisal reports
- Pass the ASFMRA accreditation exam

For more information, visit:
www.asfmra.org/accreditations

2023 Farm Manager of the Year
Ryan Kay, Mt. Vernon, IA

Watch his video here:
www.youtube.com/watch?v=7iKHaEMBJIE



Members of the REALTORS® Land Institute share a nuanced understanding of the land real estate industry and specialize in brokerage related to all types of land.

Accredited Land Consultant (ALC)

Accredited Land Consultants (ALC) are the most accomplished, the most experienced, and the highest performing land experts across the country.

Achieving the ALC designation requires successful completion of a rigorous education program, a proven track record of performance, and a commitment to professionalism.

- Completion of 6 Land University courses
- Pass the RLI Accredited Land Consultant exam
- Minimum of five land transactions totaling at least \$15million in sales
- Minimum of three years experience in professional land sales
- At least two letters of recommendation

For more information, visit:
www.rliland.com/alc



The American Society of Agronomy (ASA) is a progressive international scientific and professional society that empowers scientists, educators, and practitioners in developing, disseminating, and applying agronomic solutions to feed and sustain the world.

Certified Crop Adviser (CCA)

The Certified Crop Adviser (CCA) program of the American Society of Agronomy is the benchmark of professionalism. Steps to Certification:

- Pass two comprehensive exams
- Have at least two years of experience with at least a Bachelor of Science Degree in a related field
- Have at least 3 years of experience with an Associates Degree in an agronomy related field
- Have at least four years of experience with no degree
- Document education and crop advising experience
- Sign and agree to uphold the CCA Code of Ethics

For more information, visit:
www.certifiedcropadviser.org/become-certified/

Certified General Real Property Appraiser (CGRPA)

Certified General Real Estate Appraisers (CGRPA) have the broadest qualifications and can appraise all real estate property types, including residential, commercial, and industrial properties. Licenses are issued and maintained at the state level.

Qualifications include:

- Bachelor's degree or equivalent
- 300 hours of qualifying education
- Pass a background check
- Complete 3,000 hours of experience under a supervisor
- Pass the National Certified General Real Property Appraiser Exam

FARM MANAGEMENT SERVICES

Management decisions for your farm are based on your personal goals and investment objectives. You have accurate, detailed accounting, consistent on-the-farm supervision, and assurance that your best interests are represented.

Our farm management service includes:

- Frequent on-farm visits to ensure proper management of your investment.
- Careful selection of seed varieties, fertilizer, chemicals, crop rotation and livestock program.
- Handling all government farm program details.
- Profit and financial analysis with budget and cash flow projections.
- Emphasis is placed on marketing of your crops and livestock.
- Supervision of repairs and capital improvement projects approved by the landowner.
- Stewardship of the soil including recommendations and implementation of soil conservation practices.
- Lease term recommendations and negotiations with the operator.
- Written reports, telephone calls, e-mails, and personal contact.
- Owner farm tours.
- An easy-to-read personalized year-end report that summarizes yield and production records, crop and livestock inventories, and the necessary financial information to simplify your tax work.

We supervise all details related to the operation of the farm, including leasing the land, planning the crop rotation, purchasing supplies, marketing the crops and livestock, and supervising land improvements and building repairs. Timely visits are made to the farm. The owners have accurate, up-to-date records, consistent on-the-farm supervision, and assurance that their best interests are being represented. We select top operators who respond to our management and have excellent cooperation with them.

An individual farm checking account is maintained for each client at a bank of their choice. All income and expense items are approved by the manager and transacted through this account. Statements of the account are mailed periodically to the client and all transactions are summarized at the end of the year in our Annual Report.

Additional items in our Annual Report include a year-end inventory, yield and production summaries, a budget for the coming year, and other information concerning the activities on the farm. If a farm has multiple owners, each of the owners receive copies of our correspondence and statements of account.

STRENGTHS OF HERTZ FARM MANAGEMENT, INC.

Structure

Longevity of the company - in business since 1946.

Stability of the company - privately owned by the employees, primarily the Hertz family involved in the business.

Management territories are structured to provide personal service to the clients.

Our core business is Professional Farm Management, farm real estate sales/acquisitions/land auctions, farm appraisals, and consulting.

Personnel

All the farm managers were raised on a farm and have a practical understanding of farming.

All the farm managers have a 4-year college degree and are continuously updating their skills through continuing education.

Active members of the American Society of Farm Managers and Rural Appraisers.

Our personnel are people oriented - committed to client satisfaction. Success is based on a team approach between the farm manager, farm owner, farm operator, and company support.

Longevity of employees provides continuous management support to the clients and to newer staff members.

Professional - honest, ethical, knowledgeable, and detailed.

Communications - Human Relations

Frequent farm visits with the operator.

Timely, narrative reports to clients.

Phone calls, e-mails, and personal visits with clients.

At least an annual farm tour with clients is encouraged.

Client's goals and objectives are continuously reviewed and management decisions adjusted accordingly.

Clients feel well-informed and are comfortable with their farm investment.

Intensive Management to Maximize Farm Profits

Managers are knowledgeable on cropping inputs - seed, fertilizer, and chemicals.

Crops are scouted by the managers for weeds and insects and treated as needed.

Close communication maintained with the operator and owner.

Informed about government farm programs.

Seed corn, seed soybean, and other specialty crop production contracts are pursued where available.

Soil conservation is emphasized. Close working relationship with the Natural Resources Conservation Service (NRCS).

Alternative lease options are reviewed with the client.

Emphasis is placed on profitable and timely grain marketing.

Repairs and capital improvement projects approved by the farm owner are supervised by the manager.

Attention is given to all details of the farming operation.

Accounting System

Separate client bank accounts.

Sophisticated computer accounting system

Statement of Accounts are clear, accurate, and understandable.

Bank Account and Income and Expense summaries are readily available and are mailed quarterly to the client or more often if the client prefers.

Budgets and cash flow summaries are provided timely to clients.

Satisfied Clients

One of the primary strengths and assets of Hertz Farm Management, Inc. is the solid base of satisfied clients. We have enjoyed a steady growth during our 75 years of business. We enjoy the opportunity of working with new clients and will be glad to furnish references if you wish.

MARKETING OF GRAIN

The skills involved in marketing today encompass more than a general outlook of the agricultural economy. Successful producers analyze their ability to carry risk and develop a disciplined strategy to market their commodities.

Hertz Farm Management utilizes a marketing committee to formulate marketing objectives tailored towards the individual owner's goals and objectives. The committee's purpose is to remove emotion from our decision making process as well as customize our objectives to a personalized market plan for each farm. The objectives are reviewed by conference call with all our farm managers every two weeks and updated as market conditions change.

We realize every client is different in terms of personality, risk preference, understanding of the futures market, and size of the crop produced. A specific recommendation generally does not fit all situations. It is important to evaluate risk carrying ability, the availability of on-the-farm storage, and our anticipation of market direction. We maintain a goal of selling the client's crop in the upper one-third of the market. It is important to note that a crop is usually not all sold at one time, but marketed during different time periods and rallies. Up to one-half or more of the crop may be forward contracted to take advantage of higher prices offered prior to harvest.

Hertz Farm Management has what we feel are the best trained and most knowledgeable professional farm managers in the industry. Our managers are comfortable with market alternatives and can customize a marketing plan to fit the goals and objectives of the land owner.

CHANGES IN TECHNOLOGY

Hertz Farm Management prides itself in being a leader and innovator within the agri-business industry. We do this by hiring the top agricultural graduates from the major land grant universities and then providing an atmosphere and challenge which they cannot duplicate anywhere else. This helps explain why our management staff has an average longevity with the firm of over 18 years.

Our strong emphasis to provide hands-on management on each of our farms allows our managers to become deeply involved with all areas of production. Since our managers are directly involved in ordering the various input items, including seed, fertilizer, and chemicals, they are knowledgeable of new trends and new technologies. This is enhanced by our regular visits to the farms and working with a number of top operators.

One learns very quickly that most farmers use similar seed, chemicals, and fertilizer inputs, but there is a wide variation in the results. What is the difference? Attention to details and timeliness.

Our managers provide continuous support to each other by sharing information daily at our centralized office locations as well as bi-weekly company conference calls. At the bi-weekly conference calls, we review pertinent production and management information and receive an update on the markets by our marketing committee.

Staying up with technology changes is time consuming, but a most rewarding task. Nothing pleases our managers more than being able to evaluate and implement appropriate technology changes to increase the client's and farm operator's yields and ultimately their returns through disciplined marketing.

We accomplish the task by having a close working relationship with agricultural universities, by knowing the key researchers and evaluating their plots and by attending seminars. This information is then passed on to all our professional staff on a timely basis by the farm manager involved in collecting the information so everyone is kept informed.

Hertz Farm Management also has an excellent relationship with the major seed, fertilizer, and chemical companies. Their willingness to provide the latest information and new technologies to us is very valuable. We take special tours and visit their research facilities to evaluate their latest products and recommendations.

FARM LEASING ALTERNATIVES

There are several types of leasing arrangements that can be negotiated. The exact terms of the lease will vary depending upon market conditions and individual situations. The return and risk of each type of lease should also be considered.

Following is a brief description of the various farm lease options:

1. **50-50 Crop Share Lease**

The 50-50 Crop Share Lease used to be the most common type of lease across the Midwest. Crop income and crop expenses are divided equally between the land owner and farm operator. Increased land values, higher crop yields, and technology have changed the traditional balance, particularly in the eastern and central Corn Belt. Larger and more sophisticated farming equipment, reduced tillage, better drainage and reduced field work, due to the use of herbicides, have allowed farmers to dramatically increase the size of their farming operations. The result is a willingness of farm operators to rent good productive land on more aggressive lease terms.

Some 50-50 crop share leases have been modified with the farm operator paying all the herbicide costs or making an additional cash payment.

2. **50-50 Crop and Livestock Lease**

In addition to sharing the crop income and expenses noted above, the land owner participates in the livestock production with the farm operator. The specific lease terms depend on the type of livestock and the livestock facilities.

3. **Modified Crop Share Lease**

In addition to the land, the landowner provides all of the seed, chemicals, and fertilizer. The operator provides the machinery, fuel, and labor. Each party is responsible for drying and storing their respective share of the crop. The owner receives from 72 to 80 percent of the crop depending on the quality of the land. This arrangement will normally provide a higher return to the landowner as compared to the 50/50 crop-share lease.

4. **Custom Operation**

- a. The owner receives the entire crop and government payments.
- b. The owner pays for all the cropping expenses.
- c. A farmer in the local community is paid to till, plant, and harvest the crops.

Most progressive and timely operators have more than an adequate line of equipment to farm their current operation and are interested in custom farming to have a guaranteed cash flow. As they already have their equipment and labor, their only additional cost is fuel and repairs.

The custom operation will generate a higher net income on above-average land, particularly with favorable yields and commodity prices.

5. Percentage Lease

A percentage lease is similar to a cash rent lease. However, the owner receives a specified percentage of corn or soybeans delivered to an agreed grain terminal or location and a percentage of the government payment. All expenses are paid by the operator. This gives the owner some inflation protection and the ability to increase his return through effective grain marketing. It is important to evaluate the credit worthiness of the proposed operator and to evaluate the herbicide, fertilizer, and method of farming to protect your land investment. Improper application rates and farming methods can reduce the production potential of the farm. Generally, the owner's percentage varies from 35% to 45% depending on the quality of the land and crop.

6. Cash Rent

An operator pays a set amount of cash and the land owner does not participate in the crop production. Usually all the rent is paid March 1 at the beginning of the crop season or one-half of the rent is paid on March 1 and the balance is paid after harvest is completed.

Due to increased crop price volatility, flexible cash rent leases have become more popular. There are numerous ways to structure a flexible cash rent lease. Typically there is a guaranteed base rent with a provision for an additional bonus rent based on crop revenue.

It is important to evaluate the credit worthiness of the proposed operator and to evaluate the herbicides, fertilizer, and method of farming to protect your land investment. Improper application rates and farming methods can reduce the production potential and future value of the farm. The amount of cash rent should be reviewed each year and adjusted for market conditions. It is important to execute and file a UCC-1 financing statement to perfect the landowner's lien and provide a security interest in the crop in most states.

A cash rent lease is "passive" income. As a result, terrace and soil and water expenses are not deductible. Cost is added to basis. Cash rental arrangements eliminate the option of utilizing Section 179 deductions. Cash renting also eliminates the option of utilizing estate planning tools – the 15 year installment method of paying federal estate tax and special use valuation.

At Hertz Farm Management, the resources of each farm and the landowner's goals and objectives for the farm are taken into consideration in recommending the type of lease. A "Lease Comparison" is provided specifically for each farm showing an estimate of the landowner's net income under various leasing alternatives. We do not change the type of lease without our client's prior approval.



2024 LEASE COMPARISON

High Producing Farm
200 Acres in Midwest Region

ASSUMPTIONS:

	Cropland Acres	200.0	Corn Base	100.0	Bean Base	100.0
CROP	ACRES		YIELD		\$/BU	
Corn	100.0		225		\$6.00	
Soybeans	100.0		65		\$13.50	
Crop Insurance Payment	0.0					
Government Program Pmt/A	0.0					
Cash Rent/TillableAcre	\$440		Buildings	\$0		

INCOME

		CUSTOM	80/20 MODIFIED CROP SHARE	50/50 CROP SHARE	40/60 NET SHARE	CASH RENT
	\$/Acre					
Corn	1350	135,000	108,000	67,500	54,000	
Soybeans	878	87,750	70,200	43,875	35,100	
Government Program Payment	0	0	0	0	0	
Crop Insurance Payment						
Cash Rent - Land	440					88,000
Building/CRP/Pasture		0	0	0	0	0
TOTAL INCOME		\$222,750	\$178,200	\$111,375	\$89,100	\$88,000

EXPENSES

	\$/Acre					
Corn - Seed	120	12,000	12,000	6,000	0	
Fertilizer	175	17,500	17,500	8,750	0	
Crop Insurance	20	2,000	1,600	1,000	800	
Dry and Store	40	4,000	3,200	2,000	1,600	
Custom Hire	145	14,500	0	0	0	
Pesticide	75	7,500	7,500	3,750	0	
Soybeans- Seed	65	6,500	6,500	3,250	0	
Fertilizer	50	5,000	5,000	2,500	0	
Pesticides	90	9,000	9,000	4,500	0	
Custom Hire	125	12,500	0	0	0	
Crop Insurance	20	2,000	1,600	1,000	800	
Storage	6	600	480	300	240	
Property Taxes		6,000	6,000	6,000	6,000	6,000
Repairs	500	500	500	500	500	500
Management Fees		16,706	16,038	11,138	8,910	7,040
Int. on Operating @ 6%	8%	4,260	3,450	1,725	0	0
Insurance - Liability	175	175	175	175	175	175
- Property		0	0	0	0	0
TOTAL EXPENSES		\$120,741	\$90,543	\$52,588	\$19,025	\$13,715

NET INCOME

	\$102,009	\$87,657	\$58,788	\$70,075	\$74,285
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NET INCOME/TILLABLE ACRE

	\$510.04	\$438.29	\$293.94	\$350.38	\$371.43
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*These prices include the estimated LDP's, Agricultural Risk Coverage Payment, or Price Loss Coverage Payments anticipated.

* Above is only one estimate based on the assumptions listed and cannot be guaranteed by HFM Inc. or its staff.

STATEMENT OF 10999 Smith Farm LLC
State Bank & Trust Company
NEVADA, IA 50201
HERTZ FARM MANAGEMENT, INC.

DATE	DESCRIPTION	CODE	CHECK	DISBURSEMENT	RECEIPT	BALANCE
	BEGINNING BALANCE 01/01/22					20,882.43
1/5/2022	10999-00999 Smith Farm LLC Seed - 2022 Corn 33 bags Pioneer P1185AM	211202260700		8,242.74		
	10999-00999 Smith Farm LLC Seed - 2022 Soybeans 80 bags Pioneer P28A51X Total Check: \$12,548.34 Paid To: PIONEER HIBRED INTERNATIONAL C/O RUNNER SEED 2500 W 150TH ST MONTEZUMA, IA 50171	311202260700		4,305.60		
			101			8,334.09
1/5/2022	10999-00999 Smith Farm LLC Fertilizer - 2022 Corn NH3 Overrun 193 lbs Total	211202260500		102.37		
	10999-00999 Smith Farm LLC Custom Hire - 2022 Corn NH3 Application Total Check: \$1,176.82 Paid To: KEY COOP 13585 620TH AVE ROLAND, IA 50236	211202262000		1,074.45		
			102			7,157.27
1/6/2022	10999-00999 Smith Farm LLC Custom Hire-Trucking - 2021 Corn 3572.14 BU to Cargill - Eddyville	211202162300		928.76		
	10999-00999 Smith Farm LLC	311202162300		419.13		

DATE	DESCRIPTION	CODE	CHECK	DISBURSEMENT	RECEIPT	BALANCE
1/6/2022	Custom Hire-Trucking - 2021 Soybeans 2095.67 BU to ADM - DSM Total Check: \$1,347.89 Paid To: RUBENDALL TRUCKING 456 GROWERS LN NEVADA, IA 50201		103			5,809.38
1/10/2022	10999-00999 Smith Farm LLC 2021 Corn Sold 2,000.00 BU @ \$4.03/BU 383.57 BU @ \$5.83/BU 10999-00999 Smith Farm LLC Custom Drying - 2021 Corn 10999-00999 Smith Farm LLC Checkoff - 2021 Corn 10999-00999 Smith Farm LLC Inspection - 2021 Corn Amount Received: \$10,159.41 Received From: HEARTLAND COOP 2829 WESTOWN PKWY STE 350 WEST DES MOINES, IA 50266	211202140001			10,296.21	
		211202160200		102.96		
		211202165100		23.84		
		211202165400		10.00		
1/10/2022	10999-00999 Smith Farm LLC Management Fee - 2021 Corn Paid To: HERTZ FARM MANAGEMENT INC PO BOX 500 NEVADA, IA 50201	211202194200	104	617.77		15,351.02
						15,968.79

10999 Smith Farm LLC

DATE	DESCRIPTION	CODE	CHECK	DISBURSEMENT	RECEIPT	BALANCE
1/19/2022	10999-00999 Smith Farm LLC 2021 Corn Sold 1,000.00 BU @ \$5.86/BU 188.57 BU @ \$5.93/BU 10999-00999 Smith Farm LLC Custom Drying - 2021 Corn 10999-00999 Smith Farm LLC Checkoff - 2021 Corn 10999-00999 Smith Farm LLC Inspection - 2021 Corn Amount Received: \$6,933.34 Received From: KEY COOP 13585 620TH AVE ROLAND, IA 50236	211202140001 211202160200 211202165100 211202165400			6,978.22	
				27.99		
				11.89		
				5.00		
						22,284.36
1/19/2022	10999-00999 Smith Farm LLC 2021 Soybeans Sold 450.00 BU @ \$11.51/BU 450.00 BU @ \$12.63/BU 900.00 BU @ \$12.39/BU 295.67 BU @ \$13.03/BU 10999-00999 Smith Farm LLC Checkoff - 2021 Soybeans 10999-00999 Smith Farm LLC Inspection - 2021 Soybeans Amount Received: \$25,736.25 Received From: KEY COOP 13585 620TH AVE	311202140001 311202165100 311202165400			25,866.58	
				129.33		
				1.00		
						48,020.61

10999 Smith Farm LLC

DATE	DESCRIPTION	CODE	CHECK	DISBURSEMENT	RECEIPT	BALANCE
1/19/2022	ROLAND, IA 50236					
1/19/2022	10999-00999 Smith Farm LLC	211202160300		35.20		
	Drying-Electricity - 2021 Corn					
	12/1/21 to 1/1/22					
	Paid To:		105			47,985.41
	CONSUMERS ENERGY					
	2074 242ND ST					
	MARSHALLTOWN, IA 50158-9137					
1/19/2022	10999-00999 Smith Farm LLC	211202260500		7,762.99		
	Fertilizer - 2022 Corn					
	21-70-67-28 N-P-K-S					
	10999-00999 Smith Farm LLC	311202260500		7,165.06		
	Fertilizer - 2022 Soybeans					
	17-55-111-14 N-P-K-S					
	10999-00999 Smith Farm LLC	211202262000		510.30		
	Custom Hire - 2022 Corn					
	Dry Fertilizer Application					
	10999-00999 Smith Farm LLC	311202262000		487.90		
	Custom Hire - 2022 Soybeans					
	Dry Fertilizer Application					
	Total Check: \$15,926.25					
	Paid To:		106			32,059.16
	HEARTLAND COOP					
	PO BOX 10498					
	DES MOINES, IA 50306-0498					
1/19/2022	10999-00999 Smith Farm LLC	211202194200		418.69		
	Management Fee - 2021 Corn					
	Paid To:		107			31,640.47

10999 Smith Farm LLC

DATE	DESCRIPTION	CODE	CHECK	DISBURSEMENT	RECEIPT	BALANCE
1/19/2022	HERTZ FARM MANAGEMENT INC PO BOX 500 NEVADA, IA 50201					
1/19/2022	10999-00999 Smith Farm LLC Management Fee - 2021 Soybeans Paid To: HERTZ FARM MANAGEMENT INC PO BOX 500 NEVADA, IA 50201	311202194200	108	1,551.99		30,088.48
2/2/2022	10999-00000 Smith Farm LLC Interest Income Received From: STATE BANK & TRUST CO PO BOX 327 NEVADA, IA 50201	910202244000			2.76	30,091.24
2/9/2022	10999-00999 Smith Farm LLC 2021 Corn Sold 2,000.00 BU @ \$5.93/BU 2,000.00 BU @ \$5.25/BU 282.86 BU @ \$6.28/BU	211202140001			24,136.36	
	10999-00999 Smith Farm LLC Checkoff - 2021 Corn Amount Received: \$24,093.53 Received From: KEY COOP 13585 620TH AVE ROLAND, IA 50236	211202165100		42.83		54,184.77
2/9/2022	10999-00999 Smith Farm LLC Management Fee - 2021 Corn	211202194200		1,448.18		

10999 Smith Farm LLC

DATE	DESCRIPTION	CODE	CHECK	DISBURSEMENT	RECEIPT	BALANCE
2/9/2022	Paid To: HERTZ FARM MANAGEMENT INC PO BOX 500 NEVADA, IA 50201		109			52,736.59
2/14/2022	10999-00999 Smith Farm LLC Custom Hire-Trucking - 2021 Corn 4282.86 BU Delivered to Lincolnway Energy	211202162300		813.74		
	Paid To: RUBENDALL TRUCKING 456 GROWERS LN NEVADA, IA 50201		110			51,922.85
2/21/2022	10999-00999 Smith Farm LLC Custom Hire-Trucking - 2021 Soybeans 915.00 BU to ADM - DSM	311202162300		183.00		
	Paid To: RUBENDALL TRUCKING 456 GROWERS LN NEVADA, IA 50201		111			51,739.85
2/21/2022	10999-00999 Smith Farm LLC Drying-Electricity - 2021 Corn 1/1/22 to 2/1/22	211202160300		32.83		
	Paid To: CONSUMERS ENERGY 2074 242ND ST MARSHALLTOWN, IA 50158-9137		112			51,707.02
3/1/2022	10999-00999 Smith Farm LLC 2021 Soybeans Sold 900.00 BU @ \$12.52/BU 15.00 BU @ \$15.34/BU	311202140001			11,498.10	

10999 Smith Farm LLC

DATE	DESCRIPTION	CODE	CHECK	DISBURSEMENT	RECEIPT	BALANCE
3/1/2022	10999-00999 Smith Farm LLC Checkoff - 2021 Soybeans	311202165100		57.49		
	10999-00999 Smith Farm LLC Inspection - 2021 Soybeans Amount Received: \$11,433.11 Received From: KEY COOP 13585 620TH AVE ROLAND, IA 50236	311202165400		7.50		63,140.13
3/1/2022	10999-00999 Smith Farm LLC Management Fee - 2021 Soybeans 2021 Soybeans Sold Paid To: HERTZ FARM MANAGEMENT INC PO BOX 500 NEVADA, IA 50201	311202194200	113	689.89		62,450.24
3/3/2022	10999-00000 Smith Farm LLC Interest Income Received From: STATE BANK & TRUST CO PO BOX 327 NEVADA, IA 50201	910202244000			7.24	62,457.48
3/8/2022	10999-00999 Smith Farm LLC Real Estate Tax Paid To: JASPER COUNTY TREASURER 315 W 3rd St N Ste 500 PO BOX 1387 NEWTON, IA 50208	910202279200	114	3,048.00		59,409.48

DATE	DESCRIPTION	CODE	CHECK	DISBURSEMENT	RECEIPT	BALANCE
3/16/2022	10999-00999 Smith Farm LLC Drying-Electricity - 2021 Corn 2/1/22 to 3/1/22 Paid To: CONSUMERS ENERGY 2074 242ND ST MARSHALLTOWN, IA 50158-9137	211202160300	115	32.83		59,376.65
3/17/2022	10999-00999 Smith Farm LLC Herbicide - 2022 Corn Pre & Post	211202260100		4,401.90		
	10999-00999 Smith Farm LLC Herbicide - 2022 Soybeans Pre & Post	311202260100		4,782.75		
	10999-00999 Smith Farm LLC Fertilizer - 2022 Corn ATS + 28% N + Coron	211202260500		3,485.75		
	10999-00999 Smith Farm LLC Fertilizer - 2022 Soybeans Orbix + K Leaf Foliar	311202260500		1,239.95		
	10999-00999 Smith Farm LLC Insecticide - 2022 Soybeans Tempest	311202261400		520.49		
	10999-00999 Smith Farm LLC Fungicide - 2022 Corn Veltyma	211202261500		1,432.75		
	10999-00999 Smith Farm LLC Fungicide - 2022 Soybeans Priaxor	311202261500		1,205.66		
	Total Check: \$17,069.25					

10999 Smith Farm LLC

DATE	DESCRIPTION	CODE	CHECK	DISBURSEMENT	RECEIPT	BALANCE
3/17/2022	Paid To: HEARTLAND COOP PO BOX 733 3785 HWY 14 N NEWTON , IA 50208		116			42,307.40
4/4/2022	10999-00000 Smith Farm LLC Transfer to Owner	900202214200		10,000.00		
	Paid To: Jim Smith 123 County Home Rd Oelwein, IA 50662		117			32,307.40
4/4/2022	10999-00000 Smith Farm LLC Transfer to Owner	900202214200		10,000.00		
	Paid To: Smith Farm LLC 123 County Home Road Oelwein, IA 50662		118			22,307.40
4/4/2022	10999-00999 Smith Farm LLC Custom Hire - 2021 Corn Field Cultivate, Plant, Harvest	211202162000		6,046.75		
	10999-00999 Smith Farm LLC Custom Hire - 2020 Corn Auger Out 14,759.65 BU	211202062000		929.86		
	10999-00999 Smith Farm LLC Custom Hire - 2021 Soybeans Vertical Disk, Plant, Harvest	311202162000		6,843.75		
	10999-00999 Smith Farm LLC Custom Hire - 2020 Soybeans Auger Out 4259.66 BU	311202062000		268.36		

10999 Smith Farm LLC

DATE	DESCRIPTION	CODE	CHECK	DISBURSEMENT	RECEIPT	BALANCE
4/4/2022	10999-00999 Smith Farm LLC Custom Hire Mow Roadsides & Waterways, Remove Trees, Spray Weed at Bin Site Total Check: \$15,608.72 Paid To: Kevin Jones 32103 County HWY S Grinnell, IA 50112	910202262000		1,520.00		
			119			6,698.68
4/7/2022	10999-00000 Smith Farm LLC Interest Income Received From: STATE BANK & TRUST CO PO BOX 327 NEVADA, IA 50201	910202244000			12.78	6,711.46
4/13/2022	10999-00999 Smith Farm LLC 2021 Corn Sold 1,988.93 BU @ \$4.42/BU	211202140001			8,782.79	
	10999-00999 Smith Farm LLC Checkoff - 2021 Corn Amount Received: \$8,762.90 Received From: HEARTLAND COOP 2829 WESTOWN PKWY STE 350 WEST DES MOINES, IA 50266	211202165100		19.89		15,474.36
4/13/2022	10999-00999 Smith Farm LLC Management Fee - 2021 Corn 2021 Corn Sold Paid To:	211202194200		526.97		
			120			14,947.39

10999 Smith Farm LLC

DATE	DESCRIPTION	CODE	CHECK	DISBURSEMENT	RECEIPT	BALANCE
4/13/2022	HERTZ FARM MANAGEMENT INC PO BOX 500 NEVADA, IA 50201					
4/14/2022	10999-00999 Smith Farm LLC Hail Insurance - 2020 Corn Corrected Premium for Wind Received From: GREAT AMERICAN INS CO CROP INS DIVISION 3923 SOLUTIONS CENTER CHICAGO, IL 60677-3009	211202071600			178.00	15,125.39
4/14/2022	10999-00999 Smith Farm LLC Custom Hire-Trucking - 2021 Corn Haul Corn to LWE & Cargill Paid To: RUBENDALL TRUCKING 456 GROWERS LN NEVADA, IA 50201	211202162300	121	1,062.87		14,062.52
4/14/2022	10999-00999 Smith Farm LLC Drying-Electricity - 2021 Corn 3/1/22 to 4/1/22 Paid To: CONSUMERS ENERGY 2074 242ND ST MARSHALLTOWN, IA 50158-9137	211202160300	122	63.92		13,998.60
4/18/2022	10999-00999 Smith Farm LLC 2021 Corn Sold 1,966.07 BU @ \$5.83/BU	211202140001			11,462.19	
	10999-00999 Smith Farm LLC	211202165100		19.66		

DATE	DESCRIPTION	CODE	CHECK	DISBURSEMENT	RECEIPT	BALANCE
4/18/2022	Checkoff - 2021 Corn 10999-00999 Smith Farm LLC Inspection - 2021 Corn Amount Received: \$11,432.53 Received From: KEY COOP 13585 620TH AVE ROLAND, IA 50236	211202165400		10.00		25,431.13
4/18/2022	10999-00999 Smith Farm LLC Management Fee - 2021 Corn 2021 Corn Sold Paid To: HERTZ FARM MANAGEMENT INC PO BOX 500 NEVADA, IA 50201	211202194200	123	687.73		24,743.40
5/9/2022	10999-00000 Smith Farm LLC Interest Income Received From: STATE BANK & TRUST CO PO BOX 327 NEVADA, IA 50201	910202244000			4.98	24,748.38
5/11/2022	10999-00999 Smith Farm LLC 2021 Soybeans Sold 900.00 BU @ \$10.07/BU 900.00 BU @ \$13.96/BU 306.66 BU @ \$15.85/BU	311202140001			26,487.56	
	10999-00999 Smith Farm LLC Checkoff - 2021 Soybeans	311202165100		132.62		
	10999-00999 Smith Farm LLC	311202165400		15.00		

DATE	DESCRIPTION	CODE	CHECK	DISBURSEMENT	RECEIPT	BALANCE
5/11/2022	Inspection - 2021 Soybeans Amount Received: \$26,339.94 Received From: KEY COOP 13585 620TH AVE ROLAND, IA 50236					51,088.32
5/11/2022	10999-00999 Smith Farm LLC Management Fee - 2021 Soybeans Paid To: HERTZ FARM MANAGEMENT INC PO BOX 500 NEVADA, IA 50201	311202194200	124	1,589.25		49,499.07
5/19/2022	10999-00999 Smith Farm LLC Drying-Electricity - 2021 Corn 4/1/22 to 5/1/22 Paid To: CONSUMERS ENERGY 2074 242ND ST MARSHALLTOWN, IA 50158-9137	211202160300	125	32.83		49,466.24
6/2/2022	10999-00000 Smith Farm LLC Interest Income Received From: STATE BANK & TRUST CO PO BOX 327 NEVADA, IA 50201	910202244000			7.78	49,474.02
6/2/2022	10999-00999 Smith Farm LLC Seed - 2022 Soybeans Seed Treatment - 80 Bags Paid To:	311202260700	126	2,040.00		47,434.02

10999 Smith Farm LLC

DATE	DESCRIPTION	CODE	CHECK	DISBURSEMENT	RECEIPT	BALANCE
6/2/2022	RUNNER SEED 2500 W 150TH ST MONTEZUMA, IA 50171					
6/8/2022	10999-00999 Smith Farm LLC 2021 Soybeans Sold 625.67 BU @ \$16.81/BU	311202140001			10,517.51	
	10999-00999 Smith Farm LLC Storage - 2021 Soybeans	311202160900		6.11		
	10999-00999 Smith Farm LLC Checkoff - 2021 Soybeans Amount Received: \$10,458.81 Received From: HEARTLAND COOP PO BOX 68 KELLOGG, IA 50135	311202165100		52.59		57,892.83
6/8/2022	10999-00999 Smith Farm LLC 2021 Corn Sold 1,000.00 BU @ \$6.28/BU 1,000.00 BU @ \$7.26/BU 1,000.00 BU @ \$7.54/BU 33.93 BU @ \$5.83/BU 520.00 BU @ \$7.90/BU	211202140001			25,385.81	
	10999-00999 Smith Farm LLC Checkoff - 2021 Corn Amount Received: \$25,350.27 Received From: KEY COOP 13585 620TH AVE ROLAND, IA 50236	211202165100		35.54		83,243.10

DATE	DESCRIPTION	CODE	CHECK	DISBURSEMENT	RECEIPT	BALANCE
6/8/2022	10999-00999 Smith Farm LLC Management Fee - 2021 Corn Paid To: HERTZ FARM MANAGEMENT INC PO BOX 500 NEVADA, IA 50201	211202194200	127	1,523.15		81,719.95
6/8/2022	10999-00999 Smith Farm LLC Custom Hire-Trucking - 2021 Corn 3553.93 BU to Lincolnway-Nevada	211202162300		817.41		
	10999-00999 Smith Farm LLC Custom Hire-Trucking - 2021 Soybeans 2106.66 BU to ADM-DSM 625.67 BU to Heartland-Kellogg Total Check: \$1,404.35 Paid To: RUBENDALL TRUCKING 456 GROWERS LN NEVADA, IA 50201	311202162300	128	586.94		80,315.60
6/8/2022	10999-00999 Smith Farm LLC Management Fee - 2021 Soybeans Paid To: HERTZ FARM MANAGEMENT INC PO BOX 500 NEVADA, IA 50201	311202194200	129	631.05		79,684.55
6/13/2022	10999-00999 Smith Farm LLC Herbicide - 2021 Corn BASF Rebates	211202160100			174.85	
	10999-00999 Smith Farm LLC Fertilizer - 2022 Corn	211202260500		151.62		

10999 Smith Farm LLC

DATE	DESCRIPTION	CODE	CHECK	DISBURSEMENT	RECEIPT	BALANCE
6/13/2022	32% N Overrun 17 Lbs/Ac Total 10999-00999 Smith Farm LLC Custom Hire - 2022 Corn Pre-Emerge Application	211202262000		586.47		
	10999-00999 Smith Farm LLC Custom Hire - 2022 Soybeans Pre-Emerge Application	311202262000		562.81		
	Total Check: \$1,126.05					
	Paid To:		130			78,558.50
	HEARTLAND COOP PO BOX 10498 DES MOINES, IA 50306-0498					
6/16/2022	10999-00999 Smith Farm LLC Drying-Electricity - 2021 Corn 5/1/22 to 6/1/22	211202160300		35.40		
	Paid To:		131			78,523.10
	CONSUMERS ENERGY 2074 242ND ST MARSHALLTOWN, IA 50158-9137					
	ENDING BALANCE 06/30/22					78,523.10

BANK ACCOUNT SUMMARY

10999 Smith Farm LLC

State Bank & Trust Company

1/1/2022 to 6/30/2022

BEGINNING BALANCE		20,882.43
<u>RECEIPTS</u>		
Taxable Farm Income	161,411.33	
Interest Income	35.54	
TOTAL RECEIPTS	<hr/> 161,446.87	
<u>DISBURSEMENTS</u>		
Transfer to Owner	20,000.00	
Operating Expenses	83,806.20	
LESS TOTAL DISBURSEMENTS	<hr/> 103,806.20	
CHANGE IN RECEIPTS AND DISBURSEMENTS		57,640.67
ENDING BALANCE		<hr/> 78,523.10

TAX SUMMARY REPORT
All Farms for 10999 Smith Farm LLC
1/1/2022 to 6/30/2022

FARM INCOME

Corn

Corn	87,041.58
15,363.93 BU @ \$5.67/BU	

Soybeans

Soybeans	74,369.75
5,743.00 BU @ \$12.95/BU	

Total Crop		161,411.33
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Other Income

Interest Income	35.54
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Total Other Income		35.54
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TOTAL FARM INCOME		161,446.87
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FARM EXPENSES

Chemicals	-12,168.70
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Custom Hire	-18,961.60
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Fertilizer & Lime	-19,907.74
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Freight, Trucking	-4,811.85
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Insurance	178.00
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Seeds, Plants Purchased	-14,588.34
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Storage, Warehousing	-6.11
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Taxes	-3,048.00
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Utilities	-233.01
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Other Expense

Management Fee	-9,684.67
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Marketing Expense	-574.18
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Total Other Expense		-10,258.85
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TOTAL FARM EXPENSES		-83,806.20
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NET FARM PROFIT OR LOSS (-)		77,640.67
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The above data is from records and accounts maintained by Hertz Farm Management, Inc.
You and/or your tax consultant should review your situation for income and expense from
other sources which are not included in the above summary.

**DETAILED SUMMARY OF INCOME AND EXPENSE
WITH BALANCES**

10999-00000 Smith Farm LLC

1/1/2022 to 6/30/2022

Checking Account Beginning Balance			20,882.43
<u>INTEREST INCOME</u>			
Interest Income	35.54		
TOTAL INTEREST INCOME		35.54	
TOTAL FARM INCOME		35.54	
FARM INCOME LESS EXPENSE			35.54
NON TAXABLE ACTIVITY			
<u>MISC CASH ACTIVITY</u>			
Transfer to Owner	-20,000.00		
TOTAL MISC CASH ACTIVITY		-20,000.00	
TOTAL NON TAXABLE ACTIVITY			-20,000.00

**DETAILED SUMMARY OF INCOME AND EXPENSE
WITH BALANCES**

10999-00999 Smith Farm LLC

1/1/2022 to 6/30/2022

CROP SALES

Corn

2021 Corn 87,041.58

15,363.93 BU @ \$5.67/BU

Soybeans

2021 Soybeans 74,369.75

5,743.00 BU @ \$12.95/BU

TOTAL CROP SALES

161,411.33

TOTAL FARM INCOME

161,411.33

CROP EXPENSES

Herbicide

2021 Corn 174.85

2022 Corn -4,401.90

2022 Soybeans -4,782.75

Custom Drying

2021 Corn -130.95

Drying-Electricity

2021 Corn -233.01

Fertilizer

2022 Corn -11,502.73

2022 Soybeans -8,405.01

Seed

2022 Corn -8,242.74

2022 Soybeans -6,345.60

Storage

2021 Soybeans -6.11

Insecticide

2022 Soybeans -520.49

Fungicide

2022 Corn -1,432.75

2022 Soybeans -1,205.66

Custom Hire

2020 Corn -929.86

**DETAILED SUMMARY OF INCOME AND EXPENSE
WITH BALANCES**

2021 Corn	-6,046.75	
2022 Corn	-2,171.22	
2020 Soybeans	-268.36	
2021 Soybeans	-6,843.75	
2022 Soybeans	-1,050.71	
2022 Farm	-1,520.00	
Custom Hire-Trucking		
2021 Corn	-3,622.78	
2021 Soybeans	-1,189.07	
Checkoff		
2021 Corn	-153.65	
2021 Soybeans	-372.03	
Inspection		
2021 Corn	-25.00	
2021 Soybeans	-23.50	
TOTAL CROP EXPENSES		-71,251.53
<u>INSURANCE</u>		
Hail Insurance		
2020 Corn	178.00	
TOTAL INSURANCE		178.00
<u>TAXES</u>		
Real Estate Tax	-3,048.00	
TOTAL TAXES		-3,048.00
<u>PROFESSIONAL SERVICES</u>		
Management Fee		
2021 Corn	-5,222.49	
2021 Soybeans	-4,462.18	
TOTAL PROFESSIONAL SERVICES		-9,684.67
TOTAL FARM EXPENSE		-83,806.20
FARM INCOME LESS EXPENSE		77,605.13
Total Cash & Investments Ending Balance		78,523.10
TOTAL CASH & INVESTMENTS SUMMARY		
Checking	78,523.10	



Professional Farm Managers
Real Estate Appraisers
Real Estate Sales and Acquisitions
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415 South 11th Street P.O. Box 500 Nevada, IA 50201-0500 (515) 382-1500
Fax: (515) 382-3762 www.Hertz.ag

April 5, 2022

Mr. Jim Smith
123 County Home Rd
Oelwein, IA 50662

Re: 0-999 Smith Farm LLC

Dear Jim:

STATEMENT OF ACCOUNT

Enclosed is a statement of your farm checking account for the period of January 1 to March 31, 2022, showing an ending balance of \$42,307.40.

WEATHER

Spring has arrived slowly to central Iowa after March brought mostly below-normal temperatures and overcast conditions. Most parts of the region have received several inches of precipitation over the past month, which is most welcome considering soil moisture conditions were generally dry following fall harvest. Very little field activity has occurred so far.

A warmup is expected during the second week of April with forecasts showing above-normal temperatures for the entire month. Rainfall probability is less certain. While central Iowa farmers are not likely to get off to the historically fast start that they did in 2021, planting conditions should be favorable in the second half of the month if current forecasts hold and allow soil temperatures to rise quickly without excessive moisture.



GRAIN MARKETS

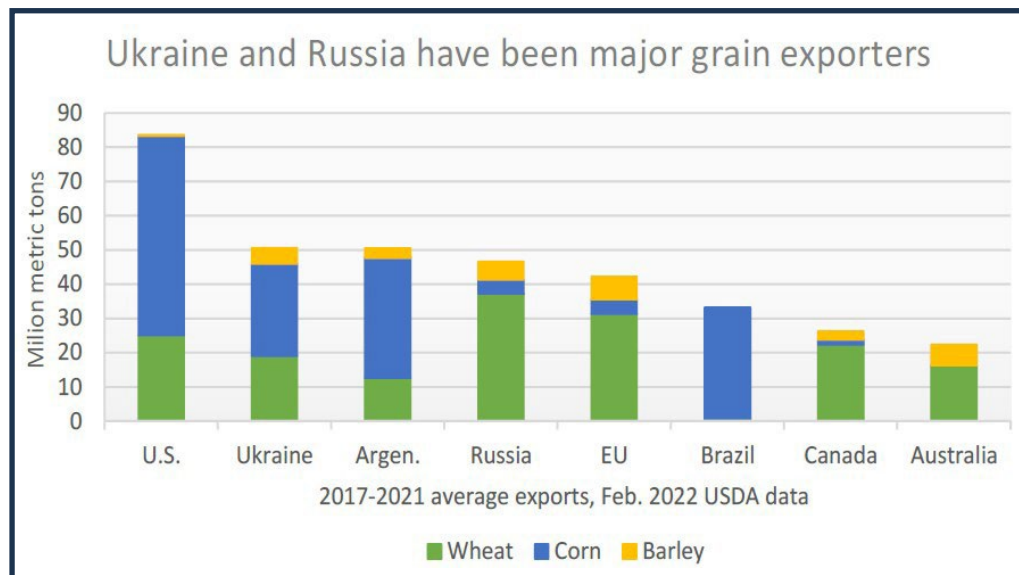
The corn and soybean markets have continued the bullish trends that they ended 2021 on. The following table shows the change in futures prices from January 1 to April 1, 2022:

	July '22 Corn	Dec. '22 Corn	July '22 Soybeans	Nov. '22 Soybeans
January 1	\$5.98/bu.	\$5.47/bu.	\$13.64/bu.	\$12.75/bu.
April 1	\$7.21/bu.	\$6.88/bu.	\$15.66/bu.	\$14.06/bu.
Change	+\$1.23/bu.	+\$1.41/bu.	+\$2.02/bu.	+\$1.31/bu.

Two main factors have continued to fuel the extended rise in commodity prices: an intense drought in South America during the heart of their growing season and Russia's invasion of Ukraine. Both events have added doubt to the world supply of several crops, especially corn, soybeans, and wheat.

Brazil, Argentina, and Paraguay account for approximately 50% of the world's soybean production. 2021/22 production is projected to be down by 7% for Brazil, 9% for Argentina, and 37% for Paraguay from year-ago levels, leading to the smallest crop since 2018/19 for the three countries combined. These concerns sparked a rise in old-crop soybean futures above \$17.00 per bushel for the first time since 2012. The limited world soybean supply should support prices heading into the U.S. growing season.

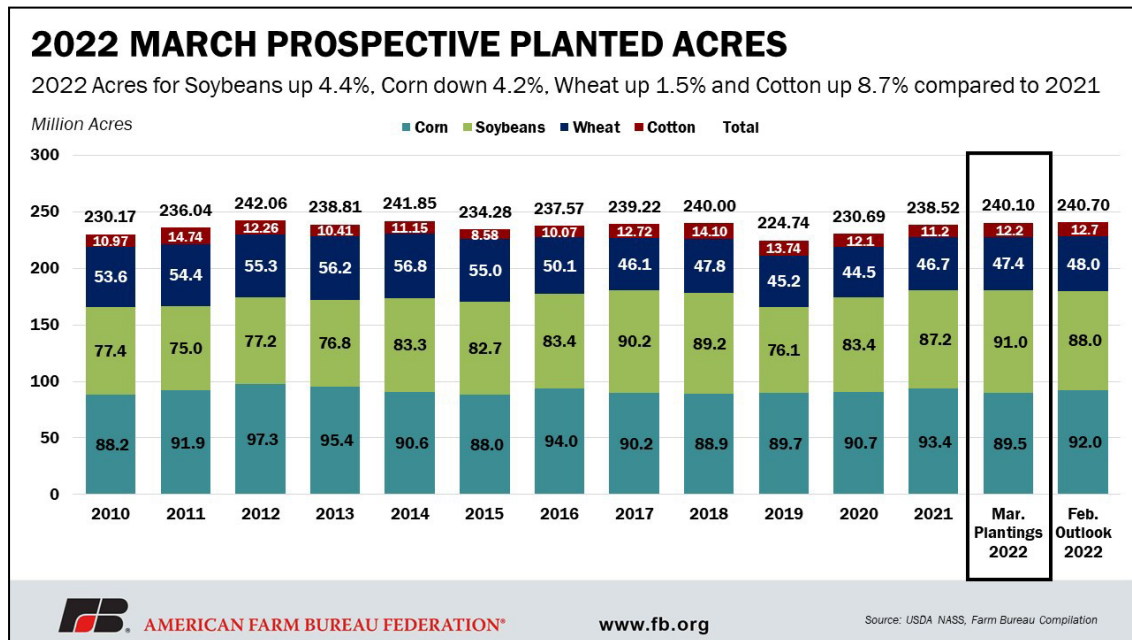
Rumblings of escalating conflict between Russia and Ukraine had also provided support to the grain markets since January. Both countries produce and export significant amounts of corn and wheat. The following chart shows average grain exports from major countries from 2017 to 2021.



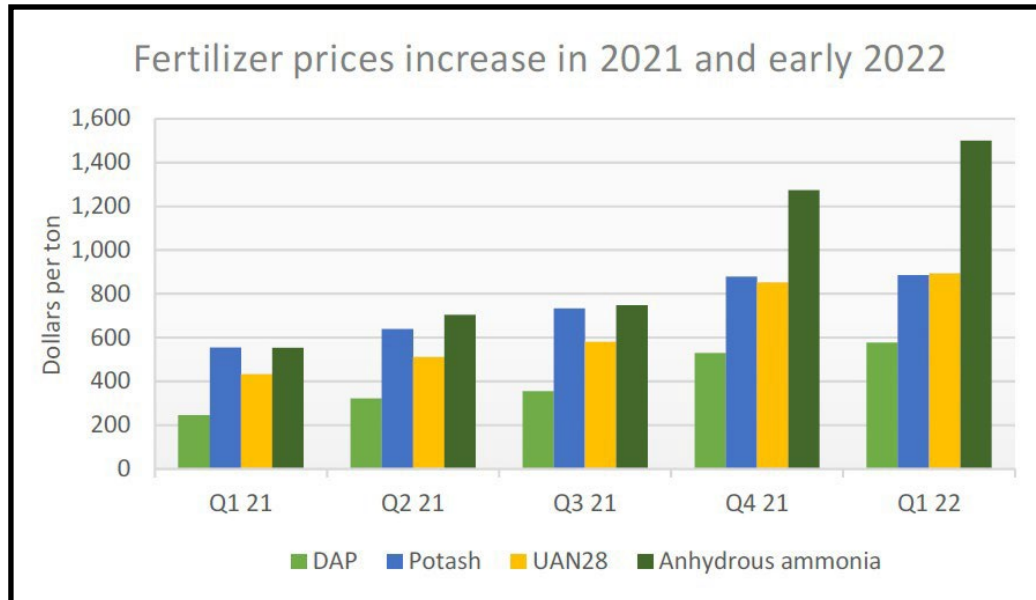


Price movement was volatile as word of the invasion spread on February 24. After quickly spiking higher, futures prices for some crops finished the day lower as uncertainty lingered. However, since that day, December corn futures prices have risen by nearly eighty-four cents per bushel. Current expectations are that Ukraine will plant, at most, approximately 50% of its corn and wheat crops this spring. With the destruction of critical infrastructure within the country and a fleeing of its people, it is still unknown whether the crops will be able to be harvested and put on ships for export. This constraint on corn and wheat supply will be supportive for corn prices moving into the summer growing season.

Another market-moving event was the USDA's release of its March 31 Quarterly Grain Stocks and Planting Intentions report. The report showed that U.S. farmers intend to plant approximately 89.5 million acres of corn and 91.0 million acres of soybeans in 2022. Corn acres would be down 4.2% from 2021's plantings of 93.4 million acres, while soybean acres would be up 4.4% from the 2021 planting of 87.2 million acres. Neither were close to trade expectations as USDA had previously projected plantings of 88.0 million acres of soybeans and 92.0 million acres of corn in February. The following chart shows historical planting data for corn, soybeans, wheat, and cotton since 2010 along with the USDA's February and March projections for 2022:



The acreage estimates caught the trade off-guard. November 2022 soybean futures fell by nearly fifty cents per bushel following the release of the report while December 2022 corn futures rose by nearly twenty-eight cents per bushel. The disparity can mostly be attributed to the historic rise in fertilizer prices since last summer. Corn production requires a significant amount of nitrogen fertilizer. The following chart shows the changes in prices of phosphorus (DAP), potassium (Potash), and nitrogen (UAN28 & Anhydrous Ammonia), from the first quarter of 2021 to today:



Fortunately, many producers were able to lock in lower fertilizer prices last fall. Still, farmers have clearly responded to the combination of restrictive fertilizer prices and the historic rise in soybean prices with their acreage intentions. Most of the acres that were switched from corn are in the “fringe” growing areas of the south rather than in the Midwest. However, if profitability of either crop changes significantly within the next month, planted acres could still change from the March projection. The USDA will provide an updated on planted acreage on June 30. With uncertainty surrounding world supply of grain, it is critical that the U.S. growing season is successful, only adding volatility to the already volatile grain markets.

2021 GRAIN SALES

Below is a summary of the sales made for your 2021 crop production:

Crop	Bushels Sold	Average Sale Price	Percent Sold
Corn	13,855.00 bu.	\$5.54/bu.	88%
Soybeans	4,810.67 bu.	\$12.27/bu.	80%

Cash prices for old-crop grain are currently near \$7.25 per bushel for corn and \$15.50 per bushel for soybeans.



2022 GRAIN SALES

The following table summarizes the sales made for your 2022 crop production. The percentage sold is based upon a conservative yield estimate.

Crop	Bushels Sold	Average Sale Price	Percent Sold
Corn	6,000.00 bu.	\$5.95/bu.	40%
Soybeans	900.00 bu.	\$12.21/bu.	25%

We expect to make further sales on any price rallies that may occur from U.S. crop production concerns this spring and summer. May, June, and July typically provide opportunities for new crop sales as weather risk leaves crop production uncertain. Current cash prices for new-crop grain are approximately \$6.70 per bushel for corn and \$13.80 per bushel for soybeans.

RLI SPRING LAND VALUES SURVEY

The Iowa Chapter of the Realtors Land Institute (RLI) released the results of its March 2022 Land Trends and Values Survey on March 30, showing a 14.1% increase on a statewide average since September 2021. The year-over-year increase from March 2021 totals 32.9%. The average sale price for high quality cropland in central Iowa was estimated at \$15,520 per acre in the survey. The historic rally in grain prices, a limited supply of land for sale, and low interest rates are the main factors for the significant rise in land values. While grain prices remain at historically high levels and the demand for farmland remains strong, the impact of recent interest rate hikes on farmland sale prices will be interesting to follow over the remainder of the year.

Sincerely,

HERTZ FARM MANAGEMENT, INC.

A handwritten signature in black ink, reading 'Craig J. Welter'.

Craig J. Welter
Accredited Farm Manager
e-mail: CraigW@Hertz.ag

CJW:oan
Enclosure



Professional Farm Managers
Real Estate Appraisers
Real Estate Sales and Acquisitions
Real Estate Auctions
Consultants

415 South 11th Street P.O. Box 500 Nevada, IA 50201-0500 (515) 382-1500
Fax: (515) 382-3762 www.Hertz.ag

May 25, 2022

Mr. Jim Smith
123 County Home Rd
Oelwein, IA 50662

Re: 0-999 Smith Farm LLC

Dear Jim:

CROPS AND WEATHER

After the third-coldest April on record in central Iowa kept corn and soybean planting well behind the average pace, farmers were finally able to begin planting in earnest during the first week of May. However, progress was quickly interrupted as much of the region received significant rainfall on Mother's Day. Your farm avoided the heavy rain. 90-degree temperatures the following week quickly warmed the soil, providing favorable field conditions for planters to roll again and amplifying development for crops already planted.

Kevin Jones was able to plant the corn on your farm on April 28. The corn is currently 5-6 inches tall and looks excellent due to good planting conditions, adequate rainfall, and the week of warm temperatures in mid-May. The soybeans were planted on May 17 and will begin emerging within the next week. Your farm was planted to 72.5 acres of corn and 66.5 acres of soybeans. The 2022 crop plat is enclosed showing the field locations and crop inputs planned for this year.

The May 16 USDA Crop Progress Report showed Iowa farmers were 57% complete with corn planting, 23% behind the five-year average. Soybean planting in Iowa was 34% complete, 19% behind the five-year average. The rest of the country was behind the average at similar paces. While the May 23 report showed planting progress had nearly caught up to the five-year averages, emergence for both crops is well behind normal.



Mr. Jim Smith
May 25, 2022
Page 2

A brief spell of cool weather has developed during the last full week of May in Iowa, followed by a forecast for more seasonal temperatures to begin the month of June. Your farm has only received around six inches of rain since April 1. Typical total rainfall for April and May is nine inches, so the subsoil moisture on your farm has not been fully recharged. June rainfall will be necessary for good crop development.

GRAIN MARKETS

The historic rally in the corn and soybean markets has continued since our last report. Planting delays in the United States led to a surprising cut to the USDA's national corn yield projection in the May 12 World Agricultural Supply and Demand report from the trendline yield of 181.0 bushels per acre to 177.0 bushels per acre. This was only the fifth time in history that the USDA had lowered its corn yield estimate in the May report.

Projected world supplies of corn and wheat remain at relatively low levels as the war in Ukraine is prolonged. Ukraine, an important exporter of both crops, will struggle to bring crops to market this year. That is not for a lack of trying, as reports continue to roll in of Ukrainian farmers dodging explosives in their fields as they complete field operations this spring. Other developments in the wheat market include India's ban of wheat exports for an indefinite period due to concerns over food security, a declining U.S. wheat crop to be harvested this summer, and slow spring wheat planting in the northern plains. Wheat futures prices recently touched an all-time high price due to those concerns. Wheat and corn prices are strongly correlated due to their relative interchangeability in use.

The continued strength in crude oil prices has also supported corn prices. Ethanol demand remains high, maintaining positive ethanol production margins despite the high cost of corn.

U.S. soybean exports have continued at a frantic pace as a result of South American drought diminishing supplies in Brazil, Argentina, and Paraguay. The rest of the world typically purchases the majority of their soybeans from these countries in the first half of the year following their harvest, but importers have been forced to purchase from the U.S. instead.

With the world in short supply of corn, soybeans, and wheat, production from the U.S. this summer will be critically important. The markets will be keeping a close eye on weather and any production concerns that may arise during the growing season. Current long-range forecasts are showing a hot and dry summer is expected across much of the Midwest. The volatility that has hung over the grain markets over the past two years is expected to continue through 2022.



2021 GRAIN SALES

Below is a summary of the grain sales that have been made for your 2021 production:

Crop	Bushels Sold	Average Sale Price	Percent Sold
Corn	14,843.93 bu.	\$5.59/bu.	94%
Soybeans	5,117.33 bu.	\$12.48/bu.	89%

Prices for old-crop corn have spent some time above \$8.00 per bushel over the past month. Old-crop soybeans have also reached above \$17.00 per bushel in that time. Short supplies of both crops have led to strong basis levels from area processors. Current old crop prices are near \$7.80 per bushel for corn and \$17.00 per bushel for soybeans at the processors you deliver to. We expect to empty the bins with deliveries in June.

2022 GRAIN SALES

Sales for your 2022 crops are summarized below:

Crop	Bushels Sold	Average Sale Price	Percent Sold
Corn	7,000.00 bu.	\$6.14/bu.	45%
Soybeans	2,200.00 bu.	\$13.95/bu.	55%

Conservative yield projections of 215 bushels per acre for corn and 60 bushels per acre for soybeans are used to estimate the percent sold.

Prices for new crop delivery are near \$6.95 per bushel for corn and \$14.50 per bushel for soybeans. June and July typically provide seasonal opportunities to price grain as concerns over U.S. production arise. With profitable sales already made for your 2022 production, we can be patient in advancing sales further, waiting for Midwest weather concerns to appear during the growing season.

Sincerely,

HERTZ FARM MANAGEMENT, INC.

A handwritten signature in black ink, reading 'Craig J. Welter'.

Craig J. Welter
Accredited Farm Manager
e-mail: CraigW@Hertz.ag

CJW:oan



Operator- Kevin Jones
Cell Phone: 641-555-5555

Manager- Craig Welter
Cell Phone: 319-123-4567

Acreage Summary

Corn	72.5
Soybeans	66.5
Non-Tillable	8.8
Bin Site	0.3
Roads	<u>1.9</u>
Total Acres	150.0

Legal Description: Sec 17/18 - T81N - R 18 W, Mariposa Twp, Jasper County

Acreage Summary

Corn	72.5
Soybeans	66.5
Non-Tillable	8.8
Bin Site	0.3
Roads	1.9
Total Acres	150.0

FSA Data

FSA Farm #	1315
Farmland Acres	150
Cropland Acres	143.3
Corn Base Acres	69.8
Corn PLC Yield	200
Soybean Base Acres	70.2
Soybean PLC Yield	54

Corn 72.5 Acres

Tillage: Field Cultivate east half, No-Till west half

Seed:	Product	Amount	Unit	Population	Vendor
	PioneerP1185AM	33	bags	36,000 plants/ac, 30" rows	Runner Seed
Chemicals:	Product	Rate/Acre	Unit	Application	Vendor
Herbicides	Surestart II	2.25	pt	Pre-emerge	Heartland Co-op
	Atrazine	1.0	qt	Pre-emerge	Heartland Co-op
	Roundup Powermax	36.0	oz	Post-emerge	Heartland Co-op
	Resicore	1.4	qt	Post-emerge	Heartland Co-op
	Atrazine	0.5	qt	Post-emerge	Heartland Co-op
	Accuquest	8.8	oz	Post-emerge	Heartland Co-op
Fungicide	Veltyma	7.0	oz	Tassel	Heartland Co-op
	Cide Winder	4.0	oz	Tassel	Heartland Co-op
Fertilizer:	Analysis	Rate/Acre	Unit	Application	Vendor
Dry:	21-70-67-28	N-P-K-S	lbs	VRT - Fall2021	Heartland Co-op
Nitrogen:	NH3	190.0	lbs	Fall 2021 w/ N-Serve	Heartland Co-op
	28% N	15.0	lbs	w/ Pre-emerge	Heartland Co-op
	ATS	2-0-0-4	lbs	w/ Pre-emerge	Heartland Co-op
	Coron Metra	1.5	gal	w/ Post-emerge	Heartland Co-op
	Coron Metra	1.0	gal	w/ Fungicide	Heartland Co-op

Soybeans 66.5 Acres

Tillage: Vertical Till

Seed:	Product	Amount	Unit	Population	Vendor
	PioneerP28A51X	80	bags	160,000 plants/ac, 15" rows	Runner Seed
Chemicals:	Product	Rate/Acre	Unit	Application	Vendor
Herbicides	Sonic	0.25	lb	Pre-emerge	Heartland Co-op
	Prowl H20	2.1	pt	Pre-emerge	Heartland Co-op
	Roundup Powermax	19.6	oz	Post-emerge	Heartland Co-op
	Engenia	13.4	oz	Post-emerge	Heartland Co-op
	Outlook	12.5	oz	Post-emerge	Heartland Co-op
	Tapout	8.4	oz	Post-emerge	Heartland Co-op
	Zaar	1.0	pt	Post-emerge	Heartland Co-op
	Point Blank	0.4	oz	Post-emerge	Heartland Co-op
Fungicide	Priaxor	4.3	oz	R3 Stage	Heartland Co-op
	Omni Propinconazole	4.3	oz	R3 Stage	Heartland Co-op
	Cide Winder	4.3	oz	R3 Stage	Heartland Co-op
Insecticide	Tempest	4.1	oz	R3 Stage	Heartland Co-op
Fertilizer:	Analysis	Rate/Acre	Unit	Application	Vendor
Dry:	17-55-111-14	N-P-K-S	lbs	VRT - Fall2021	Heartland Co-op
Foliar:	Orbix 8-5-3	1.0	qt	w/ Post-emerge	Heartland Co-op
	K Leaf Versa VRA	0.5	lbs	w/ Post-emerge	Heartland Co-op



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July 6, 2022

Mr. Jim Smith
123 County Home Rd
Oelwein, IA 50662

Re: 0-999 Smith Farm LLC

Dear Jim:

STATEMENT OF ACCOUNT

A statement of your farm checking account is enclosed for the period April 1 through June 30, 2022, showing a balance of \$78,523.10.

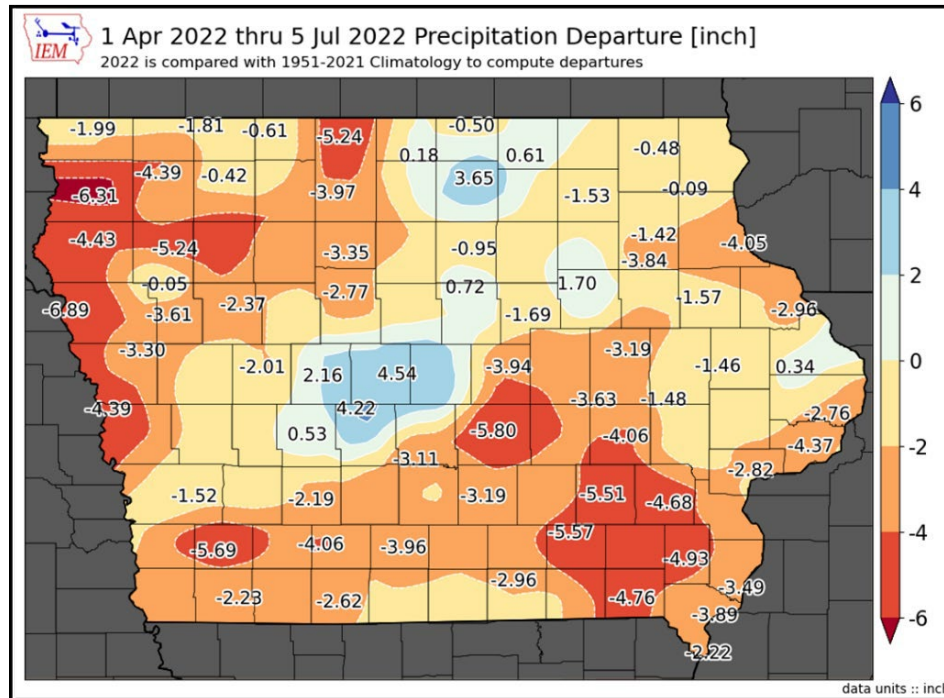
CROPS & WEATHER

The month of June in central Iowa can be split into two distinct parts: a relatively cool and wet first half, and a hot and dry second half. Crop growth has been behind the normal pace across the region as a delayed planting season and cooler May temperatures reduced crop growth. Crops have begun catching up thanks to the higher temperatures over the past several weeks.

Highway 65 has been a dividing line for rainfall this growing season. Areas west of there and south of Highway 20 received significant June rainfall, causing ponding in historically wet areas of fields. Your farm sits east of Highway 65 and has been in a drier pocket of Iowa. It has received approximately 7.3 inches of rainfall since corn planting in April. The area is nearly 6 inches below the normal amount of rainfall since April 1. Despite the dry conditions, the crops on your farm look excellent. Around an inch of rain has fallen since July 4, which has been very timely. The corn on your farm is around 6 to 7 feet tall, while the soybeans are near 20-24 inches tall.



The following map shows the amount above or below normal precipitation received for the period April 1 to July 5 across Iowa:



The July 5 USDA Crop Progress Report showed the following “good-to-excellent” crop condition ratings, which dropped slightly from a week ago. Also shown are the percent “good-to-excellent” above or below the five-year average for this week’s report:

	2022 Corn	2022 Corn vs. 5-Yr. Avg.	2022 Soybeans	2022 Soybeans vs. 5-Yr. Avg.
Iowa	77%	+4%	77%	+5%
U.S.	64%	-3%	63%	-2%

July is a critical time period for corn production as pollination will begin in the middle of the month. Lower nighttime temperatures and timely rainfall can help corn maximize yield potential during this time. August rainfall is most important for soybeans but additional rainfall during the beginning of their reproductive growth stages would be helpful, especially since most soybeans were planted later. Forecasts are currently calling for near normal temperatures and rainfall for most of the Corn Belt for the first half of July.

GRAIN MARKETS

Volatility continues to be a key word for the grain markets in 2022. New-crop corn and soybean futures prices neared or topped their contract highs in mid-June but have had an abrupt decline over the past two weeks as U.S. crops have remained in good condition. The end of June is typically a volatile time in the grain trade due to the release of the USDA’s projection of acres planted to each crop, interpretation of the impact of weather forecasts on U.S. crop conditions, and the market’s pause on the July Fourth holiday. This notion remained true this past week.

The USDA released its Quarterly Grain Stocks and Acreage Report on June 30. The report showed that U.S. farmers planted 89.9 million acres of corn and 88.3 million acres of soybeans. USDA's estimate of soybean plantings was a surprising 2.6 million acres lower than the initial projection shown in the March Planting Intentions report. Corn acres were nearly unchanged from March as the trade expected. Domestic supplies of corn, soybeans, and wheat were all very close to the pre-report market expectations.

Despite the mostly neutral report, corn prices fell \$.46 per bushel combined during the two days following the release. Soybean prices could not capitalize on the positive news and fell \$.83 per bushel in those two days. The markets opened sharply lower on July 5 after favorable rainfall was received across the Corn Belt over the holiday weekend.

The following charts show new-crop corn and soybean price action since May 1:

DECEMBER 2022 CORN FUTURES



NOVEMBER 2022 SOYBEAN FUTURES



The sudden drop can be attributed to a combination of improving weather forecasts, weakness in the energy markets, and the high volume of speculative fund traders exiting their market positions.



Mr. Jim Smith
July 6, 2022
Page 4

Despite the current downward trend in the grain markets, considerable yield risk is still on the table for U.S. crop production as critical periods of the growing season lie ahead. Much of the corn across the Corn Belt was planted within a two-week window in May, meaning pollination will occur near the same time for a sizable portion of the U.S. corn crop. Weather conditions during this time will play a major factor in overall yield potential. The same can be said for weather in August, as rainfall amounts during the month play a major role in determining soybean yields.

There is still little room for error for domestic corn and soybean production due to the still relatively low supplies of corn, soybeans, and wheat across the world. U.S. weather will remain the most important factor for the markets over the next two months.

2021 GRAIN SALES

All of your 2021 grain has been sold. Below is a final summary of the 2021 production.

Crop	Acres	Total Bushels	Final Yield	Average Sale Price
Corn	66.5	17,585.36 bu.	269.4 bu./ac.	\$6.02/bu.
Soybeans	72.5	5,743.00 bu.	79.2 bu./ac.	\$12.95/bu.

2022 GRAIN SALES

Sales for your 2022 crops are summarized below:

Crop	Bushels Sold	Average Sale Price	Percent Sold
Corn	7,000.00 bu.	\$6.14/bu.	45%
Soybeans	2,200.00 bu.	\$13.95/bu.	55%

Conservative yield projections of 215 bushels per acre for corn and 60 bushels per acre for soybeans are used to estimate the percent sold.

Prices for new-crop delivery are currently near \$5.90 per bushel for corn and \$13.25 per bushel for soybeans. Although prices have dropped significantly in the past week, there is still plenty of growing season left for additional price rallies on weather concerns or changes to USDA data. We are comfortable with our current sales percentages.

Sincerely,

HERTZ FARM MANAGEMENT, INC.

Craig J. Welter
Accredited Farm Manager
e-mail: CraigW@Hertz.ag

CJW:oan/enclosure



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October 6, 2022

Mr. Jim Smith
123 County Home Rd
Oelwein, IA 50662

Re: 0-999 Smith Farm LLC

Dear Jim:

STATEMENT OF ACCOUNT

A statement of your farm checking account is enclosed for the period July 1 through September 30, 2022, showing a balance of \$55,999.53.

CROPS & WEATHER

Despite the continued trend of below-average precipitation, growing conditions were generally favorable during the second half of the growing season for most of central Iowa, excluding areas in prolonged drought south of Interstate 80. Crops avoided severe stress during the critical production periods of corn pollination and soybean pod fill as temperatures were generally mild, and the rainfall that was received arrived in a timely manner. This pattern of spoon-feeding timely rainfall at the end of the growing season was similar to what occurred in 2021, providing a clue for what early harvest results might be.

Harvest began slowly in late September as early maturing soybean varieties were finally ready. Favorable weather conditions have allowed harvest to continue uninterrupted. Most soybean harvest has been completed. Farmers jumped straight into corn harvest after soybeans were finished. The consensus across much of the area is that yields generally appear to be better than expected.



Mr. Jim Smith
October 6, 2022
Page 2

HARVEST PROGRESS

Kevin Jones has completed harvest on your farm. Below is a summary of this year's production which is stored on the farm.

Crop	Acres	Total Production*	Yield
Corn	72.5	16,700.00 bu.	230.3 bu./ac.
Soybeans	66.5	4,700.00 bu.	70.7 bu./ac.

* Bin Estimates

These are excellent yields given the lack of rainfall your farm received. Your farm was approximately seven inches behind the historical average precipitation amount from planting to September 1. This showcases the incredible resilience of today's corn and soybean genetics.

GRAIN MARKETS

Commodity prices have remained volatile over the past three months as uncertainty over grain supply, concerns about the global economy, and the ongoing conflict in Ukraine have continued to create a seesaw effect on the markets. Corn and soybean prices have rebounded since tumbling in early July as projections for U.S. crop production fell slowly during the second half of the growing season. Although price trends have been mostly positive, changes in weather, export expectations, and negative macroeconomic factors have kept commodity traders on their toes. The following futures price charts show the choppy nature of the markets since July 1.



Mr. Jim Smith
October 6, 2022
Page 3



The recent downtrend in the soybean market is related to the start of U.S. harvest and the USDA's surprising revision of 2021 U.S. soybean production, showing more bushels on hand than expected, in the September 30 Grain Stocks Report. The direction of the markets heading into 2023 will depend on U.S. harvest results, early crop progression in South America, and any further economic pressures around the world. Prices remain at historically good levels and should be well supported over the next several months as the world supply of corn, soybeans, and wheat remains relatively tight.

2022 GRAIN SALES

Below is a summary of the sales that have been made for your 2022 crop production:

Crop	Bushels Sold	Average Sale Price	Percent Sold
Corn	8,000.00 bu.	\$6.35/bu.	48%
Soybeans	2,800.00 bu.	\$14.05/bu.	60%

Cash prices for harvest delivery are near \$6.70 per bushel for corn and \$13.70 per bushel for soybeans at local processors. We expect to wait to advance sales further until after harvest is complete across the Corn Belt.

Sincerely,

HERTZ FARM MANAGEMENT, INC.

A handwritten signature in black ink, appearing to read 'Craig J. Welter'.

Craig J. Welter
Accredited Farm Manager
e-mail: CraigW@Hertz.ag
CJW:oan/enclosure



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February 11, 2023

Mr. Jim Smith
123 County Home Rd
Oelwein, IA 50662

Re: 0-999 Smith Farm LLC

Dear Jim:

Enclosed with this letter are the following items:

1. A copy of the 2022 Annual Report. An additional copy is enclosed to provide to your CPA.
2. A statement of your farm account for the period October 1 through December 31, 2022, showing a balance of \$46,585.49. Your account is currently earning 2.0% interest.

If you have any questions concerning the enclosed information, please feel free to contact us. We look forward to serving you in the coming year.

Sincerely,

HERTZ FARM MANAGEMENT, INC.

Craig J. Welter
Accredited Farm Manager
e-mail: CraigW@Hertz.ag

CJW: oan
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2022 ANNUAL REPORT

On

0-999 Smith Farm LLC
150.0 Acres - Jasper County, Iowa

For

Mr. Jim Smith
123 County Home Rd
Oelwein, IA 50662

By

HERTZ FARM MANAGEMENT, Inc.
415 South 11th Street
Nevada, Iowa 50201

CJW: oan

February 11, 2023

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BANK ACCOUNT SUMMARY
10999 Smith Farm LLC
State Bank & Trust Company
1/1/2022 to 12/31/2022

BEGINNING BALANCE		20,882.43
<u>RECEIPTS</u>		
Taxable Farm Income	230,194.77	
Interest Income	395.12	
TOTAL RECEIPTS	<hr/> 230,589.89	
<u>DISBURSEMENTS</u>		
Transfer to Owner	50,000.00	
Operating Expenses	154,886.83	
LESS TOTAL DISBURSEMENTS	<hr/> 204,886.83	
CHANGE IN RECEIPTS AND DISBURSEMENTS		25,703.06
ENDING BALANCE		<hr/> 46,585.49

TAX SUMMARY REPORT
All Farms for 10999 Smith Farm LLC
1/1/2022 to 12/31/2022

FARM INCOME

Corn		
Corn	124,773.24	
20,918.22 BU @ \$5.96/BU		
Soybeans		
Soybeans	105,421.53	
7,895.85 BU @ \$13.35/BU		
Total Crop		230,194.77
Other Income		
Interest Income	395.12	
Total Other Income		395.12
TOTAL FARM INCOME		230,589.89

FARM EXPENSES

Chemicals		-11,769.10
Custom Hire		-24,281.72
Fertilizer & Lime		-54,237.35
Freight, Trucking		-7,829.03
Gasoline, Fuel, Oil		-53.51
Insurance		-4,945.74
Seeds, Plants Purchased		-27,759.06
Storage, Warehousing		-6.11
Taxes		-6,170.00
Utilities		-1,255.49
Other Expense		
Accounting	-1,300.00	
Management Fee	-13,811.68	
Marketing Expense	-800.41	
Travel Expense	-667.63	
Total Other Expense		-16,579.72
TOTAL FARM EXPENSES		-154,886.83
NET FARM PROFIT OR LOSS (-)		75,703.06

The above data is from records and accounts maintained by Hertz Farm Management, Inc.
You and/or your tax consultant should review your situation for income and expense from
other sources which are not included in the above summary.

**DETAILED SUMMARY OF INCOME AND EXPENSE
WITH BALANCES**

10999-00000 Smith Farm LLC

1/1/2022 to 12/31/2022

Checking Account Beginning Balance			20,882.43
<u>INTEREST INCOME</u>			
Interest Income	395.12		
TOTAL INTEREST INCOME		395.12	
TOTAL FARM INCOME		395.12	
<u>MISC EXPENSE</u>			
Travel Expense	-415.46		
TOTAL MISC EXPENSE		-415.46	
TOTAL FARM EXPENSE		-415.46	
FARM INCOME LESS EXPENSE			-20.34
NON TAXABLE ACTIVITY			
<u>MISC CASH ACTIVITY</u>			
Transfer to Owner	-50,000.00		
TOTAL MISC CASH ACTIVITY		-50,000.00	
TOTAL NON TAXABLE ACTIVITY			-50,000.00

**DETAILED SUMMARY OF INCOME AND EXPENSE
WITH BALANCES**

10999-00999 Smith Farm LLC

1/1/2022 to 12/31/2022

CROP SALES

Corn

2021 Corn 107,733.24

17,918.22 BU @ \$6.01/BU

2022 Corn 17,040.00

3,000.00 BU @ \$5.68/BU

Soybeans

2021 Soybeans 74,369.75

5,743.00 BU @ \$12.95/BU

2022 Soybeans 31,051.78

2,152.85 BU @ \$14.42/BU

TOTAL CROP SALES

230,194.77

TOTAL FARM INCOME

230,194.77

CROP EXPENSES

Herbicide

2021 Corn 174.85

2022 Corn -4,041.86

2022 Soybeans -4,928.83

Custom Drying

2021 Corn -130.95

Drying-Electricity

2021 Corn -331.50

2022 Corn -923.99

Drying-LP

2022 Corn -53.51

Fertilizer

2022 Corn -12,039.99

2023 Corn -23,301.64

2022 Soybeans -8,148.05

2023 Soybeans -10,747.67

Seed

2022 Corn -8,242.74

2023 Corn -8,809.92

**DETAILED SUMMARY OF INCOME AND EXPENSE
WITH BALANCES**

2022 Soybeans	-6,345.60	
2023 Soybeans	-4,360.80	
Storage		
2021 Soybeans	-6.11	
Insecticide		
2022 Soybeans	-457.13	
Fungicide		
2022 Corn	-1,415.25	
2022 Soybeans	-1,100.88	
Custom Hire		
2020 Corn	-929.86	
2021 Corn	-6,046.75	
2022 Corn	-3,685.05	
2023 Corn	-1,523.64	
2020 Soybeans	-268.36	
2021 Soybeans	-6,843.75	
2022 Soybeans	-2,786.61	
2023 Soybeans	-546.75	
2022 Farm	-1,520.00	
Custom Hire-Trucking		
2021 Corn	-4,176.98	
2022 Corn	-1,907.10	
2021 Soybeans	-1,189.07	
2022 Soybeans	-555.88	
Checkoff		
2021 Corn	-179.19	
2022 Corn	-30.00	
2021 Soybeans	-372.03	
2022 Soybeans	-155.69	
Inspection		
2021 Corn	-25.00	
2021 Soybeans	-23.50	
2022 Soybeans	-15.00	
TOTAL CROP EXPENSES		-127,991.78
<u>INSURANCE</u>		
Property Insurance	-536.03	

**DETAILED SUMMARY OF INCOME AND EXPENSE
WITH BALANCES**

Multi-Peril Insurance		
2022 Corn	-2,168.00	
2022 Soybeans	-1,266.00	
Hail Insurance		
2020 Corn	178.00	
2022 Corn	-290.00	
2022 Soybeans	-559.00	
Liability Insurance	-153.71	
Umbrella Insurance	-151.00	
TOTAL INSURANCE		-4,945.74
<u>TAXES</u>		
Real Estate Tax	-6,170.00	
TOTAL TAXES		-6,170.00
<u>PROFESSIONAL SERVICES</u>		
Management Fee		
2021 Corn	-6,463.99	
2022 Corn	-1,022.40	
2021 Soybeans	-4,462.18	
2022 Soybeans	-1,863.11	
Accounting	-1,300.00	
TOTAL PROFESSIONAL SERVICES		-15,111.68
<u>MISC EXPENSE</u>		
Travel Expense	-252.17	
TOTAL MISC EXPENSE		-252.17
TOTAL FARM EXPENSE		-154,471.37
FARM INCOME LESS EXPENSE		75,723.40
Total Cash & Investments Ending Balance		46,585.49
TOTAL CASH & INVESTMENTS SUMMARY		
Checking	46,585.49	

STATEMENT OF PROFIT**Accrual Basis - 2022****Income:**

Operating Income	\$230,194.77	
Interest Income	395.12	
Closing Inventory - 12/31/22	133,725.00	
Prepaid 2023 Expenses	<u>49,290.42</u>	\$413,610.31

Less:

Operating Expenses	\$154,886.83	
Beginning Inventory - 1/1/22	159,586.00	
Prepaid 2022 Expenses	<u>7,672.24</u>	<u>322,145.07</u>

TOTAL PROFITS BEFORE DEPRECIATION \$91,465.24

PROFITS PER TILLABLE ACRE (139.0 ACRES) \$658.02

DISPOSITION OF 2022 EARNINGS

Transfer to Owner \$50,000.00

Plus Increase in:

Prepaid Expenses	\$41,618.18	
Bank Account	<u>25,703.06</u>	67,321.24

Less Decrease in:

Grain Inventory	<u>25,856.00</u>
-----------------	------------------

PROFITS BEFORE DEPRECIATION \$91,465.24

STATEMENT OF PROFIT – ACCRUAL BASIS

The Statement of Profit on the previous page details your farm's profit on an accrual basis. This takes into account changes in inventories, prepaid expenses, and bank account balances. Profits on an accrual basis are a more accurate way to judge your farm's performance year after year. Below is a summary of your farm's accrual profit history:

Year	Accrual Profits Before Depreciation	Accrual Profits Per Tillable Acre (139.0 Ac.)
2011	\$62,978.44	\$453.08
2012	\$38,684.85	\$278.31
2013	\$45,762.70	\$329.23
2014	\$40,055.14	\$288.17
2015	\$33,537.41	\$241.28
2016	\$29,883.01	\$214.99
2017	\$29,896.00	\$215.08
2018	\$40,909.69	\$294.31
2019	\$41,766.27	\$300.48
2020	\$22,892.66	\$164.70
2021	\$90,607.03	\$651.85
2022	\$91,465.24	\$658.02

OWNER'S ESTIMATED INVENTORY**December 31, 2022**

Corn	13,700.00 Bu. @ \$6.95/bu.	\$95,265
Soybeans	2,547.15 Bu. @ \$15.10/bu.	<u>38,465</u>

TOTAL ESTIMATED VALUE OF INVENTORY	\$133,730
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The value of the 2022 inventory is \$25,856 less than the inventory shown at the end of 2021. The prices used to value the corn and soybean inventory are an average of actual sales prices on the grain which has been forward contracted and the approximate local cash price on December 31 for the grain that remains unsold.

2022 CROP PRODUCTION

Your farm was operated on a custom arrangement with Kevin Jones. Based on the grain bin measurements and our estimate of acres planted, your 2022 corn and soybean yields are as follows:

Crop	Acres	Estimated Total Production	Estimated Average Yield
Corn	72.5	16,700.00 Bu.	230.3 Bu./Ac.
Soybeans	66.5	4,700.00 Bu.	70.7 Bu./Ac.

For the second year in a row your farm performed extremely well considering the challenging growing conditions. Your farm was approximately 7.5 inches below the normal rainfall received between May 1 and September 15. Rainfall was especially sparse in July and August. Strong fertility and timely planting dates helped set the crops up for success in 2022. All of the production is stored in grain bins on the farm.

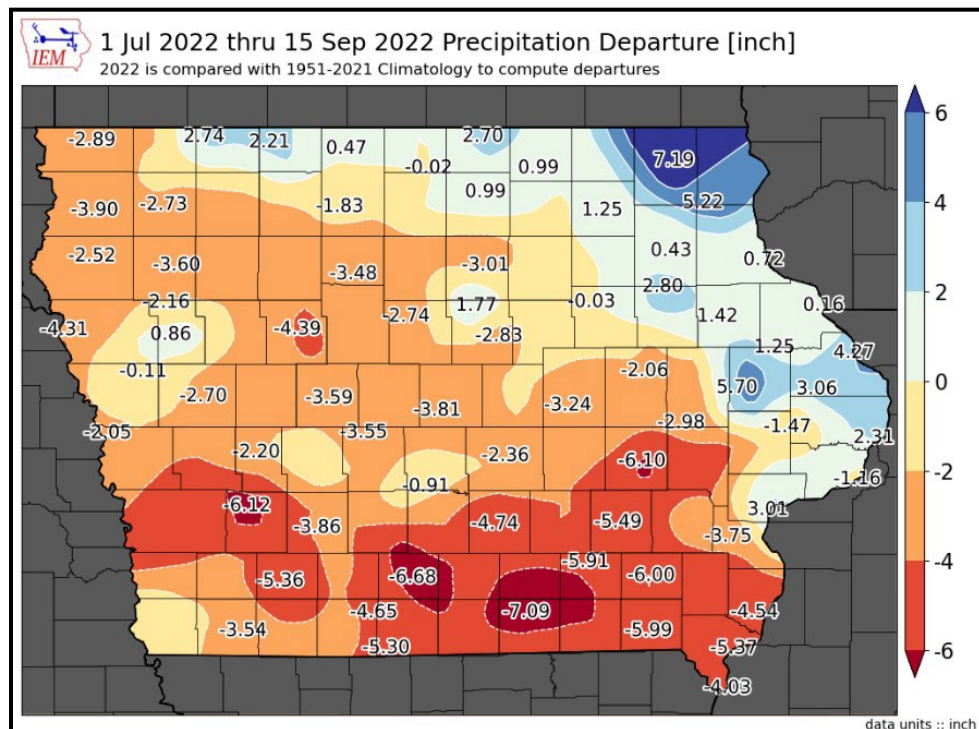
3,000 bushels of corn were sold for \$5.68 per bushel in 2022. A total of 6,111.80 bushels of corn have been priced for January payment at an average price of \$7.02 per bushel. A total of 2,152.85 bushels of soybeans were sold in 2022 for an average price of \$14.42 per bushel. No soybeans were forward priced for 2023 payment. Therefore, the remaining unsold inventory includes approximately 7,588.20 bushels of corn and 2,547.15 bushels of soybeans.

2022 GROWING SEASON IN REVIEW

Central Iowa was faced with another challenging growing season in 2022. Despite the curveballs that Mother Nature threw, crop production across the region was generally better than expected. The significant progress that the industry has seen in corn and soybean genetic advancements was on display once again. Crops have shown incredible resilience in withstanding drought stress during the past two years.

Following record-fast planting seasons the past two years, the 12th-coldest April in Iowa history kept most planters in the shed until soil temperatures could rise to favorable levels in 2022. U.S. corn planting progress was at the slowest pace in nine years in early May until a rapid spike in temperatures following Mother's Day (May 8) quickly warmed the soil, allowing planting to go in full force. A majority of the corn and soybeans in central Iowa were planted in the two weeks that followed.

The later start to planting created some concern that overall yield potential was already reduced. However, warm May temperatures allowed crops to emerge rapidly. Timely rainfall in late May and early June helped crops get off to a relatively strong start. Similar to 2021, drought conditions began to creep across Iowa as the calendar turned to July. As the following map shows, much of the state would receive below normal rainfall totals over the second half of the growing season.



Northwest Iowa and areas south of Interstate 80 were especially limited on rainfall during 2022. Crops would again rely on the arrival of timely rainfall to push through the critical growing stages of pollination in corn and pod fill in soybeans. Fortunately, temperatures in July and August were relatively mild and did not create much additional stress for crops during that period. Although total rainfall was below average for the growing season, occasional half-inch-plus rain events seemed to arrive just when the crops needed them, leaving cautious optimism for yield potential as harvest arrived.

Farmers eased into soybean harvest in late September and were able to continue nearly non-stop until corn harvest was completed. Once again, production results were surprisingly good across much of the area. Although yields were variable from field to field, many farms produced at or above their five-year average yields for both crops, with some setting new record corn or soybean yields. The USDA is projecting statewide average yields of 200.0 bushels per acre for corn and 58.5 bushels per acre for soybeans were produced in Iowa in 2022. Both are below the record high state yields set in 2021.

Dry conditions and favorable temperatures allowed most fertilizer applications and tillage operations to be completed in the fall. Much of Iowa and the rest of the Corn Belt is still under moderate, severe, or extreme drought conditions to begin 2023. Drought stress in most areas is worse than a year ago. Consistent precipitation over the next few months will be needed to replenish subsoil moisture before spring planting arrives.

SUMMARY OF 2021 GRAIN SOLD

The table below summarizes the 2021 production sold and the average sale price:

Crop	Bushels	Average Yield	Average Sale Price
Corn	17,918.22	269.4 Bu./Ac.	\$6.01/Bu.
Soybeans	5,743.00	79.2 Bu./Ac.	\$12.95/Bu.

GRAIN SALES HISTORY

Below is a summary of the average sale prices for the last ten years:

Crop	2013	2014	2015	2016	2017	2018	2019	2020	2021	Est. 2022	10-Yr Avg.
Corn	\$4.53	\$3.89	\$3.84	\$3.60	\$3.48	\$3.60	\$3.53	\$4.62	\$6.01	\$6.73	\$4.38
Soybeans	\$13.22	\$9.94	\$12.59	\$10.00	\$9.25	\$8.80	\$8.47	\$9.85	\$12.95	\$14.80	\$10.99

FARM YIELD HISTORY

Average crop yields for the past ten years are summarized below:

Crop	2013	2014	2015	2016	2017	2018	2019	2020	2021	Est. 2022	10-Yr Avg.
Corn	206.4	235.3	253.6	258.6	277.1	284.2	266.9	203.6	269.4	230.3	248.5
Soybeans	56.1	59.8	50.8	68.0	71.2	77.4	75.4	64.1	79.2	70.7	67.3

2022 GRAIN MARKETS

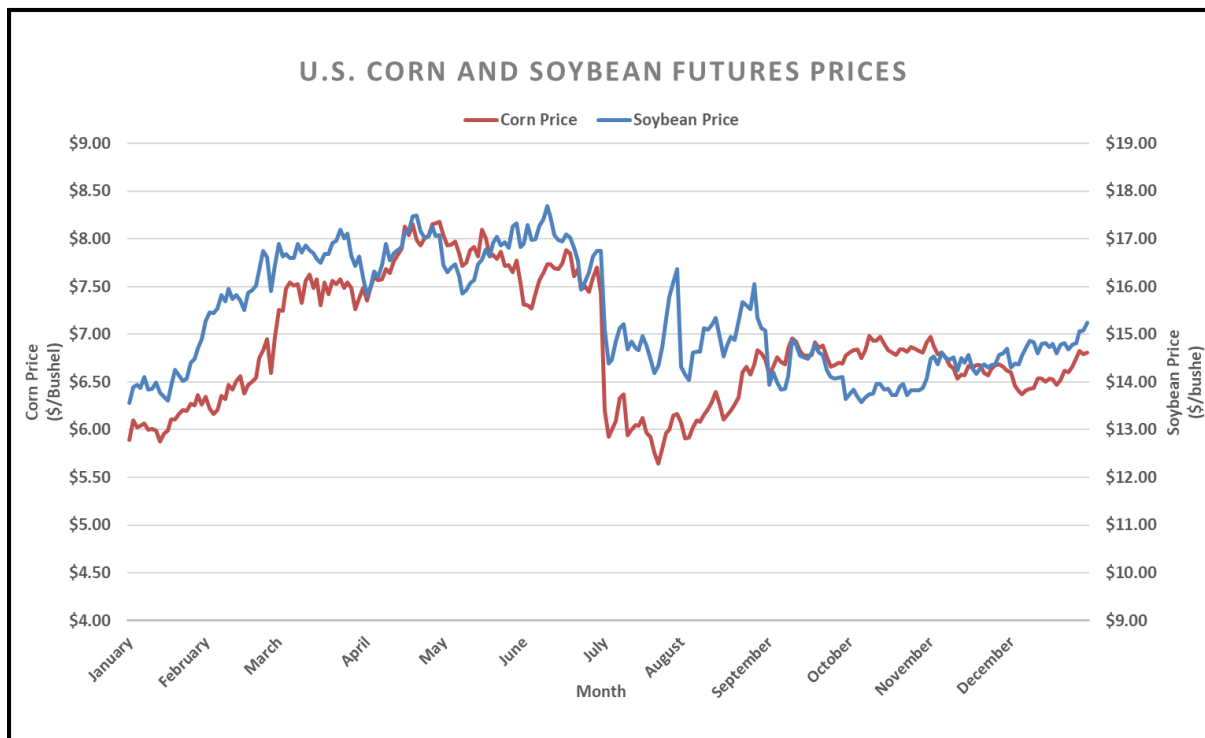
Uncertainty over the world's supply of corn, soybeans, and wheat persisted in 2022, producing another historic year for commodity markets. Producers were again afforded the opportunity to sell grain at exceptional price levels. Despite the profitable prices, continued price volatility made grain marketing decisions ever more difficult.

Corn and soybean prices continued the climb that began in late 2021 as drought conditions intensified in South America. Brazil, Argentina, and Paraguay combined for their smallest soybean crop since 2018/19. This led the soybean market on a rally of more than \$5.00 per bushel from December 2021 to March 2022, reaching the highest price level since 2012 at \$17.45 per bushel on March 31.

Russia's invasion of Ukraine on February 24 created the biggest storyline in the grain markets over the past twelve months. Ukraine is a major exporter of corn, wheat, and barley for the rest of the world, ranking second behind the U.S. for total exports of the three crops. Uncertainty over how much farmers there would be able to plant, harvest, and export spiked corn and wheat prices before the U.S. spring planting season began. Wheat prices rose to an all-time high as supply concerns worsened. Nearby corn futures eventually reached \$8.17 per bushel in April, the highest price seen since 2012.

As the U.S. growing season arrived, grain prices took a roller coaster ride. Slow planting progress forced the USDA to make an historically early cut to its corn yield estimate in the May 12 World Agricultural Supply and Demand (WASDE) report. New crop contract high prices were established in mid-May for corn at \$7.66 per bushel and early June for soybeans at \$15.84 per bushel as production expectations diminished.

Prices plunged soon after as yield prospects appeared to improve and grain began to trickle out of Ukraine. The contract highs established just weeks prior were wiped out as the corn market dropped over \$2.00 per bushel and soybeans fell by nearly \$3.00 per bushel. However, prices rebounded over the remainder of 2022 as drought in the U.S. intensified. The following chart shows the volatile price movement over the past year.



The USDA released the most recent 2022 U.S. Crop Production Report on January 12, showing a drop in corn and soybean production. The report projected a 2022 national average corn yield of 173.3 bushels per acre, below last year's national record of 176.7. Total corn production was the third lowest in the past ten years at 13.7 billion bushels.

The report estimated the national average soybean yield to be 49.5 bushels per acre, down 2.2 bushels per acre from 2021. Total U.S. soybean production finished at 4.28 billion bushels, only the fifth best since 2013.

Domestic ending supplies of both corn and soybeans are also projected to drop due to the reduced production. U.S. stocks-to-usage ratios are projected at the lowest since 2013 for soybeans and second lowest since 2012 for corn. A low stocks-to-usage ratio is typically positive for prices. However, demand concerns have prevented stocks-to-usage from sinking further. U.S. corn demand has dropped by over 100 million bushels in the past year. Soybean exports have also diminished, though not as significantly as corn.

World grain supplies remain tight as the conflict between Russia and Ukraine continues. Grain shipments from Ukraine are down 30% from the previous marketing year. Production in Ukraine will continue to be limited by loss of land, destruction to infrastructure, and high input costs. Argentina is also currently contending with sustained drought conditions for its corn and soybean crops to be harvested in early 2023, although expected record production in Brazil may make up for those losses.

The USDA is currently projecting national average prices of \$6.70 per bushel for corn and \$14.20 per bushel for soybeans for U.S. producers in the 2022-23 marketing year. While the world may be just one year of surplus production away from replenishing grain supplies, there appears to be enough support under the markets for producers to have another positive year in 2023.

SOIL FERTILITY

Soil fertility is a key element of maximizing crop production and is also an important contributing factor to the market value of the land. We monitor the fertility levels on your farm for those reasons. Soil fertility can be determined by taking soil tests which we recommend every four years. Our goal is to build and maintain fertility to optimal levels for two macronutrients which are phosphorus and potassium. Soil pH levels are also important for nutrient availability and uptake into the plant. The table below summarizes the current levels from the most recent soil test results for your farm:

Soil Test Date	pH	Phosphorus (P1)	Potassium (K)
Fall 2020	5.6-7.2	26	132
Fall 2021	5.4-7.1	36	145
Optimal*	6.0-6.5	16-20	86-120

* Optimal fertility levels are based on Iowa State University recommendations in parts per million on moist samples.

Variable rate lime and fertilizer application methods will be utilized to maintain soil pH and the current excellent fertility levels. Lime will be applied in 2023 to raise the pH in low-testing areas.

#1099 FORMS RECEIVED

The following #1099 forms have been **received** reporting funds paid to the farm account in 2022. A copy of the #1099 form is included at the end of this report.

1099-INT – State Bank and Trust Co. – Interest Income \$395.12

REPAIRS

No repairs or improvements were completed in 2022. We do not anticipate any major repairs or improvements will be needed in 2023.

FARM INSURANCE REVIEW

Liability and property insurance has been purchased through Midwest Insurance Corporation and carried by Auto-Owners Insurance. The liability coverage insures you for \$1,000,000 of personal liability at an annual cost of \$153.71. In addition, a \$2,000,000 excess liability insurance policy is in place at a cost of \$151.

A farm property insurance policy is carried on your farm to protect against property damage caused by a natural disaster. The coverage is as follows:

<u>Description</u>	<u>Amount of Coverage</u>	<u>Annual Premium</u>
30' Grain Drying Bin (2015)	\$60,000	\$318.69
30' Grain Drying Bin	28,000	132.59
24' Grain Storage Bin	17,900	84.75
Stored Grain (Avg.)	<u>67,817</u>	<u>232.76</u>
Totals	\$105,900	\$768.79

The stored grain coverage was paid for in 2023.

Both multi-peril crop insurance and hail insurance were purchased in 2022 and are summarized in the tables below:

MPCI SUMMARY								
Crop	Acres	Coverage Level	APH Yield	Yield Guarantee	Price	Revenue Guarantee	Total Premium	Cost Per Ac.
Corn	72.5	80%	240.0	192.0	\$5.90	\$1,132.80/ac.	\$2,168	\$29.90
Soybeans	66.5	80%	67.0	53.6	\$14.33	\$768.09/ac.	\$1,266	\$19.04

HAIL SUMMARY				
Crop	Acres	Coverage Per Acre	Total Premium	Cost Per Ac.
Corn	72.5	\$800	\$290	\$4.00
Soybeans	66.5	\$700	\$559	\$8.41

2022 LEASE COMPARISON

Below is a comparison of custom, modified crop share, and cash rent lease arrangements using the inventory values, actual grain income, and the actual operating expenses for producing the 2022 crop. 2022 earnings under the custom operation were approximately \$22,354.66 more than the earnings would have been on a modified crop share lease and were approximately \$39,112.95 more than earnings would have been on a cash rent lease. The cash rent lease was estimated at \$350 per acre on 139 tillable acres. Enterprise analyses are included at the end of this report showing your preliminary per acre revenues and costs for the 2022 crops and final figures for the 2021 crops.

The estimated income and actual expenses related to the 2022 crops are as follows:

<u>Income</u>	<u>Custom</u>	<u>75-25 Crop Share</u>	<u>Cash Rent</u>
Grain Inventory	\$181,952.07	\$136,464.05	
Government Payments	\$0.00	\$0.00	
Insurance Comp.	\$0.00	\$0.00	
Cash Rent			\$48,650.00
TOTAL INCOME	\$181,952.07	\$136,464.05	\$48,650.00
<u>Expenses</u>			
Seed	\$14,588.34	\$14,588.34	
Fertilizer	\$27,860.28	\$27,860.28	
Herbicide	\$8,970.69	\$8,970.69	
Insecticide	\$457.13	\$457.13	
Fungicide	\$2,516.13	\$2,516.13	
Lime	\$0.00	\$0.00	
Drying	\$1,500.00	\$1,125.00	
Trucking	\$5,255.54	\$3,941.66	
Custom Hire	\$20,245.00	\$0.00	
Crop Hail Insurance	\$849.00	\$636.75	
Multi-Peril Insurance	\$3,434.00	\$2,575.50	
Marketing Expense	\$514.88	\$386.16	
Management Fee	\$10,917.12	\$10,917.12	\$2,919.00
TOTAL EXPENSE	\$97,108.12	\$73,974.76	\$2,919.00
INCOME BEFORE TAXES, REPAIRS	\$84,843.95	\$62,489.29	\$45,731.00
PER TILLABLE ACRE (139.0)	\$610.39	\$449.56	\$329.00

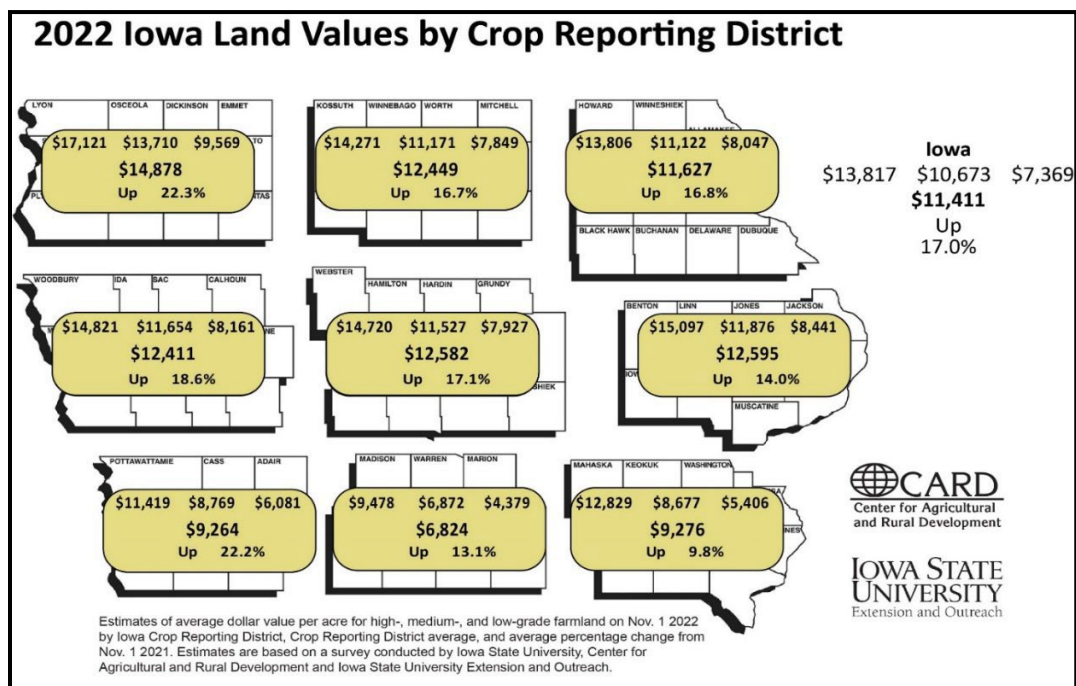
IOWA FARMLAND VALUES

The latest release of the Iowa State University Land Value Survey indicated that Iowa farmland values increased by 17% from November 2021 to November 2022.

Combined with last year's survey results, values have increased by a total of 46% since November 2020. The reported average statewide value of \$11,411 per acre represents both the highest nominal and inflation-adjusted value since the survey began in 1941.

The driving factors for the continued increase in land values were strong crop yields, elevated commodity prices, and sustained demand for farmland. Despite a high volume of farm sales, there has not been enough supply to satisfy the demand of aggressive farmer and investor buyers. Several Iowa farms have sold for over \$20,000 per acre in the past year. One northwest Iowa sale even reached \$30,000 per acre. Though land values remain strong, the recent rise in interest rates and concerns over world economic conditions have appeared to contribute to a "leveling off" in the market.

Average values for high, medium, and low-quality farmland in each crop reporting district are shown below. High-quality farmland in the central district was reported at \$14,720 per acre.



ESTIMATED MARKET VALUE

An estimate of the current market value of your farm is shown below:

Item	Acres	CSR2	Value/Acre	Total Value
Cropland	139.0	81.6	\$15,600	\$2,168,400
Non-Tillable	8.8		3,000	26,400
Grain Bins	0.3		--	20,000
Roads	1.9		--	--
Total	150.0			\$2,214,800

We estimate the agricultural value of the farm as of December 31, 2022, to be approximately \$14,765 per acre or a total of \$2,214,800. Our estimate is based on professional survey results and our general knowledge of farm values in the area. A specific appraisal has not been completed to arrive at this value.

The average Corn Suitability Rating (CSR2) for the farm is approximately 81.6. The CSR2 rating is a relative ranking of soil quality in Iowa from 5 to 100.

RETURN ON INVESTMENT

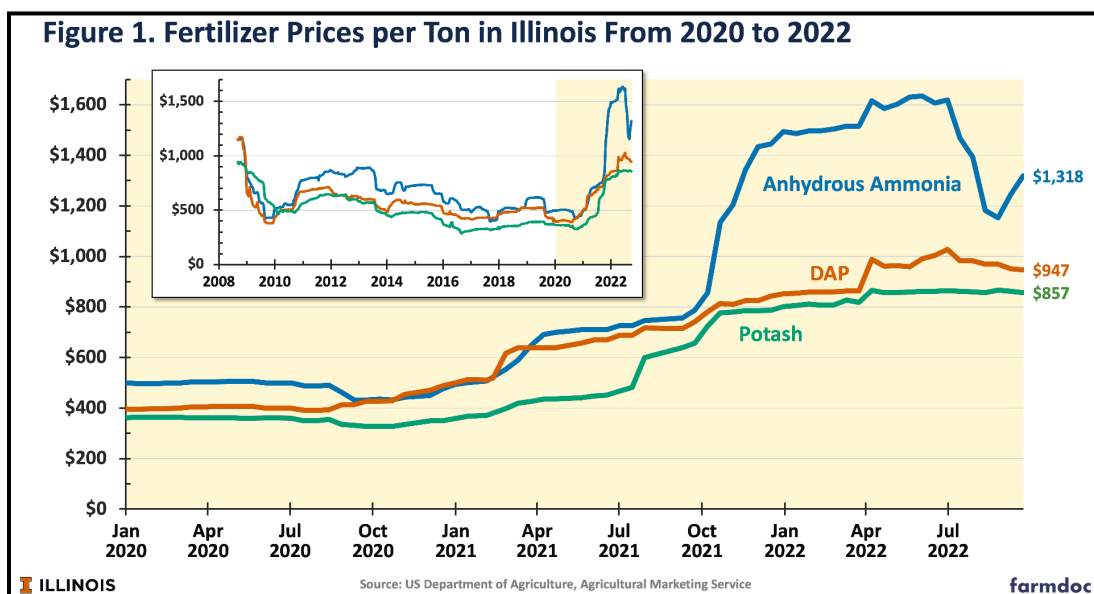
Below is a summary of the return on investment including both net farm income and changes in market value of the land for the past ten years:

Year	Market Value	Land Appreciation		Net Farm Profit		Total Return
		Amount	Percent	Amount	Percent	
2012	\$1,125,000	--	--	--	--	--
2013	1,305,000	\$180,000	16.0%	\$45,763	3.5%	19.5%
2014	1,430,280	125,280	9.6%	40,055	2.8%	12.4%
2015	1,434,713	4,433	0.3%	33,537	2.3%	2.6%
2016	1,357,239	-77,474	-5.4%	29,883	2.2%	-3.2%
2017	1,383,026	25,787	1.9%	29,896	2.2%	4.1%
2018	1,356,748	-26,278	-1.9%	40,910	3.0%	1.1%
2019	1,405,590	48,842	3.6%	41,766	3.0%	6.6%
2020	1,432,500	26,910	1.9%	22,893	1.6%	3.5%
2021	1,914,100	481,600	33.6%	90,607	4.7%	38.4%
2022	2,214,800	300,700	15.7%	91,465	4.1%	19.8%
10-Year Average			7.5%	\$46,678	2.9%	10.5%

2023 OUTLOOK

Despite a record increase in production costs in 2022, U.S. farmers are projected to churn out the highest inflation-adjusted net farm income since 1973. Direct government payments have declined significantly compared to the past two years, meaning that improved commodity prices are largely responsible for the increase in net income. With input costs on the rise again heading into 2023, farmers will be facing increasing headwinds in a volatile environment for commodity marketing.

Rising fertilizer prices are again a top headline. Prices of the three major products have not relinquished from the extreme levels seen in late 2021, far above the prices many locked in for producing 2022 crops. Natural gas prices, supply disruptions, and robust demand have contributed to the increases. The following charts show price history for anhydrous ammonia (nitrogen), DAP (phosphorus), and potash (potassium).



Fertilizer will not be the only expense increase for crop production in 2023. Most chemical and seed expenses are higher. Operating costs such as diesel fuel and machinery have also risen significantly, and escalating interest rates have increased the cost of borrowing working capital. While the past several years have been very profitable in production agriculture, rising costs will begin to erode profit margins.

Moving forward, it will be critical for producers to capitalize on favorable pricing opportunities and be cognizant of their breakeven production costs and debt levels should the current run in the commodity price cycle be near a turning point.

Other critical items for agriculture in 2023 include: the status of the conflict in Ukraine, attempts to create and pass a new Farm Bill, ongoing drought conditions in the U.S. and South America, demand implications from China's revamped COVID policies, and the general health of the U.S. and world economies.

2023 CROP PLANS

The farm will continue in a corn and soybean rotation for 2023 on a custom operation with Kevin Jones. Therefore, our preliminary crop plan includes planting 72.5 acres of soybeans and 66.5 acres of corn in 2023. Crop inputs including seed, chemicals, and nitrogen fertilizer have been purchased in advance to take advantage of the favorable winter discounts.

2023 BUDGET

A budget summary for 2023 is illustrated below:

Beginning Balance - 1/1/23 (Rounded)	\$46,585
Estimated 2023 Income	\$184,720
Estimated 2023 Expenses	<u>105,720</u>
Projected Net Farm Income	79,000
Funds Available for Transfer	<u>80,000</u>
Ending Account Balance - 12/31/23	45,585

Our budgeted distributions are as follows: \$50,000 will be sent in February and \$30,000 will be sent in June as grain income is received. A total of \$2,000 is included in the budget for repair expense during the year. A complete Income and Expense Budget and Cash Flow Budget are included at the end of this report.

This report respectfully submitted,

HERTZ FARM MANAGEMENT, Inc.



Craig J. Welter, Accredited Farm Manager



0-999 Smith Farm LLC
1-1-23 TO 12-31-23

**Income &
Expense Budget**

INCOME	JAN-MAR	APR-JUN	JUL-SEPT	OCT-DEC	TOTAL
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Corn:

2022 Crop	81,000	14,260			95,260
2023 Crop 25% received @ \$5.50/bu				28,000	28,000

Soybeans:

2022 Crop		38,460			38,460
2023 Crop 35% received @ \$13.00/bu				23,000	23,000

Other					0
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TOTAL INCOME	\$81,000	\$52,720	\$0	\$51,000	\$184,720
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EXPENSE	JAN-MAR	APR-JUN	JUL-SEPT	OCT-DEC	TOTAL
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Corn:

Seed				9,500	9,500
Fertilizer	1,360		7,500	7,500	16,360
Checkoff/Discount					0
Drying	250	250			500
Custom	9,000	1,100	900		11,000
Trucking	1,200	750			1,950
Herbicide	3,950	500			4,450
Fungicide	1,500				1,500
Insecticide	240				240

Soybeans:

Seed				6,000	6,000
Fertilizer	1,050			6,500	7,550
Checkoff/Discount					0
Custom	7,900	1,800			9,700
Trucking	600				600
Herbicide	5,430	500			5,930
Fungicide	975				975
Insecticide	240				240

Lime				2,000	2,000
Accounting		1,300			1,300
Travel		400		400	800
Repairs				2,000	2,000
Management Fees	4,860	3,163		3,060	11,083
Property Taxes	3,122		3,320		6,442

Insurance:

Crop			4,500		4,500
Building and Liability				1,100	1,100

TOTAL EXPENSE	\$41,677	\$9,763	\$16,220	\$38,060	\$105,720
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Capital Improvements					0
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NET OPERATING INCOME:	\$79,000
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0-999 Smith Farm LLC
1-1-23 TO 12-31-23

**Cash Flow
Budget**

	JAN-MAR	APR-JUN	JUL-SEP	OCT-DEC	TOTAL
BEGINNING BALANCE	\$46,585	\$35,908	\$48,865	\$32,645	\$46,585
Income	81,000	52,720		51,000	184,720
Owner Advance					0
TOTAL INFLOW	\$81,000	\$52,720	\$0	\$51,000	\$184,720
	JAN-MAR	APR-JUN	JUL-SEP	OCT-DEC	TOTAL
Expense	41,677	9,763	16,220	38,060	105,720
Capital Improvements					0
Owner Distribution	50,000	30,000			80,000
TOTAL OUTFLOW	\$91,677	\$39,763	\$16,220	\$38,060	\$185,720
ENDING BALANCE	\$35,908	\$48,865	\$32,645	\$45,585	\$45,585



Operator- Kevin Jones
Cell Phone: 641-555-5555

Manager- Craig Welter
Cell Phone: 319-123-4567

Acreage Summary

Corn	72.5
Soybeans	66.5
Non-Tillable	8.8
Bin Site	0.3
Roads	<u>1.9</u>
Total Acres	150.0

Legal Description: Sec 17/18 - T81N - R 18 W, Mariposa Twp, Jasper County

Acreage Summary

Corn	72.5
Soybeans	66.5
Non-Tillable	8.8
Bin Site	0.3
Roads	1.9
Total Acres	150.0

FSA Data

FSA Farm #	1315
Farmland Acres	150
Cropland Acres	143.3
Corn Base Acres	69.8
Corn PLC Yield	200
Soybean Base Acres	70.2
Soybean PLC Yield	54

Corn 72.5 Acres

Tillage: Field Cultivate east half, No-Till west half

Seed:	Product	Amount	Unit	Population	Vendor
	PioneerP1185AM	33	bags	36,000 plants/ac, 30" rows	Runner Seed
Chemicals:	Product	Rate/Acre	Unit	Application	Vendor
Herbicides	Surestart II	2.25	pt	Pre-emerge	Heartland Co-op
	Atrazine	1.0	qt	Pre-emerge	Heartland Co-op
	Roundup Powermax	36.0	oz	Post-emerge	Heartland Co-op
	Resicore	1.4	qt	Post-emerge	Heartland Co-op
	Atrazine	0.5	qt	Post-emerge	Heartland Co-op
	Accuquest	8.8	oz	Post-emerge	Heartland Co-op
Fungicide	Veltyma	7.0	oz	Tassel	Heartland Co-op
	Cide Winder	4.0	oz	Tassel	Heartland Co-op
Fertilizer:	Analysis	Rate/Acre	Unit	Application	Vendor
Dry:	21-70-67-28	N-P-K-S	lbs	VRT - Fall2021	Heartland Co-op
Nitrogen:	NH3	190.0	lbs	Fall 2021 w/ N-Serve	Heartland Co-op
	28% N	15.0	lbs	w/ Pre-emerge	Heartland Co-op
	ATS	2-0-0-4	lbs	w/ Pre-emerge	Heartland Co-op
	Coron Metra	1.5	gal	w/ Post-emerge	Heartland Co-op
	Coron Metra	1.0	gal	w/ Fungicide	Heartland Co-op

Soybeans 66.5 Acres

Tillage: Vertical Till

Seed:	Product	Amount	Unit	Population	Vendor
	PioneerP28A51X	80	bags	160,000 plants/ac, 15" rows	Runner Seed
Chemicals:	Product	Rate/Acre	Unit	Application	Vendor
Herbicides	Sonic	0.25	lb	Pre-emerge	Heartland Co-op
	Prowl H20	2.1	pt	Pre-emerge	Heartland Co-op
	Roundup Powermax	19.6	oz	Post-emerge	Heartland Co-op
	Engenia	13.4	oz	Post-emerge	Heartland Co-op
	Outlook	12.5	oz	Post-emerge	Heartland Co-op
	Tapout	8.4	oz	Post-emerge	Heartland Co-op
	Zaar	1.0	pt	Post-emerge	Heartland Co-op
	Point Blank	0.4	oz	Post-emerge	Heartland Co-op
Fungicide	Priaxor	4.3	oz	R3 Stage	Heartland Co-op
	Omni Propinconazole	4.3	oz	R3 Stage	Heartland Co-op
	Cide Winder	4.3	oz	R3 Stage	Heartland Co-op
Insecticide	Tempest	4.1	oz	R3 Stage	Heartland Co-op
Fertilizer:	Analysis	Rate/Acre	Unit	Application	Vendor
Dry:	17-55-111-14	N-P-K-S	lbs	VRT - Fall2021	Heartland Co-op
Foliar:	Orbix 8-5-3	1.0	qt	w/ Post-emerge	Heartland Co-op
	K Leaf Versa VRA	0.5	lbs	w/ Post-emerge	Heartland Co-op

**APPLICATION TO
HERTZ FARM MANAGEMENT, INC.
FOR
COMPLETE FARM MANAGEMENT SERVICE**

Date: _____

Hertz Farm Management, Inc.
415 South 11th Street
Nevada, IA 50201

Greetings:

This will authorize you to assume management of my farm legally described as:

Your farm management is to cover all phases of the operation of this farm including:

1. Farm plans, field arrangement, crop rotations, soil treatment, drainage maintenance and additions, erosion control, and rehabilitation and maintenance of improvements.
2. You are to organize the personnel, employ labor or contract with tenants, depending upon the type of operation, and you have authority to hire and discharge all farm employees and/or tenants.
3. You are to supervise the institution and carrying out of the plan of operation, supervising the work of the tenants or operators, and advising them regularly in regard to cultural and other practices adapted to the farm.
4. This is your authority to enter into lease and labor agreements and make renewals or extensions of same, to collect rentals, sell crops and other farm products, make purchases and settlements, and carry out any agreements made in behalf of the farm.
5. Farm income collected by you will be deposited in an individual farm account in a bank selected by you, and of which I approve, and held for the account of these properties. From such deposits you are authorized to make payments in behalf of the properties, including such items as taxes, repairs, crop expenses, insurance and management fees. You are to transfer funds to me that will not be needed for current or anticipated expenses when they are available or at my request.
6. Written reports will be furnished by you frequently enough to fully advise of the progress of the work on the farm.
7. When you consider it advisable to enter into contracts with the United States Department of Agriculture for crop control and sealing crops raised, and when required, I agree to give you a power of attorney authorizing the signing of these contracts.
8. I request you to look after the taxes and insurance and pay for same from the farm account.

9. Your management responsibility shall begin on _____, and shall continue until either of us desires that it shall end, and then said termination may be effected by a ninety-day written notice by either of us to the other. In the event of termination for any reason, you shall be entitled to your proper fee with inventories at current value for crops unsold and cash rents earned. In the event your services are terminated in less than one year, I agree to pay your fees for the first year of management.

10. For the service, compensation shall be based on a percentage of owner's gross income depending upon the method of farm operation:

<u>Farming Operation</u>	<u>Fee</u>
Custom Operation	%
Crop-Share Lease	%
Cash Rent Lease	%
Modified Crop-Share Lease	%

The minimum yearly fee shall be \$1,500.

Your fees will begin with rentals earned after _____.

11. Owner is not aware of any existing environmental or hazardous waste problems associated with this farm. Hertz Farm Management will not be held accountable for any environmental and/or hazardous waste problems that may have existed prior to this management contract.

12. This contract shall be binding upon heirs, devisees, assignees, grantees, and personal representatives of the Owner, and upon the successors of the Manager.

13. Hertz Farm Management is not responsible for filing Federal or State income tax returns.

14. This agreement does not attempt to outline all of the details of the services you are to render, or my obligations, but is merely to form a basis of understanding, setting forth primarily the period, broad duties, compensations and means of termination of work.

This letter shall constitute an agreement between us when signed by me and accepted by you.

Agreed and Accepted:

HERTZ FARM MANAGEMENT, INC.

By: _____

Date _____

Very truly yours,

Name

Address

Social Security Number

Name

Address

Social Security Number

BANK AUTHORIZATION

DATE: _____

NAME AND ADDRESS OF BANK

We (I), the undersigned, give our (my) consent and approval for Hertz Farm Management, Inc. to be authorized to establish appropriate accounts with your organization for the purpose of depositing income and paying expenses incurred with the management of our (my) farm. We acknowledge that our access to the account is limited to the verification and viewing of balances online where available and that Hertz Farm Management solely controls the funds in this account pursuant to the terms of our management agreement.

DATED THIS _____ DAY OF _____, 20____.

Name

Social Security No.

Address

Birth Date

Name

Social Security No.

Address

Birth Date

REAL ESTATE TAX AUTHORIZATION

Date _____

_____ County Auditor/Treasurer

We, (I), the undersigned, give our (my) consent and approval for Hertz Farm Management, Inc. to be authorized to pay the appropriate real estate taxes and receive any other real estate correspondence concerning our (my) property from your county. Hertz Farm Management, Inc. is paying expenses incurred with the management of our (my) farm which they are managing for us (me).

Please change the mail-to address to:
Hertz Farm Management, Inc.
PO Box 500
Nevada, IA 50201-0500

Owner -

Owner -

Date _____