

Reported to the Board of Trustees
July 25, 2013

UNIVERSITY OF ILLINOIS
URBANA-CHAMPAIGN • CHICAGO • SPRINGFIELD

Endowment Farms

Report for Year Ended December 31, 2012



**Pictured: Hunter Scholarship Farm
Macoupin County
July 2012**

UNIVERSITY OF ILLINOIS

Urbana-Champaign • Chicago • Springfield

Office of the Vice President, Chief Financial Officer
and Comptroller
349 Henry Administration Building
506 South Wright Street
Urbana, Illinois 61801

July 1, 2013

Board of Trustees
University of Illinois

The 2012 University of Illinois Endowment Farms report is attached for your information. The report contains background information on the farms, including a map and an overview of the weather, yields, prices and land values. Specific summary reports for each farm follow the background information. Summary information that is provided on each farm includes acreage, year of endowment, value estimate, income and return. These reports are prepared on an accrual basis in accordance with generally accepted accounting principles.

The University of Illinois Endowment Farms are gifts of farmlands and buildings provided by donors to support the University of Illinois. Each endowed farm is managed in accordance with the donor's goals, objectives and interests. Earnings generated by the endowment farms support University research and student fellowships, scholarships and loans. In addition, other activities supported by the endowment farms include the promotion of 4-H activities and the operation of the University's Allerton Park, House and Retreat Center. In 2012, the total level of support for these programs provided by the University's Endowment Farms totaled \$ 2,941,708.28.

The University's management of endowed farmland began in 1923, when the Carter-Pennell farm was received. Management was assigned to the College of Agriculture, Department of Agricultural Economics. Currently, management is in The Office of Treasury Operations and conducted by Agricultural Property Services.

The University's top priority governing the management of endowed agricultural land is the achievement of donors' goals and objectives through good stewardship. Good stewardship is accomplished by focusing on achieving optimal net income while pursuing improvement of the farm through management of soil conservation, drainage and fertility. Endowment farms are also managed to achieve other benefits of the gifts, such as, gaining positive local public relations, building relationships with Illinois farm operators and furthering the education, outreach and research mission of the University. We continually examine ways in which to optimize all elements encompassed within these priorities.

Sincerely,

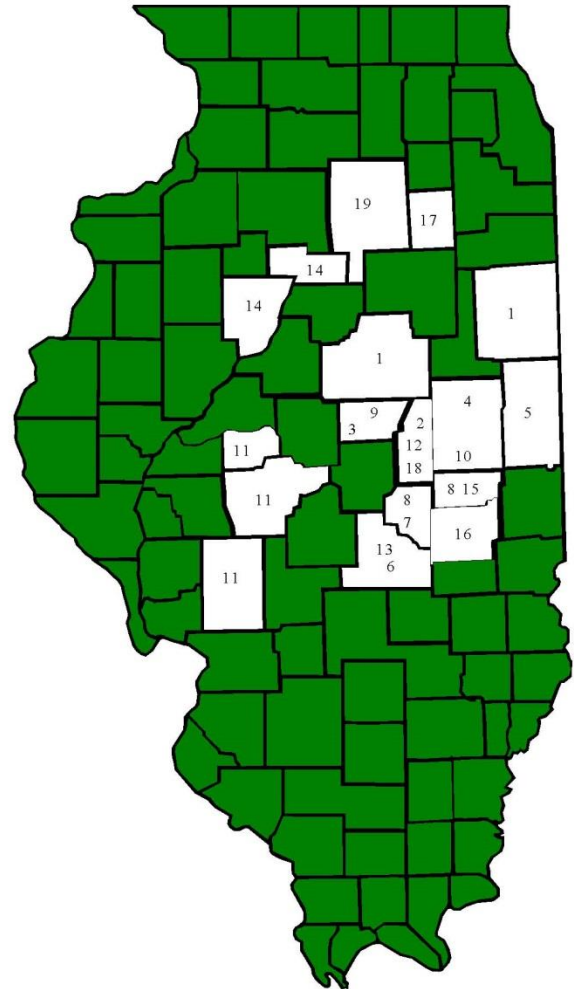


Walter K. Knorr
Vice President, Chief Financial Officer & Comptroller

Cc: President Easter
Secretary Kies

Location of Endowment Farms

1. Addington Farms—4 units—1,909 acres
McLean & Iroquois Counties
2. Allerton Farms—4 units—3,844 acres
Piatt County
3. Campbell Farm—80 acres
DeWitt County
4. Carman Farm—72 acres
Champaign County
5. Carter-Pennell Farm—346 acres
Vermilion County
6. Curl Farm—2 units—150 acres
Shelby County
7. DeHart Farm—120 acres
Moultrie County
8. Hackett Farm—416 acres
Douglas & Moultrie Counties
9. Hubbell Farm—160 acres
DeWitt County
10. Hunter Agricultural Experiment Farm
280 acres
Champaign County
11. Hunter Agricultural Scholarship Farms
4 units—1,256 acres
Menard, Macoupin, & Sangamon Counties
12. Reeves Farm—186 acres
Piatt County
13. Schreiber Farm—115 acres
Shelby County
14. Spillman Farms—2 units—477 acres
Peoria & Marshall Counties
15. Thompson Farm—119 acres
Douglas County
16. Voight-Freeman Farm—218 acres
Coles County
17. Waffle Farm—120 acres
Grundy County
18. Warren Farm—120 acres
Piatt County
19. Weber Farms—2 units—800 acres
LaSalle County



July 1, 2013
Board of Trustees
University of Illinois

University of Illinois 2012 Report of Endowment Farms

The table below summarizes pertinent information on the Endowment Farms.

Name of Endowment	Donor(s)	Total Acres	Year of Gift	Purpose of Gifts (How Income is Used)
Addington	Francoise A. Addington	1,909	1991	Agricultural Research Grants
Allerton	Robert H. Allerton	3,844	1946	Maintenance of Conference Center & Allerton Park
Campbell	Grace V. Campbell	80	1976	Scholarships for Illinois farm men & women
Carman	Cecelia B. Carman	72	1993	Scholarships – College of Agricultural, Consumer & Environmental Sciences
Carter-Pennell	Joseph Carter & Jane Pennell-Carter	346	1929	Student Loan Fund
Curl	Grace Curl	40 110	1999 2011	Agricultural Research and/or Scholarships
DeHart	Carl A. DeHart	120	1975	Scholarships to students
Hackett	Jessie E. Hackett	416	1950	Graduate scholarships & fellowships
Hubbell	Alta E. Teter	160	1972	General educational purposes
Hunter	Ralph O. & Mabel F. Hunter	1,256	1975	Scholarships – College of Agricultural, Consumer & Environmental Sciences
Hunter #6	Ralph O. & Mabel F. Hunter	280	1975	Agricultural Research
Reeves	Elizabeth Jeane Reeves	186	1999	University of Illinois Medical School (Urbana Campus)
Schreiber	Edith R. Schreiber	115	1984	Student Loan Fund
Spillman	Robert E. Spillman	477	2003	Agricultural Education and Scholarships
Thompson	Everett B. Thompson	119	2007	Large Animal Veterinary Research and Equipment
Voigt-Freeman	Nellie Voigt-Freeman	218	1996	Agricultural Research
Waffle	Dorothy Foersterling Waffle	120	1994	Student Scholarships – College of Agricultural, Consumer & Environmental Sciences
Warren	Elizabeth H. Warren	40 80	1955 1996	Promotion of 4-H activities & for youth of Illinois
Weber	Laura M. Weber	800	1955	Benefit or use of College of Agricultural, Consumer & Environmental Sciences

TOTAL ACRES 10,788

Overall Growing Season in Illinois

In 2012, much of the corn crop was planted earlier than usual due to unprecedented warm weather conditions. Five percent of the corn crop was planted by March 25. A severe drought gripped most of the Corn Belt and lowered the crop yields. Early planting and the excessive drought contributed to the crop maturing at a rapid rate and promoted an early harvest.

Commodity Prices

The 2012 corn and soybean prices were higher than 2011 prices. Corn and soybean prices were at historically high levels through the summer of 2012. The drought of 2012 and the concern of crop size supported the high prices.

Corn

- During the 2012 crop year, corn prices ranged from \$6.80 to \$8.00 per bushel. In 2011, the price for corn averaged \$6.15 per bushel.
- The 2012 U.S. corn crop totaled 10.8 billion bushels which was approximately thirteen percent below 2011 yields. However, the planted acres in 2012 were 97.2 million while acres planted in 2011 were 91.9 million. The 2012 nation-wide average yield was 123.4 bushels per acre.

Soybeans

- During the 2012 crop year, soybean prices ranged from \$13.50 to \$15.00 per bushel. In 2011, the price averaged \$12.30 per bushel.
- The 2012 U.S. soybean crop totaled 3.01 billion bushels which was less than 2011. 2012 planted acres were 77.2 million, which were up from the 75 million acres planted in 2011. Although there were higher planted acres, yields were lower in 2012. The 2012 U.S. soybean yield was 5.8 percent lower than the 2011 yield. The national average yield was 39.6 bushels per acre.

Crop Yields in Illinois

Corn

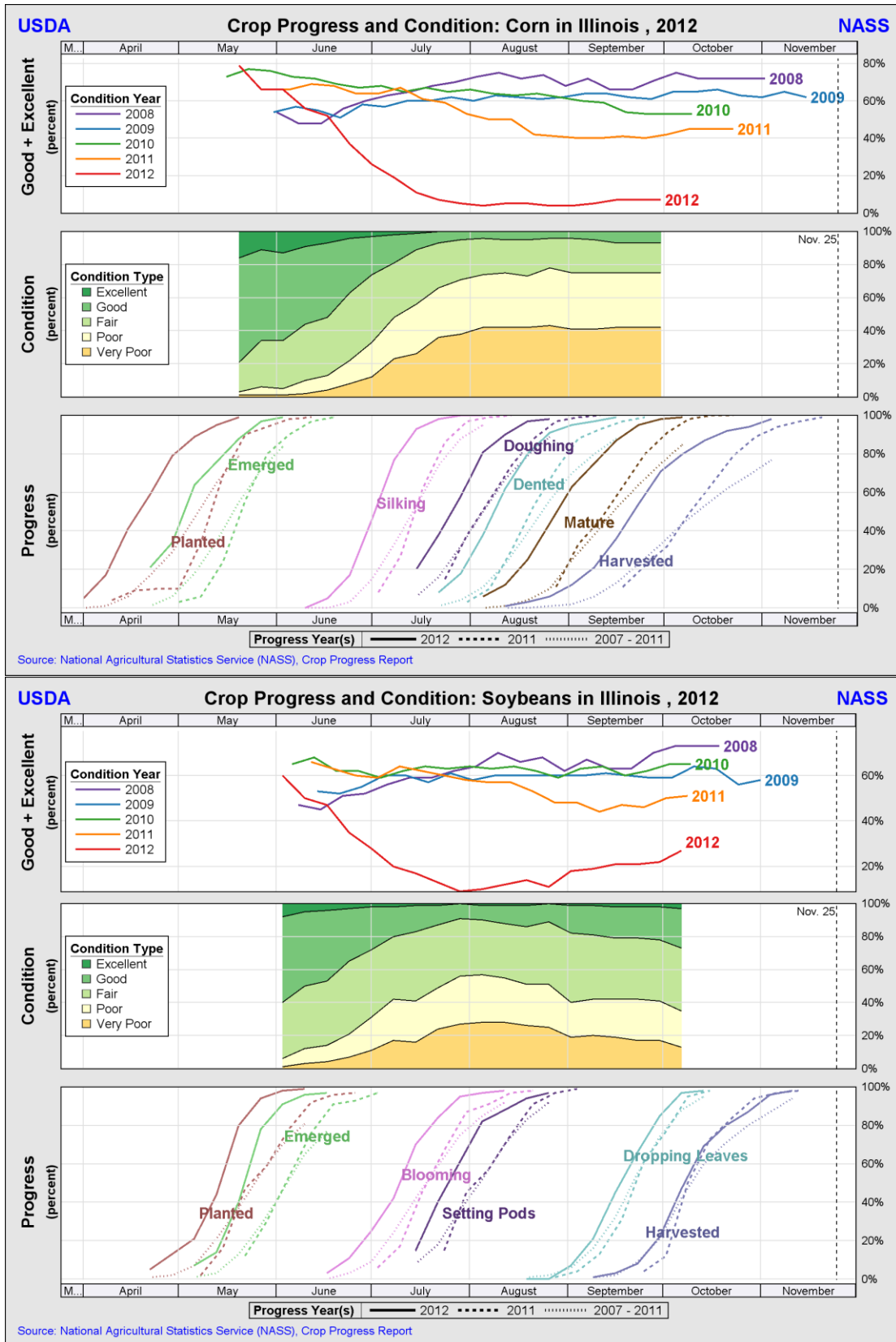
- Planted acreage was 12.8 million planted acres, up slightly from 2011.
- The corn crop totaled 1.286 billion bushels, approximately one-third less than the 2011 crop.
- The average Illinois yield was 105.0, significantly less than the national average.

Soybeans

- In 2012, 9.05 million acres were planted in Illinois, 100,000 acres more than 2011.
- Production for 2012 reached 383.5 million bushels, a 15 percent decrease from 2011.
- The 2012 Illinois soybean crop averaged 43.0 bushels per acre, which was more than the national average.

A summary of the 2012 Illinois crop progress and condition can be found in Figure 1. The top panel shows the condition of the corn crop over the 2012 growing season. It is notable that both the corn and soybean crops deteriorated in condition throughout the growing season due to the historic drought of 2012. The condition of the crops finished with the lowest amount in the “good to excellent” rating within the last five years. Poor growing conditions were confirmed with the lower U.S. yields for both corn and soybeans in 2012. Rain that fell in September allowed for much of the soybean pods to fill and salvage the crop. These rains were too late to help the corn crop.

Figure 1. USDA Illinois Crop Summary



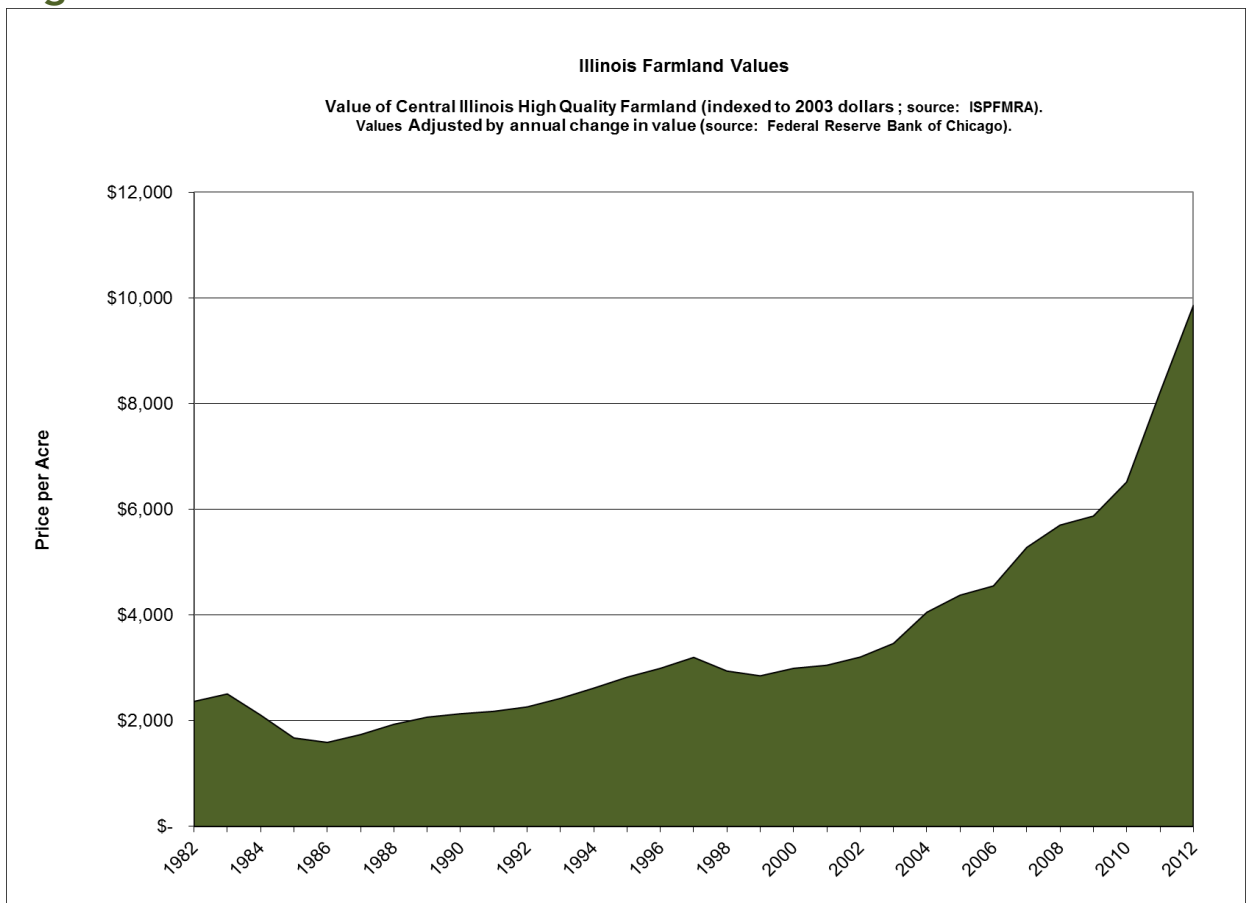
2012 Farmland Values in Illinois

During 2012, the value of “good” agricultural land in Illinois increased by 18 percent according to the Federal Reserve Bank of Chicago’s survey of agricultural bankers in the Seventh District. The survey also indicated differing rates of change across areas of the State. Farmland in northwestern Illinois was estimated to have increased by 10 percent, while east central farmland was estimated to have increased by 20 percent. According to the Ag Letter, “after adjusting for inflation, the District’s 2012 annual increase in agricultural land values was the third largest in 35 years.” It goes on to state that, “Perhaps the most surprising aspect of 2012’s strong gain in farmland values was that it occurred in the midst of the worst drought in the Midwest since 1988.”

The Illinois Society of Professional Farm Managers and Rural Appraisers (ISPFMRA) reported similar increases. The 2012 ISPFMRA annual survey found that high quality farmland in Northern and Central Illinois experienced an increase between 10 and 30 percent in value during 2012. The ISPFMRA reported that farmers made up the majority (72 percent) of buyers of Illinois farmland in 2012. Local investors made up 6 percent of the buyers and the remaining 22 percent were non-local investors, institutions and others.

An historical index of farmland values using the ISPFMRA and Federal Reserve figures is shown in Figure 2.

Figure 2. Index of Illinois Farmland Values



Endowment Farm Returns

There are 31 University of Illinois Endowment Farm Units located in 17 Illinois counties consisting of 10,788 acres. The primary crops produced are corn and soybeans. Additional commodities such as wheat and cattle are produced on some farms. Contract crops such as seed corn, high oil corn, white corn, seed soybeans and specialty soybeans are also produced. The total return for the year ending December 31, 2012 was 20.1 percent. The cash return (or “net income”) component was 3.2 percent and the appreciation was estimated as 16.9 percent.

The Endowment Farms estimated appreciation, based on the independent appraiser, was within 1 percentage point of the Federal Reserve Bank of Chicago estimated changes. The Federal Reserve Bank of Chicago reported farmland value average appreciation at an equal percentage to what is shown for the University Farms. This is shown in the Federal Reserve Bank of Chicago’s August 2012 Agricultural Newsletter.

Explanation for 2012 Asset Values

In 2008, the University of Illinois Endowment Farms were appraised by an independent agency in order to ensure compliance with GASB (Governmental Accounting Standards Board). Statement No. 52 of GASB “requires endowments to report their land and other real estate investments at fair value”. The appraisals of the University Endowment Farms were prepared with an initial effective date of July 1, 2008. An update of appraised value is conducted annually by the same independent agency that provided the initial appraisals. The ending asset value shown for each farm represents the July 1, 2012 estimate of market value. The specific farm valuations are shown in the Summary Reports of Individual Endowment Farms.

As with most real estate assets, financial performance is estimated with appraisal-based returns. Professional appraisal methods are used for beginning and ending values of the farms. Appraisal-based financial returns are often described as having some inertia relative to actual market changes. This may result in appraisals lagging behind actual markets. On occasion, annual appraisal-based returns may actually reflect multi-year changes or local land market conditions.

Disposition of Endowment Farms

During the 2012 review of Endowment Farm Properties, the decision to sell a small percentage of farmland through public auction was made. This was done in the context of fiduciary responsibility and as directed by the Board of Trustees’ 2006 policy. The decision was influenced by many factors, including the asset allocation of the University’s investments, donor intentions and restrictions, and the long-term return on agricultural assets.

The proceeds from the sale of farm properties will be reinvested in the Endowment Pool. Earnings will continue to support the programs as specified by each donor. Selling the farmland does not diminish the University’s high regard of farmland as an investment. The University remains committed to owning and retaining farmland.

The Reeves, Schreiber, and Thompson Endowment Farms were sold. The sales transactions occurred in early 2013. The final settlement will be reflected in the 2013 Endowment Farm Report.

**Summary Reports on
Individual
Endowment Farms**

Addington

County	McLean & Iroquois
Year of Gift	1991
Tillable Acres	1,815.1
Non-Tillable Acres	93.9
Soil Productivity Index	133.8
Terms of Lease	
Farm 1	Crop Share
Farm 3	Cash Rent
Farm 5	Cash Rent
Farm 7	Cash Rent
Residential Buildings	Yes (2)
Outbuildings	Yes
Payment in lieu of Property Tax	\$39,551
Original Value	\$3,604,472
Purpose of Endowment	Agricultural Research Grants

CY 2012 REVENUE AND EXPENSE

Revenue	\$727,940
Expense	<u>\$209,614</u>
Net Income	<u>\$518,326</u>
Net Income per Tillable Acre	\$286

CY 2012 FINANCIAL RETURN

Estimated Asset Value at 7/1/11	\$16,187,657	
Estimated Asset Value at 7/1/12	<u>\$19,159,361</u>	
Change in Asset Value in 2012 <i>(% Equals Change in Asset Value / Estimated Asset Value at 7/1/11)</i>	\$2,971,704	18.4%
*Net Income <i>(% Equals Net Income / Estimated Asset Value at 7/1/11)</i>	<u>\$518,326</u>	3.2%
**Total Return	<u>\$3,490,030</u>	21.6%

HISTORICAL COMPARISON DATA

*Five-Year Average Net Income per Tillable Acre	\$261	
**Ten-Year Average Total Return		16.8%
**Twenty-Year Average Total Return		11.8%

DISPOSITION OF CY 2012 NET INCOME

Net Income	\$518,326
(Net Income Pledged to Reserve) or Excess Reserve Funds Available for Distribution	<u>(\$19,600)</u>
Distribution for Endowment Purpose	<u>\$498,726</u>

Allerton

County	Piatt
Year of Gift	1946
Tillable Acres	3,379.5
Non-Tillable Acres	252.5
Soil Productivity Index	151.3
Terms of Lease	
Farm 1	Cash Rent
Farm 3	Cash Rent
Farm 4	Cash Rent
Farm 7	Cash Rent
Residential Buildings	Yes (3)
Outbuildings	Yes
Payment in lieu of Property Tax	\$98,540
Original Value	\$609,621
Purpose of Endowment	Maintenance of Conference Center and Allerton Park

CY 2012 REVENUE AND EXPENSE	
Revenue	\$1,295,891
Expense	<u>\$215,569</u>
Net Income	<u>\$1,080,322</u>
Net Income per Tillable Acre	\$320

CY 2012 FINANCIAL RETURN		
Estimated Asset Value at 7/1/11	\$30,929,712	
Estimated Asset Value at 7/1/12	<u>\$36,679,133</u>	
Change in Asset Value in 2012 <i>(% Equals Change in Asset Value / Estimated Asset Value at 7/1/11)</i>	\$5,749,421	18.6%
*Net Income <i>(% Equals Net Income / Estimated Asset Value at 7/1/11)</i>	<u>\$1,080,322</u>	3.5%
**Total Return	<u>\$6,829,743</u>	22.1%

HISTORICAL COMPARISON DATA		
*Five-Year Average Net Income per Tillable Acre	\$278	
**Ten-Year Average Total Return		17.3%
**Twenty-Year Average Total Return		12.3%

DISPOSITION OF CY 2012 NET INCOME	
Net Income	\$1,080,322
(Net Income Pledged to Reserve) or Excess Reserve Funds Available for Distribution	<u>\$13,501</u>
Distribution for Endowment Purpose	<u>\$1,093,823</u>

Campbell

County	DeWitt
Year of Gift	1976
Tillable Acres	85.2
Non-Tillable Acres	0.8
Soil Productivity Index	147.0
Terms of Lease	Cash Rent
Residential Buildings	No
Outbuildings	No
Payment in lieu of Property Tax	\$1,595
Original Value	\$220,000
Purpose of Endowment	Scholarships for IL Farm Men and Women

CY 2012 REVENUE AND EXPENSE	
Revenue	\$43,281
Expense	<u>\$5,237</u>
Net Income	<u><u>\$38,044</u></u>
Net Income per Tillable Acre	\$447

CY 2012 FINANCIAL RETURN		
Estimated Asset Value at 7/1/11	\$786,207	
Estimated Asset Value at 7/1/12	<u>\$919,862</u>	
Change in Asset Value in 2012 <i>(% Equals Change in Asset Value / Estimated Asset Value at 7/1/11)</i>	\$133,655	17.0%
*Net Income <i>(% Equals Net Income / Estimated Asset Value at 7/1/11)</i>	<u>\$38,044</u>	4.8%
**Total Return	<u><u>\$171,699</u></u>	21.8%

HISTORICAL COMPARISON DATA		
*Five-Year Average Net Income per Tillable Acre	\$329	
**Ten-Year Average Total Return		18.2%
**Twenty-Year Average Total Return		13.1%

DISPOSITION OF CY 2012 NET INCOME	
Net Income	\$38,044
(Net Income Pledged to Reserve) or Excess Reserve Funds Available for Distribution	<u>(\$500)</u>
Distribution for Endowment Purpose	<u><u>\$37,544</u></u>

Carman

County	Champaign
Year of Gift	1993
Tillable Acres	71.2
Non-Tillable Acres	0.8
Soil Productivity Index	128.0
Terms of Lease	Cash Rent
Residential Buildings	No
Outbuildings	No
Payment in lieu of Property Tax	\$907
Original Value	\$126,900
Purpose of Endowment	Scholarships - College of ACES

CY 2012 REVENUE AND EXPENSE	
Revenue	\$14,999
Expense	<u>\$2,714</u>
Net Income	<u>\$12,285</u>
Net Income per Tillable Acre	\$173

CY 2012 FINANCIAL RETURN		
Estimated Asset Value at 7/1/11	\$820,690	
Estimated Asset Value at 7/1/12	<u>\$960,207</u>	
Change in Asset Value in 2012 <i>(% Equals Change in Asset Value / Estimated Asset Value at 7/1/11)</i>	\$139,517	17.0%
*Net Income <i>(% Equals Net Income / Estimated Asset Value at 7/1/11)</i>	<u>\$12,285</u>	1.5%
**Total Return	<u>\$151,802</u>	18.5%
HISTORICAL COMPARISON DATA		
*Five-Year Average Net Income per Tillable Acre	\$175	
**Ten-Year Average Total Return		16.8%
**Twenty-Year Average Total Return		11.8%

DISPOSITION OF CY 2012 NET INCOME	
Net Income	\$12,285
(Net Income Pledged to Reserve) or Excess Reserve Funds Available for Distribution	<u>(\$100)</u>
Distribution for Endowment Purpose	<u>\$12,185</u>

Carter-Pennell

County	Vermilion
Year of Gift	1923
Tillable Acres	319.3
Non-Tillable Acres	26.7
Soil Productivity Index	108.0
Terms of Lease	Cash Rent
Residential Buildings	No
Outbuildings	No
Payment in lieu of Property Tax	\$1,990
Original Value	\$50,974
Purpose of Endowment	Student Loan Fund

CY 2012 REVENUE AND EXPENSE	
Revenue	\$79,048
Expense	<u>\$9,358</u>
Net Income	<u>\$69,690</u>
Net Income per Tillable Acre	\$218

CY 2012 FINANCIAL RETURN		
Estimated Asset Value at 7/1/11	\$1,470,559	
Estimated Asset Value at 7/1/12	<u>\$1,710,804</u>	
Change in Asset Value in 2012 <i>(% Equals Change in Asset Value / Estimated Asset Value at 7/1/11)</i>	\$240,245	16.3%
*Net Income <i>(% Equals Net Income / Estimated Asset Value at 7/1/11)</i>	<u>\$69,690</u>	4.7%
**Total Return	<u>\$309,935</u>	21.0%
HISTORICAL COMPARISON DATA		
*Five-Year Average Net Income per Tillable Acre	\$189	
**Ten-Year Average Total Return		16.6%
**Twenty-Year Average Total Return		13.5%

DISPOSITION OF CY 2012 NET INCOME	
Net Income	\$69,690
(Net Income Pledged to Reserve) or Excess Reserve Funds Available for Distribution	<u>\$994</u>
Distribution for Endowment Purpose	<u>\$70,684</u>

Curl

County	Shelby
Year of Gift	1999 (40 acres) / 2011 (110 acres)
Tillable Acres	133.1
Non-Tillable Acres	16.9
Soil Productivity Index	117.5
Terms of Lease	Cash Rent (40 acres) / Crop Share (110 acres)
Residential Buildings	No
Outbuildings	No
Payment in lieu of Property Tax	\$1,600
Original Value	\$799,230
Purpose of Endowment	Agricultural Research and Scholarships

CY 2012 REVENUE AND EXPENSE	
Revenue	\$33,354
Expense	<u>\$19,558</u>
Net Income	<u><u>\$13,796</u></u> *
Net Income per Tillable Acre	\$104

CY 2012 FINANCIAL RETURN	
Estimated Asset Value at 7/1/11	\$961,768
Estimated Asset Value at 7/1/12	<u>\$1,115,056</u>
Change in Asset Value in 2012 <i>(% Equals Change in Asset Value / Estimated Asset Value at 7/1/11)</i>	\$153,288 15.9%
*Net Income <i>(% Equals Net Income / Estimated Asset Value at 7/1/11)</i>	<u>\$13,796</u> 1.4%
**Total Return	<u><u>\$167,084</u></u> 17.3%

HISTORICAL COMPARISON DATA	
*Five-Year Average Net Income per Tillable Acre	\$197
**Ten-Year Average Total Return	15.7%
**Twenty-Year Average Total Return	-

DISPOSITION OF CY 2012 NET INCOME	
Net Income	\$13,796
(Net Income Pledged to Reserve) or Excess Reserve Funds Available for Distribution	<u><u>(\$7,000)</u></u>
Distribution for Endowment Purpose	<u><u>\$6,796</u></u>

*The 2012 Net Income shown does not reflect the 2012 Crop Insurance Settlement received in April, 2013.
The Settlement will be reflected in the 2013 report.

DeHart

County	Moultrie
Year of Gift	1975
Tillable Acres	116.2
Non-Tillable Acres	3.8
Soil Productivity Index	151.0
Terms of Lease	Cash Rent
Residential Buildings	No
Outbuildings	No
Payment in lieu of Property Tax	\$2,704
Original Value	\$234,000
Purpose of Endowment	Student Scholarships

CY 2012 REVENUE AND EXPENSE	
Revenue	\$56,357
Expense	<u>\$7,331</u>
Net Income	<u>\$49,026</u>
Net Income per Tillable Acre	\$422

CY 2012 FINANCIAL RETURN		
Estimated Asset Value at 7/1/11	\$1,298,276	
Estimated Asset Value at 7/1/12	<u>\$1,518,983</u>	
Change in Asset Value in 2012 <i>(% Equals Change in Asset Value / Estimated Asset Value at 7/1/11)</i>	\$220,707	17.0%
*Net Income <i>(% Equals Net Income / Estimated Asset Value at 7/1/11)</i>	<u>\$49,026</u>	3.8%
**Total Return	<u>\$269,733</u>	20.8%
HISTORICAL COMPARISON DATA		
*Five-Year Average Net Income per Tillable Acre	\$270	
**Ten-Year Average Total Return		17.3%
**Twenty-Year Average Total Return		12.5%

DISPOSITION OF CY 2012 NET INCOME	
Net Income	\$49,026
(Net Income Pledged to Reserve) or Excess Reserve Funds Available for Distribution	<u>\$1,900</u>
Distribution for Endowment Purpose	<u>\$50,926</u>

Hackett

County	Douglas & Moultrie
Year of Gift	1950
Tillable Acres	362.6
Non-Tillable Acres	51.4
Soil Productivity Index	148.0
Terms of Lease	Cash Rent
Residential Buildings	No
Outbuildings	No
Payment in lieu of Property Tax	\$7,680
Original Value	\$158,785
Purpose of Endowment	Graduate Scholarships and Fellowships

CY 2012 REVENUE AND EXPENSE		
Revenue	\$177,031	
Expense	<u>\$21,323</u>	
Net Income	<u><u>\$155,708</u></u>	
Net Income per Tillable Acre	\$429	
CY 2012 FINANCIAL RETURN		
Estimated Asset Value at 7/1/11	\$4,034,483	
Estimated Asset Value at 7/1/12	<u>\$4,720,345</u>	
Change in Asset Value in 2012 <i>(% Equals Change in Asset Value / Estimated Asset Value at 7/1/11)</i>	\$685,862	17.0%
*Net Income <i>(% Equals Net Income / Estimated Asset Value at 7/1/11)</i>	<u>\$155,708</u>	3.9%
**Total Return	<u><u>\$841,570</u></u>	20.9%
HISTORICAL COMPARISON DATA		
*Five-Year Average Net Income per Tillable Acre	\$266	
**Ten-Year Average Total Return		17.4%
**Twenty-Year Average Total Return		11.6%
DISPOSITION OF CY 2012 NET INCOME		
Net Income	\$155,708	
(Net Income Pledged to Reserve) or Excess Reserve Funds Available for Distribution	<u>\$504</u>	
Distribution for Endowment Purpose	<u><u>\$156,212</u></u>	

Hubbell

County	DeWitt
Year of Gift	1972
Tillable Acres	157.2
Non-Tillable Acres	2.8
Soil Productivity Index	147.0
Terms of Lease	Cash Rent
Residential Buildings	Yes (1)
Outbuildings	Yes
Payment in lieu of Property Tax	\$4,838
Original Value	\$129,600
Purpose of Endowment	General Educational Purposes

CY 2012 REVENUE AND EXPENSE	
Revenue	\$64,337
Expense	<u>\$11,263</u>
Net Income	<u>\$53,074</u>
Net Income per Tillable Acre	\$338

CY 2012 FINANCIAL RETURN		
Estimated Asset Value at 7/1/11	\$1,296,000	
Estimated Asset Value at 7/1/12	<u>\$1,872,000</u>	
Change in Asset Value in 2012 <i>(% Equals Change in Asset Value / Estimated Asset Value at 7/1/11)</i>	\$576,000	44.4%
*Net Income <i>(% Equals Net Income / Estimated Asset Value at 7/1/11)</i>	<u>\$53,074</u>	4.1%
**Total Return	<u>\$629,074</u>	48.5%

HISTORICAL COMPARISON DATA		
*Five-Year Average Net Income per Tillable Acre	\$284	
**Ten-Year Average Total Return		18.3%
**Twenty-Year Average Total Return		13.2%

DISPOSITION OF CY 2012 NET INCOME	
Net Income	\$53,074
(Net Income Pledged to Reserve) or Excess Reserve Funds Available for Distribution	<u>(\$1,900)</u>
Distribution for Endowment Purpose	<u>\$51,174</u>

Hunter - Research

County	Champaign
Year of Gift	1975
Tillable Acres	243.9
Non-Tillable Acres	36.1
Soil Productivity Index	148.3
Terms of Lease	Cash Rent
Residential Buildings	Yes (1)
Outbuildings	Yes
Payment in lieu of Property Tax	\$6,481
Original Value	\$655,746
Purpose of Endowment	Agricultural Research

CY 2012 REVENUE AND EXPENSE	
Revenue	\$115,934
Expense	<u>\$17,268</u>
Net Income	<u>\$98,666</u>
Net Income per Tillable Acre	\$405

CY 2012 FINANCIAL RETURN		
Estimated Asset Value at 7/1/11	\$2,793,103	
Estimated Asset Value at 7/1/12	<u>\$3,267,931</u>	
Change in Asset Value in 2012 <i>(% Equals Change in Asset Value / Estimated Asset Value at 7/1/11)</i>	\$474,828	17.0%
*Net Income <i>(% Equals Net Income / Estimated Asset Value at 7/1/11)</i>	<u>\$98,666</u>	3.5%
**Total Return	<u>\$573,494</u>	20.5%
HISTORICAL COMPARISON DATA		
*Five-Year Average Net Income per Tillable Acre	\$286	
**Ten-Year Average Total Return		17.2%
**Twenty-Year Average Total Return		11.9%

DISPOSITION OF CY 2012 NET INCOME	
Net Income	\$98,666
(Net Income Pledged to Reserve) or Excess Reserve Funds Available for Distribution	<u>\$0</u>
Distribution for Endowment Purpose	<u>\$98,666</u>

Hunter - Scholarship

County	Menard, Macoupin, & Sangamon
Year of Gift	1975
Tillable Acres	1,215.5
Non-Tillable Acres	40.6
Soil Productivity Index	155.0
Terms of Lease	
Farms 1 & 2	Cash Rent
Farm 3	Cash Rent
Farms 4 & 5	Crop Share
Residential Buildings	Yes (3)
Outbuildings	Yes
Payment in lieu of Property Tax	\$35,265
Original Value	\$2,352,519
Purpose of Endowment	Scholarships - College of ACES

CY 2012 REVENUE AND EXPENSE	
Revenue	\$537,868
Expense	<u>\$160,073</u>
Net Income	<u>\$377,795</u>
Net Income per Tillable Acre	\$311

CY 2012 FINANCIAL RETURN		
Estimated Asset Value at 7/1/11	\$13,037,265	
Estimated Asset Value at 7/1/12	<u>\$14,347,991</u>	
Change in Asset Value in 2012 <i>(% Equals Change in Asset Value / Estimated Asset Value at 7/1/11)</i>	\$1,310,726	10.1%
*Net Income <i>(% Equals Net Income / Estimated Asset Value at 7/1/11)</i>	<u>\$377,795</u>	2.9%
**Total Return	<u>\$1,688,521</u>	13.0%

HISTORICAL COMPARISON DATA		
*Five-Year Average Net Income per Tillable Acre	\$270	
**Ten-Year Average Total Return		17.2%
**Twenty-Year Average Total Return		12.6%

DISPOSITION OF CY 2012 NET INCOME	
Net Income	\$377,795
(Net Income Pledged to Reserve) or Excess Reserve Funds Available for Distribution	<u>(\$10,000)</u>
Distribution for Endowment Purpose	<u>\$367,795</u>

Reeves

County	Piatt
Year of Gift	1999
Tillable Acres	183.3
Non-Tillable Acres	2.7
Soil Productivity Index	152.0
Terms of Lease	Cash Rent
Residential Buildings	No
Outbuildings	No
Payment in lieu of Property Tax	\$4,285
Original Value	\$511,500
Purpose of Endowment	University of Illinois Medical School (Urbana Campus)

CY 2012 REVENUE AND EXPENSE	
Revenue	\$74,603
Expense	<u>\$26,366</u> *
Net Income	<u>\$48,237</u>
Net Income per Tillable Acre	\$263

CY 2012 FINANCIAL RETURN		
Estimated Asset Value at 7/1/11	\$1,667,241	
Estimated Asset Value at 7/1/12	<u>\$1,950,672</u>	
Change in Asset Value in 2012 <i>(% Equals Change in Asset Value / Estimated Asset Value at 7/1/11)</i>	\$283,431	17.0%
*Net Income <i>(% Equals Net Income / Estimated Asset Value at 7/1/11)</i>	<u>\$48,237</u>	2.9%
**Total Return	<u>\$331,668</u>	19.9%

HISTORICAL COMPARISON DATA		
*Five-Year Average Net Income per Tillable Acre	\$305	
**Ten-Year Average Total Return		18.4%
**Twenty-Year Average Total Return	-	

DISPOSITION OF CY 2012 NET INCOME	
Net Income	\$48,237
(Net Income Pledged to Reserve) or Excess Reserve Funds Available for Distribution	<u>(\$2,100)</u>
Distribution for Endowment Purpose	<u>\$46,137</u>

*The amount shown as 2012 expenses include various charges pertaining to the 2013 disposition of the farm.

Schreiber

County	Shelby
Year of Gift	1984
Tillable Acres	114.6
Non-Tillable Acres	0.4
Soil Productivity Index	154.0
Terms of Lease	Cash Rent
Residential Buildings	No
Outbuildings	No
Payment in lieu of Property Tax	\$3,272
Original Value	\$299,000
Purpose of Endowment	Student Loan Fund

CY 2012 REVENUE AND EXPENSE	
Revenue	\$45,152
Expense	<u>\$18,851</u> *
Net Income	<u>\$26,301</u>
Net Income per Tillable Acre	\$230

CY 2012 FINANCIAL RETURN		
Estimated Asset Value at 7/1/11	\$1,104,448	
Estimated Asset Value at 7/1/12	<u>\$1,351,997</u>	
Change in Asset Value in 2012 <i>(% Equals Change in Asset Value / Estimated Asset Value at 7/1/11)</i>	\$247,549	22.4%
*Net Income <i>(% Equals Net Income / Estimated Asset Value at 7/1/11)</i>	<u>\$26,301</u>	2.4%
**Total Return	<u>\$273,850</u>	24.8%
HISTORICAL COMPARISON DATA		
*Five-Year Average Net Income per Tillable Acre	\$252	
**Ten-Year Average Total Return		16.0%
**Twenty-Year Average Total Return		11.7%

DISPOSITION OF CY 2012 NET INCOME	
Net Income	\$26,301
(Net Income Pledged to Reserve) or Excess Reserve Funds Available for Distribution	<u>\$11,301</u>
Distribution for Endowment Purpose	<u>\$37,602</u>

*The amount shown as 2012 expenses include various charges pertaining to the 2013 disposition of the farm.

Spillman

County	Marshall & Peoria
Year of Gift	2003
Tillable Acres	412.0
Non-Tillable Acres	65.0
Soil Productivity Index	159.7
Terms of Lease	Cash Rent
Residential Buildings	No
Outbuildings	Yes
Payment in lieu of Property Tax	\$8,513
Original Value	\$1,528,830
Purpose of Endowment	Scholarships

CY 2012 REVENUE AND EXPENSE	
Revenue	\$95,136
Expense	<u>\$21,188</u>
Net Income	<u>\$73,948</u>
Net Income per Tillable Acre	\$179

CY 2012 FINANCIAL RETURN		
Estimated Asset Value at 7/1/11	\$4,062,449	
Estimated Asset Value at 7/1/12	<u>\$4,449,627</u>	
Change in Asset Value in 2012 <i>(% Equals Change in Asset Value / Estimated Asset Value at 7/1/11)</i>	\$387,178	9.5%
*Net Income <i>(% Equals Net Income / Estimated Asset Value at 7/1/11)</i>	<u>\$73,948</u>	1.8%
**Total Return	<u>\$461,126</u>	11.3%

HISTORICAL COMPARISON DATA		
*Five-Year Average Net Income per Tillable Acre	\$189	
**Ten-Year Average Total Return		14.6%
**Twenty-Year Average Total Return	-	

DISPOSITION OF CY 2012 NET INCOME	
Net Income	\$73,948
(Net Income Pledged to Reserve) or Excess Reserve Funds Available for Distribution	<u>(\$4,862)</u>
Distribution for Endowment Purpose	<u>\$69,086</u>

Thompson

County	Douglas
Year of Gift	2007
Tillable Acres	118.5
Non-Tillable Acres	0.3
Soil Productivity Index	150.0
Terms of Lease	Cash Rent
Residential Buildings	No
Outbuildings	No
Payment in lieu of Property Tax	\$2,982
Original Value	\$599,940
Purpose of Endowment	Vet Med-Large Animals

CY 2012 REVENUE AND EXPENSE	
Revenue	\$46,808
Expense	<u>\$12,024</u> *
Net Income	<u>\$34,784</u>
Net Income per Tillable Acre	\$294

CY 2012 FINANCIAL RETURN		
Estimated Asset Value at 7/1/11	\$1,253,448	
Estimated Asset Value at 7/1/12	<u>\$1,466,534</u>	
Change in Asset Value in 2012 <i>(% Equals Change in Asset Value / Estimated Asset Value at 7/1/11)</i>	\$213,086	17.0%
*Net Income <i>(% Equals Net Income / Estimated Asset Value at 7/1/11)</i>	<u>\$34,784</u>	2.8%
**Total Return	<u>\$247,870</u>	19.8%
HISTORICAL COMPARISON DATA		
*Five-Year Average Net Income per Tillable Acre	\$301	
**Ten-Year Average Total Return	-	
**Twenty-Year Average Total Return	-	

DISPOSITION OF CY 2012 NET INCOME	
Net Income	\$34,784
(Net Income Pledged to Reserve) or Excess Reserve Funds Available for Distribution	<u>\$3,900</u>
Distribution for Endowment Purpose	<u>\$38,684</u>

*The amount shown as 2012 expenses include various charges pertaining to the 2013 disposition of the farm.

Voigt-Freeman

County	Coles
Year of Gift	1996
Tillable Acres	216.6
Non-Tillable Acres	1.4
Soil Productivity Index	152.0
Terms of Lease	Cash Rent
Residential Buildings	No
Outbuildings	No
Payment in lieu of Property Tax	\$5,234
Original Value	\$661,850
Purpose of Endowment	Agricultural Research

CY 2012 REVENUE AND EXPENSE	
Revenue	\$67,396
Expense	<u>\$10,355</u>
Net Income	<u>\$57,041</u>
Net Income per Tillable Acre	\$263

CY 2012 FINANCIAL RETURN		
Estimated Asset Value at 7/1/11	\$1,553,571	
Estimated Asset Value at 7/1/12	<u>\$1,901,786</u>	
Change in Asset Value in 2012 <i>(% Equals Change in Asset Value / Estimated Asset Value at 7/1/11)</i>	\$348,215	22.4%
*Net Income <i>(% Equals Net Income / Estimated Asset Value at 7/1/11)</i>	<u>\$57,041</u>	3.7%
**Total Return	<u>\$405,256</u>	26.1%
HISTORICAL COMPARISON DATA		
*Five-Year Average Net Income per Tillable Acre	\$262	
**Ten-Year Average Total Return		16.7%
**Twenty-Year Average Total Return	-	

DISPOSITION OF CY 2012 NET INCOME	
Net Income	\$57,041
(Net Income Pledged to Reserve) or Excess Reserve Funds Available for Distribution	<u>\$1,200</u>
Distribution for Endowment Purpose	<u>\$58,241</u>

Waffle

County	Grundy
Year of Gift	1994
Tillable Acres	118.8
Non-Tillable Acres	3.5
Soil Productivity Index	134.0
Terms of Lease	Cash Rent
Residential Buildings	No
Outbuildings	No
Payment in lieu of Property Tax	\$1,414
Original Value	\$258,000
Purpose of Endowment	: Scholarships - College of ACES

CY 2012 REVENUE AND EXPENSE	
Revenue	\$32,802
Expense	<u>\$5,354</u>
Net Income	<u>\$27,448</u>
Net Income per Tillable Acre	\$231

CY 2012 FINANCIAL RETURN		
Estimated Asset Value at 7/1/11	\$1,231,553	
Estimated Asset Value at 7/1/12	<u>\$1,422,270</u>	
Change in Asset Value in 2012 <i>(% Equals Change in Asset Value / Estimated Asset Value at 7/1/11)</i>	\$190,717	15.5%
*Net Income <i>(% Equals Net Income / Estimated Asset Value at 7/1/11)</i>	<u>\$27,448</u>	2.2%
**Total Return	<u>\$218,165</u>	17.7%

HISTORICAL COMPARISON DATA		
*Five-Year Average Net Income per Tillable Acre	\$215	
**Ten-Year Average Total Return		16.9%
**Twenty-Year Average Total Return	-	

DISPOSITION OF CY 2012 NET INCOME	
Net Income	\$27,448
(Net Income Pledged to Reserve) or Excess Reserve Funds Available for Distribution	<u>(\$400)</u>
Distribution for Endowment Purpose	<u>\$27,048</u>

Warren

County	Piatt
Year of Gift	1955 (40 acres) / 1996 (80 acres)
Tillable Acres	119.0
Non-Tillable Acres	1.0
Soil Productivity Index	155.0
Terms of Lease	Modified Crop Share
Residential Buildings	No
Outbuildings	No
Payment in lieu of Property Tax	\$2,947
Original Value	\$269,000
Purpose of Endowment	Promotion of 4-H Activities and for Youth of Illinois

CY 2012 REVENUE AND EXPENSE	
Revenue	\$66,840
Expense	<u>\$22,235</u>
Net Income	<u><u>\$44,605</u></u>
Net Income per Tillable Acre	\$375

CY 2012 FINANCIAL RETURN		
Estimated Asset Value at 7/1/11	\$1,158,621	
Estimated Asset Value at 7/1/12	<u>\$1,355,586</u>	
Change in Asset Value in 2012 <i>(% Equals Change in Asset Value / Estimated Asset Value at 7/1/11)</i>	\$196,965	17.0%
*Net Income <i>(% Equals Net Income / Estimated Asset Value at 7/1/11)</i>	<u>\$44,605</u>	3.8%
**Total Return	<u><u>\$241,570</u></u>	20.8%

HISTORICAL COMPARISON DATA		
*Five-Year Average Net Income per Tillable Acre	\$311	
**Ten-Year Average Total Return		18.5%
**Twenty-Year Average Total Return		12.9%

DISPOSITION OF CY 2012 NET INCOME	
Net Income	\$44,605
(Net Income Pledged to Reserve) or Excess Reserve Funds Available for Distribution	<u><u>(\$1,500)</u></u>
Distribution for Endowment Purpose	<u><u>\$43,105</u></u>

Weber

County	LaSalle
Year of Gift	1955
Tillable Acres	774.0
Non-Tillable Acres	26.0
Soil Productivity Index	149.8
Terms of Lease	Cash Rent
Residential Buildings	Yes (3)
Outbuildings	Yes
Payment in lieu of Property Tax	\$27,936
Original Value	\$271,200
Purpose of Endowment	Benefit or Use of College of ACES

CY 2012 REVENUE AND EXPENSE	
Revenue	\$233,005
Expense	<u>\$56,989</u>
Net Income	<u><u>\$176,016</u></u>
Net Income per Tillable Acre	\$227

CY 2012 FINANCIAL RETURN		
Estimated Asset Value at 7/1/11	\$7,427,215	
Estimated Asset Value at 7/1/12	<u>\$8,629,205</u>	
Change in Asset Value in 2012 <i>(% Equals Change in Asset Value / Estimated Asset Value at 7/1/11)</i>	\$1,201,990	16.2%
*Net Income <i>(% Equals Net Income / Estimated Asset Value at 7/1/11)</i>	<u>\$176,016</u>	2.4%
**Total Return	<u><u>\$1,378,006</u></u>	18.6%

HISTORICAL COMPARISON DATA		
*Five-Year Average Net Income per Tillable Acre	\$234	
**Ten-Year Average Total Return		15.2%
**Twenty-Year Average Total Return		11.3%

DISPOSITION OF CY 2012 NET INCOME	
Net Income	\$176,016
(Net Income Pledged to Reserve) or Excess Reserve Funds Available for Distribution	<u>\$1,258</u>
Distribution for Endowment Purpose	<u><u>\$177,274</u></u>