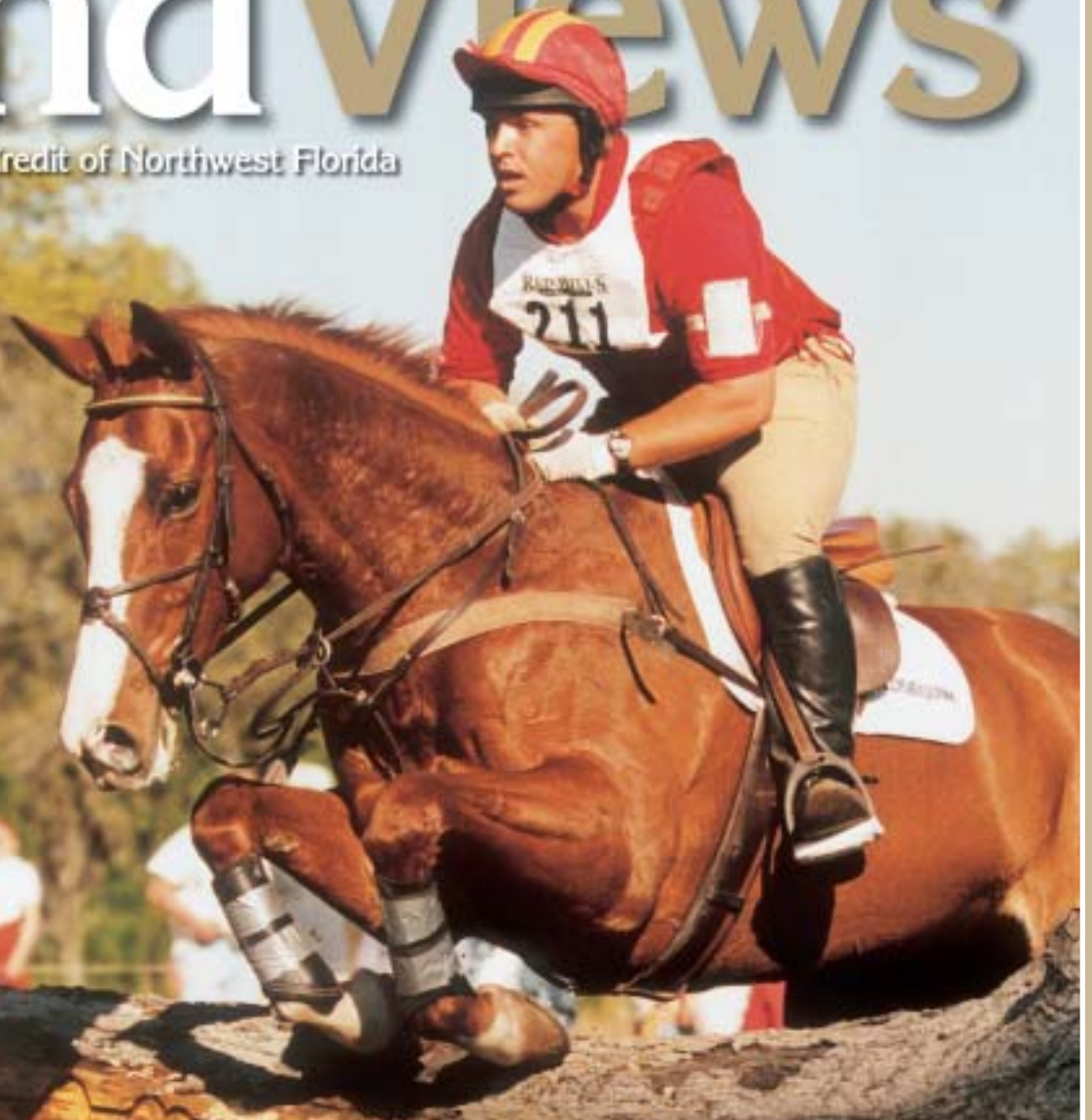


LandViews

April 2003

a publication of Farm Credit of Northwest Florida



**You've Found the Perfect Property,
Now What?**

\$3 Billion Available for Timber and Ranch Property

Maximizing Your Forestland's Income Potential

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You've Found the Perfect Property, Now What?

There was an excellent article in the last issue of, "LandViews" entitled, "Looking for the Right Property". Now let's suppose that you have found the right property and it is acreage located somewhere in northwest Florida or South Georgia. It will probably have some rolling hills, some open fields, some pinelands and maybe even some wooded ravines, ponds, and creeks. In other words it is absolutely beautiful, but you live in Tallahassee and can only get out there on the weekends to soak up the glorious effects of nature. What do you do? You know that left alone, some of the natural beauty and diversity of habitat will be lost, and along with it, the number and types of wildlife will decline too.

There are several things to consider, some based on how much land you have, and some based on what is there already. The first thing is probably the use of some of the land to grow pine trees as an investment. Even with pulpwood prices very low right now, the long term potential

remains excellent and a good Forester could direct you on the specifics of your property. However, resist the temptation to put it all in pine trees if you are interested in native wild life. Pine tree stands that are interspersed with open areas and hardwood stands actually aid wild life, but planted pines everywhere do not. You might also want to consider planting fruit and nut trees and other tasty things that you don't have room for in town. There are literally hundreds of delicious fruits, nuts and berries that would do very well in the open areas, and what you don't eat, the wildlife probably will. In fact, it may be necessary to plant such things in busier areas, perhaps near the road, where you will actually have a chance to benefit from your effort.

The next thing to consider is the hunting potential of the property. Literally everywhere in North Florida and South Georgia, deer, turkey, wild hogs, and quail abound. If you have any lakes or ponds, then you also have fishing and there is a good possibility for ducks. Proper

utilization of land for hunting requires effort. Open lands need to be cared for so that they remain open, and a good planting program will insure good quantities and quality of foods necessary for wild life for the entire year.

There are two ways to accomplish this, 1) do it yourself, or 2) work out a deal with some one interested in hunting the property in exchange for doing all appropriate maintenance. If you select the second method, there are several things to carefully work out. First, make sure you check out the person you are dealing with in great detail. Get references, make sure he is NOT well known to the wildlife authorities, and seek any other information necessary to establish his credibility and honesty. It is not quite like getting married, but close enough to require extreme care. Set up the agreement in detail in a written contract and specify what is to be done, how it is to be done, and when it is to be done. The lessee should be responsible for maintaining fences and gates and controlling entrance into the property, for



doing all wildlife food plantings (usually in Spring, mid Summer, and Fall), for insuring that he, and all others that he allows to hunt, abide by State hunting regulations, and most importantly, he must provide appropriate insurance to cover the landowner and all hunters. The National Rifle Association has one of the best insurance programs. Any other needs dictated by the nature of the property or of importance to the owner should also be included and agreed to in the contract. Don't forget to include yourself and/or family members as hunters if that is of interest to you.

If you are a hands-on person, and enjoy getting out on the land and working with it, then I would recommend doing it yourself. Of course you will need to be able to buy a tractor and a few implements, but it is worth the expense. There is a real feeling of accomplishment in molding the land to your own plans and desires, and seeing it all come to fruition. Don't be misled, it is a lot of work, but if you enjoy it, you will never be happier.

As mentioned earlier, there are several things that must be done. First, I would recommend still-hunting as opposed to dog hunting. Unless you have several thousand acres, dog hunting sometimes creates problems. I would also recommend you build stands (10 to 12 feet tall) from which to hunt. This gives you more control over where everyone is and where you need to plant food plots for best results. As a side issue, it also assures that any shots fired are basically aimed at the ground if the deer is missed.

Food plots and planting activities are very important. We use three major plantings as follows: Spring planting (March and April, or after the Fall plantings have died back) is usually larger patches of corn, iron and clay peas, and brown top millet. These patches should be concentrated toward the center of the

property to attract deer into the area; Mid Summer plantings (July) are best described as small patches here and there planted with Egyptian wheat. If deer grazing has seriously depleted the iron and clay peas planted earlier, they can be replanted now; and finally, fall planting is relegated to strips, planted so as to radiate out from each hunting stand. We use a mixture of oats, wheat, and Austrian winter peas. This gives a good winter grazing place near the stands and keeps growing into April and May providing high protein feed for the deer and grain for the birds.

Now that the hunting aspects have been touched upon, let's look at the potential for water-based activities. If you were fortunate enough to have a pond or lake on your, "Right" property, or perhaps even one or more streams, then additional fun awaits you. Most lakes or ponds, even small ones of less than an acre, will already have a population of fish unless it was just constructed. However, the fish may not be the desired species or they may not be properly balanced for best efficiency. A typical lake usually has brim and shell crackers as forager species and black bass as the main predator species. However, there are a number of combinations that will work very well. A professional aquatic biologist would be a good source of advice in this area, and he can also recommend fish hatcheries where additional species can be purchased to stock the ponds.

You may also have the opportunity to build a lake or pond if you have a stream on your property. Because of the environmental requirements, this is not always possible especially in Florida, but the local County Agent could enlighten you. Generally, it has been much easier to get the necessary permits in Georgia. Pond construction can be quite expensive depending on the size desired and the land contours in the area. However, even small,

less expensive, ponds can be a world of fun. We have one pond of about an acre that we stock only with channel catfish. They can be purchased relatively cheaply, and if fed regularly, they grow quickly. Our three-year-old grandchild once caught enough catfish to feed our whole family one afternoon, and you have never seen a happier child. Of course, the longer the catfish are in the pond, the larger they get, up to 10 pounds or more.

Needless to say, all of the above are just starting suggestions and every thing can be modified in accordance with any number of factors, but that is part of the fun. Finding what works best for your particular needs and your particular piece of land is a never-ending pleasure.

About the Authors:

Ed Joyce is a Marine Biologist who retired from the Florida Department of Natural Resources after 34 years of service. He and his wife Mary Dale Joyce own acreage in Gadsden County. In an effort to maintain and improve the land, he established a members only hunting club in 1984 on the family property and some adjoining lands that were leased for the purpose. The recommendations made in this article reflect the practices that have worked for his hunt club.

Mary Dale Joyce was born and raised in Havana, Florida where her father was a shade tobacco farmer, cattleman, and County Commissioner. She is a real estate broker and salesman for Talcor Commercial Real Estate Services, Inc. and is licensed in Florida, Georgia, and Alabama. Her knowledge of the North Florida and South Georgia areas and her love of the land led her to specialize in selling acreage properties in these areas as opposed to residential sales. ■

Maximizing Your Forestland's Potential

Alternative Income Opportunities from Forestland

A growing number of forest landowners are discovering alternative ways to make money in addition to selling their timber: pine straw production, hunting leases, and other user fees.

The tried-and-true management techniques used by professional foresters to increase pine volume—such as fertilization, thinning stands at mid-rotation and removing hardwood brush—enable landowners to cash in on alternative sources of income.

The upshot: good forestland management lets you grow bigger pine trees faster. And it lets you realize income from other sources as well.

Under optimal conditions, a landowner who takes advantage of all three alternative income sources could make an additional 23 percent in income (See Figure 1).

Forestry's New Crop: Pine Straw

The number of landowners getting into pine straw production and marketing has grown tremendously over the past few years. In Georgia and North Carolina alone, pine straw is now a \$50 million industry annually.

Some experts say that it's possible to gross \$1,000 or more per acre by gathering, marketing, and delivering pine straw on forestland that is between 8 and 12 years old. Our income model reflects a more modest estimate of \$750 per acre per year, resulting in \$37,500 total income over five years for the 100-acre tract.

If you don't want to handle the gathering, marketing, and delivery of the pine straw, pine straw suppliers will pay up to \$150 per acre to harvest fallen pine needles on your land.

According to former U.S. Forest Service researcher Henry Pearson, there's a huge marketing opportunity for pine straw. While our model is based on a sales price of \$0.50 per bale, country clubs pay up to \$9 a bale for quality pine mulch, says Pearson. Pearson and colleague James Haywood, a researcher with the U.S. Forest Service in Louisiana, began researching the economics of pine straw production in the late 1980s. As a private forestland owner, Pearson is putting his research to the test on his own property. He has a site ready to rake and bale this year, with more sites that will be ready for pine straw production in subsequent years.

"There are several ways for a landowner to go about marketing," Pearson asserts. "Direct marketing to homeowners, country clubs, landscaping businesses or land developers are a few of the more common ways. Or you can approach retailers such as Wal-Mart. The key is to match your projected production with the appropriate customer so you meet their expectations."

Haywood outlines four steps to quality pine straw production:

- **Remove the weeds and other vegetation.** The area to be raked should be free of debris. Arsenal® herbicide and Chopper® herbicide can be used to control unwanted hardwood brush and herbaceous weeds without damaging the pines. Once the herbicide has controlled these unwanted plants, burning or brush hogging can be used to remove dead vegetation that may interfere with the raking equipment.
- **Rake the needles once a year.** While pine straw can be harvested more than

once a year in some pine stands, be sure to harvest at least once a year to prevent the accumulation of debris that lowers the value of your pine straw.

- **Fertilize the stands.** Fertilizer builds crowns that result in increased stem growth and increased production of good-quality needles.
- **Use equipment that is appropriate for the job.** Smaller equipment is available to fit the closer confines of a pine plantation, making the job easier and more efficient. Georgia-based equipment dealer, Agriquip, Inc., sells some of this specialized and hard-to-find equipment.

Wanted: Quality Hunting Land

Although pine straw harvesting is the newest alternative income source, hunting leases remain the most popular.

"I have a file an inch and a half thick of people looking for quality hunting property to lease," says Jason Sellers, wildlife biologist for The Wildlife Company, a forestry and wildlife consulting group that administers leases for private clients.

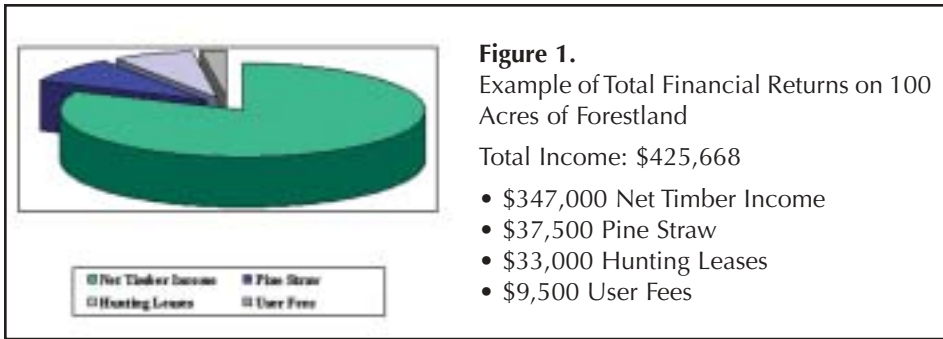
"Demand exceeds supply, and the trend is that lease rates are going up for quality hunting experiences."

The key word is quality, and the difference in income from unmanaged versus managed land is significant.

Professional foresters know that thinning stands at mid-rotation and removing hardwood brush not only increase pine volume, but also make the land more attractive to game species and hunters alike. Hunters are willing to pay for the difference.

Landowners of unmanaged forestland can expect to receive an average of \$2 per





acre from a hunting lease. On a 100-acre tract of land over a 22-year rotation cycle, the property would generate \$4,400. If the same property were managed by the removal of hardwood brush, the landowner would generate an average of \$15 an acre. The landowner would make \$33,000 from this non-timber income source—a massive 750 percent increase over unmanaged forestland.

According to Brookes Lawton, a landowner from Allendale, S.C., stands full of beneficial wildlife plants can command even higher lease rates. One of the key elements to achieving a pine forest that's desirable to wildlife is controlling unwanted hardwoods. This element reduces vegetation that competes with pines for nutrients, water, sunlight and soil. It also provides more wildlife cover and increases the abundance and diversity of wildlife food plants. Treating unwanted woody brush with herbicide promotes the growth of forbs and legumes such as partridge pea, lespedeza and blackberry.

For landowners such as William Breeze of Durham, N.C., other improvements to enhance the lease value of the property include adding multiple access points, well-defined boundaries, feeding lanes, and areas for food plots. He also leaves a five-foot band of unharvested soybeans around the property to help attract wildlife. The group of doctors from Duke University who lease his property help maintain it throughout the year by taking care of the feeding lanes and food plots.

"They take great pride in the property and help keep it in good shape for hunting," Breeze says. "Since I am retired, that is a great benefit to me."

Good Lease Relations

Breeze points to another critical component of a hunting lease: a solid

understanding between the landowner and leasee. A detailed lease should cover in writing the expectations of both parties. Sellers points out a few key elements of a successful relationship:

I Insurance. Both the leasee and lessor should be insured. Hunters typically have insurance, but that doesn't release the landowner from liability. The Forest Landowners Association can provide landowners with solid insurance programs.

I Usage. Include, in writing, when and where leasees may hunt, under which conditions and other limitations.

I Term of lease. A long-term lease ultimately is preferred, as it attracts people who are interested in improving the property. However, Sellers suggests starting with a one-year lease and working up to longer term lease to ensure you have a good leasee before making a long-term commitment.

I Number of users. This helps ensure that the landowner is leasing to the number of hunters that he intended. Sellers says that it is a good idea to get names and phone numbers of all of the users.

I Sub-leasing. Clearly prohibit subleasing in the agreement, so that the leasee cannot profit from the agreement.

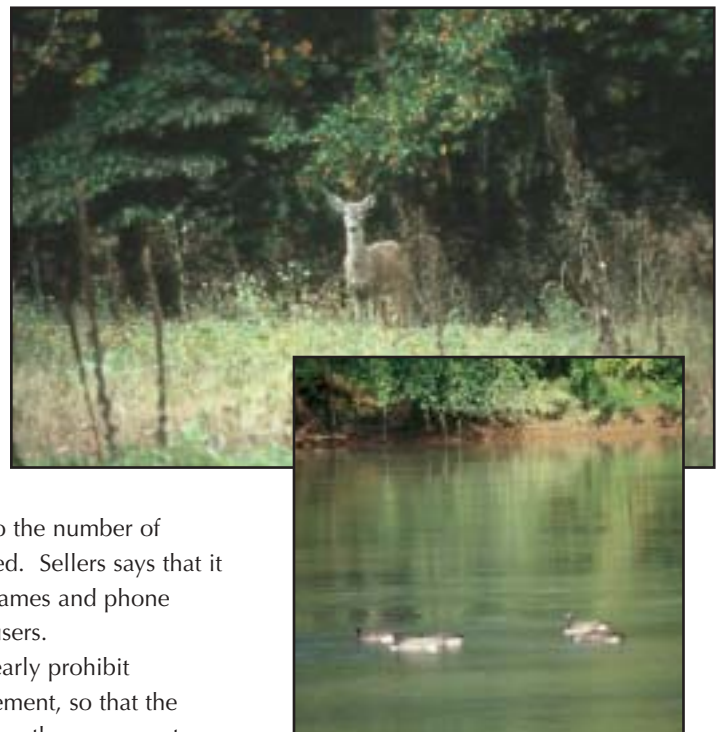
Hidden opportunity: user fees

Hunters aren't the only segment interested in paying for access to well-managed forestland. Wildlife enthusiasts—hikers, fishermen, bird watchers, and horseback riders—are other relatively untapped income sources.

"These are folks who are interested in the same things as the hunters—without the game," Lawton says. "They're looking to escape the concrete jungle of the cities, and we can offer them the full outdoor experience."

Sellers says that despite the growing popularity of activities such as horseback riding, he doesn't see a significant number of landowners tapping into user fee opportunities. However, user fees can be lucrative. If a landowner charges a modest \$5 per person per day and has 100 visitors per year, he can make \$500.

Pine straw harvesting, hunting leases, and other alternative income opportunities can enhance forest ownership. Developing a management plan that accommodates some or all of these enterprises as well as a landowner's long-term goals is a first step to a successful experience. Another important step is to consult those who have experience and access to the latest information, including consulting foresters, wildlife biologists, the U.S. Forest Service or your nearest university extension office.



James Bean is business relations manager for the BASF Forestry Products Group. He can be reached at 901-853-1444. For more information, visit BASF online at www.forestryfacts.com.

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\$3 Billion available for Timber and Ranch Property

Owners of ranch and forest lands have a respect for the lands' natural resources and some of the best remaining examples of intact ecosystems, natural communities and wildlife habitats exist on these lands. The agriculture and natural resource values of rural ranch and forest lands are vital to the state's economy, rural heritage and quality of life. For these reasons alone, it is in the State's interest to encourage the continuation of these land uses. Unfortunately, there are a variety of factors that are contributing to the conversion of these lands into other uses. Among those reasons are population growth, increased business costs and competition, a more onerous regulatory environment, increased ad valorem taxes, and estate taxes. In spite of a landowner's desire to continue to farm or ranch the family land, too often these factors force him to put it on the market. Traditionally, that has meant watching the new owner convert it to higher intensity agriculture or a housing project.

There is another potential buyer, one which pays fair market value and wants the

land to protect and preserve its natural resource values. That buyer is the State of Florida. In 1990, the Florida legislature made a serious commitment to protecting significant parts of our State's natural and cultural heritage when it created the landmark Preservation 2000 program. During its ten-year run, this program was responsible for the public acquisition and protection of over 1.25 million acres of land. When the underlying constitutional authority for P-2000 was set to expire, Florida citizens overwhelmingly voted to amend their constitution to allow the legislature to continue it. As a result, the legislature established the Florida Forever Program, allowing the State to issue up to \$300 million of bonds each year to continue to protect these critical resources.

The new program is more than just an environmental land acquisition program. It encompasses a wider range of goals, including restoration of damaged environmental systems, increasing the number of acres of state-owned forestland and water resource development and

supply. The Florida Legislature also placed more emphasis on the use of conservation easements for land protection. Under the Florida Forever Program, various state agencies, local governments and water management districts gain access to the \$300 million annually to buy and protect conservation, recreation, and historic properties.

Under Florida Forever, a landowner can either sell all (full fee interest) or part of their interest in the land (less than fee/conservation easement). These transactions can be tailored to merge the interests of the landowner and the State and can also provide tax advantages to landowners in terms of future estate inheritance taxes and federal income taxes.

One example of a transaction that Conservation Properties negotiated involved the sale of more than 25,000 acres owned by a timber company in the Tate's Hell area in Franklin County. Not only were we able to secure a fair price for the seller, but he was also able to reserve the right to continue to timber the property

for a number of years. Benefits to the State included public ownership and the long-term restoration of the property by the Department of Agriculture and Consumer Services, Division of Forestry. The landowner benefited by cashing out the dirt value of the land while maintaining a continued timber supply.

In another example, Hilliard Brothers of Florida, a long-time cattle rancher in south Florida, realized that the State's commitment to restoring the Everglades was going to continue to drive up their costs of doing business. They concluded that they just could not continue to ranch the way they had for the past 60 years. The short list of alternatives included intensifying their agricultural practices with sugar cane and citrus or selling the ranch while looking for alternative properties. Conservation Properties was able to interest the State in acquiring the ranch as a key component of its efforts to protect the Florida panther. After having the ranch appraised by two private appraisers, the State agreed to pay the owner an acceptable price and also agreed to give them up to four years to relocate their herd. In addition, the seller was able to defer their capital gain taxes by reinvesting the sale proceeds in like-kind property.

Conservation Properties is Florida's oldest, largest firm specializing in the sale of conservation property to public agencies. Conservation Properties has handled more than \$150 million in transactions to governmental agencies serving clients such as St. Joe Company, Lykes Development Corporation, University of Florida Foundation, Bienville Forest Investments, Hilliard Brothers, Inc., Rex Lumber Company and Nemours Foundation.

Conservation Properties has developed a close working relationship with those government agencies that acquire land under this program. The State of Florida's property acquisition process is time-consuming and complicated. Conservation Properties has the expertise to evaluate lands for potential acquisition, develop projects for inclusion on an acquisition list, expedite the acquisition process and ensure a quick closing. The company also has experience negotiating conservation easements on timber and ranch properties.

Expertise is the key to determining profitability and transaction time when selling private property to public agencies. Conservation Properties retains experts in real estate law, appraisal and tax law who are available to ensure clients that their after-tax returns are maximized. The company principals are:

James W. MacFarland, founder and president of Conservation Properties, has acquired property for The Nature Conservancy in Ohio and Virginia, established national estuarine sanctuaries nationwide, and managed Florida's Conservation and Recreation Lands and Save Our Coasts land acquisition programs. He negotiated several of the largest and most complex acquisitions in Florida, including the world-famous Silver Springs attraction. Mr. MacFarland is a licensed Florida real estate broker who holds B. A. and M. A. degrees in Economics from Long Beach State University, Long Beach, California.

Percy W. (Pete) Mallison joined Conservation Properties in 1999 after having served as the Director of Florida's Division of State Lands for 11 years where he was responsible for the acquisition of

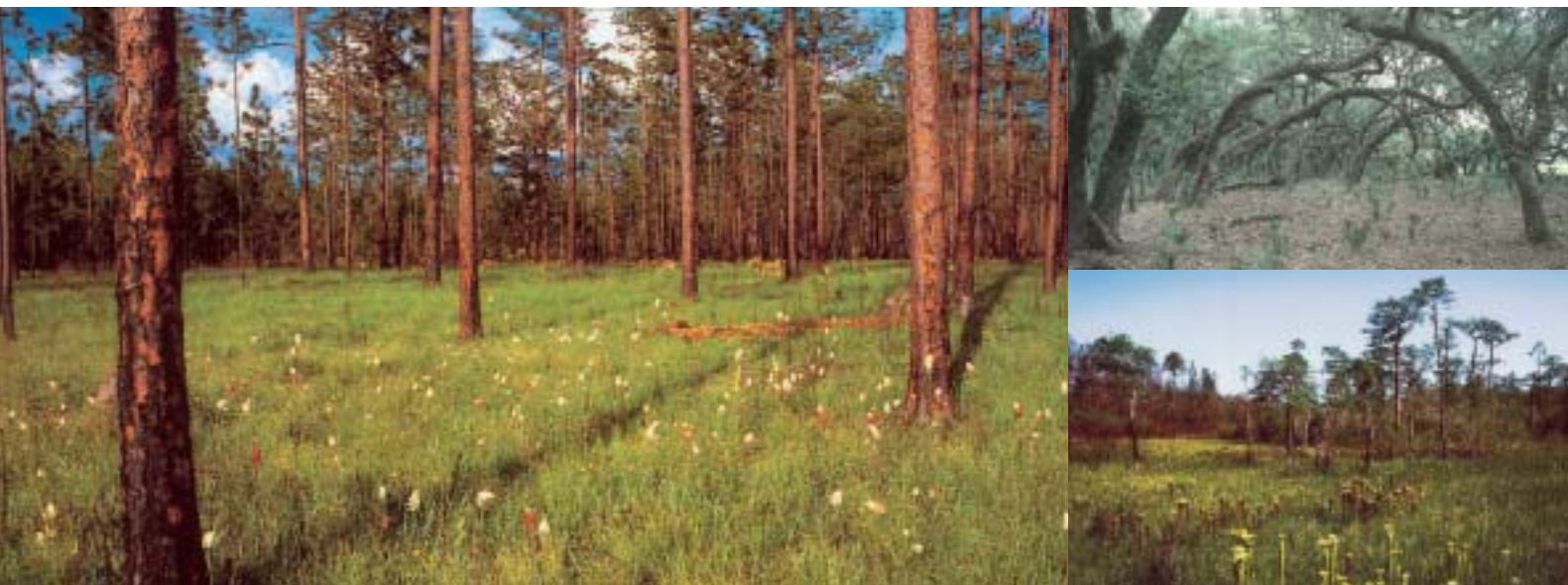
over 700,000 acres of conservation lands. Since joining Conservation Properties, Mr. Mallison negotiated the single largest brokered transaction ever to the State of Florida—the \$35 million purchase of Dinner Island Ranch. Mr. Mallison holds B. A. and J. D. degrees from Florida State University.

Ellen F. Cunningham has been involved in marketing and financial aspects of real estate transactions for more than 20 years. She previously served as a land acquisition agent for the Florida Department of Environmental Protection and Florida Communities Trust, where she successfully negotiated the purchase of more than \$200 million worth of real estate. Ms. Cunningham holds a B. A. degree in Finance from Georgia Southern University.

Deborah H. Parrish joined Conservation Properties in 2002 after having served for more than 14 years with the Department of Environmental Protection involved with land management, planning and acquisition. Ms. Parrish was Deputy Director for the Division of State Lands and later became the head of the Office of Greenways and Trails and administered that division's land acquisition program under Preservation 2000 and Florida Forever. Ms. Parrish holds a B. S. degree from the University of Florida and an M. S. degree in Public Administration from Florida State University.

To learn more visit www.conservationrealestate.net or write to Debbie Parrish at Conservation Properties, Inc. at 2507 Callaway Road, Suite 101, Tallahassee, Florida 32303. The phone number is (850) 386-5263 and the fax number is (850) 385-8648. ■

Photography by Russell Grace with Images of Tallahassee





Farm Credit Helped to Sponsor 2003 Red Hills Horse Trials

Pigott, Middleburg, Va. make up the top five qualifiers from the Red Hills East Coast Qualifier. Riders and horses which compete at the West Coast Qualifier in California and whose scores surpass the Red Hills winners', will supplant them on the five-member team which the United States will send to the Eventing Gold Cup.

Australian Olympic Gold Medallist Phillip Dutton had the first-place score, but he will represent his country in the World Cup. Red Hills offered six other divisions in addition to the World Cup Qualifier division. (Names of riders and horses and their scores in all divisions can be seen on the Red Hills' web page, www.rhht.org).

Tragedy struck on Saturday knocking 2000 Olympian David O'Connor out of the running for a berth on the World Cup Team. Connor's horse, The Native, collapsed and died on the spot immediately after completing the 15th jump on the cross-country course. On-site veterinarian Dr. Steve Fisch issued a preliminary diagnosis of a heart attack. The world-class horse was 14 years old and a contender for the 2004 Olympics. He was taken to the University of Florida College of Veterinary Medicine for a necropsy.

A gratifying, and growing enthusiasm for combined training/eventing, a relatively unknown sport in Tallahassee prior to the beginning of Red Hills Horse Trials in 1998, was obvious during the three days of competition. Docents on transportation shuttles explained the three phases of eventing to spectators, ecological educational exhibits were present, and the Red Hills Avenue of Shops was well visited. The parading of the Live Oak Hounds was a high point during Stadium Jumping festivities. Children were well-entertained by climbing on bales of hay, pony rides and supervised activities conducted by the Tallahassee Parks and Recreation staff.

Promoting awareness of the sport and the multiple use of greenspace are among priority goals for Red Hills Horse Trials organizers. Crowd turnout, the outstanding support from competitors and the Tallahassee-area community have helped Red Hills to become one of the fastest-growing events in the country. Also, the cross-country course designed by Captain Mark Phillips, former United Kingdom Olympian, now coach of the U. S. Equestrian Team), challenges top-level equestrians to compete here. The course, which winds through an arboretum of native plants on the property of local ecologist and horse enthusiast Colin Phipps, provides more evidence that these goals are being reached. Unfortunately, the annual botanical tour of the arboretum had to be cancelled due to the weather.

More than 600 volunteers ensured the success of the horse trials. Although a final report on proceeds has yet to be announced, the land management projects of RHHT beneficiaries, Tall Timbers Research Station and Eleanor Klapp-Phipps Park, will receive proceeds. To date, Red Hills has contributed \$207,000 to these non-profit agencies.

Benefactor for Red Hills Horse Trials 2003 is Colin Phipps. Underwriters, who provide \$10,000 in cash, in-kind services or both are: Capitol Eurocars, City of Tallahassee, Capital City Bank Group, Sprint, Comcast, Tallahassee Democrat, Liberty Communications, Production Support Group and Clear Channel Radio of Tallahassee.

For more information contact Carol Atkins at (850) 997-6145 phone/fax or go to <http://www.rhht.org> ■

An estimated crowd of 18,000 people braved the rain and mud to attend the sixth annual Red Hills Horse Trials, held in Tallahassee March 7 - 9. Despite the weather, the Event was a resounding success. More than 240 riders and horses from 29 states and 14 countries entered the grounds of Elinor Klapp-Phipps Park to see colorful flags flying for all nations represented by competitors. Spectators filled the stands for dressage and stadium jumping, and happily hiked the cross-country course to watch horses and riders jump the natural obstacles of ditches, logs and water jumps. North Florida was the theme for this year's course, which included jumps with names such as St. Marks Lighthouse and Oyster Bar.

An added degree of excitement surrounded the spectacular and colorful horse trials this year.

Red Hills has now captured international status and was selected to be one of only two United States qualifying events for the Eventing World Cup to be held in Pau, France next fall. The Federation Equestre Internationale announced the creation of the award and qualifiers are planned in countries all over the world.

Second-place winner Darren Chiacchia, Ocala, on Windfall and Heidi White, Unionville, Pa., on Northern Spy, Karen O'Connor and Regal Scot from The Plains, Va., Bruce Davidson, Sr. and Little Tricky, Unionville, Pa., and Holly Hepp and Lester





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- ❖ This is converted to a percentage of the interest your loan accrued in the previous year
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- ❖ Approximately 30% of this rebate is distributed immediately in cash
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Calendar Year	Total Refund Declared	% Interest Expense	Initial Cash Payment	Surplus Payments	Calendar Year(s) of Surplus	Total Cash Payments
2002	\$4,307,381	25%	\$1,615,268	\$2,060,189	1995/1996	\$3,675,457
2001	\$4,228,623	24%	\$1,268,586	\$3,217,637	1995/1994	\$4,486,223
2000	\$4,300,000	27%	\$1,300,000	\$1,979,389	1994/1993	\$3,279,389
1999	\$3,790,933	24%	\$1,137,280	\$1,732,793	1993/1992	\$2,870,073
1998	\$3,719,000	25%	\$1,115,700	\$438,618	1992(Partial)	\$1,554,318

OVER \$33,000,000 IN REBATES PROVES BEING AN OWNER PAYS!

The Geraldine C. M. Livingston Foundation



The Foundation was created through the foresight and generosity of the late Geraldine Livingston. Upon her death in 1994 it became active and received IRS approval as a 501 (c)(3) Private Operating Foundation. The Foundation is governed by a board of eight trustees: Sylvia Ripley Addison; John Finlayson, Vice Chairman; Dearl Hemphill; Julie Ripley Miller; Peter Miller; Joseph O. Milligan, Chairman; Sumner Reed, Secretary and Treasurer; and Rosemary Ripley.

The primary asset of the Foundation is Dixie Plantation, a 9000-acre plantation, which is managed primarily to enhance wild game habitat and forestry. This land will remain in its natural state because of a

perpetual Conservation Easement in cooperation with the Suwannee River Water Management District. Forestry and ecological research are an integral part of Foundation plans.

The Continental Field Trial (as well as other trials) is conducted on Dixie Plantation for the promotion of knowledge concerning quail hunting dogs as well as public enjoyment of this time-honored event. The Continental is one of the longest running field trials in the United States and has been held on Dixie Plantation grounds since 1937.

The main house on the property was designed by John Russell Pope and is considered an architectural show place.

The Foundation is currently in the process of raising funds for its restoration as well as implementing measures for having it placed on the National Register of Historic Places.

The Foundation supports and encourages education and research in the fields of forestry, agriculture, and ecology, through grants and cooperative research projects. Additionally the Foundation supports selected projects and local educational and charitable organizations.

The Continental Field Trial Club

Announces the Winners of the Continental Field Trials

Continental Open Derby Championship

Fifty dogs entered this prestigious juvenile competition held January 20-23, 2003 at Dixie Plantation, Greenville, Florida. Judges were John Thompson of Camilla, Georgia and Mike Cheely of Forest Park, Georgia. Noontime, a pointer male from a Laws High Noon breeding owned by Billy Henley of Kentucky, prevailed in fine form over a strong line-up of 50 Derby contenders to take winners place. Runner up was Miller's Date Line, owned by Ferrel Miller of Kentucky.



First row: Scott Beeler, scout holding Millers Southern Price, Handler Ricky Furney, Millers On Line held by Roy Epps.
Second Row: Judges Sherry Ebert and Don Arnold, and owner Chip McEwen

108th Continental Open All Age Championship

January 23 - February 1, 2003

Miller's Southern Price and Miller's On-line, three year old littermates owned by Chip McEwen and Handled by Ricky Furney were this year's All-Age winners over 86 other contenders. Miller's Southern Pride was last year's runner up in this annual competition and it is thought to be the first time in the history of field trial competition that littermates have placed first and second.

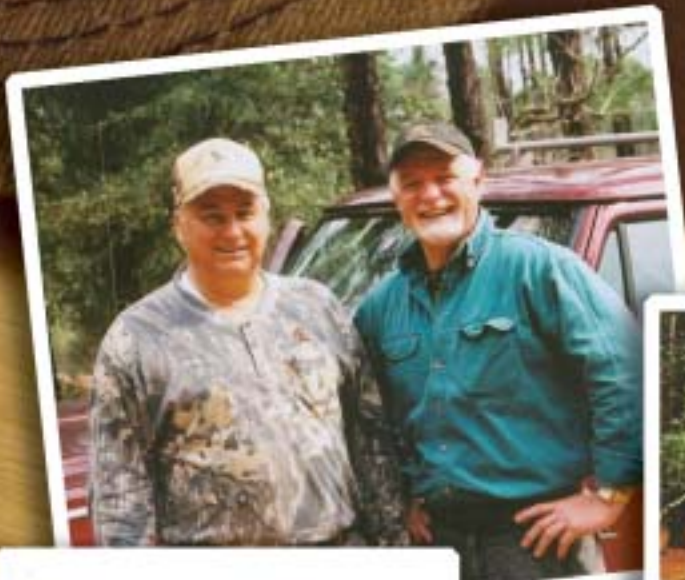
Continental Field Trial Club Officers

President: Joe Milligan, Tallahassee, Florida
Vice President: John Milton, Jacksonville, Florida
Secretary: Dottie Taylor, Monticello, Florida
Treasurer: John Finlayson, Monticello, Florida

Board Members:
Bart Goodson, Tallahassee, Florida
Robert McDavid, M.D., Tallahassee, Florida
John Thompson, Camilla, Georgia

Farm Credit of Northwest Florida is a major financial contributor.

Rep. Brown's Duck Hunt benefits Washington-Holmes Technical Center Foundation





The cool, crisp air and the rustic scenery of El Ranchero near Chipley, Florida, created the perfect setting for Don Brown's Duck Hunt. This two-day event, hosted by Rep. Don Brown, combines the down home fun of an evening bar-b-que with the excitement and camaraderie of an old-fashioned duck hunt for local residents and Florida legislators.

Throughout the weekend, over a hundred people enjoyed Rep. Don Brown's hospitality over dinner and the traditional pre-hunt breakfast. The hunt began early Saturday morning as local hunters join with sportsmen from all over the state to hunt

duck, and continued at the Hard Labor Creek Plantation for an afternoon of quail hunting.

Proceeds from the Don Brown's Duck Hunt benefit the Washington-Holmes Technical Center Foundation Scholarship fund with sponsorships for the event given by dozens of local and regional companies, including Farm Credit of Northwest Florida.

In addition to raising funds for the Washington-Holmes Technical Center Foundation, Don Brown's Duck Hunt exposes many legislators from urban areas to the wonderful life-style that exists in

rural Florida. Rep. Brown enjoys highlighting the rural communities within his district to legislators from other parts of Florida.

Political officials present were: Congressman Allen Boyd, as well as State Representatives Don Brown and Dwight Stansel, and Roger Robinson for State Senator Durell Peaden. Farm Credit members were: host Rex Yates, members Jerry and Julie Shiver, Jimmy Shiver and Farm Credit representatives Wade Hayslip and Jim Dean. ■

A Message from Florida Forestry Association

Forestry is a \$9 billion annual asset to Florida's economy, and the Florida Forestry Association is the **ONLY** statewide organization dedicated to the promotion, development and protection of this valuable renewable resource. With a 79-year history of making things happen, you can count on FFA to be in the right place at the right time.

While promoting the responsible use of Florida's forest resources is our mission, keeping forests a profitable investment for future generations is our focus. Among our priorities, the Florida Forestry Association protects Greenbelt taxation for landowners, represents forest landowners before national, state and local government, and works to prevent harmful land use regulations. Over 50-years of combined government relations experience gives the FFA an enviable edge when it comes to influencing sound political policies. In today's operating climate, experience is a valuable advantage.

It takes the entire forestry community working together to reach mutual goals. From tree growers to timber harvesters to consuming mills, no one understands the business of forestry better than FFA.

As a landowner, you are a very important part of this collective effort to keep Florida green while it grows! To recognize the contribution made to Florida by landowners, the Florida Forestry Association is offering a special membership rate for Farm Credit members. Customarily, landowner members pay dues on the amount of land they own by paying a base fee plus a fee per acre. For Farm Credit members, the Florida Forestry Association is extending a special offer to landowners of the base fee only as follows:

1-500 acres	\$65
501-1,000 acres	\$131
over 1,000 acres	\$328

Upon joining, you'll begin to receive FFA publications, which includes a quarterly newsletter and magazine. Also available to members is the Florida Forestry Association annual membership directory, access to Forestry Friday featuring up-to-the minute information via email, and access to the Members Only section of the FFA website. Simply fill out the 2002 Special Membership Application to join the ranks of individuals and organizations sharing a common interest in the vitality and welfare of forestry in Florida. Questions regarding the Florida Forestry Association and this special offer may be directed to James Alberts or Lesia Andrews at the Farm Credit of Northwest Florida office in Marianna (800-527-0647 or 850-526-4910) or Debbie Bryant at the Florida Forestry Association office in Tallahassee (850-222-5646 or debbie@forestfla.org). ♦

Right: "FFA's legislative and local government staff keeps me on top of vital state, local and national laws and regulations affecting future land-use decisions. With this information, I am better equipped to voice my opinion on key issues to our elected officials."

**- Bubba Green, Landowner
(Madison County)**

PHOTO BY JOE MACKENZIE

Left: "I get timely information on forestry issues from the Association. This allows me to have a voice in things that matter to me personally as a forest landowner." - Wallace Laird
Landowner (Bay County)





Florida
FORESTRY
ASSOCIATION

Landowners —Look What We've Done For You Lately!

- | Successfully sponsoring ongoing legislation to protect your private property rights.
- | Continually fighting to protect Green Belt Tax treatment for forested lands. As Florida grows, so grows the pressure to preserve the special tax treatment afforded landowners growing timber. Increasing development pressures and financial needs of local governments will continue to threaten this special tax incentive.
- | Supporting Best Management Practices as a non-regulatory approach to water quality protection, especially as part of Florida's new Total Maximum Daily Load (TMDL) program to protect surface water quality.
- | Fighting to further reduce or eliminate state sales tax on the purchase of farm and forestry equipment. Our efforts brought the previous 6% tax down to its current 2.5%.
- | Working to preserve state sales tax exemptions which benefit forest landowners and others in the forest industry.
- | Opposing local, state and federal attempts to regulate timber harvesting with overly restrictive laws that require permits, fees, and applications.
- | Working with local planning officials in the Comprehensive Planning process to protect forestry practices from additional regulatory control. Most recently, restrictive forestry policies in Alachua, Clay, Citrus, Gadsden, Leon and Sarasota Counties have been actively opposed.
- | Favorable lobbying of funding for critically needed Division of Forestry wildfire equipment to protect private lands from devastating losses.
- | Ongoing efforts with Florida's congressional delegation towards reinstating the capital gains tax differential for forest related income.
- | Supporting research on pests and diseases.
- | Offering insurance coverage through a special timberland and hunting lease liability program just for members.
- | Promoting full multiple use of the forest for wildlife, recreation, and timber utilization.
- | Constantly pushing for tough trespass laws protecting hunting leases and permissible hunting.
- | Providing up-to-the-minute information through numerous publications, e-mails, and Action Alerts.
- | Endorsing legislative candidates who support forestry through TREEPAC, Florida's only forestry-related political action committee.

2003 Special Membership Application

Please print legibly. We will use the information provided here for our Membership Directory.

Recommended for membership by
Farm Credit of Northwest Florida, ACA

Name _____

Company _____

Mailing Address _____

City _____ State _____

Zip _____ Email _____

Phone _____ Fax _____

Membership Category **LANDOWNER**

Association Dues:

Dues based on Up to 500 acres—\$65
 501-1,000 acres—\$131
 Over 1,000 acres—\$328

Dues Amount Paid/Due _____

Make checks payable to:

Florida Forestry Association

Please return to:

Florida Forestry Association
P.O. Box 1696
Tallahassee, FL 32302-1696

OR fax to (850) 222-6179

Check enclosed Please bill me

Annual membership dues include a one-year subscription to Pines & Needles newsletter. Please indicate here if you **do not** want to receive this subscription.

Simpson Nurseries celebrates "100 Years of Growing"



Fred Beshears (left), owner of Simpson Nurseries, with son, Thad, show off one of their Simpson Select Magnolia trees at the Monticello nursery.

Monticello, FL - One of Florida's oldest environmental horticulture nurseries - Simpson Nurseries -celebrated "100 Years of Growing" on Nov. 8-9 2002 with hundreds of well-wishers from throughout the southeast taking part in festivities at the North Florida operation.

The original nursery, which began in 1902 when John F. Jones, a horticulturist, broke ground on 206 acres to propagate, plant and market pecan trees, stands today as one of a hand full of plant and tree producing businesses in the state to pass the century mark in continuous operation.

Simpson owner Fred Beshears was the recipient of a number of congratulatory messages from various groups, including business and political leaders and industry related organizations. Florida Commissioner of Agriculture Charles Bronson introduced a resolution at the Florida Cabinet meeting on Nov. 13, 2002 recognizing Simpson's 100 years in business.

Ben Bolusky, Executive Vice-President of Florida Nurserymen and Growers Association in Orlando noted that "one hundred years in business is a rare and remarkable accomplishment. Simpson's centennial celebration deserves to be trumpeted not only in Florida's nursery industry, but to the entire Florida business community."

Now encompassing 970 acres and producing over 200 varieties of bare root deciduous trees and shrubs in one to 45 gallon containers, the nursery has annual sales topping \$9 million and employs 100 full time workers. Varieties include pecans, shade and flowering -ornamental shrubs and evergreen trees.

Beshears, 56, purchased the wholesale operation in 1995 from a group of local partners. Jones, the original owner sold the business in 1906 to R. C. and C. A. Simpson, brothers who ran the business until 1927. At that time, R. H. and S. C. Simpson, sons of C. A. Simpson, assumed ownership until the nursery was sold to Alvin Dickerson in 1963.

Dickerson was instrumental in listing the nursery on the stock exchange, the first

development of that nature in industry history according to Beshears. Unfortunately Dickerson was forced to declare bankruptcy in 1972 and the nursery operated under Chapter 11 regulations until 1975 when a reorganization was conducted under the trusteeship of G. U. Miller and S. C. Simpson and managed by Beshears.

In 1975 the inventory and assets were purchased by a group of Jefferson County businessmen headed by Beshears and included T. Buckingham Bird, F. A. Boyd, Sr., F. Allen Boyd, Jr., Herbert Demott, John Hawkins, Gibbs Miller and Leonard Voyles. Beshears subsequently became the sole proprietor.

The two-day celebration began on Friday, November 8 with a dinner for 150 invited guests at the Monticello Opera House. That was followed on Saturday with a skeet-shooting contest in the morning for out-of-town guests and an afternoon festival of family fun, dinner and evening fireworks.

Beshears is a graduate of the University of Florida, with a BS degree in Agricultural Economics. He and wife Sally have three sons and two granddaughters and attend the Monticello Presbyterian Church where he serves as an Elder.

In addition to the wholesale production which is marketed from Texas to Southern Virginia to mass merchandisers, independent retailers, and landscape contractors the firm operates a re-wholesale outlet, Total Landscape Supply, situated adjacent to the producing unit. ■

Farm Credit joins with Florida peanut producers association to recognize Young Peanut Farmer of the Year

The recipient this year is a resident of Jackson County. He and his wife Pamela have two children, Alan age 17 and Chad 12. He enjoys attending sports functions where they are participating and does a little hunting and fishing when he has the time.

This young farmer is 40 years old and began farming in 1981. He had older brothers who were already farming and they provided assistance with getting him started. He would provide labor to them in trade for use of their equipment. He has shared with me his appreciation for having

a family willing to help him work into his farm operation. These brothers continue to work with each other for the betterment of all.

Farm Credit lending professional, Myra Hurst became acquainted with our award winner while he was a working partner in a dairy operation with his brothers. When I ask him about that phase of his life, he told me " you can always learn something beneficial from any experience that you have." You can tell that our recipient is a man of few but very meaningful words. He does not enjoy a lot of attention directed at

himself but awards are not new for our Young Peanut Farmer. He won the high yield peanut award in 2001 with well over 4600 lbs produced on dry land. I am sure that he will experience other areas of recognition in the future.

Roger has a diverse operation that works well. He grows 200 acres of peanuts, 500 acres of cotton, and maintains a 100 head brood cow operation. Plans for the future would be to increase the farm operation. Like so many others, he is moving cautiously during these uncertain times.

We are proud to have this husband and

"Harvest of Misery"



Sam Walker

Several of Farm Credit's area farmers were highlighted in the January "Florida Agriculture" newsletter, a publication of the Florida Farm Bureau Federation.

Sam Walker, a Farm Credit borrower and cotton farmer in Escambia County was featured on the cover of the magazine. He is a member of the Escambia County FSA County Committee.

Mickey Diamond and **Jerry Davis** are also Farm Credit borrowers featured in the article. Diamond is a cotton and peanut farmer in Santa Rosa County; he is also Treasurer of the Santa Rosa County Farm Bureau. Davis produces cotton, peanuts, and turf grass in Florida and Alabama; he is the President of Santa Rosa County Farm Bureau.

The article highlights the terrible harvest season farmers in Santa Rosa and Escambia Counties experienced in 2002.

At the beginning of September most farmers were relatively satisfied with the quality of their crops. Peanuts were nearly ready to harvest. At that point producers had already put in all production costs except for harvesting. Then the rains came.

Beginning September 1 through the end of November rainfall averaged about 2-inches per week. Typical rainfall during September and October is approximately one inch per month.

Fields were too wet for harvesting equipment. Peanuts rotted in the ground. Much of the peanuts that were dug up fell off the vine before they could be picked. Cotton did not fair any better. The seeds germinated and the cotton fiber itself started to rot. The quality of crops harvested was low. This significantly affected price. In the case of both commodities, if the equipment brushed up against the plant the peanuts fell off and the cotton bolls disintegrated.

The overall loss to cotton has been estimated at 75 percent and peanut volume is lowered by more than 85 percent. Sam Walker expects the most he will gather from his crop is 50 percent of projected harvest.

"I have one small field with a 50 percent loss," Walker explained. "The rest of it will be 65 to 75 percent."

Area growers point out that federal agricultural programs are vital to their operations. After a season like this many farmers need disaster assistance in addition to the regular government support system.

Mickey Diamond said, "It may take me eight to ten years to overcome this. Someone who lives in a city may never see this or understand it."

"But urban people have to recognize that everybody in our area will feel the effects of this disaster," he continued. "Not only is it bad for farmers, it is especially bad for a town like Jay where everything directly depends upon agriculture."

"We need some assistance big time this year. Crop insurance will not even come close to covering what we have lost."

Jerry Davis compared the loss - even with crop insurance and the farm program - to an urban resident who insures a vehicle or home for 65 to 75 percent of the total value. "If an accident destroys them, you owe to full value on the home and the vehicle. You have to scrape up the money to pay the difference. Even though you might have 65 percent coverage on your farm crop, that does not have anything to do with the cost of growing the commodity."

Growers admit that they were struggling with their operations before the disaster struck. Commodity prices have steadily declined during the past two decades. In the 1970s and 80s cotton prices were close to \$1, in the last two years they have been 50 cents or less. To further exasperate the situation input costs have been increasing.

According to Walker, "Cheap imports and the lack of cotton mills in this country are the real problem."

Most farmers will try to make a new crop of cotton and peanuts. Davis said, "Low prices, along with the lack of protection, will make it hard for agriculturists to survive this year."

Ray Hodge, Florida Farm Bureau's national affairs coordinator, said Farm Bureau has sought federal help through the Florida Department of Agriculture and Consumer Services. The department has asked Governor Jeb Bush to call upon the U.S. Department of Agriculture for assistance before the next planting season. Farm Credit of Northwest Florida has also appealed to Gov. Bush to push for assistance for our area farmers.

(Note: The Agricultural Assistance Act of 2003 was signed into law February 20, 2003. This act provides assistance to producers who have suffered losses due to weather-related disasters or other emergency conditions. The total estimated cost of the Act is \$3.099 billion. USDA will administer the programs contained in the Act.)

Excerpts in article were taken from the January 2003 Florida Agriculture, A Florida Farm Bureau Publication. ■



wife team as members of Farm Credit of Northwest FL. and appreciate his serving on the nominating committee.

Farm credit congratulates Roger and Pamela Davis for winning the Young Peanut Farmer of the Year award. ■

Halsey Beshears



Halsey Beshears was born on November 27, 1971 in Orlando, Florida. His family moved to Monticello two years later and has resided there since. In 1989, upon completion of high school from Brookwood School in Thomasville, Georgia he accepted a nomination to the

United States Naval Academy Prep School in Newport, Rhode Island. After graduation in 1990 he then accepted a nomination from the Secretary of the Navy to attend the United States Naval Academy (USNA) in Annapolis, MD. While attending school there, he continued to play football and began playing rugby. Halfway through his junior year in 1993, he left USNA to attend the University of Florida where he studied Food Resource Economics and he continued to play rugby for the University. Just short of a degree in 1995, he was called back up by the Navy to fulfill a two year term in order to pay back his time served at USNA. When the Navy refused his return back to the service for medical reasons, he decided to move on with his professional career. He then spent two years in Colorado managing an employment agency that provided labor for construction companies.

In the spring of 1997, Halsey decided to return back to Florida to get back into agriculture. Having been raised in the nursery business, he started to look for employment in that area. Trees and shrubs were being used in staggering amounts on commercial and residential jobs. Mr. Beshears feels that with more people moving to the state of Florida than any state in the country and housing starts never slowing down, the most opportunity was in the horticultural business.

He began working for Simpson Nurseries in the summer of 1997. Simpson Nurseries is a wholesale grower of deciduous, fruit, and shade trees, woody ornamentals and shrubs. His first year there he expanded the Evergreen Division and continued to receive horticultural education by attending seminars and programs offered to him through the Florida Nurseryman's and Growers Association (FNGA). He became the lead foreman and grower at the nursery in July of 2000. In that same year, he started up another division of Simpson Nurseries called Total Landscape Supply (TLS). Through this company, TLS sells trees and shrubs directly to the commercial and residential landscaper by offering quick service, quality trees and shrubs at low prices. It is a one-

stop shop for the landscaper allowing him to spend less time looking for plant material and more time on the jobsite or with his customer.

Today, he works full time as the president of Total Landscape Supply and has just opened the second TLS in Weirsdale, Florida. Along with TLS, he owns (along with Farm Credit) and operates a 220-acre farm in Monticello, Florida and a 125-acre farm in Chattahoochee in which he grows nursery stock, pecans and timber. He is active in the First Presbyterian Church of Monticello and serves as the Vice-President of the local FNGA chapter. He also enjoys flying and has held his Private Pilot's license for almost four years. Over that time he has flown over 300 hours as pilot in command.

In January 2001 he was selected to Class V of the Florida Leadership Program for Agriculture and Natural Resources. A two year program that is operated through the University of Florida and their IFAS center, he is learning about the economic, social and political factors in the decision making process of the agricultural arena on a local, statewide, national, and international level. The class also focuses on the role agriculture plays in the state of Florida and the challenges that agriculture faces in this state in the future. He was one of three people in a class of thirty that was chosen to serve as the class representative. He is to graduate from that program in October of 2003.

His true love is his wife Cristin Beshears and their daughter Grace Hamilton Beshears, born in August of 2000. In his spare time he enjoys being with his family and hunting with his two dogs. He attributes his success to several things: Farm Credit who continues to make it possible to expand the farms and support the business; most importantly the support and patience of his family and his wife Cristi and particularly his father, who is his friend and his business partner.

Farming is one of the greatest challenges men face. Not only do we have to deal with Mother Nature on a daily basis, agriculture is an industry that is shrinking every day. My generation is more removed from agriculture and becoming more removed every day. Also the water issues in this state are becoming tougher every day. With more people moving to Florida everyday, water is a valuable resource that we are going to have to become more efficient with its use in everyday living. This puts an even greater strain on agriculture because we are the largest users of water in the state.

Halsey's family has been with Farm Credit for more than 20 years and he has enjoyed the privilege of ownership for about a year.

Halsey stated the Farm Credit and lending professional Jay Novak have always been more than helpful and easy to work with. He believes the patronage refund program and competitive interest rates make it hard to look anywhere else. ■

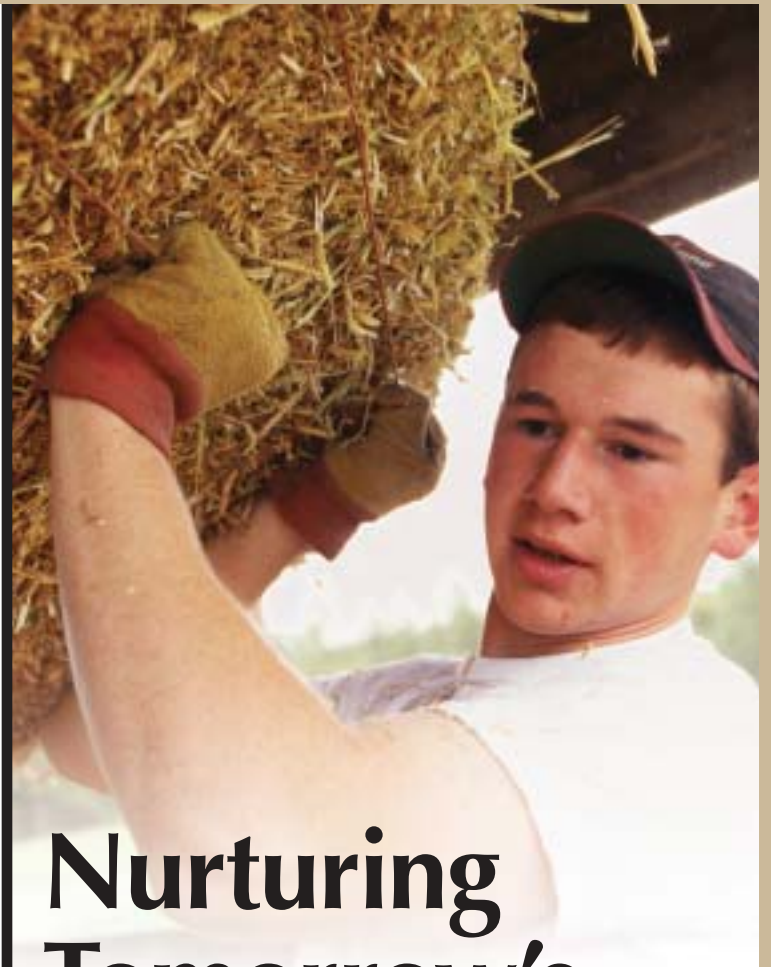
Jeff Pittman



Jeff Pittman was born and raised in the Delwood, Florida area 31 years ago. He grew up on the family farm and at a very young age started helping his dad farm. Jeff soon knew that his future involved a career in farming. He states what he enjoys most about farming is the independence and the production of the crops. He is a 3rd generation farmer and was the recipient of the Young Peanut Farmer of the year award for the Florida Peanut Producers Association for the year 2000. Jeff has been a Farm Credit member since 1995 and farming on his own since 1997. He came to Farm Credit because he knew that we care about the farmers and agriculture. Jeff grows peanuts, cotton and corn on 2100 acres of which he owns 320.

Jeff and his wife Ginger have 3 children; Jeffery is 11, Mary is 7 and Wilton is 19 months. They are active members of the Lovedale Baptist Church and Jeff is the Farm Bureau President for Jackson County. He enjoys hunting and fishing when he is not farming.

Jeff's son Jeffery is taking an interest in farming and is an active member of the 4-H. He has shown hogs and cattle for several years and helps his father with some of the farming. Jeff hopes that one day his son will want to take over the family farm. However, he feels it is very difficult for today's young farmers to find ways to be financially profitable and that it will probably be an even greater problem when his son is old enough to take over the family farm.



Nurturing Tomorrow's Young, Beginning & Small Farmers

**Farm Credit of Northwest Florida
would like to announce its 2003
Annual Stockholders' Meeting on
June 5, 2003 in Marianna, Florida at
Chipola Junior College. The meeting
will begin at 5:30 p.m. Watch for
your information in the mail.
We look forward to seeing you there!**



To Auction or Not To Auction

The next time you have property to sell, you might just consider an auction. Here is why I believe you should consider an auction.

Hi! My name is John Hill, and I am an auctioneer. Now, I haven't always been an auctioneer. In fact, I came into the business rather late in life. I actually started out life in a rather normal way. I graduated from Branford High School in Branford, Florida (It's right on the banks of the Suwannee River). I then headed out to Tallahassee and enrolled at F.S.U. The year was 1969.

Now, those were some interesting times! Since I was born on April 24, I was lucky enough to be selected #2 in the draft lottery (that's the last drawing that I've ever scored near the top). Well, mama didn't raise any fool, so the 1st line at registration that I got in was for ROTC. Four years later, I find myself a brand new 2nd Lieutenant and headed to Ft. Benning, GA.

They let me out of the army 21 years later, so I decided to try my hand at teaching school. While teaching school, I figured that real estate sounded pretty interesting, so I went to real estate school and got my license. I continued to teach school and do real estate on the side for a few years, and had some success with both.

Now, I'm sure you are beginning to ask what this has to do with auctions. Well, here it is! I had this absolutely beautiful

875-acre ranch that I listed. I advertised it far and wide, and actually showed it 31 times. (I keep a log of these things). Everybody loved the ranch; but no one would put a contract on it. One day about 7 months after listing the Ranch, I got a call from a guy named Frank Coker from Rome, Ga., he told me that he was with an Auction company. He said he was reading the classifieds in the Atlanta Journal and saw my ad. He asked if he could make a proposal to auction off the ranch. I said sure and he came down for a visit and wrote a proposal. The owner and I talked it over, but I just put it aside. I continued to show the ranch with the same results for an additional 3 months. One day the owner came to me and said he had another piece of property that he wanted to buy and that we needed to get rid of the ranch. I said that "maybe we should call the auction guy," and he agreed. Well, to make a long story short, within 60 days we had sold the ranch at Auction, closed on the ranch, had the cash in our hands, and it had brought what we were asking for the ranch in the 1st place. I had no idea that something like this was available. I was so impressed with the whole deal that I called Mr. Coker and asked if I could go to work with his firm. They hired me, and taught me the business (I still had to attend Auction School). Although I now own my own firm, and am a duly licensed Real Estate



John Hill

Broker and Auctioneer, I still work with Frank Coker and J.L. Todd on projects from time to time. I will always be grateful to them for teaching me the business, and showing me that there is an excellent and viable alternative to selling real estate that in many circumstances is better than the traditional private negotiations and private treaty method. They made a believer out of me.

Next, I would like to compare Auctions vs. Traditional sales method, explain the difference between Absolute Auctions and Auctions with a reserve, and the advantages and disadvantages of each. ■

Auctions VS Traditional Sales

When comparing Auctions vs. Traditional sales method, auctions have some real advantages:

Auction Method:

Focus is on your property alone.

Results in offers in 60-90 days or less.

Extensive advertising featuring your property exclusively.

Buyers act on your schedule.

Auction provides catalyst to promote buyer interest.

Realizes the property's true market value. No limit on upside potential.

Eliminates guesswork in determining the asking price of the property.

All conditions of sale set in advance, thus eliminating negotiations.

Property sold without contingencies.

All offers are presented to the seller before and during the auction.

Quick closing with no contingencies.

Traditional Sale

May remain on market for months or years.

Minimal advertising; heavy reliance on multiple listing service.

Little motivation for buyers; you wait for them.

Price reduction encouraged to create buyer interest in activity.

Upside potential limited by asking price.

Seller risks overpricing, and thus seeing little interest, or under pricing and selling for less than the property is worth.

Seller must negotiate all aspects of sale.

Contingencies are common

Few offers are received; multiple offers at one time are rare.

Absolute? Reserve?

Advantages & Disadvantages of Absolute Auctions

The real advantages of an absolute auction is that the public will understand that this is a final positive sale and will be eager to participate.

If you are selling a property by absolute auction and a prospective bidder goes to his bank to obtain a loan, he will not be hesitant to pay a loan application fee and an appraisal fee to obtain the loan since he knows that if he has the best bid he will be the buyer

An absolute auction will broaden the base of bidder causing many more people to compete for ownership of the property up for sale. The more bidders in the competition drives up the price and results in maximum dollars being obtained.

The disadvantages for owners on listing their property to sell by absolute auction in an area where real estate auctions are not commonly held is that it takes a lot of nerve on behalf of the owner to list without any strings attached.

If an auction is advertised as an "absolute" then the property sells to the highest bidder regardless of the amount of the bid. If it is advertised with a reserve, then the sale is contingent on the bid price being accepted by the seller.

In actual practice, it's felt by many experienced auctioneers that if you advertise the property properly, you'll only have to worry about the last 10 percent of its value when you hold an absolute auction. That's another way of saying that many experienced auctioneers feel a property will bring 90 percent of its true value just because it's being offered by absolute auction. These experienced auctioneers feel that their salesmanship and marketing efforts will take care of the last 10 percent and might even produce a bonus. Just remember that if you advertise a property to sell by absolute auction it must sell to the best bidder regardless of price.

Advantages & Disadvantages of a "with Reserve" Auction

The advantages of a "with reserve" auction of real estate is that if you live in an area where real estate auctions have not been common practice, you can use the "with reserve" option as a risk reliever.

You can also auction properties which have an outstanding debt owed on them. The price must suit the seller and you also must have enough purchase money involved to pay off the debt so you can give good clear title.

We're able to offer many properties subject to owner's confirmation with great success, as the public knows that we won't offer properties for owners who have unrealistic expectations. We generally sell 97 out of every 100 "with reserve" properties we offer at auction, and last year only missed on two "with reserve" properties.

Today the auction method of marketing is as strong as ever. Some observers say the auctions appear on the verge of the same resurgence and awareness of the auction method as was occurring in 1904 when real estate auctions comprised half the real estate sales in New York.

The future looks bright because "whether goods are presented to a few dusty toga-clad bidders in the town square or to millions of cyber bidders hunched in front of their computer screens, the highest bidder wins."

John can be reached at J.W. Hill & Associates, 103 North Ohio Ave, Live Oak, Fl. 32064; 1-888-821-0894 or email: jwhillandassociates@yahoo.com

Property For Sale



Franklin, Gadsden, Jefferson, Leon, Liberty, Taylor, and Wakulla Counties

We have your farm, ranch, homesite or plantation. 10 - 10,000 plus acres. New Tracts for 2003. For more information call Hal Middlebrooks, David Martin, William G. Eaton and Melvin Blank. Advantis Real Estate Services Company, [850.386.2600](tel:850.386.2600). www.stjoeland.com (color maps)

Land for sale from 50 acres to 5,000 acres in **Northwest Florida Panhandle**. Call Jim Anders with Anders Real Estate and Timber Company at 850-865-8585.

Timberland for Sale Holmes, Jackson, Walton and Washington Counties, Florida

Great Investment and Recreational Properties, Rural Homesites
60+ tracts range in size from 11 to 3,000 acres, Prices Starting at \$960/ac.
American Forest Management, Inc.
Lic. Real Estate Broker

For additional information, contact:

Chuck Mathis (chuck.mathis@amforem.biz)
or Tony Mitchell
(afin.bonifay@amforem.biz), 850-547-2634
www.anencaiforestmanagement.com

Gadsden County

80 acres: Excellent hunting/homesite with planted pines, some woods, creek. Will divide in half \$2000/acre. Call Mary Dale Joyce at TALCOR Commercial Real Estate Services, Inc. 1018 Thomasville Road, Suite 200A
Tallahassee, FL 32303
(850) 425-1114 fax
(850) 224-2300
marydale@talcorm.com

Jackson County

South of Alford, Florida on 231 South in Jackson Co.- 30 acres for sale with 1/2 mile of road frontage on Highway 231. Property has well and Septic, high and dry with 15 to 20 year old slash planted pine. Asking \$5,000 per acre. Call Ray Syfrett at 850-785-3408.

35 acres in Jackson Co. with highway frontage, just off 1-10, on Suncrest Road- will subdivide as small as 5 acres-10 to 15 minutes to town. For information call Neil R. Williams at 850-482-3443

Madison County

440 Acres in Madison Co. Choice Ranch. Great Income from 650 Contract Dairy Heifers. Beautiful mix pasture/woods. Fenced into 32 pastures. Fish/Wildlife Conservation protects farm from future development. Bargain priced at \$550,000. Call Harold Williams with Florida Farm Realty at 850-579-4694.

Beautiful rolling land with scattered trees and a driveway lined with old live oaks. About 17 acres along the highway are planted in pine providing privacy. Two 4" wells. Property is located on Hwy 53 about 2 miles north of 1-10. Great location for future value. Call Baynard Ward with Daniel Crapps Agency at 1-800-8057566

480 Acres

This 480 acres is located near a 1-10 exit in Madison County, loaded with deer and hog. The property is surrounded by 4200 acres of timber. The land is very secluded. Asking price is \$1,100 per acre. Call John Hill with J.W. Hill & Associates at 888-821-0894.

Madison County & Jefferson County

We have it all! Numerous properties consisting of lake front homes, mini farms, hunting tracts, country homesites, timber, investments properties on Interstate 10 & Interstate 75. 50 miles east of Tallahassee, FL. 120 miles west of Jacksonville, FL. Come experience the good life. Call Jimmy or Hank Davis at 800-840-4430.

Jefferson County

700 Acres/Jefferson County, FL
\$525,000, D. E. Billingsley, 850.510.3309
D. E. Billingsley, Licensed Real Estate Broker
ALABAMA/FLORIDA/GEORGIA
DE32317@aol.com PH: 850.510.3309 FAX:
850.671.2794

108 acres in Jefferson County 2 miles east of Courthouse on Hwy 90. 60 acres pasture, balance in woods, with small pond. Small 3 bedroom. home and tractor shed included, \$625,000 Call Conservation Properties at 850/386-5236.

Okaloosa County

20 acres with 11 acres in pasture. Paved road frontage. Asking \$40,000. Call Byron Greene at 850-585-1904. FLR

56 acres with large creek running through property. Paved road frontage. Asking \$69,000. Call Byron Green at 850-585-1904. FLR

Farm Credit of Northwest Florida assumes no responsibility to the buyer or seller for any liability on items listed herein, and resulting transactions are the responsibility of the buyer and seller. In the event of a typographical error or advertising an item at an incorrect price, such item may not be sold, at the discretion of the seller. This is a service we provide for the benefit of our patrons and offers to sell may be withdrawn at any time by the seller.

We know all the back roads.

We know all about land.

Where it is and how to help you get it.

There's never been a better time to buy land. Whether you want a little or a lot, we know where to begin.

We've been lending money for land and homes in the country for more than 85 years. Call us, we're the "Land Specialists."



Farm Credit of Northwest Florida

call toll-free **1-800-527-0647**

www.farmcredit-fl.com

 Equal Housing Lender

Consolidated Balance Sheets

<i>(dollars in thousands)</i>	March 31, 2003	December 31, 2002
	<i>(unaudited)</i>	
Assets		
Cash	\$ 46	\$ 47
Loans	262,959	256,055
Less: allowance for loan losses	5,822	5,822
Net loans	257,137	250,233
Accrued interest receivable	1,932	2,193
Investment in AgFirst Farm Credit Bank	4,259	4,259
Premises and equipment, net	1,071	995
Other assets	838	2,296
Total assets	\$ 265,283	\$ 260,023
Liabilities		
Notes payable to AgFirst Farm Credit Bank	\$ 225,713	\$ 221,019
Accrued interest payable	667	681
Patronage refund payable	200	1,688
Other liabilities	4,828	3,757
Total liabilities	231,408	227,145
Commitments and contingencies		
Members' Equity		
Protected borrower equity	255	317
Capital stock and participation certificates	1,340	1,300
Retained earnings		
Allocated	21,526	21,288
Unallocated	12,647	11,866
Accumulated other comprehensive income (loss)	(1,893)	(1,893)
Total members' equity	33,875	32,878
Total liabilities and members' equity	\$ 265,283	\$ 260,023

Consolidated Statements of Income

(unaudited)

<i>(dollars in thousands)</i>	For the three months ended March 31, 2003		2002
Interest Income			
Loans	\$ 3,763	\$	4,024
Interest Expense			
Notes payable to AgFirst Farm Credit Bank	1,973		2,289
Other	3		—
Total interest expense	1,976		2,289
Net interest income	1,787		1,735
Provision for (reversal of) loan losses	—		—
Net interest income after provision for (reversal of) loan losses	1,787		1,735
Noninterest Income			
Loan fees	58		72
Fees for financially related services	1		2
Equity in earnings of AgFirst Farm Credit Bank	427		387
Gains (losses) on other property owned, net	—		35
Miscellaneous	7		34
Total noninterest income	493		530
Noninterest Expense			
Salaries and employee benefits	723		494
Occupancy and equipment	58		56
Insurance Fund premium	77		19
Other operating expenses	241		194
Total noninterest expense	1,099		763
Income before income taxes	1,181		1,502
Provision (benefit) for income taxes	(17)		(95)
Net income	\$ 1,198		\$ 1,597

The shareholders' investment in the association is materially affected by the financial condition and results of operations of AgFirst Farm Credit Bank. Copies of AgFirst's quarterly and annual financial reports to shareholders are available free of charge at www.agfirst.com, or by writing to AgFirst Farm Credit Bank, Financial Reporting Department, P.O. Box 1499, Columbia, SC 29202-1499.

USDA Tips for Agricultural Producers

With the increasing threat of terrorism, USDA has provided some simple tips for agricultural producers. They are all common sense things, but it is always good to think about these types of things.

Keep America's Food and Agriculture Safe

Producers: What Can You Do?

Here are simple, yet important steps you can take to prevent or respond to threats to our food supply:

Be Aware

- Know who your local law enforcement officials are and how to contact them.
- Continually check animals and crops for unusual health changes.

Be Bold

- Know all your employees, monitor visitors, ask strangers for photo ID.
- Establish system to promote ongoing security consciousness.

Be Careful

- Have adequate outside lights and/or backup energy sources.
- Consider adding alarms, cameras, motion detection lights and other appropriate security enhancements.

Be Diligent

- Lock doors, windows and equipment and feed storage areas.
- Schedule and monitor all deliveries and maintenance.

Be Enterprising

- Inspect all feed, equipment and other inputs for signs of tampering.
- Develop alternative water and feed sources as backups.

Be Focused

- Limit access to storage areas.
- Practice operation shutdown, reporting, quarantine and evacuation procedures.
- In an emergency, call your local officials.
- 9-1-1



hunting FOR A retreat?



Are you looking for a place to go at the end of the week to get away from it all? Make your dream of owning a place in the country come true with financing from Farm Credit of Northwest Florida. Our loan packages are designed with your particular needs in mind... and you don't have to be a farmer to qualify for some of our loan programs.

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