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Bill Peithmann

Champaign County Agricultural Lawyer Keeps on Climbing

by Keith D. Picher



MAHOMET — It's a long way from Mahomet, a village in fertile Champaign County, to the rocks and volcanic ash atop Mt. Kilimanjaro in Tanzania.

But for William A. Peithmann of **The Peithmann Law Office**, his decade-long assault on the mountain reveals some secrets of his success as an agricultural lawyer who focuses on farm estate planning and helping families manage their trusts and related businesses.

Peithmann took several years to peak at both ventures.

As a young lawyer, he practiced in the western United States for companies involved in mining, oil and gas, and computers. He then returned to central Illinois to learn about law from his father in Farmer City. Today, more than half of his clients are involved, directly or indirectly, in farming.

As a mountaineer, Peithmann took time to reach his goal of climbing "Kili" after his first attempt in 2005. Experiencing altitude sickness about 3,200 feet from the summit,

he prudently descended to basecamp.

A decade later at age 61, a stronger and more fit Peithmann returned to the mountain with his 18-year-old stepson Logan McCann, a new knee, and four heart bypasses. During his ascent he happened to pass someone from another tour who looked to be resting. The man apparently ignored the telltale signs of altitude sickness and succumbed to it. Peithmann's guides didn't share the news for fear it would discourage his second climb.

"It was probably the hardest outdoor adventure of my adult life, with winter camping, frozen water bottles, and a rugged climb and descent, but it was a lot of fun," says Peithmann. "You just go step, step, step, step and you do it until you get there."

To people who know Peithmann, those words are a familiar chorus. He attributes his success as a lawyer generally and as an agricultural lawyer practicing in estates and trusts in particular mostly to dogged effort.

"I wasn't a star coming out of school,"

Peithmann adds. "I'm a pretty average graduate of a pretty average law school. But nobody outworks me, and I just stay with it."

The Difficult Field of Ag Law

Like the challenging aspects of mountain climbing, Peithmann believes many people misunderstand agricultural law and farm estate planning. Often they underestimate its complexity and discount its risks. They might not appreciate the importance of determination, diligence, efficient effort and being around smart, experienced people.

"They think Ag Law is administrative law and science and study, and it's not," Peithmann explains.

"As (Champaign attorney) Del Banner says, 'It's 'all the law that is outside.'"

Peithmann describes the field as real estate and business law "shoved together," with a heavy emphasis on business organizations.

"It's real estate, business organizations, tax, estate planning, environmental, zoning, land use planning, and in some

places you get into livestock issues.”

Farm estate planning is not what it was years ago, he says. Farm operations are bigger than ever, with fewer farmers who are older managing farms of many more acres with far more expensive equipment. Fifty years ago, he says, 400 acres was considered a large farm.

“Nowadays, 4,000 acres is not especially big, and every time you consolidate a farm operation you take a farm family off census and out of the rural schools. And then rural communities get smaller, and they consolidate and they continue to get smaller.”

The planning for owning and holding farmland is much more sophisticated than it was even 20 years ago, Peithmann says. “Farmers are much more sophisticated, and they’re almost all college graduates.”

Peithmann believes the economics of farming involve primarily capital, land, management and labor. Equipment such as top-end combines can cost \$450,000 or more nowadays — more than most people’s houses are worth in the area — and many farmers rotate combines annually.

Agricultural land values remain near their highs reached about two years ago, he adds. Top farm black dirt in Champaign, McLean and Piatt counties peaked then at around \$15,000 per acre. Those values have backed off 10 to 15 percent primarily because commodity prices are half what they were.

“Three years ago we were getting \$7 for corn, and now we’re getting \$3.60. So there’s been some downward pressure on land, but it’s still way up there.” Earlier in the day, Peithmann sold some grain. The price was down a few pennies. He says the trend for farm-related commodities appears to be at best stable, if not slightly down.

Statewide, the farm businesses Peithmann represents and their multigenerational farm operations are thriving, with huge investments in land and capital. Even with commodity prices off somewhat, real wealth remains when 80 acres are worth about \$1 million.

Several other factors affect agricultural lawyers who focus on estate planning and farm operations. More family members are moving away from family farms, he says, yet they want to retain their “fair share” of the family wealth. Also significant is that fewer first marriages are enduring, and the nature of the marital relationship has evolved rapidly in recent years.

Other dynamics include the longer lives of surviving spouses and that, when they remarry, often they have little connection to the other spouse’s descendants. Finally, fewer children and grandchildren are being born, although more are being adopted



From left: Peithmann and stepson Logan McCann on their way down from Kilimanjaro’s summit



From left: stepson Logan, wife Lisa and Peithmann

both in traditional and non-traditional household settings.

“All these factors are combining to dramatically skew traditional views of what the future may hold (for a family farm),” says Peithmann. “How best to plan for keeping a productive farm business going from one generation to the next is not a simple matter.”

Fewer young attorneys are going into estate planning, especially for farm businesses. Part of the reason, Peithmann thinks, is it takes a decade to become proficient in the field. Young attorneys, often saddled by law school debt, have difficulty making enough money immediately.

Peithmann included lessons he learned about farm estate planning in a 2012 IICLE speech that targets young estate planning lawyers. Some insights were his own, while others were the teachings of his

father, Ortheldo, who founded his Farmer City firm in 1948. After Ortheldo passed away in 2006, Peithmann eventually wound down the family business before moving his practice to Mahomet — a locality with four times the population located 15 miles closer to Champaign.

Always Takes a New Spin

If farming is changing more rapidly than ever, Peithmann is ready to adapt to clients’ needs, say his peers.

Louis S. Harrison, a sophisticated tax, corporate and estate planner at Chicago’s Harrison & Held has long noticed Peithmann’s style. The admiration is mutual: Peithmann calls Harrison “a mathematical genius” who simply knows some extremely complex areas of estates and trust law better than he does.

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"Bill is wonderfully eclectic and in many ways wonderfully iconic," says Harrison. "He represents clients with zeal, but in a real fresh, different kind of way."

Harrison describes Peithmann as his own person who takes the best ideas available, determines which ones are most useful to meet the needs of his clients, and then translates the very complex concepts not into big law firm speak but into words and actions farmers can understand and pursue.

"He does it in an iconic way," Harrison adds. "I've never seen anybody be able to do it as effectively as he has done it for his clientele."

Harrison offers a simple example of Peithmann putting a new spin on an idea to benefit his clients: He has been known to employ a strategy such as a grantor-retained annuity trust—typically used with operating businesses or marketable securities—and figured out how to use it with farms.

"He's done a lot for the legal community, too, in terms of his writings, his articles and his speeches," Harrison adds.

A lawyer familiar with those writings is Michael J. Rooney, executive director of the Illinois Institute of Continuing Legal Education. Peithmann hyperbolizes, claiming Rooney knows every Illinois lawyer.

The two met when Peithmann's father was a member of Attorneys' Title Guaranty Fund when Rooney was in law school and a recent graduate. Rooney worked for the company in Champaign, and Ortheldo wrote title insurance and represented clients in the farming community.

Peithmann and Rooney interacted in bar association settings for several years before he moved to Texas and Arizona. When Rooney returned to Illinois to join IICLE, Peithmann was the first to congratulate him from outside the institute.

"Bill has been a longtime volunteer author and speaker for the institute and an integral part of the planning committee for our estate planning short course, the biggest course we do each year," Rooney says. Some 650 attorneys attend the course either in person or via webcast each spring.

"Bill has been on the planning committee for that course and presented and moderated and done everything under the sun for us for a very long time," he offers.

Rooney gives uncommon praise to Peithmann for excelling both at serving clients' and attorneys' well-being.

"We all say some lawyers are really a lawyer's lawyer—they always know the law, they have well-crafted, elegant legal arguments, and they impress other lawyers. But every now and then, I wonder if they're really doing a good job for the clients.

"Then there are others who you say are really a client's lawyer—they always have the client's best interests at heart, and they get the best result for the client. But you wonder sometimes whether their personality is just a little bit overbearing, so they upset opposing counsel. And you wonder how that's going to work out for their next client.

"Bill is one of those rare people where I would say he's a lawyer's lawyer and he's a client's lawyer," explains Rooney. "He's hard-nosed, but fair, and understands that at the end of the day the name of the game is to get the client what the client wants without browbeating the other lawyer."

Rooney believes Peithmann's flexibility and talent in dealing with people comes partly from his background growing up in a small community where he dealt with the same people repeatedly.

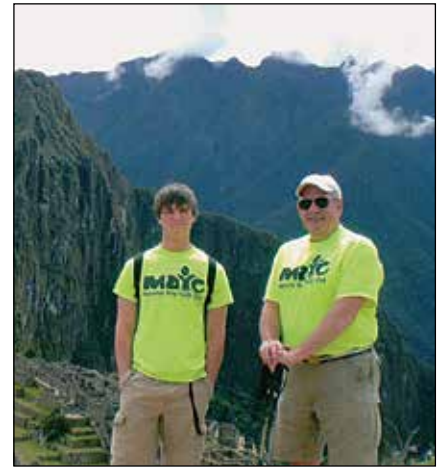
Go West, Then East Young Man

Before Peithmann returned to Illinois to begin practicing law with his father, he attended school and practiced law outside the state. He played football at DePauw University before giving the sport up and transferring to Loretto Heights College in Colorado. Afterward, he studied law at the University of Illinois for a year before completing his degree at the University of

Denver in 1978.

The first job in Peithmann's legal career was with a small mining company in Denver. Soon after, he moved to Los Angeles where he worked for more than three years as a junior attorney in Getty Oil's international division. The job involved globetrotting, and Peithmann enjoyed it. He would find himself in such diverse places as Angola, Australia and the Philippines.

When Texaco took over Getty, high-profile litigation followed. Peithmann decided to move to San Francisco and



From left: Logan and Peithmann in 2014 overlooking the ruins at Machu Picchu in Peru



From left: Peithmann, Logan and a guide at Kilimanjaro's summit with an MAYC banner

serve as international legal counsel with ComputerLand in Hayward. After six years of practicing law in the western United States, he returned to join the family firm with a background in corporate law and oil and gas.

Although his parents were in their 60s and considering retirement, the trio worked together for another two decades. The firm had just two lawyers, a crackerjack probate and tax paralegal, a first-rate legal secretary, and Peithmann's CPA mother, Winona. Together they produced a prodigious amount of work. The arrangement also allowed Peithmann to become actively involved with educational and leadership opportunities offered by the ISBA.

"Eating breakfast at the Peithmann house had to be intellectually daunting," says Reynolds M. "Rip" Everett Jr. of Galva-based Barash & Everett. He describes Peithmann's father as very smart, and says Peithmann and his mother were absolute geniuses.

"(The Peithmanns) were as close to geniuses in the trust and estate field as I've ever met," he says. "Bill is a household word among trusts and estates lawyers. If Bill takes up a subject, he quickly acquires an encyclopedic knowledge of whatever it is."

When Peithmann's father died in 2006, his mother never set foot again in the office again. She decided to move to Virginia to be with Peithmann's sister. The practice was not as fun for Peithmann. After recovering from sudden heart surgery in 2009, he and his wife, Lisa — they had divorced then remarried — bought a new home further east in 2010. Peithmann shuttered the Farmer City office and moved his operations to Main Street in Mahomet.

"Mahomet is a very dynamic community," says Peithmann. "I really like this town and am grateful to be living here — not very many people live in Mahomet who aren't glad they live here." He believes nine lawyers live in the village, although he runs the lone law office.

Today, technology has allowed him to become the ultimate solo practitioner with no employees. Lisa, to whom he is happily married, pitches in as necessary when forms require a witness or if someone needs to have documents notarized.

Peithmann describes himself as a chronic optimist who is thrilled to be alive. He compares his life since his heart surgery, remarriage and business relocation as living and loving his second act in life. Or maybe it resembles his second, successful climb that reached Mt. Kilimanjaro's summit.

"If you're going to live a second act, my second act is a pretty darn good one," he says. "I intend to practice law as long as the

Lord allows me, and I think I've got at least another 20 years ahead of me."

Whatever his future holds, Peithmann looks forward to it. "You can't be unhappy," he says, "if you are grateful for what you have."

Believing in Excellence

Rev. Keith Anderson, the executive director of the Preacher's Aid Society and Benefit Fund of the Illinois Great Rivers Conference, says Peithmann is easy and wonderful to work with. "He's very thorough, answers any questions that you have, and I really trust what he does."

Peithmann has long believed excellence is a state of mind: Lawyers need to do the best they can with every project. Eventually recognition follows in its own time and way. For Peithmann, though, his recognition arrived quickly. A wide variety of professional and peer-review organizations have endorsed him.

The American College of Trust and Estate Counsel elected Peithmann to the organization at age 40. He is a past chair of the ISBA Trusts and Estates Section Council. And Leading Lawyers has included Peithmann routinely — beginning in 2009 and continuing in 2016 — among its top 10 lists for Illinois. Peithmann now rates among the state's most accomplished Leading Lawyers in trust, will, and estate planning; agriculture law; and its downstate category of consumer-related law.

Peithmann is especially proud that the exclusive Best Lawyers guide named him Lawyer of the Year in Illinois in both 2013 and 2016 in trusts and estates law. It currently lists only 38 Illinois lawyers in that field. Peithmann remains the only attorney outside of Chicago who Best Lawyers honors in both tax law and trusts and estates. The Peithmann Law Office is also the only firm headquartered in Champaign County to be included in the *U.S. News & World Report* list of Best Law Firms.

Serving Needs in the Mahomet Area

Peithmann's father, a Methodist, considered law a calling that included Christian duty and service. Thus Peithmann has long assisted underrepresented farmers and other members of the community with their basic legal needs.

"I'm not going to say that (practicing law) is full-time missionary work, because it's not," he admits. "But it affords me the opportunity to be of service."

Sometimes that involvement takes the form of pro bono representation for legal services he could never charge an affordable, market-based fee for. He also volunteers for

organizations that benefit from his other gifts, rather than his direct legal counsel.

After moving to a new, fairly affluent village that is known for its highly rated schools, Peithmann began to serve as the board vice president of the Mahomet Area Youth Club or MAYC, originally an offshoot from Champaign's boys and girls club. His roles include vocal leadership on the organization's fundraising and strategic planning committees.

The club, which serves more than 700 children, provides after-school programming with enrichment classes such as cooking, arts and crafts, Lego robotics, volleyball, tae kwondo, archeology and computer coding. Families who can afford the courses pay for them. Through fundraising, MAYC provides scholarships for students who need financial assistance. None of the children or parents know which students pay and which have scholarships.

"Bill is very big into the fundraising piece of it," says fellow board member Mark Cabutti, principal of Sangamon Elementary School. "He is a very charming guy, and he's able to charm people into getting them to support the club or to support the initiatives we're trying to do. He's very humble, but he's also very charming and compelling, and those two traits make people want to follow him."

"Bill is a relentless worker," Cabutti adds. "One thing I noticed about Bill is that once he's got his sight set on something, he's going to reach that goal — whether that's recruiting more underprivileged kids or getting financial backing or enticing somebody new to join the board."

Marcus Moore, MAYC's executive director for the last three years, believes he understands Peithmann's drive and passion.

"I think he recognizes he's been blessed in his life personally, so he wants to do things for others especially in the community who don't have the same opportunity," he says. "Whenever we need somebody to be involved in any project, he's usually one of the first people to step up and get involved. He also supports us financially."

On Peithmann's long delayed second visit to Africa's tallest mountain, he decided to bring along a banner advertising the Mahomet Area Youth Club to unfurl if they managed to reach the summit. When they arrived at the top, they posed for a photograph. Afterward, MAYC received some welcome coverage in the local news media that included the photo.

"It's things like that," Moore observes of Peithmann's well-documented determination and persistence, "where he literally 'carries the flag' for the youth club." ■

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