

Land Investment Monthly â€™ December 2015

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Political Blend

Scott Canon with the Kansas City Star provides some insight into the views Iowa farmers and presidential candidates as they relate to corn, the government, ethanol and caucus politics. See how three candidates who've captured favor in Iowa stack up in the minds of ethanol promoters hoping for government standards that would boost requirements for the use of renewable fuel.

[Read more.](#)

Hard to Lose

It is very hard to lose money on income-producing farmland as it can be rented out to growers and managed for capital appreciation. That's the view of Paul Pittman, chief executive of Farmland Partners Inc., who shares with Agrimoney.com that the squeeze on land prices has only boosted the long-term potential for values of available land. Denver-based Farmland Partners – with a portfolio that has surpassed 100,000 acres and is valued at some \$650 million to \$700 million – recently paid \$31.8 million to increase its holdings with the acquisition of a 7,400-acre Louisiana farm.

[Read more.](#)

On REITs

The pros and cons of doing business with a real estate investment trust can depend on at which point farmers are in their careers. Farm Futures explores the option of sale-leaseback transactions, cash rents versus flexible leases, uncertainty surrounding land prices, and solutions for families comprising both farming and

non-farming heirs.

[Read more.](#)

Clean Water

Instead of dwelling on what divides environmentalists and the agricultural community, the Greater Des Moines Partnership task force on water quality is interested in the tie that binds farmers, residents, environmentalists and business leaders: They all want clean water. The water-quality discussion has been ignited by a Des Moines Water Works lawsuit that seeks federal oversight of drainage districts in three Iowa counties. The Des Moines Register reports on some ideas to reduce erosion while improving crop yields and adding value to landowners.

[Read more.](#)

Another Dip

Land values in Iowa fell for a second consecutive year to an estimated \$7,633 per acre. That's down 3.9 percent from last year and approximately 13 percent from an historically high \$8,716 per acre in 2013. KCCI News, reporting on the results of the 2015 Iowa Land Value Survey, sources an Iowa State University professor who attributes the decline to a combination of factors, including "a lot of cash in hand for many farmers" and strong recreational demand. Farmland values are still about 14 percent higher than they were 2011, and twice the reported values from 10 years ago.

[Read more.](#)

Economic Section

Congress is considering the repeal of Section 1031, a sensible and focused tax provision that encourages businesses to replace worn-out assets, and serves as the "economic seed corn" for a large portion of the nation's economy. Section 1031 encourages manufacturing companies to upgrade their facilities and enables businesses to "trade up" in real estate – at the same time benefiting employees, customers, vendors, shareholders and the IRS. Repealing it would be a recipe for disaster that could bring about devastating consequences in the long run.

[Read more.](#)

Quality Time

The November 2015 SOIL Conference at Drake University drew about 200 attendees to discuss ways in which farmers, landowners, conservationists, environmentalists can work together to improve soil and water quality. From terraces, bioreactors and cover crops that can reduce nitrate loss and soil erosion – to helping rebuild crop diversity via an increase in cattle production – the Des Moines Register puts ideas from the day into perspective.

[Read more.](#)

Private Restoration

The New York Times reports that degraded land across Latin America will be restored with financing from private investment funds. Conservation groups, announcing the project during a conference in Peru, noted that the effort is focused on improving the productivity of current farmland while reducing the need to turn over additional land for food production. Latin America, which accounts for 13 percent of global food trade, has lost approximately 89 million acres of forest and grasslands to agriculture since 2000. Rather than turn to grants from charities, the project is relying on investors seeking to turn a profit.

[Read more.](#)

The Land Investment Monthly is a round-up of articles and headlines published by the farm press, business media and financial publications with insights into buying, selling or investing in farmland, recreational ground or development ground. Follow Steve Bruere [@SBruere on Twitter](#) and find Peoples Company on Facebook for the latest land listings, auction results, upcoming events and real estate news. To subscribe to my monthly updates via email, send a message to Steve@PeoplesCompany.com with "Land Investment

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