

Land Investment Monthly - January 2018

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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 farm land, recreational ground or development ground

Op-ed: Land Is Underrated as a Source of Wealth

When most people think of wealth in the modern economy, they tend to think of stocks and bonds. The word “capital” is often synonymous with corporate ownership. Land wealth, meanwhile, is often relegated to a footnote. Yes, people own houses, but vast fortunes are made in the stock market, while the fates of nations rise and fall with the bond market.

[...]

But ignoring land is a mistake. Despite the explosive growth of corporations since the Industrial Revolution, land still represents a huge percent of all the wealth in the economy. What’s more, focusing only on capital gains neglects the extremely important fact that land earns income from rent. If you live in your own house, this income is implicit -- living in your own home means you don’t have to pay rent to someone else. But if you’re a landlord, you get checks every month, just like stockholders receive quarterly dividends. And in the same way that a stockholder can use dividends to buy more shares, a landlord can use rental income to buy more property -- thus, rent needs to be counted in the return to housing. [Read More](#)

The Case for Buying Farmland Versus Stocks

Getting out of an asset class once the market shifts can prove quite difficult. And investing in an illiquid asset class such as farmland can be slow and difficult. That’s why investors normally move from stocks to gold and then back to stocks. Both offer easy entry and exit.

Farmland, however, offers consistent annual returns, which gold does not. In addition, farmland offers long-term appreciation, despite the current three-to-four year correction. Value investors might also favor farmland as an inflation hedge and a safe haven from a financial crisis. [Read More](#)

The Transformation of the American Farm, in 18 Charts

The American farm has been transformed. During the first half of the 20th century, farmers raised a mix of crops and livestock on a few hundred acres of land. These days, most farmers specialize in a few, or even just one product, on much bigger spreads. That focus has helped farmers reap bigger profits, but it also can leave them exposed—a swing in one commodity's price, a blight or bad weather can be devastating. [Read More](#)

Millennials are leaving their desk jobs for the farm and Elon's brother, Kimbal Musk, wants to help

Millennials are changing the face, and practices, of farming.

[...]

Among those recruiting millennial foodies into farming is Kimbal Musk, brother of tech billionaire Elon Musk. His project [Square Roots](#) is an accelerator incubating vertical farming startups inside a shipping container in Brooklyn.

Musk says millennials, who are driving the growth of organic food sales to record highs, are increasingly drawn to farming to make a difference in the way food is produced.

"If you look at just five years ago, farming was considered, you know, this is what your grandparents did. And over the past few years, there's been this extraordinary demand and desire to be a farmer amongst the younger generation," says Musk. [Read More](#)