

# Land Investment Monthly - July 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 farmland, recreational ground or development ground.*

## **Today's land values tell a tale of two markets**

Buyers of agricultural land are wondering if now is a good time to make a purchase, while at the same point in the market, sellers are asking if they should sell. Are land values still trending down or have they bottomed and higher prices are on the horizon?

Individual landowners and investors are both scratching their heads as to the current land market and where it might go. It is as if there are two land markets: one that says it is a good time to sell and one that indicates

that it is time to invest in land. [Read More](#)

### **Nearly 60 percent of Iowa farmland owners don't farm; one-third have no ag experience**

Nearly 60 percent of Iowa farmland owners don't actively farm, a new Iowa State University survey shows, and about one-third of owners have no farming experience at all.

Twenty-four percent of those owners are retired farmers, according to the ISU Farmland Ownership Tenure Survey that looked at trends from 2012 to 2017.

[...]

Eighty-two percent of Iowa farmland is owned debt-free, which represents a significant increase from 62 percent in 1982 and 78 percent in 2012. It helps explain why Iowa farmland prices have only fallen about 16 percent since hitting a high in 2013, while farm profits have fallen 75 percent, ISU economists said.

"About 55 percent of all land in Iowa has been owned by the same owner for over 20 years," said Wendong Zhang, an ISU economics assistant professor. "With low turnover, and with limited supplies, it supports higher land values.

"That's provided a buffer in this current farm downturn," said Zhang, who led the survey with Alejandro Plastina, also an assistant ISU economics professor. [Read More](#)

### **Can High-Tech Indoor Agriculture Transform Local Food?**

In a town of eight million, Farm.One is part of a rising movement to cultivate produce where large numbers of people live by using high-tech systems and smart greenhouses placed at grocery stores, in basements and even inside cargo vessels. Leading restaurants have embraced these futuristic farms for a range of reasons, including variety, ingredient quality and virtually unlimited availability in all seasons.

Critics, however, question whether high-tech farming in confined spaces will be destined to cater only to elite restaurants, especially considering the much bigger national marketplace flooded with cheaper produce from California and Arizona. Chefs also debate taste. Some are grateful to have local hydroponic produce to flavor their dishes in all seasons. Others swear the produce is inferior to herbs and vegetables from a dirt farm with the characteristic flavor of the soil where they grow. [Read More](#)

### **Neb. Ranch Asks \$34 Million**

Farmers and ranchers love accumulating assets, land in particular, but when markets are down and the outlook uncertain, sometimes there comes a point when it's time to see if you can cash out and move on.

That's the story behind Nebraska's most expensive farm real estate listing. Anthony Zeman of Bassett, Nebraska, is asking \$34 million for his irrigated crop and beef operation in the north-central Sandhills -- \$20 million more than the next highest value property on the market. [Read More](#)

### **Aussie grain giant puts mega farm up for sale**

One of Australia's biggest arable farms extending to 495,000 acres is up for sale at a price tag of \$72 to \$82 million.

Western Australian grain giant John Nicoletti decided to retire from grain farming at 64 years old.

The sale represents the biggest offering of a single parcel of broad acre farming land ever to be sold in Australia and is being handled by commercial real estate company CBRE's head of agribusiness, Danny Thomas.

The sale includes about 189,000 acres of freehold land, of which about 155,000 acres are arable, plus 234,000 acres of leasehold land, which will be assigned to the purchaser. [Read More](#)

### **Arcane U.S. land law gets slow makeover to help poor**

Dubbed the worst problem no one has heard of, an obscure land rights law is winning attention as lawmakers overhaul arcane U.S. inheritance rules that are exploited by predators.

At the root of the problem is so-called heirs' property - a type of enforced communal ownership - which can arise when land or a home is passed on without a clear will.

The issue has disproportionately affected poor and minority Americans, making an inherited property impossible to sell or - by contrast - imposing an unwanted sale on a rightful heir, sometimes to the benefit of a developer. [Read More](#)

### **South Africa Confronts Confounding Question: Who Gets the Land?**

Twenty-four years after the end of white minority rule, South Africa's new leader is promising to tackle a problem that has confounded former colonies from Bolivia to Zimbabwe: how to redistribute land without hurting the economy.

President Cyril Ramaphosa and the ruling African National Congress have pledged to pass laws letting the government [expropriate land without compensation](#), a high-stakes move they say is necessary to remake some of the deep inequalities plaguing South Africa.

He and other senior ANC officials have said that would be an appropriate way to handle the cases of so-called labor tenants—people who swapped work for the right to live and farm on white-owned land—as well as farm dwellers and people living in informal settlements around South African cities. [Read More](#)