

# Land Investment Monthly - September 2021

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*Photo credit: Kelsey Kremer/The Register*

## **Garst land brings family millions in auction, even with sale tied to conservation easements**

An Iowa family [known for hosting late Soviet leader Nikita Khrushchev on their farm during the Cold War](#), and for their land stewardship, fetched a hefty \$19.3 million for 2,000 acres sold at auction Tuesday, even with permanent conservation easements tied to the farmland.

The five buyers of the Garst land were all Iowa farmers, said Steve Bruere, president of Peoples Company, a Clive farmland management and brokerage company. Peoples led the auction in Coon Rapids with local firm Community Insurance Agency.

"It's a big, big thing that farmers bought the land," Bruere said Tuesday. "That tells me they understood the easements and were comfortable with the practices." [Read More](#)

## **Here's why the ultra-wealthy like Bill Gates and Thomas Peterffy are investing in U.S. Farmland**

Investments in farmland are growing across the country as people, including the ultra-wealthy like Bill Gates, look for new ways to grow their money.

In 2020, Gates made headlines for becoming [the largest private farmland owner](#) in the U.S. He had accumulated more than [269,000](#) acres of farmland across 18 states in less than a decade. His farmland grows onions, carrots and even the potatoes that are used to make McDonald's french fries.

"It's an asset with increasing value," American Farmland Trust CEO John Piotti said. "It has great intrinsic value and beyond that, it is a limited resource." [Read More](#)

## **Agriculture real estate values jump 7%, largest increase since 2014**

The Land Values 2021 Summary report, released by USDA's National Agricultural Statistics Service, shows agricultural land values increasing at a rate not seen in nearly a decade.

This report and its contents provide one of many indicators of the overall health of the agricultural economy and help paint a picture of costs that farmers face as they negotiate rent levels for the near future.

### **Farm Real Estate Value**

The U.S. average farm real estate value, a measurement that includes the value of all land and buildings on farms, clocked in at a record \$3,380/acre. This 7% increase over last year represents a percentage change not seen since 2014 when values increased 8% over the previous year. [Read More](#)

## **How a Billion-Dollar Farm-Tech Startup Stumbled, Then Revamped**

When a Boston-based tech startup showed John Creighton one of the best prices for his corn he'd seen in years, the farmer signed up to sell 75,000 bushels through its network.

What followed were months of headaches. The company's paperwork, which farmers rely on to track grain quality and deliveries, was a mess, Mr. Creighton said. Trucks sometimes arrived at the farm to make pickups in the middle of the night, and several loads of his grain went missing. Months passed without full payment on the grain, versus the 72-hour turnaround with local elevators. He was paid, he said, after threatening to complain to regulators.

"They had a great sales pitch," said Mr. Creighton, who farms in Illinois and dealt with Indigo in 2019. "It turned into a complete cluster."

The source of Mr. Creighton's frustration was Indigo Agriculture Inc., a startup that had set its sights on the U.S. Farm Belt with an idea to use cutting-edge technology to reshape the agriculture industry. [Read More](#)

## **How Superweeds Like Palmer Amaranth Are Changing Agriculture**

It was already too late for Darren Nicolet to reverse course last June when he heard that [the Ninth Circuit Court of Appeals had overturned E.P.A. approval of three products containing dicamba](#), a controversial but widely used weed killer. A farmer in Kansas, Nicolet had planned his season around the herbicide, planting his fields with soybeans that were genetically modified to survive being showered with the chemical. He was well aware of dicamba's tendency to vaporize and drift from field to field, causing damage to crops and threatening nearby wildlife and trees, but he didn't feel as if he had much of a choice: Dicamba was one of the last tools that provided some control over Palmer amaranth, an aggressive weed that would quickly go on to choke out his sorghum crop — and that threatened to overtake his soybeans too. “There was a little bit of a moment of panic there for a few hours,” Nicolet said; he was worried that a season without dicamba would mean devastation for his farm.

If there's a plant perfectly suited to outcompete the farmers, researchers and chemical companies that collectively define industrial American agriculture, it's Palmer amaranth. This pigweed (a catchall term that includes some plants in the amaranth family) can re-root itself after being yanked from the ground. It can grow three inches a day. And it has evolved resistance to many of the most common weed killers, continuing to reproduce in what ought to be the worst of circumstances: A three-day-old, herbicide-injured seedling, for example, can expend its last bit of energy to produce seeds before it withers up and dies. Unchecked, Palmer amaranth can suppress soybean yields by nearly 80 percent and corn yields by about 90 percent. [Read More](#)