

# Land Investment Monthly - February 2022

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*Photo Credit: Nathan Thomas, University of Nebraska-Lincoln*

## **Farmland values soaring in Iowa. How it's impacting farmers big and small**

Fourth-generation corn and soybean farmer Jeff Frank doesn't feel rich, but simply based on the skyrocketing value of his land in northwest Iowa, it's an apt way to describe him, even if he laughs at the idea.

He lives in the same nearly century-old house, grows veggies in the family garden and shops at the same grocery store about 15 miles (24 kilometers) down the road. "We live the same way we have all of our lives," he said.

Still, even if Frank's life hasn't changed, the several hundred acres he owns about 80 miles (129 kilometers) northwest of Des Moines have suddenly made him worth millions of dollars. [Read More](#)

## **Key Indicators in the Growing Value of American Farmland**

David Muth of Alternative Equity Advisors recently spoke at the 2022 Land Investment Expo about the asset classes in farmland investments and the farm market. He points to inflation, population, and digitization as key indications of growing land value.

Muth started by looking at the [2021 National Land Values Report](#). In the past few years, regions have been holding their patterns of land value growth; some grew faster than others depending on what is produced there, but they stayed consistent. This past year, however, certain states have seen land values jump, according to the report. [Read More](#)

## **Risk and Reward: A Conversation with Sam Zell, Founder and Chairman of Agricultural Real Estate**

As the child of an immigrant, Zell saw the United States as a combination of golden streets and shadows over his shoulder. It also shaped his perspective of risk and reward.

“I’ve always operated on the thesis that if whatever I do is profitable, I’m pretty well protected,” says Zell. “The real question is when you initially make the decision — when you initially take the risk — do you understand what the downside is? Do you have enough staying power to, in fact, be able to succeed in an environment that meets your downside definition?”

In the late '80s, Zell purchased an agricultural chemical company that was closing. His business partners went to a bankruptcy sale and bought a nitrogen plant. They also purchased a potash company in Canada.

“We rolled the three elements together and basically created a process where we covered all three steps of fertilizer production, and we eventually provided and sold fertilizer,” says Zell. “We sold the company to the public first, then we sold out to International Minerals and Chemicals, which is called Mosaic today.”

Zell says the agriculture industry, much like every other industry he has experienced, is all about supply and demand. In the world market, the amount of available farmland is not growing, so as an investment, farmland isn't a bad choice. On the other hand, Zell says that farmland tends to have a lot of emotional attachment to it, which makes it hard to see it as an investment. [Read More](#)

## **The Land Report Announces the Top 5 U.S. Landowners**

Eric O’Keefe, editor at The Land Report, presents at the 2022 Land Investment Expo in Des Moines, Iowa. O’Keefe highlights the top five landowners in the United States and the contributions their legacy ownership have made on the agricultural land industry. [Read More](#)

## **Nebraska Study Finds Climate, Field Management Hold Keys to Increased Crop Yields**

Plant genetics previously has received the most attention as a factor for improving crop yields. The new IANR analysis, which studied data for 3,000 irrigated fields in three Nebraska regions over a 15-year period, showed that climate and field management, rather than genetics, had far greater influence on increased crop productivity.

The findings indicate the need for a more balanced approach in the study of crop-yield factors by university and private-sector researchers, to provide proper consideration for climate trends and management practices, said Patricio Grassini, associate professor of agronomy and horticulture and one of the study’s six co-authors. That broader research approach can provide greater opportunities to boost crop yields and meet the growing global food demand. [Read More](#)

