

## IMPROVING AG ECONOMY INCREASES DEMAND FOR LAND

Written by: Marc Reck



The ag situation has changed dramatically over the last 18 months. In August 2020, we faced drought, low commodity prices, and the consequences of the pandemic. We anticipated properties for sale due to debt, operators retiring, and the uncertainty of the upcoming election. Fast forward to now. The ag economy has greatly improved with higher commodity prices, increased export trade, lower interest rates, and a massive influx of government support money. So has the land market.

When commodity prices improve, everyone's attitudes change. Landlords receive higher rents, owner/operators see improved cash flows, and overall fewer people want to retire or sell – resulting in a reduced amount of land for sale. At the same time, buyers desire to take advantage of lower interest rates, expand their operations, employ a hedge against inflation and invest in an alternative to the stock market. These factors - combined with a limited number of properties for sale - have created strong buyer demand and a perfect storm for a seller's market with increasing land values. This current trend is reminiscent of the land market from 2010-2014 (see graph).

With every cycle the following questions should be considered:

1. How long will the improved commodity prices, increasing land values, and lower interest rates last?
2. Are we out of the drought cycle?
3. In the current political climate, what will happen with capital gains, death tax, and income tax?
4. How much do increases in fertilizer, chemical, and seed prices affect the bottom dollar?

When selling land, the variables are when and if to sell. Some have no choice of when to sell. Others have the choice of when and if they sell. I know many would like to sell, but there is no alternative investment to earn them a comparable return, and they are also leery of the potential tax changes. If you are considering selling, is it better to do so with the values on the way up rather than trying to predict the top, missing it, and selling on the way down? The situation can change in a heartbeat.

If and when you sell your land, you have one chance to do it right. And it starts with picking the right real estate company. You've probably been receiving postcards from other real estate companies saying they

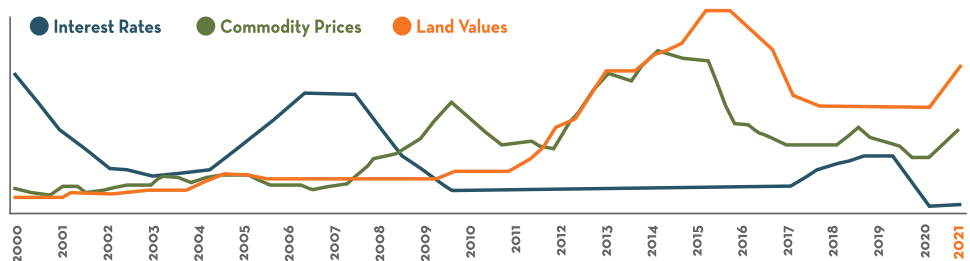
have buyers for your property. All real estate brokers claim to have buyers, but you have to ask yourself – who gets results, and who can I trust to handle the details correctly? In the last 12 months, we have sold over 67,000 acres for over \$72,000,000. These sales have included two large ranches (24,000 acres and 11,000 acres), 11,000+ acres of grassland in varying parcel sizes, over 5,000 acres of pivot irrigated ground, and the balance of about 10,400 acres of smaller parcels, dryland, CRP, and rural acreages. In total, Reck Agri Realty & Auction has closed over 1,759 transactions on 820,846 acres for over \$650 million.

We've experienced about every situation and can handle any size and type of transaction. Our goal is to get you top dollar via our aggressive marketing, access to our buyer database, and your choice of a private treaty or live and online-only auction bidding platforms. We have the experience, negotiation skills, relationships, and connections with lenders, attorneys, CPAs, FSA, and title companies to offer a seamless transaction.

Take advantage of the high demand for land. When you're ready to sell, we're ready to listen.

~ Marc

LAND VALUES • COMMODITY PRICES • INTEREST RATES COMPARISON  
YEARS 2000-2021



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## RECK AGRI DONATES A PERCENT OF COMMISSION TO FFA



Reck Agri recently committed to donate a percentage of all commissions to FFA for a three-part investment: a scholarship program for students in Colorado, Nebraska and Kansas; support for the Endowment for Local Teacher Success (aimed at mentorship of first to third year Ag Education

instructors); and a donation to the Colorado FFA Foundation.

“Growing up, FFA and my ag teachers had such an important influence on so many aspects of my life,” said Marc Reck. “I want to give back and make a difference for the next generation coming back to rural America.”

FFA members in eastern Colorado, western Nebraska and western Kansas will be eligible to apply for the scholarships. Details about how to apply, the selection process and timelines are forthcoming.

“This partnership with Reck Agri Realty & Auction and Marc is a true FFA success story,” said Don Thorn, Executive Director of the Colorado FFA Foundation. “Both Marc’s experience in FFA and his ag teacher contributed to his success; now Marc is choosing to give back and invest in current FFA members and ag teachers all across the state. “It’s very impactful and inspiring. The Colorado FFA Foundation is thankful to launch this partnership and looks forward to working together for years to come.”

## WE CONNECT BUYERS AND SELLERS LIKE NO ONE ELSE CAN

Do business with Reck Agri Realty & Auction, and you’ll work with a team that has experience, local and regional knowledge, a wide network of contacts, the marketing resources of a large company, and a proven track record of integrity and empathy. We pride ourselves in being different from the rest – and that’s what makes us a smart choice for your real estate transaction.

**YOU NEED SOMEONE YOU CAN  
TRUST AND RELY ON WHEN YOU ARE  
SELLING A PROPERTY**

At Reck Agri, we are totally committed to our customers. We will help you navigate your situation, no matter how simple or complex it may be.





## BUDIN RANCH AUCTION

7,086± Acres - Logan County, CO



No Reserve

- 6452± acres deeded and 634± state lease pasture, 158± acres CRP
- Located 15 – 19 mi N/W of Sterling, CO
- 6± mi Pawnee Creek bottom w/20± spring-fed ponds
- Offered in 5 Parcels, 2 Combos and Single Unit

Tuesday, November 16, 2021 • 10:30 AM MST  
Reck Agri Auction Center, Sterling, CO

## EAST MORGAN COUNTY PASTURE AUCTION

2,000± Acres - Morgan County, CO



No Reserve

- Contiguous pasture—not grazed in 2021
- Located 12-15 mi S/E of Brush, CO
- Includes potential home site w/insulated shop and utilities in place
- Offered as 3 Parcels, 1 Combo, 1 Single Unit

Thursday, November 18, 2021 • 10:30 AM MST  
Reck Agri Auction Center, Sterling, CO

## WILLIAM STRETESKY FOUNDATION HOME PLACE AUCTION

146.6± Acres - Sedgwick County, CO

- From Julesburg/I-76 exit, 3.3 mi S, 5 mi E
- Improvement site - 24.3± ac
- Dryland - 120.3± ac
- 195,000 ± bu grain storage
- 3 bed, 2 bath, 3,867 sq ft± Home including basement
- 3 Quonsets - 49,000 ± sq ft
- Grain platform scales



Tuesday, December 7, 2021 • 10:30 AM MST  
Hippodrome Arts Center, Julesburg, CO

## SALMONSON FAMILY TRUST DRYLAND AUCTION

1,122± Acres - Perkins County, NE

- Dryland offered for sale in 5 parcels - 2 combos
- Located N of Madrid; S of Elsie; SE of Venango
- Possession upon closing except Parcel #2 w/wheat
- L/L share to Buyer
- Level to rolling terrain
- Mineral rights to Buyer



Tuesday, November 30, 2021 • 10:30 AM MST  
Quality Inn, Ogallala, NE

## MERINO IRR LAND AUCTION

UNDER CONTRACT



SOLD AT ONLINE AUCTION

- 231± acres, 220± ac irr by lateral sprinkler - fld
- 12 shares South Platte Ditch, 1 irr well
- 3± mi SW of Merino, CO

## FLATLANDS, INC. IRRIGATED LAND AUCTION

UNDER CONTRACT



SOLD AT ONLINE AUCTION

- 480± acres
- Parcel #1 160± acres, 125± pivot irrigated
- Parcel #2 320± acres, 175± under pivot
- 10± S/W Holyoke, CO

*Check our website for the latest information, as some properties may have sold and new properties been listed while the newsletter was on its way!*

**CONSIDERING SELLING?**

**NOW IS THE TIME TO SCHEDULE YOUR AUCTION OR LIST YOUR PROPERTY FOR SALE!**





## WE REPRESENT BUYERS - EVEN ON PROPERTIES LISTED WITH OTHER BROKERS

*Written by: Ben Gardiner*



Did you know that we can represent Buyers – even if a property is listed by another brokerage firm? By representing you as a Buyer, we can help gather information, perform due diligence, handle contracts, negotiate the best deal, work with your lender, and guide you through the entire transaction. Our expertise and market knowledge usually come at no cost to the Buyer. The Seller is still responsible for the commission on the sale, which will be split between the Seller's Broker and the Buyer's Broker. No matter the situation, we want both parties to get a fair deal and make the process as seamless as possible.

As the largest agriculture real estate firm in our area, we keep our finger on the pulse of the market and hold licenses in Colorado, Nebraska, and Kansas. In addition to actively marketing and selling the properties we represent, we also track other sales and real estate listings in our service area to ensure we keep up with the latest market trends and property inventory. With our extensive landowner database and connections, we may be able to find you the right property even if it is not on the open market.

*If you're interested in buying, give us a call and we can discuss what you are looking for!*

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## NO TWO AUCTIONS ARE ALIKE

One thing we've learned after conducting over 360 auctions with over 15,540 attendees is that no two are exactly alike! Every auction has a unique set of buyers motivated by their own reasons. Add in the excitement of the auction atmosphere, the events of that particular day, the people our strategic marketing brings to the table, and the variety of human nature and it results in some very interesting competition! Contact us if you have any questions about the auction process or would like to learn more about what kind of auctions we offer.



## COMMON QUESTIONS



### *WHO IS SELLING LAND?*

Over 80% of the properties we sell are due to one or more of the “6 D’s” of Death, Divorce, Dissolution, Debt, Dysfunction, or DONE (often retirement). These transactions can be emotional and/or contentious. Sometimes selling represents the end of a legacy, and sometimes it involves owners who are not on the same page. For many, making the decision to sell is the hardest part of the process. Once made, we’ll help you get it done. We’ve navigated almost every situation and often end up being an advisor and the one independent person all parties can trust.

### *DO RECK AGRI BROKERS BUY AND SELL LAND?*

They do not. It has been a long-standing policy that we do not buy or sell land within our trade area for personal gain. When we’re hired by a client, we are placed in a position of trust and are privy to confidential information. If we buy and sell for personal gain, we would be compromising this trust. Properties offered through Reck Agri will be offered to everyone and we will not cherry pick for personal gain.

### *WHEN LISTING BY PRIVATE TREATY, WHAT’S MOST IMPORTANT?*

The asking price. We want the seller to receive the highest price and to sell within a reasonable time frame. If you price the property too high, many buyers will not make an offer because they don’t want to insult the seller. Some real estate companies will list a property at a higher price just to get the listing. Over time, buyers will no longer look at the property and it becomes stale. We determine a realistic price and allow room for reasonable negotiation.

### *WHAT IS A BUYER’S PREMIUM?*

Some auctions require the buyer to pay a premium (commission) in addition to the purchase price. The theory is that the seller pays less commission by shifting the cost of the commission to the buyer. The buyer will factor the cost of the premium into the price they are willing to pay and, depending on the amount of the buyer’s premium, may result in fewer net dollars to the seller than if the seller simply paid the commission. This can be confusing to a buyer who gets caught up in the bidding then finds out the purchase price is 5% more than what was bid at closing. The way we see it, when the seller pays the full commission, the buyer knows exactly what they’re paying and the seller nets more dollars.



PO BOX 407 // STERLING, CO 80751

ADDRESS SERVICE REQUESTED

VISIT [RECKAGRI.COM](http://RECKAGRI.COM)  
FOR CURRENT LISTINGS  
AND INFORMATION  
ABOUT UPCOMING  
AUCTIONS.



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## RECK AGRI WELCOMES JAIMEE MOLLOHAN



*Jaimee Mollohan*  
*Director of Marketing & Sales*

We're excited to announce that Jaimee Mollohan has joined our team as the Director of Marketing & Sales! We take marketing seriously, and Jaimee's experience and expertise will allow us to enhance our strategy, direction, and effectiveness. She brings a wealth of marketing knowledge as well as a wide network of connections that we plan to put to use for our customers from day one – stay tuned for more!

“With Jaimee joining our team, we inherit her marketing experience and expertise, her deep roots and love for agriculture, plus she just ‘gets it’ when communicating with the ag community. It’s a game changer for us,” said Marc Reck.

Jaimee comes to Reck Agri from Premier Farm Credit, where she was the Vice President of Marketing in charge of elevating the Premier Farm Credit brand, engaging with customers and industry influencers, and helping drive employee and business growth. Before her nearly 14 years at Premier Farm Credit, she was a Marketing Specialist for Cargill Animal Nutrition, in charge of several regional and national marketing programs.

Raised as her Dad's ‘right-hand man’ on a ranch in southern Colorado, Jaimee is hardworking, honest, and upbeat. She earned both her Bachelor's and Master's Degrees from Colorado State University in Fort Collins. Staying true to her roots, Jaimee is actively involved in her family's cow/calf, yearling cattle, and farm operation alongside her husband Ty and their three young sons. Life is never dull with Jaimee around, and we invite you to stop by and meet her!