

# Exploring the potential of farmland investments



The stock market often steals the limelight in the bustling world of investments. Yet, another contender has silently outpaced stocks for the past three decades. It's not gold, real estate, or bonds. It's farmland. This asset class has not only averaged an 11% return per year, outperforming stocks, but it has also done so without a down calendar year.

## The power of farmland investments

Farmland is a unique asset class catering to the first basic human need: food. As the world population continues to surge, the demand for food is escalating, and consequently, so is the demand for farmland. Conversely, the supply of farmland is dwindling due to urbanization and climate change. This supply-demand imbalance creates a favorable environment for farmland investments.

Interestingly, farmland has outperformed stocks over the past

30 years with zero down calendar years. This implies that farmland investments have consistently yielded positive returns year after year, irrespective of the economic climate. This level of stability is a rarity in the investment world, making farmland a valuable addition to any investment portfolio.

## **The appeal to high-profile investors**

The potential of farmland investments has not slipped past high-profile investors. For instance, Bill Gates, one of the world's wealthiest individuals, has been purchasing a significant amount of farmland. His investment strategy underscores the potential of farmland as a stable and profitable investment.

## **The role of financial advisors**

Given the potential of farmland investments, it's surprising that many financial advisors have not recommended this asset class to their clients. If your financial advisor hasn't suggested farmland, it's worth asking why.

Perhaps they are unaware of the potential of farmland investments or may not have access to suitable investment opportunities. Regardless of the reason, it's important to have a conversation with your financial advisor about this overlooked asset class.

## **The new breed of financial advisors**

In the modern investment landscape, having a financial advisor who is educated, sophisticated, and acts as a fiduciary is crucial. These advisors understand the potential of non-traditional asset classes like farmland and can provide access

to suitable investment opportunities.

These advisors are not your typical financial advisors. They are fiduciaries, which means they are legally obligated to act in your best interest. They are also educated and sophisticated, which allows them to navigate the complex world of investments and identify promising opportunities.

## Conclusion

In conclusion, farmland is a unique asset class that has outperformed stocks over the past 30 years without a down calendar year. With the world population continuing to grow and the supply of farmland diminishing, the demand for this asset class is set to increase.

If your financial advisor hasn't suggested farmland, it's time to ask why. With the right financial advisor, you can tap into the potential of farmland investments and diversify your investment portfolio. After all, in the world of investments, it's not just about stocks and bonds. There's a whole world of opportunities, and farmland is one of them.

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## Frequently Asked Questions

### **Q. What makes farmland a unique asset class?**

Farmland caters to the number one basic human need: food. As the world population continues to surge, the demand for food is escalating, and so is the demand for farmland. Conversely, the supply of farmland is dwindling due to urbanization and climate change. This supply-demand imbalance creates a favorable environment for farmland investments.

## **Q. How has farmland performed compared to stocks?**

Farmland has outperformed stocks over 30 years with zero down calendar years. This implies that farmland investments have consistently yielded positive returns year after year, irrespective of the economic climate.

## **Q. Why are high-profile investors interested in farmland?**

The potential of farmland investments has not slipped past high-profile investors. For instance, Bill Gates, one of the world's wealthiest individuals, has been purchasing significant farmland. His investment strategy underscores the potential of farmland as a stable and profitable investment.

## **Q. Why might a financial advisor not recommend farmland investments?**

Perhaps they are unaware of the potential of farmland investments or may not have access to suitable investment opportunities. Regardless of the reason, talking with your financial advisor about this overlooked asset class is essential.

## **Q. What qualities should a modern financial advisor possess?**

In the modern investment landscape, having a financial advisor who is educated, sophisticated, and acts as a fiduciary is crucial. These advisors understand the potential of non-traditional asset classes like farmland and can provide access to suitable investment opportunities.

## **Q. Why should I consider farmland as part of my investment portfolio?**

With the world population continuing to grow and the supply of farmland diminishing, the demand for this asset class is set to increase. If your financial advisor hasn't suggested farmland, it's time to ask why. With the right financial advisor, you can tap into the potential of farmland investments and diversify your investment portfolio.

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