

LAND NEWS



SPRING 2023 • ISSUE 31

We're frequently asked how the current economy and state of global affairs are affecting the land market. It's hard not to wonder - interest rates have almost doubled; inflation has more than doubled and production costs remain high. These factors cause many landowners to question if now is the time to sell, thus the limited inventory of land for sale. Even with this uncertainty, I believe ag remains a bright spot in our economy with strong commodity prices. If you are contemplating selling, we are encouraging people to do it sooner than later. Higher interest rates have definitely been the topic of conversation, along with high production costs affecting the ability to pay for land. It appears both will remain high in the near future. As long as commodity prices remain strong, providing positive cash flow along with limited inventory of land for sale, demand for land should remain strong and/or flatten. But as soon as we see commodity prices start to slip, you may see land values soften. This has historically been the trend (see chart below showing the correlation between interest rates, commodity prices, and land values).



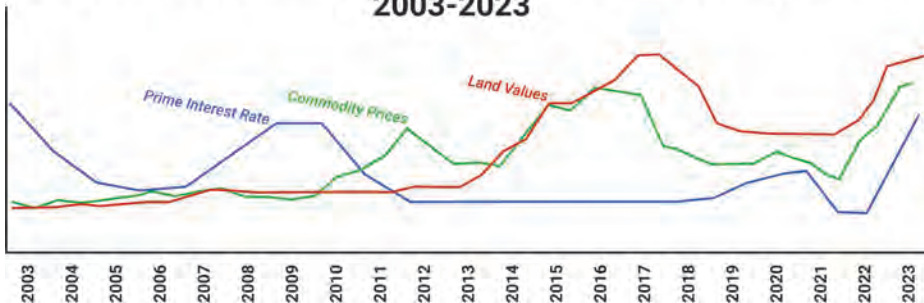
From the desk of
MARC RECK

Owner | Broker | Auctioneer

If you are considering selling, you know the real estate brokerage business is very competitive. Many of you receive cards weekly or monthly from different real estate brokers. And you may ask - what differentiates Reck Agri Realty & Auction from other brokers? The answer is in our brand and reputation. We are known for being realistic, working hard to provide you top dollar, providing a seamless transaction – and most importantly - for solving your situation. When we meet with you and review the conditions related to your sale, we will make recommendations and provide you a choice on whether to sell your

property by auction or by private treaty. We have the experience to handle any situation, the technology to sell by online-only auction or multiple parcel live auctions (with live broadcast internet bidding), and a book of business database with buyers and business professionals to share the news with. In short, we connect buyers and sellers of ag real estate like no one else can – and we make the process as simple as possible for our clients.

**Land Values - Commodity Prices - Interest Rate Comparison
2003-2023**



IN THIS ISSUE

- TERMS TO KNOW PG. 2
- TITLE COMMITMENT PG. 2
- PROPERTIES FOR SALE PG. 3
- WHAT PEOPLE SAY PG. 4
- COMPANY RESULTS PG. 5
- FFA INFO PG. 6

TERMS TO KNOW

We get asked a lot of questions about real estate terms and knowledge. If there's a topic you'd like to know more about, let us know!

CHAIN OF TITLE

The succession of title ownership to real property from the present owner back to the government or the original source of title.

ENDORSEMENTS

Add, change or limit additional protection by modifying the terms of coverage. May be issued at closing or after closing.

FEE SIMPLE

Absolute title to land, free of other claims against the title, which one can sell or pass to another by will or inheritance. Highest form of ownership in real estate recognized by the law. The property owner is entitled to full enjoyment of the property, limited only by zoning laws, deed or subdivision restrictions or covenants.

LIFE INTEREST

Interest in real property the duration of which is limited to the life of an individual, with title vesting in another person. The owner of a life estate is called a "life tenant."

PERSONS CAPABLE OF HOLDING TITLE/BEING INSURED

Natural person (18+), General Partnership, Limited Partnership, Corporation, Trust, Limited Liability Company, Trust, Joint Venture

WHAT IS A TITLE COMMITMENT & HOW DO I READ IT?

This article is for informational purposes only and is not intended as professional advice; always consult your qualified advisors before making business decisions.

In nearly every real estate transaction, the Seller agrees to provide the Buyer with title insurance – or evidence of marketable title to the property. A title "commitment" is essentially a promise from the Title Company to provide a final title insurance policy after closing and is issued prior to closing while the property is "under contract." Most purchase contracts will provide the Buyer the opportunity to review the commitment and "object" or even terminate the contract if the title commitment identifies something of concern for the Buyer. In short, Title Commitments and Title Insurance protect purchasers of real estate (and their lenders) against future losses caused by bad title or title defects (outstanding liens, back taxes, etc.).

Most title companies across the nation use standard forms for commitments and policies – these are distributed by the American Land Title Association (ALTA). Every ALTA title commitment covers the following:

SCHEDULE A

Covers the basic terms of the transaction – such as current ownership, the property's legal description, the name of the proposed insured (buyer), the sales price and name of the lender, if applicable.

It is particularly important to review this information for accuracy – if something is inaccurate or you have questions, contact your broker or the title company directly.

SCHEDULE B

Requirements: This lists the items that must be addressed to convey the property. Examples include:

- a. Paying unpaid taxes
- b. Paying off any existing mortgages
- c. Releasing any other liens against the property
- d. Documentation required from the Seller – this most often pertains to property held in an LLC, Partnership, Corporation or Trust – the title company will need a copy of the appropriate documentation (i.e. Operating Agreements, Trust Agreements, etc.). This provides evidence of who can sign documents and who can authorize the sale of the property.

Exceptions: This section lists the items that will NOT be covered under the insurance policy (thus is not guaranteed to be conveyed to the buyer).–This section should be of particular interest to any potential buyer. Examples include:

- a. Minerals
- b. Water rights
- c. Utility and access easements
- d. Existing plat restrictions
- e. Other deed restrictions – such as conservation easements, etc.
- f. Leases for wind/solar or farm leases that have been recorded in the county records

Continued on Pg. 6



From the desk of
BEN GARDINER
Broker Associate



SCAN THE QR CODE
TO VIEW ALL
PROPERTIES FOR SALE

FEATURED PROPERTIES

RGM CORP. RANCH

13,428± Ac



Rangeland Acres: 12,954±
Pivot Irrigated Acres: 124±
Dryland Acres: 262±
CRP Acres: 84±
6,600 Ac Enrolled In Grassland CRP Program
8,000± Mineral Acres Conveyed To Buyer
Farm Equipment & Personal Property Included

📍 Cheyenne County, NE

CONDON RANCH

19,376± Ac



AVAILABLE IN:
Ranch Unit
East Unit or West Unit
7 Separate Parcels

📍 Logan County, CO

LOGAN CO. WCD LAND AUCTION

Apr. 25 @ Reck Agri Auction Center 1,673± Ac



📍 Logan County, CO

J&B WHITNEY FARM & RANCH COMBO

2,739± Ac



📍 Morgan County, CO

J&B WHITNEY FARM

240± Ac



📍 Morgan County, CO

SCHEELE TRUST LAND AUCTION

May 4 @ Sage Brush Restaurant 2,455± Ac



📍 Kimball County, NE

SOUTHEAST SEDGWICK COUNTY IRRIGATED FARM #2

320± Ac



📍 Sedgwick County, CO

EVERTSON WELL SERVICE COMMERCIAL PROPERTY

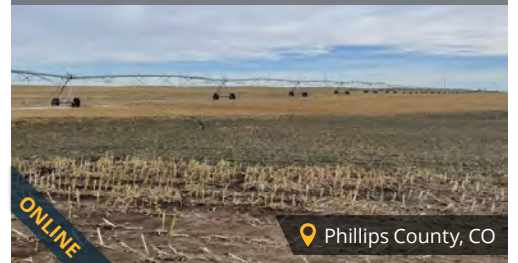
12.6± Ac



📍 Kimball County, NE

NEWTON PIVOT IRRIGATED LAND AUCTION - TBD

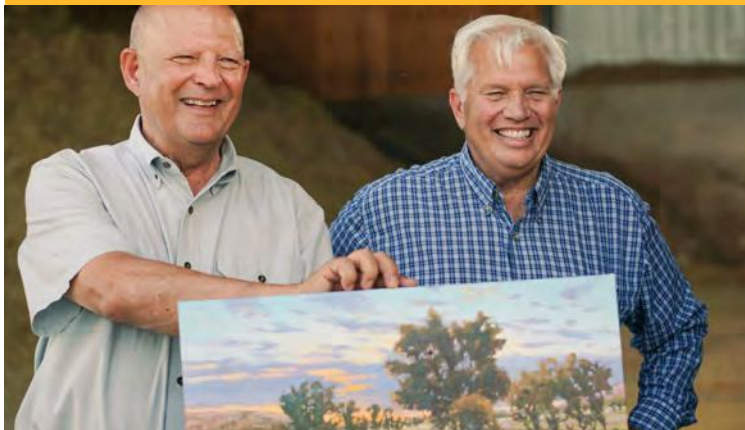
154± Ac



📍 Phillips County, CO

WHAT PEOPLE SAY

Reck Agri Realty & Auction connects buyers and sellers of ag real estate like no one else can – and we make the process as simple as possible for our clients.



“We bought a ranch, and everything that Marc said about the place is the way that it was. And he was so easy to work with, him and his crew. It was so simple. I mean he’s always precise on the water, well permits, property lines – all the details are covered. When you’re spending that kind of money on a piece of property you want to make sure everything is the way it’s presented for that reason – that’s the reason we chose to do business with Marc. And if we ever sell a property, Marc would be my first call.”

– **Bret McEndaffer, Buyer**



BRET TESTIMONIAL

Corrie Vaus

Snodgrass Irr. Land Auction



Selling property, especially land that has been in the family for decades, can be an emotional and daunting process. Reck Agri came highly recommended and a follow-up phone call with Marc gave us the confidence we needed. His team is tops in expertise and experience. Throughout the process Marc was quick to respond to any questions and enthusiastically met every marketing deadline with excellent work. Then came auction day. Reck Agri’s innovative approach resulted in a sale that exceeded our wildest dreams! From beginning to end, the relationship with Reck Agri was kind, professional, and ultimately financially rewarding.

“It’s very important that I have somebody I can trust.”

– **Alice Tuell, Seller**



ALICE TESTIMONIAL



Craig Ritchey

Ritchey Land & Cattle, LLC



Reck Agri was very professional and very driven to do things right. If there was a problem, we worked through it, and it was handled – no big deal. The outcome of our auction was great and the auction process was quite amazing. I’m thankful and would recommend Reck Agri.

John Weston

Weston Dryland Quarter



I would absolutely recommend that anyone thinking of selling should call Reck Agri. I worked with Ben and he was there for us all along and working very hard. It really felt like he was in our corner. We got good information and I had to rely on Ben because I live in a different state. He came through in many ways.

Ben was able to save me a lot of time because he made all the contacts to find the information needed to price the property properly. I really enjoyed working with them. They do their homework and make sure everything is right.

If I could sum up my experience with Reck Agri using one word, it would be comfortable. If I ever sold land again, they’d be the first ones I’d call. I can’t tell you how pleased I am to have worked with Ben and Reck Agri.

Doug Scott

Scott Irr. & Dryland Auction



Reck Agri Realty & Auction came highly recommended by two long-time friends. Ben was tremendous to work with, he literally handled everything - from providing detailed valuation data to completely marketing the listing. The auction went off just as Ben had described and it was surprisingly stress-free – there were no surprises. I would absolutely recommend Ben and Reck Agri Realty & Auction - they are very experienced, capable, and follow through on their promises.

Jill Athenour

Snodgrass Irr. Land Auction



Marc and the Reck Agri team recognized how important our Snodgrass family’s heritage was to us and what a gift the farm was to our family. The way the entire sale was handled demonstrated the respect our great grandparents, who homesteaded the property, deserved.

COMPANY RESULTS

We help everyday people sell farm and ranch real estate for top dollar with an honest, no-hassle approach that instills buyer confidence and seller results in a positive experience for all.



PROPERTIES SOLD RECENTLY

Kimball County, NE

SOUTH KIMBALL CRP GRASSLANDS
\$360,000 637± Ac

Logan County, CO

DAILEY DRYLAND
\$246,000 160± Ac

Cheyenne County, NE

HOLLENBECK CRP
\$95,000 85± Ac

Phillips County, CO

PLANK TRUST CRP
\$225,000 160± Ac

Yuma County, CO

ELMS FARM IRRIGATED LAND AUCTION
\$3,600,000 639± Ac

Phillips County, CO

SCOTT IRRIGATED & DRYLAND AUCTION
\$2,265,000 656± Ac

Yuma County, CO

NORTH ECKLEY IRRIG. LAND AUCTION
\$1,102,500 154± Ac

Logan & Yuma County, CO

ABE ELLIFF, LLC DRYLAND AUCTION
\$1,150,500 1,118± Ac

Morgan County, CO

SNODGRASS IRRIG. LAND AUCTION
\$5,340,000 320± Ac

Sedgwick County, CO

SE SEDGWICK COUNTY IRRIGATED FARM #1
\$2,100,000 305± Ac

SOLD IN LAST 3 YEARS



Logan County, CO

BRUNNER IRRIGATED FARM
\$1,725,000 320± Ac

Morgan County, CO

TESS FARMS, INC LAND AUCTION
\$4,005,000 1,834± Ac

Logan County, CO

LOGAN COUNTY RANCH COMBO
\$3,396,000 5,769± Ac

Yuma & Washington County, CO

YUMA/WASHINGTON CO. LAND AUCTION
\$2,635,000 742± Ac

Keith County, NE

WEST BRULE IRRIGATED AUCTION
\$1,220,000 307± Ac

Arapahoe County, CO

RITCHEY LAND & CATTLE ESTATE LAND AUCTION
\$3,300,000 3,671± Ac



PO BOX 407 | STERLING, CO 80751
ADDRESS SERVICE REQUESTED



SPRING 2023 · ISSUE 31

RECK AGRI REALTY & AUCTION | 535 E CHESTNUT • PO BOX 407 • STERLING, CO 80751 | 970.522.7770 | RECKAGRI.COM

TITLE COMMITMENT

(Continued)

Title insurance differs from other types of insurance in two primary ways. Unlike other types of insurance, title insurance is not based on the probability of a future event like life or auto insurance. Rather, title insurance is based on the work of an abstractor, one who searches the public records of interests in real property to determine if defects already exist.

If the abstractor's work is accurate and competent, the claims and loss rate for defects in title should be very low. Secondly, a title insurance policy is a one-time premium, and the coverage lasts for as long as the insured has some liability for a title defect.

The face amount of the policy coverage and the associated premium is based on the purchase price of the property. The cost of the premium is most often paid by the seller as they are supplying evidence of clear and marketable title; however, the party responsible for payment is negotiated within the purchase contract. Although title insurance isn't required to convey real property, it benefits both parties and greatly reduces the chance of having issues arise in the future. It is almost always required by banks when the property is being pledged as collateral for a loan.

In summary, we believe title insurance is a worthwhile investment in all cases and provides both sellers and buyers with peace of mind when selling/buying real property. If you have any questions, please feel free to contact us!



See Page 5 for more details & listings!

HEY, FFA STUDENTS!

FFA Students in eastern Colorado and western Kansas will again be able to apply for the \$2,500 Reck Agri Realty & Auction FFA Scholarship through the National FFA Scholarship application process - no additional application needed. In addition, Reck Agri Realty & Auction will be making a donation to FFA chapters in western Nebraska and eastern Colorado to help support their efforts. We're committed to supporting the future of rural America!

