Farmland

SEASONS

WINTER 2025-26

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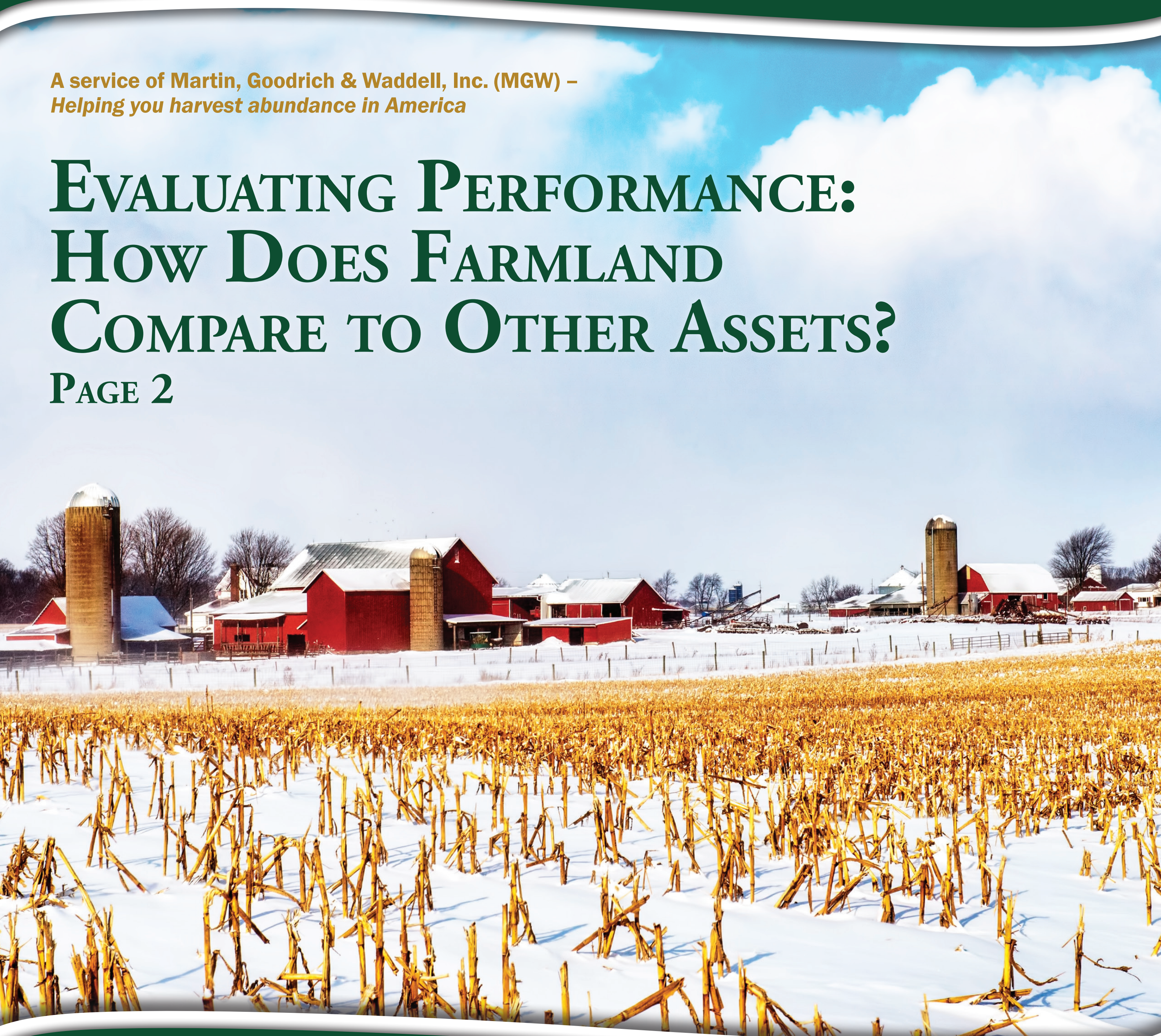

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EVALUATING PERFORMANCE: HOW DOES FARMLAND COMPARE TO OTHER ASSETS?

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Evaluating Performance: How Does Farmland Compare to Other Assets?

Choosing where to invest your financial assets can be a balancing act, especially when you're trying to evaluate returns over time. Ever wonder how farmland compares to stocks, bonds, gold and other investments through the decades, especially during turbulent times?

Land has been a sound investment through it all, despite the economy, global politics, and other challenges that none of us can control. The numbers paint a clear picture, based on research from the University of Illinois. Their economists analyzed data from 1970 to 2024 across 32 major ag states and the National Council of Real Estate Investment Fiduciaries (NCREIF) Farmland Index to compare farmland performance with other major asset classes (while accounting for inflation).

Farmland generated an average annual return of 10.5% during this period, compared to 14 other asset classes, including the S&P 500 (7.3%), the New York Stock Exchange (6.5%), and gold (7.5%).

"Farmland has consistently delivered positive real returns across a wide range of economic environments," noted Bruce Sherrick, Ph.D., the Fruin Professor of Farmland Economics at the University of Illinois, writing in the November 2025 report "The Relationship Between Inflation and Farmland Returns." "The correlation between farmland returns and inflation strengthens over longer holding periods, demonstrating its durable inflation-hedging capacity."

Iowa State University economists have reported similar results. "There have been periods since 1960 when the returns to the stock market have been higher," according to the 2020 report "Comparing Farmland Returns to Stock Market Investments." "However, for the most part, land has shown higher returns over the past 50 years, except during the 1980s farm crisis."

Land values decade by decade

To help bring these results into sharper focus, we thought it might be helpful to review some historical perspective. All the huge changes from the 1970s through today, from the tremendous profitability of farming in the 1970s to the brutal crash of the 1980s farm crisis to the tech/precision ag and biofuels boom of the mid-1990s into the 2000s, have affected the price of farmland.

Don't forget structural shifts in Federal Reserve policy and macroeconomic conditions. Through it all, however, farmland has continued to offer stable, appreciation-driven returns, and resilience as a long-term store of value.

1970s: Demand for U.S. agricultural products exploded. The Soviet Union negotiated a multi-year contract for wheat and feed grains in 1972. In 1973, President Nixon's Secretary of Agriculture, Earl Butz urged farmers to plant "fencerow to fencerow."

Producers took these words to heart, and the race to feed the world was on. Farming was incredibly profitable. Land values increased, borrowing became the order of the day, and plenty of lenders accommodated optimistic farmers. Illinois farmland prices (based on an acre-weighted average) reached nearly $2,000 an acre by 1979.

1980s: After the Soviet Union invaded Afghanistan in 1979, President Jimmy Carter enacted a grain embargo, stopping U.S. shipments of grain to the Soviet Union. The embargo wasn't lifted until 1981 when President Ronald Reagan took office. At the same time, inflation soared into double digits. By 1982, rumblings of a farm crisis were growing.

"Farm loans by the early 1980s often carried 15% or higher nominal interest rates and could extend for 40-year amortizations," Sherrick said. In the early 1980s, Federal Reserve Chair Paul Volcker announced a new set of targets focused on inflation control and active interest-rate management.

As inflation fell, the real cost of borrowing, including existing loans, hit farmers hard. Combined with crashing crop prices, this caused land values to plummet. After peaking in 1981, Illinois farmland prices declined at an annually compounded rate of 8.7% through 1987, according to University of Illinois data.

Then came the 1987 stock market crash. On "Black Monday" (October 19, 1987) the Dow Jones Industrial Average dropped 508 points, a 22.6% one-day loss, due to slowing economic growth, rising interest rates, trade deficits and more.

1990s: Farmers who survived the 1980s farm crisis entered a whole new era. By the mid-1990s, precision agriculture revolutionized farming.

In 1996, John Deere's first production GPS receiver brought satellite control to the tractor cab. With auto steer, tractors could drive themselves through the field, allowing farmers to work longer days with less fatigue at planting and keep their rows straighter.

In the fall, a yield monitor mounted in the combine cab allowed growers to see real-time yield and crop moisture data. Even seasoned farmers who thought they knew their fields like the back of their hand were surprised by what these monitors revealed about variations throughout their fields.

By using this data to make yield maps, farmers could pinpoint areas for strategic improvements and compare their management changes from year to year. Around this time, many producers also started planting Roundup® Ready soybeans, genetically-modified crops that are resistant to the herbicide glyphosate. All these technologies helped boost overall farm productivity.

Midwestern land prices also rebounded significantly. While average prices of Iowa farmland hovered around $1,200 to $1,300 per acre in the early 1990s, this jumped to $2,000 by 2002.

Crop insurance also took giant leaps forward during this era, making farming less risky. Federal crop insurance had been around since the 1930s, and the Federal Crop Insurance Act of 1980 authorized subsidies to lower premium costs for farmers and expand coverage to more crops and regions. Legislation in the 1990s and the early 2000s, however, increased the subsidy levels further.

The 1990s saw a rise in global agricultural markets driven by the growth of emerging economies, and new trade agreements like the North American Free Trade Agreement (NAFTA). This meant increased exports of U.S. ag commodities to developing countries like Mexico and China. The creation of the World Trade Organization (WTO) in 1995 also influenced this expanding trade landscape.

Asset Return Characteristics (1970 - 2024)

Asset/Index	Annual Ave. Return	Standard Deviation
US Ag 32 States	10.5%	6.8%
S&P500	7.3%	16.6%
NYSE	6.5%	15.1%
EAFE	5.8%	19.8%
MSCIUSA	7.2%	16.9%
AAA	7.2%	2.8%
BAA	8.2%	3.0%
TCM10Y	6.0%	3.1%
Mort30F	7.7%	3.2%
Equity REITS	10.3%	17.5%
CompositeREITS	8.6%	20.1%
Gold	7.5%	20.2%
FedFunds	4.9%	3.8%
PPI	3.8%	5.2%
CPI	3.9%	2.8%

Sources: US Ag 32 – Center calculation from USDA; Equity indexes from St. Louis Federal Reserve Bank FRED data server; EAFE and MSCI from Morgan Stanley; Interest rate series from H.15 Federal Reserve; REIT data from NAREIT; Goldhub.com; and BLS

Exports became a major factor in farm profitability for soybean producers. Soybean exports as a percentage of U.S. production averaged about 35% during the 1990s—a trend that started to accelerate into the 2000s. In the early 1990s, for example, U.S. soybean exports averaged approximately 19 million metric tons (MMT) per year. By the early 2020s, U.S. soybean exports had exploded more than 300% to 61.5 MMT, according to the American Soybean Association.

2000s: By the early 2000s, agriculture entered a golden era from the boom in biofuels. Government subsidies made corn-based ethanol and soybean-based biodiesel cost competitive with gasoline and diesel. With the Energy Independence and Security Act of 2007, which created the Renewable Fuel Standard's (RFS) mandate to blend ethanol into gasoline, it wasn't long before corn farmers felt the impact. Soon, nearly 40% of the U.S. corn crop would go into ethanol production. By 2008, Iowa farmland values pushed north of $4,200 per acre.

While times were good in ag, the wider economy struggled, first with the dot-com bust around 1999-2000, and later the "Great Recession" crash of 2008. Many suffered when the COVID-19 crash hit in 2020. Investors were seeking to purchase farmland during these uncertain times as a flight to safety and hedge against inflation—trends that increased land value.

Yet through it all, farmland values moved higher. From 2003 to 2011, Illinois farmland prices more than doubled, reflecting 9.2% annually compounded growth. In the 2010s, farmland price growth was exceptionally robust. In 2011, Illinois farmland prices soared 21.4%, the largest single-year jump in more than three decades. Land values continued higher, due to a drought in 2012, before moderating for a period of years. Then came the sharp increases we've recently experienced.

Lessons learned—and what they mean for your portfolio

For decades, the general pattern of farmland returns has reflected long periods of appreciation, with only one period of substantial decline in the early 1980s.

"From 1970-2015, farmland has experienced an asset growth rate or capital gains rate of more than 5% per year on a continuously compounded annual growth rate (CAGR)," Sherrick noted. "Relative to equities, farmland returns are reasonably high and have low relative risk."

When you're looking for places to invest your money, farmland's predictable, stable returns, along with the ability to appreciate in value over time, make it an attractive investment.

Land lets you tap into the immense power of compounding your investment. For the long-term foundation of a diversified investment portfolio, farmland's ability to earn a consistent annual return makes "black gold"—land—very effective as a wealth-building investment.

MGW INTERVIEWS MEGAN ROBERTS AND MATT ERICKSON

Trends to Watch in 2026, from the Economist's View

Now that 2026 has arrived, what might lie ahead for agriculture and farmland values? We caught up with Megan Roberts, an ag economist with Compeer Financial; and Matt Erickson, senior research analyst with Terrain, which works with AgCountry Farm Credit Services, American AgCredit, Farm Credit Services of America and Frontier Farm Credit, to get their perspective.

Megan Roberts
Ag economist with Compeer Financial

Matt Erickson
Senior research analyst with Terrain

The last few years have brought a lot of changes, from the presidential administration to the economy. What key factors are shaping the economy as we move into 2026?

Erickson: It's a complex mix of persistent inflation, shifting monetary policy, and mounting fiscal pressures. Inflation remains above the Federal Reserve's 2% target and is projected to stay elevated through at least 2028. This creates real challenges for consumer purchasing power and business planning.

While the labor market is softening, political pressure to lower interest rates—driven in part by the administration's focus on managing federal debt—has introduced tension within the Fed, especially with new leadership expected mid-2026.

A good indicator of the market's outlook for inflation (the 5-and-10-year breakeven inflation rates) remains elevated. This signals that investors expect inflation to stay sticky and that borrowing costs may not ease as quickly as some hope. This has direct implications for everything from mortgage rates to farmland financing.

The cumulative impact of inflation since January 2021 has been severe. Food, gas, and shelter costs are each up over 26%. At the same time, consumer sentiment hit its second lowest level since 1978, reflecting deep anxieties about inflation, job security, and economic stability. With a high-stakes midterm election ahead, affordability—especially food prices—will likely be front and center in the national conversation.

Roberts: If inflation remains elevated but stable, labor market concerns could cause the Fed to continue to make rate cuts. However, if inflation pressures tick up again, the Fed will be in a policy pickle. The classical approach would be to raise rates, but that could further exacerbate any underlying risk of unemployment.

"Uncertainty" seems to be the word that comes up a lot with agriculture in 2026. What do you think are some key issues to watch, especially if you're a farmland owner?

Roberts: While we don't have a new Farm Bill, the One Big Beautiful Bill (OBBB) Act in July 2025 resulted in updates to several key Farm Bill ag programs, including the Federal Crop Insurance Program and Title 1 Farm Safety Net (Agriculture Risk Coverage and Price Loss Coverage).

The mid-November 2025 continuing resolution included another extension to the 2018 Farm Bill, as well as funding for USDA through the end of the federal fiscal year (September 30, 2026). Agriculture has a pretty clear picture of the next year of federal farm bill programming—plus the knowledge that even if the government would shut down again this fiscal year, USDA would remain open and funded.

Whether you're an owner-operator or a farmland owner who's renting to a producer, there's a known price floor under 2026 production, via these Farm Bill programs.

Erickson: Here are four key issues to watch:

1. Crop margins under pressure. Producers are facing some of the tightest profit margins in years. Input costs—particularly for cash rents, fertilizer, and equipment—remain elevated and haven't declined in step with falling grain prices.

2. Midwest farmland values holding, but leveling farmland values in the Midwest have shown surprising resilience. While a modest pullback in 2026 would not be unexpected, a significant correction seems unlikely, barring a major policy shift or global economic disruption. Limited land supply and continued buyer interest are helping to support values. The farmland market appears more "selective" than "soft" in the Midwest.

3. Policy and global market uncertainty. Trade tensions and shifting policies—particularly with key partners such as Mexico, Canada, and China—continue to add uncertainty to the market. A broader or prolonged trade dispute with key U.S. agricultural trading partners would likely pressure farm profitability and land values, while new trade agreements could provide meaningful support.

4. 10-year treasury versus farmland returns. In the past five years, farmland values have outpaced inflation, but cash rents have lagged. This has pushed cropland returns in the Corn Belt down to around 2.7%. With the 10-year Treasury yielding 4%–4.2%, some capital may shift away from farmland, though investors have been slow to make the shift so far.

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Still, I remain bullish on farmland over the long term. As a finite asset with strong demand and a track record of historically stable returns, farmland continues to offer compelling value.

A new year brings new opportunities. From your vantage point, what are some of the bright spots in agriculture in the year ahead?

Roberts: Livestock and dairy producers are experiencing a very good economic cycle. Buoyed by lower feed prices and strong protein demand, margins are generally favorable. Areas with strong livestock and dairy production remain bright spots as I look at the year ahead, although there has been some softening in these markets in the fourth quarter of 2025.

Erickson: The OBBB made crop insurance more robust. Starting with the 2026 crop year, premium subsidies increase by 3-5%, depending on the coverage level selected.

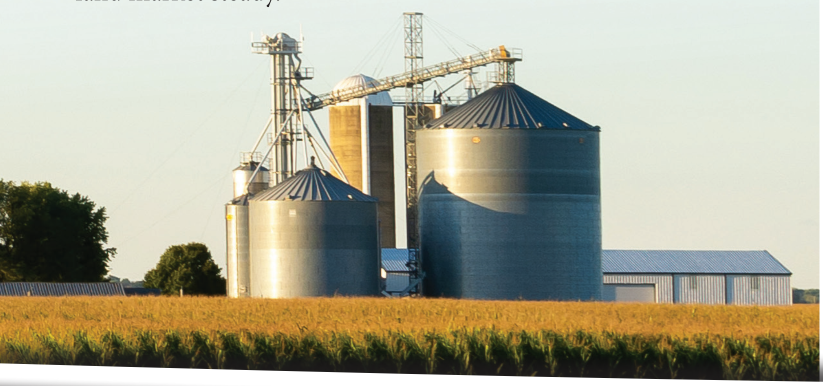
OBBB also delivered meaningful tax relief. The estate tax exemption permanently increases to $15 million per individual—or $30 million per couple—indexed to inflation. That's a big win for family farms. The bill also makes 100% bonus depreciation permanent and raises Section 179 expensing limits to $2.5 million. Another standout provision allows sellers of farmland to defer capital gains taxes over four years, provided the land has been owned or leased to a farmer for at least 10 years and remains in farm use for another 10 years.

It's no secret that land is the lifeblood of production agriculture. As you look ahead, is there one surprising trend you are seeing with farmland?

Roberts: I'm continually encouraged to see flat but stable farmland prices, on average. This adds stability to a challenging agricultural economy.

Erickson: One surprising trend we're seeing in farmland is the outsized role livestock is playing in supporting land values. Inflation-adjusted livestock receipts are projected to surpass crop receipts for two consecutive years—something we haven't seen since 2014/2015. Even more remarkable, the gap favoring livestock receipts to crop receipts in 2025 is expected to be the widest since 1951. High cattle prices have been a major driver.

Another key factor to watch is diversification. By spreading risk across multiple income streams (row crops, livestock, specialty crops, direct-to-consumer outlets, or renewables), farmers who diversify can maintain cash flow, even when one sector is under pressure. Diversification is a "shock absorber" that helps keep the land market steady.



Steve Diedrich Celebrates 20 Years with MGW

Helping clients make the most of their farms isn't just a job for Steve Diedrich—it's a passion. "The best part is getting to meet so many people from all different backgrounds," says Steve, Accredited Farm Manager and Designated Managing Broker.

Staying connected to agriculture has always been important to Steve, who is celebrating his 20th anniversary with MGW. He grew up on a farm near DeKalb, Illinois, not far from MGW's office in Sycamore. After earning his ag economics degree from the University of Illinois, he farmed for about 20 years, until his father retired from the family's row-crop operation.

While Steve later worked in construction and managed the shop/office of a manufacturing company, his heart remained in agriculture. "When MGW was hiring farm managers, it was a good fit," says Steve, who joined the firm in October 2005. "I've enjoyed working with a wide variety of farms and landowners throughout my 20 years here. I'm blessed to work with skilled, knowledgeable people who work hard to meet our clients' unique needs."

BioMADE Breaks Ground in Iowa

A pilot-scale bioindustrial manufacturing facility is under construction near Ames in central Iowa. The $40 million project, set to open in 2027, is expected to produce everything from national defense products to consumer goods like fabrics and detergents. Bioindustrial manufacturing uses domestically-grown crops like corn and soybeans to produce materials traditionally derived from petroleum or foreign suppliers.

Midwest Land Values Increase

Every quarter, the Federal Reserve Bank of Chicago releases its findings on land values in Iowa, Wisconsin, Illinois, Indiana, and Michigan. Its latest report, released in late November 2025, showed a modest increase of 3% in values for the area overall, compared to the same time last year.

Making Spirits Bright: Kennay Farms Distilling Redefines Value-Added Ag

Every generation in a family farm pursues a dream, and there's always a story behind these dreams. The Kennay family's story has expanded beyond corn, soybean and seed-corn production into a spirited venture in value-added agriculture, thanks to Kennay Farms Distilling.

"As sixth generation farmers, we know a superior product takes care, heart, and hard work," says Rick Kennay, who owns and operates Kennay Farms Distilling in Rochelle, Illinois, with his family. "The distillery is an extension of our farm."

Kennay Farms Distilling produces an array of award-winning spirits. "Every step of the farm-to-table process includes a member of our family," Rick said. "The seeds are planted and harvested, and then the grain is cleaned and milled at our farm. Then it's transported to the distillery to be fermented."

Along with corn from the Kennay farm, the family also buys wheat, barley and rye grown on sandy bluffs in western Illinois. "Those grains like thinner, sandier soils than we have," Rick said.

Kennay Farms Distilling can produce roughly 6 to 8 gallons of drinkable alcohol from a bushel of corn or small grains. The distillery's top sellers include bourbon, vodka, and rye whiskey. "Double oaked rye whiskey and gin are our secret gems," noted Rick's daughter Aubrey Quinn.

Another gem is the historic venue that houses Kennay Farms Distilling. The brick, Art Deco-style Hub Theatre first opened in downtown Rochelle in the late 1920s. "It could seat nearly 1,000 people, and it was as grand as it could be for a town of about 8,000 people," Rick said.

By the 1980s, the theatre struggled to stay open and never fully recovered. When the Kennay family had an opportunity to purchase this piece of local history nearly a decade ago, not everyone was convinced of its potential.

"The theatre had been vacant for more than 10 years," said Rick, recalling how the development of the interstate highway system in the 1960s triggered a slow decline of downtown businesses in towns like Rochelle. "My wife thought I was crazy for wanting it."

While the roof, plumbing, and other key mechanical systems were shot, the building was structurally sound. In time, the vision for a distillery and tasting room—enhanced by the building's soaring ceilings and unique architecture—captured people's imaginations. "It took several years to transform this crumbling, old eyesore, but we restored it to its former glory," Rick said.

Kennay Farms Distilling's grand opening in early 2019 attracted people from all over the region. Some came to socialize. Others wanted to see the theatre, complete with ornamental plastering restored by Rochelle's own Bill Shimmerhorn. "He used the same plaster molds his grandfather used to make the original plaster decor when the theatre was new," Rick said.

The grand opening was a huge hit that sparked many stories. "Nearly everyone around here has seen a movie there at one time or another," Rick said. "Some people remembered working at the theatre, while others remembered going there on a first date."

Kennay Farms Distilling in Rochelle, Illinois

The Kennay family's story became intertwined with not only the restoration of the theatre, but the time, talent and treasures required to make Kennay Farms Distilling a reality. "We were able to build a beautiful distillery/tasting room by working as a family," Aubrey said.

Rooted in rural

Family ties have connected the Kennay family to northern Illinois for generations. In the 1880s, their ancestors settled in Franklin Grove and farmed in the area. Over time, younger generations pursued their farming dreams around the Rochelle area.

Rick followed in the footsteps of his father, Don, a lifelong farmer. In addition to farming, Rick enjoyed a 35-year career in seed sales, while his wife, Doris, ran a court-reporting business. As their children headed off to college, the idea for the distillery took root around 2016.

The family had been discussing options to diversify the farm's income. They were also looking for a viable way to bring back the next generation, including Aubrey, who earned her ag economics degree from the University of Illinois (UI); son Kaleb, who earned his degree in agriculture industry management from Illinois State University; and nephew Adam, a military veteran who earned his biology/chemistry degree from Northern Illinois University and worked as a distiller at a local ethanol plant.

The family created Kennay Farms Distilling to add value to their crops, create a new income stream and keep everyone fully employed. Today, the owners include Rick and Doris; Kaleb, who farms and works special events at the distillery; Aubrey, who handles marketing, social media, custom blend orders, scheduling and more; and Rick and Doris's other daughter, Grace Link, who helps with merchandising.

The team also includes the Kennay's daughter-in-law, Jubilee, who works off the farm and helps with special events; their nephew Adam

Kennay, who oversees distilling, grinding, barreling, and bottling; and Molly Petry, a family friend/employee who serves as hostess and bartender, assists with special events, and is a brand ambassador.

The Tasting Room, which overlooks the distilling operations, offers a unique gathering space. “People come here for birthday parties, anniversary celebrations, wedding receptions, corporate events, holiday parties and more,” Rick said.

While all this was the Kennay family’s dream, it almost turned into a nightmare about a year after the distillery opened. When the COVID-19 lockdowns went into effect by mid to late March 2020, the future of Kennay Farms Distilling was uncertain, at best.

Then demand for hand sanitizer skyrocketed overnight. “I figured, we can make that!” Rick said.

Within just a few days, the team switched from distilling spirits to making gallons of hand sanitizer. “At first we just gave it away to hospitals, first responders and anyone who wanted it,” Rick says.

Demand exploded, with orders coming from major corporations like United Airlines to local residents. “We started charging for the sanitizer,” said Rick, recalling how customers lined up around the block, containers in hand.

As word spread, Illinois Governor J.B. Pritzker called Kennay Farms Distilling. “I thought it was a joke at first,” Rick said. “He told us to make as much hand sanitizer as we could. Later he toured our distillery, which generated a lot of media attention.”

Savor farm-to-glass quality spirits

The publicity didn’t necessarily translate into a marketing win, though. “Getting products widely distributed is one of the biggest challenges for a smaller distillery,” Rick noted.

The Kennays use a variety of tools, including special events, word-of-mouth marketing, supplying a full product line and custom blends, tastings, and celebrity endorsers (including Illinois native Rick Nielsen, guitarist for the band Cheap Trick) to help promote their business.

Kennay Farms Distilling’s distinctive logo featuring the “Kennay Lady” is also part of the story. “Strong, independent women inspire us,” notes Aubrey, who handles marketing. “We wanted a logo that would honor women in agriculture and the spirits industry.”

They turned to Dusty Horner, a Rochelle native, lifelong family friend, and freelance artist for Disney and DreamWorks Animation, to create the Kennay Lady. “Dusty spent two years drawing and refining her,” said Rick, noting the nuances of symbolism embodied in this iconic woman working towards something she believes in.

Hard work and a commitment to excellence define the Kennay family, who apply lessons learned on the farm to help their distillery succeed. “My dad always taught me, ‘Fix everything you see, because there are 100 things you don’t see,’” said Rick, who also took to heart the time-honored adage that “an ounce of prevention is worth a pound of cure.”

As the Kennay family looks to the future, they continue to dream big. “We want to grow our farm, work safely, and pass on the farm and distillery to the next generation,” Rick said.

Kennay Farms Distilling (kennayfarmsdistilling.com) is open to the public Fridays from 4 p.m. to 8 p.m. and Saturdays from 3 p.m. to 8 p.m., Rick added. “We enjoy sharing our story and invite you to share the experience of farm-to-glass quality spirits.”

Current MGW Land Listings

BOONE COUNTY, IL
20 ac. Stilke Farm, NE of Capron. $315,000. PENDING
51 ac. Carlson Road Farm, SE of Belvidere. $15,275/ac. SOLD

BUREAU COUNTY, IL
80 ac. Croisant Farm, NE of Princeton. $16,950/ac. SOLD

CLINTON COUNTY, IA
60 ac. Petersen Trust Farm, E of Wheatland. $3,975/ac. SOLD
10.5 ac. Calamus Farm, NW of Calamus. $9,000/ac. SOLD

DEKALB COUNTY, IL
320 ac. Bork Trust Farm, N of Shabbona. $18,400/ac.
153 ac. Kehm DeKalb County Farm, N of Shabbona. $16,350/ac. PENDING
155 ac. Shabbona Farm, S of Shabbona. $13,400/ac.
54 ac. Brickville Farm, contiguous to Sycamore. $16,900/ac.
873 ac. Sycamore Farm, city of Sycamore. $21,500/ac.
40 ac. Milan Farm, N of Shabbona. $16,350/ac. PENDING
39 ac. Winter Farm, contiguous to DeKalb. $17,900/ac. PENDING
139 ac. Mary Walter Trust Farm, contiguous to Cortland. $16,850/ac. SOLD
204 ac. Shirley M. Snyder Farm, contiguous to Maple Park. $12,450/ac. SOLD
533 ac. Henke Farm, N of DeKalb. $16,950/ac. SOLD

HUMBOLDT COUNTY, IA
100 ac. Cougar Farm, SE of Gilmore City. $14,950/ac. SOLD

JO DAVIESS COUNTY, IL
708 ac. Shellady Farm, NE of Galena. $7,900/ac. SOLD

JONES COUNTY, IA
207 ac. Borhart Farm, N of Mechanicsville. $15,900/ac. SOLD

KANE COUNTY, IL
50 ac. Big Rock Farm, S of Big Rock. $16,950/ac. PENDING
40 ac. Middleton Road Farm, S of Burlington. $1,195,000. SOLD
1035 ac. Burlington Farm, village of Burlington. $13,600/ac. SOLD
73 ac. Benchley Farm, contiguous to Hampshire. $13,900/ac. SOLD

KANKAKEE COUNTY, IL
118 ac. Rockville West, W of Manteno. $13,500/ac. SOLD
91 ac. Rockville Farm, NW of Manteno. $12,750/ac. SOLD

LASALLE COUNTY, IL
154 ac. Mohan Wilsman Farm, NW of Streator. $11,850 ac. SOLD
226 ac. Whipple North Farm, N of North Utica. AUCTION - SOLD
36 ac. Mosbach 36 Farm, contiguous to Oglesby. $16,450/ac. SOLD

LEE COUNTY, IL
148 ac. Herrmann Estate Farm, N of Paw Paw. AUCTION
75 ac. Kehm Lee County Farm, W of Paw Paw. $16,350/ac. PENDING
21 ac. Flewellyn Farm, village of Lee. $10,900/ac.
80 ac. Ranken Farm, SW of Rochelle. $12,950/ac.
109 ac. Steward Road Farm, S of Steward. $12,800/ac. SOLD
424 ac. Harmon Farm, village of Harmon. $12,900/ac. SOLD

MCHENRY COUNTY, IL
496 ac. Richmond Farm, W of Richmond. $12,950/ac. SOLD
396 ac. Woodstock Farm, NW of Woodstock. $12,500/ac. SOLD

OGLE COUNTY, IL
58 ac. Tower Road Farm, N of Byron. $13,700/ac.
65 ac. Deckard Farm, contiguous to Davis Junction. $9,650/ac.
53 ac. Rochelle Farm, city of Rochelle. $23,450/ac.
41 ac. Ivy Road Farm, S of Monroe Center. $11,900/ac. SOLD
189 ac. Pine Rock Farm, W of Rochelle. $12,950/ac. SOLD

ROCK COUNTY, WI
77 ac. Rykowski Farm, W of Beloit. $8,850/ac. & 259,500. SOLD

SCOTT COUNTY, IA
399 ac. Anderson 400, city of Princeton. $36,215/ac.

WHITESIDE COUNTY, IL
13 ac. Shaver Property, city of Sterling, $18,500/ac.
19 ac. Como Interstate Farm, SW of Sterling. $7,000/ac.

WILL COUNTY, IL
240 ac. Green Garden Farm, contiguous to Frankfort. $14,900/ac.
94 ac. Monee Farm, contiguous to Monee. $39,500/ac.
36 ac. Frankfort Property, village of Frankfort. $42,500/ac.
78 ac. Brandt Property, contiguous to New Lenox & Joliet. $31,500/ac. SOLD

WINNEBAGO COUNTY, IL
39 ac. Rockford Farm, W of Rockford. $12,900/ac.
290 ac. Route 75 Farm, E of Durand. $10,750/ac.
76 ac. Savala-Anders 76 Farm, NE of Pecatonica. $6,950/ac. SOLD
60 ac. Cook Farm, village of Cherry Valley. $29,900/ac. SOLD

A Visit with Mark Mommsen, President, Martin, Goodrich & Waddell, Inc.

You're on the Right Track with Farmland Investments

Mark Mommsen, President
mark.mommsen@mgw.us.com

They're thin ribbons of steel and wood connecting America's farms, towns and cities. They're a direct link to our rural heritage, when the "iron horse" helped tame the west. They're railroads, which continue to link Midwestern farms to the world.

Railroads have been in the news, since Union Pacific (UP) shareholders approved a merger with Norfolk Southern in November 2025. If the Surface Transportation Board approves this deal, the merger will connect 50,000+ route miles across 43 states from the East Coast to the West Coast.

This got me thinking about how railroads have impacted farmland through the years. Railroad fever first struck Illinois in the 1830s. It reached Iowa and Wisconsin by the late 1840s. The arrival of the railroad was nothing short of a revolution for American agriculture.

During the 1850s, the amount of farmland in the United States increased by 100 million acres.* Almost half of these total net additions to cropland occurred in just seven Midwestern states (Illinois, Iowa, Wisconsin, Indiana, Michigan, Missouri, and Ohio). Economists estimate that at least a quarter (and possibly upwards of two-thirds or more) of this increase in tillable land can be linked directly to the coming of the railroad to the Midwest.

Railroads made western lands more accessible for settlement, which made farmland more valuable. Hundreds of thousands of newcomers pursued the American dream in the Midwest and beyond as the trains continued to push west. Railroads created thousands of new jobs, plus rail depots became thriving economic hubs for small businesses.

Farms also expanded, since farmers could ship their products to distant markets in America's growing cities. Through it all, farmland prices continued to rise, not only because settlers were transforming raw ground into productive farms, but the presence of the railroad itself made the land more valuable.

Remembering the Golden Age of Railroads

The pace of Midwestern railroad expansion in the nineteenth century was phenomenal. In 1860, only 655 miles of track crisscrossed Iowa. That number exploded after 1867, when the Chicago and North Western became the first railroad to lay tracks across the entire state of Iowa. This monumental achievement linked Chicago directly to the Union Pacific's transcontinental railroad in Omaha, bridging a crucial gap in America's rail network.

Illinois' economy also boomed, thanks to the railroads. By 1872, more rail mileage had been constructed in Illinois than in any other state, according to the University of Illinois. Chicago became a rail epicenter where "east meets west," complete with the famed Chicago Stockyards.

During the golden age of railroads in the late 1800s into the early 1900s, Illinois boasted more than 12,000 miles of rail lines, reports American-Rails.com. Iowa was close behind, reaching a peak of 10,500+ miles of railway between 1911 and 1917.

Building a Legacy

While trains remained the pride of America's transportation network for decades, times eventually changed. New technology, improved roads, and the growth of the interstate highway system by the mid-twentieth century marked the demise of various rail lines.

Rail service endures, however, and Illinois remains at the center of the nation's rail network. Thousands of miles of track throughout the Midwest and beyond continue to provide essential links in the farm-to-fork chain. Whether it's fertilizer headed for farmers' fields, or Midwestern grain bound for export markets, the railroad has hauled it all at some point.

When you own Midwestern farmland, you're part of this remarkable heritage that helped build our country. Like the railroad entrepreneurs and pioneer farmers who came before, you're willing to take the long view and invest in America.

As our nation celebrates America's 250th birthday in 2026, MGW remains long-term optimistic on land ownership and America's future. We know that when you build a legacy that can endure for generations, you're on the right track.

**Source: "The Impact of Access to Rail Transportation on Agricultural Improvement," Summer 2011 issue, Journal of Transport and Land Use. Photo: iStock*

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