



Changes in the Air

As I write this, I can hear geese passing overhead. The weather is warm, so they are heading back to their evening roost on a nearby lake or the North Saskatchewan River after feeding in the fields around our farm. It won't be long before a strong north wind will carry them south and winter will be on our doorstep.

The phone at work has been ringing non-stop. My partner and I are wearing out trucks, and we are too often at the drive-thru window instead at our own dining room table.

It seems that our clients too, are trying to get things done before we once again see the snow hit the ground.

What's different about this fall? Where is this activity coming from? Well, for one thing, the last four houses our team has sold has been to first time home buyers. And the activity is not just in the City, but in several rural communities as well. Hallelujah! Not only does show they are confident about their future, it also signals we are coming out of this five-year recession, one couple at a time.

The Midwest real estate market is like a small ship, and what "floats our boat" is the entry level buyer. When those affordable homes are being purchased, the owners trade up to something newer, bigger, or in the case of seniors, to something easier to maintain such as condos.

Don't get me wrong, the Midwest has a long, long ways to go. Years in fact before the market balances itself out. But every time in the past, the first people to push the market into gear is the young men and women who want a place to call their own. Great to see! I'm happy for them.

Let's talk farmland for a minute.

In an earlier column I suggested the largest seller group for the next five to ten years will be the non-farming beneficiary. Think about 60 to 70-year-old son or daughter, who grew up on the farm, but left for the city after high school and only returned for family events. Mom and Dad are either in the nursing home or have passed. The land has been rented out for a decade or more and the time has come to sell it. It's an emotional decision, but no one is getting younger.

Will the tenant or neighbour buy it? More importantly, will they treat the land with respect? And by the way, what is it worth? So many questions, and who can they trust to give honest advice? Right now, I am averaging five of these family conferences a week and harvest has hardly begun. If this keeps up, we are going to see lots of opportunity for local farmers and ranchers to increase their land base. But is there still appetite for taking the risk, given the many outstanding global trade issues putting significant volatility in the commodity markets? I think we are about to find out. Stay tuned.