



Planning Ahead:

Navigating Your Land Ownership & Family Legacy

Owning farmland is more than an asset, it is a legacy. With agricultural land values averaging \$4,170 per acre in 2024¹, many landowners are sitting on hundreds, if not thousands, of acres of land that has appreciated significantly over time. Whether it's working farmland or unused, raw land, landowners should explore and understand options to maximize income. From selling to expanding, here are a few things to keep in mind.



Define Estate Plan & Establish Beneficiaries

Have you determined how your agricultural land, farm or ranch, and associated assets will be preserved, managed, and distributed after you pass away? It's important to clearly outline which beneficiaries will inherit what assets and consider ways to minimize estate or gift taxes as part of the thought process.



Understand Tax Implications

Did you realize that selling raw land typically generates capital gains, which are then taxed by the government? Appreciation in value is common for real estate assets and can become a burdensome taxable amount for land held for a long period of time — often having capital gains taxed at a rate of 15 to 20 percent.²



Construct a Solid Investment Portfolio

Is your investment portfolio structured in a way that diversifies across multiple assets and investment strategies? Aiming to balance positive and negative asset performance can help maximize return potential, while reducing overall risk. This consideration is important when approaching retirement years if investors are interested in gaining monthly income from a portfolio.



Remain Committed to a Portfolio Allocation to Real Estate

Are you aware that including real estate as an overall investment strategy may enhance return potential? Selecting the right properties is a big aspect of constructing a successful investment portfolio, along with the structure of those real estate investments. High-quality, income-producing properties with strong, long-term tenants often provide portfolios with stability and the potential to maximize income.



Plan for Passive Property Management

Would you like to own property without the day-to-day management responsibilities? There are a variety of strategies that offer the benefits of owning a property without all the hassles. It may be time in retirement years to shift the burden of hands-on management to a leading expert.



Landowners, farmers or ranchers looking to remain invested in real estate that offers favorable estate planning techniques for heirs, portfolio diversification, and tax benefits may want to consider a Section 1031 exchange. Internal Revenue Code Section 1031 allows business or investment property owners to defer capital gains taxes from the sale of real estate, including farm and ranch land, by reinvesting those proceeds in "like-kind" real estate. Those interested in executing a Section 1031 exchange should consult with a tax advisor to review all requirements and potential risks prior to investing.

¹ [https://www.ers.usda.gov/topics/farm-economy/land-use-land-value-tenure/farmland-value#:~:text=Farm%20real%20estate%20\(land%20and,percent%20after%20adjusting%20for%20inflation.](https://www.ers.usda.gov/topics/farm-economy/land-use-land-value-tenure/farmland-value#:~:text=Farm%20real%20estate%20(land%20and,percent%20after%20adjusting%20for%20inflation.)

² <https://www.frb.org/issues/tax-reform/capital-gains-taxes-and-stepped-up-basis/>

This material is neither an offer to sell, nor the solicitation of an offer to buy any security, which can be made only by an offering memorandum and sold only by broker dealers and registered investment advisors authorized to do so. **Please see reverse side for important disclosures.**

Your land may be the key to your future.



09/22/2025

The Inland name and logo are registered trademarks being used under license. Inland refers to some or all of the entities that are part of The Inland Real Estate Group of Companies, Inc., one of the nation's largest commercial real estate and finance groups, which is comprised of independent legal entities, some of which may be affiliates, share some common ownership or have been sponsored and managed by such entities or subsidiaries thereof. Inland has been creating, developing and supporting real estate-related companies for more than 50 years.

Investments in offerings sponsored by Inland Private Capital Corporation (IPC) involve certain risks including but not limited to tax risks, general real estate risks, risks relating to the financing on the applicable property, if any, risks relating to the ownership and management of the property, risks relating to private offerings and the lack of liquidity, and risks relating to the Delaware statutory trust structure. Inland Securities Corporation, member FINRA/SIPC, is dealer manager and placement agent for programs sponsored by Inland Real Estate Investment Corporation and its affiliates.

This communication is not intended as tax advice. We strongly recommend you consult with your own tax advisors.