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We have money to lend. Find greater stability from season to season with a long-term loan, or use shorter-term loans to increase cash flow to your farming operation.

# Bell Bank Agriculture

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Lynn is Bell's director of agribusiness development. He writes and speaks about agricultural lending and finance, the global economy and the ag economy.

He has expert knowledge of the ag industry, having worked in ag lending for more than 30 years and as

a retired owner and operator of a Benson County, N.D., family farm. His banking experience includes merging several banks and holding companies and growing the new company to \$600 million. He has also served on various financial boards.



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# AGVIEWS



– BY LYNN PAULSON

Bell Bank Director  
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## The Builder and the Guardian: How These Roles Can Help Your Operation Grow and Endure

Agriculture has never been a business for those with the faint of heart. It demands capital intensity, long investment cycles, and the ability to navigate unpredictable weather and volatile markets – so many things that are out of a producer’s control.

Increasingly, the most successful agricultural enterprises intentionally balance two distinct but equally critical roles: “Builders” and “Guardians.” In this issue of AgViews, we explore what these terms mean and how they can be leveraged to adapt to today’s uncertain environment. >>>



In the world of agriculture, the Builder mindset is essential to adapt to changing conditions. Costs rise, technology evolves, economies of scale shift, and global competition intensifies. Operations that fail to build — operationally, technologically or strategically — tend to fall behind.

Yet, the Builder's strength can also be a vulnerability. Growth initiatives are fueled by optimism. Capital expenditures and expansion rely on forward assumptions. Expansion compresses liquidity before it generates returns. If not properly managed, aggressive building can expose operations to leverage strain, working capital stress, or margin compression — especially during downward cycles.

The Guardian, meanwhile, protects balance sheets, liquidity, risk and long-term viability. On farms, Guardians focus on working capital, hedging strategies, insurance coverage, machinery replacement cycles and more. In agribusinesses, they oversee risk management, governance, compliance and internal controls. In agricultural lending, Guardians ensure underwriting rigor, portfolio stress testing and concentration management.

These two perspectives, while seemingly in opposition to each other, often work well together to ensure success by combining bold action with disciplined thinking. The current agricultural environment magnifies the importance of this interaction between leadership and management.

## OFFENSE VS. DEFENSE

Livestock and protein sectors generally continue to do well, while grain producers face compressed returns from lower commodity prices and elevated and sticky input costs. In these conditions, Builder instincts may push for scale expansion or technology investments to lower unit costs, while Guardian discipline ensures those investments remain sustainable under stressed margins.

This concept is also applicable to farm real estate, where values remain historically high in many regions, driven by strong demand and limited supply. With these conditions, Builders see strategic acquisition opportunities. Guardians test whether cash rents or operating margins justify purchase prices, or whether leasing offers better risk-adjusted returns.

In both of these examples, Guardians are not necessarily pessimists. They are risk wardens — ensuring the business survives volatility so that growth opportunities can be pursued repeatedly across cycles.

You don't win by playing offense alone, and you don't often stay in the game without defense. Builders keep their feet on the gas, while Guardians have control over the brakes. The most successful companies aren't always the ones without brakes — they're the ones with the best brakes.

Agriculture often requires growth, but growth amplifies risk. Great agricultural businesses empower Builders to

pursue opportunity – and Guardians ensure the business is still standing when the next cycle arrives.

Farmers, ranchers and producers that can effectively embrace and balance these principles and values enable their operation to continue to grow and prosper, while maintaining a focus on the long-term legacy of their farm or ranch.

### QUICK HITTER AG UPDATES:

- Ethanol production is reaching a record high, which, along with strong export sales, is good for corn demand. Monthly soybean crush levels continue to set records. However, prices at the farm level stay below the cost of production for most commodities.
- Simply put, we're still losing the global export trade war and currently, with record crops, don't have enough domestic demand to offset these inadequate exports, especially with soybeans. Trade policy disruptions have reduced market certainty.
- We're no longer consistently positioned on the world stage as a low-cost producer.
- Year-round E15 would significantly help domestic corn demand. It's hard to understand why this is so difficult to get passed by Congress.
- Congress recently passed the \$12 billion Farmer Bridge Assistance (FBA) program, with payments expected to be paid out to producers at the end of February. Agricultural leaders in Congress have been pushing for an additional \$15 billion aid package. Stay tuned.
- While every producer's break-even numbers are different, the USDA's 2026 preliminary cost of production estimates show that farmers would need corn prices of \$5.03 a bushel and soybeans at \$12.80 a bushel just to break even. Current prices remain well below those levels.
- Grain operations are caught in a profitability squeeze. As one economist put it, grain prices tend to take the stairway up and elevator down. Input costs, on the other hand, take the elevator up and stairway down.
- Open and new markets, not government checks, are the answers many producers are looking for.
- Brazil recently surpassed the U.S. as the world's top beef producer due to a shrinking U.S. cattle herd and a growing Brazilian herd. Brazil reportedly has about 240 million head of cattle, compared to about 90 million in the U.S. Brazil is already the world's largest beef exporter.

- Interestingly, Brazil is becoming more efficient in its beef industry. The average age of slaughtered cattle has gone from an amazing 5 years old to 3 years old and is expected to be reduced to 24 months soon. In the U.S., it's currently less than 24 months old.
- Slaughtered cattle in the U.S. are getting heavier due to the high price of beef, good genetics and the reasonable cost of feed. The modern steer carcass is about 130 pounds heavier than the 2005 version.
- Another reason for high beef prices? Normally, the U.S. imports around a million head of Mexican cattle. However, due to a screwworm outbreak in Mexico, those cattle are no longer in southern U.S. feedlots or processing plants.
- With the additional revenue that dairies are receiving from beef cross calves (now more than 10% of U.S.-fed cattle slaughter) and cull cows, it's estimated to be adding \$4/cwt to \$5/cwt to their milk for a dairy operation.
- In tough financial times, it's more important than ever to have a good and open relationship with your banker. The worst thing you can do when things get challenging is to go dark on your banker.
- I would also argue that when things get challenging, it's more important than ever to have measurable goals and plans – along with a commitment to monitoring and executing.

### SEVEN BEST DOCTORS

- 1 REST 
- 2 SUNLIGHT 
- 3 FAMILY AND FRIENDS 
- 4 EXERCISE 
- 5 DIET 
- 6 FAITH 
- 7 SELF-CONFIDENCE 



# The 2026 Farmland Market: Still Setting Records – But for How Long?

After several years of lower commodity prices and higher input costs, it's been fair to wonder if, or when, those pressures would catch up to farmland values.

To learn about the state of the farmland market in 2026, we recently reached out to **Dale Weston of Farmers National Company**, **Kevin Pifer of Pifer's Auctions & Realty**, and **Lindsey Brown of Peoples Company**, to learn what they're seeing on the ground, and where they think things could go from here.

**After the first few months of 2026, how would you characterize the farmland market?**

**DW:** The farmland market appears to be surprisingly resilient to the lower commodity prices we have seen the past 2-3 years. There is a "feel" that everything is softening, but then you see a sale that is at near-record

levels, so it appears there is still a desire for purchasing land. It appears that the market is variable in different areas. I think we have seen less demand in the Prairie Pothole Region, especially on parcels with blemishes such as potholes, saline soils or irregular field boundaries.

**KP:** Late 2025 and early 2026 land auctions at Pifer's have approached near all-time highs in nearly every market. The trend and prospect of lower interest rates, continued federal crop insurance, and robust cattle prices continue to move the needle upward.

**Is the amount of land coming to market higher or lower than in the past few years?**

**LB:** From our perspective as of the beginning of 2026, there does not appear to be as much farmland inventory on the public market as what we have seen in the past 2

or 3 years. Farmland owners are waiting to see if there's a change in both commodity prices and tariffs, which may spark some optimism in the ag sector that would relate to improved prices on farmland sales.

**DW:** The amount of land coming to the market is consistent with what we've seen over the past 2-3 years. We saw large amounts of land being sold in 2021 and 2022, when land prices soared along with commodity prices. 2023 through 2025 has been consistent with the amount of land we are seeing brought to the market.

I believe the land market follows commodity prices. As commodity prices and incomes increase, we typically see more land brought to the market.

### **Who's selling, and why?**

**DW:** Most of the sellers we deal with are next-generation people, who have inherited land from their parents and often own the land with other siblings and look at selling instead of owning jointly with other people. This eases their minds for estate planning purposes, instead of having the next generation deal with even more undivided interest owners.

**LB:** Estates and third and fourth generations that have inherited the land who are not going to farm the land and have no sentimental attachment. Some farmer-operators who may need to pay down carryover debt.

### **Who's buying, and why?**

**KP:** Farmers and ranchers represent 75-80 percent of all buyers at Pifer's auctions. Investors are showing more interest in recent years with the prospect of lower interest rates.

**LB:** Investors who are looking for a hedge against inflation and the stable annual cashflow and appreciation that farmland provides. We are also seeing farmer-operators with enough liquidity or borrowing capacity that are wanting to expand or maintain their operation's footprint.

**DW:** For us, it is still a good mixture of active farmers and investor-buyers. When I say investor-buyer, I mean people who most likely grew up in the area where the land is being sold. They moved away, had success in a different occupation and have a desire to own farmland in their portfolio. Maybe it is a sentimental purchase. Sometimes they have a sibling or relative that can be the farmer on the land and it makes them feel good to own an asset back home.

### **Is this a good time to buy land?**

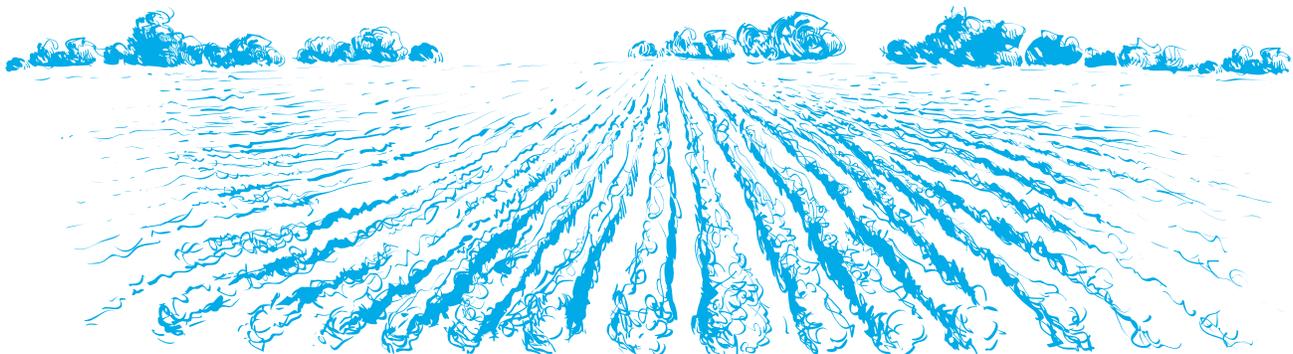
**DW:** It really varies from buyer to buyer. Circumstances and opportunities are typically different for everyone. Being in the ag land services industry for over 30 years, I am always optimistic about the opportunity to purchase land. It is an asset that can bring additional income for a farm operation for many years. I think sometimes we look at buying and selling land in too short of a time period and have to realize that ownership on land is typically for decades.

**LB:** Yes, this is a good time to buy farmland. There has been a dip in prices, but there are still opportunities available to buy quality land. Strong land prices bring quality farmland to the market, which may not have been on the market when prices were lower.

### **Is this a good time to sell land?**

**KP:** From a pure investment and return perspective, it is a good time to consider selling land, particularly with alternative investments experiencing strong returns along with favorable tax advantages for sellers.

**LB:** Yes, because there is not a lot of land inventory on the market in certain areas. If the amount of farmland on the public market rises, the land prices may decrease due to the supply.



## What factors will contribute to a decline in values?

**LB:** If low/lower commodity prices continue and there are farms that need to restructure or pay down debt to make the operation cashflow, the increased supply of farmland on the market may decrease the farmland values.

**KP:** If there are strong 2026 yields in major commodities, and if trade policies cause downward commodity pricing, it may negatively affect land values in the short term.

**DW:** Lower commodity prices and higher input costs are going to put pressure on active producers' interest in purchasing land. If we see a decline in active bidders, then typically we see a decline in values. However, this can really change from different geographical areas.

## There's a ton of money on the sidelines looking for good investment opportunities, such as private equity or family offices. Are these interests starting to look at farmland as a good investment?

**LB:** Yes, those types of investors are starting to realize that farmland provides a number of benefits they like in their investments. 1) Farmland is a long-term hold. They are not looking to flip real estate. 2) They like farmland as a hedge against inflation. 3) They like the stable return and annual appreciation farmland provides. 4) They like the potential for tax benefits (depreciation on improvements such as drain tile or pivots). The number and type of investors interested in farmland is growing.

**KP:** The investor-buyer is certainly a strong player in the farmland market and has incredible wealth that likely will continue to shift into the market, but at a modest pace.

## Is the strong livestock market affecting land prices?

**KP:** Yes, cattle prices have driven pastureland upward to levels never seen before anywhere in this country. This is likely to continue well into 2028.

**LB:** In the areas where livestock and ranching are prevalent, the values of pastureland and cropland have increased and remained strong. The strong livestock prices are allowing those operations to rebuild liquidity and prepare for future changes in the livestock market, if there is a slowdown.



**Dale Weston** is a farmland appraiser and real estate broker for Farmers National Company. Dale has been in the agricultural land services industry for 32 years, starting as a farm manager for First National Bank North Dakota in 1994.



**Kevin Pifer** is the founder and co-CEO of Pifer's Auction & Realty and Pifer's Land Management. Kevin is a former North Dakota deputy commissioner of agriculture, and also served as deputy director of intergovernmental affairs at the U.S. Department of Agriculture in Washington, D.C.



**Lindsey Brown** is a land agent with Peoples Company, bringing more than 15 years of real estate experience to his clients. Since joining the firm in 2020, he has focused on land transactions involving cropland, pastureland, and recreational property.



Jeff Stanislawski, SVP/market development manager on Bell Bank's agriculture team, has built deep relationships with his customers over the years.

# An Old-School Approach to Banking

If Jeff Stanislawski had his way, banking conversations would always happen in person around a desk or table, not over the internet or on a screen.

"I tell anyone who asks me, I'd always prefer to go out to their farm or business and sit with them on their territory," said Jeff, Bell's SVP/market development manager on the bank's ag team. "There's nothing better than direct contact with the customer, because that's where the trust occurs."

In an industry that has seen significant technological changes, Jeff's people-centric approach stands out and has helped him build deep relationships with his customers over his banking career.

## FROM THE FARM TO AG LENDING

Jeff grew up in a family of eight children on a small dairy farm in Greenbush, Minn. He left to attend the University of Minnesota, Crookston, and then North Dakota State University, graduating with a degree in ag education and extension. After college, he taught for a year and then joined the Minnesota Extension Service, where he specialized in farm business management.

Eventually Jeff made the switch to banking, and after working with several area banks, joined Bell in 2007 to help start, then lead, the bank's branch in Fergus

Falls, Minn. In 2022 he returned to his agriculture roots, joining Bell's ag lending team.

A year and a half ago, Jeff moved to Bell's branch in Wahpeton, N.D., to serve as interim president while the bank searched for a permanent replacement. The temporary role was a change from his ag duties, but Jeff was happy to help cover the transition – an approach he credits to his childhood on the farm.

"That's just what my seven siblings and I were taught," he said. "If there are things I can do to help, I'm all in."

## BUILDING RELATIONSHIPS BEYOND THE BALANCE SHEET

Though Jeff's roles have changed throughout the years, his passion for working closely with people has stayed the same.

"My whole career has revolved around people," Jeff said. "I enjoy the customer service aspect of what I do, making connections with customers and prospects."

Lynn Paulson, Bell's director of agribusiness development, described Jeff as an "old-school banker" because of that focus on people and relationships.

"Jeff prefers to do business face-to-face rather than over text or email," Lynn said. "For him, it's about creating a relationship that goes far beyond the balance sheet or income statement."

"It's been so rewarding to help my customers grow their businesses, or work through their farm challenges and successes," Jeff added. "It's hard not to become good friends with the people you serve."

