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 PEOPLES REPORT**

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Newly-Remodeled Indianola Office on Display

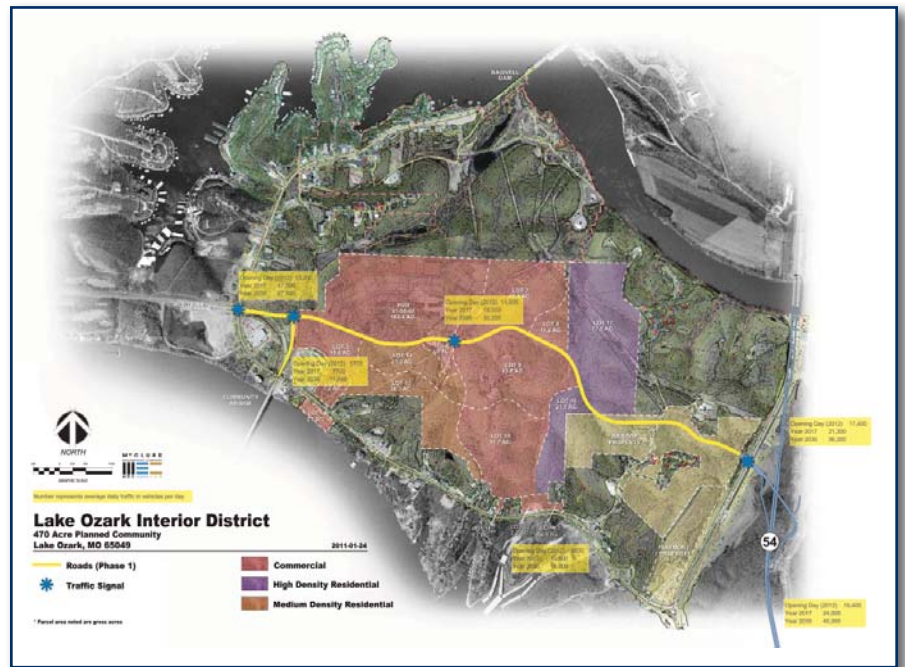
Peoples Company recently completed a \$150,000 renovation of our office space located on the Indianola town square. The renovation included structural repairs, a complete interior remodel and a new storefront bringing back the original floor to ceiling windows. The office now features 18 workstations for our real estate agents to continue serving the Indianola and Southern Iowa real estate market. An open house is scheduled on July 7th from 5:00 to 7:00 PM. Please RSVP to Amber Sween by calling 515-961-0247 or email amber@peoplescompany.com if you plan to attend. Appetizers and refreshments will be served. ♦



*Open House
 July 7th!*

PEOPLES COMPANY MARKETS LAKE OF THE OZARKS COMMERCIAL CORRIDOR PROJECT

Peoples Company has been retained by the Briscoe family to market 120 acres of prime development land at the Lake of the Ozarks in Missouri. This property is located on the new two mile corridor known as Route 242, which connects Highway 54, Horseshoe Bend Parkway and the community toll bridge. This new route has a projected average daily traffic count of 14,500 per day upon the December 15, 2011 completion date. Incentives are available due to the property being located in a Transportation Development District and Tax Increment Financing District. This project will consist of retail, hospitality, office and multi-tenant flex space. For information on this project, email Steve Bruere, steve@peoplescompany.com, or call him at 515-222-1347, or Jeff Segin, Lake of the Ozarks Sales Associate, at 515-669-1275. ♦



PEOPLES COMPANY EXPANSION CONTINUES

Peoples Company recently obtained its real estate brokerage license for the State of Missouri. We are actively seeking sales and management opportunities in this market. In addition, we are in the process of adding Nebraska and Minnesota licenses to our brokerage and should complete this endeavor by the end of 2011. By adding these licenses, we will be better able to serve individual and institutional clients seeking exposure to markets outside Iowa.

In Iowa, we are seeking land brokers throughout the state to join our current team of agricultural real estate experts and we are aggressively recruiting residential agents for our Indianola office. In addition to these efforts, we are soliciting opportunities for the acquisition of other real estate brokerage and farm management accounts. To discuss these opportunities, please email Steve Bruere at steve@peoplescompany.com, or call him at 515-222-1347. ♦

INDIANOLA/WEST DES MOINES

Matt Adams 515-423-9235
 Daran Becker 515-979-3498
 Steve Bruere 515-240-7500
 Bobbie Burnett..... 515-249-4429
 Roger Case 515-975-1993
 Adam Curran..... 641-203-2931
 Jim Curran..... 641-203-2931
 Bob Darr 515-707-9244
 Kalen Eastwood 515-402-3169
 Kim Helland 515-669-6303
 John Hutchcroft..... 515-321-5970
 Hannah Inman 515-975-9990
 Mike Inman..... 515-975-6800
 Vince Johnson..... 641-891-5326
 John Landon 515-249-0348
 Travis Moulton 515-494-1066
 Randy Murphy 515-669-9332
 Mike Nelson 641-223-2300
 Brandon Patterson.....303-884-8111
 Terry Pauling..... 515-249-9192
 Rick Shafer 515-988-1338
 Brad Van Weelden..... 515-745-4079
 David Wendt 515-371-4320

CEDAR FALLS

Brian Feldspauch..... 641-751-8840
 Randy Luze..... 319-415-0455

PEOPLES MANAGEMENT GROUP

Scott Kelly 515-473-8913
 Jay Sharp..... 515-240-0719
 Justin Washburn..... 515-778-2601
 Andrew Westlake 515-771-7588

PEOPLES COMPANY BUILDER LUNCHEON

DELIVERS DES MOINES METRO HOUSING STATISTICS TO 200 ATTENDEES

Lack of available inventory, new developments and increasing lot prices were the topics discussed with more than 200 builders, developers and lenders who attended the Peoples Company Spring Builders' Luncheon.

Martha Willits, President & CEO of the Des Moines Partnership, shared her insights into the Des Moines Metro job market and her projections for population growth. Creighton Cox, Executive Director for the Homebuilders Association of Greater Des Moines, presented his latest statistics, including new building permit activity and current inventory levels. Kalen Eastwood and Scott Kelly, agents for Peoples Company, presented Des Moines Multiple Listing Service statistics and current lot inventory levels throughout 18 Des Moines Metro communities.

The overall mood of attendees and presenters was bullish with forecasts of market stabilization due to failed projects working their way through the system. With existing inventory being absorbed and few new developments coming online during the last three years, developers are aggressively searching for new projects throughout the Des Moines Metro. In spite of calls for improving conditions, it was consistently reported that identifying new projects has been very challenging. Cities are not extending infrastructure as consistently as a few years ago and projects that were easy to develop were brought to market prior to the collapse. Additionally, landowners who became accustomed to high development prices a few years ago are wary of selling land at current diminished market values. Finding new opportunities will be challenging for developers, thus placing further pressure on lot prices with availability dwindling in many communities.



If you are contemplating a new plat or are looking for available lots, contact Peoples Company at 515-222-1347, to obtain comprehensive information about market availability. ♦

Mark your calendars!



5TH ANNUAL IOWA LAND INVESTMENT EXPO SCHEDULED

The date for the 5th Annual Iowa Land Investment Expo has been scheduled for January 20, 2012, at the West Des Moines Sheraton. With a new lineup of timely and valuable topics and speakers, this is an event you should not miss. Ken Root will return as our master of ceremonies. Committed speakers include Dr. Elwynn Taylor, Meteorologist from Iowa State University, and Mark Dotzour, Chief Economist/Director of Research at Texas A&M University. Watch for Expo updates at www.IowaLandExpo.com. ♦



BOOKING FALL LAND AUCTIONS

The dramatic rise in commodity prices coupled with historically low interest rates have brought many farmer and investor buyers to the table. Now is the time to schedule a fall land auction by Peoples Company.

With a Peoples Company land auction you'll receive:

- A custom marketing plan designed for your objectives
- Aerial photography of your farm
- An industry-leading website with electronic copies of soil maps, FSA maps, and Plat maps
- Exposure to our internal database of potential buyers
- A professional sales team to administer the sale on auction day

Give us a call at 515-222-1347 to discuss how a Peoples Company land auction can work for you. ♦



The Flow of Capital



Steve Bruere
PRESIDENT

At the beginning of the financial crisis in 2008, President George W. Bush stated, “If money isn’t loosened up, this sucker could go down.” While off the cuff, President Bush’s direct comment three years ago foreshadowed what we all now know to be true. From the darkest days of the financial crisis, we now see money being “loosened up” and working its way into the market looking for new, low risk returns. As I write this article, I’m on a return flight from the Global Agri-Investing Conference in New York City where over 575 investors, fund managers, pension funds, endowments and large family offices joined to discuss investing in agriculture. During this three day event, I picked up as many business cards as I could during breakfasts, lunches, coffee breaks and social hours and tried to get some insight into the new-found interest in agriculture markets. What I find remarkable and fascinating is the immense amount of capital that has been sitting on the sidelines since 2008, but is now pouring into commodities, agriculture and land.

Many of my side discussions at this conference revolved around whether farmland values are at bubble levels. Offering a prediction on this topic is difficult at best as farmland values are substantially driven by numerous political factors that may or may not change in the future, including government policy on farm program subsidies, the ethanol blender’s credit, the tariff on South American ethanol, interest rate policies and measures affecting the strength of the US dollar. What I can state without reservation is that there is an enormous amount of capital being targeted toward agriculture. Those in control of this money are buying into predictions of strong global demand due to population growth, rising incomes in emerging economies and the use of commodities for food, fuel and fiber. What is unknown is whether the “farmland bubble” story lines will be self-fulfilling prophecies or if current values are based on truly long term fundamentals that have been priced into the market. What concerns me is that Wall Street usually finds a story to invest in, similar to the subprime crisis, when money managers bought into the “everyone needs to own a home” philosophy.

It has been said that the world has never seen a long term shortage of \$7.00 corn. At \$7.00, it makes

sense to bring more arable land into production around the world, use other commodities in place of corn and pay for new technology to improve yields. Perhaps this time it’s different and we are in a demand driven market versus a supply driven market. I would argue that the run up in commodity prices and land prices is as much about money trying to find low risk returns, as it is about the global food, fuel and fiber story. The question is how much and how long will this money flow into agriculture. From my vantage point at Peoples Company, I’ve had the opportunity to witness investors and bankers manage their exposure to certain segments of the market. About ten years ago, I saw money pouring into housing and commercial real estate, just as I’ve seen money exit these markets over the last three years. That same money is now chasing agriculture assets. If George Bush were to make a comment about the land and commodity markets today, I would guess it would sound something like this: “If this thing doesn’t cool off, this sucker could burst.” Only time will tell, but when big money starts chasing a certain asset class, I get nervous. One thing is for certain, there will be lots of money made and lost as this storyline evolves. ♦

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