



Farmland Appraisal Services

Provided by **Jim Rothermich, MAI, ARA, ALC** - Vice President

Known as “the Land Talker,” Jim has nearly three decades of experience in the fields of agricultural economics, farm production, and land appraisals.

MARKET COMMENTARY - AUGUST 2022

Greetings! It was a dry summer. Though measurable amounts of rain fell statewide the later part of August, I am not sure anyone got enough. Fortunately, with the new crop genetics, crops can get by with not much rain. Timing of rainfall is more important than the amount. Those who have good crops in Iowa likely didn't get much rain but got a little at the right time, which made a substantial difference.

The Pro Farmer Crop Tour finished August 26 and the results have extreme variability. The Tour estimates the 2022 Iowa corn and soybean crop is better than 2021.

For the state of Iowa, 2022 average estimated yields are:

- Corn - 198 bushels per acre, up from the 2021 average yield of 190.76
- Soybean - 60 bushels per acre, up from the 2021 average yield of 58

The North Central, Northeast, East Central, and Southeast districts have potential record setting yields. Northwest, West-Central, Central, Southwest, and South Central districts have much lower yield estimates due to the excessive dry weather and heat. Statewide data indicates crop districts that got sufficient rain will offset the losses in yield in districts that did not.

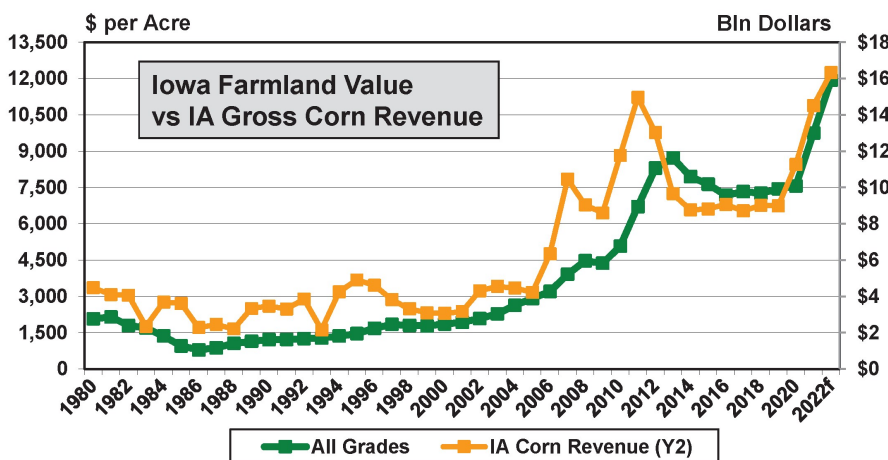
The national 2022 average estimated yields for the seven states measured by the Pro Farmer Crop Tour are:

- Corn - 168.1 bushels per acre, almost 9 bushels per acre lower than 2021's estimate
- Soybean - 51.7 bushels per acre, down less than 1% from 2021

The takeaway is the eastern corn belt is having a good crop year while the western corn belt, specifically Nebraska and South Dakota, is having a terrible crop year. In fact, yield estimates for these two states are so low that good crops in the East will not make up for their deficits. Grain markets have responded accordingly.

August 2022 saw 13,288 acres come to auction, lower than the 15,201 in August 2021. Typical for August (pre-Covid) is 3,500-6,500 auctioned acres. According to farm realtors, auction activity will be “brisk” this fall.

As shown in my auction results table on the following pages, the land market continues to be very strong. Most of the four farms that were “no sale” were successfully negotiated after the auction. Lower to medium quality farms are taking more work to get sold in certain areas.



Northwest Iowa continues to bring in sales at \$25,000/acre and higher. On the last day of the month, Sioux County produced a \$26,000/acre sale on 80.29 acres near Granville. This is the highest sale I know of in Iowa with no influence from wind-solar energy or development. It was purchased purely to produce corn & soybeans.

Crop yields & crop prices heavily influence land prices. As gross revenue goes up, so goes land prices (see graph on left).

Source: Iowa State University Land Value Survey, Rabobank 2022

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MARKET COMMENTARY - CONTINUED

Before my next newsletter there will likely be some crops harvested so I should have some factual yield data. Demand for corn is very strong and corn prices are expected to rally if the crop yields are below USDA expectations.

Below are cash prices of corn and soybeans, which are highly correlated to land prices, current and one year ago.

	<u>Date</u>	<u>Price</u>	<u>Source</u>
Cash Price Corn	9/1/2022	\$7.68/bushel	Poet - Menlo, IA
Cash Price Soybeans	9/1/2022	\$15.20/bushel	ADM - Des Moines, IA
Cash Price Corn	9/1/2021	\$5.69/bushel	Poet - Menlo, IA
Cash Price Soybeans	9/1/2021	\$13.29/bushel	ADM - Des Moines, IA

"That's my story and I am sticking to it!"

Jim, "the Land Talker"



Iowa Land Auction Results - August 2022

This list includes auctions conducted by various auction firms throughout the State of Iowa not affiliated with Iowa Appraisal. CSR-2 soil rating is calculated on tillable acres of each tract of land.

Contact Jim Rothermich if you would like additional information on these transactions.

DEFINITIONS

UNDISCLOSED: *The land sold for an undisclosed amount. This could be a sealed bid auction, or a live auction that did not meet the reserve at auction but was successfully negotiated after the auction.*

UNDETERMINED: *Auction results could not be retrieved. The land may or may not have sold.*

\$/TILLABLE CSR2: *This is reported when tillable acres are greater than or equal to 80%; "-" will show for anything below 80%.*

SALE DATE	COUNTY	LAND TYPE	SOLD ACRES	\$ PER ACRE	TILLABLE CSR2	TILLABLE ACRES	\$/TILLABLE CSR2
08/02/22	Lee	Tillable	48.04	\$3,386	35.8	44.47	\$102
08/02/22	Buchanan	Tillable	121.5	\$12,700	87.6	116.04	\$152
08/02/22	Scott	Tillable	160	No Sale	80.9	154.48	-
08/02/22	Wayne	Recreation-Pasture	34.65	\$7,576	-	-	-
08/02/22	Delaware	Tillable	74.14	\$8,600	62.4	64.72	\$158
08/02/22	Delaware	Tillable	90.8	\$9,300	49.2	88.80	\$193
08/03/22	Clay	Tillable	40	\$18,800	89	39.14	\$216
08/04/22	Polk	Development-Tillable	67.81	Undisclosed	83.9	64.29	-
08/04/22	Adams	CRP	38.5	\$8,200	69.9	31.00	\$146
08/04/22	Adams	CRP-Farmstead-Wind Turbine	238	\$7,400	53.6	119.20	-
08/04/22	Emmet	Tillable	80	\$13,100	80.6	78.15	\$166
08/04/22	Emmet	Tillable	80	\$13,500	80.6	78.15	\$171

Continued on next page.





Iowa Land Auction Results - Continued

SALE DATE	COUNTY	LAND TYPE	SOLD ACRES	\$ PER ACRE	TILLABLE CSR2	TILLABLE ACRES	\$/TILLABLE CSR2
08/04/22	Butler	Tillable	154.52	\$12,600	89.9	143.32	\$151
08/04/22	Butler	Tillable	80	\$9,000	72.2	78.00	\$128
08/05/22	Wright	Tillable	80	\$16,200	77.1	79.00	\$213
08/05/22	Wright	Tillable	73.15	\$16,000	81.6	71.50	\$201
08/05/22	Wright	Tillable	59.73	\$15,400	67.6	57.63	\$236
08/05/22	Wright	Tillable	56.42	\$9,200	77.3	55.23	\$122
08/05/22	Wright	Tillable	37.36	\$10,500	79.2	32.79	\$151
08/05/22	Plymouth	Tillable	155	\$22,200	89.6	146.30	\$263
08/05/22	Benton	Tillable	66.4	\$17,700	90	63.60	\$205
08/05/22	Benton	Tillable	76	\$20,500	93.2	74.96	\$223
08/06/22	Carroll	Tillable	131	\$13,600	82.9	131.13	\$164
08/06/22	Crawford	Tillable	153.3	\$12,500	69.6	147.98	\$186
08/08/22	Floyd	Tillable	31.6	Undisclosed	52.4	31.30	-
08/08/22	Polk	Tillable	157.97	No Sale	75.9	145.61	-
08/08/22	Pottawattamie	Recreation-Pasture	133.8	\$5,500	-	-	-
08/08/22	Plymouth	Tillable	154.62	\$20,100	89.6	146.30	\$237
08/08/22	Wayne	Tillable	221.21	No Sale	51	190.00	-
08/08/22	Butler	Tillable	260	\$10,800	71.2	249.84	\$158
08/08/22	Floyd	Tillable	73.67	\$14,700	90.7	71.64	\$167
08/08/22	Floyd	Tillable	80	\$10,600	57.5	76.63	\$192
08/09/22	Franklin	Tillable	132.7	\$17,000	90.8	130.33	\$191
08/09/22	Woodbury	Tillable-Recreation	78	\$8,160	67.8	56.63	-
08/09/22	Woodbury	Recreation-Tillable	200.00	No Sale	61.5	46.86	-
08/09/22	Hamilton	Tillable	62.27	\$9,550	80.7	43.38	\$170
08/09/22	Boone	Tillable	80	\$12,600	87.4	74.57	\$155
08/10/22	Clinton	Tillable	78.69	\$15,900	74.3	78.69	\$214
08/10/22	Clinton	Tillable	78.68	\$14,100	63.9	78.68	\$221
08/11/22	Palo Alto	CRP	113.08	\$6,750	65.3	109.56	\$107
08/11/22	Butler	Tillable	80	\$15,200	86.9	79.00	\$177
08/11/22	Butler	Tillable	76.94	\$13,400	84.9	76.94	\$158
08/11/22	Humboldt	Tillable	31	\$13,000	86.1	31.00	\$151
08/11/22	Keokuk	Tillable	79	\$10,000	66.7	69.44	\$171
08/12/22	Plymouth	Tillable	209.9	\$12,000	72.5	161.75	\$215
08/12/22	Plymouth	Tillable	152	\$19,000	95	151.43	\$201
08/12/22	Plymouth	Tillable	153.32	\$15,300	68.9	137.52	\$248
08/12/22	Boone	Tillable	91.53	\$15,600	84.2	89.56	\$189
08/13/22	Hancock	Tillable	117.15	\$8,350	64	117.00	\$131
08/14/22	Guthrie	Tillable	16	\$6,600	60.2	15.93	\$110
08/15/22	Monona	CRP	154	\$8,000	58.4	133.15	\$158
08/15/22	Ida	Tillable	113.93	\$11,900	64.1	110.00	\$192

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Iowa Land Auction Results - Continued

SALE DATE	COUNTY	LAND TYPE	SOLD ACRES	\$ PER ACRE	TILLABLE CSR2	TILLABLE ACRES	\$/TILLABLE CSR2
08/16/22	Mitchell	Tillable	115	\$13,250	81.9	111.20	\$167
08/16/22	Winnebago	Tillable	77.4	\$13,700	83.6	74.36	\$171
08/16/22	Pocahontas	Tillable	280	\$12,000	84.4	260.42	\$153
08/17/22	O'Brien	Tillable	160	\$18,800	92.5	150.47	\$216
08/17/22	Jasper	Tillable	185.61	\$17,800	90.7	184.32	\$198
08/17/22	Clinton	Tillable-Development	18.33	\$17,614	87.5	15.55	\$237
08/17/22	Ida	Tillable	80	\$20,300	92.9	78.40	\$223
08/17/22	Ida	Tillable	80	\$18,400	85.9	71.47	\$240
08/18/22	Greene	Tillable	80	\$15,500	85.9	77.29	\$187
08/18/22	Poweshiek	Tillable-Recreation	135	\$7,400	63.2	76.55	-
08/18/22	Buchanan	Tillable	50.23	\$14,306	70.3	46.08	\$222
08/18/22	Story	Tillable	80	\$15,700	88	76.88	\$186
08/18/22	Clinton	Tillable	117.8	\$15,600	78.3	105.97	\$221
08/19/22	Poweshiek	Tillable	160	\$6,800	59.6	134.79	\$135
08/19/22	Plymouth	Tillable-Pasture	230.00	\$12,400	80.7	173.90	-
08/22/22	Ida	Tillable-Pasture	74.55	\$11,250	66.5	54.40	-
08/23/22	Des Moines	Tillable-Recreation	54.97	\$10,868	76.9	27.59	-
08/23/22	Des Moines	Recreation-Pasture	45.18	\$6,122	74.2	7.37	-
08/23/22	Webster	Tillable	79.00	\$14,000	81.9	78.15	\$173
08/23/22	Clinton	Tillable	120.00	\$14,100	77.2	113.63	\$193
08/23/22	Buchanan	Tillable	158.02	\$9,300	85.9	136.59	\$125
08/23/22	Buchanan	Tillable	37.25	\$7,600	85.8	33.57	\$98
08/23/22	Ida	Tillable	157.34	\$10,000	61.8	153.23	\$166
08/23/22	Ida	Tillable	78.00	\$9,800	63.5	77.00	\$156
08/23/22	Decatur	Tillable	80.00	\$2,646	28.3	68.51	\$109
08/24/22	Bremer	Tillable-CRP	133.15	Undisclosed	77.4	112.67	-
08/24/22	Bremer	Tillable	199.31	Undisclosed	83.3	153.00	-
08/24/22	Butler	Tillable-CRP	35.86	\$12,200	75.8	35.00	\$165
08/24/22	Chickasaw	Tillable	68	No Sale	76.1	64.45	-
08/24/22	O'Brien	Tillable-Pasture	46.81	\$12,100	77.4	34.53	-
08/24/22	O'Brien	Tillable	31.39	\$17,000	89.3	28.18	\$212
08/24/22	O'Brien	Tillable-Pasture	108.74	\$16,000	76	100.26	\$228
08/24/22	O'Brien	Tillable-CRP	120.06	\$13,100	89.2	113.48	\$155
08/25/22	Chickasaw	Tillable	141.00	\$9,242	77	125.80	\$135
08/25/22	Fayette	Tillable	70	\$13,500	77	66.50	\$185
08/25/22	Marion	Tillable	125.78	\$11,500	73.2	118.89	\$166
08/25/22	Ida	Tillable	219.18	\$23,400	93.2	212.23	\$259
08/25/22	Dubuque	Tillable	15.26	\$16,100	73	16.39	\$205
08/25/22	Dubuque	Tillable	113.57	\$14,600	62.4	118.32	\$225
08/25/22	Hardin	Tillable	40	\$15,300	88.2	39.24	\$177

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Iowa Land Auction Results - Continued

SALE DATE	COUNTY	LAND TYPE	SOLD ACRES	\$ PER ACRE	TILLABLE CSR2	TILLABLE ACRES	\$/TILLABLE CSR2
08/25/22	Guthrie	Tillable	120	\$16,000	80.2	111.92	\$214
08/26/22	Jasper	Tillable	120	\$17,100	83.6	118.47	\$207
08/26/22	Jasper	Tillable	120	\$14,300	74.2	113.49	\$204
08/26/22	Jasper	Tillable	35	\$10,700	53.1	31.20	\$226
08/26/22	Linn	Tillable	69.96	\$11,100	60.2	57.15	\$226
08/26/22	Warren	Tillable	62.25	\$9,000	72.9	48.97	\$157
08/26/22	Warren	Tillable-CRP-Recreation	67	\$11,000	56	25.07	\$525
08/26/22	Warren	Woods	40	\$6,500	-	-	-
08/26/22	Ida	Tillable	118.71	\$10,400	85.3	118.01	\$123
08/26/22	Ida	Tillable	90.44	\$13,500	84.8	82.98	\$174
08/27/22	Hancock	Tillable	156	\$13,600	73.5	154.15	\$187
08/27/22	Hancock	Tillable-CRP	79	\$8,600	58.4	78.07	\$149
08/29/22	Ida	Tillable	40	\$21,000	93.5	39.22	\$229
08/29/22	Ida	Tillable	200	\$21,000	86.9	186.62	\$259
08/29/22	Cherokee	Tillable	160	\$11,700	79.4	113.03	\$209
08/29/22	Woodbury	Tillable	35.45	\$15,000	48	35.45	\$313
08/29/22	Mahaska	CRP-Tillable	116.95	\$6,200	69.4	94.98	\$110
08/29/22	Mahaska	Tillable-Recreation	128.37	\$4,050	38.7	73.74	-
08/29/22	Page	Tillable	78.81	Undetermined	58.5	72.37	-
08/29/22	Page	Tillable	74.01	Undetermined	61.9	66.77	-
08/29/22	Bremer	Tillable	38.93	\$13,250	80.9	34.98	\$182
08/30/22	Cerro Gordo	Tillable	227.1	\$12,400	83.5	223.90	\$151
08/30/22	Kossuth	Tillable	166	\$15,100	76.9	164.85	\$198
08/30/22	Jasper	Tillable	152.5	\$6,100	58.6	127.43	\$125
08/30/22	Dubuque	Development-Tillable	33.83	\$23,200	66.2	32.80	\$361
08/31/22	Story	Recreation-Tillable	43.58		65.4	13.04	\$0
08/31/22	Sioux	Tillable	80.29	\$26,000	91.3	78.22	\$292
08/31/22	Sioux	Tillable	151.59	\$20,100	90.5	145.64	\$231
08/31/22	Shelby	Tillable	156.1	\$16,100	68.7	154.65	\$237
08/31/22	Worth	Tillable-2 Wind Turbines	149.81	\$12,600	66.7	142.64	\$198
08/31/22	Des Moines	Tillable-Farmstead	100.3	Undetermined	86.7	88.18	-
08/31/22	Union	CRP	60	\$6,425	54.5	23.90	\$296
08/31/22	Hamilton	Tillable	158	No Sale	79.9	151.11	-
08/31/22	Benton	Tillable	81.4	\$13,500	84.4	78.00	\$167
08/31/22	Benton	Tillable	87.98	\$11,500	80.7	78.56	\$160
08/31/22	Floyd	Tillable	79.64	\$7,800	88.6	57.97	\$121
TOTAL			13,288			11,606	

For Farmland Appraisal Services
contact Jim Rothermich, MAI, ARA, ALC
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Iowa
Appraisal

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