



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 - FEBRUARY 2023

Greetings! Spring begins at 3:24pm CDT on March 20, 2023. Planting season is just around the corner. I cannot wait to see those corn planters rolling across the land scape! My farm realtor contacts are telling me there is a lot of optimism going into planting season. What an exciting time to own land and be involved in agriculture!

Acres Auctioned in Iowa						
	2018	2019	2020	2021	2022	2023
February	9,471	11,567	8,493	7,226	8,731	8,639

Auction volume is very consistent with prior years. Looking at the February auction results in this newsletter, there were only two “no sale” at auction. This is an improvement from last month. When confirming results, I am told the buyer pool is shrinking due to higher interest rates, and bidders are being cautious. Some auctions have had only two bidders. It only takes two for an auction, but what happens when one has a flat tire on the way to the auction? The auction results would be completely different. Market conditions are still historically high. If you are thinking of selling, look at this market and educate yourself on market conditions. It is still a good time to sell. I expect there will be a push of land auctions before planting season.

Have you noticed how much interest there is in owning farmland these days? Owning farmland has long been viewed as a symbol of status and wealth. Now individuals who do not farm are jumping on board, looking to buy farmland. Interest from outside investors has never been higher. Even professional athletes are wanting to be in the farmland space. Cincinnati Bengals quarterback Joe Burrow and Boston Celtics forward Blake Griffin, along with other athletes, pooled together to buy farmland in northeast Iowa. They closed on a 104-acre farm located in Bremer County, Iowa, on November 8, paying \$10,000/acre. The group, which will purchase four additional farms within the next few years, is seeking a diverse set of agricultural assets. They have looked at watermelon farms in Oregon, which tend to be smaller and offer higher per-acre rent. Entrepreneurs, doctors, and lawyers are joining friends who are in search of owning a piece of prime real estate. And today, that is farmland.

The allurements to not only own farmland or a ranch, but to also look the part, has never been so trendy. The TV show “Yellowstone,” a neo-Western drama following the powerful John Dutton (Kevin Costner) and his family, who own the largest ranch in Montana, has sparked a worldwide western wear trend. Viewers of the show, many who live far from the pastures of Montana, have taken to dressing like the series’ cattle rancher characters - cowboy hats, cowboy boots, Wrangler blue jeans, suede jackets, snap-button shirts, flannels, patterned bandanas, and leather belts with large buckles. (Our urban friends have caught onto what we have been doing for a long time!)

Did you know beaver pelts are used for making Stetson cowboy hats? Beaver trappers are getting top price for pelts due to Yellowstone’s popularity. This show, which recently completed airing the first half of its fifth season, is the most-watched scripted series on TV. Stetson hats and Wrangler denim, among other brands, are launching Yellowstone-inspired apparel.

I continue to acquire market-derived cash rental data, as readers have requested. I appreciate those who notified me of cash rent auctions and those who provided me with data. **Please keep sending!** I’ll let you draw your own conclusions from this data on the following page.

Continued on next page.





MARKET COMMENTARY - CONTINUED

CASH RENT DATA:

State	Date	County	Acres	CSR2	PI	Rent/Acre	Previous Rent	\$/CSR2/PI	Gross \$	Term	*2022 Rent/Acre High Quality Third County Average
Iowa	08/01/21	Bremer	310	90	-	\$340.00	\$300.00	\$3.78	\$105,400	2 years	\$344
Iowa	01/31/22	Pocahontas	69.3	83.9	-	\$427.50	-	\$5.10	\$29,626	3 years	\$284
Iowa	03/23/22	Calhoun	165.81	84.8	-	\$438.50	-	\$5.17	\$72,708	3 years	\$278
Iowa	08/15/22	Benton	150	91	-	\$400.00	\$325.00	\$4.40	\$60,000	1 year	\$301
Iowa	08/15/22	Grundy	146	91	-	\$425.00	\$390.00	\$4.67	\$62,050	1 year	\$338
Iowa	08/15/22	O'Brien	1,300	96	-	\$475.00	\$375.00	\$4.95	\$617,500	1 year	\$324
Iowa	09/01/22	Story	505	83.3	-	\$375.00	\$350.00	\$4.50	\$189,375	1 year	\$309
Iowa	09/01/22	Hardin	160	81.8	-	\$375.00	\$350.00	\$4.58	\$60,000	1 year	\$315
Iowa	09/01/22	Cherokee	160	91.3	-	\$350.00	\$350.00	\$3.83	\$56,000	1 year	\$344
Iowa	10/01/22	O'Brien	297.43	93.8	-	\$427.50	\$325.50	\$4.56	\$127,151	1 year	\$324
Iowa	10/01/22	Franklin-Wright	2,000	80-88	-	\$405.00	\$325.00	\$4.60-\$5.06	\$810,000	1 year	\$309-\$310
Iowa	10/01/22	Buchanan	242	81.9	-	\$385.00	-	\$4.70	\$93,170	1 year	\$305
Iowa	10/01/22	Buchanan	69.76	78.7	-	\$405.00	-	\$5.15	\$28,253	3 years	\$305
Iowa	10/01/22	Jasper	799.68	70	-	\$370.00	-	\$5.29	\$295,882	1 year	\$316
Iowa	10/01/22	Butler	281	87.7	-	\$505.00	-	\$5.76	\$141,905	1 year	\$336
Iowa	11/01/22	Story	155	86.7	-	\$504.00	\$350.00	\$5.81	\$78,120	1 year	\$309
Iowa	12/14/22	Clarke	241.37	49	-	\$475.00	-	\$9.69	\$114,651	3 years	\$191
Iowa	12/15/22	Fremont	71.56	77	-	\$415.00	\$245.00	\$5.39	\$29,697	3 years	\$256
Iowa	12/21/22	Floyd	23.4	66	-	\$310.00	\$200.00	\$4.70	\$7,254	3 years	\$261
Iowa	01/18/23	Chickasaw	78.19	82.6	-	\$525.00	-	\$6.36	\$41,050	1 year	\$342
Iowa	01/18/23	Chickasaw	228.52	62.3	-	\$475.00	-	\$7.62	\$108,547	1 year	\$342
Iowa	01/18/23	Chickasaw	31.73	39	-	\$250.00	-	\$6.41	\$7,933	1 year	\$342
Iowa	01/18/23	Chickasaw	12.25	hay	-	\$150.00	-	-	\$1,838	1 year	\$342
Illinois	10/20/22	Fulton	59.4	-	126	\$490.00	\$300.00	\$3.89	\$29,106	3 years	-
Illinois	01/05/23	Peoria	21	-	115	\$321.00	-	\$2.79	\$6,741	1 year	-
Illinois	01/15/23	Fulton	99	-	109	\$620.00	\$280.00	\$5.69	\$61,380	3 years	-
Illinois	01/13/23	McLean	99	-	139	\$500.00	\$235.00	\$3.60	\$49,500	5 years	-
Illinois	01/16/23	Pike	38	-	106	\$245.00	\$125.00	\$2.31	\$9,310	2 years	-
Illinois	01/25/23	McLean	99	-	139	\$500.00	\$235.00	\$3.60	\$49,500	5 years	-
Illinois	01/28/23	Fulton	40	-	126	\$325.00	-	\$2.58	\$13,000	3 years	-
Illinois	01/31/23	McDonough	31	-	120	\$282.00	-	\$2.35	\$8,742	2 years	-
Illinois	02/24/23	Livingston	146	-	110	\$430.00	-	\$3.91	\$62,780	3 years	-
Missouri	08/31/22	Livingston	466.3	-	-	\$295.41	-	-	\$137,750	2 years	-
Missouri	12/14/22	Atchison	105.33	-	-	\$413.00	-	-	\$43,501	1 year	-
Missouri	02/10/23	Andrew	225	-	-	\$393.00	-	-	\$88,425	3 years	-
Minnesota	09/20/22	Marshall	474	-	75	\$220.00	-	-	\$104,280	2 years	-
Minnesota	10/27/22	Stevens	156.1	-	87	\$385.00	\$265.00	-	\$60,099	2 years	-

* Source: Iowa State University Cash Rent Survey

"-" means no information or unknown

Continued on next page.





MARKET COMMENTARY - CONTINUED

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	3/1/2023	\$6.64/bushel	Poet - Menlo, IA
Cash Price Soybeans	3/1/2023	\$14.93/bushel	ADM - Des Moines, IA
Cash Price Corn	3/1/2022	\$7.14/bushel	Poet - Menlo, IA
Cash Price Soybeans	3/1/2022	\$16.36/bushel	ADM - Des Moines, IA

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

Jim, "the Land Talker"



Iowa Land Auction Results - February 2023

*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
02/01/23	O'Brien	Tillable	99.01	\$19,100	95	95.38	\$209
02/01/23	Shelby	Tillable	237	\$11,300	64.9	218.99	\$188
02/01/23	Winnebago	Tillable	53	\$11,125	75.9	45.63	\$170
02/02/23	Mahaska	Tillable	95	\$13,600	81.8	95	\$166
02/02/23	Lee	Tillable	64	\$5,700	66	37.54	\$147
02/02/23	Lee	Tillable	74.5	\$9,100	59.7	61.93	\$183
02/02/23	Crawford	Tillable	79	\$14,500	73.1	79	\$198
02/02/23	Jefferson	Tillable	68.41	\$12,100	83.1	62.07	\$160
02/03/23	Wayne	Tillable	104.01	\$13,000	61.5	103.23	\$213
02/03/23	Wayne	Tillable-Hay-Pasture	166.39	\$5,200	50.5	89.6	\$191
02/03/23	Benton	Tillable	73.92	\$20,600	94.6	74.00	\$218
02/03/23	Benton	Tillable	139.04	\$15,800	92.8	127.52	\$186
02/03/23	Pottawattamie	Tillable-CRP	78.00	\$11,400	66.9	77.02	\$173
02/07/23	Mills	Tillable	77.16	\$12,500	75	71.73	\$179
02/07/23	Webster	Tillable	120.00	\$14,300	71.2	117.87	\$204

Continued on next page.





Iowa Land Auction Results - Continued

SALE DATE	COUNTY	LAND TYPE	SOLD ACRES	\$ PER ACRE	TILLABLE CSR2	TILLABLE ACRES	\$/TILLABLE CSR2
02/07/23	Palo Alto	Tillable	80.00	\$18,664	78.3	76.42	\$250
02/07/23	Grundy	Tillable	117.00	\$18,600	94.8	115.30	\$199
02/08/23	Guthrie	Tillable	160.00	\$9,200	59.3	141.44	\$176
02/08/23	Guthrie	Tillable-Pasture-Farmstead	160.00	\$6,750	51.5	71.46	-
02/08/23	Guthrie	Tillable-Pasture-Farmstead	160.00	\$6,800	54.9	24.56	-
02/08/23	Woodbury	Tillable	80.00	\$15,000	74.3	76.47	\$211
02/08/23	Woodbury	Tillable	80.00	\$14,250	76.7	72.51	\$205
02/08/23	Linn	Tillable-Development	75.54	\$9,900	79.9	68.49	\$137
02/08/23	Grundy	Tillable	43.80	\$17,300	85.6	43.76	\$202
02/09/23	Buena Vista	Tillable	116.24	\$13,000	73.8	106.24	\$193
02/09/23	Buena Vista	Tillable	40.00	\$15,100	85.3	38.30	\$185
02/09/23	Buena Vista	Tillable-CRP	113.94	\$7,000	87.8	82.10	-
02/09/23	Henry	Tillable	75.86	\$15,600	75.5	75.00	\$209
02/09/23	Henry	Tillable	38.26	\$11,400	70	37.65	\$165
02/09/23	Des Moines	Tillable-CRP	137.57	\$13,600	87.1	130.43	\$165
02/09/23	Des Moines	Tillable	136.4	\$15,600	88.5	138.58	\$173
02/10/23	Pocahontas	Tillable	74.13	\$10,000	70	74.13	\$143
02/10/23	Pocahontas	Tillable	32.4	\$12,800	83	30.75	\$162
02/10/23	Wayne	Tillable	120	\$6,000	45.7	101.22	\$156
02/10/23	Cass	Tillable	155.15	Undisclosed	61.8	121.48	-
02/13/23	Montgomery	Tillable	91.12	\$8,800	79.2	85	\$119
02/14/23	Muscatine	Tillable	61	\$9,500	73.4	56.5	\$140
02/14/23	Louisa	Tillable	114	\$12,500	76.7	112.26	\$165
02/14/23	Louisa	Tillable	120.00	\$13,000	87.2	118.00	\$152
02/14/23	Louisa	Tillable	39	\$13,000	86	39	\$151
02/14/23	Louisa	Tillable	150	\$10,600	75.7	141.77	\$148
02/14/23	Louisa	Tillable	35	\$13,500	93.2	33.2	\$153
02/14/23	Louisa	Tillable	99	\$9,500	86.6	74.62	-
02/14/23	Louisa	Tillable-Pasture-Farmstead	210	\$10,300	83.1	178.08	\$146
02/14/23	Louisa	Tillable	166	\$10,600	82.2	150.57	\$142
02/14/23	Louisa	Tillable	285	\$4,800	47.3	280.05	\$103
02/14/23	Louisa	Tillable-Pasture-Recreation	205	\$6,300	60.4	122.44	-
02/15/23	Buchanan	Tillable	129.5	\$6,950	67.8	92.72	-
02/15/23	O'Brien	Tillable	160.00	\$15,200	93.9	150.64	\$172
02/15/23	Washington	Tillable	115.93	\$17,220	87.7	113.41	\$201
02/16/23	Pocahontas	Tillable-Wind Turbine	74.03	\$15,600	86.1	74	\$181
02/16/23	Keokuk	Tillable	231	\$11,700	69.2	228.9	\$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
02/17/23	Hamilton	Tillable	120	\$12,500	76	116.56	\$169
02/17/23	Hamilton	Tillable	119	\$10,200	79.9	118.44	\$128
02/21/23	Dubuque	Tillable	119.03	\$17,850	73.1	113	\$257
02/21/23	Dubuque	Farmstead-Tillable	42.54	\$15,750	62.3	31	-
02/22/23	Harrison	Tillable	75.69	\$9,750	65.6	75.69	\$149
02/22/23	Harrison	Tillable	209.6	\$7,425	58.6	209.6	\$127
02/22/23	Harrison	Tillable	10.71	\$8,000	82.8	10	\$103
02/22/23	Harrison	Tillable	11	\$8,050	83.7	7	-
02/23/23	Benton	Tillable	224.05	\$14,100	87.3	213.42	\$170
02/23/23	Tama	Tillable	122.25	\$13,700	80.8	117.41	\$177
02/23/23	Crawford	Tillable	39.88	\$11,750	60	39.29	\$199
02/23/23	Crawford	Tillable	52.47	\$9,000	57.6	45.7	\$179
02/23/23	Boone	Tillable	71.72	\$13,600	75.8	71.72	\$179
02/23/23	Palo Alto	Tillable	130	\$15,100	75.6	123.3	\$211
02/24/23	Fremont	Tillable	171.77	\$9,100	79.5	158.6	\$124
02/24/23	Fremont	Tillable	173.69	No Sale	76.6	146.6	-
02/24/23	Hardin	Tillable	160	\$11,600	84.2	144.95	\$152
02/24/23	Wayne	Tillable	155.22	\$7,100	49.8	143.96	\$154
02/24/23	Wayne	Tillable	29.33	\$6,900	53.5	21.71	-
02/24/23	Crawford	CRP-Farmstead	110	\$7,850	63.8	74.29	\$182
02/24/23	Cass	Tillable	240	\$5,400	51	144.28	-
02/24/23	Keokuk	Tillable	60	\$9,050	70.6	51.43	\$150
02/27/23	Tama	Tillable	160	\$14,400	89	154	\$168
02/28/23	Pocahontas	Tillable-CRP-Wind Turbine	80	\$13,100	83.7	77.72	\$161
02/28/23	Howard	Tillable	61.89	No Sale	66.7	53.20	-
02/28/23	Pottawattamie	Tillable	79.00	\$9,500	67.8	77.46	\$143
TOTAL			8,639			7,574	

Farmland Appraisal Services

Jim Rothermich, MAI, ARA, ALC

515.777.7083 ▪ theLandTalker@iowaappraisal.com



Iowa Appraisal

1707 High Street | Des Moines, IA 50309 | 515.283.0146

www.iowaappraisal.com





Iowa
Appraisal

515.283.0146

www.iowaappraisal.com

Real Estate Appraisal Services

- Agricultural appraisals
- Commercial appraisals
- Consulting services
- Appraisal review
- Market/feasibility studies



For Farmland Appraisal Services, *call the Land Talker!*

Jim Rothermich, MAI, ARA, ALC - 515.777.7083



Additional Services *

**Business
Valuation**



**Mergers &
Acquisitions**



**Litigation Support
& Expert Witness**



* Provided by BCC Advisers: 515.282.8019

Iowa Appraisal
1707 High Street | Des Moines, IA 50309 | 515.283.0146
www.iowaappraisal.com

