Iowa Chapter #2

REALTORS® Land Institute

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PRESS RELEASE “Under all is the Land”

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The Iowa Chapter of REALTORS® Land Institute is pleased to announce the results of our September 2016 Land Trends and Values Survey. REALTORS® Land Institute is an affiliate of the National Association of REALTORS® and is organized for REALTORS® who specialize in farm and land sales, management, development and appraisal. Participants in the survey are specialists in farmland, and are asked for their opinions about the current status of the Iowa farmland market.

Participants were asked to estimate the average value of farmland as of September 1, 2016. These estimates are for bare, unimproved land with a sale price on a cash basis. Pasture and timberland values were also requested as supplemental information.

The results of these surveys show a statewide average decrease of cropland values of -3.7% for the March 2016 to September 2016 period. Combining this decrease with the -5.0% decrease reported in March 2016 indicates a statewide average decrease of -8.7% from September 1, 2015 to September 1, 2016. Since our highs in 2013 we have seen a decrease in land values roughly 25-30% according to our surveys.

All nine Iowa crop reporting districts showed a decrease in the average farmland value. The districts varied from a -2.4% decrease in SC district to a -5.8% decrease in SW district since March 2016.

Factors contributing to current farmland values include: lower commodity prices and limited amount of land on the market. Other factors include: lack of stable alternative investments, cash on hand, and increasing interest rates.

The Iowa Chapter of REALTORS® Land Institutes farmland value survey has been conducted in March and September since 1978. This survey plus the RLI Farm and Ranch Multiple Listing Service are activities of REALTORS® specializing in agricultural land brokerage on a daily basis.

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September 2016

Iowa REALTORS® Land Institute (RLI) Chapter #2
Survey of Farm Land Values In Dollars Per Acre

Land Classification By Potential Corn Production

	High Quality Crop Land		Medium Quality Crop Land		Low Quality Crop Land		Non - Tillable Pasture Per Acre		Timber Per Acre		Percent Change in Tillable Cropland Values Past 6 Months
	September	March	September	March	September	March	September	March	September	March	%
Central	9,219	9,594	6,716	6,894	4,265	4,330	2,719	2,829	2,343	2,413	-3.0%
East Central	9,524	10,009	6,922	7,166	4,260	4,460	2,661	2,732	2,116	2,130	-4.3%
North Central	8,676	9,054	6,566	6,883	4,469	4,703	2,223	2,260	1,696	1,751	-4.5%
Northeast	8,856	9,096	6,613	6,734	4,246	4,365	2,596	2,600	2,496	2,509	-2.4%
Northwest	10,673	10,977	7,793	8,078	4,775	4,914	2,827	2,936	2,294	2,319	-3.0%
South Central	6,702	6,905	4,496	4,633	3,035	3,050	2,700	2,731	2,629	2,515	-2.4%
Southeast	9,160	9,342	5,885	6,225	3,652	3,728	2,342	2,375	2,091	1,990	-3.1%
Southwest	7,618	8,167	5,956	6,272	4,432	4,671	3,357	3,467	2,183	2,200	-5.8%
West Central	8,866	9,283	6,952	7,352	4,787	5,038	2,758	2,833	2,342	2,274	-4.9%
State	8,811	9,158	6,433	6,693	4,214	4,362	2,687	2,751	2,243	2,233	-3.7%