



REALTORS Land Institute Iowa Chapter



OUR MISSION

The mission of the REALTORS Land Institute Iowa Chapter is to provide land professionals with continuing education, networking opportunities and industry advocacy. Our chapter provides our members with the foundation to become the best in the land business.

RLI IOWA CHAPTER FALL 2022 NEWSLETTER

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PRESIDENT'S MESSAGE

Welcome to the REALTORS® Land Institute Iowa Chapter Fall Newsletter. Never did I think I would become president. As I grow in the business of selling farmland, I am excited to give back as the new president. They say the best way to get the most out of membership is to dive in. So that is what I did!

I soon realized RLI was filled with a great group of people who come together for the common goal of holding themselves to a higher standard when it comes to everything land. I know and respect the past presidents of this great organization that have laid the foundation before me. Many are my mentors, past bosses, competitors in the field, and good friends. I want to take a second and thank the chapter first, for electing me to the leadership role. Second, I want to thank **Rachelle Heller, ALC** and **Otto Nobis** for joining me on the leadership board. I also want to thank long-time treasurer **Troy Louwagie, ALC** for his commitment and service to RLI, as well as congratulate **Ryan Kay, ALC, AFM** on becoming our new board treasurer.



David Whitaker, ALC, CAI, AMM

THE WHY?

As we move into a new year and a new board of directors, I think of the constituency we represent. This group is about land, of course, but moreover, it is about the land professionals in Iowa. We will continue to advocate on your behalf. We will continue to offer leading educational opportunities as well as continuing education. Remember, as a land professional, the best thing you can invest in is you and your team. The more you strive to better yourself and your team, the better your company will do. I know that is my WHY! I became involved with this association and its members for the networking, education, law updates, and knowledge. To this day, I still feel strongly about the value that this membership brings to bettering myself. There is always room for improvement and growth. I also want to surround myself with the best, and I know that RLI Iowa has just that... the best when it comes to everything land. I have learned from all of you when you have shared the markets, ideas, land trends, and thoughts on different ways to do our business. I had the opportunity to speak and share my playbook on digital marketing at the National Land Conference. That is why. Even though we are all friendly competition. Iron sharpens iron. That is why we are members of the Realtor Land Institute (Iowa).

THE PUSH?

As President, I want to push everyone to set a goal to become an Accredited Land Consultant. We will be continuing our effort to assist our Iowa Chapter members in obtaining their ALC designation by providing classes that will strengthen their knowledge and meet the requirements. Get the ALC. It will make you better. It's the master's degree for selling land!

OPPORTUNITY IS MISSED BY MOST...

because it is dressed in overalls and looks like hard work.

Thomas Edison

THE OBJECTIVE?

I want to also remind you of what we want to do to serve our members.

- We, including you, should be identifying anyone that specializes in land and invite them to become a member.
- We, including you, should be maintaining and holding ourselves to a higher professional standard of practice. When someone decides to sell their land, it should be obvious to utilize the preferred and trusted professionals that carry the RLI Iowa brand.
- We, including you, need to continue to challenge the process and elevate our expertise through education.
- We, including you, need to advocate for the wise use of land, rights, and privileges of land ownership. We all need to help promote our members' business activities and build each other up.

A RISING TIDE LIFTS ALL BOATS TOGETHER.

President John F. Kennedy

THE MARKET?

We have seen a rise in farmland prices over the last year. The market is currently up 16.9% year to year. Overall, there is talk of opportunity in the markets for the future. Age, industry, geography, cash, 1031, and banking/USDA all play a part in the current buyer's decision-making process. The market is staying very stable due to local buying power variability. 82% of farms in Iowa are owned free and clear. There is a lot of equity and cash in the outliers that will keep the price of land strong. All buyers have one thing in common, they all have an interest in land ownership and want to buy more. What a fantastic time to assist sellers with the process of transitioning their farmland.

MEET THE 2021-2022 RLI IOWA LEADERSHIP TEAM

Pictured left to right:

- Otto Nobis, Vice President
- Rachelle Heller, ALC, President-Elect
- David Whitaker, ALC, President
- Andrew Zellmer, Immediate Past President
- Traci Schermerhorn, Executive Director
- Ryan Kay, Treasurer (not pictured)



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LAND TRENDS AND VALUES

Matt Vegter, ALC and Elliott Siefert

The REALTORS® Land Institute - Iowa Chapter is pleased to announce the results of our September 2022 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, 2022. 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 the September survey show a 2.8% increase on a statewide average for the March 2022 to September 2022 time period. This is following the September 2021 to March 2022 time period that showed a 14.1% increase, giving us a year-over-year increase of 16.9% for the state of Iowa. After double-digit increases in the last two surveys, the market appears to be leveling off. Rising interest rates and higher input prices for the 2023 crop make it increasingly difficult for the market to support higher land values.

The range of survey results by Crop Reporting District went from unchanged in North Central to the largest increase of 4.6% in the South Central District. Timber and Pasture acres showed slight gains as well with a 3.9% increase in Timberland values and a 3.1% increase in Pastureland values across the state.

REALTORS® Land Institute – Iowa Chapter’s 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 daily.

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	15,634	15,155	11,301	11,049	7,731	7,725	4,016	3,922	3,788	3,676	2.2%
East Central	16,182	15,528	12,703	12,189	9,143	8,916	4,282	4,124	4,246	4,072	3.8%
North Central	14,677	14,507	11,289	11,326	7,924	8,041	4,281	4,238	3,546	3,468	0.0%
Northeast	14,964	14,757	11,804	11,556	8,433	8,384	4,182	4,005	4,145	3,950	1.5%
Northwest	16,810	16,189	12,925	12,701	9,263	9,148	5,000	4,890	3,836	3,771	2.5%
South Central	10,028	9,698	7,744	7,192	5,310	5,179	4,200	3,981	4,063	3,788	4.6%
Southeast	14,051	13,485	9,956	9,681	6,368	6,222	3,888	3,727	3,373	3,214	3.4%
Southwest	12,200	11,890	9,724	9,324	6,575	6,310	4,025	3,910	3,565	3,360	3.5%
West Central	15,700	14,909	11,923	11,472	8,568	8,295	4,435	4,345	3,678	3,661	4.4%
State	14,472	14,013	11,041	10,721	7,702	7,580	4,256	4,127	3,804	3,662	2.8%

EDUCATION UPDATE

In August, the RLI Iowa Chapter hosted **Real Estate Mapping Technologies and Techniques** in Coralville, Iowa. Taught by MapRight Founder, Steve Roberson, this hands-on class was a great way for students to learn the basics of land navigation and technology like compasses, GPS, and the latest mapping software. The picture below was taken with a 360-degree application. Check out our [Facebook](#) or Instagram page to see the 360-degree view.

RLI Iowa Chapter member Rebecca Frantz attended the class and she said, *"I found this class to be very valuable because the instructor was the founder of MapRight. This allowed the class to comprehend mapping technologies on another level while sharing ideas of how he could make it even better/more suitable to Iowa Land agents."*



The RLI Iowa Chapter holds two ALC classes annually to help our members obtain this designation. Our next class is Land Investment Analysis. More information on this class is below.

Every September, the Iowa Chapter rotates between offering **Ethics for Land Professionals** and a Land Law Update. These classes are hosted at IAR and fulfill the licensing requirements. Terry Pauling has helped us coordinate these classes for YEARS but he is ready to "retire" as our Education Chair. If you are interested in helping coordinate RLI Iowa Chapter education, please contact Traci Schermerhorn at traci@rlifarmandranch.com.

This year we offered Ethics for Land Professionals and had nearly 50 people attend between in person and virtual participants. Details on the 2023 Land Law Update will be sent out as they become available.

Land Investment Analysis

November 30 - December 2, 2022

Nevada, Iowa

www.rliiowachapter.org/education

This course will provide you with land investment principles that are valuable to any agent. Gain the expertise needed to take on more clients, close more deals, and be prepared to take on even the toughest land investment transactions. After taking this course, attendees will have the:

- Expertise to calculate various aspects of a property's present value, including the internal rate of return, net present value, mortgage payment and more.
- Confidence to identify the highest and best use of a property as well as acquisition, operation, and disposition costs and equity.
- Competence needed to help clients through the land investment analysis process.
- Knowledge to effectively analyze and evaluate data, including highest performance indicators, multipliers and ratios, rate of return, and more.

THANK YOU TO OUR MEMBER SPONSORS FOR SUPPORTING THE IOWA CHAPTER



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Not an RLI Member? Join Today!

Benefits Include:

- Educational Opportunities
- Land Trends and Values
- Legislative Updates
- Industry Awards
- Networking Opportunities
- Land MLS

Membership Details:

- All Iowa Chapter members are required to be a member of national REALTORS Land Institute \$445/annually
- Iowa Chapter dues are \$50 per year.
- Access to the Farm & Ranch MLS is optional.
- Join today at www.rliland.com/Join

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