

# The Weekly Dirt on Iowa Land Auction prices â€“ February 5-11, 2016

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Greetings!

More acres were offered at public auction this past week than two weeks ago, but the activity is still very limited. There were a total of 728 acres offered last week at auction. Of those acres, 643 were tillable. I would describe last week's auction results as "stable."

However, it is hard to get a good handle on the market with so few acres being sold.

I would like to talk about a recent auction by Jeff Obrecht, "The Dirt Dealer," who on Tuesday, February 3, sold an 80-acre tract in Butler County. The farm, including 72.3 cropland acres with a CSR/CSR2 of 65.1/59.6, had a reserve of \$6,500/acre.

The final sale price of \$8,500/acre exceeded everyone's expectations. If the farm was listed rather than auctioned, the tract would have been undersold. The bidding was competitive among nearby landowners. The successful bidder was not an adjacent landowner.

My point is this: With so few acres being offered for sale, the land market is holding up very well, even amid low grain prices and considerably lower net farm income expected for 2016.

How long will this last? I will talk more about that later.

Other highlights from last week: An 80-acre tract sold in Cass County for \$9,000/acre with an CSR/CSR2 of 78.3/87.9, another 151-acre tract sold in Emmet County for \$8,900/acre with a CSR/CSR2 of 77.0/87.0, and a 61-acre recreational tract sold in Van Buren County sold for \$2,500/acre. There was one “no sale” in Marshall County, and the tract is still for sale.

I recently attended the annual meeting of the Iowa Chapter of the [American Society of Farm Managers & Rural Appraisers](#) in Ames, Iowa. After conversing with several land professionals across the state, there are many concerns out in the country that include, but are not limited to rental rates, land prices and financing. One major concern is that some operators need to generate cash and may have to sell some land.

If you are reading this article and are in this situation – or know of someone in this situation – I highly recommend getting in contact with one of the professionals [at Peoples Company](#) and let us help you. In addition to a pool of buyers willing to do sale lease-backs with farmers who are in need of cash, we have other resources to make you successful.

Our staff of real estate brokers and land managers can provide you with solutions to help in troubled times.

Check back next week as I will be discussing a current topic dealing with Iowa land prices. [Click here to check out our January auction results.](#) Please make sure and hit the [“like” button on Facebook.](#)

Talk to you soon!

Thanks.

[Jim Rothermich](#)

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