

# Weekly Dirt on Iowa Land Auction Prices - March 25-31, 2016

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Greetings! Land auctions in Iowa were up from last week. There were a total of 2,555 acres offered at auction. Of those acres, there were 2,473 tillable acres. I would describe last week's auctions results as "stable." Some of the highlights: 559 acres sold in Winnebago County for \$5,100/acre with a CSR/CSR2 of 64/65.

In Kossuth County, 351 acres sold in four tracts - \$8,400/acre with a CSR/CSR2 69/77, \$8,700/acre with a CSR/CSR2 67/77, \$8,000/acre with a CSR/CSR2 72/81, and \$6,500/acre with a CSR/CSR2 62/69. A 154-acre tract sold in Sioux County for \$9,100/acre, and 160 acres in Osceola County sold in two tracts for \$11,400/acre with a CSR/CSR2 74/88 and \$10,650/acre with a CSR/CSR2 81/88.

There were three true "no sales" last week, including one in Chickasaw County, one in Davis County, and one in Winnebago County. The farms are still for sale. Though we did have more "no sales" than typical, I do not think the market is weakening. I visited with several Realtors who sold farms last week, and all said the sales met or exceeded expectations.

The Realtors Land Institute [Land Trends and Values Survey](#) was released last week. Survey responses indicated the market has softened -8.7 percent from March 2015 to March 2016 with five percent of the reduction occurring from September to March. The average tillable cropland price is \$6,732/acre, which is -

22.5 percent below the peak in March of 2013 of \$8,690/acre.

Positive factors indicated by the survey include a limited amount of land for sale, low interest rates, cash on hand, renewed interest from investors, good long-term investment, and above-average yields. Negative factors indicated by the survey include commodity prices, interest rates moving higher, input costs remain high, lower net revenue, lower livestock prices, ending stock of grain, and government uncertainty.

The survey also indicated that farmers are buying most of the land being sold with investors coming in second. Estates and / or heirs are the majority of sellers. The conclusion of the survey indicated that for 2016 land values will continue to soften, farmers are still primary buyers, more investor activity, good competition for high quality farms (demand), recreational land selling well, the future is uncertain and will follow commodity prices.

Please check back next week to see what I will be discussing. Please check out our [February auction results](#). Please make sure and hit the [“like” button on Facebook](#).

Talk to you soon!

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