

# Fall 2017 Land Prices Maintain Strength

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We've wrapped up the third quarter of 2017 and are working our way through the harvest season. September was a very busy month for land auctions in Iowa. Per our data, there were 103 successful land auctions in the month of September alone. The volume of land auctions slims down for the month of October but, looking ahead to November, the volume of land auctions increases significantly.

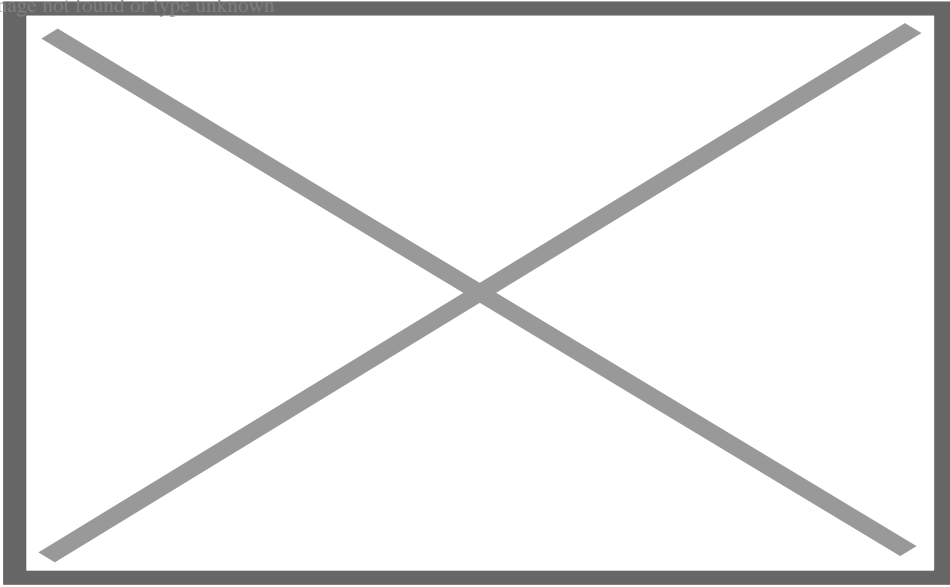
Our appraisal team continues to monitor land sale prices on a weekly basis as well as monitor the number of farms that are publicly for sale in Iowa at any given time. As I write this article, our appraisal database indicates there are 717 farms for sale in Iowa which includes row crop farms, pasture farms, recreational farms, etc. Of these 717 farms, we can extract the number of farms that have 85% tillable acres or greater. This dataset allows us to hone in on land value trends for highly tillable, row crop production farms. Our database indicates there are 209 farms for sale that have 85% tillable acres or greater. This averages out to approximately 2.11 highly tillable farms available for sale per county in Iowa which is still very low given the amount of capital that is pursuing farmland assets.

Per our data, it appears that land values bottomed out in the first quarter of 2016 and have seen an upward trend through the second quarter of 2017. Land values appear to have leveled off from the second to third quarter of 2017.

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The dataset used in the illustration above includes tillable farms that sold at public auction that have 85% tillable acres or greater. Our team calculated the average dollar per CSR2 point (\$/CSR2) based on tillable acres. The chart shows the breakdown on a quarterly basis. We look forward to seeing if and how the land market fluctuates through the remainder of 2017 and into 2018.