

Iowa Farmland Values: Pocahontas and Humboldt County

Published on May 27, 2021 by Doug Bear



Continuing with the Iowa Farmland Values blog series, we will use the 2020 Farmland Value Survey to highlight the average farmland characteristics and production costs in Pocahontas and Humboldt County. If you are interested in acquiring similar information, contact your local extension office or land grant institution within your state.

POCAHONTAS COUNTY, IA

2019 AVERAGE FARMLAND VALUE

\$8,849 + 2.2% SINCE 2019

Average County CSR2

81.2

CSR2 Price Per Point Average

\$108.98



CAP RATE

\$226 / \$8,849 → 2.10%

The average cap rate typically ranges from 2-6%, but is often around 3-4%. **FARMLAND** is a low cashflow business, but very high in appreciation. Overall, it's on par with the returns of the S&P 500, with far less volatility.

AVERAGE CASH RENT PER ACRE

\$226



Average Corn Yield (2015-2019)

196

Rent Per Bushel of Corn Yield

\$1.15



Average Soybean Yield (2015-2019)

57

Rent Per Bushel of Soybean Yield

\$3.96

[1](#) 2019 ISU Land Value Survey conducted by the Center for Agricultural and Rural Development (CARD)

[2](#) Iowa State University Extension and Outreach File C2-10 in Ames, Iowa

Successful Sales in Pocahontas County, Iowa:

Sale Date	Land Type	Total Sale Price	Gross Acres	\$/Per Acre	CSR2	FSA Tillable Acres	\$/CSR2
2/18/2021	Tillable	\$624,243	75.21	\$8,300	77.6	70.79	\$114
2/18/2021	Tillable	\$812,000	80.00	\$10,150	84.6	74.38	\$129
11/19/2020	Tillable	\$1,260,000	138.10	\$9,125	83.1	136.68	\$111
10/19/2020	Tillable	\$715,000	80.00	\$8,937	82.2	77.58	\$112
10/19/2020	Tillable	\$812,000	101.50	\$8,000	83.9	97.59	\$100

Of the [369,900](#) total acres in Pocahontas County, the average [Corn Suitability Rating 2](#) (CSR2) for the [329,401](#) acres of farmland within the county is 81.2 with an average 2020 farmland value of \$8,849 per acre, which is a 2.1% increase from \$8,666 since 2019. To determine the CSR2 price per point average, divide the average farmland value (\$8,849) by the Pocahontas County CSR2 average (81.2), which equals \$108.98 per CSR2 point.

The average cash rent per tillable acre across Pocahontas County is \$226 (\$203-\$251). The 2015-2019 average corn and soybean yield was 196 and 57 bushel per acre, respectively. The average rent per bushel of crop yield is calculated by cash rent divided by the average crop yield expected, which is \$1.15 for corn and \$3.96 for soybeans.

The cap rate for Pocahontas County farmland is around 2.10%, or an expected return on investment of just over two percent.

HUMBOLDT COUNTY, IA

2019 AVERAGE FARMLAND VALUE

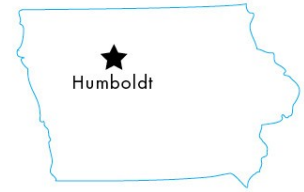
\$8,732 +1.3% SINCE 2019

Average County CSR2

80.3

CSR2 Price Per Point Average

\$108.74



AVERAGE CASH RENT PER ACRE

\$218



Average Corn Yield (2015-2019)

193

Rent Per Bushel of Corn Yield

\$1.13



Average Soybean Yield (2015-2019)

56

Rent Per Bushel of Soybean Yield

\$3.89

CAP RATE

\$218 / \$8,732 → 2.50%

The average cap rate typically ranges from 2-6%, but is often around 3-4%. **FARMLAND** is a low cashflow business, but very high in appreciation. Overall, it's on par with the returns of the S&P 500, with far less volatility.

1 2019 ISU Land Value Survey conducted by the Center for Agricultural and Rural Development (CARD)

2 Iowa State University Extension and Outreach File C2-10 in Ames, Iowa

Successful Sales in Humboldt County, Iowa:

Sale Date	Land Type	Total Sale Price	Gross Acres	\$/Per Acre	CSR2	FSA Tillable Acres	\$/CSR2
3/04/2021	Tillable	\$2,200,000	220.00	\$10,000	76.6	218.26	\$132
12/09/2020	Tillable	\$688,000	80.00	\$8,600	74.2	79.94	\$116
11/12/2020	Tillable	\$489,000	60.00	\$8,150	81.4	56.50	\$106
11/12/2020	Tillable	\$688,000	80.00	\$8,600	74.2	77.44	\$120
11/05/2020	Tillable	\$1,216,600	158.00	\$7,700	79.7	149.77	\$103

Of the **279,400** total acres in Humboldt County, the average **Corn Suitability Rating 2 (CSR2)** for the **239,534** acres of farmland within the county is 80.3 with an average 2020 farmland value of \$8,732 per acre, which is a 1.3% increase from \$8,623 since 2019. To determine the CSR2 price per point average, divide the average farmland value (\$8,732) by the Humboldt County CSR2 average (80.3), which equals \$108.74 per CSR2 point.

The average cash rent per tillable acre across Humboldt County is \$218 (\$188-\$245). The 2015-2019 average corn and soybean yield was 193 and 56 bushel per acre, respectively. The average rent per bushel of crop yield is calculated by cash rent divided by the average crop yield expected, which is \$1.13 for corn and \$3.89 for soybeans.

The cap rate for Humboldt County farmland is around 2.50% or an expected return on investment around two and a half percent.

To get in contact with someone about your Pocahontas and Humboldt County farm in Iowa, please contact Doug Bear (515.745.3192; Doug.Bear@PeoplesCompany.com) or Matt Adams (515.423.9235; Matt@PeoplesCompany.com).

[DOWNLOAD](#) Pocahontas County Details

[DOWNLOAD](#) Humboldt County Details

Tillable Acres for all Iowa counties are found [HERE](#).