

Iowa Farmland Values 2022: Adair County, Madison County, Warren County, and Jasper County

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Continuing with the 2022 Iowa Farmland Values blog series, we will use the 2021 Farmland Value Survey to highlight average farmland characteristics and production costs in and across Adair, Madison, Warren, and Jasper Counties. If you are interested in acquiring similar information, contact your local extension office or land grant institution within your state.

ADAIR COUNTY, IOWA

2021 AVERAGE FARMLAND VALUE

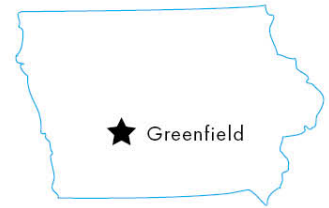
\$7,159 +27.1% SINCE 2020 SURVEY

Average County CSR2

64

CSR2 Price Per Point Average

\$111.86



CAP RATE

\$213 / \$7,159 → 2.98%

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

\$213



Average Corn Yield (2017–2021)

168

Rent Per Bushel of Corn Yield

\$1.27



Average Soybean Yield (2017–2021)

51

Rent Per Bushel of Soybean Yield

\$4.18

Data compiled from [*2021 ISU Land Value Survey](#) conducted by the Center for Agricultural and Rural Development (CARD) and [*Iowa State University Extension and Outreach File C2-10](#) in Ames, Iowa.

SUCCESSFUL SALES IN ADAIR COUNTY, IOWA:

Sale Date	Land Type	Total Sale Price	Gross Acres	\$/Per Acre	CSR2	FSA Tillable Acres	\$/CSR2
1/8/22	Agricultural	\$1,336,251	165.48	\$8,075	59.4	137.81	\$163
1/12/22	Agricultural	\$1,611,900	199	\$8,100	63.06	150.2	\$170
3/15/22	Agricultural	\$920,000	80	\$11,500	67.4	71.84	\$190
3/23/22	Agricultural	\$2,389,000	160	\$14,932	73.9	145.5	\$222
5/6/22	Agricultural	\$1,360,000	160	\$8,500	65.0	142.11	\$147

Of the 364,600 total acres in Adair County, the average Corn Suitability Rating 2 (CSR2) for the 334,850 acres of farmland within the county is 64 with an average 2021 farmland value of \$7,159 per acre, which is a 27.1% increase from \$5,634 since 2020. To determine the CSR2 price per point average, divide the average farmland value (\$7,159) by the Adair County CSR2 average (64), which equals \$111.86 per CSR2 point.

Average cash rent per tillable acre across Adair County is \$213 (\$186-\$241). The 2017-2021 average corn and soybean yield was 168 and 51 bushel per acre, respectively. The average rent per bushel of crop yield is calculated by cash rent divided by average crop yield expected, which is \$1.27 for corn and \$4.18 for soybeans. Commodity markets have continued to rise with current cash corn and soybean prices over \$7.50 and \$17.00 per bushel, respectively.

The capitalization rate, or also commonly referred to as cap rate, is the rate of return on a real estate property based on the income that the property is expected to generate for the landowner. The cap rate can help evaluate and compare the risk of one property or market to another, where it depends on demand, available inventory within the area, and specific type of property. The cap rate for Adair County, Iowa farmland is around 2.98%, or an expected return on investment of just shy of three percent.

MADISON COUNTY, IOWA

2021 AVERAGE FARMLAND VALUE

\$7,839 +25.7% SINCE 2020 SURVEY

Average County CSR2

60.8

CSR2 Price Per Point Average

\$128.93



AVERAGE CASH RENT PER ACRE

\$214



Average Corn Yield (2017-2021)

177

Rent Per Bushel of Corn Yield

\$1.21



Average Soybean Yield (2017-2021)

53

Rent Per Bushel of Soybean Yield

\$4.04

CAP RATE

\$214 / \$7,839 → 2.73%

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.

Data compiled from [*2021 ISU Land Value Survey](#) conducted by the Center for Agricultural and Rural Development (CARD) and [*Iowa State University Extension and Outreach File C2-10](#) in Ames, Iowa.

SUCCESSFUL SALES IN [MADISON COUNTY, IOWA](#):

Sale Date	Land Type	Total Sale Price	Gross Acres	\$/Per Acre	CSR2	FSA Tillable Acres	\$/CSR2
12/22/21	Agricultural	\$1,468,800	152.92	\$9,605	82.9	142.75	\$124
3/7/22	Agricultural	\$880,000	139.95	\$6,288	47.6	109.94	\$168
3/19/22	Agricultural	\$1,250,000	144.39	\$8,657	76.7	110.64	\$136
3/19/22	Agricultural	\$1,290,980	75.94	\$17,000	92.2	73.96	\$189
3/31/22	Agricultural	\$513,400	34	\$15,100	91.5	33.17	\$169

Of the [360,400](#) total acres in Madison County, the average [Corn Suitability Rating 2 \(CSR2\)](#) for the [271,017](#) acres of farmland within the county is 60.8 with an average 2021 farmland value of \$7,839 per acre, which is a 25.7% increase from \$6,236 since 2020. To determine the CSR2 price per point average, divide the average farmland value (\$7,839) by the Madison County CSR2 average (60.8), which equals \$128.93 per CSR2 point.

Average cash rent per tillable acre across Madison County is \$214 (\$179-\$254). The 2017-2021 average corn and soybean yield was 177 and 53 bushel per acre, respectively. The average rent per bushel of crop yield is calculated by cash rent divided by average crop yield expected, which is \$1.21 for corn and \$4.04 for soybeans. Commodity markets have continued to rise with current cash corn and soybean prices over \$7.50 and \$17.00 per bushel, respectively.

The capitalization rate, or also commonly referred to as cap rate, is the rate of return on a real estate property based on the income that the property is expected to generate for the landowner. The cap rate can help evaluate and compare the risk of one property or market to another, where it depends on demand, available inventory within the area, and specific type of property. The cap rate for Madison County, Iowa farmland is around 2.73%, or an expected return on investment around two and three-quarters percent.

WARREN COUNTY, IOWA

2021 AVERAGE FARMLAND VALUE

\$9,021

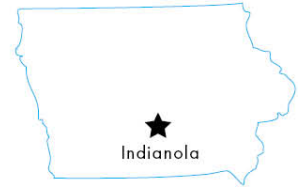
+29.2%
SINCE 2020
SURVEY

Average
County CSR2

57.3

CSR2 Price Per
Point Average

\$157.43



AVERAGE CASH RENT PER ACRE

\$215



Average
Corn Yield
(2017 - 2021)

172

Rent Per Bushel
of Corn Yield

\$1.25



Average
Soybean Yield
(2017 - 2021)

51

Rent Per Bushel
of Soybean Yield

\$4.22

CAP RATE

\$215 / \$9,021 → 2.38%

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.

Data compiled from [*2021 ISU Land Value Survey](#) conducted by the Center for Agricultural and Rural Development (CARD) and [*Iowa State University Extension and Outreach File C2-10](#) in Ames, Iowa.

SUCCESSFUL SALES IN [WARREN COUNTY, IOWA](#):

Sale Date	Land Type	Total Sale Price	Gross Acres	\$/Per Acre	CSR2	FSA Tillable Acres	\$/CSR2
11/3/21	Agricultural/Development	\$880,000	80	\$11,000	58.7	73.88	\$203
2/11/22	Agricultural/Development	\$1,192,240	85.16	\$14,000	87.2	81.79	\$167
2/25/22	Agricultural/Development	\$901,320	75	\$12,018	84.0	73	\$147

Of the [366,900](#) total acres in Warren County, the average [Corn Suitability Rating 2 \(CSR2\)](#) for the [247,153](#) acres of farmland within the county is 57.3 with an average 2021 farmland value of \$9,021 per acre, which is a 29.2% increase from \$6,982 since 2020. To determine the CSR2 price per point average, divide the average farmland value (\$9,021) by the Warren County CSR2 average (57.3), which equals \$157.43 per CSR2 point.

Average cash rent per tillable acre across Warren County is \$215 (\$188-\$245). The 2017-2021 average corn and soybean yield was 172 and 51 bushel per acre, respectively. The average rent per bushel of crop yield is calculated by cash rent divided by average crop yield expected, which is \$1.25 for corn and \$4.22 for soybeans. Commodity markets have continued to rise with current cash corn and soybean prices over \$7.50 and \$17.00 per bushel, respectively.

The capitalization rate, or also commonly referred to as cap rate, is the rate of return on a real estate property based on the income that the property is expected to generate for the landowner. The cap rate can help evaluate and compare the risk of one property or market to another, where it depends on demand, available inventory within the area, and specific type of property. The cap rate for Warren County, Iowa farmland is around 2.38%, or an expected return on investment of just shy of two and one-half percent.

JASPER COUNTY, IOWA

2021 AVERAGE FARMLAND VALUE

\$9,889 +24.5% SINCE 2020 SURVEY

Average County CSR2

68.5

CSR2 Price Per Point Average

\$144.36



AVERAGE CASH RENT PER ACRE

\$280



Average Corn Yield (2017-2021)

214

Rent Per Bushel of Corn Yield

\$1.31



Average Soybean Yield (2017-2021)

61

Rent Per Bushel of Soybean Yield

\$4.59

CAP RATE

\$280/\$9,889 → 2.83%

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.

Data compiled from [*2021 ISU Land Value Survey](#) conducted by the Center for Agricultural and Rural Development (CARD) and [*Iowa State University Extension and Outreach File C2-10](#) in Ames, Iowa.

SUCCESSFUL SALES IN [JASPER COUNTY, IOWA](#):

Sale Date	Land Type	Total Sale Price	Gross Acres	\$/Per Acre	CSR2	FSA Tillable Acres	\$/CSR2
12/10/21	Agricultural	\$947,100	86.1	\$11,000	77.6	79.74	\$153
3/08/22	Agricultural	\$2,862,123	221.87	\$12,900	71.0	215.92	\$187
4/15/22	Agricultural	\$2,151,600	163	\$13,200	71.1	147.68	\$205
5/9/22	Agricultural	\$2,207,192	212.23	\$10,400	76.9	166.92	\$172
5/24/22	Agricultural	\$1,074,354	78.42	\$13,700	80.2	73.62	\$182

Of the [468,700](#) total acres in Jasper County, the average [Corn Suitability Rating 2 \(CSR2\)](#) for the [378,175](#) acres of farmland within the county is 68.5 with an average 2021 farmland value of \$9,889 per acre, which is a 24.5% increase from \$7,943 since 2020. To determine the CSR2 price per point average, divide the average farmland value (\$9,889) by the Jasper County CSR2 average (68.5), which equals \$144.36 per CSR2 point.

Average cash rent per tillable acre across Jasper County is \$280 (\$248-\$316). The 2017-2021 average corn and soybean yield was 214 and 61 bushel per acre, respectively. The average rent per bushel of crop yield is calculated by cash rent divided by average crop yield expected, which is \$1.31 for corn and \$4.59 for soybeans. Commodity markets have continued to rise with current cash corn and soybean prices over \$7.50 and \$17.00 per bushel, respectively.

The capitalization rate, or also commonly referred to as cap rate, is the rate of return on a real estate property based on the income that the property is expected to generate for the landowner. The cap rate can help evaluate and compare the risk of one property or market to another, where it depends on demand, available inventory within the area, and specific type of property. The cap rate for Jasper County, Iowa farmland is around 2.83%, or an expected return on investment of just over two and three-quarters percent.

To get in contact with someone about your Dallas, Boone, Greene, or Guthrie County farm in Iowa, please contact Matt Adams (515.423.9235; Matt@PeoplesCompany.com) or Doug Bear (515.745.3192;

Doug.Bear@PeoplesCompany.com).

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