

Iowa Farmland Values 2022: Story County, Polk County, Tama County, and Benton 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 Story, Polk, Tama, and Benton Counties. If you are interested in acquiring similar information, contact your local extension office or land grant institution within your state.

STORY COUNTY, IOWA

2021 AVERAGE FARMLAND VALUE

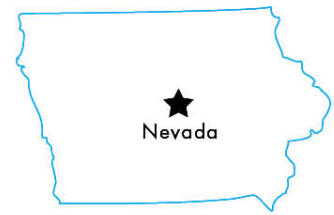
\$11,487 +25.7% SINCE 2020 SURVEY

Average County CSR2

80.2

CSR2 Price Per Point Average

\$143.23



Nevada

CAP RATE

\$275 / \$11,487 → 2.39%

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

\$275



Average Corn Yield (2017–2021)

186

Rent Per Bushel of Corn Yield

\$1.48



Average Soybean Yield (2017–2021)

55

Rent Per Bushel of Soybean Yield

\$5.00

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 STORY COUNTY, IOWA:

| Sale Date | Land Type | Total Sale Price | Gross Acres | \$/Per Acre | CSR2 | FSA Tillable Acres | \$/CSR2 |
|-----------|--------------|------------------|-------------|-------------|------|--------------------|---------|
| 1/6/22 | Agricultural | \$1,249,857 | 81.69 | \$15,300 | 87.7 | 73.79 | \$193 |
| 2/9/22 | Agricultural | \$1,820,258 | 115.94 | \$15,700 | 88.6 | 113.58 | \$177 |
| 3/3/22 | Agricultural | \$1,520,000 | 80 | \$19,000 | 86 | 76.28 | \$232 |
| 5/18/22 | Agricultural | \$1,178,980 | 107.18 | \$11,000 | 72.3 | 101.99 | \$160 |
| 5/27/22 | Agricultural | \$2,266,152 | 154.16 | \$14,700 | 79.4 | 140.30 | \$203 |

Of the [367,200](#) total acres in Story County, the average [Corn Suitability Rating 2 \(CSR2\)](#) for the [304,022](#) acres of farmland within the county is 80.2 with an average 2021 farmland value of \$11,487 per acre, which is a 25.7% increase from \$9,139 since 2020. To determine the CSR2 price per point average, divide the average farmland value (\$11,487) by the Story County CSR2 average (80.2), which equals \$143.23 per CSR2 point.

Average cash rent per tillable acre across Story County is \$275 (\$245-\$309). The 2017-2021 average corn and soybean yield was 186 and 55 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 \$1.48 for corn and \$5.00 for soybeans. Current commodity markets for cash corn and soybean prices are around \$6.50 and \$14.50 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 Story County, Iowa farmland is around 2.39%, or an expected return on investment of just shy of two and one-half percent.

POLK COUNTY, IOWA

2021 AVERAGE FARMLAND VALUE

\$10,373 +26.1% SINCE 2020 SURVEY

Average County CSR2

70.7

CSR2 Price Per Point Average

\$146.72

AVERAGE CASH RENT PER ACRE

\$256



Average Corn Yield (2017-2021)

190

Rent Per Bushel of Corn Yield

\$1.35

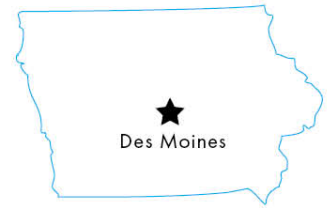


Average Soybean Yield (2017-2021)

55

Rent Per Bushel of Soybean Yield

\$4.65



Des Moines

CAP RATE

\$256 / \$10,373 → 2.47%

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 POLK COUNTY, IOWA:

| Sale Date | Land Type | Total Sale Price | Gross Acres | \$/Per Acre | CSR2 | FSA Tillable Acres | \$/ CSR2 |
|-----------|--------------|------------------|-------------|-------------|------|--------------------|----------|
| 12/1/21 | Agricultural | \$2,646,000 | 189 | \$14,000 | 85.1 | 164.78 | \$189 |
| 12/27/21 | Agricultural | \$1,585,000 | 117 | \$13,548 | 86.0 | 116.61 | \$158 |
| 1/31/22 | Agricultural | \$2,568,810 | 221.53 | \$11,600 | 84.6 | 192.04 | \$158 |
| 3/11/22 | Agricultural | \$980,000 | 76.8 | \$12,760 | 89.0 | 76.75 | \$143 |
| 4/12/22 | Agricultural | \$2,400,000 | 240 | \$10,000 | 81.2 | 152.18 | - |

Of the [378,800](#) total acres in Polk County, the average [Corn Suitability Rating 2 \(CSR2\)](#) for the [193,780](#) acres of farmland within the county is 70.7 with an average 2021 farmland value of \$10,373 per acre, which is a 26.1% increase from \$8,225 since 2020. To determine the CSR2 price per point average, divide the average farmland value (\$10,373) by the Polk County CSR2 average (70.7), which equals \$146.72 per CSR2 point.

Average cash rent per tillable acre across Polk County is \$256 (\$220-\$298). The 2017-2021 average corn and soybean yield was 190 and 55 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 \$1.35 for corn and \$4.65 for soybeans. Current commodity markets for cash corn and soybean prices are around \$6.50 and \$14.50 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 Polk County, Iowa farmland is around 2.47%, or an expected return on investment of just shy of two and one-half percent.

TAMA COUNTY, IOWA

2021 AVERAGE FARMLAND VALUE

\$10,194 +25.6% SINCE 2020 SURVEY

Average County CSR2

70.3

CSR2 Price Per Point Average

\$145.01



Toledo

AVERAGE CASH RENT PER ACRE

\$282



Average Corn Yield (2017-2021)

200

Rent Per Bushel of Corn Yield

\$1.41



Average Soybean Yield (2017-2021)

59

Rent Per Bushel of Soybean Yield

\$4.78

CAP RATE

\$282 / \$10,194 → 2.77%

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 TAMA COUNTY, IOWA:

| Sale Date | Land Type | Total Sale Price | Gross Acres | \$/Per Acre | CSR2 | FSA Tillable Acres | \$/CSR2 |
|-----------|--------------|------------------|-------------|-------------|------|--------------------|---------|
| 12/17/21 | Agricultural | \$1,691,390 | 107.05 | \$15,800 | 89.8 | 103.11 | \$183 |
| 12/21/21 | Agricultural | \$1,455,977 | 114.31 | \$12,737 | 86.5 | 108.3 | \$155 |
| 12/22/21 | Agricultural | \$1,901,031 | 157.11 | \$12,100 | 82.7 | 153.51 | \$150 |
| 2/16/22 | Agricultural | \$2,478,000 | 229.39 | \$10,802 | 87.4 | 190.35 | \$149 |
| 2/25/22 | Agricultural | \$1,689,804 | 116.50 | \$14,500 | 95.6 | 114.96 | \$154 |

Of the 462,300 total acres in Tama County, the average Corn Suitability Rating 2 (CSR2) for the 406,984 acres of farmland within the county is 70.3 with an average 2021 farmland value of \$10,194 per acre, which is a 25.6% increase from \$8,113 since 2020. To determine the CSR2 price per point average, divide the average farmland value (\$10,194) by the Tama County CSR2 average (70.3), which equals \$145.01 per CSR2 point.

Average cash rent per tillable acre across Tama County is \$282 (\$234-\$328). The 2017-2021 average corn and soybean yield was 200 and 59 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 \$1.41 for corn and \$4.78 for soybeans. Current commodity markets for cash corn and soybean prices are around \$6.50 and \$14.50 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 Tama County, Iowa farmland is around 2.77%, or an expected return on investment of just over two and three-quarters percent.

BENTON COUNTY, IOWA

2021 AVERAGE FARMLAND VALUE

\$10,911 +26.5% SINCE 2020 SURVEY

Average County CSR2

78.9

CSR2 Price Per Point Average

\$138.29



AVERAGE CASH RENT PER ACRE

\$266



Average Corn Yield (2017-2021)

197

Rent Per Bushel of Corn Yield

\$1.35



Average Soybean Yield (2017-2021)

60

Rent Per Bushel of Soybean Yield

\$4.43

CAP RATE

\$266 / \$10,911 → 2.44%

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 [BENTON COUNTY, IOWA](#):

| Sale Date | Land Type | Total Sale Price | Gross Acres | \$/Per Acre | CSR2 | FSA Tillable Acres | \$/CSR2 |
|-----------|--------------|------------------|-------------|-------------|------|--------------------|---------|
| 12/22/21 | Agricultural | \$510,000 | 40 | \$12,750 | 90.7 | 39.27 | \$143 |
| 1/26/22 | Agricultural | \$2,073,225 | 125.65 | \$16,500 | 88.4 | 118.16 | \$198 |
| 3/28/22 | Agricultural | \$1,070,000 | 80 | \$13,375 | 84.9 | 75.22 | \$168 |
| 4/14/22 | Agricultural | \$2,277,135 | 141.61 | \$16,080 | 91.5 | 136.75 | \$182 |
| 6/1/22 | Agricultural | \$1,404,000 | 113.24 | \$12,400 | 82.8 | 108.09 | \$157 |

Of the [459,800](#) total acres in Benton County, the average [Corn Suitability Rating 2 \(CSR2\)](#) for the [420,639](#) acres of farmland within the county is 78.9 with an average 2021 farmland value of \$10,911 per acre, which is a 26.5% increase from \$8,628 since 2020. To determine the CSR2 price per point average, divide the average farmland value (\$10,911) by the Benton County CSR2 average (78.9), which equals \$138.29 per CSR2 point.

Average cash rent per tillable acre across Benton County is \$266 (\$226-\$301). The 2017-2021 average corn and soybean yield was 197 and 60 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 \$1.35 for corn and \$4.43 for soybeans. Current commodity markets for cash corn and soybean prices are around \$6.50 and \$14.50 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 Benton County, Iowa farmland is around 2.44%, or an expected return on investment around two and one-half percent.

To get in contact with someone about your Story, Polk, Tama, or Benton 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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