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Iowa
 Appraisal and Research
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AUGUST 2019 IOWA LAND AUCTION RESULTS

This list includes auctions conducted by various auction firms throughout the State of Iowa not affiliated with Iowa Appraisal and Research Corporation. CSR-2 soil rating is calculated on tillable acres of each tract of land.

Contact Jim Rothermich if you would like additional information on these transactions.

The Land Talker says:

Greetings! I have to say, I was really bullish on the land market 30 days ago, but the bull got dehorned after the August 12, 2019 USDA Crop Report. The crop report indicated more acres and higher yields of corn than trade was expecting, corn prices fell almost a \$1/bushel and soybeans fell over \$0.50/bushel. With that said, I think we are still in a fairly stable market with localized volatility. Currently, the positives and negatives are:

Positives	Negatives
+ Supplies of land for sale are still tight	- Lower commodity prices
+ We are down -35% acres auctioned from August 2018	- Potential low crop yields in areas
+ Year-to-date 2019 is down -21% acres auctioned from the same period in 2018	- More supply coming to the market this fall
+ Demand to buy continues to exceed supply	- Ongoing trade disputes
+ Falling interest rates	- Biofuel refinery waivers
+ Market Facilitating Program payments	- Early frost potential
+ Stock market volatility	
+ Potential good crop yields in areas	

After the crop report we have seen an increase in localized volatility and an uptick in farms that were a “no sale” at auction.

Here are my predictions on land prices going into this selling season:

- Pre-harvest there will be some very localized volatility with an increase of farms that are “no sales” at auction,
- Good quality farms will sell for a premium but farms with any kind of flaw, inadequate drainage or below average farming efficiency will be heavily discounted,
- Post-harvest, in areas where crop yields exceeded expectations the market will be very stable with good quality farms selling for a premium and farms with any kind of a flaw, inadequate drainage or below average farming efficiency may or may not be discounted,
- In areas where crop yields either met or did not meet expectations, the market will be locally volatile with good farms selling well and farms with any kind of a flaw, inadequate drainage or below average farming efficiency will be discounted,
- Lower interest rates and stock market volatility will bring more money in the market,
- I expect to see a larger pool of investor buyers competing to buy land,
- There will be some buying opportunities this fall and investor buyers will add stability, and
- Farmers will still be very active at auction.

I recently listened to a representative of the largest Ag lender in the Midwest speak, and he stated 72% of their customers made money in 2018 net of depreciation. With the majority of farmers making money in 2018, I expect them to be very competitive at land auctions.

Talk to you in a month!
 Jim “the Land Talker”



Give me a call
 if you need a farmland appraisal!

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- Agricultural Real Estate Appraisal
- Commercial Real Estate Appraisal
- Real Estate Appraisal Review

- Business Valuation
- Litigation Support
- Merger & Acquisition Advisory





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SALE DATE	COUNTY	LAND TYPE	GROSS ACRES	\$ PER ACRE	CSR2	TILLABLE ACRES
08/01/19	Clarke	Tillable	155	\$3,350	51.7	133
08/01/19	Howard	Tillable	77	Undisclosed	47.8	70.3
08/06/19	Palo Alto	Tillable	85	\$10,600	84.4	84.83
08/06/19	Palo Alto	Tillable	276	\$8,825	85.9	261.06
08/08/19	Appanoose	Tillable	44.34	\$3,750	46.6	38
08/08/19	Davis	Tillable	59.25	\$3,400	39.1	45
08/08/19	Appanoose	Hay-Tillable	57	\$2,600	27.4	47
08/08/19	Appanoose	Hay-Tillable	42.25	\$2,700	36.5	37
08/08/19	Davis	Recreation-Pasture-Tillable	134.25	\$2,700	37.8	54.03
08/08/19	Appanoose	Recreation-Pasture-Tillable	132.25	\$2,600	42.1	25
08/09/19	Madison	Tillable	155	Undetermined	85	136.04
08/15/19	Warren	Recreation-Tillable	110	\$4,300	61.6	14.58
08/16/19	Plymouth	Tillable-Pasture	152.0	\$6,300	43.3	150.87
08/16/19	Harrison	Tillable	116.25	\$7,550	78	116.58
08/16/19	Harrison	Tillable	39	\$7,800	79.7	40.21
08/16/19	Harrison	Tillable	106.22	\$6,100	66	94.00
08/16/19	Harrison	Tillable	74.75	\$9,200	68.9	78.30
08/16/19	Harrison	Tillable	139.78	\$4,500	56.9	120.52
08/16/19	Harrison	Tillable	232.75	\$6,900	66.8	221.19
08/16/19	Pottawattamie	Tillable	268.7	\$6,200	48.1	263.50
08/16/19	Pottawattamie	Tillable	149.11	\$5,000	51.5	135.00
08/16/19	Pottawattamie	Tillable	217.65	\$5,000	52	176.00
08/16/19	Pottawattamie	Tillable	175.25	\$5,800	64.4	167.92
08/17/19	Shelby	Tillable	77.44	\$8,100	58.4	77.69
08/20/19	Mitchell	Tillable	155	\$6,900	81.9	148.30
08/21/19	Fayette	Tillable	58.58	\$8,405	51.89	87.10
08/21/19	Butler	Tillable	110	\$7,100	79.8	106.90
08/21/19	Butler	Tillable	120	\$9,100	88	119.70
08/21/19	Butler	Tillable	91	\$8,475	88.6	90.10
08/21/19	Butler	Tillable	40	\$10,500	89.2	38.90
08/21/19	Butler	Tillable	103	\$7,400	85	101.40
08/21/19	Butler	Tillable	107	\$6,350	69.1	103.40
08/22/19	Marshall	CRP	40	\$5,750	71.7	36.50
08/22/19	Marshall	Recreation	39	\$7,500	n/a	0.00
08/22/19	Clay	Tillable	100	\$11,700	96.4	99.50
08/22/19	Fayette	Tillable	76.8	\$8,000	87.4	74.95
08/22/19	Fayette	Tillable	144.62	No Sale	82.9	136.60
08/23/19	Jasper	Tillable	234.85	No Sale	68.3	212.33
08/23/19	Sac	Tillable-Pasture	141.4	\$8,250	94.1	110.25

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08/24/19	Shelby	Tillable	139.3	\$7,325	71.6	131.91
08/26/19	Plymouth	Tillable	40	\$10,000	78.7	37.08
08/27/19	Benton	Tillable	79.15	\$7,000	86.5	71.38
08/28/19	Tama	Tillable	240	\$8,125	89.5	218.40
08/28/19	Marshall	Tillable	80	\$11,400	83.6	77.91
08/28/19	Marshall	Tillable	171	\$6,400	74.1	170.15
08/28/19	Marshall	Tillable	37	\$6,500	68.7	36.67
08/29/19	Sac	Tillable	78	\$9,792	89.2	72.03
08/29/19	Crawford	Tillable-Pasture-CRP	120	\$6,732	78.6	98.36
08/29/19	Hamilton	Tillable	320	\$9,525	85.1	311.00
08/29/19	Muscatine	Tillable	57.56	\$10,100	87.3	55.00
08/29/19	Muscatine	Tillable	38.94	\$10,100	82	34.86
Total			6,038			5,369

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Jim Rothermich, MAI, ARA – Vice President
 Iowa Appraisal and Research Corporation
Experienced real estate appraiser specializing in the valuation of farmland and farm-related improvements.
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