



Jim Rothermich, MAI, ARA, ALC
515.777.7083

theLandTalker@iowaappraisal.com
www.iowaappraisal.com/blog
@theLandTalker

Farmland Appraisal Services

Provided by **Jim Rothermich, MAI, ARA, ALC** - Vice President

Known as “*the Land Talker*,” Jim has nearly three decades of experience in the fields of agricultural economics, farm production, and land appraisals. His appraisal specialty is grain and livestock facilities.

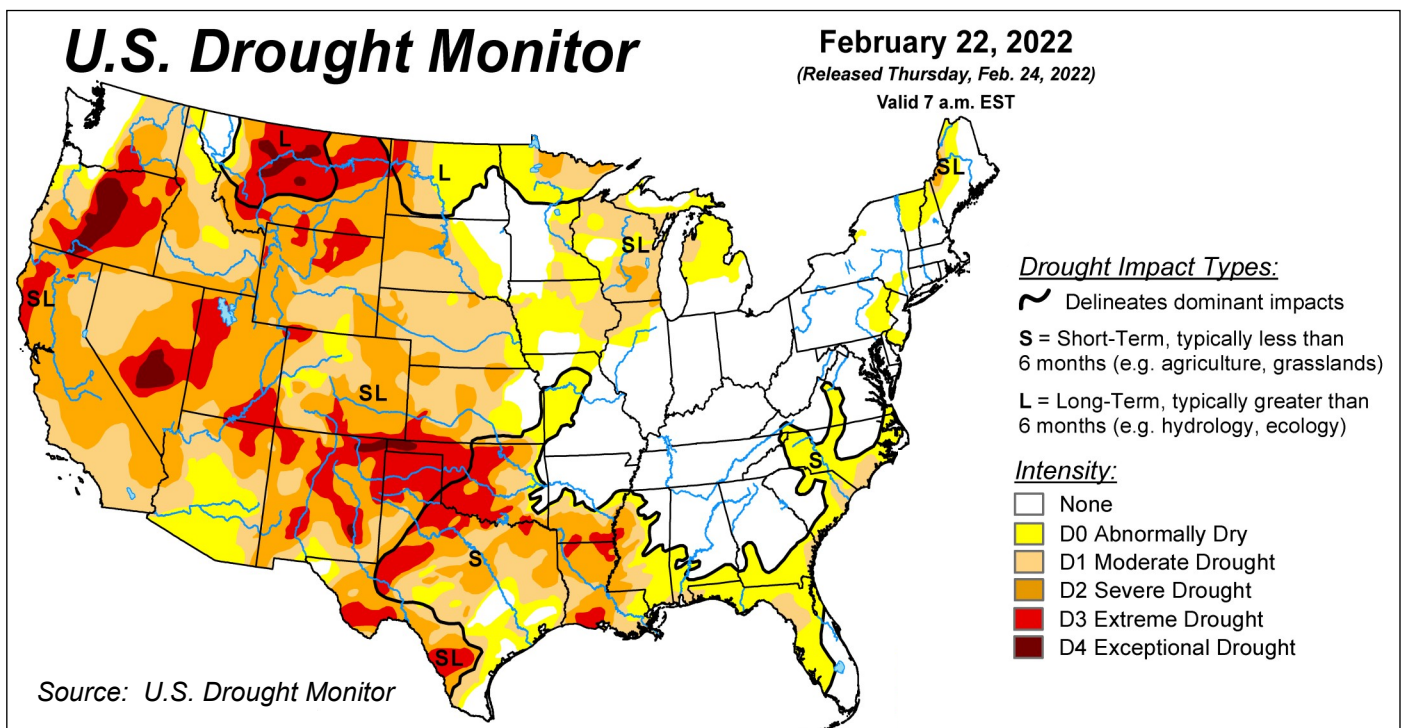
MARKET COMMENTARY - FEBRUARY 2022

Greetings! Winter is almost over with, and planting season will be getting started in six weeks. The amount of land coming to market continues to be above average. Acres going to auction in February typically range from 7,500-8,500; February 2022 came in at 8,731. I expect this trend to continue for the foreseeable future.

Market volatility is the theme for the month. Some of my farm realtor friends say the current volatility is like the 1970’s and some say it is even more volatile. I agree with both. Corn is up \$1/bushel from last month; soybeans are up almost \$2/bushel. You can see at the bottom of this commentary how much higher prices are than the same time one year ago.

There’s no more speculation whether Russia will invade Ukraine. The Russia-Ukraine war has potential to cause a global food crisis. Ukraine is known as the “breadbasket of Europe.” A substantial part of Ukraine’s most productive ag land is in the eastern regions and is vulnerable to Russian military attacks. Agriculture is the most important sector of Ukraine’s economy, accounting for 45% of total exports and 9.3% of GDP. Agricultural land covers 70% of the country (102.5 million acres) and is home to 25% of the world’s black soil reserves. Ukraine is the fourth largest exporter of corn as well as many other grains, and several vegetable oils, all crucial to feeding populations from Africa to Asia. (Source: GrainBull.com) Ukrainian ocean ports are an important corridor for shipping grain, metal, and Russian oil to the world. Shipments from these ports have all but ceased. What is happening in eastern Europe will keep markets volatile for the time being. I think this volatility will drive more buyers to the land market, and current buyers will be willing to pay more driving prices higher in an already strong market. I am expecting land prices to make another move upward.

Drought is another concern (see the map below). Iowa is still very dry, and the drought gets worse going west. Farm realtors say it is even drier than what the map indicates. Subsoil moisture has not been recharged from last year. There has not been enough snow this winter so we will need some good soaking rains before planting season. Good subsoil moisture is essential during dry summers. Last summer was dry but the amount of subsoil moisture allowed crops to finish strong. If the subsoil is not recharged before planting season, expect more volatility in the grain markets.



Continued on next page.





MARKET COMMENTARY CONTINUED - FEBRUARY 2022

Cash price of corn and soybeans, which is highly correlated to land prices - current and one year ago:

	<u>Date</u>	<u>Price</u>	<u>Source</u>
Cash Price Corn	3/1/2022	\$7.14/bushel	Poet - Menlo, IA
Cash Price Soybeans	3/1/2022	\$16.36/bushel	ADM - Des Moines, IA
Cash Price Corn	3/1/2021	\$5.35/bushel	Flint Hills Resources - Menlo, IA
Cash Price Soybeans	3/1/2021	\$13.94/bushel	ADM - Des Moines, IA

"That's my story and I am sticking to it!"

Jim, "the Land Talker"



Iowa Land Auction Results - February 2022

*This list includes auctions conducted by various auction firms throughout the State of Iowa not affiliated with Iowa Appraisal.
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.

SALE DATE	COUNTY	LAND TYPE	SOLD ACRES	\$ PER ACRE	TILLABLE CSR2	TILLABLE ACRES	\$/TILLABLE CSR2
02/02/22	Polk	Development-Tillable	80.71	Undisclosed	70.4	65.49	-
02/03/22	Page	Tillable	116.39	\$5,000	62.4	118.98	\$78
02/05/22	Crawford	Tillable-Pasture	147.48	\$7,050	52.7	104.98	-
02/07/22	Emmet	Tillable	160.10	\$9,000	81.1	149.65	\$119
02/07/22	Emmet	Tillable	155.82	\$12,100	78.9	153.95	\$155
02/07/22	Emmet	Tillable	145.18	\$13,400	83.1	143.32	\$163
02/07/22	Emmet	Tillable	107.22	\$10,650	72.7	104.00	\$151
02/07/22	Emmet	Tillable	214.44	\$15,000	82.5	206.00	\$189
02/07/22	Kossuth	Tillable	79.92	\$13,200	81	78.94	\$165
02/08/22	Cerro Gordo	Tillable	155.97	Undisclosed	78	149.46	-
02/08/22	Louisa	Tillable	153.69	\$9,000	74.4	132.14	\$141
02/08/22	Louisa	Tillable	100.00	\$13,600	82.4	92.51	\$178
02/08/22	Mitchell	Tillable	71.38	\$18,700	80.4	71.38	\$233
02/08/22	Franklin	Tillable	558.90	\$12,000	78.1	528.49	\$162
02/09/22	Buena Vista	Tillable	40.00	\$9,750	73.4	39.00	\$136
02/10/22	Sioux	Tillable	75.85	\$19,600	85.7	68.24	\$254
02/10/22	Sioux	Tillable	79.98	\$20,750	90	77.56	\$238
02/11/22	Worth	Tillable	77.41	\$6,630	74	66.65	\$104
02/11/22	Wayne	Tillable	148.00	\$8,350	54.4	131.42	\$173
02/11/22	Wayne	Tillable-Recreation	77.00	\$5,200	47.1	49.85	-

Continued on next page.





Iowa Land Auction Results - Continued

SALE DATE	COUNTY	LAND TYPE	SOLD ACRES	\$ PER ACRE	TILLABLE CSR2	TILLABLE ACRES	\$/TILLABLE CSR2
02/12/22	Cedar	Tillable	73	\$12,700	68.3	71.42	\$190
02/14/22	Clarke	CRP	159.3	\$4,800	43.2	120.61	\$147
02/14/22	Clarke	CRP	76.3	\$3,400	39.4	64.36	\$102
02/15/22	Guthrie	Development-Tillable	151.64	\$11,300	69.9	115.96	\$211
02/15/22	Muscatine	Tillable	153.05	\$16,200	91.9	146.46	\$184
02/15/22	Guthrie	Tillable	34.4	\$10,050	72.5	32	\$149
02/15/22	Allamakee	Tillable	120.26	Undisclosed	63.9	107.3	-
02/15/22	Allamakee	Tillable	39	Undisclosed	69	35.51	-
02/16/22	Fayette	Tillable	71.96	Undisclosed	88.9	61.55	-
02/17/22	Hamilton	Tillable	79	\$11,900	77.7	78.1	\$155
02/17/22	Hamilton	Tillable	153	\$10,900	75.5	152.1	\$145
02/17/22	Page	Tillable-Pasture	152.58	\$8,950	68.8	125.96	\$158
02/17/22	Marion	Pasture-Tillable	249.46	\$3,600	63.1	100.33	\$142
02/17/22	Marion	Pasture-Tillable	78.64	No Sale	52.4	31.53	-
02/17/22	Marion	Pasture-Tillable	120	\$3,900	58.9	61.14	\$130
02/17/22	Kossuth	Tillable	150.5	\$13,200	79.4	146.47	\$171
02/17/22	Kossuth	Tillable	83	\$13,200	77.1	82	\$173
02/18/22	Lyon	Tillable	79.8	\$18,500	97.2	75.8	\$200
02/18/22	Lyon	Tillable	79.79	\$17,600	96.1	76.5	\$191
02/18/22	Lyon	Tillable	94.08	\$11,100	59.9	89.18	\$195
02/18/22	Lyon	Tillable-Pasture	59.79	\$7,100	73	32	\$182
02/18/22	Keokuk	Tillable	60.50	Undetermined	73.1	54.18	-
02/21/22	Cherokee	Tillable	160	\$15,900	84.4	150.98	\$200
02/22/22	Wright	Tillable	118.74	\$7,900	61.4	117.5	\$130
02/22/22	Poweshiek	Tillable	47.97	\$14,700	76.5	46.32	\$199
02/22/22	Marion	Tillable	40	\$14,200	79.8	36.6	\$194
02/22/22	Marion	Tillable	37	\$9,250	52	30.04	\$219
02/22/22	Marion	CRP-Recreation	80.2	\$3,825	82.6	48.99	\$76
02/22/22	Marion	Tillable	41.3	\$8,300	81.7	34.75	\$121
02/22/22	Marion	Tillable-CRP	197.6	\$5,350	73.2	143.36	\$101
02/22/22	Hardin	Tillable	61.08	\$7,250	69.7	60.31	\$105
02/23/22	Appanoose	Tillable	154.64	\$6,050	45.3	122.47	\$169
02/23/22	Appanoose	Tillable	56	\$4,700	38.8	42.89	\$158
02/23/22	Story	Tillable	56.16	\$11,700	85.6	44.05	\$174
02/23/22	Grundy	Tillable	116	\$17,300	92.3	114.22	\$190
02/23/22	Grundy	Tillable	120	\$16,400	86.9	117	\$194
02/23/22	Grundy	Tillable	157	\$19,100	88.5	154.72	\$219
02/23/22	Franklin	Tillable	73.78	Undisclosed	96.9	73.98	-
02/23/22	Woodbury	Tillable	110.45	\$12,000	81.7	79	\$205

Continued on next page.





Iowa Land Auction Results - Continued

SALE DATE	COUNTY	LAND TYPE	SOLD ACRES	\$ PER ACRE	TILLABLE CSR2	TILLABLE ACRES	\$/TILLABLE CSR2
02/23/22	Woodbury	Tillable	79.29	\$16,000	78.7	77.5	\$208
02/23/22	Woodbury	Tillable	69.9	\$16,500	80.1	66	\$218
02/23/22	Woodbury	Tillable	43.17	\$17,100	83.2	39.75	\$223
02/24/22	Jasper	Tillable	240	\$7,700	51.7	199.41	\$179
02/24/22	Osceola	Tillable	160	\$16,200	91.1	151.2	\$188
02/24/22	Mitchell	Tillable	77	\$9,000	74.1	70.35	\$133
02/24/22	Dallas	Tillable	116.48	\$12,700	75.8	112.82	\$173
02/25/22	Plymouth	Tillable	125.57	\$20,075	86.3	125.57	\$233
02/25/22	Warren	Tillable	85.16	\$14,000	87.2	81.79	\$167
02/25/22	Warren	Tillable	71.69	\$7,400	78.6	59.08	\$114
02/25/22	Warren	Tillable	55	\$8,400	73.5	50.75	\$125
02/25/22	Warren	Pasture-Ponds	64.66	\$6,350	-	-	-
02/25/22	Warren	Pond-Pasture	34.95	\$11,500	-	-	-
02/25/22	Dubuque	Tillable	39.2	\$13,500	43.2	30.5	-
02/25/22	Dubuque	Tillable	183.8	\$9,800	51.4	144.01	\$243
02/26/22	Butler	Tillable	78.65	\$11,220	80.2	75.35	\$146
02/28/22	Pottawattamie	Tillable	75.41	\$8,600	83.5	55.38	\$140
02/28/22	Pocahontas	Tillable	146.69	\$13,200	77	150.1	\$168
02/28/22	Pocahontas	Tillable	136.99	\$7,700	52.7	136.99	\$146
02/28/22	Pocahontas	Tillable	154.22	\$10,800	69.4	154.22	\$156
TOTAL			8,731			7,590	

Farmland Appraisal Services

Jim Rothermich, MAI, ARA, ALC

515.777.7083 ▪ theLandTalker@iowaappraisal.com





Iowa
Appraisal

515.283.0146

www.iowaappraisal.com

Real Estate Appraisal Services

- Agricultural appraisals
- Commercial appraisals
- Consulting services
- Appraisal review
- Market/feasibility studies



For Farmland Appraisal Services, call Jim: 515.777.7083



Additional Services *

**Business
Valuation**



**Mergers &
Acquisitions**



**Litigation Support
& Expert Witness**



* Provided by BCC Advisers: 515.282.8019

Iowa Appraisal
1707 High Street | Des Moines, IA 50309 | 515.283.0146
www.iowaappraisal.com

