Table 1. Average value per acre of Iowa farmland listed by crop reporting districts and quality of land 2006-2015

Year	State Avg	North-west	North Central	North-east	West Central	Central	East Central	South-west	South Central	South-east
				All quality levels						
2006	3204	3783	3478	3187	3410	3716	3725	2580	1927	2849
2007	3909	4699	4356	4055	4033	4529	4272	3209	2325	3463
2008	4468	5395	4950	4590	4823	5280	4743	3626	2573	3913
2009	4371	5364	4827	4464	4652	5026	4796	3559	2537	3832
2010	5064	6356	5746	5022	5466	5901	5447	4325	2690	4296
2011	6708	8338	7356	6602	7419	7781	7110	5905	3407	5705
2012	8296	11404	9560	8523	9216	9365	8420	7015	4308	6172
2013	8716	10960	9818	9161	9449	9877	9327	7531	4791	6994
2014	7943	9615	8536	8151	8424	9087	9008	6513	4475	7215
2015	7633	9685	7962	7861	8061	8505	8506	6372	4397	6892
				High quality						
2006	3835	4261	3834	3816	4072	4263	4443	3209	2663	3793
2007	4686	5313	4807	4859	4804	5261	5073	3989	3231	4625
2008	5381	6150	5514	5415	5752	6076	5674	4642	3586	5346
2009	5321	6129	5371	5349	5552	5939	5738	4539	3710	5306
2010	6109	7283	6397	6076	6585	7026	6152	5335	3892	5862
2011	8198	9649	8601	7994	8889	9332	8675	7418	5109	7721
2012	10181	12890	10765	10708	11128	11139	10201	8818	6437	8879
2013	10828	12824	11159	11423	11591	11803	11631	9591	7150	9785
2014	9854	11201	9630	10083	10275	10780	11034	8482	6663	10150
2015	9364	11229	8976	9575	9684	10087	10289	8031	6445	9536

Year	State Avg	North-west	North Central	North-east	West Central	Central	East Central	South-west	South Central	South-east
				Medium quality						
2006	3011	3561	3223	2987	3213	3458	3501	2442	1866	2679
2007	3667	4385	4026	3777	3796	4194	4005	3047	2296	3270
2008	4195	5023	4568	4339	4537	4919	4405	3425	2527	3721
2009	4076	4977	4450	4193	4371	4615	4465	3386	2443	3535
2010	4758	5883	5300	4664	5111	5386	5445	4140	2596	4053
2011	6256	7708	6713	6290	6981	7029	6510	5553	3353	5468
2012	7773	11011	8691	7815	8619	8466	8128	6732	4219	5685
2013	8047	9918	8824	8573	8725	8930	8567	7137	4715	6605
2014	7359	8698	7874	7591	7827	8327	8388	6108	4318	6715
2015	7127	8834	7352	7460	7581	7758	7934	6038	4282	6525
				Low quality						
2006	2195	2566	2500	2248	2293	2615	2505	1729	1373	1786
2007	2656	3210	3125	2853	2738	3004	2928	2175	1583	2131
2008	2967	3580	3408	3296	3187	3469	3214	2298	1757	2271
2009	2884	3490	3281	3177	3134	3203	3240	2286	1685	2281
2010	3357	4161	3976	3517	3542	3724	3840	2868	1794	2620
2011	4257	5196	4900	4352	4766	4848	4671	3824	1984	3335
2012	5119	7162	6303	5288	5877	5718	5013	4484	2562	3226
2013	5298	6845	6421	5670	5926	5918	5449	4592	2843	3651
2014	4878	6091	5428	5256	5173	5582	5479	3860	2808	3891
2015	4834	6252	5372	5242	5082	5292	5366	4070	2750	3797

Table 2. Recent changes in Iowa farmland values 1974-2015

Year	Value per acre	Dollar change	Percentage change	Year	Value per acre	Dollar change	Percentage change	Year	Value per acre	Dollar change	Percentage change
1974	$834	$199	31.3%	1988	$1,054	$179	20.5%	2002	$2,083	$157	8.2%
1975	$1,095	$261	31.3%	1989	$1,139	$85	8.1%	2003	$2,275	$192	9.2%
1976	$1,368	$273	24.9%	1990	$1,214	$75	6.6%	2004	$2,629	$354	15.6%
1977	$1,450	$82	6.0%	1991	$1,219	$5	0.4%	2005	$2,914	$285	10.8%
1978	$1 646	$196	13.5%	1992	$1,249	$30	2.5%	2006	$3,204	$290	10.0%
1979	$1,958	$312	19.0%	1993	$1,275	$26	2.1%	2007	$3,909	$705	22.0%
1980	$2,066	$108	5.5%	1994	$1,356	$81	6.4%	2008	$4,468	$559	14.3%
1981	$2,147	$81	3.9%	1995	$1,455	$99	7.3%	2009	$4,371	-$97	-2.2%
1982	$1,801	-$346	-16.1%	1996	$1,682	$227	15.6%	2010	$5,064	$693	15.9%
1983	$1,691	-$110	-6.1%	1997	$1,837	$155	9.2%	2011	$6,708	$1,644	32.5%
1984	$1,357	-$334	-19.8%	1998	$1,801	-$36	-2.0%	2012	$8,296	$1,588	23.7%
1985	$948	-$409	-30.1%	1999	$1,781	-$20	-1.1%	2013	$8,716	$420	5.1%
1986	$787	-$161	-17.0%	2000	$1,857	$76	4.3%	2014	$7,943	-$773	-8.9%
1987	$875	$88	11.2%	2001	$1,926	$69	3.7%	2015	$7,633	-$310	-3.9%

This report was prepared by Wendong Zhang, Assistant Professor of Economics, and by the Center for Agricultural and Rural Development, Iowa State University, Ames, Iowa.

Figures and Tables presented in this brochure are based on the 2015 Iowa Land Value Survey.

www.card.iastate.edu

www.card.iastate.edu/farmland/

FM 1825 Revised January 2016

2015 Iowa Land Value Survey*

The 2015 Iowa Land Value Survey showed a drop in land values for the second consecutive year—the first time it has happened since 2000. The estimated $7,633 per acre state average for all qualities of land represents a loss of value of 3.9 percent from 2014. Farmland values have now fallen almost 13 percent from the historically high 2013 values but still more than twice the reported values from 10 years ago.

New this year, the Iowa land value survey can be taken online in addition to the traditional paper format, and 55 percent of all participants completed the survey online. Furthermore, a new web-portal, http://www.card.iastate.edu/farmland, has been developed to pool various sources of Iowa farmland values and offers visualization tools like charts over time and interactive county maps.

The 2015 survey found existing farmers are the primary purchasers of farmland, accounting for 76 percent of sales. The percent of sales to investors rose slightly to 20 percent, while sales to new farmers remained at 3 percent.

Conditions differed within the state and by land quality, with the northwest crop reporting district reporting a 0.7 percent increase in values. Additionally, 60 percent of the respondents reported lower sales in 2015 relative to 2014, and lower commodity prices were the most commonly noted negative factor influencing the land market.

IOWA STATE UNIVERSITY
Extension and Outreach

CARD
Center for Agricultural and Rural Development

**The Iowa Land Value Survey is based on reports by agricultural professionals knowledgeable of land market conditions such as appraisers, farm managers, agricultural lenders, and sales. It is intended to provide information on general land value trends, geographical land price relationships, and factors influencing the Iowa land market.*

Analysis by county

The 2015 state average for all qualities of land, estimated at $7,633 per acre, was a decrease of $310 per acre (3.9 percent) from 2014. Scott County again reported the highest value at $10,918 per acre. Clayton and Allamakee Counties had the highest percentage increase (2.9 percent), and Clayton County had the highest dollar increase ($203 per acre).

The lowest value per acre in the state was again reported by Decatur County, at $3,514 per acre. The largest dollar decrease ($784 per acre) was reported by Black Hawk County. The highest percentage decrease (8.6 percent) was reported by Mitchell and Floyd Counties.

Analysis by quality of land

Low-quality land in the state averaged $4,834 per acre and showed a 0.9 percent ($44) decrease compared to 2014 values. Medium-quality land averaged $7,127 per acre and showed a 3.2 percent ($232) decrease. High-quality land averaged $9,364 per acre and showed a decrease of 5 percent ($490) per acre when compared to 2014 values.

New this year, the respondents were asked to provide estimated average CSR and CSR2 for high, medium and low quality land in their county, which is 83, 71, and 59 points for the state average CSR2 for each land quality class.

Analysis by crop reporting district

The northwest district again reported the highest land value average, $9,685 per acre, an increase of 0.7 percent from 2014 values. The north central district reported the largest percentage decrease in values, down 6.7 percent. Low-quality farmland in the southwestern district showed a gain of 5.4 percent from last year.

Figure 1. Nominal and inflation-adjusted average value per acre of Iowa farmland

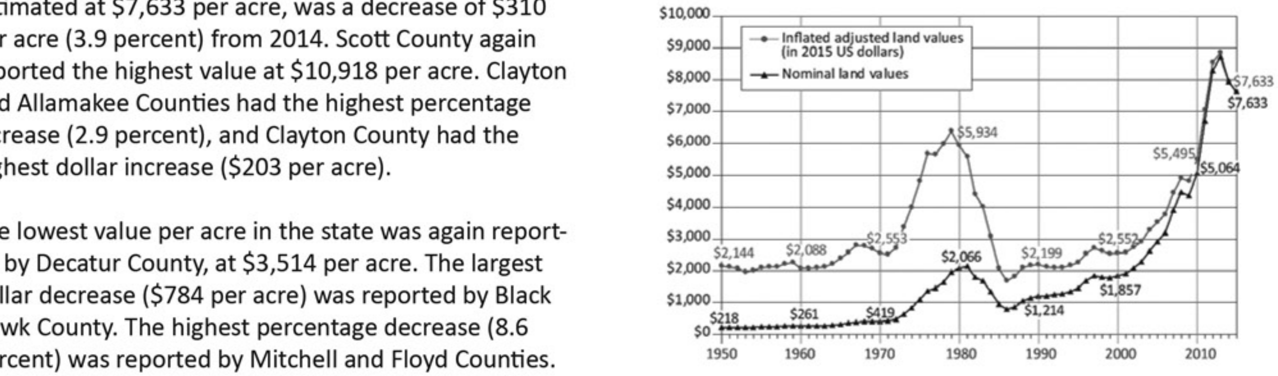
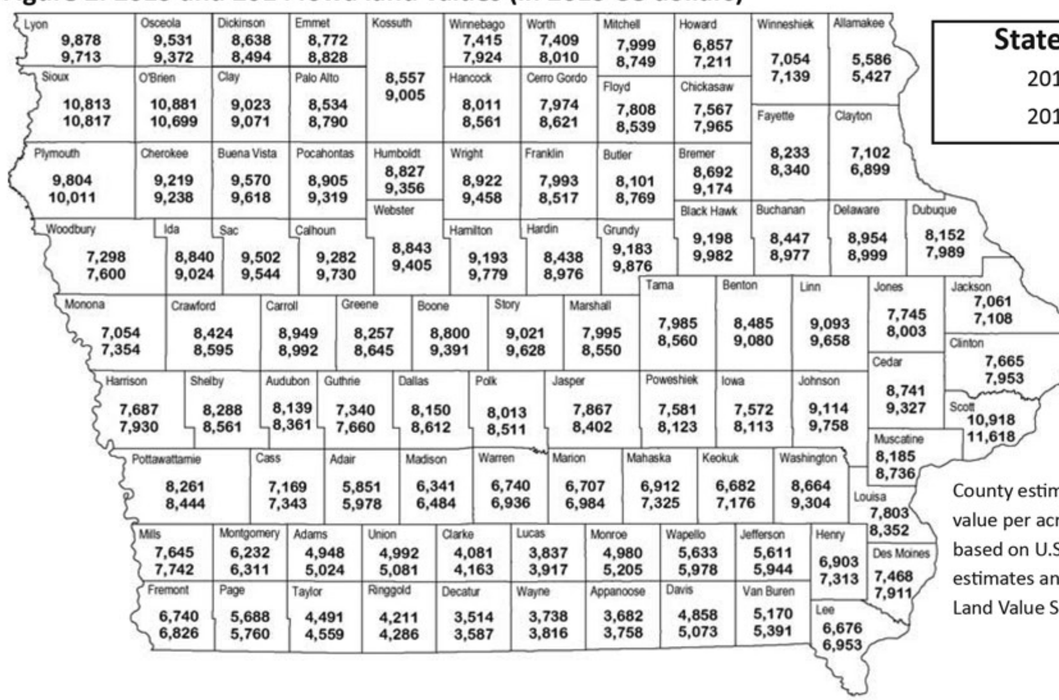


Figure 2. 2015 and 2014 Iowa land values (in 2015 US dollars)



State average

2015: $7,633

2014: $7,943

County estimates of average dollar value per acre for Iowa farmland based on U.S. Census of Agriculture estimates and the Nov. 1, 2015 Iowa Land Value Survey.

Land buyers

The majority of farmland sales, 76 percent, were to existing farmers, individual and institutional investors each represented 16 and 4 percent of sales, and new farmers represented 3 percent of sales.

Over half (60 percent) of the respondents reported lower sales in 2015 relative to 2014. On the other end of the spectrum, just 10 percent reported more sales and 30 percent reported the same level of sales in 2014 relative to 2013.

Future land values

The results of the 2015 survey are not surprising. The 3.9 percent decline may seem less than what many people speculated, but it does not seem to be out of line due to a mix of factors, including substantial cash accumulated by farmers over the past few years, the expectation of the decline in crop and land markets, robust livestock returns, and strong recreational demand.

With stagnant commodity prices, declining farm income forecast, a slowing Chinese economy, and a potential increase in interest rates, the Iowa farmland market appears to have peaked for the foreseeable future and seems to be continuing drifting sideways to slightly lower; however, it most likely will be an orderly adjustment as opposed to a sudden bubble burst. Over 75 percent of respondents thought land values in their territory would continue to decline next year, but the decline would be less than 10 percent.

For additional information on the survey and on surveys from prior years, visit the newly developed Iowa Farmland Value Portal at *http://www.card.iastate.edu/farmland.*

Figure 3. 2015 land values by crop reporting district (in 2015 US dollars)

State average
$9,364 $7,127 $4,834
$7,633
Down -3.9%

Estimates of average dollar value per acre for high, medium, and low quality farmland on Nov. 1, 2015 by Iowa Crop Reporting District, and the Crop Reporting District average and the average percentage change from Nov. 1, 2014.