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## **Value of Iowa Farmland Drops 1.1 percent in 1999**

AMES, Iowa -- The average value of an acre of farmland in Iowa dropped to \$1,781 in 1999, the second year in a row that land values have decreased slightly, according to an annual survey conducted at Iowa State University.

The decrease averaged \$20 an acre, or 1.1 percent statewide, said Michael Duffy, ISU Extension economist who directed the survey. He said strong farm income, comprised mainly of government payments, helped land values remain nearly steady despite low commodity prices.

While the statewide average value declined, 39 counties showed increases in 1999, ranging as high as 9.2 percent in Clayton County in northeast Iowa. In the 60 counties where values declined, the largest percentage drop was in Hardin County in north central Iowa where the decline was 5.9 percent.

Duffy said the 1999 survey shows an interesting pattern of changes in land values. "Values were lower in the northwest, north central, central and east central parts of the state. These areas generally are considered to have the best soils in the state," he noted. Of the 19 counties in Iowa that border on the Mississippi or Missouri Rivers, 13 had increases.

Duffy said five factors were mentioned by more than 10 percent of the respondents as having positive impacts on land values this year. These factors were government program payments, mentioned by 26 percent, interest rates (23 percent), crop yields (21 percent) and the supply of land available and demand by investors, each mentioned by 17 percent. Four factors were mentioned as negative influences. They were low grain prices, mentioned by 42 percent, low commodities prices (39 percent), low livestock prices (20 percent) and the overall poor ag economy and outlook, mentioned by 12 percent.

Most buyers of Iowa farmland continue to be existing farmers who are increasing their holdings, Duffy said, but investors made 30 percent of the purchases this year. This percentage is the same as last year and a significant increase over 1997. Sales to investors were highest in south central Iowa at 60 percent, while sales to existing farmers were highest in north central Iowa at 81 percent. Thirteen percent of the survey respondents said there were more sales this year, 43 percent said the number of sales was about the same as last year, and 44 percent said there were fewer sales.

The highest land values by crop reporting district were reported in central Iowa where the average was \$2,128 per acre, down 2.9 percent from last year. The lowest average value was \$981 per acre in south central Iowa, up 3.5 percent from last year. The greatest percentage decline was in northwest Iowa where the average value dropped 5.9 percent to \$2,059.

The highest estimated value was \$2,970 per acre in Scott County in east central Iowa, and the lowest was \$752 per acre in Decatur County. Low grade land in the state averaged \$1,045 per acre and showed an increase of 1.4 percent or \$15 per acre. Medium grade land averaged \$1,629 per acre and decreased \$9 or 0.5 percent. High grade land averaged \$2,249 per acre and decreased \$35 or 1.6 percent.

Iowa State University has conducted an annual survey of land values since 1941. The ISU survey is conducted on Nov. 1 each year and is the only survey that reports land values in all 99 Iowa counties.

More than 1,100 licensed real estate brokers and others knowledgeable about farmland are invited to participate, and this year's survey drew 631 usable responses from all 99 counties, slightly more than the 500 to 600 usually received. Only the statewide data and the crop reporting district data is directly from the survey results. Data

collected in the survey is combined with data from the U.S. Census of Agriculture to determine county figures. The survey is cosponsored by the Iowa Agriculture and Home Economics Experiment Station and Iowa State University Extension.

-30-

For additional information on the survey and on surveys from prior years, visit the ISU Extension web site at <http://www.extension.iastate.edu>.

The complete survey results for each county and crop reporting district are provided below:

County	1999 value	1998 value	\$ change	% change
Adair	1,137	1,166	-29	-2.5%
Adams	1,141	1,171	-30	-2.6%
Allamakee	1,181	1,121	60	5.4%
Appanoose	803	798	5	0.6%
Audubon	1,730	1,737	-7	-0.4%
Benton	2,094	2,116	-22	-1.0%
Black Hawk	2,298	2,296	2	0.1%
Boone	2,277	2,338	-61	-2.6%
Bremer	2,078	2,029	49	2.4%
Buchanan	2,052	2,034	18	0.9%
Buena Vista	2,203	2,275	-72	-3.2%
Butler	2,023	2,095	-72	-3.4%
Calhoun	2,284	2,345	-61	-2.6%
Carroll	1,952	2,036	-84	-4.1%
Cass	1,528	1,530	-2	-0.1%
Cedar	2,308	2,312	-4	-0.2%
Cerro Gordo	2,099	2,169	-70	-3.2%
Cherokee	1,918	1,948	-30	-1.5%
Chickasaw	1,666	1,653	13	0.8%
Clarke	932	927	5	0.5%
Clay	2,033	2,117	-84	-4.0%
Clayton	1,622	1,485	137	9.2%
Clinton	1,897	1,864	33	1.8%
Crawford	1,718	1,731	-13	-0.8%
Dallas	1,911	1,897	14	0.7%
Davis	1,027	1,006	21	2.1%
Decatur	752	757	-5	-0.7%
Delaware	2,181	2,110	71	3.4%
Des Moines	1,695	1,747	-52	-3.0%
Dickinson	1,855	1,921	-66	-3.4%
Dubuque	1,960	1,863	97	5.2%

Emmet	2,095	2,223	-128	-5.8%
Fayette	1,884	1,847	37	2.0%
Floyd	1,932	1,950	-18	-0.9%
Franklin	2,094	2,216	-122	-5.5%
Fremont	1,469	1,517	-48	-3.2%
Greene	1,966	2,039	-73	-3.6%
Grundy	2,324	2,416	-92	-3.8%
Guthrie	1,585	1,589	-4	-0.3%
Hamilton	2,409	2,526	-117	-4.6%
Hancock	2,139	2,226	-87	-3.9%
Hardin	2,156	2,291	-135	-5.9%
Harrison	1,601	1,527	74	4.8%
Henry	1,640	1,681	-41	-2.4%
Howard	1,500	1,474	26	1.8%
Humboldt	2,303	2,398	-95	-4.0%
Ida	1,932	1,940	-8	-0.4%
Iowa	1,743	1,775	-32	-1.8%
Jackson	1,663	1,607	56	3.5%
Jasper	1,813	1,845	-33	-1.8%
Jefferson	1,268	1,293	-25	-1.9%
Johnson	2,175	2,197	-22	-1.0%
Jones	1,811	1,773	38	2.1%
Keokuk	1,534	1,553	-19	-1.2%
Kossuth	2,214	2,325	-111	-4.8%
Lee	1,516	1,515	1	0.1%
Linn	2,303	2,252	51	2.3%
Louisa	1,901	1,953	-52	-2.7%
Lucas	858	854	4	0.5%
Lyon	1,878	1,911	-33	-1.7%
Madison	1,394	1,384	10	0.7%
Mahaska	1,581	1,585	-4	-0.3%
Marion	1,532	1,491	41	2.7%
Marshall	1,952	1,996	-44	-2.2%
Mills	1,605	1,595	10	0.6%
Mitchell	1,892	1,855	37	2.0%
Monona	1,468	1,433	35	2.4%
Monroe	1,043	1,010	33	3.3%
Montgomery	1,364	1,404	-40	-2.8%
Muscatine	2,082	2,119	-37	-1.7%
O'Brien	2,318	2,409	-91	-3.8%
Osceola	1,983	2,097	-114	-5.4%

Page	1,231	1,249	-18	-1.4%
Palo Alto	2,051	2,144	-93	-4.3%
Plymouth	2,017	1,975	42	2.1%
Pocahontas	2,257	2,329	-72	-3.1%
Polk	1,973	2,012	-39	-1.9%
Pottawattamie	1,707	1,628	79	4.9%
Poweshiek	1,735	1,779	-44	-2.5%
Ringgold	889	878	11	1.3%
Sac	2,084	2,125	-41	-1.9%
Scott	2,970	2,859	111	3.9%
Shelby	1,702	1,650	52	3.2%
Sioux	2,178	2,144	34	1.6%
Story	2,327	2,415	-88	-3.6%
Tama	1,903	1,927	-24	-1.2%
Taylor	1,007	1,006	1	0.1%
Union	1,074	1,066	8	0.8%
Van Buren	1,134	1,130	4	0.4%
Wapello	1,195	1,175	20	1.7%
Warren	1,551	1,500	51	3.4%
Washington	1,960	2,031	-71	-3.5%
Wayne	819	839	-20	-2.4%
Webster	2,375	2,473	-98	-4.0%
Winnebago	1,927	2,033	-106	-5.2%
Winneshiek	1,534	1,477	57	3.9%
Woodbury	1,565	1,587	-22	-1.4%
Worth	1,923	2,011	-88	-4.4%
Wright	2,372	2,489	-117	-4.7%
Crop Reporting Districts:				
Northwest	2,059	2,174	-115	-5.3%
North Central	2,073	2,119	-46	-2.2%
Northeast	1,807	1,757	50	2.8%
West Central	1,837	1,820	17	0.9%
Central	2,128	2,192	-64	-2.9%
East Central	2,118	2,123	-5	-0.2%
Southwest	1,346	1,373	-27	-2.0%
South Central	981	948	33	3.5%
Southeast	1,570	1,584	-14	-0.9%
State Average	1,781	1,801	-20	-1.1%