

Continuing with the Iowa Farmland Values blog series, we will use the 2021 Farmland Value Survey to highlight average farmland characteristics and production costs in and across Hamilton, Hardin, Marshall, and Grundy Counties. If you are interested in acquiring similar information, contact your local extension office or land grant institution within your state.

MARSHALL COUNTY, IOWA

2021 AVERAGE FARMLAND VALUE

\$10,174

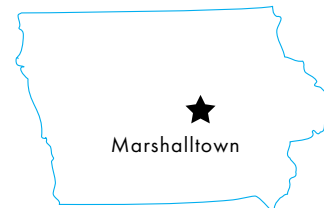
+24.9%
SINCE 2020
SURVEY

Average
County CSR2

75.7

CSR2 Price Per
Point Average

\$134.40



Marshalltown

AVERAGE CASH RENT PER ACRE

\$286



Average
Corn Yield
(2017 - 2021)

221

Rent Per Bushel
of Corn Yield

\$1.29



Average
Soybean Yield
(2017 - 2021)

63

Rent Per Bushel
of Soybean Yield

\$4.54

CAP RATE

\$286 / \$10,174 → 2.81%

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.

Of the 364,400 total acres in Hardin County, the average [Corn Suitability Rating 2 \(CSR2\)](#) for the 336,611 acres of farmland within the county is 79.5 with an average 2021 farmland value of \$10,960 per acre, which is a 28.5% increase from \$8,531 since 2020. To determine the CSR2 price per point average, divide the average farmland value (\$10,960) by the Hardin County CSR2 average (79.5), which equals \$137.86 per CSR2 point.

Average cash rent per tillable acre across Hardin County is \$269 (\$226-\$315). The 2017-2021 average corn and soybean yield was 196 and 58 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 \$1.37 for corn and \$4.64 for soybeans. Commodity markets have continued to rise with current cash corn and soybean prices just over \$6.50 and \$13.50 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 Hardin County, Iowa farmland is around 2.45%, or an expected return on investment of just shy of two and one-half percent.

SUCCESSFUL SALES IN MARSHALL COUNTY, IOWA:

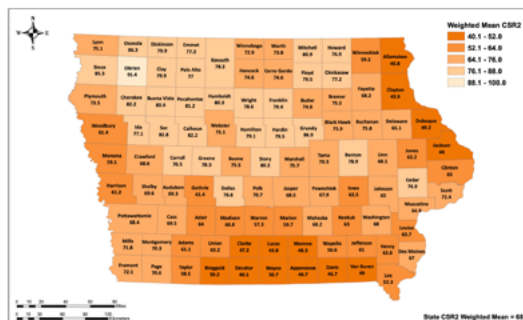
Sale Date	Land Type	Total Sale Price	Gross Acres	\$/Per Acre	CSR2	FSA Tillable Acres	\$/CSR2
2/9/22	Agricultural	\$754,900	75.49	\$10,000	71.5	75.05	\$141
3/10/22	Recreational	\$1,343,000	158	\$8,500	57.1	152.32	\$154
6/7/22	Agricultural	\$558,768	49.89	\$11,200	72.5	44.98	\$171
6/7/22	Agricultural	\$871,624	75.14	\$11,600	80.5	62.00	\$175
10/27/22	Agricultural	\$2,557,500	155	\$16,500	94.7	148.80	\$182
10/27/22	Agricultural	\$2,649,845	156	\$16,500	90.5	148.20	\$193



Matt Adams | 515.423.9235
Matt@PeoplesCompany.com



Doug Bear | 515.745.3192
Doug.Bear@PeoplesCompany.com.



Calculated from NRCS acreages and CSR2 values contained in ISPAID (Iowa Soil Properties and Interpretations Database) version 8.1 as of May 2017.

12119 Stratford Drive, Suite B
Clive, IA 50325

PeoplesCompany.com
855.800.LAND