

Starting our 2022 Iowa Farmland Values blog series, we will use the 2021 Farmland Value Survey to highlight average farmland characteristics and production costs in and across Dallas, Boone, Greene, and Guthrie Counties. If you are interested in acquiring similar information, contact your local extension office or land grant institution within your state.

### DALLAS COUNTY, IOWA

#### 2021 AVERAGE FARMLAND VALUE

\$10,120 +26.50%  
SINCE 2020  
SURVEY

Average  
County CSR2

76.6

CSR2 Price Per  
Point Average

\$132.11



#### AVERAGE CASH RENT PER ACRE

\$267



Average  
Corn Yield  
(2017-2021)

181

Rent Per Bushel  
of Corn Yield

\$1.48



Average  
Soybean Yield  
(2017-2021)

54

Rent Per Bushel  
of Soybean Yield

\$4.94

#### CAP RATE

\$267 / \$10,120 → 2.64%

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 378,200 total acres in Dallas County, the average [Corn Suitability Rating 2 \(CSR2\)](#) for the 293,435 acres of farmland within the county is 76.6 with an average 2021 farmland value of \$10,120 per acre, which is a 26.50% increase from \$7,998 since 2020. To determine the CSR2 price per point average, divide the average farmland value (\$10,120) by the Dallas County CSR2 average (76.6), which equals \$132.11 per CSR2 point.

Average cash rent per tillable acre across Dallas County is \$267 (\$234-\$302). The 2017-2021 average corn and soybean yield was 181 and 54 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 \$1.48 for corn and \$4.94 for soybeans. Commodity markets have continued to rise with current cash corn and soybean prices over \$7.50 and \$17.00 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 Dallas County, Iowa farmland is around 2.64%, or an expected return on investment over two and one-half percent.

#### SUCCESSFUL SALES IN DALLAS COUNTY, IOWA:

Sale Date	Land Type	Total Sale Price	Gross Acres	\$/Per Acre	CSR2	FSA Tillable Acres	\$/CSR2
02/11/22	Agricultural	\$1,605,212	114.24	\$14,051	85.7	113.71	\$165
02/28/22	Agricultural	\$930,000	80	\$11,625	87.6	76.62	\$139
03/30/22	Agricultural	\$1,479,296	114.75	\$12,892	75.8	112.32	\$174
04/26/22	Agricultural	\$1,368,000	80	\$17,100	87.9	74.82	\$208
04/26/22	Agricultural	\$1,288,000	80	\$16,100	87.6	76.62	\$192



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

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