

## PRESS RELEASE

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The Iowa Farm and Land Chapter #2 REALTORS® Land Institute is pleased to announce the results of our [September 2006](#) Land Trends and Values Survey. Our REALTORS® Land Institute Chapter is an arm of the National Association of REALTORS® and is organized for REALTORS® who specialize in farm and land sales, management and appraisal. Participants in the survey are specialists in farmland and are asked for their opinions about the current status of the Iowa farmland market.

Participants were asked to estimate the average value of farmland as of [September 1, 2006](#). These estimates are for bare, unimproved land with a sale price on a cash basis. Pasture and timberland values were also requested as supplemental information.

The results of these surveys show a statewide average increase of cropland values of 2.9% for the [March 2006](#) to [September 2006](#) period. Combining this 2.9% increase with the 2.4% increase reported in [March 2006](#) indicates a statewide average increase of 5.3% for the year from [September 1, 2005](#) to [September 1, 2006](#).

All nine Iowa crop reporting districts showed an increase. The districts varied from a 1.8% increase in Southeast Iowa to a 4.0% increase in Central and Northwest Iowa for the [March 2006](#) to [September 2006](#) period.

Factors contributing to the increase in farmland values include: fewer farms for sale, continued demand resulting from the expansion of farmers, 1031 Tax Deferred Exchanges, and good yields projected for most of the state in 2006. Other factors include the demand for corn and soybeans from Ethanol and Biodiesel plants, and an increase in commodity prices. Concerns that could affect farmland values in the future include: uncertainty of future government programs and increased fuel and fertilizer costs.

The Iowa Farm & Land REALTORS® farmland value survey has been conducted as of March and September since 1978. This survey plus the Central States Farm Multiple Listing Exchange are activities of REALTORS® specializing in agricultural land brokerage on a daily basis.