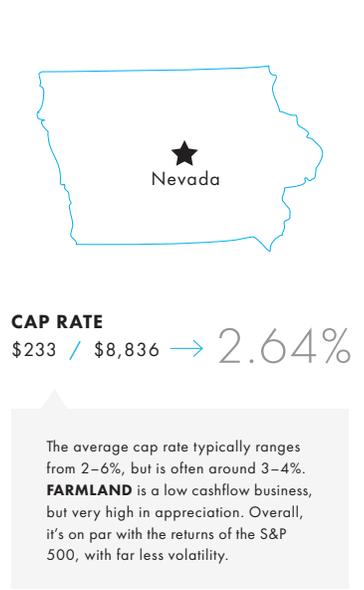
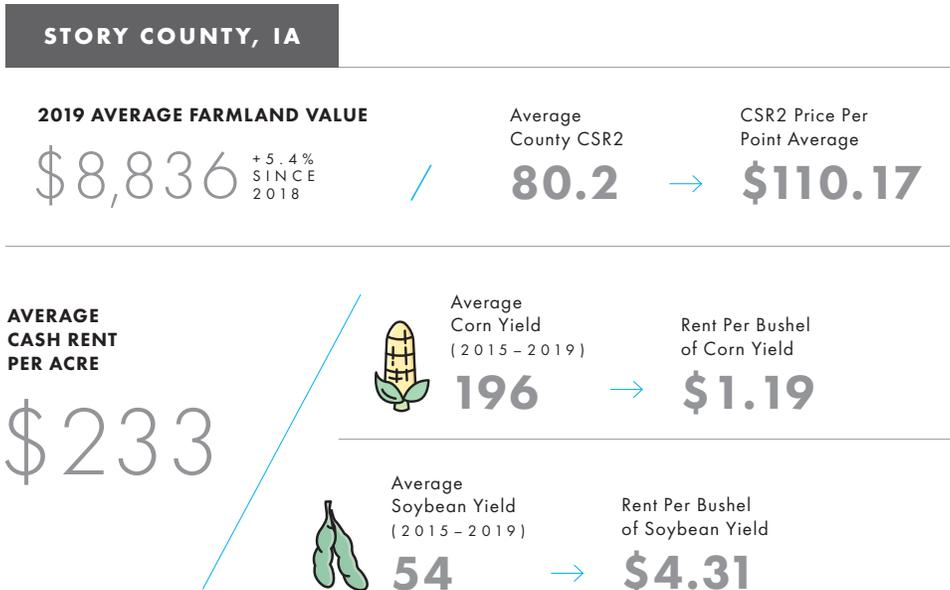


Peoples Company is focused on being resourceful and influential in the global land business. One example is by providing information to access long-term economic viability and investment opportunities. We will be highlighting some county average farmland characteristics and production costs from the most recent 2019 Land Value Survey and 2020 Cash Rental Rate Survey from Iowa State University. If you are interested in acquiring similar information for another state or county, contact your local extension office or land grant institution within your state.



Data compiled from 2019 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.

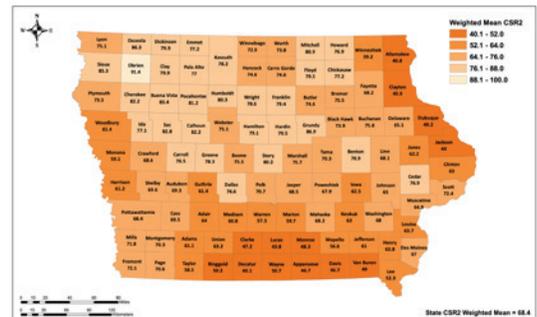
Of the 367,200 total acres in Story County, the average Corn Suitability Rating 2 (CSR2) for the 304,022 acres of farmland within the county is 80.2 with an average 2019 farmland value of \$8,836 per acre, which is a 5.4% increase from \$8,382 since 2018. To determine the CSR2 price per point average, divide the average farmland value (\$8,836) by the Story County CSR2 average (80.2), which equals \$110.17 per CSR2 point.

The average cash rent per tillable acre across Story County is \$233 (\$203-\$261). The 2015-2019 average corn and soybean yield was 196 and 54 bushels per acre, respectively. The average rent per bushel of crop yield is calculated by cash rent divided by the average crop yield expected, which is \$1.19 for corn and \$4.31 for soybeans. Since beginning this blog series during the middle of September 2020, commodity markets have risen an additional 10-20% and corn and soybean futures are currently over \$4.00 and \$10.50 per bushel, respectively. One may still expect to spend approximately one-third of the per bushel revenue on cash rents.

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 Story County, Iowa farmland is around 2.64%, or an expected return on investment of more than two and a half percent.

**SUCCESSFUL SALES IN STORY COUNTY:**

Sale Date	Land Type	Total Sale Price	Gross Acres	\$/Per Acre	CSR2	FSA Tillable Acres	\$/CSR2
11/27/2019	Tillable	\$5,750,000	566.0	\$10,159	86.9	552.28	\$120
12/23/2019	Tillable	\$400,000	40.29	\$9,928	74.9	40.02	\$133
2/24/2020	Tillable	\$750,000	84.94	\$8,830	84.6	86.84	\$102
10/7/2020	Tillable	\$2,255,775	240.0	\$9,400	88.4	236.83	\$108
11/2/2020	Tillable	\$1,023,000	112.0	\$9,133	84.7	106.94	\$113



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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