

Spring 2024 Land Trends and Values

By Chuck Schwager

I and fellow members attended the Realtor Land Institute Land Conference on March 20th in Ankeny. The results of the Realtors Land Institute March 2024 Land Trends and Values Survey are in. The survey shows a decrease in values in all 9 districts across the state of Iowa. The results of the survey shows a statewide decrease in values of -3.1% from September 2023 to March 2024. East Central Iowa had a -3.0 % decrease for the 6 month period. This decrease comes after a period of 12 months prior that prices were relatively flat with an increase of just 1.6%. The highest decrease in values was at -4.8% % in the Northeast district and the lowest decrease was -1.8 % in the South Central district.

Lower commodity prices continue to pressure land values along with interest rates to finance land purchases. There continues to be a lower supply of land offered on the market, and 1031 funds helping to hold values despite lower net farm income compared to recent years. Local farmers continue to be active in the market when land is available for purchase in their neighborhood. Investors aren't as competitive in the land market with the higher interest rates.

Non-crop acres have shown similar trends although there have been some strong sales of pastureland and timberland. Livestock producers and recreational buyers are still aggressive when the right parcel comes up for sale. Non-cropland, especially timber ground is in demand with smaller parcels bringing a premium. Farmers continue to be the majority of buyers for farmland.

Realtor Land Institute members who specialize in agricultural land brokerage on a daily basis have conducted the survey every March and September since 1978. For more information on this survey and land values contact Chuck Schwager at East Iowa Real Estate, 125 South 2nd St., Maquoketa, IA 563-599-4277.