



Regional Extension News

Howard, Winneshiek, Allamakee, Chickasaw, Fayette, Clayton

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News Release

Contact: Kristin Schulte, Farm Mgt Specialist, kschulte@iastate.edu

Farmland Value Reach Historic \$8,296 Statewide Average

Average Iowa farmland value is estimated to be \$8,296 per acre, an increase of 23.7 percent from 2011, according to results of the Iowa Land Value Survey conducted in November. This is the third year in a row where values have increased more than 15 percent. The 2012 values are historical peaks.

"The 2012 land value survey covers one of the most remarkable years in Iowa land value history," said Mike Duffy, ISU Economics Professor & Extension Farm Management Economist. "This is the highest state value recorded by the survey, and the first time county averages have reached levels over \$10,000. While this is an interesting time, there is considerable uncertainty surrounding future land values."

Duffy said understanding some of the causes for the current increase in farmland values is helpful in assessing the situation. Farmland values are highly correlated with farm income. As farm income increases, so will land values. In 2005, corn prices averaged \$1.94 per bushel in Iowa. The preliminary estimated price for November 2012 is \$6.80. Soybean prices changed from \$5.54 to \$13.70 over the same period. Coming into 2012 there was a general sentiment that prices would decline from their peaks. But, the drought changed this and the prices remained at high levels. How long the high prices will last is unknown.

There has been considerable variation in commodity prices over the past few years, but farm income has increased substantially. The Iowa State economist goes on to say, the increase in income has been the primary cause for the increase in farmland values, but not the only one. Other causes for the increase in farmland values include interest rates and cost of production; factors to watch which influence land values include weather, government policies related to tax rates, debt incurred with land acquisition, input costs, government monetary policies, and U.S. and global economies.

O'Brien County had an estimated \$12,862 average value, the highest average county value. O'Brien County also had the highest percentage increase and highest dollar increase in value, 35.2 percent and \$3,348, respectively. While the highest county land values were reported in O'Brien County, Decatur County remained the lowest reported land value, \$3,242 per acre, and the lowest dollar increase, \$521. Keokuk and Washington Counties had the lowest percentage increase, 14.8 percent, with reported average values of \$6,330 and \$8,226, respectively.

The lowest land value was estimated in the South Central Crop Reporting District, \$4,308, while the lowest percentage increase was in the Southeast Crop Reporting District with an 8.2 percent increase. The Northwest

Crop Reporting District reported a 36.8 percent increase, the highest district percentage reported. Low grade land in the state averaged \$5,119 per acre and showed a 20.2 percent increase or \$862 per acre, while medium grade land averaged \$7,773 per acre; high grade land averaged \$10,181 per acre.

For the Northeast Crop Reporting District, average land value was estimated at \$8,523 per acre, an increase of \$1,921 (29.1 percent) from 2011. Within the district, average values ranged from \$5,705 in Allamakee County to \$10,511 in Black Hawk County. Low grade land in the Northeast district averaged \$5,288 per acre, while medium grade land averaged \$7,815 per acre; high grade land averaged \$10,708 per acre.

Maps showing 2012 values, percentage change and comparisons to 2011 data and additional information from Duffy are available at www.extension.iastate.edu/topic/landvalue.

The Iowa Land Value Survey was initiated in 1941 and is sponsored by the Iowa Agriculture and Home Economics Experiment Station, Iowa State University. Only the state average and the district averages are based directly on the Iowa State survey data. The county estimates are derived using a procedure that combines survey results with data from the U.S. Census of Agriculture.

The survey is based on reports by licensed real estate brokers and selected individuals considered knowledgeable of land market conditions. The 2012 survey is based on 486 usable responses providing 663 county land value estimates. The survey is intended to provide information on general land value trends, geographical land price relationships and factors influencing the Iowa land market. It is not intended to provide an estimate for any particular piece of property.

Questions can be directed to Mike Duffy, mduffy@iastate.edu or 515-294-6160, or Kristen Schulte, kschulte@iastate.edu or 563-547-3001.

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News Release

Contact: Mark Storlie, Swine Specialist, mstorlie@iastate.edu

TQA Training Session offered in Postville

(POSTVILLE)--The Iowa Pork Industry Center and Iowa State University (ISUEO) Extension and Outreach are teaming up to provide training for pork producers and others who need certification in Transporter Quality Assurance® (TQA®). The program is set for Thursday, December 27 in Postville, according to ISU Extension swine specialist Mark Storlie.

The program will be held at the Postville Vet Clinic, 110 Hyman Drive, Postville, IA. The TQA® session will be from 1 to 3:30 pm. Pre-registration is requested, but walk-ins are welcomed.

Certification cost is \$25 per person. To preregister, contact 563-425-3331. Questions may be directed to Mark Storlie by phone at 563-425-3331 or mstorlie@iastate.edu.

The Iowa Pork Producers Association is partnering with Iowa State University Extension swine specialists and the Pork Checkoff to offer PQA Plus® and Transport Quality Assurance (TQA®) certification sessions at the 2013 Iowa Pork Congress in January.

Pork producers can attend at no charge Wednesday, Jan. 23, Hy-Vee Hall, Des Moines. The PQA Plus session will be held from 10 am to noon. TQA certification will take place from 1 - 4 pm. Producers can pre-register or get additional information by contacting IPPA at (515) 225-7675 or tbettin@iowapork.org

“Pork producers are encouraged to check when their current certification will expire and plan ahead,” he said. To learn more about TQA[®] and PQA Plus[®] please see the National Pork Board Web site at <http://www.pork.org/Producers/PQAP.aspx>