

GANNON REAL ESTATE & CONSULTING AND FARMLAND STEWARDS

Farmland Newsletter

Fall 2025

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“Agriculture is the most healthful, most useful and most noble employment of man.”

- George Washington



*Mark with his Land.com award
Top 5% producer in Iowa last year*

WE FIND ourselves at a nervous time of the year with a big crop in the field but with a flux of diseases (southern rust for example), lower crop prices, tariffs and exports ; there has been a lot of speculation on both sides of these issues. Unfortunately we have little to no control over this issues, so all we can do is continue to work hard with an optimistic attitude.

Water quality is a big topic again in farm country since Des Moines had to restrict water use this summer for the first time. A two year study commissioned by the Polk County (Des Moines) Board of Supervisors entitled “Currents of Change” was released in July and caused quite a stir as it placed 80% of the water issues on

Agriculture. Sixteen highly qualified experts and scientists were involved in this comprehensive analysis of the situation in the Des Moines River watershed. Our politicians are the only ones that can reasonably solve this problem but, so far, they are not interested in making real changes.

It’s simple, lobbyists and special interests have more money than water advocates and real family farmers. We have a chance to make a difference with our votes. This is not a partisan issue. Both sides have failed lowans. We know many farmers are tired of taking the blame for Big Ag. Water quality and farming can work together but it’s easier to push it down the road.

Absentee landowners renting their land have the opportunity and responsibility to do what they can. 60% of the land in Iowa is rented so it isn’t all about farmers. We’d like to help you with the aforementioned issues along with all the other areas of concern to ensure your land is at its most productive without sacrificing conservation.

Despite these issues land is still a strong investment and will continue to be. We’d love to help you make sure your land is producing at its highest efficiency.

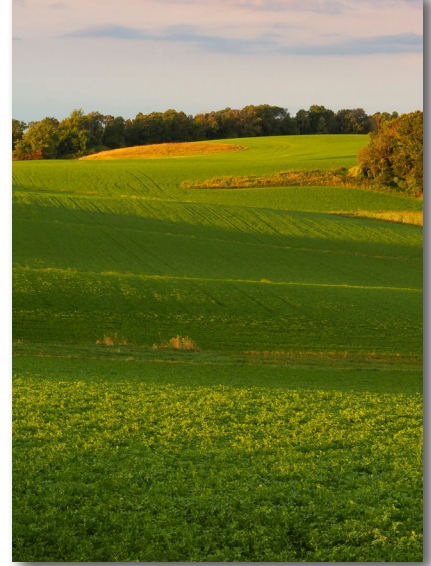
-Mark Gannon

CENTRAL IOWA LAND SALES

Below is a compilation of land sales from 1/1/25-9/1/25 for the following counties: Boone, Greene, Hamilton, Hardin, Marshall, Polk & Story. Data taken from the Land Sales Bulletin and have been sorted for sales deemed arms-length on good quality highly tillable farmland. Minimum of 40 gross, 35 tillable, 60 Total CSR2, and between \$7,000 & \$25,000/acre.

Please note the average Sale Prices/ acre and \$/CSR2 are fairly consistent between counties but the ranges fluctuate so much that it is risky to use the \$/CSR2 as a guide in valuing farmland. The open market is always the best method to find the true value of land for seller.

Source: Land Sales Bulletin



SALE RANGE							CSR2 RANGE	
COUNTY	SALES	AVG/\$/A	HIGH	LOW	AVG CSR2	AVG CSR2/A	HIGH	LOW
BOONE	9	\$13,068	\$16,002	\$11,683	82.4	\$165	\$183	\$149
GREENE	2	\$15,222	\$17,137	\$13,306	82.7	\$184	\$208	\$160
HAMILTON	13	\$13,404	\$17,400	\$10,100	78	\$172	\$240	\$130
HARDIN	28	\$13,984	\$21,702	\$8,142	83.6	\$167	\$253	\$97
MARSHALL	19	\$12,495	\$19,188	\$8,162	77.1	\$161	\$232	\$122
POLK	7	\$14,863	\$18,011	\$12,000	79.3	\$187	\$203	\$168
STORY	17	\$14,718	\$18,933	\$11,912	81	\$182	\$229	\$153
TOTAL/AVE.	95	\$13,965	\$21,702	\$8.142	80.6	\$174		



Over 65,000 acres sold since 2000.

Over \$100 million in farm assets under management.



Please contact us for the following low-cost services for Landowners

- Farm Land Price Discovery with recommendations on getting the best price
- Farm Lease and Land Management Initial Review
- Fertility, Land Use, Best Practices, Drainage, Yield analysis
- Income Potential, Soil and Water Conservation Tips
- Farmland Appraisal Consultation for Estates and Landowners
- Drone Pictures and Videos for Prospective Clients (No Obligation) - Free within 100 miles of Ames

Best Water Quality Practices For Your Land

When it comes to water quality issues, many people wonder WHY should WE be concerned? As responsible landowners, you should do your best to improve/maintain or at the very least avoid the deterioration of the soil, erosion, and fertilizer runoff for example.



- Make sure your operator is not over fertilizing the land.
- Farm the land with minimal soil loss. Phosphorous attaches to soil and it (along with the soil) moves downhill, commonly into a stream or tile inlet. Phosphorous in water can lead to depletion of oxygen which can be deadly to fish, plants and wildlife.
- Tiling should be done only when the benefits outweigh the out-of-pocket costs and possible damage to water quality downstream. Tile lines often carry 10 times the amount of nitrates as surface water runoff.
- Tile intakes should be avoided if possible as they are a direct conduit into the tile line as opposed to the surface water filtering down through the soil before reaching the tile 2-4 feet below the surface.

- Part of being a responsible landowner is being cognizant on your neighbors downstream of you. Try to work with your neighbors in a collaborative effort in the watershed that you both are involved with. This might include putting in joint wetlands or installing one on an agreed upon farm while sharing the cost.
- Avoid farming near streams and rivers. This is a major contributor for streambank erosion which delivers more soil into the water causing turbidity (dirty water). This adds nutrients to the stream that hurt fish habitats and other wildlife.
- There are many organizations, publications, newsletters, podcasts, and local meetings with helpful ideas that can help you make decisions.



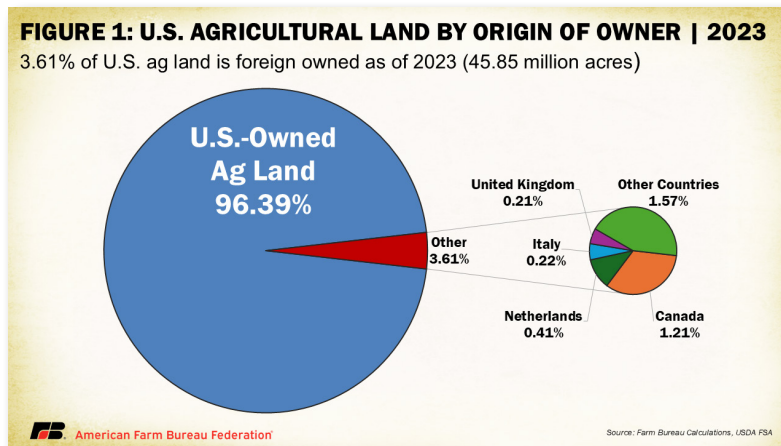
The bottom line is that the solutions for soil loss and water quality issues begin at home. Landowners in Iowa all have very valuable land that they need to take care of - we cannot wait for the government to help even though they might someday.

CHINESE LAND INVESTMENTS IN IOWA

Foreign ownership of farmland in Iowa has not been allowed all during my 40 year career so no worries in Iowa. Some states allow this but most of them are tightening their laws. China owns land just south of Iowa in Missouri as part their ownership of Smithfield foods. Canada citizens are the largest foreign owners of ag and forest land in the US with a lot of that in Maine as forests. Foreign ownership of agriculture related companies such as Smithfield Foods and Syngenta seeds by the Chinese plus JBS Foods by Brazilians are significant players in livestock, seed and food processing. JBS S.A. is a Brazilian multinational company that is the largest meat processing enterprise in the world. They announced recently about a new slaughter plant in Perry and a processing plant in Ankeny. There are more foreign ownership companies and some are hard to identify but this is more of concern to Iowans than farmland ownership.

Article Source: *Foreign Footprints: Trends in U.S. Agricultural Land Ownership*, Daniel Munch

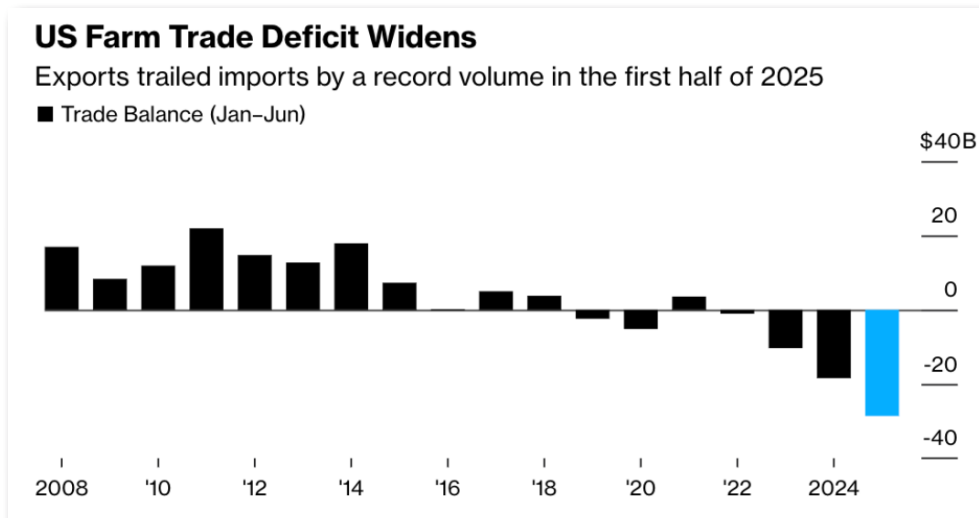
Image Source: Farm Bureau Calculation, USDA FSA



TRADE DEFICITS IN 2025

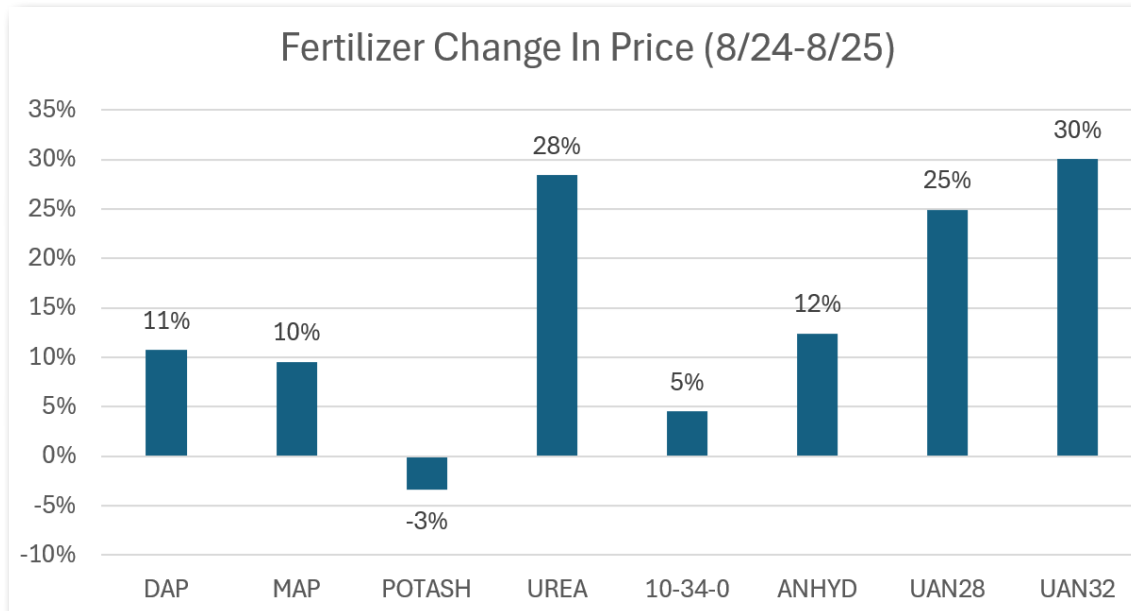
U.S Agricultural trade deficit grew to \$28.6 billion in the first half of 2025. Decrease demand for export commodities like corn, soybeans and wheat and increased demand for imported seasonal products it cant grow. One major player affecting agricultural exports is China, which has reduced their ag imports of U.S. commodities by half in the 1st half of 2025. The current administration has been working to secure more trade to improve market access for U.S. agricultural products to balance the deficit.

Source: *Foreign Ag Trade Deficit Hits Record High In First Half of 2025*, Ryan Hanrahan



FERTILIZER TRENDS

Farmers continue to monitoring their margins as prices of fertilizer trend higher as of mid August 2025. Trade restrictions, tariffs and sanctions throughout the world are influencing the market dynamics of the global fertilizer trade resulting in disrupting the global supply pushing prices higher. All but one of the 8 fertilizers listed in the chart below are now higher compared to one year ago.



**FARMLAND
STEWARDS**

ABOUT US

We're more than just managers

Farm Management is the traditional name – however, we don't see ourselves as the old-style farm managers. We let farmers do their business as best they can as long as they take care of the entire farm from a fertility and conservation manner, while also providing information to document the required information as stated in the lease. The right operator will attain the goals of our owners and achieve the proper return on their land.

We offer a variety of lease options that could fit the owners and their specific situation; we work with both the owner and operator to implement the best plan. With our system, owners will receive more information than they ever thought was available. They can then be proud of their land, profits, and progress being made, appreciating the value of a good tenant.

GET A FREE LAND EVALUATION

SERVICE

How we help you

All owners and properties are unique and thus need individual attention, which many owners cannot do on their own. As farm stewards, we offer a variety of leasing options that are customizable to fit the owner's needs. With over 40 years of experience, you can trust us to provide the service you need.

- Farm Reporting
- Accounting / Financial Services
- Soil Fertility
- Tenant Set-up & Coordination
- Soil Loss Prevention
- Field Drainage Programs / Repair
- Other Services

We service all 99 counties in Iowa

BUYING LAND IN YOUR IRA



We have helped people in this area in the past. Mark has two properties in a self-directed IRA that might be sold in 2026. The good part is there is no tax on the gain much like a stock sale in your IRA. In talking to a financial advisor in late August he said he is concerned about the hacking and all the financial data that is on-line that could be lost. I doubt he would agree to holding land in an IRA since that takes it out of his portfolio and these companies are not set up for holding deeded property. There are many custodians that work in this area. Land or any real property will never disappear off a computer screen and most have a reasonable income that is also deferred from taxation. Please give Mark a call if you want to discuss this option.



**DEDICATED TO OUR
CLIENTS, THEIR LAND &
THEIR INDIVIDUAL NEEDS
FOR OVER 30 YEARS**

ABOUT GANNON REAL ESTATE & CONSULTING

Gannon Real Estate & Consulting sells, manages, and appraises land for Iowa landowners. Mark has over 40 years of experience exclusively in the field of farm real estate. Agriculture expertise includes IRA real estate purchases and 1031 exchange programs as well as land brokerage & appraisals.

We have sold over 60,000 acres in the last 24 years, have over 10,000 acres under management, and appraise 30-50 tracts per year, primarily for estates and consulting clients.

WE OFFER A VARIETY OF SERVICES IN IOWA, INCLUDING

- Farm Real Estate Brokerage and Appraisals
- Farm Land Listings
- Farm Stewardship Solutions
- Certified Agricultural Appraisals

VISIT US AT FARMLANDSTEWARDS.COM

IOWA DOT PURCHASES NORTH OF ANKENY

As part of our appraisal responsibilities we gathered information on the expansion of I-35 north of Ankeny into southern Story County. I-35 is being widened to three lanes from two lanes plus all the bridges needed replaced and widened also. After the initial surveying was done the Iowa DOT staff approached landowners and tried to negotiate these purchases privately but four went to condemnation under the Iowa eminent domain laws. The results are below:

- 40 parcels purchased by the DOT: 36 by private negotiation and four by condemnation
- A total of 106.52 acres were purchased with an average size of 2.66 acres.
- The average price per acre was \$45,740/acre: The range was \$9,004/a. to \$168,000/acre.
- The size varied from .18 acres to 9.61 acres



It is likely that the lower sales per acre were owners that either didn't negotiate with the DOT and took the initial offer. The four condemnation sales sold for an average of \$88,888/acre. Ten sales were less than \$20,000/acre which is where the DOT started to try to buy these parcels.

The Bottom Line: Landowners need help if they want to achieve the best financial result negotiating with government or private entities wanting all or a portion of your land.

Best Future Solution: All Easements and government purchases should be public so all can see what is going on. We requested this information under the Iowa Freedom of Information Act and the DOT was responsive. These sales were recorded so they were available but hard to find. Purchased easements sale amounts are not required to be disclosed and the public is at a disadvantage in these negotiations. The carbon pipelines are a prime example where there is a wide range in prices paid with the most cooperative sellers getting the least \$/acre.

What To Do with Your Estate?

It is no one's business what you do with your estate as you do your planning but we have some things to think about. As we sell land for executors and family members after the death of a loved one it is always interesting what was planned or not planned. It is gratifying to see it all work out well for the heirs with everyone happy and no squabbling. That is maybe half the time but many of the others do not go so well to the point families are broken forever.

I wish older landowners would think about the long term impact they can make for their family, community, beginning farmers, hospitals, conservation, the poor, the struggling and many other causes. Many of these aging owners are under a lot of pressure to be fair to their heirs, some of whom they really don't even know well. Most worked hard during their life to accumulate land but many also were fortunate to be born into a family that was good to them with land, money and opportunity.

I know it is easier to just pass your assets along in your estate to your heirs the way the state code states but I hope people can give some more thought and think through a definite plan on how they want to leave an estate that can have a lasting impact during your lifetime and after we are gone. There are numerous options with good tax implications while you are alive and it is possible to be recognized for your family's contribution to the greater society for many years. We'd love to help you think through the process at no obligation to us.



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