



Caring for You and Your Farm®

Professional Services for Farmland Owners and Investors

Land Trends & Values

Secure Your Farm's Future | Summer 2026



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Agenda



- **Discuss Current Market**
- **Discuss What's Driving this Land Market & What has Changed in the Past Year**
- **Discuss Expectations for 2026+**
- **Questions?**



Where Are We Now?





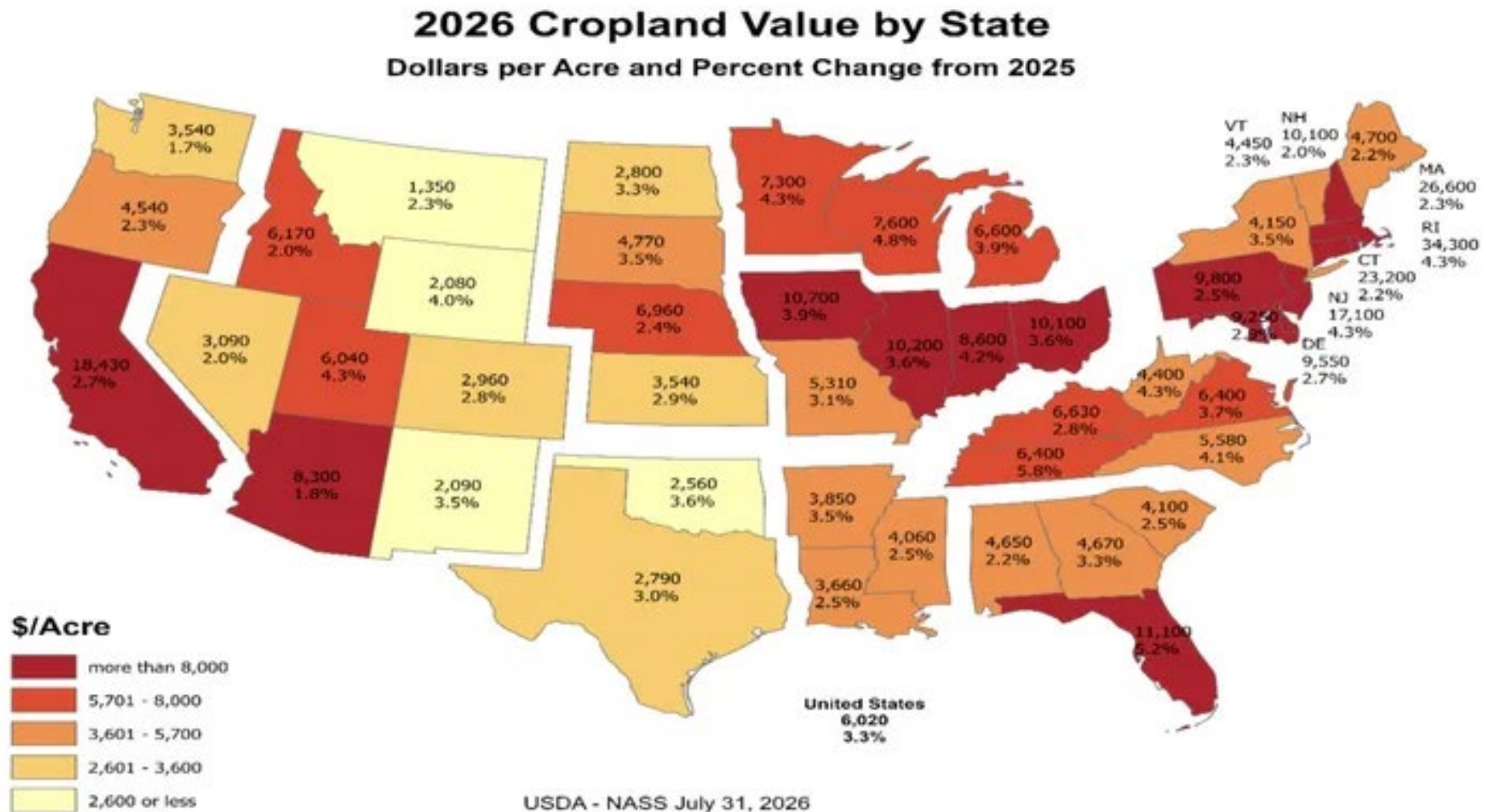
Midwest Farmland Values

THE 2026 FARMLAND MARKET...



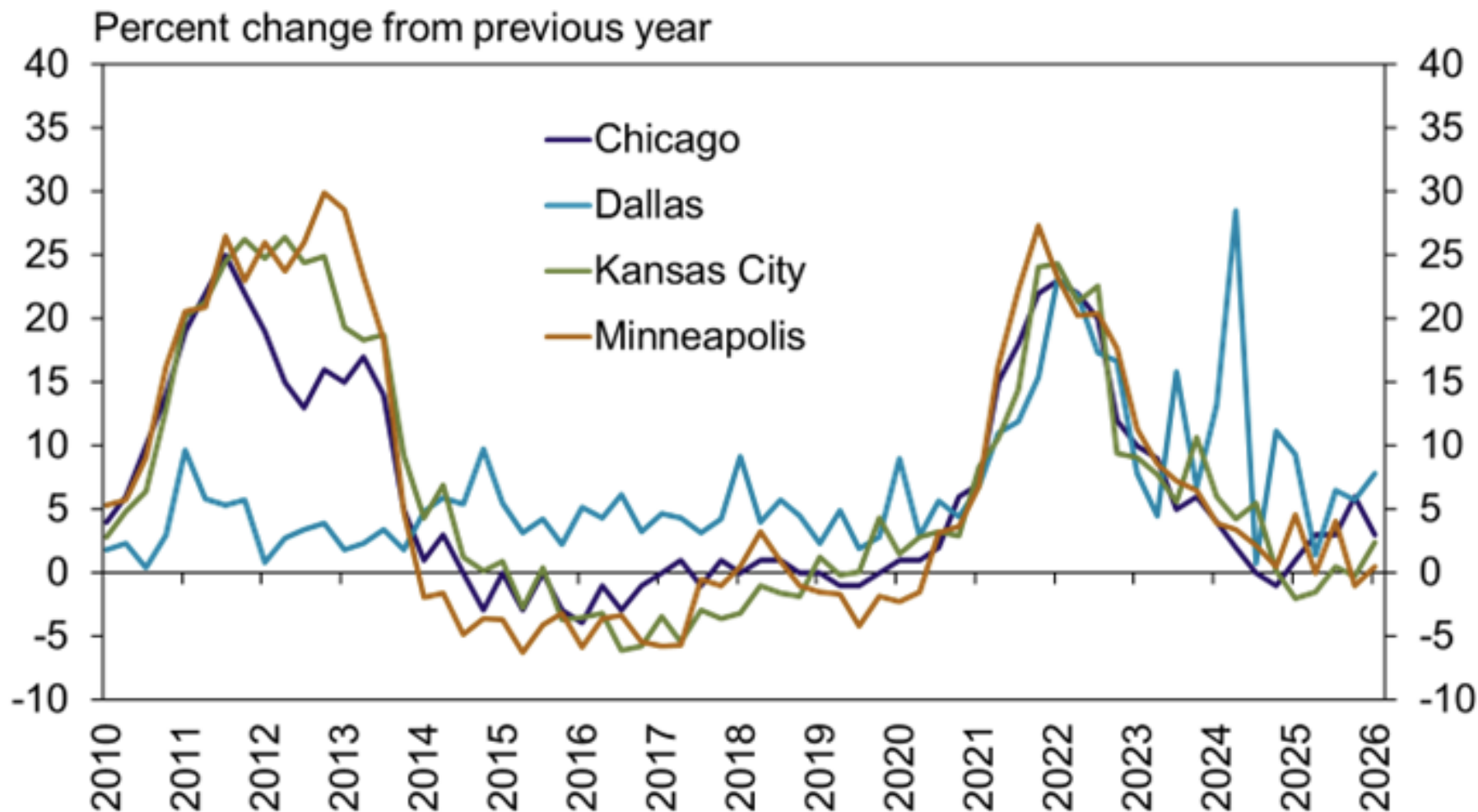
U.S. Farmland Values

Dollars per Acre and Percent Change from prior year.



U.S. “Breadbasket” Farmland Values

6



Source: Federal Reserve Surveys of Agricultural Credit Conditions



Chicago Federal Reserve Survey

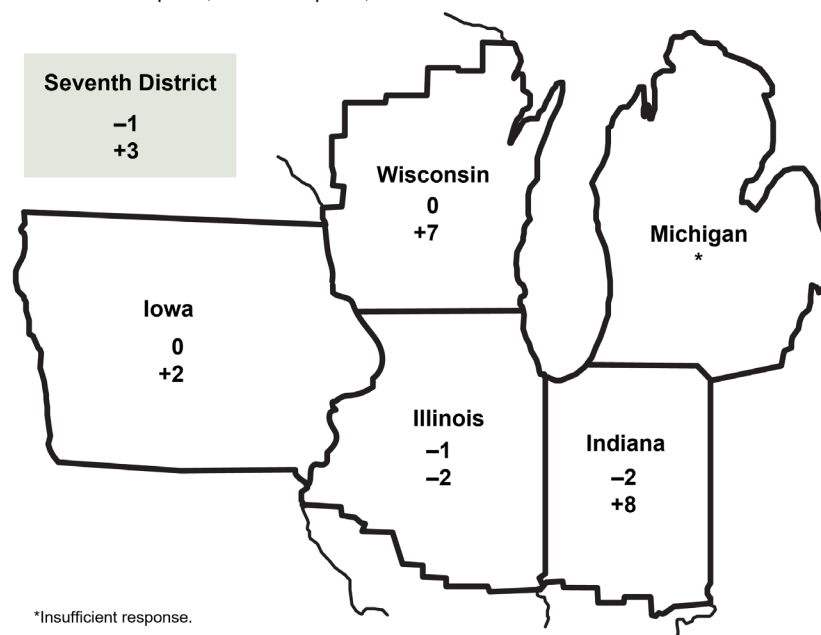
Percent Change in Dollar Value of “Good” Farmland

January 1, 2026
to
April 1, 2026

April 1, 2025
to
April 1, 2026

Top: January 1, 2026 to April 1, 2026
Bottom: April 1, 2025 to April 1, 2026

Illinois	-1	-2
Indiana	-2	+8
Iowa	0	+2
Michigan	*	*
Wisconsin	0	+7
Seventh District	-1	+3



Source: Chicago Fed Reserve Bank, AgLetter, No. 1012, May 2026

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Iowa RLI & Iowa State University

March 2025 – September 2025 **-1.2%**

September 2025 – March 2026 **+1.3%**

March 2025 – March 2026 **+0.1%**



IOWA STATE UNIVERSITY

December 2024 – December 2025 **+0.7%**



Source: Iowa RLI & Iowa State University

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Midwest Farmland Values

WHAT'S DRIVING THE LAND MARKET?

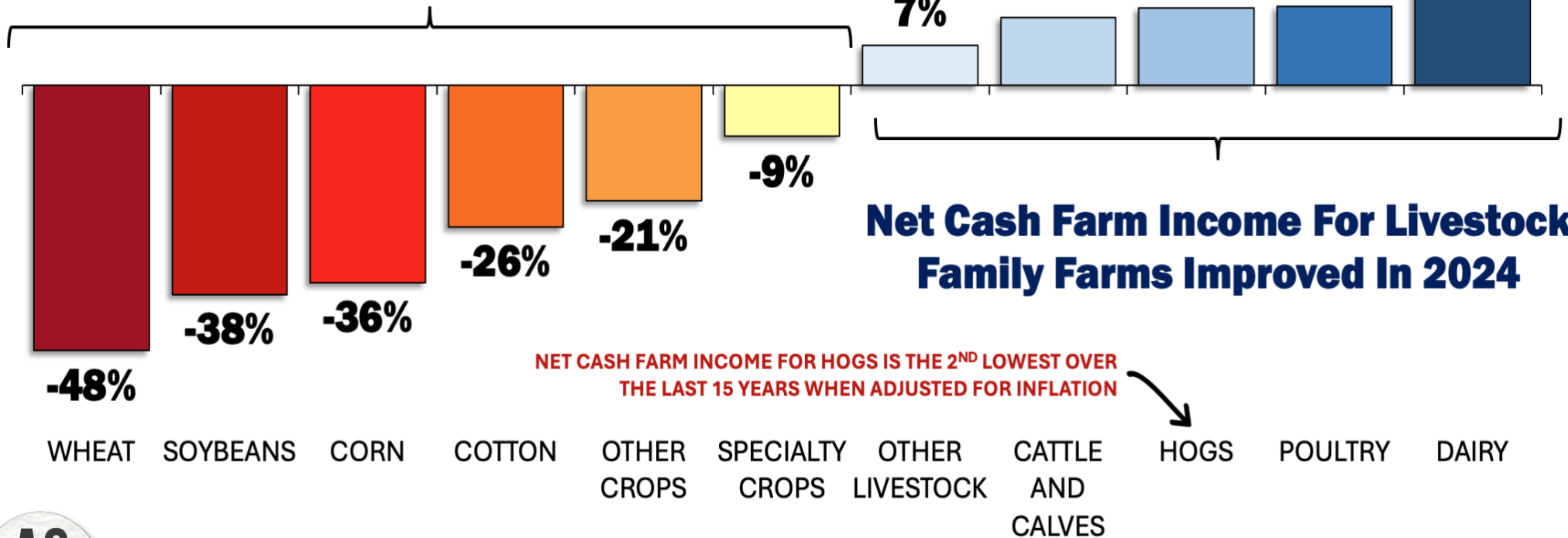
-FARM INCOME



FARM INCOME CHANGES BY SECTOR¹⁰

PERCENTAGE CHANGE IN U.S. AVERAGE NET CASH INCOME BY FARM TYPE, 2023 TO 2024 FORECAST

Net Cash Farm Income For Crop Family Farms Are Down Sharply In 2024



SOURCE: SENATE AG GOP ANALYSIS, USDA ERS SEPTEMBER 2024 FARM SECTOR INCOME FORECAST



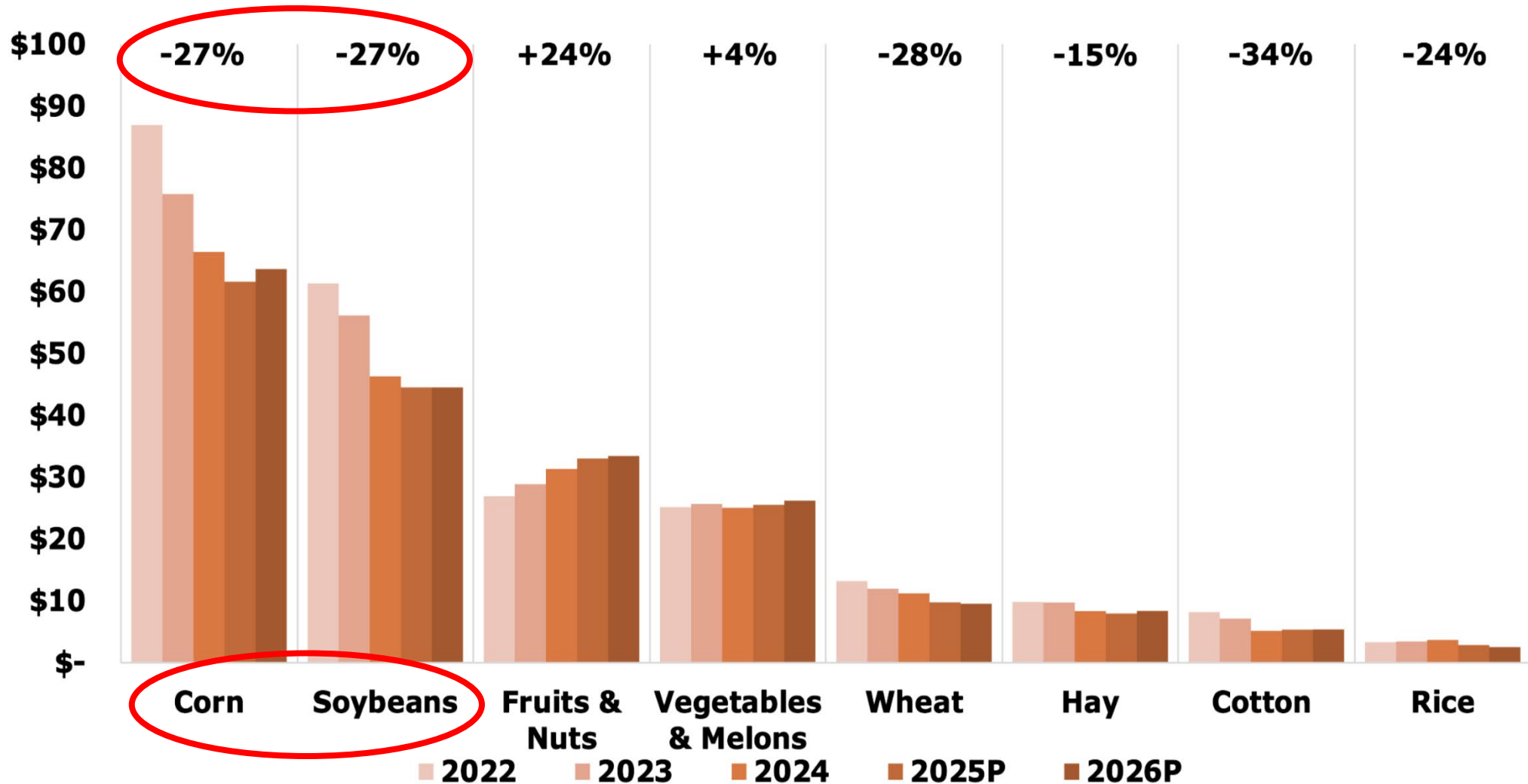
Source: U.S. Senate Ag Analysis, Fall 2024

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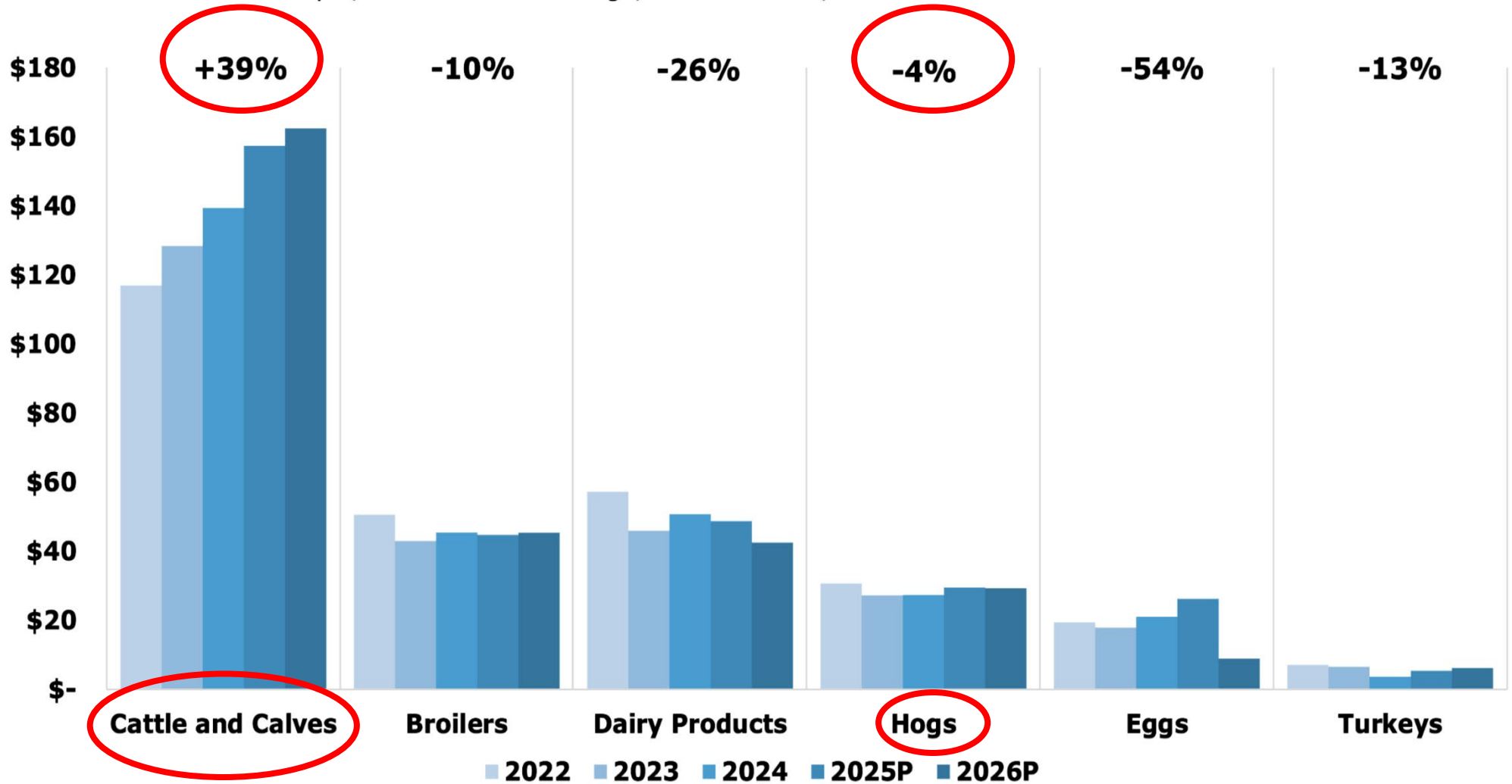
U.S. Cash Receipts for Select Crops

U.S. Crop Cash Receipts, 5-Year Percent Change, 2022 to 2026P, Billion Dollars



U.S. Cash Receipts for Select Animal Products

U.S. Animal Cash Receipts, 5-Year Percent Change, 2022 to 2026P, Billion Dollars

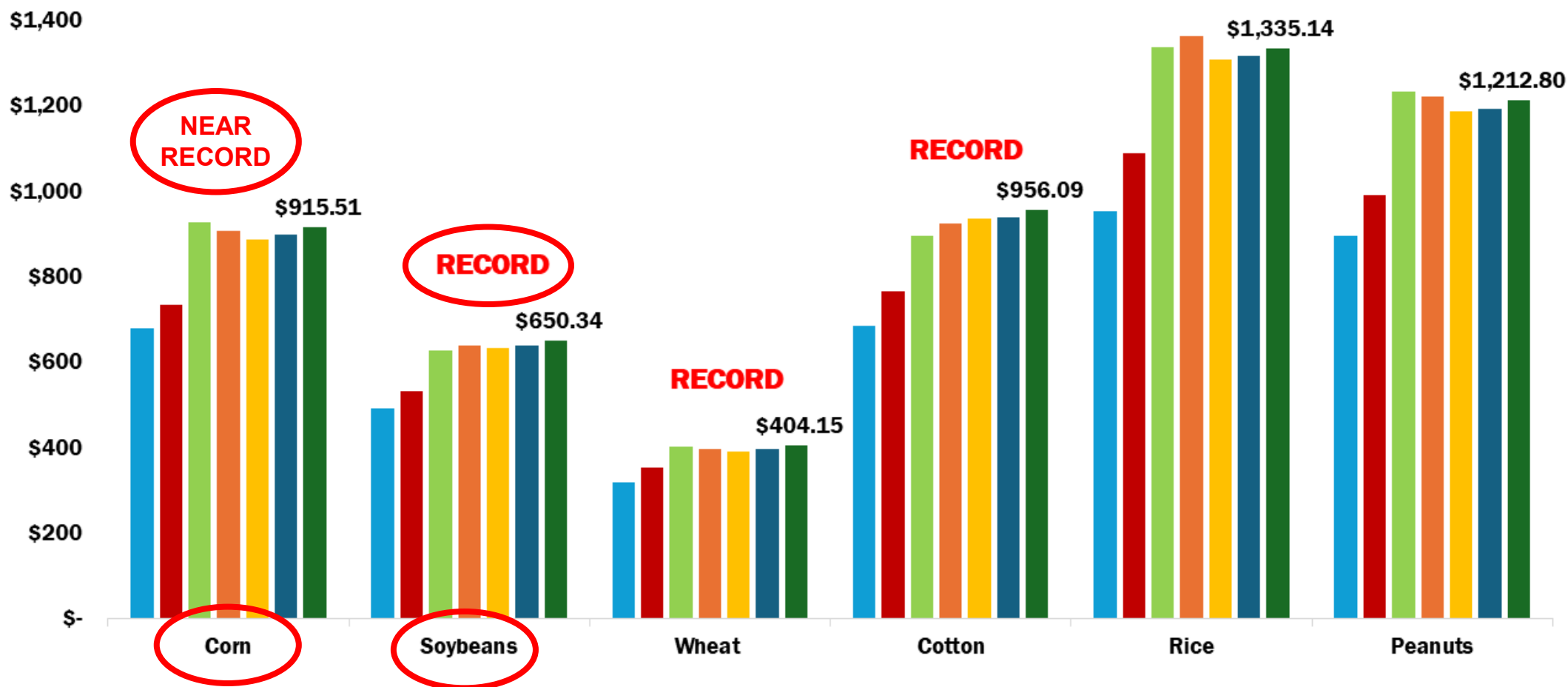


Lower Revenues w/ Higher Input Costs...¹³

Cost of Production for Major Row Crops

U.S. Average Cost per Acre

■ 2020 ■ 2021 ■ 2022 ■ 2023 ■ 2024 ■ 2025F ■ 2026F



Source: AFBF & USDA

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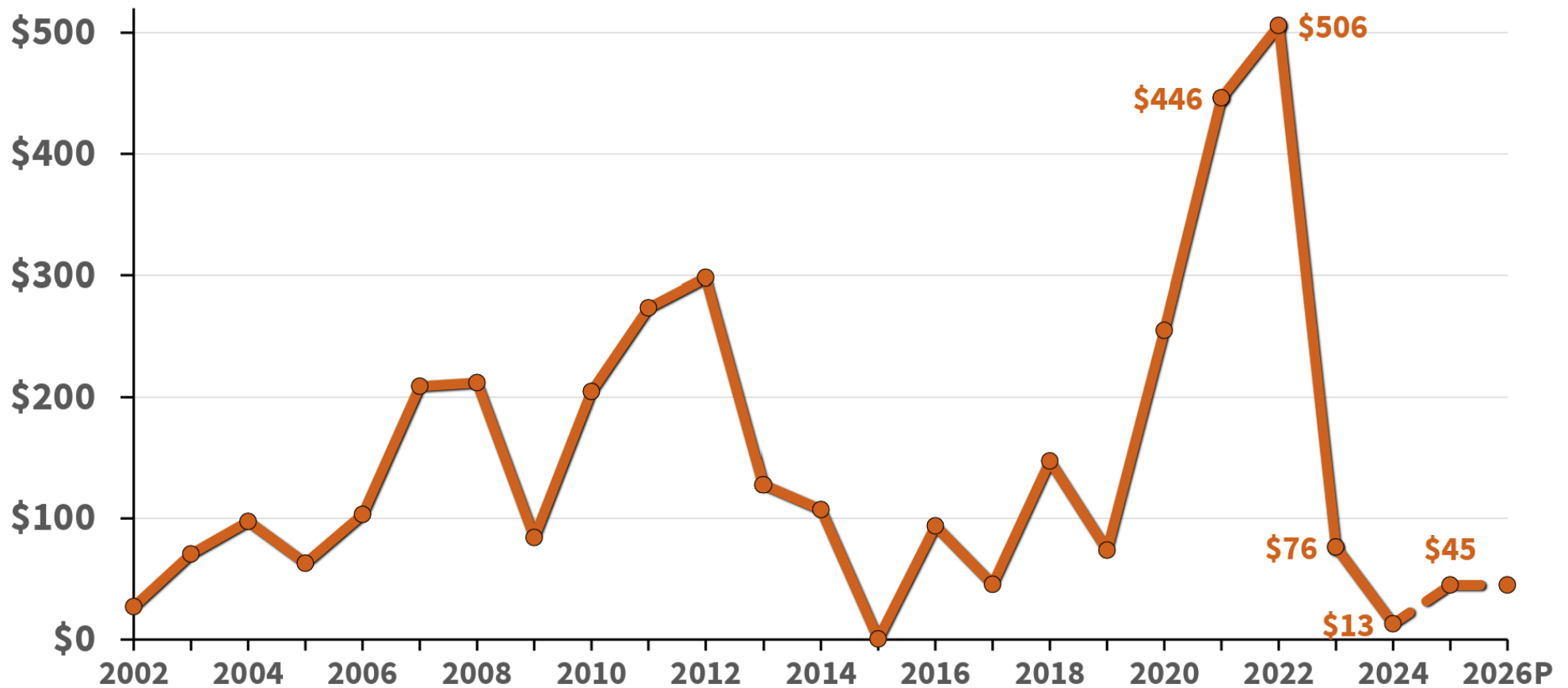


“Breakeven Agriculture”

Average Net Farm Income in Illinois



Grain Farms enrolled in Illinois Farm Business Farm Management (\$1,000)



Source: FarmDoc & Illinois FBFM, Q3 2025

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So, How Are Land Values Stable??



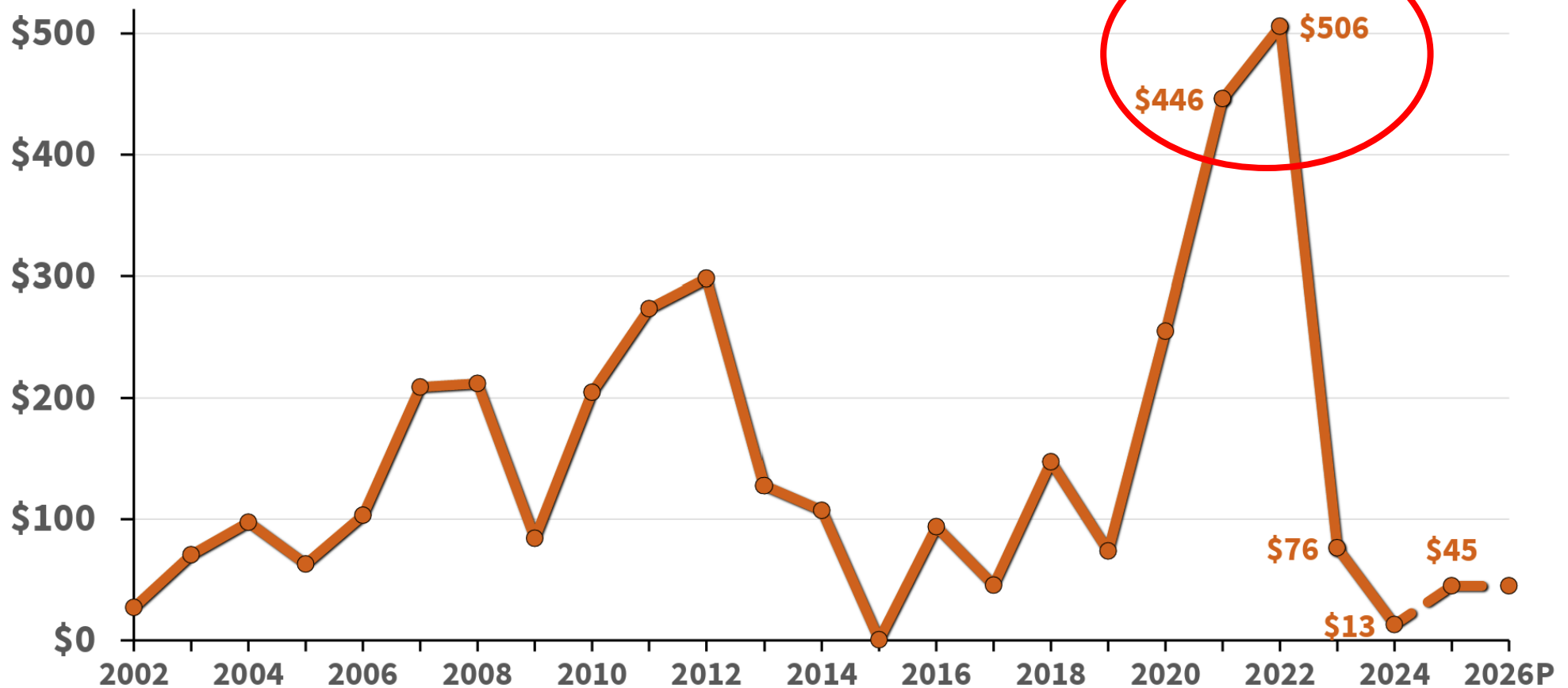
“Breakeven Ag” followed Record High Profits...

16

Average Net Farm Income in Illinois



Grain Farms enrolled in Illinois Farm Business Farm Management (\$1,000)



Source: FarmDoc & Illinois FBFM, Q3 2025

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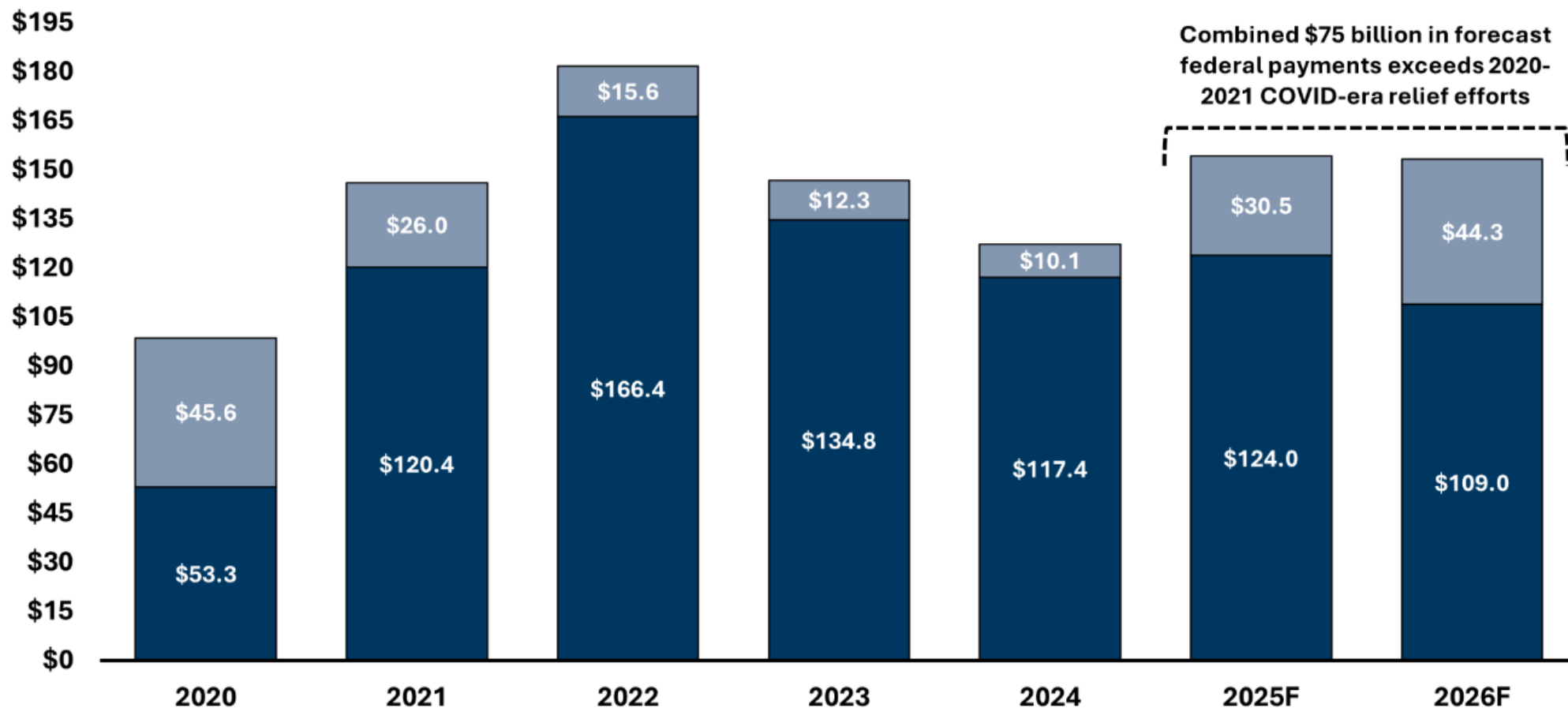
I'm from the Government...

17

2026 Net Farm Income to Fall Despite Booming Government Payments

■ Net Farm Income ex. Federal Gov't Payments

■ Federal Government Direct Farm Program Payments



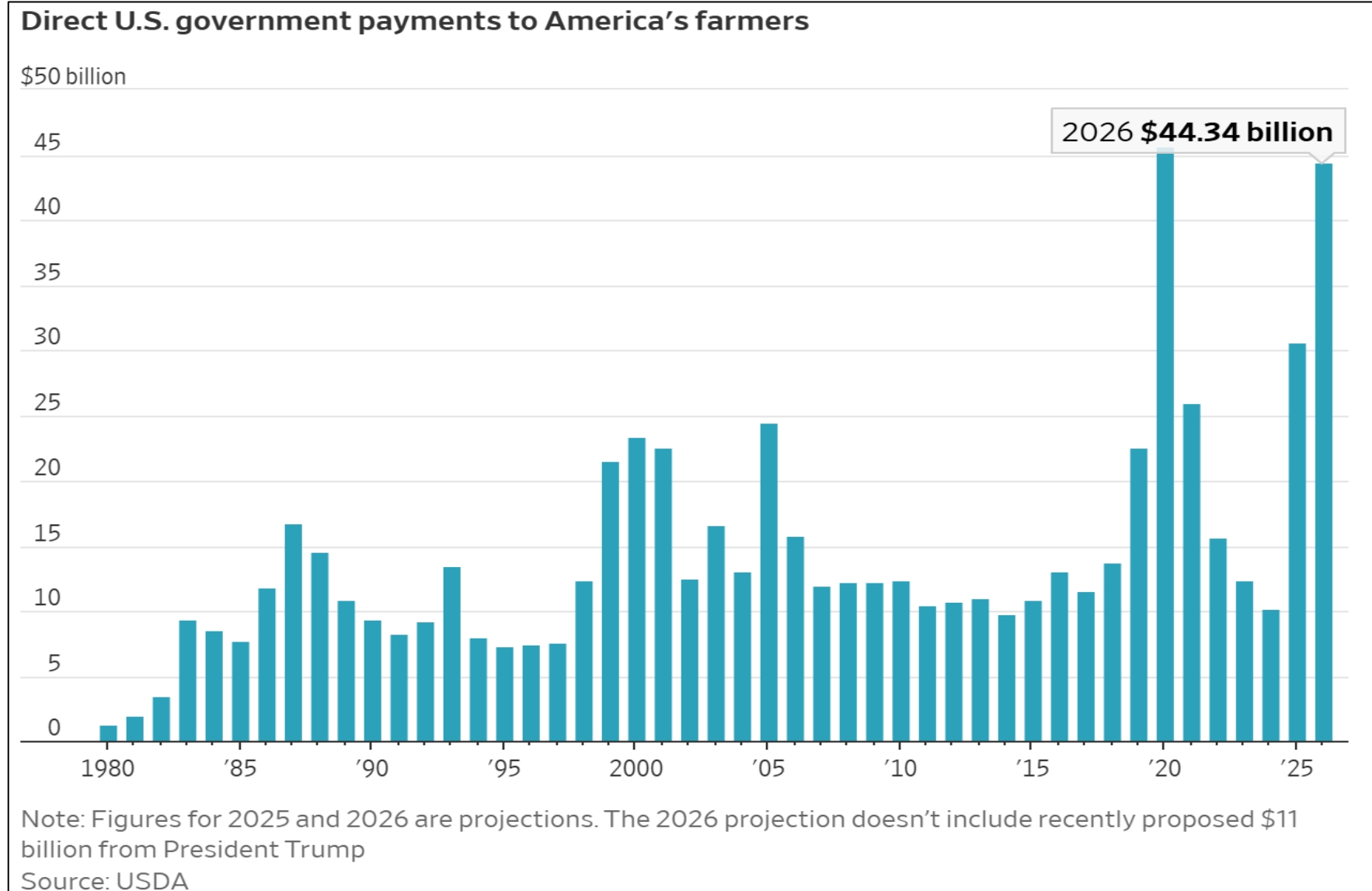
Source: USDA ERS, February 2026

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... And I'm here to help!

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Bushels and Percent Change from Previous Year

Map of the United States showing the change in the number of people aged 18-24 from 2000 to 2010. The map is color-coded by the magnitude and direction of change, with a legend at the bottom.

Legend:

- Up ≥ 10.0 (Dark Blue)
- Up 5.1-9.9 (Medium Blue)
- Up 0.1-5.0 (Light Blue)
- Down 0.1-5.0 (Light Red)
- Down 5.1-9.9 (Medium Red)
- Down ≥ 10.0 (Dark Red)

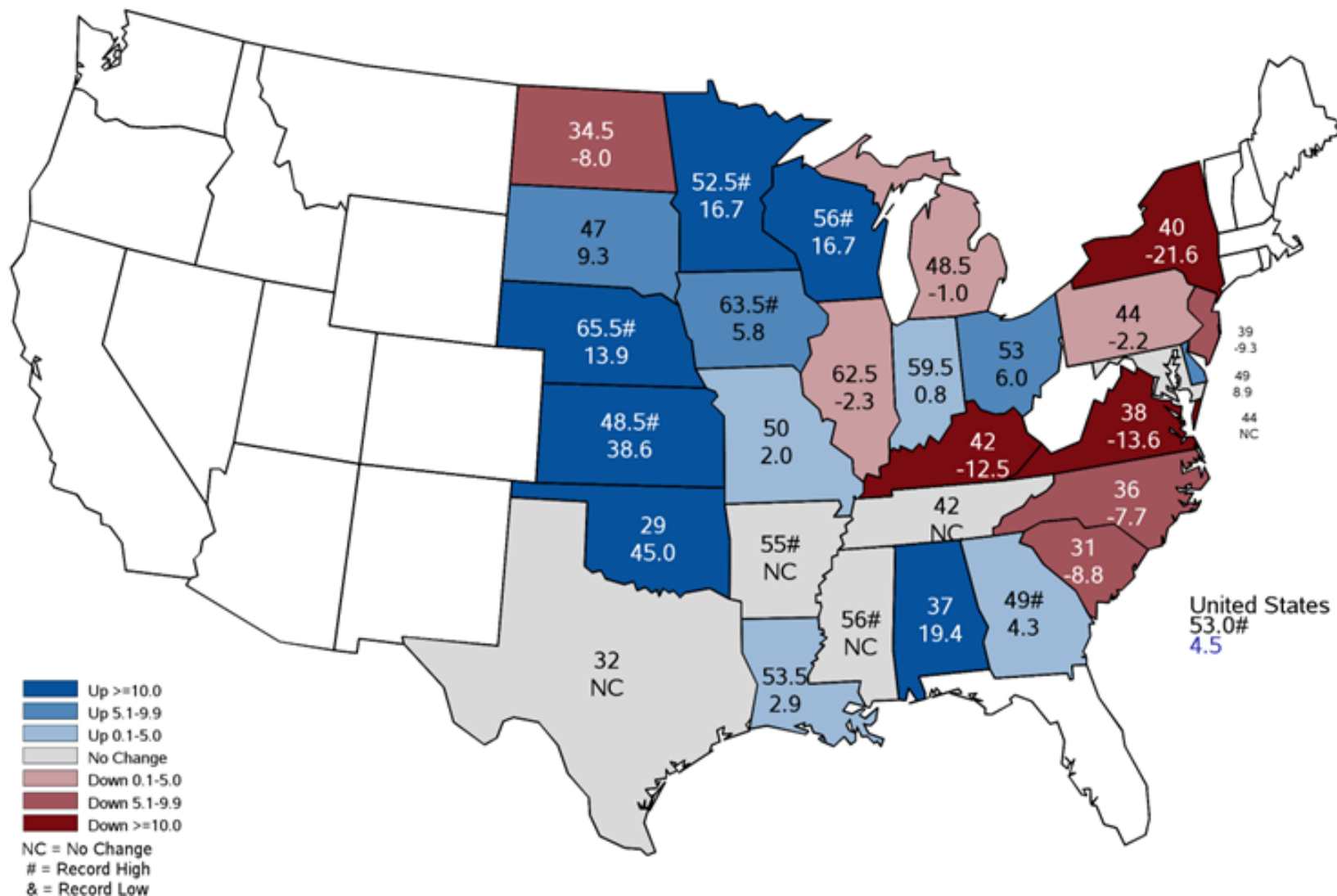
NC = No Change
= Record High
& = Record Low

United States
 186.5#
 4.0

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2025 Soybean Yield

Bushels and Percent Change from Previous Year

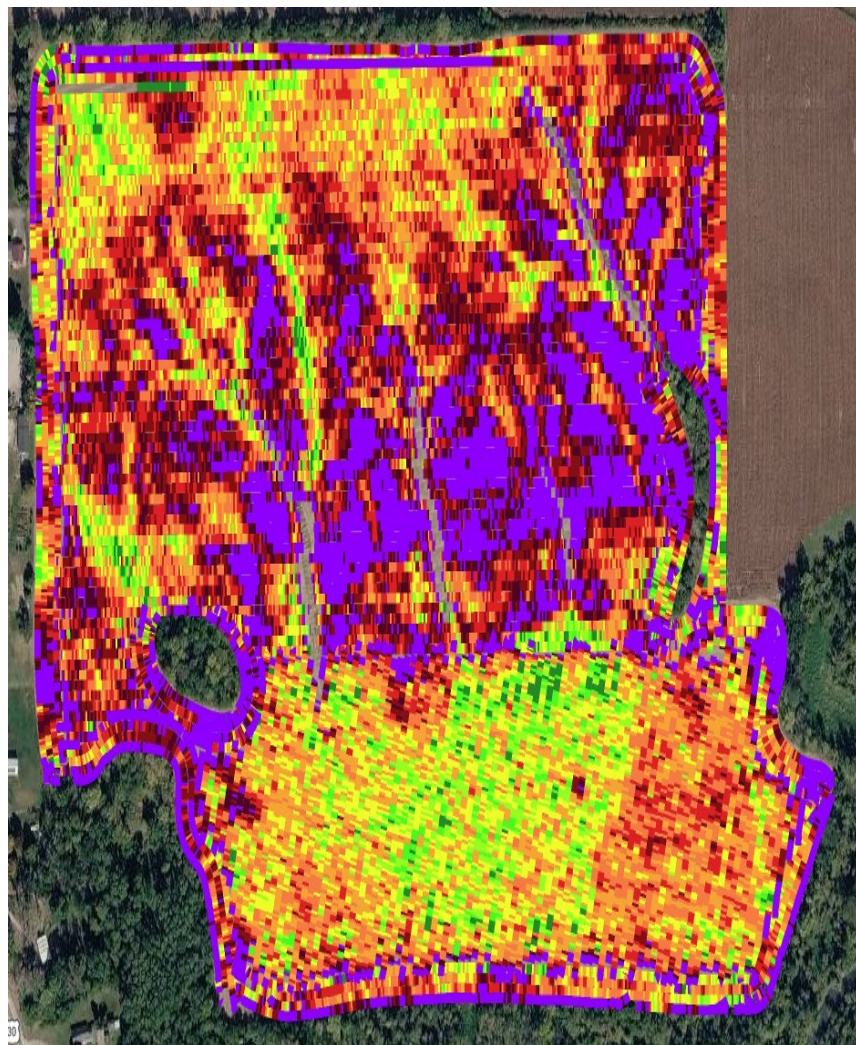


Source: USDA, January 2026

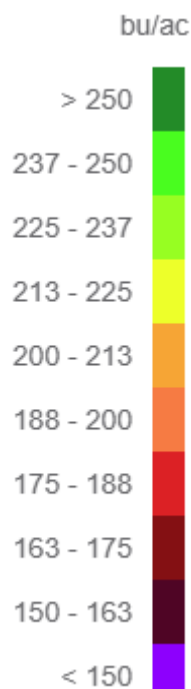
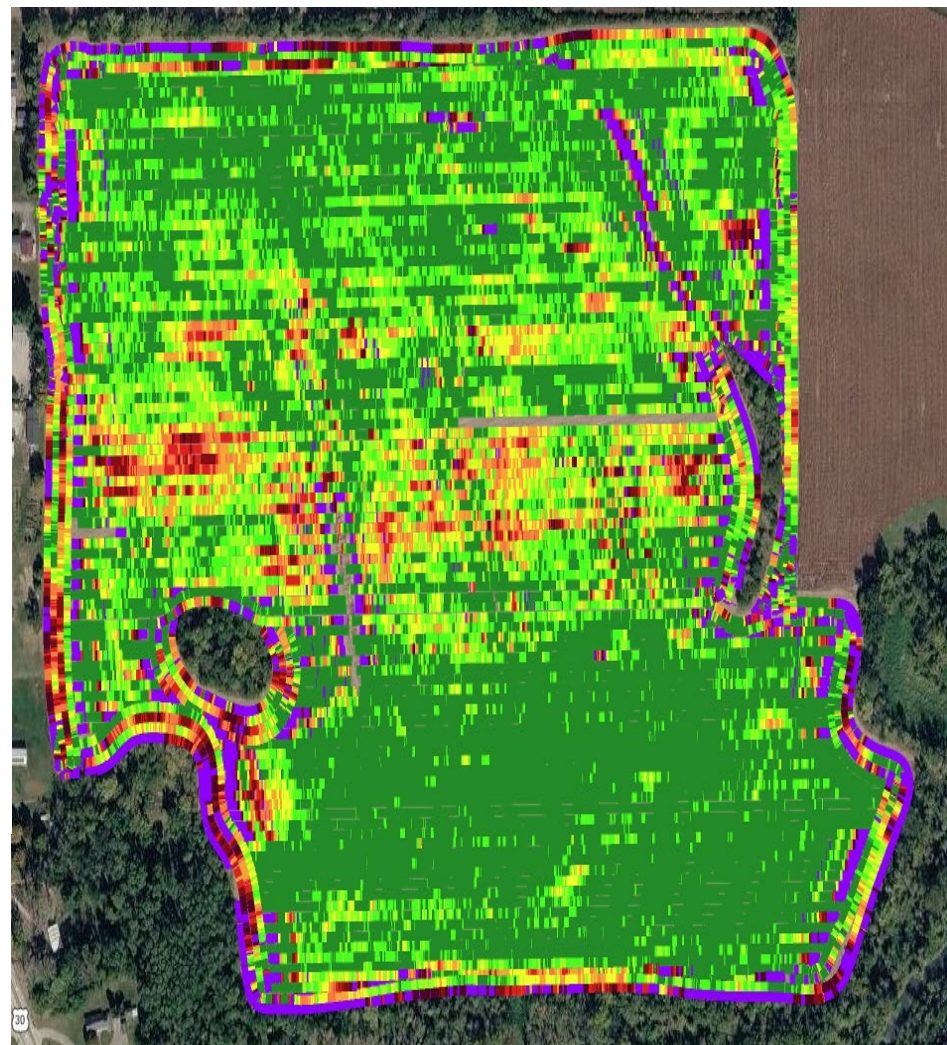
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Historical Yield Improvement Example

2013 – 180 bu avg



2022 – 240 bu avg





Midwest Farmland Values

WHAT'S DRIVING THE LAND MARKET?

-OTHER REVENUE SOURCES



Wind Energy Growth - 2020

23

WIND VISION

See the projected growth of the wind industry over the next 35 years.

Select a Year

2000 2010 2013 2020 2030 2050

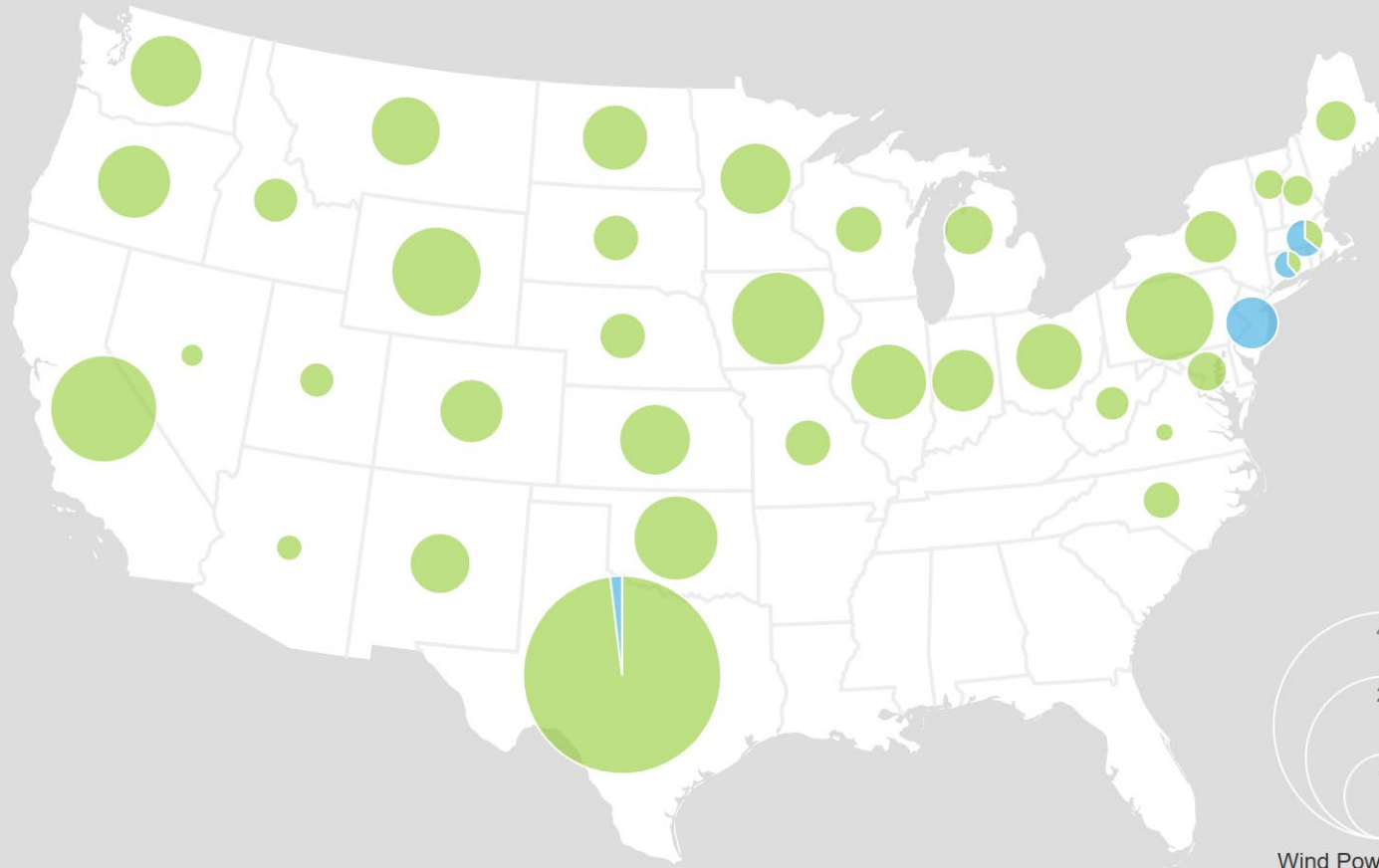


TOTAL WIND CAPACITY PROJECTED IN 2020

113.43 GW ACROSS 36 STATES

AN INCREASE OF 52.31 GW SINCE 2013

WIND POWER
TYPE



Wind Power Capacity
In Gigawatts (GW)



Source: U.S. Department of Energy

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Wind Energy Growth - 2030

24

WIND VISION

See the projected growth of the wind industry over the next 35 years.

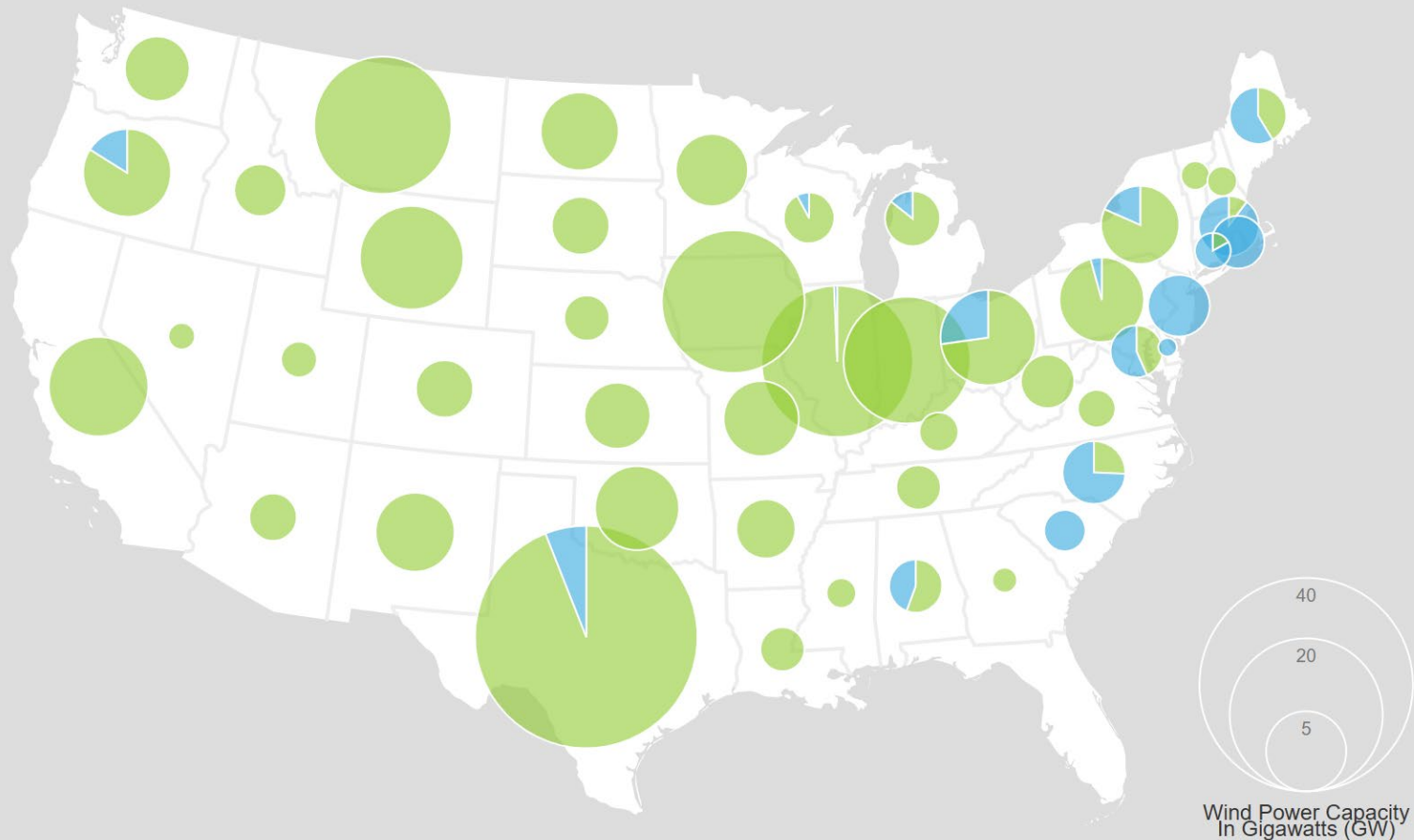
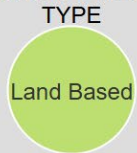
Select a Year

2000 2010 2013 2020 2030 2050



TOTAL WIND CAPACITY PROJECTED IN 2030
224.07 GW ACROSS 47 STATES
AN INCREASE OF 110.66 GW SINCE 2020

WIND POWER
TYPE



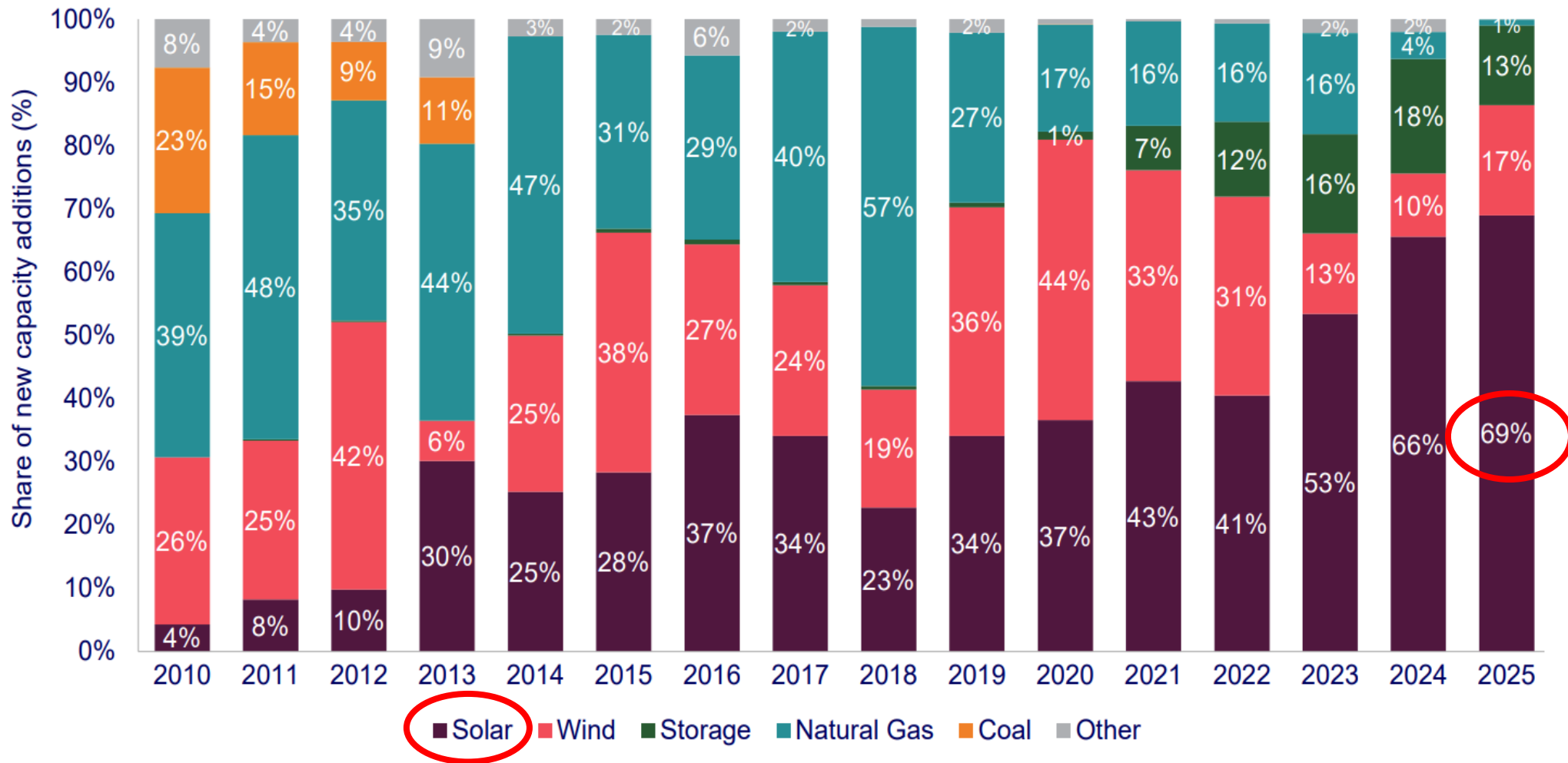
Source: U.S. Department of Energy

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New Electricity Production – All Sources ²⁵

New US electricity-generating capacity additions, 2010 – Q1 2025



Source: U.S. Energy Information Administration & Wood Mackenzie

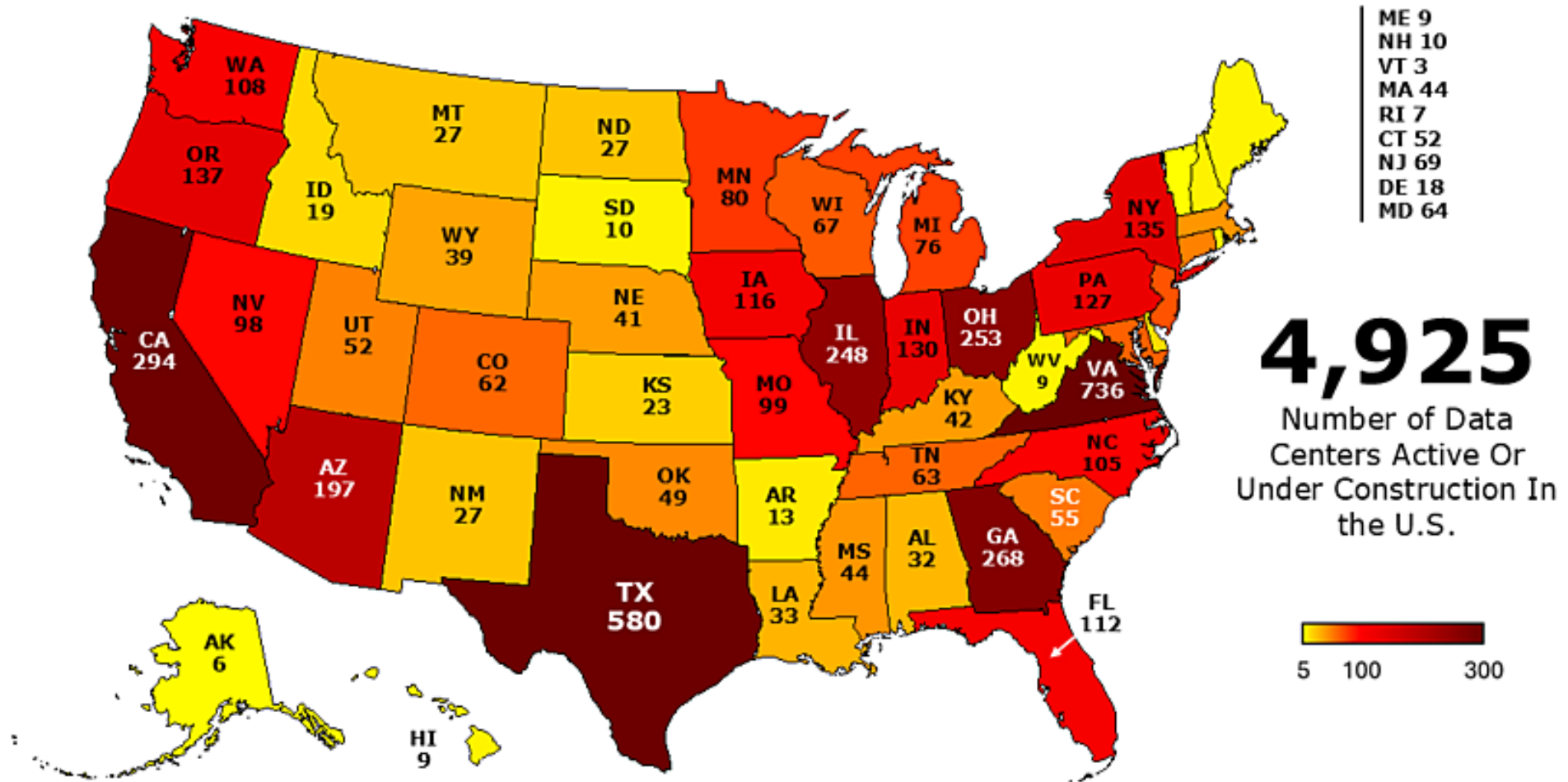
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The Growth of AI & Computing Power 26

Data Centers Across The U.S.

Number of Data Centers, Active and Under Construction



AFB American Farm Bureau Federation

Source: Data Center Map, Analysis by American Farm Bureau Federation



Source: AFBF, April 2026

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Data Centers & The Growth of AI

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Source: Goldman Sachs, July 2025

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Data Centers & The Growth of AI

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Spending as percentage of GDP, annual average

Louisiana Purchase (1803)

3.0%

Projected capital spending for Meta, Amazon, Microsoft and Alphabet in 2026

2.1%

U.S. railroads (1850-59)

2.0%

U.S. interstate highway system (1955-70)*

0.4%

Apollo space program (1960-73)

0.2%

*Federal highway spending

Sources: National Archives and Measuring Worth (Louisiana Purchase); the companies (Tech capital spending); Visible Alpha (projected Microsoft capital spending) Louis P. Cain (U.S. Railroads); Robert Gordon (U.S. interstate highway system); Planetary Society (Apollo); Wall Street Journal calculations (all ratios)



Source: Goldman Sachs, July 2025

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WHAT'S DRIVING THE LAND MARKET?

-INTEREST RATES

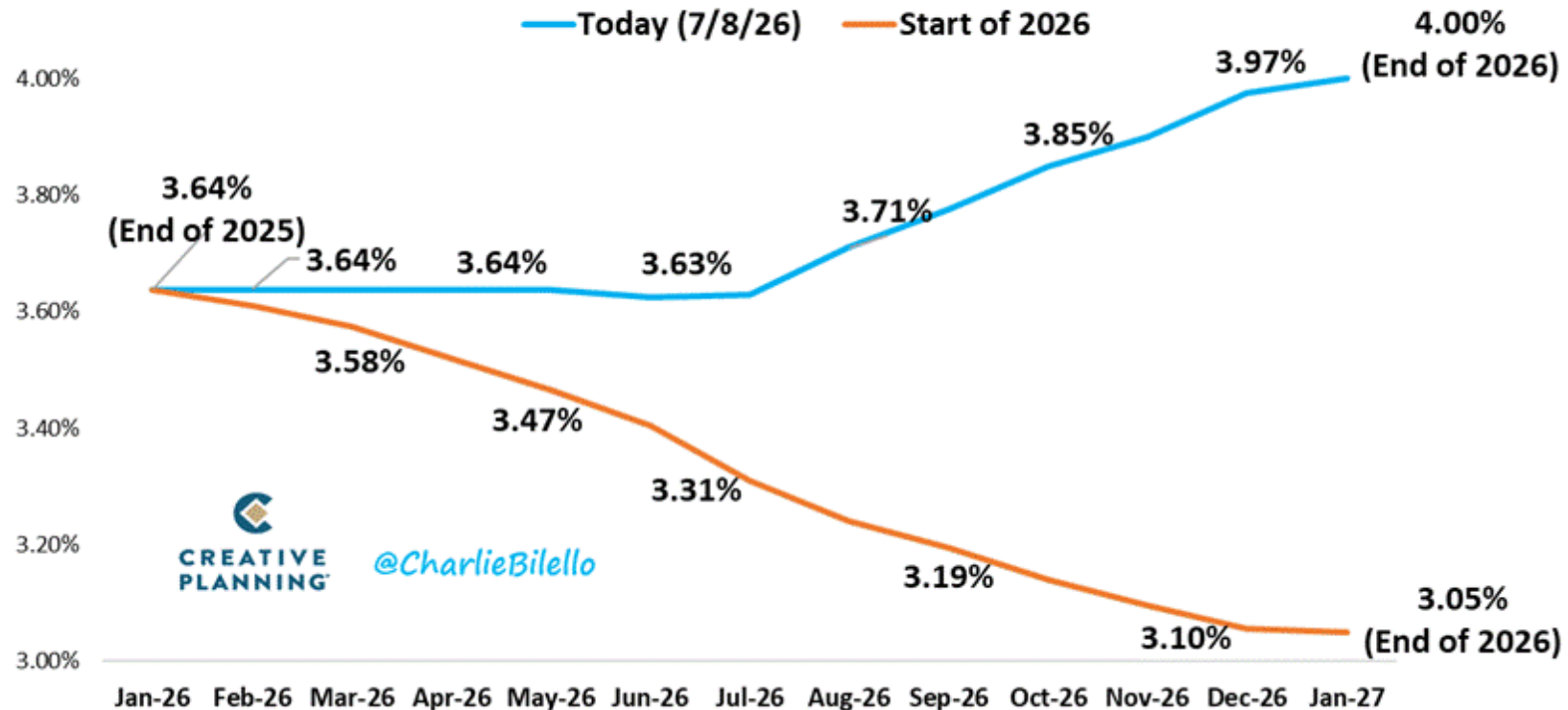


Interest Rates – Federal Funds Rate

30

Market Expectations for Fed Funds Rate

(Data via Fed Funds Futures, January 2026 - January 2027)



- Fed Funds Rate (Noun)** – the interest rate at which commercial banks borrow and lend their excess reserves overnight. This rate is set by the Federal Open Market Committee (FOMC, “the Fed”).
- Rate used to influence Monetary Policy... 12 Regional Fed Banks meet 8x annually.
 - Directly affects consumer loans and credit cards.
 - Currently 3.64%



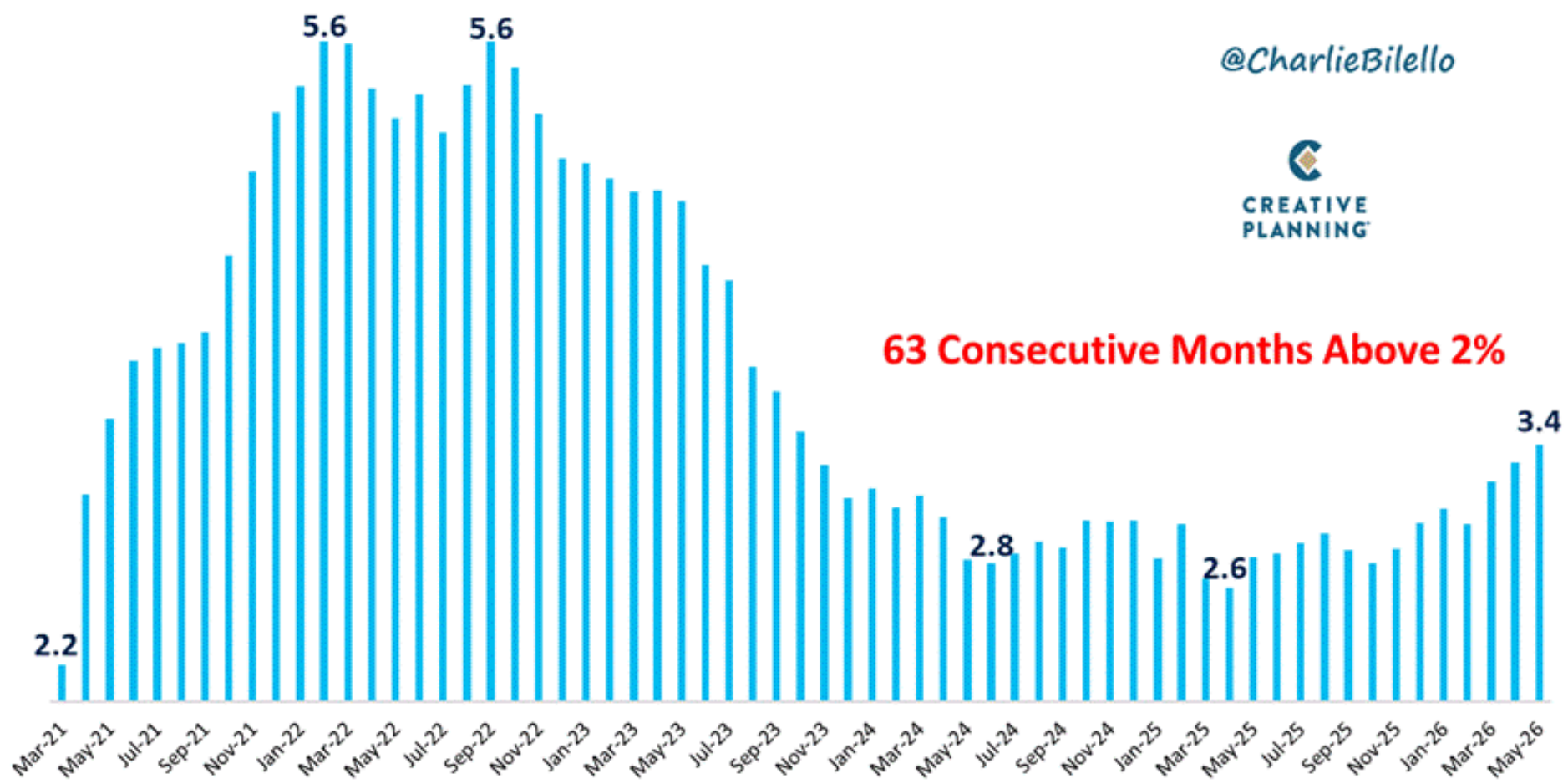
Source: Creative Planning, June 2026

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Lower Interest Rates? Not w/ higher Inflation...³¹

U.S. Core PCE Inflation Rate (YoY % Change)
Data via YCharts (March 2021 - May 2026)



@CharlieBilello



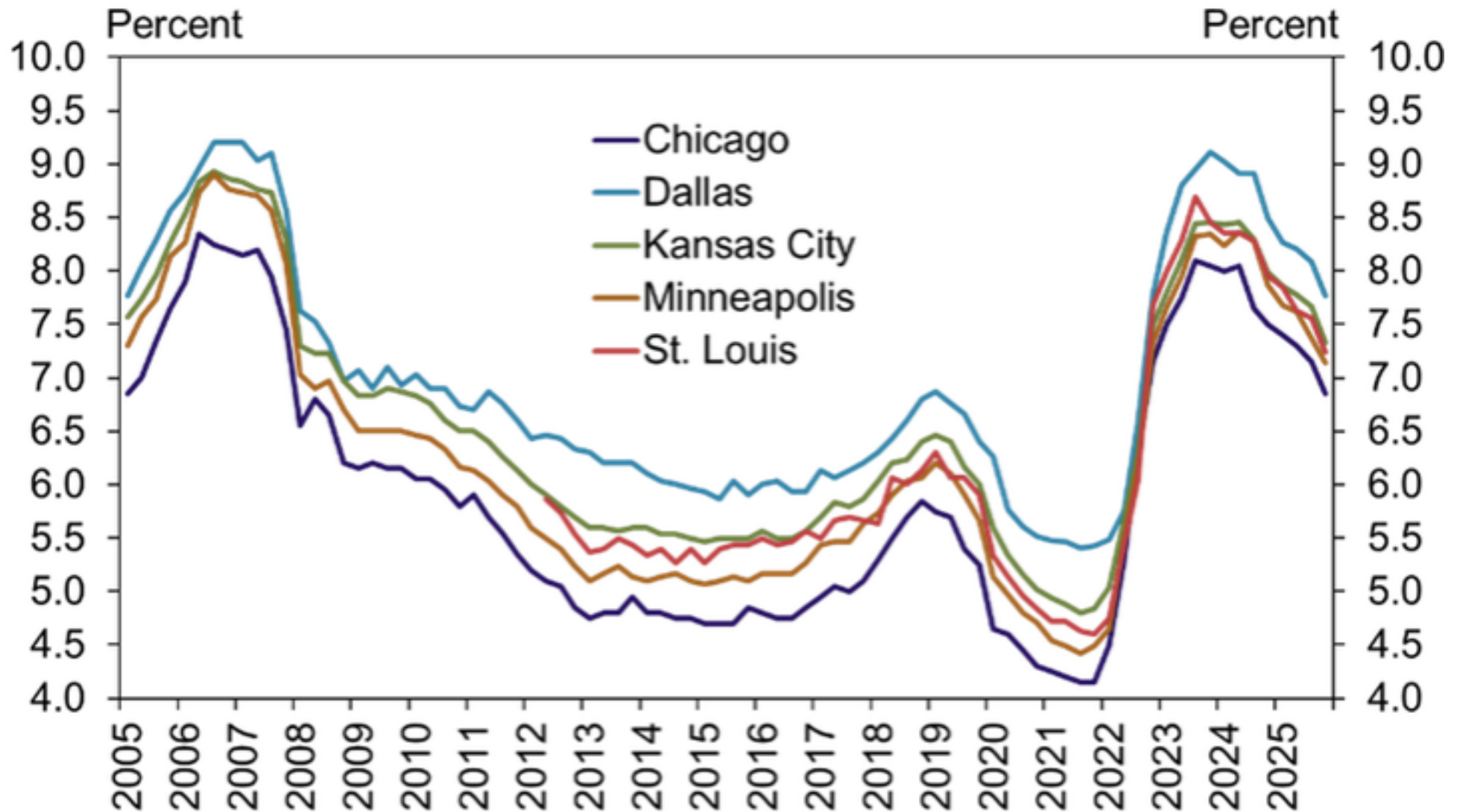
Source: Creative Planning, May 2026

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Ag Interest Rates... Long-Term

32



Source: KC Federal Reserve, March 2026

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Farm Mortgage Rates... Actual

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Here are a sample of interest rates offered by [REDACTED] as of 7/1/2026.

- 5-yr ARM, 30-yr Am at 5.87% to 6.37%
- 10-yr ARM, 30-yr Am at 5.98% to 6.48%
- 15-yr ARM, 30-yr Am at 6.18% to 6.58%

- 15-yr Fixed, 15-yr am at 5.98% to 6.48%
- 20-yr Fixed, 20-yr am at 6.15% to 6.65%
- 20-yr Fixed, 30-yr am at 6.36% to 6.86%
- 30-yr Fixed, 30-yr am at 6.52% to 7.02%

Rates are based on a good quality borrower with semi-annual payments.

These rates are only estimates and are subject to change daily.





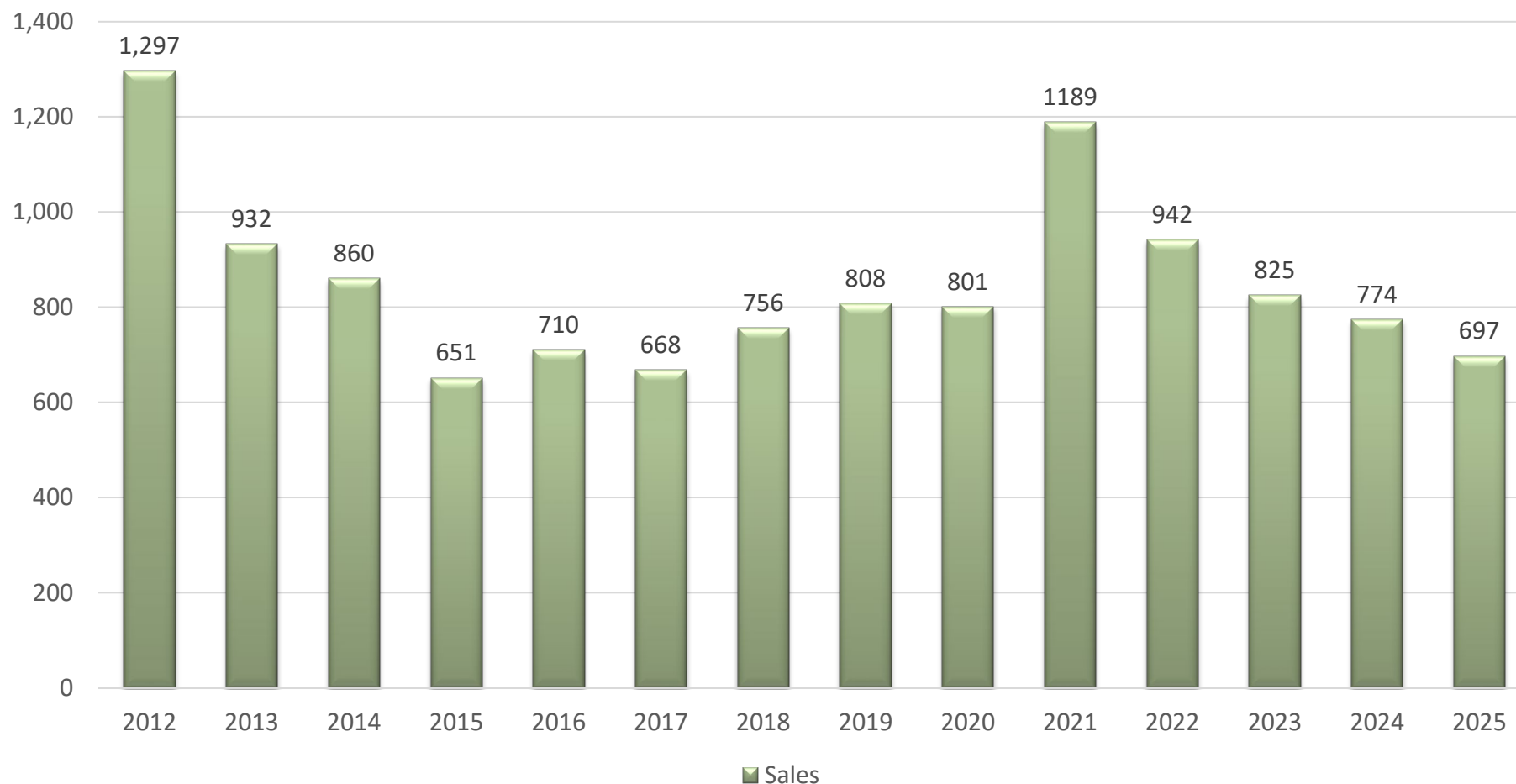
Midwest Farmland Values

WHAT'S DRIVING THE MARKET?

-SUPPLY OF LAND



Land Sale Volume – Iowa Farmland Market Sales



Source: Farm Credit Services of America

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WHAT'S DRIVING THE MARKET?

-LOCAL SALES & 1031 EXCHANGES





High-Quality Poweshiek County
Farm in Seed Corn Production!

AUCTION

Virtual Online-Only
Tuesday, June 16, 2026
10:00 a.m., CDT
bid.hertz.ag

146.27 Acres, m/l
Single Parcel
Poweshiek County, IA



KYLE HANSEN, ALC
Licensed Broker in IA, AZ, NE & MO
515.370.3446
KyleH@Hertz.ag

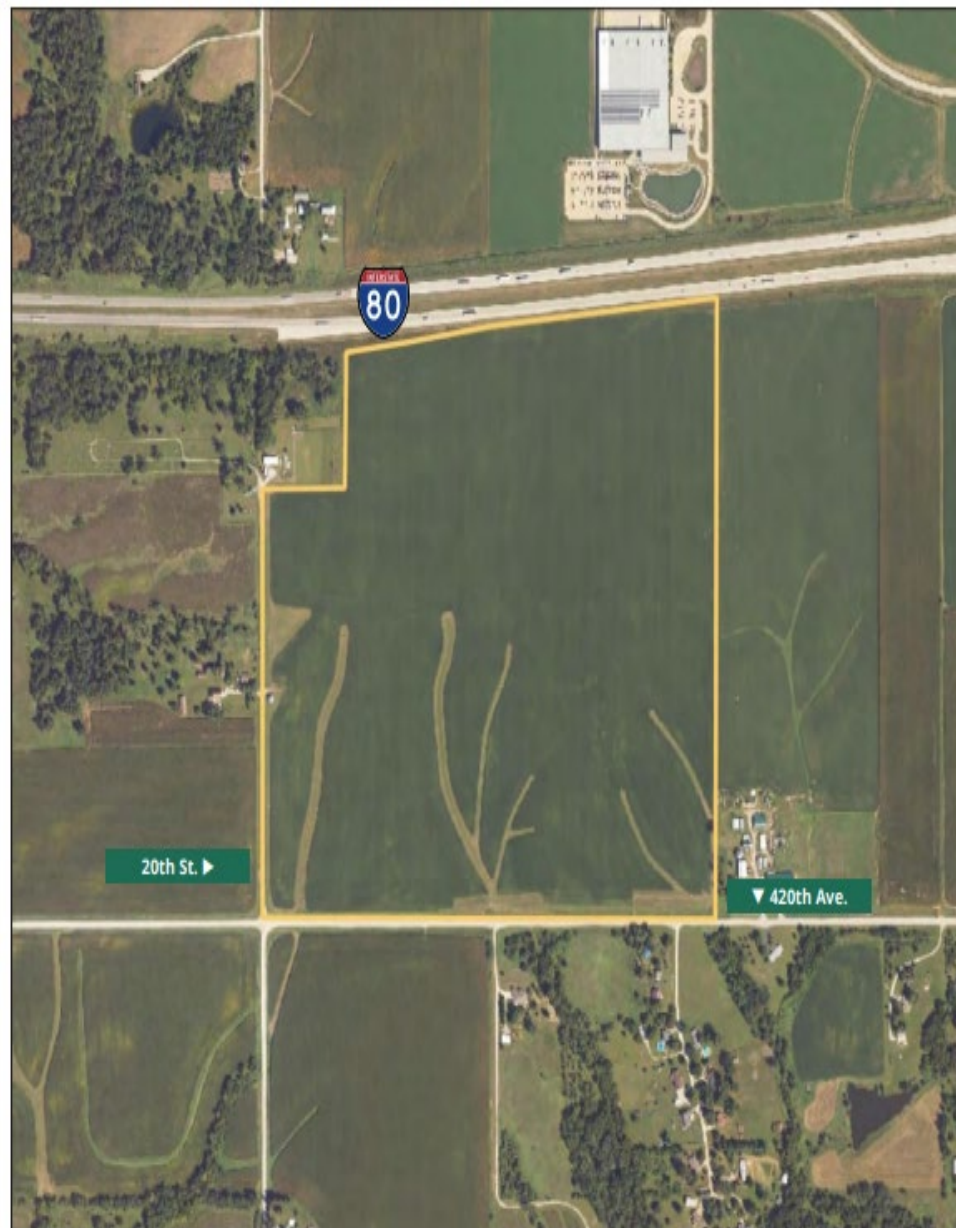


DICK PRINGNITZ, AFM
Licensed Salesperson in IA
515.382.7937
DickP@Hertz.ag

515.382.1500 | 415 S. 11th St., PO Box 500 | Nevada, IA 50201-0500 | www.Hertz.ag

000-4172-01

FSA/Eff. Crop Acres: 139.98 | Soil Productivity: 87.60 CSR2





High-Quality Farmland
& Acreage Site Near Slater

AUCTION

Virtual Online-Only
Thursday
April 2, 2026
10:00 a.m. CDT
bid.hertz.ag

98.05 Acres, m/l
2 Parcels
Story County, IA



MATT VEGTER, ALC
Licensed Salesperson in IA
515.290.7286
MattV@Hertz.ag

515.382.1500 | 415 S. 11th St., PO Box 500 | Nevada, IA 50201-0500 | www.Hertz.ag

000-4133

FSA/Eff. Crop Acres: 87.89 | Soil Productivity: 88.00 CSR2



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High-Quality Farmland on Highway 141

Estimated FSA/Eff. Crop Acres: 134.50 | Soil Productivity: 88.00 CSR2

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MATT VEGTER, ALC
Licensed Salesperson in IA
515.290.7286
MattV@Hertz.ag

515.382.1500 | 415 S. 11th St., PO Box 500
Nevada, IA 50201-0500 | www.Hertz.ag

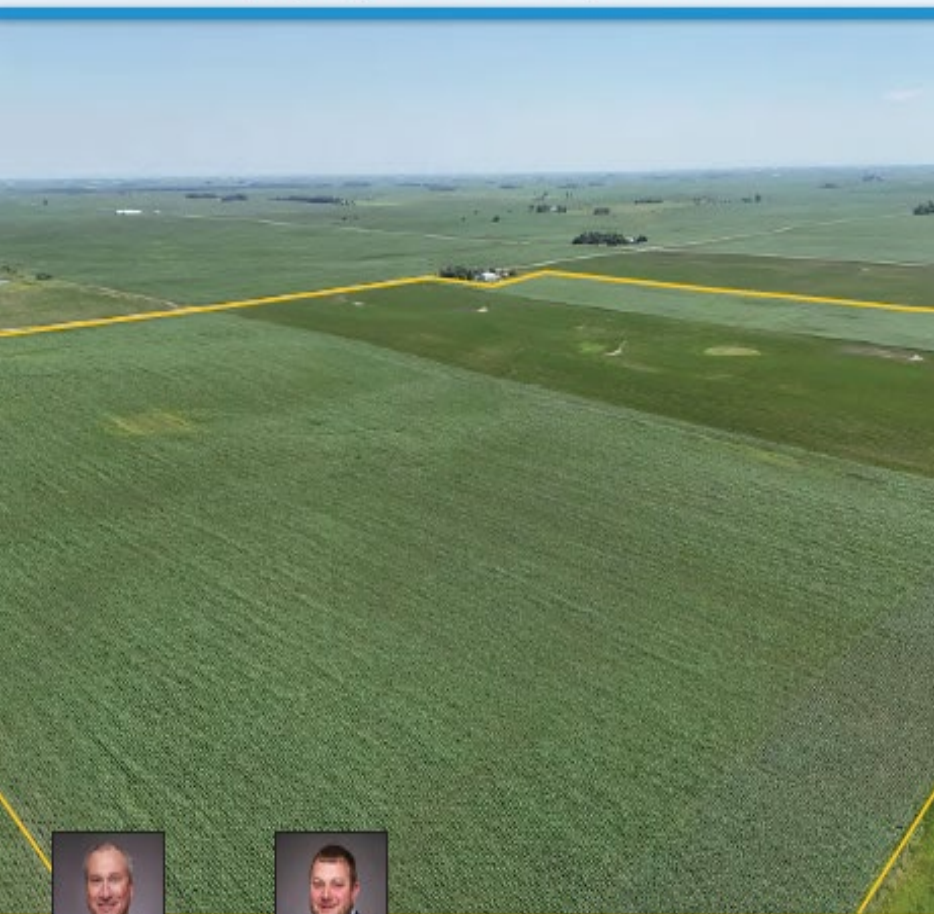
136.12 Acres, m/I
Dallas County, IA



High-Quality Pocahontas County Farmland

Est. FSA/Eff. Crop Acres: 156.00 | Soil Productivity: 85.40 CSR2

40



TOM CARLSON, AFM
Licensed Salesperson in IA
515.368.1395
TomC@Hertz.ag



MATT VEGTER, ALC
Licensed Salesperson in IA
515.290.7286
MattV@Hertz.ag

515.332.1406 | 1101 13th St. N., Ste. 2, PO Box 503
Humboldt, IA 50548-0503 | www.Hertz.ag

158.10 Acres, m/l
Pocahontas County, IA





ONE-CHANCE SEALED BID SALE



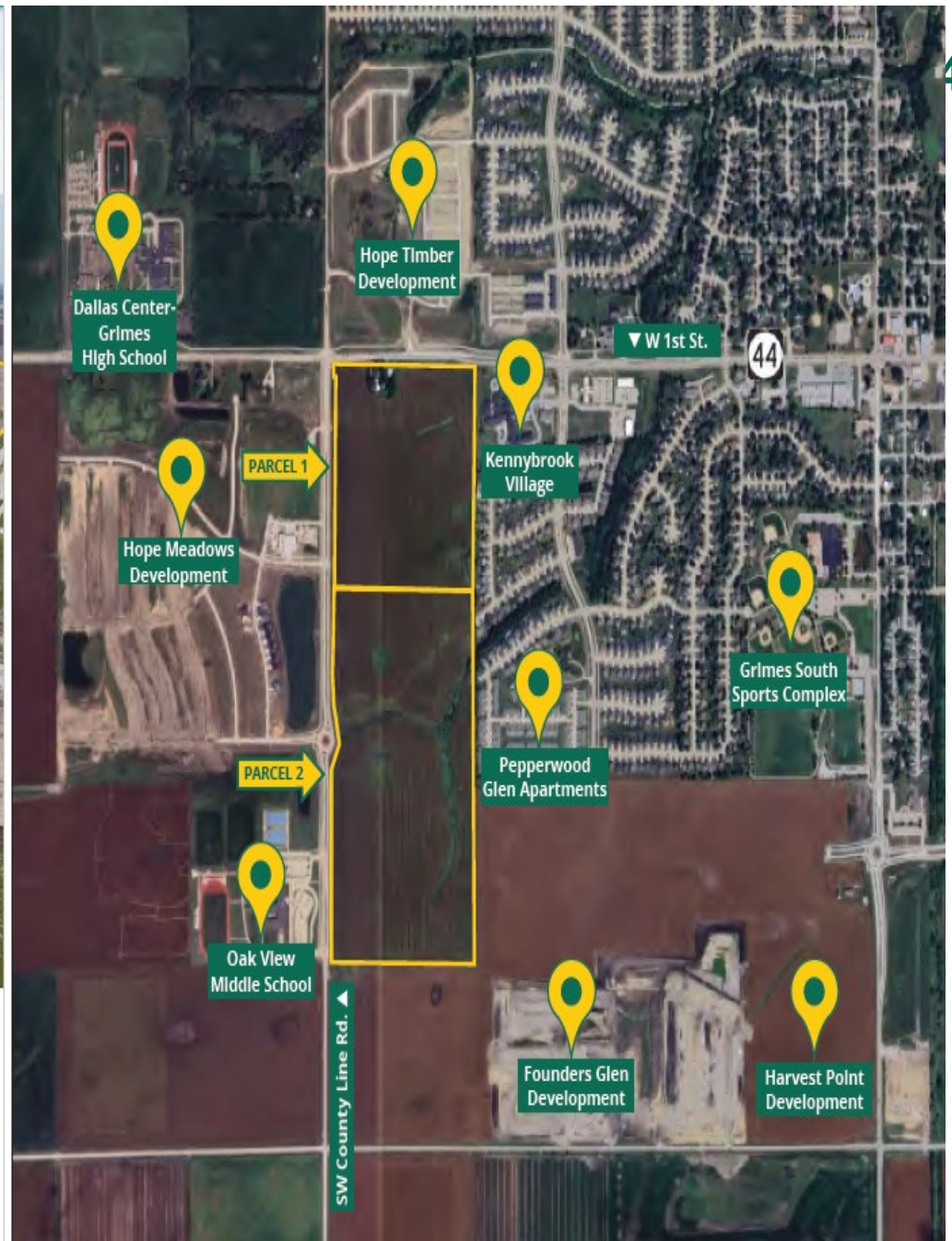
Broderick Family Farm



MATT VEGTER, ALC
Licensed Salesperson in IA
515.290.7286
MattV@Hertz.ag

Bid Deadline:
Thursday, July 23, 2026
12:00 Noon, CDT

139.98 Acres, m/l
2 Parcels
Polk County, IA



41



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ONE-CHANCE SEALED BID SALE



MATT VEGTER, ALC
Licensed Salesperson in IA
515.290.7286
MattV@Hertz.ag

Bid Deadline:
Friday, May 23, 2025
12:00 Noon, CDT

134.30 Acres, m/l
2 Parcels
Dallas County, IA



LOCATION MAP

Adams Township, Dallas County, IA

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Midwest Farmland Values

WHO BUYS & OWNS FARMLAND?



Who Are The Buyers – Illinois?

Farmland market participants (2025)

Participant category	Buyers	Sellers
Farmers	61%	10%
Local investors	17%	11%
Non-local investors	10%	7%
Institutions	10%	4%
Estate sales	0%	67%
Other	2%	1%

SOURCE: ILLINOIS SOCIETY OF PROFESSIONAL FARM MANAGERS AND RURAL APPRAISERS MID-YEAR SURVEY, 2025



Source: ISPFMRA, Q3 2025

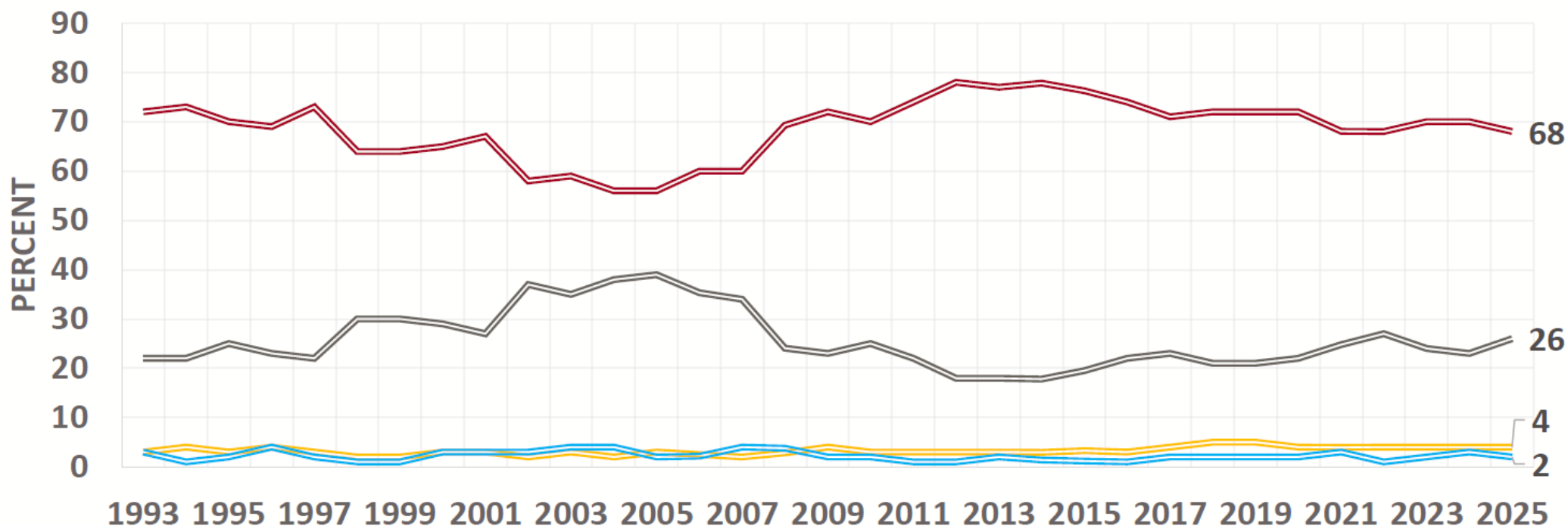
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Who Are The Buyers – Iowa?

Iowa Farmland Purchases by Buyer Types 1993–2025

Existing Farmers Investors New Farmers Other



Source: ISU Land Values Survey, December 2025

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Buyer's Of Last 25 Farms – Funding Source

- 1031 Exchange Funds
- Developer
- Developer
- Owns a business
- Owns a business
- Banking Career
- Farming Income
- Owns a business
- 1031 Exchange Funds
- 1031 Exchange Funds
- Farming Income & Off Farm Job
- Owns a business
- 1031 Exchange Funds
- Medical Career
- Owns a business
- Farming Income
- 1031 Exchange Funds
- Farming Income
- 1031 Exchange Funds
- 1031 Exchange Funds
- Beginning Farmer Loan
- Farming Income
- Farming Income
- Business Career
- 1031 Exchange Funds



84%

Source: ISU Land Values Survey, December 2023

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Farmland: Financial Performance 1991-2025

Asset Return Characteristics

Asset/Index	Annual Ave. Return	Standard Deviation	Coefficient of Variation	US Ag 32 States Correlation	Minimum Return	Maximum Return
----- 1991 - 2025 -----						
US Ag 32 States	8.8%	4.0%	0.45	1.00	-1.0%	20.7%
NCREIF Total Farmland	10.0%	6.7%	0.67	0.73	-1.0%	33.9%
Illinois	9.4%	6.0%	0.64	0.86	-0.3%	28.8%
Indiana	8.9%	5.5%	0.61	0.70	-3.1%	21.2%
Iowa	11.0%	7.9%	0.72	0.70	-5.3%	28.9%
Minnesota	10.8%	6.3%	0.58	0.79	-1.6%	25.3%
Nebraska	11.4%	8.6%	0.75	0.61	-3.3%	37.4%
Dow Jones	8.3%	13.8%	1.66	-0.11	-41.3%	28.9%
Composite REITS	9.3%	18.1%	1.94	-0.12	-47.5%	33.7%
AAA	5.5%	1.6%	0.30	0.18	2.5%	8.8%
TCM10Y	4.1%	1.8%	0.43	0.24	0.9%	7.9%
TCM30Y	4.7%	1.7%	0.35	0.19	1.6%	8.1%
Mort30F	5.9%	1.7%	0.29	0.25	3.0%	9.2%
Gold	6.9%	15.5%	2.23	-0.04	-32.2%	48.2%
PPI	2.3%	4.7%	2.09	0.16	-7.1%	18.5%
CPI	2.5%	1.3%	0.52	0.25	0.0%	6.9%

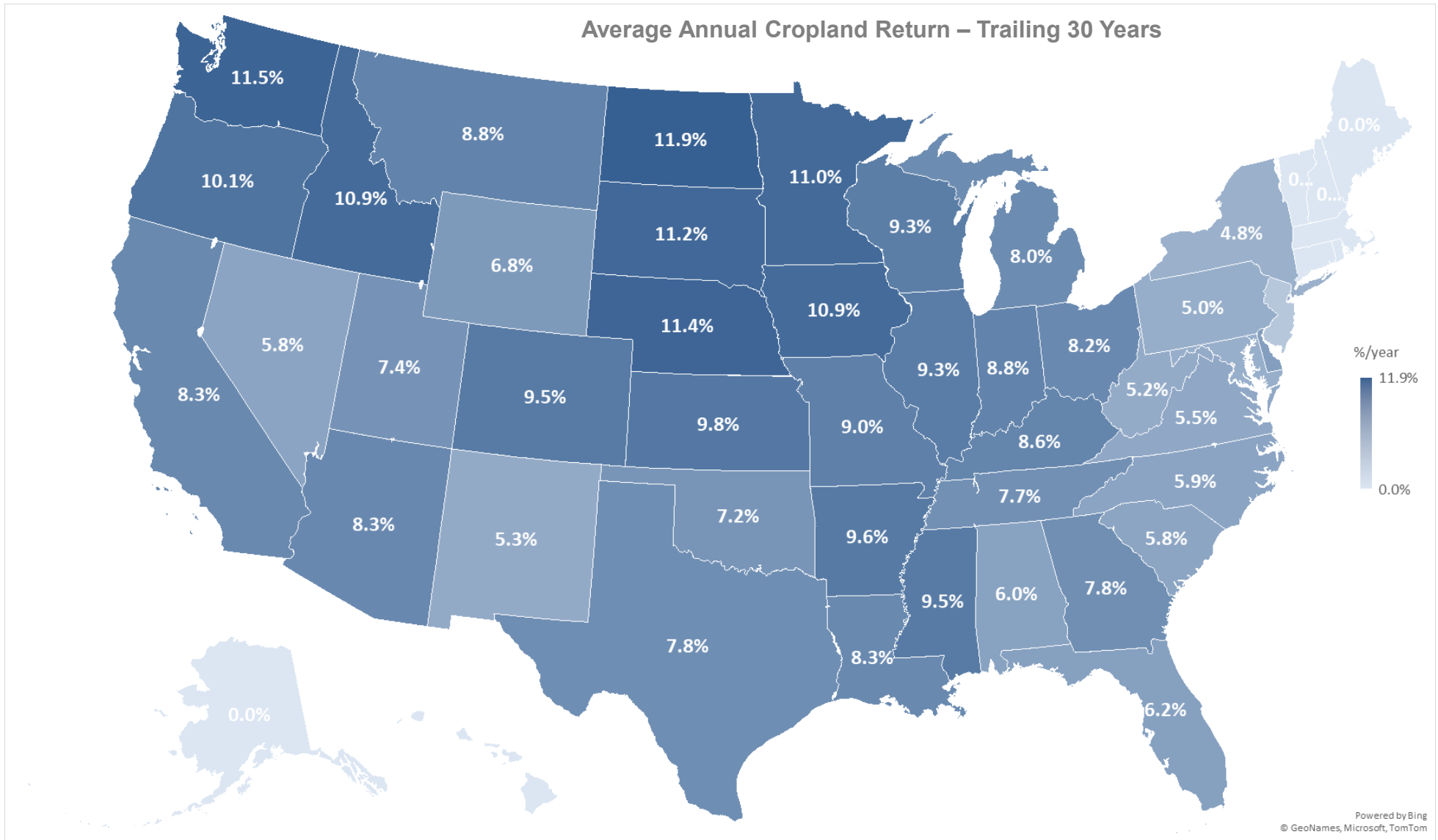


Source: University of Illinois, TIAA Center for Farmland Research

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Farmland: Financial Performance 1995-2025



Source: University of Illinois TIAA Center for Farmland Research & USDA

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Farmland: Financial Performance

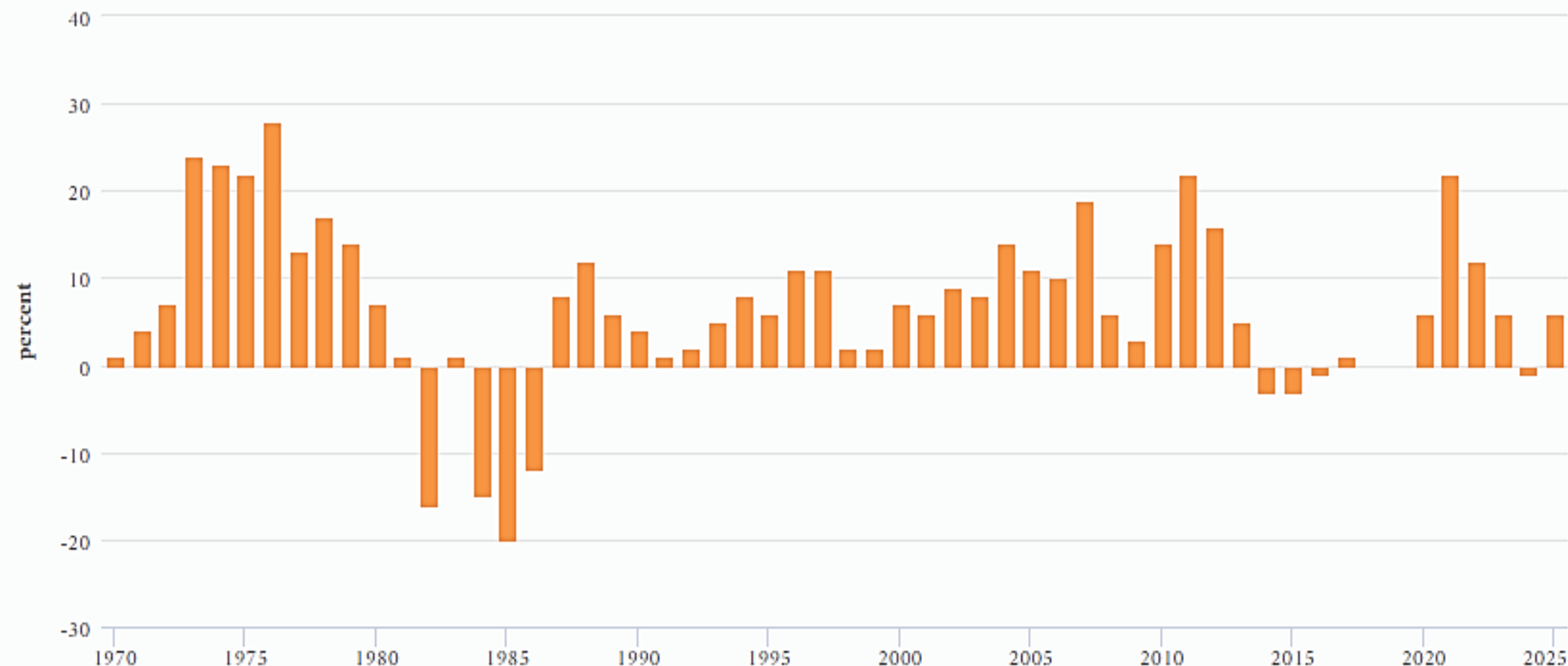
50

Annual Changes in Farmland Values in the Seventh District



5y 10y 20y YTD All

Jan 1, 1970 → Jan 1, 2025



Source: Chicago Fed, January 2026

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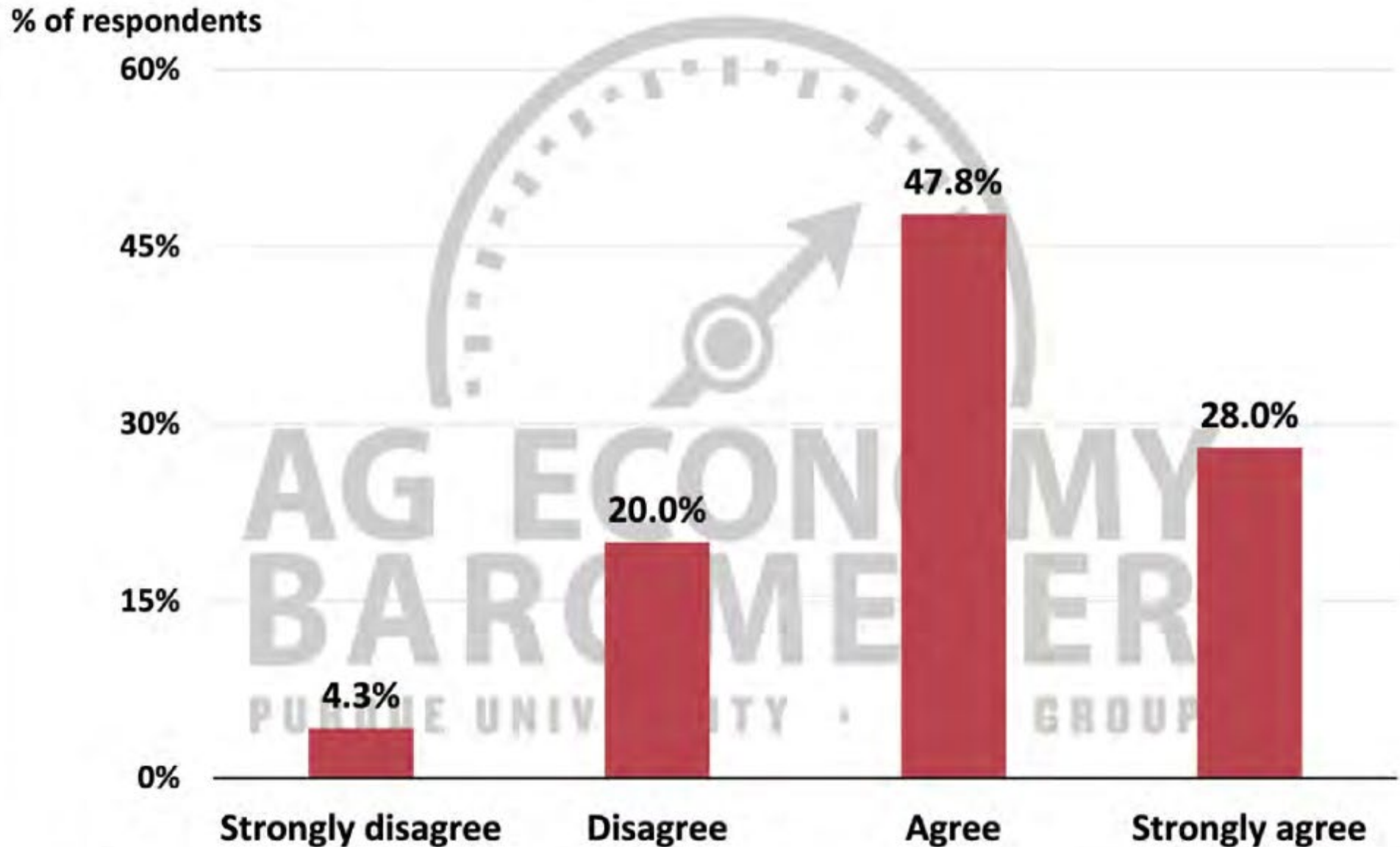
Midwest Farmland Values

WHAT TO EXPECT IN THE NEAR FUTURE?



How strongly do you agree with the following statement? We have a strong balance sheet.

52



Source: Purdue Ag Economy Barometer, January 2026

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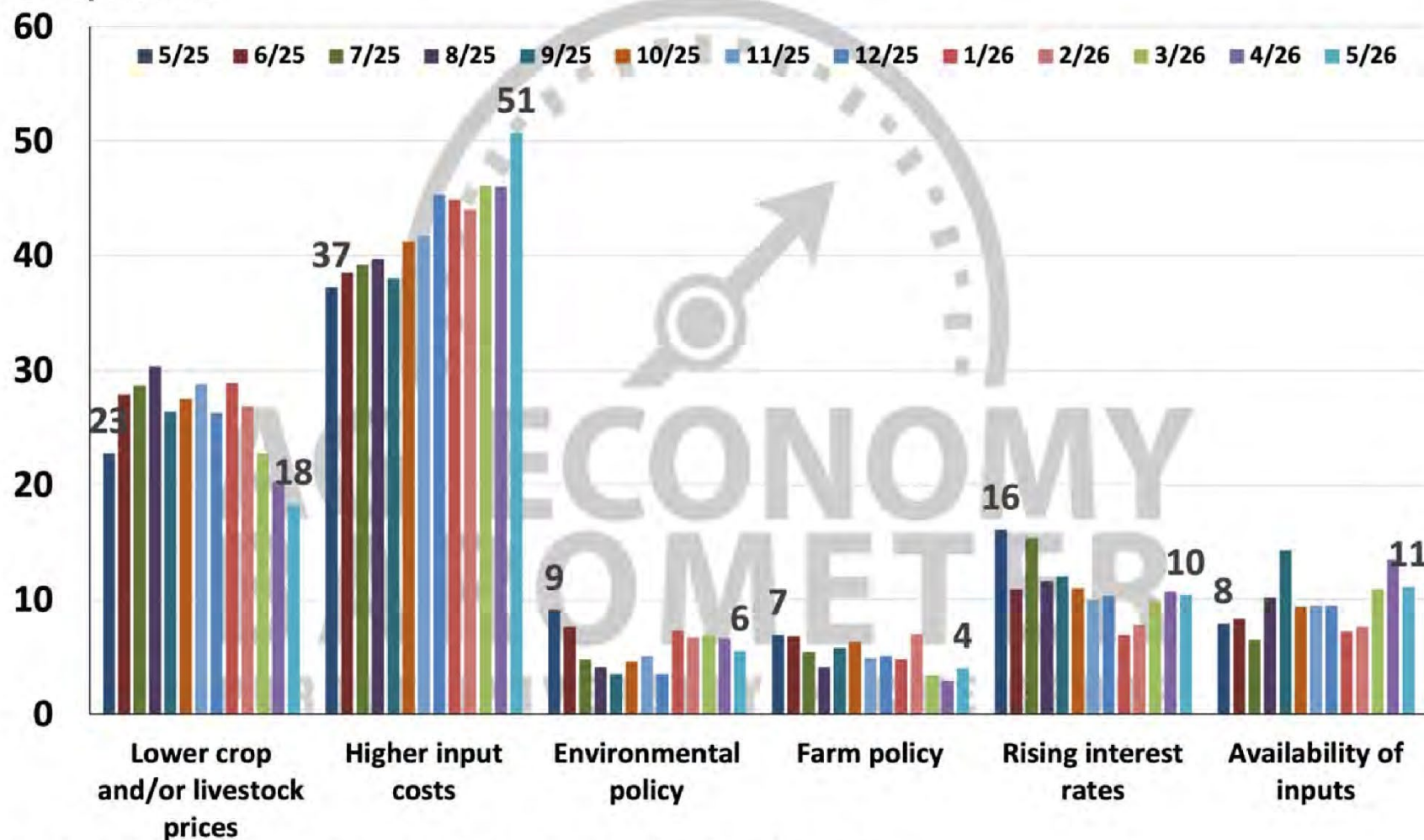


But Farmer Do Have Concerns...

53

Looking ahead to next year what are your biggest concerns for your farming operation?

% of respondents

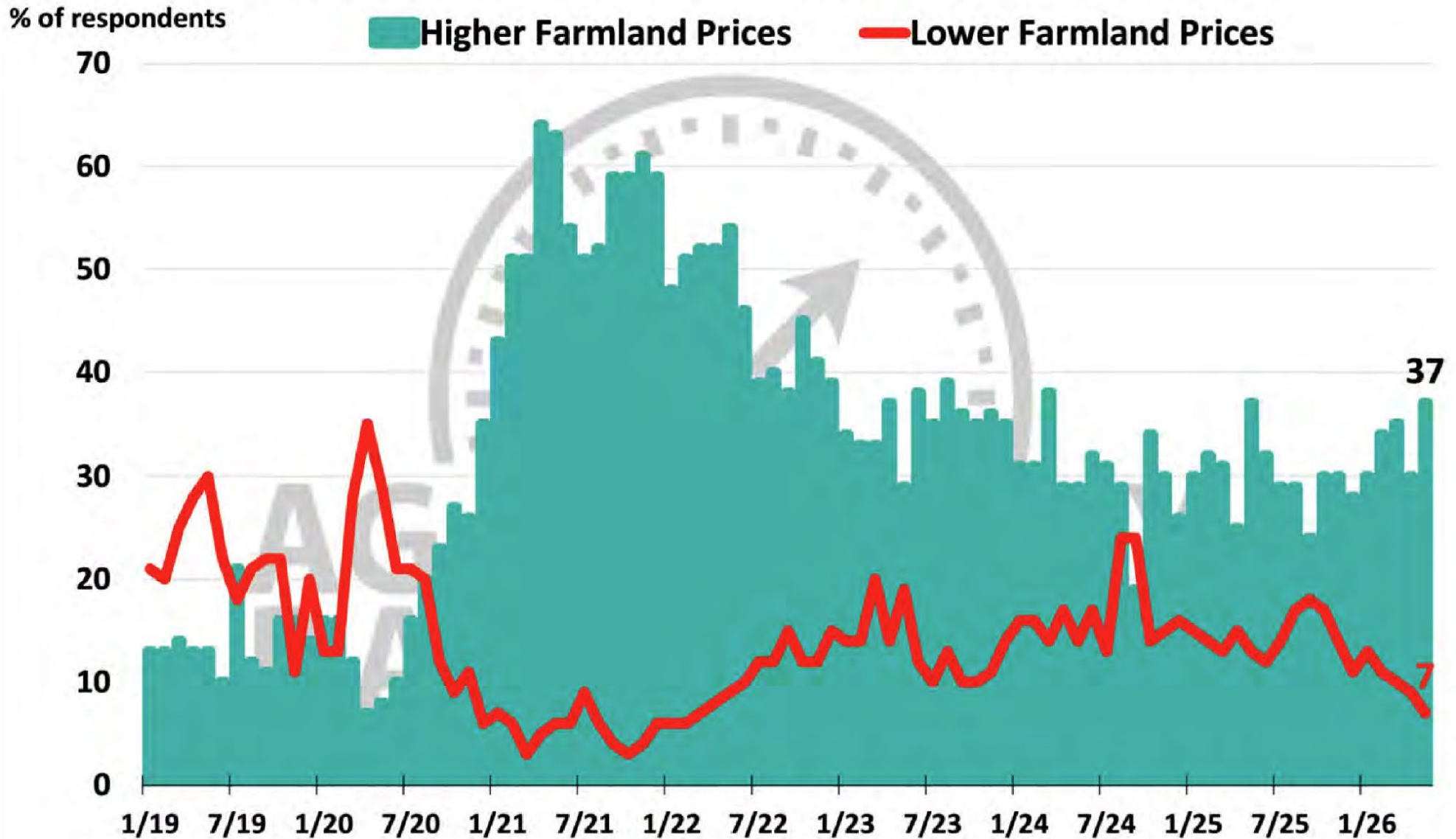


Source: Purdue Ag Economy Barometer, May 2026

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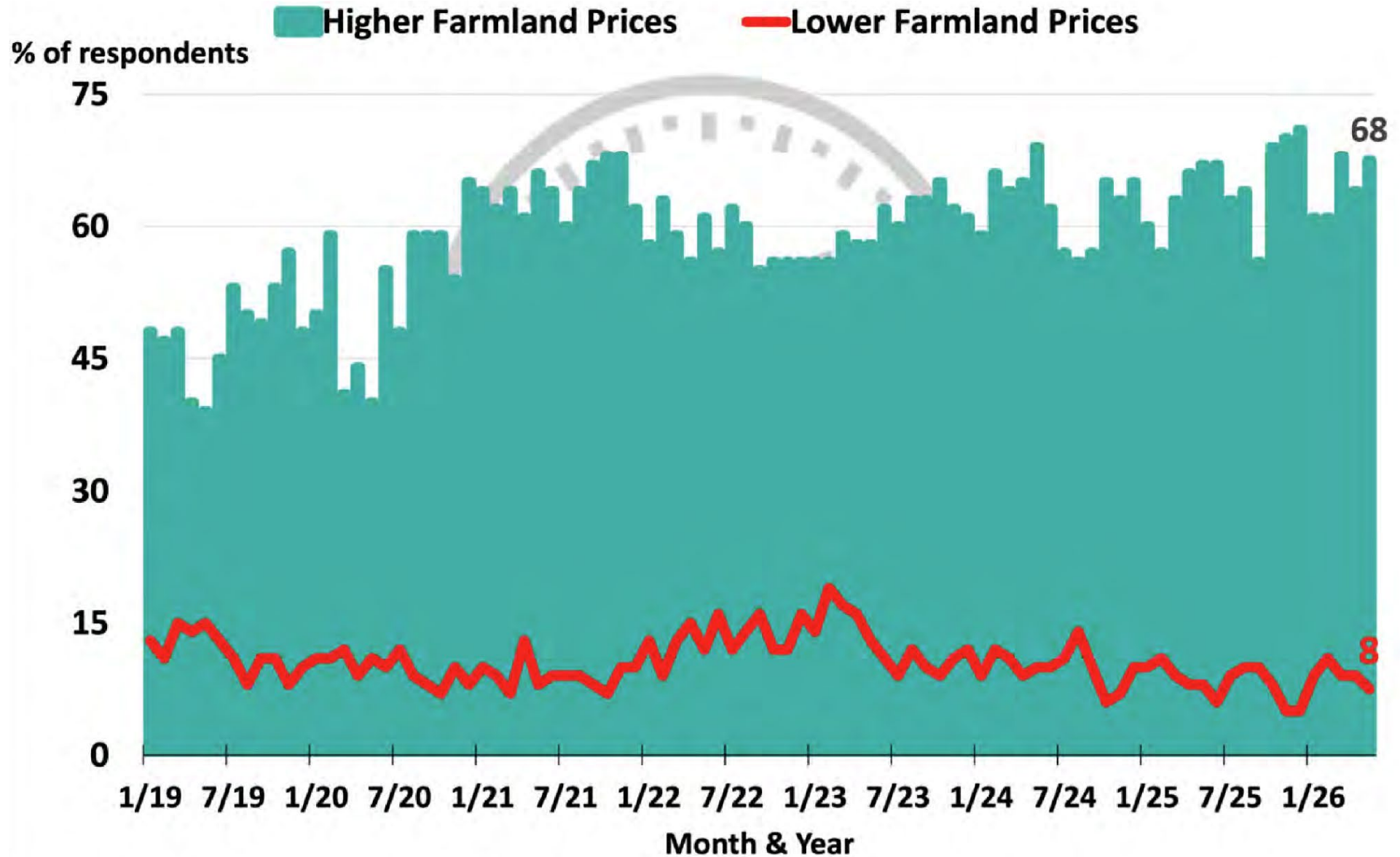
12-Month Expectations for Farmland



Source: Purdue Ag Economy Barometer, May 2026

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5-Year Expectations for Farmland



Source: Purdue Ag Economy Barometer, May 2026

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What to watch in the coming months...⁵⁶

- **Commodity Prices**
 - What happens in remainder of 2026?
- **Interest Rates & Inflation**
 - New Fed Chair – will Trump get the lower rates he wants?
 - Inflation – can the economy settle down without higher rates?
- **Land Sales Volume**
 - Will Supply Grow in Q3 & Q4 2026?
 - Demand is down from '21-'24, but supply was down comparatively more, thereby maintaining price levels.
 - May become “localized” issue.
- **Farmland Sale-Leasebacks**
 - Recapitalizing Balance Sheets for the 25%?



What to watch in the coming months...⁵⁷

- **Farm Policy Under Trump**
 - “Skinny” Farm Bill in 2026 for CRP, E-15, & other typical farm policies?
 - Crop Insurance protected!
- **Tax Policy Under Trump**
 - The Big Beautiful Bill... implemented!
 - Keep eyes open for new “wealth tax” in various States
- **Tariffs, Trade under Trump**
 - China. Mexico. Canada. New Biz?
 - Ad-Hoc \$\$ Support continue to bridge the gap?





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