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## 2025 Summer Update



Welcome to the 2025 Summer Edition of the Cherokee State Bank Farm Management Newsletter! Nestled in the heart of northwest Iowa, our community is deeply rooted in a proud agricultural tradition that drives both our economy and our way of life. In this edition, we're excited to bring you the latest insights, from weather trends and market updates to a peak inside Iowa State University Extension & Outreach's 2025 Cash Rental Rates for Iowa Survey. We will also dive into the value a Farm Manager can bring. Whether you're a seasoned farmer, landowner, or just passionate about agriculture, we're here to provide you with the information and resources you need to navigate and succeed in this ever-evolving world of agriculture.



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Vice President – Farm  
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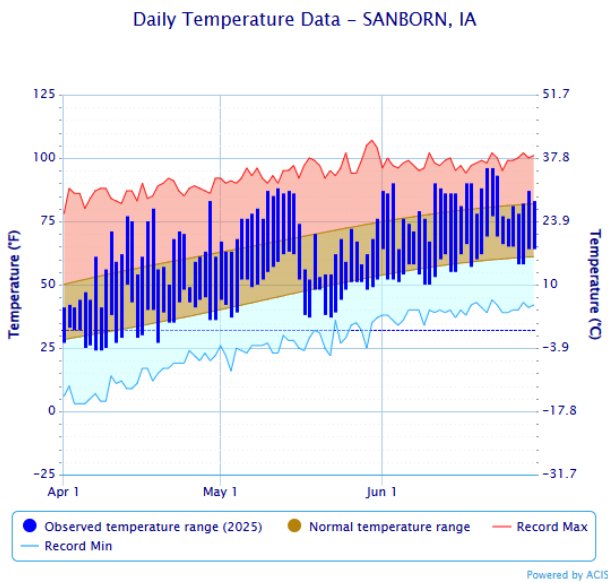
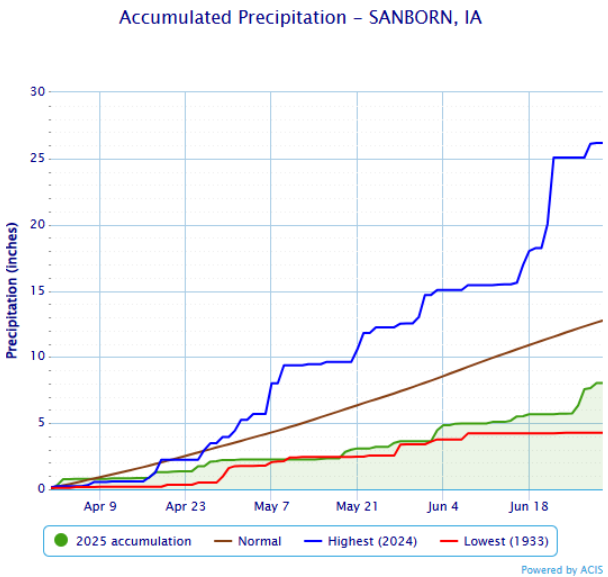
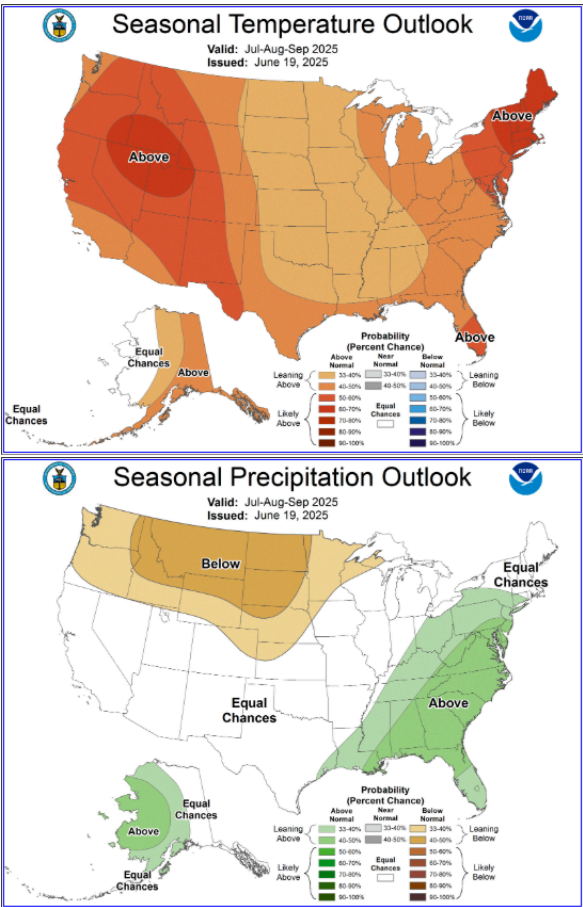
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# Weather

As of June 30, 2025, Northwest Iowa has experienced below-normal precipitation levels through the early portion of the growing season. After a slow start to the year, accumulated precipitation increased only gradually through April and May, reflecting a prolonged dry spell compared to historical averages. However, recent rainfall brought approximately five inches during June alone, pushing the seasonal total to around eight inches. While still below normal, the timing and totals provided favorable conditions for planting and early crop development.

Temperatures from April through June held mostly moderate to warm, allowing those early planting windows. Daytime highs and lows were variable, with notably wide temperature swings in mid-April, surprisingly supporting soil temperatures around 50 degrees. This was soon followed by a cold front at the end of April, slowing planting progress. A burst of heat in early May produced promising corn germination but was tempered by cooler conditions through the end of May, leading to slower and more variable soybean emergence. By June, temperatures had stabilized, contributing to an accumulation of roughly 1,100 Growing Degree Units (GDUs) since April 15, closely aligning with historical averages.

Looking ahead, the seasonal outlook continues to lean toward above-normal temperatures and below-normal precipitation across Iowa. These conditions may present challenges for maintaining soil moisture as the growing season advances.



# Markets

## USDA June 30, 2025

Every year on the last business day of June, the USDA releases its Acreage, Grain Stocks, and Crop Progress reports. In the agriculture world, this is widely regarded as one of the most important reporting days of the year. These reports include updates on total planted acres, grain stocks plus their storage locations, and crop progress estimates. Historically, the information can trigger major market moves; however, the 2025 releases were largely uneventful and offered few surprises.

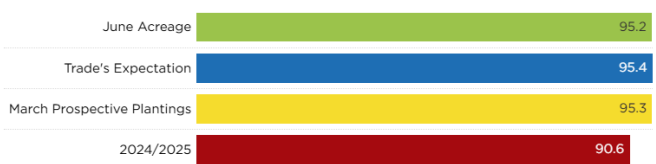
The Acreage report, released at 12:00 p.m. ET, showed little change from the March 2025 Prospective Plantings report. Corn acres heading into 2025 were already expected to be up by roughly 5 million acres, and those projections held steady. Compared to March figures and trade expectations, corn acreage came in virtually unchanged with just a 0.2% shortfall. Year-over-year, planted corn acres are up 5%, or 4.61 million acres, representing the third-highest corn acreage in the U.S. since 1944. Soybean acres, down 3.6 million from 2024, aligned with the expected shift into corn signaled earlier this spring. Like corn, soybean acres were also virtually unchanged from the March report, with a 0.2% shortfall. Wheat acres were down 1% from 2024, as anticipated, and were up 0.02% from the March estimate. Total planted acres across all crops increased by 0.3 million from last year, bringing the 2025 estimate to 224.1 million acres.

### 2025/2026 Planted Soybeans (Million Acres)



Sources: USDA 2025 Acreage Report, USDA 2025 Prospective Plantings Report, Reuters  
Chart: Mariah Squire

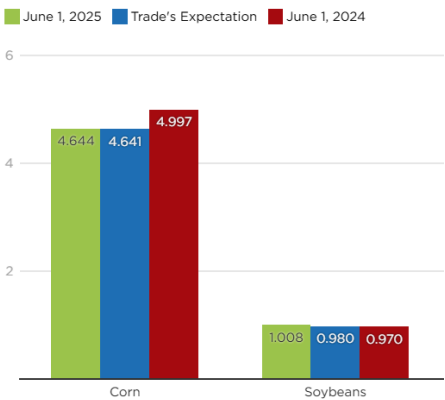
### 2025/2026 Planted Corn (Million Acres)



Sources: USDA 2025 Acreage Report , USDA 2025 Prospective Plantings Report, Reuters  
Chart: Mariah Squire

The Grain Stocks report, also released at 12:00 p.m. ET, came close to trade expectations, with all three major crops slightly above anticipated levels. Corn stocks in all positions totaled 4.64 billion bushels, down 7% from last year. Of those, 2.56 billion bushels (55%) are still stored on farms, down 16% from 2024. Soybean stocks totaled 1.01 billion bushels, up 4% year-over-year. Of that total 412 million bushels (41%) are stored on farms, down 12% from last year. Markets showed some strength ahead of the reports, but remained neutral to slightly bullish throughout the day due to the slightly higher stock levels.

### Grain Stocks (Billion Bushels)



Sources: USDA June 2025 Grain Stocks Report, Reuters  
Chart: Mariah Squire

The Crop Progress report, released later at 4:00 p.m. ET, tends to be less impactful but can offer early insight into the health of the crop. Corn condition improved three points, with 73% of the crop now rated Good to Excellent. Another 22% is rated Fair. No notable concerns were reported across the 18 primary corn-producing states. Soybean emergence is estimated at 94%, with condition showing a slight one-point improvement in Excellent. Soybeans are now rated 11% Excellent and 66% Good to Excellent overall. Another 27% is rated Fair. Following suit, no major issues were reported in any of the 18 main soybean-producing states. Overall, the reports landed largely as expected, with no major surprises. As a result, the markets remained steady, closing neutral after two days of market reaction.



## Land – 2025 Cash Rent Survey

Every August, Landowners and Farm Managers face the decision to either let leases automatically renew or terminate for potential renegotiation. This choice comes with its share of pros and cons and is just one piece of the already complex puzzle of land management.

One of the most trusted tools to aid in this process is Iowa State University Extension and Outreach’s “Cash Rental Rates for Iowa Survey.” Known for its in-depth, data-driven insights, this survey offers land managers multiple methods to establish a baseline for rent negotiations.

The survey breaks down data at the State, District, and County levels, offering methods such as:

- Overall dollar-per-acre averages
- Dollar-per-acre averages by land quality (high, medium, low)
- Five-year average yield multipliers
- Five-year average CSR2 index point multipliers

While no method is perfect, consistency is key. Choose one approach and stick with it year after year for reliable trend analysis.

Some important factors not reflected in the survey, but still worth noting, include:

- ‘Farmability’ or efficiency limitations
- Restricted or challenging access
- Soil fertility levels and pH indexes
- Local grain price premiums due to advantageous market access
- USDA program details (crop bases, assigned yields)
- Lease length and terms
- Tenant services performed in exchange for reduced rent

Whether your goals are maximizing returns, maintaining soil fertility, or ensuring strong land stewardship, there’s no one-size-fits-all solution. It is recommended to first identify your top priorities and then negotiate accordingly. One of the most valuable assets a Farm Manager offers is a professional, objective perspective focused solely on advancing the landowner’s goals.

**Call Cherokee State Bank today to discuss your options ahead of the September 1st lease decision!**

### 2025 CASH RENTAL RATE SURVEY FOR CROP REPORTING

County	Buena Vista	Cherokee	Clay	Ida	Monona	O'Brien	Plymouth	Sac	Sioux	Woodbury
2020–2024 average corn yield	199	201	189	211	180	205	192	162	199	199
2020–2024 average soybean yield	61	61	56	61	55	62	58	49	57	58
Average row crop CSR2 index	86	90	86	81	71	94	82	86	88	73
<b>Typical Cash Rent for Corn and Soybeans, \$ per tillable acre.</b>										
Overall average	\$289	\$317	\$267	\$323	\$333	\$305	\$287	\$304	\$339	\$300
<b>High quality third</b>										
Average response	\$340	\$373	\$319	\$373	\$381	\$334	\$324	\$346	\$401	\$339
Range of responses	295-380	295-500	230-390	340-410	350-410	220-400	240-450	300-400	300-590	230-420
<b>Medium quality third</b>										
Average response	\$293	\$308	\$257	\$327	\$330	\$311	\$286	\$304	\$327	\$307
Range of responses	240-325	265-355	200-325	275-360	265-375	210-380	210-425	270-350	250-400	220-375
<b>Low quality third</b>										
Average response	\$236	\$270	\$225	\$271	\$287	\$271	\$252	\$263	\$288	\$253
Range of responses	210-265	200-315	175-300	200-310	235-325	180-365	175-400	240-300	180-375	185-300
<b>Typical Yield, bushels per acre, USDA NASS Special Tabulation 2018–2022.</b>										
Corn	High third	216	226	210	236	218	225	219	224	237
	Middle third	194	204	181	210	192	203	187	204	206
	Low third	173	179	154	192	152	182	166	172	184
Soybeans	High third	63	65	62	66	63	66	62	62	73
	Middle third	56	57	53	60	56	59	52	56	67
	Low third	46	52	44	50	48	54	45	47	58
<b>Average Rents per Five-year Average Yield or CSR2, calculated based on overall average and county data.</b>										
Rent per bushel of corn yield	\$1.47	\$1.58	\$1.41	\$1.53	\$1.85	\$1.49	\$1.49	\$1.88	\$1.70	\$1.51
Rent per bushel of soybean yield	\$4.96	\$5.20	\$4.77	\$5.30	\$6.05	\$4.92	\$4.95	\$6.20	\$5.95	\$5.17
Rent per CSR2 index point	\$3.38	\$3.52	\$3.10	\$3.99	\$4.69	\$3.24	\$3.50	\$3.53	\$3.85	\$4.11





## Local Farm Management, Lasting Results

**Kyle Schmillen,**  
Vice President | Farm Management Specialist

For landowners in Northwest Iowa, especially those living out of state or without an agricultural background, hiring a local farm manager based in Cherokee can be a game-changing decision. The region is rich in productive farmland, but its complexity demands expert oversight. That's where a professional farm manager comes in, bringing deep knowledge of the land, the industry, and the day-to-day work it takes to succeed.

### Local Expertise You Can Trust

Farm managers in Cherokee have deep roots in the community and know the land like the back of their hand. They understand local farming practices, soil types, weather trends, and market dynamics, ensuring every farming decision is grounded in regional insight.

### Building Strong Tenant Relationships

Tenant management is a key part of farm ownership, and experienced managers take the lead in lease negotiations, communication, and conflict resolution. Their goal is to maintain positive relationships that are fair, transparent, and mutually beneficial.

### Saving Time, Reducing Stress

A farm manager takes on the day-to-day responsibilities of running the farm, allowing landowners to focus on other priorities or simply enjoy peace of mind knowing their land is in good hands.

### Sustainability and Land Health

Sustainable farming isn't just a trend, it's the future. Farm managers implement conservation strategies and soil health practices to protect and enhance the land for generations to come.

### Network of Trusted Resources

Farm managers bring a network of suppliers, consultants, agronomists, and other professionals. This access streamlines decision-making and ensures your farm has the best resources available.

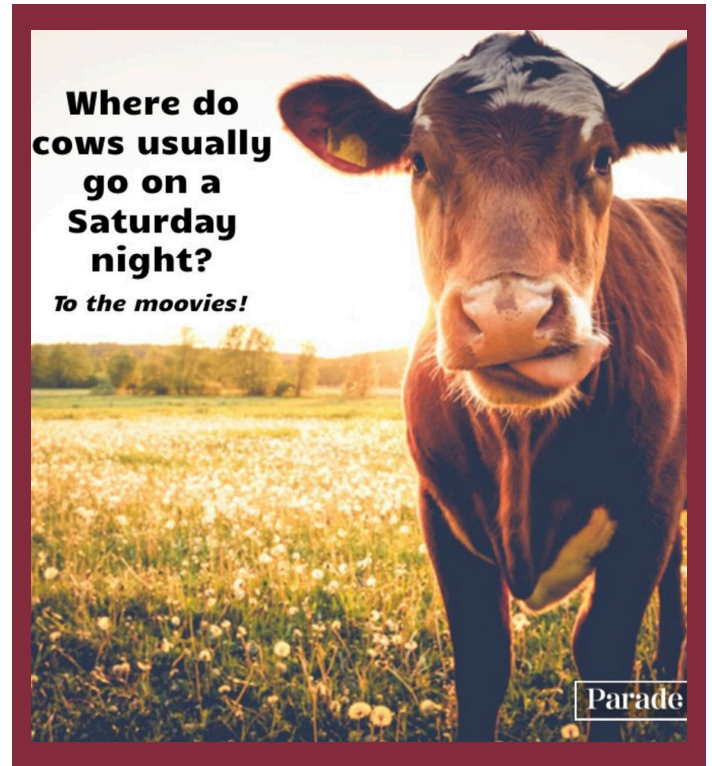
### Planning for the Future

From succession planning to preserving your family's legacy, farm managers offer strategic guidance to help secure long-term success for your family's land.

### Customer Testimony



"Since we are out of state landowners, we hired our farm manager because he has the knowledge and experience about running a farm that we lack. He takes care of the day-to-day tasks to successfully run our farms and sends us quarterly and annual reports detailing those efforts. He's also available through texts or emails to answer any questions. I don't think our farms would have been successful without our owner/farm manager relationship."



## Questions about our Farm Management Services?

Asset Management | Sustainable Agriculture | Accounting Services  
Farm Consulting | Grain Marketing | Leasing Services



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