

# InFOCUS

## HOW MUCH IS CROPLAND WORTH IN YOUR STATE THIS YEAR?

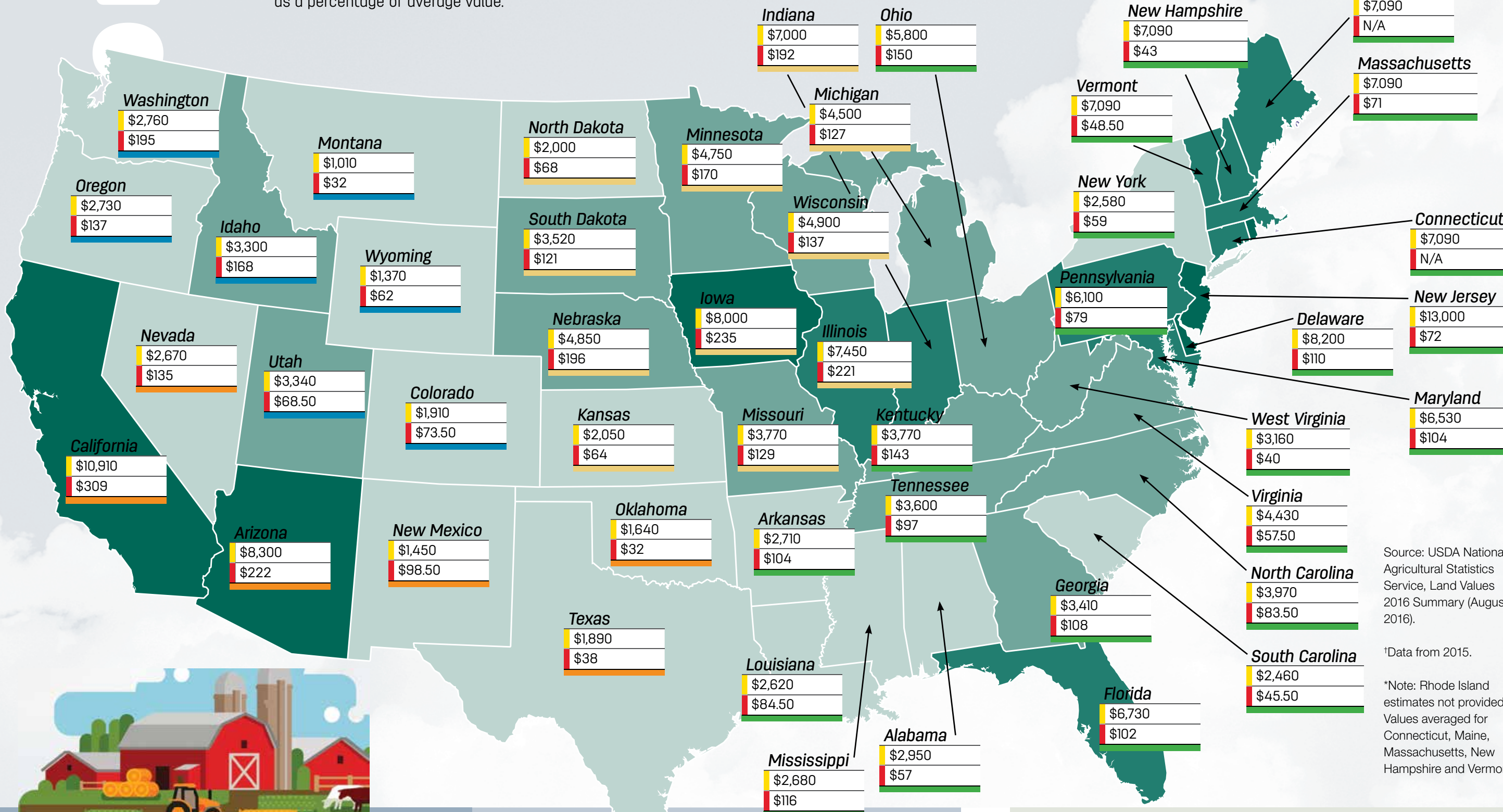
Declining U.S. cropland values and rental rates reflected the pressures of lower commodity prices in 2015-16.

Based on June 2016 surveys, the average values of U.S. farm real estate, including all land and buildings on farms, were down 0.3 percent from 2015 values. U.S. average cropland values decreased 1.0 percent.

Progressive Dairyman provides a look at state cropland values, ranked by value per acre, as well as cropland rent per acre and annual rent as a percentage of average value.

"The collapse in grain prices and the impact of tighter gross margins are working their way through the agricultural economy. While the underlying reasons for multiple years of tight gross margins now are not the same as in the 1980s, a series of years with downward adjustments in farmland values and cash rents like the 1980s may still be the result."

-Purdue Agricultural Economics Report, August 2016



Rank	State	Cropland value \$ per acre	Cropland rent \$ per acre	Annual rent as % of avg. value
1	New Jersey	13,000	72	0.6%
2	California	10,910	309	2.8%
3	Arizona	8,300	222	2.7%
4	Delaware	8,200	110	1.3%
5	Iowa	8,000	235	2.9%
6	Illinois	7,450	221	3.0%
7	Connecticut*	7,090	NA	NA
8	Maine*	7,090	NA	NA
9	Massachusetts*	7,090	71	1.0%
10	New Hampshire*	7,090	43	0.6%
11	Vermont*	7,090	48.5	0.7%
12	Indiana	7,000	192	2.7%
13	Florida	6,730	102	1.5%
14	Maryland	6,530	104	1.6%
15	Pennsylvania	6,100	79	1.3%
16	Ohio	5,800	150	2.6%
17	Wisconsin	4,900	137	2.8%
18	Nebraska	4,850	196	4.0%
19	Minnesota	4,750	170	3.6%
20	Michigan	4,500	127	2.8%
21	Virginia	4,430	57.5	1.3%
22	North Carolina	3,970	83.5	2.1%
23	Kentucky	3,770	143	3.8%
24	Missouri	3,770	129	3.4%
25	Tennessee	3,600	97	2.7%
26	South Dakota	3,520	121	3.4%
27	Georgia	3,410	108	3.2%
28	Utah	3,340	68.5	2.1%
29	Idaho	3,300	168	5.1%
30	West Virginia	3,160	40	1.3%
31	Alabama	2,950	57	1.9%
32	Washington	2,760	195	7.1%
33	Oregon	2,730	137	5.0%
34	Arkansas	2,710	104	3.8%
35	Mississippi	2,680	116	4.3%
36	Nevada	2,670†	135	5.1%
37	Louisiana	2,620	84.5	3.2%
38	New York	2,580	59	2.3%
39	South Carolina	2,460	45.5	1.8%
40	Kansas	2,050	64	3.1%
41	North Dakota	2,000	68	3.4%
42	Colorado	1,910	73.5	3.8%
43	Texas	1,890	38	2.0%
44	Oklahoma	1,640	32	2.0%
45	New Mexico	1,450	98.5	6.8%
46	Wyoming	1,370	62	4.5%
47	Montana	1,010	32	3.2%
	<b>United States</b>	<b>4,090</b>	<b>136</b>	<b>3.3%</b>

Source: USDA National Agricultural Statistics Service, Land Values 2016 Summary (August 2016).

†Data from 2015.

\*Note: Rhode Island estimates not provided. Values averaged for Connecticut, Maine, Massachusetts, New Hampshire and Vermont.



# \$3,010

The average value of farm real estate per acre in 2016 was \$3,010, if buildings and facilities are included in total value.

Source: USDA National Agricultural Statistics Service, Land Values 2016 Summary (August 2016)



The value of cropland fell 1 percent from 2015 to 2016. 2009 was the last year land values fell year over year.

"The market for dairy facilities remains slow, with smaller units typically purchased for their land base with facilities abandoned or converted to heifer capacity. Larger units are generally purchased by out-of-state buyers or as expansion units for existing operations. Dairy operations continue to compete for land base to expand feed production and nutrient management."

-Northwest Farm Credit Services' Land Values Market Snapshot, June 2016