

Agricultural Land Values

Project Code: 169

Purpose of Survey:

Farmland values are one of the major indicators of the financial health of farmers. The value of farmland and buildings owned accounts for 75% of all farm assets. Land is a primary source of collateral in obtaining operating loans, so changes in farmland values alter the ability of farmers to purchase additional farmland and to finance operating costs.

Nationally, only one to three percent of all land in farms is sold each year. Therefore, we are asking land operators for their **best judgment as to the value of the land they operate**. A few respondents may have a difficult time providing land value information. Recent sales of nearby land or appraisals may be useful references in estimating the value of their land. The results of the survey will be published August 4, 2023 in the *Land Values* report.

Survey Specifics:

Familiarize yourself with the questions before beginning your calls.

Acres Operated and Total Value:

- Record acres to whole numbers.
- Record TOTAL Value. If value per acre is given, convert to total value.
- Record dollars to whole dollars.

Please prompt the respondent to **include his home, barns, and other buildings** in the estimated market value, as well as all cropland, woodland, pasture, wasteland, and government program land. If values are given by the respondent on a per acre basis, they should be converted to a total value by multiplying the value per acre times the acres reported.

Please remember we are after the farmer's **opinion** of current market value:

*Market value is the value in which the land **could be sold under current market conditions** if allowed to be on the market for a reasonable amount of time. This value should be for the **most likely purpose** the land would be sold, including non-agricultural uses. If it is more likely to be sold for development, a high value is acceptable. The land can be in "current use" status, and still be valued at "development" prices, if the market is there for development.*

Change in Total Market Value of all land and buildings

If the respondent does not know the percent change in value or does not want to estimate the percent change in value, please try to at least obtain his/her opinion on if market values are going up or down.

The range expected includes decreases of 1 - 50%, and increases of 1 - 100%. In rare cases, land may more than double in one year due to the proximity to development, expansion in size of operation, or other specific reasons. **Please record the reason if you encounter unusually high percent changes.**

Cropland and Pasture:

- Include hay land as cropland.
- Record acres to whole numbers.
- **Record market value on per acre basis.** If only a total is available, divide total by acres given.
- Record dollars/acre to whole dollars.

The acres recorded in this section may not necessarily total to the number of acres in the previous section, since this is a breakdown of just cropland and pastureland. **Do not include woodland or wasteland.** For example, if a maple syrup grower is sampled they would not report their woodland or taps as cropland for the purposes of this survey.

“Not Farming anymore!”

The Ag Land Values Survey sample tries to include a large cross-section of farms, and often you are contacting folks not usually included in other survey work done. This increases the chance of encountering an operation no longer in business, or someone who does not consider themselves a farm because they only have a few animals, etc. What we have found is that many folks do not consider themselves a farm, but may produce maple syrup, keep bees, horses, or cut hay or Christmas trees. Documentation will help NASS make the correct determination of the farm status, either keeping the operation on our list as a farm, or removing it.

Thank you!