



January Ag Land Values Training Materials

Below you will find links to a video, PowerPoint presentation, survey information sheet, and practice interviews for NASS's Tobacco Price Inquiry. The practice interviews can be used to enter data in CATI or CAPI to get familiar with those data collection instruments.

Links	Length (minutes/pages)
<u>January Ag Land Values Training Presentation</u>	15
<u>January Ag Land Values Information Sheet</u>	3
<u>January Ag Land Values Practice Interviews</u>	4

Strategic Planning and Business Services Division
Strategic Planning Branch
Workforce Performance and Staff Development Section

[Click here to return to list of materials](#)

NASS Survey Training

Agricultural Land Values - January 1 (LAND VALUES)



**United States Department of Agriculture
National Agricultural Statistics Service**



Workforce Performance and Staff Development Section



Survey Information

- Project Code: **169** - Land Values Survey
- Questionnaires:
 - Typically mails around January 17 - 20
 - Web reporting option available
- Release:
 - *Land Values*
 - Early August, 3PM ET

NASS website: www.nass.usda.gov/



Importance of Land Values

- Agricultural land values are one of the major indicators of the financial health of the agricultural sector.



What Drives Farm Real Estate Values?

- Farm real estate values influenced by:
 - Net returns from agriculture production
 - Interest rates
 - Government commodity programs
 - Non-farm demands for farmland



Market Value

- **Total Market Value:** includes ALL land, dwellings, barns, and other buildings which could be sold under current market conditions
- **Cropland Market Value:** the value of land ONLY used to grow field crops, vegetables, fruit, nut, berry, vineyard, and nursery crops or land harvested for hay
 - The cropland value of permanent crops (orchards, groves, vineyards, etc) should include the value of the trees and vines because they are attached to the land and would be sold with the land
 - Hay land, idle cropland, and government program “set aside” (CRP) cropland should be valued as cropland

Market Value continued

- **Irrigated Cropland Value:** the value of cropland ONLY that normally receives or has the *potential* to receive water by artificial means
- **Permanent Pasture, Grazing, and Grassland Value:** the value of land ONLY that is normally grazed by livestock.



Survey Questions

- Acres Operated
 - Acres owned
 - Acres rented/leased from others (+)
 - Acres rented to others (-)
- Confirm calculated Total Acres Operated (=)
- Estimated **total market value** of ALL land dwellings, barns, and buildings for acres operated:

Survey Questions

- Since January 1, has **total market value** of ALL land and buildings in the operation:
 - Increased
 - Decreased
 - Not changed
- (If increase/decrease): What **percent change** best describes the increase or decrease in total market value of all land and buildings in the operation?

Survey Questions

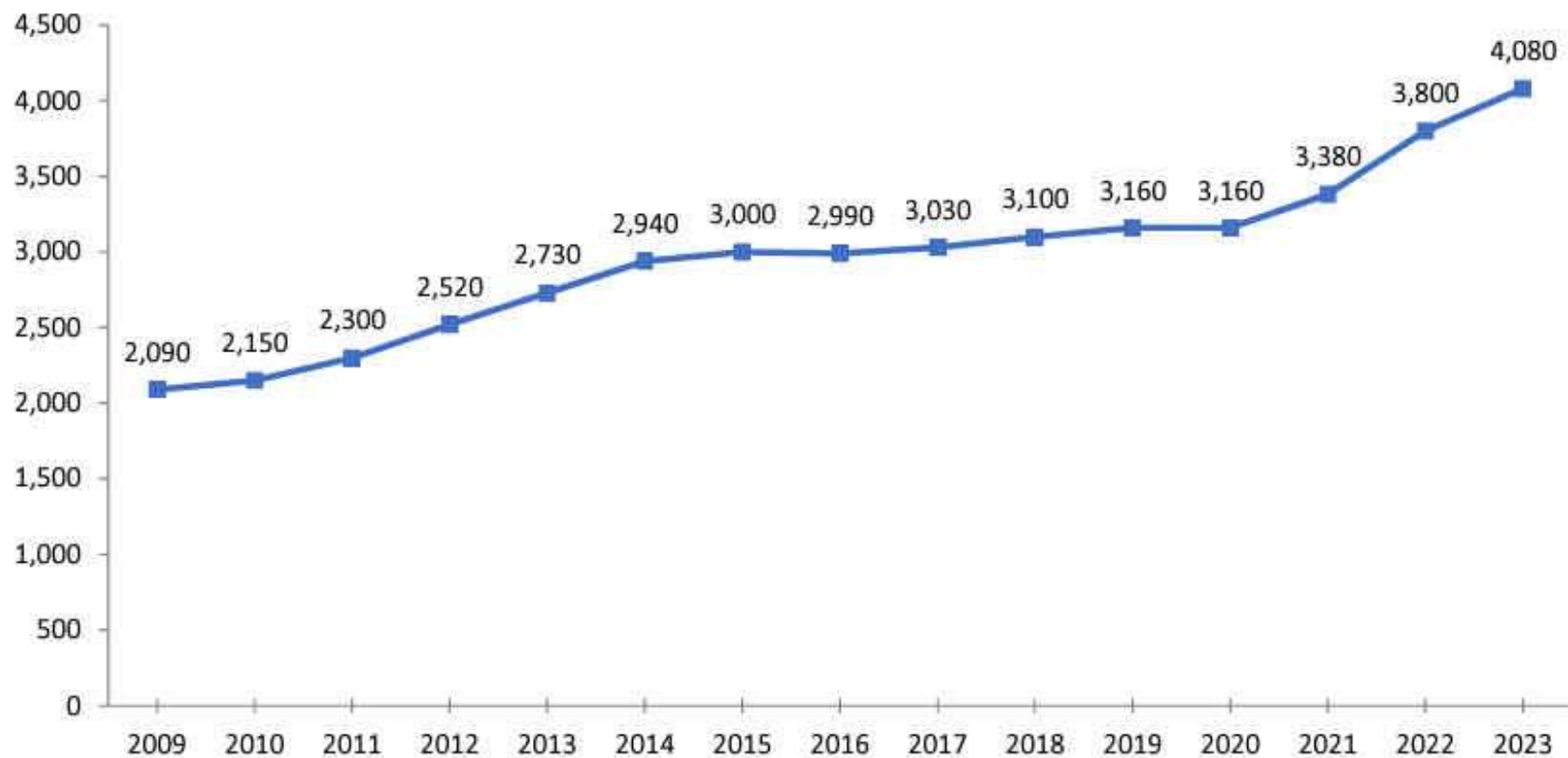
Of the total acres operated, how many are:

- Cropland?
 - Average market value per acre
- Permanent pasture, grazing land, grassland?
 - Average market value per acre



Average Farm Real Estate Value – United States: 2009-2023

Dollars per acre

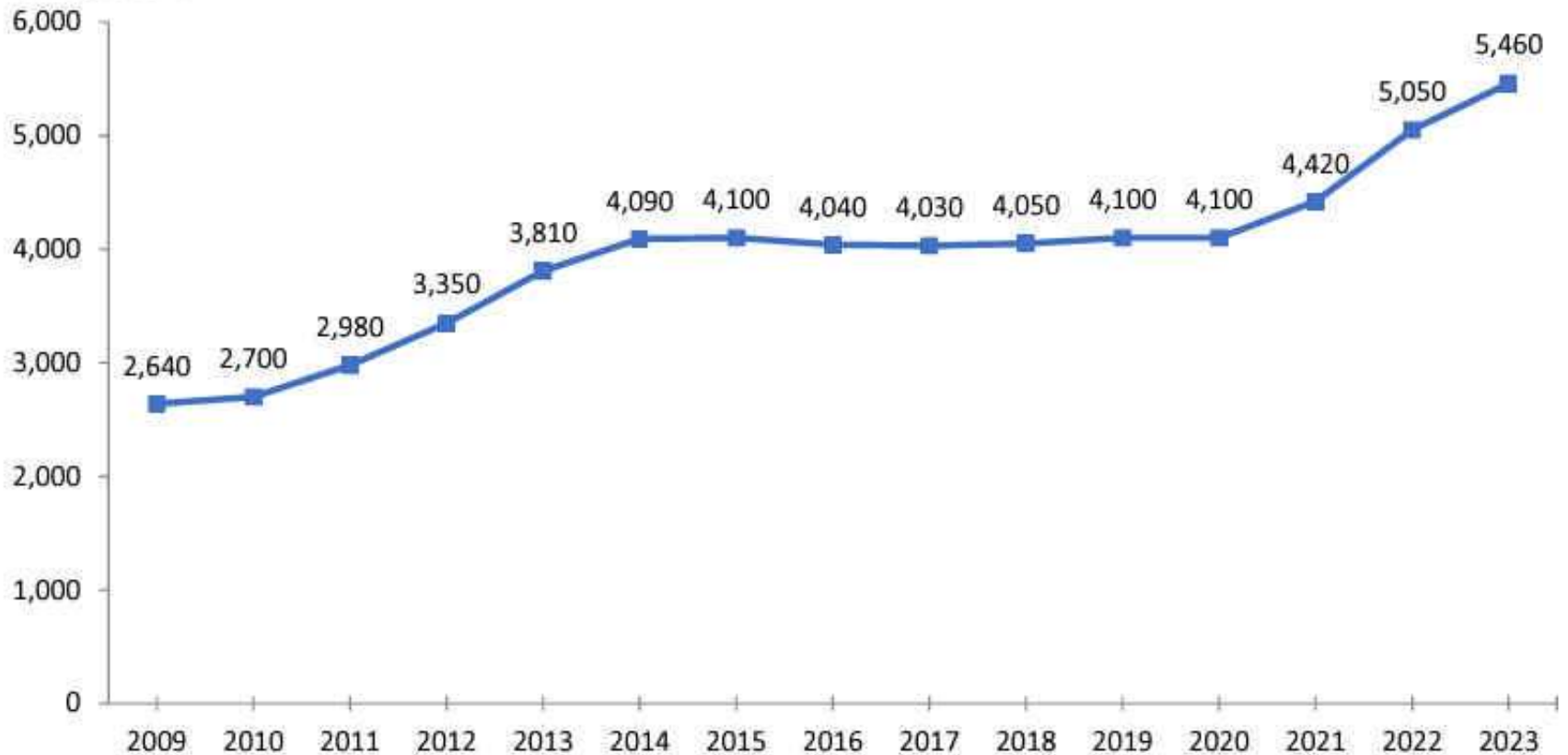


USDA - NASS
August 4, 2023



Average Cropland Value – United States: 2009-2023

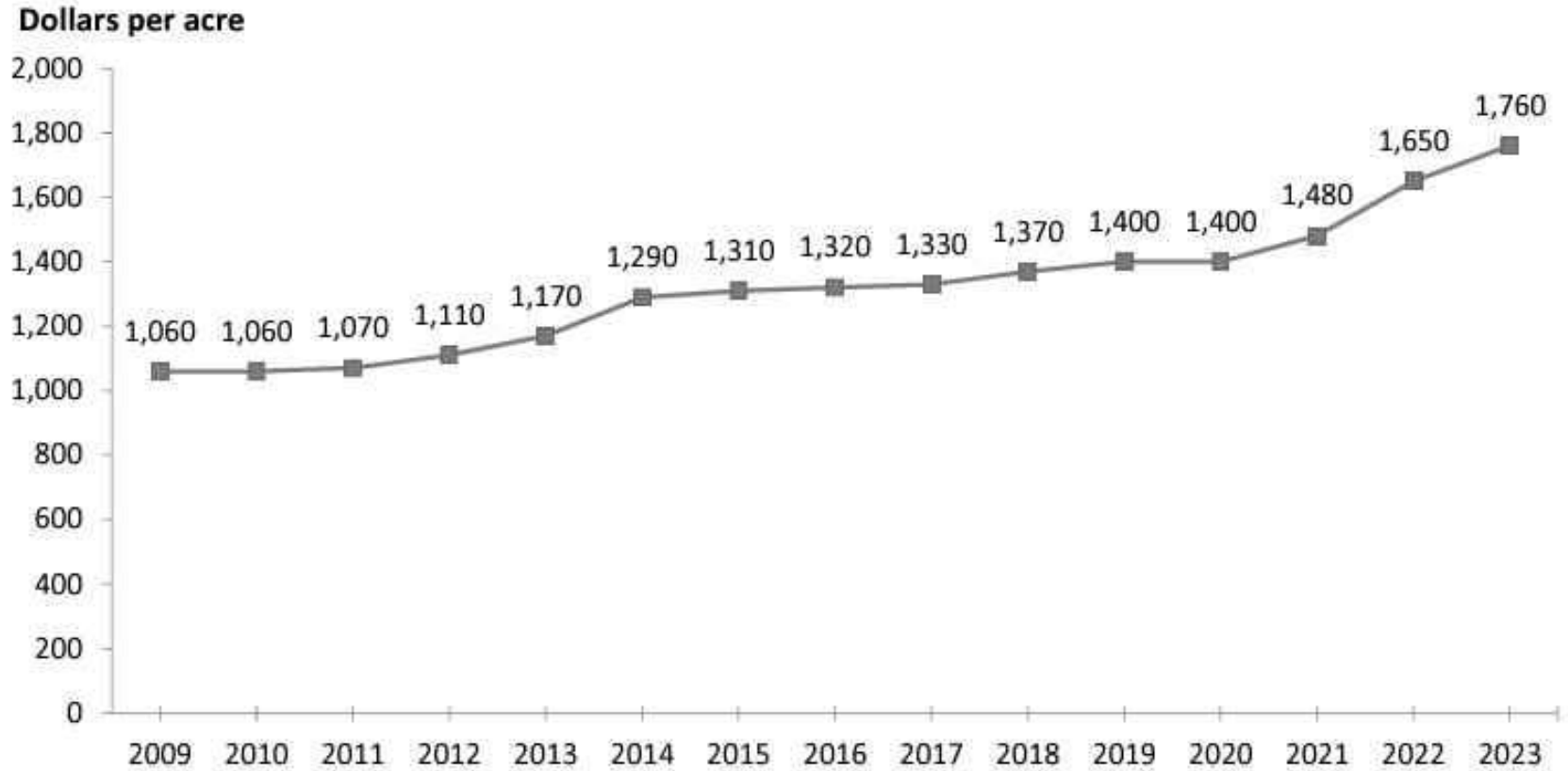
Dollars per acre



USDA - NASS
August 4, 2023



Average Pasture Value – United States: 2009-2023



USDA - NASS
August 4, 2023



Things to watch out for:

- Acres owned or rented very large
- Large percent change in total market value
- High/Low value per acre of cropland
 - Value of non-irrigated cropland greater than irrigated
 - High/Low value per acre of pasture land
 - Value of pasture land greater than value of cropland
- Be sure AUM Land is not being included

Reluctant Responses

- “It’s nobody’s business what my land is worth”
 - I can appreciate you wanting to keep your information/business private. We only use your information together with all the others who report to help get a general idea of the overall land values in your area and across the country.

Conclusion

- Please leave notes to explain anything you encounter that is odd or unexpected
- Contact your supervisor if you have any questions or concerns.
- Thank you and have a good survey!



[Click here to return to list of materials](#)

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.

January Ag Land Values Practice Interviews

[Click here to
return to list
of materials](#)

Practice Interview 1

Who is responding? **Operator**

Let me verify the name, address, and phone number that I have for this operation. Is this information correct? **Yes**

Will crops (including fruits and nuts, vegetables, nursery, or greenhouse crops) be grown or hay cut at any time during 20XX, **OR** is any of the land in this operation in government programs? **Yes**

Now I would like to ask about the total acres operated under this land arrangement. Please include the farmstead, all cropland, woodland, pasture, wasteland, and government program land.

On January 1, 20XX how many acres did this operation own? **150**

On January 1, 20XX how many acres did this operation rent or lease from others, or use rent free? **200**

On January 1, 20XX how many acres did this operation rent to others? **75**

Then the total acres operated on January 1, 20XX was 275. Is that correct? **Yes**

Do the total 275 acres operated include any grazing land used on an animal unit month (AUM) or fee-per-head basis? **No**

Do the 275 acres include the farmstead, all cropland, woodland, pastureland, wasteland, and government program land? **Yes**

What is your best estimate of the total market value of all land, dwellings, barns, and other buildings on the total acres operated? **\$350,000**



Since January 1, 20XX has the total market value of all land and buildings in your operation increased, decreased, or not changed? **Decreased**

What percent change best describes the increase or decrease in the total market value of all the land and buildings in your operation since January 1, 20XX? **3%**

(The following questions are based on Questionnaire version with cropland split by irrigated/non-irrigated. If your record is not, combine cropland acres and list value as \$3,000/acre)

The remaining questions in this survey refer to the 275 acres as your “total acres operated”.

Of the total 275 acres operated, how many acres are considered Non-Irrigated cropland?

(Include fruit, nut, berry, vineyard, and nursery land.) **100**

What is the average market value per acre for these non-irrigated cropland acres? **\$2,250**

Of the total 275 acres operated, how many acres are considered irrigated cropland?

(Include fruit, nut, berry, vineyard, and nursery land.) **125**

What is the average market value per acre for these irrigated cropland acres? **\$3,800**

Of the total 275 acres operated, how many acres are considered permanent pasture, grazing land, or grassland? **40**

What is the average market value per acre for these permanent pasture, grazing land, or grassland acres? **\$2,000**

Do you make any day-to-day decisions for another farm or ranch? **No**

Would you rather have a brief summary emailed to you at a later date? **No**



Practice Interview 2

Who is responding? **Operator**

Let me verify the name, address, and phone number that I have for this operation. Is this information correct? **Yes**

Will crops (including fruits and nuts, vegetables, nursery, or greenhouse crops) be grown or hay cut at any time during 20XX, **OR** is any of the land in this operation in government programs? **Yes**

Now I would like to ask about the total acres operated under this land arrangement. Please include the farmstead, all cropland, woodland, pasture, wasteland, and government program land.

On January 1, 20XX how many acres did this operation own? **3,250**

On January 1, 20XX how many acres did this operation rent or lease from others, or use rent free? **5,450**

This is a large number of acres rented – Operator confirmed that 5,450 acres are correct. This would be a great place to leave a note stating this is correct and was confirmed with the operator.

On January 1, 20XX how many acres did this operation rent to others? **0**

Then the total acres operated on January 1, 20XX was 8,700. Is that correct? **Yes**

Do the total 8,700 acres operated include any grazing land used on an animal unit month (AUM) or fee-per-head basis? **No**

Do the 8,700 acres include the farmstead, all cropland, woodland, pastureland, wasteland, and government program land? **Yes**

What is your best estimate of the total market value of all land, dwellings, barns, and other buildings on the total acres operated? **\$3,250,000**



Since January 1, 20XX has the total market value of all land and buildings in your operation increased, decreased, or not changed? **Increased**

What percent change best describes the increase or decrease in the total market value of all the land and buildings in your operation since January 1, 20XX? **11%**

(If practice record has irrigated and non-irrigated asked separately, list all as non-irrigated cropland)

The remaining questions in this survey refer to the 8700 acres as your “total acres operated”.

Of the total 8700 acres operated, how many acres are considered cropland? (Include fruit, nut, berry, vineyard, and nursery land.) **8,000**

What is the average market value per acre for these cropland acres? **\$3,800**

Of the total 8700 acres operated, how many acres are considered permanent pasture, grazing land, or grassland? **700**

What is the average market value per acre for these permanent pasture, grazing land, or grassland acres? **\$1,500**

Do you make any day-to-day decisions for another farm or ranch? **No**

Would you rather have a brief summary emailed to you at a later date? **No**