



# News Release

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Land Values and Cash Rents  
August 5, 2008

## Land Values and Cash Rents

### North Dakota

The 2008 North Dakota average land values continue to rise sharply, according to the USDA, National Agricultural Statistics Service, North Dakota Field Office. Farmland real estate was valued at \$765 per acre, and increase of 17.7 percent from 2007 and 33.0 percent higher than 2006. This was the ninth consecutive year of farmland real estate value increases. The average value of cropland was \$800 per acre, up 19.4 percent from 2007 and 31.1 percent from 2006. Pasture values increased 16.7 percent from 2007 to \$350 per acre and was 34.6 percent more than 2006.

Average cash rent value for cropland in North Dakota was \$45.00 per acre in 2008. This is up 9.8 percent from 2007 and 15.4 percent from 2006. Cash rent for pasture in 2008 averaged \$13.40, up from \$12.50 in 2007 and \$11.30 in 2006.

### United States

Farm real estate values, a measurement of the value of all land and buildings on farms, averaged \$2,350 per acre on January 1, 2008, up 8.8 percent from 2007. The \$2,350 per acre is a record high and \$190 more than a year earlier.

Both cropland and pasture values for 2008 are record highs. Cropland values rose by 10 percent to \$2,970 per acre, up from the previous high of \$2,690 in 2007. Pasture value rose by 6 percent to \$1,230 per acre. The Northern Plains region also had the highest average percentage increase in pasture value, 19.7 percent above 2007.

While commercial and residential development has slowed in many regions, farm real estate values continue to increase. Strong commodity prices and farm programs, outside investments, favorable interest rates, and tax incentives continue to be the factors that drive farm real estate values to record levels. Livestock prices, recreational use, and urban development remain the predominant influences that increase pasture land values.

Cash rents per acre paid to landlords for cropland rose 13 percent, while pasture rents increased 8.3 percent for the 2008 crop and grazing year. Cropland cash rents paid in 2008 averaged \$96.00 per acre, compared with \$85.00 per acre for 2007. Pasture cash rents averaged \$13.00 per acre, compared with \$12.00 per acre for 2007. The Northern Plains, Southern Plains, and Mountain region account for nearly 85 percent of the cash rented pasture acreage in the U.S. The increases in cropland and pasture land rental rates are the result of producers receiving strong commodity prices.

**Farm Real Estate, Cropland and Pasture: Average Value per Acre  
Selected States, 2007-2008**

Region	Farm Real Estate			Cropland			Pasture		
	2007	2008	Change 2007-2008	2007	2008	Change 2007-2008	2007	2008	Change 2007-2008
	<i>Dollars</i>	<i>Dollars</i>	<i>Percent</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Percent</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Percent</i>
Lake States:	3,300	3,580	8.5	2,950	3,250	10.2	1,800	1,940	7.8
Michigan	3,950	4,150	5.1	3,450	3,700	7.2	2,570	2,800	8.9
Minnesota	2,780	3,100	11.5	2,500	2,820	12.8	1,380	1,550	12.3
Wisconsin	3,800	4,070	7.1	3,520	3,810	8.2	2,100	2,250	7.1
Corn Belt:	3,450	3,910	13.3	3,710	4,260	14.8	2,010	2,220	10.4
Illinois	4,330	5,000	15.5	4,460	5,320	19.3	2,500	2,800	12.0
Indiana	4,000	4,450	11.3	4,050	4,550	12.3	2,500	2,800	12.0
Iowa	3,400	4,000	17.6	3,630	4,310	18.7	1,800	2,100	16.7
Missouri	2,280	2,450	7.5	2,450	2,660	8.6	1,820	1,920	5.5
Ohio	3,800	4,150	9.2	3,920	4,250	8.4	2,820	3,400	20.6
Northern Plains:	961	1,110	15.5	1,170	1,390	18.8	472	565	19.7
Kansas	1,090	1,170	7.3	1,020	1,180	15.7	740	860	16.2
Nebraska	1,230	1,460	18.7	1,890	2,270	20.1	430	530	23.3
North Dakota	650	765	17.7	670	800	19.4	300	350	16.7
South Dakota	820	990	20.7	1,250	1,500	20.0	420	500	19.0
Mountain:	1,120	1,210	8.0	1,860	1,940	4.3	689	733	6.4
Arizona <sup>1</sup>	3,400	3,500	2.9	10,800	11,500	6.5	900	950	5.6
Colorado	1,250	1,300	4.0	1,400	1,470	5.0	800	800	0.0
Idaho	2,830	2,950	4.2	3,150	3,300	4.8	1,850	1,900	2.7
Montana	960	1,100	14.6	930	945	1.6	850	910	7.1
Nevada <sup>1</sup>	1,100	1,150	4.5	3,100	3,150	1.6	720	760	5.6
New Mexico <sup>1</sup>	610	630	3.3	1,830	1,980	8.2	350	370	5.7
Utah <sup>1</sup>	2,550	2,750	7.8	4,080	3,990	-2.2	1,350	1,350	0.0
Wyoming	560	670	19.6	1,330	1,410	6.0	480	570	18.8
<b>48 States<sup>2</sup></b>	<b>2,160</b>	<b>2,350</b>	<b>8.8</b>	<b>2,690</b>	<b>2,970</b>	<b>10.4</b>	<b>1,160</b>	<b>1,230</b>	<b>6.0</b>

<sup>1</sup> Excludes Native American Reservation Land. <sup>2</sup> Excludes Alaska and Hawaii.

**Cropland and Pasture: Average Cash Rent Per Acre  
Selected States, 2007-2008**

Region	Cropland		Pasture	
	2007	2008	2007	2008
	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>
Lake States:	85.00	98.00	30.00	33.00
Michigan	73.00	80.00	---	---
Minnesota	94.00	109.00	19.00	21.00
Wisconsin	72.00	85.00	40.00	43.00
Corn Belt:	126.00	140.00	31.50	36.00
Illinois	141.00	160.00	35.00	40.00
Indiana	120.00	135.00	---	---
Iowa	140.00	165.00	39.00	42.00
Missouri	---	---	26.00	29.00
Non-Irrigated	79.00	85.00	---	---
Ohio	91.00	103.00	---	---
Northern Plains:	58.00	64.00	14.00	14.00
Kansas	48.00	52.00	14.50	15.50
Irrigated	82.00	88.00	---	---
Non-Irrigated	41.00	45.00	---	---
Nebraska	106.00	123.00	14.00	14.20
Irrigated	139.00	155.00	---	---
Non-Irrigated	79.00	95.00	---	---
North Dakota	41.00	45.00	12.50	13.40
South Dakota	---	---	13.80	15.90
Non-Irrigated	56.50	65.00	---	---
Mountain:	78.00	86.00	6.20	6.50
Arizona	---	---	---	---
Irrigated	170.00	180.00	---	---
Colorado	59.00	62.00	5.50	5.00
Irrigated	100.00	115.00	---	---
Non-Irrigated	22.00	24.00	---	---
Idaho	109.00	130.00	---	---
Irrigated	130.00	150.00	---	---
Non-Irrigated	58.00	55.00	---	---
Montana	28.50	29.00	6.50	7.50
Irrigated	---	---	---	---
Non-Irrigated	19.50	21.10	---	---
New Mexico	---	---	2.00	3.00
Utah	---	---	12.00	14.00
Irrigated	62.00	65.00	---	---
Wyoming	---	---	4.50	7.00
<b>48 States<sup>1</sup></b>	<b>85.00</b>	<b>96.00</b>	<b>12.00</b>	<b>13.00</b>

<sup>1</sup> Excludes Alaska and Hawaii.

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~ Compiled and Published by ~

USDA, National Agricultural Statistics Service

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