

InFOCUS

2021 cropland values jump but rental rates hold

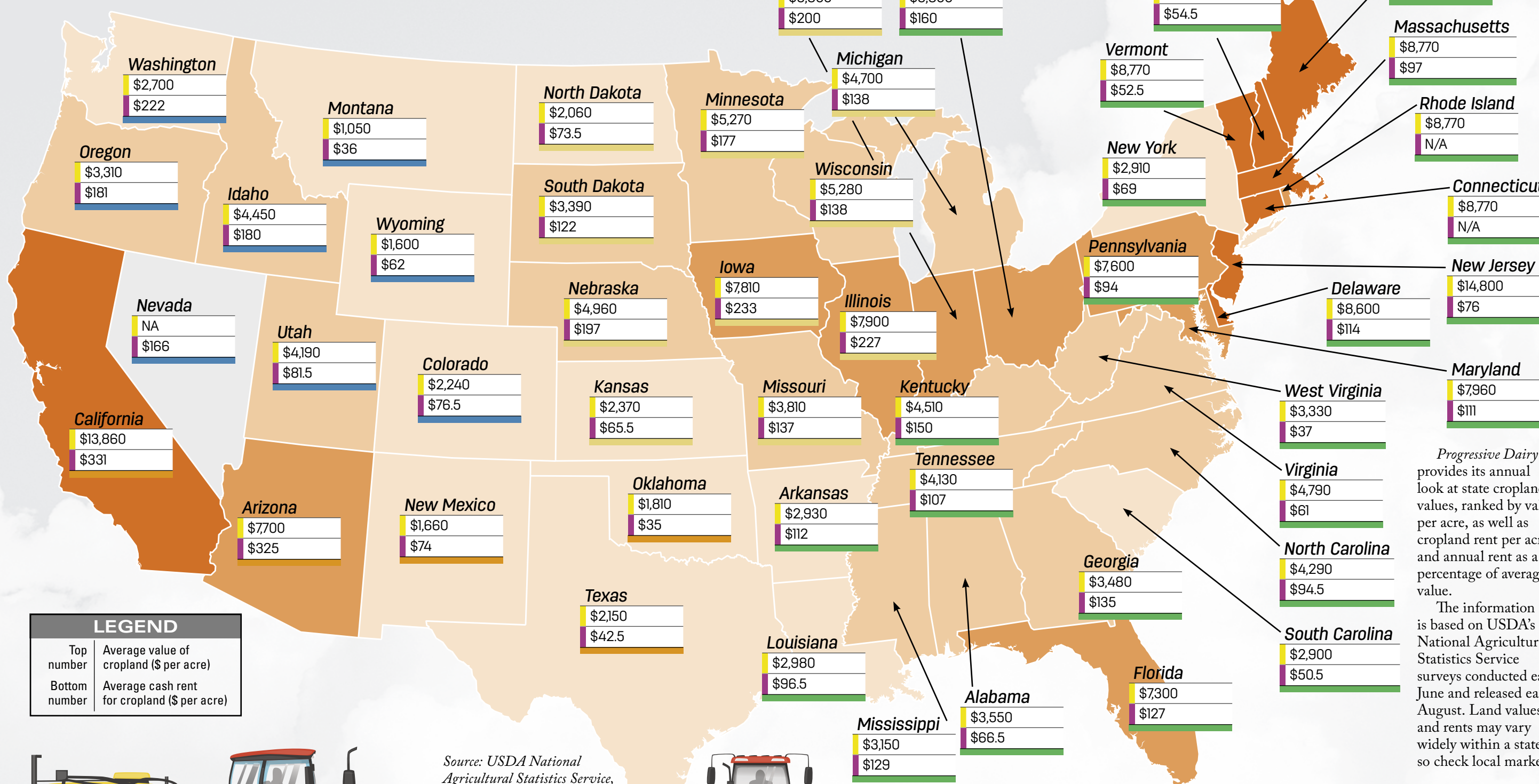
Progressive Dairy Editor Dave Natzke

Highlights

Average U.S. agricultural land values and cropland rental rates increased in 2021, according to the USDA's annual report. Based on surveys conducted in early June 2021, U.S. farm real estate value, a measurement of the value of all land and buildings on farms, averaged \$3,380 per acre for 2021, up \$220 per acre (7%) from 2020. Cropland value averaged \$4,420 per acre, an increase of \$320 per acre (7.8%) from the previous year. Pasture value averaged \$1,480 per acre, an increase of \$80 per acre (5.7%) from 2020.

Dairy states

2021 cropland values among the 24 major dairy states rose about 6.5% from 2020, slightly less than the national average. Year-over-year increases of 10% or more were recorded in Kansas, South Dakota, Vermont and Wisconsin. Smallest increases were recorded in Virginia, Colorado, Florida and Arizona, each less than 3%.



LEGEND	
Top number	Average value of cropland (\$ per acre)
Bottom number	Average cash rent for cropland (\$ per acre)

Source: USDA National Agricultural Statistics Service, Land Values 2021. Summary (August 2021)

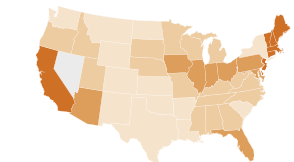


While levels vary significantly, annual increases in the average values of U.S. farm real estate, cropland and pasture are the sharpest in six or seven years. The same pressures that are affecting many sectors of the U.S. economy appear to be impacting farmland values. So far, the increases in land values have not yet been reflected in cash rents.

—Michael Nepveux, economist, American Farm Bureau Federation

\$141 per acre

U.S. cash rental rates for cropland averaged \$141 per acre in 2021, up \$2 per acre from 2020.



	Cropland value \$ per acre	Cropland rent \$ per acre	Annual rent as % of avg. value
\$8,000+			
New Jersey	\$14,800 ↑	76	0.5%
California	\$13,860 ↑	331	2.4%
Connecticut	\$8,770 ↑	(NA)	(NA)
Maine	\$8,770 ↑	(NA)	(NA)
Massachusetts	\$8,770 ↑	97	1.1%
New Hampshire	\$8,770 ↑	54.5	0.6%
Rhode Island	\$8,770 ↑	(NA)	(NA)
Vermont	\$8,770 ↑	52.5	0.6%
Delaware	\$8,600	114	1.3%
Maryland	\$7,960 ↑	111	1.4%
Illinois	\$7,900 ↑	227	2.9%
Iowa	\$7,810 ↑	233	3.0%
Arizona	\$7,700 ↑	325	4.2%
Pennsylvania	\$7,600 ↑	94	1.2%
Florida	\$7,300 ↑	127	1.7%
Indiana	\$6,800 ↑	200	2.9%
Ohio	\$6,800 ↑	160	2.4%
Wisconsin	\$5,280 ↑	138	2.6%
Minnesota	\$5,270 ↑	177	3.4%
Nebraska	\$4,960 ↑	197	4.0%
Virginia	\$4,790 ↑	61	1.3%
Michigan	\$4,700 ↑	138	2.9%
Kentucky	\$4,510 ↑	150	3.3%
Idaho	\$4,450 ↑	180	4.0%
North Carolina	\$4,290 ↑	94.5	2.2%
Utah	\$4,190 ↑	81.5	1.9%
Tennessee	\$4,130 ↑	107	2.6%
Missouri	\$3,810 ↑	137	3.6%
Alabama	\$3,550 ↑	66.5	1.9%
Georgia	\$3,480 ↑	135	3.9%
South Dakota	\$3,390 ↑	122	3.6%
West Virginia	\$3,330 ↑	37	1.1%
Oregon	\$3,310 ↑	181	5.5%
Mississippi	\$3,150 ↑	129	4.1%
Louisiana	\$2,980 ↑	96.5	3.2%
Arkansas	\$2,930 ↑	112	3.8%
New York	\$2,910 ↑	69	2.4%
South Carolina	\$2,900 ↑	50.5	1.7%
Washington	\$2,700 ↑	222	8.2%
Kansas	\$2,370 ↑	65.5	2.8%
Colorado	\$2,240 ↑	76.5	3.4%
Texas	\$2,150 ↑	42.5	2.0%
North Dakota	\$2,060 ↑	73.5	3.6%
Oklahoma	\$1,810 ↑	35	1.9%
New Mexico	\$1,660 ↑	74	4.5%
Wyoming	\$1,600 ↑	62	3.9%
Montana	\$1,050 ↑	36	3.4%
Nevada	(NA)	166	(NA)
United States	\$4,420	\$141	3.2%

↑ Change over previous year

Online resources

- The USDA's annual Land Values report provides national- and state-level estimates of the value of farm real estate, cropland (irrigated and non-irrigated cropland splits where available) and pasture. downloads.usda.library.cornell.edu/usda-esmis/files/pn89d6567/5m60rq58k/zk51wf530/land0821.pdf
- The USDA's annual national- and state-level estimates of the cash rent paid for cropland, irrigated cropland, non-irrigated cropland and pasture are available via the USDA National Agricultural Statistics Service (NASS) Quick Stats database the first week of August. quickstats.nass.usda.gov/results/58B27A06-F574-315B-A854-9BF568F17652#7878272B-A9F3-3BC2-960D-5F03B7DF4826
- A county-level cash rents survey is conducted every year and released in late August. It provides mean rental rates for all counties with 20,000 acres of cropland plus pasture. www.nass.usda.gov/Surveys/Guide_to_NASS_Surveys/Cash_Rents_by_County