A survey was conducted in July 2011 to determine what people think has been happening to farmland values in Missouri. In Missouri, land sales prices need not be reported to any governmental or public agency. We hope the opinions expressed by our survey respondents will be helpful to others needing to estimate current farmland values and trends.

Of the 220 persons responding in 2011, 72% were lenders, 13% were rural appraisers, 5% were MU extension specialists, 4% were broker/realtors, and 6% were in other related occupations. They provided their opinions to questions concerning current farmland values and trends. They were asked to exclude from their answers tracts smaller than 40 acres or land being converted to development or commercial uses.

**Average Value of Land**

Respondents were asked to give their estimates of land values as of July 2011 for three classes of crop-land and pasture (good, average, poor), timberland (with valuable trees), and hunting/recreation land (land with little productive ag. value but with desirable aesthetic qualities). Classification of land was left to the judgment of each respondent. Their responses are summarized on Maps 1, 2 and 3 on the following pages.

This year’s survey showed crop-land values increased in 17 of the 20 areas of the state, with the state average for good cropland increasing by $347 to $3,235/ac. Pasture values increased in 14 areas, with the state average for good pasture up $125 to $2,067/ac. Non-crop/non-pasture land values averaged higher in 8 areas but statewide averaged 1.5% lower. Land with timber was up $59 at $1,645/ac. while hunting/recreation land was down $107 at $1,418.

**Who Is Buying Land?**

Survey respondents thought 66% of farmland buyers planned to farm the land themselves (Map 4). This is a 3 point increase over 2010. The number planning to rent out increased 1 point and the number planning to use the land for non-farming purposes declined 4 points to 12%.

**Factors Affecting Values**

Respondents indicated high corn and soybean prices, low interest rates, and the limited amount of high quality land available were primary factors in the increase in Missouri cropland values in this survey. Demand for cropland was high. In northwestern and western counties, pasture and CRP land were seen planted to grains.

The ethanol subsidy and crop insurance guarantees also were cited as supporting cropland values. Profitability encouraged more renting of land and higher rents. Higher returns also attracted more outside investors.

Weakness in the general economy was cited as having a negative effect on values for land with little capacity for growing grain. Pasture prices were somewhat supported by good cattle prices and comments from cropping areas indicated a possible shortage of pasture could be a positive factor there. A report from the south central area noted an increase in timber sales, but most saw a stagnant land market there.

**Outlook (Map 6)**

Most respondents expect cropland values to increase about 4% over the next 12 months and pasture to decrease slightly—about 0.6%. They expect the value of other types of rural land will decrease about 1.9%. Some indicated the possibility of lower grain prices, a reduction in the ethanol subsidy, or a poorer than expected harvest were considered in their cropland forecast.
Map 1. Estimated cropland values per acre for July 2011

Map 2. Estimated pastureland values per acre for July 2011
Map 3. Estimated timber and hunting/recreation land values per acre for July 2011

Missouri Average
Timber land $1645
Hunting/recreation land $1418

Map legend, region averages:
Timber land
Hunting/recreation land

Values estimated in this survey exclude tracts smaller than 40 acres or farmland being priced on its development potential.

Map 4. Use to be made of farmland purchased in 2011

Missouri Average
Operate farm themselves 66%
Rent it out 22%
Not use for ag production 12%

Map legend, region averages:
Operate farm themselves
Rent it out
Not use for ag production

Agricultural Land Values Per Acre, June 2011
(USDA, NASS)

<table>
<thead>
<tr>
<th></th>
<th>Cropland</th>
<th>Pasture</th>
<th>All land &amp; bldgs.</th>
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</thead>
<tbody>
<tr>
<td>Missouri</td>
<td>$2,850</td>
<td>$1,700</td>
<td>$2,530</td>
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<tr>
<td>Kansas</td>
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<td>Arkansas</td>
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<td>5,600</td>
</tr>
<tr>
<td>Illinois</td>
<td>5,800</td>
<td>2,800</td>
<td>5,700</td>
</tr>
<tr>
<td>Cornbelt (IN, IL, IA, MO, OH)</td>
<td>4,920</td>
<td>2,100</td>
<td>4,590</td>
</tr>
<tr>
<td>U.S. (average 48 states)</td>
<td>3,030</td>
<td>1,100</td>
<td>2,350</td>
</tr>
</tbody>
</table>
Map 5. Percent change in estimated Missouri farmland values between July 2010 and July 2011

Missouri Average Change
- Good cropland +12.9%
- Good pastureland +6.4%
- Non-crop/non-pasture -1.5%

Map legend, region averages:
- Good cropland
- Good pastureland
- Non-crop/non-pasture

Map 6. Forecasted percent change in Missouri farmland values between July 2011 and July 2012

Missouri Average Change
- Cropland +4.1%
- Pastureland -0.6%
- Non-crop/non-pasture -1.9%

Map legend, region averages:
- Cropland
- Pastureland
- Non-crop/non-pasture

All Farmland & Buildings, 1950-2011
Missouri Values, USDA/NASS

$/acre

Actual 6% Trend

Year