A survey was conducted in July 2013 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 207 persons responding in 2013, 69% were lenders, 12% rural appraisers, 6% extension specialists, 5% broker/realtors, and 8% were in other 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 2013 for three classes of crop-l 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 respondents reported the value of good cropland was up in 18 of the 20 areas of the state for a statewide average of $4,510/ac., 17% above last year. Regionally, the biggest jumps were a 48% increase in the northwest corner of the state to $7,205/ac. and a 51% increase in the southeast corner to $7,753/ac. The statewide average value for good pasture land was up 12% at $2,492/ac. Timber and hunting/recreation land were up about 10% at $1,817/ac., and $1,724/ac., respectively.

**Who Is Buying Land?**

Survey respondents thought 69% of farmland buyers planned to farm the land themselves (Map 4). This is a one point increase over 2012. The number planning to rent out remained steady at 22% and the number planning to use the land for non-farming purposes declined one point to 9%.

**Factors Affecting Values**

Factors cited by many respondents as supporting farm land prices were similar to last year - low interest rates, low returns from other types of investments, crop insurance, high grain and livestock prices (profits). Changes in any of these factors could affect land prices negatively.

Respondents from areas with very productive cropland reported continued demand for large tracts of good cropland but few sellers. They saw local farmers in a strong cash position with the technology and confidence to farm more land and other investors who anticipated a good return from crop share or cash rent.

In south central areas with very little cropland the respondents saw less increase in land values. Operating margins were thin and few local residents could afford to buy more land.

In a few locations over the state, respondents reported an impact from groups of individuals who wanted to own land near one another. Also, some saw a few land purchases by people who were fearful of new government policies and thought land was a more secure investment than U.S. currency.

**Outlook (Map 6)**

Over the next 12 months, respondents expect the rate of increase in cropland values to slow to 2.6%, while pasture values increase about 1.3% and non-crop/non-pasture values increase 0.8%.
Map 1. Estimated cropland values per acre for July 2013

Map 2. Estimated pastureland values per acre for July 2013
Map 3. Estimated timber and hunting/recreation land values per acre for July 2013

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 2013

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

Agricultural Land Values Per Acre June 2013

(USDA/NASS)

<table>
<thead>
<tr>
<th></th>
<th>Cropland</th>
<th>Pasture</th>
<th>All land &amp; bldgs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Missouri</td>
<td>$3,800</td>
<td>$1,950</td>
<td>$3,100</td>
</tr>
<tr>
<td>Kansas</td>
<td>2,100</td>
<td>1,250</td>
<td>1,900</td>
</tr>
<tr>
<td>Arkansas</td>
<td>2,560</td>
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<td>3,000</td>
</tr>
<tr>
<td>Iowa</td>
<td>8,600</td>
<td>3,400</td>
<td>8,400</td>
</tr>
<tr>
<td>Illinois</td>
<td>7,900</td>
<td>3,700</td>
<td>7,800</td>
</tr>
<tr>
<td>Cornbelt (IN, IL, IA, MO, OH)</td>
<td>6,980</td>
<td>2,490</td>
<td>6,400</td>
</tr>
<tr>
<td>U.S. (average 48 states)</td>
<td>4,000</td>
<td>1,200</td>
<td>2,900</td>
</tr>
</tbody>
</table>
Map 5. Percent change in estimated Missouri farmland values between July 2012 and July 2013

Missouri Average Change
Good cropland +17.2%
Good pastureland +11.9%
Non-crop/non-pasture +10.3%

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

Map 6. Forecasted percent change in Missouri farmland values between July 2013 and July 2014

Missouri Average Change
Cropland + 2.6%
Pastureland + 1.3%
Non-crop/non-pasture + 0.8%

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

All Farmland & Buildings, 1950-2013
Missouri Values, USDA/NASS

$/acre
3200 3000 2800 2600 2400 2200 2000 1800 1600 1400 1200 1000 800 600 400 200 0
50 54 58 62 66 70 74 78 82 86 90 94 98 02 06 10
Year
Actual 6% Trend

Missouri Values, USDA/NASS