



***CASH RENTS AND  
LAND VALUES***

**E-mail: [nass-mn@nass.usda.gov](mailto:nass-mn@nass.usda.gov)**

**Homepage: <http://www.nass.usda.gov/mn/>**

**Released: August 24, 2004**

**MINNESOTA FARM CASH RENTS INCREASE**

The 2004 average cash rent for Minnesota cropland is \$83.50 per acre, up \$1.50 from 2003 and \$2.50 above 2002, according to the Minnesota Agricultural Statistics Service. Average pasture cash rent for 2004 is \$19.50 per acre, up \$0.50 from the past three years rate of \$19.00.

**U.S. HIGHLIGHTS**

Cash rents for cropland and pasture during the 2004 year rose sharply from 2003, which reflected producers' optimism following the combination of high production and price levels of major U.S. agricultural commodities in 2003. Cropland cash rents paid in 2004 advanced to an average of \$76.50 per acre from \$73.00 per acre in 2003, an increase of 4.8 percent. Rental rates increased in all regions except the Pacific region, where rates were unchanged. The Corn Belt and Northern Plains regions, which together account for nearly one half of cash-rented cropland acreage, increased 3.6 and 4.2 percent, respectively, from 2003. Cropland cash rents increased \$4.00 per acre, to \$114.00, in the Corn Belt and \$2.00 per acre, to \$50.00 in the Northern Plains. The Lake States saw a 2.3 percent increase in cropland cash rents in 2004, as rents advanced to \$76.20 per acre from \$74.50 per acre in 2003.

Pasture rates rose in all regions, led by an 8.0 percent increase in the Pacific Region and a 7.4 percent increase in the Corn Belt. In the Northern Plains and Southern Plains regions, which combine for approximately two-thirds of the cash-rented pasture acreage, rental rates were up 5.4 percent and 1.3 percent, respectively. Wisconsin continued to lead the Nation with the highest pasture rent, at \$37.00 per acre.

**CROPLAND RENTED FOR CASH: AVERAGE CASH RENT PER ACRE,  
BY SELECTED STATES, 2000-2004**

<b>STATES</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>
	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>
MINNESOTA	77.90	80.50	81.00	82.00	83.50
WISCONSIN	65.00	66.00	67.00	68.00	70.00
IOWA	115.00	117.00	120.00	122.00	126.00
NORTH DAKOTA	35.50	36.00	36.50	36.50	37.50
SOUTH DAKOTA	39.80	40.00	42.00	45.00	47.50

**PASTURE RENTED FOR CASH: AVERAGE CASH RENT PER ACRE,  
BY SELECTED STATES, 2000-2004**

<b>STATES</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>
	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>
MINNESOTA	18.00	19.00	19.00	19.00	19.50
WISCONSIN	38.00	36.00	36.00	36.00	37.00
IOWA	29.00	30.00	30.50	31.00	32.50
NORTH DAKOTA	9.50	9.80	9.70	9.80	10.20
SOUTH DAKOTA	11.00	11.00	10.90	11.00	11.60

## MINNESOTA AGRICULTURAL LAND VALUES UP

The January 1, 2004 Minnesota farm real estate value, including all land and buildings averaged \$1,800, up \$200 from 2003 and up \$300 from 2002, according to the Minnesota Agricultural Statistics Service. Minnesota cropland value rose 11.2 percent and pasture value increased 12.0 percent.

### U.S. HIGHLIGHTS

Farm real estate values, a measurement of the value of all land and buildings on farms, averaged \$1,360 per acre on January 1, 2004, up 7.1 percent from 2003. This is the largest percentage increase since 1994, when farm real estate values rose 8.0 percent from the previous year. The \$90 per acre increase is the largest dollar increase since 1980, when values climbed \$109 per acre above the 1979 value. The increase in farm real estate values was driven by a combination of factors, including low interest rates, high commodity production and prices, and strong demand for nonagricultural land uses.

Regional increases in the average value of farm real estate ranged from 5.2 percent in the Mountain region to 10.4 percent in the Lake region. The highest farm real estate values were in the Northeast region, where urban influences drove the average value to \$3,400 per acre. In the Corn Belt region, where commodity production and prices were favorable during 2003, farm real estate values rose 8.0 percent, to \$2,300 per acre. The Mountain region, with its expanse of pasture and rangeland, has the lowest farm real estate value, at \$550 per acre.

Cropland and pasture values rose by 7.2 and 6.4 percent, respectively, from January 1, 2003. Cropland values averaged \$1,780 per acre and pasture values averaged \$644 per acre on January 1, 2004, compared with \$1,660 and \$605 per acre, respectively, a year earlier. The value of other land and buildings rose 7.5 percent.

**FARM REAL ESTATE: AVERAGE VALUE PER ACRE,  
BY SELECTED STATES, JANUARY 1, 2000-2004**

STATES	2000	2001	2002	2003	2004
	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>
MINNESOTA	1,320*	1,400*	1,500*	1,600*	1,800
WISCONSIN	1,700	1,950*	2,150	2,300	2,500
IOWA	1,800*	1,850*	1,920*	2,010*	2,200
NORTH DAKOTA	405*	410*	415*	425*	455
SOUTH DAKOTA	380	405	430*	460*	500

\*Revised

### 2004 Farm Real Estate Value by State

