



NEWS RELEASE

**Ag Land Values and Cash Rents
August 6, 2004**

NORTH DAKOTA AGRICULTURAL LAND VALUE CONTINUES TO INCREASE

North Dakota

The 2004 average farmland real estate value was \$455 per acre, as cash rent for cropland rose to \$37.50, and pasture rent averaged \$10.20, according to the North Dakota Agricultural Statistics Service. Farmland real estate was valued at \$455 per acre, an increase of 7 percent over \$425 in 2003 and 17 percent higher than \$390 in 1997. The average value of cropland was \$490 per acre, an increase of \$30 over 2003 and 15 percent higher than \$427 in 1997. Pasture land values averaged \$185 per acre, up 9 percent from \$170 in 2003 and up 12 percent from \$165 in 2002.

Average cash rent for cropland in North Dakota was \$37.50 per acre in 2004. This is \$1.00 higher than 2003 and \$1.50 higher than 2002. Since 1997 cropland rent has been \$35 or higher, and has remained near 8 percent of the average value for cropland. Cash rent for pasture in 2004 averaged \$10.20 per acre, up from \$9.80 in 2003. Since 1997 pasture rent has averaged \$9 or more, and has remained near 6 percent of the average value for pasture land.

The land values and cash rents estimates in this report were based primarily on the June Agricultural Survey conducted during the first two weeks of June.

United States

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 percent from 2003. This is the largest percentage increase since 1994, when farm real estate values rose 8 percent from the previous year. Cropland and pasture values rose by 7 and 6 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 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.

Cash rents paid to landlords for cropland and pasture during the 2004 crop year rose from 2003. Cropland cash rents paid in 2004 averaged 5 percent above a year earlier, advancing to \$76.50 per acre, compared with \$73.00 per acre for 2003. Cropland cash rents increased in all regions except the Pacific region, where rental rates were unchanged.

Pasture cash rents rose 7 percent, from \$9.00 per acre in 2003 to \$9.60 per acre in 2004. Pasture cash rents rose in all regions, led by an 8 percent increase in the Pacific region and a 7 percent increase in the Corn Belt. In the Northern Plains and Southern Plains regions, which combine for about two-thirds of the cash-rented pasture acreage, rental rates were up 5 percent and 1 percent, respectively.

For More Information Contact:

Farm Real Estate, Cropland and Pasture Average Value per Acre, Selected States, 2003-2004

Region	Farm Real Estate			Cropland			Pasture		
	2003	2004	Change 2003-2004	2003	2004	Change 2003-2004	2003	2004	Change 2003-2004
	--- Dollars --- -- Pct --			--- Dollars --- -- Pct --			--- Dollars --- -- Pct --		
Lake States:	2,010	2,220	10.4	1,860	2,030	9.1	953	1,060	11.2
Michigan	2,680	2,920	9.0	2,350	2,550	8.5	1,600	1,800	12.5
Minnesota	1,600	1,800	12.5	1,520	1,690	11.2	625	700	12.0
Wisconsin	2,300	2,500	8.7	2,200	2,350	6.8	1,100	1,200	9.1
Corn Belt:	2,130	2,300	8.0	2,270	2,460	8.4	1,120	1,200	7.1
Illinois	2,430	2,610	7.4	2,500	2,700	8.0	1,060	1,110	4.7
Indiana	2,570	2,770	7.8	2,550	2,750	7.8	1,660	1,780	7.2
Iowa	2,010	2,200	9.5	2,120	2,320	9.4	800	880	10.0
Missouri	1,470	1,580	7.5	1,580	1,690	7.0	1,050	1,130	7.6
Ohio	2,740	2,930	6.9	2,750	2,940	6.9	1,950	2,100	7.7
Northern Plains:	594	632	6.4	737	781	6.0	258	278	7.8
Kansas	685	715	4.4	684	705	3.1	410	430	4.9
Nebraska	775	825	6.5	1,210	1,290	6.6	255	275	7.8
North Dakota	425	455	7.1	460	490	6.5	170	185	8.8
South Dakota	460	500	8.7	681	746	9.5	220	240	9.1
Mountain:	523	550	5.2	1,170	1,230	5.1	285	300	5.3
Arizona ^{1/}	1,500	1,600	6.7	6,000	6,400	6.7	470	500	6.4
Colorado	730	775	6.2	1,050	1,110	5.7	430	460	7.0
Idaho	1,280	1,360	6.3	1,680	1,770	5.4	700	725	3.6
Montana	390	410	5.1	520	540	3.8	270	285	5.6
Nevada ^{1/}	480	500	4.2	1,900	1,950	2.6	255	260	2.0
New Mexico ^{1/}	260	265	1.9	1,470	1,500	2.0	160	165	3.1
Utah ^{1/}	1,100	1,150	4.5	2,960	3,130	5.7	500	520	4.0
Wyoming	300	315	5.0	957	1,010	5.5	220	230	4.5
48 States ^{2/}	1,270	1,360	7.1	1,660	1,780	7.2	605	644	6.4

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

**Cropland and Pasture Rented for Cash,
by Selected States, 2003-2004**

Region	Cropland		Pasture	
	2003	2004	2003	2004
	(Dollars per Acre)		(Dollars per Acre)	
Michigan	60.00	62.00	---	---
Minnesota	82.00	83.50	19.00	19.50
Wisconsin	68.00	70.00	36.00	37.00
Illinois	123.00	126.00	32.50	34.00
Indiana	103.00	107.00	---	---
Iowa	122.00	126.00	31.00	32.50
Missouri			23.50	26.00
Non-Irrigated	70.00	76.00		
Kansas	39.00	41.00	12.60	13.20
Irrigated	68.00	72.00		
Non-Irrigated	36.00	37.50		
Nebraska	92.00	95.00	11.50	12.00
Irrigated	123.00	125.00		
Non-Irrigated	67.00	70.00		
North Dakota	36.50	37.50	9.80	10.20
South Dakota			11.00	11.60
Non-Irrigated	45.00	47.50		
Montana	24.00	24.50	4.50	5.00
Irrigated	48.00	49.00		
Non-Irrigated	18.50	18.90		

August 6, 2004

~ Compiled and Published by ~



N.D. Agricultural Statistics Service, USDA ■ P.O. Box 3166, Fargo, ND 58108-3166 ■ 701-239-5306

Internet - <http://www.nass.usda.gov/nd/> ■ To access NASS reports - <http://www.usda.gov/nass/>

