



Illinois Farm Real Estate Values Decrease for Third Straight Year

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Each year the National Agricultural Statistics Service of the USDA releases estimated average farm real estate values by state. The estimates are based on surveys of farmers from selected geographical areas. The surveys follow strict statistical guidelines. Estimated values maybe revised the following year based on additional information. Revisions may also be made based on data from the 5-year Census of Agriculture. The methodology and timing of the study has changed over time but the statistical information provides some insight as to the changes in farm real estate values from year to year.

Average Illinois Farm Real Estate Value

The average Illinois farm real estate values from 1970 through 2017 are listed in Table 1 and graphically in Figure 1. The average farm real estate value for Illinois in 2017 was \$7,300 per acre. This includes the value of all land and buildings. The figure was 1.4 percent lower than the 2016 average of \$7,400 per acre. The 2017 decrease is the third straight year for a decrease, but only the fourth decrease since 1987. Even with the slight decrease in the last three years, Illinois farm real estate values for 2017 was 60% higher than the 2008 value of \$4,550 ten years ago.

Since 1970, average farm real estate values have declined only eight times as compared to the previous year. Those years were 1982, 1983, 1985, 1986, 1987, 2009, 2015, 2016 and 2017. The last time there were three years in a row with a decrease was 1985, 1986 and 1987, however the decreases in 2015, 2016 and 2017 were very small compared to those years. There have been four years when farm real estate values increased over 20 percent, in 1974, 1976, 1977 and 2005. The largest increase was in 1977 when values rose 37.3 percent.

From 1995 through 1999, average farm real estate values increased between 4.2% and 9% annually. From 2000 to 2004, farm real estate increased between 1.3% and 5.3%. From 2005 to 2009 the change in average farm real estate values had ranged from -2.2% to 25.4%. From 2010 to 2014, the increase in farmland values has averaged 11.1%.

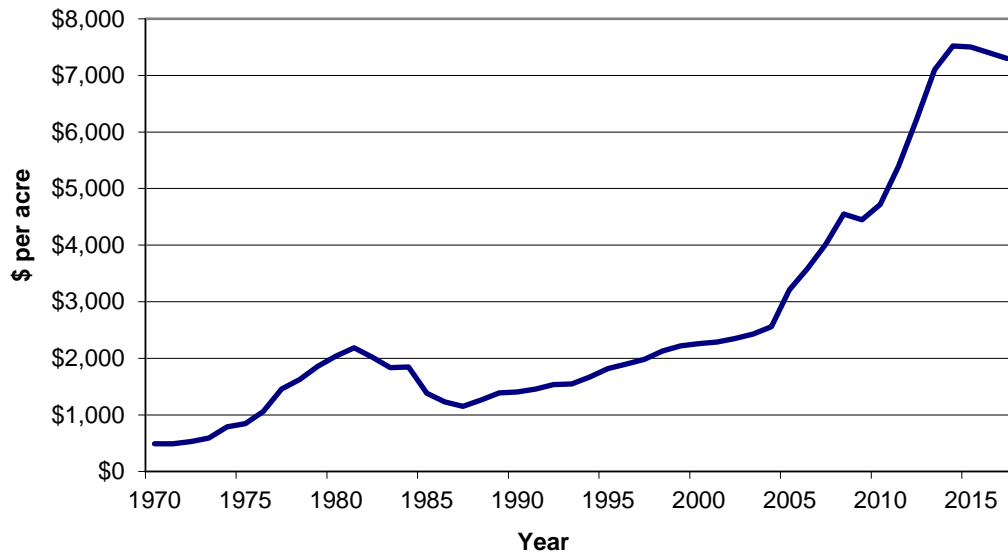
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Table 1. Illinois Farm Real Estate Values, 1970 through 2017, and Percent Change from the Previous Year

Year	Value per acre	Percent change	Year	Value per acre	Percent change	Year	Value per acre	Percent change
1970	\$490	na	1990	\$1,405	1.0%	2010	\$4,720	6.1%
1971	491	0.2%	1991	1,459	3.8%	2011	5,390	14.2%
1972	527	7.3%	1992	1,536	5.3%	2012	6,210	15.2%
1973	590	12.0%	1993	1,548	0.8%	2013	7,100	14.3%
1974	788	33.6%	1994	1,670	7.9%	2014	7,520	5.9%
1975	846	7.4%	1995	1,820	9.0%	2015	7,500	-0.3%
1976	1,062	25.5%	1996	1,900	4.4%	2016	7,400	-1.3%
1977	1,458	37.3%	1997	1,980	4.2%	2017	7,300	-1.4%
1978	1,625	11.5%	1998	2,130	7.6%			
1979	1,858	14.3%	1999	2,220	4.2%			
1980	2,041	9.8%	2000	2,260	1.8%			
1981	2,188	7.2%	2001	2,290	1.3%			
1982	2,023	-7.5%	2002	2,350	2.6%			
1983	1,837	-9.2%	2003	2,430	3.4%			
1984	1,845	0.4%	2004	2,560	5.3%			
1985	1,381	-25.1%	2005	3,210	25.4%			
1986	1,232	-10.8%	2006	3,590	11.8%			
1987	1,149	-6.7%	2007	4,020	12.0%			
1988	1,262	9.8%	2008	4,550	13.2%			
1989	1,391	10.2%	2009	4,450	-2.2%			

Source: USDA Agricultural Land Values Bulletin

Figure 1. Average Illinois Farm Real Estate Value per Acre, 1970 through 2017



The farm real estate value data is used to construct index numbers of Illinois farmland values. The index can be found at the *farmdoc* website. http://farmdoc.illinois.edu/manage/pdfs/index_numbers.pdf