

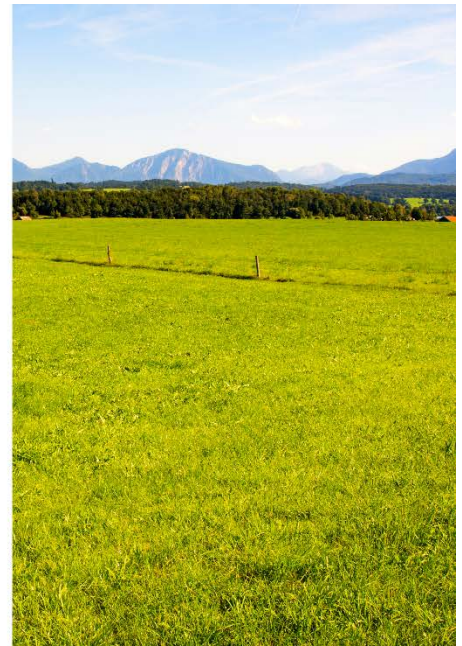
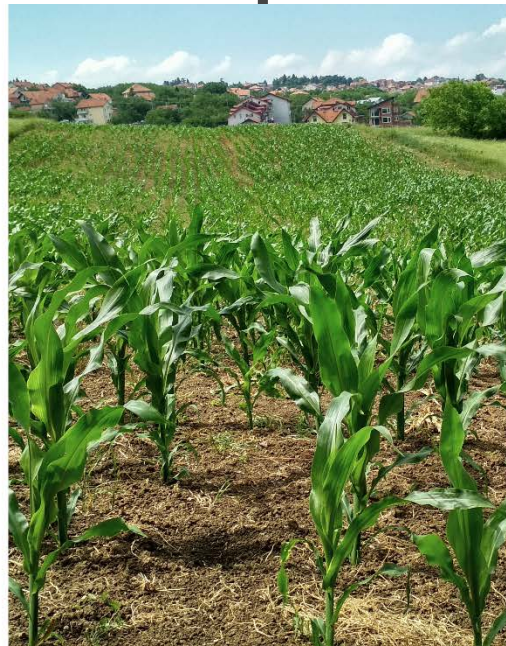
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2020 Land Values Report



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The 2020 Land Values Summary was released by USDA on Thursday, August 6. This annual report indicates the average value of all land and buildings on farms in the US, and by state and region. Three categories are measured: Farm Real Estate Value, Cropland Value, and Pasture value.

At the national level, all three categories were unchanged from 2019 with an average real estate value of \$3,160/acre. Cropland average value was \$4,100/acre and pasture value was \$1,400 per acre.

For Kentucky, all three categories increased in average value over 2019. Average real estate value in Kentucky was \$3,920/acre an increase of 2.6% from last year. Kentucky cropland value averaged \$4,400/acre an increase of 2.3%, and pasture value was \$3,060/acre, up 0.7% from 2019.

Farmland values continue to show resilience in the face of weak commodity prices. From a financial standpoint, this is important as 83% of the asset side of the national farm balance sheet is land and buildings. Erosion of land values (as happened in the 80s) would adversely affect the solvency of farms.

Note that the values in this report are “averages” and should be interpreted as such. Local land values are driven by a number of factors including productivity, development pressure, local demand, and a range of other attributes. These are useful averages for indicating broader trends, but ultimately all land value is “local.”

The Land Values Summary is released every August and is available at this [link](#).

Table 1. Average Farmland Value in U.S. and Kentucky, 2020

	Value (\$/ac)	% Change from 2019
U.S. Averages		
Farm Real Estate	\$3,160	0.0
Cropland	\$4,100	0.0
Pasture	\$1,400	0.0
Kentucky Averages		
Farm Real Estate	\$3,920	2.6%
Cropland	\$4,400	2.3%
Pasture	\$3,060	0.7%

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