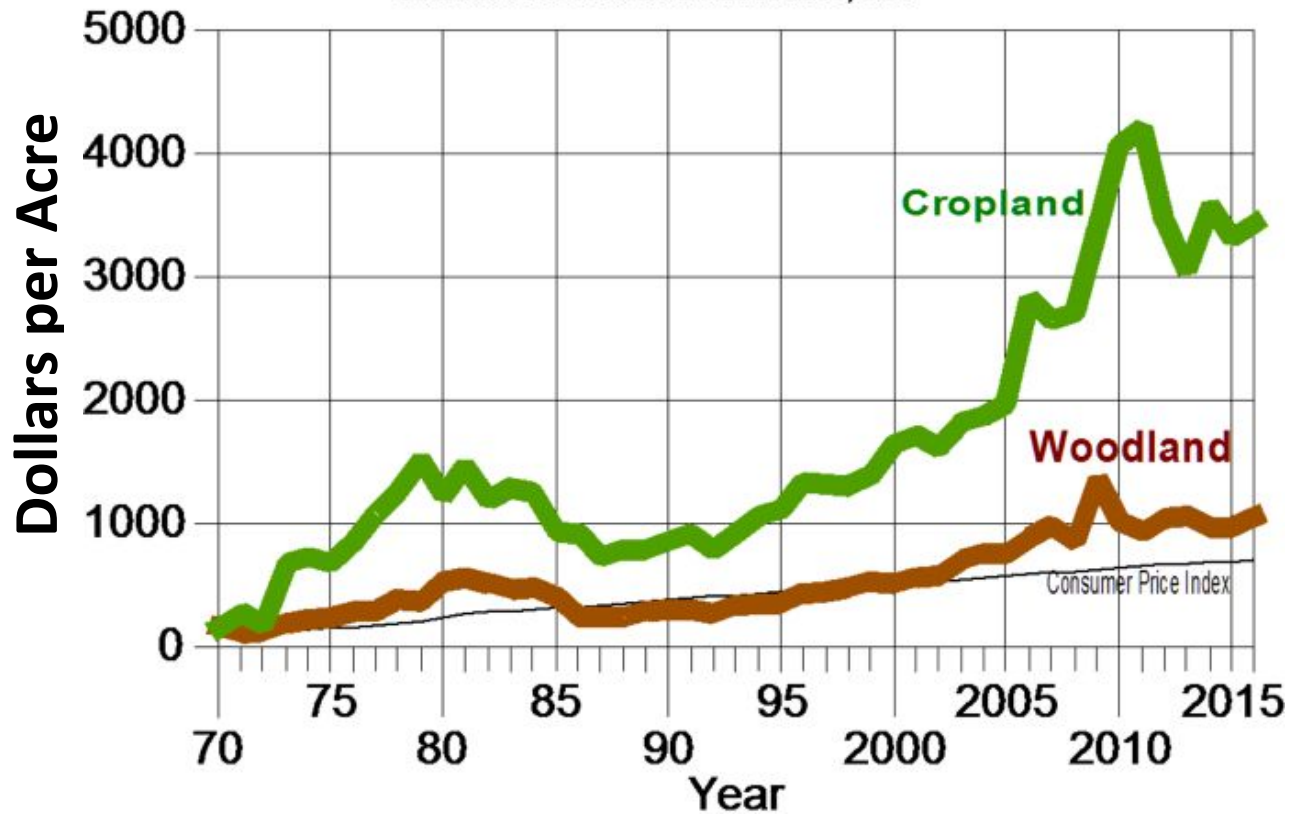


Keith Cropland & Woodland Index

Source: Tom J. Keith & Associates, Inc.



The Cropland & Woodland Index is an average of extracted cropland and woodland prices of farm and woodland comparable sales from 27 southeastern North Carolina Counties collected by our staff. The average per acre price of cropland and woodland for each of the last 46 years is shown in the table below.

Average Yearly Cropland and Woodland Prices/Ac		
Year	Cropland Price/Ac	Woodland Price/Ac
1970	\$171	\$162
1971	\$281	\$119
1972	\$176	\$140
1973	\$677	\$199
1974	\$736	\$234
1975	\$675	\$252
1976	\$860	\$300
1977	\$1,087	\$296
1978	\$1,265	\$395
1979	\$1,514	\$379
1980	\$1,230	\$543
1981	\$1,466	\$564
1982	\$1,192	\$525
1983	\$1,300	\$473
1984	\$1,264	\$491
1985	\$942	\$405
1986	\$922	\$243
1987	\$725	\$250
1988	\$788	\$253
1989	\$796	\$287
1990	\$860	\$311
1991	\$929	\$307
1992	\$796	\$276
1993	\$917	\$343
1994	\$1,072	\$352
1995	\$1,111	\$353
1996	\$1,349	\$447
1997	\$1,325	\$461
1998	\$1,311	\$496
1999	\$1,390	\$533
2000	\$1,651	\$519
2001	\$1,720	\$575
2002	\$1,624	\$585
2003	\$1,820	\$719
2004	\$1,868	\$758
2005	\$1,980	\$768
2006	\$2,830	\$896
2007	\$2,650	\$994
2008	\$2,709	\$854
2009	\$3,380	\$1,358
2010	\$4,075	\$1,016
2011	\$4,211	\$946
2012	\$3,452	\$1,049
2013	\$3,059	\$1,069
2014	\$3,587	\$975
2015	\$3,322	\$965
2016	\$3,444	\$1,051

Woodland increased in price 23% from 2002 to 2003 which is the largest increase over the last 20 years. The CPI was flat during 2008. Tobacco Allotment prices for 2003 ranged from \$2 to \$5 per pound sold and rent averaged between \$0.35 and \$0.70 per pound rented. Of course, there are no more tobacco allotments since the buyout of the allotments by the tobacco companies. Over the last 33 years, woodland prices have exceeded the rate of inflation; however, we are seeing some decline in woodland prices this year. Investors looking for safety and stability have purchased woodland in the past. Much of the woodland is purchased by recreational buyers.

As of 2016, only rural cropland sales greater than 50 acres and less than 750 acres in size, which were purchased for row crop farming and outside of any urban influence, were selected for this analysis. Cropland prices have remained flat over the last 8 years due to very little change in commodity prices. Woodland prices have remained flat over the last 7 years due to the soft and oversupply in the timber market. All woodland sales ranged in size from approximately 50 acres to 1000 acres. An increasing number of sales purchased for development, residential estates, and other non agricultural uses were noted but not used in the survey. The sample size is greatly reduced over the last few years due to the large number of tracts purchased for non-farm uses.

Due to the 150% increase in most commodity prices during 2005, cropland prices have increased significantly. We saw a similar increase in commodities during 1980 through 1982 and then a sharp decline to less than half that by 1985. Cropland prices also declined in 1985 to about 50% of their 1982 prices. Farm foreclosures were at a peak from 1985 to 1990 as a result of purchasers buying with borrowed money at the peak of 1980-1982 and values declining to a 50% level 3 years later.

J. Carr Gibson compiled the data for 2004, 2005, 2006, 2007, and 2008.
James C. Bullard compiled the data for 2009, 2010, and 2011.
Alex T. Keith compiled data for 2012-2016.

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