

# Lenders' Sentiments on Missouri Agricultural Land Values

In Missouri, land sales prices do not need to be reported to a governmental or public agency. This means that farmers, bankers, and appraisers are unable to see a history of sales transactions to see how land values are changing. The University of Missouri has worked to address this knowledge gap with the annual Missouri Farm Land Values Opinion Survey since 2000. In addition, MU Extension's annual Agricultural Lenders Seminar collects expectations on how land values will change in the next year from attending lenders while offering education on market outlook and farm budgets.

The 2022 Agricultural Lenders Seminars were held between November and December through a partnership with Missouri Department of Agriculture's Missouri Agricultural and Small Business Development Authority (MASBDA) and the Farm Service Agency (FSA). The data below summarizes 274 attending agricultural lenders' expectations for 2023.

## Ag lender expectations of land values

Lenders were asked to record their expectations for land sale values in 2023 by different types of land (average cropland, average pasture, hills and brush). The values were then compared to recorded values of known 2022 sales collected in the previous MU Extension survey. Calculated percent changes varied by seminar location (see Figure 1). Negative percentages indicate decreases in average land value, while positive percentages indicate increases in average land value. Among attending lenders, 44% anticipated cropland values to increase in 2023, while 28% anticipated values to remain in line with 2022 observations. Similarly, 44% expected pastureland values to increase, while 27% anticipated no change from 2022.

For previous years' data, see MU Extension publication G401, [Missouri Farm Land Value Opinion Survey](https://extension.missouri.edu/publications/g401) (extension.missouri.edu/publications/g401).

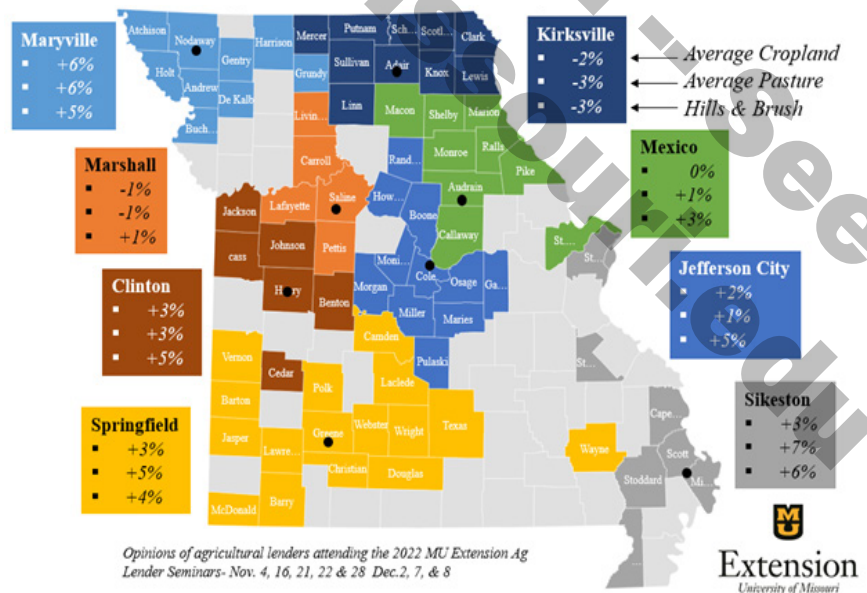


Figure 1. Ag lend expectations of land value percent change in 2023 from 2022 by location.

Written by  
**Ben Brown**, Senior Research Associate, Agricultural Business and Policy Extension

## Factors impacting land values

Lenders were asked to evaluate how 10 factors were likely to impact land values in 2023. Nine factors were viewed as supporting land values. Lenders felt the quantity of land available for sale was likely to have the most influence on pushing up land prices. Rising interest rates were expected to push down land values. Figure 2 shows that lenders expected less upward pressure on land value prices in 2023 compared to 2021 sentiments for 2022.

In 2022, 274 agricultural lenders attended the seminar series and shared their opinion; 273 of these lenders worked in the state of Missouri.

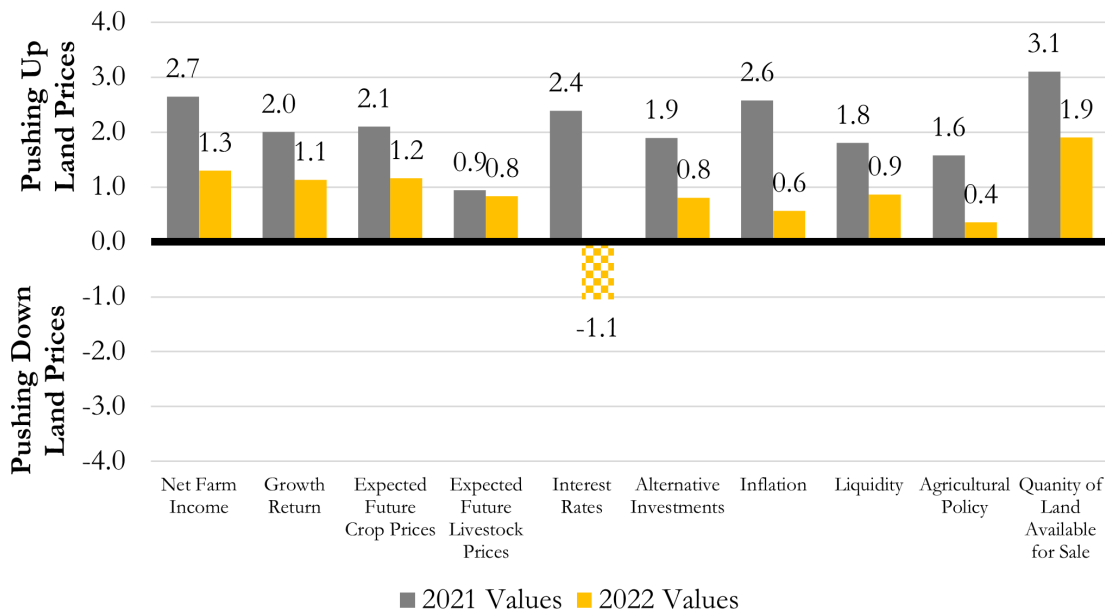


Figure 2. Factors impacting land values: 2021 and 2022.