

**Agricultural Land Sale Prices in the State of
Georgia**
A Historical Series

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Data source:
Sales Ratio Division
Department of Audits
State of Georgia

Farmland prices in the State of Georgia more than doubled in real terms over the last twenty-four years 1977 to 2001. Literature abounds with controversies regarding the real determinants of farmland prices. This report, however, showcases the main features of farmland price movements in the nine Districts of Georgia (Figure 1).

Table 1, Table 2, and Figure 2 show average nominal and real price per acre of Georgia farmland since 1977. Figure 2 shows a slowly rising series with a downturn in 1990, sharp upturn beginning in 1994, another sharp upturn beginning in 1997, and a sharp downturn in 1999. In fact, the year 1994 marks the beginning of a steep rising trend in average farmland prices in both dollar and deflated terms. From 1999 to 2000, real price per acre of farmland has declined across the state by 17 percent. Districts 3 and 5 have shown a mild increase while the highest increase is reported in District 2 with an added \$702 per acre.

The average real price of Georgia farmland rose by 57 percent between 1996 and 1999. This high peak was followed by a sharp decline and a mild rise in 2001.

Average real farmland prices in 1997 ranged from \$1021 per acre in District 7 to \$ 6177 per acre in District 2. The highest range, however, is recorded in the year 2000. The difference was \$5156. This observed disparity might be explained partially by the urban influences in District 2.

The farmland price estimates in this report are based primarily on data collected by the State of Georgia, Department of Audits. The Gross Domestic Product (GDP) deflator inflation index used to adjust costs from one year to another is based on the inflation rate during the US Government Fiscal Year. NASA* (NASA 2002) has developed a convenient way to perform these calculations.

*** NASA (May, 2002) Cost Estimation: Gross Domestic Product Deflator Inflation Calculator. Retrieved May 2002, from: <http://www.jsc.nasa.gov/bus2/inflateGDP.html>**

Table 1. Average Per-acre Nominal Sales Price of Farmland, State of Georgia, 1977-2001⁽¹⁾

| Year | State Average | Georgia Agricultural Statistical Districts ⁽²⁾ | | | | | | | | |
|------|---------------|---|-------|------|------|------|------|------|------|------|
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 1977 | 611 | 693 | 845 | 584 | 686 | 475 | 483 | 556 | 668 | 520 |
| 1978 | 704 | 784 | 933 | 585 | 694 | 617 | 597 | 671 | 775 | 650 |
| 1979 | 703 | 775 | 970 | 604 | 663 | 577 | 619 | 718 | 707 | 601 |
| 1980 | 780 | 809 | 1085 | 645 | 738 | 659 | 709 | 804 | 859 | 643 |
| 1981 | 924 | 850 | 1509 | 756 | 809 | 765 | 798 | 886 | 905 | 772 |
| 1982 | 901 | 961 | 1286 | 711 | 827 | 818 | 724 | 838 | 891 | 788 |
| 1983 | 916 | 879 | 1368 | 744 | 902 | 814 | 776 | 831 | 806 | 843 |
| 1984 | 1087 | 971 | 1936 | 801 | 955 | 863 | 892 | 901 | 838 | 907 |
| 1985 | 1124 | 1075 | 2211 | 893 | 1016 | 805 | 879 | 833 | 860 | 841 |
| 1986 | 1265 | 1097 | 3068 | 946 | 1113 | 986 | 768 | 911 | 785 | 813 |
| 1987 | 1201 | 1297 | 2445 | 955 | 1165 | 1199 | 793 | 740 | 724 | 950 |
| 1988 | 1176 | 1517 | 2274 | 997 | 1355 | 1010 | 741 | 783 | 778 | 803 |
| 1989 | 1278 | 1545 | 2565 | 1308 | 1660 | 972 | 774 | 741 | 817 | 1080 |
| 1990 | 1146 | 1519 | 2613 | 1188 | 1074 | 997 | 852 | 748 | 739 | 827 |
| 1991 | 1090 | 1756 | 2593 | 1090 | 1095 | 916 | 866 | 718 | 855 | 807 |
| 1992 | 940 | -- | -- | 1810 | 1263 | 592 | 825 | 644 | 840 | 788 |
| 1993 | 1215 | 1644 | 4029 | 845 | 1207 | 1113 | 554 | 651 | 1015 | 725 |
| 1994 | 933 | -- | -- | -- | 865 | 627 | -- | 911 | 583 | 1229 |
| 1995 | 1532 | -- | -- | -- | 1921 | 2029 | -- | 1337 | 1190 | 647 |
| 1996 | 2581 | 2494 | 4484 | 2553 | 3195 | 2116 | 1156 | 1323 | 1171 | 2159 |
| 1997 | 2830 | 2549 | 6177 | 2352 | 3285 | 1902 | 2010 | 1021 | 1187 | 1966 |
| 1998 | 3734 | 3587 | 6781 | 3538 | 4722 | 3030 | 2360 | 1558 | 1658 | 1181 |
| 1999 | 4234 | 4567 | 9779 | 3293 | 4038 | 2545 | 3215 | 1528 | 1666 | 2936 |
| 2000 | 3566 | 4267 | 10481 | 3380 | 3979 | 2838 | 2058 | 1284 | 1421 | 2165 |
| 2001 | 3696 | 3927 | 8406 | 2816 | 4601 | 2314 | 2237 | 1797 | 1302 | 1927 |

1. Source: State of Georgia Department of Audits, Sales Ratio Division. Data compiled and analyzed by Dr. John C. Bergstrom, Dr. Ivery D. Clifton, and Mr. Yassin M. Mohamed, College of Agricultural and Environmental Sciences, The University of Georgia, Athens, GA 30602.

2. See Figure 1.

Farmland prices are in nominal dollars and are lagged one year (i.e. 2001 price reported in table is derived from 2000 sales).

Blank cells (-) represent insufficient sales data for calculating averages.

Table 2. Average Per-acre Nominal Real (Inflation-adjusted) Sales Price of Farmland, State of Georgia, 1977-2001⁽¹⁾

| Year | State Average | Georgia Agricultural Statistical Districts ⁽²⁾ | | | | | | | | |
|------|---------------|---|------|------|------|------|------|------|------|------|
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 1977 | 895 | 1015 | 1238 | 855 | 1004 | 696 | 708 | 814 | 978 | 761 |
| 1978 | 966 | 1076 | 1280 | 803 | 953 | 847 | 819 | 920 | 1063 | 891 |
| 1979 | 894 | 986 | 1235 | 768 | 843 | 734 | 787 | 914 | 899 | 765 |
| 1980 | 914 | 947 | 1270 | 756 | 865 | 772 | 830 | 941 | 1006 | 753 |
| 1981 | 987 | 909 | 1612 | 808 | 864 | 817 | 852 | 947 | 967 | 825 |
| 1982 | 901 | 961 | 1286 | 711 | 827 | 818 | 724 | 838 | 891 | 788 |
| 1983 | 825 | 841 | 1309 | 712 | 863 | 779 | 743 | 795 | 771 | 807 |
| 1984 | 1002 | 896 | 1786 | 739 | 881 | 796 | 823 | 831 | 773 | 837 |
| 1985 | 1004 | 961 | 1976 | 798 | 908 | 720 | 785 | 744 | 768 | 752 |
| 1986 | 1104 | 957 | 2678 | 826 | 971 | 860 | 670 | 795 | 685 | 709 |
| 1987 | 1048 | 1132 | 2134 | 833 | 1017 | 1046 | 692 | 646 | 632 | 829 |
| 1988 | 969 | 1249 | 1873 | 821 | 1116 | 832 | 610 | 645 | 641 | 661 |
| 1989 | 1014 | 1225 | 2034 | 1037 | 1316 | 771 | 614 | 587 | 648 | 857 |
| 1990 | 876 | 1160 | 1996 | 908 | 821 | 762 | 651 | 571 | 564 | 632 |
| 1991 | 803 | 1294 | 1911 | 803 | 807 | 675 | 638 | 529 | 630 | 594 |
| 1992 | 677 | -- | -- | 1303 | 909 | 426 | 594 | 463 | 605 | 567 |
| 1993 | 853 | 1155 | 2829 | 593 | 848 | 782 | 389 | 457 | 713 | 509 |
| 1994 | 640 | -- | -- | -- | 594 | 430 | -- | 625 | 400 | 843 |
| 1995 | 1030 | -- | -- | -- | 1292 | 1364 | -- | 899 | 800 | 435 |
| 1996 | 1702 | 1645 | 2958 | 1684 | 2107 | 1396 | 763 | 872 | 773 | 1424 |
| 1997 | 1835 | 1653 | 4006 | 1526 | 2131 | 1234 | 1303 | 662 | 770 | 1275 |
| 1998 | 2391 | 2296 | 4341 | 2265 | 3023 | 1940 | 1511 | 998 | 1062 | 756 |
| 1999 | 2676 | 2887 | 6181 | 2081 | 2552 | 1609 | 2032 | 966 | 1053 | 1856 |
| 2000 | 2220 | 2657 | 6526 | 2105 | 2478 | 1767 | 1281 | 800 | 885 | 1348 |
| 2001 | 2256 | 2397 | 5132 | 1719 | 2809 | 1413 | 1366 | 1097 | 795 | 1176 |

1. Source: State of Georgia Department of Audits, Sales Ratio Division. Data compiled and analyzed by Dr. John C. Bergstrom, Dr. Ivery D. Clifton, and Mr. Yassin M. Mohamed, College of Agricultural and Environmental Sciences, The University of Georgia, Athens, GA 30602.

2. See Figure 1.

Nominal values for farmland adjusted by the Gross Domestic Product implicit price deflator index to 1982=100 and lagged one year (e.g., 2001 price reported in table is derived from 2000 sales).

Blank cells (-) represent insufficient sales data for calculating averages.

Figure 1. Georgia Agricultural Statistics Districts

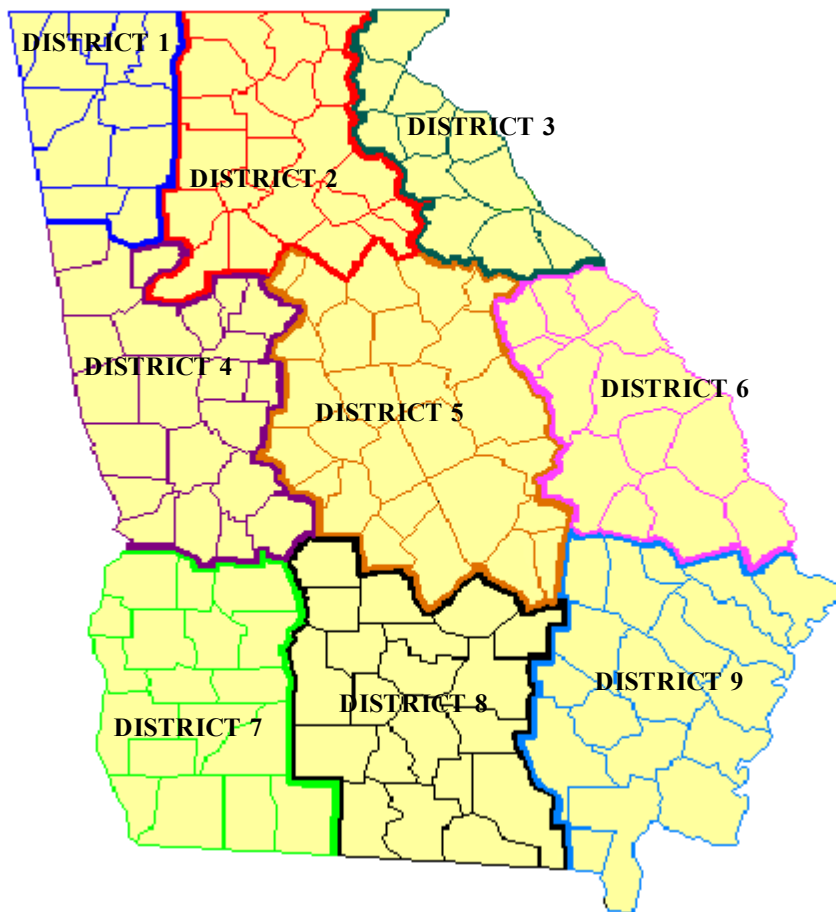


Figure 2. Average Sales Price for Agricultural Land, State of Georgia, 1977-2001

