

Farm Real Estate Market Developments

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Data on farm real estate transfers has been collected for many years by the USDA. This paper briefly notes trends in: farm prices as shown by a national index, the number of farms for sale, credit conditions, the number and value of transfers, the proportion of debt financing and source of credit, the nature of the farm tracts that were transferred, the identity of farm buyers, and the probable future use of farm land.

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Considerable information on farm real estate prices and market developments is collected by the U.S. Department of Agriculture and published periodically in Farm Real Estate Market Developments. The full record of most of the national series has been compiled in Section 600 of the Agricultural Finance Databook--Annual Series. A brief tour through this collection provides both current knowledge of and historical perspective on national developments in the farm real estate market.

A national index of farm real estate prices has been compiled since 1912, and its movements over the past 65 years clearly reflect cycles and trends in agricultural prosperity (Table 611.1). A sharp rise in the index during and directly after World War I was followed by 13 consecutive years of falling land prices, over which the index declined by 59 percent from the peak reached in 1920. During World War II and again during the Korean War, land prices rose by more than 10 percent annually. Directly after the Korean War they recorded their last decline--a drop of one percent in 1953. From that year to 1972, most annual increases ranged between 4 and 6 percent; the exceptions were a weaker period around 1960 and a stronger period in the mid-1960's. Annual gains exceeding 10 percent were then posted from 1972 through 1976, with the sharpest rise being 25 percent for the year ending March 1, 1974. A further rise of 9 percent was recorded for the year ending February 1, 1978.

Surveys of farm real estate market participants shed some light on the supply and demand changes that have resulted in these land price movements (Table 621.1). From 1973 through 1975, for instance, an unusually high proportion of market participants reported that the number of farms offered for sale had decreased. Inquiries from prospective purchasers of farmland rose sharply in 1972 and 1973. Through most of the boom, market participants were on average forecasting further significant land price increases, although a substantial proportion each year underestimated the near-term strength in the price trend. The proportion of participants expecting land price increases declined in late 1974 and early 1975 and again in 1977, but in each case these expectations were quickly reversed as farm output prices and income recovered.

The farm land market may also be affected by the availability and cost of credit, and thus market participants are asked to report the changes observed in these factors (Table 622.1). Since 1974 their reports had been indicating gradual improvement in credit conditions, but this trend was reversed as of the October 1977 survey.

Several series reflecting farm real estate market activity are compiled. The annual number of transfers shows a long-term decline that parallels the reduction in farm numbers (Table 631.1). Since 1949, annual transfers have

ranged between 4 and 6 percent of the total number of farms. From a low of 4.14 percent for the year ending March 1, 1970, this ratio rose to 5.83 percent for the year ending March 1, 1974. It then dropped sharply and is again near the 4 percent level. Thus the rate of transfer activity during the land price boom peaked in 1973, and recent transfer rates have actually been somewhat below those of the 1960's.

Additional market data covering voluntary and estate sales of 10 or more acres have been available since 1966 (Table 632.1). Estimates are provided separately for all transfers and credit-financed transfers, and they show the number, acreage, and value of transfers and the amount of debt incurred. Again, the number and acreage of transfers peaked in 1973 and then fell sharply. Because the price of land continued to rise rapidly, however, by 1976 the value of transfers surpassed its 1973 level, as did the amount of debt incurred in connection with these transfers.

The proportion of farm transfers involving debt financing has risen substantially over the period spanned by this series (Table 641.1). From about one-half of all transfers in the 1940's, the proportion rose to about two-thirds in the late 1950's, climbed to 80 percent in the late 1960's, and now has nearly reached 90 percent. At the same time, the relative amount of debt used in the credit-financed transfers has also risen from around 60 percent in the mid-1950's to more than 75 percent since 1973. In the year ending March 1, 1977, debt incurred was equal to 77 percent of purchase price on the 88 percent of transfers that involved debt financing; therefore, borrowing provided 68 percent of the funds used to finance all transfers ($.88 \times .77 = .68$). An alternative estimate indicates that borrowing provided 64 percent of purchase funds for all transfers (Table 642.1).

Sellers of farms remain the principal source of credit for farm real estate purchases, and about three-fourths of the debt they provide is in the form of land purchase contracts (Table 643.1). Insurance companies reduced their farm lending during the "credit crunches" of 1966 and 1969, and in these years the resulting gap was largely filled by increased lending by sellers. Starting in 1970, however, the Federal Land Banks greatly increased their share of farm real estate lending, aided first by the introduction of variable-rate mortgages and later by the liberalization of appraisals and downpayments as authorized by the Farm Credit Act of 1971. Since 1976, however, lending by insurance companies has made a strong comeback.

The nature of farm tracts transferred has changed markedly in recent decades (Table 651.1). In the early 1950's, about three-fourths of the tracts sold were complete, full-time farms, and about two-thirds of the tracts were purchased for operation as complete farms. Now, less than half of sales are complete farms, and only one-fourth of the purchases are operated as complete farms. About 60 percent of purchases now become parts of other farms; that is, they

were made to enlarge existing farms. More detailed data indicate that the most common transaction by far is now the sale of a part of one farm to become part of another farm, whereas only ten years earlier it had been the sale and purchase of a complete farm (Table 652.1). Finally, the proportion of part-time farms in farm transfers increased significantly during the 1960's, but has since held at the level reached toward the end of that decade.

The identity of farm land buyers has changed in one important respect over the years. Far fewer are now tenants than formerly, and over half are now already owner-operators of farms (Table 653.1). In contrast, the proportion of non-farmers among buyers has changed very little over the last four decades, varying only between one-third and two-fifths of buyers. The composition of sellers of farms also has not changed much, if one takes note of the definitional changes that appear to be responsible for most of the shifts in these survey results (Table 654.1).

Data on the probable future use of farm land sold has been collected for only a few years, and thus a historical perspective is not yet available (Table 655.1). It appears, however, that the proportion of transfers consisting of tracts intended for farming uses increased during the early years of the boom, but has since retreated to its 1971 level. In recent years, from 15 to 20 percent of tracts transferred were expected to be employed in nonfarm uses five years later. These tracts have tended to be smaller than the average transfer, however, and have represented from 7 to 10 percent of the acreage transferred.

The tables accompanying this paper include data from the USDA's March 1978 survey of farm realtors and others, as published in the July 1978 issue of Farm Real Estate Market Developments.

TABLE 611-1

FARM REAL ESTATE--INDEX OF AVERAGE VALUE PER ACRE
(BASED ON DATA PROVIDED BY SRS CROP REPORTERS)

MARCH 1	INDEX 1967=100	PERCENTAGE CHANGE FROM PREVIOUS YEAR		MARCH 1* AND NOVEMBER 1	INDEX 1967=100	PERCENTAGE CHANGE FROM PREVIOUS		ANNUALIZED PERCENTAGE CHANGE FROM PREVIOUS DATE	
		DATE	YEAR			DATE	YEAR		
1912.....	22.3	*****		1955-HI ...	52.9	1.5	4.1	4.6	
1913.....	23.0	3.1		-HII....	54.2	2.5	4.0	3.7	
1914.....	23.7	3.0		1956-HI ...	54.9	1.3	3.8	3.9	
1915.....	23.6	-0.4		-HII....	57.1	4.0	5.4	6.0	
1916.....	25.2	6.8		1957-HI ...	58.4	2.3	6.4	6.8	
1917.....	27.2	7.9		-HII....	60.2	3.1	5.4	4.6	
1918.....	30.0	10.3		1958-HI ...	61.3	1.8	5.0	5.5	
1919.....	32.7	9.0		-HII....	64.0	4.4	6.3	6.6	
1920.....	39.8	21.7		1959-HI ...	65.8	2.8	7.3	8.4	
1921.....	36.9	-7.3		-HII....	67.5	2.6	5.5	3.9	
1922.....	32.3	-12.5		1960-HI ...	68.4	1.3	4.0	4.0	
1923.....	31.3	-3.1		-HII....	68.6	0.3	1.6	0.4	
1924.....	30.1	-3.8		1961-HI ...	69.4	1.2	1.5	3.5	
1925.....	29.4	-2.3		-HII....	71.3	2.7	3.9	4.1	
1926.....	28.7	-2.4		1962-HI ...	73.1	2.5	5.3	7.6	
1927.....	27.5	-4.2		-HII....	75.2	2.9	5.5	4.3	
1928.....	27.0	-1.8		1963-HI ...	76.7	2.0	4.9	6.0	
1929.....	26.8	-0.7		-HII....	79.7	3.9	6.0	5.9	
1930.....	26.3	-1.9		1964-HI ...	81.9	2.8	6.8	8.3	
1931.....	23.7	-9.9		-HII....	84.6	3.3	6.1	4.9	
1932.....	19.8	-16.5		1965-HI ...	86.2	1.9	5.3	5.7	
1933.....	16.2	-18.2		-HII....	90.1	4.5	6.5	6.8	
1934.....	17.0	4.9		1966-HI ...	93.3	3.6	8.2	10.7	
1935.....	17.6	3.5		-HII....	98.0	5.0	8.8	7.6	
1936.....	18.4	4.5		1967-HI ...	100.0	2.0	7.2	6.1	
1937.....	19.0	3.3		-HII....	104.5	4.5	6.6	6.7	
1938.....	19.2	1.1		1968-HI ...	106.9	2.3	6.9	6.9	
1939.....	18.9	-1.6		-HII....	111.2	4.0	6.4	6.0	
1940.....	18.9	0.0		1969-HI ...	112.8	1.4	5.5	4.3	
1941.....	19.0	0.5		-HII....	116.2	3.0	4.5	4.5	
				1970-HI ...	117.4	1.0	4.1	3.1	
MARCH 1 AND NOVEMBER 1	INDEX 1967=100	PERCENTAGE CHANGE FROM PREVIOUS		ANNUALIZED PERCENTAGE CHANGE FROM PREVIOUS DATE					
		DATE	YEAR	DATE					
1942-HI ...	20.6	*****	8.4	*****	1971-HI ...	122.5	2.3	4.3	6.8
-HII....	21.0	1.9	*****	2.9	-HII....	127.2	3.8	6.2	5.8
1943-HI ...	22.6	7.6	9.7	22.9	1972-HI ...	132.5	4.2	8.2	12.5
-HII....	23.7	4.9	12.9	7.3	-HII....	140.9	6.3	10.8	9.5
1944-HI ...	25.8	8.9	14.2	26.6	1973-HI ...	149.7	6.2	13.0	18.7
-HII....	27.0	4.7	13.9	7.0	-HII....	169.8	13.4	20.5	20.1
1945-HI ...	28.6	5.9	10.9	17.8	1974-HI ...	186.8	10.0	24.8	30.0
-HII....	30.1	5.2	11.5	7.9	-HII....	204.0	9.2	20.1	13.8
1946-HI ...	32.3	7.3	12.9	21.9	1975-HI ...	212.7	4.3	13.9	12.8
-HII....	34.4	6.5	14.3	9.8	-HII....	228.1	7.2	11.8	10.9
1947-HI ...	36.2	5.2	12.1	15.7	1976-HI ...	241.9	6.0	13.7	24.2
-HII....	37.4	3.3	8.7	5.0	-HII....	266.8	10.3	17.0	13.7
1948-HI ...	39.1	4.5	8.0	13.6	1977-HI ...	282.6	5.9	16.8	23.7
-HII....	40.8	4.3	9.1	6.5	-HII....	296.0	4.7	10.9	6.3
1949-HI ...	40.7	-0.2	4.1	-0.7	1978-HI ...	308.0	4.1	9.0	16.2
-HII....	39.5	-2.9	-3.2	-4.4					
1950-HI ...	39.9	1.0	-2.0	3.0					
-HII....	43.4	8.8	9.9	13.2					
1951-HI ...	46.1	6.2	15.5	18.7					
-HII....	49.1	6.5	13.1	9.8					
1952-HI ...	50.7	3.3	10.0	9.8					
-HII....	51.2	1.0	4.3	1.5					
1953-HI ...	51.5	0.6	1.6	1.8					
-HII....	50.7	-1.6	-1.0	-2.3					
1954-HI ...	50.8	0.2	-1.4	0.6					
-HII....	52.1	2.6	2.8	3.8					

THE "ANNUALIZED PERCENTAGE CHANGE FROM PREVIOUS DATE" FACILITATES COMPARISON OF THE RATE OF PRICE CHANGE OVER TIME BY ADJUSTING FOR THE VARIATION IN THE LENGTH OF THE PERIOD BETWEEN REPORTING DATES. THE ANNUALIZED CHANGE IS THEREFORE OBTAINED BY MULTIPLYING THE CHANGE IN THE 8-MONTH MARCH-NOVEMBER PERIOD BY 1.50 AND THE CHANGE IN THE 4-MONTH NOVEMBER-MARCH PERIOD BY 3.00.

* STARTING IN 1976, THE FIRST SURVEY OF EACH YEAR IS MADE ON FEBRUARY 1, AND THUS THE FACTORS FOR COMPUTING THE ANNUALIZED CHANGE ARE 1.33 AND 4.00, RESPECTIVELY.

TABLE 621.1

MARKET ACTIVITY AND PRICE EXPECTATIONS

MARCH 1 AND OCTOBER 1	CHANGE IN MARKET ACTIVITY FROM A YEAR EARLIER PERCENTAGE OF RESPONDENTS REPORTING						PRICE CHANGE EXPECTED IN THE FOLLOWING YEAR		
	FARMS OFFERED FOR SALE			INQUIRIES FOR FARMLAND			PERCENT OF RESPONDENTS EXPECTING		
	INCREASED	CHANGED LITTLE	DECREASED	INCREASED	CHANGED LITTLE	DECREASED	INCREASE OF 5% OR MORE	LITTLE CHANGE	DECREASE OF 5% OR MORE
1959-HI ...	****	****	****	37.	51.	12.	****	****	****
-HII...	14.	54.	32.	26.	43.	31.	19.	75.	6.
1960-HI ...	****	****	****	21.	50.	29.	13.	74.	13.
-HII...	18.	54.	28.	13.	31.	56.	9.	73.	18.
1961-HI ...	18.	65.	17.	17.	51.	32.	8.	77.	15.
-HII...	15.	54.	31.	29.	40.	31.	17.	78.	5.
1962-HI ...	17.	64.	19.	29.	51.	20.	18.	76.	6.
-HII...	12.	56.	32.	29.	41.	30.	18.	77.	5.
1963-HI ...	18.	63.	19.	32.	53.	15.	20.	74.	6.
-HII...	12.	54.	34.	33.	43.	24.	22.	74.	4.
1964-HI ...	****	****	****	****	****	****	****	****	****
-HII...	15.	62.	23.	26.	54.	20.	23.	72.	5.
1965-HI ...	19.	63.	19.	35.	51.	14.	30.	66.	4.
-HII...	11.	53.	32.	34.	48.	16.	51.	47.	2.
1966-HI ...	12.	50.	35.	44.	43.	11.	57.	40.	3.
-HII...	10.	50.	36.	29.	48.	20.	46.	46.	8.
1967-HI ...	12.	55.	30.	31.	48.	18.	46.	50.	4.
-HII...	17.	55.	26.	32.	47.	19.	44.	50.	6.
1968-HI ...	18.	56.	26.	33.	48.	19.	44.	50.	6.
-HII...	19.	55.	26.	31.	46.	23.	41.	51.	8.
1969-HI ...	18.	56.	26.	28.	47.	25.	38.	52.	10.
-HII...	20.	54.	26.	23.	40.	37.	30.	51.	20.
1970-HI ...	19.	53.	28.	19.	41.	40.	25.	59.	16.
-HII...	17.	53.	30.	21.	40.	39.	27.	61.	12.
1971-HI ...	19.	56.	25.	25.	46.	29.	30.	60.	10.
-HII...	18.	56.	24.	36.	45.	19.	36.	58.	6.
1972-HI ...	20.	58.	22.	46.	45.	9.	48.	49.	3.
-HII...	15.	58.	27.	54.	41.	5.	64.	35.	1.
1973-HI ...	16.	54.	30.	62.	34.	4.	71.	28.	1.
-HII...	12.	50.	38.	62.	34.	4.	70.	28.	2.
1974-HI ...	13.	49.	38.	60.	34.	6.	70.	28.	2.
-HII...	13.	53.	35.	31.	43.	26.	42.	46.	12.
1975-HI ...	18.	52.	30.	18.	40.	42.	23.	54.	23.
-HII...	16.	54.	30.	26.	47.	27.	45.	49.	7.
1976-HI ...	16.	58.	27.	35.	49.	16.	47.	48.	5.
-HII...	17.	58.	25.	32.	50.	18.	50.	43.	7.
1977-HI ...	20.	57.	23.	35.	49.	16.	59.	35.	6.
-HII...	20.	57.	23.	24.	46.	30.	39.	44.	17.
1978-HI ...	17.	57.	27.	22.	52.	27.	47.	45.	8.

FROM OCTOBER 1965 THROUGH OCTOBER 1967, THE PERCENTAGES SHOWN UNDER BOTH "FARMS OFFERED FOR SALE" AND "INQUIRIES FOR FARMLAND" DO NOT TOTAL 100 PER CENT, WITH THE DIFFERENCE BEING RESPONSES OF "DON'T KNOW."

TABLE 631.1

FARM REAL ESTATE TRANSFERS BY METHOD OF TRANSFER
(BASED ON DATA PROVIDED BY SRS CROP REPORTERS)

YEAR ENDING MARCH 1*	NUMBER OF TRANSFERS (THOUSANDS)					TRANSFERS AS PERCENTAGE OF THE TOTAL NUMBER OF FARMS				
	TOTAL	METHOD OF TRANSFER				TOTAL	METHOD OF TRANSFER			
		VOLUNTARY SETTLEMENT	ESTATE	FORECLOSURE	OTHER		VOLUNTARY SETTLEMENT	ESTATE	FORECLOSURE	OTHER
1926.....	*****	*****	*****	*****	*****	****	2.96	****	1.74	1.44
1927.....	*****	*****	*****	*****	*****	6.85	2.83	0.70	1.82	1.50
1928.....	*****	*****	*****	*****	*****	6.60	2.63	0.67	1.76	1.54
1929.....	*****	*****	*****	*****	*****	5.80	2.35	0.54	1.48	1.43
1930.....	*****	*****	*****	*****	*****	6.15	2.37	0.61	1.57	1.60
1931.....	*****	*****	*****	*****	*****	6.19	1.90	0.57	1.87	1.65
1932.....	*****	*****	*****	*****	*****	7.67	1.62	0.62	2.84	2.59
1933.....	*****	*****	*****	*****	*****	9.36	1.68	0.70	3.88	3.10
1934.....	*****	*****	*****	*****	*****	7.86	1.78	0.67	2.80	2.61
1935.....	*****	*****	*****	*****	*****	6.91	1.94	0.71	2.10	2.16
1936.....	*****	*****	*****	*****	*****	7.29	2.48	0.74	2.03	2.04
1937.....	*****	*****	*****	*****	*****	7.40	3.15	0.84	1.81	1.60
1938.....	*****	*****	*****	*****	*****	6.54	3.05	0.82	1.43	1.24
1939.....	*****	*****	*****	*****	*****	6.38	2.97	0.80	1.35	1.26
1940.....	*****	*****	*****	*****	*****	6.30	3.02	0.82	1.26	1.20
1941.....	*****	*****	*****	*****	*****	6.37	3.41	0.81	1.05	1.10
1942.....	*****	*****	*****	*****	*****	6.61	4.17	0.80	0.62	1.02
1943.....	*****	*****	*****	*****	*****	6.70	4.58	0.81	0.44	0.87
1944.....	*****	*****	*****	*****	*****	7.61	5.59	0.92	0.31	0.79
1945.....	*****	*****	*****	*****	*****	6.97	5.15	0.90	0.19	0.73
1946.....	*****	*****	*****	*****	*****	7.50	5.74	0.92	0.15	0.69
1947.....	*****	*****	*****	*****	*****	7.58	5.77	0.99	0.11	0.71
1948.....	*****	*****	*****	*****	*****	6.59	4.90	0.92	0.10	0.67
1949.....	*****	*****	*****	*****	*****	5.69	4.08	0.84	0.12	0.65
1950.....	280.9	199.7	42.0	7.5	31.8	5.22	3.71	0.78	0.14	0.59
1951.....	282.5	206.1	38.7	7.8	29.8	5.40	3.94	0.74	0.15	0.57
1952.....	264.8	190.1	35.6	8.1	31.0	5.21	3.74	0.70	0.16	0.61
1953.....	240.2	168.7	34.0	11.3	26.1	4.87	3.42	0.69	0.23	0.53
1954.....	215.6	143.0	33.5	13.4	25.8	4.51	2.99	0.70	0.28	0.54
1955.....	201.2	137.7	29.5	8.4	25.6	4.65	3.19	0.69	0.20	0.56
1956.....	205.6	133.9	38.6	9.7	23.4	4.97	3.23	0.94	0.23	0.54
1957.....	189.1	123.9	34.8	8.0	22.4	4.78	3.13	0.88	0.20	0.54
1958.....	181.2	117.3	34.3	6.5	23.1	4.80	3.12	0.91	0.17	0.59
1959.....	174.5	112.1	35.0	5.9	21.5	4.80	3.13	0.95	0.16	0.58
1960.....	169.1	109.8	32.3	5.8	21.2	4.71	3.07	0.90	0.16	0.59
1961.....	154.6	97.3	32.3	5.1	19.9	4.44	2.81	0.93	0.15	0.57
1962.....	154.7	95.8	34.6	5.4	18.9	4.59	2.85	1.02	0.16	0.56
1963.....	146.0	92.9	31.2	4.0	17.9	4.48	2.85	0.96	0.12	0.55
1964.....	148.1	95.5	29.5	4.9	18.2	4.69	3.03	0.91	0.16	0.58
1965.....	139.7	69.7	29.3	4.5	16.3	4.64	3.03	0.94	0.14	0.53
1966.....	139.7	93.7	27.4	2.8	15.9	4.63	3.11	0.90	0.09	0.54
1967.....	131.7	91.2	21.6	2.4	16.6	4.45	3.09	0.73	0.08	0.55
1968.....	127.6	87.5	20.4	3.0	16.7	4.42	3.04	0.70	0.11	0.57
1969.....	125.6	85.6	20.4	2.7	16.9	4.48	3.06	0.72	0.10	0.60
1970.....	111.2	75.6	17.8	2.9	14.7	4.14	2.78	0.65	0.16	0.55
1971.....	111.6	74.6	17.7	3.6	15.7	4.28	2.87	0.66	0.14	0.63
1972.....	127.7	90.0	18.5	3.5	15.7	4.79	3.40	0.68	0.14	0.57
1973.....	145.7	107.0	21.2	3.4	14.1	5.59	4.10	0.81	0.13	0.54
1974.....	151.2	106.9	21.4	2.2	20.6	5.83	4.12	0.83	0.09	0.79
1975.....	123.0	83.2	18.4	3.4	17.9	4.76	3.23	0.72	0.13	0.70
1976.....	107.9	71.8	16.1	3.8	16.1	4.27	2.81	0.63	0.15	0.68
1977.....	108.8	70.7	16.5	3.6	18.1	4.30	2.80	0.65	0.14	0.71
1978.....	104.5	67.3	15.8	5.0	16.4	4.17	2.69	0.63	0.20	0.65

* STARTING IN 1976, DATA ARE FOR THE YEAR ENDING FEBRUARY 1. THE FARM REAL ESTATE SITUATION PROVIDES DATA BACK TO 1926.

Table 632-1

FARM REAL ESTATE TRANSFERS AMOUNTS

YEAR ENDING MARCH 1	ALL TRANSFERS					CREDIT-FINANCED TRANSFERS					
	NUMBER OF TRANSFERS (THOUSANDS)	ACRES SOLD		VALUE		NUMBER OF TRANSFERS (THOUSANDS)	ACRES SOLD		VALUE		DEBT (MILLIONS OF DOLLARS)
		TOTAL (THOUSANDS)	PER TRANSFER	MILLIONS OF DOLLARS	PER ACRE (DOLLARS)		TOTAL (THOUSANDS)	PER TRANSFER	MILLIONS OF DOLLARS	PER ACRE (DOLLARS)	
1966	113.6	26496.	233.	5324.	201.	78.8	*****	****	4014.	****	2894.
1967	110.7	25766.	233.	5770.	224.	79.8	19242.	241.	4398.	229.	3211.
1968	104.8	24067.	230.	5486.	228.	67.7	15854.	234.	3651.	230.	2703.
1969	100.0	22139.	221.	5360.	242.	70.2	17521.	250.	4219.	241.	3152.
1970	89.0	22014.	247.	5368.	244.	61.1	16000.	262.	3708.	232.	2682.
1971	90.0	19891.	221.	5135.	258.	74.5	16887.	227.	4414.	261.	3239.
1972	105.9	27249.	257.	7248.	266.	85.6	22701.	265.	5990.	264.	4440.
1973	125.0	36314.	291.	10593.	292.	105.6	29896.	283.	8943.	299.	6960.
1974	125.0	41761.	334.	14202.	340.	103.7	38574.	372.	12300.	319.	9285.
1975	99.1	26978.	272.	11827.	438.	84.8	24205.	265.	10195.	421.	7763.
1976	65.4	23142.	271.	12213.	528.	71.8	20131.	280.	10167.	505.	7623.
1977	84.6	23151.	274.	15147.	654.	73.3	20122.	275.	12752.	634.	9736.
1978	60.7	24847.	308.	14680.	591.	67.9	23050.	339.	12057.	523.	9229.

DATA INCLUDE ONLY VOLUNTARY AND ESTATE SALES OF 10 OR MORE ACRES AND ARE ESTIMATES OBTAINED BY WEIGHTING DATA REPORTED BY FARM REALTORS AND OTHERS BY REGIONAL TRANSFER RATES AND ACREAGES DERIVED FROM REPORTS OF SRS CROP REPORTERS. TABLE 642.1 SHOWS DATA ON THE CREDIT-FINANCED TRANSFERS AS PERCENTAGES OF DATA ON ALL TRANSFERS.

TABLES 641.1 AND 642.1

YEAR ENDING MARCH 1	641.1 USE OF CREDIT IN TRANSFERS		642.1 CREDIT-FINANCED TRANSFERS COMPARED WITH ALL TRANSFERS						
	PERCENTAGE OF TRANSFERS ON WHICH DEBT WAS INCURRED	DEBT AS PERCENTAGE OF PURCHASE PRICE	CREDIT-FINANCED SALES AS PERCENTAGE OF ALL SALES				DEBT AS PERCENTAGE OF VALUE OF---		
			NUMBER OF TRANSFERS	ACRES SOLD		VALUE		ALL TRANSFERS	CREDIT-FINANCED TRANSFERS
				TOTAL	AVERAGE PER ACRE TRANSFER	TOTAL	PER ACRE		
1940	***	66.	****	****	****	****	****	****	****
1941	52.	68.	****	****	****	****	****	****	****
1942	55.	64.	****	****	****	****	****	****	****
1943	48.	60.	****	****	****	****	****	****	****
1944	44.	58.	****	****	****	****	****	****	****
1945	44.	57.	****	****	****	****	****	****	****
1946	43.	56.	****	****	****	****	****	****	****
1947	47.	56.	****	****	****	****	****	****	****
1948	52.	57.	****	****	****	****	****	****	****
1949	56.	56.	****	****	****	****	****	****	****
1950	58.	57.	****	****	****	****	****	****	****
1951	54.	54.	****	****	****	****	****	****	****
1952	56.	55.	****	****	****	****	****	****	****
1953	60.	56.	****	****	****	****	****	****	****
1954	62.	59.	****	****	****	****	****	****	****
1955	64.	59.	****	****	****	****	****	****	****
1956	67.	61.	****	****	****	****	****	****	****
1957	68.	63.	****	****	****	****	****	****	****
1958	67.	64.	****	****	****	****	****	****	****
1959	67.	64.	****	****	****	****	****	****	****
1960	67.	65.	****	****	****	****	****	****	****
1961	67.	66.	****	****	****	****	****	****	****
1962	71.	68.	****	****	****	****	****	****	****
1963	73.	70.	****	****	****	****	****	****	****
1964	73.	71.	****	****	****	****	****	****	****
1965	73.	72.	****	****	****	****	****	****	****
1966	77.	72.	69.4	****	****	75.4	****	54.4	72.1
1967	80.	73.	72.1	74.6	103.5	76.2	102.1	55.6	73.0
1968	79.	74.	64.6	65.9	102.0	66.6	101.0	49.3	74.0
1969	80.	74.	70.2	79.1	112.7	78.7	99.5	56.0	74.7
1970	76.	73.	68.7	72.7	105.9	69.1	95.0	50.0	72.3
1971	64.	73.	82.8	84.9	102.6	86.0	101.5	63.1	73.4
1972	82.	74.	80.8	83.3	103.1	82.6	99.2	61.3	74.1
1973	86.	78.	84.5	82.3	97.5	84.4	102.5	65.7	77.6
1974	86.	75.	83.0	92.4	111.3	86.6	93.8	65.4	75.5
1975	88.	76.	85.6	89.7	104.9	86.2	96.1	65.6	76.1
1976	87.	76.	84.1	87.0	103.5	83.2	95.7	62.4	75.0
1977	88.	77.	86.0	86.9	100.3	84.2	96.9	64.3	76.3
1978	89.	76.	84.1	92.8	110.3	82.1	88.5	62.9	76.5

DATA IN TABLE 641.1 ARE UNWEIGHTED ESTIMATES BASED ON REPORTS FROM FARM REALTORS AND OTHERS, WHEREAS THE RATIOS SHOWN IN TABLE 642.1 ARE COMPUTED FROM DATA IN TABLE 632.1, WHICH WERE OBTAINED BY WEIGHTING THESE REPORTS AS DESCRIBED IN THE FOOTNOTE TO TABLE 632.1.

TABLE 643.1

PERCENTAGE DISTRIBUTION OF CREDIT EXTENDED FOR FARM REAL ESTATE PURCHASES

YEAR ENDING MARCH 1	TOTAL	SELLERS OF FARMS			COMMERCIAL BANKS	INSURANCE COMPANIES	FEDERAL LAND BANKS	OTHER LENDERS
		TOTAL	CONTRACT	MORTGAGE				
1964.....	100.	47.	****	****	9.	20.	7.	17.
1965.....	100.	44.	****	****	9.	20.	8.	19.
1966.....	100.	38.	****	****	10.	26.	10.	16.
1967.....	100.	49.	****	****	11.	15.	11.	14.
1968.....	100.	54.	****	****	11.	17.	9.	9.
1969.....	100.	49.	42.	7.	10.	19.	13.	9.
1970.....	100.	61.	53.	8.	9.	8.	12.	10.
1971.....	100.	51.	44.	7.	12.	8.	21.	8.
1972.....	100.	46.	****	****	11.	11.	24.	8.
1973.....	100.	42.	32.	10.	11.	11.	30.	6.
1974.....	100.	44.	32.	12.	10.	11.	25.	10.
1975.....	100.	43.	30.	13.	7.	7.	33.	11.
1976.....	100.	44.	33.	11.	10.	9.	30.	8.
1977.....	100.	39.	29.	10.	10.	13.	28.	11.
1978.....	100.	38.	29.	10.	9.	15.	26.	12.

DATA ARE BASED ON UNWEIGHTED REPORTS BY REAL ESTATE BROKERS AND OTHERS IN THE USDA SURVEY. PRIOR TO 1968, PURCHASES FINANCED BY TWO OR MORE LENDERS ARE INCLUDED WITH "OTHER LENDERS." FOR 1968-1972, ALL CREDIT EXTENDED IN CONNECTION WITH SUCH PURCHASES IS TABULATED ACCORDING TO THE SOURCE OF THE PRIMARY CREDIT. BEGINNING IN 1973, THE DATA INDICATE THE DISTRIBUTION OF FUNDS ACTUALLY EXTENDED BY EACH LENDER GROUP.

TABLE 651.1

PERCENTAGE DISTRIBUTION OF FARM REAL ESTATE TRANSFERS

YEAR ENDING MARCH 1	METHOD OF OPERATION BEFORE SALE				METHOD OF OPERATION AFTER SALE			
	TOTAL	COMPLETE FARM	PART OF ANOTHER FARM	PART-TIME FARM	TOTAL	COMPLETE FARM	PART OF ANOTHER FARM	PART-TIME FARM
1954.....	100.	73.	22.	5.	100.	65.	29.	6.
1955.....	100.	71.	24.	5.	100.	62.	32.	6.
1956.....	100.	70.	24.	6.	100.	60.	33.	7.
1957.....	100.	69.	26.	5.	100.	55.	38.	7.
1958.....	100.	66.	28.	6.	100.	53.	39.	8.
1959.....	100.	65.	29.	6.	100.	49.	42.	9.
1960.....	100.	65.	30.	5.	100.	48.	44.	8.
1961.....	100.	64.	31.	5.	100.	46.	46.	8.
1962.....	100.	62.	32.	6.	100.	46.	46.	8.
1963.....	100.	62.	31.	7.	100.	43.	48.	9.
1964.....	100.	60.	34.	6.	100.	42.	50.	8.
1965.....	100.	58.	35.	7.	100.	38.	53.	9.
1966.....	100.	57.	35.	8.	100.	35.	54.	11.
1967.....	100.	55.	36.	9.	100.	35.	53.	13.
1968.....	100.	50.	38.	12.	100.	29.	57.	14.
1969.....	100.	52.	38.	10.	100.	27.	60.	13.
1970.....	100.	49.	40.	11.	100.	25.	61.	14.
1971.....	100.	46.	44.	10.	100.	26.	59.	15.
1972.....	100.	50.	41.	9.	100.	30.	56.	14.
1973.....	100.	52.	39.	9.	100.	31.	57.	12.
1974.....	100.	53.	37.	10.	100.	34.	54.	12.
1975.....	100.	45.	45.	10.	100.	28.	59.	13.
1976.....	100.	49.	42.	9.	100.	29.	59.	12.
1977.....	100.	43.	47.	10.	100.	25.	63.	12.
1978.....	100.	45.	45.	10.	100.	29.	58.	12.

TABLE 652.1

PERCENTAGE DISTRIBUTION OF FARM REAL ESTATE TRANSFERS

YEAR ENDING MARCH 1	TOTAL	METHOD OF OPERATION BEFORE SALE--								
		COMPLETE FARM			PART OF ANOTHER FARM			PART-TIME FARM		
		INTENDED OPERATION AFTER SALE--			INTENDED OPERATION AFTER SALE--			INTENDED OPERATION AFTER SALE--		
		COMPLETE FARM	PART OF ANOTHER FARM	PART-TIME FARM	COMPLETE FARM	PART OF ANOTHER FARM	PART-TIME FARM	COMPLETE FARM	PART OF ANOTHER FARM	PART-TIME FARM
1954.....	100.	58.	13.	2.	6.	15.	1.	1.	1.	3.
1955.....	100.	55.	14.	2.	6.	17.	1.	1.	1.	3.
1956.....	100.	52.	15.	3.	6.	17.	1.	2.	1.	3.
1957.....	****	****	****	****	****	****	****	****	****	****
1958.....	100.	45.	18.	3.	6.	21.	1.	1.	1.	4.
1959.....	100.	43.	19.	3.	5.	22.	2.	1.	1.	4.
1960.....	100.	42.	20.	3.	5.	23.	2.	1.	1.	3.
1961.....	100.	40.	21.	3.	5.	24.	2.	1.	1.	3.
1962.....	100.	39.	20.	3.	6.	24.	2.	1.	2.	3.
1963.....	100.	37.	22.	3.	5.	24.	2.	1.	2.	4.
1964.....	100.	35.	22.	3.	6.	26.	2.	1.	2.	3.
1965.....	100.	32.	23.	3.	5.	28.	2.	1.	2.	4.
1966.....	100.	29.	24.	4.	5.	27.	3.	1.	3.	4.
1967.....	100.	30.	21.	4.	4.	28.	4.	1.	3.	5.
1968.....	100.	23.	23.	4.	4.	30.	4.	2.	4.	6.
1969.....	100.	22.	26.	4.	4.	30.	4.	1.	4.	5.
1970.....	100.	19.	25.	5.	4.	32.	4.	2.	4.	5.
1971.....	100.	21.	21.	4.	4.	34.	6.	1.	4.	5.
1972.....	100.	25.	21.	4.	4.	32.	5.	1.	3.	5.
1973.....	100.	26.	23.	3.	4.	31.	4.	1.	3.	5.
1974.....	100.	28.	22.	3.	4.	29.	4.	1.	4.	5.
1975.....	100.	21.	21.	3.	5.	35.	5.	1.	4.	5.
1976.....	100.	24.	23.	2.	4.	34.	4.	1.	3.	5.
1977.....	100.	19.	21.	3.	5.	38.	4.	1.	4.	5.
1978.....	100.	24.	19.	2.	5.	36.	4.	1.	4.	5.

TABLE 653.1

PERCENTAGE DISTRIBUTION OF FARM REAL ESTATE TRANSFERS

YEAR ENDING MARCH 1	TYPE OF BUYER									
	ACTIVE FARMER			NONFARMER	ACTIVE FARMER			NONFARMER	ACTIVE FARMER	
	TENANT	OWNER- OPERATOR			TENANT	OWNER- OPERATOR			TENANT	OWNER- OPERATOR
		NUMBER OF TRANSFERS				ACRES TRANSFERRED				VALUE TRANSFERRED
1940.....	35.	33.	32.	****	****	****	****	****	****	
1941.....	36.	31.	33.	****	****	****	****	****	****	
1942.....	33.	30.	37.	****	****	****	****	****	****	
1943.....	33.	32.	36.	****	****	****	****	****	****	
1944.....	33.	33.	34.	****	****	****	****	****	****	
1945.....	29.	34.	37.	****	****	****	****	****	****	
1946.....	29.	35.	36.	****	****	****	****	****	****	
1947.....	30.	34.	36.	****	****	****	****	****	****	
1948.....	32.	36.	32.	****	****	****	****	****	****	
1949.....	31.	37.	33.	****	****	****	****	****	****	
1950.....	29.	37.	34.	****	****	****	****	****	****	
1951.....	24.	38.	38.	****	****	****	****	****	****	
1952.....	25.	38.	37.	****	****	****	****	****	****	
1953.....	24.	38.	38.	****	****	****	****	****	****	
1954.....	24.	38.	38.	****	****	****	****	****	****	
1955.....	24.	39.	37.	****	****	****	****	****	****	
1956.....	22.	38.	40.	****	****	****	****	****	****	
1957.....	20.	40.	40.	****	****	****	****	****	****	
1958.....	20.	40.	40.	****	****	****	****	****	****	
1959.....	19.	41.	40.	****	****	****	****	****	****	
1960.....	16.	47.	37.	****	****	****	****	****	****	
1961.....	17.	48.	35.	****	****	****	****	****	****	
1962.....	17.	48.	35.	****	****	****	****	****	****	
1963.....	15.	51.	34.	****	****	****	****	****	****	
1964.....	16.	48.	36.	****	****	****	****	****	****	
1965.....	16.	51.	33.	****	****	****	****	****	****	
1966.....	13.	54.	34.	****	****	****	****	****	****	
1967.....	13.	51.	36.	****	****	****	****	****	****	
1968.....	11.	48.	41.	****	****	****	****	****	****	
1969.....	12.	48.	40.	****	****	****	****	****	****	
1970.....	13.	47.	40.	****	****	****	****	****	****	
1971.....	11.	51.	36.	11.	58.	31.	12.	58.	30.	
1972.....	****	****	****	****	****	****	****	****	****	
1973.....	****	****	****	****	****	****	****	****	****	
1974.....	****	****	****	****	****	****	****	****	****	
1975.....	12.	51.	37.	7.	53.	40.	7.	48.	45.	
1976.....	****	****	****	****	****	****	****	****	****	
1977.....	11.	53.	37.	8.	57.	35.	6.	58.	34.	

"NONFARMER" INCLUDES RETIRED FARMERS. ADDITIONAL DETAIL IS SHOWN IN FARM REAL ESTATE MARKET DEVELOPMENTS.

TABLE 654.1

PERCENTAGE DISTRIBUTION OF FARM REAL ESTATE TRANSFERS

YEAR ENDING MARCH 1	TYPE OF SELLER							
	TOTAL	ACTIVE FARMER	RETIRED FARMER	ESTATE	OTHER			
					TOTAL	LOCAL NONFARMER	ABSENTEE OWNER	OTHER
1950.....	100.	53.	16.	15.	17.	****	****	17.
1951.....	100.	54.	16.	14.	17.	****	****	17.
1952.....	100.	55.	15.	14.	16.	****	****	16.
1953.....	100.	54.	14.	16.	16.	****	****	16.
1954.....	100.	52.	15.	16.	17.	****	****	17.
1955.....	100.	54.	16.	15.	15.	****	****	15.
1956.....	100.	52.	17.	16.	15.	****	****	15.
1957.....	100.	51.	18.	15.	16.	****	****	16.
1958.....	100.	47.	20.	17.	16.	****	****	16.
1959.....	100.	38.	20.	16.	26.	12.	14.	****
1960.....	100.	50.	13.	11.	26.	13.	13.	****
1961.....	100.	49.	14.	12.	25.	****	****	25.
1962.....	100.	49.	14.	12.	25.	12.	13.	****
1963.....	100.	48.	15.	12.	26.	13.	13.	****
1964.....	100.	48.	14.	13.	26.	13.	13.	****
1965.....	100.	48.	15.	12.	25.	12.	13.	****
1966.....	100.	36.	19.	18.	27.	13.	14.	****
1967.....	100.	38.	16.	17.	30.	14.	16.	****
1968.....	100.	36.	15.	16.	33.	14.	19.	****
1969.....	100.	39.	16.	16.	29.	14.	15.	****
1970.....	100.	38.	16.	18.	28.	14.	14.	****
1971.....	100.	38.	15.	19.	28.	13.	15.	****
1972.....	****	****	****	****	****	****	****	****
1973.....	****	****	****	****	****	****	****	****
1974.....	****	****	****	****	****	****	****	****
1975.....	100.	37.	15.	18.	30.	12.	13.	5.
1976.....	****	****	****	****	****	****	****	****
1977.....	100.	36.	15.	19.	31.	13.	13.	5.

THE DEFINITION OF "ACTIVE FARMER" WAS CHANGED IN 1966. IT APPEARS THAT COMPARABILITY OF THESE SERIES OVER TIME IS ALSO AFFECTED BY VARIATIONS IN THE USE AND DEFINITION OF THE "OTHER" CATEGORY. FARM REAL ESTATE MARKET DEVELOPMENTS ALSO SHOWS PERCENTAGE DISTRIBUTIONS OF ACRES AND VALUE SOLD.

TABLE 655.1

PERCENTAGE DISTRIBUTION OF FARM REAL ESTATE TRANSFERS

YEAR ENDING MARCH 1	PROBABLE USE OF PROPERTY FIVE YEARS AFTER PURCHASE								
	FARMING ONLY			RESIDENTIAL			OTHER		
	FARMING ONLY	RESIDENTIAL	OTHER	FARMING ONLY	RESIDENTIAL	OTHER	FARMING ONLY	RESIDENTIAL	OTHER
	NUMBER OF TRANSFERS			ACRES TRANSFERRED			VALUE TRANSFERRED		
1972.....	81.	14.	5.	90.	8.	2.	85.	12.	3.
1973.....	83.	12.	5.	93.	4.	3.	88.	8.	4.
1974.....	83.	12.	5.	91.	6.	3.	87.	9.	4.
1975.....	85.	10.	5.	93.	3.	4.	91.	6.	3.
1976.....	85.	11.	4.	93.	3.	4.	92.	5.	3.
1977.....	80.	13.	7.	91.	4.	5.	90.	6.	4.
1978.....	81.	14.	5.	90.	7.	3.	89.	8.	3.

"RESIDENTIAL" IS THE SUM OF "RURAL RESIDENCE" AND "SUBDIVISION" USES LISTED IN FARM REAL ESTATE MARKET DEVELOPMENTS, WHICH ALSO SHOWS FURTHER DETAIL FOR THE "OTHER" CATEGORY AS WELL AS DATA ON AVERAGE ACREAGE AND PER-ACRE VALUE BY THE VARIOUS PROBABLE FUTURE USES.