

Santa Cruz County Farm Bureau Ask Laura Column December 2018
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Q: Could you please give me an update on Central Coast agricultural land rents and values?

A: Agricultural land rents and values for the Central Coast are estimated each year by the California Chapter of the American Society of Farm Managers and Rural Appraisers, which publishes data for various regions throughout the state. Their most recent publication, the *2018 Trends in Agricultural Land and Lease Values**, includes both current and historical data. While the Central Coast – Region Six – includes information on nine counties in total, here the focus will be on Santa Cruz, Monterey and San Benito Counties.

Rental values. Land rent values, in general, have not changed substantially in recent years, but over time the trend has been towards increasing values. Higher rents are generally seen in locations with ground that can support high value crop production, and in years with a limited supply of available ground. For Santa Cruz County land rents for row crops are shown to range from \$1,200 to \$3,000 per acre per year. Rents for Monterey County range from \$750 to \$3,300 per acre per year, and for San Benito County \$450 to \$1,800 per acre per year. The exact value depends on many factors, including location within each county, soil type, slope and drainage, irrigation system, access to water and water cost and quality. Land rents for organic production may be higher than for conventional ground. Other factors such as taxes, length of agreement, and relationship between the land owner and renter should also be considered. Rental rates for rangeland in both Monterey and San Benito Counties range from \$6 to \$30 per acre per year; rangeland values for Santa Cruz County are not shown.

Purchase values. Row crop values per acre for purchased land in Santa Cruz County range from \$30,000 to \$72,000 per acre. For Monterey County the range is \$25,000 to \$63,000, and for San Benito County values range from \$19,000 to \$40,000. Purchase prices in San Benito County recently increased because of the limited number of agricultural properties available, not only in San Benito, but in neighboring counties as well. Purchase values for rangeland are shown at \$700 to \$2,000 per acre in Monterey County and \$600 and \$2,500 per acre in San Benito County. Purchase price for wine grape acreage in Monterey County ranges from \$25,000 to \$75,000. Similar data for Santa Cruz and San Benito Counties is not offered.

It is important to note that the ranges shown here may not capture data for all property or rental values but rather offer general information.

Please feel free to contact our office with any other questions you may have.

* The *2018 Trends in Agricultural Land and Lease Values*, which contains additional information, can be ordered by visiting <http://www.calasfmra.com/trends.php>. Cost is \$25 plus tax and shipping. Previous issues can be accessed online at no cost using the same website link. Information for the following year is usually available in the spring of each year.