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INDEX NUMBERS FOR ALABAMA FARM REAL ESTATE VALUES

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Attached is a list of index numbers that may be used to estimate Alabama Farm Real Estate Values. Index numbers from 1912 through 1986 were taken from various USDA publications. Beginning in 1987 USDA discontinued publishing the index numbers, but continued publication of dollar estimates of farm real estate values and annual percentage changes. The index numbers from 1987 to 2003 were calculated from these published percentage figures.

The following two examples show how to use the index numbers to estimate farm real estate values.

1. Estimate the 1955 value of farm real estate that sold during 2003 for \$2,000 per acre.

$$\begin{array}{l} 1955 \text{ Index} \\ \text{-----} \times 2003 \text{ value} = \text{estimated 1955 value} \\ 2003 \text{ Index} \\ \\ 15.5 \\ \text{-----} \times \$2,000 \text{ per acre} = \$82 \text{ per acre, estimated 1955 value} \\ 379 \end{array}$$

2. Estimate the 1987 value of farm real estate that was purchased for \$500 per acre in 1969.

$$\begin{array}{l} 1987 \text{ Index} \\ \text{-----} \times 1969 \text{ value} = \text{estimated 1987 value} \\ 1969 \text{ Index} \\ \\ 149 \\ \text{-----} \times \$500 \text{ per acre} = \$1,749 \text{ per acre, estimated 1987 value} \\ 42.6 \end{array}$$

INDEX NUMBERS FOR ALABAMA FARM REAL ESTATE VALUES (1977=100)¹

Year	Index	Year	Index	Year	Index
1912	4.3	1943	6.0	1974	77
1913	4.3	1944	6.9	1975	85
1914	4.5	1945	7.8	1976	94
1915	4.3	1946	8.9	1977	100
1916	4.3	1947	10.7	1978	105
1917	4.5	1948	10.9	1979	120
1918	5.6	1949	11.9	1980	149
1919	6.2	1950	11.3	1981	176
1920	7.7	1951	12.7	1982	174
1921	6.4	1952	14.0	1983	165
1922	5.8	1953	14.9	1984	162
1923	6.2	1954	14.2	1985	154
1924	6.2	1955	15.5	1986	152
1925	6.7	1956	16.5	1987	149
1926	6.7	1957	17.2	1988	151
1927	6.3	1958	18.1	1989	160
1928	6.3	1959	19.9	1990	168
1929	6.2	1960	20.7	1991	164
1930	6.2	1961	22.8	1992	177
1931	5.6	1962	22.7	1993	189
1932	4.4	1963	25.9	1994	212
1933	3.8	1964	27.7	1995	239
1934	4.3	1965	31.0	1996	250
1935	4.8	1966	33.4	1997	257
1936	4.9	1967	36.3	1998	273
1937	5.0	1968	40.8	1999	288
1938	5.3	1969	42.6	2000	318
1939	5.3	1970	44	2001	341
1940	5.3	1970	44	2002	360
1941	5.4	1972	53	2003	379
1942	5.6	1973	61		

Source: The current source for Farm Real Estate Values is the Agricultural Land Values and Markets issue of Agricultural Resources, USDA, Economic Research Service. Prior to 1985 the source was Current Developments in the Farm Real Estate Market, USDA, Economic Research Service. For information on ordering Agricultural Resources, contact: Information Division, Room 237, USDA, 1301 New York Avenue, NW Washington, D.C. 20005-4789.

¹ Estimates were as of March 1, 1912-75; February 1, 1976-81; April 1, 1982-85; February 1, 1986; January 1, 1990-Present. Beginning in 1987, the index numbers were calculated from annual percentage changes of Farm Real Estate values reported in Agricultural Resources. Hence, the 1997 index number is equal to the percentage change in Farm Real Estate Values times the 1996 index number plus the 1996 index number.