

# FARM MARKET

January 2012

**Knight Frank**



## LAND MARKET REVIEW

By Robert J. Ganly, Knight Frank Ireland

There has been some very positive news for agriculture. Farmland prices have increased by as much as 14.7% nationally during 2011, which is highly promising for the farming economy.

Again, for a consecutive year, most of the farmland was purchased by farmers, with some even buying back, at a so-called discounted price, land that they had sold during the boom for excessive money. 2011 was generally a good year for farming and hopefully this positive trend will continue for the year to come.

The average price paid throughout Ireland for agricultural land in 2011 was €10,064 per acre; this represents an increase of 14.7%, based on the average price of €8,776 per acre paid in 2010.

When counties Dublin, Kildare and Wicklow are excluded from the survey, the average price paid for farmland in the rest of the country was €9,877 in 2011, compared to the considerably lower figure of €7,669 in 2010. Thus, there is a much higher overall increase at 28.8% countrywide when these counties are excluded. Dublin, Kildare and Wicklow is the only region in Ireland where the average price of farmland has in fact decreased.

The total number of farms advertised was 391, out of which there were a total of 161 sales completed. The survey is based on 142 of these, as prices for 19 sales were undisclosed and therefore could not be included. Over the entire country, approximately 9,400 acres changed hands during 2011.

These are the findings of the 19th Agricultural Land Survey carried out by Knight Frank Ireland. The survey is based on reported farmland sales in the two main farming newspapers, combined with research by Knight Frank.

### Methodology

The survey is based on research by Knight Frank Ireland together with agricultural land sales reported in the Irish Farmers Journal and the Farming Independent, January to December 2011.

The country is divided into 6 different regions, which are detailed below. Each region is further broken down into 4 different size categories. Land sales of less than 20 acres were generally excluded, as it was deemed that the land had been bought as sites for houses or for investment purposes. However, if it was specified in the reported sale that a farmer had bought the land, then it was included in the survey.

### Dublin/Kildare/Wicklow



There was a decrease of 13.3% in the price of farmland in the Dublin, Kildare, Wicklow region. The average price paid was €11,056 per acre in 2011, representing a decrease from the previous year's €13,055 per acre.

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There were 20 recorded agricultural land sales. However, there were a further 7 sales in this region that have not been included in the figures due to undisclosed sales prices.

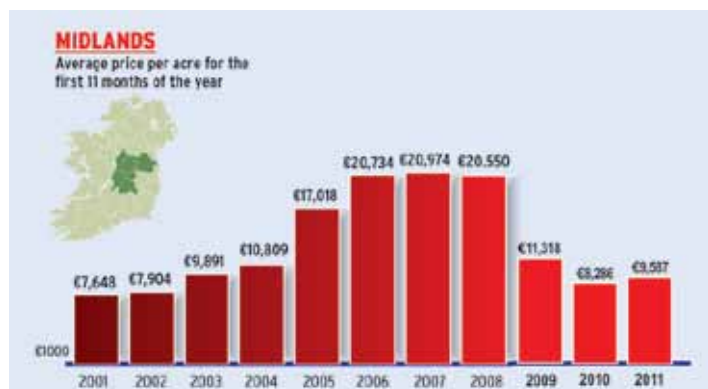
The average price paid in the 20 to 49 acre category was €11,560 per acre, with very little change from the €11,655 per acre paid in 2010. There were 13 sales in this size category, one of which was Currenstown, Arklow, Co. Wicklow, a non-residential farm of 38 acres, which sold for €460,000.

In the larger category of 50 to 99 acres, the price averaged €10,000 per acre in 2011, which was a significant decrease on the 2010 average of €14,054 per acre. The survey included just one sale in this bracket. A further 3 sales did take place – 65 acres and 73 acres, both in Co. Kildare and 92 acres in Co. Wicklow – but were not included as they sold for undisclosed amounts.

In the 100 to 199 acre category where there were 4 sales, the average price decreased again with €11,325 per acre paid, compared to €12,616 per acre in 2010. There were a further 2 farmland sales in Co Kildare – 137 acres and 157 acres, but the sales prices were not disclosed.

There were 2 sales in the largest sized category of 200 acres plus, which also saw a drop in the average price last year. In 2011 €10,470 was paid per acre, compared to €13,055 in 2010. One of these sales was Lewistown House, Newbridge, Co. Kildare on 209 acres, which sold for €2,375,000.

## Midlands



This area covers the counties of Meath, Westmeath, Offaly, Longford and Laois. There were 43 reported sales in 2011, up from the 2010 total of 39 sales. The average price paid for land in 2011 has increased by a significant 15.7%, rising to €9,587 per acre from the average price in 2010 of €8,286. There were a further 6 sales successfully completed for undisclosed sums.

In the 20 to 49 acre category, €10,221 per acre was paid in 2011, up from the previous year's average of €9,556 per acre. The survey included 22 sales in this category. There was an additional sale of 23 acres in Co. Meath not included, as its sale price was undisclosed. A residential farm on 30 acres, Clonad, Portlaois, Co. Laois, sold for €415,000.

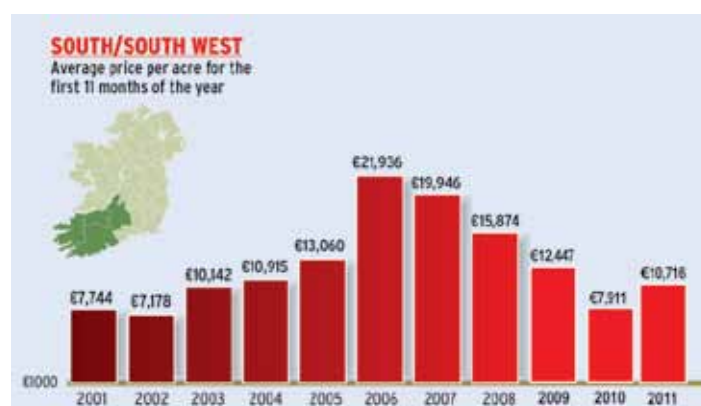
An average price of €8,963 per acre was paid in 2011 in the 50 to 99 acre category, based on the 12 reported sales. This is an increase from the 2010 average price of €7,600 per acre.

There were 3 additional sales with undisclosed sales prices – 63 acres, 50 acres and 74 acres, all in Co. Meath. Cullenra House, Longwood, Co. Meath on 78 acres sold for €910,000.

There were 3 reported sales in the 100 to 199 acre category with an average price in 2011 of €9,609 per acre, well up from the 2010 average of €7,982. Additionally, 186 acres in Co. Westmeath sold for an undisclosed sum. Coolamber Manor, Co. Longford on 150 acres, which was sold by Knight Frank Ireland privately, has also not been included in the survey.

In the 200 plus acre category, there was just one sale with 280 acres in Co. Westmeath. This was sold for an undisclosed amount, so was not included in the survey.

## South West



The average price in this region, which covers Counties Cork, Tipperary, Kerry and Limerick, was much higher for the year with €10,716 per acre paid in 2011, compared to €7,911 per acre in 2010. There were 26 reported sales, with an additional 3 not included in the survey because of undisclosed sales prices.

In the 20 to 49 acre category, the average price was €13,201 per acre based on the 18 farms sold. This was up on the 2010 average price of €12,331 per acre. One of these sales was a residential holding on 27 acres, Griston East, Ballylanders, Co. Limerick, which sold for €370,000.

The average price paid in the 50 to 99 acre category in 2011 was €9,951 per acre, compared to the much lower figure of €6,828 per acre in the previous year. There were 5 sales, including Beabus, Adare, Co. Limerick, a residential farm on 65 acres that sold for €630,000. Two additional holdings were sold, one of 53 acres in Co. Cork and the other of 83 acres in Co. Kerry, but prices for these were not disclosed.

In the larger category of 100 to 199 acres where 2 sales were recorded, the average price was €7,363 per acre in 2011; this is a 6.5% drop from the 2010 average price of €7,880 per acre. Lanespark, Co. Tipperary, a residential farm on 80 acres, was sold by Knight Frank Ireland privately and therefore not included in the survey.

In the 200 plus acre category there were 2 sales in 2011, one of which gave an average sale price of €10,000 per acre. The second property had 210 acres, but the sale price was not disclosed.



## South East



There were 29 sales in this region, which covers Counties Kilkenny, Wexford, Carlow and Waterford, plus a further 2 sales successfully completed but at undisclosed amounts. The price averaged €9,725 per acre, which was well up on the 2010 average price of €7,287 per acre and represented a huge increase of 33.5%.

In the smallest category of 20 to 49 acres, the average price was €10,487 per acre in 2011. In the previous year, the average price paid was almost on a par at €10,269 per acre. There were 11 sales included in the survey; a further sale of 37 acres in Co. Kilkenny took place, but at an undisclosed sum. Wheelagower, Ballindaggin, Enniscorthy, Co. Wexford, a non-residential farm of 39 acres, sold for €400,000.

In the 50 to 99 acre category, farmland sold for €9,796 per acre in 2011, slightly down on the average of €10,240 per acre for the region in 2010. Sold for an undisclosed sum were 72 acres in Co. Kilkenny. Toortane, Lismore, Co. Waterford, a residential farm on 98 acres, sold for €815,000.

The average price paid in the 100 to 199 acre category was €7,148 per acre in 2011, again representing a decrease from 2010, which saw an average price of €10,329 per acre being paid. Killerig, Co. Carlow, a non-residential farm of 112 acres, sold for €1,175,000.

There were 3 sales in the largest category of 200 acres plus. The average price here was €9,725 per acres in 2011, compared to the 2010 average of €4,713 per acre.

## Northwest/West



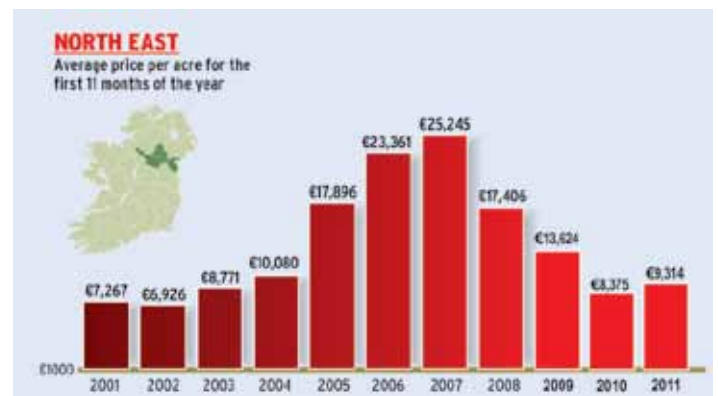
There were 22 reported farmland sales in 2011 for this region, 13 more sales than for the previous year. This region covers Counties Donegal, Sligo, Leitrim, Mayo, Roscommon, Galway and Clare. There were no recorded sales in Co. Donegal. The average price paid was €7,148 per acre in 2011, compared to €5,386 per acre in 2010, with a good increase on the previous year in this region as well.

In the 20 to 49 acre category the average price was €8,147 per acre in 2011, well up on that for 2010 when it was at just €5,674 per acre. There were 14 recorded sales in this category. A non-residential farm of 26.4 acres, Smithstown, Kilcon, Killala, Co. Mayo, sold for €267,000.

In the larger category of 50 to 99 acres, where 7 sales were recorded, the average price paid was €6,827 per acre in 2011. This is very little change from the average price paid in 2010, which was marginally higher at €6,990 per acre.

There was just one recorded sale in the 100 to 199 acre category, giving an average of €4,722 per acre for 2011, an increase from the 2010 average of €3,077.

## North East



There were 7 farmland sales in this region, which includes Counties Louth, Cavan and Monaghan. An average price of €9,314 per acre was paid in 2011, representing a good increase of 11.2% on the previous year when the average price was €8,375 per acre. There were no recorded sales in Co. Louth.

In the 20 to 49 acre category, 3 sales took place. The average price was well up with €11,092 per acre paid in 2011, compared to €8,420 per acre in 2010. There were also 23 acres sold in Co. Cavan, but the sale price was not disclosed. Killeshandra, Co. Cavan on 32 acres was sold for €270,000.

There were 3 sales for the region in the larger 50-99 acre category. These gave an average of €5,832 per acre in 2011, much lower than that in 2010 when the average price achieved was €8,375. Lisgorran, Ballybay, Co. Monaghan, a non-residential farm, sold for €292,000.

There was one sale in the 100-199 acre category. This was Annocroft House, Carrickmacross, Co. Monaghan on 101 acres, which sold in the region of €1,500,000, giving an average of €14,851 per acre.



# A SELECTION OF SALES FROM 2011



**Saint Davids, Lough Derg, Urra, Nenagh, Co. Tipperary**  
on c.17 acres  
Sold by private treaty



**Lanespark, Killenaule, Thurles, Co. Tipperary**  
on c.80 acres  
Sold by private treaty



**Carbury House, Carbury, Co. Kildare**  
on c.12 acres  
Sold by private treaty



**Freffans Little, Laracor, Trim, Co. Meath**  
on c. 42 acres  
Sale agreed



**Summerseat Orchard, Clonee, Co. Meath**  
on c. 10.32 acres  
Sold by private treaty



**Bowelk House, Ballybay, Co. Monaghan**  
on c. 29.63 acres  
Sold by private treaty



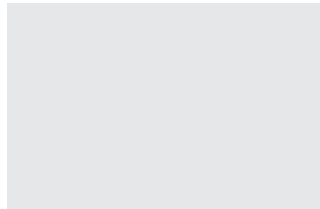
**Busherstown House, Moneygall, Co. Offaly**  
on c. 10 acres  
Sold by private treaty



**Land at Enfield, Co. Meath** on c.49.55 acres  
Sold by public auction



**Annaghmore House, Ballyboy, Co. Offaly**  
on c. 10 acres  
Sold by private treaty



**Tillage Farm in Co. Kildare**  
on c. 170 acres  
Sold by private treaty

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