

IRISH AGRICULTURAL LAND MARKET

Q1 2016 Review



Irish agricultural land values dipped by 0.5% in the opening quarter of 2016, following moderate growth in prices over the course of 2015.

According to the latest Sherry FitzGerald Land Price Index, the average price of farmland in Ireland stood at approximately €9,750 per acre at the end of March, on par with values recorded in the opening quarter of 2015.

Price fluctuations continue to exist across the regions; land values are mostly trending downwards with the exception of two regions, namely the Midlands and Mid-East regions.

The opening quarter of 2016 saw a slight dip in prices in all three types of land. Prime arable land values witnessed the largest fall in the quarter of 0.7%, while prime grassland values fell by 0.5% and marginal grassland, 0.3%.

Large parcels of land in Ireland of 100 acres+, which include a residence, witnessed a moderate decline in average values during the first quarter, despite a more robust rate of house price growth in the three month period.

Overall activity levels in the market in the first quarter of 2016 appeared relatively stable. Farmers remain active but perhaps to a lesser extent than in the same period last year. It appears unlikely that the agricultural land market will experience the same level of price growth that was evident in 2015, due to more cautiousness in the marketplace, coupled with reduced activity stemming from a reduction in supply.

-0.5%

AGRICULTURAL LAND PRICES DIPPED BY 0.5% IN THE FIRST THREE MONTHS OF 2016



€9,750

THE AVERAGE PRICE PER ACRE STOOD AT APPROXIMATELY €9,750 AT THE END OF MARCH



“Land prices fell back this quarter, hampered by limited supply on the market. Following what was one of the wettest winters on record, most land sales have been delayed until late April/May. Prices are expected to stabilise in the coming quarters due to an anticipated increase in stock coming to the market.”

Roseanne De Vere Hunt
Director, Head of Country Homes,
Farms & Estates, Sherry FitzGerald

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