

1. Background

- 1.1 The RICS~RAU Farmland Market Directory of Land Sales is generated from information provided by land agents from across the country. The Directory provides a detailed list of land transactions, normally representing some 500 individual transactions per annum ranging from small areas of bare land to large estates.
- 1.2 The Directory is normally produced twice yearly, covering the periods January to June and July to December in each year. This report provides a summary of the data for the period from the 1st of January to 30th of June 2024. The Directory of transactions is now available on the RICS website.
- 1.3 As always, the RICS and RAU are very grateful to members and others who have submitted data to the survey. If you are not contributing to the survey but would like to be included in the circulation list to make a return in the future, please email ricssurveys@rau.ac.uk

2. Transactions

2.1 Total

- 2.1.1 In total 219 transactions were reported for the period and are analysed in this summary. As always, some transactions submitted were off market or with no guide price provided and consequently they are not included in the Directory.
- 2.1.2 This compares with 314 transactions from the previous survey (H2 2023). Table 1 shows the historical number of transactions analysed in previous periods.

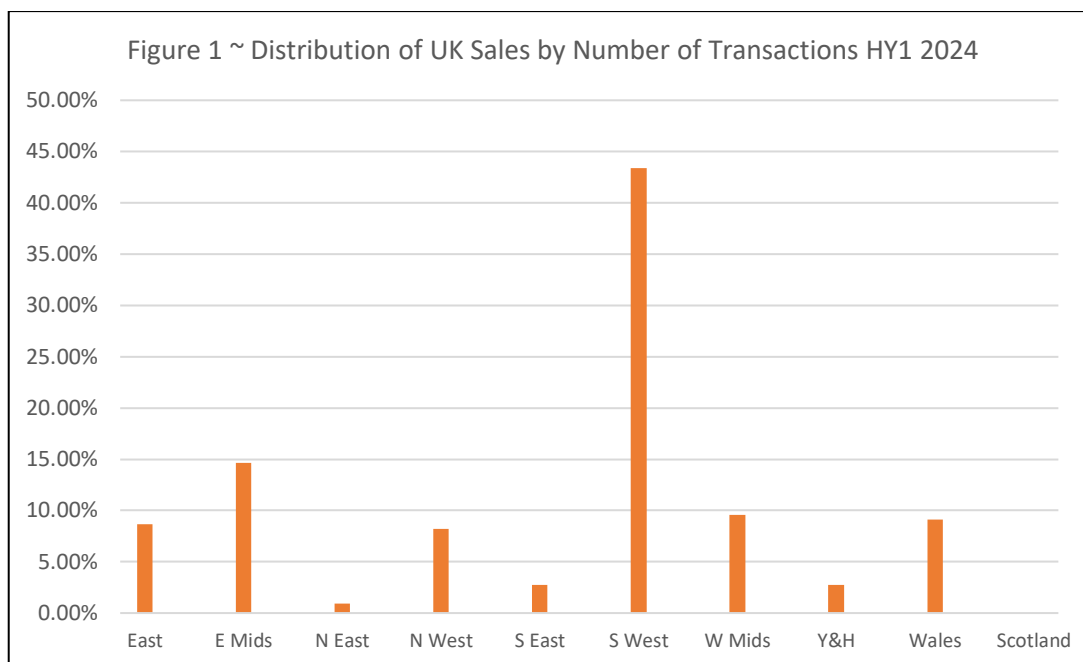
Table 1 ~ Historical Numbers of Transactions

	1H2024	2H2023	1H2023	2H2022	1H2022	1H2021
No. of Transactions reported	219	314	217	258	232	257

2.2 Distribution

- 2.2.1 There were 199 transactions (94%) reported in England, 20 (6%) in Wales and none in Scotland. The largest number of transactions reported was from the South West, as per previous surveys. The distribution of reported sales is shown in Figure 1¹.

¹ Regional distribution relies on the regional information provided by respondents.



2.2.2 The distribution by size reflected the trend of recent surveys; 76% of the transactions reported in the overall survey were for sales of 50 acres or less (small), 17.5% for sales of between 51 and 200 acres (medium) and 6.5% for sales of more than 200 acres (large). Comparative figures for the last four years are shown in Table 2. The smallest sale in the sample was less than 1 acre and the largest 2526 acres (2023 H2 1:1491, 2023 H1 1:333acres, 2022 FY 1:6,750 acres, 2021 FY 1:612 acres 2020FY 1:2,000 acres).

Table 2 ~ Distribution of Sales by Number

Size	2024 H1	2023 H2	2023 H1	2022 H2	2022 H1	2021 H2	2021 H1	2020 FY
Small (< 50 acres)	76%	84%	79%	81%	79%	82%	82%	73%
Medium (51 to 200 acres)	17.5%	11%	18%	14%	17%	14%	16%	20%
Large (> 200 acres)	6.5%	5%	3%	5%	4%	4%	2%	7%

2.2.3 Unsurprisingly, given the preponderance of small sales, there was no meaningful difference in terms of size distribution between different countries and regions in the survey.

2.3 Area

2.3.1 The total area of transactions submitted to the survey was approximately 16,300 acres, down by 2,000 acres from 2H2023. However, this continues the trend of previous years when more transactions tend to take place in the second half of the year. The data received was of a good quality and could be included in the report, including off market sales. Thus, almost 99% of sales submitted are included in the Directory and the analysis in this report.

2.3.2 The distribution by area is naturally rather different to that by number of transactions. Overall, 16% of the sample by area is in small sales, 24% in medium sales and 60% in large sales. Table 3 shows the comparative figures for the previous four years.

Table 3 ~ Distribution of Sales by Area

Size	2024 H1	2023 H2	2023 H1	2022 H2	2022 H1	2021 H2	2021 H1	2021 FY	2020 FY
Small (< 50 acres)	16%	23%	30%	18%	30%	27%	41%	34%	26%
Medium (51 to 200 acres)	24%	24%	47%	18%	40%	38%	45%	41%	38%
Large (> 200 acres)	60%	53%	23%	64%	30%	35%	14%	25%	36%

2.3.3 There is quite a difference between the regions in terms of the scale of properties sold. Whilst the majority have a significant number of small sales, for this survey only one of the regions reported no large sales in England, as opposed two and five in the previous surveys.

2.4 Value

2.4.1 The total value of all the transactions reported in the Directory for the first half of 2024 was approximately £190million compared with £258million for the previous survey, £112million (H12023), £180 million (H2 2022), and £147 million (1H2022).

2.4.2 Distribution by value again reflects the large sales with 46% of the value of the transactions in this group, followed by 27% in the small sales and 27% in medium. The analysis by country for England and Wales is shown in Figure 2, and a comparison with previous years is in Table 4.

Figure 2 ~ Distribution of Sales by Value England and Wales

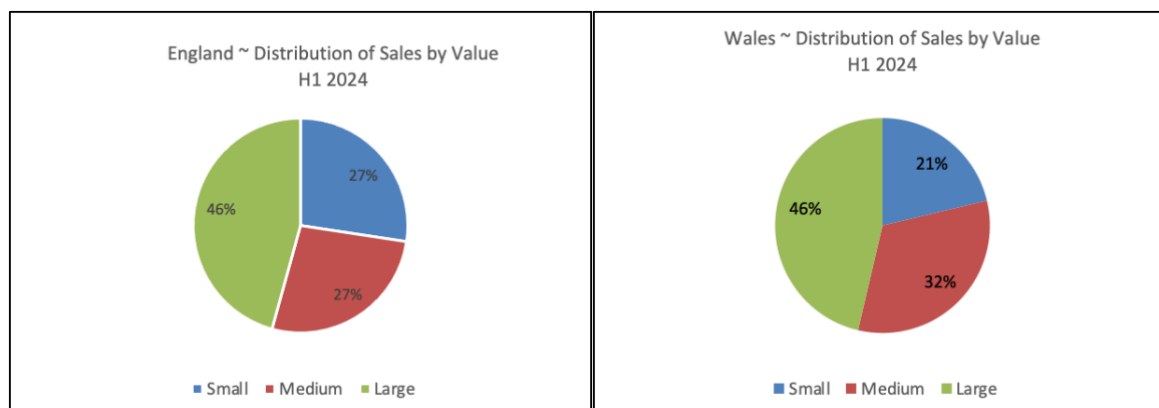


Table 4 ~ Distribution of Sales by Value Overall

Size	2024 H1	2023 H2	2023 H1	2022 H2	2022 H1	2021 H2	2021 H1	2021 FY	2020 FY
Small (< 50 acres)	27%	37%	39%	32%	45%	44%	59%	52%	28%
Medium (51 to 200 acres)	27%	22%	44%	25%	34%	33%	33%	33%	32%
Large (> 200 acres)	46%	41%	17%	43%	21%	23%	8%	15%	40%

2.5 Property

2.5.1 Whilst most responses provide details of the 'Property Type', sorted into Dwellings, buildings and land, Buildings and land or Bare land, some are incomplete with a degree of uncertainty as to the type of property involved. That makes analysis by property type slightly problematic although there are relatively few incomplete responses.

2.5.2 Accepting that margin for error, the distribution between the property types is, unsurprisingly heavily weighted towards bare land sales. Overall, 68% of the transactions in the sample were Bare Land, 9% Land and Buildings and 23% Dwelling(s) Land and Buildings. This is similar to previous survey, the comparison with the previous four years is provided in Table 5 below.

Table 5 ~ Distribution of Sales by Property Type

Size	2024 H1	2023 H2	2023 H1	2022 H2	2022 H1	2021 H2	2021 H1	2020 FY
Bare Land	68%	63%	75%	69%	63%	64%	59%	61%
Land & Buildings	9%	12%	9%	11%	9%	13%	12%	12%
Dwellings, Land & Buildings	23%	25%	16%	20%	28%	24%	29%	27%

2.5.3 The figures for England are the same as the overall sample, 67%, 8% and 25% respectively. As in previous surveys there were a few smallholding² sales in Wales where 75% of transactions were for Bare Land, 20% Land and Buildings and 5%, Dwelling(s), Land and Buildings.

2.5.4 Distribution by value is heavily influenced by residential values with only 25% of the overall value reported being for Bare Land, 6% for Land and Buildings and 69% for Dwellings, Land and Buildings, the latter figure reflecting the fact that complete holdings represent 61% of the area sold reported to the survey.

3. Average Price

3.1 There is a very wide range of property included in the reported transactions and consequently the overall average price can vary significantly between surveys depending on the nature of the sample. That challenge is addressed in part by the Weighted Average calculation explored further in Section 4 below.

3.2 The overall average price for all the property reported to the survey was £11,478 per acre or £28,363 per hectare. This compares with £15,712 per acre or £38,824 per hectare from the previous survey. Details of previous surveys are provided in Table 6. Commentators should beware of straining too hard to interpret the land market from these figures, much of the volatility reflects the diverse nature of each survey sample.

Table 6 ~ Average Prices All Reported Transactions

Average Price	2024 H1	2023 H2	2023 H1	2022 H2	2022 H1	2021 H2	2021 H1	2020 FY
£ per acre	11,478	15,712	14,021	10,091	15,888	13,390	16,210	12,698
£ per hectare	28,363	38,824	36,646	24,935	39,259	33,087	40,056	32,045

² In this instance 'smallholding' is simply the descriptor used in the survey and is not necessarily a statutory smallholding

- 3.3 This survey only had 3 tenanted sales (average £8,408 per acre).
- 3.4 These figures are the average of all reported transactions. Again, there are some gaps in reporting in the 'Property Type' column however given that these are relatively few, the averages for the three 'types' of property in the survey are set out in Table 7 below, reflecting the presence of tenanted sales figures are given both on an overall basis and for property sold with vacant possession. However, with minimal tenanted sales this only slightly impacted the Bare Land average price.

Table 7~ H1 2024 Average Prices All Reported Transactions by Property Type

Property Type	Overall	England	Wales
	£/acre		
Full Sample			
Bare Land	8,493	8,686	6,658
Land and Buildings	14,369	14,339	29,268
Dwelling(s), land and buildings	12,883	12,661	17,810
Vacant Possession Property Only			
Bare Land	8,493	8,680	6,658
Land and Buildings	14,369	14,339	29,268
Dwelling(s), land and buildings	12,883	12,661	17,810

4. Weighted Average

4.1 The Weighted Average

4.1.1 The previous RICS~RAU Land Market Survey series (as distinct from the Directory) included a 'Weighted Value' used to create the Rural Land Price Index and developed to reflect approaches adopted in earlier land market surveys. Generating that weighted value involves both excluding those sales reported where residential value is more than 50% of the sale price, or with some other reported distortion such as development value or the impact of a secure tenancy and applying a regional adjustment to reach an overall average figure. That national 'weighted average' was previously reported alongside the opinion-based figures, which were at the core of the previous Land Market Survey.

4.1.2 Whilst the opinion-based Land Market Survey data is no longer collected the transactions reported to the Directory of Land Prices make it possible to generate the 'Weighted

Average' figure as previously used for the index. The Weighted Average value per hectare (as traditionally reported) for the first half year 2024 was £31,488 per hectare (£12,743 per acre). That compares with £34,343 per hectare (£13,989 per acre) for the previous survey. A comparison of the last nine surveys is set out in Table 8.

Table 8 ~ Weighted Average Price

	£ per hectare	£ per acre
H1 2024	31,488	12,743
H2 2023	34,343	13,989
H1 2023	32,074	12,970
H2 2022	31,810	12,873
H1 2022	32,173	13,020
H2 2021	28,839	11,671
H1 2021	27,191	11,004
Full Year 2020	25,674	10,390
H2 2019	23,151	9,369
H1 2019	24,414	9,880

4.2 Regional Analysis

4.2.1 The initial sifting process required to create the 'Weighted Average', removing properties where the residential value represents more than 50% of the sale price and other anomalies, generates a reduced database of transactions. For this survey 11% of the transactions were removed (lower than previous surveys) leaving 195 transactions in the weighted analysis.

4.2.2 The transactions in that reduced database have been analysed by location and size in Table 9 below³. In some cases, that analysis is based on relatively few transactions in each category and is thus vulnerable to the impact of individual transactions.

³ These figures represent the average of actual transaction prices before any weighting to construct the Weighted Average Figure.

Table 9 ~ Weighted Sample Average Prices by Location and Size

Weighted Sample	Small <50 ac		Medium 50-200 ac		Large > 200 ac	
	£/ac	£/ha	£/ac	£/ha	£/ac	£/ha
East	14,415	35,618	9,854	24,350	18,279	45,167
East Midlands	10,423	25,756	11,490	28,393	6,953	17,182
North East	0	0	0	0	4,444	10,982
North West	13,210	32,642	9,341	23,081	0	0
South East	28,358	70,073	0	0	12,643	31,242
South West	13,296	32,854	16,131	39,860	7,560	18,680
West Midlands	15,586	38,513	16,513	40,803	12,992	32,104
Yorks & Humber	0	0	8,276	20,449	5,854	14,464
England Overall	13,012	32,152	13,729	33,925	8,505	21,015
Wales	10,847	26,803	7,626	18,845	20,537	50,748
Scotland	0	0	0	0	0	0
GB Overall	12,819	31,676	12,993	32,106	8,816	21,784

5. Comments

5.1 Respondents were invited to offer their comments on the market during the first half of 2024.

Bletsoes
Smaller parcels of paddock land with equestrian/amenity use continues to attract strong demand averaging approx £25,000 - £30,000/acre. Purchasers will rollover money increasing demand and appears to be driving price paid/acre for arable land. Supply of agricultural property increased in the run up to the election, certainly appears to be an increase on 2023.
Robert Bell & Co
Sales of smaller amenity parcels did not sell as strongly as in the previous quarter, unless they had particular charm and character. Arable land sold well, as expected for fertile farmland in Lincolnshire. Land with veg growing capacity sold well, despite access being not straightforward.