

Forest land values continue strong

By Kirk V. Dahl

Sales of forest land in Wisconsin continued to show a strong increase in prices paid during 2024.

Data compiled by the U.S. Department of Agriculture for 2024, the most recent full year for which data are available, show a statewide average price per acre of \$3,668 for sales of all forested land continuing in forest use. This is 13.6% above the statewide average for 2023, which was \$3,229.

This comes on the heels of average price increases of about 12% for that same category in each of the prior two years.

This forest land sales data is based upon the actual reported price paid on sales for which the payment has been made and the deals are closed. This is compiled from the real estate transfer return forms that are required to be filed by the seller when reporting a property conveyance to the county register of deeds. So, this value data is not just based upon asking prices, appraisals or opinions, but rather upon sound objective data about sales that actually closed during the year.

These numbers are supported by increases in equalized value for forest land, as determined by the Wisconsin Department of Revenue. According to figures released in August, forest land showed an 11% increase in equalized value during 2024. Ag forest land, defined as woodland on a parcel that also includes ag land or which is adjacent to ag land under the same ownership, had the largest gain among all classifications, at 12%.

Agricultural land sales for 2024 showed only a 7% increase over the previous year, though the average price

2025 Equalized Value Changes by Property Class			
Classification	Total 2025 Equalized Value	Total Value Change	Percent Change
Residential	\$724,365,215,900	\$57,096,661,600	9%
Commercial	\$193,358,385,700	\$13,001,800,000	7%
Manufacturing	\$22,771,575,800	\$1,357,231,800	6%
Agricultural*	\$3,300,591,600	\$183,319,500	6%
Undeveloped	\$2,844,754,000	\$244,846,100	9%
Ag forest	\$5,076,360,100	\$552,409,600	12%
Forest	\$11,122,519,800	\$1,082,293,900	11%
Other	\$19,978,410,500	\$1,884,595,900	10%
Total real estate	\$982,817,813,400	\$75,403,158,400	8%
Total Equalized Value	\$982,817,813,400	\$75,403,158,400	8%

* Agricultural land value changes do not represent changes in market value; agricultural land values are based on the income that could be generated from its rental for agricultural use

per acre was considerably higher than forested land, at \$6,363. Cropland values increased to \$6,800 per acre, and pastureland rose to \$3,200. Of interest, the number of sales of ag land decreased by 27% over 2023, while forest land transactions increased by around 5%.

While these gains are substantial, it should be noted for comparison that the stock market had an exceptional year, with the S&P 500 showing a gain of 23%. That index closed at all-time re-

cord highs 57 times during the year. The NASDAQ finished the year with a 29% gain, while the Dow

Jones Industrial Average climbed 15% for the year. The overall inflation rate for 2024 was 2.9%, based on the Bureau of Labor Statistic's Consumer Price Index (CPI) for all items, December 2023 to December 2024.

Ned Donnellan, owner of Donnellan Real Estate in Eau Claire, lent further support to the data showing ongoing increases in forest land values. "Stable is the word that comes to mind," Donnellan said, referring to the ongoing steady increase in woodland prices. "There is still a lot of demand for woodlands," he

said, also noting that the "agricultural land market is more level."

Jason Bredemann, an agent with LandGuys in Phillips, said prices are holding up in that area, but it is taking longer to get offers with the inventory of available land being higher and buyers being more cautious.

"After a flurry of land buying during the COVID years, the pool of buyers has been depleted somewhat" in his area, Bredemann said, noting also that interest rates are higher, which tends to slow price increases. "Historically speaking, though, things are fine."

Derrick Backaus, a LandGuys agent covering property in the Midwestern Driftless region, said recreational and vacant land values "are holding strong across the board." He regards the inventory of available property in that area as low, and noted that buyers are savvy about the prices they are likely to encounter.

In northeastern Wisconsin, Stephen Remondini, a broker with Stephens Real Estate, said prices remain high following a "drastic increase" during COVID-19. Properties are tending to move fast and current listings are few.

"If it's way overpriced it stays on the market, but anything that is fairly priced sells quickly," Remondini said, noting the demand for smaller parcels is especially strong.

Smaller parcels nearly always command higher prices, and it is worth

"There is still a lot of demand for woodlands," said Ned Donnellan, of Donnellan Real Estate, while also noting that the "agricultural land market is more level."

noting that the average size of forest land parcels sold in 2024 was 49 acres. Mike Schnautz, a certified assessor working in northcentral Wisconsin, recently completed revaluations for several townships and gave some figures as an example of smaller parcels being valued higher. He said an average 40 acres of forested land in his area has been assessed at around \$1,200 per acre, but more like \$1,800 per acre for 20 acres and in the \$2,500-\$3,000 range for a 10-acre parcel.

Forest land that is being diverted to other uses tends to command higher prices. For 2024, the average price per acre on 37 such sales was \$5,793.

Readers are cautioned about using average prices when attempting to determine a fair price for a specific acreage. Land values depend upon a large number of variables, with size and location being key. Other factors affecting price include accessibility, productivity, overall condition, aesthetics, neighboring land uses, trail system, alternative use options, suitability for development, availability of water and power, and maintenance costs. Interest rates and the return on alternative investments usually factor in. Some sale prices are distorted to the low end by a seller's desire to sell urgently, such as to settle an estate, while other sales involve purchases at a premium price for uniquely desirable land, such as when an enthusiastic buyer already owns an adjacent parcel.

For private woodland owners, the land they own often represents a meaningful portion of their overall financial holdings. While ownership has ongoing costs such as taxes and maintenance, it also has the potential for generating income and, as we have seen here, substantial appreciation in value.

FOREST LAND SALES

WISCONSIN 2024

WISCONSIN 2023

County	Forest land continuing in forest use			County	Forest land continuing in forest use		
	Number of transactions	Acres sold	Dollars per acre		Number of transactions	Acres sold	Dollars per acre
Adams	34	1,963	3,741	Adams	34	1,963	3,741
Ashland	27	4,617	868	Ashland	27	4,617	868
Barron	29	956	4,376	Barron	29	956	4,376
Bayfield	54	3,416	1,807	Bayfield	54	3,416	1,807
Brown	4	65	8,209	Brown	4	65	8,209
Buffalo	16	1,281	7,709	Buffalo	16	1,281	7,709
Burnett	27	1,254	3,335	Burnett	27	1,254	3,335
Calumet	7	279	3,592	Calumet	7	279	3,592
Chippewa	25	954	4,032	Chippewa	25	954	4,032
Clark	34	2,013	3,777	Clark	34	2,013	3,777
Columbia	12	260	6,406	Columbia	12	260	6,406
Crawford	23	1,218	5,855	Crawford	23	1,218	5,855
Dane	29	802	9,121	Dane	29	802	9,121
Dodge	3	19	5,511	Dodge	3	19	5,511
Door	12	288	5,783	Door	12	288	5,783
Douglas	40	2,048	1,804	Douglas	40	2,048	1,804
Dunn	23	881	4,432	Dunn	23	881	4,432
Eau Claire	22	742	5,623	Eau Claire	22	742	5,623
Florence	12	674	2,191	Florence	12	674	2,191
Fond du Lac	10	42	7,105	Fond du Lac	10	42	7,105
Forest	18	1,109	2,285	Forest	18	1,109	2,285
Grant	16	544	7,061	Grant	16	544	7,061
Green	21	246	5,937	Green	21	246	5,937
Green Lake	6	79	7,181	Green Lake	6	79	7,181
Iowa	16	600	7,721	Iowa	16	600	7,721
Iron	16	1,442	1,565	Iron	16	1,442	1,565
Jackson	15	943	4,562	Jackson	15	943	4,562
Jefferson	9	110	6,362	Jefferson	9	110	6,362
Juneau	33	1,800	3,737	Juneau	33	1,800	3,737
Kenosha	7	155	13,485	Kenosha	7	155	13,485
Kewaunee	4	178	3,077	Kewaunee	4	178	3,077
La Crosse	12	582	6,322	La Crosse	12	582	6,322
Lafayette	15	177	5,737	Lafayette	15	177	5,737
Langlade	37	2,470	2,195	Langlade	37	2,470	2,195
Lincoln	39	2,249	2,048	Lincoln	39	2,249	2,048
Manitowoc	18	397	5,948	Manitowoc	18	397	5,948
Marathon	55	2,486	4,195	Marathon	55	2,486	4,195
Marinette	30	1,409	2,682	Marinette	22	1,174	2,513
Marquette	10	312	6,222	Marquette	12	375	5,328
Milwaukee	-	-	-	Milwaukee	-	-	-
Monroe	34	1,479	5,238	Monroe	31	1,518	4,390
Oconto	20	864	4,539	Oconto	13	438	3,633
Oneida	34	2,523	2,251	Oneida	43	3,628	1,930
Outagamie	9	419	4,181	Outagamie	9	313	3,957
Ozaukee	6	66	8,392	Ozaukee	7	129	10,033
Pepin	11	467	5,774	Pepin	3	124	4,108
Pierce	24	831	6,395	Pierce	16	472	5,083
Polk	59	2,650	4,565	Polk	35	944	4,947
Portage	22	724	5,352	Portage	22	853	4,631
Price	48	3,103	1,528	Price	51	3,032	1,271
Racine	8	80	14,266	Racine	3	28	11,618
Richland	19	981	6,499	Richland	25	1,245	5,358
Rock	9	130	6,963	Rock	16	181	5,010
Rusk	54	2,998	2,078	Rusk	57	4,694	1,642
Sauk	20	453	6,306	Sauk	27	1,014	6,624
Sawyer	33	3,326	2,181	Sawyer	32	2,218	1,579
Shawano	25	1,432	4,698	Shawano	30	1,083	4,990
Sheboygan	6	111	5,170	Sheboygan	16	220	7,554
St. Croix	23	372	7,231	St. Croix	15	440	7,981
Taylor	24	1,100	2,818	Taylor	23	1,162	1,586
Trempealeau	28	1,280	5,850	Trempealeau	22	1,201	5,244
Vernon	22	715	6,273	Vernon	20	803	5,495
Vilas	13	859	3,433	Vilas	18	784	4,392
Walworth	9	178	13,267	Walworth	17	254	12,139
Washburn	32	2,065	2,928	Washburn	30	1,937	2,442
Washington	7	133	12,680	Washington	9	127	7,609
Waukesha	2	49	17,073	Waukesha	4	91	15,929
Waupaca	24	718	5,454	Waupaca	17	564	5,018
Waushara	28	1,427	4,767	Waushara	20	994	4,665
Winnebago	7	82	5,930	Winnebago	6	84	5,262
Wood	16	795	3,961	Wood	21	1,135	2,904
Wisconsin	1,496	73,470	3,668	Wisconsin	1,428	69,469	3,229



Kirk V. Dahl, a WWOA member since 1982, owns woodlands in Eau Claire, Trempealeau and Price counties.