



XUNTA DE GALICIA
CONSELLERÍA DO MEDIO RURAL



Ban Te Gal
Bancode Terras de Galiza

REFERENCE RENTING PRICES AND LAND VALUES FOR PARCELS REGISTERED IN THE LAND BANK OF GALICIA

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Workshop on land tenure and land consolidation

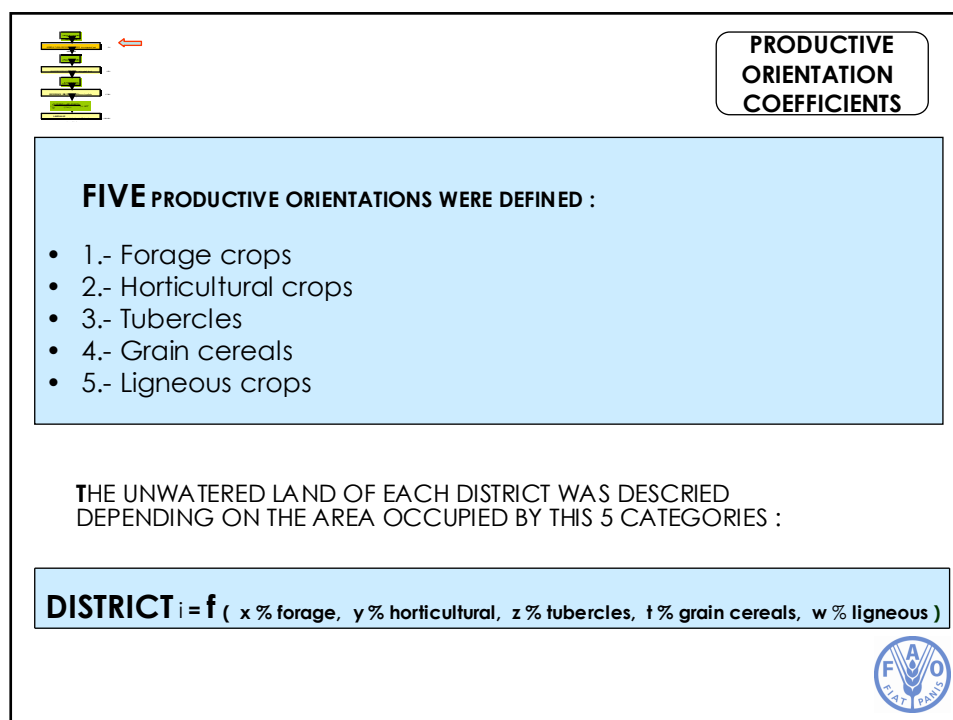
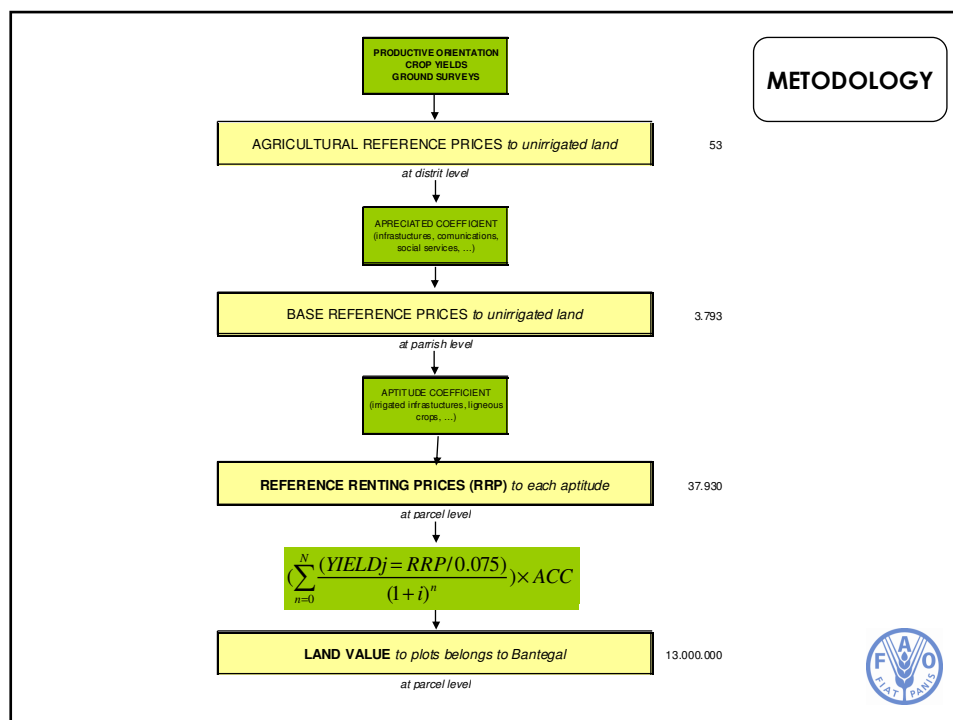
Santiago de Compostela, February 9–11 of 2009



OBJECTIVES

- Establish the top prices for the owners and the minimum prices for the tenant of land bank plots.
- Establish reference prices for the areas where there are not market prices.
- Determine land values of the plots that belong to Bantegal.







DISTRICT NET YIELDS

TO DETERMINE THE DISTRICT NET YIELDS OF UNWATERED LAND IT WAS USED THE MOST REPRESENTATIVE CROP FOR EACH OF THE 5 **BASE PRODUCTIVE ORIENTATION** WITH THEIR RESPECTIVES YIELDS (an average)

Productive Orientation	Reference crop	Net yields (€ / ha)
x: % Forage crops	forage corn	1.119
y: % Tubercle	patato	3.505
z: % Grain cereals	wheat	412
t: % Horticultural crops	cabbage	8.426
w: % Vineyard	vineyard	4.500

District net yields :

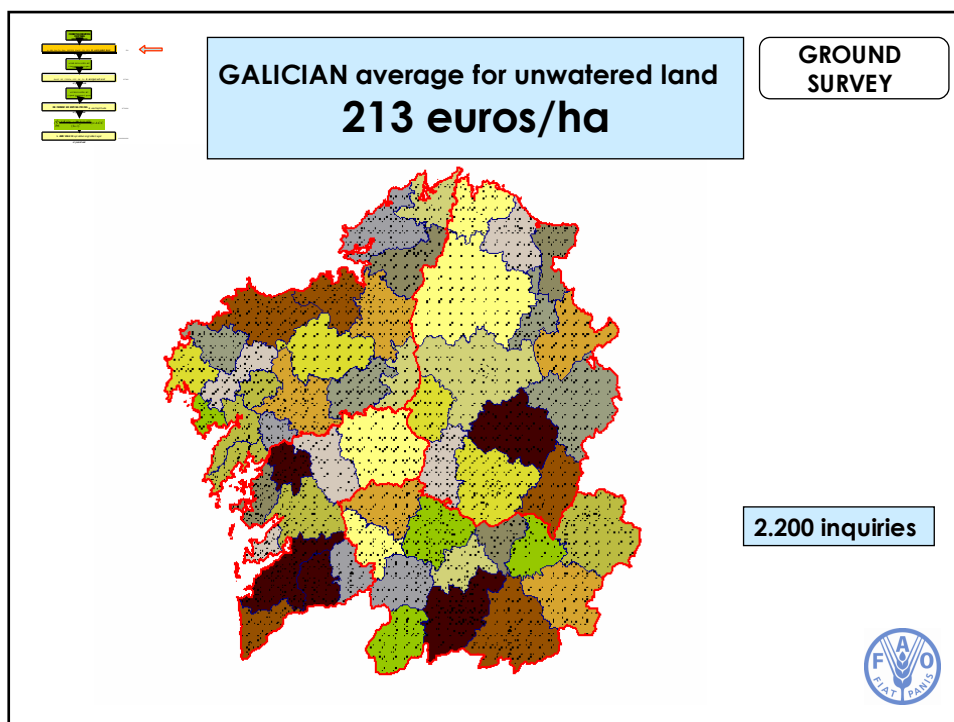
$$(1.119 * x \%) + (3.505 * y \%) + (412 * z \%) + (8.426 * t \%) + (4.500 * w \%)$$



DISTRICTS	unirrigated land yields
A BARCALA	2.623
A GORUNA	2.720
ABZUA	2.535
BARBANZA	2.621
BERGANTINOS	2.689
BETANZOS	2.884
EUME	2.835
FERROL	2.774
FISTERRA	2.623
MUROS	2.674
NOIA	2.714
O SAR	2.705
ORDES	2.611
ORTEGAL	2.901
SANTIAGO	2.722
TERRA DE MELIDE	2.623
TERRA DE SONEIRA	2.670
XALLAS	2.611
A FONSAGRADA	2.641
A MARINA CENTRAL	2.884
A MARINA OCCIDENTAL	2.918
A MARINA ORIENTAL	2.935
A ULLOA	2.740
GHANTADA	2.774
LUGO	2.606
MEIRA	2.618
OS ANCARES	2.654
QUIROGA	2.904
SARRIA	2.658
TERRA CHA	2.623
TERRA DE LEMOS	2.802
ALLARIZ-MACEDA	2.581
ALIMIA	2.713
BAIXA LIMIA	2.485
O CARBALLINO	2.838
O RIBEIRO	2.894
QUIRENSE	2.911
TERRA DE CALDELAS	2.867
TERRA DE CELANOVA	2.744
TERRA DE TRIVES	2.614
VALDEORRAS	2.838
VERIN	2.915
A PARADANTA	2.774
GALDAS	2.806
DEZA	2.670
O SALNES	2.957
O MORBAZO	2.829
O CONRADO	2.843
O BAIXO MINO	2.882
PONTEVEDRA	2.808
TABEIROS-T.DE MONTES	2.571
VIGO	2.838

DISTRICT NET YIELDS (euros/ha)






A map of Galicia, Spain, divided into numerous small agricultural districts. Each district is filled with a unique color and a specific pattern (dots, lines, or solid color). A legend in the top left corner shows a vertical stack of these patterns with arrows pointing to the corresponding districts on the map. A red arrow points to the top of the legend.

CONDITIONS

- **THE PRICES SHOULD BE SUITABLE BY THE AGRICULTURAL DISTRICT YIELDS (IT MUST BE A PERCENTAGE OF THIS).**
- **THE PRICES SHOULD TAKE INTO ACCOUNT WHAT MARKET IS SAYING.**





CRITERION

The galician price average obtained by ground surveys should be as close as possible to galician average price obtained as a percentage of district net yields.



The galician average, when it is applied a 7,5 % at districts net yields, is 206 euros/ha, the nearest to the galician price average obtained from ground surveys : 213 euros/ha.



AGRICULTURAL REFERENCE PRICES
to unwatered land at district level



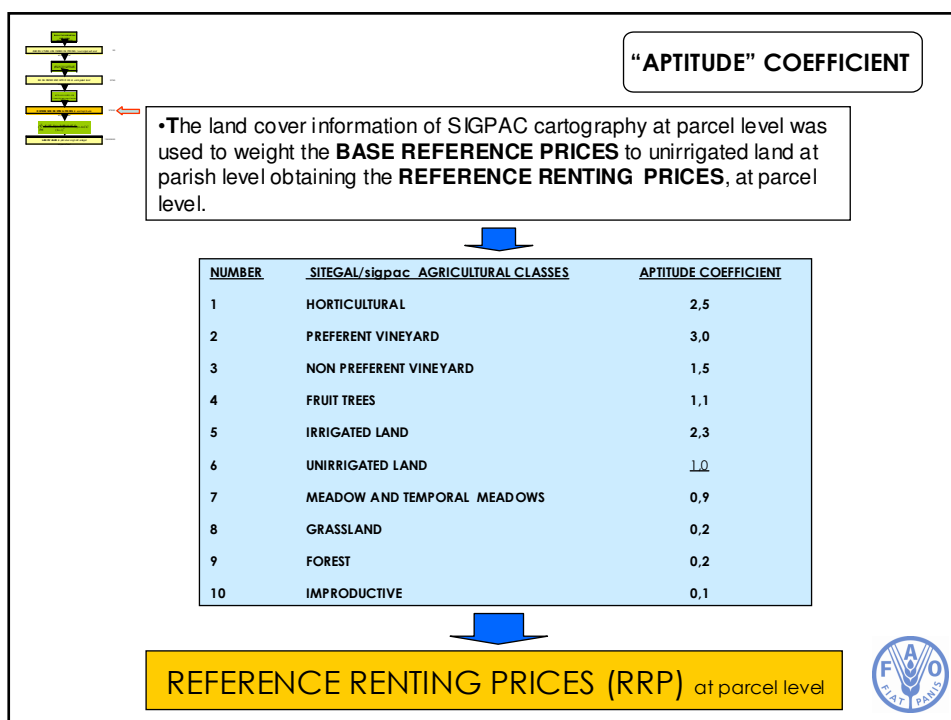
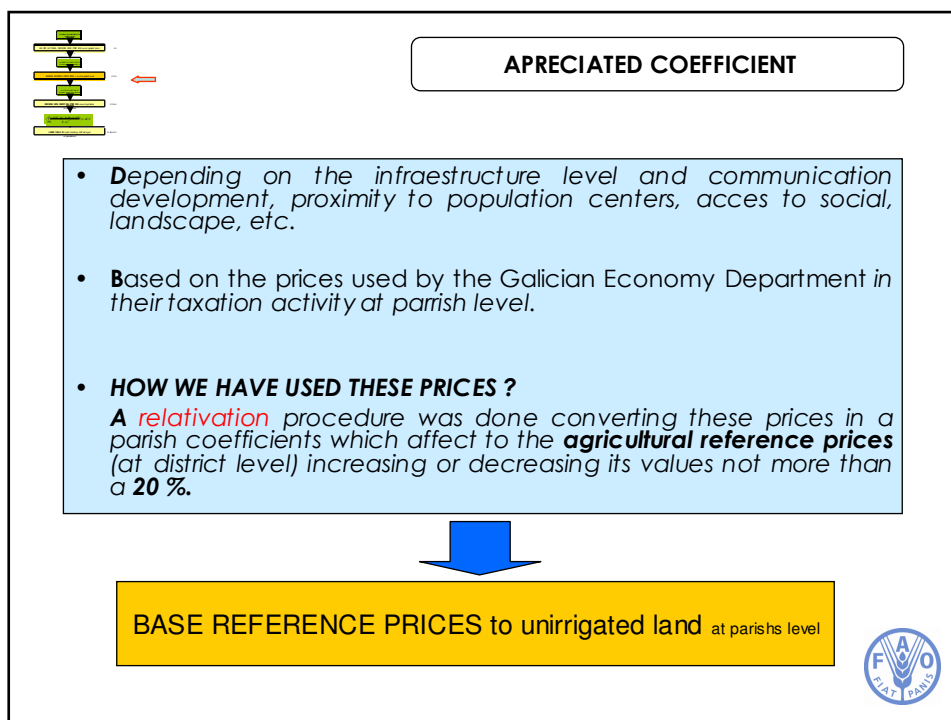
DISTRICTS	unirrigated land yields	AGRONOMIC REFERENCE PRICES (7,5%)
A BARCALA	2.623	197
A GORUNA	2.720	204
ARZUA	2.535	190
BARBANZA	2.621	197
BERGANTINOS	2.689	202
BETANZOS	2.884	216
ELIUM	2.836	213
FERROL	2.774	208
FISTERRA	2.623	197
MUROS	2.674	201
NOIA	2.714	204
O SAR	2.705	203
ORDES	2.611	196
ORTIGAL	2.301	178
SANTIAGO	2.722	204
TERRA DE MELIDE	2.623	197
TERRA DE SONEIRA	2.670	200
VALLAS	2.611	196
A FONSAGRADA	2.641	198
A MARINA CENTRAL	2.884	216
A MARINA OCCIDENTAL	2.818	219
A MARINA ORIENTAL	2.935	220
A ULLOA	2.740	205
CHANTADA	2.774	208
LUGO	2.606	195
MEIRA	2.618	196
OS ANCARES	2.654	199
QUIROGA	2.904	218
SABIA	2.658	199
TERRA CHA	2.623	197
TERRA DE LEMOS	2.802	210
ALCANTIZ-MACEDA	2.781	194
A LIMIA	2.713	203
BAIXA LIMIA	2.485	186
O CARBALLINO	2.838	213
O RIBEIRO	2.894	217
OURENSE	2.911	218
TERRA DE CALDELAS	2.867	215
TERRA DE CELANOVA	2.744	206
TERRA DE TRIVES	2.614	195
VAL DE OBRAS	2.838	213
VERIN	2.915	219
A PARADANTA	2.774	208
CALDAS	2.806	210
DEZA	2.670	200
O SALNES	2.857	222
O MURAZO	2.829	212
O CONDADO	2.843	213
O BAIXO MINO	2.882	216
PONTEVEDRA	2.828	211
TABEROS-T. DE MONTES	2.571	193
VIGO	2.838	213

AVERAGE

206

AGRICULTURAL REFERENCE PRICES







LAND VALUE COEFFICIENT

$$\left(\sum_{n=0}^N \frac{(YIELD = RRP / 0.075)}{(1+i)^n} \right) \times ACC$$

LV : Land Value
RRP : Reference renting price
 i : Capitalization rate
N : Capitalization period
ACC : Agricultural condition coefficient (0.7-1)



LAND VALUE (LV) of parcels that belong to Bantegal



CONCLUSIONS

- FLEXIBLE
- ADAPTABLE
- ROBUST
- VARIABILITY
and
- IMPROBABLE





Thank you for your attention

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