

**Title:** Farmland Market Dynamics and Landowners' Valuation: Evidence from the Global Financial Crisis

**Abstract:** During the 2007-2008 financial crisis, farmland emerged as a relatively safe haven for investors, not experiencing the turbulence observed in traditional financial markets. This study investigates the evolution of sellers' and buyers' valuations of farmland and the impact of those valuations on farmland market dynamics from 1996 to 2021 in Iowa. I develop a seller-to-buyer ratio, which measures the extent to which sellers overvalue or undervalue their farmland assets compared to buyers. The findings indicate that, in the post-crisis era, sellers tend to overvalue the productive potential of farmland and underestimate the opportunity costs associated with farmland investment. Furthermore, landowners have become more sensitive to the risk of farmland's exposure to stock market volatility. These insights highlight a critical factor contributing to the current scarcity of farmland available for sale: a deliberate choice by landowners to retain their properties within their portfolios. This behavioral shift, along with the rise in non-operator ownership, has significant implications for policies concerning farmland access for farmers and the structuring of tax incentives for landowners.