

Kansas Land Prices and Cash Rental Rates

Department of Agricultural Economics — www.agmanager.info



Kansas State University Agricultural Experiment Station and Cooperative Extension Service

Kevin C. Dhuyvetter
Agricultural Economist
Farm Management

Terry L. Kastens
Agricultural Economist
Crop Production

This Farm Management guide reports Kansas land prices and cash rents for 1990-2009. These data are useful to farm managers in determining cash rental rates, to farmland appraisers in calculating indices for making time adjustments to land prices, and to landowners and investors who base expectations on historical price and rental levels for farmland. The average prices in this guide encompass parcels of land that vary widely in productivity. Thus, these data are more appropriate for analyzing trends than for establishing market value or rental rates for specific tracts of farmland.

Kansas Agricultural Statistics

For reporting purposes, Kansas Agricultural Statistics Service has divided the state into nine agricultural statistical districts. The districts are: Northwest (NW), West Central (WC), Southwest (SW), North Central (NC), Central (C), South Central (SC), Northeast (NE), East Central (EC), and Southeast (SE) (Figure 1). Since 1976, Kansas Agricultural Statistics has collected price information on three types of land: nonirrigated cropland, irrigated cropland, and pasture. This information is combined in two

additional land groupings: all cropland and all land in farms. The all cropland land values represent an acreage-weighted average of irrigated and nonirrigated cropland. Although these two groupings do not represent a particular class of land (e.g., nonirrigated cropland), they provide a broader classification of interest.

The land value for all land in farms reported also includes the value of any buildings that may be on the land. The value of the buildings represents a small portion of the total value, on average, and thus this reporting method does not significantly affect the accuracy of land values reported.

Kansas Land Prices

Tables 1 through 5 show average prices of land (and buildings, Table 1) in each district and an average for the state for the most recent 20 years reported. Data are shown for each of the five land groupings: all land in farms, all cropland, nonirrigated cropland, irrigated cropland, and pasture. The annual data are based on a survey conducted by Kansas Agricultural Statistics in June of each year asking for estimates of both January 1 land values and the percentage change in land values from the previous year as of June 1.

Table 1. Price per acre of all land in farms and buildings, Kansas Agricultural Statistical Districts, 1990-2009.^a

Year	NW	WC	SW	NC	C	SC	NE	EC	SE	State
1990	\$395	\$361	\$440	\$408	\$486	\$556	\$527	\$425	\$400	\$450
1991	389	363	419	419	474	515	530	439	397	449
1992	378	366	418	465	462	490	534	482	394	460
1993	399	351	412	447	493	540	586	430	407	463
1994	435	386	453	521	488	561	628	487	449	503
1995	491	386	464	527	545	579	800	633	503	535
1996	488	399	469	526	521	554	811	813	548	553
1997	500	410	480	540	540	570	810	790	575	565
1998	490	410	490	550	560	590	830	800	590	577
1999	490	405	500	580	620	590	900	855	615	600
2000	530	435	525	605	610	640	920	850	650	625
2001	555	445	540	625	630	655	945	875	685	645
2002	550	460	550	640	660	685	990	920	690	665
2003	520	430	520	595	610	640	910	850	645	620
2004	570	480	570	670	680	710	1,020	970	740	700
2005	640	530	610	800	780	810	1,270	1,150	870	810
2006	650	550	620	850	810	900	1,460	1,270	940	870
2007	690	600	660	970	940	990	1,800	1,540	1,040	980
2008	730	630	700	990	990	1,050	1,820	1,560	1,100	1,020
2009	760	650	710	1,000	1,000	1,080	1,680	1,590	1,130	1,030

Figure 1. Kansas Agricultural Statistics Districts.

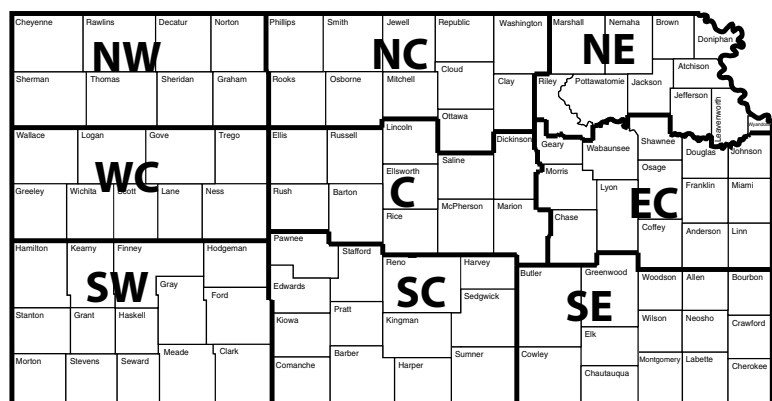


Table 2. Price per acre of all cropland, Kansas Agricultural Statistical Districts, 1990–2009.^a

Year	NW	WC	SW	NC	C	SC	NE	EC	SE	State
1990	\$476	\$429	\$512	\$476	\$554	\$645	\$612	\$517	\$492	\$527
1991	460	430	486	476	539	599	614	540	489	524
1992	446	431	487	537	559	600	613	573	467	535
1993	476	412	475	508	557	622	670	510	488	538
1994	517	447	529	600	549	642	713	574	525	606
1995	596	472	544	614	620	684	892	706	603	623
1996	583	451	554	612	583	656	885	990	644	638
1997	595	465	560	620	595	680	905	965	700	649
1998	585	460	560	625	605	695	915	940	735	655
1999	588	467	560	636	628	699	925	946	731	660
2000	589	472	571	647	628	701	945	956	731	666
2001	607	472	575	648	634	715	956	966	726	673
2002	580	481	575	654	654	724	996	979	721	679
2003	597	487	590	664	660	736	1,001	994	736	684
2004	584	489	560	670	661	738	1,003	991	733	688
2005	642	540	616	799	760	833	1,328	1,252	883	806
2006	663	556	625	865	771	896	1,481	1,321	963	854
2007	680	560	640	960	870	930	1,770	1,540	1,040	914
2008	790	650	720	1,040	990	1,100	1,820	1,710	1,120	1,020
2009	810	660	760	1,060	1,000	1,130	1,840	1,720	1,160	1,050

Table 3. Price per acre of nonirrigated cropland, Kansas Agricultural Statistical Districts, 1990–2009.^a

Year	NW	WC	SW	NC	C	SC	NE	EC	SE	State
1990	\$448	\$409	\$428	\$462	\$545	\$617	\$607	\$514	\$491	\$501
1991	434	412	411	464	530	569	610	537	488	500
1992	418	411	405	522	550	574	608	571	466	513
1993	442	394	395	492	548	598	667	508	487	516
1994	480	426	445	581	539	610	708	569	524	563
1995 ^b	536	439	458	602	565	642	810	781	591	595
1996	526	437	430	588	572	611	890	980	641	607
1997	530	440	430	590	580	630	900	960	700	615
1998	525	435	420	600	590	645	910	935	735	620
1999	525	440	420	610	610	650	920	940	730	625
2000	525	445	425	620	610	650	940	950	730	630
2001	545	445	425	620	615	660	950	960	725	635
2002	515	455	425	625	635	660	990	970	720	640
2003	515	455	425	630	635	665	990	975	720	645
2004	520	455	430	635	640	670	995	980	730	650
2005	580	500	480	770	740	750	1,320	1,240	880	770
2006	600	510	490	840	750	820	1,470	1,310	960	820
2007	610	530	500	940	850	830	1,750	1,530	1,040	880
2008	710	610	570	1,010	970	970	1,800	1,700	1,120	980
2009	730	620	590	1,030	980	1,010	1,820	1,710	1,160	1,000

Table 4. Price per acre of irrigated cropland, Kansas Agricultural Statistical Districts, 1990–2009.^a

Year	NW	WC	SW	NC	C	SC	NE	EC	SE	State
1990	\$780	\$690	\$783	\$909	\$922	\$925	\$1,193	\$852	\$737	\$833
1991	744	663	725	878	877	902	1,017	859	784	809
1992	747	690	747	1,008	957	863	1,215	891	694	792
1993	829	646	730	1,002	971	865	1,083	865	713	788
1994	889	702	753	1,229	910	938	1,317	979	722	825
1995 ^b	1,188	727	772	1,005	965	1,076	1,433	1,124	971	920
1996 ^b	1,141	705	884	1,390	960	1,074	1,468	1,215	1,194	966
1997	1,140	775	900	1,360	1,050	1,110	1,380	1,280	1,080	990
1998	1,090	820	930	1,340	1,140	1,130	1,400	1,300	1,100	1,010
1999	1,110	825	935	1,350	1,190	1,140	1,430	1,350	1,130	1,020
2000	1,120	830	960	1,365	1,205	1,160	1,445	1,370	1,130	1,040
2001	1,120	830	975	1,400	1,230	1,210	1,500	1,430	1,150	1,060
2002	1,120	830	975	1,430	1,260	1,300	1,595	1,600	1,160	1,080
2003	1,120	825	945	1,420	1,275	1,300	1,610	1,605	1,155	1,080
2004	1,120	825	945	1,420	1,275	1,300	1,615	1,610	1,165	1,080
2005	1,160	930	1,020	1,420	1,350	1,510	1,930	1,930	1,210	1,180
2006	1,190	1,000	1,025	1,410	1,390	1,520	2,300	1,960	1,300	1,200
2007	1,270	1,040	1,040	1,410	1,400	1,620	2,700	2,030	1,380	1,260
2008	1,420	1,170	1,170	1,650	1,600	1,950	2,790	2,200	1,500	1,450
2009	1,450	1,190	1,260	1,680	1,600	1,950	2,850	2,250	1,600	1,500

Table 5. Price per acre of pastureland, Kansas Agricultural Statistical Districts, 1990–2009.^a

Year	NW	WC	SW	NC	C	SC	NE	EC	SE	State
1990	\$182	\$190	\$216	\$241	\$302	\$319	\$335	\$321	\$312	\$278
1991	200	196	214	278	298	290	343	326	307	283
1992	198	202	205	290	191	191	354	380	326	292
1993	197	197	217	302	318	324	394	340	328	296
1994	219	236	218	338	327	354	436	378	382	322
1995	208	172	213	329	350	306	592	548	407	343
1996	233	255	204	324	359	293	557	586	450	361
1997	225	240	210	340	370	310	575	575	450	365
1998	230	230	215	340	375	320	575	575	445	367
1999	230	230	220	345	380	320	585	575	450	370
2000	235	230	220	365	390	325	600	575	475	380
2001	240	230	225	380	395	330	615	580	500	390
2002	240	235	230	380	410	330	625	630	505	400
2003	250	235	230	380	410	330	625	625	505	410
2004	240	250	240	400	420	335	630	640	525	420
2005	290	260	250	490	500	430	760	750	630	500
2006	310	320	270	540	560	570	1,010	910	700	590
2007	350	360	300	580	640	630	1,160	1,070	740	660
2008	410	390	330	660	720	690	1,220	1,160	950	750
2009	400	430	330	640	720	680	1,130	1,220	950	750

Cash Rental Rates

Average cash rental rates for nonirrigated cropland, irrigated cropland, and pastureland by region are shown in Tables 6 through 8 for 1990-2009. Because of a change in their survey procedure, KAS reported cash rents for the different land classes at the state level, but 2009 cash rents by Agricultural Statistics District will not be available until April 2010. The reported values in Tables 6 through 8 were estimated using historical relationships between the regions, acres by land type in each region as reported in the 2002 and 2007 Ag Censuses, and state average rent percentage changes from 2008 to 2009.¹

Cash rent for specific tracts of land will be influenced by many factors other than the class of land (e.g., productivity, size of government program payments, location, size of parcel, road access) and thus there will be considerable variability around the average reported rate.

Table 9 shows average price per acre, cash rental rates, and rent as a percentage of price (i.e., rent-to-value) for nonirrigated cropland, irrigated cropland, and pasture in Kansas. The 5-year average (2005-09) rent-to-value is 4.7 percent, 6.4 percent, and 2.3 percent for nonirrigated cropland, irrigated cropland, and pastureland, respectively. These averages can be useful “rules-of-thumb” for establishing cash rental rates or evaluating land purchase deci-

sions. For example, if the market value of a particular parcel of nonirrigated cropland is \$1,000 per acre, a reasonable expected cash rent might be \$47 per acre ($\$1,000 \times 0.047$). Similarly, a person interested in buying pastureland that rents for \$17 per acre would expect the land to be valued at about \$739 per acre ($17 \div 0.023$). If the actual land value is significantly higher (lower), this suggests the land might be over (under) priced.

Even though these rent-to-value percentages can be useful guides, a word of caution when using these rules-of-thumb is that the value of land has been increasing much more rapidly than rents in recent years, excluding 2009, due to factors such as urban pressure, recreational use, 1031 tax exchanges, etc. Thus, relationships that were observed in the past may not be appropriate in the current market. Also, it is important to note that these rent-to-value percentages can vary significantly by region due to non agricultural influences on land values. Thus, users of this information may want to calculate comparable values for the specific region they may be considering.

¹ KAS conducted an intensive survey in the summer/fall of 2009 that will allow them to report cash rents at the county level. However, the results of this survey will not be published until April of 2010. Thus, values reported here for district-level cash rents should be viewed as preliminary estimates by KSU that will be revised at a later date.

Table 6. Cash rent per acre for nonirrigated cropland, Kansas Agricultural Statistical Districts, 1990-2009. ^a

Year	NW	WC	SW	NC	C	SC	NE	EC	SE	State
1990	\$25.20	\$22.00	\$25.50	\$33.60	\$28.50	\$33.10	\$46.40	\$35.40	\$33.20	\$33.10
1991	24.20	22.50	20.90	34.30	29.40	33.30	45.80	33.70	33.60	32.50
1992	27.40	21.50	23.20	37.00	31.90	33.60	53.30	32.90	31.20	31.90
1993	31.60	20.50	25.30	36.80	32.30	32.50	52.10	38.80	35.90	32.80
1994 ^b	29.31	24.53	24.46	32.86	29.44	28.60	47.13	32.66	30.91	32.60
1995 ^b	28.99	27.20	24.72	34.38	30.80	29.92	50.45	34.96	33.09	35.50
1996	24.00	25.50	21.00	35.00	32.00	30.00	51.20	33.00	32.00	32.70
1997	29.00	26.00	24.00	37.00	34.00	33.00	50.00	36.00	35.00	34.50
1998	31.00	27.00	23.00	40.00	36.00	35.00	55.00	39.00	35.00	35.50
1999	30.00	29.00	26.00	39.00	35.00	32.00	59.00	39.00	37.00	35.00
2000	32.00	29.00	25.00	40.00	35.00	33.00	59.00	42.00	36.00	35.50
2001	32.50	32.00	25.50	39.00	34.00	33.00	62.00	41.00	37.00	36.00
2002	32.50	30.00	25.60	39.00	34.40	32.90	60.00	41.50	36.50	36.00
2003	32.50	29.70	25.60	39.00	34.10	33.00	59.50	41.50	36.40	36.00
2004	34.50	30.50	26.50	40.50	35.50	34.50	62.50	42.50	38.50	37.50
2005	35.00	31.50	26.50	42.00	35.50	35.50	64.50	44.00	38.50	38.50
2006	34.00	30.00	26.00	43.00	36.00	35.50	69.00	50.50	40.00	39.00
2007	35.00	31.00	28.00	47.00	35.00	37.00	70.00	50.00	41.00	41.00
2008	36.00	33.50	33.50	52.00	42.00	41.50	76.50	59.00	46.00	42.50
2009 ^c	38.55	34.25	31.07	51.09	41.55	40.98	80.28	56.33	46.04	46.50

Table 7. *Cash rent per acre for irrigated cropland, Kansas Agricultural Statistical Districts, 1990–2009.^a*

Year	NW	WC	SW	NC	C	SC	NE	EC	SE	State
1990	\$59.60	\$43.40	\$64.10	\$76.40	\$55.40	\$64.70	\$74.00	\$59.30	\$50.40	\$61.50
1991	69.00	56.70	56.70	66.90	49.30	65.00	72.10	56.10	53.80	60.60
1992	69.20	63.10	59.60	64.10	61.40	69.10	75.70	61.40	58.00	62.70
1993	76.40	53.50	65.30	67.30	60.50	65.10	67.10	61.00	56.90	65.10
1994 ^b	81.03	65.77	75.80	73.76	63.18	64.07	71.98	65.04	60.68	69.20
1995 ^d	80.91	70.56	79.24	82.04	68.63	67.43	78.08	70.35	65.63	73.67
1996 ^b	68.00	64.00	70.00	77.00	63.00	60.00	71.59	64.31	60.00	66.30
1997 ^b	69.00	66.00	72.00	78.00	66.00	64.00	75.87	67.96	65.72	69.00
1998	66.00	65.00	67.00	75.00	65.00	69.00	75.00	67.00	67.00	67.00
1999 ^b	67.00	64.00	66.00	75.00	64.00	68.00	80.00	66.00	66.00	66.00
2000 ^b	68.00	63.44	66.00	76.00	65.00	68.00	80.32	67.35	66.35	67.00
2001 ^b	74.00	68.00	72.00	79.00	65.00	72.00	85.00	71.27	70.21	72.00
2002 ^b	67.00	65.00	72.00	76.00	64.00	72.00	83.38	68.97	67.94	70.00
2003	66.00	63.00	69.00	74.00	63.00	69.00	81.00	67.00	66.00	68.00
2004	70.00	65.00	73.00	74.00	65.00	73.00	83.00	71.00	68.00	72.00
2005	72.00	65.00	74.00	76.00	66.00	74.00	83.00	73.00	68.00	73.00
2006	74.00	70.00	75.00	76.00	64.00	74.00	84.00	76.00	69.00	74.00
2007	83.00	78.00	85.00	80.00	67.00	78.00	85.00	78.00	70.00	82.00
2008	87.00	85.00	89.50	90.50	80.00	88.00	88.00	87.00	71.00	92.00
2009 ^c	101.14	100.48	104.02	104.44	92.56	101.73	107.98	101.73	95.48	103.00

Table 8. *Cash rent per acre for pastureland, Kansas Agricultural Statistical Districts, 1990–2009.^a*

Year	NW	WC	SW	NC	C	SC	NE	EC	SE	State
1990	\$8.60	\$8.40	\$8.10	\$11.90	\$11.60	\$10.90	\$14.70	\$13.00	\$12.80	\$11.50
1991	8.60	8.90	8.30	12.80	12.50	11.80	17.00	13.20	13.00	11.60
1992	8.80	8.20	8.50	13.80	12.70	11.40	18.00	14.00	13.80	12.00
1993	9.60	9.10	9.40	14.30	12.60	12.50	18.00	14.70	15.20	12.80
1994 ^b	8.91	8.82	8.97	13.54	12.49	10.87	15.87	14.42	14.71	12.20
1995 ^b	8.01	7.93	8.06	10.24	9.44	8.22	16.08	14.61	14.90	11.70
1996	8.70	9.00	9.00	13.10	12.60	9.60	14.70	14.90	15.00	11.90
1997	9.00	8.40	8.00	13.00	12.00	9.70	14.70	15.10	14.90	11.60
1998	9.50	9.20	8.60	13.50	12.70	11.80	16.50	16.80	16.50	13.00
1999	10.00	9.00	9.00	14.00	13.00	11.00	16.00	18.00	17.30	13.30
2000	10.00	9.30	8.50	13.50	12.00	10.90	15.40	16.90	16.40	12.80
2001	9.70	9.20	8.50	13.60	12.30	11.10	15.20	17.00	15.50	12.60
2002	9.70	9.30	8.80	13.70	12.40	11.20	15.30	16.80	15.20	12.60
2003	9.70	9.30	8.70	13.70	12.40	11.20	15.20	16.90	15.30	12.60
2004	9.70	9.70	8.70	14.10	13.10	11.30	16.10	17.60	15.40	13.20
2005	9.80	9.80	8.70	14.40	13.30	11.80	17.60	17.90	15.40	13.40
2006	9.60	10.00	8.70	14.90	13.80	11.50	18.10	18.40	16.20	13.70
2007	10.50	10.10	8.70	16.00	14.00	12.40	18.60	19.40	17.60	14.50
2008	11.80	10.50	9.30	16.00	15.70	12.30	20.40	21.20	18.80	15.50
2009 ^c	11.73	11.36	9.84	17.60	16.08	13.33	21.80	21.46	19.23	16.50

Table 9. Kansas state average price per acre, cash rent per acre, and rent-to-value percentage for nonirrigated cropland, irrigated cropland, and pastureland, 1990–2009.^a

Year	Nonirrigated cropland			Irrigated cropland			Pastureland		
	Price per acre, \$	Cash rent per acre, \$	Rent to value, %	Price per acre, \$	Cash rent per acre, \$	Rent to value, %	Price per acre, \$	Cash rent per acre, \$	Rent to value, %
1990	501	33.10	6.6	833	61.50	7.4	278	11.50	4.1
1991	500	32.50	6.5	809	60.60	7.5	283	11.60	4.1
1992	513	31.90	6.2	792	62.70	7.9	292	12.00	4.1
1993	516	32.80	6.4	788	65.10	8.3	296	12.80	4.3
1994	563	32.60	5.9	825	69.20	8.4	322	12.20	3.8
1995 ^d	595	35.50	6.0	920	73.67	8.0	343	11.70	3.4
1996	607	32.70	5.4	966	66.30	6.9	361	11.90	3.3
1997	615	34.50	5.6	990	69.00	7.0	365	11.60	3.2
1998	620	35.50	5.7	1,010	67.00	6.6	367	13.00	3.5
1999	625	35.00	5.6	1,020	66.00	6.5	370	13.30	3.6
2000	630	35.50	5.6	1,040	67.00	6.4	380	12.80	3.4
2001	635	36.00	5.7	1,060	72.00	6.8	390	12.60	3.2
2002	640	36.00	5.6	1,080	70.00	6.5	400	12.60	3.2
2003	645	36.00	5.6	1,080	68.00	6.3	410	12.60	3.1
2004	650	37.50	5.8	1,080	72.00	6.7	420	13.20	3.1
2005	770	38.50	5.0	1,180	73.00	6.2	500	13.40	2.7
2006	820	39.00	4.8	1,200	74.00	6.2	590	13.70	2.3
2007	880	41.00	4.7	1,260	82.00	6.5	660	14.50	2.2
2008	980	42.50	4.3	1,450	92.00	6.3	750	15.50	2.1
2009	1,000	46.50	4.7	1,500	103.00	6.9	750	16.50	2.2

05-09 avg.	890	41.50	4.7	1,318	84.80	6.4	650	14.72	2.3
00-09 avg.	765	38.85	5.2	1,193	77.30	6.5	525	13.74	2.7
90-09 avg.	665	36.23	5.6	1,044	71.70	7.0	426	12.95	3.2

Footnotes

^a Source: Kansas Agricultural Statistics (KAS), Kansas Board of Agriculture, United States Department of Agriculture.

^b Data for some of the individual districts were not available. Missing values for these districts were estimated by KSU to be consistent with KAS-reported state-level changes in those years.

^c District cash rents for 2009 were not available. Values for this year were calculated by KSU to be consistent with KAS reported state level percentage changes during this time period while accounting for historical relationships between the regions and the mix of land acres in each region. It is anticipated that KAS will report district cash rents for 2009 in April of 2010 and thus values reported here should be viewed as KSU preliminary estimates only.

^d No irrigated cash rent values were reported in this year, thus the state-level value and all district values were estimated by KSU based on KAS-reported state-level changes for non-irrigated rent in the surrounding years.

Publications from Kansas State University are available on the World Wide Web at: www.ksre.ksu.edu

Contents of this publication may be freely reproduced for educational purposes. All other rights reserved. In each case, credit Kevin C. Dhuyvetter and Terry L. Kastens, *Kansas Land Prices and Cash Rental Rates*, Kansas State University, October 2009.

Kansas State University Agricultural Experiment Station and Cooperative Extension Service

MF-1100

October 2009

K-State Research and Extension is an equal opportunity provider and employer. Issued in furtherance of Cooperative Extension Work, Acts of May 8 and June 30, 1914, as amended. Kansas State University, County Extension Councils, Extension Districts, and United States Department of Agriculture Cooperating, Fred A. Cholick, Director.