

## Filling the Gaps: Providing Accurate Data on Land Values and Rental Rates

### The Situation

High crop prices in recent years have led to the capitalization of higher agricultural returns into farmland values. Land values have increased rapidly across the state over the last five years. Because of funding cuts to Kansas Agricultural Statistics (KAS), the data for land values and rental rates from surveys have not been available as in the past. In addition, there seems to be a widening discrepancy or lag between these data and market values.

### Public Value

Data have been available in the past through a survey conducted by Kansas Agricultural Statistics. Although funding cuts have made the information unavailable, producers, landlords, appraisers, agricultural lenders, and others require accurate, current data on land values and rental rates. The data are used by producers in making land purchase decisions; by producers and landlords in setting rental rates; by agricultural lenders in making lending decisions based on collateral and equity, which are dependent on land values; and by appraisers, who need broad information as well as local data for comparison. The use of these data accounts for huge public value.

### What We Did

Kansas State University's Department of Agricultural Economics has found a way to provide this information through research disseminated by web-based papers, webinars, and in-person presentations. Mykel Taylor and Kevin Dhuyvetter used sales data from the Kansas Property Value Department to obtain more up-to-date and realistic farmland values, and then used the KSU-Lease spreadsheet to obtain better lease values by county. The results were released in January 2013 and updated in March.

We offered two webinars as part of this education process, the first for agents with K-State Research and Extension, and the second for the public, with more than 200 total participants. Additional participants viewed webinar recordings. The paper had more than 2,700 downloads in January, when it was released, and more than 10,500 through September. The information was shared in more than 20 presentations across the state, as well as in other presentations out-of-state. A press release provided further

exposure to the public. The paper will be updated annually as new data become available.

### Outcomes

The information allowed users to access relevant data for their individual needs. The webinars in January and February provided additional explanation and information for the more than 200 participants to allow them to better use the information. The subsequent presentations have allowed an estimated 500 additional people to interact with the researchers to obtain the information they need and to answer questions.

### Success Stories

Referring to the land values webinars, participants said:

"Thanks for the information. I appreciate this format of education since even when I can't make the original webinar due to the weather or whatever, I can still listen to the taped session later at my convenience."

— Kansas producer

"Just a note of thanks for spending so much time with me discussing cash rent issues and your '2012 Cropland and Pasture Report.' You have a really good understanding of what producers are dealing with because of both high commodity prices and competition from less educated individuals who want to break into crop production. I appreciate you recognizing it is so much a communication issue and education process. It seems to be our experience that more diverse and foreign investors put much value in the University's published information. The challenge is educating them on the particulars of their property."

— Miami County farmer

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