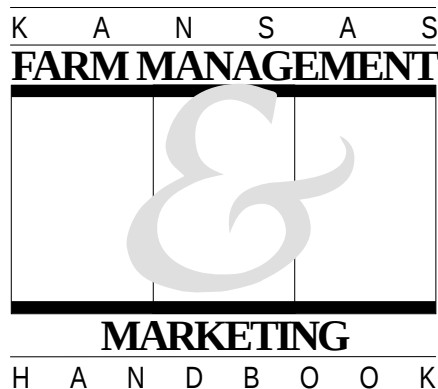




Kansas Land Prices and Cash Rental Rates

Department of Agricultural Economics



Kansas State University Agricultural Experiment Station and Cooperative Extension Service

Kevin C. Dhuyvetter

Extension Agricultural Economist
Farm Management

Terry L. Kastens

Extension Agricultural Economist
Crop Production

This Farm Management guide reports Kansas land prices for 1980-1999 and cash rents for 1980-1998. These data are useful to farm managers in determining cash rental rates, to farmland appraisers in calculating indexes for making time adjustments to land prices, and to land owners and investors who base expectations on historical price and return 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.

nonirrigated cropland, irrigated cropland, and pasture. This information is combined in two additional land groupings: all cropland and all land in farms. While these two groupings do not represent a particular type of land (e.g., nonirrigated cropland), they provide a broader classification of interest.

The land values reported also include 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 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). Since 1976, Kansas Agricultural Statistics has collected price information on three types of land:

Kansas Land Prices

Tables 1 through 5 show average prices of land and buildings in each district and an average for the state for the most recent twenty 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 February 1 for 1980-81 and 1986-1989, April 1 for 1982-85, and January 1 for 1990-99.

Table 1. Price per acre of all land in farms and buildings, Kansas Agricultural Statistical Districts, 1980-1999.^a

Year	NW	WC	SW	NC	C	SC	NE	EC	SE	State
1980	\$505	\$464	\$496	\$580	\$634	\$773	\$775	\$657	\$582	\$587
1981	571	529	519	589	676	789	816	689	614	619
1982	542	517	540	620	645	807	914	675	610	628
1983	551	494	491	582	676	745	841	636	573	601
1984	492	500	538	541	643	777	793	611	529	597
1985	383	392	485	422	533	616	642	490	451	488
1986 ^b	337	332	416	370	451	521	527	410	381	415
1987 ^b	313	297	377	343	404	466	456	363	339	373
1988 ^b	358	328	421	390	446	513	485	396	373	413
1989	384	339	441	417	461	530	484	405	384	429
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	510	415	490	560	570	610	825	790	585	580

Table 2. Price per acre of all cropland and buildings, Kansas Agricultural Statistical Districts, 1980-1999. ^a

Year	NW	WC	SW	NC	C	SC	NE	EC	SE	State
1980	\$582	\$527	\$574	\$656	\$699	\$873	\$863	\$773	\$698	\$688
1981	660	599	599	658	748	885	904	790	733	723
1982	629	598	634	707	716	922	1,030	810	751	744
1983	641	567	572	661	757	841	944	764	700	705
1984	559	569	583	628	726	891	919	770	663	689
1985	436	446	524	494	603	697	733	592	559	560
1986 ^b	387	380	456	430	508	591	599	493	468	476
1987 ^b	363	342	420	395	453	529	517	434	414	428
1988 ^b	424	385	482	454	504	592	555	477	457	480
1989	458	401	512	482	520	613	552	485	467	499
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	585	465	560	635	620	700	930	945	725	659

Table 3. Price per acre of nonirrigated cropland and buildings, Kansas Agricultural Statistical Districts, 1980-1999. ^a

Year	NW	WC	SW	NC	C	SC	NE	EC	SE	State
1980	\$551	\$484	\$483	\$638	\$691	\$862	\$860	\$771	\$697	\$669
1981	625	554	502	640	738	873	900	788	732	702
1982	592	560	545	691	706	916	1,026	807	749	726
1983	612	529	485	643	748	831	941	761	699	688
1984	544	545	487	623	718	877	918	769	663	673
1985	426	429	437	490	599	687	732	593	559	544
1986 ^b	376	365	383	425	504	577	597	494	468	460
1987 ^b	353	332	357	392	453	517	520	439	418	415
1988 ^b	408	372	411	447	502	571	557	480	460	462
1989	434	383	434	468	512	581	548	484	466	473
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 ^c	536	438	458	602	563	642	807	777	589	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	520	440	420	610	600	650	925	940	725	623

Table 4. Price per acre of irrigated cropland and buildings, Kansas Agricultural Statistical Districts, 1980-1999.^a

Year	NW	WC	SW	NC	C	SC	NE	EC	SE	State
1980	\$930	\$889	\$894	\$1,257	\$1,154	\$1,163	\$1,354	\$1,237	\$985	\$951
1981	1,051	976	939	1,227	1,252	1,201	1,629	1,267	1,056	1,011
1982	1,050	916	943	1,257	1,258	1,111	1,851	1,341	1,230	1,000
1983	977	885	870	1,244	1,232	1,112	1,600	1,229	1,022	943
1984	951	874	861	1,135	1,202	1,171	1,343	1,253	936	918
1985	721	657	780	947	918	913	1,096	884	826	784
1986 ^b	632	569	680	823	799	805	951	755	711	692
1987 ^b	556	495	595	718	698	712	829	646	614	613
1988 ^b	623	549	664	797	777	803	920	704	675	692
1989	716	623	759	908	886	928	1,046	786	760	801
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 ^c	1,188	714	772	1,005	948	1,076	1,411	1,098	962	920
1996	1,141	705	884	1,390	960	1,074	1,468	1,194	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

Table 5. Price per acre of pastureland and buildings, Kansas Agricultural Statistical Districts, 1980-1999.^a

Year	NW	WC	SW	NC	C	SC	NE	EC	SE	State
1980	\$313	\$301	\$282	\$374	\$405	\$464	\$501	\$486	\$444	\$395
1981	346	343	296	395	419	484	533	528	471	421
1982	329	316	298	396	404	467	570	483	452	407
1983	343	319	286	383	421	467	547	462	436	401
1984	283	301	262	346	372	417	483	434	398	374
1985	219	237	243	260	305	357	417	375	345	313
1986 ^b	186	196	210	229	268	303	345	317	295	267
1987 ^b	166	171	190	212	247	271	300	281	264	239
1988 ^b	177	177	204	234	272	288	310	296	282	255
1989	189	184	222	259	300	308	322	315	303	274
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	225	230	220	350	385	315	590	570	450	370

Cash Rental Rates

Average cash rental rates for nonirrigated cropland, irrigated cropland, and pastureland by region are shown in Tables 6 through 8 for 1980-1998. 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 rent-to-value has averaged approximately 6%, 7.5%, and 4% for nonirrigated cropland, irrigated cropland, and pastureland, respectively. These long term averages can be useful “rules-of-thumb” for establishing cash rental rates or evaluating land purchase decisions. For example, if the market value of a particular piece of nonirrigated cropland is \$600 per acre, a reasonable expected cash rent would be \$36 per acre ($\600×0.06). Similarly, a person interested in buying pastureland that rents for \$15 per acre would expect the land to be valued at about \$375 per acre ($15 \div 0.04$). If the actual land value is significantly higher (lower), this suggests the land might be over (under) priced.

Table 6. Cash rent per acre for nonirrigated cropland, Kansas Agricultural Statistical Districts, 1980-1998.^a

Year	NW	WC	SW	NC	C	SC	NE	EC	SE	State
1980	\$23.06	\$23.16	\$22.09	\$33.43	\$30.52	\$33.22	\$45.90	\$35.45	\$34.94	\$30.60
1981	25.25	23.82	22.43	33.75	30.67	24.77	48.34	36.74	35.58	31.70
1982	25.39	23.41	23.45	38.23	31.54	35.52	58.80	42.41	37.60	34.00
1983	27.10	23.60	24.20	37.20	31.90	35.30	57.40	41.90	38.10	34.00
1984	27.00	25.70	23.10	38.00	32.90	35.60	57.50	41.70	38.00	34.10
1985	25.10	24.10	26.10	35.90	31.20	34.50	51.00	38.00	34.10	32.40
1986 ^b	23.39	22.06	24.20	33.01	28.56	31.87	46.65	34.91	31.59	30.30
1987 ^b	22.00	20.37	22.64	30.63	26.37	29.71	43.05	32.36	29.53	28.60
1988 ^b	23.46	21.31	24.00	32.20	27.60	31.39	45.00	33.99	31.30	30.60
1989 ^b	23.07	20.55	23.48	31.22	26.62	30.59	43.38	32.92	30.59	30.20
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	31.60	24.00	32.30	38.10	32.80	32.10	55.90	38.90	35.80	36.60
1995 ^c	28.35	25.48	27.06	37.48	33.28	31.85	54.90	36.78	39.50	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 ^d										

Table 7. Cash rent per acre for irrigated cropland, Kansas Agricultural Statistical Districts, 1980-1998.^a

Year	NW	WC	SW	NC	C	SC	NE	EC	SE	State
1980	\$66.53	\$62.18	\$58.22	\$68.76	\$67.95	\$59.59	\$75.00	\$60.31	\$56.11	\$60.90
1981	64.94	68.59	60.77	73.03	63.74	68.13	87.92	62.16	50.37	64.00
1982	68.26	66.53	58.58	77.09	63.11	63.77	81.36	68.00	57.00	62.80
1983	71.40	67.40	57.10	83.60	65.20	59.90	81.70	67.90	55.90	62.50
1984	71.70	66.60	62.30	75.80	57.00	61.20	84.50	61.70	56.00	63.50
1985	62.40	54.80	62.30	75.10	52.00	63.50	77.40	60.70	59.20	61.50
1986 ^b	58.72	49.87	59.50	71.56	50.02	60.53	72.85	57.37	54.54	58.40
1987 ^b	59.49	48.77	61.18	73.41	51.80	62.11	73.81	58.38	54.05	59.70
1988 ^b	53.41	42.19	55.75	66.75	47.54	56.49	66.29	52.66	47.43	54.10
1989 ^b	61.14	46.42	64.78	77.38	55.61	65.51	75.89	60.55	53.01	62.50
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	75.50	71.00	75.00	71.70	64.00	67.00	88.30	62.70	59.00	69.20
1995 ^c	73.61	69.25	74.40	76.42	65.20	65.14	86.02	64.65	61.12	69.55
1996	68.00	64.00	70.00	77.00	63.00	60.00	79.41	63.19	60.00	66.30
1997	69.00	66.00	72.00	78.00	66.00	64.00	79.94	67.38	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 ^d										

Table 8. Cash rent per acre for pastureland, Kansas Agricultural Statistical Districts, 1980-1998. ^a

Year	NW	WC	SW	NC	C	SC	NE	EC	SE	State
1980	\$7.77	\$9.14	\$7.87	\$13.39	\$11.67	\$11.74	\$18.42	\$15.37	\$16.53	\$12.40
1981	8.87	8.96	7.66	14.93	11.77	12.08	18.47	17.02	15.06	12.60
1982	9.59	8.56	8.58	14.53	11.49	12.42	19.74	15.82	15.88	12.80
1983	9.30	9.20	8.40	14.50	11.90	13.30	21.50	16.70	16.60	13.30
1984	9.70	9.60	9.10	13.90	12.30	12.40	20.70	16.40	15.10	13.60
1985 _b	8.60	8.80	9.10	13.40	11.50	12.50	17.50	16.20	15.20	13.10
1986 _b	8.91	9.02	9.20	13.53	11.93	12.58	17.48	16.04	15.19	13.20
1987 _b	7.48	7.51	7.54	11.10	10.05	10.28	14.18	12.90	12.33	10.80
1988 _b	8.39	8.34	8.27	12.15	11.29	11.21	15.36	13.84	13.36	11.80
1989 _b	7.88	7.76	7.59	11.15	10.61	10.25	13.93	12.44	12.12	10.80
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	9.60	9.50	8.80	14.50	12.50	12.00	18.10	15.20	15.30	12.80
1995 _c	8.66	8.77	8.00	13.07	11.91	9.30	15.50	14.27	15.20	11.70
1996	8.70	9.00	9.00	13.10	12.60	9.60	14.70	14.90	15.00	11.90
1997	10.00	8.40	8.80	13.00	12.00	9.70	14.80	15.10	14.90	11.60
1998 _d	9.50	9.20	8.60	13.50	12.70	11.80	16.50	16.80	16.50	13.00
1999 _d										

Table 9. Kansas state average price per acre, cash rent per acre, and rent-to-value percentage for nonirrigated cropland, irrigated cropland, and pastureland, 1980-1999. ^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
1980	\$669	\$30.60	4.6%	\$951	\$60.90	6.4%	\$395	\$12.40	3.1%
1981	702	31.70	4.5	1,011	64.00	6.3	421	12.60	3.0
1982	726	34.00	4.7	1,000	62.80	6.3	407	12.80	3.1
1983	688	34.00	4.9	943	62.50	6.6	401	13.30	3.3
1984	673	34.10	5.1	918	63.50	6.9	374	13.60	3.6
1985	544	32.40	6.0	784	61.50	7.8	313	13.10	4.2
1986	460	30.30	6.6	692	58.40	8.4	267	13.20	4.9
1987	415	28.60	6.9	613	59.70	9.7	239	10.80	4.5
1988	462	30.60	6.6	692	54.10	7.8	255	11.80	4.6
1989	473	30.20	6.4	801	62.50	7.8	274	10.80	3.9
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	36.60	6.5	825	69.20	8.4	322	12.80	4.0
1995	595	35.50	6.0	920	69.55	7.6	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 _d	623			1,020			370		
89-98 avg	550	33.53	6.1	873	65.34	7.5	318	11.97	3.8
80-98 avg	571	32.72	5.8	860	63.20	7.5	329	12.28	3.8

Footnotes

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

^b District land prices for 1986-1988 and cash rents for 1986-1989 were not available. Values for these years were calculated by KSU to be consistent with KAS reported state level changes during this time period.

^c Data for some of the individual districts were not available in 1995. Missing values for these districts were calculated by KSU to be consistent with KAS reported state level changes in 1995.

^d Cash rents for 1999 will be reported by Kansas Agricultural Statistics in the spring of 2000.

Publications from Kansas State University are available on the World Wide Web at: <http://www.oznet.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 1999.

Kansas State University Agricultural Experiment Station and Cooperative Extension Service

MF-1100

October 1999

It is the policy of Kansas State University Agricultural Experiment Station and Cooperative Extension Service that all persons shall have equal opportunity and access to its educational programs, services, activities, and materials without regard to race, color, religion, national origin, sex, age or disability. Kansas State University is an equal opportunity organization. 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, Marc A. Johnson, Director.

File code: Farm Management 2-2