

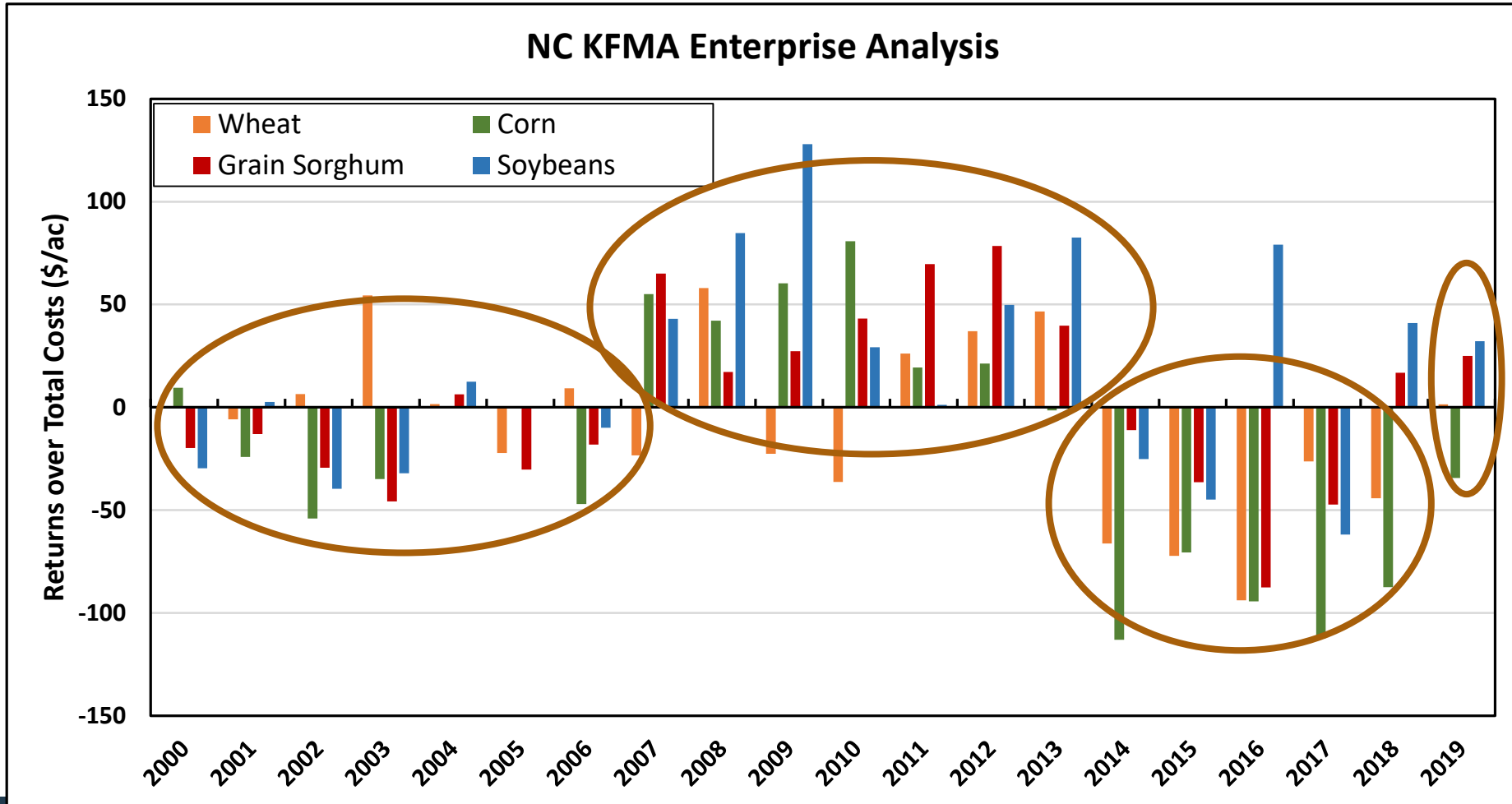


Kansas Land Values

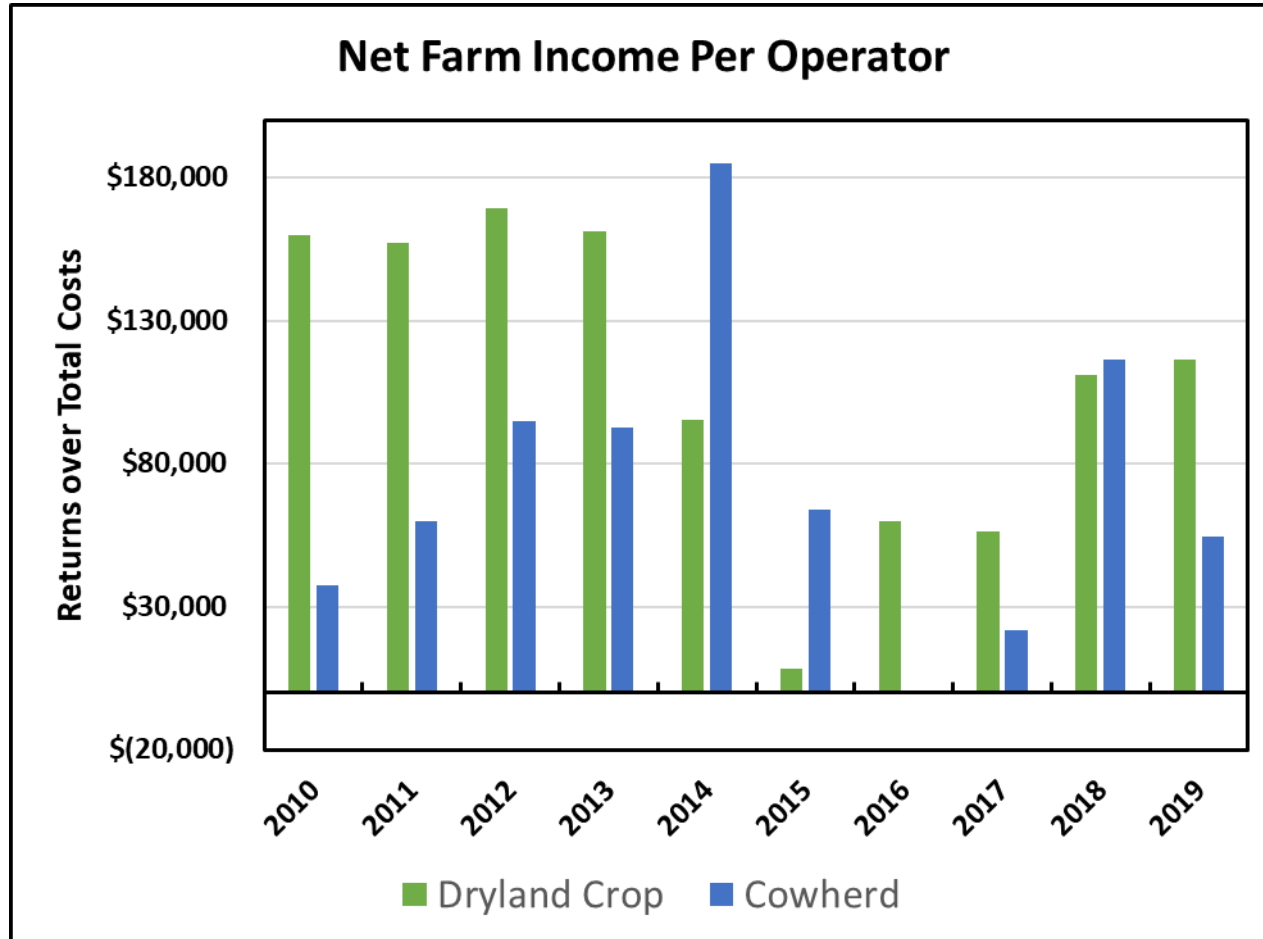
Mykel Taylor
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Current Economic Conditions

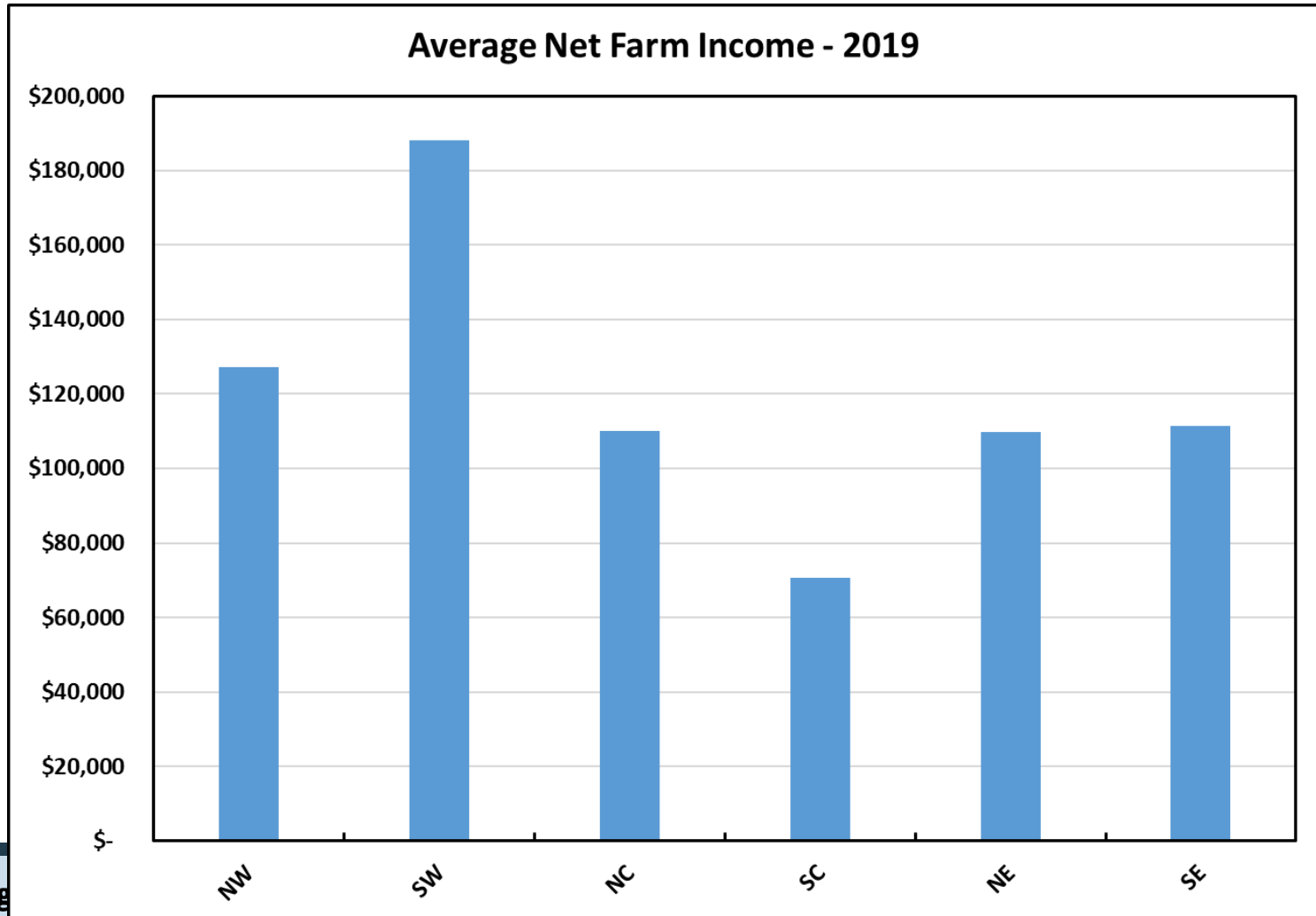
Returns to Farming



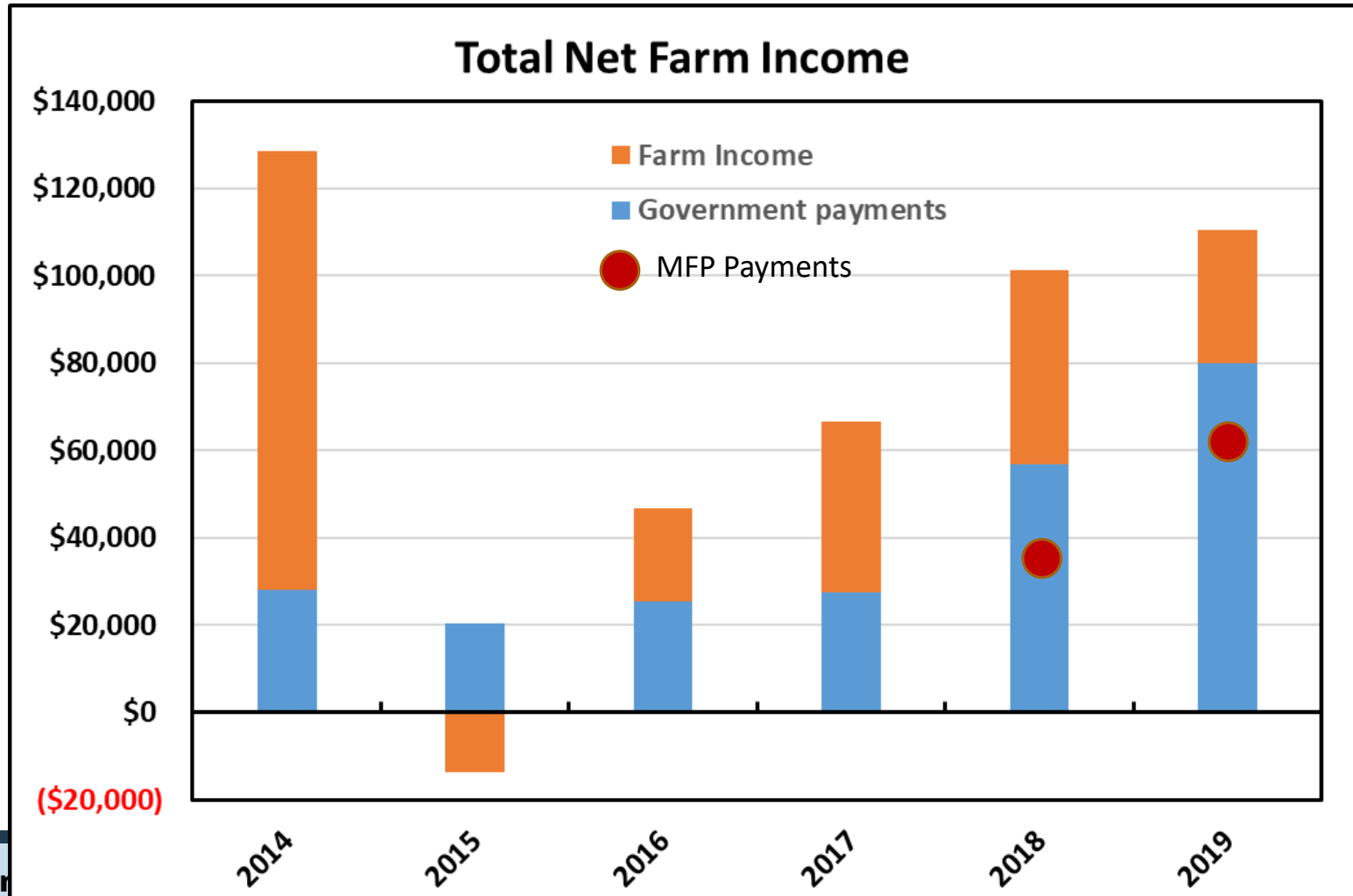
Net Farm and Ranch Income



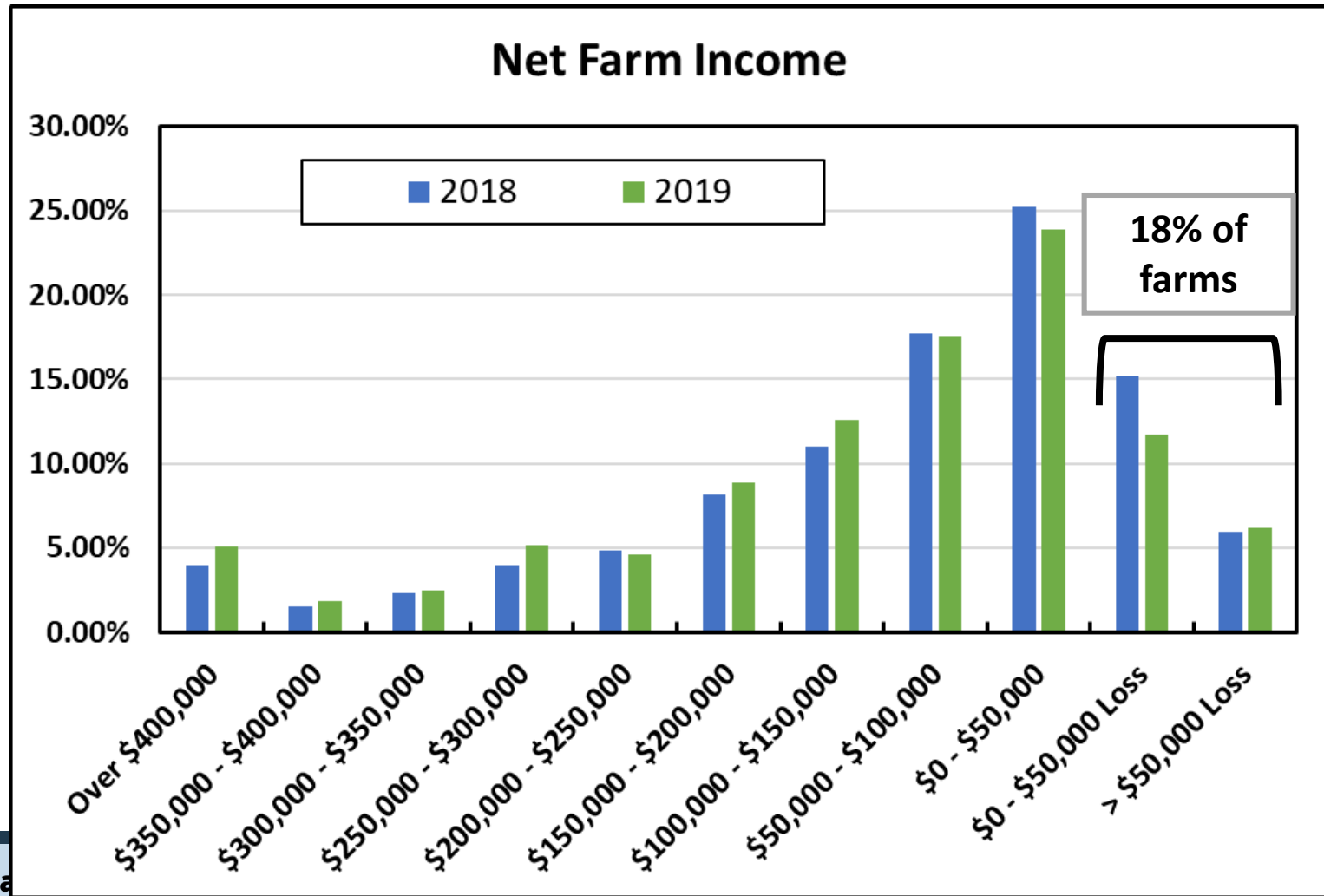
Average Net Farm Income 2019



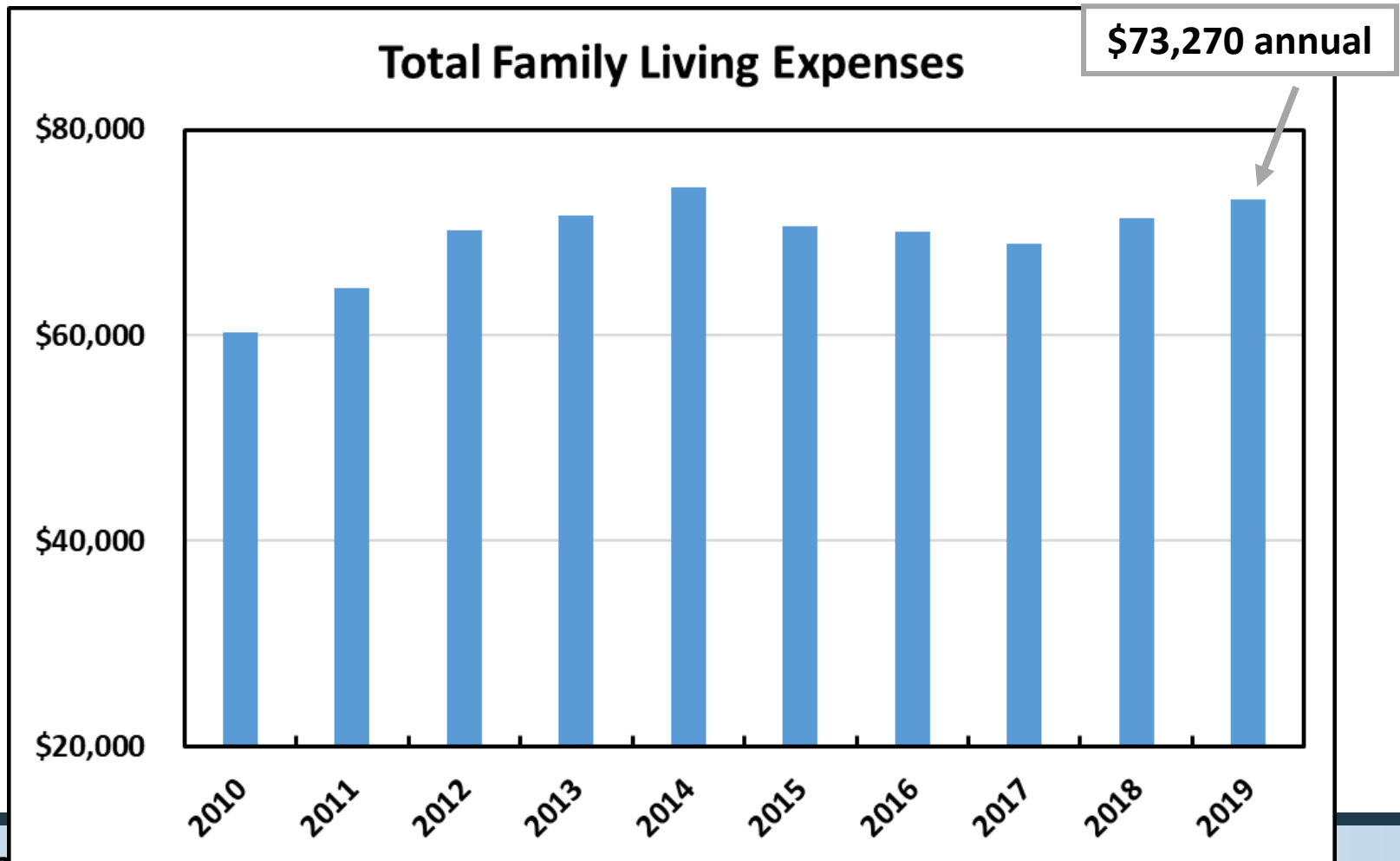
Government Payments



Distribution of NFI



Farm Family Living Expenses



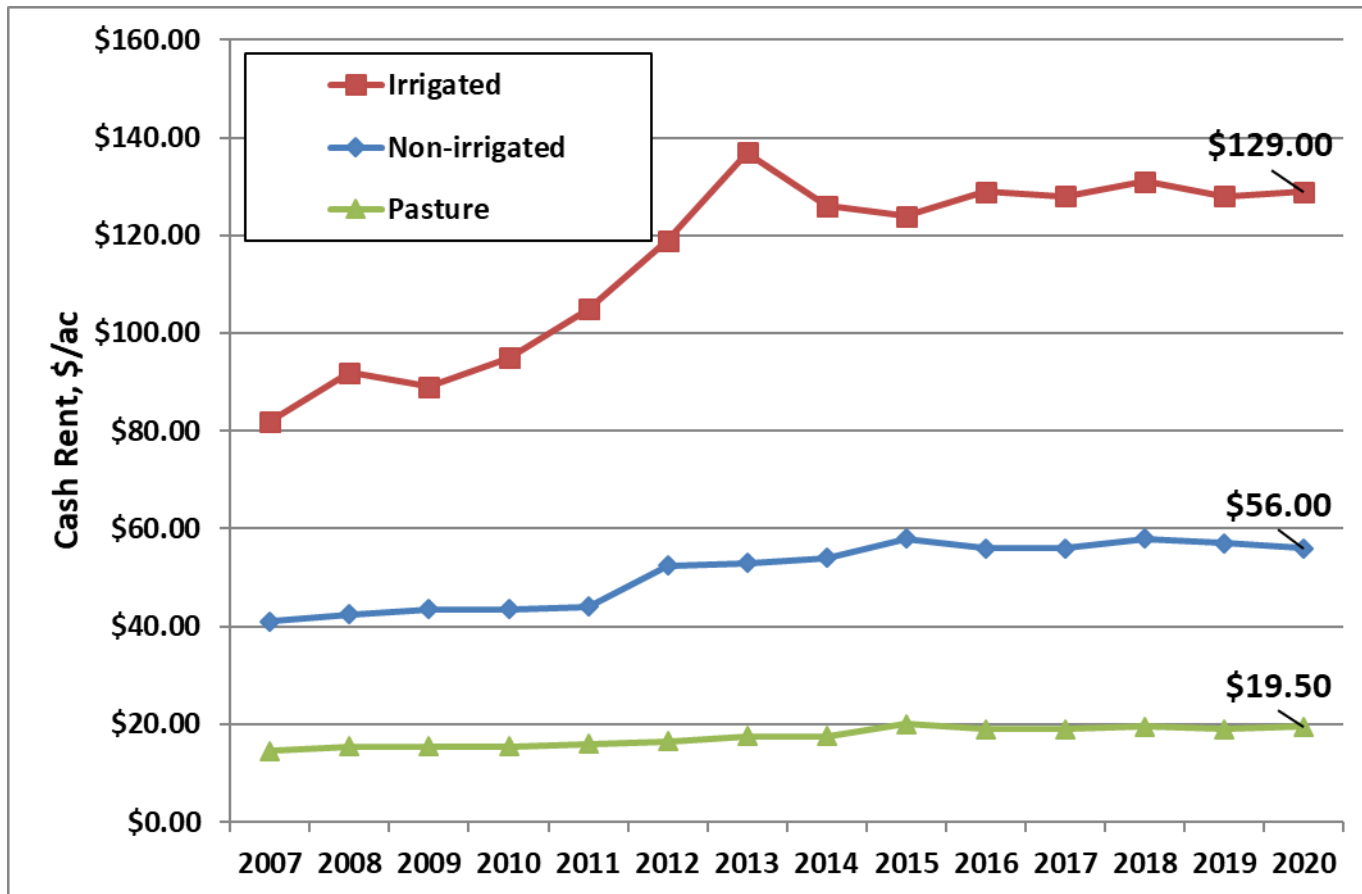
Rental Rates

Returns to Farming

How have we adjusted to this new level of profitability?

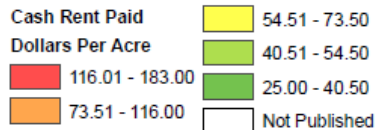
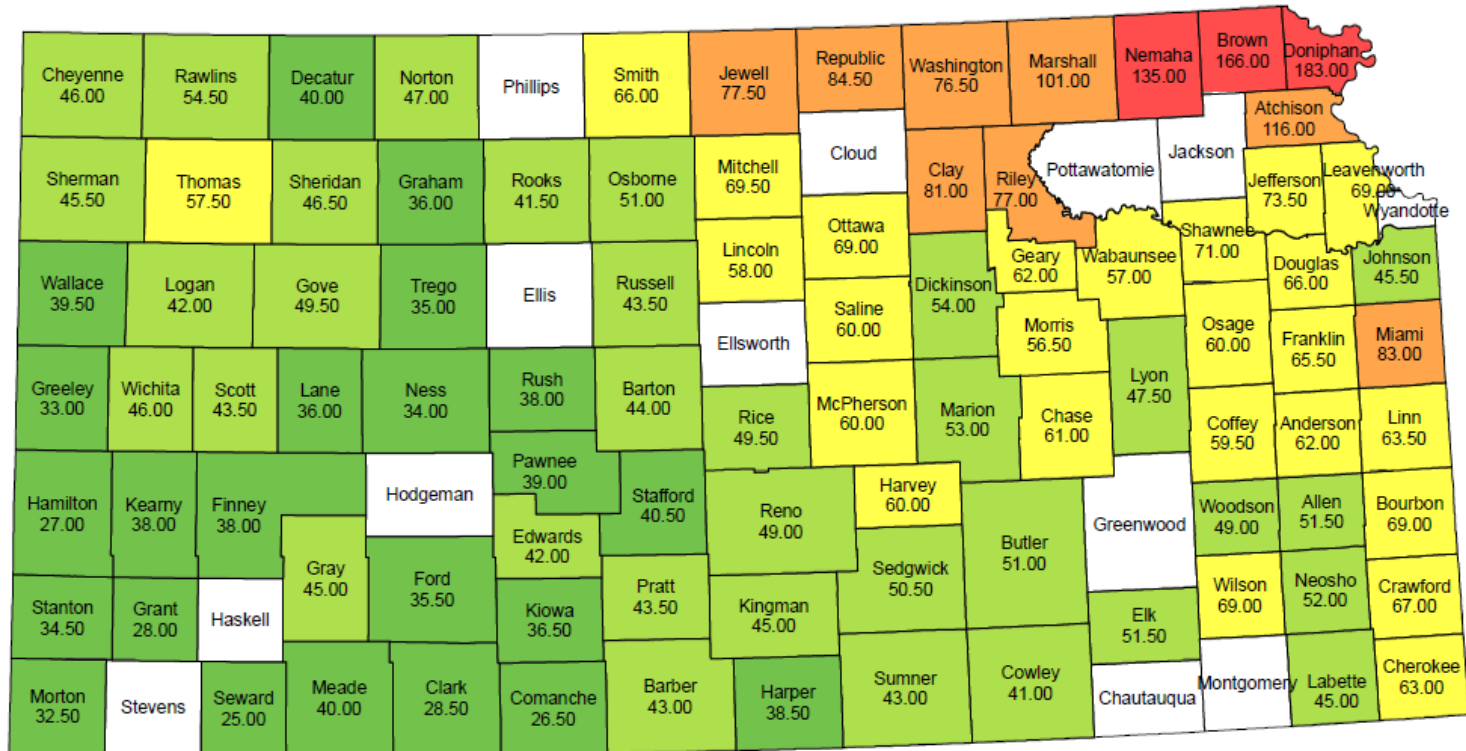
- Reduced machinery turnover?
- Reduced use of inputs?
- Negotiated for lower rents?

Kansas Cash Rents





2019 Non-Irrigated Cropland Cash Rent Paid Per Acre Kansas

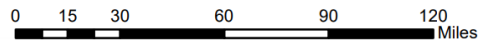
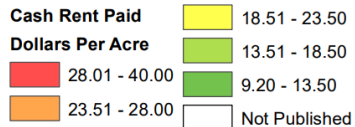
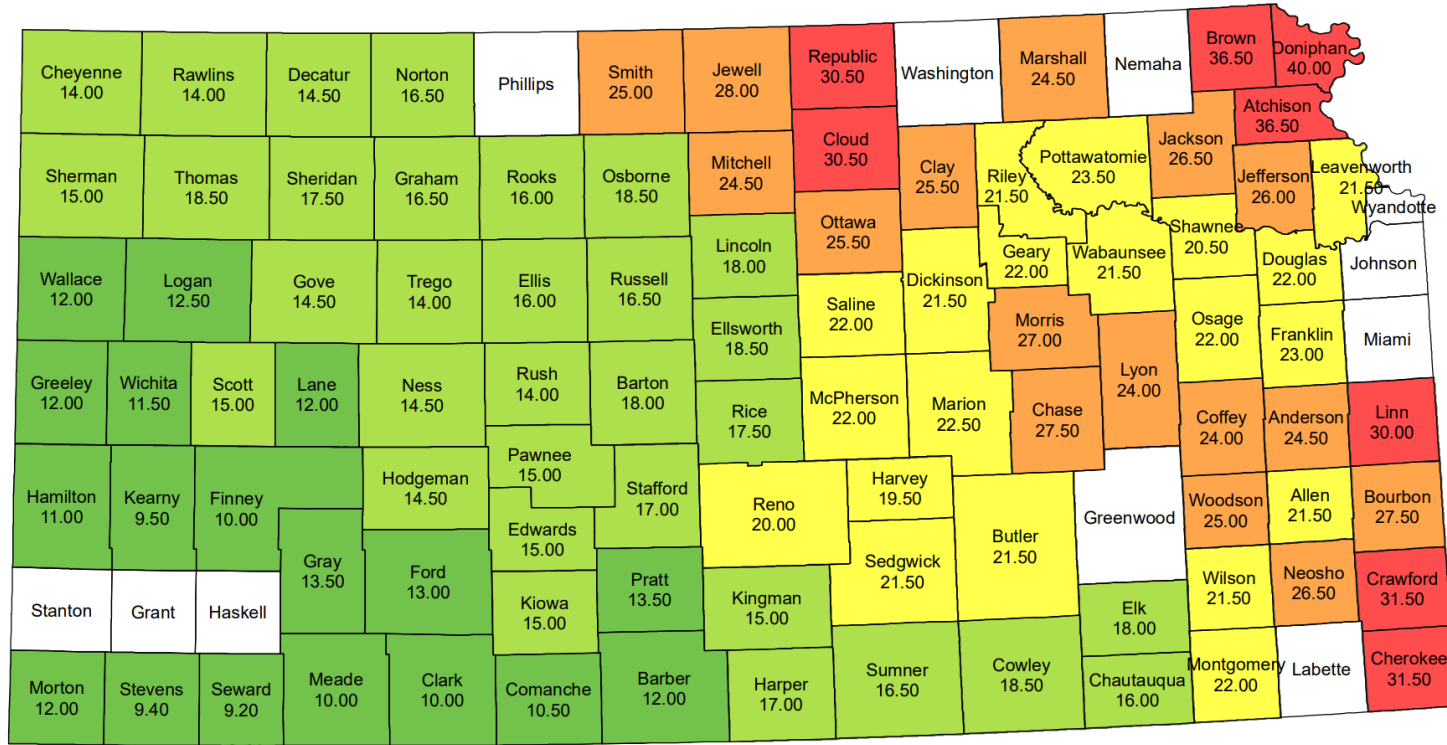


Source: USDA National Agricultural Statistics Service
September 10, 2019





2019 Pasture Cash Rent Paid Per Acre Kansas



Source: USDA National Agricultural Statistics Service
September 10, 2019



Land Value Trends

Land Values

Affected by profitability in ag sector

But land values do not adjust as quickly as profitability to changes in commodity prices

Adjustment period due to

- Long-run reasons for buying and holding land
- Expectations of buyers/sellers



Land Values

Where do we get information on land values?

KS Ag Stats Service

- Annual survey series
- Dropped CRD-level estimates in 2013
- Only have a state value for irrigated, non-irrigated, and pasture land in Kansas



United States Department of Agriculture
National Agricultural Statistics Service



News Release

832 SW Van Buren, Room 200, Topeka, Kansas 66603
Media Contact: Jason Lamprocht (786) 233-2230

KANSAS FARM REAL ESTATE VALUE AND CROPLAND RENT HIGHER

TOPEKA, KS, August 2, 2013 -- Kansas's farm real estate value, a measurement of the value of all land and buildings on farms, increased from 2012, according to USDA's National Agricultural Statistics Service. Farm real estate value for 2013 averaged \$1,900 per acre. This is up \$290 per acre or 18 percent higher than last year's revised level.

Cropland value increased 19 percent from last year to \$2,100 per acre. Dryland cropland value averaged \$2,000 per acre, up \$300 from last year. Irrigated cropland value averaged \$3,000 per acre, up \$600 from a year ago. Pastureland, at \$1,250 per acre, increased \$250 from a year ago.

Cash rent paid to landlords in 2013 for cropland also increased from last year. Irrigated cropland rent averaged \$137 per acre, an increase of \$18. Dryland cropland rent averaged \$53 per acre, up slightly from a year earlier. Pasture rented for cash, which averaged \$17.50 per acre, is up \$1.00 from the previous year.

County level averages of 2013 cash rents paid to landlords will be released on September 6 and will be available through NASS Quick Stats. Quick Stats is located at <http://quickstats.nass.usda.gov/>.

Access the National publication for this release at:
<http://usda01.library.cornell.edu/usda/current/AgriLandVa/AgriLandVa-08-02-2013.pdf>

Find agricultural statistics for your county, State, and the Nation at www.nass.usda.gov

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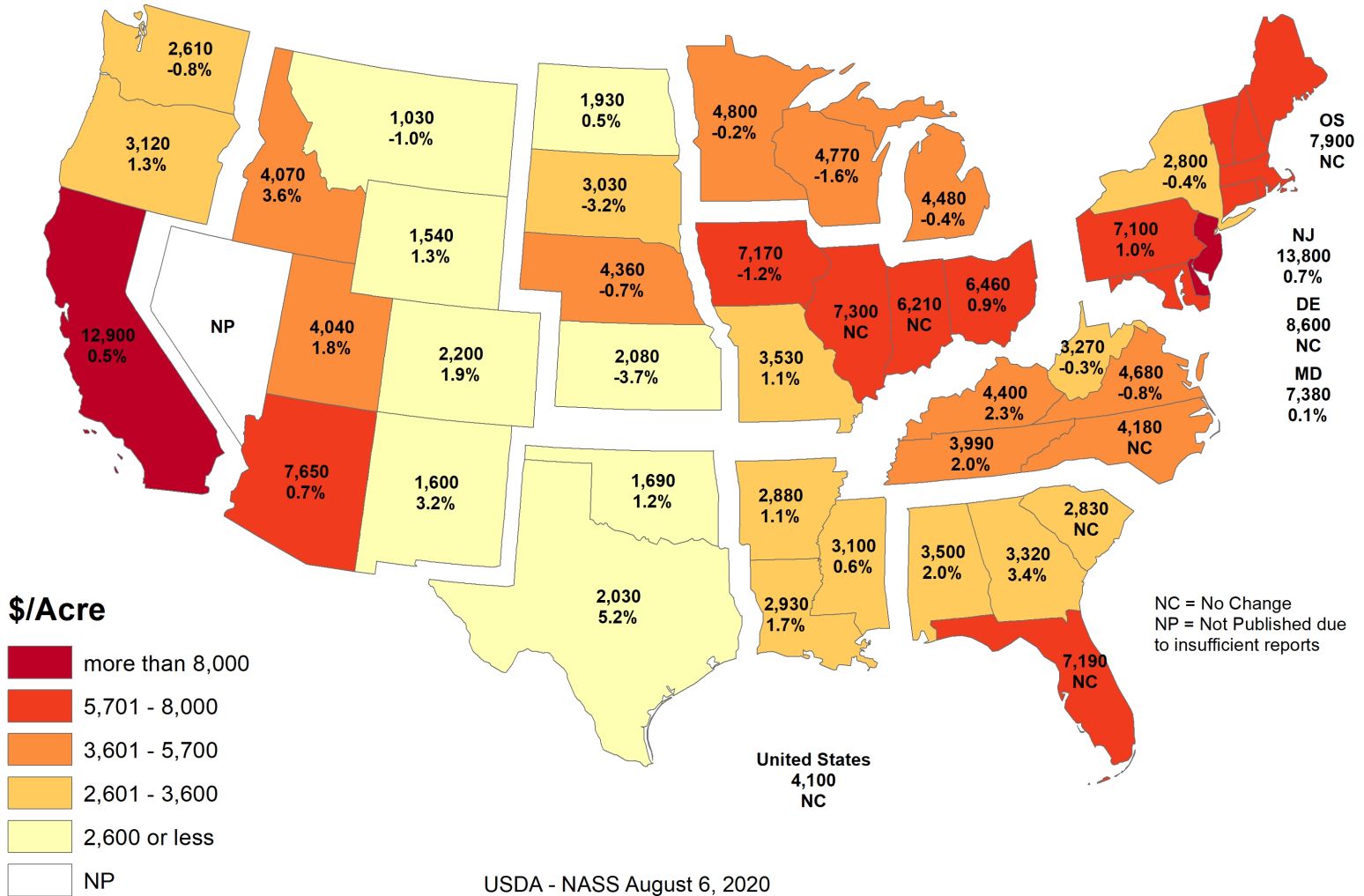
NASS provides accurate, timely, useful and objective statistics in service to U.S. agriculture. The Agency invites you to express your thoughts and provide occasional feedback on our products and services by joining a data user community. To join, sign in at <http://usda.mannlib.cornell.edu/subscriptions> and look for "NASS Data User Community".

USDA is an equal opportunity provider and employer.

2020 Cropland Value by State

Dollars per Acre and Percent Change from 2019

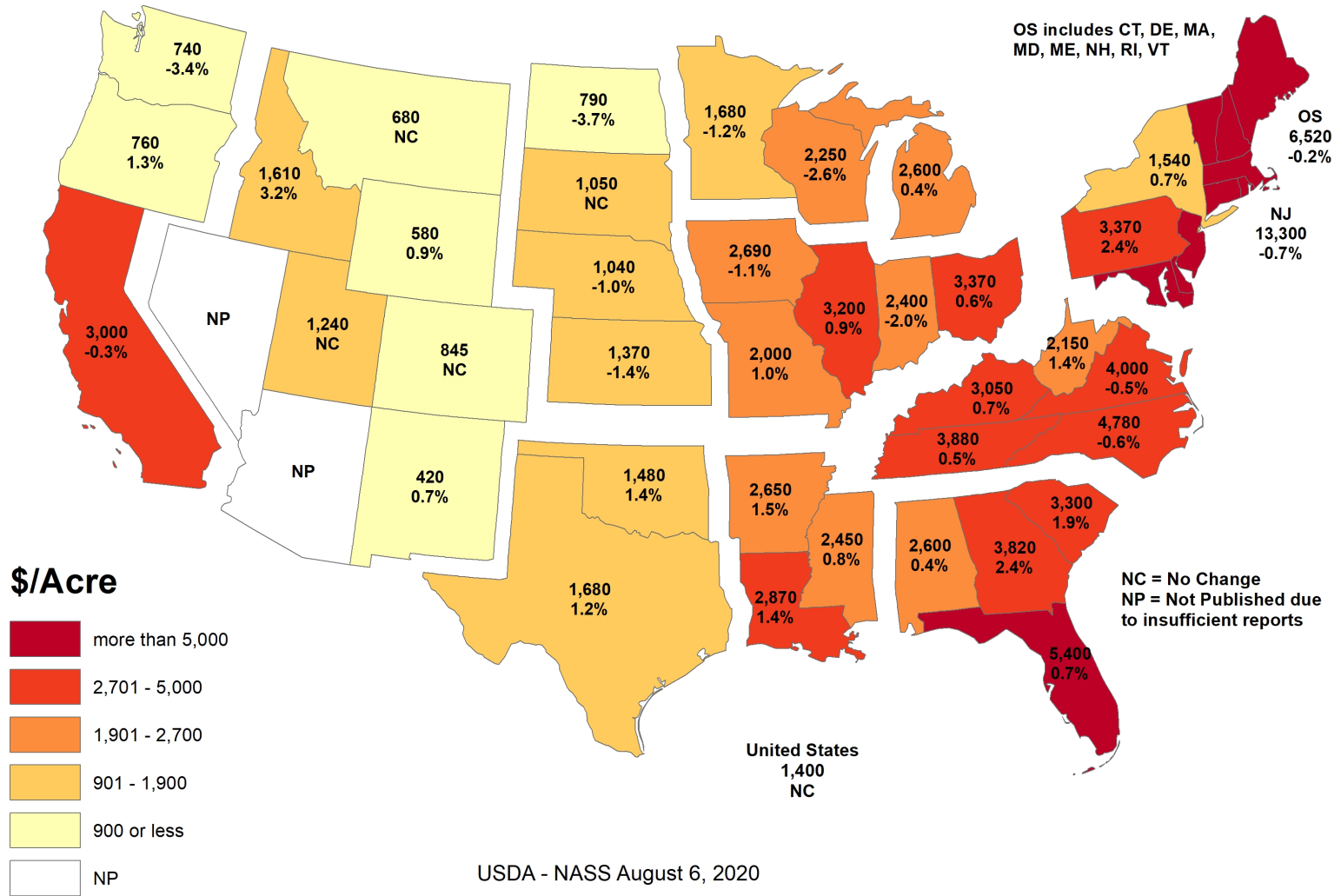
OS includes CT, MA, ME, NH, RI, VT



USDA - NASS August 6, 2020

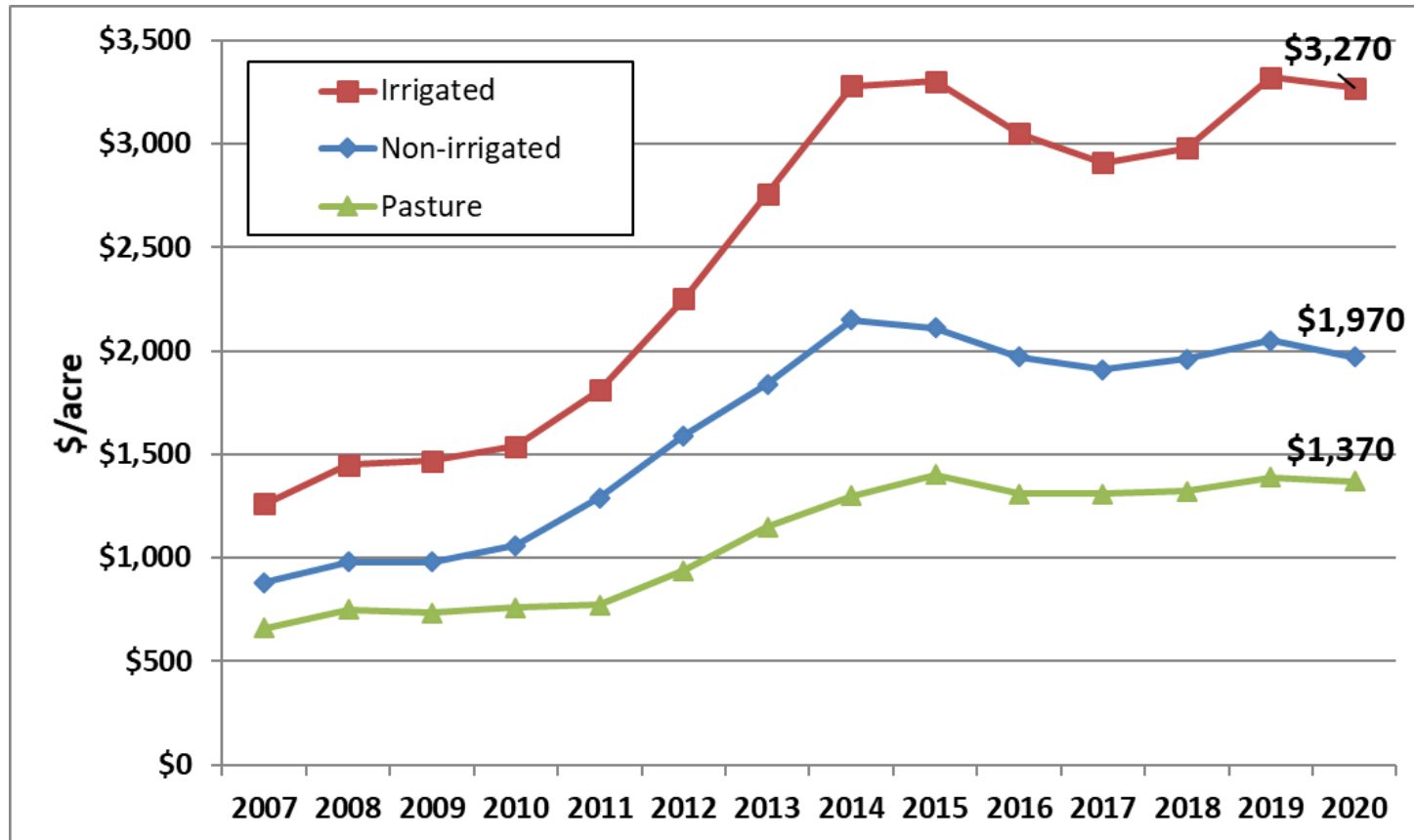
2020 Pasture Value by State

Dollars per Acre and Percent Change from 2019



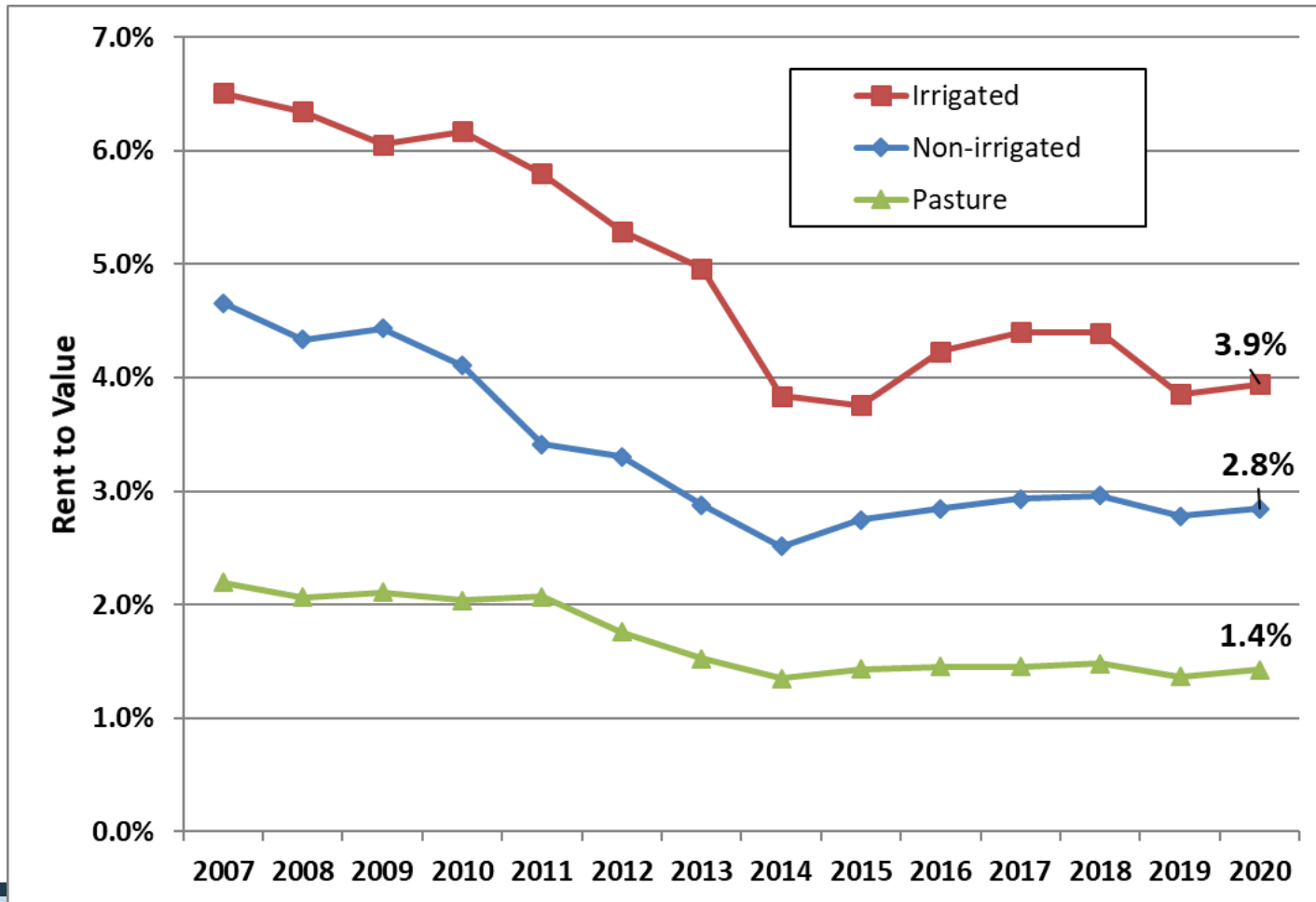
USDA - NASS August 6, 2020

Kansas Land Values



Source: USDA-NASS

Rent-to-Land Value Ratio



Source: USDA-NASS

Market-Based Land Values

Kansas Land Values

Source for market transaction data

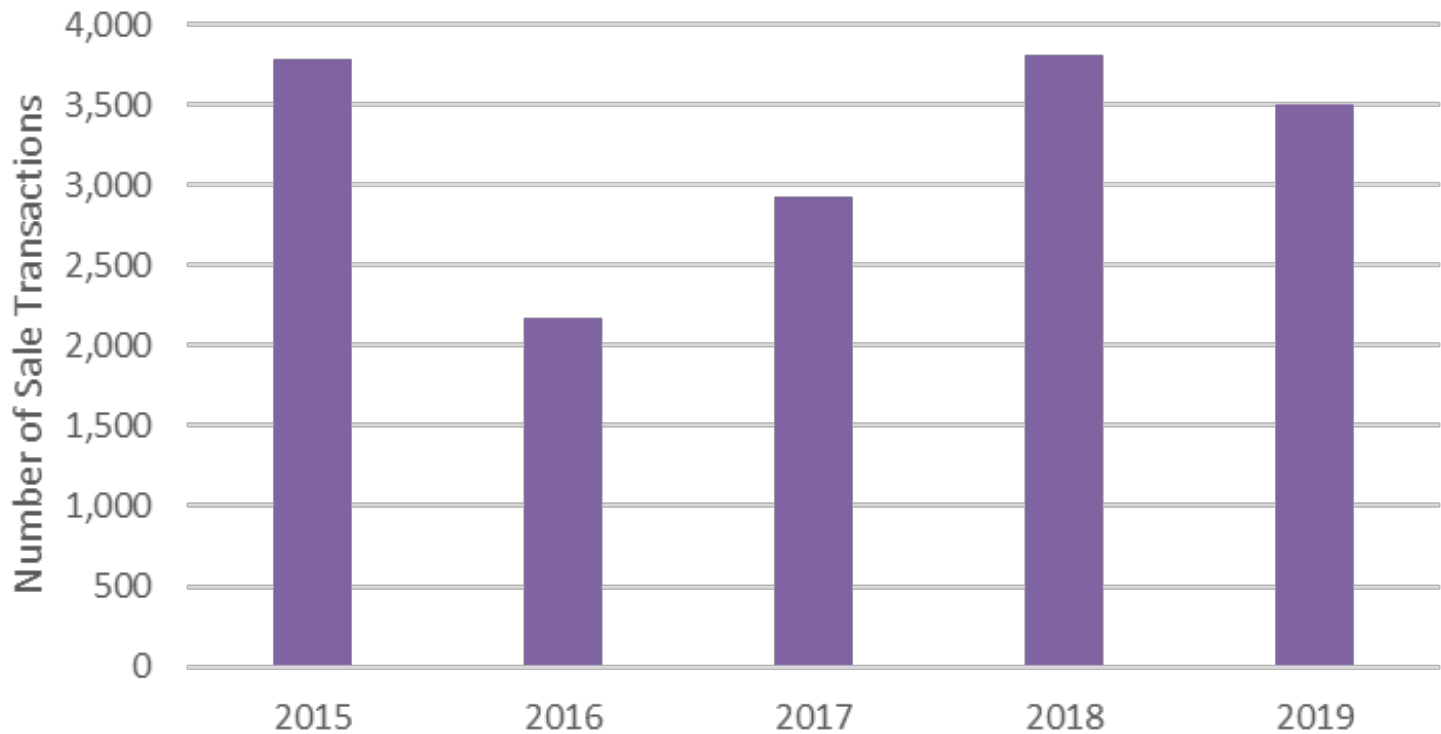
- Property Valuation Department, Topeka

2015-19 sales data

- County location, population density
- Acres in sale
- Mixture of irrigated, non-irrigated and pasture in parcel
- 20-year average rainfall
- Enrollment in CRP
- Value of improvements is removed for bare land value
- Parcels under 40 acres are omitted

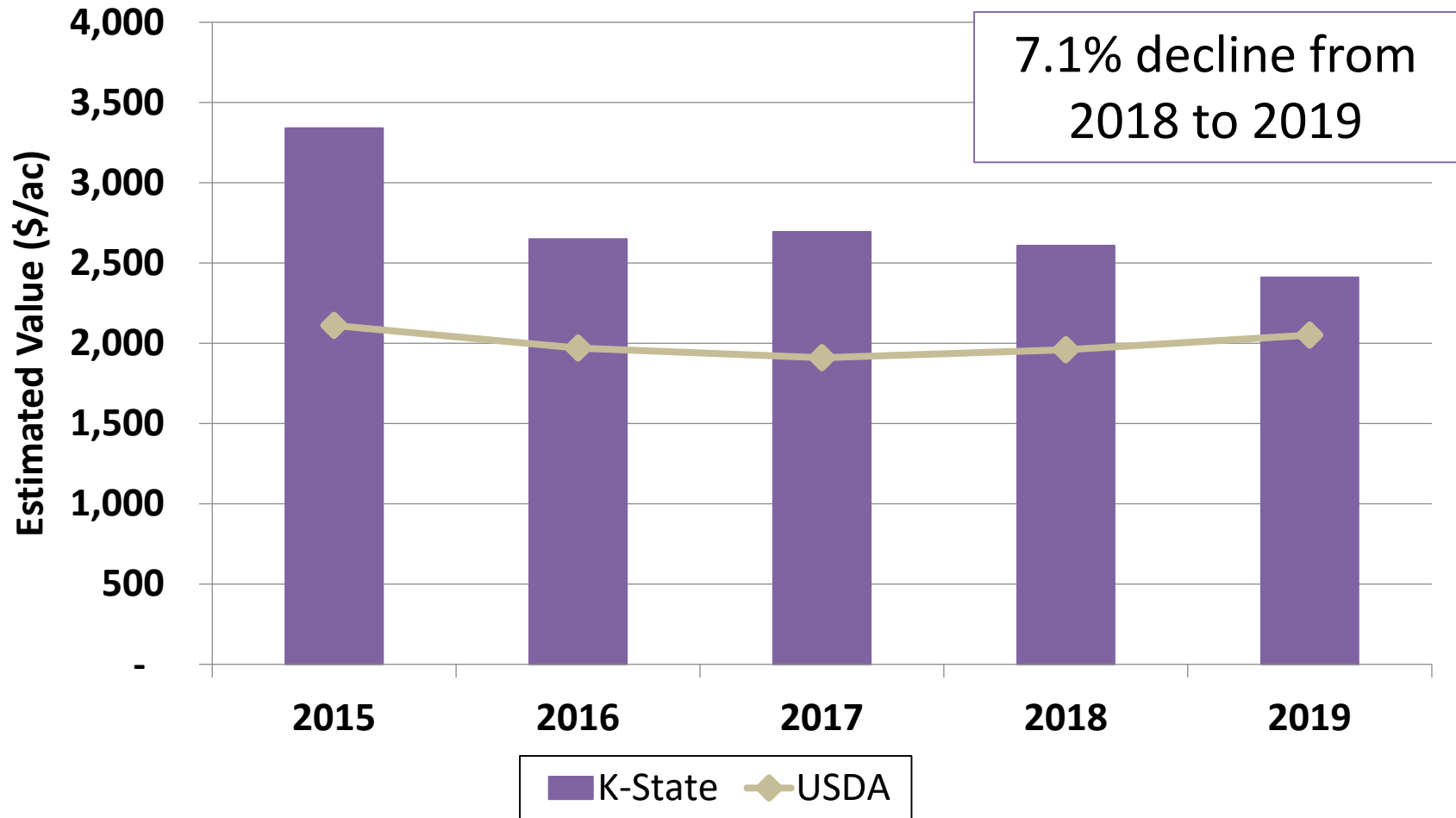
PVD Sales Data 2015-2019

Kansas Land Sales

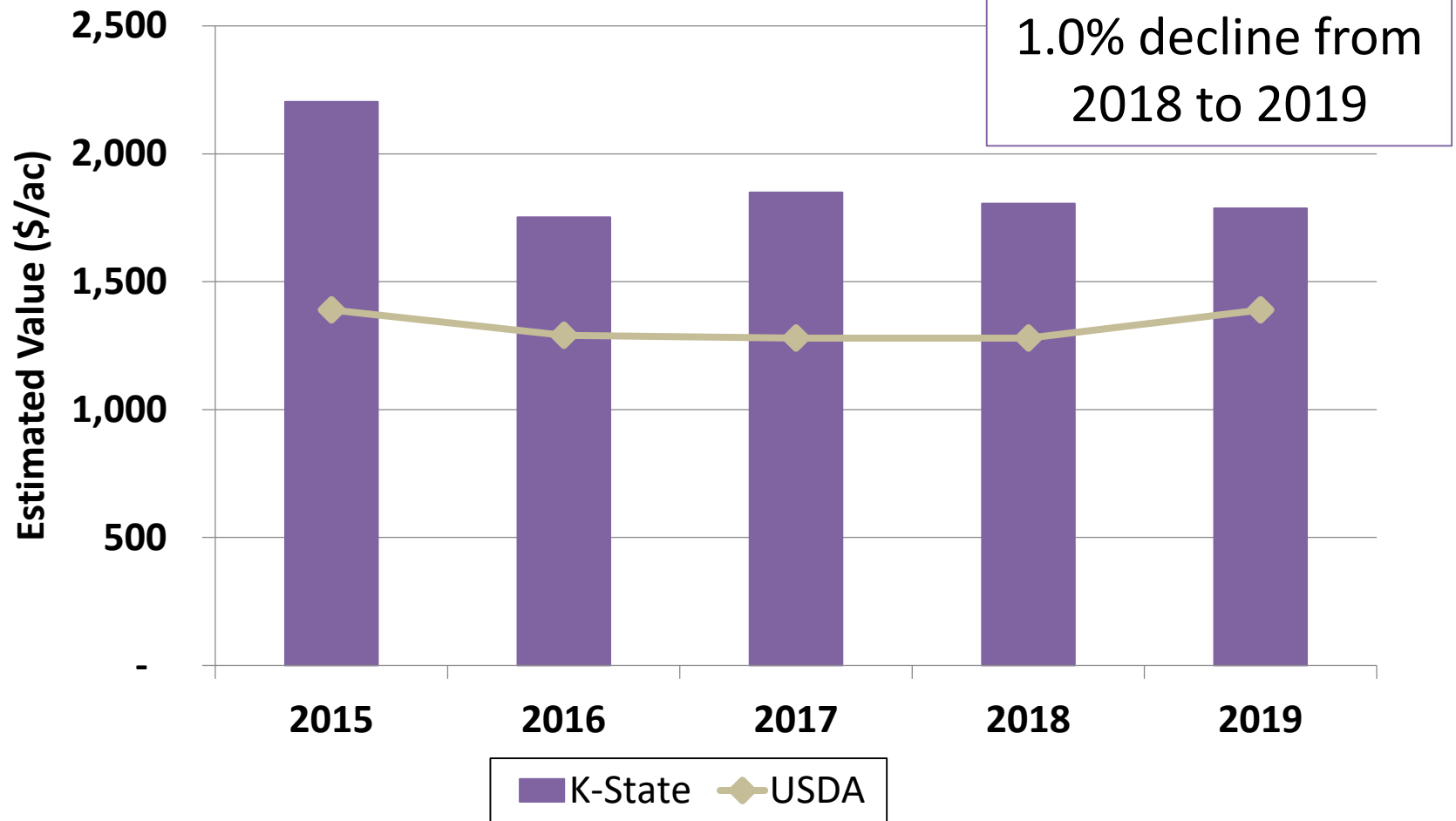


Land Model Results

Non-Irrigated Land



Pasture Land



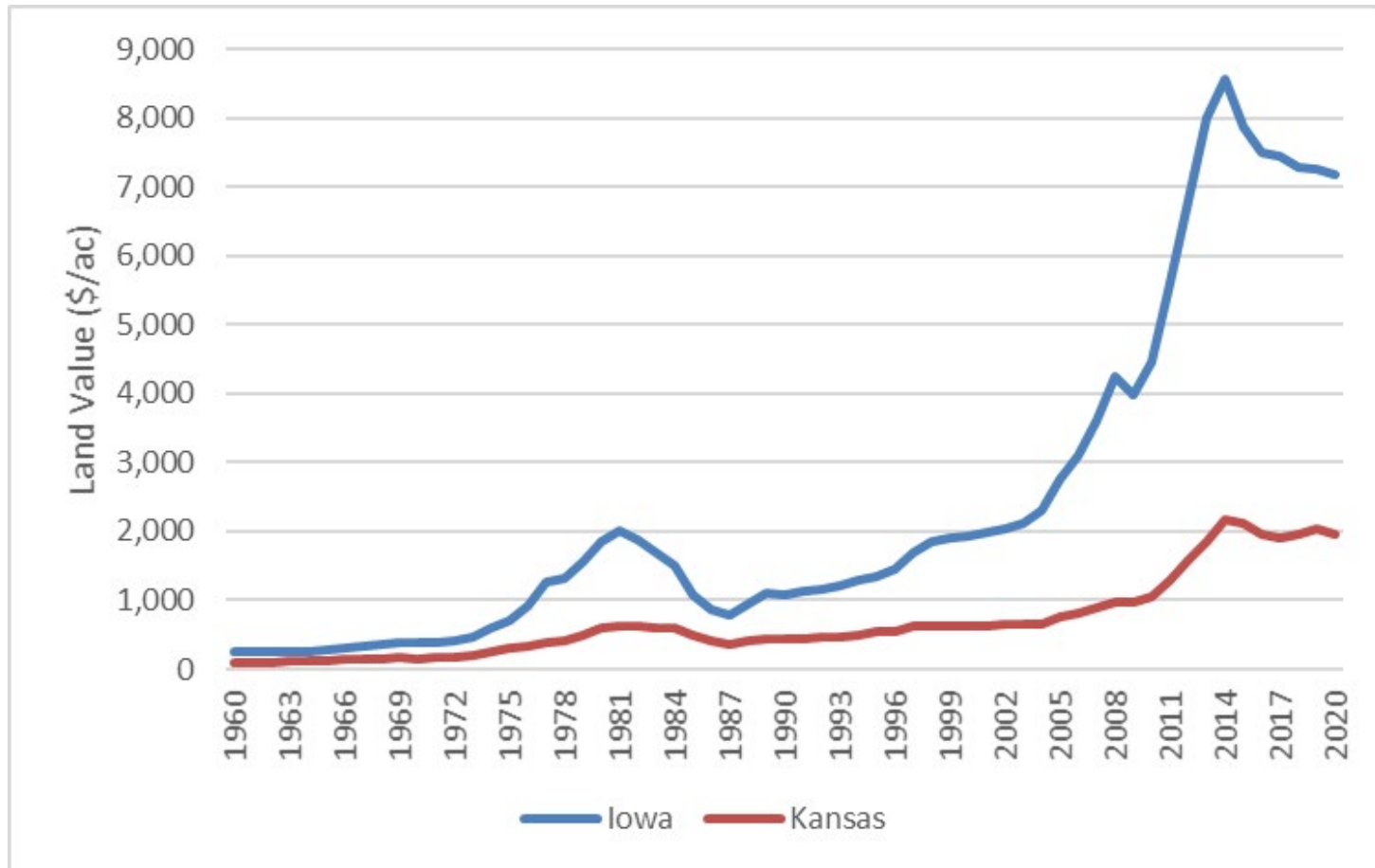
What about 2020?

Year	Average Land Value (\$/ac)
2015	2,357
2016	1,894
2017	1,952
2018	1,972
2019	1,876
2020 (Q1-Q2)	1,836

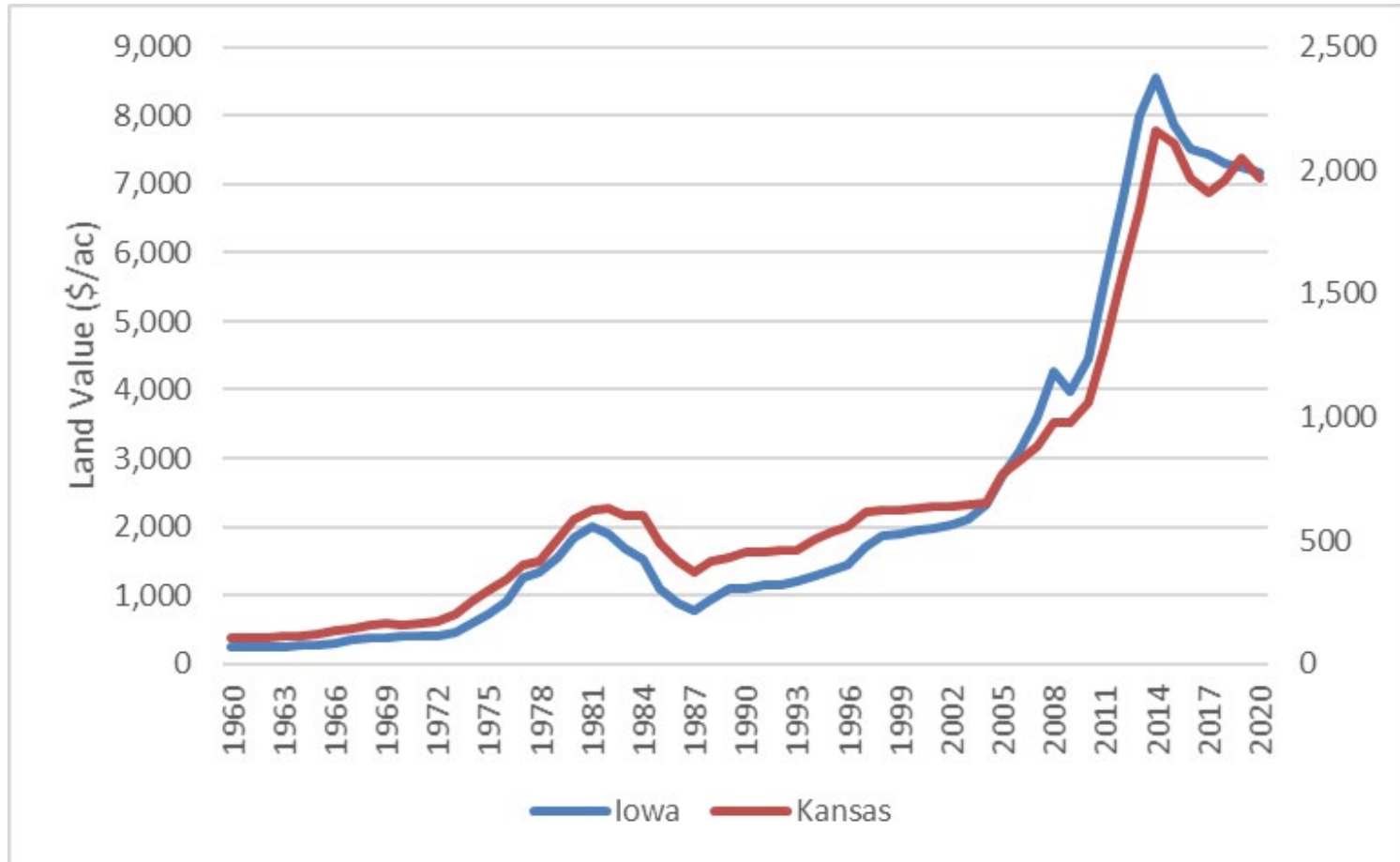
Averages based on pasture and cropland. Not directly comparable with model results.

Long-Run Values

USDA Land Values 1960-2020



USDA Land Values 1960-2020



Market Going Forward

Resiliency in the land market, given commodity prices and economic/trade uncertainty

Interest rates to remain low through 2023

MFP made a big difference in 2018 & 2019 profitability, but is it likely to factor into long-run expectations for land values?

More government payments infused into the land market will keep it stable, but what about the election?

Land Value Information



2019 Kansas County-Level Land Values for Cropland and Pasture

April 2020 (available at www.AgManager.info)

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Kansas Agricultural Land Values and Trends 2019





Kansas Land Values

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