

Kansas Land Values

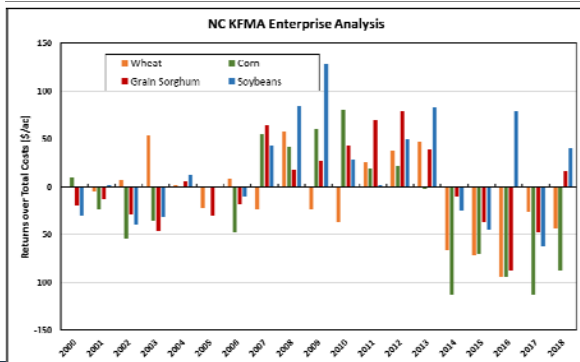
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Agricultural Economics
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Current Economic Conditions



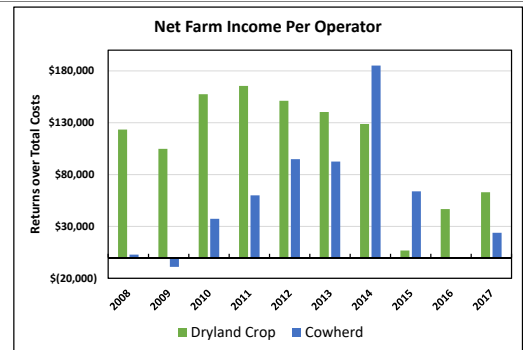
Returns to Farming



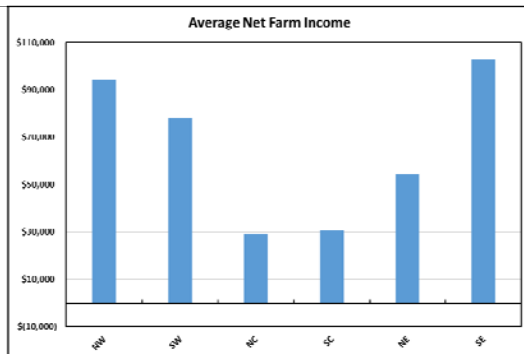
Source: KFMA Enterprise Reports (<http://www.agmanager.info/kfma>)



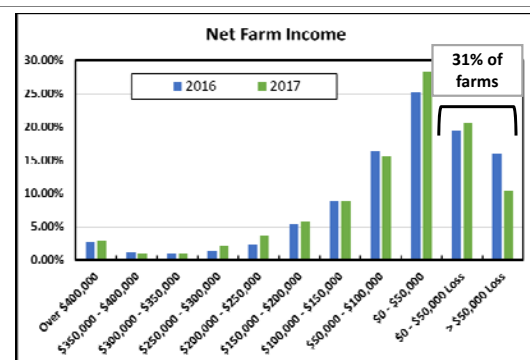
Net Farm and Ranch Income



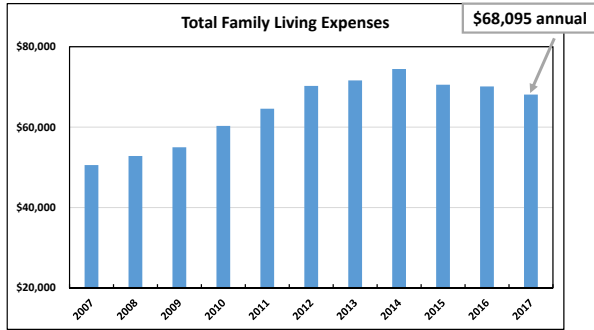
Average Net Farm Income 2017



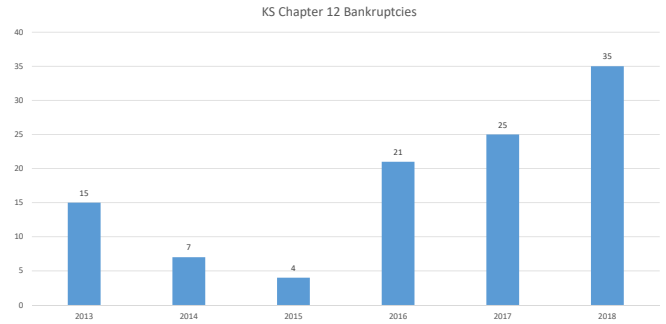
Distribution of NFI



Farm Family Living Expenses



Bankruptcies Filed by KS Farms



Bankruptcies Filed by KS Farms



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

USDA United States Department of Agriculture
National Agricultural Statistics Service
News Release

KANSAS FARM REAL ESTATE VALUES AND FARMLAND REVENUE

TOPEKA, KS, August 7, 2013 – Kansas's farm real estate value, a combination 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 \$1,090 per acre. This is up \$370 per acre or 35 percent higher than last year's annual level.

Cropland value increased 22 percent from last year to \$1,197 per acre. Orchard cropland value averaged \$1,200 per acre, up \$100 from last year. Irrigated cropland value averaged \$1,000 per acre, up \$60 from a year ago. Pastureland, at \$1,210 per acre, increased \$270 from a year ago.

Cash crop paid to landless in 2013 for cropland also increased from last year. Irrigated cropland acres averaged \$125 per acre, an increase of 134. Orchard cropland now averaged \$13 per acre, up slightly from a year earlier. Pasture rental fee, which averaged \$170 per acre, is up \$10 from the previous year.

Census-level averages of 2013 cash crop paid to landless will be released on September 9 and will be available through USDA's Quick Stats. Quick Stats is located at <http://www.nass.usda.gov>.

Across the National publication for this release at <http://www.nass.usda.gov/newsroom/2013/08/07/ks130807a.pdf>.

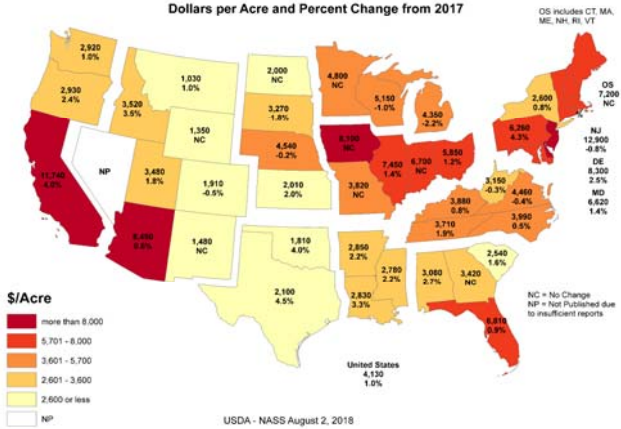
For agricultural statistics for your county, state, and the Nation at www.nass.usda.gov.

USDA provides various reports, useful and objective statistics to services to U.S. agriculture. The Agency's mission is to increase farm income and promote improved conditions on our farms and ranches. The U.S. Department of Agriculture is your ally in the fight to feed the world. For more information, visit www.usda.gov.



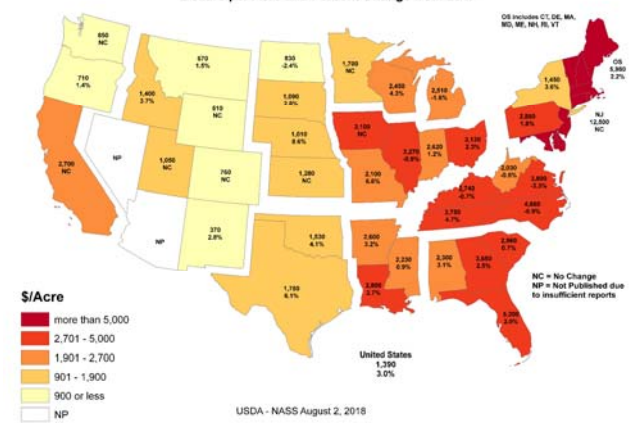
2018 Cropland Value by State

Dollars per Acre and Percent Change from 2017

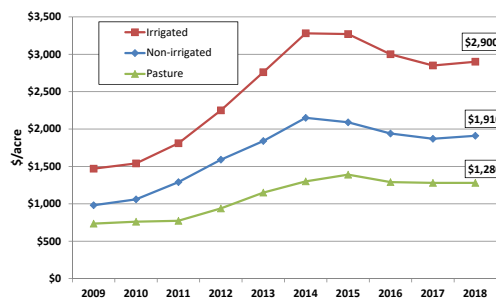


2018 Pasture Value by State

Dollars per Acre and Percent Change from 2017

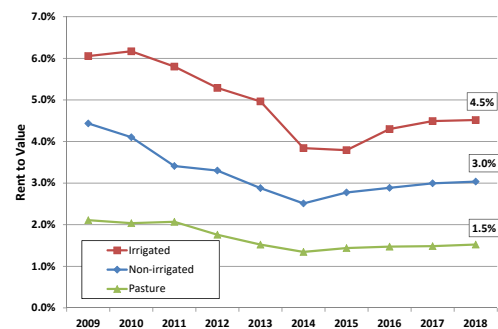


Kansas Land Values



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

2015-18 sales data

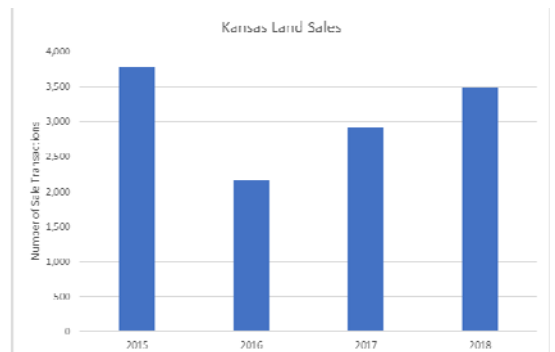
- County location, population density
- Acres in sale
- Mixture of irrigated, non-irrigated and pasture in parcel
- 20-year average rainfall
- Enrollment in CRP
- Value of improvements is removed for bare land value
- Parcels under 40 acres are omitted

PVD Sales Data 2015-2018

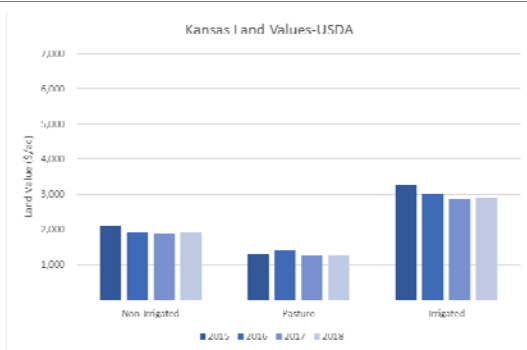
2018	Average
Acres in Sale	155.2
CRP Contracts	2.9%
Sales Per County	33.1
All Years	
Total Sales Transactions:	
2018	3,480
2017	2,625
2016	2,145
2015	3,775



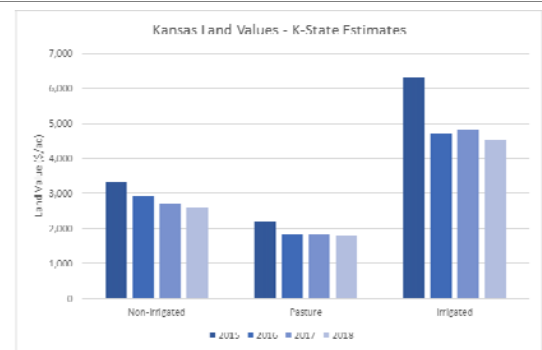
PVD Sales Data 2015-2018



USDA Land Value Estimates

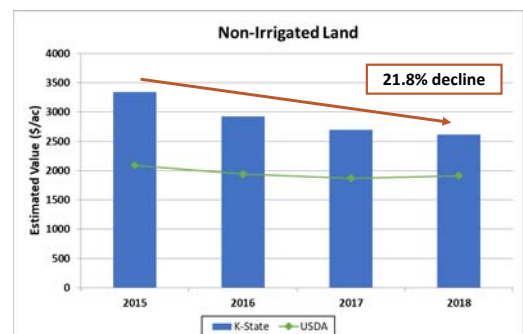


K-State Land Value Estimates

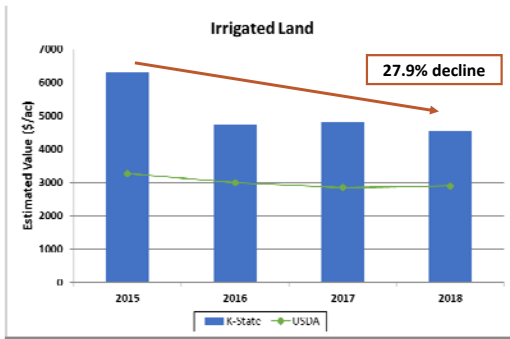


Land Model Results

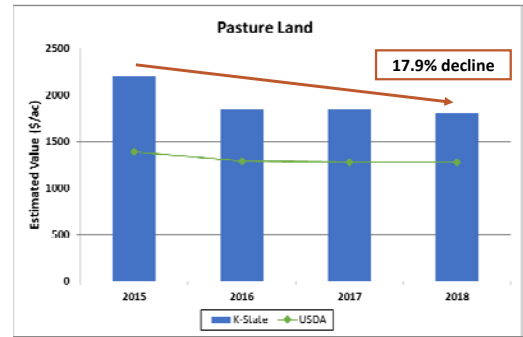
Land Model Results



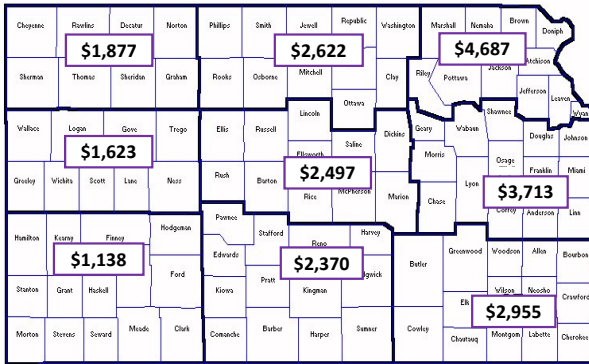
Land Model Results



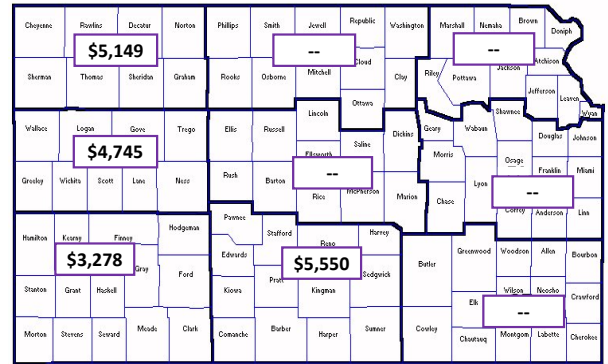
Land Model Results



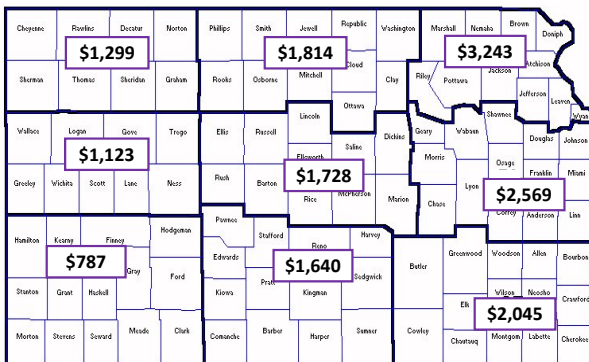
2018 Non-Irrigated Land Values



2018 Irrigated Land Values



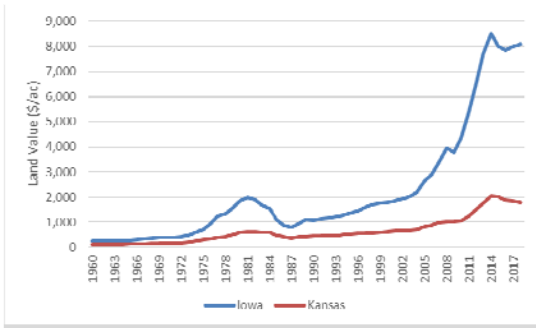
2018 Pasture Land Values



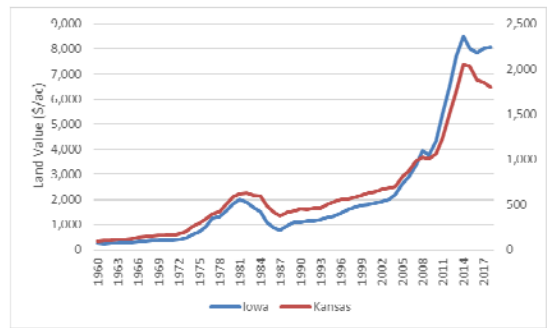
Long-Run Values



USDA Land Values 1960-2018



USDA Land Values 1960-2018



Market Going Forward

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

MFP make a big difference in 2018 profitability for soybeans, but isn't likely to factor into long-run expectations for land values

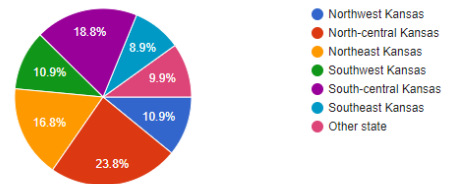
Values in the coming year...



Viewer Poll Data

Where are you from?

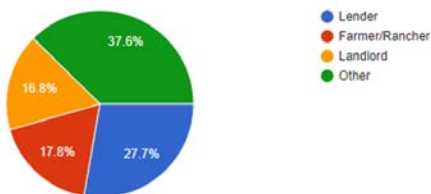
101 responses



Viewer Poll Data

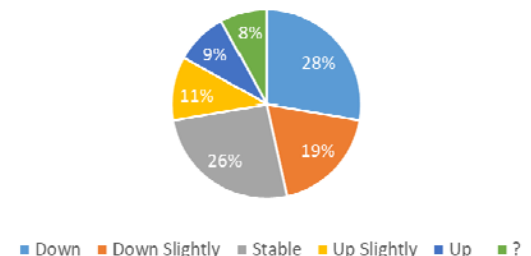
What is your primary occupation?

101 responses



Viewer Poll Data

Direction of Land Values in 2019



Online Resources

2018 Kansas County-Level Ag Land Values

- www.agmanager.info/land-leasing/land-buying-valuing

2019 Rent Estimates: Non-Irrigated Cropland

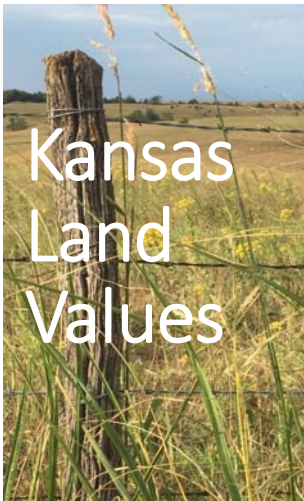
- www.agmanager.info/land-leasing/land-rental-rates

Pasture Rental Rate Tool

- www.agmanager.info/land-leasing/land-rental-rates/pasture-rental-rate-decision-tool



Land Value Information



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