



Farmland Trends

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K-State Agricultural Economics

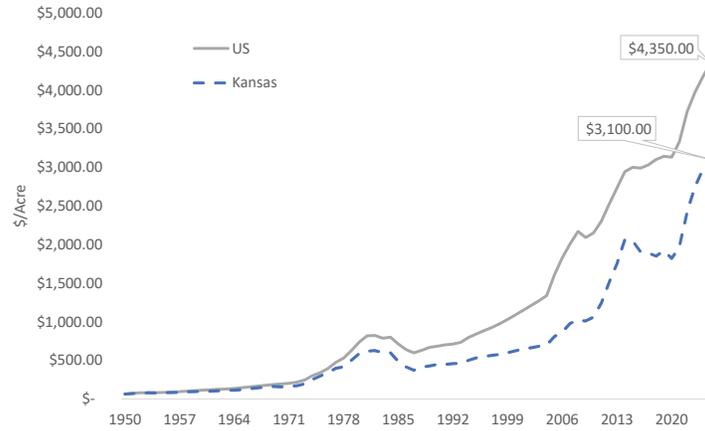
Farm Sector Balance Sheet

	2000	2005	2010	2015	2020	2024	2025F
Farm Assets	2,125	2,692	3,111	3,802	3,815	4,326	4,417
Real Estate	1,672	2,162	2,379	3,123	3,165	3,578	3,629
Farm Debt	290	329	400	471	538	578	592
Real Estate	150	179	221	276	352	377	386
Equity	1,836	2,363	2,711	3,331	3,277	3,748	3,826
Debt/Asset Ratio	13.6	12.2	12.8	12.4	14.1	13.4	13.4
Real Estate/Asset	78.7	80.3	76.5	82.1	83.0	82.7	82.2
Real Estate/Debt	51.7	54.5	55.2	58.5	65.4	65.2	65.3

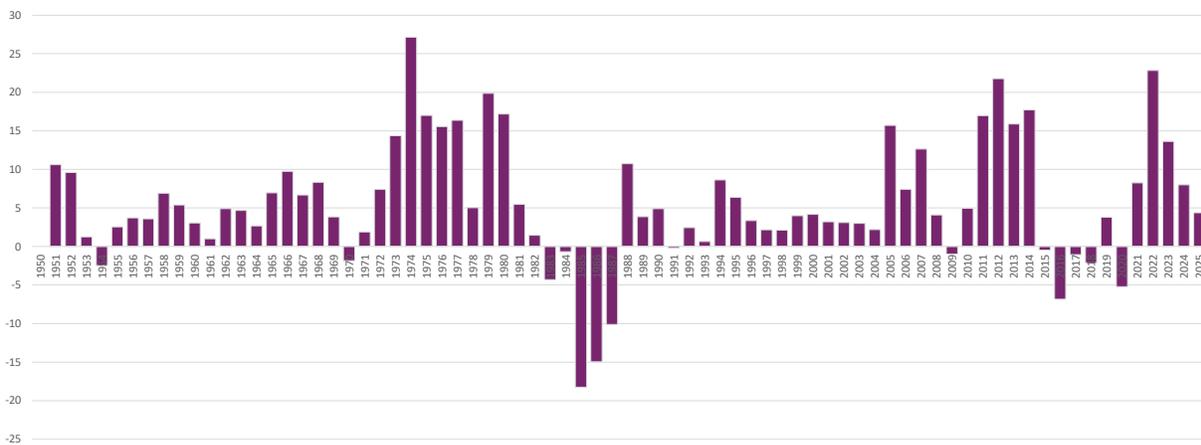
Billions of dollars

Source: USDA-ERS

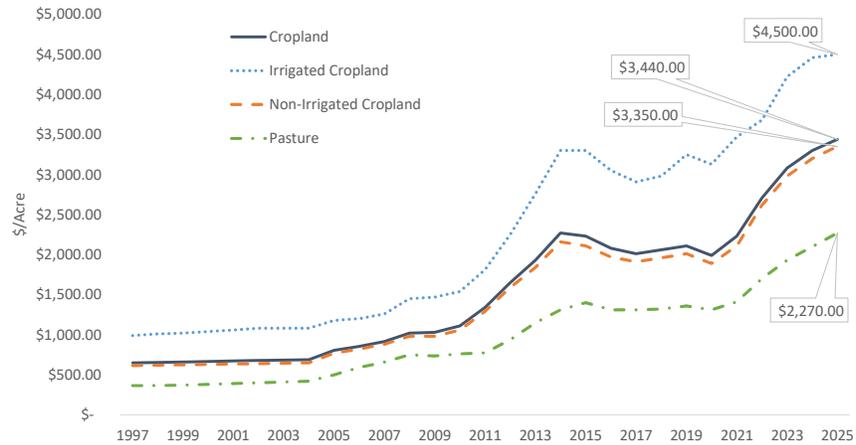
Long-run Farm Real Estate Values (USDA)



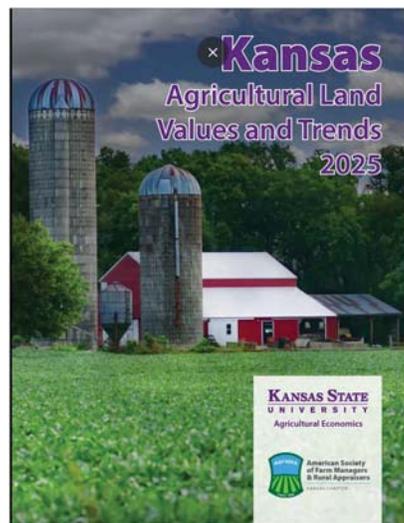
Annual Percentage Change, KS (USDA)



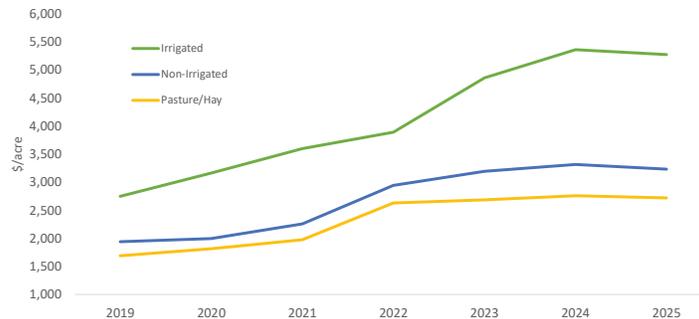
Kansas Farmland Values (USDA)



2025 now available!

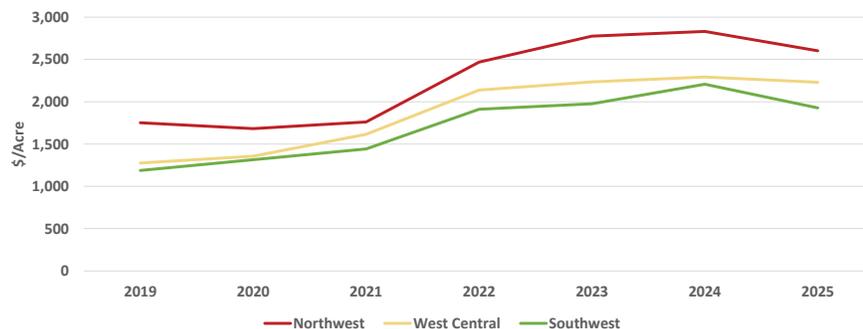
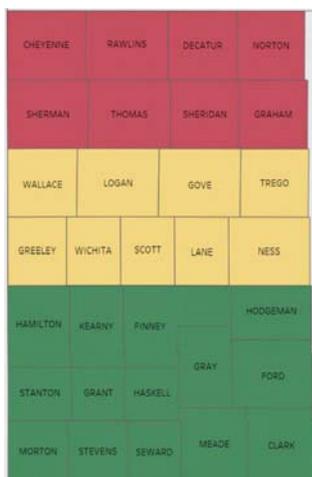


Kansas Farmland Values (K-State)



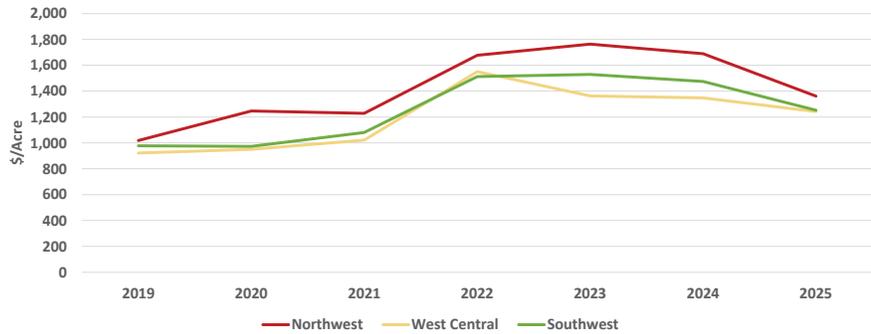
	Dollars per Acre							% Change from 2024 to 2025
	2019	2020	2021	2022	2023	2024	2025	
Irrigated Cropland	2,747	3,162	3,596	3,889	4,856	5,359	5,271	-1.64%
Non-Irrigated Cropland	1,942	1,996	2,257	2,942	3,194	3,316	3,230	-2.59%
Pasture/Hay Ground	1,689	1,813	1,975	2,630	2,683	2,757	2,721	-1.31%

Western Regions Non-Irrigated Cropland



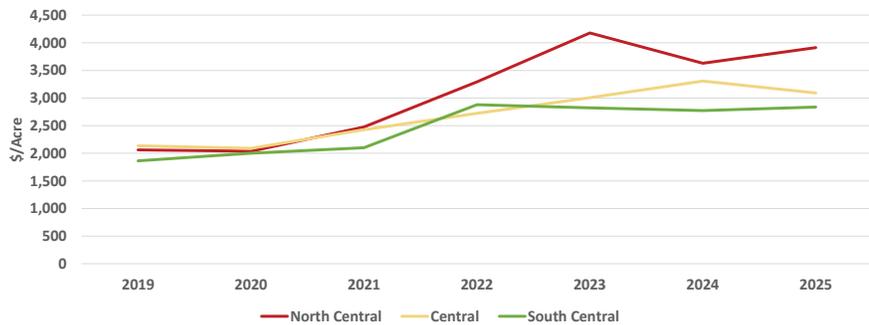
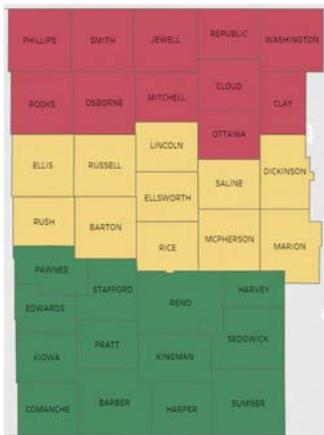
	Average Dollars per Acre							% Change from 2024
	2019	2020	2021	2022	2023	2024	2025	
Northwest	1,751	1,682	1,760	2,468	2,775	2,832	2,603	-8.1%
West Central	1,276	1,357	1,616	2,137	2,234	2,293	2,231	-2.7%
Southwest	1,188	1,314	1,443	1,912	1,976	2,207	1,928	-12.6%

Western Regions Pasture/Hay Ground



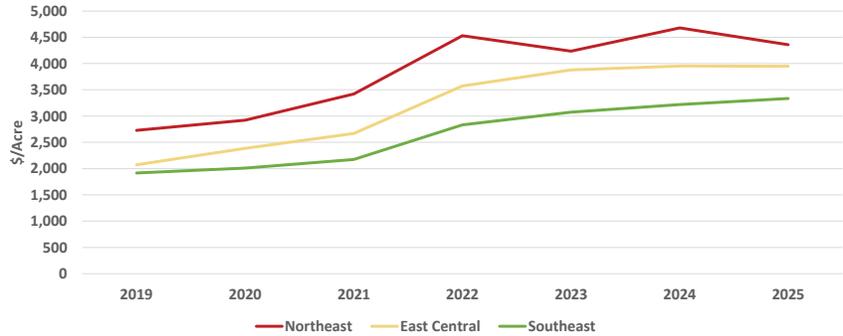
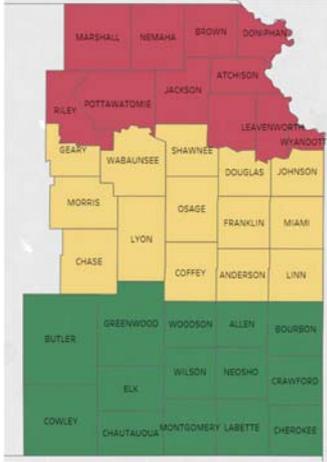
	Average Dollars per Acre							% Change from 2024
	2019	2020	2021	2022	2023	2024	2025	
Northwest	1,018	1,247	1,228	1,677	1,764	1,689	1,361	-19.4%
West Central	922	951	1,022	1,551	1,363	1,348	1,242	-7.9%
Southwest	978	974	1,081	1,513	1,530	1,475	1,253	-15.1%

Central Regions Non-Irrigated Cropland



	Average Dollars per Acre							% Change from 2024
	2019	2020	2021	2022	2023	2024	2025	
North Central	2,060	2,037	2,476	3,292	4,180	3,631	3,911	7.7%
Central	2,136	2,091	2,425	2,722	3,008	3,309	3,091	-6.6%
South Central	1,865	2,002	2,099	2,878	2,822	2,771	2,838	2.4%

Eastern Regions Pasture/Hay Ground



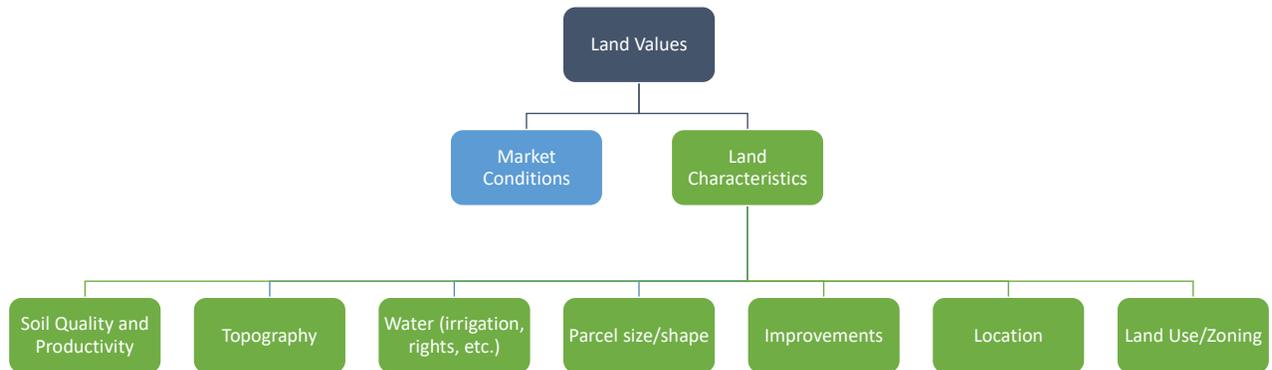
	Average Dollars per Acre							% Change from 2024
	2019	2020	2021	2022	2023	2024	2025	
Northeast	2,730	2,921	3,418	4,529	4,233	4,679	4,356	-6.9%
East Central	2,073	2,387	2,667	3,571	3,877	3,954	3,949	-0.1%
Southeast	1,918	2,011	2,175	2,831	3,074	3,219	3,336	3.6%

Irrigated Cropland

	Average Dollars per Acre							% Change from 2024
	2019	2020	2021	2022	2023	2024	2025	
Northwest	3,728	3,660	3,913	4,690	5,530	5,992	5,867	-2.1%
West Central	2,225	2,819	3,130	3,615	4,193	4,128	3,784	-8.3%
Southwest	2,116	2,634	3,342	3,233	4,151	4,841	4,815	-0.5%
South Central	3,738	4,182	4,155	4,967	6,297	6,624	6,521	-1.6%

Irrigated Land Sales (acres)				
Northwest	West Central	Southwest	South Central	All Others
9,025	5,263	26,797	12,179	5,829

What Affects My Land Value?



Farmland Outlook

A Simple Model of Farmland Prices

$$\text{Price} = \frac{\text{Expected returns}}{(\text{Discount rate} - \text{growth rate})}$$

A Simple Model of Farmland Prices

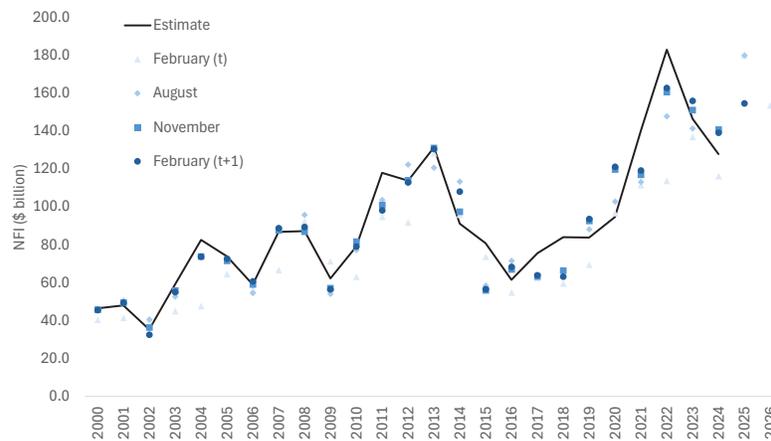
$$\text{Price} = \frac{\text{Expected returns}}{(\text{Discount rate} - \text{growth rate})}$$

		Discount rate		
		3%	4.5%	6.0%
Expected returns	50	2,500	1,429	1,000
	100	5,000	2,857	2,000
	150	7,500	4,286	3,000
	200	10,000	5,714	4,000
	250	12,500	7,143	5,000

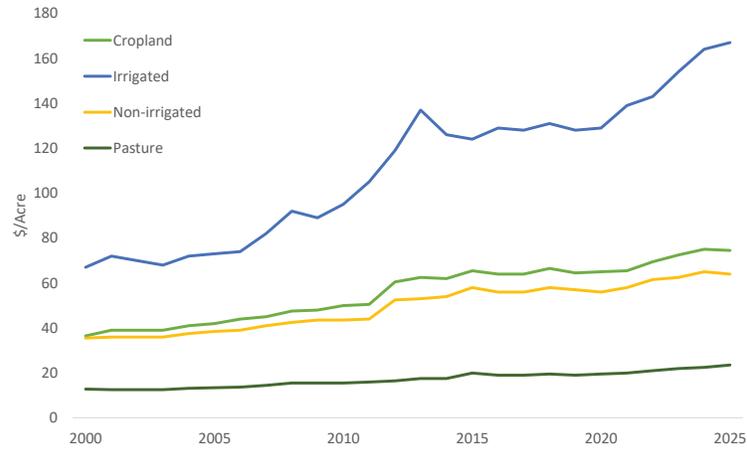
Assuming a growth rate of 1%

Farmland Returns

Net Farm Income (US)

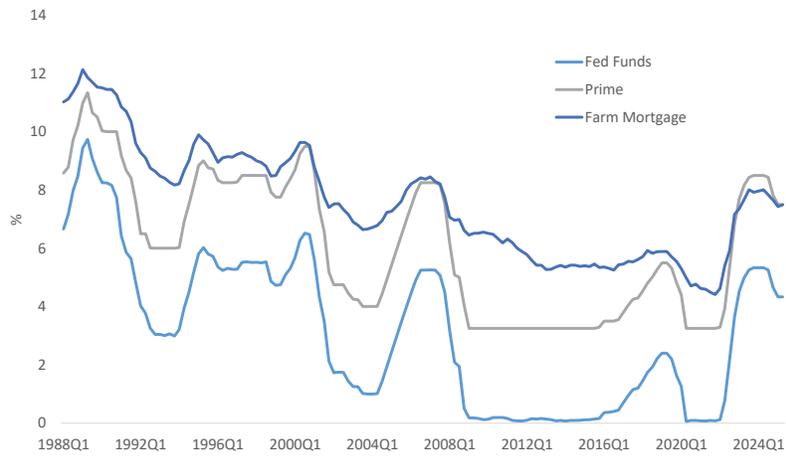


Cash Rents (USDA-Kansas)



Discount Rates

Discount Rates



Thank You!

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