

Cash Rental Rates for Iowa

2010 Survey

Ag Decision Maker

File C2-10

The cash rental rates presented in this publication are the results of a survey of farmers, landowners, lenders, real estate brokers, and professional farm managers. They supplied information based on their best judgments about typical cash rental rates for high, medium, and low quality cropland in their counties, as well as for land devoted to production of hay, oats, and pasture. Information about rents for individual farms was not collected. The rental rates summarized in this bulletin do not reflect the value of any buildings or storage structures, manure application contracts, or seed production contracts.

The cooperation and assistance of the landowners, farmers, and agribusiness people who responded to this survey are greatly appreciated. The distribution of the 1,249 responses was 45 percent farmers, 31 percent landowners, 9 percent professional managers, 11 percent lenders, and 4 percent other professions.

Circumstances such as the following may justify a higher or lower rent in specific cases:

- Small size or unusual shape of fields
- Presence of terraces or creeks that affect the time it takes to plant and harvest
- Difficult or restricted access to fields
- High or low fertility levels or Ph index
- Existence of contracts for growing seed or specialty grains, or application of manure
- Above average local grain prices due to proximity to biofuel plants or feed mills
- USDA program variables, such as crop bases and assigned yields
- Longevity of the lease
- Other services performed by the tenant

More Information About Setting Cash Rents

Additional information about cash rental rates by county is available from NASS at the following web site: www.nass.usda.gov/QuickStats/index2.jsp.

Details about setting a fair cash rent can be found in the following **Ag Decision Maker** facts sheets, located under **Whole Farm, Leasing**, at the following web site: www.extension.iastate.edu/agdm/.

- Computing a Cropland Cash Rental Rate (File C2-20)
- Computing a Pasture Rental Rate (File C2-23)
- Flexible Farm Lease Agreements (File C2-21)

Definitions

Number of responses – number of individuals who reported a typical rental rate for each county.

2005-2009 average yields – based on farm level data collected by National Agricultural Statistics Service (NASS).

Average row crop CSR index – average corn suitability rating (CSR) for the highest rated acres in each county, up to the number of acres planted to corn and soybeans.

High, medium and low quality third land – quality of land planted to corn and soybeans, using typical corn yields as a reference for land quality.

Typical corn yields – average yields for the high, medium and low third farms in each county reporting yields to NASS from 2004 through 2008.

Average rents per unit – overall average rent for corn/soybean land in each county divided by the 5-year average corn yield, 5-year average soybean yield, and the average row crop CSR index value for each county.

Improved permanent pasture – pasture that contains both grasses and legumes and is regularly fertilized.

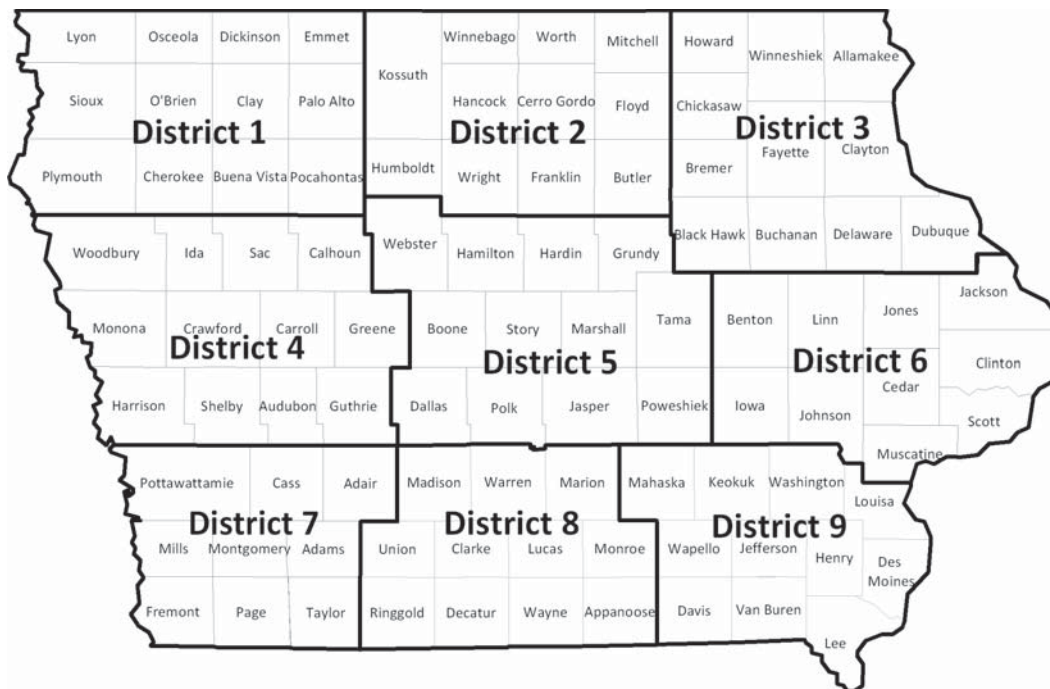
Unimproved pasture – pasture with mainly bluegrass that receives little fertilizer.

Pasture, \$/AUM – rent charged per animal unit month. One AUM is equal to a beef cow and calf grazing for one month.

Overall Average of Typical Cash Rents 2006-2010 Corn and Soybean Acres

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
District 1	\$136	\$149	\$174	\$187	\$188
District 2	139	155	183	196	191
District 3	144	157	190	186	192
District 4	140	151	179	196	195
District 5	144	157	191	197	195
District 6	154	166	186	193	196
District 7	122	135	161	170	176
District 8	115	126	155	146	151
District 9	124	134	161	173	169
State	\$135	\$148	\$176	\$183	\$184

Note: In 2010 counties were divided by crop reporting districts rather than by areas.



... and justice for all

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Many materials can be made available in alternative formats for ADA clients. To file a complaint of discrimination, write USDA, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, DC 20250-9410 or call 202-720-5964.

Issued in furtherance of Cooperative Extension work, Acts of May 8 and June 30, 1914, in cooperation with the U.S. Department of Agriculture. Jack M. Payne, director, Cooperative Extension Service, Iowa State University of Science and Technology, Ames, Iowa.

File Code Economics 1-8

Prepared by William Edwards, extension economist
(515) 294-6161, wedwards@iastate.edu and
Ann Johanns, extension program specialist
(641) 732-5574, aholste@iastate.edu
Whitney White, student assistant

www.extension.iastate.edu/agdm
www.extension.iastate.edu/store

[illegible]

[illegible]

2010 CASH RENTAL SURVEY FOR CROP REPORTING DISTRICT 3

[illegible]

[illegible]

2010 CASH RENTAL SURVEY FOR CROP REPORTING DISTRICT 5

<u>County</u>	<u>Area Average</u>	<u>Boone</u>	<u>Dallas</u>	<u>Grundy</u>	<u>Hamilton</u>	<u>Hardin</u>	<u>Jasper</u>	<u>Marshall</u>	<u>Polk</u>	<u>Powe- shiek</u>	<u>Story</u>	<u>Tama</u>	<u>Webster</u>
Number of responses	208	18	14	17	11	19	10	18	22	14	30	16	19
2005 - 2009 Avg. Corn Yield	178	180	174	181	176	175	182	185	172	180	178	179	179
2005 - 2009 Avg. Bean Yield	53	51	53	55	49	52	55	56	50	55	53	54	49
Avg. Row Crop CSR Index	82	82	85	85	79	80	78	82	88	79	83	83	79
<u>Typical Cash Rent for Corn and Soybeans, \$ per tillable acre</u>													
Overall average	\$195	\$182	\$178	\$226	\$218	\$196	\$180	\$200	\$185	\$184	\$199	\$189	\$205
High quality third													
Average response	\$229	\$213	\$217	\$257	\$255	\$227	\$213	\$232	\$219	\$216	\$236	\$229	\$236
Range of responses		150 - 275	150 - 300	180 - 300	220 - 300	163 - 310	178 - 245	200 - 275	175 - 300	150 - 290	170 - 300	185 - 325	185 - 300
Medium quality third													
Average response	\$195	\$181	\$176	\$227	\$223	\$194	\$179	\$200	\$184	\$183	\$198	\$188	\$204
Range of responses		150 - 200	120 - 250	175 - 280	190 - 250	152 - 225	140 - 200	159 - 250	150 - 250	130 - 237	155 - 250	150 - 230	175 - 275
Low quality third													
Average response	\$162	\$151	\$142	\$194	\$176	\$166	\$149	\$168	\$151	\$155	\$162	\$151	\$176
Range of responses		125 - 180	100 - 175	150 - 240	110 - 225	120 - 200	105 - 185	130 - 200	100 - 200	100 - 200	125 - 200	125 - 180	125 - 220
<u>Typical Corn Yield, bu. per acre</u> (based on individual farm yields supplied to USDA, 2004-2008)													
High third	195	192	191	206	196	196	197	200	189	192	197	195	194
Middle third	178	177	174	186	179	178	179	182	169	174	180	173	182
Low third	150	155	146	158	158	151	147	149	143	147	152	137	161
<u>Average Rents per 5 Year Average Yield or CSR</u>													
Rent per bu. of corn yield	\$1.10	\$1.01	\$1.02	\$1.25	\$1.24	\$1.12	\$0.99	\$1.08	\$1.07	\$1.03	\$1.12	\$1.06	\$1.15
Rent per bu. of soybean yield	\$3.71	\$3.54	\$3.40	\$4.08	\$4.47	\$3.77	\$3.25	\$3.55	\$3.68	\$3.37	\$3.78	\$3.49	\$4.15
Rent per CSR index point	\$2.39	\$2.22	\$2.10	\$2.66	\$2.76	\$2.45	\$2.31	\$2.44	\$2.10	\$2.34	\$2.39	\$2.28	\$2.60
<u>Typical Cash Rent for Oats, Hay, and Pasture, \$ per acre</u>													
Alfalfa hay, established	\$118		\$95				\$130	\$149	\$96	\$106	\$118		
Grass hay, established	\$86		\$75				\$102	\$115	\$69	\$81	\$83		
Oats	\$111												
Improved permanent pasture	\$58		\$62				\$52	\$63		\$73	\$64		
Unimproved perm. pasture	\$37		\$36	\$41			\$40	\$40	\$27	\$49		\$46	
Pasture, \$/AUM	\$10												
Cornstalk grazing	\$9									\$8			

[illegible]

2010 CASH RENTAL SURVEY FOR CROP REPORTING DISTRICT 7

County	Area Average	Adair	Adams	Cass	Fremont	Mills	Montgomery	Page	Pottawat- tawmie	Taylor
Number of responses	95	23	7	8	6	9	6	14	14	8
2005 - 2009 Avg. Corn Yield	162	167	156	171	159	164	164	154	175	145
2005 - 2009 Avg. Bean Yield	49	50	47	51	49	50	49	48	51	44
Avg. Row Crop CSR Index	71	68	71	71	75	73	71	71	69	72
Typical Cash Rent for Corn and Soybeans, \$ per tillable acre										
Overall average	\$176	\$165	\$177	\$182	\$160	\$177	\$182	\$160	\$183	\$197
High quality third										
Average response	\$210	\$202	\$216	\$216	\$184	\$212	\$213	\$187	\$218	\$243
Range of responses		170 - 260	200 - 250	160 - 250	170 - 200	175 - 275	185 - 275	147 - 250	180 - 250	225 - 260
Medium quality third										
Average response	\$174	\$160	\$169	\$181	\$160	\$174	\$180	\$161	\$180	\$201
Range of responses		115 - 225	120 - 225	140 - 205	150 - 175	140 - 220	140 - 245	135 - 205	145 - 215	180 - 220
Low quality third										
Average response	\$143	\$134	\$145	\$148	\$137	\$145	\$153	\$132	\$151	\$148
Range of responses		100 - 180	125 - 170	120 - 175	120 - 150	120 - 170	135 - 170	100 - 180	130 - 180	100 - 180
Typical Corn Yield, bu. per acre (based on individual farm yields supplied to USDA, 2004-2008)										
High third	178	182	172	189	176	176	178	172	189	166
Middle third	156	161	149	168	157	158	158	147	171	139
Low third	127	134	117	138	129	135	131	113	143	107
Average Rents per 5 Year Average Yield or CSR										
Rent per bu. of corn yield	\$1.09	\$0.99	\$1.13	\$1.06	\$1.01	\$1.08	\$1.11	\$1.04	\$1.04	\$1.36
Rent per bu. of soybean yield	\$3.61	\$3.30	\$3.73	\$3.56	\$3.27	\$3.57	\$3.71	\$3.31	\$3.59	\$4.48
Rent per CSR index point	\$2.47	\$2.43	\$2.49	\$2.56	\$2.14	\$2.42	\$2.56	\$2.25	\$2.65	\$2.74
Typical Cash Rent for Oats, Hay, and Pasture, \$ per acre										
Alfalfa hay, established	\$95	\$107						\$94		
Grass hay, established	\$72	\$83								
Oats	\$104	\$104								
Improved permanent pasture	\$58	\$62	\$59					\$51	\$61	
Unimproved perm. pasture	\$43	\$47						\$38		
Pasture, \$/AUM	NA									
Cornstalk grazing	\$8	\$10						\$10		

[illegible]

2010 CASH RENTAL SURVEY FOR CROP REPORTING DISTRICT 9

[illegible]