

Survey of Iowa Leasing Practices, 2022

The Iowa farmland rental market has undergone considerable change in the past few years. Following the boom years of the land market from 2003 to 2013 and the softening and stabilizing years until 2019, Iowa farmland values rose more than 30% from fall 2020 to 2022, reaching record-high values in both nominal and real terms. At the same time, the high commodity prices that fueled the recent hike are weaker, and the interest rates and input costs are much higher, leading to many agricultural professionals forecasting a modest decline in the next few months. Even so, we are witnessing a farmland market with much higher average prices, significantly more interest from investors, and strong influence from state and federal level environmental and energy policies.

This publication discusses the characteristics of Iowa farmland leases, based on the [2022 Iowa Farmland Ownership and Tenure Survey](https://go.iastate.edu/IAFARMLANDOWNERSHIP2022), <https://go.iastate.edu/IAFARMLANDOWNERSHIP2022>, conducted every five years. This survey was conducted using random telephone interviews and online surveys of landowners with 40-acre tracts by the Iowa State University Center for Agricultural and Rural Development, and the survey results are statistically representative of all Iowa land and landowners. The ISU cash rent survey with county-level cash rent information is updated annually every May. Both survey results and methodologies are available online from the [Ag Decision Maker website](http://www.extension.iastate.edu/agdm), www.extension.iastate.edu/agdm.

The percentage of farmland rented has remained slightly over half of all Iowa farmland for the past few decades, with an increasing trend in the land leased out from 2017 to 2022 and a clear shift from crop share agreements to cash rent leases since 1992. Major reasons for these changes include the aging farmland owner, increasing farm size, and the shift toward more land being owned by people living outside of Iowa.

Because the original data is designed to discuss farmland characteristics, the data presented here are based on the percent of leased farmland, not the percent of farmers or leases. Although in most cases the results would be similar, given the nature of the survey, it is important to remember that it represents the percent of leased farmland and not individual leases.

The survey results are intended for informational purposes only. The characteristics of an individual farm lease should be determined by the landowner and the tenant.

Tenure

Tenure is defined as the relationship between the tenant and landowner. Table 1 provides a breakdown of Iowa farmland by type of tenure. As of July 2022, 58% of all land in Iowa was rented to others, and 42% of land is owner-operated, custom-farmed, or in government programs. This represents a significant decrease in the percent of land operated or controlled by the landowners themselves and an evident increase in the use of fixed cash rents from five years ago. Table 2 also revealed a more detailed examination of changes occurring over time and excludes custom-farmed acres and acres in government conservation programs. A trend towards more cash rented land from crop share rented land is clear over the past 30 years.

Table 1. Distribution of Iowa farmland by control, 2022

Percent of Iowa farmland as of July 2022	
Owner Controlled:	42%
Owner operated	32%
Custom farmed	3%
Government programs and other uses	8%
Leased:	58%
Cash rent (fixed)	42%
Cash rent (flexible)	9%
Crop share	7%
Other types of leases	<1%
Total:	100%

Table 2. Distribution of Iowa farmland by tenure, 1982 – 2022

	1982	1992	2002	2007	2012	2017	2022
Owner-operated	55%	50%	41%	40%	40%	41%	35%
Cash rent lease	21%	27%	40%	46%	46%	49%	56%
Crop share lease	21%	22%	18%	13%	13%	10%	8%
Other type of lease	1%	1%	1%	1%	1%	<1%	1%

Note: Does not include custom farmed acres or acres enrolled in government programs.

Lease Characteristics

The general lease characteristics for all leased farmland in Iowa are presented in Table 3. Cash leases are the most prevalent, accounting for 51% of all farmland and 88% of leased farmland.

Leased farmland in Iowa was equally divided between cash and crop share leases in 1982. The percentage of cash leases changed over time relative to crop share leases. Today, 51% of Iowa farmland is farmed under a cash lease. The trend to cash rent and away from crop share continued between 2017 and 2022.

A few cases reported something other than a cash or crop share lease. These were labor exchanges or something of a unique nature. These types of rental arrangements will not be discussed further in this publication.

Table 3 reveals some of the differences between cash and crop share leases. The tenants typically have a slightly shorter landowner-tenant relationship, less than 14 years on average, in cash rental arrangements compared to the average of 15 years for crop share leases. This is intuitive because landowners likely are more involved in the

production decisions for crop share leases. However, this difference is narrowing. In 2022, there was a less than two-year difference on average, whereas in 2007, 2012, and 2017 there were nine-, four-, and three-year differences, respectively, between the length of time a cash rent and crop share lease had been in effect with the same tenant. The narrowing of the gap in length of time between types of leases and in the overall average length of time a lease has been in place reflect the move toward cash rents and toward a more stable, long-term relationship between the tenant and landowner.

The cash rent agreement is more likely to be a written lease than a crop share lease. Interestingly, cash rented land tends to be evenly leased to a friend or neighbor and someone else, with a relatively lesser proportion being leased to relatives; while crop share lease acres are more likely to be rented to a relative than someone else, followed by a neighbor or friend. The percent of crop share leased land with an owner who lives on a farm has significantly decreased from 44% a decade ago to 36% in 2017, stayed consistent as of July 2022, and remains lower than the share for cash rent leases.

Table 3. Characteristics of leased Iowa farmland, 2022

	Cash rent	Crop share	All leased acres
Percent of leased acres	88%	12%	100%
Use a written lease	64%	40%	60%
Leased to a relative	31%	37%	31%
Leased to a friend or neighbor	35%	31%	34%
Leased to someone else	34%	33%	34%
Owner lives on a farm	42%	37%	42%
Fixed-term lease	63%	60%	62%
Average tenure of current tenant (years)	13.7	15.1	13.6

Table 4. Characteristics of farmland handled by a farm manager in Iowa, 2022

Professional farm manager used	Owner	Acres		
	4%	5%		
How farm manager is paid	Flat dollar fee	Percentage of gross income	Other	
	24%	70%	7%	
Arrangement between farm manager and farm operator	Fixed cash lease	Flexible cash lease	Crop share lease	Custom farming
	30%	20%	28%	22%

Table 4 provides some more details for all acres handled by a farm manager, regardless of whether it is leased out or controlled by the owners. As illustrated by Table 4, 4% of Iowa farmland owners manage land through a professional farm manager and 5% of all Iowa farmland acres were managed in this way. It shows that 70% of the acres handled by farm managers were paid a percentage of gross income, 24% paid a flat dollar fee, and the remaining 7% paid by either a percent of net income or some combination of land value and cash rent. Half of the arrangements for land handled by a farm manager use a cash rent lease, divided between fixed at 30% or flexible at 20%, followed by 28% in crop share lease and 22% in custom farming.

Cash Rent Lease Characteristics

Table 5 shows selected characteristics of the cash rented land in Iowa. Of the cash rented farmland under a fixed time period lease, only 3% is for more than five years, which represents a significant decline from 2017, when over half of the cash rented land was for over five years. However, this percentage is closer to 2007, when 14% of the fixed cash rent leases were for more than three years. In 2022, about two-thirds of the fixed leases are for one year. This may be a reflection of the volatility of returns over the past five years and the desire to secure land for longer periods.

Rather than examining the length of a fixed term lease, the number of years the same tenant has been renting the land via a cash rent lease is arguably more informative. Cash rent tenancy tends to be

stable in Iowa. The average length of tenancy was 13.7 years. Over 40% of the cash rent acres have been rented by the same tenant for more than 10 years, and another 26% have been rented by the same tenant for six to 10 years.

Flexible cash rent was used for 15% of all cash rented acres, maintaining a consistent trend observed over the past decade. In 2022, 77% of flexible leases used both price and yield to determine the rental payment. A continued increase in the combined use of price and yield to determine payment was observed following 2017, when about two-thirds of flexible cash leases were in this form. However, for payments determined solely on yield, a notable decrease has been observed, dropping to 4% in 2017 from 28% and 14% in 2007 and 2012, respectively. However, in 2022, this figure experienced a slight rebound to 8% of flexible lease payments based on yield alone. Meanwhile, the percent of flexible cash rent leases using only price to determine rent payments declined to 15% in 2022, after an increase from 13% in 2012 to 30% in 2017 was observed. This likely is a reflection of the significant volatility in commodity prices over the past decade.

Ninety-three percent of the cash rented acres reported having either one or two payments per year. A two-payment schedule was used in a majority of the cases. Table 5 also shows that 63% of the cash rented acres are visited by the landowner at least once a month. Six percent of the cash rented acres are never visited by the owner during the growing season, which is lower than in 2017 (8%). Most (72%) cash rented acres only have one tenant.

Table 5. Characteristics of cash leased Iowa farmland, 2022

	1	2 to 5	>5			
Number of years for a fixed lease	66%	31%	3%			
	1	2 to 5	6 to 10	11 to 20	>20	Average
Number of years tenant has rented	4%	25%	26%	24%	22%	13.7
	Flexible	Fixed				
Rent amount is flexible	15%	85%				
	Yield	Price	Price and yield			
Nature of flex for flexible rent payments	8%	15%	77%			
	1	2	3	4	Monthly	Other
Number of rent payments per year	32%	61%	3%	1%	<1%	2%
	Never	Once or twice	Monthly	Weekly	Daily	
How often landowner visits farm during year	6%	31%	16%	19%	28%	
	1	2	3	4 or more		
Number of tenants	72%	16%	6%	5%		
	<35	35-50	51-65	>65		
Age groups of tenants	9%	34%	42%	14%		
	1-10	11-20	21-30	31-40	>40	
Farming experience of tenants	25%	20%	27%	17%	11%	

The majority of farmland leased on a cash basis has tenants falling within the 35 to 65 age bracket. Of these, a significant 42% are over 50 years of age, while 34% are under 50. Only a small proportion, 9%, are under the age of 35. Regarding the farming experience of tenants, a quarter of cash rent acres are leased to tenants with ten years or less of farming experience, which may suggest a degree of openness among landowners to engage with beginning farmers.

In 2022, we added questions about the dynamics between landowners and their tenants in terms of farm management and interactions. Table 6 suggests that almost all cash rent tenants meet landowners' expectations, notably in land care, respecting owner's wishes, and offering fair rent. For 72% of cash rent acres, landowners receive updates on crop yields from their tenants. Furthermore, there are consistent communication channels for 83% of cash rent acres, suggesting a high level of engagement and transparency in these relationships.

Table 6. Tenants' behaviors in cash leased Iowa farmland, 2022

	Yes	No
Tenant tells landowner crop yields	72%	28%
Tenant regularly communicates with landowner	83%	17%
Tenant takes good care of land	99%	1%
Tenant respects landowner's wishes	99%	1%
The tenant pays a fair price to landowner	98%	2%
Tenant satisfies landowner overall	99%	1%

Table 7 illustrates the main reasons why landowners chose specific tenants for cash leasing farmland in Iowa in 2022. The primary reasons were evenly split between the tenant being a family member and the tenant being a good land steward, both accounting for 27% of the responses. The proximity of the tenant's other farmland to the landowner's was another significant reason, accounting for 20% of choices. Supporting new entrants into farming was a motivation for 13% of landowners. Financial considerations appeared to be less dominant, with only 3% of landowners choosing the tenant who would pay the highest price and less than 1% motivated by the possibility of receiving a Beginning Farmer tax credit by renting to the tenant.

Table 7. Primary reason for landowners to choose tenant in cash leased Iowa farmland, 2022

Tenant is a family member	27%
Tenant farms other land close to landowner's	20%
Tenant is a good land steward	27%
Want to help tenant get started in farming	13%
Received a Beginning Farmer tax credit by renting to tenant	<1%
Tenant would pay the highest price	3%
Tenant had been renting the land before the current owner bought or inherited it	9%

Crop Share Lease Characteristics

Table 8 presents additional characteristics of crop share leased farmland. The portion of fixed crop share leases set for more than five years accounts for 23%, considerably higher than seen in cash leases. Further, half of the crop share rented acres have the same tenant for over 10 years, suggesting greater stability in these arrangements. These are consistent with the common belief that landowners are typically more involved in crop share arrangements compared to cash rental agreements. Despite the suggested higher involvement, the frequency of landowner visits to the farm is relatively low for crop share arrangements. Daily visits occur only for 17% of crop shared leased land, which falls short of the 28% seen for cash rental agreements. There is also a higher share of land rented out with a crop share lease where the landowners never visit the rented farm.

Similar to the cash rented land, most (78%) of the crop share rented land involves only one tenant. The majority (83%) of the crop share acres have tenants between the ages of 35 to 65. Among these, slightly more than half (52%) are above 50 years of age, while 31% are under 50. Younger tenants, under 35, make up a slightly larger proportion (13%) in crop share leases compared to cash rent (9%). In terms of farming experience, crop share leases seem to favor more experienced tenants. A lower proportion (19%) of crop share acres are leased to tenants with 10 years or less of farming experience, compared to cash rent (25%). Notably, over half of the crop share leased acres are managed by tenants with 11-20 years of farming experience.

Table 8. Characteristics of crop share leased Iowa farmland, 2022

	1	2 to 5	>5			
Number of years for a fixed lease	43%	34%	23%			
	1	2 to 5	6 to 10	11 to 20	>20	Average
Years tenant has rented	0%	20%	30%	25%	25%	15.1
	Never	Once or twice	Monthly	Weekly	Daily	
How often landowner visits farm during year	10%	31%	18%	25%	17%	
	1	2	3	4 or more		
Number of tenants	78%	11%	4%	6%		
	<35	35-50	51-65	>65		
Age groups of tenants	13%	31%	52%	5%		
	1-10	11-20	21-30	31-40	>40	
Farming experience of tenants	19%	52%	16%	12%	0%	

Table 9. Distribution of crop share acres based on the portion of yield received or percent of costs paid by the landowner, 2022

	0%	1-49%	50%	100%	Not used/ reported
Corn yield	---	---	83%	---	17%
Soybean yield	---	---	83%	---	17%
Inputs - seed, fertilizer, herbicides, insecticides	---	5%	80%	---	15%
Custom work - custom combine, custom fertilizer application, custom pesticide application	6%	6%	37%	3%	50%

Table 9 shows the percent of crop share acres in the state under alternative splits of crop yields and costs between landowner and tenant. The vast majority of crop share acres (83%) split both the corn crop and the soybean crop equally between landowner and tenant. Similarly, 80% of all acres under a crop share arrangement split costs of inputs such as seed, fertilizer, herbicides, and insecticides equally between landowners and tenants. Custom work is used only in half of the acres under crop share. In those acres, custom work costs are typically equally split between landowners and tenants (37% out of the 50% of acres using custom work).

In terms of the interactions between landowners and tenants, Table 10 illustrates that landowners with crop share leases tend to report higher satisfaction levels, improved communication, and better yield information delivery compared to those with cash rent land. This highlights the depth of involvement landowners have in crop share arrangements, due to the nature of crop share leases; and it also reflects the longer tenant-landowner relationship for crop share leases.

Table 10. Tenants' behaviors in crop share leased Iowa farmland, 2022

	Yes	No
Tenant tells landowner crop yields	89%	11%
Tenant regularly communicates with landowner	95%	5%
Tenant takes good care of land	100%	0%
Tenant respects landowner's wishes	100%	0%
Tenant satisfies landowner overall	100%	0%

As per Table 11, familial ties strongly influence tenant selection, with 36% of crop share acres owned by landowners opting for family members as tenants. The second most common factor (25%) for tenant selection is the previous rental history of the tenant on the land, before the current ownership was established. Good stewardship practices by tenants and helping new tenants establish themselves in farming are also factors of considerable importance to landowners. Financial incentives are still trivial for landowners with crop share rented land.

Table 11. Primary reason for landowners to choose tenant in crop share leased Iowa farmland, 2022

Tenant is a family member	36%
Tenant farms other land close to landowner's	7%
Tenant is a good land steward	19%
Want to help tenant get started in farming	13%
Received a Beginning Farmer tax credit by renting to tenant	0%
Tenant would pay the highest price	0%
Tenant had been renting the land before the current owner bought or inherited it	25%

Demographic Characteristics

Tables 12-14 present some selected characteristics of leased Iowa farmland. The changing conditions with respect to Iowa land and land ownership are a source of concern for many citizens. Who will farm the land in the future and how will it be farmed are questions being asked.

The aging of Iowa's farmland owners has been a trend for a number of years. The increasing age of owners continued in 2022. Table 12 presents the distribution of land based on the age and tenure

Table 12. Percentage of Iowa farmland by age of owner and leasing relationship, 2022

Age of owner	Cash rent	Crop share	All leased acres	Use a farm manager	Flexible cash rent	Owner-operated
<25	<1%	0%	<1%	0%	0%	1%
25-34	1%	0%	1%	0%	0%	1%
35-44	1%	4%	2%	13%	0%	5%
45-54	7%	7%	7%	19%	8%	14%
55-64	14%	15%	14%	5%	18%	29%
65-74	30%	21%	29%	19%	10%	31%
75-80	19%	22%	20%	20%	36%	9%
>80	23%	26%	24%	24%	27%	11%

Note: The percentages represents the relative share of land within each category, which means the sum of the percentages in each column is 100%.

of the owner. It revealed an interesting contrast between owner-operated land versus leased acres by age of the landowner: while almost half of all leased acres in Iowa were owned by an owner who was 75 years of age or above, the majority of owner-operated land was controlled by an owner who was between 55-74 years of age. Table 12 also shows that the majority of leased land, especially flexible cash rent leases were owned by elderly owners.

Table 13 presents the breakdown of Iowa farmland based on the gender of the landowner. In estimating these percentages, farmland owned by a couple is assumed to be equally owned so this source of possible gender bias can be mitigated.

Notice in Table 13 there are considerable differences in the percentage of acres by gender based on the type of tenure. For farmland owner-operated, 60% was owned by males; but for rented farmland the percentage is more even, with females owning almost half of the rented land.

Table 14 shows the percentage of farmland based on the residence and tenure of the owner. Across most tenure categories, such as leased land including cash and crop share land, and owner-operated land, a majority of landowners lived in

Iowa full time. As would be expected, the largest proportion of land owned by landowners who live in Iowa full time was observed among the owner-operators (82%), followed by cash-rent landowners (71%). Sixteen percent of all owner-operated land was owned by someone who does not live in Iowa, which increased from 7% in 2017. In contrast, a third of all crop share lease acres and flexible cash rented acres were owned by someone who does not live in Iowa at all. This could be driven by several factors: first, crop share leases tend to be a longer-term relationship with an existing tenant which could remain in place even when landowners move elsewhere; senior landowners have disproportionately higher percent of crop share leased land and flexible cash rented land, which remained true when they moved out of state. The vast majority of leased land managed by a farm manager belonged to out-of-state landowners.

The landowners were asked their primary reason for owning the land. While most people have multiple reasons, respondents were asked to select their primary reason. Understanding people's motivation for owning land can help us as we prepare for the future, especially with respect to the amount of land that will be changing hands in the next several years.

Table 13. Percentage of Iowa farmland by gender of owner and lease type, 2022

Gender	Cash rent	Crop share	All leased land	Use a farm manager	Flexible cash rent	Owner-operated
Male	50%	53%	51%	57%	49%	60%
Female	50%	47%	49%	43%	51%	40%

Note: The percentages represents the relative share of land within each category, which means the sum of the percentages in each column is 100%.

Table 14. Percentage of Iowa farmland by residency of owner and leasing relationship, 2022

Iowa residency	Cash rent	Crop share	All leased land	Use a farm manager	Flexible cash rent	Owner-operated
Live in Iowa full time	71%	63%	70%	20%	48%	82%
Live in Iowa part time	8%	4%	7%	0%	18%	2%
Do not live in Iowa	22%	33%	23%	80%	33%	16%

Note: The percentages represents the relative share of land within each category, which means the sum of the percentages in each column is 100%.

Table 15. Distribution of leased Iowa farmland based on primary reason for owning and tenure, 2022

Reason	Cash rent	Crop share	All leased acres	Use a farm manager	Flexible cash rent	Owner-operated
Current income	39%	33%	38%	27%	32%	41%
Long-term investment	21%	17%	21%	41%	19%	25%
Family / sentimental	37%	48%	39%	27%	49%	32%
Other	3%	2%	3%	4%	0%	1%

Note: The percentages represents the relative share of land within each category, which means the sum of the percentages in each column is 100%.

Table 15 shows the primary reason given for owning leased farmland based on the tenure of the landowner. It is interesting to note that, for the most part, there isn't much difference in the tenure styles with respect to why they own the land. But, for leased farmland under a flexible cash rent or crop share lease land, the predominant reason for ownership is family or sentimental reasons. In contrast, more than 40% of leased land using a farm manager was primarily owned for long-term investment.

of landowners who rely on rental income from their leased acres. Importantly, 46% of all leased land were owned by landowners who only rely on 40% or less of their household income coming from farmland rental income. This percentage declined from 64% in 2017, which could be driven by the resurgence of commodity prices and profits margins after 2019. In 2017, 38% of owner-operators obtained 10% or less of their household income from farming, while this number declined to 9% in 2022.

Table 16 presents the breakdown of all Iowa landowners by five different categories of the percentage of income from farming and tenure of land. Twenty-eight percent of Iowa landowners who are currently owner-operators rely solely on the sale of agricultural products for income, which increased from 20% in 2017 and is much higher than the 8%

Table 16. Distribution of leased Iowa farmland by percent of 2021 household income from agriculture, 2022

	Cash rent	Crop share	All leased acres	Owner-operated
10% or less	20%	9%	19%	9%
11 – 40%	28%	23%	27%	13%
41 – 75%	32%	37%	33%	23%
76 – 99%	11%	17%	13%	27%
100%	8%	14%	8%	28%

Note: The percentages represents the relative share of land within each category, which means the sum of the percentages in each column is 100%.

Regional Variation

Iowa is divided into nine crop reporting districts. These districts, shown in Figure 1, are used by the USDA to report various statistics and information. Table 17 presents the regional breakdown for leased farmland with respect to tenure characteristics. Notice there are regional variations for some of the characteristics. Most of the variations reflect the difference in the predominant type of agriculture, crop-livestock mix, prevalence of recreational land, and the quality of land. For example, typically the districts that have higher land productivity, such as Northwest and North Central Iowa, tend to have a higher percent of farmland leased out, while South Central and Southeast Iowa with more pasture, timber and lower-soil-quality has a significantly lower percent of rented land. A comparison of the percent of farmland by district leased in 2022 versus the same concept in 2017 suggests that the largest increases in leased farmland occurred in the Southeast and Southwest districts (19% and 12%, respectively); and the largest declines occurred in the North-Central and West-Central regions (-6% for both).

Table 18 shows selected lease characteristics based on crop reporting districts. There are variations among the regions. Regional differences can be attributed to many different factors. Tradition, predominant agriculture, soils, and a host of other factors lead to the unique nature of each of Iowa's regions. Interestingly, compared to southern districts, the leased farmland in northern Iowa was more likely to be rented out using a written agreement. In most districts, the percentage using a written agreement increased from 2017 to 2022, with the largest rise in Southwest and South-Central Iowa (by 30% and 13%, respectively). Furthermore, although leased farmland tends to be evenly rented to a relative, a friend or neighbor, and someone else at the state-level, the comparisons vary from district to district. Farmland in the Northwest and West Central districts tends to be leased to relatives while land in the Central, South Central, and Southwest districts tends to be leased to someone else. Notably, East Central Iowa has a fairly high portion of farmland leased to a friend or neighbor. Northern Iowa generally has more steady percentages of owners living on a farm over the past five years. Northwest, North Central, and West Central regions have longer and stable relationship between landowners and tenants, on average.

Figure 1. Iowa Crop Reporting Districts

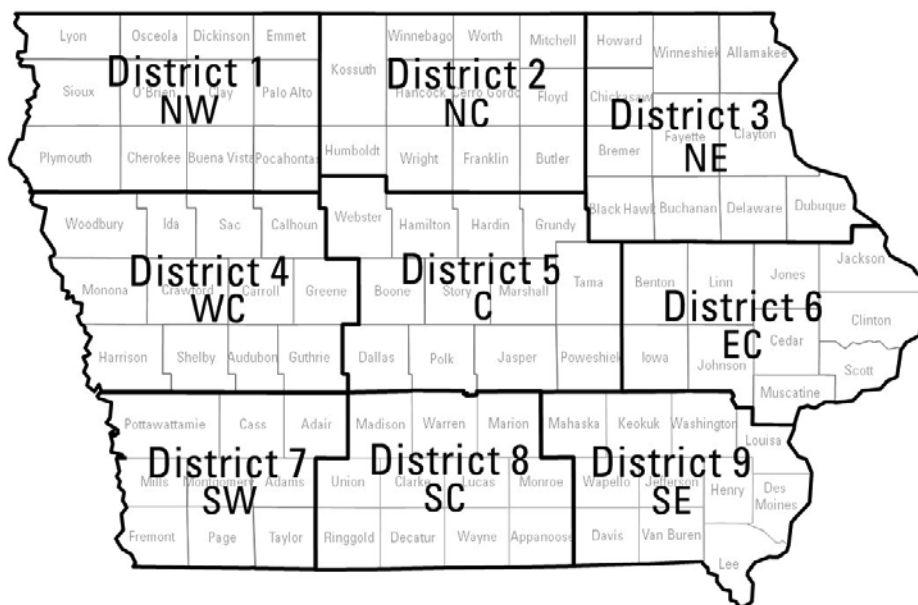


Table 17. Distribution of leased Iowa farmland based on crop reporting district and tenure, 2022

	NW	NC	NE	WC	C	EC	SW	SC	SE
Professional farm manager used	6%	8%	4%	14%	3%	1%	<1%	<1%	3%
Crop share	21%	10%	<1%	12%	16%	13%	14%	7%	7%
Cash rent	79%	90%	100%	88%	84%	87%	86%	93%	93%
Flexible cash rent	29%	16%	32%	9%	15%	<1%	20%	3%	<1%
Percent of district farmland leased	69%	64%	38%	53%	61%	51%	60%	49%	48%

Note: The percentages of professionally farm managed (1st row) and farmland leased (last row) are the share over all Iowa farmland acres, rather than leased farmland acres.

Table 18. Distribution of leased Iowa farmland by characteristics based on crop reporting district and tenure, 2022

	NW	NC	NE	WC	C	EC	SW	SC	SE
Use a written lease	69%	60%	60%	44%	63%	66%	68%	57%	45%
Leased to a relative	46%	35%	33%	54%	19%	5%	18%	26%	35%
Leased to a friend or neighbor	22%	38%	36%	21%	32%	76%	29%	26%	41%
Leased to someone else	32%	27%	30%	25%	49%	18%	53%	48%	23%
Owner lives on a farm	38%	31%	44%	50%	29%	50%	44%	59%	51%
Average tenure of current tenant (years)	17.7	16.5	11.4	15.5	12.1	11.5	8.1	13.7	11.3

Conclusions

Leasing farmland has been a part of the Iowa farming scene for a very long time. Over time, the extent and nature of the practices have changed. The agricultural economy in Iowa and the Midwest has seen considerable fluctuation in recent years, reaching a peak in 2013, experiencing a downturn until 2019, and subsequently a resurgence through 2022. Given the strong connection between commodity prices, land values, and rents, it is reasonable to expect that lease arrangements have also undergone changes in line with the broader agricultural economy.

This publication has outlined some of the characteristics of Iowa farmland tenure and leasing practices. It is always in the tenant and landowner's best interest to develop their own lease, but sometimes it is helpful to know what practices are being followed. Regardless, in the end, the decision has to be made by the parties involved.

There has been a continual shift to cash rents, and that has continued over the last five years. Only time will tell whether or not the change in the trend is permanent.

The data shows that the people who use crop share leases have had the leases in place for a longer period of time, and they have had the same tenant for a longer time. They also fit in higher age brackets. This means it is possible that the crop share lease of today will be converted to a cash rent lease.

Iowa agriculture has witnessed many changes over the past few decades, and the forthcoming years promise to hold their own unique changes as well. Two-thirds of Iowa farmland is owned by people over 65 years of age and almost half of leased farmland is owned by people over the age of 75. Due to Iowa farmland owners' age structure, we could see considerable change in ownership and tenure over the next several years. One thing that will remain constant is that good, sound leasing practices will help both the tenant and the landowner.

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