

# Cash Rental Rates for Iowa 2016 Survey

The cash rental rate information presented in this publication is from a survey of farmers, landowners, agricultural lenders, 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 include 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. Figure 1 shows the distribution of the 1,585 responses was 47 percent from farm operators, 25 percent from landowners, 14 percent from agricultural lenders, 12 percent from professional farm managers and realtors, and 2 percent from other professions. Respondents indicated being familiar with a total of 2.5 million cash rented acres across the state.

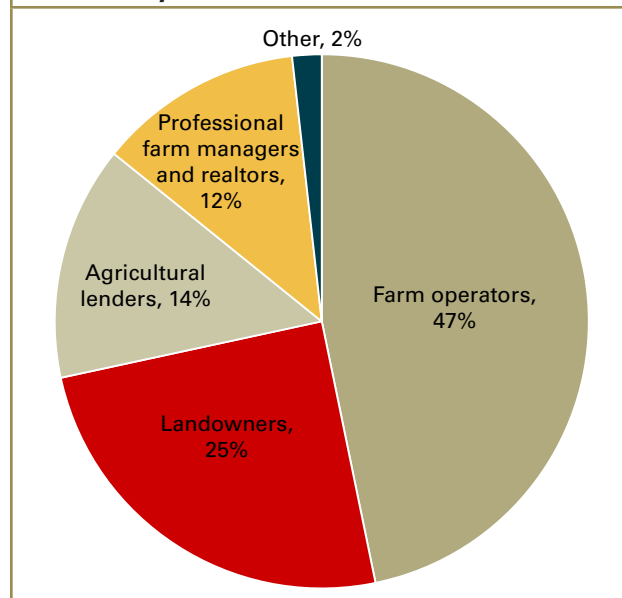
## Determining Cash Rents

This summary can be used as a reference point for determining an appropriate cash rental rate for a particular farm. The following may justify a higher or lower than average rent in specific cases:

- Small size or unusual shape of fields
- Terraces or creeks that affect the time it takes to plant and harvest crops
- Difficult or restricted access to fields
- High or low fertility levels or pH index
- Existence of contracts for growing seed or specialty grains, or manure application
- 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

Additional survey information about cash rental rates by county is available from USDA National Agricultural Statistics Service (NASS) at the following website: [www.nass.usda.gov/Statistics\\_by\\_State/Iowa/Publications/County\\_Estimates/index.php](http://www.nass.usda.gov/Statistics_by_State/Iowa/Publications/County_Estimates/index.php).

**Figure 1. Distribution of 1,585 responses to the 2016 survey.**



Details about setting a fair cash rent can be found in the following **Ag Decision Maker** information files, located under **Whole Farm, Leasing**, at: [www.extension.iastate.edu/agdm/](http://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 typical rental rates for each county.

**2011-2015 average yields** – based on farm level data collected by National Agricultural Statistics Service (NASS) for each county.

**Average row crop CSR2 index** – average corn suitability rating 2 (CSR2) for the highest rated acres in each county, up to 110 percent of the number of acres planted to corn and soybeans in that county. **Note: starting in 2014, values were converted to the CSR2 system, based on ISPAID 8.1.**

**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 within the county.

**Typical corn yields** – average yields for the high third, medium third, and low third productivity farms in each county as reported to NASS.

**Average rents per unit** – overall average rent for corn/soybean land in each county, divided by the 5-year average corn yield, the 5-year average soybean yield, and the average row crop CSR2 index value for each county.

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

**Unimproved pasture** – pasture with mainly blue-grass that receives little fertilizer or renovation.

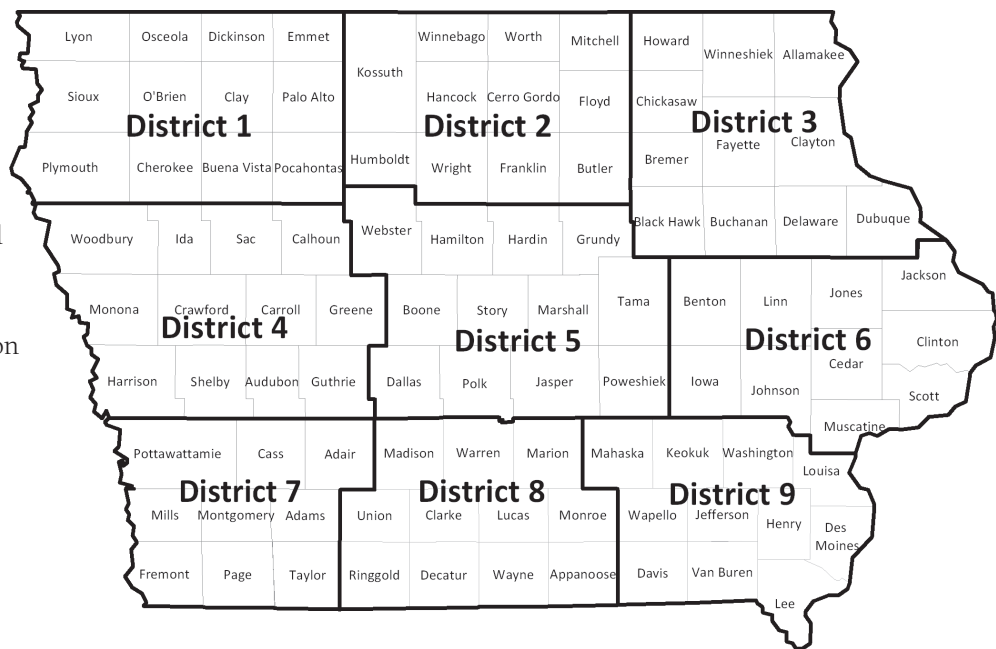
**Pasture, \$/AUM** – rent charged per animal unit month. One AUM is equal to a beef cow and calf or equivalent grazing for one month.

**Cornstalk grazing** – includes grazing of cornstalks in fall or winter, but not mechanical harvesting.

**Hunting rights** – rent charged to allow hunting on land, per year.

**Overall Average of Typical Cash Rents 2012-2016 - Corn and Soybean Acres (\$/acre)**

	2012	2013	2014	2015	2016
District 1	\$267	\$283	\$270	\$259	\$248
District 2	277	294	270	254	243
District 3	266	281	277	273	250
District 4	279	294	288	265	245
District 5	275	297	284	261	239
District 6	252	284	273	255	242
District 7	246	257	249	242	220
District 8	193	210	202	187	183
District 9	217	229	229	217	203
<b>State</b>	<b>\$252</b>	<b>\$270</b>	<b>\$260</b>	<b>\$246</b>	<b>\$230</b>



**... and justice for all**

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## 2016 CASH RENTAL SURVEY FOR CROP REPORTING DISTRICT 8

County	District Average	Appanoose & Monroe <sup>3/</sup>	Clarke	Decatur	Lucas	Madison	Marion	Ringgold	Union <sup>3/</sup>	Warren	Wayne
Number of responses <sup>1/</sup>	112	9	20	13	10	11	7	10	9	15	8
2011 - 2015 avg. corn yield	133	119	125	129	125	146	155	125	133	144	127
2011 - 2015 avg. bean yield	42	40	40	39	41	45	48	41	44	46	39
Avg. row crop CSR2 index	76	74	73	73	76	85	79	68	83	84	67
<b>Typical Cash Rent for Corn and Soybeans, \$ per tillable acre</b>											
Overall average	\$183	\$178	\$165	\$158	\$163	\$206	\$210	\$189	\$223	\$184	\$150
<b>High quality third</b>											
Average response	\$219	\$209	\$202	\$189	\$194	\$243	\$267	\$226	\$261	\$219	\$183
Range of responses		165-225	150-255	175-200	150-225	195-300	200-300	200-275	200-320	180-250	150-210
<b>Medium quality third</b>											
Average response	\$182	\$177	\$161	\$163	\$163	\$207	\$203	\$188	\$224	\$184	\$148
Range of responses		150-200	110-210	150-180	130-210	155-265	160-260	150-235	175-280	150-210	130-160
<b>Low quality third</b>											
Average response	\$147	\$147	\$131	\$124	\$132	\$169	\$159	\$154	\$184	\$149	\$119
Range of responses		130-160	90-180	100-150	110-160	135-200	125-200	120-200	140-240	135-175	110-125
<b>Typical Corn Yield, bu. per acre</b>											
High third	136	129	123	130	124	160	156	122	153	147	120
Middle third	110	97	98	100	96	136	131	98	127	122	94
Low third	82	75	71	80	76	102	102	75	90	87	64
<b>Average Rents per 5-year Average Yield or CSR2</b>											
Rent per bu. of corn yield	\$1.38	\$1.50	\$1.32	\$1.22	\$1.30	\$1.41	\$1.35	\$1.51	\$1.68	\$1.28	\$1.18
Rent per bu. of bean yield	\$4.31	\$4.45	\$4.13	\$4.05	\$3.98	\$4.58	\$4.38	\$4.61	\$5.07	\$4.00	\$3.85
Rent per CSR2 index point	\$2.40	\$2.41	\$2.26	\$2.16	\$2.14	\$2.42	\$2.66	\$2.78	\$2.69	\$2.19	\$2.24
<b>Typical Cash Rent for Oats, Hay, and Pasture, \$ per acre<sup>2/</sup></b>											
Alfalfa hay, established	\$100		\$97	\$98	\$93	\$124		\$90			
Grass hay, established	\$75		\$76	\$68	\$68			\$66			
Oats	\$102										
Improved perm. pasture	\$75		\$81	\$68	\$78	\$76			\$92		
Unimproved perm. pasture	\$52	\$50	\$56	\$50	\$53						
Pasture, \$/AUM	\$24										
Cornstalk grazing	\$9		\$8								
Hunting rights	\$15										

<sup>1/</sup> Number of responses is the number of individuals who provided information about typical rental rates in the county. Rental data was not collected by individual farm.

<sup>2/</sup> No values are reported if fewer than five responses were received.

<sup>3/</sup> Corn yield data not available for 2015, average based on 2011-2014.

## 2016 CASH RENTAL SURVEY SUMMARY BY CROP REPORTING DISTRICT

County	State Average	Northwest District 1 Average	North Central District 2 Average	Northeast District 3 Average	West Central District 4 Average	Central District 5 Average	East Central District 6 Average	Southwest District 7 Average	South Central District 8 Average	Southeast District 9 Average
Number of responses <sup>1/</sup>	1,585	263	245	136	182	252	169	134	112	92
2011 - 2015 avg. corn yield	169	178	172	173	166	171	171	156	133	154
2011 - 2015 avg. bean yield	50	52	49	52	49	51	54	47	42	48
Avg. row crop CSR2 index	81	87	83	79	78	85	81	78	76	79
<b>Typical Cash Rent for Corn and Soybeans, \$ per tillable acre</b>										
Overall average	\$230	\$248	\$243	\$250	\$245	\$239	\$242	\$220	\$183	\$203
Irrigated land average		\$326	\$278		\$243					
<b>High quality third</b>										
Average response	\$270	\$284	\$278	\$297	\$282	\$274	\$289	\$261	\$219	\$249
<b>Medium quality third</b>										
Average response	\$230	\$250	\$242	\$250	\$245	\$243	\$242	\$217	\$182	\$202
<b>Low quality third</b>										
Average response	\$191	\$212	\$208	\$205	\$207	\$201	\$195	\$183	\$147	\$160
<b>Typical Corn Yield, bu. per acre</b>										
High third	176	194	184	186	187	186	182	169	136	158
Middle third	155	178	167	165	169	167	161	148	110	132
Low third	128	156	146	134	144	140	132	121	82	100
<b>Average Rents per 5-year Average Yield or CSR2</b>										
Rent per bu. of corn yield	\$1.41	\$1.40	\$1.41	\$1.45	\$1.47	\$1.40	\$1.41	\$1.41	\$1.38	\$1.32
Rent per bu. of bean yield	\$4.66	\$4.77	\$4.96	\$4.80	\$4.96	\$4.71	\$4.49	\$4.72	\$4.31	\$4.25
Rent per CSR2 index point	\$2.86	\$2.86	\$2.91	\$3.18	\$3.15	\$2.82	\$3.01	\$2.83	\$2.40	\$2.56
<b>Typical Cash Rent for Oats, Hay, and Pasture, \$ per acre<sup>2/</sup></b>										
Alfalfa hay, established	\$165	\$194	\$167	\$249	\$206	\$165	\$185	\$111	\$100	\$109
Grass hay, established	\$133	\$147	\$125	\$192	\$181	\$138	\$144	\$89	\$75	\$102
Oats	\$159	\$170	\$183	\$206	NA	\$181	\$151	\$101	\$102	\$179
Improved perm. pasture	\$80	\$82	\$68	\$90	\$86	\$76	\$88	\$87	\$75	\$66
Unimproved perm. pasture	\$54	\$59	\$48	\$53	\$60	\$53	\$55	\$58	\$52	\$48
Pasture, \$/AUM	\$20	NA	\$13	\$15	NA	NA	\$22	\$26	\$24	NA
Cornstalk grazing	\$12	\$14	NA	\$13	\$10	\$19	\$11	\$8	\$9	NA
Hunting rights	\$14	\$20	NA	NA	NA	\$13	\$16	\$5	\$15	\$16

<sup>1/</sup> Number of responses is the number of individuals who provided information about typical rental rates in the county. Rental data was not collected by individual farm.

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