

NYS (Northeast) Land Values and Lease Trends Report

A possible ASFMRA Northeast Chapter & Cornell joint annual publication?

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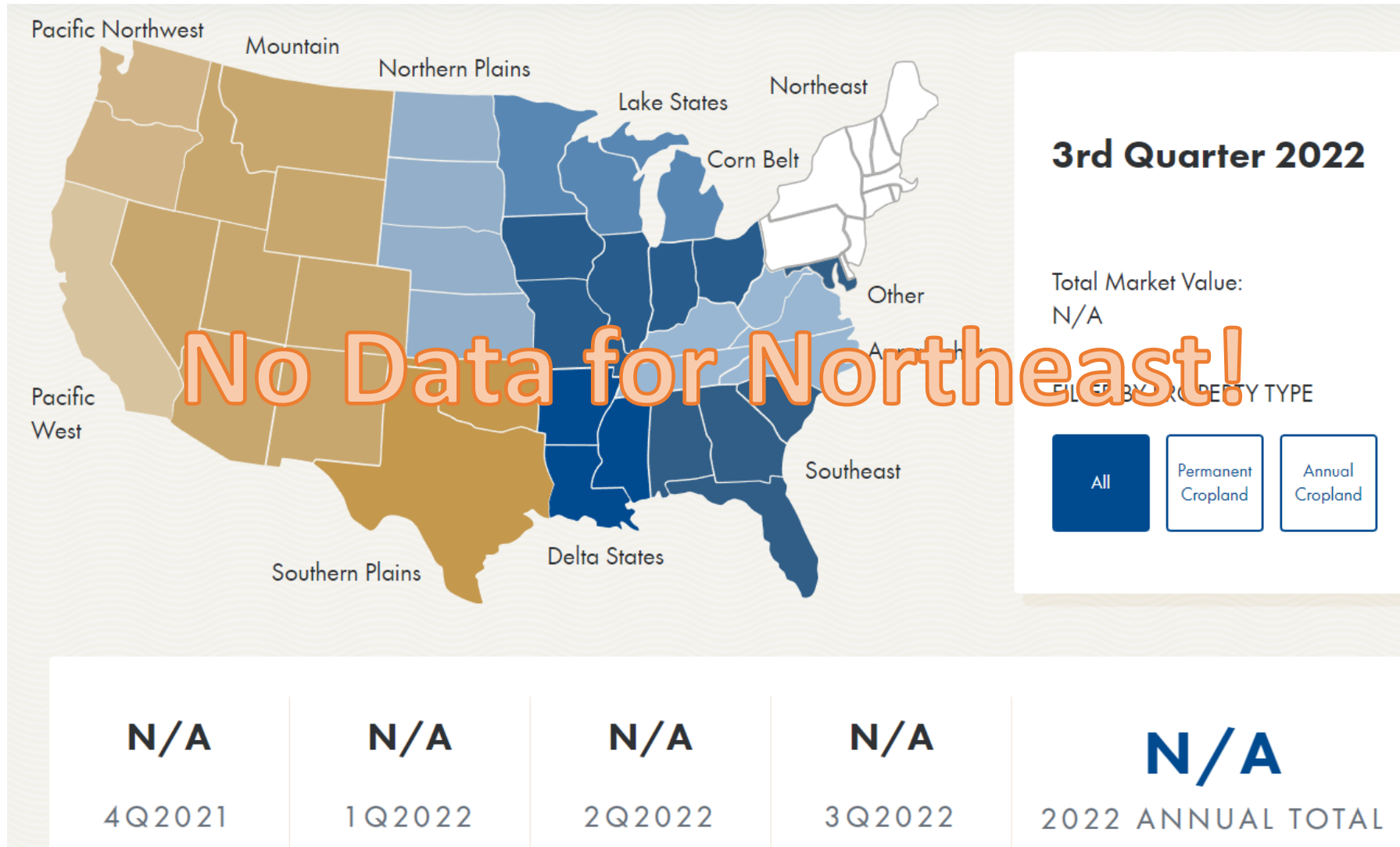


Dyson
Cornell
SC Johnson College of Business

A Quick Introduction: Dr. Wendong Zhang

- Grew up in a rural county in Shandong Province, China
- Attended college in Shanghai and Hong Kong
- Ph.D. in Ag Econ from Ohio State in 2015
- **Worked at Iowa State for 7 years, leading the Iowa Land Value Survey 15-22**
- **Was ASFMRA Iowa Chapter Academic Vice President**
- Moved to Cornell University Dyson School of Applied Economics & Management in July 2022 (50% research 50% extension appointment)
- Research and extension interests:
 - Led land value/ownership surveys** <https://www.card.iastate.edu/farmland>
 - Co-founded ISU China Ag Center <https://www.card.iastate.edu/china>
 - Cornell Atkinson Center for Sustainability: <https://atkinson.cornell.edu/>
 - Cornell Institute for China Economic Research (CICER)
<http://china.dyson.cornell.edu/>
 - Global Public Voices Fellow, Einaudi Center for International Studies

NCREIF Farmland Property Index



<https://www.ncreif.org/data-products/farmland/>

2014 Tenure, Ownership, and Transition of Agricultural Land (TOTAL) survey

Details about agricultural land for 25 States, 6 regions, and the contiguous United States

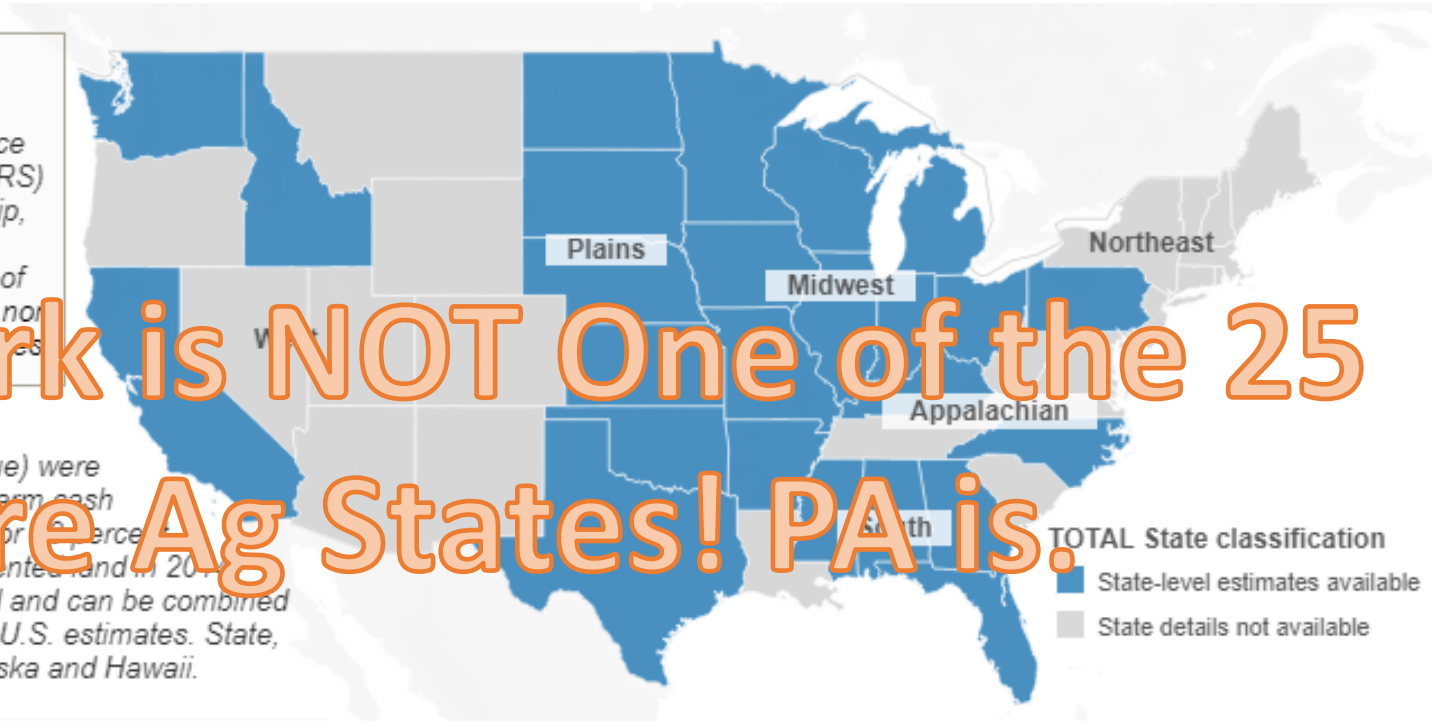
What is the TOTAL survey?

USDA's National Agricultural Statistics Service (NASS) and Economic Research Service (ERS) jointly conducted the 2014 Tenure, Ownership, and Transition of Agricultural Land (TOTAL) survey to shed light on the 911 million acres of agricultural land—held by both operator and non-operator landowners in the contiguous United States.

The 25 TOTAL estimate States (shown in blue) were selected to represent over 85 percent of all farm cash receipts in the United States. They account for 85 percent of all agricultural land and 78 percent of all rented land in 2014. The remaining 23 States were also surveyed and can be combined with estimate States to provide regional and U.S. estimates. State, region, and U.S. statistics do not include Alaska and Hawaii.

An example of the detail provided through TOTAL includes the ownership of land

Nearly 40 percent (353.8 million acres) of all U.S. farmland is rented or leased, and 80 percent of all rented farmland is owned by non-operator (non-farming) landlords. Most surveys about farming ask questions of the farm operator and do not survey non-operator landlords. In addition to providing information on land owned by farm operators, TOTAL, uniquely, surveys the non-operator landlords who own 31 percent of U.S. agricultural land.



New York is NOT One of the 25 Core Ag States! PA is.

Goal: Northeast Land Values & Lease Trends Report

- Annual joint publication between Northeast Chapter & Cornell every May released at the annual conference
- Start with New York State
- If successful, expand to Northeast where we could provide good data
- Recruit a working group who will help design & develop the Land Report
 - Meet monthly via zoom to finalize by October 2023 the design and data collection form of the report
 - Cornell Cooperative Extension has tentatively agreed to tentatively fund a graphic designer and a graduate RA to help with the report design and data collection/analysis
 - Start work with ASFMRA members within your region to collect and summarize data on arm's length farmland sale information and cash rent information
 - The final report focuses on the summary statistics (price ranges, # sales, possibly mean or median prices), does not report individual sales data and the working group nor Cornell will not share the individual sales or rents information underlying the report

What is in it for you?

- Establish yourself as a knowledgeable and helpful land expert in your report
- You will own the data!
 - Ideally: county, month-year, sale price, sale type for valid sale
 - Alternatively: county, sale price & rent ranges for valid sales + # sales
- Enhance the reputation, reach and appeal of our chapter as the leading rural property professional organization
- Fill the critical data gap as solar developments, farm succession, carbon credits program all demand valuable and accurate data but cannot find them
 - In contrast, Iowa State has an annual land value survey started in the 1940s + one survey by Realtor Land Institute, one by Chicago Fed, and one by USDA
 - NYS currently only has the USDA NASS Producer Survey (annual cash rents) + Ag Census for farmland values (every five years)
- Potential marketing opportunities for yourself and your company
- A possible revenue-generation device
- Cornell Cooperative Extension and NYS Ag & Markets both think this is high priority

An example &
benchmark –
Minnesota &
Texas Chapters

2020

Land Value & Cash Rent Survey

Presented by the Minnesota Chapter of
Farm Managers & Rural Appraisers
January 2021

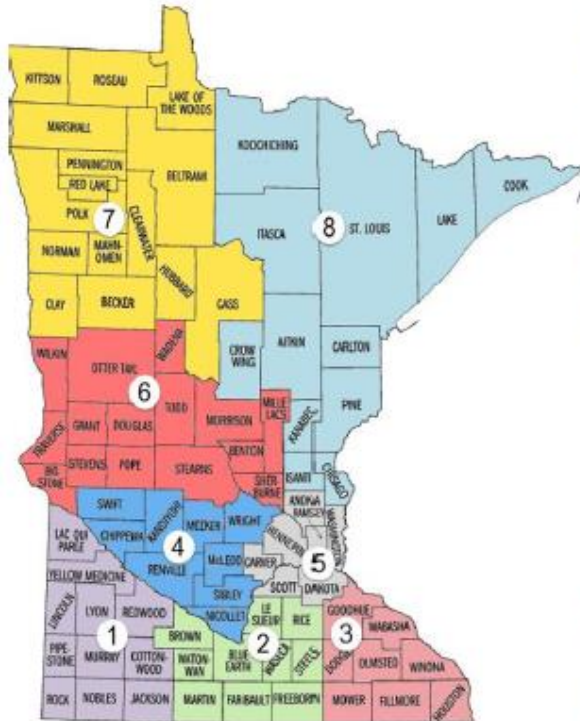


 **ASFMR**
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Disclosure Statement

Data includes January 1st, 2020 to December 31st, 2020 agriculture land sales and cash rent contracts. Land Value Survey results may include duplication of sales. Qualified sales were determined by the Regional Captains and may or may not indicate the actual number of sales in that county. Land Professionals were asked to omit data from non-typical transactions including but not limited to related parties, irrigated (wet) cropland, transitional and/or development land, land under restrictive easements, etc. The Survey Rental Rates are actual rental information handled by ASFMRA chapter members. Typically, professionally managed land brings premium rents compared to privately negotiated rental rates. The survey reflects the rental rates for land managed by ASFMRA members. Please contact your local professional ASFMRA manager for more assistance.



Survey readers are asked to exercise discretion when using data from this report. This survey data should never be used as a substitute for a Land Professional.

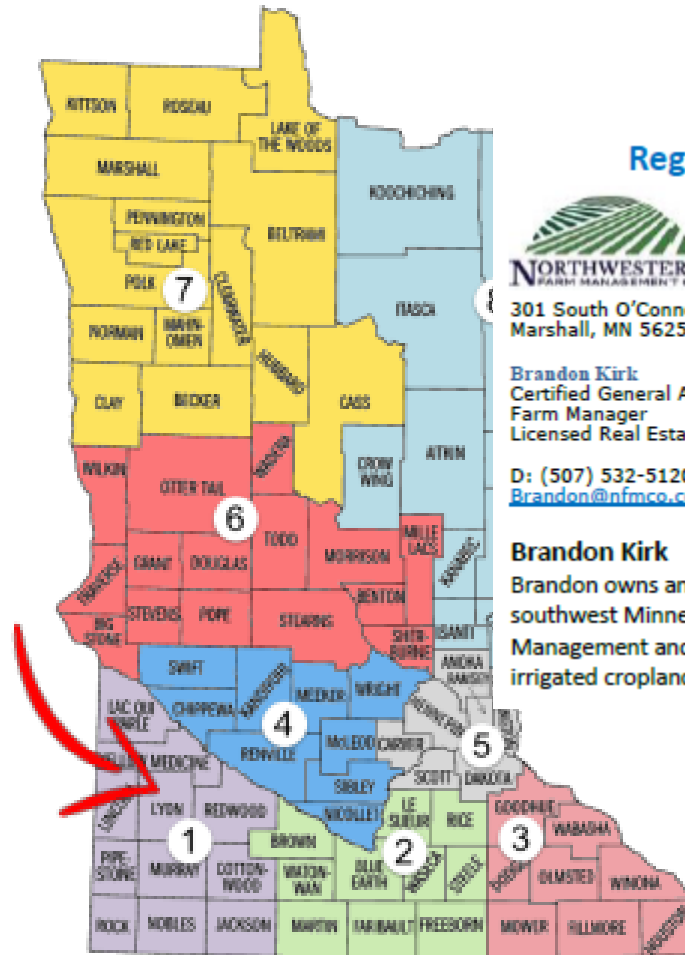
Region 1

About Region 1

Region 1, also known as the Southwest region of Minnesota, includes the counties of Rock, Nobles, Jackson, Pipestone, Murray, Cottonwood, Lincoln, Lyon, Redwood, Yellow Medicine, and Lac Qui Parle. The geographic location of this region starts on the Minnesota/Iowa/South Dakota border and extends north and east to the Minnesota River.

The area is primarily used for agriculture production such as - row crop farming, livestock farms, pasture, and non-tillable acres used for recreational use. This region has a diverse and variable set of soil types. The counties along the MN/IA border are highly productive, while the further north one goes, soil productivity and drainage slowly declines. Overall, the area has mid to highly productive soils for the state.

Major Commodities include corn and soybeans with smaller amounts of wheat, alfalfa, peas, sugar beets, and kidney beans. There is a considerable amount of livestock production in this area especially cattle feedlots and cow/calf operations, hog production, some dairy and poultry production.



Regional Captain—Brandon Kirk



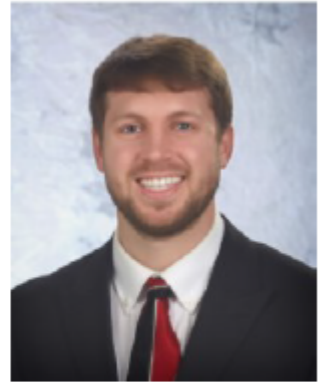
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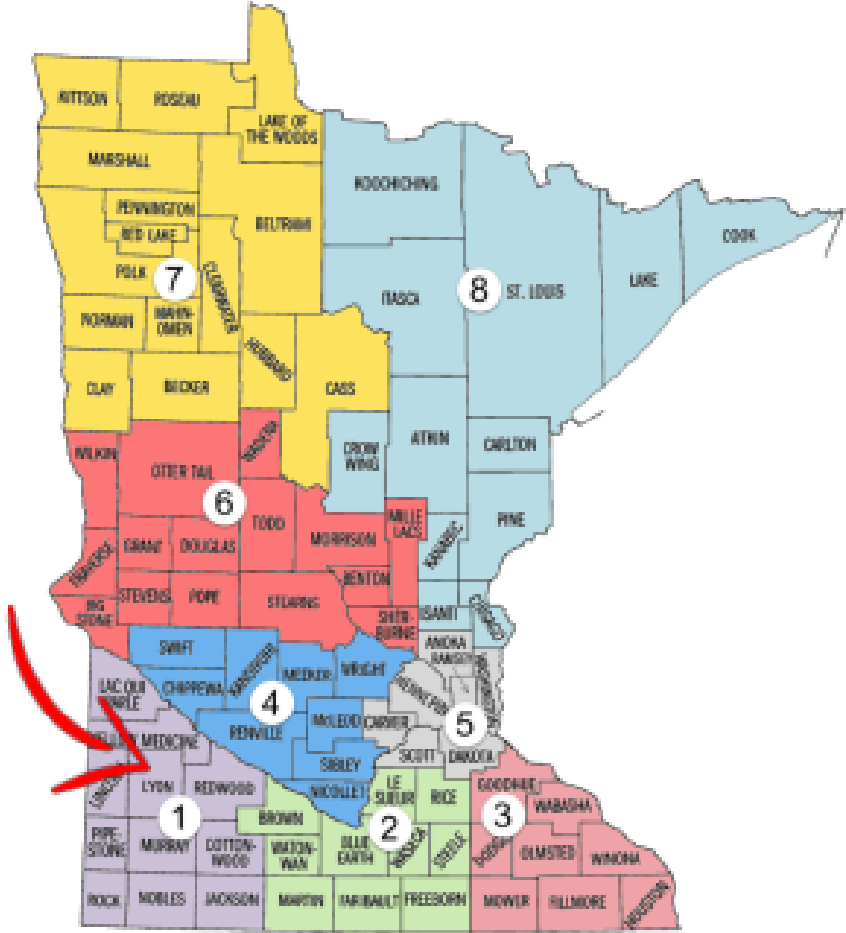
Brandon owns and operates a family farm that raises corn, soybeans, and a couple hundred head of cattle in southwest Minnesota. Brandon attended Saint Cloud State University where he majored in Business Management and minored in Finance, Insurance, and Real Estate. He is experienced in dry cropland, irrigated cropland, farm headquarters, grain facilities, cattle feedlots, dairies, and swine facilities.



Region 1

Recap of Southwest Minnesota

After an extremely challenging 2019 weather anomaly that result in a record number of Prevent Plant acres, 2020 had farmers relieved to experience an early spring to allow for the lapse of the prior year's fall fertilizer application, tillage work, and tilling projects that did not get completed due to the weather restrictions. The southwest region of Minnesota had optimum planting conditions in 2020 with good soil conditions, which allowed for early tillage and planting. The majority of the corn was planted by the end of April and most of the soybean crop was planted by the end of the first week of May. There was good rainfall in the month of May, June, and July but it did get very hot and dry in August and September. There were several spots throughout the region that missed said rains and yields were reflected in the missed rains. Preharvest, there was good potential for strong corn and soybeans yields due to optimum planting conditions and reasonable moisture. Yields were better than better than most farmers expected. The mood of farmers was even better with Government payments, strong yields, and better than expected grain prices. Corn prices were as low as \$2.80 per bushel in 2020 but finished the year around \$4.70. Soybean prices were as low as \$7.70 per bushel in 2020 but finished the year around \$13.00.



North Texas

Land Use or Class	Value Ranges	Activity/Trend	Rental Range	Activity/Trend
Irrigated Cropland	\$1,800 to \$2,600	Stable/Increasing	\$60 to \$90	Stable/Stable
Class II & III Dry Crop	\$1,100 to \$1,800	Stable/Increasing	\$30 to \$50	Stable/Stable
Class IV & V Dry Crop	\$900 to \$1,000	Stable/Increasing	\$18 to \$30	Stable/Stable
Rangeland > 2,000 Acres	\$800 to \$1,500	Stable/Increasing	\$8 to \$12	Stable/Stable
Rangeland < 2,000 Acres	\$1,200 to \$3,000	Stable/Increasing	\$8 to \$15	Stable/Stable
Hunting Lease Rangeland			\$6 to \$15	Stable/Stable

Rangeland lease rates per animal unit year long range from \$150 to \$240

Central Texas

Land Use or Class	Value Ranges	Activity/Trend	Rental Range	Activity/Trend
Irrigated Cropland	\$1,500 to \$8,000	Decrease/Increasing	\$50 to \$175	Stable/Stable
Class II & III Dry Crop	\$1,100 to \$5,000	Decrease/Stable	\$40 to \$65	Stable/Increasing
Class IV & V Dry Crop	\$900 to \$2,500	Stable/Stable	\$20 to \$35	Stable/Stable
Rangeland > 2,000 Acres	\$950 to \$2,000	Stable/Stable	\$5 to \$15	Stable/Stable
Rangeland < 2,000 Acres	\$1,300 to \$4,000	Stable/Increasing	\$5 to \$15	Stable/Stable
Hunting Lease Rangeland			\$6 to \$20	Stable/Increasing

Rangeland lease rates per animal unit year long range from \$150 to \$240

Each region has its unique land use or class

Far West Texas

Land Use or Class	Value Ranges	Activity/Trend	Rental Range	Activity/Trend
Rangeland	\$295 to \$799	Limited/Stable	\$0.70 to \$1.00	Stable/Stable
Dell City Irrigated Cropland*	None	No Activity	\$85 to \$120	Stable/Stable
El Paso Upper Valley Irrigated*	None	No Activity	n/a*	Limited Activity
El Paso Lower Valley Irrigated*	None	No Activity	n/a*	Limited Activity
Van Horn Irrigated Cropland*	None	No Activity	n/a*	Limited Activity

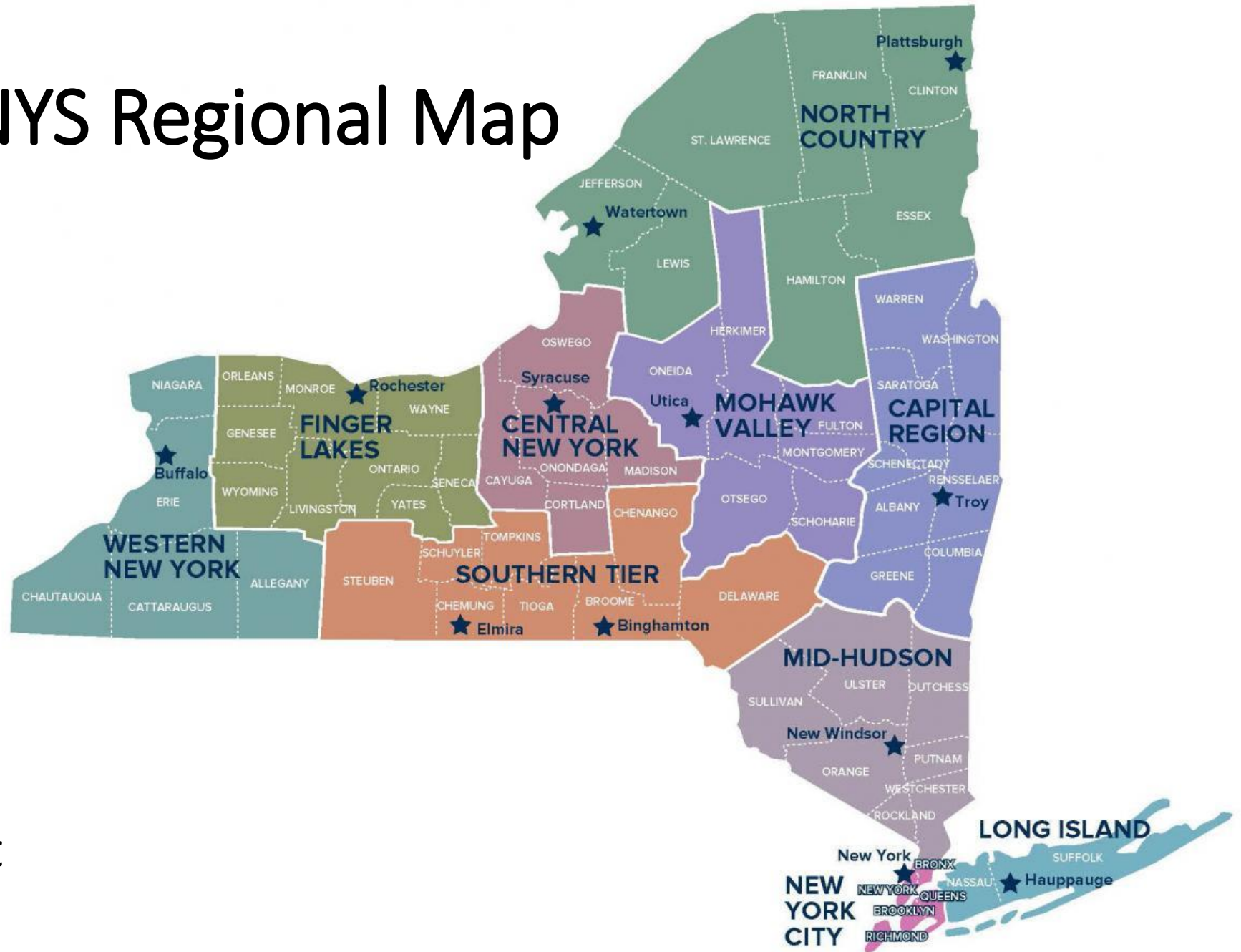
* Little to no new (2022) data available.

Big Bend

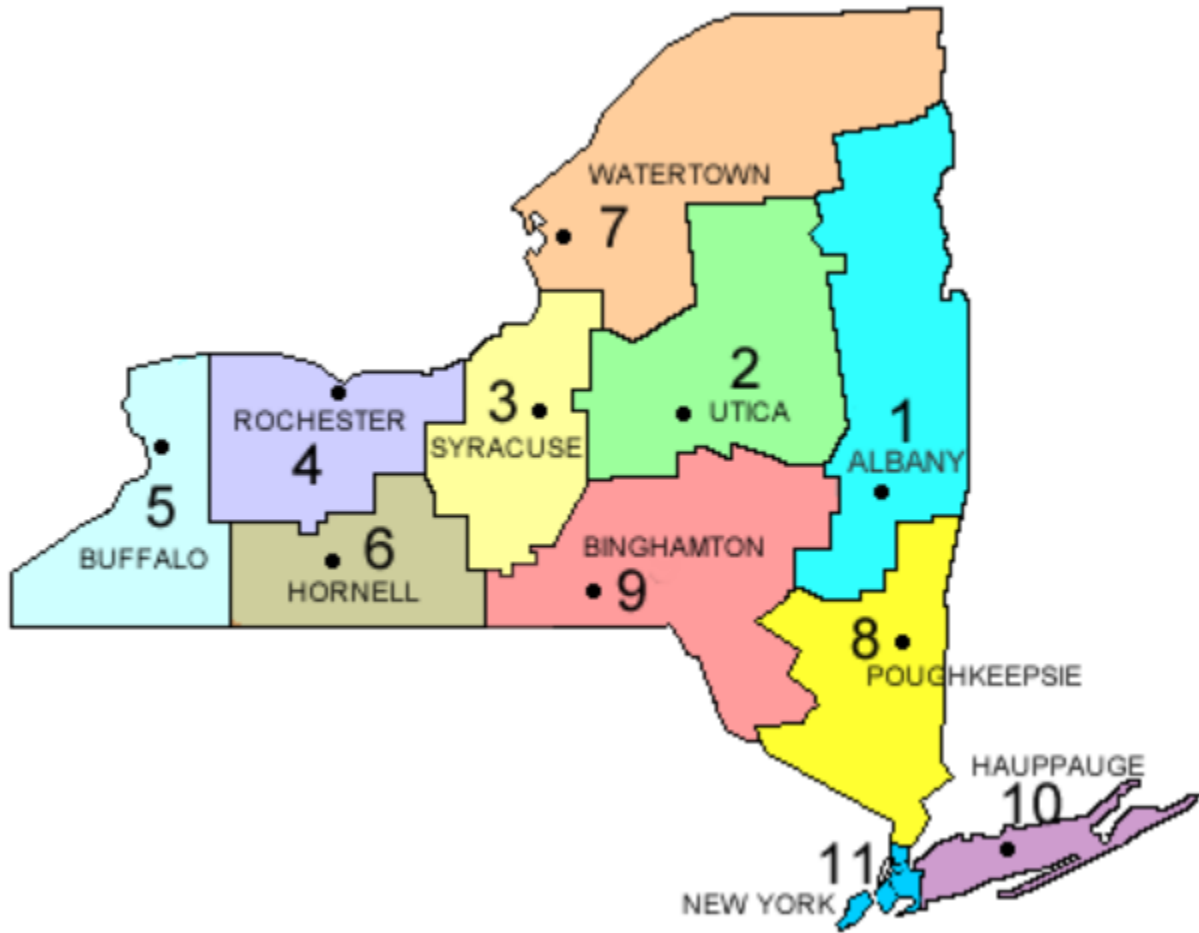
Land Use or Class	Value Ranges	Activity/Trend	Rental Range	Activity/Trend
Davis Mountains Rangeland*	\$1,450 to \$1,850	Slow/Stable	\$3.50 to \$5.00	Stable/Stable
Highlands Rangeland*	\$950 to \$980	Stable/Stable	\$2.50 to \$3.00	Stable/Stable
Desert Mountains Rangeland*	\$201 to \$385	Stable/Decreasing	\$1.00 to \$1.50	Stable/Stable

* Very limited 2022 data available.

Possible NYS Regional Map



- Empire State Development



NY DOT Region Map



USDA Ag District Map

Future: expand to US Northeast?

HORIZON FARM CREDIT *Regions*



Farm Credit East marketplace regions
(Brian Hideout)



(Source: Mandy Rhodes)



Thank you!

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American Society
of Farm Managers
& Rural Appraisers

