

Cropland Rental Rates for Minnesota Counties

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Introduction

This publication provides a historical perspective on rental rates paid by a group of Minnesota farmers and trends in those rental rates over the past five years. This information is meant as a guide and starting point. **The information and data is not meant to establish, determine, set, fix, or even hint at what actual rents should be.** It is simply a reporting of historical land rental rates in Minnesota.

Historical rental data is included for years 2012 through 2016. Weighted average rental rates are listed by county for each year. The 2016 data also includes the median cash rent and the 10th and 90th percentile range, explained under “data results”.

There is really no way to statistically project future rental rates. Keep in mind the numbers listed are weighted averages. That means there are rents both above and below the numbers listed. Again, these numbers are merely a starting point.

Also included is the 2016 county rental data gathered by the USDA National Ag Statistical Service (NASS) in cooperation with the Minnesota Department of Agriculture. The USDA/NASS data is collected by mail-out survey and the 2017 results will be available in September 2017. This document will be updated to include the new NASS numbers at that time.

The 2018 column in the document is included so you can list your anticipated 2018 land rent.

Data Source

The land rental data shown in the data tables is extracted from FINBIN, a database of farm record summaries of over 2,000 Minnesota farms. The farmers participate in the Minnesota State College Farm Business Management program as well the Southwestern Minnesota Farm Business Management Association.

The rental rates are based on analysis of the financial records of participating farmers and represent the actual rents paid for the years listed.

Analysis Method

The FINBIN database includes enterprise level income and expenses for thousands of acres of Minnesota farmland. To compile this report, rental rates are extracted for cash rented land. All row crop acres, small grain acres, canning crop acres, etc. are included in the data analysis. Not included in the analysis are acres allocated to pasture, aftermath grazing, hay and haylage acres, CRP acres, fallow, and prevented planted acres. All normal farming practices for the regions were included in the analysis. The USDA/NASS numbers are for row crops on non-irrigated land only.

Data is organized by county. Counties with a minimum of 10 farms with cash rented acreage are included. If a given county does not have rent data listed for 2012-2016, there were not enough farms reporting data. Counties with only partial FINBIN data for 2012-2016 and a USDA/NASS number have been included because they now meet the 10 farm minimum criteria. Counties with only a USDA/NASS number have less than 10 farmers reporting FINBIN data.

Note: Several counties in North, East & West Central Minnesota regions have no FINBIN rental rates reported this year. That is due to staff reductions in Farm Business Management programs and resulting loss of participating farms in those counties. USDA/NASS data for those regions are listed.

Data Results

The following two pages show the county and USDA/NASS land rental data arranged by region consistent with the Minnesota Department of Agriculture, Agricultural Statistics Service districts.

Minnesota Cropland Rental Rates Per Acre

| | Average | | | | 2016 | | | | 2016 | 2018 |
|----------------------|---------|------|------|------|------|--------|----------------------------|----------------------------|--------------|-------|
| | 2012 | 2013 | 2014 | 2015 | Avg | Median | 10 th Pctile | 90 th Pctile | NASS Data | Est. |
| Northwest | | | | | | | | | | |
| Becker | 82 | 96 | n/a | n/a | n/a | n/a | n/a | n/a | 105 | _____ |
| Clay | 120 | 136 | 138 | 134 | 137 | 133 | 100 | 176 | 131 | _____ |
| Clearwater | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 30 | _____ |
| Kittson | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 83 | _____ |
| Mahnomen | 83 | 99 | 111 | 105 | 86 | 70 | 33 | 100 | 100 | _____ |
| Marshall | 58 | 59 | 63 | 56 | 67 | 60 | 45 | 91 | 79 | _____ |
| Norman | 97 | 120 | 129 | 128 | 122 | 123 | 61 | 151 | 121 | _____ |
| Pennington | n/a | 54 | 62 | 62 | 68 | 64 | 38 | 85 | 65 | _____ |
| Polk | 81 | 86 | 96 | 96 | 95 | 82 | 52 | 139 | 118 | _____ |
| Red Lake | n/a | n/a | 64 | n/a | n/a | n/a | n/a | n/a | 69 | _____ |
| Roseau | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 51 | _____ |
| North Central | | | | | | | | | | |
| Beltrami | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 24 | _____ |
| Cass | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 25 | _____ |
| Hubbard | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 22 | _____ |
| Itasca | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 22 | _____ |
| Koochiching | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 25 | _____ |
| Lk of the Woods | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 32 | _____ |
| Remaining Co. | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 18 | _____ |
| West Central | | | | | | | | | | |
| Big Stone | 130 | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 165 | _____ |
| Chippewa | 188 | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 188 | _____ |
| Douglas | 112 | 112 | 112 | 102 | 107 | 84 | 46 | 147 | 118 | _____ |
| Grant | 146 | 192 | 192 | 188 | 178 | 125 | 77 | 200 | 171 | _____ |
| Lac qui Parle | 150 | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 181 | _____ |
| Otter Tail | 98 | 95 | 101 | 108 | 120 | 104 | 35 | 179 | 100 | _____ |
| Pope | 116 | n/a | 128 | 131 | 134 | 134 | 63 | 183 | 125 | _____ |
| Stevens | 135 | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 158 | _____ |
| Swift | 135 | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 177 | _____ |
| Traverse | 171 | 157 | n/a | n/a | n/a | n/a | n/a | n/a | 167 | _____ |
| Wilkin | 123 | 131 | 137 | 135 | 133 | 131 | 85 | 175 | 150 | _____ |
| Yellow Med. | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 182 | _____ |
| Central | | | | | | | | | | |
| Benton | n/a | 68 | 87 | 100 | 113 | 75 | 33 | 159 | 84 | _____ |
| Carver | 206 | 226 | 214 | 173 | 202 | 229 | 96 | 255 | 195 | _____ |
| Kandiyohi | 206 | 211 | 227 | 212 | 220 | 202 | 134 | 294 | 206 | _____ |
| McLeod | 196 | 238 | 233 | 205 | 188 | 208 | 79 | 289 | 248 | _____ |
| Meeker | 159 | 190 | 191 | 183 | 176 | 152 | 100 | 230 | 178 | _____ |
| Morrison | 68 | 78 | 107 | 74 | 97 | 75 | 26 | 102 | 65 | _____ |
| Renville | 209 | 236 | 237 | 241 | 222 | 225 | 160 | 281 | 228 | _____ |
| Scott | 198 | 238 | 229 | 208 | 206 | 170 | 100 | 271 | 207 | _____ |
| Sherburne | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 58 | _____ |
| Sibley | 245 | 262 | 263 | 250 | 252 | 255 | 189 | 312 | 247 | _____ |
| Stearns | 157 | 184 | 188 | 192 | 183 | 135 | 49 | 289 | 145 | _____ |
| Todd | 54 | 64 | 80 | 77 | 67 | 53 | 31 | 85 | 64 | _____ |
| Wadena | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 32 | _____ |
| Wright | n/a | n/a | 149 | 144 | 154 | 155 | 43 | 200 | 149 | _____ |

| | Average | | | | 2016 | | | | 2016 | 2018 |
|----------------------|---------|------|------|------|------|--------|----------------------------|----------------------------|--------------|-------|
| | 2012 | 2013 | 2014 | 2015 | Avg | Median | 10 th Pctile | 90 th Pctile | NASS Data | Est. |
| East Central | | | | | | | | | | |
| Aitkin | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 38 | _____ |
| Anoka | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 61 | _____ |
| Carlton | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 15 | _____ |
| Chisago | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 69 | _____ |
| Crow Wing | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 34 | _____ |
| Hennepin | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 133 | _____ |
| Isanti | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 57 | _____ |
| Kanabec | 44 | 52 | 59 | 63 | 60 | 60 | 23 | 72 | 60 | _____ |
| Mille Lacs | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 68 | _____ |
| Pine | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 34 | _____ |
| Washington | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 133 | _____ |
| Southwest | | | | | | | | | | |
| Cottonwood | 174 | 196 | 200 | 192 | 196 | 193 | 129 | 248 | 194 | _____ |
| Jackson | 209 | 219 | 223 | 213 | 214 | 223 | 152 | 275 | 199 | _____ |
| Lincoln | 168 | 165 | n/a | n/a | n/a | n/a | n/a | n/a | 176 | _____ |
| Lyon | 185 | 218 | 223 | 222 | 197 | 181 | 115 | 252 | 197 | _____ |
| Murray | 237 | 265 | 268 | 238 | 230 | 210 | 113 | 251 | 191 | _____ |
| Nobles | 182 | 207 | 202 | 200 | 201 | 197 | 126 | 255 | 207 | _____ |
| Pipestone | 223 | 219 | 236 | 213 | 229 | 216 | 105 | 300 | 175 | _____ |
| Redwood | 187 | 211 | 213 | 207 | 198 | 203 | 150 | 260 | 213 | _____ |
| Rock | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 237 | _____ |
| South Central | | | | | | | | | | |
| Blue Earth | 222 | 229 | 240 | 228 | 221 | 199 | 156 | 276 | 219 | _____ |
| Brown | 207 | 208 | 211 | 205 | 210 | 200 | 105 | 253 | 209 | _____ |
| Faribault | 221 | 243 | 243 | 226 | 222 | 225 | 124 | 275 | 238 | _____ |
| Freeborn | 242 | 267 | 265 | 238 | 247 | 250 | 171 | 325 | 243 | _____ |
| Le Sueur | 233 | 261 | 267 | 257 | 236 | 218 | 137 | 270 | 231 | _____ |
| Martin | 254 | 274 | 272 | 255 | 245 | 231 | 173 | 279 | 242 | _____ |
| Nicollet | 223 | 251 | 263 | 245 | 231 | 232 | 139 | 286 | 234 | _____ |
| Rice | 225 | 260 | 258 | 242 | 236 | 226 | 99 | 281 | 206 | _____ |
| Steele | 198 | 220 | 239 | 240 | 231 | 219 | 146 | 263 | 214 | _____ |
| Waseca | 216 | 237 | 236 | 227 | 218 | 218 | 132 | 262 | 232 | _____ |
| Watonwan | 218 | 256 | 239 | 238 | 225 | 195 | 160 | 264 | 229 | _____ |
| Southeast | | | | | | | | | | |
| Dakota | 215 | 212 | 241 | 228 | 208 | 122 | 88 | 282 | 189 | _____ |
| Dodge | 231 | 246 | 252 | 246 | 231 | 233 | 153 | 292 | 253 | _____ |
| Fillmore | 212 | 243 | 235 | 218 | 205 | 178 | 61 | 290 | 214 | _____ |
| Goodhue | 229 | 230 | 242 | 216 | 222 | 202 | 121 | 275 | 195 | _____ |
| Houston | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 188 | _____ |
| Mower | 241 | 236 | 247 | 248 | 234 | 246 | 135 | 285 | 239 | _____ |
| Olmsted | 211 | 250 | 260 | 226 | 234 | 211 | 193 | 261 | 214 | _____ |
| Wabasha | 216 | 233 | 237 | 212 | n/a | n/a | n/a | n/a | 191 | _____ |
| Winona | 183 | 214 | 220 | 196 | 217 | 206 | 122 | 253 | 228 | _____ |

The 2012-2015 “Average” data columns list historical rent data by county for those years. The land rental data listed is a weighted average of all the farms reporting land rent for a specific county and year.

The 2016 crop year columns list the weighted average rental rate as well as the median or 50th percentile. Half of the rental rates for the county were less than this median amount and half were greater than this amount. In addition, the 10th and 90th percentile are included to reflect the range of cash rents. Ten percent of the farmers paid less than the rent number listed in the 10th percentile column. Similarly, ten percent of the farmers paid more than the rent listed in the 90th percentile column. Note, this may reflect rates paid by a very small number of farmers.

The 2016 USDA/NASS data for each county is included for purposes of comparison. Every Minnesota County has a 2016 USDA/NASS average rent number listed. The numbers are for non-irrigated farm land only.

Average Annual Change in Rent 2012-2016

Following is a table showing average annual changes in land rental rates for the years 2012 through and including 2016 and the one-year change from 2015 to 2016. The annual change is based on weighted averages to compensate for differences in acres and rental rates from the various counties in each region. The land rental numbers used to calculate the percent change values are also from the FINBIN database. Also included is a state-wide average change.

In several regions, the 5 year average change is very minimal, meaning that rates have almost declined to their 2012 levels. However, there was a significant increase in most cases prior to 2012.

The 2015-2016 annual change data shows a slight downward trend in rental rates for six of the eight regions. In the Northwest and West Central regions there was a very small increase. Both are small changes and therefore there is no definitive way of determining the cause for this.

Because of these anomalies, the land rental rates listed are again merely a starting point or guide and not an absolute rental rate. The percentage figures

are not meant to predict future increases but are merely to document how regional and state rental rates have changed over the years.

| Average Annual Change in Land Rental Rates | 2012-2016 | 2015-2016 |
|--------------------------------------------|-----------|-----------|
| Northwest | 3.60% | 0.10% |
| West Central | 1.10% | 0.90% |
| Central | 1.00% | -2.50% |
| East Central | 8.30% | -3.10% |
| Southwest | 0.80% | -2.40% |
| South Central | 0.30% | -3.20% |
| Southeast | 0.10% | -1.70% |
| State | 2.00% | -1.80% |

Summary

The land rental rates listed in the data tables are not meant to predict future land rental rates. They are simply a historical listing of land rental data from years 2012-2016 as reported in FINBIN.

Keep in mind that these rental rates include both family and un-related party land rental contracts as well as long-term rental contracts. Rental rates between family members can be lower than those between un-related parties. Long-term rental contracts generally do not change dramatically during the length of the contract and therefore may affect the weighted average numbers used in the data calculations. Please note that the land rental rates shown here may not align with rents being paid for new land coming on the market.

Those who wish to search FINBIN for land rental data specific to a county or region (assuming there are enough farmers reporting rent values) as well as other farm data can do so by going to the following website: www.finbin.umn.edu. Once there, click on the green bar on the left side of the page titled “Crop”. A page will appear giving you choices. Select the crop you want under Crop Enterprise. Next, select county or region under Location. Under Sort By you can search by selecting different years. Make sure “crop tenure type” under Filters shows “cash rent”. Click Generate Report and your data will appear if there are a sufficient number of farms reporting data.

