

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 2011 through 2015. Weighted average rental rates are listed by county for each year. The 2015 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 2014 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 every other year and will be next updated later in 2016. You will notice that some of the numbers align closely with many of the rental numbers in the preceding average column while others do not.

The 2017 column in the document is included so you can list your anticipated 2017 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 Colleges and Universities (MnSCU) 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 2011-2015, there were not enough farms reporting data. Counties with only partial FINBIN data for 2011-15 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 East & West Central Minnesota 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 numbers 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				2015				2014	2017
	2011	2012	2013	2014	Avg	Median	10 th Pctile	90 th Pctile	NASS Est.	Est.
Northwest										
Becker	62	82	96	n/a	n/a	n/a	n/a	n/a	117	_____
Clay	108	120	136	138	134	136	82	168	139	_____
Clearwater	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	_____
Kittson	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	70.50	_____
Mahnomen	75	83	99	111	105	78	20	132	126	_____
Marshall	48	58	59	63	56	50	30	91	84.50	_____
Norman	93	97	120	129	128	114	70	164	116	_____
Pennington	n/a	n/a	54	62	62	60	40	77	63.50	_____
Polk	70	81	86	96	96	90	55	145	95	_____
Red Lake	n/a	n/a	n/a	64	n/a	n/a	n/a	n/a	66	_____
Roseau	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	_____
West Central										
Big Stone	102	130	n/a	n/a	n/a	n/a	n/a	n/a	144	_____
Chippewa	159	188	n/a	n/a	n/a	n/a	n/a	n/a	210	_____
Douglas	85	112	112	112	102	74	44	151	117	_____
Grant	132	146	192	192	188	136	85	216	188	_____
Lac qui Parle	127	150	n/a	n/a	n/a	n/a	n/a	n/a	195	_____
Otter Tail	80	98	95	101	108	83	33	175	90.50	_____
Pope	103	116	n/a	128	131	126	64	169	145	_____
Stevens	121	135	n/a	n/a	n/a	n/a	n/a	n/a	169	_____
Swift	118	135	n/a	n/a	n/a	n/a	n/a	n/a	180	_____
Traverse	n/a	171	157	n/a	n/a	n/a	n/a	n/a	184	_____
Wilkin	100	123	131	137	135	130	85	179	139	_____
Yellow Med.	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	203	_____
Central										
Benton	n/a	n/a	68	87	100	65	28	122	89	_____
Carver	179	206	226	214	173	215	87	270	223	_____
Kandiyohi	175	206	211	227	212	193	148	250	226	_____
McLeod	185	196	238	233	205	210	104	290	262	_____
Meeker	150	159	190	191	183	153	75	249	200	_____
Morrison	63	68	78	107	74	70	26	96	72.50	_____
Renville	191	209	236	237	241	243	178	325	240	_____
Scott	160	198	238	229	208	183	81	225	237	_____
Sherburne	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	54	_____
Sibley	203	245	262	263	250	247	159	327	271	_____
Stearns	126	157	184	188	192	124	50	256	155	_____
Todd	52	54	64	80	77	62	25	101	84.50	_____
Wadena	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	34	_____
Wright	n/a	n/a	n/a	149	144	133	84	217	170	_____

	Average				2015				2014	2017
	2011	2012	2013	2014	Avg	Median	10 th Pctile	90 th Pctile	NASS Est.	Est.
East Central										
Aitkin	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	32.50	_____
Anoka	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	58.50	_____
Carlton	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	31	_____
Chisago	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	73	_____
Crow Wing	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	30	_____
Hennepin	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	142	_____
Isanti	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	86.50	_____
Kanabec	37	44	52	59	63	45	26	75	59.50	_____
Mille Lacs	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	67.50	_____
Pine	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	38.50	_____
Washington	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	142	_____
Southwest										
Cottonwood	164	174	196	200	192	167	137	249	223	_____
Jackson	167	209	219	223	213	220	138	261	235	_____
Lincoln	n/a	168	165	n/a	n/a	n/a	n/a	n/a	199	_____
Lyon	168	185	218	223	222	215	115	284	227	_____
Murray	168	237	265	268	238	219	152	300	212	_____
Nobles	168	182	207	202	200	191	134	251	211	_____
Pipestone	n/a	223	219	236	213	230	104	301	190	_____
Redwood	173	187	211	213	207	210	130	260	222	_____
Rock	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	247	_____
South Central										
Blue Earth	194	222	229	240	228	185	147	274	244	_____
Brown	173	207	208	211	205	200	126	300	210	_____
Faribault	194	221	243	243	226	219	122	281	264	_____
Freeborn	216	242	267	265	238	244	164	312	263	_____
Le Sueur	179	233	261	267	257	227	136	283	256	_____
Martin	210	254	274	272	255	247	186	301	273	_____
Nicollet	197	223	251	263	245	237	147	312	276	_____
Rice	188	225	260	258	242	230	125	300	249	_____
Steele	170	198	220	239	240	223	154	268	n/a	_____
Waseca	175	216	237	236	227	212	129	273	n/a	_____
Watonwan	177	218	256	239	238	206	174	277	236	_____
Southeast										
Dakota	n/a	215	212	241	228	154	140	324	211	_____
Dodge	187	231	246	252	246	229	138	333	274	_____
Fillmore	198	212	243	235	218	200	120	295	236	_____
Goodhue	186	229	230	242	216	206	111	262	273	_____
Houston	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	183	_____
Mower	201	241	236	247	248	249	131	303	273	_____
Olmsted	171	211	250	260	226	201	68	250	246	_____
Wabasha	163	216	233	237	212	196	27	280	222	_____
Winona	178	183	214	220	196	191	104	264	212	_____

The 2011-2014 “Average” data columns list historical rent data 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 2015 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 2014 USDA/NASS Estimate for each county listed is included as a comparison. Every Minnesota county is listed except Ramsey County and the counties in the North Central and Northeast Regions. The numbers are for non-irrigated farm land. Counties with “n/a” for the NASS Estimate were not reported by NASS because of insufficient data.

Average Annual Change in Rent 2011-2015

Following is a table showing average annual changes in land rental rates for the years 2011 through and including 2015 and the one-year change from 2014 to 2015. 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.

The 2014-2015 annual change data shows a mixed change in rental rates compared to past years in the regions. There is no definitive way of determining the cause for this. However, there were more acres reported in the East Central region in 2015 which could account for the difference in change for the region. 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	2011-2015	2014-2015
Northwest	5.8%	-3.7%
West Central	5.2%	0.7%
Central	4.9%	-5.6%
East Central	12.7%	15.4%
Southwest	5.7%	-5.9%
South Central	5.8%	-5.8%
Southeast	4.9%	-5.9%
State	6.8%	-5.3%

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 2011-2015 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.

