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Central NY Farmland Cash Rental Rate Survey Findings

Jennifer Ifft and Nicole Tommell

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Purpose: Cornell Cooperative Extension agricultural educators receive frequent calls about local farmland cash rental rates. Farm real estate makes up over 80 percent of farm sector assets and farmland access is essential for farm survival and expansion. Many states, including Iowa, Michigan and Kentucky, have annual extension farmland value and cash rental surveys. While data on land prices is often publicly available[1], including for agriculture, rental rate data is more limited. Cash rental rates reported by NASS represent diverse local land quality, so their use is limited for setting rates. The purpose of this survey was (1) collect information on county level cropland and pasture rental rates by land quality (soil class) and (2) inform future efforts in Central New York and other regions.

Approach: This survey was a joint endeavor led by Jennifer Ifft, Assistant Professor of Farm and Agribusiness Management and the Cornell University Charles H Dyson School of Applied Economics and Management and Nicole Tommell, Team Leader Cornell Cooperative Extension Central New York Dairy, Livestock and Field Crops Program. After feedback from several agricultural professionals, we settled on a short Qualtrics survey that collected information by county and relative land quality. The actual survey is an appendix to this report. Both farms and agricultural professionals were included, and were reached using Extension lists, Farm Bureau, weekly extension news publications and direct email/phone contact. All direct contacts were to people in lending or private industry that work in the region. Although direct outreach occurred, the effort did not yield the desired number of survey participants. Results were downloaded from Qualtrics and summarized by county. The overall process was slower and more complicated than anticipated due to the COVID-19 pandemic.

Results: 64 people responded to the survey, but only 56 provided information on their occupation. The majority were farmers, but many other groups were represented. Each respondent listed the counties they were familiar with, for a total of 80 county-level observations. Respondents were only asked for rental rates in the counties with which they were familiar. While we targeted a larger number of responses, our response rate is comparable to states with much larger farm sectors, where the surveys also cover the entire state.[2] We provide cropland rental rate, share of total cropland and average silage yields (tons per acre) by high, medium and low-quality soils (based on NY soil classes 1-3, 4-6, and 6+, respectively). We also provide pasture rents by the same quality categories. We required at least 2 responses to report,

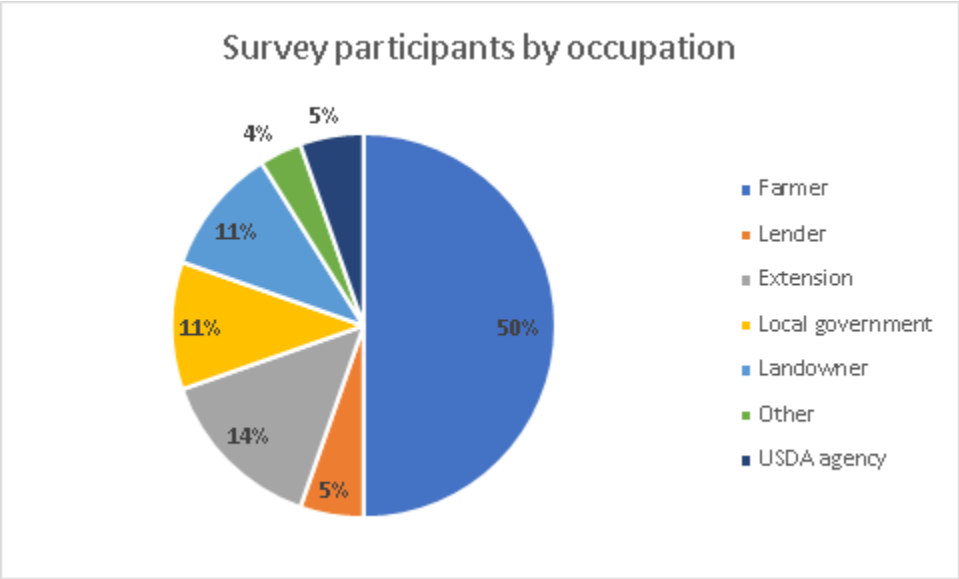
[1] Data on county-level agricultural land average and median sales prices are currently available at http://farmland.dyson.cornell.edu/

[2] For example, 553 professionals took the Iowa Farmland Values survey in 2019: https://www.card.iastate.edu/farmland/isu-survey/2019/, which covered the entire state.

and items with only 2 responses are indicated by a star*. While comparable surveys often require a higher number of responses, additional restrictions would limit our ability to share results. Results are not directly comparable to NASS rental rate data, but tend to be similar to higher for cropland and higher for pasture. This may be due to a predominance of low quality pasture, or favorable pasture rental rates for taxation purposes. This survey defined quality for pasture rates by carrying capacity in terms of head of mature cattle per acre.

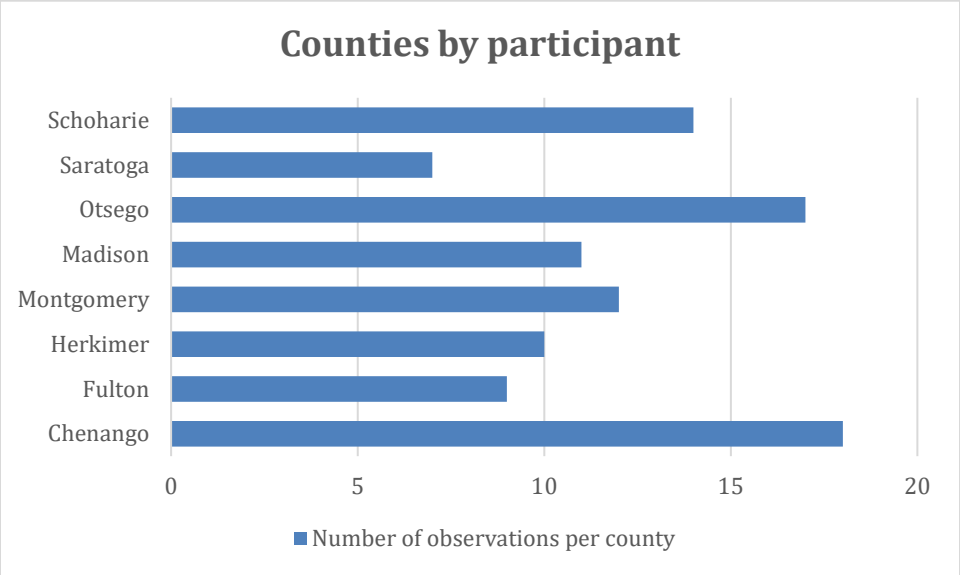
Lessons from survey implementation: This is a straightforward and replicable exercise that provides useful information. Local and regional farm management educators should plan on reaching out to multiple contacts, multiple times, as getting sufficient participants is a major challenge. The timing (every 3-4 years might be ideal) would be for the purpose of keeping rental rate information relevant while also recognizing that considerable effort will be involved. Data collected using this survey format is simple to summarize and tabulate. We found that participants were less familiar with pasture rental rates overall. Only a few participants provided feedback at the end of the survey, with the main notable comments on the complications of determining pasture rental rates.

Figure 1. Farmers and agricultural professional participated in the survey.



Note: Total of 56 respondents to this question.

Figure 2. Central New York Counties and Responses.



Note: Participants could select counties where they were familiar with agriculture; several participants selected multiple counties. Participants were only asked questions on counties that they were familiar with.

Table 1. Chenango County Results

	Low	Medium	High
		Cropland	
Rental rate	$31	$68	$105
Share of total cropland	28%	42%	30%
Average silage yield - tons/acre	13	18	24
		Pasture	
Rental rate	$22	$32	$43

Table 2. Fulton County Results

	Low	Medium	High
		Cropland	
Rental rate	$21	$44	$67
Share of total cropland	24%	46%	30%
Average silage yield - tons/acre	13	17	22
		Pasture	
Rental rate*	$28	$40	$53

Note: * indicates only 2 responses

Table 3. Herkimer County Results

	Low	Medium	High
		Cropland	
Rental rate	$19	$50	$78
Share of total cropland	15%	61%	24%
Average silage yield - tons/acre	12	17	24
		Pasture	
Rental rate*	$30	$40	$48

Table 4. Montgomery County Results

	Low	Medium	High
		Cropland	
Rental rate	$27	$59	$85
Share of total cropland	22%	46%	32%
Average silage yield - tons/acre	14	19	26
		Pasture	
Rental rate*	$28	$48	$55

Note: * indicates only 2 responses

Table 5. Madison County Results

	Low	Medium	High
		Cropland	
Rental rate	$22	$61	$90
Share of total cropland	21%	44%	35%
Average silage yield - tons/acre	12	17	24
		Pasture	
Rental rate*	$27	$44	$53

Note: * indicates only 2 responses

Table 6. Otsego County Results

	Low	Medium	High
		Cropland	
Rental rate	$26	$48	$87
Share of total cropland	24%	47%	29%
Average silage yield - tons/acre	13	18	23
		Pasture	
Rental rate	$22	$39	$53

Table 7. Saratoga County Results

	Low	Medium	High
		Cropland	
Rental rate	$25	$60	$87
Share of total cropland	33%	40%	27%
Average silage yield - tons/acre*	12	18	24
		Pasture	
Rental rate			

Note: Insufficient responses to report pasture rental rates

Table 8. Schoharie County Results

	Low	Medium	High
		Cropland	
Rental rate	$20	$45	$78
Share of total cropland	25%	34%	41%
Average silage yield - tons/acre	14	19	25
		Pasture	
Rental rate			

Note: Insufficient responses to report pasture rental rates

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2021-02	Central NY Farmland Cash Rental Rate Survey Findings		Ifft, J., and Tommell, N.
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