



Western Ohio Cropland Values and Cash Rents 2019-20

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According to the Western Ohio Cropland Values and Cash Rents Survey, cropland values in western Ohio are expected to decline slightly in 2020 by 1.5 to 2.6 percent depending on the region and land class. Cash rents are expected to be flat to slightly lower decreasing from 0.7 to 2.0 percent depending on the region and land class.

Ohio Cropland Values and Cash Rent

Ohio cropland varies significantly in its production capabilities and, consequently, cropland values and cash rents vary widely throughout the state. Generally speaking, western Ohio cropland values and cash rents differ from much of southern and eastern Ohio cropland values and cash rents. The primary factors affecting these values and rates are land productivity and potential crop return, and the variability of those crop returns. Soils and drainage capabilities are the two factors that most influence land productivity, crop return and variability of those crop returns.

Other factors impacting land values and cash rents may include buildings and grain storage, field size and shape, population density, field accessibility, market access, local market prices, field perimeter characteristics and potential for wildlife damage, previous tillage system and crops, tolerant/resistant weed populations, USDA Program Yields, and competition for the cropland in a region. Factors specific to cash rental rates may include services provided by the operator and specific conditions of the lease. This fact sheet summarizes data collected for western Ohio cropland values and cash rents.

Study Results

The Western Ohio Cropland Values and Cash Rents study was conducted from February through April in 2020. The opinion-based study surveyed professionals with a knowledge of Ohio's cropland values and rental rates. Professionals surveyed were rural appraisers, agricultural lenders, professional farm managers, ag business professionals, OSU Extension educators, farmers, landowners, and Farm Service Agency personnel.

The study results are based on 167 surveys. Respondents were asked to group their estimates based on three land quality classes: average, top, and poor. Within each land-quality class, respondents were asked to estimate average corn and soybean yields for a five-year period based on typical farming practices. Survey respondents were also asked to estimate current bare cropland values and cash rents negotiated in the current or recent year for each land-quality class. Survey results are summarized below for western Ohio with regional summaries (subsets of western Ohio) for northwest Ohio and southwest Ohio.



The measures shown in the following tables are the summary of the survey responses. The measures shown are the average (or mean), standard deviation indicating the variability of the data from the average measure, and range. Range identified in the tables consists of two numbers: The first is the average plus the standard deviation and the second is the average minus the standard deviation.

Why Range is Important

Range represents the spread of land values and cash rents. When farmers and landowners consider a parcel, it's helpful to compare not only the average, but also the range. The range in these tables represents approximately two-thirds of the responses in the survey, which provides reliable data. Also, farmers and landowners need to realize land in a given region does not fall neatly into thirds of each land-quality class (average, top and poor). Typically, only a small percentage of acreage in a given county or region will fall into the top land category, which is usually large tracts of land with highly productive soils. Average land will typically be the majority of land in a given region or county while poor land will tend to have lower productivity soils, steeper slopes, poor drainage, smaller tracts, or a combination of these characteristics.

Factors Affecting Cash Rental Rates

Ultimately, supply and demand of cropland for rent determines the cash rental rate for each parcel. The expected return from producing crops on a farm parcel and the variability of that return are the primary drivers in determining the rental rates. Many of the following factors contribute to the expected crop return and the variability of that return. Secondary factors may exist and could affect potential rental rates. These secondary factors are also listed.

Expected Crop Return

Rent will vary based on expected crop return. The higher the expected return, the higher the rent will tend to be.

Variability of Crop Return

Land that exhibits highly variable returns may have rents discounted for this factor. For example, land that is poorly drained may exhibit variability of returns due to late plantings during wet springs.

Factors Affecting Expected Crop Return and Variability of Crop Return:

- **Land (Soil) Quality:** Higher quality soils translate into higher rents.
- **Fertility Levels:** Higher fertility levels often result in higher cash rents.
- **Drainage/Irrigation Capabilities:** Better surface and sub-surface drainage of a farm often results in better yields and higher potential cash rent. Likewise, irrigation equipment tied to the land will allow for higher yields, profits and rents.



- **Size of Farm/Fields:** Large farms/fields typically command higher average cash rent per acre due to the efficiencies gained by operators.
- **Shape of Fields:** Square fields with fewer “point rows” will generally translate into higher cash rents as operators gain efficiencies from farming fields that are square.
- **Market Access and Local Grain Market Prices:** Access to multiple grain markets and the local grain prices and grain basis can drive rental rates.
- **Previous Tillage Systems or Crops:** Previous crops and tillage systems that allow for an easy transition for new operators may enhance the cash rent value.
- **Field Border Characteristics:** Fields surrounded by tree-lined fencerows, woodlots or other borders affecting crop growth at the field edge will negatively impact yield and therefore should be considered in rental negotiations.
- **Wildlife Damage Potential:** Fields adjacent to significant wildlife cover including woodlots, tree lined fencerows, creeks, streams, and such may limit production potential to border rows and should be considered in rental negotiations.

Secondary Factors Affecting Rental Rates:

- **Buildings and Grain Storage Availability:** Access to machinery and grain storage may enhance the value of the cropland rental rate.
- **Location of Farm (Including Road Access):** Proximity to prospective operators may determine how much operators are willing to bid for cash rents. Good road access will generally enhance cash rent amounts.
- **USDA Farm Program Measurables:** Farms that participate in the USDA Farm Program and have higher “program yields” may command higher cash rents than non-program farms.
- **Services Provided by Operator:** Operators that provide services such as clearing fence rows, snow removal and other services may be valued by the landowner. This may even be a partial substitute for cash rent compensation.
- **Conditions of Lease:** Conditions placed on the lease by the landowner may result in fewer prospective operators and a lower average cash rent.
- **Payment Dates:** Leases that require part or all of the rent to be paid early in the year (up-front) may result in lower rental rates due to higher borrowing or opportunity costs for the operator.
- **Reputation of Landowner or Operator:** Reputations of the parties may play a part in the cash rental negotiations. A landowner with a reputation of being difficult to work with may see cash rents negatively affected by this reputation. Farmers with a similar negative reputation may have to pay higher rents.
- **Special Contracts:** Farms with special contract commitments may restrict the operator from changing crops based on market conditions. This may negatively impact cash rents. There may also be contracts that positively affect cash rents such as high value crop contracts or contracts for receiving livestock manure.



- **Tolerant/Resistant Weed Populations:** Problematic herbicide tolerant or resistant weed populations may negatively affect rental rates.
- **Population Density:** Farmland in or around areas with significant human populations or close to large urban centers may require extra time, care and caution and carry more risk which may negatively affect rents.

The following sections of the fact sheet detail the 2020 survey results divided into western, northwest and southwest Ohio. The western Ohio summarized data includes both the northwest and southwest data. Tables 1 through 3 also detail projected changes for long-term land value and cash rents, which will be explained later in the fact sheet in the “Additional Survey Results” section.

Western Ohio Results

Survey results from Western Ohio are summarized in Table 1. See Figure 1 for counties included in this region. Additional results, including year-over-year percentage change, rent per bushel of corn, and rent as a percentage of land value, are summarized in Tables 4 and 5.

Figure 1: Western Ohio



Average Cropland

Survey results for average producing cropland showed an average yield to be 180.0 bushels of corn per acre. Results showed that the value of average cropland in western Ohio was \$7,355 per acre in 2019. According to survey data, average producing cropland is expected to be valued at \$7,218 per acre in 2020. This is a projected decrease of 1.9 percent.

Average cropland rented for an average of \$198 per acre in 2019 according to survey results. Average cropland is expected to rent for \$195 per acre in 2020 which amounts to a 1.5 percent decrease in cash rent year-over-year. This 2020 rental rate projection of \$195 per acre equates to a cash rent of \$1.08 per bushel of corn produced. Rents in the average cropland category are expected to equal 2.7 percent of land value in 2020.

Top Cropland

Survey results indicated top performing cropland in western Ohio averaged 215.9 bushels of corn produced per acre and the average value of top cropland in 2019 was \$9,099 per acre. According to this survey, top cropland in western Ohio is expected to be valued at \$8,935 per acre in 2020. This is a projected decrease of 1.8 percent.

Top cropland in western Ohio rented for an average of \$247 per acre in 2019 according to survey results. Top cropland is expected to rent for an average of \$242 per acre in 2020 (a decrease of 2.0 percent) which equates to a cash rent of \$1.12 per bushel of corn produced. Rents in the top cropland category are expected to equal 2.8 percent of land value in 2020.

Poor Cropland

The survey summary showed the average yield for poor performing cropland to be 148.8 bushels of corn per acre, with the average value of poor cropland as \$5,860 per acre in 2019. According to survey data, this poor producing cropland is expected to be valued at \$5,748 per acre in 2020. This is a decrease of 1.9 percent.

Poor cropland rented for an average of \$156 per acre in 2019 according to survey results. Cash rent for poor cropland is expected to average \$155 per acre in 2020 which amounts to a 0.6 percent decrease in cash rent year-over-year. This 2020 rent projection of \$155 per acre equates to a cash rent of \$1.04 per bushel of corn produced in 2020. Rents in the poor cropland category are expected to equal 2.7 percent of land value in 2020.



**Table 1: Ohio Cropland Values and Cash Rents
Western Ohio Results**

| Land Class | | Average | Std | Range* | |
|---|--------------------------------|----------------|----------------|-----------------|----------------|
| Average | Avg Corn Yield (b/a) | 180.0 | 16.1 | 196.1 | 163.8 |
| | Avg Soybean Yield (b/a) | 54.5 | 6.1 | 60.5 | 48.4 |
| Market Value per Acre | 2019 | \$7,355 | \$1,466 | \$8,821 | \$5,888 |
| | 2020 | \$7,218 | \$1,451 | \$8,669 | \$5,768 |
| Rent per Acre | 2019 | \$198 | \$29 | \$226 | \$169 |
| | 2020 | \$195 | \$28 | \$223 | \$167 |
| Top | Avg Corn Yield (b/a) | 215.9 | 21.4 | 237.3 | 194.5 |
| | Avg Soybean Yield (b/a) | 66.7 | 6.7 | 73.3 | 60.0 |
| Market Value per Acre | 2019 | \$9,099 | \$2,023 | \$11,123 | \$7,076 |
| | 2020 | \$8,935 | \$1,973 | \$10,908 | \$6,962 |
| Rent per Acre | 2019 | \$247 | \$39 | \$285 | \$208 |
| | 2020 | \$242 | \$37 | \$280 | \$205 |
| Poor | Avg Corn Yield (b/a) | 148.8 | 19.3 | 168.1 | 129.5 |
| | Avg Soybean Yield (b/a) | 42.6 | 6.4 | 49.0 | 36.1 |
| Market Value per Acre | 2019 | \$5,860 | \$1,357 | \$7,217 | \$4,502 |
| | 2020 | \$5,748 | \$1,402 | \$7,150 | \$4,345 |
| Rent per Acre | 2019 | \$156 | \$30 | \$186 | \$127 |
| | 2020 | \$155 | \$29 | \$184 | \$126 |
| Transition Land | 2019 | \$13,864 | \$4,455 | \$18,318 | \$9,409 |
| | 2020 | \$14,170 | \$4,811 | \$18,982 | \$9,359 |
| Five Year Projected Percent Change in Cropland Value | | -3.65% | 6.05% | 2.40% | -9.70% |
| Five Year Projected Percent Change in Cash Rent | | -1.88% | 5.84% | 3.96% | -7.72% |
| Mortgage Interest Rate - 20 Year Fixed - Projected 2020 | | 4.76% | 0.64% | 5.40% | 4.11% |
| Operating Loan Rate - Projected 2020 | | 4.90% | 0.87% | 5.77% | 4.03% |
| Pasture Land Value - Projected 2020 - Improved, Non-Rotation | | \$3,972 | \$1,275 | \$5,247 | \$2,697 |
| Pasture Cash Rent - Projected 2020 - Improved, Non-Rotation | | \$73 | \$38 | \$111 | \$35 |

* Range - One standard deviation above and below the average (mean).
Approximately two-thirds of the responses fall within this range.



Northwest Ohio Results

Survey results from northwest Ohio are summarized in Table 2. See Figure 2 for counties included in this region. Additional results, including year-over-year percentage change, rent per bushel of corn, and rent as a percentage of land value, are summarized in Tables 4 and 5.

Figure 2: Northwest Ohio



Average Cropland

Yields for average producing cropland averaged 176.9 bushels of corn per acre or 53.6 bushels of soybeans per acre. Results showed the value of average cropland in northwest Ohio was \$6,791 per acre in 2019. According to survey data, this average producing cropland is expected to be valued at \$6,615 per acre in 2020. This is a projected decrease of 2.6 percent.

Average cropland rented for an average of \$184 per acre in 2019 according to survey results and is expected to rent for \$182 per acre in 2020, which is a year-over-year decrease of 0.9 percent. The 2020 rental rate of \$182 per acre equaled \$1.03 per



bushel of corn produced. Rents in the average cropland category are expected to equal 2.7 percent of land value in 2020.

Top Cropland

Survey results indicated top performing cropland in northwest Ohio averaged 215.5 bushels of corn per acre or 65.9 bushels of soybeans per acre. Results also showed the average value of top cropland was \$8,453 per acre in 2019. According to this survey, top producing cropland in northwest Ohio is expected to be valued at \$8,262 in 2020. This is a projected decrease of 2.3 percent.

Top cropland in northwest Ohio rented for an average of \$235 per acre in 2019 and is expected to rent for \$232 per acre in 2020 (a decrease of 1.3 percent) according to survey results, which equals \$1.08 per bushel of corn produced. Rents in the top cropland category are expected to equal 2.8 percent of land value.

Poor Cropland

The survey summary showed the average yield for poor performing cropland in northwestern Ohio equaled 142.0 bushels of corn per acre or 41.2 bushels of soybeans per acre. Results also showed the average value of poor cropland was \$5,328 per acre in 2019 and is expected to average \$5,196 per acre in 2020. This is a projected decrease of 2.5 percent.

Poor cropland rented for an average of \$141 per acre in 2019 and is expected to average \$140 per acre in 2020 according to survey results (a 0.7 percent decrease) which equals \$0.99 per bushel of corn produced. Rents in the poor cropland category are expected to equal 2.7 percent of land value in 2020.

The northwest region for the purposes of this survey includes: Williams, Fulton, Lucas, Ottawa, Defiance, Henry, Wood, Sandusky, Paulding, Putnam, Hancock, Seneca, Van Wert, Allen, Hardin, Wyandot, Crawford, Marion and Morrow counties and parts of Richland, Huron and Erie Counties, as shown in Figure 2. Counties bordering this region will contain land parcels with cropland value and rental rate characteristics similar to northwest Ohio data.

Table 2: Ohio Cropland Values and Cash Rents
Northwest Ohio Results

| Land Class | | Average | Std | Range* | |
|---|--------------------------------|----------------|---------|----------|---------|
| Average | Avg Corn Yield (b/a) | 176.9 | 11.5 | 188.4 | 165.4 |
| | Avg Soybean Yield (b/a) | 53.6 | 5.3 | 58.9 | 48.3 |
| Market Value per Acre | 2019 | \$6,791 | \$800 | \$7,590 | \$5,991 |
| | 2020 | \$6,615 | \$840 | \$7,455 | \$5,775 |
| Rent per Acre | 2019 | \$184 | \$12 | \$196 | \$172 |
| | 2020 | \$182 | \$16 | \$198 | \$166 |
| Top | Avg Corn Yield (b/a) | 215.5 | 20.7 | 236.3 | 194.8 |
| | Avg Soybean Yield (b/a) | 65.9 | 5.1 | 71.0 | 60.8 |
| Market Value per Acre | 2019 | \$8,453 | \$1,200 | \$9,653 | \$7,253 |
| | 2020 | \$8,262 | \$1,223 | \$9,485 | \$7,038 |
| Rent per Acre | 2019 | \$235 | \$30 | \$265 | \$206 |
| | 2020 | \$232 | \$30 | \$263 | \$202 |
| Poor | Avg Corn Yield (b/a) | 142.0 | 16.9 | 158.9 | 125.1 |
| | Avg Soybean Yield (b/a) | 41.2 | 5.2 | 46.3 | 36.0 |
| Market Value per Acre | 2019 | \$5,328 | \$944 | \$6,272 | \$4,385 |
| | 2020 | \$5,196 | \$1,094 | \$6,290 | \$4,102 |
| Rent per Acre | 2019 | \$141 | \$19 | \$159 | \$122 |
| | 2020 | \$140 | \$21 | \$161 | \$118 |
| Transition Land | 2019 | \$12,565 | \$4,097 | \$16,663 | \$8,468 |
| | 2020 | \$12,848 | \$4,372 | \$17,220 | \$8,475 |
| Five Year Projected Percent Change in Cropland Value | | 1.12% | 6.05% | 7.17% | -4.93% |
| Five Year Projected Percent Change in Cash Rent | | 1.47% | 4.78% | 6.25% | -3.31% |
| Mortgage Interest Rate - 20 Year Fixed - Projected 2020 | | 4.81% | 0.54% | 5.34% | 4.27% |
| Operating Loan Rate - Projected 2020 | | 4.70% | 0.72% | 5.42% | 3.98% |
| Pasture Land Value - Projected 2020 - Improved, Non-Rotation | | \$3,169 | \$790 | \$3,959 | \$2,378 |
| Pasture Cash Rent - Projected 2020 - Improved, Non-Rotation | | \$62 | \$25 | \$86 | \$37 |

* Range - One standard deviation above and below the average (mean).
 Approximately two-thirds of the responses fall within this range.



Southwest Ohio Results

Survey results from southwest Ohio are summarized in Table 3. See Figure 3 for counties included in this region. Additional results, including year-over-year percentage change, rent per bushel of corn, and rent as a percent of land value, are summarized in Tables 4 and 5.

Figure 3: Southwest Ohio



Average Cropland

Yields for average cropland were 181.7 bushels of corn per acre or 54.9 bushels per acre of soybeans according to the survey data. Results showed the value of average cropland in southwest Ohio was \$7,701 per acre in 2019. According to survey data, average producing cropland is expected to be valued at \$7,589 per acre in 2020. This is a projected decrease of 1.5 percent.

Average cropland rented for an average of \$205 per acre in 2019 and is expected to rent for \$203 per acre in 2020 according to survey results (a 1.0 percent decrease)

which equals \$1.12 per bushel of corn produced. Rents in the average cropland category are expected to equal 2.7 percent of land value in 2020.

Top Cropland

Survey results indicated top performing cropland in southwest Ohio averaged 216.1 bushels of corn per acre or 67.1 bushels of soybeans per acre. Results also showed that the average value of top cropland was \$9,510 per acre in 2019. According to this survey, top producing cropland in southwest Ohio is expected to be valued on average at \$9,363 per acre in 2020. This is a projected decrease of 1.5 percent.

Top cropland in southwest Ohio rented for an average of \$253 per acre in 2019 and is expected to rent for \$249 per acre in 2020 according to survey results which is a year-over-year decrease of 1.6 percent. The 2020 rental rate of \$249 per acre equaled \$1.15 per bushel of corn produced. Rents in the top cropland category are expected to equal 2.7 percent of land value in 2020.

Poor Cropland

The survey summary showed the average yield for poor cropland in southwestern Ohio was 153.0 bushels of corn per acre or 43.4 bushels of soybeans per acre. Results also showed that the average value of poor cropland was \$6,203 per acre in 2019. According to survey data, poor producing cropland is expected to be valued at \$6,104 per acre in 2020. This is a decrease of 1.6 percent.

Poor cropland rented for an average of \$166 per acre in 2019 and is expected to average \$164 per acre in 2020 according to survey results (a 1.2 percent decrease) which equals \$1.07 per bushel of corn produced. Rents in the poor cropland category are expected to equal 2.7 percent of land value in 2020.

The southwest region for the purposes of this survey includes: Mercer, Auglaize, Shelby, Logan, Union, Delaware, Darke, Miami, Champaign, Clark, Madison, Franklin, Preble, Montgomery, Greene, Clinton, Fayette and Pickaway counties and parts of Butler, Warren, Brown, Highland and Ross counties as shown in Figure 3. Counties bordering this region will contain land parcels with cropland value and rental rate characteristics similar to southwest Ohio data.

**Table 3: Ohio Cropland Values and Cash Rents
Southwest Ohio Results**

| Land Class | | Average | Std | Range* | |
|---|---------------------------------|----------------|---------|----------|----------|
| Average | Avg Corn Yield (bu/a) | 181.7 | 18.1 | 199.8 | 163.7 |
| | Avg Soybean Yield (bu/a) | 54.9 | 6.4 | 61.4 | 48.5 |
| Market Value per Acre | 2019 | \$7,701 | \$1,662 | \$9,363 | \$6,039 |
| | 2020 | \$7,589 | \$1,613 | \$9,202 | \$5,976 |
| Rent per Acre | 2019 | \$205 | \$32 | \$237 | \$173 |
| | 2020 | \$203 | \$30 | \$233 | \$173 |
| Top | Avg Corn Yield (bu/a) | 216.1 | 21.8 | 237.9 | 194.3 |
| | Avg Soybean Yield (bu/a) | 67.1 | 7.4 | 74.5 | 59.7 |
| Market Value per Acre | 2019 | \$9,510 | \$2,313 | \$11,823 | \$7,198 |
| | 2020 | \$9,363 | \$2,224 | \$11,587 | \$7,140 |
| Rent per Acre | 2019 | \$253 | \$42 | \$295 | \$212 |
| | 2020 | \$249 | \$40 | \$288 | \$209 |
| Poor | Avg Corn Yield (bu/a) | 153.0 | 19.5 | 172.5 | 133.5 |
| | Avg Soybean Yield (bu/a) | 43.4 | 6.9 | 50.3 | 36.5 |
| Market Value per Acre | 2019 | \$6,203 | \$1,469 | \$7,672 | \$4,734 |
| | 2020 | \$6,104 | \$1,463 | \$7,567 | \$4,641 |
| Rent per Acre | 2019 | \$166 | \$31 | \$197 | \$135 |
| | 2020 | \$164 | \$29 | \$193 | \$136 |
| Transition Land | 2019 | \$15,286 | \$4,396 | \$19,682 | \$10,890 |
| | 2020 | \$15,619 | \$4,852 | \$20,471 | \$10,767 |
| Five Year Projected Percent Change in Cropland Value | | -0.59% | 9.80% | 9.20% | -10.39% |
| Five Year Projected Percent Change in Cash Rent | | -1.14% | 10.31% | 9.17% | -11.45% |
| Mortgage Interest Rate - 20 Year Fixed - Projected 2020 | | 4.73% | 0.70% | 5.43% | 4.03% |
| Operating Loan Rate - Projected 2020 | | 5.02% | 0.93% | 5.95% | 4.09% |
| Pasture Land Value - Projected 2020 - Improved, Non-Rotation | | \$4,443 | \$1,270 | \$5,712 | \$3,173 |
| Pasture Cash Rent - Projected 2020 - Improved, Non-Rotation | | \$79 | \$42 | \$121 | \$37 |

* Range - One standard deviation above and below the average (mean).
Approximately two-thirds of the responses fall within this range.



Table 4. Average estimated Ohio land value per acre (tillable, bare land), per bu. corn and soybean yields, by geographical area and land class
Ohio Cropland Values and Cash Rents Survey 2019-20

| Area | Land Class | Corn bu/A | Soy bu/A | Land Value | | |
|-----------|------------|-----------|----------|------------------|--------------|------------------------|
| | | | | Dollars Per Acre | | |
| | | | | 2019 \$/A | 2020 \$/A | % Change '19 to '20 |
| Western | Average | 180.0 | 54.5 | \$7,355 | \$7,218 | -1.9% |
| | Top | 215.9 | 66.7 | \$9,099 | \$8,935 | -1.8% |
| | Poor | 148.8 | 42.6 | \$5,860 | \$5,748 | -1.9% |
| Northwest | Average | 176.9 | 53.6 | \$6,791 | \$6,615 | -2.6% |
| | Top | 215.5 | 65.9 | \$8,453 | \$8,262 | -2.3% |
| | Poor | 142.0 | 41.2 | \$5,328 | \$5,196 | -2.5% |
| Southwest | Average | 181.7 | 54.9 | \$7,701 | \$7,589 | -1.5% |
| | Top | 216.1 | 67.1 | \$9,510 | \$9,363 | -1.5% |
| | Poor | 153.0 | 43.4 | \$6,203 | \$6,104 | -1.6% |

*** Projected Land Value**

Table 5. Average estimated Ohio cash rent per acre (tillable, bare land), per bushel corn and soybean yields, by geographical area and land class
Ohio Cropland Values and Cash Rents Survey 2019-20

| Area | Land Class | Corn bu/A | Soy bu/A | Rent Per Acre | | | Rent per Bushel Corn | | Rent as % of Land Value | |
|-----------|------------|-----------|----------|---------------|---------------|-----------------------|----------------------|----------------|-------------------------|------------|
| | | | | 2019 \$/A | 2020* \$/A | % Change 19 to '20 | 2019 \$/Bu | 2020* \$/Bu | 2019 % | 2020* % |
| | | | | Western | Average | 180.0 | 54.5 | \$198 | \$195 | -1.5% |
| | Top | 215.9 | 66.7 | \$247 | \$242 | -2.0% | \$1.14 | \$1.12 | 2.8% | 2.8% |
| | Poor | 148.8 | 42.6 | \$156 | \$155 | -0.6% | \$1.05 | \$1.04 | 2.6% | 2.7% |
| Northwest | Average | 176.9 | 53.6 | \$184 | \$182 | -0.9% | \$1.04 | \$1.03 | 2.7% | 2.7% |
| | Top | 215.5 | 65.9 | \$235 | \$232 | -1.3% | \$1.09 | \$1.08 | 2.8% | 2.8% |
| | Poor | 142.0 | 41.2 | \$141 | \$140 | -0.7% | \$0.99 | \$0.99 | 2.7% | 2.7% |
| Southwest | Average | 181.7 | 54.9 | \$205 | \$203 | -1.0% | \$1.13 | \$1.12 | 2.6% | 2.7% |
| | Top | 216.1 | 67.1 | \$253 | \$249 | -1.6% | \$1.17 | \$1.15 | 2.7% | 2.7% |
| | Poor | 153.0 | 43.4 | \$166 | \$164 | -1.2% | \$1.08 | \$1.07 | 2.6% | 2.7% |

* Projected Rental Rate

Transition Land

For the entire survey area (represented as “Western Ohio” in Table1) survey respondents estimated the average value of “transition land,” or land being held for sale for residential, commercial or industrial uses, to be \$13,864 in 2019 and is expected to be \$14,170 in 2020. It should be noted that there is a very wide range in this survey data.

Projected Estimates of Land Values and Cash Rents

Survey respondents were asked to give their best estimates for long-term land value and cash rent change. The average estimate of cropland value change in the next five years for western Ohio (Table 1) is a decrease of 3.65 percent (for the entire five-year period). Responses for the five-year cropland value change ranged from an increase of 10 percent to a decrease of 15 percent.

The average estimate of cash rent change in the next five years is a decrease of 1.88 percent. The cash rent change also had a large range, with responses ranging from an increase of 20 percent to a decrease of 10 percent. These estimates are summarized in Table 1 for the entire survey area and in Tables 2 and 3 for the survey sub-regions.

Interest Rates

Survey respondents were asked to estimate interest rates for 2020 for two borrowing terms: 20 year fixed-rate mortgage and operating loan. The average estimate, according to survey respondents, of 20 year fixed-rate mortgage borrowing is 4.76 percent for 2020. According to the same respondents, the average estimate of operating loan interest rates is 4.9 percent for 2020.

Pasture Land Value and Rental Rates

According to the survey, pasture cash rents are projected to average \$73 per acre in western Ohio in 2020, while the average value of pasture land is expected to average \$3,972 per acre.

The summary of these responses is presented in Tables 1 through 3 and includes:

Transition land values

Five-year projected percent change in cropland value

Five-year projected percent change in cash rent

Mortgage interest rate—20 year fixed—projected 2020

Operating loan rate—projected 2020

Pasture cash rent—projected 2020, improved, non-rotation

Pasture land value—projected 2020, improved, non-rotation.



Additional Resources

This study adds to existing research on Ohio farmland values and cash rents that can assist producers and landowners with purchase and rental decisions. Past research is available at <https://farmoffice.osu.edu/>

<https://farmoffice.osu.edu/farm-management-tools/farm-management-publications/cash-rents>

Also, check with your local OSU Extension Office for local land value/rental survey summaries. For additional information on farmland lease issues see the Farm Office website at farmoffice.osu.edu

Topics: Business and Land Ownership, Farm Management

Tags: cash rent, cropland value, land value, interest rates, pasture land value, pasture rent, agricultural economics

Program Area(s): Farm Management, Production Business Management