

Kansas Land Values and Economic Outlook

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Where are we today?

- Lower Farm Income compared to recent years
 - Lower commodity prices with the exception of beef cattle
- Input costs still relatively high
 - Higher interest rates environment
- Tighter margins and lower profitability for many farms

- **Uncertainty about what lies ahead**

What is driving lower U.S. crop prices?

- Expansion of cropland acreage in Brazil & Argentina
 - Brazil is the largest producer and exporter of soybeans now
 - U.S. relies on exports for over 40% of the soybean crop, 15% of the corn crop
- Large corn and soybean crops in the U.S.
 - Large stockpiles
- Strength of the U.S. dollar compared to other exchanges
- Tensions with China, the largest importer of grain in the world

U.S. Farm Policy Update

- 2018 Farm Bill
 - Extended on more year (Sept. 30th, 2025)
- Trade Uncertainty
 - Will tariff's suggested by President Trump be put into place?
- Labor
 - How will possible deportation of illegal immigrants affect ag?
- Less emphasis on environmental regulations & conservation-minded policy

American Relief Act 2025

Farm Economic Relief Payments

- Two formulas, pays the higher amount
 - 26% of Economic loss calculation = Expected Cost of Production – Expected Gross Return
 - Minimum Payment of 8% of Farm Bill reference prices * National PLC yield
- Pays on planted acres of the crop in 2024 (plus 50% of PP acres)
- Separate Payment limit from other programs
 - \$125,000 if < 75% income from farming
 - \$250,000 if > 75% income from farming
- Estimated to pay \$10 Billion to farmers, must be paid within 90 days of the Act

American Relief Act 2025

Farm Economic Relief Payments

	Economic Assistant Rate (per acre)	Minimum Payment Rate (per acre)	Higher Payment Rate (per acre)		2024 Planted Acres	Prevent Plant Acres	Applicable Payment Acres	Calculated Total Payment
Corn	\$42.51	\$42.35	\$42.51		200.0	0.0	200.0	\$8,502
Sorghum	\$42.58	\$20.17	\$42.58		100.0	0.0	100.0	\$4,258
Soybeans	\$29.50	\$27.46	\$29.50		200.0	0.0	200.0	\$5,900
Wheat	\$30.69	\$18.39	\$30.69		100.0	0.0	100.0	\$3,069
TOTAL					600.0	-	600.0	\$21,729

Payment Limits may apply

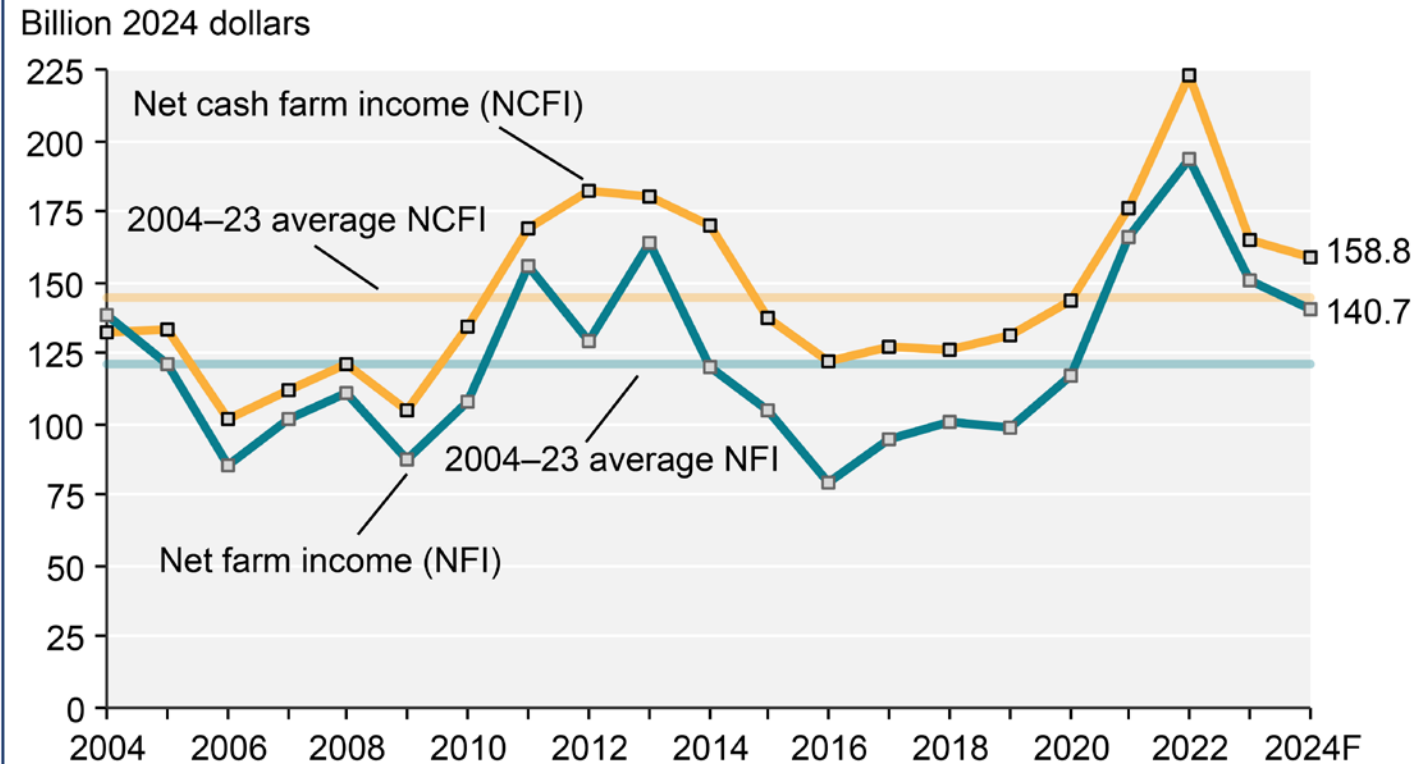
<https://www.agmanager.info/ag-policy/2025-economic-assistance>

What is going on in the Ag. Land market?

- Farm Income was historically strong fueling large increases in land value
 - High commodity prices + gov. payments during COVID = Escalating land prices
 - Current farm profitability uncertain
- Interest rates historically high
- Are agricultural land values at a tipping point?

USDA Expected 2024 Net Farm Income

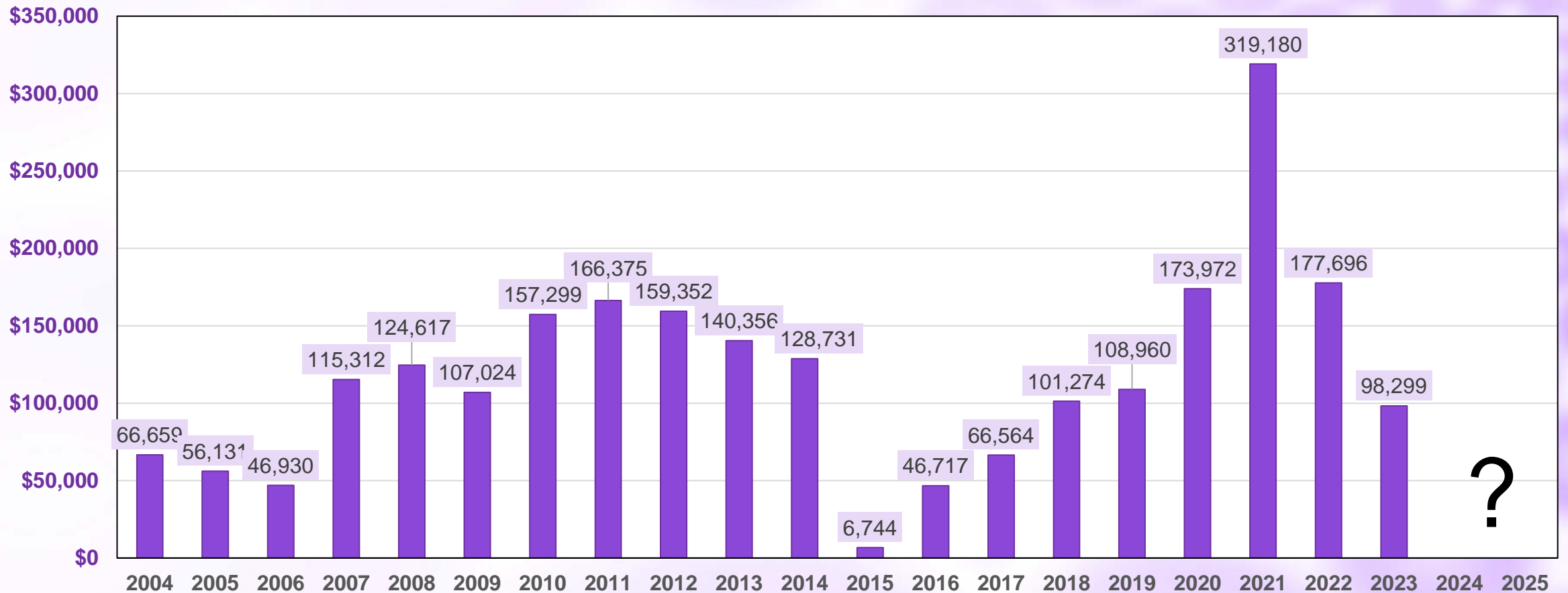
U.S. net farm income and net cash farm income, inflation adjusted, 2004–24F



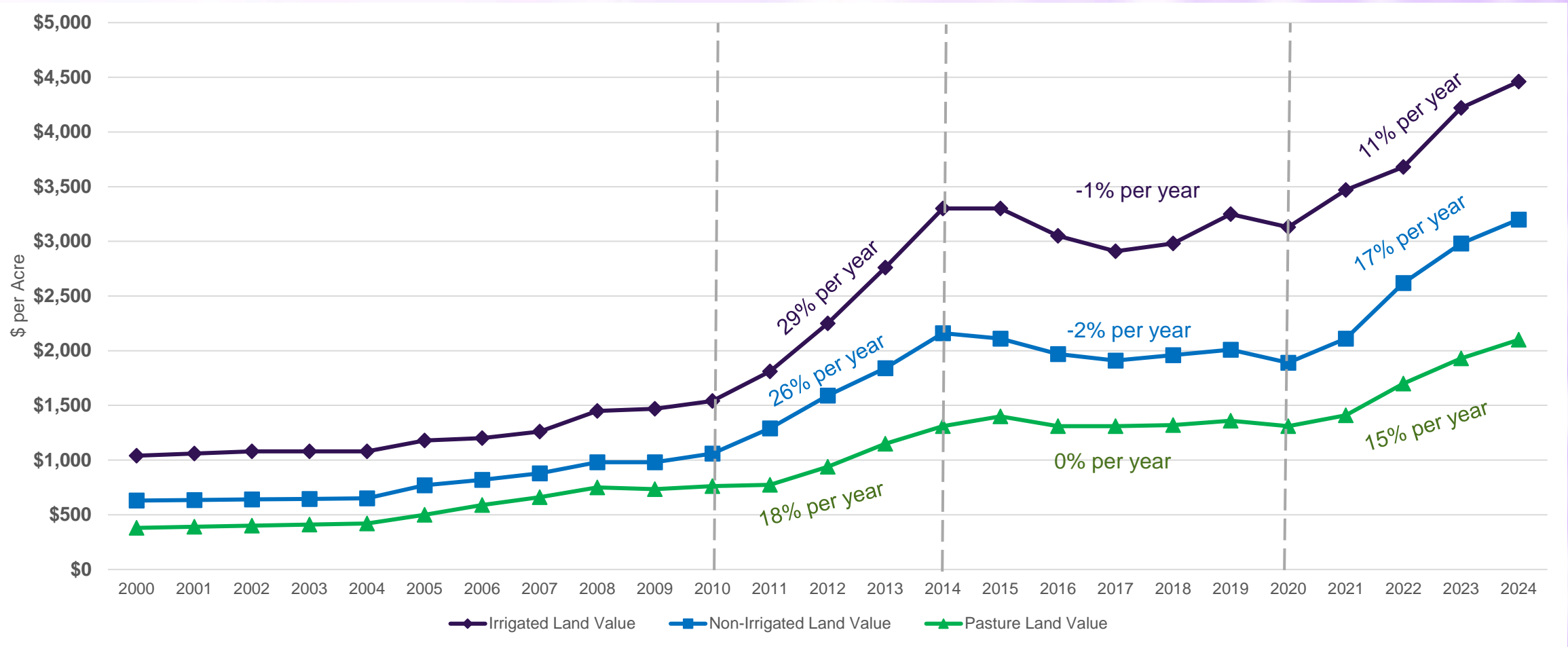
Note: F = forecast. Values are adjusted for inflation using the U.S. Department of Commerce, Bureau of Economic Analysis, Gross Domestic Product Price Index (BEA API series code: A191RG) rebased to 2024 by USDA, Economic Research Service. Source: USDA, Economic Research Service, Farm Income and Wealth Statistics. Data as of December 3, 2024.



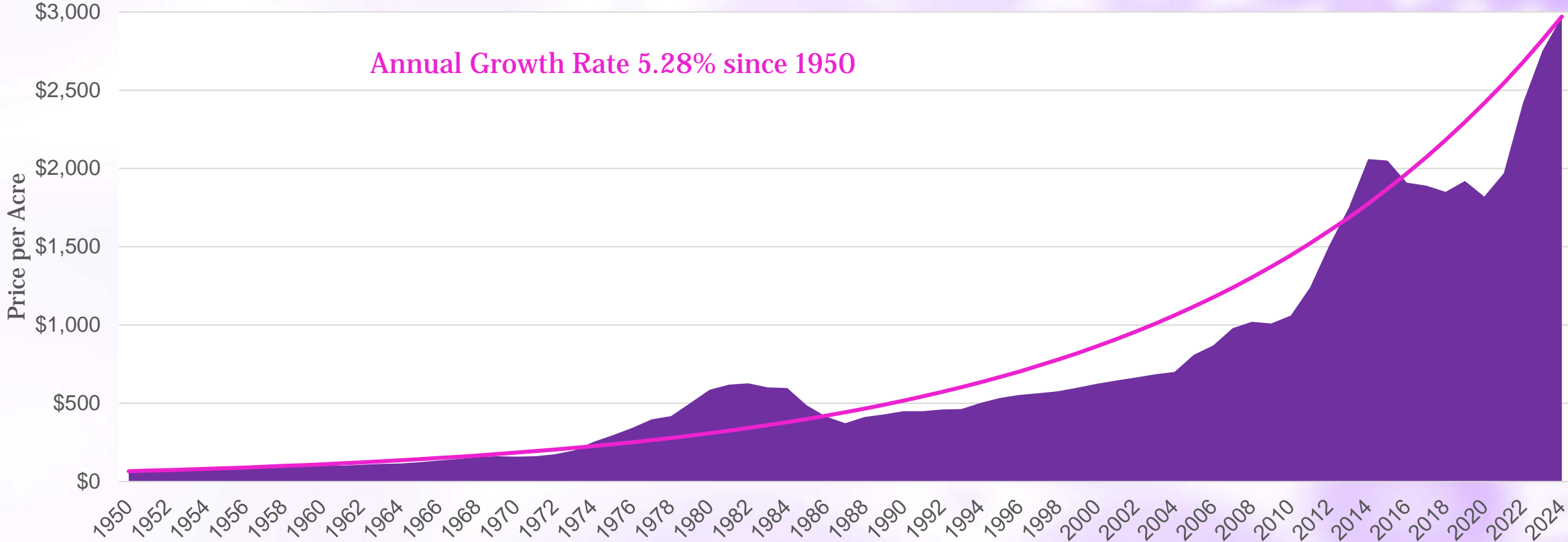
Net Farm Income – Kansas Farm Management Association



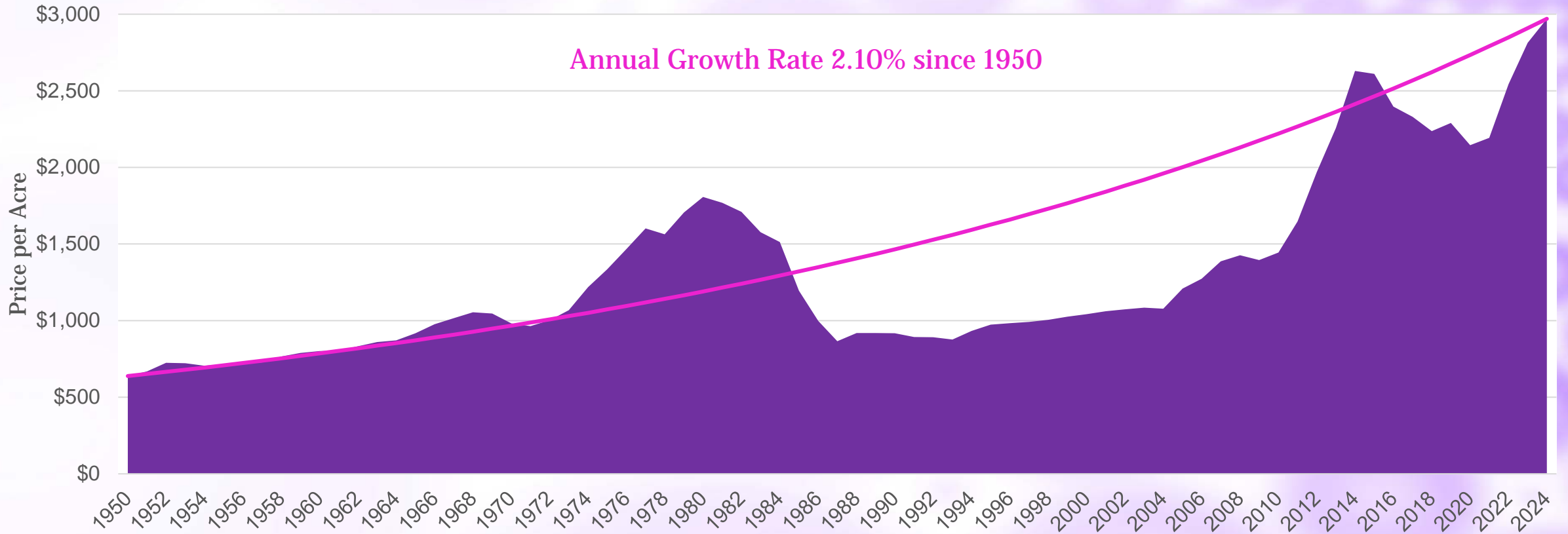
Kansas Land Values



Kansas Land Values from 1950



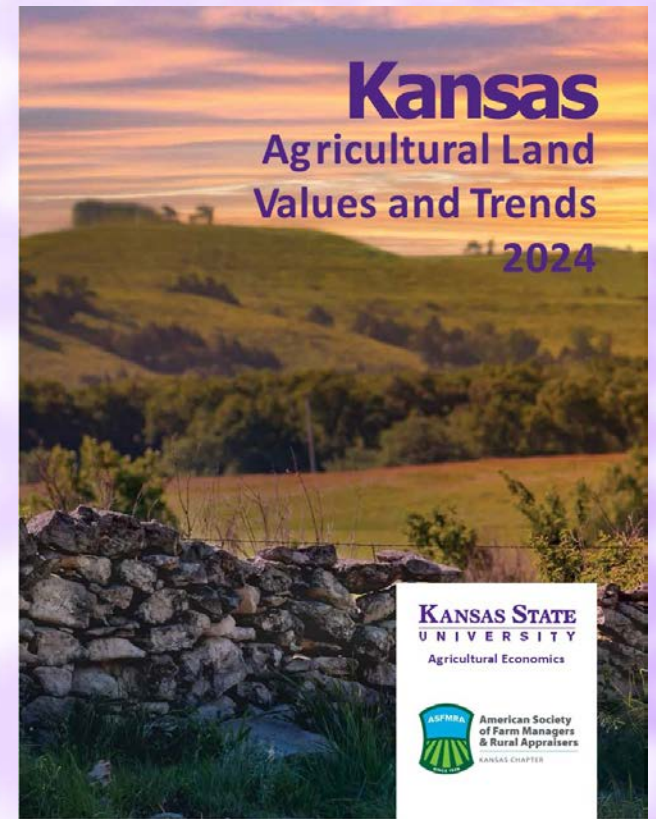
Inflation-Adjusted Kansas Land Values



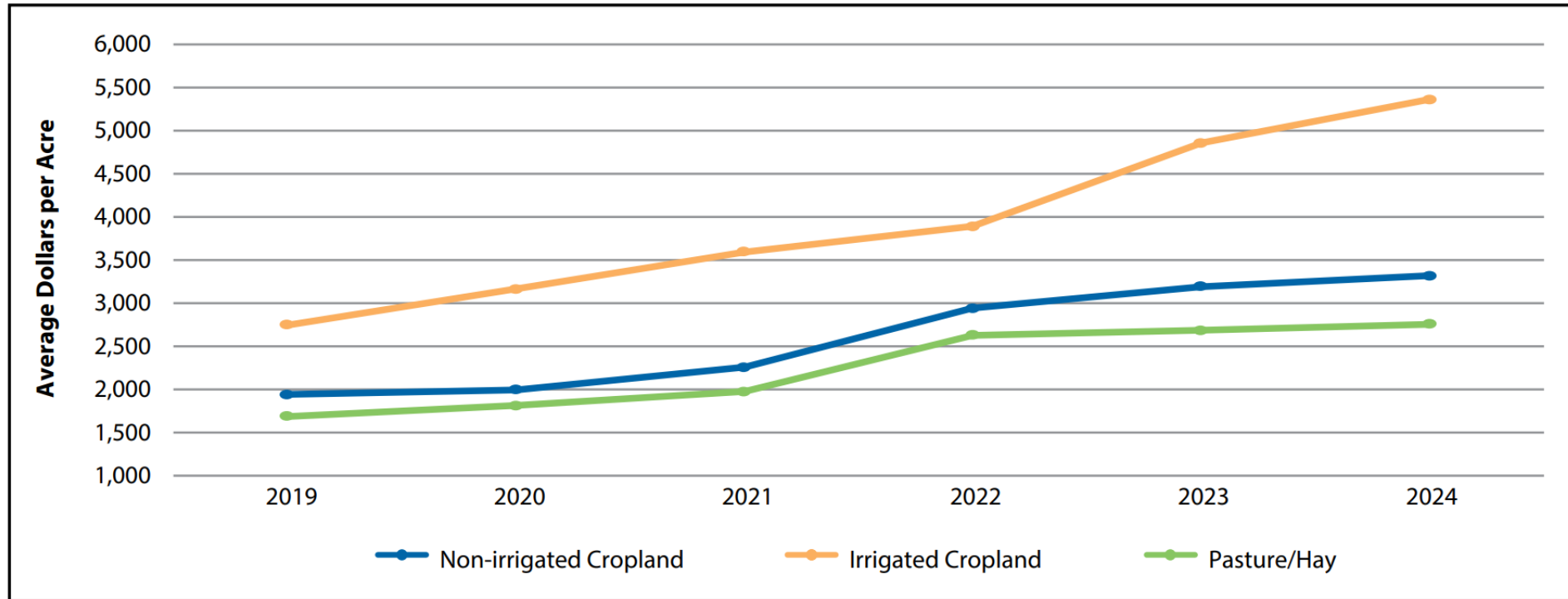
Market-based Land Values

- Source for market transaction data
 - Property Valuation Department, Topeka
- 2016-24 actual sales data (not survey)
 - County location
 - Acres in sale
 - Mixture of irrigated, non-irrigated and pasture in parcel
 - Value of improvements are removed for bare land value

<https://www.agmanager.info/kansas-land-values-book-2024>

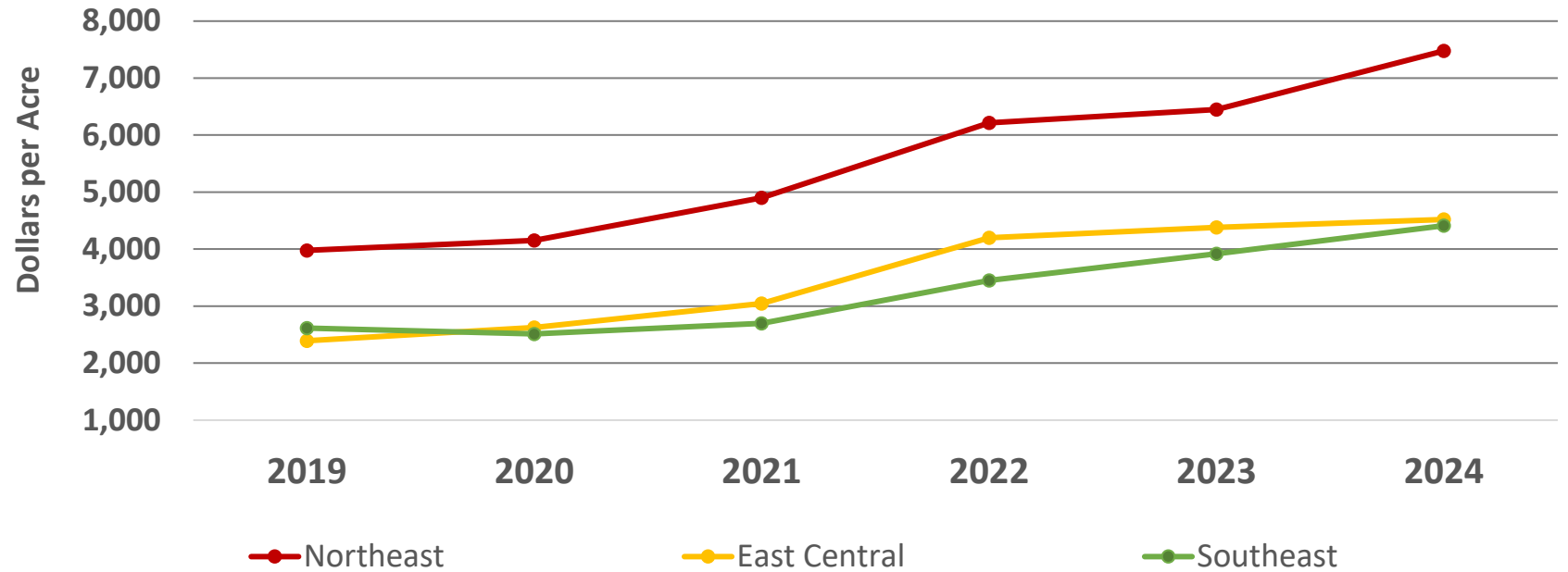
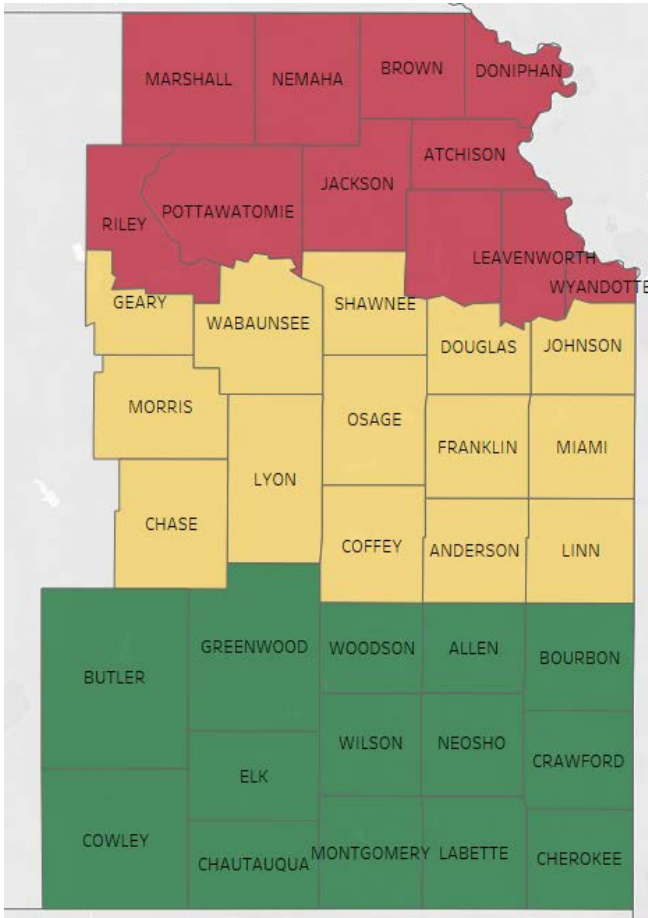


Trends in Average Land Value – By Type



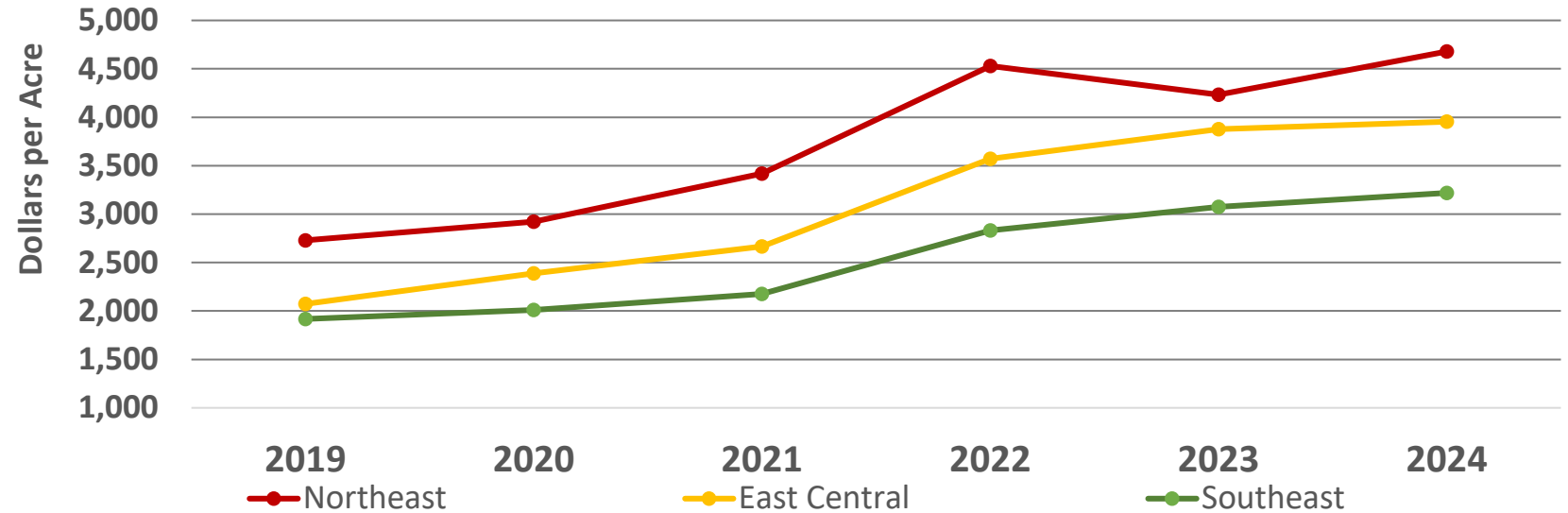
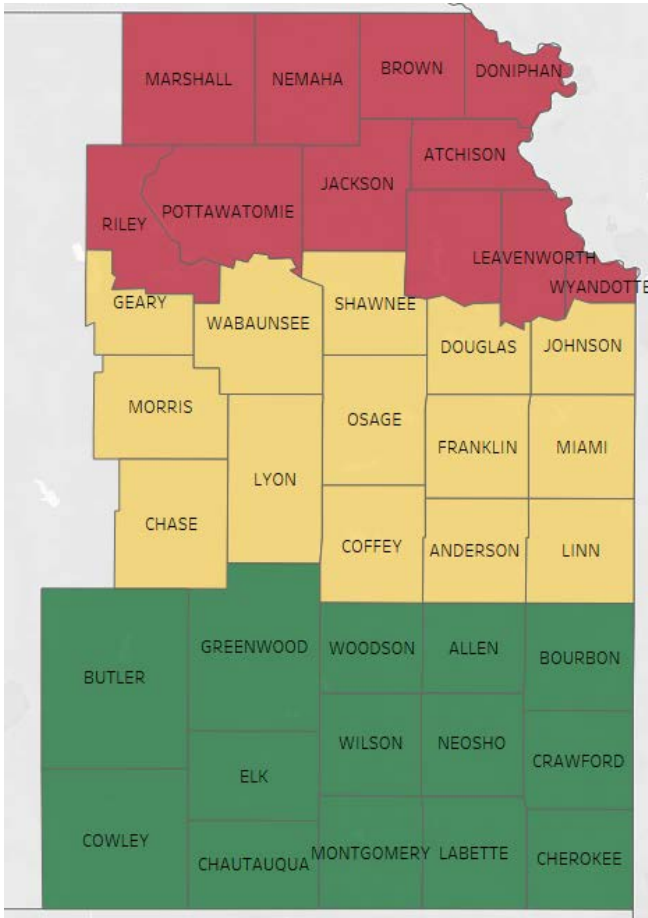
Type	Dollars per Acre						% Change in 2024 Dollars from 2023
	2019	2020	2021	2022	2023	2024	
Irrigated Cropland	2,747	3,162	3,596	3,889	4,856	5,359	10.4%
Non-Irrigated Cropland	1,942	1,996	2,257	2,942	3,194	3,316	3.8%
Pasture/Hay Ground	1,689	1,813	1,975	2,630	2,683	2,757	2.7%

Eastern Regions Non-Irrigated Cropland

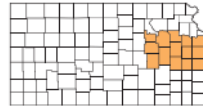


	Average Dollars per Acre							% Change from 2023
	2018	2019	2020	2021	2022	2023	2024	
Northeast	4,096	3,978	4,154	4,899	6,216	6,449	7,479	16.0%
East Central	2,791	2,393	2,623	3,045	4,197	4,383	4,520	3.1%
Southeast	2,316	2,614	2,513	2,697	3,453	3,920	4,412	12.6%

Eastern Regions Pasture/Hay Ground



	Average Dollars per Acre							% Change from 2023
	2018	2019	2020	2021	2022	2023	2024	
Northeast	2,554	2,730	2,921	3,418	4,529	4,233*	4,679	10.5%
East Central	2,295	2,073	2,387	2,667	3,571	3,877	3,954	2.0%
Southeast	1,782	1,918	2,011	2,175	2,831	3,074	3,219	4.7%



2024 Land Sale Information – By County

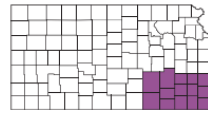
Non-irrigated Cropland

County	Minimum	Maximum	Average
Anderson	3,082	4,800	3,938
Chase	3,590	6,476	5,147
Coffey	3,515	4,385	4,006
Douglas	3,606	12,023	7,813
Franklin	3,076	5,667	4,647
Geary	3,540	4,600	4,206
Linn	3,858	5,529	4,710
Lyon	3,560	7,100	4,937
Miami	6,684	12,050	8,923
Morris	2,720	5,903	3,687
Osage	4,028	5,618	4,769
Shawnee	2,177	7,202	5,149
Total	2,177	12,050	4,520

Pasture/Hay Ground

County	Minimum	Maximum	Average
Anderson	2,555	5,268	3,363
Chase	2,619	3,174	2,864
Coffey	2,400	4,598	3,527
Douglas	2,306	7,770	5,627
Franklin	1,969	5,145	3,606
Geary	2,265	3,521	3,033
Linn	3,437	5,579	4,457
Lyon	1,400	4,869	2,972
Miami	5,230	16,616	8,164
Morris	2,209	3,091	2,617
Osage	2,200	4,493	3,311
Shawnee	1,432	9,329	4,771
Wabaunsee	1,802	4,186	3,092
Total	1,400	16,616	3,954

Note: Parcels are classified as non-irrigated, irrigated, or pasture/hay ground if 75% or greater of the parcel acres are of that category. County averages, minimums, and maximums are only displayed if more than three parcels of the listed category were sold in that county in 2024. Prices are reported in dollars per parcel acre. Minimum and maximum have not been independently verified and may be subject to special circumstances.



2024 Land Sale Information – By County

Non-irrigated Cropland

County	Minimum	Maximum	Average
Allen	3,792	7,014	5,309
Bourbon	2,183	4,660	3,948
Butler	3,354	9,085	6,128
Cherokee	2,295	6,429	4,763
Cowley	2,343	4,563	3,443
Crawford	4,180	6,691	4,747
Elk	2,817	3,874	3,229
Neosho	3,008	7,511	5,027
Wilson	3,179	6,945	4,295
Woodson	4,828	6,520	5,410
Total	2,183	9,085	4,412

Pasture/Hay Ground

County	Minimum	Maximum	Average
Allen	2,037	3,537	2,816
Bourbon	1,750	5,243	3,653
Butler	1,985	5,919	3,481
Chautauqua	2,062	4,355	2,962
Cherokee	2,256	5,289	3,732
Cowley	2,002	4,310	2,944
Crawford	2,812	5,396	3,907
Elk	1,982	4,417	3,187
Greenwood	1,519	4,784	2,741
Labette	2,375	3,566	2,984
Montgomery	1,691	4,363	2,967
Neosho	2,235	4,074	3,306
Wilson	2,005	4,404	3,270
Woodson	1,618	5,147	3,118
Total	1,519	5,919	3,219

Note: Parcels are classified as non-irrigated, irrigated, or pasture/hay ground if 75% or greater of the parcel acres are of that category. County averages, minimums, and maximums are only displayed if more than three parcels of the listed category were sold in that county in 2024. Prices are reported in dollars per parcel acre. Minimum and maximum have not been independently verified and may be subject to special circumstances.

Where will land values go from here?

- How long will lower farm profitability persist?
- Will economic relief payment be enough to support land values?
- Cattle prices historically high right now
 - Adds support for pasture prices in the short run
 - When will cowherd expansion occur and beef prices come down?
- What about hunting/recreational interest?
 - Will the general economy remain strong?
- How about investors?
 - Are there better returns elsewhere?

www.AgManager.info

The screenshot shows the AgManager.info website. At the top, there is a purple header with the Kansas State University logo and the text 'KANSAS STATE UNIVERSITY Agricultural Economics'. Below this is a navigation menu with links for Home, About, Contributors, Events, Custom Rates, Farm Budgets, Tools, News, WASDE, KFMA, Programs, KSFMRA, and Sponsors. There are also links for Sign In, Register, and social media icons. A search bar is located on the right side of the navigation menu. Below the navigation menu is a main banner area with the AgManager.info logo and a search bar. The banner features a large image of a green combine harvester in a field, with the text 'Grain Basis Maps' and 'Basis Levels for Soybeans, Corn, Wheat, and Grain Sorghum'. A 'View Maps' button is visible in the bottom left corner of the banner. Below the banner is a footer area with the Kansas State University logo, the text 'Agricultural Economics', and the AgManager.info logo. There is an 'Add to Favorites' button next to the AgManager.info logo. To the right of the footer is a section for 'Upcoming Events' with the text 'Kansas Income Tax Institute November 13 - 14, 2024 Lawrence'.

Questions?

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