Comparison of Survey Results from Land Value & Rental Surveys: Differences and Synthesis

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Research Objectives:

1. Identify different sources of land market and rental information in Minnesota.
2. Determine survey methodologies and procedures for land rent/value surveys.
3. Evaluate data collection and statistical survey properties
4. Determine differences and similarities in studies; synthesize results to determine actual land rents and values

Procedure:

1. Obtain copies of current land value and rental surveys.
2. Evaluate the data and procedures used in these surveys.
3. Determine similarities and differences in land rent/value data.

References:

2. Duffy, Mike. Land Value & Rental Surveys, Iowa State University.
4. County surveys-Land Rental(MN) Fillmore County, etc.

Three Sources of Land Value/Rental Information

* U. of MN(CFFM):
  1. Based on Farm Business Mg’t data
  2. Represents data for contracts negotiated in the previous year.
  3. Useful for historical comparisons.
  4. Not all counties/regions represented. Land rent only
  5. Focus on arms-length contracts, not competitive bidding

* USDA Land Value& Rent(NASS)
  1. August report-NASS based on data collected in midsummer.
  2. 2007 Farm Bill mandated county data be collected.
  3. Statistically reliable sample

* MN Chapter-ASFMRA
  1. Online surveys conducted with Survey Gold software. December –January of each year. Results released and published late January. Surveys conducted for three years. Current year information

*Synthesis of Results:
  1. Differences exists among surveys based on survey techniques-mainly on cash rent.
  2. Competitive bidding affects average rent paid.

Comparisons of Results from Land Rental Surveys:
* Historical Comparison: All Sources of Land Rent Information

* U. of MN vs. USDA Land Value/Rent(2008 comparison)

$/acre difference(NASS-MN) 2008
Summary/Conclusions

Need for Future Research