

Determining Land Rent

The Situation

Land values and rents are changing at a rapid rate. Landowners need access to information specific to each individual land parcel to determine fair market value and rent.

Extension Response

Landowners will be guided through a four step process to help them determine land value and rent. Legal descriptions of individual parcels will be used to develop web based Productivity Index maps in step one. The second step is analyzing the Projected Crop Budgets for Southeast ND to show the ability of renters to pay various levels of cash rent for various crops. Step three is showing the range of rent values in the NASS County Rents and Values publication. These values are then used to compare the quality of the parcel to the rent values. The fourth and final step is discussing recent land sale values to determine the trend in land values and rents.

Impacts

Landowners will identify how the productivity index of each parcel of land compares to the average in Barnes County. Landowners will develop an understanding of the potential ability of rented land to return profit at various rent levels. Landowners will use the NASS County Rents and Values publication to compare cash rent values. Landowners will identify the trend in land values and rents using recent sale and rent data.

Feedback

Landowners stated:

“Now that I know how my land compares to everyone else, it makes it easier to negotiate my rent.”

“I feel good knowing that my renter can still make some money even if I raise the rent.”

“This has really helped me understand what my land is worth. It gives me the information I need to negotiate with my renter.”

“I just want to be fair and this helps me feel better about the rent I’m charging.”

“I had no idea my land was so different in being able to produce crops.”

Contact

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