

# 1979 Farmland Leasing Arrangements and Rentals

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Renting farmland is used by many North Dakota farmers to gain control of additional resources for their farm business. Reporters in the annual farmland market study provided estimates on the types of leases and on rentals paid per acre in 1979. Simple averages of these rentals were calculated and are presented for eight farming areas.

The 1979 survey of trends in the farmland leasing market indicates about 56 per cent of the leases were cash leases, 36 per cent crop share, and 8 per cent cash/share leases for the state (Figure 1). Comparable figures for 1978 were 48 per cent cash leases, 46 per cent share leases, and 6 per cent cash/share leases. These averages are similar to those reported for the 1977 leasing market.

Three illustrations contain computed simple averages for the eight farming areas now used in this survey. The eight farming areas better reflect the current production-land use patterns than the seven state economic areas used in previous reports. The averages are based on 111 leasing reports. The 1979 survey involved a substantial addition of reporters over the 1978 level, with a 58 per cent increase in leasing reports. One effect is that some area figures are not

comparable with previous averages. It is expected that future reports will benefit from both the increased number of reporters and reports received. Both factors should improve the reliability of the leasing study.

This leasing report is based on 111 replies to questions about the types of leases, rental rates, and sharing ratios in the reporter's service areas: Information mailed in is tabulated for the eight farming areas shown in Figure 1, and simple averages are computed for each item to estimate the rental situation in North Dakota. This report presents a short, quick insight into the trends affecting the farm leasing market in North Dakota.

Figure 1 presents the per cent of leases by types in use in 1979 for the eight farming areas. Cash leases dominated other leasing arrangements in all areas except the Northwest

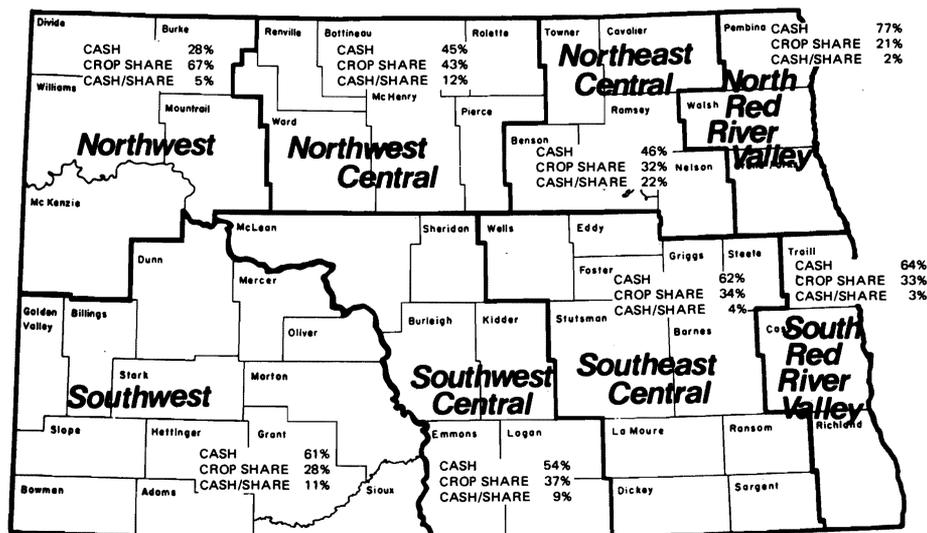


Figure 1. Per Cent of Leases by Types in Use in 1979

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