

News Release
For Immediate Use
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KSU Land and Leasing Meeting

Frontier District will be hosting a Land and Leasing Program, March 4, 7:00 p.m. at Celebration Hall, 220 West 17th, (Franklin County Fairgrounds) in Ottawa. Mykel Taylor, KSU Agricultural Economist, will be the evenings featured speaker. Mykel will discuss current land values and trends she is seeing, she will also discuss rental rates and where they might be headed in 2019. Other topics for the evening include: lease agreements, and the importance of landlord/tenant relationships and communication.

From the Kansas State Research and Extension Publication, “Ethics of Renting Agricultural Land.”

Tenants have the most informational power.

As Agricultural Economist, we regularly see landlords that either, reside far away from where their land is located, are out of touch with current farming practices since they either have been gone from the farm for decades or otherwise obtained the land through inheritance or marriage, or often are elderly people. Meanwhile, tenants generally are intimately aware of market rents and land values, and typically recognize the possibilities and limitations of current farming practices. So, tenants usually have much more relevant information than landlords. With that informational power comes a responsibility to not take advantage of the landlord. This does not mean that landlords cannot make special concessions for their tenants. But, such concessions should be made with full knowledge that they are concessions. For example, we routinely see landlords that make concessions and both parties get along very well. However, it is when tenants start to view these concessions as entitlements that problems begin to surface.

Even though cash rents have been steadily increasing over time, we routinely get calls from landlords or heirs of landlords that reveal that their rental rates have not changed for years, and sometimes decades. The landlord’s response typically is “we didn’t know.” The tenant’s response typically is “the landlord never asks for more rent,” or perhaps, “but, I do a lot to keep up the land and so do not consider the arrangement to be unfair.” We believe that such situations are more often the fault of the tenant than the landlord – since the tenant holds the informational power and should have the responsibility to keep the landlord informed. While we recognize that landowners have a responsibility to know what the value of their assets is (i.e., what current rents are), we believe that tenants should help make this information readily available.

Communication is KEY!

Please join us March 4th, so we can all be more informed on issues dealing with “Land Values and Leasing.” For more information contact Rod Schaub, Frontier District Agent, at 785.828.4438.

