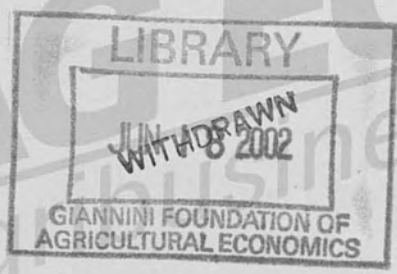




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ARRANGEMENTS IN KANSAS

by
Holly M. Bigg^e, Leah J. Tsoodle,
and Christine A. Wilson

MARCH 2002
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Sources of Crop-Share Lease Information

Kansas Agricultural Statistics (KAS) conducts one survey each year in conjunction with the Land Use Value Project in the Department of Agricultural Economics at Kansas State University (KSU). There are four surveys rotated by KAS in conjunction with KSU: irrigated leases, non-irrigated leases, pasture leases, and input costs. During 2000, the Irrigated Farm Lease Arrangement Survey was conducted to gather data on the 1999 crop year. The following represents a summary of the survey results. This information should be useful to Extension personnel, consultants, lenders, producers, and landowners to better understand the various irrigated crop-share leasing arrangements that exist in Kansas. The last survey of irrigated crop-share leasing arrangements, compiled in 1996, was conducted by the Kansas Farm Management Association (KFMA) and KSU. It targeted KFMA members only. Farmer-participants in the Kansas Agricultural Statistics database were targeted in the 2000 survey. The KAS database includes a large number of small and part-time farmers, as well as KFMA members.

The KFMA divides Kansas into six regions, instead of the nine KAS crop reporting districts. The KFMA members tend to be larger, more commercial producers. Also, the KFMA survey tended to focus on tenants. The KAS surveys conducted for the Land Use Value Project, of necessity, tend to be focused toward landowners (i.e., landlords). This is because the purpose of the Land Use Value Project is to calculate landlord net income for different soil types in the KAS crop reporting districts for the Kansas Department of Revenue. Because of

the differences in the KFMA and KAS respondents, direct comparison is not appropriate between the 2000 and the 1996 survey results. The information provided in this report draws solely upon the 2000 KAS/KSU survey information on irrigated crop-share leasing arrangements. Additional information pertaining to the survey is available from the Kansas State University Department of Agricultural Economics or from Kansas Agricultural Statistics. Email inquiries can be sent to Leah Tsoodle at ltsoodle@ksu.edu.

The 2000 survey for the 1999 crop year asked each respondent for information on a maximum of four crop-share leases. If the respondents had more than four leases, they were asked to respond regarding their most typical leases. Also, if the respondent had leases for more than one crop on the same acreage, they were asked to respond for each crop separately. In the "Regional Information" section of this report, tables containing response information specific to each KAS district are discussed. These tables show the percent of leases in different crop-share divisions and the percent of leases where landowners and tenants share expenses at the same rate as the crop for each of the major crops.

KAS follows the same sampling procedure for all of their surveys conducted for KSU. They draw the sample from their database, which contains landowners, producers, and owner/operators. The sample size is large enough to ensure that a statistically significant number of responses are received from each district. In the 2000 irrigated crop survey, KAS received 1,037 responses from 2,622 mailed for a statewide response rate of 39.5%.

Because irrigated crop production in Kansas is largely confined to the western two-thirds of the state, six regions established by the Division of Property Valuation (PVD) are used in the irrigated cropland analysis. The six districts, which roughly correspond to the KAS crop reporting districts, are: Northwest-10, West Central-20, Southwest-30, North Central-40, Central-50, and South Central-60. Figure 1 displays the area covered by each district. District response rates ranged from 22.3% in North Central-40 to 66% in West Central-20. Table 1 shows individual district response rates.

General Statewide Lease Information

The KSU/KAS 2000 Irrigated Lease Survey provides information about the distribution and characteristics of irrigated lease arrangements in Kansas. Table 2 indicates the percent of respondents that were leasing land and shows the distribution of the different types of irrigated crop-lease arrangements. Over 80% of respondents indicated they lease farmland. The crop-share rental agreement was the primary method of leasing cropland in Kansas. Over 78% of the respondents utilized crop-share leases, while less than 17% used fixed cash leases. Other types of leases (e.g., crop and cash, flexible cash, net share, and other) were used by about 5% of the respondents.

The percent of respondents using crop-share leases ranged from a high of 86% in Southwest Kansas to below 66% in Northwest Kansas. In a crop-share lease, the landlord receives a percentage of the crop as part or all of the rental payment and typically shares some of the production expenses. The fixed cash lease entails a fixed cash rental payment to the landlord each year. The crop and cash lease is a combination of the fixed-cash and crop-share types. Flexible cash leases vary the cash rent each year according to the tenant's crop income. With net-share lease

arrangements, the landlord receives a set percentage of each year's crop, but pays no crop expenses. The landlord percentage is typically smaller than a crop-share lease percentage, because the landlord does not pay any production expenses. Although the landlord's crop-share percentage is stable across years with this type of arrangement, the actual rental income will vary as crop yields and prices vary. Other lease types are lease arrangements that do not fall into the above categories.

Table 3 shows some general characteristics of the survey respondents and their leases. Results suggest that Kansas producers averaged 1.9 landlords per farm. Leases averaged 159.1 acres and have been continuously rented for approximately 17 years. Over 45% of the tenants were related to the landlord and nearly 36% of the leases across the state were written. The average well depth was 174.1 feet and well output averaged 666.7 gallons per minute.

Average landlord ownership shares for the predominant crop-share arrangement in each district are shown in Table 4. Percentages varied widely across the state, across equipment, and across irrigation system types. Landlord percentage ownership was highest in physical land improvement related categories

Regional Information

Following is a summary of the survey results for each of the six regions by crop. Sunflower was included in the survey, but because of the small number of responses statewide, the results for sunflower shown in Tables 6 through 11 are not discussed.

Northwest Kansas

Nearly half of the crop-share leases in northwest Kansas used a one-fourth/three-fourths (25/75) landlord/tenant split (Table 5). The 33/67 and 50/50 crop-share arrangements

were used by 24.3% and 14.6% of respondents, respectively. The majority of respondents produced corn; soybean was the second most produced crop in the NW District (Table 6). The 25/75 arrangement was predominant in corn and soybean. With the exception of corn, when the landlord received 25% of the crop it was typical for the landlord not to pay any fertilizer, herbicide, or insecticide costs. In the corn arrangement, 80% of the landlords receiving 25% of corn crop paid 25% of the fertilizer expenses. In soybean, 100% of the landlords receiving 25% of the soybean crop paid 25% of the fertilizer expenses; however, fertilizer cost on soybean is relatively small and in some instances may even be zero. In the 33%, 40%, and 50% crop share arrangements, it was common for the landlord to share fertilizer, herbicide, and insecticide expenses by the same percentage (i.e., 33%, 40%, or 50%).

West Central Kansas

In this region within the crop-share leases, a 33/67 landlord/ tenant crop-share was predominant (71.3%; Table 5). The 25/75 crop-share arrangement comprised 18.3% of the total district leases. The majority of respondents produced corn; wheat was the second most important crop, and sorghum the third most reported (Table 7). The 33/67 crop-share was predominant for all crops. The 25/75 arrangement was the second most reported for corn, sorghum, and wheat. When receiving 25% of the crop, more often than not, the landlord did not pay fertilizer at the same rate as the share of the crop they received. For herbicide, 100% of the landlords indicated they paid 25% of the herbicide expenses while receiving 25% of the crop. In the 25% wheat arrangement, 100% of the landlords shared the insecticide expense at the same rate as the crop they received. Landlord participation in insecticide was zero for other crops in the 25% arrangement. In

the 33% crop arrangement, it was typical for the share of fertilizer, herbicide, and insecticide expenses paid by landlords to be the same as the share of the crop they received. This was true for wheat, corn, sorghum, soybean, and alfalfa leases. In corn, of the landlords receiving 40% of the crop, a third of them shared fertilizer costs, while all of them shared herbicide costs. Insecticide costs were not shared by the landlord in the 40% arrangement.

Southwest Kansas

In southwest Kansas the predominant crop share arrangement was a 33/67 split. This arrangement was used by 68.3% of the respondents (Table 5). The 25/75 crop-share arrangement was reported as 12.5% of the district total. The majority of respondents produced corn; wheat was the second most important crop (Table 8). The 33/67 crop-share lease was predominant for all crops. The 25/75 arrangement was the second most reported for corn and wheat. Regardless of crop, if the landlords received 25%, 33%, 40%, or 50% of the crop, they typically paid fertilizer, herbicide, and insecticide costs at the same rate as the share of the crop they received. The exception to this was sorghum, where the landlord did not pay for any herbicide or insecticide when receiving 25% of the crop. Another exception was alfalfa where 67% of the landlords in the 50/50 arrangement paid 50% of the insecticide costs. The fact that these inputs are shared in the same percentage as the crop for most crops and crop share arrangements indicates that lease terms (i.e., crop share percentages) likely vary due to differences in some other factor — likely irrigation equipment ownership.

North Central Kansas

Of the crop-share leases in north central Kansas, 52.9% of the respondents used a 40/60 landlord/ tenant split (Table 5). The

50/50 and 33/67 crop-share arrangements comprised 24.6% and 16.2%, respectively, of the district total. Most respondents produced corn or soybean (Table 9). The 40/60 crop-share was predominant for corn, sorghum, and soybean. The 50/50 arrangement was the second most used, followed by the 33/67 split. In the corn 25% arrangement, landlords shared fertilizer, herbicides, and insecticides 50% or less of the time. However, in the 33%, 40%, and 50% crop share arrangements, landlords typically shared these expenses in the same percentage as the crop share. An exception was wheat, in which landlords receive 33% of the crop but only share fertilizer costs.

Central Kansas

In this region within the crop-share arrangement, a 33/67 landlord/tenant crop-share was used by 48% of the respondents (Table 5). The 40/60 and 50/50 crop-share arrangements were also common, comprising 25.2% and 16.5%, respectively, of the district total. The majority of respondents produced corn and soybean, followed by sorghum and alfalfa (Table 10). The 33/67 crop-share was the most common arrangement for all crops. The 40/60 arrangement for corn, soybean, and sorghum followed the 33/67. For all crop share arrangements and all crops, landlords typically shared fertilizer, herbicide, and insecticide costs in the same share as the crop. However, for the 25/75 arrangement, it was less common. That is, there were more cases with that arrangement (i.e., 25/75) where the landlords did not share these costs.

South Central Kansas

The 33/67 and 50/50 landlord/tenant split arrangements were used by 42.9% and 36.8% of the respondents, respectively (Table 5). Most respondents produced corn; soybean was the second most important crop (Table 11). The predominant arrangement for wheat, sorghum, and soybean was 33/67 with the

50/50 crop-share being the most common for corn. In all crops that had a 25/75, 40/60 or 50/50 crop share arrangement, landlords shared fertilizer, herbicide and insecticide expenses at the same rate as the share of the crop they received. In the 33/67 arrangement all crops except soybean shared fertilizer, herbicide, and insecticide expenses at the same rate as the share of the crop they received. In the case of soybean, a few landlords did not share fertilizer and insecticides costs in the same percent as the crop (i.e., 33%).

District Summary

The crop-share lease rental arrangement was dominant in all the areas (Table 2). Although crop-share arrangement was the most popular arrangement in northwest Kansas, fixed cash rent was reported by almost 30% of respondents. The 33/67 landlord tenant crop-share arrangement was the most commonly reported in the west central, southwest, central, and south central districts in Kansas. In the northwest district the 25/75 landlord tenant crop share dominated while the 40/60 tenant crop share was dominant in the north central district; however, in both of these regions the 33/67 arrangement was fairly common. Landlord participation in expenses varied across the state, with fertilizer expenses typically being shared in the same proportion as the crop. Figures 2 and 3 show the percentages of landlords in 33/67 crop-share arrangements that shared in fertilizer and herbicide expenses for the five major crops. Sharing in insecticide expenses appeared to be less common than sharing fertilizer and herbicide expenses in all districts.

Conclusions

Although results of the 2000 *Irrigated Farm Lease Arrangement Survey* indicate that the crop-share rental arrangements remain the

most popular type in Kansas, extension specialists suggest that other lease types, especially cash leases, are increasing in popularity. Extension specialists have suggested that the growing use of cash rental arrangements tends to increase the rate of tenant turnover.

One of the major factors potentially impacting cropland lease arrangements since 1996 is the Federal Agricultural Improvement and Reform Act (FAIR96). It introduced Production Flexibility Contract (PFC) payments, which replaced set-asides and target price related deficiency payments. Combined with lower commodity prices, this change probably has increased the risk or volatility of the farm income stream. FAIR96 may have led to a wider variety of crops being planted. According to Kansas Agricultural Statistics data, alfalfa comprises over 5% of the planted acreage in some parts of the state. Planted acreage of sunflower and cotton has also increased.

Legislation is currently being discussed for the 2002 Farm Bill to follow the 1996 Farm Bill that will expire in September of 2002. The new legislation might impact the variety of crops produced in Kansas as well as the number of acres planted to each particular crop. It also will likely address the decreased commodity exports the U.S. has experienced in the last several years. In the 2002 Farm Bill, specific legislative approaches to an income safety net for producers, as well as other key concepts, will likely impact land rental arrangements in the future.

The land rental market in Kansas is quite dynamic. Changes in farm policy, commodity prices and technology affect farm structure, rental arrangements, and crop diversity. It is difficult to determine exactly what forces have been driving current changes in crop land rental arrangements. Some possible influences have been discussed. However, one of the most powerful influences, the effect

of the traditional arrangements present in a region, has not yet been considered. Albright, et al. (1996) suggested that traditional arrangements, which have been in place for lengthy time periods, may not be affected by changes in markets, legislation, or farming practices. Other extension specialists contend that, relatively speaking, tradition is changing rapidly.

Related K-State Research and Extension publications pertaining to crop-share and other crop land leasing arrangements include the following:

Albright, Martin, Daniel O'Brien, and James Sartwelle. "Crop Lease Arrangement Market Issues and Trends." Kansas State University, Department of Agricultural Economics, Manhattan, Kansas, 1996.

Langemeier, Larry N. "Irrigated Crop-Share and Cash Rental Arrangements for Your Farm." North Central Regional Publication #146 (NCR 146), revised 1997.

Langemeier, Larry N. "Fixed and Flexible Cash Rental Arrangements for Your Farm." North Central Regional Publication #75 (NCR 75), revised 1997.

Langemeier, Larry N. "Pasture Rental Arrangements for Your Farm." North Central Regional Publication #149 (NCR 149), revised 1997.

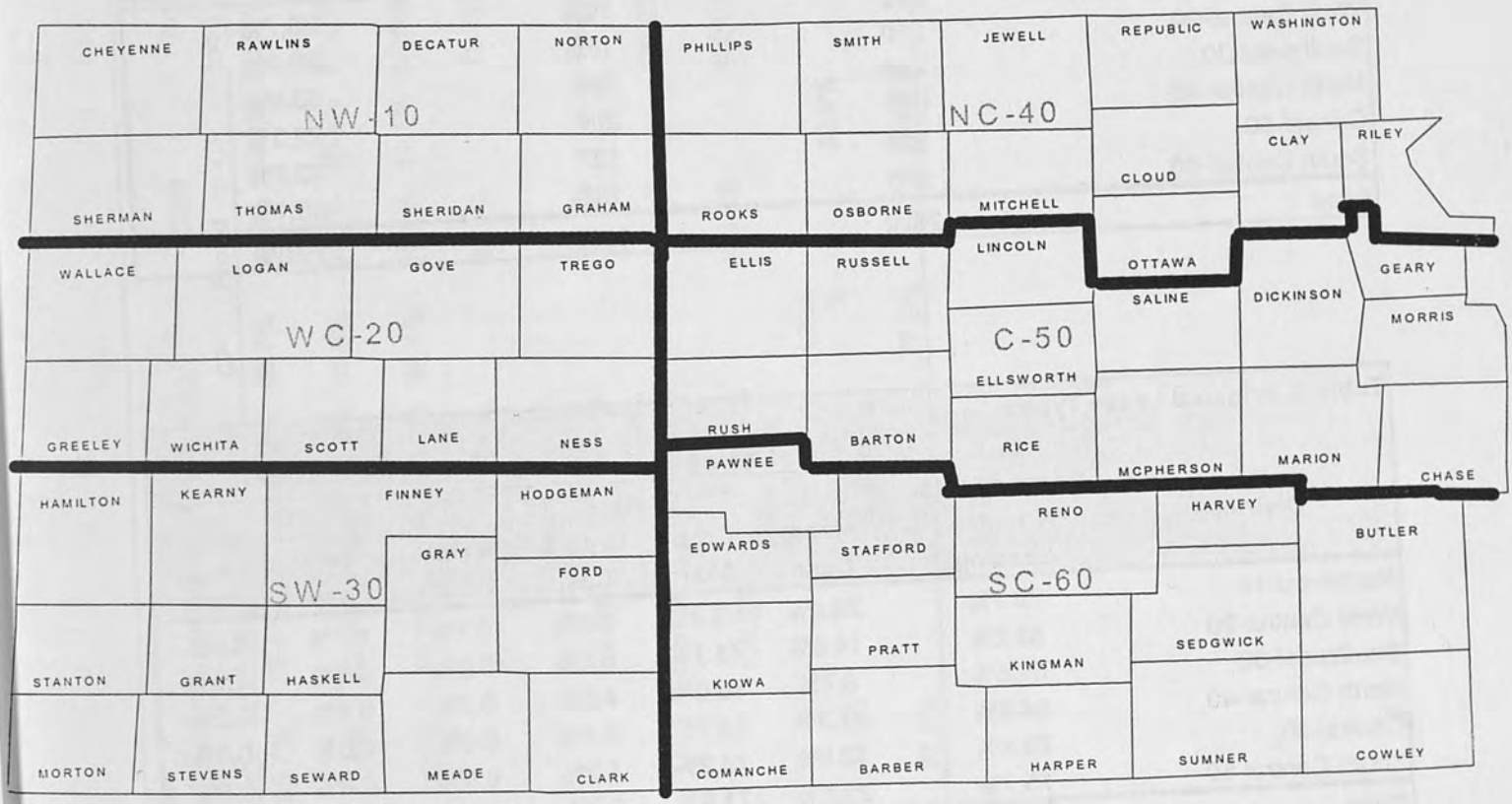
Langemeier, Larry N. "Trends in Irrigated Crop Lease Arrangements on Kansas Farms." Report of Progress 811 (SRP 811), 1998.

Langemeier, Larry N., Martin L. Albright, and Fredrick D. Delano. "Crop Share Lease Arrangements on Kansas Farm

Management Association Farms.”
Report of Progress 757 (SRP 757),
1996.

O'Brien, Daniel. “Crop Share Leasing
Arrangements in Kansas.” Kansas State
University, Department of Agricultural
Economics, Manhattan, Kansas, 1998.

Figure 1. Irrigated Land Use Districts



District	Surveys		Response Rate
	Sent	Responses	
Northwest-10	272	108	39.7%
West Central-20	250	165	66.0%
Southwest-30	468	295	63.0%
North Central-40	927	207	22.3%
Central-50	320	127	39.7%
South Central-60	385	135	35.1%
State	2622	1037	39.5%

District	Respondents Who Are Leasing	Leases That Are:					
		Fixed Cash	Crop Share	Crop & Cash	Flexible Cash	Net Share	Other
Northwest-10	72.7%	29.4%	65.9%	3.3%	0.7%	0.7%	0.0%
West Central-20	83.2%	14.8%	78.1%	6.6%	0.0%	0.5%	0.0%
Southwest-30	81.5%	8.7%	86.0%	4.5%	0.2%	0.4%	0.2%
North Central-40	84.9%	21.3%	75.7%	2.4%	0.0%	0.0%	0.5%
Central-50	83.3%	18.8%	78.2%	1.5%	0.8%	0.8%	0.0%
South Central-60	75.7%	22.1%	71.3%	5.5%	1.1%	0.0%	0.0%
State	80.2%	16.7%	78.2%	4.2%	0.4%	0.4%	0.2%

District	Landlords per Farm	Acres per Lease	Years Land Rented	Land Related to Landlord	Written Lease	Average Well Depth	Average Output in Gallons/Minute
Northwest-10	1.6	139.9	15.0	59.4%	36.9%	215.7	551.6
West Central-20	2.0	181.3	16.8	46.1%	31.8%	168.5	399.4
Southwest-30	2.5	247.2	15.0	32.8%	49.6%	389.2	838.5
North Central-40	1.6	105.7	18.1	46.0%	32.4%	71.3	719.2
Central-50	1.5	97.3	14.0	56.4%	25.2%	88.9	720.6
South Central-60	2.1	183.5	23.4	30.3%	37.3%	110.8	771.0
State	1.9	159.1	17.1	45.2%	35.5%	174.1	666.7

	Table 4. Average Landlord Ownership Share of Irrigated Equipment											
	NW-10		WC-20		SW-30		NC-40		C-50		SC-60	
	Flood	CP	Flood	CP	Flood	CP	Flood	CP	Flood	CP	Flood	CP
Well	100.0%	66.7%	97.5%	85.7%	96.6%	90.1%	40.5%	66.7%	51.0%	53.3%	90.9%	80.0%
Pump and Gearhead	50.0%	66.7%	92.5%	77.6%	82.8%	76.3%	42.9%	55.6%	54.2%	36.6%	81.8%	74.1%
Power Unit/Engine	50.0%	16.7%	32.5%	30.6%	10.3%	5.9%	38.1%	44.4%	36.2%	11.1%	54.6%	18.5%
Underground Pipe (1,320 feet)	50.0%		85.0%		72.4%		37.9%		30.0%		72.7%	
Conventional Furrow Flood System (2,640 feet)	50.0%		10.0%		13.8%		56.0%		29.4%		40.9%	
Tailwater Reuse System	100.0%		100.0%		100.0%		100.0%		100.0%		100.0%	
Land Leveling (\$/acre)	100.0%		100.0%		100.0%		100.0%		100.0%		100.0%	
Sprinkler System		44.0%		29.1%		22.1%		100.0%		32.6%		27.3%
UG Pipe & Wiring (1,320 feet)		50.0%		87.8%		82.9%		77.8%		30.0%		42.2%

**Table 5. Irrigated Crop Lease Arrangement Survey:
Percent of Crop-Share Respondents by District Using Various Landlord Crop-Share Arrangements**

Landlord Share	Northwest-10	West Central-20	Southwest-30	North Central-40	Central-50	South Central-60
20.0%	1.0%	3.0%	3.2%	1.0%	0.0%	0.0%
25.0%	47.6%	18.3%	12.5%	1.0%	7.9%	8.3%
30.0%	4.9%	0.6%	3.2%	0.5%	0.8%	1.5%
33.0%	24.3%	71.3%	68.3%	16.2%	48.0%	42.9%
40.0%	3.9%	1.8%	5.3%	52.9%	25.2%	8.3%
50.0%	14.6%	2.4%	4.3%	24.6%	16.5%	36.8%
Other	3.9%	2.4%	3.2%	3.7%	1.6%	2.3%
Total	100%	100%	100%	100%	100%	100%

Table 6. Northwest-10 Irrigated Crop-Share Arrangements

Crop	Landlord's Percent of Crop Received (or of Costs Paid)*				
	25%	33%	40%	50%	Other
<u>Wheat (8 Leases)</u>					
Total Leases in Lease Arrangement	3	3	0	1	1
% of Total Leases in Lease Arrangement	37.5%	37.5%	0.0%	12.5%	12.5%
% of Leases Sharing Fertilizer Costs	0.0%	100.0%	0.0%	100.0%	0.0%
% of Leases Sharing Herbicide Costs	0.0%	100.0%	0.0%	100.0%	0.0%
% of Leases Sharing Insecticide Costs	0.0%	100.0%	0.0%	100.0%	0.0%
% of Leases Sharing Energy Costs	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Corn (62 Leases)</u>					
Total Leases in Lease Arrangement	32	11	2	11	6
% of Total Leases in Lease Arrangement	51.6%	17.7%	3.2%	17.7%	9.7%
% of Leases Sharing Fertilizer Costs	80.0%	100.0%	100.0%	90.9%	0.0%
% of Leases Sharing Herbicide Costs	66.7%	100.0%	100.0%	100.0%	0.0%
% of Leases Sharing Insecticide Costs	66.7%	100.0%	100.0%	100.0%	0.0%
% of Leases Sharing Energy Costs	0.0%	9.09%	0.0%	27.3%	0.0%
<u>Sorghum (4 Leases)</u>					
Total Leases in Lease Arrangement	2	2	0	0	0
% of Total Leases in Lease Arrangement	50.0%	50.0%	0.0%	0.0%	0.0%
% of Leases Sharing Fertilizer Costs	0.0%	100.0%	0.0%	0.0%	0.0%
% of Leases Sharing Herbicide Costs	0.0%	100.0%	0.0%	0.0%	0.0%
% of Leases Sharing Insecticide Costs	0.0%	100.0%	0.0%	0.0%	0.0%
% of Leases Sharing Energy Costs	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Soybean (14 Leases)</u>					
Total Leases in Lease Arrangement	8	3	2	0	1
% of Total Leases in Lease Arrangement	57.1%	21.4%	14.3%	0.0%	7.1%
% of Leases Sharing Fertilizer Costs	100.0%	100.0%	100.0%	0.0%	0.0%
% of Leases Sharing Herbicide Costs	0.0%	100.0%	100.0%	0.0%	0.0%
% of Leases Sharing Insecticide Costs	0.0%	100.0%	100.0%	0.0%	0.0%
% of Leases Sharing Energy Costs	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Sunflower (5 Leases)</u>					
Total Leases in Lease Arrangement	3	2	0	0	0
% of Total Leases in Lease Arrangement	60.0%	40.0%	0.0%	0.0%	0.0%
% of Leases Sharing Fertilizer Costs	0.0%	100.0%	0.0%	0.0%	0.0%
% of Leases Sharing Herbicide Costs	0.0%	0.0%	0.0%	0.0%	0.0%
% of Leases Sharing Insecticide Costs	0.0%	0.0%	0.0%	0.0%	0.0%
% of Leases Sharing Energy Costs	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Alfalfa (10 Leases)</u>					
Total Leases in Lease Arrangement	1	4	0	3	2
% of Total Leases in Lease Arrangement	10.0%	40.0%	0.0%	30.0%	20.0%
% of Leases Sharing Fertilizer Costs	0.0%	100.0%	0.0%	100.0%	0.0%
% of Leases Sharing Herbicide Costs	0.0%	100.0%	0.0%	100.0%	0.0%
% of Leases Sharing Insecticide Costs	0.0%	100.0%	0.0%	100.0%	0.0%
% of Leases Sharing Energy Costs	0.0%	0.0%	0.0%	0.0%	0.0%

*The percentages calculated in this table represent the percent of landlords sharing the same percent of costs as they share of the crop. For example, 100% of landlords receiving 33% of the wheat crop paid 33% of fertilizer expenses.

Table 7. West Central-20 Irrigated Crop-Share Arrangements

Crop	Landlord's Percent of Crop Received (or of Costs Paid)*				
	25%	33%	40%	50%	Other
<u>Wheat (31 Leases)</u>					
Total Leases in Lease Arrangement	12	16	0	2	1
% of Total Leases in Lease Arrangement	38.7%	51.6%	0.0%	6.5%	3.2%
% of Leases Sharing Fertilizer Costs	83.3%	100.0%	0.0%	0.0%	0.0%
% of Leases Sharing Herbicide Costs	100.0%	100.0%	0.0%	0.0%	0.0%
% of Leases Sharing Insecticide Costs	100.0%	100.0%	0.0%	0.0%	0.0%
% of Leases Sharing Energy Costs	0.0%	6.2%	0.0%	0.0%	0.0%
<u>Corn (90 Leases)</u>					
Total Leases in Lease Arrangement	13	66	3	0	8
% of Total Leases in Lease Arrangement	14.4%	73.3%	3.3%	0.0%	8.9%
% of Leases Sharing Fertilizer Costs	66.7%	100.0%	33.3%	0.0%	0.0%
% of Leases Sharing Herbicide Costs	100.0%	100.0%	100.0%	0.0%	0.0%
% of Leases Sharing Insecticide Costs	0.0%	100.0%	0.0%	0.0%	0.0%
% of Leases Sharing Energy Costs	0.0%	6.06%	0.0%	0.0%	0.0%
<u>Sorghum (23 Leases)</u>					
Total Leases in Lease Arrangement	3	19	0	1	0
% of Total Leases in Lease Arrangement	13.0%	82.6%	0.0%	4.3%	0.0%
% of Leases Sharing Fertilizer Costs	100.0%	100.0%	0.0%	0.0%	0.0%
% of Leases Sharing Herbicide Costs	100.0%	100.0%	0.0%	0.0%	0.0%
% of Leases Sharing Insecticide Costs	0.0%	100.0%	0.0%	0.0%	0.0%
% of Leases Sharing Energy Costs	0.0%	5.3%	0.0%	0.0%	0.0%
<u>Soybean (12 Leases)</u>					
Total Leases in Lease Arrangement	0	10	0	1	1
% of Total Leases in Lease Arrangement	0.0%	83.3%	0.0%	8.3%	8.3%
% of Leases Sharing Fertilizer Costs	0.0%	100.0%	0.0%	100.0%	0.0%
% of Leases Sharing Herbicide Costs	0.0%	100.0%	0.0%	100.0%	0.0%
% of Leases Sharing Insecticide Costs	0.0%	100.0%	0.0%	0.0%	0.0%
% of Leases Sharing Energy Costs	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Sunflower (2 Leases)</u>					
Total Leases in Lease Arrangement	1	1	0	0	0
% of Total Leases in Lease Arrangement	50.0%	50.0%	0.0%	0.0%	0.0%
% of Leases Sharing Fertilizer Costs	0.0%	0.0%	0.0%	0.0%	0.0%
% of Leases Sharing Herbicide Costs	0.0%	0.0%	0.0%	0.0%	0.0%
% of Leases Sharing Insecticide Costs	0.0%	0.0%	0.0%	0.0%	0.0%
% of Leases Sharing Energy Costs	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Alfalfa (6 Leases)</u>					
Total Leases in Lease Arrangement	1	5	0	0	0
% of Total Leases in Lease Arrangement	16.7%	83.3%	0.0%	0.0%	0.0%
% of Leases Sharing Fertilizer Costs	0.0%	100.0%	0.0%	0.0%	0.0%
% of Leases Sharing Herbicide Costs	0.0%	100.0%	0.0%	0.0%	0.0%
% of Leases Sharing Insecticide Costs	0.0%	100.0%	0.0%	0.0%	0.0%
% of Leases Sharing Energy Costs	0.0%	0.0%	0.0%	0.0%	0.0%

*The percentages calculated in this table represent the percent of landlords sharing the same percent of costs as they share of the crop. For example, 100% of landlords receiving 33% of the wheat crop paid 33% of fertilizer expenses.

Table 8. Southwest-30 Irrigated Crop-Share Arrangements

Crop	Landlord's Percent of Crop Received (or of Costs Paid)*				
	25%	33%	40%	50%	Other
Wheat (67 Leases)					
Total Leases in Lease Arrangement	7	53	0	1	6
% of Total Leases in Lease Arrangement	4.8%	71.4%	0.0%	0.0%	23.8%
% of Leases Sharing Fertilizer Costs	100.0%	95.6%	0.0%	0.0%	0.0%
% of Leases Sharing Herbicide Costs	100.0%	96.8%	0.0%	0.0%	0.0%
% of Leases Sharing Insecticide Costs	100.0%	97.1%	0.0%	0.0%	0.0%
% of Leases Sharing Energy Costs	0.0%	3.8%	0.0%	0.0%	0.0%
Corn (165 Leases)					
Total Leases in Lease Arrangement	26	106	12	6	15
% of Total Leases in Lease Arrangement	15.8%	64.2%	7.3%	3.6%	9.1%
% of Leases Sharing Fertilizer Costs	100.0%	100.0%	100.0%	100.0%	0.0%
% of Leases Sharing Herbicide Costs	100.0%	98.8%	100.0%	100.0%	0.0%
% of Leases Sharing Insecticide Costs	100.0%	100.0%	100.0%	100.0%	0.0%
% of Leases Sharing Energy Costs	0.0%	5.66%	25.0%	83.3%	0.0%
Sorghum (23 Leases)					
Total Leases in Lease Arrangement	2	19	0	2	0
% of Total Leases in Lease Arrangement	8.7%	82.6%	0.0%	8.7%	0.0%
% of Leases Sharing Fertilizer Costs	100.0%	93.8%	0.0%	100.0%	0.0%
% of Leases Sharing Herbicide Costs	0.0%	92.3%	0.0%	100.0%	0.0%
% of Leases Sharing Insecticide Costs	0.0%	92.3%	0.0%	100.0%	0.0%
% of Leases Sharing Energy Costs	0.0%	0.0%	0.0%	50.0%	0.0%
Soybean (15 Leases)					
Total Leases in Lease Arrangement	0	8	1	1	5
% of Total Leases in Lease Arrangement	0.0%	53.3%	6.7%	6.7%	33.3%
% of Leases Sharing Fertilizer Costs	0.0%	100.0%	100.0%	100.0%	0.0%
% of Leases Sharing Herbicide Costs	0.0%	100.0%	100.0%	100.0%	0.0%
% of Leases Sharing Insecticide Costs	0.0%	100.0%	100.0%	100.0%	0.0%
% of Leases Sharing Energy Costs	0.0%	12.5%	0.0%	0.0%	0.0%
Sunflower (1 Lease)					
Total Leases in Lease Arrangement	0	1	0	0	0
% of Total Leases in Lease Arrangement	0.0%	100.0%	0.0%	0.0%	0.0%
% of Leases Sharing Fertilizer Costs	0.0%	100.0%	0.0%	0.0%	0.0%
% of Leases Sharing Herbicide Costs	0.0%	100.0%	0.0%	0.0%	0.0%
% of Leases Sharing Insecticide Costs	0.0%	100.0%	0.0%	0.0%	0.0%
% of Leases Sharing Energy Costs	0.0%	0.0%	0.0%	0.0%	0.0%
Alfalfa (23 Leases)					
Total Leases in Lease Arrangement	0	16	2	4	1
% of Total Leases in Lease Arrangement	0.0%	69.6%	8.7%	17.4%	4.3%
% of Leases Sharing Fertilizer Costs	0.0%	91.7%	100.0%	100.0%	0.0%
% of Leases Sharing Herbicide Costs	0.0%	90.0%	100.0%	100.0%	0.0%
% of Leases Sharing Insecticide Costs	0.0%	90.0%	100.0%	66.7%	0.0%
% of Leases Sharing Energy Costs	0.0%	0.0%	50.0%	25.0%	0.0%

*The percentages calculated in this table represent the percent of landlords sharing the same percent of costs as they share of the crop. For example, 95.6% of landlords receiving 33% of the wheat crop paid 33% of fertilizer expenses.

Table 9. North Central-40 Irrigated Crop-Share Arrangements

Crop	Landlord's Percent of Crop Received (or of Costs Paid)*				
	25%	33%	40%	50%	Other
<u>Wheat (3 Leases)</u>					
Total Leases in Lease Arrangement	0	1	0	1	1
% of Total Leases in Lease Arrangement	0.0%	33.3%	0.0%	33.3%	33.3%
% of Leases Sharing Fertilizer Costs	0.0%	100.0%	0.0%	100.0%	0.0%
% of Leases Sharing Herbicide Costs	0.0%	0.0%	0.0%	100.0%	0.0%
% of Leases Sharing Insecticide Costs	0.0%	0.0%	0.0%	100.0%	0.0%
% of Leases Sharing Energy Costs	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Corn (114 Leases)</u>					
Total Leases in Lease Arrangement	3	19	57	30	5
% of Total Leases in Lease Arrangement	2.6%	16.7%	50.0%	26.3%	4.4%
% of Leases Sharing Fertilizer Costs	33.3%	100.0%	98.1%	93.3%	0.0%
% of Leases Sharing Herbicide Costs	50.0%	100.0%	91.8%	93.1%	0.0%
% of Leases Sharing Insecticide Costs	50.0%	100.0%	95.9%	92.3%	0.0%
% of Leases Sharing Energy Costs	0.0%	0.00%	1.8%	13.3%	0.0%
<u>Sorghum (8 Leases)</u>					
Total Leases in Lease Arrangement	0	2	4	2	0
% of Total Leases in Lease Arrangement	0.0%	25.0%	50.0%	25.0%	0.0%
% of Leases Sharing Fertilizer Costs	0.0%	100.0%	100.0%	100.0%	0.0%
% of Leases Sharing Herbicide Costs	0.0%	0.0%	100.0%	100.0%	0.0%
% of Leases Sharing Insecticide Costs	0.0%	100.0%	100.0%	100.0%	0.0%
% of Leases Sharing Energy Costs	0.0%	0.0%	25.0%	0.0%	0.0%
<u>Soybean (72 Leases)</u>					
Total Leases in Lease Arrangement	1	11	41	17	2
% of Total Leases in Lease Arrangement	1.4%	15.3%	56.9%	23.6%	2.8%
% of Leases Sharing Fertilizer Costs	100.0%	100.0%	94.3%	82.4%	0.0%
% of Leases Sharing Herbicide Costs	100.0%	100.0%	87.1%	87.5%	0.0%
% of Leases Sharing Insecticide Costs	100.0%	100.0%	93.8%	86.7%	0.0%
% of Leases Sharing Energy Costs	0.0%	0.0%	0.0%	23.5%	0.0%
<u>Alfalfa (5 Leases)</u>					
Total Leases in Lease Arrangement	0	2	1	2	0
% of Total Leases in Lease Arrangement	0.0%	40.0%	20.0%	40.0%	0.0%
% of Leases Sharing Fertilizer Costs	0.0%	100.0%	0.0%	100.0%	0.0%
% of Leases Sharing Herbicide Costs	0.0%	100.0%	0.0%	100.0%	0.0%
% of Leases Sharing Insecticide Costs	0.0%	100.0%	0.0%	100.0%	0.0%
% of Leases Sharing Energy Costs	0.0%	0.0%	0.0%	0.0%	0.0%
*The percentages calculated in this table represent the percent of landlords sharing the same percent of costs as they share of the crop. For example, 100% of landlords receiving 33% of the wheat crop paid 33% of fertilizer expenses.					

Table 10. Central-50 Irrigated Crop-Share Arrangements

Crop	Landlord's Percent of Crop Received (or of Costs Paid)*				
	25%	33%	40%	50%	Other
Wheat (3 Leases)					
Total Leases in Lease Arrangement	0	3	0	0	0
% of Total Leases in Lease Arrangement	0.0%	100.0%	0.0%	0.0%	0.0%
% of Leases Sharing Fertilizer Costs	0.0%	100.0%	0.0%	0.0%	0.0%
% of Leases Sharing Herbicide Costs	0.0%	100.0%	0.0%	0.0%	0.0%
% of Leases Sharing Insecticide Costs	0.0%	100.0%	0.0%	0.0%	0.0%
% of Leases Sharing Energy Costs	0.0%	0.0%	0.0%	0.0%	0.0%
Corn (48 Leases)					
Total Leases in Lease Arrangement	5	21	12	10	0
% of Total Leases in Lease Arrangement	10.4%	43.8%	25.0%	20.8%	0.0%
% of Leases Sharing Fertilizer Costs	80.0%	95.0%	90.0%	100.0%	0.0%
% of Leases Sharing Herbicide Costs	80.0%	100.0%	90.0%	100.0%	0.0%
% of Leases Sharing Insecticide Costs	100.0%	100.0%	88.9%	100.0%	0.0%
% of Leases Sharing Energy Costs	0.0%	9.52%	16.7%	20.0%	0.0%
Sorghum (20 Leases)					
Total Leases in Lease Arrangement	0	10	7	3	0
% of Total Leases in Lease Arrangement	0.0%	50.0%	35.0%	15.0%	0.0%
% of Leases Sharing Fertilizer Costs	0.0%	100.0%	100.0%	100.0%	0.0%
% of Leases Sharing Herbicide Costs	0.0%	100.0%	100.0%	100.0%	0.0%
% of Leases Sharing Insecticide Costs	0.0%	100.0%	100.0%	100.0%	0.0%
% of Leases Sharing Energy Costs	0.0%	0.0%	0.0%	0.0%	0.0%
Soybean (45 Leases)					
Total Leases in Lease Arrangement	3	22	12	5	3
% of Total Leases in Lease Arrangement	6.7%	48.9%	26.7%	11.1%	670.0%
% of Leases Sharing Fertilizer Costs	66.7%	100.0%	90.0%	80.0%	0.0%
% of Leases Sharing Herbicide Costs	66.7%	100.0%	80.0%	80.0%	0.0%
% of Leases Sharing Insecticide Costs	100.0%	100.0%	77.8%	80.0%	0.0%
% of Leases Sharing Energy Costs	0.0%	4.5%	8.3%	20.0%	0.0%
Alfalfa (11 Leases)					
Total Leases in Lease Arrangement	2	5	1	3	0
% of Total Leases in Lease Arrangement	18.2%	45.5%	9.1%	27.3%	0.0%
% of Leases Sharing Fertilizer Costs	50.0%	100.0%	100.0%	100.0%	0.0%
% of Leases Sharing Herbicide Costs	50.0%	100.0%	100.0%	100.0%	0.0%
% of Leases Sharing Insecticide Costs	50.0%	100.0%	100.0%	100.0%	0.0%
% of Leases Sharing Energy Costs	0.0%	0.0%	0.0%	0.0%	0.0%

*The percentages calculated in this table represent the percent of landlords sharing the same percent of costs as they share of the crop. For example, 100% of landlords receiving 33% of the wheat crop paid 33% of fertilizer expenses.

Table 11. South Central-60 Irrigated Crop-Share Arrangements

Crop	Landlord's Percent of Crop Received (or of Costs Paid)*				
	25%	33%	40%	50%	Other
<u>Wheat (7 Leases)</u>					
Total Leases in Lease Arrangement	0	5	0	2	0
% of Total Leases in Lease Arrangement	0.0%	71.4%	0.0%	28.6%	0.0%
% of Leases Sharing Fertilizer Costs	0.0%	100.0%	0.0%	100.0%	0.0%
% of Leases Sharing Herbicide Costs	0.0%	100.0%	0.0%	100.0%	0.0%
% of Leases Sharing Insecticide Costs	0.0%	100.0%	0.0%	100.0%	0.0%
% of Leases Sharing Energy Costs	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Corn (71 Leases)</u>					
Total Leases in Lease Arrangement	7	24	4	33	3
% of Total Leases in Lease Arrangement	9.9%	33.8%	5.6%	46.5%	4.2%
% of Leases Sharing Fertilizer Costs	100.0%	100.0%	100.0%	100.0%	0.0%
% of Leases Sharing Herbicide Costs	100.0%	100.0%	100.0%	100.0%	0.0%
% of Leases Sharing Insecticide Costs	100.0%	100.0%	100.0%	100.0%	0.0%
% of Leases Sharing Energy Costs	0.0%	4.17%	0.0%	51.5%	0.0%
<u>Sorghum (5 Leases)</u>					
Total Leases in Lease Arrangement	0	3	0	2	0
% of Total Leases in Lease Arrangement	0.0%	60.0%	0.0%	40.0%	0.0%
% of Leases Sharing Fertilizer Costs	0.0%	100.0%	0.0%	100.0%	0.0%
% of Leases Sharing Herbicide Costs	0.0%	100.0%	0.0%	100.0%	0.0%
% of Leases Sharing Insecticide Costs	0.0%	100.0%	0.0%	100.0%	0.0%
% of Leases Sharing Energy Costs	0.0%	0.0%	0.0%	50.0%	0.0%
<u>Soybean (42 Leases)</u>					
Total Leases in Lease Arrangement	4	23	5	9	1
% of Total Leases in Lease Arrangement	9.5%	54.8%	11.9%	21.4%	2.4%
% of Leases Sharing Fertilizer Costs	100.0%	95.2%	100.0%	100.0%	0.0%
% of Leases Sharing Herbicide Costs	100.0%	100.0%	100.0%	100.0%	0.0%
% of Leases Sharing Insecticide Costs	100.0%	92.3%	100.0%	100.0%	0.0%
% of Leases Sharing Energy Costs	0.0%	0.0%	0.0%	11.1%	0.0%
<u>Alfalfa (8 Leases)</u>					
Total Leases in Lease Arrangement	0	2	2	3	1
% of Total Leases in Lease Arrangement	0.0%	25.0%	25.0%	37.5%	12.5%
% of Leases Sharing Fertilizer Costs	0.0%	100.0%	100.0%	100.0%	0.0%
% of Leases Sharing Herbicide Costs	0.0%	100.0%	100.0%	100.0%	0.0%
% of Leases Sharing Insecticide Costs	0.0%	100.0%	100.0%	100.0%	0.0%
% of Leases Sharing Energy Costs	0.0%	0.0%	0.0%	33.3%	0.0%

*The percentages calculated in this table represent the percent of landlords sharing the same percent of costs as they share of the crop. For example, 100% of landlords receiving 33% of the wheat crop paid 33% of fertilizer expenses.

Figure 2. Percentage of Landlords in 33% Crop Share Leases Paying 33% of Fertilizer Expenses

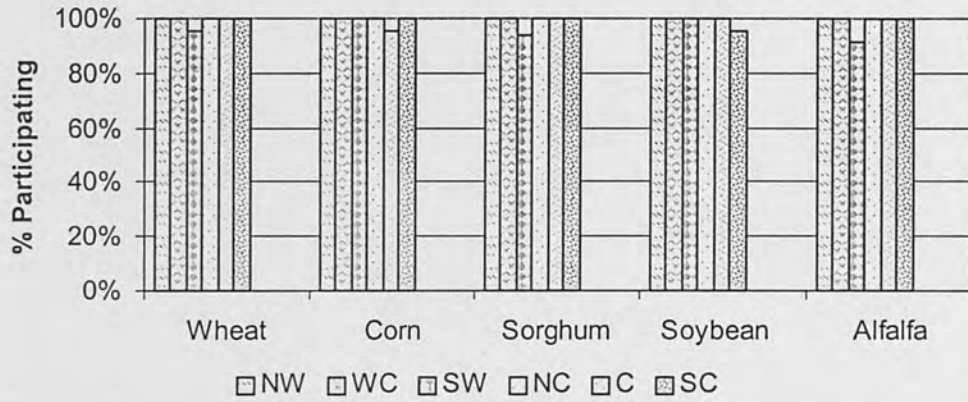


Figure 3. Percentage of Landlords in 33% Crop Share Leases Paying 33% of Herbicide Expenses

