



Farmland Ownership in Illinois: New Highlights from USDA Survey

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The USDA recently released the results of the 2014 [Tenure, Ownership, and Transition of Agricultural Land \(TOTAL\)](#). TOTAL is a special study and part of the Census of Agriculture that collects data from landowners and landlords of agricultural land, including non-operator landlords. The survey collected data in the 48 contiguous states on landlords' acres rented out, income, expenses, assets, debt, land transfer plans, and more. One of the most striking findings of the survey is that Illinois leads the nation in total agricultural rent at \$3.8 billion. This article explores some additional highlights of Illinois landlords from the report.

Table 1 shows the number of landlords by ownership arrangement for Illinois, the Midwest, and the nation as a whole. TOTAL defines the Midwest as Minnesota, Iowa, Missouri, Wisconsin, Illinois, Indiana, Ohio, and Michigan. The results suggest that non-operator landlords – landowners who rent out agricultural land but do not operate land themselves – account for the majority of landowners in each of the three geographic definitions: 88.1% in Illinois, 84.9% in the Midwest, and 86.9% in the contiguous US. Illinois, for example, had 131,337 total landlords in 2014, only 15,684 of which are farm operators.

The non-operator landlords are further classified by five ownership types, the most common of which is individual ownership, accounting for 46.8% of all landlords in Illinois. Trusts were the second most common ownership arrangement at 18.2% of all landlords. Corporations and other arrangements each account for approximately 3% of landlords. Further, the proportion of landlords by ownership type and operation status is roughly equivalent across the three geographic definitions.

TOTAL reports that in 2014, Illinois was home to 15.88 million acres of rented farmland (including cropland and pastureland). Figure 1 shows how the land was divided among the ownership arrangements reported in Table 1. While only 11.9% of landlords also operate a farm (operator landlords), these landowners account for 16.8% of total rented acres which suggests current operators tend to rent larger tracks, all else being equal. The same relationship can also be observed for Corporation and Trust ownership arrangements. While Trusts account for just 3.3% of all landlords, for example, they represent 5.3% of the rented acreage in Illinois.

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Finally, in Illinois, the land held by non-operator landlords was valued at nearly \$90 billion in 2014, at 82% of the total value of agricultural real estate in the state. Of the \$3.8 billion dollars in rent paid for Illinois agricultural land in 2014, 78.1% was paid to non-operator landlords. Among non-operator landlords, the majority of rent is captured by Individuals and Partnerships, at 58.0%.

Table 1: Landlords by Ownership Arrangements, 2014

	Illinois	Midwest	USA
Operator Landlord	15,684	107,955	280,044
Non-operator Landlord	115,653	607,263	1,851,796
Individual	61,515	344,044	1,092,551
Partnership	21,700	118,759	361,826
Trust	23,871	100,239	249,632
Corporation	4,362	26,877	91,011
Other	4,205	17,344	56,776
Total	131,337	715,218	2,131,840

Figure 1: Share of Rented Acreage by Ownership Arrangement, Illinois, 2014

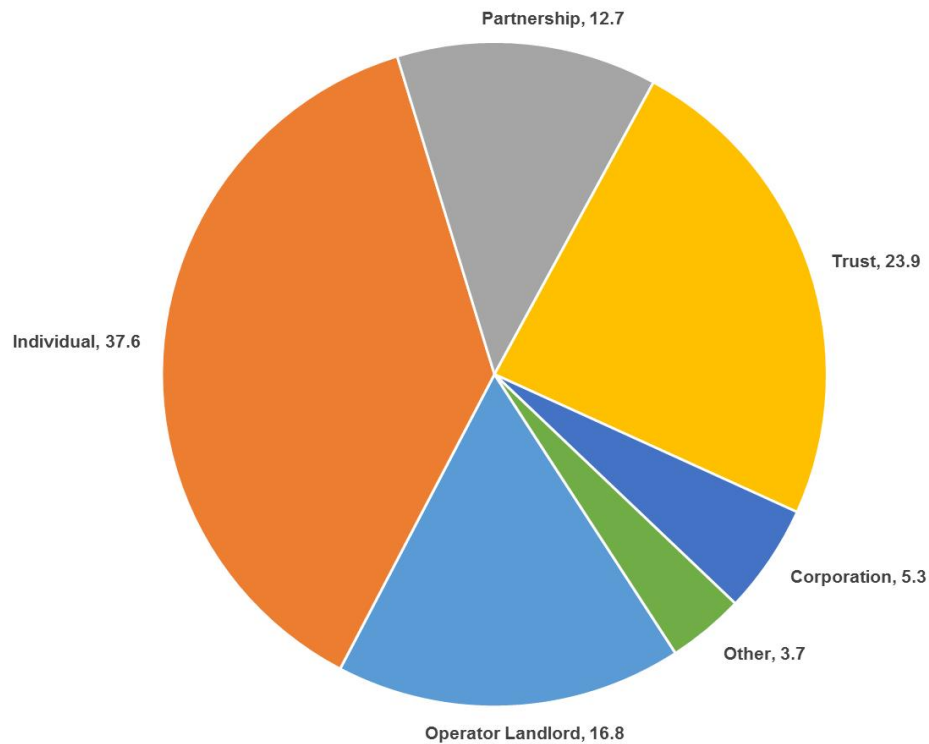


Table 2: Rent and Asset Values by Ownership Type in Illinois, \$Billions, 2014

	Rent Received	Value of Land and Buildings
Operator Landlord	0.8	18.7
Non-operator Landlord	2.9	89.2
Individual/Partnership	1.7	48.3
Corporation/Trust	1	33.3
Other	0.1	4.5
Multiple*	0.1	3.2
Total	3.8	107.8

*Refers to non-operator landlords who rent out agricultural land under more than one ownership arrangement.

References

USDA Census of Agriculture. "Tenure, Ownership, and Transition of Agricultural Land (TOTAL)." Last Modified September 8, 2015, accessed September 24, 2015.
<http://www.agcensus.usda.gov/Publications/TOTAL/>