



Illinois Cash Rents and Leasing Expectations Through 2027

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According to results from Illinois Society of Professional Farm Managers and Rural Appraisers (ISPFMRA) annual survey (see the [Land Values](#) report from the Illinois Society), cash rents on professional managed farmland held strong in 2026 and are anticipated to maintain the strength into 2027. Even though farmland price expectations have softened (see *farmdoc daily* article on [April 7, 2026](#)), the rental market remains strong.

2025 Leasing Incomes

Setting the stage for current market behavior requires a look at the actual earnings landlords generated during the 2025 crop year. The ISPFMRA survey defined average income as total gross revenue minus all associated expenses, including standard property tax deductions. The analysis compared three primary lease structures: share rent agreements, traditional cash rent leases, and custom farming contracts.

As shown in Table 1, which compares incomes between 2024 and 2025, landowners engaged in custom farming on Excellent quality soils generated the most substantial financial yield at \$375 per acre in 2025. This return effectively compensated those landowners who assumed full liability for all crop-related expenditures and operational uncertainties. In comparison, landowners employing cash rent lease structures on identical soil quality obtained an average return of \$300 per acre in 2025, while traditional crop share leases achieved an average return of \$250 per acre.

Comparing the 2025 figures directly to 2024 reveals distinct shifts within specific lease structures. Landlord incomes from cash-rented fields experienced a decrease from 2024 to 2025 across the three highest productivity categories. Specifically, returns on Excellent quality cash-rented land fell by \$25 per acre from 2024 levels, while Good quality land saw a \$10 per acre reduction.

Conversely, traditional crop share returns experienced upward adjustments across the top three productivity classes over the same period. This increase in crop share returns is largely attributable to slight reductions in input costs coupled with strong crop yields during the 2024 to 2025 period. Consequently, landlords engaged in agreements that share both revenues and costs directly benefited from these favorable production and expenditure dynamics.

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Table 1. Per Acre Farm Incomes Landlords Receive for Different Lease Types and Land Productivity, 2025 versus 2024

Lease type	Traditional crop share		Cash rent		Custom farming	
	2024	2025	2024	2025	2024	2025
Excellent	\$230	\$250	\$325	\$300	\$367	\$375
Good	\$175	\$213	\$275	\$265	\$300	\$275
Average	\$150	\$175	\$221	\$220	\$200	\$220
Fair	\$105	\$100	\$175	\$175	\$150	\$180

(Source: 2026 ISPFMRA Annual Farmland Report)

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Reported 2026 Cash Rent by Land Quality

Even with the modest declines in realized 2025 landlord incomes, negotiated cash rental rates for the 2026 growing season have remained exceptionally strong. The survey data breaks down these expectations by soil productivity, revealing that while statewide averages are holding firm, there is considerable variance in what operators are ultimately paying, even for land of identical quality.

For Excellent quality farmland, the middle third of cash leases is expected to average \$375 per acre in 2026. However, agreements in the upper third of the market are reaching \$400 per acre, whereas the lower third averages around \$320 per acre. This \$80-per-acre spread highlights the substantial variability inherent within specific land quality classes, largely driven by localized supply constraints and intense competition among operators for premium acreage. Moving down the scale, the middle tier of Good quality land has an average of \$325 per acre. Average quality soils sit at a reported \$273 per acre, and Fair quality land averages \$200 per acre. (See Table 2).

Table 2. Per Acre Cash Rents for High 1/3, Mid 1/3, and Low 1/3 Cash Rent Leases by Land Quality, 2026

Category	Land Quality			
	Excellent	Good	Average	Fair
High 1/3	\$400	\$350	\$300	\$238
Mid 1/3	\$375	\$325	\$273	\$200
Low 1/3	\$320	\$277	\$222	\$181

(Source: 2026 ISPFMRA Annual Farmland Report)

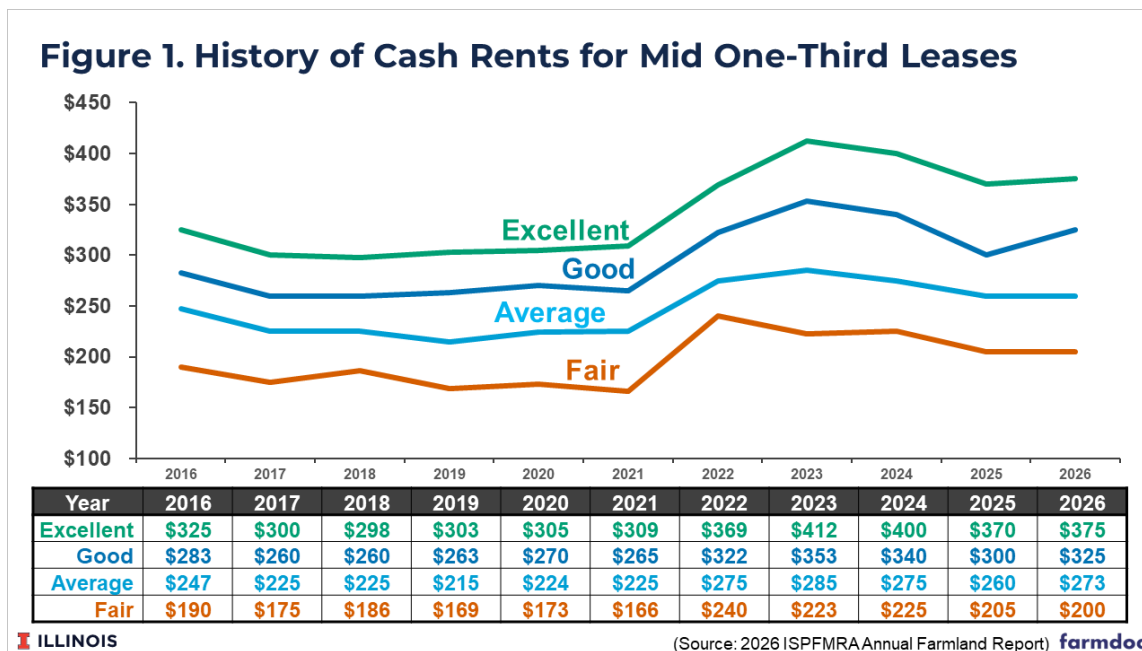
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Figure 1 illustrates the history of cash rents for middle one-third leases over the past decade to provide context for the reported 2026 rates. As shown, cash rents remained relatively flat from 2016 through 2021 before increasing significantly to reach a peak in 2023. Following the 2023 highs, cash rents experienced a period of moderate decline. However, heading into the 2026 crop year, the survey data indicates stabilization of the market, with slight increases observed for higher-productivity land classes.

Average cash rental rates from 2025 to 2026 showed marginal gains across the upper three productivity classes. While the Excellent category's 2026 median rent of \$375 per acre represented a \$5 increase over its 2025 level of \$370, the median rent for Good quality acreage climbed by \$25, shifting from \$300 to \$325 per acre. Similarly, Average quality land experienced a \$13 per acre elevation, rising from \$260 to \$273 per acre. Fair quality acreage was the only class to observe a slight downturn, dropping \$5 from \$205 to \$200 per acre. Furthermore, for landowners managing grazing operations, respondents noted

that pastureland equipped with sufficient fencing and water infrastructure secured an average rental rate of \$43 per acre.



Expectations for 2027

As for the agricultural economy, a majority of agricultural managers anticipate that the farm economy will either maintain its current trajectory or become better conditions in 2026. Specifically, 48 percent of respondents expect economic conditions in 2026 to closely mirror those experienced in 2025, while 33 percent forecast an improvement in the agricultural business climate.

This cautious optimism translates directly into the outlook for the 2027 leasing. According to recent survey data, industry professionals predominantly anticipate sustained rate stability or slight growth. A significant 67 percent of farm managers expect 2027 cash rental rates to remain unchanged from 2026 levels. Nine percent of respondents anticipate further rate escalations. In contrast, 24 percent of respondents project a potential softening with expectations that 2027 rates will fall below the 2026 baselines.

Summary

Results from the ISPFMRA survey indicate a stable farmland leasing environment in Illinois. While landlord net returns under cash rent agreements experienced slight compression from 2024 to 2025, reported 2026 cash rents remained resilient with marginal increases observed on highly productive land. Traditional cash rent structures remain the dominant leasing methods, and survey respondents expect these valuation plateaus to persist through the 2027 crop year.

Reference

Illinois 2025 Land Value Report from Illinois Society of Professional Farm Managers and Rural Appraisers. <https://ispfmra.org/land-values-archive/>

Tsay, J. and G. Schnitkey. "2026 Illinois Farmland Price Expectations: Navigating a Stable Yet Softening Market." *farmdoc daily* (16):59, Department of Agricultural and Consumer Economics, University of Illinois at Urbana-Champaign, April 7, 2026.