

Mark Your Calendars for Upcoming KSU Lease Workshops

Price volatility and rising input costs coupled with changing crop rotations and tillage practices are causing many landlords and tenants to question the adequacy and appropriateness of their current rental arrangements.

To help address these questions, Kansas State University will be conducting a series of day-long workshops this coming winter throughout Kansas to help landlords and tenants manage the risk associated with rental arrangements.

December 1, 2010 – Goodland
December 2, 2010 – Scott City
December 8, 2010 – Hesston
December 9, 2010 – El Dorado
December 16, 2010 – Clay Center
January 20, 2011 – Great Bend
February 9, 2011 – Hutchinson

Each workshop will be comprised of four parts. The first part will help participants better understand different rental arrangements, including cash rent, sharerent, and the recently popular flex-rent arrangement, where rental rates can “flex” depending on changes in prices, yields, or both.

The second part will include a discussion of the ethics of leasing. The third section will provide computer training in using Excel spreadsheets. Finally, participants will be introduced to examples of alternative leasing scenarios and a decision-making tool, *KSU-Lease*, will be demonstrated. Participants will then have the opportunity to sharpen their skills via hands-on computer application sessions.

It is critical that producers understand the concepts, mechanics, and implications of alternative forms of leasing land. In addition to cash rent leases and sharerent leases, flex-rent arrangements are of particular importance for risk management. These leases allow landlords and tenants to make the terms of the lease flexible, based on variations in crop prices, crop yields, or changes in both. Though relatively simple in concept, these leases can be complex in practice because of the various terms of the lease needing to be defined and agreed upon. Landowners expect less risk to be associated with cash leases (relative to crop share leases), however, depending on the terms of a flex lease, that may not be true. Thus, understanding how these leases work is critical to risk management.

Date	Location	Contact Info
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