

University of Nebraska - Lincoln  
**DigitalCommons@University of Nebraska - Lincoln**

---

Nebraska Farm Real Estate Reports

Agricultural Economics Department

---

2-2004

# Nebraska Farm Real Estate Market Developments 2003-2004

Bruce B. Johnson

*University of Nebraska-Lincoln*, [bjohnson2@unl.edu](mailto:bjohnson2@unl.edu)

Raymond J. Supalla

*University of Nebraska-Lincoln*, [rsupalla1@unl.edu](mailto:rsupalla1@unl.edu)

Aaron Raymond

*University of Nebraska-Lincoln*

Follow this and additional works at: [http://digitalcommons.unl.edu/agecon\\_farmrealestate](http://digitalcommons.unl.edu/agecon_farmrealestate)

 Part of the [Agricultural and Resource Economics Commons](#)

---

Johnson, Bruce B.; Supalla, Raymond J.; and Raymond, Aaron, "Nebraska Farm Real Estate Market Developments 2003-2004" (2004). *Nebraska Farm Real Estate Reports*. 6.

[http://digitalcommons.unl.edu/agecon\\_farmrealestate/6](http://digitalcommons.unl.edu/agecon_farmrealestate/6)

This Article is brought to you for free and open access by the Agricultural Economics Department at DigitalCommons@University of Nebraska - Lincoln. It has been accepted for inclusion in Nebraska Farm Real Estate Reports by an authorized administrator of DigitalCommons@University of Nebraska - Lincoln.

# Nebraska Farm Real Estate Market Developments 2003-2004

by

Bruce B. Johnson\*  
Raymond J. Supalla\*\*  
and  
Aaron Raymond\*\*\*

- 
- \* Professor, Department of Agricultural Economics, University of Nebraska-Lincoln, 68583  
Phone Number (402) 472-1794. e-mail: [bjohnson2@unl.edu](mailto:bjohnson2@unl.edu)
  - \*\* Professor, Department of Agricultural Economics, University of Nebraska-Lincoln, 68583  
Phone Number (402) 472-1792, e-mail: [rsupalla1@unl.edu](mailto:rsupalla1@unl.edu)
  - \*\*\* Student Research Assistant, Department of Agricultural Economics, University of Nebraska-Lincoln

\* \* \* \* \*

Sincere appreciation goes to the survey reporters for their participation in the annual UNL Nebraska Farm Real Estate Market Survey. Without their valuable input, much of the information within this report would not exist.

Special appreciation also goes to Diane Wasser, Special Project Assistant, for her significant contributions throughout the survey process and report preparation.

This report is also available through the Internet. The website address is:

<http://agecon.unl.edu/realestate/re2004.pdf>

Previous issues can be found at:

<http://agecon.unl.edu/realestate/>

\* \* \* \* \*

The University of Nebraska-Lincoln, an Affirmative Action/Equal Opportunity Employer, supports equal educational opportunity and offers the information herein without regard to age, sex, race, handicap, national origin, marital status, or religion.

## Table of Contents

|   | Page No. |
|---|----------|
| List of Tables .....  | ii       |
| List of Figures .....                                       | iii      |
| Summary .....   | v        |
| Introduction .....  | 1        |
| Current Land Values and Recent Trends .....                 | 2        |
| Agricultural Land Value Ranges in 2004 .....                | 6        |
| Factors Influencing Current Agricultural Land Markets ..... | 7        |
| Characteristics of Actual Land Transactions In 2003 .....   | 10       |
| Net Rates of Return to Agricultural Land .....              | 14       |
| Cash Rental Rates for 2004 .....                            | 16       |
| Rent-to-Value Ratios .....                                  | 18       |
| Analysis of Typical Returns to Agricultural Land .....      | 20       |
| Effects of Water Availability .....                         | 21       |
| Appendix .....  | 24       |

## List of Tables

| Table No.   | Page No. |
|---|----------|
| 1. Average Reported Value of Nebraska Farmland for Different Types of Land by Agricultural Statistics District, Feb. 1, 2003 - Feb. 1, 2004. ....                     | 3        |
| 2. Average Reported Value Per Acre of Farmland for Different Types and Grades of Land in Nebraska by Agricultural Statistics District, February 1, 2004 .....         | 6        |
| 3. Land Characteristics of 2003 Agricultural Real Estate Transactions, by Agricultural Statistics Districts in Nebraska. ....   | 11       |
| 4. Types of Financing Associated with 2004 Agricultural Real Estate Sales, by Agricultural Statistics District in Nebraska .....                                      | 11       |
| 5. Percent Distribution of Agricultural Real Estate Transactions in 2004 by Seller Type, by Agricultural Statistics District in Nebraska .....                        | 12       |
| 6. Percent of Distribution of Agricultural Real Estate Transactions in 2004 by Buyer Type, by Agricultural Statistics District in Nebraska .....                      | 13       |
| 7. Estimated Annual Net Rates of Return by Type of Land and Agricultural Statistics District, 1990-2004 .....   | 14-15    |
| 8. Reported Cash Rental Rates for Various Types of Nebraska Farmland: 2004 Averages and Ranges by Agricultural Statistics District .....                              | 17       |
| 9. Reported Cash Rental Rates for Pasture on a Monthly Rate Basis for 2004: Averages and Ranges by Agricultural Statistics District. ....                             | 18       |
| 10. Reported Cash Rental Rates, Associated Estimates of Value, and Gross Rent as a Percent of Market Value by Type of Land and Agricultural Statistics District. .... | 19       |
| 11. Analysis of Typical Net Returns for Selected Land Types and Locations Using Typical Cash Rental Rates, 2004. ....   | 22-23    |

## List of Figures

| Figure No.   | Page No. |
|--|----------|
| 1. Average Value of Nebraska Farmland, February 1, 2004 and Percent Change From Year Earlier .....                           | 2        |
| 2. Nebraska Agricultural Statistics Districts .....  | 2        |
| 3. Nebraska Nominal and Real Estimated Farmland Values (All Land) 1978-2003 .....  | 4        |
| 4. Average Value per Acre for Gravity and Center Pivot Cropland in Eastern NE .....  | 5        |
| 5. Reporters' Rating of Factors Influencing Agricultural Land Values in Their Areas of Nebraska, February 2004. ....         | 8        |
| 6. Respondents Perception of Changes in the Presence of Non-Farmer Buyers Over the Past 10 years in Nebraska .....           | 9        |
| 7. Respondents Perception of Changes in the Presence of Non-Farmer Buyers Over the Past 10 years by Region in Nebraska ..... | 9        |
| 8. Buyer Use of Recent Purchases, 2004 .....   | 10       |
| 9. Historical State Real Estate Transaction Percentage by Buyer Type, 1991-2004. ....  | 13       |

## Appendix

| App. Table No.  | Page No. |
|---|----------|
| 1. Farm Real Estate Values in Nebraska, USDA Historical Series, 1860 - 2004 .....   | 25-26    |
| 2. Deflated USDA Farmland Values and Percent Changes for Nebraska 1930 to 2004 .....  | 27-28    |
| 3. Nominal and Deflated Agricultural Land Values by Selected Types of Land in Nebraska,<br>1978 to 2004 .....   | 29       |
| 4. Average Reported Value of Nebraska Farmland for Different Types of Land by<br>Agricultural Statistics District, 1978-2004 .....                    | 30-37    |
| 5. Historical Per Acre Value Range for Different Types and Quality Grades of Land in<br>Nebraska by Agricultural Statistics District, 1999-2004 ..... | 38-39    |
| 6. Historical Average Cash Rental Rates of Nebraska Farmland for Different Types of<br>Land by Agricultural Statistics District, 1981 - 2004 .....    | 40-47    |

## **Nebraska Farm Real Estate Market Developments 2003-2004 Summary**

Nebraska's agricultural land values moved sharply upward across the state during 2003 and into 2004, recording an average gain of 9.2 percent for the 12 months ending February 1, 2004. This average increase was the largest annual percentage gain in 14 years. And it followed on several years of fairly stable land values. Virtually all land classes showed gains, and in all areas of the state—even in areas of serious multi-year drought, where previous-year value declines had occurred.

The highest-priced land in the state is now center pivot irrigated cropland in Eastern Nebraska as the market preference for this irrigated land over gravity irrigated land has risen over the past five years.

The impact of drought has been present in agricultural land markets; but those impacts have been mixed in nature depending upon unique conditions of the particular region. The value of land with irrigation potential has increased most rapidly in recent years in the eastern regions, while western areas of the state with more limited water availability have not seen values rise as much. In some localities, water policy restrictions or further irrigation development, either existing or pending, has altered demand for this type of land.

Other forces impacting the current market center on low interest rates and widespread demand by non-farmer buyers. While active farmers continue to be the major buyer group, typically buying for farm expansion purposes, their dominance in local markets across the state has fallen over the past decade.

Despite agricultural land transfers typically involving considerable dollar values, nearly half of the transfers in 2003 were cash purchases involving no debt financing. Survey reporters frequently commented on the presence of 1031 tax exchanges in agricultural land transfers which may explain part of the relatively high incidence of cash purchases.

Given more favorable commodity price levels as well as continued strong demand for rental land in most local land markets, 2004 cash rental rates were up from previous-year levels, frequently 5 percent or more for most cropland classes. Pasture rental rates for 2004 were also higher, both on a per acre and an animal unit per month basis.

According to survey reporters, we are seeing a continuation of a slow multi-year decline of expected annual net rates of returns to the various agricultural land classes. Apparently, market participants are generally willing to bid values upward somewhat faster than their expectations for increases in annual net rates of return. In the vernacular of the stock market, this is akin to a rising price/earnings ratio.

# Nebraska Farm Real Estate Market Developments 2003-2004

## Introduction

With more than 46 million acres in production, Nebraska ranks fourth among the 50 states in land acreage in farms and ranches. This year, for the first time, the estimated value of its agricultural land assets exceeds \$40 billion (Appendix Table 1). Nearly all of this acreage is in private ownership, distributed across some 105,000 agricultural landowners comprised of over 50,000 owner operators and 55,000 non-operator owners (landlords) who rent all the land they own to others to farm<sup>1</sup>. Given this magnitude of dollar value and the wide distribution of ownership, the state's agricultural land market dynamics are of considerable interest and importance.

As a consequence, the UNL Department of Agricultural Economics has monitored and analyzed agricultural land market conditions annually since 1978. The foundation of this process is an annual February 1<sup>st</sup> survey of agricultural real estate market conditions across the state. The information collected from this survey and its subsequent analysis provide valuable insight into market characteristics and trends, both over time and across the sub-state regions.

This year's survey received input from a panel of nearly 150 reporters from across the state. Most are real estate professionals. Many of these panelists are actively engaged in professional agricultural appraisal. Others are professional farm managers and/or agricultural real estate brokers—also closely attuned to the agricultural land market conditions in their areas of the state. Since the vast majority of the panel members have been responding to this survey each year for a number of years, the continuity of the information series is strengthened.

Survey panel members provide point-in-time estimates of current market values and cash rents for the various classes of agricultural land in their localities. These are then aggregated into averages for each of the eight agricultural statistical areas in the state. For market values, these area averages are further aggregated to the state level using an acreage weighting procedure to arrive at all-state average values for each of the various land classes as well as a state all-land average. From these estimates, comparisons over time are made to arrive at annual percentage changes in market values.

In addition to point-in time estimates of market values and cash rents, survey reporters also provide specific information regarding actual transactions which have occurred over the previous 12-month period and are deemed representative of local market conditions. In the 2004 survey, detailed information on 350 transactions were reported, which provide additional insight into the nature of the market.

This year, for the first time in the 27-year series, we are emphasizing a particular theme of land market conditions for further elaboration. And given its critical nature in virtually every area of the state, we are highlighting **the role of water** and its interface with the state's agricultural land markets.

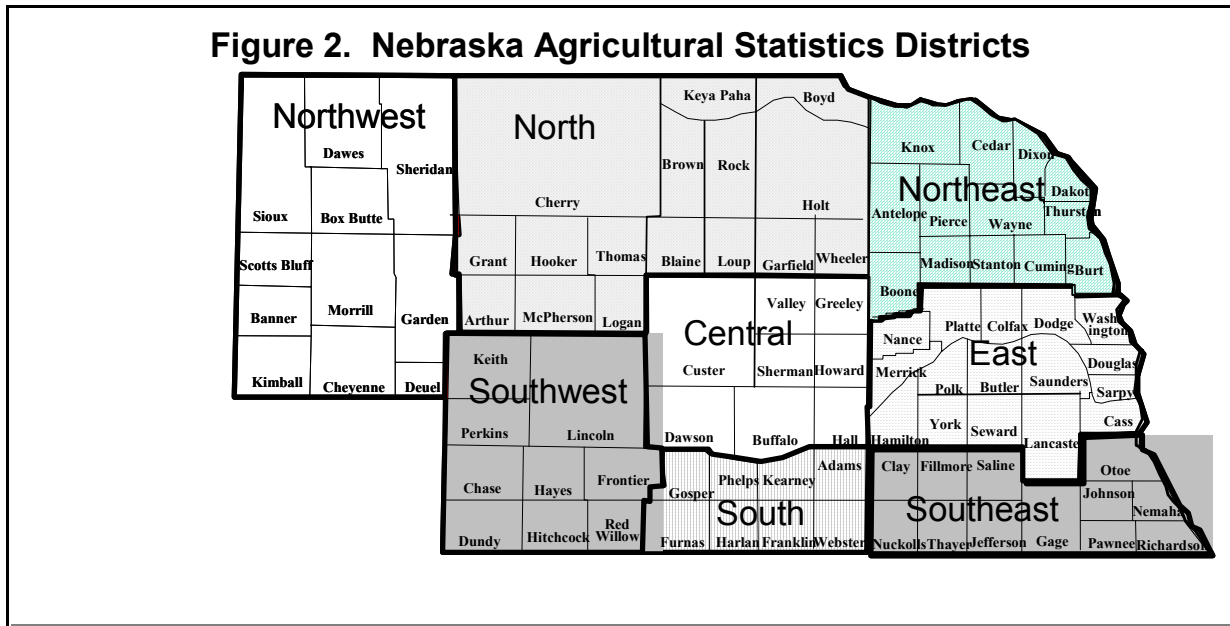
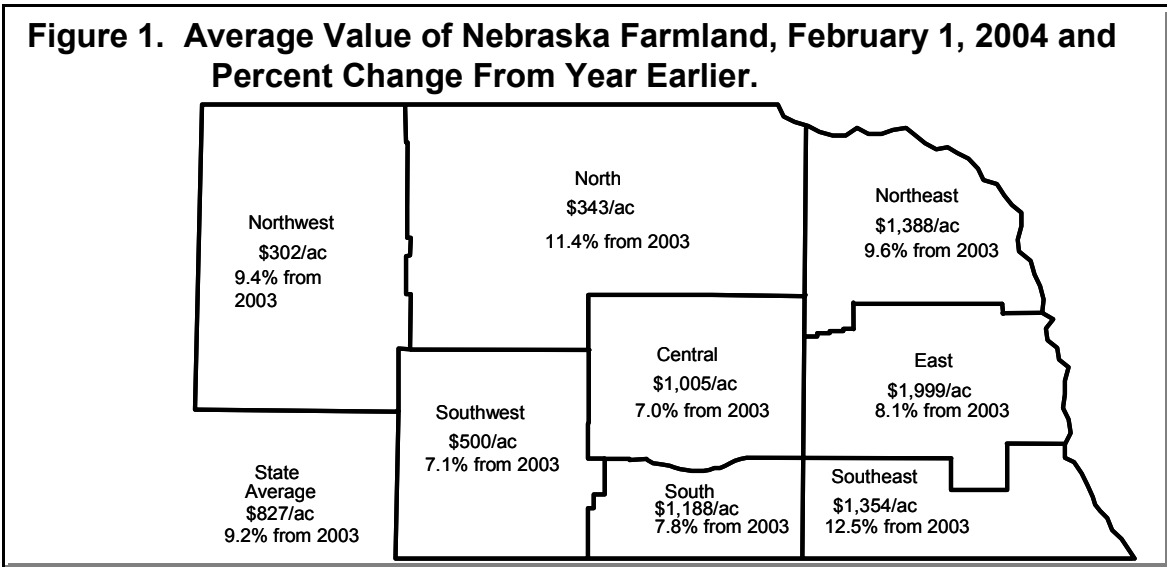
---

<sup>1</sup>For more detail see: Burce Johnson, *Agricultural Land Ownership and Tenant Patterns in Nebraska*, NEBGUIDE, G03-1486-A.



## Current Land Values and Recent Trends

Following several years of relatively stable agricultural land values, Nebraska's agricultural land markets increased significantly in 2003. For the 12-month period ending February 1, 2004, average farmland values rose an average of 9.2 percent (Figure 1 and Table 1) The increase was the largest annual percentage change for the state in 14 years (see Appendix Table 4 for long-term historical land value series). This percentage change is sharply above the past five-year and ten-year annual average changes of 3.7 percent and 3.9 percent respectively for the state's all-land average value.



**Table 1. Average Reported Value of Nebraska Farmland for Different Types of Land by Agricultural Statistics District, Feb. 1, 2003 - Feb. 1, 2004.<sup>a</sup>**

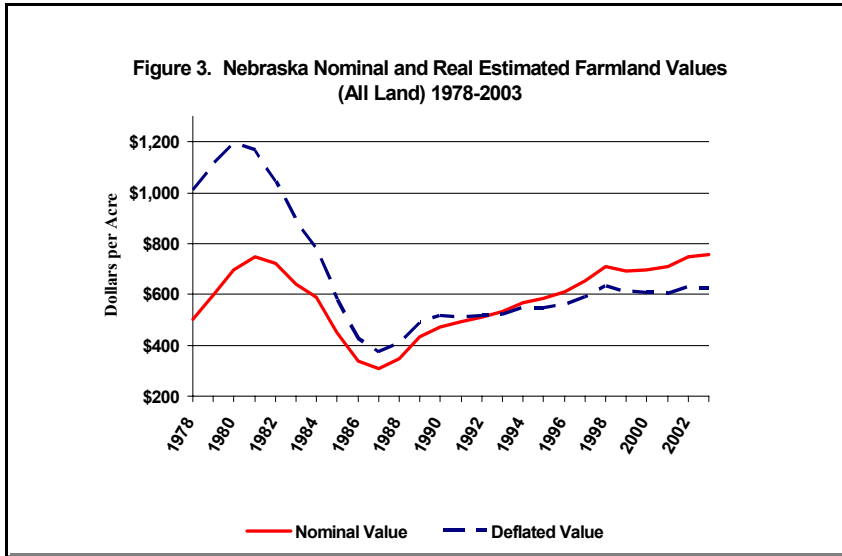
| Type of Land and Year                        | Agricultural Statistics District |       |           |         |      |           |       |           |                    |
|--|----------------------------------|-------|-----------|---------|------|-----------|-------|-----------|--------------------|
|  | Northwest                        | North | Northeast | Central | East | Southwest | South | Southeast | State <sup>c</sup> |
| ----- Dollars Per Acre -----                 |                                  |       |           |         |      |           |       |           |                    |
| Dryland Cropland (No Irrigation Potential)   |                                  |       |           |         |      |           |       |           |                    |
| Rptd. in 2004                                | 328                              | 416   | 1231      | 758     | 1717 | 473       | 800   | 1190      | 862                |
| Rptd. in 2003                                | 319                              | 360   | 1107      | 710     | 1585 | 453       | 748   | 1059      | 788                |
| % Change                                     | 2.8                              | 15.6  | 11.2      | 6.8     | 8.3  | 4.4       | 7.0   | 12.4      | 9.4                |
| Dryland Cropland (Irrigation Potential)      |                                  |       |           |         |      |           |       |           |                    |
| Rptd. in 2004                                | 445                              | 534   | 1554      | 1137    | 2093 | 586       | 1217  | 1469      | 1272               |
| Rptd. in 2003                                | 396                              | 480   | 1410      | 1095    | 1930 | 558       | 1118  | 1290      | 1159               |
| % Change                                     | 12.4                             | 11.3  | 10.2      | 3.8     | 8.4  | 5.0       | 8.9   | 13.9      | 9.7                |
| Grazing Land (Tillable)                      |                                  |       |           |         |      |           |       |           |                    |
| Rptd. in 2004                                | 212                              | 307   | 794       | 611     | 926  | 305       | 558   | 716       | 375                |
| Rptd. in 2003                                | 180                              | 280   | 750       | 562     | 801  | 290       | 534   | 640       | 341                |
| % Change                                     | 17.8                             | 9.6   | 5.9       | 8.7     | 15.6 | 5.2       | 4.5   | 11.9      | 10.0               |
| Grazing Land (Nontillable)                   |                                  |       |           |         |      |           |       |           |                    |
| Rptd. in 2004                                | 163                              | 230   | 619       | 494     | 655  | 240       | 422   | 550       | 275                |
| Rptd. in 2003                                | 149                              | 210   | 559       | 446     | 590  | 219       | 389   | 490       | 250                |
| % Change                                     | 9.4                              | 9.5   | 10.7      | 10.8    | 11.0 | 9.6       | 8.5   | 10.2      | 10.0               |
| Hayland                                      |                                  |       |           |         |      |           |       |           |                    |
| Rptd. in 2004                                | 339                              | 433   | 715       | 577     | 815  | 413       | 513   | 611       | 505                |
| Rptd. in 2003                                | 319                              | 380   | 660       | 557     | 765  | 375       | 508   | 575       | 464                |
| % Change                                     | 6.3                              | 13.9  | 8.3       | 3.6     | 6.5  | 10.1      | 1.0   | 6.3       | 8.8                |
| Gravity Irrigated Cropland                   |                                  |       |           |         |      |           |       |           |                    |
| Rptd. in 2004                                | 925                              | 1125  | 1867      | 1961    | 2531 | 1297      | 1969  | 2087      | 1957               |
| Rptd. in 2003                                | 890                              | 1075  | 1760      | 1835    | 2401 | 1213      | 1863  | 1899      | 1840               |
| % Change                                     | 3.9                              | 4.7   | 6.1       | 6.9     | 5.4  | 6.9       | 5.7   | 9.9       | 6.4                |
| Center Pivot Irrigated Cropland <sup>b</sup> |                                  |       |           |         |      |           |       |           |                    |
| Rptd. in 2004                                | 806                              | 1211  | 2004      | 1901    | 2669 | 1123      | 2044  | 2218      | 1788               |
| Rptd. in 2003                                | 750                              | 1075  | 1840      | 1785    | 2460 | 1033      | 1846  | 1981      | 1636               |
| % Change                                     | 7.5                              | 12.7  | 8.9       | 6.5     | 8.5  | 8.7       | 10.7  | 12.0      | 9.3                |
| All Land Average <sup>c</sup>                |                                  |       |           |         |      |           |       |           |                    |
| Rptd. in 2004                                | 302                              | 343   | 1388      | 1005    | 1999 | 500       | 1188  | 1354      | 827                |
| Rptd. in 2003                                | 276                              | 308   | 1266      | 939     | 1850 | 467       | 1102  | 1204      | 757                |
| % Change                                     | 9.4                              | 11.4  | 9.6       | 7.0     | 8.1  | 7.1       | 7.8   | 12.5      | 9.2                |

<sup>a</sup> SOURCE: 2003 and 2004 UNL Nebraska Farm Real Estate Market Developments surveys.

<sup>b</sup> Value of pivot not included in per acre value.

<sup>c</sup> Weighted averages

As noted in Figure 3, the current all-land average value in nominal terms is at an all-time high, surpassing the previous peak values of the early 1980s before a major value downturn occurred. However, when adjusting for inflation in the overall U.S. economy and expressing the current all-land average value in constant 1992 dollars, the 2004 *real* average value is still less than 60 percent of the previous peak which occurred a quarter-century earlier.



It is also important to note that the pattern of long-term change has varied substantially across the regions of the state. The 2004 all-land values in five of the eight regions represent all-time historic highs in nominal terms. But in the Northwest, Southwest, and South Districts, the 2004 values, even in nominal terms, are just 76 percent, 93 percent, and 93 percent respectively of the previous peak average all-land values which were recorded in the early 1980s.

The more recent regional changes in land values are perhaps best understood in the context of the past two years. While all regions recorded value gains for the 12-month period ending February 1, 2004, in several instances these gains followed on patterns of stable to falling values the previous year. The most significant contrast occurred in the Southwest District where the recent increase of 7.1 percent followed a previous-year decline of nearly 7 percent— thus there has been essentially no change in average values in southwestern Nebraska over the past two years. Relative to the rest of the state, this region has experienced the most severe multi-year drought effect; and, consequently its area land markets have been altered. Likewise, the Northwest and North Districts recorded declining values in 2002; thus, the percentage gains posted for the 12-months ending February 1, 2004 are not as striking as they might initially appear. By contrast, the three eastern districts each have combined two-year gains in their all-land average of around 13 percent.

Comparisons by land type indicate values of most cropland classes rose similarly in the 12-month period ending February 1, 2004. The exception was gravity irrigated land, which tended to show somewhat smaller percentage gains across much of the state. In some areas, more limited availability of irrigation water from irrigation districts has led to more conservative bidding in those local land markets. Perhaps an even more pronounced effect state-wide is the growing market preference for land irrigated via center pivot. Center pivot irrigation technology is more efficient than gravity irrigation—both in terms of water efficiency and labor efficiency. It is also more compatible with a precision agriculture type of management, and thus commands higher values in today’s transfer markets as well as higher cash rents in the rental markets. As seen in the value trends for the Eastern Nebraska district in Figure 4, this

preference has led to a crossover point in values about six years ago, with irrigated land under center pivot now commanding higher per acre values (even *without* the value of the pivot included) than gravity irrigated acres.

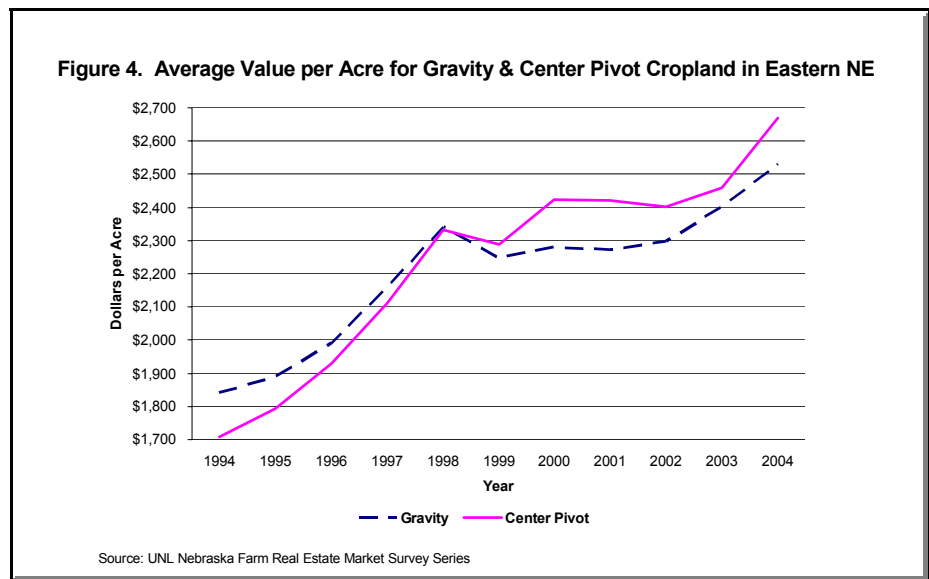
As for dryland cropland, the percentage changes for the year ending February 1, 2004 were generally consistent between the two classes—with and without irrigation potential.

Conventional wisdom would suggest that during multi-year drought periods, the demand for dryland cropland that could be converted to irrigation (i.e., water is available to do so) would be stronger than cropland

without such potential—other things being equal. To test this perception, we looked back over the past three years (essentially the brunt of the drought period which most of the state has experienced) and compared value changes. For the state as a whole, the annual percentage increase in the value of dryland cropland *with* irrigation potential has averaged 5.0 percent per year over the past three years as compared with a 4.3 percent annual average for cropland *without* irrigation potential. While the pattern follows conventional logic, it is certainly not substantially different. Moreover, in five of the eight districts, the value of dryland cropland without irrigation potential actually increased by a greater percentage rate over this time period of wide-spread drought.

The above suggests that other factors may be dampening or even inhibiting this *irrigation-potential effect* on area land values. One explanation is that in many local markets the remaining supply of dryland cropland which is considered by market participants to be irrigable may be very limited and marginal. Logic would suggest that the land with the greatest economic profitability from irrigation development has already been developed, and thus leaving only marginal/high-risk development opportunities. Likewise, regional water policy restrictions on further irrigation expansion, either existing or pending, may reduce demand for land with such potential. The possibility of well-drilling moratoriums and/or pumping restrictions certainly can drastically alter the expected future income streams and, in turn, bid levels in the land market.

While cropland was experiencing strong value gains in recent months, so also was the forage-producing land classes. The grazing land classes rose an average of 10 percent for the year ending February 1, 2004, while hayland values rose nearly 9 percent. According to UNL survey reporters, the strong cattle economy which prevailed throughout 2003 explains much of the solid gains in grazing land values.



## Agricultural Land Value Ranges in 2004

UNL survey reporters also provide value ranges for each class of land according to quality—low grade and high grade. (Table 2) This provides a useful perspective of the variability of land quality which exists in any local area, and the recognition of this variability by market participants.

**Table 2. Average Reported Value Per Acre of Farmland for Different Types and Grade of Land in Nebraska by Agricultural Statistics District, February 1, 2004. <sup>a</sup>**

| Type of Land and Grade                       | Agricultural Statistics District |       |           |         |      |           |       |           |
|--|----------------------------------|-------|-----------|---------|------|-----------|-------|-----------|
|  | Northwest                        | North | Northeast | Central | East | Southwest | South | Southeast |
| ----- Dollars Per Acre -----                 |                                  |       |           |         |      |           |       |           |
| Dryland Cropland (No Irrigation Potential)   |                                  |       |           |         |      |           |       |           |
| Average                                      | 328                              | 416   | 1231      | 758     | 1717 | 473       | 800   | 1190      |
| High Grade                                   | 350                              | 510   | 1540      | 980     | 1945 | 555       | 930   | 1500      |
| Low Grade                                    | 235                              | 335   | 955       | 605     | 1325 | 380       | 580   | 890       |
| Dryland Cropland (Irrigation Potential)      |                                  |       |           |         |      |           |       |           |
| Average                                      | 445                              | 534   | 1554      | 1137    | 2093 | 586       | 1217  | 1469      |
| High Grade                                   | 530                              | 665   | 1845      | 1360    | 2405 | 685       | 1390  | 1830      |
| Low Grade                                    | 370                              | 465   | 1180      | 875     | 1625 | 515       | 900   | 1120      |
| Grazing Land (Tillable)                      |                                  |       |           |         |      |           |       |           |
| Average                                      | 212                              | 307   | 794       | 611     | 926  | 305       | 558   | 716       |
| High Grade                                   | 230                              | 375   | 920       | 835     | 1155 | 395       | 600   | 800       |
| Low Grade                                    | 170                              | 290   | 650       | 530     | 730  | 250       | 405   | 545       |
| Grazing Land (Nontillable)                   |                                  |       |           |         |      |           |       |           |
| Average                                      | 163                              | 230   | 619       | 494     | 655  | 240       | 422   | 550       |
| High Grade                                   | 190                              | 305   | 735       | 580     | 780  | 290       | 470   | 620       |
| Low Grade                                    | 125                              | 180   | 490       | 400     | 570  | 210       | 335   | 425       |
| Hayland                                      |                                  |       |           |         |      |           |       |           |
| Average                                      | 339                              | 433   | 715       | 577     | 815  | 413       | 513   | 611       |
| High Grade                                   | 400                              | 525   | 850       | 705     | 1140 | 615       | 565   | 740       |
| Low Grade                                    | 275                              | 365   | 630       | 490     | 670  | 370       | 365   | 505       |
| Gravity Irrigated Cropland                   |                                  |       |           |         |      |           |       |           |
| Average                                      | 925                              | 1125  | 1867      | 1961    | 2531 | 1297      | 1969  | 2087      |
| High Grade                                   | 1040                             | 1300  | 2075      | 2310    | 2805 | 1650      | 2150  | 2300      |
| Low Grade                                    | 575                              | 900   | 1310      | 1410    | 1965 | 1015      | 1415  | 1630      |
| Center Pivot Irrigated Cropland <sup>b</sup> |                                  |       |           |         |      |           |       |           |
| Average                                      | 806                              | 1211  | 2004      | 1901    | 2669 | 1123      | 2044  | 2218      |
| High Grade                                   | 1000                             | 1420  | 2350      | 2325    | 2930 | 1300      | 2225  | 2380      |
| Low Grade                                    | 625                              | 865   | 1555      | 1340    | 2035 | 890       | 1400  | 1730      |

<sup>a</sup> SOURCE: 2004 UNL Nebraska Farm Real Estate Market Developments Survey.

<sup>b</sup> Value of pivot not included in per acre value.

The pattern of land value ranges by quality for 2004 tends to follow historical patterns. In general, there is about a 50 percent value differential between the low-grade and high-grade quality range. With few exceptions, this approximate level of dispersion runs across all the land classes as well as across all the regions of the state. In other words, in any given local farm real estate market, the market participants tend to identify a quality gradient and assign market values accordingly. If, for example, low-quality non irrigated cropland is currently valued at \$1000 per acre in the local market, then high-quality cropland in the same local market would likely be valued in the \$1500 range.

Of course, the quality differential being discussed here represents the perceived variation in land productivity and its income flow potential in agricultural use. However, when non-agricultural land use considerations enter the market dynamic, this value dispersion may narrow, and, in some instances, actually be reversed. Take, for example, poorer quality, tree-canopied pasture land along streams that may be conducive to recreational hunting opportunities. Such land in its agricultural use may well be valued at the lower end of the value continuum due to its more limited forage productivity. However, because of its recreational potential, its market value may be enhanced considerably. Likewise, areas of the state where rural-urban transition is underway may actually see poorer quality agricultural land selling at a premium (perhaps even higher than high-quality agricultural land) simply because of its amenities for new country acreages and residential sub-division development may be greater.<sup>2</sup> Increasingly, rural acreage and other on-agricultural use considerations are entering the local agricultural real estate markets across the state.

### **Factors Influencing Current Agricultural Land Markets**

Each year, UNL survey panel members are asked to rank in importance a set of forces influencing their local markets. They respond using a scale from 1 (strongly negative) to 5 (strongly positive) with 3 being essentially no impact upon area land values.

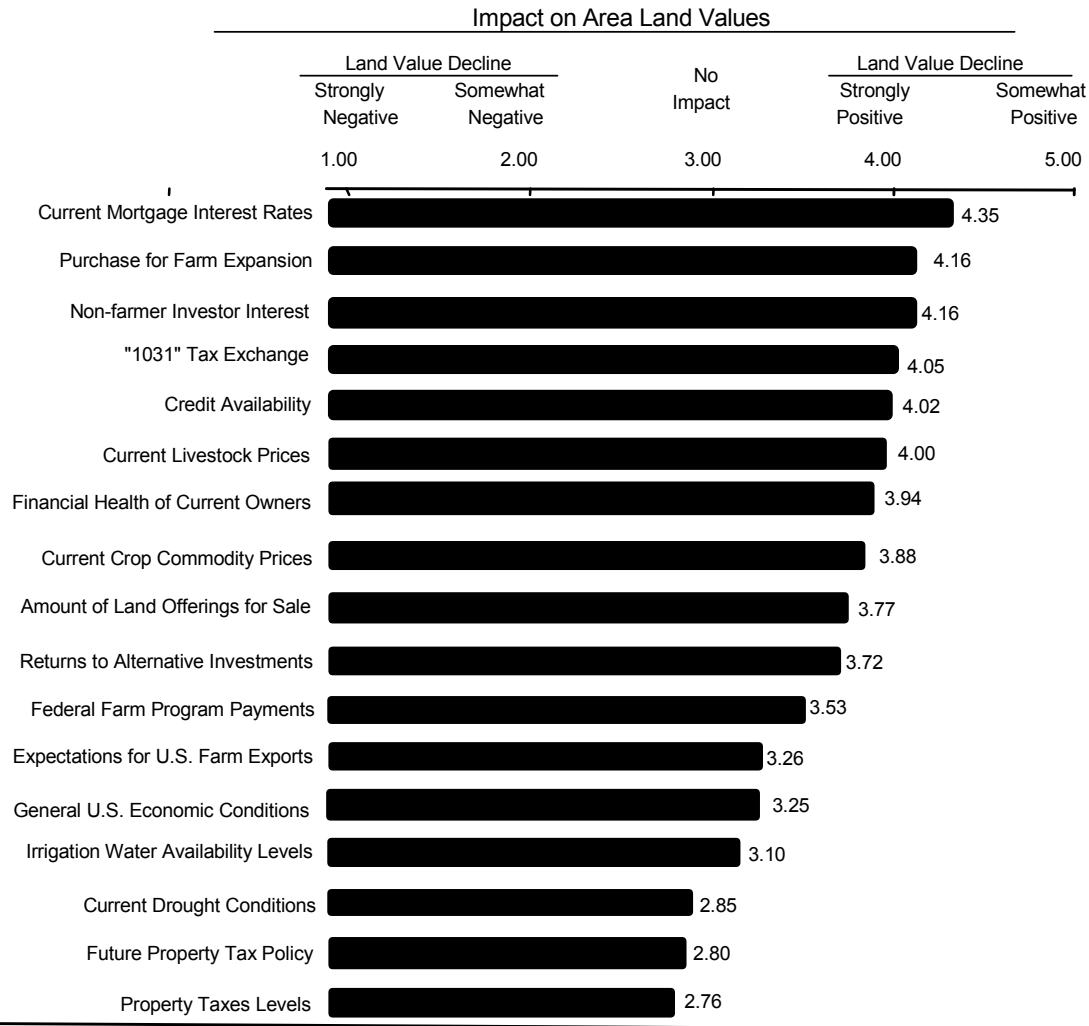
As noted in Figure 5, the general perception is that a large majority of factors, 14 out of 17, are contributing to upward value movements. Relatively low mortgage interest rates were seen as the most positive influence on agricultural land values in 2004.<sup>3</sup> This was followed closely in magnitude of positive influence by demand for farm expansion and by non-farmer investor interest.

---

<sup>2</sup>In a recent study of the Saunders County, NE agricultural and rural land market, researchers found that all but the highest 20 percent of the land on an agricultural quality index sold for a higher value per acre for rural acreage development than if it had remained in agricultural use. See: Drozd, David J. and Bruce B. Johnson, *Dynamics of a Rural Land Market Experiencing Farmland Conversion to Acreages: The Case of Saunders County, Nebraska*, Land Economics, Volume 80, No. 2., May 2004.

<sup>3</sup>In recent economic modeling of historic Nebraska agricultural land values, the level of interest rates was found to be a significant explanatory variable in forecasting agricultural land value changes, i.e., the lower the interest rate levels the greater the annual percentage change in agricultural land values. Source: Glenn Helmers, Saleem Shaik, and Bruce Johnson, *Forecasting Nebraska Land Values*, forthcoming.

**Figure 5. Reporters' Rating of Factors Influencing Agricultural Land Values in Their Areas of Nebraska, February 2004.**

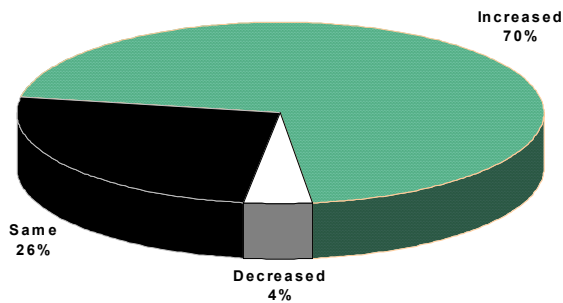


Source: 2004 UNL Nebraska Farm Real Estate Market Developments Survey.

The demand for farm expansion is a perennially strong element in virtually every local land market, as the structure of production agriculture continues towards consolidation of farms and ranches into larger production units. Given the relatively low rate of land ownership transfer (a turnover rate of three percent or less per year) those agricultural producers who are desiring to buy more land for expansion purposes must essentially be in the local market aggressively at all times.

As for non-farmer investor interest, reporters throughout the state believe that this has been an influential demand factor. They often noted that non-farmer interest is frequently associated with the *1031 tax exchange* provisions of the federal tax code, by which one can defer capital gains tax on a sale of property if one reinvests in another real estate property within an allotted time period (this sometimes leads to very aggressive demand to purchase a replacement unit since the time window of opportunity is relatively short.) Interestingly, non-farmer buyer interest is also correlated inversely with low interest

Figure 6. Respondents Perception of changes in the presence of Non-Farmer buyers over the past 10 years in Nebraska



Source: 2004 Nebraska Farm Real Estate Market Developments Survey

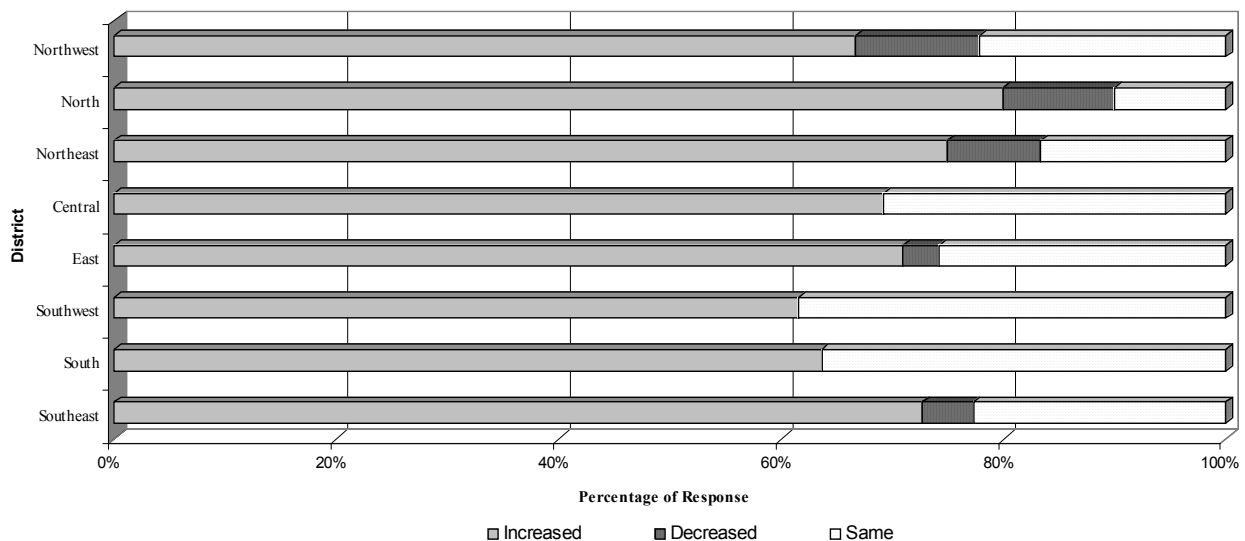
rates, in that relatively low returns on certificates of deposit and other more secure investment options have made returns to investment in agricultural land look increasingly favorable to many potential non-farmer investors.

When asked specifically about this non-farmer presence in their local markets, 70 percent of this year's survey panel members believed the presence of non-farmer buyers has grown over the past 10 years in Nebraska (Figure 6). Moreover, this perception was consistent across the state (Figure 7). Given this pattern, it

was not surprising to find panel members estimating that currently only two out of every three acres is farmed by buyers themselves, while about one in three acres is believed purchased with the intent of renting it out to tenants (Figure 8). Only a small part of today's agricultural land acreage being transferred, 2 percent, is seen as signaling the conversion of that land into non-agricultural uses.

Finally, in summarizing factors impacting land values, survey reporters saw several factors associated with current returns to land as being land value enhancing—either *directly* (such as current commodity

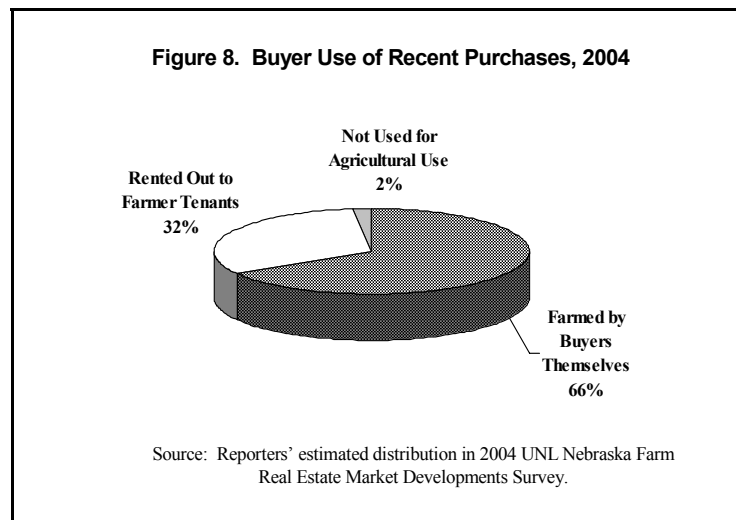
Figure 7. Respondents Perception of changes in the presence of Non-Farmer buyers over the past 10 years by region in Nebraska



Source: 2004 Nebraska Farm Real Estate Market Developments Survey.



price levels, federal farm program payments, and general economic expectations) and/or *indirectly* (financial health of current owners, favorable cost and availability of credit, returns to alternative investments). While current drought conditions were viewed as somewhat dampening, the irrigation water availability levels were perceived as mildly positive, a reflection of regional differences across the state. Only property tax aspects continued to be seen as somewhat negative on land value trends across the state in 2004.



### Characteristics of Actual Land Transactions in 2003

Each year, UNL survey panelists are asked to provide specific information on actual sales which: (1) had occurred in their areas over the past 12 months, and (2) were deemed representative of their local agricultural land markets. Reporters to the 2004 survey provided detailed information on 350 transactions, which represents a sample of sufficient size for making some generalizations of current agricultural land market conditions and trends.

As noted in Table 3, the 2003 transactions vary widely from one area of the state to another, reflecting the wide diversity of land assets and agricultural structure which exists. Both in acreage size of transaction as well as in price per acre, the spectrum of reported sales exhibit considerable diversity by sub-state region. The East District has the smallest-sized parcels in the market, but the largest price per acre. Pasture land in this area is only a small part of the parcels transferred. By contrast, the majority of transferred acreage in the Northwest, North, and Central Districts in 2003 was pasture land.

**Table 3. Land Characteristics of 2003 Agricultural Real Estate Transactions, by Agricultural Statistics District in Nebraska.**

| Agricultural Statistics District | Average Size of Tract | Average Percent Distribution |                    |         | Average Price       |           |
|----------------------------------|-----------------------|------------------------------|--------------------|---------|---------------------|-----------|
|                                  |                       | Dry Cropland                 | Irrigated Cropland | Pasture | Per Acre            | Per Tract |
|                                  | - Acres -             | ----- Percent -----          |                    |         | ----- Dollars ----- |           |
| Northwest                        | 700                   | 24                           | 16                 | 60      | 472                 | 330,400   |
| North                            | 1552                  | 9                            | 29                 | 62      | 606                 | 940,500   |
| Northeast                        | 163                   | 54                           | 24                 | 22      | 1591                | 259,300   |
| Central                          | 297                   | 9                            | 31                 | 60      | 928                 | 275,600   |
| East                             | 123                   | 49                           | 44                 | 7       | 2345                | 288,400   |
| Southwest                        | 298                   | 42                           | 26                 | 32      | 668                 | 199,100   |
| South                            | 196                   | 22                           | 50                 | 28      | 1325                | 259,700   |
| Southeast                        | 159                   | 58                           | 22                 | 20      | 1474                | 234,400   |
| State                            | 295                   | 28                           | 29                 | 43      | 1020                | 300,900   |

SOURCE: Based on 350 transactions which occurred across Nebraska during 2003 and reported in the 2004 UNL Nebraska Farm Real Estate Market Developments Survey.

Even with these regional variations, the overall dollar magnitude of the 2003 transfers was substantial throughout the state, averaging more than \$300,000 per transaction. Despite the high level of financial outlay, it may seem surprising that a substantial portion of these transactions represented cash purchases with no debt financing involved. In 2003, 45 percent of the transactions were cash purchases (Table 4).

**Table 4. Types of Financing Associated with 2004 Agricultural Real Estate Sales, by Agricultural Statistics District in Nebraska.**

| Agricultural Statistics District | Financing of Purchase |          |                   |       |       |
|----------------------------------|-----------------------|----------|-------------------|-------|-------|
|                                  | Cash Purchase         | Mortgage | Contract for Deed | Other | Total |
|                                  | ----- Percent -----   |          |                   |       |       |
| Northwest                        | 35                    | 62       | 3                 | 0     | 100   |
| North                            | 46                    | 42       | 8                 | 4     | 100   |
| Northeast                        | 30                    | 61       | 7                 | 2     | 100   |
| Central                          | 64                    | 25       | 8                 | 3     | 100   |
| East                             | 51                    | 46       | 3                 | 0     | 100   |
| Southwest                        | 43                    | 57       | 0                 | 0     | 100   |
| South                            | 57                    | 38       | 3                 | 2     | 100   |
| Southeast                        | 39                    | 54       | 5                 | 2     | 100   |
| State                            | 45                    | 48       | 5                 | 2     | 100   |

SOURCE: Based on 350 transactions which occurred across Nebraska during 2003 and reported in the 2004 UNL Nebraska Farm Real Estate Market Developments Survey.

This level of cash purchases, which has prevailed for the past few years, implies buyers in the market typically have considerable financial means with which to participate. Certainly, those buyers who are exercising their “1031” tax exchange opportunities are part of this group who obviously can pay cash

outright. But also there are buyer-investors who are moving some of their financial wealth portfolio into agricultural land assets in order to achieve what they perceive as more favorable rates of return. For them, debt-financing is not necessary.

While the mortgage interest rates have remained relatively low over the past year, and the availability of credit from conventional financial institutions remains high, it may seem strange that there is any incidence of seller-financed contracts-for-deed in the agricultural land market. Yet, reporters did identify a small percentage of such transactions in 2004. The fact that they do exist today may reflect more interest in them on the part of sellers than the buyers. Given the recent relatively low rates of return on certificates of deposit and other lower-risk investment options, some sellers are willing to offer a contract-for-deed for a period of time in order to draw a more favorable rate of interest.

On the selling side of the market, estate settlement continued to be the largest seller group in 2003, followed by non-farmers (Table 5). Also, in many instances of sales by non-farmers, the situation involves an inheritance from a previous estate settlement rather than real estate that had been previously purchased by the seller.

The quitting farmer/rancher group is primarily constituted by those who are of retirement age and are selling all or part of their land holdings. It is likely that this seller group will become more predominant in the coming years as the average age of active farmers continues to rise.<sup>4</sup>

**Table 5. Percent Distribution of Agricultural Real Estate Transactions in 2004 by Seller Type, by Agricultural Statistics District in Nebraska.**

| Agricultural Statistics District | Type of Seller        |                         |        |           |       |
|----------------------------------|-----------------------|-------------------------|--------|-----------|-------|
|                                  | Active Farmer/Rancher | Quitting Farmer/Rancher | Estate | Nonfarmer | Other |
|                                  | ----- Percent -----   |                         |        |           |       |
| Northwest                        | 38                    | 17                      | 10     | 28        | 7     |
| North                            | 21                    | 5                       | 16     | 58        | 0     |
| Northeast                        | 9                     | 27                      | 37     | 27        | 0     |
| Central                          | 17                    | 28                      | 44     | 11        | 0     |
| East                             | 12                    | 13                      | 44     | 28        | 3     |
| Southwest                        | 21                    | 33                      | 29     | 13        | 4     |
| South                            | 14                    | 24                      | 32     | 27        | 3     |
| Southeast                        | 10                    | 24                      | 36     | 29        | 1     |
| State                            | 15                    | 21                      | 35     | 27        | 2     |

SOURCE: Based on 350 transactions which occurred across Nebraska during 2003 and reported in the 2004 UNL Nebraska Farm Real Estate Market Developments Survey.

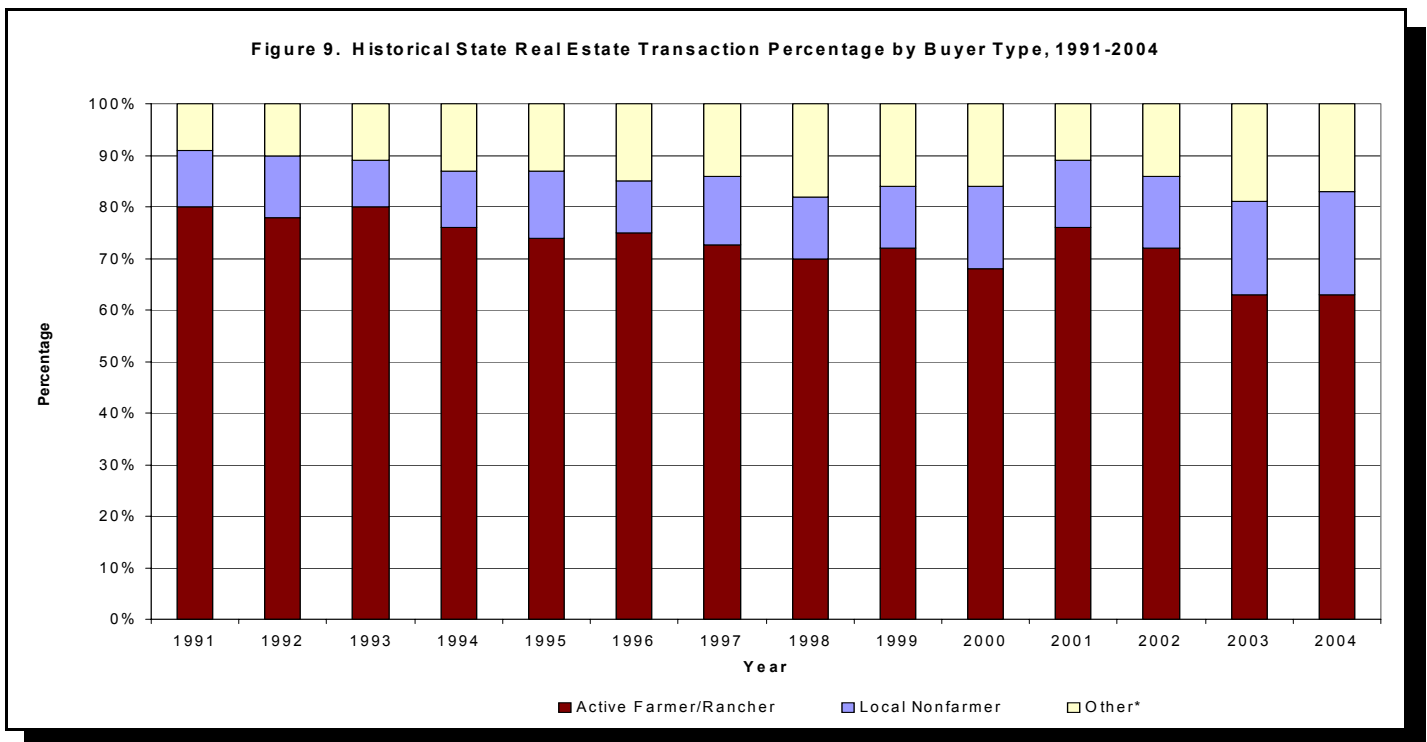
<sup>4</sup>According to the preliminary findings of the 2002 Agricultural Census, the average age of Nebraska farmers was 53.9 as compared with an average of 50.7 in 1992 and 48.5 in 1982.

As for the buying side of the agricultural land market, the majority of transactions in 2003 (63 percent) were acquired by active farmer/ranchers (Table 6). Moreover they were the major buyer class in all regions of the state. However, over the past decade their buying prominence has gradually declined (Figure 9). Presently, local non-farmers and other non-farmer groups represent nearly 40 percent of the buyers for the state as a whole—a pattern that further substantiates reporters’ strong perceptions of the trend toward greater non-farmer buyer interest in Nebraska’s agricultural land markets.

**Table 6. Percent Distribution of Agricultural Real Estate Transactions in 2004 by Buyer Type, by Agricultural Statistics District in Nebraska.**

| Agricultural Statistics District | Type of Buyer         |                 |                            |                    |       |
|----------------------------------|-----------------------|-----------------|----------------------------|--------------------|-------|
|                                  | Active Farmer/Rancher | Local Nonfarmer | Nonlocal Nebraska Resident | Out-of-State Buyer | Other |
| ----- Percent -----              |                       |                 |                            |                    |       |
| Northwest                        | 74                    | 12              | 10                         | 4                  | 0     |
| North                            | 53                    | 5               | 21                         | 21                 | 0     |
| Northeast                        | 68                    | 18              | 7                          | 6                  | 1     |
| Central                          | 72                    | 17              | 4                          | 7                  | 0     |
| East                             | 61                    | 19              | 16                         | 4                  | 0     |
| Southwest                        | 83                    | 8               | 4                          | 4                  | 1     |
| South                            | 57                    | 19              | 19                         | 5                  | 0     |
| Southeast                        | 51                    | 36              | 3                          | 10                 | 0     |
| State                            | 63                    | 20              | 11                         | 6                  | 0     |

SOURCE: Based on 350 transactions which occurred across Nebraska during 2003 and reported in the 2004 UNL Nebraska Farm Real Estate Market Developments Survey.



## Net Rates of Return to Agricultural Land

Each year, survey panel members are asked to estimate the average percentage rate of net return to land given current levels of market value. In the vernacular of real estate appraisal, this is referred to as the market-derived capitalization rate which is used in the income-capitalization approach to value estimation. In short, if a property being appraised has an expected net income flow of \$100 per acre annually, and the market-derived capitalization rate is estimated to be 4 percent, then the implied current market value of that property is \$2,500 per acre ( $\$100/.04 = \$2,500$ ).

The estimated rates for 2004 were generally similar to previous-year levels for irrigated and pasture land classes, while being slightly lower for dryland cropland in seven of the eight regions (Table 7). For dryland cropland, the apparent percentage growth in perceived earnings to land over the previous year did not match the value percentage increases. As evident in the table, the market-perceived percentage rate of return has gradually declined over the past decade. The magnitude of decline has been about one percentage point for each of the land classes at the state level. In other words, buyers have been willing to bid land values somewhat beyond the growth rate of expected net annual earnings to that land. This is akin to a rising price/earnings ratio for stock market investors.

Regionally, 2004 estimated net rates of return were down from 2003 levels for all of the land classes in two of the districts—the Southwest and the South. As previously noted, these areas have experienced the major brunt of the multi-year drought as well as pervasive irrigation water limitations. Consequently, even with rising commodity price levels over the past year, the income-earnings potential in these areas has been muted by production shortfalls.

**Table 7. Estimated Annual Net Rates of Return by Type of Land and Agricultural Statistics District, 1990-2004.** <sup>ab</sup>

| Type of Land and Year  | Agricultural Statistics District |       |           |         |      |           |       |           | State Ave. |
|------------------------|----------------------------------|-------|-----------|---------|------|-----------|-------|-----------|------------|
|                        | Northwest                        | North | Northeast | Central | East | Southwest | South | Southeast |            |
| ----- Percent -----    |                                  |       |           |         |      |           |       |           |            |
| <b>Irrigated Land:</b> |                                  |       |           |         |      |           |       |           |            |
| 1990                   | 8.3                              | 9.3   | 6.9       | 6.8     | 6.7  | 6.3       | 6.3   | 6.0       | 7.1        |
| 1991                   | 8.7                              | 8.0   | 6.8       | 6.5     | 6.4  | 6.4       | 6.2   | 5.9       | 6.9        |
| 1992                   | 6.8                              | 6.5   | 6.6       | 6.6     | 6.0  | 6.5       | 6.0   | 6.1       | 6.4        |
| 1993                   | 6.6                              | 6.0   | 6.5       | 6.1     | 5.7  | 6.5       | 6.5   | 6.0       | 6.2        |
| 1994                   | 6.9                              | 6.5   | 6.3       | 6.3     | 5.6  | 6.2       | 5.7   | 5.7       | 6.2        |
| 1995                   | 6.6                              | 6.8   | 6.5       | 5.9     | 5.3  | 5.9       | 6.0   | 5.0       | 6.0        |
| 1996                   | 6.7                              | 6.3   | 6.9       | 5.8     | 5.2  | 6.5       | 6.2   | 5.4       | 6.1        |
| 1997                   | 7.2                              | 7.0   | 7.0       | 6.0     | 5.3  | 6.7       | 6.3   | 5.7       | 6.4        |
| 1998                   | 6.7                              | 6.7   | 6.0       | 5.8     | 5.0  | 6.6       | 5.7   | 5.4       | 6.0        |
| 1999                   | 6.0                              | 5.9   | 5.9       | 5.3     | 4.6  | 6.1       | 4.9   | 5.0       | 5.5        |
| 2000                   | 6.0                              | 6.2   | 6.0       | 5.6     | 5.0  | 6.3       | 5.5   | 5.0       | 5.7        |
| 2001                   | 5.6                              | 6.2   | 5.9       | 5.4     | 4.9  | 6.5       | 5.2   | 5.0       | 5.6        |
| 2002                   | 5.4                              | 5.9   | 5.5       | 5.3     | 4.5  | 6.2       | 5.3   | 5.1       | 5.4        |
| 2003                   | 5.3                              | 5.8   | 5.2       | 5.2     | 4.4  | 6.3       | 5.4   | 5.1       | 5.3        |
| 2004                   | 5.3                              | 6.1   | 5.2       | 5.2     | 4.7  | 5.6       | 5.3   | 5.3       | 5.3        |

Table 7. Estimated Annual Net Rates of Return by Type of Land and Agricultural Statistics District, 1990-2004. <sup>ab</sup>

| Type of Land and Year    | Agricultural Statistics District |       |           |         |      |           |       |           | State Ave. |
|--------------------------|----------------------------------|-------|-----------|---------|------|-----------|-------|-----------|------------|
|                          | Northwest                        | North | Northeast | Central | East | Southwest | South | Southeast |            |
| ----- Percent -----      |                                  |       |           |         |      |           |       |           |            |
| <b>Dryland Cropland:</b> |                                  |       |           |         |      |           |       |           |            |
| 1990                     | 6.2                              | 6.3   | 5.9       | 6.4     | 5.9  | 4.7       | 6.1   | 6.3       | 6.0        |
| 1991                     | 5.9                              | 5.0   | 6.0       | 5.9     | 5.8  | 4.7       | 6.1   | 5.8       | 5.7        |
| 1992                     | 4.8                              | 5.0   | 5.6       | 5.9     | 5.7  | 5.6       | 5.2   | 6.1       | 5.5        |
| 1993                     | 5.0                              | 4.3   | 5.8       | 5.7     | 5.3  | 5.3       | 6.1   | 5.2       | 5.4        |
| 1994                     | 4.5                              | 5.2   | 6.0       | 5.4     | 5.2  | 5.2       | 5.3   | 5.4       | 5.3        |
| 1995                     | 4.2                              | 6.0   | 6.2       | 5.3     | 5.2  | 5.1       | 5.4   | 5.0       | 5.3        |
| 1996                     | 4.1                              | 5.0   | 6.3       | 5.6     | 5.0  | 5.3       | 5.5   | 5.2       | 5.3        |
| 1997                     | 5.1                              | 5.8   | 6.4       | 5.6     | 5.3  | 5.3       | 5.4   | 5.4       | 5.5        |
| 1998                     | 4.5                              | 5.5   | 5.8       | 5.3     | 4.8  | 4.8       | 5.4   | 5.0       | 5.1        |
| 1999                     | 4.3                              | 4.9   | 5.4       | 5.1     | 4.5  | 3.9       | 4.5   | 4.9       | 4.7        |
| 2000                     | 4.0                              | 5.2   | 5.4       | 5.1     | 4.7  | 4.5       | 4.7   | 5.0       | 4.8        |
| 2001                     | 4.1                              | 5.3   | 5.5       | 5.0     | 4.6  | 4.3       | 4.6   | 4.7       | 4.8        |
| 2002                     | 4.0                              | 4.6   | 5.3       | 5.1     | 4.5  | 4.7       | 4.6   | 4.9       | 4.7        |
| 2003                     | 3.6                              | 4.5   | 4.8       | 4.6     | 4.1  | 4.1       | 4.7   | 4.4       | 4.4        |
| 2004                     | 3.5                              | 4.4   | 4.5       | 4.3     | 3.8  | 3.9       | 4.4   | 4.6       | 4.2        |
| <b>Grazing Land:</b>     |                                  |       |           |         |      |           |       |           |            |
| 1990                     | 4.0                              | 5.8   | 4.6       | 4.9     | 5.0  | 4.5       | 5.4   | 5.0       | 4.9        |
| 1991                     | 5.5                              | 5.9   | 5.4       | 5.0     | 5.3  | 5.8       | 5.5   | 5.5       | 5.4        |
| 1992                     | 4.0                              | 5.3   | 4.9       | 4.6     | 4.4  | 5.1       | 5.0   | 5.0       | 4.8        |
| 1993                     | 4.3                              | 4.6   | 5.0       | 4.6     | 4.3  | 4.6       | 4.5   | 4.6       | 4.6        |
| 1994                     | 4.7                              | 4.5   | 5.1       | 4.4     | 4.3  | 4.7       | 4.1   | 4.5       | 4.5        |
| 1995                     | 3.7                              | 4.7   | 4.9       | 4.0     | 4.2  | 4.5       | 4.2   | 4.0       | 4.3        |
| 1996                     | 3.8                              | 4.3   | 4.9       | 4.3     | 4.0  | 4.3       | 3.8   | 4.1       | 4.2        |
| 1997                     | 3.6                              | 4.3   | 4.9       | 4.5     | 4.0  | 4.0       | 3.6   | 4.2       | 4.1        |
| 1998                     | 3.4                              | 4.2   | 4.6       | 4.1     | 3.9  | 4.2       | 4.0   | 3.8       | 4.0        |
| 1999                     | 3.1                              | 3.5   | 4.4       | 4.2     | 3.6  | 3.2       | 3.6   | 3.9       | 3.7        |
| 2000                     | 3.3                              | 4.4   | 4.6       | 3.7     | 3.8  | 3.6       | 4.0   | 4.1       | 3.9        |
| 2001                     | 2.9                              | 4.0   | 4.3       | 3.9     | 4.0  | 3.4       | 3.5   | 4.1       | 3.8        |
| 2002                     | 2.8                              | 4.1   | 4.4       | 3.8     | 3.7  | 4.0       | 3.8   | 4.1       | 3.8        |
| 2003                     | 2.4                              | 3.3   | 3.8       | 3.3     | 3.4  | 3.4       | 3.9   | 3.8       | 3.4        |
| 2004                     | 2.8                              | 3.1   | 3.6       | 3.3     | 3.7  | 3.3       | 3.4   | 4.1       | 3.4        |

<sup>a</sup> SOURCE: UNL Nebraska Farm Real Estate Market Developments Surveys.

<sup>b</sup> Reporters' estimates of current annual net percentage rates of return given current values. Real estate appraisers refer to this percentage as the market-derived capitalization rate.

## Cash Rental Rates for 2004

While estimated rates of return may provide a general pattern of earnings, it is also useful to observe the levels and trends of cash rental rates for building more specific measures of potential returns. Moreover, the rental market for agricultural land is very extensive in Nebraska with the total acreage under lease approaching half of the state's agricultural land base.<sup>5</sup> Thus, the local rental market is a significant companion market to the local transfer market throughout the state.

In 2004, UNL survey panelists estimated cash rental rates to be higher for most land classes and areas of the state (Table 8 and Appendix Table 6). Rental demand for cropland has been very spirited in most areas, and 2004 rates have accordingly moved upward from year-earlier levels. Cash rental rates for dryland cropland in the eastern part of the state are up nearly 6 percent from previous year levels. While the largest reported increase for dryland cropland occurred in the North District, this was somewhat of an aberration since cash rents reported for the previous year had fallen substantially. The 2004 cropland cash rental rates in the Northwest were generally steady.

Average rental rates for irrigated land also moved upward across most of the state in 2004. Highest average rents exceeded \$150 per acre for the first time in 2004; and these occurred in the East District. It should be noted that these averages reflect arrangements where the landowner owns the entire irrigation system. If the tenant is providing some of the irrigation system, such as the power unit and/or the center pivot system, then this essentially represents a *rent-in-kind*, and thus the per-acre cash rent should be adjusted downward from the averages quoted here.

For each cropland type and in each area of the state, the range in cash rental rates is fairly broad, reflecting land quality differences. It appears the rental market participants are astute in adjusting negotiated rents to account for quality/productivity differences. For example, in the East District center pivot irrigated land at the lower end of the quality continuum is renting for an average of \$130 per acre in 2004; which this land class at the high end of the quality range is renting for over \$170 per acre—more than 30 percent higher. For many of the cropland classes across the state, the range differentials are even more extreme, with the upper end of cash rental rates often being more than 60 percent higher than the lower end of the range.

Pasture rental rates for 2004 are also higher than year-earlier levels, both on a per-acre and an animal unit per month basis (Table 9). In terms of dollars per animal unit month (the cow-calf pair rates), 2004 levels cluster in the \$26 to \$27 range for most of the major rangeland areas of the state. Under these averages, UNL survey panel members indicated that the landowner is typically providing adequate perimeter fencing and fencing materials to maintain it as well as maintaining water services; the tenant, in turn, is providing labor for monitoring and repairing the fences during the grazing season. When the animal-unit-month (AUM) rates move upwards towards the higher end of the ranges, respondents indicated that landowners are often providing additional services which normally are the responsibility of the tenant. Such services may include providing mineral blocks for the livestock as well as giving daily oversight of the herd.

---

<sup>5</sup>See: Bruce Johnson, *Agricultural Land Ownership and Tenure Patterns in Nebraska*, NEBGUIDE, G03-1486-A.

**Table 8. Reported Cash Rental Rates for Various Types of Nebraska Farmland: 2004  
Averages and Ranges by Agricultural Statistics District. <sup>a</sup>**

| Type of Land                           | Agricultural Statistics District |       |           |         |      |           |       |           |
|--|----------------------------------|-------|-----------|---------|------|-----------|-------|-----------|
|  | Northwest                        | North | Northeast | Central | East | Southwest | South | Southeast |
| ----- Dollars Per Acre -----           |                                  |       |           |         |      |           |       |           |
| <b>Dryland Cropland:</b>               |                                  |       |           |         |      |           |       |           |
| Average .....                          | 22                               | 35    | 91        | 60      | 94   | 33        | 55    | 75        |
| Range:                                 |                                  |       |           |         |      |           |       |           |
| High .....                             | 25                               | 45    | 111       | 76      | 113  | 42        | 67    | 92        |
| Low .....                              | 17                               | 24    | 71        | 44      | 76   | 26        | 40    | 58        |
| <b>Gravity Irrigated Cropland:</b>     |                                  |       |           |         |      |           |       |           |
| Average .....                          | 88                               | 105   | 129       | 134     | 138  | 101       | 128   | 131       |
| Range:                                 |                                  |       |           |         |      |           |       |           |
| High .....                             | 111                              | 117   | 144       | 153     | 158  | 119       | 146   | 150       |
| Low .....                              | 66                               | 80    | 113       | 109     | 116  | 85        | 107   | 110       |
| <b>Center Pivot Irrigated Cropland</b> |                                  |       |           |         |      |           |       |           |
| Average .....                          | 97                               | 114   | 144       | 139     | 151  | 117       | 139   | 143       |
| Range:                                 |                                  |       |           |         |      |           |       |           |
| High .....                             | 117                              | 142   | 164       | 164     | 172  | 132       | 162   | 167       |
| Low .....                              | 78                               | 96    | 124       | 113     | 130  | 99        | 118   | 122       |
| <b>Dryland Alfalfa:</b>                |                                  |       |           |         |      |           |       |           |
| Average .....                          | b                                | b     | 92        | 63      | 85   | b         | 53    | 74        |
| Range:                                 |                                  |       |           |         |      |           |       |           |
| High .....                             | b                                | b     | 104       | 81      | 98   | b         | 69    | 87        |
| Low .....                              | b                                | b     | 73        | 51      | 67   | b         | 45    | 60        |
| <b>Irrigated Alfalfa:</b>              |                                  |       |           |         |      |           |       |           |
| Average .....                          | b                                | b     | 132       | 126     | 128  | b         | 123   | 126       |
| Range:                                 |                                  |       |           |         |      |           |       |           |
| High .....                             | b                                | b     | 151       | 139     | 144  | b         | 137   | 143       |
| Low .....                              | b                                | b     | 115       | 105     | 107  | b         | 97    | 105       |
| <b>Other Hayland:</b>                  |                                  |       |           |         |      |           |       |           |
| Average .....                          | b                                | 30    | b         | 42      | 57   | b         | 36    | 42        |
| Range:                                 |                                  |       |           |         |      |           |       |           |
| High .....                             | b                                | 42    | b         | 54      | 72   | b         | 45    | 56        |
| Low .....                              | b                                | 24    | b         | 33      | 43   | b         | 28    | 32        |
| <b>Pasture:</b>                        |                                  |       |           |         |      |           |       |           |
| Average .....                          | 8                                | 13    | 36        | 24      | 32   | 13        | 22    | 27        |
| Range:                                 |                                  |       |           |         |      |           |       |           |
| High .....                             | 10                               | 16    | 44        | 29      | 43   | 16        | 30    | 37        |
| Low .....                              | 6                                | 10    | 23        | 18      | 25   | 10        | 17    | 19        |

<sup>a</sup> SOURCE: Reporters' estimated cash rental rates (both averages and ranges) from the 2004 UNL Nebraska Farm Real Estate Market Developments Survey.

<sup>b</sup> Insufficient number of reports.



**Table 9. Reported Cash Rental Rates for Pasture on a Monthly Rate Basis for 2004: Averages and Ranges by Agricultural Statistics District. <sup>a</sup>**

| Type of Land                            | Agricultural Statistics District |       |           |         |       |           |       |           |
|---|----------------------------------|-------|-----------|---------|-------|-----------|-------|-----------|
|   | Northwest                        | North | Northeast | Central | East  | Southwest | South | Southeast |
| ----- Dollars Per Month -----           |                                  |       |           |         |       |           |       |           |
| <b>Cow-Calf Pair Rates <sup>c</sup></b> |                                  |       |           |         |       |           |       |           |
| Average .....                           | 21.00                            | 27.65 | 26.80     | 26.35   | 26.00 | 26.25     | 24.00 | 25.15     |
| Range:                                  |                                  |       |           |         |       |           |       |           |
| High .....                              | 26.20                            | 31.65 | 32.70     | 31.55   | 29.55 | 30.25     | 28.20 | 30.25     |
| Low .....                               | 17.65                            | 23.35 | 21.40     | 20.55   | 20.85 | 21.00     | 17.00 | 19.70     |
| <b>Stocker (500-600 lb) Rates:</b>      |                                  |       |           |         |       |           |       |           |
| Average .....                           | 14.00                            | 16.00 | 18.00     | 16.80   | b     | 16.00     | b     | b         |
| Range:                                  |                                  |       |           |         |       |           |       |           |
| High .....                              | 16.20                            | 18.25 | 22.00     | 20.20   | b     | 18.75     | b     | b         |
| Low .....                               | 11.20                            | 13.75 | 14.00     | 13.40   | b     | 13.50     | b     | b         |

<sup>a</sup> SOURCE: Reporters' estimated cash rental rates (both averages and ranges) from the 2004 UNL Nebraska Farm Real Estate Market Developments Survey.

<sup>b</sup> Insufficient number of reports.

<sup>c</sup> A 1,000 lb. cow with calf at side grazed for one month during the normal usage season.

### Rent-to-Value Ratios

A useful measure for assessing market patterns is to combine current market values with typical cash rental rates and estimate the *gross rent-to-value* ratio. This can serve as another indicator of the relationship of economic returns to the asset value, even though it does not factor into the equation any owner costs such as real estate taxes. The ratios presented in Table 10 show rather wide variations across the land classes and geographic areas of the state. Typically, irrigated land has somewhat higher ratios because of higher ownership costs associated with the irrigation systems. For dryland cropland and pastureland the ownership costs, aside from property taxes, are minimal; and consequently the rent-to-value ratios derived from the rental market negotiations tend to be lower.

This rent-to-value ratio can be used to infer either: (1) a proxy of current of market value of a particular land parcel given knowledge of its cash rental rates or (2) what the appropriate cash rental rate level may be given knowledge of its current market value. As presented in the table, the 2004 gross rent-to-value ratios can be used for comparison levels across a variety of land type and quality situations. For example, consider a parcel of center pivot cropland in the Central District which is able to command a cash rent of \$160 per acre, the high end of the range. Given a gross rent-to-value ratio for this land class of 7.0 percent, the implied current market value of this parcel is \$2285 per acre ( $\$160 / .07 = \$2285$ ). Or, a lower-grade pasture parcel in that same district with a current market value of \$400 per acre would, according to the rent-to-value ratio of 4.8 percent would suggest an appropriate annual cash rent of \$19 per acre ( $\$400 \times .048 = \$19$ ). In other words, both rents and values can be adjusted across the various grade levels for identifying the levels appropriate for quality differences of specific tracts of land.

**Table 10. Reported Cash Rental Rates, Associated Estimates of Value, and Gross Rent as a Percent of Market Value by Type of Land and Agricultural Statistics District, 2004. <sup>a</sup>**

| Agricultural Statistics<br>District and Type of Land | Gross Average Cash<br>Rent Per Acre | Associated Value Per Acre <sup>b</sup> | Gross Rent to Value |
|--|-------------------------------------|--|---------------------|
|  | ----- Dollars -----                 |  | --- Percent ---     |
| <b>Northwest:</b>                                    |                                     |  |                     |
| Dryland Cropland                                     | 22                                  | 315                                    | 7.0                 |
| Gravity Irrigated Cropland                           | 88                                  | 965                                    | 9.1                 |
| Center Pivot Irrigated Cropland <sup>c</sup>         | 97                                  | 1050                                   | 9.2                 |
| Pastureland  | 8                                   | 175                                    | 4.6                 |
| <b>North:</b>  |                                     |  |                     |
| Dryland Cropland                                     | 35                                  | 500                                    | 7.0                 |
| Gravity Irrigated Cropland                           | 105                                 | 1150                                   | 9.1                 |
| Center Pivot Irrigated Cropland <sup>c</sup>         | 114                                 | 1350                                   | 8.4                 |
| Pastureland  | 13                                  | 285                                    | 4.6                 |
| <b>Northeast:</b>                                    |                                     |  |                     |
| Dryland Cropland                                     | 91                                  | 1550                                   | 5.9                 |
| Gravity Irrigated Cropland                           | 129                                 | 2100                                   | 6.1                 |
| Center Pivot Irrigated Cropland <sup>c</sup>         | 144                                 | 2295                                   | 6.3                 |
| Dryland Alfalfa                                      | 92                                  | 1265                                   | 7.3                 |
| Irrigated Alfalfa                                    | 132                                 | 1865                                   | 7.1                 |
| Pastureland  | 36                                  | 665                                    | 5.4                 |
| <b>Central:</b>                                      |                                     |  |                     |
| Dryland Cropland                                     | 60                                  | 885                                    | 6.8                 |
| Gravity Irrigated Cropland                           | 134                                 | 1955                                   | 6.9                 |
| Center Pivot Irrigated Cropland <sup>c</sup>         | 139                                 | 1995                                   | 7.0                 |
| Dryland Alfalfa                                      | 63                                  | 875                                    | 7.2                 |
| Irrigated Alfalfa                                    | 126                                 | 1755                                   | 7.2                 |
| Other Hayland  | 42                                  | 715                                    | 5.9                 |
| Pastureland  | 24                                  | 495                                    | 4.8                 |
| <b>East:</b>   |                                     |  |                     |
| Dryland Cropland                                     | 94                                  | 1825                                   | 5.2                 |
| Gravity Irrigated Cropland                           | 138                                 | 2430                                   | 5.7                 |
| Center Pivot Irrigated Cropland <sup>c</sup>         | 151                                 | 2680                                   | 5.6                 |
| Dryland Alfalfa                                      | 85                                  | 1525                                   | 5.6                 |
| Irrigated Alfalfa                                    | 128                                 | 2060                                   | 6.2                 |
| Other Hayland  | 57                                  | 1050                                   | 5.4                 |
| Pastureland  | 32                                  | 720                                    | 4.4                 |
| <b>Southwest:</b>                                    |                                     |  |                     |
| Dryland Cropland                                     | 33                                  | 475                                    | 6.9                 |
| Gravity Irrigated Cropland                           | 101                                 | 1145                                   | 8.8                 |
| Center Pivot Irrigated Cropland <sup>c</sup>         | 117                                 | 1255                                   | 9.3                 |
| Pastureland  | 13                                  | 270                                    | 4.8                 |
| <b>South:</b>  |                                     |  |                     |
| Dryland Cropland                                     | 55                                  | 840                                    | 6.5                 |
| Gravity Irrigated Cropland                           | 128                                 | 1765                                   | 7.3                 |
| Center Pivot Irrigated Cropland <sup>c</sup>         | 139                                 | 2030                                   | 6.8                 |
| Pastureland  | 23                                  | 460                                    | 5.0                 |
| <b>Southeast:</b>                                    |                                     |  |                     |
| Dryland Cropland                                     | 75                                  | 1295                                   | 5.8                 |
| Gravity Irrigated Cropland                           | 131                                 | 2065                                   | 6.3                 |
| Center Pivot Irrigated Cropland <sup>c</sup>         | 143                                 | 2250                                   | 6.4                 |
| Pastureland  | 27                                  | 620                                    | 4.4                 |

<sup>a</sup> Source: 2004UNL Nebraska Farm Real Estate Market Developments Survey.

<sup>b</sup> Average values given by reporters for the land on which their cash rent estimates were made.

<sup>c</sup> Value of the pivot included in the value per acre of this land class.

## Analysis of Typical Returns to Agricultural Land

While general trends and patterns are of interest to property owners, it is likely that their major question is, “What is the annual rate of return on my investment given its current market value?” This is a key economic measure for making any kind of investment decisions. Consequently, we have included a more detailed breakdown of ownership costs, rents, and returns for a series of typical land groups by sub-state area. We have also calculated debt-servicing capacity of these asset returns in today’s market which provide further insight into the cash-flow considerations of agricultural land investment. These various land scenarios are presented in Table 11.

Using this more detailed analysis which incorporates owner costs, the annual percentage rate of return to the various land classes at today’s current market values range from a low of 3.0 percent for Sandhills rangeland in Northern Nebraska up to a high of 5.1 percent for dryland cropland in Southwest Nebraska. In the majority of cases, calculated returns fall within the 4.0 to 4.5 percent range.

For 15-year amortized loans, the associated debt-servicing capacity for the various land scenarios are in the 30 to 50 percent range (the amount of current market value covered by the annual net returns). The range of debt-servicing capacity for typical 25-year loans was 37 to 63 percent. This infers that, unless a substantial down-payment is associated with the land purchase, it will not cash flow, even with the relatively low current mortgage interest rates.

For the dryland cropland and rangeland scenarios, the calculated returns in Table 11 are generally consistent with those estimated by survey panel members and reported in Table 7. However, for the irrigated land classes, the calculated percentage net returns of Table 11 are all more than a percentage point below the reported estimates in Table 7. As we have reported in earlier reports in this series, this disparity appears to be due largely to the assignment of fixed costs of depreciation, insurance, and interest on irrigation equipment investments. Even though these costs may not be significant out-of-pocket costs in any given year, the irrigation system itself represents a depreciating asset which must be periodically replaced. It is also an asset that can be damaged by natural disasters, and, thus, needs to be insured by the owner. When landowners are providing the complete irrigation system, these costs, on an annualized basis, can easily reach \$25 per acre on gravity irrigated land and \$35 per irrigated acre on center pivot irrigated land. The appropriate assignment of these ownership costs in Table 11 results in the net returns estimates on irrigated land scenarios being pared down considerably.

The fact that these inconsistencies for irrigated land exist between the survey reporter estimates and the calculated net returns in Table 11 does not imply that either set is in error. We believe that survey panel members are reporting an actual market pattern in which owners typically do **not** take into full account the depreciation and insurance expenses on irrigation systems when negotiating annual cash rental rate levels. Because irrigation equipment replacement is intermittent in nature or may be factored downward somewhat by income tax considerations (deductible expenses), owners of irrigated land appear to be willing to negotiate rent levels which yield percentage rates of return that are often below those associated with dryland cropland.

Consideration of these true costs of irrigation systems become increasingly important as the incidence increases of rental arrangements involving tenant ownership of part of the system. When the tenant is providing portions of the system, such as the power unit and/or the center pivot, he/she is essentially paying a portion of the rent to the owner “*in kind*”. Both parties to the rental contract need to recognize these contributions and adjust the negotiated dollar rent accordingly.<sup>6</sup>

### **Effects of Water Availability**

There is some evidence that changes in water availability, both rainfall and irrigation water, have affected land values in recent years. The value of land with irrigation potential increased most rapidly during the 2002 to 2004 drought in the East, Northeast and Southeast regions (Appendix Table 4). Drought conditions tend to increase the economic payoff from investing in irrigation by increasing the differences between irrigated and dryland crop yields. Hence, the effects were largest in the East where dryland yields are normally quite high and thus more vulnerable to drought, relative to Western Nebraska where dryland yields, and thus the potential returns to irrigation, were affected to a much lesser extent.

The effect of irrigation water availability on land values is most noticeable to the Southwest region. This is the only region where irrigated land actually decreased in value during the 2000 to 2004 time period. During this period current surface water supplies were sharply reduced by drought and both future groundwater and surface water resources became less certain as Nebraska’s water supply obligations to Kansas were established by the Courts. The Northwest region had the next lowest rate of change in land values. Many irrigators in this region are dependent exclusively on surface water supplies which were sharply curtailed by a snowfall drought upstream in the mountains of Colorado and Wyoming.

---

<sup>6</sup>In making these adjustments for the parcelization of the irrigation system, market participants will find the following report useful: *Estimated Irrigation Costs, 2001*, Nebraska Cooperative Extension CC371.

**Table 11: Analysis of Typical Net Returns For Selected Land Types and Locations Using Typical Cash Rental Rates, 2004 <sup>a/</sup>**

| Row | Item  | Northeast NE Dryland Cropland | Northeast NE Pivot Irrigated Cropland | Eastern NE Dryland Cropland | Eastern NE Gravity Irrigated Cropland (from well) | Southeast NE Dryland Cropland |
|-----|---|-------------------------------|---------------------------------------|-----------------------------|---|-------------------------------|
| 1.  | Current purchase price per acre .   | \$1,550.00                    | \$2,300.00                            | \$1,850.00                  | \$2,500.00  | \$1,350.00                    |
| 2.  | Annual cash rent per acre (gross)   | \$95.00                       | \$150.00                              | \$100.00                    | \$150.00  | \$80.00                       |
| 3.  | Gross Rent-to-Value ratio . . . . .   | 6.1%                          | 6.5%                                  | 5.4%                        | 6.0%  | 5.9%                          |
|     | Annual owner expenses (per acre) . . . . .                                    |                               |                                       |                             |   |                               |
| 4.  | Real Estate Taxes <sup>c</sup> . . . . .                                      | \$21.70                       | \$32.20                               | \$25.90                     | \$35.00   | \$18.90                       |
| 5.  | Irrigation Costs <sup>d</sup> . . . . .                                       | —                             | \$33.00                               | —                           | \$25.00   | —                             |
| 6.  | Incidental Costs . . . . .  | \$3.00                        | \$4.00                                | \$3.00                      | \$4.00  | \$4.00                        |
| 7.  | Total Owner Costs . . . . .   | \$24.70                       | \$69.20                               | \$28.90                     | \$64.00   | \$22.90                       |
| 8.  | Annual net returns per acre (before income taxes) . . . . .                   | \$70.30                       | \$80.80                               | \$71.10                     | \$86.00   | \$57.10                       |
| 9.  | Percentage rate of return to land (before income taxes) . . . . .             | 4.5%                          | 3.5%                                  | 3.8%                        | 3.4%  | 4.2%                          |
| 10. | Mortgage amount per acre which could be serviced by the net returns assuming: |                               |                                       |                             |   |                               |
|     | 15-year amortized loan at 6.0% interest . . . . .                             | \$682.80                      | \$784.70                              | \$690.50                    | \$835.30  | \$554.60                      |
|     | % of purchase price . . . . .   | 44%                           | 34%                                   | 37%                         | 33%   | 41%                           |
|     | 25-year amortized loan at 6.5% interest . . . . .                             | \$857.50                      | \$985.60                              | \$867.30                    | \$1,049.00  | \$696.50                      |
|     | % of purchase price . . . . .   | 55%                           | 43%                                   | 47%                         | 42%   | 52%                           |

(See footnotes at end of table)

**Table 11: (continued)**

| Row | Item  | Southwest NE Dryland Cropland | Southern NE Pivot Irrigated Cropland <sup>b</sup> | Northwest NE Gravity Irrigated Cropland (from well) | Northern NE Pivot Irrigated Cropland (from well) <sup>b</sup> | Northern NE Sandhills Rangeland |
|-----|---|-------------------------------|---|---|---|---------------------------------|
| 1.  | Current purchase price per acre   | \$475.00                      | \$1,275.00  | \$1,000.00  | \$1,350.00  | \$285.00                        |
| 2.  | Annual cash rent per acre (gross)   | \$33.00                       | \$118.00  | \$90.00   | \$115.00  | \$13.00                         |
| 3.  | Gross Rent-to-value ratio . . . . .   | 6.9%                          | 9.2%  | 9.0%  | 8.5%  | 4.6%                            |
|     | Annual owner expenses (per acre) . . . . .                                    |                               |   |   |   |                                 |
| 4.  | Real Estate Taxes <sup>c/</sup> . . . . .                                     | \$6.65                        | \$17.85   | \$14.00   | \$18.90   | \$3.40                          |
| 5.  | Irrigation Costs <sup>d/</sup> . . . . .                                      | —                             | \$35.00   | \$25.00   | \$33.00   | —                               |
| 6.  | Incidental Costs . . . . .  | e\$2.00                       | \$4.00  | \$3.00  | \$4.00  | \$1.00                          |
| 7.  | Total Owner Costs . . . . .   | \$8.65                        | \$56.85   | \$42.00   | \$55.90   | \$4.40                          |
| 8.  | Annual net returns per acre (before income taxes) . . . . .                   | \$24.35                       | \$61.15   | \$48.00   | \$59.10   | \$8.60                          |
| 9.  | Percentage rate of return to land (before income taxes) . . . . .             | 5.1%                          | 4.8%  | 4.8%  | 4.4%  | 3.0%                            |
| 10. | Mortgage amount per acre which could be serviced by the net returns assuming: |                               |   |   |   |                                 |
|     | 15-year amortized loan at 6.0% interest . . . . .                             | \$236.50                      | \$593.90  | \$466.20  | \$574.00  | \$83.50                         |
|     | % of purchase price . . . . .   | 50%                           | 47%   | 47%   | 43%   | 29%                             |
|     | 25-year amortized loan at 6.5% interest . . . . .                             | \$297.00                      | \$745.90  | \$585.50  | \$720.90  | \$104.90                        |
|     | % of purchase price   | 63%                           | 59%   | 59%   | 53%   | 37%                             |

a/ Current purchase prices and cash rents based upon the UNL 2004 Nebraska Farm Real Estate Market Survey.

b/ Value of pivot of approximately \$200.00 per acre added to the land value.

c/ Real estate taxes assumed to be 1.4 percent of purchase price for all cropland, and 1.2 percent of purchase price for all rangeland.

d/ Estimated fixed costs of depreciation, insurance on irrigation equipment, and interest on investment based on *Estimated Irrigation Costs*, 2001, Nebraska Cooperative Extension CC371.

# Appendix

**Appendix Table 1. Farm Real Estate Values in Nebraska, USDA Historical Series, 1860-2004.<sup>a</sup>**

| Year | Number of Farms | Land in Farms        | Value of Land & Buildings |                         |                        | Building Value         |
|------|-----------------|----------------------|---------------------------|-------------------------|------------------------|------------------------|
|      |                 |                      | Per Acre                  | Per Farm                | Total Value            |                        |
|      | <u>Thousand</u> | <u>Million Acres</u> | <u>Dollars</u>            | <u>Thousand Dollars</u> | <u>Million Dollars</u> | <u>Million Dollars</u> |
| 1860 | 2.8             | 1.0                  | 6                         | 1.4                     | 6                      |                        |
| 1870 | 12.3            | 2.1                  | 12                        | 2.0                     | 24                     |                        |
| 1880 | 63.4            | 9.9                  | 11                        | 1.7                     | 106                    |                        |
| 1890 | 113.6           | 21.6                 | 19                        | 3.5                     | 402                    |                        |
| 1900 | 121.5           | 29.9                 | 19                        | 4.8                     | 578                    | 91                     |
| 1910 | 129.7           | 38.6                 | 47                        | 14.0                    | 1,813                  | 199                    |
| 1911 | 129.2           | 39.0                 | 48                        | 14.4                    | 1,864                  |                        |
| 1912 | 128.8           | 39.2                 | 49                        | 14.9                    | 1,919                  |                        |
| 1913 | 128.2           | 39.5                 | 50                        | 15.4                    | 1,974                  |                        |
| 1914 | 127.5           | 39.8                 | 51                        | 15.9                    | 2,027                  |                        |
| 1915 | 126.9           | 40.3                 | 50                        | 15.9                    | 2,017                  |                        |
| 1916 | 126.3           | 40.9                 | 51                        | 16.5                    | 2,084                  |                        |
| 1917 | 125.8           | 41.5                 | 54                        | 17.8                    | 2,240                  |                        |
| 1918 | 125.2           | 41.8                 | 62                        | 20.7                    | 2,591                  |                        |
| 1919 | 123.1           | 41.9                 | 71                        | 23.8                    | 2,978                  |                        |
| 1920 | 124.6           | 42.2                 | 88                        | 29.8                    | 3,712                  | 382                    |
| 1921 | 125.1           | 41.9                 | 82                        | 27.5                    | 3,439                  |                        |
| 1922 | 137.1           | 41.9                 | 71                        | 21.7                    | 2,974                  |                        |
| 1923 | 126.6           | 42.1                 | 68                        | 22.6                    | 2,860                  |                        |
| 1924 | 127.3           | 41.8                 | 63                        | 20.7                    | 2,635                  | 398                    |
| 1925 | 127.5           | 42.1                 | 60                        | 19.8                    | 2,524                  |                        |
| 1926 | 128.2           | 42.5                 | 60                        | 19.9                    | 2,552                  |                        |
| 1927 | 128.5           | 43.2                 | 58                        | 19.5                    | 2,505                  |                        |
| 1928 | 128.6           | 44.0                 | 57                        | 19.5                    | 2,508                  |                        |
| 1929 | 128.9           | 44.3                 | 57                        | 19.6                    | 2,526                  |                        |
| 1930 | 129.3           | 44.6                 | 56                        | 19.3                    | 2,495                  | 447                    |
| 1931 | 129.9           | 45.0                 | 52                        | 18.0                    | 2,338                  |                        |
| 1932 | 130.8           | 45.8                 | 44                        | 15.4                    | 2,015                  |                        |
| 1933 | 132.0           | 46.0                 | 35                        | 12.2                    | 1,609                  |                        |
| 1934 | 133.2           | 46.4                 | 35                        | 12.2                    | 1,625                  |                        |
| 1935 | 134.0           | 46.9                 | 34                        | 11.9                    | 1,594                  | 341                    |
| 1936 | 131.2           | 46.7                 | 34                        | 12.1                    | 1,587                  |                        |
| 1937 | 128.5           | 47.4                 | 32                        | 11.8                    | 1,516                  |                        |
| 1938 | 125.8           | 47.4                 | 30                        | 11.3                    | 1,421                  |                        |
| 1939 | 123.6           | 46.8                 | 28                        | 10.6                    | 1,310                  |                        |
| 1940 | 121.1           | 47.4                 | 24                        | 9.4                     | 1,138                  | 257                    |
| 1941 | 119.2           | 48.2                 | 22                        | 8.9                     | 1,061                  |                        |
| 1942 | 116.9           | 48.2                 | 24                        | 9.9                     | 1,157                  |                        |
| 1943 | 115.6           | 47.5                 | 27                        | 11.1                    | 1,283                  |                        |
| 1944 | 113.7           | 47.9                 | 33                        | 13.9                    | 1,580                  |                        |
| 1945 | 111.4           | 47.6                 | 37                        | 15.8                    | 1,760                  | 382                    |
| 1946 | 111.3           | 47.4                 | 42                        | 17.9                    | 1,992                  |                        |
| 1947 | 110.1           | 48.0                 | 47                        | 20.5                    | 2,257                  |                        |
| 1948 | 109.0           | 47.3                 | 56                        | 24.3                    | 2,649                  |                        |
| 1949 | 108.0           | 47.2                 | 62                        | 27.1                    | 2,927                  |                        |
| 1950 | 109.0           | 48.4                 | 58                        | 25.6                    | 2,789                  |                        |
| 1951 | 107.0           | 48.4                 | 66                        | 29.8                    | 3,192                  | 562                    |
| 1952 | 105.0           | 48.3                 | 72                        | 33.1                    | 3,477                  | 605                    |
| 1953 | 104.0           | 48.3                 | 75                        | 34.7                    | 3,610                  | 621                    |
| 1954 | 103.0           | 48.3                 | 70                        | 32.8                    | 3,386                  | 589                    |
| 1955 | 102.0           | 48.3                 | 73                        | 34.5                    | 3,534                  | 645                    |

See footnotes at end of table.



Continued

**Appendix Table 1. Farm Real Estate Values in Nebraska, USDA Historical Series, 1860-2004.<sup>a</sup>**

| Year              | Number of Farms | Land in Farms        | Value of Land & Buildings |                         |                        | Building Value         |
|-------------------|-----------------|----------------------|---------------------------|-------------------------|------------------------|------------------------|
|                   |                 |                      | Per Acre                  | Per Farm                | Total Value            |                        |
|                   | <u>Thousand</u> | <u>Million Acres</u> | <u>Dollars</u>            | <u>Thousand Dollars</u> | <u>Million Dollars</u> | <u>Million Dollars</u> |
| 1956              | 101.0           | 48.3                 | 73                        | 34.9                    | 3,523                  | 719                    |
| 1957              | 98.0            | 48.3                 | 72                        | 35.8                    | 3,501                  | 606                    |
| 1958              | 96.0            | 48.3                 | 79                        | 40.0                    | 3,839                  | 572                    |
| 1959              | 94.0            | 48.3                 | 86                        | 43.9                    | 4,131                  | 677                    |
| 1960              | 93.0            | 48.2                 | 89                        | 46.3                    | 4,308                  | 763                    |
| 1961              | 90.0            | 48.2                 | 90                        | 48.2                    | 4,341                  | 790                    |
| 1962              | 88.0            | 48.2                 | 95                        | 52.2                    | 4,598                  | 860                    |
| 1963              | 86.0            | 48.1                 | 97                        | 54.0                    | 4,647                  | 911                    |
| 1964              | 84.0            | 48.2                 | 105                       | 60.0                    | 5,055                  | 1,072                  |
| 1965              | 82.0            | 48.2                 | 111                       | 65.3                    | 5,352                  | 1,258                  |
| 1966              | 80.0            | 48.2                 | 120                       | 72.6                    | 5,805                  | 1,283                  |
| 1967              | 78.0            | 48.2                 | 132                       | 81.4                    | 6,348                  | 1,143                  |
| 1968              | 76.0            | 48.2                 | 143                       | 90.5                    | 6,882                  | 1,136                  |
| 1969              | 74.0            | 48.2                 | 150                       | 97.8                    | 7,238                  | 1,021                  |
| 1970              | 73.0            | 48.1                 | 154                       | 101.5                   | 7,407                  | 941                    |
| 1971              | 72.0            | 48.1                 | 157                       | 104.9                   | 7,552                  | 853                    |
| 1972              | 71.0            | 48.1                 | 170                       | 115.2                   | 8,177                  | 932                    |
| 1973              | 70.0            | 48.1                 | 193                       | 132.6                   | 9,283                  | 1,012                  |
| 1974              | 70.0            | 48.1                 | 242                       | 166.3                   | 11,640                 | 1,152                  |
| 1975              | 67.0            | 47.9                 | 282                       | 201.6                   | 13,508                 | 1,229                  |
| 1976              | 67.0            | 47.9                 | 363                       | 259.2                   | 17,366                 | 1,546                  |
| 1977              | 66.0            | 47.8                 | 420                       | 304.1                   | 20,070                 | 1,806                  |
| 1978              | 66.0            | 47.8                 | 412                       | 298.5                   | 19,702                 | 1,832                  |
| 1979              | 65.0            | 47.7                 | 525                       | 385.3                   | 25,043                 | 2,204                  |
| 1980              | 65.0            | 47.7                 | 635                       | 466.0                   | 30,289                 | 2,547                  |
| 1981              | 65.0            | 47.7                 | 729                       | 535.0                   | 34,773                 | 2,851                  |
| 1982              | 63.0            | 47.5                 | 730                       | 550.4                   | 34,675                 | 2,809                  |
| 1983              | 62.0            | 47.4                 | 701                       | 535.9                   | 33,227                 | 2,758                  |
| 1984              | 61.0            | 47.2                 | 645                       | 499.1                   | 30,444                 | 2,710                  |
| 1985              | 60.0            | 47.2                 | 485                       | 381.9                   | 22,911                 | 2,474                  |
| 1986              | 59.0            | 47.2                 | 416                       | 332.7                   | 19,629                 | 2,532                  |
| 1987              | 59.0            | 47.2                 | 400                       | 320.1                   | 18,885                 | 2,682                  |
| 1988              | 58.0            | 47.1                 | 457                       | 371.1                   | 21,525                 | 3,186                  |
| 1989              | 57.0            | 47.1                 | 511                       | 422.2                   | 24,068                 | 3,451                  |
| 1990              | 57.0            | 47.1                 | 524                       | 433.0                   | 24,680                 | 3,186                  |
| 1991              | 56.0            | 47.1                 | 517                       | 434.8                   | 24,350                 | 2,978                  |
| 1992              | 56.0            | 47.1                 | 517                       | 434.8                   | 24,350                 | 3,026                  |
| 1993              | 55.0            | 47.1                 | 514                       | 440.2                   | 24,209                 | 3,061                  |
| 1994              | 55.0            | 47.1                 | 562                       | 481.5                   | 26,485                 | 3,670                  |
| 1995              | 56.0            | 47.0                 | 580                       | 486.8                   | 27,260                 | 4,280                  |
| 1996              | 56.0            | 47.0                 | 610                       | 512.0                   | 28,670                 | 4,473                  |
| 1997              | 55.0            | 46.4                 | 620                       | 582.3                   | 28,768                 | 4,459                  |
| 1998              | 55.0            | 46.4                 | 645                       | 544.1                   | 29,928                 | 4,639                  |
| 1999              | 55.0            | 46.4                 | 670                       | 565.2                   | 31,088                 | 4,819                  |
| 2000              | 54.0            | 46.4                 | 695                       | 597.2                   | 32,248                 | 4,998                  |
| 2001              | 54.0            | 46.4                 | 730                       | 627.3                   | 33,872                 | 5,250                  |
| 2002              | 53.0            | 46.4                 | 765                       | 669.7                   | 35,496                 | 5,502                  |
| 2003              | 52.0            | 46.4                 | 800                       | 713.8                   | 37,120                 | 5,754                  |
| 2004 <sup>b</sup> | 52.0            | 46.4                 | 874                       | 779.9                   | 40,554                 | 6,286                  |

<sup>a</sup> SOURCE: Farm Real Estate Historical Series Data: 1950-92, USDA, Economic Research Service, Sta. Bul. No. 855, May 1993 and earlier reports as well as recent electronic issues annually by Economic Research Service, U.S. Department of Agriculture.

<sup>b</sup> Preliminary estimates.

**Appendix Table 2. Deflated USDA Farmland Values and Percent Changes for Nebraska, 1930 to 2004.<sup>a</sup>**

| Year | USDA Average Value/Ac. for Nebraska | 1st Quarter GDP Price Deflator (1992 = 100) | Deflated Average Value/Ac. <sup>b</sup> | Year-to-Year Change Deflated Farmland in Values <sup>c</sup> |
|------|-------------------------------------|---|---|--|
| 1930 | 56                                  | 10.83                                       | 517                                     |  |
| 1931 | 52                                  | 9.84  | 528                                     | 2.1  |
| 1932 | 44                                  | 8.75  | 503                                     | -4.7   |
| 1933 | 35                                  | 8.57  | 408                                     | -18.9  |
| 1934 | 35                                  | 9.30  | 376                                     | -7.8   |
| 1935 | 34                                  | 9.48  | 359                                     | -4.5   |
| 1936 | 34                                  | 9.57  | 355                                     | -1.1   |
| 1937 | 32                                  | 10.02                                       | 319                                     | -10.1  |
| 1938 | 30                                  | 9.75  | 308                                     | -3.4   |
| 1939 | 28                                  | 9.66  | 290                                     | -5.8   |
| 1940 | 24                                  | 9.93  | 242                                     | -16.6  |
| 1941 | 22                                  | 10.74                                       | 205                                     | -15.3  |
| 1942 | 24                                  | 11.82                                       | 203                                     | -1.0   |
| 1943 | 27                                  | 12.36                                       | 219                                     | 7.9  |
| 1944 | 33                                  | 12.635                                      | 261                                     | 19.2   |
| 1945 | 37                                  | 12.91                                       | 287                                     | 10.0   |
| 1946 | 42                                  | 14.98                                       | 280                                     | -2.4   |
| 1947 | 47                                  | 16.97                                       | 277                                     | -1.1   |
| 1948 | 56                                  | 18.14                                       | 309                                     | 11.6   |
| 1949 | 62                                  | 17.96                                       | 345                                     | 11.7   |
| 1950 | 58                                  | 18.32                                       | 317                                     | 8.1  |
| 1951 | 66                                  | 19.49                                       | 339                                     | 6.9  |
| 1952 | 72                                  | 19.765                                      | 364                                     | 7.4  |
| 1953 | 75                                  | 20.04                                       | 374                                     | 2.8  |
| 1954 | 70                                  | 20.31                                       | 345                                     | -7.8   |
| 1955 | 73                                  | 20.76                                       | 352                                     | -2.0   |
| 1956 | 73                                  | 21.39                                       | 341                                     | -3.1   |
| 1957 | 72                                  | 22.20                                       | 324                                     | -5.0   |
| 1958 | 79                                  | 22.47                                       | 352                                     | 8.6  |
| 1959 | 86                                  | 22.92                                       | 375                                     | 6.5  |
| 1960 | 89                                  | 23.13                                       | 385                                     | 2.7  |
| 1961 | 90                                  | 23.45                                       | 384                                     | -0.3   |
| 1962 | 95                                  | 23.75                                       | 400                                     | 4.2  |
| 1963 | 97                                  | 24.00                                       | 404                                     | 1.0  |
| 1964 | 105                                 | 24.35                                       | 431                                     | 6.7  |
| 1965 | 111                                 | 24.77                                       | 448                                     | 3.9  |
| 1966 | 120                                 | 25.32                                       | 474                                     | 5.8  |
| 1967 | 132                                 | 26.14                                       | 505                                     | 6.5  |
| 1968 | 143                                 | 27.21                                       | 526                                     | 4.2  |
| 1969 | 150                                 | 28.39                                       | 528                                     | 0.2  |
| 1970 | 154                                 | 29.94                                       | 514                                     | -2.6   |
| 1971 | 156                                 | 31.50                                       | 495                                     | -3.7   |
| 1972 | 171                                 | 33.02                                       | 518                                     | 4.7  |
| 1973 | 193                                 | 34.36                                       | 562                                     | 8.5  |
| 1974 | 246                                 | 37.01                                       | 665                                     | 18.3   |
| 1975 | 282                                 | 41.05                                       | 687                                     | 3.3  |
| 1976 | 363                                 | 43.69                                       | 831                                     | 21.0   |
| 1977 | 420                                 | 46.32                                       | 907                                     | 9.2  |
| 1978 | 412                                 | 49.42                                       | 834                                     | -8.0   |
| 1979 | 525                                 | 53.51                                       | 981                                     | 17.6   |

See footnotes at end of table.

Continued:

**Appendix Table 2. Deflated USDA Farmland Values and Percent Changes for Nebraska, 1930 to 2004.<sup>a</sup>**

| Year              | USDA Average Value/Ac. for Nebraska | 1st Quarter GDP Price Deflator (1992 = 100) | Deflated Average Value/Ac. <sup>b</sup> | Year-to-Year Change Deflated Farmland in Values <sup>c</sup> |
|-------------------|-------------------------------------|---|---|--|
| 1980              | 635                                 | 58.18                                       | 1091                                    | 11.2   |
| 1981              | 729                                 | 64.15                                       | 1136                                    | 4.1  |
| 1982              | 730                                 | 68.86                                       | 1060                                    | -6.7   |
| 1983              | 701                                 | 72.08                                       | 973                                     | -8.2   |
| 1984              | 645                                 | 75.02                                       | 860                                     | -11.6  |
| 1985              | 485                                 | 77.63                                       | 625                                     | -27.3  |
| 1986              | 416                                 | 79.81                                       | 521                                     | -16.6  |
| 1987              | 400                                 | 82.09                                       | 487                                     | -6.5   |
| 1988              | 457                                 | 84.67                                       | 540                                     | 10.9   |
| 1989              | 511                                 | 88.45                                       | 578                                     | 7.0  |
| 1990              | 524                                 | 92.00                                       | 570                                     | -1.4   |
| 1991              | 517                                 | 96.27                                       | 537                                     | -5.8   |
| 1992              | 517                                 | 99.13                                       | 522                                     | -2.8   |
| 1993              | 514                                 | 101.84                                      | 505                                     | -3.3   |
| 1994              | 562                                 | 104.01                                      | 540                                     | 6.9  |
| 1995              | 580                                 | 106.40                                      | 545                                     | 0.9  |
| 1996              | 610                                 | 108.78                                      | 561                                     | 2.9  |
| 1997              | 620                                 | 110.85                                      | 559                                     | -0.4   |
| 1998              | 645                                 | 112.32                                      | 574                                     | 2.7  |
| 1999              | 670                                 | 113.70                                      | 589                                     | 2.6  |
| 2000              | 695                                 | 115.80                                      | 600                                     | 1.9  |
| 2001              | 730                                 | 117.74                                      | 620                                     | 3.3  |
| 2002              | 765                                 | 120.04                                      | 637                                     | 2.7  |
| 2003              | 800                                 | 121.50                                      | 658                                     | 3.3  |
| 2004 <sup>d</sup> | 874                                 | 122.82                                      | 712                                     | 8.2  |

<sup>a</sup> Revised from series reported in earlier reports. Refers to year ending March 1 for years prior to 1976; year ending February 1 for years 1976-1981; year ending April 1 for years 1982-1985; year ending February 1, 1986-1989; year ending January 1, 1990-1994; mid-year 1995-1997, and year ending January 1, 2000.

<sup>b</sup> Computed by dividing the USDA average value per acre by the 1st Quarter GDP Price Deflator (1992 x 100) and multiplying by 100.

<sup>c</sup> A positive value entry in this column represents a **real** increase in asset value for the year (i.e., the rate of land value appreciation exceeded the general rate of inflation for the U.S. economy). Conversely, a negative value entry represents a real decrease in asset value.

<sup>d</sup> Preliminary estimate.

**Appendix Table 3. Nominal and Deflated Agricultural Land Values by Selected Types of Land in Nebraska, 1978 to 2004.<sup>a</sup>**

| Year | Nominal Value/Ac. <sup>a</sup> |  |                               |                     | 1st Quarter<br>GDP Price<br>Deflator<br>(1992 = 100) | Deflated Value/Ac. <sup>b</sup> |  |                               |                     |
|------|--------------------------------|--|-------------------------------|---------------------|--|---------------------------------|--|-------------------------------|---------------------|
|      | Dryland<br>Cropland            | Center Pivot<br>Irrigated<br>Cropland <sup>c</sup> | Grazing Land<br>(Nontillable) | All Land<br>Average |  | Dryland<br>Cropland             | Center Pivot<br>Irrigated<br>Cropland <sup>c</sup> | Grazing Land<br>(Nontillable) | All Land<br>Average |
|      | ----- Dollars/Ac. -----        |  |                               |                     |  | ----- Dollars/Ac. -----         |  |                               |                     |
| 1978 | 492                            | 947  | 153                           | 500                 | 49.42  | 996                             | 116  | 310                           | 1012                |
| 1979 | 602                            | 1 114  | 186                           | 597                 | 53.51  | 1,125                           | 2082   | 348                           | 1116                |
| 1980 | 702                            | 1272   | 209                           | 695                 | 58.18  | 1,207                           | 2186   | 359                           | 1195                |
| 1981 | 778                            | 1 341  | 230                           | 749                 | 64.15  | 1,213                           | 2090   | 359                           | 1168                |
| 1982 | 742                            | 1293   | 227                           | 720                 | 68.86  | 1,078                           | 1878   | 330                           | 1046                |
| 1983 | 681                            | 1 130  | 205                           | 642                 | 72.08  | 945                             | 1568   | 284                           | 891                 |
| 1984 | 632                            | 1049   | 184                           | 588                 | 75.02  | 842                             | 1398   | 245                           | 784                 |
| 1985 | 501                            | 833  | 135                           | 450                 | 77.63  | 645                             | 1073   | 174                           | 580                 |
| 1986 | 384                            | 634  | 98                            | 339                 | 79.81  | 481                             | 794  | 123                           | 425                 |
| 1987 | 371                            | 580  | 83                            | 306                 | 82.09  | 452                             | 707  | 101                           | 373                 |
| 1988 | 416                            | 661  | 91                            | 346                 | 84.67  | 491                             | 781  | 107                           | 409                 |
| 1989 | 500                            | 841  | 123                           | 432                 | 88.45  | 565                             | 951  | 139                           | 488                 |
| 1990 | 532                            | 935  | 146                           | 473                 | 92.00  | 578                             | 1016   | 159                           | 514                 |
| 1991 | 536                            | 977  | 159                           | 492                 | 96.27  | 557                             | 1015   | 165                           | 511                 |
| 1992 | 551                            | 1000   | 166                           | 510                 | 99.13  | 556                             | 1009   | 167                           | 514                 |
| 1993 | 573                            | 1045   | 172                           | 531                 | 101.84   | 563                             | 1026   | 169                           | 521                 |
| 1994 | 608                            | 1107   | 183                           | 566                 | 104.01   | 585                             | 1064   | 176                           | 544                 |
| 1995 | 623                            | 1149   | 192                           | 582                 | 106.40   | 586                             | 1080   | 180                           | 545                 |
| 1996 | 656                            | 1235   | 189                           | 608                 | 108.78   | 603                             | 1135   | 174                           | 559                 |
| 1997 | 706                            | 1338   | 202                           | 654                 | 110.85   | 637                             | 1207   | 182                           | 590                 |
| 1998 | 767                            | 1471   | 224                           | 710                 | 112.32   | 683                             | 1310   | 199                           | 632                 |
| 1999 | 749                            | 1428   | 219                           | 690                 | 113.70   | 659                             | 1256   | 193                           | 607                 |
| 2000 | 752                            | 1455   | 230                           | 698                 | 115.80   | 649                             | 1256   | 199                           | 603                 |
| 2001 | 760                            | 1459   | 243                           | 709                 | 117.74   | 645                             | 1239   | 206                           | 602                 |
| 2002 | 779                            | 1622   | 249                           | 749                 | 120.04   | 649                             | 1351   | 207                           | 624                 |
| 2003 | 788                            | 1636   | 250                           | 757                 | 121.50   | 649                             | 1347   | 206                           | 623                 |
| 2004 | 862                            | 1788   | 275                           | 827                 | 122.82   | 702                             | 1456   | 224                           | 673                 |

<sup>a</sup> February 1st estimates reported in the UNL Nebraska Farm Real Estate Market Developments Surveys.

<sup>b</sup> Computed by dividing the average value per acre by the 1st Quarter Gross Domestic Price (GDP) Deflator and multiplying by 100.

<sup>c</sup> Pivot not included in per acre value.

**Appendix Table 4. Average Reported Value of Nebraska Farmland for Different Types of Land by Agricultural Statistics District, 1978-2004.<sup>a</sup>**

| Type of Land & Year | Agricultural Statistics District |       |           |         |      |           |       |           |                     |
|---------------------|----------------------------------|-------|-----------|---------|------|-----------|-------|-----------|---------------------|
|                     | Northwest                        | North | Northeast | Central | East | Southwest | South | Southeast | State <sup>cd</sup> |

----- Dollars Per Acre -----

**Dryland Cropland (No Irrigation Potential)**

|             |     |     |       |     |      |     |     |       |     |
|-------------|-----|-----|-------|-----|------|-----|-----|-------|-----|
| <b>1978</b> | 289 | 253 | 648   | 319 | 817  | 360 | 468 | 660   | 492 |
| <b>1979</b> | 317 | 319 | 813   | 397 | 1061 | 387 | 541 | 808   | 602 |
| <b>1980</b> | 347 | 340 | 920   | 471 | 1296 | 454 | 626 | 971   | 702 |
| <b>1981</b> | 419 | 346 | 1,009 | 519 | 1409 | 546 | 754 | 1,060 | 778 |
| <b>1982</b> | 411 | 335 | 966   | 502 | 1325 | 522 | 752 | 988   | 742 |
| <b>1983</b> | 387 | 321 | 864   | 450 | 1204 | 469 | 664 | 939   | 681 |
| <b>1984</b> | 379 | 300 | 779   | 416 | 1129 | 444 | 653 | 840   | 632 |
| <b>1985</b> | 325 | 237 | 643   | 340 | 905  | 365 | 474 | 612   | 501 |
| <b>1986</b> | 259 | 198 | 499   | 263 | 669  | 308 | 412 | 423   | 384 |
| <b>1987</b> | 242 | 190 | 520   | 246 | 626  | 288 | 377 | 416   | 371 |
| <b>1988</b> | 267 | 202 | 576   | 301 | 692  | 294 | 411 | 513   | 416 |
| <b>1989</b> | 305 | 250 | 688   | 370 | 824  | 371 | 491 | 621   | 500 |
| <b>1990</b> | 309 | 279 | 728   | 407 | 877  | 409 | 491 | 662   | 532 |
| <b>1991</b> | 316 | 279 | 735   | 463 | 885  | 380 | 508 | 655   | 536 |
| <b>1992</b> | 340 | 295 | 700   | 418 | 955  | 386 | 513 | 673   | 551 |
| <b>1993</b> | 337 | 288 | 766   | 486 | 1000 | 373 | 573 | 701   | 573 |
| <b>1994</b> | 345 | 314 | 797   | 504 | 1090 | 390 | 620 | 741   | 608 |
| <b>1995</b> | 335 | 320 | 803   | 519 | 1144 | 403 | 637 | 764   | 623 |
| <b>1996</b> | 358 | 338 | 823   | 535 | 1244 | 419 | 658 | 799   | 656 |
| <b>1997</b> | 381 | 363 | 909   | 588 | 1336 | 432 | 701 | 852   | 706 |
| <b>1998</b> | 385 | 390 | 982   | 631 | 1477 | 457 | 753 | 956   | 767 |
| <b>1999</b> | 346 | 367 | 968   | 635 | 1462 | 428 | 740 | 953   | 749 |
| <b>2000</b> | 331 | 400 | 970   | 648 | 1464 | 434 | 708 | 958   | 752 |
| <b>2001</b> | 319 | 403 | 996   | 645 | 1493 | 433 | 725 | 954   | 760 |
| <b>2002</b> | 325 | 407 | 1095  | 680 | 1523 | 460 | 743 | 1024  | 779 |
| <b>2003</b> | 319 | 360 | 1107  | 710 | 1585 | 453 | 748 | 1059  | 788 |
| <b>2004</b> | 328 | 416 | 1231  | 758 | 1717 | 473 | 800 | 1190  | 862 |

See footnotes at end of table.

Continued:

**Appendix Table 4. Average Reported Value of Nebraska Farmland for Different Types of Land by Agricultural Statistics District, 1978-2004.<sup>a</sup>**

| Type of Land & Year                            | Agricultural Statistics District |       |           |         |      |           |       |           |                     |
|--|----------------------------------|-------|-----------|---------|------|-----------|-------|-----------|---------------------|
|  | Northwest                        | North | Northeast | Central | East | Southwest | South | Southeast | State <sup>cd</sup> |
| ----- Dollars Per Acre -----                   |                                  |       |           |         |      |           |       |           |                     |
| <b>Dryland Cropland (Irrigation Potential)</b> |                                  |       |           |         |      |           |       |           |                     |
| <b>1978</b>                                    | 409                              | 387   | 741       | 590     | 1128 | 471       | 873   | 953       | 757                 |
| <b>1979</b>                                    | 449                              | 514   | 930       | 708     | 1411 | 520       | 1102  | 1152      | 926                 |
| <b>1980</b>                                    | 533                              | 565   | 1132      | 767     | 1733 | 628       | 1282  | 1352      | 1107                |
| <b>1981</b>                                    | 680                              | 533   | 1225      | 880     | 1785 | 733       | 1432  | 1402      | 1192                |
| <b>1982</b>                                    | 658                              | 535   | 1097      | 833     | 1665 | 685       | 1411  | 1268      | 1108                |
| <b>1983</b>                                    | 563                              | 462   | 975       | 680     | 1462 | 654       | 1175  | 1160      | 979                 |
| <b>1984</b>                                    | 507                              | 441   | 911       | 638     | 1349 | 631       | 1050  | 1069      | 905                 |
| <b>1985</b>                                    | 425                              | 340   | 746       | 486     | 1013 | 504       | 705   | 723       | 684                 |
| <b>1986</b>                                    | 312                              | 300   | 598       | 367     | 746  | 377       | 573   | 545       | 524                 |
| <b>1987</b>                                    | 285                              | 250   | 567       | 325     | 707  | 328       | 503   | 508       | 484                 |
| <b>1988</b>                                    | 310                              | 266   | 646       | 380     | 801  | 339       | 576   | 623       | 552                 |
| <b>1989</b>                                    | 376                              | 339   | 773       | 483     | 980  | 433       | 684   | 772       | 674                 |
| <b>1990</b>                                    | 371                              | 367   | 840       | 539     | 1056 | 473       | 706   | 816       | 720                 |
| <b>1991</b>                                    | 396                              | 360   | 817       | 604     | 1083 | 478       | 756   | 777       | 725                 |
| <b>1992</b>                                    | 411                              | 381   | 823       | 658     | 1124 | 476       | 792   | 835       | 753                 |
| <b>1993</b>                                    | 419                              | 400   | 884       | 678     | 1195 | 445       | 883   | 888       | 794                 |
| <b>1994</b>                                    | 430                              | 436   | 962       | 739     | 1338 | 482       | 923   | 936       | 861                 |
| <b>1995</b>                                    | 429                              | 424   | 1002      | 781     | 1397 | 493       | 941   | 979       | 891                 |
| <b>1996</b>                                    | 441                              | 444   | 1040      | 845     | 1525 | 508       | 1008  | 1046      | 948                 |
| <b>1997</b>                                    | 458                              | 475   | 1103      | 917     | 1643 | 543       | 1114  | 1130      | 1018                |
| <b>1998</b>                                    | 482                              | 510   | 1219      | 986     | 1810 | 578       | 1216  | 1250      | 1115                |
| <b>1999</b>                                    | 436                              | 480   | 1216      | 956     | 1792 | 538       | 1173  | 1172      | 1081                |
| <b>2000</b>                                    | 418                              | 492   | 1220      | 951     | 1800 | 546       | 1112  | 1187      | 1080                |
| <b>2001</b>                                    | 409                              | 500   | 1256      | 981     | 1807 | 572       | 1126  | 1234      | 1100                |
| <b>2002</b>                                    | 418                              | 514   | 1355      | 1020    | 1814 | 581       | 1145  | 1318      | 1135                |
| <b>2003</b>                                    | 396                              | 480   | 1410      | 1095    | 1930 | 558       | 1118  | 1290      | 1159                |
| <b>2004</b>                                    | 445                              | 534   | 1554      | 1137    | 2093 | 586       | 1217  | 1469      | 1272                |

See footnotes at end of table.

Continued:

**Appendix Table 4. Average Reported Value of Nebraska Farmland for Different Types of Land by Agricultural Statistics District, 1978-2004.<sup>a</sup>**

| Type of Land & Year            | Agricultural Statistics District |       |           |         |      |           |       |           |                     |
|--------------------------------|----------------------------------|-------|-----------|---------|------|-----------|-------|-----------|---------------------|
|                                | Northwest                        | North | Northeast | Central | East | Southwest | South | Southeast | State <sup>cd</sup> |
| ----- Dollars Per Acre -----   |                                  |       |           |         |      |           |       |           |                     |
| <b>Grazing Land (Tillable)</b> |                                  |       |           |         |      |           |       |           |                     |
| <b>1978</b>                    | 177                              | 191   | 433       | 299     | 549  | 215       | 465   | 433       | 248                 |
| <b>1979</b>                    | 186                              | 229   | 521       | 347     | 701  | 259       | 479   | 574       | 288                 |
| <b>1980</b>                    | 200                              | 261   | 583       | 395     | 760  | 307       | 621   | 643       | 328                 |
| <b>1981</b>                    | 251                              | 257   | 622       | 435     | 881  | 332       | 697   | 636       | 357                 |
| <b>1982</b>                    | 248                              | 248   | 605       | 422     | 824  | 317       | 710   | 654       | 348                 |
| <b>1983</b>                    | 198                              | 234   | 571       | 405     | 739  | 315       | 555   | 589       | 315                 |
| <b>1984</b>                    | 187                              | 233   | 500       | 325     | 661  | 285       | 519   | 521       | 289                 |
| <b>1985</b>                    | 146                              | 180   | 392       | 259     | 510  | 205       | 339   | 357       | 218                 |
| <b>1986</b>                    | 101                              | 135   | 275       | 166     | 366  | 146       | 250   | 241       | 154                 |
| <b>1987</b>                    | 77                               | 99    | 267       | 135     | 336  | 115       | 187   | 236       | 124                 |
| <b>1988</b>                    | 80                               | 107   | 294       | 168     | 361  | 100       | 208   | 292       | 134                 |
| <b>1989</b>                    | 104                              | 150   | 362       | 217     | 418  | 130       | 253   | 341       | 173                 |
| <b>1990</b>                    | 102                              | 185   | 381       | 270     | 459  | 153       | 296   | 360       | 197                 |
| <b>1991</b>                    | 107                              | 200   | 394       | 308     | 495  | 168       | 338   | 366       | 213                 |
| <b>1992</b>                    | 113                              | 213   | 395       | 339     | 500  | 169       | 348   | 395       | 224                 |
| <b>1993</b>                    | 121                              | 195   | 427       | 359     | 524  | 171       | 371   | 418       | 227                 |
| <b>1994</b>                    | 128                              | 215   | 440       | 380     | 573  | 192       | 407   | 460       | 246                 |
| <b>1995</b>                    | 128                              | 223   | 456       | 400     | 611  | 193       | 414   | 471       | 253                 |
| <b>1996</b>                    | 125                              | 225   | 473       | 406     | 617  | 196       | 413   | 483       | 255                 |
| <b>1997</b>                    | 135                              | 250   | 512       | 440     | 686  | 200       | 433   | 519       | 276                 |
| <b>1998</b>                    | 153                              | 265   | 550       | 461     | 741  | 227       | 467   | 575       | 299                 |
| <b>1999</b>                    | 165                              | 270   | 569       | 456     | 735  | 234       | 470   | 575       | 306                 |
| <b>2000</b>                    | 173                              | 275   | 581       | 471     | 731  | 256       | 464   | 588       | 315                 |
| <b>2001</b>                    | 171                              | 288   | 670       | 505     | 750  | 291       | 524   | 578       | 335                 |
| <b>2002</b>                    | 182                              | 299   | 706       | 523     | 796  | 325       | 537   | 629       | 347                 |
| <b>2003</b>                    | 180                              | 280   | 750       | 562     | 801  | 290       | 534   | 640       | 341                 |
| <b>2004</b>                    | 212                              | 307   | 794       | 611     | 926  | 305       | 558   | 716       | 375                 |

See footnotes at end of table.

Continued:

**Appendix Table 4. Average Reported Value of Nebraska Farmland for Different Types of Land by Agricultural Statistics District, 1978-2004.<sup>a</sup>**

| Type of Land & Year               | Agricultural Statistics District |       |           |         |      |           |       |           |                     |
|-----------------------------------|----------------------------------|-------|-----------|---------|------|-----------|-------|-----------|---------------------|
|                                   | Northwest                        | North | Northeast | Central | East | Southwest | South | Southeast | State <sup>cd</sup> |
| ----- Dollars Per Acre -----      |                                  |       |           |         |      |           |       |           |                     |
| <b>Grazing Land (Nontillable)</b> |                                  |       |           |         |      |           |       |           |                     |
| <b>1978</b>                       | 115                              | 126   | 308       | 216     | 384  | 119       | 268   | 315       | 153                 |
| <b>1979</b>                       | 134                              | 156   | 340       | 267     | 486  | 148       | 309   | 417       | 186                 |
| <b>1980</b>                       | 143                              | 169   | 394       | 304     | 549  | 190       | 346   | 473       | 209                 |
| <b>1981</b>                       | 164                              | 182   | 418       | 339     | 620  | 217       | 398   | 474       | 230                 |
| <b>1982</b>                       | 168                              | 183   | 412       | 329     | 584  | 195       | 418   | 472       | 227                 |
| <b>1983</b>                       | 151                              | 169   | 375       | 283     | 511  | 181       | 339   | 460       | 205                 |
| <b>1984</b>                       | 134                              | 152   | 350       | 248     | 455  | 168       | 328   | 384       | 184                 |
| <b>1985</b>                       | 94                               | 115   | 258       | 192     | 341  | 118       | 236   | 243       | 135                 |
| <b>1986</b>                       | 71                               | 85    | 179       | 131     | 262  | 84        | 158   | 178       | 98                  |
| <b>1987</b>                       | 60                               | 71    | 166       | 106     | 238  | 68        | 120   | 173       | 83                  |
| <b>1988</b>                       | 58                               | 76    | 189       | 128     | 270  | 75        | 152   | 220       | 91                  |
| <b>1989</b>                       | 71                               | 109   | 242       | 183     | 310  | 101       | 209   | 266       | 123                 |
| <b>1990</b>                       | 83                               | 134   | 272       | 225     | 340  | 113       | 233   | 298       | 146                 |
| <b>1991</b>                       | 86                               | 148   | 284       | 252     | 357  | 125       | 254   | 314       | 159                 |
| <b>1992</b>                       | 90                               | 155   | 302       | 267     | 373  | 126       | 261   | 316       | 166                 |
| <b>1993</b>                       | 93                               | 157   | 322       | 278     | 382  | 136       | 290   | 330       | 172                 |
| <b>1994</b>                       | 98                               | 167   | 325       | 302     | 388  | 153       | 307   | 354       | 183                 |
| <b>1995</b>                       | 106                              | 175   | 337       | 308     | 421  | 163       | 308   | 357       | 192                 |
| <b>1996</b>                       | 103                              | 173   | 347       | 299     | 428  | 155       | 296   | 367       | 189                 |
| <b>1997</b>                       | 115                              | 183   | 366       | 327     | 468  | 163       | 318   | 412       | 202                 |
| <b>1998</b>                       | 128                              | 199   | 395       | 366     | 516  | 189       | 337   | 473       | 224                 |
| <b>1999</b>                       | 127                              | 192   | 411       | 350     | 507  | 187       | 327   | 476       | 219                 |
| <b>2000</b>                       | 137                              | 206   | 432       | 365     | 510  | 193       | 333   | 478       | 230                 |
| <b>2001</b>                       | 142                              | 220   | 475       | 386     | 532  | 200       | 353   | 479       | 243                 |
| <b>2002</b>                       | 151                              | 218   | 515       | 419     | 584  | 213       | 378   | 499       | 249                 |
| <b>2003</b>                       | 149                              | 210   | 559       | 446     | 590  | 219       | 389   | 490       | 250                 |
| <b>2004</b>                       | 163                              | 230   | 619       | 494     | 655  | 240       | 422   | 550       | 275                 |

See footnotes at end of table.



Continued:

**Appendix Table 4. Average Reported Value of Nebraska Farmland for Different Types of Land by Agricultural Statistics District, 1978-2004.<sup>a</sup>**

| Type of Land & Year        | Agricultural Statistics District |       |           |         |      |           |       |           |                     |
|----------------------------|----------------------------------|-------|-----------|---------|------|-----------|-------|-----------|---------------------|
|                            | Northwest                        | North | Northeast | Central | East | Southwest | South | Southeast | State <sup>cd</sup> |
| -----Dollars Per Acre----- |                                  |       |           |         |      |           |       |           |                     |
| <b>Hayland</b>             |                                  |       |           |         |      |           |       |           |                     |
| <b>1978</b>                | 232                              | 266   | 370       | 372     | 477  | 231       | 298   | 371       | 281                 |
| <b>1979</b>                | 287                              | 308   | 436       | 397     | 593  | 281       | 345   | 509       | 332                 |
| <b>1980</b>                | 301                              | 338   | 506       | 441     | 699  | 349       | 402   | 554       | 369                 |
| <b>1981</b>                | 323                              | 331   | 558       | 482     | 738  | 368       | 417   | 532       | 375                 |
| <b>1982</b>                | 328                              | 334   | 544       | 472     | 714  | 344       | 445   | 557       | 375                 |
| <b>1983</b>                | 290                              | 286   | 509       | 408     | 658  | 344       | 375   | 496       | 331                 |
| <b>1984</b>                | 283                              | 247   | 497       | 295     | 568  | 329       | 369   | 463       | 296                 |
| <b>1985</b>                | 261                              | 206   | 332       | 273     | 470  | 250       | 258   | 311       | 241                 |
| <b>1986</b>                | 190                              | 154   | 233       | 230     | 335  | 182       | 190   | 219       | 179                 |
| <b>1987</b>                | 160                              | 119   | 188       | 195     | 271  | 148       | 175   | 201       | 144                 |
| <b>1988</b>                | 144                              | 130   | 238       | 230     | 317  | 178       | 202   | 245       | 159                 |
| <b>1989</b>                | 194                              | 183   | 295       | 275     | 382  | 220       | 268   | 291       | 210                 |
| <b>1990</b>                | 217                              | 218   | 326       | 328     | 405  | 245       | 278   | 328       | 243                 |
| <b>1991</b>                | 225                              | 240   | 330       | 350     | 434  | 252       | 286   | 361       | 261                 |
| <b>1992</b>                | 248                              | 247   | 325       | 365     | 452  | 250       | 329   | 341       | 269                 |
| <b>1993</b>                | 242                              | 265   | 365       | 366     | 473  | 251       | 360   | 358       | 283                 |
| <b>1994</b>                | 251                              | 296   | 392       | 400     | 511  | 278       | 386   | 370       | 310                 |
| <b>1995</b>                | 260                              | 300   | 418       | 408     | 528  | 277       | 397   | 385       | 317                 |
| <b>1996</b>                | 270                              | 300   | 429       | 403     | 524  | 289       | 396   | 402       | 320                 |
| <b>1997</b>                | 295                              | 325   | 459       | 438     | 575  | 300       | 403   | 435       | 346                 |
| <b>1998</b>                | 315                              | 345   | 517       | 472     | 640  | 336       | 437   | 497       | 373                 |
| <b>1999</b>                | 318                              | 325   | 507       | 457     | 625  | 330       | 412   | 502       | 359                 |
| <b>2000</b>                | 313                              | 358   | 539       | 444     | 618  | 350       | 398   | 463       | 379                 |
| <b>2001</b>                | 306                              | 381   | 563       | 458     | 677  | 364       | 450   | 502       | 398                 |
| <b>2002</b>                | 313                              | 388   | 611       | 502     | 694  | 373       | 483   | 529       | 446                 |
| <b>2003</b>                | 319                              | 380   | 660       | 557     | 765  | 375       | 508   | 575       | 464                 |
| <b>2004</b>                | 339                              | 433   | 715       | 577     | 815  | 413       | 513   | 611       | 505                 |

See footnotes at end of table.

Continued:

**Appendix Table 4. Average Reported Value of Nebraska Farmland for Different Types of Land by Agricultural Statistics District, 1978-2004.<sup>a</sup>**

| Type of Land & Year               | Agricultural Statistics District |       |           |         |      |           |       |           |                     |
|-----------------------------------|----------------------------------|-------|-----------|---------|------|-----------|-------|-----------|---------------------|
|                                   | Northwest                        | North | Northeast | Central | East | Southwest | South | Southeast | State <sup>cd</sup> |
| ----- Dollars Per Acre -----      |                                  |       |           |         |      |           |       |           |                     |
| <b>Gravity Irrigated Cropland</b> |                                  |       |           |         |      |           |       |           |                     |
| 1978                              | 1246                             | 796   | 1030      | 1545    | 1624 | 1134      | 1412  | 1404      | 1410                |
| 1979                              | 1300                             | 964   | 1289      | 1705    | 1910 | 1197      | 1746  | 1772      | 1638                |
| 1980                              | 1369                             | 1020  | 1547      | 1976    | 2317 | 1329      | 2046  | 2026      | 1906                |
| 1981                              | 1555                             | 1054  | 1781      | 2088    | 2403 | 1493      | 2230  | 2026      | 2030                |
| 1982                              | 1580                             | 1033  | 1771      | 2053    | 2269 | 1598      | 2254  | 1924      | 1994                |
| 1983                              | 1361                             | 1000  | 1430      | 1798    | 1969 | 1412      | 1872  | 1854      | 1737                |
| 1984                              | 1269                             | 1020  | 1429      | 1613    | 1838 | 1250      | 1762  | 1639      | 1601                |
| 1985                              | 1042                             | 817   | 1102      | 1304    | 1329 | 1010      | 1283  | 1171      | 1214                |
| 1986                              | 754                              | 612   | 900       | 940     | 975  | 867       | 963   | 957       | 920                 |
| 1987                              | 650                              | 567   | 775       | 802     | 959  | 718       | 863   | 843       | 826                 |
| 1988                              | 668                              | 691   | 862       | 948     | 1151 | 740       | 994   | 956       | 947                 |
| 1989                              | 815                              | 900   | 1100      | 1210    | 1462 | 841       | 1232  | 1170      | 1182                |
| 1990                              | 841                              | 900   | 1186      | 1413    | 1513 | 895       | 1390  | 1285      | 1287                |
| 1991                              | 834                              | 917   | 1250      | 1518    | 1622 | 975       | 1480  | 1306      | 1363                |
| 1992                              | 889                              | 1035  | 1221      | 1563    | 1653 | 1021      | 1583  | 1413      | 1418                |
| 1993                              | 857                              | 1058  | 1246      | 1609    | 1730 | 1018      | 1643  | 1479      | 1461                |
| 1994                              | 875                              | 1070  | 1250      | 1666    | 1842 | 1093      | 1728  | 1568      | 1533                |
| 1995                              | 857                              | 1065  | 1260      | 1671    | 1887 | 1090      | 1731  | 1606      | 1548                |
| 1996                              | 870                              | 1070  | 1361      | 1738    | 1989 | 1138      | 1800  | 1697      | 1621                |
| 1997                              | 890                              | 1115  | 1466      | 1858    | 2160 | 1167      | 1943  | 1853      | 1740                |
| 1998                              | 925                              | 1150  | 1575      | 1972    | 2340 | 1200      | 2042  | 1936      | 1847                |
| 1999                              | 894                              | 1050  | 1575      | 1861    | 2247 | 1198      | 1945  | 1813      | 1768                |
| 2000                              | 907                              | 1025  | 1696      | 1754    | 2279 | 1325      | 1856  | 1831      | 1765                |
| 2001                              | 900                              | 1033  | 1715      | 1729    | 2273 | 1279      | 1810  | 1843      | 1750                |
| 2002                              | 914                              | 1080  | 1759      | 1825    | 2298 | 1350      | 1827  | 1928      | 1821                |
| 2003                              | 890                              | 1075  | 1760      | 1835    | 2401 | 1213      | 1863  | 1899      | 1840                |
| 2004                              | 925                              | 1125  | 1867      | 1961    | 2531 | 1297      | 1969  | 2087      | 1957                |

See footnotes at end of table.

Continued:

**Appendix Table 4. Average Reported Value of Nebraska Farmland for Different Types of Land by Agricultural Statistics District, 1978-2004.<sup>a</sup>**

| Type of Land & Year                                | Agricultural Statistics District |       |           |         |       |           |       |           |                     |
|--|----------------------------------|-------|-----------|---------|-------|-----------|-------|-----------|---------------------|
|  | Northwest                        | North | Northeast | Central | East  | Southwest | South | Southeast | State <sup>cd</sup> |
| ----- Dollars Per Acre -----                       |                                  |       |           |         |       |           |       |           |                     |
| <b>Center Pivot Irrigated Cropland<sup>b</sup></b> |                                  |       |           |         |       |           |       |           |                     |
| <b>1978</b>  | 771                              | 678   | 956       | 877     | 1,484 | 813       | 1023  | 1286      | 947                 |
| <b>1979</b>  | 915                              | 770   | 1164      | 1076    | 1690  | 895       | 1291  | 1590      | 1114                |
| <b>1980</b>  | 894                              | 886   | 1372      | 1223    | 2043  | 971       | 1535  | 1795      | 1272                |
| <b>1981</b>  | 973                              | 816   | 1456      | 1312    | 2110  | 1105      | 1732  | 1900      | 1341                |
| <b>1982</b>  | 989                              | 810   | 1332      | 1270    | 2010  | 1123      | 1681  | 1748      | 1293                |
| <b>1983</b>  | 847                              | 769   | 1217      | 1016    | 1727  | 926       | 1391  | 1643      | 1130                |
| <b>1984</b>  | 809                              | 698   | 1130      | 969     | 1655  | 827       | 1350  | 1465      | 1049                |
| <b>1985</b>  | 691                              | 581   | 875       | 850     | 1243  | 691       | 1055  | 1020      | 833                 |
| <b>1986</b>  | 496                              | 400   | 700       | 628     | 970   | 558       | 788   | 788       | 634                 |
| <b>1987</b>  | 417                              | 396   | 703       | 541     | 888   | 487       | 665   | 723       | 580                 |
| <b>1988</b>  | 446                              | 441   | 800       | 622     | 1038  | 548       | 792   | 820       | 661                 |
| <b>1989</b>  | 532                              | 604   | 993       | 779     | 1320  | 683       | 1021  | 1056      | 841                 |
| <b>1990</b>  | 619                              | 710   | 1090      | 910     | 1393  | 765       | 1117  | 1133      | 935                 |
| <b>1991</b>  | 651                              | 714   | 1129      | 1053    | 1461  | 748       | 1229  | 1194      | 977                 |
| <b>1992</b>  | 681                              | 740   | 1084      | 1085    | 1510  | 783       | 1263  | 1228      | 1000                |
| <b>1993</b>  | 641                              | 745   | 1156      | 1160    | 1593  | 799       | 1356  | 1346      | 1045                |
| <b>1994</b>  | 690                              | 800   | 1215      | 1200    | 1707  | 850       | 1425  | 1413      | 1107                |
| <b>1995</b>  | 693                              | 825   | 1254      | 1268    | 1793  | 882       | 1454  | 1474      | 1149                |
| <b>1996</b>  | 710                              | 913   | 1320      | 1340    | 1930  | 981       | 1550  | 1565      | 1235                |
| <b>1997</b>  | 748                              | 962   | 1427      | 1507    | 2111  | 1058      | 1696  | 1725      | 1338                |
| <b>1998</b>  | 829                              | 1020  | 1583      | 1698    | 2332  | 1139      | 1863  | 1907      | 1471                |
| <b>1999</b>  | 750                              | 984   | 1581      | 1616    | 2288  | 1124      | 1830  | 1806      | 1428                |
| <b>2000</b>  | 750                              | 981   | 1609      | 1579    | 2424  | 1192      | 1795  | 1810      | 1455                |
| <b>2001</b>  | 742                              | 965   | 1653      | 1602    | 2420  | 1152      | 1778  | 1898      | 1459                |
| <b>2002</b>  | 775                              | 1043  | 1775      | 1693    | 2401  | 1167      | 1830  | 1959      | 1622                |
| <b>2003</b>  | 750                              | 1075  | 1840      | 1785    | 2460  | 1033      | 1846  | 1981      | 1636                |
| <b>2004</b>  | 806                              | 1211  | 2004      | 1901    | 2669  | 1123      | 2044  | 2218      | 1788                |

See footnotes at end of table.

Continued:

**Appendix Table 4. Average Reported Value of Nebraska Farmland for Different Types of Land by Agricultural Statistics District, 1978-2004.<sup>a</sup>**

| Type of Land & Year                 | Agricultural Statistics District |       |           |         |      |           |       |           |                     |
|-------------------------------------|----------------------------------|-------|-----------|---------|------|-----------|-------|-----------|---------------------|
|                                     | Northwest                        | North | Northeast | Central | East | Southwest | South | Southeast | State <sup>cd</sup> |
| ----- Dollars Per Acre -----        |                                  |       |           |         |      |           |       |           |                     |
| <b>All Land Average<sup>c</sup></b> |                                  |       |           |         |      |           |       |           |                     |
| <b>1978</b>                         | 279                              | 201   | 674       | 608     | 1125 | 363       | 796   | 844       | 500 <sup>d</sup>    |
| <b>1979</b>                         | 307                              | 244   | 836       | 699     | 1376 | 405       | 970   | 1,044     | 597                 |
| <b>1980</b>                         | 333                              | 269   | 989       | 800     | 1670 | 472       | 1139  | 1215      | 695                 |
| <b>1981</b>                         | 397                              | 271   | 1077      | 865     | 1748 | 538       | 1268  | 1260      | 749                 |
| <b>1982</b>                         | 396                              | 269   | 1004      | 843     | 1643 | 527       | 1272  | 1173      | 720                 |
| <b>1983</b>                         | 343                              | 248   | 890       | 734     | 1475 | 480       | 1057  | 1099      | 642                 |
| <b>1984</b>                         | 318                              | 229   | 829       | 654     | 1341 | 442       | 990   | 989       | 588                 |
| <b>1985</b>                         | 258                              | 180   | 664       | 528     | 1007 | 347       | 706   | 689       | 450                 |
| <b>1986</b>                         | 190                              | 136   | 522       | 379     | 745  | 273       | 543   | 518       | 339                 |
| <b>1987</b>                         | 165                              | 115   | 502       | 324     | 707  | 232       | 474   | 482       | 306                 |
| <b>1988</b>                         | 173                              | 124   | 567       | 385     | 817  | 241       | 545   | 579       | 346                 |
| <b>1989</b>                         | 210                              | 171   | 689       | 495     | 1009 | 300       | 673   | 711       | 432                 |
| <b>1990</b>                         | 219                              | 202   | 744       | 580     | 1069 | 331       | 734   | 763       | 473                 |
| <b>1991</b>                         | 226                              | 215   | 747       | 639     | 1115 | 341       | 787   | 756       | 492                 |
| <b>1992</b>                         | 239                              | 226   | 737       | 669     | 1156 | 348       | 827   | 800       | 510                 |
| <b>1993</b>                         | 239                              | 226   | 790       | 693     | 1217 | 346       | 885   | 845       | 531                 |
| <b>1994</b>                         | 249                              | 244   | 835       | 728     | 1325 | 375       | 935   | 894       | 566                 |
| <b>1995</b>                         | 250                              | 251   | 860       | 744     | 1378 | 384       | 944   | 925       | 582                 |
| <b>1996</b>                         | 254                              | 256   | 895       | 769     | 1479 | 398       | 984   | 978       | 608                 |
| <b>1997</b>                         | 269                              | 275   | 962       | 833     | 1600 | 417       | 1066  | 1057      | 654                 |
| <b>1998</b>                         | 288                              | 295   | 1053      | 897     | 1754 | 450       | 1140  | 1162      | 710                 |
| <b>1999</b>                         | 275                              | 285   | 1052      | 859     | 1718 | 439       | 1099  | 1111      | 690                 |
| <b>2000</b>                         | 276                              | 299   | 1050      | 842     | 1737 | 464       | 1056  | 1121      | 698                 |
| <b>2001</b>                         | 274                              | 312   | 1107      | 854     | 1747 | 471       | 1060  | 1143      | 709                 |
| <b>2002</b>                         | 283                              | 321   | 1221      | 896     | 1768 | 500       | 1096  | 1204      | 749                 |
| <b>2003</b>                         | 276                              | 308   | 1266      | 939     | 1850 | 467       | 1102  | 1204      | 757                 |
| <b>2004</b>                         | 302                              | 343   | 1388      | 1005    | 1999 | 500       | 1188  | 1354      | 827                 |

<sup>a</sup> February 1st estimates reported in the annual UNL Nebraska Farm Real Estate Market Developments Surveys.

<sup>b</sup> Pivot not included in per acre value.

<sup>c</sup> Weighted average based upon acreage in each land type.

<sup>d</sup> All land average for state may not conform to USDA series due to different acreage weighting. In addition, the USDA series includes farm buildings in its per acre estimates of value.

**Appendix Table 5. Historical Per Acre Value Range for Different Types and Quality Grades of Land in Nebraska by Agricultural Statistics District, 1999-2004. <sup>a</sup>**

| District and Type of Land                 | Reported Value Per Acre |      |      |      |      |      |            |      |      |      |      |      |
|---|-------------------------|------|------|------|------|------|------------|------|------|------|------|------|
|   | Low Grade               |      |      |      |      |      | High Grade |      |      |      |      |      |
|   | 1999                    | 2000 | 2001 | 2002 | 2003 | 2004 | 1999       | 2000 | 2001 | 2002 | 2003 | 2004 |
| ----- Dollars Per Acre -----              |                         |      |      |      |      |      |            |      |      |      |      |      |
| <b>Northwest:</b>                         |                         |      |      |      |      |      |            |      |      |      |      |      |
| Dry Crop (No irr. potential) <sup>7</sup> | 235                     | 220  | 225  | 230  | 225  | 235  | 405        | 385  | 365  | 365  | 340  | 350  |
| Dry Crop (Irr. pot.)                      | 360                     | 335  | 335  | 340  | 325  | 370  | 500        | 490  | 480  | 490  | 475  | 530  |
| Grazing (Tillable)                        | 130                     | 140  | 140  | 145  | 150  | 170  | 205        | 210  | 200  | 205  | 205  | 230  |
| Grazing (Nontillable)                     | 95                      | 105  | 105  | 115  | 115  | 125  | 150        | 160  | 160  | 170  | 170  | 190  |
| Hayland                                   | 230                     | 235  | 255  | 255  | 245  | 275  | 380        | 360  | 370  | 370  | 370  | 400  |
| Gravity Irrigated                         | 600                     | 600  | 585  | 610  | 555  | 575  | 1090       | 1130 | 1020 | 1050 | 990  | 1040 |
| Center Pivot Irrigated <sup>b</sup>       | 530                     | 530  | 565  | 585  | 605  | 625  | 830        | 890  | 890  | 940  | 920  | 1000 |
| <b>North:</b>                             |                         |      |      |      |      |      |            |      |      |      |      |      |
| Dry Crop (No irr. potential)              | 270                     | 280  | 310  | 325  | 290  | 335  | 465        | 490  | 495  | 530  | 450  | 510  |
| Dry Crop (Irr. pot.)                      | 360                     | 390  | 385  | 425  | 425  | 465  | 575        | 600  | 600  | 635  | 600  | 665  |
| Grazing (Tillable)                        | 230                     | 245  | 250  | 255  | 260  | 290  | 365        | 345  | 325  | 360  | 345  | 375  |
| Grazing (Nontillable)                     | 160                     | 180  | 170  | 165  | 165  | 180  | 250        | 285  | 290  | 280  | 265  | 305  |
| Hayland                                   | 240                     | 300  | 310  | 310  | 305  | 365  | 455        | 485  | 470  | 475  | 465  | 525  |
| Gravity Irrigated                         | 900                     | 875  | 815  | 870  | 875  | 900  | 1335       | 1325 | 1265 | 1270 | 1250 | 1300 |
| Center Pivot Irrigated <sup>b</sup>       | 750                     | 765  | 690  | 750  | 770  | 865  | 1150       | 1175 | 1160 | 1185 | 1260 | 1420 |
| <b>Northeast:</b>                         |                         |      |      |      |      |      |            |      |      |      |      |      |
| Dry Crop (No irr. potential)              | 725                     | 740  | 805  | 870  | 880  | 955  | 1200       | 1175 | 1230 | 1350 | 1385 | 1540 |
| Dry Crop (Irr. pot.)                      | 960                     | 1000 | 1055 | 1065 | 1090 | 1180 | 1385       | 1415 | 1545 | 1665 | 1685 | 1845 |
| Grazing (Tillable)                        | 505                     | 475  | 530  | 575  | 600  | 650  | 710        | 705  | 770  | 815  | 850  | 920  |
| Grazing (Nontillable)                     | 345                     | 360  | 365  | 470  | 450  | 490  | 515        | 530  | 590  | 650  | 670  | 735  |
| Hayland                                   | 425                     | 445  | 465  | 500  | 580  | 630  | 640        | 655  | 695  | 740  | 780  | 850  |
| Gravity Irrigated                         | 1240                    | 1365 | 1310 | 1390 | 1230 | 1310 | 1710       | 1945 | 1865 | 1945 | 1930 | 2075 |
| Center Pivot Irrigated <sup>b</sup>       | 1270                    | 1265 | 1295 | 1435 | 1425 | 1555 | 1780       | 1850 | 1925 | 2030 | 2125 | 2350 |
| <b>Central:</b>                           |                         |      |      |      |      |      |            |      |      |      |      |      |
| Dry Crop (No irr. potential)              | 500                     | 505  | 495  | 530  | 570  | 605  | 765        | 795  | 815  | 845  | 895  | 980  |
| Dry Crop (Irr. pot.)                      | 700                     | 710  | 740  | 785  | 840  | 875  | 1170       | 1195 | 1235 | 1280 | 1325 | 1360 |
| Grazing (Tillable)                        | 410                     | 415  | 425  | 455  | 485  | 530  | 585        | 590  | 665  | 685  | 735  | 835  |
| Grazing (Nontillable)                     | 290                     | 300  | 315  | 355  | 370  | 400  | 400        | 425  | 460  | 502  | 520  | 580  |
| Hayland                                   | 375                     | 345  | 360  | 405  | 460  | 490  | 545        | 530  | 550  | 605  | 675  | 705  |
| Gravity Irrigated                         | 1325                    | 1190 | 1215 | 1320 | 1315 | 1410 | 2045       | 1920 | 2035 | 2155 | 2170 | 2310 |
| Center Pivot Irrigated <sup>b</sup>       | 1200                    | 1085 | 1100 | 1190 | 1250 | 1340 | 1840       | 1785 | 1910 | 2025 | 2135 | 2325 |

See footnotes at end of table.

Continued:

**Appendix Table 5. Historical Per Acre Value Range for Different Types and Quality Grades of Land in Nebraska by Agricultural Statistics District, 1999-2004. <sup>a</sup>**

| District and Type of Land           | Reported Value Per Acre |      |      |      |      |      |            |      |      |      |      |      |
|-------------------------------------|-------------------------|------|------|------|------|------|------------|------|------|------|------|------|
|                                     | Low Grade               |      |      |      |      |      | High Grade |      |      |      |      |      |
|                                     | 1999                    | 2000 | 2001 | 2002 | 2003 | 2004 | 1999       | 2000 | 2001 | 2002 | 2003 | 2004 |
| ----- Dollars Per Acre -----        |                         |      |      |      |      |      |            |      |      |      |      |      |
| <b>East:</b>                        |                         |      |      |      |      |      |            |      |      |      |      |      |
| Dry Crop (No irr. potential)        | 1060                    | 1070 | 1095 | 1160 | 1255 | 1325 | 1727       | 1735 | 1695 | 1730 | 1805 | 1945 |
| Dry Crop (Irr. pot.)                | 1350                    | 1365 | 1395 | 1380 | 1540 | 1625 | 2055       | 2035 | 2015 | 2040 | 2140 | 2405 |
| Grazing (Tillable)                  | 480                     | 510  | 590  | 625  | 640  | 730  | 780        | 850  | 895  | 980  | 990  | 1155 |
| Grazing (Nontillable)               | 395                     | 425  | 420  | 465  | 505  | 570  | 605        | 625  | 700  | 720  | 735  | 780  |
| Hayland                             | 535                     | 530  | 565  | 550  | 630  | 670  | 800        | 760  | 875  | 900  | 1060 | 1140 |
| Gravity Irrigated                   | 1740                    | 1745 | 1760 | 1805 | 1900 | 1965 | 2510       | 2525 | 2560 | 2500 | 2615 | 2805 |
| Center Pivot Irrigated <sup>b</sup> | 1720                    | 1755 | 1815 | 1790 | 1895 | 2035 | 2585       | 2640 | 2600 | 2545 | 2600 | 2930 |
| <b>Southwest:</b>                   |                         |      |      |      |      |      |            |      |      |      |      |      |
| Dry Crop (No irr. potential)        | 355                     | 350  | 350  | 380  | 370  | 380  | 495        | 490  | 520  | 570  | 530  | 555  |
| Dry Crop (Irr. pot.)                | 450                     | 445  | 465  | 490  | 495  | 515  | 610        | 610  | 635  | 650  | 655  | 685  |
| Grazing (Tillable)                  | 215                     | 225  | 230  | 255  | 235  | 250  | 285        | 315  | 350  | 380  | 375  | 395  |
| Grazing (Nontillable)               | 155                     | 165  | 165  | 180  | 185  | 210  | 215        | 230  | 235  | 255  | 270  | 290  |
| Hayland                             | 315                     | 325  | 330  | 345  | 355  | 370  | 455        | 505  | 515  | 535  | 560  | 615  |
| Gravity Irrigated                   | 900                     | 1005 | 985  | 1045 | 1010 | 1015 | 1280       | 1415 | 1415 | 1485 | 1445 | 1650 |
| Center Pivot Irrigated <sup>b</sup> | 800                     | 855  | 820  | 830  | 790  | 890  | 1135       | 1330 | 1285 | 1320 | 1250 | 1300 |
| <b>South:</b>                       |                         |      |      |      |      |      |            |      |      |      |      |      |
| Dry Crop (No irr. potential)        | 500                     | 485  | 505  | 535  | 550  | 580  | 885        | 865  | 865  | 865  | 865  | 930  |
| Dry Crop (Irr. pot.)                | 790                     | 755  | 745  | 805  | 830  | 900  | 1360       | 1275 | 1345 | 1280 | 1255 | 1390 |
| Grazing (Tillable)                  | 350                     | 340  | 395  | 395  | 380  | 405  | 555        | 535  | 655  | 640  | 585  | 600  |
| Grazing (Nontillable)               | 235                     | 235  | 270  | 285  | 310  | 335  | 390        | 375  | 450  | 455  | 440  | 470  |
| Hayland                             | 260                     | 255  | 310  | 340  | 360  | 365  | 445        | 435  | 515  | 550  | 550  | 565  |
| Gravity Irrigated                   | 1335                    | 1260 | 1265 | 1255 | 1350 | 1415 | 2140       | 2020 | 2005 | 1960 | 2010 | 2150 |
| Center Pivot Irrigated <sup>b</sup> | 1270                    | 1160 | 1200 | 1275 | 1285 | 1400 | 1965       | 1910 | 1930 | 1975 | 2005 | 2225 |
| <b>Southeast:</b>                   |                         |      |      |      |      |      |            |      |      |      |      |      |
| Dry Crop (No irr. potential)        | 725                     | 670  | 680  | 750  | 800  | 890  | 1255       | 1200 | 1150 | 1290 | 1325 | 1500 |
| Dry Crop (Irr. pot.)                | 810                     | 790  | 835  | 915  | 1015 | 1120 | 1345       | 1245 | 1350 | 1485 | 1625 | 1830 |
| Grazing (Tillable)                  | 455                     | 440  | 445  | 490  | 495  | 545  | 670        | 685  | 690  | 730  | 720  | 800  |
| Grazing (Nontillable)               | 330                     | 340  | 340  | 355  | 375  | 425  | 565        | 600  | 535  | 565  | 560  | 620  |
| Hayland                             | 385                     | 400  | 425  | 460  | 480  | 505  | 580        | 570  | 585  | 620  | 690  | 740  |
| Gravity Irrigated                   | 1355                    | 1345 | 1345 | 1450 | 1490 | 1630 | 1980       | 2060 | 2085 | 2090 | 2075 | 2300 |
| Center Pivot Irrigated <sup>b</sup> | 1220                    | 1285 | 1395 | 1490 | 1540 | 1730 | 1950       | 1940 | 2090 | 2080 | 2125 | 2380 |

<sup>a</sup> Source: UNL Nebraska Farm Real Estate Market Developments Surveys.

<sup>b</sup> Pivot not included in per acre value.

**Appendix Table 6. Historical Average Cash Rental Rates of Nebraska Farmland for Different Types of Land by Agricultural Statistics District, 1981-2004.<sup>a</sup>**

| Type of Land and Year | Agricultural Statistics District |       |           |         |      |           |       |           |
|-----------------------|----------------------------------|-------|-----------|---------|------|-----------|-------|-----------|
|                       | Northwest                        | North | Northeast | Central | East | Southwest | South | Southeast |

----- Dollars Per Acre -----  
 -----

**Dryland Cropland**

|      |    |    |    |    |    |    |    |    |
|------|----|----|----|----|----|----|----|----|
| 1981 | b  | b  | 60 | 43 | 68 | 35 | 38 | 55 |
| 1982 | b  | b  | 67 | 38 | 71 | 34 | 38 | 60 |
| 1983 | b  | b  | 63 | 43 | 66 | 25 | 41 | 57 |
| 1984 | b  | b  | 63 | 41 | 72 | 29 | 44 | 57 |
| 1985 | b  | b  | 55 | 38 | 65 | 26 | 40 | 50 |
| 1986 | b  | b  | 52 | 29 | 58 | 25 | 35 | 45 |
| 1987 | b  | b  | 55 | 29 | 58 | 23 | 35 | 45 |
| 1988 | b  | b  | 58 | 35 | 62 | 25 | 38 | 48 |
| 1989 | b  | b  | 65 | 42 | 70 | 26 | 43 | 52 |
| 1990 | b  | b  | 65 | 44 | 72 | 31 | 41 | 54 |
| 1991 | b  | b  | 64 | 45 | 73 | 27 | 41 | 58 |
| 1992 | b  | b  | 60 | 47 | 73 | 28 | 43 | 57 |
| 1993 | 24 | 28 | 65 | 46 | 74 | 28 | 47 | 60 |
| 1994 | b  | 33 | 66 | 44 | 79 | 32 | 45 | 62 |
| 1995 | 21 | 36 | 69 | 48 | 79 | 29 | 46 | 61 |
| 1996 | 21 | 35 | 69 | 49 | 81 | 31 | 47 | 62 |
| 1997 | 22 | 38 | 74 | 53 | 85 | 32 | 49 | 65 |
| 1998 | 22 | 39 | 79 | 53 | 88 | 32 | 51 | 70 |
| 1999 | 21 | 38 | 79 | 51 | 85 | 30 | 49 | 67 |
| 2000 | 20 | 38 | 79 | 53 | 86 | 29 | 49 | 66 |
| 2001 | 20 | 37 | 78 | 53 | 87 | 29 | 51 | 64 |
| 2002 | 21 | 38 | 85 | 54 | 87 | 31 | 53 | 69 |
| 2003 | 22 | 32 | 86 | 59 | 89 | 32 | 52 | 71 |
| 2004 | 22 | 35 | 91 | 60 | 94 | 33 | 55 | 75 |

See footnotes at end of table.

Continued:

**Appendix Table 6. Historical Average Cash Rental Rates of Nebraska Farmland for Different Types of Land by Agricultural Statistics District, 1981-2004.<sup>a</sup>**

| Type of Land and Year | Agricultural Statistics District |       |           |         |      |           |       |           |
|-----------------------|----------------------------------|-------|-----------|---------|------|-----------|-------|-----------|
|                       | Northwest                        | North | Northeast | Central | East | Southwest | South | Southeast |

**Gravity Irrigated Cropland**

|             |     |     |     |     |     |     |     |     |
|-------------|-----|-----|-----|-----|-----|-----|-----|-----|
| <b>1981</b> | b   | b   | 107 | 114 | 114 | 97  | 117 | 115 |
| <b>1982</b> | 100 | 96  | b   | 119 | 116 | 97  | 115 | 115 |
| <b>1983</b> | 93  | 95  | b   | 110 | 111 | 92  | 110 | 112 |
| <b>1984</b> | 110 | 95  | 100 | 115 | 113 | 89  | 115 | 113 |
| <b>1985</b> | 91  | 90  | 89  | 105 | 99  | 80  | 103 | 98  |
| <b>1986</b> | 78  | 73  | 80  | 90  | 97  | 77  | 93  | 88  |
| <b>1987</b> | b   | 67  | 83  | 88  | 96  | 76  | 91  | 85  |
| <b>1988</b> | b   | 70  | 94  | 94  | 103 | 76  | 95  | 93  |
| <b>1989</b> | b   | 87  | 102 | 111 | 115 | 88  | 106 | 97  |
| <b>1990</b> | 74  | 88  | 99  | 113 | 113 | 96  | 106 | 104 |
| <b>1991</b> | 84  | 95  | 99  | 119 | 118 | 101 | 112 | 103 |
| <b>1992</b> | 83  | 101 | 98  | 109 | 119 | 99  | 118 | 109 |
| <b>1993</b> | 77  | 93  | 107 | 118 | 124 | 94  | 124 | 114 |
| <b>1994</b> | 83  | 100 | 110 | 121 | 131 | 107 | 124 | 122 |
| <b>1995</b> | 80  | 98  | 108 | 120 | 127 | 101 | 123 | 116 |
| <b>1996</b> | 78  | 99  | 108 | 124 | 127 | 104 | 126 | 118 |
| <b>1997</b> | 80  | 105 | 114 | 129 | 136 | 108 | 132 | 125 |
| <b>1998</b> | 91  | 105 | 116 | 129 | 136 | 103 | 133 | 128 |
| <b>1999</b> | 85  | 102 | 111 | 123 | 133 | 98  | 130 | 119 |
| <b>2000</b> | 82  | 98  | 118 | 123 | 133 | 100 | 128 | 120 |
| <b>2001</b> | 84  | 98  | 122 | 128 | 133 | 106 | 127 | 126 |
| <b>2002</b> | 84  | 100 | 124 | 128 | 136 | 104 | 128 | 131 |
| <b>2003</b> | 86  | 98  | 120 | 129 | 135 | 97  | 125 | 128 |
| <b>2004</b> | 88  | 105 | 123 | 134 | 138 | 101 | 128 | 131 |

See footnotes at end of table.



Continued:

**Appendix Table 6. Historical Average Cash Rental Rates of Nebraska Farmland for Different Types of Land by Agricultural Statistics District, 1981-2004.<sup>a</sup>**

| Type of Land and Year                  | Agricultural Statistics District |       |           |         |      |           |       |           |
|--|----------------------------------|-------|-----------|---------|------|-----------|-------|-----------|
|  | Northwest                        | North | Northeast | Central | East | Southwest | South | Southeast |
| <b>Center Pivot Irrigated Cropland</b> |                                  |       |           |         |      |           |       |           |
| 1981                                   | b                                | 71    | 117       | 102     | 118  | 91        | 126   | 119       |
| 1982                                   | 98                               | 82    | 116       | 108     | 120  | 93        | 127   | 119       |
| 1983                                   | 90                               | 86    | 101       | 100     | 114  | 83        | 117   | 116       |
| 1984                                   | 98                               | 81    | 99        | 101     | 118  | 80        | 120   | 114       |
| 1985                                   | b                                | 69    | 93        | 90      | 104  | 81        | 111   | 96        |
| 1986                                   | b                                | 60    | 86        | 75      | 99   | 69        | 91    | 86        |
| 1987                                   | b                                | 62    | 83        | 77      | 97   | 66        | 82    | 86        |
| 1988                                   | b                                | 67    | 91        | 82      | 100  | 73        | 89    | 93        |
| 1989                                   | b                                | 88    | 99        | 98      | 110  | 81        | 101   | 100       |
| 1990                                   | 77                               | 97    | 106       | 99      | 114  | 91        | 104   | 108       |
| 1991                                   | 85                               | 98    | 108       | 109     | 120  | 94        | 115   | 110       |
| 1992                                   | 79                               | 96    | 105       | 102     | 120  | 92        | 119   | 113       |
| 1993                                   | 79                               | 83    | 107       | 108     | 124  | 93        | 124   | 114       |
| 1994                                   | 85                               | 104   | 115       | 116     | 130  | 98        | 126   | 122       |
| 1995                                   | 86                               | 100   | 118       | 117     | 128  | 101       | 127   | 122       |
| 1996                                   | 80                               | 107   | 117       | 119     | 130  | 105       | 128   | 124       |
| 1997                                   | 90                               | 115   | 124       | 130     | 142  | 110       | 138   | 132       |
| 1998                                   | 95                               | 115   | 125       | 132     | 143  | 111       | 138   | 132       |
| 1999                                   | 90                               | 109   | 122       | 124     | 143  | 110       | 136   | 127       |
| 2000                                   | 93                               | 105   | 125       | 124     | 144  | 111       | 135   | 129       |
| 2001                                   | 94                               | 106   | 130       | 129     | 144  | 113       | 132   | 134       |
| 2002                                   | 96                               | 108   | 132       | 131     | 146  | 115       | 133   | 135       |
| 2003                                   | 97                               | 105   | 137       | 134     | 145  | 115       | 135   | 138       |
| 2004                                   | 97                               | 114   | 144       | 139     | 151  | 117       | 139   | 143       |

See footnotes at end of table.

Continued:

**Appendix Table 6. Historical Average Cash Rental Rates of Nebraska Farmland for Different Types of Land by Agricultural Statistics District, 1981-2004.<sup>a</sup>**

| Type of Land and Year  | Agricultural Statistics District |       |           |         |      |           |       |           |
|------------------------|----------------------------------|-------|-----------|---------|------|-----------|-------|-----------|
|                        | Northwest                        | North | Northeast | Central | East | Southwest | South | Southeast |
| <b>Dryland Alfalfa</b> |                                  |       |           |         |      |           |       |           |
| 1981                   | b                                | b     | 53        | 47      | 56   | 31        | 45    | 45        |
| 1982                   | b                                | b     | 57        | 47      | 64   | 31        | 43    | 47        |
| 1983                   | b                                | b     | 56        | 43      | 64   | 32        | 43    | 50        |
| 1984                   | b                                | b     | 50        | 46      | 63   | 36        | 44    | 45        |
| 1983                   | b                                | b     | 50        | 44      | 59   | 28        | 42    | 40        |
| 1986                   | b                                | b     | 47        | 32      | 52   | 25        | 44    | 40        |
| 1987                   | b                                | b     | 41        | 32      | 53   | b         | 41    | 37        |
| 1988                   | b                                | b     | 52        | 36      | 58   | b         | 42    | 39        |
| 1989                   | b                                | b     | 59        | 41      | 64   | b         | 56    | 48        |
| 1990                   | b                                | b     | 62        | 49      | 67   | 30        | b     | 48        |
| 1991                   | b                                | 38    | 62        | 57      | 71   | 28        | b     | 49        |
| 1992                   | b                                | 36    | 56        | 46      | 58   | b         | 50    | 48        |
| 1993                   | b                                | 27    | 65        | 47      | 66   | 31        | 50    | 54        |
| 1994                   | b                                | b     | 65        | 46      | 70   | 37        | 51    | 52        |
| 1995                   | b                                | b     | 68        | 50      | 73   | b         | 54    | 57        |
| 1996                   | b                                | b     | 68        | 52      | 78   | b         | 51    | 54        |
| 1997                   | b                                | b     | 72        | 56      | 82   | b         | 54    | 60        |
| 1998                   | b                                | b     | 79        | 58      | 86   | b         | 59    | 64        |
| 1999                   | b                                | b     | 80        | 54      | 82   | b         | b     | 64        |
| 2000                   | b                                | b     | 80        | 56      | 82   | b         | b     | b         |
| 2001                   | b                                | b     | 79        | 53      | 79   | b         | b     | b         |
| 2002                   | b                                | b     | 86        | 55      | 82   | b         | 56    | b         |
| 2003                   | b                                | b     | 84        | 62      | 77   | b         | 53    | 68        |
| 2004                   | b                                | b     | 92        | 63      | 85   | b         | 53    | 74        |

See footnotes at end of table.

Continued:

**Appendix Table 6. Historical Average Cash Rental Rates of Nebraska Farmland for Different Types of Land by Agricultural Statistics District, 1981-2004.<sup>a</sup>**

| Type of Land and Year    | Agricultural Statistics District |       |           |         |      |           |       |           |
|--------------------------|----------------------------------|-------|-----------|---------|------|-----------|-------|-----------|
|                          | Northwest                        | North | Northeast | Central | East | Southwest | South | Southeast |
| <b>Irrigated Alfalfa</b> |                                  |       |           |         |      |           |       |           |
| 1981                     | b                                | b     | 88        | 92      | 96   | b         | 90    | b         |
| 1982                     | b                                | b     | 75        | 87      | 100  | 56        | 90    | b         |
| 1983                     | b                                | b     | 78        | 89      | 105  | 70        | 84    | b         |
| 1984                     | b                                | b     | 80        | 83      | 96   | 68        | 84    | b         |
| 1985                     | b                                | b     | 74        | 80      | 87   | b         | 69    | b         |
| 1986                     | b                                | b     | 68        | 58      | 69   | b         | 68    | b         |
| 1987                     | b                                | b     | 61        | 62      | 70   | b         | 68    | b         |
| 1988                     | b                                | b     | 72        | 66      | 78   | b         | 68    | b         |
| 1989                     | b                                | b     | 89        | 88      | 92   | b         | 100   | b         |
| 1990                     | b                                | b     | 96        | 95      | 93   | 90        | 111   | b         |
| 1991                     | b                                | b     | 98        | 98      | 102  | 78        | 98    | b         |
| 1992                     | b                                | b     | 88        | 81      | 82   | b         | 94    | b         |
| 1993                     | b                                | b     | 96        | 96      | 92   | b         | 100   | b         |
| 1994                     | b                                | b     | 99        | 93      | 101  | b         | 95    | b         |
| 1995                     | b                                | b     | 99        | 102     | 101  | b         | 103   | b         |
| 1996                     | b                                | b     | 108       | 106     | 108  | b         | 109   | b         |
| 1997                     | b                                | b     | 113       | 106     | 119  | b         | b     | b         |
| 1998                     | b                                | b     | 118       | 112     | 124  | b         | b     | b         |
| 1999                     | b                                | b     | 112       | 108     | 115  | b         | b     | b         |
| 2000                     | b                                | b     | 105       | 107     | 114  | b         | b     | b         |
| 2001                     | b                                | b     | 118       | 107     | 118  | b         | b     | b         |
| 2002                     | b                                | b     | 124       | 111     | 121  | b         | 116   | b         |
| 2003                     | b                                | b     | 125       | 121     | 124  | b         | 117   | b         |
| 2004                     | b                                | b     | 132       | 126     | 128  | b         | 123   | 126       |

See footnotes at end of table.

Continued:

**Appendix Table 6. Historical Average Cash Rental Rates of Nebraska Farmland for Different Types of Land by Agricultural Statistics District, 1981-2004.<sup>a</sup>**

| Type of Land and Year | Agricultural Statistics District |       |           |         |      |           |       |           |
|-----------------------|----------------------------------|-------|-----------|---------|------|-----------|-------|-----------|
|                       | Northwest                        | North | Northeast | Central | East | Southwest | South | Southeast |

**Other Hayland**

|             |   |    |    |    |    |    |    |    |
|-------------|---|----|----|----|----|----|----|----|
| <b>1981</b> | b | 21 | b  | 37 | 39 | 34 | b  | 34 |
| <b>1982</b> | b | 18 | b  | 30 | b  | b  | b  | 34 |
| <b>1983</b> | b | b  | b  | 41 | b  | b  | b  | 31 |
| <b>1984</b> | b | b  | b  | 32 | 44 | 29 | b  | 36 |
| <b>1985</b> | b | b  | b  | 38 | 38 | b  | b  | 28 |
| <b>1986</b> | b | b  | b  | 26 | 29 | b  | b  | 26 |
| <b>1987</b> | b | b  | b  | 28 | 32 | b  | b  | 24 |
| <b>1988</b> | b | b  | b  | 26 | 31 | b  | b  | 31 |
| <b>1989</b> | b | b  | b  | 30 | 44 | b  | b  | 34 |
| <b>1990</b> | b | b  | b  | 39 | 44 | 34 | b  | 38 |
| <b>1991</b> | b | 18 | 37 | 37 | 43 | 35 | b  | 33 |
| <b>1992</b> | b | 21 | 31 | 30 | 34 | b  | 27 | 30 |
| <b>1993</b> | b | 22 | 38 | 34 | 38 | b  | 35 | 29 |
| <b>1994</b> | b | b  | 38 | 37 | 39 | b  | 33 | 29 |
| <b>1995</b> | b | b  | 41 | 40 | 44 | b  | 31 | 34 |
| <b>1996</b> | b | b  | 42 | 40 | 40 | b  | 31 | 36 |
| <b>1997</b> | b | b  | 42 | 43 | 44 | b  | 32 | 38 |
| <b>1998</b> | b | b  | 48 | 43 | 50 | b  | 35 | 40 |
| <b>1999</b> | b | b  | 48 | 38 | 48 | b  | b  | b  |
| <b>2000</b> | b | b  | 48 | 35 | 43 | b  | b  | b  |
| <b>2001</b> | b | b  | 50 | 37 | 47 | b  | b  | b  |
| <b>2002</b> | b | b  | 50 | 38 | 51 | b  | 36 | b  |
| <b>2003</b> | b | b  | 46 | 36 | 53 | b  | 33 | b  |
| <b>2004</b> | b | 30 | b  | 42 | 57 | b  | 36 | 42 |

See footnotes at end of table.

Continued:

**Appendix Table 6. Historical Average Cash Rental Rates of Nebraska Farmland for Different Types of Land by Agricultural Statistics District, 1981-2004.<sup>a</sup>**

| Type of Land and Year         | Agricultural Statistics District |       |           |         |      |           |       |           |
|-------------------------------|----------------------------------|-------|-----------|---------|------|-----------|-------|-----------|
|                               | Northwest                        | North | Northeast | Central | East | Southwest | South | Southeast |
| <b>Pastureland (Per-Acre)</b> |                                  |       |           |         |      |           |       |           |
| 1981                          | 6                                | 8     | 33        | 16      | 28   | 10        | 14    | 26        |
| 1982                          | 5                                | 9     | 31        | 15      | 22   | 9         | 16    | 24        |
| 1983                          | 6                                | 9     | 26        | 16      | 21   | 9         | 14    | 24        |
| 1984                          | 6                                | 8     | 25        | 16      | 23   | 9         | 16    | 23        |
| 1985                          | 5                                | 6     | 20        | 13      | 23   | 7         | 14    | 20        |
| 1986                          | 5                                | b     | 16        | 10      | 22   | 6         | 10    | 16        |
| 1987                          | 4                                | 4     | 18        | 10      | 20   | 5         | 11    | 15        |
| 1988                          | 4                                | 5     | 20        | 12      | 21   | 6         | 12    | 18        |
| 1989                          | 5                                | 7     | 23        | 15      | 23   | 7         | 15    | 19        |
| 1990                          | 5                                | 9     | 25        | 17      | 25   | 9         | 15    | 20        |
| 1991                          | 6                                | 10    | 26        | 20      | 27   | 10        | 17    | 22        |
| 1992                          | 7                                | 12    | 25        | 18      | 25   | 12        | 18    | 21        |
| 1993                          | 6                                | 10    | 24        | 21      | 27   | 10        | 19    | 21        |
| 1994                          | 9                                | 11    | 30        | 21      | 28   | 11        | 20    | 23        |
| 1995                          | 7                                | 11    | 31        | 21      | 27   | 12        | 19    | 24        |
| 1996                          | 7                                | 11    | 30        | 20      | 28   | 12        | 19    | 24        |
| 1997                          | 8                                | 12    | 30        | 21      | 29   | 12        | 20    | 25        |
| 1998                          | 8                                | 12    | 31        | 22      | 30   | 12        | 21    | 25        |
| 1999                          | 7                                | 12    | 31        | 21      | 29   | 11        | 20    | 23        |
| 2000                          | 7                                | 13    | 32        | 22      | 29   | 11        | 20    | 21        |
| 2001                          | 7                                | 12    | 32        | 23      | 30   | 11        | 20    | 22        |
| 2002                          | 8                                | 13    | 33        | 24      | 32   | 12        | 21    | 25        |
| 2003                          | 7                                | 11    | 33        | 23      | 28   | 11        | 22    | 24        |
| 2004                          | 8                                | 13    | 36        | 24      | 32   | 13        | 22    | 27        |

See footnotes at end of table.

Continued:

**Appendix Table 6. Historical Average Cash Rental Rates of Nebraska Farmland for Different Types of Land by Agricultural Statistics District, 1981-2004.<sup>a</sup>**

| Type of Land and Year                            | Agricultural Statistics District |       |           |         |       |           |       |           |
|--|----------------------------------|-------|-----------|---------|-------|-----------|-------|-----------|
|  | Northwest                        | North | Northeast | Central | East  | Southwest | South | Southeast |
| ----- Dollars Per AUM -----                      |                                  |       |           |         |       |           |       |           |
| -  |                                  |       |           |         |       |           |       |           |
| <b>Pasture (Per Animal Unit/Mo.)<sup>c</sup></b> |                                  |       |           |         |       |           |       |           |
| <b>1981</b>                                      | 13.00                            | 13.30 | 12.85     | 15.80   | 12.65 | 14.40     | 13.75 | 12.90     |
| <b>1982</b>                                      | 13.00                            | 12.50 | 15.25     | 15.95   | 13.85 | 16.00     | 15.00 | 14.95     |
| <b>1983</b>                                      | 13.40                            | 16.60 | 16.50     | 16.65   | 14.50 | 15.45     | 15.21 | 15.81     |
| <b>1984</b>                                      | 13.20                            | 15.90 | 15.30     | 16.55   | 14.10 | 15.25     | 14.75 | 15.60     |
| <b>1985</b>                                      | 12.20                            | 12.70 | 12.90     | 13.00   | 12.80 | 13.60     | 12.80 | 13.60     |
| <b>1986</b>                                      | 10.70                            | 10.50 | 11.00     | 10.60   | 10.10 | 10.40     | 10.70 | 11.30     |
| <b>1987</b>                                      | 9.55                             | 10.35 | 10.10     | 10.55   | 10.20 | 10.25     | 10.50 | 10.50     |
| <b>1988</b>                                      | 9.50                             | 11.00 | 10.90     | 11.30   | 13.00 | 12.70     | 12.65 | 13.50     |
| <b>1989</b>                                      | 11.35                            | 14.50 | 14.00     | 14.50   | 13.25 | 12.80     | 14.20 | 13.70     |
| <b>1990</b>                                      | 12.90                            | 16.75 | 15.55     | 17.80   | 15.70 | 17.40     | 15.00 | 15.35     |
| <b>1991</b>                                      | 14.85                            | 20.00 | 18.00     | 20.30   | 19.50 | 18.25     | 17.50 | 18.00     |
| <b>1992</b>                                      | 14.60                            | 21.00 | 18.80     | 19.95   | 17.40 | 17.65     | 19.00 | 18.00     |
| <b>1993</b>                                      | 16.40                            | 21.30 | 18.50     | 22.35   | 19.85 | 20.75     | 20.40 | 19.85     |
| <b>1994</b>                                      | 17.20                            | 23.25 | 19.70     | 23.00   | 21.55 | 23.00     | 23.00 | 21.60     |
| <b>1995</b>                                      | 16.75                            | 23.40 | 19.90     | 23.00   | 20.50 | 22.30     | 22.20 | 20.30     |
| <b>1996</b>                                      | 16.40                            | 23.00 | 18.35     | 21.80   | 21.00 | 20.35     | 21.15 | 20.05     |
| <b>1997</b>                                      | 17.00                            | 23.50 | 20.50     | 22.25   | 22.30 | 21.20     | 21.20 | 20.75     |
| <b>1998</b>                                      | 18.10                            | 23.70 | 21.00     | 23.40   | 23.60 | 23.40     | 22.20 | 21.70     |
| <b>1999</b>                                      | 16.70                            | 23.00 | 21.60     | 23.25   | 21.90 | 23.25     | 22.00 | 20.40     |
| <b>2000</b>                                      | 18.25                            | 23.15 | 23.80     | 23.80   | 22.50 | 24.50     | 22.00 | 21.35     |
| <b>2001</b>                                      | 19.65                            | 25.10 | 23.40     | 24.45   | 24.00 | 25.00     | 22.20 | 22.75     |
| <b>2002</b>                                      | 20.35                            | 26.35 | 23.80     | 25.10   | 24.30 | 25.00     | 23.30 | 24.40     |
| <b>2003</b>                                      | 19.15                            | 26.15 | 25.10     | 24.90   | 24.45 | 24.60     | 23.00 | 23.15     |
| <b>2004</b>                                      | 21.00                            | 27.65 | 26.80     | 26.35   | 26.00 | 26.25     | 24.00 | 25.15     |

<sup>a</sup> Reporter's annual estimates of cash rental rates in the annual UNL Nebraska Farm Real Estate Market Developments Survey Series.

<sup>b</sup> Insufficient number of reports.

<sup>c</sup> Animal unit month (AUM) refers to sufficient forage capacity to sustain an animal unit for one month during the normal range season. Animal unit is defined by the Society of Range Management as: a mature cow approximately 1,000 pounds, **either** dry or with calf up to six months of age, or the equivalent based on a standardized amount of forage consumed.