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Nebraska Farm Real Estate Market Developments 2004-2005

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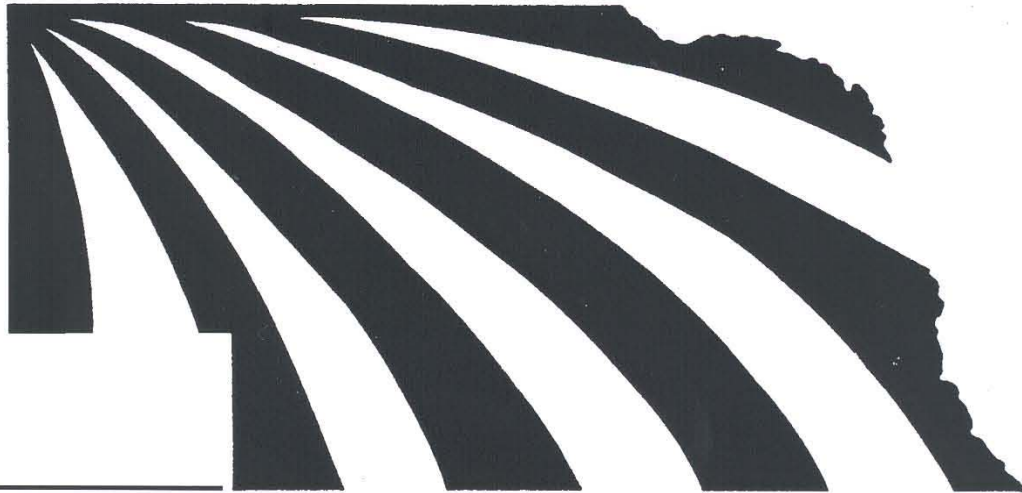


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NEBRASKA FARM REAL ESTATE MARKET DEVELOPMENTS 2004-05

**Bruce B. Johnson
and
Aaron Raymond**

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Nebraska Farm Real Estate Market Developments 2004-2005

by

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Special appreciation also goes to Diane Wasser, 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:

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Nebraska Farm Real Estate Market Developments 2004-2005

Summary

During a period of record-level farm incomes, Nebraska farmland values rose an average of 11.9 % for the year ending February 1, 2005, the largest annual percentage increase of the past 16 years. The increase followed the sizable advances of the previous year, in contrast to several recent years of fairly stable to moderate value increases.

While increases were reported by UNL survey respondents across the entire state, there was considerable variability in magnitude of percentage gains. Largest gains were recorded in southeast and eastern Nebraska, with changes of 18.8 % and 13.5 % respectively. Much smaller annual gains were recorded in northwest and southwest Nebraska, particularly for cropland classes—both areas where multi-year drought impacts have continued.

Being an income-producing asset, it is reasonable to expect some correlation of land value changes with farm income trends and conditions. In fact, when plotted over extended multi-year periods, it is apparent that a gradual improvement of farm income levels over time have, in fact, created a floor for the land value movements that have occurred.

While farm income impacts land values in a number of ways, UNL survey reporters placed, for the first time ever, non-farmer investor interest and “1031” tax exchange opportunities as the two most significant factors currently contributing to higher land values. Clearly, the local markets for agricultural land across the state have gradually taken on a much stronger presence of non-farmer buyers and interests in recent years. And until such time that economic conditions improve for alternative investments and/or capital gains tax provisions are altered, it is likely that these demand elements will continue.

Correlated with the above, this year’s survey results regarding actual farmland transfers which occurred in Nebraska over the previous 12 months found that active farmer/ranchers represented less than three-fifths (59 %) of all the buyers. This was the lowest annual percentage by this buyer group in more than 20 years of tracking these market patterns.

As land values were rising sharply for most types of land across the state, cash rent levels for 2005 were generally advancing only moderately over previous-year levels. Lower crop prices and rising non-land input costs at time of negotiating 2005 cash rents kept the bidding process more cautious for 2005, in spite of high income levels in 2004.

For the first time in the farm real estate series, extension educators in a number of Nebraska counties conducted supplemental rental surveys which provided more comprehensive and localized measures of rental market conditions. While differences can be observed in these county-level findings from the regional data series, the patterns were generally consistent with the ranges for the region.

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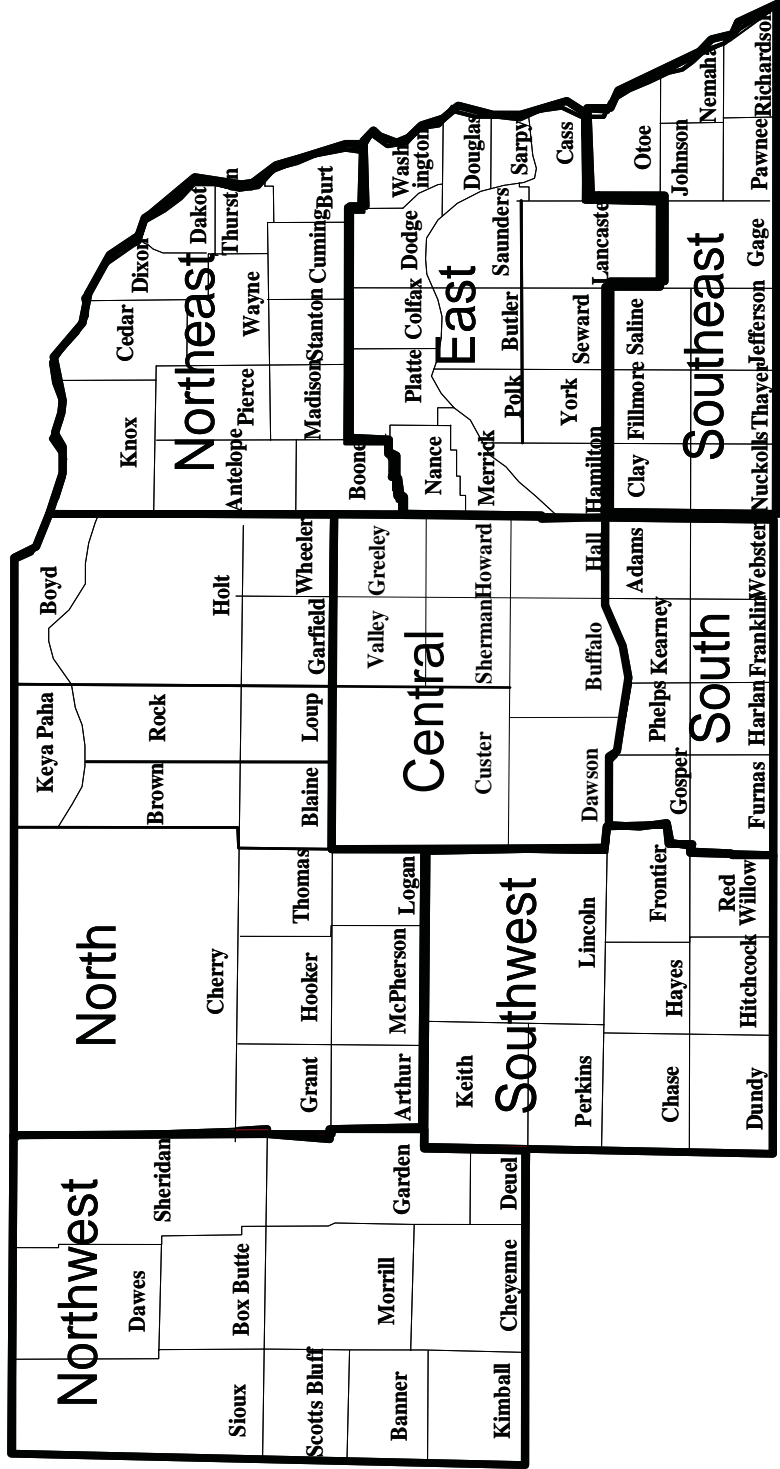
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Nebraska Agricultural Statistics Districts



Introduction

The markets for agricultural land are, by nature, dynamic—ever changing with the push and pull effects of underlying forces. Over the past few years, Nebraska’s agricultural land markets have exhibited even greater volatility, as spirited bidding for land has prevailed in most regions of the state.

Now in its 27th year, the UNL Department of Agricultural Economics has monitored and analyzed agricultural land market conditions across Nebraska, giving the various stakeholders and interested parties an in-depth perspective of market patterns and trends. The information provided from this effort contributes to a more informed and efficient market process. Given that more than \$1 billion of agricultural real estate transfers ownership each year and a similar dollar volume of agricultural cash rents are negotiated on rental land annually, the importance of a broad-based understanding of the market cannot be over-stated.

The primary source of the information in this report is the February 1, 2005 survey of nearly 150 land market observers from across the state. In most instances, the respondents are real estate professionals who work with the

agricultural land market on a regular basis. Many are real estate appraisers who have a comprehensive knowledge of land market conditions in their particular geographic area. Moreover, the vast majority of respondents provide this information in each year’s survey—thus providing valuable continuity to the data and information series compiled.

In addition, this year, in collaboration with several county extension educators, a number of county-level supplemental land rental surveys were conducted. Summaries of these surveys, which appear in this report, provide additional rental market detail for specific county areas.

Along with point-in-time agricultural land values and cash rent estimates by type of land and region of the state, survey respondents also provide information on specific sales which have occurred over the previous 12 months. In the 2005 survey, about 450 land transfers, deemed representative of the market by the survey respondents, were analyzed in some depth. This provides further richness and depth to understanding this fascinating and dynamic market.

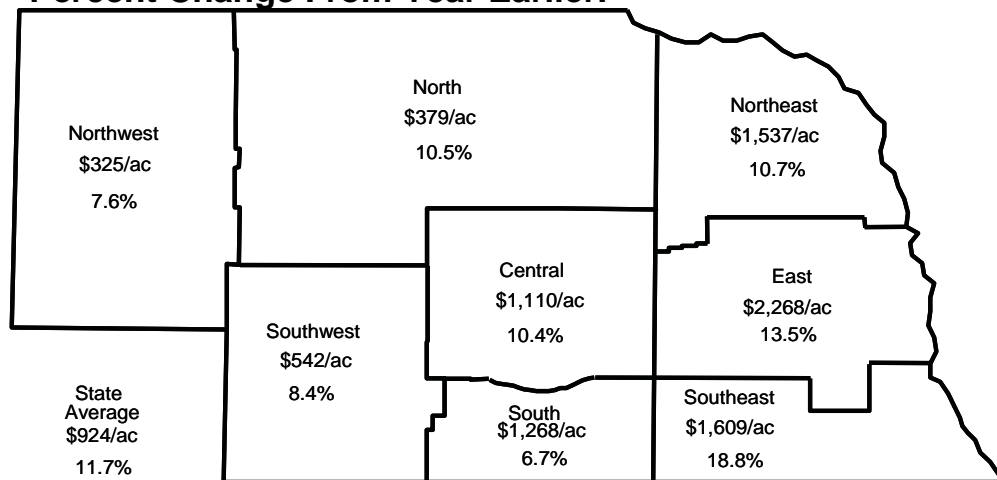
Current Land Values and Trends

Following a remarkable income year in 2004 for most of Nebraska agriculture, it probably comes as no great surprise that agricultural land values rose sharply. The finalized February 2005 survey results show the average value of agricultural land to be \$924 per acre, 11.7% above a year earlier (Figure 1 and Table 1). This percentage increase was the largest annual increase of the past 16 years. The increase itself represents a total asset value increase of \$4.45 billion for owners of Nebraska farmland, the largest annual increase of the

past quarter century (see Appendix Table 1).

While every area of the state experienced increased values for the year ending February 1, 2005, the percentage gains were highly variable. By region, the largest percentage gains were recorded in the Southeast and East districts, with changes of 18.8 % and 13.5 % respectively. While many factors were contributing to these increases, the fact that the eastern part of the state was experiencing record-level crop yields in 2004 certainly contributed

Figure 1. Average Value of Nebraska Farmland, February 1, 2005 and Percent Change From Year Earlier.



to these dramatic upward movements of value. Also, reporters in these areas frequently noted the strong interest by non-farmer buyers for agricultural land within a general radius of 60 miles around the state's major metro areas.

In contrast, more modest value gains for the year were experienced in the Northwest, Southwest, and South districts. The impacts of multi-year drought coupled with current and impending shortages of water for irrigation have obviously brought some caution into the land market of these regions.

By class of land, non-tillable grazing land posted the largest percentage increase over the past year, rising nearly 15 % for the state as a whole. Dramatic increases for the year were reported in nearly every region, including those regions experiencing continuing drought. Clearly, a very strong cattle economy over the past few years was fueling strong demand for pastureland throughout the state.

Value changes for dryland cropland with no irrigation potential showed wide variation across the state, ranging from very little change for the year in the Northwest district to more than 17 % in the East and Southeast districts. According to the UNL survey reporters,

weather patterns and associated crop production levels can explain much of these regional variations.

Of particular interest in these recent periods of irrigation water restrictions is the value of dryland cropland having irrigation potential. In some instances, the land itself may have the physical potential to be irrigated (water could be accessed by well drilling) but moratoriums on future well drilling now exist in some areas. Thus, there is an institutional barrier rather than a physical barrier that precludes exercising this development potential. Reporters in the Northwest and Southwest districts frequently commented on this phenomenon, saying that such land had certainly not appreciated very much in value, and, often, had even lost some value since the opportunity for irrigation development no longer existed. However, in other instances, this type of land which continues to be free of restrictions on irrigation development, has actually taken on a relatively higher value. In fact, market participants over the past few years have rather aggressively expanded the acres under irrigation in the state--in part to beat impending well moratoriums, real or perceived (for more details, see Aaron C. Raymond and Bruce B. Johnson, *Irrigation Development Continues*

Table 1. Average Reported Value of Nebraska Farmland for Different Types of Land by Agricultural Statistics District, Feb. 1, 2004 - Feb. 1, 2005.^a

Type of Land and Year	Agricultural Statistics District								
	Northwest	North	Northeast	Central	East	Southwest	South	Southeast	State ^c
----- Dollars Per Acre -----									
Dryland Cropland (No Irrigation Potential)									
2005	330	447	1382	847	2024	495	864	1396	973
2004	328	416	1231	758	1717	473	800	1190	862
% Change	0.6	7.5	12.3	11.7	17.9	4.7	8.0	17.3	12.9
Dryland Cropland (Irrigation Potential)									
2005	450	579	1696	1286	2395	606	1330	1642	1417
2004	445	534	1554	1137	2093	586	1217	1469	1272
% Change	1.1	8.4	9.1	13.1	14.4	3.4	9.3	11.8	11.4
Grazing Land (Tillable)									
2005	225	330	919	658	1075	316	640	830	410
2004	212	307	794	611	926	305	558	716	375
% Change	6.1	7.5	15.7	7.7	16.1	3.6	14.7	15.9	9.3
Grazing Land (Nontillable)									
2005	191	269	706	543	784	273	482	629	316
2004	163	230	617	494	655	240	422	550	275
% Change	17.2	17.0	14.4	9.9	19.7	13.8	14.2	14.4	14.9
Hayland									
2005	383	438	780	600	928	416	600	669	537
2004	339	433	715	577	815	413	513	611	505
% Change	13.0	1.2	9.1	4.0	13.9	0.7	17.0	9.5	6.3
Gravity Irrigated Cropland									
2005	975	1183	1980	2153	2691	1365	2021	2173	2077
2004	925	1125	1867	1961	2531	1297	1969	2087	1957
% Change	5.4	5.2	6.1	9.8	6.3	5.2	2.6	4.1	6.1
Center Pivot Irrigated Cropland ^b									
2005	924	1342	2234	2140	3042	1279	2145	2414	1996
2004	806	1211	2004	1901	2669	1123	2044	2218	1788
% Change	14.6	10.8	11.5	12.6	14.0	13.9	4.9	8.8	11.6
All Land Average ^c									
2005	325	379	1537	1110	2268	542	1268	1609	924
2004	302	343	1388	1005	1999	500	1188	1354	827
% Change	7.6	10.5	10.7	10.4	13.5	8.4	6.7	18.8	11.7

^a SOURCE: 2004 and 2005 UNL Nebraska Farm Real Estate Market Developments surveys.

^b Value of pivot not included in per acre value.

^c Weighted averages

in Nebraska, **Cornhusker Economics**, February 2, 2005). Where the opportunity continues to exist for economically-profitable irrigation development, the market may actually expand the premium value of this irrigation development potential.

With regard to the irrigated land classes, the trend observed over the past several years of center pivot irrigated land appreciating at a more rapid rate than gravity irrigated land continued through 2004. In fact, the state-wide percentage gain of the center pivot land class was nearly twice that of the gravity class. In

these times of water scarcity, the most efficient means of water application becomes increasingly critical. Center pivot technology is clearly superior to that of gravity-type systems. Also, because of considerable labor savings, it will command higher values by both farmer-buyers and non-farmer buyers (who, in turn, can lease it for higher cash rents).

This does not imply, however, that in the land market all gravity tracts will sell for less than tracts set up to be irrigated with center pivot systems. There are two reasons. First, in some areas of the state, gravity irrigated land still represents the superior land classes since slope is critical to flood or gravity irrigation; while in contrast, more of the lower-quality land can be irrigated with center pivot technology. For example, gravity irrigated land in the Central district is typically located in the more produc-

tive areas of the Platte valley, while much of the center pivot land is located in the uplands to the north. Secondly, in areas where soils are more comparable across these irrigation classes, land that has previously been gravity irrigated may still command a price comparable to those tracts under center pivot if the tract can be converted to center pivot rather easily. In eastern Nebraska, for example, it is quite common to see gravity irrigated tracts selling for prices similar to pivot irrigated land (pivot not included), and then be converted by the new owners to center pivot systems before the next crop season. However, where center pivot conversion is precluded by irregular-shaped parcels or physical obstructions, these gravity irrigated parcels will clearly be discounted in value relative to their center pivot counterparts.

Ranges in Agricultural Land Values by Land Type and Region

In addition to average values, UNL survey reporters also provide value ranges for each class of land in their area according to their perception of quality—low grade and high grade. The ranges for 2005 are reported in Table 2. The patterns observed here are essentially similar to those of previous years—albeit at higher value levels. In other words, it would appear that in the sharply upward-moving market of the past year or so, parcels across the full range of land quality have moved upward by relatively similar percentage increases.

This may be partially explained by the fact that the supply of land on the market tends to be highly inelastic in that the percentage increases in land offerings are far less than the percentage increases in bid price levels. As noted in Appendix Table 7, the annual turnover rate of agricultural land ownership in Nebraska has averaged less than 2.5 % per year over the past five years. Moreover, in many counties the ownership turnover rate has

been far below 2%. Given such a relatively limited amount of land offerings on the market at any given point in time, it is plausible that highly-motivated potential buyers cannot be very “choosy” as to particular land grades, and, instead, must be willing to bid more aggressively on whatever offerings come available for sale.

It is noteworthy to consider the huge variability of per-acre values across the state which these ranges reveal. At the extreme, low grade grazing land in the Northwest district is still priced in the \$150 per acre range; while the average value of high grade center pivot irrigated land in the East district is approaching \$3,500 per acre – more than 23 times higher. Clearly, few states in the nation could boast a more eclectic agricultural land endowment. But, more importantly, it reflects the fact that there are literally hundreds of unique, localized agricultural land markets operating in the state.

Table 2. Average Reported Value Per Acre of Nebraska Farmland for Different Types and Grade of Land in Nebraska by Agricultural Statistics District, February 1, 2005. ^a

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	330	447	1382	847	2024	495	864	1396
High Grade	375	565	1805	1095	2400	575	1025	1770
Low Grade	250	360	1085	635	1615	385	645	1070
Dryland Cropland (Irrigation Potential)								
Average	450	579	1696	1286	2395	606	1330	1642
High Grade	550	800	2035	1555	2740	740	1580	2020
Low Grade	350	500	1390	865	1875	495	995	1230
Grazing Land (Tillable)								
Average	225	330	919	658	1075	316	640	830
High Grade	250	500	1145	875	1350	405	700	925
Low Grade	180	315	765	550	825	270	470	640
Grazing Land (Nontillable)								
Average	191	269	706	543	784	273	482	629
High Grade	225	355	820	630	950	330	550	725
Low Grade	155	215	550	440	600	215	380	495
Hayland								
Average	383	438	780	600	928	416	600	669
High Grade	460	535	910	715	1305	615	670	845
Low Grade	310	335	650	450	810	340	430	560
Gravity Irrigated Cropland								
Average	975	1183	1980	2153	2691	1365	2021	2173
High Grade	1210	1440	2150	2580	3120	1670	2165	2390
Low Grade	620	925	1585	1500	2265	925	1455	1690
Center Pivot Irrigated Cropland ^b								
Average	924	1342	2234	2140	3042	1279	2144	2414
High Grade	1165	1575	2510	2500	3390	1590	2290	2560
Low Grade	680	895	1820	1500	2410	985	1470	1875

^a SOURCE: 2005 UNL Nebraska Farm Real Estate Market Developments Survey.

^b Value of pivot not included in per acre value.

The Relationship of Agricultural Income to Land Values

As noted at the outset of this report, dramatic improvements in the state's net farm income levels over the past few years provide some explanation to the recent land value increases.

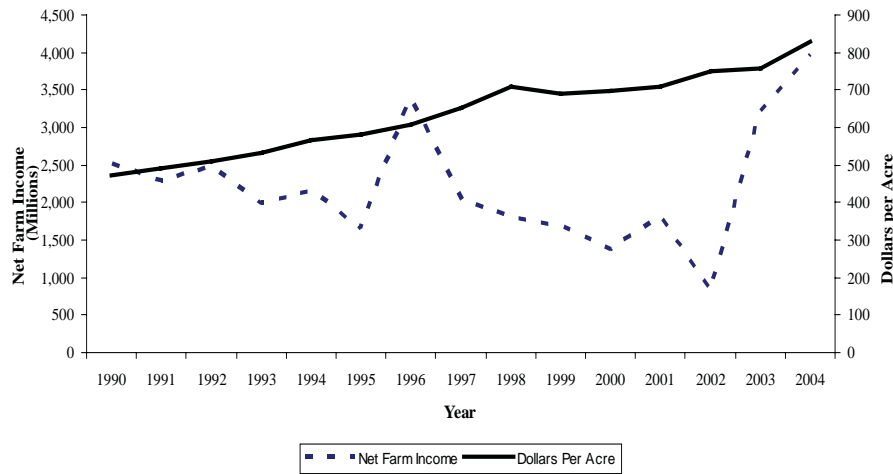
Because agricultural land is essentially an income-producing asset, it stands to reason that its value should correlate with its income-producing potential. Agricultural appraisers

generally put relatively heavy weight upon the income-capitalization approach to value, which is the estimated future income stream discounted back to a present value.

As can be seen in Figure 2, which plots Nebraska's aggregate net farm income against the UNL all-land average farmland value series

over the past 15 years, interesting patterns emerge. The state's annual aggregate net farm income has shown considerable year-to-year variability over the time period. In fact, income swings of more than four-fold magnitude occurred between 2002 and 2004 for Nebraska's agricultural production sector. In contrast, the land value series over the 15 year time

Figure 2. Nebraska Net Farm Income vs. Land Value, 1990-2004



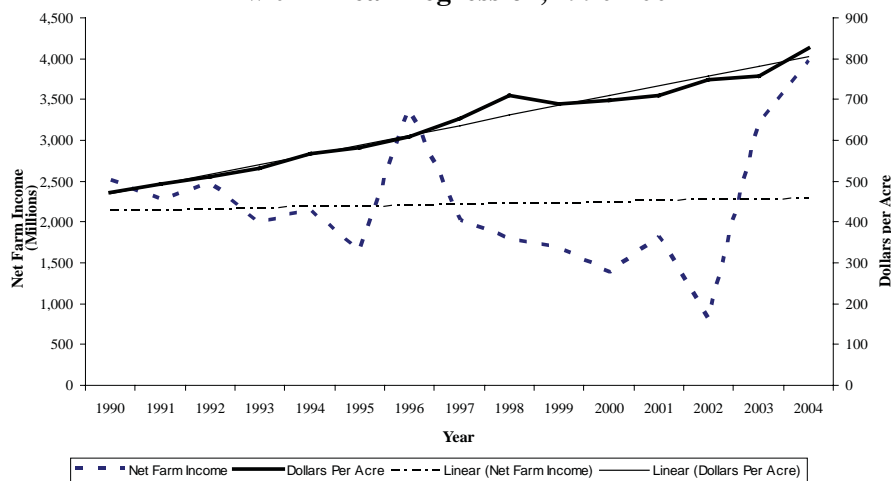
period has tended to be taking a rather slow but steadily upward track. An upward spike in 1996 farm income levels seemed to lead to a delayed land value up-tick in 1998; only to be in a more moderating path for several years thereafter as farm income levels turned seriously downward. Then, with Nebraska's net farm income surging to \$3.36 billion in 2003 (3rd highest level on record) followed by a record \$3.98 billion in 2004, a very discernable upward land value movement has occurred recently. During multi-year periods of relatively poor aggregate farm income levels, average land values has adjusted downward only

slightly for a year or so, but otherwise have generally maintained a rather stable course. In short, there is certainly no evidence that land values tend to follow in any lock-step fashion with aggregate farm income conditions.

Of course, the year-to-year volatility in farm income levels creates some land market uncertainty, and so land market participants logically do not closely correlate value movements with annual income measures. For example, values did not drop precipitously between 1998 and 2002 when farm income shortfalls were pervasive across the state. However,

when one fits linear regression lines to the plotted points over time, these trend lines do, indeed, suggest that over the 15-year period, there has been some gradual upward movement of farm income levels that has contributed, at least in part, to the steady upward movement of land values. See Figure 3.

Figure 3. Nebraska Net Farm Income vs. Land Value with Linear Regression, 1990-2004



Influential Factors in Today's Agricultural Land Markets

While farm income levels, both real and expected, certainly effect the markets for agricultural land, there are actually a host of variables that enter the market dynamic and ultimately influence the upward or downward movements of land values.

For a number of years UNL survey members have been asked to rank in importance a set of forces influencing their local markets. In each survey, they respond using a scale from 1 (strongly negative) to 5 (strongly positive) with 3 being essentially no impact upon land values in their respective geographic areas.

This year, for the first time in the report series, UNL survey respondents believed non-farmer investor interest and "1031" tax exchange opportunities were the two strongest factors contributing to higher land values (Figure 4). In previous years, purchase for farm expansion had always exceeded these factors in importance as perceived by survey respondents. These 2005 ratings correspond to comments made by reporters from across the state including the following:

- "Strong market for center pivot land fueled by 1031 exchange money." –Northern Nebraska Reporter
- "Non-farm exchange money driving the market." –Central Nebraska Reporter
- "Land values have escalated beyond expectations this past year. This seems to be largely due to 1031 trades, investors competing with farmers, and demand for recreational land." –Eastern Nebraska Reporter
- "The 1031's are giving us a distorted view of the value of farmland." –South-eastern Nebraska Reporter

Also near the top of the influence levels on

The "1031" Tax Exchange

The "1031" tax exchange in the federal tax code refers to provisions for tax deferral (not forgiveness) of capital gains taxes due on the sale of real estate property. If a real estate property has been owned for at least two years, the seller of that property has the opportunity to defer to a later time any capital gains taxes owed upon sale of that property so long as the individual reinvests in other real estate property within a specified time period. Current provisions allow for different real estate property classes to be used (for example, capital gains from sale of an apartment complex deferred by purchase of farmland) so long as the "exchange" property is identified within 45 days of sale of the original property and closing occurs within 180 days. For most individuals, the federal tax rate will be 15 % of the total capital gains; so an automatic deferral via the "1031" route can result in considerable tax savings.

To illustrate, consider the following hypothetical example. Assume one sells 160 acres of Cass County Nebraska farmland for \$4,500 per acre (total sale price of \$720,000), with the basis value of the property being \$1,600 per acre (\$256,000). The difference between the sale value and the basis value is the capital gains and totals \$464,000. At the 15 % capital gains tax rate plus the state personal income tax rate of 7%, the taxes due would be \$102,080. Now, if that individual purchases 320 acres of farmland in another county for \$2,250 per acre (reinvesting the full \$720,000 proceeds from the first sale) he/she will be able to defer the full tax obligation.

Given this tax deferral, the individual may be quite willing to bid rather aggressively for a particular exchange property, especially if there are few alternative properties for sale and time is running out on the 45-day identification period. In fact, the reasoning might be that one could bid up that specific property by more than \$300 per acre from the "going rate" ($\$102,080 / 320 \text{ acres} = \318 per acre) in order to execute the tax exchange clause and defer the capital gains tax. In other words, when the economic and other considerations have been fully integrated into a bid price on a particular property, this potential capital gains tax deferral will often engage further rounds of higher bid levels that could result in up to a 14% per-acre price increase for the exchange property in this hypothetical example.

Of course, the relative magnitude of the "bidding-up" effect is both a function of the amount of capital gains tax being deferred and the relationship of that dollar amount to the going market value of the exchange property. It is possible that buyer competition in the form of "1031" investors could ratchet up real estate prices far greater than in the example above. In short, this tax "impact" on the agricultural real estate market can be, and often is, considerable.

One final point. One cannot emphasize enough that the "1031" tax exchange is merely a capital gains tax deferral and NOT a tax forgiveness mechanism. Ultimately, at some future point in time, liquidation of the real estate will occur and the capital gains taxes (from the original basis price) will come due. Moreover, it is entirely possible that when that time arrives, the tax payer may face an even higher percentage rate of tax obligation than the current rate. Consequently, those who exercise this option should use it with caution.

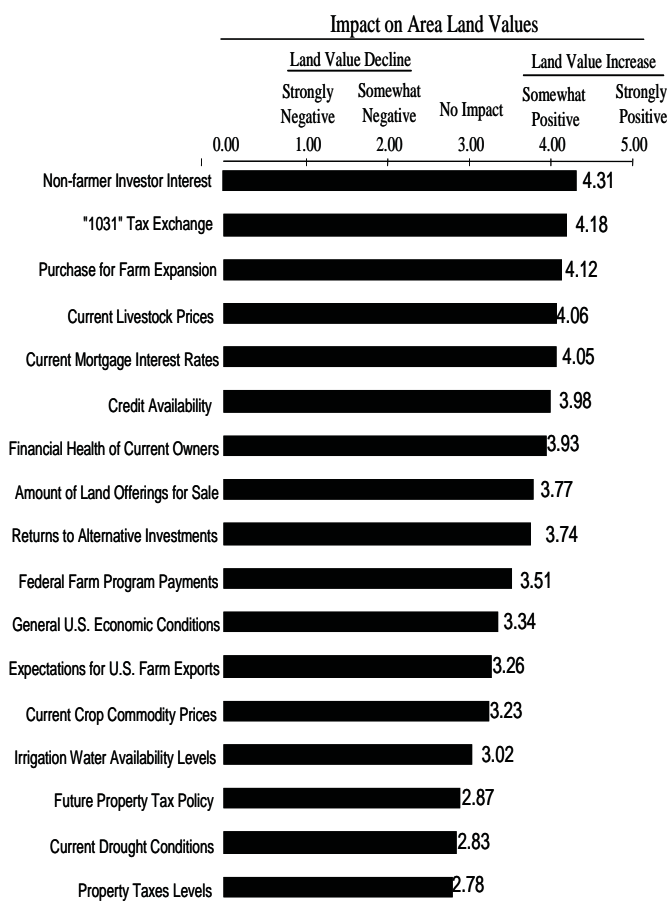
area land values this year was current livestock prices which obviously was particularly strong in the range land areas of the state; while current crop prices were only mildly contributing to upward movements of land values.

As evident from Figure 4, a host of other factors are contributing to upward traction of land values, many of which are indirectly reflecting the positive farm income effects discussed in the previous section.

Knowing that irrigation water availability has become a serious issue in many areas of the state, reporters were asked how that may be impacting area land values. For the state as a whole, the overall survey results suggested that

it was basically having little impact on land values. However, differences did exist across areas of the state. In the areas where water delivery is being limited and/or drilling moratoriums exist, respondents rated this factor as mildly negative on area land values (2.8 in the Northwest and South districts and 2.9 in the Southwest district). In contrast, in the Central and East districts, where water availability is not a major current issue, reporters suggested

Figure 4. Reporters' Rating of Factors Influencing Agricultural Land Values in Their Areas of Nebraska, February 2005.



Source: 2005 UNL Nebraska Farm Real Estate Market Development Survey.

this issue, being problematic in other regions, was actually a mildly positive factor (3.1) on their area land values. In other words there is a countervailing effect across regions.

As for the multi-year drought impact on area land values, respondents from across the state found this factor to be mildly negative on current land values.

Characteristics of Actual Land Transactions in 2004

In order to enrich the information base, survey reporters provide specific detail of actual agricultural land transactions which have occurred over the previous year and are considered representative of their local markets. A total of 450 actual transactions were compiled from

the 2005 survey, providing further informational clarity of market conditions. These reported tracts amounted to nearly 142,000 acres of agricultural land, which is the equivalent to about 12% of the total land transferred in 2004 (total transfer volume based on data

presented in Appendix Table 7). Thus, this sampling of agricultural sales is believed adequate for providing a representative perspective of land market characteristics down to the state's regional levels.

While the reported tracts sold in 2004 averaged 315 acres in size and were comprised of about half cropland and half pasture, the variance across the regions in both size and land classification was extreme (Table 3). Likewise, average per acre prices ranged widely from less than \$400

per acre in the Northwest district to more than \$2700 per acre in the East district. In virtually every part of the state, however, the dollar volume of the typical land transaction is of considerable magnitude. The average price per tract was more than \$343,000 in 2004—nearly 15% higher than the average level of 2003.

Table 3. Land Characteristics of 2004 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	920	11	9	80	397	365,400
North	1,172	2	19	79	496	581,400
Northeast	162	58	19	23	1,762	285,500
Central	239	17	31	52	1,131	270,300
East	152	36	53	11	2,705	411,200
Southwest	437	21	41	38	875	382,300
South	209	28	43	29	1,502	314,100
Southeast	169	53	25	22	1,631	275,600
State	315	23	26	51	1,083	343,500

SOURCE: Based on 450 transactions which occurred across Nebraska during 2004 and reported in the 2005 UNL Nebraska Farm Real Estate Market Developments Survey.

Despite large dollar outlays associated with purchasing agricultural land parcels, more than half to the 2004 transactions (52%) were for cash with no debt incurred by the purchaser (Table 4). This was the highest level of for-cash transactions in more than a decade, and occurred during a time when opportunities for mortgage financing were readily available

and interest rates were relatively low. Clearly, the buying side of the market as of late has been characterized by participants of financial strength. (Certainly, part of this strength is reflecting the incidence of the “1031” tax exchanges previously discussed.)

Regionally, some rather distinct differences did occur, with the higher incidence of cash purchases tending to be located in the major grazing areas of the state. However, one clear distinction was the East district where 59% of

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	76	24	0	0	100
North	69	26	5	0	100
Northeast	39	60	1	0	100
Central	51	40	7	2	100
East	59	34	5	2	100
Southwest	55	45	0	0	100
South	40	60	0	0	100
Southeast	37	60	0	3	100
State	52	45	2	1	100

SOURCE: Based on 450 transactions which occurred across Nebraska during 2004 and reported in the 2005 UNL Nebraska Farm Real Estate Market Developments Survey.

the purchases in 2004 were for cash—an area where the non-farmer investors are particularly prevalent in the markets surrounding the state’s metropolitan areas.

One implication of this financial strength on the buying side of the market is that as economic conditions change and mortgage interest rates rise, any resulting downward impact on the buying side of the agricultural land market may be much less than what market observers have traditionally assumed. Higher mortgage interest rates may be impacting only

a small portion of potential buyers, and thus the dampening effect on overall demand and, hence, values, may be marginal.

As for the seller side of the market in 2004, about a third of the transactions (32%) were sales by active farmer/ranchers who were either selling off part of their holdings while continuing their operation or were terminating active farming/ranching entirely (Table 5). About another third of the sellers represented estate settlements, and the remaining third were primarily non-farmer sellers.

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 ^a
	----- Percent -----				
Northwest	29	34	11	22	4
North	10	21	16	11	42
Northeast	15	13	35	35	2
Central	14	26	36	22	2
East	7	6	41	42	4
Southwest	14	23	23	20	20
South	6	30	47	15	2
Southeast	10	23	31	34	2
State	13	19	33	29	6

SOURCE: Based on 450 transactions which occurred across Nebraska during 2004 and reported in the 2005 UNL Nebraska Farm Real Estate Market Developments Survey.

^a In some regions, the “other” category often refers to land sales by the Nebraska Board of Educational Lands and Funds.

Considerable regional differences were evident in the 2004 transactions for reasons that are not entirely obvious. However, there did appear to be a much higher incidence of sales by farmers/ranchers in the Northwest district—where multi-year drought has created considerable financial shortfalls for many agricultural producers.

One of the most significant measures of the 2004 agricultural land market is the distribution of buyers—particularly the fact that purchases by active farmers/ranchers fell below three-fifths of all sales, 59% (Table 6). This percentage is the lowest annual proportion in more than 20 years of tracking the market patterns. In fact, as recently as 2001, active farmer/ranchers accounted for three out of every four transactions in that year; in

the early 1990’s they purchased around 80% of the parcels. This pattern in 2004 helps to confirm the survey reporter comments noted earlier regarding much more buyer activity on the part of non-farmers in recent years.

It remains uncertain whether this trend of buyer types will continue. Certainly if alternative investment opportunities become more lucrative for non-farmer investors, this may reduce their demand for farmland investment, albeit over an extended period of time. However, as long as the “1031” federal tax provisions for capital gains remain intact, there will likely continue to be a considerable non-farmer investment presence in the market for agricultural land.

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	60	20	7	11	2
North	48	5	26	21	0
Northeast	73	12	11	4	0
Central	54	38	4	2	2
East	48	26	21	2	3
Southwest	73	7	10	10	0
South	52	25	11	6	6
Southeast	68	11	13	7	1
State	59	20	13	6	2

SOURCE: Based on 450 transactions which occurred across Nebraska during 2004 and reported in the 2005 UNL Nebraska Farm Real Estate Market Developments Survey.

Net Rates of Return to Agricultural Land

Since agricultural real estate remains essentially an income-producing asset, a critical measure of agricultural land market dynamics is that of estimated net rates of return—both real and perceived. Consequently, UNL survey respondents are asked to estimate current percentage rates of return (on current market values) for the three basic classes of land. These rates for 2005, as well as the previous 15-year series, appear in Table 7.

Overall for the state, estimated net rates of return moved slightly downward in 2005 as values rose sharply in many areas while average dollar returns lagged somewhat behind. There has been a gradual decline in rates of return to agricultural land over the past 15 years as buyers have been willing to accept lower rates of expected annual earnings as they bid for it. The reasoning for this may be multi-fold. One factor is that the potential returns on alternative investments have diminished over the past several years—thus making agricultural land a more competitive investment possibility, even at somewhat lower rates of return. Economists refer to this as opportunity costs—those rates of return or utility that are possible in the next-best alternative. In short, given the volatility

of stocks and the relatively low rates of earnings in the bond markets in recent years, the rates of annual return observed in Table 7 are viewed by many market participants as economically competitive.

A second element behind market participants' willingness to accept somewhat lower annual rates of return is that land assets have appreciated in value rather nicely over time. When annual asset percentage appreciation is combined with these annual rates of return, the perceived investment returns to agricultural land can look quite favorable. However, one must bear in mind that ultimately, value of an income-producing asset must be based on its earnings potential, not on the speculation of its appreciation. It was the latter that contributed to a sharp run-up of land values a quarter century ago which the annual earnings could not sustain. The result was an extended period of land asset depreciation and dollar wealth loss in the billions for Nebraska land owners. Should annual rates of return to land fall much further from 2005 levels, it might well be a caution flag for some downward adjustment of the state's land values in the foreseeable future.

Table 7. Estimated Annual Net Rates of Return by Type of Land and Agricultural Statistics District, 1990-2005.^{ab}

Type of Land and Year	Agricultural Statistics District								State Ave.
	Northwest	North	Northeast	Central	East	Southwest	South	Southeast	
Irrigated Land:	----- Percent -----								
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
2005	5.9	5.9	4.9	5.0	4.0	5.6	5.4	5.0	5.2
Dryland Cropland:									
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
2005	3.6	3.9	4.2	4.5	3.5	4.0	4.6	4.4	4.1
Grazing Land:									
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
2005	2.6	3.3	3.7	3.8	2.9	3.1	3.6	4.3	3.4

^a SOURCE: UNL Nebraska Farm Real Estate Market Developments Surveys.
^b 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.

A third factor that may be contributing to a downward movement of typical returns to agricultural land is that the market may often be driven by certain buyers whose economic situation allows bidding aggressively for land while still getting much higher rates of return than those reported in Table 7. For example, the large-scale agricultural producer may be able to acquire an additional land parcel and incur very nominal additional costs of farming it—thus the annual returns to that parcel

are higher than what other potential buyers may expect. Likewise, the non-farmer investor, utilizing the provisions of the “1031” tax exchange, may expect higher returns to their agricultural investment as they incorporate the financial windfalls of capital gains tax deferral. In short, the successful bidders of agricultural land will often have real or perceived financial expectations beyond the market’s average percentage rates of return.

The Rental Market for Agricultural Land

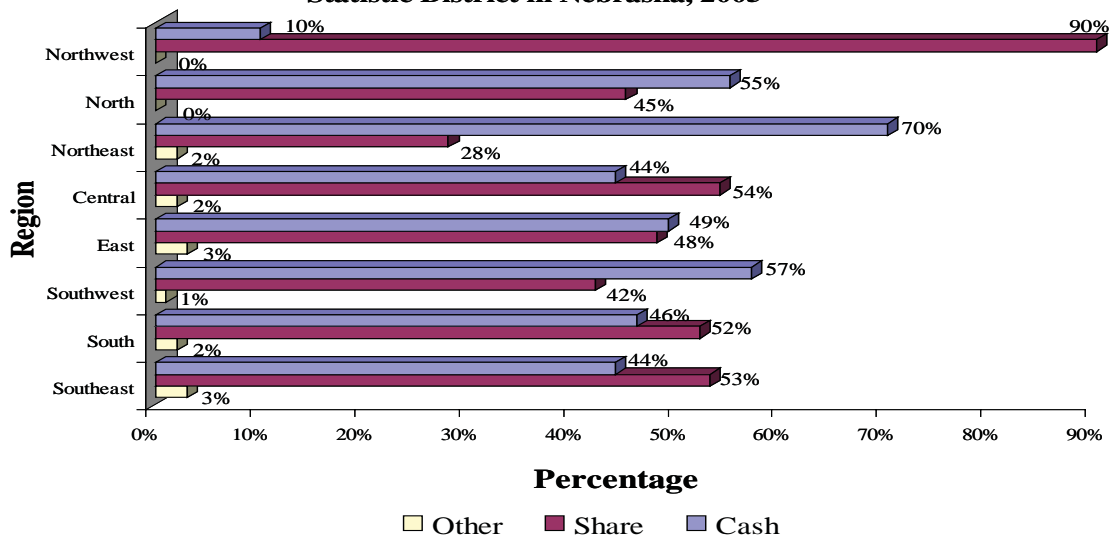
According to the 2002 Agricultural Census, more than 4 out of every 10 acres of agricultural land in the state are not farmed by the owner, but rather rented to agricultural producers. In some Nebraska counties, more than half of the agricultural land base is rented out in any given year.

Reporters to the UNL 2005 survey were asked to estimate the relative proportions of rental land in their geographic areas by lease type. The three primary leasing arrangement types are: 1) crop share in which landowners and farmers share in the crop revenues and crop expenses; 2) cash where the tenant farmer

pays the landowner a cash fee for use of the land and, in turn, receives all the revenues and pays all the production expenses; and 3) custom farming in which the landowner pays the producer for performing various farming operations and receives all the revenue and pays all the farming expenses.

As can be seen from Figure 5 leasing configurations vary widely across the state. In the Northwest district, the predominance of rented cropland (90 %) is leased under crop share arrangements, while in the Northeast district, UNL survey reporters estimated 70 % of the cropland rented was cash leased. In

Figure 5. Estimated Proportions of Rental Land by Type of Lease and Agricultural Statistic District in Nebraska, 2005



Source: 2005 Nebraska Farm Real Estate Market Survey

the other regions, reporters were observing a more even mix of crop share and cash lease arrangements. Throughout all the regions, only a small amount of land according to the UNL survey reporters fell into the other category which included custom farming, bushel leases, and various combinations.

When crop share leasing is used, the predominant tenant-landlord shares will vary by type of land and area of the state. These shares, as reported by respondents to the 2005 UNL survey, are presented in Table 8. The regional differences are considerable and reflect the

type of agriculture and the relative contributions which landlords and tenants bring to the lease arrangement. In some cases, the prevailing pattern of lease types are under gradual transition, as is evidenced by that fact that patterns for dryland cropland in the East and Southeast districts are reportedly a mix of 60-40 and 50-50 arrangements with the latter becoming increasingly common over time (a significant difference between these two arrangements is that under 50-50 shares, the land owner also pays for half of the seed costs as well as for half of the fertilizer and chemical costs).

Table 8: Predominant Tenant-Landlord Share Arrangements use by Type of Land and Agricultural Statistics District in Nebraska 2005.^a

Agricultural Statistics District	Predominant Tenant - Landlord Share for:			
	Gravity Irrigated Cropland	Center Pivot Irrigated Cropland ^b	Dryland Cropland	Dryland Alfalfa
----- Percentage Tenant - Landlord Share -----				
Northwest	67-33	c	67-33	50-50
North	50-50	50-50	60-40	50-50
Northeast	50-50	50-50	60-40	50-50
Central	60-40	50-50	60-40	50-50
East	50-50	50-50	Combination of 60-40 & 50-50	50-50
Southwest	60-40	50-50	67-33	c
South	60-40	50-50	60-40	50-50
Southeast	50-50	50-50	Combination of 60-40 & 50-50	50-50

a. Source: 2005 UNL Nebraska Farm Real Estate Market Developments Survey.
b. Refers to arrangements where landowner owns the complete irrigation system.
c. Insufficient number of reports

Cash Rental Rates for 2004

With the exception of the Northwest district, cash leases are being used extensively for cropland across the state. Moreover, the vast majority of pasture acres are leased for cash—either on a per-acre basis or an animal-unit-month (AUM) basis. Thus, information on cash rental rates is critical to understanding the agricultural land market.

Reporter estimates of average cash rental rates and associated ranges for 2005 are presented

in Tables 9 and 10. While some upward movement in average rates were observed (comparing 2005 levels with the historical rent series in Appendix Table 6), 2005 cash rent levels did not surge upward at similar percentage levels with land values. It is apparent that economic conditions at time of negotiating 2005 cash rents kept the bidding process more cautious for 2005, in spite of record-level farm incomes experienced in 2004. Downward adjustment in the major commodity prices

plus significant increases in fertilizer, seed and other input costs could have been responsible for a more muted demand for cash rented land and, thus, more modest upward adjustments from the previous year.

One noticeable difference in the upward trend for 2005 is for the dryland and irrigated alfalfa classes. In most of the regions of the state,

average reported 2005 per acre rates were somewhat lower than year-earlier levels. It appears that, in addition to high alfalfa inventories, the availability of ethanol by-products across the state for cattle feeding has created a more competitive market for forages, thus the rents for alfalfa land are being negotiated more carefully.

Table 9. Reported Cash Rental Rates for Various Types of Nebraska Farmland: 2005 Averages and Ranges by Agricultural Statistics District. ^a

Type of Land	Agricultural Statistics District							
	Northwest	North	Northeast	Central	East	Southwest	South	Southeast
----- Dollars Per Acre -----								
Dryland Cropland:								
Average	24	37	92	62	99	33	56	79
Range:								
High	28	48	112	78	119	40	69	95
Low	17	27	71	47	80	24	41	62
Gravity Irrigated Cropland:								
Average	94	104	133	134	142	105	130	134
Range:								
High	118	125	150	156	164	124	149	152
Low	75	90	117	110	119	88	110	112
Center Pivot Irrigated Cropland								
Average	107	119	142	139	155	121	143	147
Range:								
High	120	139	164	154	175	139	165	170
Low	89	95	118	114	134	100	120	128
Dryland Alfalfa:								
Average	b	b	90	59	82	b	58	74
Range:								
High	b	b	115	68	99	b	72	86
Low	b	b	68	46	62	b	44	61
Irrigated Alfalfa:								
Average	b	b	130	121	119	b	124	b
Range:								
High	b	b	152	138	140	b	138	b
Low	b	b	107	103	97	b	105	b
Other Hayland:								
Average	b	b	52	42	56	b	36	b
Range:								
High	b	b	67	55	68	b	48	b
Low	b	b	37	33	42	b	26	b
Pasture:								
Average	8	13	37	25	32	12	23	27
Range:								
High	11	17	48	31	41	16	29	36
Low	7	10	27	19	21	9	17	22

^a SOURCE: Reporters' estimated cash rental rates (both averages and ranges) from the 2005 UNL Nebraska Farm Real Estate Market Developments Survey.

^b Insufficient number of reports.

Highest average cash rents in the state are occurring for center pivot irrigated cropland in the East district, averaging \$155 per acre for 2005. For this land class at the high end of the productivity range, the cash rents are currently at \$175.

In every region of the state, the reported ranges of cash rents are rather extreme, reflecting the productivity ranges which the various land types in the areas represent. This would imply that market participants should not assume that the typical or common lease rate is appropriate for each specific parcel. Quite the contrary, both tenants and landowners must be

astute as to the capabilities of the respective parcel and negotiate accordingly.

As for pasture rents, the 2005 per-acre rates reported are essentially unchanged from the previous year. Even though, as previously noted, the cattle economy has been economically robust for the past several months, drought and post-drought constraints on grazing land throughout much of the state has reduced current carrying capacity; which, in turn, lowers the negotiated per acre rents. However, on an AUM basis, 2005 rates are higher than previous-year levels.

Table 10. Reported Cash Rental Rates for Pasture on a Monthly Rate Basis for 2005: Averages and Ranges by Agricultural Statistics District.^a

Type of Land	Agricultural Statistics District							
	Northwest	North	Northeast	Central	East	Southwest	South	Southeast
----- Dollars Per Month -----								
Cow-Calf Pair Rates^c								
Average	23.15	28.30	28.10	28.55	27.90	26.70	24.60	25.15
Range:								
High	27.50	32.30	33.65	33.00	33.50	30.85	29.20	28.75
Low	18.25	24.40	22.20	23.70	22.70	22.15	19.00	19.75
Stocker (500-600 lb) Rates:								
Average	15.40	17.65	16.85	17.00	b	17.00	b	b
Range:								
High	18.40	20.65	20.00	20.60	b	19.50	b	b
Low	12.40	15.15	14.30	13.25	b	14.00	b	b

^a SOURCE: Reporters' estimated cash rental rates (both averages and ranges) from the 2005 UNL Nebraska Farm Real Estate Market Developments Survey.

^b Insufficient number of reports.

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

Gross Rent to Value Ratios

In addition to net percentage rates of return to current land value levels, another measure of returns relative to asset value is the gross-rent-to-value ratio. Using the current cash rental rate levels previously discussed and dividing them by the associated current reported values, one can derive a percentage ratio. This ratio can be useful in comparing rates of return across land types and geographic areas as well as over time. The 2005 gross-rent-to-value ratios are presented in Table 11.

Regionally, patterns suggest relatively higher

gross-rent-to-value ratios for irrigated land in the Northwest, and Southwest districts—areas in which land value increases have tended to be relatively smaller over the course of several years. In other words, current earnings, as reflected by average cash rent measures, are providing a relatively stronger economic basis to current land values in those areas. In contrast, the ratio percentages of virtually all the land types in the East district are below those of other districts, suggesting a somewhat weaker annual income-producing factor.

Table 11. 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, 2005.

Agricultural Statistics District and Type of Land	Gross Average Cash Rent Per Acre	Associated Value Per Acre ^b	Gross Rent to Value
	----- Dollars -----		--- Percent ---
Northwest:			
Dryland Cropland	24	370	6.5
Gravity Irrigated Cropland	94	1120	8.4
Center Pivot Irrigated Cropland ^c	107	1170	9.1
Pastureland	8	190	4.2
North:			
Dryland Cropland	37	540	6.9
Gravity Irrigated Cropland	104	1200	8.7
Center Pivot Irrigated Cropland ^c	119	1480	8.0
Pastureland	13	300	4.3
Northeast:			
Dryland Cropland	92	1535	6.0
Gravity Irrigated Cropland	133	2110	6.3
Center Pivot Irrigated Cropland ^c	142	2310	6.1
Dryland Alfalfa	90	1410	6.3
Irrigated Alfalfa	130	1975	6.6
Pastureland	37	685	5.4
Central:			
Dryland Cropland	62	910	6.8
Gravity Irrigated Cropland	134	2175	6.2
Center Pivot Irrigated Cropland ^c	139	2155	6.5
Dryland Alfalfa	59	840	7.0
Irrigated Alfalfa	121	1840	6.6
Other Hayland	42	650	7.0
Pastureland	25	545	4.6
East:			
Dryland Cropland	99	2170	4.6
Gravity Irrigated Cropland	142	2820	5.0
Center Pivot Irrigated Cropland ^c	155	3115	5.0
Dryland Alfalfa	82	1830	4.5
Irrigated Alfalfa	119	2395	5.0
Other Hayland	56	1125	5.0
Pastureland	32	870	3.7
Southwest:			
Dryland Cropland	33	500	6.6
Gravity Irrigated Cropland	105	1260	8.3
Center Pivot Irrigated Cropland ^c	121	1390	8.7
Pastureland	12	280	4.3
South:			
Dryland Cropland	56	915	6.1
Gravity Irrigated Cropland	130	2000	6.5
Center Pivot Irrigated Cropland ^c	143	2240	6.4
Pastureland	23	485	4.7
Southeast:			
Dryland Cropland	79	1505	5.2
Gravity Irrigated Cropland	134	2055	6.5
Center Pivot Irrigated Cropland ^c	147	2350	6.3
Pastureland	27	720	3.8

^a Source: 2005UNL Nebraska Farm Real Estate Market Developments Survey.

^b Average values given by reporters for the land on which their cash rent estimates were made.

^c Value of the pivot included in the value per acre of this land class.

2005 Rental Information for Selected Counties

This year, for the first time, the authors collaborated with several extension educators from across the state in conducting followup rental market surveys in their respective counties. While a general pattern or template for the survey instrument was followed, each extension educator was able to make modifications to both the questionnaire and the survey process as they deemed most appropriate for their area. Consequently, the findings are not duplicative across the counties. However, Table 12 presents the rental data for the respective counties where consistent questions were asked (for more detailed information regarding the county surveys, contact the county extension office).

In all the cases, the averages as well as the

ranges in cash rental rates appear to be consistent with the regional information presented in Table 10. In fact, these information sets reinforce the validity the ongoing UNL survey series since these individual county surveys were directed at a totally different list of respondents than those of the UNL survey (all of the county surveys are directed at agricultural producers).

For more information on this followup rental market survey please contact the Cooperative Extension Office in these respective counties:

Colfax County	Dawson County
Gage County	Hamilton County
Knox County	Perkins County
Phelps County	

Table 12. Rental Market Characteristics for Selected Counties in Nebraska, 2005

Subject	Nebraska Counties with 2005 Supplemental Rental Surveys						
	Colfax	Dawson	Gage	Hamilton	Knox	Perkins	Phelps
Estimated % of Cropland Rented For:							
Cash	75%	—	—	59%	74%	48%	55%
Crop Share	25%	—	—	41%	26%	52%	45%
2005 Irrigated Cash Rents (dollars per acre):							
Gravity							
Ave.	139	131	126	143	—	95	129
Low	112	100	120	118	—	75	109
High	169	175	149	169	—	111	145
Center Pivot:							
Ave.	147	140	145	150	135	113	140
Low	123	120	129	124	112	98	125
High	173	160	168	178	163	131	157
2005 Dryland Cropland Cash Rents (dollars per acre):							
Ave.	101	—	72	79	77	28	63
Low	81	—	67	66	62	22	45
High	127	—	84	101	83	35	79
2005 Pasture Cash Rents:							
Per Acre:							
Ave.	46	—	32	31	28	12	21
Low	34	—	27	23	22	10	14
High	57	—	39	42	34	15	26
Per Cow/Calf							
Pairs per month:							
Ave.	29	28	—	30	29	24	26
Low	20	25	—	25	25	21	19
High	35	33	—	38	32	27	33
Most Typical Tenant Landowner Shares under Cropshare Leases:							
Gravity Irrigated	50-50	60-40	60-40	60-40	—	60-40	60-40
Center Pivot Irrigated	50-50	60-40	60-40	Combination of 60-40 & 50-50	50-50	50-50	60-40
Dryland Cropland	60-40	—	60-40	60-40	Combination of 60-40 & 50-50	67-33	60-40

Based upon 2005 individual county surveys conducted by the Cooperative Extension Service

Appendix

Appendix Table 1. Farm Real Estate Values in Nebraska, USDA Historical Series, 1860-2005.^a

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.

Appendix Table 1. Farm Real Estate Values in Nebraska, USDA Historical Series, 1860-2005.^a

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	710	610.1	32,944	5,106
2001	53.0	46.4	735	643.5	34,104	5,286
2002	52.0	46.4	760	678.2	35,264	5,466
2003	48.5	45.9	775	733.5	35,572	5,514
2004	48.3	45.9	825	784.0	37,868	5,869
2005 ^b	48.1	45.9	922	879.8	42,320	6,560

^a 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.

^b Preliminary estimates.

Appendix Table 2. Deflated USDA Farmland Values and Percent Changes for Nebraska, 1930 to 2004.^a

Year	USDA Average Value/Ac. for Nebraska	GDP Price Deflator (2000 = 100)	Deflated Average Value/Ac.	Year-to-Year Change Deflated Farmland in Values ^c
1930	56	11.53	486	
1931	52	10.34	503	3.5
1932	44	9.12	482	-4.2
1933	35	8.87	395	-18.1
1934	35	9.37	374	-5.4
1935	34	9.56	356	-4.9
1936	34	9.67	352	-1.1
1937	32	10.09	317	-9.9
1938	30	9.79	306	-3.3
1939	28	9.70	289	-5.7
1940	24	9.81	245	-15.2
1941	22	10.46	210	-14.2
1942	24	11.28	203	1.3
1943	27	11.89	227	11.8
1944	33	12.17	271	19.5
1945	37	12.49	296	9.3
1946	42	13.99	300	1.4
1947	47	15.51	303	1.0
1948	56	16.38	342	12.8
1949	62	16.35	379	10.8
1950	58	16.53	351	-7.4
1951	66	17.72	372	6.1
1952	72	18.02	400	7.4
1953	75	18.24	411	2.8
1954	70	18.42	380	-7.5
1955	73	18.75	389	2.5
1956	73	19.39	376	-3.2
1957	72	20.04	359	-4.4
1958	79	20.50	385	7.3
1959	86	20.75	414	7.7
1960	89	21.04	423	2.2
1961	90	21.28	423	0.0
1962	95	21.57	440	4.1
1963	97	21.80	445	1.1
1964	105	22.13	474	6.6
1965	111	22.53	493	3.9
1966	120	23.18	518	5.0
1967	132	23.89	553	6.7
1968	143	24.91	574	3.8
1969	150	26.15	574	0.0
1970	154	27.53	559	-2.5
1971	156	28.91	540	-3.5
1972	171	30.17	567	5.0
1973	193	31.85	606	6.9
1974	246	34.73	708	16.9
1975	282	38.00	742	4.8
1976	363	40.20	903	21.7
1977	420	42.75	982	8.8
1978	412	45.76	900	-8.3
1979	525	49.55	1060	17.7

See footnotes at end of table.

Continued:

Appendix Table 2. Deflated USDA Farmland Values and Percent Changes for Nebraska, 1930 to 2004.^a

Year	USDA Average Value/Ac. for Nebraska	GDP Price Deflator (2000 = 100)	Deflated Average Value/Ac.	Year-to-Year Change Deflated Farmland in Values ^c
1980	635	54.04	1175	10.9
1981	729	59.12	1233	4.9
1982	730	62.73	1164	-5.6
1983	701	65.21	1075	-7.6
1984	645	67.66	953	-11.3
1985	485	69.71	696	-27.0
1986	416	71.25	584	-16.1
1987	400	73.20	546	-6.4
1988	457	75.69	604	10.6
1989	511	78.56	650	7.7
1990	524	81.59	642	-1.2
1991	517	84.44	612	-4.6
1992	517	86.38	599	-2.2
1993	514	88.38	582	-2.9
1994	562	90.26	623	7.0
1995	580	92.11	630	1.1
1996	610	93.85	650	3.2
1997	620	95.41	650	0.0
1998	645	96.47	669	2.9
1999	670	97.87	685	2.3
2000	695	100.00	695	1.5
2001	730	102.40	713	2.6
2002	765	104.09	735	3.1
2003	800	106.00	755	2.7
2004	874	108.24	807	6.9
2005 ^{bd}	976	112.03	871	7.9

^a 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.

^b Computed by dividing the USDA average value per acre by the 1st Quarter GDP Price Deflator (2000 = 100) and multiplying by 100.

^c 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.

^d Preliminary estimate.

Appendix Table 3. Nominal and Deflated Agricultural Land Values by Selected Types of Land in Nebraska, 1978 to 2005. ^a

Year	Nominal Value/Ac. ^a			GDP Price Deflator (2000 = 100)	Deflated Value/Ac. ^b			
	Dryland Cropland	Center Pivot Irrigated Cropland ^c	Grazing Land (Nontillable)		All Land Average	Dryland Cropland	Center Pivot Irrigated Cropland ^c	Grazing Land (Nontillable)
	----- Dollars/Ac. -----							
1978	492	947	153	45.76	1,075	2,069	334	1,093
1979	602	1,114	186	49.55	1,215	2,248	375	1,205
1980	702	1,272	209	54.01	1,300	2,355	386	1,287
1981	778	1,341	230	59.02	1,318	2,272	389	1,269
1982	742	1,293	227	62.73	1,183	2,029	362	1,148
1983	681	1,130	205	65.21	1,044	1,733	314	985
1984	632	1,049	184	67.66	934	1,550	272	869
1985	501	833	135	69.71	718	1,195	194	646
1986	384	634	98	71.25	539	890	138	476
1987	371	580	83	73.20	507	792	113	418
1988	416	661	91	75.69	550	873	120	457
1989	500	841	123	78.56	636	1,071	156	550
1990	532	935	146	81.59	652	1,146	179	580
1991	536	977	159	84.44	635	1,157	188	583
1992	551	1,000	166	86.38	638	1,158	192	590
1993	573	1,045	172	88.38	648	1,182	195	601
1994	608	1,107	183	90.26	674	1,226	203	627
1995	623	1,149	192	92.11	676	1,247	208	632
1996	656	1,235	189	93.85	699	1,316	201	648
1997	706	1,338	202	95.41	740	1,402	212	685
1998	767	1,471	224	96.47	795	1,525	232	736
1999	749	1,428	219	97.87	765	1,459	224	705
2000	752	1,455	230	100.00	752	1,455	230	698
2001	760	1,459	243	102.40	742	1,425	237	692
2002	779	1,622	249	104.09	748	1,558	239	720
2003	788	1,636	250	106.00	743	1,543	234	714
2004	862	1,788	275	108.24	796	1,652	254	764
2005	973	1,996	316	112.03	869	1,782	282	825

^a February 1st estimates reported in the UNL Nebraska Farm Real Estate Market Developments surveys.

^b Computed by dividing the average value per acre by the Gross Domestic Price (GDP) Deflator and multiplying by 100.

^c Pivot not included in per acre value.

^d Deflated all land average based on the UNL Nebraska survey series and will not correspond directly with the USDA series presented in Appendix Table 2.

Appendix Table 4. Average Reported Value of Nebraska Farmland for Different Types of Land by Agricultural Statistics District, 1978-2005.^a

Type of Land & Year	Agricultural Statistics District								
	Northwest	North	Northeast	Central	East	Southwest	South	Southeast	State ^{cd}
----- Dollars Per Acre -----									
Dryland Cropland (No Irrigation Potential)									
1978	289	253	648	319	817	360	468	660	492
1979	317	319	813	397	1061	387	541	808	602
1980	347	340	920	471	1296	454	626	971	702
1981	419	346	1,009	519	1409	546	754	1,060	778
1982	411	335	966	502	1325	522	752	988	742
1983	387	321	864	450	1204	469	664	939	681
1984	379	300	779	416	1129	444	653	840	632
1985	325	237	643	340	905	365	474	612	501
1986	259	198	499	263	669	308	412	423	384
1987	242	190	520	246	626	288	377	416	371
1988	267	202	576	301	692	294	411	513	416
1989	305	250	688	370	824	371	491	621	500
1990	309	279	728	407	877	409	491	662	532
1991	316	279	735	463	885	380	508	655	536
1992	340	295	700	418	955	386	513	673	551
1993	337	288	766	486	1000	373	573	701	573
1994	345	314	797	504	1090	390	620	741	608
1995	335	320	803	519	1144	403	637	764	623
1996	358	338	823	535	1244	419	658	799	656
1997	381	363	909	588	1336	432	701	852	706
1998	385	390	982	631	1477	457	753	956	767
1999	346	367	968	635	1462	428	740	953	749
2000	331	400	970	648	1464	434	708	958	752
2001	319	403	996	645	1493	433	725	954	760
2002	325	407	1095	680	1523	460	743	1024	779
2003	319	360	1107	710	1585	453	748	1059	788
2004	328	416	1231	758	1717	473	800	1190	862
2005	330	447	1382	847	2024	495	864	1396	973

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, 1978-2005.^a

Type of Land & Year	Agricultural Statistics District								
	Northwest	North	Northeast	Central	East	Southwest	South	Southeast	State ^{cd}
----- Dollars Per Acre -----									
Dryland Cropland (Irrigation Potential)									
1978	409	387	741	590	1128	471	873	953	757
1979	449	514	930	708	1411	520	1102	1152	926
1980	533	565	1132	767	1733	628	1282	1352	1107
1981	680	533	1225	880	1785	733	1432	1402	1192
1982	658	535	1097	833	1665	685	1411	1268	1108
1983	563	462	975	680	1462	654	1175	1160	979
1984	507	441	911	638	1349	631	1050	1069	905
1985	425	340	746	486	1013	504	705	723	684
1986	312	300	598	367	746	377	573	545	524
1987	285	250	567	325	707	328	503	508	484
1988	310	266	646	380	801	339	576	623	552
1989	376	339	773	483	980	433	684	772	674
1990	371	367	840	539	1056	473	706	816	720
1991	396	360	817	604	1083	478	756	777	725
1992	411	381	823	658	1124	476	792	835	753
1993	419	400	884	678	1195	445	883	888	794
1994	430	436	962	739	1338	482	923	936	861
1995	429	424	1002	781	1397	493	941	979	891
1996	441	444	1040	845	1525	508	1008	1046	948
1997	458	475	1103	917	1643	543	1114	1130	1018
1998	482	510	1219	986	1810	578	1216	1250	1115
1999	436	480	1216	956	1792	538	1173	1172	1081
2000	418	492	1220	951	1800	546	1112	1187	1080
2001	409	500	1256	981	1807	572	1126	1234	1100
2002	418	514	1355	1020	1814	581	1145	1318	1135
2003	396	480	1410	1095	1930	558	1118	1290	1159
2004	445	534	1554	1137	2093	586	1217	1469	1272
2005	450	579	1696	1286	2395	606	1330	1642	1417

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, 1978-2005.^a

Type of Land & Year	Agricultural Statistics District								
	Northwest	North	Northeast	Central	East	Southwest	South	Southeast	State ^{cd}
----- Dollars Per Acre -----									
Grazing Land (Tillable)									
1978	177	191	433	299	549	215	465	433	248
1979	186	229	521	347	701	259	479	574	288
1980	200	261	583	395	760	307	621	643	328
1981	251	257	622	435	881	332	697	636	357
1982	248	248	605	422	824	317	710	654	348
1983	198	234	571	405	739	315	555	589	315
1984	187	233	500	325	661	285	519	521	289
1985	146	180	392	259	510	205	339	357	218
1986	101	135	275	166	366	146	250	241	154
1987	77	99	267	135	336	115	187	236	124
1988	80	107	294	168	361	100	208	292	134
1989	104	150	362	217	418	130	253	341	173
1990	102	185	381	270	459	153	296	360	197
1991	107	200	394	308	495	168	338	366	213
1992	113	213	395	339	500	169	348	395	224
1993	121	195	427	359	524	171	371	418	227
1994	128	215	440	380	573	192	407	460	246
1995	128	223	456	400	611	193	414	471	253
1996	125	225	473	406	617	196	413	483	255
1997	135	250	512	440	686	200	433	519	276
1998	153	265	550	461	741	227	467	575	299
1999	165	270	569	456	735	234	470	575	306
2000	173	275	581	471	731	256	464	588	315
2001	171	288	670	505	750	291	524	578	335
2002	182	299	706	523	796	325	537	629	347
2003	180	280	750	562	801	290	534	640	341
2004	212	307	794	611	926	305	558	716	375
2005	225	330	919	658	1075	316	640	830	410

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, 1978-2005.^a

Type of Land & Year	Agricultural Statistics District								
	Northwest	North	Northeast	Central	East	Southwest	South	Southeast	State ^{cd}
----- Dollars Per Acre -----									
Grazing Land (Nontillable)									
1978	115	126	308	216	384	119	268	315	153
1979	134	156	340	267	486	148	309	417	186
1980	143	169	394	304	549	190	346	473	209
1981	164	182	418	339	620	217	398	474	230
1982	168	183	412	329	584	195	418	472	227
1983	151	169	375	283	511	181	339	460	205
1984	134	152	350	248	455	168	328	384	184
1985	94	115	258	192	341	118	236	243	135
1986	71	85	179	131	262	84	158	178	98
1987	60	71	166	106	238	68	120	173	83
1988	58	76	189	128	270	75	152	220	91
1989	71	109	242	183	310	101	209	266	123
1990	83	134	272	225	340	113	233	298	146
1991	86	148	284	252	357	125	254	314	159
1992	90	155	302	267	373	126	261	316	166
1993	93	157	322	278	382	136	290	330	172
1994	98	167	325	302	388	153	307	354	183
1995	106	175	337	308	421	163	308	357	192
1996	103	173	347	299	428	155	296	367	189
1997	115	183	366	327	468	163	318	412	202
1998	128	199	395	366	516	189	337	473	224
1999	127	192	411	350	507	187	327	476	219
2000	137	206	432	365	510	193	333	478	230
2001	142	220	475	386	532	200	353	479	243
2002	151	218	515	419	584	213	378	499	249
2003	149	210	559	446	590	219	389	490	250
2004	163	230	619	494	655	240	422	550	275
2005	191	269	706	543	784	273	482	629	316

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, 1978-2005.^a

Type of Land & Year	Agricultural Statistics District								
	Northwest	North	Northeast	Central	East	Southwest	South	Southeast	State ^{cd}
----- Dollars Per Acre -----									
Hayland									
1978	232	266	370	372	477	231	298	371	281
1979	287	308	436	397	593	281	345	509	332
1980	301	338	506	441	699	349	402	554	369
1981	323	331	558	482	738	368	417	532	375
1982	328	334	544	472	714	344	445	557	375
1983	290	286	509	408	658	344	375	496	331
1984	283	247	497	295	568	329	369	463	296
1985	261	206	332	273	470	250	258	311	241
1986	190	154	233	230	335	182	190	219	179
1987	160	119	188	195	271	148	175	201	144
1988	144	130	238	230	317	178	202	245	159
1989	194	183	295	275	382	220	268	291	210
1990	217	218	326	328	405	245	278	328	243
1991	225	240	330	350	434	252	286	361	261
1992	248	247	325	365	452	250	329	341	269
1993	242	265	365	366	473	251	360	358	283
1994	251	296	392	400	511	278	386	370	310
1995	260	300	418	408	528	277	397	385	317
1996	270	300	429	403	524	289	396	402	320
1997	295	325	459	438	575	300	403	435	346
1998	315	345	517	472	640	336	437	497	373
1999	318	325	507	457	625	330	412	502	359
2000	313	358	539	444	618	350	398	463	379
2001	306	381	563	458	677	364	450	502	398
2002	313	388	611	502	694	373	483	529	446
2003	319	380	660	557	765	375	508	575	464
2004	339	433	715	577	815	413	513	611	505
2005	383	438	780	600	928	416	600	669	537

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, 1978-2005.^a

Type of Land & Year	Agricultural Statistics District								
	Northwest	North	Northeast	Central	East	Southwest	South	Southeast	State ^{cd}
----- Dollars Per Acre -----									
Gravity Irrigated Cropland									
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
2005	975	1183	1980	2153	2691	1365	2021	2173	2077

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, 1978-2005.^a

Type of Land & Year	Agricultural Statistics District								
	Northwest	North	Northeast	Central	East	Southwest	South	Southeast	State ^{cd}
----- Dollars Per Acre -----									
Center Pivot Irrigated Cropland^b									
1978	771	678	956	877	1,484	813	1023	1286	947
1979	915	770	1164	1076	1690	895	1291	1590	1114
1980	894	886	1372	1223	2043	971	1535	1795	1272
1981	973	816	1456	1312	2110	1105	1732	1900	1341
1982	989	810	1332	1270	2010	1123	1681	1748	1293
1983	847	769	1217	1016	1727	926	1391	1643	1130
1984	809	698	1130	969	1655	827	1350	1465	1049
1985	691	581	875	850	1243	691	1055	1020	833
1986	496	400	700	628	970	558	788	788	634
1987	417	396	703	541	888	487	665	723	580
1988	446	441	800	622	1038	548	792	820	661
1989	532	604	993	779	1320	683	1021	1056	841
1990	619	710	1090	910	1393	765	1117	1133	935
1991	651	714	1129	1053	1461	748	1229	1194	977
1992	681	740	1084	1085	1510	783	1263	1228	1000
1993	641	745	1156	1160	1593	799	1356	1346	1045
1994	690	800	1215	1200	1707	850	1425	1413	1107
1995	693	825	1254	1268	1793	882	1454	1474	1149
1996	710	913	1320	1340	1930	981	1550	1565	1235
1997	748	962	1427	1507	2111	1058	1696	1725	1338
1998	829	1020	1583	1698	2332	1139	1863	1907	1471
1999	750	984	1581	1616	2288	1124	1830	1806	1428
2000	750	981	1609	1579	2424	1192	1795	1810	1455
2001	742	965	1653	1602	2420	1152	1778	1898	1459
2002	775	1043	1775	1693	2401	1167	1830	1959	1622
2003	750	1075	1840	1785	2460	1033	1846	1981	1636
2004	806	1211	2004	1901	2669	1123	2044	2218	1788
2005	924	1342	2234	2140	3042	1279	2145	2414	1996

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, 1978-2005.^a

Type of Land & Year	Agricultural Statistics District								
	Northwest	North	Northeast	Central	East	Southwest	South	Southeast	State ^{cd}
----- Dollars Per Acre -----									
All Land Average^c									
1978	279	201	674	608	1125	363	796	844	500 ^d
1979	307	244	836	699	1376	405	970	1,044	597
1980	333	269	989	800	1670	472	1139	1215	695
1981	397	271	1077	865	1748	538	1268	1260	749
1982	396	269	1004	843	1643	527	1272	1173	720
1983	343	248	890	734	1475	480	1057	1099	642
1984	318	229	829	654	1341	442	990	989	588
1985	258	180	664	528	1007	347	706	689	450
1986	190	136	522	379	745	273	543	518	339
1987	165	115	502	324	707	232	474	482	306
1988	173	124	567	385	817	241	545	579	346
1989	210	171	689	495	1009	300	673	711	432
1990	219	202	744	580	1069	331	734	763	473
1991	226	215	747	639	1115	341	787	756	492
1992	239	226	737	669	1156	348	827	800	510
1993	239	226	790	693	1217	346	885	845	531
1994	249	244	835	728	1325	375	935	894	566
1995	250	251	860	744	1378	384	944	925	582
1996	254	256	895	769	1479	398	984	978	608
1997	269	275	962	833	1600	417	1066	1057	654
1998	288	295	1053	897	1754	450	1140	1162	710
1999	275	285	1052	859	1718	439	1099	1111	690
2000	276	299	1050	842	1737	464	1056	1121	698
2001	274	312	1107	854	1747	471	1060	1143	709
2002	283	321	1221	896	1768	500	1096	1204	749
2003	276	308	1266	939	1850	467	1102	1204	757
2004	302	343	1388	1005	1999	500	1188	1354	827
2005	325	379	1537	1110	2268	542	1268	1609	924

^a February 1st estimates reported in the annual UNL Nebraska Farm Real Estate Market Developments Surveys.

^b Pivot not included in per acre value.

^c Weighted average based upon acreage in each land type.

^d 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, 2000-2005. ^a

District and Type of Land	Reported Value Per Acre											
	2000	2001	2002	2003	2004	2005	2000	2001	2002	2003	2004	2005
	-----Dollars per acre-----											
Northwest:												
Dry Crop (No irr. potential) ¹	220	225	230	225	235	250	385	365	365	340	350	375
Dry Crop (Irr. potential.)	335	335	340	325	370	350	490	480	490	475	530	550
Grazing (Tillable)	140	140	145	150	170	180	210	200	205	205	230	250
Grazing (Nontillable)	105	105	115	115	125	155	160	160	170	170	190	225
Hayland	235	255	255	245	275	310	360	370	370	370	400	460
Gravity Irrigated	600	585	610	555	575	620	1130	1020	1050	990	1040	1210
Center Pivot Irrigated ^b	530	565	585	605	625	680	890	890	940	920	1000	1165
North:												
Dry Crop (No irr. potential)	280	310	325	290	335	360	490	495	530	450	510	565
Dry Crop (Irr. potential)	390	385	425	425	465	500	600	600	635	600	665	800
Grazing (Tillable)	245	250	255	260	290	315	345	325	360	345	375	500
Grazing (Nontillable)	180	170	165	165	180	215	285	290	280	265	305	355
Hayland	300	310	310	305	365	335	485	470	475	465	525	535
Gravity Irrigated	875	815	870	875	900	925	1325	1265	1270	1250	1300	1440
Center Pivot Irrigated ^b	765	690	750	770	865	895	1175	1160	1185	1260	1420	1575
Northeast:												
Dry Crop (No irr. potential)	740	805	870	880	955	1085	1175	1230	1350	1385	1540	1805
Dry Crop (Irr. potential)	1000	1055	1065	1090	1180	1390	1415	1545	1665	1685	1845	2035
Grazing (Tillable)	475	530	575	600	650	765	705	770	815	850	920	1145
Grazing (Nontillable)	360	365	470	450	490	550	530	590	650	670	735	820
Hayland	445	465	500	580	630	650	655	695	740	780	850	910
Gravity Irrigated	1365	1310	1390	1230	1310	1585	1945	1865	1945	1930	2075	2150
Center Pivot Irrigated ^b	1265	1295	1435	1425	1555	1820	1850	1925	2030	2125	2350	2510
Central:												
Dry Crop (No irr. potential)	505	495	530	570	605	635	795	815	845	895	980	1095
Dry Crop (Irr. potential)	710	740	785	840	875	865	1195	1235	1280	1325	1360	1555
Grazing (Tillable)	415	425	455	485	530	550	590	665	685	735	835	875
Grazing (Nontillable)	300	315	355	370	400	440	425	460	502	520	580	630
Hayland	345	360	405	460	490	530	530	550	605	675	705	715
Gravity Irrigated	1190	1215	1320	1315	1410	1500	1920	2035	2155	2170	2310	2580
Center Pivot Irrigated ^b	1085	1100	1190	1250	1340	1500	1785	1910	2025	2135	2325	2500

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, 2000-2005.^a

District and Type of Land	Reported Value Per Acre											
	2000	2001	2002	2003	2004	2005	2000	2001	2002	2003	2004	2005
	-----Dollars per acre-----											
East:												
Dry Crop (No irr. potential)	1070	1095	1160	1255	1325	1615	1735	1695	1730	1805	1945	2400
Dry Crop (Irr. potential)	1365	1395	1380	1540	1625	1875	2035	2015	2040	2140	2405	2740
Grazing (Tillable)	510	590	625	640	730	825	850	895	980	990	1155	1350
Grazing (Nontillable)	425	420	465	505	570	600	625	700	720	735	780	950
Hayland	530	565	550	630	670	810	760	875	900	1060	1140	1305
Gravity Irrigated	1745	1760	1805	1900	1965	2265	2525	2560	2500	2615	2805	3150
Center Pivot Irrigated ^b	1755	1815	1790	1895	2035	2410	2640	2600	2545	2600	2930	3390
Southwest:												
Dry Crop (No irr. potential)	350	350	380	370	380	385	490	520	570	530	555	575
Dry Crop (Irr. potential)	445	465	490	495	515	495	610	635	650	655	685	740
Grazing (Tillable)	225	230	255	235	250	270	315	350	380	375	395	402
Grazing (Nontillable)	165	165	180	185	210	215	230	235	255	270	290	330
Hayland	325	330	345	355	370	340	505	515	535	560	615	615
Gravity Irrigated	1005	985	1045	1010	1015	925	1415	1415	1485	1445	1650	1670
Center Pivot Irrigated ^b	855	820	830	790	890	985	1330	1285	1320	1250	1300	1590
South:												
Dry Crop (No irr. potential)	485	505	535	550	580	645	865	865	865	865	930	1025
Dry Crop (Irr. potential)	755	745	805	830	900	995	1275	1345	1280	1255	1390	1580
Grazing (Tillable)	340	395	395	380	405	470	535	655	640	585	600	700
Grazing (Nontillable)	235	270	285	310	335	380	375	450	455	440	470	550
Hayland	255	310	340	360	365	430	435	515	550	550	565	670
Gravity Irrigated	1260	1265	1255	1350	1415	1455	2020	2005	1960	2010	2150	2165
Center Pivot Irrigated ^b	1160	1200	1275	1285	1400	1470	1910	1930	1975	2005	2225	2290
Southeast:												
Dry Crop (No irr. potential)	670	680	750	800	890	1070	1200	1150	1290	1325	1500	1770
Dry Crop (Irr. potential)	790	835	915	1015	1120	1230	1245	1350	1485	1625	1830	2020
Grazing (Tillable)	440	445	490	495	545	640	685	690	730	720	800	925
Grazing (Nontillable)	340	340	355	375	425	495	600	535	565	560	620	725
Hayland	400	425	460	480	505	560	570	585	620	690	740	845
Gravity Irrigated	1345	1345	1450	1490	1630	1690	2060	2085	2090	2075	2300	2390
Center Pivot Irrigated ^b	1285	1395	1490	1540	1730	1875	1940	2090	2080	2125	2380	2560

^a Source: UNL Nebraska Farm Real Estate Market Developments Surveys.

^b 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, 1981-2005.^a

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
2005	24	37	92	62	99	33	56	79

See footnotes at end of table.

Appendix Table 6. Historical Average Cash Rental Rates of Nebraska Farmland for Different Types of Land by Agricultural Statistics District, 1981-2005.^a

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

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

Gravity Irrigated Cropland

1981	b	b	107	114	114	97	117	115
1982	100	96	b	119	116	97	115	115
1983	93	95	b	110	111	92	110	112
1984	110	95	100	115	113	89	115	113
1985	91	90	89	105	99	80	103	98
1986	78	73	80	90	97	77	93	88
1987	b	67	83	88	96	76	91	85
1988	b	70	94	94	103	76	95	93
1989	b	87	102	111	115	88	106	97
1990	74	88	99	113	113	96	106	104
1991	84	95	99	119	118	101	112	103
1992	83	101	98	109	119	99	118	109
1993	77	93	107	118	124	94	124	114
1994	83	100	110	121	131	107	124	122
1995	80	98	108	120	127	101	123	116
1996	78	99	108	124	127	104	126	118
1997	80	105	114	129	136	108	132	125
1998	91	105	116	129	136	103	133	128
1999	85	102	111	123	133	98	130	119
2000	82	98	118	123	133	100	128	120
2001	84	98	122	128	133	106	127	126
2002	84	100	124	128	136	104	128	131
2003	86	98	120	129	135	97	125	128
2004	88	105	129	134	138	101	128	131
2005	94	104	133	134	142	105	130	134

See footnotes at end of table.

Appendix Table 6. Historical Average Cash Rental Rates of Nebraska Farmland for Different Types of Land by Agricultural Statistics District, 1981-2005.^a

Type of Land and Year	Agricultural Statistics District							
	Northwest	North	Northeast	Central	East	Southwest	South	Southeast
----- Dollars Per Acre -----								
Center Pivot Irrigated Cropland								
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
2005	107	119	142	139	155	121	143	147

See footnotes at end of table.

Appendix Table 6. Historical Average Cash Rental Rates of Nebraska Farmland for Different Types of Land by Agricultural Statistics District, 1981-2005.^a

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

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

Dryland Alfalfa

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
2005	b	b	90	59	82	b	58	b

See footnotes at end of table.

Appendix Table 6. Historical Average Cash Rental Rates of Nebraska Farmland for Different Types of Land by Agricultural Statistics District, 1981-2005.^a

Type of Land and Year	Agricultural Statistics District							
	Northwest	North	Northeast	Central	East	Southwest	South	Southeast
----- Dollars Per Acre -----								
Irrigated Alfalfa								
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
2005	b	b	130	121	119	b	124	b

See footnotes at end of table.

Appendix Table 6. Historical Average Cash Rental Rates of Nebraska Farmland for Different Types of Land by Agricultural Statistics District, 1981-2005.^a

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

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

Other Hayland

1981	b	21	b	37	39	34	b	34
1982	b	18	b	30	b	b	b	34
1983	b	b	b	41	b	b	b	31
1984	b	b	b	32	44	29	b	36
1985	b	b	b	38	38	b	b	28
1986	b	b	b	26	29	b	b	26
1987	b	b	b	28	32	b	b	24
1988	b	b	b	26	31	b	b	31
1989	b	b	b	30	44	b	b	34
1990	b	b	b	39	44	34	b	38
1991	b	18	37	37	43	35	b	33
1992	b	21	31	30	34	b	27	30
1993	b	22	38	34	38	b	35	29
1994	b	b	38	37	39	b	33	29
1995	b	b	41	40	44	b	31	34
1996	b	b	42	40	40	b	31	36
1997	b	b	42	43	44	b	32	38
1998	b	b	48	43	50	b	35	40
1999	b	b	48	38	48	b	b	b
2000	b	b	48	35	43	b	b	b
2001	b	b	50	37	47	b	b	b
2002	b	b	50	38	51	b	36	b
2003	b	b	46	36	53	b	33	b
2004	b	b	b	42	57	b	36	42
2005	b	b	52	42	56	b	36	b

See footnotes at end of table.

Appendix Table 6. Historical Average Cash Rental Rates of Nebraska Farmland for Different Types of Land by Agricultural Statistics District, 1981-2005.^a

Type of Land and Year	Agricultural Statistics District							
	Northwest	North	Northeast	Central	East	Southwest	South	Southeast
----- Dollars Per Acre -----								
Pastureland (Per-Acre)								
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
2005	8	13	37	25	32	12	23	27

See footnotes at end of table.

Appendix Table 6. Historical Average Cash Rental Rates of Nebraska Farmland for Different Types of Land by Agricultural Statistics District, 1981-2005.^a

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

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

Pasture (Per Animal Unit/Mo.)^c

1981	13.00	13.30	12.85	15.80	12.65	14.40	13.75	12.90
1982	13.00	12.50	15.25	15.95	13.85	16.00	15.00	14.95
1983	13.40	16.60	16.50	16.65	14.50	15.45	15.21	15.81
1984	13.20	15.90	15.30	16.55	14.10	15.25	14.75	15.60
1985	12.20	12.70	12.90	13.00	12.80	13.60	12.80	13.60
1986	10.70	10.50	11.00	10.60	10.10	10.40	10.70	11.30
1987	9.55	10.35	10.10	10.55	10.20	10.25	10.50	10.50
1988	9.50	11.00	10.90	11.30	13.00	12.70	12.65	13.50
1989	11.35	14.50	14.00	14.50	13.25	12.80	14.20	13.70
1990	12.90	16.75	15.55	17.80	15.70	17.40	15.00	15.35
1991	14.85	20.00	18.00	20.30	19.50	18.25	17.50	18.00
1992	14.60	21.00	18.80	19.95	17.40	17.65	19.00	18.00
1993	16.40	21.30	18.50	22.35	19.85	20.75	20.40	19.85
1994	17.20	23.25	19.70	23.00	21.55	23.00	23.00	21.60
1995	16.75	23.40	19.90	23.00	20.50	22.30	22.20	20.30
1996	16.40	23.00	18.35	21.80	21.00	20.35	21.15	20.05
1997	17.00	23.50	20.50	22.25	22.30	21.20	21.20	20.75
1998	18.10	23.70	21.00	23.40	23.60	23.40	22.20	21.70
1999	16.70	23.00	21.60	23.25	21.90	23.25	22.00	20.40
2000	18.25	23.15	23.80	23.80	22.50	24.50	22.00	21.35
2001	19.65	25.10	23.40	24.45	24.00	25.00	22.20	22.75
2002	20.35	26.35	23.80	25.10	24.30	25.00	23.30	24.40
2003	19.15	26.15	25.10	24.90	24.45	24.60	23.00	23.15
2004	21.00	27.65	26.80	26.35	26.00	26.25	24.00	25.15
2005	23.15	28.30	28.10	28.55	27.90	26.70	24.60	25.15

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

^b Insufficient number of reports.

^c 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.

Appendix Table 7. Annual Ownership Turnover Rates of Agricultural Land in Nebraska by County, 2000 - 2004^a

County	Percentage Turnover						
	Total Land in Farms ^b	2000	2001	2002	2003	2004	5 Year Average
Adams	344,309	2.64%	1.81%	2.05%	1.10%	2.23%	1.97%
Antelope	526,896	1.83%	2.07%	3.36%	0.97%	2.88%	2.22%
Arthur	436,252	1.63%	3.74%	1.41%	0.82%	1.72%	1.87%
Banner	411,153	1.02%	2.52%	4.01%	0.00%	2.23%	1.96%
Blaine	441,119	2.57%	5.06%	0.54%	3.70%	0.58%	2.49%
Boone	430,712	2.14%	2.75%	2.07%	1.53%	2.00%	2.10%
Box Butte	675,091	6.82%	2.88%	3.33%	1.48%	1.64%	3.23%
Boyd	308,008	2.49%	2.06%	2.69%	0.69%	2.44%	2.07%
Brown	686,466	3.58%	7.62%	2.64%	1.01%	2.50%	3.47%
Buffalo	601,256	2.23%	2.34%	1.90%	1.22%	1.25%	1.79%
Burt	310,113	2.14%	2.13%	2.65%	1.83%	7.25%	3.20%
Butler	374,634	1.56%	1.34%	2.15%	0.83%	0.78%	1.33%
Cass	320,187	1.48%	2.32%	1.65%	0.50%	1.37%	1.47%
Cedar	459,952	1.77%	1.80%	2.18%	1.05%	1.83%	1.73%
Chase	539,607	2.34%	1.69%	1.56%	2.09%	3.53%	2.24%
Cherry	3,777,285	2.01%	2.41%	4.01%	0.93%	1.50%	2.17%
Cheyenne	803,181	1.69%	2.63%	2.33%	0.91%	1.81%	1.87%
Clay	373,994	0.92%	1.68%	1.46%	0.99%	1.63%	1.34%
Colfax	244,361	1.79%	2.52%	3.48%	1.43%	1.56%	2.16%
Cuming	365,994	1.75%	1.21%	1.52%	0.99%	1.43%	1.38%
Custer	1,501,959	3.51%	2.37%	3.04%	1.88%	2.96%	2.75%
Dakota	151,599	2.25%	1.53%	1.52%	0.40%	1.26%	1.39%
Dawes	786,277	3.33%	3.13%	3.82%	1.69%	4.27%	3.25%
Dawson	622,805	2.43%	1.97%	2.23%	1.16%	2.46%	2.05%
Deuel	293,995	1.10%	2.92%	4.51%	1.28%	10.55%	4.07%
Dixon	276,722	2.15%	4.80%	2.83%	0.98%	2.39%	2.63%
Dodge	339,265	1.59%	2.28%	1.85%	0.51%	1.28%	1.50%
Douglas	94,613	c	c	c	c	c	c
Dundy	566,881	3.38%	2.92%	1.88%	1.30%	2.25%	2.35%
Fillmore	363,915	1.10%	0.93%	1.10%	0.69%	2.53%	1.27%
Franklin	331,093	2.32%	2.21%	1.42%	0.94%	2.05%	1.79%
Frontier	486,623	1.57%	5.11%	3.16%	1.34%	2.58%	2.75%
Furnas	440,776	2.04%	1.51%	1.77%	1.13%	1.96%	1.68%
Gage	552,316	2.43%	2.17%	2.17%	1.14%	1.71%	1.93%
Garden	1,072,024	10.01%	3.01%	1.90%	1.18%	11.04%	5.43%
Garfield	293,081	2.70%	4.67%	6.58%	3.21%	4.96%	4.42%
Gosper	262,216	1.67%	1.74%	2.07%	0.76%	2.65%	1.78%
Grant	489,926	0.64%	11.05%	0.71%	0.77%	0.13%	2.66%
Greeley	293,114	3.00%	3.36%	3.89%	2.12%	3.74%	3.22%
Hall	315,787	2.67%	2.31%	2.03%	1.39%	2.09%	2.10%

Appendix Table 7. Annual Ownership Turnover Rates of Agricultural Land in Nebraska by County, 2000 - 2004^a

County	Percentage Turnover						
	Total Land in Farms ^b	2000	2001	2002	2003	2004	5 Year Average
Hamilton	348,178	0.95%	1.78%	2.22%	1.30%	1.62%	1.57%
Harlan	308,814	2.09%	1.18%	2.13%	1.24%	1.25%	1.58%
Hayes	408,290	3.98%	3.09%	1.53%	2.05%	3.61%	2.85%
Hitchcock	433,525	1.91%	2.50%	1.76%	1.70%	1.67%	1.91%
Holt	1,481,135	1.82%	1.96%	4.08%	1.47%	2.41%	2.35%
Hooker	423,838	0.19%	6.69%	2.03%	0.73%	0.52%	2.03%
Howard	293,537	2.65%	1.39%	2.72%	2.20%	2.40%	2.27%
Jefferson	363,575	1.33%	1.77%	1.51%	0.55%	1.04%	1.24%
Johnson	205,371	1.48%	2.13%	2.77%	1.43%	0.99%	1.76%
Kearney	331,283	1.97%	2.13%	3.07%	1.89%	2.00%	2.21%
Keith	627,842	2.35%	1.84%	1.45%	0.88%	1.92%	1.69%
Keya Paha	463,280	5.10%	5.03%	3.11%	1.81%	3.87%	3.78%
Kimball	549,646	4.35%	2.39%	2.50%	2.70%	3.35%	3.05%
Knox	599,468	3.41%	3.57%	2.98%	1.47%	1.79%	2.64%
Lancaster	448,600	c	c	c	c	c	c
Lincoln	1,529,011	2.20%	3.47%	2.56%	1.94%	2.53%	2.54%
Logan	359,069	4.05%	1.43%	8.30%	0.18%	2.23%	3.24%
Loup	337,542	6.21%	5.50%	2.85%	1.05%	7.64%	4.65%
Madison	528,642	1.26%	1.14%	1.74%	0.66%	0.91%	1.14%
McPherson	342,167	4.95%	11.83%	2.30%	0.20%	5.64%	4.98%
Merrick	283,026	2.31%	2.24%	3.01%	1.59%	3.11%	2.45%
Morrill	872,351	4.15%	3.78%	2.35%	1.68%	1.75%	2.74%
Nance	228,985	1.61%	2.51%	1.99%	2.41%	4.59%	2.62%
Nemaha	255,366	1.04%	2.37%	2.07%	0.95%	2.19%	1.72%
Nuckolls	350,539	1.55%	1.48%	1.66%	1.06%	2.78%	1.71%
Otoe	342,521	0.85%	2.32%	2.59%	1.98%	2.38%	2.02%
Pawnee	256,818	2.10%	0.99%	0.78%	1.03%	1.49%	1.28%
Perkins	548,264	2.25%	3.17%	3.61%	1.50%	2.68%	2.64%
Phelps	366,154	2.60%	2.01%	2.20%	2.05%	1.93%	2.16%
Pierce	332,550	1.78%	2.49%	3.02%	0.91%	1.84%	2.01%
Platte	434,529	2.46%	2.40%	2.24%	1.41%	1.81%	2.06%
Polk	264,455	1.66%	2.16%	1.60%	0.89%	1.78%	1.62%
Red Willow	429,109	2.38%	2.90%	1.67%	1.79%	2.18%	2.18%
Richardson	320,783	1.54%	2.32%	1.83%	0.71%	1.31%	1.54%
Rock	628,839	3.29%	4.50%	2.56%	0.56%	1.13%	2.40%
Saline	344,736	1.63%	2.32%	1.82%	0.85%	1.67%	1.66%
Sarpy	105,173	0.73%	1.23%	2.47%	1.06%	1.82%	1.46%
Saunders	458,329	2.33%	1.78%	1.90%	1.28%	1.56%	1.77%
Scottsbluff	427,400	3.66%	2.88%	3.97%	1.85%	3.17%	3.11%
Seward	364,178	2.30%	1.64%	1.52%	1.10%	1.35%	1.58%

Appendix Table 7. Annual Ownership Turnover Rates of Agricultural Land in Nebraska by County, 2000 - 2004^a

County	Percentage Turnover						
	Total Land in Farms ^b	2000	2001	2002	2003	2004	5 Year Average
Sheridan	1,485,895	2.00%	1.85%	2.50%	2.23%	1.87%	2.09%
Sherman	316,260	3.04%	2.75%	2.40%	0.44%	2.34%	2.20%
Sioux	1,103,122	2.32%	2.39%	1.84%	1.19%	1.20%	1.79%
Stanton	243,223	2.17%	3.14%	2.69%	2.72%	2.19%	2.58%
Thayer	380,447	1.72%	3.55%	1.62%	1.46%	1.46%	1.96%
Thomas	348,802	1.25%	3.78%	4.40%	1.83%	1.72%	2.60%
Thurston	214,181	0.97%	1.59%	2.57%	0.45%	1.10%	1.34%
Valley	314,661	2.62%	2.70%	3.21%	1.86%	2.16%	2.51%
Washington	242,419	1.86%	1.73%	2.09%	0.97%	1.60%	1.65%
Wayne	281,408	1.83%	1.42%	2.20%	0.74%	1.62%	1.56%
Webster	318,325	2.55%	3.36%	2.34%	1.76%	1.78%	2.36%
Wheeler	338,136	2.44%	1.57%	2.13%	1.39%	0.93%	1.69%
York	353,762	2.68%	2.78%	1.85%	0.96%	2.05%	2.06%
State:	49,197,440	2.54%	2.79%	2.58%	1.32%	2.38%	2.32%

a. Source: Nebraska Dept. of Revenue Property Assessment and Taxation, based on "521" Statements

b. Source: 2002 Census of Agriculture

c. Major Metro Counties with limited agricultural markets