

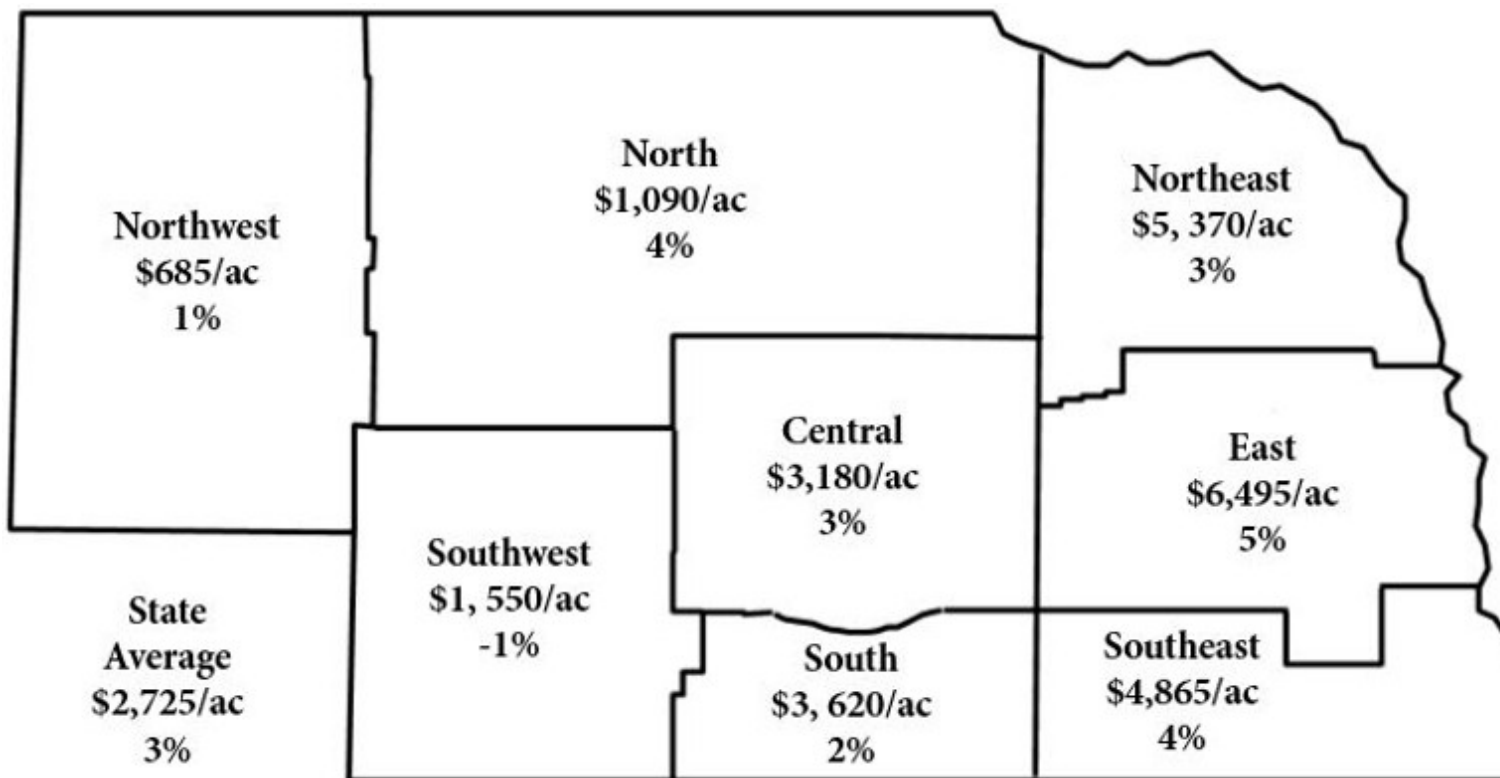
2020 Nebraska Farm Real Estate Report

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According to the 2020 Nebraska Farm Real Estate report, Nebraska's all-land average value for the year ending Feb. 1, 2020, averaged \$2,725 per acre, or about a 3% increase to the prior year's value of \$2,645 per acre. This marks the first year-to-year increase since land values in the state peaked at \$3,315 per acre in 2014.

Highlights

- The North, Northeast, Central, East, and Southeast Districts reported the highest rates of increase, ranging from 3% to 5% for the all-land average. These regions trended close to the improvement in value for the statewide average.
- Western regions of Nebraska, including the Northwest, Southwest, and Southern Districts, reported small regional average changes.
- Gravity and center pivot irrigated cropland noted smaller increases of 1% and 3% for the state-wide average, at \$5,755 and \$6,125 per acre.
- Dryland cropland having no irrigation potential and with irrigation potential average \$3,165 and \$4,140 per acre or 4% and 3% higher than the prior year.
- Grazing land, including tillable or non-tillable, noted 5% and 4% increases for state-wide averages of \$1,240 and \$830 per acre.
- In 2020, panel members noted 1031 tax exchanges, non-farmer investor interest in land purchases, and current interest rate levels as forces guiding higher market values. These forces were reported as slightly positive on impacting future land prior to the domestic outbreak of COVID-19.



Average Value of Nebraska Farmland by Land Type

Land Type	\$/Acre	% Change
All Land Average	2,725	3%
Center Pivot Irrigated Cropland	6,125	3%
Gravity Irrigated Cropland	5,755	1%
Dryland Cropland (Irrigation Potential)	4,140	3%
Dryland Cropland (No Irrigation Potential)	3,165	4%
Grazing Land (Tillable)	1,240	5%
Grazing Land (Nontillable)	830	4%
Hayland	1,640	2%

Predictions for the rest of 2020 are that we don't know the true economic impact of Covid-19 on the land real estate market but expect to see a migration of investors away from the volatility of the stock market and into an asset class that has more stability. Investors who have never considered farmland before are now scrutinizing this alternative asset class. The market will continue to hold strong and the supply of good cropland for sale remains lower, and demand is more than adequate to support steady to slightly higher land prices.

Source: <https://agecon.unl.edu/2020-nebraska-farm-real-estate-report>