

# Big Questions and Innovative Solutions in Land Management

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## Program Overview

- **Part I**
  - Current Trends in Nebraska Land Values
  - Cash Rents
  - Lease Trends in 2025
- **Part II**
  - Lease Communications
  - Provisions
  - Succession
  - Negotiations
- **Part III**
  - Ask an Expert on Land Management

## Part I - Current Trends in Nebraska Land Values, Cash Rents & Lease Trends in 2025



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### DISCLAIMER

- Land values and rental rates shown and discussed in this presentation are from the UNL Nebraska Farm Real Estate Market Survey.
- Information provided in this presentation are averages from these surveys. Actual land values and rental rates may vary depending upon the quality of the parcel and local market forces for an area.



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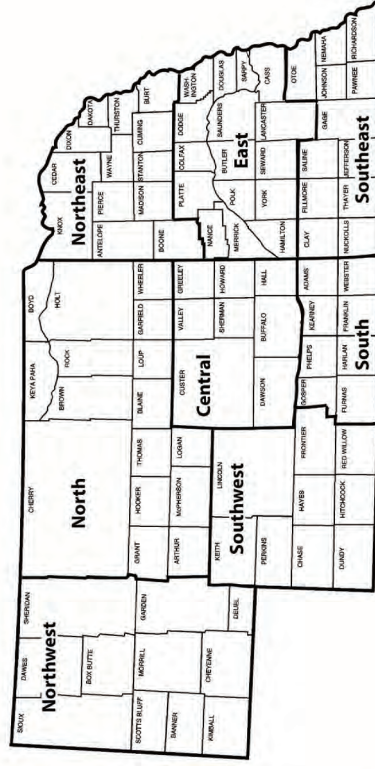
## Nebraska Farm Real Estate Survey

- Annual survey conducted since 1978 of Nebraska agricultural appraisers, professional farm managers, and bankers engaged in the land industry.
- Preliminary results for land values and rental rates published in mid-March.
- Full report published in June.
- Nebraska Farm Real Estate website full access to these resources: <http://cap.unl.edu/realestate>



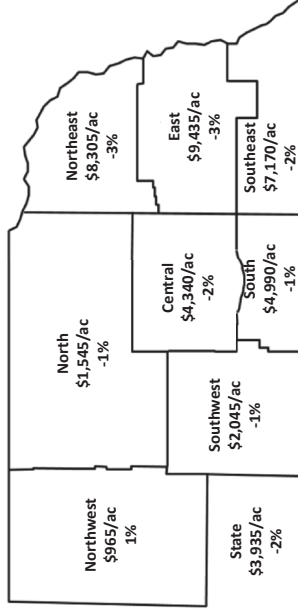
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## Nebraska Agricultural Statistics Districts



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## Nebraska Agricultural Average All Land Value – Feb. 1, 2025



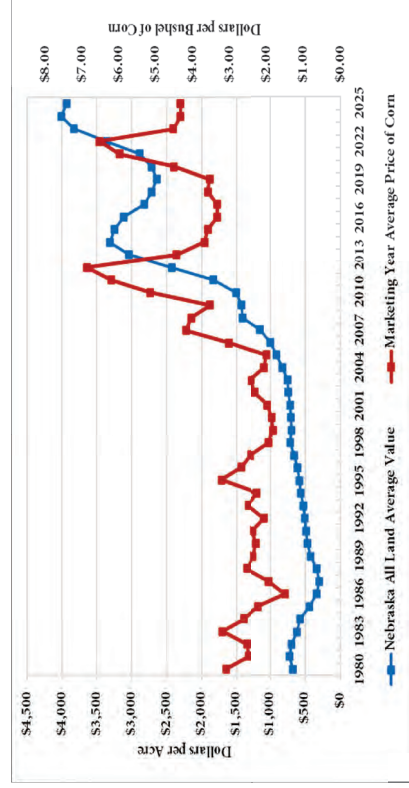
Source: UNL Nebraska Farm Real Estate Market Surveys, 2024 and 2025.



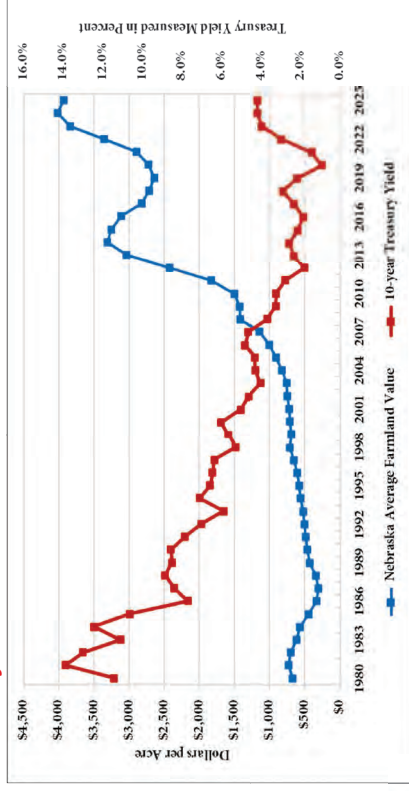
## Nebraska Land Values Land Averages and Annual Percent Changes



## Nebraska Average Land Value and Corn Price, 1980-2025



## Nebraska Avg. Land Value & 10-year Treasury Bond Rate, 1980-2025



## K-12 Property Tax Credit (PTC) Timing Changes

Source: *Nebraska Examiner* – September 8, 2024

- **After, in LB 34 (2024)**
- December 2023 assessed taxes, with no tax credits available (unless the taxes were paid by Dec. 31, 2023).
- December 2024 assessed taxes, with discount automatically applied upon payment, typically in 2025.
- December 2025 assessed taxes, with discount automatically applied upon payment, typically in 2026.

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Source: Text excerpt from <https://nebraskaexaminer.com/2024/09/08/a-missing-year-no-income-tax-credits-for-nebraskans-to-offset-school-property-taxes-paid-in-2024/>

## Community college tax credit must still be claimed by Nebraska taxpayers

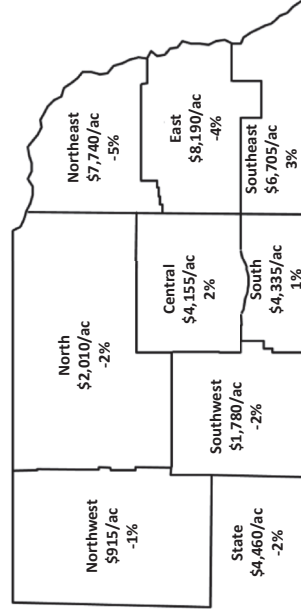
Source: *Lincoln Journal Star* – September 3, 2024

- Because the community college tax credit was left out of the front-loading, property owners will need to continue filling out the Form PTC — property tax credit — which has previously been used for both **K-12** and **community college** tax credits.
- "If you want the community college PTC, you will need to file that document," said Patrick Roy, a legislative media coordinator for the Nebraska Department of Revenue.
- All community college property taxes paid after Dec. 31, 2021, qualify for the credit, according to the revenue department. Community colleges generally make up about 5-6 % of a property owner's tax bill.

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Source: Text excerpt from [https://journalstar.com/news/state-regional/community-college-tax-credit-must-still-be-claimed-by-nebraska-taxpayers/article\\_d520770c-66f7-11ef-830c-63868db9c77d.html](https://journalstar.com/news/state-regional/community-college-tax-credit-must-still-be-claimed-by-nebraska-taxpayers/article_d520770c-66f7-11ef-830c-63868db9c77d.html)

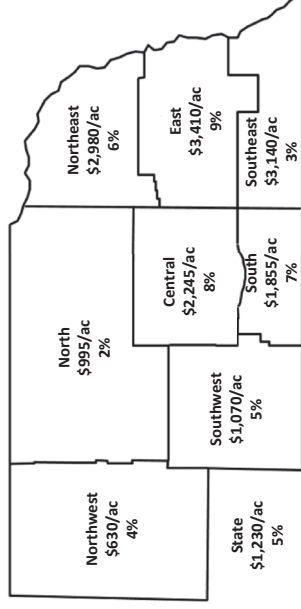
## Dryland Cropland (No Irrigation Potential) Average Value – Feb. 1, 2025



Source: UNL Nebraska Farm Real Estate Market Surveys, 2024 and 2025.

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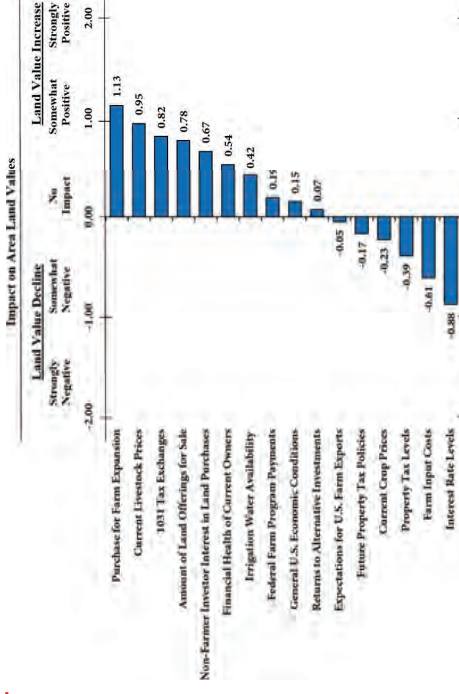
## Grazing Land (Nontillable) Average Value – Feb. 1, 2025



Source: UNL Nebraska Farm Real Estate Market Surveys, 2024 and 2025.

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## Rating of Factors Influencing Agricultural Land Values in 2024

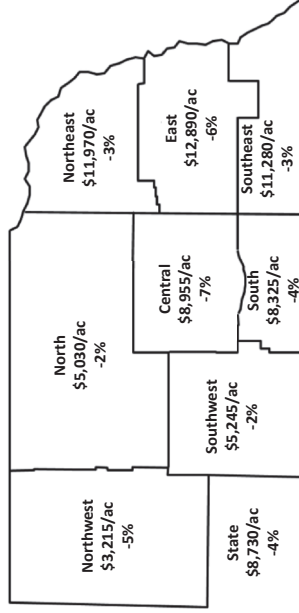


Source: Nebraska Farm Real Estate Market Development Survey, 2024.

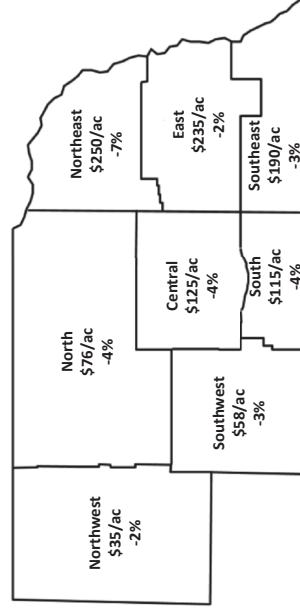


Source: UNL Nebraska Farm Real Estate Market Surveys, 2024 and 2025.

## Center Pivot Irrigated Cropland Average Value – Feb. 1, 2025



## Dryland Cropland Average Rental Rates – 2025 Season



Source: Nebraska Farm Real Estate Market Development Survey, 2025.

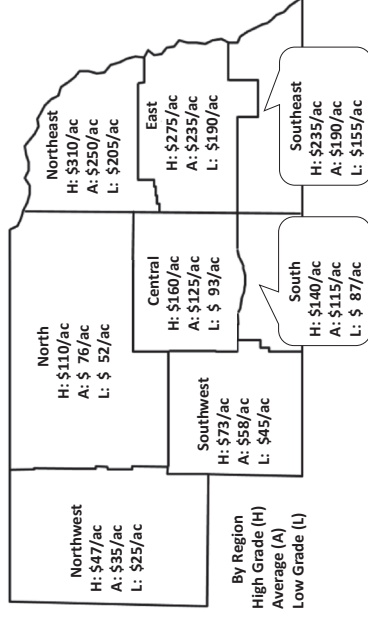


## Nebraska Cash Rental Rates Dryland Cropland Rental Rates





## Dryland Cropland Rental Rate Ranges – 2025 Season

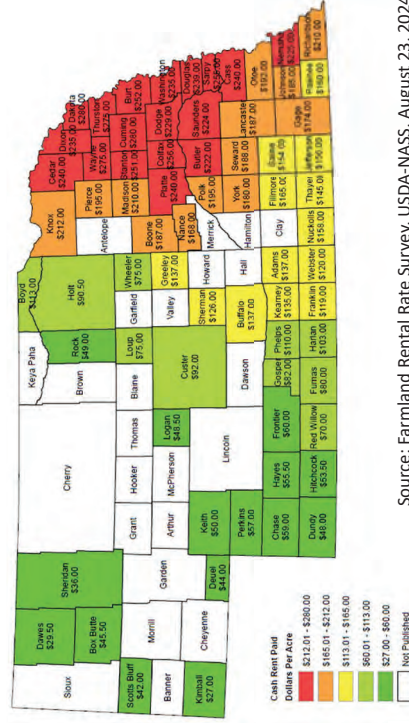


Source: Nebraska Farm Real Estate Market Development Survey, 2025.

## USDA-National Agricultural Statistics Service Cash Rent Survey

- Biennial survey conducted by the USDA-National Agricultural Statistics Service (NASS) of farmers and ranchers
- Survey starts in late-winter and conducted through mid-summer of odd-numbered years (some even-number years as well)
- Analysis published around the second week of September
- Nebraska county estimates in addition to other resources may be found at: [www.nass.usda.gov/Statistics\\_by\\_State/Nebraska/Publications/County\\_Estimates/](http://www.nass.usda.gov/Statistics_by_State/Nebraska/Publications/County_Estimates/)

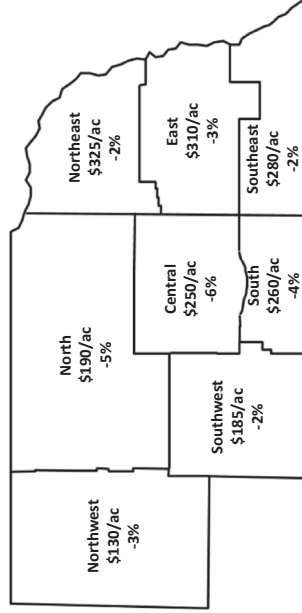
## Dryland Cropland Rental Rates – 2024 Season



Source: Farmland Rental Rate Survey, USDA-NASS, August 23, 2024.

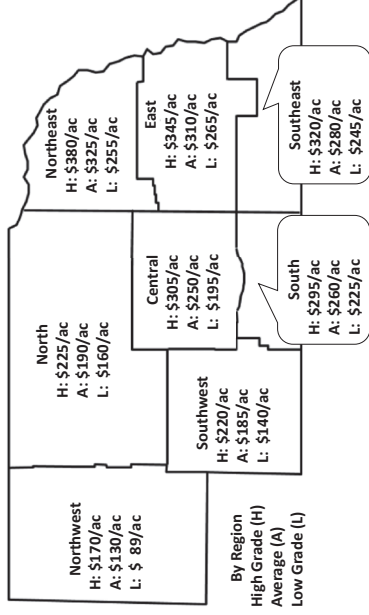
## Nebraska Cash Rental Rates Irrigated Cropland Rental Rates

## Gravity Irrigated Cropland Average Rental Rates – 2025 Season



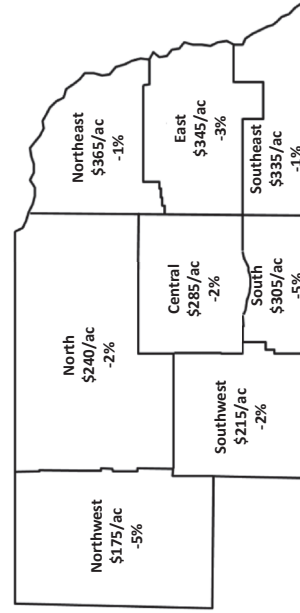
Source: Nebraska Farm Real Estate Market Development Survey, 2025.

## Gravity Irrigated Cropland Rental Rate Ranges – 2025 Season



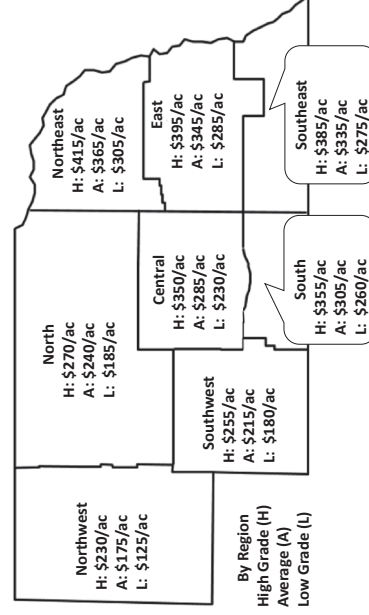
Source: Nebraska Farm Real Estate Market Development Survey, 2025.

## Center Pivot Irrigated Cropland Average Rental Rates – 2025 Season



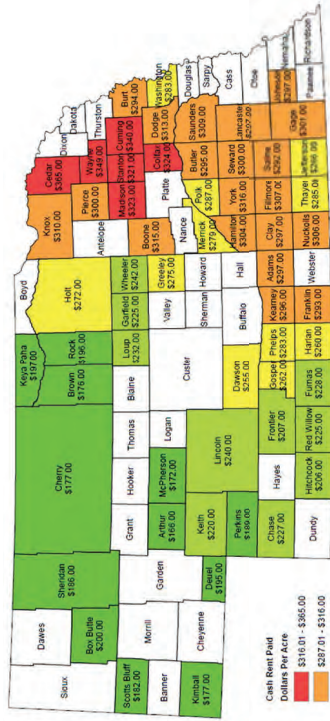
Source: Nebraska Farm Real Estate Market Development Survey, 2025.

## Center Pivot Irrigated Cropland Rental Rate Ranges – 2025 Season



Source: Nebraska Farm Real Estate Market Development Survey, 2025.

## Irrigated Cropland Rental Rates – 2024 Season

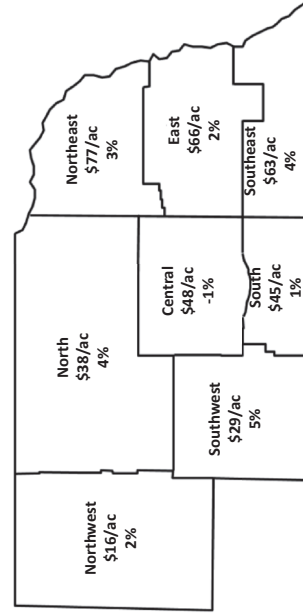


Source: Farmland Rental Rate Survey, USDA-NASS, August 23, 2024.



## Nebraska Cash Rental Rates Pasture and Cow-Calf Pairs Rental Rates

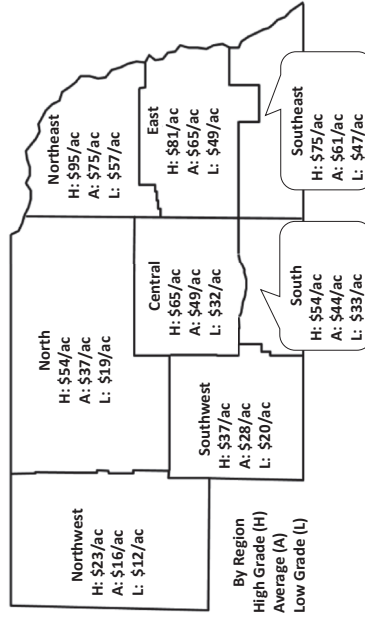
## Pasture per Acre Average Rental Rates – 2025 Season



Source: Nebraska Farm Real Estate Market Development Survey, 2025.



## Pasture per Acre Rental Rate Ranges – 2025 Season



Source: Nebraska Farm Real Estate Market Development Survey, 2024.







## Setting Cash Rental Rates

- Setting a cash rental rate needs to be viable given the needs of the landlord and tenant.
- Rates may be set according to:
  - Fixed amount per acre for all acres on the farm.
  - Fixed amount per cropland acre.
- Different methods may be used to calculate a rental rate, but all methods must arrive at a viable rate.

## Estimating Cash Rental Rates by Adjusting Survey Data

- Land rental rate survey data:
  - Evaluate available cash rental survey data to establish a baseline in the landlord and tenant negotiation process.
  - Average yields:

County	Value	Farm	Value
County Rental Rate	\$180/ac.	County Rent/Bushel	\$1.34/bu.
Corn Yield	134 bu./ac.	APH Yield	x 119 bu./ac.
County Rent/Bushel	\$1.34/bu.	Farm Level Rent	<b>\$159.85/ac.</b>

## Cash Equivalent From Crop Share

- Rent paid to landlord by tenant based off owner's share of net returns per acre.
- Example 50/50 split:

Value	Corn - March 2025	Corn - July 2025	Corn - Nov. 2025
Yield (50% share)	80 bu./ac.	80 bu./ac.	80 bu./ac.
Price/bushel	x \$4.46/bu.	x \$3.92/bu.	x \$4.27/bu.
Income	\$356.80/ac.	\$313.60/ac.	\$341.60/ac.
Owner Expenses*	-\$165.00/ac.	-\$165.00/ac.	-\$165.00/ac.
<b>Net Return to Owner (Effective Rent)</b>	<b>\$191.80/ac.</b>	<b>\$148.60/ac.</b>	<b>\$176.60/ac.</b>

## Cash Equivalent From Hay Share

- Rent paid to landlord by tenant based off owner's share of net returns per acre.
- Example 33/67 & 50/50 split:

Value	33-67 Hayland Share	50-50 Hayland Share
Yield (share)	0.5 ton/ac.	0.75 tons/ac.
Price/ton	x \$100/ton	x \$100/ton
Income	\$49.50/ac.	\$75.00/ac.
Owner Expenses*	-\$0.00/ac.	-\$25.00/ac.
<b>Net Return to Owner (Effective Rent)</b>	<b>\$49.50/ac.</b>	<b>\$50.00/ac.</b>

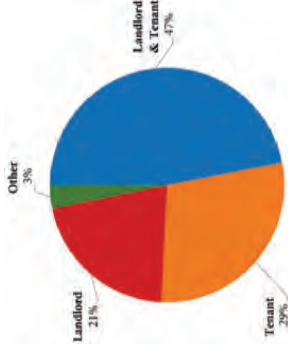
\* In this example, the owner does not pay any expenses for the 33/67 hay share. Also, the owner pays \$25 per acre in fertilizer expense for the 50/50 hay share.

## Agricultural Farmland Leases Lease Arrangement Trends



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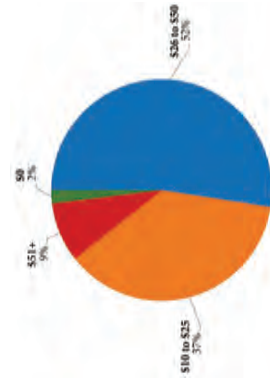
## Entity Responsible for Maintaining Irrigation System as Part of Cash Lease in Nebraska



Source: Nebraska Farm Real Estate Market Development Survey, 2023.

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## Discount on Cash Rent per Acre When Tenant Owns Pivot for Irrigation System in Nebraska



Source: Nebraska Farm Real Estate Market Development Survey, 2023.

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## Discount on Cash Rent per Acre When Tenant Owns Power Unit for Irrigation System in Nebraska

System Type	Discount per Acre			
	\$0	\$1 to \$9	\$10 to \$20	\$20+
Diesel Engine	15	28	45	12
Propane or Natural Gas Engine	21	37	33	9
Electrical Motor	18	31	35	16

----- Percent of Respondents -----

Source: Nebraska Farm Real Estate Market Development Survey, 2023.

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## Nebraska Agriculture Land Studies Fund

- Interested in helping support the Nebraska Farm Real Estate Survey & Report?
- Please consider donating to help cover future expenses.

### Donate Directly

<https://go.unl.edu/landfund>

### University of NE Foundation

Ph: 800-432-3216

Email: [info@nufoundation.org](mailto:info@nufoundation.org)



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## Part II - Lease Communications, Provisions, Succession, and Negotiation



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## Cash Rent

- Producer who rents land from another landowner (or producer) for a fixed cash amount or fixed quantity of crop (bushel rent) or crop proceeds.



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## Flexible Cash Lease

- Using a base cash rent
- Flexing the rent up or down based on any parameter agreed to
- Recommended that you use an upper limit and a lower limit
- Usually flex is on price, yield, or both (revenue)
- If using price, then setting date(s) to establish price is most challenging part of the flex



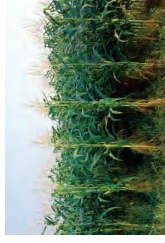
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## Crop Share Lease Agreements

- Landlords engaged in crop share lease arrangements typically receive a percentage of the actual crop yield as payment for leasing the property to the tenant
- Landowner usually shares input and production costs of raising the crop.

## Crop Shares = Fair (Equitable?)

- A fair way to rent, if the expenses are split properly
- Usually requires both parties to market grain
- Share in the risk and the reward

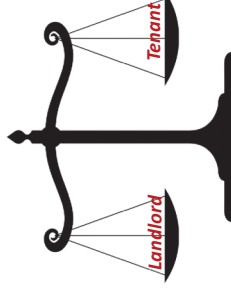


## What are Typical Shares?

- Most common 40:60, 50:50, 33:67
- Smaller amount going to the landowner
  - Irrigated crop/Eastern and Central Nebraska – 50:50
  - Non irrigated in SE, SC, SW – 40:60
  - Panhandle – 33:67
- Depends on the crop, neighborhood and expenses

## Share of Crop Income

- Both parties receive their share of:
  - Revenue from crop sales
  - Crop Insurance payments – if purchased by either party
  - Government disaster payments (when paid)





## Share of Crop Expenses

- Landlord (Landowner)**
  - **ALL Expenses**
  - Land taxes
  - Irrigation operation and maintenance fees
  - Irrigation, ownership costs – depreciation, insurance, major repairs, taxes, interest
  - **Their share of:**
    - Crop Insurance
    - Fertilizer, insecticide, fungicide, and herbicide
    - Energy for irrigation
    - Seed
  - **Markets their share of the crop**
- Tenant**
  - **ALL Expenses**
  - Labor
  - Minor irrigation equipment repairs & maintenance
  - All field operations
  - Cost of transporting landlord's share of crop to designated location (negotiable)
  - **Their share of:**
    - Crop Insurance
    - Fertilizer, insecticide, fungicide, and herbicide
    - Energy for irrigation
    - Seed
  - **Markets their share of the crop**



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## Custom Farming Arrangements

- *The operator supplies all the labor and equipment needed to perform tillage, planting, pest control, harvesting and moving of crops to storage.*
- Payment to the custom operator may include:
  - Fixed payment per acre.
  - Fixed payment for each operation performed.
  - Percentage of the crop instead of a cash payment, generally from 20-25%.
- *The landowner pays all other expenses and receives all the crop and any USDA payments.*

Source: ISU: Improving Your Farm Lease Contract, 2021.

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## Lease Provisions

- Have all leases in writing
- If verbal – end that – get it in writing!
- In Nebraska, verbal leases for farmland end BY September 1
- Not the same for pasture
- Start and end date of lease (length of lease)
- Timing of lease termination – how much notice?
- Can the lease be extended? How?
- When will lease be negotiated? (for the next term)



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## Lease Provision Management

## Lease Provisions

- **Phosphorus**
  - Minimum to be left in soil at end of lease
  - Maximum that can be in soil (manure application)
  - Protect tenant with clause if large amount applied
- **Mining of soil**
  - Consider soil test at end of lease
  - Minimum nutrients left must be followed
- **Lime**
  - Typically a Landlord Expense
  - If tenant is applying – then protect with clause in lease



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## Lease Provisions

- Fixing excessive erosion
  - Typically, a landlord's expense
  - Non-crop acres
    - Who controls cedar trees and noxious weeds?
  - Tillage vs. No-till considerations
  - Organic vs. Non-organic production

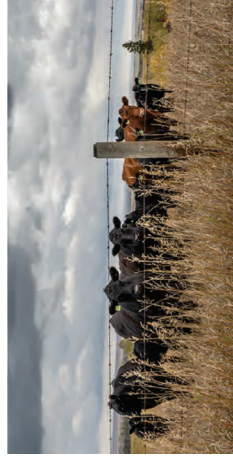


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## Lease Provision - Pastures

- If there is a pasture, who is taking care of the fencing?
- For pasture – know what happens for the Big 3 Disasters!
  - Fire, Hail, or Drought
- Hunting rights
  - Crop ground vs. pasture
- Nebraska Recreational Use Law

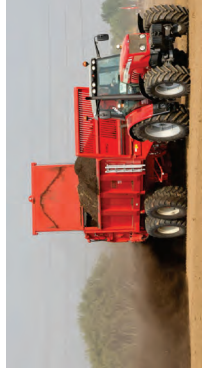
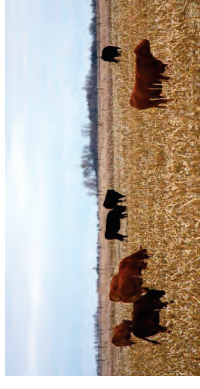


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## Lease Provision – Other Items

- Corn stalks use
  - Grazing vs. harvesting as bedding
  - Removing all material (not preferable)
- Manure application
  - How often
  - Limits on P application



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## Lease Provisions – Other Items

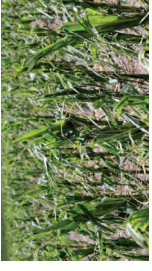
- Irrigation Equipment
  - General assumption is that all ownership costs belong to landlord
  - Common for tenant to provide some of the upkeep cost (repairs)
    - Especially labor
    - Deductible on parts
- If entire systems are being purchased by tenant – then rent adjustment is recommended



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## For the Tenant - What to Communicate

- Force yourself to share information with the landlord
- Yes – even for cash leases!
- Timely crop updates
  - Include moisture conditions
  - Weed, disease, or insect pressures
- Consider sending as text or emails with pictures



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## For the Landlord - What to Communicate

- Overall management of the farm (do you have vision or goals?)
- Specifically:
  - Weed control
  - Erosion control
  - Non-crop acre management expectations
- If using farmstead, what is the expectation for managing that asset?



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## Leasing Considerations

- How is the tenant helping you?
  - Maintaining terraces and waterways
  - Controlling noxious weeds
  - Maintaining fences
  - Maintaining the irrigation system
- If the tenant is helping with these landlord expenses – the rent (especially cash rent) should be adjusted

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## One More Thought on Leasing

- Communications should happen more often than at lease negotiation time (both landlords and tenants)
- Are the landlords “Outstanding in their fields?”
- If the landlord lives close enough – several trips per growing season should be made



## Farm & Ranch Succession & Transition

## Communication - Important

- **When done with the process – are you still going to have a family?**
- Most peoples’ goal is to hold the family together(?)
- Don’t make that assumption – get that commitment
- Best way is to be open and clear with communications
- Who participates in that discussion?
- Put all options on the table

## Communication - continued

- Consider using some sort of family meeting process
- Schedule meeting – not at major Holiday (if possible)
  - Not at Grandma’s kitchen table (family dinners)
  - Will probably take more than one meeting
- Take notes, record the conversation
- Be sure to include off farm family

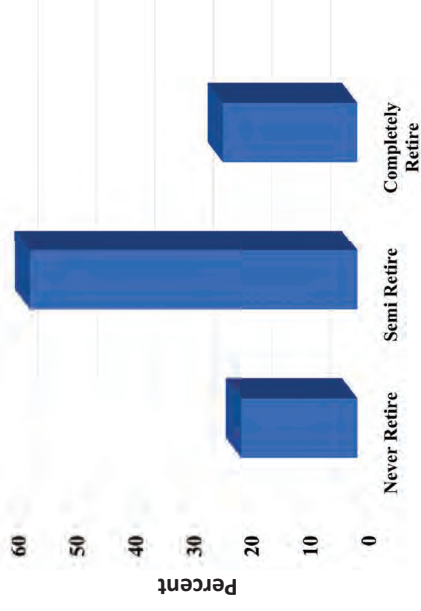


## Communication

- Spend plenty of time establishing the ‘goal’ or vision
- Be sure that the entire family will commit to that future



## Retirement Plans for Iowa Farmers (2019)



## Why are Farmers Retiring at a Later Age or Only Semi-Retiring?

- Percent of those responding either important or very important
- 75% Have a difficult time giving up control of farm
- 69% Modern equipment – allows them to farm longer
- 66% Relate retirement to their own mortality
- 55% Do not have a successor
- 54% Do not know what else they would do

## Procrastinating on Farm or Ranch Succession

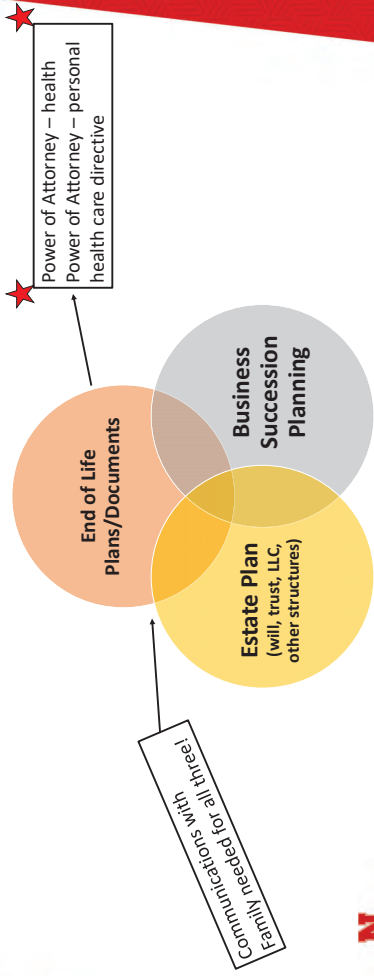
- Producers may NOT be planning to retire.
- However, the lesson must center on the ideas:
  - No one avoids the pine box.
  - What happens to material possessions when you are gone?



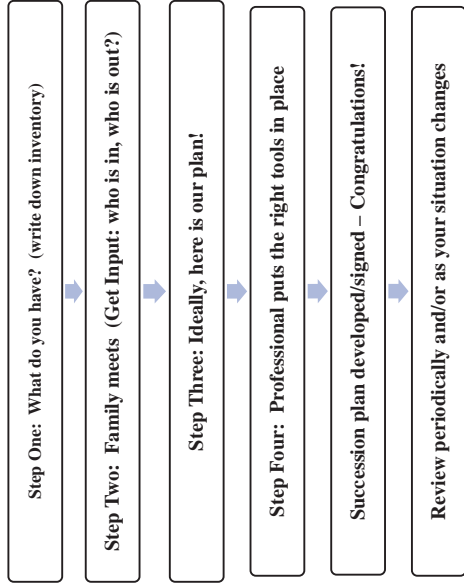
## Why do we not plan?

- Too Complicated (we assume)
- Don't like to Plan
  - It is mental 'work'
- Facing our own Mortality
  - Some just don't want to think about death
- **We are afraid that if we do something, it will be wrong (in the future)**

## Near the End of Any Career Three Types of Planning



## Steps for Ideal Planning/Succession/Transition



## The Parental Generation Makes Several Assumptions – Are They Correct?

- The kids all get along great now – I know that will continue.....
- I know that my children will want to keep this asset in the family – even when we are gone
- The kids will just have to figure out how to divide – I'll be gone I don't care what happens
- Since I have four children – my assets have to be divided 25% to each – equally – that will be the fair way to do it
- “Some day this will all be yours!”

In some cases – these assumptions are great – however.....



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## Final Thoughts

- **First** conversation regarding any estate plan  
**When you are done – will you still have a family?**
- Do not make that assumption – get that commitment
- **Secondly** - are mom/dad, or grandpa/grandma, on same page?  
• That should be worked out first.



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## Part III - Ask an Expert on Land Management

### Land Management Questions

- **Question: When should the cash rent be due for my crop or grazing land leases?**
- **Answer:** The period of time when the cash rent should be due varies upon the need and capacity of each party engaged in the lease.
- Typically, a portion of the cash rent may be due around the signing of the lease and the remaining amount around harvest or sale of the livestock off grazing land (fall?).
- Other suggested timings and amounts of cash rent might include:
  - March 1<sup>st</sup> – 1/2, November 1<sup>st</sup> – 1/2
  - March 1<sup>st</sup> – 1/3, June 1<sup>st</sup> – 1/3, November 1<sup>st</sup> – 1/3

MARCH 2025

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November 2025

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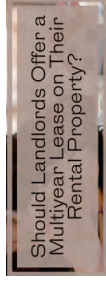


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## Land Management Questions

- **Question: Should I rent my land out on a single- or multi-year lease arrangement?**
- **Answer:** Depends on the parties engaged in the lease arrangement and norms of the area. No set standard exists on the length of the lease.
- Multi-year lease may be used when the tenant has made large investment in the property such as irrigation equipment or amendments to the soil (lime).
- When using multi-year lease, consider adding clauses to update the rental rate each year to account for economic conditions.



## Land Management Questions

- **Question: Should I rent my land out on a single- or multi-year lease arrangement?**
- **Answer:** Over the past 15 years – single-year leasing has become more popular.
- Single-year leases allow for greater flexibility and adjustments to events influencing agricultural land. Preferred method when working with a new party.

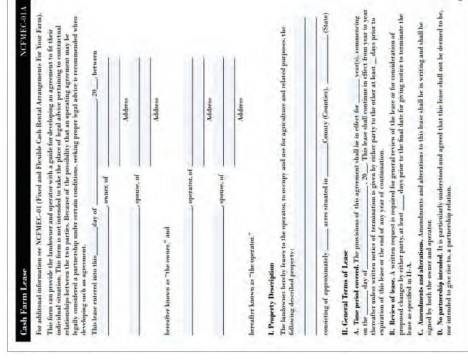


## Land Management Questions

- **Question: If a tenant does not pay a landlord in accordance to terms of the lease agreement (amount or when due), does the lease continue until the termination date?**
  - **Answer:** Depending upon the provision in a lease for late payment, a landlord may have grounds for possibly evicting or dismissing a tenant
  - Certain states have specific provisions that allow for a landlord to demand the rent within a set period of time and a tenant may be evicted or a lien placed on the growing crop if rent has not been paid by the end of that period
  - Suggested to use an attorney to communicate with the uncooperative tenant and follow the proper procedure for dealing with late payments
- \*\*\* Consult with an attorney for legal advice \*\*\*

## Land Management Questions

- **Question: How do handshake lease agreements (verbal) for cropland work in Nebraska?**
- **Answer:** Handshake lease agreements (verbal) follow the following guidelines
  - Termination notice must be given by September 1 (previous year)
  - Handshake leases for farmland start on March 1
  - Fill-in-the blank written leases may be found at: [www.aglease101.org](http://www.aglease101.org)



## Land Management Questions

**Question: How do handshake lease agreements (verbal) for pasture or grazingland work in Nebraska?**

- **Answer:** Pasture or grazing land typically have a 5-month lease
- Typically, May to October or June to November
- Notice of termination is not specifically required for a handshake agreement
- Lease ends each year, so the termination notice is not necessary (still good to communicate with other party)

The screenshot shows a portion of a Nebraska Form 101 document. The 'Property Description' section includes fields for 'Address', 'City', 'State', and 'Zip'. Below this, the 'General Terms of Lease' section contains several numbered items: 1. 'Lease Term', 2. 'Annual Rent', and 3. 'Notice of Termination'. Each item has a corresponding field for the date of the lease or termination.

## Land Management Questions

**Question: What provisions need to be in a verbal lease termination letter?**

- **Answer:** Proper termination letters need to have the appropriate information for the parties and rented property. Things to include in a termination letter might include:
  - Date
  - Name and address of landlord and tenant
  - Legal description of property
  - Terms stating the termination of the lease
  - Removal of personal property by “xx” date (usually by end of lease)
- Consider consulting an attorney who may send out a termination letter for a nominal fee
- Send via Certified Mail with return receipt

## Land Management Questions

**Question: Where can fillable PDF leases be found online?**

The screenshot shows the AgLease101.org website. At the top, there is a navigation bar with 'Home', 'Document Library', and 'About Ag Lease 101'. Below this, the main heading is 'Ag Lease 101'. A central box contains two columns of links under the heading 'Lease Publications'. The left column lists 'Fixed and Flexible Cash Rental Arrangements for Your Farm', 'Crop Share Rental Arrangements for Your Farm', 'Pasture Rental Arrangements for Your Farm', 'Rental Arrangements for Farm Buildings and Livestock Facilities', 'Purchasing and Leasing Farm Equipment', and 'Bred Cow Rental Arrangements for Your Farm'. The right column lists 'Cash Farm Lease', 'Crop Share Farm Lease (Cash Farm Lease)', 'Pasture Lease', 'Farm Buildings of Livestock Facility Lease', 'Farm Machinery Lease for Non-Commercial Transactions', and 'Livestock Rental Lease'. A callout box on the right says 'Fillable PDF Forms'. At the bottom left, there is a button that says 'Click Document Library'.

## Land Management Questions

**Question: If the ground will be sold and the current lease ends on February 28, 2025 - does notification need to be given to the tenant on lease termination?**

- **Answer:** Professional courtesy should be shown to the other party any time major changes are made to the ownership of land
- Notifying sooner rather than later is important so the tenant may make adjustments
- What does the lease contain related to termination?
- Written lease – does the lease end or contain a rollover clause?
- Verbal lease requires termination prior to September 1, 2024.
- Any existing lease not terminated (or ended) will rollover to the new owner!



## Agricultural Improvements



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### Land Management Questions

- **Question:** Who should pay the bill if the tenant hires a third-party company to make repairs on a pivot? The landlord or tenant?
- **Answer:** A good written lease should specify the handling of the repair bill. If not specified, work on incorporating terms for the next lease.
- Multi-year lease may be used when the tenant has made large investment in the property such as irrigation equipment or amendments to the soil (lime).
- When using multi-year lease, consider adding clauses to update the rental rate each year to account for economic conditions.
- In many Nebraska farmland leases, the tenant may cover the first \$XXX – of repairs. The ‘deductible’ amount could be negotiated.
- Many amounts range from \$500 to \$1000 per year.
- So, if the third party’s expenses fall into the ‘deductible,’ the tenant might cover that portion. The landlord may cover the rest of the bill exceeding that amount.



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### Land Management Questions

- **Question:** Do we allow the tenant to use the bins for grain storage without charging rent?
- **Answer:** Depends on the size and type of structure of the grain storage facility. Smaller grain bins ranging in size from 3,000 to 5,000 bushels suffer from functional obsolescence. Large bins greater than 20,000 bushels carry a greater degree of rental value.



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### Land Management Questions

- **Question:** Do we allow the tenant to use the bins for grain storage without charging rent?
- **Answer:** Depends on the size and type of structure of the grain storage facility.
- Consider renting on an annual basis and charging a flat rate between \$0.10 to \$0.20 per bushel (monthly charge leaves landlord little options if grain removed early)



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## Land Management Questions

- **Question:** Do we allow the tenant to use the bins for grain storage without charging rent?
- **Answer:** This fee can be covered one of two ways:
  - Tenant pays the full utility bill for the grain bins
  - Rental fee charged for bins reflect the use of the grain bins and utilities
- Suggested having a separate metered hook-up when possible.



## Land Management Questions

**Question:** Who is responsible for establishing or maintaining fence on two adjoining properties? The owner of the cattle?

**Answer:** A general rule of thumb landowners in Nebraska have used to establish or maintain fence lines is to meet in the middle of the boundary and each individual looks to their right to identify their responsible portion.

- The part of the fence line to the individual's right is the portion of the fence line the landowner would either establish or maintain throughout the year.



## Land Management Questions

- Question:** Who is responsible for establishing or maintaining fence on two adjoining properties? The owner of the cattle?
- Answer:** Current fence laws define the types of fences that each party must pay equally to cover if one of the landowners would like to establish the boundary and a mutual agreement could not be reached.
- Landowners are encouraged to work with their neighbors when deciding the proper arrangement for establishing or maintaining a proper fence line.
  - Other legal measures forcing the uncompliant party to cooperate may be costly and take a considerable amount of time.

## Land Management Questions

**Question:** What happens when cattle get on a public roadway and an accident occurs? Does the cattle owner bear all liability?

**Answer:** According to current Nebraska law, in the event a producer faces a civil lawsuit from cattle getting out on a roadway and causing personal injury or property damage, the burden of proof in the case rests upon the individual initiating the suit (the plaintiff).

- In this case the plaintiff must prove the owner of the cattle (the defendant) is responsible for or negligent in allowing their cattle be out on the roadway.
- Significantly, the fact that the cattle were on the highway is not in itself evidence of negligence.



## Land Management Questions

**Question:** What happens when cattle get on a public roadway and an accident occurs? Does the cattle owner bear all liability?

**Answer:** Examples where producers might be found negligent in this kind of case include:

- If the fences were not being maintained,
- A gate was being left open,
- Or a prior history had been established about cattle continually getting out on the public roadways and not doing anything to correct the problem.
- Producers in all areas of Nebraska are encouraged to properly maintain their fences along public roadways.
- Cattle producers are also encouraged to carry a general farm liability insurance policy for protection against lawsuits resulting from accidents involving agricultural property.

## Land Management Questions

**Question:** Can I be forced to provide an easement on my land to allow a carbon or hydrogen pipeline to be built? **Answer:** The Nebraska Public Service Commission statutes typically authorize eminent domain for “common carriers.”

- Currently, carbon pipelines are not considered common carriers under traditionally established statutes in Nebraska.



## Land Management Questions

**Question:** Can I be forced to provide an easement on my land to allow a carbon or hydrogen pipeline to be built?

**Answer:** Infrastructure such as petroleum and natural gas pipelines or electrical transmission lines (in theory) are open to transporting the public’s energy.

- Carbon (or hydrogen) pipelines might try to qualify as common carriers in Nebraska, but attempts to do so have been limited.



## Land Management Questions

**Question:** What about wind turbines? Can I be forced to provide an easement for a wind turbine to be built on my land?

**Answer:** Wind turbines would not be considered a “common carrier” to gain access to a property for an easement.

- Large electrical transmission lines generating power from these put in by a public power district may have different rights.
- \*\*Always consult with an attorney to represent your interests in an easement negotiation or eminent domain dispute.\*\*



## Land Management Questions

**Question:** What about solar panels? Can I be forced to provide an easement for a solar panel development to be built on my land?

**Answer:** Solar developers typically seek a long-term lease arrangement with landowners to build an energy generation site.

- Terms of leases typically run 20 to 30 years.
- Landowners typically receive a lease payment each year for using the property.
- Lease terms may spell out a renewal clause for the solar development and infrastructure removal at the lease's end.
- \*\*Always consult with an attorney to represent your interests in a lease negotiation or related communications. \*\*



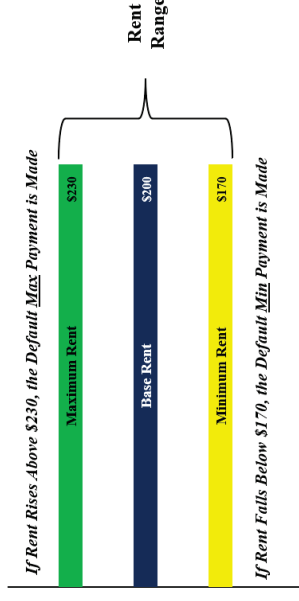
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## Land Management Questions

**Question:** How should a flexible cash lease be arranged (adjusted) with a rise or fall in grain prices?

**Answer:** A flex lease can account for changes in grain prices, crop yield, or revenue



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## Land Management Questions

- Flexible lease where corn prices decrease and increase

Farm Base Rent		Farm Base Rent	
Rental Rate	\$200/ac.	Rental Rate	\$200/ac.
5-yr Farm APH	150 bu.	5-yr Farm APH	150 bu.
Expected Farm Price	\$4.20/bu.	Expected Farm Price	\$4.20/bu.
Harvesting Time Price Increase		Harvesting Time Price Decrease	
Actual Harvest Time Price Guarantee	\$4.65/bu.	Actual Harvest Time Price Guarantee	\$3.75/bu.
Difference (\$4.65/bu. - \$4.20/bu.)	\$0.45/bu.	Difference (\$3.75/bu. - \$4.20/bu.)	-\$0.45/bu.
Percent $[\$4.65/\text{bu.} - \$4.20/\text{bu.}] \times 100$	10.7%	Percent $[\$3.75/\text{bu.} - \$4.20/\text{bu.}] \times 100$	-10.7%
Change $[\$4.20/\text{bu.}]$		Change $[\$4.20/\text{bu.}]$	
Final Rent		Final Rent	
Rental Rate	\$200/ac.	Rental Rate	\$200/ac.
Percent Increase in Rent ( $\$200 \times 10.7\%$ )	\$21/ac.	Percent Decrease in Rent ( $\$200 \times -10.7\%$ )	-\$21/ac.
Final Rent	\$221/ac.	Final Rent	\$179/ac.



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## Land Management Questions

- Flexible lease based off crop revenue

Farm Base Rent		Farm Base Rent	
Rental Rate	\$220/ac.	Rental Rate	\$220/ac.
Expected Yield	150 bu.	Expected Yield	150 bu.
Expected Farm Price	\$4.20/bu.	Expected Farm Price	\$4.20/bu.
Expected Farm Income*	\$630/ac.	Expected Farm Income*	\$630/ac.
Harvesting Time Price Increase		Harvesting Time Price Decrease	
Actual Yield	140 bu.	Actual Yield	165 bu.
Actual On-Farm Price	\$4.95/bu.	Actual On-Farm Price	\$3.65/bu.
Actual Farm Income*	\$693/ac.	Actual Farm Income*	\$602/ac.
Difference ( $\$693/\text{ac.} - \$630/\text{ac.}$ )	\$63/ac.	Difference ( $\$602/\text{ac.} - \$630/\text{ac.}$ )	-\$28/ac.
Percent $[\$693/\text{ac.} - \$630/\text{ac.}] \times 100$	10.0%	Percent $[\$602/\text{ac.} - \$630/\text{ac.}] \times 100$	-4.4%
Change $[\$630/\text{ac.}]$		Change $[\$630/\text{ac.}]$	
Final Rent		Final Rent	
Rental Rate	\$220/ac.	Rental Rate	\$220/ac.
Percent Increase in Rent ( $\$220 \times 10.0\%$ )	\$22/ac.	Percent Decrease in Rent ( $\$220 \times -4.4\%$ )	-\$10/ac.
Final Rent	\$242/ac.	Final Rent	\$210/ac.



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\*Expected and actual farm income do not include any safety net payments or crop insurance indemnity.



## Upcoming Webinar: Ag Land Mgt. Quarterly

Mon. May 19, 2025 at 12:00 PM CT

### Topics

- Trends in Nebraska cash rental rates
- Trends in Nebraska cash rental rates for 2025
- Financial implications for changing commodity prices and adjusting cash rents
- Proper communication and decision making for agricultural land
- Improving communication between landlords, tenants, and family members
- Short- and long-term decision making for agricultural land
- Ask an expert
- Review of submitted questions
- Upcoming land management workshops and publications



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## Big Questions and Innovative Solutions in Land Management

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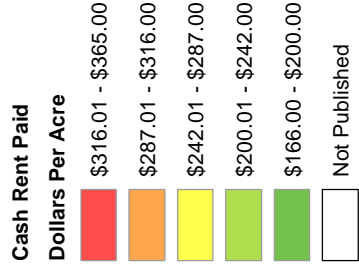
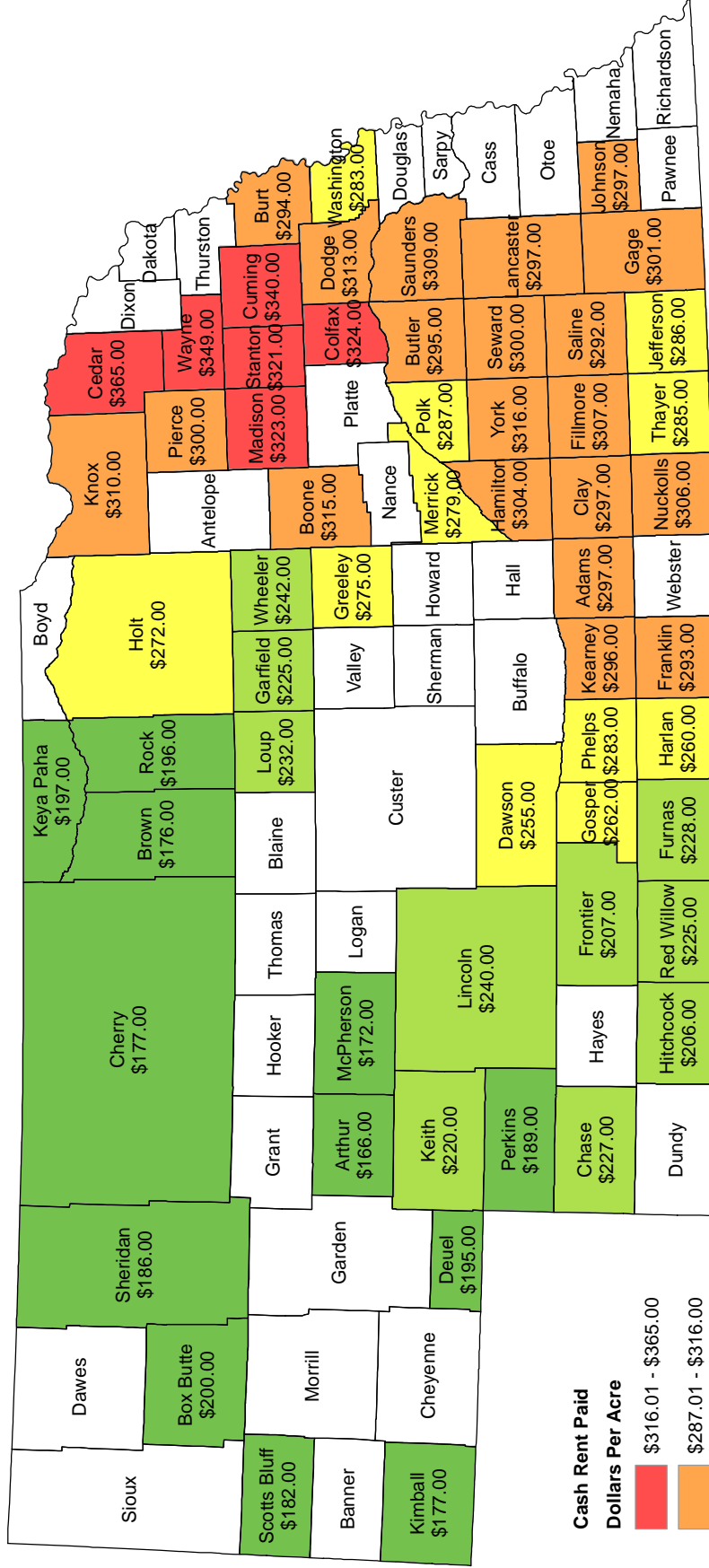


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## 2024 Irrigated Cropland Cash Rent Paid Per Acre Nebraska



Source: USDA National Agricultural Statistics Service  
August 23, 2024

**Website:** [https://www.nass.usda.gov/Statistics\\_by\\_State/Nebraska/Publications/County\\_Estimates/](https://www.nass.usda.gov/Statistics_by_State/Nebraska/Publications/County_Estimates/)





