

Leases and Rental Rates: Smart Decisions for Land Management

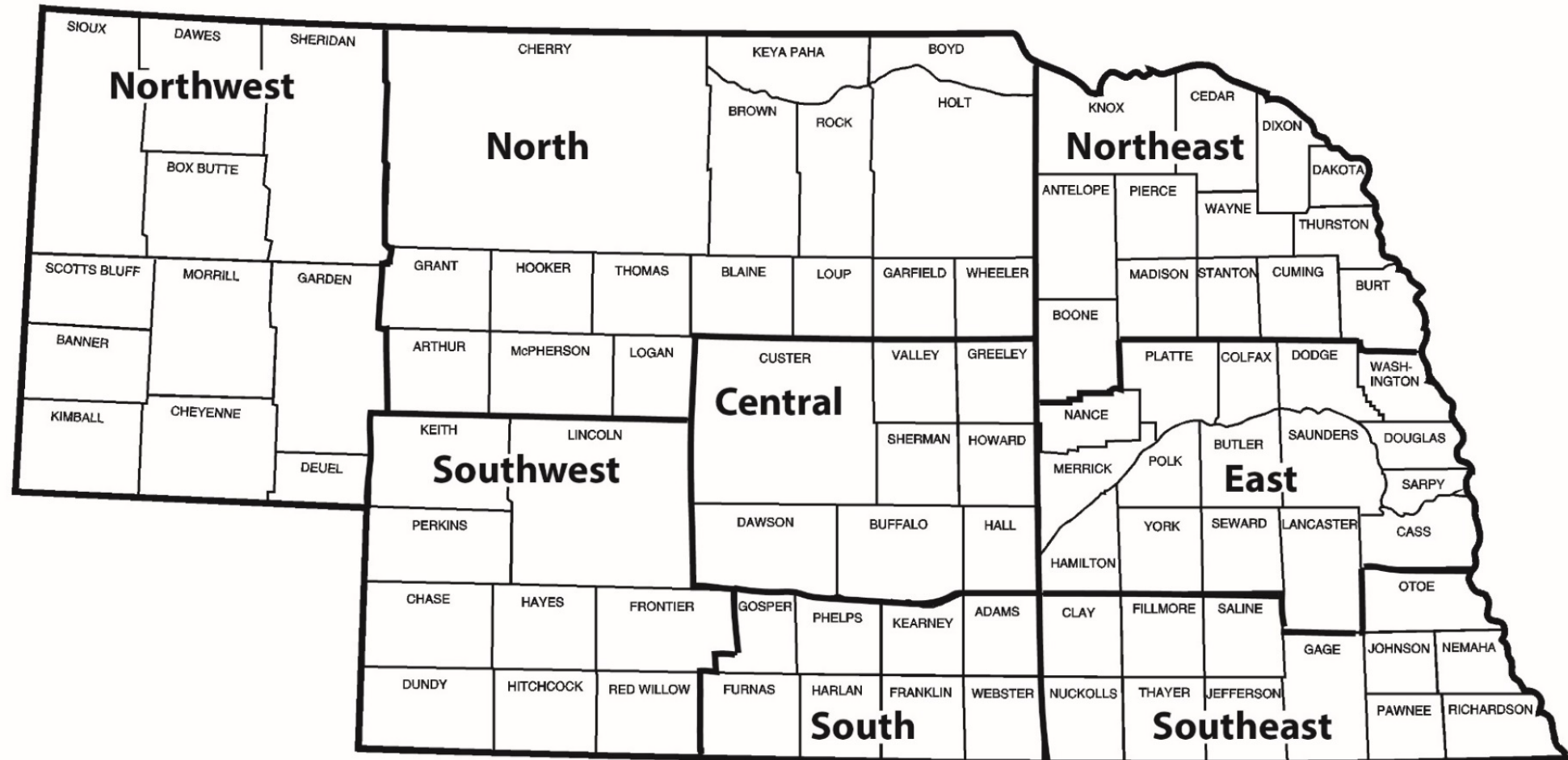
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Nebraska Farm Real Estate Survey

- 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>

Nebraska Agricultural Statistics Districts

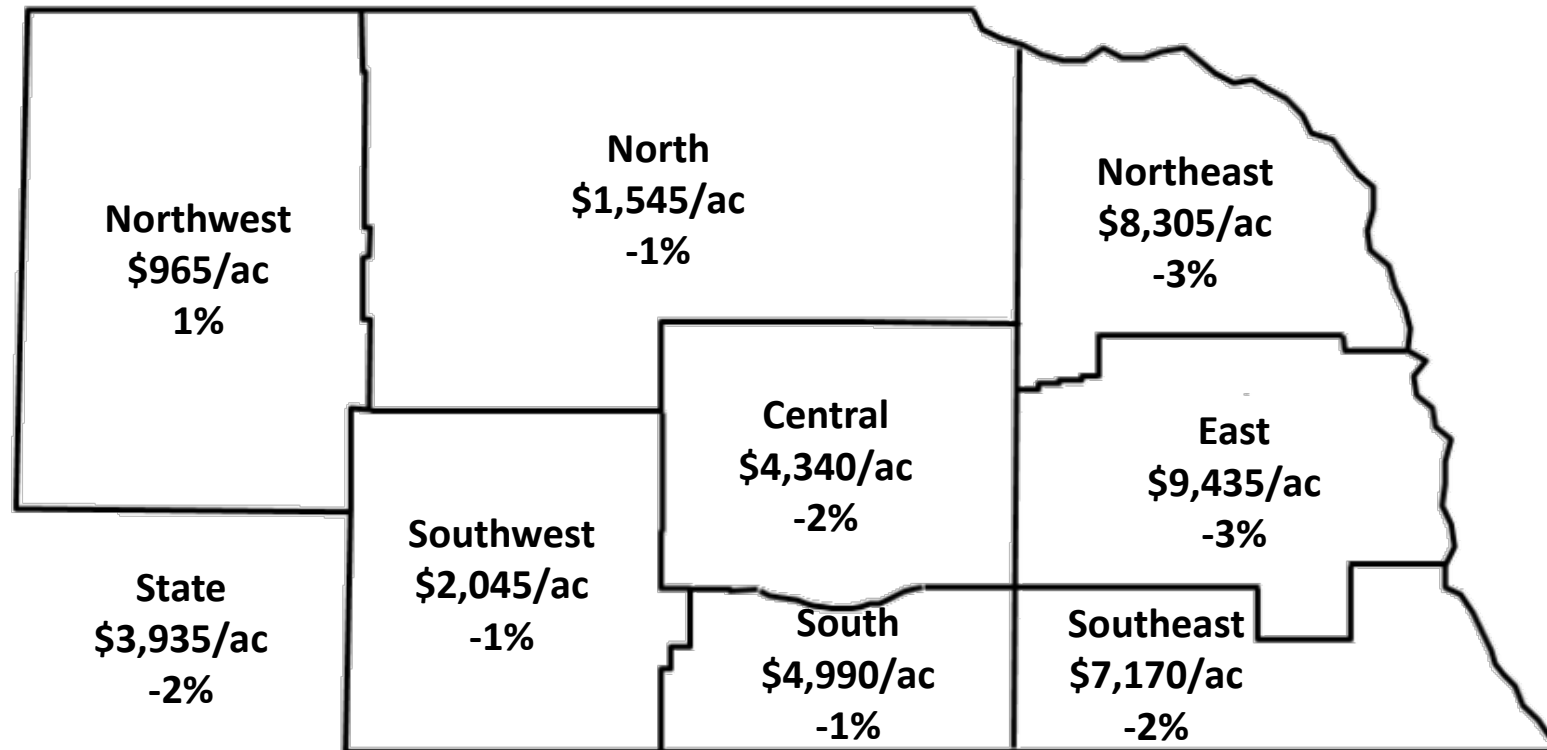


Nebraska Land Values

Land Averages and Annual Percent Changes

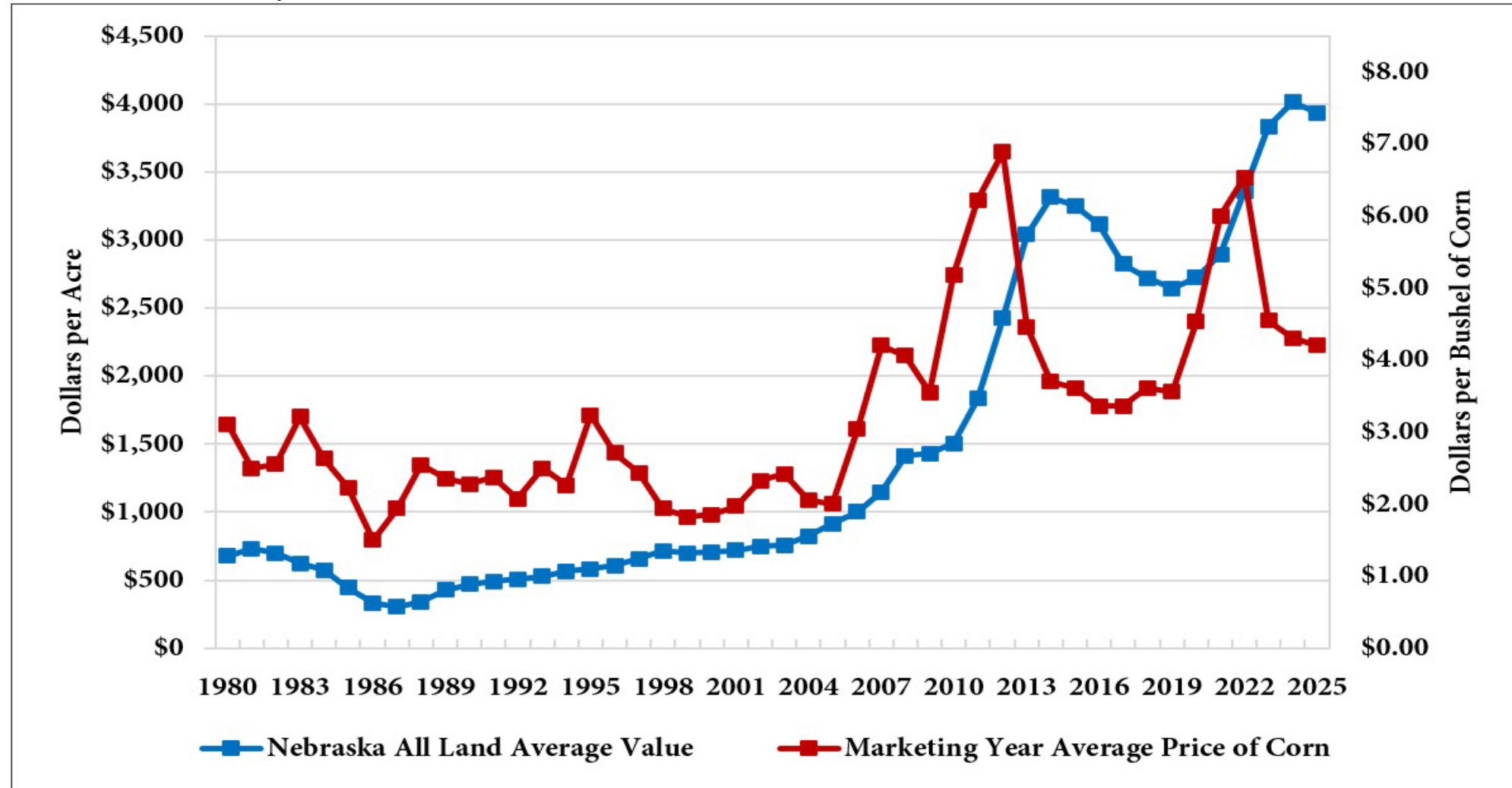


Nebraska Agricultural Average All Land Value – Feb. 1, 2025

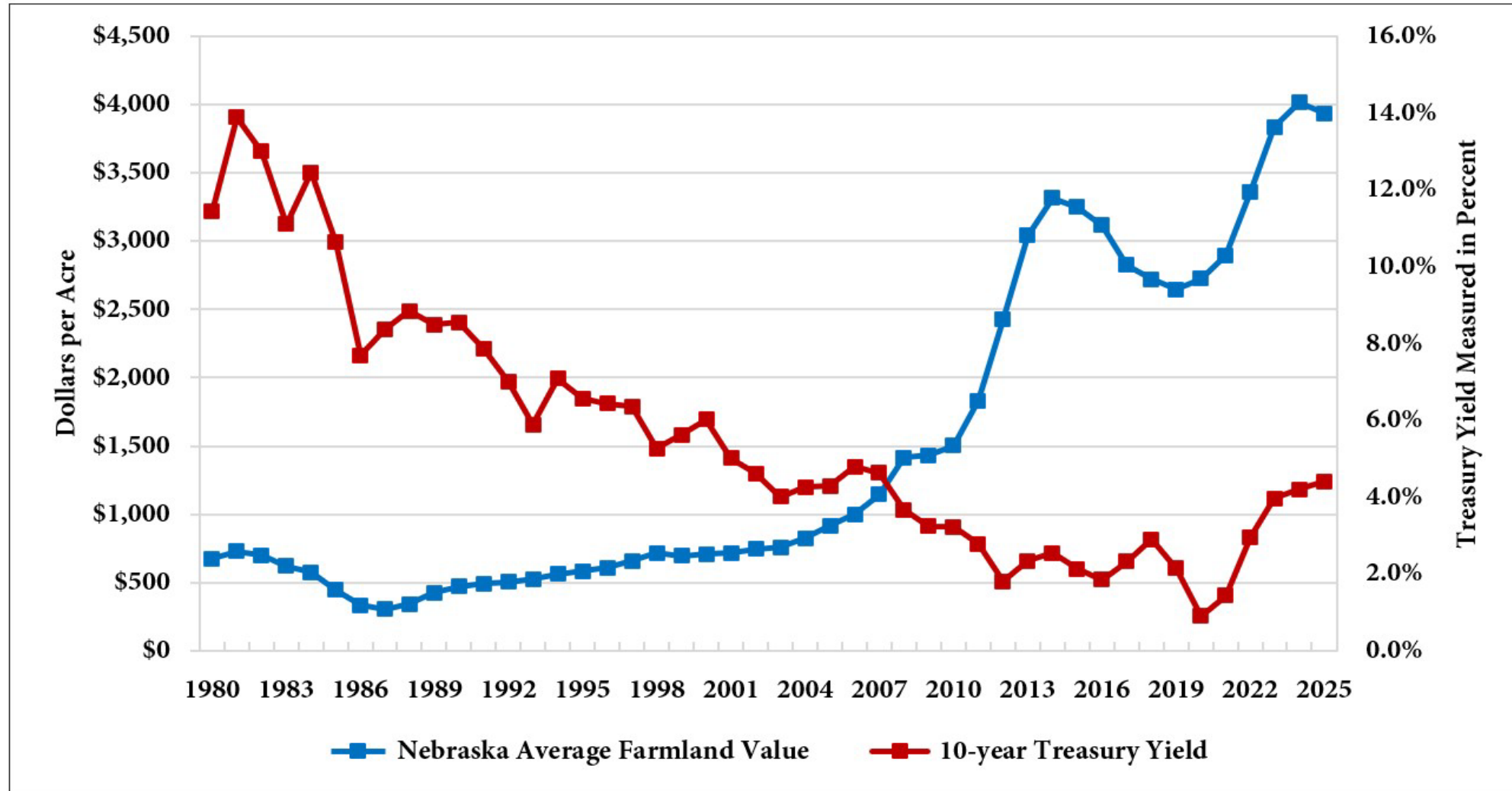


Source: UNL Nebraska Farm Real Estate Market Surveys, 2024 and 2025.

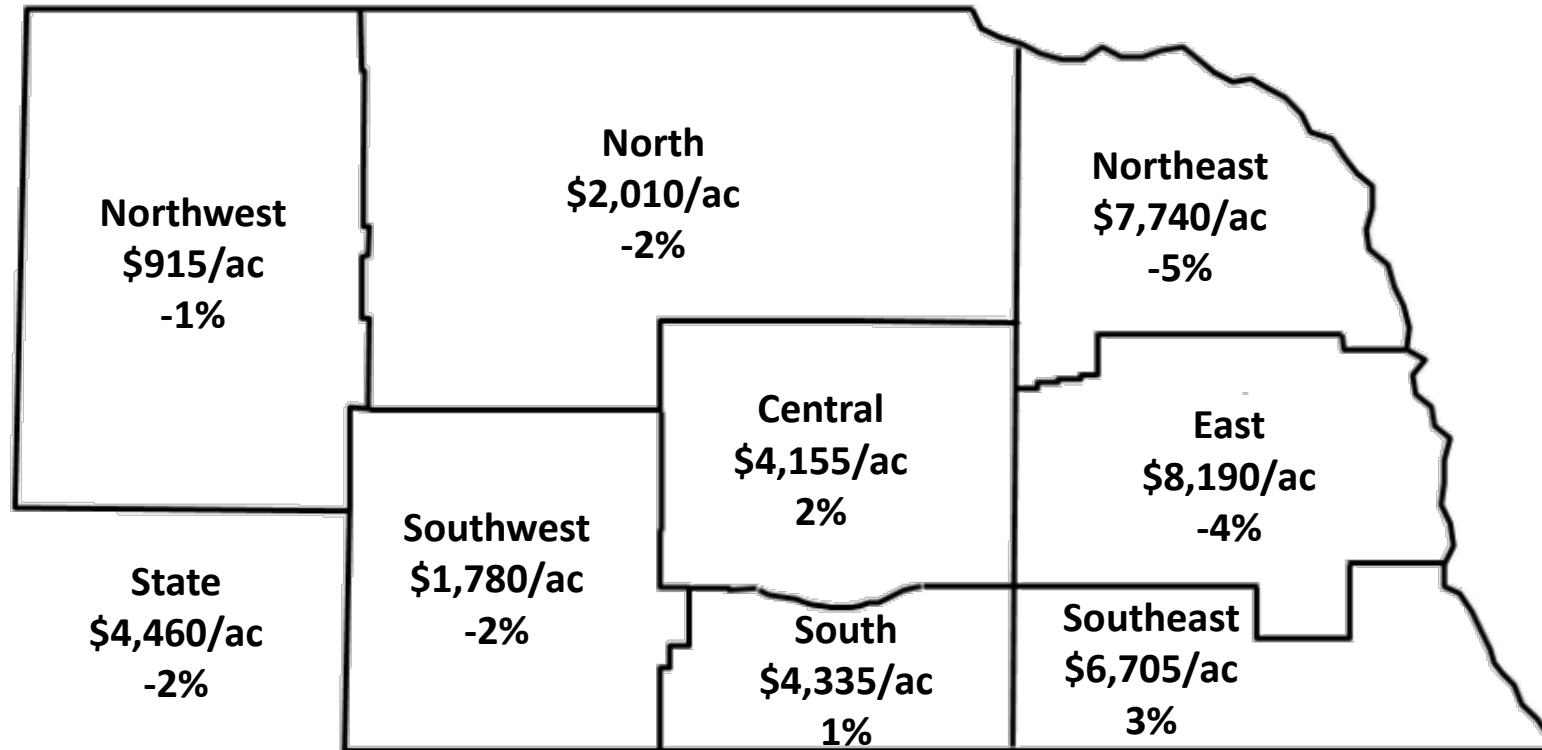
Nebraska Average Land Value and Corn Price, 1980-2025



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



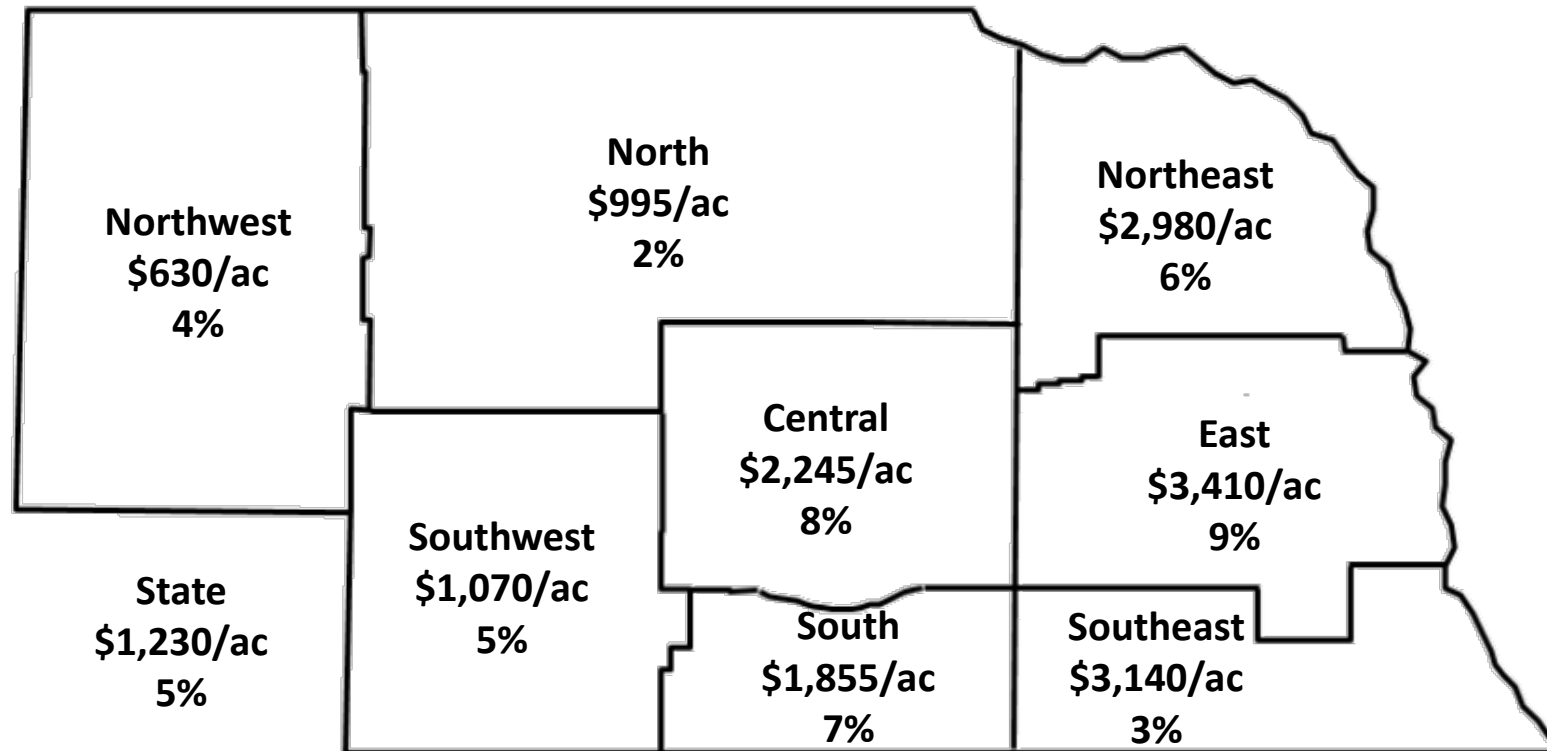
Dryland Cropland (No Irrigation Potential) Average Value – Feb. 1, 2025



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

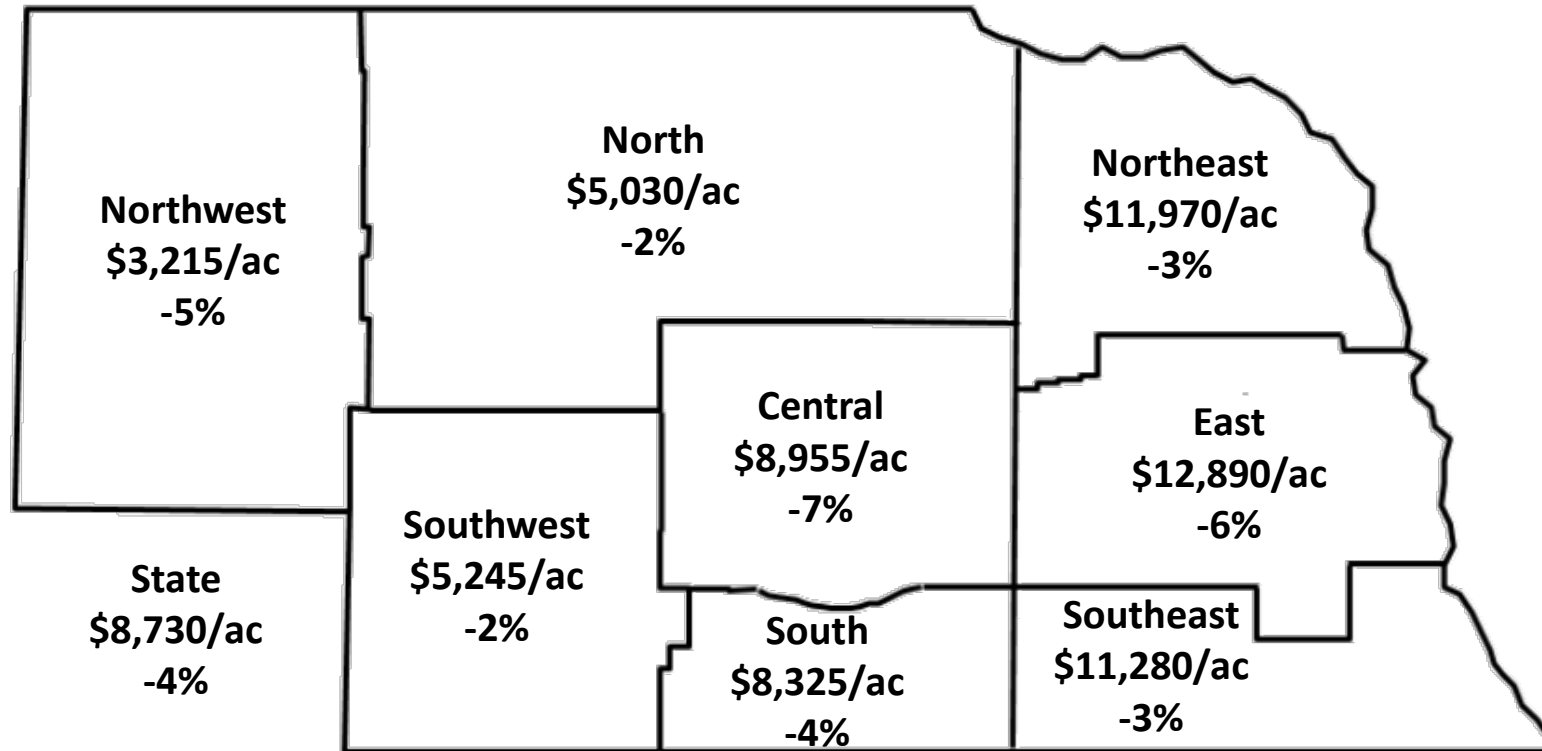
Grazing Land (Nontillable)

Average Value – Feb. 1, 2025



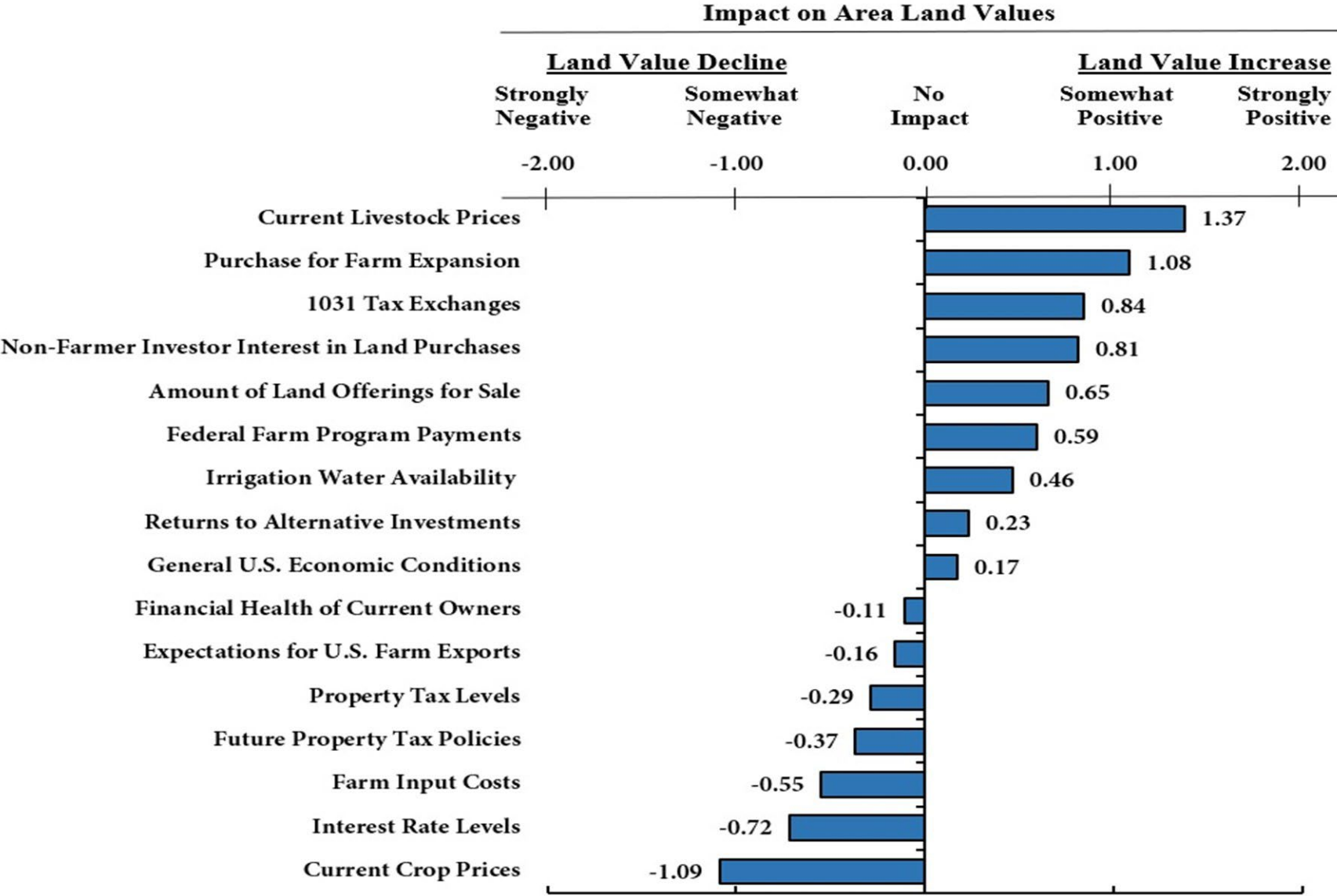
Source: UNL Nebraska Farm Real Estate Market Surveys, 2024 and 2025.

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



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

Rating of Factors Influencing Agricultural Land Values in 2025

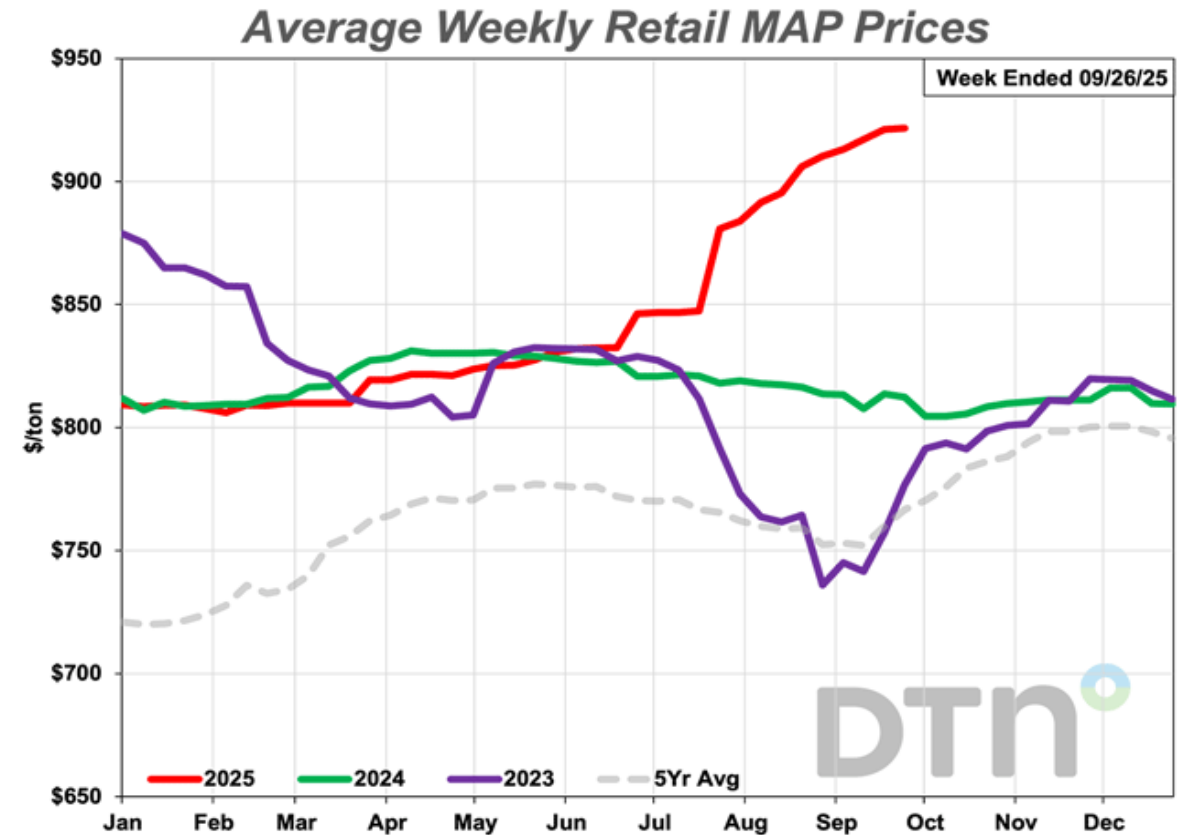
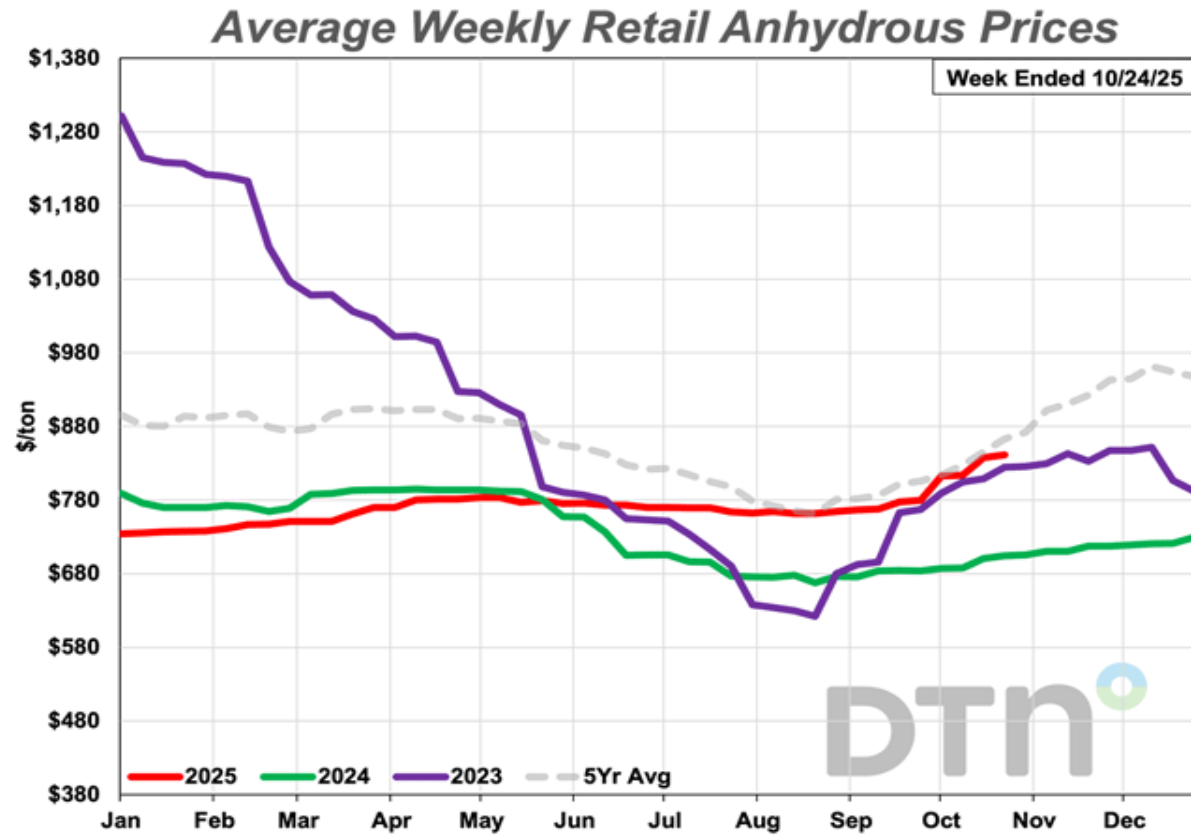


Source: Nebraska Farm Real Estate Market Development Survey, 2025.

DTN Retail Fertilizer Trends

Source: DTN: <https://www.dtnpf.com/agriculture/web/ag/crops/article/2025/10/29/anhydrous-8-price-spike-one-month>

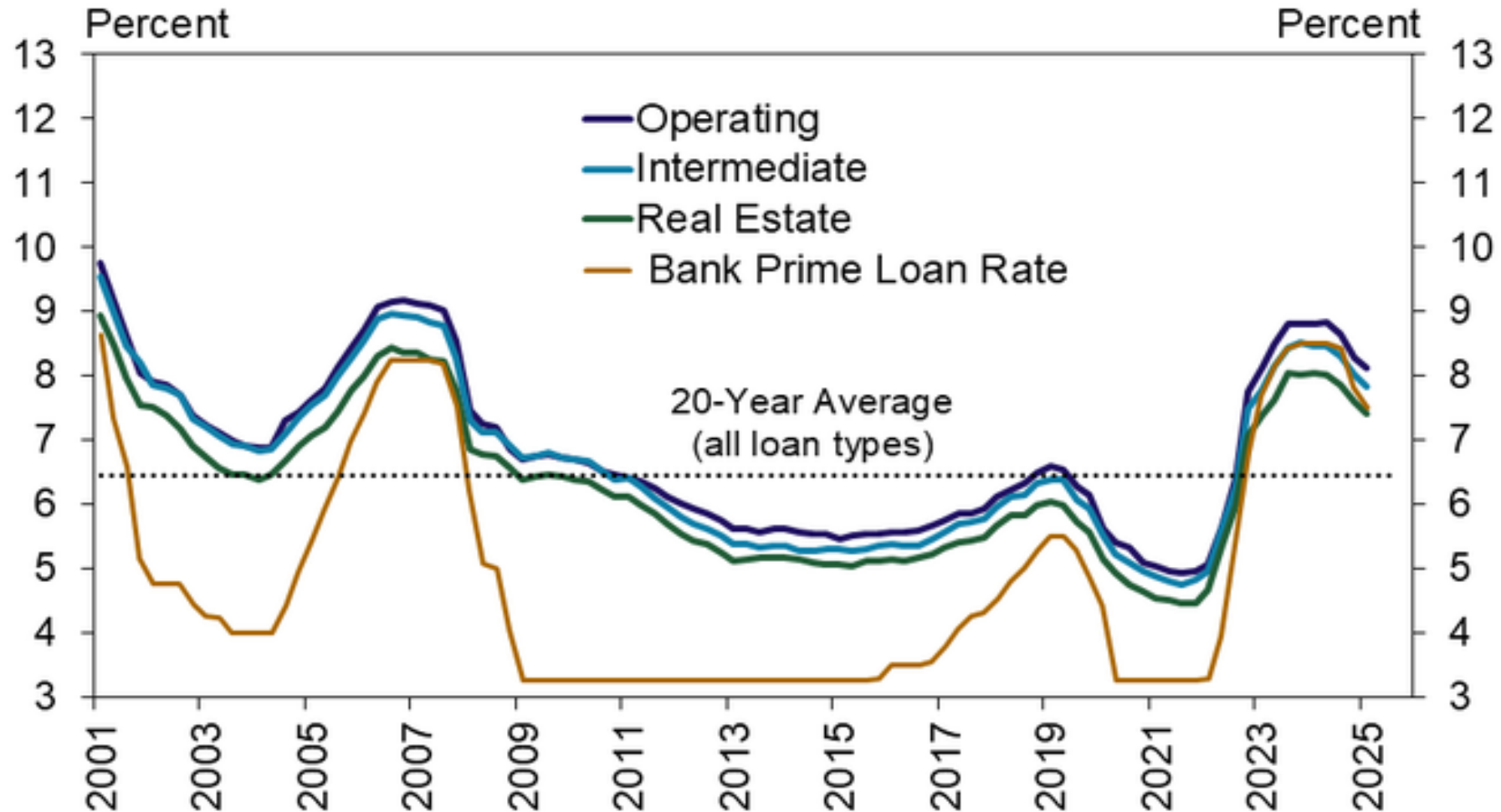
DTN: <https://www.dtnpf.com/agriculture/web/ag/crops/article/2025/10/01/dap-leads-fertilizer-prices-higher>



Source: Russ Quinn-DTN, October 29, 2025 & Todd Neeley-DTN, October 1, 2025.

KC Fed Tenth District Average Interest Rates

Article: KC FED: <https://www.kansascityfed.org/agriculture/ag-credit-survey/early-signs-of-financial-pressure/>



Source: Kansas City Federal Reserve, May 15, 2025.

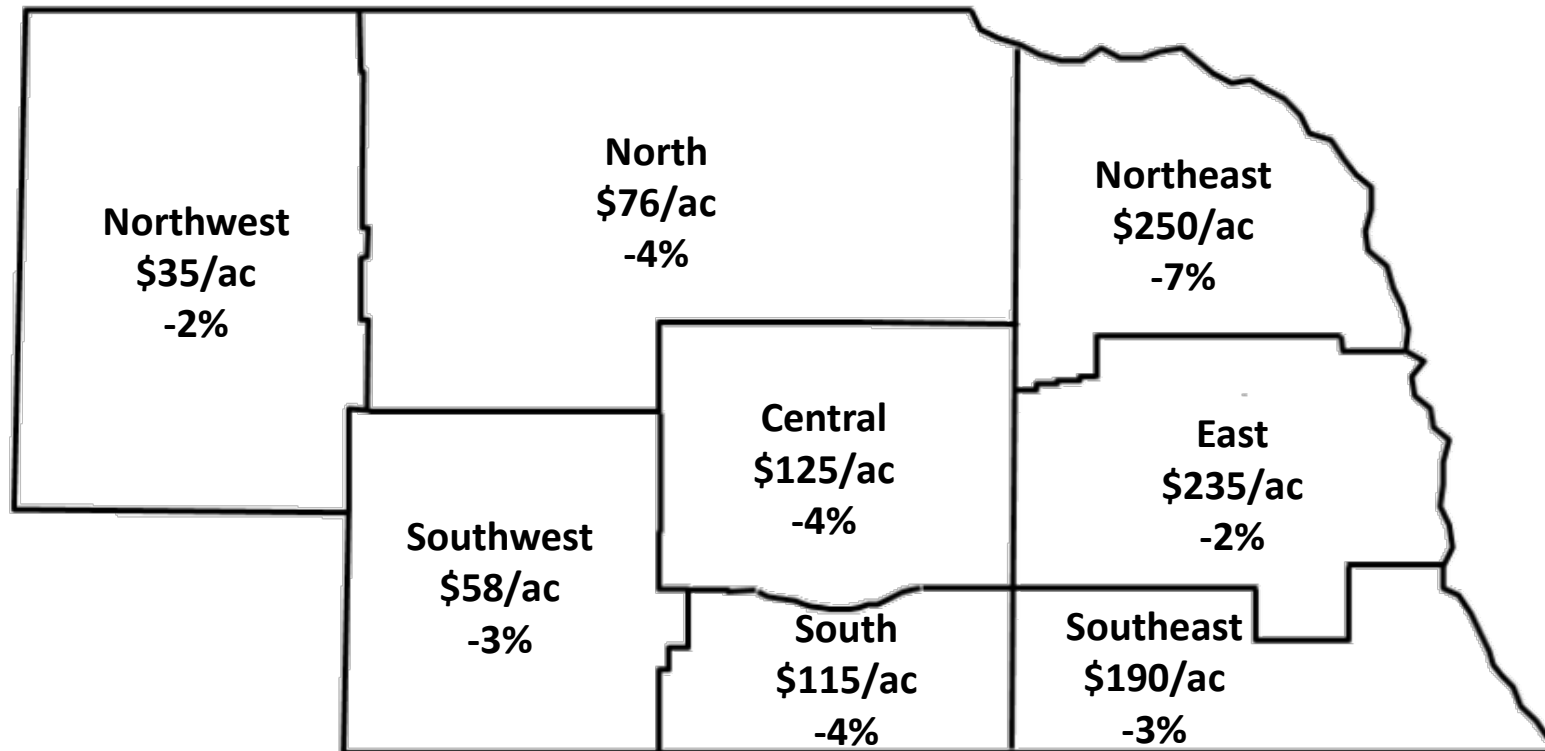
Nebraska Cash Rental Rates

Dryland Cropland

Rental Rates

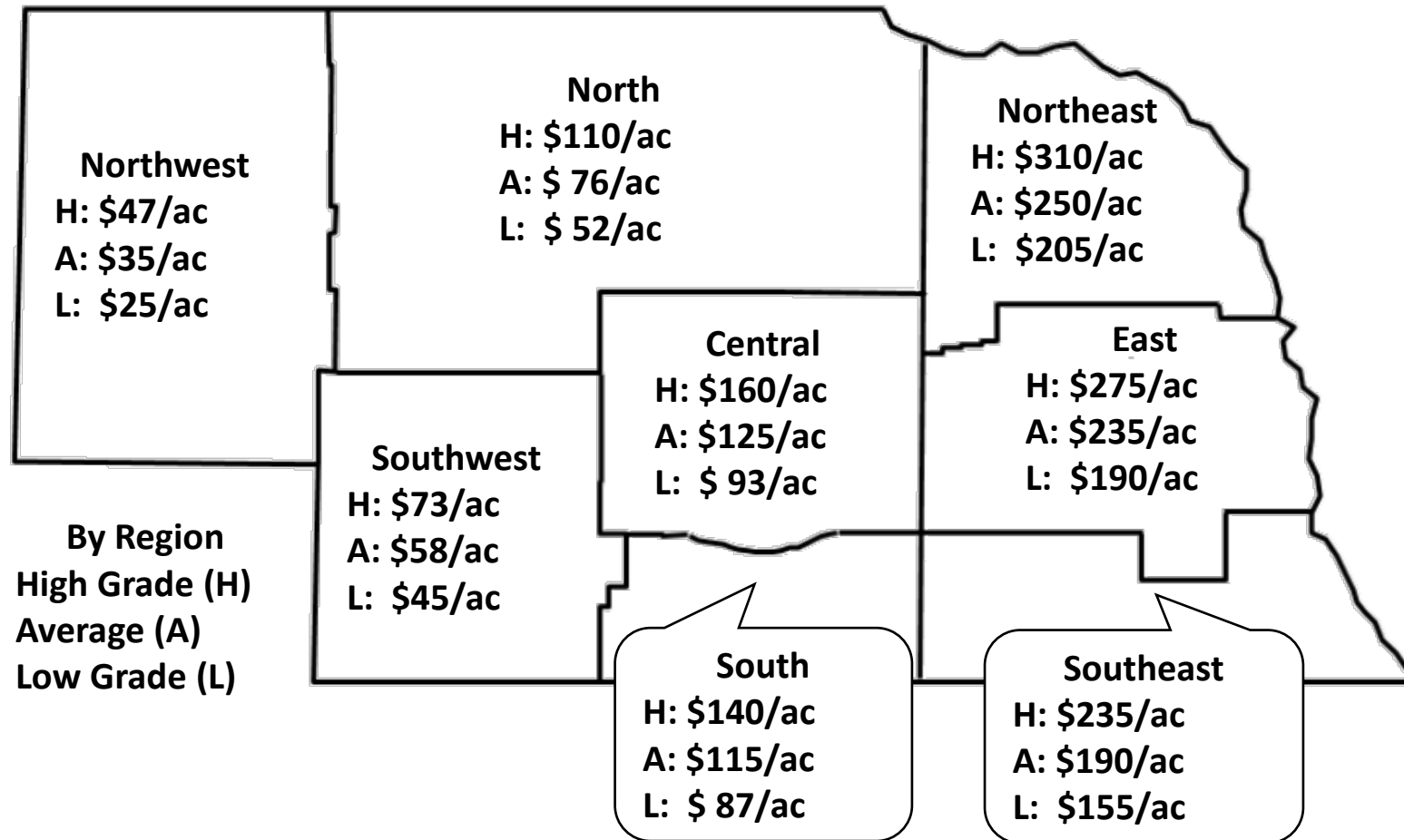


Dryland Cropland Average Rental Rates – 2025 Season



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

Dryland Cropland Rental Rate Ranges – 2025 Season



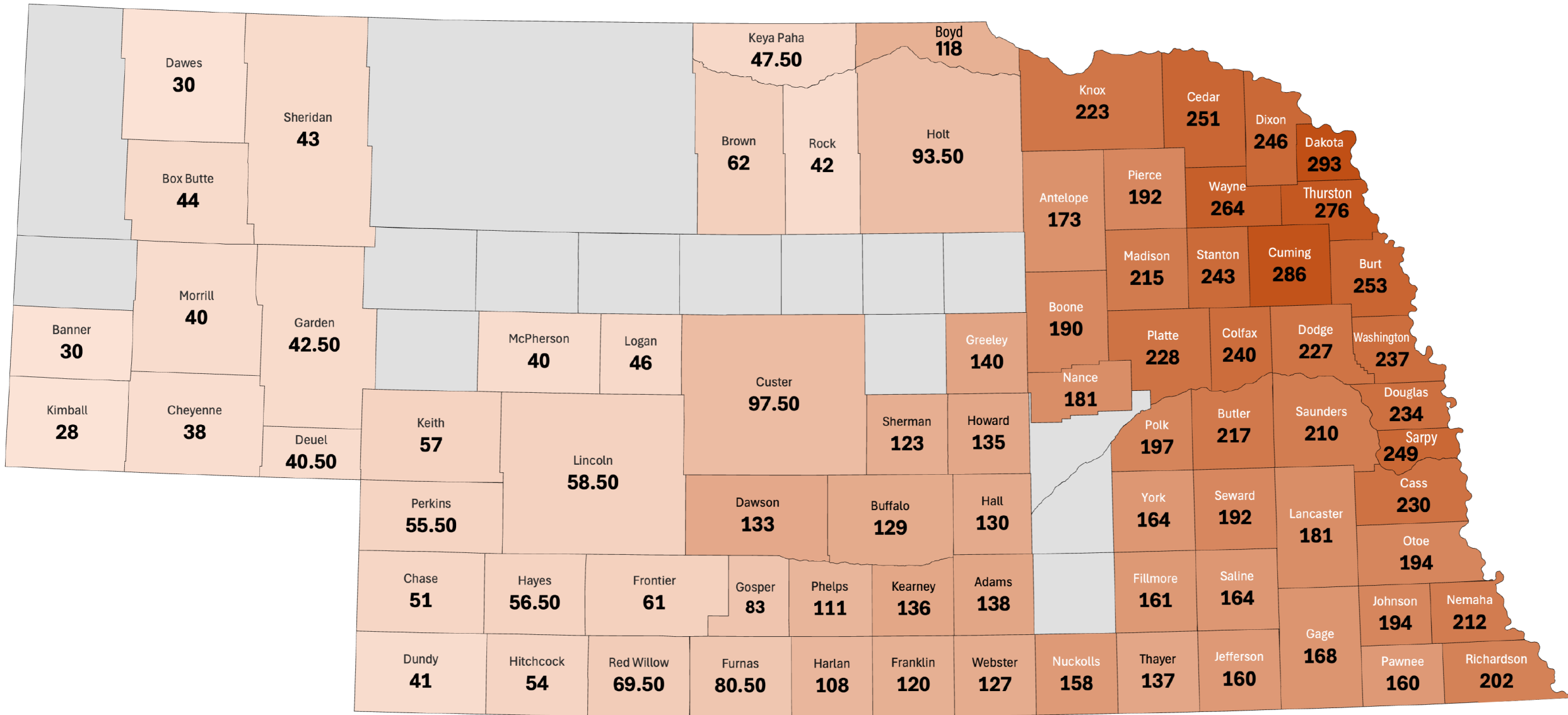
Source: Nebraska Farm Real Estate Market Development Survey, 2025.

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/



USDA Nebraska County Estimates



Map link: <https://go.unl.edu/nass>

\$ per Acre



28 **293**

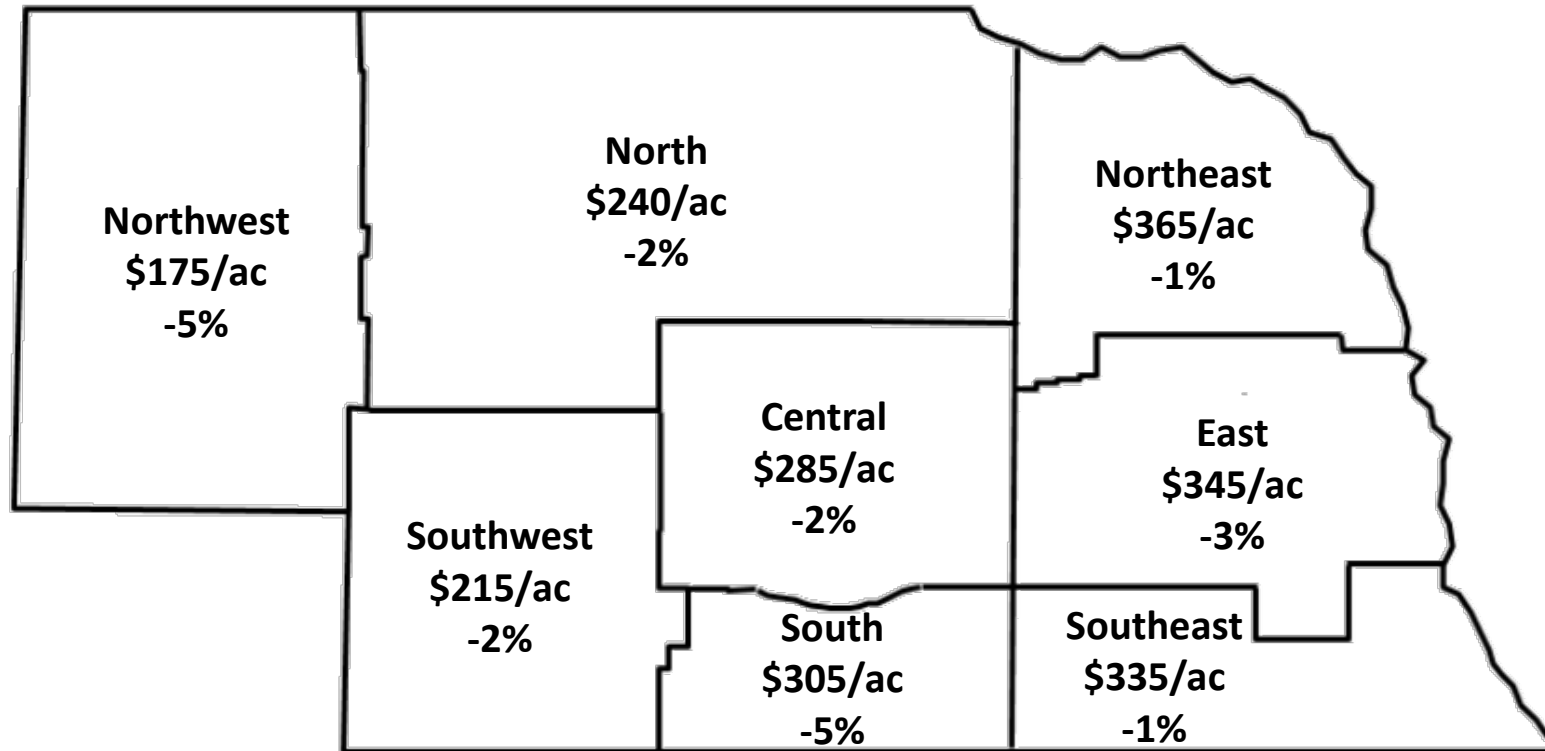
Source: USDA-NASS, August 22, 2025

Nebraska Cash Rental Rates

Irrigated Cropland
Rental Rates

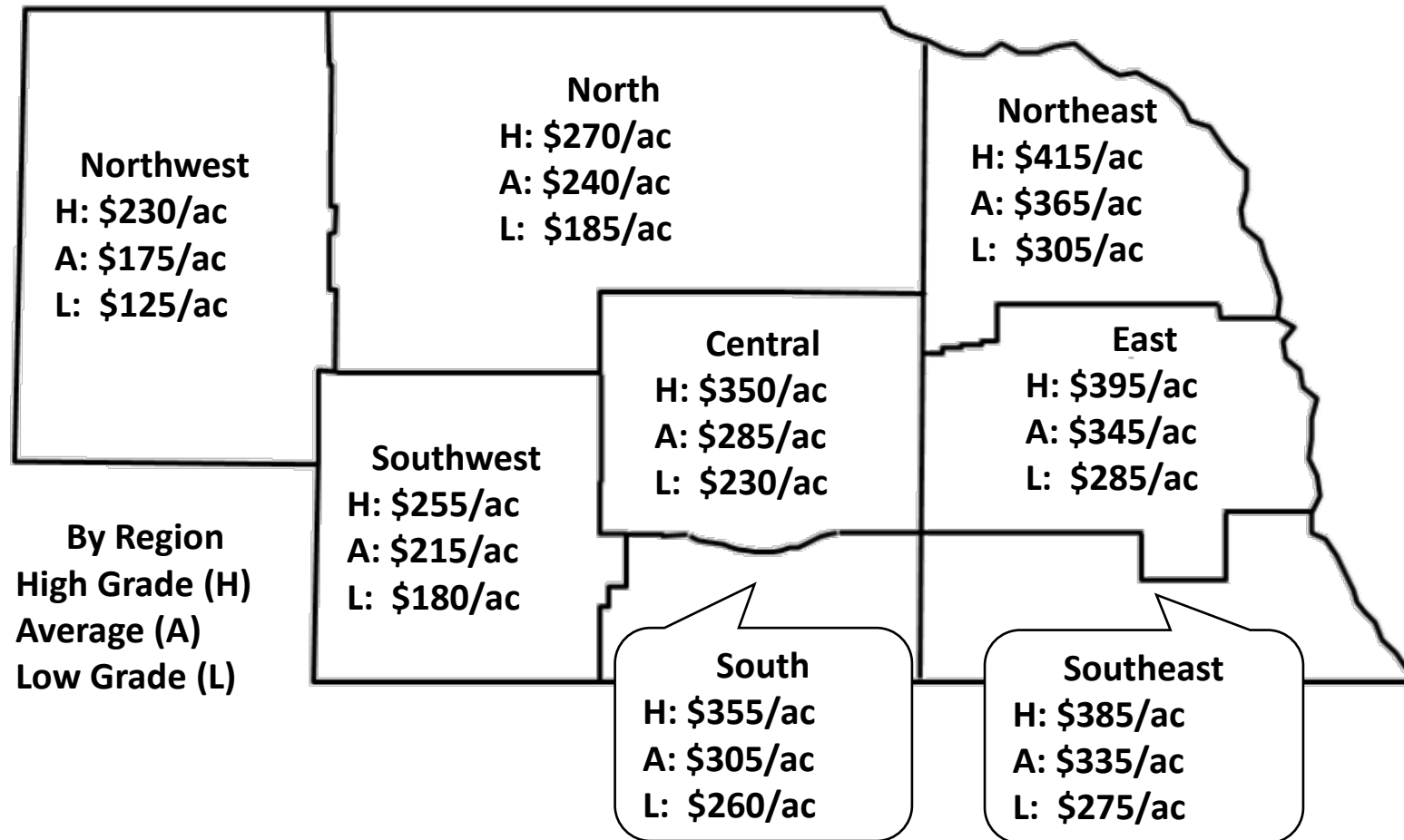


Center Pivot Irrigated Cropland Average Rental Rates – 2025 Season



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

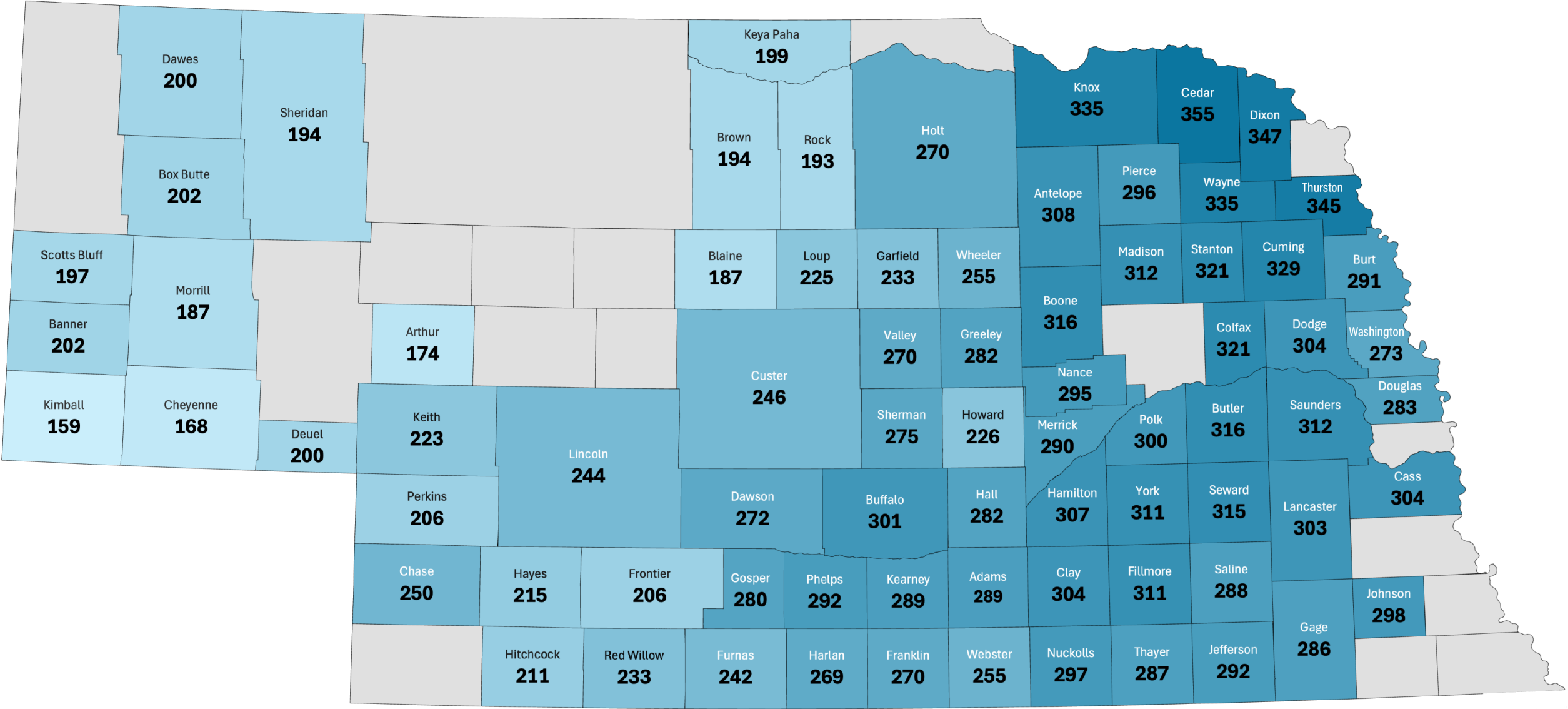
Center Pivot Irrigated Cropland Rental Rate Ranges – 2025 Season



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

2025 Irrigated Cropland Cash Rent Paid Per Acre

USDA Nebraska County Estimates



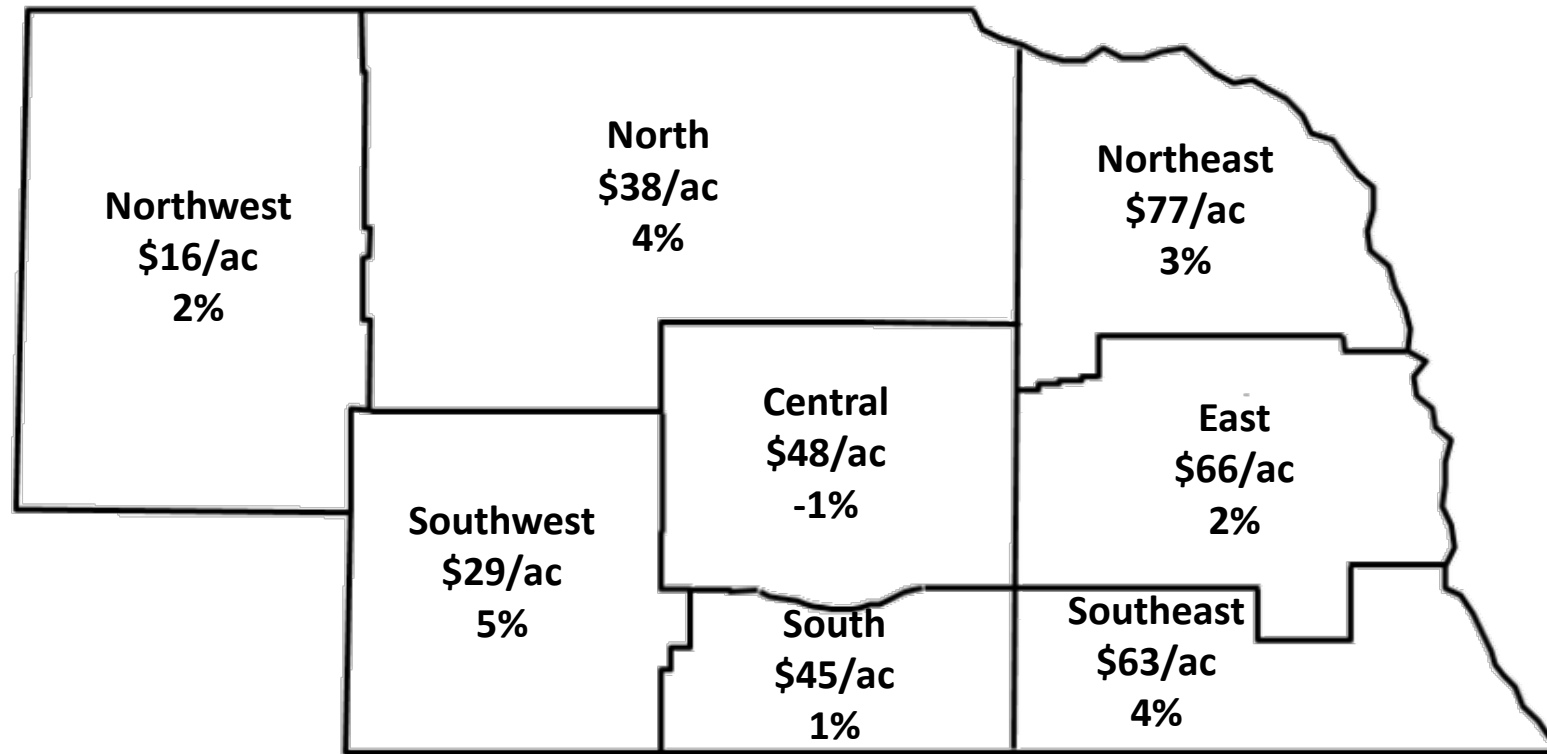
Nebraska Cash Rental Rates

Pasture and Cow-Calf heads

Rental Rates

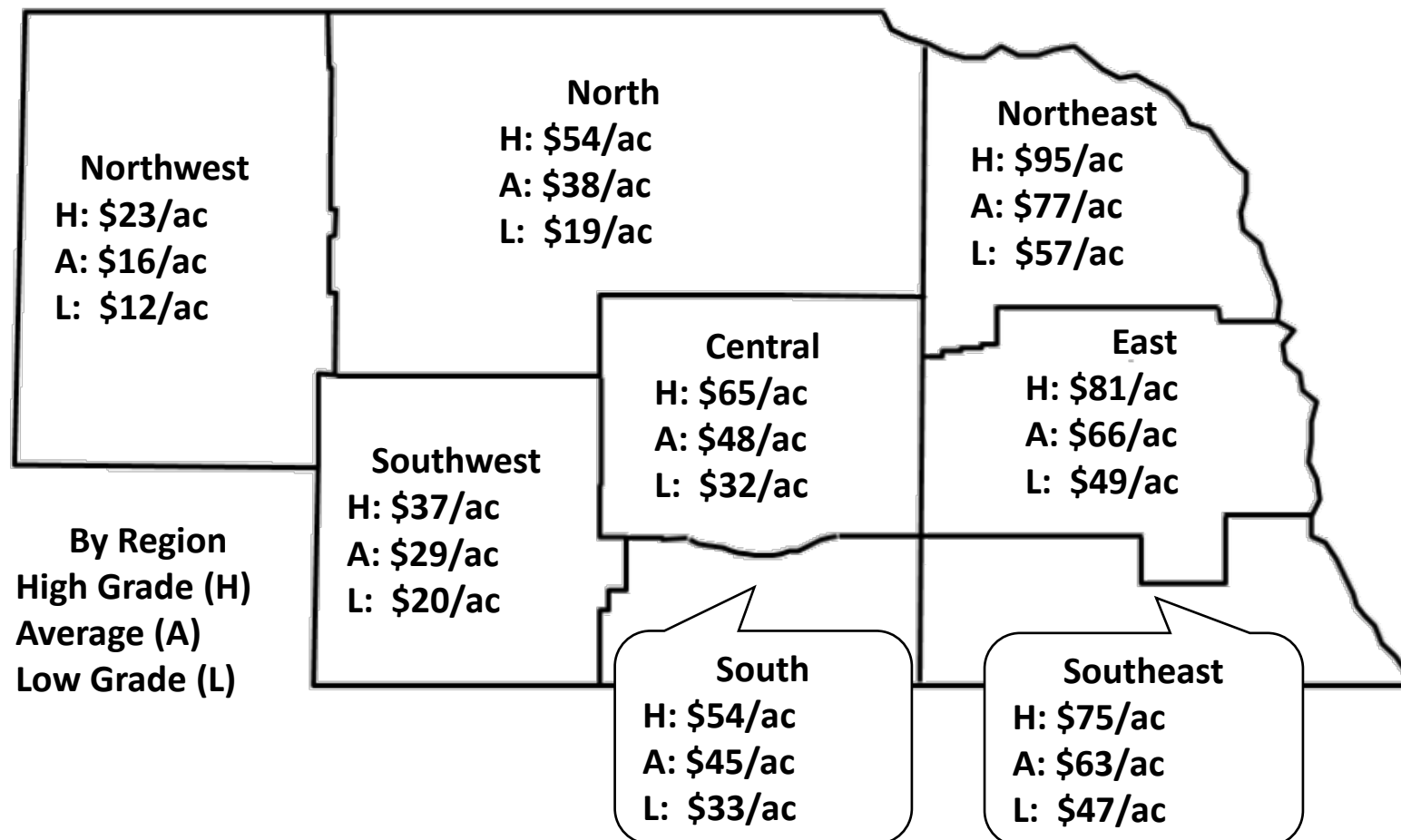


Pasture per Acre Average Rental Rates – 2025 Season



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

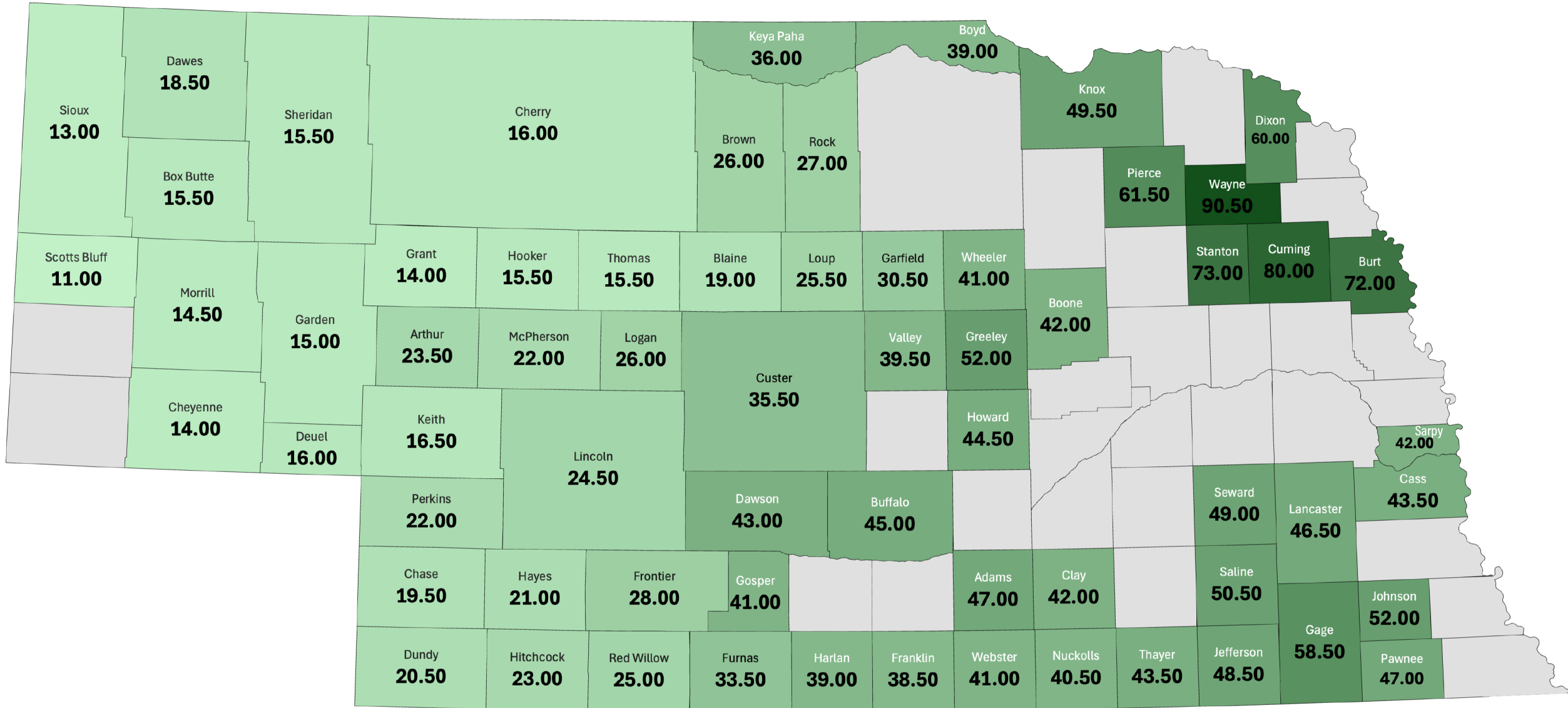
Pasture per Acre Rental Rate Ranges – 2025 Season



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

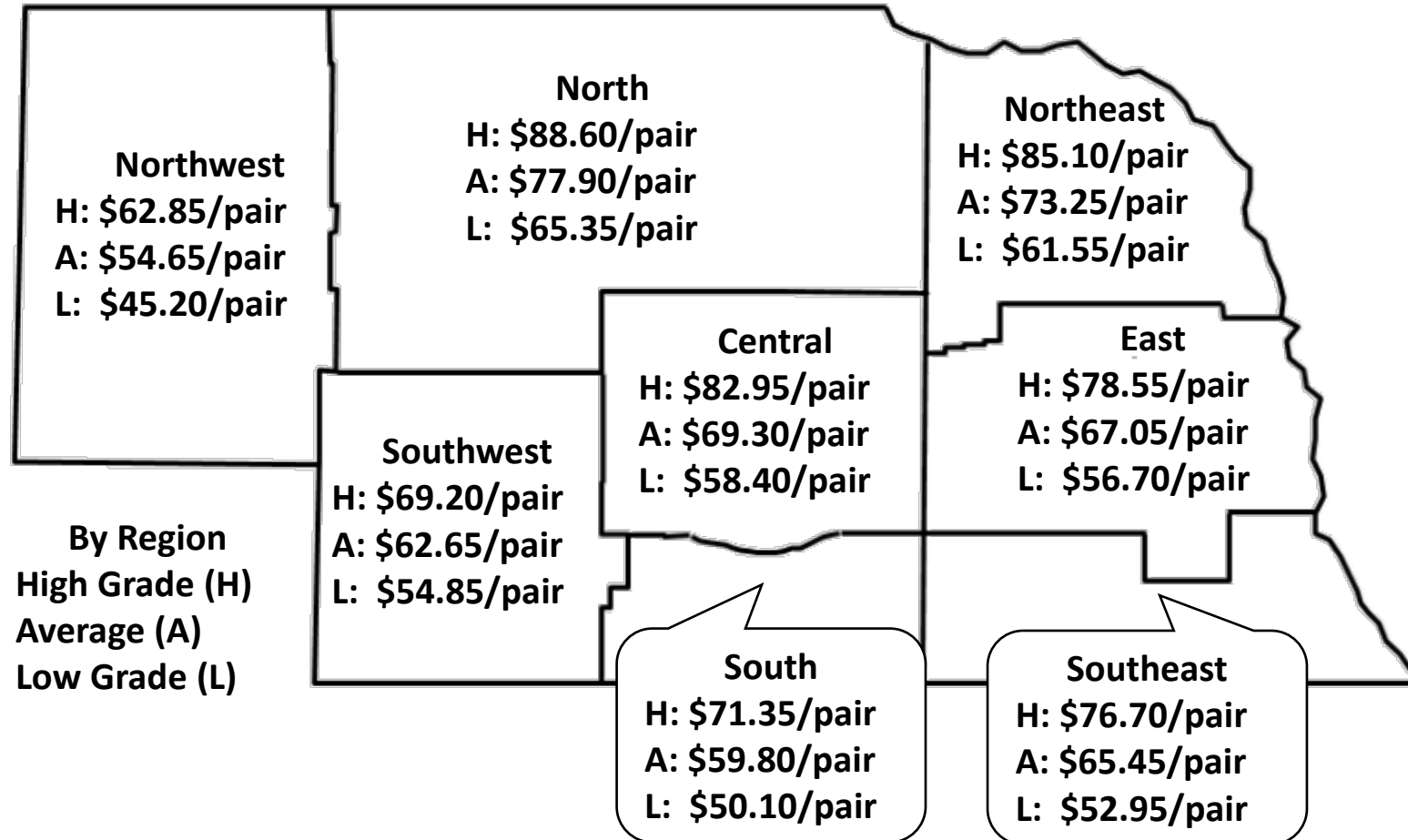
2025 Pasture Cash Rent Paid Per Acre

USDA Nebraska County Estimates



Cow-Calf Pairs

Rental Rate Ranges – 2025 Monthly



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

Agricultural Land Leases

Trends in Lease Arrangements for 2025



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	<u>134 bu./ac.</u>	APH Yield	<u>x 119 bu./ac.</u>
County Rent/Bushel	\$1.34/bu.	Farm Level Rent	\$159.85/ac.

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	<u>x \$4.46/bu.</u>	<u>x \$3.92/bu.</u>	<u>x \$4.27/bu.</u>
Income	\$356.80/ac.	\$313.60/ac.	\$341.60/ac.
Owner Expenses*	<u>-\$165.00/ac.</u>	<u>-\$165.00/ac.</u>	<u>-\$165.00/ac.</u>
Net Return to Owner (Effective Rent)	\$191.80/ac.	\$148.60/ac.	\$176.60/ac.

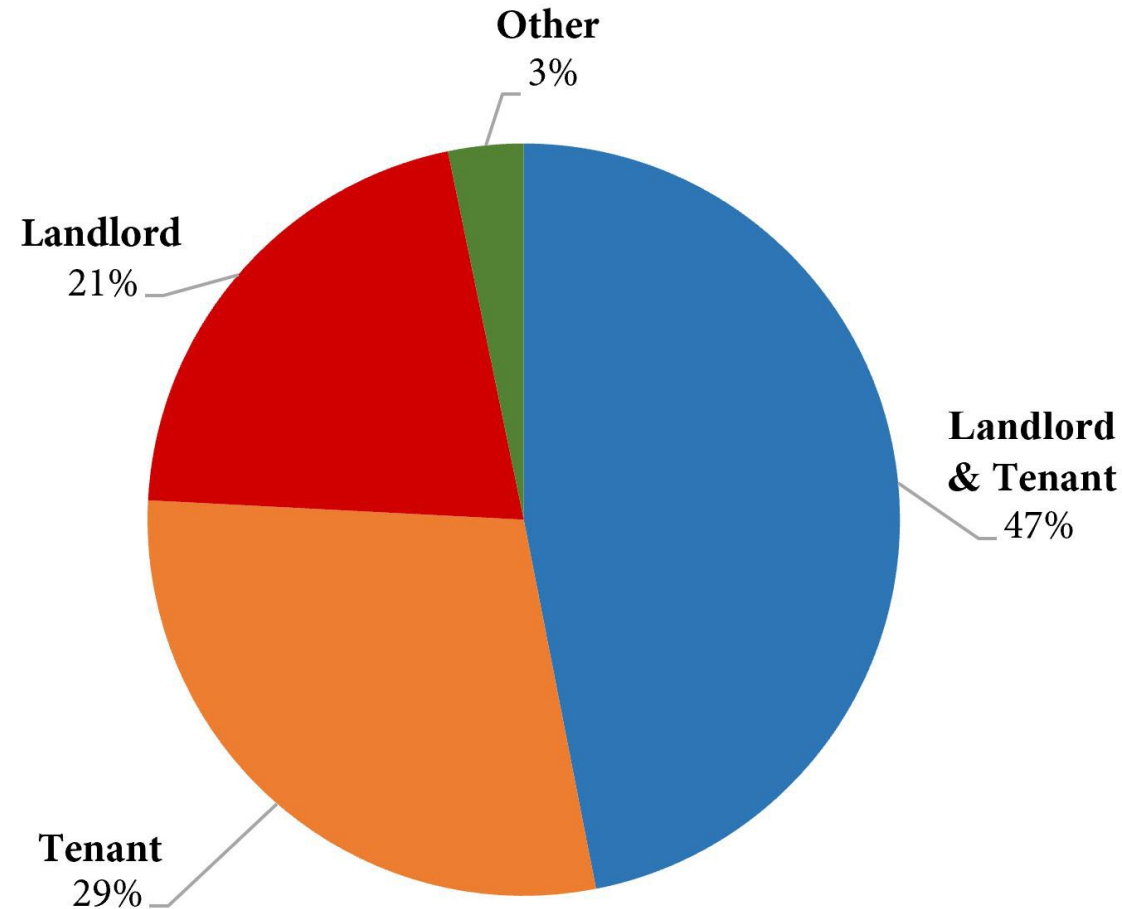
Cash Equivalent From Hay Share

- 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	<u>x \$100/ton</u>	<u>x \$100/ton</u>
Income	\$49.50/ac.	\$75.00/ac.
Owner Expenses*	<u>-\$0.00/ac.</u>	<u>-\$25.00/ac.</u>
Net Return to Owner (Effective Rent)	\$49.50/ac.	\$50.00/ac.

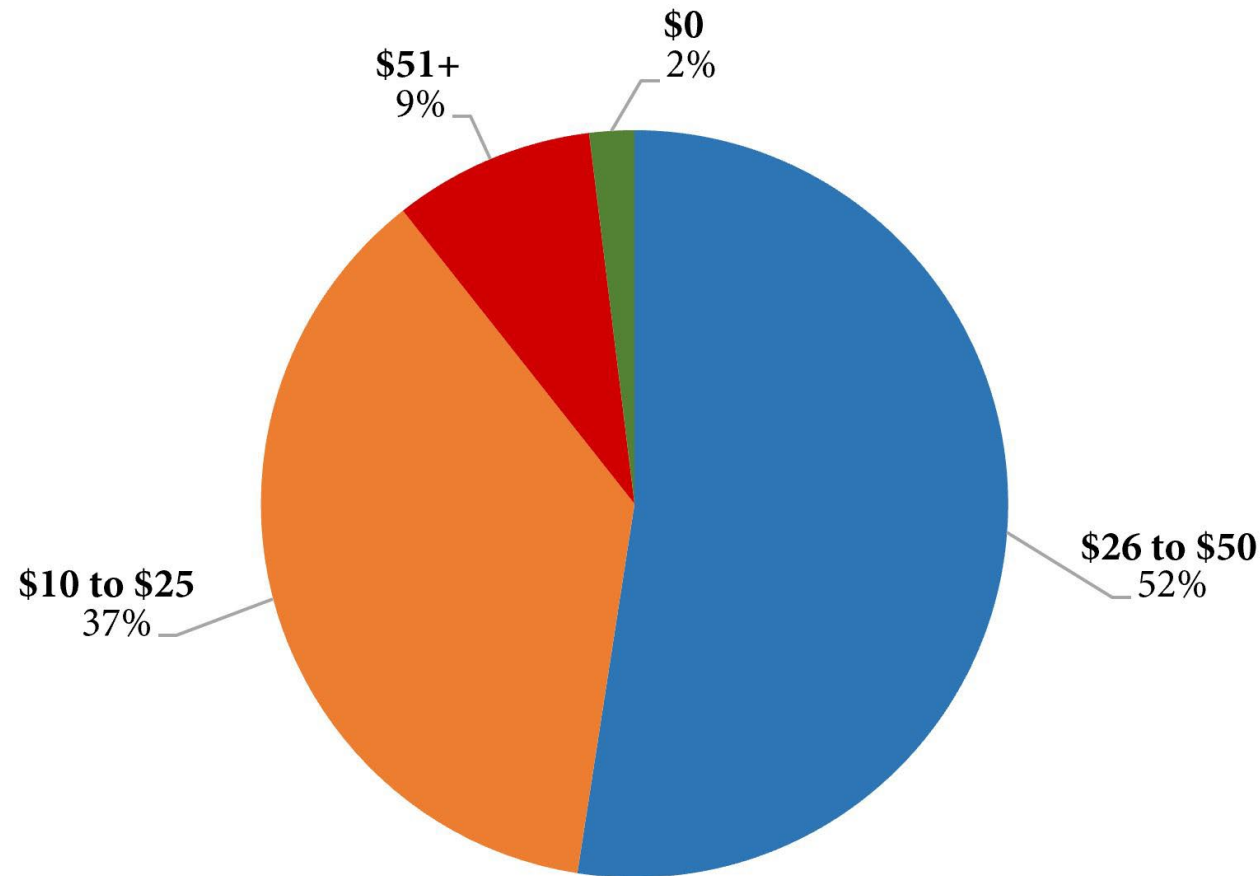
*In this example, the owner does not pay any expenses for the 33/67 hay share. Also, the owner pays \$25 per acre in fertilizer and herbicide expenses for the 50/50 hay share.

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



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

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



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

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

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

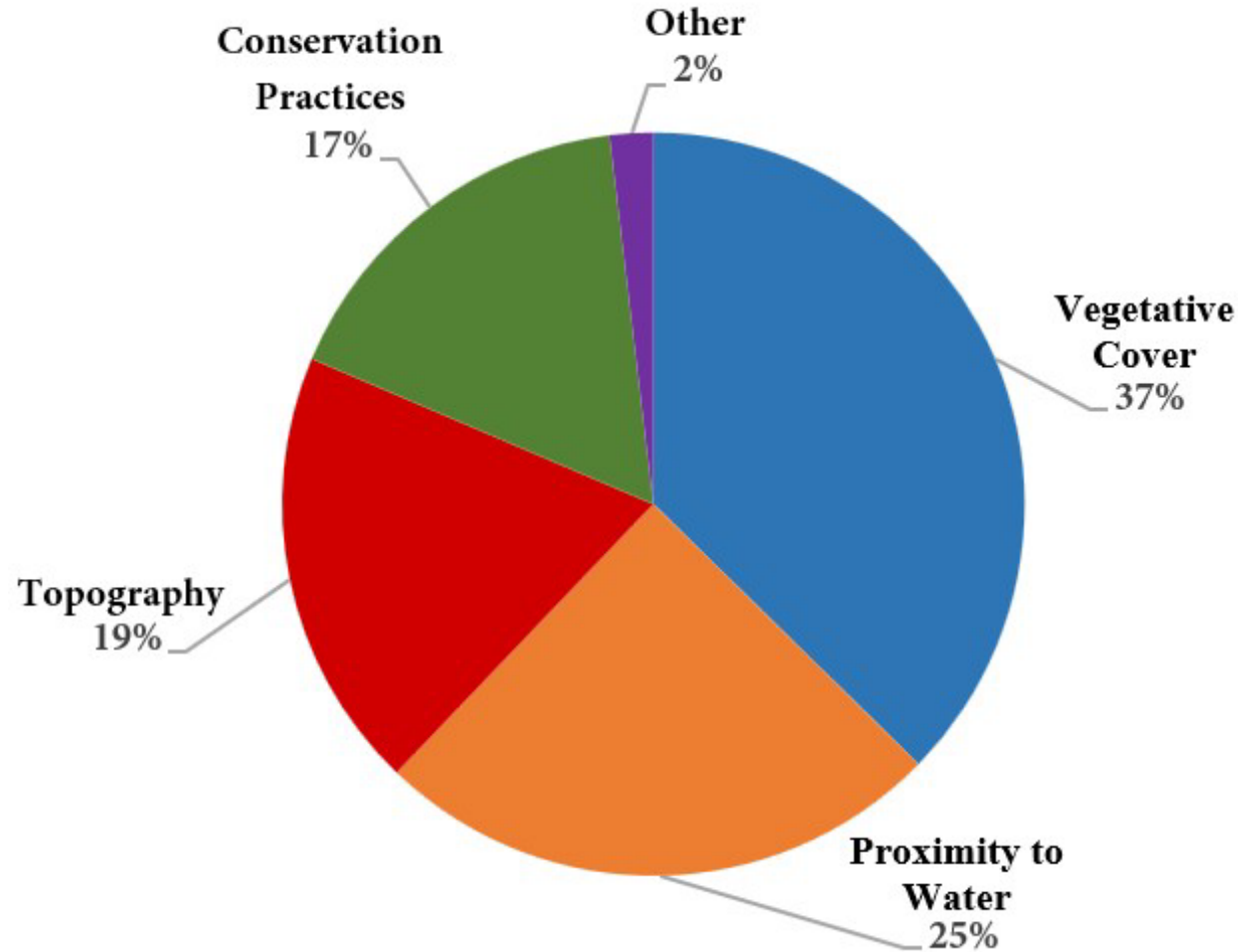
Source: Nebraska Farm Real Estate Market Development Survey, 2023.

Hunting Lease Comparison for Wild Game in 2025, by Agricultural Statistics District in NE^a

Agricultural Statistics District	Average Percent Distribution				
	Antelope or Deer	Pheasants or Quail	Turkey	Waterfowl	Other Game
	----- Percent -----				
Northwest	41	18	6	35	0
North	57	5	24	9	5
Northeast	53	21	6	17	3
Central	45	9	14	31	1
East	48	17	9	24	2
Southwest	34	29	12	18	7
South	42	24	21	13	0
Southeast	54	15	19	8	4
State	49	17	13	19	2

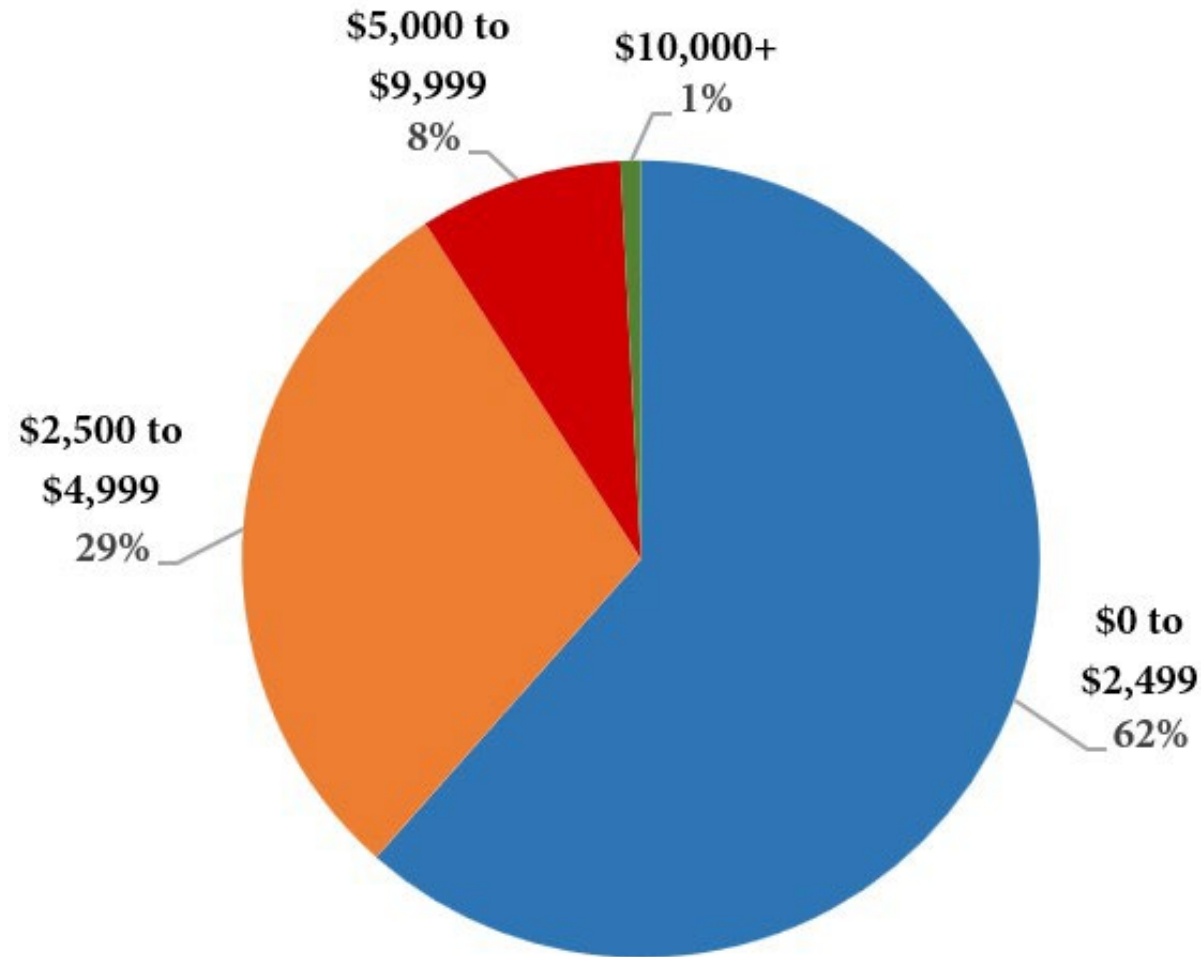
Source: ^a UNL Nebraska Farm Real Estate Market Survey, 2025.

Real Estate Feature Contributing the Most Value to Hunting Leases



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

Average Annual Income for Leasing Hunting Rights in Nebraska



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

Cropland Lease Termination

- 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

Cash Farm Lease	NCFMEC-01A
For additional information see NCFMEC-01 (Fixed and Flexible Cash Rental Arrangements For Your Farm). This form can provide the landowner and operator with a guide for developing an agreement to fit their individual situation. This form is not intended to take the place of legal advice pertaining to contractual relationships between the two parties. Because of the possibility that an operating agreement may be legally considered a partnership under certain conditions, seeking proper legal advice is recommended when developing such an agreement.	
This lease entered into this _____ day of _____, 20____, between	
_____, owner, of	_____
	Address
_____, spouse, of	_____
	Address
hereafter known as "the owner," and	
_____, operator, of	_____
	Address
_____, spouse, of	_____
	Address
hereafter known as "the operator."	
I. Property Description	
The landowner hereby leases to the operator, to occupy and use for agriculture and related purposes, the following described property:	

consisting of approximately _____ acres situated in _____ County (Counties), _____ (State)	
II. General Terms of Lease	
A. Time period covered. The provisions of this agreement shall be in effect for _____ year(s), commencing on the _____ day of _____, 20____. This lease shall continue in effect from year to year thereafter unless written notice of termination is given by either party to the other at least _____ days prior to expiration of this lease or the end of any year of continuation.	
B. Review of lease. A written request is required for general review of the lease or for consideration of proposed changes by either party, at least _____ days prior to the final date for giving notice to terminate the lease as specified in II-A.	
C. Amendments and alterations. Amendments and alterations to this lease shall be in writing and shall be signed by both the owner and operator.	
D. No partnership intended. It is particularly understood and agreed that this lease shall not be deemed to be, nor intended to give rise to, a partnership relation.	

Pasture and Grazing Land Leases

- 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)

Fillable PDF Leases – AgLease101.org

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Lease Publications

Lease Publications

-  [Fixed and Flexible Cash Rental Arrangements for Your Farm](#)
(NCFMEC-01)
-  [Crop Share Rental Arrangements For Your Farm](#)
(NCFMEC-02)
-  [Pasture Rental Arrangements For Your Farm](#)
(NCFMEC-03)
-  [Rental Agreements For Farm Buildings and Livestock Facilities](#)
(NCFMEC-04)
-  [Purchasing and Leasing Farm Equipment](#)
(NCFMEC-05)
-  [Beef Cow Rental Arrangements For Your Farm](#)
(NCFMEC-06)
-  [Farm Building Rental Rate Survey](#)
(NCFMEC-07)

Lease Forms

-  [Cash Farm Lease](#)
(NCFMEC-01A)
-  [Crop Share Farm Lease Cash Farm Lease](#)
(NCFMEC-02A)
-  [Pasture Lease](#)
(NCFMEC-03A)
-  [Farm Building or Livestock Facility Lease](#)
(NCFMEC-04A)
-  [Farm Machinery Lease for Non-commercial Transactions](#)
(NCFMEC-05A)
-  [Livestock Rental Lease](#)
(NCFMEC-06A)

Fillable PDF Forms



CENTER FOR AGRICULTURAL PROFITABILITY

Upcoming Webinar: *Ag Land Mgt. Quarterly*

Mon. November 17, 2025 at 12:00 PM CT

Topics

- USDA Land Management Highlights
 - 2025 county-level cash rental rate estimates
 - ARC & PLC Farm Program Payments
- Landlord & Tenant Communication
 - Harvest season reports and closing out the lease
 - Considerations for leases in 2026
- Ask an Expert
 - Review of submitted questions and from meeting participants
 - Upcoming land management workshops and publications



Questions?

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