



AGRICULTURAL  
**LAND MANAGEMENT QUARTERLY**  
WEBINAR SERIES

**N**  
CAP

# Agricultural Land Management Quarterly Presenters

Archived Programs: [cap.unl.edu/landmanagement](http://cap.unl.edu/landmanagement)

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# Sponsorship for Land Management Quarterly

- Interested in sponsoring Land Management Quarterly or another land management outreach event?
  - Sponsorship includes featuring your company's logo and contact information twice during the presentation.
  - All sponsorships help extend outreach on land values, cash rental rates, and proper lease practices throughout Nebraska.
  - Please reach out to Jim Jansen or Anastasia Meyer for further details or with additional questions.



# Outline of topics, November 18, 2024

- **Topics**
- USDA Land Management Highlights
  - 2024 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 2025
- Ask an Expert
  - Review of submitted questions
  - Upcoming land management workshops and publications



# 2024 USDA-National Agricultural Statistics Service Cash Rent Survey

Presented By Jim Jansen



# USDA-National Agricultural Statistics Service

## Cash Rent Survey

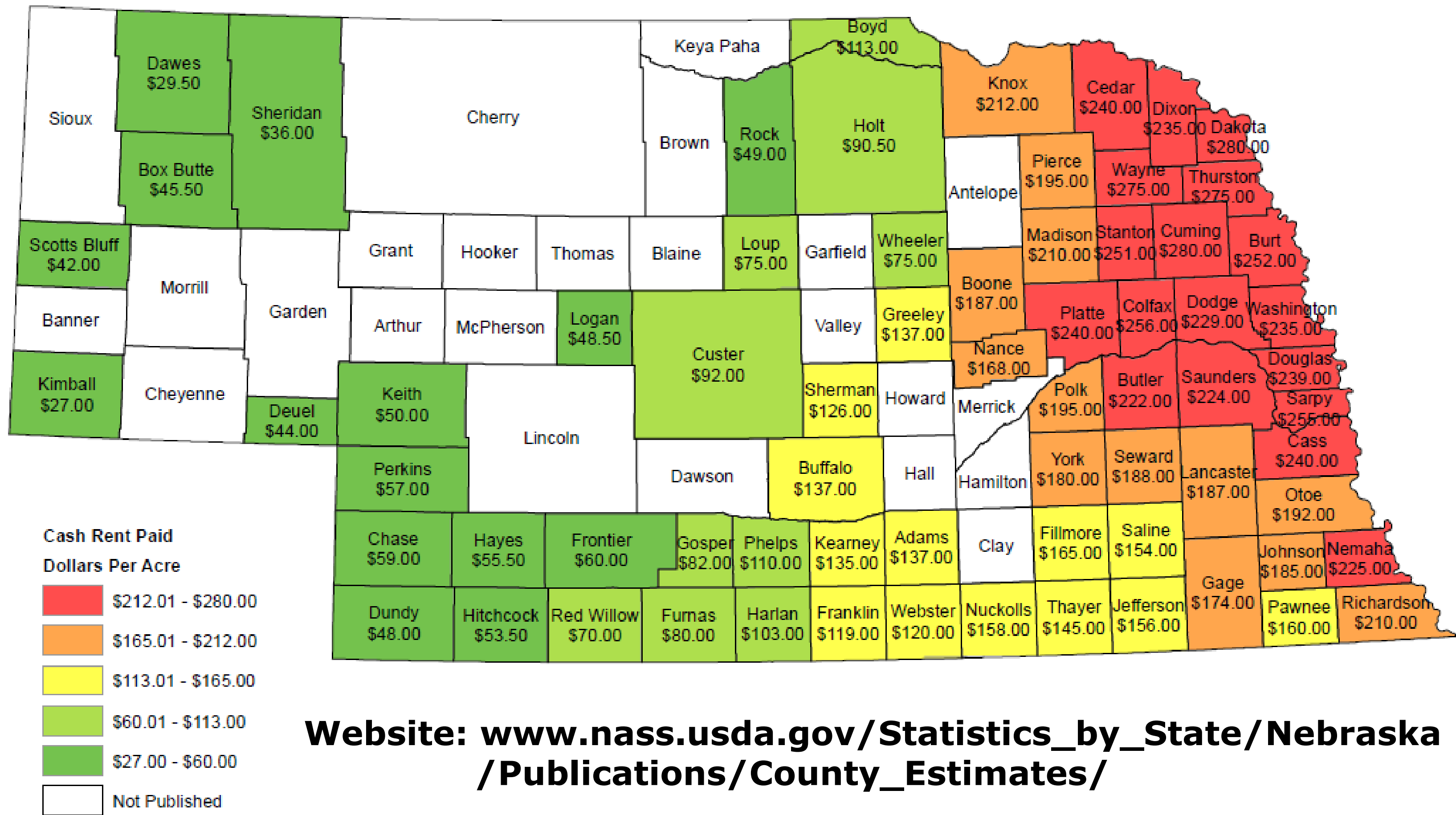
- Biennial survey conducted by the USDA-National Agricultural Statistics Service (NASS) of farmers and ranchers
  - Survey starts in late-winter and conducted through mid-summer of odd-numbered years (occasionally in even-numbered years)
  - Analysis published around the second week of September
- Nebraska 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/)



# Nebraska Dryland Cropland Rental Rates–2024

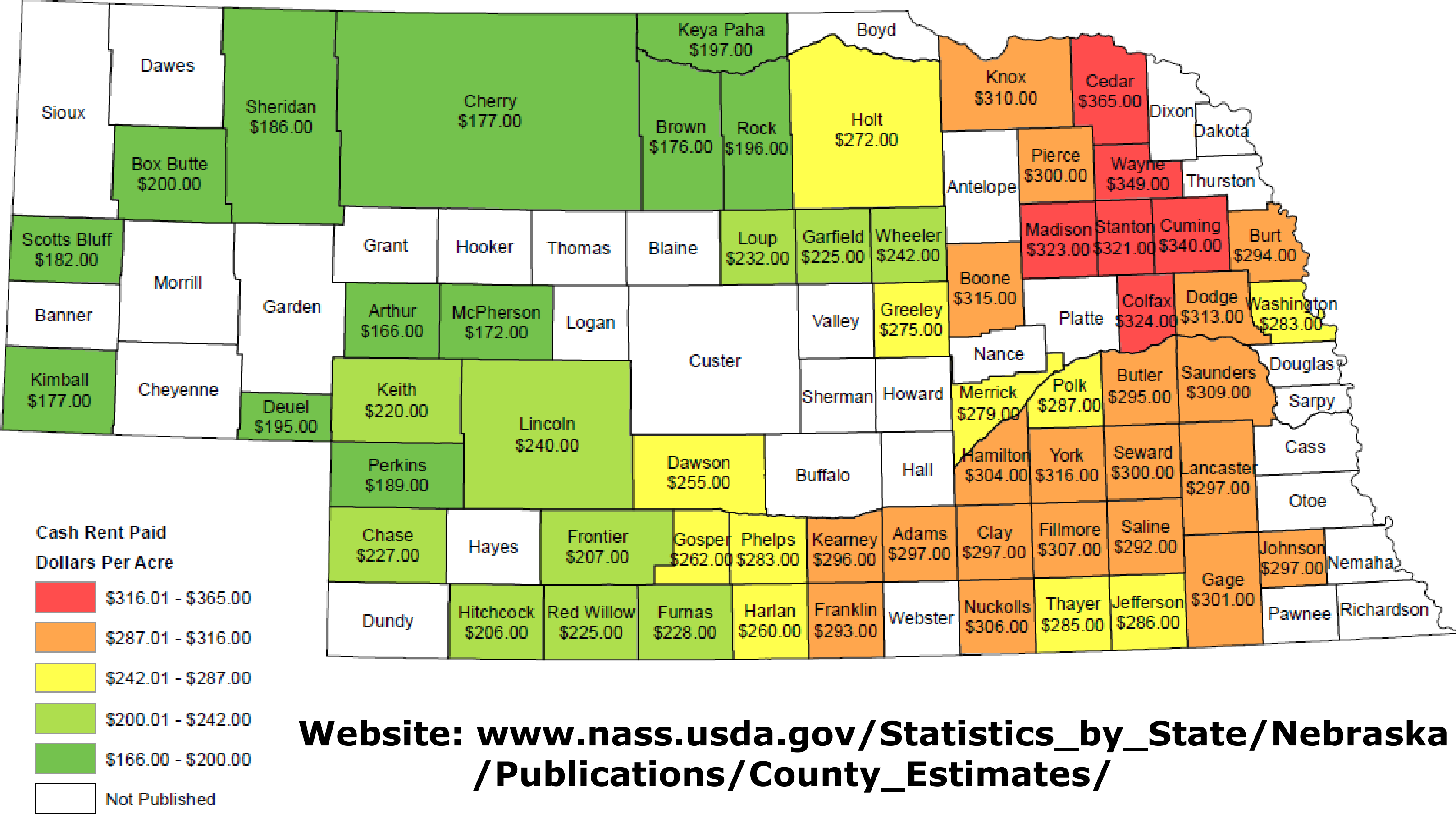
## USDA-National Agricultural Statistics Service



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

# Nebraska Irrigated Cropland Rental Rates–2024

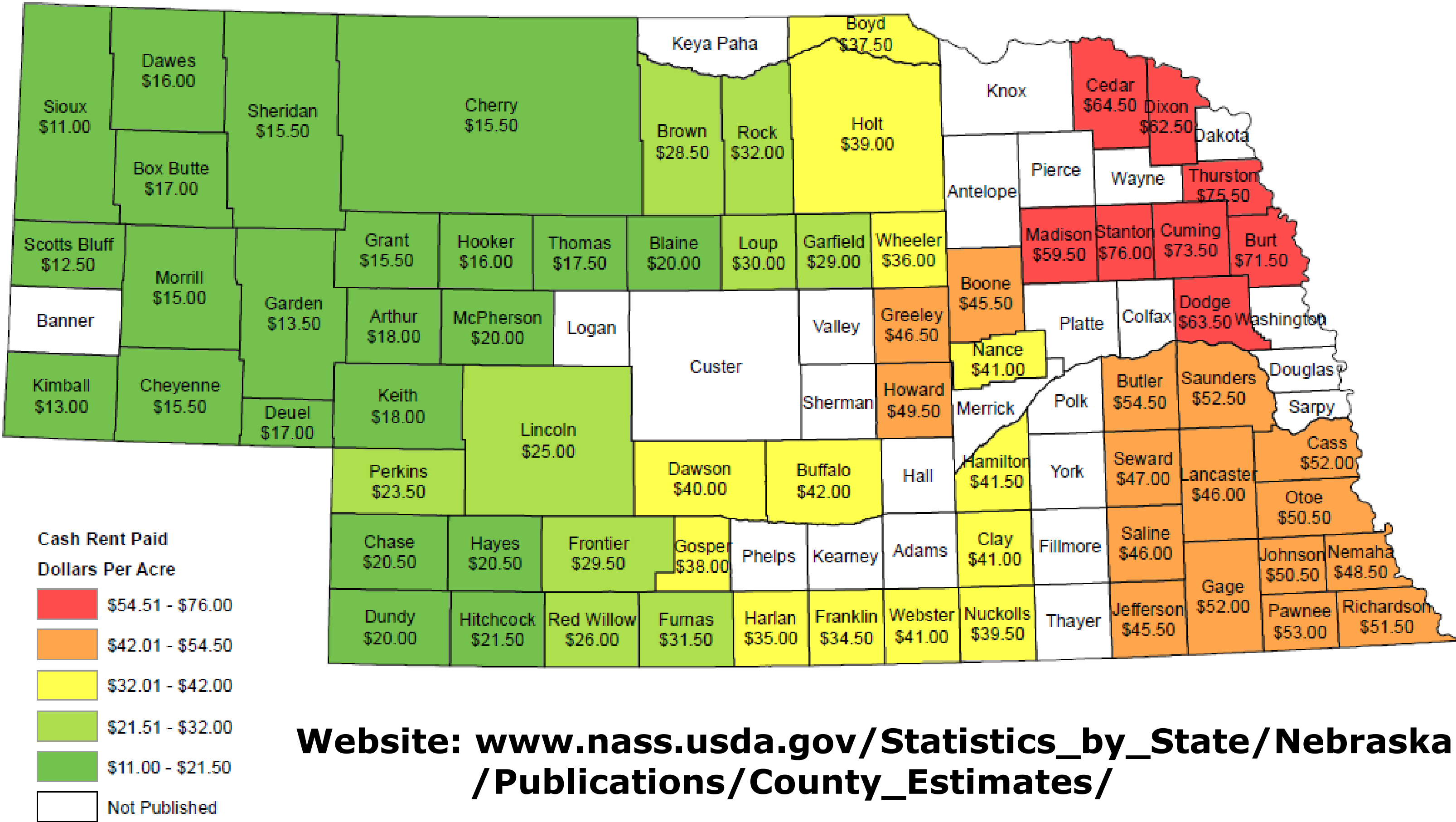
## USDA-National Agricultural Statistics Service



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

# Nebraska Grazing Land Rental Rates–2024

## USDA-National Agricultural Statistics Service



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

# USDA-Farm Service Agency ARC & PLC Farm Program Payments

Presented by Jim Jansen

Analysis conducted by Brad Lubben

Dept. Ag Econ, UNL



# Farm Income Situation & Outlook



CENTER FOR AGRICULTURAL PROFITABILITY  
*Institute of Agriculture and Natural Resources*



## NEBRASKA AND U.S. FARM INCOME UPDATE AND OUTLOOK FALL 2024



**OCT. 31, 2024 / NOON CT**



**cap.unl.edu**

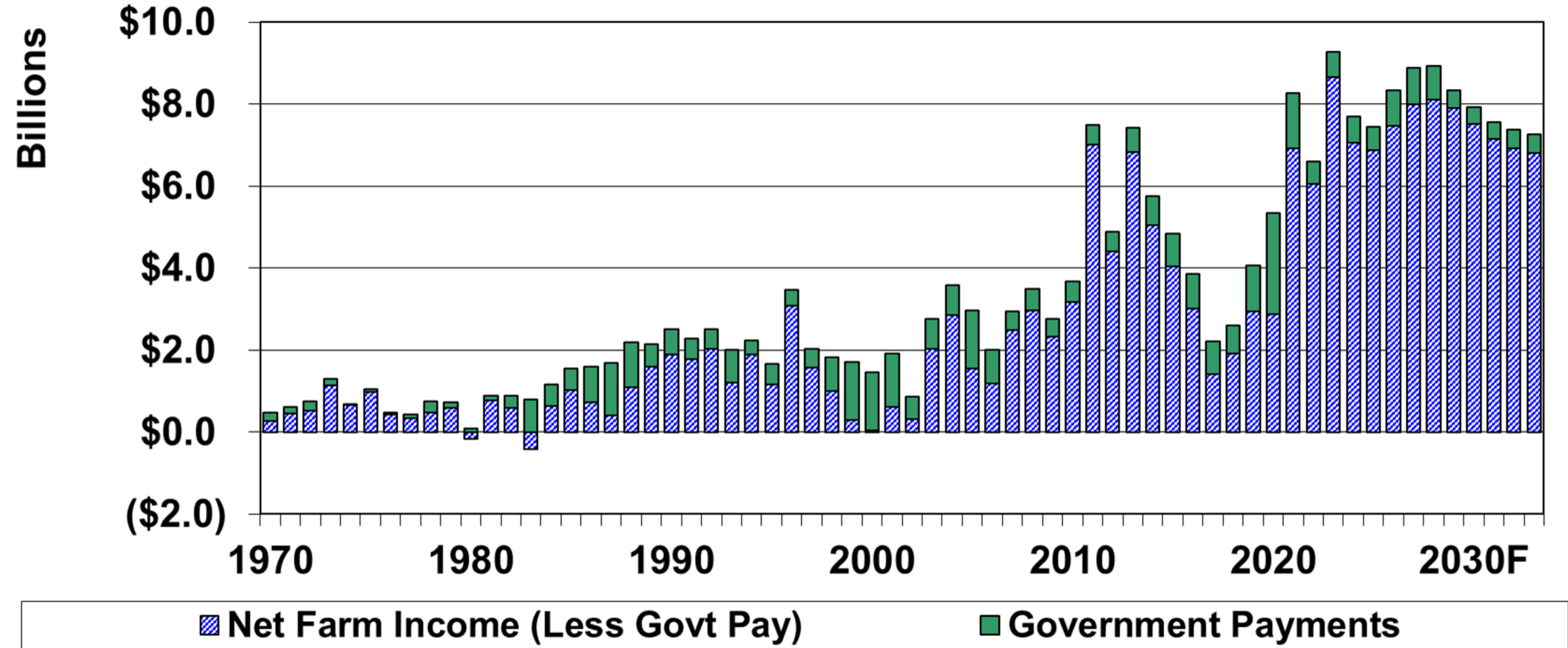
# WEBINAR

**Webinar - Oct. 31, 2024: <https://cap.unl.edu/policy-legal/nebraska-and-us-farm-income-update-and-outlook-oct-31-2024-webinar>**



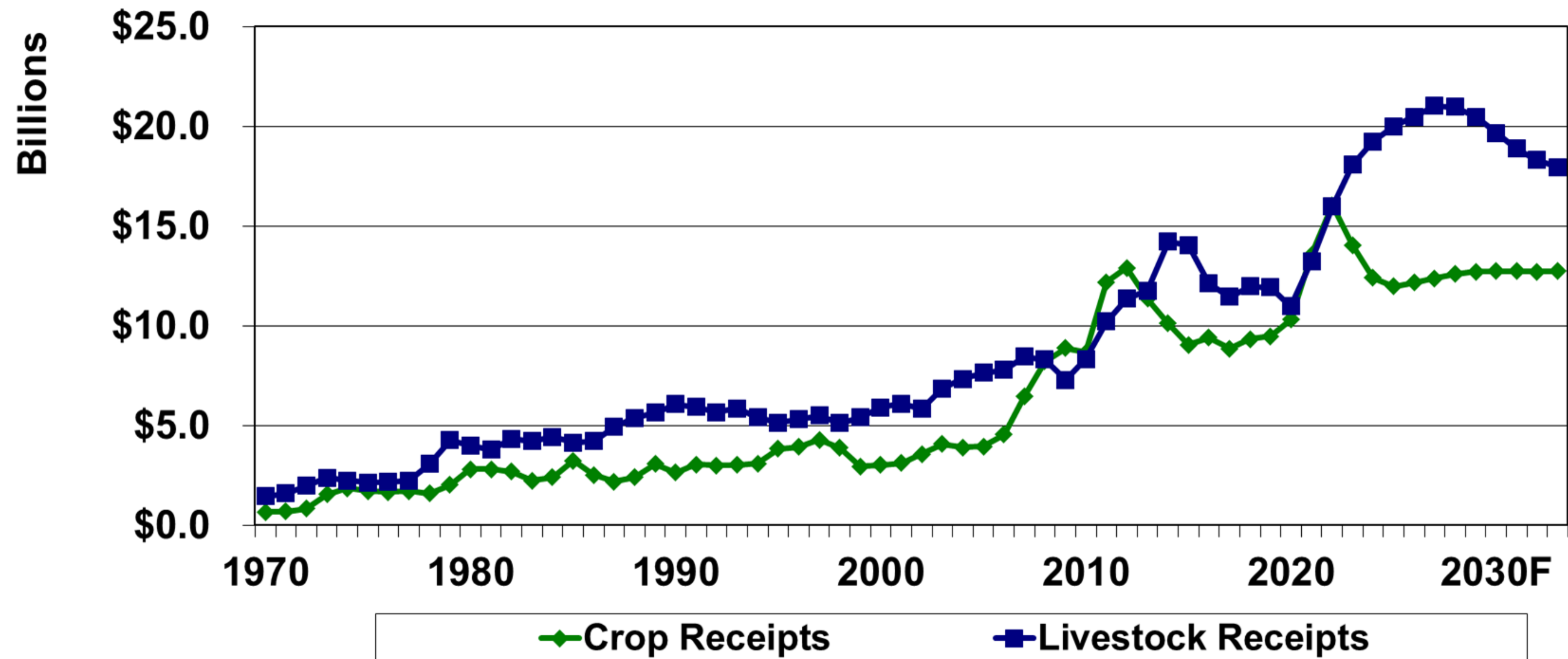
CENTER FOR AGRICULTURAL PROFITABILITY

# Nebraska Farm Income



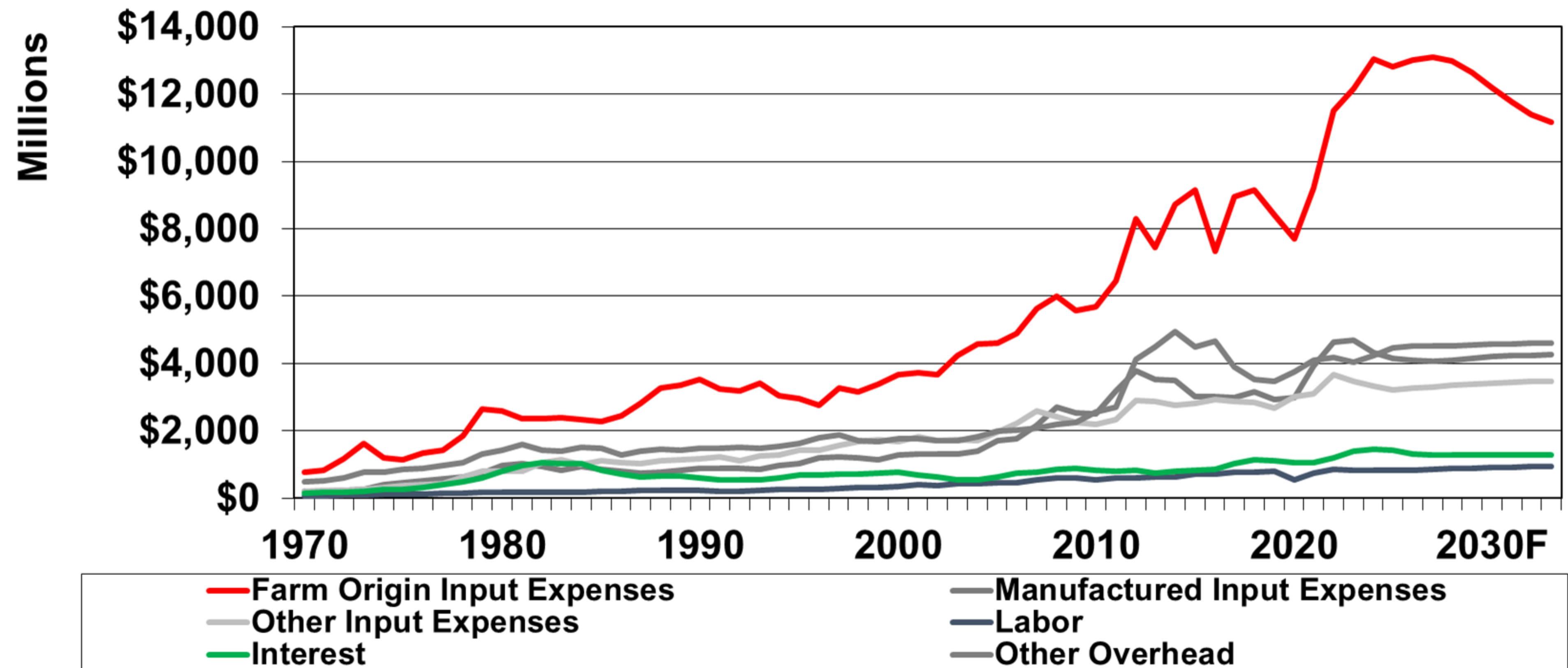
Source: USDA-ERS, FAPRI, RaFF, and author calculations presented in Nebraska and U.S. Farm Income Update and Outlook Webinar, October 31, 2024, B. Lubben and A. Plastina.

# Nebraska Farm Receipts



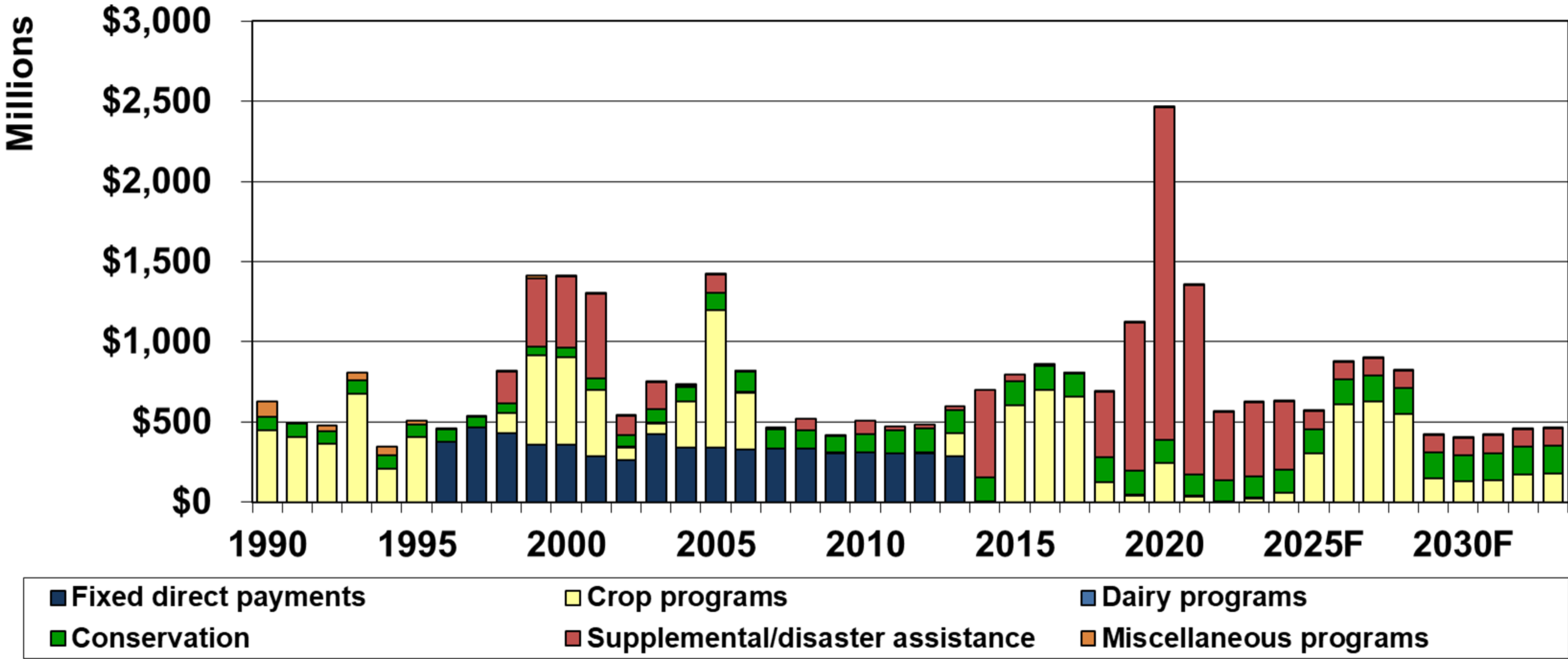
Source: USDA-ERS, FAPRI, RaFF, and author calculations presented in Nebraska and U.S. Farm Income Update and Outlook Webinar, October 31, 2024, B. Lubben and A. Plastina.

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Source: USDA-ERS, FAPRI, RaFF, and author calculations presented in Nebraska and U.S. Farm Income Update and Outlook Webinar, October 31, 2024, B. Lubben and A. Plastina.

# ARC & PLC – Projected 2023 Crop Payment Rates (Paid in 2024)

Commodity	PLC	ARC		Price**	Downside Price/Revenue Risk Covered by ARC/PLC	
	Effective Reference Price	Benchmark Price	Effective Price at Benchmark Yield*		Price Change to Have Triggered PLC	Yield Change to Have Triggered ARC
Corn	\$3.70	\$3.98	\$3.42	\$4.55	-19%	-25%
Grain Sorghum	\$3.95	\$4.31	\$3.71	\$4.93	-20%	-25%
Soybeans	\$8.40	\$9.57	\$8.23	\$12.40	-32%	-34%
Wheat	\$5.50	\$5.50	\$4.73	\$6.96	-21%	-32%

\* Effective price for ARC based on 86% of benchmark price that would trigger ARC payments assuming no yield loss from benchmark yield.

\*\* Prices for 2023 based on USDA-NASS Agricultural Prices report.



# ARC & PLC – Projected 2024 Crop Payment Rates (Paid in 2025)

Commodity	PLC	ARC		Projected Price**	Downside Price/Revenue Risk Covered by ARC/PLC	
	Effective Reference Price	Benchmark Price	Effective Price at Benchmark Yield*		Projected Price Change to Trigger PLC	Projected Revenue Change to Trigger ARC
Corn	\$4.01	\$4.85	\$4.17	\$4.10	-2%	2%
Grain Sorghum	\$4.06	\$5.01	\$4.31	\$4.10	-1%	5%
Soybeans	\$9.26	\$11.12	\$9.56	\$10.80	-14%	-11%
Wheat	\$5.50	\$6.21	\$5.34	\$5.70	-4%	-6%

\* Effective price for ARC based on 86% of benchmark price that would trigger ARC payments assuming no yield loss from benchmark yield.

\*\* Projected prices for 2024 based on projections from USDA-WAOB and USDA-FSA as of September 2024.



# Landlord & Tenant Communication

Presented by Anastasia Meyer



# Good Communication for Agricultural Leases

## Erosion:

- Now is also a good time to visit the farm – observe:
  - Erosion issues (ditches), talk between landlord and tenant about solving
  - Weed pressures – do you consider a fall application for weed control?



# Good Communication for Agricultural Leases

- How is yield information shared?
  - On crop share leases – what information is known?
  - What about cash leases?
  - Can the landowner ask for this?
  - What about yield data from the monitor in the combine?



# Good Communications - continued

- Cornstalks
  - Who gets to use the cornstalks?
  - Is there a rent charged for using cornstalks?
  - Grazing stalks – any concerns?
  - How do we manage the baling of cornstalks?
- Baling cornstalks
  - Consider frequency



# Good Communications - continued

- Manure applications to farmland
  - Overall, still a very good product
  - Consider how often manure is applied
  - Recommended that you apply according to Phosphorus requirements



# Good Communications - continued

- Hunting Season is here – How is that Managed?
  - With cropland and a cash lease, the hunting rights go to the tenant
  - With pasture, hunting rights stay with the landlord typically
  - There are exceptions!



# Considerations for 2024

- What should happen to cash leases?
  - Input costs are way up for producers
  - Uncertainty remains in crop prices and drought (especially parts of southeast Nebraska)
- Crop prices remain good, but what about expenses?
- Push a sharp pencil and evaluate the equitable split (consider crop share or flexible leases)



# Value of a Written Lease

- Written leases carry a higher value over a verbal lease
  - Protects the rights of both parties under the contract
  - Specific duties and rights of each party spelled out in the contract
- Documents lease terms for unforeseen events
  - An unforeseen passing of older landlords or tenants may require another party to step in and manage the estate
    - An absentee third party may not have current knowledge or experience in the agricultural industry



# AgLease101.org – Free PDF Leases

Ag Lease 101

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## Ag Lease 101

**Ag Lease 101** helps both land owners and land operators learn about alternative lease arrangements and includes sample written lease agreements for several alternatives. Ag Lease 101 was created by and is maintained by the North Central Farm Management Extension Committee.



# AgLease101.org – Free PDF Leases

## 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)



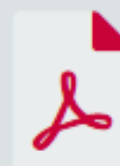
#### Rental Agreements For Farm Buildings and Livestock Facilities

(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)

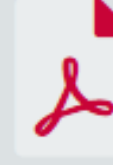
### Lease Forms

## Fillable PDF Forms



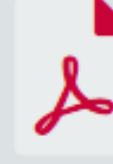
#### Cash Farm Lease

(NCFMEC-01A)



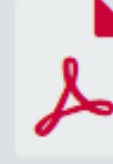
#### Crop Share Farm Lease Cash Farm Lease Cash Farm Lease

(NCFMEC-02A)



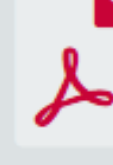
#### Pasture Lease

(NCFMEC-03A)



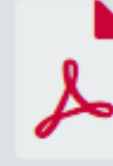
#### Farm Building or Livestock Facility Lease

(NCFMEC-04A)



#### Farm Machinery Lease for Non-commercial Transactions

(NCFMEC-05A)



#### Livestock Rental Lease

(NCFMEC-06A)

# Ask an Expert

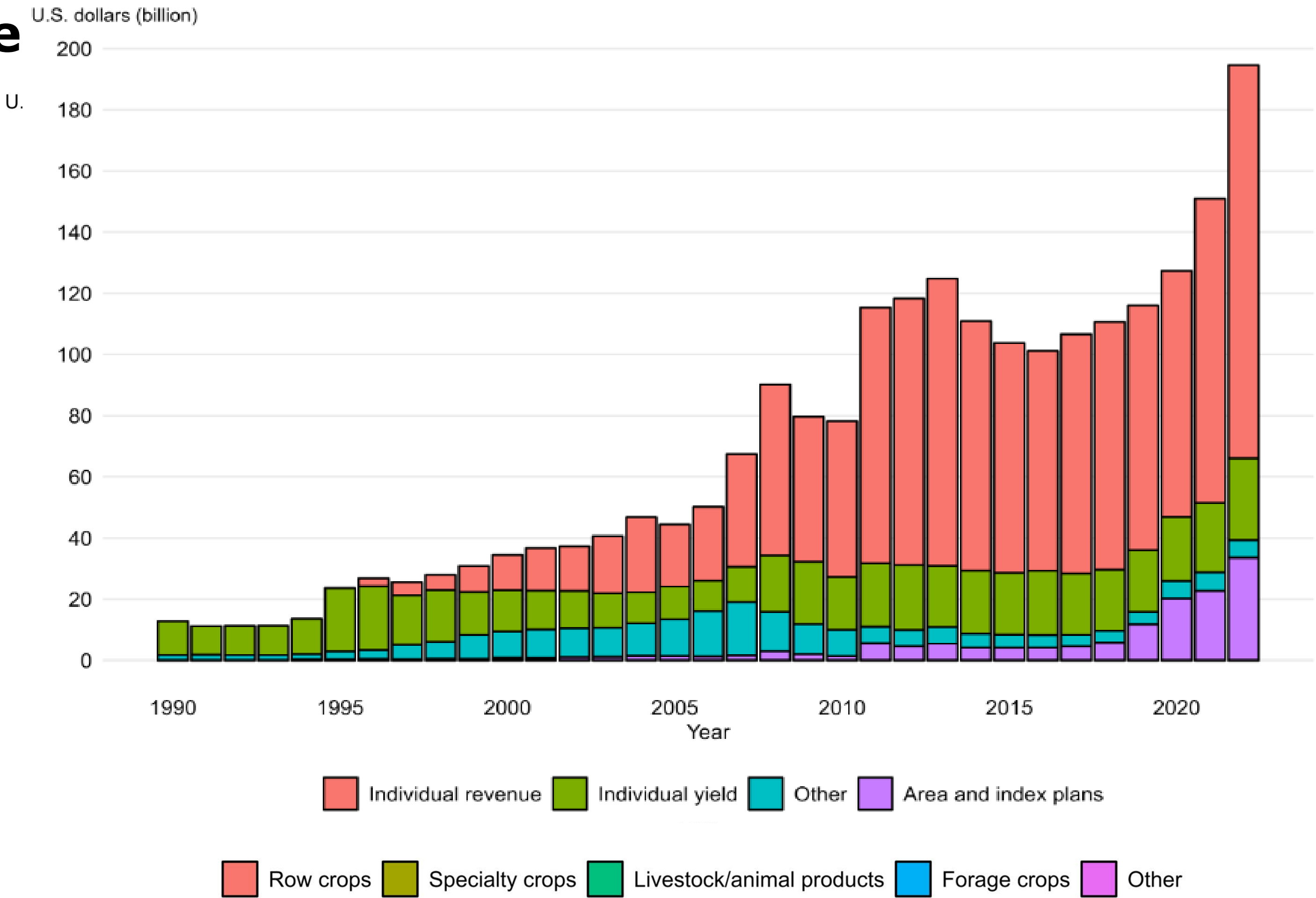
Presented by Jim Jansen & Anastasia Meyer



# Land Management Questions

**Question: What are the majority of farmers choosing for a crop insurance**

**Answer:**

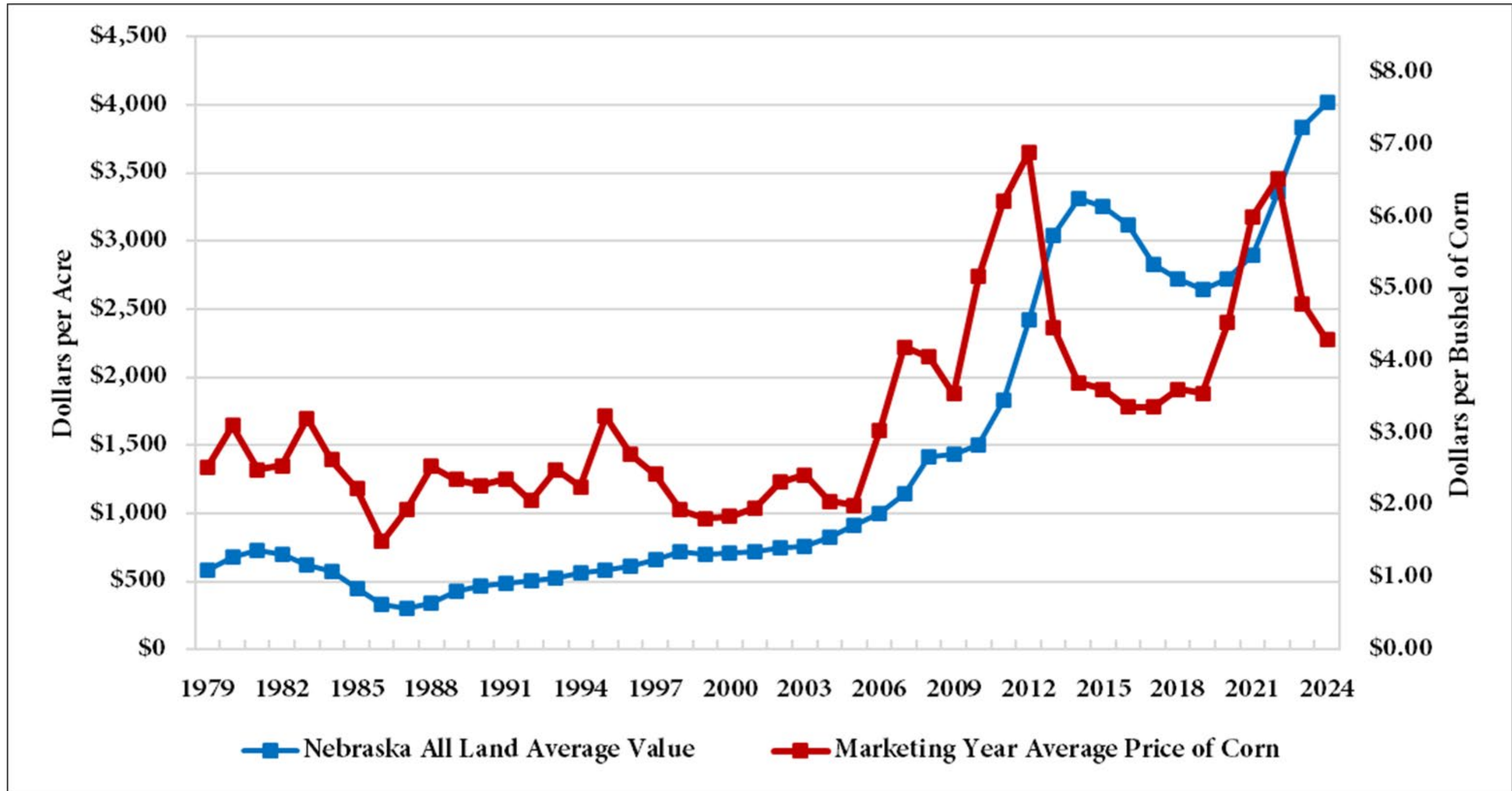


**Source: Crop Insurance at a Glance, May 23, 2024; USDA-ERS**

# Land Management Questions

**Question: Where are land prices & cash rental rates headed in the future? Could land prices or rents level-off or drop?**

**Answer:**



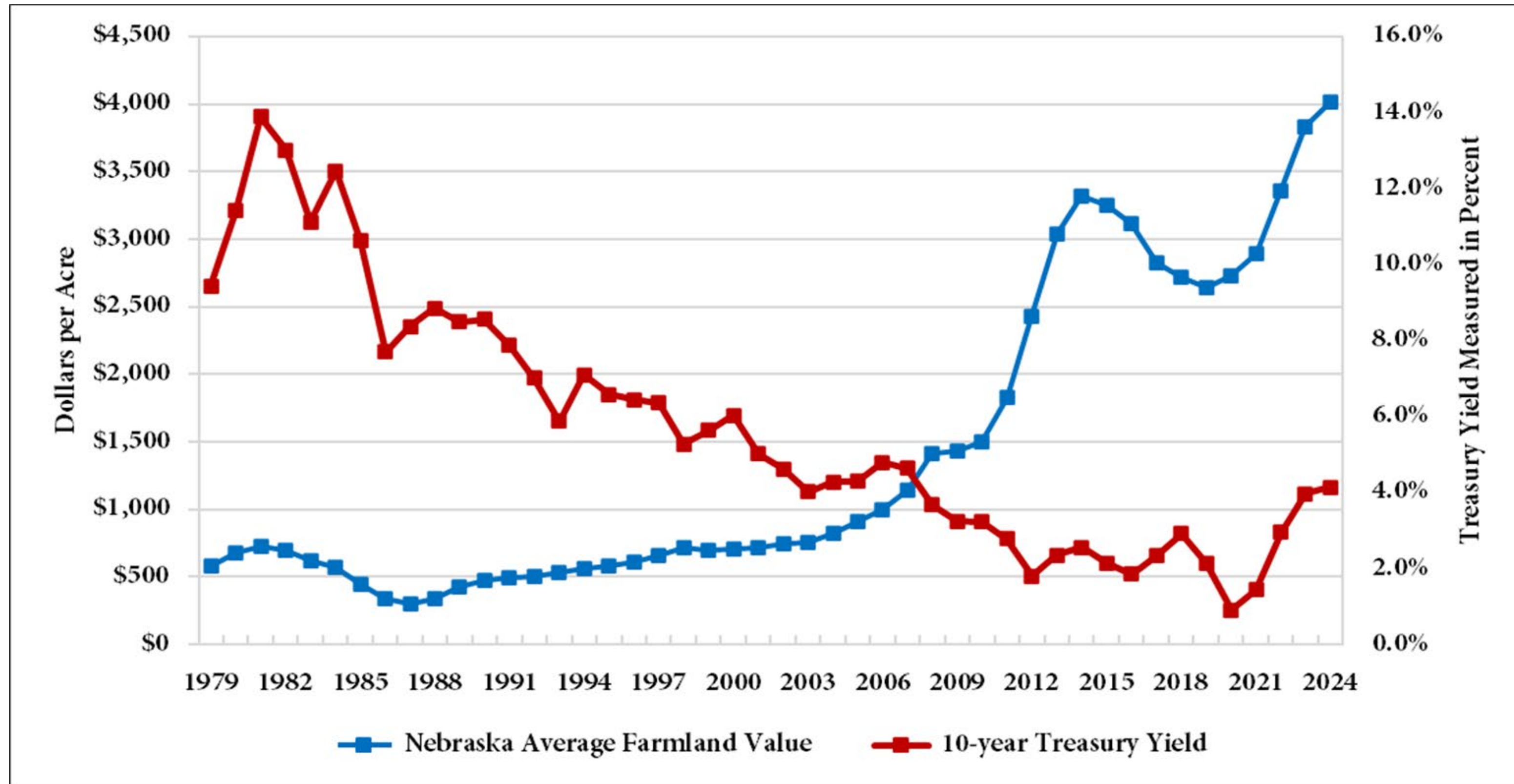
**Source: UNL Nebraska Farm Real Estate Market Surveys, 1979-2024**



# Land Management Questions

**Question: Where are land prices & cash rental rates headed in the future? Could land prices or rents level-off or drop?**

**Answer:**



**Source: UNL Nebraska Farm Real Estate Market Surveys, 1978-2024**

# 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
- 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: 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 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!



# Land Management Questions

- **Question:** Online participants may now submit their questions.
- **Answer:** Review of questions and answers will be based upon remaining time available.



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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)



# 2024-2025 Landlord/Tenant Cash Rent Workshops

Link: <https://cap.unl.edu/land25>

- **November & December**

- **Nov. 18 in North Platte:** 1-4 p.m. CT West Central Research, Extension & Education Center, 308-532-2683
- **Nov. 19 in Kearney:** 9 a.m.-noon CT at the office of Nebraska Extension in Buffalo County, 308-236-1235
- **Dec. 3 in York:** 10:30 a.m.-2 p.m. CT at the York County 4-H Building, 402-362-5508
- **Dec. 4 in Alliance:** 9:30 a.m.-12:30 p.m. MT at the office of Nebraska Extension in Box Butte County, 308-762-5616



# 2024-2025 Landlord/Tenant Cash Rent Workshops

Link: <https://cap.unl.edu/land25>

## • December

- **Dec. 5 in Norfolk:** 10:30 a.m.-2 p.m. CT at the office of Nebraska Extension in Madison County, 402-370-4040
- **Dec. 5 in Sidney:** 9:30 a.m.-12:30 p.m. MT at the South Platte NRD office, 308-254-4455
- **Dec. 10 in Mead:** 10:30 a.m.-2 p.m. CT at the office of Nebraska Extension in Saunders County, 402-624-8030
- **Dec. 11 in O'Neill:** 1-4 p.m. CT at the office of Nebraska Extension in Holt County, 402-336-2760



# 2024-2025 Landlord/Tenant Cash Rent Workshops

Link: <https://cap.unl.edu/land25>

- **December**

- **Dec. 12 in Wilber:** 1-4 p.m. CT at the office of Nebraska Extension in Saline County, 402-821-2151
- **Dec. 17 in Dakota City:** 10:30 a.m.-2 p.m. CT at the office of Nebraska Extension in Dakota County, 402-987-2140



# Upcoming Webinar: Mon. Feb. 17, 2025 at 12:00 PM CST

## Topics:

- Recent Trends in Nebraska Cash Rental Rates
  - Trends in cash rents for 2024-2025
  - Calculating cash rental rates to reflect market prices or farm yields
- Updating Agricultural Leases for the 2025 Production Season
  - Considerations for landlords and tenants entering the new growing season
  - Aglease101.org - free lease resources
- Ask an Expert
  - Review of submitted questions and from meeting participants
  - Upcoming land management workshops and publications



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