2019 Cash Rent Survey

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One of the most difficult tasks of renting ag land is determining a "fair" price for all parties involved, and the current economic challenges make that task even harder. The University of Nebraska–Lincoln Agricultural Economics Department conducts a yearly survey to help landowners know and understand the value and average rental rates of the land in their area. Overall, the average market value of ag land in Nebraska declined 3 percent from 2018 and is the fifth consecutive year of downward pressure.

About the Survey

On March 13, 2019, the "2019 Nebraska Farm Real Estate Market Survey" report was released from Cornhusker Economics (*http://agecon.unl.edu/cornhuskereconomics*) and this article contains "preliminary" data from that survey. This survey was sent to professional farm and ranch managers, certified general appraisers and agricultural bankers earlier this winter asking about prices and values for the upcoming 2019 growing season. This report is considered "preliminary" because it is publicized once enough surveys are returned in order to have statistical significance. This allows users to see most of the data as early as possible to assist with rental rate negotiations, with the understanding the numbers may be a little different in the final report to be released in June. This March report is simply a "sneak-peak" to the final report and should be used as such.

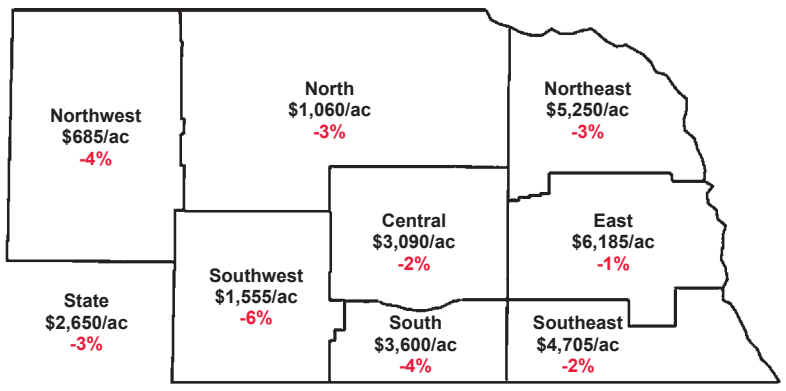

Table 1. Average reported value of Nebraska farmland for different land types by Agricultural Statistics District, Feb. 1, 2019 [a]

TYPE OF LAND	AGRICULTURAL STATISTICS DISTRICT EAST	SOUTHEAST	STATE [c]
Dryland Cropland (No Irrigation Potential)	$5,775/acre 2% change	$4,115/acre -2% change	$3,045/acre -2% change
Dryland Cropland (Irrigation Potential)	$6,140/acre -2% change	$5,255/acre -2% change	$4,005/acre -3% change
Grazing Land (Tillable)	$3,085/acre -7% change	$2,825/acre -1% change	$1,195/acre -4% change
Grazing Land (Nontillable)	$2,190/acre -7% change	$1,990/acre -3% change	$800/acre -4% change
Hayland	$3,175/acre 6% change	$2,650/acre 1% change	$1,665/acre -3% change
Gravity Irrigated Cropland	$7,600/acre 2% change	$5,910/acre -6% change	$5,710/acre -1% change
Center Pivot Irrigated Cropland [b]	$8,445/acre -2% change	$7,525/acre -3% change	$5,980/acre -2% change
All Land Average [c]	$6,185/acre -1% change	$4,705/acre -2% change	$2,650/acre -3% change

[a] Source: UNL Nebraska Farm Real Estate Market Surveys, 2018 and 2019.
[b] Value of pivot not included in per acre value.
[c] Weighted averages.

Table 2. Reported cash rental rates for various types of Nebraska farmland and pasture: 2019 averages, percent change from 2018 and quality ranges by Agricultural Statistics District [a]

TYPE OF LAND		AGRICULTURAL STATISTICS DISTRICT EAST	SOUTHEAST
Dryland Cropland	Average	$200/acre 5% change	$155/acre -3% change
	High Third Quality	$230/acre	$190/acre
	Low Third Quality	$165/acre	$130/acre
Gravity Irrigated Cropland	Average	$245/acre -4% change	$230/acre 2% change
	High Third Quality	$285/acre	$260/acre
	Low Third Quality	$210/acre	$190/acre
Center Pivot Irrigated Cropland [b]	Average	$285/acre 2% change	$250/acre -4% change
	High Third Quality	$330/acre	$300/acre
	Low Third Quality	$240/acre	$210/acre
Pasture	Average	$47/acre -3% change	$46/acre -1% change
	High Third Quality	$68/acre	$61/acre
	Low Third Quality	$37/acre	$39/acre
Cow-Calf Pair Rates [c]	Average	$49.25/pair 2% change	$44.65/pair -1% change
	High Third Quality	$63.25/pair	$55.35/pair
	Low Third Quality	$43.75/pair	$34.35/pair

[a] Source: Reporters' estimated cash rental rates (both averages and ranges) from the UNL Nebraska Farm Real Estate Market Survey, 2018 and 2019.
[b] Cash rents on center pivot land, assumes landowners own total irrigation system.
[c] A cow-calf pair is typically considered to be 1.25 to 1.30 animal units (animal unit being 1,000 lb. animal) for a five-month grazing season. However, this can vary depending on weight of cow and age of calf.

Report Findings

The report provides data based on the eight Agricultural Statistics Districts in Nebraska (see map above). Lancaster County is located in the East District; however, much of the agricultural land will have similarities to the Southeast District. There are two data sets provided: "Average Value of Farmland" and "Reported Cash Rental Rates." The farmland values in Table 1 (above) is split into dryland cropland (with or without irrigation potential), grazing land (tillable or non-tillable), hayland and irrigated cropland (with gravity or center pivot). The table also shows the percent change from 2018 and it is not surprising that nearly all locations saw a decrease in land values. Overall, the "all land average" in the east and southeast districts decreased by 1 percent and 2 percent, respectively; however, there was a slight increase in hayland.

The most popular data from the survey is the reported cash rental rates found in Table 2 (above). This table provides cash rental data on dryland cropland, gravity and center-pivot irrigated cropland, pasture and cow-calf pair rates. The overall cash rental rates have primarily decreased as well, when compared to 2018. The east district did see an increase on dryland and pivot irrigated cropland, while the southeast saw a small increase in gravity irrigated cropland.

When using this data, it is very important to remember the report produces values for a region and doesn't take into account the local "supply vs. demand" that may alter these values for your land. The report also provides a range based on the quality of the ground, which can be highly subjective. Communication with your tenant or landlord is critical for understanding the needs of both parties as this report does not include the multitude of factors unique to your farm. These numbers should simply serve as a starting point for the communication on rental rates.

Bagworm Control in Windbreaks

Sarah Browning
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Later this month, a new generation of bagworms will begin to hatch from the small, tan, oval-shaped, cocoon-like structures created by last year's insects. Large numbers of bagworms can cause severe damage to windbreaks, particularly eastern red cedar and spruce. Entire plants can be killed if an infestation goes uncontrolled.

Bagworms also feed on shade, orchard and forest trees of nearly every kind, as well as many ornamental shrubs and perennials. The insects and their cocoons can be hard to spot when low numbers are present since they look so much like a natural part of the plant.

Usually bagworm infestations build up slowly over two or three years. There have been increasing bagworm populations in Lancaster County for the last few years.

Bagworm Identification and Life Cycle

The adult male bagworm is a small, furry gray moth with clear wings; the adult female does not have wings and never leaves the bag she constructs during feeding. The larva is a brown or tan caterpillar with black markings. Bagworms overwinter in the egg stage inside the female bags, which are fastened to twigs. There may be as many as 300–1,000 eggs in a single bag.


Soni Cochran, Nebraska Extension in Lancaster County

Bagworms on a cedar

Since the female bagworm cannot fly, local populations can build up to damaging levels as succeeding generations of insects emerge. Depending on spring and early summer temperatures, eggs hatch from mid- to late- May through early June, and larvae feed until late August or early September. There is one generation per year.

After hatching, the larvae emerge from a hole at the base of the mother's bag and spin down a strand of silk. The tiny insect is often ballooned by the wind to nearby branches or plants. Once a suitable host is found, the new insect immediately begins to form a new bag over its body. Initially the young insect's bag is about 1/8-inch long, but at maturity, will grow up to 2-inches long. By mid-August, the mature larvae attach their bag to a branch with a strong band of silk and begin to pupate. Adult males emerge in September.

INSECTICIDE	TRADE NAME	Homeowner/ Commercial
Acephate	Orthene	H,C
Acetamiprid	TriStar	H,C
Azadirachtin	Azatrol, Azatin-o and others	H,C
Bacillus thuringiensis (Bt)	Dipel, Thuricide, Biotrol, others	H,C
Beta-cyflurin	Tempo	C
Bifenthrin	Talstar	H,C
Carbaryl	Sevin, others	H,C
Chlorantraniliprol	Acelepryn	C
Cyfluthrin	Decathalon, Bayer Lawn & Garden	C
Deltamethrin	Deltagard T&O, Suspend SC	H,C
Dinotefuran	Safari	C
Fluvalinate	Mavrik	H,C
Indoxacarb	Provaunt	C
Lambda-cyhalothrin	Scimitar, Demand	H,C
Malathion	Malathion	H,C
Permethrin	Astro EC, Spectracide Bug Stop, Eight	H,C
Spinosad	Conserve, Bulls-Eye Bioinsecticide, Fertilome Borer, Bagworm, Leafminer & Tent Caterpillar Spray	H,C
Tebufenozide	Confirm	C

Control

Chemical Control — Timing is very important for successful bagworm control. Applications made from late May through mid-June are most effective. It's easier to kill young larva in the early stages of development. Scout trees and make an application before new generation bags reach 1/2-inch in length.

Bacillus thuringiensis (Bt) is very

see BAGWORM CONTROL on back page