Nebraska

AGRICULTURAL

QUARTERLY MARKET ANALYSIS

PEOPLES COMPANY™
INTEGRATED LAND SOLUTIONS

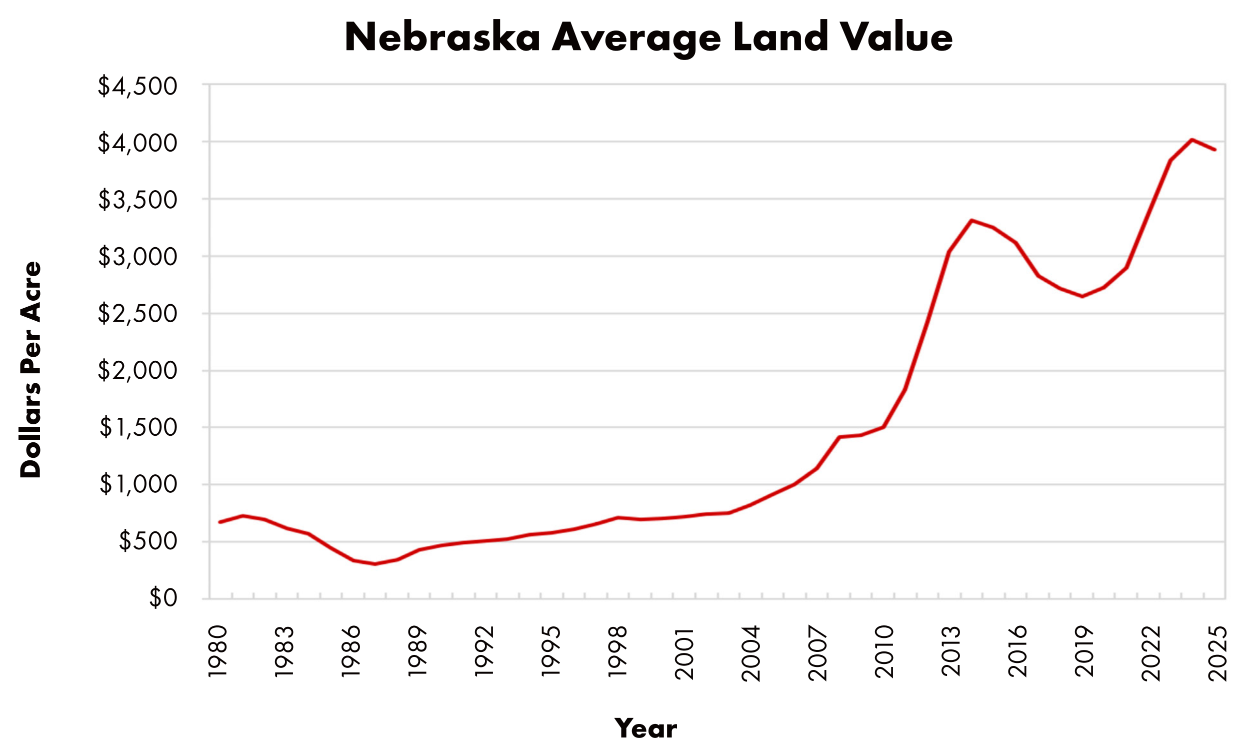
2026 Quarter 2

INTRODUCTION

Nebraska farmland values entering 2026 reflect a more mixed market environment compared to recent years, shaped by lower commodity prices, elevated input costs, and borrowing conditions that remain restrictive despite modest improvement. While interest rates have softened slightly from late 2025 levels, financing costs continue to weigh on leveraged purchases and overall return expectations. Export demand and global competitiveness remain key drivers for crop revenue, while domestic demand channels continue to provide some longer-term support. At the same time, ongoing geopolitical instability and elevated energy prices continue to influence fuel and fertilizer costs, reinforcing uncertainty in production expenses and tightening operating margins.

HISTORICAL TRENDS

Following a period of strong appreciation through 2021–2023, Nebraska farmland values have entered a phase of stabilization with slight downward pressure in certain segments. According to University of Nebraska–Lincoln data, statewide farmland values have declined modestly from recent highs, marking a shift from rapid growth to a more normalized market environment. This adjustment reflects softer crop economics and higher cost structures rather than a fundamental deterioration in long-term land value drivers. Strong equity positions and limited land supply continue to support the market, though price momentum has slowed compared to prior years.



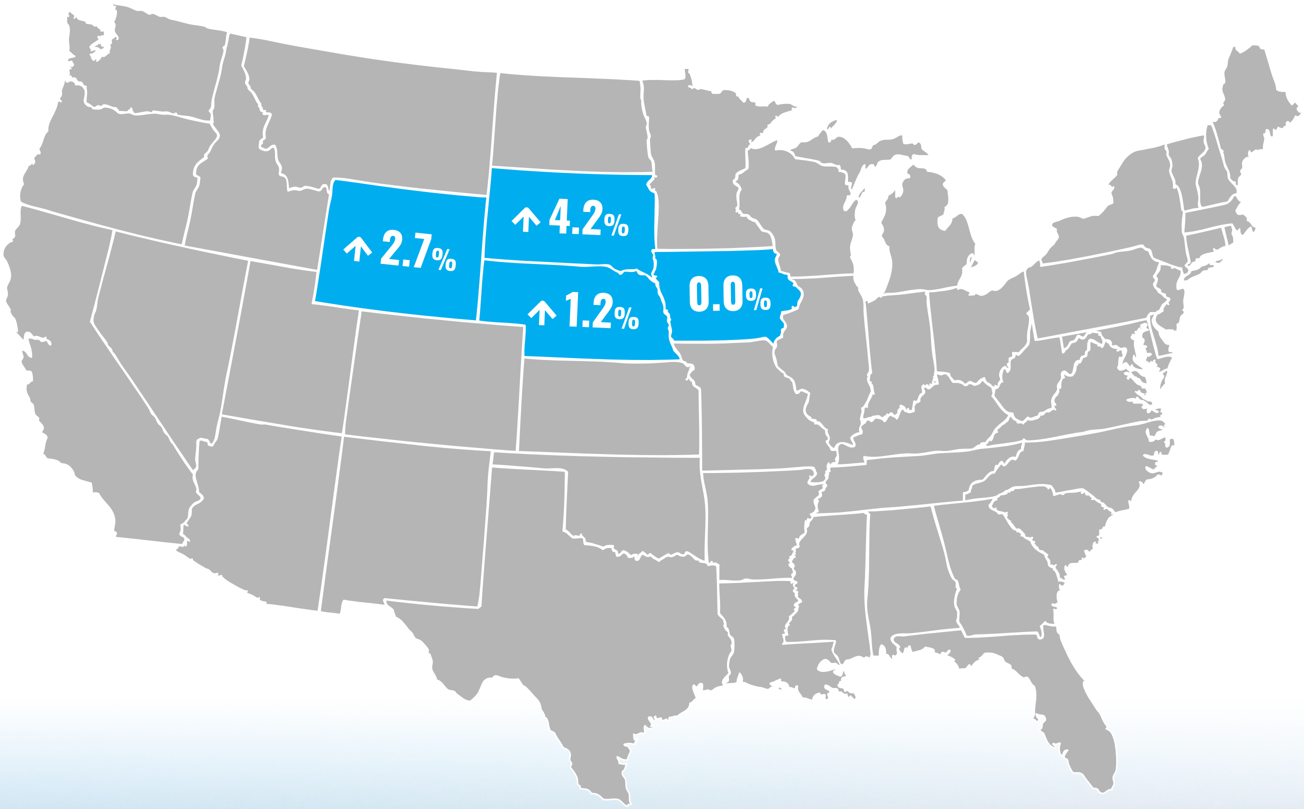
Source: UNL Nebraska Farm Real Estate Market Surveys, 1980-2025

RECENT MARKET PULSE

Current conditions in Nebraska continue to reflect broader Midwest trends. Crop-oriented operations remain challenged by tighter operating margins, causing many producers to remain disciplined in expansion decisions. At the same time, limited farmland supply, along with continued demand from well-capitalized operators, investors, and 1031 exchange buyers, has helped support values for quality farmland. While uncertainty surrounding commodity prices, interest rates, and trade policy continues to influence buyer sentiment, the market has remained resilient as demand for quality farmland continues to outpace the number of properties available for sale.

According to recent Farm Credit Services of America data, Nebraska saw a 1.2% increase in benchmark land values over the past six months and a 3.2% increase compared to the same time last year.

Six-month average benchmark land values change (FCSA)



PEOPLES COMPANY AUCTION DATA

Peoples Company's Appraisal Team tracks public farmland auctions throughout Nebraska to measure how market conditions are reflected in open-market transactions. During the second quarter of 2026, auction activity slowed considerably, with 28 public auction tracts totaling approximately 6,097 acres marketed across April, May, and June.

Monthly auction results reflected considerable variability, averaging approximately $6,319 per acre in April, $4,248 per acre in May, and $2,983 per acre in June. April also averaged approximately $888 per tillable acre and $148 per productivity point, while later months did not generate sufficient qualifying data to calculate meaningful tillable-acre or productivity-point averages.

Given the relatively limited number of auctions during the quarter, these monthly fluctuations should not be interpreted as broad market movements. Rather, they primarily reflect differences in the type of properties offered, including variations in land use, irrigation, productivity, tract size, and geographic location. Overall, second-quarter auction activity continues to suggest a market that has stabilized, with competitive bidding remaining evident for high-quality properties while average-quality offerings experience greater variability depending on buyer composition and local demand.

Monthly Auction Results | 2026

Nebraska	$/Acre	$/Tillable	$/Point	Tracts Sold	Acres Sold
January	$9,128	$11,373	$168	23	3,288.40
February	$6,805	$8,388	$131	39	7,068.37
March	$7,468	$8,453	$133	26	4,873.44
April	$6,319	$888	$148	15	3,104.00
May	$4,248	–	–	6	994.52
June	$2,983	–	–	7	1,998.18

Quarter 2 2026 | NEBRASKA

Tracts Sold	**28**
Acres Sold	**6,096.70**
$/Gross Acre	**$5,053**
$/Tillable Acre	**$7,879**
$/Point	**$132**

REGIONAL AND LAND CLASS DIFFERENCES

Nebraska's farmland market continues to show meaningful variation by land class and intended use. Cropland values remain under modest pressure from compressed crop margins, while pasture and grazing land continue to benefit from favorable cattle economics and sustained livestock demand. Recent wildfire activity in portions of western and north-central Nebraska created localized disruptions for some livestock operations and landowners; however, those events have not materially altered broader statewide land value trends. Instead, values continue to be driven primarily by income potential, land quality, and local buyer demand.

This divergence remains one of the defining characteristics of the Nebraska land market. Rather than a uniform statewide trend, values continue to be influenced by local agricultural economics, irrigation potential, and income-producing capability. Premium cropland and high-quality grazing operations continue attracting competitive interest, while average-quality properties are increasingly evaluated on a tract-by-tract basis.

OPERATING NET INCOME PERFORMANCE

Operating net income across Nebraska remains pressured by softer crop prices and elevated production costs, although generally favorable growing conditions have improved production expectations entering the second half of the year. Export markets remain an important driver of grain pricing, while domestic demand from renewable fuels continues to provide partial support.

On the expense side, production costs remain elevated compared to historical norms. Although geopolitical concerns have moderated somewhat, uncertainty surrounding global energy markets continues to influence fuel and fertilizer costs, keeping breakeven levels elevated and reinforcing disciplined expansion decisions among producers.

COST OF CAPITAL EXPECTATIONS

The cost of capital continues to influence farmland demand throughout Nebraska. While borrowing costs have generally stabilized compared to recent years, financing remains considerably more expensive than during the low-interest-rate environment that supported the previous land value expansion. As a result, lenders continue emphasizing strong equity positions and conservative underwriting, allowing cash buyers and well-capitalized investors to remain highly competitive in today's market.

CONCLUSION

Nebraska farmland continues to be supported by strong long-term fundamentals, including limited land availability, healthy producer equity, and continued investor interest. While crop margins remain under pressure, the market appears to have entered a period of relative stability rather than broad-based decline.

Market performance continues to vary by land class, with high-quality cropland and productive pasture remaining well supported while average-quality properties experience more selective buyer participation. Investor demand remains an important source of competition alongside local producers, helping offset reduced expansion by some farm operators.

Looking ahead through the remainder of 2026, Nebraska farmland values are expected to remain generally stable. Individual auction results will continue to depend on land quality, location, and buyer composition, but current market conditions suggest a disciplined and fundamentally healthy land market rather than one experiencing widespread price deterioration.

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