

11516 Nicholas Street, Suite 100  
Box 542016  
Omaha, NE 68154-8016  
Phone: (402) 496-FARM (3276)  
Fax: (402) 496-7956  
[www.farmersnational.com](http://www.farmersnational.com)



## ***PRESS RELEASE***

January 2023

**For more information contact:**

**Kristen Grap, Manager - Marketing**

1-800-346-2650

[kgrap@farmersnational.com](mailto:kgrap@farmersnational.com)

OR

Kristin Danley-Greiner

515-979-8119

[kristin@pappasmarketing.com](mailto:kristin@pappasmarketing.com)

FOR IMMEDIATE RELEASE:

### **Farmers Lead Land Purchases, Setting Record Sales Levels in Several States**

The land market momentum that began in late 2021 accelerated into 2022 and was driven by competition for high quality cropland; it resulted in both record sales and overall increases in land values across the country.

Strong demand across all of the country's regions brought opportunities to landowners interested in capitalizing on the current land market. Aggressive land buyers continue to drive competition through public/online auction methods, giving us a true market value in those specific areas.

In most cases, landowners selling property experienced values never-before-seen for their farmland. The final results at these auctions set records in several states and have increased year-to-year values between 20 percent to 34 percent across Corn Belt states, according to the most recent report from the Kansas City Federal Reserve.

Landowners continue to turn to Farmers National Company to market their farmland assets, which has resulted in a new record sales volume of \$766 million during 2022. This sales volume exceeds the previous record set in 2021 of \$750 million. The majority of these sales came through competitive auction methods (76%) with increases in both total transactions and acres sold.

“What we are seeing is a true supply/demand scenario. There are simply more buyers willing to bid on the limited amount of land coming to the market. Current commodity markets and strong cash rents provide buyers with the necessary returns to meet their investment criteria while giving them the opportunity to expand operations or add land to their investment portfolio,” explained Paul Schadegg, Senior Vice President of Real Estate Operations for Farmers National Company. “Our anticipation is

that these values will remain strong coming into the new year with continued strength in the ag economy although we may see less and less of the record sales.”

Who are the land buyers? Farmers National Company reports seeing the traditional local farmer-operator as the successful buyer of farmland 75 percent of the time.

“With that being said, land investors are certainly part of the equation as they have been active bidders at most sales to a point that has set the floor on values. While the investor may not always be the buyer of land, they are part of the competition driving the values higher,” Schadegg said. “We also expect this trend to continue as many investors see the long-term value of farmland, the opportunity to diversify investments and the value of land as a hedge against rising inflation.”

What factors will continue to drive the land market or slow its growth?

“Commodity markets will continue to be the main driver in land value. When coupled with the supply/demand scenario, the outlook for continued strong land values remains strong moving into 2023. However, we are cautious as interest rates continue to rise and inflation becomes a large factor in cropping inputs. These factors have the impact to decrease net farm income, erode operator equity and subsequently pressure farmland value,” Schadegg said. “So we sit at a somewhat precarious point in time where opportunity exists for both land sellers and buyers, but is dependent on the continued strength of the agriculture economy to stabilize or grow.”

*Click [here](#) to access our online newsroom where you'll find both color and black and white land value graphs, as well as a company fact sheet, this release and the regional report.*

###

Employee-owned Farmers National Company is the nation's leading landowner services provider. Farmers National Company manages more than 5,000 farms and ranches in 30 states comprising more than 2 million acres. Over the last five years, Farmers National Company has sold 4,796 properties (1,740 at auction) and more than \$6.03 billion of real estate during the last 10 years. Additional services provided by the company include energy management, appraisals, insurance, Hunting Lease Network, forest management, FNC Ag Stock, consultations, and collateral inspections. For more information on our company and the services provided, visit [www.FarmersNational.com](http://www.FarmersNational.com).