The number of properties in the NFI increased by 9 in Q4 2022 bringing the total property count to 1,315, and the NFI’s market value reached a new record of $15.3 billion. At the end of Q4 2022, the NFI was comprised of $9.4 billion (62%) of annual cropland and $5.9 billion (38%) of permanent cropland. Directly operated permanent crop properties represented $4.3 billion (28%) of the NFI, while leased cropland properties accounted for $1.6 billion (10%).

Regionally, the Pacific West (39%), Delta States (19%), and Corn Belt (13%) comprised over 70% of the NFI, collectively. The other 29% is represented by the Mountain (8%), Pacific Northwest (7%), Southeast (3%), Lake States (4%), Northern Plains (3%), Southern Plains (2%), Appalachian (1%), and Other (<1%).

In Q4 2022, the NFI reported strong quarterly performance, surpassing the Q4 results experienced in 2021. Over the prior four quarters, the NFI's cumulative total return was 9.64%, resulting from an income return of 3.29% and appreciation of 6.20%. Annual cropland's rolling 4-quarter return was 14.43%, even with the Q3 2022 rolling 4-quarter return. Permanent cropland weakened, posting another positive quarter of return, reporting a rolling 4-quarter total return of 2.61%.

Over the past four quarters, the annual cropland sub-index generated an income return of 3.75% and appreciation of 10.40%, resulting in a total return of 14.43%. This result was even with previous quarter's rolling 4-quarter return (14.43%). From a regional standpoint, total returns over the past four quarters ranged from 27.99% in the Corn Belt to 4.84% in the Pacific Northwest. The Corn Belt, Lake States, Delta States, and Southeast all reported rolling 4-quarter total returns exceeding 10%.

As of Q4 2022, the permanent cropland sub-index reported a rolling 4-quarter income return of 2.61% and appreciation of 0.0%, resulting in a total return of 2.61%. Recent returns produced by the permanent cropland sub-index are near 20-year lows. It is noteworthy that since 2000, almonds (-2.90%), apples (-13.07%) and pistachios (2.07%) produced the strongest permanent crop returns in Q4 2022. On the other hand, almonds (-2.90%) and citrus (-0.10%) represented the lowest permanent crop returns during the quarter.

Among permanent cropland properties, apples accounted for the highest return over the prior 4 quarters at 12.3%. While almonds accounted for the lowest return, -2.3%. The rolling 4-quarter returns for most major permanent crop categories continue to lag their 5-year and 10-year returns. Apples (13.07%) and pistachios (2.07%) produced the strongest permanent crop returns in Q4 2022. On the other hand, almonds (-2.90%) and citrus (-0.10%) represented the lowest permanent crop returns during the quarter. The rolling 4-quarter performance of leased permanent cropland exceeded the performance of directly operated permanent crops by 615 basis points, outperforming in terms of income and appreciation.