

2025 MARKET REPORT

# Arizona Cattle Ranch

## *Activity & Market Analysis*

---

**Paul Groseta**

Headquarters West, Ltd. | ASFMRA Arizona Chapter, Ag Forum

# 2025 MARKET SNAPSHOT

24

Total Ranch Sales

▼ 12.5% vs 2024

\$19,481

Avg Price per AU

▲ 47.5% vs 2024

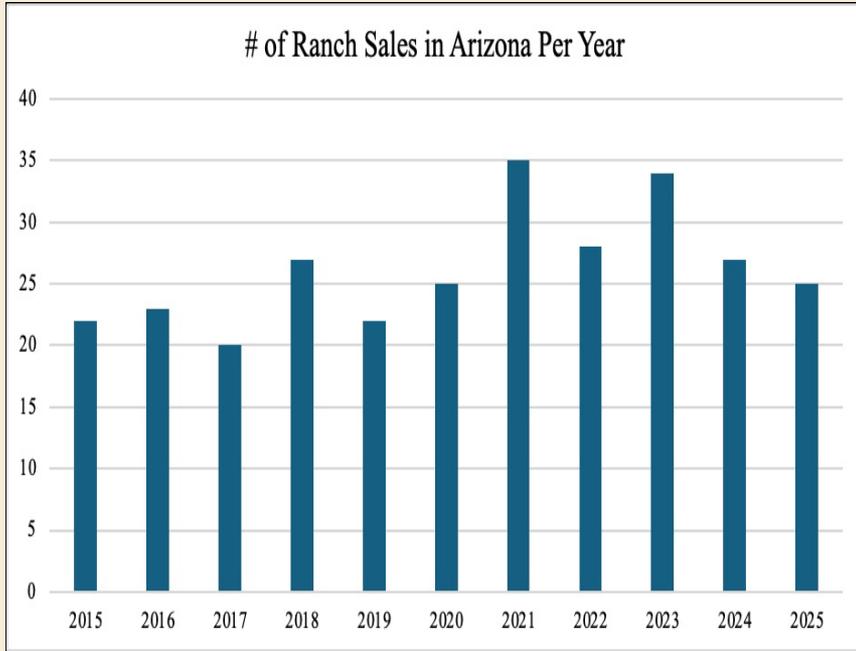
26

10-Year Avg Sales/Year

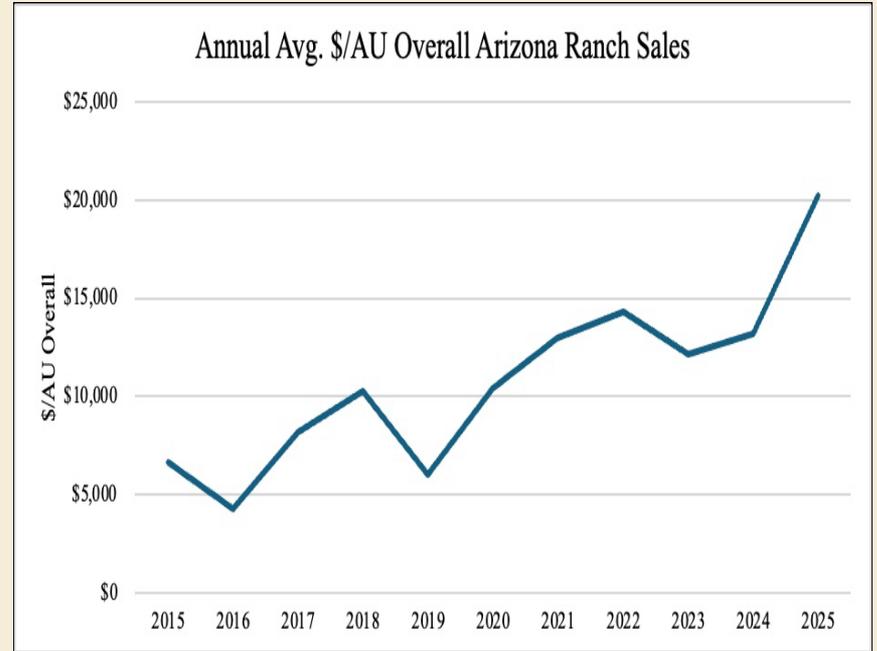
*Historical baseline*

# HISTORICAL MARKET TRENDS | 2015-2025

## # of Ranch Sales Per Year



## Annual Avg. \$/AU Overall



10-year avg: 26 sales/year • 10-year avg \$/AU: \$10,733 • 2025 avg \$/AU up 47.5% over 2024

# KEY MARKET DRIVERS

## High Cattle Prices

Record-high cattle prices mean fewer willing sellers, constraining supply while buyer demand remains strong.

## Low Cattle Inventory

National cattle herd at historic lows, driving competition for productive ranch land across Arizona.

## USDA PRF Rain Insurance

Over 44.5M acres enrolled in Arizona alone. \$99M+ in indemnity payments paid in 2025, supporting rancher income.

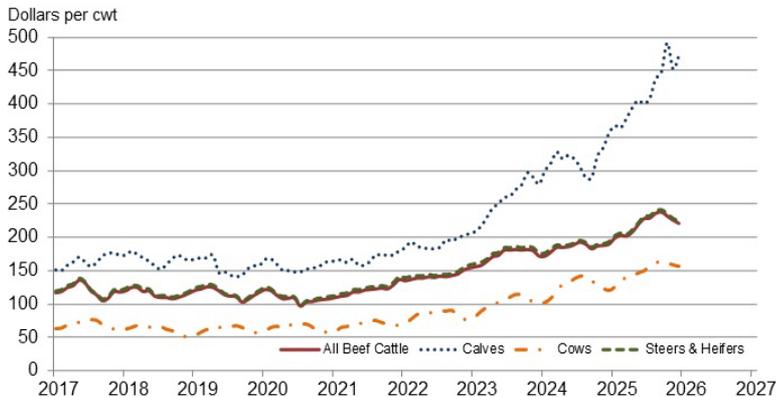
## 2026 OUTLOOK

*No anticipated weakening of cattle prices for the foreseeable future. Expect the same low-inventory, high-price market pattern to continue.*

# USDA DATA: CATTLE PRICES & NATIONAL INVENTORY

## Prices Received for Cattle by Month

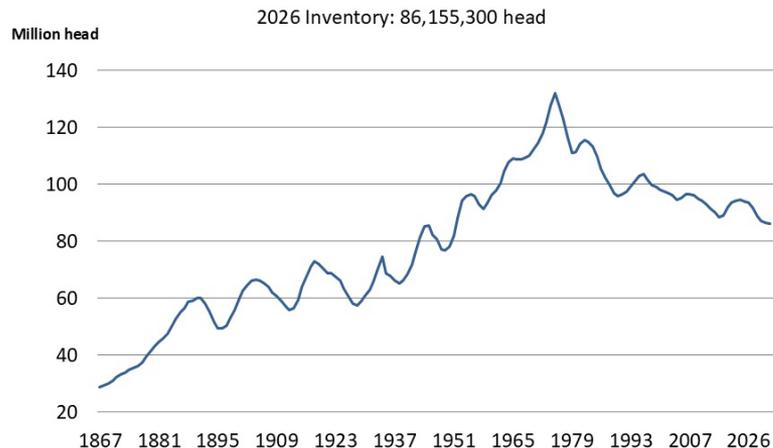
### Prices Received for Cattle by Month – United States



USDA – NASS  
01/30/2026

## All Cattle & Calves Inventory — U.S.

### All Cattle and Calves Inventory – United States: January 1



USDA-NASS  
01-30-2026

# BEEF MARGINS & PRF RAIN INSURANCE GROWTH

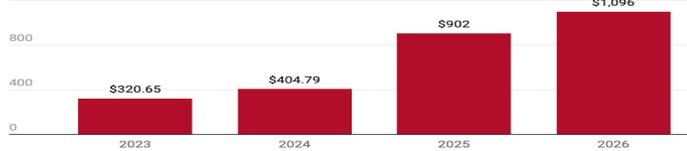
## Annual Projections: Beef Margins



### Annual Projections

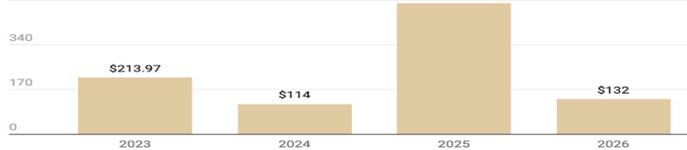
Cow-Calf Margin\* (\$/cow)

\$1,200



Feedlot Margin (\$/hd)

\$510



Packer Margin (\$/hd)

\$100

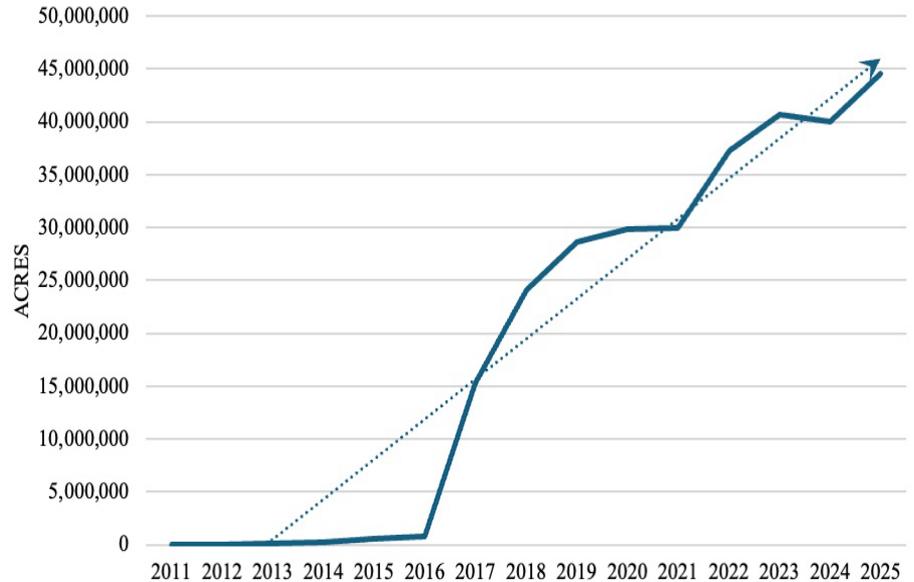


January 13, 2026 \*Based on Sterling Marketing revenue and cost of production projections.

Chart: Drovers • Source: Sterling Marketing • Created with [Datavrapper](#)

## AZ Acres Enrolled in USDA PRF "Rain" Insurance

AZ Acres Enrolled in USDA PRF "Rain" Insurance



# USDA PRF RAIN INSURANCE PROGRAM

44.5M+

Acres enrolled in Arizona

2025

\$99M+

Indemnity payments in Arizona

2025

## What is PRF Insurance?

The USDA Pasture, Rangeland and Forage (PRF) program allows producers to buy protection for losses of forage produced for grazing or harvested for hay. The program uses a rainfall index to determine precipitation for coverage — it does not measure actual production loss. It covers increased costs for feed, destocking, depopulation, and other actions triggered by drought.

# ARIZONA RANCH LAND COMPONENTS

Most Arizona ranches operate on a mix of private, state, and federal land. Livestock grazing represents the highest and best use for most of Arizona's landmass — unlike other states, conversion to cropland is limited by arid climate and terrain. Most ranches across the state are cow/calf cattle operations with the main commodity sold being weaned calves. There are few “puritan” production ranches with a single land classification.

## Deeded Land

*Shown as white (or red) on maps*

## AZ State Land Dept Leases

*Shown as blue on maps*

## BLM Permits

*Shown as yellow on maps*

## USFS Permits

*Shown as green on maps*

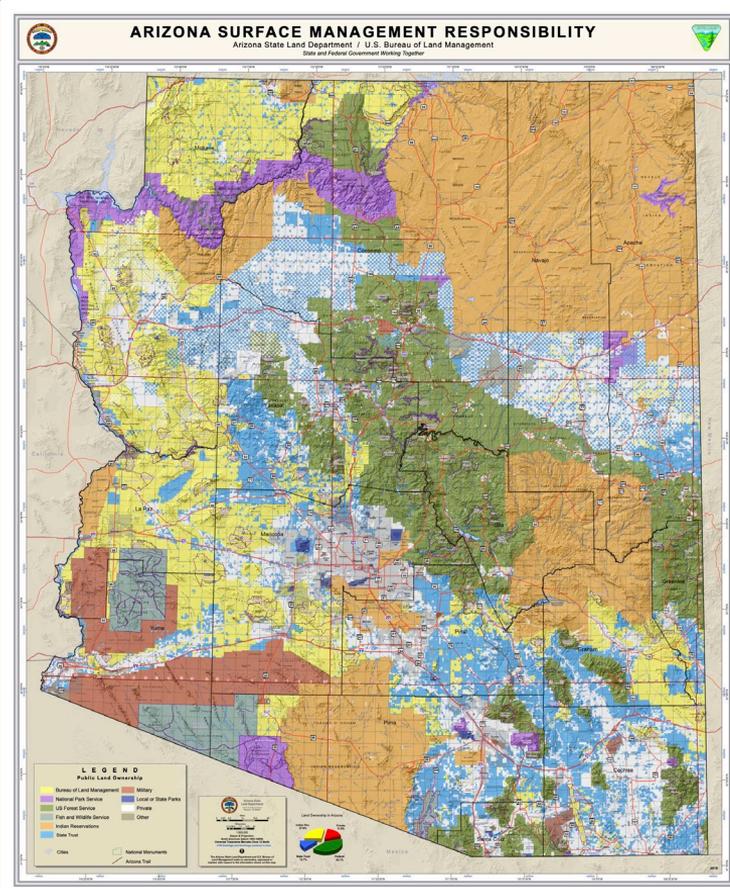
## Private Leases

*Northeastern AZ*

## Uncontrolled Deeded (Adverse)

*I-40 corridor*

# ARIZONA LAND TENURE MAP



# DEEDED LAND & STATE LEASE COMPONENTS

## Deeded Land

- Typically analyzed on a per-acre basis
- Large price variations by location, size, land classification, access & improvements
- Largest % of deeded ranches along I-40 corridor and southeast Arizona

## AZ State Land Department Leases

- Typically analyzed on a per-animal-unit (AU) basis
- Considered the most stable leasehold type
- Lessee owns the improvements (if approved by ASLD)
- ASLD leases found in every county across Arizona

# FEDERAL GRAZING PERMITS: BLM & USFS

## BLM Permits

- Analyzed on a per-AU basis
- Most are year-round; some ephemeral (used only when moisture warrants)
- Prevalent in western AZ, Arizona Strip & SE Arizona
- Typically, more desert-type ranches

## USFS Permits

- Analyzed on a per-AU basis
- Year-round and seasonal (summer or winter use)
- More intensive agency management
- Public access considerations
- Predominantly in northern/central & SE Arizona

# 2025 SALES: DEEDED LAND & DESERT RANCHES

## Large Deeded Land Ranches

5

Sales

\$40,793

Avg \$/AU

161 AU

Avg Size

Sales averaged deeded land of 4,748 acres. About half had some development pressure at say \$500-\$1,500/acre, lesser development pressure at say \$250-\$500/acre. Grazing leaseholds may be less significant to deeded acreage in overall deal value.

## Desert Type Ranches

8

Sales

\$8,840

Avg \$/AU

246 AU

Avg Size

Perhaps the most active segment in Arizona ranch real estate. Ranches predominantly consist of ASLD & BLM leaseholds. Avg deeded land was 169 acres with in large part no development pressure at say \$500-\$5,000/acre. No differentiation in pricing between ASLD & BLM on desert ranches. 2025 saw one puritan sale with no deeded land that sold for \$5,881/AU. Most BLM/ASLD leaseholds when allocated range from \$3,500-\$6,000/AU.

# 2025 SALES: USFS RANCHES

## USFS Year-Round Ranches

**8**

Sales

**\$12,477**

Avg \$/AU

**308 AU**

Avg Size

8 sales that occurred on 4 different forests across Arizona, no pricing differentiation between forests. Avg deeded land was 108.5 acres with about half of the sales having development pressure say north of \$20,000/acre. No puritan (no deeded) sales in 2025 though a late 2024 puritan sold for \$3,000/AU. Most year-round USFS leaseholds when allocated range from \$3,000–\$10,000/AU.

## USFS Seasonal Ranches

**0**

2025 Sales

**\$1,300–  
1,450**

2024 Puritan Sales

**\$1,500–  
4,000**

Allocated Range/AU

Slowest segment in AZ ranch sales. No transactions in 2025. Similar deeded land development pressure to year-round USFS. 2024 saw two puritan sales at \$1,300 and \$1,450/AU. Most seasonal leaseholds when allocated range from \$1,500–\$4,000/AU.

# 2025 SALES: STATE LEASE, ADVERSE & PRIVATE

## State Lease Ranches

Limited 2025 data: 1 sale (also classified as deeded land ranch; 7,000+ deeded acres, 204 AU state lease). 2024 saw 4 puritan state lease sales at \$1,000–\$9,500/AU. State leases, depending on size and location, when allocated range from \$5,000–\$10,000/AU.

## Adverse / Private Lease Ranches

2025 saw 2 sales averaging \$6,300/AU at 271 AU; one outlier at \$17,800/AU. Avg deeded land was 284.8 acres with no development pressure (\$250–\$500/acre). ASLD leases allocated higher than adverse/private on mixed ranches. Adverse/private leases when allocated range from \$1,000–\$2,000/AU.

*NOTE: Arizona law allows grazing on others' private property until fenced out (adverse grazing). Benefits include no fees; risk is loss of capacity if fenced out.*

# PRESENTER: PAUL A. GROSETA

## About

Paul Groseta specializes in real estate brokerage, appraisals, and management of agricultural, recreational, rural, and transitional land. A 4th-generation rancher raised in the Verde Valley of central Arizona, He brings deep knowledge of issues facing ranch and land owners — from water rights to urban encroachment.

## Work Experience

- Groseta Ranches, LLC — Family agricultural operation, 1995–Present
- Headquarters West, Ltd. — AZ Certified General Appraiser, 2008–Present
- Headquarters West, Ltd. — AZ Real Estate Salesman, 2005–Present

## Credentials

- B.S. Agriculture Economics & Management — University of Arizona, 2004
- AZ Certified General Appraiser #31675
- AZ Real Estate Salesman #SA570560000

Headquarters West, Ltd.  
[www.headquarterswest.com](http://www.headquarterswest.com)

# Thank You

---

## *Questions & Discussion*

Paul Groseta

Headquarters West, Ltd.

ASFMRA Arizona Chapter, Ag Forum