

2025 Minnesota Farm Finances Annual Report

This report recaps the financial performance and position of Minnesota Farms in the FINBIN database in 2025.



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About this Report

Title: 2025 FINBIN Annual Report on Minnesota Farm Finances

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Report Contents

This report provides an overview of the Minnesota farms in the [FINBIN](#) database for the 2025 financial analysis year. This report contains valuable data, figures, and insightful commentary on the farms' profitability, liquidity, solvency, debt repayment capacity, and financial efficiency. Comparisons across regions of the state and farm types are also provided, along with a look at family living expenses.

About the Data

The Minnesota data included in FINBIN is provided by producers who participate in farm business management education programs throughout the state. The majority (2,289 farms) are participants in the Farm Business Management Education programs offered through Minnesota State. [Click here for more information](#) on these programs.

Another 114 farms are members of the Southwest Minnesota Farm Business Management Association (SWFBMA). More information is available on SWFBMA [here](#). An additional 21 farms were contributed by other affiliated groups.

FINBIN data is not survey data. Participating producers complete a comprehensive financial analysis of their operation at the end of each year, with the assistance of a farm business management educator. The farm financial data is processed through several rounds of screening for accuracy and completeness. Farms that do not meet strict accuracy requirements are excluded. Every effort is made to verify the integrity of each set of farm financial data included in the database. It must be stressed that this is not a random sample of Minnesota farms. Farms pay a fee to be part of these programs and there are likely characteristics of participating farms that distinguish them from other farms in the state.

The 2,424 Minnesota farms included in the FINBIN database represent a broad cross-section of the state's production agriculture. These farms represent 3.8 percent of the farms in Minnesota and 10 percent of Minnesota's commercial farms with sales of over \$250,000². While there is no "typical" Minnesota farm, these farms include a large enough sample to provide a good barometer of commercial farming in Minnesota. Table A compares the farms included in FINBIN to all Minnesota farms based on USDA NASS data.

Table A: Size of Farms in FINBIN Compared to Minnesota Farm Population in 2025

Sales Class (proxy for farm size)	All MN Farms	Number in FINBIN	% in FINBIN
<\$100,000	40,000	240	0.6%
\$100,001 - \$250,000	6,200	370	6.0%
\$250,001 - \$500,000	5,300	470	8.9%
\$500,001 - \$1,000,000	4,300	552	12.8%
>\$1,000,000	8,200	792	9.7%

1 - Van Nurden, Wilts Johnson, Nordquist, Beverly, and Davidson are Extension Economists with the [Center for Farm Financial Management](#) at the University of Minnesota.

2 - United States Department of Agriculture (USDA). (2026). Farms and Land in Farms, 2025 Summary. USDA National Agricultural Statistics Service (NASS). ISSN: 1995-2004.

2025 Farm Financial Scorecard Summary

The scorecard below shows the financial performance of Minnesota farms in FINBIN in 2025. The scorecard uses recommended financial measures from the [Farm Financial Standards Council \(FFSC\)](#). To learn more about these measures and how they are calculated, [see this document](#).

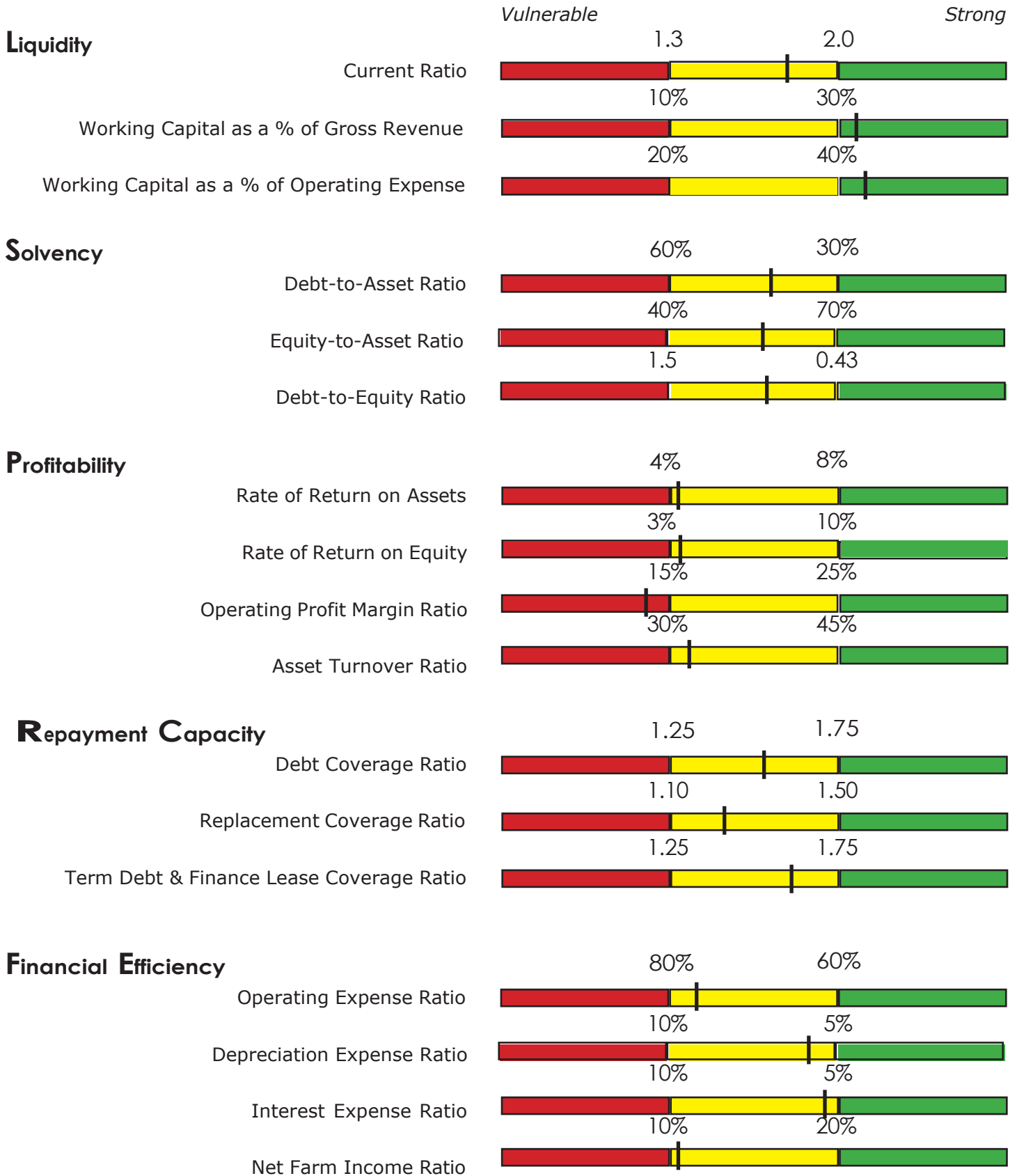


Figure A. 2025 Farm Financial Scorecard Summary

The Year in Brief

Following extremely low profit levels in 2024, Minnesota farms experienced a slightly more profitable year in 2025. The improved financial performance of 2025 can largely be attributed to strong livestock earnings, strong crop yields, and government assistance programs.

Median net farm income in 2025 was \$66,518 for Minnesota farms, up from \$22,707 (adjusted for inflation) in 2024. While 2025 saw financial improvement over 2024, the net farm income level is still below the long-term average for the past 20 years.

Despite improvements in overall farm profitability, crop farms faced continued challenges in 2025 due to depressed commodity prices. Strong yields helped, but profitability remained subtle for many crop farms. Median net farm income of crop farms in 2025 was \$59,106, up from record lows of just \$8,412 in 2024.

Dairy farms experienced an increase in earnings in 2025 for the second consecutive year. The median net farm income rose to \$142,603, up from \$126,897 in 2024. Although the average milk price decreased from \$21.44 per hundred pounds of milk in 2024 to \$20.84 in 2025, increased productivity led to higher profits. Additionally, calf and cull cow sales were pleasant profitability drivers for dairy farms in 2025. Calf sales added over \$400 per cow to dairy revenue in 2025, up from \$240 in 2024, and just \$108 in 2023.

Pork producers saw a rise in net income in 2025, with the median producer earning \$285,174 in 2025, up from \$101,079 in 2024 and \$33,041 in 2023. Improvements in profitability for pork operations stemmed from lower feed costs and slightly higher prices. The average price for wean-to-finish market hogs increased to \$88.78 per hundred pounds (carcass), up from \$84 the previous year.

Profits increased for Minnesota beef operations in 2025. Median net farm income rose to \$53,739, up from \$29,282 in 2024. Strong beef prices and low feed costs contributed to this increase. Cow-calf producers earned nearly \$550 per cow, a significant improvement over the \$250 per cow received in 2024. Cattle finishers made almost \$380 per finished head, also up from the previous year's \$275 per head.

The average Minnesota farm achieved a 4 percent rate of return on assets (based on adjusted cost or book valuation of assets), marking a 2 percent improvement from 2024. Working capital increased by \$16,870 in 2025 due to the improved crop yields and livestock returns. Debt coverage increased in 2025, after falling two years in a row, with the average farm's debt coverage ratio of 1.54:1 in 2025, up from 1.07:1 in 2024. Despite the increase, some farms still needed to utilize working capital reserves to meet scheduled debt payments.

The average farm's total net worth rose by \$217,000. Of this growth, 56 percent was attributed to earnings from both farm and non-farm activities, while the remaining 44 percent was due to an increase in the estimated market value of farm assets. The average debt-to-asset ratio saw a slight rise from 33 percent in 2024 to 34 percent in 2025.

Net farm income increased in most regions of the state in 2025, mainly due to high crop yields despite stifling commodity prices, and strong livestock returns. However, farms in Northeast Minnesota saw a reduction in median income compared to 2024. Family living expenses for the average family keeping detailed records averaged \$79,047 in 2025, reflecting a nearly 7 percent increase from 2024 after adjusting for inflation.

3 - The median represents the value separating the data in two equal halves. This can be thought of as the middle value.

Table 1. FINBIN Highlights for Minnesota Farms in 2025 (averages unless otherwise noted)

	2022	2023	2024	2025	% Change from '24 to '25
Number of Farms	2,307	2,460	2,372	2,424	2%
Income and Expenses					
Gross Revenue	\$1,256,174	\$1,094,175	\$1,061,004	\$1,196,571	13%
Total Expense	\$951,237	\$1,009,552	\$1,000,685	\$1,068,987	7%
Average Net Farm Income	\$315,173	\$90,021	\$68,385	\$133,919	96%
Median Net Farm Income	\$182,332	\$44,941	\$22,129	\$66,518	201%
Family Living Expense	\$71,440	\$78,283	\$74,078	\$79,047	7%
Crop Production and Prices Received (cash sales only)					
Corn Yield (bushels per acre)	202	192	179	211	18%
Corn Price Received (cash sales only, \$/bushel)	\$6.07	\$6.04	\$4.47	\$4.20	-6.0%
Soybean Yield (bushels per acre)	53	50	47	56	19%
Soybean Price Received (cash sales only, \$/bushel)	\$13.66	\$13.72	\$11.30	\$9.98	-11.7%
Spring Wheat Yield (bushels per acre)	66	69	71	74	3%
Spring Wheat Price Received (cash sales only, \$/bushel)	\$9.03	\$8.24	\$6.34	\$5.47	-14%
Livestock Production and Prices Received					
Number of Milk Cows (per dairy farm)	260	282	294	313	6%
Pounds of Milk Produced (per cow)	25,216	25,561	26,047	26,363	1%
Pounds of Energy Corrected Milk (ECM) ⁴ Produced (per cow)	27,859	27,874	28,552	29,793	4%
Milk Price Received (\$ per 100 pounds)	\$24.35	\$19.26	\$21.44	\$20.84	-3%
Market Hog Price Received (\$ per 100 pounds sold)	\$71.52	\$59.64	\$62.81	\$66.89	6%
Wean Pig Price Paid (\$ per head)	\$54.29	\$46.76	\$49.28	\$50.18	2%
Finished Beef Price Received (\$ per 100 pounds sold)	\$145.96	\$174.95	\$188.56	\$219.54	16%
Feeder Calf Price Paid (\$ per hundred pounds)	\$175.09	\$223.21	\$253.39	\$333.52	32%
Net Worth					
Change in Net Worth (\$)	354,770	162,980	150,326	217,460	45%
% Net Worth Change from Farm and Non-Farm Earnings	80%	40%	36%	56%	20%
% Net Worth Change from Market Value Adjustments	20%	60%	64%	44%	-20%
Selected Financial Measures					
Current Ratio	2.73	2.24	1.93	1.88	-
Working Capital (\$)	\$587,087	\$456,337	\$382,483	\$399,353	4%
Working Capital to Gross Revenue	47%	42%	36%	33%	-
Farm Debt-to-Asset Ratio	31%	33%	33%	34%	-
Rate of Return on Farm Assets (a)	11%	3%	2%	4%	-
Rate of Return on Farm Equity (b)	16%	1%	0%	4%	-
Difference Between ROR on Equity & Assets (b-a) ⁵	5%	-1%	-2%	-1%	-
Debt Coverage Ratio	3.38	1.29	1.06	1.54	-
Term Debt Coverage & Finance Lease Coverage Ratio	3.59	1.33	1.07	1.62	-
Operating Expense Ratio	68%	82%	82%	78%	-
Net Farm Income Ratio	24%	8%	6%	11%	-

4 - Energy Corrected Milk (ECM) determines the amount of energy in the milk based upon fat and protein levels in the milk adjusted to 3.5% fat and 3.2% protein.

5 - A negative difference represents years where borrowed capital costs more than it earned.

Farm Profitability Recap

Increased Farm Profits for Minnesota Farms in 2025.

Median net income for Minnesota farmers increased for the first time since 2023. The median net farm income for all farms increased 40.1 percent from \$47,478 (adjusted for inflation) in 2024 to \$66,518 in 2025 (Figure 1).

Median Net Farm Income

Data: Minnesota. All Farms

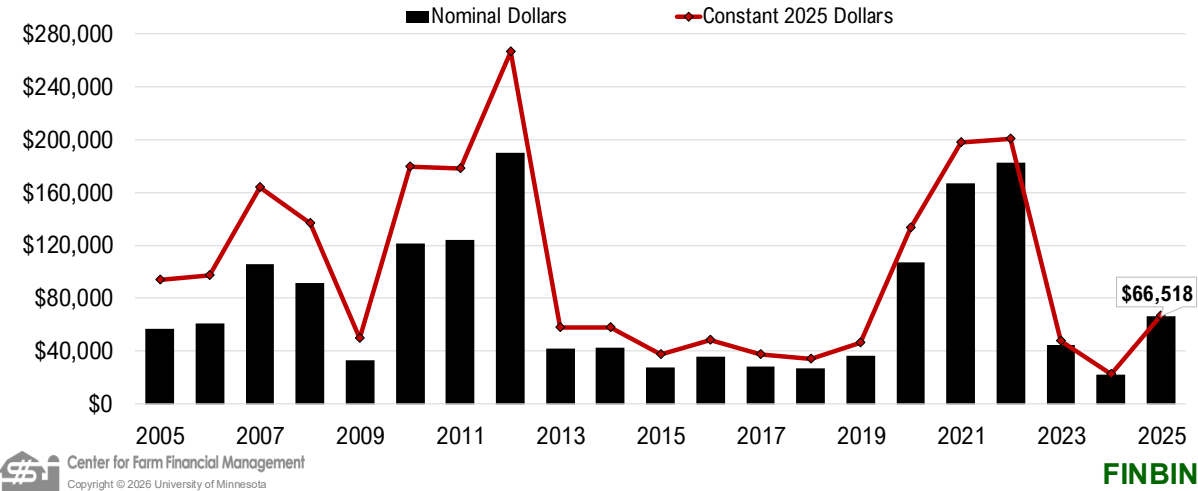


Figure 1. Median Net Farm Income in Nominal and Inflation-Adjusted Dollars from 2005 to 2025

\$66,518

median net income in 2025

\$133,919

average net income in 2025

+201%

change in median net income from 2024 to 2025

+96%

change in average net income from 2024 to 2025

The average net farm income for 2025 exceeded the median, suggesting that the more profitable farms were successful enough to positively influence the overall average for all farms.

Despite low crop prices and continued high input costs for the state’s major cash crops, net farm incomes increased in 2025. High beef prices and strong livestock markets in general provided a significant boost to overall farm income, helping offset challenges in the crop sector and support improved profitability across the state. In addition to strong livestock markets, high corn and soybean yields further supported increases in net farm income.

-7%

Change in average corn inventory value from 2024 to 2025

0%

Change in average soybean inventory value from 2024 to 2025

-1%

Change in average spring wheat inventory value from 2024 to 2025

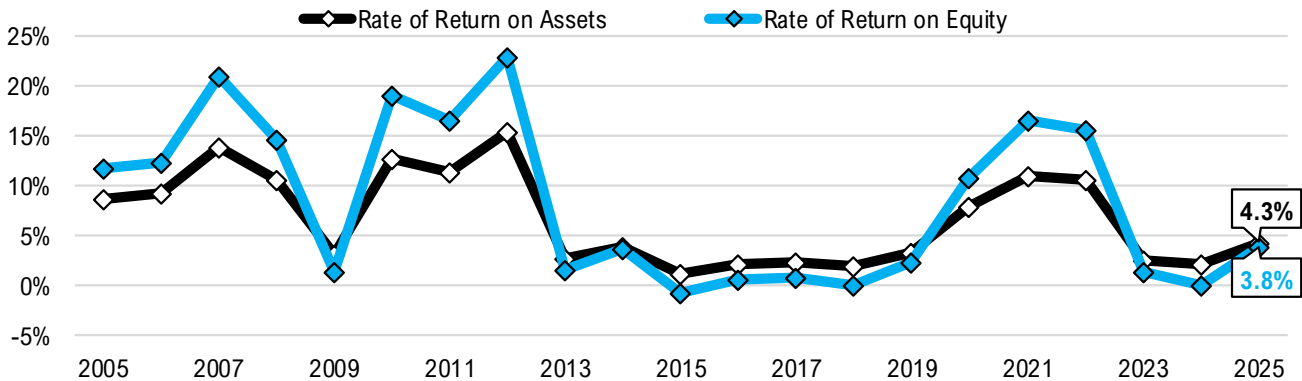
The stronger profits earned by farms in 2025 increased the average profits for all Minnesota farms in FINBIN compared to previous years. About 21 percent of farms reported financial losses in 2025, a significant decrease from 41 percent in 2024. In 2025, the median net income for the most profitable 20 percent of Minnesota farms was \$372,365, while the median income for the least profitable 20 percent was -\$45,325. Both figures represent a substantial increase from previous years.

Government payments played the largest role in farm income since 2020. The increase in payments was largely due to a growth in disaster and economic government assistance. In 2025, government payments accounted for 7 percent of gross revenue, compared to 1 percent in 2024, 2 percent in 2023 and 2022, and 6 percent in 2021.

The rate of return on farm assets (ROA) can be viewed as the average interest rate earned on all farm investments. The rate of return on farm equity (ROE) reflects the interest rate earned on the farmer’s own investment in the farm. This ‘interest rate’ can be compared to potential returns if the farmer had invested their equity elsewhere, such as in the stock market or a certificate of deposit. In 2025, rates of return improved. ROA increased from 2 percent in 2024 to 4.3 percent. Similarly, ROE increased from -0.10 percent in 2024 to 3.8 percent.

Rates of Return On Assets and Equity

Data: Minnesota, All Farms, Assets Valued at an Adjusted Cost Basis



 Center for Farm Financial Management
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FINBIN

Figure 2. Average Rate of Return on Assets and Equity (ROA and ROE) from 2005 to 2025

4.3% average ROA in 2025
Up from **2.0%** ROA in 2024

3.8% average ROE in 2025
Up from **-0.1%** ROE in 2024

The relationship between ROE and ROA serves as a useful indicator of sector profitability. When ROE exceeds ROA, it means borrowed capital is earning more than its cost (ROA is higher than the interest rate paid on borrowed capital). Conversely, when ROE is lower than ROA, the average producer incurs losses on borrowed capital. Unfortunately, this was the situation again in 2025. Figure 2 illustrates the historical relationship between ROA and ROE from 2005 to 2025.

6 - ROA presented here has assets valued at an adjusted cost basis. FINBIN includes assets valued at both cost (book) value and at their estimated market value. Cost valuation of capital assets is based on economic depreciation, which depreciates assets at a rate generally slower than allowed by tax law.

Farm Liquidity Recap

Farms' Liquidity Position Stabilized Following Two Years of Decline

Working capital⁷, a key measure of liquidity⁸, is often a primary focus for producers and agricultural lenders, serving as the main financial resource for farms during tough economic times. Average working capital marginally increased in 2025 (Figure 3). For the average Minnesota farm in the FINBIN database, working capital increased by \$22,829 (adjusted for inflation) in 2025. This marked the first increase in working capital since 2022 (Figure 3).

Working Capital and Current Ratio

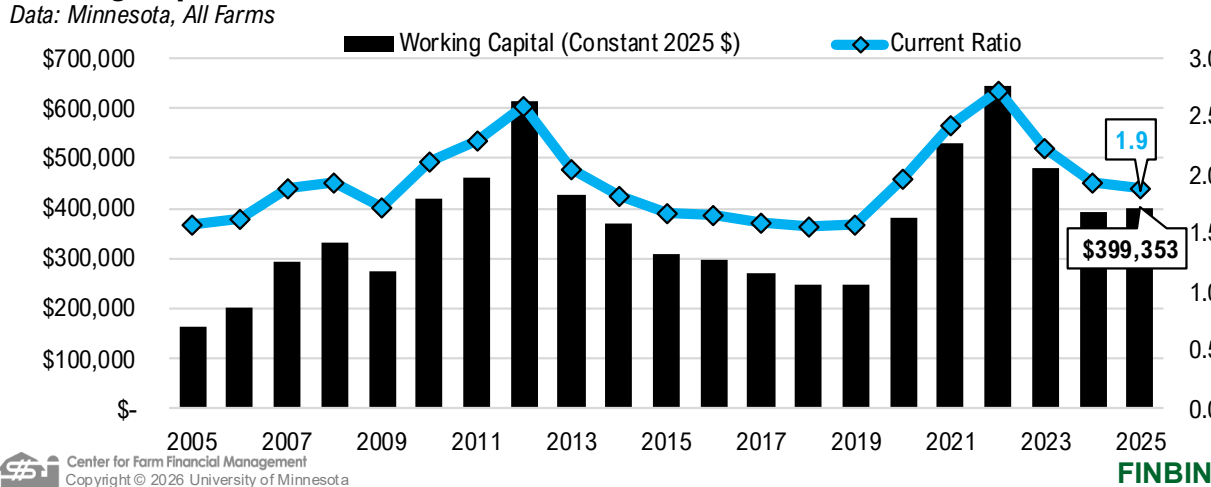


Figure 3. Average Working Capital and Current Ratio from 2005 to 2025

\$22,829

Average change in working capital
from 2024 to 2025

-0.05

Change in average current ratio
from 2024 to 2025

At the end of 2025, the average farm had a current ratio of 1.88:1, indicating \$1.88 of current assets for every dollar of current debt. This decreased from 1.93:1 in 2024. Following the downturn of 2023 and 2024, 2025 reflects a period of relative stabilization.

Working capital-to-operating expense ratio evaluates the available operating capital relative to a farm's operating expenses, with a ratio above 40 percent considered strong. The working capital-to-gross revenue ratio measures the available operating capital in relation to the size of the business, with a ratio over 30 percent considered strong. Figure 4 illustrates these two working capital ratios since 2005.

The average working capital-to-operating expense fell from 44 percent in 2024 to 43 percent in 2025. Similarly, the average working capital-to-gross revenue decreased from 36 percent in 2024 to 33 percent in 2025. Despite these declines, both ratios remain above the recommended benchmarks for a strong liquidity position. Even with these reductions, the average farm is still well-positioned to handle further financial challenges in the short term.

7 - Working capital is the difference between current assets and current liabilities.
8 - Liquidity is the ability of a business to meet financial obligations as they come due.

Working Capital Ratios

Data: Minnesota Averages, All Farms

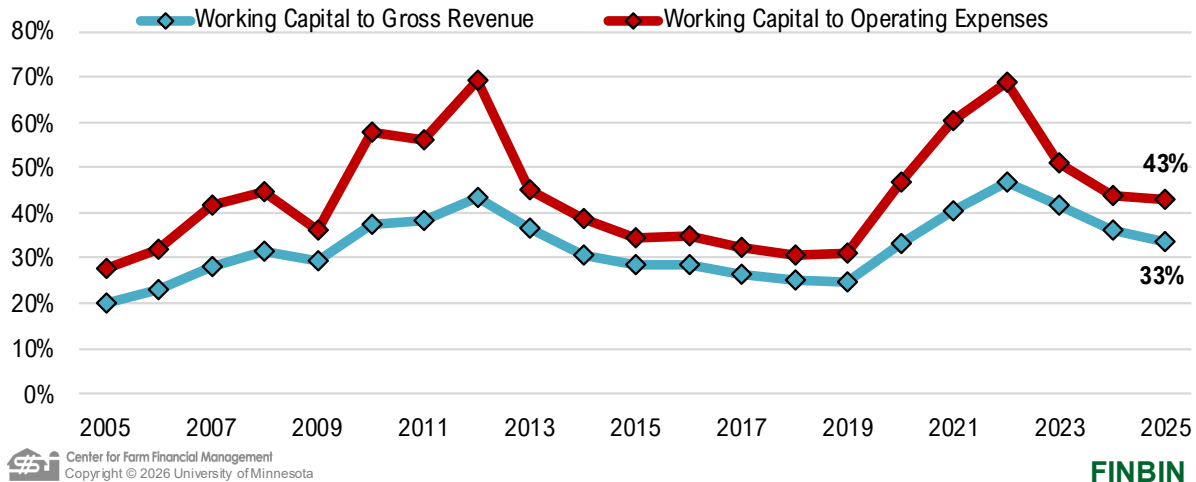


Figure 4. Working Capital Ratios from 2005 to 2025

-1%

Change in working capital-to-operating expenses from 2024 to 2025 for the average farm

-3%

Change in working capital-to-gross revenue from 2024 to 2025 for the average farm

Farm Solvency Recap

Minnesota Farms Slowed Growth in 2025

A farm's balance sheet can also provide insights into its solvency position, which is the ability to meet all debt obligations if the business were sold at the current point in time. Since the inception of the FINBIN database in 1996, the average Minnesota farm has experienced significant changes in its balance sheets, with rapid growth observed.

Figure 5 illustrates the average net worth of Minnesota farms (adjusted for inflation) recorded in the FINBIN database, with data going back to 2005. The assets are valued at estimated market values instead of cost values. Using estimated market values provides the most accurate estimate of solvency by considering what the farm would receive if it liquidated its assets to pay off debts.

In 2025, the average Minnesota farm in the FINBIN database had total assets of \$4,411,792, total debt of \$1,383,054, and a net worth of \$3,028,738. The net worth levels shown in Figure 5 for 2013-2019 and 2023 can be misleading, as they appear to indicate decreases in inflation-adjusted net worth in several years. These apparent decreases are due to changes in the composition of farms analyzed, not actual net worth losses. The individual farms included in FINBIN change each year as some farms exit and new farms join the contributing educational programs. The average farm has reported a net worth increase every year in FINBIN, with an increase of over \$150,000 in 2025 compared to the previous year.

Farm Balance Sheet (Constant \$)

Data: Minnesota Average, All Farms, Assets Valued at Estimated Market Values, **Excludes** Deferred Liabilities

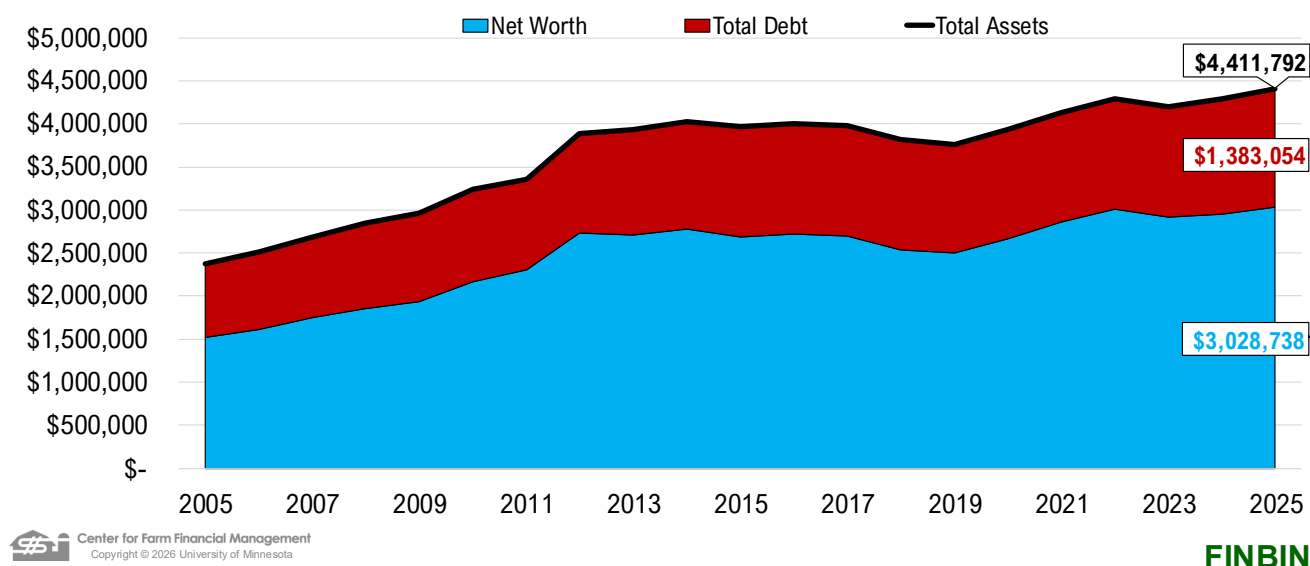


Figure 5. Farm Balance Sheet from 2005 to 2025

As shown in Figure 5, balance sheet growth is not a new phenomenon for Minnesota farms. In constant 2025 dollars, total assets have increased by over \$2 million since 2005, while total debt has risen by over \$500,000 over the same period. Consequently, the average farm has gained over \$1.5 million in constant dollars of net worth since 2005.

Net worth changes can stem from two sources: retained earnings and changes in the market valuation of assets. In 2025, 56 percent of net worth growth for these farms was “earned,” resulting in farm and non-farm income exceeding family living expenditures and income taxes. The remaining 44 percent of net worth growth came from asset value appreciation. Again, it should be noted that the mix of individual farms included in FINBIN changes each year as some farms exit the educational programs and new ones join.

A commonly used metric to evaluate solvency is the debt-to-asset ratio, which represents the lender’s investment in the farm business by comparing total farm debt to total farm assets. A higher debt-to-asset ratio indicates lower financial borrowing capacity and greater financial risk for the farm.

Net worth represents the owner’s equity or share of investment in the farm business. Figure 6 displays the average inflation-adjusted net worth (in constant 2025 dollars) and the average debt-to-asset ratio, excluding deferred liabilities.

Net Worth & Debt-to-Asset Ratio

Data: Minnesota, All Farms, Assets Valued at Estimated Market Values, **Excludes** Deferred Liabilities

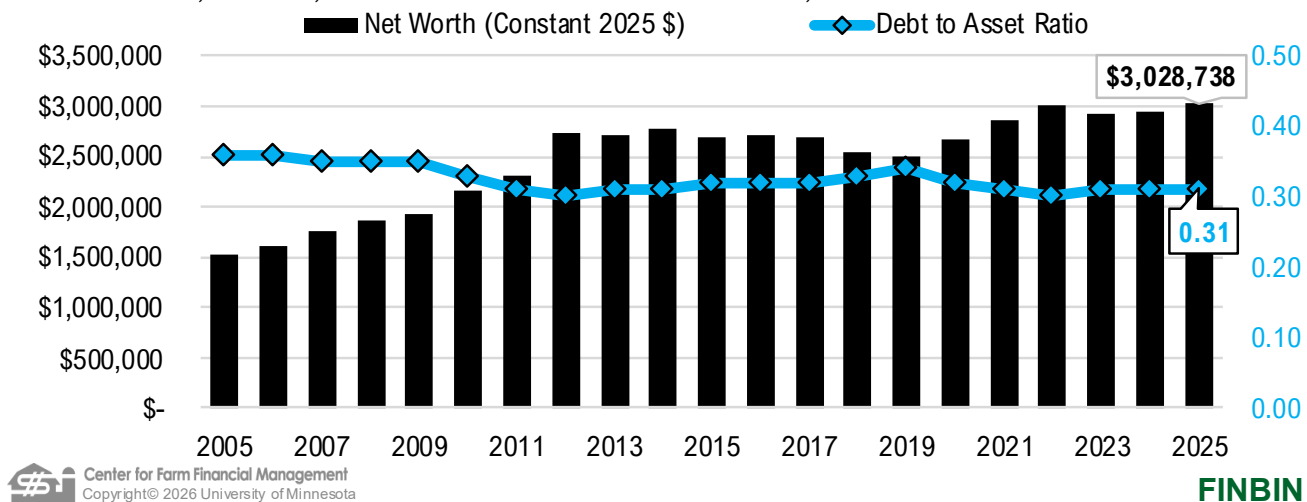


Figure 6. Net Worth and Debt to Asset Ratio from 2005 to 2025

+\$217,460

Change in Net Worth from 2024 to 2025 for the average farm

+\$121,775

Change in Earned Net Worth from 2024 to 2025 for the average farm

The average farm's debt-to-asset ratio remained at 31 percent in 2025, the same as in 2024, positioning the average farm just at the threshold for a strong solvency position. Additionally, the average farm's total net worth increased by over \$217,000 in nominal dollars in 2025.

Evaluating the Impact of High Financial Leverage in 2025

Table 2 shows the impact of financial leverage (or the debt-to-asset position) on the financial performance of these farms in 2025.

	Farms with Under 40% Debt-to-Asset Ratio <i>Less Leveraged Farms</i>	Farms with Over 60% Debt-to-Asset Ratio <i>Highly Leveraged Farms</i>
Number of Farms	1108	513
Rate of Return on Assets	4%	5%
Rate of Return on Equity	4%	4%
Current Ratio	3.5	1.18
Working Capital to Gross Revenue	55%	10%
Debt Coverage Ratio	2.36	1.14
Term Debt & Finance Lease Coverage Ratio	2.46	1.17

Highly leveraged farms were hit harder in the low-income conditions of 2025. Although their ROA was similar to that of less leveraged farms, they faced much tighter liquidity, with lower current ratios, weaker working capital, and reduced debt coverage. As a result, these farms were in a more financially constrained position than their low-debt counterparts.

Debt Repayment Capacity Recap

Farm's Repayment Capacity Levels Improved in 2025

Debt coverage is a key metric used by lenders when providing credit to businesses. The debt coverage ratio (DCR) compares dollars available for debt repayment, after accounting for family living and income taxes, and the scheduled debt payments. A DCR of 1:1 indicates that the income available for debt repayment exactly matches the scheduled payments. While other indicators of business health, such as the current ratio and debt-to-asset ratio, tend to remain relatively stable from year to year, the DCR exhibits more variation. This makes it the leading measure of year-over-year financial stress.

In 2025, debt coverage improved after two years of decline. Debt coverage averaged 1.54:1 for all farms, up from 1.06:1 in 2024.

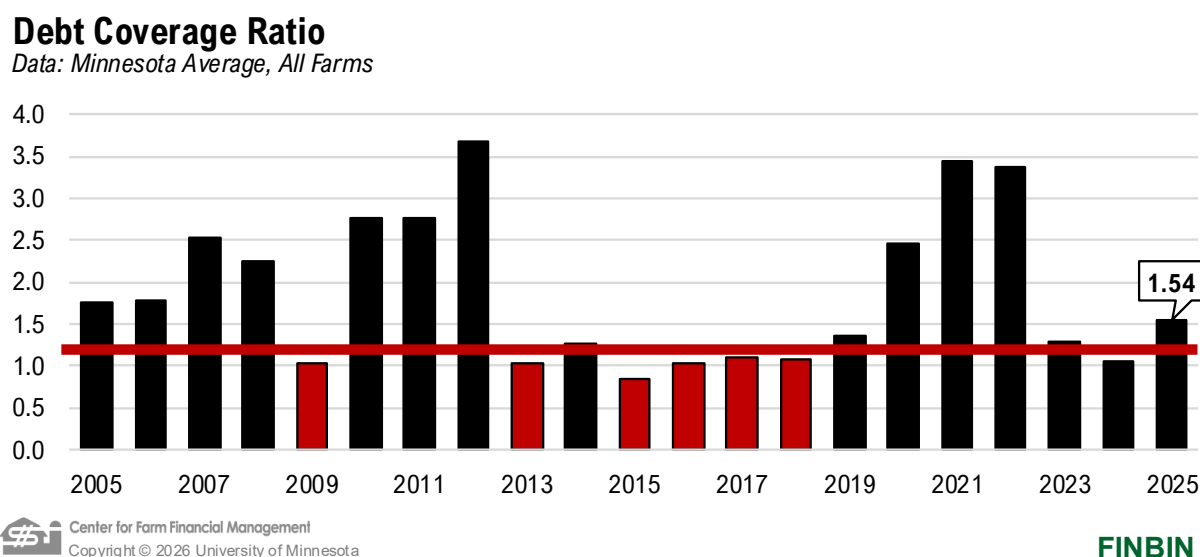


Figure 7. Debt Coverage Ratio from 2005 to 2025

In contrast to 2024, debt coverage ratios improved in 2025 as stronger farm incomes increased producers' ability to meet their financial obligations. A larger share of farms reported debt coverage ratios above 1:1, indicating that most operations generated sufficient income to cover scheduled debt payments. This improvement also reduced pressure on working capital, suggesting a more stable financial position for many farms compared to the previous year.

9 - shows the proportion of farm income used to pay operating expenses, excluding depreciation and interest.

10 - shows the proportion of farm income needed to maintain the capital used by the business.

11 - shows how much of farm income is used to pay interest on borrowed capital.

12 - compares profit to gross income and shows how much is left after all farm expenses are paid, except for unpaid labor and management.

Financial Efficiency Recap

Minnesota Farms Retained 11% of Gross Revenue as Net Income in 2025

Financial efficiency metrics show where each dollar of income or generated revenue is spent. Financial efficiency ratios include the Operating Expense Ratio⁹, Depreciation Expense Ratio¹⁰, Interest Expense Ratio¹¹, and Net Farm Income Ratio¹². Figure 8 displays each of these ratios from 2015 to 2025.

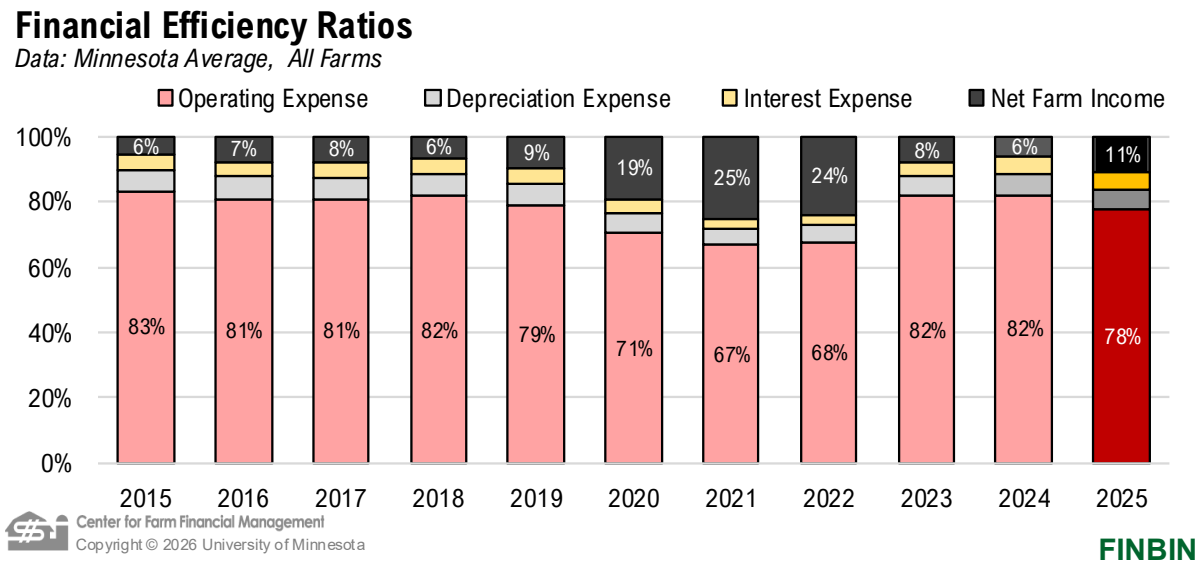


Figure 8. Financial Efficiency Ratios from 2015 to 2025

78%

Operating Expense Ratio for Minnesota Farms in 2025

6%

Depreciation Expense Ratio for Minnesota Farms in 2025

5%

Interest Expense Ratio for Minnesota Farms in 2025

11%

Net Farm Income Ratio for Minnesota Farms in 2025

In 2025, 78 percent of gross revenue was allocated to operating expenses for the average Minnesota farm, a slight improvement from 82 percent the previous year. According to the [Farm Financial Scorecard](#) benchmarks, an over 80 percent level is considered vulnerable. 2025 just surpassed the vulnerable level.

The portion of gross revenue dedicated to depreciation decreased by one percentage point from 2024. Meanwhile, the portion of gross revenue dedicated to interest expense stayed steady at 5 percent. The depreciation expense ratio is a proxy for the percentage of revenue that was used for capital replacement and capital investment. These ratios have remained relatively stable since 2015. Looking ahead, a larger share of gross revenue may be directed towards interest expenses, making it crucial to monitor this metric more closely going forward.

On average, Minnesota farms retained 11 percent of gross revenue as net farm income in 2025, up from 6 percent in 2024. This is above the standard vulnerable benchmark level of 10 percent, marking that 2025 was a stronger year for profitability compared to 2024.

Comparing Regional Median Net Farm Income Across Minnesota

Most Regions of Minnesota Saw an Increase in Profit from 2024 to 2025.

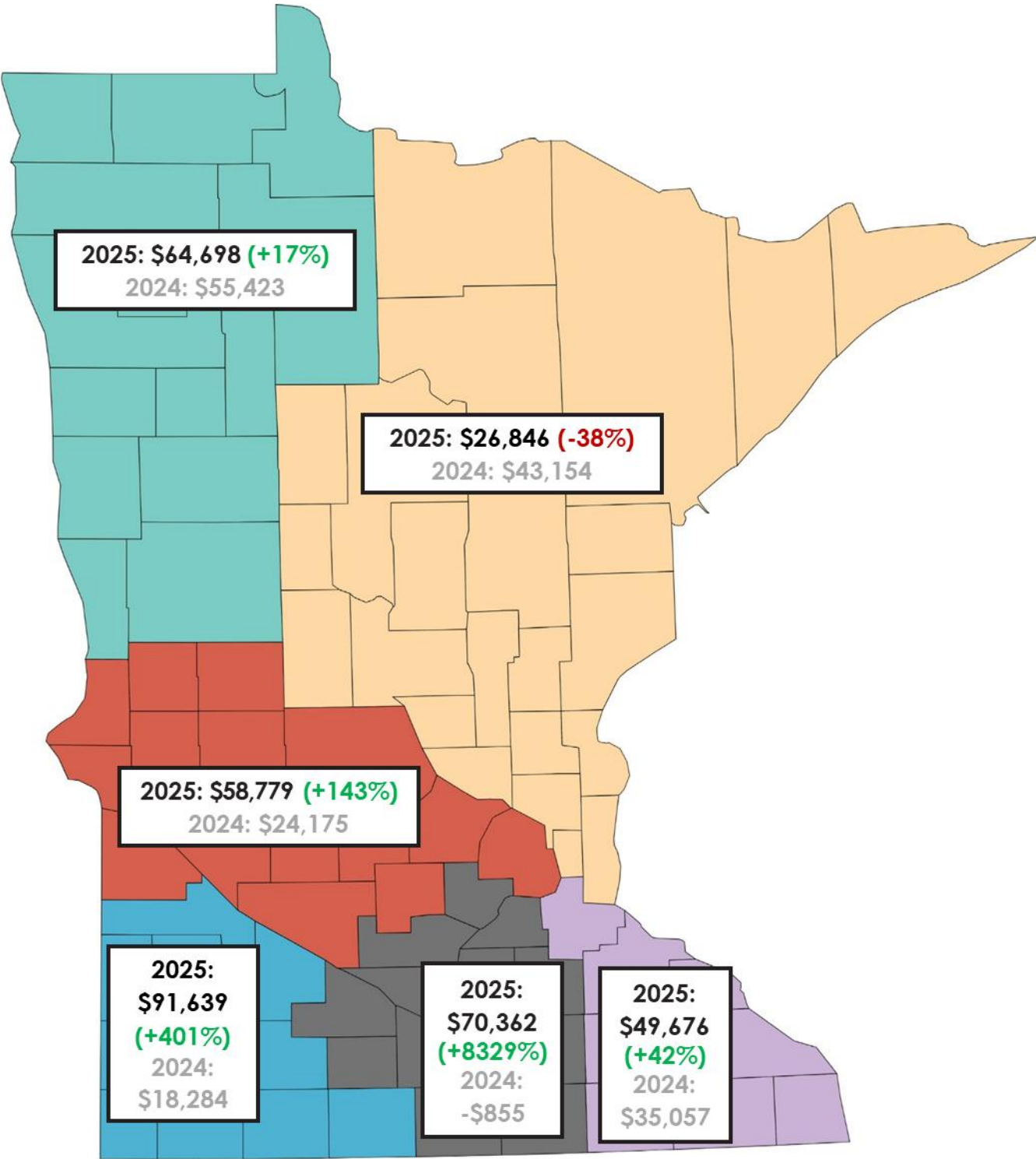


Figure 9. Minnesota Regional Median Net Farm Income in 2025 Compared to 2024

Family Expenses Recap

Minnesota Families Spent More on Living Expenses in 2025

Family living expenses for the 371 farms that kept detailed records increased by 6.70 percent in 2025. On average, these families spent \$79,047 on living expenses. The largest individual expenditure category was 'food and meals,' totaling \$11,920, which represents a 4.20 percent increase from 2024. The second largest expenditure was medical care and health insurance, amounting to \$10,532, an increase of 3.30 percent. Together, these categories accounted for 28 percent of total family living expenses.

Figure 10 displays the average family living expense for Minnesota farms.

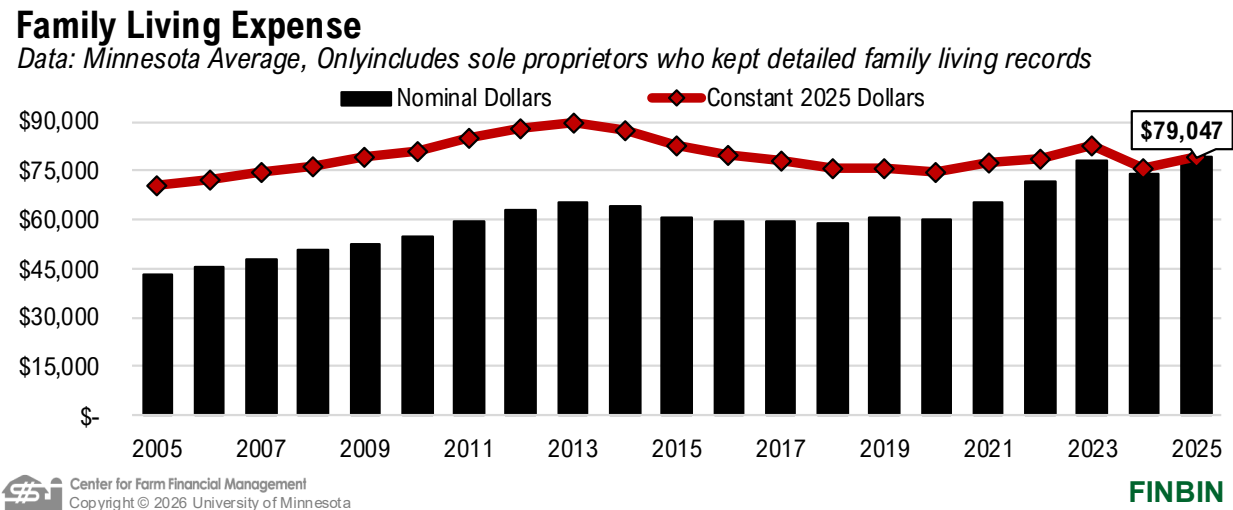


Figure 10. Average Family Living Expense for Sole Proprietor Farms in Minnesota with Detailed Family Living Records

\$79,047	\$23,992	\$13,518	\$116,023
Average family living expense (up 7% from 2024 to 2025)	Average income and social security taxes paid in 2025	Average other non-farm expenditures in 2025	Amount needed from farm and non-farm sources to cover family consumption and taxes

Additionally, the average farm paid \$23,992 in income and social security taxes and spent \$13,518 on personal assets and investments.

Comparisons Across Farm Types¹³

Summary Comparison Across All Farm Types

Profits were up for each of Minnesota’s major farm types in 2025. Crop farms rebounded from record low profits in 2024, although profits were still below historical levels in 2025. Hog farms reported a second year of improved profits after many hog farms lost money in 2023. Profits for beef farms improved, but were disappointing given record beef prices. Dairy farm profits improved slightly even though milk prices were slightly lower. Figure 11 displays the median net farm income for the major farm types in Minnesota from 2005 to 2025.

Median Net Income by Farm Type

Data: Minnesota, Sorted by Farm Type

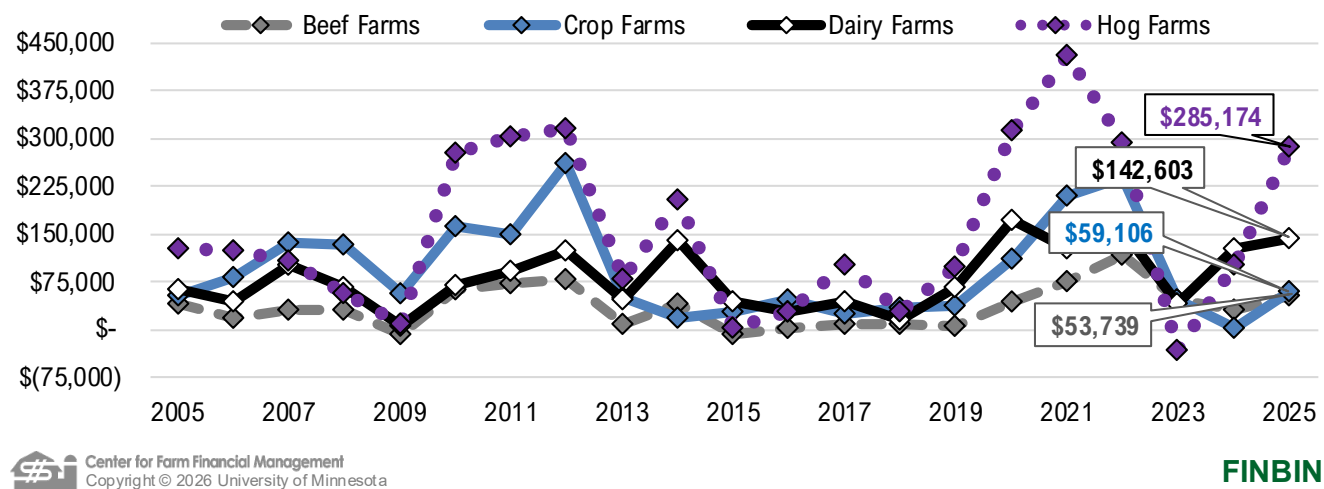


Figure 11. Median Net Farm Income Across Farm Types from 2005 to 2025

\$53,739 (+82%)

Beef farms median net income in MN in 2025

\$59,106 (+2056%)

Crop farms median net income in MN in 2025

\$142,603 (+12%)

Dairy farms median net income in MN in 2025

\$285,174 (+182%)

Hog farms median net income in MN in 2025

Table 3 provides a snapshot comparison across the four major farm types in 2025. Hog farms had the strongest financial performance. Beef farms earned the lowest median net farm income, while crop farms were least profitable based on rates of return on assets invested (ROA). While crop farms struggled again in 2025, most still had strong balance sheets and adequate working capital reserves at year’s end.

Table 3. Snapshot Comparison Across Farm Types in 2025

	Beef Farms	Crop Farms	Dairy Farms	Hog Farms
Median Net Income	\$53,739	\$59,106	\$142,603	\$285,174
Rate of Return on Assets	6%	3%	6%	9%
Rate of Return on Equity	7%	2%	7%	12%
Working Capital to Gross Revenue	36%	41%	19%	31%
Change in Working Capital	\$54,533	\$3,649	\$34,423	\$346,634
Term Debt Coverage Ratio	1.9:1	1.4:1	1.9:1	2.8:1
Net Worth Change	\$176,561	\$165,927	\$279,714	\$481,829

13 - Farm type is determined based on which enterprise type comprises at least 70% of gross revenue.

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Beef Farms

Record High Prices for Beef Producers Again

While beef farm’s incomes were up in 2025, profits did not approach record levels that might have been expected given record beef prices. The median Minnesota beef producer earned \$53,739, up from \$29,282 in 2024. Returns for both cow-calf producers and cattle finishers were up. Both earned their highest average returns since 2014. In fact, cow-calf producers earned almost \$550 per cow - more money than they had made combined over the previous 20 years.

Median Net Farm Income - Beef Farms

Data: Minnesota, Beef Farm Type

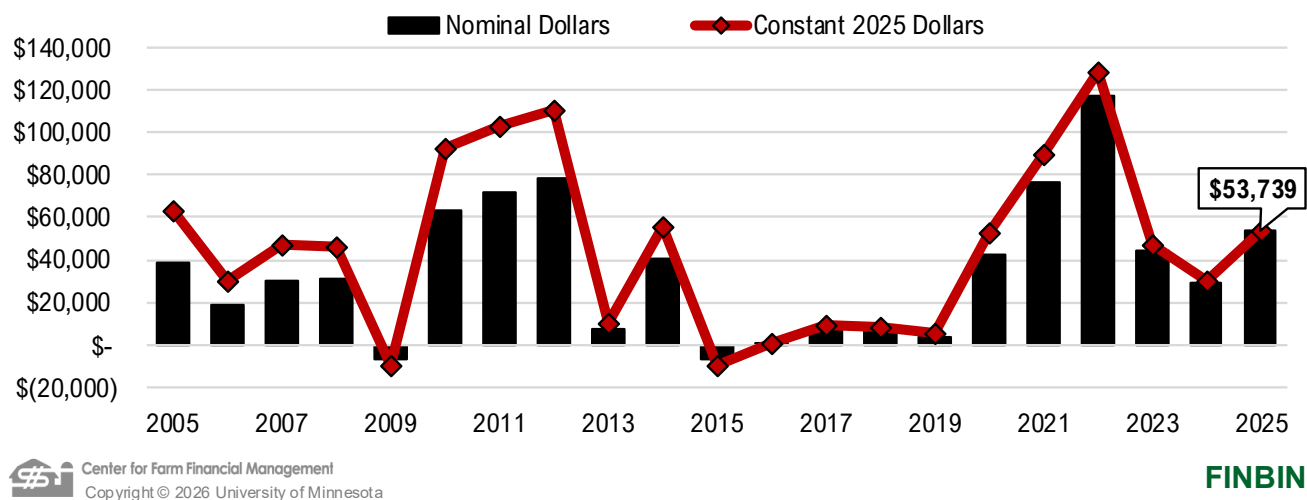


Figure 12. Median Net Farm Income for Beef Farms from 2005 to 2025

5.9%

ROA for beef farms in 2025

\$54,533

change in working capital for
beef farms from 2024 to 2025

+\$176,561

change in net worth
for beef farms from 2024 to 2025

The modest earnings for beef farms in 2025 appear to be primarily related to the relatively small size of the median beef farm. The 138 beef farms that grossed under \$500,000 reported an average Net Farm Income of only \$31,395. The 123 farms that grossed over \$500,000 averaged \$267,443. The smaller farms earned a 3 percent return on assets (ROA), while the larger farms averaged 6.5% ROA. Fortunately, the smaller farm’s balance sheets are relatively stronger, and in fact, the debt coverage ratio was identical for the two size groups.

These beef farms include both cow-calf operators and cattle finishers. Participating beef cow-calf operators made excellent returns on their cow herds. The average beef cow-calf enterprise earned almost \$550 per cow. For the fourth consecutive year, prices were up substantially with calves, averaging \$356 per hundredweight (cwt), up 21 percent from 2024 and up 131 percent over the past four years.

Cattle finishers also had a good year. They made almost \$380 per finished head, their highest returns since 2014 and the second highest profit per head in two decades. The average price received for fed cattle was \$220 per hundredweight, up from \$189 in 2024. It also cost more to purchase feeders, with the cost of feeder cattle increasing to \$334 per cwt, up from \$253 per cwt in 2024.

Table 4. Beef Farm Summary Table

	2022	2023	2024	2025	% Change from 2024 to 2025
Whole Farm Highlights					
Median Net Income	\$117,204	\$44,747	\$29,603	\$53,739	82%
Rate of Return on Assets	9%	6%	4%	6%	-
Rate of Return on Equity	14%	7%	3%	7%	-
Working Capital to Gross Revenue	45%	42%	39%	36%	-
Change in Working Capital	\$126,891	\$26,549	-\$1,219	\$54,533	-
Debt Coverage Ratio	2.7:1	1.9:1	1.5:1	1.9:1	-
Net Worth Change	\$238,792	\$164,109	\$119,666	\$176,561	-
Production Highlights					
Beef Cow-Calf Enterprises					
Number of Cow-Calf Enterprises	85	79	72	97	35%
Average Number of Cows	67	73	64	65	1%
Calf Weaning Percentage	83%	86%	86%	86%	-
Calf Sales Price per cwt	\$180.27	\$220.79	\$293.89	\$356.16	21%
Calf Cost of Production per cwt	\$248.01	\$228.51	\$252.56	\$269.45	7%
Net return per cow	-\$240.45	\$127.29	\$247.89	\$545.81	-
Beef Finishing Enterprises					
Number of Finishing Enterprises	87	90	94	89	-5%
Number of Head Finished	230	318	323	330	2%
Average Daily Gain	2.63	2.66	2.68	2.46	-8%
Purchase Price per cwt	\$175.09	\$223.21	\$253.39	\$333.52	32%
Finished Beef Price per cwt	\$145.96	\$174.95	\$188.56	\$219.54	16%
Cost of Production per cwt	\$146.78	\$161.80	\$173.26	\$198.69	15%
Net return per head finished	\$41.64	\$227.94	\$276.70	\$379.71	-

Outlook for Minnesota Beef Farms in 2026

The U.S. continues to struggle to rebuild the beef herd after years of drought in the southern plains and the pandemic interruptions. It has taken years to rebuild the cow herd as producers choose between retaining heifers to grow their herds or selling them at current high prices. The price outlook for beef at the producer level, based on futures markets, is strong for the foreseeable future. Continued high beef prices should translate into another profitable year for Minnesota beef producers in 2026. As always, the wildcard for cattle finishers is feeder cattle prices, which are also at record highs. That will be positive for cow-calf producers but might temper profits for cattle finishing operations.

Crop Farms

Minnesota Crop Profits Rebound in 2025

Minnesota crop farm profits were up moderately in 2025 after sinking to record lows in 2024. Crop yields were excellent in many parts of the state; yet, crop farms struggled with high costs and low market prices. The 1,315 crop farms earned a median net farm income of \$59,106, up from just \$8,412 the previous year. Figure 13 shows the median net farm income trends for crop farms in nominal and inflation-adjusted dollars. Minnesota crop farms have had only three years of strong profitability since the end the “golden years” of 2007 – 2012.

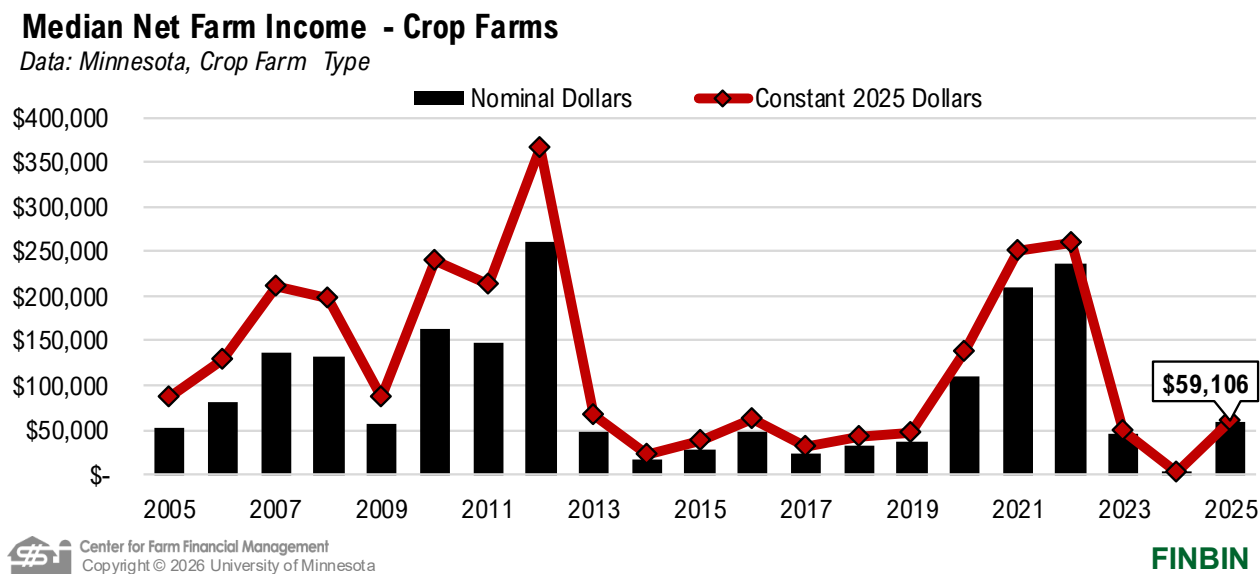


Figure 13. Median Net Farm Income for Crop Farms from 2005 to 2025

3.0%

Average ROA for crop farms in 2025

\$3,649

in Average change in working capital for crop farms in 2025

+\$165,927

Average change in net worth for crop farms in 2025

The average crop farm earned a 3 percent ROA, lower than the average interest rate paid on borrowed capital. However, with strong yields and government aid, they ended the year in a relatively strong financial position. Their average debt to asset ratio, which ticked up by one percent to 32 percent, is still sound. While their working capital to gross revenue declined by five percent to 41 percent, their liquidity position was still strong going into 2026. The average farm also reported a gain in net worth of almost \$200,000, although over half of this increase came from increased asset values rather than earnings.

Profits were widely variable across the spectrum of Minnesota crop farms. When sorted by net farm income, the median of farms in the lowest 20 percent lost -\$65,000 and earned negative returns on investment. Farms in the high 20 percent group earned median net incomes of over \$400,000 and a 6.5 percent ROA.

For the first time in the past 30 years included in FINBIN, the average corn yield exceeded 200 bushels per acre. The average yield shattered previous records at 211 bushels in 2025, 20 bushels higher than the average of the past ten years. Soybeans, at 56 bushels per acre in 2025, were also the highest average yield in the past 30 years of FINBIN records. While other states in the heart of the corn belt experienced weather and disease problems, most Minnesota grain producers had an excellent production year.

211 bushels	56 bushels	74 bushels	30 tons
Average corn yield per acre for MN crop farms in 2025	Average soybean yield per acre for MN crop farms in 2025	Average spring wheat yield per acre for MN crop farms in 2025	Average sugar beet yield per acre for MN crop farms in 2025

Crop prices, however, were a different story. Corn averaged \$4.20 per bushel in 2025, down from \$4.47 in 2024. Soybeans fell from \$11.30 per bushel in 2024 to \$9.98 in 2025, while spring wheat dropped from \$6.34 per bushel to \$5.47 in 2025. Excluding the contribution from government support payments, it cost Minnesota producers \$4.60 to produce a bushel of corn and \$10.98 to produce a bushel of soybeans in 2025.

Perhaps the biggest challenges were faced by sugar beet producers in the Red River Valley and parts of West Central Minnesota. With the collapse of sugar prices, the average producer lost \$340 per acre on sugar beet production.

Table 5. Crop Farm Summary Table

	2022	2023	2024	2025	% Change from 2024 to 2025
Whole Farm Highlights					
Median Net Income	\$236,508	\$46,019	\$2,742	\$59,106	2056%
Rate of Return on Assets	13%	3%	0%	3%	-
Rate of Return on Equity	18%	2%	-3%	2%	-
Working Capital to Gross Revenue	58%	54%	46%	41%	-
Change in Working Capital	\$180,652	-\$118,422	-\$123,036	\$3,649	-
Debt Coverage Ratio	4.1:1	1.4:1	0.7:1	1.4:1	-
Net Worth Change	\$333,814	\$186,698	\$107,498	\$165,927	-
Production Highlights					
Corn					
Yield bushels per acre (bushels)	202	192	179	211	18%
Price Received (\$ per bu.)	\$6.07	\$6.04	\$4.47	\$4.20	-6%
Cost of Production (\$/bu.)	\$4.83	\$4.93	\$4.71	\$4.18	-11%
Cost of Production per acre	\$918	\$952	\$906	\$914	1%
Net Return per acre	\$361	\$33	-\$44	-\$35	-
Soybeans					
Yield per acre (bushels)	53	50	47	56	19%
Price Received (\$ per bu.)	\$13.66	\$13.72	\$11.30	\$9.98	-12%
Cost of Production (\$/bu.)	\$11.08	\$11.80	\$11.02	\$9.80	-11%
Cost of Production per acre	\$550	\$588	\$574	\$580	1%
Net Return per acre	\$200	\$83	-\$43	-\$7	-
Spring Wheat					
Yield per acre (bushels)	66	69	71	74	3%
Price Received (\$ per bu.)	\$9.03	\$8.24	\$6.34	\$5.47	-14%
Cost of Production (\$/bu.)	\$7.93	\$7.64	\$6.26	\$6.29	0%
Cost of Production per acre	\$506	\$517	\$502	\$498	-1%
Net Return per acre	\$119	\$11	-\$44	-\$65	-

Outlook for Minnesota Crop Farms in 2026

Minnesota crop producers face another year of challenges and uncertainty, given global tensions, market volatility, and high costs for fertilizer, fuel, and other inputs. Crop farm's balance sheets have weakened slightly, but most producers are still in a relatively strong position to face another challenging year in 2026.

Dairy Farms

Dairy Profits Moderately Higher in 2025

Profits increased for a second consecutive year for Minnesota dairy farms in 2025. The median net farm income for the 283 participating dairy farms in FINBIN was \$142,603, up from \$126,897 in 2024. Milk prices were down slightly, and costs per cow up, but increased productivity pushed profits higher. The largest boost came from calf and cull cow sales. Demand for calves from cattle feeding operations was unprecedented in 2025, resulting in a nice increase for dairy farm sales. Figure 14 shows the net farm income trends for participating dairy farms in both nominal and inflation-adjusted dollars.

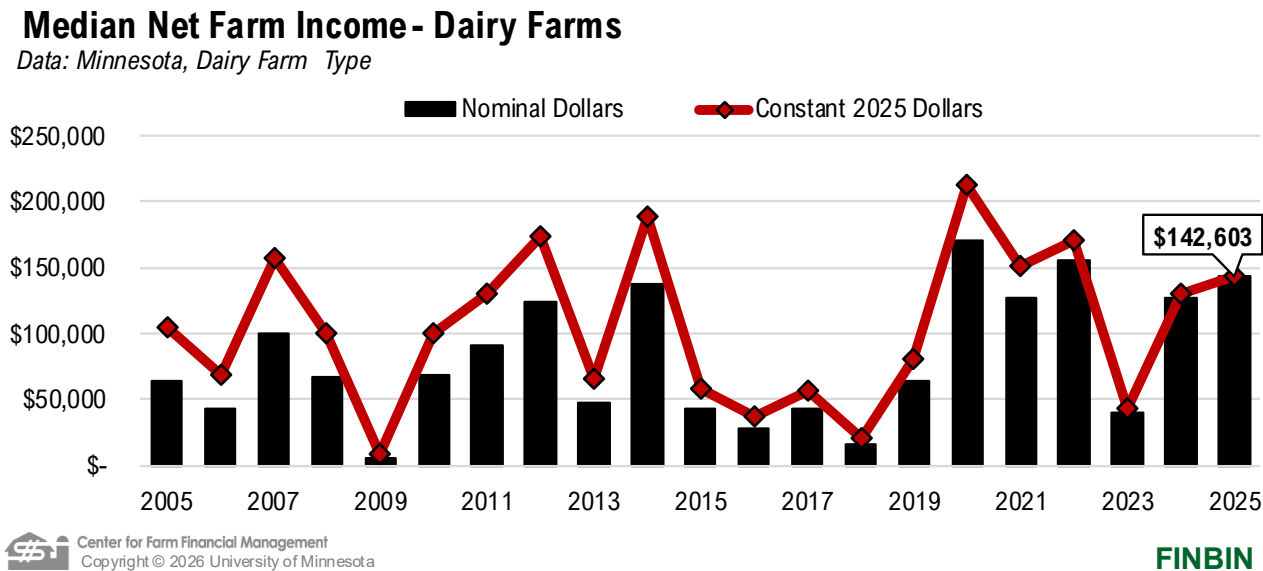


Figure 14. Median Net Farm Income for Dairy Farms from 2005 to 2025

The average milk price per hundredweight (cwt) decreased to \$20.84, down from \$21.44 in 2024. The average producer spent \$18.80 to produce a hundred pounds of milk. Calf sales added over \$400 per cow to dairy revenue, up from only \$40 as recently as 2021. Government payments through the Dairy Margin Coverage (DMC) program were negligible in 2025 given higher price/feed margins.

6.3%

Average ROA for dairy farms in 2025

+\$34,423

Average change in working capital for dairy farms in 2025

+\$279,714

Change in net worth for dairy farms in 2025

Dairy farms have traditionally carried less working capital than other farm types, providing less buffer for financial downturns. The average dairy farm’s working capital increased by \$34,423 in 2025, rebuilding some of the surplus that was lost in 2023. At year-end, the average dairy farm had working capital equal to only 19 percent of gross revenue, still relatively weak compared to other farm types.

The solvency position of these dairy farms improved substantially again in 2025. The average farm’s net worth increased by \$279,714, similar to gains made in 2024. Debt coverage was 1.88:1, meaning that the average farm generated \$1.88 for every dollar needed for debt repayment, well above the requirements of most lenders. With an average debt-to-asset ratio of 32 percent (excluding deferred tax liabilities), the average participating dairy farm has a relatively strong solvency position going into 2026.

As is usually the case in high-income years, large herds were more profitable than smaller operations. Operations with over 500 cows earned median net farm incomes of \$523,828 with an 8 percent rate of return on assets, while those with 200 to 500 cows made \$254,639 and a 6 percent ROA. However, the larger operations had the weakest liquidity position, with only 15 percent working capital to gross revenue.

Average production per cow increased to 26,363 pounds, a 1 percent increase from 2024. On average, it cost \$18.80 to produce a hundred pounds of milk, a decrease of 4 percent from 2024. Feed costs were down slightly while hired labor costs ticked up. The average producer netted \$726 per cow, up slightly from 2024, mostly due to dairy calf and cull cow sales.

Following previous trends, the largest herds produced more milk per cow but also faced higher costs per cow compared to smaller herds. Given their production advantage, the largest farm's cost of production averaged only \$18.40 per cwt, 70 cents lower than their mid-sized neighbors. Yet returns per cow were relatively even across the different herd size groups.

Organic dairies had a very good year in 2025. They were more profitable than conventional dairy farms on a per-cow basis. However, because they are generally smaller than conventional dairy farms, whole farm profits were somewhat lower than those of conventional dairies. The median organic dairy farm earned \$127,646, up from \$119,874 in 2024. Organic dairy farms earned an ROA of 9.4 percent, compared to 6.3 percent for conventional farms. Organic milk sold for \$36.19 per cwt. while it cost \$29.33 to produce a hundredweight (cwt) of organic milk.

Table 6. Dairy Farm Summary Table (excluding organic dairy herds)

	2022	2023	2024	2025	% Change from 2024 to 2025
Whole Farm Highlights					
Median Net Income	\$154,903	\$40,530	\$126,897	\$142,603	12%
Rate of Return on Assets	8%	0%	6%	6%	-
Rate of Return on Equity	12%	-3%	7%	7%	-
Working Capital to Gross Revenue	23%	20%	20%	19%	-
Change in Working Capital	\$101,896	-\$95,025	\$70,507	\$34,423	-
Debt Coverage Ratio	2.5:1	0.8:1	1.9:1	1.9:1	-
Net Worth Change	\$286,220	\$48,052	\$248,361	\$279,714	-
Production Highlights					
Number of Dairy Enterprises	261	270	238	225	-5%
Average Number of Milk Cows	260	282	294	313	6%
Pounds of Milk Produced Per Cow	25,216	25,561	26,047	26,363	1%
Price Received (\$ / cwt milk)	\$24.35	\$19.26	\$21.44	\$20.84	-3%
Cost of Production per Cwt. of Milk	\$22.33	\$19.81	\$19.52	\$18.80	-4%
Cost of Production per Cow	\$5,019	\$4,930	\$4,919	\$5,049	3%
Net Return per Cow	\$692	\$49	\$689	\$726	-

Outlook for Minnesota Dairy Farms in 2026

Milk prices have dropped substantially in the first few months of 2026. Futures prices hint at some improvement later in the year, but given current market and input cost uncertainty, 2026 will likely be a more challenging year for Minnesota dairy farms. On the positive side, the revenue bump from dairy beef sales will likely continue. Putting all these components together, the odds favor somewhat lower profits for Minnesota dairy farms in 2026.

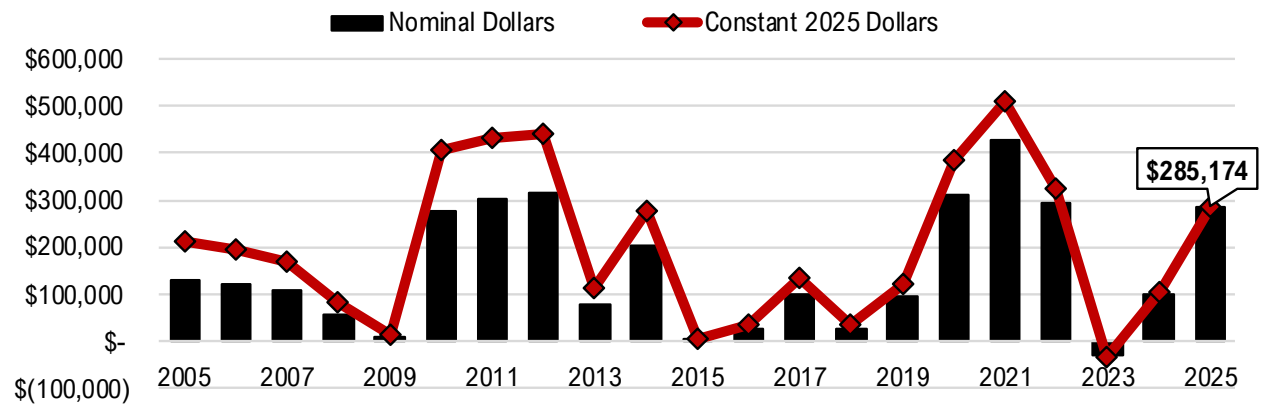
Hog Farms

Recovery Continues for Minnesota Hog Farms

Minnesota hog farms continued their journey to recovery in 2025 after suffering large losses in 2023. The median income for pork producers was \$285,174 in 2025, up from \$101,079 in 2024. As Figure 15 shows, hog farm profits are very cyclical. The average hog farm is larger than other farm types, so the financial highs tend to be higher and the lows tend to be lower. Profits improved in 2025 due to slightly higher prices coupled with lower feed costs.

Median Net Farm Income - Hog Farms

Data: Minnesota, Hog Farm Type



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FINBIN

Figure 15. Median Net Farm Income for Hog Farms from 2005 to 2025

Participating pork operations earned a 9 percent rate of return on assets in 2025, higher than any other farm type. The average farm’s working capital improved by \$346,634 while average net worth increased by \$481,829. Working capital to gross revenue improved from 25 percent in 2024, up to 31 percent in 2025. The average pork farm’s debt-to-asset ratio stood at a comparatively strong 28 percent (excluding deferred liabilities) at the end of 2025.

9.3%

average ROA for hog farms
in 2025

+\$346,634

average change in working
capital for hog farms in 2025

+\$481,829

average change in net worth
for hog farms in 2025

Table 7 shows selected metrics for wean to finish operations (operations that purchase pigs and sell them at market weight). The average price received increased by 6 percent to \$88.78 on a carcass weight basis. Cost of production increased very slightly, resulting in a nice margin for growers. Wean to finish enterprises, on average, made \$16 per pig finished in 2025, up from \$10 in 2024. Feed costs, by far the biggest expense for these operations, declined by 6 percent.

Another important segment of the Minnesota pork industry is those producers who contract to grow pigs for larger pork producers. 114 producers reported hog contract finishing in 2025. Contract grower returns have been very consistent over the years. The average wean-to-finish grower reported a net return of \$4.77 per pig space in 2025, down from \$5.23 the previous year. With an average of 3,973 pig spaces, contract finishing added almost \$19,000 to the profits for the average grower.

Table 7. Hog Farm Summary Table

	2022	2023	2024	2025	% Change from 2024 to 2025
All Hog Farms Highlights					
Median Net Income	\$293,288	-\$32,022	\$101,079	\$285,174	182%
Rate of Return on Assets	5%	-3%	4%	9%	-
Rate of Return on Equity	7%	-8%	3%	12%	-
Working Capital to Gross Revenue	32%	26%	25%	31%	-
Change in Working Capital	\$27,048	-\$423,038	\$84,289	\$346,634	-
Debt Coverage Ratio	1.9:1	-0.2:1	1.5:1	2.8:1	-
Net Worth Change	\$305,670	-\$113,186	\$229,695	\$481,829	-
Finishing Enterprise Highlights					
Number of Finishing Enterprises	21	19	21	25	19%
Number of Pigs Finished	19,706	30,092	32,560	23,824	-27%
Price Received per cwt (carcass)	96.39	80	84.13	88.78	6%
Cost of Production per cwt	98.92	89.44	82.14	82.97	1%
Net Return per Pig (wean/finish)	-1.01	-15.01	10.24	16.25	-

Outlook for Minnesota Hog Farms in 2026

USDA forecasts a slight increase in pork prices for 2026. Figure 15 shows the cyclical nature of pork producer profits. The traditional hog cycle has been interrupted in recent years by animal disease problems, international trade issues, and the Covid-19 pandemic. Currently, as is the case for all of agriculture, there is a lot of uncertainty related to foreign markets, input prices, and the impacts of international conflicts. Time will tell how all of these factors impact the industry in 2026, but at this time, the coming year looks like another profitable one for Minnesota hog producers.

About the FINBIN Database

See the Data for Yourself

The information contained in this report is available for all to access at <https://finbin.umn.edu/>. This page provides a brief overview of how to query the database. Three primary types of reports are available in FINBIN. Table 8 briefly describes each report type and its use or value. More information on the various report types can be found [here](#).

Table 8. Overview of FINBIN Report Types (*hyperlinks will take you to that particular report type page in FINBIN*)

Report Type	Description	Use(s)
Summary	Display the average results for the farms or enterprises you select. Whole Farm reports look at the farm as a whole. Crop and Livestock reports summarize a specific crop or livestock enterprise.	This type of report is an excellent guide to use when you are examining costs to produce a crop or even preparing a budget for your operation.
Benchmark	Display the range of results for a specific peer group for the whole-farm , or crop or livestock enterprise level.	Help producers identify where they are performing better than other like producers and where they may be able to improve.
Compare Your Farm	Uses standard ratios to compare your farm to farms included in FINBIN.	Allows anyone, even those who did not contribute data to FINBIN, to compare their farm's financial ratios to FINBIN.

Minimum Sample Sizes for Reports in FINBIN

To ensure data security and privacy, the reports in FINBIN have minimum sample sizes that are needed to generate. For enterprise summary reports, the minimum number of observations is 5. For benchmark reports, 30 observations are necessary.

Filtering Reports in FINBIN

FINBIN reports can be filtered by the items/categories below.

- States
- Groups
- Farm Type
- Total Crop Acres
- Gross Farm Income
- Net Farm Income
- Total Farm Assets
- Debt-to-Asset Ratio
- Age of Operator
- No. of Years Farming

Panel Reports in FINBIN

Panel reports are available in FINBIN. Panel reports contain the same set of farms over multiple years. To generate panel reports, check the box under the *Panel Data Reporting* header that is labeled "Create a report using only farms that are in every year."

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