

ARIZONA CITRUS MARKET TRENDS

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Arizona Citrus Industry Overview

- Arizona is a minor producer of fresh market citrus. Less than 7,000 acres remaining.
- Industry is concentrated in Yuma County mostly on the Yuma Mesa and is served by one primary packinghouse.
- Lemons are the primary commercial variety, though there are a few remaining groves of other varieties.
- Competition from California and abroad have increased the cumulative lemon supply which has put pressure on margins.
- Fallowing programs in key lemon growing areas have accelerated removal of older and lower producing groves.

Arizona Citrus Market Drivers

- **Lackluster Grower Returns**
- **Increasing Costs and Risk**
- **Industry Consolidation**
- **Water Speculation**
- **Rural Residential Expansion**
- **Diversification**

Citrus Grove Values

Land Use	Value Range Per Gross Acre	Market Activity	Value Trend
Lemon Groves (Small)	\$25,000 - \$31,000	Moderate	Slightly Increasing
Lemon Groves (Commerical)	\$21,000 - \$27,500	Limited	Slightly Increasing

- Lemon grove values closely track the underlying land and usually selling at or at a modest premium to the underlying land value.
- In late 2023 there was a very large 8 figure citrus portfolio sale.
- Higher prices are observed for citrus groves with rural residential influences, though these sale prices reflect alternative use potential.

Questions?

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