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**FINAL VALUES**

**2011 CURRENT AGRICULTURAL USE VALUE OF LAND TABLES**

**EXPLANATION OF THE CALCULATION OF VALUES  
 FOR VARIOUS SOIL MAPPING UNITS FOR TAX YEAR 2011**

The annual current agricultural use values of land are calculated by the capitalization of net income from agricultural products assuming typical management, cropping and land use patterns, and yields for given types of soils. The necessary information is available for approximately 3,500 map units, which are the soils with slopes of 25 percent or less. The information used for a capitalized net income approach is as follows:

- YIELD INFORMATION
- CROPPING PATTERN
- CROP PRICES
- NON-LAND PRODUCTION COSTS
- CAPITALIZATION RATE

Each of these factors is explained below.

**A. YIELD INFORMATION**

For each of the soil mapping units, data regarding typical yields of each of the major field crops (corn, soybeans and wheat) were last published in 1984. In order to reflect more accurate yields, those yields of record have been updated annually since 2006. The yields are updated by a factor based on ten years of statewide yield information published by the Ohio Department of Agriculture. For 2011, yield data from calendar years 2000-2009 were averaged and divided by the 1984 yield for each crop (Exhibit A, page 5). This factor is applied to the 1984 crop yield of record for each soil. The table below shows the average yields used to develop the factor for each of the crops.

|             |                  | <b>TY 2008</b>   | <b>TY 2009</b>   | <b>TY 2010</b>   | <b>TY 2011</b>   |
|-------------|------------------|------------------|------------------|------------------|------------------|
| <b>Crop</b> | <b>1984 Base</b> | <b>1997-2006</b> | <b>1998-2007</b> | <b>1999-2008</b> | <b>2000-2009</b> |
| Corn        | 118 bushels      | 139.0            | 140.7            | 140.1            | 144.9            |
| Soybeans    | 36.5 bushels     | 42.0             | 42.0             | 41.2             | 42.5             |
| Wheat       | 44 bushels       | 67.0             | 66.7             | 67.1             | 67.3             |

## B. CROPPING PATTERNS

The cropping pattern for each map unit is assigned a rotation based on the most recent five-year average of crop acres harvested in Ohio: 38.6% corn, 50.9% beans, and 10.5% wheat. This rotation is based on data from 2005-2009 and closely reflects current agricultural production in Ohio. The acres harvested in each year are shown in Exhibit B (see page 6).

There are two exceptions as follows:

- 1.) Soil map units with a productivity index of 55 or less are assumed to be most profitably used as pasture. In 2011 a minimum value of \$300 is used for these soils; in 2010 a minimum value of \$200 is used for these soils and in 2009, the minimum value is \$170.
- 2.) A pattern of 50% corn and 50% soybeans is used for organic soils.

## C. CROP PRICE INFORMATION

The crop prices used for the field crops are five-year weighted average prices. Crop price data is collected for seven years with the highest and lowest prices eliminated, and the average calculated using the remaining five years' data. The prices are weighted based on the statewide production for each year. For this calculation, the seven-year period is 2003 through 2009. The annual production and price per unit for each of these crops for the 2003 through 2009 period are shown in Exhibit C (see page 7).

The table shows average weighted prices for this period as well as prices for the three previous years. Each weighted price is reduced by 5% to allow for management.

|             |             | <b>TY 2008</b>   | <b>TY 2009</b>   | <b>TY 2010</b>   | <b>TY 2011</b>   |
|-------------|-------------|------------------|------------------|------------------|------------------|
| <b>Crop</b> | <b>Unit</b> | <b>2000-2006</b> | <b>2001-2007</b> | <b>2002-2008</b> | <b>2003-2009</b> |
| Corn        | Bushel      | \$2.02           | \$2.29           | \$2.66           | \$2.89           |
| Soybeans    | Bushel      | \$5.19           | \$5.60           | \$6.41           | \$7.22           |
| Wheat       | Bushel      | \$2.89           | \$3.05           | \$3.41           | \$3.64           |

## D. NON-LAND PRODUCTION COSTS

Data on crop production costs were used to estimate average non-land production costs. The data are taken from the Ohio Crop Enterprise Budgets prepared by The Ohio State University Department of Agricultural, Environmental, and Development Economics for 2004-2010, inclusive. Again, data are collected for the seven-year period and the highest and lowest costs for each category are eliminated from the array. Five-year average costs per unit of specific non-land production cost items are computed from the remaining data as shown in Exhibit D (see page 8).

The budgets are computed for each crop at a base yield equal to the lowest yield reported and for each additional unit above the base yield based on information from the Ohio Crop Budgets (see Exhibits D-1 through Exhibit D-3, pages 9-11).

The five year average non-land production costs for tax year 2011 are summarized below and compared with the costs used for tax years 2008 and 2010:

| NON-LAND PRODUCTION COSTS |        |          |          |          |
|---------------------------|--------|----------|----------|----------|
| Crop – Base Cost          | Yield  | TY 2008  | TY 2010  | TY 2011  |
| Corn                      | 110 bu | \$242.39 | \$286.65 | \$300.98 |
| Soybeans                  | 35 bu  | \$174.44 | \$189.10 | \$204.60 |
| Wheat                     | 51 bu  | \$156.68 | \$170.16 | \$192.94 |
| Additional Cost per Unit  |        |          |          |          |
| Corn                      | 1 bu   | \$ 0.90  | \$ 0.83  | \$ 0.84  |
| Soybeans                  | 1 bu   | \$ 0.50  | \$ 0.66  | \$ 0.77  |
| Wheat                     | 1 bu   | \$ 0.84  | \$ 1.14  | \$ 1.19  |

E. CAPITALIZATION RATE:

Five-year averaging is used to derive the Farm Credit Service interest rate of 7.0% assuming a 60% loan for a 15-year term, payable annually, and an interest rate of 7.3% for the 40 percent equity portion (see Exhibit E, page 12). A five percent appreciation over a period of 5 years is included to address the increase in farmland values due to the demand for additional land in an increasingly efficient operation.

The capitalization rate for typical Ohio farmland is computed by the Akerson mortgage-equity method as follows:

|   |   |                |
|---|---|----------------|
| 60% loan x annual debt service of 0.109795  | = | 0.0659         |
| 40% equity x equity yield rate of .073  | = | 0.0292         |
| Subtotal  |   | 0.0951         |
| <u>Less</u> equity buildup for 5 years  |   |                |
| % loan x % mortgage paid off x sinking fund factor<br>at equity rate for 5 years<br>(0.60) [1 - (7.0236/9.1079)] (0.172853) | = | (0.0237)       |
| <u>Less</u> 5% appreciation times sinking fund factor   |   |                |
| @ equity yield rate of .0743<br>.05 x 0.172853  | = | (0.0086)       |
| Capitalization Rate before Taxes  | = | 0.0627 or 6.3% |

For tax year 2009 the statewide average effective tax rate after application of the reduction factors, (Section 319.301 Ohio Revised Code), levied on agricultural property was 42.35 mills. The ten percent rollback authorized by Section 319.302 of the code reduced this rate further to 38.11 mills. As a percent of market value the effective tax rate to be used in this year's capitalization formula is 1.3%, (.35 x 38.11)/1000.

Capitalization rate including R.E. taxes 7.6%  
The 7.6% capitalization rate is the base rate for typical Ohio farmland.

## F. CROPLAND VALUES

The current agricultural use cropland value equals the net return for the rotation acre of the soil map unit divided by the capitalization rate. However, the minimum value for cropland is \$300 per acre for soils with 25 percent slope or less regardless of this calculated amount. In 2010, a minimum value of \$200 was used for these soils and in 2009, the minimum value was \$170.

## G. WOODLAND VALUE

- 1.) The woodland value, with slopes of 25% or less, equals the cropland value less the costs to convert the woodland to cropland. The conversion costs used in the formula are as follows:
  - a. Clearing - \$500 per acre for all soils
  - b. Drainage
    - a.) Excessively drained, well drained, moderately well drained, (E, W, MW) - No Conversion Cost
    - b.) Somewhat poorly drained, poorly drained, very poorly drained, saturated (SWP, P, VP) - \$500 for Tile Drainage
    - c.) For the following soil series, a \$250 adjustment for surface drainage was used: Allis, Atkins, Blanchester, Bono, Canadice, Clermont, Condit, Conneaut, Darien, Delmar, Frenchtown, Fries, Ginat, Ilion, Latty, Lorain, McGuffey, Mill, Miner, Montgomery, Muskego, Pauling, Peoga, Piopolis, Purdy, Roselms, Sheffield, Swanton, Toledo, Trumbull, Valley, Wabash, Wabasha, Warners, Wayland, Willette, and Zipp
- 2.) The minimum value for woodland with slopes of 25% or less, is \$200.

## H. PASTURELAND VALUE

Where soil map units listed in these tables or comparable soils are used for permanent pasture, the land should be valued as cropland unless clearing or drainage costs would be incurred in converting the land to cropland. If so, appropriate deduction should be made for the capital investment necessary for the land to be tilled.

## I. MINIMUM VALUES

Slopes of 25% or less:

|                    |       |
|--------------------|-------|
| Cropland & pasture | \$300 |
| Woodland           | \$200 |

Slopes greater than 25%

|                    |       |
|--------------------|-------|
| Woodland & pasture | \$200 |
|--------------------|-------|

# Exhibit A - Average Crop Yields by Year in Ohio

2009 Ohio Department of Agriculture Annual Report and Statistics

Table 5 - Annual Summary: Crop Production and Value

| <u>Year</u>                             | <u>Corn</u>        | <u>Soybeans</u>    | <u>Wheat</u>       |
|---|--------------------|--------------------|--------------------|
| 1984                                    | 118                | 36.5               | 44                 |
| 1985                                    | 127                | 41.5               | 62                 |
| 1986                                    | 128                | 40.5               | 46                 |
| 1987                                    | 120                | 37                 | 58                 |
| 1988                                    | 85                 | 27                 | 50                 |
| 1989                                    | 118                | 31.5               | 51                 |
| 1990                                    | 121                | 39                 | 59                 |
| 1991                                    | 96                 | 36                 | 49                 |
| 1992                                    | 143                | 40                 | 53                 |
| 1993                                    | 110                | 38                 | 52                 |
| 1994                                    | 139                | 44                 | 58                 |
| 1995                                    | 121                | 38                 | 61                 |
| 1996                                    | 111                | 35                 | 39                 |
| 1997                                    | 134                | 44                 | 63                 |
| 1998                                    | 141                | 44                 | 64                 |
| 1999                                    | 126                | 36                 | 70                 |
| 2000                                    | 147                | 42                 | 72                 |
| 2001                                    | 138                | 41                 | 67                 |
| 2002                                    | 89                 | 32                 | 62                 |
| 2003                                    | 156                | 38.5               | 68                 |
| 2004                                    | 158                | 47                 | 62                 |
| 2005                                    | 143                | 45                 | 71                 |
| 2006                                    | 159                | 47                 | 68                 |
| 2007                                    | 150                | 47                 | 63                 |
| 2008                                    | 135                | 36                 | 68                 |
| 2009                                    | 174                | 49                 | 72                 |
| 1984                                    | 118                | 36.5               | 44                 |
| avg.<br>2000-2009                       | 144.9              | 42.5               | 67.3               |
| % change 1984 vs. 2000-2009<br>increase | 1.227966<br>22.80% | 1.164384<br>16.44% | 1.529545<br>52.95% |

**Exhibit B - Acres Harvested, 2005-2009  
TY 2011 Crop Rotation**

| <u>Year</u>              | <u>Corn</u> | <u>% of Total</u> | <u>Soybeans</u> | <u>% of Total</u> | <u>Wheat</u> | <u>% of Total</u> | <u>Corn, Beans &amp; Wheat Totals</u> |
|--------------------------|-------------|-------------------|-----------------|-------------------|--------------|-------------------|---------------------------------------|
| <b>2005</b>              | 3,410,000   | <b>39.1%</b>      | 4,480,000       | <b>51.4%</b>      | 830,000      | <b>9.5%</b>       | 8,720,000                             |
| <b>2006</b>              | 3,110,000   | <b>35.8%</b>      | 4,620,000       | <b>53.2%</b>      | 960,000      | <b>11.0%</b>      | 8,690,000                             |
| <b>2007</b>              | 3,780,000   | <b>43.8%</b>      | 4,130,000       | <b>47.8%</b>      | 730,000      | <b>8.4%</b>       | 8,640,000                             |
| <b>2008</b>              | 3,260,000   | <b>36.9%</b>      | 4,480,000       | <b>50.7%</b>      | 1,090,000    | <b>12.3%</b>      | 8,830,000                             |
| <b>2009</b>              | 3,310,000   | <b>37.5%</b>      | 4,530,000       | <b>51.4%</b>      | 980,000      | <b>11.1%</b>      | 8,820,000                             |
| <b>Five Year Average</b> | 3,374,000   | <b>38.6%</b>      | 4,448,000       | <b>50.9%</b>      | 918,000      | <b>10.5%</b>      | 8,740,000                             |

Ohio Dept. of Agriculture Annual Report--Table 5

**Exhibit C, FIVE YEAR AVERAGE CROP PRICES, TAX YEAR 2011**

Source: Ohio Agricultural Statistics Service

|                                  | <u>year</u> | <u>production</u> | <u>price</u>   | <u>value (1000s)</u> |
|----------------------------------|-------------|-------------------|----------------|----------------------|
| <b>CORN</b>                      | 2003        | 478,920           | \$ 2.45        | 1,173,354            |
|                                  | 2004        | 491,380           | \$ 1.85        | 909,053              |
|                                  | 2005        | 464,750           | \$ 1.80        | 836,550              |
|                                  | 2006        | 470,640           | \$ 3.30        | 1,553,112            |
|                                  | 2007        | 541,500           | \$ 3.95        | 2,138,925            |
|                                  | 2008        | 421,200           | \$ 3.95        | 1,663,740            |
|                                  | 2009        | 546,360           | \$ 3.70        | 2,021,532            |
|                                  | Totals      |                   | 2,408,500      |                      |
| Weighted Avg. Price              |             |                   | \$ 3.04        |                      |
| After Management Allowance of 5% |             |                   | \$ <b>2.89</b> |                      |
| -----                            |             |                   |                |                      |
| <b>SOYBEANS</b>                  | 2003        | 162,640           | \$ 7.20        | 1,171,008            |
|                                  | 2004        | 207,740           | \$ 5.15        | 1,069,864            |
|                                  | 2005        | 201,600           | \$ 5.55        | 1,118,880            |
|                                  | 2006        | 217,140           | \$ 6.25        | 1,357,125            |
|                                  | 2007        | 194,110           | \$ 10.10       | 1,960,514            |
|                                  | 2008        | 161,280           | \$ 9.60        | 1,548,288            |
|                                  | 2009        | 221,970           | \$ 9.60        | 2,130,912            |
|                                  | Totals      |                   | 964,630        |                      |
| Weighted Avg. Price              |             |                   | \$ 7.59        |                      |
| After Management Allowance of 5% |             |                   | \$ <b>7.22</b> |                      |
| -----                            |             |                   |                |                      |
| <b>WHEAT</b>                     | 2003        | 68,000            | \$ 3.20        | 217,600              |
|                                  | 2004        | 55,180            | \$ 3.15        | 173,817              |
|                                  | 2005        | 58,930            | \$ 3.20        | 188,576              |
|                                  | 2006        | 65,280            | \$ 3.30        | 215,424              |
|                                  | 2007        | 45,990            | \$ 5.50        | 252,945              |
|                                  | 2008        | 74,120            | \$ 5.80        | 429,896              |
|                                  | 2009        | 70,560            | \$ 4.35        | 306,936              |
|                                  | Totals      |                   | 308,760        |                      |
| Weighted Avg. Price              |             |                   | \$ 3.83        |                      |
| After Management Allowance of 5% |             |                   | \$ <b>3.64</b> |                      |
| -----                            |             |                   |                |                      |

## Exhibit D, Production Costs, Tax Year 2011

### Determination of Five Year Average Costs for the Projected Crop Budgets

| ITEM                              |          | UNITS | 2004    | 2005    | 2006    | 2007    | 2008    | 2009    | 2010    | 5 yr.<br>Avg. |
|-----------------------------------|----------|-------|---------|---------|---------|---------|---------|---------|---------|---------------|
| <b>VARIABLE COSTS</b>             |          |       |         |         |         |         |         |         |         |               |
| <b>Seed</b>                       | CORN     | 1000k | \$1.10  | \$1.10  | \$1.13  | \$1.16  | \$2.05  | \$2.50  | \$2.81  | \$1.59        |
|                                   | SOYBEANS | 1000s | \$0.10  | \$0.12  | \$0.21  | \$0.21  | \$0.23  | \$0.29  | \$0.32  | \$0.21        |
|                                   | WHEAT    | 1000s | \$0.04  | \$0.01  | \$0.01  | \$0.01  | \$0.02  | \$0.02  | \$0.02  | \$0.02        |
| <b>Fertilizer</b>                 | N Corn   |       | \$0.24  | \$0.26  | \$0.34  | \$0.29  | \$0.49  | \$0.55  | \$0.27  | \$0.33        |
|                                   | N Wheat  |       | \$0.24  | \$0.26  | \$0.34  | \$0.36  | \$0.71  | \$0.71  | \$0.47  | \$0.43        |
|                                   | P2O5     |       | \$0.24  | \$0.30  | \$0.31  | \$0.31  | \$0.87  | \$0.77  | \$0.43  | \$0.42        |
|                                   | K2O      |       | \$0.13  | \$0.18  | \$0.21  | \$0.20  | \$0.48  | \$0.72  | \$0.35  | \$0.29        |
|                                   | LIME     |       | \$12.00 | \$22.00 | \$22.00 | \$22.00 | \$23.50 | \$25.00 | \$25.00 | \$22.90       |
| <b>Chemicals</b>                  | CORN     |       | \$22.00 | \$24.00 | \$24.42 | \$24.42 | \$26.86 | \$42.00 | \$35.00 | \$26.94       |
|                                   | SOYBEANS |       | \$26.00 | \$39.00 | \$21.10 | \$21.10 | \$21.10 | \$30.00 | \$30.00 | \$25.64       |
|                                   | WHEAT    |       | \$7.00  | \$7.00  | \$6.86  | \$6.86  | \$7.55  | \$13.00 | \$13.00 | \$8.28        |
| <b>Fuel, Oil, Grease</b>          | CORN     | -122  | \$7.00  | \$9.00  | \$10.58 | \$9.61  | \$18.87 | \$13.48 | \$17.08 | \$11.95       |
|                                   |          | -155  | \$7.00  | \$9.00  | \$10.58 | \$9.61  | \$18.87 | \$13.48 | \$17.08 | \$11.95       |
|                                   |          | -192  | \$7.00  | \$9.00  | \$10.58 | \$9.61  | \$18.87 | \$13.48 | \$17.08 | \$11.95       |
|                                   | SOYBEANS | -36   | \$5.00  | \$7.00  | \$7.67  | \$6.97  | \$13.63 | \$9.74  | \$9.12  | \$8.10        |
|                                   |          | -48   | \$5.00  | \$7.00  | \$7.67  | \$6.97  | \$13.63 | \$9.74  | \$9.12  | \$8.10        |
|                                   |          | -60   | \$5.00  | \$7.00  | \$7.67  | \$6.97  | \$13.63 | \$9.74  | \$9.12  | \$8.10        |
|                                   | WHEAT    | -52   | \$5.00  | \$6.00  | \$8.20  | \$7.46  | \$14.54 | \$10.37 | \$10.37 | \$8.48        |
|                                   |          | -67   | \$5.00  | \$6.00  | \$8.20  | \$7.46  | \$14.54 | \$10.37 | \$10.37 | \$8.48        |
|                                   |          | -82   | \$5.00  | \$6.00  | \$8.20  | \$7.46  | \$14.54 | \$10.37 | \$10.37 | \$8.48        |
| <b>Repairs</b>                    | CORN     | -122  | \$10.00 | \$12.00 | \$10.72 | \$10.66 | \$15.23 | \$10.68 | \$24.44 | \$11.86       |
|                                   |          | -155  | \$10.00 | \$12.00 | \$10.72 | \$10.66 | \$15.23 | \$10.68 | \$24.44 | \$11.86       |
|                                   |          | -192  | \$10.00 | \$12.00 | \$10.72 | \$10.66 | \$15.23 | \$10.68 | \$24.44 | \$11.86       |
|                                   | SOYBEANS | -36   | \$13.00 | \$11.00 | \$7.80  | \$7.80  | \$10.59 | \$7.59  | \$11.70 | \$9.78        |
|                                   |          | -48   | \$13.00 | \$11.00 | \$7.80  | \$7.80  | \$10.59 | \$7.59  | \$11.70 | \$9.78        |
|                                   |          | -60   | \$13.00 | \$11.00 | \$7.80  | \$7.80  | \$10.59 | \$7.59  | \$11.70 | \$9.78        |
|                                   | WHEAT    | -52   | \$11.00 | \$11.00 | \$8.71  | \$8.71  | \$27.47 | \$9.15  | \$9.15  | \$9.80        |
|                                   |          | -67   | \$11.00 | \$11.00 | \$8.71  | \$8.71  | \$27.47 | \$9.15  | \$9.15  | \$9.80        |
|                                   |          | -82   | \$11.00 | \$11.00 | \$8.71  | \$8.71  | \$27.47 | \$9.15  | \$9.15  | \$9.80        |
| <b>Miscellaneous</b>              | CORN     | -122  | \$12.00 | \$6.00  | \$6.00  | \$6.00  | \$6.00  | \$7.00  | \$7.00  | \$6.40        |
|                                   |          | -155  | \$13.00 | \$7.00  | \$7.00  | \$7.00  | \$7.00  | \$8.00  | \$8.00  | \$7.40        |
|                                   |          | -192  | \$14.00 | \$8.00  | \$8.00  | \$8.00  | \$8.00  | \$9.00  | \$9.00  | \$8.40        |
|                                   | SOYBEANS | -36   | \$12.00 | \$7.00  | \$7.00  | \$7.00  | \$7.00  | \$8.00  | \$8.00  | \$7.40        |
|                                   |          | -48   | \$13.00 | \$7.00  | \$7.00  | \$7.00  | \$7.00  | \$8.00  | \$8.00  | \$7.40        |
|                                   |          | -60   | \$14.00 | \$7.00  | \$7.00  | \$7.00  | \$7.00  | \$8.00  | \$8.00  | \$7.40        |
|                                   | WHEAT    | -52   | \$12.00 | \$6.00  | \$6.00  | \$6.00  | \$6.00  | \$6.00  | \$6.00  | \$6.00        |
|                                   |          | -67   | \$13.00 | \$6.00  | \$6.00  | \$6.00  | \$6.00  | \$6.00  | \$6.00  | \$6.00        |
|                                   |          | -82   | \$14.00 | \$6.00  | \$6.00  | \$6.00  | \$6.00  | \$6.00  | \$6.00  | \$6.00        |
| <b>Drying:</b>                    |          |       |         |         |         |         |         |         |         |               |
| <b>Fuel &amp; Electric</b>        | CORN     |       | \$0.13  | \$0.15  | \$0.16  | \$0.11  | \$0.11  | \$0.11  | \$0.11  | \$0.12        |
| <b>Trucking:</b>                  |          |       |         |         |         |         |         |         |         |               |
| <b>Fuel Only</b>                  | CORN     |       | \$0.04  | \$0.04  | \$0.06  | \$0.06  | \$0.09  | \$0.15  | \$0.02  | \$0.06        |
|                                   | SOYBEANS |       | \$0.03  | \$0.04  | \$0.06  | \$0.06  | \$0.09  | \$0.15  | \$0.02  | \$0.06        |
|                                   | WHEAT    |       | \$0.03  | \$0.03  | \$0.06  | \$0.06  | \$0.09  | \$0.15  | \$0.04  | \$0.06        |
| <b>Interest on variable costs</b> |          |       | 9.00%   | 6.50%   | 8.00%   | 8.50%   | 9.00%   | 9.00%   | 6.00%   | 8.20%         |
| <b>FIXED COSTS</b>                |          |       |         |         |         |         |         |         |         |               |
| <b>Labor Charge</b>               | CORN     |       | \$32.40 | \$36.00 | \$36.00 | \$36.00 | \$48.60 | \$43.20 | \$40.50 | \$38.34       |
|                                   | SOYBEANS |       | \$23.40 | \$20.00 | \$20.00 | \$20.00 | \$27.00 | \$27.00 | \$27.00 | \$23.48       |
|                                   | WHEAT    |       | \$18.00 | \$20.00 | \$20.00 | \$20.00 | \$27.00 | \$27.00 | \$27.00 | \$22.80       |
| <b>Machinery &amp; Equipment</b>  | CORN     |       | \$59.00 | \$55.00 | \$52.85 | \$54.35 | \$65.07 | \$64.45 | \$77.45 | \$59.57       |
|                                   | SOYBEANS |       | \$54.00 | \$47.00 | \$44.60 | \$46.56 | \$53.86 | \$52.45 | \$53.42 | \$50.66       |
|                                   | WHEAT    |       | \$52.00 | \$48.00 | \$48.51 | \$50.01 | \$56.74 | \$55.16 | \$55.53 | \$52.24       |

Source: Field Crop Enterprise Budgets 2010, OSU Extension, Dept. of Agricultural, Environmental, and Development Economics.



**2011 CORN BUDGET**  
conservation tillage

| ITEM                          | Inputs - 5 Yr. Average |                       |  | 5 YR.<br>AVG.<br>COST | 5 YEAR<br>AVERAGE COST |                  |        |
|-------------------------------|------------------------|-----------------------|--|-----------------------|------------------------|------------------|--------|
|                               | UNITS                  | BASE<br>110<br>BUSHEL | @ ADD.<br>BUSHEL                       |                       | BASE<br>110<br>BUSHEL  | @ ADD.<br>BUSHEL |        |
| SEED:                         | KERNELS (1000's)       | 27                    | 0.13                                   | \$1.59                | \$43.25                | \$0.21           |        |
| FERTILIZER:                   |                        |                       |  |                       |                        |                  |        |
|                               | N*                     | LB.                   | 118.2                                  | 0.75                  | \$0.33                 | \$39.01          | \$0.25 |
|                               | P2O5                   | LB.                   | 40.6                                   | 0.36                  | \$0.42                 | \$17.05          | \$0.15 |
|                               | K2O                    | LB.                   | 40.8                                   | 0.27                  | \$0.29                 | \$11.82          | \$0.08 |
|                               | LIME                   | TON                   | 0.25                                   | 0                     | \$22.90                | \$5.73           | \$0.00 |
| CHEMICALS:                    |                        |                       |  |                       | \$26.94                | \$26.94          | \$0.00 |
| FUEL, OIL, GREASE             |                        |                       |  |                       | \$11.95                | \$11.95          | \$0.00 |
| REPAIRS:                      |                        |                       |  |                       | \$11.86                | \$11.86          | \$0.00 |
| MISCELLANEOUS:                |                        |                       |  |                       | \$6.40                 | \$6.40           | \$0.00 |
| DRYING: FUEL & ELECTRIC ONLY  |                        |                       |  | \$0.12                | \$13.20                | \$13.20          | \$0.12 |
| TRUCKING: FUEL ONLY           |                        |                       |  |                       | \$0.06                 | \$6.60           | \$0.00 |
|                               | <b>SUBTOTAL</b>        |                       |  |                       |                        | \$193.80         | \$0.80 |
| INTEREST: on Subtotal         |                        |                       | 8.2%/12 X 7 MOS<br>4.8% int x subtotal |                       |                        | \$9.27           | \$0.04 |
| LABOR CHARGE:                 |                        |                       |  |                       | \$38.34                | \$38.34          | \$0.00 |
| MACHINERY & EQUIPMENT CHARGE: |                        |                       |  |                       | \$59.57                | \$59.57          | \$0.00 |
|                               | <b>TOTALS</b>          |                       |  |                       |                        | \$300.98         | \$0.84 |

10/28/2010

2011 SOYBEAN BUDGET

| ITEM                          | Inputs - 5 Yr. Average |                         |                      | 5 YR. AVG. COST | 5 YR. AVERAGE COST    |                      |
|-------------------------------|------------------------|-------------------------|----------------------|-----------------|-----------------------|----------------------|
|                               | UNITS                  | BASE 35 <u>BUSHEL</u>   | @ ADD. <u>BUSHEL</u> |                 | BASE 35 <u>BUSHEL</u> | @ ADD. <u>BUSHEL</u> |
| SEED:                         | seeds (1000s)          | 180.0                   | 0                    | \$0.21          | \$37.80               | \$0.00               |
| FERTILIZER:                   |                        |                         |                      |                 |                       |                      |
|                               | N LB.                  | 0                       | 0                    | \$0.00          | \$0.00                | \$0.00               |
|                               | P2O5 LB.               | 28                      | 0.8                  | \$0.42          | \$11.89               | \$0.34               |
|                               | K2O LB.                | 63                      | 1.4                  | \$0.29          | \$18.41               | \$0.41               |
|                               | LIME TON               | 0.25                    | 0                    | \$22.90         | \$5.73                | \$0.00               |
| CHEMICALS:                    |                        |                         |                      | \$25.64         | \$25.64               | \$0.00               |
| FUEL, OIL, GREASE             |                        |                         |                      | \$8.10          | \$8.10                | \$0.00               |
| REPAIRS:                      |                        |                         |                      | \$9.78          | \$9.78                | \$0.00               |
| MISCELLANEOUS:                |                        |                         |                      | \$7.40          | \$7.40                | \$0.00               |
| TRUCKING: FUEL ONLY           |                        |                         |                      | \$0.06          | \$2.10                | \$0.00               |
| <b>SUBTOTAL</b>               |                        |                         |                      |                 | \$126.85              | \$0.74               |
| INTEREST: ON SUBTOTALLED COST |                        | 8.2%/12 X 5 MOS<br>3.4% | int x subtotal       |                 | \$4.33                | \$0.03               |
| LABOR CHARGE:                 |                        |                         |                      | \$23.48         | \$22.76               | \$0.00               |
| MACHINERY & EQUIPMENT CHARGE: |                        |                         |                      | \$50.66         | \$50.66               | \$0.00               |
| <b>TOTALS</b>                 |                        |                         |                      |                 | \$204.60              | \$0.77               |

07/01/2010

2011 WHEAT BUDGET

| ITEM                          | UNITS         | Inputs - 5 Yr. Average                 |                      | 5 YR. AVG. COST | 5 YR. AVERAGE COST     |                      |        |
|-------------------------------|---------------|--|----------------------|-----------------|------------------------|----------------------|--------|
|                               |               | BASE 51 <u>BUSHELS</u>                 | @ ADD. <u>BUSHEL</u> |                 | BASE 51 <u>BUSHELS</u> | @ ADD. <u>BUSHEL</u> |        |
| SEED:                         | seeds (1000s) | 1,400                                  | 0                    | \$0.02          | \$28.00                | \$0.00               |        |
| FERTILIZER:                   |               |  |                      |                 |                        |                      |        |
|                               | N LB.         | 41                                     | 1.75                 | \$0.43          | \$17.63                | \$0.75               |        |
|                               | P2O5 LB.      | 32                                     | 0.63                 | \$0.42          | \$13.44                | \$0.26               |        |
|                               | K2O LB.       | 39                                     | 0.37                 | \$0.29          | \$11.31                | \$0.11               |        |
|                               | LIME TON      | 0.25                                   | 0                    | \$22.90         | \$5.73                 | \$0.00               |        |
| CHEMICALS:                    |               |  |                      | \$8.28          | \$8.28                 | \$0.00               |        |
| FUEL, OIL, GREASE             |               |  |                      | \$8.48          | \$8.48                 | \$0.00               |        |
| REPAIRS:                      |               |  |                      | \$9.80          | \$9.80                 | \$0.00               |        |
| MISCELLANEOUS:                |               |  |                      | \$6.00          | \$6.00                 | \$0.00               |        |
| TRUCKING: FUEL ONLY           |               |  |                      | \$0.06          | \$3.12                 | \$0.00               |        |
| <b>SUBTOTAL</b>               |               |  |                      |                 |                        | \$111.79             | \$1.12 |
| INTEREST: ON SUBTOTALLED COST |               | 8.2%/12 X 8 MOS<br>5.5% int x subtotal |                      |                 | \$6.11                 | \$0.06               |        |
| LABOR CHARGE:                 |               |  |                      | \$22.80         | \$22.80                | \$0.00               |        |
| MACHINERY & EQUIPMENT CHARGE: |               |  |                      | \$52.24         | \$52.24                | \$0.00               |        |
| <b>TOTALS</b>                 |               |  |                      |                 |                        | \$192.94             | \$1.19 |

07/01/2010

01/07/2011

**RATES USED IN CAPITALIZATION RATE  
2005-2011**

| <b>TAX YEAR</b> | <b>INTEREST RATE</b> | <b>EQUITY RATE</b> |
|-----------------|----------------------|--------------------|
| 2005            | 7.10                 | 7.25               |
| 2006            | <del>7.70</del>      | 9.50               |
| 2007            | 7.70                 | <del>10.25</del>   |
| 2008            | 6.95                 | 9.25               |
| 2009            | 6.55                 | <del>5.25</del>    |
| 2010            | 6.70                 | 5.25               |
| 2011            | <del>6.05</del>      | 5.25               |
|                 | 7.00                 | 7.30               |

\* Interest rate is based on a 15-year fixed multi flex loan offered by Farm Credit Services of Mid-America at [www.e-farmcredit.com/TodaysRates/FarmRates](http://www.e-farmcredit.com/TodaysRates/FarmRates).

\*\* Equity rate is the prime rate plus 2% at [www.bankrate.com](http://www.bankrate.com) from the Wall Street Journal's bank survey.

**ACTUAL CAPITALIZATION RATES USED IN CALCULATION  
2005-2011**

| <b>TAX YEAR</b> | <b>CAPITALIZATION RATE</b> |
|-----------------|----------------------------|
| 2005            | 8.6%                       |
| 2006            | 8.5%                       |
| 2007            | 8.4%                       |
| 2008            | 8.3%                       |
| 2009            | 7.9%                       |
| 2010            | 7.8%                       |
| 2011            | 7.6%                       |

## 2011 CAUV SAMPLE CALCULATION

**SOIL:** Millgrove, Silt Loam  
**SLOPE:** 0-2  
**EROSION:** Slight  
**DRAINAGE:** Very poorly  
**PROD. INDEX:** 100

|                                | <u>CORN</u> | <u>BEANS</u> | <u>WHEAT</u> |
|--------------------------------|-------------|--------------|--------------|
| PI DAT yield/acre (1984)       | 144         | 52           | 64           |
| % increased yield              | 1.227966    | 1.164384     | 1.529545     |
| adjusted yield/acre            | 177         | 61           | 98           |
| X Crop Price/Unit              | \$2.89      | \$7.22       | \$3.64       |
| = GROSS INCOME / ACRE          | \$511.53    | \$440.42     | \$356.72     |
| <br>                           |             |              |              |
| YIELD / ACRE                   | 177         | 61           | 98           |
| BASE YIELD                     | 110         | 35           | 51           |
| = YIELD ABOVE BASE             | 67          | 26           | 47           |
| X ADDED UNIT COST              | \$0.84      | \$0.77       | \$1.19       |
| ADDED UNIT COST / ACRE         | \$56.28     | \$20.02      | \$55.93      |
| BASE YIELD COST                | \$300.98    | \$204.60     | \$192.94     |
| = TOTAL NON-LAND PROD. COST    | \$357.26    | \$224.62     | \$248.87     |
| <br>                           |             |              |              |
| NET RETURN / ACRE              | \$154.27    | \$215.80     | \$107.85     |
| X CROPPING PATTERN             | 0.386       | 0.509        | 0.105        |
| = ROTATIONAL NET RETURN / ACRE | \$59.55     | \$109.84     | \$11.32      |
| <br>                           |             |              |              |
| TOTAL ROTATIONAL NET RETURN    | \$180.71    |              |              |
| <br>                           |             |              |              |
| BASE CAP RATE                  | 0.076       |              |              |
| <br>                           |             |              |              |
| CAUV LAND VALUE                | \$2,377.82  | SAY          | \$2,380      |

## 2008 CAUV SAMPLE CALCULATION

### TY 2008 Final Calculation

**SOIL:** Millgrove, Silt Loam  
**SLOPE:** 0-2  
**EROSION:** Slight  
**DRAINAGE:** Very poorly  
**PROD. INDEX:** 100

|                                | <u>CORN</u> | <u>BEANS</u> | <u>WHEAT</u> | <u>HAY</u> |
|--------------------------------|-------------|--------------|--------------|------------|
| Current PI DAT yield           | 144         | 52           | 64           | 6          |
| % increased yield              | 1.177966    | 1.150685     | 1.522727     | 1.024911   |
| YIELD / ACRE                   | 170         | 60           | 97           | 6.1        |
| X PRICE / UNIT                 | \$2.02      | \$5.19       | \$2.89       | \$79.80    |
| = GROSS INCOME / ACRE          | \$343.40    | \$311.40     | \$280.33     | \$486.78   |
| <br>                           |             |              |              |            |
| YIELD / ACRE                   | 170         | 60           | 97           | 6.1        |
| BASE YIELD                     | 100         | 35           | 50           | 2          |
| = YIELD ABOVE BASE             | 70          | 25           | 47           | 4.1        |
| X ADDED UNIT COST              | \$0.90      | \$0.50       | \$0.84       | \$24.23    |
| ADDED UNIT COST / ACRE         | \$63.00     | \$12.50      | \$39.48      | \$99.34    |
| BASE YIELD COST                | \$242.39    | \$174.44     | \$156.68     | \$133.80   |
| = TOTAL NON-LAND PROD. COST    | \$305.39    | \$186.94     | \$196.16     | \$233.14   |
| <br>                           |             |              |              |            |
| NET RETURN / ACRE              | \$38.01     | \$124.46     | \$84.17      | \$253.64   |
| X CROPPING PATTERN             | 0.35        | 0.45         | 0.15         | 0.05       |
| = ROTATIONAL NET RETURN / ACRE | \$ 13.30    | \$ 56.01     | \$ 12.63     | \$ 12.68   |
| <br>                           |             |              |              |            |
| TOTAL ROTATIONAL NET RETURN    | \$ 94.62    |              |              |            |
| <br>                           |             |              |              |            |
| BASE CAP RATE                  | 0.083       |              |              |            |
| X MANAGEMENT FACTOR            | 0.95        |              |              |            |
| = ADJUSTED CAPITALIZATION RATE | 0.07885     |              |              |            |
| <br>                           |             |              |              |            |
| CAUV LAND VALUE                | \$1,199.97  | SAY          | \$1,200.00   |            |

## 2011 CAUV SAMPLE CALCULATION

SOIL: Miami Silt Loam  
 SLOPE: 2-6  
 EROSION: Slight  
 DRAINAGE: Well  
 PROD. INDEX: 76

|                                | <u>CORN</u> | <u>BEANS</u> | <u>WHEAT</u> |
|--------------------------------|-------------|--------------|--------------|
| PI DAT yield/acre (1984)       | 108         | 38           | 50           |
| % increased yield              | 1.227966    | 1.164384     | 1.529545     |
| adjusted yield/acre            | 133         | 44           | 76           |
| X Crop Price/Unit              | \$2.89      | \$7.22       | \$3.64       |
| = GROSS INCOME / ACRE          | \$384.37    | \$317.68     | \$276.64     |
| <br>                           |             |              |              |
| YIELD / ACRE                   | 133         | 44           | 76           |
| BASE YIELD                     | 110         | 35           | 51           |
| = YIELD ABOVE BASE             | 23          | 9            | 25           |
| X ADDED UNIT COST              | \$0.84      | \$0.77       | \$1.19       |
| ADDED UNIT COST / ACRE         | \$19.32     | \$6.93       | \$29.75      |
| BASE YIELD COST                | \$300.98    | \$204.60     | \$192.94     |
| = TOTAL NON-LAND PROD. COST    | \$320.30    | \$211.53     | \$222.69     |
| <br>                           |             |              |              |
| NET RETURN / ACRE              | \$64.07     | \$106.15     | \$53.95      |
| X CROPPING PATTERN             | 0.386       | 0.509        | 0.105        |
| = ROTATIONAL NET RETURN / ACRE | \$24.73     | \$54.03      | \$5.66       |
| <br>                           |             |              |              |
| TOTAL ROTATIONAL NET RETURN    | \$84.43     |              |              |
| <br>                           |             |              |              |
| BASE CAP RATE                  | 0.076       |              |              |
| <br>                           |             |              |              |
| CAUV LAND VALUE                | \$1,110.87  | SAY          | \$1,110      |

08/20/2010

## 2008 CAUV SAMPLE CALCULATION

SOIL: Miami Silt Loam  
 SLOPE: 2-6  
 EROSION: Slight  
 DRAINAGE: Well  
 PROD. INDEX: 76

|                                | <u>CORN</u> | <u>BEANS</u> | <u>WHEAT</u> | <u>HAY</u> |
|--------------------------------|-------------|--------------|--------------|------------|
| PI DAT yield/acre              | 108         | 38           | 50           | 4.6        |
| % increased yield              | 1.177966    | 1.150685     | 1.522727     | 1.024911   |
| adjusted yield/acre            | 127         | 44           | 76           | 4.7        |
| X PRICE / UNIT                 | \$2.02      | \$5.19       | \$2.89       | \$79.80    |
| = GROSS INCOME / ACRE          | \$256.54    | \$228.36     | \$219.64     | \$375.06   |
| <br>                           |             |              |              |            |
| YIELD / ACRE                   | 127         | 44           | 76           | 4.7        |
| BASE YIELD                     | 100         | 35           | 50           | 2          |
| = YIELD ABOVE BASE             | 27          | 9            | 26           | 2.7        |
| X ADDED UNIT COST              | \$0.90      | \$0.50       | \$0.84       | \$24.23    |
| ADDED UNIT COST / ACRE         | \$24.30     | \$4.50       | \$21.84      | \$65.42    |
| BASE YIELD COST                | \$242.39    | \$174.44     | \$156.68     | \$133.80   |
| = TOTAL NON-LAND PROD. COST    | \$266.69    | \$178.94     | \$178.52     | \$199.22   |
| <br>                           |             |              |              |            |
| NET RETURN / ACRE              | (\$10.15)   | \$49.42      | \$41.12      | \$175.84   |
| X CROPPING PATTERN             | 0.35        | 0.37         | 0.15         | 0.13       |
| = ROTATIONAL NET RETURN / ACRE | (\$3.55)    | \$18.29      | \$6.17       | \$22.86    |
| <br>                           |             |              |              |            |
| TOTAL ROTATIONAL NET RETURN    | \$43.76     |              |              |            |
| <br>                           |             |              |              |            |
| BASE CAP RATE                  | 0.083       |              |              |            |
| X MANAGEMENT FACTOR            | 1           |              |              |            |
| = ADJUSTED CAPITALIZATION RATE | 0.083       |              |              |            |
| <br>                           |             |              |              |            |
| CAUV LAND VALUE                | \$527.23    | SAY          | \$510.00     |            |



## CAUV Summary Values

02/25/2010  
TY 2011- Final

| productivity index | no. of units | net return/acre |              |             | cropland value/acre |                |              |
|--------------------|--------------|-----------------|--------------|-------------|---------------------|----------------|--------------|
|                    |              | low             | high         | avg.        | low                 | high           | avg.         |
| <b>0-49</b>        | 601          | 0               | 27           | 0           | 300                 | 300            | 300          |
| <b>50-59</b>       | 749          | 0               | 59           | 12          | 300                 | 780            | 328          |
| <b>60-69</b>       | 1,114        | 0               | 96           | 47          | 300                 | 1,260          | 632          |
| <b>70-79</b>       | 798          | 43              | 132          | 85          | 570                 | 1,740          | 1,126        |
| <b>80-89</b>       | 211          | 88              | 161          | 124         | 1,160               | 2,110          | 1,641        |
| <b>90-99</b>       | 35           | 140             | 179          | 153         | 1,840               | 2,360          | 2,017        |
| <b>100+</b>        | 6            | 181             | 181          | 181         | 2,380               | 2,380          | 2,380        |
| <b>all regions</b> | <b>3,514</b> | <b>\$0</b>      | <b>\$181</b> | <b>\$46</b> | <b>\$300</b>        | <b>\$2,380</b> | <b>\$700</b> |

### TY 2008 Final (02/29/08)

| productivity index | no. of units | net return/acre |             |             | cropland value/acre |                |              |
|--------------------|--------------|-----------------|-------------|-------------|---------------------|----------------|--------------|
|                    |              | low             | high        | avg.        | low                 | high           | avg.         |
| <b>0-49</b>        | 600          | 0               | 48          | 15          | 100                 | 100            | 100          |
| <b>50-59</b>       | 749          | 0               | 87          | 29          | 100                 | 100            | 100          |
| <b>60-69</b>       | 1,117        | 0               | 87          | 21          | 100                 | 490            | 188          |
| <b>70-79</b>       | 797          | 0               | 61          | 36          | 100                 | 710            | 431          |
| <b>80-89</b>       | 206          | 29              | 78          | 56          | 370                 | 990            | 708          |
| <b>90-99</b>       | 35           | 67              | 95          | 76          | 850                 | 1200           | 973          |
| <b>100+</b>        | 6            | 95              | 95          | 95          | 1200                | 1200           | 1200         |
| <b>all regions</b> | <b>3,510</b> | <b>\$0</b>      | <b>\$95</b> | <b>\$28</b> | <b>\$100</b>        | <b>\$1,200</b> | <b>\$249</b> |

## CAUV Summary Values

02/25/2011  
FY 2011 - Final

| productivity index | no. of units | net return/acre |              |             | cropland value/acre |                |              |
|--------------------|--------------|-----------------|--------------|-------------|---------------------|----------------|--------------|
|                    |              | low             | high         | avg.        | low                 | high           | avg.         |
| 0-49               | 601          | 0               | 27           | 0           | 300                 | 300            | 300          |
| 50-59              | 749          | 0               | 59           | 12          | 300                 | 780            | 328          |
| 60-69              | 1,114        | 0               | 96           | 47          | 300                 | 1,260          | 632          |
| 70-79              | 798          | 43              | 132          | 85          | 570                 | 1,740          | 1,126        |
| 80-89              | 211          | 88              | 161          | 124         | 1,160               | 2,110          | 1,641        |
| 90-99              | 35           | 140             | 179          | 153         | 1,840               | 2,360          | 2,017        |
| 100+               | 6            | 181             | 181          | 181         | 2,380               | 2,380          | 2,380        |
| <b>all regions</b> | <b>3,514</b> | <b>\$0</b>      | <b>\$181</b> | <b>\$46</b> | <b>\$300</b>        | <b>\$2,380</b> | <b>\$700</b> |

### TY 2010 Final (5/07/2010)

| productivity index | no. of units | net return/acre |              |             | cropland value/acre |                |              |
|--------------------|--------------|-----------------|--------------|-------------|---------------------|----------------|--------------|
|                    |              | low             | high         | avg.        | low                 | high           | avg.         |
| 0-49               | 601          | 0               | 12           | 0           | 200                 | 200            | 200          |
| 50-59              | 749          | 0               | 41           | 6           | 200                 | 530            | 214          |
| 60-69              | 1,119        | 0               | 97           | 33          | 200                 | 1,250          | 436          |
| 70-79              | 798          | 29              | 108          | 65          | 380                 | 1,380          | 845          |
| 80-89              | 206          | 68              | 130          | 99          | 870                 | 1,670          | 1,278        |
| 90-99              | 35           | 115             | 151          | 126         | 1,470               | 1,880          | 1,601        |
| 100+               | 6            | 148             | 148          | 148         | 1,900               | 1,900          | 1,900        |
| <b>all regions</b> | <b>3,514</b> | <b>\$0</b>      | <b>\$151</b> | <b>\$34</b> | <b>\$200</b>        | <b>\$1,900</b> | <b>\$505</b> |

### Average CAUV Values By Year

| Productivity Index  | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|---------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| 0-49                | 100  | 100  | 100  | 100  | 100  | 100  | 100  | 100  | 100  | 100  | 108  | 100  | 100  | 176  | 200  | 300  |
| 50-59               | 100  | 100  | 111  | 114  | 107  | 104  | 102  | 101  | 114  | 106  | 134  | 100  | 100  | 200  | 214  | 328  |
| 60-69               | 114  | 163  | 230  | 233  | 200  | 181  | 125  | 113  | 104  | 101  | 125  | 123  | 188  | 435  | 436  | 632  |
| 70-79               | 257  | 373  | 448  | 452  | 417  | 394  | 285  | 244  | 157  | 124  | 241  | 283  | 431  | 746  | 845  | 1126 |
| 80-89               | 487  | 632  | 694  | 699  | 666  | 640  | 516  | 467  | 342  | 293  | 465  | 521  | 708  | 1059 | 1278 | 1641 |
| 90-99               | 689  | 850  | 894  | 908  | 869  | 842  | 713  | 663  | 533  | 492  | 675  | 747  | 973  | 1368 | 1601 | 2017 |
| 100+                | 820  | 990  | 1040 | 1060 | 1030 | 1000 | 870  | 820  | 690  | 650  | 880  | 970  | 1200 | 1620 | 1900 | 2380 |
| <b>Totals</b>       | 160  | 209  | 258  | 262  | 242  | 231  | 180  | 163  | 135  | 123  | 177  | 181  | 249  | 459  | 505  | 700  |
| <b>No. of Soils</b> | 3050 | 3083 | 3246 | 3281 | 3371 | 3279 | 3307 | 3313 | 3313 | 3358 | 3482 | 3510 | 3511 | 3511 | 3514 | 3514 |

### Average CAUV Values By Reappraisal/Update Year

| Productivity Index | 1996 | 1999 | 2002 | 2005 | 2008 | 2011 |
|--------------------|------|------|------|------|------|------|
| 0-49               | 100  | 100  | 100  | 100  | 100  | 300  |
| 50-59              | 100  | 114  | 102  | 106  | 100  | 328  |
| 60-69              | 114  | 233  | 125  | 101  | 188  | 632  |
| 70-79              | 257  | 452  | 285  | 124  | 431  | 1126 |
| 80-89              | 487  | 699  | 516  | 293  | 708  | 1641 |
| 90-99              | 689  | 908  | 713  | 492  | 973  | 2017 |
| 100+               | 820  | 1060 | 870  | 650  | 1200 | 2380 |
| <b>Totals</b>      | 160  | 262  | 180  | 123  | 249  | 700  |
| <b># Soils</b>     | 3050 | 3281 | 3307 | 3358 | 3511 | 3514 |

## Comparison of Inputs, Tax Years 2008-2011

| <b>Crop Prices</b>               | <b>2008</b> | <b>2009</b> | <b>2010</b> | <b>2011</b> | <b>Difference</b> |                |
|----------------------------------|-------------|-------------|-------------|-------------|-------------------|----------------|
|                                  |             |             |             |             | <b>2008-11</b>    | <b>2010-11</b> |
| Corn                             | \$2.02      | \$2.29      | \$2.66      | \$2.89      | <b>\$0.87</b>     | \$0.23         |
| Soybeans                         | \$5.19      | \$5.60      | \$6.41      | \$7.22      | <b>\$2.03</b>     | \$0.81         |
| Wheat                            | \$2.89      | \$3.05      | \$3.41      | \$3.64      | <b>\$0.75</b>     | \$0.23         |
| <b>Non-land Production Costs</b> |             |             |             |             |                   |                |
| <b>Base Cost</b>                 |             |             |             |             |                   |                |
| Corn                             | \$242.39    | \$264.12    | \$286.65    | \$300.98    | <b>\$58.59</b>    | \$14.33        |
| Soybeans                         | \$174.44    | \$175.21    | \$189.10    | \$204.60    | <b>\$30.16</b>    | \$15.50        |
| Wheat                            | \$156.68    | \$159.01    | \$170.16    | \$192.94    | <b>\$36.26</b>    | \$22.78        |
| <b>Additional Unit Cost</b>      |             |             |             |             |                   |                |
| Corn                             | \$0.90      | \$0.72      | \$0.83      | \$0.84      | <b>(\$0.06)</b>   | \$0.01         |
| Soybeans                         | \$0.50      | \$0.57      | \$0.66      | \$0.77      | <b>\$0.27</b>     | \$0.11         |
| Wheat                            | \$0.84      | \$0.86      | \$1.14      | \$1.19      | <b>\$0.35</b>     | \$0.05         |
| <b>Capitalization Rate</b>       |             |             |             |             |                   |                |
| Mortgage/Equity Ratio            | 60/40       | 60/40       | 60/40       | 60/40       |                   |                |
| Years                            | 15          | 15          | 15          | 15          |                   |                |
| Interest Rate                    | 7.29        | 7.06        | 7.24        | 7.00        |                   |                |
| Equity Rate                      | 8.15        | 7.65        | 7.80        | 7.30        |                   |                |
| Tax Additur                      | 1.4         | 1.4         | 1.4         | 1.3         |                   |                |
| Capitalization Rate              | 8.3         | 7.9         | 7.8         | 7.6         | (0.70)            | (0.20)         |