

2007 Nebraska Farm & Ranch Annual Report *Southeast*



UNIVERSITY OF
Nebraska
Lincoln
University of Nebraska
Cooperative Extension



In cooperation with Nebraska Farm
Business, Inc. and Nebraskaland Farm &
Ranch Management Education Program

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Table 1: Southeast - Summary Information, 2007

Farm Income

Gross Cash Farm Income	\$566,041
Inventory Change - Income Items	109,781
Gross Revenue	\$675,822
Cash Farm Operating Expenses	\$433,490
Interest Expense	17,752
Depreciation	42,423
Inventory Change - Expense Items	8,860
Total Farm Expense	\$502,525

Net Accrual Farm Income

\$173,297

Net Worth Change

Net Farm Income	(+) \$173,297
Non-Farm Income	(+) 33,974
Family Living/Owner Withdrawals	(-) 55,550
Income & Social Security Tax	(-) 18,926
Market Value Adjustment	(+) \$45,612

Earned Net Worth Change

(=) \$178,407

Ending Net Worth *

\$1,382,896

*Please note land values are not adjusted so the Net Worth reported is a true, earned net worth.

Farm Financial Standards Measures

<u>Liquidity</u>	<u>Beginning</u>	<u>Ending</u>
Current Ratio	2.45	2.89
Working Capital	\$196,517	\$297,171
<u>Solvency (Market)</u>		
Debt to Asset Ratio	26%	24%
Debt to Equity Ratio	34%	32%
<u>Profitability (Cost)</u>		
Rate of Return on Assets		16.0%
Rate of Return on Equity		21.0%
Operating Profit Margin		27.7%
<u>Efficiency</u>		
Asset Turnover Rate (Cost)		57.6%
Operating Expense Ratio		65.5%
Depreciation Ratio		6.3%
Interest Expense Ratio		2.6%
Net Farm Income Ratio		25.6%

Term Debt Coverage

Balance Available for Term Debt	163,939
Average Intermediate Debt	83,696
Term Debt Coverage	490%

Table 2A: Southeast - Gross Cash Farm Income, 2007

	Average Of All Farms	Average Of Low 33%	Average Of High 33%
Crop Income			
Corn	136,839	77,340	236,745
Seed Corn	0	0	0
Soybeans	135,189	87,922	229,432
Wheat	13,990	12,746	18,430
Hay Crops	13,213	4,028	32,567
Grain Sorghum	7,476	4,910	15,122
White Corn	0	0	0
Sugar Beets	0	0	0
Great Northern Beans	0	0	0
Miscellaneous Crop Income	5	0	13
Total Crop Income	\$306,712	\$186,946	\$532,309
Livestock and Product Income			
Beef Finishing	7,980	0	21,184
Beef Calves	9,562	11,140	12,111
Background Beef	0	0	0
Farrow-to-Finish, Hogs	23,664	0	53,059
Finish Feeder Pigs	103,905	30,137	260,625
Dairy, Milk	61,185	0	111,814
Cull Breeding Livestock	12,865	4,246	28,058
Miscellaneous Livestock Income	2,065	5,133	1,400
Total Livestock Income	\$221,226	\$50,656	\$488,251
Other Farm Income			
LDP Payments	33	110	0
Direct and CC Gov't Payments	14,788	10,329	23,562
CRP & Other Gov't Payments	5,467	3,774	9,979
Custom Work	7,322	5,533	13,768
Patronage Dividends, Cash	1,603	595	2,640
Insurance Income	3,371	201	8,178
Cash from Hedging Accounts	265	0	104
Contract Livestock Income	0	0	0
Other Miscellaneous Farm Income	5,254	2,940	9,513
Total Other Farm Income	\$38,103	\$23,482	\$67,744
Gross Cash Farm Income	\$566,041	\$261,084	\$1,088,304

Table 2B: Southeast - Gross Cash Farm Expenses, 2007

	Average Of All Farms	Average Of Low 33%	Average Of High 33%
Crop Expense			
Seed	44,456	24,910	78,730
Fertilizer	33,095	22,298	56,160
Crop Chemicals	22,879	16,303	33,731
Crop Insurance	9,302	8,973	12,799
Drying Fuel & Storage Expense	306	230	276
Irrigation Energy	3,353	894	3,555
Irrigation Repairs	882	40	2,113
Crop Marketing	1,044	687	2,248
Crop Miscellaneous	7,933	4,263	13,010
CCC Buyback	8,015	10	22,016
Total Crop Expense	\$131,265	\$78,608	\$224,638
Livestock Expense			
Feeder Livestock Purchases	15,524	10,780	33,163
Purchased Feed	98,755	12,701	234,915
Breeding Fees	3,171	34	7,287
Veterinary	7,002	598	15,141
Livestock Supplies	2,460	1,165	4,530
Livestock Leases	0	0	0
Grazing Fees	712	150	1,058
Livestock Marketing	1,400	5	2,129
Livestock Custom Hire	20,268	462	53,025
Livestock Repairs	3,142	480	7,127
Total Livestock Expense	\$152,434	\$26,375	\$358,375
Other Farm Expense			
Interest	17,752	18,086	23,402
Fuel and Oil	20,341	10,551	36,427
Repairs	29,464	24,226	42,275
Custom Hire	7,526	2,335	17,340
Hired Labor	29,052	7,035	65,545
Land Rent	27,230	30,713	39,054
Machinery and Building Lease	3,559	1,461	3,884
Real Estate Taxes	9,721	7,915	15,758
Personal Property Taxes	2,037	865	4,222
Farm Insurance	6,243	3,969	10,977
Utilities	5,633	2,637	8,822
Dues and Professional Fees	2,087	2,237	2,076
Hedging Account Deposits	2,992	1,367	6,526
Miscellaneous	3,906	1,495	7,493
Total Other Cash Farm Expense	\$167,543	\$114,892	\$283,801
Total Cash Operating Expense	\$451,242	\$219,875	\$866,814
Summary			
Gross Cash Farm Income (Table 2A)	\$566,041	\$261,084	\$1,088,304
- Total Cash Operating Expense	\$451,242	\$219,875	\$866,814
= Net Cash Farm Income	\$114,799	\$41,209	\$221,490

Table 3: Southeast - Inventory Changes, 2007

	Average Of Farms	Average Of Low 33%	Average Of High 33%
Net Cash Farm Income	\$114,799	\$41,209	\$221,490
Crops and Feed			
Ending Inventory	286,560	73,608	548,815
Beginning Inventory	180,945	54,578	332,495
Inventory Change	105,615	19,030	216,320
Market Livestock			
Ending Inventory	57,632	15,812	139,700
Beginning Inventory	57,135	21,213	133,443
Inventory Change	497	-5,401	6,257
Accounts Receivable & Other Current Assets			
Ending Inventory	15,910	12,476	27,809
Beginning Inventory	12,241	8,215	20,601
Inventory Change	3,669	4,261	7,208
Prepaid Expenses and Supplies			
Ending Inventory	45,912	10,229	106,554
Beginning Inventory	54,113	14,815	125,210
Inventory Change	-8,201	-4,586	-18,656
Accounts Payable			
Beginning Inventory	11,136	9,737	17,081
Ending Inventory	11,795	10,389	20,088
Inventory Change	-659	-652	-3,007
Total Inventory Change	\$100,921	\$12,650	\$208,122
Net Accrual Operating Income	\$215,720	\$53,859	\$429,612

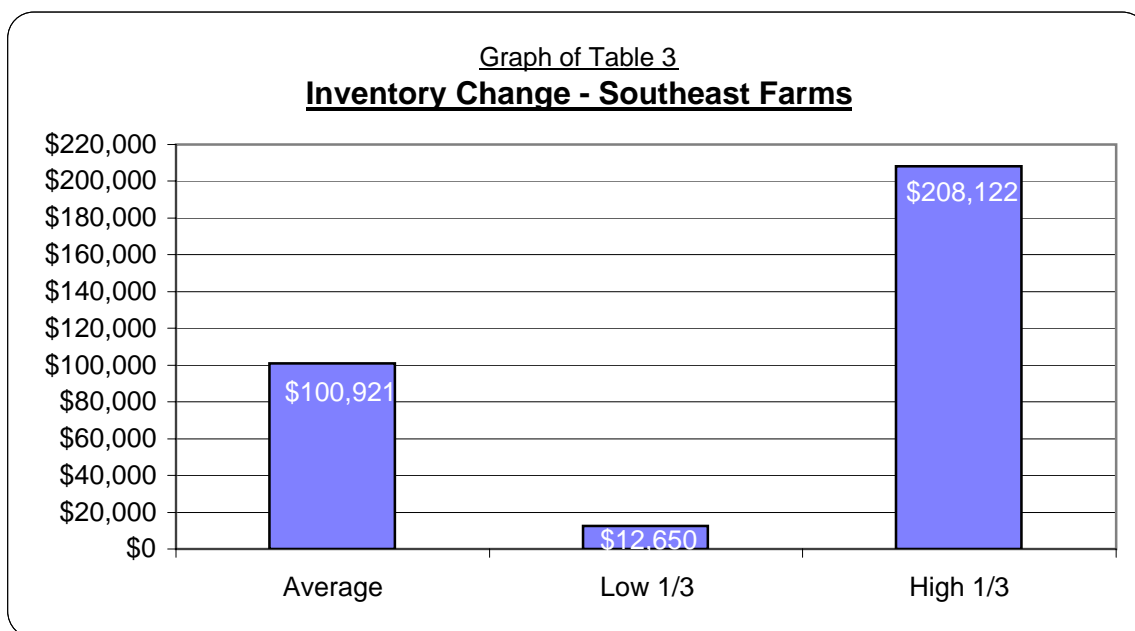


Table 4: Southeast - Depreciation and Other Capital Adjustments, 2007

	Average Of All Farms	Average Of Low 33%	Average Of High 33%
Net Accrual Operating Income	\$215,720	\$53,859	\$429,612
Breeding Livestock			
Ending Inventory	2,906	2,449	3,462
Capital Sales	5,281	0	13,492
Beginning Inventory	2,856	1,887	4,385
Capital Purchases	2,394	1,367	2,743
Depreciation & Capital Adjustments	2,937	-805	9,827
Machinery and Equipment			
Ending Inventory	140,258	93,230	273,384
Capital Sales	5,604	831	14,718
Beginning Inventory	132,518	76,227	267,146
Capital Purchases	54,213	42,832	93,120
Depreciation & Capital Adjustments	-40,869	-24,998	-72,164
Buildings and Improvements			
Ending Inventory	47,777	17,688	95,542
Capital Sales	0	0	0
Beginning Inventory	45,521	19,310	85,832
Capital Purchases	7,308	0	19,215
Depreciation & Capital Adjustments	-5,052	-1,622	-9,505
Other Capital Assets			
Ending Inventory	32,662	19,523	53,473
Capital Sales	3,370	0	6,351
Beginning Inventory	33,243	18,465	56,714
Capital Purchases	2,229	1	5,129
Depreciation & Capital Adjustments	561	1,057	-2,019
Total Depreciation & Capital Adjustments	-\$42,423	-\$26,368	-\$73,861
Net Farm Income	\$173,297	\$27,491	\$355,751

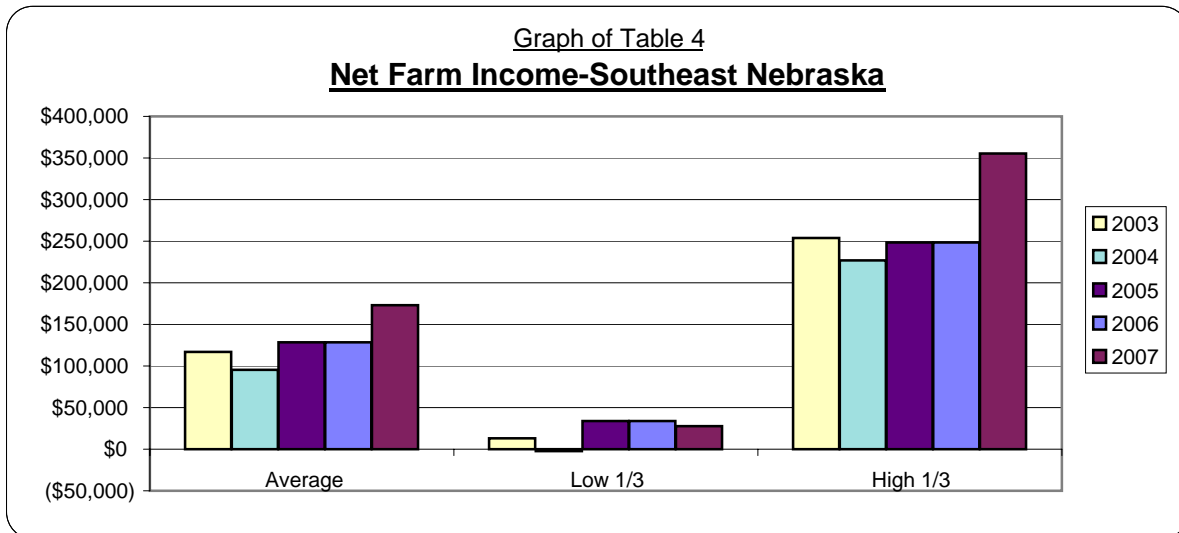


Table 5: Southeast - Profitability Analysis At Cost Value, 2007

	Average Of All Farms	Average Of Low 33 %	Average Of High 33%
Profitability			
Net Farm Income	\$173,297	\$27,491	\$355,751
Labor and Mgt. Earnings	\$133,632	\$14,095	\$273,679
Rate of Return on Assets	16.0%	4.1%	17.6%
Rate of Return on Equity	21.0%	0.4%	22.5%
Operating Profit Margin	27.7%	7.5%	31.2%
Asset Turnover Rate	57.6%	54.8%	56.3%
Interest on Farm Net Worth	\$39,661	\$13,393	\$82,073
Farm Interest Expense	\$17,741	\$18,204	\$23,312
Operator Labor & Mgt.	\$34,406	\$26,508	\$48,027
Return on Farm Assets	\$156,628	\$19,185	\$331,038
Average Farm Assets	\$980,062	\$464,766	\$1,881,449
Return on Farm Equity	\$138,887	\$981	\$307,725
Average Farm Equity	\$661,022	\$223,224	\$1,367,879
Value of Farm Production	\$564,476	\$254,685	\$1,059,836

Table 6: Southeast - Profitability Analysis At Market Value, 2007

	Average Of All Farms	Average Of Low 33 %	Average Of High 33 %
Profitability			
Net Farm Income	\$198,605	\$38,023	\$411,258
Labor and Mgt. Earnings	\$138,316	\$14,431	\$291,015
Rate of Return on Assets	13.7%	4.7%	15.4%
Rate of Return on Equity	16.3%	2.9%	18.1%
Operating Profit Margin	32.2%	11.7%	36.5%
Asset Turnover Rate	42.6%	40.1%	42.1%
Interest on Farm Net Worth	\$60,289	\$23,592	\$120,244
Farm Interest Expense	\$17,741	\$18,204	\$23,312
Operator Labor & Mgt.	\$34,406	\$26,508	\$48,027
Return on Farm Assets	\$181,940	\$29,718	\$386,544
Average Farm Assets	\$1,323,850	\$634,741	\$2,517,633
Return on Farm Equity	\$164,199	\$11,515	\$363,232
Average Farm Equity	\$1,004,810	\$393,198	\$2,004,063
Value of Farm Production	\$564,476	\$254,685	\$1,059,836

Table 7: Southeast - Liquidity Analysis, 2007

		Average of <u>All Farms</u>	Average Of <u>Low 33%</u>	Average Of <u>High 33%</u>
Liquidity (Cash)				
Net Cash Farm Income	(+)	114,799	41,209	221,490
Net Non-Farm Income	(+)	33,974	40,911	37,121
Family Living and Taxes	(-)	74,476	47,704	114,092
Real Estate Principle Payments	(-)	11,275	6,007	15,276
Cash Available for Intern. Debt	(=)	63,017	28,407	129,242
Intermediate Debt		\$83,696	\$59,211	\$156,881
Years to Turnover Intern. Debt		1.3	2.1	1.2
Expense as a % of Income		80%	84%	80%
Interest as a % of Income		3%	7%	2%
Working Capital to Gross Income		53%	16%	60%

Liquidity (Accrual)				
Total Accrual Farm Income	(+)	675,819	278,972	1,318,087
Total Accrual Farm Expense	(-)	460,103	225,114	888,475
Net Accrual Operating Income	(=)	215,717	53,858	429,612
Net Non-Farm Income	(+)	33,974	40,911	37,121
Family Living and Taxes	(-)	74,476	47,704	114,092
Real Estate Principle Payments	(-)	11,275	6,008	15,276
Cash & Inventory for Intern. Debt	(=)	\$163,939	\$41,058	\$337,365
Intermediate Debt		\$83,696	\$59,211	\$156,881
Years to Turnover Intern. Debt		0.5	1.4	0.5
Expense as a % of Income		68%	81%	67%
Interest as a % of Income		3%	7%	2%
Working Capital to Gross Income		44%	15%	49%

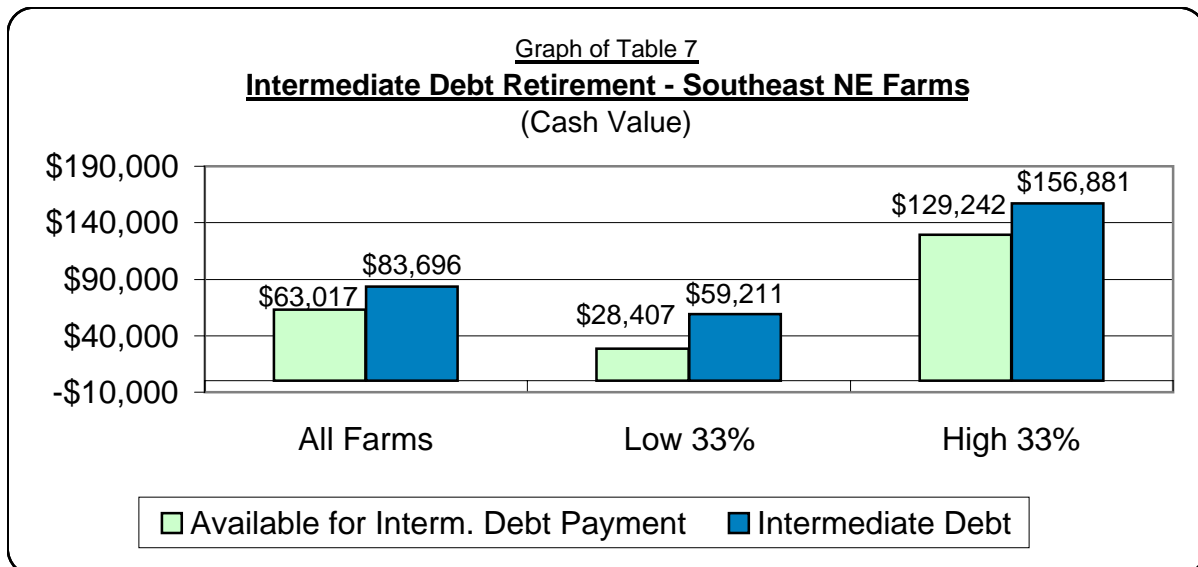


Table 8A: Southeast - Balance Sheet - Assets at Cost Value, 2007

	Average Of All Farms		Average Of Low 33 %		Average Of High 33%	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Current Farm Assets						
Cash and Checking Accounts	10,712	35,614	9,013	15,023	24,931	85,727
Prepaid Expenses & Supplies	54,113	45,912	14,815	10,229	125,210	106,554
Growing Crops	3,531	5,961	2,544	4,493	6,819	11,815
Accounts Receivable	6,895	8,240	4,742	6,851	11,593	13,602
Hedging Accounts	1,236	1,124	437	1,032	1,839	1,659
Crops Held for Sale or Feed	169,309	259,669	52,847	68,334	306,764	487,337
Crops Under Government Loan	28,525	39,824	5,741	5,274	66,671	94,771
Market Livestock Held for Sale	57,135	57,632	21,213	15,812	133,443	139,700
Other Current Assets	579	585	492	100	350	733
Total Current Farm Assets	\$332,035	\$454,561	\$111,844	\$127,148	\$677,620	\$941,898
Intermediate Farm Assets						
Breeding Livestock	2,856	2,906	1,887	2,449	4,385	3,462
Machinery and Equipment	127,976	135,455	75,255	90,526	260,284	266,022
Titled Vehicles	4,542	4,804	972	2,704	6,863	7,362
Other Intermediate Assets	28,464	27,750	11,931	13,158	52,729	49,023
Total Intermediate Farm Assets	\$163,838	\$170,915	\$90,045	\$108,837	\$324,261	\$325,869
Long Term Farm Assets						
Farm Land	369,708	395,902	218,615	227,158	656,380	721,297
Buildings and Improvements	45,521	47,777	19,310	17,688	85,832	95,542
Other Long Term Assets	4,779	4,912	6,534	6,365	3,985	4,450
Total Long Term Farm Assets	\$420,008	\$448,591	\$244,459	\$251,211	\$746,197	\$821,289
Total Farm Assets	\$915,881	\$1,074,067	\$446,348	\$487,196	\$1,748,078	\$2,089,056
Non-Farm Assets	279,098	302,503	265,006	312,851	412,715	427,558
Total Farm & Non-Farm Assets	\$1,194,979	\$1,376,570	\$711,354	\$800,047	\$2,160,793	\$2,516,614

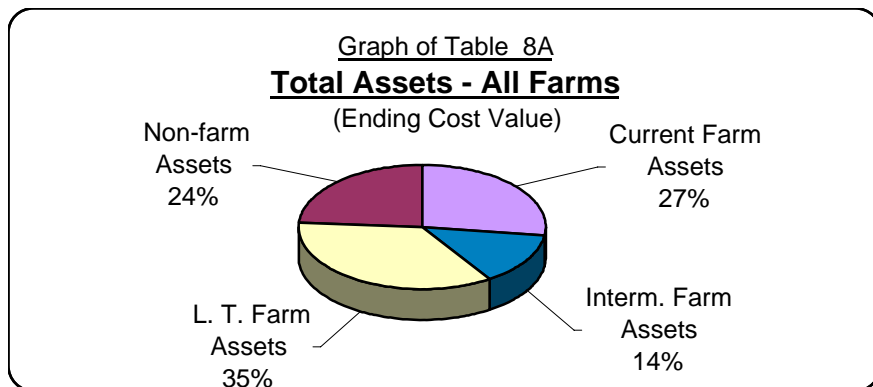


Table 8B: Southeast - Balance Sheet - Liabilities at Cost Value, 2007

	Average Of All Farms		Average Of Low 33 %		Average Of High 33%	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Current Farm Liabilities						
Accrued Interest	8,062	7,994	8,536	8,644	11,314	11,084
Accounts Payable	3,098	3,777	1,201	1,746	5,836	8,933
Current Notes	82,294	102,344	37,851	59,548	161,513	192,618
Government Crop Loans	17,474	16,838	4,011	2,335	40,747	39,789
Principle Due on Term Debt	24,590	26,438	12,684	13,516	35,244	37,529
Total Current Farm Liabilities	\$135,518	\$157,391	\$64,283	\$85,789	\$254,654	\$289,953
Intermediate Farm Liabilities	\$61,059	\$79,331	\$46,504	\$54,505	\$112,825	\$156,732
Long Term Farm Liabilities	\$123,143	\$111,462	\$120,629	\$115,388	\$152,014	\$135,194
Total Farm Liabilities	\$319,720	\$348,184	\$231,416	\$255,682	\$519,493	\$581,879
Non-Farm Liabilities	27,557	27,263	21,483	20,975	45,341	42,850
Total Liabilities	\$347,277	\$375,447	\$252,899	\$276,657	\$564,834	\$624,729
Net Worth (Farm & Non-Farm)	\$847,702	\$1,001,123	\$458,455	\$523,390	\$1,595,959	\$1,891,885
Net Worth Change (Cost Value)		\$153,421		\$64,935		\$295,926

Ratio Analysis

Current Farm Liabilities / Assets	41%	35%	57%	67%	38%	31%
Curr. & Interm Farm Liab. / Assets	40%	38%	55%	59%	37%	35%
Long Term Farm Liab. / Assets	29%	25%	49%	46%	20%	16%
Total Liabilities / Assets	29%	27%	36%	35%	26%	25%

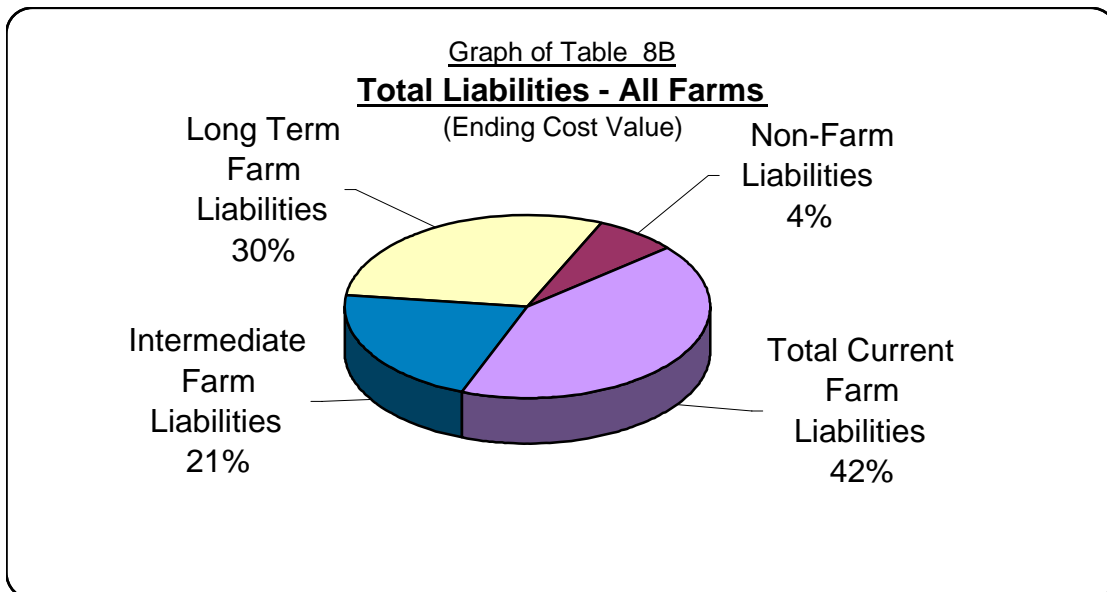


Table 9A: Southeast - Balance Sheet - Assets at Market Value, 2007

	Average Of All Farms		Average Of Low 33 %		Average Of High 33%	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Current Farm Assets						
Cash and Checking Balance	10,712	35,614	9,013	15,023	24,931	85,727
Prepaid Expenses & Supplies	54,113	45,912	14,815	10,229	125,210	106,554
Growing Crops	3,531	5,961	2,544	4,493	6,819	11,815
Accounts Receivable	6,895	8,240	4,742	6,851	11,593	13,602
Hedging Accounts	1,236	1,124	437	1,032	1,839	1,659
Crops Held for Sale or Feed	169,309	259,669	52,847	68,334	306,764	487,337
Crops Under Government Loan	28,525	39,824	5,741	5,274	66,671	94,771
Market Livestock Held for Sale	57,135	57,632	21,213	15,812	133,443	139,700
Other Current Assets	579	585	492	100	350	733
Total Current Farm Assets	\$332,035	\$454,561	\$111,844	\$127,148	\$677,620	\$941,898
Intermediate Farm Assets						
Breeding Livestock	49,817	45,172	14,553	13,427	83,998	74,608
Machinery and Equipment	236,794	259,103	133,674	162,991	446,708	477,091
Titled Vehicles	2,874	2,839	956	860	554	500
Other Intermediate Assets	28,494	27,779	11,931	13,152	52,729	49,023
Total Intermediate Farm Assets	\$317,979	\$334,893	\$161,114	\$190,430	\$583,989	\$601,222
Long Term Farm Assets						
Farm Land	514,933	553,769	298,726	307,268	941,484	1,041,165
Buildings and Improvements	75,373	80,008	30,340	28,726	149,430	164,258
Other Long Term Assets	6,692	7,280	9,034	8,865	3,985	4,450
Total Long Term Farm Assets	\$596,998	\$641,057	\$338,100	\$344,859	\$1,094,899	\$1,209,873
Total Farm Assets	\$1,247,012	\$1,430,511	\$611,058	\$662,437	\$2,356,508	\$2,752,993
Non-Farm Assets	304,754	327,832	271,487	321,282	469,126	480,917
Total Farm & Non-Farm Assets	\$1,551,766	\$1,758,343	\$882,545	\$983,719	\$2,825,634	\$3,233,910

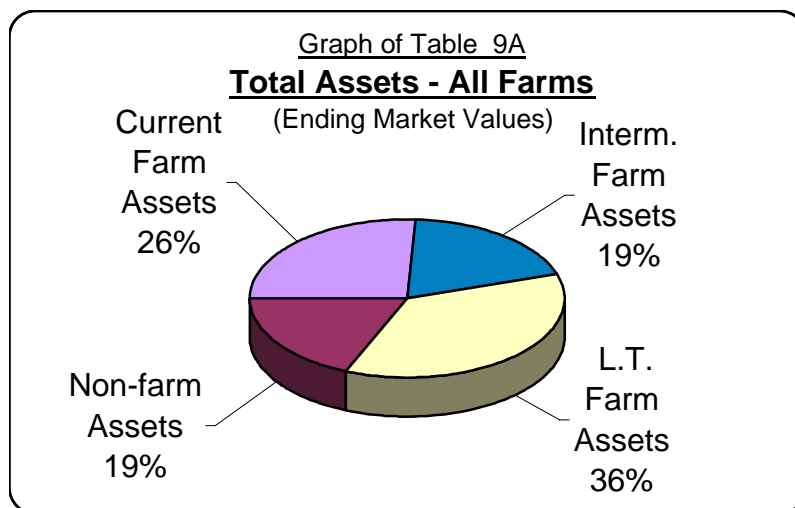


Table 9B: Southeast - Balance Sheet - Liabilities at Market Value, 2007

	Average Of All Farms		Average Of Low 33 %		Average Of High 33%	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Current Farm Liabilities						
Accrued Interest	8,062	7,994	8,536	8,644	11,314	11,084
Accounts Payable	3,098	3,777	1,201	1,746	5,836	8,933
Current Notes	82,294	102,344	37,851	59,548	161,513	192,618
Government Crop Loans	17,474	16,838	4,011	2,335	40,747	39,789
Principal Due on Term Debt	24,590	26,438	12,684	13,516	35,244	37,529
Total Current Farm Liabilities	\$135,518	\$157,391	\$64,283	\$85,789	\$254,654	\$289,953
Intermediate Farm Liabilities	\$61,059	\$79,331	\$46,504	\$54,505	\$112,825	\$156,732
Long Term Farm Liabilities	\$123,143	\$111,462	\$120,629	\$115,388	\$152,014	\$135,194
Total Farm Liabilities	\$319,720	\$348,184	\$231,416	\$255,682	\$519,493	\$581,879
Non-farm Liabilities	27,557	27,263	21,483	20,975	45,341	42,850
Total Deferred Liabilities	N/A	N/A	N/A	N/A	N/A	N/A
Total Farm & Non-farm Liabilities	\$347,277	\$375,447	\$252,899	\$276,657	\$564,834	\$624,729
Net Worth (Farm and Non-farm)	\$1,204,489	\$1,382,896	\$629,646	\$707,062	\$2,260,800	\$2,609,181
Net Worth Change (Market Value)		\$178,407		\$77,416		\$348,381

Ratio Analysis

Current Farm Liabilities / Assets	41%	35%	57%	67%	38%	31%
Curr. & Interm Farm Liab / Assets	30%	30%	41%	44%	29%	29%
Long Term Farm Liab. / Assets	21%	17%	36%	33%	14%	11%
Total Liabilities / Assets	22%	21%	29%	28%	20%	19%

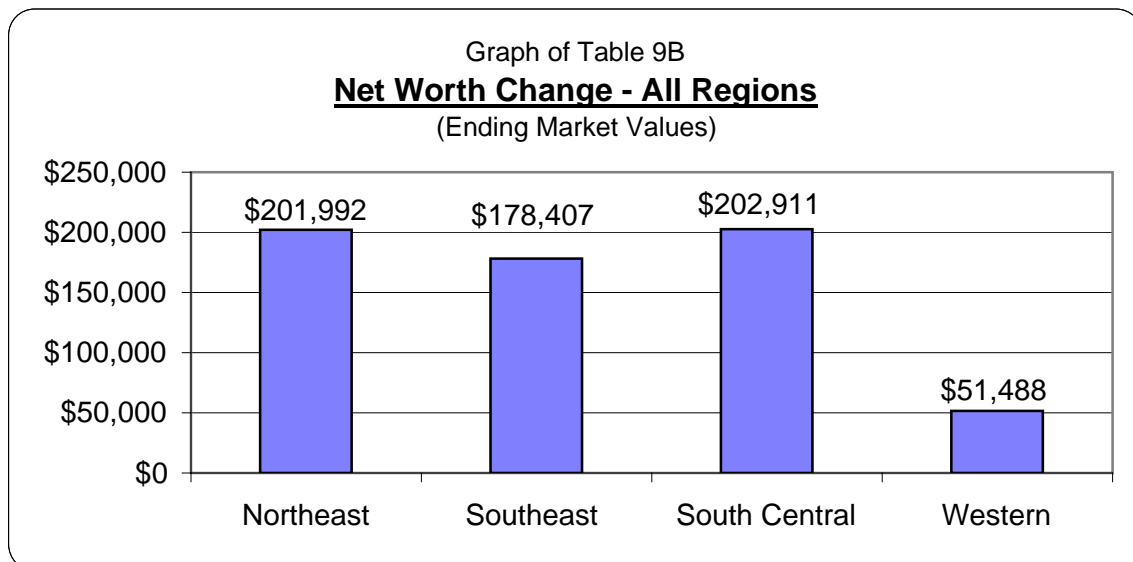


Table 10: Southeast - Statement of Cash Flows, 2007

		Average Of All Farms	Average Of Low 33%	Average Of High 33%
(A) Beginning Cash Balance (Farm & Non-farm)				
		\$16,652	\$21,398	\$27,553
Cash From Operating Activities				
Gross Cash Farm Income	(+)	566,038	261,083	1,088,302
Net Non-farm Income	(+)	33,974	40,911	37,121
Total Cash Farm Expense	(-)	451,244	219,876	866,812
Apparent Family Living Expense	(-)	55,550	37,181	79,321
Income and Social Security Tax	(-)	18,926	10,523	34,771
(B) Net Cash From Operating Activities				
	(=)	\$74,292	\$34,414	\$144,519
Cash From Investing Activities				
Sale of Breeding Livestock	(+)	5,281	0	13,492
Sale of Machinery & Equipment	(+)	5,604	831	14,718
Sale of Farm Land	(+)	14,166	39,639	5,925
Sale of Farm Buildings	(+)	0	0	0
Sale of Other Farm Assets	(+)	3,370	0	6,351
Sale of Non-farm Assets	(+)	3,402	0	8,791
Purchase of Breeding Livestock	(-)	2,394	1,367	2,743
Purchase of Machinery & Equip.	(-)	53,531	42,832	92,078
Purchase of Titled Vehicles	(-)	682	0	1,042
Purchase of Farm Land	(-)	32,072	20,685	70,959
Purchase of Farm Buildings	(-)	7,308	0	19,215
Purchase of Other Farm Assets	(-)	2,229	1	5,129
Purchase of Non-farm Assets	(-)	16,206	29,033	14,334
(C) Net Cash From Investing Activities				
	(=)	-\$82,599	-\$53,448	-\$156,223
Cash From Financing Activities				
Money Borrowed	(+)	248,902	126,642	477,484
Cash Gifts and Inheritances	(+)	5,640	5,602	9,949
Principle Payments	(-)	217,461	99,526	413,030
Dividends Paid	(-)	0	0	0
Gifts Given	(-)	1,136	3,750	0
(D) Net Cash From Financing Activities				
	(=)	\$35,945	\$28,968	\$74,403
(E) Net Change in Cash Balance (B+C+D)				
		\$27,638	\$9,934	\$62,701
(F) Ending Cash Balance (A+E)				
		\$44,290	\$31,332	\$90,254

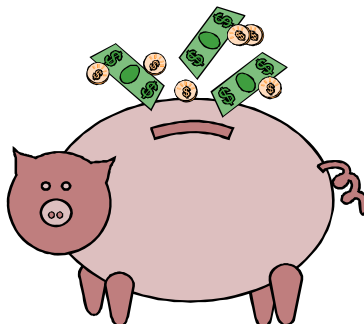


Table 11: Southeast - Financial Guideline Measures, 2007

	Average Of All Farms	Average Of Low 33%	Average Of High 33%
Liquidity			
Current Ratio	2.89	1.48	3.25
Working Capital	\$297,171	\$41,360	\$651,943
Solvency (Market)			
Farm Debt to Asset Ratio	24%	39%	21%
Farm Equity to Asset Ratio	76%	61%	79%
Farm Debt to Equity Ratio	32%	63%	27%
Profitability (Cost)			
Rate of Return on Farm Assets	16.0%	4.1%	17.6%
Rate of Return on Farm Equity	21.0%	0.4%	22.5%
Operating Profit Margin	27.7%	7.5%	31.2%
Net Farm Income	\$173,293	\$27,489	\$355,752
Repayment Capacity			
Term Debt Coverage Ratio	490%	217%	682%
Capital Replacement Margin	\$139,802	\$26,691	\$291,799
Efficiency			
Asset Turnover Rate (Cost)	57.6%	54.8%	56.3%
Operating Expense Ratio	65.5%	74.2%	65.6%
Depreciation Expense Ratio	6.3%	9.5%	5.6%
Interest Expense Ratio	2.6%	6.5%	1.8%
Net Farm Income Ratio	25.6%	9.9%	27.0%

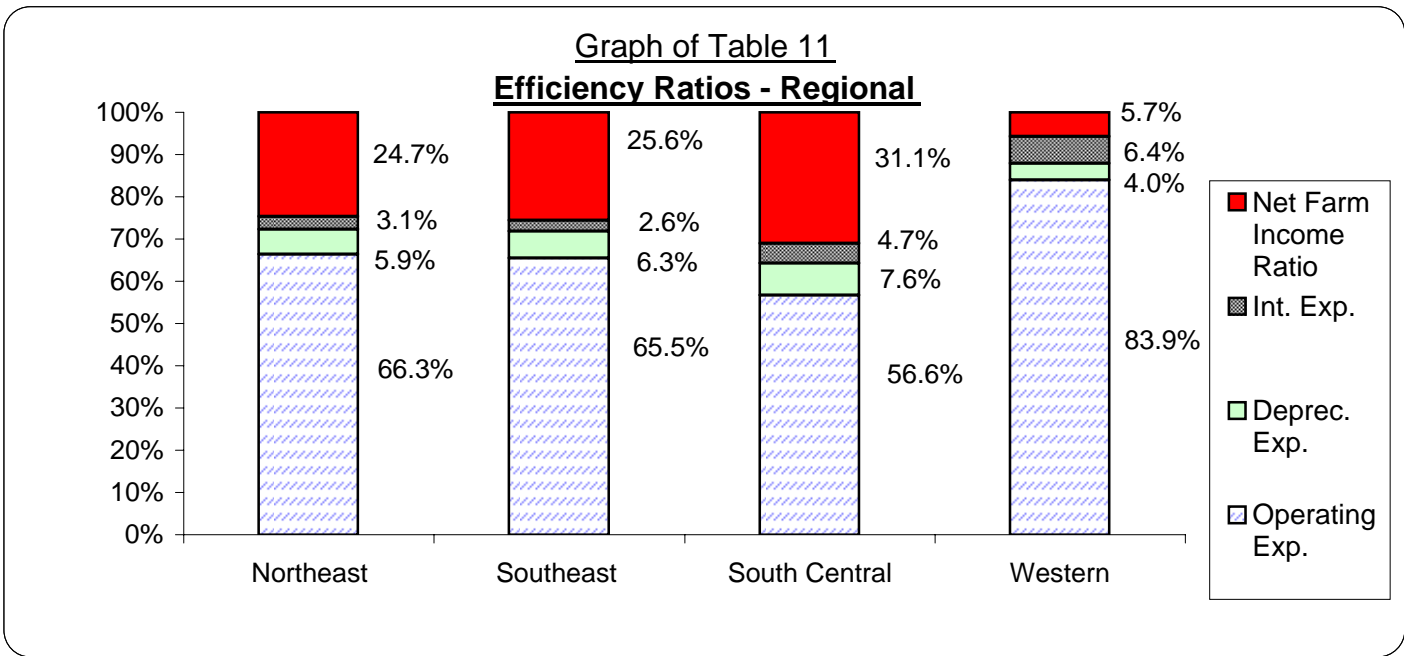


Table 12: Southeast - Household and Personal Expense, 2007

	Average Of All Farms	Average Of High 33%
Average Family Size	2.6	3.0
Family Living Expense		
Food and Meals Expense	6,026	5,916
Medical Care and Health Insurance	6,128	5,573
Cash Donations	1,077	1,060
Household Supplies	1,328	1,118
Clothing	1,752	2,268
Personal Care	1,698	754
Child / Dependent Care	905	532
Gifts	2,958	4,225
Education	1,161	447
Recreation	1,695	2,084
Utilities (Household Share)	1,970	2,437
Non-Farm Vehicle Operating Expense	2,448	4,601
Household Real Estate Taxes	93	0
Dwelling Rent	756	1,967
Household Repairs	532	1,139
Non-Farm Interest	1,019	846
Disability/ Long Term Care Insurance	187	0
Life Insurance Payments	2,997	1,750
Non-Farm Property Insurance	83	0
Miscellaneous	4,191	4,364
Total Cash Family Living Expense	\$39,004	\$41,081
Family Living from the Farm	89	0
Total Family Living Expense **	\$39,093	\$41,081
Other Non-Farm Expense		
Income Taxes	10,941	12,655
Furnishing & Appliance Purchases	0	0
Non-Farm Vehicle Purchases	2,754	3,160
Non-Farm Real Estate Purchases	0	0
Other Non-Farm Capital Purchases	409	-1,334
Non-Farm Savings & Investments	19,848	2,566
Total Other Non-Farm Expense	\$33,952	\$17,047
Total Cash Family Living, Investment & Non-Farm Capital Purchases	\$72,956	\$58,128

** Includes only farms that provided detailed family living expenses.

Table 13: Southeast - Operator Information and Non-Farm Summary, 2007

	Average Of All Farms	Average Of Low 33%	Average Of High 33%
Operator Information			
Average Number of Operators	1.1	1.0	1.3
Average Age of Operators	52.2	54.3	53.0
Average Number of Years Farming	30.8	33.7	32.5
Non-Farm Income			
Non-Farm Wages & Salary	21,359	30,500	15,996
Non-Farm Business Income	4,285	304	11,530
Non-Farm Rental Income	3,301	824	5,238
Non-Farm Interest Income	2,080	3,031	2,963
Non-Farm Cash Dividends	54	26	71
Tax Refunds	502	1,613	37
Non-Taxable Non-Farm Income	0	0	0
Gifts and Inheritances	5,640	5,602	9,949
Other Non-Farm Income	2,393	4,613	1,286
Total Non-Farm Income	\$39,614	\$46,513	\$47,070
Non-Farm Assets (Market Value)			
Checking & Savings	8,679	16,310	4,527
Stocks & Bonds	81,167	157,802	86,833
Other Current Assets	17,286	0	46,833
Furniture & Appliances	6,404	6,632	6,196
Non-Farm Vehicles	7,893	4,930	11,547
Cash Value of Life Ins.	5,898	1,695	4,012
Retirement Accounts	92,478	60,457	145,001
Other Interm. Assets	6,064	1,485	4,261
Non-Farm Real Estate	77,155	71,971	121,349
Other Long Term Assets	24,809	0	50,358
Total Non-Farm Assets	\$327,833	\$321,282	\$480,917
Non-Farm Liabilities			
Accrued Interest	337	36	291
Accounts Payable	0	0	0
Current Notes	121	400	0
Princ Due on Term Debt	1,615	1,983	1,847
Total Current Liabilities	2,073	2,418	2,138
Intermediate Liabilities	5,119	10,386	0
Long Term Liabilities	20,070	8,171	40,712
Total Non-Farm Liabilities	\$27,262	\$20,975	\$42,850
Non-Farm Net Worth (Assets-Liab)	\$300,571	\$300,307	\$438,067
Non-Farm Debt to Asset Ratio	8%	7%	9%

Table 14: Southeast - Comparison By Age of Operator, 2007

	Average Of <u>All Farms</u>	<u>41-50</u>	<u>51-60</u>	<u>Over 60</u>
Income Statement				
Crop Income	306,712	436,452	254,901	315,924
Livestock Income	221,226	155,615	183,783	454,580
Government Payments	20,255	22,565	19,470	22,767
Other Farm Income	17,849	21,023	25,936	7,456
Gross Cash Farm Income	\$566,042	\$635,655	\$484,090	\$800,727
Direct Crop Expenses	133,699	201,432	137,348	99,757
Direct Livestock Expenses	152,434	70,331	90,650	385,462
Interest	17,752	23,564	15,412	18,051
Land Rent	27,230	34,249	22,777	17,386
Other Farm Expenses	120,128	182,539	113,050	122,894
Total Cash Farm Expense	\$451,243	\$512,115	\$379,237	\$643,550
Net Cash Farm Income	114,799	123,540	104,853	157,177
Inventory Change	100,922	189,768	96,408	41,718
Depreciation and Capital Adj.	-42,423	-59,540	-29,489	-43,343
Net Farm Income	\$173,298	\$253,768	\$171,772	\$155,552
Profitability (Cost Value)				
Labor and Management Earnings	\$133,632	\$197,834	\$135,383	\$103,028
Rate of Return on Assets	16.0%	19.8%	18.4%	8.9%
Rate of Return on Equity	21.0%	24.2%	23.0%	12.1%
Operating Profit Margin	27.7%	33.0%	29.7%	20.1%
Asset Turnover Rate	57.6%	59.9%	61.8%	44.3%
Profitability (Market Value)				
Labor and Management Earnings	\$138,316	\$177,722	\$153,711	\$107,742
Rate of Return on Assets	13.7%	14.1%	17.0%	8.7%
Rate of Return on Equity	16.3%	15.5%	19.8%	11.1%
Operating Profit Margin	32.2%	35.4%	36.3%	23.5%
Asset Turnover Rate	42.6%	39.7%	46.7%	37.1%
Liquidity				
Term Debt Coverage Ratio	489.9%	439.7%	753.4%	272.5%
Expense as a Percent of Income	68.1%	61.5%	65.2%	77.8%
Interest as a Percent of Income	2.6%	3.1%	2.7%	1.7%



Table 14: Southeast - Comparison By Age of Operator, 2007 (cont.)

	Average For <u>All Farms</u>	<u>41-50</u>	<u>51-60</u>	<u>Over 60</u>
Solvency (Cost Value)				
Ending Farm Assets	1,074,067	1,456,091	935,439	1,396,556
Ending Farm Liabilities	348,183	413,265	261,517	485,666
Ending Total Assets	1,376,569	1,907,437	1,197,775	1,754,009
Ending Total Liabilities	375,446	432,907	269,704	538,878
Ending Net Worth	1,001,124	1,474,530	928,071	1,215,132
Net Worth Change	153,423	242,608	147,034	125,419
Ending Farm Debt to Asset Ratio	32%	28%	28%	35%
Beg Total Debt to Asset Ratio	29%	23%	22%	34%
End Total Debt to Asset Ratio	27%	23%	23%	31%
Solvency (Market Value)				
Ending Farm Assets	1,430,511	2,111,137	1,225,470	1,670,304
Ending Farm Liabilities	348,183	413,265	261,517	485,666
Ending Total Assets	1,758,343	2,602,695	1,527,467	2,037,632
Ending Total Liabilities	375,446	432,907	269,704	538,878
Ending Net Worth	1,382,897	2,169,789	1,257,763	1,498,754
Net Worth Change	178,407	262,648	178,045	148,640
Ending Farm Debt to Asset Ratio	24%	20%	21%	29%
Beg Total Debt to Asset Ratio	22%	16%	17%	29%
End Total Debt to Asset Ratio	21%	17%	18%	26%
Non-Farm Information				
Farms Reporting Living Expenses	17	3	6	4
Total Family Living Expense	39,118	N/A	35,314	N/A
Total Living, Invest, & Capital Purch	71,577	N/A	59,151	N/A
Net Non-Farm Income	33,974	40,123	30,203	24,303
Crop Acres				
Total Acres Owned	372	507	273	630
Total Crop Acres	971	1,255	1,007	740
Total Crop Acres Owned	221	341	230	233
Total Crop Acres Cash Rented	274	347	217	193
Total Crop Acres Share Rented	476	567	560	315

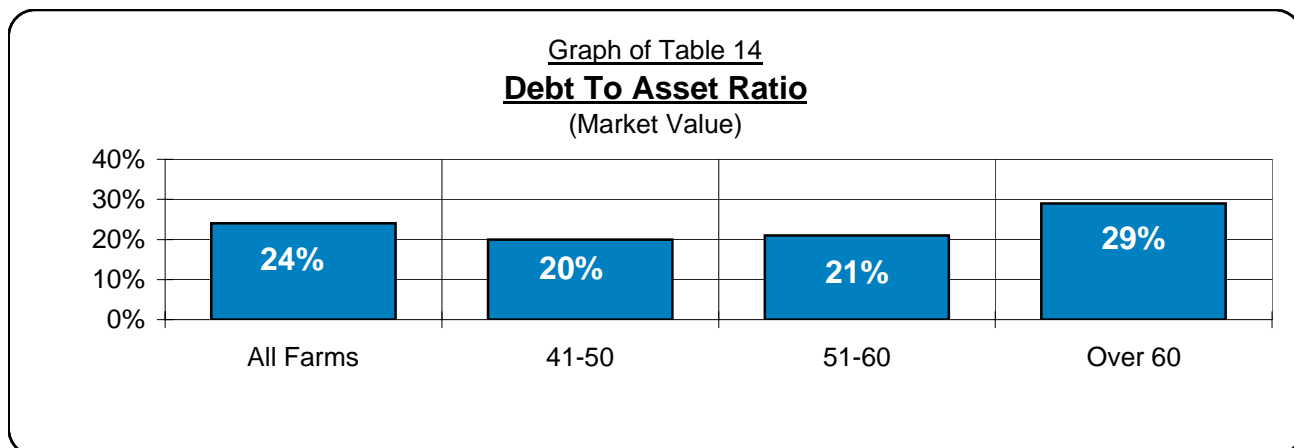


Table 15: Southeast - Comparison by Gross Cash Farm Income, 2007

	Average Of <u>All Farms</u>	\$100,001 to <u>\$250,000</u>	\$250,001 to <u>\$500,000</u>	\$500,001 to <u>\$1,000,000</u>
Income Statement				
Gross Cash Farm Income	566,038	177,376	336,153	697,821
Total Cash Farm Expense	451,244	128,200	244,421	588,312
Net Cash Farm Income	114,794	49,176	91,732	109,509
Inventory Change	100,922	34,679	72,217	250,106
Depreciation and Capital Adj.	-42,423	-12,416	-37,426	-34,291
Net Farm Income	\$173,293	\$71,439	\$126,523	\$325,324

Profitability (Cost Value)

Labor and Management Earnings	\$133,632	\$58,301	\$87,906	\$285,400
Rate of Return on Assets	16.0%	17.1%	12.8%	26.5%
Rate of Return on Equity	21.0%	21.0%	15.1%	40.1%
Operating Profit Margin	27.7%	25.9%	28.9%	33.9%
Asset Turnover Rate	57.6%	66.2%	44.5%	78.1%

Profitability (Market Value)

Labor and Management Earnings	\$138,316	\$49,214	\$89,673	\$245,750
Rate of Return on Assets	13.7%	12.1%	11.3%	17.7%
Rate of Return on Equity	16.3%	13.1%	12.6%	22.2%
Operating Profit Margin	32.2%	24.8%	33.6%	32.7%
Asset Turnover Rate	42.6%	48.7%	33.7%	54.0%

Liquidity

Term Debt Coverage Ratio	489.9%	375.3%	568.5%	730.6%
Expense as a Percent of Income	68.1%	60.9%	59.9%	61.0%
Interest as a Percent of Income	2.6%	3.6%	3.6%	2.7%

**Graph of Table 15
Gross Cash Farm Income - By Region**

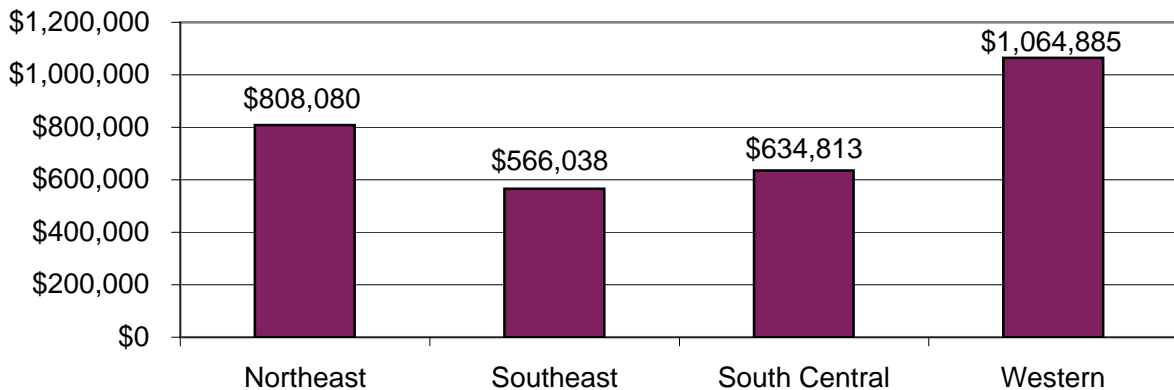


Table 15: Southeast - Comparison by Gross Cash Farm Income, 2007 (cont.)

	Average Of <u>All Farms</u>	\$100,001 to <u>\$250,000</u>	\$250,001 to <u>\$500,000</u>	\$500,001 to <u>\$1,000,000</u>
Solvency (Cost Value)				
Ending Farm Assets	1,074,067	326,447	934,159	1,325,441
Ending Farm Liabilities	348,183	90,501	241,860	519,003
Ending Total Assets	1,376,569	498,831	1,258,484	1,677,631
Ending Total Liabilities	375,446	105,705	259,208	532,045
Ending Net Worth	1,001,124	393,126	999,276	1,145,586
Net Worth Change	\$153,423	\$45,983	\$140,876	\$288,328
Ending Farm Debt to Asset Ratio	32%	28%	26%	39%
Beg Total Debt to Asset Ratio	29%	25%	22%	33%
End Total Debt to Asset Ratio	27%	21%	21%	32%
Solvency (Market Value)				
Ending Farm Assets	1,430,511	438,034	1,222,007	1,810,680
Ending Farm Liabilities	348,183	90,501	241,860	519,003
Ending Total Assets	1,758,343	636,891	1,563,115	2,223,121
Ending Total Liabilities	375,446	105,705	259,208	532,045
Ending Net Worth	1,382,897	531,186	1,303,906	1,691,076
Net Worth Change	178,407	46,643	160,476	276,803
Ending Farm Debt to Asset Ratio	24%	21%	20%	29%
Beg Total Debt to Asset Ratio	22%	19%	17%	23%
End Total Debt to Asset Ratio	21%	17%	17%	24%
Non-Farm Information				
Farms Reporting Living Expenses	17	4	6	3
Total Family Living Expense	39,118	N/A	44,930	N/A
Total Living, Invest, & Capital Purch	71,577	N/A	98,911	N/A
Net Non-Farm Income	33,974	11,101	35,893	52,708
Crop Acres				
Total Acres Owned	372	193	425	185
Total Crop Acres	971	558	900	1,732
Total Crop Acres Owned	221	110	290	168
Total Crop Acres Cash Rented	274	112	204	689
Total Crop Acres Share Rented	476	336	405	875

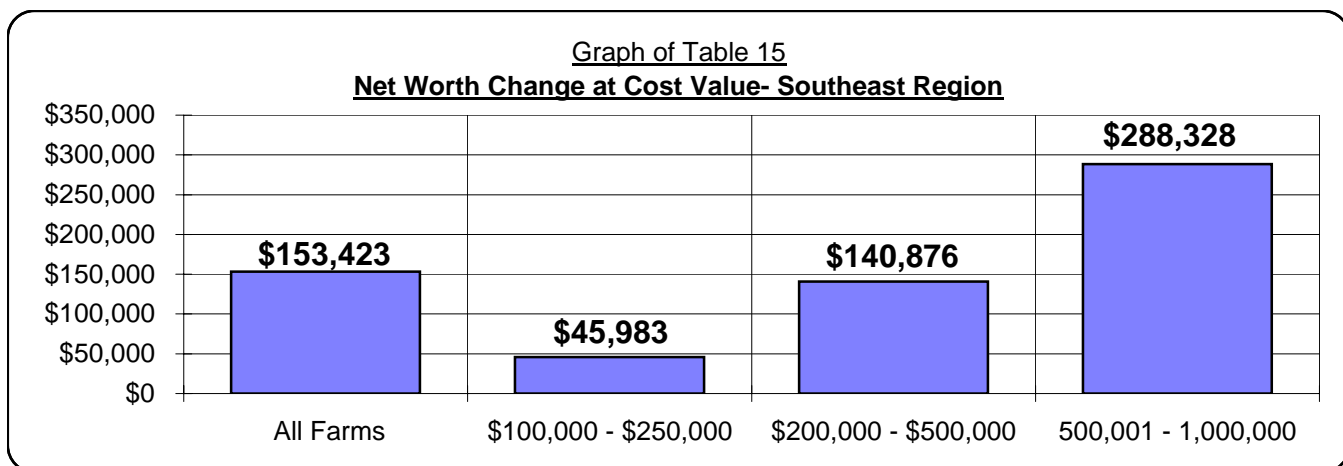


Table 16: Southeast - Debt to Asset Ratio, 2007

	<u>Average Of All Farms</u>	<u>Less than 20%</u>	<u>20% - 40%</u>
Income Statement			
Gross Cash Farm Income	566,038	358,078	986,722
Total Cash Farm Expense	451,244	247,222	827,349
Net Cash Farm Income	114,795	110,856	159,373
Inventory Change	100,922	83,882	172,794
Depreciation and Capital Adj.	-42,423	-41,071	-53,458
Net Farm Income	\$173,294	\$153,667	\$278,709
Profitability (Cost Value)			
Labor and Management Earnings	\$133,632	\$104,435	\$231,700
Rate of Return on Assets	16.0%	14.3%	19.0%
Rate of Return on Equity	21.0%	15.2%	29.8%
Operating Profit Margin	27.7%	31.9%	28.6%
Asset Turnover Rate	57.6%	44.9%	66.4%
Profitability (Market Value)			
Labor and Management Earnings	\$138,316	\$123,041	\$216,634
Rate of Return on Assets	13.7%	13.7%	14.8%
Rate of Return on Equity	16.3%	14.4%	19.6%
Operating Profit Margin	32.2%	41.0%	30.1%
Asset Turnover Rate	42.6%	33.5%	49.2%
Liquidity			
Term Debt Coverage Ratio	489.9%	1290.4%	382.8%
Expense as a Percent of Income	68.1%	55.8%	72.1%
Interest as a Percent of Income	2.6%	1.3%	2.4%

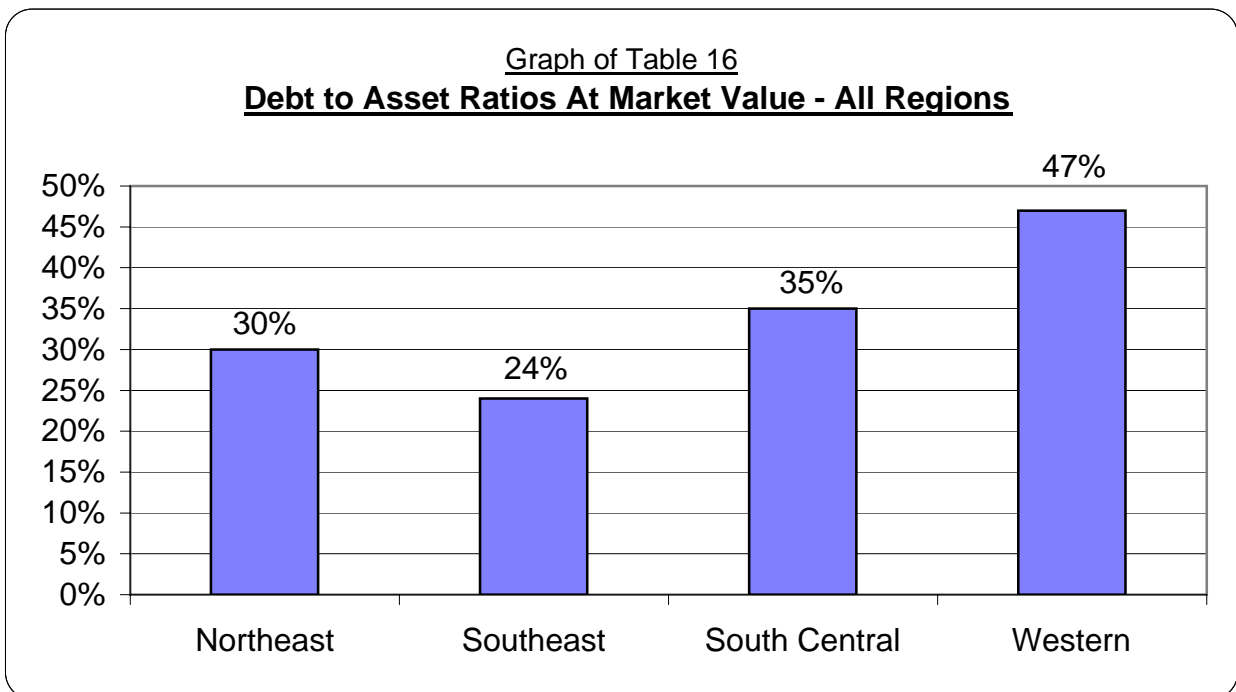


Table 16: Southeast - Debt to Asset Ratio, 2007 (cont.)

	<u>Average Of All Farms</u>	<u>Less than 20%</u>	<u>20% - 40%</u>
Solvency (Cost Value)			
Ending Farm Assets	1,074,067	988,013	1,537,087
Ending Farm Liabilities	348,183	107,127	647,188
Ending Total Assets	1,376,569	1,440,451	1,743,027
Ending Total Liabilities	375,446	109,872	700,376
Ending Net Worth	1,001,124	1,330,579	1,042,651
Net Worth Change	153,423	162,485	222,624
Ending Farm Debt to Asset Ratio	32%	11%	42%
Beg Total Debt to Asset Ratio	29%	6%	45%
End Total Debt to Asset Ratio	27%	8%	40%

Solvency (Market Value)			
Ending Farm Assets	1,430,511	1,317,278	2,026,392
Ending Farm Liabilities	348,183	107,127	647,188
Ending Total Assets	1,758,343	1,798,463	2,268,372
Ending Total Liabilities	375,446	109,872	700,376
Ending Net Worth	1,382,897	1,688,592	1,567,996
Net Worth Change	178,407	199,821	235,675
Ending Farm Debt to Asset Ratio	24%	8%	32%
Beg Total Debt to Asset Ratio	22%	5%	34%
End Total Debt to Asset Ratio	21%	6%	31%

Non-Farm Information			
Farms Reporting Living Expenses	17	8	6
Total Family Living Expense	39,118	35,422	36,610
Total Living, Invest, & Capital Purch	71,577	85,100	59,309
Net Non-Farm Income	33,974	33,006	33,669

Crop Acres			
Total Acres Owned	372	389	424
Total Crop Acres	971	914	1,176
Total Crop Acres Owned	221	265	157
Total Crop Acres Cash Rented	274	212	309
Total Crop Acres Share Rented	476	437	710

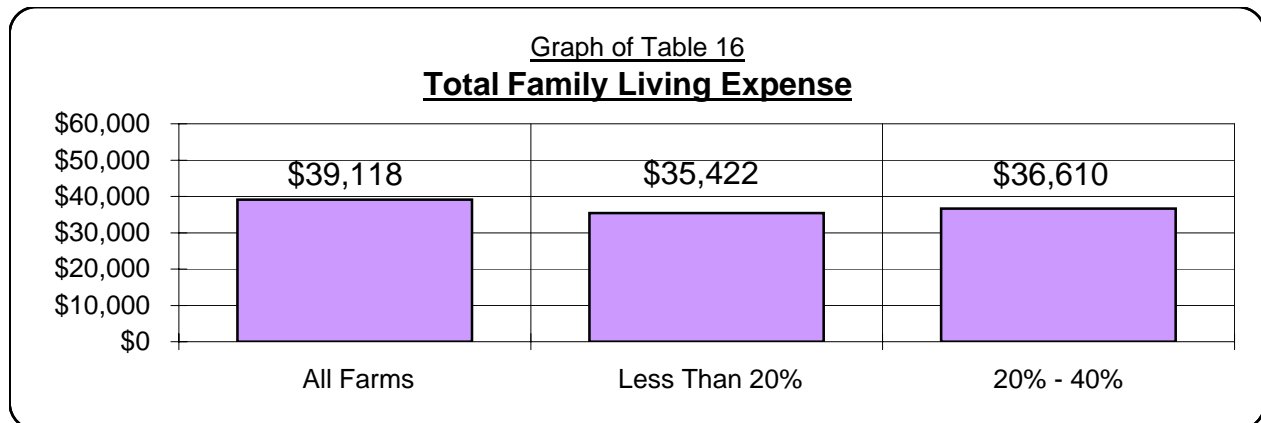


Table 17: Southeast - Crop Production, Marketing & Labor Summary, 2007

	Average Of <u>All Farms</u>	Average Of <u>Low 33%</u>	Average Of <u>High 33%</u>
Acreage Summary			
Acres Owned	372	317	575
Crop Acres	971	658	1,601
Crop Acres Owned	221	204	322
Crop Acres Cash Rented	274	357	414
Crop Acres Share Rented	476	97	865
Pasture Acres	12	22	0
% Crop Acres Owned	22.76%	31.00%	20.11%
Average Price Received in Dollars (Cash Sales Only)			
Corn per bu.	\$2.99	\$3.26	\$2.84
Soybeans per bu.	\$7.09	\$7.32	\$7.16
Sorghum, Grain per bu.	N/A	N/A	N/A
Wheat, Winter per bu.	\$5.11	N/A	N/A
Hay, Alfalfa per ton	\$89.49	N/A	N/A
Average Yield Per Acre			
Corn, Dryland (bu.)	116.64	113.82	117.45
Soybeans, Dryland (bu.)	48.66	47.93	49.65
Alfalfa Hay (ton)	3.04	\$3.05	N/A
Winter Wheat (bu.)	33.60	\$46.02	\$31.44
Labor Analysis			
Total Unpaid Labor Hours*	2,334	1,919	3,004
Total Hired Labor Hours	1,410	345	2,984
Total Labor Hours per Farm	3,743	2,264	5,987
Value of Farm Production / Hour	\$150.79	\$112.49	\$177.02
Net Farm Income / Unpaid Hour	\$74.25	\$14.32	\$118.44

* Based on 2080 Hrs. Annually Per Full Time Operator

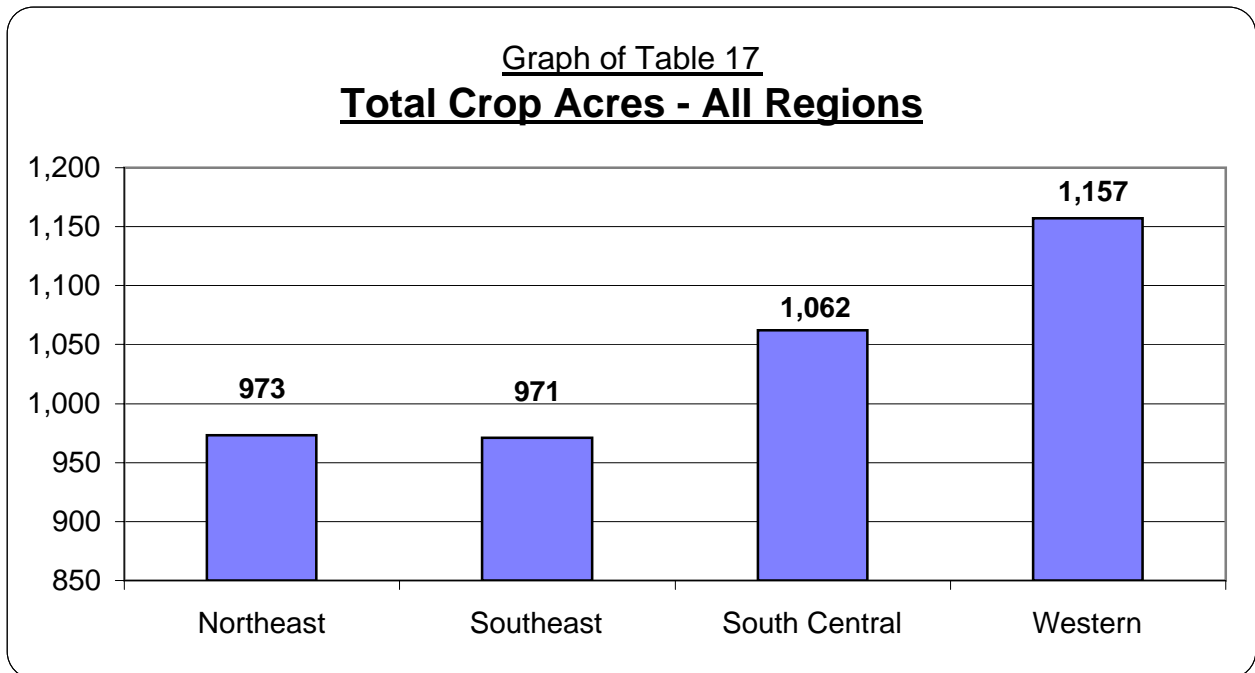


Table 18: Southeast - Irrigated Corn, 2007

	Average Of All Farms*	Owned Land	Share Rent
Number of Fields	10	6	10
Number of Farms	20	6	6
Acres	106.44	102.38	120.33
Bushel Yield per Acre	174.37	164.72	179.88
Operator's Share of the Yield %	72.40%	100.00%	52.66%
Value per Bushel at Harvest	\$3.99	\$4.16	\$3.87
Total Product Return	504.21	685.58	366.35
Miscellaneous Income	0.06	0.20	
Gross Return	\$504.27	\$685.78	\$366.35
Direct Expenses			
Seed	40.28	44.49	36.77
Fertilizer	36.23	46.15	28.08
Crop Chemicals	20.44	28.29	14.85
Crop Insurance	7.52	9.64	5.80
Drying Fuel & Storage	0.58	0.31	0.00
Irrigation Energy	20.01	22.00	15.50
Irrigation Repairs	1.68	3.12	1.39
Operating Power & Crop Machinery	42.77	52.72	38.65
Building Repairs	1.38	4.78	0.00
Hired Labor	19.56	18.90	19.04
Utilities	5.44	3.21	6.67
Miscellaneous	6.69	9.35	6.75
Land Rent	17.67	0.00	0.00
Operating Interest	4.69	8.35	3.38
Total Direct Expenses	\$224.94	\$251.31	\$176.88
Return Over Direct Expenses	\$279.33	\$434.47	\$189.47
Allocated Expenses			
Machinery & Building Depreciation	57.17	49.07	64.55
Real Estate & Personal Property Taxes	11.62	36.14	1.67
Farm Insurance	5.91	5.75	5.32
Interest	8.88	26.54	1.48
Total Allocated Expenses	\$83.58	\$117.50	\$73.02
Total Listed Expenses	\$308.52	\$368.81	\$249.90
Net Return	\$195.75	\$316.97	\$116.45
Supplementary Management Information			
Total Direct Expense Per Bushel	1.78	1.53	1.87
Total Listed Expense Per Bushel	2.44	2.24	2.64
Net Return Per Bushel	\$1.55	\$1.92	\$1.23
Government Payments	5.26	5.10	4.18
Labor & Management Charge Per Acre	32.26	36.82	30.17
Net Return Incl. Gov't Payments and Labor & Mgmt.	\$168.75	\$285.25	\$90.46
Machinery Cost Per Acre	\$96.27	\$97.25	\$99.43
Estimated Labor Hours Per Acre	2.53	2.78	2.42

* Includes an average of crops grown on Owned, Cash Rented, and Share Rented Land

Table 19: Southeast - Dryland Corn, 2007*

	Average Of All Farms	Average Of Low 33%	Average Of High 33%
Number of Fields	120	16	41
Number of Farms	21	6	8
Acres	80.82	92.72	100.29
Bushel Yield per Acre	116.64	106.01	126.80
Operator's Share of the Yield %	76.26%	72.27%	77.99%
Value per Bushel at Harvest	\$4.11	\$3.38	\$4.25
Total Product Return	365.20	258.78	419.89
Miscellaneous Income	-1.18	-9.01	
Gross Return	\$364.02	\$249.77	\$419.89
Direct Expenses			
Seed	40.16	38.64	43.81
Fertilizer	28.66	49.03	30.00
Crop Chemicals	22.42	20.82	24.25
Crop Insurance	10.75	7.80	11.43
Drying Fuel & Storage	0.60	0.31	1.28
Operating Power & Crop Machinery	37.49	53.99	44.65
Building Repairs	1.36	2.99	0.56
Hired Labor	12.71	12.54	1.85
Utilities	2.36	4.53	1.79
Miscellaneous	3.95	7.01	3.65
Land Rent	24.35	17.39	28.15
Operating Interest	4.95	3.84	4.11
Total Direct Expenses	\$189.76	\$218.89	\$195.53
Return Over Direct Expenses	\$174.26	\$30.88	\$224.36
Allocated Expenses			
Machinery & Building Depreciation	28.69	36.75	28.87
Real Estate & Personal Property Taxes	7.29	4.90	7.01
Farm Insurance	7.03	4.62	4.55
Interest	5.90	3.37	4.18
Total Allocated Expenses	\$48.91	\$49.64	\$44.61
Total Listed Expenses	\$238.67	\$268.53	\$240.14
Net Return	\$125.35	-\$18.76	\$179.75
Supplementary Management Information			
Total Direct Expense Per Bushel	2.13	2.86	1.98
Total Listed Expense Per Bushel	2.68	3.50	2.43
Net Return Per Bushel	\$1.43	-\$0.12	\$1.82
Government Payments	5.99	10.26	8.72
Labor & Management Charge Per Acre	29.19	25.69	44.92
Net Return Incl. Gov't Payments and Labor & Mgmt.	\$102.15	-\$34.19	\$143.55
Machinery Cost Per Acre	\$67.61	\$87.81	\$75.45
Estimated Labor Hours Per Acre	1.80	2.61	2.08

* Includes an average of crops grown on Owned, Cash Rented, and Share Rented Land

Table 20: Southeast - Dryland Corn Owned & Cash Rent, 2007

	Owned Land	Cash Rent
Number of Fields	22	36
Number of Farms	14	14
Acres	62.07	75.79
Bushel Yield per Acre	115.90	120.41
Operator's Share of the Yield %	100.00%	100.00%
Value per Bushel at Harvest	\$4.01	\$4.17
Total Product Return	464.37	502.02
Miscellaneous Income	-1.75	-2.56
Gross Return	\$462.62	\$499.46
Direct Expenses		
Seed	41.41	44.22
Fertilizer	39.93	38.16
Crop Chemicals	30.73	29.06
Crop Insurance	16.97	13.70
Drying Fuel	1.51	0.51
Operating Power & Crop Machinery	51.46	38.41
Building Repairs	5.33	1.62
Hired Labor	13.27	11.87
Utilities	2.64	2.48
Miscellaneous	5.38	3.70
Land Rent	0.00	86.54
Operating Interest	6.56	4.67
Total Direct Expenses	\$215.19	\$274.94
Return Over Direct Expenses	\$247.43	\$224.52
Allocated Expenses		
Machinery & Building Depreciation	22.08	28.98
Real Estate & Personal Property Taxes	37.91	2.34
Farm Insurance	6.10	7.04
Interest	24.47	2.87
Total Allocated Expenses	\$90.56	\$41.23
Total Listed Expenses	\$305.75	\$316.17
Net Return	\$156.87	\$183.29
Supplementary Management Information		
Total Direct Expense Per Bushel	1.86	2.28
Total Listed Expense Per Bushel	2.64	2.63
Net Return Per Bushel	\$1.37	\$1.54
Government Payments	9.30	8.40
Labor & Management Charge Per Acre	30.25	30.04
Net Return Incl. Gov't Payments and Labor & Mgmt.	\$135.92	\$161.65
Machinery Cost Per Acre	\$74.43	\$68.46
Estimated Labor Hours Per Acre	2.39	1.88

Table 21: Southeast - Dryland Corn Share Rent, 2007

	Average Of All Farms	Average Of Low 33%	Average Of High 33%
Number of Fields	62	7	19
Number of Farms	18	5	7
Acres	90.39	74.23	104.66
Bushel Yield per Acre	114.98	106.08	124.57
Operator's Share of the Yield %	58.33%	57.68%	59.32%
Value per Bushel at Harvest	\$4.09	\$3.17	\$4.25
Total Product Return	274.43	194.21	314.34
Miscellaneous Income	-0.38	-4.10	
Gross Return	\$274.05	\$190.11	\$314.34
Direct Expenses			
Seed	37.87	32.85	43.90
Fertilizer	21.29	29.90	19.64
Crop Chemicals	17.16	19.04	18.55
Crop Insurance	7.81	6.51	6.58
Drying Fuel	0.31	0.00	0.81
Operating Power & Crop Machinery	33.64	44.50	42.00
Building Repairs	0.21	1.94	0.01
Hired Labor	12.98	7.86	1.00
Utilities	2.23	5.07	1.82
Miscellaneous	3.88	6.50	3.82
Operating Interest	4.70	5.78	4.12
Total Direct Expenses	\$142.08	\$159.95	\$142.25
Return Over Direct Expenses	\$131.97	\$30.16	\$172.09
Allocated Expenses			
Machinery & Building Depreciation	30.16	59.30	30.41
Real Estate & Personal Property Taxes	2.23	2.27	2.71
Farm Insurance	7.24	2.89	4.65
Interest	2.86	0.17	2.02
Total Allocated Expenses	\$42.49	\$64.63	\$39.79
Total Listed Expenses	\$184.57	\$224.58	\$182.04
Net Return	\$89.48	-\$34.47	\$132.30
Supplementary Management Information			
Total Direct Expense Per Bushel	2.12	2.61	1.93
Total Listed Expense Per Bushel	2.75	3.67	2.46
Net Return Per Bushel	\$1.34	-\$0.50	\$1.79
Government Payments	4.01	4.78	5.14
Labor & Management Charge Per Acre	28.52	27.32	51.04
Net Return Incl. Gov't Payments and Labor & Mgmt.	\$64.97	-\$57.01	\$86.40
Machinery Cost Per Acre	\$65.54	\$99.41	\$73.95
Estimated Labor Hours Per Acre	1.62	2.47	1.88

Table 22: Southeast - Irrigated Soybeans, 2007*

	Average Of All Farms*	Share Rent
Number of Fields	17	10
Number of Farms	8	5
Acres	97.61	100.97
Bushel Yield per Acre	50.01	50.90
Operator's Share of the Yield %	67.50%	47.53%
Value per Bushel at Harvest	\$9.56	\$9.14
Total Product Return	322.89	221.22
Miscellaneous Income		
Gross Return	\$322.89	\$221.22
Direct Expenses		
Seed	26.26	25.11
Fertilizer	0.00	0.00
Crop Chemicals	14.81	7.33
Crop Insurance	4.92	4.01
Drying Fuel & Storage	0.59	0.00
Irrigation Energy	18.36	12.38
Operating Power & Crop Machinery	35.66	30.58
Building Repairs	1.49	0.15
Hired Labor	15.34	15.84
Utilities	4.22	5.06
Miscellaneous	5.90	5.72
Land Rent	11.38	0.00
Operating Interest	3.72	2.67
Total Direct Expenses	\$142.65	\$108.85
Return Over Direct Expenses	\$180.24	\$112.37
Allocated Expenses		
Machinery & Building Depreciation	47.38	54.42
Real Estate & Personal Property Taxes	9.90	1.30
Farm Insurance	4.41	4.12
Interest	7.33	1.02
Total Allocated Expenses	\$69.02	\$60.86
Total Listed Expenses	\$211.67	\$169.71
Net Return	\$111.22	\$51.51
Supplementary Management Information		
Total Direct Expense Per Bushel	4.23	4.50
Total Listed Expense Per Bushel	6.27	7.01
Net Return Per Bushel	\$3.29	\$2.13
Government Payments	4.65	3.12
Labor & Management Charge Per Acre	25.75	21.86
Net Return Incl. Gov't Payments and Labor & Mgmt.	\$90.12	\$32.77
Machinery Cost Per Acre	\$79.96	\$81.83
Estimated Labor Hours Per Acre	1.99	1.79

* Includes an average of crops grown on Owned, Cash Rented, and Share Rented Land

Table 23: Southeast - Dryland Soybeans, 2007*

	Average Of All Farms*	Average Of Low 33%	Average Of High 33%
Number of Fields	113	18	45
Number of Farms	23	7	8
Acres	83.62	68.22	78.84
Bushel Yield per Acre	48.66	44.88	52.25
Operator's Share of the Yield %	77.92%	74.38%	81.42%
Value per Bushel at Harvest	\$10.06	\$8.14	\$10.54
Total Product Return	381.25	271.81	448.27
Miscellaneous Income	-3.30		
Gross Return	\$377.95	\$271.81	\$448.27
Direct Expenses			
Seed	29.01	34.66	26.82
Fertilizer	2.22	4.08	3.30
Crop Chemicals	14.62	17.01	13.77
Crop Insurance	6.58	6.88	7.63
Drying Fuel	0.00	0.00	0.00
Irrigation Energy	0.00	0.00	0.00
Irrigation Repairs	0.00	0.00	0.00
Operating Power & Crop Machinery	35.67	45.30	35.36
Building Repairs	1.37	0.59	0.44
Hired Labor	8.51	6.11	1.33
Utilities	2.21	4.23	1.98
Miscellaneous	4.56	6.61	5.72
Land Rent	20.99	20.18	31.87
Operating Interest	3.76	4.18	3.29
Total Direct Expenses	\$129.50	\$149.83	\$131.51
Return Over Direct Expenses	\$248.45	\$121.98	\$316.76
Allocated Expenses			
Machinery & Building Depreciation	27.98	44.21	25.99
Real Estate & Personal Property Taxes	8.10	4.87	6.33
Farm Insurance	4.79	2.55	4.51
Interest	5.67	4.94	5.48
Total Allocated Expenses	\$46.54	\$56.57	\$42.31
Total Listed Expenses	\$176.04	\$206.40	\$173.82
Net Return	\$201.91	\$65.41	\$274.45
Supplementary Management Information			
Total Direct Expense Per Bushel	3.42	4.49	3.09
Total Listed Expense Per Bushel	4.64	6.18	4.09
Net Return Per Bushel	\$5.42	\$1.96	\$6.45
Government Payments	7.31	10.50	7.19
Labor & Management Charge Per Acre	25.24	28.10	36.57
Net Return Incl. Gov't Payments and Labor & Mgmt.	\$183.98	\$47.81	\$245.07
Machinery Costs Per Acre	\$64.01	\$88.29	\$63.77
Estimated Labor Hours Per Acre	1.63	2.30	1.63

* Includes an average of crops grown on Owned, Cash Rented, and Share Rented Land

Table 24: Southeast - Dryland Soybeans- Owned Land, 2007

	Average Of All Farms
Number of Fields	20
Number of Farms	14
Acres	98.25
Bushel Yield per Acre	47.17
Operator's Share of the Yield %	100.00%
Value per Bushel at Harvest	\$10.04
Total Product Return	473.47
Miscellaneous Income	-6.24
Gross Return	\$467.23
Direct Expenses	
Seed	31.66
Fertilizer	4.18
Crop Chemicals	18.94
Crop Insurance	7.25
Drying Fuel	0.00
Operating Power & Crop Machinery	43.13
Building Repairs	3.49
Hired Labor	12.57
Utilities	2.37
Miscellaneous	4.77
Land Rent	0.00
Operating Interest	3.44
Total Direct Expenses	\$131.80
Return Over Direct Expenses	\$335.43
Allocated Expenses	
Machinery & Building Depreciation	28.76
Real Estate & Personal Property Taxes	32.04
Farm Insurance	4.70
Interest	19.24
Total Allocated Expenses	\$84.74
Total Listed Expenses	\$216.54
Net Return	\$250.69
Supplementary Management Information	
Total Direct Expense Per Bushel	2.79
Total Listed Expense Per Bushel	4.59
Net Return Per Bushel	\$5.45
Government Payments	10.52
Labor & Management Charge Per Acre	18.70
Net Return Incl. Gov't Payments and Labor & Mgmt.	\$242.51
Machinery Costs Per Acre	\$71.12
Estimated Labor Hours Per Acre	1.75

Table 25: Southeast - Dryland Soybeans-Cash Rent, 2007

	Average Of All Farms	Average Of High 33%
Number of Fields	34	17
Number of Farms	14	5
Acres	69.78	60.00
Bushel Yield per Acre	50.00	52.79
Operator's Share of the Yield %	100.00%	100.00%
Value per Bushel at Harvest	\$10.18	\$10.66
Total Product Return	509.20	562.62
Miscellaneous Income	-4.07	
Gross Return	\$505.13	\$562.62
Direct Expenses		
Seed	30.36	25.14
Fertilizer	3.56	3.82
Crop Chemicals	19.00	15.61
Crop Insurance	9.57	9.73
Drying Fuel & Storage	0.20	0.00
Irrigation Energy	0.00	0.00
Irrigation Repairs	0.00	0.00
Operating Power & Crop Machinery	36.75	33.85
Building Repairs	1.75	0.00
Hired Labor	7.64	1.41
Utilities	2.27	2.25
Miscellaneous	3.51	4.18
Land Rent	83.60	83.85
Operating Interest	4.27	3.81
Total Direct Expenses	\$202.48	\$183.65
Return Over Direct Expenses	\$302.65	\$378.97
Allocated Expenses		
Machinery & Building Depreciation	28.43	29.14
Real Estate & Personal Property Taxes	1.85	2.50
Farm Insurance	5.03	5.10
Interest	2.35	2.69
Total Allocated Expenses	\$37.66	\$39.43
Total Listed Expenses	\$240.14	\$223.08
Net Return	\$264.99	\$339.54
Supplementary Management Information		
Total Direct Expense Per Bushel	4.05	3.48
Total Listed Expense Per Bushel	4.80	4.23
Net Return Per Bushel	\$5.38	\$6.43
Government Payments	8.86	6.84
Labor & Management Charge Per Acre	27.07	36.88
Net Return Incl. Gov't Payments and Labor & Mgmt.	\$246.78	\$309.50
Machinery Costs Per Acre	\$65.98	\$65.25
Estimated Labor Hours Per Acre	1.66	1.42

Table 26: Southeast - Dryland Soybeans-Share Rent, 2007

	Average Of All Farms	Average Of High 33%
Number of Fields	59	34
Number of Farms	19	7
Acres	86.64	75.80
Bushel Yield per Acre	48.61	49.77
Operator's Share of the Yield %	59.14%	59.47%
Value per Bushel at Harvest	\$9.96	\$10.85
Total Product Return	286.40	321.04
Miscellaneous Income	-1.81	
Gross Return	\$284.59	\$321.04
Direct Expenses		
Seed	27.37	23.37
Fertilizer	0.84	1.05
Crop Chemicals	10.92	8.05
Crop Insurance	4.94	4.95
Drying Fuel	0.00	0.00
Irrigation Energy	0.00	0.00
Irrigation Repairs	0.00	0.00
Operating Power & Crop Machinery	32.30	27.80
Building Repairs	0.29	0.03
Hired Labor	7.34	9.05
Utilities	2.12	1.57
Miscellaneous	4.93	5.15
Land Rent	0.00	0.00
Operating Interest	3.65	4.11
Total Direct Expenses	\$94.70	\$85.13
Return Over Direct Expenses	\$189.89	\$235.91
Allocated Expenses		
Machinery & Building Depreciation	27.47	23.56
Real Estate & Personal Property Taxes	1.79	2.40
Farm Insurance	4.72	6.51
Interest	1.99	2.74
Total Allocated Expenses	\$35.97	\$35.21
Total Listed Expenses	\$130.67	\$120.34
Net Return	\$153.92	\$200.70
Supplementary Management Information		
Total Direct Expense Per Bushel	3.29	2.88
Total Listed Expense Per Bushel	4.55	4.07
Net Return Per Bushel	\$5.41	\$6.78
Government Payments	5.36	2.78
Labor & Management Charge Per Acre	26.91	32.75
Net Return Incl. Gov't Payments and Labor & Mgmt.	\$132.37	\$170.73
Machinery Costs Per Acre	\$60.36	\$53.92
Estimated Labor Hours Per Acre	1.57	1.34

Table 27: Southeast - Wheat, 2007*

	Average of All Farms
Number of Fields	26
Number of Farms	11
Acres	74.39
Bushel Yield per Acre	33.60
Operator's Share of the Yield %	83.06%
Value per Bushel at Harvest	\$5.59
Total Product Return	156.02
Miscellaneous Income	27.03
Gross Return	\$183.05
Direct Expenses	
Seed	11.51
Fertilizer	30.65
Crop Chemicals	12.59
Crop Insurance	3.71
Drying Fuel	0.00
Irrigation Energy	0.00
Irrigation Repairs	0.00
Operating Power & Crop Machinery	24.39
Building Repairs	0.52
Hired Labor	5.06
Utilities	1.87
Miscellaneous	4.00
Land Rent	24.03
Operating Interest	1.39
Total Direct Expenses	\$119.72
Return Over Direct Expenses	\$63.33
Allocated Expenses	
Machinery & Building Depreciation	27.47
Real Estate & Personal Property Taxes	4.41
Farm Insurance	2.05
Interest	1.30
Total Allocated Expenses	\$35.23
Total Listed Expenses	\$154.95
Net Return	\$28.10
Supplementary Management Information	
Total Direct Expense Per Bushel	4.29
Total Listed Expense Per Bushel	5.55
Net Return Per Bushel	\$0.04
Government Payments	8.98
Labor & Management Charge Per Acre	15.66
Net Return Incl. Gov't Payments and Labor & Mgmt.	\$21.42
Machinery Costs Per Acre	\$50.05
Estimated Labor Hours Per Acre	1.21

* Includes an average of crops grown on Owned, Cash Rented, and Share Rented Land

Table 28: Southeast - Wheat Owned, Cash, & Share Rent, 2007

	Owned <u>Land</u>	Cash <u>Rent</u>	Share <u>Rent</u>
Number of Fields	6	8	12
Number of Farms	6	7	10
Acres	67.58	72.18	79.26
Bushel Yield per Acre	33.59	43.21	27.77
Operator's Share of the Yield %	100.00%	100.00%	58.32%
Value per Bushel at Harvest	\$5.61	\$5.62	\$5.52
Total Product Return	188.29	243.02	89.44
Miscellaneous Income	36.66	7.55	34.74
Gross Return	\$224.95	\$250.57	\$124.18
Direct Expenses			
Seed	18.19	9.27	10.02
Fertilizer	45.67	34.19	22.10
Crop Chemicals	16.03	13.48	10.57
Crop Insurance	4.59	4.31	2.98
Drying Fuel	0.00	0.00	0.00
Irrigation Energy	0.00	0.00	0.00
Irrigation Repairs	0.00	0.00	0.00
Operating Power & Crop Machinery	23.91	30.31	20.92
Building Repairs	1.29	0.00	0.41
Hired Labor	8.14	3.00	5.00
Utilities	1.95	1.94	1.79
Miscellaneous	5.23	2.82	4.39
Land Rent	0.00	80.49	0.00
Operating Interest	0.60	2.51	1.04
Total Direct Expenses	\$125.60	\$182.32	\$79.22
Return Over Direct Expenses	\$99.35	\$68.25	\$44.96
Allocated Expenses			
Machinery & Building Depreciation	28.07	29.93	25.71
Real Estate & Personal Property Taxes	16.77	1.52	0.90
Farm Insurance	1.77	2.58	1.86
Interest	4.04	0.85	0.40
Total Allocated Expenses	\$50.65	\$34.88	\$28.87
Total Listed Expenses	\$176.25	\$217.20	\$108.09
Net Return	\$48.70	\$33.37	\$16.09
Supplementary Management Information			
Total Direct Expense Per Bushel	3.74	4.22	4.89
Total Listed Expense Per Bushel	5.25	5.03	6.67
Net Return Per Bushel	\$0.36	\$0.59	-\$1.15
Government Payments	9.15	14.08	5.81
Labor & Management Charge Per Acre	14.79	17.52	14.89
Net Return Incl. Gov't Payments and Labor & Mgmt.	\$43.06	\$29.93	\$7.01
Machinery Costs Per Acre	\$48.38	\$59.76	\$44.87
Estimated Labor Hours Per Acre	1.09	1.54	1.06

Table 29: Southeast - Alfalfa, 2007

	Average Of All Farms
Number of Fields	8
Number of Farms	6
Acres	25.31
Yield per Acre (Ton)	3.04
Operator's Share of the Yield %	100.00%
Value per Ton at Harvest	\$108.10
Total Product Return	328.59
Miscellaneous Income	
Gross Return	\$328.59
Direct Expenses	
Seed	0.59
Fertilizer	4.82
Crop Chemicals	12.10
Crop Insurance	0.00
Drying Fuel & Storage	0.00
Operating Power & Crop Machinery	64.02
Building Repairs	1.31
Hired Labor	5.91
Utilities	2.28
Miscellaneous	4.51
Land Rent	21.18
Operating Interest	9.82
Total Direct Expenses	\$126.54
Return Over Direct Expenses	\$202.05
Allocated Expenses	
Machinery & Building Depreciation	13.71
Real Estate & Personal Property Taxes	26.02
Farm Insurance	3.98
Interest	20.71
Total Allocated Expenses	\$64.42
Total Listed Expenses	\$190.96
Net Return	\$137.63
Supplementary Management Information	
Total Direct Expense Per Acre	41.63
Total Listed Expense Per Acre	62.82
Net Return Per Bushel	\$45.28
Government Payments	0.00
Labor & Management Charge Per Acre	25.91
Net Return Incl. Gov't Payments and Labor & Mgmt.	\$111.72
Machinery Cost Per Acre	\$79.42
Estimated Labor Hours Per Acre	2.76

Table 30A: Northeast Nebraska Averages, 2007

	Northeast Average of All Farms	Average of Low 33%	Average of High 33%
Cash Farm Income			
Total Crop Income	339,125	222,419	383,856
Total Livestock Income	391,414	251,500	657,825
Total Other Farm Income	77,541	47,691	126,461
Gross Cash Farm Income	\$808,080	\$521,610	\$1,168,142
Cash Farm Expense			
Total Crop Expense	151,236	81,131	208,289
Total Livestock Expense	255,516	184,967	401,165
Total Other Farm Expense	272,515	172,372	390,225
Gross Cash Farm Expense	\$679,267	\$438,470	\$999,679
Net Cash Farm Income	\$128,813	\$83,140	\$168,463
Total Inventory Change	\$167,236	\$77,892	\$279,619
Total Depreciation & Capital Adjustments	-\$56,845	-\$45,092	-\$64,570
Net Farm Income	\$239,204	\$115,940	\$383,512
Non-Farm Income	\$21,979	\$29,427	\$13,259
Balance Sheet at Market			
Current Farm Assets	701,355	400,516	1,069,397
Intermediate Farm Assets	373,041	259,306	433,318
Long Term Farm Assets	514,742	313,872	637,338
Non Farm Assets	185,329	147,957	225,989
Total Assets	\$1,774,467	\$1,121,651	\$2,366,042
Current Farm Liabilities	237,264	215,684	272,566
Intermediate Farm Liabilities	92,791	73,835	86,955
Long Term Liabilities	141,227	41,485	138,098
Non Farm Liabilities	9,738	24,625	0
Total Liabilities	\$481,020	\$355,629	\$497,619
Net Worth	\$1,293,447	\$766,022	\$1,868,423
Net Worth Change (Market Value)	\$201,992	\$109,265	\$316,934

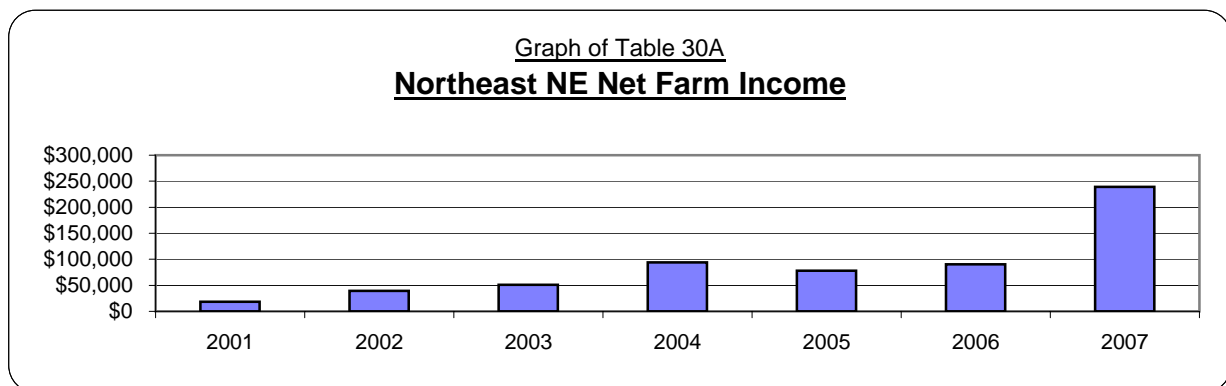


Table 30B: Northeast Nebraska Averages, 2007 (cont.)

	Northeast Average of All Farms	Average of Low 33%	Average of High 33%
Financial Guidelines			
Current Ratio	2.96	1.86	3.92
Working Capital	\$464,091	\$184,832	\$796,830
Debt to Asset Ratio (Market)	30%	34%	23%
Equity to Asset Ratio (Market)	70%	66%	77%
Debt to Equity Ratio (Market)	42%	52%	30%
Rate of Return on Assets (Cost)	20.0%	16.7%	22.8%
Rate of Return on Equity (Cost)	28.2%	23.8%	29.7%
Operating Profit Margin (Cost)	31.3%	26.5%	33.5%
Net Farm Income (Cost)	\$239,204	\$115,940	\$383,512
Asset Turnover Rate (Cost)	63.8%	63.0%	68.0%
Operating Expense Ratio	66.3%	69.0%	66.8%
Depreciation Expense Ratio	5.9%	7.4%	4.5%
Interest Expense Ratio	3.1%	4.4%	2.1%
Net Farm Income Ratio	24.7%	19.2%	26.7%
Operator Information			
Average Number of Operators	1.3	1.0	1.4
Average Age of Operators	52.5	49.7	58.4
Average Number of Years Farming	29.7	25.6	35.6
Acreage Summary			
Total acres owned	397	273	333
Total crop acres	973	875	1,065
Crop acres owned	236	200	273
Crop acres cash rented	420	203	532
Crop acres share rented	317	472	260
Average Price Received In Dollars (Cash Sales Only)			
Corn, per bu.	\$3.23	\$3.28	\$3.30
Soybeans, per bu.	\$7.05	\$7.32	\$7.30
Alfalfa Hay, per ton	\$80.53	N/A	\$79.61
Wheat Per Bushel	\$5.18	N/A	N/A
Average Yield Per Acre			
Corn, Irrigated (bu.)	170.41	N/A	189.70
Corn, Dryland (bu.)	133.70	125.31	154.49
Soybeans, Irrigated (bu.)	59.66	N/A	59.43
Soybeans, Dryland (bu.)	51.71	46.61	58.15
Alfalfa Hay (ton)	5.60	5.15	6.66

Table 31A: South Central Nebraska Averages, 2007

	South Central Average of <u>All Farms</u>	Average of <u>Low 33%</u>	Average of <u>High 33%</u>
Cash Farm Income			
Total Crop Income	473,817	180,230	809,852
Total Livestock Income	70,179	181,655	22,796
Total Other Farm Income	90,817	125,125	101,374
Gross Cash Farm Income	\$634,813	\$487,010	\$934,022
Cash Farm Expense			
Total Crop Expense	181,443	76,000	306,029
Total Livestock Expense	60,328	175,426	5,265
Total Other Farm Expense	230,817	159,775	349,034
Gross Cash Farm Expense	\$472,588	\$411,201	\$660,328
Net Cash Farm Income	\$162,225	\$75,809	\$273,694
Total Inventory Change	\$131,813	\$2,581	\$295,430
Total Depreciation & Capital Adjustments	-\$57,728	-\$31,710	-\$101,230
Net Farm Income	\$236,310	\$46,680	\$467,894
Non-Farm Income	\$27,209	\$15,431	\$20,701
Balance Sheet at Market			
Current Farm Assets	467,151	225,243	803,455
Intermediate Farm Assets	379,094	242,947	598,663
Long Term Farm Assets	771,854	247,437	1,386,948
Non Farm Assets	303,138	100,733	569,026
Total Assets	\$1,921,237	\$816,360	\$3,358,092
Current Farm Liabilities	207,219	108,589	352,704
Intermediate Farm Liabilities	94,587	75,981	136,630
Long Term Liabilities	258,725	130,696	424,681
Non Farm Liabilities	37,586	21,387	33,800
Total Liabilities	\$598,117	\$336,653	\$947,815
Net Worth	\$1,323,120	\$479,707	\$2,410,277
Net Worth Change (Market Value)	\$202,911	\$18,577	\$412,809

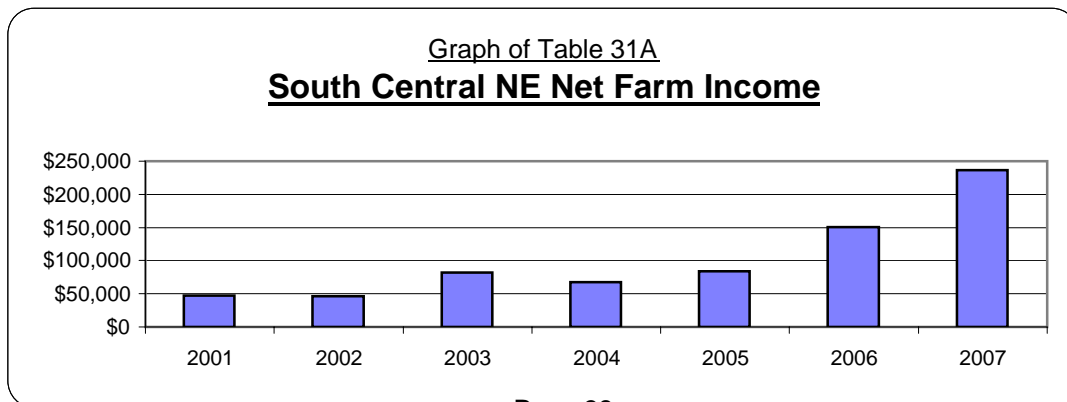


Table 31B: South Central Nebraska Averages, 2007 (cont.)

	South Central Average of All Farms	Average of Low 33%	Average of High 33%
Financial Guidelines			
Current Ratio	2.25	2.07	2.28
Working Capital	\$259,931	\$116,652	\$450,749
Debt to Asset Ratio (Market)	35%	44%	33%
Equity to Asset Ratio (Market)	65%	56%	67%
Debt to Equity Ratio (Market)	53%	79%	49%
Rate of Return on Assets (Cost)	20.1%	7.4%	23.8%
Rate of Return on Equity (Cost)	30.8%	6.9%	36.0%
Operating Profit Margin (Cost)	33.5%	11.0%	40.7%
Net Farm Income (Cost)	\$236,310	\$46,680	\$467,894
Asset Turnover Rate (Cost)	60.1%	66.9%	58.5%
Operating Expense Ratio	56.6%	79.8%	47.5%
Depreciation Expense Ratio	7.6%	6.3%	8.5%
Interest Expense Ratio	4.7%	4.5%	4.8%
Net Farm Income Ratio	31.1%	9.3%	39.2%
Operator Information			
Average Number of Operators	1.2	1.1	1.3
Average Age of Operators	47.7	45	48.8
Average Number of Years Farming	25.1	20.7	27.7
Acreage Summary			
Total acres owned	430	166	739
Total crop acres	1,062	436	1,160
Crop acres owned	348	104	637
Crop acres cash rented	321	216	431
Crop acres share rented	393	117	592
Total pasture acres	1	4	0
Average Price Received In Dollars (Cash Sales Only)			
Corn, per bu.	\$3.25	\$3.39	\$3.32
Soybeans, per bu.	\$7.36	\$7.68	\$7.36
Grain Sorghum, per bu.	\$2.91	N/A	N/A
Seed Corn, per bu.	\$5.09	N/A	\$5.50
Wheat, Winter, per bu.	\$4.38	N/A	N/A
Average Yield Per Acre			
Corn, Irrigated (bu.)	194.68	191.33	199.07
Corn, Dryland (bu.)	133.11	115.34	125.62
Seed Corn, Irrigated (Paid Yield) (bu.)	243.65	248.10	232.67
Soybeans, Irrigated (bu.)	61.42	61.57	64.73
Soybeans, Dryland (bu.)	46.28	42.00	56.36
Wheat, Winter per bu	46.79	N/A	N/A

Table 32A: Western Nebraska Averages, 2007

	Western Average of <u>All Farms</u>
Cash Farm Income	
Total Crop Income	327,239
Total Livestock Income	536,798
Total Other Farm Income	200,848
Gross Cash Farm Income	\$1,064,885
Cash Farm Expense	
Total Crop Expense	267,479
Total Livestock Expense	416,438
Total Other Farm Expense	334,346
Gross Cash Farm Expense	\$1,018,263
Net Cash Farm Income	\$46,622
Total Inventory Change	\$64,021
Total Depreciation & Capital Adjustments	-\$45,375
Net Farm Income	\$65,268
Non-Farm Income	\$23,440
Balance Sheet at Market	
Current Farm Assets	835,228
Intermediate Farm Assets	506,551
Long Term Farm Assets	974,816
Non-Farm Assets	120,574
Total Assets	<u>\$2,437,169</u>
Current Farm Liabilities	595,094
Intermediate Farm Liabilities	139,090
Long Term Liabilities	358,696
Non-Farm Liabilities	0
Total Liabilities	<u>\$1,092,880</u>
Net Worth	\$1,344,289
Net Worth Change (Market Value)	\$51,488

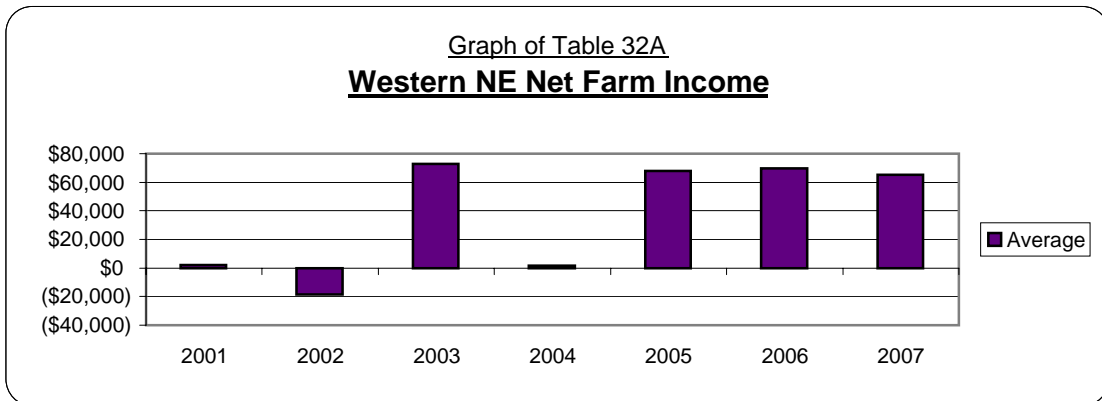


Table 32B: Western Nebraska Averages, 2007 (cont.)

Western
Average of
All Farms

Financial Guidelines

Current Ratio	1.4
Working Capital	\$240,133
Debt to Asset Ratio (Market)	47%
Equity to Asset Ratio (Market)	53%
Debt to Equity Ratio (Market)	89%
Rate of Return on Assets (Cost)	6.4%
Rate of Return on Equity (Cost)	5.4%
Operating Profit Margin (Cost)	14.5%
Net Farm Income (Cost)	\$65,265
Asset Turnover Rate (Cost)	43.9%
Operating Expense Ratio	83.9%
Depreciation Expense Ratio	4.0%
Interest Expense Ratio	6.4%
Net Farm Income Ratio	5.7%

Operator Information

Average Number of Operators	1.1
Average Age of Operators	54.2
Average Number of Years Farming	31.2

Acreage Summary

Total acres owned	3,040
Total crop acres	1,157
Crop acres owned	568
Crop acres cash rented	153
Crop acres share rented	436

Average Price Received In Dollars (Cash Sales Only)

Corn, per bu.	\$3.29
Wheat, Winter per bu.	\$5.48

Average Yield Per Acre

Corn (bu.)	81.77
Wheat, Winter (bu.)	48.99

Financial Guideline Ratios



Current Ratio: shows the value of current assets relative to current liabilities. It is an indicator of the liquidity of the business. It measures the extent to which current farm assets, if liquidated, would cover current farm liabilities.

Working Capital: is another measure of liquidity. It approximates the operating capital available from within the business. It is calculated by subtracting current farm liabilities from current farm assets.

Farm Debt to Asset Ratio: measures the total financial solvency position of the farm or ranch by comparing the total liabilities with the total assets. It measures the portion of the farm assets that have debt against them. A higher ratio is generally considered an indicator of greater financial risk and lower borrowing capacity.

Farm Equity to Asset Ratio: measures farm equity or net worth relative to the value of farm assets. It measures the proportion of the farm assets financed by the owner's equity as opposed to debt. It is the opposite of the debt to asset ratio.

Farm Debt to Equity Ratio: measures farm debt relative to farm equity. It is calculated by dividing the Total Farm Liabilities by the Total Farm Net Worth. It measures the borrowed capital being employed for every dollar of equity capital.

Rate of Return on Farm Assets: can be thought of as the average interest rate earned on all investments in the farm business. For market value assets, this can be looked at as the "opportunity cost" versus alternate investments. For cost value assets, this more closely represents the actual return on the average dollar invested.

Rate of Return on Farm Equity: represents the interest rate being earned on your farm net worth. For market value assets, this return can be compared to returns available if the assets were liquidated and invested in alternative investments. For cost value assets, this more closely represents the actual return retained in the business.

Operating Profit Margin: is a measure of the operating efficiency of the business. It is calculated as: Return to Farm Assets divided by Value of Farm Production. If expenses are held in line relative to the value of output produced, the farm will have a healthy profit margin. Low prices, high operating expenses or inefficient production may cause a low profit margin.

Net Farm Income: represents the returns to labor, management, and equity capital invested in the business. Net farm income is the reward for investing unpaid family labor, management, and farm net worth in the farm business instead of elsewhere.

Term Debt Coverage Ratio: measures whether the business generated enough cash to cover term debt payments. It is calculated by dividing the funds generated by the business for debt repayment. A ratio less than 100 percent indicates that the business did not generate sufficient cash to meet scheduled payments in the past year. A ratio greater than 100 indicates the business generated enough cash to pay all term debt payments.

Capital Replacement Margin: is the amount of money remaining after all operating expenses, taxes, family living costs, and scheduled debt payments have been made. It is the cash generated by the farm business that is available for financing capital replacement such as machinery and equipment.

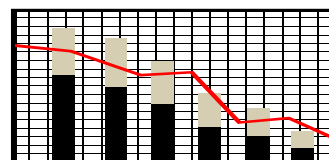
Asset Turnover Rate: is a measure of efficiency in using capital. It is calculated as the Value of Farm Production divided by Total Farm Assets. If your farm business generated a high level of production given your level of capital investment, your asset turnover rate will be strong.

Operating Expense Ratio: Subtracting Farm Interest Expense from Total Farm Operating Expense and dividing by Gross Farm Income calculates the operating expense ratio. This ratio indicates the percent of the gross farm income that was used to pay operating expenses.

Depreciation Expense Ratio: The depreciation expense ratio is calculated by dividing Depreciation by Gross Farm Income. This ratio indicates the percent of the gross farm income that was used to cover depreciation and other capital adjustments.

Interest Expense Ratio: Dividing Farm Interest Expense by Gross Farm Income calculates the interest expense ratio. This ratio indicates the percent of the gross farm income used for farm interest expenses.

Net Farm Income Ratio: The net farm income ratio is calculated by dividing Net Farm Income by Gross Farm Income. This ratio indicates the percent of the gross farm income that remained after all expenses.



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