

Table 1. Projection of revenue and expenses for corn in 2014, west central Minnesota (\$/ac)

	<u>Cash Rent</u>		<u>50-50 Share Rent</u>		
	<u>Owner-Operator</u>	<u>Tenant</u>	<u>Owner</u>	<u>Tenant</u>	<u>Owner</u>
REVENUE (180 bu/ac & \$4.00/bu)	720	720	0	360	360
EXPENSES					
Seed	124	124		62	62
Fertilizer	164	164		82	82
Chemicals	36	36		18	18
Crop Insurance	22	22		11	11
Fuel & oil (including drying fuel)	42	42		39	3
Expected return to land equity	240		240		240
Other expenses	202	154	48	154	48
Labor and management	70	70		70	
Total	900	612	288	436	464
Net return BEFORE RENT	-180	108	-288	-76	-104
For cash rent negotiation					
Maximum cash rent for tenant		108			
Minimum cash rent for owner			288		
For share rent negotiations					
Share of these projected expenses				48%	52%

NOTE: This enterprise budget is projected from the 2012 actual costs of production shown for west central Minnesota in the FINBIN database maintained by the Center for Farm Financial Management at the University and projected to 2014 using recent NASS data on prices paid by farmers for inputs. The yield of 180 bushels is based on the three year average for the farms in the database for west central Minnesota. The local 2014 price of \$4.00 is projected using the futures price at the Chicago Board of Trade and adjusted for basis. The labor and management charge of \$70 per acre is based on the average family withholding in the FINBIN data. The return to land is based on a desired return of 4% on land with a market value of \$6,000 per acre.