

2007 Estimated Summary Cost of Production* Greene County High Quality Farmland

	Corn following SB		
	180 Bu/A	50 Bu/A	2nd yr Corn 165 Bu/A
Inputs all Variable Costs	\$ 205	\$ 108	\$ 236
All Machinery Costs, Variable & Fixed	\$ 106	\$ 47	\$ 108
Labor 2.6 Hr/Acre @ \$11.00/hr	\$ 29	\$ 27	\$ 31
Greene Co. Cash Rent Equivalent @ 90 cents**	\$ 162	\$ 162	\$ 162
Total Cost	\$502	\$344	\$537
Break-Even per Bushel	\$2.88	\$6.88	\$3.26

Sensitivity Analysis of Rent on Break-Even Price:

For Every \$10/Ac change in Rent, adjust Break-Even Price by:	\$ 0.06	\$ 0.20	\$ 0.06
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2007 Estimated Summary Cost of Production* Greene County Medium Quality Farmland

	Corn following SB		
	160 Bu/A	45 Bu/A	2nd yr Corn 145 Bu/A
Inputs all Variable Costs	\$ 189	\$ 103	\$ 222
All Machinery Costs, Variable & Fixed	\$ 100	\$ 46	\$ 103
Labor 2.6 Hr/Acre @ \$11.00/hr	\$ 29	\$ 27	\$ 31
Greene Co. Cash Rent Equivalent @ 90 cents**	\$ 144	\$ 144	\$ 144
Total Cost	\$462	\$320	\$500
Break-Even per Bushel	\$2.89	\$7.11	\$3.45

Sensitivity Analysis of Rent on Break-Even Price:

For Every \$10/Ac change in Rent, adjust Break-Even Price by:	\$ 0.06	\$ 0.22	\$ 0.07
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Comments, Sources & Assumptions:

* Cost data taken from FM-1712, Revision Jan. 2007 by Michael Duffy & Darnell Smith

** Cash Rent Equivalent plug taken from 2006 Cash Rent survey by William Edwards, adjusted to average cents per bushel analysis for 7 county area by Hertel

1. Yield assumption: high quality ground 180 bu 1st year corn yield equates to 50 bu soybean yield
2. Yield assumption: medium quality ground 160 bu corn yield equates to 45 bu soybean yield
3. 2nd year corn on corn yield drag estimated at 10% by Duffy et al
4. Input, Machinery & Labor costs based on 2007 estimated costs
5. Cash rent plug is year old data, best survey data available
6. Soybean costs used from "Herbicide Tolerant Soybeans following Corn" projection in FM-1712

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