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**2010 Michigan Cash Grain Farm  
Business Analysis Summary**

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And  
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Staff Paper 2011-13

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## **2010 Michigan Cash Grain Farm Business Analysis Summary**

2010 Michigan TelFarm and Farm Credit Services Data  
Staff Paper No. 11-13

by

Eric Wittenberg

and

Stephen Harsh

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2010 Michigan Cash Grain Farm Business Analysis Summary  
by  
Eric Wittenberg and Stephen Harsh<sup>1</sup>

**Table of Contents** **Page**

Executive Summary..... 5

**List of Tables**

*Summary Tables*

1) Average MI 2006-2010 Farm Characteristics .....	5
2) Average MI 2006-2010 Farm Income Statement.....	6
3) Average MI 2006-2010 Profitability Indicators.....	7
4) Average Characteristics by Farm Size.....	7
5) Average Income and Expenses by Farm Size.....	7
6) Average Profitability Indicators by Farm Size (Cost)....	8
7) Average Profitability Indicators by Farm Size (Market).	8

*A) Averages of 99 Cash Grain Farms, All Sizes*

8) Crop Production Summary .....	9
9) Farm Income Statement.....	10
10) Inventory Changes.....	13
11) Depreciation and Other Capital Adjustments.....	14
12) Profitability Measures.....	15
13) Liquidity Measures.....	16
14) Balance Sheet at Cost Values.....	17
15) Balance sheet at Market Values.....	18
16) Statement of Cash Flows.....	19
17) Financial Standards Measures.....	20
18) Operator and Labor Information.....	21
19) Financial Summary.....	22

*B) Average of 48 Cash Grain Farms, 50 to 799 Acres..... 23*

Similar tables as previous summary, Tables 20 to 31

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<sup>1</sup> Co-workers in the TelFarm project were: R. Betz, L. Borton, C. Talley, W. Schauer, D. Stein, and V. Varner with the assistance of Michigan State University Extension Agents. Farm Credit Services of Michigan co-workers were Kelly Tobin, Steve Eshelman, Janice Raymond, Anne Gerke, Sonya Pentecost, and Lynette Wood. Farm Credit Services of Wisconsin co-worker was Steve Zimmerman.

*C) Average of 18 Cash Grain Farms, 800 to 1199 Acres..... 37*  
Similar tables as previous summary, Tables 32 to 43

*D) Average of 31 Cash Grain Farms, 1200 Acres plus..... 51*  
Similar tables as previous summary, Tables 44 to 55

## Executive Summary

This report summarizes the 2010 financial and production records of 99 Michigan cash grain farms. To be included, the farms must have produced at least 50 percent of gross cash farm income from one or a combination of these items: corn, soybeans, wheat, navy beans, oats, sugar beets and other small grains. The records came from Michigan State University's TelFarm project and Farm Credit Service of Michigan. The values were pooled into averages for reporting purposes.

Farm records were included if a farm financial analysis had completed 2010 data including beginning and ending balance sheets and a statement of income and expenses. The data was checked to verify that cash discrepancy was less than 10% of gross cash inflow and that debt discrepancy was less than \$1,000. While considerable variation in the data exists, average values are reported in the summary tables below.

### *Summary of Results*

Average size of farms measured in acres is presented in Table 1. However, there is considerable range and variability around this average.

**Table 1. Average  
Michigan Cash Grain Farm Characteristics, 2006-2010**

	2006	2007	2008	2009	2010
Total acres owned	480	450	519	484	521
Total crop acres	1024	999	1083	902	955
Number of farms	77	77	44	88	99

Net farm income is the profit (loss) remaining after all farm expenses, including depreciation and inventory changes have been recognized. The net farm income value is the return to unpaid operator management, labor and equity capital invested, as illustrated in Table 2. Net farm income in 2010 averaged \$162,911; and the median was \$94,467 with a standard deviation of \$219,997. This average somewhat obscures a very large range of net farm income values. As illustrated in the third page of Table 9, the farms in the top 25 percent of the net farm income distribution averaged \$268,114 while those in the bottom 25 percent averaged a negative \$36,201. The total difference across the averages of the top versus the bottom groups of farms is \$304,315.

Gross cash farm income averaged \$644,904 in 2010 (Table 2). The two largest components of these revenues were corn and soybeans sales, which averaged \$202,664 and \$136,560, respectively. Total government payments averaged \$22,886 per farm in 2010.

Average total cash expenses were \$502,021 in 2010 and average net cash farm income was \$142,882. The net inventory changes in 2010 were \$97,092 because of changes in prepaid expenses & supplies and crops & feed inventories, farms were building inventories. Depreciation and capital adjustments averaged a negative \$77,060. Net farm income of \$162,911 for 2010 was an exceptional year due to favorable prices.

**Table 2. Average  
Michigan Cash Grain Farm Income Statement, 2006-2010**

	2006	2007	2008	2009	2010
	(\$)	(\$)	(\$)	(\$)	(\$)
Gross cash farm income	493,631	567,604	738,595	625,000	644,904
<u>- Total cash expense</u>	<u>418,824</u>	<u>478,442</u>	<u>606,852</u>	<u>485,211</u>	<u>502,021</u>
= Net cash farm income	74,807	89,162	137,742	139,799	142,882
+ Inventory change*	53,116	75,614	90,109	-20,195	97,092
<u>+ Depreciation + capital adjustments*</u>	<u>-50,898</u>	<u>-49,902</u>	<u>-78,290</u>	<u>-69,197</u>	<u>-77,060</u>
= Net farm income	77,025	114,875	143,561	50,407	162,911

\* Changes calculated as ending values minus beginning value

Four key financial performance indicators are presented in Table 3. The rate of return on assets (ROA) is calculated as if the farm has no debt. ROA indicates the farm earnings, after subtracting out an allowance for unpaid operator labor and management. ROA provides the key summary performance indicator for the farm. By multiplying the operating profit margin by the asset turnover rate, the ROA is determined. The average ROA was 8.2 percent; the best year, over the last five.

The rate of return on equity (ROE) represents the farm earnings after interest payments which covers the cost of borrowed funds. In 2010, ROE was 9.6 percent indicating that profits were being made on borrowed money in 2010.

Operating profit margin (OPM) measures the dollars of profit generated per dollar of revenue. In 2010, Michigan cash grain farms generated 30.1 cents of profit per dollar of revenue. Asset turnover ratio (ATO) measures the efficiency with which farm assets generate revenue. In 2010, this ratio was 27.4 percent. All four profitability ratios indicated that 2010 was one of the better years in the past five years.

**Table 3. Average  
Michigan Cash Grain Farm Profitability Indicators, 2006-2010**

	2006	2007	2008	2009	2010
	(%)	(%)	(%)	(%)	(%)
Rate of return on assets*	6.9	9.0	7.5	3.7	8.2
Rate of return on equity	7.3	9.9	8.4	3.6	9.6
Operating profit margin	25.9	31.7	27.3	16.2	30.1
Asset turnover rate*	26.5	28.3	27.5	22.9	27.4

\* Assets valued at market value (rather than cost value).

### Results by Farm Size

To further facilitate financial comparisons and benchmarking, the financial summaries were categorized by cropped acres, Table 4. The smallest size category, 50 to 799 cropped acres, includes 48 farms. The medium size category, 800 to 1199 cropped acres, includes 18 farms. The largest size category, 1200 plus cropped acres, contains the remaining 31 farms.

**Table 4. Average  
2010 Michigan Cash Grain Farm Characteristics by Farm Size Category**

	50-799	800-1199	1200+
	Acres	Acres	Acres
Total acres owned	340	382	691
Total crop acres	396	854	1,839
Number of farms	48	18	31

Table 5 presents the average farm income statement by farm acreage size. The smallest farms returned \$62,640; the medium farms \$121,157; and the largest farms \$338,818.

**Table 5. Average  
2010 Michigan Cash Grain Farm Income Statement by Size**

	50-799	800-1199	1200+
	Acres	Acres	Acres
	(\$)	(\$)	(\$)
Gross cash farm income	209,188	636,629	1,342,129
- Total cash expense	<u>156,188</u>	<u>481,178</u>	<u>1,066,808</u>
= Net cash farm income	53,000	155,451	275,321
+ Inventory change*	27,473	68,364	227,533
+ Depreciation and capital adjustments*	<u>-17,834</u>	<u>-92,658</u>	<u>-164,028</u>
= Net farm income	62,640	121,157	338,818

\* Changes calculated as ending values minus beginning value



Table 6 compares profitability measures across farm sizes with assets valued at cost. The larger-sized farms (1200 + acres) had the most positive financial profitability indicators: the highest ROA, ROE, OPM and ATO; at 13.7 percent, 25.5 percent, 22.4 percent and 61.1 percent, respectively.

**Table 6. Average  
2010 Michigan Cash Grain Farm Profitability Indicators by Size**

	50-799 Acres	800-1199 Acres	1200+ Acres
	(Percent)		
Rate of return on assets*	8.6	11.1	13.7
Rate of return on equity	10.7	20.2	25.5
Operating profit margin	22.1	17.8	22.4
Asset turnover rate*	39.0	62.3	61.1

\* Assets valued at **cost** value (rather than market).

Table 7 compares profitability measures across farm sizes with assets valued at market. The market value approach includes the impact of price appreciation (inflation) of the asset base (land primarily) as a form of income. Financial performance indicators like ROA can be looked upon in this comparison as the “opportunity cost” of farming versus alternative investments. Market value for assets is more appropriate when comparing across different farms (while cost is more appropriate to compare the same farm across time). The largest-sized farms had the highest ROA, ROE, OPM and ATO in 2010.

**Table 7. Average  
2010 Michigan Cash Grain Farm Profitability Indicators by Size**

	50-799 Acres	800-1199 Acres	1200+ Acres
	(Percent)		
Rate of return on assets*	3.9	8.2	10.3
Rate of return on equity	3.9	9.3	12.9
Operating profit margin	22.3	30.4	32.0
Asset turnover rate*	17.6	27.0	32.3

\*Assets valued at **market** value (rather than cost).

The details in deriving these profitability measures are provided in the following pages. For all farms, the data is shown in Section A, page9, Tables 8 to 19. The data for the smallest sized farms starts in Section B, page 23, Tables 20 to 31. The data for the mid-sized farms starts in section C, page 37, Tables 32 to 43. The data for the largest size category of farms starts in section D, page 51, Tables 44 to 55.

A) Average of 99 Cash Grain Farms, All Farms

Table 8 Crop Production and Marketing Summary			
<b>2010 MI Cash Grain (All Farms)</b>			
(Farms Sorted By Rate of Return on Assets - Mkt)			
	Avg. Of All Farms	Low 25%	High 25%
Number of farms	99	24	25
Acreage Summary			
Total acres owned	521	435	536
Total crop acres	955	498	1,276
Crop acres owned	478	326	542
Crop acres cash rented	458	172	707
Crop acres share rented	19	-	27
Total pasture acres	4	8	8
Percent crop acres owned	50 %	65 %	42 %
Average Price Received (Cash Sales Only)			
Corn per bushel	4.07	3.85	4.20
Soybeans per bushel	10.13	9.94	10.06
Wheat, Winter per bushel	5.25	4.82	5.31
Straw per ton	6.64	-	-
Corn, Seed per bushel	3.79	-	-
Hay, Mixed per ton	95.67	-	-
Average Yield Per Acre			
Soybeans (bushel)	56.94	-	58.87
Corn (bushel)	163.16	-	178.94
Wheat, Winter (bushel)	56.66	-	57.25
Hay, Alfalfa (ton)	4.35	-	4.35

Table 9

## Farm Income Statement

**2010 MI Cash Grain (All Farms)**

(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	99	24	25
Cash Farm Income			
Beans, Dark Red Kidney	405	-	-
Beans, Green	1,727	-	6,839
Beans, Light Red Kidney	6,208	-	24,585
Beans, Navy	5,262	656	4,450
Corn	202,664	63,043	344,112
Corn Silage	1,971	7,262	-
Corn, Seed	30,863	-	28,573
Cucumbers	3,951	-	10,193
Hay, Alfalfa	2,046	3,396	442
Hay, Mixed	1,789	874	3,442
Haylage, Mixed	368	-	-
Oats	217	548	-
Potatoes	11,239	22,865	20,486
Soybeans	136,560	54,989	210,226
Straw	1,258	299	1,732
Sugar Beets	12,754	4,486	41,494
Sweet Corn, Processing	367	1,513	-
Wheat, Winter	29,968	14,423	36,134
Beef Bulls	1,155	-	256
Beef Cow-Calf, Beef Calves	4,005	1,942	3,022
Beef Replacement Heifers	299	1,234	-
Beef Finishing	8,426	6,838	3,320
Beef Yearlings	13,642	-	54,022
Dairy, Milk	493	-	-
Dairy Heifers (for sale)	332	1,368	-
Dairy Replacement Heifers	2,144	-	-
Dairy Finishing	1,091	1,141	16
Hogs, Farrow To Finish, Raised Ho	31,772	90,377	13,554
Hogs, Feeder Pig Prod, Feeder Pig	430	1,434	36
Hogs, Finish Feeder Pigs	17,747	-	1,832
Sheep, Market Lamb Prod, Mkt Lamb	4,181	-	2,338
Beef Finish Cull Cows	388	1,602	-
Hogs, Weaning to Finish	1,899	-	-
Dairy Feeder	140	576	-
User Added Livestock, User Added	2,427	-	-
Cull breeding livestock	5,298	8,860	1,060
Misc. livestock income	1,782	6,661	46
Direct & CC govt payments	3,373	7,014	4,613
CRP payments	259	-	-
Other government payments	19,254	4,017	25,583
Custom work income	40,601	4,754	38,026
Patronage dividends, cash	1,382	1,228	1,248
Insurance income	15,354	1,609	8,704
Sale of resale items	3,081	-	-
Contract livestock income	203	-	-
Other farm income	14,130	12,922	15,320
Gross Cash Farm Income	644,904	327,931	905,702

Table 9

## Farm Income Statement (Continued)

**2010 MI Cash Grain (All Farms)**

(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	99	24	25
<b>Cash Farm Expense</b>			
Seed	55,916	24,819	77,698
Fertilizer	85,471	41,991	129,486
Crop chemicals	28,320	12,232	48,781
Crop insurance	6,553	1,635	9,679
Drying expense	3,017	2,300	4,189
Storage	322	291	995
Irrigation energy	839	-	2,056
Crop utilities	451	-	-
Hauling and trucking	506	697	1,198
Crop marketing	1,785	262	3,369
Crop miscellaneous	2,750	299	3,738
Feeder livestock purchase	20,230	1,643	36,487
Purchased feed	25,532	41,978	12,787
Breeding fees	594	1,410	223
Veterinary	2,624	4,278	845
Livestock supplies	1,779	1,343	789
Livestock hired labor	798	-	-
Livestock marketing	873	542	475
Interest	25,037	13,197	29,885
Packaging and supplies	185	220	200
Supplies	2,354	932	5,136
Fuel & oil	28,386	18,952	31,691
Repairs	37,912	17,219	50,998
Repair, machinery	1,302	1,373	1,526
Custom hire	21,874	17,830	29,196
Repair, buildings	193	214	98
Hired labor	31,152	26,792	35,078
Land rent	57,194	22,196	86,084
Machinery leases	4,332	1,991	6,211
Real estate taxes	8,684	9,624	6,678
Personal property taxes	196	636	32
Farm insurance	13,455	7,562	11,855
Utilities	11,523	8,691	12,908
Dues & professional fees	4,543	4,046	3,460
Miscellaneous	15,339	6,799	15,531
Total cash expense	502,021	293,996	659,365
Net cash farm income	142,882	33,935	246,336
<b>Inventory Changes</b>			
Prepays and supplies	10,473	1,928	18,613
Accounts receivable	-10,125	1,179	-6,215
Hedging accounts	-1,053	-847	-4,240
Other current assets	-1,280	-88	1,468
Crops and feed	91,697	-19,466	111,650
Market livestock	10,279	-8,714	9,863
Breeding livestock	-3,823	-5,089	-272

Other assets	-237	-622	882
Accounts payable	1,999	5,624	-601
Accrued interest	-837	-1,648	-525
Total inventory change	97,092	-27,743	130,622
Net operating profit	239,974	6,192	376,959
Depreciation			
Machinery and equipment	-63,146	-35,768	-85,143
Titled vehicles	269	-69	803
Buildings and improvements	-14,183	-6,556	-24,495
Total depreciation	-77,060	-42,393	-108,835
Net farm income from operations	162,914	-36,201	268,124
Gain or loss on capital sales	-3	-	-10
Net farm income	162,911	-36,201	268,114

Table 10

**Inventory Changes**  
**2010 MI Cash Grain (All Farms)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	99	24	25
Net cash farm income	142,882	33,935	246,336
<b>Crops and Feed</b>			
Ending inventory	390,308	109,555	474,140
Beginning inventory	298,612	129,021	362,490
Inventory change	91,697	-19,466	111,650
<b>Market Livestock</b>			
Ending inventory	50,582	24,208	48,508
Beginning inventory	40,303	32,922	38,645
Inventory change	10,279	-8,714	9,863
<b>Accts Receivable</b>			
Ending inventory	11,744	6,010	4,146
Beginning inventory	21,869	4,832	10,361
Inventory change	-10,125	1,179	-6,215
<b>Prepaid Expenses and Supplies</b>			
Ending inventory	75,786	23,737	111,477
Beginning inventory	65,313	21,808	92,864
Inventory change	10,473	1,928	18,613
<b>Hedging Activities</b>			
Ending inventory	3,515	800	1,602
Withdrawals	-1,786	-261	-2,153
Beginning inventory	2,406	1,083	2,741
Deposits	375	302	947
Gain or loss	-1,053	-847	-4,240
<b>Other Current Assets</b>			
Ending inventory	11,750	8,440	13,450
Beginning inventory	13,031	8,527	11,982
Inventory change	-1,280	-88	1,468
<b>Breeding Livestock</b>			
Ending inventory	28,179	26,923	4,523
Capital sales	414	57	170
Beginning inventory	31,381	31,071	4,688
Capital purchases	1,035	998	277
Depreciation, capital adjust	-3,823	-5,089	-272
<b>Other Capital Assets</b>			
Ending inventory	32,176	10,042	35,030
Capital sales	3,383	36	6,923
Beginning inventory	24,397	10,475	25,092
Capital purchases	11,399	224	15,979
Depreciation, capital adjust	-237	-622	882
<b>Accounts Payable</b>			
Beginning inventory	31,809	8,790	56,565
Ending inventory	29,810	3,166	57,167
Inventory change	1,999	5,624	-601
<b>Accrued Interest</b>			
Beginning inventory	5,649	473	3,187
Ending inventory	6,486	2,120	3,713
Inventory change	-837	-1,648	-525
Total inventory change	97,092	-27,743	130,622
Net operating profit	239,974	6,192	376,959

Table 11

Depreciation  
**2010 MI Cash Grain (All Farms)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	99	24	25
Net operating profit	239,974	6,192	376,959
Machinery and Equipment			
Ending inventory	168,125	132,767	229,222
Capital sales	11,291	4,042	28,087
Beginning inventory	150,273	135,850	182,089
Capital purchases	92,289	36,726	160,363
Depreciation, capital adjust.	-63,146	-35,768	-85,143
Titled Vehicles			
Ending inventory	1,703	1,500	4,789
Capital sales	-	-	-
Beginning inventory	1,291	979	3,986
Capital purchases	143	589	-
Depreciation, capital adjust.	269	-69	803
Buildings and Improvements			
Ending inventory	70,386	61,111	59,463
Capital sales	546	-	-
Beginning inventory	67,430	57,257	64,032
Capital purchases	17,685	10,410	19,926
Depreciation, capital adjust.	-14,183	-6,556	-24,495
Total depreciation, capital adj.	-77,060	-42,393	-108,835
Net farm income from operations	162,914	-36,201	268,124
Gain or loss on capital sales	-3	-	-10
Net farm income	162,911	-36,201	268,114

Table 12

Profitability Measures  
**2010 MI Cash Grain (All Farms)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	99	24	25
Profitability (assets valued at cost)			
Net farm income from operations	162,914	-36,201	268,124
Rate of return on assets	12.1 %	-5.3 %	18.6 %
Rate of return on equity	20.0 %	-11.8 %	34.4 %
Operating profit margin	21.6 %	-17.4 %	25.6 %
Asset turnover rate	55.9 %	30.2 %	72.5 %
Farm interest expense	25,874	14,845	30,411
Value of operator lbr and mgmt.	41,292	22,376	50,292
Return on farm assets	147,496	-43,732	248,243
Average farm assets	1,222,714	829,116	1,334,656
Return on farm equity	121,622	-58,577	217,832
Average farm equity	609,127	494,828	634,040
Value of farm production	683,312	250,750	968,272
	Avg. Of All Farms	Low 25%	High 25%
Number of farms	99	24	25
Profitability (assets valued at market)			
Net farm income from operations	221,154	-63,436	443,239
Rate of return on assets	8.2 %	-3.7 %	17.0 %
Rate of return on equity	9.6 %	-5.3 %	22.0 %
Operating profit margin	30.1 %	-28.3 %	43.7 %
Asset turnover rate	27.4 %	12.9 %	38.9 %
Farm interest expense	25,874	14,845	30,411
Value of operator lbr and mgmt.	41,292	22,376	50,292
Return on farm assets	205,736	-70,967	423,358
Average farm assets	2,495,654	1,940,643	2,489,850
Return on farm equity	179,862	-85,812	392,947
Average farm equity	1,871,183	1,606,299	1,789,180
Value of farm production	683,312	250,750	968,272



Table 13

Liquidity & Repayment Capacity Measures  
**2010 MI Cash Grain (All Farms)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	99	24	25
Liquidity			
Current ratio	2.83	3.12	3.27
Working capital	378,650	149,274	478,229
Working capital to gross inc	51.9 %	50.7 %	47.0 %
Current assets	585,159	219,566	688,819
Current liabilities	206,509	70,293	210,590
Gross revenues (accrual)	729,074	294,371	1,017,546
Repayment capacity			
Net farm income from operations	162,914	-36,201	268,124
Depreciation	77,060	42,393	108,835
Personal income	22,652	30,333	8,269
Family living/owner withdrawals	-53,219	-37,089	-57,704
Payments on personal debt	-1,538	-70	-1,308
Income taxes paid	-6,220	-3,453	-9,178
Interest on term debt	21,308	12,297	30,394
Capital debt repayment capacity	222,957	8,210	347,431
Scheduled term debt payments	-59,152	-34,714	-62,436
Capital debt repayment margin	163,805	-26,504	284,995
Cash replacement allowance	-28,769	-19,440	-40,579
Replacement margin	135,036	-45,943	244,416
Term debt coverage ratio	3.77	0.24	5.56
Replacement coverage ratio	2.54	0.15	3.37

Table 14

Balance Sheet at Cost Values  
**2010 MI Cash Grain (All Farms)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms		Low 25%		High 25%	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Number of farms	99		24		25	
<b>Assets</b>						
<b>Current Farm Assets</b>						
Cash and checking balance	35,459	41,475	51,516	46,817	37,381	35,497
Prepaid expenses & supplies	65,313	75,786	21,808	23,737	92,864	111,477
Growing crops	9,837	11,124	8,527	8,440	11,818	13,110
Accounts receivable	21,869	11,744	4,832	6,010	10,361	4,146
Hedging accounts	2,406	3,515	1,083	800	2,741	1,602
Crops held for sale or feed	298,612	390,308	129,021	109,555	362,490	474,140
Crops under government loan	0	0	0	0	0	0
Market livestock held for sale	40,303	50,582	32,922	24,208	38,645	48,508
Other current assets	3,193	626	0	0	164	340
<b>Total current farm assets</b>	<b>476,992</b>	<b>585,159</b>	<b>249,710</b>	<b>219,566</b>	<b>556,464</b>	<b>688,819</b>
<b>Intermediate Farm Assets</b>						
Breeding livestock	31,381	28,179	31,071	26,923	4,688	4,523
Machinery and equipment	150,273	168,125	135,850	132,767	182,089	229,222
Titled vehicles	1,291	1,703	979	1,500	3,986	4,789
Other intermediate assets	14,486	18,031	7,284	6,876	21,532	30,444
<b>Total intermediate farm assets</b>	<b>197,431</b>	<b>216,038</b>	<b>175,185</b>	<b>168,065</b>	<b>212,295</b>	<b>268,978</b>
<b>Long Term Farm Assets</b>						
Farm land	393,383	414,553	355,290	365,690	396,092	415,021
Buildings and improvements	67,430	70,386	57,257	61,111	64,032	59,463
Other long-term assets	9,911	14,145	3,191	3,166	3,560	4,586
<b>Total long-term farm assets</b>	<b>470,723</b>	<b>499,084</b>	<b>415,739</b>	<b>429,967</b>	<b>463,684</b>	<b>479,071</b>
<b>Total Farm Assets</b>	<b>1,145,146</b>	<b>1,300,281</b>	<b>840,633</b>	<b>817,599</b>	<b>1,232,443</b>	<b>1,436,868</b>
<b>Total Nonfarm Assets</b>	<b>206,456</b>	<b>221,464</b>	<b>224,875</b>	<b>227,371</b>	<b>97,744</b>	<b>103,761</b>
<b>Total Assets</b>	<b>1,351,602</b>	<b>1,521,746</b>	<b>1,065,508</b>	<b>1,044,969</b>	<b>1,330,187</b>	<b>1,540,629</b>
<b>Liabilities</b>						
<b>Current Farm Liabilities</b>						
Accrued interest	5,649	6,486	473	2,120	3,187	3,713
Accounts payable	31,809	29,810	8,790	3,166	56,565	57,167
Current notes	124,539	129,319	49,430	47,020	105,064	113,742
Government crop loans	0	0	0	0	0	0
Principal due on term debt	37,897	40,894	22,417	17,987	32,042	35,969
<b>Total current farm liabilities</b>	<b>199,893</b>	<b>206,509</b>	<b>81,110</b>	<b>70,293</b>	<b>196,858</b>	<b>210,590</b>
<b>Total intermediate farm liabs</b>	<b>94,384</b>	<b>100,365</b>	<b>44,748</b>	<b>66,519</b>	<b>135,014</b>	<b>139,278</b>
<b>Total long term farm liabilities</b>	<b>298,069</b>	<b>327,953</b>	<b>202,444</b>	<b>203,463</b>	<b>340,090</b>	<b>379,402</b>
<b>Total farm liabilities</b>	<b>592,346</b>	<b>634,828</b>	<b>328,302</b>	<b>340,274</b>	<b>671,962</b>	<b>729,270</b>
<b>Total nonfarm liabilities</b>	<b>16,982</b>	<b>17,110</b>	<b>70</b>	<b>0</b>	<b>21,494</b>	<b>21,665</b>
<b>Total liabilities</b>	<b>609,328</b>	<b>651,937</b>	<b>328,371</b>	<b>340,274</b>	<b>693,456</b>	<b>750,935</b>
<b>Net worth (farm and nonfarm)</b>	<b>742,274</b>	<b>869,808</b>	<b>737,137</b>	<b>704,695</b>	<b>636,731</b>	<b>789,694</b>
Net worth change		127,534		-32,442		152,963
Percent net worth change		17 %		-4 %		24 %
<b>Ratio Analysis</b>						
Current farm liabilities / assets	42 %	35 %	32 %	32 %	35 %	31 %
Intermediate farm liab. / assets	48 %	46 %	26 %	40 %	64 %	52 %
Long term farm liab. / assets	63 %	66 %	49 %	47 %	73 %	79 %
Total debt to asset ratio	45 %	43 %	31 %	33 %	52 %	49 %

Table 15

Balance Sheet at Market Values  
**2010 MI Cash Grain (All Farms)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms		Low 25%		High 25%	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Number of farms	99		24		25	
<b>Assets</b>						
<b>Current Farm Assets</b>						
Cash and checking balance	35,459	41,475	51,516	46,817	37,381	35,497
Prepaid expenses & supplies	65,313	75,786	21,808	23,737	92,864	111,477
Growing crops	9,837	11,124	8,527	8,440	11,818	13,110
Accounts receivable	21,869	11,744	4,832	6,010	10,361	4,146
Hedging accounts	2,406	3,515	1,083	800	2,741	1,602
Crops held for sale or feed	298,612	390,308	129,021	109,555	362,490	474,140
Crops under government loan	0	0	0	0	0	0
Market livestock held for sale	40,303	50,582	32,922	24,208	38,645	48,508
Other current assets	3,193	626	0	0	164	340
Total current farm assets	476,992	585,159	249,710	219,566	556,464	688,819
<b>Intermediate Farm Assets</b>						
Breeding livestock	32,021	28,691	32,663	27,734	5,575	5,384
Machinery and equipment	492,154	526,450	304,218	281,188	595,056	702,314
Titled vehicles	9,798	11,300	3,375	4,313	14,645	19,579
Other intermediate assets	15,026	19,328	7,243	7,209	21,529	30,444
Total intermediate farm assets	548,999	585,769	347,498	320,443	636,805	757,722
<b>Long Term Farm Assets</b>						
Farm land	1,187,372	1,238,064	1,215,602	1,213,921	958,047	1,064,445
Buildings and improvements	153,849	167,922	148,953	157,553	100,611	117,707
Other long-term assets	21,196	25,985	4,015	4,024	48,153	50,926
Total long-term farm assets	1,362,417	1,431,971	1,368,570	1,375,498	1,106,811	1,233,078
Total Farm Assets	2,388,408	2,602,900	1,965,778	1,915,507	2,300,080	2,679,619
Total Nonfarm Assets	335,348	365,784	413,747	436,884	126,228	139,455
Total Assets	2,723,756	2,968,684	2,379,525	2,352,391	2,426,308	2,819,074
<b>Liabilities</b>						
<b>Current Farm Liabilities</b>						
Accrued interest	5,649	6,486	473	2,120	3,187	3,713
Accounts payable	31,809	29,810	8,790	3,166	56,565	57,167
Current notes	124,539	129,319	49,430	47,020	105,064	113,742
Government crop loans	0	0	0	0	0	0
Principal due on term debt	37,897	40,894	22,417	17,987	32,042	35,969
Total current farm liabilities	199,893	206,509	81,110	70,293	196,858	210,590
Total intermediate farm liabs	94,384	100,365	44,748	66,519	135,014	139,278
Total long term farm liabilities	298,069	327,953	202,444	203,463	340,090	379,402
Total farm liabilities	592,346	634,828	328,302	340,274	671,962	729,270
Total nonfarm liabilities	16,982	17,110	70	0	21,494	21,665
Total liabs excluding deferreds	609,328	651,937	328,371	340,274	693,456	750,935
Total deferred liabilities	10,327	11,553	56	55	54	52
Total liabilities	619,656	663,491	328,427	340,329	693,510	750,987
Retained earnings	742,274	869,808	737,137	704,695	636,731	789,694
Market valuation equity	1,361,827	1,435,385	1,313,961	1,307,367	1,096,067	1,278,392
Net worth (farm and nonfarm)	2,104,101	2,305,193	2,051,098	2,012,062	1,732,798	2,068,086
Net worth excluding deferreds	2,114,428	2,316,747	2,051,154	2,012,117	1,732,852	2,068,139
Net worth change		201,092		-39,036		335,288
Percent net worth change		10 %		-2 %		19 %
<b>Ratio Analysis</b>						
Current farm liabilities / assets	42 %	35 %	32 %	32 %	35 %	31 %
Intermediate farm liab. / assets	17 %	17 %	13 %	21 %	21 %	18 %
Long term farm liab. / assets	22 %	23 %	15 %	15 %	31 %	31 %
Total debt to asset ratio	23 %	22 %	14 %	14 %	29 %	27 %
Debt to assets excl deferreds	22 %	22 %	14 %	14 %	29 %	27 %

Table 16

Statement Of Cash Flows  
**2010 MI Cash Grain (All Farms)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	99	24	25
Beginning cash (farm & nonfarm)	38,319	55,507	37,381
Cash Provided By Operating Activities			
Gross cash farm income	644,904	327,931	905,702
Total cash farm expense	-502,021	-293,996	-659,365
Net cash from hedging transactions	-2,161	-564	-3,101
Cash provided by operating	140,721	33,371	243,236
Cash Provided By Investing Activities			
Sale of breeding livestock	414	57	170
Sale of machinery & equipment	11,269	4,042	28,077
Sale of titled vehicles	-	-	-
Sale of farm land	8,096	-	4,860
Sale of farm buildings	546	-	-
Sale of other farm assets	3,383	36	6,923
Sale of nonfarm assets	4,646	3,122	-
Purchase of breeding livestock	-1,035	-998	-277
Purchase of machinery & equip.	-92,289	-36,726	-160,363
Purchase of titled vehicles	-143	-589	-
Purchase of farm land	-37,716	-11,783	-45,957
Purchase of farm buildings	-17,685	-10,410	-19,926
Purchase of other farm assets	-11,399	-224	-15,979
Purchase of nonfarm assets	-6,145	-500	-9,900
Cash provided by investing	-138,059	-53,974	-212,371
Cash Provided By Financing Activities			
Money borrowed	255,149	136,755	313,024
Principal payments	-211,099	-120,875	-252,923
Personal income	22,652	30,333	8,269
Family living/owner withdrawals	-53,219	-37,089	-57,704
Income and social security tax	-6,220	-3,453	-9,178
Capital contributions	1,234	1,306	-52
Capital distributions	-9,163	-1,136	-34,391
Dividends paid	-	-	-
Cash gifts and inheritances	6,497	12,014	207
Gifts given	-2,439	-	-
Other cash flows	-	-	-
Cash provided by financing	3,391	17,854	-32,749
Net change in cash balance	6,053	-2,748	-1,885
Ending cash (farm & nonfarm)	44,372	52,759	35,497

Table 17

Financial Standards Measures  
**2010 MI Cash Grain (All Farms)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	99	24	25
Liquidity			
Current ratio	2.83	3.12	3.27
Working capital	378,650	149,274	478,229
Working capital to gross inc	51.9 %	50.7 %	47.0 %
Solvency (market)			
Farm debt to asset ratio	25 %	18 %	27 %
Farm equity to asset ratio	75 %	82 %	73 %
Farm debt to equity ratio	0.33	0.22	0.37
Profitability (cost)			
Rate of return on farm assets	12.1 %	-5.3 %	18.6 %
Rate of return on farm equity	20.0 %	-11.8 %	34.4 %
Operating profit margin	21.6 %	-17.4 %	25.6 %
Net farm income	162,911	-36,201	268,114
EBIDTA	265,848	21,037	407,369
Repayment Capacity			
Capital debt repayment capacity	222,957	8,210	347,431
Capital debt repayment margin	163,805	-26,504	284,995
Replacement margin	135,036	-45,943	244,416
Term debt coverage ratio	3.77	0.24	5.56
Replacement coverage ratio	2.54	0.15	3.37
Efficiency			
Asset turnover rate (cost)	55.9 %	30.2 %	72.5 %
Operating expense ratio	63.5 %	92.9 %	60.0 %
Depreciation expense ratio	10.6 %	14.4 %	10.7 %
Interest expense ratio	3.4 %	4.5 %	2.9 %
Net farm income ratio	22.3 %	-12.3 %	26.3 %

Table 18

Operator and Labor Information  
**2010 MI Cash Grain (All Farms)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	99	24	25
Operator Information			
Average number of operators	1.3	1.2	1.3
Average age of operators	54.7	57.1	52.5
Average number of years farming	30.2	30.1	28.8
Results Per Operator			
Working capital	283,988	127,949	362,295
Total assets (market)	2,226,513	2,016,335	2,135,662
Total liabilities	497,618	291,711	568,930
Net worth (market)	1,728,895	1,724,625	1,566,732
Net worth excl deferred liabs	1,737,560	1,724,671	1,566,772
Gross farm income	546,805	252,318	770,868
Total farm expense	424,620	283,348	567,744
Net farm income from operations	122,185	-31,029	203,124
Net nonfarm income	16,989	26,000	6,265
Family living & tax withdrawals	44,579	34,750	50,669
Total acres owned	390.5	372.8	405.8
Total crop acres	716.2	426.8	966.9
Crop acres owned	358.5	279.3	410.9
Crop acres cash rented	343.4	147.5	535.4
Crop acres share rented	14.3	-	20.6
Total pasture acres	3.2	6.4	5.9
Labor Analysis			
Number of farms	99	24	25
Total unpaid labor hours	2,698	1,896	2,799
Total hired labor hours	1,927	1,449	1,357
Total labor hours per farm	4,625	3,345	4,157
Unpaid hours per operator	2,023	1,625	2,121
Value of farm production / hour	147.73	74.96	232.95
Net farm income / unpaid hour	60.39	-19.09	95.79
Average hourly hired labor wage	17.02	19.19	27.66
Partnerships & LLCs			
Number of farms	28	5	7
Number of operators	2.0	1.8	1.9
Owner withdrawals per farm	84,323	-	-
Withdrawals per operator	49,189	-	-

Table 19

Financial Summary  
**2010 MI Cash Grain (All Farms)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	99	24	25
Income Statement			
Gross cash farm income	644,904	327,931	905,702
Total cash farm expense	502,021	293,996	659,365
Net cash farm income	142,882	33,935	246,336
Inventory change	97,092	-27,743	130,622
Depreciation	-77,060	-42,393	-108,835
Net farm income from operations	162,914	-36,201	268,124
Gain or loss on capital sales	-3	-	-10
Average net farm income	162,911	-36,201	268,114
Median net farm income	94,467	-8,598	247,906
Profitability (cost)			
Rate of return on assets	12.1 %	-5.3 %	18.6 %
Rate of return on equity	20.0 %	-11.8 %	34.4 %
Operating profit margin	21.6 %	-17.4 %	25.6 %
Asset turnover rate	55.9 %	30.2 %	72.5 %
Profitability (market)			
Rate of return on assets	8.2 %	-3.7 %	17.0 %
Rate of return on equity	9.6 %	-5.3 %	22.0 %
Operating profit margin	30.1 %	-28.3 %	43.7 %
Asset turnover rate	27.4 %	12.9 %	38.9 %
Liquidity & Repayment (end of year)			
Current assets	585,159	219,566	688,819
Current liabilities	206,509	70,293	210,590
Current ratio	2.83	3.12	3.27
Working capital	378,650	149,274	478,229
Working capital to gross inc	51.9 %	50.7 %	47.0 %
Term debt coverage ratio	3.77	0.24	5.56
Replacement coverage ratio	2.54	0.15	3.37
Solvency (end of year at cost)			
Number of farms	99	24	25
Total farm assets	1,300,281	817,599	1,436,868
Total farm liabilities	634,828	340,274	729,270
Total assets	1,521,746	1,044,969	1,540,629
Total liabilities	651,937	340,274	750,935
Net worth	869,808	704,695	789,694
Net worth change	127,534	-32,442	152,963
Farm debt to asset ratio	49 %	42 %	51 %
Total debt to asset ratio	43 %	33 %	49 %
Solvency (end of year at market)			
Number of farms	99	24	25
Total farm assets	2,602,900	1,915,507	2,679,619
Total farm liabilities	646,269	340,329	729,322
Total assets	2,968,684	2,352,391	2,819,074
Total liabilities	663,491	340,329	750,987
Net worth	2,305,193	2,012,062	2,068,086
Net worth change	201,092	-39,036	335,288
Farm debt to asset ratio	25 %	18 %	27 %
Total debt to asset ratio	22 %	14 %	27 %
Nonfarm Information			
Net nonfarm income	22,652	30,333	8,269
Crop Acres			
Total acres owned	521	435	536
Total crop acres	955	498	1,276
Total crop acres owned	478	326	542
Total crop acres cash rented	458	172	707
Total crop acres share rented	19	-	27

B.) Average of 48 Cash Grain Farms, 50 to 799 Acre Farms

Table 20		Crop Production and Marketing Summary		
		<b>2010 MI Cash Grain (50-799 Acres)</b>		
		(Farms Sorted By Rate of Return on Assets - Mkt)		
	Avg. Of All Farms	Low 25%	High 25%	
Number of farms	48	11	13	
Acreage Summary				
Total acres owned	340	314	310	
Total crop acres	396	308	506	
Crop acres owned	237	206	232	
Crop acres cash rented	159	102	274	
Crop acres share rented	0	-	1	
Total pasture acres	9	3	15	
Percent crop acres owned	60 %	67 %	46 %	
Average Price Received (Cash Sales Only)				
Soybeans per bushel	10.01	9.41	10.21	
Corn per bushel	3.87	3.65	3.85	
Wheat, Winter per bushel	5.34	4.83	6.21	



Table 21

Farm Income Statement  
**2010 MI Cash Grain (50-799 Acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	48	11	13
Cash Farm Income			
Beans, Dark Red Kidney	835	-	-
Beans, Green	408	-	1,506
Beans, Navy	2,485	1,430	-
Corn	67,334	30,251	109,005
Corn Silage	367	-	-
Corn, Seed	2,881	-	8,230
Hay, Alfalfa	1,866	5,296	-
Hay, Mixed	2,327	1,622	2,473
Haylage, Mixed	574	-	-
Oats	181	397	-
Potatoes	1,079	-	-
Soybeans	54,082	26,167	107,755
Straw	443	115	95
Sugar Beets	4,997	9,788	10,169
Wheat, Winter	16,211	10,643	23,503
Beef Bulls	125	-	461
Beef Cow-Calf, Beef Calves	1,945	395	3,160
Beef Replacement Heifers	617	2,693	-
Beef Finishing	5,197	9,657	4,311
Broilers	34	149	-
Dairy Heifers (for sale)	684	2,986	-
Dairy Replacement Heifers	671	-	-
Dairy Finishing	579	1,933	31
Hogs, Farrow To Finish, Raised Ho	1,269	61	4,634
Sheep, Market Lamb Prod, Mkt Lamb	4,636	-	3,904
Beef Finish Cull Cows	801	3,495	-
Dairy Feeder	288	309	-
User Added Livestock, User Added	5,005	-	-
Cull breeding livestock	385	141	602
Misc. livestock income	167	-	65
Direct & CC govt payments	1,053	1,741	917
CRP payments	534	-	-
Other government payments	6,818	1,308	7,939
Custom work income	8,308	608	11,049
Patronage dividends, cash	568	131	998
Insurance income	4,535	480	5,976
Contract livestock income	125	-	-
Other farm income	8,774	5,457	5,002
Gross Cash Farm Income	209,188	117,254	311,783

Table 21

Farm Income Statement (Continued)  
**2010 MI Cash Grain (50-799 Acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	48	11	13
<b>Cash Farm Expense</b>			
Seed	21,490	6,533	34,622
Fertilizer	30,782	13,684	47,445
Crop chemicals	9,680	5,251	13,051
Crop insurance	1,852	594	3,339
Drying expense	694	210	1,728
Hauling and trucking	136	319	-
Crop marketing	434	272	270
Crop miscellaneous	853	320	1,509
Feeder livestock purchase	2,784	2,281	1,005
Purchased feed	3,446	2,638	4,650
Breeding fees	67	115	107
Veterinary	284	268	219
Livestock supplies	185	123	50
Livestock marketing	104	219	89
Interest	7,890	4,888	8,848
Packaging and supplies	369	424	384
Supplies	1,364	1,287	804
Fuel & oil	9,319	4,856	9,887
Repairs	10,988	5,525	14,350
Repair, machinery	1,481	2,081	2,934
Custom hire	8,469	8,943	12,738
Repair, buildings	158	-	189
Hired labor	7,233	4,440	9,395
Land rent	12,271	6,865	19,869
Machinery leases	2,826	1,051	4,471
Real estate taxes	6,432	4,414	5,000
Personal property taxes	342	1,368	49
Farm insurance	5,594	4,016	5,182
Utilities	4,188	2,097	5,706
Dues & professional fees	1,491	1,142	1,331
Miscellaneous	2,982	2,968	2,257
Total cash expense	156,188	89,195	211,479
Net cash farm income	53,000	28,059	100,304
<b>Inventory Changes</b>			
Prepays and supplies	5,983	-2,185	8,371
Accounts receivable	1,346	-184	-3,176
Hedging accounts	-630	-23	445
Other current assets	1,462	92	2,849
Crops and feed	19,661	-5,206	30,514
Market livestock	-142	-3,566	1,536
Breeding livestock	-1,353	-5,813	-567
Other assets	-919	-1,303	-1,588
Accounts payable	2,264	3,011	-335
Accrued interest	-199	145	341
Total inventory change	27,473	-15,032	38,390

Net operating profit	80,473	13,028	138,694
Depreciation			
Machinery and equipment	-11,432	-14,769	7,781
Titled vehicles	849	1,136	1,544
Buildings and improvements	-7,251	-4,921	-15,560
Total depreciation	-17,834	-18,554	-6,235
Net farm income from operations	62,640	-5,526	132,459
Gain or loss on capital sales	-	-	-
Net farm income	62,640	-5,526	132,459

Table 22

Inventory Changes  
**2010 MI Cash Grain (50-799 Acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	48	11	13
Net cash farm income	53,000	28,059	100,304
Crops and Feed			
Ending inventory	111,217	44,371	155,338
Beginning inventory	91,557	49,577	124,824
Inventory change	19,661	-5,206	30,514
Market Livestock			
Ending inventory	12,619	7,454	9,354
Beginning inventory	12,761	11,020	7,818
Inventory change	-142	-3,566	1,536
Accts Receivable			
Ending inventory	6,303	895	3,092
Beginning inventory	4,957	1,079	6,268
Inventory change	1,346	-184	-3,176
Prepaid Expenses and Supplies			
Ending inventory	23,505	8,235	33,665
Beginning inventory	17,523	10,419	25,294
Inventory change	5,983	-2,185	8,371
Hedging Activities			
Ending inventory	1,271	-	4,692
Withdrawals	-1,805	-	-4,077
Beginning inventory	45	-	-
Deposits	51	23	170
Gain or loss	-630	-23	445
Other Current Assets			
Ending inventory	8,836	5,366	10,494
Beginning inventory	7,373	5,274	7,645
Inventory change	1,462	92	2,849
Breeding Livestock			
Ending inventory	11,951	8,078	4,767
Capital sales	54	-	-
Beginning inventory	12,972	13,255	5,130
Capital purchases	386	636	204
Depreciation, capital adjust	-1,353	-5,813	-567
Other Capital Assets			
Ending inventory	15,510	10,880	18,419
Capital sales	2,794	79	9,740
Beginning inventory	13,540	11,928	10,295
Capital purchases	5,682	334	19,451
Depreciation, capital adjust	-919	-1,303	-1,588
Accounts Payable			
Beginning inventory	8,510	5,709	4,570
Ending inventory	6,245	2,698	4,906
Inventory change	2,264	3,011	-335
Accrued Interest			
Beginning inventory	1,324	188	2,243
Ending inventory	1,523	43	1,902
Inventory change	-199	145	341
Total inventory change	27,473	-15,032	38,390
Net operating profit	80,473	13,028	138,694

Table 23

Depreciation  
**2010 MI Cash Grain (50-799 Acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	48	11	13
Net operating profit	80,473	13,028	138,694
Machinery and Equipment			
Ending inventory	78,161	28,860	71,575
Capital sales	14,788	4,808	45,613
Beginning inventory	74,108	35,174	53,742
Capital purchases	30,274	13,262	55,665
Depreciation, capital adjust.	-11,432	-14,769	7,781
Titled Vehicles			
Ending inventory	3,453	3,273	9,210
Capital sales	-	-	-
Beginning inventory	2,603	2,136	7,665
Capital purchases	-	-	-
Depreciation, capital adjust.	849	1,136	1,544
Buildings and Improvements			
Ending inventory	43,750	75,894	18,485
Capital sales	-	-	-
Beginning inventory	41,297	68,489	18,703
Capital purchases	9,705	12,326	15,342
Depreciation, capital adjust.	-7,251	-4,921	-15,560
Total depreciation, capital adj.	-17,834	-18,554	-6,235
Net farm income from operations	62,640	-5,526	132,459
Gain or loss on capital sales	-	-	-
Net farm income	62,640	-5,526	132,459

Table 24

Profitability Measures  
**2010 MI Cash Grain (50-799 Acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	48	11	13
Profitability (assets valued at cost)			
Net farm income from operations	62,640	-5,526	132,459
Rate of return on assets	8.6 %	-3.6 %	18.6 %
Rate of return on equity	10.7 %	-5.9 %	24.4 %
Operating profit margin	22.1 %	-17.0 %	33.9 %
Asset turnover rate	39.0 %	21.3 %	55.0 %
Farm interest expense	8,089	4,743	8,507
Value of operator lbr and mgmt.	21,933	15,545	27,942
Return on farm assets	48,796	-16,328	113,024
Average farm assets	567,618	452,266	606,053
Return on farm equity	40,707	-21,071	104,517
Average farm equity	381,198	355,813	427,802
Value of farm production	221,108	96,240	333,631
	Avg. Of All Farms	Low 25%	High 25%
Number of farms	48	11	13
Profitability (assets valued at market)			
Net farm income from operations	63,045	-93,735	192,581
Rate of return on assets	3.9 %	-9.6 %	15.9 %
Rate of return on equity	3.9 %	-11.0 %	18.0 %
Operating profit margin	22.3 %	-108.6 %	51.9 %
Asset turnover rate	17.6 %	8.8 %	30.6 %
Farm interest expense	8,089	4,743	8,507
Value of operator lbr and mgmt.	21,933	15,545	27,942
Return on farm assets	49,201	-104,538	173,146
Average farm assets	1,255,015	1,094,569	1,091,037
Return on farm equity	41,112	-109,281	164,639
Average farm equity	1,046,148	997,996	912,684
Value of farm production	221,108	96,240	333,631

Table 25

Liquidity & Repayment Capacity Measures  
**2010 MI Cash Grain (50-799 Acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	48	11	13
Liquidity			
Current ratio	3.84	4.33	4.17
Working capital	149,049	91,969	211,043
Working capital to gross inc	65.6 %	90.9 %	62.2 %
Current assets	201,454	119,598	277,519
Current liabilities	52,405	27,629	66,475
Gross revenues (accrual)	227,338	101,159	339,286
Repayment capacity			
Net farm income from operations	62,640	-5,526	132,459
Depreciation	17,834	18,554	6,235
Personal income	20,854	19,574	17,193
Family living/owner withdrawals	-28,616	-25,105	-23,084
Payments on personal debt	-1,594	-152	-3,072
Income taxes paid	-2,341	-1,069	-3,304
Interest on term debt	5,834	3,935	6,458
Capital debt repayment capacity	74,610	10,211	132,885
Scheduled term debt payments	-16,449	-9,107	-17,551
Capital debt repayment margin	58,161	1,104	115,334
Cash replacement allowance	-13,937	-12,256	-12,199
Replacement margin	44,224	-11,153	103,135
Term debt coverage ratio	4.54	1.12	7.57
Replacement coverage ratio	2.46	0.48	4.47

Table 26

Balance Sheet at Cost Values  
**2010 MI Cash Grain (50-799 Acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms		Low 25%		High 25%	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Number of farms	48		11		13	
<b>Assets</b>						
<b>Current Farm Assets</b>						
Cash and checking balance	34,253	37,703	48,642	53,277	54,191	60,885
Prepaid expenses & supplies	17,523	23,505	10,419	8,235	25,294	33,665
Growing crops	7,080	8,354	5,274	5,366	7,568	10,079
Accounts receivable	4,957	6,303	1,079	895	6,268	3,092
Hedging accounts	45	1,271	0	0	0	4,692
Crops held for sale or feed	91,557	111,217	49,577	44,371	124,824	155,338
Crops under government loan	0	0	0	0	0	0
Market livestock held for sale	12,761	12,619	11,020	7,454	7,818	9,354
Other current assets	293	481	0	0	77	415
<b>Total current farm assets</b>	<b>168,469</b>	<b>201,454</b>	<b>126,011</b>	<b>119,598</b>	<b>226,039</b>	<b>277,519</b>
<b>Intermediate Farm Assets</b>						
Breeding livestock	12,972	11,951	13,255	8,078	5,130	4,767
Machinery and equipment	74,108	78,161	35,174	28,860	53,742	71,575
Titled vehicles	2,603	3,453	2,136	3,273	7,665	9,210
Other intermediate assets	6,141	8,138	9,354	8,459	10,269	18,419
<b>Total intermediate farm assets</b>	<b>95,824</b>	<b>101,702</b>	<b>59,920</b>	<b>48,670</b>	<b>76,807</b>	<b>103,970</b>
<b>Long Term Farm Assets</b>						
Farm land	224,958	243,013	201,659	199,296	240,586	249,970
Buildings and improvements	41,297	43,750	68,489	75,894	18,703	18,485
Other long-term assets	7,399	7,372	2,574	2,421	27	0
<b>Total long-term farm assets</b>	<b>273,653</b>	<b>294,135</b>	<b>272,722</b>	<b>277,610</b>	<b>259,316</b>	<b>268,455</b>
<b>Total Farm Assets</b>	<b>537,946</b>	<b>597,291</b>	<b>458,654</b>	<b>445,878</b>	<b>562,161</b>	<b>649,944</b>
<b>Total Nonfarm Assets</b>	<b>248,327</b>	<b>262,833</b>	<b>110,593</b>	<b>102,202</b>	<b>175,361</b>	<b>188,269</b>
<b>Total Assets</b>	<b>786,273</b>	<b>860,124</b>	<b>569,247</b>	<b>548,080</b>	<b>737,522</b>	<b>838,213</b>
<b>Liabilities</b>						
<b>Current Farm Liabilities</b>						
Accrued interest	1,324	1,523	188	43	2,243	1,902
Accounts payable	8,510	6,245	5,709	2,698	4,570	4,906
Current notes	37,623	33,766	19,159	20,155	56,634	47,190
Government crop loans	0	0	0	0	0	0
Principal due on term debt	10,615	10,870	5,172	4,733	11,092	12,478
<b>Total current farm liabilities</b>	<b>58,071</b>	<b>52,405</b>	<b>30,228</b>	<b>27,629</b>	<b>74,539</b>	<b>66,475</b>
<b>Total intermediate farm liabs</b>	<b>36,460</b>	<b>46,109</b>	<b>35,024</b>	<b>31,184</b>	<b>36,465</b>	<b>63,897</b>
<b>Total long term farm liabilities</b>	<b>83,742</b>	<b>96,054</b>	<b>31,971</b>	<b>36,869</b>	<b>54,524</b>	<b>60,601</b>
<b>Total farm liabilities</b>	<b>178,274</b>	<b>194,567</b>	<b>97,223</b>	<b>95,683</b>	<b>165,529</b>	<b>190,973</b>
<b>Total nonfarm liabilities</b>	<b>17,372</b>	<b>17,630</b>	<b>152</b>	<b>0</b>	<b>45,648</b>	<b>44,350</b>
<b>Total liabilities</b>	<b>195,645</b>	<b>212,197</b>	<b>97,374</b>	<b>95,683</b>	<b>211,177</b>	<b>235,323</b>
<b>Net worth (farm and nonfarm)</b>	<b>590,627</b>	<b>647,927</b>	<b>471,873</b>	<b>452,398</b>	<b>526,345</b>	<b>602,889</b>
<b>Net worth change</b>		<b>57,299</b>		<b>-19,475</b>		<b>76,544</b>
<b>Percent net worth change</b>		<b>10 %</b>		<b>-4 %</b>		<b>15 %</b>
<b>Ratio Analysis</b>						
Current farm liabilities / assets	34 %	26 %	24 %	23 %	33 %	24 %
Intermediate farm liab. / assets	38 %	45 %	58 %	64 %	47 %	61 %
Long term farm liab. / assets	31 %	33 %	12 %	13 %	21 %	23 %
<b>Total debt to asset ratio</b>	<b>25 %</b>	<b>25 %</b>	<b>17 %</b>	<b>17 %</b>	<b>29 %</b>	<b>28 %</b>



Table 27

Balance Sheet at Market Values  
**2010 MI Cash Grain (50-799 Acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms		Low 25%		High 25%	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Number of farms	48		11		13	
<b>Assets</b>						
<b>Current Farm Assets</b>						
Cash and checking balance	34,253	37,703	48,642	53,277	54,191	60,885
Prepaid expenses & supplies	17,523	23,505	10,419	8,235	25,294	33,665
Growing crops	7,080	8,354	5,274	5,366	7,568	10,079
Accounts receivable	4,957	6,303	1,079	895	6,268	3,092
Hedging accounts	45	1,271	0	0	0	4,692
Crops held for sale or feed	91,557	111,217	49,577	44,371	124,824	155,338
Crops under government loan	0	0	0	0	0	0
Market livestock held for sale	12,761	12,619	11,020	7,454	7,818	9,354
Other current assets	293	481	0	0	77	415
<b>Total current farm assets</b>	<b>168,469</b>	<b>201,454</b>	<b>126,011</b>	<b>119,598</b>	<b>226,039</b>	<b>277,519</b>
<b>Intermediate Farm Assets</b>						
Breeding livestock	13,724	12,304	16,733	8,828	5,007	4,767
Machinery and equipment	187,232	180,160	150,769	83,961	180,568	183,009
Titled vehicles	5,511	6,979	6,455	8,500	10,286	11,323
Other intermediate assets	6,827	9,115	9,264	9,187	12,879	21,410
<b>Total intermediate farm assets</b>	<b>213,294</b>	<b>208,558</b>	<b>183,221</b>	<b>110,476</b>	<b>208,740</b>	<b>220,509</b>
<b>Long Term Farm Assets</b>						
Farm land	749,322	779,648	765,051	736,091	556,334	629,697
Buildings and improvements	85,457	88,786	68,682	75,890	25,947	37,263
Other long-term assets	7,448	7,595	2,099	2,020	27	0
<b>Total long-term farm assets</b>	<b>842,227</b>	<b>876,029</b>	<b>835,832</b>	<b>814,001</b>	<b>582,307</b>	<b>666,960</b>
<b>Total Farm Assets</b>	<b>1,223,990</b>	<b>1,286,041</b>	<b>1,145,064</b>	<b>1,044,075</b>	<b>1,017,086</b>	<b>1,164,987</b>
<b>Total Nonfarm Assets</b>	<b>380,637</b>	<b>411,563</b>	<b>223,054</b>	<b>220,805</b>	<b>181,740</b>	<b>202,770</b>
<b>Total Assets</b>	<b>1,604,627</b>	<b>1,697,604</b>	<b>1,368,118</b>	<b>1,264,880</b>	<b>1,198,826</b>	<b>1,367,757</b>
<b>Liabilities</b>						
<b>Current Farm Liabilities</b>						
Accrued interest	1,324	1,523	188	43	2,243	1,902
Accounts payable	8,510	6,245	5,709	2,698	4,570	4,906
Current notes	37,623	33,766	19,159	20,155	56,634	47,190
Government crop loans	0	0	0	0	0	0
Principal due on term debt	10,615	10,870	5,172	4,733	11,092	12,478
<b>Total current farm liabilities</b>	<b>58,071</b>	<b>52,405</b>	<b>30,228</b>	<b>27,629</b>	<b>74,539</b>	<b>66,475</b>
<b>Total intermediate farm liabs</b>	<b>36,460</b>	<b>46,109</b>	<b>35,024</b>	<b>31,184</b>	<b>36,465</b>	<b>63,897</b>
<b>Total long term farm liabilities</b>	<b>83,742</b>	<b>96,054</b>	<b>31,971</b>	<b>36,869</b>	<b>54,524</b>	<b>60,601</b>
<b>Total farm liabilities</b>	<b>178,274</b>	<b>194,567</b>	<b>97,223</b>	<b>95,683</b>	<b>165,529</b>	<b>190,973</b>
<b>Total nonfarm liabilities</b>	<b>17,372</b>	<b>17,630</b>	<b>152</b>	<b>0</b>	<b>45,648</b>	<b>44,350</b>
<b>Total liabs excluding deferreds</b>	<b>195,645</b>	<b>212,197</b>	<b>97,374</b>	<b>95,683</b>	<b>211,177</b>	<b>235,323</b>
<b>Total deferred liabilities</b>	<b>21,300</b>	<b>23,829</b>	<b>123</b>	<b>119</b>	<b>104</b>	<b>100</b>
<b>Total liabilities</b>	<b>216,946</b>	<b>236,026</b>	<b>97,497</b>	<b>95,802</b>	<b>211,281</b>	<b>235,424</b>
<b>Retained earnings</b>	<b>590,627</b>	<b>647,927</b>	<b>471,873</b>	<b>452,398</b>	<b>526,345</b>	<b>602,889</b>
<b>Market valuation equity</b>	<b>797,054</b>	<b>813,651</b>	<b>798,748</b>	<b>716,681</b>	<b>461,200</b>	<b>529,444</b>
<b>Net worth (farm and nonfarm)</b>	<b>1,387,681</b>	<b>1,461,578</b>	<b>1,270,620</b>	<b>1,169,079</b>	<b>987,545</b>	<b>1,132,333</b>
<b>Net worth excluding deferreds</b>	<b>1,408,982</b>	<b>1,485,407</b>	<b>1,270,743</b>	<b>1,169,198</b>	<b>987,649</b>	<b>1,132,434</b>
<b>Net worth change</b>		<b>73,896</b>		<b>-101,542</b>		<b>144,788</b>
<b>Percent net worth change</b>		<b>5 %</b>		<b>-8 %</b>		<b>15 %</b>
<b>Ratio Analysis</b>						
<b>Current farm liabilities / assets</b>	<b>34 %</b>	<b>26 %</b>	<b>24 %</b>	<b>23 %</b>	<b>33 %</b>	<b>24 %</b>
<b>Intermediate farm liab. / assets</b>	<b>17 %</b>	<b>22 %</b>	<b>19 %</b>	<b>28 %</b>	<b>17 %</b>	<b>29 %</b>
<b>Long term farm liab. / assets</b>	<b>10 %</b>	<b>11 %</b>	<b>4 %</b>	<b>5 %</b>	<b>9 %</b>	<b>9 %</b>
<b>Total debt to asset ratio</b>	<b>14 %</b>	<b>14 %</b>	<b>7 %</b>	<b>8 %</b>	<b>18 %</b>	<b>17 %</b>
<b>Debt to assets excl deferreds</b>	<b>12 %</b>	<b>12 %</b>	<b>7 %</b>	<b>8 %</b>	<b>18 %</b>	<b>17 %</b>

Table 28

Statement Of Cash Flows  
**2010 MI Cash Grain (50-799 Acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	48	11	13
Beginning cash (farm & nonfarm)	40,150	57,351	59,031
Cash Provided By Operating Activities			
Gross cash farm income	209,188	117,254	311,783
Total cash farm expense	-156,188	-89,195	-211,479
Net cash from hedging transactions	-1,856	-23	-4,247
Cash provided by operating	51,144	28,036	96,057
Cash Provided By Investing Activities			
Sale of breeding livestock	54	-	-
Sale of machinery & equipment	14,788	4,808	45,613
Sale of titled vehicles	-	-	-
Sale of farm land	6,250	-	-
Sale of farm buildings	-	-	-
Sale of other farm assets	2,794	79	9,740
Sale of nonfarm assets	2,186	6,813	-
Purchase of breeding livestock	-386	-636	-204
Purchase of machinery & equip.	-30,274	-13,262	-55,665
Purchase of titled vehicles	-	-	-
Purchase of farm land	-20,749	-909	-22,208
Purchase of farm buildings	-9,705	-12,326	-15,342
Purchase of other farm assets	-5,682	-334	-19,451
Purchase of nonfarm assets	-3,347	-1,091	-4,882
Cash provided by investing	-44,070	-16,858	-62,399
Cash Provided By Financing Activities			
Money borrowed	117,888	33,054	206,348
Principal payments	-100,431	-31,590	-182,008
Personal income	20,854	19,574	17,193
Family living/owner withdrawals	-28,616	-25,105	-23,084
Income and social security tax	-2,341	-1,069	-3,304
Capital contributions	1,832	2,849	4,355
Capital distributions	-15,156	-	-53,864
Dividends paid	-	-	-
Cash gifts and inheritances	6,739	-	3,120
Gifts given	-4,412	-	-560
Other cash flows	-	-	-
Cash provided by financing	-3,642	-2,287	-31,805
Net change in cash balance	3,433	8,891	1,854
Ending cash (farm & nonfarm)	43,583	66,242	60,885

Table 29

Financial Standards Measures  
**2010 MI Cash Grain (50-799 Acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	48	11	13
Liquidity			
Current ratio	3.84	4.33	4.17
Working capital	149,049	91,969	211,043
Working capital to gross inc	65.6 %	90.9 %	62.2 %
Solvency (market)			
Farm debt to asset ratio	17 %	9 %	16 %
Farm equity to asset ratio	83 %	91 %	84 %
Farm debt to equity ratio	0.20	0.10	0.20
Profitability (cost)			
Rate of return on farm assets	8.6 %	-3.6 %	18.6 %
Rate of return on farm equity	10.7 %	-5.9 %	24.4 %
Operating profit margin	22.1 %	-17.0 %	33.9 %
Net farm income	62,640	-5,526	132,459
EBIDTA	88,563	17,771	147,201
Repayment Capacity			
Capital debt repayment capacity	74,610	10,211	132,885
Capital debt repayment margin	58,161	1,104	115,334
Replacement margin	44,224	-11,153	103,135
Term debt coverage ratio	4.54	1.12	7.57
Replacement coverage ratio	2.46	0.48	4.47
Efficiency			
Asset turnover rate (cost)	39.0 %	21.3 %	55.0 %
Operating expense ratio	61.0 %	82.4 %	56.6 %
Depreciation expense ratio	7.8 %	18.3 %	1.8 %
Interest expense ratio	3.5 %	4.8 %	2.6 %
Net farm income ratio	27.6 %	-5.5 %	39.0 %

Table 30

Operator and Labor Information  
**2010 MI Cash Grain (50-799 Acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	48	11	13
Operator Information			
Average number of operators	1.2	1.1	1.2
Average age of operators	55.8	56.5	54.6
Average number of years farming	29.5	27.6	31.9
Results Per Operator			
Working capital	125,515	84,305	171,473
Total assets (market)	1,429,561	1,159,473	1,111,303
Total liabilities	198,759	87,818	191,282
Net worth (market)	1,230,802	1,071,655	920,021
Net worth excl deferred liabs	1,250,869	1,071,764	920,102
Gross farm income	191,443	92,729	275,670
Total farm expense	138,693	97,795	168,046
Net farm income from operations	52,749	-5,066	107,623
Net nonfarm income	17,561	17,942	13,969
Family living & tax withdrawals	26,069	23,993	21,440
Total acres owned	286.0	288.0	251.5
Total crop acres	333.8	282.1	411.5
Crop acres owned	199.7	188.4	188.6
Crop acres cash rented	134.0	93.7	222.5
Crop acres share rented	0.1	-	0.4
Total pasture acres	7.3	2.5	12.2
Labor Analysis			
Number of farms	48	11	13
Total unpaid labor hours	1,691	1,445	1,565
Total hired labor hours	367	248	655
Total labor hours per farm	2,058	1,693	2,220
Unpaid hours per operator	1,419	1,324	1,271
Value of farm production / hour	107.73	56.84	150.31
Net farm income / unpaid hour	37.32	-3.83	84.66
Average hourly hired labor wage	17.40	17.94	14.34
Partnerships & LLCs			
Number of farms	10	2	4
Number of operators	1.7	-	-
Owner withdrawals per farm	-	-	-
Withdrawals per operator	-	-	-

Table 31

Financial Summary  
**2010 MI Cash Grain (50-799 Acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	48	11	13
Income Statement			
Gross cash farm income	209,188	117,254	311,783
Total cash farm expense	156,188	89,195	211,479
Net cash farm income	53,000	28,059	100,304
Inventory change	27,473	-15,032	38,390
Depreciation	-17,834	-18,554	-6,235
Net farm income from operations	62,640	-5,526	132,459
Gain or loss on capital sales	-	-	-
Average net farm income	62,640	-5,526	132,459
Median net farm income	36,320	-3,820	117,527
Profitability (cost)			
Rate of return on assets	8.6 %	-3.6 %	18.6 %
Rate of return on equity	10.7 %	-5.9 %	24.4 %
Operating profit margin	22.1 %	-17.0 %	33.9 %
Asset turnover rate	39.0 %	21.3 %	55.0 %
Profitability (market)			
Rate of return on assets	3.9 %	-9.6 %	15.9 %
Rate of return on equity	3.9 %	-11.0 %	18.0 %
Operating profit margin	22.3 %	-108.6 %	51.9 %
Asset turnover rate	17.6 %	8.8 %	30.6 %
Liquidity & Repayment (end of year)			
Current assets	201,454	119,598	277,519
Current liabilities	52,405	27,629	66,475
Current ratio	3.84	4.33	4.17
Working capital	149,049	91,969	211,043
Working capital to gross inc	65.6 %	90.9 %	62.2 %
Term debt coverage ratio	4.54	1.12	7.57
Replacement coverage ratio	2.46	0.48	4.47
Solvency (end of year at cost)			
Number of farms	48	11	13
Total farm assets	597,291	445,878	649,944
Total farm liabilities	194,567	95,683	190,973
Total assets	860,124	548,080	838,213
Total liabilities	212,197	95,683	235,323
Net worth	647,927	452,398	602,889
Net worth change	57,299	-19,475	76,544
Farm debt to asset ratio	33 %	21 %	29 %
Total debt to asset ratio	25 %	17 %	28 %
Solvency (end of year at market)			
Number of farms	48	11	13
Total farm assets	1,286,041	1,044,075	1,164,987
Total farm liabilities	218,165	95,802	191,074
Total assets	1,697,604	1,264,880	1,367,757
Total liabilities	236,026	95,802	235,424
Net worth	1,461,578	1,169,079	1,132,333
Net worth change	73,896	-101,542	144,788
Farm debt to asset ratio	17 %	9 %	16 %
Total debt to asset ratio	14 %	8 %	17 %
Nonfarm Information			
Net nonfarm income	20,854	19,574	17,193
Crop Acres			
Total acres owned	340	314	310
Total crop acres	396	308	506
Total crop acres owned	237	206	232
Total crop acres cash rented	159	102	274
Total crop acres share rented	0	-	1

**C. Average of 18 Cash Grain Farms, 800 to 1199 Acre Farms**

Table 32		Crop Production and Marketing Summary		
		<b>2010 MI Cash Grain (800-1199 acres)</b>		
		(Farms Sorted By Rate of Return on Assets - Mkt)		
	Avg. Of All Farms	Low 25%	High 25%	
Number of farms	18	5	5	
Acreage Summary				
Total acres owned	382	658	141	
Total crop acres	854	728	946	
Crop acres owned	359	394	135	
Crop acres cash rented	492	335	812	
Crop acres share rented	3	-	-	
Total pasture acres	-	-	-	
Percent crop acres owned	42 %	54 %	14 %	
Average Price Received (Cash Sales Only)				
Soybeans per bushel	9.90	-	-	
Corn per bushel	3.88	-	-	
Wheat, Winter per bushel	5.30	-	6.23	
Average Yield Per Acre				
Soybeans (bushel)	53.02	-	-	

Table 33

Farm Income Statement  
**2010 MI Cash Grain (800-1199 acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	18	5	5
Cash Farm Income			
Beans, Navy	6,180	-	22,248
Corn	190,710	140,606	293,657
Corn Silage	9,864	43,982	-
Corn, Seed	43,476	21,887	-
Hay, Alfalfa	4,372	17,019	-
Hay, Mixed	1,211	185	2,607
Haylage, Mixed	495	-	-
Oats	570	1,554	-
Soybeans	147,103	91,932	182,384
Straw	1,359	1,511	3,508
Sugar Beets	22,369	-	80,529
Wheat, Winter	24,733	26,933	49,839
Beef Bulls	5,998	-	-
Beef Cow-Calf, Beef Calves	2,142	4,885	284
Beef Finishing	948	-	-
Chickens, Egg Production, Eggs	194	-	-
Dairy, Milk	2,710	10,247	-
Dairy Replacement Heifers	2,344	-	-
Dairy Finishing	482	-	-
Sheep, Market Lamb Prod, Mkt Lamb	5,102	22,961	-
Sheep, Market Lamb Prod, Wool	113	508	-
Hogs, Weaning to Finish	10,442	-	-
Cull breeding livestock	8,959	20,737	-
Misc. livestock income	13	-	-
Direct & CC govt payments	2,663	-	-
Other government payments	27,869	27,557	43,383
Custom work income	65,063	5,493	13,579
Patronage dividends, cash	2,667	1,948	3,961
Insurance income	13,142	9,241	6,770
Sale of resale items	16,944	-	-
Contract livestock income	783	-	-
Other farm income	15,606	24,446	14,766
Gross Cash Farm Income	636,629	473,631	717,514

Table 33

Farm Income Statement (Continued)  
**2010 MI Cash Grain (800-1199 acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	18	5	5
<b>Cash Farm Expense</b>			
Seed	61,106	40,605	92,942
Fertilizer	76,198	63,666	118,524
Crop chemicals	20,797	15,093	33,827
Crop insurance	8,190	1,401	10,005
Drying expense	2,813	1,575	5,362
Crop supplies	159	-	-
Crop utilities	2,479	-	-
Crop hauling and trucking	926	3,075	618
Crop marketing	4,631	1,392	8,380
Crop miscellaneous	2,250	-	6,223
Feeder livestock purchase	3,415	-	-
Purchased feed	11,708	7,090	467
Breeding fees	148	69	10
Veterinary	2,379	1,214	-
Livestock supplies	2,739	1,680	614
Livestock hired labor	4,391	-	-
Livestock hauling and trucking	219	987	-
Livestock marketing	1,106	1,695	-
Bedding	87	392	-
Interest	33,648	38,185	24,494
Supplies	1,190	2,246	1,358
Fuel & oil	30,580	29,642	24,522
Repairs	36,396	18,581	39,858
Repair, machinery	3,211	14,448	-
Custom hire	17,245	11,654	20,512
Repair, buildings	641	2,885	-
Hired labor	23,153	20,443	6,214
Land rent	60,939	37,217	103,005
Machinery leases	2,766	322	1,233
Real estate taxes	8,893	16,831	3,543
Farm insurance	17,776	15,866	11,124
Utilities	9,566	15,438	5,353
Dues & professional fees	4,732	7,604	3,901
Miscellaneous	24,701	12,467	11,403
Total cash expense	481,178	383,758	533,489
Net cash farm income	155,451	89,873	184,025
<b>Inventory Changes</b>			
Prepays and supplies	29,797	-938	65,737
Accounts receivable	-26,854	-14,800	-39,534
Hedging accounts	204	-2,219	2,510
Other current assets	-10,288	-36,158	2,128
Crops and feed	79,221	36,496	69,396
Market livestock	6,575	22,111	-
Breeding livestock	-11,780	-13,766	-
Other assets	83	-	0



Accounts payable	1,482	4,688	3,957
Accrued interest	-77	-4,750	613
Total inventory change	68,364	-9,335	104,808
Net operating profit	223,815	80,537	288,833
Depreciation			
Machinery and equipment	-73,196	-84,900	-50,741
Titled vehicles	-	-	-
Buildings and improvements	-19,463	-12,667	-11,516
Total depreciation	-92,658	-97,567	-62,257
Net farm income from operations	131,157	-17,029	226,576
Gain or loss on capital sales	-	-	-
Net farm income	131,157	-17,029	226,576

Table 34

Inventory Changes  
**2010 MI Cash Grain (800-1199 acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	18	5	5
Net cash farm income	155,451	89,873	184,025
Crops and Feed			
Ending inventory	316,533	205,238	229,266
Beginning inventory	237,312	168,742	159,870
Inventory change	79,221	36,496	69,396
Market Livestock			
Ending inventory	19,816	31,122	-
Beginning inventory	13,241	9,012	-
Inventory change	6,575	22,111	-
Accts Receivable			
Ending inventory	19,323	4,806	17,631
Beginning inventory	46,177	19,606	57,165
Inventory change	-26,854	-14,800	-39,534
Prepaid Expenses and Supplies			
Ending inventory	64,992	13,040	110,495
Beginning inventory	35,195	13,978	44,759
Inventory change	29,797	-938	65,737
Hedging Activities			
Ending inventory	1,718	7,475	-
Withdrawals	697	-	2,510
Beginning inventory	1,822	7,943	-
Deposits	389	1,750	-
Gain or loss	204	-2,219	2,510
Other Current Assets			
Ending inventory	12,817	16,896	15,322
Beginning inventory	23,106	53,054	13,194
Inventory change	-10,288	-36,158	2,128
Breeding Livestock			
Ending inventory	42,303	109,738	900
Capital sales	199	-	-
Beginning inventory	51,998	113,839	900
Capital purchases	2,284	9,664	-
Depreciation, capital adjust	-11,780	-13,766	-
Other Capital Assets			
Ending inventory	9,027	2,675	9,439
Capital sales	1,635	1,442	1,141
Beginning inventory	9,570	4,117	9,265
Capital purchases	1,009	-	1,315
Depreciation, capital adjust	83	-	0
Accounts Payable			
Beginning inventory	30,278	33,670	58,599
Ending inventory	28,796	28,982	54,643
Inventory change	1,482	4,688	3,957
Accrued Interest			
Beginning inventory	5,140	2,126	1,850
Ending inventory	5,217	6,876	1,237
Inventory change	-77	-4,750	613
Total inventory change	68,364	-9,335	104,808
Net operating profit	223,815	80,537	288,833

Table 35

Depreciation  
**2010 MI Cash Grain (800-1199 acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	18	5	5
Net operating profit	223,815	80,537	288,833
Machinery and Equipment			
Ending inventory	135,086	74,228	93,886
Capital sales	7,060	2,875	1,664
Beginning inventory	122,027	106,704	44,464
Capital purchases	93,314	55,299	101,826
Depreciation, capital adjust.	-73,196	-84,900	-50,741
Titled Vehicles			
Ending inventory	158	-	-
Capital sales	-	-	-
Beginning inventory	158	-	-
Capital purchases	-	-	-
Depreciation, capital adjust.	-	-	-
Buildings and Improvements			
Ending inventory	66,230	49,643	62,559
Capital sales	-	-	-
Beginning inventory	65,454	53,442	57,627
Capital purchases	20,239	8,868	16,449
Depreciation, capital adjust.	-19,463	-12,667	-11,516
Total depreciation, capital adj.	-92,658	-97,567	-62,257
Net farm income from operations	131,157	-17,029	226,576
Gain or loss on capital sales	-	-	-
Net farm income	131,157	-17,029	226,576

Table 36

Profitability Measures  
**2010 MI Cash Grain (800-1199 acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	18	5	5
Profitability (assets valued at cost)			
Net farm income from operations	131,157	-17,029	226,576
Rate of return on assets	11.1 %	-1.2 %	28.5 %
Rate of return on equity	20.2 %	-11.5 %	101.0 %
Operating profit margin	17.8 %	-2.8 %	26.7 %
Asset turnover rate	62.3 %	41.4 %	106.6 %
Farm interest expense	33,725	42,934	23,881
Value of operator lbr and mgmt.	47,006	38,775	50,000
Return on farm assets	117,876	-12,870	200,456
Average farm assets	1,061,414	1,113,801	702,859
Return on farm equity	84,151	-55,804	176,576
Average farm equity	416,864	484,636	174,767
Value of farm production	661,282	461,445	749,420
	Avg. Of All Farms	Low 25%	High 25%
Number of farms	18	5	5
Profitability (assets valued at market)			
Net farm income from operations	214,313	36,762	283,280
Rate of return on assets	8.2 %	1.2 %	21.4 %
Rate of return on equity	9.3 %	-0.1 %	34.7 %
Operating profit margin	30.4 %	8.9 %	34.3 %
Asset turnover rate	27.0 %	13.7 %	62.4 %
Farm interest expense	33,725	42,934	23,881
Value of operator lbr and mgmt.	47,006	38,775	50,000
Return on farm assets	201,032	40,921	257,161
Average farm assets	2,451,299	3,372,438	1,200,386
Return on farm equity	167,308	-2,013	233,280
Average farm equity	1,806,749	2,743,273	672,294
Value of farm production	661,282	461,445	749,420

Table 37

Liquidity & Repayment Capacity Measures  
**2010 MI Cash Grain (800-1199 acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	18	5	5
Liquidity			
Current ratio	2.38	2.31	1.71
Working capital	277,484	205,309	167,630
Working capital to gross inc	41.0 %	43.8 %	22.4 %
Current assets	478,503	362,565	402,765
Current liabilities	201,019	157,256	235,135
Gross revenues (accrual)	676,406	468,535	749,887
Repayment capacity			
Net farm income from operations	131,157	-17,029	226,576
Depreciation	92,658	97,567	62,257
Personal income	28,250	90,281	5,821
Family living/owner withdrawals	-60,472	-64,295	-64,079
Payments on personal debt	-2,766	-	-2,808
Income taxes paid	-4,739	-8,687	-
Interest on term debt	21,417	22,858	12,834
Capital debt repayment capacity	205,505	120,694	240,602
Scheduled term debt payments	-65,504	-76,711	-30,351
Capital debt repayment margin	140,002	43,982	210,251
Cash replacement allowance	-29,885	-38,534	-11,667
Replacement margin	110,117	5,448	198,584
Term debt coverage ratio	3.14	1.57	7.93
Replacement coverage ratio	2.15	1.05	5.73

Table 38

Balance Sheet at Cost Values  
**2010 MI Cash Grain (800-1199 acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms		Low 25%		High 25%	
	18		5		5	
Number of farms	Beginning	Ending	Beginning	Ending	Beginning	Ending
<b>Assets</b>						
<b>Current Farm Assets</b>						
Cash and checking balance	45,471	43,303	88,687	83,989	14,068	30,050
Prepaid expenses & supplies	35,195	64,992	13,978	13,040	44,759	110,495
Growing crops	13,444	10,829	13,940	10,700	11,194	13,322
Accounts receivable	46,177	19,323	19,606	4,806	57,165	17,631
Hedging accounts	1,822	1,718	7,943	7,475	0	0
Crops held for sale or feed	237,312	316,533	168,742	205,238	159,870	229,266
Crops under government loan	0	0	0	0	0	0
Market livestock held for sale	13,241	19,816	9,012	31,122	0	0
Other current assets	9,661	1,988	39,114	6,196	2,000	2,000
<b>Total current farm assets</b>	<b>402,324</b>	<b>478,503</b>	<b>361,022</b>	<b>362,565</b>	<b>289,055</b>	<b>402,765</b>
<b>Intermediate Farm Assets</b>						
Breeding livestock	51,998	42,303	113,839	109,738	900	900
Machinery and equipment	122,027	135,086	106,704	74,228	44,464	93,886
Titled vehicles	158	158	0	0	0	0
Other intermediate assets	5,991	5,821	3,047	1,605	2,336	2,510
<b>Total intermediate farm assets</b>	<b>180,173</b>	<b>183,368</b>	<b>223,590</b>	<b>185,571</b>	<b>47,699</b>	<b>97,295</b>
<b>Long Term Farm Assets</b>						
Farm land	355,255	384,738	484,815	504,815	172,360	262,497
Buildings and improvements	65,454	66,230	53,442	49,643	57,627	62,559
Other long-term assets	3,579	3,205	1,070	1,070	6,929	6,929
<b>Total long-term farm assets</b>	<b>424,288</b>	<b>454,173</b>	<b>539,327</b>	<b>555,528</b>	<b>236,916</b>	<b>331,986</b>
<b>Total Farm Assets</b>	<b>1,006,785</b>	<b>1,116,044</b>	<b>1,123,939</b>	<b>1,103,664</b>	<b>573,671</b>	<b>832,046</b>
<b>Total Nonfarm Assets</b>	<b>133,417</b>	<b>135,996</b>	<b>87,921</b>	<b>82,822</b>	<b>123,314</b>	<b>104,712</b>
<b>Total Assets</b>	<b>1,140,202</b>	<b>1,252,040</b>	<b>1,211,860</b>	<b>1,186,486</b>	<b>696,985</b>	<b>936,758</b>
<b>Liabilities</b>						
<b>Current Farm Liabilities</b>						
Accrued interest	5,140	5,217	2,126	6,876	1,850	1,237
Accounts payable	30,278	28,796	33,670	28,982	58,599	54,643
Current notes	143,400	109,718	70,986	85,535	133,645	145,743
Government crop loans	0	0	0	0	0	0
Principal due on term debt	44,378	57,288	53,854	35,864	17,517	33,512
<b>Total current farm liabilities</b>	<b>223,197</b>	<b>201,019</b>	<b>160,636</b>	<b>157,256</b>	<b>211,611</b>	<b>235,135</b>
<b>Total intermediate farm liabs</b>	<b>106,952</b>	<b>116,568</b>	<b>97,763</b>	<b>43,773</b>	<b>141,509</b>	<b>165,451</b>
<b>Total long term farm liabilities</b>	<b>311,105</b>	<b>330,261</b>	<b>379,889</b>	<b>419,014</b>	<b>129,240</b>	<b>173,238</b>
<b>Total farm liabilities</b>	<b>641,253</b>	<b>647,847</b>	<b>638,287</b>	<b>620,043</b>	<b>482,360</b>	<b>573,824</b>
<b>Total nonfarm liabilities</b>	<b>29,154</b>	<b>22,593</b>	<b>0</b>	<b>0</b>	<b>35,015</b>	<b>15,503</b>
<b>Total liabilities</b>	<b>670,408</b>	<b>670,440</b>	<b>638,287</b>	<b>620,043</b>	<b>517,374</b>	<b>589,327</b>
<b>Net worth (farm and nonfarm)</b>	<b>469,794</b>	<b>581,600</b>	<b>573,572</b>	<b>566,443</b>	<b>179,611</b>	<b>347,431</b>
<b>Net worth change</b>		<b>111,806</b>		<b>-7,130</b>		<b>167,821</b>
<b>Percent net worth change</b>		<b>24 %</b>		<b>-1 %</b>		<b>93 %</b>
<b>Ratio Analysis</b>						
Current farm liabilities / assets	55 %	42 %	44 %	43 %	73 %	58 %
Intermediate farm liab. / assets	59 %	64 %	44 %	24 %	297 %	170 %
Long term farm liab. / assets	73 %	73 %	70 %	75 %	55 %	52 %
<b>Total debt to asset ratio</b>	<b>59 %</b>	<b>54 %</b>	<b>53 %</b>	<b>52 %</b>	<b>74 %</b>	<b>63 %</b>

Table 39

Balance Sheet at Market Values  
**2010 MI Cash Grain (800-1199 acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms		Low 25%		High 25%	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Number of farms	18		5		5	
<b>Assets</b>						
<b>Current Farm Assets</b>						
Cash and checking balance	45,471	43,303	88,687	83,989	14,068	30,050
Prepaid expenses & supplies	35,195	64,992	13,978	13,040	44,759	110,495
Growing crops	13,444	10,829	13,940	10,700	11,194	13,322
Accounts receivable	46,177	19,323	19,606	4,806	57,165	17,631
Hedging accounts	1,822	1,718	7,943	7,475	0	0
Crops held for sale or feed	237,312	316,533	168,742	205,238	159,870	229,266
Crops under government loan	0	0	0	0	0	0
Market livestock held for sale	13,241	19,816	9,012	31,122	0	0
Other current assets	9,661	1,988	39,114	6,196	2,000	2,000
<b>Total current farm assets</b>	<b>402,324</b>	<b>478,503</b>	<b>361,022</b>	<b>362,565</b>	<b>289,055</b>	<b>402,765</b>
<b>Intermediate Farm Assets</b>						
Breeding livestock	52,189	42,981	113,839	109,738	900	900
Machinery and equipment	519,703	569,130	577,421	580,715	257,275	343,514
Titled vehicles	8,786	8,619	0	0	0	1,800
Other intermediate assets	6,833	10,044	3,047	1,605	2,336	2,510
<b>Total intermediate farm assets</b>	<b>587,512</b>	<b>630,774</b>	<b>694,307</b>	<b>692,058</b>	<b>260,511</b>	<b>348,724</b>
<b>Long Term Farm Assets</b>						
Farm land	1,184,303	1,238,285	2,220,708	2,240,708	386,076	476,213
Buildings and improvements	170,994	187,933	78,574	92,796	77,308	91,592
Other long-term assets	9,959	12,011	1,070	1,070	29,896	38,632
<b>Total long-term farm assets</b>	<b>1,365,256</b>	<b>1,438,230</b>	<b>2,300,351</b>	<b>2,334,574</b>	<b>493,280</b>	<b>606,437</b>
<b>Total Farm Assets</b>	<b>2,355,092</b>	<b>2,547,507</b>	<b>3,355,680</b>	<b>3,389,196</b>	<b>1,042,846</b>	<b>1,357,925</b>
<b>Total Nonfarm Assets</b>	<b>238,219</b>	<b>255,632</b>	<b>380,746</b>	<b>447,473</b>	<b>192,294</b>	<b>178,421</b>
<b>Total Assets</b>	<b>2,593,310</b>	<b>2,803,139</b>	<b>3,736,426</b>	<b>3,836,669</b>	<b>1,235,140</b>	<b>1,536,346</b>
<b>Liabilities</b>						
<b>Current Farm Liabilities</b>						
Accrued interest	5,140	5,217	2,126	6,876	1,850	1,237
Accounts payable	30,278	28,796	33,670	28,982	58,599	54,643
Current notes	143,400	109,718	70,986	85,535	133,645	145,743
Government crop loans	0	0	0	0	0	0
Principal due on term debt	44,378	57,288	53,854	35,864	17,517	33,512
<b>Total current farm liabilities</b>	<b>223,197</b>	<b>201,019</b>	<b>160,636</b>	<b>157,256</b>	<b>211,611</b>	<b>235,135</b>
<b>Total intermediate farm liabs</b>	<b>106,952</b>	<b>116,568</b>	<b>97,763</b>	<b>43,773</b>	<b>141,509</b>	<b>165,451</b>
<b>Total long term farm liabilities</b>	<b>311,105</b>	<b>330,261</b>	<b>379,889</b>	<b>419,014</b>	<b>129,240</b>	<b>173,238</b>
<b>Total farm liabilities</b>	<b>641,253</b>	<b>647,847</b>	<b>638,287</b>	<b>620,043</b>	<b>482,360</b>	<b>573,824</b>
<b>Total nonfarm liabilities</b>	<b>29,154</b>	<b>22,593</b>	<b>0</b>	<b>0</b>	<b>35,015</b>	<b>15,503</b>
<b>Total liabs excluding deferreds</b>	<b>670,408</b>	<b>670,440</b>	<b>638,287</b>	<b>620,043</b>	<b>517,374</b>	<b>589,327</b>
<b>Total deferred liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total liabilities</b>	<b>670,408</b>	<b>670,440</b>	<b>638,287</b>	<b>620,043</b>	<b>517,374</b>	<b>589,327</b>
<b>Retained earnings</b>	<b>469,794</b>	<b>581,600</b>	<b>573,572</b>	<b>566,443</b>	<b>179,611</b>	<b>347,431</b>
<b>Market valuation equity</b>	<b>1,453,108</b>	<b>1,551,099</b>	<b>2,524,566</b>	<b>2,650,183</b>	<b>538,155</b>	<b>599,588</b>
<b>Net worth (farm and nonfarm)</b>	<b>1,922,903</b>	<b>2,132,699</b>	<b>3,098,139</b>	<b>3,216,625</b>	<b>717,766</b>	<b>947,019</b>
<b>Net worth excluding deferreds</b>	<b>1,922,903</b>	<b>2,132,699</b>	<b>3,098,139</b>	<b>3,216,625</b>	<b>717,766</b>	<b>947,019</b>
<b>Net worth change</b>		<b>209,796</b>		<b>118,487</b>		<b>229,253</b>
<b>Percent net worth change</b>		<b>11 %</b>		<b>4 %</b>		<b>32 %</b>
<b>Ratio Analysis</b>						
<b>Current farm liabilities / assets</b>	<b>55 %</b>	<b>42 %</b>	<b>44 %</b>	<b>43 %</b>	<b>73 %</b>	<b>58 %</b>
<b>Intermediate farm liab. / assets</b>	<b>18 %</b>	<b>18 %</b>	<b>14 %</b>	<b>6 %</b>	<b>54 %</b>	<b>47 %</b>
<b>Long term farm liab. / assets</b>	<b>23 %</b>	<b>23 %</b>	<b>17 %</b>	<b>18 %</b>	<b>26 %</b>	<b>29 %</b>
<b>Total debt to asset ratio</b>	<b>26 %</b>	<b>24 %</b>	<b>17 %</b>	<b>16 %</b>	<b>42 %</b>	<b>38 %</b>
<b>Debt to assets excl deferreds</b>	<b>26 %</b>	<b>24 %</b>	<b>17 %</b>	<b>16 %</b>	<b>42 %</b>	<b>38 %</b>

Table 40

Statement Of Cash Flows  
**2010 MI Cash Grain (800-1199 acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	18	5	5
Beginning cash (farm & nonfarm)	45,471	88,687	14,068
Cash Provided By Operating Activities			
Gross cash farm income	636,629	473,631	717,514
Total cash farm expense	-481,178	-383,758	-533,489
Net cash from hedging transactions	308	-1,750	2,510
Cash provided by operating	155,760	88,123	186,535
Cash Provided By Investing Activities			
Sale of breeding livestock	199	-	-
Sale of machinery & equipment	6,949	2,375	1,664
Sale of titled vehicles	-	-	-
Sale of farm land	-	-	-
Sale of farm buildings	-	-	-
Sale of other farm assets	1,635	1,442	1,141
Sale of nonfarm assets	19,167	-	-
Purchase of breeding livestock	-2,284	-9,664	-
Purchase of machinery & equip.	-93,314	-55,299	-101,826
Purchase of titled vehicles	-	-	-
Purchase of farm land	-29,938	-21,800	-90,337
Purchase of farm buildings	-20,239	-8,868	-16,449
Purchase of other farm assets	-1,009	-	-1,315
Purchase of nonfarm assets	-7,167	-	-
Cash provided by investing	-126,001	-91,814	-207,123
Cash Provided By Financing Activities			
Money borrowed	280,647	136,250	569,278
Principal payments	-273,857	-154,555	-474,458
Personal income	28,250	90,281	5,821
Family living/owner withdrawals	-60,472	-64,295	-64,079
Income and social security tax	-4,739	-8,687	-
Capital contributions	-	-	-
Capital distributions	-1,119	-	-
Dividends paid	-	-	-
Cash gifts and inheritances	575	-	7
Gifts given	-1,183	-	-
Other cash flows	-	-	-
Cash provided by financing	-31,898	-1,007	36,569
Net change in cash balance	-2,140	-4,698	15,982
Ending cash (farm & nonfarm)	43,331	83,989	30,050



Table 41

Financial Standards Measures  
**2010 MI Cash Grain (800-1199 acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	18	5	5
Liquidity			
Current ratio	2.38	2.31	1.71
Working capital	277,484	205,309	167,630
Working capital to gross inc	41.0 %	43.8 %	22.4 %
Solvency (market)			
Farm debt to asset ratio	25 %	18 %	42 %
Farm equity to asset ratio	75 %	82 %	58 %
Farm debt to equity ratio	0.34	0.22	0.73
Profitability (cost)			
Rate of return on farm assets	11.1 %	-1.2 %	28.5 %
Rate of return on farm equity	20.2 %	-11.5 %	101.0 %
Operating profit margin	17.8 %	-2.8 %	26.7 %
Net farm income	131,157	-17,029	226,576
EBIDTA	257,539	123,472	312,714
Repayment Capacity			
Capital debt repayment capacity	205,505	120,694	240,602
Capital debt repayment margin	140,002	43,982	210,251
Replacement margin	110,117	5,448	198,584
Term debt coverage ratio	3.14	1.57	7.93
Replacement coverage ratio	2.15	1.05	5.73
Efficiency			
Asset turnover rate (cost)	62.3 %	41.4 %	106.6 %
Operating expense ratio	61.9 %	73.6 %	58.3 %
Depreciation expense ratio	13.7 %	20.8 %	8.3 %
Interest expense ratio	5.0 %	8.1 %	3.3 %
Net farm income ratio	19.4 %	-3.6 %	30.2 %

Table 42

Operator and Labor Information  
**2010 MI Cash Grain (800-1199 acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	18	5	5
Operator Information			
Average number of operators	1.4	1.5	1.2
Average age of operators	54.5	60.8	50.8
Average number of years farming	31.2	38.8	24.2
Results Per Operator			
Working capital	192,105	136,873	139,692
Total assets (market)	1,940,634	2,557,779	1,280,288
Total liabilities	464,151	413,362	491,106
Net worth (market)	1,476,484	2,144,417	789,183
Net worth excl deferred liabs	1,476,484	2,144,417	789,183
Gross farm income	468,281	312,356	624,906
Total farm expense	377,480	323,709	436,092
Net farm income from operations	90,801	-11,353	188,813
Net nonfarm income	19,558	60,187	4,851
Family living & tax withdrawals	45,146	48,655	53,399
Total acres owned	264.2	438.5	117.2
Total crop acres	591.3	485.5	788.5
Crop acres owned	248.9	262.3	112.1
Crop acres cash rented	340.7	223.2	676.4
Crop acres share rented	1.7	-	-
Total pasture acres	-	-	-
Labor Analysis			
Number of farms	18	5	5
Total unpaid labor hours	3,561	3,503	3,127
Total hired labor hours	2,533	4,995	256
Total labor hours per farm	6,094	8,498	3,383
Unpaid hours per operator	2,465	2,335	2,606
Value of farm production / hour	108.52	54.30	221.54
Net farm income / unpaid hour	36.84	-4.86	72.46
Average hourly hired labor wage	10.76	4.09	9.18
Partnerships & LLCs			
Number of farms	7	1	2
Number of operators	2.0	-	-
Owner withdrawals per farm	-	-	-
Withdrawals per operator	-	-	-

Table 43

## Financial Summary

**2010 MI Cash Grain (800-1199 acres)**

(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	18	5	5
Income Statement			
Gross cash farm income	636,629	473,631	717,514
Total cash farm expense	481,178	383,758	533,489
Net cash farm income	155,451	89,873	184,025
Inventory change	68,364	-9,335	104,808
Depreciation	-92,658	-97,567	-62,257
Net farm income from operations	131,157	-17,029	226,576
Gain or loss on capital sales	-	-	-
Average net farm income	131,157	-17,029	226,576
Median net farm income	150,039	20,194	212,172
Profitability (cost)			
Rate of return on assets	11.1 %	-1.2 %	28.5 %
Rate of return on equity	20.2 %	-11.5 %	101.0 %
Operating profit margin	17.8 %	-2.8 %	26.7 %
Asset turnover rate	62.3 %	41.4 %	106.6 %
Profitability (market)			
Rate of return on assets	8.2 %	1.2 %	21.4 %
Rate of return on equity	9.3 %	-0.1 %	34.7 %
Operating profit margin	30.4 %	8.9 %	34.3 %
Asset turnover rate	27.0 %	13.7 %	62.4 %
Liquidity & Repayment (end of year)			
Current assets	478,503	362,565	402,765
Current liabilities	201,019	157,256	235,135
Current ratio	2.38	2.31	1.71
Working capital	277,484	205,309	167,630
Working capital to gross inc	41.0 %	43.8 %	22.4 %
Term debt coverage ratio	3.14	1.57	7.93
Replacement coverage ratio	2.15	1.05	5.73
Solvency (end of year at cost)			
Number of farms	18	5	5
Total farm assets	1,116,044	1,103,664	832,046
Total farm liabilities	647,847	620,043	573,824
Total assets	1,252,040	1,186,486	936,758
Total liabilities	670,440	620,043	589,327
Net worth	581,600	566,443	347,431
Net worth change	111,806	-7,130	167,821
Farm debt to asset ratio	58 %	56 %	69 %
Total debt to asset ratio	54 %	52 %	63 %
Solvency (end of year at market)			
Number of farms	18	5	5
Total farm assets	2,547,507	3,389,196	1,357,925
Total farm liabilities	647,847	620,043	573,824
Total assets	2,803,139	3,836,669	1,536,346
Total liabilities	670,440	620,043	589,327
Net worth	2,132,699	3,216,625	947,019
Net worth change	209,796	118,487	229,253
Farm debt to asset ratio	25 %	18 %	42 %
Total debt to asset ratio	24 %	16 %	38 %
Nonfarm Information			
Net nonfarm income	28,250	90,281	5,821
Crop Acres			
Total acres owned	382	658	141
Total crop acres	854	728	946
Total crop acres owned	359	394	135
Total crop acres cash rented	492	335	812
Total crop acres share rented	3	-	-

D.) Average of 31 Cash Grain Farms, 1200 plus Acre Farms

Table 44 Crop Production and Marketing Summary			
<b>2010 MI Cash Grain (1200+ acres)</b>			
(Farms Sorted By Rate of Return on Assets - Mkt)			
	Avg. Of All Farms	Low 25%	High 25%
Number of farms	31	7	8
Acreage Summary			
Total acres owned	691	654	432
Total crop acres	1,839	1,422	2,105
Crop acres owned	865	666	1,126
Crop acres cash rented	915	706	978
Crop acres share rented	59	50	-
Total pasture acres	-	-	-
Percent crop acres owned	47 %	47 %	54 %
Average Price Received (Cash Sales Only)			
Corn per bushel	4.17	-	4.25
Soybeans per bushel	10.23	-	10.30
Wheat, Winter per bushel	5.23	-	4.86
Average Yield Per Acre			
Corn (bushel)	164.11	-	-
Soybeans (bushel)	58.54	-	-
Wheat, Winter (bushel)	50.41	-	-

Table 45

Farm Income Statement  
**2010 MI Cash Grain (1200+ acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	31	7	8
Cash Farm Income			
Beans, Green	4,884	-	21,629
Beans, Light Red Kidney	19,827	-	64,049
Beans, Navy	9,367	-	-
Corn	428,574	205,203	642,217
Corn, Seed	66,034	-	86,761
Cucumbers	12,618	-	-
Hay, Alfalfa	1,107	3,322	1,580
Hay, Mixed	1,382	286	4,406
Oats	83	369	-
Potatoes	34,223	78,394	73,164
Soybeans	259,441	152,943	332,388
Straw	2,516	540	1,540
Sugar Beets	20,005	-	-
Sweet Corn, Processing	1,171	5,186	-
Wheat, Winter	54,613	26,307	65,791
Beef Cow-Calf, Beef Calves	7,904	20,481	-
Beef Finishing	18,311	13,042	-
Beef Yearlings	43,566	-	-
Dairy Replacement Heifers	4,446	-	-
Dairy Finishing	2,310	-	-
Hogs, Farrow To Finish, Raised Ho	99,500	349,627	-
Hogs, Feeder Pig Prod, Feeder Pig	1,372	4,926	-
Hogs, Finish Feeder Pigs	56,675	-	6,544
Sheep, Market Lamb Prod, Mkt Lamb	248	-	-
Cull breeding livestock	10,678	40,597	-
Misc. livestock income	5,141	22,603	36
Direct & CC govt payments	7,466	18,292	6,493
Other government payments	33,188	10,934	44,661
Custom work income	79,019	14,655	104,913
Patronage dividends, cash	1,941	3,885	179
Insurance income	34,381	6,693	25,961
Other farm income	20,137	25,293	21,271
Gross Cash Farm Income	1,342,129	1,003,579	1,503,582

Table 45

Farm Income Statement (Continued)  
**2010 MI Cash Grain (1200+ acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	31	7	8
<b>Cash Farm Expense</b>			
Seed	107,387	80,327	99,921
Fertilizer	178,889	121,057	224,706
Crop chemicals	62,229	33,764	96,170
Crop insurance	13,107	12,390	22,166
Drying expense	6,723	8,075	3,818
Storage	1,028	999	1,289
Irrigation energy	2,667	-	7,344
Hauling and trucking	867	-	1,556
Crop marketing	2,265	251	2,242
Crop miscellaneous	6,155	1,310	1,826
Feeder livestock purchase	58,311	-	-
Purchased feed	68,488	165,088	2,633
Breeding fees	1,700	5,426	-
Veterinary	6,492	15,597	25
Livestock supplies	3,589	5,016	-
Livestock marketing	1,846	2,199	-
Interest	46,817	30,729	48,796
Supplies	4,716	-	14,669
Fuel & oil	57,035	57,345	55,528
Repairs	81,719	46,657	94,782
Custom hire	45,864	50,304	52,027
Hired labor	77,140	99,287	65,733
Land rent	127,154	64,622	161,010
Machinery leases	7,812	6,726	10,791
Building leases	44	193	-
Real estate taxes	11,702	17,715	12,711
Farm insurance	23,118	17,847	20,338
Utilities	24,257	27,758	24,024
Dues & professional fees	8,871	13,637	4,876
Miscellaneous	28,819	19,201	20,771
Total cash expense	1,066,808	903,520	1,049,752
Net cash farm income	275,321	100,059	453,830
<b>Inventory Changes</b>			
Prepays and supplies	6,827	36,908	-13,451
Accounts receivable	-20,285	-26,471	-3,537
Hedging accounts	-2,505	-1,867	-5,350
Other current assets	-375	10,317	123
Crops and feed	219,065	15,665	237,659
Market livestock	26,646	56,503	-5,000
Breeding livestock	-1,990	-8,221	-
Other assets	618	-	-
Accounts payable	1,719	15,297	-5,016
Accrued interest	-2,187	-4,734	-2,854
Total inventory change	227,533	93,396	202,574
Net operating profit	502,854	193,455	656,404

Depreciation			
Machinery and equipment	-141,371	-79,046	-197,731
Titled vehicles	-	-	-
Buildings and improvements	-22,657	-18,148	-38,335
Total depreciation	-164,028	-97,194	-236,066
Net farm income from operations	338,826	96,260	420,338
Gain or loss on capital sales	-8	-	-
Net farm income	338,818	96,260	420,338

Table 46

Inventory Changes  
**2010 MI Cash Grain (1200+ acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	31	7	8
Net cash farm income	275,321	100,059	433,457
Crops and Feed			
Ending inventory	881,636	430,821	882,294
Beginning inventory	662,571	415,156	647,546
Inventory change	219,065	15,665	234,748
Market Livestock			
Ending inventory	126,475	197,880	-
Beginning inventory	99,829	141,377	4,375
Inventory change	26,646	56,503	-4,375
Accts Receivable			
Ending inventory	15,041	11,071	5,399
Beginning inventory	35,325	37,542	12,319
Inventory change	-20,285	-26,471	-6,921
Prepaid Expenses and Supplies			
Ending inventory	167,603	116,781	188,963
Beginning inventory	160,776	79,874	186,898
Inventory change	6,827	36,908	2,065
Hedging Activities			
Ending inventory	8,259	2,457	3,103
Withdrawals	-3,315	-895	-
Beginning inventory	6,556	3,429	3,103
Deposits	893	-	4,681
Gain or loss	-2,505	-1,867	-4,681
Other Current Assets			
Ending inventory	15,851	23,491	18,737
Beginning inventory	16,226	13,174	18,629
Inventory change	-375	10,317	108
Breeding Livestock			
Ending inventory	38,113	108,625	-
Capital sales	1,122	289	-
Beginning inventory	39,976	113,814	-
Capital purchases	1,249	3,321	-
Depreciation, capital adjust	-1,990	-8,221	-
Other Capital Assets			
Ending inventory	72,694	16,690	64,109
Capital sales	5,528	-	2,243
Beginning inventory	50,585	16,547	46,290
Capital purchases	27,020	143	20,063
Depreciation, capital adjust	618	-	-
Accounts Payable			
Beginning inventory	68,053	37,982	139,451
Ending inventory	66,333	22,686	143,840
Inventory change	1,719	15,297	-4,389
Accrued Interest			
Beginning inventory	12,731	2,927	4,223
Ending inventory	14,918	7,661	6,740
Inventory change	-2,187	-4,734	-2,517
Total inventory change	227,533	93,396	214,038
Net operating profit	502,854	193,455	647,495



Table 47

Depreciation  
**2010 MI Cash Grain (1200+ acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	31	7	8
Net operating profit	502,854	193,455	647,495
Machinery and Equipment			
Ending inventory	328,764	232,767	474,034
Capital sales	8,755	5,643	11,885
Beginning inventory	284,678	239,193	391,553
Capital purchases	194,213	78,263	278,922
Depreciation, capital adjust.	-141,371	-79,046	-184,556
Titled Vehicles			
Ending inventory	-	-	-
Capital sales	-	-	-
Beginning inventory	-	-	-
Capital purchases	-	-	-
Depreciation, capital adjust.	-	-	-
Buildings and Improvements			
Ending inventory	117,087	71,469	85,169
Capital sales	1,745	-	-
Beginning inventory	111,788	79,276	94,272
Capital purchases	29,701	10,342	24,440
Depreciation, capital adjust.	-22,657	-18,148	-33,543
Total depreciation, capital adj.	-164,028	-97,194	-218,099
Net farm income from operations	338,826	96,260	429,396
Gain or loss on capital sales	-8	-	-31
Net farm income	338,818	96,260	429,365

Table 48

Profitability Measures  
**2010 MI Cash Grain (1200+ acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	31	7	8
Profitability (assets valued at cost)			
Net farm income from operations	338,826	96,260	429,396
Rate of return on assets	13.7 %	3.7 %	18.8 %
Rate of return on equity	25.5 %	4.4 %	41.2 %
Operating profit margin	22.4 %	8.1 %	24.0 %
Asset turnover rate	61.1 %	45.7 %	78.3 %
Farm interest expense	49,005	35,463	50,857
Value of operator lbr and mgmt.	67,066	60,714	74,256
Return on farm assets	320,765	71,009	405,997
Average farm assets	2,346,540	1,912,915	2,162,653
Return on farm equity	271,760	35,546	355,140
Average farm equity	1,067,175	800,449	861,394
Value of farm production	1,432,845	874,099	1,692,952
	Avg. Of All Farms	Low 25%	High 25%
Number of farms	31	7	8
Profitability (assets valued at market)			
Net farm income from operations	476,519	154,700	782,993
Rate of return on assets	10.3 %	3.5 %	17.1 %
Rate of return on equity	12.9 %	3.7 %	22.6 %
Operating profit margin	32.0 %	14.8 %	44.9 %
Asset turnover rate	32.3 %	23.9 %	38.1 %
Farm interest expense	49,005	35,463	50,857
Value of operator lbr and mgmt.	67,066	60,714	74,256
Return on farm assets	458,457	129,448	759,594
Average farm assets	4,441,496	3,663,718	4,444,061
Return on farm equity	409,453	93,986	708,737
Average farm equity	3,162,131	2,551,252	3,142,801
Value of farm production	1,432,845	874,099	1,692,952

Table 49

Liquidity & Repayment Capacity Measures  
**2010 MI Cash Grain (1200+ acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	31	7	8
Liquidity			
Current ratio	2.77	2.33	2.67
Working capital	805,000	467,207	701,150
Working capital to gross inc	51.6 %	45.0 %	41.4 %
Current assets	1,259,986	817,901	1,120,669
Current liabilities	454,986	350,694	419,520
Gross revenues (accrual)	1,559,644	1,039,187	1,695,256
Repayment capacity			
Net farm income from operations	338,826	96,260	429,396
Depreciation	164,028	97,194	218,099
Personal income	23,625	3,920	12,353
Family living/owner withdrawals	-83,960	-55,875	-100,930
Payments on personal debt	-838	-	-588
Income taxes paid	-13,488	-3,480	-23,762
Interest on term debt	45,896	35,038	60,075
Capital debt repayment capacity	474,090	173,058	594,643
Scheduled term debt payments	-121,981	-103,886	-117,750
Capital debt repayment margin	352,109	69,172	476,892
Cash replacement allowance	-51,637	-32,521	-79,813
Replacement margin	300,472	36,651	397,080
Term debt coverage ratio	3.89	1.67	5.05
Replacement coverage ratio	2.73	1.27	3.01

Table 50

Balance Sheet at Cost Values  
**2010 MI Cash Grain (1200+ acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms		Low 25%		High 25%	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Number of farms	31		7		8	
<b>Assets</b>						
<b>Current Farm Assets</b>						
Cash and checking balance	32,271	45,122	29,183	35,400	22,577	22,174
Prepaid expenses & supplies	160,776	167,603	79,874	116,781	186,898	188,963
Growing crops	12,092	15,751	13,174	23,491	18,504	18,612
Accounts receivable	35,325	15,041	37,542	11,071	12,319	5,399
Hedging accounts	6,556	8,259	3,429	2,457	3,103	3,103
Crops held for sale or feed	662,571	881,636	415,156	430,821	647,546	882,294
Crops under government loan	0	0	0	0	0	0
Market livestock held for sale	99,829	126,475	141,377	197,880	4,375	0
Other current assets	4,135	100	0	0	125	125
<b>Total current farm assets</b>	<b>1,013,555</b>	<b>1,259,986</b>	<b>719,734</b>	<b>817,901</b>	<b>895,446</b>	<b>1,120,669</b>
<b>Intermediate Farm Assets</b>						
Breeding livestock	39,976	38,113	113,814	108,625	0	0
Machinery and equipment	284,678	328,764	239,193	232,767	391,553	474,034
Titled vehicles	0	0	0	0	0	0
Other intermediate assets	32,467	40,796	16,547	16,690	45,290	59,859
<b>Total intermediate farm assets</b>	<b>357,121</b>	<b>407,674</b>	<b>369,554</b>	<b>358,082</b>	<b>436,843</b>	<b>533,893</b>
<b>Long Term Farm Assets</b>						
Farm land	676,660	699,195	654,800	755,014	564,430	589,335
Buildings and improvements	111,788	117,087	79,276	71,469	94,272	85,169
Other long-term assets	18,118	31,898	0	0	1,000	4,250
<b>Total long-term farm assets</b>	<b>806,565</b>	<b>848,179</b>	<b>734,075</b>	<b>826,483</b>	<b>659,702</b>	<b>678,754</b>
<b>Total Farm Assets</b>	<b>2,177,241</b>	<b>2,515,839</b>	<b>1,823,363</b>	<b>2,002,466</b>	<b>1,991,991</b>	<b>2,333,316</b>
<b>Total Nonfarm Assets</b>	<b>197,030</b>	<b>220,292</b>	<b>286,026</b>	<b>351,811</b>	<b>85,355</b>	<b>104,976</b>
<b>Total Assets</b>	<b>2,374,271</b>	<b>2,736,132</b>	<b>2,109,389</b>	<b>2,354,276</b>	<b>2,077,345</b>	<b>2,438,292</b>
<b>Liabilities</b>						
<b>Current Farm Liabilities</b>						
Accrued interest	12,731	14,918	2,927	7,661	4,223	6,740
Accounts payable	68,053	66,333	37,982	22,686	139,451	143,840
Current notes	254,397	294,416	163,424	257,054	161,245	213,683
Government crop loans	0	0	0	0	0	0
Principal due on term debt	76,085	79,319	68,848	63,293	57,676	55,257
<b>Total current farm liabilities</b>	<b>411,265</b>	<b>454,986</b>	<b>273,181</b>	<b>350,694</b>	<b>362,594</b>	<b>419,520</b>
<b>Total intermediate farm liabs</b>	<b>172,896</b>	<b>179,397</b>	<b>115,319</b>	<b>168,210</b>	<b>242,932</b>	<b>182,466</b>
<b>Total long term farm liabilities</b>	<b>641,592</b>	<b>698,594</b>	<b>641,088</b>	<b>676,440</b>	<b>644,383</b>	<b>750,625</b>
<b>Total farm liabilities</b>	<b>1,225,753</b>	<b>1,332,977</b>	<b>1,029,588</b>	<b>1,195,344</b>	<b>1,249,908</b>	<b>1,352,611</b>
<b>Total nonfarm liabilities</b>	<b>10,406</b>	<b>14,226</b>	<b>0</b>	<b>0</b>	<b>2,232</b>	<b>15,788</b>
<b>Total liabilities</b>	<b>1,236,159</b>	<b>1,347,203</b>	<b>1,029,588</b>	<b>1,195,344</b>	<b>1,252,140</b>	<b>1,368,398</b>
<b>Net worth (farm and nonfarm)</b>	<b>1,138,112</b>	<b>1,388,928</b>	<b>1,079,801</b>	<b>1,158,932</b>	<b>825,205</b>	<b>1,069,894</b>
Net worth change		250,816		79,132		244,689
Percent net worth change		22 %		7 %		30 %
<b>Ratio Analysis</b>						
Current farm liabilities / assets	41 %	36 %	38 %	43 %	40 %	37 %
Intermediate farm liab. / assets	48 %	44 %	31 %	47 %	56 %	34 %
Long term farm liab. / assets	80 %	82 %	87 %	82 %	98 %	111 %
Total debt to asset ratio	52 %	49 %	49 %	51 %	60 %	56 %

Table 51

Balance Sheet at Market Values  
**2010 MI Cash Grain (1200+ acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms		Low 25%		High 25%	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Number of farms	31		7		8	
<b>Assets</b>						
<b>Current Farm Assets</b>						
Cash and checking balance	32,271	45,122	29,183	35,400	22,577	22,174
Prepaid expenses & supplies	160,776	167,603	79,874	116,781	186,898	188,963
Growing crops	12,092	15,751	13,174	23,491	18,504	18,612
Accounts receivable	35,325	15,041	37,542	11,071	12,319	5,399
Hedging accounts	6,556	8,259	3,429	2,457	3,103	3,103
Crops held for sale or feed	662,571	881,636	415,156	430,821	647,546	882,294
Crops under government loan	0	0	0	0	0	0
Market livestock held for sale	99,829	126,475	141,377	197,880	4,375	0
Other current assets	4,135	100	0	0	125	125
<b>Total current farm assets</b>	<b>1,013,555</b>	<b>1,259,986</b>	<b>719,734</b>	<b>817,901</b>	<b>895,446</b>	<b>1,120,669</b>
<b>Intermediate Farm Assets</b>						
Breeding livestock	40,743	38,808	113,814	108,625	0	0
Machinery and equipment	946,673	1,040,063	673,626	679,469	1,151,725	1,363,800
Titled vehicles	17,655	20,277	0	0	30,675	34,922
Other intermediate assets	32,641	40,973	16,547	16,690	45,290	59,859
<b>Total intermediate farm assets</b>	<b>1,037,712</b>	<b>1,140,120</b>	<b>803,987</b>	<b>804,784</b>	<b>1,227,690</b>	<b>1,458,581</b>
<b>Long Term Farm Assets</b>						
Farm land	1,850,089	1,933,675	1,594,130	1,737,645	1,689,837	1,893,475
Buildings and improvements	251,619	281,610	427,096	422,160	157,626	189,547
Other long-term assets	50,376	64,251	0	0	126,000	129,250
<b>Total long-term farm assets</b>	<b>2,152,083</b>	<b>2,279,535</b>	<b>2,021,226</b>	<b>2,159,804</b>	<b>1,973,463</b>	<b>2,212,272</b>
<b>Total Farm Assets</b>	<b>4,203,350</b>	<b>4,679,641</b>	<b>3,544,947</b>	<b>3,782,489</b>	<b>4,096,600</b>	<b>4,791,522</b>
<b>Total Nonfarm Assets</b>	<b>310,631</b>	<b>340,053</b>	<b>314,597</b>	<b>387,525</b>	<b>140,401</b>	<b>165,144</b>
<b>Total Assets</b>	<b>4,513,981</b>	<b>5,019,695</b>	<b>3,859,544</b>	<b>4,170,014</b>	<b>4,237,000</b>	<b>4,956,666</b>
<b>Liabilities</b>						
<b>Current Farm Liabilities</b>						
Accrued interest	12,731	14,918	2,927	7,661	4,223	6,740
Accounts payable	68,053	66,333	37,982	22,686	139,451	143,840
Current notes	254,397	294,416	163,424	257,054	161,245	213,683
Government crop loans	0	0	0	0	0	0
Principal due on term debt	76,085	79,319	68,848	63,293	57,676	55,257
<b>Total current farm liabilities</b>	<b>411,265</b>	<b>454,986</b>	<b>273,181</b>	<b>350,694</b>	<b>362,594</b>	<b>419,520</b>
<b>Total intermediate farm liabs</b>	<b>172,896</b>	<b>179,397</b>	<b>115,319</b>	<b>168,210</b>	<b>242,932</b>	<b>182,466</b>
<b>Total long term farm liabilities</b>	<b>641,592</b>	<b>698,594</b>	<b>641,088</b>	<b>676,440</b>	<b>644,383</b>	<b>750,625</b>
<b>Total farm liabilities</b>	<b>1,225,753</b>	<b>1,332,977</b>	<b>1,029,588</b>	<b>1,195,344</b>	<b>1,249,908</b>	<b>1,352,611</b>
<b>Total nonfarm liabilities</b>	<b>10,406</b>	<b>14,226</b>	<b>0</b>	<b>0</b>	<b>2,232</b>	<b>15,788</b>
<b>Total liabs excluding deferreds</b>	<b>1,236,159</b>	<b>1,347,203</b>	<b>1,029,588</b>	<b>1,195,344</b>	<b>1,252,140</b>	<b>1,368,398</b>
<b>Total deferred liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total liabilities</b>	<b>1,236,159</b>	<b>1,347,203</b>	<b>1,029,588</b>	<b>1,195,344</b>	<b>1,252,140</b>	<b>1,368,398</b>
<b>Retained earnings</b>	<b>1,138,112</b>	<b>1,388,928</b>	<b>1,079,801</b>	<b>1,158,932</b>	<b>825,205</b>	<b>1,069,894</b>
<b>Market valuation equity</b>	<b>2,139,710</b>	<b>2,283,563</b>	<b>1,750,155</b>	<b>1,815,738</b>	<b>2,159,655</b>	<b>2,518,375</b>
<b>Net worth (farm and nonfarm)</b>	<b>3,277,822</b>	<b>3,672,492</b>	<b>2,829,956</b>	<b>2,974,670</b>	<b>2,984,860</b>	<b>3,588,268</b>
<b>Net worth excluding deferreds</b>	<b>3,277,822</b>	<b>3,672,492</b>	<b>2,829,956</b>	<b>2,974,670</b>	<b>2,984,860</b>	<b>3,588,268</b>
<b>Net worth change</b>		<b>394,669</b>		<b>144,714</b>		<b>603,408</b>
<b>Percent net worth change</b>		<b>12 %</b>		<b>5 %</b>		<b>20 %</b>
<b>Ratio Analysis</b>						
<b>Current farm liabilities / assets</b>	<b>41 %</b>	<b>36 %</b>	<b>38 %</b>	<b>43 %</b>	<b>40 %</b>	<b>37 %</b>
<b>Intermediate farm liab. / assets</b>	<b>17 %</b>	<b>16 %</b>	<b>14 %</b>	<b>21 %</b>	<b>20 %</b>	<b>13 %</b>
<b>Long term farm liab. / assets</b>	<b>30 %</b>	<b>31 %</b>	<b>32 %</b>	<b>31 %</b>	<b>33 %</b>	<b>34 %</b>
<b>Total debt to asset ratio</b>	<b>27 %</b>	<b>27 %</b>	<b>27 %</b>	<b>29 %</b>	<b>30 %</b>	<b>28 %</b>
<b>Debt to assets excl deferreds</b>	<b>27 %</b>	<b>27 %</b>	<b>27 %</b>	<b>29 %</b>	<b>30 %</b>	<b>28 %</b>

Table 52

Statement Of Cash Flows  
**2010 MI Cash Grain (1200+ acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	31	7	8
Beginning cash (farm & nonfarm)	32,271	29,183	22,577
Cash Provided By Operating Activities			
Gross cash farm income	1,342,129	1,003,579	1,476,485
Total cash farm expense	-1,066,808	-903,520	-1,043,028
Net cash from hedging transactions	-4,208	-895	-4,681
Cash provided by operating	271,113	99,163	428,776
Cash Provided By Investing Activities			
Sale of breeding livestock	1,122	289	-
Sale of machinery & equipment	8,747	5,643	11,854
Sale of titled vehicles	-	-	-
Sale of farm land	16,177	-	2,813
Sale of farm buildings	1,745	-	-
Sale of other farm assets	5,528	-	2,243
Sale of nonfarm assets	323	1,429	-
Purchase of breeding livestock	-1,249	-3,321	-
Purchase of machinery & equip.	-194,213	-78,263	-278,922
Purchase of titled vehicles	-	-	-
Purchase of farm land	-71,259	-173,318	-74,375
Purchase of farm buildings	-29,701	-10,342	-24,440
Purchase of other farm assets	-27,020	-143	-20,063
Purchase of nonfarm assets	-10,280	-	-25,197
Cash provided by investing	-300,080	-258,026	-406,087
Cash Provided By Financing Activities			
Money borrowed	462,502	559,554	356,098
Principal payments	-352,333	-383,236	-246,747
Personal income	23,625	3,920	12,353
Family living/owner withdrawals	-83,960	-55,875	-100,930
Income and social security tax	-13,488	-3,480	-23,762
Capital contributions	1,104	-	-163
Capital distributions	-5,146	-	-19,941
Dividends paid	-	-	-
Cash gifts and inheritances	11,270	44,767	-
Gifts given	-1,629	-	-
Other cash flows	-	-	-
Cash provided by financing	41,946	165,651	-23,092
Net change in cash balance	12,979	6,788	-403
Ending cash (farm & nonfarm)	45,251	35,971	22,174

Table 53

Financial Standards Measures  
**2010 MI Cash Grain (1200+ acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	31	7	8
Liquidity			
Current ratio	2.77	2.33	2.67
Working capital	805,000	467,207	701,150
Working capital to gross inc	51.6 %	45.0 %	41.4 %
Solvency (market)			
Farm debt to asset ratio	28 %	32 %	28 %
Farm equity to asset ratio	72 %	68 %	72 %
Farm debt to equity ratio	0.40	0.46	0.39
Profitability (cost)			
Rate of return on farm assets	13.7 %	3.7 %	18.8 %
Rate of return on farm equity	25.5 %	4.4 %	41.2 %
Operating profit margin	22.4 %	8.1 %	24.0 %
Net farm income	338,818	96,260	429,365
EBIDTA	551,859	228,917	698,352
Repayment Capacity			
Capital debt repayment capacity	474,090	173,058	594,643
Capital debt repayment margin	352,109	69,172	476,892
Replacement margin	300,472	36,651	397,080
Term debt coverage ratio	3.89	1.67	5.05
Replacement coverage ratio	2.73	1.27	3.01
Efficiency			
Asset turnover rate (cost)	61.1 %	45.7 %	78.3 %
Operating expense ratio	64.6 %	78.0 %	58.8 %
Depreciation expense ratio	10.5 %	9.4 %	12.9 %
Interest expense ratio	3.0 %	3.0 %	2.9 %
Net farm income ratio	21.7 %	9.3 %	25.3 %

Table 54

Operator and Labor Information  
**2010 MI Cash Grain (1200+ acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	31	7	8
Operator Information			
Average number of operators	1.5	1.7	1.3
Average age of operators	53.3	52.4	49.9
Average number of years farming	30.3	29.5	26.8
Results Per Operator			
Working capital	542,500	272,537	560,920
Total assets (market)	3,382,838	2,432,508	3,965,333
Total liabilities	907,898	697,284	1,094,719
Net worth (market)	2,474,940	1,735,224	2,870,615
Net worth excl deferred liabs	2,474,940	1,735,224	2,870,615
Gross farm income	1,051,064	606,193	1,356,205
Total farm expense	822,725	550,041	1,012,688
Net farm income from operations	228,339	56,152	343,517
Net nonfarm income	15,921	2,287	9,882
Family living & tax withdrawals	65,671	34,623	99,754
Total acres owned	465.7	381.7	384.2
Total crop acres	1,239.2	829.5	1,693.1
Crop acres owned	582.7	388.3	873.5
Crop acres cash rented	616.6	411.9	819.6
Crop acres share rented	39.9	29.3	-
Total pasture acres	-	-	-
Labor Analysis			
Number of farms	31	7	8
Total unpaid labor hours	3,549	3,749	4,131
Total hired labor hours	4,137	5,517	2,109
Total labor hours per farm	7,686	9,266	6,241
Unpaid hours per operator	2,392	2,187	3,305
Value of farm production / hour	186.42	94.33	271.28
Net farm income / unpaid hour	95.48	25.68	103.94
Average hourly hired labor wage	19.44	19.64	32.52
Partnerships & LLCs			
Number of farms	10	4	2
Number of operators	2.2	-	-
Owner withdrawals per farm	-	-	-
Withdrawals per operator	-	-	-



Table 55

Financial Summary  
**2010 MI Cash Grain (1200+ acres)**  
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of		
	All Farms	Low 25%	High 25%
Number of farms	31	7	8
Income Statement			
Gross cash farm income	1,342,129	1,003,579	1,476,485
Total cash farm expense	1,066,808	903,520	1,043,028
Net cash farm income	275,321	100,059	433,457
Inventory change	227,533	93,396	214,038
Depreciation	-164,028	-97,194	-218,099
Net farm income from operations	338,826	96,260	429,396
Gain or loss on capital sales	-8	-	-31
Average net farm income	338,818	96,260	429,365
Median net farm income	298,509	11,104	409,502
Profitability (cost)			
Rate of return on assets	13.7 %	3.7 %	18.8 %
Rate of return on equity	25.5 %	4.4 %	41.2 %
Operating profit margin	22.4 %	8.1 %	24.0 %
Asset turnover rate	61.1 %	45.7 %	78.3 %
Profitability (market)			
Rate of return on assets	10.3 %	3.5 %	17.1 %
Rate of return on equity	12.9 %	3.7 %	22.6 %
Operating profit margin	32.0 %	14.8 %	44.9 %
Asset turnover rate	32.3 %	23.9 %	38.1 %
Liquidity & Repayment (end of year)			
Current assets	1,259,986	817,901	1,120,669
Current liabilities	454,986	350,694	419,520
Current ratio	2.77	2.33	2.67
Working capital	805,000	467,207	701,150
Working capital to gross inc	51.6 %	45.0 %	41.4 %
Term debt coverage ratio	3.89	1.67	5.05
Replacement coverage ratio	2.73	1.27	3.01
Solvency (end of year at cost)			
Number of farms	31	7	8
Total farm assets	2,515,839	2,002,466	2,333,316
Total farm liabilities	1,332,977	1,195,344	1,352,611
Total assets	2,736,132	2,354,276	2,438,292
Total liabilities	1,347,203	1,195,344	1,368,398
Net worth	1,388,928	1,158,932	1,069,894
Net worth change	250,816	79,132	244,689
Farm debt to asset ratio	53 %	60 %	58 %
Total debt to asset ratio	49 %	51 %	56 %
Solvency (end of year at market)			
Number of farms	31	7	8
Total farm assets	4,679,641	3,782,489	4,791,522
Total farm liabilities	1,332,977	1,195,344	1,352,611
Total assets	5,019,695	4,170,014	4,956,666
Total liabilities	1,347,203	1,195,344	1,368,398
Net worth	3,672,492	2,974,670	3,588,268
Net worth change	394,669	144,714	603,408
Farm debt to asset ratio	28 %	32 %	28 %
Total debt to asset ratio	27 %	29 %	28 %
Nonfarm Information			
Net nonfarm income	23,625	3,920	12,353
Crop Acres			
Total acres owned	691	654	480
Total crop acres	1,839	1,422	2,116
Total crop acres owned	865	666	1,092
Total crop acres cash rented	915	706	1,025
Total crop acres share rented	59	50	-