

Pennyroyal Farm Analysis Group

2018 Analysis

Specialists: Rush Midkiff, Michael Forsythe, Laura Powers, Kayla Brashears

Crop Yields by County

| | Yellow Corn | Full Season Soybeans | Wheat | Double Crop Soybeans | Burley Tobacco | Dark Air Tobacco | Dark Fire Tobacco |
|-----------------|-------------|----------------------|-------|----------------------|----------------|------------------|-------------------|
| Butler | 187 | 53 | * | * | * | * | * |
| Christian | 191 | 46 | 72 | 54 | 2,274 | 2,340 | 2,746 |
| Logan | 183 | 53 | 68 | 53 | * | * | * |
| Muhlenberg | 165 | 49 | * | * | * | * | * |
| Simpson | 185 | * | * | * | * | * | * |
| Todd | 187 | 53 | 70 | 52 | * | * | * |
| Pennyroyal Area | 186 | 50 | 69 | 53 | 2,214 | 2,473 | 2,782 |
| 5 Year Average | 179 | 51 | 79 | 49 | 2,029 | 2,338 | 2,702 |

*Not enough farms with this crop to publish these numbers

Crop Return per Acre

| Return | % of Farms |
|----------------|------------|
| Above \$800 | 26% |
| 700-800 | 22% |
| 600-700 | 17% |
| 500-600 | 17% |
| Under \$500 | 17% |
| 2018 Average | 760.87 |
| 2017 Average | 729.62 |
| 2016 Average | 728.19 |
| 5 Year Average | 735.46 |

Net Farm Income

| thousands of \$ | % of Farms |
|-----------------|------------|
| Above \$1000 | 7% |
| 500-1000 | 17% |
| 100-500 | 36% |
| 0-100 | 21% |
| Under \$0 | 19% |
| 2018 Average | 317,613 |
| 2016 Average | 255,048 |
| 2015 Average | -38,786 |
| 5 Year Average | 183,588 |

Tillable Acres per Farm

| # of Acres | % of Farms |
|----------------|-------------|
| Above 5000 | 10% |
| 5000-3500 | 11% |
| 3500-2500 | 19% |
| 2500-1000 | 34% |
| Under 1000 | 26% |
| 2018 Average | 2,455 Acres |
| 5 Year Average | 2,393 Acres |

Financial Ratios

| | |
|-------------------------|------|
| Operating Expense Ratio | 73% |
| Net Farm Income Ratio | 12% |
| Debt/Asset Ratio | 26% |
| Debt/Equity Ratio | 36% |
| Return on Farm Assets | 3.3% |



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2018 Analysis Quick Facts

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| | 2014 | 2015 | 2016 | 2017 | 2018 | 5 Year Average |
|--------------------------------------|------------|------------|------------|------------|------------|----------------|
| Income Before Depreciation | \$ 407,904 | \$ 399,746 | \$ 390,668 | \$ 473,098 | \$ 490,916 | \$432,466 |
| Price Received for Old Crop Corn | \$ 4.74 | \$ 4.10 | \$ 3.86 | \$ 3.71 | \$ 3.76 | \$4.04 |
| Price Received for Old Crop Beans | \$ 13.16 | \$ 10.59 | \$ 9.19 | \$ 9.87 | \$ 9.78 | \$10.52 |
| Price Received for Old Crop Wheat | \$ 7.37 | \$ 6.29 | \$ 5.78 | \$ 4.91 | \$ 5.11 | \$5.89 |
| Price Received for New Crop Corn | \$ 4.08 | \$ 3.86 | \$ 3.57 | \$ 3.48 | \$ 3.66 | \$3.73 |
| Price Received for New Crop Beans | \$ 11.05 | \$ 9.12 | \$ 9.86 | \$ 9.56 | \$ 9.08 | \$9.73 |
| Price Received for New Crop Wheat | \$ 5.97 | \$ 5.57 | \$ 4.60 | \$ 4.69 | \$ 5.40 | \$5.25 |
| Averages per acre: | | | | | | |
| Seed, Chemical, and Fertilizer Total | \$ 284.55 | \$ 272.63 | \$ 259.87 | \$ 246.71 | \$ 249.45 | \$262.64 |
| Machinery and Equipment Total | \$ 209.14 | \$ 195.31 | \$ 180.50 | \$ 199.00 | \$ 189.50 | \$194.69 |
| Drying & Storage Total | \$ 7.90 | \$ 5.32 | \$ 5.85 | \$ 5.61 | \$ 6.43 | \$6.22 |
| Insurance Total | \$ 35.82 | \$ 37.12 | \$ 33.09 | \$ 35.95 | \$ 34.17 | \$35.23 |
| Crop Insurance (included above) | \$ 22.50 | \$ 22.90 | \$ 19.93 | \$ 20.94 | \$ 19.48 | \$21.15 |
| Cash rent per cash rent acre | \$ 201.53 | \$ 209.93 | \$ 201.45 | \$ 203.26 | \$ 200.98 | \$203.43 |
| Percent of cash rent acres per farm | 51.1% | 51.5% | 52.6% | 49.7% | 49.8% | 50.9% |
| Percent of owned acres per farm | 32.1% | 31.5% | 32.6% | 34.2% | 33.5% | 32.8% |
| Percent of crop share acres per farm | 16.8% | 17.0% | 14.8% | 16.1% | 16.7% | 16.3% |

Family Living Expenditures

(state averages for 2018)

| | Average | High 1/3 | Low 1/3 | | Average | High 1/3 | Low 1/3 |
|---------------------|----------|----------|----------|-------------------------|----------|-----------|----------|
| Net Farm Income | \$77,980 | \$90,378 | \$40,238 | Life Insurance | \$4,057 | \$7,526 | \$1,643 |
| Net Non-Farm Income | \$26,941 | \$39,426 | \$9,176 | Expendables | \$52,307 | \$92,214 | \$17,338 |
| Income & SS Taxes | \$13,028 | \$27,688 | \$6,270 | Living-Capital Expenses | \$4,756 | \$10,148 | \$1,505 |
| Contributions | \$4,581 | \$7,205 | \$1,694 | Total Family Living | \$73,039 | \$129,564 | \$24,125 |
| Medical Expenses | \$7,338 | \$12,471 | \$1,945 | | | | |