



SELECTED FARM RENTS, RATES, AND VALUES

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Disclaimer: Although the following information has been updated to the best of our ability, the various rents, rates, and values should be seen as ballpark figures and as a starting point for negotiation. Often rates are determined by the demand for a facility relative to the non-use of the facility. Also, situations vary and can result in wider ranges than reported here. For instance, if property is located near a metro area, the demand for it will be much higher than if it were in a remote area.

RENTS

Facilities Rent:

Old: 10 - 15% of original investment.

New: 12 - 16% of original investment cost if built specifically to rent out. If new building already exists and is standing empty, this range could be lower.

Renter: Pays all utility costs incurred, plus minor building repair and equipment maintenance costs.

Owner: Pays real estate taxes, fire and wind insurance, building remodeling costs and replacement costs of barn cleaners, silo unloaders and livestock equipment.

Both: Carry their own farm liability insurance.

House Rent:

Older, average condition:

- Range: \$100.00 - \$650.00/month.
- Average: \$325.00/month.

Modern, good location:

- Range: \$100.00 - \$900.00/month.
- Average: \$400.00/month.

Dairy Facilities Rent:

Milking parlor, equipment, loafing shed, feed storage, manure handling and storage facilities, and replacement heifer housing: \$75.00 - \$200.00/cow unit/year.

Older (40 cow barn):

- Range: \$75.00 - \$125.00/cow unit/year, or \$6.00 - \$11.00/cow unit/month.
- Average: \$90.00/cow unit/year, or \$7.50/cow unit/month.

Repair costs can be substantial with an old dairy facility. In most cases the renter is responsible for all repairs.

Modern (over 60 cow capacity):

- Range: \$120.00 - \$200.00/cow unit/year, or \$10.00 - \$15.00/cow unit/month.
- Average: \$140.00/cow unit/year, or \$12.00/cow unit/month.

Modern facilities must have a lot of built-in labor saving technology, like liquid manure storage and forage conveyors.

Hog Facilities Rent:

Pasture farrowing hut:

- Range: \$3.00 - \$18.00/hut/year.
- Average: \$9.00.

Farrowing house:

- Range: \$4.50 - \$18.00/pig weaned, or \$5.00 - \$35.00/crate/litter, or \$25.00 - \$400.00/crate/year.
- Average: \$9.50/pig weaned, or \$110.00/crate/year.

Nursery:

- Range: \$1.50 - \$12.00/pig.
- Average: \$4.00/pig.

Farrow-to-finish:

- Modern: \$4.00 - \$18.00/head sold.
- Average: \$9.00/head sold.

Confinement finishing building:

- Range: \$10.67 - \$36.00/space/year, or \$2.00 - \$14.40/head sold, or 2 - 12 cents/pig/day.
- Average: \$34.50/space/year, or \$7.00/head sold, or 8 cents/pig/day.

Open front finishing unit:

- Range: \$3.75 - \$32.00/space/year, or \$2.18 - \$12.05/head sold, or 2 - 8.5 cents/pig/day.
- Average: \$12.34/space/year, or \$5.00/head sold, or 7 cents/pig/day.

Feeder Cattle Facilities Rent:

Range: \$1.00 - \$9.00/head/month, or \$9.00 - \$80.00/head finished, or 7 - 30 cents/head/day.
Average: \$4.50/head/month, or \$38.00/head finished, or 15 cents/head/day.

Machine Shed Rent:

Old, small, low ceilings, small doors, dirt floor:

- Range: 10 - 30 cents/sq.ft./year.
- Average: 20 cents/sq.ft./year.

New, larger, high ceilings, large doors, cement floor:

- Range: 30 - 70 cents/sq.ft./year.
- Average: 45 cents/sq.ft./year.

Grain Storage Rent:

Old, smaller, high labor requirements, larger grain loss: 1 - 1.5 cents/bu./month, and 9 - 12 cents/bu./year minimum.

New, larger, good elevator grain movement system, small grain loss: 1.5 - 3 cents/bu./month, and 12 - 20 cents/bu./year minimum.
Should have the capability to cool grain down in fall and warm it up in the spring. Should also keep grain in good condition.

Corn Silage Storage Rent:

Airtight silo:

- Range: \$1.00 - \$5.50/ton/year.
- Average: \$2.50/ton/year.

Concrete stave silo:

- Range: \$0.75 - \$3.50/ton/year.
- Average: \$2.10/ton/year.

Bunker silo:

- Range: \$1.10 - \$2.50/ton/year.
- Average: \$2.00/ton/year.

Hay Storage Rent:

Small bales:

- Range: 5 - 31 cents/bale/year.
- Average: 10 cents/bale/year.

Large bales:

- Range: \$1.50 - \$4.00/ton/year.
- Average: \$2.40/ton/year.

Corn Stover Grazing Rent:

Range: \$3.00 - \$9.00/acre, or 10 - 30 cents/cow unit/day.
Average: \$5.00/acre, 18 cents/cow unit/day.

Pasture Grazing Rent:

Range: \$20.00 - \$60.00/acre, or 20 - 60 cents/cow unit/day, or \$6.00 - \$17.00/cow unit/month, depending upon pasture quality.

Average: \$35.00/acre, or 30 cents/cow unit/day, or \$8.00 - \$10.00/cow unit/month (1000 lb. beef cow).

To adjust these figures for other classes of livestock multiply by:

- Calf (3 - 6 months): 30%
- Calf (6 - 12 months): 50%
- Yearling: 75%
- Bull: 125%
- Horse: 125%
- Ewe: 20%.

Cattle Owner: Cattle owners are responsible to keep the fences in good repair, and are also responsible for all costs associated with weed control. They also check their cattle and pay for the electricity required to water the animals.

Landlord: Landlords supply the fence posts and wire. They will also find less over-grazing of the pasture if they use per animal, rather than per acre leases.

Hay Field Rent:

Cash rent: 25 - 40% higher than the average annual cash rental rate in the area. For one cutting of hay a charge of 30 - 40% of the annual rent is appropriate. Early cuttings are usually worth more than later cuttings.

Share rent: Tenant receives 40% of the crop and the landlord 60%, provided the landlord is responsible for the crop's establishment and its fertility. If not, the landlord's share should probably be 40 - 50%.

RATES

Contract Hog Farrowing Rate:*Nursery:*

- Range \$2.00 - \$7.50/pig moved out, or 20 - 30% of the litter.
- Average \$5.50/pig moved out.

Farrow-to-finish:

- Range: \$2.00 - \$20.00/pig moved out, or 11 - 15 cents/pound sold.
- Average: \$12.50/pig moved out.

Owner: Usually the owner of the hogs provides the sows and boars, the feed, the transportation, and the veterinary services. *Operator:* Usually the operator/custom farrower provides the buildings, the labor, as well as being responsible for repairs, the utilities, and manure removal.

Other: Contracts should specify the payment rate, when payments are due, the maximum number of litters per sow, the policy on culling and replacements, as well as the guidelines regarding vaccinations, nutrition, and reporting. Incentive plans are sometimes developed to reward superior production.

Contract Hog Finishing Rate:*Open lots/older buildings:*

- Range: \$2.00 - \$7.50/pig finished, or 2 - 6 cents/head/day, or \$14.40 - \$25.00/space/year.
- Average: \$5.00/pig finished, or 4 cents/head/day, or \$20.00/space/year.

Confinement/fully cemented:

- Range: \$7.00 - \$10.50/pig finished, or 5 - 8 cents/head/day, or \$25.00 - \$35.00/space/year.
- Average: \$9.00/pig finished, or 7 cents/head/day, or \$30.00/space/year.

New facilities:

- Range: \$11.50 - \$14.00/pig finished, or 9 - 11 cents/head/day, or \$35.00 - \$43.00/space/year.
- Average: \$12.50/pig finished, or 10 cents/head/day, or \$39.00/space/year.

Owner: The owner of the hogs provides the hogs, the feed, the transportation, and the veterinary services. In addition, the owner usually carries the liability insurance, as well as insurance for hog losses due to fire, or wind. Also, the owner of the hogs usually performs all marketing functions.

Operator: The operator/custom finisher usually provides the finishing facility, the labor, and is responsible for the utilities, the bedding, and manure removal. The manure is the property of the custom finisher. If the operator grinds and mixes the feed, or provides other services, an additional \$1.00 to \$3.00 per head should be paid. If the operator provides corn, it should be paid for over and above the aforementioned rates. The operator carries the insurance on the buildings, and may also carry catastrophic insurance on the hogs. The operator is usually expected to keep and submit inventory records to the owner.

Other: Some feeder contracts require a payment when the hogs are delivered, with the balance being due when the hogs are marketed. Other contracts require monthly payments based on feed usage. The owner usually absorbs the death loss, but deductions may be made from the contract finisher if the death rate exceeds 3 percent. Many hog contracts have incentive options built in that reward the operator for better feed conversion, increased rates of gain, or other factors that materially affect profits. These incentives are usually set up on a sliding scale, with larger incentives paid as performances improve.

Contract Cattle Finishing Rate:

Range: 15 - 27 cents/head/day, or 40 - 50 cents/pound of gain.

Average: 19 cents/head/day.

Rates vary depending on the degree of shelter, protection, and services provided. Determination should be made as to who will be responsible for the liability and catastrophic insurance expense. The owner usually stands all death losses. Excessive death losses over 1 percent on cattle above 600 pounds, and 2 percent on cattle under 600 pounds are sometimes charged to the operator. Payments are usually made every 2 to 4 weeks. The owner and the operator usually share purchasing and marketing responsibilities. Incentive plans are often used to reward superior gains and feed conversions. Operator supplied feed is usually marked up by 5 to 10 percent. Supplementary payments should be made if additional services are provided such as veterinary and sick pen work, and hauling.

Contract Calving Rate:*Cash Basis:*

- Yardage costs: 20 - 25 cents/cow/day.
- Feed costs: \$0.75 - \$1.00/cow/day depending upon the amount of supplement and mineral feed.
- Calving labor costs: \$15.00 to \$25.00/live calf born.

Share Basis:

- Owner of the cows and bull: 30% of calf crop.
- Operator: 70% of calf crop.
- This split is especially important with first calf heifers and older cows with udder problems. In the case of mid-age cows with no udder problems the split could be 35/65, or even 40/60.

Contract Dairy Replacement Heifer Raising Rate:

There are no simple formulas or budgets to price contract rearing of replacement dairy heifers. Each situation requires an individual set of calculations. The following table, however, may be used as a broad guideline. Costs are divided into 11 different cost categories for each 100-pound weight increment. The value of the calf is not included.

Start Wt.	End Wt.	Days Fed	Feed Cost	Bedding	Vet. Med.	Breeding	Labor	Elec. Fuel	Mgmt Cost	Int. Cost	Deaths	Equipmnt	Bldg Cost	Daily Cost	Total Cost
100	200	60	0.99	0.10	0.15	0.00	1.07	0.01	0.12	0.06	0.08	0.02	0.19	\$2.79	\$167.40
200	300	60	0.66	0.07	0.06	0.00	0.14	0.02	0.01	0.04	0.00	0.05	0.17	\$1.22	\$73.20
300	400	60	0.76	0.05	0.05	0.00	0.17	0.02	0.02	0.04	0.01	0.05	0.13	\$1.30	\$78.00

400	500	60	0.76	0.06	0.05	0.00	0.17	0.03	0.02	0.05	0.01	0.05	0.11	\$1.33	\$79.80
500	600	60	0.80	0.05	0.05	0.00	0.19	0.03	0.02	0.05	0.00	0.07	0.13	\$1.38	\$82.80
600	700	60	0.74	0.04	0.03	0.00	0.17	0.04	0.03	0.05	0.00	0.08	0.15	\$1.35	\$81.00
700	800	60	0.91	0.06	0.04	0.00	0.21	0.05	0.02	0.06	0.01	0.07	0.12	\$1.52	\$91.20
800	900	60	0.92	0.08	0.06	0.14	0.25	0.05	0.02	0.07	0.01	0.07	0.13	\$1.80	\$108.00
900	1000	60	1.02	0.03	0.04	0.13	0.26	0.06	0.02	0.11	0.00	0.08	0.14	\$1.90	\$114.00
1000	1100	60	1.00	0.04	0.04	0.05	0.19	0.07	0.03	0.11	0.01	0.10	0.12	\$1.75	\$105.00
1100	1200	60	1.14	0.03	0.07	0.02	0.16	0.08	0.02	0.05	0.01	0.09	0.15	\$1.81	\$108.60
1200	1300	60	1.37	0.04	0.07	0.01	0.17	0.08	0.02	0.07	0.02	0.08	0.14	\$2.06	\$123.60

Av. cost/day	0.92	0.05	0.06	0.03	0.26	0.05	0.03	0.06	0.01	0.07	0.14	\$1.68	
Tot. cost/heifer	\$662	\$39	\$43	\$21	\$189	\$32	\$21	\$46	\$10	\$49	\$101		\$1,213

VALUES

Value of Swine Manure:

The value of manure should be based on the amount by which commercial fertilizer purchases can be reduced. If it assumed that the nutrients available per 1000 gallons are 28 lbs. of N, 20 lbs. of P, and 28 lbs. of K, then at current prices 1,000 gallons of swine manure would have a maximum value of \$13.46 (or 2.1 cents per grow/finish pig per day). If, however, the field did not require any phosphate or potash, then this value would drop to \$5.02 (or 0.9 cents per grow/finish pig per day). Many different arrangements exist -- some just charge the N value, others the application cost, while others don't charge anything at all.

Value of Corn Silage:

Method 1 -- Rule of Thumb: \$/ton (35% dry matter) = 10 x \$/bu. in the silo.

Method 2 -- Rule of Thumb: \$/ton (35% dry matter) = 33% x good quality hay price/ton.

Method 3 -- Energy-Protein-Fiber: at 44 % soybean meal:

- \$/ton (35% dry matter) = (0.19 x corn price/ton) - (0.059 x soybean meal price/ton) + (0.263 x fair quality hay price/ton).

Method 4 -- Energy-Protein:

- \$/ton (35% dry matter) = (0.265 x corn price/ton) - (0.11 x soybean meal price/ton).

Value of Oatlage:

Method 1 -- Rule of Thumb: \$/ton (30% dry matter) = 13 x \$/bu. in the silo.

Method 2 -- An oats crop will yield approximately one ton of oatlage, at 65 to 70% moisture, for every ten bushels of grain that it would have produced. The feeding value of oatlage is approximately 80% of the value of normal corn silage. Pricing oatlage to correspond to a projected corn grain price at harvest of say \$2.00 per bushel will result in an oatlage price of approximately \$16.00 per ton (i.e. \$2.00/bu. x 10 bu./ton x 80% = \$16.00/ton).

Value of Straw and Stover:

While the market price of the various types of straw and corn stover can be found each month in the *Rock County Ag-News*, their actual value is usually based upon the current fertilizer price of the nitrogen (N), phosphorus (P), and potassium (K) that are contained in them. The nutrient values below are in pounds per bushel of harvested crop. Typically during the haying process only about 50 to 75% of the straw or stover will be removed from a field. Therefore, in the following table the assumption is made that 60% of the straw and stover are removed.

CROP	GRAIN YIELD (bushels/acre)	% STRAW REMOVED	N (pounds/bushel)	P (pounds/bushel)	K (pounds/bushel)	STRAW VALUE (\$/acre)
Corn Stover	140	60	0.50 \$7.53	0.25 \$4.66	1.05 \$12.64	\$24.83
Soybeans	45	60	1.30 \$6.29	0.30 \$1.80	0.90 \$3.48	\$11.57
Sorghum	100	60	0.85 \$9.14	0.30 \$3.99	1.40 \$12.03	\$25.16
Barley	60	60	0.40 \$2.58	0.15 \$1.20	1.10 \$5.67	\$9.45
Oats	80	60	0.35 \$3.01	0.18 \$1.92	1.10 \$7.57	\$12.50
Wheat	45	60	0.50 \$2.42	0.12 \$0.72	1.20 \$4.64	\$7.78
Rye	30	60	0.50 \$1.61	0.30 \$1.20	0.85 \$2.19	\$5.00

If a field is high in a particular nutrient (e.g. K) then the value of the straw or stover (e.g. corn) may be reduced by the dollar amount allocated to that nutrient in the above table (e.g. \$12.64). When straw and stover are constantly removed from a field, fertilizer applications will likely have to be increased, unless of course nutrients are returned in the form of manure.

USDA Guidelines for Market Hay:

ALFALFA & ALFALFA/MIX HAY

	Relative Feed Value	Acid Detergent Fiber
Supreme	Over 180	Under 27
Premium	150 - 180	27 - 30

GRASS HAY

	Percent Crude Protein
Premium	Over 13
Good	9 - 13

Good	125 - 150	30 - 32
Fair	100 - 125	32 - 35
Low	Under 100	Over 35

Fair	5 - 9
Low	Under 5

Based on -- 100 percent dry matter

Average Bale Weights:

	ALFALFA	GRASS	STRAW
Small square	50 - 60 lbs.	40 - 45 lbs.	35 - 40 lbs.
Large square	900 lbs.	750 lbs.	650 lbs.
Large round	1,200 - 1,300 lbs.	1,000 - 1,200 lbs.	800 - 1,000 lbs.

Value of Legume and Grass Hay:

Method 1 -- Hay Auction Prices: See the average prices and ranges each month in the *Rock County Ag-News*.

Method 2 -- Relative Feed Value (RFV) Rule of Thumb: \$/ton = (RFV - 26) x (% dry matter/100).

Method 3 -- Energy-Protein-Fiber: at 89 % dry matter and 44 % soybean meal:

- Premium Quality \$/ton = (0.191 x soybean meal price/ton) + (0.057 x corn price/ton) + (0.724 x fair quality hay price/ton).
- Good Quality \$/ton = (0.045 x soybean meal price/ton) + (0.067 x corn price/ton) + (0.879 x fair quality hay price/ton).
- Low Quality \$/ton = (-0.071 x soybean meal price/ton) - (0.08 x corn price/ton) + (1.146 x fair quality hay price/ton).

Value of Haylage:

An established stand of grass will yield approximately 1.5 tons of haylage, at 40 to 60% moisture, per cutting. If it is assumed that hay has a moisture content of 15%, then pricing haylage to correspond to a hay price of \$70.00 per ton, will result in a haylage price of approximately \$41.18 per ton (i.e. \$70.00/ton x [40% + 60%]/2 x [1/85%] = \$41.18/ton).

Value of Standing Crops:

The value placed on a standing crop in a field is the open market value of the crop less the normal costs incurred to harvest, dry, and haul the crop to the elevator, silo, or auction.

Corn field per acre: (estimated corn yield in bu. x \$/bu.) - combining (\$24.25) - drying (\$0.08/bu.) - hauling (\$0.011/bu./mile);
or (estimated silage yield [15 tons] x 7 x \$/bu.) + (estimated silage yield [15 tons] x fertilizer value of stalk removed [\$1.65]).

Soybean field per acre: (estimated soybean yield in bu. x \$/bu.) - combining (\$23.50) - hauling (\$0.011/bu./mile);
or if harvested as hay (estimated hay yield [1 ton] x good quality legume hay price/ton);

or if harvested as haylage (estimated haylage yield [3 tons] x 33% x good quality legume hay price/ton).

Oats field per acre: (estimated oats yield in bu. x \$/bu.) + (estimated straw yield [0.75 tons] x \$/ton) - combining (\$22.15) - hauling (\$0.011/bu./mile) - haying (\$20.00);

or if harvested as oatlage (estimated oatlage yield [5 tons] x 10 x \$/bu.).

Hay field per acre: (estimated yield in ton [1.5 tons] x \$/ton) - haying (\$36.00) - hauling (\$3.05/round bale).

Value of Pasture Land:

Range: \$300.00 - \$500.00/acre depending upon size, quality of pasture, aspect, flooding threat, availability of water, etc.

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