

Market Trends

Presented by

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Capital
Agricultural
Property
Services, Inc.

NCREIF Farmland Index

**National Council of Real Estate Investment
Fiduciaries**

**A tool for investors to accurately compare farmland
investments to other asset classes**

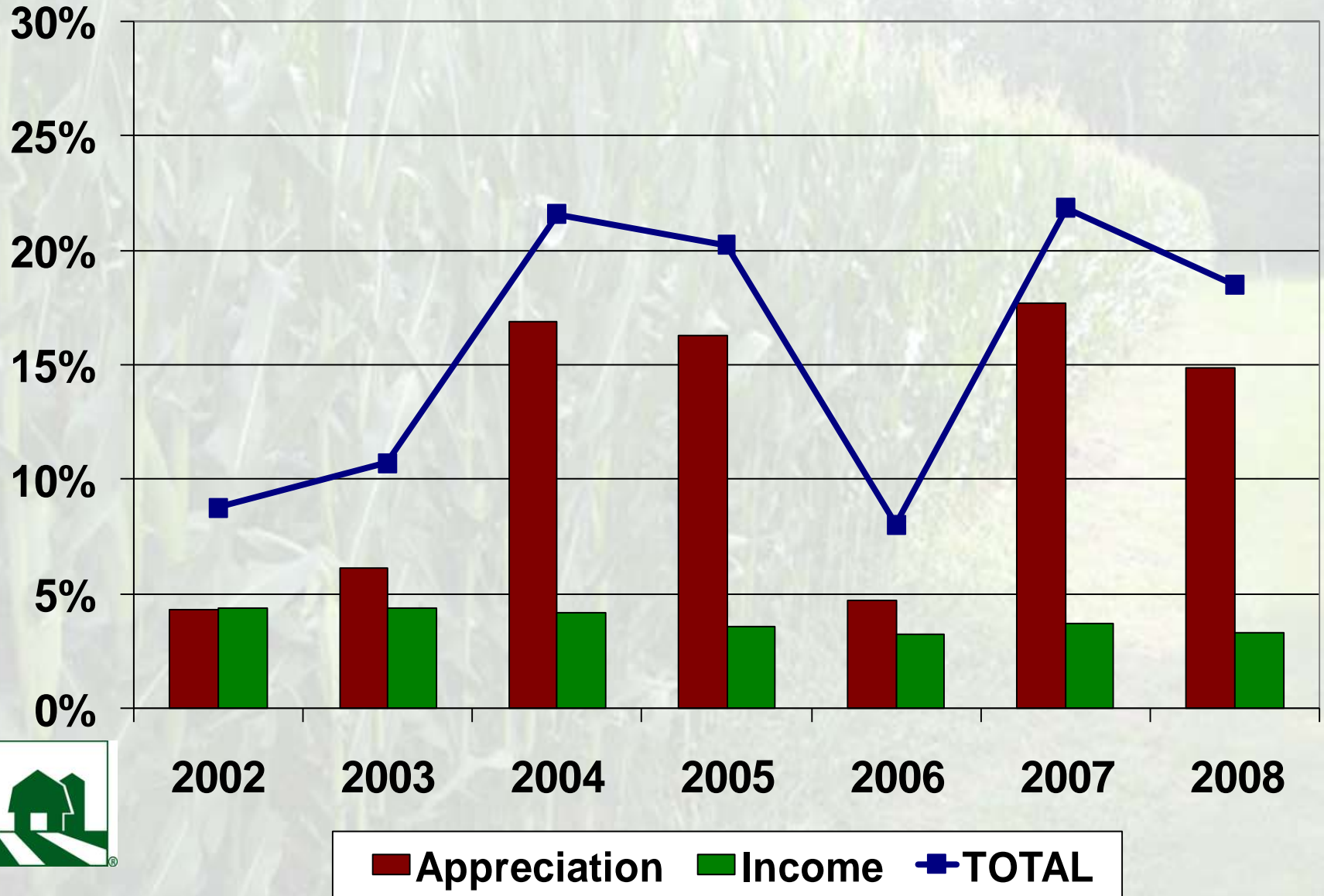
Database begins with the first quarter of 1984

Properties from all major agricultural regions



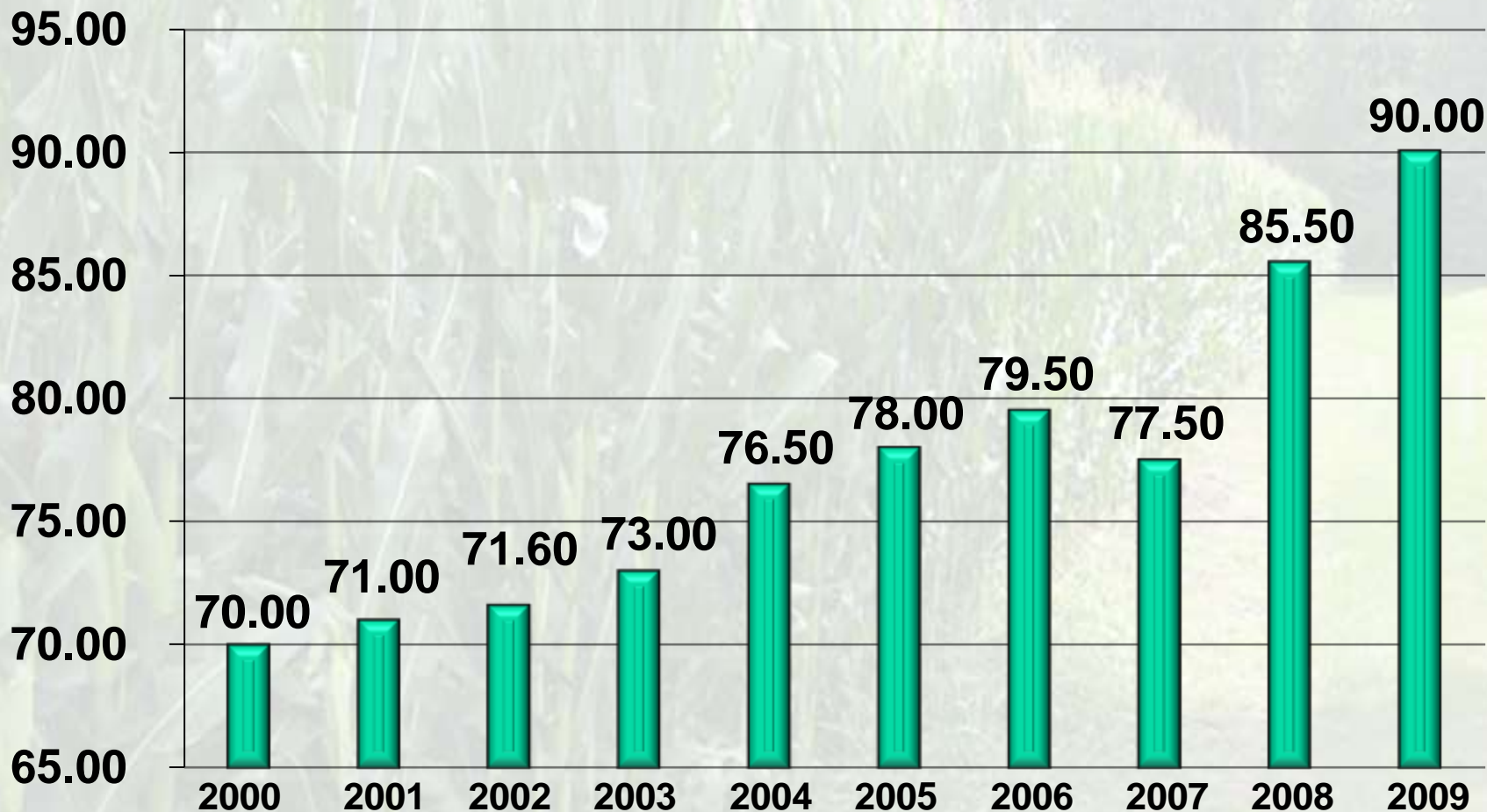
NCREIF Farmland Index – Corn Belt

Calendar Year Returns



US Average Cropland Cash Rent

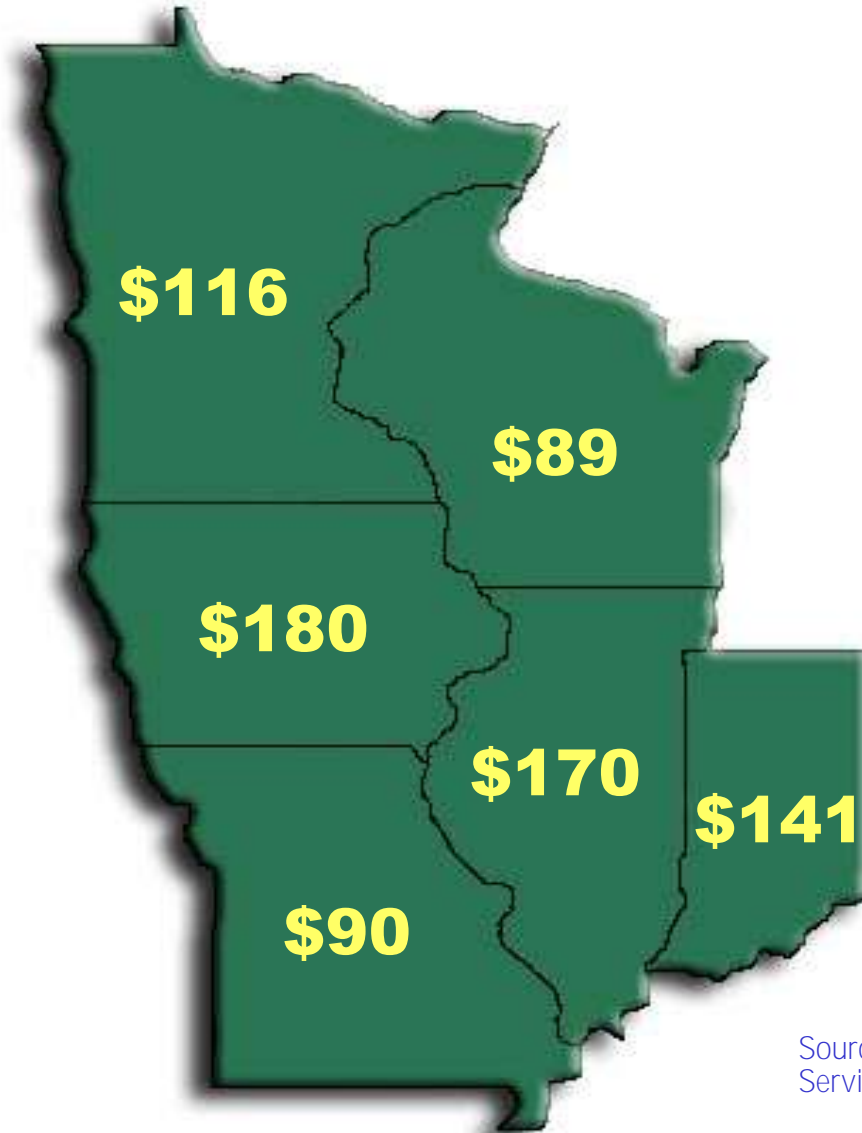
Dollars per Acre, 2000-2009



Source: National Agricultural Statistics Service, USDA
August 2009

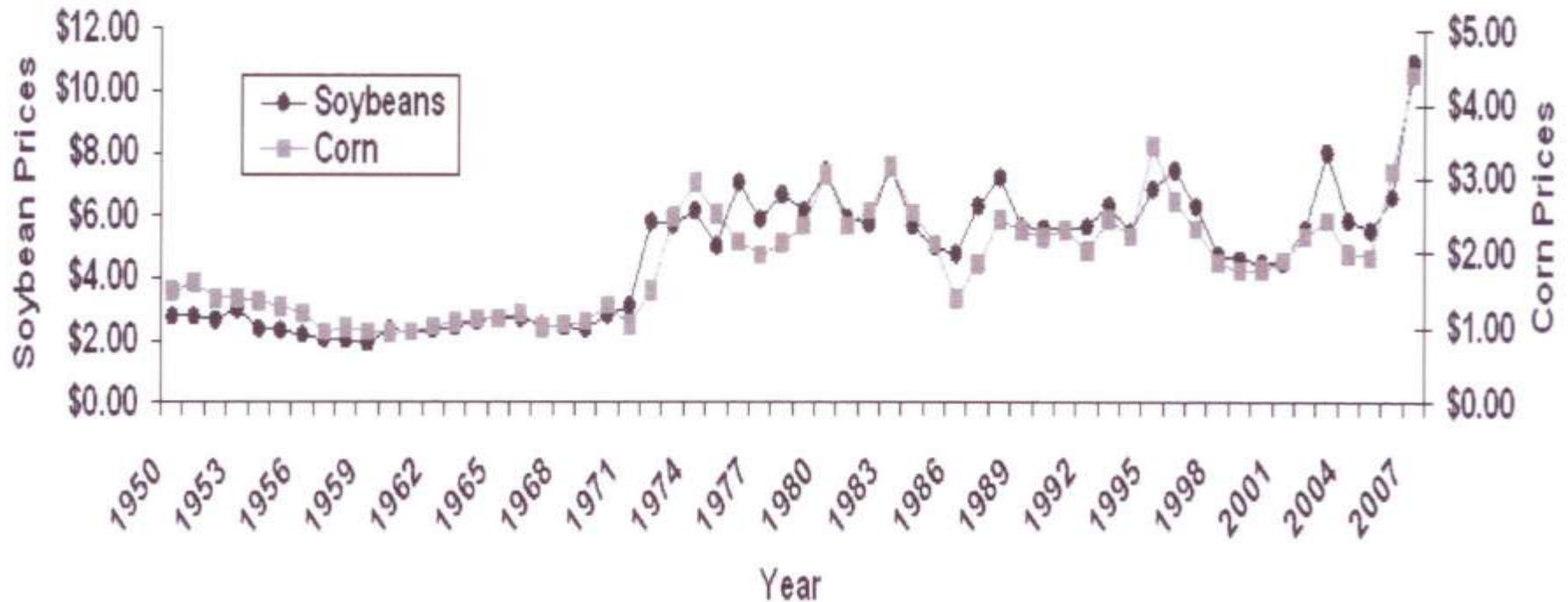
2009 Cropland Cash Rent by State

Dollars per Acre



Source: National Agricultural Statistics Service, USDA
August 2009

Average Corn & Soybean Prices 1950 - 2008



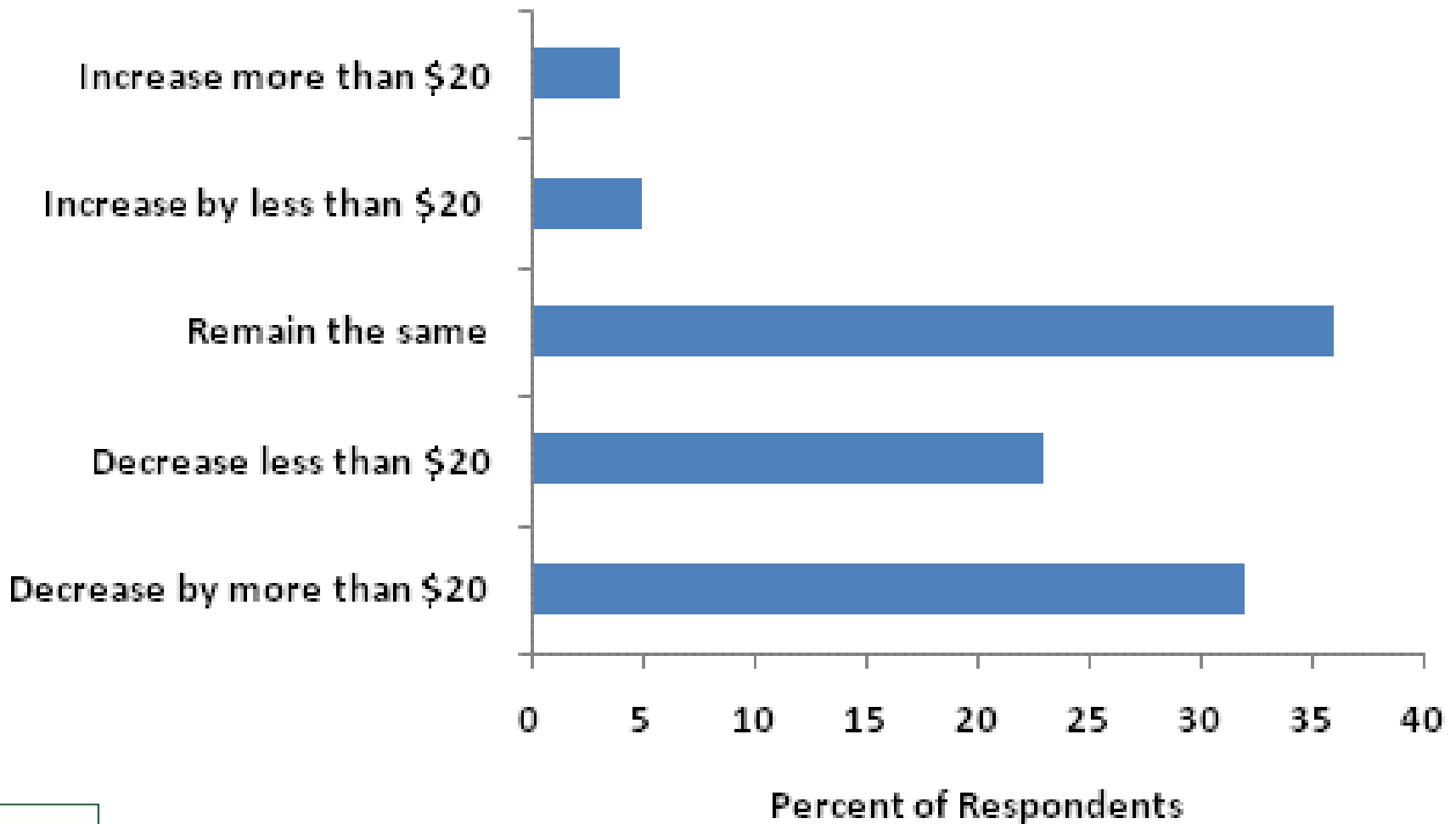
Source: National Agricultural Statistics
Service, USDA
August 2009

Per Acre 2009 Cash Rents by Time Rent is Set

Prior to September 2008	\$285
September to October 2008	\$272
October to December 2008	\$260
January to March 2009	\$222



Will Cash Rents Increase/Decrease in 2010



Source: Illinois Society of Professional
Farm Managers and Rural Appraisers,
2009

Other Findings

60% of cash rents likely to be different in 2010 than in 2009

70% of cash rents are set in the November to December period

91% of leases will be for one year term



Leases

**What changes are we seeing for
2010?**



Which Leases Will Be Used More or Less in 2010

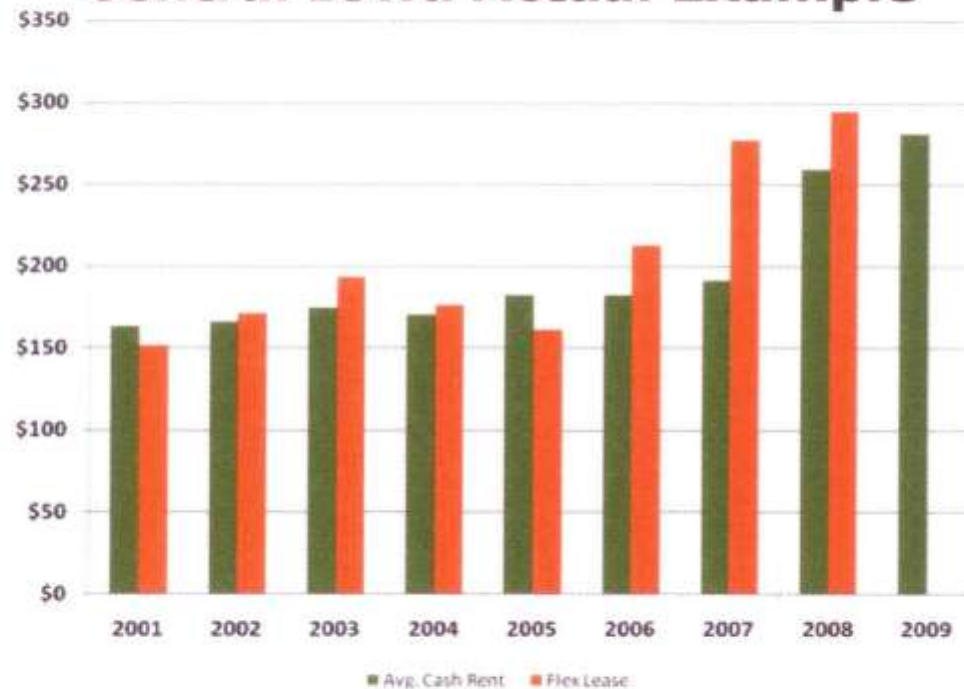
	Percent of Responses		
	<u>Less</u>	<u>Same</u>	<u>More</u>
Traditional Share Rent	62	38	0
Modified Share Rent	21	58	21
Cash Rent	20	55	25
Variable Cash Rent	0	33	67



Source: Illinois Society of Professional
Farm Managers and Rural Appraisers,
2009

Fixed vs. Flexible Cash Rent Central Iowa Actual Example

Fixed vs. Flexible Cash Lease Central Iowa Actual Example

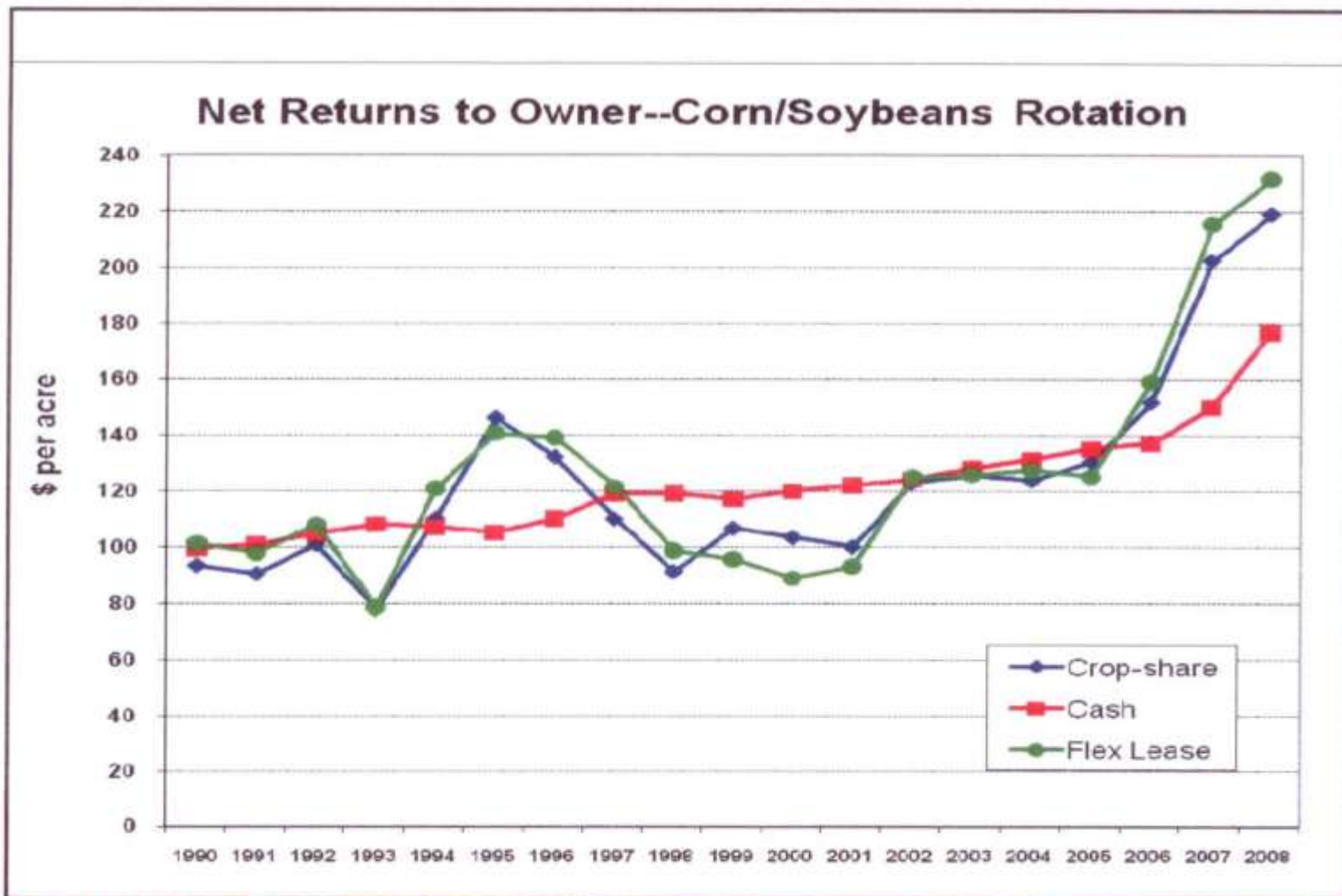


Returns to Owner for Crop Share & Cash Leases Corn, Average Iowa Values



Returns to Owner for Crop Share & Cash Leases

Corn, Average Iowa Values



Thank You

