

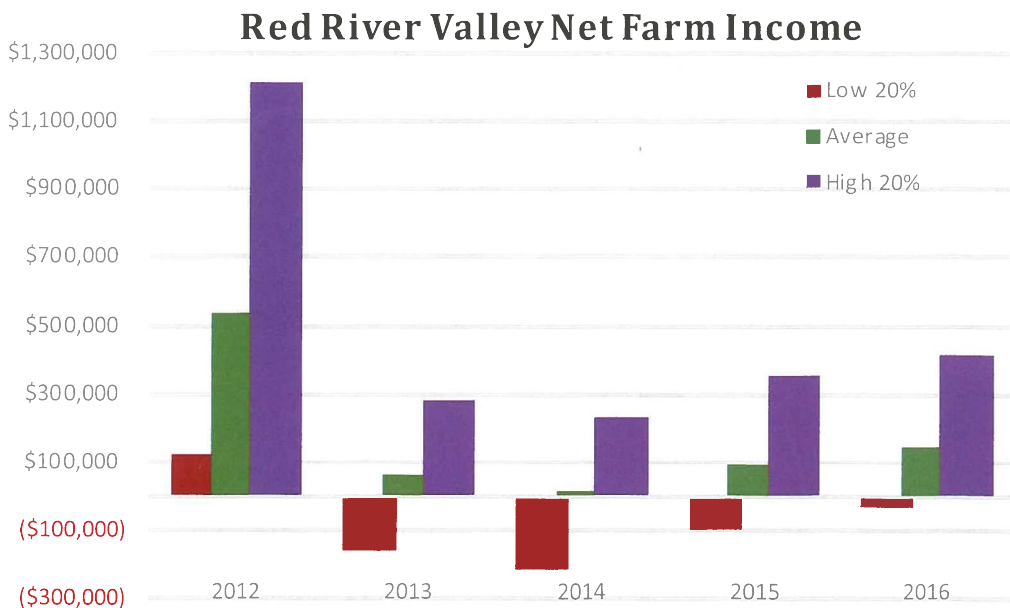
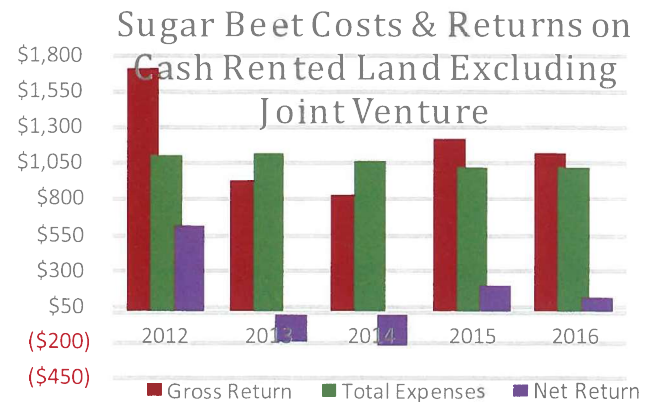
Highlights from the 2016 Red River Valley Averages

Overview for Red River Valley

The Red River Valley includes information from 240 farms located in the Red River Valley. Net Farm Income increased from \$89,484 in 2015 to \$143,489. Factors that caused this year's Net Farm Income to increase was better than average yields, slightly lower input costs, increase in government payments due to the 2015 ARC payments paid in 2016, and CSP payments. Average price of the commodities was also up compared to 2016. Wheat went from \$4.98 to \$5.00, Soybeans from \$8.47 to \$9.23, and Corn went from \$3.14 to \$3.44. Machinery purchased for the year was up \$7,831 but the farms also sold an average of \$16,498 of machinery.

2016 Crop Yields and Returns on Cash Rented Land

| | Soybeans | HRSW | Corn |
|---------------------------|-----------------|-----------------|-----------------|
| Yield/acre | 46.89 | 68.44 | 189.71 |
| Total Expense/a | \$355.91 | \$372.03 | \$582.69 |
| Net Return/a | \$89.07 | -\$15.18 | \$27.58 |
| Cost/unit produced | \$7.59 | \$5.44 | \$3.07 |



Summary of Cash Flows

| | |
|----------------------|-----------|
| Gross Farm Income | \$932,961 |
| Non Farm Income | \$25,385 |
| Total Cash Farm Exp. | \$759,723 |
| Income Taxes | \$19,850 |
| Family Living | \$78,268 |
| Money Borrowed | \$526,868 |
| Principal Payments | \$540,065 |

The average net farm income for 2016 was \$143,489 compared to \$89,489 in 2015. In addition, Non-farm income averaged \$25,385