

INDIANA FARMLAND CASH RENTAL RATES

2023 UPDATE

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Purdue Farmland Value & Cash Rent Survey Background

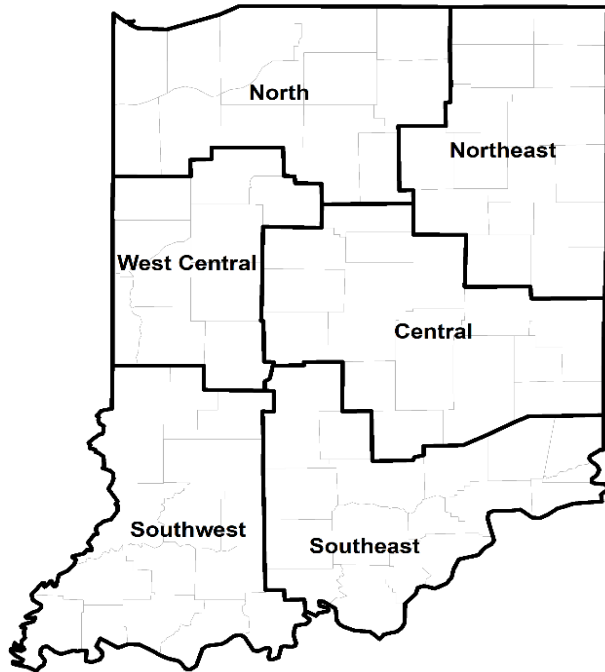
- Survey conducted annually in June since 1974
- Respondents: rural appraisers, ag lenders, farm managers, and farmers
- Information collected:
 - Estimated Land values as of December 2022, June 2023 & December 2023 (projection)
 - Top, average, and poor quality land
 - Annual cash rental rate
 - Long-term corn yield (productivity)

Indiana Cash Rents

2023 Survey Results, State Averages by Land Quality

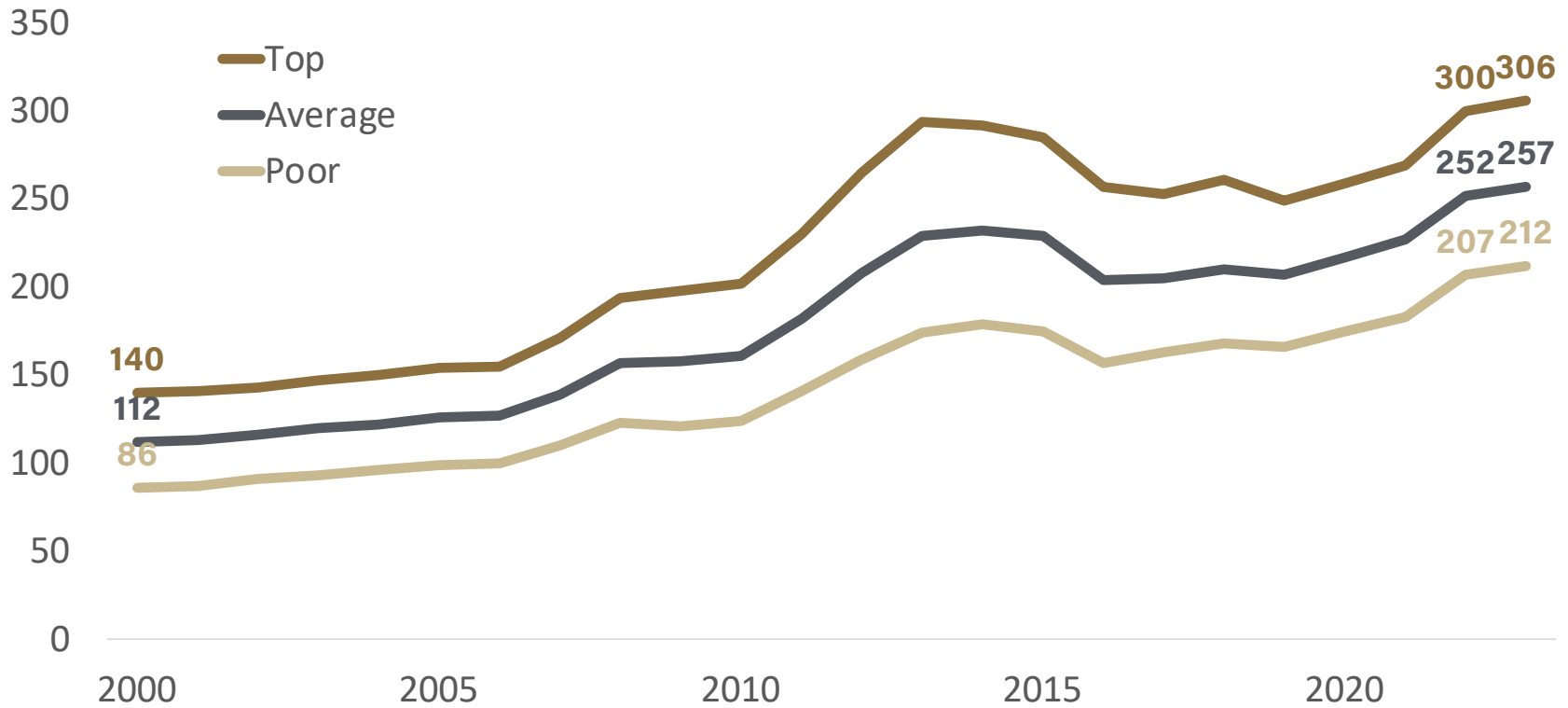
Land Quality	Yield (Bu/Ac)	2022 Value (\$/A)	2023 Value (\$/A)	Percent Change
Top	221	\$300	\$306	1.99%
Average	193	\$252	\$257	2.09%
Poor	165	\$207	\$212	2.50%

Regional Cash Rents



Area	Land Class	Cash Rent	% Change
North	Top	\$289	3.13
	Average	\$233	3.70
	Poor	\$185	3.10
Northeast	Top	\$291	-0.66
	Average	\$239	-0.13
	Poor	\$191	0.69
W. Central	Top	\$327	-0.56
	Average	\$278	-3.67
	Poor	\$243	-1.74
Central	Top	\$310	5.01
	Average	\$275	10.35
	Poor	\$238	12.95
Southwest	Top	\$296	-4.07
	Average	\$239	-2.22
	Poor	\$173	-10.71
Southeast	Top	\$299	32.78
	Average	\$246	37.22
	Poor	\$208	47.16

Indiana Cash Rents, 2000 - 2023



Source: Purdue Land Value and Cash Rent Survey



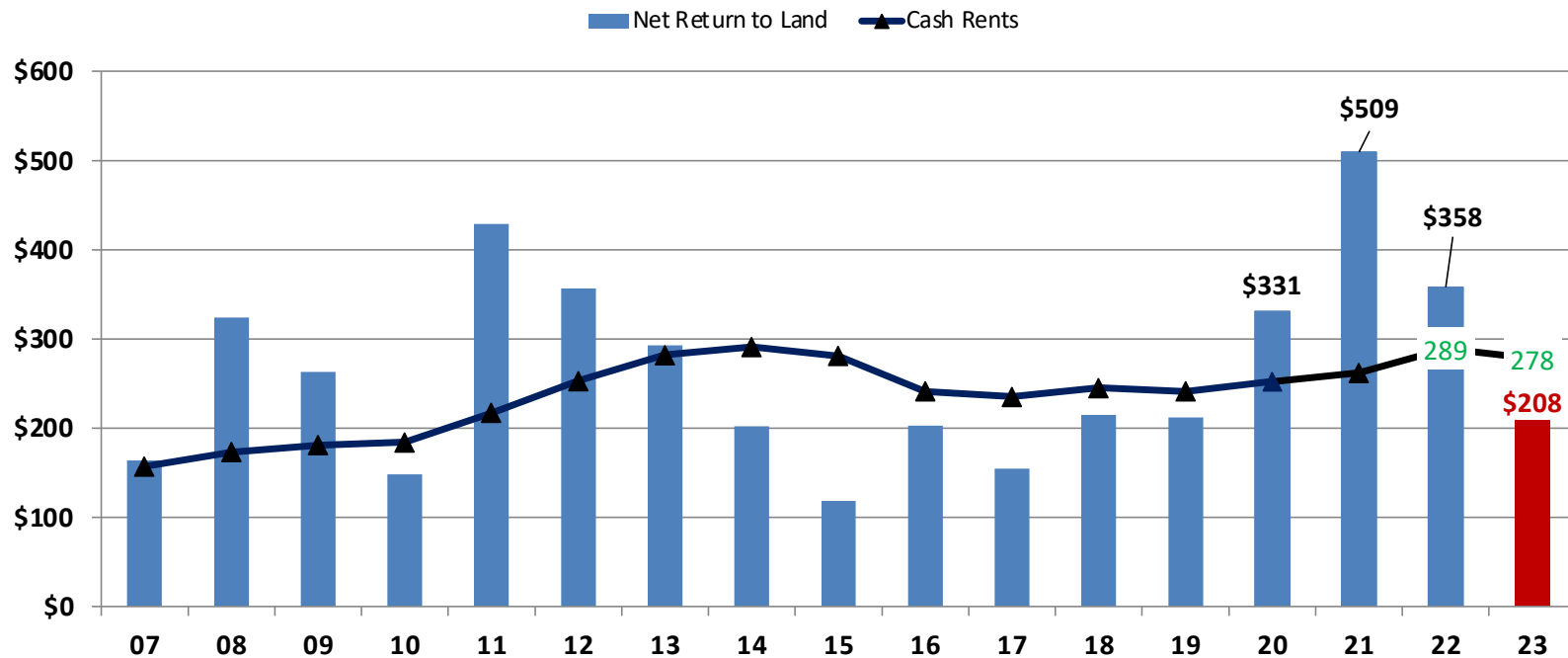
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Cash Rent Summary

- Modest growth at the state level
- High variation in trends across regions and land quality

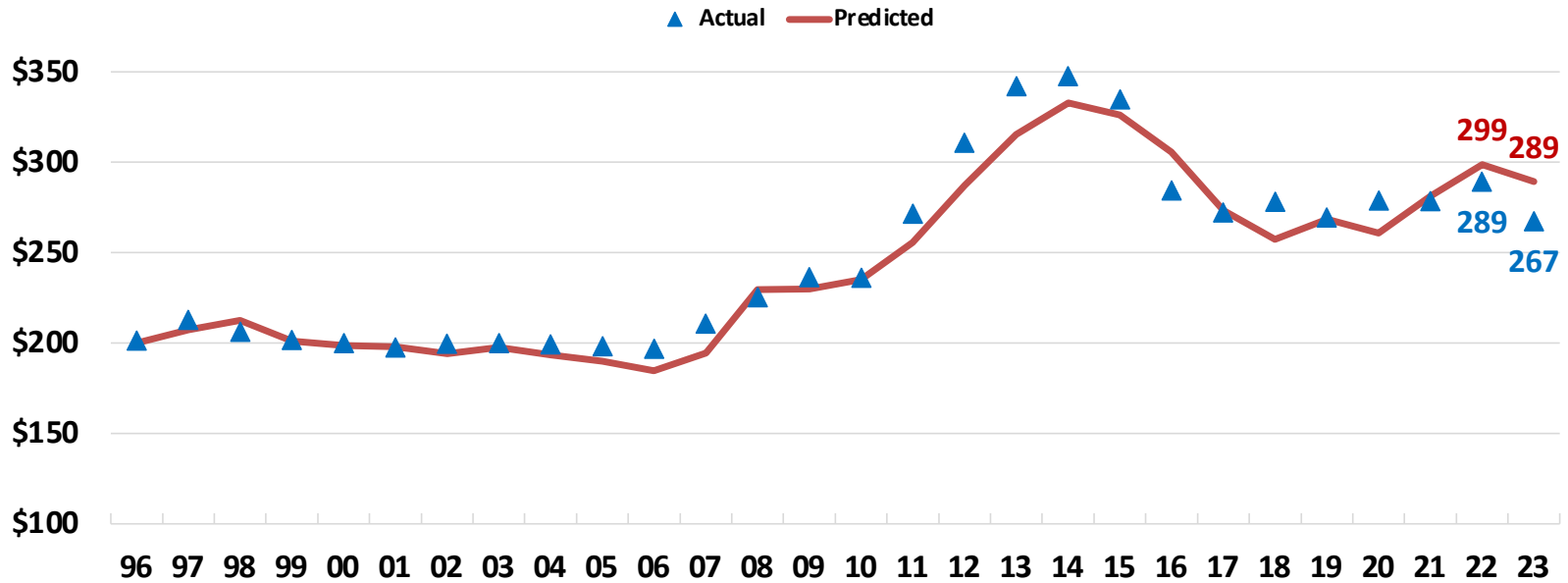
Cash Rent is Less Volatile than Net Return to Land

Cash Rent and Net Returns to Land (\$/Acre)
Average Quality Farmland, West Central Indiana

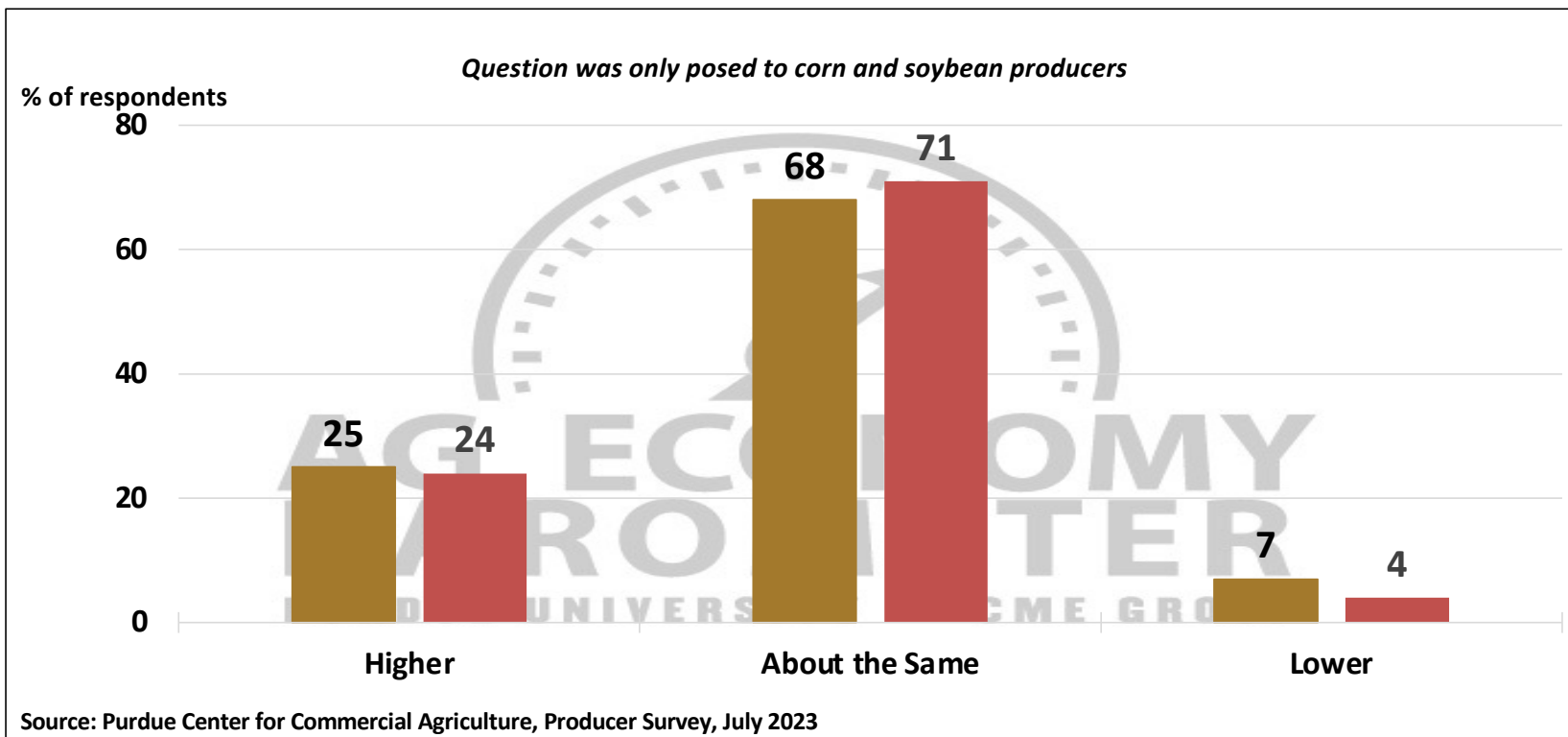


Cash Rent is Related to Lagged Cash Rent and Net Return to Land

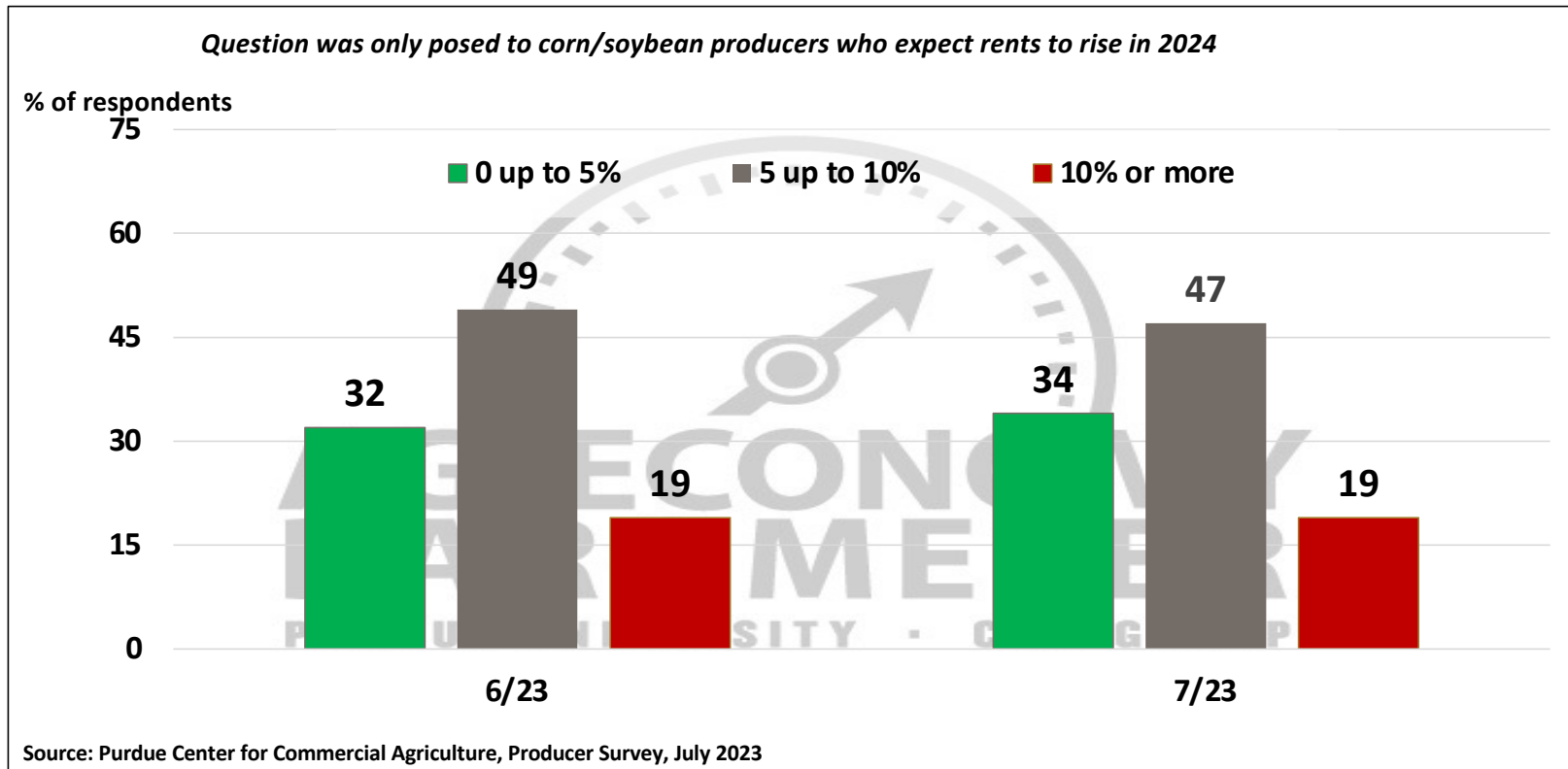
Actual and Predicted Cash Rent (\$/Acre)
Average Quality Farmland, West Central Indiana
1996-2023



Compared to this year, what are your expectations for cash rents in your area in 2024?

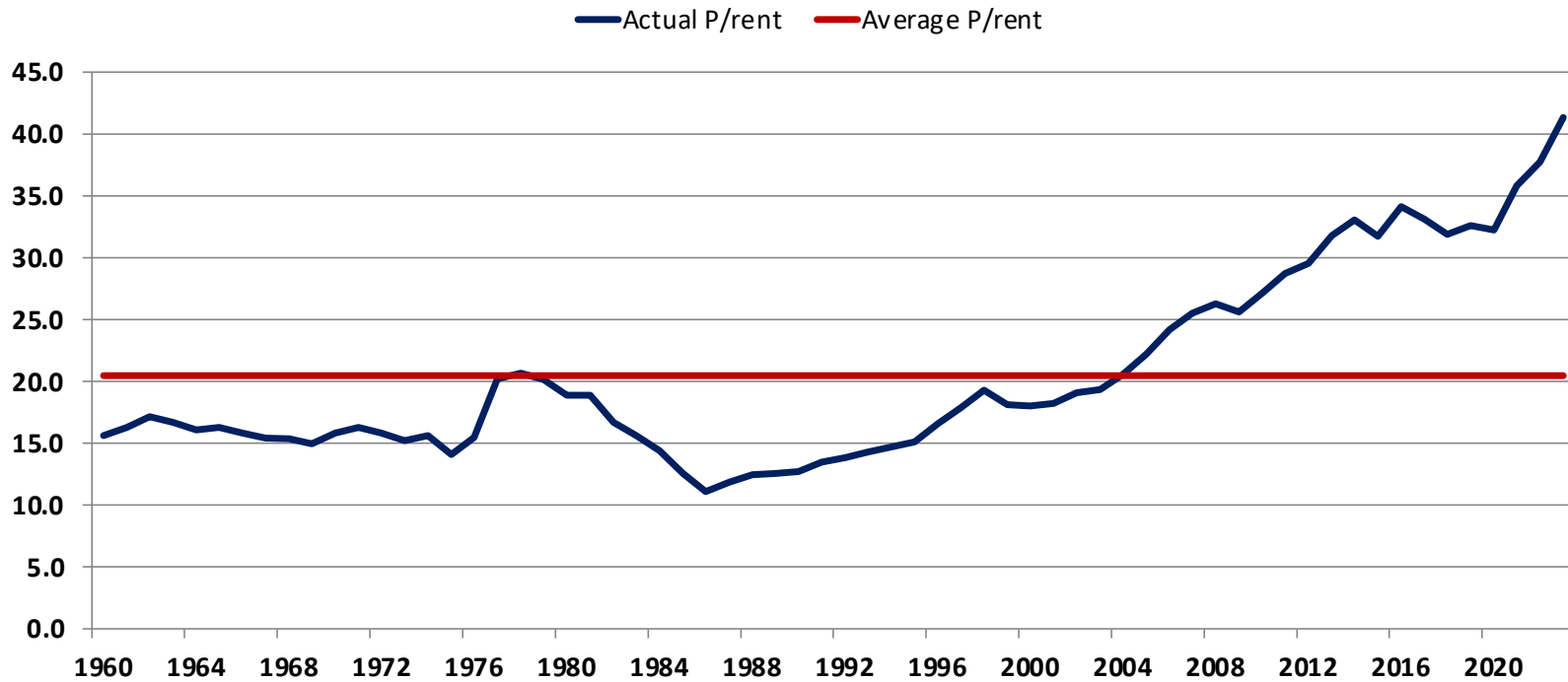


Compared to this year, by how much do you expect cash rents in your area to increase?



Long-Run Trend in Price/Rent Ratio

Farmland Price to Cash Rent Multiple for West Central Indiana, 1960 to 2023



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