

LOUISIANA RICE SHARE RENT EVALUATION MODEL



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The Louisiana Rice Share Rent Evaluation Model was developed to assist rice producers in the evaluation of producer and landlord returns for share rent arrangements on their rice farming operations. The model is an Excel spreadsheet which allows rice producers to enter projected acreage, yield, market price and production cost data for specific tracts of land to estimate net returns per planted acre for both grower and landlord / waterlord and to easily evaluate the impact of alternative rice rental arrangements on net returns. The primary purpose of the model is to evaluate the impact on net returns per planted acre of rice for alternative rice rental arrangements and percent of base acreage planted. Estimated grower and landlord net returns per printed in both tabular and graphical form. The Excel spreadsheet model contains one worksheet page with an example and 15 additional worksheet pages to allow for several rice rental arrangements to be entered and saved. A copy of the example worksheet page is included in this report.

Data Input

The Louisiana Rice Share Rent Evaluation Model calculates grower and landlord net returns per planted acre of rice for a specific tract of land of a specified acreage. For each farm or tract, data to be entered into the model includes estimates of projected market price and government payments, program yields, rice base acres in land tract, planted rice acres, grower crop share percentage, as well as costs paid by grower and landlord. Gross income, costs and net returns are calculated for the land tract based upon the data entered. Spreadsheet cells in which data must be entered are listed and defined below.

<u>Spreadsheet Cell</u>	<u>Description</u>
G2	Land tract name / rental arrangement title
D7	Projected market price in \$ per cwt.
D8	Rice direct payment in \$ per cwt. (\$2.35)
D10	Projected rice loan deficiency payment in \$ per cwt.
D12	Direct payment program yield in cwt. per acre
D13	Counter cyclical program yield in cwt. per acre
D16	Rice base acres in land tract
D17	Rice acres planted in land tract
D20	Grower crop share percentage
B23	Rice drying charge in \$ per barrel (drying charge entered here is split between grower and landlord based on crop share percentages)
H9-H21	Costs per planted acre paid by grower
I9-I21	Costs per planted acre paid by landlord / waterlord
J9-J21	Costs per planted acre shared by grower and landlord / waterlord (costs entered here are split between grower and landlord based on crop share percentages)
B34	Rice yield range minimum in barrels per acre

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	O	P	Q	R	S	T	U	V	W	X	Y	Z	AA	AB	AC	AD
1	Rice Land Tract Number 1															
2																
3																
4	Grower share 70% Landlord/waterlord share 30%															
5	Rice Grower and Landlord/Waterlord Net Returns															
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