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USDA/NASS Colorado Field Office
PO Box 150969
Lakewood, CO 80215

Phone: (303)236-2300 1-800-392-3202 **FAX:** (303)236-2299 1-800-643-6885

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LAND VALUES

The farm real estate value of all land and buildings in **Colorado** averaged \$1,250 per acre as of January 1, 2007, up 13.6 percent from the previous year. The average value of all cropland, at \$1,400 per acre, increased 6.1 percent while the average value of pastureland remained unchanged at \$800 per acre. The average value of irrigated cropland advanced 10.3 percent to \$3,200 per acre and the value of non-irrigated land increased 12.5 percent to \$900 per acre.

Farm real estate values, a measurement of the value of all land and buildings on farms in **48 States**, averaged \$2,160 per acre on January 1, 2007, up 14 percent from 2006. The \$2,160 per acre is a record high and \$260 more than a year earlier. Both cropland and pasture values for 2007 are record highs. Cropland values rose by 13 percent to \$2,700 per acre, up from the previous high of \$2,390 in 2006. Pasture value rose by 16 percent to \$1,160 per acre.

The increase in farm real estate values continues to be driven by a combination of many factors, which include strong commodity prices and farm programs, outside investments, favorable interest rates and tax incentives, and continued commercial and residential development. Livestock prices and recreational use remain the predominant influences that increase pasture land values.

Regional increases in the average value of farm real estate ranged from 9 percent in the Southeast region to 18 percent in the Mountain region. The highest farm real estate values remained in the Northeast region, where development pressure continued to push the average value to \$5,000 per acre. The Northern Plains region had the lowest farm real estate value, at \$961 per acre, up 14 percent from the previous year.

The Lake region had the highest percentage increase in cropland value, up 15.7 percent from 2006. In the Corn Belt region cropland values rose 15 percent, to \$3,720 per acre. The Southern Plains region also increased 15 percent from the previous year, to \$1,330 per acre.

The Pacific region had the highest average percentage increase in pasture value, 29 percent above 2006. In the Southern Plains and Mountain regions, which account for more than half of the pasture in the U.S., pasture values per acre increased 25 percent and 18 percent, respectively.

CASH RENTS

Cash rent for **Colorado** cropland in 2007 decreased 3 percent from a year earlier to \$59 per acre. The average cash rent for irrigated cropland, at \$100 per acre, was unchanged from the previous year. Cash rent for non-irrigated cropland, at \$22.00, per acre was down \$1.00 from a year ago. Pastureland rented for cash averaged \$5.50 per acre in 2007, up from \$4.00 the previous year.

Cash rents per acre paid to landlords for cropland in **48 States** rose \$5.50 (6.9 percent), while pasture rents increased \$1.20 (11 percent) for the 2007 crop and grazing year. Cropland cash rents paid in 2007 averaged \$85.00 per acre, compared with \$79.50 per acre for 2006. Pasture cash rents averaged \$12.00 per acre, \$1.20 higher than 2006. The increases in cropland and pasture land rental rates continue to reflect producers' optimism following strong commodity prices.

Cropland cash rents reported in 2007 increased in all regions. The Mountain region had the highest percentage increase for cropland, 20 percent above 2006. Cropland cash rents increased \$7.00 per acre to \$126.00 in the Corn Belt region and \$4.50 per acre to \$58.00 in the Northern Plains region. The Corn Belt and Northern Plains regions account for slightly more than one half of cash rented cropland acreage in the U.S.

The major corn and soybean producing States of Illinois, Indiana, and Iowa experienced increases of 6.8, 8.1, and 5.3, percent respectively, for cropland cash rents. Illinois, Indiana, and Iowa cropland cash rents averaged \$141.00, \$120.00, and \$140.00 per acre, respectively.

Pasture rent in the Northern Plains, Southern Plains, and Mountain regions, which account for nearly 85 percent of the cash rented pasture acreage in the U.S., increased by \$1.50, 60 cents, and \$2.20 per acre, respectively. The Corn Belt region had the highest cash rent for pasture in the U.S.

CROP PRODUCTION

AUGUST 1, 2007

COLORADO HIGHLIGHTS

Colorado's spring and summer crop prospects are improved compared with last year's results. A moist winter and spring benefited all field crops, particularly the dryland crops such as winter wheat and sorghum.

Winter wheat production remains forecast at 87.75 million bushels, unchanged from the July 1 forecast but over double the 39.9 million bushels produced last year. Growers harvested an estimated 2.25 million acres this year with an average yield of 39.0 bushels per acre, 18.0 bushels above the

previous year and the highest since 1999. The forecasted yield joins 1998, 1985, and 1983 as the second highest on record. **Barley** production is forecast at 7.25 million bushels, up 50 percent from last year's crop of 4.83 million bushels. The area for harvest in 2007, at 58,000 acres, is up from last year by 16,000 acres. Barley yield is estimated at 125.0 bushels per acre, 10.0 bushels above last year's average but unchanged from the July 1 forecast.

Corn production is initially forecast at 157.50 million bushels, up 17 percent from last year's 134.16 million bushels. The 1.05 million acres expected to be harvested for grain this year is 22 percent more than a year ago. Average yield is expected to drop 6.0 bushels per acre from last year to 150.0 as growers expect to harvest a larger proportion of dryland corn in 2007. **Sorghum** production in 2007 is forecast at 6.72 million bushels, almost double the 3.38 million bushel crop harvested a year earlier. An increase in both expected acreage harvested for grain and yield per acre contributed to the production increase. Growers expect to harvest 160,000 acres this year, up from 130,000 acres harvested last year. Yield prospects are 16.0 bushels above a year ago as producers expect to average 42.0 bushels per acre this year compared with 26.0 bushels per acre for the 2006 crop. **Dry bean** production for 2007 is forecast at 800,000 hundredweight, down 30 percent from the 1,140,000 hundredweight produced a year earlier. Growers expect to harvest 50,000 acres this year, down from 60,000 acres last year. **Sugarbeet** production is forecast at 703,000 tons, down 21 percent from 889,000 tons produced in 2006. Growers expect to harvest 29,300 acres this year compared with 38,000 a year ago. Yields are expected to average 24.0 tons per acre, up from 23.4 a year ago. Colorado farmers and ranchers expect to harvest 800,000 acres of **alfalfa hay** this year, up from 780,000 acres harvested in 2006. They also expect to harvest 750,000 acres of **other hay** in 2007, unchanged from last year. Alfalfa production is forecast at 3.20 million tons compared with 2.96 million tons produced in 2006 and other hay is estimated at 1.50 million tons, up 5 percent from 1.43 million tons a year ago.

Colorado's **apple** production for this year is forecast at 15.0 million pounds, unchanged from last year's reduced production, the result of late frosts that occurred in the major growing areas. The 2007 **peach** crop is expected to decrease 1,000 tons from last year to 13,000 tons. **Pear** production is forecast at 1,900 tons, down from 2,300 tons produced a year ago also due to frost damage.

UNITED STATES HIGHLIGHTS

All wheat production, at 2.11 billion bushels, is down 1 percent from the July forecast but up 17 percent from 2006. Based on August 1 conditions, the U.S. yield is forecast at 40.6 bushels per acre, down 0.1 bushel from last month but 1.9 bushels above last year. **Winter wheat** production is forecast at 1.54 billion bushels. This is down 2 percent from last month but 18 percent above 2006. The U.S. yield is forecast at 41.3 bushels per acre, down 0.3 bushel from last month and down 0.4 bushel from last year. The area expected to be harvested for grain totals 37.2 million acres, down 1 percent from last month but up 20 percent from last

year. **Hard Red Winter**, at 948 million bushels, is down 2 percent from a month ago. **Soft Red Winter**, at 360 million bushels, is down 1 percent from the last forecast. **White Winter** is down 2 percent from last month and now totals 230 million bushels. Of this total, 17.8 million bushels are **Hard White** and 212 million bushels are **Soft White**. **Durum wheat** production is forecast at 76.7 million bushels, down 3 percent from July but up 43 percent from 2006. The U.S. yield is forecast at 35.5 bushels per acre, down 0.9 bushel from last month but 6.0 bushels above last year. Expected area to be harvested for grain totals 2.16 million acres, unchanged from last month but up 19 percent from last year. **Other Spring wheat** production is forecast at 500 million bushels, up slightly from last month and 9 percent above 2006. Area harvested for grain totals 12.7 million acres, unchanged from last month but down 8 percent from last year. The U.S. yield is forecast at 39.3 bushels per acre, 0.2 bushel above last month and 6.1 bushels above 2006. Of the total production, 473 million bushels are **Hard Red Spring wheat**, up less than 1 percent from last month.

Barley production for 2007 is forecast at 223 million bushels, 3 percent below last month but 24 percent above 2006. Based on conditions as of August 1, the average yield for the U.S. is forecast at 63.1 bushels per acre, down 2.1 bushels from July but up 2.1 bushels from last year. Expected area to be harvested as grain or seed, at 3.54 million acres, is up 20 percent from 2006. The top 3 producing States are expected to produce 72 percent of the Nation's barley crop. Harvest across the northern United States, from Minnesota to Washington, progressed ahead of normal. As of the week ending July 29, barley was 14 percent harvested in these States, ahead of the 5-year average of 7 percent. Barley crop condition for the week ending July 29 was rated 62 percent good to excellent compared with 51 percent for the same week last year. **Corn** production is forecast at 13.1 billion bushels, up 24 percent from last year and 17 percent above 2005. Based on conditions as of August 1, yields are expected to average 152.8 bushels per acre, up 3.7 bushels from last year. If realized, this will be the second highest yield on record, behind the 160.4 bushel yield in 2004. However, production will be the largest on record as growers intend to harvest the most corn acres for grain since 1933. Yield forecasts are higher than last year across the Great Plains where frequent rainfall during much of the growing season provided abundant soil moisture for filling the crop. Higher yields are also expected in the central Corn Belt and Delta where timely rains benefitted the crop. Expected yields across much of the northern and eastern Corn Belt, Ohio Valley, Tennessee Valley, Southeast, and Atlantic Coast States are below last year as hot, dry conditions during much of the growing season reduced soil moisture supplies and stressed the crop.

U.S. **dry edible beans** production is forecast at 23.7 million cwt in 2007, down 2 percent from last year and 11 percent below two years ago. Acreage changes since the June Acreage report increased planted area less than 1 percent and harvested

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Acres, yield, and production, Colorado and United States, 2006-2007

Area and Crop	Planted Acres		Harvested Acres		Unit	Yield Per Acre		Production	
	2006	2007	2006	2007		2006	2007	2006	2007
	1,000 acres		1,000 acres			Units per acre		1,000 units	
Colorado:									
All Corn <u>1/</u>	1,000	1,200	860	1,050	Bu.	156.0	150.0	134,160	157,500
All Sorghum <u>1/</u>	280	210	130	160	Bu.	26.0	42.0	3,380	6,720
All Wheat.....	2,170	2,470	1,919	2,269	Bu.	21.6	<u>5/</u>	41,515	<u>5/</u>
Winter Wheat.....	2,150	2,450	1,900	2,250	Bu.	21.0	39.0	39,900	87,750
Spring Wheat.....	20	20	19	<u>5/</u>	Bu.	85.0	<u>5/</u>	1,615	<u>5/</u>
Oats.....	85	85	10	<u>5/</u>	Bu.	70.0	<u>5/</u>	700.0	<u>5/</u>
Barley.....	47	60	42	58	Bu.	115.0	125.0	4,830	7,250
Proso Millet.....	290	250	255	<u>4/</u>	Bu.	21.0	<u>4/</u>	5,355	<u>4/</u>
All Hay.....	...	...	1,530	1,550	Tons	2.87	<u>6/</u>	4,389	<u>6/</u>
Alfalfa Hay.....	...	...	780	800	Tons	3.80	4.00	2,964	3,200
Other Hay.....	...	...	750	750	Tons	1.90	2.00	1,425	1,500
Sugarbeets.....	42.1	32.0	38.0	29.3	Tons	23.4	24.0	889	703
Dry edible beans.....	70.0	55.0	60.0	50.0	Cwt.	1,900	1,600	1,140	800
Sunflowers, All.....	100	120	93	108	Lbs.	1,168	<u>6/</u>	108,600	<u>6/</u>
Sunflowers, Oil.....	80	105	75	95	Lbs.	1,100	<u>6/</u>	82,500	<u>6/</u>
Sunflowers, Non-Oil.....	20	15	18	13	Lbs.	1,450	<u>6/</u>	26,100	<u>6/</u>
All potatoes.....	64.0	62.5	63.7	61.9	Cwt.	370	<u>7/</u>	24,166	<u>7/</u>
Summer potatoes.....	4.1	3.0	4.0	2.9	Cwt.	370	360	1,480	1,044
Fall potatoes.....	59.9	59.2	59.7	59.0	Cwt.	380	<u>7/</u>	22,686	<u>7/</u>
Apples.....	...	...	...	...	Lbs.	...	...	15,000	15,000
Peaches.....	...	...	...	...	Tons	...	...	14.0	13.0
Pears.....	...	...	...	...	Tons	...	...	2.3	1.9
United States:									
All Corn <u>1/</u>	78,327	92,888	70,648	85,418	Bu.	149.1	152.8	10,534,868	13,053,617
All Sorghum <u>1/</u>	6,522	7,765	4,937	6,698	Bu.	56.2	70.9	277,538	474,961
All Wheat <u>2/</u>	57,344	60,505	46,810	52,084	Bu.	38.7	40.6	1,812,036	2,114,024
Winter Wheat.....	40,575	45,136	31,117	37,188	Bu.	41.7	41.3	1,298,081	1,537,262
Spring Wheat.....	14,899	13,144	13,878	12,733	Bu.	33.2	39.3	460,480	500,073
Oats.....	4,168	3,860	1,576	1,612	Bu.	59.5	61.0	93,764	98,341
Barley.....	3,452	4,044	2,951	3,542	Bu.	61.0	63.1	180,051	223,478
Rye.....	1,396	1,354	274	306	Bu.	26.3	<u>5/</u>	7,193	<u>5/</u>
Proso Millet.....	580	610	475	<u>4/</u>	Bu.	21.5	<u>4/</u>	10,195	<u>4/</u>
All Hay.....	...	...	60,807	61,789	Tons	2.33	2.35	141,666	145,251
Alfalfa Hay.....	...	...	21,384	21,451	Tons	3.35	3.26	71,666	69,904
Other Hay.....	...	...	39,423	40,338	Tons	1.78	1.87	70,000	75,347
Sugarbeets.....	1,366.2	1,266	1,303.6	1,241.4	Tons	26.1	24.0	34,064	29,815
Dry edible beans.....	1,629.8	1,504.8	1,537.6	1,439.8	Cwt.	1,577	1,649	24,247	23,741
Sunflowers, All.....	1,950	1,864.	1,770	1,765	Lbs.	1,211	<u>6/</u>	2,143,613	<u>6/</u>
Sunflowers, Oil.....	1,658	1,540	1,514	1,465	Lbs.	1,181	<u>6/</u>	1,787,966	<u>4/</u>
Sunflowers, Non-Oil.....	292	324	256	300	Lbs.	1,389	<u>6/</u>	355,647	<u>6/</u>
All potatoes <u>3/</u>	1,134.7	1,149.5	1,115.5	1,131.9	Cwt.	390	<u>7/</u>	434,589	<u>7/</u>
Summer potatoes.....	58.4	55.8	54.3	53.8	Cwt.	338	311	18,350	16,749
Fall potatoes.....	987.9	1,009.2	976.2	996.2	Cwt.	402	<u>7/</u>	391,978	<u>7/</u>
Soybeans.....	75,522	64,081	74,602	63,285	Bu.	42.7	41.5	3,188,247	2,625,274
Apples.....	...	...	...	...	Lbs.	...	...	9,931,700	9,284,700
Peaches.....	...	...	...	...	Tons	...	...	1,010.1	1,026.9
Pears.....	...	...	...	...	Tons	...	...	842.0	878.1

1/ Planted for all purposes; harvested for grain. 2/ Includes Durum Wheat. 3/ Includes Winter and Spring Crops.

4/ Jan. 2008. 5/ September 28, 2007. 6/ October 12, 2007. 7/ November 9, 2007.

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expectations 1 percent. Planted area is now estimated at 1.50 million acres, 8 percent below both last year and 2005. Harvested area is forecast at 1.44 million acres, down 6 percent from the last two years. The average U.S. yield is forecast at 1,649 pounds per acre, an increase of 72 pounds from last year but 97 pounds less than two years ago. Production is expected to be below last year in 10 of the 18 producing States mainly due to lower acreage. Fifteen of the 18 States have lower planted acreage than last year which can be attributed in part to strong prices for competing crops.

Alfalfa and Alfalfa Mixtures production is forecast at 69.9 million tons, down 2 percent from last year. Yields are expected to average 3.26 tons per acre, a decrease of 0.09 ton from last year. Harvested area is forecast at 21.5 million acres, unchanged from June but slightly above the previous year's acreage. Yields are forecast to be down across the Corn Belt, Ohio Valley, Tennessee Valley, and the northern and central Intermountain region. Hot, dry weather has reduced yield expectation for alfalfa hay in these regions. Yields are forecast to decrease by 1.0 ton or more in Kentucky, Indiana, Ohio, and Michigan, as the April freeze combined with current dry conditions severely hampered yields. Yields are forecast to increase across the Great Plains, Southwest, eastern Rocky Mountains, Washington, California, and New York. The largest increases in yields are expected in Texas and Oklahoma, up 1.1 tons and 1.0 ton from 2006, respectively. The above average rainfall received during the growing season in Texas and Oklahoma proved beneficial to alfalfa hay production.

Other Hay production is forecast at 75.3 million tons, up 8 percent from 2006. Based on August 1 conditions, yields are expected to average 1.87 tons, up 0.09 ton from last year. Harvested area, at 40.3 million acres, is unchanged from June but up 2 percent from the previous year. Abundant moisture in the Great Plains and adjacent areas in the Rocky Mountains increased yields in those areas compared with last year. **Sugarbeets** production for 2007 is forecast at 29.8 million tons, down 12 percent from last year's record high 34.1 million tons. Growers expect to harvest 1.24 million acres, up 2 percent from June but down 5 percent from last year.

The U.S. **apple** forecast for the 2007 crop year is 9.28 billion pounds, down 7 percent from last year and 4 percent below 2005. Extreme weather conditions across most of the United States, from spring freezes to summer drought, have had a significant impact on apple production. The August 2007 forecast of U.S. peach production is 1.03 million tons, up fractionally from the July 1 forecast and 2 percent above 2006. U.S. pear production for 2007 is forecast at 878,050 tons, up 4 percent from last year and 7 percent above 2005. Bartlett pear production for California, Oregon, and Washington is forecast at 442,000 tons, 2 percent above the June forecast and 4 percent more than a year ago. Other pear production in the Pacific Coast States is expected to total 412,000 tons, 6 percent above last year but 1 percent below 2005.

MILK PRODUCTION JULY 2007

Milk production in **Colorado** during July 2007 totaled 236 million pounds, up 14 million pounds from the 222 million pounds produced during the same period a year earlier. The average number of milk cows for July of this year was 119,000 head, up 7,000 head from July 2006. Production per cow averaged 1,980 pounds for July, which remained unchanged from a year ago.

Milk production in the **23 major States** during July totaled 14.5 billion pounds, up 3.9 percent from July 2006. June revised production at 14.2 billion pounds, was up 1.2 percent from June 2006. The June revision represented an increase of 6.0 million pounds from last month's preliminary production estimate. Production per cow in the 23 major States averaged 1,743 pounds for July, 55 pounds above July 2006. The number of milk cows on farms in the 23 major States was 8.31 million head, 50,000 head more than July 2006, and 14,000 head more than June 2007.

Milk Cows and Milk Production, 23 States

Item	Unit	2006	2007
Colorado:			
Milk Cows 1/.....	1,000 head	112	119
Milk Per Cow 2/.....	Lbs.	1,980	1,980
Production 2/.....	Mil. lbs.	222	236
23 State Total:			
Milk Cows 1/.....	1,000 head	8,258	8,308
Milk Per Cow 2/.....	Lbs.	1,688	1,743
Production /.....	Mil. Lbs.	13,937	14,483

1/ Includes dry cows. Excludes heifers not yet fresh.

2/ Excludes milk sucked by calves.

UPCOMING REPORTS

Colorado and U.S. data from most of the following reports will appear in subsequent issues of AG UPDATE. However, those who have an immediate need for the data may call this office after 1:15 P.M. on the day of release - toll free 1-800-392-3202. The complete USDA report is also available on the Worldwide Web at: <http://www.nass.usda.gov>

- Aug. 16 - US and Canadian Cattle
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R. René Picanso
Director

Steve Anderson
Deputy Director