

Table 5: Worksheet for estimating the use value of orchard land in Accomack.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 18.31
c) Net return attributable to "trees only"	(\$ 11.50) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0050
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1144 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1311 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 80.44)	\$ 258.33	(\$ 70.19)	\$ 268.58
II	1.00	(\$ 100.55)	\$ 204.34	(\$ 87.74)	\$ 217.15
III	1.00	(\$ 100.55)	\$ 125.30	(\$ 87.74)	\$ 138.11
IV	1.00	(\$ 100.55)	\$ 80.13	(\$ 87.74)	\$ 92.94
V	0.75	(\$ 75.41)	\$ 60.10	(\$ 65.80)	\$ 69.70
VI	0.60	(\$ 60.33)	\$ 52.59	(\$ 52.64)	\$ 60.28
VII	0.40	(\$ 40.22)	\$ 27.53	(\$ 35.10)	\$ 32.66
VIII	0.00	(\$ 0.00)	\$ 22.58	(\$ 0.00)	\$ 22.58

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Albemarle.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 7.35
c) Net return attributable to "trees only"	(\$ 0.54) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0067
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1161 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1328 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 3.70)	\$ 129.45	(\$ 3.23)	\$ 129.91
II	1.00	(\$ 4.62)	\$ 115.21	(\$ 4.04)	\$ 115.79
III	1.00	(\$ 4.62)	\$ 84.14	(\$ 4.04)	\$ 84.72
IV	1.00	(\$ 4.62)	\$ 66.39	(\$ 4.04)	\$ 66.97
V	0.75	(\$ 3.47)	\$ 49.79	(\$ 3.03)	\$ 50.23
VI	0.60	(\$ 2.77)	\$ 41.61	(\$ 2.42)	\$ 41.96
VII	0.40	(\$ 1.85)	\$ 24.78	(\$ 1.62)	\$ 25.01
VIII	0.00	(\$ 0.00)	\$ 8.88	(\$ 0.00)	\$ 8.88

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.

² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.

³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.

⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).

⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.

⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.

⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.

⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.

⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.

¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Alleghany.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 18.07
c) Net return attributable to "trees only"	(\$ 11.26) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0057
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1151 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1318 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 78.20)	\$ 252.91	(\$ 68.29)	\$ 262.82
II	1.00	(\$ 97.75)	\$ 200.25	(\$ 85.37)	\$ 212.63
III	1.00	(\$ 97.75)	\$ 122.99	(\$ 85.37)	\$ 135.37
IV	1.00	(\$ 97.75)	\$ 78.85	(\$ 85.37)	\$ 91.23
V	0.75	(\$ 73.31)	\$ 59.13	(\$ 64.02)	\$ 68.42
VI	0.60	(\$ 58.65)	\$ 51.72	(\$ 51.22)	\$ 59.15
VII	0.40	(\$ 39.10)	\$ 27.12	(\$ 34.15)	\$ 32.08
VIII	0.00	(\$ 0.00)	\$ 22.07	(\$ 0.00)	\$ 22.07

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Amelia.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 20.20
c) Net return attributable to "trees only"	(\$ 13.39) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0041
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1136 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1303 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 94.30)	\$ 283.13	(\$ 82.21)	\$ 295.22
II	1.00	(\$ 117.87)	\$ 221.82	(\$ 102.76)	\$ 236.93
III	1.00	(\$ 117.87)	\$ 133.75	(\$ 102.76)	\$ 148.86
IV	1.00	(\$ 117.87)	\$ 83.42	(\$ 102.76)	\$ 98.53
V	0.75	(\$ 88.41)	\$ 62.57	(\$ 77.07)	\$ 73.90
VI	0.60	(\$ 70.72)	\$ 55.09	(\$ 61.66)	\$ 64.15
VII	0.40	(\$ 47.15)	\$ 28.34	(\$ 41.11)	\$ 34.38
VIII	0.00	(\$ 0.00)	\$ 25.16	(\$ 0.00)	\$ 25.16

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Amherst.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 6.22
c) Net return attributable to "trees only"	(\$ 0.59) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0049
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1143 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1310 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	\$ 4.11	\$ 119.32	\$ 3.59	\$ 118.80
II	1.00	\$ 5.14	\$ 108.83	\$ 4.48	\$ 108.17
III	1.00	\$ 5.14	\$ 81.95	\$ 4.48	\$ 81.29
IV	1.00	\$ 5.14	\$ 66.59	\$ 4.48	\$ 65.93
V	0.75	\$ 3.85	\$ 49.94	\$ 3.36	\$ 49.45
VI	0.60	\$ 3.08	\$ 41.49	\$ 2.69	\$ 41.09
VII	0.40	\$ 2.06	\$ 25.10	\$ 1.79	\$ 24.84
VIII	0.00	\$ 0.00	\$ 7.68	\$ 0.00	\$ 7.68

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Augusta.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a)	2006 ²	(\$1,390.19)
b)	2005	(\$565.48)
c)	2004	\$14.54
d)	2003	\$19.52
e)	2002	\$34.64
f)	2001	(\$154.70)
g)	2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 23.49
c) Net return attributable to "trees only"	(\$ 16.68) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0051
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1145 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1312 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 116.51)	\$ 317.24	(\$ 101.68)	\$ 332.06
II	1.00	(\$ 145.63)	\$ 244.74	(\$ 127.10)	\$ 263.27
III	1.00	(\$ 145.63)	\$ 143.53	(\$ 127.10)	\$ 162.06
IV	1.00	(\$ 145.63)	\$ 85.70	(\$ 127.10)	\$ 104.23
V	0.75	(\$ 109.23)	\$ 64.27	(\$ 95.33)	\$ 78.17
VI	0.60	(\$ 87.38)	\$ 57.20	(\$ 76.26)	\$ 68.32
VII	0.40	(\$ 58.25)	\$ 28.50	(\$ 50.84)	\$ 35.91
VIII	0.00	(\$ 0.00)	\$ 28.92	(\$ 0.00)	\$ 28.92

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.

² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.

³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.

⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).

⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.

⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.

⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.

⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.

⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.

¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Bedford.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 5.48
c) Net return attributable to "trees only"	(\$ 1.34) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0055
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1149 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1316 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	\$ 9.30	\$ 109.93	\$ 8.12	\$ 108.75
II	1.00	\$ 11.62	\$ 102.19	\$ 10.15	\$ 100.72
III	1.00	\$ 11.62	\$ 78.71	\$ 10.15	\$ 77.24
IV	1.00	\$ 11.62	\$ 65.29	\$ 10.15	\$ 63.82
V	0.75	\$ 8.72	\$ 48.97	\$ 7.61	\$ 47.86
VI	0.60	\$ 6.97	\$ 40.52	\$ 6.09	\$ 39.63
VII	0.40	\$ 4.65	\$ 24.78	\$ 4.06	\$ 24.19
VIII	0.00	\$ 0.00	\$ 6.71	\$ 0.00	\$ 6.71

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Bland.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a)	2006 ²	(\$1,390.19)
b)	2005	(\$565.48)
c)	2004	\$14.54
d)	2003	\$19.52
e)	2002	\$34.64
f)	2001	(\$154.70)
g)	2000	(\$113.52)

3. Net Returns

a)	Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b)	Net return attributable to "land only" (Class III) ⁴	\$ 36.64
c)	Net return attributable to "trees only"	(\$ 29.82) (3a minus 3b)

4. Capitalization Rate

a)	Interest Rate ⁵	0.0761
b)	Property Tax ⁶	0.0052
c)	Depreciation of Apple Trees ⁷	0.0333
d)	Depreciation of "Other" Trees ⁸	0.0500
e)	Apple Orchard Capitalization Rate	0.1147 (sum 5a, 5b, and 5c)
f)	"Other" Orchard Capitalization Rate	0.1314 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 208.03)	\$ 467.17	(\$ 181.59)	\$ 493.61
II	1.00	(\$ 260.04)	\$ 347.64	(\$ 226.99)	\$ 380.69
III	1.00	(\$ 260.04)	\$ 190.09	(\$ 226.99)	\$ 223.14
IV	1.00	(\$ 260.04)	\$ 100.06	(\$ 226.99)	\$ 133.12
V	0.75	(\$ 195.03)	\$ 75.05	(\$ 170.24)	\$ 99.84
VI	0.60	(\$ 156.02)	\$ 69.04	(\$ 136.19)	\$ 88.87
VII	0.40	(\$ 104.02)	\$ 31.02	(\$ 90.80)	\$ 44.24
VIII	0.00	(\$ 0.00)	\$ 45.01	(\$ 0.00)	\$ 45.01

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Botetourt.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 15.60
c) Net return attributable to "trees only"	(\$ 8.79) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0062
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1156 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1323 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 60.82)	\$ 223.50	(\$ 53.15)	\$ 231.18
II	1.00	(\$ 76.03)	\$ 179.86	(\$ 66.43)	\$ 189.46
III	1.00	(\$ 76.03)	\$ 113.52	(\$ 66.43)	\$ 123.12
IV	1.00	(\$ 76.03)	\$ 75.61	(\$ 66.43)	\$ 85.21
V	0.75	(\$ 57.02)	\$ 56.71	(\$ 49.82)	\$ 63.91
VI	0.60	(\$ 45.62)	\$ 49.16	(\$ 39.86)	\$ 54.91
VII	0.40	(\$ 30.41)	\$ 26.45	(\$ 26.57)	\$ 30.29
VIII	0.00	(\$ 0.00)	\$ 18.95	(\$ 0.00)	\$ 18.95

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Buena Vista.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 12.46
c) Net return attributable to "trees only"	(\$ 5.65) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0000
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1094 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1261 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 41.29)	\$ 204.19	(\$ 35.82)	\$ 209.65
II	1.00	(\$ 51.61)	\$ 169.32	(\$ 44.78)	\$ 176.15
III	1.00	(\$ 51.61)	\$ 112.04	(\$ 44.78)	\$ 118.87
IV	1.00	(\$ 51.61)	\$ 79.31	(\$ 44.78)	\$ 86.14
V	0.75	(\$ 38.71)	\$ 59.48	(\$ 33.58)	\$ 64.61
VI	0.60	(\$ 30.97)	\$ 50.86	(\$ 26.87)	\$ 54.96
VII	0.40	(\$ 20.64)	\$ 28.45	(\$ 17.91)	\$ 31.18
VIII	0.00	(\$ 0.00)	\$ 16.36	(\$ 0.00)	\$ 16.36

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Campbell.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 7.44
c) Net return attributable to "trees only"	(\$ 0.63) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0048
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1142 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1309 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 4.40)	\$ 133.56	(\$ 3.84)	\$ 134.12
II	1.00	(\$ 5.50)	\$ 118.67	(\$ 4.79)	\$ 119.37
III	1.00	(\$ 5.50)	\$ 86.48	(\$ 4.79)	\$ 87.18
IV	1.00	(\$ 5.50)	\$ 68.08	(\$ 4.79)	\$ 68.78
V	0.75	(\$ 4.12)	\$ 51.06	(\$ 3.60)	\$ 51.59
VI	0.60	(\$ 3.30)	\$ 42.69	(\$ 2.88)	\$ 43.11
VII	0.40	(\$ 2.20)	\$ 25.39	(\$ 1.92)	\$ 25.67
VIII	0.00	(\$ 0.00)	\$ 9.20	(\$ 0.00)	\$ 9.20

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Caroline.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 17.35
c) Net return attributable to "trees only"	(\$ 10.53) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0061
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1156 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1323 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 72.92)	\$ 243.32	(\$ 63.71)	\$ 252.52
II	1.00	(\$ 91.14)	\$ 193.47	(\$ 79.64)	\$ 204.97
III	1.00	(\$ 91.14)	\$ 119.68	(\$ 79.64)	\$ 131.18
IV	1.00	(\$ 91.14)	\$ 77.51	(\$ 79.64)	\$ 89.02
V	0.75	(\$ 68.36)	\$ 58.14	(\$ 59.73)	\$ 66.77
VI	0.60	(\$ 54.69)	\$ 50.72	(\$ 47.78)	\$ 57.63
VII	0.40	(\$ 36.46)	\$ 26.79	(\$ 31.86)	\$ 31.39
VIII	0.00	(\$ 0.00)	\$ 21.08	(\$ 0.00)	\$ 21.08

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Carroll.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 33.30
c) Net return attributable to "trees only"	(\$ 26.49) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0046
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1140 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1307 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 185.82)	\$ 432.85	(\$ 162.09)	\$ 456.59
II	1.00	(\$ 232.28)	\$ 324.53	(\$ 202.61)	\$ 354.20
III	1.00	(\$ 232.28)	\$180.17	(\$ 202.61)	\$ 209.84
IV	1.00	(\$ 232.28)	\$ 97.68	(\$ 202.61)	\$ 127.35
V	0.75	(\$ 174.21)	\$ 73.26	(\$ 151.96)	\$ 95.51
VI	0.60	(\$ 139.37)	\$ 66.86	(\$ 121.56)	\$ 84.66
VII	0.40	(\$ 92.91)	\$ 30.82	(\$ 81.04)	\$ 42.69
VIII	0.00	(\$ 0.00)	\$ 41.24	(\$ 0.00)	\$ 41.24

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Chesapeake.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 25.02
c) Net return attributable to "trees only"	(\$ 18.21) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0123
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1217 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1384 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 119.65)	\$ 304.70	(\$ 105.21)	\$ 319.13
II	1.00	(\$ 149.56)	\$ 232.35	(\$ 131.52)	\$ 250.39
III	1.00	(\$ 149.56)	\$ 133.34	(\$ 131.52)	\$ 151.38
IV	1.00	(\$ 149.56)	\$ 76.76	(\$ 131.52)	\$ 94.80
V	0.75	(\$ 112.17)	\$ 57.57	(\$ 98.64)	\$ 71.10
VI	0.60	(\$ 89.74)	\$ 51.71	(\$ 78.91)	\$ 62.54
VII	0.40	(\$ 59.82)	\$ 25.05	(\$ 52.61)	\$ 32.26
VIII	0.00	(\$ 0.00)	\$ 28.29	(\$ 0.00)	\$ 28.29

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Chesterfield.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 20.20
c) Net return attributable to "trees only"	(\$ 13.39) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0096
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1190 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1357 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 89.99)	\$ 263.49	(\$ 78.92)	\$ 274.56
II	1.00	(\$ 112.49)	\$ 205.65	(\$ 98.65)	\$ 219.49
III	1.00	(\$ 112.49)	\$ 123.17	(\$ 98.65)	\$ 137.01
IV	1.00	(\$ 112.49)	\$ 76.04	(\$ 98.65)	\$ 89.88
V	0.75	(\$ 84.36)	\$ 57.03	(\$ 73.98)	\$ 67.41
VI	0.60	(\$ 67.49)	\$ 50.34	(\$ 59.19)	\$ 58.64
VII	0.40	(\$ 44.99)	\$ 25.70	(\$ 39.46)	\$ 31.24
VIII	0.00	(\$ 0.00)	\$ 23.57	(\$ 0.00)	\$ 23.57

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Clarke.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 14.24
c) Net return attributable to "trees only"	(\$ 7.43) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0065
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1159 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1326 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 51.27)	\$ 207.22	(\$ 44.81)	\$ 213.67
II	1.00	(\$ 64.08)	\$ 168.55	(\$ 56.02)	\$ 176.62
III	1.00	(\$ 64.08)	\$ 108.24	(\$ 56.02)	\$ 116.31
IV	1.00	(\$ 64.08)	\$ 73.78	(\$ 56.02)	\$ 81.84
V	0.75	(\$ 48.06)	\$ 55.33	(\$ 42.01)	\$ 61.38
VI	0.60	(\$ 38.45)	\$ 47.71	(\$ 33.61)	\$ 52.55
VII	0.40	(\$ 25.63)	\$ 26.06	(\$ 22.41)	\$ 29.29
VIII	0.00	(\$ 0.00)	\$ 17.23	(\$ 0.00)	\$ 17.23

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Culpeper.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 22.91
c) Net return attributable to "trees only"	(\$ 16.10) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0068
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1163 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1330 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 110.75)	\$ 303.38	(\$ 96.84)	\$ 317.29
II	1.00	(\$ 138.44)	\$ 234.28	(\$ 121.05)	\$ 251.66
III	1.00	(\$ 138.44)	\$ 137.65	(\$ 121.05)	\$ 155.03
IV	1.00	(\$ 138.44)	\$ 82.43	(\$ 121.05)	\$ 99.82
V	0.75	(\$ 103.83)	\$ 61.82	(\$ 90.79)	\$ 74.86
VI	0.60	(\$ 83.06)	\$ 54.98	(\$ 72.63)	\$ 65.41
VII	0.40	(\$ 55.37)	\$ 27.45	(\$ 48.42)	\$ 34.40
VIII	0.00	(\$ 0.00)	\$ 27.61	(\$ 0.00)	\$ 27.61

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.

² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.

³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.

⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).

⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.

⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.

⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.

⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.

⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.

¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Cumberland.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 17.34
c) Net return attributable to "trees only"	(\$ 10.52) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0055
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1150 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1317 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 73.24)	\$ 245.22	(\$ 63.95)	\$ 254.51
II	1.00	(\$ 91.55)	\$ 195.06	(\$ 79.94)	\$ 206.68
III	1.00	(\$ 91.55)	\$ 120.75	(\$ 79.94)	\$ 132.37
IV	1.00	(\$ 91.55)	\$ 78.29	(\$ 79.94)	\$ 89.91
V	0.75	(\$ 68.67)	\$ 58.72	(\$ 59.96)	\$ 67.43
VI	0.60	(\$ 54.93)	\$ 51.22	(\$ 47.96)	\$ 58.19
VII	0.40	(\$ 36.62)	\$ 27.07	(\$ 31.98)	\$ 31.72
VIII	0.00	(\$ 0.00)	\$ 21.23	(\$ 0.00)	\$ 21.23

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Danville.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 6.73
c) Net return attributable to "trees only"	(\$ 0.08) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0068
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1162 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1329 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	\$ 0.56	\$ 122.31	\$ 0.49	\$ 122.24
II	1.00	\$ 0.70	\$ 110.27	\$ 0.61	\$ 110.18
III	1.00	\$ 0.70	\$ 81.86	\$ 0.61	\$ 81.78
IV	1.00	\$ 0.70	\$ 65.63	\$ 0.61	\$ 65.54
V	0.75	\$ 0.52	\$ 49.22	\$ 0.46	\$ 49.16
VI	0.60	\$ 0.42	\$ 41.00	\$ 0.37	\$ 40.95
VII	0.40	\$ 0.28	\$ 24.63	\$ 0.24	\$ 24.59
VIII	0.00	\$ 0.00	\$ 8.12	\$ 0.00	\$ 8.12

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Dinwiddie County, Coastal Plain Region.
 The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 12.93
c) Net return attributable to "trees only"	(\$ 6.12) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0066
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1160 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1327 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 42.19)	\$ 192.25	(\$ 36.88)	\$ 197.56
II	1.00	(\$ 52.74)	\$ 158.26	(\$ 46.10)	\$ 164.90
III	1.00	(\$ 52.74)	\$ 103.56	(\$ 46.10)	\$ 110.19
IV	1.00	(\$ 52.74)	\$ 72.30	(\$ 46.10)	\$ 78.93
V	0.75	(\$ 39.55)	\$ 54.22	(\$ 34.58)	\$ 59.20
VI	0.60	(\$ 31.64)	\$ 46.50	(\$ 27.66)	\$ 50.49
VII	0.40	(\$ 21.10)	\$ 25.79	(\$ 18.44)	\$ 28.45
VIII	0.00	(\$ 0.00)	\$ 15.63	(\$ 0.00)	\$ 15.63

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Dinwiddie County, Piedmont Region.
 The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 10.85
c) Net return attributable to "trees only"	(\$ 4.04) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0066
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1160 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1327 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 27.83)	\$ 168.85	(\$ 24.33)	\$ 172.35
II	1.00	(\$ 34.79)	\$ 142.22	(\$ 30.41)	\$ 146.60
III	1.00	(\$ 34.79)	\$ 96.33	(\$ 30.41)	\$ 100.71
IV	1.00	(\$ 34.79)	\$ 70.11	(\$ 30.41)	\$ 74.48
V	0.75	(\$ 26.09)	\$ 52.58	(\$ 22.81)	\$ 55.86
VI	0.60	(\$ 20.87)	\$ 44.69	(\$ 18.25)	\$ 47.31
VII	0.40	(\$ 13.91)	\$ 25.42	(\$ 12.16)	\$ 27.17
VIII	0.00	(\$ 0.00)	\$ 13.11	(\$ 0.00)	\$ 13.11

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Essex.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 29.75
c) Net return attributable to "trees only"	(\$ 22.94) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0050
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1144 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1311 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 160.37)	\$ 389.68	(\$ 139.94)	\$ 410.11
II	1.00	(\$ 200.46)	\$ 294.59	(\$ 174.93)	\$ 320.12
III	1.00	(\$ 200.46)	\$ 166.24	(\$ 174.93)	\$ 191.77
IV	1.00	(\$ 200.46)	\$ 92.90	(\$ 174.93)	\$ 118.43
V	0.75	(\$ 150.34)	\$ 69.68	(\$ 131.20)	\$ 88.82
VI	0.60	(\$ 120.27)	\$ 63.08	(\$ 104.96)	\$ 78.39
VII	0.40	(\$ 80.18)	\$ 29.83	(\$ 69.97)	\$ 40.04
VIII	0.00	(\$ 0.00)	\$ 36.67	(\$ 0.00)	\$ 36.67

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Fairfax.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 9.62
c) Net return attributable to "trees only"	(\$ 2.81) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0099
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1193 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1360 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 18.84)	\$ 148.94	(\$ 16.52)	\$ 151.25
II	1.00	(\$ 23.54)	\$ 127.45	(\$ 20.65)	\$ 130.34
III	1.00	(\$ 23.54)	\$ 88.31	(\$ 20.65)	\$ 91.20
IV	1.00	(\$ 23.54)	\$ 65.94	(\$ 20.65)	\$ 68.83
V	0.75	(\$ 17.66)	\$ 49.45	(\$ 15.49)	\$ 51.62
VI	0.60	(\$ 14.13)	\$ 41.80	(\$ 12.39)	\$ 43.53
VII	0.40	(\$ 9.42)	\$ 24.14	(\$ 8.26)	\$ 25.29
VIII	0.00	(\$ 0.00)	\$ 11.19	(\$ 0.00)	\$ 11.19

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.

² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.

³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.

⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).

⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.

⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.

⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.

⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.

⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.

¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Fauquier.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 13.78
c) Net return attributable to "trees only"	(\$ 6.97) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0079
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1174 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1341 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 47.50)	\$ 198.38	(\$ 41.58)	\$ 204.29
II	1.00	(\$ 59.37)	\$ 161.92	(\$ 51.98)	\$ 169.31
III	1.00	(\$ 59.37)	\$ 104.55	(\$ 51.98)	\$ 111.94
IV	1.00	(\$ 59.37)	\$ 71.76	(\$ 51.98)	\$ 79.16
V	0.75	(\$ 44.53)	\$ 53.82	(\$ 38.98)	\$ 59.37
VI	0.60	(\$ 35.62)	\$ 46.34	(\$ 31.19)	\$ 50.77
VII	0.40	(\$ 23.75)	\$ 25.43	(\$ 20.79)	\$ 28.38
VIII	0.00	(\$ 0.00)	\$ 16.39	(\$ 0.00)	\$ 16.39

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Floyd.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 16.16
c) Net return attributable to "trees only"	(\$ 9.35) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0052
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1146 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1313 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 65.25)	\$ 232.79	(\$ 56.96)	\$ 241.08
II	1.00	(\$ 81.57)	\$ 186.67	(\$ 71.20)	\$ 197.04
III	1.00	(\$ 81.57)	\$ 117.13	(\$ 71.20)	\$ 127.50
IV	1.00	(\$ 81.57)	\$ 77.39	(\$ 71.20)	\$ 87.76
V	0.75	(\$ 61.17)	\$ 58.04	(\$ 53.40)	\$ 65.82
VI	0.60	(\$ 48.94)	\$ 50.41	(\$ 42.72)	\$ 56.63
VII	0.40	(\$ 32.63)	\$ 26.98	(\$ 28.48)	\$ 31.13
VIII	0.00	(\$ 0.00)	\$ 19.87	(\$ 0.00)	\$ 19.87

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.

² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.

³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.

⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).

⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.

⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.

⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.

⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.

⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.

¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Fluvanna.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 6.46
c) Net return attributable to "trees only"	(\$ 0.35) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0054
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1149 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1316 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	\$ 2.46	\$ 121.20	\$ 2.15	\$ 120.89
II	1.00	\$ 3.08	\$ 109.94	\$ 2.69	\$ 109.55
III	1.00	\$ 3.08	\$ 82.24	\$ 2.69	\$ 81.85
IV	1.00	\$ 3.08	\$ 66.40	\$ 2.69	\$ 66.01
V	0.75	\$ 2.31	\$ 49.80	\$ 2.01	\$ 49.51
VI	0.60	\$ 1.85	\$ 41.43	\$ 1.61	\$ 41.19
VII	0.40	\$ 1.23	\$ 24.98	\$ 1.07	\$ 24.82
VIII	0.00	\$ 0.00	\$ 7.92	\$ 0.00	\$ 7.92

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Franklin City.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 30.41
c) Net return attributable to "trees only"	(\$ 23.60) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0085
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1179 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1346 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 160.09)	\$ 378.96	(\$ 140.23)	\$ 398.82
II	1.00	(\$ 200.11)	\$ 285.03	(\$ 175.29)	\$ 309.85
III	1.00	(\$ 200.11)	\$ 159.25	(\$ 175.29)	\$ 184.08
IV	1.00	(\$ 200.11)	\$ 87.38	(\$ 175.29)	\$ 112.20
V	0.75	(\$ 150.08)	\$ 65.53	(\$ 131.47)	\$ 84.15
VI	0.60	(\$ 120.07)	\$ 59.61	(\$ 105.17)	\$ 74.51
VII	0.40	(\$ 80.05)	\$ 27.76	(\$ 70.12)	\$ 37.69
VIII	0.00	(\$ 0.00)	\$ 35.94	(\$ 0.00)	\$ 35.94

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Franklin.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 10.78
c) Net return attributable to "trees only"	(\$ 3.97) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0046
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1140 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1307 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 27.83)	\$ 172.46	(\$ 24.27)	\$ 176.02
II	1.00	(\$ 34.78)	\$ 145.47	(\$ 30.34)	\$ 149.92
III	1.00	(\$ 34.78)	\$ 98.74	(\$ 30.34)	\$ 103.18
IV	1.00	(\$ 34.78)	\$ 72.04	(\$ 30.34)	\$ 76.48
V	0.75	(\$ 26.09)	\$ 54.03	(\$ 22.75)	\$ 57.36
VI	0.60	(\$ 20.87)	\$ 45.89	(\$ 18.20)	\$ 48.56
VII	0.40	(\$ 13.91)	\$ 26.14	(\$ 12.14)	\$ 27.92
VIII	0.00	(\$ 0.00)	\$ 13.35	(\$ 0.00)	\$ 13.35

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Frederick.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 7.80
c) Net return attributable to "trees only"	(\$ 0.99) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0054
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1148 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1315 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 6.89)	\$ 136.60	(\$ 6.02)	\$ 137.48
II	1.00	(\$ 8.61)	\$ 120.53	(\$ 7.52)	\$ 121.62
III	1.00	(\$ 8.61)	\$ 87.05	(\$ 7.52)	\$ 88.14
IV	1.00	(\$ 8.61)	\$ 67.92	(\$ 7.52)	\$ 69.01
V	0.75	(\$ 6.46)	\$ 50.94	(\$ 5.64)	\$ 51.76
VI	0.60	(\$ 5.17)	\$ 42.66	(\$ 4.51)	\$ 43.32
VII	0.40	(\$ 3.45)	\$ 25.25	(\$ 3.01)	\$ 25.69
VIII	0.00	(\$ 0.00)	\$ 9.57	(\$ 0.00)	\$ 9.57

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Fredericksburg City.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 15.03
c) Net return attributable to "trees only"	(\$ 8.22) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0094
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1188 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1355 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 55.31)	\$ 208.20	(\$ 48.49)	\$ 215.01
II	1.00	(\$ 69.13)	\$ 168.02	(\$ 60.62)	\$ 176.54
III	1.00	(\$ 69.13)	\$ 106.54	(\$ 60.62)	\$ 115.06
IV	1.00	(\$ 69.13)	\$ 71.40	(\$ 60.62)	\$ 79.92
V	0.75	(\$ 51.85)	\$ 53.55	(\$ 45.46)	\$ 59.94
VI	0.60	(\$ 41.48)	\$ 46.36	(\$ 36.37)	\$ 51.47
VII	0.40	(\$ 27.65)	\$ 25.05	(\$ 24.25)	\$ 28.45
VIII	0.00	(\$ 0.00)	\$ 17.57	(\$ 0.00)	\$ 17.57

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.

² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.

³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.

⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).

⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.

⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.

⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.

⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.

⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.

¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Giles.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 12.65
c) Net return attributable to "trees only"	(\$ 5.84) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0053
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1147 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1314 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 40.70)	\$ 192.28	(\$ 35.53)	\$ 197.45
II	1.00	(\$ 50.87)	\$ 158.81	(\$ 44.41)	\$ 165.27
III	1.00	(\$ 50.87)	\$ 104.45	(\$ 44.41)	\$ 110.91
IV	1.00	(\$ 50.87)	\$ 73.38	(\$ 44.41)	\$ 79.85
V	0.75	(\$ 38.15)	\$ 55.04	(\$ 33.31)	\$ 59.88
VI	0.60	(\$ 30.52)	\$ 47.14	(\$ 26.65)	\$ 51.01
VII	0.40	(\$ 20.35)	\$ 26.25	(\$ 17.76)	\$ 28.83
VIII	0.00	(\$ 0.00)	\$ 15.53	(\$ 0.00)	\$ 15.53

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Gloucester.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 19.42
c) Net return attributable to "trees only"	(\$ 12.61) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0078
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1173 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1340 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 86.03)	\$ 260.94	(\$ 75.31)	\$ 271.66
II	1.00	(\$ 107.54)	\$ 204.74	(\$ 94.13)	\$ 218.14
III	1.00	(\$ 107.54)	\$ 123.78	(\$ 94.13)	\$ 137.18
IV	1.00	(\$ 107.54)	\$ 77.51	(\$ 94.13)	\$ 90.92
V	0.75	(\$ 80.65)	\$ 58.14	(\$ 70.60)	\$ 68.19
VI	0.60	(\$ 64.52)	\$ 51.13	(\$ 56.48)	\$ 59.18
VII	0.40	(\$ 43.01)	\$ 26.38	(\$ 37.65)	\$ 31.74
VIII	0.00	(\$ 0.00)	\$ 23.13	(\$ 0.00)	\$ 23.13

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.

² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.

³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.

⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).

⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.

⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.

⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.

⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.

⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.

¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Goochland.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 18.36
c) Net return attributable to "trees only"	(\$ 11.55) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0062
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1156 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1323 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 79.90)	\$ 254.59	(\$ 69.82)	\$ 264.68
II	1.00	(\$ 99.87)	\$ 201.17	(\$ 87.27)	\$ 213.77
III	1.00	(\$ 99.87)	\$ 123.12	(\$ 87.27)	\$ 135.72
IV	1.00	(\$ 99.87)	\$ 78.52	(\$ 87.27)	\$ 91.13
V	0.75	(\$ 74.90)	\$ 58.89	(\$ 65.45)	\$ 68.34
VI	0.60	(\$ 59.92)	\$ 51.57	(\$ 52.36)	\$ 59.14
VII	0.40	(\$ 39.95)	\$ 26.95	(\$ 34.91)	\$ 31.99
VIII	0.00	(\$ 0.00)	\$ 22.30	(\$ 0.00)	\$ 22.30

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.

² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.

³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.

⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).

⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.

⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.

⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.

⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.

⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.

¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Greene.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 10.50
c) Net return attributable to "trees only"	(\$ 3.68) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0065
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1159 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1326 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 25.43)	\$ 165.16	(\$ 22.23)	\$ 168.37
II	1.00	(\$ 31.79)	\$ 139.75	(\$ 27.78)	\$ 143.75
III	1.00	(\$ 31.79)	\$ 95.27	(\$ 27.78)	\$ 99.28
IV	1.00	(\$ 31.79)	\$ 69.86	(\$ 27.78)	\$ 73.87
V	0.75	(\$ 23.84)	\$ 52.40	(\$ 20.84)	\$ 55.40
VI	0.60	(\$ 19.07)	\$ 44.46	(\$ 16.67)	\$ 46.86
VII	0.40	(\$ 12.71)	\$ 25.40	(\$ 11.11)	\$ 27.00
VIII	0.00	(\$ 0.00)	\$ 12.71	(\$ 0.00)	\$ 12.71

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Halifax.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 17.47
c) Net return attributable to "trees only"	(\$ 10.66) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0034
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1128 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1295 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 75.55)	\$ 253.88	(\$ 65.81)	\$ 263.62
II	1.00	(\$ 94.44)	\$ 202.05	(\$ 82.27)	\$ 214.23
III	1.00	(\$ 94.44)	\$ 125.18	(\$ 82.27)	\$ 137.36
IV	1.00	(\$ 94.44)	\$ 81.26	(\$ 82.27)	\$ 93.43
V	0.75	(\$ 70.83)	\$ 60.94	(\$ 61.70)	\$ 70.07
VI	0.60	(\$ 56.67)	\$ 53.15	(\$ 49.36)	\$ 60.45
VII	0.40	(\$ 37.78)	\$ 28.11	(\$ 32.91)	\$ 32.98
VIII	0.00	(\$ 0.00)	\$ 21.96	(\$ 0.00)	\$ 21.96

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Hampton.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a)	2006 ²	(\$1,390.19)
b)	2005	(\$565.48)
c)	2004	\$14.54
d)	2003	\$19.52
e)	2002	\$34.64
f)	2001	(\$154.70)
g)	2000	(\$113.52)

3. Net Returns

a)	Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b)	Net return attributable to "land only" (Class III) ⁴	\$ 14.98
c)	Net return attributable to "trees only"	(\$ 8.17) (3a minus 3b)

4. Capitalization Rate

a)	Interest Rate ⁵	0.0761
b)	Property Tax ⁶	0.0119
c)	Depreciation of Apple Trees ⁷	0.0333
d)	Depreciation of "Other" Trees ⁸	0.0500
e)	Apple Orchard Capitalization Rate	0.1214 (sum 5a, 5b, and 5c)
f)	"Other" Orchard Capitalization Rate	0.1381 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 53.83)	\$ 201.30	(\$ 47.32)	\$ 207.81
II	1.00	(\$ 67.29)	\$ 162.33	(\$ 59.15)	\$ 170.47
III	1.00	(\$ 67.29)	\$ 102.80	(\$ 59.15)	\$ 110.94
IV	1.00	(\$ 67.29)	\$ 68.78	(\$ 59.15)	\$ 76.92
V	0.75	(\$ 50.46)	\$ 51.59	(\$ 44.36)	\$ 57.69
VI	0.60	(\$ 40.37)	\$ 44.67	(\$ 35.49)	\$ 49.56
VII	0.40	(\$ 26.91)	\$ 24.11	(\$ 23.66)	\$ 27.37
VIII	0.00	(\$ 0.00)	\$ 17.01	(\$ 0.00)	\$ 17.01

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.

² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.

³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.

⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).

⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.

⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.

⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.

⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.

⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.

¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Hanover County, Coastal Plain Region.
 The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 20.59
c) Net return attributable to "trees only"	(\$ 13.78) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0067
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1162 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1329 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 94.92)	\$ 277.89	(\$ 82.98)	\$ 289.82
II	1.00	(\$ 118.64)	\$ 216.88	(\$ 103.73)	\$ 231.79
III	1.00	(\$ 118.64)	\$ 129.89	(\$ 103.73)	\$ 144.81
IV	1.00	(\$ 118.64)	\$ 80.19	(\$ 103.73)	\$ 95.10
V	0.75	(\$ 88.98)	\$ 60.14	(\$ 77.80)	\$ 71.32
VI	0.60	(\$ 71.19)	\$ 53.08	(\$ 62.24)	\$ 62.03
VII	0.40	(\$ 47.46)	\$ 27.10	(\$ 41.49)	\$ 33.07
VIII	0.00	(\$ 0.00)	\$ 24.85	(\$ 0.00)	\$ 24.85

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Hanover County, Piedmont Region.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 19.57
c) Net return attributable to "trees only"	(\$ 12.75) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0067
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1162 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1329 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 87.83)	\$ 266.36	(\$ 76.79)	\$ 277.40
II	1.00	(\$ 109.79)	\$ 208.98	(\$ 95.99)	\$ 222.78
III	1.00	(\$ 109.79)	\$ 126.34	(\$ 95.99)	\$ 140.14
IV	1.00	(\$ 109.79)	\$ 79.11	(\$ 95.99)	\$ 92.91
V	0.75	(\$ 82.34)	\$ 59.33	(\$ 71.99)	\$ 69.68
VI	0.60	(\$ 65.87)	\$ 52.19	(\$ 57.59)	\$ 60.47
VII	0.40	(\$ 43.92)	\$ 26.92	(\$ 38.40)	\$ 32.44
VIII	0.00	(\$ 0.00)	\$ 23.61	(\$ 0.00)	\$ 23.61

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Harrisonburg.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year **2008**.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 38.39
c) Net return attributable to "trees only"	(\$ 31.58) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0054
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1149 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1316 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 219.91)	\$ 485.95	(\$ 192.00)	\$ 513.86
II	1.00	(\$ 274.89)	\$ 360.39	(\$ 240.00)	\$ 395.27
III	1.00	(\$ 274.89)	\$ 195.69	(\$ 240.00)	\$ 230.57
IV	1.00	(\$ 274.89)	\$ 101.57	(\$ 240.00)	\$ 136.46
V	0.75	(\$ 206.17)	\$ 76.18	(\$ 180.00)	\$ 102.34
VI	0.60	(\$ 164.93)	\$ 70.35	(\$ 144.00)	\$ 91.29
VII	0.40	(\$ 109.96)	\$ 31.22	(\$ 96.00)	\$ 45.17
VIII	0.00	(\$ 0.00)	\$ 47.06	(\$ 0.00)	\$ 47.06

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.

² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.

³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.

⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).

⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.

⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.

⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.

⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.

⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.

¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Henrico County, Coastal Plain Region.
 The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a)	2006 ²	(\$1,390.19)
b)	2005	(\$565.48)
c)	2004	\$14.54
d)	2003	\$19.52
e)	2002	\$34.64
f)	2001	(\$154.70)
g)	2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 15.66
c) Net return attributable to "trees only"	(\$ 8.84) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0081
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1175 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1342 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 60.19)	\$ 218.56	(\$ 52.71)	\$ 226.05
II	1.00	(\$ 75.24)	\$ 175.64	(\$ 65.88)	\$ 185.00
III	1.00	(\$ 75.24)	\$ 110.60	(\$ 65.88)	\$ 119.95
IV	1.00	(\$ 75.24)	\$ 73.43	(\$ 65.88)	\$ 82.79
V	0.75	(\$ 56.43)	\$ 55.07	(\$ 49.41)	\$ 62.09
VI	0.60	(\$ 45.14)	\$ 47.77	(\$ 39.53)	\$ 53.39
VII	0.40	(\$ 30.10)	\$ 25.65	(\$ 26.35)	\$ 29.40
VIII	0.00	(\$ 0.00)	\$ 18.58	(\$ 0.00)	\$ 18.58

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Henrico County, Piedmont Region.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 14.48
c) Net return attributable to "trees only"	(\$ 7.66) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0081
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1175 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1342 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 52.16)	\$ 205.58	(\$ 45.67)	\$ 212.07
II	1.00	(\$ 65.20)	\$ 166.76	(\$ 57.09)	\$ 174.87
III	1.00	(\$ 65.20)	\$ 106.63	(\$ 57.09)	\$ 114.74
IV	1.00	(\$ 65.20)	\$ 72.26	(\$ 57.09)	\$ 80.37
V	0.75	(\$ 48.90)	\$ 54.20	(\$ 42.82)	\$ 60.28
VI	0.60	(\$ 39.12)	\$ 46.79	(\$ 34.25)	\$ 51.66
VII	0.40	(\$ 26.08)	\$ 25.47	(\$ 22.84)	\$ 28.71
VIII	0.00	(\$ 0.00)	\$ 17.18	(\$ 0.00)	\$ 17.18

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Henry.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 6.39
c) Net return attributable to "trees only"	(\$ 0.42) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0049
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1144 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1311 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	\$ 2.92	\$ 121.24	\$ 2.55	\$ 120.87
II	1.00	\$ 3.65	\$ 110.14	\$ 3.18	\$ 109.67
III	1.00	\$ 3.65	\$ 82.53	\$ 3.18	\$ 82.06
IV	1.00	\$ 3.65	\$ 66.75	\$ 3.18	\$ 66.29
V	0.75	\$ 2.74	\$ 50.06	\$ 2.39	\$ 49.72
VI	0.60	\$ 2.19	\$ 41.63	\$ 1.91	\$ 41.35
VII	0.40	\$ 1.46	\$ 25.12	\$ 1.27	\$ 24.94
VIII	0.00	\$ 0.00	\$ 7.89	\$ 0.00	\$ 7.89

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Isle Of Wight.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 30.41
c) Net return attributable to "trees only"	(\$ 23.60) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0064
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1159 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1326 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 162.92)	\$ 389.51	(\$ 142.40)	\$ 410.03
II	1.00	(\$ 203.65)	\$ 293.53	(\$ 178.00)	\$ 319.19
III	1.00	(\$ 203.65)	\$ 164.63	(\$ 178.00)	\$ 190.29
IV	1.00	(\$ 203.65)	\$ 90.98	(\$ 178.00)	\$ 116.63
V	0.75	(\$ 152.74)	\$ 68.23	(\$ 133.50)	\$ 87.47
VI	0.60	(\$ 122.19)	\$ 61.95	(\$ 106.80)	\$ 77.34
VII	0.40	(\$ 81.46)	\$ 29.02	(\$ 71.20)	\$ 39.29
VIII	0.00	(\$ 0.00)	\$ 36.83	(\$ 0.00)	\$ 36.83

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.

² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.

³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.

⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).

⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.

⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.

⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.

⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.

⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.

¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in James City.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 14.98
c) Net return attributable to "trees only"	(\$ 8.17) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0077
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1171 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1338 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 55.77)	\$ 212.20	(\$ 48.81)	\$ 219.16
II	1.00	(\$ 69.71)	\$ 171.47	(\$ 61.01)	\$ 180.16
III	1.00	(\$ 69.71)	\$ 108.94	(\$ 61.01)	\$ 117.64
IV	1.00	(\$ 69.71)	\$ 73.21	(\$ 61.01)	\$ 81.91
V	0.75	(\$ 52.28)	\$ 54.91	(\$ 45.76)	\$ 61.43
VI	0.60	(\$ 41.83)	\$ 47.50	(\$ 36.61)	\$ 52.72
VII	0.40	(\$ 27.88)	\$ 25.71	(\$ 24.40)	\$ 29.19
VIII	0.00	(\$ 0.00)	\$ 17.86	(\$ 0.00)	\$ 17.86

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.

² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.

³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.

⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).

⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.

⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.

⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.

⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.

⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.

¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in King George.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 25.45
c) Net return attributable to "trees only"	(\$ 18.64) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0059
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1153 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1320 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 129.30)	\$ 336.12	(\$ 112.95)	\$ 352.48
II	1.00	(\$ 161.63)	\$ 257.26	(\$ 141.18)	\$ 277.70
III	1.00	(\$ 161.63)	\$ 148.66	(\$ 141.18)	\$ 169.10
IV	1.00	(\$ 161.63)	\$ 86.60	(\$ 141.18)	\$ 107.04
V	0.75	(\$ 121.22)	\$ 64.95	(\$ 105.89)	\$ 80.28
VI	0.60	(\$ 96.98)	\$ 58.17	(\$ 84.71)	\$ 70.43
VII	0.40	(\$ 64.65)	\$ 28.43	(\$ 56.47)	\$ 36.61
VIII	0.00	(\$ 0.00)	\$ 31.03	(\$ 0.00)	\$ 31.03

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.

² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.

³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.

⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).

⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.

⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.

⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.

⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.

⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.

¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in King William.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 22.16
c) Net return attributable to "trees only"	(\$ 15.35) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0062
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1156 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1323 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 106.17)	\$ 297.50	(\$ 92.77)	\$ 310.90
II	1.00	(\$ 132.71)	\$ 230.59	(\$ 115.96)	\$ 247.34
III	1.00	(\$ 132.71)	\$ 136.40	(\$ 115.96)	\$ 153.15
IV	1.00	(\$ 132.71)	\$ 82.58	(\$ 115.96)	\$ 99.33
V	0.75	(\$ 99.53)	\$ 61.93	(\$ 86.97)	\$ 74.50
VI	0.60	(\$ 79.63)	\$ 54.93	(\$ 69.58)	\$ 64.98
VII	0.40	(\$ 53.08)	\$ 27.65	(\$ 46.39)	\$ 34.35
VIII	0.00	(\$ 0.00)	\$ 26.91	(\$ 0.00)	\$ 26.91

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.

² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.

³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.

⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).

⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.

⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.

⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.

⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.

⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.

¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Lancaster.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 29.30
c) Net return attributable to "trees only"	(\$ 22.49) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0044
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1139 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1306 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 158.02)	\$ 387.55	(\$ 137.81)	\$ 407.76
II	1.00	(\$ 197.52)	\$ 293.48	(\$ 172.26)	\$ 318.75
III	1.00	(\$ 197.52)	\$ 166.19	(\$ 172.26)	\$ 191.45
IV	1.00	(\$ 197.52)	\$ 93.44	(\$ 172.26)	\$ 118.71
V	0.75	(\$ 148.14)	\$ 70.08	(\$ 129.19)	\$ 89.03
VI	0.60	(\$ 118.51)	\$ 63.34	(\$ 103.36)	\$ 78.50
VII	0.40	(\$ 79.01)	\$ 30.10	(\$ 68.90)	\$ 40.21
VIII	0.00	(\$ 0.00)	\$ 36.37	(\$ 0.00)	\$ 36.37

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Loudoun.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 9.62
c) Net return attributable to "trees only"	(\$ 2.81) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0092
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1186 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1353 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 18.94)	\$ 150.17	(\$ 16.61)	\$ 152.51
II	1.00	(\$ 23.68)	\$ 128.52	(\$ 20.76)	\$ 131.44
III	1.00	(\$ 23.68)	\$ 89.06	(\$ 20.76)	\$ 91.98
IV	1.00	(\$ 23.68)	\$ 66.51	(\$ 20.76)	\$ 69.44
V	0.75	(\$ 17.76)	\$ 49.89	(\$ 15.57)	\$ 52.08
VI	0.60	(\$ 14.21)	\$ 42.16	(\$ 12.45)	\$ 43.92
VII	0.40	(\$ 9.47)	\$ 24.35	(\$ 8.30)	\$ 25.52
VIII	0.00	(\$ 0.00)	\$ 11.27	(\$ 0.00)	\$ 11.27

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Louisa.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 13.60
c) Net return attributable to "trees only"	(\$ 6.78) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0059
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1154 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1321 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 47.04)	\$ 201.43	(\$ 41.09)	\$ 207.38
II	1.00	(\$ 58.80)	\$ 164.83	(\$ 51.37)	\$ 172.26
III	1.00	(\$ 58.80)	\$ 106.85	(\$ 51.37)	\$ 114.28
IV	1.00	(\$ 58.80)	\$ 73.72	(\$ 51.37)	\$ 81.15
V	0.75	(\$ 44.10)	\$ 55.29	(\$ 38.52)	\$ 60.87
VI	0.60	(\$ 35.28)	\$ 47.54	(\$ 30.82)	\$ 52.01
VII	0.40	(\$ 23.52)	\$ 26.17	(\$ 20.55)	\$ 29.15
VIII	0.00	(\$ 0.00)	\$ 16.57	(\$ 0.00)	\$ 16.57

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Lynchburg.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 5.48
c) Net return attributable to "trees only"	(\$ 1.34) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0099
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1193 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1360 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	\$ 8.95	\$ 104.44	\$ 7.86	\$ 103.34
II	1.00	\$ 11.19	\$ 97.13	\$ 9.82	\$ 95.76
III	1.00	\$ 11.19	\$ 74.85	\$ 9.82	\$ 73.48
IV	1.00	\$ 11.19	\$ 62.12	\$ 9.82	\$ 60.74
V	0.75	\$ 8.40	\$ 46.59	\$ 7.36	\$ 45.56
VI	0.60	\$ 6.72	\$ 38.54	\$ 5.89	\$ 37.72
VII	0.40	\$ 4.48	\$ 23.57	\$ 3.93	\$ 23.02
VIII	0.00	\$ 0.00	\$ 6.37	\$ 0.00	\$ 6.37

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Madison.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 25.59
c) Net return attributable to "trees only"	(\$ 18.78) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0062
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1156 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1323 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 129.98)	\$ 336.53	(\$ 113.57)	\$ 352.94
II	1.00	(\$ 162.47)	\$ 257.38	(\$ 141.96)	\$ 277.89
III	1.00	(\$ 162.47)	\$ 148.53	(\$ 141.96)	\$ 169.04
IV	1.00	(\$ 162.47)	\$ 86.33	(\$ 141.96)	\$ 106.84
V	0.75	(\$ 121.86)	\$ 64.75	(\$ 106.47)	\$ 80.13
VI	0.60	(\$ 97.48)	\$ 58.02	(\$ 85.18)	\$ 70.32
VII	0.40	(\$ 64.99)	\$ 28.31	(\$ 56.79)	\$ 36.52
VIII	0.00	(\$ 0.00)	\$ 31.10	(\$ 0.00)	\$ 31.10

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.

² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.

³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.

⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).

⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.

⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.

⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.

⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.

⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.

¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Manassas.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 12.94
c) Net return attributable to "trees only"	(\$ 6.13) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0106
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1201 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1368 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 40.80)	\$ 182.79	(\$ 35.82)	\$ 187.77
II	1.00	(\$ 51.01)	\$ 150.23	(\$ 44.78)	\$ 156.46
III	1.00	(\$ 51.01)	\$ 98.06	(\$ 44.78)	\$ 104.29
IV	1.00	(\$ 51.01)	\$ 68.25	(\$ 44.78)	\$ 74.47
V	0.75	(\$ 38.25)	\$ 51.18	(\$ 33.58)	\$ 55.86
VI	0.60	(\$ 30.60)	\$ 43.93	(\$ 26.87)	\$ 47.67
VII	0.40	(\$ 20.40)	\$ 24.32	(\$ 17.91)	\$ 26.81
VIII	0.00	(\$ 0.00)	\$ 14.91	(\$ 0.00)	\$ 14.91

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Middlesex.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 19.15
c) Net return attributable to "trees only"	(\$ 12.34) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0043
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1137 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1304 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 86.78)	\$ 270.35	(\$ 75.67)	\$ 281.46
II	1.00	(\$ 108.48)	\$ 212.94	(\$ 94.59)	\$ 226.83
III	1.00	(\$ 108.48)	\$ 129.61	(\$ 94.59)	\$ 143.50
IV	1.00	(\$ 108.48)	\$ 81.99	(\$ 94.59)	\$ 95.88
V	0.75	(\$ 81.36)	\$ 61.49	(\$ 70.94)	\$ 71.91
VI	0.60	(\$ 65.09)	\$ 53.96	(\$ 56.75)	\$ 62.29
VII	0.40	(\$ 43.39)	\$ 28.03	(\$ 37.84)	\$ 33.59
VIII	0.00	(\$ 0.00)	\$ 23.81	(\$ 0.00)	\$ 23.81

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Montgomery.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 17.67
c) Net return attributable to "trees only"	(\$ 10.85) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0058
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1152 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1319 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 75.34)	\$ 248.01	(\$ 65.80)	\$ 257.55
II	1.00	(\$ 94.17)	\$ 196.84	(\$ 82.26)	\$ 208.76
III	1.00	(\$ 94.17)	\$ 121.39	(\$ 82.26)	\$ 133.31
IV	1.00	(\$ 94.17)	\$ 78.28	(\$ 82.26)	\$ 90.20
V	0.75	(\$ 70.63)	\$ 58.71	(\$ 61.69)	\$ 67.65
VI	0.60	(\$ 56.50)	\$ 51.28	(\$ 49.35)	\$ 58.43
VII	0.40	(\$ 37.67)	\$ 27.00	(\$ 32.90)	\$ 31.77
VIII	0.00	(\$ 0.00)	\$ 21.56	(\$ 0.00)	\$ 21.56

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.

² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.

³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.

⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).

⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.

⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.

⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.

⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.

⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.

¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Nelson.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 5.42
c) Net return attributable to "trees only"	(\$ 1.39) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0061
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1155 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1322 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	\$ 9.64	\$ 108.50	\$ 8.43	\$ 107.28
II	1.00	\$ 12.06	\$ 101.03	\$ 10.53	\$ 99.50
III	1.00	\$ 12.06	\$ 77.96	\$ 10.53	\$ 76.44
IV	1.00	\$ 12.06	\$ 64.78	\$ 10.53	\$ 63.26
V	0.75	\$ 9.04	\$ 48.58	\$ 7.90	\$ 47.44
VI	0.60	\$ 7.23	\$ 40.19	\$ 6.32	\$ 39.27
VII	0.40	\$ 4.82	\$ 24.59	\$ 4.21	\$ 23.98
VIII	0.00	\$ 0.00	\$ 6.59	\$ 0.00	\$ 6.59

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.

² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.

³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.

⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).

⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.

⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.

⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.

⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.

⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.

¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in New Kent.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 15.21
c) Net return attributable to "trees only"	(\$ 8.39) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0067
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1162 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1329 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 57.81)	\$ 217.44	(\$ 50.54)	\$ 224.71
II	1.00	(\$ 72.26)	\$ 175.46	(\$ 63.18)	\$ 184.55
III	1.00	(\$ 72.26)	\$ 111.24	(\$ 63.18)	\$ 120.32
IV	1.00	(\$ 72.26)	\$ 74.54	(\$ 63.18)	\$ 83.62
V	0.75	(\$ 54.20)	\$ 55.90	(\$ 47.38)	\$ 62.72
VI	0.60	(\$ 43.36)	\$ 48.39	(\$ 37.91)	\$ 53.84
VII	0.40	(\$ 28.90)	\$ 26.15	(\$ 25.27)	\$ 29.78
VIII	0.00	(\$ 0.00)	\$ 18.35	(\$ 0.00)	\$ 18.35

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.

² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.

³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.

⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).

⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.

⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.

⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.

⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.

⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.

¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Newport News.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 14.98
c) Net return attributable to "trees only"	(\$ 8.17) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0112
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1206 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1373 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 54.17)	\$ 203.21	(\$ 47.58)	\$ 209.80
II	1.00	(\$ 67.72)	\$ 163.93	(\$ 59.48)	\$ 172.16
III	1.00	(\$ 67.72)	\$ 103.87	(\$ 59.48)	\$ 112.11
IV	1.00	(\$ 67.72)	\$ 69.55	(\$ 59.48)	\$ 77.79
V	0.75	(\$ 50.79)	\$ 52.17	(\$ 44.61)	\$ 58.34
VI	0.60	(\$ 40.63)	\$ 45.16	(\$ 35.69)	\$ 50.11
VII	0.40	(\$ 27.09)	\$ 24.39	(\$ 23.79)	\$ 27.68
VIII	0.00	(\$ 0.00)	\$ 17.16	(\$ 0.00)	\$ 17.16

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.

² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.

³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.

⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).

⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.

⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.

⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.

⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.

⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.

¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Northampton.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 83.56
c) Net return attributable to "trees only"	(\$ 76.75) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0049
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1143 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1310 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 537.11)	\$ 1,010.08	(\$ 468.64)	\$ 1,078.55
II	1.00	(\$ 671.39)	\$ 721.08	(\$ 585.80)	\$ 806.67
III	1.00	(\$ 671.39)	\$ 360.07	(\$ 585.80)	\$ 445.66
IV	1.00	(\$ 671.39)	\$ 153.78	(\$ 585.80)	\$ 239.36
V	0.75	(\$ 503.54)	\$ 115.34	(\$ 439.35)	\$ 179.52
VI	0.60	(\$ 402.83)	\$ 112.90	(\$ 351.48)	\$ 164.25
VII	0.40	(\$ 268.55)	\$ 40.88	(\$ 234.32)	\$ 75.12
VIII	0.00	(\$ 0.00)	\$ 103.15	(\$ 0.00)	\$ 103.15

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Northumberland.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 23.59
c) Net return attributable to "trees only"	(\$ 16.78) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0045
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1139 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1306 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 117.84)	\$ 321.18	(\$ 102.77)	\$ 336.25
II	1.00	(\$ 147.30)	\$ 247.81	(\$ 128.47)	\$ 266.65
III	1.00	(\$ 147.30)	\$ 145.38	(\$ 128.47)	\$ 164.21
IV	1.00	(\$ 147.30)	\$ 86.84	(\$ 128.47)	\$ 105.68
V	0.75	(\$ 110.48)	\$ 65.13	(\$ 96.35)	\$ 79.26
VI	0.60	(\$ 88.38)	\$ 57.96	(\$ 77.08)	\$ 69.26
VII	0.40	(\$ 58.92)	\$ 28.88	(\$ 51.39)	\$ 36.42
VIII	0.00	(\$ 0.00)	\$ 29.27	(\$ 0.00)	\$ 29.27

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Nottoway.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a)	2006 ²	(\$1,390.19)
b)	2005	(\$565.48)
c)	2004	\$14.54
d)	2003	\$19.52
e)	2002	\$34.64
f)	2001	(\$154.70)
g)	2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 11.08
c) Net return attributable to "trees only"	(\$ 4.27) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0046
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1141 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1308 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 29.97)	\$ 175.90	(\$ 26.14)	\$ 179.72
II	1.00	(\$ 37.46)	\$ 147.82	(\$ 32.68)	\$ 152.60
III	1.00	(\$ 37.46)	\$ 99.78	(\$ 32.68)	\$ 104.57
IV	1.00	(\$ 37.46)	\$ 72.33	(\$ 32.68)	\$ 77.12
V	0.75	(\$ 28.09)	\$ 54.25	(\$ 24.51)	\$ 57.84
VI	0.60	(\$ 22.48)	\$ 46.15	(\$ 19.61)	\$ 49.02
VII	0.40	(\$ 14.98)	\$ 26.19	(\$ 13.07)	\$ 28.10
VIII	0.00	(\$ 0.00)	\$ 13.72	(\$ 0.00)	\$ 13.72

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Orange.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 14.24
c) Net return attributable to "trees only"	(\$ 7.43) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0061
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1155 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1322 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 51.41)	\$ 208.24	(\$ 44.92)	\$ 214.73
II	1.00	(\$ 64.26)	\$ 169.42	(\$ 56.15)	\$ 177.54
III	1.00	(\$ 64.26)	\$ 108.84	(\$ 56.15)	\$ 116.95
IV	1.00	(\$ 64.26)	\$ 74.22	(\$ 56.15)	\$ 82.33
V	0.75	(\$ 48.20)	\$ 55.66	(\$ 42.11)	\$ 61.75
VI	0.60	(\$ 38.56)	\$ 47.99	(\$ 33.69)	\$ 52.86
VII	0.40	(\$ 25.70)	\$ 26.23	(\$ 22.46)	\$ 29.47
VIII	0.00	(\$ 0.00)	\$ 17.31	(\$ 0.00)	\$ 17.31

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Page.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 19.88
c) Net return attributable to "trees only"	(\$ 13.07) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0052
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1146 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1313 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 91.23)	\$ 275.52	(\$ 79.62)	\$ 287.12
II	1.00	(\$ 114.03)	\$ 216.04	(\$ 99.53)	\$ 230.54
III	1.00	(\$ 114.03)	\$ 130.46	(\$ 99.53)	\$ 144.97
IV	1.00	(\$ 114.03)	\$ 81.57	(\$ 99.53)	\$ 96.07
V	0.75	(\$ 85.52)	\$ 61.17	(\$ 74.65)	\$ 72.05
VI	0.60	(\$ 68.42)	\$ 53.83	(\$ 59.72)	\$ 62.53
VII	0.40	(\$ 45.61)	\$ 27.74	(\$ 39.81)	\$ 33.54
VIII	0.00	(\$ 0.00)	\$ 24.45	(\$ 0.00)	\$ 24.45

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.

² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.

³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.

⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).

⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.

⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.

⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.

⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.

⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.

¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Petersburg.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a)	2006 ²	(\$1,390.19)
b)	2005	(\$565.48)
c)	2004	\$14.54
d)	2003	\$19.52
e)	2002	\$34.64
f)	2001	(\$154.70)
g)	2000	(\$113.52)

3. Net Returns

a)	Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b)	Net return attributable to "land only" (Class III) ⁴	\$ 13.48
c)	Net return attributable to "trees only"	(\$ 6.67) (3a minus 3b)

4. Capitalization Rate

a)	Interest Rate ⁵	0.0761
b)	Property Tax ⁶	0.0134
c)	Depreciation of Apple Trees ⁷	0.0333
d)	Depreciation of "Other" Trees ⁸	0.0500
e)	Apple Orchard Capitalization Rate	0.1228 (sum 5a, 5b, and 5c)
f)	"Other" Orchard Capitalization Rate	0.1395 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 43.45)	\$ 182.44	(\$ 38.25)	\$ 187.64
II	1.00	(\$ 54.31)	\$ 148.98	(\$ 47.81)	\$ 155.48
III	1.00	(\$ 54.31)	\$ 96.28	(\$ 47.81)	\$ 102.78
IV	1.00	(\$ 54.31)	\$ 66.16	(\$ 47.81)	\$ 72.66
V	0.75	(\$ 40.73)	\$ 49.62	(\$ 35.86)	\$ 54.49
VI	0.60	(\$ 32.59)	\$ 42.71	(\$ 28.69)	\$ 46.61
VII	0.40	(\$ 21.73)	\$ 23.45	(\$ 19.13)	\$ 26.05
VIII	0.00	(\$ 0.00)	\$ 15.06	(\$ 0.00)	\$ 15.06

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Pittsylvania.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 6.73
c) Net return attributable to "trees only"	(\$ 0.08) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0048
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1143 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1310 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	\$ 0.57	\$ 125.25	\$ 0.49	\$ 125.18
II	1.00	\$ 0.71	\$ 112.92	\$ 0.62	\$ 112.83
III	1.00	\$ 0.71	\$ 83.83	\$ 0.62	\$ 83.74
IV	1.00	\$ 0.71	\$ 67.21	\$ 0.62	\$ 67.11
V	0.75	\$ 0.53	\$ 50.40	\$ 0.46	\$ 50.34
VI	0.60	\$ 0.42	\$ 41.99	\$ 0.37	\$ 41.93
VII	0.40	\$ 0.28	\$ 25.22	\$ 0.25	\$ 25.18
VIII	0.00	\$ 0.00	\$ 8.31	\$ 0.00	\$ 8.31

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Powhatan.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 8.62
c) Net return attributable to "trees only"	(\$ 1.81) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0071
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1166 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1333 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 12.41)	\$ 142.86	(\$ 10.85)	\$ 144.41
II	1.00	(\$ 15.51)	\$ 124.23	(\$ 13.57)	\$ 126.17
III	1.00	(\$ 15.51)	\$ 88.00	(\$ 13.57)	\$ 89.94
IV	1.00	(\$ 15.51)	\$ 67.30	(\$ 13.57)	\$ 69.24
V	0.75	(\$ 11.63)	\$ 50.47	(\$ 10.17)	\$ 51.93
VI	0.60	(\$ 9.31)	\$ 42.45	(\$ 8.14)	\$ 43.61
VII	0.40	(\$ 6.20)	\$ 24.85	(\$ 5.43)	\$ 25.63
VIII	0.00	(\$ 0.00)	\$ 10.35	(\$ 0.00)	\$ 10.35

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Prince Edward.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 15.85
c) Net return attributable to "trees only"	(\$ 9.03) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0043
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1138 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1305 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 63.53)	\$ 231.86	(\$ 55.40)	\$ 239.99
II	1.00	(\$ 79.41)	\$ 186.44	(\$ 69.25)	\$ 196.60
III	1.00	(\$ 79.41)	\$ 117.52	(\$ 69.25)	\$ 127.68
IV	1.00	(\$ 79.41)	\$ 78.13	(\$ 69.25)	\$ 88.30
V	0.75	(\$ 59.56)	\$ 58.60	(\$ 51.93)	\$ 66.22
VI	0.60	(\$ 47.65)	\$ 50.82	(\$ 41.55)	\$ 56.92
VII	0.40	(\$ 31.76)	\$ 27.31	(\$ 27.70)	\$ 31.38
VIII	0.00	(\$ 0.00)	\$ 19.69	(\$ 0.00)	\$ 19.69

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.

² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.

³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.

⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).

⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.

⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.

⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.

⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.

⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.

¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Prince George.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 13.48
c) Net return attributable to "trees only"	(\$ 6.67) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0081
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1175 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1342 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 45.42)	\$ 194.74	(\$ 39.77)	\$ 200.39
II	1.00	(\$ 56.77)	\$ 159.37	(\$ 49.71)	\$ 166.43
III	1.00	(\$ 56.77)	\$ 103.33	(\$ 49.71)	\$ 110.40
IV	1.00	(\$ 56.77)	\$ 71.31	(\$ 49.71)	\$ 78.37
V	0.75	(\$ 42.58)	\$ 53.48	(\$ 37.28)	\$ 58.78
VI	0.60	(\$ 34.06)	\$ 45.99	(\$ 29.82)	\$ 50.23
VII	0.40	(\$ 22.71)	\$ 25.32	(\$ 19.88)	\$ 28.15
VIII	0.00	(\$ 0.00)	\$ 16.01	(\$ 0.00)	\$ 16.01

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.

² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.

³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.

⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).

⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.

⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.

⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.

⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.

⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.

¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Prince William.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 12.94
c) Net return attributable to "trees only"	(\$ 6.13) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0111
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1205 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1372 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 40.66)	\$ 181.84	(\$ 35.71)	\$ 186.78
II	1.00	(\$ 50.82)	\$ 149.42	(\$ 44.64)	\$ 155.61
III	1.00	(\$ 50.82)	\$ 97.51	(\$ 44.64)	\$ 103.69
IV	1.00	(\$ 50.82)	\$ 67.84	(\$ 44.64)	\$ 74.03
V	0.75	(\$ 38.12)	\$ 50.88	(\$ 33.48)	\$ 55.52
VI	0.60	(\$ 30.49)	\$ 43.67	(\$ 26.78)	\$ 47.38
VII	0.40	(\$ 20.33)	\$ 24.17	(\$ 17.86)	\$ 26.64
VIII	0.00	(\$ 0.00)	\$ 14.83	(\$ 0.00)	\$ 14.83

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.

² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.

³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.

⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).

⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.

⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.

⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.

⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.

⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.

¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Pulaski.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 24.16
c) Net return attributable to "trees only"	(\$ 17.34) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0052
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1146 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1313 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 121.08)	\$ 324.65	(\$ 105.68)	\$ 340.05
II	1.00	(\$ 151.35)	\$ 249.81	(\$ 132.10)	\$ 269.06
III	1.00	(\$ 151.35)	\$ 145.80	(\$ 132.10)	\$ 165.05
IV	1.00	(\$ 151.35)	\$ 86.37	(\$ 132.10)	\$ 105.62
V	0.75	(\$ 113.51)	\$ 64.78	(\$ 99.08)	\$ 79.22
VI	0.60	(\$ 90.81)	\$ 57.77	(\$ 79.26)	\$ 69.32
VII	0.40	(\$ 60.54)	\$ 28.61	(\$ 52.84)	\$ 36.31
VIII	0.00	(\$ 0.00)	\$ 29.72	(\$ 0.00)	\$ 29.72

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Radford.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 24.16
c) Net return attributable to "trees only"	(\$ 17.34) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0061
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1155 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1322 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 120.10)	\$ 320.54	(\$ 104.93)	\$ 335.71
II	1.00	(\$ 150.12)	\$ 246.45	(\$ 131.16)	\$ 265.41
III	1.00	(\$ 150.12)	\$ 143.64	(\$ 131.16)	\$ 162.60
IV	1.00	(\$ 150.12)	\$ 84.88	(\$ 131.16)	\$ 103.84
V	0.75	(\$ 112.59)	\$ 63.66	(\$ 98.37)	\$ 77.88
VI	0.60	(\$ 90.07)	\$ 56.81	(\$ 78.70)	\$ 68.18
VII	0.40	(\$ 60.05)	\$ 28.08	(\$ 52.46)	\$ 35.66
VIII	0.00	(\$ 0.00)	\$ 29.38	(\$ 0.00)	\$ 29.38

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.

² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.

³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.

⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).

⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.

⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.

⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.

⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.

⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.

¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Rappahannock.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 8.99
c) Net return attributable to "trees only"	(\$ 2.18) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0064
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1159 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1326 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 15.03)	\$ 148.27	(\$ 13.14)	\$ 150.16
II	1.00	(\$ 18.79)	\$ 128.18	(\$ 16.42)	\$ 130.55
III	1.00	(\$ 18.79)	\$ 90.08	(\$ 16.42)	\$ 92.44
IV	1.00	(\$ 18.79)	\$ 68.30	(\$ 16.42)	\$ 70.67
V	0.75	(\$ 14.09)	\$ 51.23	(\$ 12.32)	\$ 53.00
VI	0.60	(\$ 11.27)	\$ 43.16	(\$ 9.85)	\$ 44.58
VII	0.40	(\$ 7.52)	\$ 25.14	(\$ 6.57)	\$ 26.09
VIII	0.00	(\$ 0.00)	\$ 10.89	(\$ 0.00)	\$ 10.89

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Richmond.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a)	2006 ²	(\$1,390.19)
b)	2005	(\$565.48)
c)	2004	\$14.54
d)	2003	\$19.52
e)	2002	\$34.64
f)	2001	(\$154.70)
g)	2000	(\$113.52)

3. Net Returns

a)	Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b)	Net return attributable to "land only" (Class III) ⁴	\$ 18.10
c)	Net return attributable to "trees only"	(\$ 11.28) (3a minus 3b)

4. Capitalization Rate

a)	Interest Rate ⁵	0.0761
b)	Property Tax ⁶	0.0059
c)	Depreciation of Apple Trees ⁷	0.0333
d)	Depreciation of "Other" Trees ⁸	0.0500
e)	Apple Orchard Capitalization Rate	0.1153 (sum 5a, 5b, and 5c)
f)	"Other" Orchard Capitalization Rate	0.1320 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 78.30)	\$ 252.74	(\$ 68.39)	\$ 262.64
II	1.00	(\$ 97.87)	\$ 200.06	(\$ 85.49)	\$ 212.44
III	1.00	(\$ 97.87)	\$ 122.82	(\$ 85.49)	\$ 135.20
IV	1.00	(\$ 97.87)	\$ 78.68	(\$ 85.49)	\$ 91.06
V	0.75	(\$ 73.40)	\$ 59.01	(\$ 64.12)	\$ 68.30
VI	0.60	(\$ 58.72)	\$ 51.62	(\$ 51.29)	\$ 59.05
VII	0.40	(\$ 39.15)	\$ 27.06	(\$ 34.20)	\$ 32.01
VIII	0.00	(\$ 0.00)	\$ 22.07	(\$ 0.00)	\$ 22.07

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Roanoke City.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 13.11
c) Net return attributable to "trees only"	(\$ 6.30) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0110
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1205 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1372 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 41.83)	\$ 183.79	(\$ 36.74)	\$ 188.88
II	1.00	(\$ 52.29)	\$ 150.77	(\$ 45.92)	\$ 157.13
III	1.00	(\$ 52.29)	\$ 98.12	(\$ 45.92)	\$ 104.49
IV	1.00	(\$ 52.29)	\$ 68.04	(\$ 45.92)	\$ 74.41
V	0.75	(\$ 39.22)	\$ 51.03	(\$ 34.44)	\$ 55.80
VI	0.60	(\$ 31.37)	\$ 43.83	(\$ 27.55)	\$ 47.65
VII	0.40	(\$ 20.92)	\$ 24.21	(\$ 18.37)	\$ 26.75
VIII	0.00	(\$ 0.00)	\$ 15.04	(\$ 0.00)	\$ 15.04

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.

² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.

³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.

⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).

⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.

⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.

⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.

⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.

⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.

¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Roanoke.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 13.11
c) Net return attributable to "trees only"	(\$ 6.30) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0101
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1196 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1363 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 42.15)	\$ 185.83	(\$ 36.98)	\$ 190.99
II	1.00	(\$ 52.68)	\$ 152.49	(\$ 46.23)	\$ 158.95
III	1.00	(\$ 52.68)	\$ 99.30	(\$ 46.23)	\$ 105.76
IV	1.00	(\$ 52.68)	\$ 68.90	(\$ 46.23)	\$ 75.36
V	0.75	(\$ 39.51)	\$ 51.68	(\$ 34.67)	\$ 56.52
VI	0.60	(\$ 31.61)	\$ 44.38	(\$ 27.74)	\$ 48.25
VII	0.40	(\$ 21.07)	\$ 24.52	(\$ 18.49)	\$ 27.10
VIII	0.00	(\$ 0.00)	\$ 15.20	(\$ 0.00)	\$ 15.20

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.

² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.

³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.

⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).

⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.

⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.

⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.

⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.

⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.

¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Rockbridge.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 12.46
c) Net return attributable to "trees only"	(\$ 5.65) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0061
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1156 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1323 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 39.10)	\$ 188.11	(\$ 34.16)	\$ 193.05
II	1.00	(\$ 48.88)	\$ 155.61	(\$ 42.70)	\$ 161.78
III	1.00	(\$ 48.88)	\$ 102.60	(\$ 42.70)	\$ 108.77
IV	1.00	(\$ 48.88)	\$ 72.30	(\$ 42.70)	\$ 78.47
V	0.75	(\$ 36.66)	\$ 54.23	(\$ 32.03)	\$ 58.86
VI	0.60	(\$ 29.33)	\$ 46.41	(\$ 25.62)	\$ 50.11
VII	0.40	(\$ 19.55)	\$ 25.89	(\$ 17.08)	\$ 28.36
VIII	0.00	(\$ 0.00)	\$ 15.15	(\$ 0.00)	\$ 15.15

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Rockingham.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 38.39
c) Net return attributable to "trees only"	(\$ 31.58) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0059
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1153 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1320 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 219.03)	\$ 482.87	(\$ 191.33)	\$ 510.57
II	1.00	(\$ 273.79)	\$ 357.92	(\$ 239.17)	\$ 392.55
III	1.00	(\$ 273.79)	\$ 194.14	(\$ 239.17)	\$ 228.77
IV	1.00	(\$ 273.79)	\$ 100.56	(\$ 239.17)	\$ 135.18
V	0.75	(\$ 205.34)	\$ 75.42	(\$ 179.37)	\$ 101.39
VI	0.60	(\$ 164.28)	\$ 69.69	(\$ 143.50)	\$ 90.47
VII	0.40	(\$ 109.52)	\$ 30.86	(\$ 95.67)	\$ 44.71
VIII	0.00	(\$ 0.00)	\$ 46.79	(\$ 0.00)	\$ 46.79

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Russell.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 16.85
c) Net return attributable to "trees only"	(\$ 10.04) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0049
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1143 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1310 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 70.24)	\$ 241.74	(\$ 61.29)	\$ 250.69
II	1.00	(\$ 87.80)	\$ 192.98	(\$ 76.61)	\$ 204.17
III	1.00	(\$ 87.80)	\$ 120.18	(\$ 76.61)	\$ 131.37
IV	1.00	(\$ 87.80)	\$ 78.59	(\$ 76.61)	\$ 89.78
V	0.75	(\$ 65.85)	\$ 58.94	(\$ 57.46)	\$ 67.33
VI	0.60	(\$ 52.68)	\$ 51.31	(\$ 45.97)	\$ 58.03
VII	0.40	(\$ 35.12)	\$ 27.27	(\$ 30.64)	\$ 31.75
VIII	0.00	(\$ 0.00)	\$ 20.80	(\$ 0.00)	\$ 20.80

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Shenandoah.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 13.59
c) Net return attributable to "trees only"	(\$ 6.78) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0054
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1148 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1315 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 47.23)	\$ 202.86	(\$ 41.23)	\$ 208.85
II	1.00	(\$ 59.03)	\$ 166.04	(\$ 51.54)	\$ 173.54
III	1.00	(\$ 59.03)	\$ 107.69	(\$ 51.54)	\$ 115.19
IV	1.00	(\$ 59.03)	\$ 74.35	(\$ 51.54)	\$ 81.84
V	0.75	(\$ 44.27)	\$ 55.76	(\$ 38.65)	\$ 61.38
VI	0.60	(\$ 35.42)	\$ 47.94	(\$ 30.92)	\$ 52.44
VII	0.40	(\$ 23.61)	\$ 26.40	(\$ 20.61)	\$ 29.40
VIII	0.00	(\$ 0.00)	\$ 16.67	(\$ 0.00)	\$ 16.67

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Smyth.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 31.52
c) Net return attributable to "trees only"	(\$ 24.71) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0057
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1151 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1318 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 171.70)	\$ 406.08	(\$ 149.95)	\$ 427.83
II	1.00	(\$ 214.62)	\$ 305.38	(\$ 187.43)	\$ 332.56
III	1.00	(\$ 214.62)	\$ 170.56	(\$ 187.43)	\$ 197.75
IV	1.00	(\$ 214.62)	\$ 93.53	(\$ 187.43)	\$ 120.71
V	0.75	(\$ 160.96)	\$ 70.15	(\$ 140.57)	\$ 90.53
VI	0.60	(\$ 128.77)	\$ 63.82	(\$ 112.46)	\$ 80.13
VII	0.40	(\$ 85.85)	\$ 29.71	(\$ 74.97)	\$ 40.58
VIII	0.00	(\$ 0.00)	\$ 38.52	(\$ 0.00)	\$ 38.52

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.

² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.

³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.

⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).

⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.

⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.

⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.

⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.

⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.

¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Southampton.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 42.41
c) Net return attributable to "trees only"	(\$ 35.60) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0052
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1147 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1314 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 248.32)	\$ 533.36	(\$ 216.75)	\$ 564.92
II	1.00	(\$ 310.40)	\$ 393.11	(\$ 270.94)	\$ 432.57
III	1.00	(\$ 310.40)	\$ 210.72	(\$ 270.94)	\$ 250.18
IV	1.00	(\$ 310.40)	\$ 106.50	(\$ 270.94)	\$ 145.95
V	0.75	(\$ 232.80)	\$ 79.87	(\$ 203.21)	\$ 109.46
VI	0.60	(\$ 186.24)	\$ 74.32	(\$ 162.57)	\$ 97.99
VII	0.40	(\$ 124.16)	\$ 32.18	(\$ 108.38)	\$ 47.96
VIII	0.00	(\$ 0.00)	\$ 52.11	(\$ 0.00)	\$ 52.11

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Spotsylvania.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 15.03
c) Net return attributable to "trees only"	(\$ 8.22) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0081
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1175 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1342 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 55.94)	\$ 211.76	(\$ 48.98)	\$ 218.72
II	1.00	(\$ 69.92)	\$ 171.01	(\$ 61.22)	\$ 179.71
III	1.00	(\$ 69.92)	\$ 108.54	(\$ 61.22)	\$ 117.25
IV	1.00	(\$ 69.92)	\$ 72.85	(\$ 61.22)	\$ 81.55
V	0.75	(\$ 52.44)	\$ 54.64	(\$ 45.92)	\$ 61.16
VI	0.60	(\$ 41.95)	\$ 47.28	(\$ 36.73)	\$ 52.50
VII	0.40	(\$ 27.97)	\$ 25.57	(\$ 24.49)	\$ 29.05
VIII	0.00	(\$ 0.00)	\$ 17.85	(\$ 0.00)	\$ 17.85

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.

² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.

³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.

⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).

⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.

⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.

⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.

⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.

⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.

¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Stafford.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 14.07
c) Net return attributable to "trees only"	(\$ 7.26) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0091
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1185 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1352 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 48.99)	\$ 198.61	(\$ 42.94)	\$ 204.66
II	1.00	(\$ 61.24)	\$ 161.60	(\$ 53.68)	\$ 169.17
III	1.00	(\$ 61.24)	\$ 103.83	(\$ 53.68)	\$ 111.39
IV	1.00	(\$ 61.24)	\$ 70.82	(\$ 53.68)	\$ 78.38
V	0.75	(\$ 45.93)	\$ 53.11	(\$ 40.26)	\$ 58.78
VI	0.60	(\$ 36.75)	\$ 45.79	(\$ 32.21)	\$ 50.33
VII	0.40	(\$ 24.50)	\$ 25.02	(\$ 21.47)	\$ 28.05
VIII	0.00	(\$ 0.00)	\$ 16.51	(\$ 0.00)	\$ 16.51

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Staunton.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 23.49
c) Net return attributable to "trees only"	(\$ 16.68) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0089
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1183 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1350 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 112.77)	\$ 301.60	(\$ 98.82)	\$ 315.54
II	1.00	(\$ 140.96)	\$ 231.97	(\$ 123.53)	\$ 249.40
III	1.00	(\$ 140.96)	\$ 135.29	(\$ 123.53)	\$ 152.72
IV	1.00	(\$ 140.96)	\$ 80.04	(\$ 123.53)	\$ 97.47
V	0.75	(\$ 105.72)	\$ 60.03	(\$ 92.65)	\$ 73.10
VI	0.60	(\$ 84.57)	\$ 53.55	(\$ 74.12)	\$ 64.01
VII	0.40	(\$ 56.38)	\$ 26.49	(\$ 49.41)	\$ 33.46
VIII	0.00	(\$ 0.00)	\$ 27.62	(\$ 0.00)	\$ 27.62

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Suffolk.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 33.48
c) Net return attributable to "trees only"	(\$ 26.67) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0093
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1187 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1354 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 179.74)	\$ 408.31	(\$ 157.57)	\$ 430.48
II	1.00	(\$ 224.68)	\$ 304.57	(\$ 196.97)	\$ 332.28
III	1.00	(\$ 224.68)	\$ 167.36	(\$ 196.97)	\$ 195.07
IV	1.00	(\$ 224.68)	\$ 88.95	(\$ 196.97)	\$ 116.66
V	0.75	(\$ 168.51)	\$ 66.71	(\$ 147.73)	\$ 87.49
VI	0.60	(\$ 134.81)	\$ 61.21	(\$ 118.18)	\$ 77.84
VII	0.40	(\$ 89.87)	\$ 27.74	(\$ 78.79)	\$ 38.82
VIII	0.00	(\$ 0.00)	\$ 39.20	(\$ 0.00)	\$ 39.20

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.

² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.

³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.

⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).

⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.

⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.

⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.

⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.

⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.

¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Tazewell.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year **2008**.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 30.47
c) Net return attributable to "trees only"	(\$ 23.66) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0050
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1145 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1312 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 165.31)	\$ 397.66	(\$ 144.27)	\$ 418.71
II	1.00	(\$ 206.64)	\$ 300.04	(\$ 180.33)	\$ 326.34
III	1.00	(\$ 206.64)	\$ 168.68	(\$ 180.33)	\$ 194.98
IV	1.00	(\$ 206.64)	\$ 93.61	(\$ 180.33)	\$ 119.92
V	0.75	(\$ 154.98)	\$ 70.21	(\$ 135.25)	\$ 89.94
VI	0.60	(\$ 123.98)	\$ 63.67	(\$ 108.20)	\$ 79.46
VII	0.40	(\$ 82.66)	\$ 29.94	(\$ 72.13)	\$ 40.46
VIII	0.00	(\$ 0.00)	\$ 37.53	(\$ 0.00)	\$ 37.53

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Virginia Beach.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 27.50
c) Net return attributable to "trees only"	(\$ 20.69) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0104
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1198 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1365 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 138.17)	\$ 338.73	(\$ 121.26)	\$ 355.63
II	1.00	(\$ 172.71)	\$ 256.50	(\$ 151.58)	\$ 277.63
III	1.00	(\$ 172.71)	\$ 145.22	(\$ 151.58)	\$ 166.35
IV	1.00	(\$ 172.71)	\$ 81.64	(\$ 151.58)	\$ 102.77
V	0.75	(\$ 129.53)	\$ 61.23	(\$ 113.68)	\$ 77.07
VI	0.60	(\$ 103.62)	\$ 55.34	(\$ 90.95)	\$ 68.02
VII	0.40	(\$ 69.08)	\$ 26.30	(\$ 60.63)	\$ 34.75
VIII	0.00	(\$ 0.00)	\$ 31.79	(\$ 0.00)	\$ 31.79

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Warren.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year **2008**.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a)	2006 ²	(\$1,390.19)
b)	2005	(\$565.48)
c)	2004	\$14.54
d)	2003	\$19.52
e)	2002	\$34.64
f)	2001	(\$154.70)
g)	2000	(\$113.52)

3. Net Returns

a)	Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b)	Net return attributable to "land only" (Class III) ⁴	\$ 3.65
c)	Net return attributable to "trees only"	(\$ 3.17) (3a minus 3b)

4. Capitalization Rate

a)	Interest Rate ⁵	0.0761
b)	Property Tax ⁶	0.0061
c)	Depreciation of Apple Trees ⁷	0.0333
d)	Depreciation of "Other" Trees ⁸	0.0500
e)	Apple Orchard Capitalization Rate	0.1155 (sum 5a, 5b, and 5c)
f)	"Other" Orchard Capitalization Rate	0.1322 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	\$ 21.93	\$ 88.46	\$ 19.16	\$ 85.69
II	1.00	\$ 27.41	\$ 87.29	\$ 23.95	\$ 83.83
III	1.00	\$ 27.41	\$ 71.77	\$ 23.95	\$ 68.30
IV	1.00	\$ 27.41	\$ 62.90	\$ 23.95	\$ 59.43
V	0.75	\$ 20.56	\$ 47.17	\$ 17.96	\$ 44.57
VI	0.60	\$ 16.45	\$ 38.62	\$ 14.37	\$ 36.55
VII	0.40	\$ 10.97	\$ 24.27	\$ 9.58	\$ 22.89
VIII	0.00	\$ 0.00	\$ 4.44	\$ 0.00	\$ 4.44

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.

² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.

³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.

⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).

⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.

⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.

⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.

⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.

⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.

¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Washington.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 21.75
c) Net return attributable to "trees only"	(\$ 14.94) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0054
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1149 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1316 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 104.06)	\$ 295.97	(\$ 90.85)	\$ 309.18
II	1.00	(\$ 130.07)	\$ 229.95	(\$ 113.56)	\$ 246.46
III	1.00	(\$ 130.07)	\$ 136.61	(\$ 113.56)	\$ 153.12
IV	1.00	(\$ 130.07)	\$ 83.28	(\$ 113.56)	\$ 99.79
V	0.75	(\$ 97.55)	\$ 62.46	(\$ 85.17)	\$ 74.84
VI	0.60	(\$ 78.04)	\$ 55.30	(\$ 68.14)	\$ 65.21
VII	0.40	(\$ 52.03)	\$ 27.98	(\$ 45.43)	\$ 34.58
VIII	0.00	(\$ 0.00)	\$ 26.67	(\$ 0.00)	\$ 26.67

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Waynesboro.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 23.49
c) Net return attributable to "trees only"	(\$ 16.68) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0082
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1176 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1343 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 113.49)	\$ 304.57	(\$ 99.37)	\$ 318.68
II	1.00	(\$ 141.86)	\$ 234.39	(\$ 124.22)	\$ 252.03
III	1.00	(\$ 141.86)	\$ 136.84	(\$ 124.22)	\$ 154.48
IV	1.00	(\$ 141.86)	\$ 81.10	(\$ 124.22)	\$ 98.74
V	0.75	(\$ 106.39)	\$ 60.83	(\$ 93.16)	\$ 74.06
VI	0.60	(\$ 85.11)	\$ 54.24	(\$ 74.53)	\$ 64.82
VII	0.40	(\$ 56.74)	\$ 26.87	(\$ 49.69)	\$ 33.92
VIII	0.00	(\$ 0.00)	\$ 27.87	(\$ 0.00)	\$ 27.87

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Westmoreland.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 15.54
c) Net return attributable to "trees only"	(\$ 8.73) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0049
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1143 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1310 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 61.09)	\$ 226.70	(\$ 53.30)	\$ 234.48
II	1.00	(\$ 76.36)	\$ 182.64	(\$ 66.63)	\$ 192.38
III	1.00	(\$ 76.36)	\$ 115.49	(\$ 66.63)	\$ 125.23
IV	1.00	(\$ 76.36)	\$ 77.12	(\$ 66.63)	\$ 86.86
V	0.75	(\$ 57.27)	\$ 57.84	(\$ 49.97)	\$ 65.14
VI	0.60	(\$ 45.82)	\$ 50.11	(\$ 39.98)	\$ 55.95
VII	0.40	(\$ 30.55)	\$ 27.01	(\$ 26.65)	\$ 30.91
VIII	0.00	(\$ 0.00)	\$ 19.19	(\$ 0.00)	\$ 19.19

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Winchester.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 7.80
c) Net return attributable to "trees only"	(\$ 0.99) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0055
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1149 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1316 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 6.89)	\$ 136.50	(\$ 6.01)	\$ 137.38
II	1.00	(\$ 8.61)	\$ 120.44	(\$ 7.52)	\$ 121.53
III	1.00	(\$ 8.61)	\$ 86.98	(\$ 7.52)	\$ 88.08
IV	1.00	(\$ 8.61)	\$ 67.87	(\$ 7.52)	\$ 68.96
V	0.75	(\$ 6.46)	\$ 50.90	(\$ 5.64)	\$ 51.72
VI	0.60	(\$ 5.17)	\$ 42.63	(\$ 4.51)	\$ 43.29
VII	0.40	(\$ 3.44)	\$ 25.23	(\$ 3.01)	\$ 25.67
VIII	0.00	(\$ 0.00)	\$ 9.56	(\$ 0.00)	\$ 9.56

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.

² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.

³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.

⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).

⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.

⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.

⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.

⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.

⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.

¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Wise.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 24.77
c) Net return attributable to "trees only"	(\$ 17.95) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0046
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1140 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1307 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 126.01)	\$ 334.39	(\$ 109.90)	\$ 350.49
II	1.00	(\$ 157.51)	\$ 256.85	(\$ 137.38)	\$ 276.98
III	1.00	(\$ 157.51)	\$ 149.43	(\$ 137.38)	\$ 169.55
IV	1.00	(\$ 157.51)	\$ 88.04	(\$ 137.38)	\$ 108.17
V	0.75	(\$ 118.13)	\$ 66.03	(\$ 103.04)	\$ 81.12
VI	0.60	(\$ 94.50)	\$ 58.96	(\$ 82.43)	\$ 71.04
VII	0.40	(\$ 63.00)	\$ 29.08	(\$ 54.95)	\$ 37.13
VIII	0.00	(\$ 0.00)	\$ 30.69	(\$ 0.00)	\$ 30.69

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in Wythe.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6, 260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 27.36
c) Net return attributable to "trees only"	(\$ 20.54) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0049
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1143 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1310 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 143.76)	\$ 362.70	(\$ 125.44)	\$ 381.02
II	1.00	(\$ 179.70)	\$ 276.11	(\$ 156.79)	\$ 299.02
III	1.00	(\$ 179.70)	\$ 157.94	(\$ 156.79)	\$ 180.84
IV	1.00	(\$ 179.70)	\$ 90.41	(\$ 156.79)	\$ 113.32
V	0.75	(\$ 134.77)	\$ 67.81	(\$ 117.60)	\$ 84.99
VI	0.60	(\$ 107.82)	\$ 61.00	(\$ 94.08)	\$ 74.74
VII	0.40	(\$ 71.88)	\$ 29.41	(\$ 62.72)	\$ 38.57
VIII	0.00	(\$ 0.00)	\$ 33.76	(\$ 0.00)	\$ 33.76

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.

Table 5: Worksheet for estimating the use value of orchard land in York.

The estimated net returns assume a planting density of 135 trees per acre. Additional information about these estimates can be found at Virginia's Use Value Assessment Program website, <http://usevalue.agecon.vt.edu/>.

Estimate apply to tax-year 2008.

1. Estimated net returns (loss) per acre applicable to tax-year 2008 (see Table 4 for more detail).

	<u>Age of Trees</u>	<u>Processed Fruit</u>	<u>% of Total</u> ¹	<u>Fresh Fruit</u>	<u>% of Total</u> ¹
Pre-production	1 - 4 years	(\$1,489.32)	7.0 %	(\$1,573.40)	3.0 %
Early-production	5 - 10 years	(\$1,194.90)	17.5 %	(\$1,869.31)	7.5 %
Full-production	11 - 25 years	(\$134.11)	35.0 %	(\$3,023.74)	15.0 %
Late-production	26 - 30 years	(\$1,030.60)	10.5 %	(\$6,260.42)	4.5 %

2. Weighted Average Net Return values

a) 2006 ²	(\$1,390.19)
b) 2005	(\$565.48)
c) 2004	\$14.54
d) 2003	\$19.52
e) 2002	\$34.64
f) 2001	(\$154.70)
g) 2000	(\$113.52)

3. Net Returns

a) Net return to "trees and land" (olympic average of 2a thru 2g) ³	\$ 6.81
b) Net return attributable to "land only" (Class III) ⁴	\$ 14.98
c) Net return attributable to "trees only"	(\$ 8.17) (3a minus 3b)

4. Capitalization Rate

a) Interest Rate ⁵	0.0761
b) Property Tax ⁶	0.0077
c) Depreciation of Apple Trees ⁷	0.0333
d) Depreciation of "Other" Trees ⁸	0.0500
e) Apple Orchard Capitalization Rate	0.1171 (sum 5a, 5b, and 5c)
f) "Other" Orchard Capitalization Rate	0.1338 (sum 5a, 5b, 5d)

5. Use Value of Apple Orchard and "Other" Orchard

Land Class	Orchard Index ⁹	APPLE ORCHARD		"OTHER" ORCHARD	
		Apple Trees	Apple Trees and Land ¹⁰	Other Trees	Other Trees and Land ¹⁰
I	0.80	(\$ 55.76)	\$ 212.18	(\$ 48.81)	\$ 219.13
II	1.00	(\$ 69.70)	\$ 171.44	(\$ 61.01)	\$ 180.14
III	1.00	(\$ 69.70)	\$ 108.92	(\$ 61.01)	\$ 117.62
IV	1.00	(\$ 69.70)	\$ 73.20	(\$ 61.01)	\$ 81.89
V	0.75	(\$ 52.28)	\$ 54.90	(\$ 45.76)	\$ 61.42
VI	0.60	(\$ 41.82)	\$ 47.49	(\$ 36.60)	\$ 52.71
VII	0.40	(\$ 27.88)	\$ 25.71	(\$ 24.40)	\$ 29.19
VIII	0.00	(\$ 0.00)	\$ 17.86	(\$ 0.00)	\$ 17.86

¹ These percentages assume that 70% of the fruit is produced for the processed market and 30% is produced for the fresh market. In addition, it is assumed that the orchard is: 10% pre-production, 25% early-production, 50% full-production and 15% late-production.
² This is the average net return of the eight orchard categories listed in Section 1 of this table. The weights are provided by the percent of total trees represented by each category.
³ In an olympic average, the highest and lowest values are dropped prior to calculating the arithmetic mean.
⁴ This is determined by dividing the unadjusted net return value (Table 3 -Line 1) by the soil index factor (Table 3 - Section 4).
⁵ The 10-year average of long term interest rates charged by the various Agriculture Credit Associations serving the state.
⁶ The 10-year average of the effective true tax rates reported by the Virginia Department of Taxation.
⁷ The depreciation rate applicable to apple trees assumes that trees are replaced on a 30-year rotation.
⁸ "Other" trees refer to peach, cherry, pear, and plum trees. The depreciation rate applicable to "other" trees assumes that trees are replaced on a 20-year rotation.
⁹ The orchard index is applicable only in determining the value of the trees. The land index (Table 3 - Section 5) is applied to the land.
¹⁰ The use value of trees and land is determined by adding the appropriate without-risk land-use-value (see Table 3 - Section 5) to the use value of the trees.