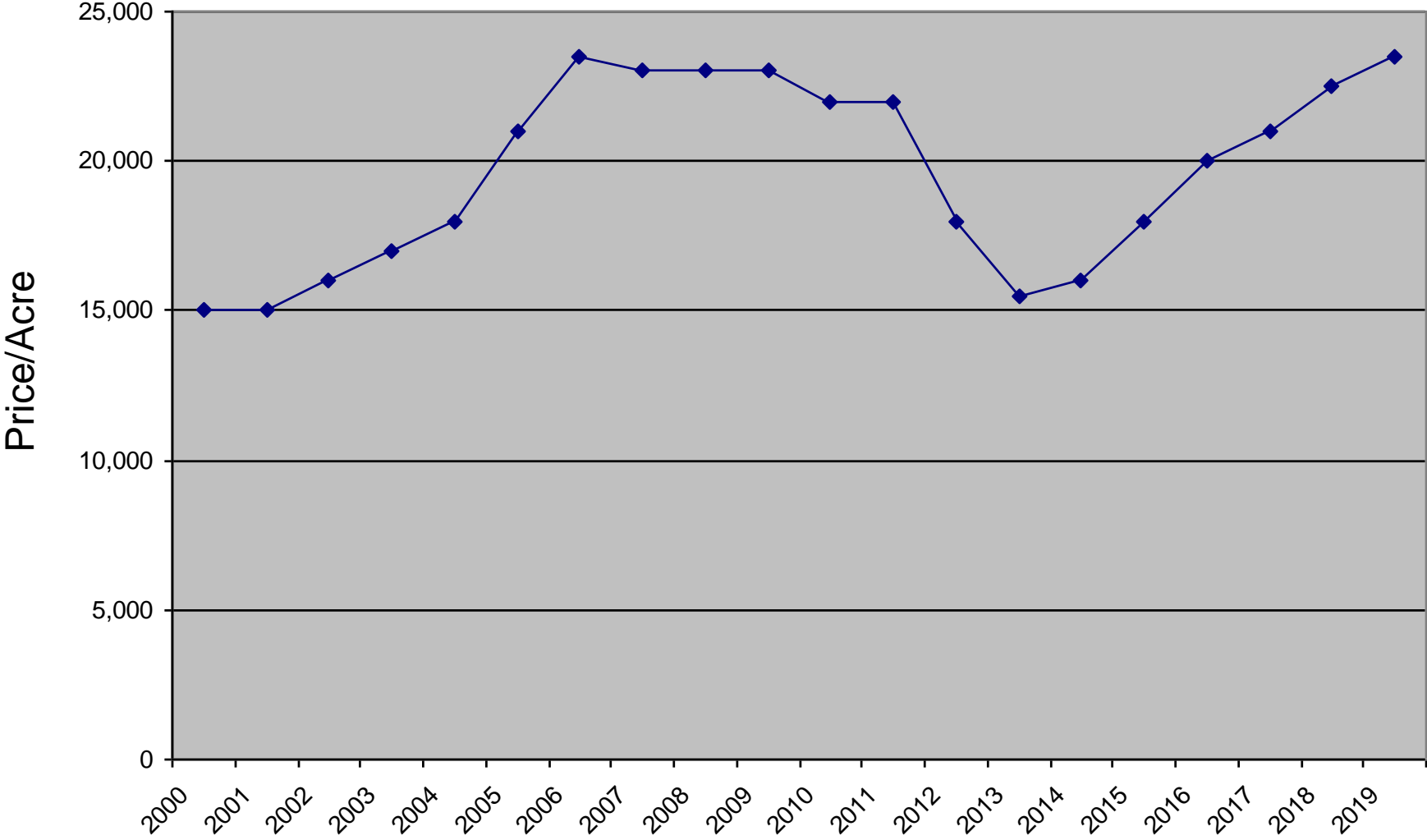
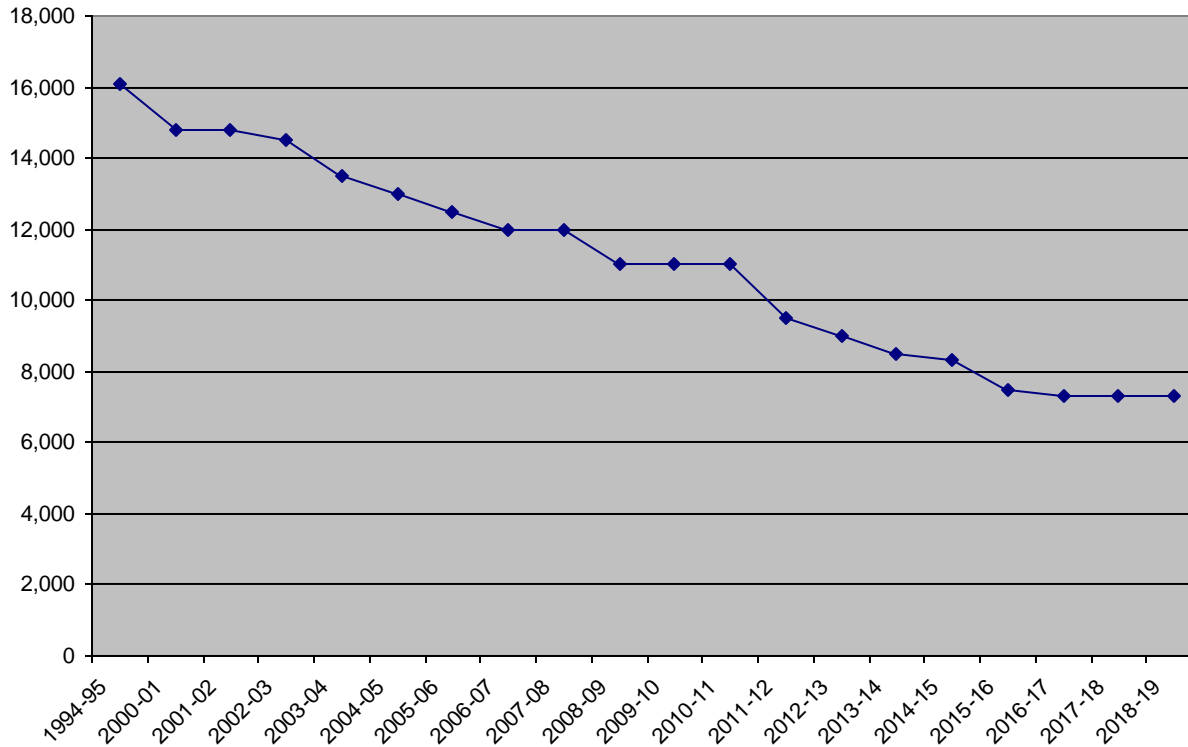


YUMA MESA

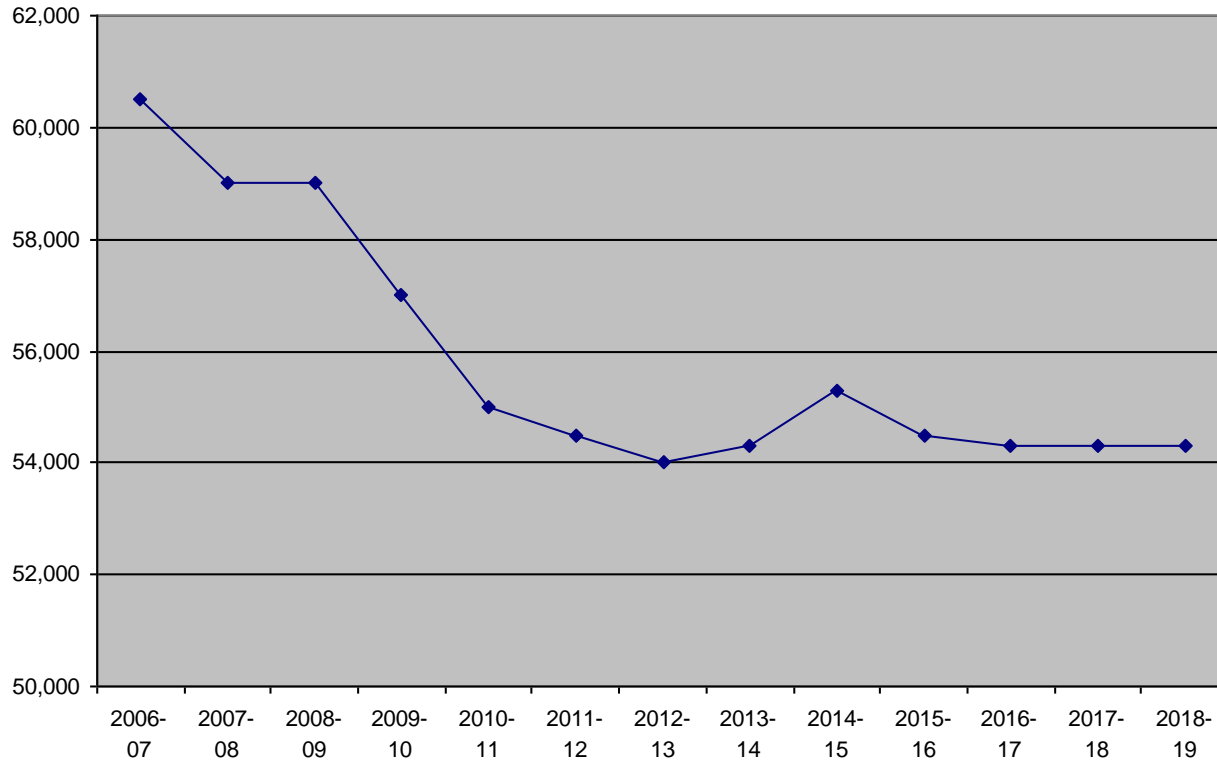


Lemon Acreage - Arizona



Year	Acres
1994-95	16,100
2000-01	14,800
2001-02	14,800
2002-03	14,500
2003-04	13,500
2004-05	13,000
2005-06	12,500
2006-07	12,000
2007-08	12,000
2008-09	11,000
2009-10	11,000
2010-11	11,000
2011-12	9,500
2012-13	9,000
2013-14	8,500
2014-15	8,300
2015-16	7,500
2016-17	7,300
2017-18	7,300
2018-19	7,300

Lemon Acreage – United States

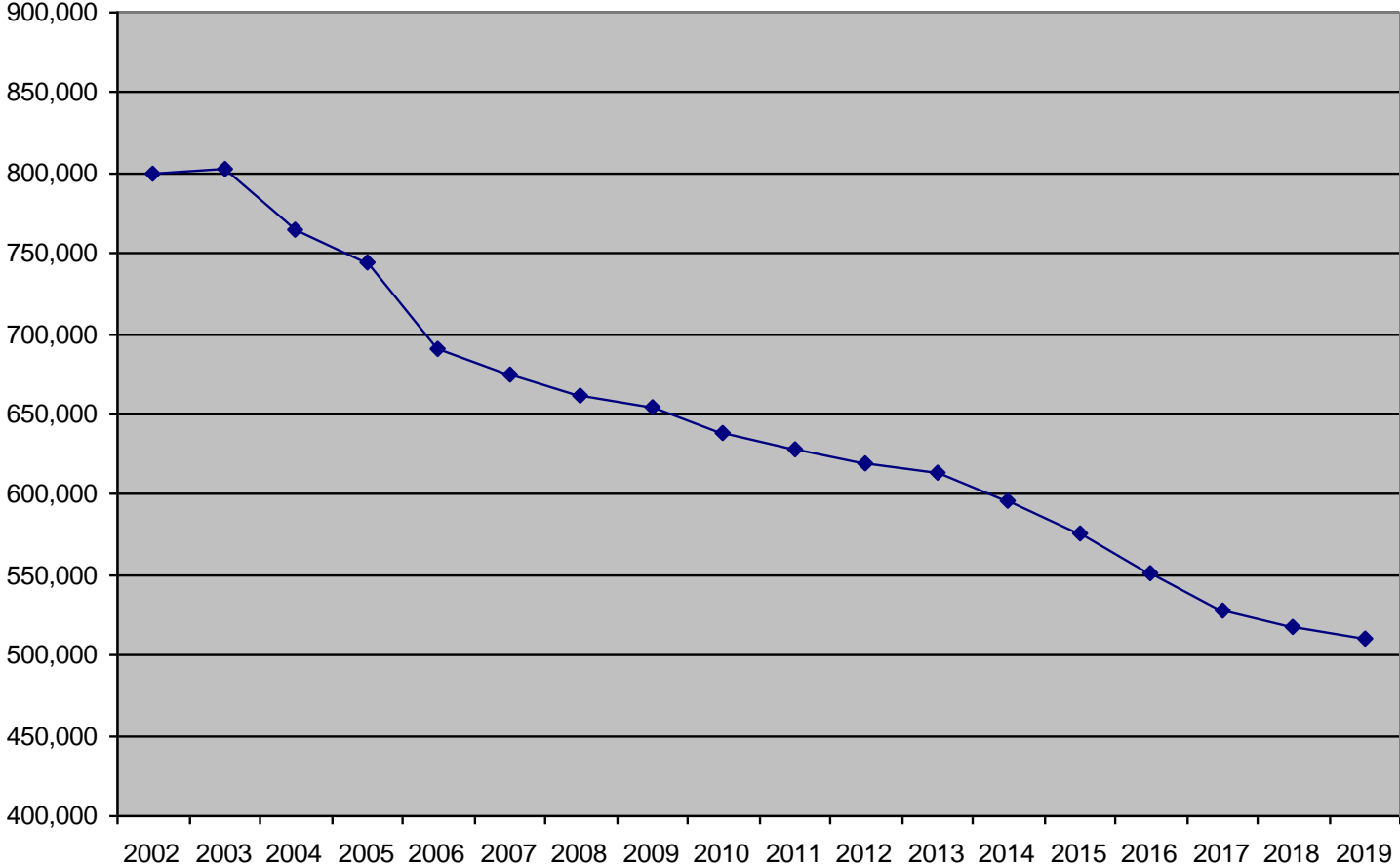


Year	Acres
2006-07	60,500
2007-08	59,000
2008-09	59,000
2009-10	57,000
2010-11	55,000
2011-12	54,500
2012-13	54,000
2013-14	54,300
2014-15	55,300
2015-16	54,500
2016-17	54,300
2017-18	54,300
2018-19	54,300

2011-2014 Numbers adjusted slightly in 2015 by USDA reporting

USDA National Agricultural Statistics Citrus Fruits 2015 Summary

Bearing Acres of Oranges – United States



- **CITRUS OUTLOOK '19 – '20**

- A couple of new citrus sales have occurred over the past 12 to 18 months in the Yuma-El Centro area. Grove values have been maintaining or edging upward. Lemon yields are up for this past year by 23% – 24% over last year but the utilization is down due to quality- wind damage and bugs. The better groves should yield in the range of 500 field boxes per acre or more. Growers can expect reduced returns in the range of \$9 per field box as a result of the lower utilization (\$12 - \$13/FB last year '18-'19). Profitability is still good with the increased volume. The lemon harvest is usually over by the first week in February but will likely go well into March this year because of the volume. Minneolas are having an “on-year” crop and a large crop at that in the range of 350 F.B. per acre. Growers can expect reduced returns in the range of \$4 to \$5 per field box as a result of the increased volume. Profitability is good for Minneolas. Total plantings of lemons is down (7,300 acres for Arizona, 2017-18) significantly from say 10-15 years ago (14,000+ acres) but a lot of new plantings of lemons has occurred and are probably not reflected in the USDA acreage numbers yet. Worth noting, a lot of the lemon groves still being farmed in Yuma are past the typical age and condition usually found because of the increased profitability vs say 15 years ago.
- The **Asian Citrus Psyllid** or **Citrus Greening Disease** is the newest to impact the citrus industry. A **quarantine** was put on by USDA for most of the citrus growing areas of the State of Arizona in late 2015. Citrus Greening was first found in Florida in 1998. No infected groves have been found in Arizona to date. The insect carrying the disease, citrus psyllid has been found but not the disease. The disease is characterized by blotchy mottle on the leaves, alters the fruit taste, and in some cases the fruit tends to “green back-up” after partially maturing/coloring. The disease is transmitted by the Psyllid and/or by grafting infected trees. Fruit intended to leave the State of Arizona must be washed. In talking with area packing houses the washing of fruit was already being done and as such it does not change business practices too much. The most recent development is the possible “tarping of loads”, citrus being transported in bulk from the southern areas to the northern area packing houses. The true extent (cost) of this measure is generally unknown.
- Since the mid 1990's a significant amount of acreage has been removed in District III (desert- Yuma, Phoenix, & Coachella Valley), partly because of disease but also because of aging groves and urbanization. “**Macrophylla Decline**” and “**Coniopohera**” are being named as the cause of accelerating the decline in older lemons (Antrodia, other variety). Macrophylla Decline is described as an incompatibility between Macrophylla rootstock and the bud- particularly Frost New Cellar (Frost New Cellar budded to the rootstock/Macrophylla). Other varieties of lemons do not seem to have experienced the “decline” (tree declines at say 27 yrs of age while others go to say 35 years). Coniopohera is a wind-borne disease. If caught in time, Coniopohera can be minimized.
- **Marketing:** The Obama administration removed a 20 year ban on citrus from Argentina in 2017. The ban was in-place because of disease problems including Black Spot (*Guignardia Citricarpa*) a fungus that leaves spots on the fruit and leaves. The fruit entered the U.S. for the first time in the fall of 2018. Argentina fruit comes off at the same time as District II or Ventura-Oxnard. The impact was not as great as originally thought because of quality. The fruit must be brought in green and cold treated to assist in the monitoring of potential diseases.
- **Yuma – I.V. Calif**

Value Per Acre	Activity	Trend	Rent Range	Activity	Trend	Young Groves 1-5 Yrs.
\$8,000 - \$12,000	Limited/Stable	Seldom Rented	Stable	Mid-life 6-15 Yrs.	\$17,000 - \$23,500	Limited/Stable
\$12,000 - \$16,000	Moderate/Stable	Seldom Rented	Stable	Late-life 16-30 Yrs.		

Note: The \$8,000/ac for 1 year old lemons is the underlying land unless located farther out, El Centro area.
- Yuma Mesa Irrigation and Drainage District, \$85.00 acre for nine acre feet, additional \$6.00/ac ft (paying \$750/ac for idling selected acreage- water sale).
- Unit B, \$163.68 for 10 acre feet (west side of mesa)
- YCWUA, \$106.50 5 acre feet (Yuma Valley)
- North Gila Valley Irrigation & Drainage District, \$65 for 5 ac feet
- Bard Water District, \$97.00, 5 or 8 ac ft depending on soils-loam or sandy, additional \$19.40/acre foot
- **Written as of 2-4-20 by Scott Halver, ARA, MAI @ Ganado Group, Inc.**