

farm storage when corn price is \$4.40 is 11 cents (2 x 1.25% x \$4.40 = 11 cents).

Aeration

A charge for the cost of aerating dried grain stored on the farm may be included. It is estimated that aeration costs for managing dry grain in storage (cooling grain into winter and subsequently warming grain in the spring to match outside temperature) will cost from .2 to .3 of a cent per bushel under good management. These charges are for keeping already dried grain in condition.

Extra Handling

The cost of moving grain into and out of farm storage is another cost of storage. Costs vary by the type of handling equipment, bin size and bin shape.

Generally, handling costs are greater for flat storage and smaller bins. The extra handling costs associated with most farm storage facilities range from 2.0 cents to 2.5 cents per bushel.

Quality Deterioration

Another cost of farm storage is the possibility of additional grain shrinkage and quality deterioration. Generally, the loss due to shrinkage from moving grain into and out of storage and shrinkage during storage is 0.5 to 1 percent. The cost of the shrinkage loss can be computed by multiplying the percentage by the corn selling price.

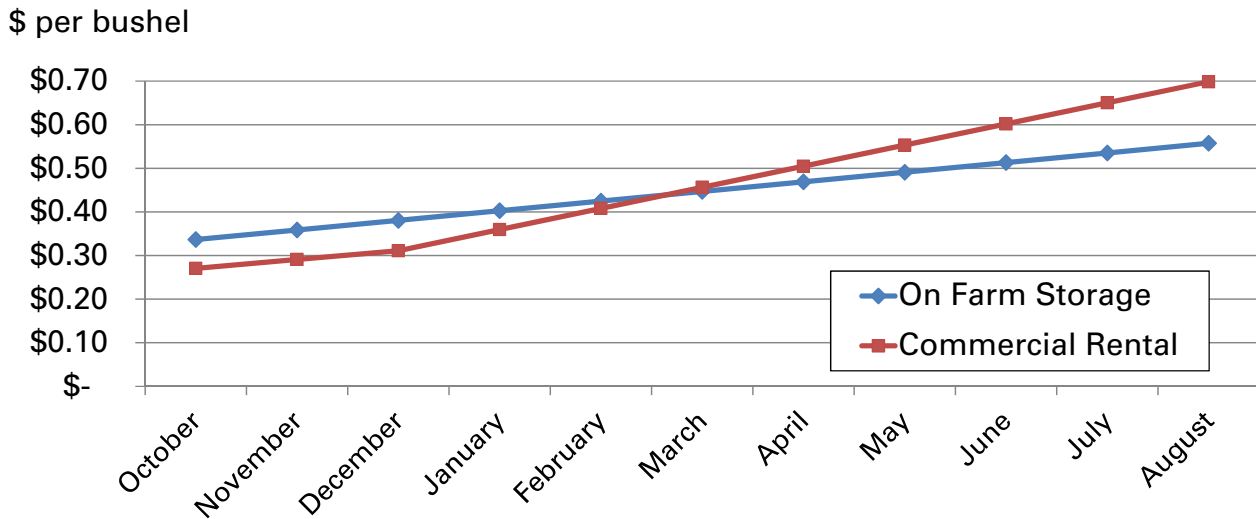
Quality deterioration is quite variable depending on the quality of grain placed in farm storage, quality of the storage facility, and how the stored grain is managed. If the grain is stored commercially, these costs are covered in the elevator storage charge.

Cumulative Costs

Some costs for storing grain are incurred when the grain first goes into storage. Others accumulate over the period during which the grain is stored. Figure 1 shows how the cumulative cost of storing corn can increase from harvest time into summer.

Decision Tool A2-33, [Monthly Cost for Storing Grain](#), can be used to estimate storage costs for individual situations.

Figure 1. Cumulative storage costs for corn (example)



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