



Department of Agrarian Reform
Elliptical Road, Diliman
Quezon City



LANDBANK
319 Sen. Gil Puyat Avenue
Makati City

**JOINT DAR-LBP
MEMORANDUM CIRCULAR NO. 08
SERIES OF 1999**

**TO : ALL CONCERNED OFFICIALS AND PERSONNEL
OF THE DAR AND LBP**

**SUBJECT : GUIDELINES IN THE VALUATION OF RUBBER LANDS
COVERED BY DARAB'S ORDER TO RECOMPUTE**

I. PREFATORY STATEMENT

The level of productivity or the average yield of permanent crops, such as rubber, is highly dependent on the age of the tree at the time of valuation. The production cycle of rubber, under normal tapping condition, is as follows: gestation period (Age: 0 to 6 years old); growing yield period (Age: 7 to 16 years old); peak yield period (Age 17 to 21 years old); and declining yield period (Age: 22 to 30 years old).

For rubber claims pending with the DAR Adjudication Board (DARAB) awaiting resolution of various valuation-related issues, there are cases where the plantation remains under the management and operation of the landowner (LO) despite valuation, rejection by LO, and the opening of Savings Deposit Account (SDA) by LBP. Similarly, there are cases where the SDA has been opened and the Certificate of Land Ownership Award (CLOA) has been distributed but the Farmer-Beneficiaries (FBs) have not yet taken over the plantation. Due to the time gap between the original date of Field Investigation (FI) and the date of DARAB's order to recompute (during which period the age and, therefore, the productivity of trees would change), the property should be revalued based on the age and productivity of trees at the time of recomputation. Likewise, the interim income derived by the LO from the plantation (from the opening of SDA up to the date of recomputation) should be considered.

On the other hand, there are also cases where there is a delay between the opening of the SDA and FBs takeover of the plantation by virtue of the issuance/distribution of the CLOA. If the time gap between the original date of FI and the date of FBs takeover covers a significant period that would alter the age and productivity of the trees, the recomputation of the new land value should be based on the age of trees at the time of FBs takeover. The interim income of the LO from the opening of SDA and the FBs takeover should also be considered.

Moreover, because of the growing demand and attractive buying prices for old and even young productive trees, there are cases where the landowner cuts and sells rubber trees while the claim is still at DARAB.

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These rubber valuation guidelines are hereby issued to address the foregoing issues.

II. COVERAGE

These guidelines shall govern all lands planted to rubber and whose claims are presently with or to be referred to the DARAB. In all cases, recomputation shall only be effected upon issuance of DARAB Order to Recompute. Specific procedures and schedules are herein prescribed for uniform application in the computation of Land Value (LV).

III. VALUATION PROCEDURES

A. LO Continues to Manage and Operate the Plantation (Despite Valuation, Rejection and Opening of Savings Deposit Account and/or CLOA Distribution) Up to the Time of Revaluation/Recomputation

1. If the time span between the date of original FI and the date of recomputation is more than six months, a new FI shall be conducted in order to update the actual physical condition of the tapping panel and the actual number of standing trees. The following rules shall be applied in determining the age of trees at the time of recomputation:

a. For Young, Non-Tappable Trees

The age of trees shall be measured up to the nearest number of months as of the date of recomputation. Reimbursement of the cumulative development cost shall be up to the date of recomputation.

b. For Productive (Tappable) Trees

The required adjustment in the age of trees, depending on the time gap between the date of the original FI and the date of recomputation, is shown in the following table:

Period from FI Date to Processing/Recomputation Date	Age of Tree to be Adopted
Six Months or Less	Use the Age of Trees as of FI Date
More than Six Months up to 18 Months	Add One (1) Year to the Age of Trees as of FI Date
More than 18 Months up to 30 Months	Add Two (2) Years to the Age of Trees as of FI Date

In general, if the time gap between the date of FI and the date of recomputation is six (6) months or less, adopt the age of trees established at the time of FI.

If the time gap between the date of FI and the date of recomputation exceeds 30 months, add one (1) year for every 12 months delay.

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- 2. The Average Gross Production (AGP) to be used in the recomputation of the Capitalized Net Income (CNI) shall be based on the age of trees at the time of recomputation established in Item No. III.A.1.b above.
- 3. Based on the updated age, present condition and actual number of standing trees, recompute the CNI for each age-block using the valuation procedures prescribed in the DAR-LBP Joint Memorandum Circular No. 07, Series of 1999 (hereinafter referred to as JMC No. 07). Likewise, make the necessary adjustments/recomputations on the Market Value (MV) per Tax Declaration (TD) based on the new productivity classification (with the updated age of the trees, the productivity classification of the land and trees may change) and the present inventory of trees, to arrive at the Recomputed Land Value (RLV).
- 4. Estimate the Interim Production Income (IPI) derived by the LO from the date of opening of the SDA up to the date of recomputation by using the standard AGP and NIR data provided in Annex B of JMC No. 07 and the following formula:

$$\text{Interim Production Income (IPI)} = \text{AGP per Tree per year} \times \text{No. of Trees} \times \text{SP} \times \text{NIR}$$

- Where: AGP - AGP per tree per year based on the age of tree as of the end of the interim year/period (Annex B of JMC No. 07)
- SP - The average of the latest available and applicable selling price of latex/cuplumps during the interim year/period.
- NIR - Net Income Rate (Annex B of JMC No. 07)

- a. The interim production income shall be computed only if the time gap between the opening of the SDA and the date of recomputation is more than six months.

Example:

	<u>Date</u>	<u>Age of Tree</u>
Date of Original FI	Jan. 31, 1994	20 yrs. old
Date of the Opening of SDA	May 22, 1995	21 yrs. old
Date of Recomputation	<u>Sept. 1, 1997</u>	23 yrs. old
Time Gap Between the Date of Recomputation and the Date of the Opening of the SDA	Two (2) Years and 3 months	

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In this example, we compute IPI using the following valuation input data:

✧ For IPI21 (May 22, 1995 to May 21, 1996)

AGP21 = AGP at age 21 (See Annex B of JMC No. 07)
 SP21 = Average Selling Prices during the period from May 1995 to April 1996

Hence:

$$\text{IPI21} = \text{AGP21} \times \text{SP21} \times \text{Total No. of Trees} \times \text{NIR}$$

✧ For IPI22 (May 22, 1996 to May 21, 1997)

AGP22 = AGP at age 22 (See Annex B of JMC No. 07)
 SP22 = Average Selling Prices during the period from May 1996 to April 1997

Hence:

$$\text{IPI22} = \text{AGP22} \times \text{SP22} \times \text{Total No. of Trees} \times \text{NIR}$$

$$\text{Total IPI} = \text{IPI21} + \text{IPI22}$$

Please note that the interim production income from May 22, 1997 to September 1, 1997 (equivalent to approximately 3 months) is no longer included in the total IPI computation since no adjustment in the age of trees is recognized during the said period in accordance with Item III.A.1.b above.

- b. An Illustrative Example to show the process of computing interim production income is shown in Annexes 1, 2 and 3.
- c. If the landowner (LO) submits his actual income records during the interim production period and said records are verified and validated by LVLCO against industry figures and other records as factual/accurate, the reported income shall be used in computing for the Net Land Value (NLV). NLV shall refer to the difference between RLV and Total IPI. Expressed in equation form:

$$\text{NLV} = \text{RLV} - \text{Total IPI}$$

B. The Farmer-Beneficiaries Have Taken Over the Plantation

1. If the time span between the date of original FI and the date of FBs takeover (as certified by the Municipal Agrarian Reform Office) is more than six months, a new ocular inspection shall be conducted in order to update the actual physical condition of the tapping panel, the actual number of standing trees. The following rules shall be applied in determining the age of trees at the time of recomputation:

S. A.

a. For Young, Non-Tappable Trees

The age of trees shall be measured up to the nearest number of months as of the date of takeover. Reimbursement of the cumulative development cost shall be up to the date of takeover.

b. For Productive (Tappable) Trees

The required adjustment in the age of trees, depending on the time gap between the date of the original FI and the date of FBs takeover, is shown in the following table:

Period from FI Date to Date of FBs Takeover	Age of Tree to be Adopted
Six Months or Less	Use the Age of Trees as of FI Date
More than Six Months up to 18 Months	Add One (1) Year to the Age of Trees as of FI Date
More than 18 Months up to 30 Months	Add Two (2) Years to the Age of Trees as of FI Date

In general, if the time gap between the date of FI and the date of FBs takeover is six (6) months or less, adopt the age of trees established at the time of FI.

If the time gap between the date of FI and the date of FBs takeover exceeds 30 months, add one (1) year for every 12 months delay.

2. The Average Gross Production (AGP) to be used in the recomputation of the Capitalized Net Income (CNI) shall be based on the age of trees at the time of takeover established in Item No. III.B.1.b above.
3. Based on the updated age, present condition and actual number of standing trees, recompute the CNI for each age-block using the valuation procedures prescribed in the Joint Memorandum Circular No. 07. Likewise, make the necessary adjustments/recomputations on the Market Value (MV) per Tax Declaration (TD) based on the new productivity classification and the present inventory of trees to arrive at the Recomputed Land Value (RLV).
4. Estimate the Interim Production Income (IPI) derived by the LO from the date of opening of the SDA up to the date of takeover by using the standard AGP and NIR data provided in Annex B of JMC No. 07 and the following formula:

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Interim Production Income (IPI) = AGP per Tree per year x No. of
Trees x SP x NIR

Where: AGP - AGP per tree per year based on the age of tree as of
the end of the interim year/period (Annex B of JMC
No. 07)

SP - The average of the latest available and applicable
selling price of latex/cuplumps during the interim
year/period.

NIR - Net Income Rate (Annex B of JMC No. 07)

- a. The interim production income shall be computed only if the time gap
between the opening of the SDA and the date of takeover is more than
six months.

Example:

	<u>Date</u>	<u>Age of Tree</u>
Date of Original FI	Jan. 31, 1994	20 yrs. old
Date of the Opening of SDA	May 22, 1995	21 yrs. old
Date of FBs' Takeover	<u>Feb. 22, 1998</u>	23 yrs. old
Time Gap Between the Date of Takeover and the Date of the Opening of SDA	Two (2) Years and 9 months	

In this example, we compute IPI using the following valuation input
data:

- » For IPI21 (May 22, 1995 to May 21, 1996)

AGP21 = AGP at age 21 (See Annex B of JMC No. 07)

SP21 = Average Selling Prices during the period from May 1995
to April 1996

Hence:

$IPI_{21} = AGP_{21} \times SP_{21} \times \text{Total No. of Trees} \times NIR$

- » For IPI22 (May 22, 1996 to May 21, 1997)

AGP22 = AGP at age 22 (See Annex B of JMC No. 07)

SP22 = Average Selling Prices during the period from
May 1996 to April 1997

Hence:

$IPI_{22} = AGP_{22} \times SP_{22} \times \text{Total No. of Trees} \times NIR$

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➤ For IPI23 (May 22, 1997 to Feb. 22, 1998)

AGP23 = AGP at age 23 (See Annex B of JMC No. 07)
 SP23 = Average Selling Prices during the period from
 May 1997 to January 1998

Hence:

$IPI23 = AGP23 \times SP23 \times \text{Total No. of Trees} \times NIR$

$\text{Total IPI} = IPI21 + IPI22 + IPI23$

Please note that the interim production income from May 22, 1997 to February 22, 1998 (equivalent to 9 months) is included in the total IPI computation since there is a need to adjust the age of trees by another one year in accordance with Item III.B.1.b above.

- b. An Illustrative Example to show the process of computing interim production income is shown in Annexes 1, 2 and 3.
- c. If the landowner submits his actual income records during the interim production period and said records are verified and validated by LVLCO against industry figures and other records as factual/accurate, the reported income shall be used in computing for the Net Land Value (NLV). NLV shall refer to the difference between RLV and Total IPI. Expressed in equation form:

$NLV = RLV - \text{Total IPI}$

5. The DAR-Municipal Agrarian Reform Office (DAR-MARO) shall issue a Certification as to the date of the issuance of the Certificate of Land Ownership Award (CLOA) and the actual date of FBs' takeover of the property. The date of FBs' takeover as certified by DAR-MARO shall be the basis of the computation of RLV and Total IPI under Item III.B.

C. The Landowner Cut and Sold Old and/or Young Productive Trees

In cases where the landowner had cut and sold the old and/or productive trees as of the time of recomputation, the affected portion of the property shall be considered as idle land. The value of the affected area shall be computed in accordance with the formula prescribed under Item II.A.3 of DAR Administrative Order No. 05, Series of 1998, as shown below:

$LV = MV \times 2$

On the other hand, if the landowner had cut and sold old/productive trees but the property was found to be fully replanted at the time of recomputation, compute the new land value using the valuation procedures for young, non-tappable trees prescribed in the JMC No. 07

D. Illustrative Example

Sample computation is shown in Annexes 1, 2 and 3 to illustrate the valuation concepts/principles presented in these Guidelines.

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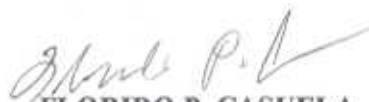
IV. REPEALING CLAUSE AND EFFECTIVITY

All orders, circulars, rules and regulations inconsistent herewith are hereby revoked, amended, or modified as the case may be.

This Joint Memorandum Circular shall take effect ten (10) days after its publication in two national newspapers of general circulation pursuant to Sec. 49 of RA 6657.

Metro Manila, April 15 1999.


HORACIO R. MORALES, JR.
Secretary
Department of Agrarian Reform


FLORIDO P. CASUELA
President and CEO
Land Bank of the Philippines

**Published in Two (2) National Newspapers
of general circulation;**

- 1. MANILA STANDARD**
- 2. MALAYA**

Date of Publication - April 24, 1999

I L L U S T R A T I V E E X A M P L E
 Claims Pending at DAR Adjudication Board

GIVEN:

Landowner (LO)	-	XYZ Rubber Corporation
Location of Property	-	Naga, Zamboanga del Sur
Date of LO's Offer	-	November 8, 1993
Date of Field Investigation	-	January 31, 1994
Date of LO's Rejection/ Opening of Savings Deposit Account	-	May 22, 1995
Date of Recomputation	-	September 01, 1997
Planting Density	-	416 trees per hectare
Tapping Practice	-	Normal Tapping

REQUIRED:	a.)	Recomputed Land Value (RLV)
	b.)	Interim Production Income (IPI)
	c.)	Net Land Value (NLV)

COMPUTATION:

The Recomputed Land Value is computed based on the age of the tree as of the date of Recomputation.

CNI Computation	-	See Annex "2-A"
MVTD Computation	-	See Annex "2-B"
Salvage Value of Old Rubber Trees	-	See Annex "2-C"
a.) Recomputed Land Value (RLV) (See Annex "2")	-	P68,121,530 =====
b.) Interim Income (IPI) from Production (See Annex "3")	-	P14,220,331 =====
c.) Net Land Value (NLV)	=	RLV - IPI
	=	P68,121,530 - P14,220,331
	=	P53,901,199 =====

VALUATION SUMMARY

ANNEX 2

Block No.	Tree as of Original P I (1)	Tree as of Opening S D A (2)	Tree as of Date of Recapitulation (4)	Land Acquisition Use (5)	for (Bs.) (6)	C S 1/ (7)	C M 1 2/ (8)	MYSD 3/ (9)	CDG 4/ (10)	Salvage Value of Old Trees 5/ (11)	Unit Land Value (12)	Recomputed Land Value (13)
I	37	36	41	Rubber	19,5100	-	-	1,284	-	12,801	15,469 6/	201,870
II	37	38	41	Rubber	46,1300	-	-	1,284	-	14,403	16,971 6/	782,872
III	36	37	40	Rubber	102,9600	-	-	1,284	-	18,744	21,312 6/	2,194,284
IV	35	36	39	Rubber	90,9300	-	-	1,284	-	17,262	19,830 6/	1,803,142
V	34	35	38	Rubber	49,2000	-	-	1,284	-	13,939	16,507 6/	812,144
VI	31	32	35	Rubber	71,0600	-	-	1,284	-	22,513	25,081 6/	1,782,256
VII	30	31	34	Rubber	22,0600	-	-	1,284	-	21,750	24,318 6/	535,155
VIII	28	29	32	Rubber	56,5500	-	-	1,284	-	25,001	27,569 6/	1,559,027
IX	20	21	24	Rubber	5,0300	-	-	6,231	-	87,351 7/	439,376	-
X	18	19	22	Rubber	15,5100	-	-	6,586	-	75,659 7/	1,173,471	-
XI	16	17	20	Rubber	37,5600	-	-	10,727	-	118,973 7/	4,468,626	-
XII	15	16	19	Rubber	55,5800	-	-	10,727	-	123,399 7/	5,858,461	-
XIII	14	15	18	Rubber	48,7300	-	-	12,016	-	127,074 7/	6,192,316	-
XIV	13	14	17	Rubber	108,7200	-	-	9,578	-	98,345 7/	10,692,068	-
XV	12	13	16	Rubber	113,0500	-	-	10,811	-	115,516 7/	13,059,084	-
XVI	11	12	15	Rubber	63,8500	-	-	10,139	-	107,371 7/	6,956,638	-
XVII	10	11	14	Rubber	64,6100	-	-	12,016	-	133,269 7/	8,610,510	-
					971,0400					Total Recaptured Land Value (13V)		68,121,530

1/ No Applicable Comparables Sales
 2/ See Annex 3-A
 3/ See Annex 3-B
 4/ CRG Not Applicable
 5/ See Annex 3-C
 6/ ULV = (MY x 2) + Salvage Value
 7/ LV = (CMI x 0.90) + (B x 0.10)

CNI COMPUTATION

ANNEX 2-A

Block No.	Original P I	Tree as of Opening of S D A	Tree as of Date of Recompensation	Lead Use	for Acquisition (B.)	of Trees per 10's Record	of Trees per 1000's Sampling	of Trees per Proposed Sidelines	Total No. of Trees Adopted	Average Yield (kg./Tree)	Selling Price (P/kg.)	Gross Income (10)x(11)x(12)	Net Income (13) x NIR (14)	Net Income per Hectare (14)/(6)	C N I (15)/0.12 (16)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
I	37	38	41	Rubber	19,5100	2,600	2,517	4,978	2,517	1/	-	-	-	-	-
II	37	38	41	Rubber	46,1390	6,750	6,644	11,533	6,644	1/	-	-	-	-	-
III	36	37	40	Rubber	102,9690	20,000	19,299	25,740	19,299	1/	-	-	-	-	-
IV	35	36	39	Rubber	90,9390	25,000	15,696	22,733	15,696	1/	-	-	-	-	-
V	34	35	38	Rubber	49,2000	13,200	6,858	12,300	6,858	1/	-	-	-	-	-
VI	31	32	35	Rubber	71,0590	16,000	15,998	17,765	15,998	1/	-	-	-	-	-
VII	30	31	34	Rubber	22,0690	6,000	4,798	5,515	4,798	1/	-	-	-	-	-
VIII	28	29	32	Rubber	56,5500	15,000	14,546	14,136	14,136	1/	-	-	-	-	-
IX	20	21	24	Rubber	5,0300	1,600	1,459	1,569	1,459	5.721	15.45	128,960	58,032 2/	11,537	96,142
X	18	19	22	Rubber	15,5100	5,000	3,412	4,839	3,412	6.538	15.45	344,653	155,094 2/	10,000	83,333
XI	16	17	20	Rubber	37,5690	14,200	13,603	11,719	11,719	7.247	15.45	1,312,131	590,459 2/	15,720	131,000
XII	15	16	19	Rubber	55,5890	20,000	18,006	17,341	17,341	7.519	15.45	2,014,479	906,515 2/	16,310	135,917
XIII	14	15	18	Rubber	48,7300	18,640	17,489	17,445	17,445	6.743	15.45	1,817,409	817,834 2/	16,788	129,856
XIV	13	14	17	Rubber	108,7290	42,100	29,492	38,922	29,492	6.895	15.45	3,137,160	1,411,722 2/	12,985	108,208
XV	12	13	16	Rubber	113,0500	41,265	35,661	40,472	35,661	6.957	15.45	3,893,046	1,724,871 2/	15,258	127,150
XVI	11	12	15	Rubber	63,8500	23,154	18,594	22,858	18,594	7.004	15.45	2,012,090	905,441 2/	14,181	118,175
XVII	10	11	14	Rubber	64,6100	27,009	26,118	23,130	23,130	7.075	15.45	2,528,311	1,137,740 2/	17,639	146,742

971.0400

1/ Trees ready for cutting

2/ The Net Income Rate (NIR) for large plantations (excludes tapping, cuplumps) is 45%.

NETD COMPUTATION

SHREI 2-8*

Block No.	Original F I	Tree as of Opening of S D A	Tree as of Date of Recompensation	Land Use	for Acquisition (Ba.)	Number of Trees Adopted	Density per Ha. (77)/(6)	Land Value per Ha. (9)	Total Land Value (5) x (9)	Value per Tree (8)x(11)	Trees per Ha. (6)x(12)	Value of Trees (5)x(12)	Value (Land + Trees) (10)+(13)	Location Adj. Factor (15)	C P I 1/ (14)x(15)x(16)	Total NETD (17)	NETD per Ha. (17)/(6)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
I	37	38	41	Rubber	19,5100	2,517	129	1,100 2/	21,161	5/	0	0	21,161	0.91	1,283	25,056	1,284
II	37	38	41	Rubber	46,1300	6,644	144	1,100 2/	50,742	5/	0	0	50,742	0.91	1,283	59,243	1,284
III	36	37	40	Rubber	102,9600	19,299	187	1,100 2/	113,256	5/	0	0	113,256	0.91	1,283	132,229	1,284
IV	35	36	39	Rubber	90,9300	15,696	173	1,100 2/	100,022	5/	0	0	100,022	0.91	1,283	116,779	1,284
V	34	35	38	Rubber	49,2000	6,858	139	1,100 2/	54,120	5/	0	0	54,120	0.91	1,283	63,187	1,284
VI	31	32	35	Rubber	71,0600	15,998	225	1,100 2/	78,166	5/	0	0	78,166	0.91	1,283	91,261	1,284
VII	30	31	34	Rubber	22,0600	4,798	217	1,100 2/	24,266	5/	0	0	24,266	0.91	1,283	28,331	1,284
VIII	28	29	32	Rubber	56,5500	14,138	250	1,100 2/	62,205	5/	0	0	62,205	0.91	1,283	72,626	1,284
IX	20	21	24	Rubber	5,0300	1,459	290	1,250 3/	6,298	20 6/	5,300	29,174	35,462	0.91	1,283	41,403	8,231
X	18	19	22	Rubber	15,5100	3,412	220	1,250 3/	19,388	20 6/	4,400	68,244	87,632	0.91	1,283	102,313	6,596
XI	16	17	20	Rubber	37,5600	11,719	312	1,700 4/	63,852	24 7/	7,488	281,249	345,101	0.91	1,283	402,916	10,727
XII	15	16	19	Rubber	55,5800	17,341	312	1,700 4/	94,486	24 7/	7,488	416,183	510,669	0.91	1,283	596,221	10,727
XIII	14	15	18	Rubber	48,7300	17,445	358	1,700 4/	82,941	24 7/	8,592	418,688	501,529	0.91	1,283	585,550	12,016
XIV	13	14	17	Rubber	108,7200	29,482	271	1,700 4/	184,824	24 7/	6,504	707,115	891,939	0.91	1,283	1,041,366	9,578
XV	12	13	16	Rubber	113,0500	35,661	315	1,700 4/	192,185	24 7/	7,560	854,658	1,046,843	0.91	1,283	1,222,221	10,811
XVI	11	12	15	Rubber	63,9500	18,594	291	1,700 4/	108,545	24 7/	6,984	445,928	554,473	0.91	1,283	647,364	10,139
XVII	10	11	14	Rubber	64,6100	23,130	358	1,700 4/	109,837	24 7/	8,592	555,129	664,966	0.91	1,283	776,368	12,016

971,0400

1/ SW became effective January 1, 1988; UNY is crossed out to the Date of Recompensation. 2/ UNY of Idle Land. 3/ 2nd Class Rubber Land. 4/ 1st Class Rubber Land.
 5/ No UNY for old trees. 6/ UNY of 3rd Class trees. 7/ UNY of 1st Class trees.

SALVAGE VALUE OF OLD RUBBER TREES

Annex "2-C"

Block No.	Age of Tree as of Original Opening of S D A (1)	Age of Tree as of Date of Re-computation (2)	Age of Tree as of Date of Re-computation (3)	Age of Tree as of Date of Re-computation (4)	Land Use (5)	Area for Acquisition (Ha.) (6)	of Trees per LO's Record (7)	of Trees Random Sampling (8)	of Trees per Proposed Guidelines (9)	Total No. of Trees Adopted (10)	Selling Price (P/Tree) (11)	Total Salvage Value of Old Trees (12)	Salvage Value of Trees per H (13)
I	37	38	41	Rubber	19.5100	2,600	2,517	4,878	2,517	100	251,700	12,901	
II	37	38	41	Rubber	46.1300	6,750	6,644	11,533	6,644	100	664,400	14,403	
III	36	37	40	Rubber	102.9600	20,000	19,299	25,740	19,299	100	1,929,900	18,744	
IV	35	36	39	Rubber	90.9300	25,000	15,696	22,733	15,696	100	1,569,600	17,262	
V	34	35	38	Rubber	49.2000	13,200	6,858	12,300	6,858	100	685,800	13,939	
VI	31	32	35	Rubber	71.0600	16,000	15,998	17,765	15,998	100	1,599,900	22,513	
VII	30	31	34	Rubber	22.0600	6,000	4,798	5,515	4,798	100	479,800	21,750	
VIII	28	29	32	Rubber	56.5600	15,000	14,546	14,138	14,138	100	1,413,800	25,001	
IX	20	21	24	Rubber	5.0300	1,600	1,459	1,569	1,459	-	-	-	
X	18	19	22	Rubber	15.5100	5,000	3,412	4,839	3,412	-	-	-	
XI	16	17	20	Rubber	37.5600	14,200	13,603	11,719	11,719	-	-	-	
XII	15	16	19	Rubber	55.5800	20,000	18,006	17,341	17,341	-	-	-	
XIII	14	15	18	Rubber	48.7300	18,640	17,489	17,445	17,445	-	-	-	
XIV	13	14	17	Rubber	108.7200	42,100	29,492	38,922	29,492	-	-	-	
XV	12	13	16	Rubber	113.0500	41,285	35,661	40,472	35,661	-	-	-	
XVI	11	12	15	Rubber	63.8500	23,154	18,594	22,858	18,594	-	-	-	
XVII	10	11	14	Rubber	64.6100	27,000	26,118	23,130	23,130	-	-	-	
						971.0400	Total Salvage Value of Old Trees		-	-	P 8,594,800		

1/ Rubber trees with an age of 31 years old and above are valued based on the salvage value of standing trees at P100 per tree.

Interim Production Income (IP1) (From the Date of the Opening of SMA Up to the Date of Re-plantation)

Block No.	Land Use Acquisition (1)	Area for planted (2)	Area planted (3)	Total No. of Trees Planted (4)	Age of Tree # (5)	Interim Production (Kg./Tree) * (6)	Selling Price # (7)	Interim Prod'n. Income 1 (8)	Age of Tree # (9)	Interim Production (Kg./Tree) ** (10)	Selling Price # (11)	Interim Prod'n. Income 2 (12)	Total Interim Prod. Income (IP1) (9) + (12) (13)
I	Rubber	19,5100	19,5100	2,517	39	-	-	-	40	-	-	-	-
II	Rubber	46,1300	46,1300	6,644	39	-	-	-	40	-	-	-	-
III	Rubber	102,9600	102,9600	19,299	38	-	-	-	39	-	-	-	-
IV	Rubber	90,9300	90,9300	15,696	37	-	-	-	38	-	-	-	-
V	Rubber	49,2000	49,2000	6,858	36	-	-	-	37	-	-	-	-
VI	Rubber	71,0600	71,0600	15,998	33	-	-	-	34	-	-	-	-
VII	Rubber	22,0600	22,0600	4,798	32	-	-	-	33	-	-	-	-
VIII	Rubber	56,5500	56,5500	14,138	30	3,4000	13.55	293,101.95	31	-	-	-	293,101.95
IX	Rubber	5,0300	5,0300	1,459	22	6,5380	13.55	58,163.70	23	6,1300	14.60	58,759.91	116,923.61
X	Rubber	15,5100	15,5100	3,412	20	7,2470	13.55	150,771.44	21	6,9470	14.60	155,729.79	306,501.23
XI	Rubber	37,5600	37,5600	11,719	18	6,7430	13.55	481,831.87	19	7,5190	14.60	578,916.61	1,060,748.48
XII	Rubber	55,5800	55,5800	17,341	17	6,8850	13.55	727,997.51	18	6,7430	14.60	768,232.48	1,496,229.99
XIII	Rubber	48,7300	48,7300	17,445	16	6,9570	13.55	740,022.26	17	6,8850	14.60	789,114.98	1,529,137.24
XIV	Rubber	108,7200	108,7200	29,492	15	7,0040	13.55	1,259,511.60	16	6,9570	14.60	1,348,005.30	2,607,516.90
XV	Rubber	113,0500	113,0500	35,661	14	7,0750	13.55	1,538,408.85	15	7,0040	14.60	1,640,586.56	3,179,395.41
XVI	Rubber	63,8500	63,8500	18,594	13	7,0520	13.55	799,534.00	14	7,0750	14.60	864,300.25	1,663,834.25
XVII	Rubber	64,6100	64,6100	23,130	12	6,3480	13.55	895,291.29	13	7,0520	14.60	1,071,650.83	1,966,942.12
T O T A L I P 1													14,220,331.18

* Age of Tree1, IP1, SPI and IP11 during the period May 22, 1995 to May 21, 1996.
 ** Age of Tree2, IP2, SP2 and IP12 during the period May 22, 1996 to May 21, 1997.
 NOTE: The constant multiplier, 0.45 in column 9 and 13 represents the applicable % Income Rate (NIR) for Large Rubber Plantation in accordance with JMC No. 1, s. 38.