Kimble Central Appraisal District

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**Productivity Value for Beekeeping for 2022**

Minimum degree of intensity was established using Section 13.001, Texas Agriculture Code’s definition of an “apiary”, which is a place where six or more colonies of bees or nuclei of bees are kept. A colony is the hive, its equipment and appurtenances.

As applicable to an apiary as previously defined, under Open-Space productivity valuation, values are calculated using a modified income approach to determine the per acre value. This is done using cash lease rates that are collected each year through surveys mailed to lessees. The challenge with determining a productivity value for beekeeping using the cash lease method is usually beekeepers do not lease the land on which the hives are located. In most instances, a property owner who has hives located on his land has an open-space valuation on their property.

Using the basic Income/Rate/Value (IRV) formula for developing an income approach to value, we develop a productivity value in beekeeping.

In Kimble County, it is estimated that a hive will produce an average of 42 pounds of honey per year. With the assistance of local beekeepers, we estimated an average of $75 per hive of expenses per year. The average wholesale price for honey for years 2017 thru 2021 is $5.07 per pound. The following is Kimble Appraisal District’s 2022 calculation:

Total income per hive 42 lbs. x $5.07 = $213.02

Total expense per hive per year $75.00

Net Operating Income (NOI) $213.02 - $75 = $138.02

Productivity value per hive $138.02 / .10 cap rate = $1,380.20

KCAD’s degree of intensity is 1 hive on the first 5 acres with 1 hive for every 5 acres up to 20 acres. This would give you a range of 1 - 4 hives minimum requirement. The productivity value is applied on a per acre basis. KCAD’s minimum requirement on 20 acres is 4 hives. Therefore, the average hive per acre is 4/20 = .20 hives.

**Productivity value per acre** $1,380.20 x .2 (min hives) = **$276.04 /ac**