

TABLE 1. Acreage Summary, Cibola County, Projected 2006.

BUDGET AREA..... CIBOLA COUNTY			
FARM SIZE..... 300 ACRES			
IRRIGATION TYPE..... FLOOD			
NUMBER OF CROPS.. 4			
WATER USE			
ACREAGE SUMMARY:	LAND USE (ACRES)	AC.IN. PER AC.	TOTAL AC.IN.
ALFALFA ESTABLISHMENT	25	18	450
ALFALFA	200	42	8,400
PASTURE ESTABLISHMENT	2	18	36
PASTURE	40	30	1,200
WHEAT	20	24	480
SWEET CORN	8	30	240
ROADS, HOMESTEAD	5		
TOTAL	300		10,806
ACRE FEET PER ACRE OF WATER RIGHTS			3.00

TABLE 2. Basic cost information for Cibola County, Projected 2006.

Item		
Labor Wage Rate:		
Equipment operators	\$/hour	\$6.35
General & Irrigators	\$/hour	\$5.15
Purchased Inputs:		
Fertilizer:		
Nitrogen (N)	\$/pound	\$0.52
Phosphate (P205)	\$/pound	\$0.40
Seed:		
Alfalfa	\$/pound	\$3.20
Oat Hay	\$/pound	\$0.41
Sweet Corn	\$/pound	\$14.00
Wheat	\$/pound	\$0.28
Pasture	\$/pound	\$1.80
Baling wire	\$/box	\$0.50
Gopher control	\$/acre	\$1.50
Canal water	\$/acre	\$5.00
Energy:		
Diesel fuel	\$/gallon	\$2.15
Gasoline	\$/gallon	\$2.05
Electricity	cents/KwHr	11.75
Employee Liability Insurance	\$/ \$1,000 wages	\$20.00
Employee Benefits	percent/wages	18.00%
Labor Downtime	percent	25.00%
Financial Rates:		
Operating Capital Interest Rate	percent	8.00%
Land Interest Rate	percent	8.00%
Equipment Interest Rate	percent	8.00%
Real Interest Rate	percent	3.00%
Land Taxes	\$/acre (full value)	\$36.00
Personal Property Tax Rate - NR - R	\$/ \$1,000 (Assessed Value)	\$30.16 \$24.25
Supervision Factors		
Field Crop-Irrigation	\$/labor hour	\$1.00
Field Crop-Equipment & General	\$/labor hour	\$0.50
Management Rate	percent	7.00%

TABLE 3. Overhead cost information for Cibola County, Projected 2006.

Item		
Electricity (Domestic & Shop)	\$212.00 per month	\$2,544
Telephone	\$106.00 per month	\$1,272
Accounting & Legal		\$1,511
Misc. Supplies & Hand Tools		\$2,491
Pickup and Auto		
miles	21,200 @ \$0.415 per mile	\$8,798
Insurance		
- general liability (non-employee)		\$1,664
- fire/theft		\$1,314
Property Taxes		
- non-planted land		\$0
- other than land & machinery		\$0
Building repairs and maintenance		\$0
Dues, fees, publications		\$1,267
Farmstead Equipment		\$382
Total		\$21,242
Total Per Planted Acre		\$72.50

TABLE 6. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for a 300 acre farm with above average management, Cibola County, Projected 2006.
Harvesting Dates: June 15 - September 15

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
ALFALFA HAY	\$130.00	4.00 TONS (STACKED)						\$520.00
GRAZING	\$10.00	1.00 ACRE						\$10.00
TOTAL								\$530.00
PURCHASED INPUTS								
	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
PHOSPHATE (P2O5)	\$0.40	40 LBS	\$16.00					\$16.00
WIRE	\$0.50	34 LBS	\$17.14					\$17.14
GOPHER CONTROL	\$1.50	1 ACRE	\$1.50					\$1.50
ESTABLISHMENT: Principal		8 YEARS						\$0.00
: Interest								\$0.00
CANAL WATER		42 AC. IN.	\$5.00					\$5.00
SUBTOTAL			\$39.64				\$0.00	\$39.64
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
FERT SPREADER	93 HP	0.05 HR		\$0.32	\$0.62	\$0.15	\$1.86	\$2.95
GOPHER CONTROL	40 HP	0.15 HR		\$0.95	\$1.15	\$0.16	\$2.11	\$4.37
IRRIGATE (6X)		3.00 HR		\$15.45				\$15.45
SUBTOTAL			3.20 HR	\$16.72	\$1.77	\$0.31	\$3.97	\$22.78
HARVEST OPERATIONS								
SWATHER (3X)	16 FT	0.33 HR		\$2.10	\$2.66	\$0.48	\$19.13	\$24.36
BALER (3X)	65 HP	0.63 HR		\$4.00	\$6.28	\$0.91	\$4.62	\$15.82
BALEWAGON (3X)	93 HP	0.60 HR		\$3.81	\$7.49	\$3.40	\$14.84	\$29.55
SUBTOTAL			1.56 HR	\$9.91	\$16.43	\$4.79	\$38.59	\$69.72
OVERHEAD EXPENSES								
DOWNTIME		0.43 HR		\$2.71				\$2.71
EMPLOYEE BENEFITS				\$4.79				\$4.79
INSURANCE			\$0.53					\$0.53
LAND TAXES							\$36.00	\$36.00
SUPERVISION AND MANAGEMENT				\$40.96				\$40.96
OTHER EXPENSES			\$72.50					\$72.50
SUBTOTAL			0.43 HR	\$73.03	\$48.46		\$36.00	\$157.49
TOTAL OPERATING EXPENSES		5.19 HR		\$112.67	\$75.09	\$18.20	\$5.11	\$289.63
NET OPERATING PROFIT								\$240.37
INTEREST ON OPERATING CAPITAL		(\$22.11 @	8.00%)				\$1.77
INTEREST ON EQUIPMENT INVESTMENT								\$35.79
RETURN TO LAND AND RISK								\$202.81
BUDGET SUMMARY								
GROSS RETURN			\$530.00					
VARIABLE OPERATING EXPENSES	\$135.98							
RETURN OVER VARIABLE EXPENSES		\$394.02	(GROSS MARGIN)					
FIXED EXPENSES	\$78.56							
NET FARM INCOME		\$315.46	(RETURN TO CAPITAL, LABOR, LAND & RISK)					
LABOR AND MANAGEMENT COST	\$75.09							
NET OPERATING PROFIT		\$240.37	(RETURN TO CAPITAL, LAND & RISK)					
CAPITAL COSTS	\$37.56							
RETURN TO LAND AND RISK		\$202.81						

TABLE 7. Permanent pasture establishment, flood-irrigated, budgeted per acre costs and returns for a 300 acre farm with above average management, Cibola County, Projected 2006.
Planting Dates: May 15 - July 1

ITEM	PRICE	QUANTITY	PURCHASED INPUTS						TOTAL
PURCHASED INPUTS									
GRASS SEED	\$1.80	15 LBS		\$27.00					\$27.00
CANAL WATER		18 AC. IN.		\$5.00					\$5.00
SUBTOTAL				\$32.00					\$32.00
PREHARVEST OPERATIONS									
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
PLOW	93 HP	0.67 HR		\$4.25	\$8.36	\$4.17	\$12.45	\$29.24	
DISC (2X)	93 HP	0.14 HR		\$0.89	\$1.75	\$0.81	\$4.76	\$8.21	
FLOAT	93 HP	0.24 HR		\$1.52	\$3.00	\$0.50	\$2.00	\$7.02	
DRILL	65 HP	0.21 HR		\$1.33	\$2.09	\$0.49	\$10.72	\$14.64	
BORDER DISC	40 HP	0.05 HR		\$0.32	\$0.38	\$0.10	\$2.99	\$3.79	
IRRIGATE (3X)		1.50 HR		\$7.73				\$7.73	
SUBTOTAL		2.81 HR		\$16.04	\$15.58	\$6.08	\$32.91	\$70.62	
OVERHEAD EXPENSES									
DOWNTIME		0.33 HR		\$2.08				\$2.08	
EMPLOYEE BENEFITS				\$2.89				\$2.89	
INSURANCE			\$0.32					\$0.32	
LAND TAXES							\$36.00	\$36.00	
SUPERVISION AND MANAGEMENT				\$9.34				\$9.34	
SUBTOTAL		0.33 HR	\$0.32	\$14.31			\$36.00	\$50.63	
TOTAL OPERATING EXPENSES		3.14 HR	\$32.32	\$30.35	\$15.58	\$6.08	\$68.91	\$153.25	

TABLE 8. Permanent pasture, flood-irrigated, budgeted per acre costs and returns for a 300 acre farm with above average management, Cibola County, Projected 2006.
Harvesting Dates: September 30 - June 30

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS PASTURE	\$12.00	6.00 AUMS	\$72.00
TOTAL			\$72.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
LIVESTOCK FAC & EQUIP ESTABLISHMENT: Principal		20 YEARS		\$3.00	\$3.00
: Interest				\$7.66	\$7.66
CANAL WATER		30 AC. IN.	\$5.00	\$4.37	\$4.37
					\$5.00
SUBTOTAL			\$5.00	\$15.04	\$20.04

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
IRRIGATE (5X)		2.50 HR		\$12.88				\$12.88
SUBTOTAL		2.50 HR		\$12.88				\$12.88

OVERHEAD EXPENSES								
DOWNTIME		0.00 HR		\$0.00				\$0.00
EMPLOYEE BENEFITS				\$2.32				\$2.32
INSURANCE			\$0.26					\$0.26
LAND TAXES							\$36.00	\$36.00
SUPERVISION AND MANAGEMENT				\$7.54				\$7.54
OTHER EXPENSES			\$72.50					\$72.50
SUBTOTAL		0.00 HR	\$72.76	\$9.86			\$36.00	\$118.61

TOTAL OPERATING EXPENSES 2.50 HR \$77.76 \$22.73 \$0.00 \$0.00 \$51.04 \$151.52

NET OPERATING PROFIT (\$79.52)

INTEREST ON OPERATING CAPITAL (\$2.50 @ 8.00%) \$0.20
INTEREST ON EQUIPMENT INVESTMENT \$0.00

RETURN TO LAND AND RISK (\$79.72)

BUDGET SUMMARY

GROSS RETURN		\$72.00	
VARIABLE OPERATING EXPENSES	\$77.76		
RETURN OVER VARIABLE EXPENSES		(\$5.76)	(GROSS MARGIN)
FIXED EXPENSES	\$51.04		
NET FARM INCOME		(\$56.79)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$22.73		
NET OPERATING PROFIT		(\$79.52)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$0.20		
RETURN TO LAND AND RISK		(\$79.72)	

TABLE 9. Wheat for grain, flood-irrigated, budgeted per acre costs and returns for a 300 acre farm with above average management, Cibola County, Projected 2006.
 Planting Dates: August 1 - September 30
 Harvesting Dates: July 1 - August 15

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
GRAIN	\$3.75	65.00	BUSHEL					\$243.75
GRAZING	\$11.00	2.00	AUMS					\$22.00
STRAW	\$2.00	50.00	BALE					\$100.00
TOTAL								\$365.75
PURCHASED INPUTS								
	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
SEED	\$0.28	80	LBS	\$22.40				\$22.40
BALING WIRE	\$0.50	14	LBS	\$7.14				\$7.14
CANAL WATER		24	ACRE IN.	\$5.00				\$5.00
SUBTOTAL				\$34.54				\$34.54
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	93 HP	0.67 HR		\$4.25	\$8.36	\$4.17	\$12.45	\$29.24
DISC (2X)	93 HP	0.28 HR		\$1.78	\$3.50	\$1.62	\$9.52	\$16.41
FLOAT (2X)	93 HP	0.48 HR		\$3.05	\$5.99	\$1.00	\$4.00	\$14.04
DRILL	65 HP	0.21 HR		\$1.33	\$2.09	\$0.49	\$10.72	\$14.64
BORDER DISC	40 HP	0.05 HR		\$0.32	\$0.38	\$0.10	\$2.99	\$3.79
IRRIGATE (4X)		2.00 HR		\$10.30				\$10.30
SUBTOTAL		3.69 HR		\$21.03	\$20.33	\$7.39	\$39.67	\$88.42
HARVEST OPERATIONS								
COMBINE (CUSTOM)				\$16.57				\$16.57
HAUL (CUSTOM)				\$12.35				\$12.35
BALER, 2-WIRE	65 HP	0.21 HR		\$1.33	\$2.09	\$0.30	\$1.54	\$5.27
BALE WAGON	93 HP	0.20 HR		\$1.27	\$2.50	\$1.13	\$4.95	\$9.85
SUBTOTAL		0.41 HR		\$28.92	\$2.60	\$4.59	\$1.44	\$44.04
OVERHEAD EXPENSES								
DOWNTIME		0.53 HR		\$3.33				\$3.33
EMPLOYEE BENEFITS				\$4.25				\$4.25
INSURANCE				\$0.47				\$0.47
LAND TAXES							\$36.00	\$36.00
SUPERVISION AND MANAGEMENT				\$28.65				\$28.65
OTHER EXPENSES				\$72.50				\$72.50
SUBTOTAL		0.53 HR		\$72.97	\$36.24		\$36.00	\$145.21
TOTAL OPERATING EXPENSES		4.63 HR		\$136.43	\$59.88	\$24.92	\$8.83	\$312.22
NET OPERATING PROFIT								\$53.53
INTEREST ON OPERATING CAPITAL		(\$27.11 @	8.00%)				\$2.17
INTEREST ON EQUIPMENT INVESTMENT								\$32.59
RETURN TO LAND AND RISK								\$18.77
BUDGET SUMMARY								
GROSS RETURN				\$365.75				
VARIABLE OPERATING EXPENSES	\$170.18							
RETURN OVER VARIABLE EXPENSES		\$195.57	(GROSS MARGIN)					
FIXED EXPENSES	\$82.16							
NET FARM INCOME		\$113.41	(RETURN TO CAPITAL, LABOR, LAND & RISK)					
LABOR AND MANAGEMENT COST	\$59.88							
NET OPERATING PROFIT		\$53.53	(RETURN TO CAPITAL, LAND & RISK)					
CAPITAL COSTS	\$34.76							
RETURN TO LAND AND RISK		\$18.77						

TABLE 10. Sweet corn, flood-irrigated, budgeted per acre costs and returns for a 300 acre farm with above average management, Cibola County, Projected 2006.
 Planting Dates: May 5 - May 25
 Harvest Dates: August 15 - September 20

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
CORN	\$2.00	700.00 DOZEN						\$1,400.00
TOTAL								\$1,400.00
PURCHASED INPUTS								
	PRICE	QUANTITY	PURCHASED INPUTS		FIXED COST		TOTAL	
SEED	\$14.00	13 LBS	\$175.00				\$175.00	
NITROGEN (N)	\$0.52	120 LBS	\$62.40				\$62.40	
PHOSPHATE (P2O5)	\$0.40	45 LBS	\$18.00				\$18.00	
HERBICIDE	\$19.28	1 ACRE	\$19.28				\$19.28	
INSECTICIDE	\$13.18	2 X/ACRE	\$26.36				\$26.36	
CANAL WATER		30 AC. IN.	\$5.00				\$5.00	
SUBTOTAL			\$306.04				\$306.04	
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	93 HP	0.14 HR		\$0.89	\$1.75	\$0.81	\$4.76	\$8.21
PLOW	93 HP	0.67 HR		\$4.25	\$8.36	\$4.17	\$12.45	\$29.24
SPRAY	65 HP	0.15 HR		\$0.95	\$1.50	\$0.29	\$8.85	\$11.59
FERT SPREADER	93 HP	0.05 HR		\$0.32	\$0.62	\$0.15	\$1.86	\$2.95
DISC	93 HP	0.14 HR		\$0.89	\$1.75	\$0.81	\$4.76	\$8.21
FLOAT	93 HP	0.24 HR		\$1.52	\$3.00	\$0.50	\$2.00	\$7.02
LISTER	65 HP	0.18 HR		\$1.14	\$1.79	\$0.59	\$29.44	\$32.96
PRE-IRRIGATE		0.75 HR		\$3.86				\$3.86
HAND PLANT		5.00 HR		\$25.75				\$25.75
SPRAY (2X)	65 HP	0.30 HR		\$1.91	\$2.99	\$0.59	\$17.69	\$23.17
CULTIVATOR (2X)	65 HP	0.42 HR		\$2.67	\$4.19	\$3.15	\$91.39	\$101.39
IRRIGATE (4X)		2.00 HR		\$10.30				\$10.30
SUBTOTAL		10.04 HR		\$54.45	\$25.95	\$11.06	\$173.19	\$264.65
HARVEST OPERATIONS								
HAND PICK		25.00 HR		\$128.75				\$128.75
HAUL	3/4 TON	6.25 HR		\$39.69	\$80.72	\$4.00	\$420.11	\$544.51
SUBTOTAL		31.25 HR		\$168.44	\$80.72	\$4.00	\$420.11	\$673.26
OVERHEAD EXPENSES								
DOWNTIME		3.26 HR		\$20.72				\$20.72
EMPLOYEE BENEFITS				\$40.12				\$40.12
INSURANCE			\$4.46					\$4.46
LAND TAXES						\$36.00		\$36.00
SUPERVISION AND MANAGEMENT				\$107.28				\$107.28
OTHER EXPENSES			\$72.50					\$72.50
SUBTOTAL		3.26 HR	\$76.96	\$168.11		\$36.00		\$281.07
TOTAL OPERATING EXPENSES		13.30 HR	\$383.00	\$391.00	\$106.66	\$15.06	\$629.29	\$1,525.02
NET OPERATING PROFIT								(\$125.02)
INTEREST ON OPERATING CAPITAL		(\$169.33 @	8.00%)				\$13.55
INTEREST ON EQUIPMENT INVESTMENT								\$264.40
RETURN TO LAND AND RISK								(\$402.97)

BUDGET SUMMARY			
GROSS RETURN		\$1,400.00	
VARIABLE OPERATING EXPENSES	\$504.72		
RETURN OVER VARIABLE EXPENSES	\$895.28		(GROSS MARGIN)
FIXED EXPENSES	\$629.29		
NET FARM INCOME	\$265.98		(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$391.00		
NET OPERATING PROFIT	(\$125.02)		(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$277.95		
RETURN TO LAND AND RISK		(\$402.97)	

TABLE 11. Summary of per acre costs and returns, 300 acre farm with above average management, Cibola County, Projected 2006.

	ALFALFA ESTABLISHMENT	ALFALFA HAY	PERMANENT PASTURE ESTABLISHMENT	PERMANENT PASTURE	WHEAT FOR GRAIN	SWEET CORN
	TONS	TONS		AUMS	BU	DOZ
PRIMARY YIELD	3.50	4.00		6.00	65.00	700.00
PRIMARY PRICE	\$90.00	\$130.00		\$12.00	\$3.75	\$2.00
GOVERNMENT PAYMENTS	\$0.00	\$0.00		\$0.00	\$0.00	\$0.00
SECOND INCOME	\$0.00	\$10.00		\$0.00	\$122.00	\$0.00
GROSS RETURN	\$315.00	\$530.00		\$72.00	\$365.75	\$1,400.00
CASH OPERATING EXPENSES						
SEED	\$76.30		\$27.00		\$22.40	\$175.00
FERTILIZER		\$16.00				\$80.40
CHEMICALS		\$1.50				\$45.64
CROP INSURANCE					\$0.00	
OTHER PURCHASED INPUTS		\$17.14			\$7.14	
CANAL WATER	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$22.81	\$18.20	\$15.58	\$0.00	\$24.92	\$106.66
FUEL-IRRIGATION						
REPAIRS	\$8.49	\$5.11	\$6.08	\$0.00	\$8.83	\$15.06
CUSTOM CHARGES					\$28.92	
LAND TAXES	\$36.00	\$36.00	\$36.00	\$36.00	\$36.00	\$36.00
OTHER EXPENSES	\$72.90	\$73.03	\$0.32	\$72.76	\$72.97	\$76.96
TOTAL CASH EXPENSES	\$221.50	\$171.98	\$89.98	\$113.76	\$206.18	\$540.72
RETURN OVER CASH EXPENSES	\$93.50	\$358.02	(\$89.98)	(\$41.76)	\$159.57	\$859.28
FIXED EXPENSES	\$50.54	\$42.56	\$32.91	\$15.04	\$46.16	\$593.29
TOTAL EXPENSES	\$272.04	\$214.54	\$122.90	\$128.79	\$252.34	\$1,134.02
NET FARM INCOME	\$42.96	\$315.46	(\$122.90)	(\$56.79)	\$113.41	\$265.98
LABOR AND MANAGEMENT COSTS	\$45.54	\$75.09	\$30.35	\$22.73	\$59.88	\$391.00
NET OPERATING PROFIT	(\$2.58)	\$240.37	(\$153.25)	(\$79.52)	\$53.53	(\$125.02)
CAPITAL COSTS						
INTEREST ON OPERATING CAPITAL	\$3.78	\$1.77		\$0.20	\$2.17	\$13.55
INTEREST ON EQUIPMENT INVESTMENT	\$35.27	\$35.79		\$0.00	\$32.59	\$264.40
TOTAL CAPITAL COSTS	\$39.05	\$37.56	\$0.00	\$0.20	\$34.76	\$277.95
RETURN TO LAND AND RISK	(\$41.63)	\$202.81	(\$153.25)	(\$79.72)	\$18.77	(\$402.97)

TABLE 12. Whole farm summary, Cibola County,
Projected 2006.

GROSS RETURNS		
ALFALFA HAY	200 ACRES	
CROP		\$104,000
GRAZING		\$2,000
PASTURE	40 ACRES	
GRAZING		\$2,880
WHEAT FOR GRAIN	20 ACRES	
CROP		\$4,875
GRAZING		\$440
STRAW		\$2,000
SWEET CORN	8 ACRES	
CROP		\$11,200
GROSS RETURN		<u>\$127,395</u>
CASH OPERATING EXPENSES		
SEED		\$3,810
FERTILIZER		\$3,843
CHEMICALS		\$665
CROP INSURANCE		\$0
OTHER PURCHASED INPUTS		\$3,571
CANAL WATER		\$1,475
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$5,593
FUEL-IRRIGATION		\$0
REPAIRS		\$1,542
CUSTOM CHARGES		\$578
LAND TAXES		\$10,620
OTHER EXPENSES		\$21,415
TOTAL CASH EXPENSES		<u>\$53,113</u>
RETURN OVER CASH EXPENSES		\$74,282
FIXED EXPENSES		\$15,807
TOTAL EXPENSES		\$68,919
NET FARM INCOME		\$58,476
LABOR AND MANAGEMENT COSTS		\$21,452
NET OPERATING PROFIT		\$37,024
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$608
INTEREST ON EQUIPMENT INVESTMENT		\$10,806
TOTAL CAPITAL COSTS		<u>\$11,414</u>
RETURN TO LAND AND RISK		<u><u>\$25,609</u></u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$1,000 /ACRE	\$16,609	9.49%
\$2,000 /ACRE	\$7,609	5.36%
\$3,000 /ACRE	(\$1,391)	3.74%
\$4,000 /ACRE	(\$10,391)	2.87%
\$5,000 /ACRE	(\$19,391)	2.33%

* RETURN TO LAND AND RISK MINUS (INTEREST RATE TIMES LAND VALUE TIMES ACREAGE)

** NET OPERATING PROFIT DIVIDED BY (MACHINERY AND EQUIPMENT VALUE PLUS LAND VALUE)