

**CENTRAL MOUNTAIN REGION  
SMALL RANCH INVESTMENTS**

<b>Number</b>	<b>Land Values</b>	<b>Price Per Unit</b>	10 Yr Avg Rate of Return	Purchase Price	Salvage/Cull Value	Useful Life	Livestock Share	Annual Capital Recovery
100	Acres of private land	\$800	3.9%	\$80,000	\$80,000			
34	AU Values <sup>1</sup>	\$3,000	3.9%	\$101,250	\$101,250			
<b>Sub Totals</b>				\$181,250				
<b>Number</b>	<b>Buildings, Improvements</b>	<b>Price Per Unit</b>						
0.5	Miles of pipeline	\$4,000	3.9%	\$2,000	\$200	25	100	\$122
1	Wells	\$20,000	3.9%	\$20,000	\$2,000	25	100	\$1,218
10	Miles of Fence	\$8,000	3.9%	\$80,000	\$8,000	25	100	\$4,872
1	Corrals/Working Facilities	\$5,000	3.9%	\$5,000	\$500	30	100	\$277
1	Barns & Shop	\$15,000	3.9%	\$15,000	\$1,500	30	100	\$830
<b>Sub Totals</b>				\$122,000				\$7,318
<b>Number</b>	<b>Machinery &amp; Vehicles</b>	<b>Price Per Unit</b>	Interest Rate <sup>3</sup>	Price	Salvage/Cull			
1	3/4 ton pickup 4WD	\$35,000	4.0%	\$35,000	\$7,000	7	50	\$2,473
0	3/4 ton pickup 4WD	\$35,000	4.0%	\$0	\$0	7	50	\$0
0	Tractor	\$7,000	4.0%	\$0	\$0	7	100	\$0
1	Gooseneck trailer	\$5,500	4.0%	\$5,500	\$1,100	7	100	\$777
1	Horse tack	\$3,500	4.0%	\$3,500	\$700	10	100	\$373
1	Misc. equipment	\$2,000	4.0%	\$2,000	\$400	10	100	\$213
<b>Sub Total</b>				\$46,000				\$3,836
<b>Head</b>	<b>Purchased Livestock</b>	<b>Price Per Unit</b>	Interest Rate <sup>3</sup>	Price	Salvage/Cull			
3	Horses	\$1,200	4.0%	\$3,600	\$1,368	10	100	\$330
1	Bulls	\$3,000	4.0%	\$3,750	\$1,425	4	100	\$698
<b>5</b>	<b>Total AUYS</b>							
<b>Sub Total</b>				\$7,350				\$1,027
<b>Head</b>	<b>Retained Livestock</b>	<b>Price Per Unit</b>	Interest Rate	Price	Salvage/Cull			Interest on Investment
25	Cows	\$1,500	4.0%	\$37,500	\$14,250			\$1,183
4	Replacement Heifers	\$1,200	4.0%	\$4,500	\$1,710			\$142
<b>28</b>	<b>Total AUYS</b>							
<b>Sub Total</b>				\$42,000	\$15,960			\$1,325
<b>Total</b>				<u>\$398,600</u>				<u>\$12,479</u>

1) The interest rate of 3.9% used to calculate the capital recovery cost is the USDA-ERS's ten year average long-run rate of return to production assets for New Mexico.

