

TABLE 1. Acreage Summary, Cibola County, Projected 2013.

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 2013.

Item		
Labor Wage Rate:		
Equipment operators	\$/hour	\$7.50
General & Irrigators	\$/hour	\$7.50
Purchased Inputs:		
Fertilizer:		
Nitrogen (N)	\$/pound	\$0.61
Phosphate (P205)	\$/pound	\$0.60
Seed:		
Alfalfa	\$/pound	\$6.50
Oat Hay	\$/pound	\$0.94
Sweet Corn	\$/pound	\$62.00
Wheat	\$/pound	\$0.65
Pasture	\$/pound	\$3.12
Baling wire	\$/box	\$0.91
Gopher control	\$/acre	\$1.50
Canal water	\$/acre	\$5.00
Energy:		
Diesel fuel	\$/gallon	\$3.05
Gasoline	\$/gallon	\$3.80
Electricity	cents/KwHr	12.65
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	5.00%
Land Interest Rate	percent	5.00%
Equipment Interest Rate	percent	5.00%
Real Interest Rate	percent	3.00%
Land Taxes	\$/acre (full value)	\$36.00
Personal Property Tax Rate - NR	\$/ \$1,000 (Assessed Value)	\$24.63
- R		\$28.61
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 2013.

Item		
Electricity (Domestic & Shop)	\$242.00 per month	\$2,904
Telephone	\$121.00 per month	\$1,452
Accounting & Legal		\$1,724
Misc. Supplies & Hand Tools		\$2,844
Pickup and Auto		
miles	24,200 @ \$0.500 per mile	\$12,100
Insurance		
- general liability (non-employee)		\$1,900
- fire/theft		\$1,500
Property Taxes		
- non-planted land		\$0
- other than land & machinery		\$0
Building repairs and maintenance		\$0
Dues, fees, publications		\$1,446
Farmstead Equipment		\$436
Total		<u>\$26,305</u>
Total Per Planted Acre		\$89.78

TABLE 6. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for a 300 acre farm with above average management, Cibola County, Projected 2013.
Harvesting Dates: June 15 - September 15

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
ALFALFA HAY	\$245.00	4.00 TONS (STACKED)						\$980.00
GRAZING	\$10.00	1.00 ACRE						\$10.00
TOTAL							\$990.00	
PURCHASED INPUTS								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
PHOSPHATE (P2O5)	\$0.60	40 LBS	\$24.00					\$24.00
WIRE	\$0.91	34 LBS	\$31.19					\$31.19
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			\$61.69				\$0.00	\$61.69
PREHARVEST OPERATIONS								
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
FERT SPREADER	93 HP	0.05 HR		\$0.38	\$1.16	\$0.09	\$1.69	\$3.31
GOPHER CONTROL	40 HP	0.15 HR		\$1.13	\$2.13	\$0.16	\$2.03	\$5.45
IRRIGATE (6X)		3.00 HR		\$22.50				\$22.50
SUBTOTAL		3.20 HR		\$24.00	\$3.29	\$0.25	\$3.72	\$31.26
HARVEST OPERATIONS								
SWATHER (3X)	16 FT	0.33 HR		\$2.48	\$3.77	\$0.48	\$18.81	\$25.53
BALER (3X)	65 HP	0.63 HR		\$4.73	\$11.64	\$0.91	\$4.51	\$21.79
BALEWAGON (3X)	93 HP	0.60 HR		\$4.50	\$13.88	\$2.73	\$12.80	\$33.91
SUBTOTAL		1.56 HR		\$11.70	\$29.29	\$4.12	\$36.11	\$81.22
OVERHEAD EXPENSES								
DOWNTIME		0.43 HR		\$3.21				\$3.21
EMPLOYEE BENEFITS				\$6.43				\$6.43
INSURANCE			\$0.71					\$0.71
LAND TAXES							\$36.00	\$36.00
SUPERVISION AND MANAGEMENT				\$73.16				\$73.16
OTHER EXPENSES			\$89.78					\$89.78
SUBTOTAL		0.43 HR	\$90.49	\$82.79			\$36.00	\$209.28
TOTAL OPERATING EXPENSES		5.19 HR	\$152.19	\$118.49	\$32.58	\$4.37	\$75.83	\$383.46
NET OPERATING PROFIT								\$606.54
INTEREST ON OPERATING CAPITAL		(\$34.52	@	5.00%)		\$1.73
INTEREST ON EQUIPMENT INVESTMENT								\$20.91
RETURN TO LAND AND RISK								\$583.91

BUDGET SUMMARY			
GROSS RETURN		\$990.00	
VARIABLE OPERATING EXPENSES	\$189.14		
RETURN OVER VARIABLE EXPENSES		\$800.86	(GROSS MARGIN)
FIXED EXPENSES	\$75.83		
NET FARM INCOME		\$725.03	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$118.49		
NET OPERATING PROFIT		\$606.54	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$22.63		
RETURN TO LAND AND RISK		\$583.91	

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 2013.
Planting Dates: May 15 - July 1

ITEM	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
<u>PURCHASED INPUTS</u>								
GRASS SEED	\$3.12	15 LBS	\$46.80					\$46.80
CANAL WATER		18 AC. IN.	\$5.00					\$5.00
SUBTOTAL			\$51.80					\$51.80
<u>PREHARVEST OPERATIONS</u>								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	93 HP	0.67 HR		\$5.03	\$15.50	\$3.42	\$10.27	\$34.21
DISC (2X)	93 HP	0.14 HR		\$1.05	\$3.24	\$0.65	\$4.28	\$9.22
FLOAT	93 HP	0.24 HR		\$1.80	\$5.55	\$0.23	\$1.25	\$8.83
DRILL	65 HP	0.21 HR		\$1.58	\$3.88	\$0.49	\$10.60	\$16.55
BORDER DISC	40 HP	0.05 HR		\$0.38	\$0.71	\$0.10	\$2.94	\$4.12
IRRIGATE (3X)		1.50 HR		\$11.25				\$11.25
SUBTOTAL		2.81 HR		\$21.08	\$28.89	\$4.89	\$29.33	\$84.19
<u>OVERHEAD EXPENSES</u>								
DOWNTIME		0.33 HR		\$2.46				\$2.46
EMPLOYEE BENEFITS				\$3.79				\$3.79
INSURANCE			\$0.42					\$0.42
LAND TAXES							\$36.00	\$36.00
SUPERVISION AND MANAGEMENT				\$11.67				\$11.67
SUBTOTAL		0.33 HR	\$0.42	\$17.92			\$36.00	\$54.35
<u>TOTAL OPERATING EXPENSES</u>		3.14 HR	\$52.22	\$39.00	\$28.89	\$4.89	\$65.33	\$190.33

TABLE 8. Permanent pasture, flood-irrigated, budgeted per acre costs and returns for a 300 acre farm with above average management, Cibola County, Projected 2013.
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							\$9.52	\$9.52
CANAL WATER		30 AC. IN.	\$5.00				\$3.78	\$3.78
								\$5.00
SUBTOTAL			\$5.00				\$16.30	\$21.30

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
IRRIGATE (5X)		2.50 HR		\$18.75				\$18.75
SUBTOTAL		2.50 HR		\$18.75				\$18.75

OVERHEAD EXPENSES								
DOWNTIME		0.00 HR		\$0.00				\$0.00
EMPLOYEE BENEFITS				\$3.38				\$3.38
INSURANCE			\$0.38					\$0.38
LAND TAXES							\$36.00	\$36.00
SUPERVISION AND MANAGEMENT				\$7.54				\$7.54
OTHER EXPENSES			\$89.78					\$89.78
SUBTOTAL		0.00 HR	\$90.15	\$10.92			\$36.00	\$137.07

TOTAL OPERATING EXPENSES		2.50 HR	\$95.15	\$29.67	\$0.00	\$0.00	\$52.30	\$177.12
NET OPERATING PROFIT								(\$105.12)
INTEREST ON OPERATING CAPITAL	(\$2.50	@	5.00%)			\$0.13
INTEREST ON EQUIPMENT INVESTMENT								\$0.00
RETURN TO LAND AND RISK								(\$105.24)

BUDGET SUMMARY

GROSS RETURN		\$72.00	
VARIABLE OPERATING EXPENSES	\$95.15		
RETURN OVER VARIABLE EXPENSES		(\$23.15)	(GROSS MARGIN)
FIXED EXPENSES	\$52.30		
NET FARM INCOME		(\$75.45)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$29.67		
NET OPERATING PROFIT		(\$105.12)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$0.13		
RETURN TO LAND AND RISK		(\$105.24)	

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 2013.
 Planting Dates: August 1 - September 30
 Harvesting Dates: July 1 - August 15

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
GRAIN	\$7.75	65.00 BUSHELS						\$503.75
GRAZING	\$11.00	2.00 AUMS						\$22.00
STRAW	\$2.00	50.00 BALES						\$100.00
TOTAL								\$625.75
PURCHASED INPUTS								
	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
SEED	\$0.65	80 LBS	\$52.00					\$52.00
BALING WIRE	\$0.91	14 LBS	\$13.00					\$13.00
CANAL WATER		24 ACRE IN.	\$5.00					\$5.00
SUBTOTAL								\$70.00
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	93 HP	0.67 HR		\$5.03	\$15.50	\$3.42	\$10.27	\$34.21
DISC (2X)	93 HP	0.28 HR		\$2.10	\$6.48	\$1.31	\$8.55	\$18.44
FLOAT (2X)	93 HP	0.48 HR		\$3.60	\$11.11	\$0.46	\$2.50	\$17.67
DRILL	65 HP	0.21 HR		\$1.58	\$3.88	\$0.49	\$10.60	\$16.55
BORDER DISC	40 HP	0.05 HR		\$0.38	\$0.71	\$0.10	\$2.94	\$4.12
IRRIGATE (4X)		2.00 HR		\$15.00				\$15.00
SUBTOTAL		3.69 HR		\$27.68	\$37.68	\$5.78	\$34.86	\$105.99
HARVEST OPERATIONS								
COMBINE (CUSTOM)				\$16.57				\$16.57
HAUL (CUSTOM)				\$12.35				\$12.35
BALER, 2-WIRE	65 HP	0.21 HR		\$1.58	\$3.88	\$0.30	\$1.50	\$7.26
BALE WAGON	93 HP	0.20 HR		\$1.50	\$4.63	\$0.91	\$4.27	\$11.30
SUBTOTAL		0.41 HR		\$28.92	\$8.51	\$1.21	\$5.77	\$47.49
OVERHEAD EXPENSES								
DOWNTIME		0.53 HR		\$3.94				\$3.94
EMPLOYEE BENEFITS				\$5.54				\$5.54
INSURANCE				\$0.62				\$0.62
LAND TAXES							\$36.00	\$36.00
SUPERVISION AND MANAGEMENT				\$46.85				\$46.85
OTHER EXPENSES				\$89.78				\$89.78
SUBTOTAL		0.53 HR		\$90.39	\$56.33		\$36.00	\$182.72
TOTAL OPERATING EXPENSES		4.63 HR		\$189.31	\$87.08	\$6.99	\$76.63	\$406.19
NET OPERATING PROFIT								\$219.56
INTEREST ON OPERATING CAPITAL		(\$49.08	@	5.00%)		\$2.45
INTEREST ON EQUIPMENT INVESTMENT								\$16.71
RETURN TO LAND AND RISK								\$200.40

BUDGET SUMMARY			
GROSS RETURN		\$625.75	
VARIABLE OPERATING EXPENSES	\$242.49		
RETURN OVER VARIABLE EXPENSES		\$383.26	(GROSS MARGIN)
FIXED EXPENSES	\$76.63		
NET FARM INCOME		\$306.63	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$87.08		
NET OPERATING PROFIT		\$219.56	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$19.16		
RETURN TO LAND AND RISK		\$200.40	

TABLE 10. Sweet corn, flood-irrigated, budgeted per acre costs and returns for a 300 acre farm with above average management, Cibola County, Projected 2013.
 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	\$62.00	13 LBS	\$775.00		\$775.00
NITROGEN (N)	\$0.61	120 LBS	\$73.20		\$73.20
PHOSPHATE (P2O5)	\$0.60	45 LBS	\$27.00		\$27.00
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			\$925.84		\$925.84

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	93 HP	0.14 HR		\$1.05	\$3.24	\$0.65	\$4.28	\$9.22
PLOW	93 HP	0.67 HR		\$5.03	\$15.50	\$3.42	\$10.27	\$34.21
SPRAY	65 HP	0.15 HR		\$1.13	\$2.77	\$0.29	\$8.72	\$12.91
FERT SPREADER	93 HP	0.05 HR		\$0.38	\$1.16	\$0.09	\$1.69	\$3.31
DISC	93 HP	0.14 HR		\$1.05	\$3.24	\$0.65	\$4.28	\$9.22
FLOAT	93 HP	0.24 HR		\$1.80	\$5.55	\$0.23	\$1.25	\$8.83
LISTER	65 HP	0.18 HR		\$1.35	\$3.33	\$0.59	\$29.04	\$34.31
PRE-IRRIGATE		0.75 HR		\$5.63				\$5.63
HAND PLANT		5.00 HR		\$37.50				\$37.50
SPRAY (2X)	65 HP	0.30 HR		\$2.25	\$5.54	\$0.59	\$17.44	\$25.82
CULTIVATOR (2X)	65 HP	0.42 HR		\$3.15	\$7.76	\$3.15	\$90.18	\$104.24
IRRIGATE (4X)		2.00 HR		\$15.00				\$15.00
SUBTOTAL		10.04 HR		\$75.30	\$48.09	\$9.66	\$167.14	\$300.20

HARVEST OPERATIONS								
HAND PICK		25.00 HR		\$187.50				\$187.50
HAUL	3/4 TON	6.25 HR		\$46.88	\$149.63	\$5.50	\$572.58	\$774.58
SUBTOTAL		31.25 HR		\$234.38	\$149.63	\$5.50	\$572.58	\$962.08

OVERHEAD EXPENSES								
DOWNTIME		3.26 HR		\$24.47				\$24.47
EMPLOYEE BENEFITS				\$55.74				\$55.74
INSURANCE				\$6.19				\$6.19
LAND TAXES						\$36.00		\$36.00
SUPERVISION AND MANAGEMENT				\$107.28				\$107.28
OTHER EXPENSES				\$89.78				\$89.78
SUBTOTAL		3.26 HR		\$95.97	\$187.49		\$36.00	\$319.46

TOTAL OPERATING EXPENSES 13.30 HR \$1,021.81 \$497.16 \$197.72 \$15.16 \$775.72 \$2,507.57

NET OPERATING PROFIT (\$1,107.57)

INTEREST ON OPERATING CAPITAL (\$490.29 @ 5.00%) \$24.51
 INTEREST ON EQUIPMENT INVESTMENT \$199.97

RETURN TO LAND AND RISK (\$1,332.05)

BUDGET SUMMARY			
GROSS RETURN	\$1,400.00		
VARIABLE OPERATING EXPENSES	\$1,234.69		
RETURN OVER VARIABLE EXPENSES	\$165.31	(GROSS MARGIN)	
FIXED EXPENSES	\$775.72		
NET FARM INCOME	(\$610.41)	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$497.16		
NET OPERATING PROFIT	(\$1,107.57)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$224.48		
RETURN TO LAND AND RISK	(\$1,332.05)		

TABLE 11. Summary of per acre costs and returns, 300 acre farm with above average management, Cibola County, Projected 2013.

	ALFALFA ESTABLISHMEN T	ALFALFA HAY	PERMANENT PASTURE ESTABLISHMEN	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	\$195.00	\$245.00		\$12.00	\$7.75	\$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	\$682.50	\$990.00		\$72.00	\$625.75	\$1,400.00
CASH OPERATING EXPENSES						
SEED	\$158.20		\$46.80		\$52.00	\$775.00
FERTILIZER		\$24.00				\$100.20
CHEMICALS		\$1.50				\$45.64
CROP INSURANCE					\$0.00	
OTHER PURCHASED INPUTS		\$31.19			\$13.00	
CANAL WATER	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$41.89	\$32.58	\$28.89	\$0.00	\$46.19	\$197.72
FUEL-IRRIGATION						
REPAIRS	\$6.92	\$4.37	\$4.89	\$0.00	\$6.99	\$15.16
CUSTOM CHARGES					\$28.92	
LAND TAXES	\$36.00	\$36.00	\$36.00	\$36.00	\$36.00	\$36.00
OTHER EXPENSES	\$90.30	\$90.49	\$0.42	\$90.15	\$90.39	\$95.97
TOTAL CASH EXPENSES	\$338.31	\$225.14	\$122.00	\$131.15	\$278.49	\$1,270.69
RETURN OVER CASH EXPENSES	\$344.19	\$764.86	(\$122.00)	(\$59.15)	\$347.26	\$129.31
FIXED EXPENSES	\$45.64	\$39.83	\$29.33	\$16.30	\$40.63	\$739.72
TOTAL EXPENSES	\$383.95	\$264.97	\$151.33	\$147.45	\$319.12	\$2,010.41
NET FARM INCOME	\$298.55	\$725.03	(\$151.33)	(\$75.45)	\$306.63	(\$610.41)
LABOR AND MANAGEMENT COSTS	\$60.57	\$118.49	\$39.00	\$29.67	\$87.08	\$497.16
NET OPERATING PROFIT	\$237.98	\$606.54	(\$190.33)	(\$105.12)	\$219.56	(\$1,107.57)
CAPITAL COSTS						
INTEREST ON OPERATING CAPITAL	\$4.60	\$1.73		\$0.13	\$2.45	\$24.51
INTEREST ON EQUIPMENT INVESTMENT	\$18.92	\$20.91		\$0.00	\$16.71	\$199.97
TOTAL CAPITAL COSTS	\$23.52	\$22.63	\$0.00	\$0.13	\$19.16	\$224.48
RETURN TO LAND AND RISK	\$214.46	\$583.91	(\$190.33)	(\$105.24)	\$200.40	(\$1,332.05)

TABLE 12. Whole farm summary, Cibola County,
Projected 2013.

GROSS RETURNS		
ALFALFA HAY CROP	200 ACRES	\$196,000
GRAZING PASTURE	40 ACRES	\$2,000
WHEAT FOR GRAIN CROP	20 ACRES	\$2,880
GRAZING STRAW		\$10,075
SWEET CORN CROP	8 ACRES	\$440
		\$2,000
		\$11,200
GROSS RETURN		<u>\$224,595</u>
CASH OPERATING EXPENSES		
SEED		\$11,289
FERTILIZER		\$5,602
CHEMICALS		\$665
CROP INSURANCE		\$0
OTHER PURCHASED INPUTS		\$6,499
CANAL WATER		\$1,475
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$10,127
FUEL-IRRIGATION		\$0
REPAIRS		\$1,318
CUSTOM CHARGES		\$578
LAND TAXES		\$10,620
OTHER EXPENSES		\$26,539
TOTAL CASH EXPENSES		<u>\$74,711</u>
RETURN OVER CASH EXPENSES		\$149,884
FIXED EXPENSES		\$16,168
TOTAL EXPENSES		\$90,879
NET FARM INCOME		\$133,716
LABOR AND MANAGEMENT COSTS		\$32,195
NET OPERATING PROFIT		\$101,521
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$710
INTEREST ON EQUIPMENT INVESTMENT		\$6,588
TOTAL CAPITAL COSTS		<u>\$7,299</u>
RETURN TO LAND AND RISK		<u><u>\$94,222</u></u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$1,000 /ACRE	\$85,222	25.12%
\$2,000 /ACRE	\$76,222	14.42%
\$3,000 /ACRE	\$67,222	10.11%
\$4,000 /ACRE	\$58,222	7.78%
\$5,000 /ACRE	\$49,222	6.33%

* 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)