



**NORTHWEST REGION  
LARGE RANCH INVESTMENTS**

<b>Number</b>	<b>Land Values</b>	<b>Price Per Unit</b>	<b>10 Yr Avg Rate of Return</b>	<b>Purchase Price</b>	<b>Salvage/Cull Value</b>	<b>Useful Life</b>	<b>Livestock Share</b>	<b>Annual Capital Recovery</b>
6,000	Acres of private land	\$80	3.9%	\$480,000	\$480,000			
350	AU Values <sup>1</sup>	\$2,400	3.9%	\$840,000	\$840,000			
<b>Sub Totals</b>				\$1,320,000				
<b>Number</b>	<b>Buildings, Improvements</b>	<b>Price Per Unit</b>						
13	Miles of pipeline	\$2,000	3.9%	\$26,000	\$2,600	25	100	\$1,583
5	Wells	\$11,000	3.9%	\$55,000	\$5,500	25	100	\$3,350
65	Miles of Fence	\$4,000	3.9%	\$260,000	\$26,000	25	100	\$15,835
1	Corrals/Working Facilities	\$10,000	3.9%	\$10,000	\$1,000	30	100	\$553
1	Barns & Shop	\$15,000	3.9%	\$15,000	\$1,500	30	100	\$830
<b>Sub Totals</b>				\$366,000				\$22,151
<b>Number</b>	<b>Machinery &amp; Vehicles</b>	<b>Price Per Unit</b>	<b>Interest Rate<sup>3</sup></b>	<b>Price</b>	<b>Salvage/Cull</b>			
1	3/4 ton pickup 4WD	\$42,000	4.0%	\$42,000	\$8,400	7	50	\$2,967
0	3/4 ton pickup 4WD	\$45,000	4.0%	\$0	\$0	7	50	\$0
0	Tractor	\$7,000	4.0%	\$0	\$0	7	100	\$0
2	Gooseneck trailer	\$7,500	4.0%	\$15,000	\$3,000	7	100	\$2,119
1	Horse tack	\$5,000	4.0%	\$5,000	\$1,000	10	100	\$533
1	Misc. equipment	\$7,500	4.0%	\$7,500	\$1,500	10	100	\$800
<b>Sub Total</b>				\$69,500				\$6,419
<b>Head</b>	<b>Purchased Livestock</b>	<b>Price Per Unit</b>	<b>Interest Rate<sup>3</sup></b>	<b>Price</b>	<b>Salvage/Cull</b>			
10	Horses	\$1,200	4.0%	\$12,000	\$4,560	10	100	\$1,100
16	Bulls	\$4,000	4.0%	\$63,000	\$23,940	4	100	\$11,718
90	Cows	2,500	4.0%	\$225,000	\$85,500	8	100	\$24,140
<b>145</b>	<b>Total AUys</b>							
<b>Sub Total</b>				\$75,000				\$12,818
<b>Head</b>	<b>Retained Livestock</b>	<b>Price Per Unit</b>	<b>Interest Rate</b>	<b>Price</b>	<b>Salvage/Cull</b>			<b>Interest on Investment</b>
315	Cows	\$2,500	4.0%	\$787,500	\$299,250			\$24,840
47	Replacement Heifers	\$2,300	4.0%	\$108,675	\$41,297			\$3,428
<b>350</b>	<b>Total AUys</b>							
<b>Sub Total</b>				\$896,175	\$340,547			\$28,268
<b>Total</b>				<u>\$2,726,675</u>				<u>\$56,838</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.