

TABLE 1. Acreage Summary, Valencia and Souther Bernalillo Counties,  
Actual 2023

BUDGET AREA.....	VALENCIA & SOUTHERN BERNALILLO COUNTIES
FARM SIZE.....	100 ACRES
IRRIGATION TYPE.....	FLOOD
NUMBER OF CROPS...	4

ACREAGE SUMMARY:	LAND USE (ACRES)	WATER USE	
		AC.IN. PER AC.	TOTAL AC.IN.
ALFALFA ESTABLISHMENT	12.00 *	12	144
ALFALFA	71.00	44	3,124
SMALL GRAIN HAY	10.00	24	240
SORGHUM HAY	10.00 *	24	240
CORN SILAGE	10.00	42	420
ROADS, HOMESTEAD	9.00		
TOTAL	100.00		4,168
ACRE FEET PER ACRE OF WATER RIGHTS			3.47

\* DOUBLE-CROPPED

TABLE 2. Basic cost information for Valencia and Southern Bernalillo Counties,  
Actual 2023

Item		
Labor Wage Rate:	\$/hour	\$16.60
Purchased Inputs:		
Fertilizer:		
Nitrogen (N)	\$/pound	\$0.77
Phosphate (P205)	\$/pound	\$0.85
Anhydrous Ammonia (NH3)	\$/ton	\$745.00
Seed:		
Alfalfa	\$/pound	\$4.50
Oats	\$/pound	\$0.34
Corn	\$/bag	\$245.00
Sorghum	\$/pound	\$2.05
Baling Wire	\$/pound	\$1.32
Canal water	\$/acre	\$48.00
Energy:		
Butane	\$/gallon	\$2.45
Diesel fuel	\$/gallon	\$4.33
Gasoline	\$/gallon	\$2.60
Electricity	Cents/Kwhr	12.67
Natural Gas	\$/MCF	\$2.71
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	9.75%
Land Interest Rate	percent	9.15%
Equipment Interest Rate	percent	8.75%
Real Interest Rate	percent	3.00%
Land Taxes	\$483.00 /acre (full value)	\$4.98
Personal Property Tax Rate	- NR - R	\$/ \$1,000 (Assessed Value) \$30.92 \$27.03
Supervision Factors		
Irrigation	\$/labor hour	\$1.00
Equipment & General	\$/labor hour	\$0.50
Management Rate	percent	7.00%

TABLE 3. Overhead cost information for Valencia and Southern Bernalillo Counties for 100 acres,  
Actual 2023

Item		
Electricity (Domestic & Shop)	\$140.80	per month \$1,690
Telephone	\$102.40	per month \$1,229
Accounting & Legal		\$614
Misc. Supplies & Hand Tools		\$621
Pickup and Auto		
miles	13,184	@ \$0.665 per mile \$8,767
Insurance		
- general liability (non-employee)		\$1,299
- fire/theft		\$870
Property Taxes		
- non-planted land		\$0
- other than land & machinery		\$6,010
Building repairs and maintenance		\$653
Dues, fees, publications		\$346
Farmstead Equipment		\$211
Total		\$22,310
Total per planted acre		\$245.17

TABLE 5. Alfalfa establishment, flood-irrigated, budgeted per acre costs and returns for a 100 acre farm with above average management, Valencia and Southern Bernalillo Counties, Actual 2023  
Planting dates: August 15 - September 15

ITEM	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
<b>PURCHASED INPUTS</b>								
SEED	\$4.50	20 LBS		\$90.00				\$90.00
PHOSPHATE (P2O5)	\$0.85	90 LBS		\$76.50				\$76.50
NITROGEN (N)	\$0.77	35 LBS		\$26.95				\$26.95
CANAL WATER		12 AC. IN.						
SUBTOTAL				\$193.45				\$193.45
<b>PREHARVEST OPERATIONS</b>								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	96 HP	0.17 HR		\$2.82	\$2.69	\$0.63	\$6.73	\$12.87
FLOW	96 HP	0.67 HR		\$11.12	\$10.61	\$3.39	\$24.36	\$49.48
DISC	96 HP	0.17 HR		\$2.82	\$2.69	\$0.63	\$6.73	\$12.87
LASER PLANE (CUSTOM)			\$70.71					\$70.71
BORDER DISC	50 HP	0.05 HR		\$0.83	\$0.49	\$0.10	\$5.48	\$6.90
DRILL	50 HP	0.25 HR		\$4.15	\$2.43	\$0.47	\$14.77	\$21.82
IRRIGATE (2X)		1.00 HR		\$16.60				\$16.60
SUBTOTAL		2.31 HR	\$70.71	\$38.35	\$18.91	\$5.21	\$58.08	\$191.25
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.33 HR		\$5.44				\$5.44
EMPLOYEE BENEFITS				\$6.90				\$6.90
INSURANCE			\$0.77					\$0.77
SUPERVISION AND MANAGEMENT				\$28.58				\$28.58
SUBTOTAL		0.33 HR	\$0.77	\$40.92				\$41.69
<b>TOTAL OPERATING EXPENSES</b>		2.64 HR	\$264.93	\$79.27	\$18.91	\$5.21	\$58.08	\$426.39

TABLE 6. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for a 100 acre farm with above average management, Valencia and Southern Bernalillo Counties, Actual 2023  
Harvesting dates: June 1 - October 15

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
ALFALFA HAY	\$311.00	5.00 TONS (STACKED)	\$1,555.00
GRAZING	\$10.00	1.00 ACRE	\$10.00
TOTAL			\$1,565.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
PHOSPHATE (P2O5)	\$0.85	90 LBS	\$76.50		\$76.50
INSECTICIDE (CUSTOM)	\$21.71	1 X/ACRE	\$21.71		\$21.71
WIRE	\$0.36	43 LBS	\$15.39		\$15.39
ESTABLISHMENT: Principal		6 YEARS		\$71.07	\$71.07
: Interest				\$22.56	\$22.56
CANAL WATER		44 AC. IN.	\$48.00		\$48.00
SUBTOTAL			\$161.60	\$93.63	\$255.23

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
IRRIGATE (8X)		4.00 HR		\$66.40				\$66.40
<b>HARVEST OPERATIONS</b>								
SWATHER (4X)	14 FT.	0.64 HR		\$10.62	\$10.38	\$0.35	\$19.32	\$40.67
BALER, PTO (4X)	50 HP	0.84 HR		\$13.94	\$8.17	\$0.98	\$15.28	\$38.37
BALE WAGON (CUSTOM) (2X)			\$23.40					\$23.40
SUBTOTAL		1.48 HR	\$23.40	\$24.57	\$18.54	\$1.33	\$34.60	\$102.44

OVERHEAD EXPENSES								
DOWNTIME		0.37 HR		\$6.14				\$6.14
EMPLOYEE BENEFITS				\$16.37				\$16.37
INSURANCE			\$1.82					\$1.82
LAND TAXES						\$4.98		\$4.98
SUPERVISION AND MANAGEMENT				\$114.29				\$114.29
OTHER EXPENSES			\$245.17					\$245.17
SUBTOTAL		0.37 HR	\$246.99	\$136.81		\$4.98		\$388.77

TOTAL OPERATING EXPENSES		5.85 HR	\$431.99	\$227.77	\$18.54	\$1.33	\$133.21	\$812.85
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NET OPERATING PROFIT								\$752.15
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INTEREST ON OPERATING CAPITAL		(	\$84.41	@	9.75%	)		\$8.23
INTEREST ON EQUIPMENT INVESTMENT								\$27.45

RETURN TO LAND AND RISK								\$716.48
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BUDGET SUMMARY	
GROSS RETURN	\$1,565.00
VARIABLE OPERATING EXPENSES	\$451.86
RETURN OVER VARIABLE EXPENSES	\$1,113.14 (GROSS MARGIN)
FIXED EXPENSES	\$133.21
NET FARM INCOME	\$979.93 (RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$227.77
NET OPERATING PROFIT	\$752.15 (RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$35.68
RETURN TO LAND AND RISK	\$716.48

TABLE 7. Small grain hay, flood-irrigated, budgeted per acre costs and returns for a 100 acre farm with above average management, Valencia and Southern Bernalillo Counties, Actual 2023  
 Planting dates: March 1 - May 1  
 Harvesting dates: June 15 - July 15

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
SMALL GRAIN HAY	\$245.00	2.50 TONS (STACKED)						\$612.50
TOTAL								\$612.50

  

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
SEED	\$0.34	80 LBS	\$27.20					\$27.20
WIRE	\$0.36	26 LBS	\$9.31					\$9.31
CANAL WATER		24 AC. IN.	\$48.00					\$48.00
SUBTOTAL			\$84.51					\$84.51

  

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	96 HP	0.67 HR		\$11.12	\$10.61	\$3.39	\$24.36	\$49.48
DISC (2X)	96 HP	0.34 HR		\$5.64	\$5.38	\$1.25	\$13.47	\$25.75
PLANE	96 HP	0.24 HR		\$3.98	\$3.80	\$0.24	\$21.30	\$29.32
BORDER DISC	50 HP	0.05 HR		\$0.83	\$0.49	\$0.10	\$5.48	\$6.90
DRILL	50 HP	0.25 HR		\$4.15	\$2.43	\$0.47	\$14.77	\$21.82
IRRIGATE (4X)		2.00 HR		\$33.20				\$33.20
SUBTOTAL		3.55 HR		\$58.93	\$22.71	\$5.45	\$79.38	\$166.46

  

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SWATHER	14 FT.	0.16 HR		\$2.66	\$2.59	\$0.09	\$4.83	\$10.17
BALER, PTO	50 HP	0.21 HR		\$3.49	\$2.04	\$0.25	\$3.82	\$9.59
BALEWAGON			\$27.30					\$27.30
SUBTOTAL		0.37 HR		\$6.14	\$4.64	\$0.33	\$8.65	\$47.06

  

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME	0.48 HR		\$7.97				\$7.97
EMPLOYEE BENEFITS			\$11.71				\$11.71
INSURANCE		\$1.30					\$1.30
LAND TAXES						\$2.49	\$2.49
SUPERVISION AND MANAGEMENT			\$45.84				\$45.84
OTHER EXPENSES		\$122.58					\$122.58
SUBTOTAL	0.48 HR	\$123.88	\$65.52			\$2.49	\$191.89

  

TOTAL OPERATING EXPENSES	4.40 HR	\$208.39	\$130.59	\$27.34	\$5.78	\$90.52	\$489.92
NET OPERATING PROFIT							\$122.58
INTEREST ON OPERATING CAPITAL	( \$49.71 @	9.75%	)				\$4.85
INTEREST ON EQUIPMENT INVESTMENT							\$26.33
RETURN TO LAND AND RISK							\$91.41

BUDGET SUMMARY	
GROSS RETURN	\$612.50
VARIABLE OPERATING EXPENSES	\$241.52
RETURN OVER VARIABLE EXPENSES	\$370.98 (GROSS MARGIN)
FIXED EXPENSES	\$90.52
NET FARM INCOME	\$280.47 (RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$130.59
NET OPERATING PROFIT	\$149.88 (RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$31.17
RETURN TO LAND AND RISK	\$118.71

TABLE 8. Sorghum hay, flood-irrigated, budgeted per acre costs and returns for a 100 acre farm with above average management, Valencia and Southern Bernalillo Counties, Actual 2023  
 Planting dates: July 1 - July 31  
 Harvesting dates: August 10 - September 30

ITEM	PRICE	YIELD						TOTAL
<b>GROSS RETURNS</b>								
SORGHUM HAY	\$245.00	2.00	TONS (STACKED)					\$490.00
GRAZING	\$5.00	1.00	ACRE					\$5.00
<b>TOTAL</b>								<b>\$495.00</b>
<b>PURCHASED INPUTS</b>								
	PRICE	QUANTITY	PURCHASED INPUTS		FIXED COST		TOTAL	
SEED	\$2.05	35 LBS	\$71.75				\$71.75	
WIRE	\$0.36	17 LBS	\$6.09				\$6.09	
CANAL WATER		24 AC. IN.	\$48.00				\$48.00	
<b>SUBTOTAL</b>			<b>\$125.84</b>				<b>\$125.84</b>	
<b>PREHARVEST OPERATIONS</b>								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	96 HP	0.17 HR		\$2.82	\$2.69	\$0.63	\$6.73	\$12.87
DRILL	50 HP	0.25 HR		\$4.15	\$2.43	\$0.47	\$14.77	\$21.82
IRRIGATE (4X)		2.00 HR		\$33.20				\$33.20
<b>SUBTOTAL</b>		2.42 HR		\$40.17	\$5.12	\$1.10	\$21.50	\$67.89
<b>HARVEST OPERATIONS</b>								
SWATHER (2X)	14 FT.	0.32 HR		\$5.31	\$5.19	\$0.18	\$9.66	\$20.34
BALER, PTO (2X)	50 HP	0.42 HR		\$6.97	\$4.08	\$0.49	\$7.64	\$19.19
BALEWAGON			\$23.40					\$23.40
<b>SUBTOTAL</b>		0.74 HR		\$12.28	\$9.27	\$0.67	\$17.30	\$62.92
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.29 HR		\$4.81				\$4.81
EMPLOYEE BENEFITS				\$9.44				\$9.44
INSURANCE			\$1.05					\$1.05
LAND TAXES						\$2.49		\$2.49
SUPERVISION AND MANAGEMENT				\$37.23				\$37.23
OTHER EXPENSES			\$122.58					\$122.58
<b>SUBTOTAL</b>		0.29 HR	\$123.63	\$51.49		\$2.49		\$177.61
<b>TOTAL OPERATING EXPENSES</b>		3.45 HR	\$249.47	\$103.94	\$14.39	\$1.76	\$41.29	\$434.26
<b>NET OPERATING PROFIT</b>								\$60.74
INTEREST ON OPERATING CAPITAL		( \$65.30 @	9.75%	)				\$6.37
INTEREST ON EQUIPMENT INVESTMENT								\$26.33
<b>RETURN TO LAND AND RISK</b>								<b>\$28.05</b>
<b>BUDGET SUMMARY</b>								
GROSS RETURN			\$495.00					
VARIABLE OPERATING EXPENSES	\$265.63							
RETURN OVER VARIABLE EXPENSES		\$229.37	(GROSS MARGIN)					
FIXED EXPENSES	\$41.29							
NET FARM INCOME		\$188.08	(RETURN TO CAPITAL, LABOR, LAND & RISK)					
LABOR AND MANAGEMENT COST	\$103.94							
NET OPERATING PROFIT		\$84.14	(RETURN TO CAPITAL, LAND & RISK)					
CAPITAL COSTS	\$32.69							
RETURN TO LAND AND RISK		\$51.45						

TABLE 9. Corn silage, flood-irrigated, budgeted per acre costs and returns for a 100 acre farm with above average management, Valencia and Southern Bernalillo Counties,  
 Actual 2023  
 Planting dates: May 1 - June 15  
 Harvesting dates: August 15 - September 30

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
CORN SILAGE	\$28.00	20.00	TONS (STANDING)					\$560.00
TOTAL								\$560.00
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
SEED	\$3.06	30 000		\$91.88				\$91.88
ANHYDROUS AMMONIA (NH3)	\$0.37	125 LBS		\$46.56				\$46.56
HERBICIDE (GRANULAR)	\$6.85	1 ACRE		\$6.85				\$6.85
INSECTICIDE (GRANULAR)	\$34.24	1 ACRE		\$34.24				\$34.24
CANAL WATER		42 AC. IN.		\$48.00				\$48.00
SUBTOTAL				\$227.53				\$227.53
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	96 HP	0.67 HR		\$11.12	\$10.61	\$3.39	\$24.36	\$49.48
DISC (2X)	96 HP	0.34 HR		\$5.64	\$5.38	\$1.25	\$13.47	\$25.75
LAND PLANE	96 HP	0.24 HR		\$3.98	\$3.80	\$0.24	\$21.30	\$29.32
LISTER/PLANTER	96 HP	0.26 HR		\$4.32	\$4.12	\$0.86	\$108.77	\$118.06
CULTIVATOR (2X)	50 HP	0.42 HR		\$6.97	\$4.08	\$1.21	\$26.48	\$38.74
IRRIGATE (8X)		4.00 HR		\$66.40				\$66.40
SUBTOTAL		5.93 HR		\$98.44	\$27.99	\$6.94	\$194.38	\$327.75
OVERHEAD EXPENSES								
DOWNTIME		0.48 HR		\$8.01				\$8.01
EMPLOYEE BENEFITS				\$17.72				\$17.72
INSURANCE			\$1.97					\$1.97
LAND TAXES						\$4.98		\$4.98
SUPERVISION AND MANAGEMENT				\$44.17				\$44.17
OTHER EXPENSES			\$245.17					\$245.17
SUBTOTAL		0.48 HR	\$247.14	\$69.89		\$4.98		\$322.01
TOTAL OPERATING EXPENSES		6.41 HR	\$474.66	\$168.33	\$27.99	\$6.94	\$199.36	\$877.28
NET OPERATING PROFIT								(\$317.28)
INTEREST ON OPERATING CAPITAL		( \$122.50 @	9.75%	)				\$11.94
INTEREST ON EQUIPMENT INVESTMENT								\$110.10
RETURN TO LAND AND RISK								(\$439.33)
BUDGET SUMMARY								
GROSS RETURN		\$560.00						
VARIABLE OPERATING EXPENSES	\$509.60							
RETURN OVER VARIABLE EXPENSES		\$50.40	(GROSS MARGIN)					
FIXED EXPENSES	\$199.36							
NET FARM INCOME		(\$148.95)	(RETURN TO CAPITAL, LABOR, LAND & RISK)					
LABOR AND MANAGEMENT COST	\$168.33							
NET OPERATING PROFIT		(\$317.28)	(RETURN TO CAPITAL, LAND & RISK)					
CAPITAL COSTS	\$122.04							
RETURN TO LAND AND RISK		(\$439.33)						

TABLE 10. Summary of per acre costs and returns for a 100 acre farm with above average average management,  
Actual 2023

	ALFALFA ESTABLISHMENT	ALFALFA HAY	SMALL GRAIN HAY	SORGHUM HAY	CORN FOR SILAGE
		TONS	TONS	TONS	TONS
PRIMARY YIELD		5.00	2.50	2.00	20.00
PRIMARY PRICE		\$311.00	\$245.00	\$245.00	\$28.00
GOVERNMENT PAYMENTS		\$0.00	\$0.00	\$0.00	\$0.00
SECOND INCOME		\$10.00	\$0.00	\$5.00	\$0.00
GROSS RETURN		\$1,565.00	\$612.50	\$495.00	\$560.00
CASH OPERATING EXPENSES					
SEED	\$90.00		\$27.20	\$71.75	\$91.88
FERTILIZER	\$103.45	\$76.50			\$46.56
CHEMICALS		\$21.71			\$41.09
CROP INSURANCE					
OTHER PURCHASED INPUTS		\$15.39	\$9.31	\$6.09	
CANAL WATER		\$48.00	\$48.00	\$48.00	\$48.00
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$18.91	\$18.54	\$27.34	\$14.39	\$27.99
FUEL-IRRIGATION					
REPAIRS	\$5.21	\$1.33	\$5.78	\$1.76	\$6.94
CUSTOM CHARGES	\$70.71	\$23.40			
LAND TAXES		\$4.98	\$2.49	\$2.49	\$4.98
OTHER EXPENSES	\$0.77	\$246.99	\$123.88	\$123.63	\$247.14
TOTAL CASH EXPENSES	\$289.04	\$456.84	\$244.00	\$268.11	\$514.57
RETURN OVER CASH EXPENSES	(\$289.04)	\$1,108.16	\$368.50	\$226.89	\$45.43
FIXED EXPENSES	\$58.08	\$128.23	\$88.03	\$38.80	\$194.38
TOTAL EXPENSES	\$347.12	\$585.07	\$332.03	\$306.92	\$708.95
NET FARM INCOME	(\$347.12)	\$979.93	\$280.47	\$188.08	(\$148.95)
LABOR AND MANAGEMENT COSTS	\$79.27	\$227.77	\$130.59	\$103.94	\$168.33
NET OPERATING PROFIT	(\$426.39)	\$752.15	\$149.88	\$84.14	(\$317.28)
CAPITAL COSTS					
INTEREST ON OPERATING CAPITAL		\$8.23	\$4.85	\$6.37	\$11.94
INTEREST ON EQUIPMENT INVESTMENT		\$27.45	\$26.33	\$26.33	\$110.10
TOTAL CAPITAL COSTS	\$0.00	\$35.68	\$31.17	\$32.69	\$122.04
RETURN TO LAND AND RISK	(\$426.39)	\$716.48	\$118.71	\$51.45	(\$439.33)

TABLE 11. Whole farm summary, Valencia and Southern Bernalillo Counties,  
Actual 2023

GROSS RETURNS		
ALFALFA HAY	71.00 ACRES	
CROP		\$110,405
GRAZING		\$710
SMALL GRAIN HAY	10.00 ACRES	
CROP		\$6,125
SORGHUM HAY	10.00 ACRES	
CROP		\$4,900
GRAZING		\$50
CORN FOR SILAGE	10.00 ACRES	
CROP		\$5,600
GROSS RETURN		<u>\$127,790</u>
CASH OPERATING EXPENSES		
SEED		\$2,988
FERTILIZER		\$7,139
CHEMICALS		\$1,952
CROP INSURANCE		\$0
OTHER PURCHASED INPUTS		\$1,247
CANAL WATER		\$4,848
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$2,241
FUEL-IRRIGATION		\$0
REPAIRS		\$302
CUSTOM CHARGES		\$2,510
LAND TAXES		\$453
OTHER EXPENSES		\$22,492
TOTAL CASH EXPENSES		<u>\$46,171</u>
RETURN OVER CASH EXPENSES		\$81,619
FIXED EXPENSES		\$7,968
TOTAL EXPENSES		<u>\$54,139</u>
NET FARM INCOME		\$73,651
LABOR AND MANAGEMENT COSTS		\$21,152
NET OPERATING PROFIT		\$52,499
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$816
INTEREST ON EQUIPMENT INVESTMENT		\$3,576
TOTAL CAPITAL COSTS		<u>\$4,392</u>
RETURN TO LAND AND RISK		<u>\$48,107</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$5,000 /ACRE	\$33,107	9.60%
\$6,500 /ACRE	\$28,607	7.53%
\$8,000 /ACRE	\$24,107	6.20%
\$9,500 /ACRE	\$19,607	5.27%
\$11,000 /ACRE	\$15,107	4.58%
\$12,500 /ACRE	\$10,607	4.05%

\* 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)