

TABLE 1. Acreage Summary, Valencia and Souther Bernalillo Counties, Actual 2025

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 2025

Item		
Labor Wage Rate:	\$/hour	\$19.90
Purchased Inputs:		
Fertilizer:		
Nitrogen (N)	\$/pound	\$0.92
Phosphate (P205)	\$/pound	\$0.93
Seed:		
Alfalfa	\$/pound	\$4.60
Oats	\$/pound	\$0.76
Corn	\$/bag - 50lbs	\$335.00
Sorghum	\$/pound	\$2.05
Baling Wire	\$/pound	\$1.32
Canal water	\$/acre	\$55.00
Energy:		
Butane	\$/gallon	\$2.45
Diesel fuel	\$/gallon	\$3.33
Gasoline	\$/gallon	\$2.68
Electricity	Cents/Kwhr	5.90
Natural Gas	\$/MCF	\$6.27
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	8.75%
Land Interest Rate	percent	7.95%
Equipment Interest Rate	percent	6.45%
Real Interest Rate	percent	1.72%
Land Taxes	\$483.00 /acre (full value)	\$4.98
Personal Property Tax Rate	- NR - R	\$/ \$1,000 (Assessed Value) \$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 2025

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	@ \$0.700 per mile \$9,229
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		\$22,772
Total per planted acre		\$250.24

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 2025
Planting dates: August 15 - September 15

ITEM	PRICE	QUANTITY	PURCHASED INPUTS		TOTAL			
PURCHASED INPUTS								
SEED	\$4.60	20 LBS	\$92.00		\$92.00			
PHOSPHATE (P2O5)	\$0.93	90 LBS	\$83.70		\$83.70			
NITROGEN (N)	\$0.92	35 LBS	\$32.34		\$32.34			
CANAL WATER		12 AC. IN.			\$55.00			
SUBTOTAL			\$208.04		\$263.04			
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	96 HP	0.17 HR		\$3.38	\$2.78	\$0.63	\$6.73	\$13.52
PLOW	96 HP	0.67 HR		\$13.33	\$10.95	\$3.39	\$24.36	\$52.03
DISC	96 HP	0.17 HR		\$3.38	\$2.78	\$0.63	\$6.73	\$13.52
LASER PLANE (CUSTOM)			\$70.71					\$70.71
FERTILIZE/SPRAYER	50 HP	0.40 HR		\$7.96	\$4.01	\$1.15	\$24.56	\$37.68
BORDER DISC	50 HP	0.05 HR		\$1.00	\$0.50	\$0.10	\$5.40	\$7.00
DRILL	50 HP	0.25 HR		\$4.98	\$2.51	\$0.47	\$14.35	\$22.31
IRRIGATE (2X)		1.00 HR		\$19.90				\$19.90
SUBTOTAL		2.71 HR	\$70.71	\$53.93	\$23.53	\$6.36	\$82.14	\$236.66
OVERHEAD EXPENSES								
DOWNTIME		0.43 HR		\$8.51				\$8.51
EMPLOYEE BENEFITS				\$9.71				\$9.71
INSURANCE			\$1.08					\$1.08
SUPERVISION AND MANAGEMENT				\$36.83				\$36.83
SUBTOTAL		0.43 HR	\$1.08	\$55.05				\$56.13
TOTAL OPERATING EXPENSES		3.14 HR	\$279.83	\$108.98	\$23.53	\$6.36	\$82.14	\$555.83

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 2005
Harvesting dates: May 1 - October 15

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
ALFALFA HAY	\$245.00	5.00 TONS (STACKED)						\$1,225.00
GRAZING	\$23.90	1.00 ACRE						\$23.90
TOTAL							\$1,248.90	
PURCHASED INPUTS								
	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
PHOSPHATE (P2O5)	\$0.93	0.78	90 LBS	\$83.70				\$83.70
INSECTICIDE (CUSTOM)	\$21.71		1 X/ACRI	\$21.71				\$21.71
HERBICIDE (CUSTOM)	\$21.71		1 X/ACRI	\$21.71				\$21.71
WIRE	\$0.36		43 LBS	\$15.39				\$15.39
ESTABLISHMENT: Principal			6 YEARS				\$92.64	\$92.64
Interest							\$25.86	\$25.86
CANAL WATER			44 AC. IN.	\$55.00				\$55.00
SUBTOTAL				\$197.51			\$118.50	\$316.01
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
IRRIGATE (8X)		4.00 HR		\$79.60				\$79.60
HARVEST OPERATIONS								
SWATHER (4X)	14 FT.	0.64 HR		\$12.74	\$7.97	\$0.35	\$19.32	\$40.38
RAKING/BAILING, PTO (4X)	50 HP	1.00 HR		\$19.90	\$10.03	\$1.17	\$16.53	\$47.63
BALE WAGON (CUSTOM) (4X)			\$46.80					\$46.80
SUBTOTAL		1.64 HR	\$46.80	\$32.64	\$18.00	\$1.52	\$35.85	\$134.81
OVERHEAD EXPENSES								
DOWNTIME		0.41 HR		\$8.16				\$8.16
EMPLOYEE BENEFITS				\$20.20				\$20.20
INSURANCE			\$2.24					\$2.24
LAND TAXES							\$4.98	\$4.98
SUPERVISION AND MANAGEMENT				\$92.24				\$92.24
OTHER EXPENSES			\$250.24					\$250.24
SUBTOTAL		0.41 HR	\$252.48	\$120.60			\$4.98	\$378.06
TOTAL OPERATING EXPENSES		6.05 HR	\$496.79	\$232.84	\$18.00	\$1.52	\$159.33	\$908.49
NET OPERATING PROFIT								\$340.41
INTEREST ON OPERATING CAPITAL								\$9.12
INTEREST ON EQUIPMENT INVESTMENT								\$19.42
RETURN TO LAND AND RISK								\$311.87
BUDGET SUMMARY								
GROSS RETURN			\$1,248.90					
VARIABLE OPERATING EXPENSES	\$516.31							
RETURN OVER VARIABLE EXPENSES	\$159.33	\$732.59	(GROSS MARGIN)					
FIXED EXPENSES								
NET FARM INCOME		\$573.26	(RETURN TO CAPITAL, LABOR, LAND & RISK)					
LABOR AND MANAGEMENT COST	\$232.84							
NET OPERATING PROFIT		\$340.41	(RETURN TO CAPITAL, LAND & RISK)					
CAPITAL COSTS	\$28.54							
RETURN TO LAND AND RISK		\$311.87						

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 2025
 Planting dates: March 1 - May 1
 Harvesting dates: June 15 - July 15

ITEM	PRICE	YIELD					TOTAL	
GROSS RETURNS							\$920.00	
SMALL GRAIN HAY	\$184.00	5.00 TONS (STACKED)					June \$920.00	
TOTAL							July \$920.00	
PURCHASED INPUTS								
	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
SEED	\$0.76	95 LBS	\$72.20					\$72.20
NITROGEN (UREA- 46-0-0)	\$0.92	55 LBS	\$50.81					\$50.81
WIRE	\$0.36	26 LBS	\$9.31					\$9.31
CANAL WATER		24 AC. IN.	\$55.00					\$55.00
SUBTOTAL			\$187.32					\$187.32
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	96 HP	0.67 HR	\$13.33	\$10.95	\$3.39	\$24.36		\$52.03
DISC (2X)	96 HP	0.34 HR	\$6.77	\$5.56	\$1.25	\$13.47		\$27.04
PLANE	96 HP	0.24 HR	\$4.79	\$3.92	\$0.24	\$21.30		\$30.23
BORDER DISC	50 HP	0.05 HR	\$1.00	\$0.50	\$0.10	\$5.40		\$7.00
DRILL	50 HP	0.25 HR	\$4.98	\$2.51	\$0.47	\$14.35		\$22.31
FERTILIZE/SPRAYER	50 HP	0.20 HR	\$3.98	\$2.01	\$0.57	\$12.28		\$18.84
IRRIGATE (4X)		2.00 HR	\$39.80					\$39.80
SUBTOTAL		3.75 HR	\$74.63	\$25.44	\$6.02	\$91.16		\$197.24
HARVEST OPERATIONS								
SWATHER	14 FT.	0.16 HR		\$3.18	\$1.99	\$0.09	\$4.83	\$10.09
BALEWAGON	50 HP	0.21 HR	\$27.30	\$4.18	\$2.11	\$0.25	\$3.47	\$10.00
SUBTOTAL		0.37 HR		\$7.36	\$4.10	\$0.33	\$8.30	\$47.40
OVERHEAD EXPENSES								
DOWNTIME		0.48 HR		\$9.55				\$9.55
EMPLOYEE BENEFITS				\$14.76				\$14.76
INSURANCE			\$1.64					\$1.64
LAND TAXES						\$2.49		\$2.49
SUPERVISION AND MANAGEMENT				\$67.36				\$67.36
OTHER EXPENSES			\$125.12					\$125.12
SUBTOTAL		0.48 HR	\$126.76	\$91.67		\$2.49		\$220.92
TOTAL OPERATING EXPENSES		4.60 HR	\$314.08	\$173.66	\$29.54	\$6.35	\$101.95	\$652.88
NET OPERATING PROFIT								\$267.12
INTEREST ON OPERATING CAPITAL		(\$101.90 @ 8.75%)						\$6.92
INTEREST ON EQUIPMENT INVESTMENT								\$21.18
RETURN TO LAND AND RISK								\$237.03
BUDGET SUMMARY								
GROSS RETURN								\$920.00
VARIABLE OPERATING EXPENSES	\$349.97							
RETURN OVER VARIABLE EXPENSES		\$570.03	(GROSS MARGIN)					
FIXED EXPENSES	\$101.95							
NET FARM INCOME		\$468.08	(RETURN TO CAPITAL, LABOR, LAND & RISK)					
LABOR AND MANAGEMENT COST	\$173.66							
NET OPERATING PROFIT		\$294.42	(RETURN TO CAPITAL, LAND & RISK)					
CAPITAL COSTS	\$30.09							
RETURN TO LAND AND RISK		\$264.33						

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 2025
 Planting dates: July 1 - July 31
 Harvesting dates: August 10 - September 30

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
SORGHUM HAY	\$184.00	5.00	TONS (STACKED)					\$920.00
GRAZING	\$23.90	1.00	ACRE					\$23.90
TOTAL								\$943.90
PURCHASED INPUTS								
	PRICE	QUANTITY	PURCHASED INPUTS					FIXED COST
SEED	\$2.05	35 LBS	\$71.75					\$71.75
NITROGEN (UREA- 46-0-0)	\$0.92	100.00 LBS	\$92.39					\$92.39
HERBICIDES	\$15.00	1.00 ACRE	\$15.00					\$15.00
WIRE	\$0.36	17 LBS	\$6.09					\$6.09
CANAL WATER		24 AC. IN.	\$55.00					\$55.00
SUBTOTAL			\$240.23					\$240.23
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	96 HP	0.17 HR		\$3.38	\$2.78	\$0.63	\$6.73	\$13.52
DRILL	50 HP	0.25 HR		\$4.98	\$2.51	\$0.47	\$14.35	\$22.31
FERTILIZE/SPRAYER	50 HP	0.20 HR		\$3.98	\$2.01	\$0.57	\$12.28	\$18.84
HERBICIDE APP.	50 HP	0.21 HR		\$4.18	\$2.11	\$0.55	\$11.81	\$18.65
IRRIGATE (4X)		2.00 HR		\$39.80				\$39.80
SUBTOTAL		2.83 HR		\$56.32	\$9.40	\$2.22	\$45.18	\$113.12
HARVEST OPERATIONS								
SWATHER (2X)	14 FT.	0.32 HR		\$6.37	\$3.98	\$0.18	\$9.66	\$20.19
BALER, PTO (2X)	50 HP	0.42 HR		\$8.36	\$4.21	\$0.49	\$6.94	\$20.01
BALEWAGON(2X)			\$46.80					\$46.80
SUBTOTAL		0.74 HR		\$14.73	\$8.20	\$0.67	\$16.60	\$86.99
OVERHEAD EXPENSES								
DOWNTIME		0.29 HR		\$5.77				\$5.77
EMPLOYEE BENEFITS				\$12.79				\$12.79
INSURANCE			\$1.42				\$1.42	
LAND TAXES						\$2.49	\$2.49	
SUPERVISION AND MANAGEMENT			\$125.12	\$68.65				\$68.65
OTHER EXPENSES							\$125.12	
SUBTOTAL		0.29 HR		\$126.54	\$87.21		\$2.49	\$216.24
TOTAL OPERATING EXPENSES		3.86 HR		\$366.77	\$158.25	\$17.60	\$2.89	\$664.27
NET OPERATING PROFIT								\$287.32
INTEREST ON OPERATING CAPITAL		(\$123.76 @	8.75%)				\$10.83
INTEREST ON EQUIPMENT INVESTMENT								\$21.18
RETURN TO LAND AND RISK								\$255.32
BUDGET SUMMARY								
GROSS RETURN		\$943.90						
VARIABLE OPERATING EXPENSES	\$387.25							
RETURN OVER VARIABLE EXPENSES		\$556.65	(GROSS MARGIN)					
FIXED EXPENSES	\$64.27							
NET FARM INCOME		\$492.38	(RETURN TO CAPITAL, LABOR, LAND & RISK)					
LABOR AND MANAGEMENT COST	\$158.25							
NET OPERATING PROFIT		\$334.12	(RETURN TO CAPITAL, LAND & RISK)					
CAPITAL COSTS	\$32.01							
RETURN TO LAND AND RISK		\$302.12						

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 2025
 Planting dates: May 1 - June 15
 Harvesting dates: August 15 - September 30

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
CORN SILAGE	\$28.00	23.00	TONS (STANDING)					\$644.00
TOTAL								\$644.00
PURCHASED INPUTS								
	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST				TOTAL
SEED	\$4.19	30 LBS	\$125.63					\$125.63
NITROGEN (UREA- 46-0-0)	\$0.92	186 LBS	\$171.85					\$171.85
HERBICIDE	\$20.00	1 ACRE	\$20.00					\$20.00
CANAL WATER		42 AC. IN.	\$55.00					\$55.00
SUBTOTAL			\$372.47					\$372.47
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	96 HP	0.67 HR		\$13.33	\$10.95	\$3.39	\$24.36	\$52.03
DISC (2X)	96 HP	0.34 HR		\$6.77	\$5.56	\$1.25	\$13.47	\$27.04
LAND PLANE	96 HP	0.24 HR		\$4.78	\$3.92	\$0.24	\$21.30	\$30.23
LISTER/PLANTER	96 HP	0.26 HR		\$5.17	\$4.25	\$0.86	\$108.77	\$119.05
CULTIVATOR (2X)	50 HP	0.42 HR		\$8.36	\$4.21	\$1.21	\$25.79	\$39.56
HERBICIDE APP.	50 HP	0.21 HR		\$4.18	\$2.11	\$0.55	\$11.81	\$18.65
IRRIGATE (8X)		4.00 HR		\$79.60				\$79.60
SUBTOTAL		6.14 HR		\$122.19	\$30.99	\$7.49	\$205.50	\$366.17
OVERHEAD EXPENSES								
DOWNTIME		0.48 HR		\$9.60				\$9.60
EMPLOYEE BENEFITS				\$21.99				\$21.99
INSURANCE			\$2.44				\$2.44	
LAND TAXES						\$4.98	\$4.98	
SUPERVISION AND MANAGEMENT				\$50.05				\$50.05
OTHER EXPENSES			\$250.24				\$250.24	
SUBTOTAL		0.48 HR		\$252.68	\$81.64		\$4.98	\$339.30
TOTAL OPERATING EXPENSES		6.62 HR		\$625.15	\$203.83	\$30.99	\$74.49	\$210.47
NET OPERATING PROFIT								(\$433.94)
INTEREST ON OPERATING CAPITAL		(\$195.86	@	8.75%)			\$17.14
INTEREST ON EQUIPMENT INVESTMENT								\$81.99
RETURN TO LAND AND RISK								(\$533.07)
BUDGET SUMMARY								
GROSS RETURN		\$644.00						
VARIABLE OPERATING EXPENSES	\$663.64							
RETURN OVER VARIABLE EXPENSES		(\$19.64)	(GROSS MARGIN)					
FIXED EXPENSES	\$210.47							
NET FARM INCOME		(\$230.11)	(RETURN TO CAPITAL, LABOR, LAND & RISK)					
LABOR AND MANAGEMENT COST	\$203.83							
NET OPERATING PROFIT		(\$433.94)	(RETURN TO CAPITAL, LAND & RISK)					
CAPITAL COSTS	\$99.13							
RETURN TO LAND AND RISK		(\$533.07)						

TABLE 10. Summary of per acre costs and returns for a 100 acre farm with above average average management,
Actual 2025

	ALFALFA ESTABLISHMENT	ALFALFA HAY	SMALL GRAIN HAY	SORGHUM HAY	CORN FOR SILAGE
		TONS	TONS	TONS	TONS
PRIMARY YIELD		5.00	5.00	5.00	23.00
PRIMARY PRICE		\$245.00	\$184.00	\$184.00	\$28.00
GOVERNMENT PAYMENTS		\$0.00	\$0.00	\$0.00	\$0.00
SECOND INCOME		\$23.90	\$0.00	\$23.90	\$0.00
GROSS RETURN		\$1,248.90	\$920.00	\$943.90	\$644.00
CASH OPERATING EXPENSES					
SEED	\$92.00		\$72.20	\$71.75	\$125.63
FERTILIZER	\$116.04	\$83.70	\$50.81	\$92.39	\$171.85
CHEMICALS		\$43.42		\$20.00	\$20.00
CROP INSURANCE					
OTHER PURCHASED INPUTS		\$15.39	\$9.31	\$6.09	
CANAL WATER		\$55.00	\$55.00	\$55.00	\$55.00
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$23.53	\$18.00	\$29.54	\$17.60	\$30.99
FUEL-IRRIGATION					
REPAIRS	\$6.36	\$1.52	\$6.35	\$2.89	\$7.49
CUSTOM CHARGES	\$70.71	\$46.80			
LAND TAXES		\$4.98	\$2.49	\$2.49	\$4.98
OTHER EXPENSES	\$1.08	\$252.48	\$126.76	\$126.54	\$252.68
TOTAL CASH EXPENSES	\$309.71	\$521.29	\$352.46	\$394.74	\$668.62
RETURN OVER CASH EXPENSES	(\$309.71)	\$727.61	\$567.54	\$549.16	(\$24.62)
FIXED EXPENSES	\$82.14	\$154.35	\$99.46	\$61.78	\$205.50
TOTAL EXPENSES	\$391.85	\$675.64	\$451.92	\$456.52	\$874.11
NET FARM INCOME	(\$391.85)	\$573.26	\$468.08	\$487.38	(\$230.11)
LABOR AND MANAGEMENT COSTS	\$108.98	\$232.84	\$173.66	\$158.25	\$203.83
NET OPERATING PROFIT	(\$500.83)	\$340.41	\$294.42	\$329.12	(\$433.94)
CAPITAL COSTS					
INTEREST ON OPERATING CAPITAL		\$9.12	\$8.92	\$10.83	\$17.14
INTEREST ON EQUIPMENT INVESTMENT		\$19.42	\$21.18	\$21.18	\$81.99
TOTAL CAPITAL COSTS	\$0.00	\$28.54	\$30.09	\$32.01	\$99.13
RETURN TO LAND AND RISK	(\$500.83)	\$311.87	\$264.33	\$297.12	(\$533.07)

TABLE 11. Whole farm summary, Valencia and Southern Bernalillo Counties,
Actual 2025

GROSS RETURNS		
ALFALFA HAY	71.00 ACRES	
CROP		\$86,975
GRAZING		\$1,697
SMALL GRAIN HAY	10.00 ACRES	
CROP		\$9,200
SORGHUM HAY	10.00 ACRES	
CROP		\$9,200
GRAZING		\$239
CORN FOR SILAGE	10.00 ACRES	
CROP		\$6,440
GROSS RETURN		<u>\$113,751</u>
CASH OPERATING EXPENSES		
SEED		\$3,800
FERTILIZER		\$10,486
CHEMICALS		\$3,483
CROP INSURANCE		\$0
OTHER PURCHASED INPUTS		\$1,247
CANAL WATER		\$5,555
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$2,342
FUEL-IRRIGATION		\$0
REPAIRS		\$351
CUSTOM CHARGES		\$4,171
LAND TAXES		\$453
OTHER EXPENSES		\$22,999
TOTAL CASH EXPENSES		<u>\$54,886</u>
RETURN OVER CASH EXPENSES		\$58,864
FIXED EXPENSES		\$9,035
TOTAL EXPENSES		<u>\$63,921</u>
NET FARM INCOME		\$49,830
LABOR AND MANAGEMENT COSTS		\$23,197
NET OPERATING PROFIT		\$26,633
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$1,017
INTEREST ON EQUIPMENT INVESTMENT		\$2,622
TOTAL CAPITAL COSTS		<u>\$3,639</u>
RETURN TO LAND AND RISK		<u>\$22,994</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$5,000 /ACRE	\$14,419	4.87%
\$6,500 /ACRE	\$11,846	3.82%
\$8,000 /ACRE	\$9,274	3.14%
\$9,500 /ACRE	\$6,701	2.67%
\$11,000 /ACRE	\$4,129	2.32%
\$12,500 /ACRE	\$1,556	2.05%

* 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)