

ESTIMATED COST OF REPLACING AN ALMOND TREE, SEPT. 1988

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This sheet represents an estimate of the cost to replace an almond tree lost for any reason. The tree is assumed to be lost in the summer before harvest but too late to replant that year (year zero) and replanted the following year (year 1).

Compensation for crop loss is discounted since the grower is being paid now for income that would not have been received until the future. Other losses attributable to inconveniences, personal grief, decreases in property value are considered general damages and are not included in the tree replacement costs.

GENERAL ASSUMPTIONS

The orchard is planted with a 24' X 24' spacing, 75 trees to the acre.

Price received is \$1.00 per meat pound.

The cost of replanting the tree including stump removal, the tree, planting, tanking and fumigation is \$15.

FUTURE PROFIT FROM REPLANTED TREE *

Year	1	2	3	4	5	6	7	Total
YIELD FROM REPLANTED TREE								
Pounds of meat/acre	0	0	150	300	750	1125	1500	
Pounds of meat/tree	0	0	2	4	10	15	20	
Income			1.98	3.97	9.92	14.88	19.83	50.58
Pruning cost		-.07	-.27	-.41	-1.00	-1.00	-1.00	-3.75
Harvest cost			-.30	-.60	-1.49	-2.23	-2.98	-7.59
PROFIT FROM REPLANTED TREE	.00	-.07	1.42	2.96	7.43	11.64	15.86	39.24
TOTAL CROP LOSS (AGES 1 - 7)			39.24					

FUTURE PROFIT FORGONE FROM LOST TREE **

Year	0	1	2	3	4	5	6	7	Total
Age of tree when lost									
1	.00	-.07	1.42	2.96	7.43	11.64	15.86	15.86	55.10
2	-.07	1.42	2.96	7.43	11.64	15.86	15.86	15.86	70.96
3	1.42	2.96	7.43	11.64	15.86	15.86	15.86	15.86	86.89
4	2.96	7.43	11.64	15.86	15.86	15.86	15.86	15.86	101.33
5	7.43	11.64	15.86	15.86	15.86	15.86	15.86	15.86	114.23
6	11.64	15.86	15.86	15.86	15.86	15.86	15.86	15.86	122.66
7	15.86	15.86	15.86	15.86	15.86	15.86	15.86	15.86	126.88

COST TO REPLACE TREE

Age of tree when lost	Cost to Replant tree	Plus profit foregone from lost tree **	Less profit from replanted tree *	Cost to replace tree	Discounted cost (4% interest)
1	15.00	55.10	39.24	30.86	26.84
2	15.00	70.96	39.24	46.72	40.13
3	15.00	86.89	39.24	62.65	54.03
4	15.00	101.33	39.24	77.09	67.00
5	15.00	114.23	39.24	89.99	78.94
6	15.00	122.66	39.24	98.42	86.89
7 & older	15.00	126.88	39.24	102.64	90.94