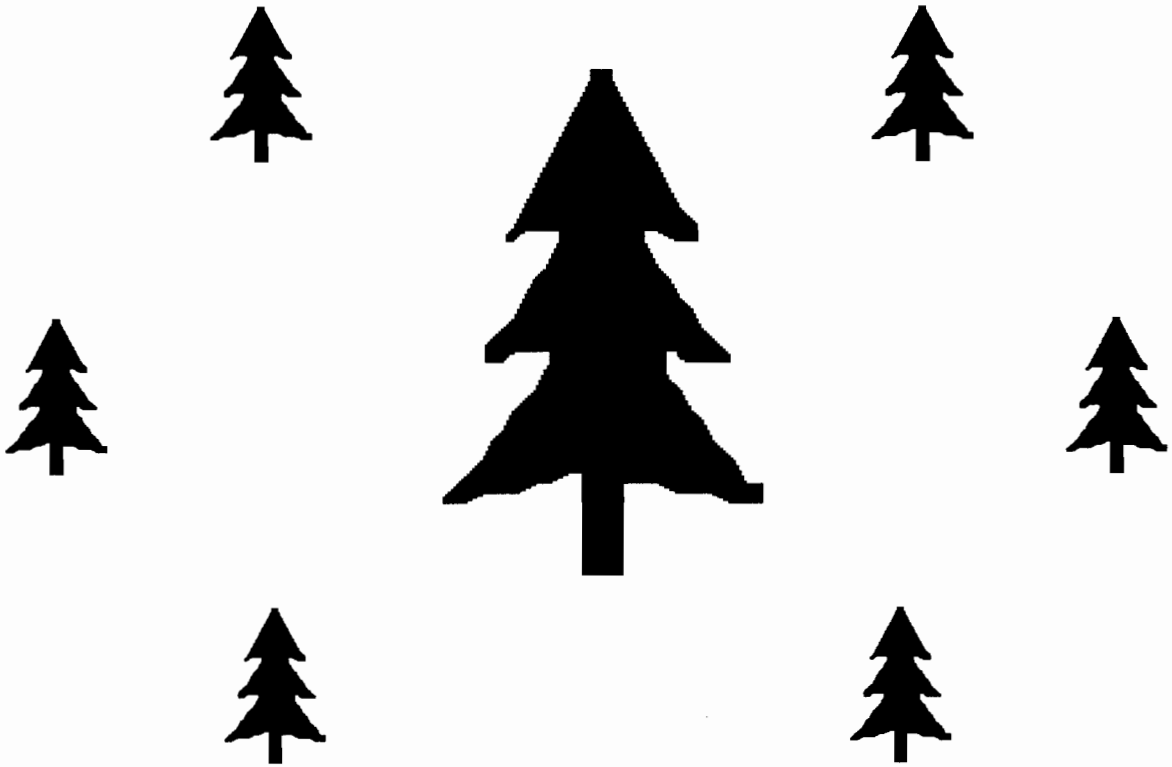


**CHRISTMAS TREES  
DOUGLAS FIR  
1986**



**Mendocino County**

**Prepared by Peter C. Passof, Forest Advisor, Mendocino County**

YEAR	(Development Period)					6	7	8	Notes
	1	2	3	4	5				
	\$/ACRE								
INCOME-									
Christmas Trees						4500	9000	4500	
12%/tree									
1500number sold									
EXPENSES-									
Cultural Costs									
Clear & Rip	300								
Planting	503								
Fertilizer	75								
Shading	0								
Herbicide	30	30	30	30	30	30	30	30	
Brush control	13	13	13	13	13	13	13	13	
30% replant		151							
Shearing			142	142	142	142	142		
Fertilization				69	69	69	69	69	
Irrigation	30	30	30	30	30	30	30	30	
Transportation	20	20	20	20	20	20	20	20	
Insects & Disease	7	7	7	7	7	7	7	7	
Basal pruning				188					
Miscellaneous	21	21	21	21	21	21	21	21	
Interest on Operating Capital	60	16	16	31	20	20	20	11	
.12PERCENT									
SUB TOTAL	1058	288	279	550	352	352	352	201	
Harvest Costs:									
Harvest						143	285	143	
Load						49	98	49	
Security						26	26	26	
SUB TOTAL						217	409	217	
Overhead Costs:									
Land rent	100	100	100	100	100	100	100	100	
Depreciation	62	62	62	62	62	62	62	62	
Interest on Investment	42	42	42	42	42	42	42	42	
Interest on Net Accumulated Costs		153	233	324	461	592	229	0	
SUB TOTAL	204	357	437	528	665	796	433	204	
TOTAL COSTS:	1262	645	716	1079	1017	1365	1193	623	
NET RETURN:	-1262	-645	-716	-1079	-1017	3135	7807	3877	
(To operator's management & risk)									
ACCUMULATED COST:	1262	1907	2623	3702	4718	6084	7277	7899	
Per Tree: ( 1500 sold)	.84	1.27	1.75	2.47	3.15	4.06	4.85	5.27	
NET PRESENT VALUE OF ENTERPRISE:	2556								

THIS COST DATA SHEET HAS BEEN PREPARED FOR: Forest Landowner Conference DATE: 03/15/86 BY: Pete Passof

An enterprise that creates a gross return of \$18M/Acre.  
with total costs of \$7,900 over an 8yr period  
at a 12% IRR has a value today of \$2500/acre.