

ESTIMATED COSTS

of

ESTABLISHING

AVOCADO ORCHARD

in

VENTURA COUNTY

VENTURA COUNTY AGRICULTURAL EXTENSION SERVICE

UNIVERSITY OF CALIFORNIA

684 Buena Vista Street

Ventura, California 93001

AGRICULTURAL EXTENSION SERVICE  
VENTURA COUNTY

ESTIMATED COSTS OF ESTABLISHING AVOCADO ORCHARD  
PER ACRE BY YEARS: 1 to 5 INCLUSIVE

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Based on: Level irrigated land, deep soil, coastal area, Guatemalan varieties.  
Planting 20' x 20' = 109 trees per acre. Sprinkler irrigated. Hourly rates:  
Man \$1.50, pick-up truck \$1.20. Starting capitalization: Land \$4,750 per acre.  
Irrigation facilities \$500.00 per acre. Based on 1962 costs.

| Items:                         | Costs per Acre by Years |                  |                  |                  |                  |                  |
|--------------------------------|-------------------------|------------------|------------------|------------------|------------------|------------------|
|                                | 1st                     | 2nd              | 3rd              | 4th              | 5th              | Total            |
| <u>Labor and Field Power</u>   |                         |                  |                  |                  |                  |                  |
| Land Preparation               | \$ 6.00                 |                  |                  |                  |                  |                  |
| Layout                         | 10.00                   |                  |                  |                  |                  |                  |
| Digging Holes                  | 10.00                   |                  |                  |                  |                  |                  |
| Tree Planting (April)          | 27.00                   | \$ 2.50          |                  |                  |                  |                  |
| Irrigation Labor               | 27.00                   | 27.00            | \$27.00          | \$27.00          | \$27.00          |                  |
| Cultivation & Hoeing           | 15.00                   | 15.00            | 15.00            | 3.00             | 3.00             |                  |
| Weed Control (Spray)           |                         |                  |                  | 2.00             | 2.00             |                  |
| Tree Care & Pruning            | 4.50                    | 4.50             | 7.50             | 9.00             | 9.00             |                  |
| Tree Protection                | 10.50                   |                  |                  |                  |                  |                  |
| Fertilization                  |                         |                  | 1.50             | 1.50             | 3.00             |                  |
| Pest Control                   |                         |                  | 3.00             | 3.00             | 3.00             |                  |
| Miscellaneous                  | 5.00                    | 5.00             | 7.50             | 10.00            | 10.00            |                  |
| <b>Total Labor &amp; Power</b> | <b>\$115.00</b>         | <b>\$54.00</b>   | <b>\$61.50</b>   | <b>\$55.50</b>   | <b>\$57.00</b>   | <b>\$343.00</b>  |
| <u>Materials</u>               |                         |                  |                  |                  |                  |                  |
| Trees at \$2.00                | 218.00                  | 10.00            |                  |                  |                  |                  |
| Water                          | 10.00                   | 10.00            | 15.00            | 22.50            | 30.00            |                  |
| Monuron                        |                         |                  |                  | 6.00             | 6.00             |                  |
| Fertilizer                     |                         |                  | 2.20             | 4.40             | 6.60             |                  |
| Pest Control                   |                         |                  | 1.00             | 1.00             | 3.00             |                  |
| Miscellaneous                  | 2.00                    | 2.00             | 2.00             | 2.00             | 2.00             |                  |
| <b>Total Materials</b>         | <b>\$230.00</b>         | <b>\$22.00</b>   | <b>\$20.20</b>   | <b>\$35.90</b>   | <b>\$47.60</b>   | <b>\$355.70</b>  |
| <b>TOTAL CULTURAL COSTS</b>    | <b>345.00</b>           | <b>76.00</b>     | <b>81.70</b>     | <b>91.40</b>     | <b>104.60</b>    | <b>698.70</b>    |
| <u>Cash Overhead</u>           |                         |                  |                  |                  |                  |                  |
| General Expense                | 20.00                   | 5.00             | 5.00             | 5.00             | 6.00             |                  |
| Taxes                          | 45.00                   | 45.00            | 45.00            | 45.00            | 49.00            |                  |
| Insurance                      | 10.00                   | 5.00             | 6.00             | 6.00             | 6.00             |                  |
| Miscellaneous                  | 5.00                    | 5.00             | 5.00             | 5.00             | 5.00             |                  |
| <b>Total Cash Overhead</b>     | <b>\$80.00</b>          | <b>\$60.00</b>   | <b>\$61.00</b>   | <b>\$61.00</b>   | <b>\$66.00</b>   | <b>\$328.00</b>  |
| <b>TOTAL CASH COSTS</b>        | <b>425.00</b>           | <b>136.00</b>    | <b>142.70</b>    | <b>152.40</b>    | <b>170.60</b>    | <b>1026.70</b>   |
| Depreciation                   | 28.00                   | 28.00            | 28.00            | 28.00            | 28.00            | 140.00           |
| Interest on Investment-        |                         |                  |                  |                  |                  |                  |
| 5%                             | 251.50                  | 286.70           | 309.25           | 333.25           | 351.45           | 1532.15          |
| <b>TOTAL NON-CASH COSTS</b>    | <b>279.50</b>           | <b>314.70</b>    | <b>337.25</b>    | <b>361.25</b>    | <b>379.45</b>    | <b>1572.15</b>   |
| <b>GRAND TOTAL</b>             | <b>704.50</b>           | <b>450.70</b>    | <b>479.95</b>    | <b>513.65</b>    | <b>550.05</b>    | <b>2698.85</b>   |
| <u>FRUIT CREDITS</u>           |                         |                  |                  | 150.00           | 300.00           | 450.00           |
| <b>NET TOTAL COSTS</b>         | <b>704.50</b>           | <b>450.70</b>    | <b>479.95</b>    | <b>363.65</b>    | <b>250.05</b>    | <b>2248.85</b>   |
| <b>ACCUM. TOTAL COSTS</b>      | <b>704.50</b>           | <b>1155.20</b>   | <b>1635.15</b>   | <b>1998.80</b>   | <b>2248.85</b>   | <b>2248.85</b>   |
| <b>TOTAL AV. CAP. INVEST.</b>  | <b>\$5030.00</b>        | <b>\$5734.50</b> | <b>\$6185.20</b> | <b>\$6665.15</b> | <b>\$7028.80</b> | <b>\$7278.85</b> |

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