

Arizona Dairies



Dairy Sales Data

Maricopa & Pinal Counties

	Sale 1	Sale 2	Sale 3	Sale 4
Date	Apr-95	May-96	Mar-00	Jun-00
Price	\$550,000	\$1,100,000	\$1,300,000	\$2,550,000
Cow capacity	675	1,100	1,100	1,750
Acreage	42.39	78.41	56.84	149.24
Land Value/Cow	\$219	\$411	\$414	\$40
Land Improvement Value/Cow	\$625	\$589	\$768	\$1,051
Overall Price/Cow	\$844	\$1,000	\$1,182	\$1,457
	Sale 5	Sale 6	Sale 7	Sale 8
Date	Apr-03			
Price	\$3,600,000			
Cow capacity	1470			
Acreage	113			
Land Value/Cow	\$300			
Land Improvement Value/Cow	\$2,150			
Overall Price/Cow	\$2,450			

Dairy Farm Statistic (Holsteins)

INCOME	1996	1997	1998	1999	2000
Milk	\$2,907	\$2,630	\$2,877	\$2,795	\$2,482
Calves	96	30	15	45	54
GROSS INCOME (Per Cow)	\$3,003	\$2,660	\$2,892	\$2,840	\$2,536
EXPENSES					
Feed	\$1,373	\$1,337	\$1,234	\$1,208	\$1,197
Labor	\$224	229	237	232	263
Herd Replacement	240	225	228	239	249
Other Costs	781	776	768	798	789
Total Costs (Per Cow)	\$2,618	\$2,567	\$2,467	\$2,477	\$2,507
NET INCOME (Per Cow)	\$385	\$93	\$425	\$363	\$29

Dairy Farm Statistic (Holsteins)

	1996	1997	1998	1999	2000
Average Herd Size	1,273	1,363	1,310	1,464	1,798
Average Milk Production (Pounds)	19,767	19,510	18,663	19,997	20,565

Trends

2001: Final Info not available.

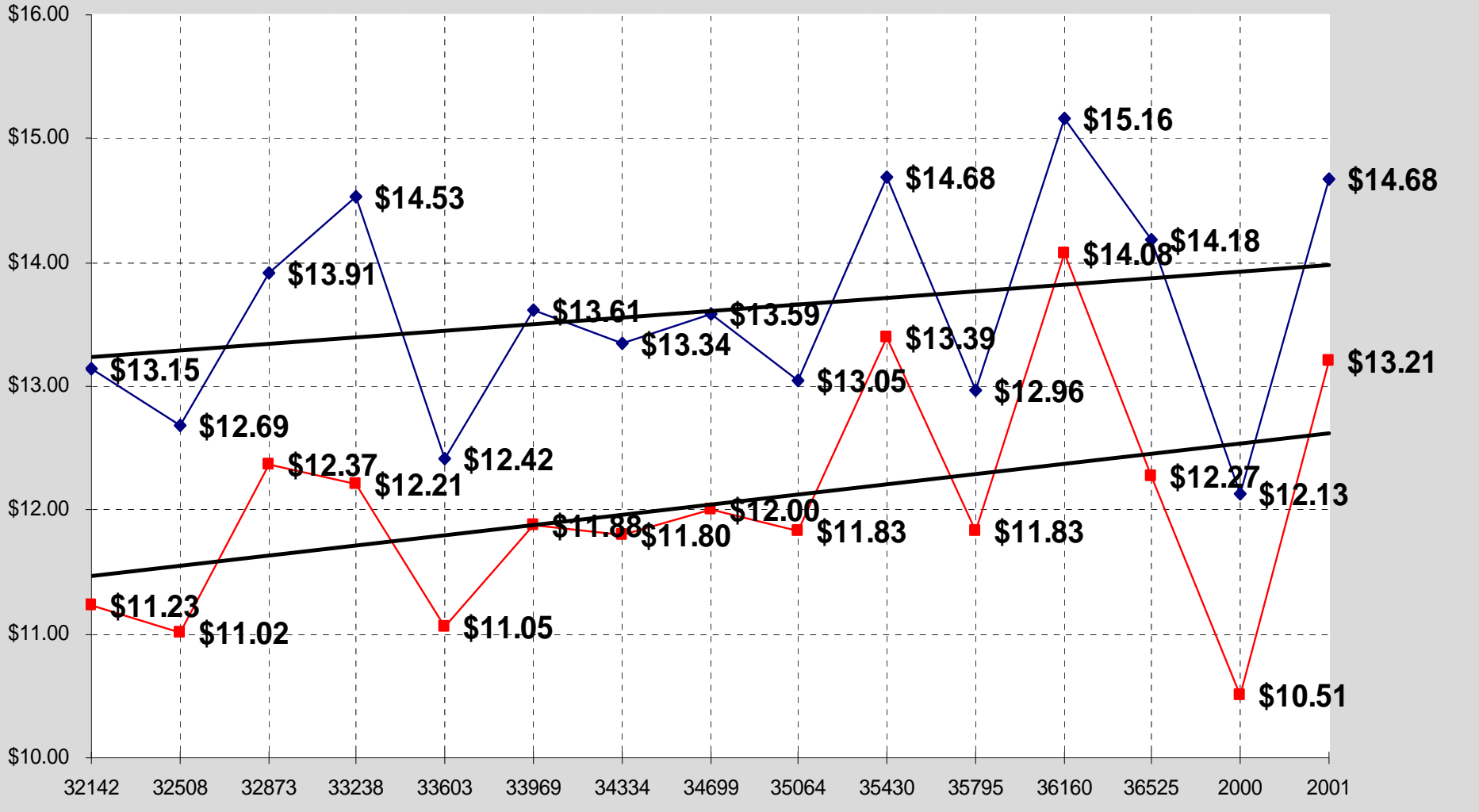
2002 should be an average year.

Herd Size: Average head size is increasing to cut per cow costs, stable from 2000 to 2001.

Production: long-term production per cow is increasing to cut per unit costs.

AVERAGE ANNUAL UDA DAIRY PRICES - QUOTA & OVERQUOTA MILK

- ◆ Quota
- Overquota
- Linear (Quota)
- Linear (Overquota)



Dairy Data Summary

Sale Price (600 - 1,750 Cow Facilities)

Sales Price Range 1991-96:	\$667 - \$1,000/Cow
Sales Price Range 1996-2000:	\$1,000 - \$1,457/Cow
Sales Price Range 2000-2001:	\$1,457 - \$2,450/Cow

Cash Lease/Cap Rate Summary

Wet Cow Capacity	Rent/ Cow/ Month	Expense Ratios	Vacany	Cap Rates	Trend
400-1,400	\$9 - *\$12	15 - 30%	Minimal	7 - 11%	Stable

Dairy Data Summary

Dairy Expansion Estimates

Existing Facilities: 12 or more Existing Facilities
Expanded Capacity 1995 -'2000.

New Facilities 95'-01: Pinal Co. 6 New Facilities, with
2 more in process
Maricopa Co. 8-9 New Facilities,

New Facility Cost: Net of Land: \$1,500 - \$2,600/Cow
Including Land: \$1,800 - \$2,900/Cow

Cow Numbers: 1995-2000 +24% (113,000 to 140,000)