Use this Worksheet to estimate what price you can afford to pay for farmland.

Gross cash farm income = ________________

Cash expenses (excluding interest) - ________________

Income taxes - ________________

Principal payments on term debt - ________________

Depreciation reserve - ________________

Social security taxes - ________________

Total cash family living investments & nonfarm capital purchases - ________________

Nonfarm income + ________________

Cash available for principal and interest on added land debt = ________________

Down payment on land + ________________

**Maximum financially feasible land price** = ________________

This worksheet was adapted from *Analyzing Land Investments*, videotape, Gayle S. Willett, 1988.