

LMC Farm Ltd Lease Opportunity Details

Area: 40ha (effective) of dairy area

Term of lease: 5 year with first right of purchase

Possession date: 31 May 2014

Lease fee: \$980 ha p.a. (rates included), paid 2 monthly

Infrastructure:

- All paddocks well fenced/ water troughs in all paddocks
- Pasture maximum 10 years old (ryegrass/white clover), likely to grow about 12 TDM/ha
- Average fertility levels, maintenance fertilizer applied annually
- Gate required from lease block to existing dairy farm
- 10m new laneway required to link with existing laneway
- No buildings on lease land area
- No extensions to current dairy shed required

Stock:

- Lease area will be stocked at 2.8 cows/ha
- 112 cows will be purchased at \$2100/cow
- Additional capital is required to cashflow stock purchase for first 12 months

Staff

- No additional staff will be employed

Milk production

- Estimated production per hectare will be 900kgMS/ha

Dairy shares

- 23, 613 shares will be purchased over three year period (1/3, 1/3, 1/3)
- To keep it simple they will pay \$6 per share
- Additional capital is required to cashflow this purchase

Farm owners

- 15 years farming experience (3 as farm owners)
- Runner up in Lower NI farm manager of year 2008
- AGITO business management diploma
- Active member DairyNZ discussion group & DWN convener
- Chairman regional Federated Farmers