

Farming

as a Business

Some points to
consider before
investing in a farm

Circular 401

UNIVERSITY OF KENTUCKY
COLLEGE OF AGRICULTURE AND HOME
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Farming as a Business

By LAWRENCE A. BRADFORD

War prices for farm products and current profits in farming are focusing attention on advantages in farming as a business. Fear of inflation is causing investors to look toward farm land as a safe place to put surplus funds. Plans for offering rehabilitation to ex-service-men on farms and for aid to them in financing the purchase of farms are contained in a law recently enacted by Congress. Both farm profits and land values have increased during the past decade, rather sharply since about 1940. Numerous requests are coming to colleges of agriculture, the farm press, and others for information about entering the farming business. Such requests usually come in such questions as these: Where is a good place to buy a farm? How large should a farm be? How can I finance the purchase of a farm? What crops are best to grow? What kinds of livestock are most profitable? Please send information on how to run a farm.

Such questions imply that directions for buying and operating farms are fairly easy to give and simple to follow, not unlike a recipe for canning, or directions for spraying. Though the matter is not so simple as that, a short statement is needed giving the basic principles involved in successfully buying, organizing, and operating farms, and indicating also in general the return that may be expected. Books, bulletins, and circulars dealing with the many farm practices already are available. These farming practices, numbering into the hundreds, the author makes no attempt to discuss in this circular.

It is the purpose of this circular to supply in convenient form, answers to questions about the business of farming, pointing out some of the most elementary facts about the business with the hope that the facts given may help some to get established in farming on a substantial business basis, and may save others from the misfortunes that befall many inexperienced persons who lack the knowledge necessary for success.

THE PARTS OF A FARM BUSINESS

Successful farming requires an understanding of the nature of the business. Farmers have three basic sources of income. These are management, labor, and the use of capital investment. Farmers use

management to decide what things to do, when to do them, and how much of them to do. They use labor in doing the things decided upon. Both labor and management are used in connection with capital investment, consisting of land, buildings, livestock, machinery, supplies, and so on. Each bushel of corn or gallon of milk produced, for example, is the result of certain proportions of labor, management, land and other capital. These basic sources of production call for balance or good proportions. Where there is too much land in proportion to the labor available, the land cannot be used to best advantage, and where there is too much labor in proportion to land, the labor is likely not to be used to good advantage. Again, where land and labor are in good proportion, but there is too little operating capital, opportunities of production must be sacrificed.

Compared with operating units in other industries, a farm usually is small. On the average a farm business uses about \$9,000 in capital investment and employs somewhat less than the full time of two men.

Farm business units are so constituted that management, capital, and labor are applied mostly by one man. The farmer thus is usually the manager, the superintendent, the foreman, the skilled worker and one of the common laborers. He is also the capitalist. This is but another way of saying that most farm businesses are too small to justify corporation financing, hired management, or an assortment of workers and a division of labor. Of course some few farmers invest hundreds of thousands of dollars in their businesses, and they can afford such specialization.

Since the average farm is mostly a one-man business, the successful operator must himself possess most of the knowledge, skill, and judgment needed in the business. Farming perhaps calls for the use of a larger variety of knowledge than almost any other business. One needs to know how to do things ranging all the way from such simple mechanical operations as hitching to a plow, to such managerial operations as buying and selling. Farming calls also for many skills, and successful farming calls for the use of judgment on a great number and variety of problems. One has to judge when to do things, what is the best thing to do, what investments to make, when to expand, when to contract, and many other things.

Many people do not distinguish between the *practices* of farming and the *business* of farming. There is a vast difference between the manual practices of plowing, milking, and hay pitching, and the business of profitably determining when, where, and how much to plow, what to plant, and the best number of cows to milk. Being reared on a farm and knowing the manual skills does not assure

knowledge of the farming business or ability to exercise sound judgment. Neither does success in the management of some other business assure success at farming. There is no more reason to believe that a successful grocer or lawyer will succeed as a farmer, than to believe that a successful farmer will succeed as a grocer or lawyer.

PROFIT TO BE EXPECTED

Agriculture is a conservative industry. It is an industry of free and full competition between individual producers. Like other conservative businesses, farming in normal times provides conservative returns. Farming, too, is a small business enterprise and because of its smallness too much cannot be expected from it. For one who knows how to farm and who has or can command sufficient capital, farming offers an opportunity for a modest income and a wholesome life.

How much do farmers earn? From 1935 to 1939, when war prices were not affecting the returns, the six million farmers in the United States averaged about \$1,600 for each year gross income. Of this \$1,600, about 80 percent was in cash and 20 percent in things produced and consumed on the farm. For 1941 the average gross income had climbed to about \$2,200 per farmer, of which things used at home amounted to about \$340. Not all of the \$1,860 cash receipts, however, was available for the family living, since farm operating expenses, property upkeep, interest paid, taxes, labor, and rents used about two-thirds of it. About \$600 in cash was therefore left for family use, on the average, and about \$340 in products.

Average earnings of farmers in Kentucky are pretty well in line with the national averages, as is shown by the following farm business statements on investments and returns of Kentucky farms. Two tables are given, representing different sections of Kentucky and different sizes of farm business in 1939, before the wartime increases in prices and incomes occurred. The statements are compiled from the records of actual farms, representing probably somewhat better than average farming, inasmuch as only the more progressive farmers are likely to keep adequate records from which such summaries can be made.

The first table gives a financial summary of 106 farms in the Outer Bluegrass region of Kentucky. Twenty-nine farmers operating farms under 90 acres and averaging 70 acres, were netting about \$878 in 1939 in cash and products after deducting all farming expenses and interest on money used. The term "Operator's wages for labor and management" means about the same as the term "wages or salary" of persons who work for others. It should be emphasized here that in addition

Table 1.—Average investment and returns on 106 farms in the Outer Bluegrass Area, Kentucky, 1939

Item	Farms of less than 90 acres	Farms of 90-139 acres	Farms of 140-249 acres	Farms of 250-400 acres
Number of farms in group	29	31	38	8
Average tillable acres	70	113	187	324
Investment, total	\$7 275	\$11 229	\$18 338	\$30 601
Real estate	5 613	8 758	14 316	25 052
Livestock	1 072	1 635	2 580	3 259
All other	590	836	1 442	2 290
Receipts, total*	\$2 096	\$ 3 022	\$ 4 583	\$ 6 652
Expenses, total	854	1 206	2 139	3 076
Receipts less expenses	1 242	1 816	2 444	3 576
Interest on investment at 5% ...	364	561	917	1 530
Operator's wages for labor and management	878	1 255	1 527	2 046

* Includes value of items produced for family living and house rent.

to the \$878, the farm families would have for living or other use whatever part of the interest on the investment was not paid out. That is, if these farmers had no debts their families would have the additional \$364 to use for living expenses or for investment or other uses. Financial summaries of farms of larger size are given in the remaining columns of Table 1. The 8 farmers using 324 acres (average) and \$30,601 in capital investment averaged \$2,046, net, as wages for labor and management.

Table 2 gives an income summary of 35 farms in Kenton, Boone, and Campbell counties, for the year 1939, classified according to the kind of farming followed.

Other such records of farm businesses are available for other sections of the state. Those given serve to show the approximate returns that some of the better farmers in selected sections of the state are making from their investments and labor.

The gross value of production per acre is a valuable means in determining how much one can expect from a farm. In Eastern Kentucky each acre of farm land produced about \$10 worth of products in 1939. In the Central Bluegrass an average of \$22 per acre in products was produced; in the Outer Bluegrass, \$19; in the Western Pennyroyal, \$12; in the Lower Ohio Valley, \$12. These figures include the values of all products sold, traded, or used by the family. Figures for sales alone would be considerably smaller.

In wartime, however, many persons, as mentioned in the opening paragraph, are inspired by prospects for profits in farming. In any business during wartime of course, profits may be large or small, depending largely upon need for the things produced. Opportunities

Table 2.—Average income on 35 farms in Kenton, Boone, and Campbell counties, Kentucky, 1939

Item	Amount	Truck, fruit and dairy farms	Dairy specialty farms
Number of farms in group	15	9	11
Average size of farm (acres)	131	84	165
Total capital investment	\$10 640	\$8 000	\$15 620
Total receipts	2 471	2 123	3 074
Total expenses	1 083	1 182	1 588
Receipts less expenses	1 388	941	1 486
Interest on investment at 5%	532	400	781
Operator's wages for labor and management, total	\$ 856	\$ 541	\$ 705
Cash	422	128	147
Products used at home	434	413	558

to grow high-profit crops such as tobacco, as well as the usual crops and livestock are attractive at present (1943-44) prices, especially to those on fixed salaries whose effective purchasing power is daily diminishing. Opportunities in Kentucky to pay for farms within the war period may not be so large as they were during the last world war, because the acreage that can be put in tobacco on each farm is fixed by the Agricultural Adjustment Administration, and thus a farmer cannot expect to buy a farm and pay for it through a large expansion of this crop. Older farmers well remember the large number of farmers bankrupted as a result of buying farms during the last war. It is very easy to pay for a farm purchased at a low figure, with high-priced products, but next to impossible to pay for one purchased at a wartime figure, with low prices. Table 3 shows a contrast of earnings of some farm businesses for predepression, depression, and World War II years.

Opportunities to make money at farming are attractive at present and will perhaps remain attractive as long as the war lasts. Difficulties of operating farms are also increasing because of shortages, particularly of labor and materials.

CAPITAL TURNOVER IN FARMING

The returns from money invested in farming are slow as compared with returns in some other businesses. Twenty-five percent annual gross turnover on the total investment is a good turnover for general farming in normal times (See receipts and total investments in Tables 1 and 2). Farming is a business of producing living things, and living things require time for growth. Such crops as tobacco, corn, and wheat require a year; others such as alfalfa, red clover,

Table 3.— Changes in farmers' wages

Area and year	Wages to labor and management		
	Predepression years	Depression years	World War II years
Oldham and Jefferson counties, 1927.....	\$1 750	.....	.....
Green, Taylor and Adair counties, 1929.....	928	.....	.....
Bourbon, Clark and Montgomery counties, 1929.	1 856	.....	.....
Christian county, 1929	3 191	.....	.....
Warren county, 1929	1 686	.....	.....
Todd county, 1929	2 036	.....	.....
Oldham and Jefferson counties, 1930.....	.....	-\$2 279	.....
Mason county, 1931 .....	.....	-294	.....
Marion and Washington counties, 1931.....	.....	29	.....
Union county, 1931 .....	.....	-261	.....
Shelby, Oldham and Jefferson counties, 1932...	.....	-268	.....
Todd county, 1932 .....	.....	-142	.....
Owen, Grant, and Fleming counties, 1932.....	.....	24	.....
Outer Bluegrass, 1940 .....	.....	.....	\$1 500
Western Pennyroyal, 1940 .....	.....	.....	1 645
Union and Henderson counties, 1941.....	.....	.....	3 544
Hopkins county, 1941 .....	.....	.....	1 870
Outer Bluegrass, 1942 .....	.....	.....	4 239

bluegrass, and strawberries require more than a year. Tree fruits require several years.

If one determines to improve a poor soil he will not get full returns sooner than two or more rotations, which may be 6 to 15 years. Producing good herds of livestock is even slower. Of course, one can buy good herds, but this is expensive, too expensive for the beginner who needs to live from money made at farming. Most successful farming businesses are the product of a good portion of a lifetime. One should not become discouraged at the expense and time before his investments have had a chance to pay.

COST OF LIVING ON FARMS

Good farmers secure about half the family food supply from the farm. This comes at a cash cost much below city prices, but it is not by any means a free gift of nature. Milk and meats are the most valuable items. In addition to food, the farm furnishes a house, and often some fuel. The value of living from the farm will usually amount to \$300 to \$500 per year. Running water and electric current usually cost more in the country than in the city. Transportation costs are also higher. Purchased entertainment costs more because one has to go farther to get it. Most farm families keep a car and use

it for both business and pleasure. However, farmers live more cheaply than city folks mainly because they spend less. Work clothes are less expensive than business suits—milking a cheaper form of exercise than golf. Not so many farmers belong to service clubs, bowling leagues, fishing clubs, and the like. Since the farm may furnish much of the food and the house rent it is an economical place for persons with large families.

OTHER VALUES OF LIVING ON THE FARM

Country life has many values other than those measured in dollars. The country is unsurpassed as a place to rear a family. Here the children quickly assume responsibility. They usually acquire good attitudes toward life and a variety of knowledge and skills. Many of the satisfactions of life are produced and consumed directly on the farm. The farmer does not need to buy exercise in the form of golf or bowling; he gets exercise as a by-product of his business. The housewife does not need an expensive lap dog for a pet, as she is closely associated with the farm animals. Neither recreation nor amusement need be purchased on the farm. The inner satisfactions that come from working with life and living things cannot be bought. There is daily opportunity for creative work for all the family in things made and produced. Each farmer can be an artist; each farm home and business a product of the farmer's talents and management. Again, the farm offers a wide variety of opportunity to derive satisfaction through the use of such skills as making a new fence or a new road, and in developing living things, such as a better ear of corn, or a ribbon-winning calf.

HOW TO LEARN FARMING

One may learn *about* farming in several ways, but one can learn the process of farming only by farming. Farming is an art. An art can be acquired only through practice of the skills making up the art. If a successful farmer wanted to enter a merchandising business he would likely enter through a subordinate position in order to learn the business. It would usually be folly for him to invest heavily in something he knew nothing about. It is even less wise for one who has never farmed to invest all his savings in a farm before he learns the business of farming. If prospective farmers were willing to learn the farm business first, they would not make so many disastrous mistakes. The almost universal error of the city man is to con-

sider success at farming easy, and thus to have overconfidence in his ability and a lack of appreciation of the ability of farmers he so frequently criticises for not having business sagacity. Middle-aged men can rarely afford the time it takes to learn.

On the other hand, the newcomer in farming has one outstanding advantage. He is not handicapped with ideas and habits that have been outmoded or which are not sufficient, and if he will enter farming intelligently and pursue the study diligently, he may surpass many who have had farming experience.

One may get helpful information from professionally trained workers and from farmers. The first information sought should deal with the broader phases of buying a farm and organizing the business. Such problems as purpose in farming, size of farm, location and fertility, distribution of capital, and the like, are to be considered ahead of information on the practices such as varieties of plants to grow, rations for the livestock, insect or disease treatments, and so on. In getting needed information it is a good idea not to talk with too many farmers. To do so before one is able to evaluate opinions is likely to lead only to confusion because of the differences of opinion likely to be encountered. The counsel of one successful farmer who is willing to take the necessary time to analyze problems, and who can be persuaded to help, is worth more than the snap judgments of many. Usually those who are the most capable of giving advice are also the most reluctant to give it.

Professional workers in Colleges of Agriculture, Land Banks, Government agencies, and others, are trained in giving advice and are equipped with bulletins and circulars on a variety of farming subjects.

SELECTING A FARM

The first thing for one who is considering buying a farm to do is to decide *why* he wants it. Then select a farm to meet that specific motive. One may want a farm to live on as a country home while earning a living otherwise. Others may want a farm as a place to invest acquired funds and upon which they do not expect to live. Still others desire farms upon which to live and from which to make the living. A farm to live on while the living is earned elsewhere does not need to be large, though it may be large and pretentious. Here the only requirements to be met are the desires of the purchaser and his ability to maintain the place. For a sound investment, a farm must meet more exacting requirements. For a place to live and to make a good living, the requirements are fairly rigid. If the beginner

hopes to make money at farming he will do well to go where farmers are making money. It takes more experience and knowledge to operate a poor farm successfully than a good one, as good soils cover up mistakes. Cheap farms are a great attraction to many; so are little farms; but both are expensive to operate. Cheap farms are cheap because farmers in the locality know that they are worth little. The outsider is a good target for land agents with cheap farms to sell. Good farms do not have to hunt buyers. They do not have to be advertised in papers with wide circulation. The inexperienced will do well to stay close to home and friends and good land in a prosperous community.

Buying a Farm for an Investment

A farm has always been considered a secure place to invest funds, by many who do not care to operate a farm themselves. The land cannot get away, they reason. Many such investors are willing to accept low rates of returns as interest on their investments. Such investors have perhaps constituted the largest group of bidders for the better farms in recent years.

Size of farm, nature and quality of improvements, and quality of land need not be demanded in quite the exacting terms for such investors as for those who expect to operate their own farms. Investors are not so much affected as operators by labor and machinery economies. They may be less concerned about social surroundings. They usually have larger equities and surplus funds for needed soil and building improvements, and thus can wait longer for returns.

Buying a Farm for a Place to Live and Make a Living

A farm with which one expects to earn a living and on which the family expects to live should have (1) size enough to produce the money needs of the family, (2) soil of profit-making capacity, (3) improvements in keeping with the needs of the family and the production of the farm, and (4) desirable social surroundings. Such a farm should be bought on a basis that will enable the purchaser to operate it effectively and that will give reasonable promise of security. These points are considered separately in the remainder of this circular for the purpose of answering questions which are most frequently asked.

How large should the farm be?

The acreage for rotation crops (including pasture) should be enough to support a farming business large enough to meet the costs

of keeping the family, operating the farm business, keeping up the land and improvements, and retiring the indebtedness (if any) on the farm. It should be large enough to provide these returns when prices for farm products are low. The kind of crops suitable to be grown and the fertility of the soil will of course influence the acreage needed for these purposes. For example, a farm that will grow good tobacco will not have to be as large as one that will produce only such crops as grains, hay, and pasture. By referring to Tables 1 and 2 one can gain considerable usable information about the size of Kentucky farms in acres, and about the amount of investment needed to produce certain wages for the operator's labor and management.

Another way to consider the size of farm needed for the family is by the amount of labor used. Enough cropland to keep one or two men productively employed in growing the crops and in keeping the livestock that can be supported by the crops grown, is basic to good farming and farm living. Smaller farms tend to waste labor, as they neither provide full employment of workers nor permit economical use of the common labor-saving implements and machines. Larger farms provide better opportunities for profit because labor, farm equipment, and capital can be used to greater advantage. Many good farmers prefer farms even larger than three-man farms. Some farmers prefer to farm as operating tenants on large farms, using their own capital funds for operating equipment and livestock rather than to farm as owners on small farms.

What kind of farming should one plan to follow?

Most farms in Kentucky grow several kinds of crops and provide for keeping several kinds of livestock. However, there are varied kinds of soil and topography in the state each of which is especially adapted to specific crops or kinds of crops. On some farms a large proportion of the land is best for corn; on others a large proportion is best for pasture, and so on. Those farms largely suitable for corn carry cattle and hogs to advantage. The location of a farm and the kind of soil may make it good for a dairy farm or a truck farm. Adaptation of crops is a very important consideration in choosing a farm for making a living.

How to select the crops

The safest procedure for the newcomer is to produce about the same crops and grow them in about the same proportions of acreage as the better farmers in the community. All things considered and

over a long time, no one crop pays better than others. If it did, all the farmers would be growing it exclusively. The question of which one crop to grow is similar to asking if a groceryman should handle bread or canned foods or potatoes. The answer, of course, is that most grocerymen should handle several food products. Returns from crops come from labor used in producing them, from land, and from operating costs. Some crops require relatively much labor, as tobacco; others require much land and little labor as wheat. Truck crops require much labor and much expense per acre. Tobacco brings more per acre than wheat or corn, but it may not bring more per dollar invested, and per day of labor. Competition has so adjusted prices of farm products that the combined returns to land, labor and operating costs tend to become equalized. If one crop has the advantage long, land prices will rise so that added interest and taxes will offset the advantage. Land in the Bluegrass of Kentucky is high not only because it is good land, but also because it produces well a high-priced crop. Were it not for tobacco, central Kentucky land values would certainly not be so high.

Farmers select series of crops to grow as well as individual crops. A common series is corn and some tobacco on land plowed from pasture; the second year the corn and tobacco are followed by small grain—wheat, rye, oats, or barley. The reason for this is that the small grain can be sown on the corn and tobacco fields immediately after the corn and tobacco are harvested. This practice protects the land from washing over winter and provides another crop even though small grains are usually low-profit crops in Kentucky. The third year this land is used for hay such as red clover, alfalfa, or a mixture of hay plants. Hay crops can be seeded in the small grain in the spring and are ready for harvest the next year, or third year of the rotation. In order to balance the feed produced, the labor needed, and the use of equipment, the farm is divided into blocks or fields and a field plowed each year. Thus the land is in continuous use, all crops are grown each year, a continuous livestock program can be carried out, and the equipment and buildings used to greatest advantage.

Persons inexperienced at farming are likely to think that the products they pay most for in the city are the most profitable to the farmer. They are also likely to think that the crops which have a high return per acre are the most profitable. Neither of these is true any more than that an automobile salesman should make more money than a groceryman because his percentage of profit is larger and the thing he sells is bigger.

How much importance should be placed on selecting rich land for a farm?

Too much emphasis cannot be placed on securing good land. Good yields¹ are exceedingly important. There is little profit in average yields, as costs of production equal the value of the products. Another advantage is that farms with high crop yields can usually be bought for a price more nearly in line with their producing value than farms with low crop yields. Many farms that can be bought as low as \$10 per acre are not worth that amount. Such farms are not worth farming as they are, and may not be worth improving. Fortunately many of the poorer soils of Kentucky can be profitably improved. Those that are not too steep for the use of such machinery as the mower should be improved so that good crop yields can be secured. If one is buying land that normally produces less than 35 bushels of corn, 15 bushels of wheat, or 3,000 pounds of legume hay, he should plan for soil improvement. He then would, of course, want to make sure that such land can be improved economically, and at what cost to him.

Is it better to buy improved soil or to buy improvable run-down soil and improve it?

The choice depends upon the buyer. One having the money to tide over, can spend for soil improvement and wait for the improvement to make returns. But if one must go deeply in debt he must have faster returns. The decision is a matter of time. How long can I wait? How soon must I have funds—funds for the family; funds for debts; funds for building improvements; funds for emergencies?

Another consideration is the amount of funds that can be borrowed. A larger part of the total money needed can be safely borrowed for improved farms of good soils than can be borrowed for rundown farms and for improving poor soils. The main differences will rest with the man and the amount of working capital he has or can borrow. Farmers short on capital frequently make the mistake of buying poor farms and borrowing to the limit. They then have no funds left for either improvement or good operation.

¹ Good crop yields as here used means 40 bushels or more of corn per acre, 15 bushels or more of wheat, 1½ tons of legume hay, pasture that will carry a cow on 4 acres or less, and yields of other crops in proportion.

Is it better to buy a farm with good buildings and fences or to build them?

Generally the same principle applying to land improvement applies also to buildings and fences. The buildings should be in keeping with the needs of the farm and should be neither too many nor too few. A farm producing milk for sale at retail needs a more expensive dairy barn than one producing milk to be sold as sour cream. The more valuable the livestock to be housed and the more valuable the livestock products to be produced, the greater the justification for higher outlay for buildings. It is usually cheaper to buy buildings than to build them.

What kind of house should a farm have?

The farm should have a house that will care for the family in a manner in keeping with the productive capacity of a good farm. A good house with conveniences, including hot and cold water, electric light, and a central heating plant is highly desirable. Such conveniences are rapidly coming to be considered necessities. Location on a good road, school bus service, and other community conveniences are also highly desirable. The comfort and welfare of the family is the main objective in this kind of farming. It should be remembered, however, that good buildings and equipment can be paid for and kept up only on good land or land that can be made good. A conservative part of the investment, in most cases not more than 40 percent in all the buildings and improvements, can be justified by the farmer who has to make a living at farming.

How much is one justified in spending for a farm?

The amount that can be spent for a farm on which to make a living depends, of course, on many things: fertility, location, improvements, size, and kind of farming in the community. Records of good Kentucky farmers indicate that one would not want to pay more than five times the amount of an average year's gross receipts for a farm with good land (40 bushels corn yield or above). Such a farm should contain good and fitting improvements. For example, if one estimates that a farm will produce \$2,000 worth of crops (including pasture) per year, the farm might be worth \$10,000 if improved with sufficient buildings and fences to care for the crops and livestock and a fair dwelling house and set of outbuildings. For soil of only fair fertility the ratio should be lower than one to five.

How much should one have for a cash payment in buying a farm?

It is better, of course, to have the full purchase price, when buying a farm. Most purchasers, however, have to go in debt. In the past, the general practice has been to pay down 40 to 50 percent. In recent years the Government farm credit agencies and some insurance companies and banks have been giving aid to experienced farmers with operating equipment and supplies in buying farms without down payments or with very small down payments. These farmers are safeguarded through aid in selecting farms, low rates of interest, long-time loans, and variable payments to safeguard against bad years. Any purchaser should first have operating equipment debt free, and money for a year's operation. This means equipment and money to the value of at least \$2,000 for small farms. It may mean as much as \$10,000 to \$15,000 for large farms. These funds should not be sacrificed for a down payment. Many farmers make the mistake of using their last penny for a down payment. They then have to forego desirable operations. Money conservatively invested in needed operating equipment returns larger dividends than that invested in real estate. One should not be in too big a hurry to change from being a tenant to being an owner.

SOME GENERAL CONSIDERATIONS

In normal times money profits in farming are not large, and many of the values derived come from direct consumption of things the city man can get only with cash. This circular lays large emphasis on farming as a way of gaining a comfortable living and wholesome life. A farm in a good community is recognized as being unsurpassed as a place to rear a family. It provides hundreds of satisfactions to those who like it. These advantages and satisfactions can be had by those who approach farming with a good attitude and understanding and on a sound financial basis. Most farmers who have succeeded have used this approach; most of those who have failed have approached farming on false assumptions. A discriminating family acts with good judgment in all things, and particularly in choosing and buying a farm on which to live and earn a livelihood.

Lexington, Kentucky

June, 1944

Cooperative Extension Work in Agriculture and Home Economics: University of Kentucky, College of Agriculture and Home Economics, and the United States Department of Agriculture, cooperating. Thomas P. Cooper, *Director*. Acts approved by Congress May 8 and June 30, 1914.

8M-6-44