

ORCHARD OPPORTUNITY AT HOFC

We are looking for someone to lease our 4 ha, certified organic, mixed orchard. It would ideally suit a couple or partnership, as it's a big job for one person unless they have support (paid or volunteer) during the busy times.

BACKGROUND

The orchard was originally called Mt Alexander Fruit Gardens (MAFG), operating since 1998. The orchard (and in fact the whole farm) became certified organic (with NASAA) in 2008, and remains so. Since HOFC was formed in 2018, the orchard has been leased twice to separate people.

The first was Ant Wilson in 2018, who rebranded the orchard as Tellurian Fruit Gardens for 3 years. Ant introduced innovations such as a highly successful Community Supported Agriculture (CSA) scheme.

In 2021, a collective of six friends took over the lease and rebranded as The Orchard Keepers. They leased the orchard for 3 years, but a combination of poor seasons, dead trees, and family pressures saw them end their lease a year early.

In 2023, the orchard reverted to the stewardship of Hugh and Katie. They retained The Orchard Keepers branding and introduced a new volunteering and skills exchange program called Fruit Crew.



ENVIRONMENTAL CHALLENGES

From about 2012 the orchard went through a major growth and redevelopment phase after a series of environmental events that had varying impacts (from annoying to devastating). They included drought, flood, hail, and pest and disease outbreaks.

Each of these events was a major learning opportunity for us and contributed to the strong focus in our Grow Great Fruit organic teaching program on recognising and mitigating risks. Complimentary membership of the program will be available to the lessee.

Since leasing the orchard out in 2018, most trees have grown well and are in full production, though the cherry block planted in 2016 has yet to reach its potential. The orchard suffered a further setback when the La Nina events of 2021-2023 led to the loss of approximately 350 peach and nectarine trees.



WHAT'S ON OFFER?

Trees

Fruit type	#Trees & varieties	Yields (kg)			
		20/21	21/22	22/23	23/24 (est)
Apples	530 trees semi-dwarfing rootstock (MM102). 7 varieties	3,050	2,690	710 ¹	2,257
Apricots	980 trees on plum rootstock 12 var	1,476	1,223	4 ²	1,689
Cherries ³	710 trees 18 var	1,271	492	293	318
Pears	290 trees - 8 var 130 young trees- 10 var	1,475	3,132	770	1,430
Plums	740 trees - 14 var	7,465	8,609	4,800	6,331
Total harvest volume (kg)		16,662	16,543	6,577	13,575
Total fruit sales/year (\$)		\$102,965	\$109,940	\$46,053	\$78,539
Average \$/kg		\$6.17	\$6.65	\$7.00	\$5.78



Marketing

The marketing system is robust. Our lessees have nurtured and expanded the customer base and customers are plentiful, engaged, satisfied, loyal, and enthusiastic.

The lessee will have access to established marketing assets including:

- The Orchard Keepers [website](#)
- Mailchimp list (1,176 subscribers)
- [Instagram](#) page
- Open Food Network [shop](#)
- Email address

Marketing has been a mix of PYO, farm shop, CSA, farmers markets, wholesale, and direct supply with restaurants and local retailers. A new lessee can modify and expand existing markets as they see fit.

Based on our experience in the 23/24 season, our recommendations for ongoing marketing are as follows:



Marketing channel	Recommendations
Pick-your-own (PYO) and Farm Shop	<ul style="list-style-type: none"> • Use existing Farm Shop as pick-up point for CSA boxes (unstaffed). • Do not offer PYO regularly, as our trial of PYO-CSA in the 23/24 season (Fri & Sun, 10-4) demonstrated that it is too resource-intensive to justify the relatively low returns. • Potential to hold occasional 'pop-up' PYO days to create publicity/goodwill, to shift volume, or as a way of engaging with community or volunteers.
CSA	<ul style="list-style-type: none"> • Offer CSA of weekly fruit boxes for 20 weeks, customer to nominate 3kg or 5kg. • Pick-up spots at Farm Shop, Castlemaine FM and/or Harvest, possibly Bendigo and Melbourne
Farmers Markets	<ul style="list-style-type: none"> • Castlemaine Farmers Market Weekly • Weekly Melbourne FM, either Carlton (Sat), Coburg (Sat) or Alphington (Sun)
Wholesale	<ul style="list-style-type: none"> • Send fruit to Biodynamic Marketing (our existing Melbourne wholesaler for the past 18 years). This is a good mechanism for shifting volumes of premium grade fruit of varieties we grow in bulk (mainly plums) • Natoora also take useful quantities of fruit. They're more interested in unusual varieties and pay better. Despite being very slow to pay they do pay eventually.
Fruit Crew Volunteer Exchange Program	<ul style="list-style-type: none"> • Fruit Crew has been highly successful in 2023/24. Over 30 volunteers signed up at the beginning of the season and more than 15 remain at the time of writing, more than 30 weeks later. • Initially, the program offered 4 half-day shifts each week on Wednesday and Thursday. This dropped to mornings only as the work load diminished. • In exchange for their labour, participants get up to 10kg of fruit per shift, skills tuition, and a weekly mini-lesson on some aspect of organic fruit growing. • The unexpected outcome was the wonderful community the program created. "Being part of something fun" has far outweighed other motivations (fruit or skills) for most participants.

Infrastructure and equipment supplied

Some equipment is provided for non-exclusive use by the lessee. Equipment is supplied “as is”. Some equipment is quite old and requires regular maintenance, which needs to be supplied by the lessee (more details about how this works will be supplied in the lease).

- Pruning: electric secateurs, hand secateurs, pruning saws, electric pruning pole saw
- Working at height: cherry picker, orchard ladders
- Picking: picking bags, various cases, harnesses, wooden bins, tractor with forklift attachment
- Packing: packing shed, manual bin tipper, coolroom with pallet racks, Crown walkie stacker
- Irrigation: diesel pump, irrigation supplies, drip irrigation system to all trees, water right
- Nutrition: brix meter, penetrometer, microBIOMETER, sap meters, compost tea brewer, some nutrition supplies, fertigation equipment
- Weed management: whipper-snipper, PTO slashers
- Netting: nets, net putter-outer, tractor
- Pest & disease control: fruit fly traps, 50L 12v tank sprayer (no airblast sprayer currently available)
- Marketing: branded marquee & weights, tables, scales, Square readers, display boxes
- General: nonexclusive access to workshop with air compressor and arc welder (own tools required)

Training and support

This opportunity will suit someone with previous horticulture experience, ideally involving organic (or biodynamic) production. Basic guidance and advice available, however the offer does not include intensive training. Lessees receive complimentary membership of the Premium level of the [Grow Great Fruit program](#).



FINANCIAL RETURNS

All orchard lessees are asked to be transparent with harvest and P&L figures. This enables us to maintain a continuity of records and the history of the orchard regardless of who is managing it.

Records are mostly complete for the last 6 years (since 2018/19), though there's some variations in the way records have been kept. The new lessee will be expected to maintain and supply similar records each year, and in fact will be required to supply these figures for organic certification purposes (annual audit).

The following table is a summary of Profit & Loss for the 6 years starting 2018/19. More complete financial records are available for serious applicants.



Item	Income (\$)					
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
INCOME						
Fruit sales	58,620	38,230	68,849	105,923 ⁴	38,095	70,522
CSA	36,780	44,665	41,572		6,075	6,017
Workshops	0	0	0	2,017	1,883	0
Grant income	0	0	0	2,000	0	2,000
Jams and preserves	514	1030	987	0	0	0
TOTAL INCOME	95,914	83,925	111,408	109,940	46,053	78,539
EXPENSES						
Property (lease, rates, power, water, nutrition, etc.)	19,743	22,022	16,242	29,729	19,943	18,770
Sales (advertising, marketing, packaging, freight, fuel, phone)	7,377	3,982	4,600	15,188	9,327	4,759
Wages	8,508	8,144	4,610	15,953	3,621	0
Other	4,656	2,429	14,211	4,882	3,240	1,276
TOTAL EXPENSES	40,284	36,577	39,663	65,752	36,131	24,805
PROFIT (LOSS)	55,630	47,348	71,745	44,188	9,922	53,734



OPPORTUNITIES

Many opportunities exist for further expansion of the business in a variety of directions. We would encourage potential lessees to consider adding more income streams to the business to ensure profitability. Making a good living doing small-scale, regenerative agriculture is a challenge because there's only a small margin, and enterprises are vulnerable to risks from external events such as weather.

Farming at this scale requires a creative, entrepreneurial approach. It also demands good business skills, and an understanding of the importance of spending time working "on" the business as well as working "in" the business.

Profitability is driven in both the office and the orchard. If business skills are not strong, we strongly

recommend doing a business course, and/or working with a business mentor. We are happy to provide guidance in this area.

Some of the opportunities identified in the Whole Farm Plan that could add profitability to the orchard business include:

- Workshops
- Diversifying into different crops (e.g. berries)
- Planting more trees
- Value-adding
- Animals
- Events/using the orchard as a venue
- Internships/WWOOFers/volunteers
- Upselling prunings: scion sales, wood for smoking



(Footnotes)

1. La Nina (wet conditions) in 2022/23 resulted in extreme fungal infection and poor fruit set, resulting in low yield.
2. The entire apricot crop was lost in 2022/23 due to La Nina.
3. This orchard has failed to thrive. A remedial nutrition program was implemented in 2023/24.
4. Includes CSA.