### 2013 Estimated Costs and Returns per Acre

**Coastal Bermudagrass Hay - 100 Acres**

**North Texas Extension District - 4**

#### Crop Acres

<table>
<thead>
<tr>
<th>REVENUE</th>
<th>Quantity</th>
<th>Units</th>
<th>$/Unit</th>
<th>Total</th>
<th>Enterprise</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bermuda Hay</td>
<td>150.00</td>
<td>Bale</td>
<td>$7.00</td>
<td>$1,050.00</td>
<td>$105,000.00</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>0.00</td>
<td>Acre</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
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</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>150.00</td>
<td></td>
<td></td>
<td>$1,050.00</td>
<td>$105,000.00</td>
</tr>
</tbody>
</table>

#### VARIABLE COSTS

**Production Costs**
- **Fertilizer**
  - 18-46-0
    - 100 pounds | $0.36 | $36.00 | $3,600.00
  - 34-0-0
    - 750 pounds | $0.35 | $262.50 | $26,250.00
- **Herbicide**
  - Per-emerge Bermuda
    - 1 acre | $3.00 | $3.00 | $300.00
- **Custom**
  - Custom Bailing
    - 150.00 bales | $1.50 | $225.00 | $22,500.00
  - Custom Hay Hauling
    - 150.00 bales | $1.25 | $187.50 | $18,750.00
- **Diesel Fuel**
  - Tractors
    - 0.72 gallons | $3.50 | $2.52 | $252.38
- **Repairs & Maintenance**
  - Implements
    - 1 acre | $1.44 | $1.44 | $143.90
  - Tractors
    - 1 acre | $1.15 | $1.15 | $115.23
- **Operator Labor**
  - Tractors
    - 0.17 hours | $10.00 | $1.67 | $167.27
  - Interest on Credit Line
    - 4.75% | $9.68 | $968.03
| **Total Variable Costs** | 150.00 | | | $730.47 | $73,046.80 |

**Planned Returns Above Variable Costs:**

Breakeven Price to Cover Variable Costs $4.87 Bale

#### FIXED COSTS

**Machinery**
- **Implements**
  - 1 acre | $2.12 | $2.12 | $211.76
- **Tractors**
  - 1 acre | $1.69 | $1.69 | $168.86
- **Land Rent**
  - 1 acre | $12.00 | $12.00 | $1,200.00
| **Total Fixed Costs** | 1 | | | $15.81 | $1,580.62 |

**Total Specified Costs**

$746.27 $74,627.42

**Returns Above Specified Costs**

Breakeven Price to Cover Total Costs $4.98 Bale

$303.73 $30,372.58

### Breakeven Prices

<table>
<thead>
<tr>
<th>Yield Percent</th>
<th>Yield Bale</th>
<th>Variable Costs</th>
<th>Total Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Full Tenant</td>
<td>Tenant Landlord</td>
</tr>
<tr>
<td>75%</td>
<td>112.50</td>
<td>$5.58 $5.58</td>
<td>$5.72 $0.00</td>
</tr>
<tr>
<td>90%</td>
<td>135.00</td>
<td>$5.11 $5.11</td>
<td>$5.22 $0.00</td>
</tr>
<tr>
<td>100%</td>
<td>150.00</td>
<td>$4.87 $4.87</td>
<td>$4.98 $0.00</td>
</tr>
<tr>
<td>110%</td>
<td>165.00</td>
<td>$4.68 $4.68</td>
<td>$4.77 $0.00</td>
</tr>
<tr>
<td>125%</td>
<td>187.50</td>
<td>$4.45 $4.45</td>
<td>$4.53 $0.00</td>
</tr>
</tbody>
</table>

Developed by Blake Bennet, Assistant Professor and Extension Economist, Texas A&M AgriLife Extension Service.

*Information presented is prepared solely as a general guide and not intended to recognize or predict the costs and returns from any one operation.*