

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2014 Estimated Costs and Returns per Acre**  
**Grapefruit, Year 7, Orchard Establishment, Flood Irrigated, Rio Grande Valley - 100 Acres**  
**South Extension District - 12**

Crop Acres		100				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Grapefruit (Rio Red)	18.00	Ton	\$120.00	\$2,160.00	\$2,160.00	\$216,000.00
<b>Total Revenue</b>				<b>\$2,160.00</b>		<b>\$216,000.00</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
<b>Production Costs</b>						
<b>Fertilizer</b>						
Ammonium Sulfate (21% N)	3.57	CWT	\$20.70	\$73.90		\$7,389.90
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<b>Herbicide</b>						
Simazine 4L	1.25	Gallon	\$22.88	\$28.60		\$2,860.00
Krovar I 80 DF	3	Pound	\$13.50	\$40.50		\$4,050.00
<b>Insecticide</b>						
Vydate	0.0625	Gallon	\$106.24	\$6.64		\$664.00
Vendex	2	Pound	\$18.53	\$37.06		\$3,706.00
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Lorsban 4E	4	Pint	\$4.76	\$19.04		\$1,904.00
Citrus Oil	5	Gallon	\$3.42	\$17.10		\$1,710.00
Agri-Mek	0.1	Gallon	\$108.16	\$10.82		\$1,081.60
Vendex	2	Pound	\$18.53	\$37.06		\$3,706.00
Lorsban 4E	4	Pint	\$4.76	\$19.04		\$1,904.00
<b>Other Chemicals</b>						
Surfactant - Citrus	1	Pint	\$1.25	\$1.25		\$125.00
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<b>Miscellaneous</b>						
Insurance, Established Grapefruit	1	Acre	\$115.00	\$115.00		\$11,500.00
<b>Custom</b>						
Custom Fertilize Citrus	1	Acre	\$4.40	\$4.40		\$440.00
Custom Orchard Spray	1	Acre	\$38.50	\$38.50		\$3,850.00
Custom Orchard Spray	1	Acre	\$38.50	\$38.50		\$3,850.00
Custom Orchard Spray	1	Acre	\$38.50	\$38.50		\$3,850.00
Custom Fertilize Citrus	1	Acre	\$4.40	\$4.40		\$440.00
Custom Orchard Spray	1	Acre	\$38.50	\$38.50		\$3,850.00
<b>Irrigation</b>						
Energy or Water Cost	1.20	Acre/Foot	\$20.00	\$24.00		\$2,400.00
Irrigation Labor	3.00	Hour	\$9.00	\$27.00		\$2,700.00
<b>Other Labor</b>						
Unallocated Labor	0.0122	Hour	\$9.00	\$0.11		\$10.98
<b>Machinery Labor</b>						
Tractors/Self-Propelled	0.18	Hour	\$9.00	\$1.62		\$162.00
<b>Diesel Fuel</b>						
Tractors/Self-Propelled	0.94	Gallon	\$3.25	\$3.06		\$305.50
<b>Repairs &amp; Maintenance</b>						
Tractors/Self-Propelled	1	Acre	\$0.65	\$0.65		\$64.72
Implements	1	Acre	\$0.28	\$0.28		\$27.67
Interest on Credit Line			9.00%	\$39.32		\$3,932.14
<b>Total Variable Costs</b>				<b>\$777.04</b>		<b>\$77,704.40</b>
<b>Planned Returns Above Variable Costs:</b>				<b>\$1,382.96</b>		<b>\$138,295.60</b>
<b>Breakeven Price to Cover Variable Costs</b>			<b>\$43.17</b>	<b>Ton</b>		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
<b>Machinery Depreciation</b>						
Tractors/Self-Propelled	1	Acre	\$1.08	\$1.08		\$107.87
Implements	1	Acre	\$0.28	\$0.28		\$27.67
<b>Equipment Investment</b>						
Tractors/Self-Propelled	\$15.10	Dollars	9.00%	\$1.36		\$135.91
Implements	\$2.21	Dollars	9.00%	\$0.20		\$19.92
Allocated Establishment Cost	1	Acre	\$254.04	\$254.04		\$25,404.00
Land Cost, Orchard	1	Acre	\$120.00	\$120.00		\$12,000.00
<b>Total Fixed Costs</b>				<b>\$376.95</b>		<b>\$37,695.37</b>
<b>Total Specified Costs</b>				<b>\$1,154.00</b>		<b>\$115,399.78</b>
<b>Returns Above Specified Costs</b>				<b>\$1,006.00</b>		<b>\$100,600.22</b>
<b>Breakeven Price to Cover Total Costs</b>			<b>\$64.11</b>	<b>Ton</b>		

Example Breakeven Prices						
Example Yield Percent	Example Yield Ton	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	Share/Tenant	Own/Rent	Share/Tenant	Landlord
75%	13.50	\$57.56	\$57.56	\$85.48	\$85.48	\$0.00
90%	16.20	\$47.97	\$47.97	\$71.23	\$71.23	\$0.00
100%	18.00	\$43.17	\$43.17	\$64.11	\$64.11	\$0.00
110%	19.80	\$39.24	\$39.24	\$58.28	\$58.28	\$0.00
125%	22.50	\$34.54	\$34.54	\$51.29	\$51.29	\$0.00

Developed by Luis Ribera, Associate Professor and Extension Economist, Texas A&M AgriLife Extension.

**Information presented is prepared solely as a general guide and not intended to recognize or predict the costs and returns from any one operation. Brand names are mentioned only as examples and imply no endorsement.**