

**Projections for Planning Purposes Only -- *Not to be Used without Updating***  
**2014 Estimated Costs and Returns per Acre**  
**Coastal Bermudagrass Establishment - Native Prairie - 100 Acres**  
**Central Texas Extension District - 8**

Crop Acres		100				Enterprise
REVENUE		Quantity	Units	\$/Unit	Total	Total
Total Revenue					\$0.00	\$0.00
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise
<b>Production Costs</b>						
Seed						
	Bermuda Sprigs	30	Bushel	\$0.75	\$22.50	\$2,250.00
Fertilizer						
	18-46-0	100	Pound	\$0.65	\$65.00	\$6,500.00
Custom						
	Tree & Brush Removal	1	Acre	\$150.00	\$150.00	\$15,000.00
	Custom Sprig	1	Acre	\$50.00	\$50.00	\$5,000.00
Machinery Labor						
	Tractors/Self-Propelled	0.78	Hour	\$10.00	\$7.80	\$780.00
Diesel Fuel						
	Tractors/Self-Propelled	2.02	Gallon	\$2.65	\$5.35	\$535.30
Repairs & Maintenance						
	Tractors/Self-Propelled	1	Acre	\$3.33	\$3.33	\$332.74
	Implements	1	Acre	\$2.55	\$2.55	\$255.13
Interest on Credit Line				4.75%	\$11.23	\$1,123.03
Total Variable Costs					<u>\$317.76</u>	<u>\$31,776.20</u>
Planned Returns Above Variable Costs:					<u>(\$317.76)</u>	<u>(\$31,776.20)</u>
Breakeven Price to Cover Variable Costs				n/a		
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise
Machinery Depreciation						
	Tractors/Self-Propelled	1	Acre	\$3.44	\$3.44	\$343.83
	Implements	1	Acre	\$3.49	\$3.49	\$348.98
Equipment Investment						
	Tractors/Self-Propelled	\$38.82	Dollars	6.00%	\$2.33	\$232.92
	Implements	\$27.65	Dollars	6.00%	\$1.66	\$165.88
Total Fixed Costs					<u>\$10.92</u>	<u>\$1,091.62</u>
Total Specified Costs					<u>\$328.68</u>	<u>\$32,867.82</u>
Returns Above Specified Costs					<u>(\$328.68)</u>	<u>(\$32,867.82)</u>
Breakeven Price to Cover Total Costs				n/a		

Example Breakeven Prices						
Example Yield Percent	Example Yield	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
90%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
100%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
110%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
125%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Developed by Jason Johnson, 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.**