

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2015 Estimated Costs and Returns per Acre**  
**Grapefruit, Year 1, Orchard Establishment, Flood Irrigated, Rio Grande Valley - 100 Acres**  
**South Extension District - 12**

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						
Young Citrus Trees	140	Tree	\$15.00	\$2,100.00		\$210,000.00
Fertilizer						
Ammonium Sulfate (21% N)	0.858	CWT	\$18.60	\$15.96		\$1,595.88
Custom						
Land Prep and Level	1	Acre	\$165.00	\$165.00		\$16,500.00
Layout and Plant	140	Tree	\$1.38	\$193.20		\$19,320.00
Custom Fertilize Citrus	3	Acre	\$4.40	\$13.20		\$1,320.00
Tree Wrap/Unwrap	140	Tree	\$1.10	\$154.00		\$15,400.00
Miscellaneous						
Insurance, Grapefruit, Year 1	1	Acre	\$40.00	\$40.00		\$4,000.00
Tree Wraps	140	Tree	\$1.10	\$154.00		\$15,400.00
Herbicide						
Simazine 4L	1.25	Gallon	\$25.36	\$31.70		\$3,170.00
Krovar I 80 DF	3	Pound	\$14.25	\$42.75		\$4,275.00
Other Labor						
Unallocated Labor	0.0112	Hour	\$9.00	\$0.10		\$10.08
Irrigation						
Water Cost	2.40	Acre/Foot	\$20.00	\$48.00		\$4,800.00
Irrigation Labor	6.00	Hour	\$9.00	\$54.00		\$5,400.00
Machinery Labor						
Tractors/Self-Propelled	0.24	Hour	\$9.00	\$2.16		\$216.00
Diesel Fuel						
Tractors/Self-Propelled	1.21	Gallon	\$3.00	\$3.63		\$363.00
Repairs & Maintenance						
Tractors/Self-Propelled	1	Acre	\$2.33	\$2.33		\$232.91
Implements	1	Acre	\$0.35	\$0.35		\$34.77
Interest on Credit Line			9.00%	\$217.86		\$21,785.85
Total Variable Costs				\$3,238.23		\$323,823.49
Planned Returns Above Variable Costs:				(\$3,238.23)		(\$323,823.49)
Breakeven Price to Cover Variable Costs			n/a			
FIXED COSTS	Quantity	Units	\$/Unit	Total		Enterprise
Machinery Depreciation						
Tractors/Self-Propelled	1	Acre	\$2.41	\$2.41		\$240.67
Implements	1	Acre	\$0.31	\$0.31		\$31.29
Equipment Investment						
Tractors/Self-Propelled	\$27.17	Dollars	9.00%	\$2.45		\$244.55
Implements	\$2.43	Dollars	9.00%	\$0.22		\$21.90
Allocated Establishment Cost	1	Acre	\$45.00	\$45.00		\$4,500.00
Land Cost, Orchard	1	Acre	\$120.00	\$120.00		\$12,000.00
Total Fixed Costs				\$170.38		\$17,038.42
Total Specified Costs				\$3,408.62		\$340,861.90
Returns Above Specified Costs				(\$3,408.62)		(\$340,861.90)
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 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.**