

Projections for Planning Purposes Only -- *Not to be Used without Updating*

**2015 Estimated Costs and Returns per Acre
Coastal Bermudagrass Pasture - 100 Acres
Central Texas Extension District - 8**

Crop Acres		100			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Livestock Grazing	5.00	AUM	\$22.00	\$110.00	\$11,000.00
Total Revenue				\$110.00	\$11,000.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Custom					
Custom Spray	2	Acre	\$7.00	\$14.00	\$1,400.00
Fertilizer					
17-4-9	225	Pound	\$0.65	\$146.25	\$14,625.00
Insecticide					
Hay Pre and Post Herbicide	1	Acre	\$6.75	\$6.75	\$675.00
Interest on Credit Line			4.75%	\$2.43	\$243.27
Total Variable Costs				\$169.43	\$16,943.27
Planned Returns Above Variable Costs:				(\$59.43)	(\$5,943.27)
Breakeven Price to Cover Variable Costs			\$33.89	AUM	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Total Fixed Costs				\$0.00	\$0.00
Total Specified Costs				\$169.43	\$16,943.27
Returns Above Specified Costs				(\$59.43)	(\$5,943.27)
Breakeven Price to Cover Total Costs			\$33.89	AUM	

Example Breakeven Prices						
Example Yield Percent	Example Yield AUM	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	Share/Tenant	Own/Rent	Share/Tenant	Landlord
75%	3.75	\$45.18	\$45.18	\$45.18	\$45.18	\$0.00
90%	4.50	\$37.65	\$37.65	\$37.65	\$37.65	\$0.00
100%	5.00	\$33.89	\$33.89	\$33.89	\$33.89	\$0.00
110%	5.50	\$30.81	\$30.81	\$30.81	\$30.81	\$0.00
125%	6.25	\$27.11	\$27.11	\$27.11	\$27.11	\$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.