

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2016 Estimated Costs and Returns per Acre**  
**Peaches, Drip Irrigated, Years 5-20 - 50 Acres**  
**Southwest Extension District - 10**

Crop Acres		50			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Peaches	202.00	Bushel	\$40.00	\$8,080.00	\$404,000.00
<b>Total Revenue</b>				<b>\$8,080.00</b>	<b>\$404,000.00</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>					
Fertilizer					
Ammonium Sulfate (21% N)	3	CWT	\$8.20	\$24.60	\$1,230.00
Miscellaneous					
Miscellaneous Peach Overhead	1	Acre	\$4.00	\$4.00	\$200.00
Insecticide					
Dormant Oil	6.5	Gallon	\$15.98	\$103.87	\$5,193.50
Permethrin 36.8%	0.4	Ounce	\$0.50	\$0.20	\$10.00
Carbaryl 4L	2.5	Quart	\$13.30	\$33.25	\$1,662.50
Herbicide					
Glyphosate	12	Pint	\$2.00	\$24.00	\$1,200.00
Other Labor					
Hand Labor	140	Hour	\$8.50	\$1,190.00	\$59,500.00
Fungicides					
Captan 4L	3	Quart	\$6.50	\$19.50	\$975.00
Irrigation					
Energy Cost	940.80	kWh	\$0.17	\$159.94	\$7,996.80
Machinery Labor					
Tractors/Self-Propelled	1.12	Hour	\$12.00	\$13.44	\$672.00
Diesel Fuel					
Tractors/Self-Propelled	4.98	Gallon	\$2.10	\$10.46	\$522.90
Gasoline					
Pickup/General Use Equipment	1	Acre	\$69.11	\$69.11	\$3,455.71
Tractors/Self-Propelled	0.3683038	Gallon	\$2.00	\$0.74	\$36.83
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$17.28	\$17.28	\$864.00
Irrigation Equipment	1	Acre	\$7.36	\$7.36	\$368.00
Tractors/Self-Propelled	1	Acre	\$3.24	\$3.24	\$162.03
Implements	1	Acre	\$5.00	\$5.00	\$249.98
Interest on Credit Line			6.50%	\$45.61	\$2,280.58
<b>Total Variable Costs</b>				<b>\$1,731.60</b>	<b>\$86,579.83</b>
Planned Returns Above Variable Costs:				\$6,348.40	\$317,420.17
Breakeven Price to Cover Variable Costs			\$8.57	Bushel	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Machinery Depreciation</b>					
Pickup/General Use Equipment	1	Acre	\$90.00	\$90.00	\$4,500.00
Irrigation Equipment	1	Acre	\$141.76	\$141.76	\$7,088.16
Tractors/Self-Propelled	1	Acre	\$8.09	\$8.09	\$404.54
Implements	1	Acre	\$3.15	\$3.15	\$157.56
<b>Equipment Investment</b>					
Pickup/General Use Equipment	\$375.00	Dollars	6.50%	\$24.38	\$1,218.75
Irrigation Equipment	\$269.35	Dollars	6.50%	\$17.51	\$875.39
Tractors/Self-Propelled	\$71.35	Dollars	6.50%	\$4.64	\$231.90
Implements	\$30.76	Dollars	6.50%	\$2.00	\$99.99
Allocated Establishment Cost	1	Acre	\$581.04	\$581.04	\$29,052.00
Irrigated Winter Garden Rent	1	Acre	\$50.00	\$50.00	\$2,500.00
<b>Total Fixed Costs</b>				<b>\$922.57</b>	<b>\$46,128.28</b>
<b>Total Specified Costs</b>				<b>\$2,654.16</b>	<b>\$132,708.11</b>
Returns Above Specified Costs				\$5,425.84	\$271,291.89
<b>Breakeven Price to Cover Total Costs</b>			<b>\$13.14</b>	Bushel	

Example Breakeven Prices			
Example Yield Percent	Example Yield Bushel	Price Needed to Cover Your Variable Costs	Price Needed to Cover Your Total Costs
75%	151.50	\$11.43	\$17.52
90%	181.80	\$9.52	\$14.60
100%	202.00	\$8.57	\$13.14
110%	222.20	\$7.79	\$11.94
125%	252.50	\$6.86	\$10.51

Developed by Rob Hogan, 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.**