

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2016 Estimated Costs and Returns per Acre**  
**Grapefruit, Year 2, 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)	0.20	Ton	\$120.00	\$24.00	\$2,400.00	\$2,400.00
Total Revenue				\$24.00	\$2,400.00	\$2,400.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
<b>Production Costs</b>						
Herbicide						
Simazine 4L	1.25	Gallon	\$20.40	\$25.50	\$2,550.00	
Krovar I 80 DF	3	Pound	\$14.88	\$44.64	\$4,464.00	
Fertilizer						
Ammonium Sulfate (21% N)	3.42	CWT	\$18.25	\$62.42	\$6,241.50	
Custom						
Tree Replacement	1	Tree	\$15.00	\$15.00	\$1,500.00	
Custom Fertilize Citrus	2	Acre	\$4.40	\$8.80	\$880.00	
Custom Orchard Spray	4	Acre	\$38.50	\$154.00	\$15,400.00	
Miscellaneous						
Insurance, Grapefruit, Year 2	1	Acre	\$70.00	\$70.00	\$7,000.00	
Insecticide						
Vendex	6	Pound	\$36.00	\$216.00	\$21,600.00	
Lorsban 4E	8	Pint	\$6.11	\$48.88	\$4,888.00	
Citrus Oil	5	Gallon	\$8.20	\$41.00	\$4,100.00	
Admire Pro	0.875	Pint	\$26.67	\$23.34	\$2,333.63	
Agri-Mek SC	0.078	Gallon	\$480.68	\$37.49	\$3,749.30	
Provado	20	Ounce	\$1.03	\$20.60	\$2,060.00	
Other Chemicals						
Surfactant - Citrus	2	Pint	\$3.60	\$7.20	\$720.00	
Other Labor						
Unallocated Labor	0.0122	Hour	\$12.00	\$0.15	\$14.64	
Irrigation						
Water Cost	1.20	Acre/Foot	\$20.00	\$24.00	\$2,400.00	
Irrigation Labor	3.00	Hour	\$12.00	\$36.00	\$3,600.00	
Machinery Labor						
Tractors/Self-Propelled	0.24	Hour	\$12.00	\$2.88	\$288.00	
Diesel Fuel						
Tractors/Self-Propelled	1.21	Gallon	\$2.10	\$2.54	\$254.10	
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			5.00%	\$23.44	\$2,343.79	
Total Variable Costs				\$866.55	\$86,654.63	
Planned Returns Above Variable Costs:				(\$842.55)	(\$84,254.63)	
Breakeven Price to Cover Variable Costs			\$4,332.73	Ton		
FIXED COSTS	Quantity	Units	\$/Unit	Total	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	\$18.75	Dollars	7.00%	\$1.31	\$131.24	
Implements	\$1.34	Dollars	7.00%	\$0.09	\$9.37	
Allocated Establishment Cost	1	Acre	\$254.04	\$254.04	\$25,404.00	
Land Cost, Orchard	1	Acre	\$120.00	\$120.00	\$12,000.00	
Total Fixed Costs				\$378.17	\$37,816.58	
Total Specified Costs				\$1,244.71	\$124,471.21	
Returns Above Specified Costs				(\$1,220.71)	(\$122,071.21)	
Breakeven Price to Cover Total Costs			\$6,223.56	Ton		

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	Price Needed to Cover Your Variable Costs	Price Needed to Cover Your Total Costs
75%	0.15	\$5,776.98	\$8,298.08
90%	0.18	\$4,814.15	\$6,915.07
100%	0.20	\$4,332.73	\$6,223.56
110%	0.22	\$3,938.85	\$5,657.78
125%	0.25	\$3,466.19	\$4,978.85

Developed by Samuel Zapata, Assistant 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.**