

**Projections for Planning Purposes Only -- *Not to be Used without Updating***  
**2017 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>                 |          |         |          |            |  |               |
| Custom                                  |          |         |          |            |  |               |
| Tree & Brush Removal                    | 1        | Acre    | \$150.00 | \$150.00   |  | \$15,000.00   |
| Custom Sprig                            | 1        | Acre    | \$60.00  | \$60.00    |  | \$6,000.00    |
| Fertilizer                              |          |         |          |            |  |               |
| 18-46-0                                 | 100      | Pound   | \$0.23   | \$23.00    |  | \$2,300.00    |
| Seed                                    |          |         |          |            |  |               |
| Bermuda Sprigs                          | 30       | Bushel  | \$1.00   | \$30.00    |  | \$3,000.00    |
| Machinery Labor                         |          |         |          |            |  |               |
| Tractors/Self-Propelled                 | 0.97     | Hour    | \$10.00  | \$9.70     |  | \$970.00      |
| Diesel Fuel                             |          |         |          |            |  |               |
| Tractors/Self-Propelled                 | 3.17     | Gallon  | \$2.65   | \$8.40     |  | \$840.05      |
| Repairs & Maintenance                   |          |         |          |            |  |               |
| Tractors/Self-Propelled                 | 1        | Acre    | \$4.08   | \$4.08     |  | \$408.16      |
| Implements                              | 1        | Acre    | \$4.94   | \$4.94     |  | \$494.31      |
| Interest on Credit Line                 |          |         | 4.75%    | \$10.77    |  | \$1,077.48    |
| Total Variable Costs                    |          |         |          | \$300.90   |  | \$30,090.00   |
| Planned Returns Above Variable Costs:   |          |         |          | (\$300.90) |  | (\$30,090.00) |
| Breakeven Price to Cover Variable Costs |          |         | n/a      |            |  |               |
| FIXED COSTS                             | Quantity | Units   | \$/Unit  | Total      |  | Enterprise    |
| <b>Machinery Depreciation</b>           |          |         |          |            |  |               |
| Tractors/Self-Propelled                 | 1        | Acre    | \$3.37   | \$3.37     |  | \$337.41      |
| Implements                              | 1        | Acre    | \$5.99   | \$5.99     |  | \$599.07      |
| <b>Equipment Investment</b>             |          |         |          |            |  |               |
| Tractors/Self-Propelled                 | \$26.29  | Dollars | 6.00%    | \$1.58     |  | \$157.71      |
| Implements                              | \$27.51  | Dollars | 6.00%    | \$1.65     |  | \$165.05      |
| Total Fixed Costs                       |          |         |          | \$12.59    |  | \$1,259.24    |
| Total Specified Costs                   |          |         |          | \$313.49   |  | \$31,349.24   |
| Returns Above Specified Costs           |          |         |          | (\$313.49) |  | (\$31,349.24) |
| Breakeven Price to Cover Total Costs    |          |         | n/a      |            |  |               |

| Example Breakeven Prices |               |                         |                      |
|--------------------------|---------------|-------------------------|----------------------|
| Example Yield Percent    | Example Yield | To Cover Variable Costs | To Cover Total Costs |
| 75%                      | 0.00          | \$0.00                  | \$0.00               |
| 90%                      | 0.00          | \$0.00                  | \$0.00               |
| 100%                     | 0.00          | \$0.00                  | \$0.00               |
| 110%                     | 0.00          | \$0.00                  | \$0.00               |
| 125%                     | 0.00          | \$0.00                  | \$0.00               |

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**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.**