

**SOUTHEAST REGION  
MEDIUM COW/CALF BUDGET 2025**

BREED HERD SIZE 180 COW to BULL 20 CALF CROP PERCENT<sup>1</sup> 85%  
CULL RATE 15% REPLACEMENT HEIFER'S KEPT 27

VALUE OF PRODUCTION						VALUE PER COW	
	QUANTITY	WEIGHT	PRICE <sup>2,3</sup>	VALUE		NEW VALUE	
STEER CALVES	77	510	\$4.43	\$172,836	\$960.20		
HEIFER CALVES	50	485	\$3.97	\$95,310	\$529.50		
CULL COWS	27	900	\$1.37	\$33,291	\$184.95		
CULL BULLS	1	1200	\$1.73	\$2,076	\$11.53		
FEE HUNTING	1			\$1,500	\$8.33		
TOTAL	154			\$303,513	\$1,686.18		

VARIABLE COSTS						VALUE PER COW	
		UNITS	QUANTITY/PERCENT	PRICE	COST		NEW VALUE
<b>1. FEED COSTS</b>							
	HAY	TON	14.00	\$184	\$2,576	\$14.31	
	STATE	AUY	45.0%	\$29.10	\$2,357	\$13.10	
	FEDERAL LEASE	AUY	25.0%	\$16.20	\$2,916	\$16.20	
	PRIVATE(Owned)	AUY	30.0%	\$0.00	\$0	\$0.00	
	PRIVATE(Leased Grazing)	AUY	0.0%	\$0.00	\$0	\$0.00	
	SALT & MINERAL	TON	7	\$710	\$4,665	\$25.92	
	PROTEIN SUPP	TON	23	\$515	\$11,588	\$64.38	
	TOTAL				\$24,101	\$133.90	

<b>2. OTHER VARIABLE COSTS</b>					COST		
	VET AND MEDICINE				\$2,387	\$13.26	
	LIVESTOCK HAULING				\$7,315	\$40.64	
	HIRED LABOR				\$7,000	\$38.89	
	OPERATING COSTS-EQUIP & MACH				\$2,500	\$13.89	
	OPERATING COSTS-VEHICLE				\$5,000	\$27.78	
	RANCH MAINTENANCE				\$7,000	\$38.89	
	MARKETING COST <sup>7</sup>				\$7,550	\$41.95	
	PURCHASED LIVESTOCK				\$14,000	\$77.78	
	TOTAL				\$52,752	\$293.07	

<b>3. INTEREST ON VARIABLE COSTS</b>							
	SUM OF VARIABLE COSTS X MONTHS BORROWED						
	X INTEREST RATE PER MONTH						
	ANNUAL INTEREST RATE				8.75%		
	NUMBER OF MONTHS BORROWED				6	VALUE PER COW	
					\$3,362	\$18.68	
	TOTAL				\$80,216	\$445.64	
					\$223,297	\$1,240.54	

OWNERSHIP COSTS		Annual Capital Recovery <sup>4</sup> (At Replacement Value):		Represents 65% Asset Ownership <sup>5</sup> VALUE PER COW NEW VALUE	
<b>CASH COSTS</b>					
	Taxes & Insurance			\$5,290	\$29.39
	Overhead			\$3,500	\$19.44
	Total			\$8,790	\$48.83
<b>NON CASH COSTS</b>					
	Purchased Livestock			\$14,620	\$81.22
	Machinery & Equipment			\$5,290	\$29.39
	Housing & Improvements			\$34,653	\$192.52
	Interest on Retained Livestock <sup>6</sup>			\$23,669	\$131.49
	Management & Operation Labor ( 6% of gross returns)			\$18,211	\$101.17
	Total			\$96,443	\$535.79
<b>TOTAL FIXED COSTS</b>				\$105,233	\$584.63
<b>TOTAL CASH AND VARIABLE COSTS</b>				\$89,006	\$494.48
<b>TOTAL COSTS</b>				\$185,449	\$1,030.27
<b>RETURN ABOVE TOTAL CASH COSTS</b>				\$214,507	\$1,191.71
<b>RETURN ABOVE TOTAL COSTS</b>				\$118,064	\$655.91

BREAKEVEN CALCULATIONS		
	VARIABLE COSTS	TOTAL COSTS
REQUIRED AVG. CALF PRICES CASH COST (cwt)	\$105.38	\$116.93
REQUIRED AVG. CALF PRICES TOTAL COSTS(cwt)	\$105.38	\$243.64

1) Calf crop is defined as the actual number of calves sold divided, by the total number of cows (assuming all cows were exposed).

2) Prices represent 2025 average prices of Clovis and Rosewell Livestock Auction.

3) Market prices include commissions, brand inspections, beef council, yardage, feed, and insurance

4) Annual capital recovery is the method of calculating depreciation and interest recommended by the National Task Force on Commodity Costs and Returns Measurement Methods.

5) The 35% reduction in asset values which represent a mix of new and used machinery.

6) Interest on average investment.

**SOUTHEAST REGION  
MEDIUM RANCH INVESTMENTS**

<b>Number</b>	<b>Land Values</b>	<b>Price Per Unit</b>	<b>10 Yr Avg Rate of Return<sup>1</sup></b>	<b>Purchase Price</b>	<b>Salvage/Cull Value</b>	<b>Useful Life</b>	<b>Livestock Share</b>	<b>Annual Capital Recovery</b>
4,000	Acres of private land	\$600	5.5%	\$2,400,000	\$2,400,000			
200	AU Values <sup>1</sup>	\$2,450	5.5%	\$490,000	\$490,000			
<b>Sub Totals</b>				<b>\$2,890,000</b>				
<b>Number</b>	<b>Buildings, Improvements</b>	<b>Price Per Unit</b>	<b>10 Yr Avg Rate of Return<sup>1</sup></b>	<b>Purchase Price</b>	<b>Salvage/Cull Value</b>	<b>Useful Life</b>	<b>Livestock Share</b>	<b>Annual Capital Recovery</b>
5	Miles of pipeline	\$4,000	5.5%	\$20,000	\$2,000	25	100	\$1,444
4	Wells	\$20,000	5.5%	\$80,000	\$8,000	25	100	\$5,777
22	Miles of Fence	\$16,000	5.5%	\$352,000	\$35,200	25	100	\$25,421
1	Corrals/Working Facilities	\$10,000	5.5%	\$10,000	\$1,000	30	100	\$670
1	Barns & Shop	\$20,000	5.5%	\$20,000	\$2,000	30	100	\$1,341
<b>Sub Totals</b>				<b>\$482,000</b>				<b>\$34,653</b>
<b>Number</b>	<b>Machinery &amp; Vehicles</b>	<b>Price Per Unit</b>	<b>Interest Rate<sup>2,3</sup></b>	<b>Price</b>	<b>Salvage/Cull</b>	<b>Useful Life</b>	<b>Livestock Share</b>	<b>Annual Capital Recovery</b>
1	3/4 ton pickup 4WD	\$45,000	4.8%	\$45,000	\$9,000	7	50	\$3,296
0	1 ton pickup 4WD	\$45,000	4.8%	\$0	\$0	7	50	\$0
0	Tractor	\$7,000	4.8%	\$0	\$0	7	100	\$0
1	Gooseneck trailer	\$7,500	4.8%	\$7,500	\$1,500	7	100	\$1,099
1	Horse tack	\$3,000	4.8%	\$3,000	\$600	10	100	\$336
1	Misc. equipment	\$5,000	4.8%	\$5,000	\$1,000	10	100	\$559
<b>Sub Total</b>				<b>\$60,500</b>				<b>\$5,290</b>
<b>Head</b>	<b>Purchased Livestock</b>	<b>Price Per Unit</b>	<b>Interest Rate<sup>2,3</sup></b>	<b>Price</b>	<b>Salvage/Cull</b>	<b>Useful Life</b>	<b>Livestock Share</b>	<b>Annual Capital Recovery</b>
4	Horses	\$6,500	4.8%	\$26,000	\$9,880	10	100	\$2,532
9	Bulls	\$7,000	4.8%	\$63,000	\$23,940	4	100	\$12,089
<b>13</b>	<b>Total AUYS</b>							
<b>Sub Total</b>				<b>\$89,000</b>				<b>\$14,620</b>
<b>Head</b>	<b>Retained Livestock</b>	<b>Price Per Unit</b>	<b>Interest Rate</b>	<b>Price</b>	<b>Salvage/Cull</b>	<b>Useful Life</b>	<b>Livestock Share</b>	<b>Annual Capital Recovery</b>
180	Cows	\$3,050	4.8%	\$549,000	\$208,620			\$20,564
27	Replacement Heifers	\$3,070	4.8%	\$82,890	\$31,498			\$3,105
<b>200</b>	<b>Total AUYS</b>							
<b>Sub Total</b>				<b>\$631,890</b>	<b>\$240,118</b>			<b>\$23,669</b>
<b>Total</b>				<b>\$4,153,390</b>				<b>\$63,612</b>

1) The interest rate of 5.45% used to calculate the capital recovery cost is the USDA-ERS's ten year average long-run rate of return to production assets for the United States.

2) An interest rate of 4.75% was used based on long-term U.S. Treasury rate for intermediate assets.

3) A rate of 4.75 percent reflects a typical return on a low -risk investment.