

**SOUTHEAST REGION
EX-LARGE STOCKER BUDGET 2025**

HERD SIZE 1200

DEATH LOSS PERCENT¹ 3%

| VALUE OF PRODUCTION | | | | | VALUE PER HEAD | |
|---------------------|-------------|--------|----------------------|--------------------|-------------------|-----------|
| | QUANTITY | WEIGHT | PRICE ^{2,3} | VALUE | | NEW VALUE |
| STEER CALVES | 1164 | 750 | \$3.30 | \$2,880,900 | \$2,400.75 | _____ |
| | | | | | | _____ |
| | | | | | | _____ |
| | | | | | | _____ |
| TOTAL | 1164 | | | \$2,880,900 | \$2,400.75 | _____ |

| VARIABLE COSTS | | | | | | |
|---|-------|------------------|---------|--------------------|-------------------|-----------|
| | | | | | VALUE PER HEAD | |
| | UNITS | QUANTITY/PERCENT | PRICE | COST | | NEW VALUE |
| 1. FEED COSTS | | | | | | |
| HAY | TON | 0.00 | \$184 | \$0 | \$0.00 | _____ |
| STATE | AUY | 0.0% | \$0.00 | \$0 | \$0.00 | _____ |
| FEDERAL LEASE | AUY | 0.0% | \$0.00 | \$0 | \$0.00 | _____ |
| PRIVATE(Owned) | AUY | 100.0% | \$35.00 | \$168,000 | \$140.00 | _____ |
| PRIVATE(Leased Grazing) | AUY | 0.0% | \$0.00 | \$0 | \$0.00 | _____ |
| SALT & MINERAL | TON | 21.60 | \$710 | \$15,336 | \$12.78 | _____ |
| PROTEIN SUPP | TON | 32.40 | \$515 | \$16,686 | \$13.91 | _____ |
| OTHER | | 0.00 | \$0 | \$0 | \$0.00 | _____ |
| TOTAL | | | | \$200,022 | \$166.69 | _____ |
| 2. OTHER VARIABLE COSTS | | | | | | |
| VET AND MEDICINE | | | | \$19,800 | \$16.50 | _____ |
| LIVESTOCK HAULING | | | | \$0 | \$0.00 | _____ |
| HIRED LABOR | | | | \$25,000 | \$20.83 | _____ |
| OPERATING COSTS-EQUIP & MACH | | | | \$6,000 | \$5.00 | _____ |
| OPERATING COSTS-VEHICLE | | | | \$8,500 | \$7.08 | _____ |
| RANCH MAINTENANCE | | | | \$9,500 | \$7.92 | _____ |
| MARKETING COST ⁷ | | | | \$57,618 | \$48.02 | _____ |
| LIVESTOCK PURCHASES | | | | <u>\$2,040,000</u> | <u>\$1,700.00</u> | _____ |
| TOTAL | | | | \$2,166,418 | \$1,805.35 | _____ |
| 3. INTEREST ON VARIABLE COSTS | | | | | | |
| SUM OF VARIABLE COSTS X MONTHS BORROWED | | | | | | |
| X INTEREST RATE PER MONTH | | | | | | |
| ANNUAL INTEREST RATE | | | | 8.8% | | |
| NUMBER OF MONTHS BORROWED | | | | 6 | VALUE PER HEAD | |
| | | | | \$103,532 | \$86.28 | _____ |
| TOTAL | | | | \$2,469,972 | \$2,058.31 | _____ |
| RETURN | | | | \$410,928 | \$342.44 | _____ |

| OWNERSHIP COSTS | | | | | | |
|---|--|--|--|---|-------------------|-----------|
| | | | | Represents 65% Asset Ownership ⁵ | VALUE PER HEAD | NEW VALUE |
| CASH COSTS | | | | | | |
| Taxes & Insurance | | | | \$19,806 | \$16.51 | _____ |
| Overhead | | | | \$4,000 | \$3.33 | _____ |
| Total | | | | \$23,806 | \$19.84 | _____ |
| NON CASH COSTS | | | | | | |
| Purchased Livestock | | | | \$0 | \$0.00 | _____ |
| Machinery & Equipment | | | | \$0 | \$0.00 | _____ |
| Housing & Improvements | | | | \$0 | \$0.00 | _____ |
| Interest on Retained Livestock ⁶ | | | | \$0 | \$0.00 | _____ |
| Management & Operation Labor (6% of gross returns) | | | | \$172,854 | \$144.05 | _____ |
| Total | | | | \$172,854 | \$144.05 | _____ |
| TOTAL FIXED COSTS | | | | \$196,660 | \$163.88 | _____ |
| TOTAL CASH AND VARIABLE COSTS | | | | \$2,493,778 | \$2,078.15 | _____ |
| TOTAL COSTS | | | | \$2,666,632 | \$2,222.19 | _____ |
| RETURN ABOVE TOTAL CASH COSTS | | | | \$387,122 | \$322.60 | _____ |
| RETURN ABOVE TOTAL COSTS | | | | \$214,268 | \$178.56 | _____ |

| BREAKEVEN CALCULATIONS | | |
|--|----------------|-------------|
| | VARIABLE COSTS | TOTAL COSTS |
| REQUIRED AVG. CALF PRICES CASH COST (cwt) | \$18,296.09 | \$18,472.43 |
| REQUIRED AVG. CALF PRICES TOTAL COSTS(cwt) | \$18,296.09 | \$19,752.83 |

1) Death loss indicates those calves which were turned out but were not accounted for when removed from the pasture
2) Prices represent 2025 average prices of Clovis and Rosewell Livestock Auction, Oct. to Dec..
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.
7) Marketing cost includes commissions, band inspections, beef council, yardage, feed and insurance at 2.5% on all animals sold.

**NORTHEAST REGION
YEARLING RANCH INVESTMENTS**

| Number | Land Values | Price Per Unit | 10 Yr Avg Rate of Return | Purchase Price | Salvage/Cull Value | Useful Life | Livestock Share | Annual Capital Recovery |
|-------------------|---------------------------------|-----------------------|-------------------------------------|---------------------------|-------------------------------|------------------------|-------------------------------|------------------------------------|
| 90,000 | Acres of private land | \$600 | 5.5% | \$54,000,000 | \$54,000,000 | | | |
| 500 | AU Values ¹ | \$2,500 | 5.5% | \$1,250,000 | \$1,250,000 | | | |
| Sub Totals | | | | \$55,250,000 | | | | |
| Number | Buildings, Improvements | Price Per Unit | | | | | | |
| 16 | Miles of pipeline | \$4,000 | 5.5% | \$64,000 | \$6,400 | 25 | 100 | \$4,622 |
| 10 | Wells | \$20,000 | 5.5% | \$200,000 | \$20,000 | 25 | 100 | \$14,443 |
| 95 | Miles of Fence | \$8,000 | 5.5% | \$760,000 | \$76,000 | 25 | 100 | \$54,885 |
| 2 | Corrals/Working Facilities | \$12,000 | 5.5% | \$24,000 | \$2,400 | 30 | 100 | \$1,609 |
| 1 | Barns & Shop | \$20,000 | 5.5% | \$20,000 | \$2,000 | 30 | 100 | \$1,341 |
| Sub Totals | | | | \$1,068,000 | | | | \$76,900 |
| Number | Machinery & Vehicles | Price Per Unit | Interest Rate³ | Price | Salvage/Cull | | | |
| 3 | 3/4 ton pickup 4WD | \$45,000 | 4.8% | \$135,000 | \$27,000 | 7 | 50 | \$9,889 |
| 1 | 1 ton pickup 4WD | \$45,000 | 4.8% | \$45,000 | \$9,000 | 7 | 50 | \$3,296 |
| 1 | Tractor | \$5,000 | 4.8% | \$5,000 | \$1,000 | 7 | 100 | \$733 |
| 3 | Gooseneck trailer | \$6,500 | 4.8% | \$19,500 | \$3,900 | 7 | 100 | \$2,857 |
| 1 | Horse tack | \$6,000 | 4.8% | \$6,000 | \$1,200 | 10 | 100 | \$671 |
| 1 | Misc. equipment | \$7,000 | 4.8% | \$7,000 | \$1,400 | 10 | 100 | \$783 |
| Sub Total | | | | \$217,500 | | | | \$18,229 |
| Head | Purchased Livestock | Price Per Unit | Interest Rate³ | Price | Salvage/Cull | | | |
| 13 | Horses | \$6,500 | 4.8% | \$84,500 | \$32,110 | 10 | 100 | \$8,228 |
| Sub Total | | | | \$84,500 | | | | \$8,228 |
| Head | Retained Livestock | Price Per Unit | Interest Rate | Price | Salvage/Cull | | Interest on Investment | |
| 1200 | Stockers | \$2,088 | 4.8% | \$2,505,600 | \$952,128 | | | \$93,853 |
| Total AUYS | | | | | | | | |
| Sub Total | | | | \$2,505,600 | \$952,128 | | | \$93,853 |
| Total | | | | <u>\$59,125,600</u> | | | | <u>\$188,982</u> |

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.