SOUTHEAST REGION
EX-LARGE COW/CALF BUDGET 2025

BREED HERD SIZE	495	COW to BULL	20	CALF CROP PERCENT[1]	85%
CULL RATE	15%			REPLACEMENT HEIFER'S KEPT	74

VALUE OF PRODUCTION

	QUANTITY	WEIGHT	PRICE[2,3]	VALUE	VALUE PER COW	NEW VALUE
STEER CALVES	210	510	$4.63	$496,758	$1,003.55	
HEIFER CALVES	136	485	$4.17	$275,306	$556.17	
CULL COWS	74	900	$1.58	$105,584	$213.30	
CULL BULLS	1	1200	$1.93	$2,316	$4.68	
FEE HUNTING	1			$6,000	$12.12	
TOTAL	422			$879,964	$1,777.71	

VARIABLE COSTS

1. FEED COSTS

	UNITS	QUANTITY/PERCENT	PRICE	COST	VALUE PER COW	NEW VALUE
HAY	TON	33.00	$184	$6,072	$12.27	
STATE	AUY	45.0%	$29.10	$6,482	$13.10	
FEDERAL LEASE	AUY	25.0%	$16.20	$8,019	$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	18	$710	$12,828	$25.92	
PROTEIN SUPP	TON	37	$515	$19,119	$38.63	
TOTAL				$52,520	$106.10	

2. OTHER VARIABLE COSTS

	COST	VALUE PER COW	NEW VALUE
VET AND MEDICINE	$6,537	$13.21	
LIVESTOCK HAULING	$2,003	$4.05	
HIRED LABOR	$30,000	$60.61	
OPERATING COSTS-EQUIP & MACH	$8,000	$16.16	
OPERATING COSTS-VEHICLE	$9,000	$18.18	
RANCH MAINTENANCE	$6,000	$12.12	
MARKETING COST[7]	$17,479	$35.31	
LIVESTOCK PURCHASES	$28,000	$56.57	
TOTAL	$107,020	$216.20	

3. INTEREST ON VARIABLE COSTS

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
	$6,980	$14.10
	$166,520	$336.40
TOTAL	$713,444	$1,441.30

OWNERSHIP COSTS

Annual Capital Recovery[4] (At Replacement Valve):	Represents 65% Asset Ownership[5]	VALUE PER COW	NEW VALUE
CASH COSTS			
Taxes & Insurance	$15,557	$31.43	
Overhead	$5,000	$10.10	
Total	$20,557	$41.53	
NON CASH COSTS			
Purchased Livestock	$40,839	$82.50	
Machinery & Equipment	$15,557	$31.43	
Housing & Improvements	$145,672	$294.29	
Interest on Retained Livestock[6]	$65,103	$131.52	
Management & Operation Labor (6% of gross returns)	$52,798	$106.66	
Total	$319,969	$646.40	
TOTAL FIXED COSTS	$340,526	$687.93	
TOTAL CASH AND VARIABLE COSTS	$187,077	$377.93	
TOTAL COSTS	$507,046	$1,024.33	
RETURN ABOVE TOTAL CASH COSTS	$692,887	$1,399.77	
RETURN ABOVE TOTAL COSTS	$372,918	$753.37	

BREAKEVEN CALCULATIONS

	VARIABLE COSTS	TOTAL COSTS
REQUIRED AVG. CALF PRICES CASH COST (cwt)	$79.55	$89.37
REQUIRED AVG. CALF PRICES TOTAL COSTS(cwt)	$79.55	$242.23

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.
7) Marketing cost includes commissions, band inspections, beef council, yardage, feed and insurance at 2% on all animals sold.

SOUTHEAST REGION
EXTRA-LARGE RANCH INVESTMENTS

Number	Land Values	Price Per Unit	10 Yr Avg Rate of Return[1]	Purchase Price	Salvage/Cull Value	Useful Life	Livestock Share	Annual Capital Recovery
10,000	Acres of private land	$600	5.5%	$6,000,000	$6,000,000			
550	AU Values[1]	$2,450	5.5%	$1,347,500	$1,347,500			
			Sub Totals	$7,347,500				
Number	**Buildings, Improvements**	**Price Per Unit**						
15	Miles of pipeline	$4,000	5.5%	$60,000	$6,000	25	100	$4,333
8	Wells	$20,000	5.5%	$160,000	$16,000	25	100	$11,555
110	Miles of Fence	$16,000	5.5%	$1,760,000	$176,000	25	100	$127,103
2	Corrals/Working Facilities	$10,000	5.5%	$20,000	$2,000	30	100	$1,341
1	Barns & Shop	$20,000	5.5%	$20,000	$2,000	30	100	$1,341
			Sub Totals	$2,020,000				$145,672
Number	**Machinery & Vehicles**	**Price Per Unit**	Interest Rate[2,3]	Price	Salvage/Cull			
2	3/4 ton pickup 4WD	$45,000	4.8%	$90,000	$18,000	7	50	$6,593
1	1 ton pickup 4WD	$45,000	4.8%	$45,000	$9,000	7	50	$3,296
1	Tractor	$7,000	4.8%	$7,000	$1,400	7	100	$1,026
3	Gooseneck trailer	$7,000	4.8%	$21,000	$4,200	7	100	$3,077
1	Horse tack	$6,000	4.8%	$6,000	$1,200	10	100	$671
1	Misc. equipment	$8,000	4.8%	$8,000	$1,600	10	100	$895
			Sub Total	$177,000				$15,557
Head	**Purchased Livestock**	**Price Per Unit**	Interest Rate[2,3]	Price	Salvage/Cull			
12	Horses	$6,500	4.8%	$78,000	$29,640	10	100	$7,595
25	Bulls	$7,000	4.8%	$173,250	$65,835	4	100	$33,244
37	**Total AUYs**							
			Sub Total	$251,250				$40,839
Head	**Retained Livestock**	**Price Per Unit**	Interest Rate	Price	Salvage/Cull			Interest on Investment
495	Cows	$3,050	4.8%	$1,509,750	$573,705			$56,551
74	Replacement Heifers	$3,075	4.8%	$228,319	$86,761			$8,552
551	**Total AUYs**							
			Sub Total	$1,738,069	$660,466			$65,103
			Total	$11,533,819				$226,332

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.