SOUTHEAST REGION
EX-LARGE STOCKER BUDGET 2025

HERD SIZE 1200 **DEATH LOSS PERCENT**[1] 3%

VALUE OF PRODUCTION

		QUANTITY	WEIGHT	PRICE[2,3]	VALUE	VALUE PER HEAD	NEW VALUE
STEER CALVES		1164	750	$3.30	$2,880,900	$2,400.75	
	TOTAL	1164			$2,880,900	$2,400.75	

VARIABLE COSTS

1. FEED COSTS	UNITS	QUANTITY/PERCENT	PRICE	COST	VALUE PER HEAD	NEW VALUE
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	COST	VALUE PER HEAD	NEW VALUE
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	$2,040,000	$1,700.00	
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

Annual Capital Recovery[4] (At Replacement Valve):	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 Rate[3]	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 Rate[3]	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	$59,125,600				$188,982

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.