



**Western - Grass Hay**

**2015**

**Estimated Production Costs & Returns**

<b>GROSS RECEIPTS FROM PRODUCTION</b>						
GROSS RECEIPTS	UNIT	PRICE	YIELD	PER ACRE	PER TON	YOUR FARM
Grass Hay	tons	\$137.00	2.96	\$406	\$137.00	
<b>Total Receipts</b>				<b>\$406</b>		<b>\$0</b>

**DIRECT COSTS**

	UNIT	COST PER UNIT	QUANTITY	PER ACRE	PER TON	YOUR FARM
<b>OPERATING PREHARVEST</b>						
Fertilizer	lbs	0.31	70	21.88	7.39	
Custom Application	acre	10.00	1	10.00	3.38	
Interest Expense (6 months @ 6%)		0.31	1	0.31	0.10	
<b>Total Pre-Harvest Expenses</b>				<b>\$32.18</b>	<b>\$10.87</b>	<b>\$0.00</b>
<b>HARVEST COSTS</b>						
Swath	acre	15.00	2	30.00	10.14	
Rake	acre	8.00	2	16.00	5.41	
Bale	bale	10.00	2.96	29.60	10.00	
Hauling	bale	3.75	2.96	11.10	3.75	
<b>Total Harvest Costs</b>				<b>\$86.70</b>	<b>\$29.29</b>	<b>\$0.00</b>
<b>Total Operating Costs</b>				<b>\$118.88</b>	<b>\$40.16</b>	<b>\$0.00</b>
<b>PROPERTY &amp; OWNERSHIP COSTS</b>						
General Farm Overhead	dollars	45.00	1	45.00	15.20	
Depreciation	dollars	10.00	1	10.00	3.38	
Real Estate Taxes	dollars	19.30	1	19.30	6.52	
<b>Total Property &amp; Ownership Costs</b>				<b>\$74.30</b>	<b>\$25.10</b>	<b>\$0.00</b>
<b>TOTAL DIRECT COSTS</b>				<b>\$193.18</b>	<b>\$65.26</b>	<b>\$0.00</b>
<b>NET RECEIPTS BEFORE FACTOR PAYMENTS</b>				<b>\$212.34</b>	<b>\$71.74</b>	<b>\$0.00</b>
<b>FACTOR PAYMENTS</b>						
Land (\$2,500 @ 4%)				100.00	33.78	
<b>RETURN TO MANAGEMENT &amp; RISK</b>				<b>\$112.34</b>	<b>\$37.95</b>	<b>\$0.00</b>

**BREAKEVEN ANALYSIS - PER ACRE RETURNS OVER TOTAL DIRECT COSTS (\$/ACRE)**

ALTERNATIVE YIELDS		ALTERNATIVE PRICES (\$/ton)				
		-25%	-10%	10%	25%	
-25%	2.2	\$102.75	\$123.30	\$137.00	\$150.70	\$171.25
-10%	2.7	\$34.92	\$80.54	\$110.96	\$141.37	\$186.99
TONS PER ACRE	3.0	\$80.54	\$135.29	\$171.78	\$208.28	\$263.03
	3.3	\$110.96	\$171.78	\$212.34	\$252.89	\$313.72
	3.7	\$141.37	\$208.28	\$252.89	\$297.49	\$364.41
	3.7	\$186.99	\$263.03	\$313.72	\$364.41	\$440.44