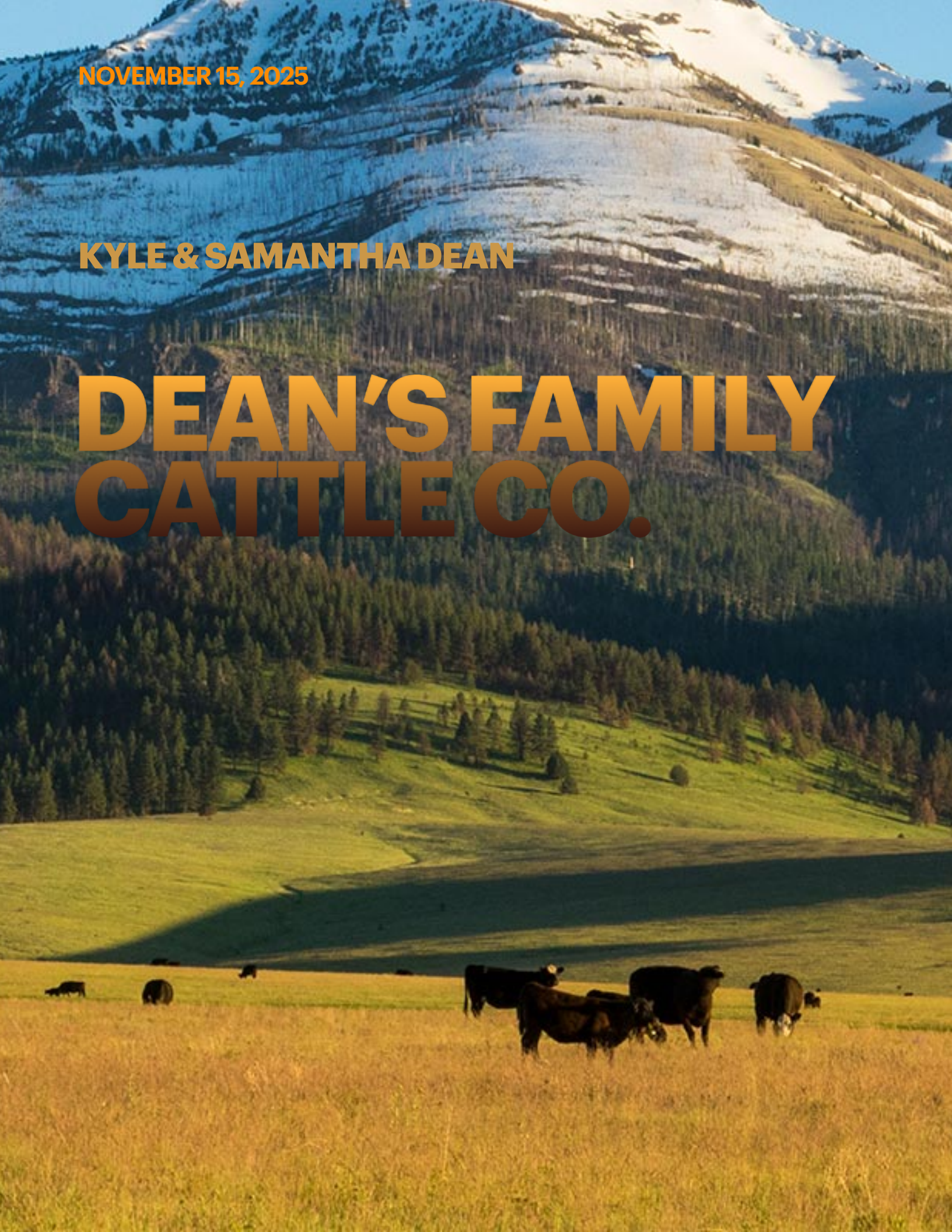


NOVEMBER 15, 2025

KYLE & SAMANTHA DEAN

DEAN'S FAMILY CATTLE CO.





Kyle & Samantha Dean

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EXECUTIVE SUMMARY

Dean's Family Cattle Co. is a family-owned ranching operation based in Colorado. The ranch will specialize in 100% grass-fed, grass-finished beef, raised through regenerative and sustainable grazing practices. Our goal is to control the entire process from farm to family — raising, processing, packaging, and distributing premium-quality beef directly to local families and consumers. We believe in

regenerative agriculture, animal welfare, and leaving the land healthier for future generations.

The ranch will begin operations by acquiring land with secure water rights and strong forage potential. Infrastructures will include fencing, barns, corrals, and a small on-site butcher shop that will grow into a USDA-certified processing facility. All meat will be processed and packaged in-house, ensuring full control and traceability of every cut of beef.

Dean's Family Cattle Co. will operate as a family-owned ranch focused on sustainable beef production. Our herd will start with 25-30 cattle, expanding to 200 as the operation grows. Our pastures will be managed using rotational grazing methods to maintain soil health and biodiversity. We will also be growing some of our own hay, to help offset feed expenses, and to ensure quality, quantity and nutrients.

MISSION, GOALS & OBJECTIVES

Mission Statement

Dean's Family Cattle Co. is dedicated to producing premium, 100% grass-fed, grass-finished beef through responsible, regenerative, and family-centered ranching practices. Our mission is to raise healthy cattle, restore the land, and provide clean, whole foods that nourish our community. We strive to build a legacy operation that supports our family, strengthens Colorado agriculture, and demonstrates exemplary stewardship of the land, animals, and natural resources entrusted to us.

Core Goals

1. Build a Sustainable, Regenerative Ranching Operation. Enhance soil health, improve pasture quality, and restore natural ecosystems through rotational grazing, water conservation, and responsible land management.
2. Produce High-Quality, Ethical, Grass-Fed Beef. Raise cattle in a stress-free, pasture-based environment that prioritizes animal welfare, nutrition, and natural growth from start to finish.
3. Develop a Fully Integrated Farm-to-Family Beef System. Control every step of production—from raising cattle to processing, packaging, and selling—ensuring transparency, food safety, and consistent quality.
4. Contribute Positively to Colorado's Rural Economy. Create local jobs, support regional supply chains, and become a trusted provider of sustainable beef within the community.

5. Build a Multi-Generational Family Legacy. Establish a ranch that provides financial stability, valuable life skills, and long-term opportunities for future generations of the Dean family.

Business Objective

Deans Family Cattle Co. aims to establish a sustainable, family-owned and operated grass-fed, grass-finished beef operation in Colorado, producing premium, ethically raised beef while restoring soil health, preserving open rangeland, and supporting local food systems.

Our objective is to build a profitable and scalable ranching enterprise beginning with a foundational herd and regenerative rotational grazing practices, expanding strategically to meet regional consumer demand for clean, traceable, high-quality beef.

Over time, we plan to vertically integrate by developing an on-site processing and packaging facility, ensuring full control over animal welfare, food safety, product consistency, and operational efficiency.

Through transparency, responsible land stewardship, and commitment to exceptional customer service, our goal is to create a trusted beef brand that supports future generations, strengthens the agricultural community, and delivers nourishment people can feel good about.

BACKGROUND INDUSTRY INFO.

Cattle farming is one of the oldest and most foundational agricultural industries in the world. Its roots date back more than 10,000 years, when early civilizations domesticated wild aurochs for meat, milk, hides, and draft power. Over centuries, cattle ranching evolved from small family herds to large-scale operations that helped shape entire regions, cultures, and economies.

In the United States, the cattle industry became a major force in the 1800s, driven by westward expansion, open rangelands, and growing demand for beef in urban markets. Iconic cattle drives—like the ones along the Chisholm Trail—helped establish ranching as both a necessity and a way of life. By the early 20th century, ranches and cattle operations had become key pillars of rural communities and national food supply chains.

Today, the cattle industry remains one of the largest sectors in American agriculture, contributing billions annually to the economy. The U.S. is consistently among the top

beef-producing nations globally. Modern advancements in animal nutrition, genetics, pasture management, and sustainable grazing practices have made cattle farming more efficient, humane, and environmentally responsible than ever before.

Cattle operations—whether cow-calf, backgrounding, or feedlot—play a crucial role in supporting food security, land conservation, and rural job creation. Ranchers manage vast acres of rangeland, helping to preserve open spaces, improve soil health, and maintain biodiversity through responsible grazing. The industry has also adapted to new market demands, including grass-fed beef, organic production, and direct-to-consumer sales, creating new opportunities for beginning ranchers and small family farms.

Despite challenges such as fluctuating market prices, drought, and rising operational costs, cattle ranching continues to thrive due to strong consumer demand and the resilience of ranching families. It remains more than just a business—it's a longstanding American tradition built on stewardship, hard work, and a deep connection to the land.

We bring a strong work ethic, determination, and a deep commitment to building a long-term, sustainable family operation. Our Family is entering this industry with clear intention and purpose—We're ready to learn, eager to grow, and fully invested in the success of Dean's Family Cattle Co.

Our decision to pursue ranching comes from a desire to build something meaningful, rather than continue working in jobs that offer no future or legacy. We are a growing family, and it is important to us to create an opportunity that not only supports us today but provides something lasting to pass down for generations. We want our children to be raised on healthy, whole foods and to learn the value of hard work, stewardship, and responsibility. Owning and operating a ranch allows us to build a life rooted in purpose, self-sufficiency, and integrity.

We are driven, committed, and ready to put in the work required to create a successful and sustainable ranching operation. We believe that passion, dedication, and a willingness to learn are just as important as experience, and we're bringing all of those qualities into this new chapter of our family's future.

ORGANIZATIONAL MATTERS

BUSINESS STRUCTURE

Dean's Family Cattle Co. Limited will operate as a Limited Liability Company (LLC). This structure provides:

- Legal and financial liability protection for the owners
- Pass-through taxation, simplifying compliance
- Flexible management authority, appropriate for a family-operated agricultural business
- A clear ownership structure that aligns with FSA lending requirements for beginning farmers

This structure ensures the operation meets FSA expectations for stable legal organization while allowing the business to grow sustainably.

MANAGEMENT & OWNERSHIP

The farm will be owned and managed by two primary owners, both of whom will actively participate in daily operations and long-term strategic decision-making of the Ranch. Primary Managers. Co-Owners.

Owner / Manager (60%) – Samantha Dean

Responsible for:

- Administrative and financial management, including budgeting, record-keeping, and loan compliance
- Oversight of marketing, customer inquiries, and direct-to-consumer sales
- Coordination with USDA, FSA, Extension services, veterinarians, and suppliers
- Supporting daily cattle care and ranch operations as needed
- Developing long-term strategic plans and risk-management practices

Owner / Manager (40%) – Kyle Dean

Responsible for:

- Daily cattle management, including feeding, watering, handling, and herd health
- Pasture rotation, soil management, and land stewardship practices
- Maintenance and operation of ranch equipment and infrastructure
- Implementation of conservation programs and land improvement projects
- Supervising on-farm labor and ensuring efficient workflow

Together they will handle major business decisions, annual planning, and compliance with FSA reporting and insurance requirements.

LABOR RESOURCES & FAMILY SUPPORT STAFF

The Ranch will benefit from reliable in-house labor from family members residing on the property.

Farm Hand – Husband's Brother (Full-Time Support Labor)

- Assist with livestock handling, feeding schedules, and pasture maintenance
- Conduct basic equipment maintenance and fencing repairs
- Support seasonal needs such as calving, branding, and hay production
- Provide daily labor necessary to ensure continuity of care during busy periods or emergencies
- Previous ranch hand experience of 2-3 years

Part-Time Youth Worker – 15-Year-Old Family Member

- Performs age-appropriate ranch tasks under supervision
- Supports feeding routines, pen cleaning, and organizational tasks
- Gains agricultural experience while contributing to daily operational needs
- Helps with seasonal tasks during peak workload periods

OUTSIDE SERVICES (AS REQUIRED BY FSA STANDARDS)

To maintain proper animal health, financial accuracy, and regulatory compliance, the farm will use these professional support services:

- **Licensed Veterinarian:** Herd health programs, vaccinations, emergency response
- **Brand Inspector:** Required livestock inspections, brand verifications, and transport documentation
- **Feed & Supply Providers:** Nutritional supplements, hay, mineral, fencing supplies
- **Processing & Marketing:** USDA processor/ slaughter mobile facility, while we work towards our own USDA in-house processing facility.
- **Accounting/Tax Professional:** Annual tax filings, depreciation schedules, financial reports for FSA
- **Equipment Specialists:** Repairs to tractors, trailers, and mechanical systems beyond routine maintenance
- **Legal Advisor (as needed):** Land acquisition, contracts, and operational agreements
- **Extension Agents & NRCS Technicians:** Soil health planning, conservation program compliance, drought management support

These services ensure the farm meets USDA animal welfare standards, maintains accurate financial reporting, and adheres to conservation and environmental best practices.

SUFFICIENCY OF LABOR & MANAGEMENT CAPACITY

The combined effort of two full-time owners, an on-site family farm hand, and supplemental part-time labor ensures the operation has adequate and reliable labor resources, which is a key requirement for FSA loan approval.

The management team demonstrates:

- Capability to maintain daily livestock operations
- Sufficient labor to implement conservation practices and land improvements
- Strong Construction / Handyman background to keep the farm running smoothly
- A structured plan for growth and increased production
- Commitment to training, safety, compliance, and responsible ranch management

This structure provides the stability, oversight, and operational capacity required for the successful use of FSA loan funds.

RISK MANAGEMENT STRATEGIES

Dean's Family Cattle Co. will implement a clear set of strategies to reduce operational risks and ensure long-term stability:

- **Drought & Water Security:** Maintain water rights, develop multiple water sources, use rotational grazing, and follow NRCS conservation plans to protect forage and reduce drought impact.
- **Feed Cost Control:** Grow on-farm hay, maintain emergency feed reserves, secure bulk purchasing arrangements, and improve pasture productivity to reduce dependence on outside markets.
- **Livestock Health:** Follow veterinarian-guided herd health program, enforce biosecurity measures, use low-stress handling, maintain proper shelter and fencing, and carry livestock insurance. Also use a record keeping software like CattleMax or Farmbrite.
- **Market Volatility:** Reduce reliance on volatile commodity markets through direct to- consumer beef sales, in-house processing, subscription programs, and diverse product offerings.
- **Regulatory Compliance:** Maintain clear records, complete required inspections, and participate in ongoing training to meet state and federal standards.
- **Financial Protection:** Use FSA loan programs, grant opportunities, maintain disciplined bookkeeping, plan multi-year budgets, and retain emergency reserves.

- **Soil & Land Health:** Improve forage production and land resilience through rotational grazing, cover crops, soil testing, and regenerative agriculture practices. These strategies strengthen the farm's ability to withstand environmental, financial, and market challenges while supporting sustainable, long-term growth.

MARKET ANALYSIS

Industry Overview

The demand for grass-fed and sustainably raised beef continues to grow across the U.S., driven by consumers seeking transparency, better nutrition, and environmental responsibility. USDA data and market trends show annual growth of 6–10% in the grass-fed beef segment, particularly in the Rocky Mountain and Western states.

Target Market

- Health-conscious consumers and families.
- Local restaurants and butchers emphasizing farm-to-table menus.
- Subscription box customers seeking local meat delivery.
- Farmers markets and co-op grocery stores.

Competitive Advantage

Local, transparent, full-scale operations have a strong edge with consumers who value knowing where their food comes from. Dean's Family Cattle Co. will differentiate through high animal welfare, regenerative land management, and consistent product quality.

PRODUCTS AND SERVICES

Primary Product:

Grass-Fed, Grass-Finished Beef — sold as whole, half, or quarter shares, and eventually as individual cuts through direct markets.

Secondary Products (Planned for Future):

Pasture-Raised Eggs or Poultry (integrated grazing system)

Compost or Soil Amendments made from manure and organic waste.

Farm Experiences & Education — tours, workshops, and farm stays.

MARKETING AND SALES STRATEGY

Sales Channels:

- Direct-to-consumer (bulk orders, farm pick-up, delivery)
- Local farmers markets

- CSA (Community Supported Agriculture) beef shares
- Partnerships with local restaurants and markets

Branding:

Emphasize transparency, sustainability, and local community impact through storytelling, high-quality photography, and customer education.

Online Presence:

- Website with ordering capability and ranch updates
- Social media featuring regenerative farming practices, animals, and family story

FARM OPERATION PLAN

A. Property Overview

Deans Family Cattle Co. plans to acquire a 642.9-acre ranch property 18105 Enoch Road, Colorado Springs, Colorado, intended for grass-fed, grass-finished beef production. The property includes:

- Existing perimeter and cross fencing
- Multiple established pastures suitable for rotational grazing
- Reliable year-round watering system (wells, tanks, or pipeline network)
- Ranch access roads and equipment storage areas
- Natural windbreaks, tree lines, and varied topography
- Barn, livestock handling facilities, working pens, and loading alley
- Irrigated or partially irrigated acreage suitable for hay production

This land size and infrastructure support long-term herd expansion, forage resiliency, and operational efficiency.

B. Ranch Enterprise & Production Model

The ranch will operate as a family-owned, vertically developing beef enterprise, specializing in:

- Grass-fed, grass-finished Black and Red Angus beef
- Direct-to-consumer packaged meat sales
- Ethical ranching, regenerative grazing, and land stewardship
- Long-term goal: onsite processing and packaging facility

The strategy focuses on quality, transparency, and sustainability rather than commodity markets.

C. Herd Acquisition & Livestock Management

Initial Herd Purchase

- 25–30 bred Black or Red Angus cows
- 1 high-quality bull from proven grass-performing genetics
- Cattle sourced from reputable Colorado ranches prioritizing temperament, mothering ability, and forage conversion

Herd Management Protocol

- Cattle acclimated slowly to new pastures and water sources
- Individual ID tags, breeding records, and health documentation maintained
- Annual vaccinations, parasite monitoring, mineral program, and veterinary oversight

Animal Welfare

- Low-stress livestock handling
- Shade, shelter, and wind protection maintained
- Daily visual health checks

D. Breeding Program & Calf Production

- Breeding season: May–July
- Calving season: March–May (avoids severe winter weather)
- Gestation: ~283 days
- One bull per 25–30 cows
- Expected calving rate: 90%+
- Calves ear-tagged, recorded, and monitored at birth
- Weaning at 6–8 months, then moved to growing pastures

Growth & Finishing

- Grass-finished between 18–28 months
- No feedlot confinement, hormones, or routine antibiotics

Annual projected calf crop:

23–28 calves first year, growing as herd expands

E. Grazing System & Pasture Management

The ranch will use an adaptive, rotational grazing system designed to maximize forage quality and ecological health.

Pasture Layout

- Divide ranch into 10–20 paddocks
- Move cattle every 3–10 days depending on forage availability
- Maintain 4–6 inches minimum residual forage height
- Pasture rest periods of 35–60 days

Objectives

- Prevent overgrazing
- Improve soil fertility and water retention
- Increase biodiversity and forage productivity
- Extend grazing season and reduce hay dependency

Water tanks will be strategically placed to support even grazing distribution and minimize riparian pressure.

F. Feed, Nutrition & Winter Management

Grazing Season (April–November)

- Primary diet: native and improved pasture

- Free-choice salt and mineral supplementation
- Rotational grazing to maintain consistent forage access

Winter Feeding (December–March)

- Ranch-grown grass hay provided daily
- Supplemental protein if forage quality declines (weather-dependent)
- Horses housed separately with appropriate feeding program

No grain-finishing — cattle remain forage-based year-round.

G. Hay & Forage Production

To support winter feed needs and reduce external purchases, the ranch will dedicate a portion of acreage to hay production.

Planned Forage Crops

- Native grass hay
- Possible inclusion of alfalfa or mixed grass hay if irrigation supports it

Annual Hay Plan

- Soil testing and nutrient management
- First and second cutting depending on rainfall
- Stored in covered barn or tarped stack yard
- Bale inventory tracked for winter rationing

Surplus hay may be sold for supplemental income once herd expands.

H. Equipment, Vehicles & Ranch Resources

Initial equipment investment includes ~\$45,000 in machinery and ~\$75,000 in farm vehicles. Equipment may include:

- Mid-size tractor with loader and hay spear
- Mower, rake, and baler or contracted hay services
- Utility vehicle/ATV for pasture checks
- Ranch truck and horse trailer
- Fencing and water system tools

This allows efficient ranch operation without excessive early capital burden.

I. Horses for Ranch Work

The ranch will purchase 2–3 trained ranch horses to support:

- Cattle movement during rotational grazing
- Sorting and handling
- Fence-line riding and pasture monitoring
- Ranch safety in rough terrain inaccessible by vehicle

Horses will be used as working livestock partners, reducing fuel usage and improving low-stress cattle handling.

J. Sustainability & Stewardship Practices

Deans Family Cattle Co. prioritizes long-term land, animal, and ecological health through:

- Regenerative rotational grazing
- Soil testing and pasture improvement
- Native grass preservation
- Water system monitoring and conservation
- Wildlife corridor consideration
- Reduced fuel use through horse work and efficient routing
- Composting manure and integrating nutrient cycles
- Choosing cattle genetics suited to forage efficiency

These practices improve carbon sequestration, drought resilience, and biodiversity while lowering operational costs.

K. Record-keeping & Compliance

The ranch will maintain organized records for:

- Births, weights, breeding, and genetics
- Veterinary treatments and vaccinations
- Grazing rotation schedule and pasture health
- Hay yield and feed usage
- Financials, inventory, and equipment depreciation
- Sales, customer relationships, and marketing

Compliance will include:

- Colorado brand inspection
- Premises ID registration
- Beef labeling regulations
- Food safety standards for packaged meat sales (USDA processor)

L. Long-Term Operational Expansion

As herd numbers and customer demand grow, the ranch plans to:

1. Expand breeding herd to 60–120 cows
2. Increase direct-to-consumer beef sales volume
3. Build an onsite processing/cut-and-wrap facility to improve margins and scheduling control
4. Potentially offer slaughter services to nearby ranchers
5. Develop agri-tourism, ranch store, CSA, or educational programs

This vertically integrated model stabilizes revenue and enhances brand value.

Summary

This operation plan establishes a sustainable, scalable grass-fed cattle business built on:

- Prime Colorado ranchland with strong infrastructure
- A manageable and healthy Angus breeding herd
- Regenerative grazing and forage self-sufficiency
- Family-operated efficiency and oversight
- High-quality beef marketed directly to consumers

- Long-term vision for onsite processing and full value capture

It positions the ranch for profitability, growth, land preservation, and multi-generational success.

FINANCIAL PLAN

Startup Costs (Estimated)

1. Land Acquisition & Due Diligence

- Property purchase (642.9 acres) \$1,435,000
- Appraisal, surveying, inspections \$6,500 – \$14,000
- Legal, title, recording fees \$9,000 – \$16,000
- Environmental Phase I (if required).....\$2,000—\$3,500
- Recording, admin, filing fees.....\$1,000—\$2,500
- SBA guarantee fee.....\$0—\$12,000

Estimated Subtotal: \$1,453,500 – \$1,483,000

2. Infrastructure, Utilities & Improvements

- Fencing repair, gates, cross-fencing \$8,000 – \$25,000
- Water system upgrades/repairs \$5,000 – \$15,000
- Corrals, pens, chute upgrades \$6,000 – \$20,000
- Electrical, plumbing, ranch utilities setup \$2,500 – \$8,000
- Driveway/road maintenance \$3,000 – \$10,000

Estimated Subtotal: \$24,500 – \$78,000

3. Livestock Purchase

- 25–30 bred Black/Red Angus cows
(\$2,200–\$3,000 each) \$55,000 – \$90,000
- 1 breeding bull \$5,000 – \$12,000
- Brand inspection, transfer fees \$300 – \$700

Estimated Subtotal: \$60,300 – \$102,700

4. Horses & Working Stock

- 2–3 trained ranch horses (\$5,000–\$15,000 ea.) ... \$10,000 – \$45,000
- Saddles, tack, vet checks, farrier setup \$4,000 – \$12,000

Estimated Subtotal: \$14,000 – \$57,000

5. Equipment & Machinery

- Tractor, loader, implements Included in \$45,000 budget
- Fencing & ranch tools \$3,000 – \$6,000
- Hay equipment (if not outsourcing) \$10,000 – \$35,000
- Portable shelters, feeders, tanks \$3,000 – \$7,500

Estimated Subtotal: \$45,000 – \$93,500

6. Vehicles & Transportation

- Ranch truck + fuel tank trailer \$50,000 – \$75,000
- Livestock/horse trailer \$6,500 – \$18,000
- ATV/UTV for pasture work \$8,000 – \$18,000

Estimated Subtotal: \$64,500 – \$111,000

7. Feed, Grazing & Forage Establishment

- Year-1 hay/feed purchases \$12,000 – \$25,000
- Minerals, salt, supplementation \$2,500 – \$4,000
- Pasture seed, soil testing, fertility inputs \$3,500 – \$9,000
- Irrigation start-up/repairs (if applicable) \$2,000 – \$8,000

Estimated Subtotal: \$20,000 – \$46,000

8. Animal Health, Vet & Biosecurity

- Initial vaccinations, pregnancy checks \$2,500 – \$6,000
- Vet relationship & emergency account \$1,500 – \$3,000
- Medical supplies, tagging, record system \$1,000 – \$2,500

Estimated Subtotal: \$5,000 – \$11,500

9. Business Formation, Permits & Insurance

- LLC/legal formation \$800 – \$2,500
- Accounting & bookkeeping setup \$1,500 – \$4,000
- Liability, property & livestock insurance \$6,000 – \$14,000
- Brand registration (Colorado) \$275 – \$500
- Software, office, banking setup \$500 – \$2,000

Estimated Subtotal: \$9,000 – \$23,000

10. Marketing, Packaging & Branding

- Website, domain, email, design \$2,500 – \$8,000
- Logo, labeling, print materials \$1,000 – \$3,500
- Freezer storage, delivery coolers \$2,000 – \$6,500

Estimated Subtotal: \$5,500 – \$18,000

11. Outside Services (Year 1)

- USDA processing/harvest fees \$8,000 – \$18,000
- Custom hay cutting (if not self-produced) \$5,000 – \$12,000
- Livestock hauling \$1,000 – \$3,000
- Consulting (grazing, soil, marketing) \$1,500 – \$4,000

Estimated Subtotal: \$15,500 – \$37,000

12. Working Capital & Emergency Reserve

- Cash cushion for unexpected expenses \$60,000 – \$120,000

- Minimum 36 months operating expenses \$305,000 – \$400,000

Recommended Total: \$365,000 – \$520,000

Because grass-finished beef has a 24–30 month production timeline, we are requesting sufficient working capital to responsibly fund operations through the break-even year, ensuring consistent cash flow and uninterrupted loan repayment.

Total Estimated Startup Investment = \$2,098,000 - \$2,603,100

CASH FLOW ASSUMPTIONS

Revenue Per Finished Cow

Grass-finished animals typically harvest at 1,050–1,250 lbs live weight.

- Hanging carcass weight: 600–750 lbs
- Packaged retail yield: 420–520 lbs

If selling direct-to-consumer:

- Average blended retail beef price: \$11–\$14/lb
(steaks higher, ground beef lower)

Estimated revenue per finished cow:

\$4,800 – \$7,000

Cost to Support One Cow Per Year

Includes grazing, hay, healthcare, supplies, and overhead.

Annual variable costs per cow:

- Winter hay (if purchased): \$350–\$600
- Minerals & supplements: \$35–\$55
- Vet, vaccines, meds: \$45–\$75
- Fly/parasite control: \$25–\$45
- Water, fencing, wear & tear: \$30–\$60
- Brand inspections, tags, records: \$10–\$20

Pasture-based operational overhead per cow:

- Fuel, equipment, repairs: \$50–\$100
- Insurance, utilities, bookkeeping share: \$75–\$150

Estimated total annual cost per cow:

\$620 – \$1,100

Growing Hay — Cost Savings

Colorado hay pricing:

- Grass hay market price: \$180–\$260/ton
- Winter feed requirement per cow: 2–2.5 tons
(varies by winter length)

If purchased:

\$360 – \$650 per cow per winter

If produced in-house:

Cost to grow/bale per ton \$45–\$90
(tractor fuel, labor, twine, equipment depreciation)
Annual hay cost per cow when self-produced:
\$90 – \$225
Savings from producing hay:
\$270 – \$425 per cow per year
On a 30-cow starter herd, that's:
\$10,500 annual savings

Gross Margin Per Finished Cow

Revenue per cow: \$6,000
Annual support cost: \$850
Processing & packaging fees: \$900 – \$1,400
Marketing, delivery, admin allocation: \$250 – \$400
Estimated net profit per finished cow:
\$2,800 – \$4,000

Cash Flow Timing Assumptions

Grass-finished operations take longer to generate revenue:

- Year 1 → calves born, no beef sales
- Year 2 → animals growing, limited beef sales possible
- Year 3 → first full cycle of finished beef sales
- Year 4+ → consistent cash flow & profit

Annual Revenue Projection

With 25 finished animals sold:
25 cows × \$6,000 revenue = \$150,000 gross income
With 50 finished animals:
50 cows × \$6,000 revenue = \$300,000 gross income
With 75 finished animals:
75 cows × \$6,000 revenue = \$450,000 gross income

Key Takeaways for Your Business Plan

Revenue per cow (direct-to-consumer): \$6,000
Net profit per cow: ~\$3,200
Annual cost to support a cow: ~\$850
Hay production savings: ~\$350 per cow/year
3–5 year profitability runway is realistic

5 YEAR CASH FLOW PROJECTION

Year	Finished Cattle Sold	Total Revenue	Operating Expenses	Net Cash Flow
Year 1	0	\$0	\$150,000	—\$150,000
Year 2	10	\$60,000	\$170,000	—\$110,000
Year 3	30	\$180,000	\$200,000	—\$20,000
Year 4	50	\$300,000	\$230,000	\$70,000
Year 5	70	\$420,000	\$260,000	\$160,000

Assumptions

- Grass-fed, grass-finished, direct-to-consumer beef
- \$6,000 average revenue per finished animal
- Operating costs increase with herd size
- Year 1–2 focused on herd establishment — minimal sales

FIVE YEAR VARIABLE EXPENSE TABLE

Variable Expenses	Year 1	Year 2	Year 3	Year 4	Year 5
Finished Cattle Sold	0	10	30	50	70
Processing & Packaging	\$0	\$12,000	\$36,000	\$60,000	\$84,000
Winter Hay Feed	\$0	\$3,500	\$10,500	\$17,500	\$24,500
Minerals & Salt	\$0	\$500	\$1,500	\$2,500	\$3,500
Veterinary & Health	\$0	\$600	\$1,800	\$3,000	\$4,200
Supplements/Fly Control	\$0	\$400	\$1,200	\$2,000	\$2,800
Brand Inspection/Tagging	\$0	\$150	\$450	\$750	\$1,050
Trucking/Transport	\$0	\$250	\$750	\$1,250	\$1,750

Variable Expenses	Year 1	Year 2	Year 3	Year 4	Year 5
Marketing, Labeling & Packaging	\$0	\$700	\$2,100	\$3,500	\$4,900
Fuel/Equipment Use Allocation	\$0	\$600	\$1,800	\$3,000	\$4,200
Pasture Maintenance Allocation	\$0	\$1,800	\$5,400	\$9,000	\$12,600
Totals	\$0	\$20,500	\$61,500	\$102,500	\$143,500

FIVE YEAR FIXED EXPENSE TABLE

Fixed Expenses	Year 1	Year 2	Year 3	Year 4	Year 5
Insurance & Ranch Liability	\$15,000	\$15,450	\$15,913	\$16,391	\$16,883
Property Taxes	\$12,000	\$12,360	\$12,731	\$13,113	\$13,506
Utilities & Communications	\$6,000	\$6,180	\$6,365	\$6,556	\$6,753
Fuel, Equipment Maintenance & Repairs	\$30,000	\$30,900	\$31,827	\$32,782	\$33,765
Infrastructure & Fence Repairs	\$20,000	\$20,600	\$21,218	\$21,855	\$22,510
Accounting, Legal & Compliance	\$15,000	\$15,450	\$15,913	\$16,391	\$16,883
Marketing, Software & Admin Systems	\$8,000	\$8,240	\$8,487	\$8,742	\$9,004
Office, Supplies & Misc.	\$4,000	\$4,120	\$4,244	\$4,371	\$4,502

Fixed Expenses	Year 1	Year 2	Year 3	Year 4	Year 5
Equipment & Building Depreciation	\$40,000	\$41,200	\$42,436	\$43,709	\$45,020
Totals	\$150,000	\$154,500	\$159,134	\$163,911	\$168,883

FIVE YEAR PROFIT MARGIN TABLE

Year	Herd Sold	Revenue	Variable Costs	Fixed Costs	Net Profit	Profit Margin
Year 1	0	\$0	\$0	\$150,000	-\$150,000	N/A
Year 2	10	\$60,000	\$20,500	\$154,500	-\$115,000	-191.7%
Year 3	30	\$180,000	\$61,500	\$159,134	-\$40,634	-22.6%
Year 4	50	\$300,000	\$102,500	\$163,911	\$33,589	11.2%
Year 5	70	\$420,000	\$143,500	\$168,883	\$107,617	25.6%

Estimated Project Costs — Deans Family Cattle Co.

Real Estate Acquisition (Land & Improvements) \$1,435,000

Closing Costs & Third-Party Reports: \$18,500 – \$48,000

Livestock Purchase (25–30 bred cows + bull) \$60,000 – \$102,700

Ranch Equipment & Machinery \$45,000 - \$93,500

Farm Vehicles & Trailers \$64,500-\$111,000

Horse Acquisition & Tack (2–3 working horses) \$14,000 – \$57,000

Infrastructure, Fencing & Water System Enhancements	\$24,500 – \$78,000
Initial Feed, Minerals & Veterinary Setup	\$25,000 – \$57,500
Business Formation, Insurance, Permits & Professional Services	\$9,000 – \$23,000
Branding, Website, Packaging & Marketing Setup	\$5,500 – \$18,000
Outside Services (processing, hauling, custom work)	\$15,500 – \$37,000
Working Capital Reserve (3–4 years of operations)	\$365,000 – \$520,000
Construction/Infrastructure Contingency (10–15%)	\$10,000 – \$15,000
Interim Interest Reserve (6–12 months):	\$104,000 – \$208,000
Conventional / Interim Financing Fees:	\$15,000 – \$35,000