



COMMERCIAL CHICKEN FARMING

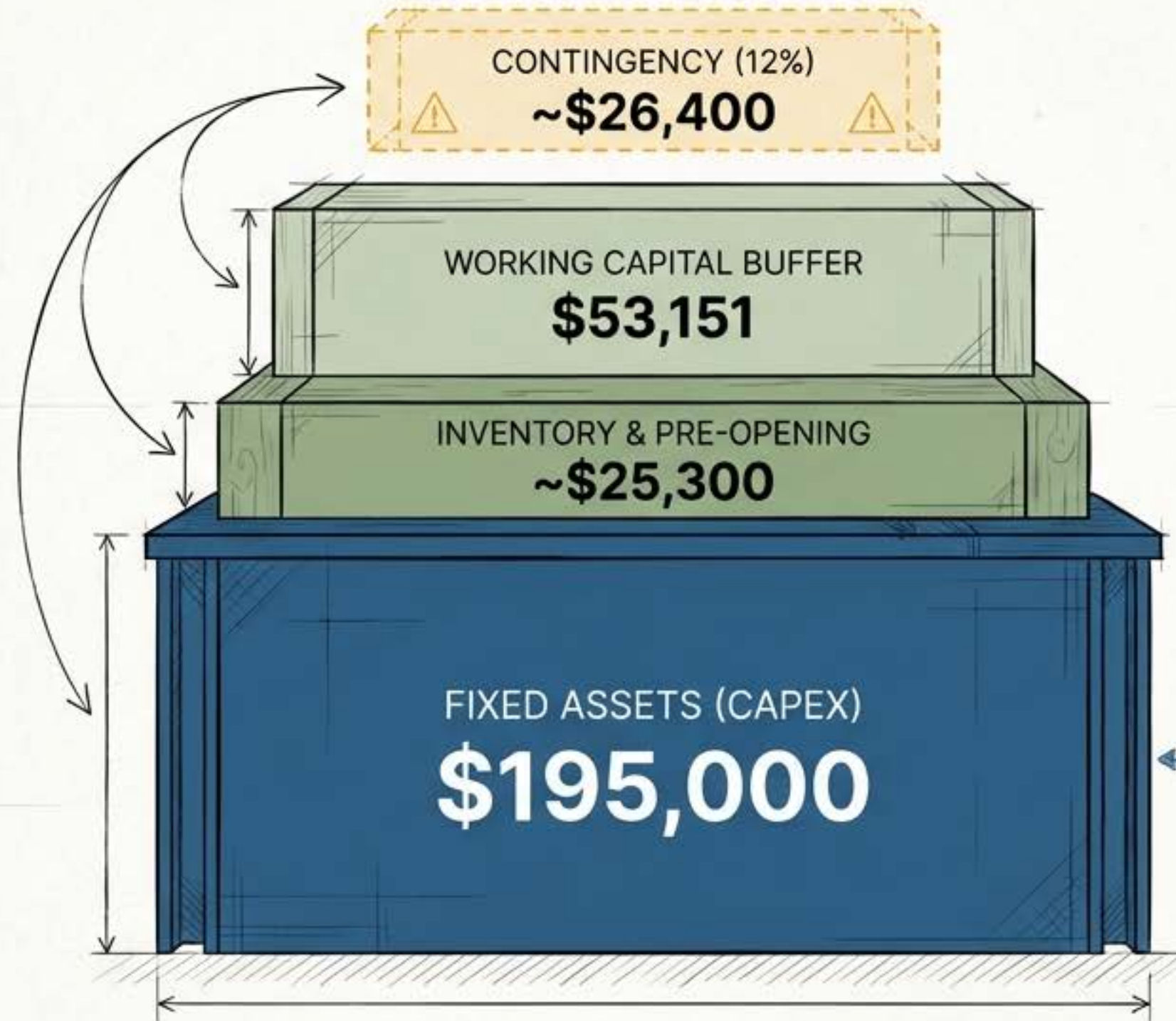
2026 CAPITAL & OPERATIONAL BUDGET GUIDE

A strategic breakdown of the \$250,000 - \$300,000 investment requirement for a scalable, vertically integrated poultry operation.

CONFIDENTIAL STRATEGIC PLANNING DOCUMENT
STATUS: EXECUTION READY

THE INVESTMENT LANDSCAPE

\$250k - \$300k TOTAL LAUNCH COST



INSIGHT: The financial hurdle is defined by fixed assets (\$195k), but survival is defined by the working capital buffer (\$53k). Total funding targets must account for a 12% construction contingency to prevent stalling mid-build.

STEEL - BLUE
TIMBER - SAGE
SAFETY - AMBER

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CAPITAL STRUCTURING: MATCHING ASSETS TO CAPITAL

DEBT FINANCED (LONG-TERM ASSETS)



- Housing Infrastructure: \$75,000
- Processing Equipment: \$40,000

STRATEGY: Use secured debt. These assets generate returns over many years. Do not dilute equity to fund them.

PRO-TIP

SECURE COMMITTED FUNDING 6 MONTHS PRIOR TO Q1 2026.

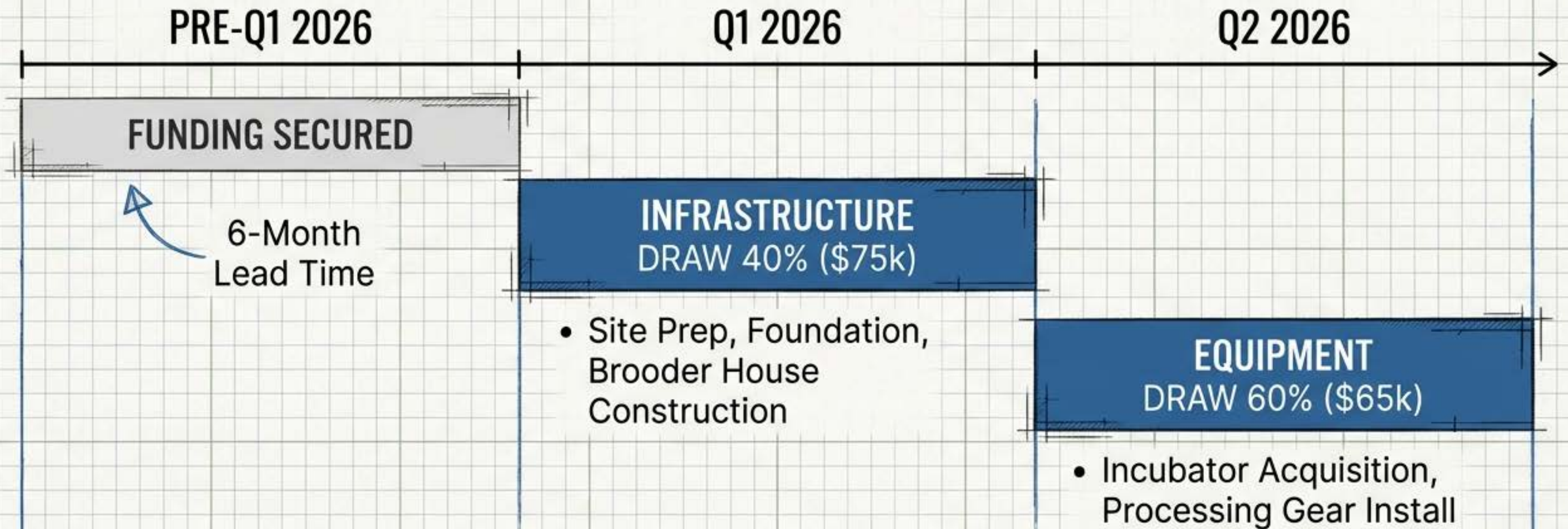
EQUITY / CASH (WORKING CAPITAL)



- Feed & Labor
- Initial Stock: \$18,000

STRATEGY: Reserve cash and lines of credit for operational flow. This liquidity is your survival runway.

DEPLOYMENT TIMELINE: SEQUENCING THE DRAWDOWNS



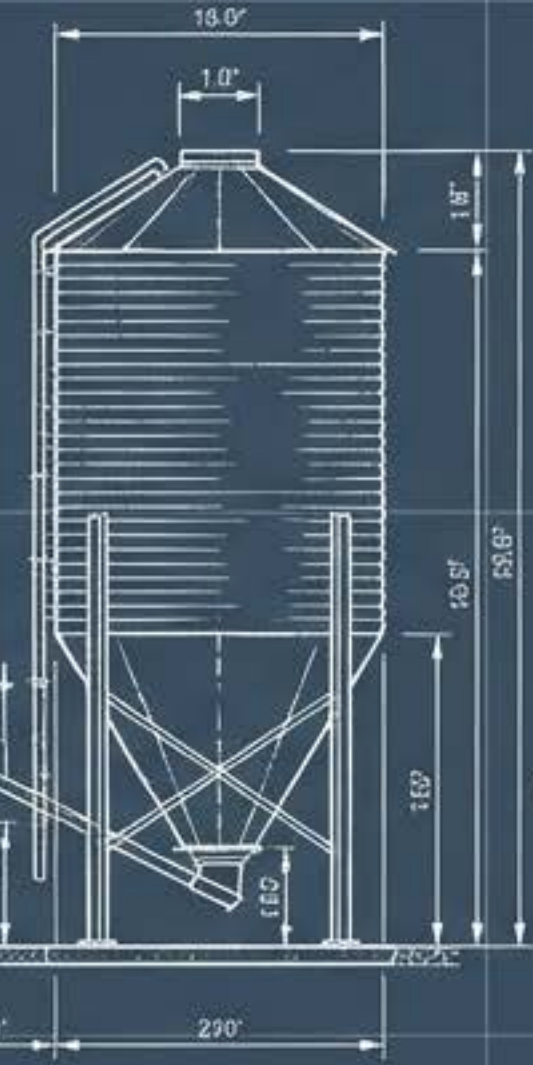
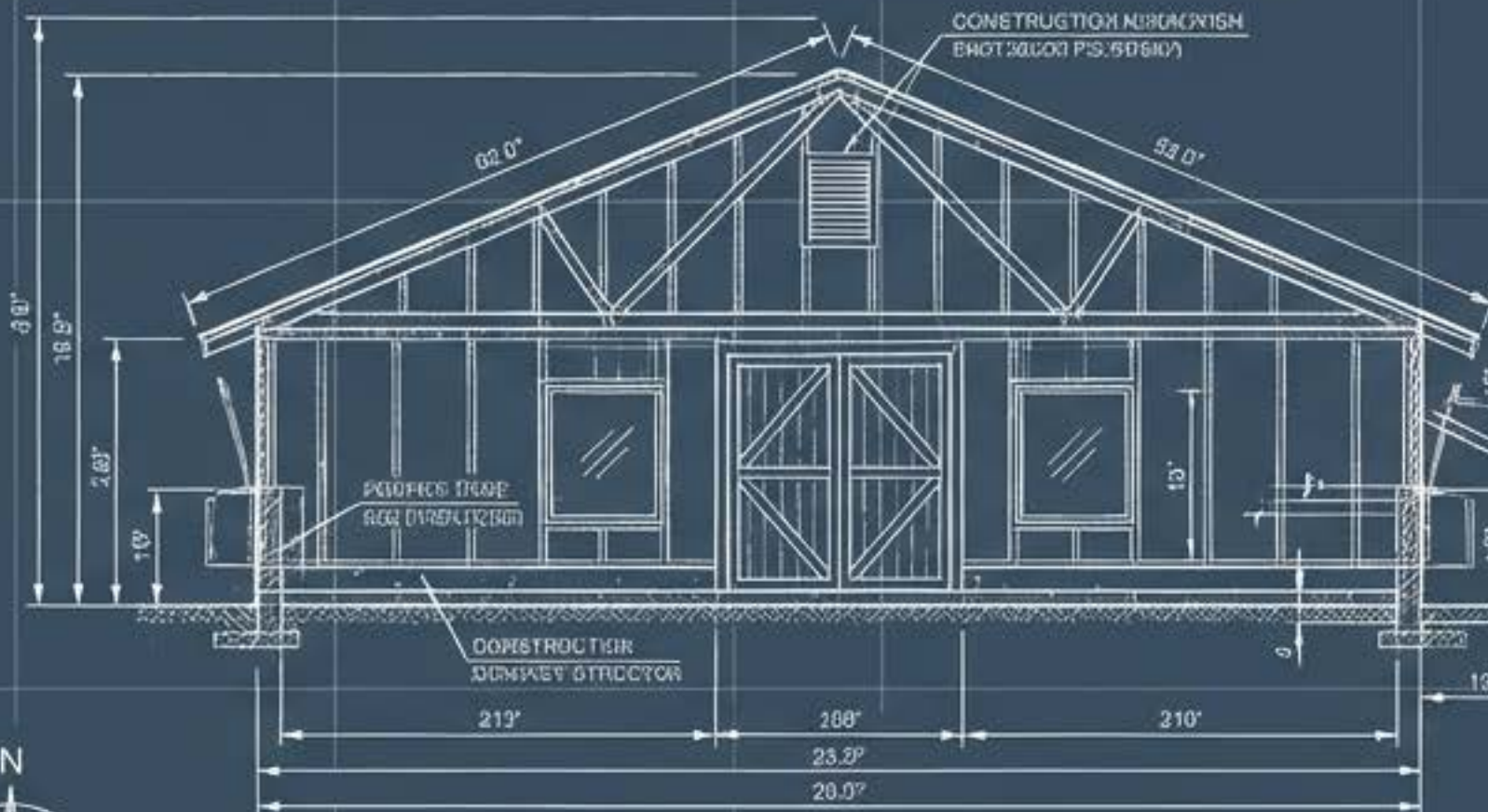
RISK WARNING

WARNING: Do not draw full funding upfront. Paying interest on unspent capital damages early cash flow. Delay incubator purchase until Brooder House is near completion.

INFRASTRUCTURE CAPEX: THE \$90,000 FOUNDATION

BROODER HOUSE: \$75,000

Requires strict adherence to poultry housing regulations.



FEED STORAGE: \$15,000

Dedicated systems for automated feeding.

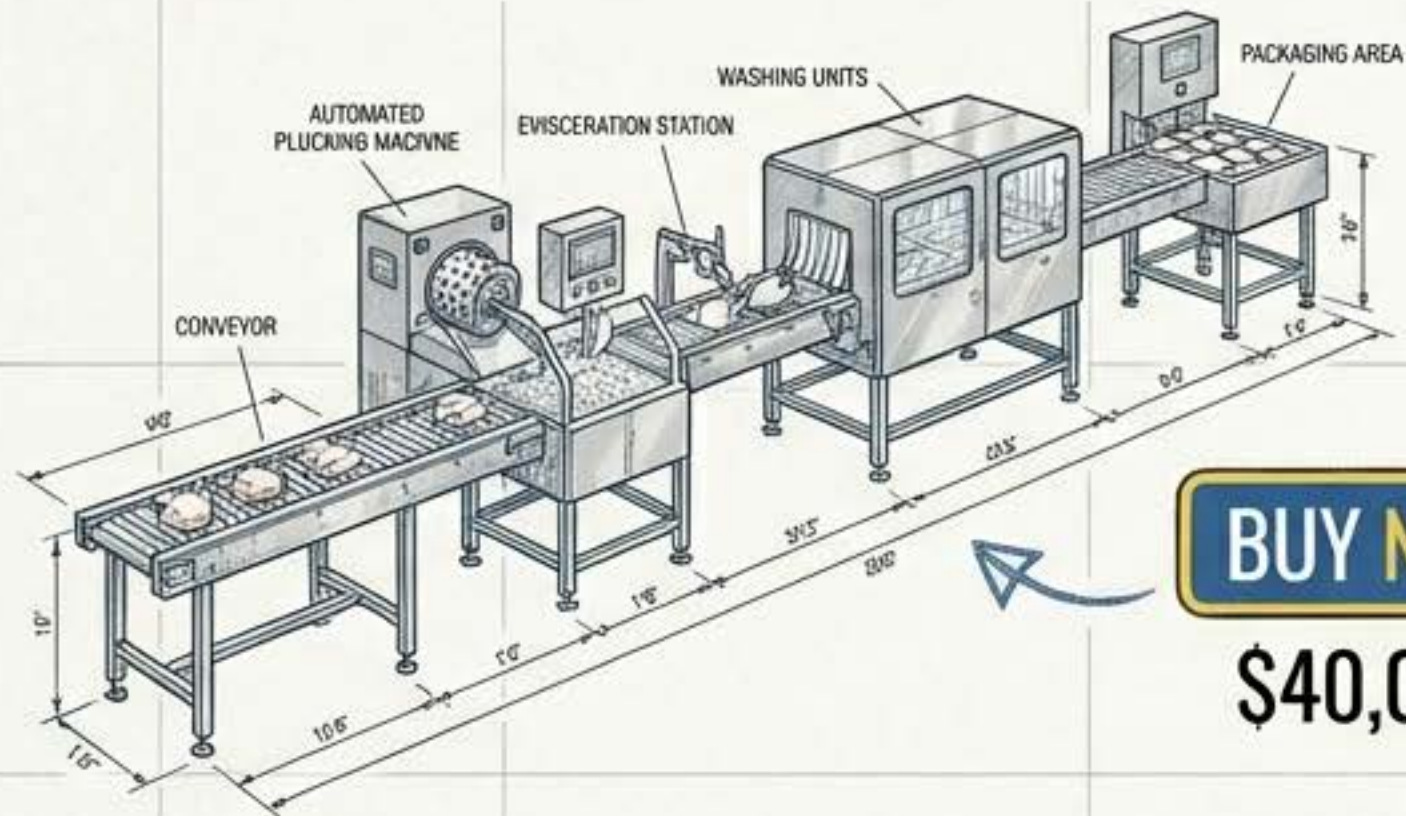
MANAGEMENT CHECKLIST

- GET 3 QUOTES:**
Compare builders with specific ag experience.
- UTILITY TRAP:**
Confirm water/power hookup fees immediately.
- MATERIAL PRICING:**
Delay site prep if it secures better pricing.

PRODUCTION & PROCESSING: THE \$65,000 ENGINE

PHASED APPROACH

PROCESSING GEAR



BUY NEW
\$40,000

Throughput speed is critical for the first 4,000 bird batch. Do not skimp on packaging quality; it dictates premium pricing.

HATCHERY & INCUBATORS



BUY USED
\$25,000

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\$25,000

Source certified used incubators to save ~15%. This gear supports the vertical integration model.

CAPACITY NOTE

This investment supports 4 production cycles annually. If equipment limitations drop this to 3 cycles, cash flow timelines shift by 33%.

LOGISTICS: THE \$35,000 MOBILITY ALLOCATION

CAPEX: \$35,000

Target reliable used fleet vehicles. Saves 20% upfront.



HIDDEN COSTS

Licensing + First Insurance Premium must be budgeted separately.

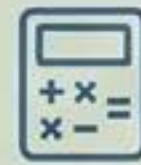
OPEX WATCH: \$600/MO

Maintenance Budget. Verify records pre-purchase. Buying a lemon spikes this cost immediately.



JUVENILE STOCK: THE \$18,000 REVENUE BRIDGE

 VOLUME:
4,000 Juvenile Birds



COST BASIS:
\$4.50 / Head



TOTAL INVESTMENT:
\$18,000



STRATEGIC CONTEXT

This is a bridge cost. These birds cover the first production cycles while the internal hatchery ramps up.

RISK FACTOR

Hatchery Dependency: If internal processing gear is delayed, holding costs rise. Confirm supplier delivery speed; 14+ day onboarding increases churn.



PRE-REVENUE BURN: SURVIVING STATIC COSTS



LEASE: \$3,000

Negotiate lease start to match construction closing.

UTILITIES: \$1,500

Keep usage tight until birds arrive.

ADMIN/FIXED: \$2,800



REALITY CHECK: This is pure cash bleed until the first sale. Must be covered by working capital, distinct from the \$75k construction loan.

HUMAN CAPITAL: INITIAL 3-MONTH WAGE ALLOCATION

Total Allocation: \$31,251

OWNER / OPERATOR

Rate: \$80,000 / yr

Structure as draw against
future profits.

CASH FLOW STRATEGY:
DEFER 30 DAYS

POULTRY TECHNICIAN

Rate: \$45,000 / yr

Deferring the Technician hire by 30 days saves \$3,750 in initial outlay.
Do not hire specialized staff until processing equipment is commissioned.

THE SURVIVAL BUFFER: WORKING CAPITAL

**3 MONTHS
FIXED OVERHEAD**
(\$7,300/mo)



PLUS



**3 MONTHS
INITIAL WAGES**
(\$31,251)

SCENARIO ANALYSIS

If the first harvest cycle is delayed by 30 days, this capital prevents default on the \$3,000/mo lease.
Accelerate revenue (CSA shares, deposits) to minimize the time this cash sits idle.

EXECUTION CHECKLIST: IMMEDIATE VS. Q1 2026

IMMEDIATE ACTIONS (PLANNING)

- Secure 3 firm quotes for Brooder House & Feed Storage.
- Confirm utility connection fees (Water/Power).
- Lock in funding commitments (Debt & Equity).
- Negotiate lease terms (target delayed start).

Q1 2026 ACTIONS (DEPLOYMENT)

- Initiate 40% capital draw for site prep.
- Order specialized processing equipment (90-day lead time).
- Secure deposits for first juvenile bird batch.

FINAL TAKEAWAY: Success relies on sequencing. Match the funding drawdowns to the construction milestones to preserve equity and cash flow.