

Locating and Buying Horses

Considerations for selecting prospects
and factors impacting horse sale price

Part II: Budgeting for the Right Horse



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Part II: Budgeting for the Right Horse

Millions of people enjoy the companionship, competition and recreational opportunities that horses and other equids provide daily. Equine owners can receive years of enjoyment and satisfaction after locating and buying the horse, pony, mule or donkey that best fits their needs, experience level and expectations. The physical exercise and mental relaxation derived from a safe, well-trained horse can justify the expense associated with this form of recreation. The relationship between horse and rider can be unparalleled if the right horse is chosen to best suit the rider's intended discipline, goals and abilities.

Selecting the appropriate horse to purchase can be challenging and involves evaluating both horse and rider compatibility as well as understanding sale outlets. The Locating and Buying Horses publication series is designed to assist current and future equine owners in locating and selecting the most appropriate horse for their needs and desires, while considering various factors that influence sale price and suitability. For more information on aspects of the horse and rider that impact horse suitability, reference Part I: Considerations for Selecting Horses. To determine available sale outlets and information on horse sale descriptions, reference Part III: Identifying Sale Options and Decoding Sale Descriptions. Specifically, this publication will cover components that can impact a horse's sale price and considerations for future buyers that may affect their purchasing budget.



Budgeting and Pre-Purchase Exams

The key to buying a horse is to determine the qualities, skills, training and characteristics that make an ideal mount for the intended owner. The buyer's objective should be to find the horse that is most suitable to their preferences and within their budget constraint. Even if a family or person can afford to spend any amount of money for a horse, selecting one that complements the horse-rider combination (Figure 1) at an affordable price range is recommended. A high price tag does not necessarily mean it is a great horse for the rider. Conversely, be cautious of a deal that appears to be "too good to be true," as that may likely be the case.

Remember, the purchase price of a horse is just the first of many financial responsibilities that accompany horse ownership. Horses purchased at high or low prices will still cost the same amount to maintain. Currently, it is estimated that ownership costs for basic care items (e.g., feed, water, shelter/fencing, preventative/supportive health care, waste disposal) can range from \$2,500 to \$20,000 or more each year per horse. Training or lesson costs, show fees, transportation, and additional tack and equipment can also increase ownership cost. Hence, it is important not to be swayed by high pressure sales pitches that can lead to spending additional money above the pre-set limit. Most people can find a suitable horse in their budgeted price range if they are willing to invest time and effort.

A pre-purchase exam, or a comprehensive exam performed by a veterinarian, can help to determine the health, potential longevity, any limitations on use and resale potential of a horse. While a veterinarian cannot determine if a horse is the best match for a rider or owner, they can provide valuable information regarding the horse's current health and suitability of the buyer's intended use of the horse. The pre-purchase exam can be very basic and include a general evaluation of the horse's vital signs, body condition score, soundness and physical indicators of health. More advanced pre-purchase exams could include radiographs, ultrasounds and other diagnostic tools to determine if the horse has any underlying injuries, conditions or diseases. This information can be beneficial to the owner, especially if the horse has a condition at the time of sale that would require intensive or costly long-term management (e.g., Cushing's disease, hyperkalemic periodic paralysis, etc.). For horses to be used for breeding, a breeding soundness exam can also be performed for both mares and stallions. The cost of a pre-purchase exam is typically affordable for most owners and will increase in cost as more diagnostic tests and evaluations are performed. The choice to have a pre-purchase exam is ultimately up to the buyer, but it is recommended to help protect the financial investment of purchasing a horse.



Factors affecting sale price

Different horse characteristics such as breed, color, age, sex and training/disposition will affect a horse's final selling price. Figure 2 shows a breakdown of the relative importance

of these characteristics to selling price on average for internet auctions. Use the following information to help evaluate how various factors can impact a horse's sale price.



Figure 1: Factors to consider when determining an ideal prospect: When searching for a horse, pony, mule or donkey to purchase, it is important to consider the age of the horse and rider, experience of the horse and rider, along with size of the horse and rider.



Factors affecting horse sale price



Age - 47%

Age of the horse contributes greatly to a horse's price. It is important to remember that often the age of the horse is also related to the amount of training and experience the horse may possess. Very young and very old horses may garner lower prices, while moderate ages (5-18 years) will often bring higher prices.



Training - 22%

Training can be variable and span across fundamental handling skills to advanced discipline specific maneuvers and techniques. As a horse's training increases, its price will increase.



Color - 13%

Color is an important preference for many people and can impact the price of an animal. It is important to remember that color does not necessarily equate to the usability or suitability of the horse to a specific discipline.



Lineage - 13%

A horse's **breeding**, and the performance record of the sire and dam, will influence the price a horse will bring.



Sex - 5%

While **sex** is the smallest contributing factor in impacting sale price, it is an important aspect to consider especially for potential breeding programs.

Figure 2: Factors affecting horse sale price. Percentages determined with assumption that breed, location of sale and independent sale factors remain constant. Adapted from Kibler and Thompson, 2020.



Breed or Breed-type

The breed or breed-type of the horse should be selected based on the interest of the prospective buyer. Horse breeds are

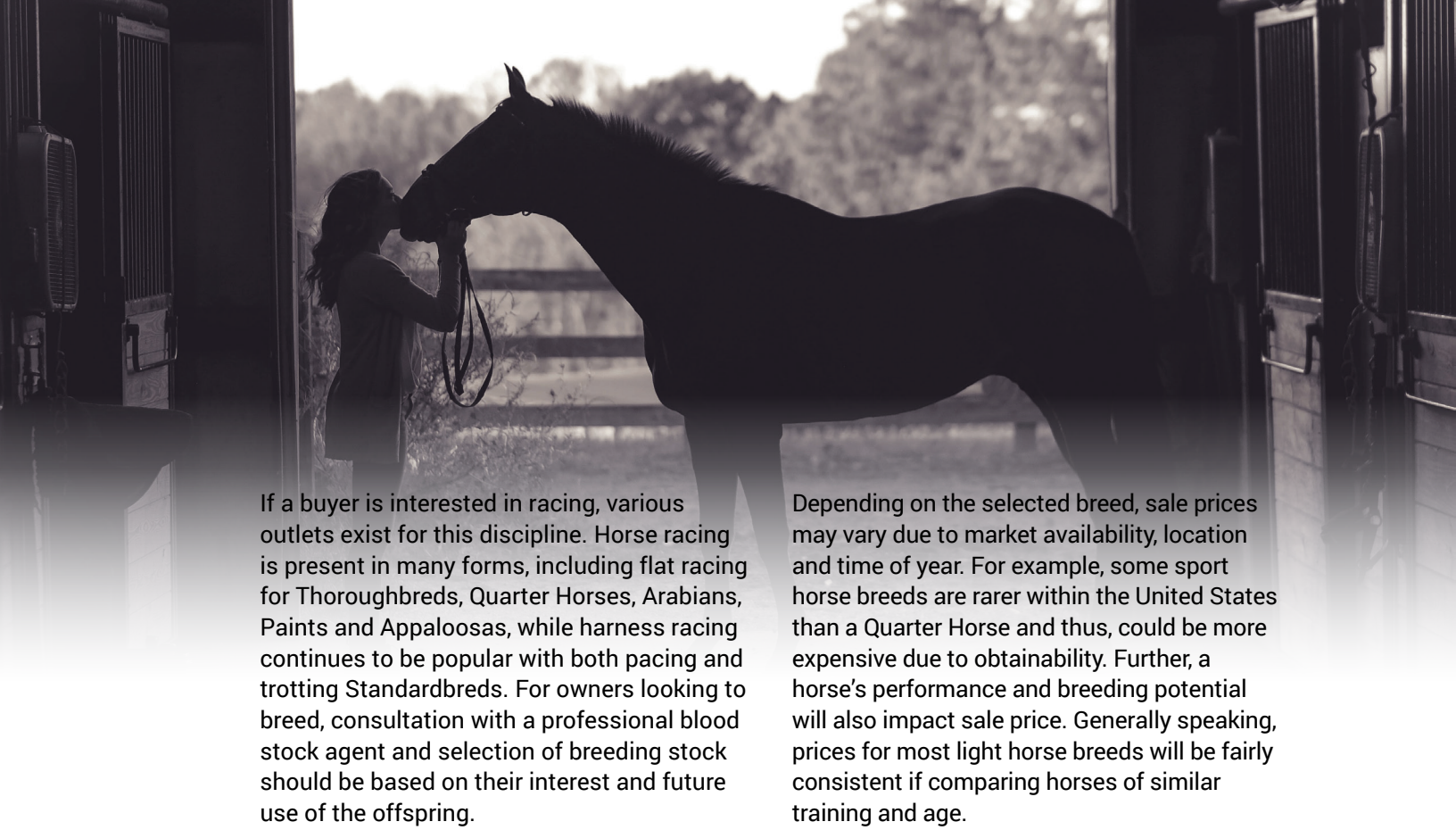
classified into four main categories: light, draft, sport and pony based on general characteristics and traits (Table 1).

Table 1: Horse Breed Categories and Descriptions

Breed Classification	Light	Draft	Sport	Pony
General Description	Light breed horses generally weigh under 1,500 pounds and stand between 12 and 17.2 hands tall. Include sub-classifications of stock-type breeds that are heavily muscled, with short, strong backs, and medium length legs; hunter-type breeds that tend to have a longer leaner body type, with longer legs and necks than stock-type counterparts; and saddle-type breeds that tend to be more refined with lighter bone structure and muscling than either stock- or hunter-types.	Draft horses typically stand between 14.2 and 17.2 hands tall, and weigh more than 1,400 pounds. Breeds in this classification are heavily muscled and known for their strength for heavy work or pulling loads.	Typically possess characteristics that allow horses to excel at dressage, show jumping and cross country/eventing disciplines. Combine speed and agility of light breeds with strength and stamina of draft breeds for a strong, swift and tactful breed group.	Typically stand 14.2 hands or less, and usually weigh between 500 and 900 pounds. Pony breeds often possess distinctive characteristics similar to draft, harness (used to pull a car or wagon), saddle-type or stock-type descriptions on a smaller scale.
Example Breeds	Stock-type American Quarter Horse, Appaloosa, American Paint Horse Hunter-type Thoroughbred Saddle-type Morgan, American Saddlebred, Arabian, Tennessee Walking Horse	Freisan, Clydesdale, American Cream, Belgian, Gypsy Vanner, Percheron	Warmbloods, Irish Sport Horse, Trakhener, Holsteiner, Oldenburg, Hanoverian	Pony of the Americas, Shetland, Hackney, Dartmoor, Connemara

When considering a specific discipline, it is important to select a breed that displays desired qualities and characteristics for the riding style. For example, if an owner wants to participate in western or ranch disciplines, they should select a stock-type breed, such as an American Quarter Horse, American Paint Horse, Appaloosa, Pony of the Americas or a breed with similar traits and attributes. However, if a potential owner desires to compete in endurance riding, an Arabian would be more suited for this discipline due to their innate long-distance performance ability.

Individuals interested in hunter events could select one of the aforementioned breeds, but a Thoroughbred or a sport horse breed would also be appropriate. Walking or racking-type horses may also be used as show or pleasure mounts and are more predominant in certain regions of the country. If a horse that gaits (one that will display a running walk or rack instead of a trot or pace) is preferred, or if the owner is interested showing in walking or racking classes, Tennessee Walking Horse, Racking Horse or Spotted Saddle Horse would be an ideal choice.



If a buyer is interested in racing, various outlets exist for this discipline. Horse racing is present in many forms, including flat racing for Thoroughbreds, Quarter Horses, Arabians, Paints and Appaloosas, while harness racing continues to be popular with both pacing and trotting Standardbreds. For owners looking to breed, consultation with a professional blood stock agent and selection of breeding stock should be based on their interest and future use of the offspring.

Depending on the selected breed, sale prices may vary due to market availability, location and time of year. For example, some sport horse breeds are rarer within the United States than a Quarter Horse and thus, could be more expensive due to obtainability. Further, a horse's performance and breeding potential will also impact sale price. Generally speaking, prices for most light horse breeds will be fairly consistent if comparing horses of similar training and age.



Registered or Unregistered (Grade) Horses

Owners who wish to show in breed or registered shows must purchase a registered horse. For example, if a prospective owner wishes to show in registered Quarter Horse shows, the owner must purchase a horse registered with the American Quarter Horse Association. Similar situations exist for most other breeds and horse show associations. Additionally, many of the breed associations require owners to be members to show or transfer horses, which may incur additional costs. Specific requirements can be obtained from each association or registry.

When purchasing a registered horse, the buyer must be aware of the current recorded owner, which is shown on the registration papers. Buying a registered horse from someone who is not the owner registered with the association may prevent you from getting the horse transferred to your ownership with the association. If the person selling the horse and the recorded owner shown on the registration papers are different, appropriate transfer information and documentation must be obtained prior to completing the transaction.

Additional information shown on the registration papers will help the owner identify the horse. This information will include such things as foaling date, three to five generations of ancestry, identifying white markings, scars, brands, initial owner and breeder, and in many cases, previous owners. If applicable, neck or lip tattoos, registration number and sex will be shown on the papers. Results from genetic testing may also be contained on registration paperwork depending on the breed. It is important to ask the seller if the horse has ever been tested or is known to have any genetic diseases prior to purchasing or breeding.

Grade, or unregistered horses can also be of high quality and should be considered if breed registration is not required for the horse's intended use. While cost of the horse is not solely based on if the horse is registered, a grade horse may sell for less than a registered horse of similar age, training and experience.



Pedigree/Breeding

Evaluating a horse's breeding can provide valuable insight as to future performance and capacity. For registered horses, their pedigree should be printed on the breed registration paperwork, and records from breed shows or races should be accessible to determine past performance of sire and dam lines. Horses

with superior breeding will merit a higher sale price in contrast to those that were produced from less successful lineage. In grade horses, breeding lines may not be known and consequently, it is difficult to evaluate their pedigree in regard to sale price.

Conformation

A horse's conformation, or how its body form translates to functional movement, is an important factor when purchasing a horse

- Balance: Essential for quality of movement, determined by the horse's bone structure
- Structural Correctness: Determined by structure and alignment of bone, particularly within the legs; can directly impact the horse's movement

A well-conformed horse should have a higher price, given that its balance, structural correctness, movement and muscling lend to a sound, better performing animal. Conversely, a horse with poor conformation or structural deviations (e.g., pigeon toed, bench kneed, sickle hocked) should not be

and determining a potential price to pay. Conformation consists of several factors including:

- Movement: Often referred to as "way of going," the horse's ability to move freely and with forward motion
- Muscling: The observable quality and quantity of muscle over the horse's body, including the neck, shoulders, topline and hindquarter, which can affect the horse's balance

priced as high, and faults could potentially limit use and longevity. For example, a horse with bench knees would not be well suited for jumping events. In certain circumstances, conformation faults can be passed from parent to offspring and consequently, horses with certain faults should not be bred.

Age

Very young and older horses often command lower prices than middle-aged counterparts. Frequently, this is reflective of younger horses having minimal training and experience, while older horses may have less useful lifespan remaining. The initial training process is one of the riskiest parts of riding horses and obtaining this training is costly, which is often reflected in the sale price of a

broke horse. It is important to remember that horses can frequently live to 30 years of age and can be a rideable mount for much of their lifetime. Thus, an older, more trained horse may be a better option for a beginner or young rider than a very young horse. Mature horses, typically ranging from 5 to 18 years of age, will bring the highest prices.



Color

For many people, color is often a contributing factor when selecting a horse. Frequently, owners are able to purchase their color preference within most breed or breed-types. However, the buyer who makes a purchase decision based strictly on color severely restricts the pool of horses available for sale and may overlook important aspects relative to horse-rider suitability if only selecting for color. Conversely, the less restrictive a prospective buyer is about coat color, the greater the chances are of finding the ideal horse to suit their needs. Figure 3 shows the price over/under for various colors in Quarter Horses using bay as a baseline. For example, a person looking to purchase a roan colored Quarter Horse may pay close to a 50 percent premium over a bay colored horse with the same attributes.

The major exception to this statement is if an owner wishes to show in color-specific shows (e.g., shows hosted by the Palomino Horse Breeders Association), where color is a requirement to exhibit the horse in any class. Typically, it will take more time and miles to find the appropriate mount if only a select color is desired. A breeding program based solely on color is not recommended and can result in poor quality offspring if other factors such as conformation are not considered. It is important to evaluate every aspect of the horse before making a decision based on color alone.

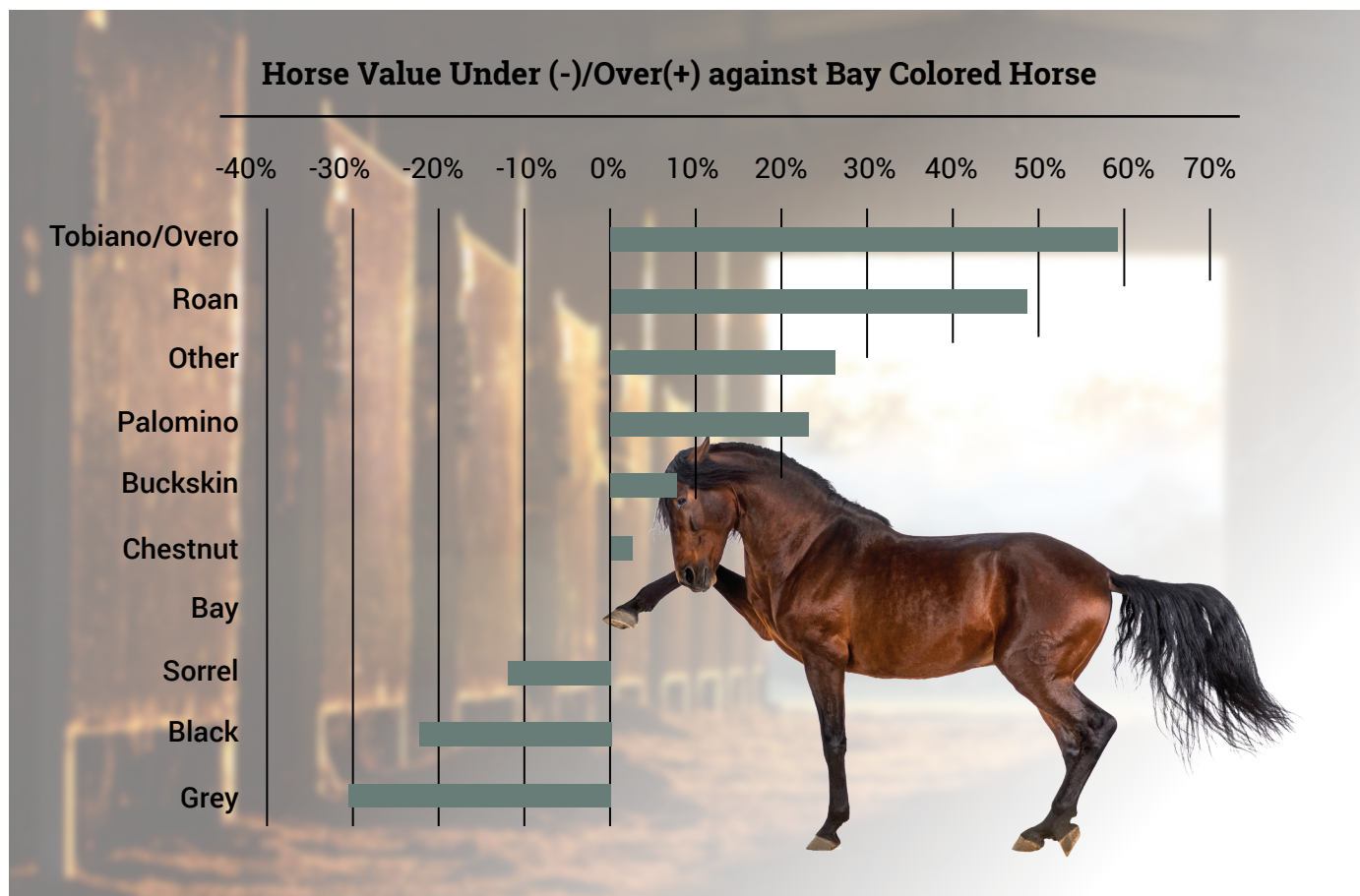


Figure 3: Differences in Quarter Horse value associated with color using bay color as a baseline

*Other indicates horse color was listed as other or not reported.

Adapted from Kibler and Thompson, 2020.



Sex of the Horse

Sex of the horse is an important consideration in horse selection. If the goal of the buyer is to eventually establish a breeding program, then mares and stallions must be purchased. Pedigree, performance record of the mare and stallion, along with any offspring, and reproductive soundness will impact the price a horse sold for breeding will bring. Normally, stallions do not make good mounts for amateurs and youth. Many youth associations, including 4-H, do not allow youth to ride or exhibit stallions. Additionally, they are not recommended for trail or pleasure riding because of the potential danger they present to the rider as well as other participants.

Mares and geldings are the most frequent choices for non-breeding equine owners, and traditionally will bring a similar price if being sold for non-breeding purposes. Many people prefer geldings over mares, particularly for novice or youth mounts, due to the possibility of behavior changes associated with mares in heat. Geldings are generally more consistent with behavior and performance; however, mares can be successfully ridden on the trail and shown without any behavioral problems. Occasionally, mares may display behavioral changes surrounding their heat cycle, but often they can be managed. In troublesome cases, a veterinarian may be consulted to provide additional intervention strategies.



Training

Independent of discipline, the more training and experience a horse possesses, the higher price it will demand. Certain skills, such as ground manners (e.g., stands tied or cross-tied, will load/unload into and out of a trailer, permits being clipped around the muzzle and ears, and stands to be groomed and for farrier), ground handling (e.g., leads, backs and lunges) and basic riding skills (e.g., halt, walk, trot/jog, canter/lope and back) are translational across nearly all disciplines and are valuable skills for a horse to possess. Additional skills such as those needed to create bend and independent movement of

the forehand and hindquarters, and lateral movements are also utilized widely across many disciplines. Specific maneuvers, skills or other specialty training may be required for each discipline, and therefore can make a horse more valuable. Certain disciplines and breeds may visit with a reputable rider, trainer or coach specific to the discipline of interest to determine skills and attributes a potential horse should have, and an appropriate price to pay for a specific level of training.



Disposition/Temperament

Disposition or temperament describes general characteristics and traits surrounding the horse's tendency to act in a specific way, where a score of 1 is best and 10 is worst. For example, if a horse is typically nervous or anxious it may have a higher disposition or temperament score than one that is typically calm and quiet. Often, horses with a milder disposition will have a higher price, if all other factors are held consistent.

Stereotypic behaviors, including cribbing, crib biting, stall walking, weaving and pawing, can be considered negative disposition traits, and often horses will command lower sale prices if these behaviors are noted. Many excellent horses have exhibited stereotypic behaviors; therefore, as such, horses should be considered with special attention for managing the behavior(s) in a low stress environment. More information on this topic can be found in W 898 Stereotypic Behaviors in Horses and Other Equids.



Conclusion

Determining an ideal price range, within the owner's budget, is a good place to start when searching for a horse to purchase. The horse's actual sale price can vary greatly due to its breeding/lineage, training, age, color, breed and other factors. Being open to specific traits or characteristics may help broaden a search while remaining true to needed characteristics and training level.

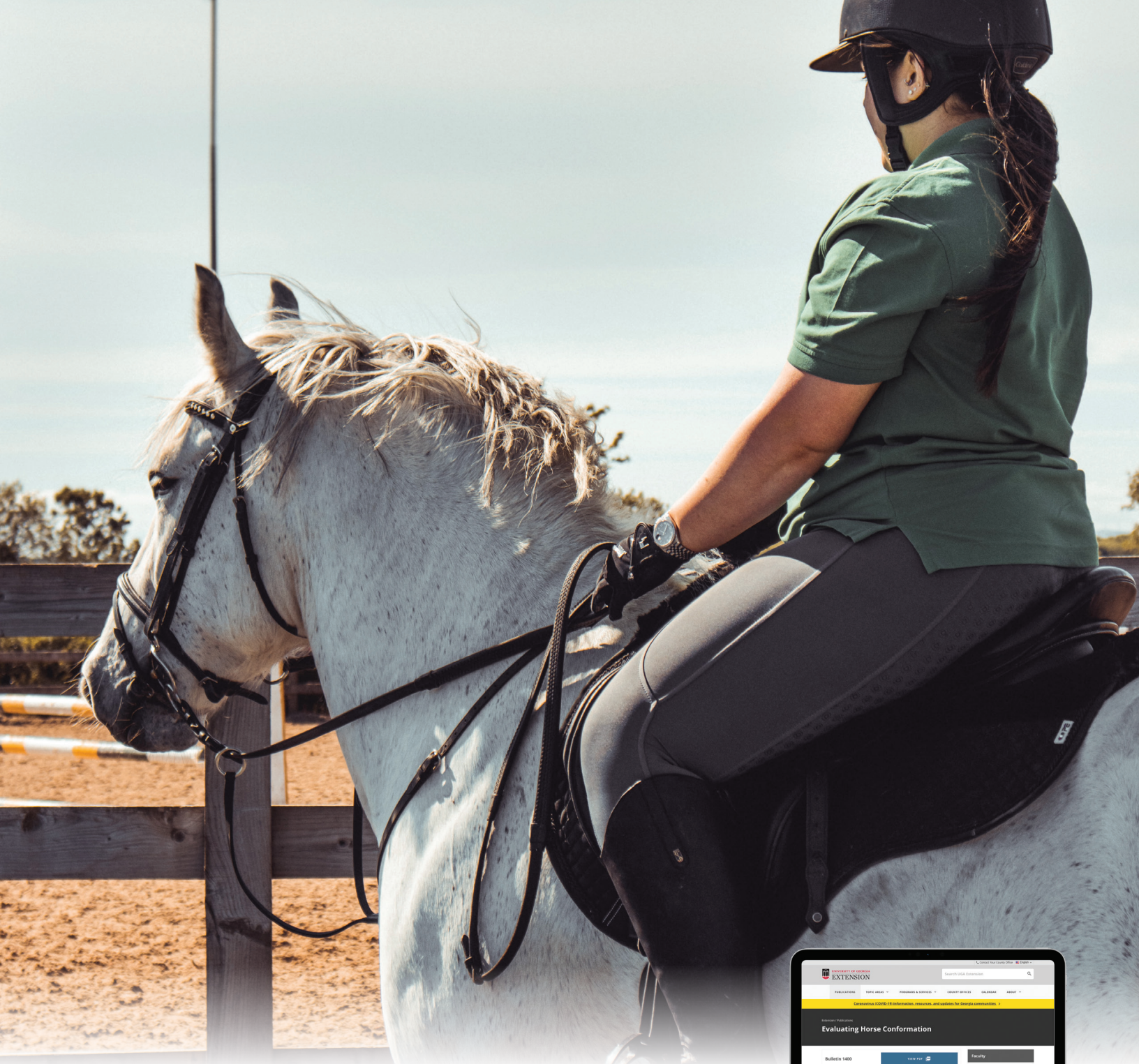
Identifying sale outlets including private treaties, live and online auctions, and social media sales when searching for prospects,

along with horse sale descriptions can help potential owners find the most appropriate horse for the best price. Detailed information on these topics can be found in Part III: Identifying Sale Options and Decoding Sale Descriptions of the Locating and Buying Horses series publications. For more information on purchasing a horse or finding a sale outlet, contact your local county Extension office, equine Extension specialist, or visit UTHorse.com.



Top Ten Tips for Purchasing a Horse

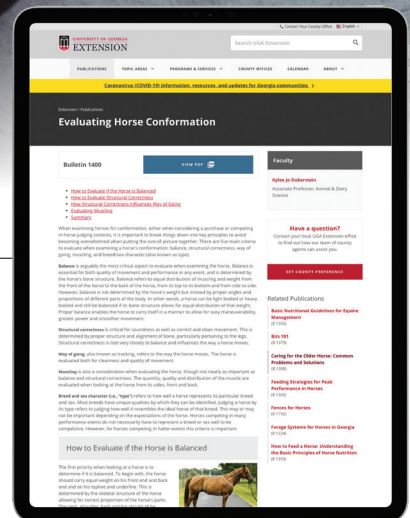
- 1 Ask lots of questions.** As a prospective buyer, being inquisitive about a horse you intend to purchase is important. Ask for details about the horse, its history and training, any issues the current owner has encountered, and other questions you feel are important. The seller should be willing to address appropriate questions about the horse's abilities, experience and any potential shortcomings.
- 2 Be honest.** When looking at a potential horse, be honest with yourself and the seller about your expectations, limitations and needs for the potential horse.
- 3 Watch for red flags.** If a situation appears too good to be true, proceed with caution. Be aware of inconsistent information or anything that raises concern.
- 4 Ask for veterinary records.** Request to see documentation of preventative care (e.g., vaccine history, dental exams and corrective procedures, proof of current negative coggins), information on previous injuries, or other medical information can help make an informed decision when purchasing.
- 5 Get advice** from a neutral, experienced person (ex., ask for insight from a trainer, friend, extension agent, equine specialist, etc.) that will not benefit from the sale. If possible, bring them with you to view the horse.
- 6 Ask the owner to ride first** and watch how the horse responds to their cues, asks and tasks. Be sure to ask the owner to display skills you expect the horse to have and items that are "must haves." Then, you or your trainer/coach/trusted friend can ride the horse, if you feel safe and comfortable doing so.
- 7 Come prepared to walk away.** Don't get caught up in the cost of traveling to try or view a horse that you are inclined to purchase that isn't the right fit for you.
- 8 Never impulse buy!** Don't get swept up in the moment and lose sight of the important factors that will make a safe, complementary horse-rider combination. Stay calm and try not to rush through decision making when determining if a horse is the right one to buy.
- 9 Stay within budget** and remember that the purchase cost is only a fraction of the cost to keep and maintain a horse.
- 10 Pre-purchase exams** are recommended, especially for more expensive horses. Learning as much as possible about the horse's health, while considering the horse's overall value, is beneficial in protecting your investment.



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