

From Our Corner

*Wilder on the Taylor —
Crested Butte/Gunnison, Colorado*

SALES

AUCTIONS

LOANS



MANAGEMENT

APPRAISALS

By: Jim Taylor



TIM MURPHY OF HALL AND HALL ENJOYING A BEAUTIFUL DAY ON THE SUN RIVER RANCH IN AUGUSTA, MONTANA.

WASHING ITS OWN FACE

Some years ago a client who prefers to go unnamed told me something to the effect of “I really would love to buy a beautiful ranch in the American West, but you know, Jim, it really must *wash its own face*.” At that time he and his wife represented a relatively rare breed in the marketplace for Rocky Mountain ranches. The average ranch buyer in those days was typified by people like Ted Turner, who was tearing out interior fences and restoring the landscape for indigenous species such as elk and bison. Others were focused on improving trout streams as private fisheries for themselves and their guests and preferred to limit cow numbers - to protect riparian habitat - and thereby income.

“Washing its own face” refers to the ability of a particular holding to produce enough cash flow to cover its own expenses. In practice, many owners, who use their ranches extensively for their own personal pleasure, do tend to segregate those personal expenses. In these cases, the ranch is not required to cover its own expense.

We believe that the recent recession has not only created a “new reality” in terms of land prices, but it has also created a new reality in terms of buyer motivation. Much of our sales volume in the last couple of years has been comprised of operating ranches and farms that will do more than just wash their own face. Increasingly, this has become an expressed requirement – particularly as investment-quality rural real estate has become a legitimate asset class.

Our management group currently manages over one million acres and has seen a growing demand for their services because of our approach. I asked Jerome Chvilicek, the most senior member of our management team, how he has seen our management business evolve over the years. He stated “We have always taken a down to earth practical approach to control expenses and to try to make ranch operations cash flow. The difference is that we now have many more clients who appreciate this.” He feels that the two most critical components of any

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BRITISH COLUMBIA

Bulkley Canyon Farm — Smithers

This 116± acre property features a half mile of frontage on the east bank of the Bulkley River and stunning views of the Hudson Bay range. Improvements include an owner's home, guest cottage, and fishing cabin. Located 9 miles north of Smithers. **\$884,500 CAD**

Hudson Bay Ranch — Smithers

Magnificent Canadian ranch 8 miles from Smithers, BC. The property encompasses 2,611± deeded acres and 320± acres of Crown lease along with 4 miles of frontage on the Bulkley River. **\$2,500.00 USD per deeded acre.**

CHILE

Estancia Valle Dorado — Coyhaique

One of the world's exceptional fishing ranches 20 miles from Coyhaique featuring comfortable accommodations on 11,125± acres with 13 miles of 3 diverse streams including a spring creek with 30" class trout. **Contact us for details.**

CALIFORNIA

Mill Creek Ranch — Los Molinos

This 25,000+ acre ranch borders national forest and wilderness. A 7,380± sq. ft. spanish colonial home sits on an elevated plain with sweeping views. Mill Creek flows through for 15+ miles. Wildlife abounds. **\$29,500,000.**

COLORADO

Big Mountain Ranch — Meeker

An exceptional sportsman's paradise, this 7,000± deeded acre ranch features trophy big game hunting, trout fishing, extensive trails, rifle range, sporting clays and a full suite of modern custom built improvements. **\$25,000,000.**

Coal Creek Ranch — Montrose

Old growth cottonwoods surround a 2,012± sq. ft. custom-built southwestern home and additional support buildings on this 125± acre farm northwest of Montrose in the fertile Uncompahgre River Valley. **\$875,000.**

Conejos River Ranch — Antonita

Located in the scenic San Luis Valley along the Conejos River, this highly productive 3,992± deeded acre ranch with extensive grazing permits is an exceptional operating ranch with good recreational amenities. **\$6,950,000.**

Creek Ranch Homestead — Steamboat Springs

Custom five bedroom log home with barn and caretaker unit on 11.5± acres overlooks 2,000± acre Creek Ranch with exclusive access to 3 miles of fishing on Trout Creek plus lakes, trails, hunting and guest quarters. **\$2,450,000.**

Edmondson Ranch — Lake City

Highlighted by 3/4± of a mile of fishing on the acclaimed Lake Fork of the Gunnison River and two trout stocked lakes, this 849± acre ranch adjoins BLM and national forest. **\$4,750,000.**

Elk Bluff Ranch — Steamboat Springs

This scenic 780± acre ranch features exceptional big game hunting, excellent wildlife habitat, abundant water, adjacent public lands, diverse landscape, privacy and rustic cabin only an hour from Steamboat Springs. **\$2,500,000.**

Lily of the Valley Ranch — Meeker *Reduced!*

This 3,000± deeded acre ranch features excellent big game habitat with ponds, springs and cultivated fields. Easily accessible only 10 miles from Meeker, the ranch includes modest improvements and a BLM grazing lease. **Reduced to \$3,500,000.**

Lone Rock Ranch — Conifer

2,378± deeded acres including the landmark Lone Rock formation, panoramic views of snowcapped mountains, numerous ponds and Deer Creek. Excellent recreation opportunity for investment with convenient access to the Denver metropolitan area. **\$12,500,000.**

Michigan River Ranch — Walden

Featuring 6 miles of the Michigan River, stunning scenery, abundant wildlife and a tasteful 8,050± sq. ft. home, this easily accessible 2,100± acre mountain ranch is 75 minutes from Steamboat Springs. **\$9,450,000.**

Pogna Ranch — Gunnison

Six miles south of Crested Butte and less than 30 minutes from the Gunnison Regional Airport, the Pogna Ranch is 515± acres of vacant land adjacent to national forest and features over one mile of frontage on the East River. **\$7,500,000.**

Quincy Farm — Byers

This combination farm and pasture property, with 647± total acres of which 477± acres are currently farmed, is a quality investment parcel close to the Denver metro area. **\$776,400.**

Round Mountain Ranch — Steamboat Springs *Reduced!*

Within minutes of Steamboat Springs adjacent to USFS along 1 mile of the Elk River, this 1,132± acre operating ranch includes a 5,126± sq. ft. owners residence and extensive guest and equestrian facilities. **Reduced to \$13,900,000.**

Six Plus Ranch — Steamboat Springs

Situated in the Elk River Valley just 10 miles north of Steamboat Springs, this private 960± acre ranch attracts wildlife with rolling meadows, aspen groves, dark timber and mountain oak. **\$6,200,000.**

Slate Creek Ranch — Steamboat Springs *New!*

Conveniently bordering a world-class resort town, yet amazingly private and pristine, this 1,180± acre landmark ranch boasts an unparalleled combination of stunning scenery, valuable water rights, intact mineral rights, excellent wildlife habitat, public land adjacency, stream-fed ponds, paved road access and usable improvements. **\$26,500,000.**

Tarryall Meadows Ranch — Fairplay

Just 45 minutes from Breckenridge, this 240± acre mountain ranch features 1.75 miles of trout fishing on Tarryall Creek in a stunning setting at the base of high mountain peaks. **\$1,500,000.**

Tarryall Notch Ranch — Fairplay

Located just 45 minutes from Breckenridge Ski Resort, this scenic 830± acre high mountain ranch features 1.3± miles of trout-filled Tarryall Creek set against the peaks of the Continental Divide. **\$1,900,000.**

Two Eagle Ranch — Steamboat Springs

Located just 15 miles from Steamboat Springs, this scenic 760± acre ranch features beautiful land well suited for a variety of recreational pursuits and a custom timber home with outstanding views. **\$4,500,000.**

Wilder on the Taylor — Crested Butte/Gunnison

With nearly 2 miles of private tailwater fishing on the acclaimed Taylor River, Wilder is a preservation oriented 2,100± acre shared ranch community nearly surrounded by National Forest. Exclusive homesteads from **\$1,650,000.**

IDAHO

Canyon Ranch — Genesee

Located 15 miles north of Lewiston, this 720± acre property features timbered hillsides, cropland, meadows, springs, ponds, and Little Potlatch Creek. In the same family for over 60 years. **\$995,000.**

Chapman's Cloverly Ranch — Sun Valley

Among the valley's most recognizable properties, these 26± acres feature a beautifully restored farm house, caretaker's cottage, horse barn, hay storage and horse pastures interspersed with aspen groves. 10 miles south of Ketchum/Sun Valley. **\$4,500,000.**

Cove Road Ranch — Weiser *Reduced!*

Located an hour from Boise, this 4,084± acre hunting property has been managed for nearly 40 years for its superlative wildlife resources. The property supports upland game birds as well as quality deer and elk. **Reduced to \$3,400,000.**

EE DAHO Ranch — Sun Valley

Just 10 minutes from Sun Valley's airport, this stunning 1,550± acre ranch encompasses its own valley and boasts an attractive owner's residence, horse facilities, and a spring creek system feeding several trout-filled lakes. **\$19,000,000.**

Gardner Creek Ranch — Clayton

62± acres bordering the Challis National Forest with a beautifully restored log cabin, outbuildings, barn, butcher shop, contiguous gold mining claims, and priority water rights from Gardner Creek. Owner has raised beefalo, sheep and hay on the ranch. Excellent elk hunting. 90 minutes from Sun Valley. **\$1,500,000.**



Market Overview

Winter/Spring 2012

Slate Creek Ranch — Steamboat Springs, COLORADO

Huff Creek Ranch — Carey

Scenic 860± acre ranch only 40 minutes from the Sun Valley airport. Over 2 miles of spring-fed Huff Creek provide wildlife habitat and irrigation for the property's irrigated pasture and cropland. **\$1,250,000.**

Moose Creek Ranch — Mackay

Beautiful 500± acre ranch with 140± acres of irrigated cropland on the Big Lost River 1.5 hours from Sun Valley. Two attractively furnished fishing cabins set along the river offer huge views of Idaho's highest peaks. **\$2,800,000.**

Robinson Bar Ranch — Stanley Reduced!

The 26-year residence of singer Carole King, this historic 128± acre national forest inholding is perched above the Salmon River and features excellent accommodations, equestrian facilities, and geothermal hot springs pools. **Reduced to \$11,900,000.**

Rock Creek Ranch — Sun Valley

Consisting of nearly 10,500± deeded acres in a single block, this landmark Blaine County ranch represents a once-in-a-generation opportunity to own and operate a diverse landscape-scale property within 10 miles of Sun Valley's airport. **\$12,500,000.**

Sand Springs Ranch — Hagerman Reduced!

These 1,555± acres 10 minutes from Hagerman offer abundant spring water, irrigated cropland, and Snake River frontage. Unmatched waterfowl hunting and trout fishing in a totally private setting. **Reduced to \$9,900,000.**

TJ Ranch — Challis

Rare large holding on the Salmon River with 729± acres. Abundant water resources include spring creeks, ponds, sloughs and river frontage. Only 5 minutes to town and an hour and a half from Sun Valley. **\$1,950,000.**

Twin Bridges Ranch — Sun Valley Reduced!

Secluded 80± acres with a beautiful 1,500± sq. ft. hand-hewn, flat log home 22 miles from Sun Valley. Twin Bridges Creek flows through the property on its way to the nearby Big Lost River. Fenced for horses. **Reduced to \$575,000.**

KANSAS

Prairie Ranch — Emporia

Located just east of historic Cottonwood Falls, a 320± acre tallgrass prairie retreat boasts a custom built 3,200± sq. ft. log home commanding big Flint Hill views over an 18± acre private lake. **\$1,200,000.**

Red Buffalo Ranch — Wichita New!

This scenic 3,600± acre ranch is located in the Kansas Flint Hills near Sedan. The Red Buffalo Ranch has numerous live and spring-fed water sources set amongst the native tallgrass prairie, and includes producing mineral rights. **Contact us for details.**

MONTANA

Alice Creek Ranch — Lincoln

This 2,971± acre Blackfoot Valley ranch has two streams and is virtually surrounded by USFS. Tasteful improvements enjoy mountain views over a trout pond. Wildlife populations abound. Secluded yet accessible. **\$5,800,000.**

Beaverhead River Ranch — Twin Bridges

This 775± acre modestly improved ranch represents an opportunity to enhance its considerable water resources including California Slough and the Beaverhead River and maintain a small livestock operation. **\$2,300,000.**

Bolin Ranch — Stevensville New!

Located south of Missoula, this 4,798± acre minimally improved ranch in the heart of the Bitterroot Valley adjoins USFS for 10 miles. It represents a major holding in this sought after valley. **\$6,000,000.**

Bremmer Creek Ranch — Bozeman

1,048± acre horse ranch in historic big ranch country 30 miles north of Bozeman features log home, garage with guest quarters and barn with apartment in a beautiful very private setting. **\$4,750,000.**

Cherry Creek Ranch — Melrose

100± acre mountain retreat surrounded by National Forest with year around access 15 minutes from town. Beautifully hand crafted log cabins in a very private setting. **\$2,195,000, including furnishings and equipment.**

Choteau Mountain Ranch — Choteau

6,410± deeded acre operating ranch adjacent to national forest on Rocky Mountain front near Choteau. Exceptional wildlife and dramatic mountain views from a custom-built ranch compound and Teton River frontage. **\$12,500,000.**

Clear Creek Ranch — Red Lodge Reduced!

Four miles from Red Lodge, this lush and productive, virtually unimproved 226± acre mostly irrigated ranch also features over one-half mile of Clear Creek, a trout stream, passing through. **\$995,000. Possible seller financing.**

Confluence Ranch — Lewistown New!

Hunting Preserve (pheasants, Huns, sharpies, deer, trout) 853± acres NW of Lewistown at the confluence of Big Spring Creek and Judith River. River bottom meadows, dryland crop, timbered foothills, comfortable lodge. **\$2,800,000.**

Corral Creek Ranch — Lima Reduced!

Located in the Centennial Valley under high peaks; graced by a Jonathan Foote home, this operating mountain ranch shares a pristine basin with only 4 others all protected from development. **Reduced to \$2,500,000.**

Dana Ranch — Cascade

Reputation mountain ranch running on over 59,000± acres (45,000 deeded plus 14,000± acres of captive State leased lands) south of Great Falls, 3,000 AU, 18 miles of prime trout water, extensive big game, upland birds, comfortable improvements. **\$45,000,000. Contact Hall and Hall for terms.**

Deer Creek — Ennis

Located south of Ennis, this 7,500± acre trophy ranch nestled under 11,000± foot peaks runs from USFS to the Madison River and boasts a lovely owner's home with amazing views and outbuildings. **\$15,000,000.**

Dempsey Creek Ranch — Deer Lodge New!

A productive cattle operation with senior water rights and solid cash flow. Consists of 2,343± acres supporting a 350 pair balanced operation. Includes a 62 pair forest permit. Excellent hunting for elk and whitetail. **\$2,900,000.**

Duck Creek Ranch — Stevensville Reduced!

This 120± acre retreat south of Missoula fronts on Montana's Bitterroot River. An artist-designed home has an expansive view of the Bitterroot Range. An adjoining guest house provides convenient accommodations for friends and relative. **Reduced to \$1,700,000.**

Falls Creek Ranch — Livingston

Consisting of a private 4,500± acre vegetated valley nestled under the Crazy Mountains 30 minutes north of Livingston with rustic improvements and protected views of multiple big peaks. **\$13,500,000.**

Fish Creek Meadow — Alberton

Abundant recreation on a level and undeveloped 271± acres. Excellent hunting for elk and deer with Clark Fork River whitewater and flyfishing a quarter-mile away. USFS borders property on three sides. **\$1,250,000.**

Grove Creek Ranch — Fishtail

A 2,000± acre (1,400± deeded) unimproved foothill retreat just below the towering Beartooth Mountains. This is strictly mountain foothill country with wonderful views and many private home sites. **\$1,100,000.**

H Lazy 6 Ranch — Choteau

3,620± deeded acres 19 miles west of Choteau. Incredible views of Rocky Mountain Front, terrific upland birds on CRP, hayfields and 4± miles of creek bottoms. 4,000± SF home and working facilities. **\$4,950,000.**

Hoover Creek Ranch — Missoula Reduced!

Productive timber ground on 9,587± acres of foothill and mountain terrain one hour from Missoula. Add the 6C Ranch to create a contiguous 15,000± acre holding. **Reduced to \$6,250,000.**



HALL AND HALL

Market Overview

Winter/Spring 2012

Nirling Hill Ranch — Hall, MONTANA

Horse Prairie Ranch — Dillon

Reduced!

This 30,000± acre deeded (8,281± acres) operating mountain ranch near Dillon lies in a private block of land in its own valley with headquarters houses in the center and an additional home adjacent to National Forest. **Reduced \$11,950,000.**

Johnson River Ranch — Absarokee

661± acres with 3/4 mile of Stillwater River frontage with remodeled 1,300± square foot house. Nice river bottom meadows and uplands. Great views of the Beartooths and easy access to town. **\$1,850,000.**

K Bar L Guest Ranch — Augusta

Located 82 miles west of Great Falls on the Sun River above Gibson Reservoir, this wilderness inholding guest ranch or private retreat offers comfortable accommodation and incredible fishing and wildlife. **\$5,500,000.**

Kootenai Springs Ranch — Stevensville

Reduced!

This 1,186± acre ranch lies south of Missoula along 2 miles of the Bitterroot River under snowcapped peaks with miles of fishable creeks and ponds and an architecturally designed building complex. **Reduced to \$10,500,000.**

Lazy K Bar Ranch — Big Timber

New!

5th generation Montana dude ranch on 8,488± deeded acres, 29 cabins, lodge, 4 miles trout stream, incredible peaks, alpine lakes. Once in a lifetime opportunity to own a true Montana Legacy. **\$9,000,000.**

Longview Ranch — Hall

1,440± unimproved acres of prime elk and mule deer habitat in the foothills of the John Long Mountains near Drummond. The ranch offers panoramic views of the Flint Creek Valley. **\$995,000.**

Madison River Ranch — Ennis

Reduced!

This 2,460± acre ranch (1,500± deeded) lays along two miles of the Madison River with extensive riparian areas featuring good water rights, springs, sloughs and ponds. Modest improvements. **Reduced to \$7,200,000.**

Nirling Hill Ranch — Hall

1,478± acres of mixed willow bottoms, riparian habitat, open grasslands and timbered hillsides accessed directly from a maintained county road. Includes a 175± acre reservoir with good fishing and excellent hunting on the hillsides above. **\$1,250,000.**

Ovando Mountain Ranch — Ovando

Located in Montana's famed Blackfoot River Valley, this 315± acre ranch has a 6,200± sq ft custom home, spacious shop with apartment and features towering pines, aspen groves, and meadows. **\$1,850,000.**

Red Rock River Ranch — Lima

3,050± acre, 350 AU working ranch with extensive leases and permits south of Dillon includes 765± irrigated acres, 2.5 miles of Red Rock River, five homes and complete working facilities. **\$5,800,000.**

Rivers End Ranch — Custer

Combines a terrific farm and a veritable wildlife sanctuary on 1,135± acres adjoining 3.5 miles of the Big Horn River east of Billings. Attractive homes and outbuildings in a wonderful setting. **\$4,000,000.**

Ross Fork Ranch — Philipsburg

Lush meadows, tall trees and a Rock Creek headwater teeming with native trout make this 249± acre property a choice recreational getaway adjacent to National Forest. **\$1,590,000.**

Silver Sage Ranch — Columbus

Reduced!

This 3,265± acre ranch made up of pine tree-studded native range with some cultivated land has wonderful views of the Beartooth and Crazy Mountains. Easily operated and enjoyed. **Reduced to \$1,590,000.**

Sitting Bull Ranch — Custer

World class big game and upland bird hunting retreat northeast of Billings. 3,000± acre ranch is meticulously improved - 8,340± sq. ft. lodge, guest center, 4 guest cabins near Billings. **\$5,250,000.**

Skalkaho Creek Ranch — Hamilton

8,670± sq. ft. log home perched above a trout-filled creek on 1,134± acres. Irrigated meadows and open range filled with native grass/wildflowers plus manager's home, barn and outdoor riding arena. **\$8,900,000.**

Sleeping Willow Ranch — Stevensville

254± acre Bitterroot Valley ranch with its extensive water rights, springs and 2 streams is a perfect candidate for wildlife and fishery enhancement. Classic old barn and dramatic views. **\$2,495,000.**

Stillwater River Ranch — Absarokee

Unimproved 475± deeded acre Stillwater River Bottom ranch. A lush landscape and great views make this a perfect private retreat or small ranch with good river frontage. **\$1,400,000.**

Sun River Ranch — Augusta

3,000± acre (1,539± deeded) ranch 20 miles west of Augusta features huge views, 3.5 miles Sun River, 7,325± sq. ft. log home and complete guest, manager and livestock facilities - all new. **\$12,700,000.**

Tammany Castle — Hamilton

5,400± SF premium residence on 12± acres - is a masterfully restored turn-of-the-century luxury residence that occupies a singular position in the history of Montana and horse racing. **\$2,950,000.**

Trapper Peak Ranch — Darby

"Postcard" ranch with timber, parks, and irrigated hay fields on 785± acres with stunning views of Trapper Peak and extensive and exquisite improvements. One of Montana's most beautiful ranches. **\$14,950,000.**

Twisted Stick Ranch — Big Timber

Reduced!

Located on both sides of the West Boulder River south of Big Timber, this private 379± acre retreat in this tightly held valley features an attractive one bedroom home of recycled timbers. **Reduced to \$2,900,000.**

Whitetail Haven Ranch — Ovando

Reduced!

Near Ovando, this 9,000 sq. ft. custom cedar home and support buildings on 361± acres includes a large pond and 2.4 linear miles of the Blackfoot River. An exceptional buy. Owner financing available. **Reduced to \$1,350,000.**

OREGON

Davis Land & Livestock — Ironside

In the same family for over 80 years, this reputation ranch encompasses 32,700± contiguous, deeded acres and is highly regarded for its extensive grazing resources and big game and upland bird hunting. Located 1.5 hours from Boise. **\$13,500,000.**

Pine Mountain Cattle Company — Bly

This outstanding year-round operating and recreational ranch features 7,810± deeded acres, Forest Service boundary, extensive water rights and over 10 miles of trout rich streams. One hour from Klamath Falls. **\$9,500,000.**

WYOMING

Beaverhead Ranch — Pinedale

Quintessential 700± acre ranch retreat adjoining National Forest with creeks, a five-acre pond, trees, abundant wildlife and tremendous views plus a comfortable 5,000± SF log lodge and shop. **\$4,250,000.**

Cottonwood Flats Fishing Ranch — Ft. Steele **New!**

4 miles of frontage on the North Platte River is the focal point of this 1,500± deeded acre property. Located northeast of Rawlins, it sits along the river near the renowned fishing of Miracle Mile with Grey Reef and Saratoga areas a short distance away. Currently unimproved, this scenic and private property is offered at **\$3,000,000.**

Flying H Ranch — Cody

Reduced!

Located an hour's drive SW of Cody, this 280± acre end-of-the-road ranch bounded by the river and the USFS; boasts classic log buildings, a beautiful owners home, and incredible big peak views. **Reduced 24% to \$7,499,000.**

French Creek Ranch — Buffalo

Just west of Buffalo this modestly improved, well balanced 3,000± acre (2,200± deeded) ranch at the base of the Big Horns lies along 1.25 miles of French Creek. **\$4,900,000.**



Market Overview

Winter/Spring 2012

Beaverhead Ranch — Pinedale, WYOMING

Haystack Mountain Ranch — Rawlins

Cattle, fishing and hunting opportunities abound on this 88,567± acre ranch (21,850± deeded). Currently unimproved with miles of the North Platte River - enormous potential as an operating ranch and a sporting property. **\$3,945,000.**

Jackson Land & Cattle — Jackson Hole

Jackson Hole's Best - 1,800± acres with no conservation easement and a Jonathan Foote designed Equestrian Compound just minutes from town boasting streams, meadows, ponds, timbered hillsides and towering Teton views. **\$175,000,000.**

Lazy Bar F — Cody

Reduced!

Southwest of Cody in the sought after Upper South Fork Valley this historic 152± acre homestead bounded by USFS and river boasts dramatic views, a spring creek, and comfortable, appropriate improvements. **Reduced to \$5,600,000.**

Paint Brush Ranch — Jackson

Bordering Grand Teton National Park with dead on views of the Tetons, this custom 9,100± sq. ft. home plus guest house, caretakers house and more is only fifteen minutes from Jackson. **\$8,495,000.**

Rhiner Creek Ranch — Big Horn

252± acre horse ranch boasts extensive irrigated meadows, a spring-fed creek, modest but comfortable residential and equestrian improvements all in a private setting with wonderful Big Horn Mountain views. **\$2,850,000.**

Shoshone Island Ranch — Cody

80± acre homestead on the Shoshone River, southwest of Cody. 13,000± sq. ft. Georgian-inspired western home plus an immaculate log-construction guest house and horse barn in a dramatic setting. **\$4,750,000.**

Auction | NEWS

Throughout the United States auction firms enjoyed a very prosperous year. With many investors wishing to put money into the land market, sellers chose to capitalize on strong buyer interest by selling at auction giving them a date certain event that pits buyer against buyer. Hall and Hall has always carefully analyzed properties to determine the best way to take them to the market. During the 2011 selling season we conducted auctions encompassing over 62,000 acres including several marquee auctions. Hundreds of thousands of additional acres were sold using traditional sale methods.

In early August, we were charged with selling the historic Camp Cooley Ranch. This 10,600± acre property located in the middle of the triangle formed by Austin, Dallas and Houston garnered international attention. The Camp Cooley Ranch is composed of incredible rolling topography highlighted by lakes, timber, hay meadows and a 1,000± acre exotic game preserve once visited by Texas tycoons and politicians including U.S. President Lyndon Johnson and Texas Governor John Connally. For nearly two decades, Camp Cooley had been an internationally known cattle operation. As many readers are aware, south Texas ranches were a tough sale during the summer of 2011 given the extreme drought conditions. By utilizing an extensive marketing campaign which included print media, electronic media and good old fashion picking up the phone and contacting potential buyers, we were able to conduct an auction that realized a price of \$28.5 Million.

Another marquee auction was conducted in early December in Valentine, Nebraska. The Circle Cross Ranch consisted of 40,520± acres of which 12,020± acres were deeded. This auction was a great example of why it takes a team to market a property at auction. While fielding over 500 brochure requests and phone inquiries, our staff still managed to show the property multiple times on each of 27 days. The hard work paid off when we were told on auction day by the local airport manager that he had witnessed 13 private jets land in a 10 minute period, each with parties interested in the Circle Cross. The ranch, offered in 4 parcels, sold to one buyer for \$11,750,000. The auction was well attended by buyers from throughout the United States.

During 2011, we conducted auctions in six states (ID, MT, NE, OK, TX, and WY) and realized total sales of nearly \$60 Million. However, perhaps the best feeling is knowing that we were able to help sellers market their properties while helping many buyers realize their dream of land ownership. This was displayed best through our 191± acre Swiftsure Ranch auction on the Wood River near Ketchum, ID. The property was purchased by the Sagebrush Equine Training Center for the Handicapped (SETCH). This non-profit organization realized a dream when they were able to purchase the property for \$1.9 Million allowing them to offer equine based programs to anyone with emotional or physical challenges that could benefit from the riding experience. While we anticipate many new auction stories during this coming year, our biggest rewards will continue to come from knowing we have helped our clients and from the many compliments we have received on the professional and transparent manner in which we conduct our auctions! ■

UPCOMING AUCTIONS

SCHEUERMAN CRP
640+/- ACRES IN 4 TRACTS
DEERFIELD, KANSAS
2010 CRP CONTRACT

THERE ARE 9 CONTRACT PAYMENTS LEFT
AT \$40.01/ACRE BASED ON 623+ ACRES.
AUCTION - APRIL 5TH, 2012 - 1:30PM

WAURIKA FARMS

7,000+/- ACRES WHEAT PASTURE - GRAZE OUT PROPERTY
WAURIKA, OKLAHOMA

3,500 ACRES CROPLAND BALANCE IN GRASSLAND.

HERE IS A RANCH THAT CAN PACK THE
POUNDS ON YOUR CATTLE!

OUTSTANDING IMPROVEMENTS!

TO BE SOLD AT AUCTION APRIL 2012.



WASHING ITS OWN FACE

continued from page one

management plan are the hiring of a top quality manager and implementing a tight and sophisticated cash flow budget system that separates the ranch operation from the owner's personal budget.

“High commodity and cattle prices are beginning to make “*face washing*” a lot easier” – Wes Oja

This change in orientation is most obvious with Ted Turner's ranch operations where both elk and bison, once considered a vital part of the scenery, have been converted to major cash generating crops. While Turner's operating numbers are not public, it would seem he is now running a very successful business. Other examples of people who bought beautiful ranches and insisted that they wash their own face are individuals like Craig Barrett, former CEO of Intel, and Jim Manley founder of Atlantic-Pacific Capital, are also examples of ranch owners who have managed their properties to wash their own face. Craig has turned his Triple Creek Ranch into one of the most popular resorts in the world. In an amazingly short amount of time, Jim has made his Rock Creek Ranch into a wildly popular ranch resort operation.

Whether it's cows, bison or human guests, we feel that “washing its own face” is a trend that is here to stay. It goes without saying however, that there will continue to be an active “private retreat” market where the cows and bison are few, the scenery and wildlife are sensational, and the “two-legged” guests are by invitation only. ■

IF YOU PREFER, WE CAN SEND YOU AN ELECTRONIC VERSION OF THIS NEWSLETTER. PLEASE SEND YOUR EMAIL ADDRESS TO INFO@HALLANDHALL.COM. THIS INFORMATION WILL NOT BE SOLD OR USED FOR ANY OTHER PURPOSE. THANK YOU.

HALL AND HALL WELCOMES DAN BERGSTROM TO THE MANAGEMENT GROUP

Dan was raised on a cattle ranch near Buffalo, Montana. He graduated from Montana State University in 2006 with a B.S. in Range Science. At MSU he was on the College of Ag Student Council and a member of Block and Bridle, the Range Club and Alpha Gamma Rho. Upon graduation he became a Pasture & Range Management Specialist with Wilbur-Ellis Company. Via his work with Wilbur-Ellis, Dan has lived and worked in the High Desert of Idaho and Oregon, the Great Basin of Nevada and Utah, and throughout Montana and Wyoming. The primary focus of his work was assisting landowners in profitably maximizing forage production and enhancing wildlife habitat while maintaining an ecological balance on their ranches. He even took time off to accompany a shipload of 5,000 head of cattle to Turkey just before signing up with Hall and Hall. Dan brings a great diversity of knowledge and practical experience to Hall and Hall. He enjoys hunting, fishing and spending time horseback. He is an accomplished leatherworker and particularly enjoys helping out at his family's ranch.



Dan Bergstrom

Mortgage | NEWS

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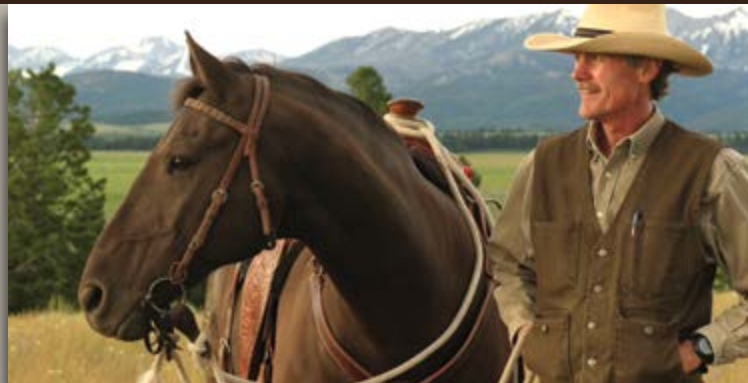
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IT SEEMS THAT THE MUCH PUBLICIZED "ONE PERCENT" WERE PREPARED TO PUT MONEY INTO HARD ASSETS THAT WERE IN MANY CASES ORIENTED AROUND SCENERY AND RECREATION BUT ALSO HAD GOOD OPERATING CHARACTERISTICS.

By: Jim Taylor



DAVE JOHNSON, OF HALL AND HALL TAKING A MOMENT TO CAPTURE AN AWE INSPIRING VIEW OF THE FALLS CREEK RANCH LOCATED IN LIVINGSTON, MONTANA.

RANDOM THOUGHTS AND MARKET TRENDS

Before launching into the hard numbers for 2011, I wanted to share a philosophical discussion we have been having within the company related to the age old question of "is bigger better?" In analyzing our business mix, we realized that as much as 90 percent of our business comes from existing clients or from referrals from friends and clients. For that reason we have, somewhat reluctantly, come to the conclusion that the experience and knowledge base provided by our work for and access to literally thousands of clients and friends over a broad geographic region allows us to offer the very best advice and service to you in virtually any situation. On the real estate sales side, it allows us to cast the broadest net to bring in potential buyers. With that in mind we have decided to continue to allow organic growth as opportunities arise taking advantage of the latest communication technology and our partnership structure to be sure that you receive the full advantage of our experience and knowledge base. Basically, we will let you dictate our growth as "bigger" seems to allow us to serve you better.

All of us at Hall and Hall feel very fortunate to have been part of a wonderful year for our company. Unfortunately, I am not sure that the type of year we experienced was actually reflective of the market in general but first the numbers. During the course of the year we were involved as buyer's and/or seller's agent in transactions totaling approximately \$343 million, the highest volume in our company's history and more than double that of 2010. It is statistically meaningful to actually include transactions from the 4th quarter of 2010. The total transactions for that 16-month period came to \$464 million. The spread between asking price and sale price was only 8% compared to 18% in 2010 – an indication that sellers are now pricing competitively in recognition of the new market reality.

A significant volume of sales came at the end of 2010 and they continued into early 2011. The combination of the Arab Spring and European debt crisis put a pretty major damper on the market through the middle part of the year. It picked up again toward the end of the year. The average deal size was also up significantly from 2010 and many had a significant agricultural operating component. The larger deal size related more to the mix of deals – not higher prices unfortunately. It seems that the much publicized "one percent" were prepared to

put money into hard assets that were in many cases oriented around scenery and recreation but also had good operating characteristics. (See "Washing its own face" Page 1 & 6)

The market for smaller recreation ranches and private retreat properties was notably slow throughout the year with lots of inventory and a limited number of transactions. Many prospects in this category either did not show up at all or showed up with tepid enthusiasm and went home empty handed. In terms of pricing, it seems that the new reality has set in, and sellers on the whole have been prepared to price their properties in recognition of the fact that we are now looking at pre 2005 values. It has not been a market where buyers would chase something they fell in love with, as evidenced by the narrow spread between the ask and the sale price. It seems that sellers needed to price themselves in the market and then buyers would show up. We are hopeful that the tidbits of positive economic news in the U.S. and the appearance that Europe will get its act together will cause this segment of the market to improve in 2012.

The market for operating farms, to a large degree, and operating ranches, to a lesser degree, has remained very strong with good demand. Farmland was one of the headline stories for 2011

with prices pushed higher from both investor and farm operator buyers. A combination of factors is behind one year appreciation rates that in some of the Corn Belt states approached 30%. While appreciation for farmland in the Rocky Mountain and High Plains areas generally did not reach these lofty levels, the market and appetite for production land remains extremely strong. Factors contributing to this market include increased commodity prices and low interest rates that contribute to lowered expectations for yield. There is still an enormous amount of private and institutional capital seeking farmland investments that typically yield, on a net rent basis, between 2% and 4%. However, without another round of commodity price increases, land values are more likely to return to a more normalized appreciation rate. Operating cost increases and higher interest rates are also likely to raise yield expectations and reduce net income, putting downward pressure on farmland prices.

Pure operating ranches have not seen the extreme appreciation rates shown in farmland over the last few years. However, the outlook for operating ranch values is favorable due to the same factors that contributed to increased farm values. The prospects for improving cattle prices are particularly good because we are looking at the lowest cow herd since the early 1950s and producers are expected to begin to build their herds. This invariably drives beef prices higher.

In summary, we see a stabilizing market for operating ranches with scenic and recreational qualities. We hope the same will soon hold true for smaller recreation ranches and private retreat properties. There will likely be an improving market for pure operating ranches. We think the jury is still out on operating farms but the few negative factors we detailed above might well take a year or two before we see the adjustments unfold. ■





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