

FROM OUR CORNER | WINTER/SPRING 2013



Grizzly Creek Ranch / Gardiner, Montana

By: Jim Taylor

“THE MORE THINGS CHANGE, THE MORE THEY STAY THE SAME . . .”

This story starts with a history lesson. Doug Hall and I came to work full time for Hall & Hall in 1972 under the tutelage of Doug’s father, Warren Hall. Warren had separated from the Denver based mother company (Hall & Hall Mortgage Company) in 1955 to start Hall & Hall Incorporated in Billings, leaving his younger brother Henry and their father in Denver. When Doug and I came on board in ‘72, Hall and Hall was primarily an agricultural mortgage lender and an appraisal company. The company sold farms and ranches as an additional service to loan and appraisal customers. Over time, I focused primarily on selling ranches, while Doug concentrated on the loan and appraisal businesses.

Even then, we had a vision that there was at least a national, if not international, marketplace for top quality farms and ranches – what we now refer to more grandly as “Investment-Quality Rural Real Estate.” This necessitated a different – more professional - approach to marketing our listings. Over the next 10 years, we worked hard to reach out to this broader market and to build the foundation of what Hall & Hall is today.

Doug’s father passed away in 1981, and I was given the opportunity to buy 50% of the company several years later. At that point, our only location was in Billings, which meant lots of traveling to service a growing territory and an expanding business mix.

In 1986, we started our management division by hiring Russ Miller (who has since moved on to run Ted Turner’s ranching empire). In 1988, we brought in Joel Leadbetter who opened a real estate office in Ennis, Montana and subsequently moved it to Bozeman.



ROCKING R RANCH / BOULDER, COLORADO
---- New Listing ----

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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

COLORADO

BIG MOUNTAIN RANCH / MEEKER

An exceptional sportsman's paradise, this 7,080± 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

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. Reduced to \$2,400,000

DOUBLE X RANCH / STEAMBOAT SPRINGS

This scenic 2,300± acre ranch features exceptional big game hunting, excellent habitat, water, diverse landscape, privacy, and easy access with existing cabin and outbuildings only 30 minutes from Steamboat Springs. \$6,325,000

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 RIVER RETREAT / STEAMBOAT SPRINGS

Featuring exceptional fly fishing on the Elk River, panoramic views into the adjacent national forest, and a five bedroom home, this diverse 35± acre property is private yet located only 7 miles from Steamboat Springs. \$1,395,000

ILLINOIS RIVER RETREAT / WALDEN

Scenic mountain retreat of 137± acres featuring two miles of the meandering Illinois River and a 3,500± square foot custom log home overlooking the river valley and surrounding mountain ranges. \$1,500,000

INDIAN HILLS RANCH / TELLURIDE

18 miles from Telluride and Telluride Mountain Resort. 422± acres of privacy, seclusion and 360 degree views of mountain ranges. Improvements include a 2,000± sq. ft. airplane hangar/studio and two manicured grass air-strips. \$2,975,000

MAY-WOOD RIVER RANCH / STEAMBOAT SPRINGS

Nestled along the banks of the meandering Elk River less than 5 miles from Steamboat, this 490+/- acre ranch features outstanding fishing, rich wildlife habitat, productive meadows and exceptional improvements. \$12,950,000

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. \$8,950,000

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. Reduced to \$5,750,000

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

ROCKING R RANCH / BOULDER

20 minutes from Boulder, the Rocking R Ranch is a preeminent equestrian property. Offering 235± acres, irrigated meadows, water rights and extensive improvements including a 36,400± sq. ft. indoor arena. \$15,000,000

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

This private 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 attractive improvements. Reduced to \$23,950,000

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

THE RIVER RANCH AT ROUND MOUNTAIN / STEAMBOAT SPRINGS

Within minutes of Steamboat Springs adjacent to USFS along 2.5 miles of the Elk River, this 1,271± acre operating ranch includes 7,575± sq. ft. owners residence and extensive guest and equestrian facilities. Reduced to \$23,900,000

IDAHO

ALDER CREEK RANCH / MACKAY

Spectacular 817± acre ranch occupying its own mountain valley and featuring first-class improvements, a trout stream, big mountain views, and national forest boundary. Ten minutes to Mackay and 1.5 hours to Sun Valley. Reduced to \$2,900,000

BAR HORSESHOE RANCH / MACKAY

Located 45 miles from Sun Valley, the 400± acre Bar Horseshoe Ranch features 1.5 miles of private spring creek with an excellent wild trout fishery. The ranch includes an attractive 1,200± sq. ft. log cabin and 156± acres under sprinkler irrigation. \$3,800,000

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

COVE ROAD RANCH / WEISER

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 \$3,230,000

EE DA HO 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

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. \$895,000

MOOSE CREEK RANCH / MACKAY

Beautiful 503± 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. Reduced to \$2,700,000

RAM LODGE AT MACKAY BAR / RIGGINS

This is a unique opportunity to own a turnkey wilderness vacation property with incredible scenery, wildlife, and solitude that also offers relatively easy access. Ram Lodge has been owned by the same Idaho family since the late 1960s. \$795,000

ROBINSON BAR RANCH / STANLEY

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. \$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 5 miles of Sun Valley's airport. \$12,500,000

SHEPP RANCH / RIGGINS

Premier 104± acre backcountry guest ranch and outfitting business located at the confluence of Crooked Creek and the Salmon River and surrounded by the Gospel Hump Wilderness Area. The property features topnotch improvements and is being sold turnkey. \$2,950,000

SOUTH FORK RANCH / WARREN

Surrounded by Payette National Forest, this is one of Idaho's iconic wilderness ranches encompassing 235± deeded acres in 2 separate parcels with extensive frontage on the South Fork of the Salmon River. 35 airmiles north of McCall, Idaho. \$3,500,000

MONTANA

BIG CREEK CANYON RANCH / VICTOR

End-of-the-road privacy in the heart of the Bitterroot. New, 5,800+ sq. ft. luxury timber frame home, guest house and shop/barn. USFS borders and live water views from every room. \$3,700,000

BULLIS CREEK RANCH / LIVINGSTON

6,259± acre Bullis Creek Ranch is an ultra-scenic and private location near Livingston, MT and Yellowstone National Park and includes is a 9,000± sq. ft. furnished log home. Priced below market at \$14,500,000

CHOTEAU MOUNTAIN RANCH / CHOTEAU

5,060± 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. Reduced to \$8,900,000

CIRCLE T RANCH / ABSAROKEE

Located minutes from several vibrant towns and unparalleled fishing, this 4,227± acre ranch will embrace a livestock operation or simply provide a comfortable retreat in one of Montana's best recreational locations. \$4,150,000

DAISY DEAN RANCH / MARTINSDALE

1,652± acres. Bordering national forest in the Little Belt Mountains. 14 miles from Martinsdale and 90 minutes from Bozeman. Three miles of creeks. 3,600 sq. ft. four bedroom home. \$3,900,000

FLINT CREEK RANGE RETREAT / PHILIPSBURG

159± acre retreat surrounded by national forest in Flint Creek Range west of Missoula includes an exquisite collection of immaculate improvements and spectacular views from a very private location. \$3,100,000

GRIZZLY CREEK RANCH / GARDINER

1,967± acre corporate/family retreat lies in its own valley under towering peaks adjacent to Yellowstone Park near Livingston. Extensive wildlife, a cutthroat fishery and a sensational very private setting. \$25,000,000

HANGMANS CREEK RANCH / BIG TIMBER

Located below Greycliff, this 190± acre retreat, strategically excised from a 27,000± acre ranch includes big mountain views, 1 mile of Yellowstone River, 5,500± sq. ft. owner's residence, caretakers home, and extensive outbuildings. \$2,250,000

HORSE PRAIRE RANCH / DILLON

This 30,000± acres total (7,707± acres deeded) operating mountain ranch near Dillon lies in a private block of land. Investment quality -- high income from a 750 AU cattle operation; security of irrigation water being first in position on the stream; privacy in its own mountain valley. \$11,950,000.

KOOTENAI SPRINGS RANCH / STEVENSVILLE

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. \$10,500,000

LITTLE BLACKFOOT RIVER RANCH / DEER LODGE

1201± acres, 4BD, 6BA home and new 3,200± sq. ft. barn. One mile of Little Blackfoot River frontage, Spotted Dog WMA borders and panoramic, snow-capped views. Water rights and irrigated river bottom pasture. \$3,700,000



Ovando Mountain Ranch / Ovando, MT

NORTH BURNT FORK RANCH / STEVENSVILLE

This ranch is 35 miles south of Missoula and includes 1,763± acres bordering public lands. A creek flows through and views to the west are spectacular. Excellent hunting. \$3,200,000

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

OW RANCH / QUIETUS

Famous 50,000± acre ranch north of Sheridan, Wyoming. The historically renovated headquarters of renowned Kendrick Cattle Company anchors a 1,500 animal unit cow/calf operation with excellent wildlife. Offered stocked and equipped at \$25,000,000

PLACID LAKE RANCH / SEELEY LAKE

This 6,291± acre property in Montana's Seeley-Swan Valley has two streams and a lake amidst an ocean of timber and mountains. \$14,900,000 for all or smaller parcels starting at \$2,200,000.

PRAIRIE CREEK RANCH / GLASGOW

Located near Glasgow this 41,099± acre (23,225± deeded) investment/hunting ranch combines outstanding upland bird habitat, dryland crops and 13 miles of creek bottom with over \$250K in annual income. \$10,500,000

RED ROCK RIVER LAND & CATTLE RANCH / LIMA

2,199± acre, 300 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. Reduced to \$3,529,000

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. Reduced to \$3,900,000

ROCK CREEK FISHING / PHILIPSBURG

This 99± acres fronts on Montana's famous Rock Creek. Forest service borders the property and a tasteful log home sits at the edge of a meadow. Private bridge access. \$1,650,000

SHANE RIDGE PRESERVE / RED LODGE

This 1334± acre unimproved ranch is less than 45 min from Billings, Mt. and has views of four major mountain ranges. Good grass and timbered ridges are home to deer and elk. Reduced to \$1,650,000

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. Equestrian's dream! Reduced to \$6,900,000

ST. CLAIR RANCH AT FISH CREEK / MISSOULA

Luxury western living in a storied landscape on 550± acres a half-hour west of Missoula. Custom log home, guest homes and superlative equestrian facilities. Borders 40,000 acres of State land. Reduced to \$6,750,000

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. Reduced to \$10,250,000

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. Reduced to \$11,500,000

TWISTED STICK RANCH / BIG TIMBER

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 \$2,195,000

TYLER CREEK RANCH / DARBY

1,559± acres with Clark Fork frontage, oxbow lakes harboring large trout and USFS/State land borders, 30 minutes east of Missoula, the property has a manager's residence, a barn and working corrals. \$3,400,000

WALLROCK RANCH / WILLSALL

Less than an hour's drive from Bozeman and Livingston, this unimproved 5,848± deeded acre mountain ranch and licensed game preserve lies at the end of the road. Dramatic setting controlling Wallrock Basin. Reduced to \$7,000,000

WHITETAIL HAVEN RANCH / OVANDO

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

OKLAHOMA

WINDING STAIR RANCH / DAISY

Winding Stair Ranch is one of Oklahoma's largest contiguous ranches at 44,688± acres. This southeastern Oklahoma working cattle ranch features deer and wild hog hunting set in the beautiful Ouachita Mountains. \$51,391,200

STAR LAKE RANCH / TULSA

This well-known purebred cattle ranch is only 16 miles north of Tulsa. 3,290± acres of bluestem grass covered rolling hills provide scenic vistas in all directions. Excellent working facilities including the show/sale barn compliment the 16 main pastures. \$14,750,000

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. Reduced to \$7,900,000

TEXAS

DFW RANCH / CLEBURNE

Located 50 miles south of Fort Worth this 2,905± acre scenic, unimproved ranch is crossed by four streams offering a cross section of habitat for trophy whitetail, quail, turkey, doves and waterfowl. \$11,038,886

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± sq. ft. log lodge and shop. \$4,250,000

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

HAYSTACK MOUNTAIN RANCH / RAWLINS

Now being offered as 90,000 plus acres with 22,650 deeded. Includes expansive grazing lands, irrigated meadows and a very good set of working ranch improvements. The property offers cash flow together with good hunting, fishing and several miles of the North Platte River. \$6,000,000

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

STAR HILL RANCH / CODY

An impeccably maintained, end of the road former guest ranch – now a family retreat – with classic restored log improvements offers complete privacy on Big Creek 25 miles west of Cody. \$7,750,000

WYOMING HEREFORD RANCH / CHEYENNE

Located just outside of Cheyenne, this 2,885± acre operating ranch features rolling grassy hills and cottonwood bottoms, a 12,000± sq. ft. manor house, an indoor riding arena, and excellent water rights. \$10,300,000



MAY-WOOD RIVER RANCH / STEAMBOAT SPRINGS, CO ---- New Listing! ----

UPCOMING AUCTION**O'DELL FARMS / CLAY COUNTY, MISSOURI**

2,470+/- acres offered in several tracts just minutes from Kansas City. This property features productive farmland, ranchland and building sites with rolling hills and several ponds. An excellent opportunity for the investor, farmer, rancher or recreational enthusiast. Auction date: June 19th, 2013 - KCI-Expo Center.

Contact Hall and Hall Auctions for more details at 1-800-829-8747

LOANS | APPRAISALS | MANAGEMENT

Hall and Hall has been an agricultural mortgage banking firm for 65+ years. Loan terms are exceptionally attractive with funds available for acquisitions, refinance, property improvement or cash out purposes. Current interest rates for real estate loans range from as low as 2.25% to approximately 4% for 10 year fixed rate loans. The borrowing environment for refinancing, land purchases or providing liquidity for other purposes from real estate equity has rarely been better.

Hall and Hall is also one of the largest Farm and Ranch Management Companies in the United States. Our management department provides a wide range of services for private and Institutional owners. This group is also available for consulting on special projects or for analysis of a farm or ranch purchase.

Call any of our offices for more information on loans or management services.

Billings	Denver	Lubbock	North Platte
406.656.7500	303.861.8282	806.698.6882	308.534.9000

SAVE THE DATE

MAY 9TH 6PM

Wine and Appetizers

HOSTS:

Holland and Holland, Hall and Hall and Open Fences Magazine

LOCATION:

Holland and Holland Gun Room - 10 East 40th Street, Suite 1910, New York, NY 10016

DISCUSSION TOPICS:

Bill Collins will tell us about the exciting renaissance of the Yellowstone Club under its new ownership group.

Janay Johnson of the Yellowstone Park Foundation will discuss and answer questions about the important work YPF is doing for Yellowstone Park.

Jim Taylor, Tim Murphy and a panel of Hall and Hall Partners will answer questions about the return of investors to the ranch market.

Please plan to join us for an exciting evening. Space is limited, therefore, please RSVP Treva at tpeterson@hallandhall.com. There will be some great door prizes including a Yellowstone Club weekend and a bound and autographed set of Tom Murphy's Seasons of Yellowstone.

REAL ESTATE MARKET OVERVIEW 2012

Some years ago, we coined the term “investment-quality rural real estate” (IQRRE) and defined it in a previous newsletter article. (<http://hallhall.com/sites/default/files/web-newsletter-fall-08.pdf>). We have believed in it as an investment class asset for many years. Farmland has been accepted for a very long time, but ranchland and retreat type properties have tended to be considered more “life style” purchases than investments. If there is a major trend that we can identify right now, it is that the market is beginning to recognize that this entire class of real estate deserves to be considered an investment class asset.

This change in thinking has been driven by a number of factors. The first one is that people watched entire blue chip companies disappear and become valueless in the debacle of 2008. Without the major intrusion of the government it was pretty obvious to anyone close to the situation that many more highly regarded companies would have gone down the same path. Visible investors like Ted Turner who converted a portion of his net worth to ranchland looked pretty smart compared to stock market investors. He still looks smart today despite the ups and downs of our real estate market over the period.

The second factor is that the bar for cash return on investment has been dramatically lowered. When a government guaranteed short term investment yields close to zero, the very modest returns for an operating farm or ranch begin to look pretty good, and of course those returns have actually improved dramatically with commodity prices going up. Even a retreat type property that only has psychic returns and enormous appreciation potential because of its uniqueness becomes an acceptable investment asset – particularly if one can acquire it at a discounted purchase price.

This brings me to a short discussion of the market for 2012 as we saw it. We think that our focus on investment-quality

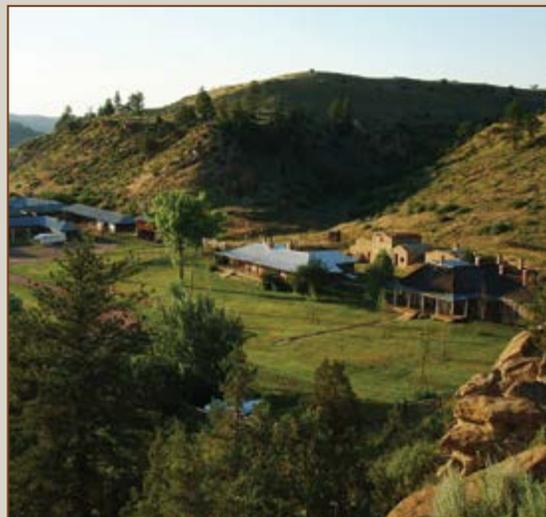
rural real estate and in particular upon those qualities that make our listings investment class has worked to our benefit. 2012 was another record year for us with our transaction volume approaching \$400 million for the first time driven by our auction sales and a resurgence in the market for retreat properties. The underlying theme in virtually every transaction was investment quality and value.

IQRRE comes in three basic flavors: roughly defined as farms, ranches and rural retreats. We will review the market for each.

FARMS / The upward trend in prices continued even though there are more people warning that we are near a peak. A few savvy investors have chosen to lighten up their allocation to this class. As with all classes, the imminent loss of the 15% capital gains tax rate drove some year-end deals.

RANCHES / The figures are not all in because of the year end capital gains driven rush, but it seems that operating ranches were in increasing demand and prices continued to move up. Again it appears that capital gain considerations drove some year-end sales that might have come in at slightly lower levels than one would have expected. Even so this segment of the market is strong and, if higher cattle price trends continue, the lack of supply of ranches for sale will likely put upward pressure on land prices in this market niche.

RURAL RETREATS / This is the area of the market that took the biggest hit when the world, as we knew it, changed in 2008. 2012 was marked by a renewed interest in this asset class for the first time in 4 years. We think the bottom was finally defined over this past year. With an enormous inventory available buyers were looking for value. Many were looking for quality homes that were included for substantially less than their replacement cost, and they were looking for places that had some potential to actually earn some income.



OW RANCH / QUIETUS, MONTANA
---- New Listing! ----

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REAL ESTATE MARKET OVERVIEW 2012

continued from page 6

In closing, this was another year where very large transactions were once again the norm, but there were also lots of smaller transactions which is what pushed us over the top for another record year in sales volume. There continue to be pockets of wealth from Wall Street to Silicon Valley to the Oil Patch - to use some figurative terms - that are looking for a safe home. We also believe that, as savvy U.S. investors have recognized the role of investment quality rural real estate as a legitimate investment class, so too will the rest of the world, and there are certainly some significant pockets of wealth building up there as well. ■



WYOMING HEREFORD RANCH / CHEYENNE, WYOMING

THE MORE THINGS CHANGE THE MORE THEY STAY THE SAME

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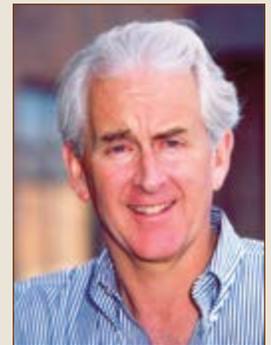
In 2000, we merged the two companies (Hall & Hall Mortgage of Denver and Hall & Hall Inc. of Billings) back together. This brought Henry Hall and his son, Mike, back into the company and spurred our expansion into the southern Rockies and Great Plains. In 2011, we lost Henry, who had earlier passed the reins to Mike.

As the years went by, our territory expanded. We added the best people we could find in the most strategic locations. We've grown our ranch brokerage, mortgage lending, appraisal and ranch management businesses. Most recently, we opened a farm & ranch auction division based in Eaton, Colorado. We are now truly a "Full Service" real estate company.

As the company grew, we've never lost sight of two underlying themes. First, in order to keep key people, we have offered them the opportunity to buy an interest in the company. As a result, we have a broad-based ownership structure that keeps everyone pulling in the same direction. This has created longevity and teamwork.

To further drive home the sense of teamwork, we have maintained a flat organizational structure with virtually no hierarchy. We have always endeavored to hire great, talented people to do work that they enjoy and are good at.

Doug Hall, Mike Hall and I worked together as Managing Directors for a dozen years to provide what little management the team required and to lead strategic discussions for the company. We have, of course, had lots of help and input from an active and involved Board of Directors as well as from our shareholders.



JIM TAYLOR

Over a year ago, Doug and I decided that, after 30 years, it was time for us to make way for the next generation. Joel Leadbetter was selected to join Mike Hall as a Managing Director. The transition was seamless and smooth.

Doug has continued to oversee the company finances. I have transitioned to a Ranch Partner on the real estate side and devote my time to representing buyers and sellers of farms and ranches. Both Doug and I have remained on the board and help out wherever we can.

For multiple generations, everyone at Hall & Hall has been dedicated to serving our clients; that dedication will not change. We believe that this company embodies the belief that "even though things change, they remain the same." ■



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OFFICE LOCATIONS

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 tel: 303.861.8282

STEAMBOAT SPRINGS, COLORADO
 3001 South Lincoln Avenue, Ste. E
 Steamboat Springs, CO 80487
 tel: 970.879.5544

EATON, COLORADO
 100 S. Cherry Avenue, Unit 6D
 Eaton, Colorado
 tel: 970.716.2120

HUTCHINSON, KANSAS
 1 North Main Street, Ste. 517
 Hutchinson, KS 67501
 tel: 620.662.0411

NORTH PLATTE, NEBRASKA
 410 East Leota, Ste. 5 #110
 North Platte, Nebraska 69101
 tel: 308.534.9000

BILLINGS, MONTANA
 2290 Grant Road
 Billings, MT 59102
 tel: 406.656.7500

BOZEMAN, MONTANA
 924 Stoneridge Drive, Ste. 2
 Bozeman, MT 59718
 tel: 406.587.3090

MISSOULA, MONTANA
 319 West Pine Street
 Missoula, MT 59802
 tel: 406.542.3762

JACKSON, WYOMING
 235 East Broadway
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 tel: 307.733.0989

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 560 2nd Avenue North
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 tel: 208.622.4133

LUBBOCK, TEXAS
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MANAGEMENT GROUP

BILLINGS
 Douglas Hall (Chairman)
 Jerome Chvilicek *
 Scott Griswold
 Wes Oja *
 Dan Bergstrom

DENVER
 Henry Hall
 Mike Hall (Managing Director)

LUBBOCK
 Monte Lyons *

NORTH PLATTE
 Randy Clavel

EATON
 Scott Shuman
 Tyson Thompson

* Director

REAL ESTATE GROUP

BILLINGS
 James Taylor *
 Randy Shelton

BOZEMAN
 Joel Leadbetter (Managing Director)

DENVER
 David Johnson
 Tim Murphy

DENVER
 Tom Metzger
 Jeff Buerger

HUTCHINSON
 John Wildin

JACKSON
 John Pierce *

MISSOULA
 Bill McDavid
 Keith Lenard

SUN VALLEY
 Stoney Burke *
 Trent Jones *

STEAMBOAT SPRINGS
 Brian Smith *

EE DA HO Ranch / Sun Valley, ID

WINTER/SPRING 2013

