



Market News

Commodity-Producing Farms and Ranches in High Demand

By Ryland Moore, Oregon Broker

As the country continues to claw its way out of the real estate and stock market slump, blanketing the U.S. for the last three years, ranch sales continue to pick up. The interest in commodity-producing ranches and farms is high from individual Buyers and private equity across the Rocky Mountains and Northwest.



In August, the Federal Reserve Bank of Chicago reported and *The Land Report* detailed farm sales in the Midwest "grain belt." They stated that farm sales are up 17% from the 2nd quarter of 2010. This was noted as the largest year-over-year increase in farm prices since 1977. In the Midwest last year, similar gains transpired with a price jump of almost 12% in farmland, the second largest gain. With big-name investors looking toward commodity-producing properties to hedge against the threat of inflation, you might think this is old news and that if you didn't buy farm ground in the last two years you missed the boat. However, the Rocky Mountain West and the Northwest have not seen the farmland price gains that the Midwest has, and farmland is still affordable, recording much smaller gains over the same time period. While prices for Midwest farmland reached \$10,000 to \$15,000 per acre this year, farmland in the Rockies or Northwest typically have averaged \$500 to \$5,000 per acre, depending on irrigation. A high demand for both dryland and irrigated commodities in this global market is testament to a steady return on farmland investment over time. Commodity prices track inflation, and the world population continues to exponentially increase at over 1% a year with world population expected to be 9 billion by 2050.

CNBC recently interviewed former Morgan Stanley strategist and hedge fund manager Barton Briggs of Traxis Partners, LP, who was quoted as stating, "Farmland is a theoretically safe, income-producing, inflation protection hedge" that historically produces a "rock steady return." Some investors even estimate a 6% to 7% annual return.

While Live Water Brokers may not all be as bullish, we are seeing a rising interest from our clients in recreational ranches that also provide a commodity component. Additionally, hunting ranches are often managed with a farming opportunity to help maintain and increase big game, upland bird and waterfowl numbers on ranch and farm properties. The key, and where Live Water Brokers excel with our clients, is in identifying outstanding, commodity-producing farms and ranches that yield steady returns on investment and also have unique recreational components. To learn more about commodity-producing farms and ranches, please contact Ryland Moore or any of our Live Water Properties Brokers.

9th Annual Celebrity Hunt For a Cure

Live Water Properties sponsored the "Celebrity Hunt for a Cure" 9th annual pheasant hunt, held



September 30 – October 2, 2011 at the Cheyenne Ridge Signature Lodge on Lake Oahe. The annual event is produced by Hunter's Dream for a Cure Foundation, created by Robb and Wendy Nelson of Colorado in memory of their son, Hunter. Hunter had the rare brain disease Sturge-Weber Syndrome and died unexpectedly of a seizure in May 2005. He was five years old. The Hunter's Dream for a Cure foundation has raised over one million dollars for children's charities, to "make sure other families do not have to go through the ultimate tragedy of losing a child," says Robb. The event once again raised more than \$100,000 for research of pediatric neurological disorders and to support programs for special needs children and their families. Entertainment included Country Music Legends Aaron Tippin and John Michael Montgomery. In addition, NFL Hall of Fame Member Gary Zimmerman, Dallas Cowboys Great Jay Novacek, Miami Dolphins Great Manny Fernandez and many more professional athletes and entertainers. Besides hunting in prime pheasant territory, the event includes receptions, gourmet meals and a live and silent auction.



Live Water Properties Broker, Terry Fieseler, handmade and engraved a solid sterling silver belt buckle that was donated to the auction. Several Live Water Brokers then pooled their money to bid on the buckle and donate it to Robb at the event. A special thanks for all the donations from Live Water Brokers and Clients and going above and beyond for this special cause. For more information, please visit, www.huntersdream.org.

Property Updates

SOLD! Udderly Grand Teton Retreat - Jackson, Wyoming

A rare offering situated in the heart of Jackson Hole, this is an ideal retreat featuring the finest in custom home construction. The resort town of Jackson Hole offers fine dining, luxury shopping, art galleries, hotels, spas and an abundance of outdoor recreational activities. Teton Village is 20 minutes from the property and boasts approximately 2,500 acres of terrain for downhill skiing. Udderly Grand Teton Retreat is adjacent to 3 Creek Ranch and the 8th hole of the world-class Rees Jones-designed private golf course. The Udderly Grand Teton Retreat encompasses the splendid grandeur of luxury living, wide-open spaces and excellent spring creek fishing while enjoying the convenience of in-town amenities.



This well-appointed home boasts the highest quality finishes and custom furnishings, and has premium views of the awe-inspiring Teton Mountain Range. Situated on 35.81 acres, the home has 6,000 +/- sqft and a charming guest cottage overlooking a cascading waterfall, trout pond and the rippling, trout-filled Spring Creek. With snow-capped peaks in every direction, this elite home resides in a postcard setting. Also a place for several waterfowl species, songbirds and foraging elk, this mountain retreat is a resort dream.

Offering Price was \$7,900,000

SOLD! Snake River Farms - Shelley, Idaho

Snake River Farms is located on the banks of the Snake River in Shelley, Idaho, 10 miles south of



Idaho Falls. The 251-acre property is comprised of productive irrigated farmland and prime Snake River frontage. Traditionally the farm has been rotated between wheat and potatoes depending on market conditions and best farming practices. Historic yields for this productive farm have been approximately 90-120 bushels/ acre of wheat and 270 sacks/ acre on potatoes. The agricultural operation is currently being managed on a cash lease basis with a local producer. In addition to the profitable agricultural operation, the farm has over 2 miles of Snake River frontage providing recreational opportunities for the fisherman and hunter alike.



Waterfowl hunting on the river and in the grain fields is exceptional for both ducks and geese. The trout fishing can also be very good with riffles and pools on productive side channels. This stretch of the "Main Stem" fishes particularly well in the fall months when large brown trout are migrating through the river system to spawn. The farm has been leased to outfitters for waterfowl hunting, also providing an income stream. The city of Shelley is just across the river and offers amenities and a population-base, should the new owner consider developing. With a healthy annual income flow from agriculture and hunting plus recreational attributes and future development options, Snake River Farms presents a rare opportunity to own a diverse income-generating asset, which can also be enjoyed for lifestyle.

Offering Price was \$1,757,000

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