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A scenic landscape of a ranch. In the foreground, there is a lush green field. A river flows through the middle ground. On the opposite bank, there is a cluster of buildings, including a large barn and several smaller houses. In the background, there are steep, rocky mountains under a clear blue sky.

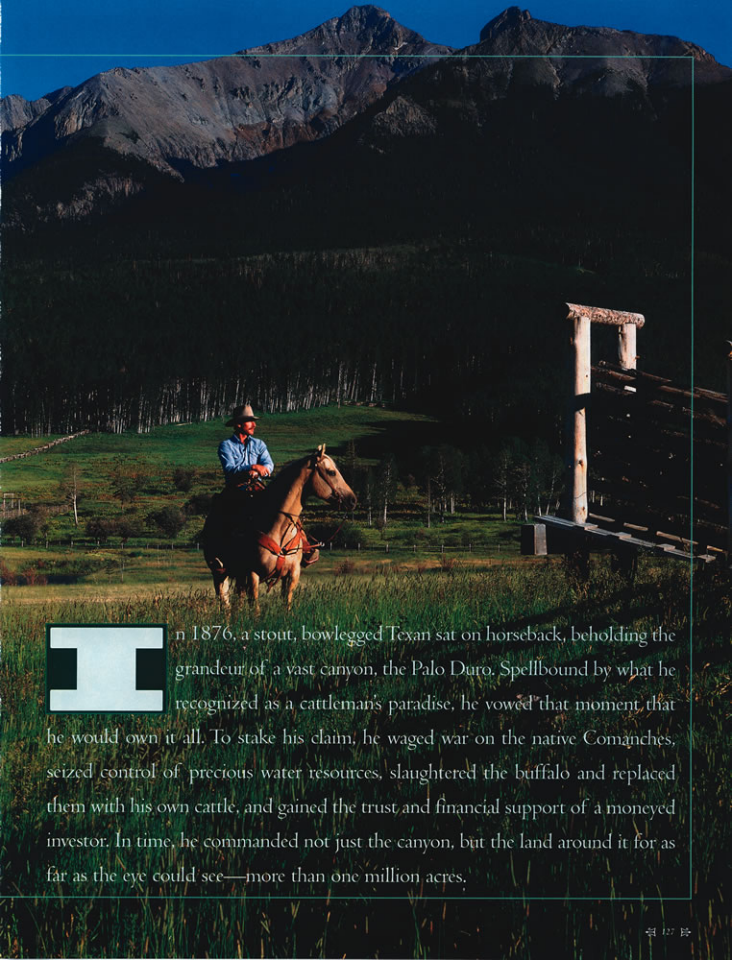
Buying Your Own Ranch

Acreage, amenities, or access?

C&I goes to the experts to learn the tricks of the trade when purchasing property out West

BY GAVIN EHRINGER

Not all ranch land is as picturesque as Colorado's Last Dollar Ranch. Located just off the Dallas Divide, the 400-acre parcel is currently on the market for \$9.3 million and includes many improvements such as nine historic log outbuildings and a 4,600-square-foot log and stone barn.



In 1876, a stout, bowlegged Texan sat on horseback, beholding the grandeur of a vast canyon, the Palo Duro. Spellbound by what he recognized as a cattleman's paradise, he vowed that moment that he would own it all. To stake his claim, he waged war on the native Comanches, seized control of precious water resources, slaughtered the buffalo and replaced them with his own cattle, and gained the trust and financial support of a moneyed investor. In time, he commanded not just the canyon, but the land around it for as far as the eye could see—more than one million acres.

You need not be as driven, or as mercenary, as Charles Goodnight to acquire your own dream ranch. But buying a ranch property, even one somewhat more modest than the Palo Duro, isn't quite as easy as buying a suburban home. There are many new and unfamiliar factors to consider, and it will take wisdom and planning to make the right choices. To help you get started down the trail to your own Palo Duro, we consulted three experts on Western ranch estates: Bill Healey, co-owner of Live Water Properties in Jackson, Wyoming; Trip du Perier, a specialist in Texas properties; and Gene Kilgore, an expert on guest ranches, a real estate broker, and the author of the esteemed guidebook *Gene Kilgore's Ranch Vacations*. All agreed that the first-time ranch buyer must scale a steep mountain of unfamiliar terrain to acquire that "just right" ranch.

Healey is a transplanted Easterner who learned the ins and outs of ranch acquisition first-hand when he made the transition from California land developer to

Wyoming ranch owner. "In the course of a lifetime, a person may buy half a dozen homes, and generally, they know what they need and how to go about getting it. But few people buy more than one ranch in a lifetime, and unless they were raised in a ranching family, they are probably not aware of all the factors that come into play," he says.

"In essence, you're buying a dream, a concept, an ideal. But in the end, it translates into a very pragmatic process that requires thinking about a lot of very pragmatic considerations," says Healey. Even small considerations can have major ramifications. Take, for example, altitude. The majority of Healey's clients are couples in their 40s or 50s, and not all of them are in optimal physical condition. Those with health problems, in particular, will find living at 9,500 feet in Colorado (where the oxygen content is 25 percent less than at sea level) uncomfortable at best, and life-threatening at worst. "I know of people who have bought multi-million-dollar

ranches and then sold them a couple years later because they literally couldn't breathe," says Healey.

To help folks avoid such pitfalls, Healey has created what he calls the Half Hour Test. It's not actually a test, but rather a list of things to consider. (It can be viewed at his company's website www.ranchadvisor.com). And it doesn't necessarily take 30 minutes—instead, that's the threshold of driving time that Healey says separates a property that is convenient to services such as airports and shopping from one that is remote. "If you're not willing to drive more than 30 minutes one-way, you may need to rethink your plans," he said. Or, he adds, scale back your expectations. If one thinks of a community such as Aspen or Deer Valley as "ground zero," land values decrease in relation to the distance from that epicenter.

For instance, in the fashionable Wyoming resort of Jackson, which offers a world-class ski area, an airport, excellent

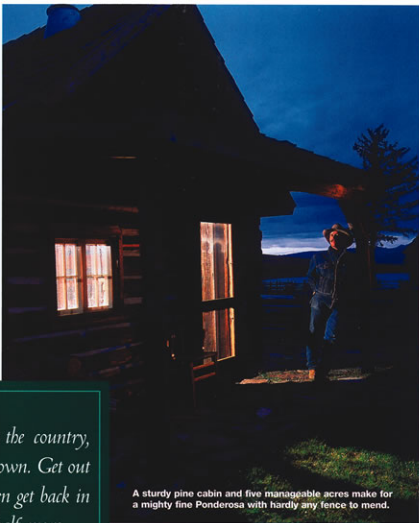


The success of Arizona's Superstition Mountain proves that many buyers rate amenities over solitude.

local restaurants, cultural events, golf courses, and the scenic beauty of the Teton Range and Yellowstone National Park, land can run as high as \$100,000 an acre. Fifty miles away prices drop below \$10,000. And near Sheridan or Buffalo, the price may be \$1,500 to \$2,000 an acre, roughly the base level for all but the most isolated ranch properties within sight of the Rockies.

"If you don't have the means to be close-in, you have to accept less in services to get more in value. One hour south or west of Jackson—the area I am most familiar with—you can find value for the average person," says Healey, who deals mainly in properties valued above \$1 million. "Supply and demand is alive and well out West."

But, he hastens to note, where people go, services tend to follow. Getting in early in a burgeoning area, such as Durango,



A sturdy pine cabin and five manageable acres make for a mighty fine Ponderosa with hardly any fence to mend.

If you want to live in the country, drive half an hour out of town. Get out of the car, look around, then get back in and drive an hour and a half more.

—Edward Abbey

Colorado, can have a huge payback years later, by which time property values might have grown exponentially. Those who truly want to live in monastic seclusion might want to heed the advice of desert sage Edward Abbey, who said something to the effect of, "If you want to live in the country, drive half an hour out of town. Get out of the car, look around, then get back in and drive an hour and a half more."

For most of us, though, living reasonably close to amenities such as churches, schools, grocery stores, and cultural events

are most important to you, for instance, hardware and grocery stores, dining, shopping, cultural activities, hospitals, airports. This is an important step in the buying process.

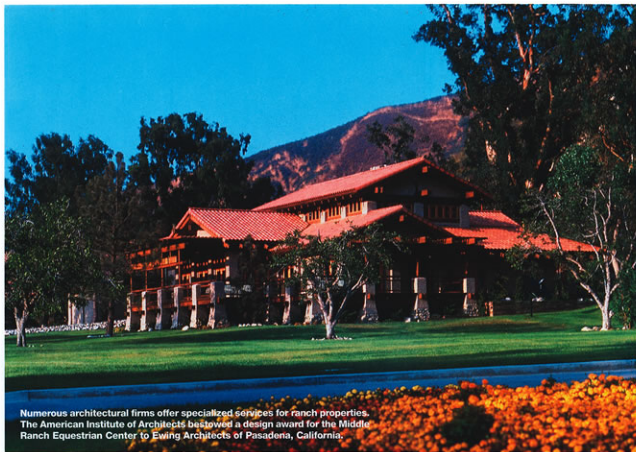
That said, what type of property interests you? That will depend in part on your goals and your income. Do you want a working ranch stocked with cattle and horses, a streamside recreational ranch stocked with trout, or a summer getaway stocked with groceries and beer? A working ranch is just that: a large acreage, perhaps several thousand acres, used for rais-

ing livestock or crops. Generally remote, this sort of ranch requires experienced full-time management.

Take a "drive time" inventory of the things that

is preferable to isolation.

"I make it clear to my buyers that a working ranch is not a hobby. It's a job. Fences need mending. Erosion and predators have to be controlled, and income needs to be generated or the IRS will come calling," says Trip du Perier (www.texas-landman.com). Du Perier has specialized in South Texas and Texas Hill Country properties since the mid 1980s, and he goes to great lengths to ensure that prospective buyers recognize not only the cost of acquiring a ranch, but what it takes to run a larger operation. "You'll need a salaried ranch manager, you'll have hourly day workers, and there will be all sorts of capital costs." Another aspect du Perier



Numerous architectural firms offer specialized services for ranch properties. The American Institute of Architects bestowed a design award for the Middle Ranch Equestrian Center to Ewing Architects of Pasadena, California.

emphasizes is the options available for offsetting these costs. "Is it cattle?" he asks. "Is it through recreational use? Is it by stocking game and running hunts? There are a lot of options to consider, and the best time to consider them is before you write that check."

Next come dude or guest ranches (often the choice of retired couples or families seeking a lifestyle change), whose clients come to ride horses, fish, hike, swim, and partake of Western ranch living. In short, a vacation-based business. Just below that is the recreational ranch, a moderately sized acreage offering many of the amenities of a dude ranch but primarily set up for the owner's sole enjoyment. Unless you plan to live on-site and have the skills, or are willing

to acquire the skills, necessary to maintain a sizeable ranch operation, any of these properties will most likely require professional management.

Increasingly, people are looking into a new trend out West: resort ranches. These are smaller properties (anywhere from a

ational ranch may also be integrated into a working ranch, giving owners a chance to live the cowboy lifestyle—but only at their option. In these communally-shared properties, management responsibilities are typically handled by full-time, on-site professionals.

Be wary, however, of undeveloped land opportunities when considering smaller ranches. Often, large, commercially marginal lands are divided into parcels, many of which lack basic infrastructure such as utilities and roads.

few acres to 100 acres in size) located around a central and shared recreational site, such as a golf course, fishing stream, tennis club, or equestrian center. A recre-

The most modest ranch living is the estate ranch, sometimes called a ranchette. It's a house and perhaps a horse barn located on a small acreage and within easy driving distance of most services. Be wary, however, of undeveloped land opportunities when considering smaller ranches. Often, large, commercially marginal lands are divided into parcels, many of which lack basic infrastructure, such as utilities and roads, or strict building or land use codes.

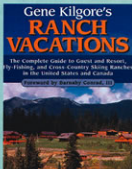
For those who haven't settled on a locale, real estate agents specializing in ranch properties can conduct in-depth searches throughout a broad swath of the United States (as well as overseas) using a wide variety of criteria. Quite often they make use of local experts in specific markets or market niches who are able to help narrow the search. Kilgore, Healey, and du Perier all operate in this capacity, each specializing in certain types of ranch properties: Kilgore is an expert on guest-ranch sales; du Perier on Texas horse, cattle, and recreational ranches; and Healey on mountain-resort properties.

Kilgore points out how this approach plays an important part in finding the right property. "We work synergistically with local firms," he says of his firm, Kilgore Ranch Network (www.ranchweb.com). "We are interested in helping people through the full circle, from guest-ranch visitor to ranch owner, and not simply the real estate side of the equation."

Whether you work with a ranch specialist or a local real estate agent, he or she should be able to call on a network of experts to answer your every question, whether it pertains to utilities and their costs, fire department response and safety, fishing and hunting rights and responsibilities, winter weather conditions, road and highway maintenance, or a myriad of other issues essential to your property.

Those planning to keep horses or livestock will also want to inquire about the number of animals a property can support, the presence of noxious or otherwise undesirable weeds on the property, trails or public lands access, safe water supplies and wetlands protection, shelter, and winter care and upkeep.

Clearly, this study has only touched on the broadest issues regarding ranch properties. Upcoming reports will look further into specific issues affecting ranch ownership such as ranch care and improvements, horse ownership, and community leadership and enrichment. In the meantime, we hope that this article has given you food for thought—and taken you a little further down the trail toward owning your own Palo Duro.



FIVE FANTASTIC GUEST RANCHES

The story of *Gene Kilgore's Ranch Vacations*, which is about to come out in its sixth edition, is an odyssey that began in Wyoming back in 1979. Since then, it has taken Kilgore to nearly every guest ranch in North America as well as overseas. You owe it to yourself to get a copy, if only for Kilgore's sage advice on how to dress for the West, and how to be a "good dude." C&I asked Kilgore to pick five fantastic guest ranches from the almost 200 detailed in his book. A more extensive listing can be found at Kilgore's website, www.ranchweb.com.

HIGHLAND RANCH

PHILO, CALIFORNIA

A "pastoral paradise," this wine-country ranch just two hours north of San Francisco boasts more than 100 miles of trails meandering through towering redwoods and open meadows. In addition to fishing, riding, hiking, and clay pigeon shooting, one can indulge in a wine-tasting tour of Anderson Valley's renowned vineyards.

FYI: (707) 895-3600.

G BAR M RANCH

CLYDE PARK, MONTANA

Live out your cowboy fantasies on this 3,200-acre working ranch. Guests take part in the daily workings—herding, riding fence, and regular ranch chores, unless they opt to spend the day fishing in Brackett Creek. "We have no golf, no pool, no tennis, and no structured entertainment," says ranch owner George Leflingwell, whose family has operated the ranch since 1900 and welcomed guests since the early 1930s. Instead, expect great conversation, simple but savory food, and a genuine cowboy experience.

FYI: (406) 686-4423.

CLEAR CREEK RANCH

BURNSVILLE, NORTH CAROLINA

A bit o' the Old West—back East. Located in the Blue Mountains near Asheville, Clear Creek is surrounded by the dense, thick trees of the Pisgah National Forest, allowing guests access to 80,000 acres of trails and open space. Saddle-sore visitors can take a soothing tube ride down the South Toe River, tee it up at a nearby mountain golf course, or visit several local crafters. Weekly entertainment peaks with a Saturday rodeo.

FYI: (800) 651-4510.

ASPEN RIDGE RESORT

BLY, OREGON

Owners Steve and Karen Simmons have gentrified the working ranch experience, giving their guests the choice of working alongside the ranch cowboys on their 14,000-acre spread or fishing, hiking, mountain biking, or playing tennis. Arena classes in roping, cutting, and team penning allow riders to refine their cowboy skills. Socializing centers around the rock fireplaces of the handcrafted main lodge. FYI: (800) 393-3323.

HIGH WILD & LONESOME RANCH

BIG PINEY, WYOMING

"Saddle up, pilgrim, we're burning daylight." Guests relive the adventure of a historically correct, 19th-century cattle roundup camp. After a day in the saddle, you'll be ready for conversation and supper at the camp cook tent and all too willing to bed down for the night under central Wyoming's starry skies. Emphasis is on practical horse riding skills and "natural horsemanship." Rides take place in the Red Desert, Great Divide Basin, and South Pass areas. FYI: (877) 276-3485.