Mason & Morse Ranch Company Newsletter

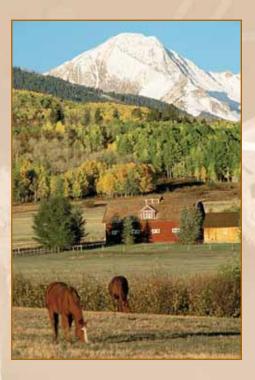
Spring 2006

#### 2006 RANCH MARKET OUTLOOK

The supply of farms and ranches seems to renew itself through usual means: retirements, death, and marginal economics. However, lifestyle changes are also bringing properties on the market. The continuing trend of population growth in the west, as well as the overwhelming desire of so many people to own a "piece of the West" will keep demand levels high for these western farms and ranches. The U.S. economy looks to be simmering along at a favorable pace without "overheating" and the Federal Reserve's tightening via interest rate increases will be waning by years end. The combination of retirements, equity transfers via inheritances, 1031 tax deferred exchanges and American capitalism will continue to provide the demand for all types of ranches and agricultural properties throughout the year.

While pockets of the housing market are expected to decline, and have in areas that experienced unsustainable growth, we believe the ranch market will generally not be affected in the same way. Economics and demographics will fuel demand for the rural lifestyle as a "way of life" rather than a "fact of life".

We expect to see strong and continuing emphasis on conservation, wildlife and fishery enhancement, and private enjoyment of ranch property through CRP and CREP. There are still plenty of choices out there; the work is in understanding the specific market areas as well as where ones own preferences and value expectations can be met.



# WHAT IS CRP ALL ABOUT? Previously published from the United States Department of Agriculture

The Conservation Reserve Program (CRP) is a voluntary program for agricultural landowners monitored by the United States Department of Agriculture (USDA). Through CRP, you can receive annual rental payments and cost-share assistance to establish long-term, resource conserving cover on eligible farmland. Eligibility is determined through an environmental benefit index (EBI) that establishes the benefit to the environment for factors such as water and wind erosion, wildlife enhancement, etc. The Commodity Credit Corporation (CCC) makes annual rental payments based on the agricultural rental value of the land, and it provides cost-share assistance for up to 50 percent of the participant's costs in establishing approved conservation practices. Participants enroll in CRP contracts for 10 to 15 years. The program is administered by the CCC through the Farm Service Agency (FSA), and program support is provided by Natural Resources Conservation Service, Cooperative State Research and Education Extension Service, state forestry agencies, and local Soil and Water Conservation Districts.

An important subset of CRP is the Conservation Reserve Enhancement Program – or CREP. CREP uses unique State, Federal, and private partnerships that allow participants to receive incentive payments for installing state-specific targeted conservation practices. Nationwide, 773,000 acres are enrolled in CREP in 27 states that have developed 34 partnership agreements with FSA.

These conservation practices are very desirable for improving natural habitat for wildlife and can add value to the property as a result.

To find out more, including how to participate, visit your local FSA office or go online at: www.fsa.usda.gov.

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# FENCING YOUR HOME ON THE RANGE - Previously published by The Fence Post

Today there are more private homes than ever located in our rural areas. Residents share a love for the open spaces they live in, open spaces often made up of intermingled public lands and 100-year old family ranches. These areas provide wildlife habitat, access for recreation, scenic views and economic stability. But they also present a variety of challenges, often much different than those experienced by city-dwellers.

For new residents and ranchers alike, one of these challenges is to understand and accommodate each other's needs with regard to livestock. Colorado has traditionally been an "Open Range or "fence out" state. This means the landowners who prefer not to have livestock on their property are responsible for fencing them out. But with this responsibility also come certain rights and many questions. These issues are addressed

here in terms of questions most often asked by homeowners and ranchers. Westerners have always relied on each other, working together to make their way



of life in these remote areas possible. In the spirit of tradition, the existing federal and state laws regarding fences and open range described here can form the foundation for neighbors to find solutions to living with each other and livestock.

continued on back page

#### RAWAH GUEST RANCH Glendevey, Colorado

Considered to be one of the finest dude/guest ranches in Colorado located in one of the most pristine and scenic areas of the state. Rawah Guest Ranch is almost totally surrounded by the Roosevelt National Forest, and the ranch's western boundary is within one mile of the Rawah Wilderness Area. The Laramie River meanders through this 240-acre ranch for about one mile offering excellent fly-fishing. Horseback riding is second to none, and elk, moose, bear and big horn sheep are plentiful in the area. Although hunting has not been a priority with the current owners, it is one possible way to increase revenue. This spectacular ranch is being offered fully furnished and equipped for \$2,500,000. Ted Schaal





## REIRADON HILLS RANCH - Logan County, Colorado

4,000 acres with 1,500 deeded and the balance state lease. Located near Sterling, Colorado, close to Denver International Airport (DIA) and just off a paved highway, the ranch has a beautiful headquarters compound with horse barn, shop, sheds, corrals and a secondary home. The centerpiece is a luxurious 12,500 square foot owner's home (8,174 square feet of living area) including a heated indoor pool and oversized garage. The home is tastefully appointed with high-end finishing and landscaped to fit the natural prairie setting. \$2,500,000. John Stratman









#### BROKEN ARROW MOUNTAIN RANCH - Creede, Colorado

Eleven cozy cabins, 10 full hook-up RV sites and a bath house. A recently remodeled 1,300 square foot log home, three wells, a historic barn and numerous outbuildings make up the balance of the improvements. The ranch is zoned residential recreation allowing you to create a hunting retreat, guest ranch, RV resort, or just let family and friends share in their own cabin experience. The historic, nearby town of Creede is southwestern Colorado's best-kept secret! \$825,000. Bart Miller



#### BLUE MESA OVERLOOK - Gunnison, Colorado

Incredible 911 acres overlooking Blue Mesa Reservoir, Colorado's largest body of water and the largest Kokanee Salmon fishery in the US. Fronting on U.S. Highway 50, this property has great location and is almost completely surrounded by the Curecanti National Recreation Area. With expansive views of the reservoir and Dillion pinnacles, the property is characterized by rolling sage hills, scrub oak and spruce timber. Recreational opportunities in the area are abundant and include hunting, fishing, hiking, wind surfing and water skiing. Conservation easement or development potential. \$3,600,000. Robb Van Pelt, John Stratman or Rue Balcomb



#### EAGLE RIDGE RANCH - Gunnison, Colorado

A 4,900-acre multi-parcel, common-interest mountain ranch with 15 private home sites. Amenities include two miles of fishing on Ohio Creek, a fishing pond, a primitive area with two mountain cabins and horse facilities. The ranch is used for ranching and recreation purposes by the current owners, including haying and grazing, and is complete with it's own ranch manager. Several owners have built homes and enjoy the surrounding beauty. Eagle Ridge Ranch is an ideal location away from the hurried resorts, yet near skiing, golf and many other mountain recreation activities offered in the area. Gunnison offers a jet accessible, all-weather 10,000 foot runway. Starting at \$925,000, an excellent value for private ownership in a shared amenity ranch. Conservation protected. John Stratman



#### HOT SPRINGS GUEST RANCH & SPA - Gunnison, Colorado

A magnificent, and very unique, 215 acre year-round ranch with alluring vistas, mostly surrounded by national forest. Hot water springs produce over 200 gallons a minute of 170 degree water. "This eminently unique feature alone is worth the price of the entire property," an amenity that has not been thoroughly exploited, from the standpoint of a "spa" business. The hot water fills the 35' x 90' outdoor swimming pool, which is open all year at a comfortable 95 degrees. The spring water is also used to heat all of the ranch structures—therefore no heating bills.

The ranch accommodates 40 guests in two historic lodges and there are two owners' homes. \$4,900,000. Ted Schaal













# BRISTOL VIEW LODGE AND EQUESTRIAN COMPLEX Creede, Colorado

Ten-acre equestrian ranch and lodge features a perfect setting for guest activities, business retreats or a private equestrian facility. The ranch offers a variety of recreation and income producing opportunities with a main dining lodge of over 6,000 square feet, a three-bedroom and two-bathroom guest home, indoor and outdoor riding arenas and a 12-stall barn. \$1,500,000. Bart Miller



### SHADOW CREEK RANCH - Kremmling, Colorado

Shadow Creek Ranch offers all of the benefits of western, high-country ranch life without the headaches. Located on more than 5,800 deeded acres in the heart of the Rocky Mountains, Shadow Creek is an innovative, master-planned ranch community that provides an astonishing retreat for 22 owners and their families. Each 70-acre homestead tract contains a 10-acre building envelope. Only nine of the 70-acre deeded home sites remain, so this once-in-a-lifetime chance is disappearing quickly. \$1,900,000. Robb Van Pelt, John Stratman or Rue Balcomb



### SILVERTHORNE EQUESTRIAN RANCH - Silverthorne, CO

Forty acres situated beneath the magnificent Gore Range and Williams Fork Mountains. The ranch features a 3,600+/- square foot home with four bedrooms, an office and three full bathrooms. Improvements also include a 17,100+/- square foot indoor riding arena, a 10-stall boarding facility, barn, hay storage and industrial shop. Located 11 miles north of Silverthorne and less than 10 miles from Green Mountain Reservoir, the ranch is zoned agricultural which allows such uses as horse boarding and training among others. Access to the surrounding Arapahoe National Forest is approximately 2.5 miles from the ranch. Denver International Airport, is two hours away and Kremmling's McElroy Airfield is approximately 27 miles, handling most private aircraft. \$1,800,000. Bart Miller



# YOUNGER RANCH - El Paso County, Colorado

Located 12 miles north of Colorado Springs off of Highway 83, the Younger Ranch is a very desirable horse property consisting of 80 acres, a beautiful log home and horse facilities. The 1987 log home with custom upgrades, contains about 2,800 square feet and a large wraparound deck with views of Pikes Peak. There is a rustic wood barn, a grain silo converted to a tack room, four sheltered runs and an outdoor riding arena. The land includes about 15 acres of hay land and the balance is pasture. Truly a unique property. \$1,500,000. Contact John Stratman











#### HARTMAN RANCH - Elbert, Colorado

The Hartman Ranch located in the upper Bijou Basin consists of 752 acres and includes irrigated alfalfa, grass pastures and ponderosa pine covered hills. A custom-built 5,700 square foot main house overlooks one mile of West Bijou Creek as it flows through the property. The ranch has excellent water characteristics with live water, well water and rights to deep underground adjudicated aquifers (781 acre-feet). Down the road, you will find the restored original ranch home, traditional barn with a hay loft, stalls and tack room, steel corral system with a water supply, shop, 50' x 100' hay barn and a four-car garage. \$3,800,000. John Stratman, Rue Balcomb or Robb Van Pelt

#### CRYSTAL MOUNTAIN RANCH - Bellvue, Colorado

934 acres located along the Front Range of the Rocky Mountains, 35 miles west of Fort Collins, and adjoining National Forest lands. Remote mountain location without electric power. An alpine meadow and the North Fork of Fish Creek are located in the central length of the property, along with a three-acre pond. There are several developed springs and a few small ponds on the ranch, along with the large pond in the center of the property. Surrounding the meadow are scattered aspen groves giving way to pine tree forests with heavy timber. There is a habitable wood cabin on the property. Abundant wildlife. \$3,300,000. John Stratman













#### ADAIR RANCH - Kiowa, Colorado

940 acres of grass pastures, river bottomlands and ponderosa pine hills. The property is bisected by West Bijou Creek for nearly two miles. Extensive improvements include a 3,558 square foot log home, a large steel barn with customized indoor arena, stalls and office area, a large steel shop, tie stall barn, round pens, pipe corrals, wash rack and hot walker. The beautiful setting of this ranch provides privacy, mountain vistas including views of Pikes Peak and wildlife enjoyment in addition to its operational capabilities. Would make an excellent equestrian operation, cattle ranch and exceptional investment opportunity. \$2,950,000. John Stratman, Robb Van Pelt or Rue Balcomb



#### FOXFIELD EQUESTRIAN CENTER - Littleton, Colorado

Excellent location, just minutes south of C-470 on Santa Fe Boulevard, the property consists of 92 acres with Plum Creek bisecting the property. Mixed-use property including planned commercial land, planned rural residential and agricultural property. The equestrian complex lies along the stunning Plum Creek river bottom. Existing equestrian facilities include a show barn, indoor arena, hay barn and duplex apartments. \$3,150,000. John Stratman



# PINE RIDGE HUNTING & LIVESTOCK RANCH Harrison, Nebraska

2,600 acres. Hay land, grass pasture, and ponderosa pine rolling hills. Three deep canyons provide excellent habitat for mule deer, whitetail deer, turkey, other native wildlife and the occasional elk. The ranch is very well watered with five windmills, two electric wells and a seven-mile pipeline with ten large tire tanks. Exceptional hunting characteristics. Historic improvements include a 1918 completely remodeled 2,400 square foot home, a 1908 barn in excellent condition, a newer three-bedroom modular home plus a full compliment of outbuildings. The Pine Ridge Hunting and Livestock Ranch is a well-balanced ranch property with hay land, pastures and exceptional hunting characteristics. \$2,250,000. John Stratman or Robb Van Pelt



# WING SHOOTING PARADISE Gypsum, Kansas

A spectacular limestone lodge/residence highlights this Kansas Hunting Property and encompassing 640 acres with 540 acres in CRP. Habitat enhanced with seven miles of terrace strips, wildlife includes pheasant, quail, deer, turkey, dove and migratory birds. Improvements include a custom limestone crafted lodge residence, 2,800 square foot metal shop, dog kennels, horse barn and outdoor sport court. Long-term caretaker available. \$2,400,000 including annual CRP payment of \$22,000. John Stratman









#### SKY CORRAL GUEST RANCH - Bellvue, Colorado

452 acres conveniently located, yet very secluded. Mostly surrounded by national forest, partially bordering the Cache LaPoudre Wilderness Area. Excellent hunting. Rustic lodge featuring seven bedrooms with private baths, a dining room that will seat up to 48, a cozy living room with wood-burning stove, two offices and a gift shop area. Five cabins (two duplexes), recreation and conference building, a large barn with a spacious garage and storage area. 42' x 16' owner's home with three bedrooms, two bathrooms, Jacuzzi tub and a wood burning stove. Possible retreat or private family compound. \$3,500,000.



#### RIST CANYON RANCH - Bellvue, Colorado

Nestled in the mountains west of Fort Collins, this magnificent 442-acre ranch has all the desired attributes; beautiful distant views, aspen and pine-covered hills and mountains, approximately 200 acres of lush hay meadows, ponds, and an abundance of elk and other wildlife. The impeccable improvements include a three bedroom home, a state-of-the-art four-stall horse barn that qualifies as a quarantine facility, and a hay and equipment storage building. The ranch adjoins the Roosevelt National Forest. \$4,000,000. Ted Schaal



#### COMANCHE FARMS - Strasburg, Colorado

Comanche Farms consists of approximately 3,100+/- acres of land in three separate offerings, Strasburg Farm; Section 34 Land and Arapahoe County Farm. The property is primarily farmland and pastureland; however, its highest and best use lies in its development potential. \$15,848,000.

John Stratman, Bart Miller, Robb Van Pelt or Rue Balcomb



If you are thinking of selling your current ranch or have the intention of finding one, consider working with one of our Ranch Brokers. Combined we have over 133 years of experience in Western ranch sales. Visit our website at www.ranchland.com for detailed information, to request a full color brochure or for more articles of interest pertaining to ranch land.

#### Mason & Morse Ranch Company Staff:

Robb Van Pelt Bob Starodoj Ted Schaal Bart Miller Rue Balcomb John Stratman Kay Muller Valorie Erion









### FENCING YOUR HOME ON THE RANGE continued from page 2

My property isn't fenced and livestock are wandering onto it. What can I do? Because Colorado is an Open Range state, livestock operators face no criminal penalties when their livestock (including horses) wander onto unfenced private property. Without a "lawful fence," you have no civil recourse either. Fencing your property, either as good neighbors, or in cooperation with your neighbors and the livestock owner can avoid future problems.

Try to contact the livestock owner first. Most ranchers don't intend for their livestock to stray and will respond quickly. If you do not know the owner, contact the state board of stock inspection or the brand inspector. It is legal to take custody of livestock found trespassing on your property.

I have a fence but livestock are still wandering onto my property. What can I do? Again, contacting the owner should be the first step. As noted, you may also take custody of the animal. Livestock invading fenced property is still not a criminal offense. However, if your property is protected by a "lawful fence" civil recourse is available to you. Colorado law defines a "lawful fence" as: a well constructed three-barbed-wire fence with substantial posts set approximately twenty feet apart and sufficient to turn ordinary horses and cattle with all gates equally as good as the fence or any other fence of like efficiency.

I have a fence, but it is old and needs repair. Who is responsible for this? Responsibility for repairing and maintaining fences depends on the location and ownership of the fence. If the fence is built entirely on your property, it is your responsibility to maintain it. If the fence is the boundary between two private pieces of agricultural or grazing property, both landowners share the responsibility for the maintenance. If the fence is the boundary between public and private property, the private landowner is responsible for maintaining it to fence out livestock.

I really don't like fences because they are not natural and impede wildlife migration. Are there other options? Fences can be constructed with wildlife needs in mind. Your local Division of Wildlife office can provide you with specifications for wildlife friendly fences.

Livestock are wandering off public land and onto county roads. Who should I call? If livestock are an immediate danger to the public safety, call the sheriff. You may also notify the livestock owner who may not be aware they are escaping and would prefer to protect them.

Why doesn't the Bureau of Land Management fence off public lands? It is the policy of the BLM not to fence public lands from privately owned land. It fences public lands only when land use planning determines that it is in the public interest to do so. In most instances the BLM determines that it is not in the public interest to construct fences largely because it would be virtually impossible to do so from a practical and economic standpoint.

Why isn't the Bureau of Land Management responsible for keeping livestock off of private lands or for making private landowners fence off their own property? Livestock grazing on public lands are not government property. The permittee leases the privilege to use the area, but remains responsible for the livestock he places there. State and local laws govern trespass onto private lands. The BLM has no authority to enforce state laws on private or state land. There is no federal statute that requires private landowners to fence their property.

This information provided by the Bureau of Land Management and the State Board of Stock Inspection. Compiled by Shirley Sieving. As appeared in the Fence Post – reprinted with permission.



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