



TERRA FIRMA
CONSULTING



Rick Vojta - Principal

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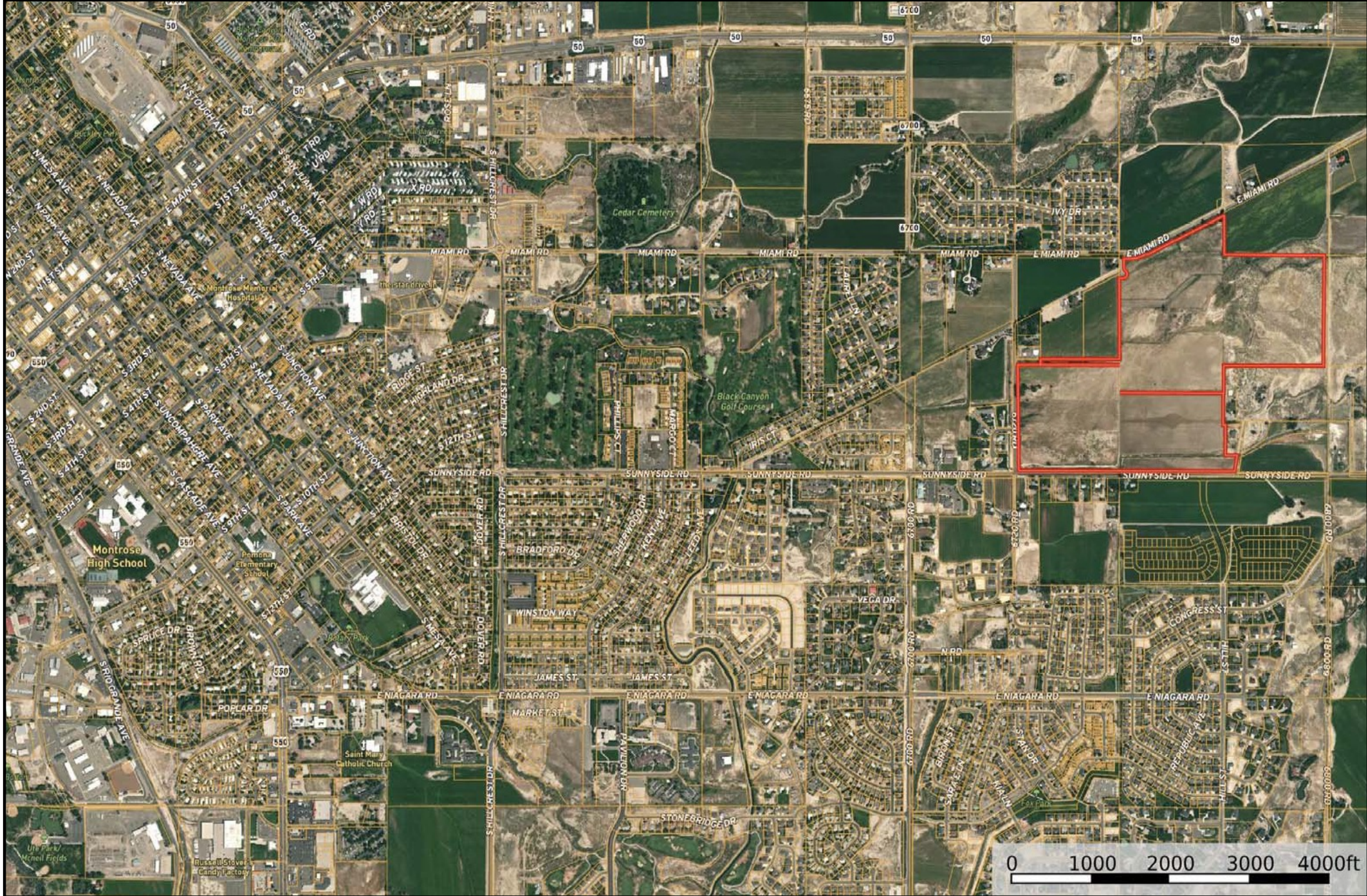
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CE Appraisal Challenges

- Few appraisers willing to do CE work
- A CE appraisal is two reports in one
- Fee pressure, with owners having to pay out-of-pocket costs
- Illinois is a non-disclosure state
- Limited pool of CE encumbered sales

A Quality CE Appraisal Includes:

- A clear explanation of market trends and development patterns
- An analysis of the actual development potential of the property
- Determination of the likelihood the property would be developed
- Quantify the level of development rights being given up
- Quantify the level of restrictions being imposed by the CE



0 1000 2000 3000 4000ft



Comparable Sales Should Include:

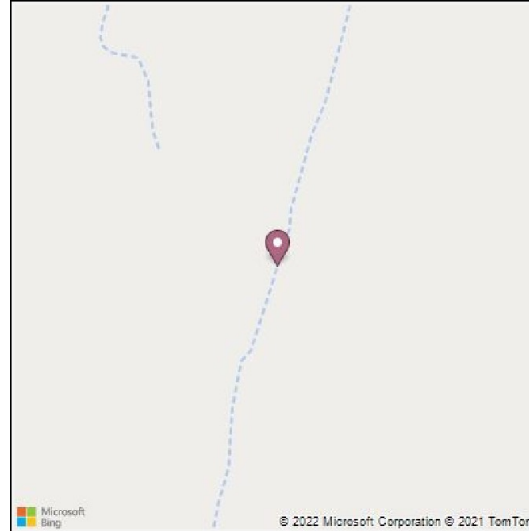
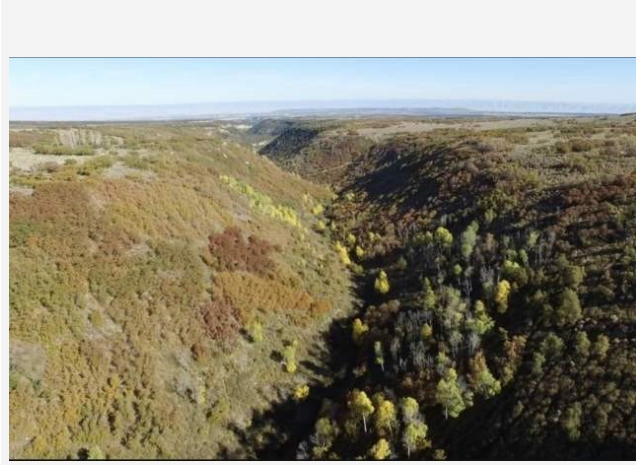
- A summary of pertinent CE terms
- Maximum density allowed by zoning
- Level of development rights that were given up
- Estimate the percentage loss in value from the CE
- ***BEST PRACTICE:*** Determination of underlying land value if unencumbered by a CE

Comparable Sale 1

Land Agricultural/Ranch

NVC #244085

Payne Mesa Ranch • TBD County 9.8 Road, , Colorado



PROPERTY DATA	
Size	4,443.21 Acres / 193,546,228 SF
Land Use Type	Agricultural/Ranch
Status at Sale	Raw/Unfinished
Entitlement Status	No Entitlements/Approvals
Improvements	Minimal
Utilities	None
Zoning	AG - Agriculture - Mesa County
Site Utility Issues	No utilities available

SUMMARY OF SALIENT CHARACTERISTICS	
Sale Price Per Acre	\$1,463
Sale Price Per SF	\$0.03
Intended Use	Farm/Ranch

PROPERTY IDENTIFICATION	
Property Name	Payne Mesa Ranch
Address / Location	TBD County 9.8 Road
City, County, State	, Mesa, Colorado
Assessor ID	3211-171-00-172 - 4,443.21 Acres
SALE DATA	
Sale Price	\$6,500,000
Date of Sale	11/21/2019
Grantor	Gore Livestock Incorporated
Grantee	Albert W. Carlson Trust
Property Interest	Conservation Easement, Fee Simple
Document #	2903898
Terms	Cash to Seller
Marketing Time	2.9 Years

[NVC, Inc. • 7807 E. Peakview Ave. Suite 200, Centennial, CO 80111 • www.nvcinc.com](http://www.nvcinc.com) • 303.753.6900

Comparable 1 Cont...

Very large ranch situated in a remote portion of Mesa County. Acquired for hunting purposes, as this is prime habitat for trophy caliber elk. Property is encumbered by a restrictive conservation easement (CE) that extinguished all development rights, with only camping allowed. Property straddles the two main live creek drainages coming off the center of Pinyon Mesa, has native trout, year round elk, mule deer, turkey, grouse, bear, mountain lion and other small game. Property has good access from 9.8 Road, and is a premier parcel for hunting.

This parcel has a Colorado Parks & Wildlife conservation easement allowing no building sites. The upper mesa portion is sage/oak/grasslands with multiple springs and ponds. Considered summer range from elevations between 7200 and 8400 feet. Fencing and natural barriers make this a very exclusive private parcel with wilderness-like qualities. Also, the property includes two adjoining BLM livestock allotments (2500+/- acres) that have public access by foot or horseback. Year-round access via county road, this ranch has approximately 2.5 miles of the Little Dolores River, plus a combined 5+/- miles of Payne Creek and Tommy Dodson Creeks traverse the site. Despite river and creek frontage the selling broker reported that the water rights are seasonal at best. Therefore, this property has no material water rights.

CE Value Impact

The same seller sold a nearby Glade Park ranch with 1,600 +/- acres to an adjoining land owner for \$6,300,000 or \$3,938/Acre in April of 2016. According to the listing broker the "adjoining land owner really wanted this site," essentially paying what the buyer wanted. A market price closer to \$2,800/Acre is indicated, with this property considered inferior compared to the one that sold.

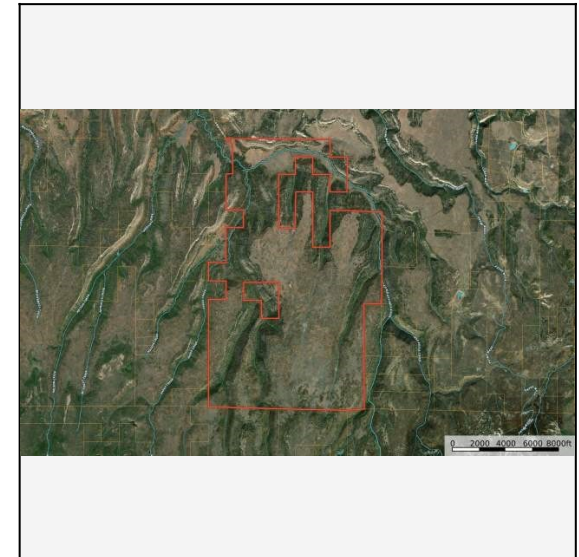
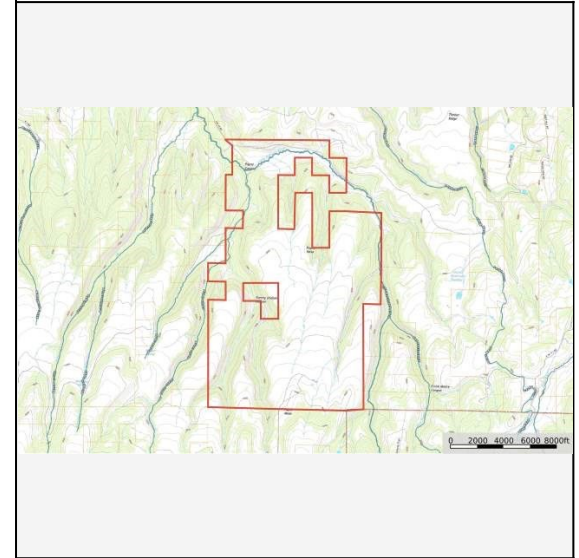
In addition, the same seller sold an adjacent 1,466 +/- acre ranch for \$5,300,000, which includes a 4 Bed - 3 Bath home worth roughly \$500,000. Therefore, a land only price of \$4,800,000 or \$3,275/Acre is indicated, with this property having similar features. However, a downward adjustment for its much smaller size is indicated.

Another nearby ranch with 1,480 acres sold in late-2021 for \$4,500,000 or \$3,041/Acre, although the property was placed under contract in late-2019. This property is considered a very good comparable, with a downward adjustment for its smaller size being offset by an upward adjustment for its inferior accessibility.

Based on the above, an unencumbered value of \$13,300,000 or \$3,000/Acre is well supported, equating to a 51.2% loss in value due to the CE.

VERIFICATION

Verified By	Dan Murphy - Team	Murphy Realty
Telephone	(970) 944 - 5050	
Surveyed By	Rick Vojta	
Surveyed Date	12/09/2019	



PAYNE MESA RANCH - SUMMARY OF UNENCUMBERED LAND SALES

Property Name - Location - APN	Date of Sale	Grantor - Grantee - Document No.	Adjusted Land Price	Land Size/ Acres	Price/Acre	Comparability - Adjustments	Overall Adjustment
Camel Point Ranch TBD Pinon Mesa 3219-282- 00-054	11/30/2021 (Contract in Late-2019)	Camel Point Ranch, Inc. Kevin M. Keeling Revocable Trust 3009890 and 3009891	\$4,500,000	1,480.00	\$3,041	Similar - Downward adjustment for smaller size is offset by upward adjustment for inferior accessibility.	None
Glade Park Ranch TBD MS Road 3221-053-00-042 3221-071-00-006 3221-074-00-091 3221-074-00-092 3221-082-00-043 3221-181-00-093	6/7/2021 (Contract in Early-2018)	Gore Livestock, Inc. Whitetail Holdings, LLC 2984500	\$5,300,000 \$4,800,000	1,465.69	\$3,275	Slightly Superior - Downward adjustment for smaller size, being partially offset by an upward adjustment for inferior seasonal access from MS Road.	Slight Downward
Gore Ranch - Flat Rocks 4999 County Road 6 3211-223-00-012 3211-233-00-033	4/15/2016	Gore Livestock, Inc. Buck Ridge, LLC 2757175 and 2757176	\$6,300,000	1,600.00	\$3,938	Inferior - A significant downward adjustment for condition of sale, being acquired for a premium by an adjacent owner. Additional downward adjustment for smaller size. is offset by upward adjustments for changing market conditions and inferior Little Dolores River frontage.	Significant Downward
Payne Mesa Ranch TBD County 9.8 Road 3211- 171-00-172	11/21/2019	Gore Livestock, Inc. Albert W. Carlson Trust 2903898 and 2903900	\$6,500,000	4,443.21	\$1,463		

PAYNE MESA RANCH COMPARABLE SALE MAP – AFTER SCENARIO

