



THE BOTTOM LINE

The prices of Ag produced commodities are cyclical in nature. Prices will be up for a few years and then down and in time reverse again. Often certain commodities are inexpensive while others are at record highs (such as milk in 2009 versus grain and forage). At present we are seeing some record high prices for certain commodities and excellent prices for others. Few, if any, are produced with red ink.

High prices do not hold up forever and consequently the high prices of Ag Land follow the slide. Guaranteed! "The cure for high prices is high prices"

Today we are at record commodity prices and record land prices. If you have ever thought of selling, here's your chance of doing it at the TOP! (No "Wish I would have", two years later)

John

FARMLAND • DAIRIES • QUOTA • FEED RANCHES • GROVES
SPECIAL SERVICES

Fees are based on time involved

- Appraisals - Dairy & Farmland
Dairy Facilities
Neighbor to Neighbor Land Sales
Escrow Supervision
Herd and Quota Appraisals
Dairy Relocation Services
Auctions - Farmland & Dairy
IRC1031 - Tax Deferred Exchanges
Farmland & Dairy Leasing
Financial Consulting
Estate/Bankruptcy Sales
Agricultural Investment Planning

Visalia

3449 S. Demaree Suite B
Visalia, CA 93277

(559) 733-3232

Ag Land & Dairy Sales

John H Grimmus Sales and Consulting
Jeanie McGuigan Land Sales Info.
Kirk Peterson
Guy Gary
Curtis Brunson
Abel Flores
Tom McGuigan
Rose Vander Weerd

DRE #00304970

Hilmar

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Hilmar, CA 95324

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Appraisals & Sales

Jeff Lien
Tony Toso
Randy Edwards

MILK POOL QUOTA

The average price of milk pool quota sold during the first 6 months of the year was \$444 per # SNF. July sales topped the average at \$448. August price on one transfer was \$364 and September came in at \$450 for 2 transfers. Just Posted: October average \$454 with 4 transfers. We have quota buyers. Check for latest prices.

NEED LISTINGS!

A few months ago we literally had more listings than we could print in the Newsletter. Currently, we stretch it to fill just over one half of a page. Our sell rate has been outstanding, and if the good times indicate it is time to sell, then this is your opportunity to take advantage of the market!

DAIRY FACILITIES

Attention! We have a client looking for an organic dairy facility with cows. It must be a pasture based operation. The client will consider any California location.

Most of the dairies in California that are for sale have price tags higher than the current market conditions allow for a sale. In other words - overpriced.

We have facilities in California that are available. In the event you prefer the more affordable facilities located out of state, let us know and we will furnish you with information on various facilities in the western two-thirds of the U.S., both small or large facilities.

LAND

317.11 Acres located in the Southwest part of Tulare County. Large ag well plus fully pipelined with valves. A 1,580 sq. ft. manufactured home on a permanent foundation with at 60'x16' covered patio. Electric and propane services. Home is 7 years old. The soils have been extensively improved on the ranch over the past 7 years.

Fun & Recreation on the Cheap - 80 Acres that has been used for years as a duck club in Alpaugh area. \$500 per acre!

17.91 Acres in southwest Tulare County. Just 3/4 mile from school. Irrigation water available. All surrounding properties are being farmed. On paved road. \$85,000. **SALE PENDING**

PERMANENT PLANTINGS

18.2 Acres planted to 9 year old Angelino and Catalina plums. Six years of production figures available. Good irrigation well and irrigated with micro sprinklers. Set up to irrigate entire property in 24 hours.

This is also a beautiful home site with maximum privacy and a great view of the Sierras. Located in a nice clean area north of Visalia (east of Ben Maddox). Priced at \$195,000

21.71 Acres of Citrus. Four 5 acre blocks, all planted since 2006. Rush TI, Cara Cara, Powell and Chislett. Picturesque area near foothills. Orange Cove ID plus well. Micro Sprinklers and wind machines. The future is in a young grove like this! **SOLD!**

20 Acres Citrus and open located just north of Orosi. 5.5 acres of 3rd year Rush T.I. early navels. Great sandy loam soil and Alta I.D. water plus irrigation well. Just Reduced: \$255,000!

Note: We have leads on a couple of choice citrus properties - Let us know your needs.

SPECIAL PROPERTIES



Country Living Large beautiful 3,625 sq. ft. home with 5 bedrooms, 4 baths. Quiet secluded living with home located well off the paved road. Long list of home amenities you just have to see. **23.33** acres with horse stables, shop and barn. Entire property is fenced and has well for irrigation and domestic use. Also included are a tractor, horse trailer, etc. Located north of Visalia. Owner will consider financing. Asking \$599,000.

Country Homesite Build your home in the Elderwood area just 20 minutes from Visalia. 3.75 acres in a great country setting with beautiful views of pastureland, foothills and mountains. Priced to sell at \$125,000.

9.44 Acres in foothill setting at Elderwood and currently used as "Christians in Action" headquarters. On the property is a 7,222 sq. ft. Administrative building with 18 offices plus bathrooms, conference rooms and kitchen. 2,320 sq. ft. meeting building with fireplace and kitchen, single story 2,064 sq. ft. 4 bed, 2 bath home, pool, shop and three mobile homes. Beautiful country setting only 20 minutes from Visalia. Uses: Retreat, training facility, large office complex or corporate headquarters. Priced at \$699,000.



THE RANCH COMPANY STAFF (Visalia)



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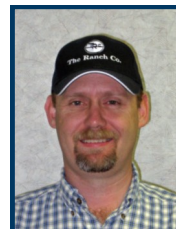
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All listings offered in the NEWSLETTER are subject to prior sale, price change or withdrawal from the market.
All property information is from sources believed reliable, however not guaranteed.
To have property listed in THE RANCH CO. NEWSLETTER-Call the office-(559)733-3232.

THE BACK PAGE

It just happened again! Someone apparently liked his neighbor enough to sell him his ranch for \$2,000 per acre less than the market value! On 200 acres that's \$400,000! Our advice: Call your ag real estate broker and find out what your property is really worth.

It appears that Europe will print into existence a lot of Euros, just like the U.S. has been doing as well as most of the nations of the world. This practice creates a thinning of value for all existing monies which tend to spruce up the values of most commodities. In today's worldwide money producing environment we'll continue to see our units of money deliver less and less value.

In Illinois, the Society of Professional Farm Managers and Rural Appraisers report that 57% of Illinois farmland sold came from estate sales. Farmer Credit Services of America found that transactions volume on crop and pasture land in Iowa, South Dakota, Nebraska and Wyoming dropped 54% in 3 years.

Rise in Midwest farmland prices hit a 32 year high according to agrinong.com with farmland prices in major ag states such as Illinois and Iowa soaring 16%, year on year, in the first quarter of 2011.

Is Farmland in a bubble? Hardly! Farm debt is the lowest it has been in 30 years. The average mortgage debt for farmland purchasers today is less than 20%.

Finding willing sellers of ag land is very tough. Only about 1% of U.S. ag land turns over every year. Based on this 1% turnover per year gives new meaning to "you only have one chance in your lifetime to buy your neighbors land".

Brokerage Fees on selling your property can vary from 1% to 10% depending on a number of factors. A small property in a remote area may cost you 10% to sell while the average ranch is charged out at 5%. Under state law, all real estate commissions are negotiable.

We have seen the first of it: Buyers purchasing a dairy facility for the land. Land with good soil and water and an existing dairy facility is looked at with the idea of destroying the facility and planting nut trees on all of the land. With open land prices in excess of \$10,000 per acre there are situations where this can work, particularly with an older facility. Times are changing!

Farming was once the heart of the world economy. Over the decades, it has been viewed almost as a relic of the old economy. That view is rapidly changing on Wall Street. Several managers of huge funds have personally purchased farm land with one individual trading his job at Blackroot, managing \$36 billion, for a 2,300 acre farm which he now personally operates.

Ag Land Auctions have not been a popular method of selling land in the West. In the Midwest land auctions are very common and during times of high commodity prices it becomes the preferred method of selling. One recent property sale consisting of several thousand acres actually auctioned at one-third over the broker's estimated selling price.