

# Texas Farm & Ranch magazine takes a look at the Changing Farm & Ranch Landscape, the International Marketplace and a New Breed of Farm & Ranch Power Brokers

By Texas Farm & Ranch

When the estate of a wealthy German businessman needed to be sold off several years ago, the heirs turned to Sotheby's Auction House, the world's oldest, to dispose of the man's art collection and other valuables. Sotheby's sold off the entire estate, except for one item.

The heirs didn't have a clue how to market a 4,000-acre ranch far away in the Texas Hill Country.

But Sotheby's did. It turned to an affiliated company, Sotheby's International Realty, and an elite group of highly skilled and experienced farm and ranch brokers to handle the ranch sale. The task was handed to Rick Kuper with Kuper Sotheby's International Realty in nearby San Antonio. Six months later the ranch was sold for \$18 million.

On the west coast, when a Hong Kong investor was looking to buy a ranch in California, he did extensive research on available properties and ultimately turned to Suzanne Perkins, a Sotheby's

International Realty broker in Santa Barbara. Consistently ranked among the top 50 best U.S. real estate agents, Perkins had gained considerable exposure in selling the 3,200-acre Bar-Go Ranch in Santa Ynez, CA, for \$22 million and the Cojo/Jalama Ranch for \$155 million.

With Perkins as his broker, the Chinese investor looked at large ranches throughout California and recently purchased a very large avocado ranch.

In Colorado, Mark Overstreet with Sotheby's Lloyd and Overstreet is marketing an authentic western town, the Wild Eagle Lodge and Rose City. On 3,500 acres, the town is a high-technology replica, complete with its own saloon and stagecoach. The story of Rose City's proposed sale for \$23 million appeared in a British newspaper and caught the attention of a South African businessman, who already owns a home in Switzerland, the Bahama and a vineyard in South Africa. He is proposing to add Rose City to his residences where he can retire and be a cowboy.

"The business is changing rapidly and international investors are eager to break into the American luxury markets," said Overstreet, who sold the 176,000-acre Forbes Trinchera Ranch in Colorado for \$175 million.

In early 2012, responding to the growing demand for premium assets involving farm and ranch properties, Sotheby's International Realty formally organized its team of elite rural property brokers into a distinctive Farm and Ranch division. Sotheby's recognized a dynamic and escalating demand for unique assets worldwide, which fulfilled the aspirations for buyers interested in recreational and lifestyle opportunities such as hunting, fishing, equestrian and polo pursuits. They also included agricultural and cattle operations which often defy easy categorization and were not frequently serviced by luxury real estate firms.

Owning ranches also has the appeal of being away from the millions of people who live in cities. Sotheby's International Realty recognized that for many publicity-billionaires and celebrities, who crave a

place to live in privacy, ranches gave them the space and seclusion they covet. Often set in hundreds, thousands or tens of thousands of private acres, ranches offered a place for every sporting activity imaginable, space to land a private jet or helicopter and plenty of room to accommodate family and friends.

"Ranches provide a sense of one's own private fiefdom, which appeals to the psychology of the sort of people who can afford



**Suzanne Perkins**  
Sotheby's Santa Barbara  
Suzanne sold the Cojo/Jalama Ranch for \$155 million

it and who want to control the world around them," said Bernard Uechtritz, an international real estate adviser to Briggs Freeman Sotheby's International Realty in Dallas.

The landscape of global marketing and the expertise required for buying and selling farm and ranch properties has changed rapidly in recent years. A new mix of buyers has entered the arena. Now a rancher, once limited to a customer base of other ranchers, can showcase his ranch property to investors across the world.

As it launched its Farm and Ranch Division, Sotheby's International Realty also created a related website, which afforded the land-seeking consumer for the first



**Lloyd & Overstreet**  
Aspen Snowmass Sotheby's International Realty



**Bill Fandel**

*Telluride Sotheby's International Realty Fandel spearheaded the formation of Sotheby's Farm & Ranch rural power broker group.*

time a global search platform dedicated to billions of dollars in active farm, ranch and recreational real estate listings worldwide.

At the time, there were more than \$1 billion in significant sales by the firm. Sotheby's International Realty had quietly amassed an impressive dossier of significant sales of trophy farms and ranches. In addition to the Forbes ranch in Colorado, the Cojo/Jalama Ranch and the Bar-Go Ranch in the Santa Barbara/Santa Ynez area, other notable and public transactions included:

- Wyoming: \$110 million Bar B C Ranch and \$48m Little Jennie Ranch in Jackson Hole \$175 million Forbes Ranch
- Colorado: \$46.5 million BootJack Ranch, \$44 million Wildcat Ranch
- Oregon: \$38 million Ochoco Ranch
- Texas: Multiple publicly recorded transactions ranging between \$20 and \$75 million
- Canada-Kenauk: a 65,000-acre hunting and fishing reserve last listed at \$79m outside Ottawa
- South Africa: Games reserves to \$30 million
- Latin America: Haciendas to \$35 million
- New Zealand: Multiple sales of sheep stations between \$5 and \$35 million
- Notable sales with unpublished prices and sales of the storied properties such as Calumet Farm in Kentucky and Tranquility in Lake Tahoe, listed at \$75 million.

Note: Many Sotheby's sales in excess of \$100 million go unpublished.

Bill Fandel, a broker with Telluride Sotheby's International Realty, helped

spearhead the formation of this specific niche within Sotheby's. He said the goal of the original advisory group was to identify accomplished brokers within the firm who were active in this market segment across the globe, strategically target opportunities best served by the firm's global footprint and organize a hub of marketing and communication that promoted best practices and fostered cross-marketing opportunities among the group.

"Over the course of the last decade, as the interests of our global clientele continued to broaden, a group of seasoned professionals within the Sotheby's International Realty brand recognized a unique opportunity to create, deliver and service a truly global search platform which showcased assets to a worldwide audience in what had been to date a highly fragmented market segment serviced primarily by local and regional players," Fandel said.

"While many of these competing firms and agents are highly skilled in their businesses, they were unable to expose farm, ranch and recreational opportunities to a universe of high net-worth clients that span the globe. With more than 45 percent of the visitors to our firm's global website originating outside the U.S. in 2014, we have the unique proposition of offering a content rich property search portal, translation software, marketing and office support and ultimately buyer and seller representation to a diverse clientele spanning the globe," he said.

"The resources and advisers needed to guide international clientele have become ever more critical. No regional or national brokerage, regardless of their past competence, can credibly compete with Sotheby's International Realty in offering global reach and seamless professional representation to this growing universe of international buyers and sellers."

Colorado, one of the most popular destinations for ranch and recreational buyers, has deep coverage. There are 29 Sotheby's International Realty offices in Colorado, from Denver to the Vail Valley, Aspen to Telluride, Boulder to Crested Butte, and two newer offices in Steamboat Springs and the Durango area.

Worldwide, Sotheby's International Realty has 700 offices with 14,500 sales agents in 52 countries. Whether a buyer is seeking a farm or ranch in the U.S. or the finest haciendas and estancias throughout Central and South America, recreational and cultural retreats in Europe and hunting and fishing lodges in New Zealand and Australia, no other real estate firm in the world offers truly global access into these specialized market segments.

Australian Bernard Uechtritz has

taken his global real estate expertise to Texas and engineered the sale of luxury and ranch real estate from Australia to California and Texas since 1993. Uechtritz, one of the latest members of the Ranch & Land division, has often tackled difficult, even controversial luxury and ranch real estate sales. Since 2013, he has hung his hat with the Briggs Freeman Sotheby's International Realty Ranch & Land group.

Last March, Uechtritz spent two weeks in Dubai and Abu Dhabi with Robbie Briggs and the Briggs Freeman Sotheby's team, combining the opening of the Sotheby's International Realty's Dubai office with the opportunity to engage global buyers and investors who are trading and developing American and Australian properties.

"Ranches are the world's great under-the-radar property buy," Uechtritz said. "They offer everything from a fairytale romantic cowboy lifestyle to all types of revenue streams as well as land bank security of money and development or conservation opportunities to the extraction of oil and gas and other energy or world food chain supply."

Uechtritz said the Sotheby's International Realty's elite Farm and Ranch brokers are working with buyers from around the world who are asking for everything from iconic name ranches and huge farm acreage to golf courses and boating lakes, smaller retreats and equestrian properties.

"As the old saying goes, the best investment on earth is earth! They aren't making any more of it. And that is particularly true of some of the iconic ranches that we have in Texas and the Western regions. Legendary properties, such as the King and Waggoner ranches, the Four Sixes and the Pitchfork, have shaped both history and industries within our state and the nation and even impacted the world in various ways. These, of course, are national treasures, and would be priceless if they ever hit the market. However, there are investors, conservationists and those wishing to own and protect a piece of cowboy history and romance who will spend several million dollars to hundreds of millions or even over a billion dollars for the right property. Incredible opportunities are out there," he said.

Mark Overstreet in Colorado has selling high-end trophy properties in the blood. In 1958, Overstreet's grandfather participated in the liquidation sale of the Wesley Pyle Cattle Co. in Texas where the 639,000 acres sold for \$2.3 million.

Today, in addition to selling trophy properties to celebrities and international investors, Overstreet and his partner



**Rick Kuper**

*Kuper Sotheby's International Realty San Antonio  
Now marketing the legendary Y.O. Ranch  
for \$75 Million*

Brittany Lloyd are flying off to Canada to meet buyers at breakfast during the world-famous Calgary Stampede or jetting to the Hamptons and Los Angeles. Lloyd just returned from Thailand to meet with buyers of American ranches.

"U.S. properties are the most attractive investment for wealthy foreigners," Overstreet said, "because the American real estate system and its legal system are very mature. And you can own the land, not just lease it like in so many other countries."

Kuper said his San Antonio firm, which is handling the sale of one of Texas' most iconic properties, the Y.O. Ranch in Mountain Home, has dealt with buyers of Texas ranches and farms from 40 different states and dozens of countries. "There is something here for everyone," the native San Antonian said. "We live in a very global society. The world is getting smaller every day," he said.

Perkins agrees. Since the real estate recession has receded, new investors from around the world are looking at large California properties.

At the same time, Californians are looking to Texas and other western states that have more favorable tax environments and economies. Kuper recently helped a couple with children relocate to 200-acre ranch on the Guadalupe River.

John Pierce, Dave and Brandon Spackman and Tom Evans are among the elite ranch and farm brokers in Jackson Hole. Pierce, formerly a partner in a smaller regional ranch real estate sales company, recently made the transition to Sotheby's International Realty in part because of its global positioning,

marketing and networking opportunities that the powerful brand offers both him and his clients. He is seeing the greatest demand for Rocky Mountain recreational ranches coming from wealthy Americans, from the East Coast, Chicago and Texas. They use it as a second home, a place to pass on their values to their children and grandchildren, Pierce said.

Many international buyers and funds are looking more to acquire operational farmland, land they can add to their portfolios that not only will appreciate in value over time, but will pay for themselves in the short term.

But every seller of a ranch or farm, Pierce said, has heard that the foreign investors are coming. So they turn to Sotheby's International Realty to help them market their properties internationally.

That is one of the benefits of working with Sotheby's International Realty, Kuper said. The firm's global network is extraordinary and the best in the business. "If you have an appetite for a ranch anywhere in the world, you just need to ask Sotheby's to find it."

Recognizing that wealthy Chinese with a few million Yuan to burn will spend billions on U.S. real estate in the years ahead, **Sotheby's received approval this year to conduct business in mainland China and will be celebrating the opening of its new offices as Beijing Sotheby's International Realty in 2014.**

Robbie Briggs, who owns Briggs Freeman Sotheby's International Realty Dallas, has spent several years living in and visiting China, building relationships with the Chinese businessmen and investors. Just last year, Briggs led a four-member team of international real estate experts on a 12-day, five-city tour of China to spark the interest in North Texas properties.

"In each city, we found Chinese businessmen, wealthy investors and professionals who have a strong interest in U.S. real estate," Briggs said. "They have a strong desire to own Texas ranches, farms and land."

Briggs has also hosted several delegations of Chinese businessmen and investors in the Dallas office of Briggs Freeman Sotheby's International Realty to discuss the growing global interest in land, particularly in Texas farm and ranch land.

According to a report by CB Richard Ellis, a large global commercial real estate firm, the U.S., and particularly Texas and California, are at the top of the list for Chinese buyers. Canada and Australia come in next at No. 2 and No. 3, respectively.

While much of the Chinese investment to date has focused on buying everything

from shopping centers to individual homes, rich Chinese individuals and savvy corporations are looking closely at rural land as well as properties in the large cities. Similar moves happened with the Japanese back in the 1980s. Now most experts believe it is China's turn. And by most estimates, they are snatching up high end real estate across America. Much of the focus has been on California properties, but Sotheby's is working with Chinese investors looking to acquire stable, financially secure properties throughout the west.

"Whether it is Chinese, Australian, Latin American or European investors, or a physician from Philadelphia, the lure of farm and ranch properties, particularly in Texas and western states, has great appeal," said Uechtritz, who believes ranches have always been and will always be in part a trophy property with associated bragging rights as well as having cathartic getaway emotional elements entwined in every sale regardless of where it is located, how big it is, or what the use or history is.

Uechtritz concluded, "When you hire one Sotheby's International Realty agent or broker in our Farm and Ranch group, you actually get us all – all our resources, all our connections, all our offices across our network, along with the regional and corporate marketing, all of our respective spheres of influence and all our marketing penetration, whether it's reaching buyers down the street, across the nation or around the world, that's a pretty lethal combination of assets and brand power for any seller." ☺



*Photo by Gustav Schmiege*

**Bernard Uechtritz**

*"The best investment on Earth, is earth."  
Briggs Freeman Sotheby's International Realty  
Ranch and Land Division*