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The "W" Real Estate Recovery

The agricultural real estate market in Northern Colorado has been trending down over the last 18 months with valuations of development properties affected the most. List prices have dropped by as much as 50% from their 2007 highs. Properties in the path of development have much higher values per acre and therefore a much farther distance to fall. The buyers for this type of property have their hands tied with several years of finished lots in inventory burdened with mortgages, taxes, weeds and HOA dues, **the first leg of the "W" recovery.**

The development property values affect all the agricultural property values in varying degrees and the engine that drives development is single family home sales. Housing permits issued continue to recover from the 20 year lows of early this year. Recently there has been an improvement in residential sales and we have seen some improvement in rural acreage demand. There has been a stock market recovery since March and many of the 2008 foreclosed properties have been absorbed, **the second leg of the "W" recovery.**

However there are many indicators that leave us to think we are at or near **the center peak of the "W" recovery** and a large repricing is ahead of us. Not since the 1970's or maybe the 1930's have we had an administration so hostile to economic growth and entrepreneurial risk taking as this one. The government is now deciding which companies may issue FDIC guaranteed debt. First mortgages normally take precedence over second mortgages, that contract law principle is now at risk, in Washington's haste to modify mortgages and delay foreclosures. As Washington becomes the allocator of capital, setting new detailed capital requirements and accounting procedures in ways that channel credit, they are channeling it away from sensible real estate transactions and the lenders hands are tied no matter how good and creditworthy the borrower. We agree the subprime loans of the past should have never been allowed but we are witnessing good credit being denied, unraveling real estate transactions and adding to the swollen agricultural real estate inventory. The new Federal Banking Regulations require an increase of real estate loans maxing at 30% of the banks risk-based capital, this has put the lenders in a position keeping more reserves and implementing a practice of "non-lending" or granting loans with such stringent requirements that they are no longer feasible to the borrower. In the last year Northern Colorado banks employment is down 4%, construction and development loans are down by 10%, and commercial loans have shrunk by 3%. At the same time other real estate owned by banks has increased by 104%, and non-current loans are up by 33%. The Bush tax cuts on income and capital gain are set to expire next year. Obama's alarming policies of deficit raising stimulus packages and government intervention in the economy are all counterproductive to real estate recovery.

Until capital is allowed to flow again into the real estate market and existing housing inventories are absorbed we will be sliding down **the third leg of the "W" recovery.** Our thought, if you will need to dispose of real estate in the next few years, sooner will be better than later as valuations will have downward pressure during that time frame. If you don't need to sell in the next 3 or 4 years wait it out, **the last leg up of the "W" recovery** may not start prior to that.

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Check out our updated website! www.OrrLand.com



Hillrose: Price reduced again! Great opportunity for first time home buyer! Small acreage off paved road. Home with remodeled kitchen, new windows and metal roof. 30x40 five stall barn with pipe runs, tack room and automatic waterer. 20x48 shed with three 16' runs, 20x28 hay shed, arena and fenced pasture. Easy access to I-76 just North of Brush. **\$196,500**



Gill: Price reduced! Great country acreage in Kersey School District. Ready for your livestock needs, 3 bed, 2 bath, very well maintained, large master, kitchen/dining/living area, sheds, corrals, fenced pasture, ready to move into, priced to sell! **\$199,000**



Nunn: Gentleman's working ranch on 80 acres located just 4 miles off of HWY 85. Numerous outbuildings and large shop with concrete floor, large overhead doors, corrals, loading chute, pipe pens, hydrants. Mature trees, domestic well. Grain storage and much more. **\$275,000**. Additional contiguous 560 acres may be purchased.



Eaton: Price reduced! A country charmer! 8 irrigated acres encompassed by large trees, 3 bedroom, 2 bath & office with wrap around porch, deck, hot tub, hardwood floors, 6 panel doors, 2 fireplaces, great kitchen with bakers nook and china hutch, 2 living areas, 24x48 shop w/storage, RV storage, sheds, 20x40 barn/hay loft, fenced pasture. Eaton schools. Bring the 4-H projects! **\$361,900**



Keenesburg: Picturesque setting, 40 secluded acres at end of road surrounded by mature trees, 2100 sq ft ranch style, 3 bed, 2 bath, large master, stucco, wrap around deck and patio, fenced pasture, 30x40 shop with lean to and 2 stall, tack room, corrals, auto waterers, priced to sell, hurry on this one, a must see. **\$365,000**



Ft Lupton: Unique secluded 7.5 acre property, 3,000 sq ft ranch style home, 4 bed, 3 bath, bamboo floors, coffered ceilings, tile, granite, stainless steel appliances, luxurious master and bath, large rooms, open floor plan, 30x40 barn/shop, fenced, paved road, views. **\$635,000**



Ft Lupton: Immaculate 2 story farmhouse, large bedrooms and master bath, pride of ownership shows! Great setup for livestock operation including pipe pens, auto waterers, concrete bunks, 40x75 shop w/220, Hwy 52 frontage, endless possibilities **\$509,000**. Contiguous 70 acres vacant land may be purchased.



Ft Lupton: Price reduced! This is truly a gorgeous property! Exceptional views, 2519 sq ft home, 3 bed, 3 bath, open, hot tub, enclosed patio area, landscaped, vinyl fence, 40x64 barn w/ 8 tie stalls & 4 box stalls, loft, 40x72 machine shed/shop or riding arena, 40x63 hay shed with lean-to, 3 loafing sheds, pipe runs, auto waterers, 1 share Fulton irrigation water included. Too much to list! **\$560,000**

Keenesburg: Turn key property, 24 tree covered acres with spacious 4 bedroom 3 bath walkout home, all new appliances, lots of storage space, huge family room, luxury master, large walk in closets, craft room, large trex deck, landscaped, central air, 40x80 shop w/14 ft sidewalls 12 ft doors, attached 14 ft shed, 24x80 horse barn, stalls, pipe runs, 330x180 pipe arena, numerous pipe corrals, sheds, hay shed, automatic waterers, 2 RV hookups, separate 1500 sq ft guest quarters or mother-in-law apartment. **\$635,000**



Brighton: Must see! 20 acres in three separate parcels, luxury home with 4 bed, 4 bath, mature landscaping, walk-in closets, granite countertops, 3 sided fireplace, large utility room, oversized 3 car garage, sunroom, 49x50 insulated shop, 12' overhead door, attached shed. This property is immaculate! Easy driving to downtown Denver and just off I-76. **\$689,000**



Ft Lupton: 105 acres irrigated, 12 shares Frico, nice home with walkout, pond, 3 bedroom, 4 bath, pole barn, views are unbelievable, close to town, abundance of trees, a great place for cattle, horses, screened in porches. **\$699,000**



Truly one of **Brighton's** finest luxury homes. Built with entertaining in mind. Mechanics/horse lovers welcome. Incredible views, 6 bed, 5 bath, 6,665 sq ft home nestled on 2.1 acres, luxury master bath sitting area, large gourmet kitchen, granite, stainless steel appliances, wine cellar, gym room, in home theatre, large laundry craft area, fire pit, hot tub, patios, basketball court and so much more! **\$975,000**



Johnstown area: Location! Location! Now offering Fox Creek Ranch, 120 acres with irrigation water, pastures, off paved road, great horse property with development potential, unbelievable views, overlooking Longs Peak. Immaculate home, very spacious, all custom designer painted, many extras, luxurious master/bath/retreat, beautifully landscaped, complete with outdoor living/entertainment area, many trees, 30x60 barn, 4 stalls, runs, automatic waterers, numerous sheds, outbuildings w/ runs and corrals, tack room, hay storage and 2 arenas. **\$1,800,000**



Ft Collins: 62 irrigated acres! Very unique property on the edge of Ft Collins with 12 acre spring fed lake, many trees & outcroppings, 2,393 sq ft ranch style home with detached shop/garage, includes 4 rental income properties averaging \$3,000/month. Loafing sheds, 8 stall barn, pipe arena & working pens & corrals, awesome views & wildlife. Future development property. **\$2,000,000**



Keenesburg: Hunters Paradise! 445 acres of excellent hunting & fishing within 30 mi of Denver. 4,000' home, full walkout bsmt, 40x80 shop, 24x80 horse barn w/pipe runs, detached 32x60 game room heated w/bath, 330x180 roping arena w/ cattle sheds, auto waterers. Farm produces quality alfalfa hay, corn & wildlife. Approx 180 ac under pivot, established hunting facility w/feed sources for deer, turkey, pheasant, geese, ducks, 2 ponds stocked w/ walleye & catfish. This farm can be split into 3 parcels. **\$2,700,000**



Two great building sites West of Highway 85, irrigation water, Eaton Schools. 15 acres = \$150,000 and 9 acres = \$125,000

Several large parcels of non-irrigated farm ground, North of Greeley, West of Highway 85, in the Greeley Urban Growth Area. Call for details.

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Return Service Requested

“THE LAND LINE NEWSLETTER” - - Orr Land Company

Vacant Land For Sale

Severance: 155+/- ac with development potential. West slope with unbelievable views. Great location!! 1/2 mi North of Severance on WCR 23 with paved access to property. Property lies within 15 miles of 3 major Front Range cities including Greeley, Loveland, and Ft Collins and is only minutes from the Promenade Shops at Centerra. Property can be split into smaller parcels. **\$800,000**

Ft Collins: Scenic 25 acres on north edge of Ft Collins, no improvements with 2 shares North Poudre water rights, many trees & views, future development property or build your dream home, off paved roads. A must see property! **\$590,000**

Severance: Priced to sell! 60 acres with easy access to Greeley, Windsor, Ft Collins, etc. Hilltop views with great views of the mountains. Build your family home or this has development potential. **\$270,000**

Ft Lupton: 37 acres in great area off paved road, awesome views, close to everything. Bring offers. Pending Recorded Exemption in Weld County. **\$370,000**. May also purchase additional 13 acres.

Kersey: Huge price reduction! 230 Acres just south of Kersey, native grass pasture, building site, great location, very accessible, Kersey schools, \$900 per acre. Seller motivated. Two legal parcels. **\$207,000**

Eaton: Huge price reduction! Seller motivated! Beautiful 8 acre site, incredible views, mature trees, Eaton schools. All utilities available in road. **\$64,000**

Hudson: Very accessible to Denver and Front Range. Five acres with tree lined drive, fenced on 3 sides, has utilities in road as well as well permit, great views, secluded and private, but close to town! **\$85,000**

Greeley: Close in home site with established grass and paved frontage. 4 acres. **\$85,000**

Kersey: Price reduced. 7 acres with awesome views, fully fenced, gated entry, all utilities available, just off paved road, great location. Possible private financing for qualified buyers. **\$85,000**

LaSalle: This farm is located in the “Heart” of the Platte River Valley, surrounded by quality vegetable and hay farms. With 27 shares and 2 wells, this farm has an abundance of irrigation water. **\$2,750,000**

Keenesburg: Approx. 130 acres of vacant land with 2 stocked fish ponds, tree lined ditch and flood irrigated farm ground. Owner has recently stocked the ponds with 20,000 Walleye and Catfish. This has been an excellent water fowl hunting location, secluded and only 30 minutes from downtown Denver. **\$649,000**

Ft Lupton: 35 acre building site near new Vestas wind energy plant and 2 miles from Brighton, unobstructed Westwardly views, pending RE in Weld County **\$260,000**. May purchase contiguous 45 acres.

Akron: Priced to sell! Off paved road. 148 acres fenced and cross fenced, 150x300 pipe and cable lighted arena, 40x60 steel frame shop, 20x24 detached garage, electricity, well and septic already installed. **\$110,000**

Keenesburg: 287 acres. Great producing irrigated farm with pivot has pond and many hunting opportunities as well. This farm is very centrally located and just minutes to Downtown Denver. More acreage and improvements available. Call for details. **\$1,435,000**

Owl Creek Estates: Eight buildable sites, livestock welcome, all utilities to sites. 5 to 10 ac. A great value priced from **\$70,000** Call for more details!