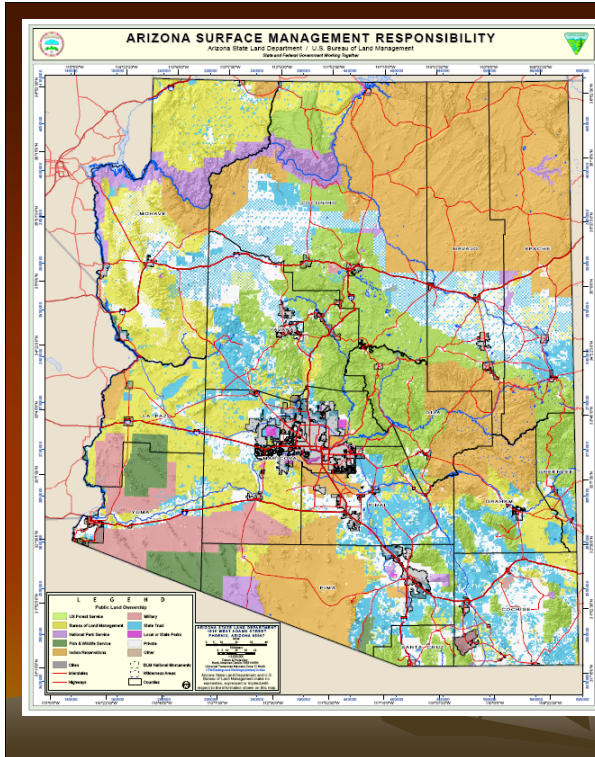


# ***ARIZONA RANCHES***



**Tom A. Rolston, ARA**

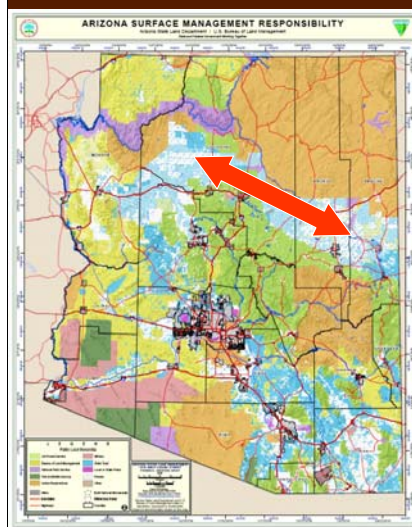
*Ganado Group, Inc.*



## Ranch Categories

- Checkerboard & Surface Grazing Ranches of Northern Arizona
- Seasonal Forest Service Grazing Permits
- Yearlong Forest Service Grazing Permits
- BLM Allotments
- Southeastern Arizona Ranches
- Arizona Grazing Leases & Allotments

## Checkerboard Ranches



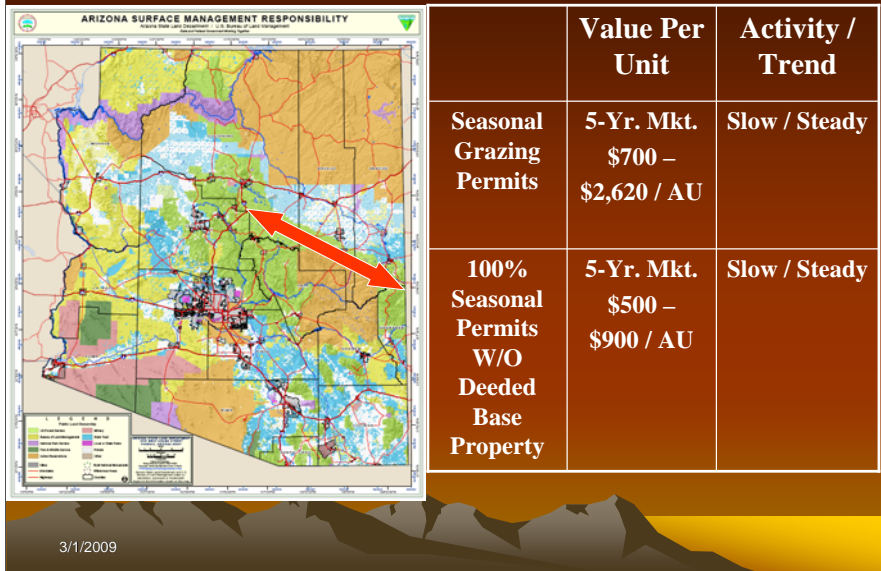
	Value Per Unit	Activity / Trend
Investment / Ranch / With 5,000 Acres Min.	\$200 - \$657 / AC	Slow / Unknown
Ranches w/40-ac subdivision & surface grazing	\$800 - \$2,000 / AU	Steady / Steady

3/1/2009

Arizona's checkerboard deeded and state grazing lease ranches run from Kingman, AZ, east 300 miles to the New Mexico border along the path of the Santa Fe Rail Road construction. Elevation lies between 3,500 and 6,800 feet with the majority being between 5,500 - 6,500 feet; vegetation is Pinion-Juniper Woodland and Plains & Desert Grassland; topography is generally rolling with small areas of mountainous terrain. Rainfall is 7.5 - 10.5 inches per year; and carrying capacity is 6 - 9 head per section.

Private grazing lease rates range from \$4 - 12 per head per month for cow/calf pairs depending on the responsibilities of the lessor and lessee. Market rent is considered \$5 - ? per head per month without care and lessor paying taxes, grazing fees and insurance. This is good year round country that may require some winter supplemental feeding.

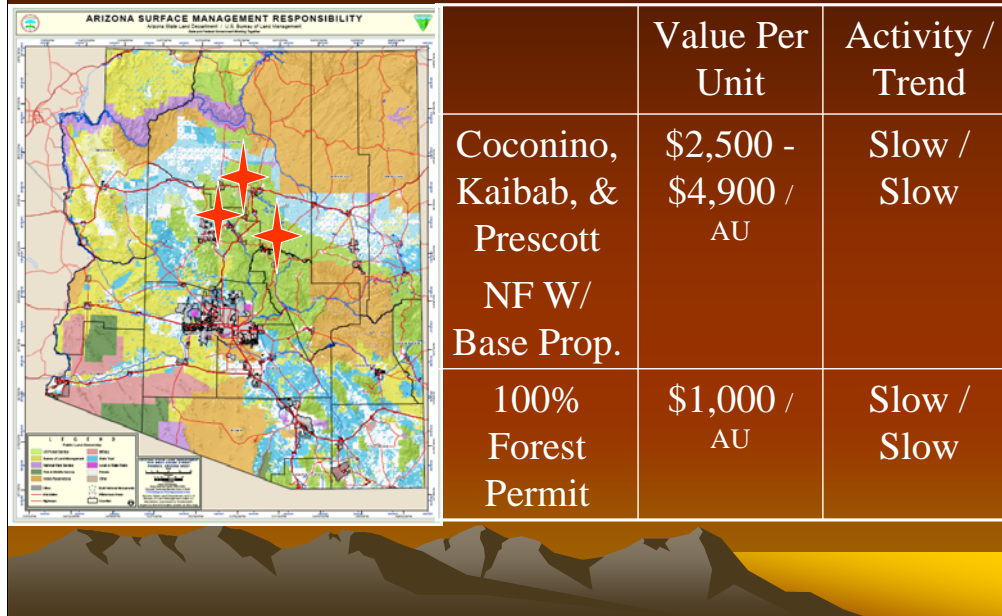
## Seasonal Grazing Permits



The summer forest permits lie in a narrow strip of northern Arizona between Williams and the New Mexico border covering 220 miles of the Mogollon Rim and White Mountains. Elevation is 6,500 - 9,000 feet; vegetation is Montane-Conifer Forest; topography is generally sloping with some small mountains and deep drainage areas; and the annual rainfall is 17 - 21 inches.

The U.S. Forest Service does not allow private subleasing of grazing allotments. Seasonal grazing permits offer good summer grazing from mid-May through mid-October.

# Yearlong Forest Grazing Permits

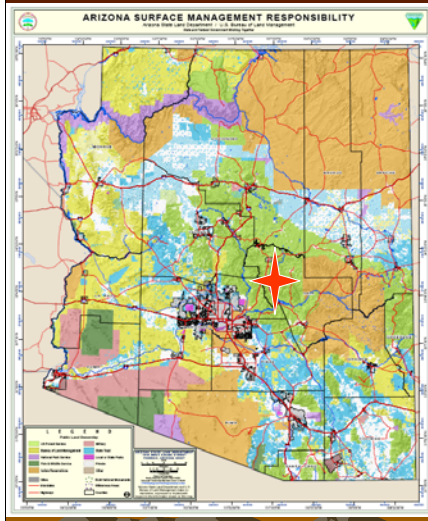


Arizona's year-round Forest Service grazing permits are located in three general areas of the state: Tonto, Prescott and Coconino National Forests in central Arizona; Apache/Sitgreaves National Forest along the New Mexico border; and portions of the Coronado National Forest south of Sonoita along the Mexico border.

The Tonto NF allotments have elevations from 2,000 - 6,000 feet; vegetation includes Sonoran Desertscrub, Chaparral-Interior Chaparral, Pinion-Juniper Woodland, and Montane Conifer Forest; topography is rolling to mountainous; and rainfall is 15 to 27.5 inches per year. Again, private subleasing of Forest Service grazing allotments is not permitted. The Tonto NF is the only NF in the United States that allows a yearling carryover. This is due to the low elevation and good to excellent winter/spring forage. Rather requiring all calves to be shipped in the fall they permit the natural increase opt be held over and sold in May as yearlings. This is good yearlong rugged intermountain cow country.

The Coconino & Prescott NF allotments have elevations from 4,500 - 7,000 feet; vegetation varies from Chaparral-Interior Chaparral to Pinion-Juniper Woodland to Montane Conifer Forest; topography is rolling to steep to mountainous; rainfall is 13.5 to 27.5 inches per year. This is good to excellent year-round grazing.

# Yearlong Forest Grazing Permits

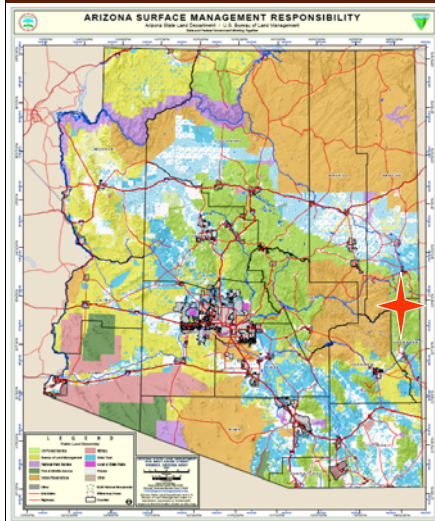


	Value Per Unit	Activity / Trend
Tonto NF W/ Base Prop.	\$1,370 – \$6,850 / AU	Steady / Steady
100% Forest Permit	\$157 – \$720 / AU	Steady / Steady

The Apache NF allotments have an elevation range of 5,000-9,000 feet; vegetation is Encinal & Mexican Oak-Pine Woodland, Pinion-Juniper Woodland and Montane Conifer Forest; topography is mountainous; rainfall is 12-2 inches per year. These allotments are fair to good rough yearlong intermountain operations.

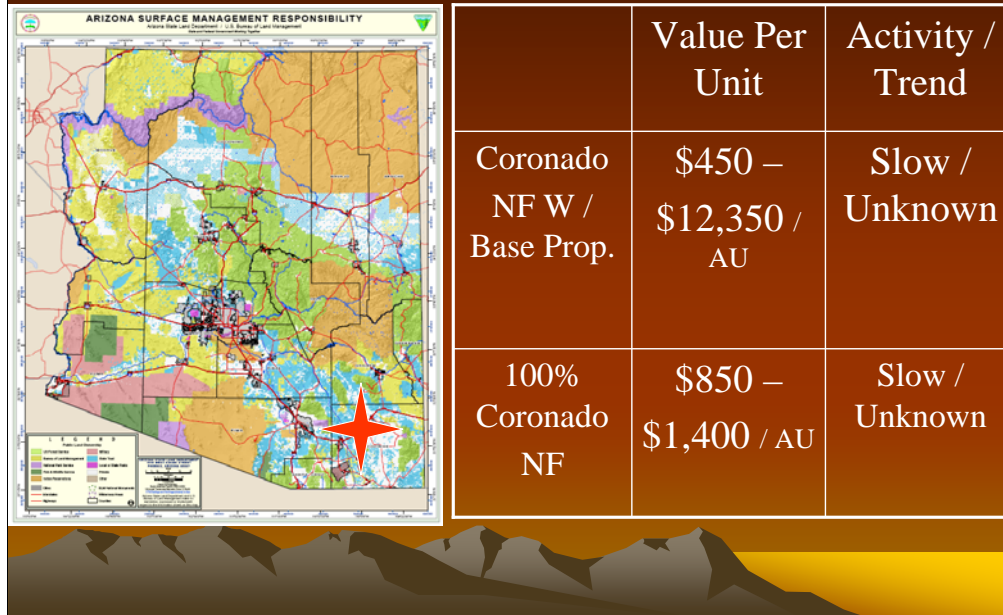
The yearlong Coronado NF permits are south of Sonoita and are situated at 3,500-6,000 feet in elevation; vegetation is Encinal & Mexican Oak-Pine Woodland with a small amount of Montane Conifer Forest; topography is rolling to mountainous; rainfall is 17-20 inches per year. This is a popular area of the state with fair to good cattle grazing.

# Yearlong Forest Grazing Permits



	Value Per Unit	Activity / Trend
Apache-Sitg. NF W / Base Prop.	\$700 - \$1,425 / AU	Slow / Unknown
100% Forest Grazing Permit	N / A	Unknown

# Yearlong Forest Grazing Permits

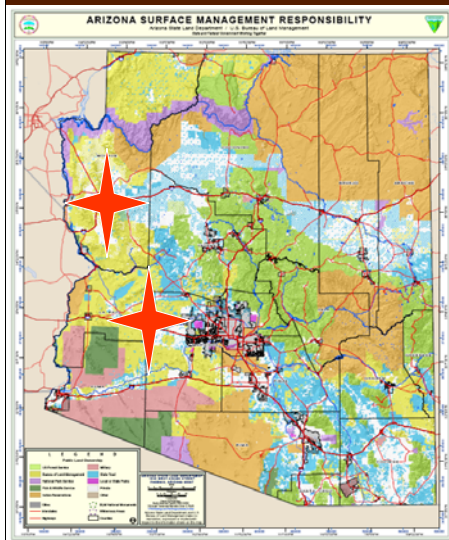


The Apache NF allotments have an elevation range of 5,000-9,000 feet; vegetation is Encinal & Mexican Oak-Pine Woodland, Pinion-Juniper Woodland and Montane Conifer Forest; topography is mountainous; rainfall is 12-2 inches per year. These allotments are fair to good rough yearlong intermountain operations.

The yearlong Coronado NF permits are south of Sonoita and are situated at 3,500-6,000 feet in elevation; vegetation is Encinal & Mexican Oak-Pine Woodland with a small amount of Montane Conifer Forest; topography is rolling to mountainous; rainfall is 17-20 inches per year. This is a popular area of the state with fair to good cattle grazing.



# Western BLM Grazing Allotments

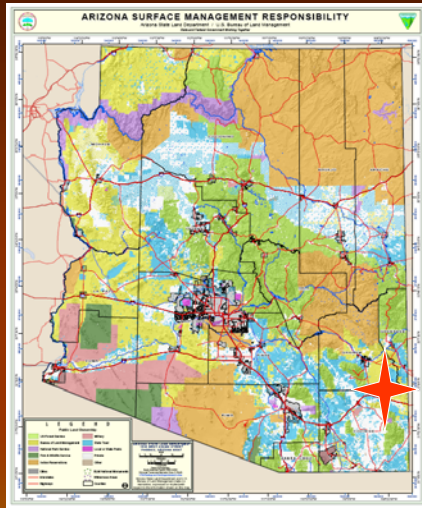


	Value Per Unit	Activity / Trend
Western BLM W / Deeded	\$500 - \$6,000 / AU	Slow / Unknown
100% Western BLM	\$1,350 - \$1,930 / AU	Slow / Slow

The majority of the Bureau of Land Management's controlled grazing allotments lie in western Arizona, and a relatively small area near Safford in southeast Arizona. The western allotments range in elevation from 1,000-3,000 feet; vegetation is Mohave and Sonoran Desertscrub; topography is gently sloping to mountainous; rainfall is 3.5 to 9.25 inches per year; and carrying capacity is approximately 4 head per section. Yearlong private grazing leases are \$2.25 - \$6.00 per head per month without care and seasonal stocker pasturage rates are \$5.00 – \$7.00 per head per month with care. This is a harsh desert county with a large portion of the capacity being ephemeral grazing which is totally dependent on seasonal winter rains. Typically the building and range improvements on these ranches are minimal.

The Safford area allotments range in elevation from 3,000-5,000 feet; vegetation is Sonoran Desertscrub and Plains & Desert Grassland; topography is sloping to mountainous; and rainfall is 8.5 to 9.5 inches per year. The private grazing lease between ranchmen in the area are from \$6.00 – \$9.00 per head per month. This is fair to good yearlong high desert county.

# Safford BLM Grazing Allotments

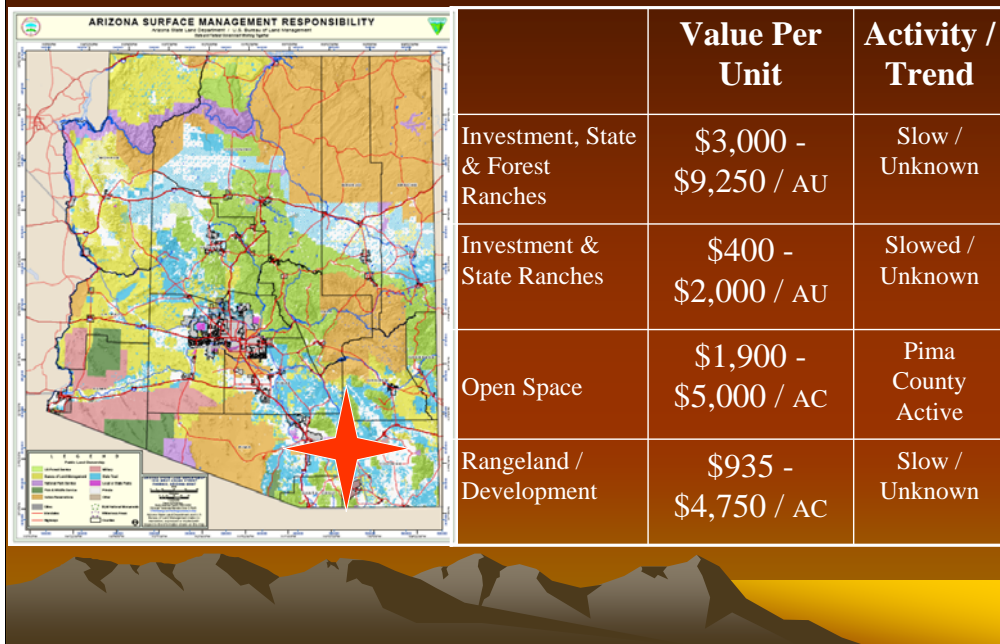


	Value Per Unit	Activity / Trend
Safford BLM W / Deeded	\$1,340 - \$3,430 / AU	Slow / Steady
100% Safford BLM Allot.	\$1,000 / AU	Slow / Unknown

The majority of the Bureau of Land Management's controlled grazing allotments lie in western Arizona, and a relatively small area near Safford in southeast Arizona. The western allotments range in elevation from 1,000-3,000 feet; vegetation is Mohave and Sonoran Desertscrub; topography is gently sloping to mountainous; rainfall is 3.5 to 9.25 inches per year; and carrying capacity is approximately 4 head per section. Yearlong private grazing leases are \$2.25 - \$6.00 per head per month without care and seasonal stocker pasturage rates are \$5.00 – \$7.00 per head per month with care. This is a harsh desert county with a large portion of the capacity being ephemeral grazing which is totally dependent on seasonal winter rains. Typically the building and range improvements on these ranches are minimal.

The Safford area allotments range in elevation from 3,000-5,000 feet; vegetation is Sonoran Desertscrub and Plains & Desert Grassland; topography is sloping to mountainous; and rainfall is 8.5 to 9.5 inches per year. The private grazing lease between ranchmen in the area are from \$6.00 – \$9.00 per head per month. This is fair to good yearlong high desert county.

# Southeastern Arizona Ranches



Southeastern Arizona ranches are made up of deeded and state grazing lease lands with some of the operations having additional Forest Service allotments. Generally, ranches with more than 50% deeded are sold based on price per deeded acre and ranches with less than 50% deeded are sold based on price per animal unit. The majority of the rangeland lies between 1,500 & 6,000 feet; vegetation is Sonoran Desertscrub, Chihuahuan Desertscrub, Plains & Desert Grassland, Encinal & Mexican Oak-Pine Woodland and small areas of Montane Conifer Forest; topography is sloping to rolling to mountainous; average annual rainfall is 9.5 - 17 inches; and stocking rates are 6 - 12 head per section. Private grazing lease rates range from \$5 - 12 per head per month depending on the conditions of lease. Market rent is considered \$8 per head per month without care for adult cattle and lessor pays taxes, grazing fees and insurance. The area ranches generally lie in broad open valleys of desert grassland and are good to excellent.

# Arizona Grazing Leases / Allotments

	Value Per Unit	Activity / Trend
<b>100% State Lease</b>	\$1,000 - \$1,250 / AU	Steady / Steady
<b>100% BLM Allotment</b>	\$1,000 - \$1,350 / AU	Slow / Slow
<b>100% Forest Allotment</b>	\$250 - \$1,000 / AU	Slow / Steady
<b>100% Seasonal Forest</b>	\$500 - \$980 / AU	Slow / Steady

The majority of blocked State Grazing leases are located in central and southeastern Arizona. Elevation is 1,500 - 4,500 feet; vegetation is Sonoran Desert Scrub and Plains & Desert Grassland; topography is sloping to rolling; average annual rainfall is 9.5 - 17 inches; and carrying capacity is 6 - 10 head per section. Private grazing leases range from \$5 - 9 per head per month with \$8 per head per month considered market rent. Arizona State leases are good to very good grazing and due to their stability are preferred over federal grazing leases.