

Gaines 08

Gaines County, Texas

2,560 +/- Acres



[www.SouthPlainsFarms.com](http://www.SouthPlainsFarms.com)

[www.CliftLandBrokers.com](http://www.CliftLandBrokers.com)



Version 1.4



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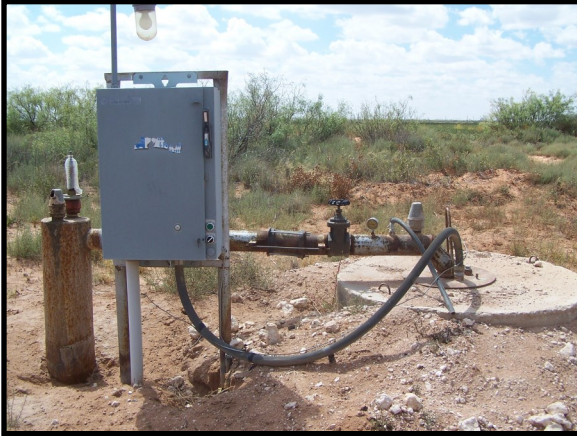
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# Overview

## Property Overview/

This 2,560 +/- acre irrigated farm is located 16 miles southwest of Seminole, Texas in Gaines County. It has paved access from County Road 331. It is one contiguous tract, running 4 miles east to west, and 1 mile north to south. There are 2,000 acres of irrigation, 311 acres of native pasture, 35 acres of dryland, and 214 acres of CRP. This area is known for its production of cotton and peanuts, but a variety of crops can also be grown. The land is suitable for peanuts, potatoes, cotton, sorghum, and wheat. There are some other specialty crops grown in the area.



Crops are watered by center pivot irrigation, and wells from the Ogallala Aquifer. The land is located in the Llano Estacado Underground Water Conservation District. Information can be found at [www.llanoestacadowcd.com](http://www.llanoestacadowcd.com). The property is located south of Oasis and Ocho Gins, which provides flexibility with cotton marketing.



This farm is highly developed with irrigation equipment and facilities. There are many depreciable assets on this farm. Besides 4 quarter-mile sprinklers, 3 half-mile sprinklers, and 47 irrigation wells, there is a nice 40'x50' barn on the property, and a large amount of underground water and electric lines.

The farm is leased out for the 2014 growing season. Under the terms of the lease the Land Owner is responsible for the property taxes and sprinkler insurance. Therefore, a Landowner does not have to expect a lot of out of pocket expenses. The farm is providing a 4.7% net ROI at the current asking price. The lease will also provide a bonus payment to the Landowner in the event any USDA DCP payments are made in 2014. There is also a significant amount of depreciable assets that will offer a variety of solutions for tax planning.

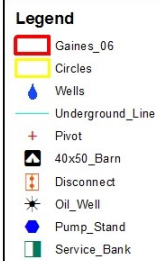
The native grass corners have some mesquite brush on them. There are large mule deer in the area. Gaines County season runs from November 23 to December 1. There is a collection pond at sprinkler VI that is stocked with fish.



# Irrigation

## Irrigated Cropland/

Gaines 08  
Aerial



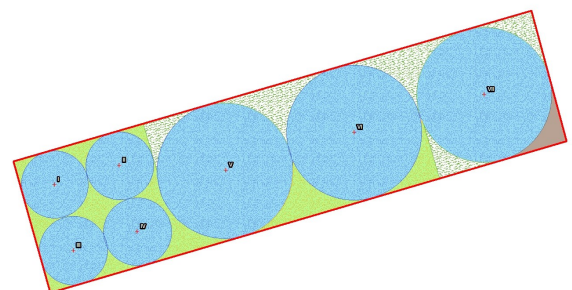
Notes: Underground water line locations may or may not be accurate.



Gaines 06  
Aerial  
Expanded



Gaines 06  
Land Use



# Equipment

## Center Pivots/

Four quarter-mile sprinklers and three half-mile sprinklers furnish water to the crops. Water is delivered to each sprinkler through underground high pressure PVC line.

Section 6, Sprinklers I, II, III, IV: All sprinklers and wells are tied together. All of the wells on this section can be started from Sprinkler I or II.

Section 7 & 8, Sprinklers V & VI: Both Sprinklers and all the wells are tied together. All of the wells on these sections can be started from Sprinkler V.

Section 9, Sprinkler VII: All wells can be started from the Sprinkler VII Panel.

All of the sections are NOT tied together. However, there is only a very short distance between the lines on Section 6 and 7. There is about 1/2 mile of line needed to tie Section 8 and 9 together, assuming the lines are large enough to handle the volume.

See the table below for information on each sprinkler system:

System		Approximate				Gallons
No.	Manufacturer	Year	Model	Coverage	GPM	Per Acre
I	Reinke	2002	656	125	450	3.6
II	Reinke	2003	2065	125	450	3.6
III	Reinke	2003	2065	125	450	3.6
IV	Reinke	2003	2065	125	450	3.6
V	Lockwood	1979		500	800	1.6
VI	Lockwood	1979		500	800	1.6
VII	Valley	1996		500	450	0.9
TOTAL				2000		

According to tenant: one sprinkler on systems I thru IV is ran at once, one sprinkler on systems V & VI is ran at once, and system VII is ran at once. Estimated water based on tenant's comments, is that there is 1,700 gpm of water on this farm. Clift Land Brokers recommends buyer perform a flow test as part of their due diligence.

Sprinkler VI pumps out of a collection pond. The natural gas booster pump conveys with the sale.

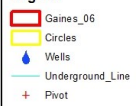


# Wells

## Irrigation Wells/

### Gaines 08 Water Data Section 6

#### Legend



Note: Underground water line locations may or may not be accurate.

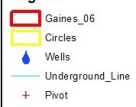


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### Gaines 08 Water Data Section 7 & 8

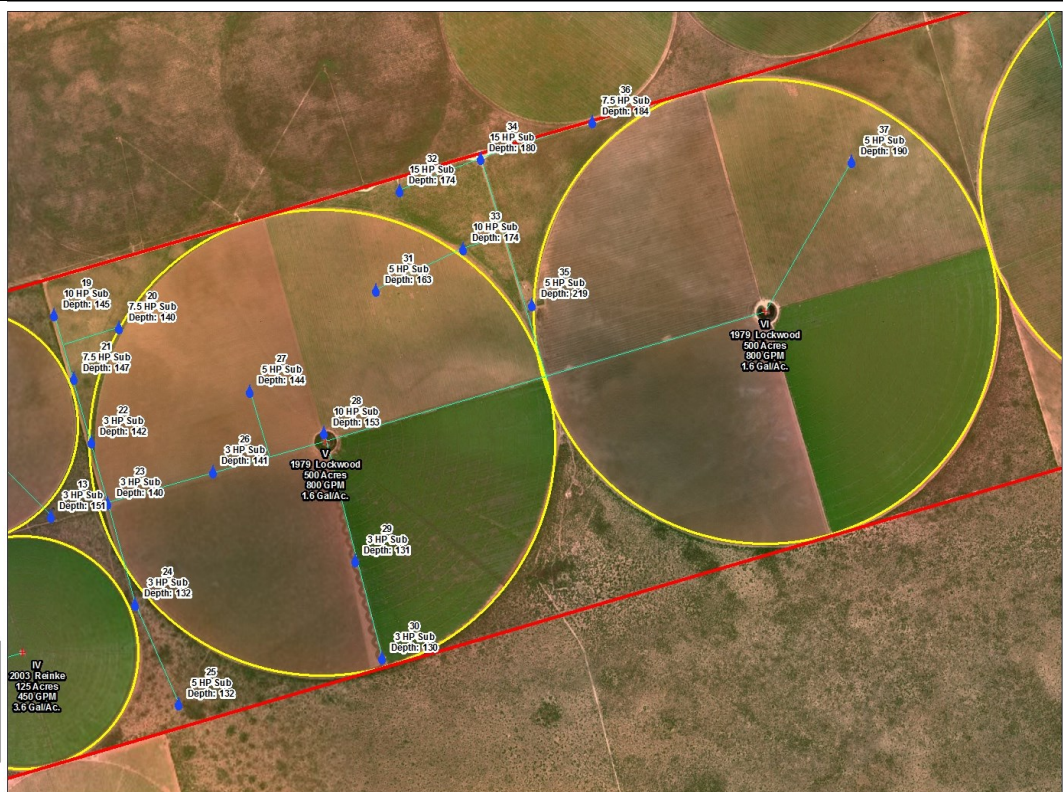
#### Legend



Note: Underground water line locations may or may not be accurate.



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# Wells

## Irrigation Wells/

### Gaines 08 Water Data Section 9

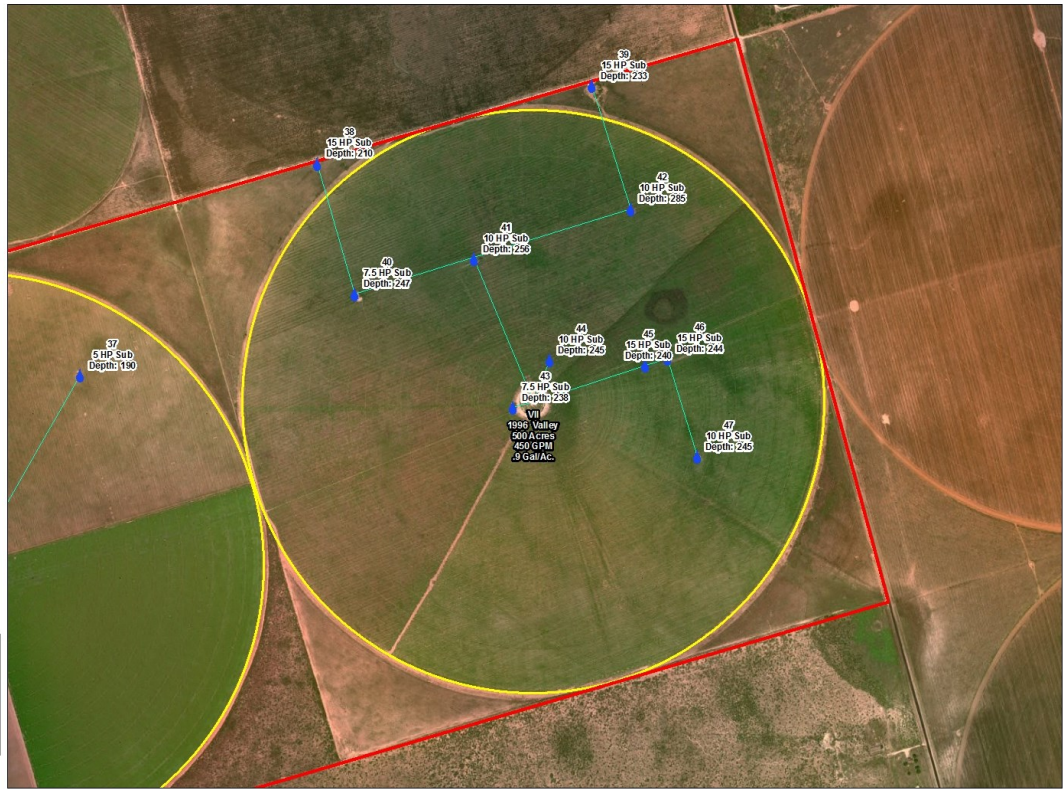
#### Legend

- Gaines\_06
- Circles
- Wells
- Underground\_Line
- Pivot

Note: Underground water line locations may or may not be accurate.



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## FSA Base Yields/

Gaines 08 FSA DCP Payments				
Section	6	7, 8	9	TOTAL
FSA FARM #	4204	4074	6526	
FSA TRACT	6032	4586	4588	
FARMLAND ACRES	637.67	1272.86	622.79	
CROPLAND ACRES	487.84	1148.85	622.79	
CRP CROPLAND	0	123.7	90.3	
WHEAT BASE ACRES			23.3	
WHEAT YIELD			38	
BASExYIELDx85%			752.59	
CC YIELD			38	
WHEAT PRICE			0.52	
WHEAT PAYMENT			\$391.35	\$391.35
COTTON BASE ACRES		634.7	509.2	
COTTON YIELD		529	582	
BASExYIELDx85%		285392.86	251901.24	
CC YIELD		529	582	
COTTON PRICE		0.0667	0.0667	
COTTON PAYMENT		\$19,035.70	\$16,801.81	\$35,837.52
PEANUT BASE ACRES	480	390.5		
PEANUT YIELD	4246	3960		
BASExYIELDx85%	1732368.00	1314423.00		
CC YIELD	4246	3960		
PEANUT PRICE	0.018	0.018		
PEANUT PAYMENT	\$31,182.62	\$23,659.61		\$54,842.24
	\$31,182.62	\$42,695.32	\$17,193.16	\$91,071.10

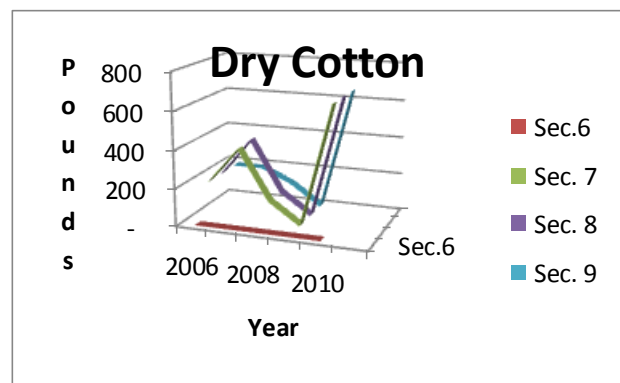
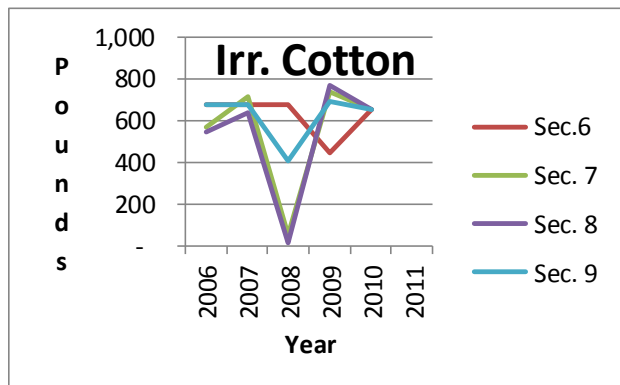
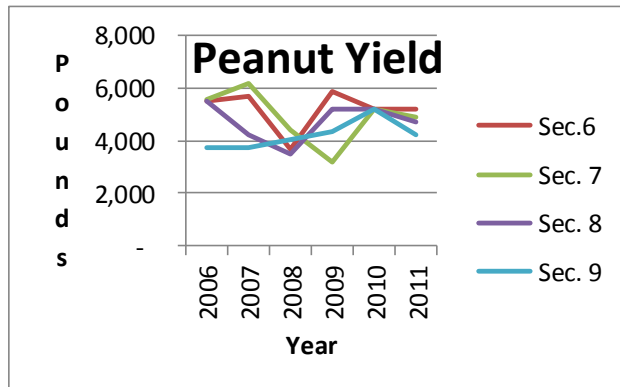
## CRP Program/

Gaines 08 CRP Program				
Contract No.	Acres	Expires	Rental Rate	Payment
1936A	90.3	2020	\$ 40.76	\$ 3,681.00
1903A	123.7	2020	\$ 41.18	\$ 5,094.00
				\$ 8,775.00



# Historical Yields

Historical Yields/



Gaines 08				
Historical Yields				
Producer: Grissom				
Peanuts	Sec. 6	Sec. 7	Sec. 8	Sec. 9
2006	5,496	5,571	5,522	3,763
2007	5,671	6,151	4,198	3,763
2008	3,662	4,377	3,506	4,018
2009	5,883	3,183	5,200	4,340
2010	5,200	5,200	5,200	5,200
2011	5,182	4,896	4,725	4,217
<b>Average</b>	<b>5,182</b>	<b>4,896</b>	<b>4,725</b>	<b>4,217</b>
IRR Cotton				
2006	679	564	546	679
2007	679	717	635	679
2008	679	50	12	407
2009	446	739	772	688
2010	650	650	650	650
2011				
<b>Average</b>	<b>627</b>	<b>544</b>	<b>523</b>	<b>621</b>
DRY Cotton				
2006	-	186	186	186
2007	-	377	385	186
2008	-	112	112	112
2009	-	-	-	-
2010	-	650	650	650
2011				
<b>Average</b>	<b>-</b>	<b>265</b>	<b>267</b>	<b>227</b>

# Taxes / Offering

## Property Taxes/

<b>Gaines 08 - Gaines County Appraisal District 2012 Tax Statements</b>				
<b>Property ID #</b>	<b>Property Description</b>	<b>Acreage</b>	<b>Assessed Value</b>	<b>Taxes</b>
53560	Blk A-27 Sec 6 PSL 640 Acres	640.00	\$241,100.00	\$3,722.44
53562	Blk A-27 Sec 7 PSL 641 Acres	641.00	\$244,050.00	\$3,767.99
53563	Blk A-27 Sec 8 PSL 639 Acres	639.00	\$290,570.00	\$4,486.23
53564	Blk A-27 Sec 9 PSL 640 Acres	640.00	\$274,750.00	\$4,241.98
<b>Totals</b>		<b>2560.00</b>	<b>\$1,050,470.00</b>	<b>\$16,218.64</b>

2013 Property Taxes: \$13,647.00

## Mineral Rights/

Seller does not own any mineral rights. All other rights to convey at closing.

## Sales Price/

Cash Sales Price—\$3,300,000.00

\$1,289.06 per Acre.

## Possession/

Farm is leased for the 2014 summer growing season. Possession will be available upon completion of harvest.



# Appendix

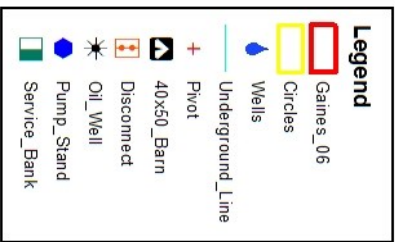
## Maps/

- Aerial
- Improvements
- Soils
- Topography
- Roads





# Gaines 08 Aerial

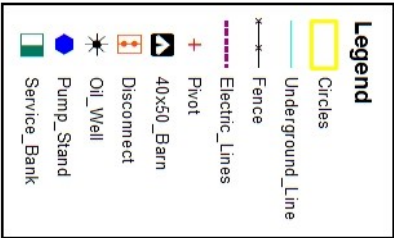


Note: Underground water line locations may or may not be accurate.



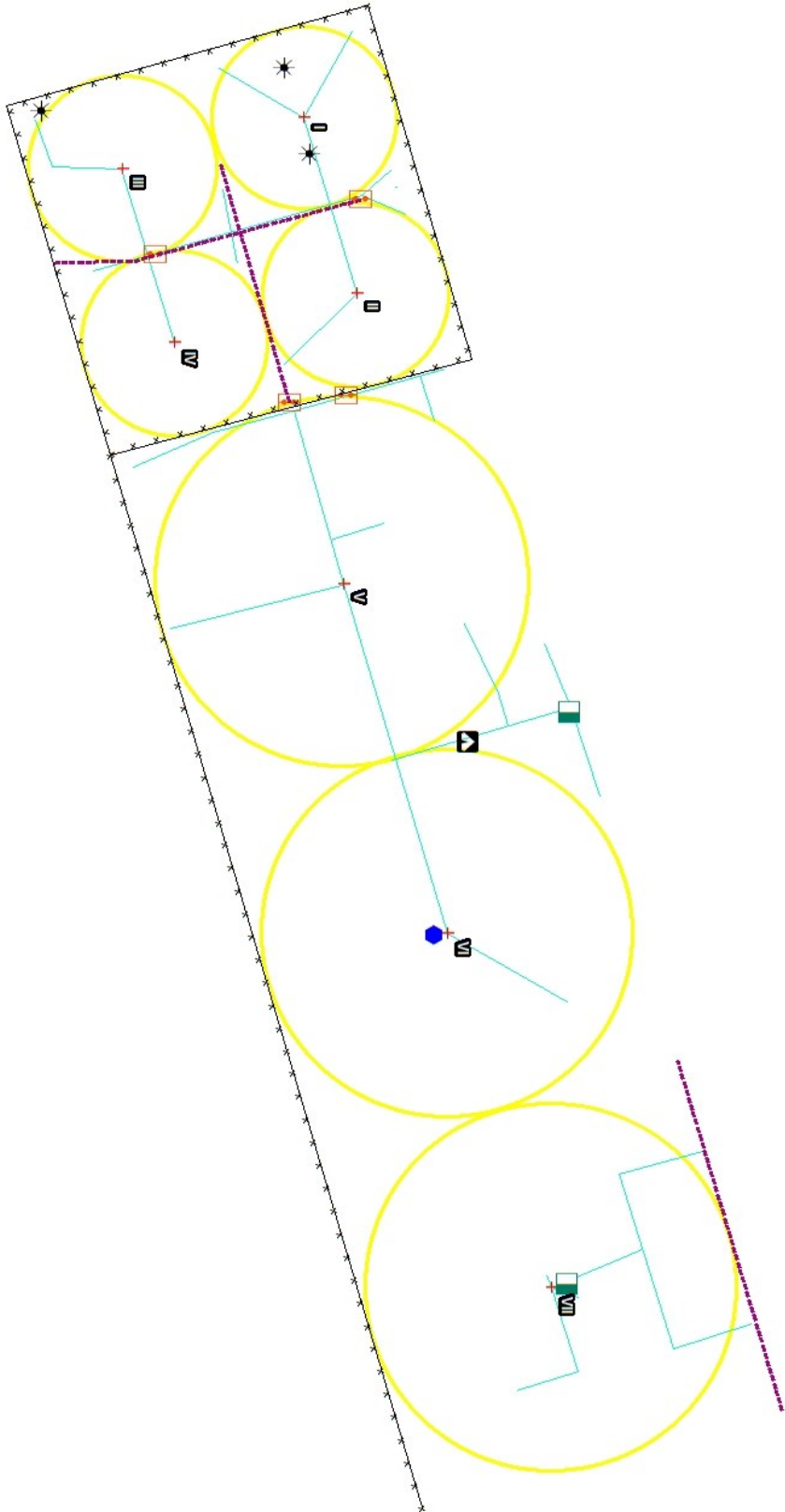


# Gaines 08 Improvements

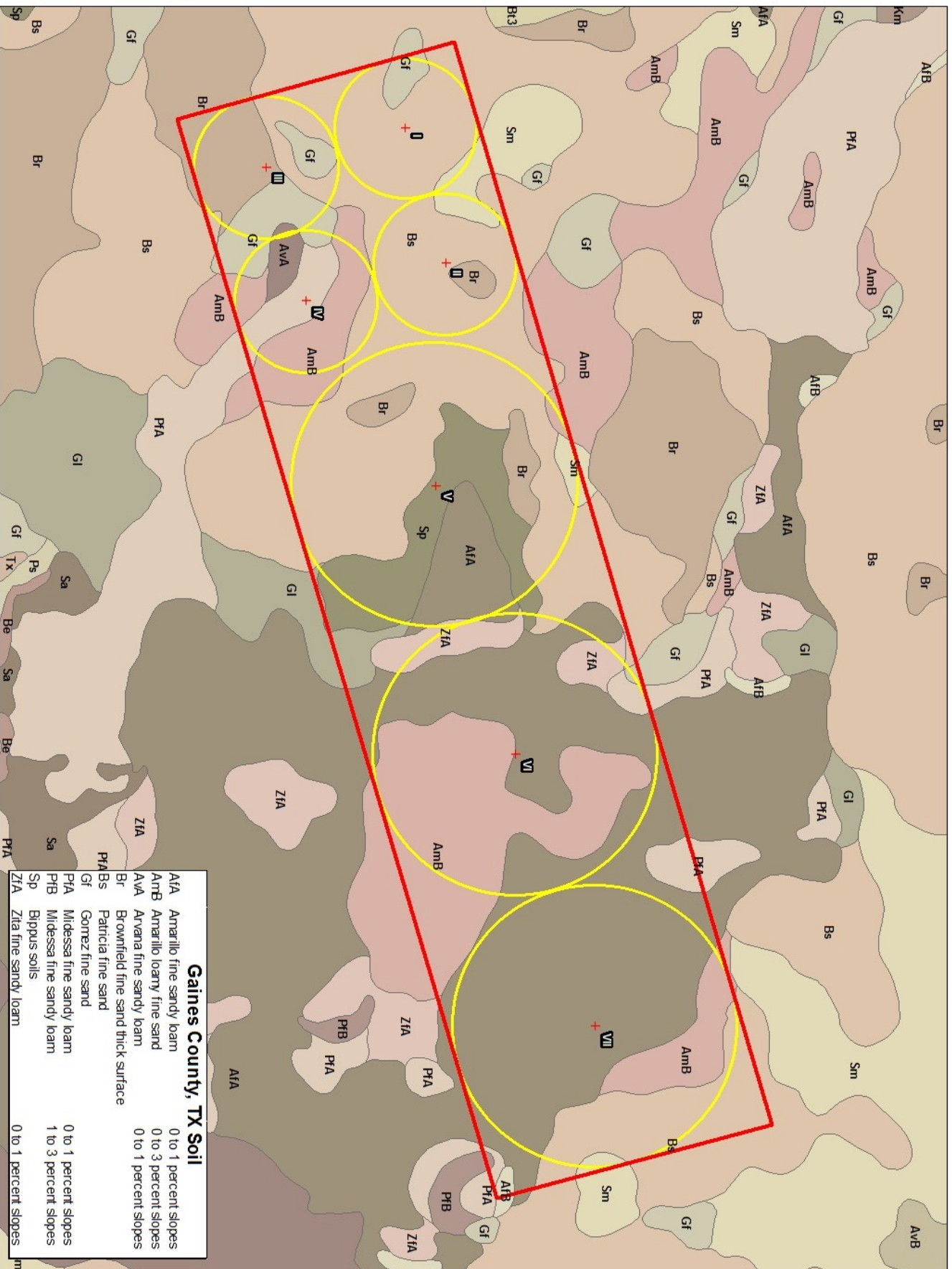
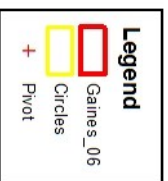


Note: .51, 762 feet of  
underground water  
line as shown.

Note: Underground water  
line locations may or may  
not be accurate.

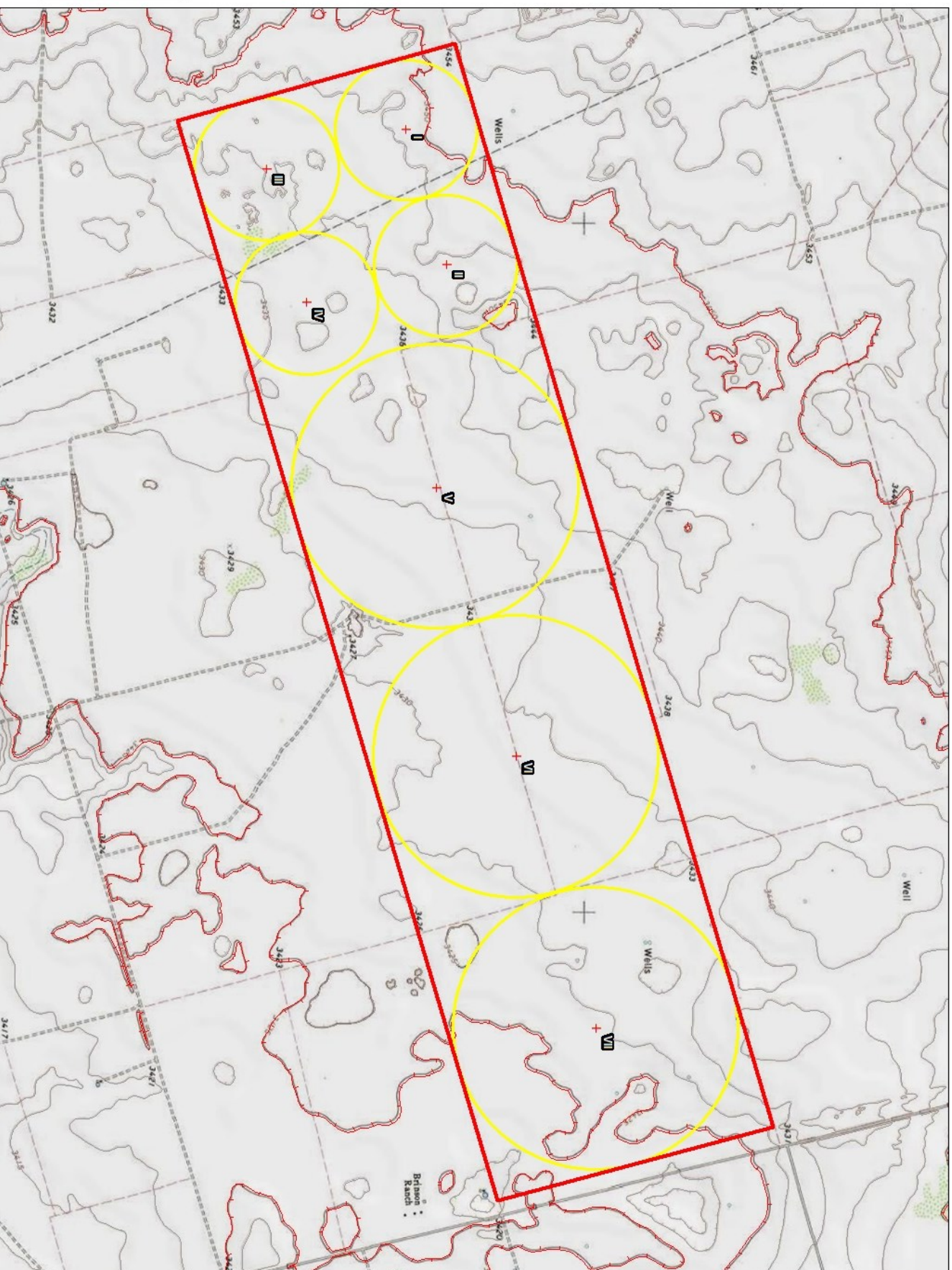
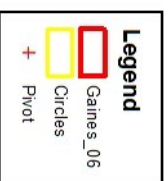


# Gaines 08 Soils





# Gaines 08 Topographic



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