

# Broken Bow Dairy

For Sale or Exchange  
Custer County, Nebraska  
1,150 Cow Permit

Up to 436.58 +/- acres (360.04 +/- irrigated cropland) can be included



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## PROPERTY INFORMATION

**Offered At:** \$6,200,000.00

**Terms:** Cash or acceptable Contract, Exchange, or Joint Venture possibilities.

**Total Acres:** 436.58 +/- acres included in the dairy operation  
360.04 +/- acres of irrigation

**Real Estate Taxes:** \$26,392.32

**Broken Bow  
Dairy Story:**

Doug and Linda Hodorff have a lifetime in the dairy industry. In Wisconsin, Doug founded Second Look Holsteins in the 1970's and later merged with Doug's parent's dairy in the late 1980's. Today Second Look Holsteins LLC milks 1,100 Registered Holsteins.

Linda Keene Hodorff grew up on her family's Raymau Farm in Auburn, Maine. A 1977 graduate of Cornell University College of Agriculture, Linda worked as a Cooperative Extension Farm Management Agent in Otsego County, NY and spent 8 years with Carnation Genetics/Landmark Genetics (now Alta Genetics).

The Hodorff's have been married and working partners in Hodorff Enterprises for approximately 39 years.

Together they entered the Nebraska dairy industry in 1999 when they purchased a small former feedlot in southwestern Nebraska to raise their Wisconsin dairy heifers. Today, thousands of Wisconsin heifers move to Nebraska and neighboring states to be raised.

# PROPERTY INFORMATION

## Broken Bow

### Dairy Story:

In September 2005, the Hodorff's purchased this vacant 200 cow dairy in northern Custer County located north of Broken Bow at Milburn, Nebraska. It has now grown to a 1,150 cow permit. Hodorff's have added highly productive irrigated land in the area to support the dairy over the past 16 years. Now there are 436.58 owned acres included in their operation.

### Location

### Advantages:

Nebraska is one of America's primary producers of grain and cattle. It is 4<sup>th</sup> in corn raised for grain and 1<sup>st</sup> in commercial cattle slaughter. Nebraska is second in ethanol production with byproducts available for livestock feed. A large amount of alfalfa hay is grown in Nebraska.

Custer County is in the true center of the state of Nebraska and the dairy is on the southern edge of the great Sandhills grasslands. The county lies over the Ogallala aquifer providing the best quality and largest quantity of underground water storage in the world. This provides pure water at a shallow depth for the cattle and the irrigated land for the dairy. Some of the dairy owned acres also have access to a rural canal system providing additional water. Many acres of neighboring irrigated farms are available to purchase feed and support growth of the business in the future.

## PROPERTY INFORMATION

### Awards:

Broken Bow Dairy has received many Nebraska Dairy Association Awards including 1st Place in Milk Quality production in 2018 and 2019. Daily per cow milk volume has also been outstanding, hitting an average daily rate of 92# and 91.1# milk sold/cow in 2018 and 2019 respectively for 839 cows and 843 cows in those years. The herd ranked in the top 3 for pounds of protein in each of the past 10 years. In 2020 under COVID and stressed prices, the herd grew to 877 cows milked daily (1,000 cows total). Later in the year, some cows were sold, but the per day average only declined to 87.4# per day per cow. Also in 2020, Broken Bow Dairy bred the 1<sup>st</sup> place Junior 3 year old at the Southern National Holstein Show in Oklahoma.

The Broken Bow Dairy herd has received the Holstein Assn USA Progressive Genetics Award as one of the top 500 herds genetically in the US for many years.

The Hodorff's Second Look Holsteins breeding herd in Wisconsin has also attained numerous awards. Cows bred from their herd have received awards in multiple states at various 4-H and national shows.

Both Linda and Doug have been active in leadership in the Dairy Industry and with Agriculture issues in Wisconsin and Nebraska. Doug served on boards including WI Holstein Assn, FFA Alumni and DHI. Linda is a former board member of Holstein USA, Nebraska State Dairy Assn, WI Livestock Identification Consortium, PDPW, and NAIDC (National Intercollegiate Dairy Challenge). In 2021, Linda was one of eight women honored as Agricultural Mentors by the Women's Agricultural Leadership Conference.

# PROPERTY INFORMATION

## Local Rural

### Culture:

Custer County is a very livestock friendly area with a smaller rural population. This county is the home of Adams Land and Cattle Company, located in the southern part of the county, one of the largest cattle feedlots in the nation, feeding 130,000 head annually. Broken Bow dairy and other dairies could grow dramatically in this county in the future.

## Dairy Location

### Description:

The county seat of Custer County is Broken Bow (population 3,600). Broken Bow Dairy is located approximately 17 miles north and one mile west of Broken Bow. Sargent (population 525) is 18 miles east of the dairy and is a welcoming smaller community with an excellent public school system and other rural services.

## Opportunity:

The Broken Bow Dairy opportunity is to purchase an award-winning dairy, with a long history of success. It can be purchased turnkey as a fully operating business with milk production flowing daily for immediate income. Or, it possibly could be purchased in different component parts with lease provisions and options to purchase the balance of assets into future years.

## Financing:

The Sellers are primarily financed through *Investors Community Bank* in Wisconsin. They have a long history of performance with this lender. Sellers have typical dairy financing on cattle, equipment, dairy facility, feed inventory, and farmland, which ranges from long-term to short-term Lines of Credit.



## PROPERTY INFORMATION

### **Situation:**

Unfortunately, Doug Hodorff had a bad car accident on July 7, 2017, which took an extended time to fully recover. Linda and Doug are now nearing retirement age and think it is best to market this dairy, possibly to another family enterprise.

Other members of the Hodorff family decided to concentrate on the Wisconsin Second Look Holsteins operation and decided against transitioning to ownership of their Nebraska dairy.

Hodorff's, over the past few years, entered into a partnership with a young Nebraska managing partner and intended to finalize the sale to him in 2020. COVID stress and personal family issues resulted in his decision to abandon this purchase.

### **Flexibility:**

The Hodorff's have the financial flexibility to consider many types of possible transactions. If a buyer has an interest in the Broken Bow Dairy, the Hodorff's are willing to consider an outright sale or possible exchange for other investment real estate to facilitate a new family moving to Nebraska. They are also open to a purchase arrangement over time to an experienced dairy family or consider creating a mutually advantageous joint venture proposal. Their dairy and business experience in multiple states makes them not area bound in decision making.

If a buyer is interested in acquiring the Broken Bow Dairy, the discussion should begin. The brokers and agents have the resources to fully understand and facilitate all aspects of an operating dairy acquisition through exchanges or structuring sale terms to minimize immediate tax consequences for either the Buyers or Sellers. All discussions and ideas are encouraged.

## PROPERTY INFORMATION

### Dairy Details:

Double 16 Parallel Milking parlor  
Two milk tanks with a total capacity of 8,500 gallons  
North Building: 468 stalls, 100' x 530' (approx. dimensions)  
South Building: 383 stalls, 90' x 475' (approx. dimensions)  
Enclosed Kohler backup generator  
700+/- acres under ownership and agreements with DEQ permit for manure management.  
Lagoons expanded in 2016.  
Manure is managed by scraping, hauling, and through irrigation.  
Manager Home – built in 1999, 2,000+/- sq. ft.  
Employee Homes (2) – built in 2009, both have full basements.  
A detailed list of equipment and cows available upon request.  
Onsite Manager: Terry Rawn

### Milk Marketing:

Broken Bow Dairy LLC markets its milk through Dairy Farmers of America (DFA). Milk is transported to various Nebraska plants including Norfolk and Omaha. The Grow Nebraska Dairy Initiative, supported by our Governor and local politicians, is working to recruit additional processing capacity to Nebraska since dairy cattle numbers have increased over the past decade.

Hodorff's have discussed the potential sale of the dairy with DFA representatives and DFA has shared willingness to work with qualified owners at the level of Department of Environmental Quality (DEQ) permit and the dairy's history of peak production. Additional growth will be subject to the approval of both governing entities. If additional market competition comes about through the location of additional processors, then the potential growth in the future should be unlimited.

## PROPERTY INFORMATION

- Legal Descriptions:** Parcel ID: 001446650  
Owner: Douglas R & Linda K Hodorff Revocable Living Trust  
Legal: Lot 1 excluding Parcel, Lot 2, South Half Northeast Quarter (S1/2 NE1/4) and North Half Southeast Quarter (N1/2 SE1/4) Section 4, Township 19 North, Range 20 West.  
Acres: 236.11 +/-
- Parcel ID: 001341850  
Owner: Douglas R & Linda K Hodorff Revocable Living Trust  
Legal: Part of the West Half (W1/2), and that part of the West Half East Half (W1/2E1/2) of Section 20 lying south of the Sargent Canal System (Loup Basin Reclamation District; all in Township 20 North, Range 20 West.  
Acres: 83.4 +/-
- Parcel ID: 001337110  
Owner: Broken Bow Dairy, LLC  
Legal Description: West Half Southeast Quart (W1/2SE1/4) Excluding Parcels Section 19, Township 20 North, Range 20 West.  
Acres: 54.04 +/-
- Parcel ID: 001337112  
Owner: Broken Bow Dairy, LLC  
Legal Description: Legal Description: Parcel in West Half Southeast Quarter (W1/2SE1/4) Section 19, Township 20 North, Range 20 West.  
Acres: 7.73 +/-
- Parcel ID: 001337111  
Owner: Broken Bow Dairy, LLC  
Legal Description: Parcel in Southwest Quarter of the Southeast Quarter (SW1/4SE1/4)  
Acres: 5 +/-



# PROPERTY INFORMATION

## Legal Descriptions

### Continued:

Parcel ID: 001341750

Owner: Broken Bow Dairy, LLC

Legal Description: Legal Description: Part of the East Half of the East Half (E1/2E1/2) South of Canal (Excluding Canal) Section 19, Township 20 North, Range 20 West.

Acres: 50.3 +/-

### Water Wells:

G-132984, Drilled 2005, 1,000 gpm, 18' static level, 32' pumping, 160' well depth

G-132985, Drilled 2005, 1,000 gpm, 21' static level, 33' pumping, 160' well depth





# PICTURES





# PICTURES



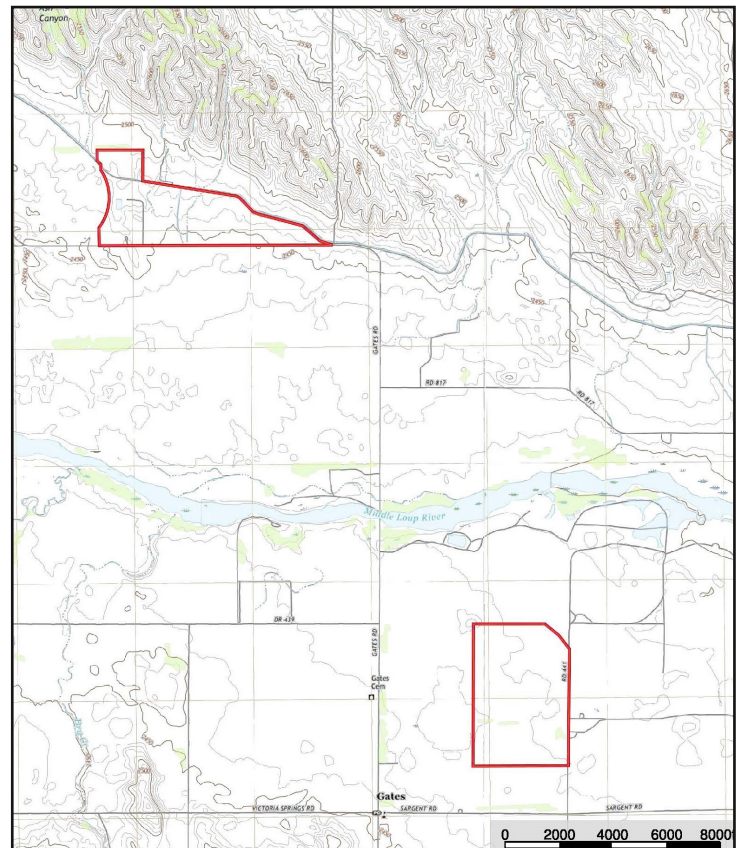
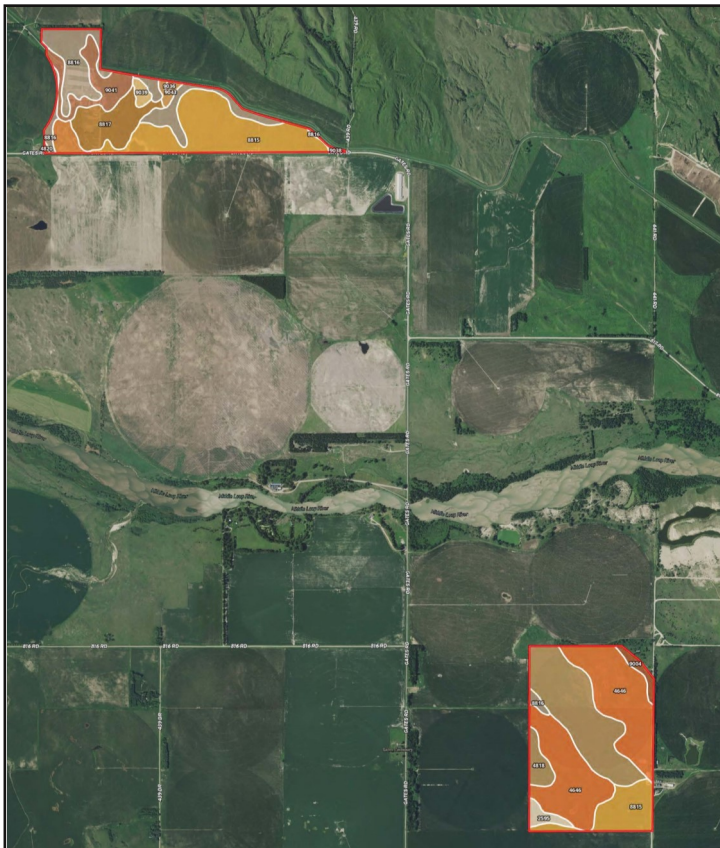
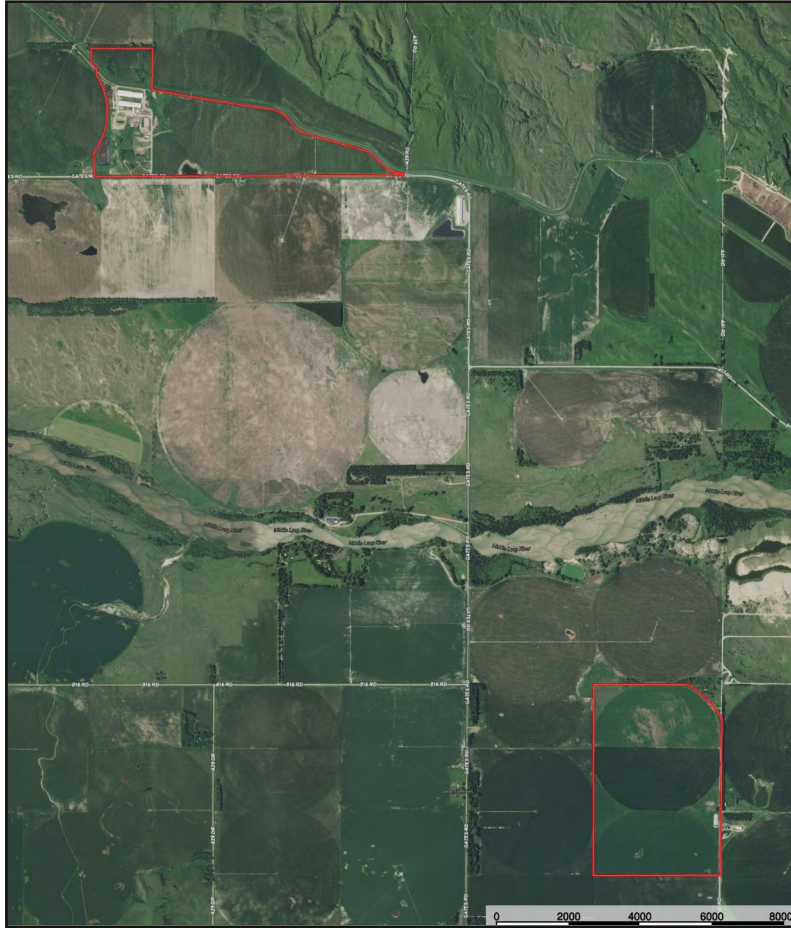


# PICTURES





# PROPERTY MAPS





# PROPERTY MAPS

