

Feedyard Sale 2

Lone Star Bank of West Texas to Dry Fork Holdings LLC

Transaction Data

Location	The feedyard / grow yard is located 1.5 miles SE of Hedley along the south side of CR W and the east side east and west sides of CR 27, in Donley County, Texas.
Sale Date	November 25, 2020 Closed
Grantor	Lone Star Bank of West Texas
Grantee	Dry Fork Holdings LLC
Recording	V-120, P-784, Document 50482
Legal Description	Tract 1: 201.29 acres of land out of Section 95, Block 20, H&GN Ry. Co. Survey and Tract 2: 214.13 acres of land out of Section 96, Block 20, H&GN Ry. Co. Survey, Donley County, Texas.
Property Tax Parcel Numbers	3165 and 3171
Terms of Sale	Cash to Seller
Sale Price	\$875,000
Declared Business Value (-)	\$0
Rolling Stock (-)	\$0
Personal Prop. (-)	\$0
Excess Land Allocation (-)	\$0
Sale Price for Real Property	\$875,000
Add Cost For Repairs (+)	\$0
Final Adjusted Sale Price	\$875,000
Feedyard Capacity (Head)	10,000
Total Sale Price Per Head Including Rolling Stock, Personal Property, and Excess Land	\$87.50
Business Value \$ Per Head	\$0.00
Rolling Stock \$ Per Head	\$0.00
Personal Property \$ Per Head	\$0.00
Excess Land \$ Per Head	\$0.00
Repair Cost \$ Per Head	\$0.00
Final Adjusted Price Per Head	\$87.50

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Land Data

Total Land Acres 415.420

Excess Land Acres 0.000

Land Acres Needed for CR 415.420

Total Acres / CR AU Ratio 0.042 1.0 Feedyard Animal Unit (AU)

Necessary Land Acres / CR AU 0.042 1.0 Feedyard Animal Unit (AU)

Topography The terrain is gently rolling to rolling. The property has 40 acres irrigated, 255.42 acres in grass, and 120.0 acres in feedyard and building sites. The 40.0 acre circle is used for wastewater application.

Minerals All owned mineral interested conveyed to the buyer.

Road Access Access is provided by CR W and CR 27 in Donley County, Texas.

Land Mix and Improvement Contribution	Land Type	Ratio	Acres	\$ / Acre	Value
	Irrigated	100.00%	40.000	\$1,800	\$72,000
	Dry Crop	50.00%	0.000	\$900	\$0
	CRP	50.00%	0.000	\$900	\$0
	Pasture	40.00%	255.420	\$720	\$183,902
	Building Site	100.00%	120.000	\$1,800	\$216,000
	Roads / Waste	10.00%	0.000	\$180	\$0
	Total		415.420		\$471,902
	Total Price/Acre				\$1,136
	CEV Sale Price				\$875,000
	Imp. Contribution				\$403,098

Utilities and Water Typical rural utilities. There property has irrigation wells and livestock wells. The feedyard pens are watered by a gravity continuous flow water system from the storage tanks through a system of underground pipelines.

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Sprinklers	Sprinkler 1	Sprinkler 2	Sprinkler 3	Sprinkler 4	Sprinkler 5	Sprinkler 6
Improvement Type	4-Tower	0	0	0	0	0
Size	760	0	0	0	0	0
Unit	LF	LF	LF	LF	LF	LF
Utility	A	A	A	A	A	A
Condition	G	G	G	G	G	G
Total Economic Life	25	25	25	25	25	25
Effective Age	20	0	0	0	0	0
Remaining Economic Life	5	25	25	25	25	25
RCN/Unit	\$60	\$68	\$68	\$68	\$68	\$68
Total RCN	\$45,600	\$0	\$0	\$0	\$0	\$0
Physical Curable Depreciation	\$0	\$0	\$0	\$0	\$0	\$0
RCN Remainder	\$45,600	\$0	\$0	\$0	\$0	\$0
Physical Incurable Dep. %	80.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Phys. Incurable Depreciation \$	\$36,480	\$0	\$0	\$0	\$0	\$0
Physically Depreciated Value	\$9,120	\$0	\$0	\$0	\$0	\$0
Functional Obsolescence %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Functional Obsolescence \$	\$0	\$0	\$0	\$0	\$0	\$0
Phys/Func. Depreciated Value	\$9,120	\$0	\$0	\$0	\$0	\$0
External Obsolescence %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
External Obsolescence \$	\$0	\$0	\$0	\$0	\$0	\$0
Total Cont. Value of Imp.	\$9,120	\$0	\$0	\$0	\$0	\$0
Contribution Per Unit	\$12.00	??	??	??	??	??
RCN Imp. 1-6						\$45,600
Phy. Dep. Value Imp. 1-6						\$9,120
Physically Depreciation 1-6						\$36,480
Total CV of Sprinklers 1-6						\$9,120
Imp. + Spk CV to Sale Price						\$403,098
Less CV of Sprinklers						\$9,120
Remainder CV of Improvements to Sale						\$393,978

Feedyard Sale 2

Lone Star Bank of West Texas to Dry Fork Holdings LLC

Improvement Data	
Feed Bunk and Pens	The feedyard The CAFO Permit at the time of sale was for 14,900 head. The feedyard facility has approximately 99 pens and 10,000 linear feet of bunk space. The pens with feed bunk are constructed on land with a natural slope for drainage. All of the pens have adequate livestock drinkers with concrete aprons that are connected a continuous flow water system. All feed alleys are caliche and cattle alleys are dirt. The feedyard has one (1) main shipping and receiving area with adjacent processing and hospital facilities. The shipping and receiving area has eight (8) sorting and loading pens. The pens and bunk were in fair to average condition at the time of sale. Additional information obtained by the appraiser indicated that the feedyard had a total capacity of 10,000 head. The bunk space per animal is calculated at 10,000 linear feet x 12 inches = 120 inches / 10,000 head = 12 inches per animal. The pen space is approximately 47.25 acres x 43,560 square feet = 2,058,210. The pen space per animal is 2,058,210 square feet / 10,000 head = 206 square feet per animal.
Processing and Hospital Barns	The grow yard is improved with 1 x 25' x 40' = 1,000 square foot processing and hospital facility and 1 x 30' x 55' = 1,650 square foot covered cattle shed.
Office Building	The grow yard is improved with 1 x 25' x 40' = 1,000 square foot processing and hospital facility and 1 x 30' x 55' = 1,650 square foot covered cattle shed.
Shop Building and Equipment Shed	The shop building is a steel construction structure constructed on a reinforced concrete slab with 40' x 40' = 1,600 square feet of space. The building is used for the maintenance and storage of farm and feedyard equipment. There is 1 x 12' x 30' equipment shed located north of the office building.
Horse Barn and Cattle Shades	The horse barn has an enclosed section that is 20' x 40' and a section open to one side that is 15' x 50' feet. The barn is a steel construction structure with 1,550 square feet of space. The open sided portion of the barn has attached horse pens. The eastern portion of the yard is improved with 1 x 45' x 70' steel construction horse shed with attached pens. There are 5 x 20' x 120' cow shade structures located in the feedyard feed pens. The shades are steel construction with a dirt floor.
Dwellings	None
Feed Mill and Equipment and Associated Equipment	The feed mill is a basic bunker style mill with 2 x 18" X 36" steam rolls and boiler. Improvements to the mill were completed in 2010. Improvements were made to the steam rolls and steam chest. In mid/late 2016 there was around \$600,000 spent on the mill replacing legs, roof on mill, distributor, scalpers, augers, soaker tanks, wiring, grain dump pit, as well as new corrugated grain bin. The grain bin capacity is approximately 12,500 bushels. Feed mill building and commodity barn is approximately 5,840 square feet. The grow yard is improved with 1 x 120,000 pound 10' x 70' truck scale with a digital read-out located adjacent to the office. The property is also improved with a 4-Tower 760 linear foot sprinkler and one (1) hydraulic working chute.
Site Improvements and Land Use	The site improvements include excavation and dirt work for the pens and building improvements, gravel drives and parking, lagoons, water wells, and underground utilities and pipelines.
Rolling Stock	No rolling stock.
YOC and Effective Age	The feedyard was constructed in 1974. Additions were made in 2008. The overall composite effective age was estimated at 25 years.
Comments	The sale was confirmed with the listing broker, Brock Thompson of Amarillo, Texas. Property Tax ID 4221749. \$925,000 - 416 acres Sold County RD 27, Hedley, TX 79237 - Donley County, Texas.

Feedyard Sale 2

Lone Star Bank of West Texas to Dry Fork Holdings LLC

Imp. Analysis 1-6

Item	Imp. 1	Imp. 2	Imp. 3	Imp. 4	Imp. 5	Imp. 6
Improvement Type	Office Bldg.	1 Processing Hospital	Cattle Shed	2 Horse Barns	Shop Building	Feed Mill Grain Stg. Complex
Size	2,023	1,000	1,650	4,700	1,600	10,000
Unit	SF	SF	SF	SF	SF	Head
Utility	A	A	A	A	A	A
Condition	A	A	A	A	A	A
Total Economic Life	40	40	40	40	40	30
Effective Age	25	25	25	25	25	25
Remaining Economic Life	15	15	15	15	15	5
RCN/Unit	\$75	\$25	\$14	\$10	\$15	\$40
Total RCN	\$151,725	\$25,000	\$23,100	\$47,000	\$24,000	\$400,000
Physical Curable Depreciation	\$0	\$0	\$0	\$0	\$0	\$0
RCN Remainder	\$151,725	\$25,000	\$23,100	\$47,000	\$24,000	\$400,000
Physical Incurable Dep. %	62.50%	62.50%	62.50%	62.50%	62.50%	83.33%
Phys. Incurable Depreciation \$	\$94,828	\$15,625	\$14,438	\$29,375	\$15,000	\$333,333
Physically Depreciated Value	\$56,897	\$9,375	\$8,663	\$17,625	\$9,000	\$66,667
Functional Obsolescence %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Functional Obsolescence \$	\$0	\$0	\$0	\$0	\$0	\$0
Phys/Func. Depreciated Value	\$56,897	\$9,375	\$8,663	\$17,625	\$9,000	\$66,667
External Obsolescence %	65.92%	65.92%	65.92%	65.92%	65.92%	65.92%
External Obsolescence \$	\$37,505	\$6,180	\$5,710	\$11,618	\$5,933	\$43,945
Total Cont. Value of Imp.	\$19,392	\$3,195	\$2,952	\$6,007	\$3,067	\$22,721
Contribution Per Unit	\$9.59	\$3.20	\$1.79	\$1.28	\$1.92	\$2.27
RCN Imp. 1-6						\$670,825
Phy. Dep. Value Imp. 1-6						\$168,226
Physically Depreciation 1-6						\$502,599
Total CV of Imp. 1-6						\$57,335

Feedyard Sale 2

Lone Star Bank of West Texas to Dry Fork Holdings LLC

Imp. Analysis 7-12

Item	Imp. 7	Imp. 8	Imp. 9	Imp. 10	Imp. 11	Imp. 12
Improvement Type	Bunk and Pens	Shades	Equipment Shed	Cattle Scales	Hyd. Chute	Site Imps.
Size	10,000	12,000	360 SF	60	1	1
Unit	LF	SF	Unit	Tons	Unit	Unit
Utility	A	A	A	A	A	A
Condition	A	A	A	A	A	A
Total Economic Life	40	40	40	30	30	40
Effective Age	25	25	25	20	20	25
Remaining Economic Life	15	15	15	10	10	15
RCN/Unit	\$230	\$5	\$8	\$1,000	\$20,000	\$200,000
Total RCN	\$2,300,000	\$60,000	\$2,880	\$60,000	\$20,000	\$200,000
Physical Curable Depreciation	\$0	\$0	\$0	\$0	\$0	\$0
RCN Remainder	\$2,300,000	\$60,000	\$2,880	\$60,000	\$20,000	\$200,000
Physical Incurable Dep. %	62.50%	62.50%	62.50%	66.67%	66.67%	62.50%
Phys. Incurable Depreciation \$	\$1,437,500	\$37,500	\$1,800	\$40,000	\$13,333	\$125,000
Physically Depreciated Value	\$862,500	\$22,500	\$1,080	\$20,000	\$6,667	\$75,000
Functional Obsolescence %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Functional Obsolescence \$	\$0	\$0	\$0	\$0	\$0	\$0
Phys/Func. Depreciated Value	\$862,500	\$22,500	\$1,080	\$20,000	\$6,667	\$75,000
External Obsolescence %	65.92%	65.92%	65.92%	65.92%	65.92%	65.92%
External Obsolescence \$	\$568,544	\$14,832	\$712	\$13,184	\$4,395	\$49,439
Total Cont. Value of Imp.	\$293,956	\$7,668	\$368	\$6,816	\$2,272	\$25,561
Contribution Per Unit	\$29.40	\$0.64	\$1.02	\$113.61	\$2,272.13	\$25,561.43
RCN Imp. 7-12						\$2,642,880
Phy. Dep. Value Imp. 7-12						\$987,747
Physically Depreciation 7-12						\$1,655,133
Total CV of Imp. 7-12						\$336,643

Feedyard Sale 2

Lone Star Bank of West Texas to Dry Fork Holdings LLC

**Improvement Analysis and
Obsolescence Conclusion**

Total RCN Imp. 1-12		\$3,313,705
Total Phy. Dep Value Imp. 1-12		\$1,155,973
Total Physical Dep. 1-12	65.12%	\$2,157,732
Improvement Value From Sale		\$393,978
Difference in Physically Depreciated Value and Improvement Value	65.92%	\$761,995
Obsolescence Estimate % (Ext)		65.92%
Total CV of Improvements 1-12		\$393,978
CV of Sprinklers		\$9,120
Land Value		\$471,902
Total Value = Sale Price		\$875,000

Income Analysis

Market Rates Typical lease rates range from \$0.03 to \$0.06 per head per year. Vacancy Rates are estimated at 10 to 20 percent. Lease rates are triple net. Expenses are estimated at 5 percent for management only.

	Head / AU	Lease Rate Per Head	Days, Months, or Year	
Feedyard Income	10,000.000	\$0.030	365	\$109,500
Irrigated Cropland	0.000	\$0.000	1	\$0
Dry Cropland	0.000	\$0.00	1	\$0
Potential Gross Income				\$109,500
Vacancy and Credit Loss			-25%	(\$27,375)
Effective Gross Income				\$82,125
Operating Expense			-5%	(\$4,106)
Net Operating Income				\$78,019
Sale Price				\$875,000
Overall Rate				8.92%

Aerial Map



Map Center: 34° 51' 15.43, -100° 37' 46.34

0ft 1208ft 2417ft

Donley County
Texas



3/5/2021

Maps Provided By:



surety
CUSTOMIZED ONLINE MAPPING

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Field borders provided by Farm Service Agency as of 5/21/2008.

Feedyard Sale 3

Rex McCloy Trustee to Spartan Holdings

Transaction Data

Location	The grow yard is located 12.5 miles northwest of Stinnett, 4.0 miles southwest of Morse, 1.5 miles south of FM 281, and 0.5 miles south of CR D, along the east side of CR 7, in Hutchinson County, Texas.
Sale Date	October 11, 2022 Closed
Grantor	Rex McCloy Trustee for the Thane McCloy Trust and Sue McCloy
Grantee	Spartan Holdings LLC
Recording	V-2319, P-246, Document 383609
Legal Description	157.42 acres of land in Section 99 and a portion of Section 102, Block 5-T, T&NO RR. Co. Survey, in Hutchinson County, Texas; Save and Except 1.742 acres of land more or less S situated in the SW/4 of Section 99, Block 5-T, T&NO RR Co. Survey, Hutchinson County, Texas.
Property Tax Parcel Numbers	90636 and 104282
Terms of Sale	Cash to Seller
Sale Price	\$2,050,000
Declared Business Value (-)	\$0
Rolling Stock (-)	\$410,000
Personal Prop. (-)	\$0
Excess Land Allocation (-)	\$180,000 House and 1.742 Acres Separate Transaction
Sale Price for Real Property	\$1,460,000
Add Cost For Repairs (+)	\$0
Final Adjusted Sale Price	\$1,460,000
Feedyard Capacity (Head)	7,500
Total Sale Price Per Head Including Rolling Stock, Personal Property, and Excess Land	\$273.33
Business Value \$ Per Head	\$0.00
Rolling Stock \$ Per Head	\$54.67
Personal Property \$ Per Head	\$0.00
Excess Land \$ Per Head	\$24.00
Repair Cost \$ Per Head	\$0.00
Final Adjusted Price Per Head	\$194.67

Feedyard Sale 3

Rex McCloy Trustee to Spartan Holdings

Land Data

Total Land Acres 159.162

Excess Land Acres 1.742 acres and House Separate Transaction

Land Acres Needed for CR 157.420

Total Acres / CR AU Ratio 0.021 1.0 Feedyard Animal Unit (AU)

Necessary Land Acres / CR AU 0.021 1.0 Feedyard Animal Unit (AU)

Topography The terrain is level to gently rolling. The property is 56.46 acres of grass and 100.96 acres of feedyard building site. Wastewater application when necessary is applied to adjacent land owners through long term wastewater agreements.

Minerals All owned mineral interested conveyed to the buyer.

Road Access Access is provided by CR 7 in Hutchinson County, Texas.

Land Mix and Improvement Contribution	Land Type	Ratio	Acres	\$ / Acre	Value
	Irrigated	100.00%	0.000	\$2,500	\$0
	Dry Crop	45.00%	0.000	\$1,125	\$0
	CRP	45.00%	0.000	\$1,125	\$0
	Pasture	45.00%	56.460	\$1,125	\$63,518
	Building Site	100.00%	100.960	\$2,500	\$252,400
	Roads / Waste	10.00%	0.000	\$250	\$0
	Total		157.420		\$315,918
	Total Price/Acre				\$2,007
	CEV Sale Price				\$1,460,000
	Imp. Contribution				\$1,144,083

Utilities and Water Typical rural utilities. There property has one (1) 70 GPM water well, two (2) 10 GPM water wells, and one (50) GPM well. Water is stored in one (1) 60,000 gallon storage tank and one (1) 10,000 gallon tank. The feedyard pens are watered by a gravity continuous flow water system from the storage tanks through a system of underground pipelines.

Feedyard Sale 3

Rex McCloy Trustee to Spartan Holdings

Sprinklers	Sprinkler 1	Sprinkler 2	Sprinkler 3	Sprinkler 4	Sprinkler 5	Sprinkler 6
Improvement Type	0	0	0	0	0	0
Size	0	0	0	0	0	0
Unit	LF	LF	LF	LF	LF	LF
Utility	A	A	A	A	A	A
Condition	G	G	G	G	G	G
Total Economic Life	25	25	25	25	25	25
Effective Age	0	0	0	0	0	0
Remaining Economic Life	25	25	25	25	25	25
RCN/Unit	\$68	\$68	\$68	\$68	\$68	\$68
Total RCN	\$0	\$0	\$0	\$0	\$0	\$0
Physical Curable Depreciation	\$0	\$0	\$0	\$0	\$0	\$0
RCN Remainder	\$0	\$0	\$0	\$0	\$0	\$0
Physical Incurable Dep. %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Phys. Incurable Depreciation \$	\$0	\$0	\$0	\$0	\$0	\$0
Physically Depreciated Value	\$0	\$0	\$0	\$0	\$0	\$0
Functional Obsolescence %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Functional Obsolescence \$	\$0	\$0	\$0	\$0	\$0	\$0
Phys/Func. Depreciated Value	\$0	\$0	\$0	\$0	\$0	\$0
External Obsolescence %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
External Obsolescence \$	\$0	\$0	\$0	\$0	\$0	\$0
Total Cont. Value of Imp.	\$0	\$0	\$0	\$0	\$0	\$0
Contribution Per Unit	??	??	??	??	??	??
RCN Imp. 1-6						\$0
Phy. Dep. Value Imp. 1-6						\$0
Physically Depreciation 1-6						\$0
Total CV of Sprinklers 1-6						\$0
Imp. + Spk CV to Sale Price						\$1,144,083
Less CV of Sprinklers						\$0
Remainder CV of Improvements to Sale						\$1,144,083

Feedyard Sale 3

Rex McCloy Trustee to Spartan Holdings

Improvement Data	
Feed Bunk and Pens	Per Sale Brochure: The feedyard has 7,750 linear feet of concrete feed bunk with attached concrete apron and steel pipe and cable feed pens. There are 56 feed pens with 1,500,000 square feet of space. The practical feeding capacity is 7,500 head with 200 square feet of space per animal. The feed pens have in-place livestock drinkers and a continuous flow water system and sprinkler systems for cooling cattle. The feed pens are improved with windbreaks, loafing sheds, cattle traffic alleys, two (2) shipping and receiving areas, two (2) hospital sheds and one (1) main processing. The drive lanes adjacent to the feed bunk are improved with all-weather surface materials. The feedyard CAFO Permit is for 12,300 head.
Processing and Hospital Barns	The grow yard is improved with 1 x 21' x 30' = 630 square foot processing barn with a Bowman hydraulic chute, alley and snake. There are two small hospitals located within the feed pens.
Office Building	The grow yard is improved with 1 x 1,200 square foot steel construction office building with private offices, a lobby, scale room, restrooms, conference room and kitchen. There is a 10' x 80' set of in-ground truck scales located adjacent to the office.
Shop Buildings	The feedyard is improved with a 3,600 square foot steel construction shop building and a separate 3,850 square foot steel construction welding shop building.
Horse Barn, Cattle Shades, Commodity Barns, and Hay Barn	Support buildings include 1 x 22' x 70' = 1,540 SF steel construction horse barn; 1 x 40' x 80' = 3,200 square foot open sided steel construction hay barn; 1 x 32' x 60' = 1,920 SF steel and concrete construction 3-bay commodity barn; 1 x 40' x 120' = 4,800 SF steel and concrete construction 6-bay commodity barn; 1 x 10' x 16' = 160 SF micro building; 1 x 20' x 30' steel construction farm storage building; 1 x 20' x 108' = 2,160 SF steel construction loafing shed; 1 x 20' x 142' = 2,840 SF steel construction loafing shed; 1 x 18' x 90' = 1,620 SF steel construction loafing shed.
Dwellings	The feedyard is improved with 1 x 1,600 SF wood frame brick veneer managers dwelling. The feedyard has a 4,000 SF wood frame brick veneer owners dwelling plus garage and out buildings located on a 1.742 adjacent acres that was purchased in a separate transaction from the feedyard transaction for \$180,000.
Other Structures and Equipment	The feedyard has 1 x 60,000 gallon water storage tank, 1 x 10,000 gallon water storage tank, 1 x 10,000 gallon fat tank, 1 x 10' x 80' 100,000 lb. Set of truck scales, 1 x high moisture concrete construction corn dump, 5 x silage pits with a total capacity of 56,000 tons, steel construction wind breaks,
Site Improvements and Land Use	The site improvements include excavation and dirt work for the pens and building improvements, gravel/caliche drives and parking, three (3) retention ponds/lagoons, (1) 70 GPM water well, two (2) 10 GPM water wells, one (1) 50 GPM water well, underground pipelines, and underground utility lines.
Rolling Stock	Rolling stock included one (1) 2005 Peterbilt truck with Roto-Mix 620-16 feed box; one (1) 2011 International Workstar truck with Roto-Mix 620-16 feed box; one (1) 1983 Ford tandem axle dump truck; one (1) 1988 Mack tandem axle dump truck; one (1) 1995 Mack tandem axle silage truck; one (1) 2018 JD 544L loader; one (1) 1987 Case International 9270 4WD tractor with front blade; one (1) 1990 JD 4960 4WD tractor; one (1) JD 2955 4WD tractor with bunk sweeper; one (1) 2000 New Holland TN65D tractor; one (1) 2018 Holcomb scraper; one (1) bunk cleaner; one (1) New Holland 32A front end loader; one (1) bale fork; one (1) bale trailer; one Miller 225 Bobcat welder mounted on a trailer with oxygen, acetylene and torch; one Lincoln electric mig welder; one (1) 2007 Chevy pickup; one (1) 2006 Dodge Ram 1500 pickup; one (1) high moisture corn grinder; and one (1) scraper. The rolling stock was valued at \$410,000.
YOC and Effective Age	The feedyard was constructed in the 1990's to 2000's. The overall composite effective age was estimated at 10 years.
Comments	The sale was confirmed with Dick Bretz, Listing Broker, Eslabon Properties. Listed at \$2,600,000.

Feedyard Sale 3

Rex McCloy Trustee to Spartan Holdings

Imp. Analysis 1-6						
Item	Imp. 1	Imp. 2	Imp. 3	Imp. 4	Imp. 5	Imp. 6
Improvement Type	Office Bldg.	1 Processing Hosp. Barn	3 x Cattle Sheds	1 x Horse Barn	2 x Shop Buildings	2 x Commodity Barns
Size	1,200	630	6,620	1,540	7,450	6,720
Unit	SF	SF	SF	SF	SF	SF
Utility	A	A	A	A	A	A
Condition	A	A	A	A	A	A
Total Economic Life	40	40	40	40	40	40
Effective Age	10	10	10	10	10	10
Remaining Economic Life	30	30	30	30	30	30
RCN/Unit	\$80	\$30	\$10	\$12	\$15	\$25
Total RCN	\$96,000	\$18,900	\$66,200	\$18,480	\$111,750	\$168,000
Physical Curable Depreciation	\$0	\$0	\$0	\$0	\$0	\$0
RCN Remainder	\$96,000	\$18,900	\$66,200	\$18,480	\$111,750	\$168,000
Physical Incurable Dep. %	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%
Phys. Incurable Depreciation \$	\$24,000	\$4,725	\$16,550	\$4,620	\$27,938	\$42,000
Physically Depreciated Value	\$72,000	\$14,175	\$49,650	\$13,860	\$83,813	\$126,000
Functional Obsolescence %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Functional Obsolescence \$	\$0	\$0	\$0	\$0	\$0	\$0
Phys/Func. Depreciated Value	\$72,000	\$14,175	\$49,650	\$13,860	\$83,813	\$126,000
External Obsolescence %	51.64%	51.64%	51.64%	51.64%	51.64%	51.64%
External Obsolescence \$	\$37,184	\$7,321	\$25,641	\$7,158	\$43,284	\$65,071
Total Cont. Value of Imp.	\$34,816	\$6,854	\$24,009	\$6,702	\$40,528	\$60,929
Contribution Per Unit	\$29.01	\$10.88	\$3.63	\$4.35	\$5.44	\$9.07
RCN Imp. 1-6						\$479,330
Phy. Dep. Value Imp. 1-6						\$359,498
Physically Depreciation 1-6						\$119,833
Total CV of Imp. 1-6						\$173,839

Feedyard Sale 3

Rex McCloy Trustee to Spartan Holdings

Imp. Analysis 7-12						
Item	Imp. 7	Imp. 8	Imp. 9	Imp. 10	Imp. 11	Imp. 12
Improvement Type	Bunk/Pens 7,500 Head	Liquid Tanks	Dwelling	Truck Scales	Hyd. Chute	Site Imps.
Size	7,750	80,000	1,600	50	1	1
Unit	LF	Gallons	SF	Tons	Unit	Unit
Utility	A	A	A	A	A	A
Condition	A	A	A	A	A	A
Total Economic Life	40	30	60	30	30	40
Effective Age	10	10	10	10	10	10
Remaining Economic Life	30	20	50	20	20	30
RCN/Unit	\$250	\$1	\$100	\$1,500	\$25,000	\$400,000
Total RCN	\$1,937,500	\$80,000	\$160,000	\$75,000	\$25,000	\$400,000
Physical Curable Depreciation	\$0	\$0	\$0	\$0	\$0	\$0
RCN Remainder	\$1,937,500	\$80,000	\$160,000	\$75,000	\$25,000	\$400,000
Physical Incurable Dep. %	25.00%	33.33%	16.67%	33.33%	33.33%	25.00%
Phys. Incurable Depreciation \$	\$484,375	\$26,667	\$26,667	\$25,000	\$8,333	\$100,000
Physically Depreciated Value	\$1,453,125	\$53,333	\$133,333	\$50,000	\$16,667	\$300,000
Functional Obsolescence %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Functional Obsolescence \$	\$0	\$0	\$0	\$0	\$0	\$0
Phys/Func. Depreciated Value	\$1,453,125	\$53,333	\$133,333	\$50,000	\$16,667	\$300,000
External Obsolescence %	51.64%	51.64%	51.64%	51.64%	51.64%	51.64%
External Obsolescence \$	\$750,451	\$27,543	\$68,859	\$25,822	\$8,607	\$154,932
Total Cont. Value of Imp.	\$702,674	\$25,790	\$64,475	\$24,178	\$8,059	\$145,068
Contribution Per Unit	\$90.67	\$0.32	\$40.30	\$483.56	\$8,059.34	\$145,068.11
RCN Imp. 7-12						\$2,677,500
Phy. Dep. Value Imp. 7-12						\$2,006,458
Physically Depreciation 7-12						\$671,042
Total CV of Imp. 7-12						\$970,244

Feedyard Sale 3

Rex McCloy Trustee to Spartan Holdings

**Improvement Analysis and
Obsolescence Conclusion**

Total RCN Imp. 1-12		\$3,156,830
Total Phy. Dep Value Imp. 1-12		\$2,365,956
Total Physical Dep. 1-12	25.05%	\$790,874
Improvement Value From Sale		\$1,144,083
Difference in Physically Depreciated Value and Improvement Value	51.64%	\$1,221,873
Obsolescence Estimate % (Ext)		51.64%
Total CV of Improvements 1-12		\$1,144,083
CV of Sprinklers		\$0
Land Value		\$315,918
Total Value = Sale Price		\$1,460,000

Income Analysis

Market Rates Typical lease rates range from \$0.03 to \$0.06 per head per year. Vacancy Rates are estimated at 10 to 20 percent. Lease rates are triple net. Expenses are estimated at 5 percent for management only.

	Head / AU	Lease Rate Per Head	Days, Months, or Year	
Feedyard Income	7,500.000	\$0.050	365	\$136,875
Irrigated Cropland	0.000	\$0.000	1	\$0
Dry Cropland	0.000	\$0.00	1	\$0
Potential Gross Income				\$136,875
Vacancy and Credit Loss			-20%	(\$27,375)
Effective Gross Income				\$109,500
Operating Expense			-5%	(\$5,475)
Net Operating Income				\$104,025
Sale Price				\$1,460,000
Overall Rate				7.13%

Aerial Map



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Boundary Center: 35° 59' 51.71, -101° 30' 40.72

0ft 595ft 1190ft

Hutchinson County
Texas



6/14/2023

Maps Provided By:



surety
CUSTOMIZED ONLINE MAPPING

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Field borders provided by Farm Service Agency as of 5/21/2008.

Feedyard Sale 4

Clifford Oldham to Hall Cattle Feeders LLC

Transaction Data

Location	The grow yard is located approximately 6.2 miles east of the Shamrock Central Business District, along the south side of IH-40 and the west side of FM 1802, in Wheeler County, Texas.
Sale Date	September 12, 2019 Closed
Grantor	Clifford Oldham
Grantee	Hall Cattle Feeders LLC
Recording	V-748, P-520, Document 56333
Legal Description	69.35 acres of land out of the E/2 of the NE/4 of Section 48, Block 13, H&GN Survey, Wheeler County, Texas.
Property Tax Parcel Numbers	3917, 3918 and 3919
Terms of Sale	Cash to Seller
Sale Price	\$850,000
Declared Business Value (-)	\$0
Rolling Stock (-)	\$150,000
Personal Prop. (-)	\$0
Excess Land Allocation (-)	\$0
Sale Price for Real Property	\$700,000
Add Cost For Repairs (+)	\$0
Final Adjusted Sale Price	\$700,000
Feedyard Capacity (Head)	4,000
Total Sale Price Per Head Including Rolling Stock, Personal Property, and Excess Land	\$212.50
Business Value \$ Per Head	\$0.00
Rolling Stock \$ Per Head	\$37.50
Personal Property \$ Per Head	\$0.00
Excess Land \$ Per Head	\$0.00
Repair Cost \$ Per Head	\$0.00
Final Adjusted Price Per Head	\$175.00

Feedyard Sale 4

Clifford Oldham to Hall Cattle Feeders LLC

Land Data

Total Land Acres 69.350

Excess Land Acres 0.000

Land Acres Needed for CR 69.350

Total Acres / CR AU Ratio 0.017 1.0 Feedyard Animal Unit (AU)

Necessary Land Acres / CR AU 0.017 1.0 Feedyard Animal Unit (AU)

Topography The terrain is generally level ranging from 2,273 to 2,292 feet.

Minerals Fractional

Road Access Access is provided by FM 1802.

Land Mix and Improvement Contribution	Land Type	Ratio	Acres	\$ / Acre	Value
	Irrigated	100.00%	0.000	\$3,110	\$0
	Dry Crop	30.00%	0.000	\$933	\$0
	CRP	30.00%	0.000	\$933	\$0
	Pasture	20.00%	29.350	\$622	\$18,256
	Building Site	100.00%	40.000	\$3,110	\$124,400
	Roads / Waste	10.00%	0.000	\$311	\$0
	Total		69.350		\$142,656
	Total Price/Acre				\$2,057
	CEV Sale Price				\$700,000
	Imp. Contribution				\$557,344

Utilities and Water Typical rural utilities. The feedyard operates off of a 12 inch water line from Shamrock. There are no wells on the property. Water costs run at the time of sale was \$1,000 per month in the summer at full capacity.

Feedyard Sale 4**Clifford Oldham to Hall Cattle Feeders LLC**

Sprinklers	Sprinkler 1	Sprinkler 2	Sprinkler 3	Sprinkler 4	Sprinkler 5	Sprinkler 6
Improvement Type	0	0	0	0	0	0
Size	0	0	0	0	0	0
Unit	LF	LF	LF	LF	LF	LF
Utility	A	A	A	A	A	A
Condition	G	G	G	G	G	G
Total Economic Life	25	25	25	25	25	25
Effective Age	0	0	0	0	0	0
Remaining Economic Life	25	25	25	25	25	25
RCN/Unit	\$68	\$68	\$68	\$68	\$68	\$68
Total RCN	\$0	\$0	\$0	\$0	\$0	\$0
Physical Curable Depreciation	\$0	\$0	\$0	\$0	\$0	\$0
RCN Remainder	\$0	\$0	\$0	\$0	\$0	\$0
Physical Incurable Dep. %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Phys. Incurable Depreciation \$	\$0	\$0	\$0	\$0	\$0	\$0
Physically Depreciated Value	\$0	\$0	\$0	\$0	\$0	\$0
Functional Obsolescence %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Functional Obsolescence \$	\$0	\$0	\$0	\$0	\$0	\$0
Phys/Func. Depreciated Value	\$0	\$0	\$0	\$0	\$0	\$0
External Obsolescence %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
External Obsolescence \$	\$0	\$0	\$0	\$0	\$0	\$0
Total Cont. Value of Imp.	\$0	\$0	\$0	\$0	\$0	\$0
Contribution Per Unit	??	??	??	??	??	??
RCN Imp. 1-6						\$0
Phy. Dep. Value Imp. 1-6						\$0
Physically Depreciation 1-6						\$0
Total CV of Sprinklers 1-6						\$0
Imp. + Spk CV to Sale Price						\$557,344
Less CV of Sprinklers						\$0
Remainder CV of Improvements to Sale						\$557,344

Feedyard Sale 4

Clifford Oldham to Hall Cattle Feeders LLC

Improvement Data	
Feed Bunk and Pens	The feedyard has 3,149 LF of concrete bunk with attached apron. The feed pens are constructed with pipe and cable fencing. The pens have drinkers with concrete aprons that are connected a continuous flow water system. The pens and bunk are in average condition. The feeding capacity was estimated at 4,000 head which is 9.45 inches per AU and 157 square feet of space per AU.
Commodity Barn	The commodity barn is 30' x 137' = 4,110 SF. The building is concrete and steel construction with six (6) feed bays and a 25' concrete loading pad.
Horse Shed	The feedyard has one (1) 10' x 77' = 770 SF horse shed with tack room and four pens with runs.
Processing Barn	The feedyard is improved with one (1) 40' x 60' = 2,400 SF processing barn with attached Trojan hydraulic chute and cattle snake.
Dwellings	The feedyard property is improved with one (1) mobile home with no significant value.
Associated Attached Equipment	Attached equipment includes one (1) Trojan hydraulic working chute, and one (1) set of Rusty Weigh scales with a 20,000 pound capacity.
Feed Mill Complex and Attached Equipment	The grain storage system has a total capacity of 250,000 pounds. The feedyard has One (1) 10" x 36" R&R Machine Works dry roll mill with a 900 BPH milling capacity. The grow yard is also improved with 16,000 gallons of liquid storage.
Site Improvements and Land Use	The site improvements include excavation and dirt work for the pens and building improvements, gravel/caliche drives and parking, retention ponds/lagoons, utility connections, underground pipelines, and underground utility lines.
Rolling Stock	Rolling stock included one (1) 2006 Peterbilt truck with Roto-Mix 620-16 feed box; one (1) 2008 JD 444J High Lift with hydraulics, quick-tach hay forks, and bunk sweeper; and one (1) 2005 JD 317 Skid Steer Loader with hay fork. The rolling stock was valued at \$150,000 or \$37.50 per head based on a total capacity of 4,000 head.
YOC and Effective Age	The feedyard was constructed from 2001-2003. The overall composite effective age was estimated at 10 years.
Comments	The sale was confirmed with Dick Bretz, Listing Broker, Esplan Properties. WCAD Property Tax ID Numbers 3917, 3918 and 3919. Annual property taxes are \$1,900.

Feedyard Sale 4

Clifford Oldham to Hall Cattle Feeders LLC

Imp. Analysis 1-6

Item	Imp. 1	Imp. 2	Imp. 3	Imp. 4	Imp. 5	Imp. 6
Improvement Type	Feed Pens and Bunk	Grain Storage Sys.	Processing Barn	Horse Barn	Commodity Barn	10" x 36" Dry Roll Mill
Size	4,000	4,032	2,400	770	4,110	1
Unit	LF	Bushels	SF	SF	SF	Unit
Utility	A	A	A	A	A	A
Condition	A	A	A	A	A	A
Total Economic Life	40	40	40	40	40	30
Effective Age	10	10	10	10	10	10
Remaining Economic Life	30	30	30	30	30	20
RCN/Unit	\$240	\$4	\$20	\$15	\$30	\$100,000
Total RCN	\$960,000	\$16,128	\$48,000	\$11,550	\$123,300	\$100,000
Physical Curable Depreciation	\$0	\$0	\$0	\$0	\$0	\$0
RCN Remainder	\$960,000	\$16,128	\$48,000	\$11,550	\$123,300	\$100,000
Physical Incurable Dep. %	25.00%	25.00%	25.00%	25.00%	25.00%	33.33%
Phys. Incurable Depreciation \$	\$240,000	\$4,032	\$12,000	\$2,888	\$30,825	\$33,333
Physically Depreciated Value	\$720,000	\$12,096	\$36,000	\$8,663	\$92,475	\$66,667
Functional Obsolescence %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Functional Obsolescence \$	\$0	\$0	\$0	\$0	\$0	\$0
Phys/Func. Depreciated Value	\$720,000	\$12,096	\$36,000	\$8,663	\$92,475	\$66,667
External Obsolescence %	55.84%	55.84%	55.84%	55.84%	55.84%	55.84%
External Obsolescence \$	\$402,060	\$6,755	\$20,103	\$4,837	\$51,640	\$37,228
Total Cont. Value of Imp.	\$317,940	\$5,341	\$15,897	\$3,825	\$40,835	\$29,439
Contribution Per Unit	\$79.48	\$1.32	\$6.62	\$4.97	\$9.94	\$29,438.86
RCN Imp. 1-6						\$1,258,978
Phy. Dep. Value Imp. 1-6						\$935,900
Physically Depreciation 1-6						\$323,078
Total CV of Imp. 1-6						\$413,278

Feedyard Sale 4

Clifford Oldham to Hall Cattle Feeders LLC

Imp. Analysis 7-12

Item	Imp. 7	Imp. 8	Imp. 9	Imp. 10	Imp. 11	Imp. 12
Improvement Type	Cattle Scales	Hyd. Chute	Site Imp.	0	0	0
Size	1	1	1	1	1	1
Unit	Unit	Unit	Unit	Unit	Unit	Unit
Utility	A	A	A	A	A	A
Condition	A	A	A	A	A	A
Total Economic Life	40	40	40	40	40	40
Effective Age	10	10	10	0	0	0
Remaining Economic Life	30	30	30	40	40	40
RCN/Unit	\$35,000	\$1	\$400,000	\$0	\$0	\$0
Total RCN	\$35,000	\$1	\$400,000	\$0	\$0	\$0
Physical Curable Depreciation	\$0	\$0	\$0	\$0	\$0	\$0
RCN Remainder	\$35,000	\$1	\$400,000	\$0	\$0	\$0
Physical Incurable Dep. %	25.00%	25.00%	25.00%	0.00%	0.00%	0.00%
Phys. Incurable Depreciation \$	\$8,750	\$0	\$100,000	\$0	\$0	\$0
Physically Depreciated Value	\$26,250	\$1	\$300,000	\$0	\$0	\$0
Functional Obsolescence %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Functional Obsolescence \$	\$0	\$0	\$0	\$0	\$0	\$0
Phys/Func. Depreciated Value	\$26,250	\$1	\$300,000	\$0	\$0	\$0
External Obsolescence %	55.84%	55.84%	55.84%	55.84%	55.84%	55.84%
External Obsolescence \$	\$14,658	\$0	\$167,525	\$0	\$0	\$0
Total Cont. Value of Imp.	\$11,592	\$0	\$132,475	\$0	\$0	\$0
Contribution Per Unit	\$11,591.55	\$0.33	\$132,474.88	\$0.00	\$0.00	\$0.00
RCN Imp. 7-12						\$435,001
Phy. Dep. Value Imp. 7-12						\$326,251
Physically Depreciation 7-12						\$108,750
Total CV of Imp. 7-12						\$144,067

Improvement Analysis and

Feedyard Sale 4

Clifford Oldham to Hall Cattle Feeders LLC

Obsolescence Conclusion

Total RCN Imp. 1-12		\$1,693,979
Total Phy. Dep Value Imp. 1-12		\$1,262,151
Total Physical Dep. 1-12	25.49%	\$431,828
Improvement Value From Sale		\$557,344
Difference in Physically Depreciated Value and Improvement Value	55.84%	\$704,807
Obsolescence Estimate % (Ext)		55.84%
Total CV of Improvements 1-12		\$557,344
CV of Sprinklers		\$0
Land Value		\$142,656
Total Value = Sale Price		\$700,000

Income Analysis

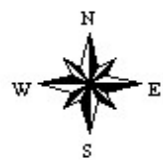
Market Rates Typical lease rates range from \$0.03 to \$0.06 per head per year. Vacancy Rates are estimated at 10 to 20 percent. Lease rates are triple net. Expenses are estimated at 5 percent for management only.

	Head / AU	Lease Rate Per Head	Days, Months, or Year	
Feedyard Income	4,000.000	\$0.040	365	\$58,400
Irrigated Cropland	0.000	\$0.000	1	\$0
Dry Cropland	0.000	\$0.00	1	\$0
Potential Gross Income				\$58,400
Vacancy and Credit Loss			-15%	(\$8,760)
Effective Gross Income				\$49,640
Operating Expense			-5%	(\$2,482)
Net Operating Income				\$47,158
Sale Price				\$700,000
Overall Rate				6.74%

Aerial Map



Map Center: 35° 13' 26.17, -100° 7' 58.62



8/12/2019

Wheeler County Texas

Feedyard Sale 5**Kansas Feedyard / Centera Bank to Capstone Feeders LLC****Transaction Data**

Location	The grow yard is located approximately 13.5 miles southwest of the Jetmore Kansas and 2.5 miles south of SH-156, along the west side of SW CR 205, the north side of H Road, and the north and south sides of I Road, in Hodgeman County, Kansas. The physical address is 17485 SW 205 Road, Jetmore, Kansas 67854.
Sale Date	September 24, 2021 Closed
Grantor	Kansas Feedyard / Centera Bank
Grantee	Capstone Feeders LLC
Recording	HCDR
Legal Description	466.0 acres out of the SE/4 of Section 23 and the E/2 of Section 26, T23S, R26W, Hodgeman County, Kansas.
Property Tax Parcel Numbers	HCA
Terms of Sale	Cash to Seller
Sale Price	\$1,450,000
Declared Business Value (-)	\$0
Rolling Stock (-)	\$100,000 Wheat Crop, Silage and Feed Commodities
Personal Prop. (-)	\$0
Excess Land Allocation (-)	\$0
Sale Price for Real Property	\$1,350,000
Add Cost For Repairs (+)	\$0
Final Adjusted Sale Price	\$1,350,000
Feedyard Capacity (Head)	7,500
Total Sale Price Per Head Including Rolling Stock, Personal Property, and Excess Land	\$193.33
Business Value \$ Per Head	\$0.00
Rolling Stock \$ Per Head	\$13.33
Personal Property \$ Per Head	\$0.00
Excess Land \$ Per Head	\$0.00
Repair Cost \$ Per Head	\$0.00
Final Adjusted Price Per Head	\$180.00

Feedyard Sale 5

Kansas Feedyard / Centera Bank to Capstone Feeders LLC

Land Data

Total Land Acres 466.000

Excess Land Acres 0.000

Land Acres Needed for CR 466.000

Total Acres / CR AU Ratio 0.062 1.0 Feedyard Animal Unit (AU)

Necessary Land Acres / CR AU 0.062 1.0 Feedyard Animal Unit (AU)

Topography The terrain is generally level ranging from 2,562 to 2,584 feet.

Minerals Fractional

Road Access Access is provided by SW CR 205, CR H and CR I.

Land Mix and Improvement Contribution	Land Type	Ratio	Acres	\$ / Acre	Value
	Irrigated	100.00%	212.000	\$3,000	\$636,000
	Dry Crop	30.00%	188.000	\$900	\$169,200
	CRP	30.00%	0.000	\$900	\$0
	Pasture	20.00%	0.000	\$600	\$0
	Building Site	100.00%	66.000	\$3,000	\$198,000
	Roads / Waste	10.00%	0.000	\$300	\$0
	Total		466.000		\$1,003,200
	Total Price/Acre				\$2,153
	CEV Sale Price				\$1,350,000
	Imp. Contribution				\$346,800

Utilities and Water Typical rural utilities. The feedyard operates off of one (1) main 150 GPM well with a total legal water right of 211.75 acre feet per year (Water Right 43288). There are two (2) additional good wells that are drilled and capped off. Therefore 211.75 AF x 325,850 gallons per AF = 68,998,738 gallons of annual water. 68,998,738 gallons / 365 days = 189,038 gallons per day / 13 gallons per animal = 14,541 head capacity or 189,038 gallons per day / 7,500 head feeding capacity = 25 gallons of water per animal per day water right. The actual pumping rate of the one (1) functioning well is 150 GPM. Therefore, 150 GPM x 60 minutes = 9,000 gallons of water per hour x 12 hours = 108,000 gallons of water per day / 7,500 head = 14.4 gallons of water per animal per day available. The feedyard farmland is improved with one (1) 125 GPM irrigation well, one (1) 155 GPM irrigation well, and one (1) 160 GPM irrigation well. The irrigation well right permit number is 23522. The total pumping rate is 440 GPM. Therefore, 440 GPM / 212 sprinkler irrigated acres = 2.08 GPM per irrigated acre. Lagoon wastewater is also applied to the irrigated land. The irrigation wells can be diverted to the feedyard if necessary.

Feedyard Sale 5**Kansas Feedyard / Centera Bank to Capstone Feeders LLC**

Sprinklers	Sprinkler 1	Sprinkler 2	Sprinkler 3	Sprinkler 4	Sprinkler 5	Sprinkler 6
Improvement Type	7-T Valley	7-T Valley	0	0	0	0
Size	1,305	1,220	0	0	0	0
Unit	LF	LF	LF	LF	LF	LF
Utility	A	A	A	A	A	A
Condition	G	G	G	G	G	G
Total Economic Life	25	25	25	25	25	25
Effective Age	15	15	0	0	0	0
Remaining Economic Life	10	10	25	25	25	25
RCN/Unit	\$68	\$68	\$68	\$68	\$68	\$68
Total RCN	\$88,740	\$82,960	\$0	\$0	\$0	\$0
Physical Curable Depreciation	\$0	\$0	\$0	\$0	\$0	\$0
RCN Remainder	\$88,740	\$82,960	\$0	\$0	\$0	\$0
Physical Incurable Dep. %	60.00%	60.00%	0.00%	0.00%	0.00%	0.00%
Phys. Incurable Depreciation \$	\$53,244	\$49,776	\$0	\$0	\$0	\$0
Physically Depreciated Value	\$35,496	\$33,184	\$0	\$0	\$0	\$0
Functional Obsolescence %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Functional Obsolescence \$	\$0	\$0	\$0	\$0	\$0	\$0
Phys/Func. Depreciated Value	\$35,496	\$33,184	\$0	\$0	\$0	\$0
External Obsolescence %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
External Obsolescence \$	\$0	\$0	\$0	\$0	\$0	\$0
Total Cont. Value of Imp.	\$35,496	\$33,184	\$0	\$0	\$0	\$0
Contribution Per Unit	\$27.20	\$27.20	??	??	??	??
RCN Imp. 1-6						\$171,700
Phy. Dep. Value Imp. 1-6						\$68,680
Physically Depreciation 1-6						\$103,020
Total CV of Sprinklers 1-6						\$68,680
Imp. + Spk CV to Sale Price						\$346,800
Less CV of Sprinklers						\$68,680
Remainder CV of Improvements to Sale						\$278,120

Feedyard Sale 5

Kansas Feedyard / Centera Bank to Capstone Feeders LLC

Improvement Data	
Feed Bunk and Pens	The feedyard has 5,940 LF of concrete bunk with attached apron and pipe pens. The feed pens are constructed with pipe and cable fencing. The pens have Johnson livestock drinkers with concrete aprons that are connected a continuous flow water system. The pens and bunk are in average condition. The feeding capacity was estimated at 7,500 head which is 9.5 inches per AU and 148 square feet of space per AU. The feedyard was permitted for 13,000 head at the time of sale.
Office	The office building is 34' x 34' = 1,156 SF with three (3) individual offices, lobby, scale room, and restrooms. The building is steel construction with a steel panel roof system constructed on a concrete slab.
Horse Barn / Livestock Shed	The feedyard is improved with a steel construction 15' x 68' = 1,020 SF horse barn with three (3) attached pens / runs and attached 22' x 28' = 616 SF tack room. The total building square footage is 1,636 SF. The feedyard is also improved with one (1) 2,920 SF steel construction livestock loafing shed with four (1) attached pens / runs and alley.
Processing Barn	The feedyard is improved with one (1) 44' x 80' = 3,520 SF processing barn with interior pens and attached Silencer hydraulic chute and cattle snake.
Dwellings	The feedyard contained a dwelling but the dwelling and a small amount of acreage was separated from the feedyard and sold to the feedyards original owner's widow. The dwelling and small acreage was not part of this feedyard sale.
Associated Attached Equipment	Attached equipment includes one (1) Silencer hydraulic working chute, one (1) set of 14' x 80' J&S combination cattle and truck scales, one (1) 110,000 lb liquid storage tank, one (1) 75,000 lb liquid storage tank, one (1) 15 to 20 year old 7-Tower 1,305 LF Valley sprinkler, and one (1) 15 to 20 year old 7-Tower 1,220 LF Valley sprinkler.
Feed Mill Grain Storage Complex Plus Commodity Barn	The grain storage system is includes five (5) steel grain bins with a total capacity of 50,000 bushels, one (1) 110' tall grain elevator leg, and a 300 bushel in-ground unloading pit. The feedmill building is a steel construction 4,265 square feet structure improved with interior commodity bins and one (1) Denver dry roll mill. There are two (2) steel construction cone bottom supplement bins located outside of the feed mill building and one (1) 30' x 40' = 1,200 SF steel and concrete construction commodity barn with attached 15' x 30' = 450 SF open concrete pad with push wall located outside the feed mill building.
Site Improvements and Land Use	The site improvements include excavation and dirt work for the pens and building improvements, gravel/caliche drives and parking, retention ponds/lagoons, utility connections, underground pipelines, and underground utility lines. Additional improvements include a 140' x 275' roping pen with return alley, some small sheds, and one (1) small horse shed with two (2) attached pens. The wells that were previously mentioned are a component of the land value. Other site improvements included two (2) retention ponds and one (1) settling basin.
Rolling Stock	Rolling stock included onsite silage, onsite feed commodities, and an unharvested wheat in the field. The rolling stock was valued at \$100,000.
YOC and Effective Age	The feedyard was constructed in the 1990's and 2000's. The overall composite effective age was estimated at 15 years.
Comments	The sale was confirmed with Dick Bretz, Listing Broker, Eslabon Properties. The property was marketed by Eslabon Properties and exposed to the open market prior to selling. The sale price was market value.

Feedyard Sale 5

Kansas Feedyard / Centera Bank to Capstone Feeders LLC

Imp. Analysis 1-6

Item	Imp. 1	Imp. 2	Imp. 3	Imp. 4	Imp. 5	Imp. 6
Improvement Type	Feed Pens and Bunk	Grain Storage Sys.	Processing Barn	Horse Barn	Commodity Barn	Denver Dry Roll Mill
Size	5,940	50,000	3,520	1,636	1,200	1
Unit	LF	Bushels	SF	SF	SF	Unit
Utility	A	A	A	A	A	A
Condition	A	A	A	A	A	A
Total Economic Life	40	40	40	40	40	30
Effective Age	15	15	15	15	15	15
Remaining Economic Life	25	25	25	25	25	15
RCN/Unit	\$240	\$3	\$25	\$14	\$25	\$100,000
Total RCN	\$1,425,600	\$150,000	\$88,000	\$22,904	\$30,000	\$100,000
Physical Curable Depreciation	\$0	\$0	\$0	\$0	\$0	\$0
RCN Remainder	\$1,425,600	\$150,000	\$88,000	\$22,904	\$30,000	\$100,000
Physical Incurable Dep. %	37.50%	37.50%	37.50%	37.50%	37.50%	50.00%
Phys. Incurable Depreciation \$	\$534,600	\$56,250	\$33,000	\$8,589	\$11,250	\$50,000
Physically Depreciated Value	\$891,000	\$93,750	\$55,000	\$14,315	\$18,750	\$50,000
Functional Obsolescence %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Functional Obsolescence \$	\$0	\$0	\$0	\$0	\$0	\$0
Phys/Func. Depreciated Value	\$891,000	\$93,750	\$55,000	\$14,315	\$18,750	\$50,000
External Obsolescence %	82.30%	82.30%	82.30%	82.30%	82.30%	82.30%
External Obsolescence \$	\$733,277	\$77,155	\$45,264	\$11,781	\$15,431	\$41,149
Total Cont. Value of Imp.	\$157,723	\$16,595	\$9,736	\$2,534	\$3,319	\$8,851
Contribution Per Unit	\$26.55	\$0.33	\$2.77	\$1.55	\$2.77	\$8,850.90
RCN Imp. 1-6						\$1,816,504
Phy. Dep. Value Imp. 1-6						\$1,122,815
Physically Depreciation 1-6						\$693,689
Total CV of Imp. 1-6						\$198,758

Feedyard Sale 5

Kansas Feedyard / Centera Bank to Capstone Feeders LLC

Imp. Analysis 7-12						
Item	Imp. 7	Imp. 8	Imp. 9	Imp. 10	Imp. 11	Imp. 12
Improvement Type	Cattle Scales	Hyd. Chute	Site Imp.	Livestock Bldg.	Office Building	Mill Building
Size	1	1	1	2,920	1,156	4,240
Unit	Unit	Unit	Unit	SF	SF	SF
Utility	A	A	A	A	A	A
Condition	A	A	A	A	A	A
Total Economic Life	40	40	40	40	40	40
Effective Age	15	15	15	15	15	15
Remaining Economic Life	25	25	25	25	25	25
RCN/Unit	\$80,000	\$25,000	\$400,000	\$12	\$80	\$20
Total RCN	\$80,000	\$25,000	\$400,000	\$35,040	\$92,480	\$84,800
Physical Curable Depreciation	\$0	\$0	\$0	\$0	\$0	\$0
RCN Remainder	\$80,000	\$25,000	\$400,000	\$35,040	\$92,480	\$84,800
Physical Incurable Dep. %	37.50%	37.50%	37.50%	37.50%	37.50%	37.50%
Phys. Incurable Depreciation \$	\$30,000	\$9,375	\$150,000	\$13,140	\$34,680	\$31,800
Physically Depreciated Value	\$50,000	\$15,625	\$250,000	\$21,900	\$57,800	\$53,000
Functional Obsolescence %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Functional Obsolescence \$	\$0	\$0	\$0	\$0	\$0	\$0
Phys/Func. Depreciated Value	\$50,000	\$15,625	\$250,000	\$21,900	\$57,800	\$53,000
External Obsolescence %	82.30%	82.30%	82.30%	82.30%	82.30%	82.30%
External Obsolescence \$	\$41,149	\$12,859	\$205,746	\$18,023	\$47,568	\$43,618
Total Cont. Value of Imp.	\$8,851	\$2,766	\$44,254	\$3,877	\$10,232	\$9,382
Contribution Per Unit	\$8,850.90	\$2,765.91	\$44,254.49	\$1.33	\$8.85	\$2.21
RCN Imp. 7-12						\$717,320
Phy. Dep. Value Imp. 7-12						\$448,325
Physically Depreciation 7-12						\$268,995
Total CV of Imp. 7-12						\$79,362

Feedyard Sale 5

Kansas Feedyard / Centera Bank to Capstone Feeders LLC

**Improvement Analysis and
Obsolescence Conclusion**

Total RCN Imp. 1-12		\$2,533,824
Total Phy. Dep Value Imp. 1-12		\$1,571,140
Total Physical Dep. 1-12	37.99%	\$962,684
Improvement Value From Sale		\$278,120
Difference in Physically Depreciated Value and Improvement Value	82.30%	\$1,293,020
Obsolescence Estimate % (Ext)		82.30%
Total CV of Improvements 1-12		\$278,120
CV of Sprinklers		\$68,680
Land Value		\$1,003,200
Total Value = Sale Price		\$1,350,000

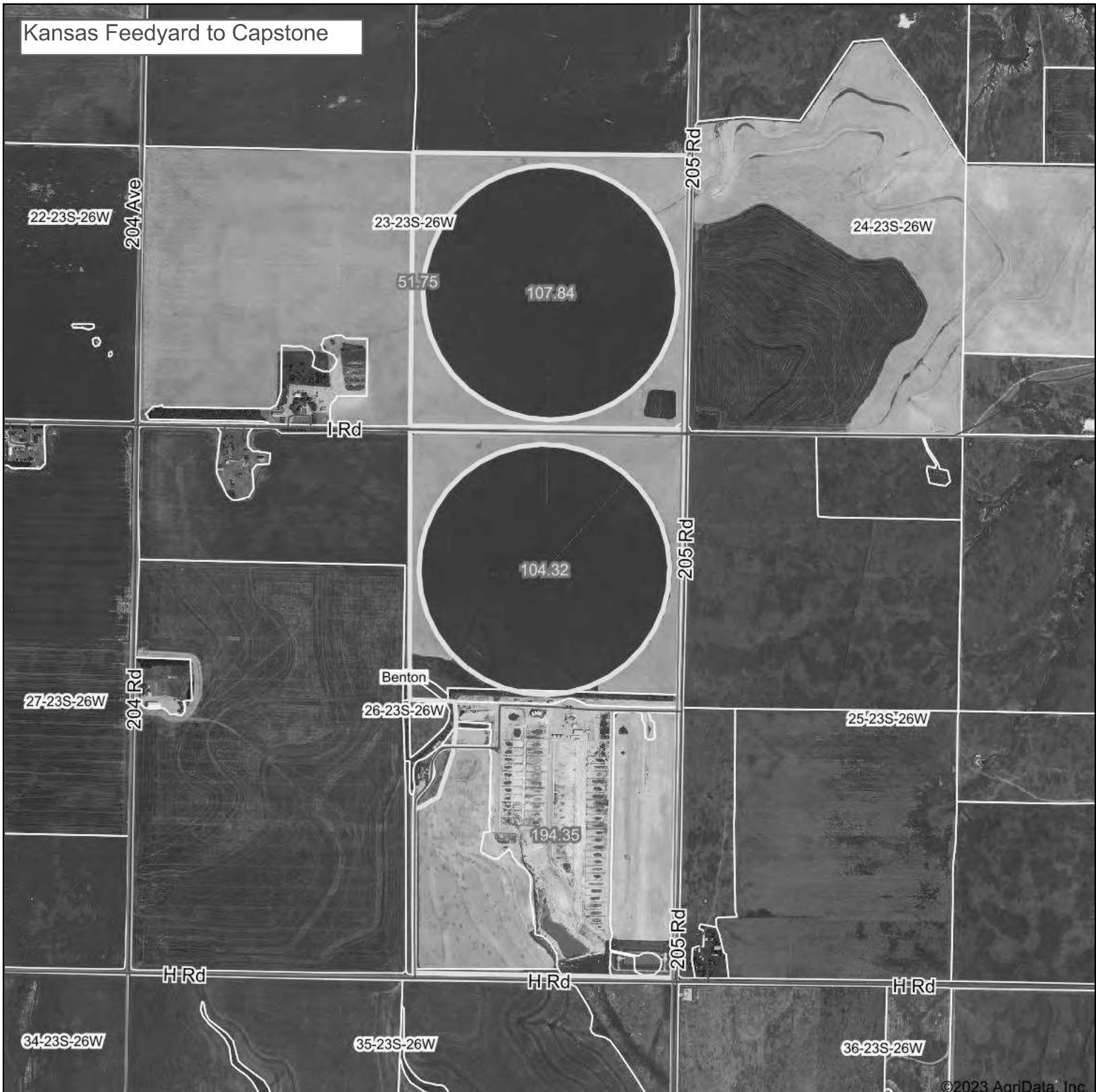
Income Analysis

Market Rates Typical lease rates range from \$0.03 to \$0.06 per head per year. Vacancy Rates are estimated at 10 to 20 percent. Lease rates are triple net. Expenses are estimated at 5 percent for management only.

	Head / AU	Lease Rate Per Head	Days, Months, or Year	
Feedyard Income	7,500.000	\$0.040	365	\$109,500
Irrigated Cropland	0.000	\$0.000	1	\$0
Dry Cropland	0.000	\$0.00	1	\$0
Potential Gross Income				\$109,500
Vacancy and Credit Loss			-20%	(\$21,900)
Effective Gross Income				\$87,600
Operating Expense			-5%	(\$4,380)
Net Operating Income				\$83,220
Sale Price				\$1,350,000
Overall Rate				6.16%

Aerial Map

Kansas Feedyard to Capstone



Boundary Center: 38° 1' 33.79, -100° 8' 23.38

0ft 1500ft 3000ft

26-23S-26W
Hodgeman County
Kansas



Maps Provided By:
surety
CUSTOMIZED ONLINE MAPPING
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8/27/2023

Field borders provided by Farm Service Agency as of 5/21/2008.

Aerial Map



Map Center: 36° 21' 48.13, -101° 14' 48.68

0mi 41.4mi 82.8mi



**Hansford County
Texas**

Maps Provided By:
surety
CUSTOMIZED ONLINE MAPPING
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8/28/2023

Field borders provided by Farm Service Agency as of 5/21/2008. Aerial photography provided by Aerial Photography Field Office.

Comparable Sale Adjustment Comments

An extensive market data investigation was conducted, including a thorough search of active grow-yard and feedyard markets in Texas, Kansas, Oklahoma, Colorado, Nebraska and other important feedyard regions of the U.S. Deed Records were searched and local real estate brokers, investors and mortgage lenders were contacted. All sales data was reviewed and the most recent and relevant sales were investigated. The basic criteria in searching for comparable sales was the date of sale, location, size, age, type of grow-yard or feedyard facility, feeding capacity, permitted capacity, highest and best use, and existing use.

Several sales of commercial beef cattle grow-yard and feedyard properties were identified within the region. The data obtained from these sales was considered to be accurate and reliable. **Five (5)** of the most similar grow-yard and feedyard sales were chosen for comparison with the subject, because of their location, size, date of sale, grow-yard or feedyard type, and their overall similarity to the subject property. The sales used for comparison were located in Texas and Kansas. Each sale was analyzed and adjusted to provide an indicated value for the property appraised.

The sales used for comparison ranged in effective age from 10 to 25 years, in feeding capacity size from 4,000 to 18,000 head, and in price per head after rolling stock and excess land was deducted from \$87.50 to \$222.22. The market data included in this analysis, although somewhat diverse, is considered to be the best available in today's market and to be indicative of current market trends.

Commercial grow-yard and feedyard properties are purchased by users who are also acting as investors. The typical user occupies the property for the purpose of conducting his or her business and the typical investor acquires the property for the production of income. The user analyzes the property based on its cost relative to other available properties (e.g., price per feeding head) and the investor analyzes the property based on its ability to produce income. The subject grow-yard is currently vacant. Prior to becoming vacant due to mismanagement and other factors, the subject was owner-occupied and operated under McClain Feedyard. In this analysis, the price per head capacity was considered to be the primary unit of comparison used to value grow-yard / feedyard properties.

The improved comparable sales are indicating that grow-yard or feedyard properties are being purchased primarily by owner-occupants. All of the sales used in the analysis were purchased by owner-occupants. When the market is dominated by purchasers who intend to occupy the property, the sales comparison approach is a strong indicator of value.

Feedyard Grow Yard Units of Comparison

An investigation of the market, showed there were a number of units of comparison that can be extracted from available sales data. The most common unit of comparison in the marketplace for feedyards is the overall sales price per head of feeding capacity. The feeding capacity is usually derived by a combination of pen size square footage and linear feet of bunk space, which can also be affected by the property's legal permitted capacity. In most situations, feedyards have larger environmental CAFO permits than their actual capacity for some expansion. Most grow-yards and larger feedyards consider it takes at least 150 to 250 square feet per animal and typical bunk spacing can be 8", 9", 10", 11", 12" or 13" to 18" per animal. The most modern and efficient standards for grow-yards and feedyards with square or rectangular pens would require a 9 to 12 inch spacing and 150 to 220 plus square feet per feedyard animal unit (AU). Round feedyard facilities with pie or rectangular shaped pens would require a wider spacing per AU to obtain the same square footage per AU.

The subject grow-yard has a total of 3,455 linear feet of bunk space and approximately 510,523 square feet of feed pen space. Approximately 2,218 linear feet of the feed bunk is pre-cast concrete construction attached to the pipe confinement pens and is in average usable condition. The remaining 1,237 linear feet of feed bunk is steel construction in less than average usable condition and does not have value. Prior to the deterioration of the metal bunk, approximately 3,000 head of cattle could be fed in the subject grow-yard. Based on the available pen space and the concrete bunk only, approximately 2,500 head of cattle can be fed in the subject pens. The composite animal spacing calculates to 10.65 inches per animal. The space would vary from 9 inches to 12 inches on various pens. The CAFO Permit restricts the subject grow-yard / feedyard to 3,000 maximum head. The current 2,500 head capacity dose not exceed the CAFO permitted capacity.

The sale price per head of feeding capacity, unit of comparison, will be analyzed in the summary and adjustment charts located in this section of the report in order to arrive at an opinion of value for the appraised property. Grow-yard and feedyard properties are typically purchased by owner-users. Thus, the other most common unit of comparison the Gross Income Multiplier has not been utilized in this analysis.

The value opinion of the subject is formed by use of the overall feeding capacity of the grow-yard operation, rather than being based upon building square footage which is typically utilized on many other types of commercial properties. An indication of value is provided through this approach for the property appraised, based on the attitudes and actions of typical buyers and sellers in the market.

These attitudes and actions are reflected through current transactions of similar type properties. Use of this approach involves gathering market data of similar properties and verifying that the data obtained is factually accurate. Sufficient information was available for the comparable sales to derive a reasonable opinion of the subject's value.

Elements of Comparison

Elements of comparison generally used to estimate the value of feedyard properties are numerous. The elements considered are 1) property rights conveyed, 2) excess land, 3) rolling stock and personal property, 4) financing, 5) conditions of sale, 6) market conditions, 7) location, 8) age, effective age, 9) condition, 10) land to animal unit ratio, 11) size or capacity, 12) quality of construction and overall efficiency including feed mills, 13) dwelling contributory value, and 14) water availability and waste management.

Real Property Rights Conveyed

All of the comparable properties sold herein were based on fee simple transactions, thus, no adjustment for this factor was indicated.

Excess Land and Rolling Stock

A large percentage of the grow-yards and feedyards that sale include rolling stock and some include excess land. To allocate the value of the grow-yard and feedyard real property and the land necessary for the function of the grow-yard and feedyard, adjustments for these elements must be considered. Adjustments were made in the comparable sale write-ups for excess land and rolling stock. These adjustments are also indicated in the adjustment grid following this comments section.

Sales 1, 3, 4 and 5 included rolling stock. These sales required negative adjustment to account of the additional rolling stock value. Sale 2 did not included rolling stock, therefore, no adjustment was required.

Sales 1, 2, 4 and 5 did not include excess land, additional land, or additional land with building improvements. Sales 1, 2, 4 and 5 were considered to be similar to the subject from a market standpoint, therefore, no adjustments were required. Sale 3 included a dwelling on additional acreage that was purchased as part of the sale in a separate transaction. An adjustment was made for the separate price.

Financing Terms

Financing terms are significant, since cash or financing often influences the consideration paid for a particular property. The transaction price of one property may differ from that of an identical property due to different financing arrangements. All of the sales were cash to seller transactions or terms that were equivalent to cash. Therefore, no adjustments were required.

Conditions of Sale

Adjustments for conditions of sale typically reflect the motivations of the buyer and the seller. For example, a buyer may pay more than market value for a property located adjacent to one already owned for assemblage purposes or additional parking because of acting under duress. In rural properties, a dairy, grow-yard or feedyard owner-operator may pay more than market value for an adjacent property or a property located within a reasonable distance of their operation for growing forage or for expansion purposes. Conversely, a sale may be transacted at below market value because the seller needs cash in a hurry. A financial, business, or family relationship between the parties may also affect the price of the property. When non-market conditions of sale are detected in a transaction, the sale must be adjusted accordingly.

Sales 1, 3, 4 and 5 were considered to be arm's length transactions and no undue duress or non-typical motives were noted, thus, no adjustments were required.

Sale 2 was a distressed sale, sold by a lending institution at below market. The feedyard was vacant and it was marketed with a local broker for a while at Tru Land Realty Group, Keller Williams, in Amarillo, Texas. The property had a listing price of \$925,000 or \$92.50 per head. Based on personal knowledge of feedyard and grow-yard sales in the subject market, a feedyard similar to this property would have a value range of \$1,000,000 to \$1,200,000 or \$100 to \$120 per head which is the low end of the grow-yard feedyard market for a grow-yard or feedyard in average condition with an adequate amount of land area in the subject market. The property was marketed locally with limited exposure to the larger feedyard market and it took a few months for the property to sell. Because the property was vacant and sold below market as a bank sale, a positive adjustment for conditions of sale was required. The appraiser has used a 25 percent adjustment for conditions of sale.

Sale 5 was also sold by a lender and marketed with a very competent brokerage with a large buyer and seller base that specializes in selling feedyards and grow-yards. The Listing and Selling Broker was Richard Bretz with Eslabon Properties. Mr. Bretz primarily markets and sells feedyards and grow-yards. Mr. Bretz is also a past feedyard manager and has a very large buyer and seller base. This property was exposed to the open market for an adequate amount of time and it sold at the upper end of the feedyard market for the full listing price of \$1,450,000 or \$193.33 per head which included rolling stock value. The real property sale price was \$180.00 per head. Therefore, this property sold at market value and did not require an adjustment.

Market Conditions

Each of the previous sales have been given consideration for the market conditions between the date of sale and the effective date of this appraisal. The comparable sales occurred between September 2019 and January 2023. All of the sales are considered to be current, therefore, no adjustments were required.

Location and Access Adjustment

This adjustment typically reflects the relative differences in desirability of the physical location, surrounding uses, traffic exposure, accessibility and distance to services noted between the comparable sales and the subject site.

The subject grow-yard / feedyard is located in the Texas High Plains Region northwest of Hereford, Texas in an agricultural area with good adequacy to livestock grazing operations, available feed and commodities, adequate groundwater, veterinarian services, slaughter plants, and other feedyards and grow-yards. The subject has good access along State FM Road 1057 and CR 9, in Deaf Smith County, Texas.

All of the sales are considered to be similar in location to the subject, based on distances and adequacy to livestock grazing operations, available feed and commodities, adequate groundwater, veterinarian services, and slaughter plants, therefore, no adjustments were required.

Effective Age and Condition

The comparable improved sales are adjusted for age of the improvements and condition based on their relative effective age as compared to the subject. The difference in age is adjusted to the subject in relation to the estimated remaining physical life. The physical and economic life of the improvements was estimated by market observation and extraction methods.

Effective Age: The physical life expectancy of the subject grow-yard / feedyard improvements is estimated to be 40 years. The subject feedyard was constructed from 2001 to 2016. Approximately 1,550 leaner feet of concrete bunk with attached pens and apron was completed in 2016 and a new Silencer hydraulic working chute was installed in 2018-2019. Because the subject is currently vacant with deferred maintenance, the overall effective age was estimated at 17 years. The sales range in effective age from 10 to 25 years. Sales 1, 3, 4 and 5 were superior in effective age to the subject at the time of sale, therefore, negative adjustments were required. Sale 2 was inferior in effective age to the subject at the time of sale, therefore, a positive adjustment was required.

Effective Age Adjustments						
	Subject	Sale 1	Sale 2	Sale 3	Sale 4	Sale 5
Comp. Effective Age		15	25	10	10	15
Subject Effective Age	17	17	17	17	17	17
Difference in Effective Age		(2)	8	(7)	(7)	(2)
Market Annual Physical Dep. Rate	0.00%	2.50%	2.50%	2.50%	2.50%	2.50%
Total Adjustment Percentage Rate	0.00%	-5.00%	20.00%	-17.50%	-17.50%	-5.00%
Sale Price Per Milking Head	\$0.00	\$222.22	\$109.38	\$194.66	\$175.00	\$180.00
Effective Age Adjustment	\$0.00	(\$11.11)	\$21.88	(\$34.07)	(\$30.63)	(\$9.00)

Condition: There is deferred maintenance noted in the subject improvements. The deferred maintenance is noted in office building repairs and feed bunk repairs. The estimated cost is \$20,000 or approximately \$8.00 per head based a 2,500 head capacity for the subject. All of the sales were superior to the subject at the time of sale, therefore, negative adjustments were required.

As previously stated, the attached metal feed bunk on the subject grow-yard has reached the end of its economic life and was not given any value. Only the concrete bunk was counted in calculating the feeding capacity of the grow-yard. The metal bunk can be replaced with concrete bunk and increase the feeding capacity from 2,500 back to its original size of 3,000 head.

Land to Animal Unit (AU) Ratio

The amount of land associated with each grow-yard or feedyard contributes to the overall value. It is common in the marketplace for grow-yards and feedyards to sell with a minimal amount of land and with larger amounts land and sometimes with excess or additional land. The land to AU ratio adjustment is a separate adjustment from the excess land or additional land value. When grow-yards or feedyards are located on minimal amounts of land, they may have waste and wastewater agreements on adjacent properties for the application of effluents and dry manure. When there is a significant amount of excess or additional land well above the market, then the excess or additional land is severed from the feedyard main site and analyzed on a per acre basis with a separate value.

The land to AU adjustment is for the land directly associated with the main grow-yard or feedyard site. A grow-yard or feedyard with a larger site area per animal has advantages towards building and pen expansion, more land for waste management, more land for maintaining the CAFO Permit for the feedyards legal operation, and more land for crop and forage production. The land to AU adjustment is a smaller adjustment made on a per head basis or sale price per head basis and not per acre.

A typical land to AU range in the market is 0.01 to 0.07 acre per AU animal unit. A sale with excess or additional land with separate value is usually larger and may range from 0.08 to 0.2 acre per AU or more. The excess or additional land above market is usually severed and valued separately leaving the main site with the grow-yard or feedyard with enough land for it to function normally and legally.

The subject has a land to animal unit ratio of 0.02 acre per animal unit AU rounded which is typical for a grow-yard or feedyard site. The sales range from 0.01 acre per AU to 0.06 acre per AU. The sales varied in land to AU ratio sizes to the subject.

There were very few recent smaller grow-yard or feedyard sales available in the subject market as of the effective date of the appraisal. The sales that were used to compare to the subject were the best available as of the effective date of the appraisal. Because of the wide range of prices paid for grow-yards and feedyards in the subject market and the difficulty in extracting exact dollar adjustments for this element of comparison related to land to AU ratio, the appraiser has used percentage adjustments. A percentage adjustment of 3.0 percent per 0.01 unit has been applied to the comparable sales.

Sale 1 is inferior to the subject in land to AU ratio from a market standpoint, therefore, a positive adjustment was required. Sales 2 and 5 are superior to the subject, therefore, negative adjustments were required. Sales 3 and 4 are similar to the subject in land to animal unit ratio from a market standpoint, therefore, no adjustments were required.

Size or Capacity

Typically size or capacity can have an impact on the value of a feedyard facility. Larger grow-yards and feedyards typically, but not always, receive lower per head prices than do smaller yards with all other influences being similar. As noted previously, the sales range in feeding capacity from 4,000 to 18,000 head. The subject has an efficient feeding capacity of 2,500 head.

From a market standpoint, there does not appear to be an adjustment for size. This is supported by the comparable sales used in the appraisal and by additional sales used for pairing and extraction purposes. No adjustments were required for feeding capacity size ranging from 2,500 to 24,000 head.

Quality of Construction

The quality of construction of improvements is an element of comparison that buyers consider when purchasing a property. The subject facility has typical steel pipe and cable pens, concrete and steel feed bunk, cattle traffic alleys, all weather feed lanes, processing and hospital facilities, an office, cattle scales, combination commodity and hay barn, loafing sheds and cattle working equipment. The quality of construction is estimated to be average to good. All of the sales are estimated to be similar in quality to the subject feedyard, therefore, no adjustments were required.

Please see Condition under the Effective Age and Condition comments for statements on metal and concrete bunk.

Overall Feedyard Efficiency

In a commercial feeding operation, it is very important to have the most efficient improvements and equipment available for storing and mixing feed commodities and improvements for processing and feeding cattle. There are usually six (6) categories of improvements associated with feedyards.

These include: 1) the main confinement pens and attached feed bunk; 2) the shipping, receiving, processing, hospital, and cattle scale improvements; 3) the feed mill facility, commodity barn, grain storage and grain handling system; 4) the office building and truck scales; 5) the shop building and maintenance facility; and 6) the site improvements, water system, and lagoons.

Feed Mill, Commodity Barn, and Grain Storage

As stated earlier the subject is a typical small grow-yard / feedyard facility with all necessary improvements to adequately feed and care for beef cattle. Most smaller grow-yards do not have feed mill facilities.

The subject grow-yard / feedyard has a typical commodity-hay barn improvements, but it does not have a feed mill facility. Sales 1, 2, 4 and 5 were considered to be superior to the subject for this element of efficiency, therefore negative adjustments were required. Sale 3 was considered to be similar to the subject for this element of comparison, therefore, no adjustments were required.

Bunk and Pen Space

The feedyard is improved with approximately 3,455 linear feet of concrete feed bunk space with attached concrete apron and steel pipe and cable confinement pens. The pens are improved with a continuous flow water system. Approximately 1,237 linear feet of feed bunk is metal construction and 2,218 linear feet is concrete construction. Approximately 1,550 linear feet of the concrete feed bunk was constructed in 2016. The original bunk was constructed from 2001 to 2011.

The total feed pen space for the pens with the attached metal bunk and concrete bunk together is approximately 510,523 square feet which calculates to 170 square feet per animal based on 3,000 legal head. The current CAFO Permit restricts the subject grow-yard / feedyard to 3,000 head.

As previously stated, the metal bunk has reached the end of its economic and usable life. Only the 2,218 linear feet of concrete bunk with attached pen space is being calculated for the current feeding capacity of 2,500 head.

The southwest pen structure constructed around 2001 has approximately 468 LF of attached concrete bunk attached to the west side (west feed-line). The east side (east feed-line) of the southwest pen structure has 440 LF of attached metal bunk. The east side containing the metal bunk would not be utilized and the gates could be opened between the east and west side allowing for a total of 111,078 square feet of pen space for the 468 LF of concrete bunk line. Approximately 642 head of cattle can be fed on the 468 LF of concrete bunk on a 8.75 inch spacing at 173 square feet per animal.

The adjacent south center pens have 150 LF of concrete bunk attached to the north side (north feed-line) and 284 LF of metal bunk attached to the west side (west feed-line). The 284 LF of metal bunk would not be utilized and is not calculated in the value. The north 150 LF of concrete bunk would be utilized for feeding. Approximately 206 head of cattle can be fed on the 150 LF of concrete bunk on an 8.75 inch spacing. There is a total of 32,670 square feet of space in the north pen structure. Therefore 159 square feet of pen space per animal is available in the north pen to feed 206 head of cattle on an 8.75 inch spacing. The attached north pen could be opened to the middle pen and this would allow for 77,101 square feet or 374 square feet per animal on an 8.75 inch spacing.

The north center pen has approximately 17,860 square feet of space. Approximately 69 cattle can be fed in this pen on an 8.75 inch spacing at 259 square feet per animal. There is no metal bunk attached to this pen. All of the bunk attached to these pens is concrete.

The newer eastern pens were constructed in 2016 have a total approximate square footage of 200,376 square feet of space. These pens have 820 LF of concrete bunk on the west side (west bunk line) and 730 LF of concrete bunk on the east side (east bunk line). Approximately 1,550 head of cattle can be fed in these pens on a 12 inch spacing. This calculates to 130 square feet per animal.

Therefore, the total amount of cattle that can be confined and fed in the subject grow-yard / feedyard using the concrete feed bunk and not any metal bunk is 642 head in the southwest pens, 206 head in the south-center pens, 69 head in the north center pens, and 1,550 head in the east pens which totals 2,467 head rounded to 2,500 head with a total average square footage per animal of 145 to 163 square feet.

As previously stated, that if the metal bunk only is replaced with new metal bunk or with concrete bunk, the subject can be returned back to a 3,000 head grow-yard with 3,455 linear feet of bunk space at 13.82 inches per animal and 510,523 pen space with an average animal space of 170 square feet per animal.

The capacity, feeding space, and square footage per animal are considered to be adequate for the subject grow-yard facility. All of the sales were considered to be similar to the subject in this element of comparison, therefore, no adjustments were required.

Dwellings and Housing

Onsite dwellings and mobile homes may or may not contribute value to grow-yards / feedyards. Some of the factors that come into play include the age, condition and size of the dwelling and the age, condition and size of the grow-yard / feedyard. The subject grow-yard / feedyard is improved with a 2021 single-wide mobile home with 1,064 square feet of space with an approximate contributory value of \$17,379 or \$6.95 per head based on 2,500 head. Sales 1, 2, 4 and 5 were not improved with dwelling structures at the time of sale, therefore, positive adjustments were required. Sale 3 was improved with a superior dwelling structure to the subject, therefore, a negative adjustment was required.

Ground Water and Waste Management

The subject grow-yard / feedyard is improved with a retention control lagoon facility for wastewater containment. The subject property is located in an area of average to good water for agricultural farming, ranching, cattle feeding, dairy usage and domestic uses. All of the sales are located in areas with groundwater that is considered to be adequate for their operation and similar to the subject from a market standpoint, therefore, no adjustments were required.

All of the sales are considered to be adequately served by typical wastewater collection structures that are similar to the subject, therefore, no adjustments were required.

Remaining Elements

The arrays of the remaining elements indicate that no additional quantitative differences could be extracted from the data presented.

The following is a comparative analysis chart and summary of the subject grow-yard / feedyard valuation as a 2,500 head grow-yard / feedyard facility.

SALES COMPARISON APPROACH - McCLAIN GROW-YARD

56.03 Acre Tract - 2,500 Head Grow-Yard

Sale No.	Subject	1	2	3	4	5
Location	NW of Hereford	NE of Hereford	SE of Hedley	SW of Morse	E of Shamrock	SW of Jetmore
County	Deaf Smith	Deaf Smith	Donley	Hutchinson	Wheeler	Hodgeman
State	Texas	Texas	Texas	Texas	Texas	Kansas
Grantor		Dawn Custom Cattle Feeders	Lone Star Bank of West Texas	Rex McCloy	Clifford Oldham	Kansas Feedyard Centera Bank
Grantee		F Troop Feeders Inc.	Dry Fork Holdings LLC	Spartan Holdings LLC	Hall Cattle Feeders LLC	Capstone Feeders LLC
Sale Date	Insp Jul-2023	Jan-2023	Nov-2020	Oct-2022	Sep-2019	Sep-2021
Feed Mill / Grain Stg.	Hay Barn Used for Commodity Barn	Steam Flake / Grain Storage / Commodity Barn	Steam Flake / Grain Storage No Significant Value	Hay Barn Commodity Barn	Dry Roll Mill / Grain Storage / Commodity Barn	Steam Flake / Grain Storage / Commodity Barn
YOC	2001-2016	1995	1974	1990's	2001-2003	1990s-2000s
Effec. Age	17	15	25	10	10	15
Adjustment %		-5.00%	20.00%	-17.50%	-17.50%	-5.00%
Condition	Fair / Average	Average	Fair / Average	Average	Average	Average
Dwelling CV Head	\$6.95	\$0.00	\$0.00	\$9.57	\$0.00	\$0.00
Land Value / Acre Less Sprinklers	\$2,225	\$2,236	\$1,136	\$2,007	\$2,057	\$2,153
FY Land	56.030	189.720	415.420	159.162	69.350	466.000
Excess or Additional Land & Improvements	0.000	0.000	0.000	(1.742)	0.000	0.000
Total Land	56.030	189.720	415.420	157.420	69.350	466.000
Land Acres / AU	0.02241	0.01054	0.04154	0.02122	0.01734	0.06213
Land Acres / AU Rounded	0.02	0.01	0.04	0.02	0.02	0.06
Subject Land / AU Rounded	0.02	0.02	0.02	0.02	0.02	0.02
Land / AU Difference		(0.01)	0.02	0.00	0.00	0.04
Sale Price		\$5,000,000	\$875,000	\$2,050,000	\$850,000	\$1,450,000
FY Capacity	2,500	18,000	10,000	7,500	4,000	7,500
Price / Head	\$0.00	\$277.78	\$87.50	\$273.33	\$212.50	\$193.33
Bus. Value		-0-	-0-	-0-	-0-	-0-

Excess Land and Improvements		-0-	-0-	(\$24.00)	-0-	-0-
Rolling Stock		(\$55.56)	\$0.00	(\$54.67)	(\$37.50)	(\$13.33)
Net \$ / Head		\$222.22	\$87.50	\$194.66	\$175.00	\$180.00
Financing		-0-	-0-	-0-	-0-	-0-
Adj. Price		\$222.22	\$87.50	\$194.66	\$175.00	\$180.00
Sale Cond.		-0-	\$21.88	-0-	-0-	-0-
Adj. Price		\$222.22	\$109.38	\$194.66	\$175.00	\$180.00
Exp. After Purchase		-0-	-0-	-0-	-0-	-0-
Adj. Price		\$222.22	\$109.38	\$194.66	\$175.00	\$180.00
Mkt. Cond.		-0-	-0-	-0-	-0-	-0-
Adj. Price		\$222.22	\$109.38	\$194.66	\$175.00	\$180.00
Location		-0-	-0-	-0-	-0-	-0-
Effec. Age		(\$11.11)	\$21.88	(\$34.07)	(\$30.63)	(\$9.00)
Condition		(\$8.00)	(\$8.00)	(\$8.00)	(\$8.00)	(\$8.00)
Land/AU Ratio		\$6.67	(\$6.56)	\$0.00	\$0.00	(\$21.60)
FY Capacity		-0-	-0-	-0-	-0-	-0-
Feed Mill		(\$45.00)	(\$2.72)	-0-	(\$8.70)	(\$4.64)
Waste Mng.		-0-	-0-	-0-	-0-	-0-
Dwellings	\$6.95	\$6.95	\$6.95	(\$2.62)	\$6.95	\$6.95
Adj. \$ / Hd.		\$171.72	\$120.92	\$149.98	\$134.63	\$143.71
Mean						\$144.19
Median						\$143.71

Final Value Opinion

Adjustments for 1) additional real property, 2) rolling stock, 3) conditions of sale, 4) effective age of improvements, 5) condition of improvements, 6) land to animal unit ratio, 7) feed mill improvements, and 8) dwellings or housing.

The adjusted comparable sales ranged from \$120.92 to \$171.72 per head. The mean price per head was \$144.19. The median indicated price per head was \$143.71. Greater weight was given to Sale 3 due to date of sale, location and facility type. Secondary weight was given to Sales 1, 2, 4 and 5.

Considering the subject's average to good location, available groundwater, and additional land and improvements for expansion and wastewater management purposes, the indicated value by the price per head method, "as is", as of the effective date of July 10, 2023, is:

Final Value Opinion Real Property and Attached Equipment Only - No Rolling Stock				
2,500 Feeder Cattle	X	\$150	=	\$375,000
Final Value Rounded				\$375,000

The Income Approach

Income Approach Introduction - ASFMRA

The Income Approach is a set of procedures in which an appraiser derives a value indication by comparing the subject's income-producing potential to the incomes produced by similar properties that have sold recently. The approach offers two separate methods for analyzing income and converting it to value. The first method is that of direct capitalization and the second is that of yield capitalization. In agricultural appraisal, the most commonly utilized method is direct capitalization. The approach is primarily based upon the following economic principles:

1. Anticipation - This is the primary underlying principal of the Income Approach. Because value is created by the expectation of benefits to be derived in the future, value may be defined as the present worth of future benefits from ownership of the property.
2. Supply and Demand - The principal of supply and demand and the related concept of competition are particularly relevant in the forecasting of future benefits and rates of return for the subject property. Changes in income and therefore rates of return are impacted by agricultural commodity prices, which change due to supply and demand for a particular commodity.
3. Substitution - The prices, rents, and rates of return for agricultural property tend to be set by the prevailing prices, rents and rates of return for equally desirable substitute properties.
4. Balance - The principal of balance and its related concepts are also considered in the appraisal of agricultural properties. External balance is achieved when the number of farms available for rent and the number of farmers willing to lease are in some form of equilibrium.

The approach is most applicable to properties that are typically rented, leased, or are purchased primarily for their income production capabilities. As stated previously, in the rural arena this situation is most commonly seen in production agricultural areas, or in specialized agricultural facilities.

Income Approach Introduction - Appraisal Institute

Income-producing real estate is typically purchased as an investment, and from an investor's point of view earning power is the critical element affecting property value. One basic investment premise holds that the higher the earnings, the higher the value, provided the amount of risk remains constant. An investor who purchases income-producing real estate is essentially trading present dollars for the expectation of receiving future dollars.

The income capitalization approach to value consists of methods, techniques, and mathematical procedures that an appraiser uses to analyze a property's capacity to generate benefits (i.e., usually the monetary benefits of income and reversion) and convert these benefits into an indication of present value.

The analysis of cost and sales data is often an integral part of the income capitalization approach, and capitalization techniques are frequently employed in the cost and sales comparison approaches as well. Capitalization techniques are commonly used to analyze and adjust sales data in the sales comparison approach. In the cost approach, obsolescence is often measured by capitalizing an estimated income loss. The income capitalization approach is described here as part of the systematic valuation process, but the various methods, techniques, and procedures used in the approach are analytical tools with broad applicability in the analysis and valuation of income-producing properties.⁴⁴

Definition and Use - Appraisal Institute

In the income capitalization approach, an appraiser analyzes a property's capacity to generate future benefits and capitalizes the income into an indication of present value. The principal of anticipation is fundamental to the approach. Techniques and procedures from this approach are used to analyze comparable sales data and to measure obsolescence in the cost approach.⁴⁵

Anticipation and Change - Appraisal Institute

Anticipation is fundamental to the income capitalization approach. All income capitalization methods, techniques, and procedures forecast anticipated future benefits and estimate their present value. This may involve forecasting the anticipated future income from a property or estimating a capitalization rate that implicitly reflects the anticipated pattern of change in income over time.⁴⁶

Applications and Limitations - Appraisal Institute

Any property that has the potential to generate income can be valued using the income capitalization approach. When more than one approach to value is used to develop an opinion of value for an income-producing property, the value indication produced by the income capitalization approach might be given greater weight than that of the other approaches in the final reconciliation of value indications.⁴⁷

⁴⁴ The Appraisal of Real Estate, 14th Edition, Appraisal Institute, 2013, Page 439-440.

⁴⁵ The Appraisal of Real Estate, 14th Edition, Appraisal Institute, 2013, Page 439.

⁴⁶ The Appraisal of Real Estate, 14th Edition, Appraisal Institute, 2013, Page 440.

⁴⁷ The Appraisal of Real Estate, 14th Edition, Appraisal Institute, 2013, Page 441.

Procedure - Appraisal Institute

The income capitalization approach supports two basic methods: direct capitalization, which uses the relationship of one year's income to conclude a value, and yield capitalization, which considers a series of cash flows over time together with any reversion value or resale proceeds.

Initially, both methods require a comprehensive study of historical income and expenses for the subject property. This study is combined with an analysis of typical income and expense levels for comparable properties. A reconstructed operating statement is developed for the subject property. This statement must reflect the purpose of the appraisal, especially with respect to the property interest being appraised. Leased fee value will reflect current leases and the associated expense structure, while fee simple value starts with an income based on market rent. Yield capitalization will require a consideration of probable income and expenses over the designated projection period, often from five to 10 years. When this method is used, the appraiser must forecast income and expenses over time together with the eventual reversion or resale value of the property. Direct capitalization, on the other hand, requires a one-year cash flow estimate (usually 12 months from the date of value) and application of an overall rate to estimate value. This method often relies on sales of properties with income characteristics and future expectations similar to the subject's, although alternate methods for developing the appropriate rate are available.

Although there are various income capitalization techniques available to the appraiser, certain steps are essential in applying the income capitalization approach. Before applying most capitalization techniques, an appraiser works down from potential gross income to net operating income. To do this, the appraiser will:

1. Research the income and expense data for the subject property and comparables.
2. Estimate the potential gross income of the property by adding the rental income and any other potential income.
3. Estimate the vacancy and collection loss.
4. Subtract vacancy and collection loss from total potential gross income to arrive at the effective gross income of the subject property.
5. Estimate the total operating expenses for the subject by adding fixed expenses, variable expenses, and a replacement allowance (where applicable).
6. Subtract the estimate of total operating expenses from the estimate of effective gross income to arrive at net operating income. (Deductions for capital items may also be necessary at various points in time through the projection period to calculate the cash flow used in discounted cash flow analysis.)

7. Apply one of the direct or yield capitalization techniques to this data to generate an estimate of value via the income capitalization approach.

Some capitalization techniques involve the use of a potential gross income multiplier or effective gross income multiplier. In those cases, the appraiser does not work down to net operating income but stops at effective gross income.⁴⁸

Direct Capitalization Technique - Appraisal Institute

Direct capitalization is a method used in the income capitalization approach to convert a single year's income expectancy into a value indication. This conversion is accomplished in one step, by dividing the net operating income estimate by an appropriate income rate. Direct capitalization is widely used when properties are already operating on a stabilized basis. Direct capitalization can also be used when there is a sufficient supply of comparable sales with similar risk levels, incomes, expenses, physical and locational characteristics, and future expectations from which to extract capitalization rates or when there are alternate methods for deriving capitalization rates.

The direct capitalization methodology may be less useful for properties going through an initial lease-up period and for properties with income or expenses that are expected to change in an irregular pattern over time. Investors often have minimum first-year capitalization rate requirements. In these cases, comparables with similar future expectations may not be available and one of the yield capitalization techniques may be more appropriate.

The advantages of direct capitalization are (1) it is simple to use and easy to explain, (2) it often expresses market thinking, and (3) it provides strong market evidence of value when adequate sales are available.

Direct capitalization is applied using one of two basic methods:

- applying an overall capitalization rate to relate value to the entire property income (i.e., net operating income).
- using residual techniques that consider components of a property's income and then applying market-derived capitalization rates to each income component analyzed.

Direct capitalization is distinct from yield capitalization in that it does not directly consider individual cash flows beyond one year. Yield capitalization explicitly calculates the year-by-year effects of potentially changing income patterns, changes in the original investment's value, and other considerations.

⁴⁸ The Appraisal of Real Estate, 14th Edition, Appraisal Institute, 2013, Page 459-461.

In contrast, direct capitalization processes a single year's income into an indication of value. Either direct capitalization or yield capitalization can be used to produce a supportable indication of value when based on relevant market information derived from comparable properties. These comparable properties should have similar income-expense ratios, land value-to-building value ratios, risk characteristics, and future expectations of income and value changes over a typical projection period. When this data is available, the choice of capitalization method does not affect the indication of value.⁴⁹

Yield Capitalization Technique - Appraisal Institute

Yield capitalization is the more complex of the two fundamental methods used in the income capitalization approach to value. Within this methodology, various techniques are available for converting a series of future cash flows received over time into an indication of value. Yield capitalization is used to convert future benefits into an indication of present value by applying an appropriate discount rate. To select an appropriate discount rate for a market value appraisal, an appraiser analyzes market evidence of the yields anticipated by typical investors, supported by market sales data, or both. When investment value is sought, the discount rate used should reflect the individual investor's requirements, which may differ from the requirements of typical investors in the market. To perform yield capitalization, an appraiser:

1. Selects an appropriate projection period
2. Forecasts all future cash flows or cash flow patterns (including the reversion, if any)
3. Chooses an appropriate yield (or discount) rate
4. Converts future benefits into present value by discounting each annual future benefit or by developing an overall rate that reflects the income pattern, value change, and yield rate using one of the various yield capitalization formulas.

The application of capitalization rates that reflect an appropriate yield rate, the use of present value factors, and discounted cash flow analysis are all yield capitalization procedures. Mortgage- equity formulas and yield rate or value change formulas may be used to derive overall capitalization rates. Like direct capitalization, yield capitalization should reflect market behavior. To apply the discounting procedure, appraisers must be familiar with the following concepts and techniques:

- income patterns
- capital return concepts
- the mathematics of the discounting process
- investor requirements or expectations—i.e., projection period, anticipated market growth, and inflation
- the selection of an appropriate discount rate

⁴⁹ The Appraisal of Real Estate, 14th Edition, Appraisal Institute, 2013, Page 491-492.

Yield capitalization is used to convert future benefits, typically a periodic income stream and reversion, into present value by discounting each future benefit at an appropriate rate or by applying an overall rate (developed using one of the yield capitalization methods) that explicitly reflects the investment's income pattern, change in value, and yield rate.⁵⁰

Feedyard Industry Lease and Income Information

The appraiser has attempted to obtain operating and income data from competing grow-yards and feedyards in the subject market area and other important cattle feeding areas throughout the U.S. Few of these properties are leased and verification of lease information and operating expenses was difficult due to individual privacy concerns of the operators. Additionally, after searching for industry standards, it was evident that there is no available publication which included the feedyard industry.

Current Lease and Lease Type

The subject grow-yard / feedyard is not leased and is unoccupied. The property was recently owner-operated prior to being vacant. The value stated in the report is fee simple estate and is based on the market lease information.

Market Lease Analysis

The market lease applicable to the subject property was based on the most current lease information collected from the most similar commercial feedyard properties available within or near the subject regional area.

The specific lease data utilized in estimating the market rent for the subject property is presented on the following pages.

⁵⁰ The Appraisal of Real Estate, 14th Edition, Appraisal Institute, 2013, Page 509-510.

Summary of Historical Expired Grow-Yard and Feedyard Leases

No.	Owner / Lessor	Lessee	Location	No. Head	Lease / Hd / Day	Rolling Stock	Lease Type
1	Curtis Franson Expired Lease	Teague	Morgan County, Colorado	20,000	\$0.050	No	Net
2	Kennedy	N/A	Morgan County, Colorado	40,000	\$0.050	No	Net
3	Kevin Averich Expired	Weber Feedlot, Inc.	Morgan County, Colorado	10,000	\$0.030	No	Net
4	Frio Feeders Expired	Stan Gossett	N/A	6,000	\$0.050	No	Net
5	Donley Cattle Expired	OK-TEX Beef	E of Headly, Donley County, Texas	8,500	\$0.040	No	Net
6	Pat Shepard Sold Expired	Texzona Feeders	Plainview, Texas	8,000	\$0.030	Yes	Net
7	DGC Feedyard Expired	Dean Cluck Feeders Sold 49% Interest Leased Back Monte Cluck	W of Gruver, Texas	8,000	\$0.040	No No Mill	Net
8	Harrell Cattle Co. Sold Expired	Sudan Feedlot	Sudan, Texas	20,000	\$0.032	No	Net
9	Friona Industries Expired	CDH Feeders	Sudan, Texas	30,000	\$0.033	Yes	Net
10	Perryton Feeders Sold Expired	CDH-PFI	S of Perryton, Texas	25,000	\$0.040	No	Net
11	Stout Feedyard Expired	DeBruce Grain	N/A		\$0.036	No	Net
12	Grigsby Sold Expired	Great Plains Feeders	N of Herford, Texas	15,000	\$0.027	No	Net
13	KC Feeders Expired	Hartman & Williams	N/A	11,670	\$0.040	No	Net
14	Jay Taylor Estate Sold Expired	Texzona Feedyard	Dimmitt-Hereford, Texas Area	12,000	\$0.040	No	Net
15	Dinner Feedlot Expired in 2008	John Johnson	E of Eaton, in Weld County, Colorado	5,000	\$0.040	No	Net
16	Frank Brand Feedyard Expired	Mark Cluck Previous Owner	S of Dimmitt, in Castro County, Texas	25,000	\$0.033	No	Net

Summary of Historical Expired Grow-Yard and Feedyard Leases

17	Hergert Feedyard Expired in 2008 Feedyard Sold	Panhandle Feeders	N of Scottsbluff, in Sioux County, Nebraska	9,500	\$0.025	No	Net
18**	---	Beef Belt Feeders	Scott City, Kansas	12,500	\$0.040	No	Net
19**	Flint Rock Feeders	Hansford Cattle	Gruver, Texas	---	\$0.040	No	Net
20**	---	Poky Feeders	Scott City, Kansas	58,000	\$0.040	No	Net
21**	---	Timmerman	Sterling, Colorado	30,000	\$0.040	No	Net
Mean Indicated Market Lease					\$0.038		
Median Indicated Market Lease					\$0.040		

Some feedyard leases in the last few years included Beef Belt Feeders leasing a 12,500 head feedyard near Scott City, Kansas; Hansford Cattle leased Flint Rock Feeders; Poky Feeders leased a feedyard near Scott City, Kansas; and Timmerman Feeding Corporation leased a feedyard near Sterling, Colorado. According to confidential sources with knowledge of the leases, the lease amounts ranged from \$0.03 to \$0.05 per head per day. The prices varied based on the amount of equipment that was furnished by the owner and the condition of the feedyards. Specific information was not available due to privacy concerns and confidentiality agreements. These leases support the historical lease information and provide evidence that the feedyard lease market has not changed. A \$0.04 average lease rate was used for these leases in the above grid.

Historical Expired Leases

The historical leases ranged from \$0.025 to \$0.05 per head per day. The mean price is \$0.038 per head per day and the median is \$0.04 per head per day.

Summary of Current Feedyard Leases

No.	Owner / Lessor	Lessee	Location	No. Head	Lease / Hd / Day	Rolling Stock	Lease Type
1	J.D. Heiskel Old English Feedyard	Timmerman	Wiggins, Morgan County, Colorado	10,000	\$0.060	No	Triple Net
2	Sparks Grain Cattleco	Dinklage	Fort Morgan, Morgan County, Colorado	40,000	\$0.050	No	Triple Net
Mean Indicated Market Lease					\$0.055		
Median Indicated Market Lease					\$0.055		
3	Confidential Proprietary Information	Confidential Per Tenant Instructions	Garden City Kansas Area	20,000 to 50,000	\$0.050 to \$0.07	No	Triple Net

Current Leases

Dinklage Feeders is currently leasing a 40,000 head feedyard in Fort Morgan, Morgan County, Colorado. The feedyard was previously leased by Cattlco. The physical address of the Feedyard is 13946 CR 21, Fort Morgan, Colorado 80701. The feedyard is a good quality yard. The pens are steel pipe construction and the feed bunk is constructed of poured concrete. The feedyard is improved with a steam flake feedmill with commodity and grain storage. The total capacity of the yard is 40,000 head. The previous Cattlco lease rate for the yard was \$0.035 per head per day. It is reported that the current Dinklage lease is for a \$0.05 per head per day. The tenant pays all expenses. The lease structure is triple net.

Timmerman Feeders is currently leasing a 10,000 head feedyard in Wiggins, Morgan County, Colorado. The feedyard was previously owned and operated by English. The physical address of the Feedyard is 14111 CR 2, Wiggins, Colorado. The feedyard is an average to good quality yard. The pens are a combination of wood fence and steel pipe construction and the feed bunk is constructed of poured concrete. The feedyard is improved with a steam flake feedmill with commodity and grain storage. The total capacity of the yard is 10,000 head. It is reported that the current Timmerman lease is for a \$0.06 per head per day. The tenant pays all expenses. The lease structure is triple net.

A large feeder in the Garden City, Kansas area indicated to the appraiser that they were currently leasing some feedyards in the \$0.05 to \$0.07 per head per day range. The information was proprietary and confidential, therefore, the appraiser has withheld any owner-tenant names and feedyard locations. The feedyards ranged in size from 20,000 to 50,000 head. Leases are triple net.

Unit of Comparison

In the grow-yard and feedyard industry the most common unit method is the one time lease rate per head per day of feeding capacity. The leases are cash leases and run from \$0.03 to \$0.07 per head per day. Large feedyards in good condition with fully operational feed mills will typically lease in the upper end of the range from \$0.04 to \$0.07 per head per day. A grow-yard or smaller feedyard without a steam flake mill or processing facilities will typically lease in the lower end of the range from \$0.03 to \$0.04 per head per day. The lessee usually pays all of the property expenses creating a triple net lease structure. In most feedyard triple net lease structures, rolling stock is not included.

Potential Gross Revenue Summary

Few grow-yards and feedyards are leased. Most of the grow-yards and feedyards in the current market are owner operated or vacant and for sale. The older historical comparable leases ranged from \$0.025 to \$0.05 per head per day. The overall mean was \$0.38 per head per day and the median was \$0.04 per head per day. The older expired leases provide an indication of the market trend for grow-yard and feedyard cash leases. The newer feedyard leases ranged from \$0.05 to \$0.07 per head per day.

The following is a rating of the subject grow-yard / feedyard based on factors that are considered when leasing a feedyard or growing yard.

Subject Feedyard As Is	
Factors Considered in Estimating a Market Lease Rate	Subject Rating
Quality of Subject Feedyard Improvements	Average to Good
Condition of Subject Feedyard Improvements	Fair to Average (Currently Vacant with Deferred Maintenance)
Ongoing Historical Management and Maintenance Practices	Average During Operation (Currently Vacant with Deferred Maintenance)
Location to Affordable Quality Water Sources	Good
Onsite and/or Offsite Land for Wastewater Management and CAFO Permitting	Good
Overall Market Demand for Feedyards to Lease	Average
Location to Beef Processing and Packer Markets	Fair to Average
Location to Cattle Markets and Suppliers	Very Good
Location to Feed Commodities	Very Good
Location to Other Feedyards	Very Good
Location to Other Agricultural Properties and Market Area Acceptance	Very Good
Historical Average Occupancy of Feedyard (Year Round)	80-85 Percent
Current Occupancy of Feedyard (Year Round)	Currently Vacant
Current Market Average Occupancy (Year Round)	80-85 Percent
Overall Rating	Average

It is noted that grow-yards and feedyards typically confine and feed a larger amount cattle in the summer months and a smaller amount of cattle in the winter months. The subject grow-yard feedyard is currently vacant. Historically, the facility had an 80-85 percent capacity which is average for the area. According to the grow-yard and feedyard managers and TCFA, all grow-yards and feedyards are currently low on cattle numbers due to a shortage of cattle from recent extended drought conditions and from the current high cost and risk in purchasing cattle to put on feed. The average year-round capacity of the subject grow-yard was originally 3,000 head. The grow-yard is currently vacant and not in operation. Because of deferred maintenance due to being vacant and unattended, the maximum capacity of the grow-yard “as is” is approximately 2,500 head.

After a complete review of all the physical attributes of the comparable market leases, a lease rate of \$0.04 per head per day will be used for the subject grow-yard / feedyard. This rate is in the mid range of market rates and it is based on the current demand to lease grow-yards / feedyards, the current feed and cattle prices, the current operating expenses, the subject's location, and the quality, age and condition of the improvements.

The indicated market lease rate includes the property owner being responsible for management only. The real estate taxes, water use assessment fees if any, insurance, repairs, utilities, and reserves for replacement are paid by the lessee (tenant). Based on the foregoing data, the estimated gross potential market lease for the subject is summarized as follows.

Gross Potential Income Estimate				
Subject	Feeding Capacity	Daily Lease Rate	Total Daily Lease	Annual GPI Daily x 365 Days
McClain Grow-Yard	2,500 Head @	\$0.04/Head	\$100	\$36,500

Given the projected lease rate for the feeding capacity of 2,500 head for the subject grow-yard / feedyard facility, the annualized potential gross revenue was estimated to be \$36,500.

Vacancy and Collection Loss

The occupancy estimate utilized reflects the analysis of recent feedyard market studies. There is currently an average demand for grow-yard and feedyard facilities similar to the subject grow-yard in the subject market area. The market area is highly agricultural in use and well known area for cattle feeding, dairy production, and farming and ranching.

The subject grow-yard / feedyard is currently vacant and unattended due to the owner's death and default on the loan. Historical occupancy rates of the grow-yard was 80 to 85 percent of its maximum capacity of 3,000 head. The "as is" year-round feeding capacity is estimated at 2,500 head due to deferred maintenance in the improvements.

According to Texas, Colorado and Kansas grow-yard and feedyard operators and the TCFA, feedyards are currently averaging 80 to 85 percent occupancy rates year-round. For this analysis, an 80 percent occupancy rate (20 percent vacancy and credit loss) will be used for the subject feedyard.

Expense Analysis

Operating expenses are periodic expenditures necessary to maintain an income producing property and to continue the production of the effective gross income. Normal operating expenses associated with feedyard facilities are 1) real estate taxes, 2) insurance, 3) management and 4) utilities, 5) repairs, and 6) reserves for replacement.

Under a net lease situation, the lessee is usually responsible for all of the expenses except for management, which the lessor usually pays. Since most feedyard leases are usually triple net leases, the only expense that is to be deducted in this analysis is the management cost which usually runs approximately five (5) percent of effective gross income. The following is an income and expenses analysis for the subject feedyard.

STABILIZED INCOME AND EXPENSE PRO FORMA			
Potential Gross Lease Income			\$36,500
Other Income			\$0
Total Potential Gross Revenue			\$36,500
Less: Vacancy and Collection Loss	20%		(\$7,300)
Effective Gross Lease Income			\$29,200
Total Expenses	5%		(\$1,460)
Net Operating Income			\$27,740

Direct Capitalization Method

The direct capitalization method is a process by which a single year's estimate of income is converted into an indication of value. This is accomplished by dividing the income estimate by an appropriate overall rate (OAR). This is expressed algebraically as:

$$\text{NOI} / \text{RATE} = \text{VALUE}$$

Where NOI is annual net operating income or pre tax cash flow, RATE is the capitalization rate and VALUE is the resulting value of the property. This method is most applicable when an income property has stabilized occupancy. Since the subject is appraised on a stabilized basis, the direct capitalization method is a reliable indicator of value and was used exclusively in estimating a value for the subject by the income approach.

Indicated Value by the Direct Capitalization Method

The final step of this approach is to capitalize the estimated stabilized net revenues by the overall rate. Factors considered within the estimation of the capitalization rate are as follows:

1. The stability of the subject;
2. The subject's location and recognition;

Please see the following chart.

Comparable Overall Rates							
Comparable Sales	Date of Sale		Primary Use	Type of Grow-Yard / Feedyard Facilities	OAR %	Effective Age Years	Capacity Head
Subject	Insp. July-2023	Texas	Grow-Yard	Commodity-Hay Barn		17	2,500
1	Jan-2023	Texas	Feedyard	Steam Flake / Grain Storage	6.63%	15	18,000
2	Nov-2020	Texas	Grow-Yard / Feedyard	Steam Flake / Grain Storage	8.92%	25 Sold Vacant	10,000
3	Oct-2022	Texas	Grow-Yard	Commodity-Hay Barns	7.13%	10	7,500
4	Sep-2019	Texas	Grow-Yard	Small Dry Roll / Comm. Barn	6.74%	10	4,000
5	Sep-2021	Kansas	Grow-Yard / Feedyard	Dry Roll / Grain Storage	6.16%	15	7,500
Mean					7.12%		
Median					6.74%		

The Overall Rates ranged from 6.16 to 8.92 percent. The overall rates developed from the comparable sales had a mean rate of 7.12 percent and a median 6.74 percent. Greatest weight was given to Sale 3 based on date of sale, type of facility, size, and associated improvements. Sales 4 and 5 are the second most similar sales to the subject based on type of facility, size, and associated improvements. Sales 1 and 2 are larger facilities that can be used growing cattle and/or finishing cattle on feed. Sale 2 was vacant and in poor to fair condition at the time of sale. Sales 1 and 2 were given the least weight.

Based on the subject's location to feed commodities, other grow-yards and feedyards, and the packer markets and the subject's age, quality, and condition, an overall rate in the mid range was considered to be most applicable. A rounded cap rate of 7.1 percent rounded will be used in the following analysis.

INDICATED VALUE - DIRECT CAPITALIZATION METHOD			
Estimated Revenues			\$27,740
Capitalization of Revenue			
	\$27,740	7.10%	\$390,704
Rounded			\$391,000
Feedyard Capacity (Head)			2,500
Value Per Head / Income Approach			\$156

Summary and Conclusion of the Income Approach

The income approach to value is predicated on the assumption that there is a definitive relationship between the amount of income a property will earn and its value. This approach is based on the principle that value is created by the expectation of benefits derived in the future. This indicated value represents the market value of the subject property "as is", given the existing economic conditions of the subject property and the commercial grow-yard and feedyard market in Texas, Kansas, Oklahoma, Colorado and the High Plains Cattle Feeding Region.

The direct capitalization method was used to form a value opinion for the subject property. The direct capitalization analysis offers the indication of value based upon the estimated stabilized revenue and expenses and market derived overall capitalization rate. The income and expense estimates and assumptions used were reasonable and well-supported by evidence from the market.

The annual stabilized net operating income from this method was capitalized with a market rate developed from comparable feedyard sales. The market value conclusion, of the subject grow-yard / feedyard and site "as is" as of the effective date of the appraisal, by the Income Approach is **\$391,000 rounded**.

Liquidation Value

Liquidation Value is defined in The Dictionary of Real Estate Appraisal, Seventh Edition as:

The most probable price that a specified interest in property should bring under the following conditions:

1. Consummation of a sale within a short time period.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and the seller are acting prudently and knowledgeably.
4. The seller is under extreme compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. A normal marketing effort is not possible due to the brief exposure time.
8. Payment will be made in cash in US dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This definition can also be modified to provide for valuation with specified financing terms.

Subject Liquidation Value

In addition to the “as is” market value, the appraiser was asked to form an opinion of the “liquidation” value. A 120 day marketing period for liquidation is assumed. As indicated in the following Reconciliation and Final Value Opinion section the “as is” market value opinion of the subject grow-yard facility on 56.03 acres of land is \$375,000 or \$150 per head based on a maximum feeding capacity of 2,500 head.

The calculations for the “liquidation” value assuming a four month marketing time of the property are shown on the following table.

Net Realizable Liquidation Value Analysis		
McClain Grow-Yard / Feedyard	4 Months	
Fee Simple Market Value		\$375,000
Value Per Head Capacity @	2,500 Head	\$150
Less Distress Sale Discount @	25%	\$93,750
Liquidation Value		\$281,250
Less Sales Commission @	6% of LV	\$16,875
Less Closing/Legal/Mgmt Cost @	1% of LV	\$2,813
Less Real Estate Taxes @	\$9,880.63 Per Year	\$3,294
Less Property Insurance @	\$4,000 Per Year	\$1,333
Less Miscellaneous Expenses @	\$250 Per Month	\$1,000
Less Clean-Up Cost		<u>\$0</u>
Total Holding/Sales Costs		\$25,314
Net Realizable Liquidation Value		\$255,936
Net Realizable Liquidation Value ®		\$256,000
Net Realizable Liquidation Value Per Acre	2,500 Head	\$102
Total Liquidation Discounted Value %		68%
Total Liquidation Discount %		32%

The subject's liquidation value opinion stated herein is consistent and closely related with the lower end of the grow-yard and feedyard sales in the subject market which is a large regional market. The majority of the lower end of the grow-yard and feedyard sales range from \$85 to \$120 per head. The lower end sales are a mix of bank owned distressed sales, individual owned distressed sales, older grow-yards and feedyards with improvements that are in less than average condition with deferred maintenance, grow-yards and feedyards with water problems, and grow-yards and feedyard properties with permitting and environmental problems. It is noted that most of these type sales are vacant at the time they are sold.

The average or middle of the road grow-yard and feedyard sales in the region range anywhere from \$130 to \$170 per head. The middle of the road sales were a mix of vacant and occupied grow-yards and feedyards at the time they were sold. Some were partially occupied with low cattle numbers.

The majority of the upper end of the grow-yard and feedyard sales in the region range from \$180 to \$220 per head plus or minus. Most of the grow-yard and feedyard sales that are above \$220 per head included rolling stock, feed, and/or additional or excess land. The upper end sales were most always occupied when they sold. Some of the upper end sales were turn-key operation sales and some were real estate only.

The appraiser has given his best effort to provide a market value opinion of the subject and a liquidation value. The available data for grow-yards and feedyards varies widely and is almost always inconsistent. The price that a grow-yard and feedyard brings and the time that it takes to sell is heavily dependent on the sellers and/or brokers connections with available buyers from the larger feedyard market.

It is noted that during the process of appraising the subject property and writing the appraisal report, the appraiser was contacted by individuals familiar with the subject grow-yard about purchasing the property. The appraiser was also contacted by feedyard brokers about selling the property. No information about the property or values were given out by the appraiser. The interest that was expressed by potential purchasers and brokers indicates some current demand in the market for grow-yards and feedyards as of the date of the appraisal.

Exposure and Marketing Time Analysis

In accordance with the Market Value definition contained herein, as requested by the client, consideration has been given to a reasonable estimated marketing period for the subject property **at the appraised value estimate herein.**

Marketing Time is the time necessary to expose a property to the open market in order to achieve a sale. Implicit in this definition are the following conditions:

- * The property will be actively exposed and aggressively marketed to potential purchasers through marketing channels commonly used by sellers of similar types of properties.
- * The property will be offered at a price reflecting the most probable mark-up over market value used by sellers of similar properties.
- * A sale will be consummated under the terms and conditions of the definition of market value stated in this report.

A normal market period is a function of various factors including, prevailing market conditions, the price of the product being marketed, the competitive position of the property in the market, and the amount and quality of marketing effort allocated to the property. It is strongly emphasized that the appraisers have no control of the aforementioned factors, nor can the appraisers anticipate or predict any of them. Therefore, it is assumed that the property will receive an adequate marketing effort.

Based upon the degree of commercial agricultural activity and sales similar to the subject contained herein, and the appraiser's personal conversations with area brokers and landowners familiar with the subject area, it is concluded that at the market value opinion stated herein, the subject property can reasonably anticipate a sale within 12-18 months of the listing date.

Exposure Time

1. The time a property remains on the market.
2. The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market. Exposure time is always presumed to occur prior to the effective date of the appraisal. The overall concept of reasonable exposure encompasses not only adequate, sufficient and reasonable time but also adequate, sufficient effort. Exposure time is different for various types of real estate and value ranges and under various market conditions. The Dictionary of Real Estate Appraisal, Third Addition, Appraisal Institute, 1993, Page 126.

A reasonable exposure time for the subject property would be 12-18 months.

Reconciliation and Final Opinion of Value

Reconciliation and Final Value Opinion

Resolving the differences among various value indications is called reconciliation.⁵¹ The purpose of the reconciliation of value is to evaluate the strengths and weaknesses of the individual approaches, and to develop a single value opinion for the subject.

In the valuation process, more than one approach to value is usually applied, and each approach typically provides a different indication of value. If two or more approaches are used, the appraiser must reconcile the value indications.⁵²

All three approaches should be applied in forming an opinion of value, whenever possible. One approach, however, will often be given greater consideration than the others, depending largely upon the type of property appraised and the quality of the data upon which the approach is based. The greatest consideration is normally given to the approach most typically used by buyers and sellers to determine sale prices for properties of the subject type in the local market.

In the preceding sections of this report, indications of value based upon the cost approach, the sales comparison approach and the income approach were utilized to provide indications for value of the subject's fee simple estate. Within the reconciliation, the three value indications were considered and evaluated by the relative significance of applicability for each approach. As a result, the following estimates of value were derived:

Value Indication by Approach			
Analysis and Approach	Subject	Value Type	Value Opinion
Cost Approach	56.03 Acres of Land Only	As if Vacant	\$125,000
Cost Approach	56.03 Acres of Land, Improvements and Attached Equipment	As Is	\$388,000
Sales Comparison Approach	56.03 Acres of Land, Improvements and Attached Equipment	As Is	\$375,000
Income Approach	56.03 Acres of Land, Improvements and Attached Equipment	As Is	\$391,000

⁵¹ The Appraisal of Real Estate, 14th Edition, Appraisal Institute, 2013, Page 641.

⁵² The Appraisal of Real Estate, 14th Edition, Appraisal Institute, 2013, Page 641.

Cost Approach

It is noted in agricultural properties, the Cost Approach to Value represents a summation of the contributory value of all improvements and individual land components.

In appraising a new or special-purpose property, the Cost Approach provides a meaningful standard of measurement. However, when dealing with older improvements, it is difficult to estimate the replacement and/or reproduction cost of improvements because the elements of production are always changing and difficult to monitor. Also, the Cost Approach requires an estimate of accrued depreciation, which is difficult to determine for older improvements and for obsolescence.

Based on the age and condition of the improvements and the available land sales in the immediate area near the subject property, this method was considered to be necessary and applicable, and it was used in the analysis.

There was adequate land sale data and construction cost data available to apply the Cost Approach method. Because accrued depreciation was significant, the Cost Approach has provided a credible but limited result. There are three (3) main types of depreciation affecting the subject improvements. These include physical curable depreciation (deferred maintenance), physical incurable depreciation (normal wear and tear and aging), and external obsolescence (incurable factor external to the property) due to a soft market. The Cost Approach provides good support for the Sales Comparison Approach.

Sales Comparison Approach

The sales comparison approach is used to form an opinion of market value by comparing similar properties to the subject property and making adjustments to the comparables for market differences. The sales comparison approach was utilized to provide an indication of value for the subject grow-yard / feedyard facility and land.

Sales of grow-yard and feedyard properties were identified from a large regional area including Texas, Kansas, Colorado, Oklahoma, and Nebraska. As grow-yards and feedyards are considered to be part of a large regional market, it was necessary to survey a large area for comparable sales. The data obtained from these sales was considered to be accurate and reliable. Five (5) of the most similar sales to the subject from Texas and Kansas were used in the adjustment process. Additional sales were used for market comparison and support.

The improved comparable sales for grow-yards and feedyards are indicating that similar properties are being purchased primarily by owner-occupants. When the market is dominated by purchasers who intend to occupy the property, the Sales Comparison Approach is a strong indicator of value.

Due to the quality and quantity of the market sales information for improved properties, the value opinion within this approach was considered to provide the most reliable conclusion.

Income Approach

The income approach to value is based on the premise that a direct relationship exists between the income-producing potential of a property and its market value. The income approach was utilized to provide an indication of value for the subject property.

As previously stated, market research indicated that the majority of the grow-yard and feedyard properties and farm properties that have sold have been to owner-occupants. Historically, investor-purchasers have not purchased grow-yards or feedyards to lease to other parties for an income stream. Most of the current grow-yards and feedyards in the market that are leased are facilities that became available for lease by retained family ownership after a operator retires or passes away or from foreclosure where the lien holder leases and manages the property. To an investor, a property's worth is based on its ability to produce income and/or appreciation in value over time. Based on the presence of inflation causing higher cattle prices, higher feed prices, and higher cost of operation, the rental market for grow-yards and feedyards appear to be moderate to average. Overall, the Income Approach was considered to provide a reliable indication of value and provided support to the Sales Comparison Approach.

Conclusion

There was adequate sales data for grow-yards and feedyard properties in the Sales Comparison Approach to arrive at an indication of value for the subject property. The Cost Approach was well supported by adequate land sales and current cost estimates, however, due to a significant amount of accrued depreciation present in the improvements, less weight was given to this approach. The available income information on comparable grow-yards and feedyard properties appears to be consistent and reasonable. Because most grow-yards and feedyards are purchased by owner-operators, the Sales Comparison Approach was considered to be the most reliable indicator of value. Based on these considerations, it is my opinion that the market value of the fee simple interest in the subject property, “as is” as of July 10, 2023, is as follows:

Final Market Value Opinion of Subject Property	
Subject Property	Value Opinion
Value Opinion of Real Property and Attached Equipment	\$375,000
Value Opinion of Attached Feedyard Equipment	\$18,000
Value Opinion of Real Property	\$357,000

Liquidation Value Opinion of Subject Property	
Subject Property	Value Opinion
Value Opinion of Real Property and Attached Equipment	\$256,000

CERTIFICATION

I certify that to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial and unbiased professional analyses, opinions and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
6. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice.
7. The use of this report is subject to the requirements of the Appraisal Institute and the American Society of Appraisers relating to review by its duly authorized representatives.
8. No one provided significant professional assistance to the persons signing this report.
9. Kirby Harper is a State Certified General Appraiser in the States of Texas, New Mexico, and Colorado.
10. Kirby Harper made a personal inspection of the property that is the subject of this report.
11. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
12. The reported analyses, opinions and conclusions were developed and this report has been prepared in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute and the American Society of Appraisers.

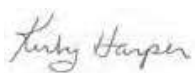
13. As of the date of this report, Kirby Harper, has completed the requirements of the continuing education program of the Appraisal Institute, the American Society of Appraisers, the Texas Appraiser Licensing and Certification Board, the New Mexico Appraiser Licensing and Certification Board, the Colorado Appraiser Licensing and Certification Board.

14. I have not performed services, as an appraiser, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of the assignment. An additional statement relating to the appraisal history of the subject property is located in the body of the report.

Based on these considerations, it is my opinion that the market value of the fee simple interest in the subject property, “as is” as of July 10, 2023, is as follows:

Final Market Value Opinion of Subject Property	
Subject Property	Value Opinion
Value Opinion of Real Property and Attached Equipment	\$375,000
Value Opinion of Attached Feedyard Equipment	\$18,000
Value Opinion of Real Property	\$357,000

Liquidation Value Opinion of Subject Property	
Subject Property	Value Opinion
Value Opinion of Real Property and Attached Equipment	\$256,000



Kirby Harper, SRA, ASA-RP

Texas General State Certification No. TX-1331201-G

New Mexico General State Certification No. 03440-G

Colorado General State Certification No. CG-40042526

Expiration Date July 31, 2024

Expiration Date April 30, 2025

Expiration Date December 31, 2024

ADDENDUM

Trans Pecos Real Estate, Inc.

Assumptions and Limiting Conditions

This appraisal report has been made with the following general assumptions:

1. This is an **Appraisal Report** which is intended to comply with the reporting requirements set forth under **Standards Rule 2-2(a)** of the Uniform Standards of Professional Appraisal Practice for an **Appraisal Report**. As such, it presents summary discussion of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated herein. The appraiser is not responsible for unauthorized use of this report.
2. No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
3. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
4. Responsible ownership and competent property management are assumed.
5. The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
6. All engineering is assumed to be correct. The plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
7. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
8. It is assumed that there is full compliance with all applicable federal, state and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report.
9. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in the appraisal report.

10. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
11. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.
12. All information, comments and conclusions pertaining to subject and other properties described represent the opinion of the appraiser formed after a personal examination of each.
13. The appraiser has no interest, present or prospective, in the subject property.
14. Sketches in this report are included to assist the reader in visualizing the property.
15. The appraisers assume that there are no hidden or unapparent conditions of the appraised property, which would render it more or less valuable. Further, the appraisers assume that there are no potentially harmful asbestos or other materials and/or site contaminants in, on, or near soil, subsoil, or structure of the appraised property and that there has been no disposal, discharge, leakage, or spillage of pollutants or contaminant which would render it more or less valuable, whether or not these materials or contaminants are apparent or hidden and unapparent.

No responsibility is assumed by the appraisers for these conditions. In addition, no responsibility is assumed by the appraisers for the cost of engineering and/or laboratory studies which might be required to discover such materials or contaminants. And no such engineering or laboratory studies have been ordered for the appraised property.

16. Disclosure by the appraiser of the contents of this appraisal report is subject to review in accordance with the by-laws and regulations of Appraisal Institute and the American Society of Appraisers.

This appraisal report has been made with the following general limiting conditions:

1. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
2. Possession of this report, or a copy thereof, does not carry with it the right of publication, unless prior arrangements have been made.

3. The appraiser, by reason of this appraisal, is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.
4. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without prior written consent and approval of the appraiser.
5. This appraisal was made in accordance with the Code of Professional Ethics and Uniform Standards of Professional of the Appraisal Institute and the American Society of Appraisers.
6. Acceptance of and/or use of this report constitutes acceptance of all assumptions and limiting conditions stipulated.
7. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible non-compliance with the requirements of ADA in estimating the value of the property.
8. **Critical Issues, Extraordinary Assumptions and Hypothetical Conditions:**

Per 2020-2021 and 2022-2023 USPAP Requirements Page 22, Standard 2, (xiii), Lines 637-639, Clearly and Conspicuously: State all Extraordinary Assumptions and Hypothetical Conditions; and State that their use might have affected the assignment results.

Extraordinary Assumptions and Hypothetical Conditions have been addressed in this appraisal. Extraordinary Assumptions and Critical Issues have been made and stated in this report and their use could affect the assignment results if found to be inaccurate. The appraiser has relied on the most accurate information available in the special assumptions and conditions that are made.

An **Extraordinary Assumption** is defined as an assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions and conclusions (example: a value in the future on the date a proposed project is expected to be completed).

A Hypothetical Condition is defined as a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis (example: a value of a proposed project as of the effective date of the appraisal or the date the property was inspected).

The following Critical Issues are addressed and Extraordinary Assumptions are made:

A. Legally Permitted Use of the Subject Grow-Yard / Feedyard.

The subject McClain Grow-Yard / Feedyard is required to have a Texas Commission on Environmental Quality (TCEQ) Concentrated Animal Feeding Operation (CAFO) General Permit for its legal operation. The subject feedyard operates under TPDES Large CAFO General Permit No. TXG-921265.

The General CAFO Permit Coverage Date began on April 22, 2012; the last update was on November 7, 2019. The Permit Expiration Date is July 20, 2024. This CAFO Permit allows for a maximum of 3,000 head of (Beef) cattle that can be confined and fed in the subject grow-yard / feedyard. The CAFO Certificate and additional permit information from the TCEQ Website is included in the Addendum of this report.

The grow-yard / feedyard, waste water retention control structures (RCS) and the wastewater application areas (LMUs) are assumed to be in compliance with Texas Commission on Environmental Quality CAFO guidelines. The contracted environmental consulting firm overseeing the feedyard is Enviro-Ag Engineering of Amarillo, Texas, at 806-353-6123. According to Dillon Pool at Enviro-Ag, the subject grow-yard / feedyard is in compliance with the TCEQ and all county and state regulations. It is noted that all grow-yard / feedyard CAFO Permits in the State of Texas have expiration dates of July 20, 2024. All CAFO Permits are typically renewed for five (5) year periods. The value of the subject grow-yard / feedyard relies on the continuance of the CAFO Permit to legally operate. It is assumed that the subject is in compliance with all EPA, TCEQ, and Deaf Smith County, Texas rules and regulations.

B. Subject Grow-Yard / Feedyard Confinement Capacity and Compliance.

The subject grow-yard / feedyard is improved with approximately 3,455 linear feet of concrete feed bunk space with attached concrete apron and steel pipe and cable confinement pens. The pens are improved with a continuous flow water system. Approximately 1,237 linear feet of feed bunk is metal construction and 2,218 linear feet is concrete construction. Approximately 1,550 linear feet of the concrete feed bunk was constructed in 2016. The original bunk was constructed from 2001 to 2011.

The total feed pen space for the pens with the attached metal bunk and concrete bunk together is approximately 510,523 square feet which calculates to 170 square feet per animal based on 3,000 legal head. The current CAFO Permit restricts the subject grow-yard / feedyard to 3,000 head.

The metal bunk has reached the end of its economic and usable life. Only the 2,218 linear feet of concrete bunk with attached pen space is being calculated for the current feeding capacity of 2,500 head.

The southwest pen structure constructed around 2001 has approximately 468 LF of attached concrete bunk attached to the west side (west feed-line). The east side (east feed-line) of the southwest pen structure has 440 LF of attached metal bunk. The east side containing the metal bunk would not be utilized and the gates could be opened between the east and west side allowing for a total of 111,078 square feet of pen space for the 468 LF of concrete bunk line. Approximately 642 head of cattle can be fed on the 468 LF of concrete bunk on a 8.75 inch spacing at 173 square feet per animal.

The adjacent south center pens have 150 LF of concrete bunk attached to the north side (north feed-line) and 284 LF of metal bunk attached to the west side (west feed-line). The 284 LF of metal bunk would not be utilized and is not calculated in the value. The north 150 LF of concrete bunk would be utilized for feeding. Approximately 206 head of cattle can be fed on the 150 LF of concrete bunk on an 8.75 inch spacing. There is a total of 32,670 square feet of space in the north pen structure. Therefore 159 square feet of pen space per animal is available in the north pen to feed 206 head of cattle on an 8.75 inch spacing. The attached north pen could be opened to the middle pen and this would allow for 77,101 square feet or 374 square feet per animal on an 8.75 inch spacing.

The north center pen has approximately 17,860 square feet of space. Approximately 69 cattle can be fed in this pen on an 8.75 inch spacing at 259 square feet per animal. There is no metal bunk attached to this pen. All of the bunk attached to these pens is concrete.

The newer eastern pens were constructed in 2016 have a total approximate square footage of 200,376 square feet of space. These pens have 820 LF of concrete bunk on the west side (west bunk line) and 730 LF of concrete bunk on the east side (east bunk line). Approximately 1,550 head of cattle can be fed in these pens on a 12 inch spacing. This calculates to 130 square feet per animal.

Therefore, the total amount of cattle that can be confined and fed in the subject grow-yard / feedyard using the concrete feed bunk only and not any metal bunk is 642 head in the southwest pens, 206 head in the south-center pens, 69 head in the north center pens, and 1,550 head in the east pens which totals 2,467 head rounded to 2,500 head with a total average square footage per animal of 145 to 163 square feet.

As previously stated, that if the metal bunk only is replaced with new metal bunk or with concrete bunk, the subject can be returned back to a 3,000 head grow-yard with 3,455 linear feet of bunk space at 13.82 inches per animal and 510,523 pen space with an average animal space of 170 square feet per animal.

The 2,500 head capacity, feeding space, and square footage per animal are considered to be adequate for the subject grow-yard / feedyard facility.

The appraised value is based on a CAFO Permitted capacity of 3,000 head and an efficient confined feeding capacity of 2,500 head. The appraised value is also subject to maintaining all solid waste, slurry, and wastewater land application areas plus waste agreements and permits necessary for the normal operation and function of the grow-yard / feedyard. This includes any adjacent or non-contiguous land, owned or leased, tied to the CAFO Permit, used for solid waste, wastewater, and slurry application. This appraisal assumes that any off-site waste application land, required by and noted in the CAFO Permit, excluded from this analysis, will be available for solid waste, wastewater, and/or slurry application for the life of the subject grow-yard / feedyard facility. The appraised value is subject to the grow-yard / feedyard complying with all County, State and Federal authorities relating to legal operation of the feedyard.

C. Water Wells

The original owner of the subject grow-yard / feedyard furnished the appraiser with verbal water well information in 2019. There is no information available about water well on the subject site on the High Plains Water District Website Interactive Map. The High Plains Water District located in Lubbock, Texas issues water well permits for all water wells in the district. According to the original owner Mr. McClain, there is one (1) water well located on the property and it produces approximately 150 GPM. There is no known written water well documentation for the subject water well. The subject grow-yard / feedyard is currently vacant and there is no one available to verify that the well still produces the same amount of water. The well location is shown on the Enviro-Ag Engineering LMU Site Map located in the appraisal addendum. The appraiser assumes that the water well information is still the same and true and correct. A current well test is recommended to determine the accurate well GPM.

The value stated in this appraisal is based on the subject feedyard having enough water to adequately operate the grow-yard / feedyard and confine 2,500 head of livestock plus have enough water for horses and some domestic use. The CAFO Permit allows for 3,000 head of beef cattle. Based on 150 GPM x 60 minutes x 24 hours is a total of 216,000 gallons of water per day. Most feedyards with additional feed mills use around 12 gallons of water per animal per day average.

The appraiser has assumed 15 gallons per animal per day for the subject grow-yard / feedyard calculation. Considering 216,000 gallons per day / 15 gallons per animal = 14,400 total animals. Assuming that the subject water well produces 150 GPM, there is more than enough water to adequately operate the grow-yard / feedyard at the current 2,500 head capacity using the concrete bunk only and the 3,000 head capacity if the metal bunk was repaired or replaced with concrete bunk.

D. Property Condition

It is noted that the previous owner-operator of the subject grow-yard / feedyard facility has passed away and that the grow-yard is currently not being operated. The facility was vacant on the date of the appraisal inspection and no one was present to report any updated information about the property. The appraiser has given his best effort to determine the condition of the improvements and to list any specific repairs needed to bring the subject to an average usable condition. Estimated deferred maintenance items are listed in the appraisal. The appraiser is not a construction or environmental expert and any repairs stated in the appraisal are estimates only. The appraiser recommends that the client obtain qualified experts for specific construction or repair costs and for any environmental conditions or water well conditions that affect the property. If it is determined that there is more or less deferred maintenance in the improvements or other conditions, the appraised value may be affected and the appraiser reserves the right to re-evaluate the property based on more accurate information from qualified experts.

Key Definitions

Appraisal

In simplest terms, an appraisal is “the act or process of developing an opinion of value” of an asset. The asset in question could be anything, from real property, fine art to machinery and equipment, or even a specific type of business.

The value developed in an appraisal is some measure of the relative worth of the asset, usually expressed in terms of money. In other words, the appraisal quantifies to a certain level of precision what buyers and sellers would consider the relative worth of, in this case, some interest in a parcel of land and any improvements to that land.

Implicit in the traditional definition of appraisal is the idea that an appraisal is someone’s opinion, rather than an undeniable fact. Another useful way of describing and thinking about what an appraisal is would be to look more closely at the people who develop those opinions of value.

While anyone can have an opinion of value, appraisers are professionals with training and expertise in the accepted valuation methods and techniques who have an ethical obligation to remain disinterested and unbiased while performing an appraisal. That professional expertise gives the value opinion of an appraiser credibility in the marketplace that the opinions of other market participants do not carry. And the credibility of an appraiser’s unbiased opinion of value, the relevant evidence an appraiser gathers, and the logical analysis of that data make the appraiser’s opinion valuable to clients.⁵³

Real Estate and Real Property

The distinction between real estate and real property is fundamental to appraisal:

Real Estate - An identified parcel or tract of land, including improvements, if any.

Real Property - The interests, benefits, and rights inherent in the ownership of real estate.

In simplest terms, the real property rights, not the real estate itself. In real estate appraisal, an important distinction is made between the terms real estate and real property. Although these concepts are different, some state laws and court decisions treat them synonymously for legal purposes.

⁵³ The Appraisal of Real Estate, 14th Edition, Appraisal Institute, Chicago, Illinois, 2013, Pages 2-3.

Real estate is the physical land and appurtenances affixed to the land—e.g., structures. Real estate is immobile and tangible. The legal definition of real estate includes the following tangible components:

- land
- all things that are a natural part of land, such as trees and minerals
- all things that are attached to land by people, such as buildings and site improvements

In addition, all permanent building attachments (for example, plumbing, electrical wiring, and heating systems) as well as built-in items (such as cabinets and elevators) are usually considered part of the real estate. Real estate includes all attachments, both above and below the ground.

Real property includes the interests, benefits, and rights inherent in the ownership of physical real estate. In an appraisal, a particular set of real property interests—not the real estate—is what is valued. Real estate in and of itself has no value; the rights, or interests, in real estate are what have value.⁵⁴

Market Value

Market Value is defined as the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus.⁵⁵ Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- 1) Buyer and seller are typically motivated;
- 2) Both parties are well informed or well advised, and acting in what he or she considers his or her own best interest;
- 3) A reasonable time is allowed for exposure in the open market;
- 4) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- 5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

⁵⁴ The Appraisal of Real Estate, 14th Edition, Appraisal Institute, Chicago, Illinois, 2013, Pages 3-4.

⁵⁵ The Appraisal of Real Estate, 14th Edition, Appraisal Institute, Chicago, Illinois, 2013, Page 59.
The Appraisal of Rural Property, 2nd Edition, Appraisal Institute and ASFMRA, 2000, Page 27.
USPAP Advisory Opinions 2012-2013 Edition, The Appraisal Foundation, Page A-72.
USPAP Definition of Market Value Page A-72 References Title XI FIRREA Definition.

Going Concern Value

All tangible and intangible assets of an established and operating business with an indefinite life.

A going concern is an established and operating business with an indefinite future life. For certain types of properties (e.g., hotels and motels, restaurants, bowling alleys, manufacturing enterprises, athletic clubs, landfills), the physical real property assets are integral parts of an ongoing business. The market value of such a property (including all the tangible, intangible, and financial assets of the going concern, as if sold in aggregate) is often referred to as business value or business enterprise value, but in reality it is the market value of the going concern including real property, personal property, financial assets, and the intangible assets of the business. Appraisers may be asked to develop an opinion of the investment value, use value, or some other type of value of a going concern, but most appraisals of the value of a going concern relate to market value.

Traditionally, the term going-concern value has been used to describe the market value of a proven property operation, although a more accurate term is market value of the going concern. The concept of the value of the going concern can also be applied to a proposed business operation. The current definition of going concern highlights the assumption that the business enterprise is expected to continue operating well into the future (usually indefinitely). The market value of a going concern includes the incremental value associated with the business concern, which is distinct from the value of the tangible real property and personal property. The assemblage of the land, buildings, labor, equipment, financial assets, and the marketing operation creates an economically viable business that is expected to continue.

It may be difficult to separate the market value of the tangible assets (i.e., the land and the building) from the total market value of the business, but such a division of realty and non-realty assets may be required by the intended use of the appraisal. Application of the cost approach can be useful in separating the value of the tangible assets because the cost approach specifically excludes personal property and intangibles. An appraiser must always state when intangible assets are included in the property being appraised, even when the appraiser has not been able to separate the market value of the real property from the market value of the going concern. Only qualified practitioners should undertake these kinds of assignments, which must be performed in compliance with the appropriate professional standards. It may be necessary for a real estate appraiser to collaborate with a personal property appraiser or a business appraiser or both on such an assignment.⁵⁶

⁵⁶ The Appraisal of Real Estate, 14th Edition, Appraisal Institute, Chicago, Illinois, 2013, Page 63.

Fee Simple Interest

A fee simple estate is defined as: Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.⁵⁷

Bundle of Rights and Fee Simple Interest

The total range of private ownership interests in real property is called the bundle of rights. Imagine a bundle of sticks in which each “stick” represents a distinct and separate right or interest. The bundle of rights contains all the interests in real property, including the right to use the real estate, sell it, lease it, enter it, and give it away, and each “stick” can be separated from the bundle and traded in the market. The US Constitution guarantees the private enjoyment of these rights, subject to certain limitations and restrictions.

The most complete form of ownership is the fee simple interest—i.e., absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat. An appraiser may be asked to appraise something less than the fee simple interest—i.e., a partial interest or a fractional interest.

Because each stick in the bundle of rights represents a separate right or interest inherent in the ownership, these individual rights can be separated from the bundle by sale, lease, mortgage, donation, or another means of transfer. The complete bundle of rights includes, but is not limited to, the following:

- the right to sell an interest
- the right to lease an interest
- the right to occupy the property
- the right to mortgage an interest
- the right to give an interest away

Ownership of the fee simple interest is equivalent to ownership of the complete bundle of sticks, while one or more of the sticks (or a portion of individual sticks) can represent a partial interest in a specific property. Each individual right in the bundle may have potential value. If any or all are removed from the fee simple interest, one or more partial interests are created. Sometimes described as an absolute property right, a fee simple interest is not, in fact, absolute because it is subject to the four powers of government (i.e., taxation, eminent domain, police power, and escheat). Nevertheless, an owner of a fee simple interest in real estate has broad rights.

⁵⁷ The Appraisal of Real Estate, 13th Edition, The Appraisal Institute, Chicago, Illinois, 2008, Page 114.

If there are leases in place, even at market rates and terms, the interest is a leased fee. The value may be the same as the fee simple, but the interest is correctly identified as a leased fee.⁵⁸

Leased Fee Interest

The ownership interest held by the lessor, which includes the right to the contract rent specified in the lease plus the reversionary right when the lease expires.⁵⁹

Leasehold Interest

The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.⁶⁰

Air Rights

The right to undisturbed use and control of designated air space above a specific land area within stated elevations. Such rights may be acquired to construct a building above the land or building of another or to protect the light and air of an existing or proposed structure on an adjoining lot.⁶¹

Land Trust

A legal vehicle for partial ownership interests in real property in which independently owned properties are conveyed to a trustee; may be used to effect a profitable assemblage or, in some cases, to facilitate the assigning of property as collateral for a loan.⁶²

⁵⁸ The Appraisal of Real Estate, 14th Edition, Appraisal Institute, Chicago, Illinois, 2013, Pages 5-6.

⁵⁹ The Appraisal of Real Estate, 14th Edition, Appraisal Institute, Chicago, Illinois, 2013, Page 72.

⁶⁰ The Appraisal of Real Estate, 14th Edition, Appraisal Institute, Chicago, Illinois, 2013, Page 72.

⁶¹ The Appraisal of Real Estate, 14th Edition, Appraisal Institute, Chicago, Illinois, 2013, Page 78.

⁶² The Appraisal of Real Estate, 14th Edition, Appraisal Institute, Chicago, Illinois, 2013, Page 80.

Scope of Work

In the valuation process, the identification of the assignment elements leads directly into the determination of the scope of work of an assignment, i.e., the type and extent of research needed to solve an appraisal problem. Professional standards place the responsibility for determining the appropriate scope of work in the appraisal assignment squarely on the shoulders of the appraiser. The scope of work for an assignment is acceptable if it leads to credible assignment results, is consistent with the expectations of parties who are regularly intended users for similar assignments, and is consistent with what the actions of the appraiser's peers would be in the same or a similar assignment.

The practice of developing a scope of work is a bottom-up process: the appraiser starts with the professional appraisal practices that are essential in all assignments and then considers the applicability of the professional standards and practices to the problem at hand. The ideal solution is arrived at not by reducing a standardized procedure to the specific requirements, but rather by building a logical framework for the assignment from the ground up.

In effect, scope of work provides appraisers with flexibility to perform the level of analysis that is appropriate for the needs of a specific appraisal assignment.⁶³

Scope of Work Determination

Scope of work is the most critical decision an appraiser will make in performing an assignment. Solving an appraisal problem involves three steps:

1. Identifying the problem
2. Determining the solution (or scope of work)
3. Applying the solution

None of the three steps can be omitted, and each must be performed in order.

To analyze the problem, the appraiser identifies seven key assignment elements: (1) client, (2) intended users in addition to the client, (3) intended use, (4) objective of the appraisal, or type of value and its definition, (5) effective date, (6) property characteristics that are relevant to the assignment such as the interest to be valued and physical and legal characteristics), and (7) assignment conditions such as hypothetical conditions, extraordinary assumptions, and other requirements. These elements provide the framework for the assignment and allow the appraiser to identify the problem to be solved.

⁶³ The Appraisal of Real Estate, 14th Edition, Appraisal Institute, Chicago, Illinois, 2013, Page 87.

The second step is to determine the scope of work to solve the problem. Scope of work encompasses all aspects of the valuation process, including which approaches to value will be used; how much data is to be gathered, from what sources, from which geographic area, and over what time period; the extent of the data verification process; and the extent of property inspection, if any.

The scope of work decision is appropriate when it allows the appraiser to arrive at credible assignment results and is consistent with the expectations of similar clients and the work that would be performed by the appraiser's peers in a similar situation.⁶⁴

Market Conditions

Comparable sales that occurred under market conditions different from those applicable to the subject on the effective date of appraisal require adjustment for any differences that affect their values. An adjustment for market conditions is made if general property values have increased or decreased since the transaction dates.

Although the adjustment for market conditions is often referred to as a "time" adjustment, time is not the cause of the adjustment. Market conditions that change over time create the need for an adjustment, not time itself. In other words, increases or decreases in property values in the market over time are the cause of the adjustment and time is the basis of the adjustment. If market conditions have not changed, no adjustment is required even though considerable time may have elapsed.

The timing of comparable sales can provide the basis for a market conditions adjustment. For example, the highest and best use analysis of vacant land parcels provides information that can be used to estimate an adjustment for changes in market conditions. Comparable tracts of vacant land may have been sold under market conditions different from those on the date of the appraisal. The best sales data available is often historical sales to purchasers who bought the land with a specific use in mind. These sales provide an indication of the anticipated land value under the specific use. By studying marginal demand, an appraiser can establish the time horizon for development of the subject, and the prospective value of the subject under the specific use plan can be estimated. Discounting the prospective value yields an estimate of the present value of the subject land, which can be compared to the values indicated by past sales.

Changes in market conditions may also result from changes in income tax laws, building moratoriums, the availability of financing, employment, interest rates, and fluctuations in supply and demand. Sometimes several economic factors work in concert to cause a change in market conditions. A recession tends to deflate all real estate prices, but specific property types or submarkets may be affected differently.

⁶⁴ The Appraisal of Real Estate, 14th Edition, Appraisal Institute, Chicago, Illinois, 2013, Pages 38-39.

A decline in demand may affect only one category of real estate. If the demand for a specific type of property falls during a period of inflation, sales transacted during that period may not provide a reliable indication of the value of a similar property in a different period unless appropriate adjustments are made. In a depressed economy, recent sales are often difficult to find. Older sales, occurring prior to the onset of the depressed economy, should be used with great caution because they may not reflect the problems associated with the depressed economy. In some instances when current sales of improved properties do not exist, upward or downward shifts in rent and rent terms or land values may help the appraiser identify the direction of market activity.

Appraisers must also recognize that the sale of a property may be negotiated months or even years before the sale closes. The buyer and the seller make an agreement as of the contract date, but the agreement does not become effective until the closing date, and changes to the agreement are often made in the interim. An adjustment for changes in market conditions between the date the contract is signed and the effective date of value may be appropriate. Also, sometimes appraisers are called on to develop an opinion of retrospective or prospective value, which requires a close study of changes in market conditions.

An adjustment for changes in market conditions is usually measured as a percentage of previous prices. While change is continuous, it is typically measured and quoted in specific intervals. If the physical and economic characteristics of a property remain unchanged, analyzing two or more sales of the same property over a period of time will indicate the percentage of price change. In other words, an appraiser can measure the difference in sale prices of the same or similar properties over time to extract the rate of change, which can be used as the basis for adjustment in the sales comparison analysis. An appraiser should always attempt to examine several sets of sales to arrive at an appropriate adjustment. An adjustment supported by just one set of sales may be unreliable.

Sales and resales of the same properties may provide a good indication of the change in market conditions over time. However, such an analysis must be approached with caution because it is possible that a resale of a property involved non-market conditions. For example, if similar properties are typically held for seven years and the resale occurred after only two years, is it possible that the seller was compelled to sell? As long as both the sale and resale were based on market conditions, such an analysis may prove useful. Consider a three-bedroom house that sold three years ago for \$250,000 and then sold again recently for \$242,500. The indicated average annual decline in value of the house would be 1% ($[(\$250,000 - \$242,500)/\$250,000]/3$). In the same market area, another three-bedroom home with similar characteristics sold for \$260,000 three years ago and then sold again last year for \$250,000. The average annual change for that comparable property is 1.92% per year ($[(\$260,000 - \$250,000)/\$260,000]/2$). The results of additional calculations made using sale and resale data and paired sales of comparable properties can be reconciled to support an estimated market conditions adjustment. The transactions used in these additional calculations should be similar in terms of markets, land-to-building value ratios, and other elements of comparability.

Appraisers must remember that supply and demand are dynamic forces, and periods of decline are just as probable as periods of growth in real estate markets. For example, in recent years many property markets saw falling prices, and negative market conditions adjustments were needed in sales comparison analysis involving sales data from that period of market decline. Also, in volatile markets an adjustment for market conditions may be needed to account for periods of time in which sale prices go up and down. For example, an appraiser studying mid-rise office building sales in a metropolitan market finds that steadily rising prices between 2006 and 2007 were followed by a period of volatility in 2008, then a sharp decline in 2009, then a slow rise to 2006 levels by late 2010, and then another period of stability. Comparable sales that occurred between 2008 and 2010 will require scrutiny because of the changing market conditions during that period, whereas comparable sales occurring before and after the dramatic dip in the market may not require a significant market conditions adjustment.

The appreciation or depreciation in average sale prices in a market does not necessarily follow a linear pattern. Changes in sale price can also be irregular or stepped, they can increase or decrease on a compounded basis, or they may require identifying inflection points or dates on which changes in trends occurred. Statistical tools such as regression analysis and extrapolation are useful in determining precise mathematical relationships. However, any statistical model generated from the available data must reflect market thinking to be useful in the adjustment process.

Sorting and plotting sale and resale data or paired sales data on a graph is another way to determine patterns of change. The reliability of such analyses is affected by the number of market transactions studied. With sufficient data, unit prices can be graphed over time to indicate the trend in the market. Rents can also be plotted on scatter diagrams to show differences over time. If sales of comparable properties are not available, other evidence of shifting market conditions may include changes in:

- the ratio between sale prices and listing prices or between lease contracts and lease offering rates
- exposure time
- listing prices
- trends in rents
- the number of offers a seller receives and the frequency of backup offers
- the proportion of accepted offers that actually close
- the number of foreclosures
- the number of available properties
- the number of building permits issued and their aggregate value
- terms of available institutional financing
- use of seller financing
- changing market demographic patterns
- demolition and new construction⁶⁵

⁶⁵ The Appraisal of Real Estate, 14th Edition, Appraisal Institute, Chicago, Illinois, 2013, Pages 414-417.

Subject Information



McClain Grow Yard – Main Entrance at Office



McClain GY – Entrance at Shipping/Receiving



McClain Grow Yard – View From CR 9



McClain GY – Access to Pens by Office



McClain Grow Yard – Shipping and Receiving



McClain Grow Yard – Shipping and Receiving



McClain Grow Yard – Office Building



McClain Grow Yard – Office Building



McClain Grow Yard – Office Interior



McClain Grow Yard – Office Interior



McClain Grow Yard – Office Interior



McClain Grow Yard – Office Interior



McClain Grow Yard – Office Interior



McClain Grow Yard – Office Interior



McClain Grow Yard – Office Interior



McClain Grow Yard – Office Interior



McClain Grow Yard – Office Interior



McClain Grow Yard – Office Interior



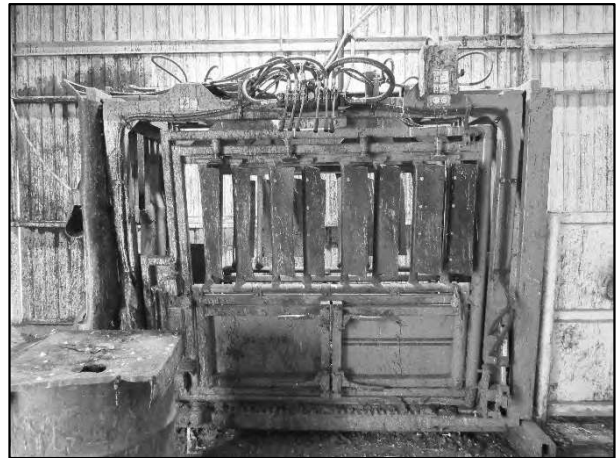
McClain Grow Yard – Cattle Scales



McClain Grow Yard – Processing/Hospital Barn



McClain Grow Yard – Processing/Hospital Barn



McClain Grow Yard – Processing/Hospital Barn



McClain Grow Yard – Processing/Hospital Barn



McClain Grow Yard – Processing/Hospital Barn



McClain Grow Yard – Processing/Hospital Barn



McClain Grow Yard – Processing/Hospital Barn



McClain Grow Yard – Processing/Hospital Barn



McClain Grow Yard – Processing/Hospital Barn



McClain Grow Yard – Processing/Hospital Barn



McClain Grow Yard – Processing/Hospital Barn



McClain Grow Yard – Loafing Sheds



McClain Grow Yard – Commodity/Hay Barn



McClain Grow Yard – Horse/Pen Rider Barn



McClain Grow Yard – Horse/Pen Rider Barn



McClain Grow Yard – Horse/Pen Rider Barn



McClain Grow Yard – Horse/Pen Rider Barn



McClain Grow Yard – Horse/Pen Rider Barn



McClain Grow Yard – Horse/Pen Rider Barn



McClain Grow Yard – Horse/Pen Rider Barn



McClain Grow Yard – Horse/Pen Rider Barn



McClain Grow Yard – Water Well



McClain Grow Yard – Water System



McClain Grow Yard – Concrete Feed Bunk / Pens



McClain Grow Yard – Concrete Feed Bunk / Pens



McClain Grow Yard – Concrete Feed Bunk / Pens



McClain Grow Yard – Concrete Feed Bunk / Pens



McClain Grow Yard – Conc. Bunk, Pens, Drinkers



McClain Grow Yard – Concrete Feed Bunk / Pens



McClain Grow Yard – Metal Feed Bunk / No Value



McClain Grow Yard – Metal Feed Bunk / No Value



McClain Grow Yard – Metal Feed Bunk / No Value



McClain Grow Yard – Metal Feed Bunk / No Value



McClain Grow Yard - Metal Feed Bunk / No Value



McClain Grow Yard – Metal Feed Bunk / No Value



McClain Grow Yard – Mobile Home



McClain Grow Yard – Mobile Home



McClain Grow Yard – Mobile Home AC Unit



McClain Grow Yard – Mobile Home Interior



McClain Grow Yard - Mobile Home Interior



McClain Grow Yard – Mobile Home Interior



McClain Grow Yard – Lagoon Area



McClain Grow Yard – Portable Building No Value



McClain GY – Metal Bunk End of Life / No Value



Def. Maintenance / Re-Level and Attach Bunk



McClain GY – Dry Manure and Compost Area



McClain Grow Yard – Shipping / Receiving Pens



McClain Grow Yard – North Cropland/Grass



McClain Grow Yard – North Cropland/Grass



McClain Grow Yard - North Cropland/Grass



McClain Grow Yard – North Property Line



McClain Grow Yard – CR 9 Frontage / Access



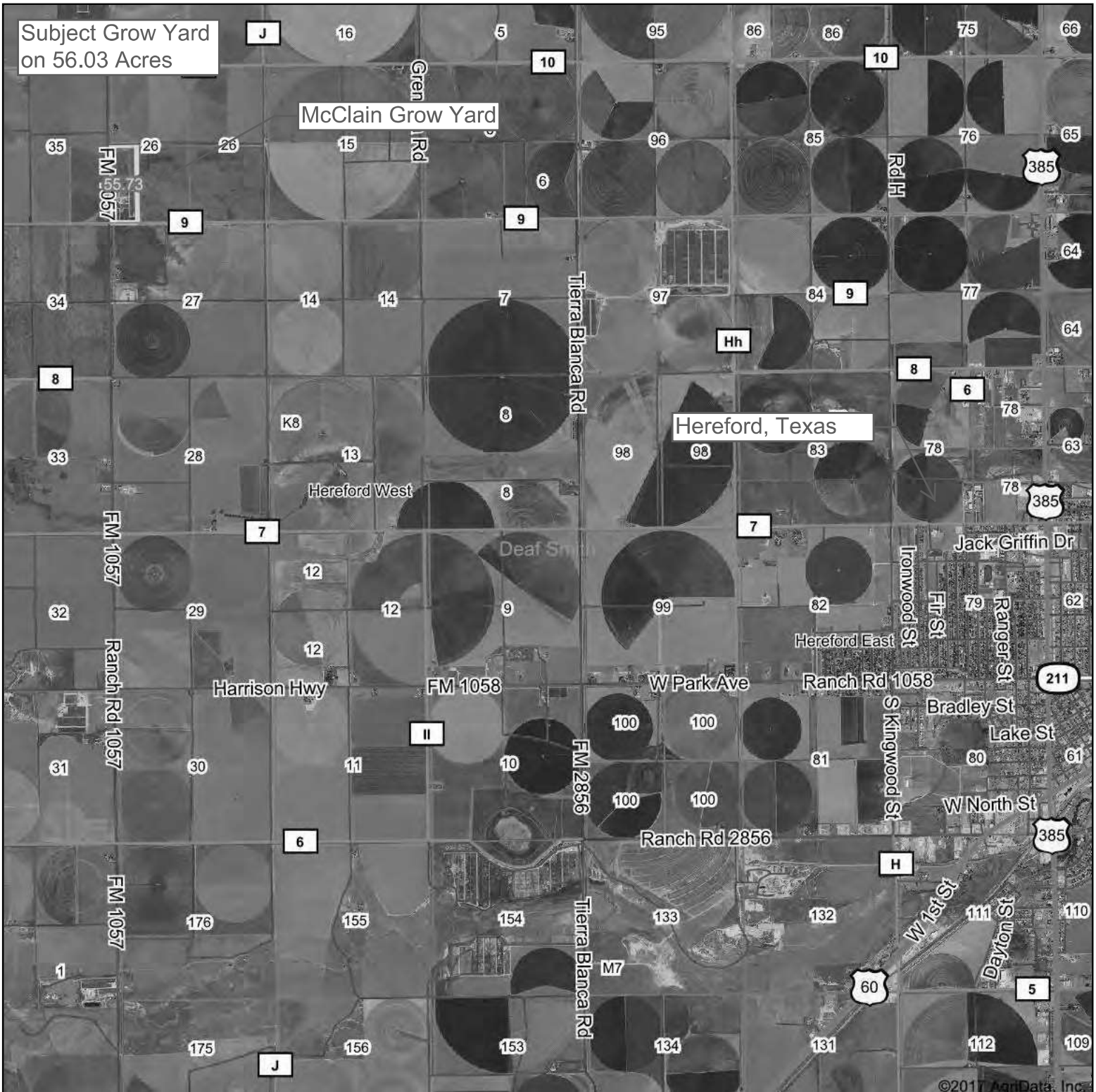
McClain Grow Yard – FM 1057 Frontage / Access

Aerial Map

Subject Grow Yard
on 56.03 Acres

McClain Grow Yard

Hereford, Texas

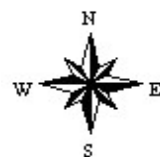


map center: 34° 50' 7.73, -102° 27' 43.14

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Maps Provided By:
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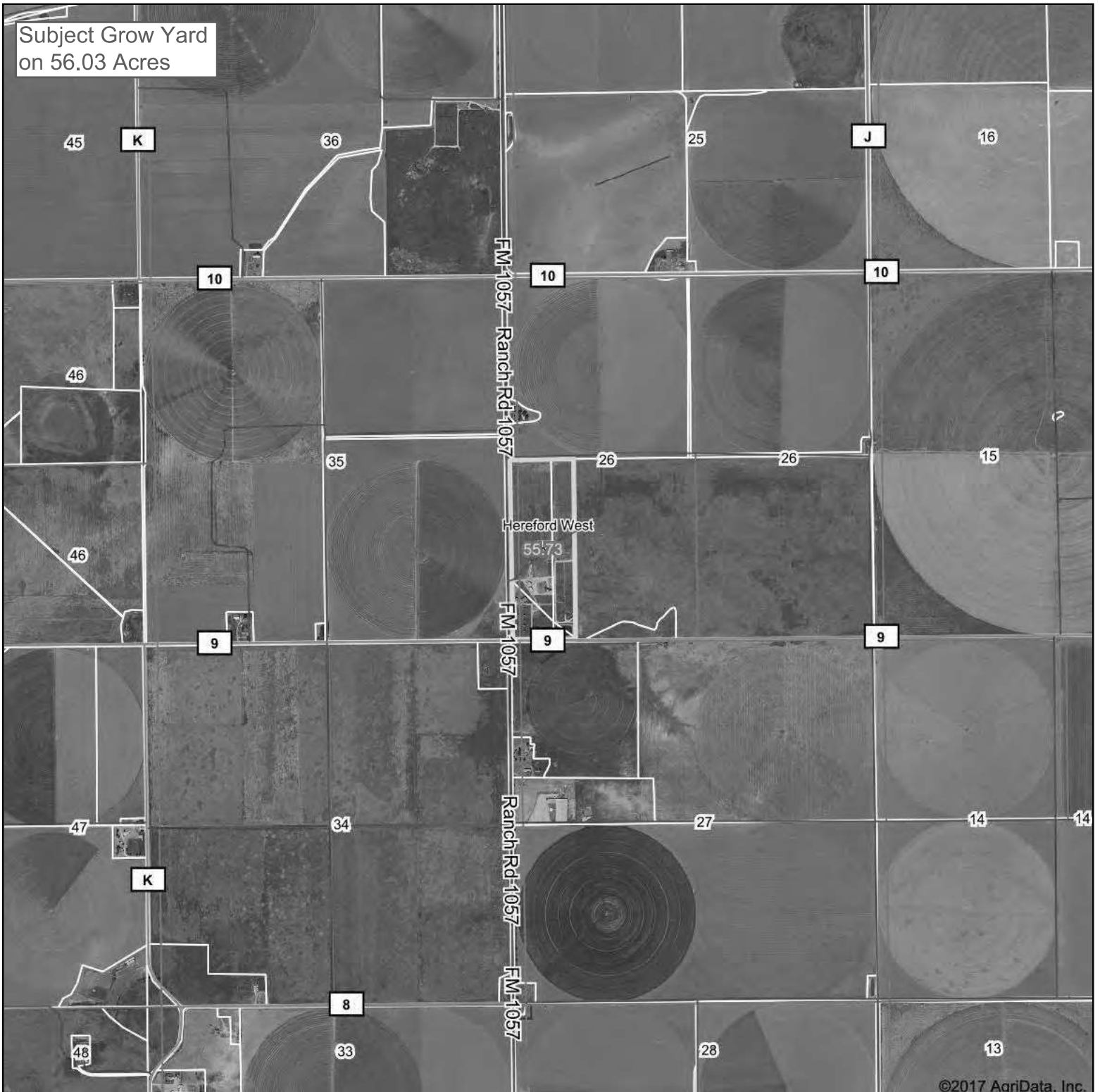
Deaf Smith County
Texas



10/29/2017

Aerial Map

Subject Grow Yard
on 56.03 Acres



©2017 AgriData, Inc.

map center: 34° 52' 14.17, -102° 30' 31.94

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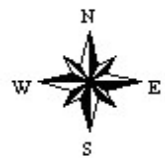
Maps Provided By:



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Deaf Smith County
Texas



10/29/2017

Aerial Map

Subject Grow Yard
on 56.03 Acres



©2017 AgriData, Inc.

map center: 34° 52' 14.18, -102° 30' 31.96



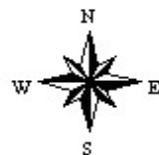
Maps Provided By:



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Deaf Smith County
Texas



10/29/2017

Aerial Map

Subject Grow Yard
on 56.03 Acres



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map center: 34° 52' 14.04, -102° 30' 31.96

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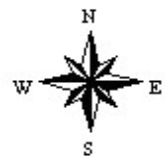
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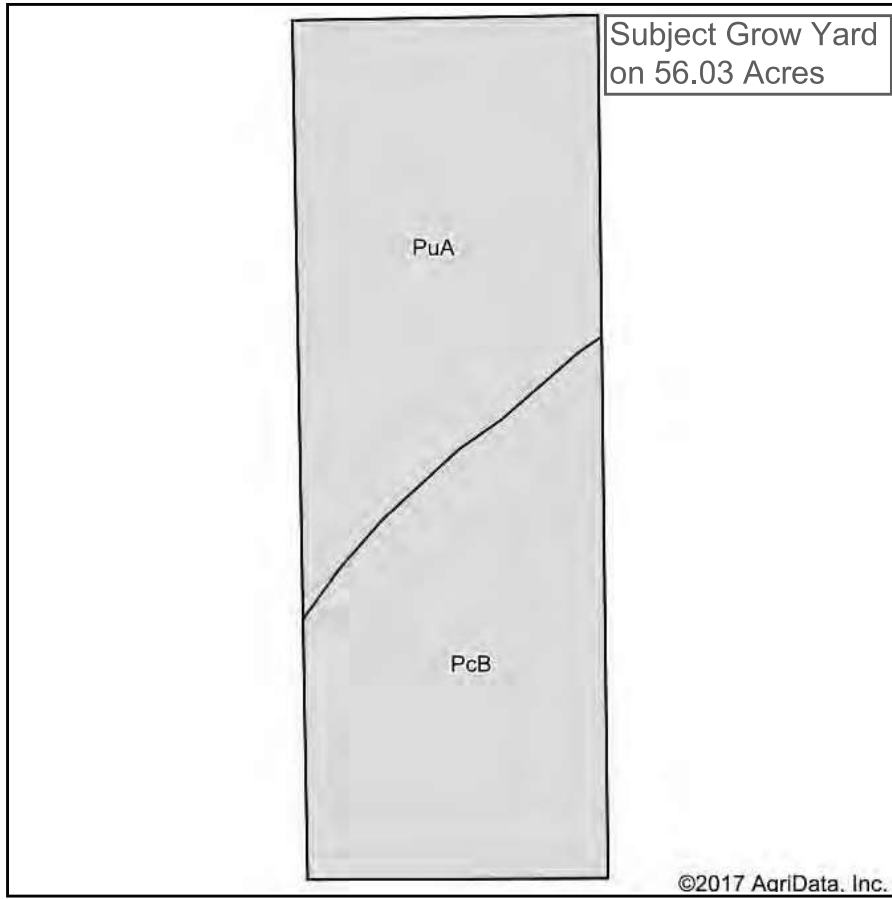
www.AgrIDataInc.com

Deaf Smith County
Texas



10/29/2017

Soils Map



Soils data provided by USDA and NRCS.



State: **Texas**
 County: **Deaf Smith**
 Location: **34° 52' 14.18, -102° 30' 31.96**
 Township: **Hereford West**
 Acres: **55.73**
 Date: **10/29/2017**

Maps Provided By:



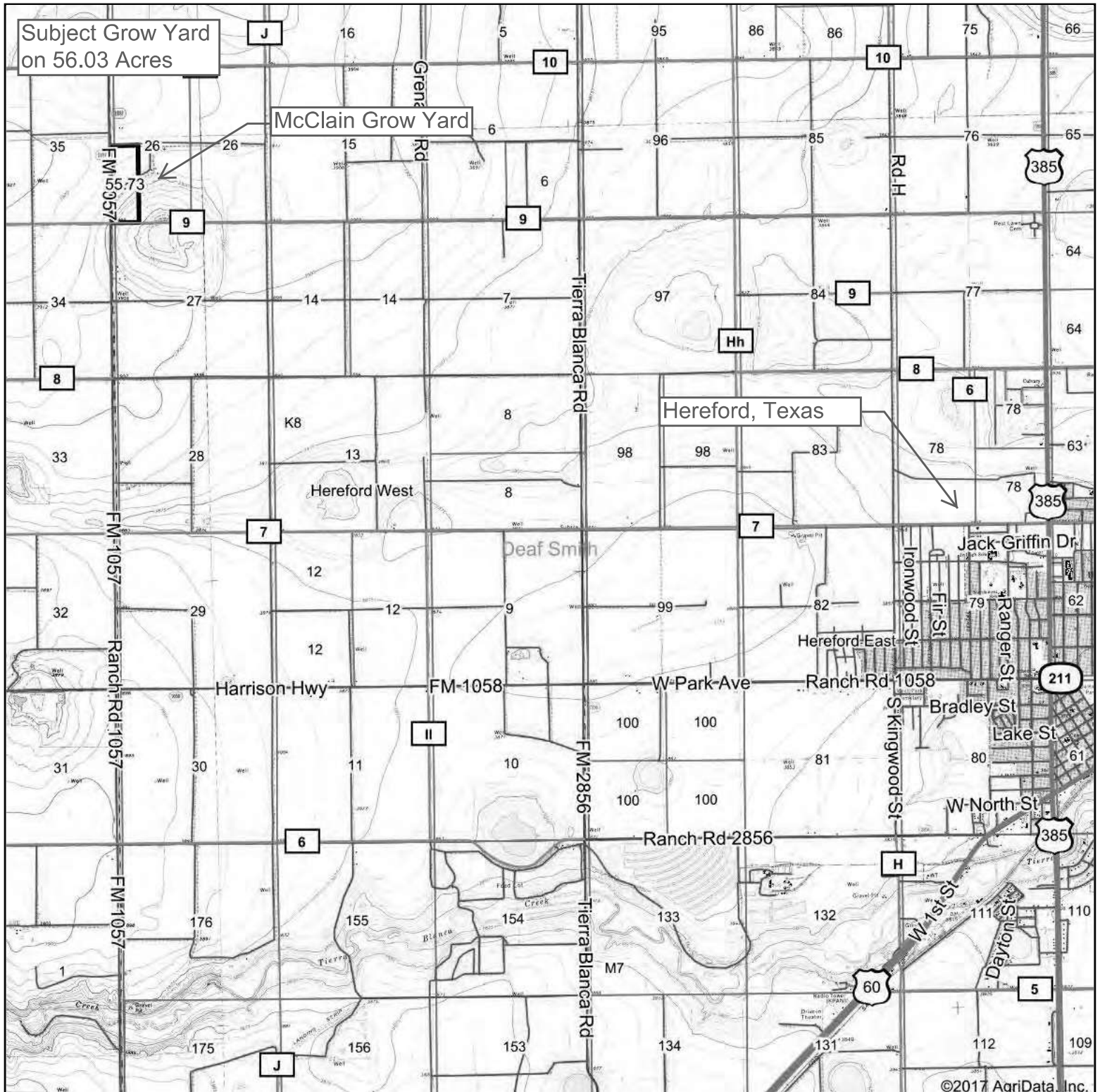
Area Symbol: TX117, Soil Area Version: 12

Code	Soil Description	Acres	Percent of field	Non-Irr Class *c	Irr Class *c	Cotton lint	Grain sorghum	Wheat
PuA	Pullman clay loam, 0 to 1 percent slopes	28.95	51.9%	IIIe	IIIs	600	60	35
PcB	Pep clay loam, 1 to 3 percent slopes	26.78	48.1%	IVe	IIIe	325	30	20
Weighted Average						467.9	45.6	27.8

*c: Using Capabilities Class Dominant Condition Aggregation Method

Soils data provided by USDA and NRCS.

Topography Map

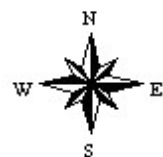


map center: 34° 50' 7.73, -102° 27' 43.14

0ft 5305ft 10610ft

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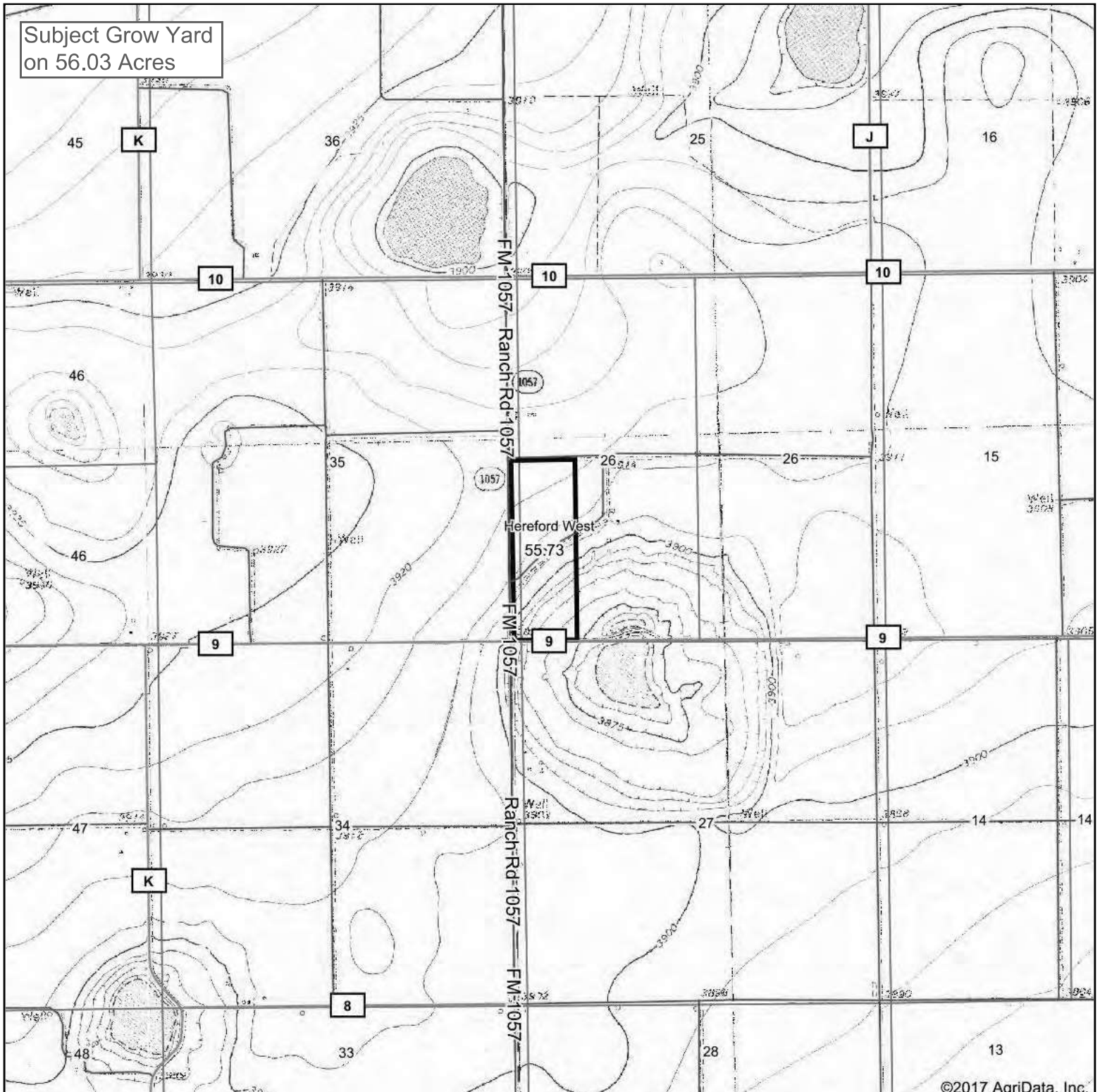
**Deaf Smith County
Texas**



10/29/2017

Topography Map

Subject Grow Yard
on 56.03 Acres

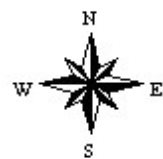


map center: 34° 52' 14.17, -102° 30' 31.94

0ft 2270ft 4541ft

Maps Provided By:
 **surety**
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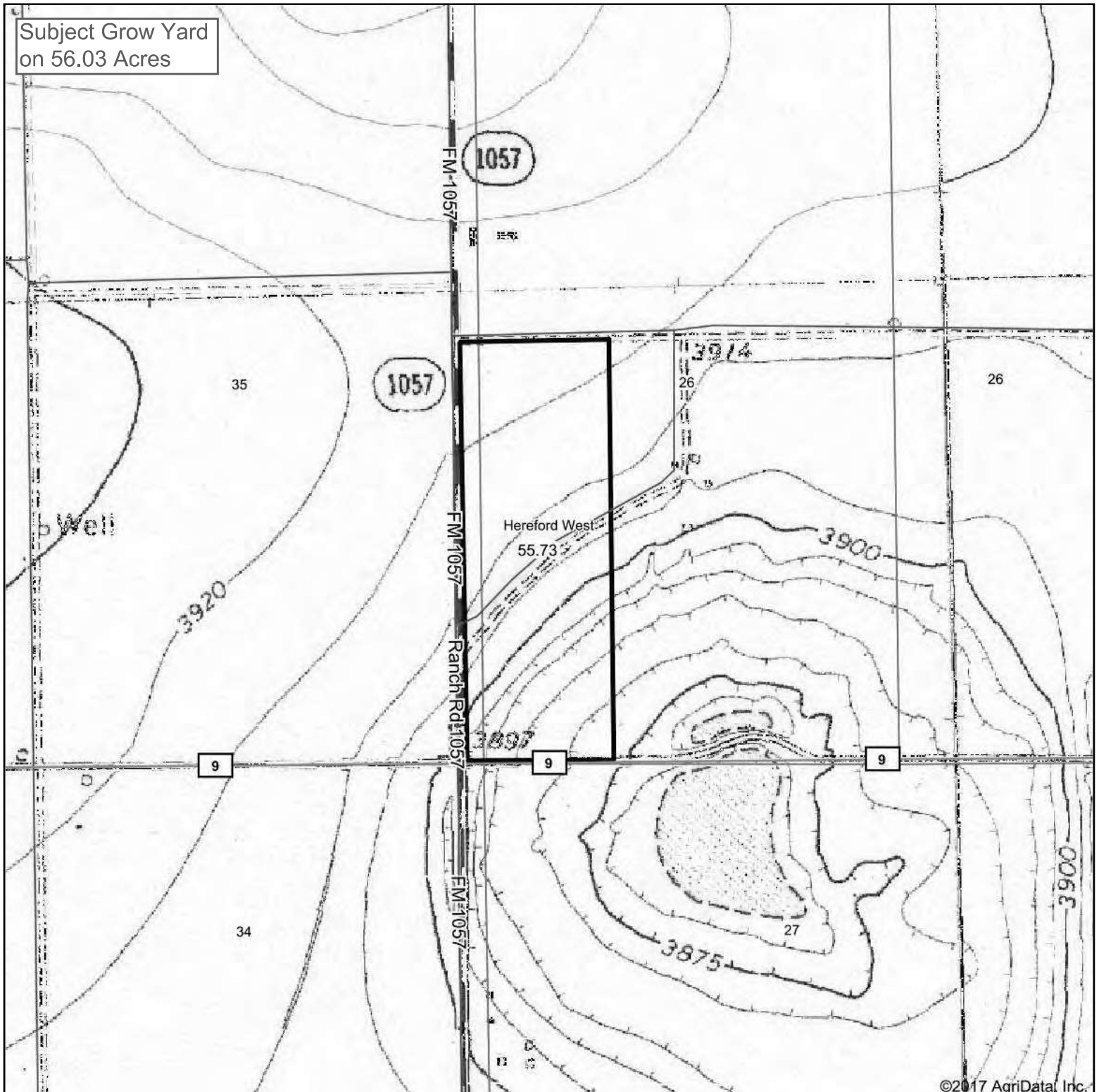
**Deaf Smith County
Texas**



10/29/2017

Topography Map

Subject Grow Yard
on 56.03 Acres



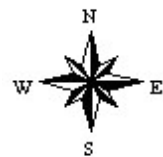
©2017 AgriData, Inc.

map center: 34° 52' 14.18, -102° 30' 31.96

0ft 971ft 1942ft

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**Deaf Smith County
Texas**



10/29/2017

Aerial Map

McClain Grow Yard Building Site
Approximately 26.0 Acres



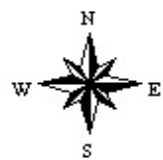
©2019 AgriData, Inc.

Map Center: 34° 52' 11.11, -102° 30' 32.21

0ft 600ft 1201ft

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**Deaf Smith County
Texas**



8/12/2019

Field borders provided by Farm Service Agency as of 5/21/2008.

Aerial Map

McClain Grow-Yard / Feedyard
Revised Capacity for 2023
3,455 LF Total of Feed Bunk
1,237 LF of Metal Bunk - Not Used - No Value
2,218 LF of Concrete Bunk at 2,500 Head
Total As Is Feeding Capacity 2,500 Head
CAFO Permit 3,000 Head Total

820 LF Concrete
Bunk / 820 Head
12 Inch Spacing

730 LF Concrete
Bunk / 730 Head
12 Inch Spacing

50 LF Concrete
Bunk / 50 Head
Converted to 69
Head at 8.75
Inches

260 LF Metal Bunk /
260 Head
Bunk Has No Value
Not Used

175 LF Metal Bunk /
175 Head
Bunk Has No Value
Not Used

78 LF Metal Bunk /
78 Head
Bunk Has No Value
Not Used

468 LF Concrete
Bunk / 468 Head
Converted to 642
Head at 8.75
Inches

150 LF Concrete
Bunk / 150 Head
Converted to 206
Head at 8.75
Inches

440 LF Metal Bunk /
440 Head
Bunk Has No Value
Not Used

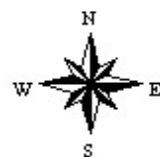
284 LF Metal Bunk /
284 Head
Bunk Has No Value
Not Used

map center: 34° 52' 6.8, -102° 30' 33.69

0ft 210ft 420ft

Maps Provided By:
surety
CUSTOMIZED ONLINE MAPPING
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Deaf Smith County
Texas



11/28/2017

McClain Grow Yard

3,000 Head Capacity

2,500 Head As Is
Revised July 2023

Loafing Shed, Concrete
Bunk with Pens, 150 GPM
Water Well, and Water
Storage Tank

New Feed Pens with
Concrete Feed Bunk
YOC 2016

Feed Pens with
Metal Bunk

Feed Pens with
Metal Bunk

Feed Pens with
Concrete Bunk

Horse Barn

Lagoon System

Commodity Shed

Feed Pens with
Metal Bunk

Shipping and
Receiving Loading
Area

Shipping and
Receiving Pens

Office with
Attached Cattle
Scales

Processing and
Hospital Barn with
Silencer Hydraulic
Chute and Snake

Loafing Shed

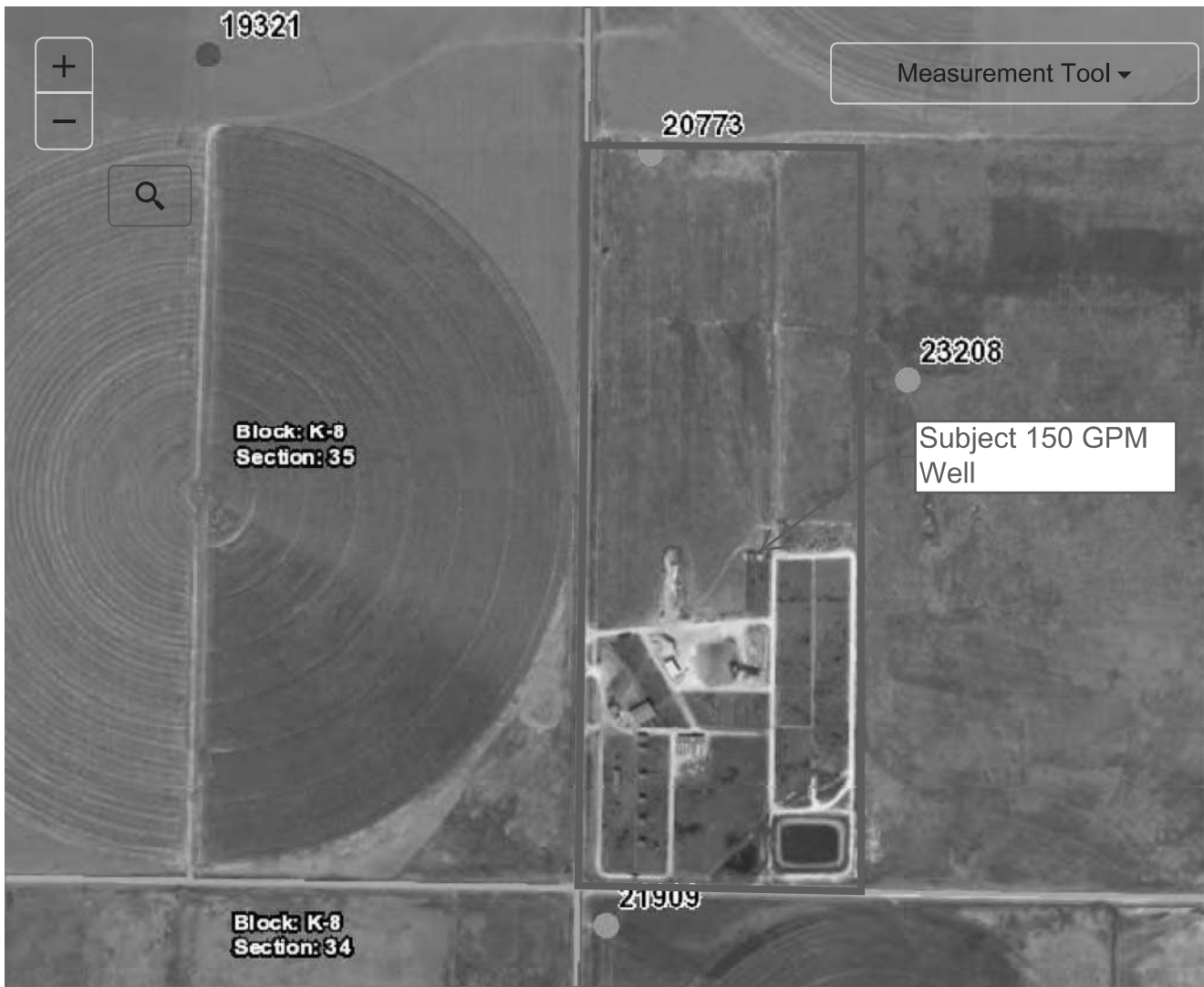
Feed Pens with
Concrete Bunk

Loafing Sheds

Feed Pens with Metal Bunk

Feed Pens with Metal Bunk





0 300 600ft
-102.493577, 34.875352



0 100 200ft
-102.505560, 34.870518



Navigation

Search

Languages

MSC Home (/portal/)

MSC Search by Address
(/portal/search)

MSC Search All Products
(/portal/advanceSearch)

▼ MSC Products and Tools
(/portal/resources/productsandtools)

Hazus
(/portal/resources/hazus)

LOMC Batch Files
(/portal/resources/lomc)

Product Availability
(/portal/productAvailability)

MSC Frequently Asked
Questions (FAQs)
(/portal/resources/faq)

MSC Email Subscriptions
(/portal/subscriptionHome)

Contact MSC Help
(/portal/resources/contact)

FEMA Flood Map Service Center: Search By Address

Enter an address,

McClain Grow Yard
NEC CR 9 and FM 1057
Deaf Smith County, Texas

Deaf Smith County Texas

Search

Whether you are in a high risk zone or not, you may need [flood insurance \(https://www.fema.gov/national-flood-insurance-program\)](https://www.fema.gov/national-flood-insurance-program) because most homeowners insurance doesn't cover flood damage. If you live in an area with low or moderate flood risk, you are 5 times more likely to experience flood than a fire in your home over the next 30 years. For many, a National Flood Insurance Program's flood insurance policy could cost less than \$400 per year. Call your insurance agent today and protect what you've built.

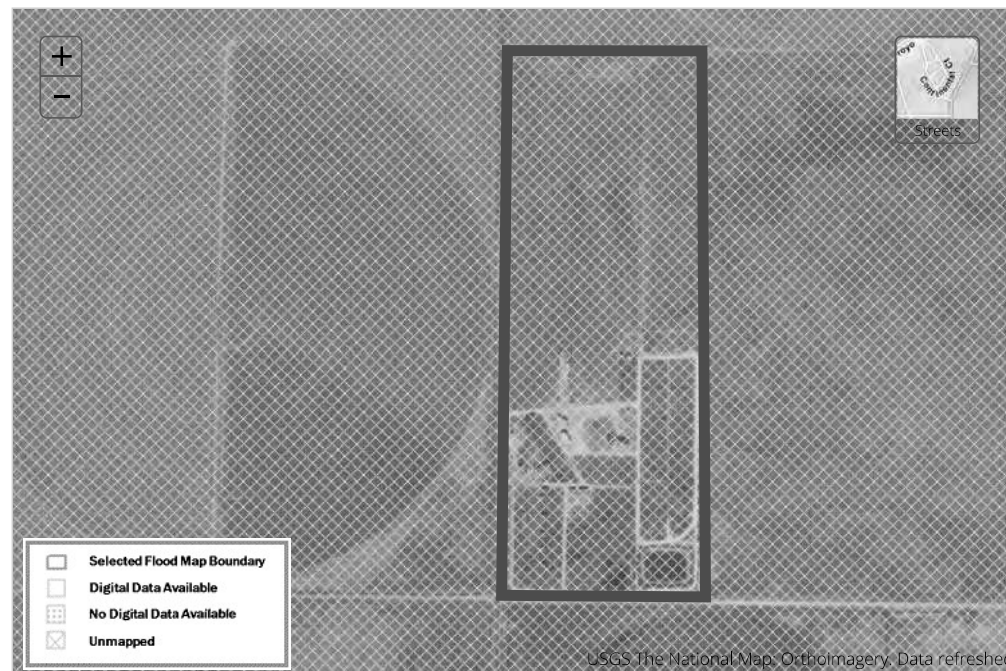
Learn more about [steps you can take \(https://www.fema.gov/what-mitigation\)](https://www.fema.gov/what-mitigation) to reduce flood risk damage.

Search Results—Products for **DEAF SMITH COUNTY UNINCORPORATED AREAS**

Show ALL Products » (<https://msc.fema.gov/portal/availabilitySearch?addcommunity=481215&communityName=DEAF>)

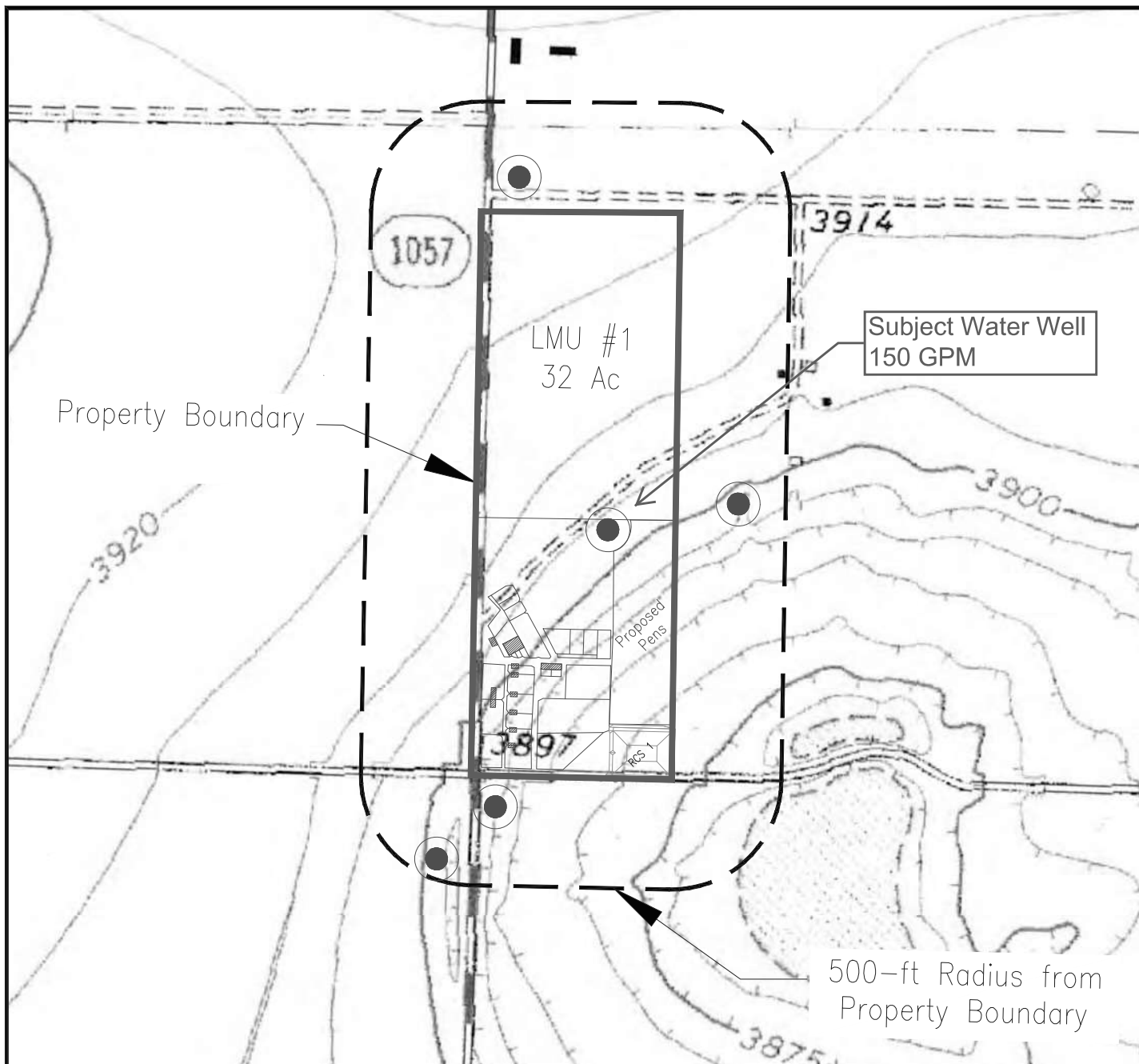
FEMA has not completed a study to determine flood hazard for the selected location; therefore, a flood map has not been published at this time. You can contact your community or the FEMA FMIX for more information about flood risk and flood insurance in your community.

You can choose a new flood map or move the location pin by selecting a different location on the locator map below or by entering a new location in the search field above. It may take a minute or more during peak hours to generate a dynamic FIRMette. If you are a person with a disability, are blind, or have low vision, and need assistance, please contact a map specialist (<https://msc.fema.gov/portal/resources/contact>).



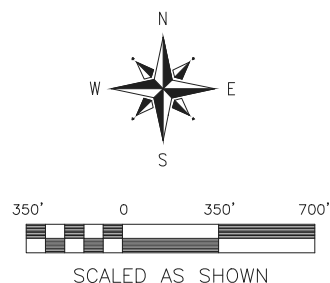
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LEGEND:

- Denotes Non-Visible Water Well
- Denotes Well w/100 or 150-ft Buffer and/or BMPs
- Denotes Barns/Roofed Areas



Source: USDA-NRCS. Geospatial Data Gateway. Available at:
<http://datagateway.nrcs.usda.gov/>. Digital Raster Graphic
 County Mosaic by NRCS - Accessed 5/2014.

- 100-ft buffer from road borrow ditches will be maintained when applying solids.

McClain Feed Yard
 Hereford
 Deaf Smith County, Texas

Site & Land Management Map
 September 2016



Enviro-Ag Engineering, Inc.
 ENGINEERING CONSULTANTS
 3404 Airway Boulevard
 AMARILLO, TEXAS 79118
 TEL (806) 353-6123 FAX (806) 353-4132



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Concentrated Animal Feeding Operation General Permit

The Notice of Intent (NOI) for the facility listed below was received on November 7, 2019. The intent to discharge manure, sludge, and wastewater associated with an animal feeding operation activity into or adjacent to surface water in the state under the terms and conditions imposed by the Concentrated Animal Feeding Operation (CAFO) general permit TXG920000 is authorized. Your facility's authorization number is:

TXG921265

Coverage Effective: April 22, 2012

Authorization Type: TPDES LARGE CAFO

3000 TOTAL CATTLE (BEEF)

TCEQ's CAFO general permit requires certain pollution prevention and control measures, possible monitoring and reporting, and periodic inspections. Among the conditions and requirements of this permit, you must have prepared and implemented a pollution prevention plan (PPP) that is tailored to your operation. As a facility authorized to discharge manure, sludge, and wastewater into or adjacent to surface water in the state under the CAFO general permit, all terms and conditions must be complied with to maintain coverage and avoid possible penalties.

Permitted Site Information:

RN105889760

MCCLAIN FEEDYARD

E SIDE OF FM 1057 AT THE INTEX OF FM 1057 AND CR 9

HEREFORD, TX 79045

DEAF SMITH COUNTY

OWNER: CN603832098 - MCCLAIN FEED YARD INC

This permit expires on July 20, 2024, unless otherwise amended. For additional information, see the TCEQ web site at www.tceq.texas.gov or contact the Land Application Team by telephone at (512) 239-4671. A copy of this document should be kept with your PPP.

Issued Date: 11/13/2019


FOR THE COMMISSION

Water Quality General Permits Search**Summary of Authorization TXG921265**

Permit Number: TXG921265
Authorization Status: ACTIVE
Date Coverage Began: 04/22/2012
Date Coverage Ended:

Authorization Details

Site Name on Permit: MCCLAIN FEEDYARD
Authorization Type: TPDES LARGE CAFO
Air Authorization : CHAPTER 321
Operational Status : ACTIVE
Animal Type : CATTLE (BEEF) - 3000
Primary SIC Code : 0211
Receiving Water Body : UPPER PRAIRIE DOG TOWN FORD RED RIVER
Segment Number : 0229
Land Management Unit Total Acres : 32
Date Nutrient Management Plan Was Developed Or Last Updated : 11/25/2014
Estimated Amount Of Solids In Tons Generated Annually : 3017
Estimated Amount Of Wastewater In Acre-Feet Generated Annually : 12.07
Land Management Unit Name : LMU 1
 ACRES - 32
Retention Control Structure Name : RCS 1
 STRUCTURE TYPE - STORAGE POND
 STORAGE DAYS - 30
 REQUIRED CAPACITY (ACRE-FEET) - 7.64 ACRE FT
 DRAINAGE ACREAGE - 21.30

Permittee Information

Owner: CN603832098 - MCCLAIN FEED YARD INC
Address: 824 MULLINS LN BENTON KY 42025 4702
Annual Fee Billing Address: BRIAN MCCLAIN
 824 MULLINS LN BENTON KY 42025 4702

Permitted Site Information

RN: RN105889760
RE Name: MCCLAIN FEEDYARD
Site Location: E SIDE OF FM 1057 AT THE INTEX OF FM 1057 AND CR 9 HEREFORD 79045
County: DEAF SMITH
TCEQ Region: REGION 01 - AMARILLO
Latitude: 34.86879
Longitude: -102.50972

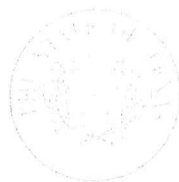
Regulated Entity Site Information

RE Name: MCCLAIN FEED YARD
Site Location: E SIDE OF FM 1057 AT THE INTERSECTION OF FM 1057 AND CR 9 HEREFORD 79045
County: DEAF SMITH
TCEQ Region: REGION 01 - AMARILLO
Latitude: 34.86879
Longitude: -102.50972

Application History for this Authorization

Application Type	Status	Received Date	Final Action Date
NOI-EXISTING	APPROVED	04/24/2012	06/14/2012
NOI-RENEWAL	APPROVED	12/07/2014	12/15/2014
NOTICE OF CHANGE	APPROVED	09/21/2016	09/29/2016
NOI-RENEWAL	APPROVED	11/07/2019	11/13/2019

Jon Niernmann, *Chairman*
Emily Lindley, *Commissioner*
Toby Baker, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

May 30, 2019

Mr. Brian McClain
Owner
McClain Feedyard, INC
824 Mullins Lane
Benton, Kentucky 42025

Re: Notice of Compliance with Notice of Violation (NOV) dated February 7, 2019
McClain Feedyard, Hereford (Deaf Smith County), Texas
RN105889760, TCEQ Permit No.: TXG921265, Investigation No.: 1540005

Dear Mr. McClain:

This letter is to inform you that the Texas Commission on Environmental Quality (TCEQ) Amarillo Regional Office has received adequate compliance documentation on May 8, 2019, to resolve the alleged violations documented during the investigation of the above-referenced regulated entity conducted on January 25, 2019. Based on the information submitted, no further action is required concerning this investigation.

The TCEQ appreciates your assistance in this matter and your compliance efforts to ensure protection of the State's environment. If you or members of your staff have any questions, please feel free to contact Ms. Erica Olson at the Amarillo Regional Office at 806/468-0517.

Sincerely,

A handwritten signature in black ink, appearing to read "Guy Wilkins", is positioned above the typed name.

Guy Wilkins
Water/Pantex Section Manager
Amarillo Region Office

GW/EO/tdg

CC: Mr. Dillon Pool, Consultant, Enviro-Ag Engineering

Enclosure: Summary of Investigation Findings

Summary of Investigation Findings

MCCLAIN FEED YARD

Investigation #

1570443

Investigation Date: 05/29/2019

, DEAF SMITH COUNTY,

Additional ID(s): TXG921265

ALLEGED VIOLATION(S) NOTED AND RESOLVED

Track No: 704934

30 TAC Chapter 321.39(b)(4)

PERMIT TXG921265, Part III. Pollution Prevention Plan (PPP)

A. Technical Requirements

10. RCS Operation and Maintenance

(d) Rain Gauge

A rain gauge capable of measuring the design rainfall event shall be kept on site and properly maintained.

Alleged Violation:

Investigation: 1540005

Comment Date: 02/05/2019

The facility failed to install and maintain a rain gauge capable of measuring the design rainfall event.

Investigation: 1570443

Comment Date: 05/29/2019

A file record review was conducted on May 29, 2019 to determine the compliance status of this alleged violation.

Recommended Corrective Action: Prior to the compliance due date, the facility shall provide documentation that a rain gauge capable of measuring the design rainfall event has been properly installed.

Documentation shall be submitted to the TCEQ Region 1, Amarillo Office.

Resolution: The facility provided pictures that a rain gauge capable of holding the design rainfall event had been properly installed. Documentation was received May 8, 2019.

Track No: 704936

30 TAC Chapter 321.46

30 TAC Chapter 321.46(c)(1)

30 TAC Chapter 321.46(c)(2)

PERMIT TXG921265, Part IV. Recordkeeping, Reporting, and N**A. Recordkeeping**

The permittee shall keep records on-site for a minimum of five years from the date the record was created. The permittee shall include the following in their recordkeeping:

1. Records must be updated daily to include:

- (a) all measurable rainfall events; and
- (b) the wastewater levels in the RCS, as shown on the depth marker, shall be recorded whenever the daily rainfall exceeds 1.0 inch.

PERMIT TXG921265, Part III. Pollution Prevention Plan (PPP)**A. Technical Requirements****15. Preventative Maintenance Program****(a) Facility Inspections**

(2) Daily inspections must be conducted on all water lines that are located within the drainage area of the RCS. These daily inspections should be recorded in the PPP either daily or in the weekly report.

PERMIT TXG921265, Part IV. Recordkeeping, Reporting, and N**A. Recordkeeping**

The permittee shall keep records on-site for a minimum of five years from the date the record was created. The permittee shall include the following in their recordkeeping:

2. Records must be updated weekly to include:

- (a) the wastewater levels in the RCS shown on the depth marker; and
- (b) records of all manure, sludge, and wastewater beneficially used by the CAFO that shows the dates, times, and location of land application or, removal from the CAFO.

PERMIT TXG921265, Part III. Pollution Prevention Plan (PPP)**A. Technical Requirements****15. Preventative Maintenance Program****(a) Facility Inspections****(4) Monthly inspections must be conducted on:**

- (i) mortality management systems, including containers, burial sites, composting facilities, incinerators; and
- (ii) location of chemical storage and disposal, including pesticide containers.

Alleged Violation:

Investigation: 1540005

Comment Date: 02/05/2019

The facility failed to maintain daily, weekly and monthly records required in the Pollution Prevention Plan (PPP).

Investigation: 1570443

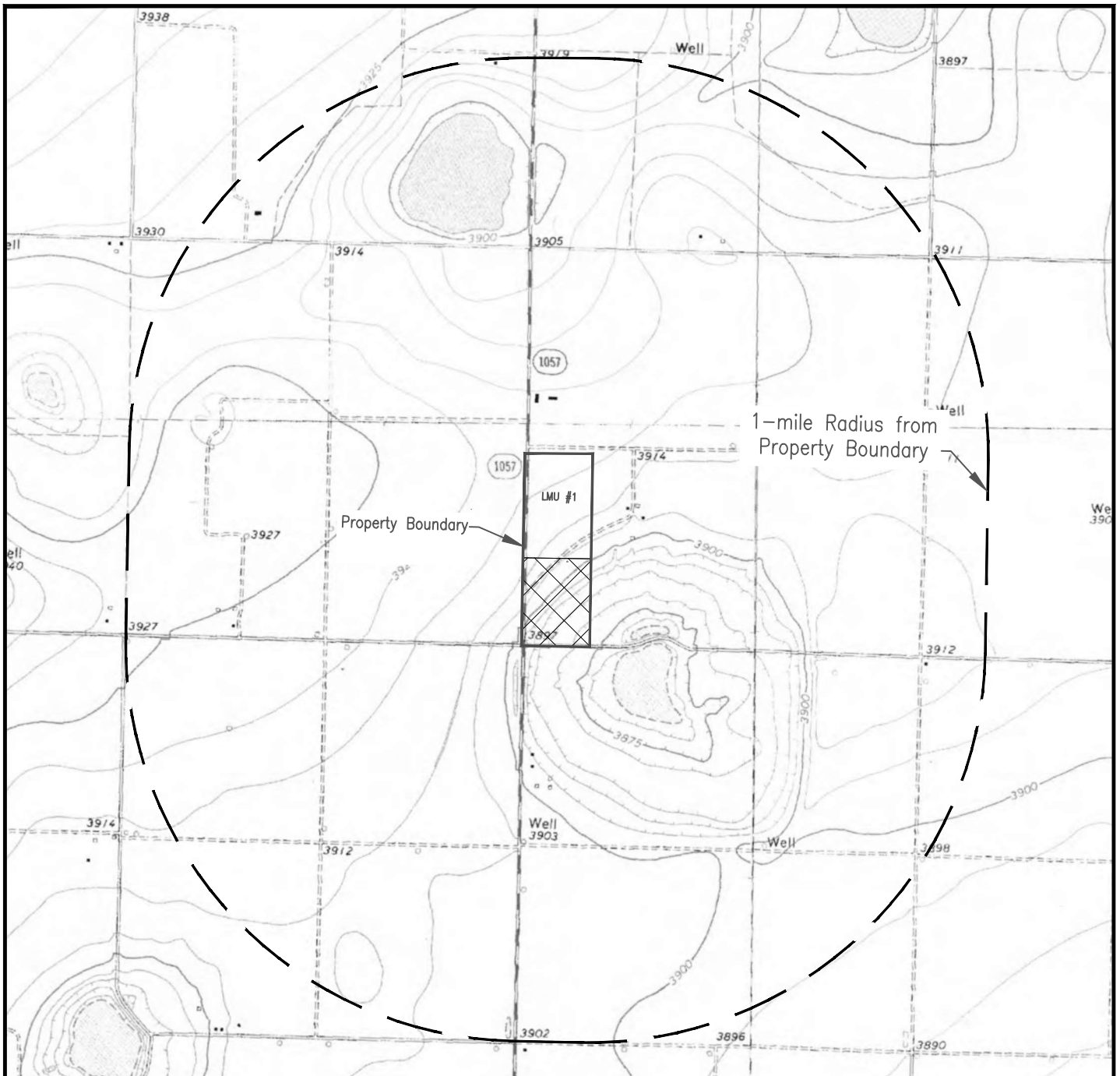
Comment Date: 05/29/2019

A file record review was conducted on May 29, 2019 to determine the compliance status of this alleged violation.

Recommended Corrective Action: Prior to the compliance due date, the facility shall provide three (3) months of compliant daily, weekly and monthly records.

Documentation shall be submitted to the TCEQ Region 1, Amarillo Office.

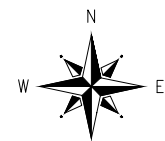
Resolution: The facility provided three months of daily, weekly, and monthly records for McClain Feedyard. Documentation was received May 8, 2019.



LEGEND:



Denotes Production Area



SCALED AS SHOWN

Source: USDA-NRCS. Geospatial Data Gateway.
Available at: <http://datagateway.nrcs.usda.gov/>.
Digital Raster Graphic County Mosaic by NRCS -
Accessed 5/2014.

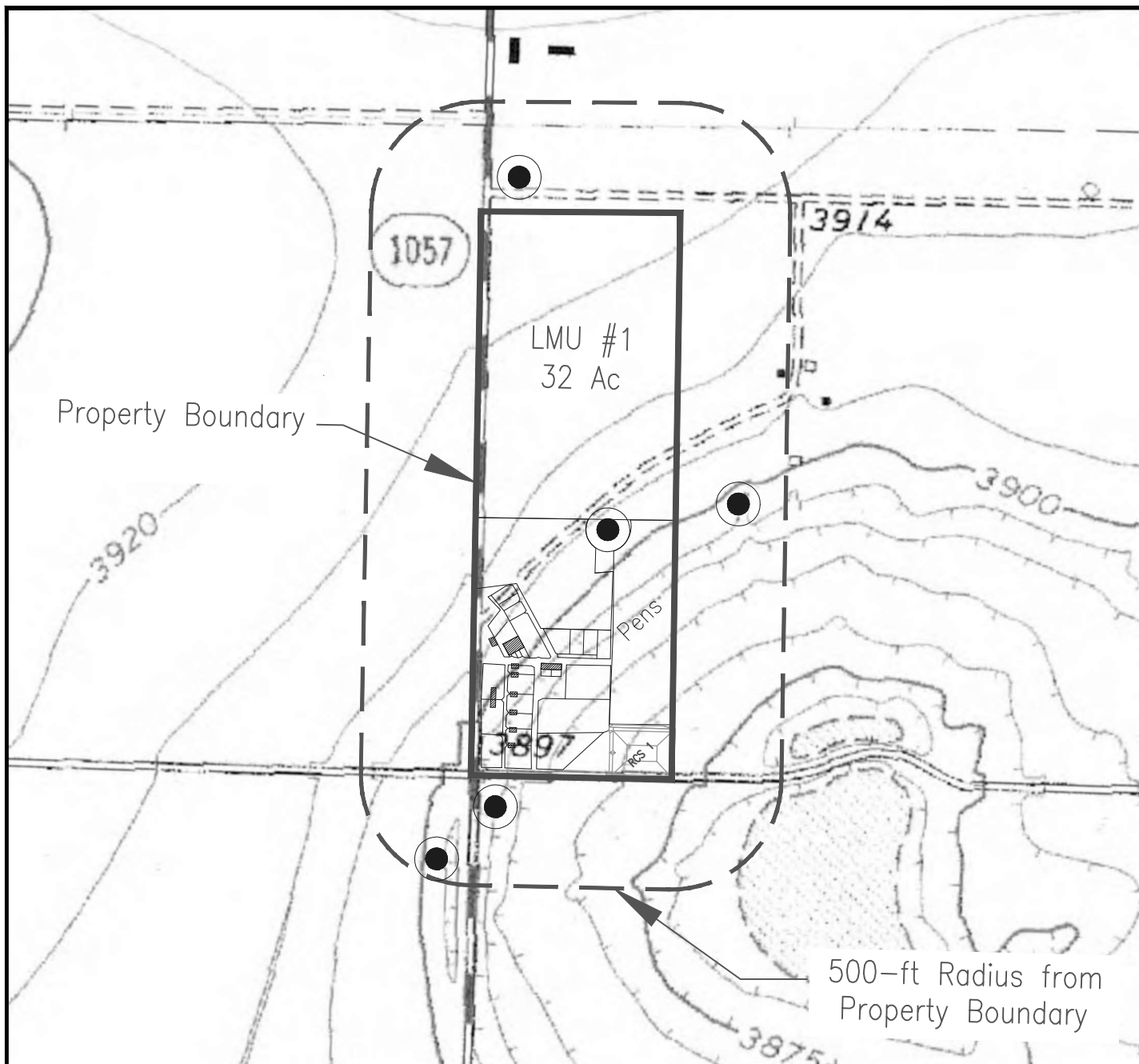
- 100-ft buffer from road borrow ditches will be maintained when applying solids.
- Refer to Figure 3.3 for an overall facility map.

McClain Feed Yard
Hereford
Deaf Smith County, Texas

USGS 7.5 Minute Quadrangle Map
September 2016

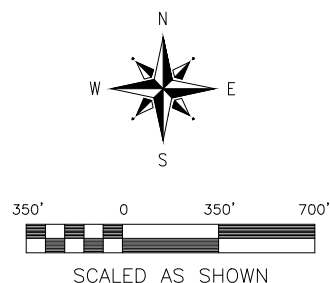


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AMARILLO, TEXAS 79118
TEL (806) 353-6123 FAX (806) 353-4132



LEGEND:

- Denotes Non-Visible Water Well
- Denotes Well w/100 or 150-ft Buffer and/or BMPs
- Denotes Barns/Roofed Areas



Source: USDA-NRCS. Geospatial Data Gateway. Available at: <http://datagateway.nrcs.usda.gov/>. Digital Raster Graphic County Mosaic by NRCS - Accessed 5/2014.

- 100-ft buffer from road borrow ditches will be maintained when applying solids.

McClain Feed Yard
Hereford
Deaf Smith County, Texas

Site & Land Management Map
September 2016

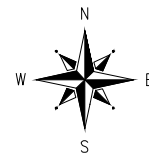


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3404 Airway Boulevard
AMARILLO, TEXAS 79118
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LEGEND:

- Denotes Plugged Water Well
- ⊗ Denotes Non-Visible Water Well
- Denotes Well w/100 or 150-ft Buffer and/or BMPs
- ▨ Denotes Barns/Roofed Areas



SCALED AS SHOWN

Source: USDA-NRCS. Geospatial Data Gateway. Available at: <http://datagateway.nrcs.usda.gov/>. Digital Raster Graphic County Mosaic by NRCS - Accessed 5/2014.

- 100-ft buffer from road borrow ditches will be maintained when applying solids.
- Refer to Figure 3.3 for an overall facility map.

McClain Feed Yard
Hereford
Deaf Smith County, Texas

Recharge Feature Map
September 2016



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ENGINEERING CONSULTANTS
3404 Airway Boulevard
AMARILLO, TEXAS 79118
TEL (806) 353-6123 FAX (806) 353-4132

Property

Account

Property ID:	26963	Legal Description:	BLOCK K-8 SECTION 26, S2587'OF W606', 36.03
Geographic ID:	AK08-26-5	Zoning:	
Type:	Real	Agent Code:	
Property Use Code:			
Property Use Description:			

Protest

Protest Status:	
Informal Date:	
Formal Date:	

Location

Address:	4010 FM 1057 TX	Mapsc0:	
Neighborhood:		Map ID:	F5
Neighborhood CD:			

Owner

Name:	MCCLAIN FEEDYARD INC.	Owner ID:	40127
Mailing Address:	824 MULLINS LANE BENTON, KY 42025	% Ownership:	100.0000000000%
		Exemptions:	

Values

(+) Improvement Homesite Value:	+	\$0	
(+) Improvement Non-Homesite Value:	+	\$489,890	
(+) Land Homesite Value:	+	\$0	
(+) Land Non-Homesite Value:	+	\$30,000	Ag / Timber Use Value
(+) Agricultural Market Valuation:	+	\$31,550	\$3,370
(+) Timber Market Valuation:	+	\$0	\$0

(=) Market Value:	=	\$551,440	
(-) Ag or Timber Use Value Reduction:	-	\$28,180	

(=) Appraised Value:	=	\$523,260	
(-) HS Cap:	-	\$0	

(=) Assessed Value:	=	\$523,260	

Taxing Jurisdiction

Owner:	MCCLAIN FEEDYARD INC.
% Ownership:	100.0000000000%
Total Value:	\$551,440

Entity	Description	Tax Rate	Appraised Value	Taxable Value	Estimated Tax	
--------	-------------	----------	-----------------	---------------	---------------	--

CAD	DEAF SMITH CAD	0.000000	\$523,260	\$523,260	\$0.00
GDS	DEAF SMITH COUNTY	0.574533	\$523,260	\$523,260	\$3,006.30
HOS	HOSPITAL DISTRICT	0.303808	\$523,260	\$523,260	\$1,589.70
JAC	AMARILLO COLLEGE	0.045169	\$523,260	\$523,260	\$236.35
SHF	HEREFORD I. S. D.	0.947543	\$523,260	\$523,260	\$4,958.11
WHP	H P WATER DISTRICT	0.004686	\$523,260	\$523,260	\$24.52
WNX	NOXIOUS WEED DIST	0.020000	\$36	\$36	\$0.72
Total Tax Rate:		1.895739			
				Taxes w/Current Exemptions:	\$9,815.70
				Taxes w/o Exemptions:	\$9,815.70

Improvement / Building

Improvement #1: Commercial **State Code:** F2 **Living Area:** 685.0 sqft **Value:** \$21,800

Type	Description	Class CD	Exterior Wall	Year Built	SQFT
MA	MAIN AREA	CTA+	WD	0	685.0
OP	OPEN PORCH (ATTACHED) *			0	120.0

Improvement #2: Misc Imp **State Code:** F2 **Living Area:** sqft **Value:** \$23,930

Type	Description	Class CD	Exterior Wall	Year Built	SQFT
SCAL	SCALE	*			1.0
CH	CALF HUT/Shelter	*		2002	1.0
CHTS	CATTLE LOADING CHUTE *			2002	1.0

Improvement #3: Misc Imp **State Code:** F2 **Living Area:** sqft **Value:** \$260,780

Type	Description	Class CD	Exterior Wall	Year Built	SQFT
BUNK	FEEDYARD BUNK	*		0	3265.0
P	PENS, Fence, Corrals	*		0	11000.0
P	PENS, Fence, Corrals	*		2002	1.0
W	Water for Cattle Pens	*		2002	10.0

Improvement #4: Misc Imp **State Code:** F2 **Living Area:** 276.0 sqft **Value:** \$71,930

Type	Description	Class CD	Exterior Wall	Year Built	SQFT
BARN	BARN	5F		2001	4446.0
MA	MAIN AREA	*		2001	276.0
SHED	SHED	5F		2001	2262.0

Improvement #5: Misc Imp **State Code:** F2 **Living Area:** sqft **Value:** \$13,520

Type	Description	Class CD	Exterior Wall	Year Built	SQFT
BARN	BARN	2F			1484.0
DOP	DETACHED COVERED PORCH	2F		0	280.0
SHED	SHED	2F		2001	1296.0

Improvement #6: Misc Imp **State Code:** F2 **Living Area:** sqft **Value:** \$12,090

Type	Description	Class CD	Exterior Wall	Year Built	SQFT
SHED	SHED	1F			288.0
SHED	SHED	1F			288.0
SHED	SHED	1F			288.0

SHED	SHED	1F		288.0
SHED	SHED	1F		288.0
SHED	SHED	1F		288.0
SHED	SHED	4F	0	1680.0

Improvement #7: Misc Imp **State Code:** F2 **Living Area:** sqft **Value:** \$1,970

Type	Description	Class CD	Exterior Wall	Year Built	SQFT
SHED	SHED	1F			960.0

Improvement #8: Commercial **State Code:** F2 **Living Area:** sqft **Value:** \$25,350

Type	Description	Class CD	Exterior Wall	Year Built	SQFT
CBIN	COMODITY BIN	*		0	1440.0
TANKM	MOLASSAS TANK(S)	*		0	5000.0

Improvement #9: Mobile Home **State Code:** E1 **Living Area:** 1064.0 sqft **Value:** \$58,520

Type	Description	Class CD	Exterior Wall	Year Built	SQFT
MA	MAIN AREA	MH16 - 2021		2021	1064.0

Land

#	Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
1	SPEC	SPEC	15.0000	653400.00	0.00	0.00	\$30,000	\$0
2	F3	Farm (Dry) #3	21.0300	916066.80	0.00	0.00	\$31,550	\$3,370

Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap	Assessed
2023	\$489,890	\$61,550	3,370	523,260	\$0	\$523,260
2022	\$426,000	\$54,050	3,370	451,870	\$0	\$451,870
2021	\$367,480	\$54,050	2,990	392,970	\$0	\$392,970
2020	\$291,460	\$54,050	2,990	316,950	\$0	\$316,950
2019	\$291,460	\$54,050	2,880	316,840	\$0	\$316,840
2018	\$268,000	\$106,500	2,700	345,700	\$0	\$345,700
2017	\$268,000	\$106,500	2,500	345,500	\$0	\$345,500
2016	\$268,000	\$106,500	2,600	345,600	\$0	\$345,600
2015	\$268,000	\$106,500	2,300	345,300	\$0	\$345,300
2014	\$268,000	\$106,500	2,300	345,300	\$0	\$345,300
2013	\$268,000	\$106,500	3,300	346,300	\$0	\$346,300
2012	\$268,000	\$106,500	3,300	346,300	\$0	\$346,300
2011	\$268,000	\$106,500	3,200	346,200	\$0	\$346,200
2010	\$126,200	\$71,500	4,700	155,900	\$0	\$155,900
2009	\$126,200	\$71,500	4,700	155,900	\$0	\$155,900

Deed History - (Last 10 Deed Transactions)

#	Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Deed Number
1	11/21/2011	WD	WARRANTY DEED	HUME, DUDLEY & TOMMY & JILL HEFNER	MCCLAIN FEEDYARD INC.		11-2274	
2	2/5/2009	SWD	SPECIAL WARRANTY DEED	CAPITAL FARM CREDIT	HUME, DUDLEY &		09-0313	

					TOMMY & JILL HEFNER	
3	10/7/2008	STD	SUBSTITUTE TRUSTEE'S DEED	HAYES, RICHARD L	CAPITAL FARM CREDIT	08-2237

Tax Due

Property Tax Information as of 08/20/2023

Amount Due if Paid on: 

Year	Taxing Jurisdiction	Taxable Value	Base Tax	Base Taxes Paid	Base Tax Due	Discount / Penalty & Interest	Attorney Fees	Amount Due
2022	DEAF SMITH COUNTY	\$451,870	\$2596.14	\$2596.14	\$0.00	\$0.00	\$0.00	\$0.00
2022	HOSPITAL DISTRICT	\$451,870	\$1372.82	\$1372.82	\$0.00	\$0.00	\$0.00	\$0.00
2022	AMARILLO COLLEGE	\$451,870	\$204.11	\$204.11	\$0.00	\$0.00	\$0.00	\$0.00
2022	HEREFORD I. S. D.	\$451,870	\$4281.66	\$4281.66	\$0.00	\$0.00	\$0.00	\$0.00
2022	H P WATER DISTRICT	\$451,870	\$21.17	\$21.17	\$0.00	\$0.00	\$0.00	\$0.00
2022	NOXIOUS WEED DIST	\$36	\$0.72	\$0.72	\$0.00	\$0.00	\$0.00	\$0.00
	2022 TOTAL:		\$8476.62	\$8476.62	\$0.00	\$0.00	\$0.00	\$0.00
2021	DEAF SMITH COUNTY	\$392,970	\$2360.33	\$2360.33	\$0.00	\$0.00	\$0.00	\$0.00
2021	HOSPITAL DISTRICT	\$392,970	\$1236.21	\$1236.21	\$0.00	\$0.00	\$0.00	\$0.00
2021	AMARILLO COLLEGE	\$392,970	\$192.34	\$192.34	\$0.00	\$0.00	\$0.00	\$0.00
2021	HEREFORD I. S. D.	\$392,970	\$4063.23	\$4063.23	\$0.00	\$0.00	\$0.00	\$0.00
2021	H P WATER DISTRICT	\$392,970	\$20.04	\$20.04	\$0.00	\$0.00	\$0.00	\$0.00
2021	NOXIOUS WEED DIST	\$36	\$0.72	\$0.72	\$0.00	\$0.00	\$0.00	\$0.00
	2021 TOTAL:		\$7872.87	\$7872.87	\$0.00	\$0.00	\$0.00	\$0.00
2020	DEAF SMITH COUNTY	\$316,950	\$1936.25	\$1936.25	\$0.00	\$0.00	\$0.00	\$0.00
2020	HOSPITAL DISTRICT	\$316,950	\$997.06	\$997.06	\$0.00	\$0.00	\$0.00	\$0.00
2020	AMARILLO COLLEGE	\$316,950	\$148.68	\$148.68	\$0.00	\$0.00	\$0.00	\$0.00
2020	HEREFORD I. S. D.	\$316,950	\$3344.96	\$3344.96	\$0.00	\$0.00	\$0.00	\$0.00
2020	H P WATER DISTRICT	\$316,950	\$17.43	\$17.43	\$0.00	\$0.00	\$0.00	\$0.00
2020	NOXIOUS WEED DIST	\$36	\$0.72	\$0.72	\$0.00	\$0.00	\$0.00	\$0.00
	2020 TOTAL:		\$6445.10	\$6445.10	\$0.00	\$0.00	\$0.00	\$0.00
2019	DEAF SMITH COUNTY	\$316,840	\$1636.48	\$1636.48	\$0.00	\$0.00	\$0.00	\$0.00
2019	HOSPITAL DISTRICT	\$316,840	\$996.71	\$996.71	\$0.00	\$0.00	\$0.00	\$0.00
2019	AMARILLO COLLEGE	\$316,840	\$156.58	\$156.58	\$0.00	\$0.00	\$0.00	\$0.00
2019	HEREFORD I. S. D.	\$316,840	\$3452.92	\$3452.92	\$0.00	\$0.00	\$0.00	\$0.00
2019	H P WATER DISTRICT	\$316,840	\$19.96	\$19.96	\$0.00	\$0.00	\$0.00	\$0.00
2019	NOXIOUS WEED DIST	\$36	\$0.72	\$0.72	\$0.00	\$0.00	\$0.00	\$0.00
	2019 TOTAL:		\$6263.37	\$6263.37	\$0.00	\$0.00	\$0.00	\$0.00
2018	DEAF SMITH COUNTY	\$345,700	\$1832.21	\$1832.21	\$0.00	\$0.00	\$0.00	\$0.00
2018	HOSPITAL DISTRICT	\$345,700	\$1171.92	\$1171.92	\$0.00	\$0.00	\$0.00	\$0.00
2018	AMARILLO COLLEGE	\$345,700	\$172.85	\$172.85	\$0.00	\$0.00	\$0.00	\$0.00
2018	HEREFORD I. S. D.	\$345,700	\$3595.28	\$3595.28	\$0.00	\$0.00	\$0.00	\$0.00
2018	H P WATER DISTRICT	\$345,700	\$23.16	\$23.16	\$0.00	\$0.00	\$0.00	\$0.00
2018	NOXIOUS WEED DIST	\$36	\$0.72	\$0.72	\$0.00	\$0.00	\$0.00	\$0.00
	2018 TOTAL:		\$6796.14	\$6796.14	\$0.00	\$0.00	\$0.00	\$0.00
2017	DEAF SMITH COUNTY	\$345,500	\$1831.15	\$1831.15	\$0.00	\$0.00	\$0.00	\$0.00
2017	HOSPITAL DISTRICT	\$345,500	\$1148.82	\$1148.82	\$0.00	\$0.00	\$0.00	\$0.00
2017	AMARILLO COLLEGE	\$345,500	\$172.75	\$172.75	\$0.00	\$0.00	\$0.00	\$0.00
2017	HEREFORD I. S. D.	\$345,500	\$3593.20	\$3593.20	\$0.00	\$0.00	\$0.00	\$0.00
2017	H P WATER DISTRICT	\$345,500	\$23.84	\$23.84	\$0.00	\$0.00	\$0.00	\$0.00
2017	NOXIOUS WEED DIST	\$36	\$0.72	\$0.72	\$0.00	\$0.00	\$0.00	\$0.00

	2017 TOTAL:		\$6770.48	\$6770.48	\$0.00	\$0.00	\$0.00	\$0.00
2016	DEAF SMITH COUNTY	\$345,600	\$1831.68	\$1831.68	\$0.00	\$0.00	\$0.00	\$0.00
2016	HOSPITAL DISTRICT	\$345,600	\$1207.55	\$1207.55	\$0.00	\$0.00	\$0.00	\$0.00
2016	AMARILLO COLLEGE	\$345,600	\$172.80	\$172.80	\$0.00	\$0.00	\$0.00	\$0.00
2016	HEREFORD I. S. D.	\$345,600	\$3594.24	\$3594.24	\$0.00	\$0.00	\$0.00	\$0.00
2016	H P WATER DISTRICT	\$345,600	\$25.92	\$25.92	\$0.00	\$0.00	\$0.00	\$0.00
2016	NOXIOUS WEED DIST	\$36	\$0.72	\$0.72	\$0.00	\$0.00	\$0.00	\$0.00
	2016 TOTAL:		\$6832.91	\$6832.91	\$0.00	\$0.00	\$0.00	\$0.00
2015	DEAF SMITH COUNTY	\$345,300	\$1761.03	\$1761.03	\$0.00	\$0.00	\$0.00	\$0.00
2015	HOSPITAL DISTRICT	\$345,300	\$1227.55	\$1227.55	\$0.00	\$0.00	\$0.00	\$0.00
2015	AMARILLO COLLEGE	\$345,300	\$172.65	\$172.65	\$0.00	\$0.00	\$0.00	\$0.00
2015	HEREFORD I. S. D.	\$345,300	\$3591.12	\$3591.12	\$0.00	\$0.00	\$0.00	\$0.00
2015	H P WATER DISTRICT	\$345,300	\$27.71	\$27.71	\$0.00	\$0.00	\$0.00	\$0.00
2015	NOXIOUS WEED DIST	\$36	\$0.72	\$0.72	\$0.00	\$0.00	\$0.00	\$0.00
	2015 TOTAL:		\$6780.78	\$6780.78	\$0.00	\$0.00	\$0.00	\$0.00
2014	DEAF SMITH COUNTY	\$345,300	\$1761.03	\$1761.03	\$0.00	\$0.00	\$0.00	\$0.00
2014	HOSPITAL DISTRICT	\$345,300	\$1251.71	\$1251.71	\$0.00	\$0.00	\$0.00	\$0.00
2014	H P WATER DISTRICT	\$345,300	\$27.71	\$27.71	\$0.00	\$0.00	\$0.00	\$0.00
2014	NOXIOUS WEED DIST	\$36	\$0.72	\$0.72	\$0.00	\$0.00	\$0.00	\$0.00
2014	AMARILLO COLLEGE	\$345,300	\$172.65	\$172.65	\$0.00	\$0.00	\$0.00	\$0.00
2014	HEREFORD I. S. D.	\$345,300	\$3591.12	\$3591.12	\$0.00	\$0.00	\$0.00	\$0.00
	2014 TOTAL:		\$6804.94	\$6804.94	\$0.00	\$0.00	\$0.00	\$0.00
2013	DEAF SMITH COUNTY	\$346,300	\$1766.13	\$1766.13	\$0.00	\$0.00	\$0.00	\$0.00
2013	HOSPITAL DISTRICT	\$346,300	\$1324.59	\$1324.59	\$0.00	\$0.00	\$0.00	\$0.00
2013	AMARILLO COLLEGE	\$346,300	\$173.15	\$173.15	\$0.00	\$0.00	\$0.00	\$0.00
2013	HEREFORD I. S. D.	\$346,300	\$3601.52	\$3601.52	\$0.00	\$0.00	\$0.00	\$0.00
2013	H P WATER DISTRICT	\$346,300	\$28.05	\$28.05	\$0.00	\$0.00	\$0.00	\$0.00
2013	NOXIOUS WEED DIST	\$36	\$0.72	\$0.72	\$0.00	\$0.00	\$0.00	\$0.00
	2013 TOTAL:		\$6894.16	\$6894.16	\$0.00	\$0.00	\$0.00	\$0.00
2012	HOSPITAL DISTRICT	\$346,300	\$1353.34	\$1353.34	\$0.00	\$0.00	\$0.00	\$0.00
2012	AMARILLO COLLEGE	\$346,300	\$173.15	\$173.15	\$0.00	\$0.00	\$0.00	\$0.00
2012	HEREFORD I. S. D.	\$346,300	\$3601.52	\$3601.52	\$0.00	\$0.00	\$0.00	\$0.00
2012	H P WATER DISTRICT	\$346,300	\$26.11	\$26.11	\$0.00	\$0.00	\$0.00	\$0.00
2012	NOXIOUS WEED DIST	\$36	\$0.72	\$0.72	\$0.00	\$0.00	\$0.00	\$0.00
2012	DEAF SMITH COUNTY	\$346,300	\$1766.13	\$1766.13	\$0.00	\$0.00	\$0.00	\$0.00
	2012 TOTAL:		\$6920.97	\$6920.97	\$0.00	\$0.00	\$0.00	\$0.00
	MCCLAIN FEEDYARD INC. TOTAL:		\$76858.34	\$76858.34	\$0.00	\$0.00	\$0.00	\$0.00
2008	DEAF SMITH COUNTY	\$143,600	\$794.49	\$794.49	\$0.00	\$0.00	\$0.00	\$0.00
2008	HOSPITAL DISTRICT	\$143,600	\$359.01	\$359.01	\$0.00	\$0.00	\$0.00	\$0.00
2008	AMARILLO COLLEGE	\$143,600	\$66.08	\$66.08	\$0.00	\$0.00	\$0.00	\$0.00
2008	HEREFORD I. S. D.	\$143,600	\$1493.44	\$1493.44	\$0.00	\$0.00	\$0.00	\$0.00
2008	H P WATER DISTRICT	\$143,600	\$11.40	\$11.40	\$0.00	\$0.00	\$0.00	\$0.00
2008	NOXIOUS WEED DIST	\$36	\$0.72	\$0.72	\$0.00	\$0.00	\$0.00	\$0.00
	2008 TOTAL:		\$2725.14	\$2725.14	\$0.00	\$0.00	\$0.00	\$0.00
2007	DEAF SMITH COUNTY	\$143,700	\$840.50	\$840.50	\$0.00	\$0.00	\$0.00	\$0.00
2007	HOSPITAL DISTRICT	\$143,700	\$357.72	\$357.72	\$0.00	\$0.00	\$0.00	\$0.00
2007	AMARILLO COLLEGE	\$143,700	\$67.54	\$67.54	\$0.00	\$0.00	\$0.00	\$0.00
2007	HEREFORD I. S. D.	\$143,700	\$1494.48	\$1494.48	\$0.00	\$0.00	\$0.00	\$0.00
2007	H P WATER DISTRICT	\$143,700	\$11.41	\$11.41	\$0.00	\$0.00	\$0.00	\$0.00
2007	NOXIOUS WEED DIST	\$36	\$0.72	\$0.72	\$0.00	\$0.00	\$0.00	\$0.00
	2007 TOTAL:		\$2772.37	\$2772.37	\$0.00	\$0.00	\$0.00	\$0.00
2006	DEAF SMITH COUNTY	\$142,712	\$892.81	\$892.81	\$0.00	\$0.00	\$0.00	\$0.00
2006	HOSPITAL DISTRICT	\$142,712	\$364.77	\$364.77	\$0.00	\$0.00	\$0.00	\$0.00

2006	AMARILLO COLLEGE	\$142,712	\$70.36	\$70.36	\$0.00	\$0.00	\$0.00	\$0.00
2006	H P WATER DISTRICT	\$142,712	\$11.85	\$11.85	\$0.00	\$0.00	\$0.00	\$0.00
2006	NOXIOUS WEED DIST	\$31	\$0.62	\$0.62	\$0.00	\$0.00	\$0.00	\$0.00
2006	HEREFORD I. S. D.	\$142,712	\$1955.15	\$1955.15	\$0.00	\$0.00	\$0.00	\$0.00
2006 TOTAL:			\$3295.56	\$3295.56	\$0.00	\$0.00	\$0.00	\$0.00
2005	DEAF SMITH COUNTY	\$142,712	\$904.79	\$904.79	\$0.00	\$0.00	\$0.00	\$0.00
2005	HOSPITAL DISTRICT	\$142,712	\$369.91	\$358.81	\$0.00	\$0.00	\$0.00	\$0.00
2005	AMARILLO COLLEGE	\$142,712	\$71.36	\$71.36	\$0.00	\$0.00	\$0.00	\$0.00
2005	HEREFORD I. S. D.	\$142,712	\$2140.68	\$2140.68	\$0.00	\$0.00	\$0.00	\$0.00
2005	H P WATER DISTRICT	\$142,712	\$11.85	\$11.85	\$0.00	\$0.00	\$0.00	\$0.00
2005	NOXIOUS WEED DIST	\$31	\$0.62	\$0.62	\$0.00	\$0.00	\$0.00	\$0.00
2005 TOTAL:			\$3499.21	\$3488.11	\$0.00	\$0.00	\$0.00	\$0.00
2011	DEAF SMITH COUNTY	\$346,200	\$1765.62	\$1765.62	\$0.00	\$0.00	\$0.00	\$0.00
2011	HOSPITAL DISTRICT	\$346,200	\$1375.01	\$1375.01	\$0.00	\$0.00	\$0.00	\$0.00
2011	AMARILLO COLLEGE	\$346,200	\$173.10	\$173.10	\$0.00	\$0.00	\$0.00	\$0.00
2011	HEREFORD I. S. D.	\$346,200	\$3600.48	\$3600.48	\$0.00	\$0.00	\$0.00	\$0.00
2011	H P WATER DISTRICT	\$346,200	\$26.87	\$26.87	\$0.00	\$0.00	\$0.00	\$0.00
2011	NOXIOUS WEED DIST	\$36	\$0.72	\$0.72	\$0.00	\$0.00	\$0.00	\$0.00
2011 TOTAL:			\$6941.80	\$6941.80	\$0.00	\$0.00	\$0.00	\$0.00
2010	DEAF SMITH COUNTY	\$155,900	\$817.81	\$817.81	\$0.00	\$0.00	\$0.00	\$0.00
2010	HOSPITAL DISTRICT	\$155,900	\$658.35	\$658.35	\$0.00	\$0.00	\$0.00	\$0.00
2010	AMARILLO COLLEGE	\$155,900	\$77.95	\$77.95	\$0.00	\$0.00	\$0.00	\$0.00
2010	HEREFORD I. S. D.	\$155,900	\$1621.36	\$1621.36	\$0.00	\$0.00	\$0.00	\$0.00
2010	H P WATER DISTRICT	\$155,900	\$12.24	\$12.24	\$0.00	\$0.00	\$0.00	\$0.00
2010	NOXIOUS WEED DIST	\$36	\$0.72	\$0.72	\$0.00	\$0.00	\$0.00	\$0.00
2010 TOTAL:			\$3188.43	\$3188.43	\$0.00	\$0.00	\$0.00	\$0.00
2009	DEAF SMITH COUNTY	\$155,900	\$811.94	\$811.94	\$0.00	\$0.00	\$0.00	\$0.00
2009	HOSPITAL DISTRICT	\$155,900	\$355.29	\$355.29	\$0.00	\$0.00	\$0.00	\$0.00
2009	AMARILLO COLLEGE	\$155,900	\$76.45	\$76.45	\$0.00	\$0.00	\$0.00	\$0.00
2009	HEREFORD I. S. D.	\$155,900	\$1621.36	\$1621.36	\$0.00	\$0.00	\$0.00	\$0.00
2009	H P WATER DISTRICT	\$155,900	\$12.38	\$12.38	\$0.00	\$0.00	\$0.00	\$0.00
2009	NOXIOUS WEED DIST	\$36	\$0.72	\$0.72	\$0.00	\$0.00	\$0.00	\$0.00
2009 TOTAL:			\$2878.14	\$2878.14	\$0.00	\$0.00	\$0.00	\$0.00
HAYES, RICHARD L TOTAL:			\$12292.28	\$12281.18	\$0.00	\$0.00	\$0.00	\$0.00
HUME, DUDLEY & TOMMY & JILL HEFNER TOTAL:			\$13008.37	\$13008.37	\$0.00	\$0.00	\$0.00	\$0.00
GRAND TOTAL (ALL OWNERS):			\$102158.99	\$102147.89	\$0.00	\$0.00	\$0.00	\$0.00

NOTE: Penalty & Interest accrues every month on the unpaid tax and is added to the balance. Attorney fees may also increase your tax liability if not paid by July 1. If you plan to submit payment on a future date, make sure you enter the date and RECALCULATE to obtain the correct total amount due.

Questions Please Call 806-364-0625.

Deaf Smith

Property

Account

Property ID:	919959	Legal Description:	BLOCK K-8 SECTION 26,(E336.69'OF W991.94'OF S2587.50'MORE OR LESS) 20 AC, A-1129
Geographic ID:	AK08-26-4	Zoning:	
Type:	Real	Agent Code:	
Property Use Code:			
Property Use Description:			

Protest

Protest Status:	
Informal Date:	
Formal Date:	

Location

Address:	Mapsc0:	
Neighborhood:	Map ID:	F5
Neighborhood CD:		

Owner

Name:	MCCLAIN FEEDYARD INC.	Owner ID:	40127
Mailing Address:	824 MULLINS LANE BENTON, KY 42025	% Ownership:	100.000000000000%
		Exemptions:	

Values

(+) Improvement Homesite Value:	+	\$0	
(+) Improvement Non-Homesite Value:	+	\$0	
(+) Land Homesite Value:	+	\$0	
(+) Land Non-Homesite Value:	+	\$0	Ag / Timber Use Value
(+) Agricultural Market Valuation:	+	\$40,000	\$3,440
(+) Timber Market Valuation:	+	\$0	\$0

(=) Market Value:	=	\$40,000	
(-) Ag or Timber Use Value Reduction:	-	\$36,560	

(=) Appraised Value:	=	\$3,440	

(-) HS Cap: - \$0

(=) Assessed Value: = \$3,440

Taxing Jurisdiction

Owner: MCCLAIN FEEDYARD INC.

% Ownership: 100.000000000000%

Total Value: \$40,000

Entity	Description	Tax Rate	Appraised Value	Taxable Value	Estimated Tax		
CAD	DEAF SMITH CAD	0.000000	\$3,440	\$3,440	\$0.00		
GDS	DEAF SMITH COUNTY	0.574533	\$3,440	\$3,440	\$19.77		
HOS	HOSPITAL DISTRICT	0.303808	\$3,440	\$3,440	\$10.45		
JAC	AMARILLO COLLEGE	0.045169	\$3,440	\$3,440	\$1.55		
SHF	HEREFORD I. S. D.	0.947543	\$3,440	\$3,440	\$32.60		
WHP	H P WATER DISTRICT	0.004686	\$3,440	\$3,440	\$0.16		
WNX	NOXIOUS WEED DIST	0.020000	\$20	\$20	\$0.40		
Total Tax Rate:		1.895739					
Taxes w/Current Exemptions:					\$64.93		
Taxes w/o Exemptions:					\$64.93		

Improvement / Building

No improvements exist for this property.

Land

#	Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
1	F1	Farm (Dry) #1	20.0000	871200.00	0.00	0.00	\$40,000	\$3,440

Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap	Assessed
2023	\$0	\$40,000	3,440	3,440	\$0	\$3,440
2022	\$0	\$36,000	3,440	3,440	\$0	\$3,440
2021	\$0	\$28,000	3,260	3,260	\$0	\$3,260
2020	\$0	\$28,000	3,260	3,260	\$0	\$3,260
2019	\$0	\$24,000	3,160	3,160	\$0	\$3,160
2018	\$0	\$26,000	3,100	3,100	\$0	\$3,100
2017	\$0	\$24,000	2,900	2,900	\$0	\$2,900
2016	\$0	\$24,000	3,000	3,000	\$0	\$3,000
2015	\$0	\$22,000	2,500	2,500	\$0	\$2,500
2014	\$0	\$20,000	2,500	2,500	\$0	\$2,500
2013	\$0	\$12,000	3,400	3,400	\$0	\$3,400
2012	\$0	\$12,000	3,400	3,400	\$0	\$3,400
2011	\$0	\$11,200	3,100	3,100	\$0	\$3,100

Deed History - (Last 10 Deed Transactions)

#	Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Deed Number
1	6/7/2011	WD	WARRANTY DEED	YOSTEN BROTHERS	MCCLAIN FEEDYARD INC.		11-1545	

Tax Due

Property Tax Information as of 08/20/2023

Amount Due if Paid on: 

Year	Taxing Jurisdiction	Taxable Value	Base Tax	Base Taxes Paid	Base Tax Due	Discount / Penalty & Interest	Attorney Fees	Amount Due
2022	DEAF SMITH COUNTY	\$3,440	\$19.77	\$19.77	\$0.00	\$0.00	\$0.00	\$0.00
2022	HOSPITAL DISTRICT	\$3,440	\$10.45	\$10.45	\$0.00	\$0.00	\$0.00	\$0.00
2022	AMARILLO COLLEGE	\$3,440	\$1.55	\$1.55	\$0.00	\$0.00	\$0.00	\$0.00
2022	HEREFORD I. S. D.	\$3,440	\$32.60	\$32.60	\$0.00	\$0.00	\$0.00	\$0.00
2022	H P WATER DISTRICT	\$3,440	\$0.16	\$0.16	\$0.00	\$0.00	\$0.00	\$0.00
2022	NOXIOUS WEED DIST	\$20	\$0.40	\$0.40	\$0.00	\$0.00	\$0.00	\$0.00
2022 TOTAL:			\$64.93	\$64.93	\$0.00	\$0.00	\$0.00	\$0.00
2021	DEAF SMITH COUNTY	\$3,260	\$19.58	\$19.58	\$0.00	\$0.00	\$0.00	\$0.00
2021	HOSPITAL DISTRICT	\$3,260	\$10.25	\$10.25	\$0.00	\$0.00	\$0.00	\$0.00
2021	AMARILLO COLLEGE	\$3,260	\$1.60	\$1.60	\$0.00	\$0.00	\$0.00	\$0.00
2021	HEREFORD I. S. D.	\$3,260	\$33.71	\$33.71	\$0.00	\$0.00	\$0.00	\$0.00
2021	H P WATER DISTRICT	\$3,260	\$0.17	\$0.17	\$0.00	\$0.00	\$0.00	\$0.00
2021	NOXIOUS WEED DIST	\$20	\$0.40	\$0.40	\$0.00	\$0.00	\$0.00	\$0.00
2021 TOTAL:			\$65.71	\$65.71	\$0.00	\$0.00	\$0.00	\$0.00
2020	DEAF SMITH COUNTY	\$3,260	\$19.91	\$19.91	\$0.00	\$0.00	\$0.00	\$0.00
2020	HOSPITAL DISTRICT	\$3,260	\$10.25	\$10.25	\$0.00	\$0.00	\$0.00	\$0.00
2020	AMARILLO COLLEGE	\$3,260	\$1.53	\$1.53	\$0.00	\$0.00	\$0.00	\$0.00
2020	HEREFORD I. S. D.	\$3,260	\$34.41	\$34.41	\$0.00	\$0.00	\$0.00	\$0.00
2020	H P WATER DISTRICT	\$3,260	\$0.18	\$0.18	\$0.00	\$0.00	\$0.00	\$0.00
2020	NOXIOUS WEED DIST	\$20	\$0.40	\$0.40	\$0.00	\$0.00	\$0.00	\$0.00
2020 TOTAL:			\$66.68	\$66.68	\$0.00	\$0.00	\$0.00	\$0.00
2019	DEAF SMITH COUNTY	\$3,160	\$16.32	\$16.32	\$0.00	\$0.00	\$0.00	\$0.00
2019	HOSPITAL DISTRICT	\$3,160	\$9.94	\$9.94	\$0.00	\$0.00	\$0.00	\$0.00
2019	AMARILLO COLLEGE	\$3,160	\$1.56	\$1.56	\$0.00	\$0.00	\$0.00	\$0.00
2019	HEREFORD I. S. D.	\$3,160	\$34.44	\$34.44	\$0.00	\$0.00	\$0.00	\$0.00
2019	H P WATER DISTRICT	\$3,160	\$0.20	\$0.20	\$0.00	\$0.00	\$0.00	\$0.00
2019	NOXIOUS WEED DIST	\$20	\$0.40	\$0.40	\$0.00	\$0.00	\$0.00	\$0.00
2019 TOTAL:			\$62.86	\$62.86	\$0.00	\$0.00	\$0.00	\$0.00
2018	DEAF SMITH COUNTY	\$3,100	\$16.43	\$16.43	\$0.00	\$0.00	\$0.00	\$0.00
2018	HOSPITAL DISTRICT	\$3,100	\$10.50	\$10.50	\$0.00	\$0.00	\$0.00	\$0.00
2018	AMARILLO COLLEGE	\$3,100	\$1.55	\$1.55	\$0.00	\$0.00	\$0.00	\$0.00
2018	HEREFORD I. S. D.	\$3,100	\$32.24	\$32.24	\$0.00	\$0.00	\$0.00	\$0.00
2018	H P WATER DISTRICT	\$3,100	\$0.21	\$0.21	\$0.00	\$0.00	\$0.00	\$0.00

2018	NOXIOUS WEED DIST	\$20	\$0.40	\$0.40	\$0.00	\$0.00	\$0.00	\$0.00
	2018 TOTAL:		\$61.33	\$61.33	\$0.00	\$0.00	\$0.00	\$0.00
2017	DEAF SMITH COUNTY	\$2,900	\$15.37	\$15.37	\$0.00	\$0.00	\$0.00	\$0.00
2017	HOSPITAL DISTRICT	\$2,900	\$9.64	\$9.64	\$0.00	\$0.00	\$0.00	\$0.00
2017	AMARILLO COLLEGE	\$2,900	\$1.45	\$1.45	\$0.00	\$0.00	\$0.00	\$0.00
2017	HEREFORD I. S. D.	\$2,900	\$30.16	\$30.16	\$0.00	\$0.00	\$0.00	\$0.00
2017	H P WATER DISTRICT	\$2,900	\$0.20	\$0.20	\$0.00	\$0.00	\$0.00	\$0.00
2017	NOXIOUS WEED DIST	\$20	\$0.40	\$0.40	\$0.00	\$0.00	\$0.00	\$0.00
	2017 TOTAL:		\$57.22	\$57.22	\$0.00	\$0.00	\$0.00	\$0.00
2016	DEAF SMITH COUNTY	\$3,000	\$15.90	\$15.90	\$0.00	\$0.00	\$0.00	\$0.00
2016	HOSPITAL DISTRICT	\$3,000	\$10.49	\$10.49	\$0.00	\$0.00	\$0.00	\$0.00
2016	AMARILLO COLLEGE	\$3,000	\$1.50	\$1.50	\$0.00	\$0.00	\$0.00	\$0.00
2016	HEREFORD I. S. D.	\$3,000	\$31.20	\$31.20	\$0.00	\$0.00	\$0.00	\$0.00
2016	H P WATER DISTRICT	\$3,000	\$0.23	\$0.23	\$0.00	\$0.00	\$0.00	\$0.00
2016	NOXIOUS WEED DIST	\$20	\$0.40	\$0.40	\$0.00	\$0.00	\$0.00	\$0.00
	2016 TOTAL:		\$59.72	\$59.72	\$0.00	\$0.00	\$0.00	\$0.00
2015	DEAF SMITH COUNTY	\$2,500	\$12.75	\$12.75	\$0.00	\$0.00	\$0.00	\$0.00
2015	HOSPITAL DISTRICT	\$2,500	\$8.89	\$8.89	\$0.00	\$0.00	\$0.00	\$0.00
2015	AMARILLO COLLEGE	\$2,500	\$1.25	\$1.25	\$0.00	\$0.00	\$0.00	\$0.00
2015	HEREFORD I. S. D.	\$2,500	\$26.00	\$26.00	\$0.00	\$0.00	\$0.00	\$0.00
2015	H P WATER DISTRICT	\$2,500	\$0.20	\$0.20	\$0.00	\$0.00	\$0.00	\$0.00
2015	NOXIOUS WEED DIST	\$20	\$0.40	\$0.40	\$0.00	\$0.00	\$0.00	\$0.00
	2015 TOTAL:		\$49.49	\$49.49	\$0.00	\$0.00	\$0.00	\$0.00
2014	DEAF SMITH COUNTY	\$2,500	\$12.75	\$12.75	\$0.00	\$0.00	\$0.00	\$0.00
2014	HOSPITAL DISTRICT	\$2,500	\$9.07	\$9.07	\$0.00	\$0.00	\$0.00	\$0.00
2014	H P WATER DISTRICT	\$2,500	\$0.20	\$0.20	\$0.00	\$0.00	\$0.00	\$0.00
2014	NOXIOUS WEED DIST	\$20	\$0.40	\$0.40	\$0.00	\$0.00	\$0.00	\$0.00
2014	AMARILLO COLLEGE	\$2,500	\$1.25	\$1.25	\$0.00	\$0.00	\$0.00	\$0.00
2014	HEREFORD I. S. D.	\$2,500	\$26.00	\$26.00	\$0.00	\$0.00	\$0.00	\$0.00
	2014 TOTAL:		\$49.67	\$49.67	\$0.00	\$0.00	\$0.00	\$0.00
2013	DEAF SMITH COUNTY	\$3,400	\$17.34	\$17.34	\$0.00	\$0.00	\$0.00	\$0.00
2013	HOSPITAL DISTRICT	\$3,400	\$13.01	\$13.01	\$0.00	\$0.00	\$0.00	\$0.00
2013	AMARILLO COLLEGE	\$3,400	\$1.70	\$1.70	\$0.00	\$0.00	\$0.00	\$0.00
2013	HEREFORD I. S. D.	\$3,400	\$35.36	\$35.36	\$0.00	\$0.00	\$0.00	\$0.00
2013	H P WATER DISTRICT	\$3,400	\$0.28	\$0.28	\$0.00	\$0.00	\$0.00	\$0.00
2013	NOXIOUS WEED DIST	\$20	\$0.40	\$0.40	\$0.00	\$0.00	\$0.00	\$0.00
	2013 TOTAL:		\$68.09	\$68.09	\$0.00	\$0.00	\$0.00	\$0.00
2012	HOSPITAL DISTRICT	\$3,400	\$13.29	\$13.29	\$0.00	\$0.00	\$0.00	\$0.00
2012	AMARILLO COLLEGE	\$3,400	\$1.70	\$1.70	\$0.00	\$0.00	\$0.00	\$0.00
2012	HEREFORD I. S. D.	\$3,400	\$35.36	\$35.36	\$0.00	\$0.00	\$0.00	\$0.00
2012	H P WATER DISTRICT	\$3,400	\$0.26	\$0.26	\$0.00	\$0.00	\$0.00	\$0.00
2012	NOXIOUS WEED DIST	\$20	\$0.40	\$0.40	\$0.00	\$0.00	\$0.00	\$0.00
2012	DEAF SMITH COUNTY	\$3,400	\$17.34	\$17.34	\$0.00	\$0.00	\$0.00	\$0.00
	2012 TOTAL:		\$68.35	\$68.35	\$0.00	\$0.00	\$0.00	\$0.00
2011	DEAF SMITH COUNTY	\$3,100	\$15.81	\$15.81	\$0.00	\$0.00	\$0.00	\$0.00

2011	HOSPITAL DISTRICT	\$3,100	\$12.31	\$12.31	\$0.00	\$0.00	\$0.00	\$0.00
2011	AMARILLO COLLEGE	\$3,100	\$1.55	\$1.55	\$0.00	\$0.00	\$0.00	\$0.00
2011	HEREFORD I. S. D.	\$3,100	\$32.24	\$32.24	\$0.00	\$0.00	\$0.00	\$0.00
2011	H P WATER DISTRICT	\$3,100	\$0.24	\$0.24	\$0.00	\$0.00	\$0.00	\$0.00
2011	NOXIOUS WEED DIST	\$20	\$0.40	\$0.40	\$0.00	\$0.00	\$0.00	\$0.00
2011 TOTAL:			\$62.55	\$62.55	\$0.00	\$0.00	\$0.00	\$0.00

NOTE: Penalty & Interest accrues every month on the unpaid tax and is added to the balance. Attorney fees may also increase your tax liability if not paid by July 1. If you plan to submit payment on a future date, make sure you enter the date and RECALCULATE to obtain the correct total amount due.

Questions Please Call 806-364-0625.

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

GF#20118489

WARRANTY DEED WITH VENDOR'S LIEN

Date: Effective as of November 22, 2011

Grantor: H. Dudley Hume, also known as Dudley Hume, a single man and Tommy Hefner and wife, Jill Hefner

Grantor's Mailing Address (including county):

H. Dudley Hume
7110 Monterey Drive
Amarillo, Randall County, Texas 79110

Tommy and Jill Hefner
2110 CR 10
Bovina, Parmer County, Texas 79009

Grantee: McClain Feed Yard, Inc., a Texas corporation

Grantee's Mailing Address (including county):

824 Mullins Lane
Benton, Marshall County, Kentucky 42025

Consideration:

Ten and No/100 Dollars (\$10.00) and other valuable consideration to the undersigned paid by the Grantee, the receipt of which is hereby acknowledged; and a note of even date that is in the principal amount of TWO HUNDRED SEVENTY-SIX THOUSAND TWO HUNDRED FIFTY and No/100 Dollars (\$276,250.00) which is executed by Grantee, payable to the order of Community Financial Services Bank. The note is secured by a vendor's lien retained in this deed and by a deed of trust of even date to Betsy Flynn, Trustee.

Property (including any improvements):

TRACT I:

A 36.03 acre tract, more or less, out of the Southwest part of Section 26, Block K-8, Abstract No. 1370, Certificate Number 128 of the T. T. R. R. Co. Surveys in Deaf Smith County, Texas, described by metes and bounds as follows:

BEGINNING at a number 60 common nail found for the Southwest corner of Section 26, Block K-8 whence a 1-1/2 inch iron pipe found for the Southeast corner of said section bears North 89 degrees 56 minutes 00 seconds East 5321.58 feet;

THENCE North 89 degrees 56 minutes 00 seconds East along the South line of said section, 48.80 feet to a 1/2 inch iron rod set in the East physical line of Farm Road 1057 for the Southwest and beginning corner of this tract;

THENCE North 00 degrees 12 minutes 00 seconds West along the East physical line of Farm Road 1057, at 30.00 feet pass a 1/2 inch iron rod set for reference and at a total distance of 2587.27 feet a 1/2 inch iron rod set for corner;

THENCE North 89 degrees 54 minutes 43 seconds East 606.84 feet to a 1/2 inch iron rod set in the East line of a tract known as the West 40 acres of the Southwest 1/4 of said section whence a 1/2 inch iron rod set for the Northeast corner of the tract known as the West 40 acres of the Southwest 1/4 of said section bears North 00 degrees 11 minutes 29 seconds West 71.78 feet;

THENCE South 00 degrees 11 minutes 29 seconds East at 2557.50 feet pass a 1/2 inch iron rod set for reference and at a total distance of 2587.50 feet a 1/2 inch iron rod found in the South line of said section for the Southeast corner of the track known as the West 40 acres of the Southwest 1/4 of said section;

THENCE South 89 degrees 56 minutes 00 seconds West along the South line of said section, 606.45 feet to the place of beginning.

Reservations from and Exceptions to Conveyance and Warranty:

Easements, rights-of-way, and prescriptive rights, whether of record or not; all presently recorded restrictions, reservations, covenants, conditions, oil and gas leases, mineral severances, and other instruments, other than liens and conveyances, that affect the property; rights of adjoining owners in any walls and fences situated on a common boundary, any discrepancies, conflicts, or shortages in area or boundary lines; any encroachments or overlapping of improvements; taxes for 2011, the payment of which Grantee assumes; and subsequent assessments for that and prior years due to change in land usage, ownership, or both, the payment of which Grantee assumes.

Grantor, for the consideration and subject to the reservations from and exceptions to conveyance and warranty, grants, sells, and conveys to Grantee the property, together with all and singular the rights and appurtenances thereto in any wise belonging, to have and hold it to Grantee, Grantee's heirs, executors, administrators, successors, or assigns forever. Grantor hereby binds Grantor and Grantor's heirs, executors, administrators, and successors to warrant and forever defend all and singular the property to Grantee and Grantee's heirs, executors, administrators, successors, and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the reservations from and exceptions to warranty.

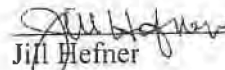
The vendor's lien against and superior title to the property are retained until the note described is fully paid according to its terms, at which time this deed shall become absolute.

Community Financial Services Bank, at Grantee's request, has paid in cash to Grantor that portion of the purchase price of the property that is evidenced by the note described. The vendor's lien and superior title to the property are retained for the benefit of Community Financial Services Bank and are transferred to that party without recourse on Grantor.

When the context requires, singular nouns and pronouns include the plural.

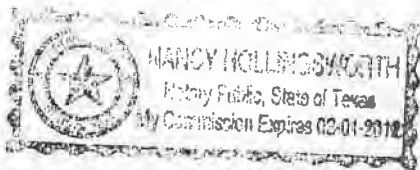

H. Dudley Hume

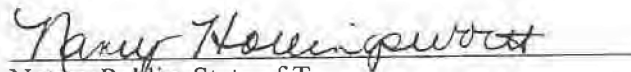

Tommy Hefner


Jill Hefner

STATE OF TEXAS §
COUNTY OF Deaf Smith §

This instrument was acknowledged before me on the 26th day of November, 2011, by H. Dudley Hume.

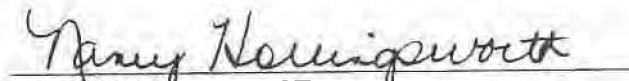



Notary Public, State of Texas

STATE OF TEXAS §
COUNTY OF Deaf Smith §

This instrument was acknowledged before me on the 21st day of November, 2011, by Tommy Hefner and wife, Jill Hefner.




Notary Public, State of Texas

AFTER RECORDING RETURN TO:
A.O. Thompson Abstract Co., Inc.
P.O. Box 73
Hereford, Texas 79045

PREPARED IN THE LAW OFFICE OF:
Underwood Law Firm
320 Schley
Hereford, Texas 79045

613506



FILED and certified as RECORDED in the Official Public Records of Deaf Smith County on the date and time stamped. David Ruland, County Clerk, Deaf Smith County.
By: Briana Fuentes Deputy November 28, 2011 (1:51pm)

11-2274

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