



A clean, organized barn will help a sale on a horse operation. —Photo courtesy of Scott Amos Cutting
Horses

or not maintaining the pastures can really hurt the sale of a ranch.

“You need to fertilize your coastal bermuda. It needs to be green and pretty,” he stated, adding that clean barns and fence lines are equally as important.

“Any asset that’s on the property, you want to show it to its best.”

Even then, a seller must be realistic, remembering that the real estate market correlates with the economy. Having a home in good shape is vital in holding a potential buyer’s interest. Being realistic about comparables can help a seller see what their property is lacking.

“The biggest problem that people get into is they hear that a property down the road from them brought “X” number of dollars. But it’s a gorgeous piece of property – it has new fence; everything has been cleaned up. So they think theirs, looking like crud, is going to bring the same thing. It won’t happen. You have to clean up the property,” Coalson explained.

Another step sellers can take is to offer an option on mineral rights. Several years ago, it was almost unheard of in areas with oil and gas potential that sellers were willing to give up their mineral rights. But now, as Coalson explained, buyers are expecting more for less.

“We’re all human and it’s whether we’re pitching or catching, buying or selling. It’s too high if we’re buying, it’s too cheap if we’re selling,” he said. “If we have minerals, we want to keep them. The reality is, you have to be smart enough to know that you’re cutting your own throat by saying you’re not going to give up any minerals. Be smart and get paid up front for those minerals and maybe keep a small portion of a royalty. Give them the executive rights. There are many different ways that you can do that and work your way through it. Make it

Keeneland Yearling Sale Influence on Texas Land

Dr. Charles Gilliland of Texas A&M’s Real Estate Center conducted a study that showed a solid correlation between the Keeneland September yearling sale and Texas land prices. The study showed that when sale prices went up, the real estate market followed two years later. The 2009 real estate devastation followed a 2007 drop in yearling prices, according to Gilliland’s study. But it also accompanied 2009 prices of yearlings at a significant decrease, whereas the 2011 real estate market seems to be leveling out, which leaves the economy hopeful that there will be a break in the trend.

At time of print, the 2011 Keeneland Spetmeber yearling sale was underway, with receipts, averages and the median far above 201 levels. Gilliland said he hoped the overall averages would deliver encouragement for the real estate prices in the next two years.



—Photo by Jessica Harms

“Marketing is the key to success in any industry.”

– Mac Coalson

where a buyer can be protected and feel comfortable and you get rewarded for it by getting your property sold and getting paid a higher price.”

Finding the right real estate agent is also key in selling property. Someone who is upfront about the home and/or land and is willing to work hard to move it is deserving of the commission they will receive when it sells.

“It’s very important to know your product and be aware of all the positives and all the negatives,” Coalson said of his trade. “Whatever you do in any business today, you’ve got to lay it on the line, tell the good and the bad. Be honest and have integrity.”

On the flip side, the agent should be provided with ample information on the home and the ingredients to market it appropriately. First, a correct survey should be done, outlining the property areas. Also expenses of the property, such as taxes, should be made known to the potential buyer.

“No property can be sold without the effort of the seller and us,” Coalson said of the link between the two. “We have to work together as a team to accomplish that goal.”

Whether the realtor, the owner or a hired photographer takes photos of the property, high-quality images are important for advertising the product. Marketing is a tool that is used more and more in real estate and must be utilized to compete.

“Marketing is the key to success in any

industry,” said Coalson, whose son McAllen handles a large part of Coalson Real Estate advertising efforts and oversees www.coalson.com. “It does cost more today to sell property and we’re making less. We’re also spending more on websites, brochures, etc. All of those things add up, but they’re all important to be successful in the industry.”

Once all of these things have been done, it’s time for the seller to sit back and hope for the best. As long as any potential buyers have been well-informed about the real estate, the seller has done his job.

“Be prepared that it’s not going to bring what it would have in 2007,” Coalson said. “You’re going to have to know in your mind that the market is not the same.”

The realtor will offer comparables and his or her professional opinion of what a property is worth. If the seller doesn’t agree with that price, he is encouraged to hire an appraiser. Tax appraisals, Coalson said, are more accurate today than years ago when they were significantly lower than the actual value of the property.

“They do a good job in most counties by trying to get a realistic value on the property and the assets,” he said. “We definitely look at that. It’s an important factor in the analysis, but it doesn’t make the decision.”

The buying side

It’s important to know the laws and regulations that correlate with any potential land purchases, which is why working with the right realtor is key. Things like agricultural exemptions, or lack of, can cost the buyer even more money down the road. Also researching deed restrictions on nearby properties can help ensure that the property’s future land value