

BUTTE VALLEY LAND & LIVESTOCK LLC
MOUNTAIN AIR CATTLE CO LLC
LIVESTOCK AND RANCHING COMPANY
EXECUTIVE SALE SUMMARY 2023



Robert Beck - High Country Ranch Service 09/30/23

August 2023

Butte Valley Land & Livestock LLC - Mountain Air Cattle Co LLC

Overview

Butte Valley Ranch LLC and Mountain Air Cattle Co LLC was established in 2017 for the purpose of developing an agriculture business with a focus on livestock and ranching in Nevada. To accomplish this goal Scott Noll, a professional Ag manager with more than 10 years' experience ranching, farming, and livestock purchased the assets of Butte Valley Ranch, in Butte Valley, Nevada.

In developing the business plan a property in Eastern Nevada was located for the ranching opportunity. This area is preferred because of favorable cattle and sheep grazing dating back to 1860's. The ranch is rather unique as it includes both cattle and sheep livestock year round grazing with corridors allowing for seasonal cattle and sheep drives. Spanning several mountain and valley segments, the 50 mile North-South range and basin are collectively called Butte Valley Ranch.

The ranch has 7437.3 acres of base properties and grazing rights to the thirteen allotments which totals approximately 867,000 acres. Irrigated lands include 570 acres under pivot irrigation with approximately 2,000 acres of surface and sub irrigated riparian meadow.

Livestock operations are a combination of owner cattle and sheep grazing companies. Cattle grazing lease market rate is \$25 per AUM (Animal Unit Month). The sheep lease rate is \$20 per AUM (five head of sheep per AUM). Total estimated agriculture lease gross annual rent at 100% utilization is \$446,325.

Included with Butte Valley Ranch ownership is a very important asset - range water rights. Nevada is a high desert environment and water is the key to range productivity. Butte Valley Ranch holds extensive water rights throughout the private lands and grazing allotments.

After five years of successful operation the ranch is in excellent overall condition and is timing for sale.

The following information including ranch summaries, water right summary, and livestock operation is believed to be representative of the companies' stated operation. Past operations do not indicate future profits or losses as the market and weather play an important role in the annual operating outcome. Only certified investors with an understanding of the risks should consider this type of investment and operating ownership.

Sincerely,

Robert Beck
High Country Ranch Service

General Information

Estimated Carrying Capacity: 700 Cattle (+/-) and 5,000 Sheep (+/-)

Size: 7,437.30 (+/-) Acres of Deeded Land

Elko County: 1,279.81 (+/-) Acres

White Pine County: 6,157.49 (+/-) Acres

Grazing: 20,635 (+/-) Actual Active AUM's

BLM Allotments: 2,674 AUM's West Cherry Creek, 7,701 AUM's Medicine Butte, 350 AUM's Goshute Basin, 180 AUM's North Butte, 1,068 AUM's Gold Canyon, 366 AUM's Jakes Unit Trail, 410 AUM's Preston Lund Trail, 484 AUM's White River Trail, 938 AUM's Dry Farm, 2,679 AUM's Needles, 1,294 AUM's Murphy Gap, 600 AUM's Irish Mountain, 351 AUM's Crescent (N-4) & 1,540 AUM's Crescent N-5.

County: Elko, White Pine, Lincoln & Nye

Common Description: Northern Nevada Livestock Ranch

Owner: Butte Valley Land & Livestock, as well as Mountain Air Cattle Co LLC

**BUTTE VALLEY LAND & LIVESTOCK LLC - MOUNTAIN AIR CATTLE CO LLC
OPERATING INCOME AND EXPENSE - LIVESTOCK GRAZING LLC MEMBER**

Total Purchase Value	\$ 15,000,000
Total Debt - 1st Trust Deeds	\$ 0
Total Equity	\$ 15,000,000
AG Cash Rents Summary - Livestock Grazing Lease (Includes Farmstead, Net Maintenance by Grazing Member)	
6665 AUM's Pasture lease for cattle (\$25/AUM) 12 Month estimate w/private pasture (700 head)	Current Market \$ 166,625
13985 AUM's Pasture lease for sheep (5 head per AUM), (\$20/AUM) 12 Month estimateTotal Hd Annual (100% Allotment)	\$ 279,700
Total Gross Rents	\$ 446,325
Expenses-Livestock Grazing	
BLM Grazing Fee \$1.35 per AUM (Average BLM 2020-23)	\$ 27,857
Taxes (Estimated taxable value - \$480,000)	\$ 5,040
Road/Range Maintenance	\$ 12,000
Total Expenses	\$ 44,897
AG Rental Income before taxes	\$ 401,428
Cap Rate - AG Rental Income	2.68%
Pasture and Range Insurance-Averaged 2021-2022 Loss Payout	\$ 2,695,031
Pasture and Range Insurance-Averaged 2021-2022 Premium	\$ 1,062,140
Average Net of PRI Insurance 2021-2022	\$ 1,632,891
Total Income Ag Rents & PRI Insurances (Note #2)	\$ 2,034,319
Producer/Rent Share of PRI Insurance 2021-2022 -33% (Not to exceed annual rental, Note #3)	\$ -446,325
Net Income before taxes	\$ 1,587,994
Cap Rate - AG Rental Income & PRI Insurance	10.59%

Notes:

#1 - PRI 2023 Loss 40% Season, Jan-May 2023, Not included in average

#2 - PRI Insurance Payout is Variable Season to Season

#3 - PRI Insurance Share with Operator-33% capped at full cash rent (\$446, 325)

Provides long term coverage for both operator and investor.

Year Pasture and Range Insurance Summary 2021,2022, Partial 2023

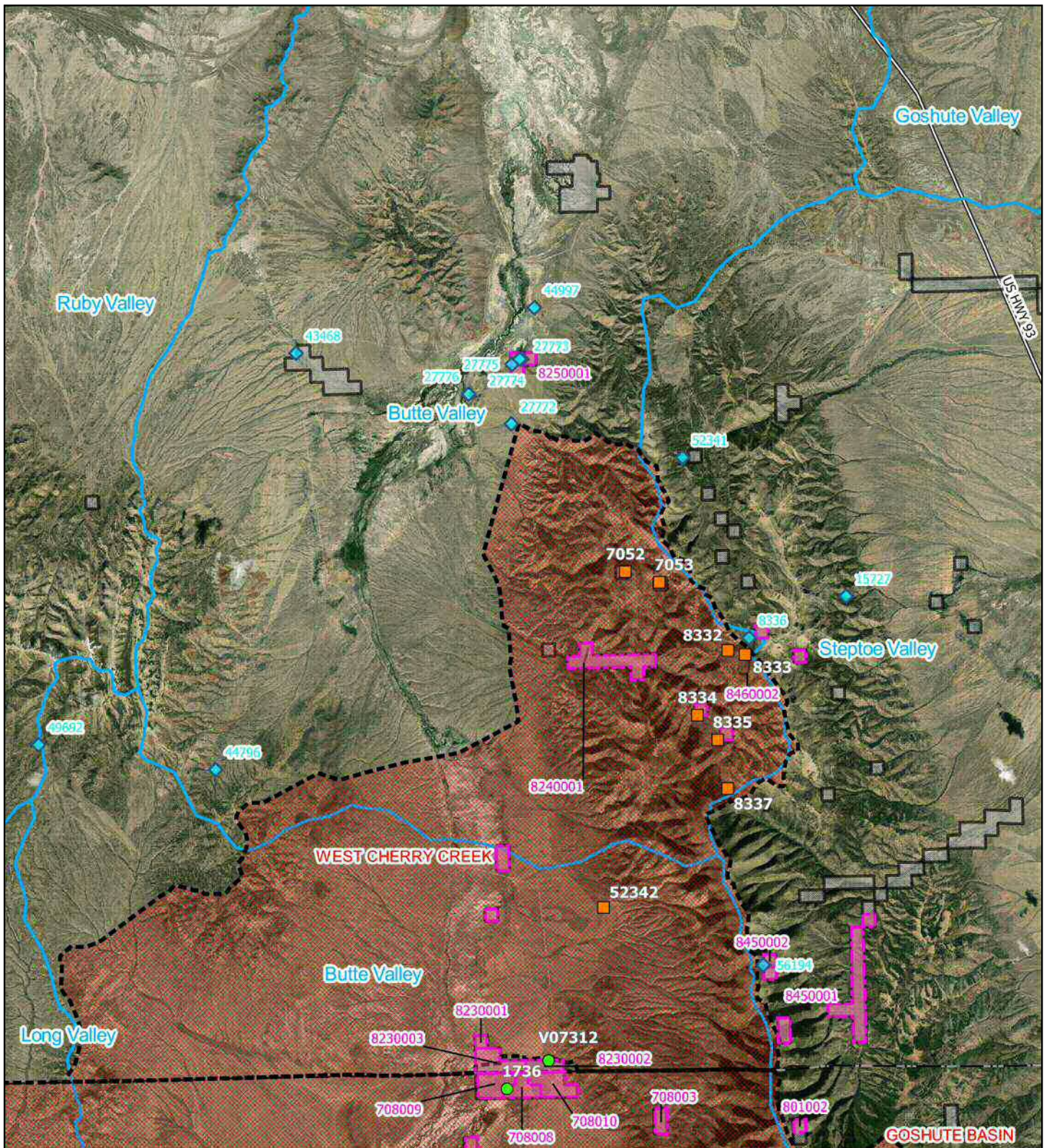
	Annual Premium	Loss Payout	Net
2023 Ag Risk Advisors - Silvus, Greenwood Village, CO 80111 (Note #1, Data 07/01/2023)	1,068,264	322,939	-745,325
2022 Ag Risk Advisors - Silvus, Greenwood Village, CO 80111	1,065,945	3,878,532	2,812,587
2021 Ag Risk Advisors - Silvus, Greenwood Village, CO 80111	1,058,335	1,511,530	453,195
Use average revenue 2021-2022 Net of Premium-Loss	1,062,140	2,695,031	1,632,891

Notes:

#1 - PRI 2023 Loss 40% Season, Jan-May 2023, Not included in average

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Water Rights & Grazing Maps



Legend

Water Rights PODs

◆ PODs Outside of BVL&L Allotments

PODs Inside Allotments

◆ COM

● IRD

● IRR

■ STK

▲ WLD

Project Layers

--- BVL&L Allotments

■ ButteValleyL&L_Parcel

■ Private Land

Regional Boundaries

--- NV Counties

--- NDWR Basins

Location Features

--- Major Roads



Graphic Scale

0 2 4 mi

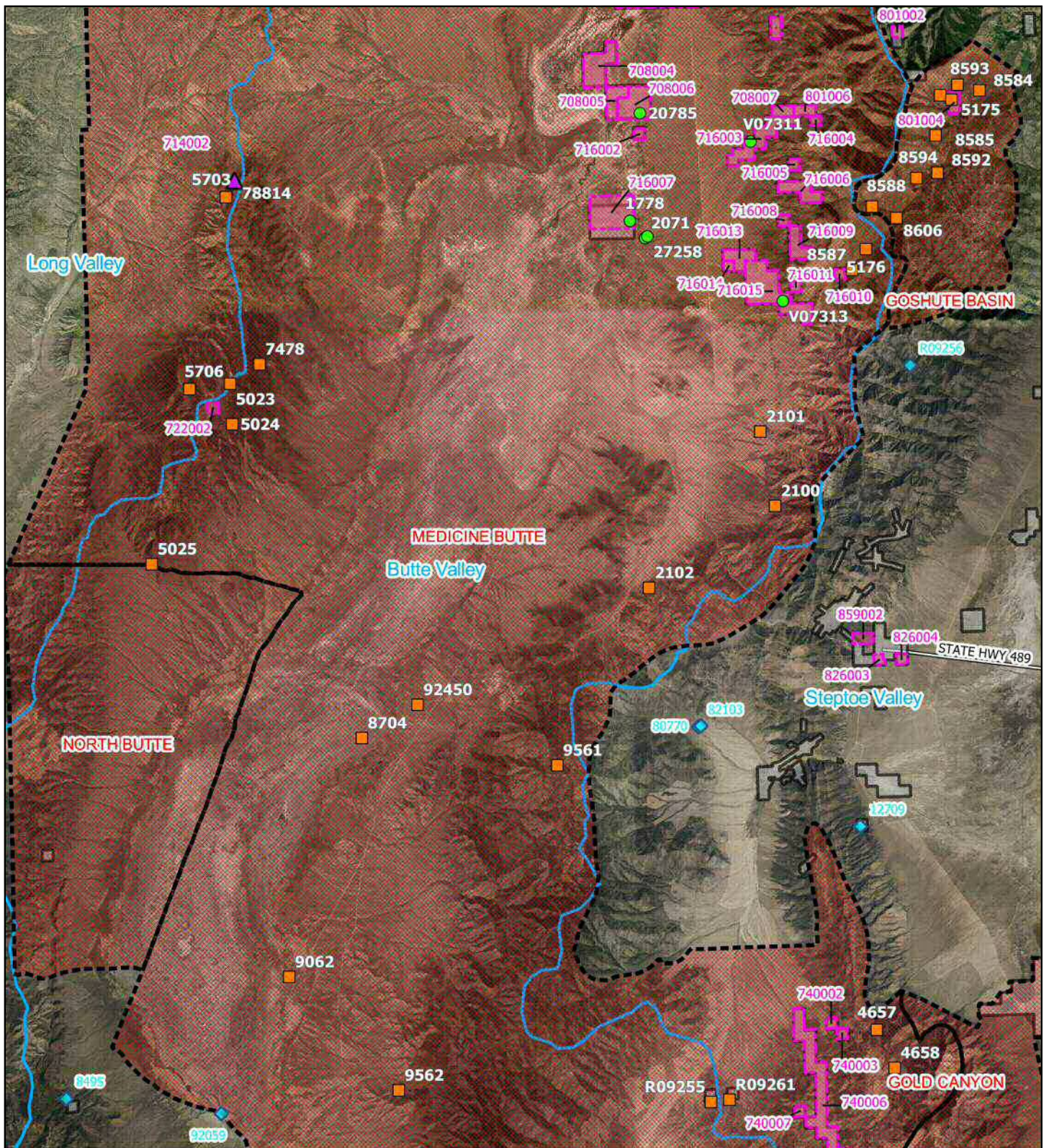


Dixon Hydrologic, PLLC
Engineering Hydrology and Water Rights Permitting

Land and water rights
Butte Valley Land and Livestock LLC
Man 1

Jav Dixon, P.F.

Date: 8/28/2023



Legend

Water Rights PODs

- ◆ PODs Outside of BVL&L Allotments
- PODs Inside Allotments
- ◆ COM
- IRD
- IRR
- STK
- ▲ WLD

Project Layers

- BVL&L Allotments
- ButteValleyL&L_Parcels
- Private Land

Regional Boundaries

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Location Features

- Major Roads



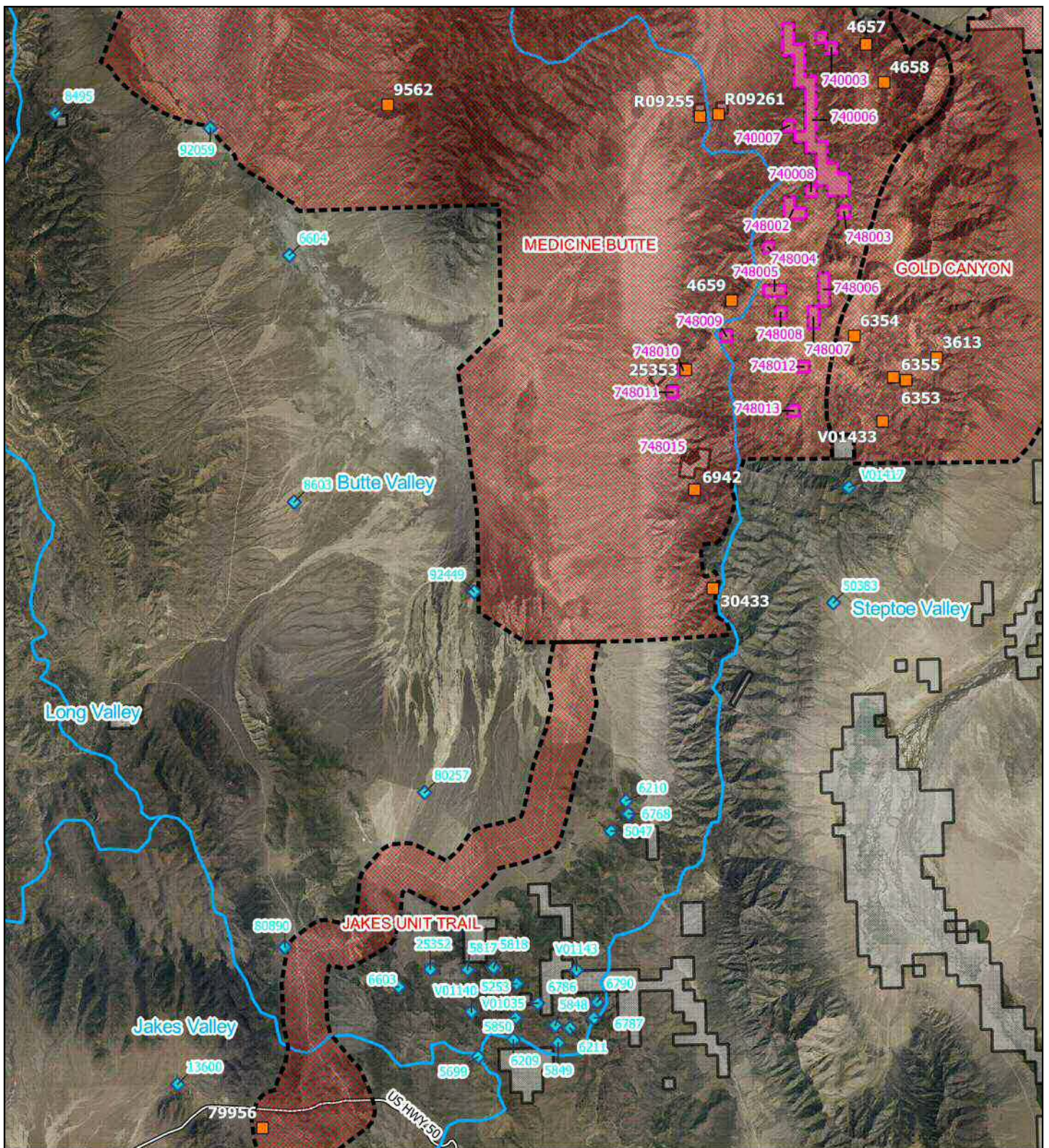
Graphic Scale

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Dixon Hydrologic, PLLC
Engineering Hydrology and Water Rights Permitting

Butte Valley Land and Livestock LLC

Map 2



Legend

Water Rights PODs

◆ PODs Outside of BVL&L Allotments

PODs Inside Allotments

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◆ IRD

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◆ STK

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Project Layers

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■ Location Features

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Graphic Scale

0 2 4 mi



Dixon Hydrologic, PLLC
Engineering Hydrology and Water Rights Permitting

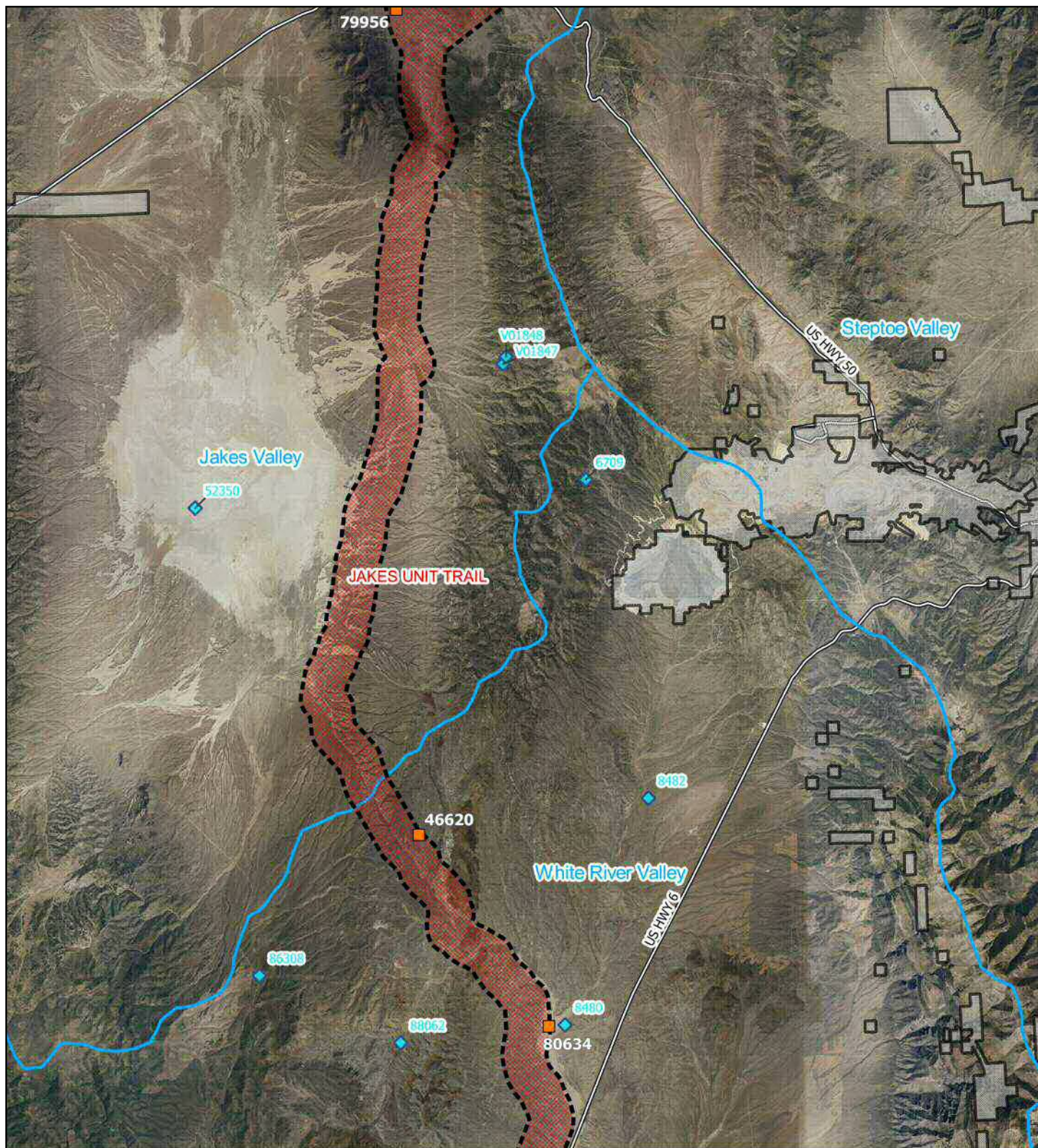
Butte Valley Land and Livestock LLC

Land and Water Rights

Map 3

Date: 8/28/2023

Jay Dixon, P.E.



Legend

Water Rights PODs

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PODs Inside Allotments

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Location Features

— Major Roads



Graphic Scale

0 2 4 mi



Dixon Hydrologic, PLLC
Engineering Hydrology and Water Rights Permitting

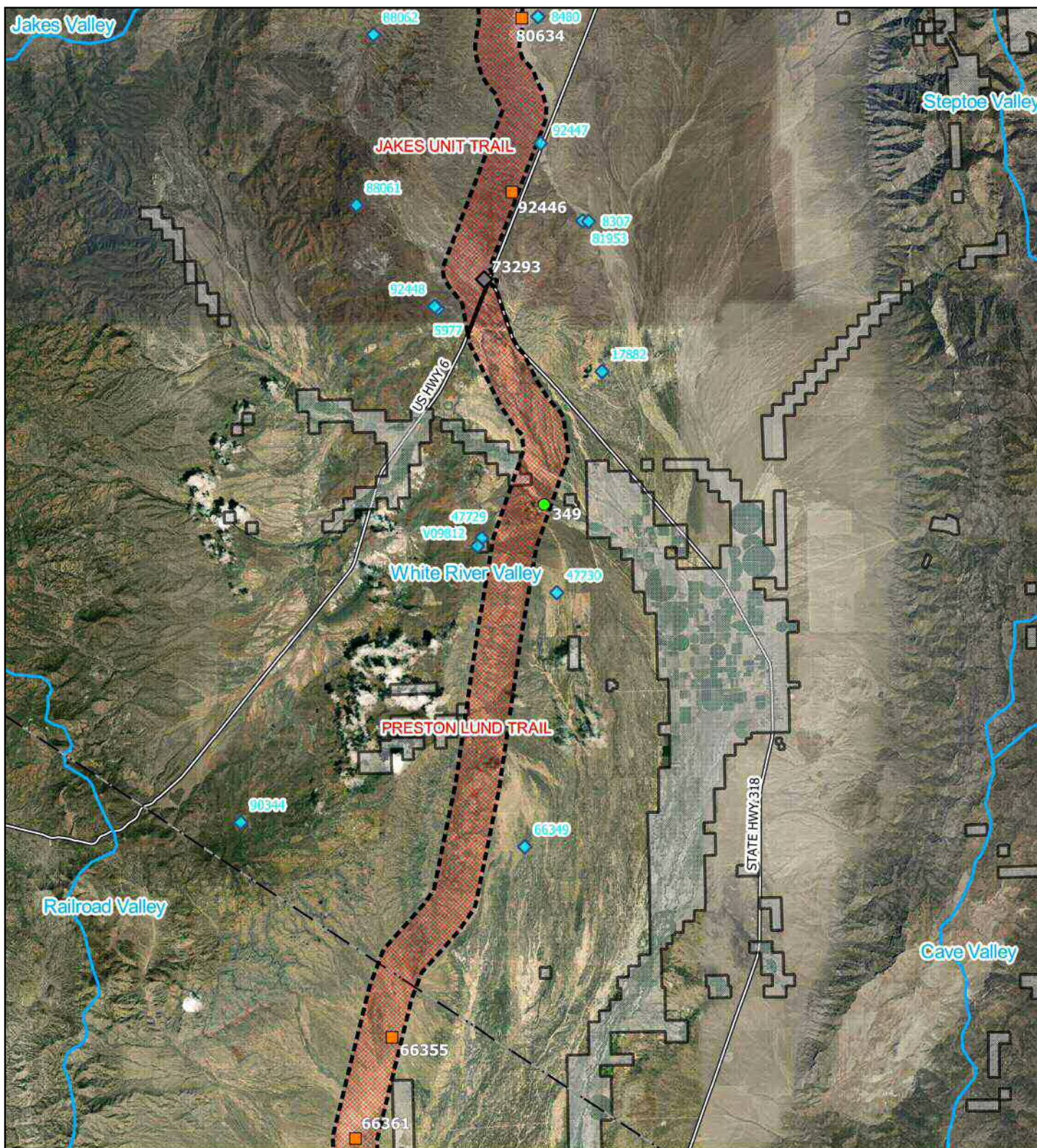
Butte Valley Land and Livestock LLC

Land and Water Rights

Map 4

Date: 8/28/2023

Jay Dixon, P.E.



Legend

Water Rights PODs

- PODs Outside of BVL&L Allotments

PODs Inside Allotments

- COM
- IRD
- IRR
- STK
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Project Layers

- BVL&L Allotments
- ButteValleyL&L_Parcels
- Private Land

Regional Boundaries

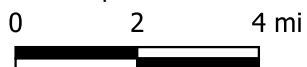
- NV Counties
- NDWR Basins

Location Features

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Graphic Scale



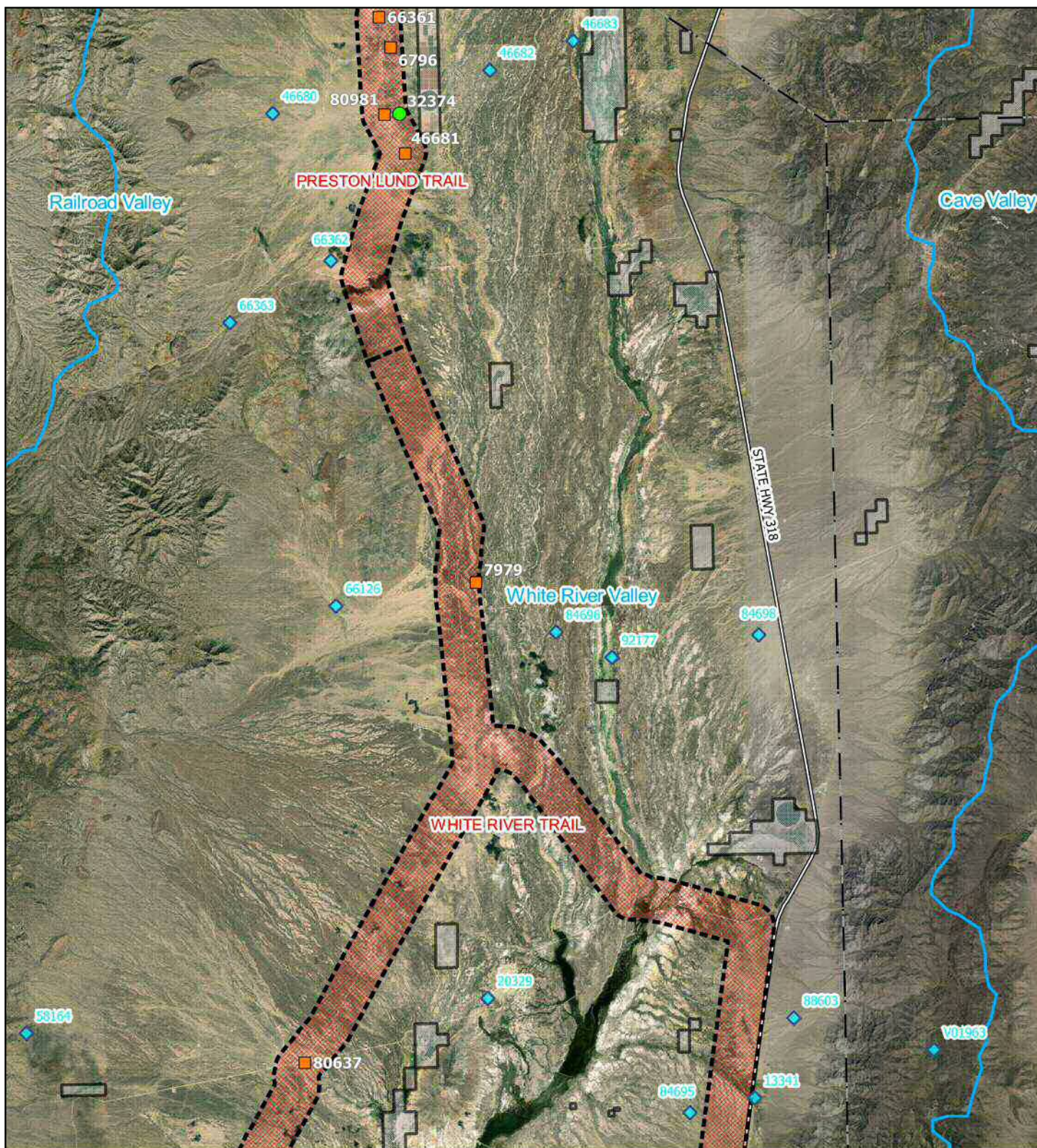
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Butte Valley Land and Livestock LLC
Land and Water Rights

Map 5

Date: 8/28/2023

Jay Dixon, P.E.



Legend

Water Rights PODs

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PODs Inside Allotments

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Location Features

— Major Roads



Graphic Scale

0 2 4 mi

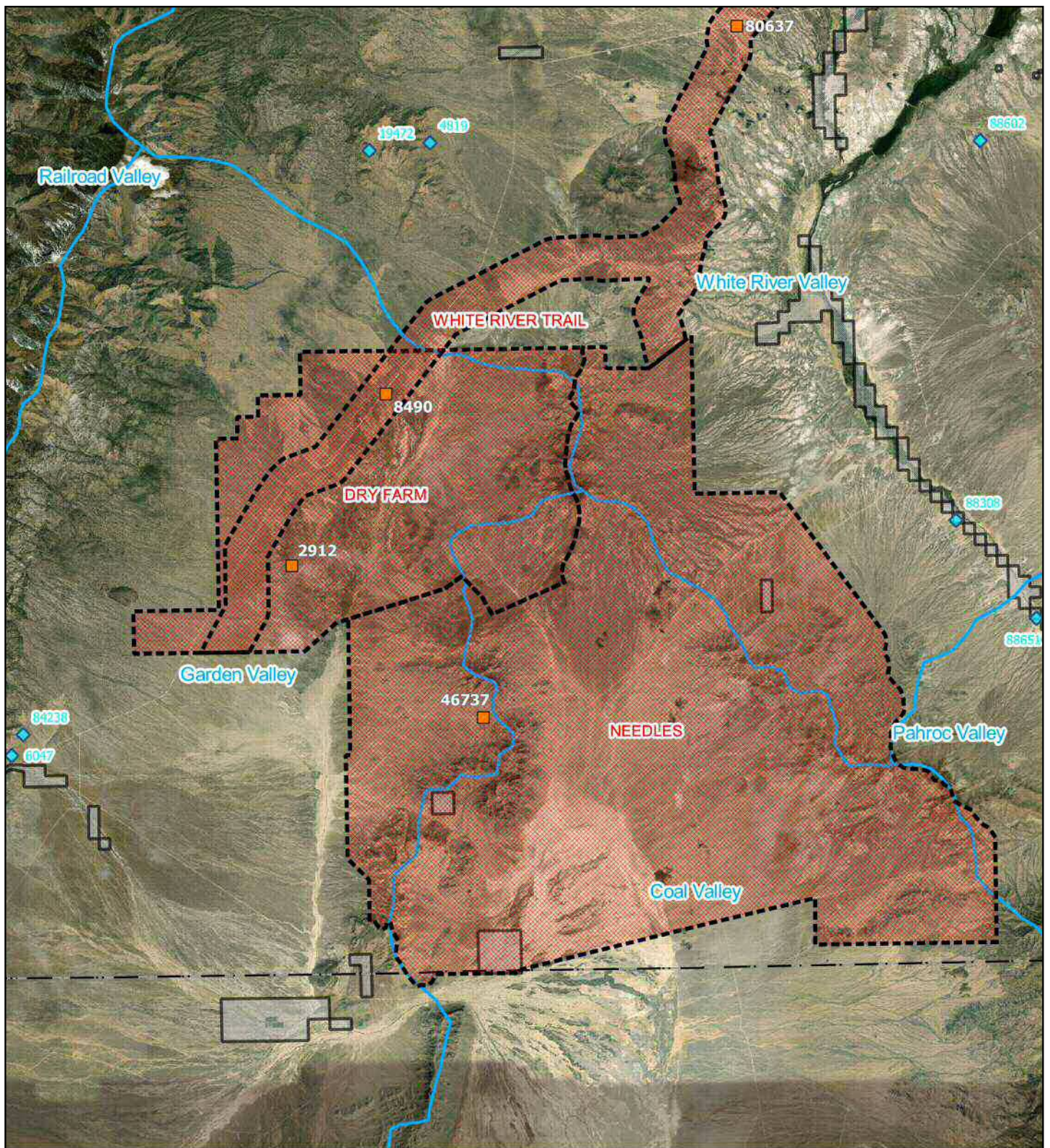
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Engineering Hydrology and Water Rights Permitting

Butte Valley Land and Livestock LLC
Land and Water Rights

Map 6

Date: 8/28/2023

Jay Dixon, P.E.



Legend

Water Rights PODs

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PODs Inside Allotments

◆ COM

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Location Features

— Major Roads



Graphic Scale

0 2 4 mi



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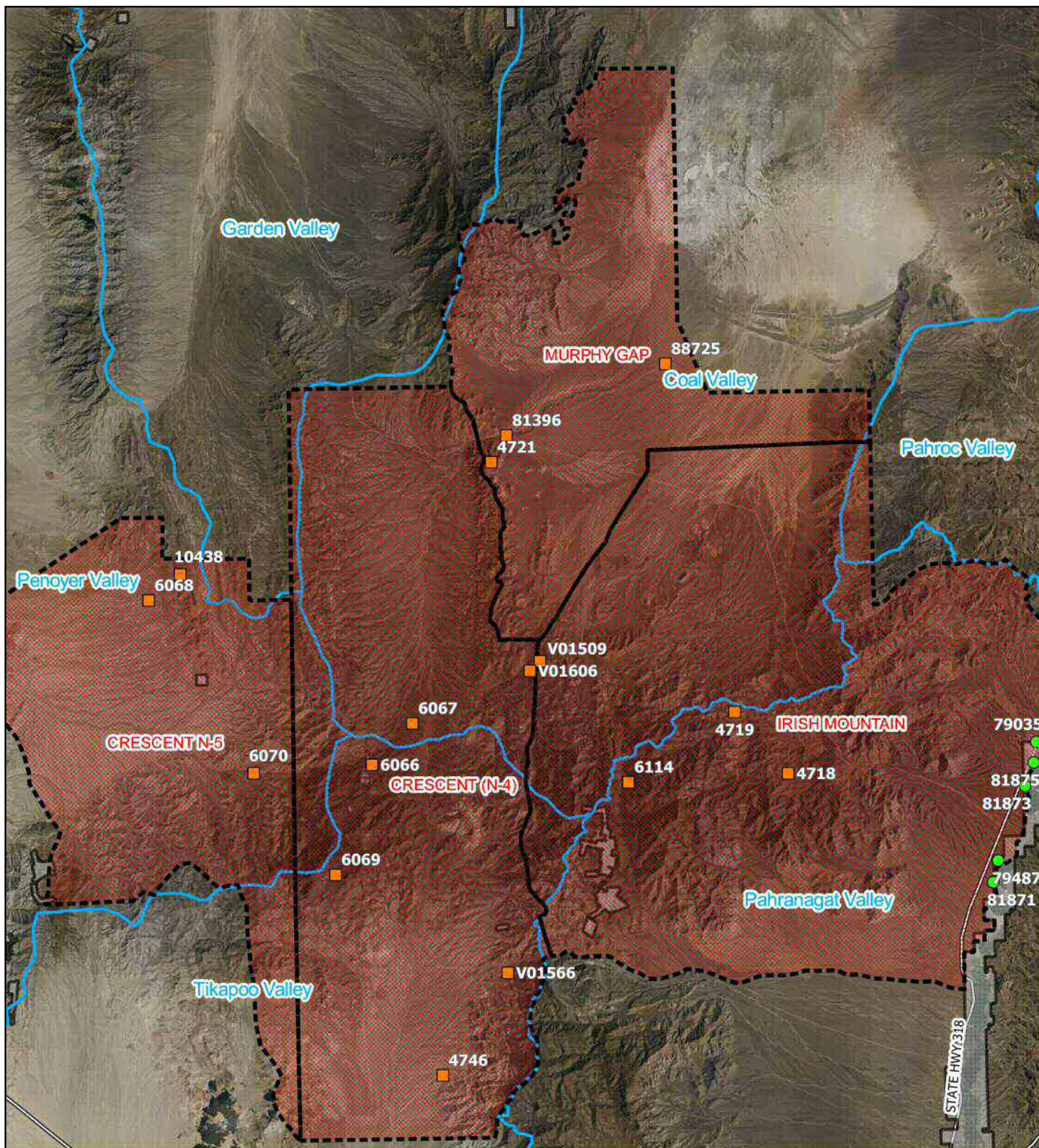
Butte Valley Land and Livestock LLC

Land and Water Rights

Map 7

Date: 8/28/2023

Jay Dixon, P.E.



Legend

Water Rights PODs

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0 2 4 mi



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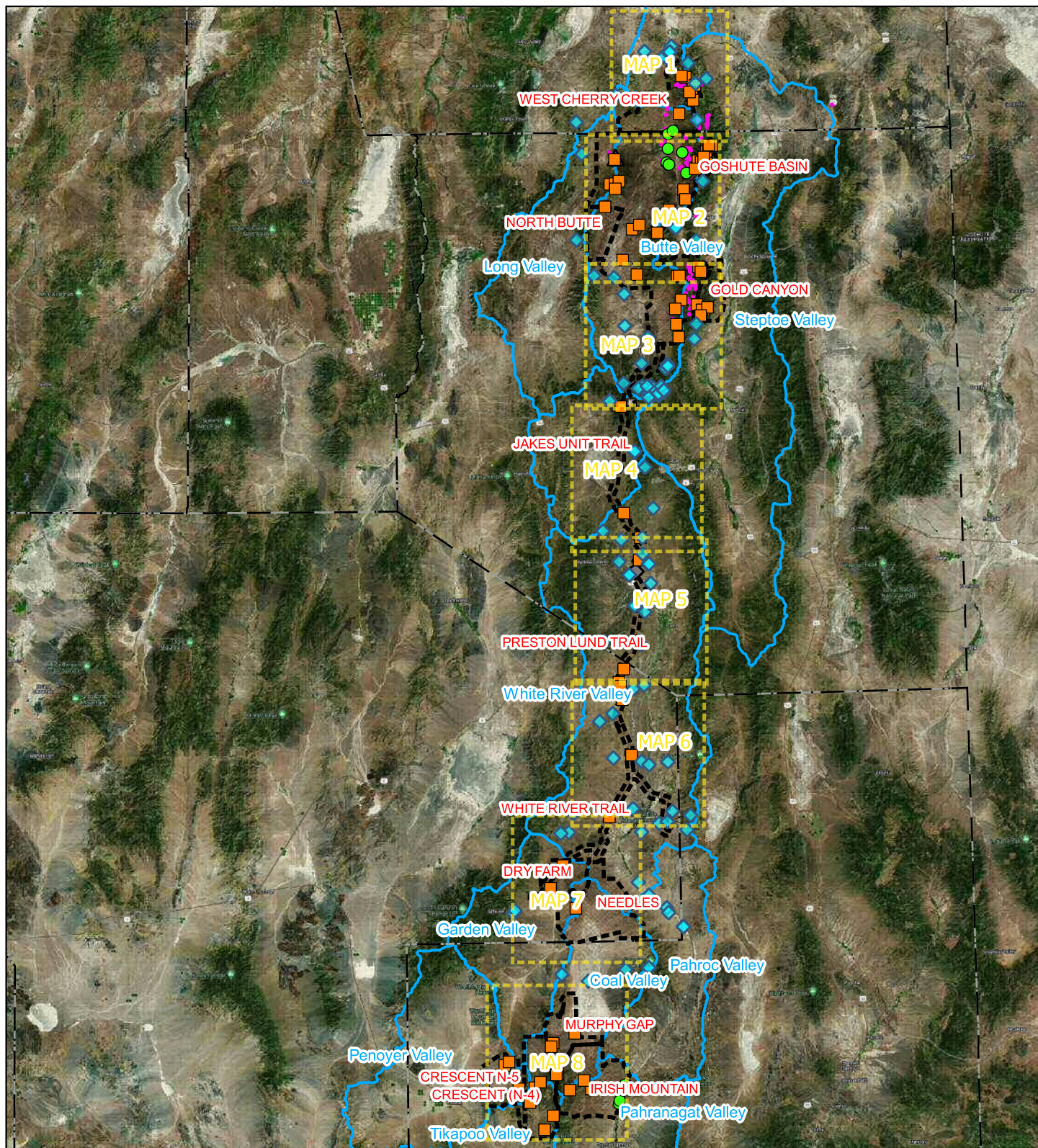
Butte Valley Land and Livestock LLC

Land and Water Rights

Map 8

Date: 8/29/2023

Jay Dixon, P.E.



Legend

Water Rights PODs

◆ PODs Outside of BVL&L Allotments

PODs Inside Allotments

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Graphic Scale

0 10 20 30 mi



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Butte Valley Land and Livestock LLC

Land and Water Rights

Map 9

Date: 8/29/2023

Jay Dixon, P.E.

