

Ranch & Retreat: Falling in love with Blanco

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There is one stoplight in Blanco. It's at the corner of U.S. 281 and Fourth Street. If the light is green and you are on your cell phone, you might miss Blanco. However, if the light is red and you take a good look around, you will find yourself surrounded by what has been named the Gem of the Hills.

Each year, more and more people are discovering what old-timers and city historians have known for decades. "People come to visit our town and before you know it, they come back. They want to retire here. They want to look at land," said Julie Dill, executive director of the Blanco Chamber of Commerce. "They just fall in love with Blanco."

Blanco provides what many crave in their adult lives — the ability to get away from it all and to live in a natural setting without becoming too isolated and disconnected from civilization.

Blanco isn't so small or so spread out that the ranches become their own mini cities. It's also not so big that you wish the ranches would become their own mini cities. The town life is something people want to be involved with and connected to.

"We feel it's very important that when you drive into Blanco, you are greeted with our unique identity and a sense of place," Dill says. The land coming into Blanco both north and south is relatively billboard-free, and the town would like to keep it that way.

Preserving and protecting the history and way of life established here by the founding immigrant farmers more than 150 years ago is priority one.

Not that growth isn't appreciated or welcomed. Blanco certainly could use a boost in the economic development category of the comprehensive plan. High-speed Internet desperately is wanted and needed by the people who work and live in Blanco. The chamber is very excited about a 50-room hotel to be built in Blanco later this year. This will allow visitors to sleep in Blanco, and hopefully spend more money within the city limits.

"Growth is going to come," Dill says. "We just want to work to ensure that it's smart growth."

In the land and ranch industry, Blanco's growth already is being noted. Ranch land in Blanco is selling for a premium at \$12,000 to \$13,000 an acre, says Michael Stewart of Stewart Ranches in New Braunfels. Stewart has been selling ranches in Texas for 34 years.

Any land that is priced at \$7,000 or below usually bears a conservation easement or features no improvements. For instance, one 500-acre ranch is listed for \$5,500 an acre in Blanco County but has no running water. Another 105-acre property that sits on an easement is listed at \$9,000 an acre. But a ranch that features riverfront property and \$500,000 in improvements is listed at \$17,545 an acre. This is the kind of property that has all of the qualities that buyers are looking for when they envision their "dream" ranch — and it's priced accordingly.

BLANCO COUNTY APPRECIATION RATES

The land is attracting investors from all over the country — in-state buyers looking for a getaway, and regional buyers looking to make their farming dreams a reality. In the Edwards Plateau region, which includes Burnet, Blanco, Hays, Travis, Williamson, Milam, Caldwell, Bastrop and Lee counties, prices have appreciated in the

five years from 2001 to 2006. In some cases, they have doubled.

“We get many, many calls from buyers in Florida and California who want to buy land in the Hill Country,” Stewart explains. To people living on the East and West coasts, local prices are considered a steal.

Many out-of-state buyers are looking to take advantage of the 1031 tax exchange, which allows a property owner to avoid paying capital gains taxes after a home sale if they buy a like property within 45 days. With such a tight deadline, many such investors shop several states at a time without even visiting the properties, just giving the brokers a price point and a closing date over the phone.

The in-state buyer is looking for amenities. They want a second home or a weekend getaway from the stress-filled, big-city life.

“Second-home buyers have envisioned the perfect property for a long time and are really specific about what they want, and they are going to wait until they get what they want,” said Luke Rogers, an agent with the Phyllis Browning Co. Farm & Ranch. He said most of his second-home buyers are looking for property that is within weekend-driving range from their primary homes.

“They want a recreational getaway, mountain biking, hiking, all the way to hunting. They want rolling hills and ‘Hill Country-esque’ land,” he says.

Waterfront property is the ideal as fishermen and hunters look to purchase recreation-rich property. The Blanco River, which meanders through the southern part of Blanco County, provides plenty of this highly sought-after acreage.

The character of the land, the scenic environment, the hills and trees — all are parts of the package and all add to the price tag.

The river always will produce higher land values for Blanco County.

But when it comes to the farmer-buyer, the selection criteria is different. Lavender farming has fed off the ecotourism trend, becoming big business in Blanco.

Hill Country Lavender, Texas’ first commercial lavender farm, opened in Blanco in 2001. Since then, more than 40 farms have popped up in the Hill Country — about 15 of which are in Blanco, according to promotional information for the Lavender Festival and Jeannie Ralston, founder of Hill Country Lavender.

Ralston said part of the reason lavender grows so well in Blanco is because of the climate and clay in the soil.

Ralston sold the farm to Tasha Brieger in 2005. Brieger said the farm was so successful, she had to move it to a larger piece of land, but one that was still accessible to tourists.

Location becomes a big issue for lavender farmers like her, she said. Can ecotourists find the farm? Is it easily visible from the main highway?

Most of these buyers have other careers and farm lavender as a side job or hobby. Brieger is graphic designer, and Ralston is a freelancer writer. Other farmers, Brieger said, include lawyers, engineers and pharmaceutical representatives looking to fulfill the fantasy of getting away from it all and reconnecting with nature.

While land price appreciation shows no sign of slowing in Blanco, no one is sure how long the boom will last.

“We sold more ranches in 2007 than we ever have,” Stewart says. “But I can already tell you that the phone calls have slowed down.”