

John Ed Stepan

Steward of the Land

John Ed Stepan, of Ranch Investments in San Antonio, has a room full of trophies, a lifetime full of experiences, an abundance of anecdotes and an admirable intellect. He understands real estate. He understands hunting. He understands people and the responsibilities we, as people, have to protect our land and our wildlife. I learned a great deal speaking with Mr. Stepan. But there was something, one thing in particular that I will never forget. He said, "A recreational ranch investment should be fun. It should be enjoyable." And, for the first time, I truly respect the enormous value of owning a recreational ranch, as an investment, as a vacation spot, as a family tether and a learning platform, as place to challenge oneself and to build on one's dreams. Too bad I forgot to ask him how I was going to pay for it. . .

Interview by Courtney Donnell





When and how did you get started selling ranches?

In 1994, Debra and I purchased our first ranch in Burnet County. We developed it into a hunting property, which is when I became affiliated with Ranch Investments. Ken O'Meara, founder of Ranch Investments, and I were friends. He knew that I had developed my own hunting property and been operating a successful hunting business, both locally and internationally. So, he brought me in as a consultant for clients who were looking to develop hunting/recreation properties. At that time, there was not an abundance of ranches on the market, so I would assist his clients in converting a cattle ranch into a hunting property. Fast forward...By 2001, we had three, small children, and with me running around the world or being gone six months out of the year with hunting clients or taking care of a game ranch, constantly traveling wasn't very conducive to being a good father. So, Ken and I sat down and talked about it. I got my license. I opened the office in Burnet, and here I am.

How many of your family are in the ranching business?

Well, my grandfather was an immigrant from Czechoslovakia. They were farmers in the old country. When they came to Texas, they worked on a farm down near La Salle, but eventually ended up on their own quarter section cotton farm. My father and his three sisters and two brothers, grew up in a very traditional way, as cotton farmers during the depression. I remember the stories, but all my father ever did, all they all ever did was work to get off the farm. That was their goal. My father died when I was in my twenties, but when I bought my first ranch at age 30, I was absolutely convinced he was rolling in his grave. He did everything in his power to get off his farm, and I ran right back into the dirt. You know, even though I didn't have any direct influence by a farming or ranching family, I had a natural draw to the land. It is very strong in me. It is a blessing to have that, because you know your direction.

What is the first ranch deal you worked on?

My first ranch deal, as an agent, was and still is called the Rocky Creek Ranch, in northeastern Burnet County. On a really beautiful stretch of Rocky Creek, it was a great first listing to get. It was just Traditional Ranch Sales 101. We built a marketing package on it, advertised it and were able to secure a buyer within 9 or 10 months of the undertaking. You never forget the first deal you work on. That one will always be special to me.

What is the best or most interesting deal you worked on?

The marketing and sale of the Goodrich Ranch on Lake Buchanan and the Colorado River, near Burnet. It was quite a time. It was 2006, when the market was absolutely steaming forward. Investors were looking for great opportunities. To find 21,305 contiguous acres, sixty-five miles from

downtown Austin with 12 miles of riverfront was almost unheard of.

We built a unique marketing program specifically for this property. Because it was so special, I thought we needed to do something different than traditional marketing of a large trophy property like this, a true asset-investment property. As a result, we were able to find a buyer in 45 days and reach a mutually beneficial agreement.

What is the strangest experience you have had showing a ranch?

So often, I run across odd circumstances, whether it is in showing, or negotiating or selling. The best way I can answer that for you is that I have just had multiple strange experiences. In fact, it dawned on me, finally, after being in this business for almost fifteen years, to be a good ranch broker, you have to be a psychologist. There is just so much that goes on with both the buyer's side and the seller's side, if you can't get to where you understand everyone, the deal's just not going to get done.

So, although I lack the formal education and credentials, I completed my pseudo- psychology residency work years ago.

What have you learned is the most important aspect of selling ranches?

Being honest with people and being a good listener.

How has the industry changed over the years?

The main shift I have seen, and I feel like I came in on the cusp of it, when Ken O'Meara brought me in to do consulting for Ranch Investments. And, that was the shift from traditional farming and ranching to recreational properties. A large part of our business is still working ranches, irrigated farms, dry crop land, cow/calf operations, just about any type of rural property, we have a history of selling working ranches. But, with the recreation market, it just really started to ramp up 15 or 20 years ago. There was a run up in the stock market several times. Investors would take money out of the market and look for more solid places to put it. Rural land in Texas is a great investment. So, they ended up with a dual purpose asset in their portfolio. One, there was some protection there against inflation with a good solid piece of real estate. And then, there is the added benefit of being able to hunt, fish, recreate and enjoy the property.

In general, how do you feel about the industry today?

Highly optimistic. We are in good times financially in Texas. We are blessed to have strong mineral resources here that have greatly improved our economy over the last few years. Despite what goes on in Washington, Texan's have proven we are resilient, we are going to survive, and we are going to be successful.

Hand in hand with that goes the value of rural real estate. We are once again seeing increases in valuation, the demand has been very good. I think our best years are right ahead of us.



What do you think is the greatest benefit of owning land?

Stewardship. There is nothing greater than the ability to own and control your asset. Some of the most rewarding times of my life occurred when I have bought property and worked on it to transform it, improving wildlife habitat, water sources, getting pastures back into shape for grazing or whatever the case may be. It is an honor to own ranch real estate and be a steward of the land.

What is the thing in life you are most proud of?

My family, absolutely. My wife Debra. We have been married 26 years and she believes in me. That is a great thing. I am very proud of it. I also have four beautiful children Jordan, Grant, Bailey and Parker. God is truly gracious.

If you had to pick another career...any career...What would you do?

Safari Operator or Football Coach. I say the latter, because I volunteer coached at my son's middle school for three years and it was one of the most rewarding experiences of my life.

What is your favorite thing about Texas?

You can still find plenty of wild, wide open spaces. I have traveled around the rest of the country, and you can find beautiful places, but they are checker-boarded with government land. In Texas, you can still find big, wide-open, undeveloped spaces. I think that is largely because of our private ownership and the people who have protected that.

Where else have you lived besides Texas?

Nowhere permanent, but I have spent over 700 days on the African Continent.

How important do you feel the "Recreational Ranch" is to the real estate

market in Texas?

It's huge. It drives the market in an entirely different way. Thirty years ago, it was all about productivity, how many animal units, what your crop ratios were...Now, it's changed valuation because people want to own and so it pushes the demand in a different way and increases value. It is, no doubt, here to stay.

What is the biggest piece of advice you could give someone thinking about purchasing a recreation ranch?

Hire the right broker/buyer's representative. It is the same thing, whether you are hiring an attorney to do family planning, looking for a new dentist or hiring an investment broker, you need to make sure you interview that broker and make sure they have the experience level to deliver the right product. Otherwise, you are going to end up with something that is nothing but a headache, and then it's no fun. A recreational ranch investment should be fun. It should be enjoyable. It should not be something that drags on you. It should draw the best out of you. You should be energized by it and want to go see your project, want to go work on your project. That is when you get the most out of it.

What are the three most important things I need to consider when buying a recreation property?

Budget: You need to fully understand what you can afford, all the way through, not just the acquisition, but through the final stages of development to where you can actually enjoy it.

Site Selection based on Objectives- You need to make sure you choose a location that has the proper resources to support your final objective. So, if you want great fishing ponds, you need to make sure you have suitable soil

Born: March 29, 1964

Where: Austin, Texas

Parents: John Lee Stepan and Edythe Buland Stepan

College: St. Edwards University, Austin

Wife: Debra Ann Jordan Stepan

Children: Jordan and Grant (15 year old twins), Bailey (13) and Parker (11)

What is the title on your business card? Principal

Five things at the top of your "Left to Do" list?

1. Sponsor a water well drilling program in Namibia, the most arid country in Sub-Saharan Africa
2. Develop a recreation ranch with my four children, so they can experience the pride of land ownership.
3. Open a Wildlife Art Gallery to support conservation efforts
4. Develop my final recreational ranch to enjoy with future grandchildren, where I can teach them to be stewards of the land.
5. "Finish the Race" 2 Timothy 4:7-8

Favorites:

Restaurant: Longtime favorite - Hudson's on the Bend in Lakeway. However, The Silo, on Austin Highway in Alamo Heights, is my current favorite. I can get duck, pheasant or quail at either place, anytime!

Road: Terrell Road, because I am almost home.

Body of Water: The Okavango Delta in Botswana, Africa

"Watering" Hole: The bar in my trophy room

Dance Hall: Just about any Knights of Columbus or SPJST hall in Texas.

Secret Spot: In a deer blind with one of my children – Quality Time

and buy in a good rainfall area. If you want bird hunting, you want to make sure you have the right type of ground cover to support the game birds. If you want big game, you need proper habitat, ample food sources, etc.

Travel Time- What is the distance that you are willing to travel to spend time at your recreation ranch. Because, the farther away it is from your primary residence, in most cases, the less people use it. If you still have children at home, work and a busy schedule and you buy something more than an hour and a half from your home. You aren't going to use it very much. If you are retired and building a place to enjoy with your grandkids, and you don't have to be anywhere. You don't have to be on a schedule anymore, you can step out and be a little bit farther away.

How did you get started hunting?

I started hunting with my childhood friend Ty Cochran when I was about 11. We had some great times. As a teenager, my passion grew and I hunted a large variety of game birds, whitetail, mule deer and varmints. Looking back over the past 30+ years, I have hunted all over the great state of Texas. The key our success as a prime hunting destination is the private landowners

and their conservation efforts. I have found that most landowners are true stewards and care greatly for the flora and fauna entrusted to them. They will ensure Texas remains one of the top hunting destinations in North America.

What is your favorite game animal to eat?

Axis Deer is high on the list, but I have to tell you, some of the best meat I have ever eaten in my life is hippo. It is basically a cow that lives in water. It is super lean beef. It just has a great flavor.

What is the worst game animal you have ever eaten?

Rattlesnake doesn't count because it isn't a game animal, but it does not taste like chicken. It tastes like snake. I guess I would say, I am not very fond of javelina.

What do you think the responsibility of a hunter is to the wildlife?

A true hunter must have respect for the quarry. A true hunter is not a ruthless and blatant killer, but someone who has true respect for his prey and will act as a sporting gentleman when in the field. It is all about respect, respect for the quarry. Success isn't measured in the bag, it is measured in the experience.

