

# Meet the Plantation King

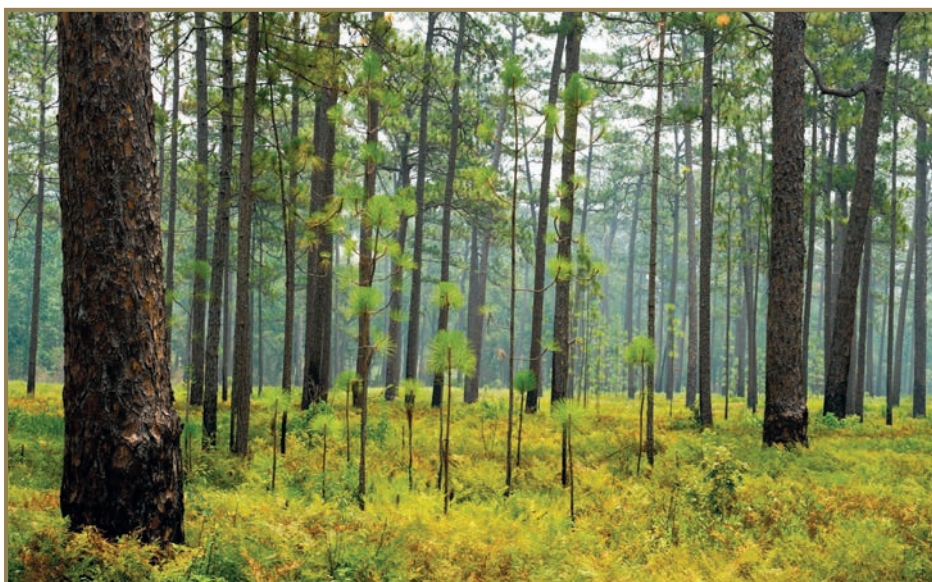
The South's leading plantation broker explains why the region's most expensive properties can be a good investment — and why it's so important to preserve them.

by Erin Z. Bass

Jon Kohler first heard the term plantation broker in a college class at Florida State University. The year was 1989, and two brokers had received an \$800,000 commission. "I was like that sounds like a pretty good gig to me," says Kohler. He learned everything he could about plantations and got a juris doctorate to be able to represent such a large real estate transaction.



His law school professor still wasn't impressed with his business plan but now — 24 years later — Kohler is the South's leading plantation broker and recently completed one of the most monumental sales of his career. Bought for just over \$22 million by Emily "Paddy" Vanderbilt Wade, Greenwood Plantation in Thomasville, Georgia, is what Kohler describes as his flagship property. Set on about 4,000 acres, the property is actually only a portion of Greenwood, a quail hunting plantation that dates to the mid-1800s.



Kohler explains that in addition to being the largest stand of old-growth longleaf forest left in private hands, the property is historically notable as being the spot Jackie Kennedy escaped to after her husband was shot. "The whole world was looking for her, and she was at this plantation," he says.

Part of Kohler's job is to put a value on property like Greenwood, a difficult task when one tree is worth more than an acre of land he says. Often in these types of transactions, the deciding factor is less about price and more about finding a buyer who will be a steward of the land. Back in 2010, Kohler and his firm spent two weeks attempting to value Heritage Plantation, which eventually sold to the former CEO of Coca-Cola for a little under \$30 million.

Many of Kohler's clients do sport notable names as mentioned above, but others are just high net-worth sportsmen with a love of the outdoors and a sense of responsibility when it comes to the land. "They all share an investment expectation as well," Kohler says. "These things [plantations] are very good investments. They're something on the fun side of their portfolio."

But plantations come with a bit more upkeep than a boat or a vacation home. They appreciate historically over time, so may be cash-negative investments at first. Kohler says quail hunting is the most expensive of all uses for a plantation. He estimates that for an average 2,000-acre property, the owner would spend about \$250,000-\$300,000 a year on operating expenses. "Plantations can be run very cost efficiently," he says, "but we have clients that have spent half a million easily. Some clients can get a little extravagant."



One buyer of Honey Lake in Greenville, Florida, turned the property into a resort and does get revenue from timber but makes more renting out the grounds for weddings, events and quail hunting. Other uses Kohler is starting to see more of include cattle conversions as evidenced by Hickory Foods, which purchased a ranch to be able to supply their own beef, and Social Storm Properties.

A trademarked term by Kohler's firm, Social Storm Properties are those that could serve as a safe haven and often represent the last of the family farms. These buyers are looking for seclusion, self sufficiency, fresh water sources, alternative energy sources and quality soil.

In general, Kohler describes his listings as "rare and unique properties that are environmentally healthy, high-quality in recreation, often with virgin timber and cattle. The old-growth virgin timber he refers to is the best example of what the South looked like when Columbus landed. More than 90 million acres from Virginia to Texas were covered with this forest, and today only about 3 percent remain. "There are not a lot of those properties left if you look at the grand scheme of things," Kohler adds.

Currently, 10 plantations are listed for sale on Jon Kohler & Associates website with prices up to \$15 million.



*Photo credits, from top: Valhalla Plantation from above; Kohler on a prescribed burn at a Thomasville, Georgia, plantation; Longleaf pine from Greenwood Plantation; and Honey Lake main house. All photos courtesy of Jon Kohler & Associates.*