

# Zacks Small-Cap Research

Sponsored – Impartial - Comprehensive

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## Tejon Ranch (TRC-NYSE)

**TRC: Zacks Company Report: Initiating coverage of the Tejon Ranch Company.**

Based on the probability that the Mountain Village development will be able to build the infrastructure to sell houses in late 2021 we are targeting a price point of \$18 a share.

Current Price (09/01/20) \$14.18  
 Valuation \$18.00

### OUTLOOK

In 2019 The Tejon Ranch received approval from both the Los Angeles Board of Supervisors and Kern County Board of Supervisors to proceed with planned residential sales within two major projects. We expect developments to proceed to where housing sales could occur in 2021. This would be a major step towards sustained profitability for the company.

Commercial/industrial sales and leasing operations in the developed Commerce Center will provide cash flow for continued expansion of the TRCC.

### SUMMARY DATA

52-Week High	\$16.74
52-Week Low	\$12.51
One-Year Return (%)	-13.7
Beta	0.70
Average Daily Volume (sh)	112,078
Shares Outstanding (mil)	26
Market Capitalization (\$mil)	\$372
Short Interest Ratio (days)	N/A
Institutional Ownership (%)	69
Insider Ownership (%)	21
Annual Cash Dividend	\$0.00
Dividend Yield (%)	0.00
5-Yr. Historical Growth Rates	
Sales (%)	-0.7
Earnings Per Share (%)	23.0
Dividend (%)	N/A
P/E using TTM EPS	43.2
P/S using 2020 Estimate	83.9
P/S using 2021 Estimate	N/A
Zacks Rank	N/A

Risk Level Low,  
 Type of Stock Small-Value  
 Industry Real Estate Ops

### ZACKS ESTIMATES

Revenue  
 (in millions of \$)

	Q1	Q2	Q3	Q4	Year
	(Mar)	(Jun)	(Sep)	(Dec)	(Dec)
2018	\$13.5A	\$5.1A	\$15.4A	\$11.6A	\$45.6A
2019	\$10.7A	\$9.0A	\$9.7A	\$20.3A	\$49.5A
2020	\$10.3A	\$4.8A	\$8.9A	\$16.0A	\$38.5A
2021	\$9.4E	\$6.7E	\$9.1E	\$19.9E	\$45.1E

	Q1	Q2	Q3	Q4	Year
	(Mar)	(Jun)	(Sep)	(Dec)	(Dec)
2018	\$0.06A	-\$0.01A	-\$0.03A	\$0.03A	\$0.07A
2019	\$0.03A	\$0.05A	\$0.00A	\$0.33A	\$0.41A
2020	\$0.01A	\$0.07A	-\$0.04E	-\$0.03E	\$0.01E
2021	\$0.08E	\$0.01E	\$0.03E	\$0.04E	\$0.16E

Zacks Projected EPS Growth Rate - Next 5 Years % N/A

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## RECENT NEWS

Zacks Small-Cap Research has initiated research coverage on The Tejon Ranch Company with a target price of \$18 a share.

The Tejon Ranch is 425 square miles of contiguous property to the north of the Los Angeles basin. From the Tejon Ranch Commerce Centre (TRCC) to Union Station Los Angeles it is 73 miles by road and takes about 75 minutes. To Santa Clarita it is 45 miles and, on average, can be run at over 65 mph with no problems.

Most of the commercial operations surround or are adjacent to Interstate 5, including two of the proposed residential real estate developments.

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## KEY POINTS

The prime business objective is maximizing shareholder value through monetization of the land based assets.

The company has four business segments, plus three residential real estate operations, and equity ownership in a number of unconsolidated operations. There are a total of 32 profit centers.

Most of the business segments have other businesses within the segment. Revenue and income for each segment is available on a quarterly basis, but operations within each segment are not.

The revenue and expenses for each segment are shown. Estimates are included in the financials later in the report.

### **Real Estate-Commercial/Industrial**

This sector includes lease revenue from the Pastoria Energy Facility, owned by Calpine. This highly efficient combined cycle gas fired generating station produces enough electricity to power all of Bakersfield CA. Revenue is reasonably constant for each year. The operations include 16 miles in each direction of frontage on Interstate 5, which averages, in normal conditions, over 88,000 vehicles a day.

The commercial segment includes TRCC, a 20 million square foot development that is on both sides of Interstate 5 [I-5]. Included in the revenue in this segment are any land sales. TRCC holds the leases for a number of distribution facilities for companies such as IKEA, Caterpillar Inc., Dollar General and others. TRCC has substantial amounts of square feet. Leasing should grow once COVID-19 is under control. Our estimates do not include any land sales even though they are a prime requisite in the company's strategy and may be needed to finance development.

Commercial/Industrial real estate revenues		2018A	1Q19	2Q19	3Q19	4Q19	2019A	1Q20	2Q20	3Q20	4Q20	2020E	2021E
Tejon Ranch.	Q1												
Pastoria Energy	#	\$4.06	\$1.47	\$0.93	\$1.09	\$1.09	\$4.57	\$1.07	\$0.93	\$1.00	\$1.00	\$4.00	\$4.20
TRCC Leasing	#	\$1.76	\$0.45	\$0.42	\$0.43	\$0.52	\$1.82	\$0.41	\$0.42	\$0.40	\$0.50	\$1.72	\$1.79
TRCC Fees	#	\$0.82	\$0.24	\$0.36	\$0.32	\$0.26	\$1.17	\$0.24	\$0.14	\$0.15	\$0.15	\$0.68	\$0.96
Commercial leases	#	\$0.69	\$0.17	\$0.15	\$0.17	\$0.17	\$0.66	\$0.16	\$0.13	\$0.15	\$0.15	\$0.58	\$0.63
Communications leases	#	\$0.90	\$0.25	\$0.23	\$0.22	\$0.23	\$0.92	\$0.23	\$0.25	\$0.25	\$0.25	\$0.97	\$1.01
Landscaping & other	#	\$0.74	\$0.26	\$0.25	\$0.40	\$0.12	\$1.03	\$0.23	\$0.25	\$0.40	\$0.12	\$1.00	\$1.00
Land sales [not forecast]		\$0.00		\$4.31		\$2.31	\$6.62	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total revenue	#	\$8.97	\$2.83	\$6.65	\$2.62	\$4.69	\$16.79	\$2.32	\$2.11	\$2.35	\$2.17	\$8.95	\$9.59
Profits	#	\$2.72	\$1.03	\$2.00	\$0.65	\$0.14	\$3.63	\$0.39	\$0.37	\$0.27	\$0.10	\$1.13	\$2.00
Profit margin	#	30.3%	36.4%	30.1%	24.8%	3.0%	21.6%	16.8%	17.5%	11.5%	4.6%	12.6%	20.9%

Other areas within the commercial real estate are not very large and are generally not profitable.

## Mineral Resources

With over 425 square miles of territory it is not surprising that oil and gas (314 active well at year end 2019) limestone, rocks and stones, and water (TRC both buys and sells water) are available. In most cases TRC does not own the minerals but receives a royalty payment based on sales. Water use may be allocated by the State Dept. of Water Resources and changes depending on the winter snow pack. It is possible that the allocation is not enough to sustain operations at prior year's levels.

	2013	2014	2015	2016	1Q17	2Q17	3Q17	4Q17	2017	1Q18	2Q18	3Q18	4Q18	2018	1Q19	2Q19	3Q19	4Q19	2019	1Q20	2Q20	3Q20	4Q20	2020	2021	
<b>Mineral Resources</b>																										
<b>Oil &amp; Gas</b>																										
Production BBL			445000	301000					263000					250000					220000					230000	240000	
Price per BBL			\$45.00	\$37.00					\$45.00					\$67.00					\$61.00					\$42.00	\$43.00	
Royalty rate			13.7%	13.7%					13.7%					13.4%					13.2%					13.2%	13.2%	
Revenue, millions	7.81	6.096	\$2.74	\$1.53	\$0.38	\$0.43	\$0.36	\$0.46	\$1.62	\$0.54	\$0.62	\$0.58	\$0.50	\$2.24	\$0.56	\$0.44	\$0.52	\$0.26	\$1.77	\$0.33	\$0.10	\$0.15	\$0.20	\$1.28	\$1.36	
<b>Gas MCF</b>																										
Production MCF			315000	238000					209000					241000					312000					325000	270000	
Price			1.58	0.56					0.74					0.76					1.58	0.001	0.001	0.001	0.001	1	1	
Royalty rate			14.10%	14.40%					14.50%					13.40%					13.20%					13.20%	13.20%	
Revenue, millions			\$0.001	\$0.000					\$0.000					\$0.000					\$0.001					\$0.000	\$0.000	
<b>Oil &amp; Gas total lease</b>																										
Revenue, millions			2.661	1.549	0.38	0.429	0.356	0.46	\$1.659	\$0.540	\$0.623	\$0.584	\$0.53	\$2.278	\$0.555	\$0.437	\$0.521	\$0.33	\$1.842	\$0.334	\$0.098	\$0.120	\$0.120	\$0.666	\$0.200	
<b>Water</b>																										
Acres Feet, as quoted			7922	7285					939					9442					4482					4500	4700	
S per acre ft as quoted			1284	1317					1181					968					750					850	850	
Revenue imputed			10.172	9.594	1.108	0.146	0	0	\$1.254	\$7.992	\$0.000	\$0.000	\$1.15	\$9.142	\$5.026	-\$1.046	\$0.000	\$0.02	\$3.997	\$5.121	\$0.025	\$0.000	\$0.000	\$5.146	\$4.100	
Calculated price per acre feet			\$1.284	\$1.317					\$1.335					\$9.68					\$892					\$1143.556	\$723.4404	
<b>Cement</b>																										
Tons millions			961	1695					1063					1154					1117							
\$ per ton			1.31	1.41					1.52					1.47					1.71							
Revenue, imputed			\$0.82	\$1.04					\$1.62					\$1.70	\$0.30	\$0.52	\$0.58	\$0.52	\$1.91	\$0.45	\$0.10	\$0.20	\$0.20	\$0.80	\$0.80	
Revenue reported, millions			1.263	1.299	0.278	0.519	0.398	0.42	1.614	0.351	0.477	0.481	0.39	1.895	0.296	0.52	0.579	0.51	1.908	\$0.45	\$0.10	\$0.20	\$0.20	\$0.95	\$1.350	
<b>Rock/Aggregate</b>																										
Tons, millions			1181	1397					1072					1143					1467							
Price			0.73	0.85					0.98					0.98					1.03							
Revenue, millions	0.964	1.216	\$0.86213	1.18745	0.18	0.248	0.262	0.25	\$0.943	\$0.202	\$0.344	\$0.301	\$0.27	\$1.120	\$0.208	\$0.297	\$0.412	\$0.59	\$1.511	\$0.242	\$0.328	\$0.500	\$0.600	\$1.67	\$1.950	
<b>Total product revenue</b>	1		14.954	14.721	1.668	0.823	0.618	0.713	\$5.472	\$8.734	\$0.967	\$0.885	\$1.954	\$14.237	\$6.095	\$0.208	\$1.512	\$1.455	\$9.260	\$6.151	\$0.549	\$0.851	\$1.001	\$7.600	\$8.051	
Other	2			0.54	0.177	0.126	0.126	0.292	0.046	0.056	(0.04)	-\$0.03	0.035	0.021	0.025	0.047	0.047	0.047	0.476	0.025	0.435	0.02	0	\$0.480	\$0.200	
All Minerals revenue	3		14.95389	15.26075	1.668	1	0.744	0.83936	\$5.79412	8.782	1.023	0.848	1.92214	14.27152	6.106	0.233	1.559	1.45508	9.73608	6.176	0.984	0.871	1.001	8.08	6.251	
<b>Minerals cost</b>			6.418	7.396	7.796	1.324	0.529	0.529	0.582	2.964	4.231	0.595	0.57	\$0.82	6.223	3.832	0.598	0.576	0.812	5.818	3.878	0.714	0.62	0.5	\$5.712	\$4.450
As % Revenue			49.46%	52.96%	79.38%	64.28%	85.60%	81.59%	54.17%	45.44%	61.53%	64.86%	42.12%	43.71%	62.97%	287.50%	38.10%	55.80%	62.83%	63.65%	130.05%	72.86%	49.95%	75.16%	73.54%	

	2016	2017	2018	1Q19	2Q19	3Q19	4Q19	2019	1Q20	2Q20	3Q20	4Q20	2020	1Q21	2Q21	3Q21	4Q21	2021
<b>Oil &amp; Gas</b>																		
Production BBL	301000	263000	250000					220000					120000					150000
Price per BBL	\$37.00	\$45.00	\$67.00					\$61.00					\$42.00					\$43.00
Royalty rate	13.7%	13.7%	13.4%					13.2%					13.2%					13.2%
Revenue, '000	\$1.53	\$1.62	\$2.24	\$0.56	\$0.44	\$0.52	\$0.26	\$1.77	\$0.33	\$0.10	\$0.12	\$0.12	\$0.67	\$0.20	\$0.20	\$0.25	\$0.25	\$0.85
<b>Gas MCF</b>																		
Production MCF	238000	209000	241000					312000					325000					350000
Price	0.56	0.74	0.76					1.58					1					1
Royalty rate	14.40%	14.50%	13.40%					13.20%					13.20%					13.20%
Revenue, '000	\$0.000	\$0.000	\$0.000					\$0.001					\$0.000					\$0.000
<b>Oil &amp; Gas total lease</b>																		
\$ millions	1.549	\$1.659	\$2.278	\$0.555	\$0.437	\$0.521	\$0.33	\$1.842	\$0.334	\$0.098	\$0.120	\$0.120	\$0.666	\$0.200	\$0.200	\$0.250	\$0.250	\$0.852
<b>Water</b>																		
Acres Feet, as quoted	7285	939	9442					4482					4500					4700
S per acre ft as quoted	1317	1181	968					750					750					850
Revenue imputed	9.594	\$1.254	\$9.142	\$5.026	-\$1.046	\$0.000	-\$1.05	\$2.934	\$5.121	\$0.350	\$0.000	\$0.050	\$5.821	\$5.000				\$5.000
Calculated price per acre feet	\$1.317	\$1.335	\$9.68					\$655					\$1.294					\$1063.83
<b>Cement</b>																		
Tons millions	1695	1063	1154					1117					1250					
\$ per ton	1.41	1.52	1.47					1.71										
Revenue, imputed	\$2.39	\$1.62	\$1.70	\$0.30	\$0.52	\$0.58	\$0.52	\$1.91	\$0.45	\$0.54	\$0.60	\$0.55	\$1.54	\$0.50	\$0.65	\$0.60	\$0.55	\$2.30
Revenue reported, millions	1.299	1.614	1.695	0.296	0.52	0.579	0.51	1.908										
<b>Rock/Aggregate</b>																		
Tons, millions	\$\$\$	1397	1072	1143				1467										
Price		0.85	0.88	0.98				1.03										
Revenue, millions		1.18745	\$0.943	\$1.120	\$0.208	\$0.297	\$0.412	\$0.59	\$1.511	\$0.242	\$0.328	\$0.300	\$0.300	\$1.170				
<b>Total product revenue</b>	14.721	\$5.472	\$14.237	\$6.085	\$0.208	\$1.512	\$0.392	\$8.197	\$6.151	\$1.316	\$1.020	\$1.020	\$9.201	\$5.700	\$0.850	\$0.850	\$0.800	\$8.152
Other	0.54	0.282	0.035	0.021	0.025	0.047		0.476	0.025	0.46	0.025	0.025	\$0.535					

## Tejon Ranch

	2015	2016	2017	1Q18	2Q18	3Q18	4Q18	2018	1Q19	2Q19	3Q19	4Q19A	2019A	1Q20	2Q20	3Q20	4Q20	2020E	1Q21	2Q21	3Q21	4Q21	2021E
<b>Tejon Ranch Co.</b>																							
<b>Farming</b>																							
<b>\$ millions</b>																							
Almonds									\$0.00														
Pounds sold			\$2.35					\$2.13					\$2.48		\$0.00			2.2					
Price realized, Net			\$2.69					\$2.70					\$2.95					\$2.95					
<b>Almonds revenue</b>																							

Within 425 square miles there is a lot of room to graze cattle and manage property as a working ranch. There is also enough space for trophy hunting and making films within the unused range. The ranch is also responsible for the maintenance, upkeep and security for all of the 270,000 acres of property. Cattle leases cover about 250,000 acres (1,012 km<sup>2</sup>), and depending on the season, up to 12,000 head of cattle can be found grazing on the ranch.

Ranch operations	2015	2016	2017	1Q18	2Q18	3Q18	4Q18	2018	1Q19	2Q19	3Q19	4Q19	2019	1Q20	2Q20	3Q20	4Q20	2020E	1Q21	2Q21	3Q21	4Q21	2021E
Game management		\$1.30	\$1.29	\$0.30	\$0.31	\$0.46	\$1.11	\$2.17	\$0.50	\$0.39	\$0.47	\$0.67	\$2.02	\$0.46	\$0.25	\$0.20	\$0.70	\$1.61	\$0.50	\$0.24	\$0.22	\$0.77	\$1.73
Grazing		\$2.04	\$1.68	\$0.41	\$0.40	\$0.34	\$0.38	\$1.52	\$0.39	\$0.42	\$0.41	\$0.37	\$1.59	\$0.41	\$0.43	\$0.40	\$0.30	\$1.54	\$0.40	\$0.43	\$0.41	\$0.37	\$1.61
Hunt Club		\$0.00	\$0.35	\$0.17	\$0.02	\$0.00	(\$0.18)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	N/M	N/M	N/M	N/M	N/M
Filming & Other		\$0.00	\$0.52	\$0.12	\$0.11	\$0.00	(\$0.23)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	N/M	N/M	N/M	N/M	N/M
Total revenue	3.923	\$3.34	\$2.97	\$0.99	\$0.84	\$0.80	\$1.07	\$3.69	\$0.89	\$0.81	\$0.88	\$1.04	\$3.61	\$0.87	\$0.68	\$0.60	\$1.00	\$3.15	\$0.90	\$0.67	\$0.63	\$1.14	\$3.34
Expenses		\$5.73	\$5.41	\$1.39	\$1.35	\$1.35	\$1.36	\$5.45	\$1.35	\$1.39	\$1.26	\$1.31	\$5.32	\$1.41	\$1.18	\$1.19	\$1.30	\$5.07					\$0.00
As % revenue		171.78%	182.31%	140.44%	160.67%	169.97%	127.55%	147.68%	151.69%	171.60%	143.84%	125.96%	147.30%	161.61%	173.24%	198.33%	130.00%	161.08%	0.00%	0.00%	0.00%	0.00%	0.00%
Income		(\$2.40)	(\$2.44)	(\$0.41)	(\$0.51)		-0.839	(\$1.76)	(\$0.46)	(\$0.58)	(\$0.38)	(\$0.27)	(\$1.71)	(\$0.54)	(\$0.50)	(\$0.59)	(\$0.30)	(\$1.92)	\$0.90	\$0.67	\$0.63	\$1.14	\$3.34

### Real estate-resort/residential.

In the 2008 agreement three properties received the rights to be developed. The rest of the ranch would not be developed but would allow grazing. These three areas are (from the south) Centennial; Mountain Village and Grapevine. The spending on the three resort/residential areas and recent assets are shown below.

Residential real estate spending by year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
million \$	\$12.19	\$4.18	\$2.09	\$2.61	\$2.35	\$1.63	\$1.96	\$1.53	\$2.25	\$0.96
										6 months

Real estate development by location	31-Dec-18	31-Dec-19	30-Jun-20
\$ millions			
Mountain Village	\$137.57	\$142.57	\$144.72
Centennial	\$100.31	\$104.49	\$106.49
Grapevine	\$31.18	\$34.81	\$36.08
Tejon Ranch Development Center	\$14.33	\$15.71	\$18.26
<b>Total</b>	<b>\$283.39</b>	<b>\$297.58</b>	<b>\$305.56</b>

There is a shortage of housing in the Los Angeles basin and in the Antelope Valley. By historical measures the new and used house inventory is non-existent. Prices have been, and continue to, increase with no end in sight. Prices are as \$200 a sq ft in Lebec CA

And, there a number of profit centers that are listed as ownership in unconsolidated equity:

Equity in unconsolidated entities, net of cash and cash equivalents	2015	2016	2017	1Q18	2Q18	3Q18	4Q18	2018	1Q19	2Q19	3Q19	4Q19	2019	1Q20	2Q20	3Q20	4Q20	2020E
Petro Travel Plaza	\$6.38	\$7.25	\$6.25	\$0.53	\$1.17	\$2.12	\$1.98	\$5.80	\$1.12	\$2.35	\$2.24	\$3.09	\$8.81	\$1.52	\$1.46	\$1.50	\$2.10	\$5.08
Five West Parcel	\$0.54	\$0.52	\$0.45	\$0.10	\$0.11	\$0.09	\$0.09	\$0.39	\$0.09	\$0.12	\$0.16	\$8.75	\$9.12	(\$0.00)	\$0.01	\$0.00	\$0.00	\$0.01
18-19 West	(\$0.05)	(\$0.07)	(\$0.05)	(\$0.01)	(\$0.01)	(\$0.01)	(\$0.01)	(\$0.05)	(\$0.01)	(\$0.01)	(\$0.01)	(\$0.01)	(\$0.05)	(\$0.02)	(\$0.02)	(\$0.20)	(\$0.40)	(\$0.43)
TRCC/Rock outlet	(\$0.54)	(\$0.18)	(\$1.17)	(\$0.55)	(\$0.63)	(\$0.48)	(\$0.67)	(\$2.32)	(\$0.39)	(\$0.67)	(\$0.36)	(\$0.50)	(\$1.92)	(\$0.41)	(\$0.51)	(\$0.50)	(\$0.50)	(\$1.42)
TRC-mrc 1	\$0.00	\$0.00	(\$0.00)	(\$0.00)	(\$0.05)	(\$0.16)	(\$0.04)	-\$0.25	\$0.00	\$0.01	\$0.01	\$0.02	\$0.05	\$0.02	\$0.02	\$0.02	\$0.02	\$0.06
TRC-mrc 2	\$0.00	(\$0.41)	(\$1.25)	\$0.10	\$0.06	\$0.04	\$0.07	\$0.27	\$0.08	\$0.16	\$0.16	\$0.18	\$0.58	\$0.17	\$0.16	\$0.16	\$0.16	\$0.50
TRC-mrc 3											\$0.00	(\$0.00)	\$0.00	\$0.06	\$0.07		\$0.06	\$0.06
Total	\$6.32	\$7.10	\$4.23	\$0.17	\$0.65	\$1.59	\$1.42	\$3.83	\$0.88	\$1.97	\$2.20	\$11.53	\$16.58	\$1.36	\$1.18	\$0.98	\$1.44	\$3.85

The largest is Petro Travel where Tejon has equal ownership but Petro is the operating entity.

## OVERVIEW

**Tejon Ranch Company** (NYSE: TRC \$.), is the largest contiguous property in California. Formed from the consolidation of four Mexican land grants acquired in the 1850s and 1860s the company was incorporated in 1936.

The ranch consists of close to 425 square miles (11761 million sq. ft.) or 1,093 square kilometers. Unlike the flat land of the Florida and Texas based real estate companies the ranch is about 90% mountainous. Most of the ranch is bordered by Highway 138 on the south, Interstate 5 and Highway 99 on the west, and Highway 223 on the north. I5 is the major (and in places the only) conduit from the Los Angeles basin north and onto the Central Valley. San Francisco and Bakersfield. Are close and warehouses service ports from San Diego to Vancouver.

The ranch is bounded by the southern San Joaquin valley, the Tehachapi Mountains and Antelope valley. It is in an ideal position to be a staging point for commercial traffic for both south bound and north bound traffic.

The only major highway from the Los Angeles basin north to San Francisco and Bakersfield is the I-5. There are other roads that are less direct, or are not capable of handling heavy trucks, and the I5 is the only reasonable rout to Santa Clarita,(50 miles away) and the Los Angeles basin. This major highway extends from inside Mexico to inside Canada.

The property is so large that it encompasses several ecosystems that overlap and the result is the development of certain unique species of plants and animals. The ranch is also a major feeding and breeding area for the California Condor.

[https://www.biologicaldiversity.org/publications/maps/highlighted\\_maps/Tejon\\_condor\\_sightings.html](https://www.biologicaldiversity.org/publications/maps/highlighted_maps/Tejon_condor_sightings.html)

In 2008 The Tejon ranch and a coalition of several environmental groups agreed to protect close to 90% of the land area. This is the largest land-use pact in California history. Under this pact:

- Tejon Ranch will have the right to proceed with three large developments but they have to be approved by federal, state and county authorities.
- The company will set aside 178,000 acres for conservation and will grant an option for purchase by the public of another 62,000 acres. However, current use of the land for grazing cattle will be allowed.
- The major environmental groups will drop their opposition to the three planned developments.
- Four of the five northward facing ridge lines in or abutting the Tejon Mountain Village would not be developed since they were prime feeding grounds for the California condor.

There were other conditions but the ones above were the most important.

The three areas appear to be aimed at overlapping, but different, markets.

Centennial positioned towards Antelope Valley and east; Mountain Village towards the Los Angeles basin and the southeast and the Grapevine towards Bakersfield and points north.

Real estate development by location	Area	Develed sq ft.	Houses	% open	cost to
\$ millions areas in million sq ft	Mill sq ft	million sq ft		space	date
Mountain Village	1150	221.4	3450	80%	\$142.6
Centennial	535	292	19333	45%	\$34.8
Grapevine	350	202.3	12000	40%	\$104.5
Tejon Ranch Development Center					
Total					

MV is fully entitled and all necessary permits have been issued to begin development once the mapping process is complete. Timing of MV development in the coming years will be dependent on the strength of both the economy and the residential real estate market. In moving the project forward, we will focus on the preparation of engineering leading to the final map for the first phases of MV, consumer and market research studies and fine tuning of development business plans as well as defining the capital funding sources for this development. Over the next several years, we expect to explore funding opportunities for future development of MV. Such funding opportunities could come from a variety of sources, such as joint ventures with financial partners, debt financing, or the sale of rights.

For Centennial and Mountain Village both Kern County and los Angeles County have approved Development Agreements where needed and, as usual a lawsuit has been filed.

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## **INDUSTRY OUTLOOK**

The Los Angeles basin is significantly constrained by the availability of reasonably priced housing.

TRC is the only major area close to Los Angeles where infrastructure is possible. One of few real estate development companies with room to spare..

Other areas such as the Bakersfield area and Antelope Valley are also lacking available and affordable houses.

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## **INDUSTRY POSITION**

TRC is not dominant in any housing, warehousing or real estate development in any national market. The company has many business partners but few decision making product lines.



## VALUATION

Comparables Table												
source: Zacks scr.; Yahoo Finance												
Company	Ticker	Price	Mkt Cap	P/E	P/E forward	ROE %	P/Sales	P/BV	EV\Sales	PEG	Institutional	Insider
\$ millions		0.00		L4Q	N4Q						Ownership	Ownership
Tejon Ranch	TRC	\$14.18	\$355	41.00	N/A	2.00	7.90	0.83	8.10	N/A	70.65	21.04
Alico Inc.	ALCO	\$28.64	\$208	9.05	N/A	11.77	2.33	1.04	3.83	N/A	43.83	43.51
CTO Realty	CTO	\$44.91	\$188	60.32	N/A	1.23	3.86	0.66	9.12	N/A	71.95	4.67
M.D.C. Holdings Inc.	MDC	\$48.38	\$2,848	10.96	7.37	14.96	0.82	1.52	0.99	N/A	79.00	21.10
Texas Pacific Land Trust	TPL	\$450.20	\$3,430	16.00	N/A	50.10	9.44	7.24	8.73	N/A	43.36	1.15
The St Joe Co.	JOE	\$20.87	\$1,180	37.20	N/A	5.96	9.17	2.24	10.57	N/A	2.86	99.02
Mean Value				29.09								
Median value				7.37			1.28	8.42				

## RISKS

The I-5 is a critical part of the TRC infrastructure. There are no easy ways to by-pass Lebec. CA

The Grapevine pass on Interstate 5 is closed or convoy regulated due to snow and ice on the pass during winter months.

The area outside of the Tejon Ranch lacks infrastructure to support homeowners.

Significant regulation and lawsuits can impact growth.

Complex water agreements, TRC both buys and sells water.

A prime target for litigation.

It is in the desert.

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## INSIDER TRADING AND OWNERSHIP

**Directors: 5,482,346 20.9%**

**Beneficial owners:  
[Excluding those held by directors]**

**Vanguard Group 3,040,469**

**Dimensional Fund Advisors 1,573,077**

**Black Rock & Associates 1,517,077**

**Royce & Associates 1,361,416**

**Daniel R. Tisch of Tower View LLC, a director, owns 4,841,625 shares.**

(Source: Tejon Ranch Co. and Yahoo Finance)

## PROJECTED INCOME STATEMENT & BALANCE SHEET

Segment revenues:

Commercial housing

Minerals.

Farm

Ranch

Unconsolidated equity ownership:

Commercial/Industrial real estate revenues	2018A	1Q19	2Q19	3Q19	4Q19	2019A	1Q20	2Q20	3Q20	4Q20	2020E	1Q21	2Q21	3Q21	4Q21	2021E
Pastoria Energy	\$4.06	\$1.47	\$0.93	\$1.09	\$1.09	\$4.57	\$1.07	\$0.93	\$1.00	\$1.00	\$4.00	\$1.00	\$1.00	\$1.10	\$1.10	\$4.20
TRCC Leasing	\$1.76	\$0.45	\$0.42	\$0.43	\$0.52	\$1.82	\$0.41	\$0.42	\$0.40	\$0.50	\$1.72	\$0.42	\$0.43	\$0.42	\$0.52	\$1.79
TRCC Fees	\$0.82	\$0.24	\$0.36	\$0.32	\$0.26	\$1.17	\$0.24	\$0.14	\$0.15	\$0.15	\$0.68	\$0.21	\$0.25	\$0.25	\$0.25	\$0.96
Commercial leases	\$0.69	\$0.17	\$0.15	\$0.17	\$0.17	\$0.66	\$0.16	\$0.13	\$0.15	\$0.15	\$0.58	\$0.16	\$0.15	\$0.16	\$0.16	\$0.63
Communications leases	\$0.90	\$0.25	\$0.23	\$0.22	\$0.23	\$0.92	\$0.23	\$0.25	\$0.25	\$0.25	\$0.97	\$0.24	\$0.26	\$0.26	\$0.25	\$1.01
Landscaping & other	\$0.74	\$0.26	\$0.25	\$0.40	\$0.12	\$1.03	\$0.23	\$0.25	\$0.40	\$0.12	\$1.00	\$0.23	\$0.25	\$0.40	\$0.12	\$1.00
Land sales	\$0.00		\$4.31		\$2.31	\$6.62	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total revenue</b>	<b>\$8.97</b>	<b>\$2.83</b>	<b>\$6.65</b>	<b>\$2.62</b>	<b>\$4.69</b>	<b>\$16.79</b>	<b>\$2.32</b>	<b>\$2.11</b>	<b>\$2.35</b>	<b>\$2.17</b>	<b>\$8.95</b>	<b>\$2.26</b>	<b>\$2.34</b>	<b>\$2.59</b>	<b>\$2.40</b>	<b>\$9.59</b>
Profits	\$2.72	\$1.03	\$2.00	\$0.65	\$0.14	\$3.63	\$0.39	\$0.37	\$0.27	\$0.10	1.13	\$0.40	\$0.35	\$0.30	\$0.12	\$2.90
Profit margin	30.3%	36.4%	30.1%	24.8%	3.0%	21.6%	16.8%	17.5%	11.5%	4.6%	12.6%	17.7%	15.0%	11.6%	5.0%	30.2%

<b>START</b>	2013	2014	2015	2016	1Q17	2Q17	3Q17	4Q17	2017	1Q18	2Q18	3Q18	4Q18	2018	1Q19	2019	1Q20	2Q20	3Q20	4Q20	2020
	2013	2014	2015	2016	1Q17	2Q17	3Q17	4Q17	2017	1Q18	2Q18	3Q18	4Q18	2018	1Q19	2019	1Q20	2Q20	3Q20	4Q20	2020
<b>Mineral Resources</b>																					
<b>Oil &amp; Gas</b>																					
Production BBL			445000	301000					263000					250000		220000					230000
Price per BBL			\$45.00	\$37.00					\$45.00					\$67.00		\$61.00					\$42.00
Royalty rate			13.7	13.7					13.7					13.4		13.2					13.2
Revenue , 000	7.81	6.096	\$2.74	\$1.53	\$0.38	\$0.43	\$0.36	\$0.46	\$1.62	\$0.54	\$0.62	\$0.58	\$0.50	\$2.24	\$0.56	\$1.77	\$0.33	\$0.10	\$0.15	\$0.20	\$1.28
							\$1.16														
<b>Gas MCF</b>	7.81	6.1	315000	238000					209000					241000		312000	0.001	0.001	0.001	0.001	325000
Price			1.58	0.56					0.74					0.76		1.58					1
Royalty rate			14.10%	14.40%					14.50%					13.40%		13.20%					13.20%
Revenue, 000			\$0.001	\$0.000					\$0.000					\$0.000		\$0.001					\$0.000
<b>Oil &amp; Gas total lease \$ millions</b>			2.661	1.549	0.38	0.429	0.356	0.46	0.1	\$1.659	\$0.540	\$0.623	\$0.584	\$0.53	0.1	0.1	\$0.334	\$0.098	\$0.151	\$0.201	\$0.784
									\$2.278	\$0.555	\$1.842			\$2.278	\$0.555	\$1.842	\$0.334	\$0.098	\$0.151	\$0.201	\$0.784
<b>Water</b>																					
Acre Feet, as quoted			7922	7285					939					9442		4482					4500
\$ per acre ft as quoted			1284	1317					1181					968		750					750
Revenue imputed			10.172	9.594	1.108	0.146	0	0	\$1.254	\$7.992	\$0.000	\$0.000	\$1.15	\$9.142	\$5.026	\$3.997	\$5.121	\$0.025	\$0.000	\$0.000	\$5.146
Calculated price per acre feet			\$1,284	\$1,317					\$1,335					\$968		\$892					1143.556
<b>Cement</b>																					
Tons millions			961	1695					1063					1154		1117					
\$ per ton			1.31	1.41					1.52					1.47		1.71					
Revenue, imputed	\$0.82	\$1.04	\$1.26	\$2.39					\$1.62					\$1.70	\$0.30	\$1.91	\$0.45	\$0.10	\$0.20	\$0.20	\$0.00
Revenue reported, millions			1.263	1.299	0.278	0.519	0.398	\$0.42	1.614	0.351	0.477	0.481	\$0.39	1.695	0.296	1.908	\$0.45	\$0.10	\$0.20	\$0.20	\$0.95
<b>Rock/Aggregate</b>																					
Tons, millions	\$\$\$\$		1181	1397					1072					1143		1467					
Price			0.73	0.85					0.88					0.98		1.03					
Revenue, millions	0.964	1.216	0.86213	1.18745	0.18	0.248	0.262	\$0.25	\$0.943	\$0.202	\$0.344	\$0.301	\$0.27	\$1.120	\$0.208	\$1.511	\$0.242	\$0.328	\$0.500	\$0.600	\$1.67
<b>Total product revenue</b>	1		14.954	14.721	1.668	0.823	0.618	0.713	\$5.472	\$8.734	\$0.967	\$0.885	\$1.954	\$14.237	\$6.085	\$9.260	\$6.151	\$0.549	\$0.851	\$1.001	\$7.600
<b>Other</b>	2		0.54	0.54	0.177	0.126	0.126	0.282	0.048	0.056	(0.04)	-\$0.03	0.035	0.021	0.476	0.025	0.435	0.02	0	0	\$0.480
<b>All Minerals revenue</b>	3		14.95389	15.26075	1.668	1	0.744	0.83936	5.75412	8.782	1.023	0.848	1.92214	14.27152	6.106	9.73608	6.176	0.984	0.871	1.001	8.08
<b>Minerals cost</b>		6.418	7.396	7.796	1.324	0.529	0.529	0.582	2.964	4.231	0.595	0.57	\$0.82	6.223	3.832	5.818	3.878	0.714	0.62	0.5	\$5.712
<b>As % Revenue</b>			49.46%	52.96%	79.38%	64.28%	85.60%	81.59%	54.17%	48.44%	61.53%	64.86%	42.12%	43.71%	62.97%	62.83%	63.05%	130.05%	72.86%	49.95%	75.16%
								\$0.30													
<b>Total listed</b>	\$1.78	\$2.26	\$14.95	\$15.26	\$1.67	\$1.00	\$0.74	\$1.26	\$5.75	\$8.78	\$1.02	\$0.85	\$1.92	\$14.27	\$6.11	\$9.74	\$6.18	\$0.98	\$0.87	\$1.00	\$8.08
<b>Deviation</b>	\$1.783	\$2.259	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.419	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>0</b>																					
		2014	2015	2016	1Q17	2Q17	3Q17	4Q17	2017	1Q18	2Q18	3Q18	4Q18	2018	1Q19	2019	1Q20	2Q20	3Q20	4Q20	2020

Tejon Ranch Co.	2016	2017	2018	1Q19	2Q19	3Q19	4Q19A	2019A	1Q20	2Q20	3Q20	4Q20	2020E	1Q21	2Q21	3Q21	4Q21	2021E	
<b>Farming</b>																			
<b>\$ millions</b>																			
Almonds					\$0.00														
Pounds sold		\$2.35	\$2.13					\$2.48						2.2					
Price realized. Net		\$2.69	\$2.70					\$2.95						\$2.95					
Almonds revenue	\$7.37	\$6.33	\$5.74	\$0.86	\$0.32	\$0.60	\$5.53	\$7.31	\$0.86	\$0.00	\$2.00	\$3.65	6.50	\$0.50	\$0.00	\$1.50	\$5.00	\$7.00	
Pistachios																			
Pounds sold		\$0.89	\$3.74					\$3.74						3.7					
Price net		\$5.08	\$2.11					\$2.00						\$2.03					
Pistachios revenue	\$6.20	\$4.52	\$7.88	\$0.03	\$0.39	\$2.15	\$4.89	\$7.47	\$0.03	\$0.00	\$2.00	\$5.47	\$7.50	\$0.50	\$0.00	\$2.00	\$5.00	\$7.50	
Wine Grapes			\$3.68																
pounds sold		\$15.00	14.00					14.00						14					
Net price per pound		\$275.40	\$263.07					\$267.14						267.857					
Wine Grapes revenue	\$3.74	\$4.13	\$3.68	\$0.00	\$0.01	\$1.62	\$2.11	\$3.74	\$0.00	\$0.23	\$1.00	\$2.52	\$3.75	\$0.00	\$0.00	\$1.00	\$3.00	\$4.00	
Hay	\$0.52	\$0.46	\$0.30	\$0.05	\$0.11	\$0.10	\$0.21	\$0.47	\$0.05	\$0.19	\$0.10	\$0.16	\$0.50	\$0.05	\$0.05	\$0.10	\$2.00	\$2.20	
Other	\$0.81	\$1.00	\$0.96	\$0.01	\$0.05	\$0.13	\$0.15	\$0.35	\$0.01	\$0.02	\$0.02	\$0.02	\$0.07	\$0.02	\$0.02	\$0.02	\$0.02	\$0.08	
Total	\$18.65	\$16.43	\$18.56	\$0.95	\$0.89	\$4.60	\$12.89	\$19.33	\$0.95	\$0.44	\$5.12	\$11.82	\$18.32	\$1.07	\$0.07	\$4.62	\$15.02	\$20.78	
Expenses			\$16.03					\$15.25											

Ranch operations	2016	2017	2018	1Q19	2Q19	3Q19	4Q19	2019	1Q20	2Q20	3Q20	4Q20	2020	1Q21	2Q21	3Q21	4Q21	2021
Game management	\$1.30	\$1.29	\$2.17	\$0.50	\$0.39	\$0.47	\$0.67	\$2.02	\$0.46	\$0.25	\$0.20	\$0.20	\$1.11	\$0.50	\$0.24	\$0.22	\$0.20	
Grazing	\$2.04	\$1.68	\$1.52	\$0.39	\$0.42	\$0.41	\$0.37	\$1.59	\$0.41	\$0.43	\$0.40	\$0.30	\$1.54					
Hunt Club		\$0.35	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00					
Filming & Other		\$0.52	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00					
Total revenue	\$3.34	\$2.97	\$3.69	\$0.89	\$0.81	\$0.88	\$1.04	\$3.61	\$0.87	\$0.68	\$0.60	\$0.50	\$2.65					
Expenses	\$5.73	\$5.41	\$5.45	\$1.35	\$1.39	\$1.26	\$1.31	\$5.32	\$1.41	\$1.18	\$1.20	\$1.30	\$5.08					
As % revenue	171.78%	182.31%	147.68%	151.69%	171.60%	143.84%	125.96%	147.30%	161.61%	173.24%	200.00%	260.00%	191.85%					

Equity in unconsolidated JVs	2015	2016	2017	1Q18	2Q18	3Q18	4Q18	2018	1Q19	2Q19	3Q19	4Q19	2019	1Q20	2Q20	3Q20	4Q20	2020	1Q21
<b>\$ millions</b>																			
Petro Travel Plaza	\$6.38	\$7.25	\$6.25	\$0.53	\$1.17	\$2.12	\$1.98	\$5.80	\$1.12	\$2.35	\$2.24	\$3.09	\$8.81	\$1.52	\$1.46	\$1.50	\$2.10	\$5.08	1.6
Five West Parcel	\$0.54	\$0.52	\$0.45	\$0.10	\$0.11	\$0.09	\$0.09	\$0.39	\$0.09	\$0.12	\$0.16	\$8.75	\$9.12	(\$0.00)	\$0.01	\$0.00	\$0.00	\$0.01	
18-19 West	(\$0.05)	(\$0.07)	(\$0.05)	(\$0.01)	(\$0.01)	(\$0.01)	(\$0.01)	(\$0.05)	(\$0.01)	(\$0.01)	(\$0.01)	(\$0.01)	(\$0.05)	(\$0.02)	(\$0.02)	(\$0.20)	(\$0.40)	(\$0.43)	
TRCC/Rock outlet	(\$0.54)	(\$0.18)	(\$1.17)	(\$0.55)	(\$0.63)	(\$0.48)	(\$0.67)	(\$2.32)	(\$0.39)	(\$0.67)	(\$0.36)	(\$0.50)	(\$1.92)	(\$0.41)	(\$0.51)	(\$0.50)	(\$0.50)	(\$1.42)	
TRC-mrc 1	\$0.00	\$0.00	(\$0.00)	(\$0.00)	(\$0.05)	(\$0.16)	(\$0.04)	-\$0.25	\$0.00	\$0.01	\$0.01	\$0.02	\$0.05	\$0.02	\$0.02	\$0.02	\$0.02	\$0.06	
TRC-mrc 2	\$0.00	(\$0.41)	(\$1.25)	\$0.10	\$0.06	\$0.04	\$0.07	\$0.27	\$0.08	\$0.16	\$0.16	\$0.18	\$0.58	\$0.17	\$0.16	\$0.16	\$0.16	\$0.50	
TRC-mrc 3											\$0.00	(\$0.00)	\$0.00	\$0.06	\$0.07		\$0.06	\$0.06	
Total	\$6.32	\$7.10	\$4.23	\$0.17	\$0.65	\$1.59	\$1.42	\$3.83	\$0.88	\$1.97	\$2.20	\$11.53	\$16.58	\$1.36	\$1.18	\$0.98	\$1.44	\$3.85	

## Segment financials:

Tejon Ranch	2014	2015	2016					2017					2018					2019	1Q20	2Q20		
\$ millions	2014	2015	2016	1Q17	2Q17	3Q17	4Q17	2017	1Q18	2Q18	3Q18	4Q18	2018	1Q19	2Q19	3Q19	4Q19	2019	1Q20	2Q20	3Q20	4Q20
Real Estate; Coml & Industl.	7.845	8.272	9.438	2.189	2.083	2.432	2.297	9.001	2.154	2.189	2.445	2.182	8.970	2.826	6.595	2.620	4.751	16.792	2.320	2.114	2.350	2.170
% CHANGE																						
Profit	0.639	1.578	2.338	0.446	0.181	1.117	0.728	2.472	0.835	0.801	0.767	0.321	2.724	1.034	2.002	0.652	0.143	3.831	0.389	0.367	0.050	0.150
Real estate costs	7.206	6.694	7.100	1.743	1.902	1.315	1.569	6.529	1.319	1.388	1.678	1.861	6.246	1.792	4.593	1.968	4.608	12.961	1.931	1.747	2.300	0.220
Profit margins	8.15%	19.08%	24.77%	20.37%	8.69%	45.93%	31.69%	27.46%	38.77%	36.59%	31.37%	14.71%	30.37%	36.59%	30.36%	24.89%	3.01%	22.81%	16.77%	17.36%	2.13%	6.91%
Mineral resources	16.26	15.116	14.153	2.001	1.519	1.142	1.321	5.983	9.131	1.500	1.355	2.409	14.395	6.132	0.660	1.559	1.440	9.791	6.178	1.776	0.871	1.001
% CHANGE																						
Profits	9.837	7.720	6.357	0.677	0.990	0.613	0.739	3.019	4.900	0.905	0.781	1.586	8.172	2.300	0.062	0.983	0.628	3.973	2.300	1.062	0.243	
Mineral resources costs	6.418	7.396	7.796	1.324	0.529	0.529	0.582	2.964	4.231	0.595	0.574	0.823	6.223	3.832	0.598	0.576	0.812	5.818	3.878	0.714	0.620	
Profit margins	60.52%	51.07%	44.92%	33.83%	65.17%	53.68%	55.94%	50.46%	53.66%	60.33%	57.64%	65.84%	56.77%	37.51%	9.39%	63.05%	-0.694	40.578%	37.23%	59.80%	27.90%	0.00%
Farming	23.435	23.836	18.648	0.431	1.501	7.466	7.036	16.434	1.195	0.542	10.836	5.990	18.563	0.950	0.886	4.602	12.893	19.331	0.950	0.441	5.120	11.820
Profits	7.185	4.852	-0.025	-0.025	-0.025	-0.025	-0.025	-0.025	-0.025	-0.025	-0.025	-0.025	-0.025	-0.025	-0.025	-0.025	-0.025	-0.025	-0.025	-0.025	-0.025	-0.025
% CHANGE																						
Farming costs		18.984	18.673	1.323	1.258	7.921	5.957	16.459	1.838	1.191	6.541	9.018	18.588	1.598	0.825	5.979	8.402	19.356	1.702	1.099	6.000	8.000
Profit margins		20.36%	-0.13%	-5.80%	-1.67%	-0.33%	-0.36%	-0.15%	-2.09%	-4.61%	-0.23%	-0.42%	-0.13%	-2.63%	-2.82%	-0.54%	-0.19%	-0.13%	-2.63%	-5.67%	-0.49%	-0.21%
Ranch operations	3.534	2015A	2016A	1Q17	2Q17	3Q17	4Q17	2017A	1Q18	2Q18	3Q18	4Q18	2018A	1Q19	2Q19	3Q19	4Q19	2019A	1Q20	2Q20	3Q20	4Q20
% change																						
Ranch profits	-2.464	(2.189)	-2.396	-0.412	-0.601	-0.285	-0.276	(1.574)	-0.400	-0.509	-0.557	-0.294	-1.760	-0.461	-0.588		-0.658	-1.707	-0.543	-0.502	-0.600	-0.200
Ranch costs		6.112	5.734	1.493	1.461	1.153	1.304	5.411	1.389	1.348	1.353	1.361	5.451	1.350	1.393	1.260	1.313	5.316	1.406	1.178	1.200	1.200
Profit margins		N/M					-0.410	-41.02%				-0.477	-47.68%				-0.473	-47.30%				
	2014	2015	2016	1Q17	2Q17	3Q17	4Q17	2017	1Q18	2Q18	3Q18	4Q18	2018	1Q19	2Q19	3Q19	4Q19	2019	1Q20	2Q20	3Q20	4q20%

<b>Tejon Ranch Co.</b>		<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>		<b>2Q20</b>
<b>\$ millions</b>							
<b>ASSETS</b>							
Cash @ Equiv.		\$27.93	\$90.98	\$79.66	\$66.19		
A/R		\$8.74		\$10.88	\$9.95		
As % Sales							
Inventories		\$3.08		\$2.62	\$2.79		
As % Sales							
Other		\$3.11		\$3.35	\$3.25		
Total current assets		\$42.86	\$90.98	\$96.50	\$82.18		
Real estate held for lease		\$20.03		\$18.95	\$18.67		
Real estate improvements		\$248.27		\$283.39	\$297.58		
PP&E, net		\$46.03		\$46.09	\$45.07		
Investments in unconsolidated JVs		\$33.80		\$28.60	\$38.24		
Water assets		\$43.77		\$51.83	\$54.16		
Other		\$4.95		\$3.69	\$3.52		
All Assets		\$439.70	\$90.98	\$529.05	\$539.42		
<b>LIABILITIES AND NET WORTH</b>							
Debt Due 1 Yr				\$4.02	\$4.18		
Accrued liabilities				\$3.58	\$3.46		
A/P				\$6.04	\$6.15		
Deferred income				\$2.86	\$1.35		
Other							
Total current liabilities		\$0.00	\$0.00	\$16.49	\$15.14		
L.T.Debt				\$61.78	\$57.48		
Other LT							
Def. gains & Other				\$3.41	\$5.73		
Other				\$12.70	\$15.46		
All Liabilities		\$0.00	\$0.00	\$94.38	\$93.80		
Common Stock		\$10.41	\$12.95	\$12.99	\$13.05		
<b>Paid in Cap.</b>				\$336.52	\$338.75		
Retained Earnings				\$74.65	\$85.23		
Other				\$15.38	\$15.38		
Acc. Other loss				(\$4.86)	(\$6.77)		
Net Worth		\$10.41	\$12.95	\$434.67	\$445.62		
Total liabilities & stockholders' equity		\$10.41	\$12.95	529.048	539.422		
Total cash	\$0.00	\$27.93	\$90.98	79.657	66.19		
Total debt	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>65.798</b>	<b>61.658</b>		

Tejon Ranch Co.			2017	2018	2019
Cash Flow					
Operations					
Net Income			(\$1.80)	\$4.24	\$10.58
Depreciation & amortization			\$5.99	\$5.53	\$5.13
Unconsolidated equity earnings			(\$4.23)	(\$3.83)	(\$16.58)
Earnings distribution from JVs			\$7.20	\$4.80	\$15.38
Other			\$2.67	\$3.62	\$1.53
Net cash from operations			\$9.83	\$14.35	\$16.04
Investments					
Sales of securities			\$8.13	\$35.22	\$53.42
Purchases of Securities			(\$52.72)	(\$28.39)	(\$28.22)
Real estate and Equipment			(\$21.71)	(\$22.58)	(\$25.22)
other			(\$1.91)	\$2.50	\$0.85
Net cash from investments			(\$68.21)	(\$13.25)	\$0.83
Financing activities					
Borrowings from line of credit			\$13.30		\$5.00
Repayments of line of credit			(\$21.00)		(\$5.00)
Repayment of LT debt			(\$3.91)	(\$4.05)	(\$4.00)
Rights offering			\$89.87		
Other			(\$22.03)	(\$1.26)	(\$6.68)
Net cash from financing			\$70.56	(\$5.30)	(\$5.68)
Change in cash			\$12.18	(\$4.20)	\$11.19
Cash at beginning of the year			\$1.26	\$20.11	\$15.91
Cash at the end of the year.	\$1.26		\$20.11	\$15.91	\$27.10



## HISTORICAL STOCK PRICE



Data from Zacks Research

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