

WHITE BLUFFS VINEYARD & WINERY COMPLEX



INVESTMENT GRADE AGRICULTURAL ASSETS

149.40 +/- ACRES | PASCO, WA | FRANKLIN COUNTY | \$6,500,000

ADAM WOIBLET, PRESIDENT & DESIGNATED BROKER
509.520.6117 | Adam@AgTradeGroup.com | www.AgTradeGroup.com





**WHITE BLUFFS
VINEYARD
& WINERY COMPLEX**

THE OFFERING

This winery and vineyard asset lies approximately twenty-three miles Northwest of Pasco, WA in southeast Washington State. The physical address of the winery facility is 1081 Glenwood Road, Pasco, WA 99301 and the entire asset is within the newly approved White Bluffs American Viticultural Area, a sub-appellation of the Columbia Valley AVA. The sale of this property includes planted vineyards, retail tasting room space, wine production areas, barrel storage facilities, equipment shop, main shop/residence, and two farm employee homes. Wine production equipment, farming equipment and existing inventory are available to be purchased separately if desired.

Per the Franklin County Assessor, this asset includes four tax parcels with 141.4 +/- total deeded acres and an additional 8.0 +/- acres that have Seller owned vines on them but the underlying acres are owned by the Washington State Department of Natural Resources (DNR). A lease is currently being negotiated with DNR on these acres. In total, there are 122.1 +/- acres of planted, mature vines that have multiple varieties of grapes currently being produced. The remaining deeded acres consist of approximately 5.9 plantable acres with irrigation water, building sites, roads, rangeland, and parking areas.

In addition to its location within the White Bluffs AVA, a distinguishing feature of this vineyard is its certification as a Low Input Viticulture and Enology (LIVE) vineyard. LIVE produced wines are independently certified to meet cutting-edge international standards of environmentally and socially responsible winegrowing in the Pacific Northwest. LIVE is one of the most respected sustainability programs in the wine world and its members must complete a series of reporting requirements each year to document their compliance with LIVE standards in the vineyard as well as in the winery.

Elevation of the property runs from approximately 750 feet to 925 feet and annual rainfall for this area averages seven to eight inches per year, per the USDA Natural Resources Conservation Service. Soils on the property are primarily made up of Sagehill very fine sandy loam and Royal fine sandy loam with gentle 0% to 10% slopes throughout the planted vineyards. The included irrigation water rights are accessed via the South Columbia Basin Irrigation District and this property is located within a block that has been paid off. Per the Franklin County Planning Department, the property is located within an Agricultural Production Zone (AP-20) with a minimum parcel size of 20 acres.



ASSET OVERVIEW

LOCATION

- There are two separate locations that make up this property, all located within the White Bluffs American Viticultural Area (AVA):
 - ~ The winery complex and main vineyard (Glenwood Vineyard) are located at 1081 Glenwood Road, Pasco, WA 99301.
 - ~ The Taylor Flats Vineyard lies at the intersection of Taylor Flats Rd and Eltopia West Rd just three miles from the winery complex and Glenwood Vineyard.

ACCESS

- The entire property is served by county, paved roads and graveled field roads within its boundaries.

ACREAGE BREAKDOWN

- Per the Franklin County Assessor, there are four tax parcels within this asset with a total of 141.40 total deeded acres included in this sale. In addition, there are 8.0 +/- acres owned by WA DNR with Seller owned vines planted on them and a lease under negotiation. Total acres included in the sale are 149.4 +/- acres.
 - ~ The winery complex and Glenwood Vineyard property lies on a total of 119.9 +/- acres broken down into 111.90 deeded acres and 8.0 DNR owned acres. Approximately 95.2 of these acres are currently planted to various varietals of wine grapes.
 - ~ The Taylor Flats Vineyard lies on its own parcel a short distance away and totals 29.5 deeded acres with approximately 26.9 planted acres at this location.

PARCELS/ZONING

- The deeded property consists of four tax parcels: Franklin County Property ID #126390140, #126390110, #123080014, and #126390171.
- Per the Franklin County Assessor, the total property taxes for 2021 are \$27,467.70.
- Per the Franklin County Planning Department, the property is located within an Agricultural Production Zone (AP-20) with a minimum parcel size of 20 acres.



IRRIGATION/WATER RIGHTS

- South Columbia Basin Irrigation District (SCBID) serves the included water rights.
- 2021 SCBID allocation cost for the property, as a whole, is \$7,508.25.
- This asset is located in SCBID Block #15 and this block was paid off in 2014.
- West 15 Domestic Community Water System supplies the productions areas, shop and residences.

CURRENT OPERATIONS

- Seller is divesting due to retirement.
- This sale is for the assets only.
- Wine production equipment, farming equipment and inventory may be available for purchase separately.

STRUCTURES INCLUDED

- Glenwood Vineyard and Main Facility:
 - ~ 13,200 +/- square foot winery complex, consisting of retail, production and office space.
 - ~ 9,600 +/- square foot dry goods storage building.
 - ~ 3,360 +/- square foot barrel room.
 - ~ 2,800 +/- square foot equipment shop (attached to the dry goods building).
 - ~ 1950's era home currently occupied by employee.
 - ~ 4,000 +/- square foot shop that is partially converted into living quarters. This building is separate from the winery complex and the Seller is requesting a Buyer consider a life estate allowing Seller to continue living in and using this building post-sale.
- Taylor Flats Vineyard:
 - ~ 1,152 +/- square foot shop/utility building.
 - ~ 1956 era home currently occupied by employee.

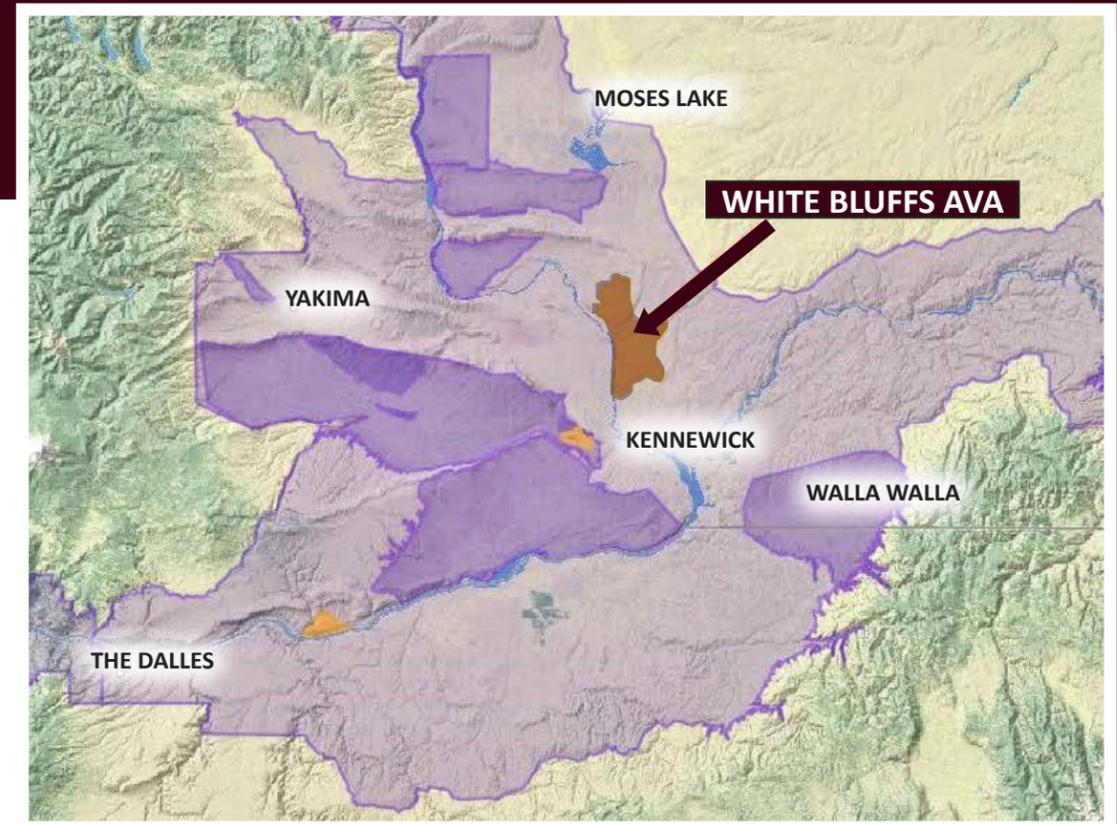


WHITE BLUFFS AVA

Awarded appellation status in 2021, the White Bluffs AVA is the eighteenth federally recognized American Viticultural Area in Washington State and is entirely contained within the Columbia Valley AVA. The appellation lies on a plateau approximately 200 feet above the surrounding area. This unique plateau is said to have remained after the surrounding land was inundated with water and eroded by the Missoula Floods, a series of cataclysmic, ice age events. The additional elevation compared to the surrounding valleys, allows cool air to drain and helps protect against frosts and freezes, therefore extending the growing season by an average of 45 days relative to adjacent, lower lying regions.

The White Bluffs AVA is comprised of approximately 94,000 total acres. Grape vines were first planted in the region in 1972 and there are approximately 1,127 acres currently under vine within this viticultural area. Primary grape varieties include Cabernet Sauvignon, Merlot, and Syrah. Elevations throughout the AVA range from 800 feet to 1,000 feet which protects the vines from the cold air that drains onto the surrounding valley floors. Since vines have been planted in the area, they have never experienced a freeze during the growing season. Average rainfall throughout the AVA ranges from 7 to 8 inches annually.

The parent to White Bluffs, the Columbia Valley AVA rose to prominence when producers in the 1980s and 90s impressed critics with their Merlot and Cabernet Sauvignon wines. Today, nearly 60% of the Columbia Valley AVA's vineyards are dedicated to full-bodied red wine varieties. The success of this region can be attributed to its long, consistent growing season. The micro-climates, heat variations, and different soil types within the greater AVA play a major role in successfully growing different grape varieties.



GEOLOGIC HISTORY OF THE COLUMBIA PLATEAU AND EASTERN WASHINGTON

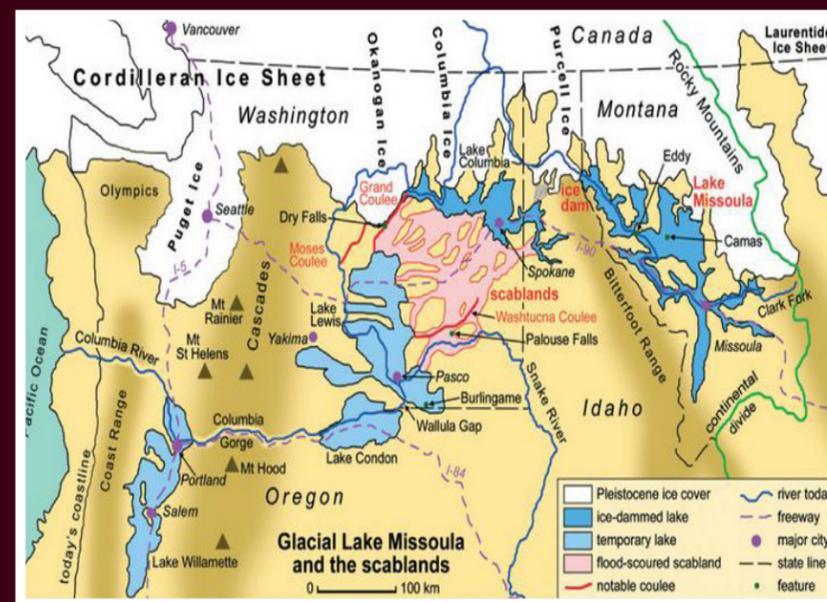
by Dr. Alan Busacca

The Columbia Plateau, sometimes called the Columbia Basin, is the site of one of the largest outpourings of lava that the world has ever seen. These massive flows occurred between 6 million and 16 million years ago and left the region covered in basalt, 6,000 feet deep in some places. There were over 350 individual lava flows that filled in the valleys and upland areas, eventually creating an elevated plain, now known as the Columbia Plateau.

In more recent geologic history, a mere 14,000 to 20,000 years ago, mega floods from glacier-impounded Lake Missoula in western Montana carved out the scablands of eastern Washington. The lake filled with glacial meltwater and sediment, then giant floods broke out through the ice dam dozens of times. The floods roared from western Montana and northern Idaho through the Spokane Valley and flowed southwest through what is now Pasco, WA and from there down the Columbia River canyon past Portland, OR to the sea.

The floodwaters deposited millions, perhaps billions, of tons of gravel, sand and silt in the low-lying areas and billions more tons of sediment were laid down by these same floods in Oregon's Umatilla Basin and again in the Willamette Valley before the floods blasted into the Pacific Ocean.

These sediments from the floods, along with the high areas of sediment that are being reworked by wind in the current 'interglacial' period, form the basis for the tremendous agricultural soils throughout eastern Washington and northeastern Oregon, both in the dryland and irrigated areas.



CLIMATE & SOILS

Named for a steep escarpment located along the eastern shore of the nearby Columbia River, the White Bluffs AVA lies within the established Columbia Valley appellation. Several factors distinguish the 94,000 acres of the White Bluffs area from others close by, including unique topography, climate and soils.

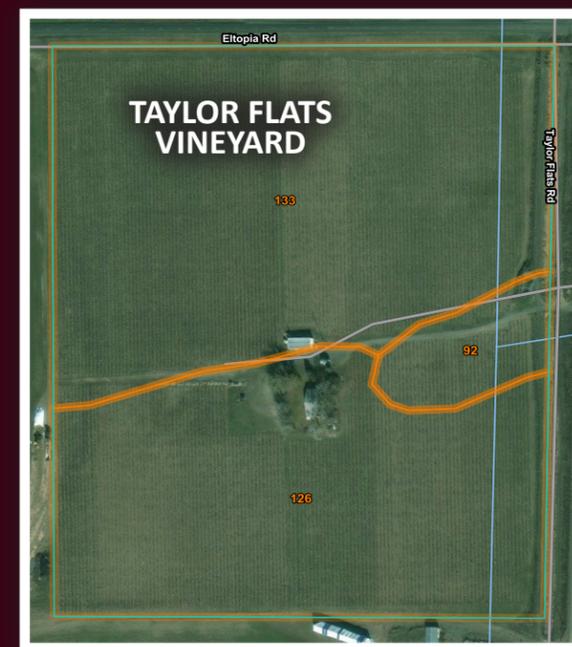
The White Bluffs AVA sits atop an elevated plateau, as much as 200 feet above the surrounding area. As a result, the overall elevation of the region varies between 800 feet and 1,000 feet above sea level. Due to the added elevation, the White Bluffs region is protected from the cold air that settles on the surrounding valley floors. This makes for slightly warmer average temperatures that lead to a longer growing season.

What sets the White Bluffs region apart from others is the Ringold Formation, a layer of ancient lakebed sediment topped by calcium carbonate. This layer contains

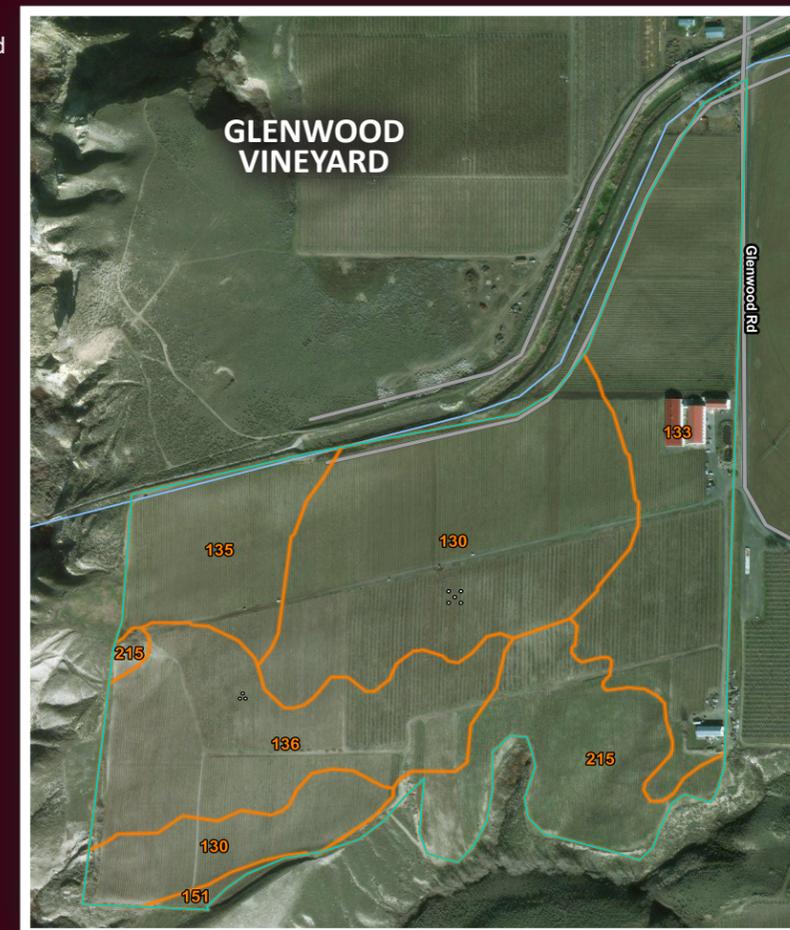
enough clay that the soil retains different proportions of water and minerals, as compared to those of the surrounding areas. The Ringold Formation is deep enough that the roots of the vines planted in the White Bluffs, unlike that of the rest of the Columbia Valley, do not ever reach the basalt bedrock.

This rich combination of topography, climate and soils creates an ideal growing region that could accommodate an owner's unique wine vision.

Map Unit Symbol	Map Unit Name	Acres in AOI	Percent of AOI
130	Royal fine sandy loam, 5 to 10 percent slopes	37.3	33.1%
133	Sagehill very fine sandy loam, 0 to 2 percent slopes	28.6	25.4%
135	Sagehill very fine sandy loam, 5 to 10 percent slopes	10.6	9.4%
136	Sagehill very fine sandy loam, 10 to 15 percent slopes	20.5	18.2%
151	Schlomer silt loam, 15 to 25 percent slopes	0.6	0.6%
215	Wiehl-Schlomer complex, 10 to 35 percent slopes	15.0	13.3%
Totals for Area of Interest		112.6	100.0%



Map Unit Symbol	Map Unit Name	Acres in AOI	Percent of AOI
92	Quincy loamy fine sand, loamy substratum, 0 to 10 percent slopes	1.7	5.4%
126	Royal loamy fine sand, 0 to 10 percent slopes	13.2	41.0%
133	Sagehill very fine sandy loam, 0 to 2 percent slopes	17.2	53.6%
Totals for Area of Interest		32.1	100.0%



	Glenwood Vineyard	Taylor Flats Vineyard
Elevation	735-900 feet	920-925 feet
Soil	Royal loamy fine sand & Sagehill very fine sandy loam	Royal loamy fine sand & Sagehill very fine sandy loam
Slope	0-10% across the property	0-10% across the property
Rainfall	7-8 inches per year	7-8 inches per year
Heat Units	2,529 annual degree-days	2,529 annual degree-days
Wind	Primarily from the Southwest	Primarily from the Southwest

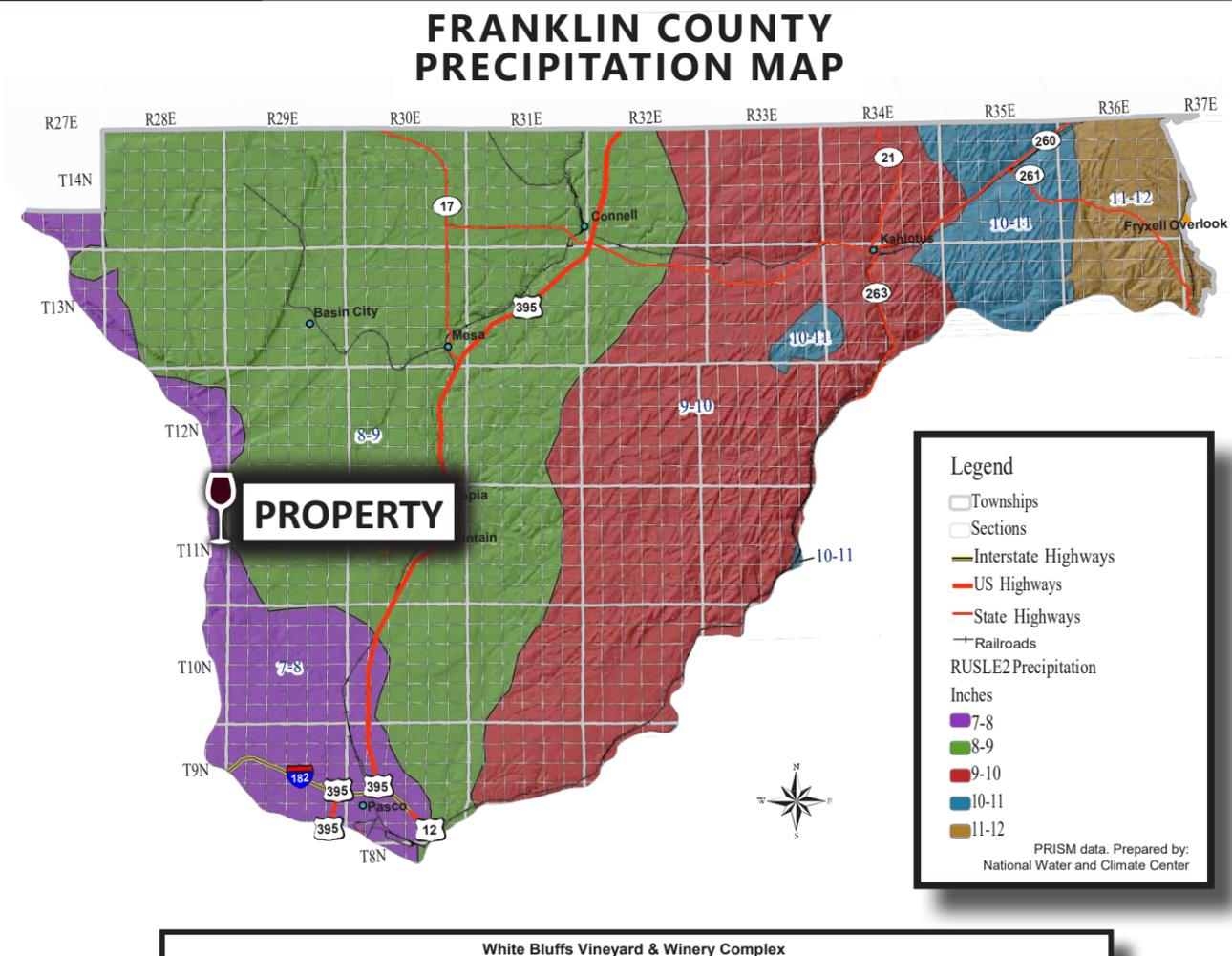
IRRIGATION, WATER & PRECIPITATION

Annual rainfall for this area averages seven to eight inches per year, per the USDA Natural Resources Conservation Service. This limited rainfall is considered by many to be ideal for growing wine grapes since a producer can more easily control a crop's nutrient and pest management programs with a custom irrigation plan.

Irrigation water is provided by the South Columbia Basin Irrigation District to the property. There are five separate allocations across the parcels for a total of 89.0 irrigable acres and 344.1 acre feet. 2021 SCBID allocation cost for the property, as a whole, is \$7,508.25. Historically the Seller has been consolidating the water allocations for use across all acres and with wine grapes typically requiring 1.5 +/- acre feet per year of water, there has been ample volume available. All parcels contained in this asset are located in SCBID Block #15 and this block was paid off in 2014, so it is longer subject to ownership acreage limitations.

An irrigation pond/fire lagoon is located adjacent to the winery complex. This pond is where all irrigation water is consolidated for the Glenwood Vineyard, then pumped through a filter station out to the drip system in the vineyards. In addition, this pond has been used to recycle water from the wine production process to provide additional water supply for irrigation. The Taylor Flats vineyard is directly served by the SCBID from a ditch system adjacent to the vineyard.

Domestic water supply for the facilities and homes are primarily supplied by the West 15 Domestic community water system. In addition, a domestic well is located adjacent to the winery complex and serves the production area with domestic water. The homes, winery offices and tasting room are all served by separate onsite septic systems and the production facilities have a separate gray water drainage system that collects and recycles all production wastewater.



White Bluffs Vineyard & Winery Complex						
Water Rights Summary						
According to South Columbia Basin Irrigation District						
Franklin Co. Parcel #	SCBID Water Allocation #	Vineyard	Irrigable Acres	Acre Feet	2021 Irrigation Assessment	Block Paid Off (Y/N) Year Paid Off
126390110	015-206-002-03100-0	Glenwood	3.00	10.50	\$268.35	Y 2014
126390171	015-206-003-03200-0	Glenwood	2.20	7.70	\$195.29	Y 2014
126390140	015-206-001-03000-0	Glenwood	54.30	197.75	\$4,634.94	Y 2014
			59.50	215.95	\$5,098.58	
123080014	015-094-001-03000-0	Taylor Flats	29.40	127.70	\$2,388.02	Y 2014
123080014	015-208-002-03100-0	Taylor Flats	0.10	0.45	\$21.65	Y 2014
			29.50	128.15	\$2,409.67	
			89.00	344.10	\$7,508.25	

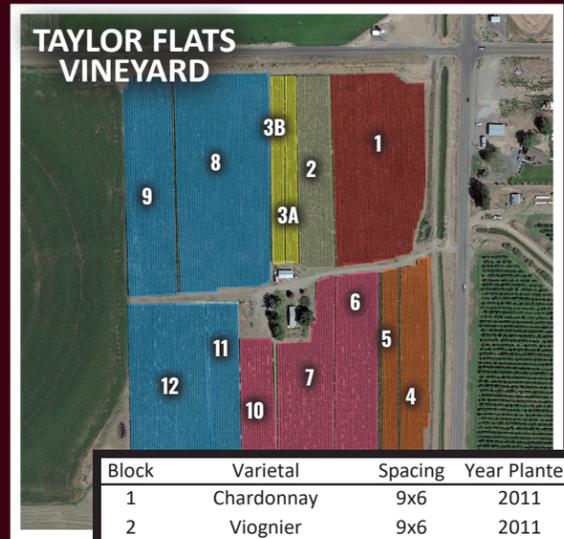
VARIETIES

A number of the vineyards in the White Bluffs have been around for over 40 years, including this vineyard asset that planted its first grapes in 1979. This region has been known by winemakers for a long time, just without a specific, differentiating name until the new AVA was established in June of 2021. Winemakers have noted that the area produces 'classically styled Bordeaux wines that have great complexity.'

The earliest vines in the region were planted in 1972 with notable varieties including Cabernet Sauvignon, Merlot, Syrah, Riesling and Sauvignon Blanc. Although there are only nine commercial vineyards in the White Bluffs AVA currently, nearly one in every ten Washington wineries sources fruit from this specific region.

This asset has a total of 122.1 +/- acres of vineyard currently in production and is comprised of the following grape varieties:

Varietal	Acres
Cabernet Franc	5.40
Cabernet Sauvignon	43.56
Chardonnay	10.60
Merlot	12.99
Petit Verdot	5.00
Pinot Gris	5.80
Riesling	13.80
Sangiovese	3.10
Sauvignon Blanc	2.40
Viognier	1.60
Malbec	5.50
Syrah	12.30
Total	122.05



Block	Varietal	Spacing	Year Planted	Acres
1	Chardonnay	9x6	2011	4.20
2	Viognier	9x6	2011	1.60
3A	Syrah	9x6	2011	0.50
3B	Petit Syrah	9x6	2011	0.60
4	Cabernet Franc	9x6	2011	1.40
5	Cabernet Franc	9x6	2011	1.30
6	Malbec	9x6	2011	2.20
7	Malbec	9x6	2011	2.00
8	Cabernet Sauvignon	9x6	2011	4.47
9	Cabernet Sauvignon	9x6	2011	2.34
10	Malbec	9x6	2011	1.30
11	Cabernet Sauvignon	9x6	2011	1.65
12	Cabernet Sauvignon	9x6	2011	3.30
				26.86

Block	Varietal	Spacing	Year Planted	Acres
1A	Cabernet Sauvignon	10x6	1984	1.00
1B	Cabernet Sauvignon	9x6	1984	1.10
1C	Cabernet Sauvignon	10x6	1984	2.30
2	Sauvignon Blanc	10x6	1984	2.40
4	Merlot	10x6	2000	2.00
5A	Riesling	10x7 & 10x8	1979	8.30
6	Syrah	9x6	2004	8.60
7	Cabernet Sauvignon	8x6	2018	15.30
8	Petit Verdot	8x6	2018	5.00
9	Syrah	9x6	1997	2.60
10	Cabernet Franc	9x6	1997	2.70
11	Sangiovese	9x6	1997	3.10
12	Chardonnay	10x6	1992	6.40
13A*	Cabernet Sauvignon	10x6	1992	5.90
13B*	Cabernet Sauvignon	10x6	1992	5.20
13C	Cabernet Sauvignon	10x6	1992	1.00
14*	Merlot	10x6	1992	10.99
15	Riesling	10x5 & 10x6	2002	5.50
16	Pinot Gris	9x6	2002	5.80
				95.19

*Portion of block is owned by WA DNR



CURRENT OPERATIONS & WINERY COMPLEX

The White Bluffs AVA currently has nine commercial vineyards and one winery. This property is home to the appellation's only currently permitted and bonded winery, therefore increasing the marketing potential for a prospective Buyer.

The Seller is divesting of this asset due to retirement and currently wrapping up operations. Due to this, the sale is for assets of the property only and not for an on-going business. The asking price is for real estate and fixtures of the property only; however, if a Buyer wishes to purchase wine production equipment, farming equipment or current inventory, that will be considered by the Seller.

The winery complex, located at the Glenwood Vineyard, is separated into retail, production and office space. Per the Franklin County Assessor there is 1,350 +/- square feet of retail, tasting and office space, 9,600 +/- square feet of production and bottling, 450 +/- square feet of storage area and 1,800 +/- square feet of laboratory space. Alongside the winery complex is a 9,600 +/- square foot dry goods storage building, which also includes a 2,800 +/- square foot equipment shop, and the 3,360 +/- square foot barrel building.

A 4,000 +/- square foot shop/residential structure is located to the south of the main complex on the Glenwood Vineyard and has 2,880 +/- square feet of the overall space converted into living quarters. The shop portion of the building is fully insulated, but unheated, while the living quarters has a two-zone electric heat pump system that provides heat and air conditioning. The Seller wishes to retain control of this building via a life estate or similar arrangement with a Buyer post-acquisition and to be negotiated.

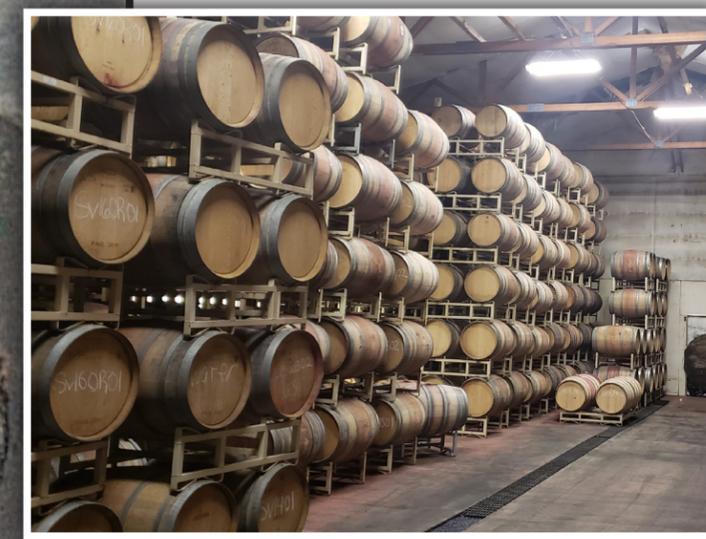
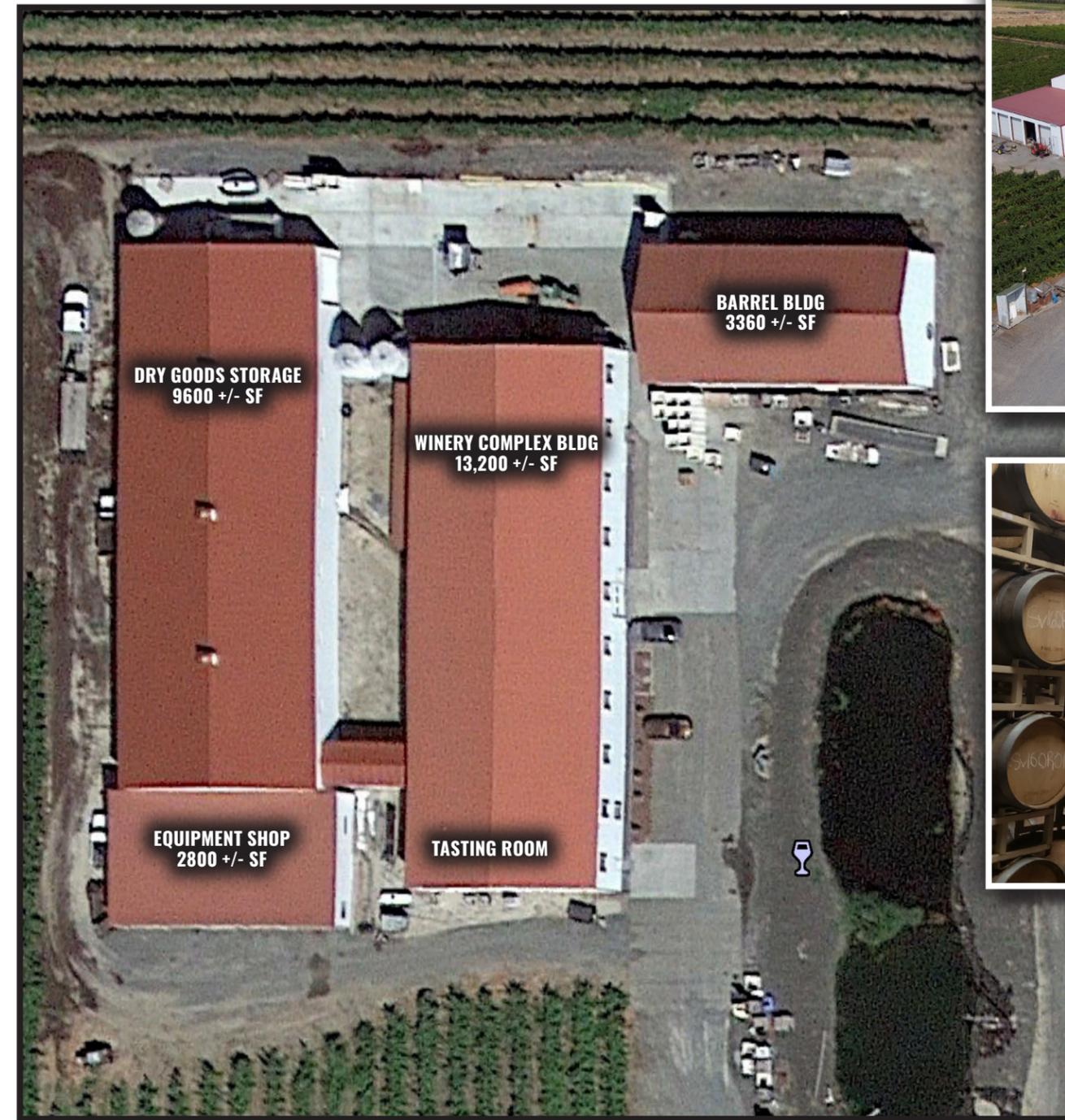
A second shop/utility building, consisting of 1,152 +/- square feet, is located on the Taylor Flats Vineyard. There are also two additional residences, one on each of the vineyards, that are suitable for labor housing.

Every detail throughout the winery complex has been carefully considered as the entire operation, not just the vineyard, meets the Low Input Viticulture and Enology (LIVE) standards. LIVE takes a whole-farm and whole-winery approach to sustainability, thus the entire property must be managed to LIVE standards in order to receive the coveted certification.

The barrel building and dry goods storage building are both temperature and humidity-controlled through ground water and excess heat produced by the glycol tank cooling system. During the summer, ground water is pumped through a vent system which cools the barrel building and the glycol cooling system is used to cool the dry goods storage building. In the winter, excess heat from the cooling system is distributed through the same system. This system results in substantial energy savings versus using a standard heating and cooling system.

The glycol cooling system also uses a variable speed pump which allows the system to cycle on and off based on demand, as opposed to running constantly at full pressure. The current owners have also undergone power management activities, including replacing all of the metal-halide bulb lamps with four T5 high bay lights. In an average year, a T5 high bay light uses half of the power of a metal-halide bulk. Furthermore, all excess water used in the on-site wine production process is recaptured and pumped into the adjacent lagoon for use in the vineyard irrigation system.

Wine production equipment, vineyard farming equipment and current inventory is available for purchase separately, to be negotiated if desired. A full list of current equipment available shall be provided upon request.



WHITE BLUFFS VINEYARD & WINERY COMPLEX

1. Notice. The information provided herein represents the extent of the information available from Seller. Buyer understands this Offering Memorandum contains selected information pertaining to the Property and does not purport to contain all the data a prospective buyer may desire. Buyer agrees to conduct, at their own risk, their own independent inspections, investigations, inquiries, and due diligence concerning the Property to verify the accuracy and completeness of any and all information obtained from this Offering Memorandum. Buyer hereby acknowledges that the Seller, nor any person acting on the Seller's behalf, has made any representations or warranties, expressed or implied, as to the accuracy or completeness of this information or their contents, or the suitability of the information contained herein for any purpose. At any time, this information is subject to, among other things, corrections for errors and omissions, addition or deletion of terms, and/or change of terms. Each potential Buyer shall be liable for any property damage and/or personal injuries (including death) caused by or arising from any such inspection or investigations by them or their agents or consultants. Seller reserves the right to accept or reject any offer, terminate negotiations, withdraw the Property from market without notice, amend the terms, conditions, and negotiate with multiple prospective purchasers concurrently until a definitive, legally binding Real Estate Sale and Purchase Agreement is fully executed by Seller and a Buyer. Seller also reserves the right to accept back up offers until the close of escrow and have the sale of the Property subject to Seller affecting a 1031 tax exchange for suitable property. This information has been obtained from sources believed reliable. Seller, Agribusiness Trading Group, and Peoples Company may supplement, revise, or add property information up to the time the property sells. Potential Buyers should continue to monitor AgTradeGroup.com to ensure Buyer is aware of the most up-to-date information.

2. Cash at closing unless otherwise negotiated.

3. Offer Submittal. Offers for the Property shall be submitted to AgriBusiness Trading Group's office, at the address below.

Adam Woiblet
AgriBusiness Trading Group
109 W Poplar Street
Walla Walla, WA 99362
509.520.6117
Adam@AgTradeGroup.com

4. Equipment and Inventory Availability. All winery and farm equipment, not considered a fixture of the property, and any inventory current at time of sale, is available for purchase separately, to be negotiated if desired. A full list of current equipment used in the operation shall be provided upon request.

5. Lease. The sale of the Property is subject to a lease being negotiated with the Washington State Department of Natural Resources for approximately 8.0 acres of land that has Seller owned vines planted on them.

6. Survey. The Property is being offered as 141.40 +/- deeded acres plus approximately 8.0 +/- DNR owned acres. A survey of the Property will not be completed by the Seller prior to Close. If a potential Buyer desires to obtain a survey, it will be at the Buyer's sole expense.

7. Current Use Status. If the Property is in a Current Use Status, Buyer will continue the Current Use Status after Closing. If Buyer elects to discontinue the Current Use Status, Buyer will be responsible for any resulting taxes, penalties, and interest associated therewith.

8. Governing Law. The Real Estate Sale and Purchase Agreement to be executed by Seller and Buyer shall be governed by and constructed in accordance with the laws of the State of Washington.

9. Disclaimer. All information contained herein, and all related materials, are subject to the Terms and Conditions outlined in a future Real Estate Sale and Purchase Agreement to be negotiated between the Seller and a Buyer. Buyer acknowledges, and represents and warrants to Seller, that Buyer has assessed, or has had the opportunity to assess, the size, configuration, utility service, environmentally sensitive areas, means of access, permitted uses, status of title (including, but not limited to, all easements, rights of way, covenants, conditions and restrictions, reservation of rights, and other encumbrances and restrictions affecting the Real Property or any portion thereof), value, condition (including, but not limited to, the physical and environmental condition of the Real Property), water rights, irrigation and water systems, and all other material aspects of the Real Property and Personal Property, and Buyer is not relying on, nor has Buyer been influenced by, any statement or representation or warranty of the Real Property and Personal Property and the satisfaction or waiver of all Buyer's conditions to closing will be evidenced solely by the Closing of this transaction and without any other act or confirmation by Buyer. Seller hereby disclaims any and all warranties of habitability, merchantability, and fitness for particular purpose, expressed or implied. Buyer is acquiring the Real Property and Personal Property "AS IS, WHERE IS" in its current condition existing as of the Closing Date, without any representation, warranty, promise, covenant, agreement or guaranty of any kind or nature whatsoever by the Seller, whether expressed or implied, oral or written, past, present or future, of, as, to or concerning any aspect of the Real Property or Personal Property.

Thank you in advance for your consideration of the White Bluffs Vineyard & Winery Complex. If you have questions, please contact:

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