

OFFERING MEMORANDUM

M & M VINEYARD

11451 WEST ROAD
POTTER VALLEY, CALIFORNIA



\$2,800,000

***148± ACRES OF MATURE CHARDONNAY VINEYARD ~ IN WILLIAMSON ACT.
EXCELLENT WATER ~ GRAPES CONTRACTED TO WELL-KNOWN WINERIES.
PROFESSIONALLY FARMED BY WELCH VINEYARD MANAGMENT.***

Offered by:
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M & M VINEYARD

SALIENT FACTS

PROPERTY NAME: M & M Vineyard

OWNER

ADDRESS 11451 West Road

CITY: Potter Valley

COUNTY: Mendocino

STATE: California

PRICE: \$2,800,000

ASSESSOR'S PARCEL NUMBERS:

175-140-08-01	108.00 Acres
175-110-04-01	27.00 Acres
175-140-09-01	<u>32.25 Acres</u>

167.25 Acres

APPELLATION: Potter Valley

TOTAL ACREAGE: 167.25

PLANTED VINEYARD ACREAGE: 148.00 ±

PRODUCING VINEYARD ACREAGE: 148.00 ±

NON BEARING VINEYARD ACREAGE: 0

WATER SOURCES: Russian River
Potter Valley Irrigation District

M & M VINEYARD

SALIENT FACTS

VINEYARD DATA:

BLOCK	VARIETY	CLONE	ROOTSTOCK	SPACING	TOTAL ACRES
92	Chardonnay	4	5c, St. George	Various 6x6, 6x8, 8x12 Quad	56.6
93	Chardonnay	4	3309, 5C	6x7	43.8
94 West	Chardonnay	17	101-14	6x6	22.0
94 East	Chardonnay	4, 17	5C, 1103, 101-14	6x8 6x6	25.6
TOTAL					147.8

Existing grape contract is for 500 tons for years 2011, 2012 and 2013. Balance sold to other wineries in spot market. Through all years of partnership ownership, all grapes have been sold.

WATER DATA:

Property has riparian rights to Russian River and access to local irrigation district water.

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CROP HISTORY

Location: Potter Valley

YEAR	TONNAGE	TONS/ACRE	INCOME	AVG. \$/TON	
2010	687	4.65	\$731,000	\$1,064	
2009	661	4.48	\$755,000	\$1,1141	
2008	543	3.68	\$612,000	\$1,127	
2007	499	3.37	\$518,000	\$1,039	
2006	783	5.30	\$898,000	\$1,147	
2005	785	5.31	\$890,000	\$1,134	
2004	440	2.98	\$451,000	\$1,025	
2003	664	4.49	\$741,000	\$1,116	
2002	643	4.35	\$601,000	\$ 935	
2001	342	2.31	\$491,000	\$1,436	
2000	495	3.35	\$828,000	\$1,673	
1999	353	2.39	\$587,000	\$1,663	
1998	438	2.96	\$719,000	\$1,642	
1997	271	1.83	\$420,000	\$1,550	106.6 acres only planted
1996	339	2.29	\$437,000	\$1,289	106.6 acres only planted

SNAPSHOT		BLOCK 92	BLOCK 93	BLOCK 94	TOTAL	ANNUAL PRODUCTION HANDICAPS
	ACREAGE	56.6	43.6	47.6	147.8	
'09	Tons	241.88	272.49	147.05	661.42	'09 None
	Tons/Acre	4.27	6.25	3.09	4.48	
'08	Tons	184.22	174.89	184.09	543.20	'08 Blk. 93 Merlot t-bud to Chard. 5 Ac.
	Tons/Acre	3.25	4.01	3.87	3.68	
'07	Tons	141.31	194.60	162.70	498.61	'07 Blk. 94 Wente 2 years old;
	Tons/Acre	2.50	4.46	3.42	3.37	0 tons-8.5 Ac.
'06	Tons	276.02	298.74	208.10	782.86	'06: Blk 94: 8.5 acres 1 year old
	Tons/Acre	4.88	6.85	4.37	5.30	
'05	Tons	322.43	272.09	190.00	784.52	'05: Blk. 94 pulled out, replanted 8.5 Ac.
	Tons/Acre	5.70	6.24	3.99	5.31	Blk. 92 Pinot t-bud to Chard 7 Ac.
'04	Tons	192.02	157.74	90.88	440.64	'04: Merlot production low
	Tons/Acre	3.39	3.62	1.91	2.98	
'03	Tons	285.21	207.66	172.05	664.92	'03: Blk. 93 Merlot production low Blk. 94 pulled & replanted 24 Ac.

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2010 ESTIMATED TONNAGE & REVENUE

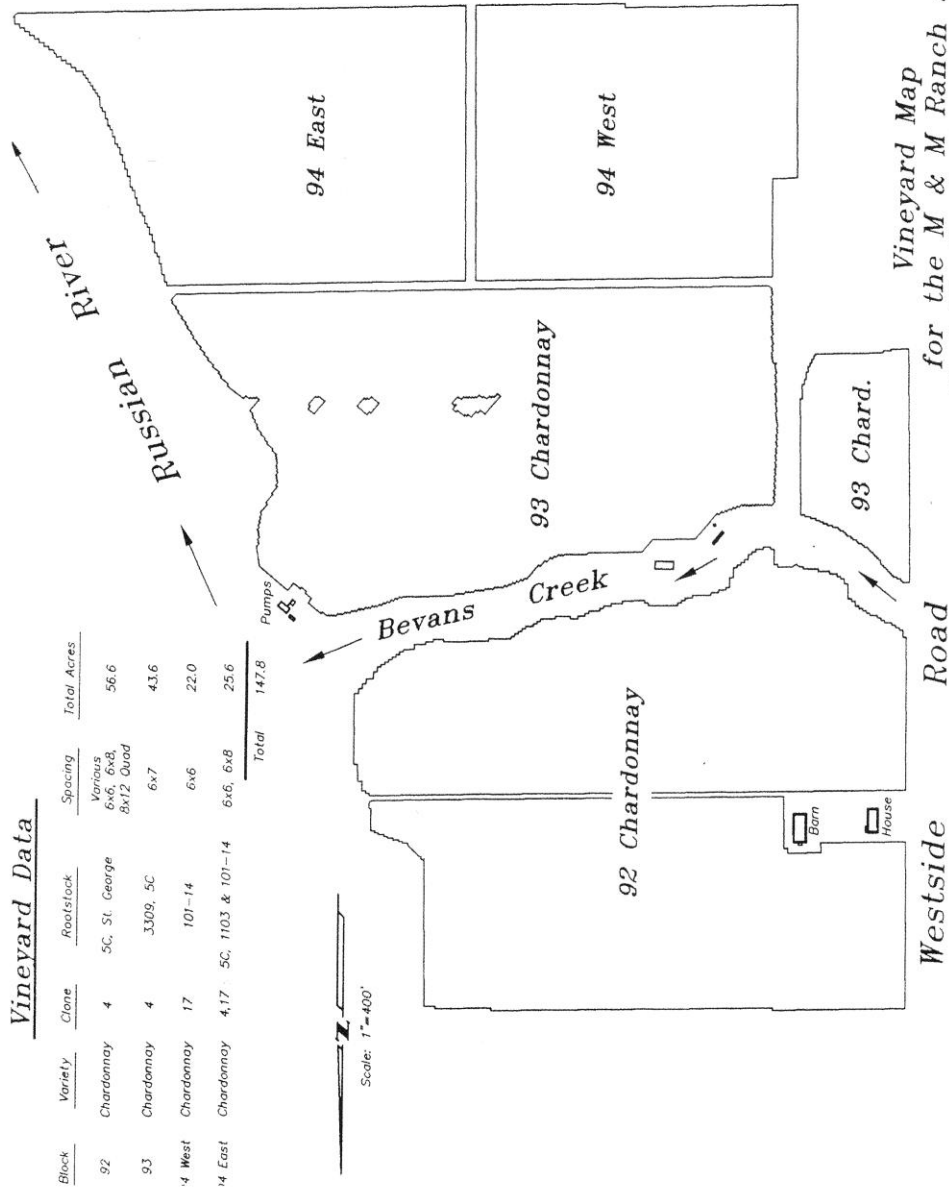
DESCRIPTION	ACRES	VINES/ ACRE	TOTAL TONS	TONS/ ACRE	PRICE/ TON	REVENUE
Blk. 92 Chardonnay K.J.		1059	382.61	#DIV/01	\$1,100	\$ 420,871
Blk. 93 Clos du Bois		1037	246.00	#DIV/01	\$ 950	\$ 233,700
Mumm		1210	37.00	#DIV/01	\$1,300	\$ 48,100
		1210		#DIV/01	\$1,100	\$ 0
					\$1,100	\$ 0
Navarro			22.00	#DIV/01	\$1,300	\$ 28,600
TOTALS FOR M & M VINEYARDS	147.5		687.61	4.66	\$1,063.50	\$ 731,271

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ACTUAL EXPENSES 2009

DESCRIPTION	\$ AMOUNT
CROP THINNING	1,559
CULTIVATION	21,300
DISEASE CONTROL	21,981
FROST CONTROL	23,324
HARVEST	187,439
HEDGING	
IRRIGATION OPERATIONS	17,976
LEAF REMOVAL	11,239
MOVE WIRE/SHOOT POSITIONING	15,324
PEST CONTROL	868
PRUNING	68,992
REPLANTING	
SHOOT REMOVAL	7,461
SUCKERING	13,023
TRAINING AND TYING	
WEED CONTROL	13,331
GENERAL AND ADMINISTRATIVE	22,470
GENERAL FARMING	8,629
MARKETING	2,017
MANAGEMENT FEE	52,200
BANK CHARGES	543
PROFESSIONAL FEES	6,497
LLC FEE	2,500
LOAN FEE WRITE-OFF	5,000
TOTAL ACTUAL EXPENSES 2009	\$503,695

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Vineyard Data

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Vineyard Map
for the M & M Ranch at
Westside Road, Potter Valley

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V&E

Properties

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The information contained herein has either been given to us by the owner of the property or obtained from sources that we have deemed reliable. We have no reason to doubt its accuracy; however, we do not guarantee it. The prospective buyer should carefully verify the enclosed items of income and expense and all other information contained herein.

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