



Vineyard Properties

OFFERED BY: PAUL W. SPITLER

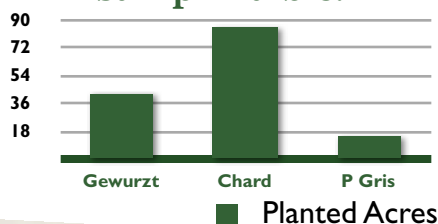
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*Grasso Ranch
Potter Valley, CA*

Grasso Ranch, Potter Valley, CA

**Presenting this 242
acre vineyard, 140.3
acres planted with 62
still plantable!**



VINEYARD OVERVIEW

Summary	242 total acres, including 140.3 acres of vineyard planted to Pinot Gris, Chardonnay, and Gewurztraminer with contracts available on all of the ranch. Excellent water including 3 ponds & pump houses, 4 domestic wells and river frontage.
Location	10400 East Rd., Potter Valley, CA 95469 (main entrance)
Land	242 total acres
Vineyard	140.3 total acres planted in vines. Seller is willing to enter into a vineyard management contract on the ranch.
Appellation	Potter Valley
Buildings	The structural improvements include 2 homes, 1 studio, 1 pole barn/shop and 3 pump stations.
Water	3 ponds, 4 domestic wells and riparian rights. All parcels are in the Potter Valley Irrigation District. Water costs are appx. \$8.50/acre foot. Water rights are available for the entire property.
Zoning	Agriculture (40 acre minimum)

Nestled in the heart of
Potter Valley in
Mendocino County
**Offered at:
\$5,500,000**



PO Box 25
Calistoga, CA 94515
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Over 30 Years
of experience successfully representing buyers &
sellers in the Northern California wine country.



Grasso Ranch Potter Valley, CA

Nestled in the heart of the Potter Valley in Mendocino County, Grasso Ranch is a spectacular 242 acre property. Composed of six (6) separate legal parcels, the property boasts approximately 179 acres of planted vineyard and another 65 acres plantable. The property is segmented into six (6) separate Areas (B-G). The Russian River forges the westerly boundary of Areas C, D & E and the easterly boundary of Areas F & G. The property has access from both East Road (Areas B, C, D & E) and West Road (Areas F & G). The specifics of each Area are summarized below with details by Area on pages 6-13 of this brochure. **Note: Area F with Parcel 5 has been sold.**



5 Legal Parcels Still Available

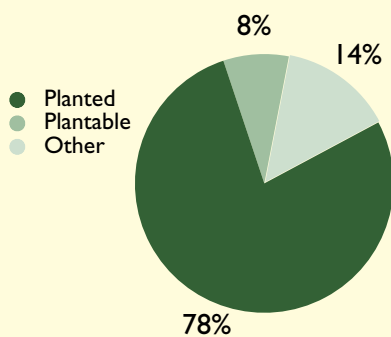
Total 242 Available



APN	ACRES	LEGAL PARCELS
175-190-16	1	Parcel 1
175-190-15	36	Parcel 2
175-200-03	71	Parcel 3
175-210-02	46	Parcel 4
Sold	NA	Parcel 5
175-260-01	45	Parcel 6
175-260-03	23	Parcel 6
175-270-08	13	Parcel 6
176-230-29	7	Parcel 6

VARIETAL	PLANTED ACRES
Chardonnay	87.4
Gewurztraminer	43
Sauvignon Blanc (Vineyard removed 2010)	n/a
Pinot Gris	10
Total	140.3

AREAS W/STURCTURES	HOME	SHOP
B	1	
C	1	
D		1



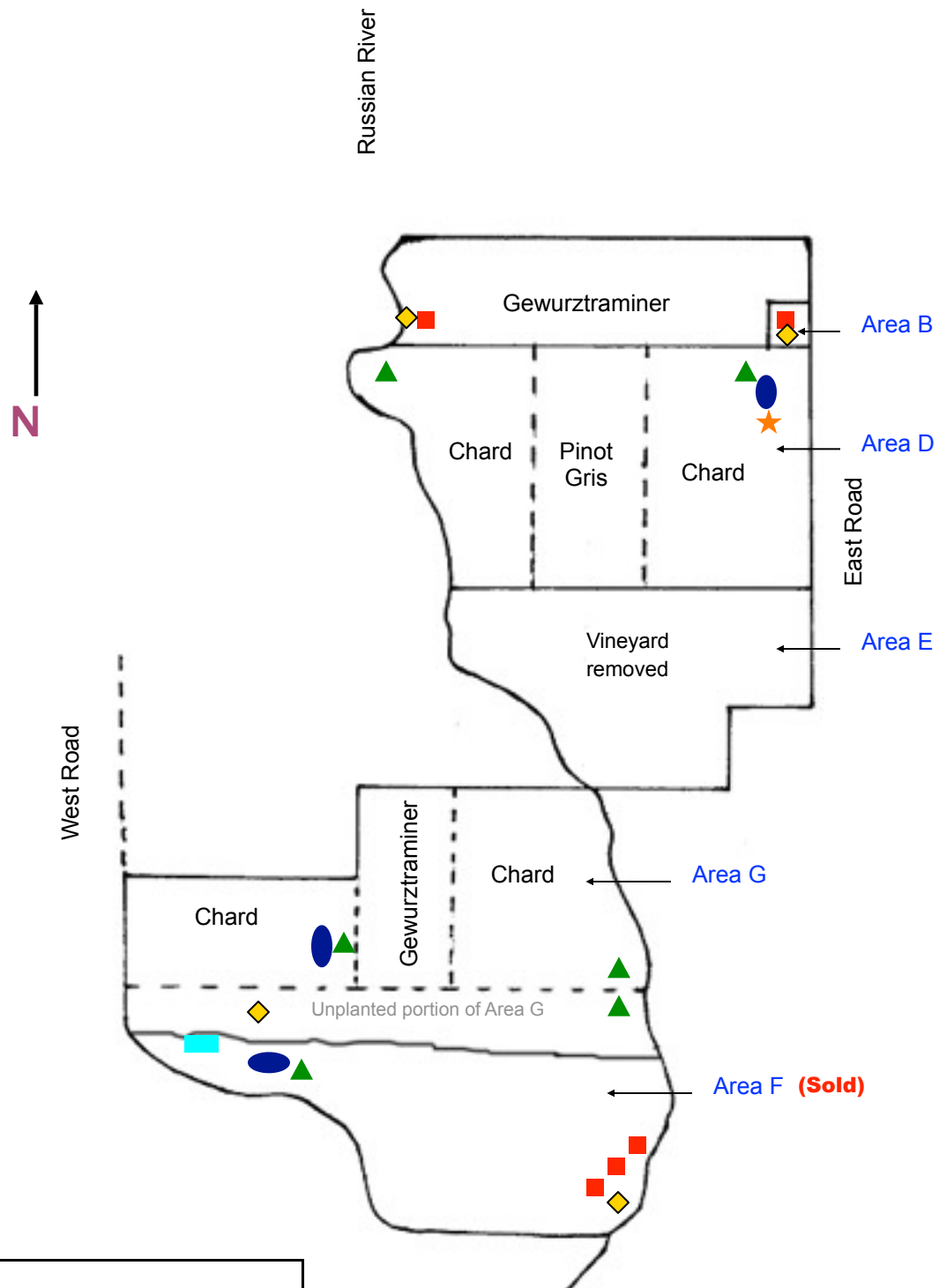
The vineyard is planted in Chardonnay, Gewurztraminer, Sauvignon Blanc and Pinot Gris as detailed above.







There are two homes, and a barn/shop on the subject property..

Acreege Breakdown

AREA	ACRES	PLANTED ACRES	PLANTABLE	OTHER
B	1	n/a	n/a	1
C	36	29	n/a	7
D	71	55	n/a	16
E	46	0	42	4
G	88	56.4	19.8	13
Total	242	140.3	61.8	41

Grasso Ranch Property Layout



KEY	
	Pond
	Pump Station/River Pump
	House
	Barn/Shop
	Labor Camp
	Well

Area B

10540 East Road
Potter Valley

Grasso Ranch: One acre parcel located on East Road at south east corner of Area C with mobile home (currently rented) and small outbuildings.

SUMMARY

Size:	Approximately 1 acre in size.
Water:	In Potter Valley Irrigation District. Served by domestic well.
Pond(s):	None
Structures:	Mobile Home (currently rented) and small outbuildings.
Vineyard:	None
Spacing:	N/A
Vines:	N/A
Root Stock:	N/A
APN:	175-190-16



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V&E Properties offers both **Brokerage and Consulting Services to its clients.** Having managed vineyards, wineries and acted as lenders in the wine business, we are uniquely prepared to assist our clients.



Area C

10510 East Road
Potter Valley

Home/Managers residence:

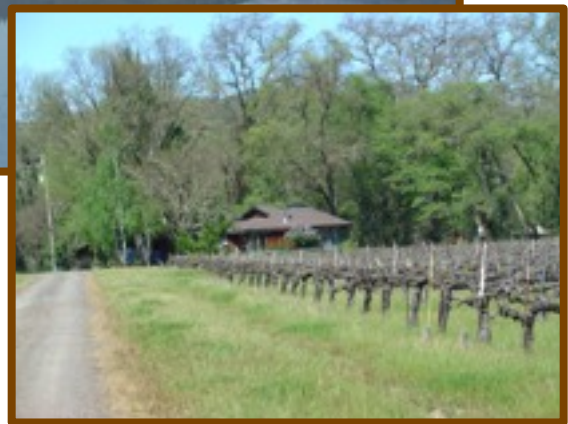
Located in a secluded tree-lined area adjacent to the banks of the East Fork of the Russian River, the twin 28 foot diameter structures are connected by an entrance hall and kitchen with decking on the north and south sides. The Yurt was designed by "California Yurts" and was custom finished by the owner. The construction, completed in 1980 with additions in 1984, features open beam ceilings with central skylights, wood interior/exterior and floor coverings of carpet and vinyl. The kitchen and laundry facilities are all electric. Interior climate control is provided by a fireplace.

The living room/dining room pod is separated from the bedroom, office and bath pod by the large kitchen, an entrance hall, breakfast area and two redwood decks, of which the deck adjacent to the kitchen extends beyond the mid point of each pod. The roof is composition. Adjacent to the home is a 20' by 22' concrete parking slab currently used for parking. The slab lends itself to completion into a carport.



SUMMARY

Size:	Approximately 36 acre in size.
Water:	In Potter Valley Irrigation District. Served by the irrigation and frost protection system. Domestic well serves home in Area C as well as all domestic water needs in Area D & E.
Pond(s):	None
Structures:	1800 sq ft, 1 Bdrm, 1 Bath modular home w/440 sq ft concrete parking slab. Home is currently rented.
Vineyard:	29.31 acres Planted to Gewurztraminer vines in 1981.
Spacing:	Vine spacing is 8 x 11 and 12 gauge high tensile wire and fence-quality anchor stakes with cemented end posts.
Vines:	
Root Stock:	Root stock is AXR-1 grafted to Clone
APN:	175-190-15



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Area D

10400 East Road
Potter Valley

Multi-use Pole Barn: The multi-use 60' by 20' pole barn contains a 12' by 18' office, also a 12' by 18' future location for office expansion above the main floor of the structure. Below the office is a 12' by 20' parts storage shop and 12' by 16' bathroom with shower. The remaining 1000 feet of floor area houses a full shop, storage of equipment and supplies. This area is the hub of management, equipment maintenance and storage. Attached to the structure on the north and south are 10' by 60' concrete slab covered equipment storage rooms. Through a sliding door, covered decking of 18' by 12' attached to the loft office, allows access to the parking area without traversing the interior of the structure and provides an area for visual inspection of vineyard operations. The structure is wood frame construction with cement flooring, metal roofing and siding and composition roof. The office is fully insulated.

Pump house: The pump house shelters five pumps and motors. The structure, 18' by 48' in size, features wood frame construction, concrete floors, wood exterior and shake roof. A 1,100 gallon propane storage tank is positioned directly outdoors.

19 acre foot pond & Recharge pump station: The 19 acre-foot reservoir, multi-purpose structure, pumping facility and recharge pump are located on this area.

SUMMARY

Size:	Approximately 71.6 acres in size.
Water:	In Potter Valley Irrigation District. Served by the irrigation and frost protection system.
Pond(s):	19 acre-foot reservoir. River pump supplies pond.
Structures:	Multi-purpose Pole Barn (1750 sq ft), pumping house facility (864 sq ft) and recharge pump.
Vineyard:	45 acres planted to Chardonnay, 10 acres planted to Pinot Gris in 1980
Spacing:	Vine spacing is 8 x 11 and 12 gauge high tensile wire and fence-quality anchor stakes with cemented end posts.
Vines:	Vines are 493 per acre with a vine count of 29,976.
Root Stock:	Root stock is AXR-1 grafted to a Wente clone
APN:	175-200-03



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Area E

10210 East Road
Potter Valley

Water Overview

Potter Valley Irrigation

District: The entire property lies within the Potter Valley Irrigation District. Water is available for delivery seasonally for irrigation or frost protection.

Irrigation water is available from the district canals to recharge the 19 acre foot reservoir located on Area D, the 23 acre foot reservoir located on Area F and the 20 acre foot reservoir on Area G.

Water Rights: The East Fork of the Russian River bisects this property. Water rights are available for the entire property. There is appropriation of Water Rights as owners of land. The river runs through and along property lines. This is called a natural use benefit.

There are two use permits: one license 9506, application 23338, March 6, 1974, the second License 9397, Application 17881. April 2, 1974. One license is for the East Road parcels the other is for the West Road parcels.

Application for increased use license is possible for future development. Potter Valley has priority water use over all down stream claims. The water cannot be stored nor sold, but used. This is unique to this area. Water is pumped from the Russian River into the 19 acre foot reservoir (Area D), into the 23 acre foot reservoir (Area F) and the 20 acre foot reservoir (Area G).

SUMMARY

Size:	Approximately 46.83 acres in size.
Water:	In Potter Valley Irrigation District. Served by the irrigation and frost protection system.
Pond(s):	None
Structures:	None
Vineyard:	Vineyard removed 2010
Spacing:	n/a
Vines:	n/a
Root Stock:	n/a
APN:	175-210-02



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Area G

9775 West Road
Potter Valley

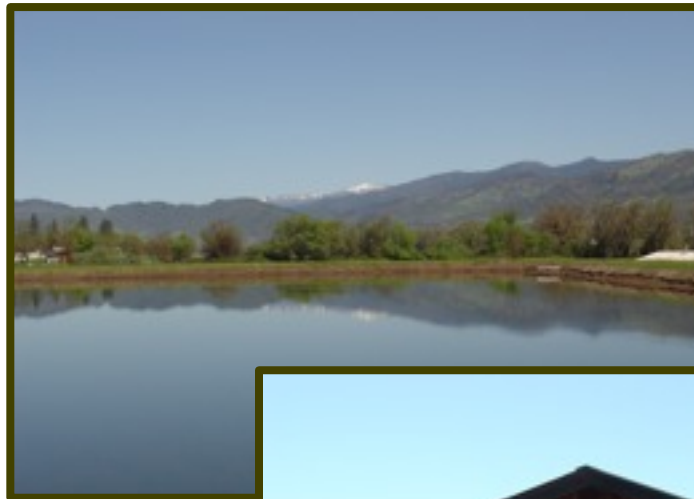
Vineyard: was planted to Chardonnay (42.4 acres) and Gewürztraminer (13.6 acres) in 1997. An additional 62 acres are plantable. There is a 20 acre ft pond on the parcel along with a pumping station and a river pump that supplies the pond.

Pump house: The 18' by 48' pump house is accessible from West Road completing the auxiliary agricultural facilities. The pump house is wood frame construction with redwood exterior, metal roof and concrete slab floor. Adjacent to the pump house is a 550 gallon capacity diesel fuel tank.



SUMMARY

Size:	Approximately 89 acres in size.
Water:	Served by the Potter Valley Irrigation District with an inlet in the northwest corner. Domestic well which is not currently being used.
Pond(s):	20 acre foot pond. River pump supplies pond.
Structures:	Pumping Station
Vineyard:	56 acres Planted to 42.4 acres of Chardonnay & 13.6 acres of Gewürztraminer in 1997; additional 62 acres plantable
Spacing:	Vine spacing is 8 x 10 and 12 & 14 gauge high tensile wire and well casing end posts.
Vines:	Vines are 544 per acre with a vine count of 30,464. Misses are virtually non-existent.
Root Stock:	Root stock is 5C
APN:	175-260-01; 176-240-03; 175-270-08; 176-230-29



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Water

Potter Valley Irrigation

District: The entire property lies within the Potter Valley Irrigation District. Water is available for delivery seasonally for irrigation or frost protection.

Irrigation water is available from the district canals to recharge the 19 acre foot reservoir located on Area D, the 23 acre foot reservoir located on Area F and the 20 acre foot reservoir on Area G.

Water Rights: The East Fork of the Russian River bisects this property. Water rights are available for the entire property. There is appropriation of Water Rights as owners of land. The river runs through and along property lines. This is called a natural use benefit.

There are two use permits: one license 9506, application 23338, March 6, 1974, the second License 9397, Application 17881. April 2, 1974. One license is for the East Road parcels the other is for the West Road parcels.

Application for increased use license is possible for future development. Potter Valley has priority water use over all down stream claims. The water cannot be stored nor sold, but used. This is unique to this area.

Water is pumped from the Russian River into the 19 acre foot reservoir (Area D), into the 23 acre foot reservoir (Area F) and the 20 acre foot reservoir (Area G).

There is water in the river year round. Complete information on the Water Rights is available from the owner. This information is supplied by California Water Resources Control Board.

Irrigation and Frost Protection Systems



All irrigation and frost protection system is entirely serviced via the three ponds. There are three locations and systems for the irrigation and frost protection. The first system is located in Area D and services irrigation & frost protection for Areas C, D & E. The second system is located in Area F and services irrigation & frost protection for Area F. The third and final system is located in Area G and services irrigation & frost protection for Area F.

AREA D

The system in Area D contains 5 propane motors, 5 Berkeley pumps, and flow-through filters. There is one electric low head pump located in the river. The station capacity is 10,000 gpm in conjunction with the 19 acre foot reservoir and river recharge. All sprinklers are overhead solid set, with a spacing of 44' by 32'. Pumps serve both irrigation & frost protection.

AREA G

The frost protection system in Area G consists of 2 Cummins 8.3L diesel motors and 2 Cornell pumps rated at 3,500 gpm each with flow-through filters. The irrigation system consists of a 3.0L Deutz diesel motor, 1 Cornell pump rated at 600 gpm and an Arkal automatic flushing disc filter. There is one electric low head pump located in the river. All sprinklers are overhead solid set for frost, with a spacing of 48' by 40'. Area G is serviced by drip irrigation.



The entire property lies within the Potter Valley Irrigation District. Water is available for delivery seasonally for irrigation or frost protection.

Domestic Wells

Area B The existing well is for domestic purposes only.

Area D The existing well depth is 60 feet encased with plastic casing. Water is drawn by a submersible pump. Water quality is good. A well drillers report is available. This well provides ample potable water for use in the manager's home, office

area, lavatory/shower facilities, and the drip line along East Road.

Area G: There is an existing well at a depth of 50 feet, encased with a 2 foot cement pipe casing. This well is not currently being used.



Grasso Ranch Vineyard Details

APN / AREA	ACREAGE	PLANTED	VARIETAL	SPACING	ROOT-STOCK	PLANTED/ GRAFTED	CLONE	RESERVOIR
175-190-16 / B	1	n/a	n/a					
175-190-15 / C	36	29.31	Gewvertz	8 x 11	AXR - 1	1981	Clone 1	19 acre ft
175-200-03 / D	71	45.00	Chard	8 x 11	AXR - 1	1980	Wente Clone	
175-200-03 / D	incl.	10.00	Pinot Gris	8 x 11	AXR - 1	2002	152	
175-200-02 / E	46	Vineyard removed 2010	n/a	n/a	n/a	n/a	n/a	
175-260-01 / G	45	42.40	Chard	8 x 10	5C	1997	Clone 4	20 acre ft
176-240-03 / G	23	13.60	Gewvertz	8 x 10	5C	1997	Clone 1	
175-270-08 / G	13	incl.						
176-230-29 / G		incl.						
Totals	242	140.3						

APN / AREA	PLANTED	VARIETAL	2011		2010		2009		2008	
			TONS	PER/ ACRE	TONS	PER/ ACRE	TONS	PER/ ACRE	TONS	PER/ ACRE
175-190-16 / B	n/a	n/a								
175-190-15 / C	29.31	Gewvertz	116.51	3.98	150.22	5.13	153.10	5.10	153.08	5.10
175-200-03 / D	45.00	Chard	59.54	1.50	208.14	5.26	165.32	3.67	187.40	4.16
175-200-03 / D	10.00	Pinot Gris ○	73.99	4.93	74.06	4.94	80.93	8.10	68.81	4.59
175-200-02 / E	n/a	Sauv Blanc ◇		OPEN GROUND			254.00	6.68	288.14	6.86
175-260-01 / G	42.40	Chard	263.18	6.21	356.90	8.42	264.52	6.24	185.61	4.88
176-240-03 / G	13.60	Gewvertz	84.73	6.23	90.17	6.63	101.85	7.50	97.07	7.14
175-270-08 / G	incl.									
176-230-29 / G	incl.									
Totals	140.30		597.95	4.57	879.49	6.08	1,019.72	6.22	980.11	5.46

○ 15 acres grafted to Pinot Gris in 2002 ◇ Only 30 acres harvested in 2005, tons per acre was actually 5.52

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Potter Valley AVA

Located 12 miles northeast of Ukiah, Mendocino's county seat, and directly east and uphill of Redwood Valley, Potter is a higher-elevation valley, about 1,000 feet above sea level. Potter Valley is a lightly populated and somewhat remote region, 30 miles inland from the Pacific Ocean, at the headwaters of the Russian River's East Fork. Great day-night temperature variations separate Potter Valley from other growing areas in Mendocino. Mid-day in this inland valley can be truly hot, but nighttime temperatures plummet. Under such conditions, varieties like Sauvignon Blanc, Chardonnay, Riesling and, increasingly, Pinot Noir flourish, developing strong but refined character. An added bonus of the Potter Valley -- resulting from the very high water table of the Eel River watershed -- is a desirable proneness to botrytis in certain vintages. This has drawn international attention to this appellation for its outstanding, albeit intermittent, botrytis Semillon and Riesling production. In addition, Sauvignon Blanc, Chardonnay, Gewürztraminer and Riesling grapes from Potter Valley have developed strong reputations. Potter Valley was established as a BATF Approved Viticultural Area in 1983.

Note: Information courtesy of Mendocino Winegrowers Association

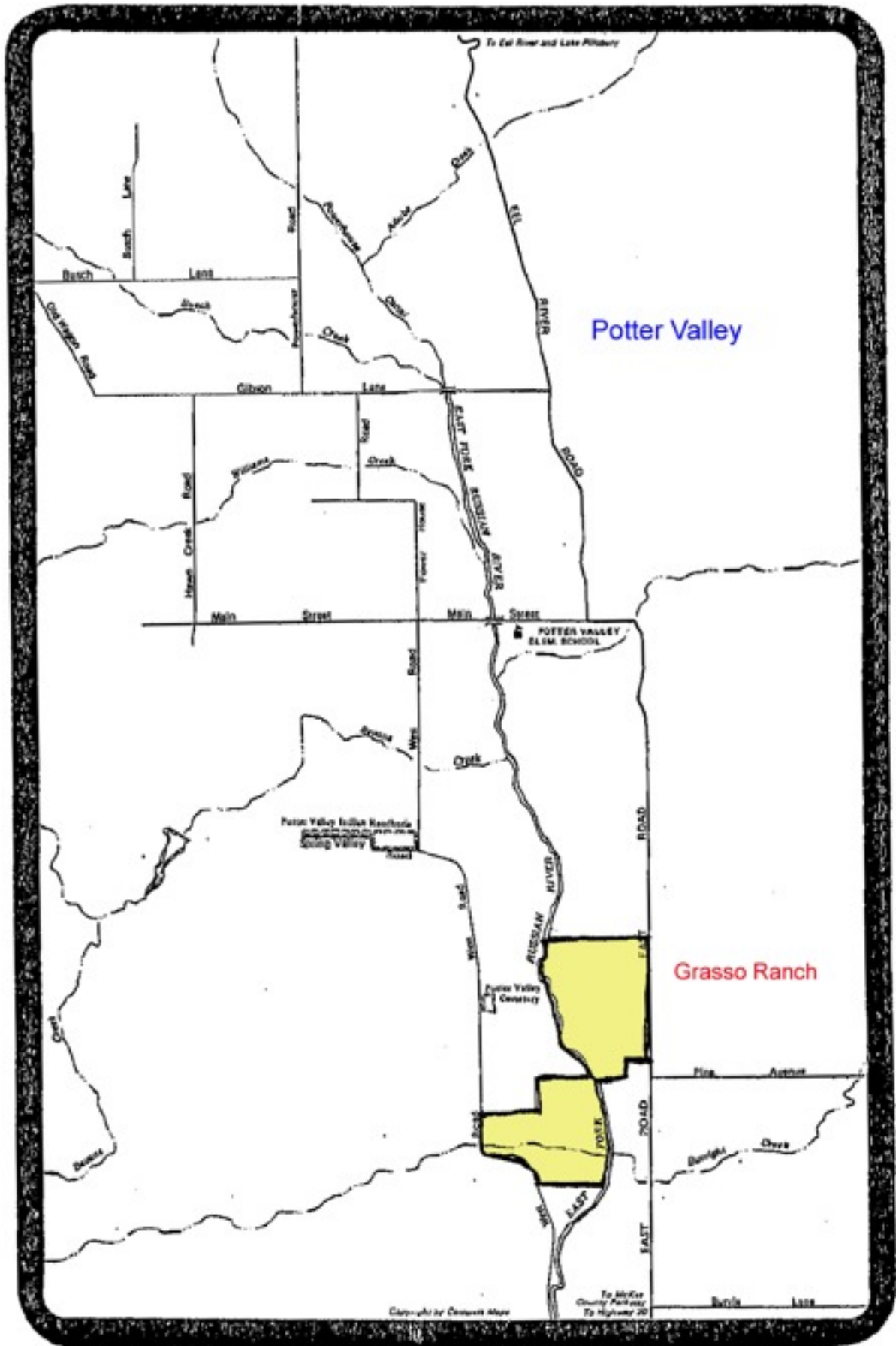
Mendocino Count Map & AVA

courtesy of Mendocino Winegrowers Association



Summary

VARIETAL	ACRES	2011		2010		2009		2008	
		TONS	PER/ACRE	TONS	PER/ACRE	TONS	PER/ACRE	TONS	PER/ACRE
Gewvertz	42.90	201.24	4.69	243.95	5.69	254.96	5.94	153.08	5.10
Chard	87.40	322.72	3.69	565.04	6.70	429.84	4.92	187.40	4.16
Pinot Gris ○	10.00	73.99	7.46	74.06	6.46	80.93	8.10	68.81	4.59
Sauv Blanc ◇	Removed 2010					254.96	6.57	288.14	6.86
Totals	140.30	597.95	5.28	883.05	6.28	1,020.69	6.38	697.43	5.18





Regional Info

Winegrape Region: Within Lake County, a total of 8,260 acres are planted to winegrapes. This is expected to double in the next few years, as many new vineyards are being planted. Cabernet Sauvignon is the most planted variety with 3,300 acres. Sauvignon Blanc is the second with 1,770 acres. Fourteen wineries are located in the region. About 20 out-of-county wineries purchase Lake County grapes from independent growers. Lake County crushed 28,000 tons in 2004, about one percent of California's total wine type tonnage. Lake County surrounds Clear Lake, the largest natural lake in California.



The vineyards are planted throughout the county, from the agriculturally rich valley at 1,370 feet elevation (lake level), to the rocky red volcanic soil at more than 2,000 feet elevation around Mt. Konocti — a dormant volcano in the Pacific Rim chain. These elevations provide cooler winter conditions and a later start to the growing season. Summer growing conditions are suitably warm to ripen the grapes and the elevation allows rapid cooling in the evening. Chardonnay, Sauvignon Blanc, Cabernet Franc, Cabernet Sauvignon, and Merlot are just some of the premium varietals planted in Lake County soils. Few grape pests can tolerate the altitude and cool climate. Lake County growers are committed to sustainable farming and participate in year long educational programs to this end.



Wine County Properties Make Excellent Investments



Stunning views in Lake County

Soil Management A healthy soil provides provides vital nutrients, moisture, aeration and drainage to sustain farming. Organic matter and soil microbes contribute to these soil characteristics, and Lake County's knowledgeable growers build soil organic matter and support soil microbial communities with the use of compost, manures, and cover crops. In hillside locations growers must be careful to prevent erosion and preserve the topsoil. No-till farming, cover cropping or maintaining straw cover over soil in the winter, and use of structures to safely convey water off-site, prevent the loss of soil while maintaining a healthy watershed and lake ecosystem.

Fertility Management Healthy and productive vines sometimes require the use of fertilizers, whether as compost, manure, and nitrogen-fixing cover crops,

or as mineral fertilizer. There are several ways growers apply fertilizers carefully in order to avoid water contamination and reduce costs. Compost, manure and cover crops have the advantages of providing organic matter along with the slow release of nutrients to vines as microorganisms decompose or "chew up" the materials. Mineral fertilizers are frequently dissolved and applied through the drip irrigation system. This allows growers to match fertilizer application with vine nutrient uptake and to apply the fertilizer in the area where vine roots are most active.

The nutrient with the greatest potential to leach and contaminate ground water is nitrogen. Fortunately, grapevines require very little nitrogen, and in some vineyards nitrogen is seldom, if ever, applied.



Over 30 Years experience successfully representing buyers & sellers in the Northern California wine country.

Paul W. Spittler

Paul began his career in agricultural lending and ranch management and developed a relationship with Justin Meyer and Ray Duncan as their bank lending officer in the 1960s. After several years in the ag-lending business, Paul joined Ray and Justin in 1972 at V&E Consulting and Management working closely with the partners on a variety of projects. In 1979, Paul became a partner with Meyer and Duncan in V&E Consulting and Management Company. Paul remained with V&E until the partnership was dissolved when Ray Duncan purchased Justin Meyer's interest in Silver Oak in 2001 and Justin's untimely death in 2002. V&E Properties, formed in 1972 as a separate profit center for the partners, became Paul's sole venture in 2002. Paul is a graduate of Cal Poly, San Luis Obispo.

Brokerage Services. V&E Brokerage Services include Property Sales and Acquisitions, Leases and Loan Arrangements. We offer an in-house real estate brokerage with a specialization in agricultural properties. We can provide potential investors with complete real

estate services including banking relationships, appraisals, business analysis. V&E has negotiated the purchase and sale for many wineries and vineyards over the last 30+ years. The relationships we have with our clients transcends the transaction as we look to establish long-term advisory relationships with our clients. The combination of our expertise, hands-on operational experience and years in the business makes V&E uniquely qualified to service clients considering buying, selling, or leasing property or businesses.



Consulting Services. V&E offers a wide range of consulting services to vineyard and winery owners as well as others involved in the wine business. These services include financial consulting and strategic planning as it relates to the acquisition and disposition of property or assets. These services provide clients with a framework on which they can base their financial decisions.



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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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Real Estate Brokerage & Consulting

V&E Properties was originally started as a vineyard management and consulting business. Its predecessor, Viticulture and Enology Consulting and Management Company, was established by Ray Duncan and Justin Meyer to provide support for their ownership of Franciscan Winery and Vineyards in the late 1960's. The name was shortened to V&E Consulting and Management Company in 1972 when the partners sold their interest in Franciscan Winery and established their new label, Silver Oak Wine Cellars. In 1979, Paul became a partner with Meyer and Duncan in V&E Consulting and Management Company. During the formative years of the creation of Silver Oak, various employees of the winery, but primarily Justin Meyer as president of V&E, actively consulted with others in the fledging wine business in the North Coast. Clients included the Christian Brothers, Ferrari-Carano Winery, Chevron Development Company, Connecticut Mutual Life Insurance Company and many others who benefited from Justin's experience. In those early years, V&E also supported Silver Oak Winery primarily in the areas of property acquisition and banking relationships. The V&E office was located at Silver Oak's Oakville winery from the time it was constructed until 2001 when Ray Duncan purchased Justin Meyer's interest in Silver Oak. After Justin's untimely death in 2002, the partnership was dissolved.