OFFERING SUMMARY

Empey Organic Tree Fruit Portfolio



Empey Holdings & Empey Brothers Orchards

Basin City, WA & Dayton, WA

Presented by:



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EXECUTIVE SUMMARY

Offering Summary: Fee simple purchase of the Empey Organic Tree Fruit Portfolio located in Basin City, WA and Dayton, WA, which includes 1,015 gross acres and consists of the following:

- 640 planted acres of permanent crop (567 acres of apples, 60 acres of apricots, and 14 acres of cherries).
- 178 acres of open ground used for nursery production and row crop.
- 115 acres of farmstead with miscellaneous improvements including shops, wind machines, ponds, and housing for workforce and management.
- 82 acres of hillside in Dayton.
- An active on-site cider production business which sold 47,000 bottles (750 ml) in 2019 and estimates selling 55,000 bottles in 2020. Approx. 9 acres of the Basin City orchard is dedicated to cider apples.

The primary sources of revenue for the farm are orchard and nursery sales. The farm also derives revenue from the cider business and row crop sales.

The majority of the orchard is organic or in transition to organic.

The owners grow their own nursery stock on-site at the Basin City location and they also sell nursery stock to the open market.

The 178 acres of open ground is well suited for future development of permanent crop.

The properties are owned fee simple and managed by the owners. (The owners also have a small 'custom farm' agreement with a neighbor of Basin City Unit 62 who owns 1-2 additional acres that are tied into the irrigation system of the orchard.)

Asking Price: Thirty-Five Million US Dollars (\$35,000,000.00)

Excluded from the Sale: Machinery & equipment, nursery stock (both available for separate purchase)

Acreage Summary:

		Acres								
	Apple Trees	Cherry Trees	Apricot Trees	Total Orchard	Open Ground	Farmstead / Other	Hillside	Gross		
Basin City	470	14	60	544	178	97		819		
Dayton	96			96		17	82	196		
Total	567	14	60	640	178	115	82	1,015		

Horticulture Practice Summary, 2020 Growing Season:

Basin City & Dayton		Orchard Acres							
	Apples	Cherries	Apricots	Total					
Organic	400		40	441					
Transitional	100		20	120					
Conventional	66	14		80					
Total	567	14	60	640					

Acreage: The Basin City orchard consists of 819 gross acres, including 544 acres of permanent crop, 178 acres of irrigated open ground, and 97 acres of farmstead.

Location: The orchard is located east and southeast of Basin City, in five separate non-contiguous locations within four miles of each other, as indicated in the yellow highlights in the following maps:













Parcels: 122440073, 122440019, 121720068, 121710041, 121700105, 121700089, 121680042, 121680041, 121680040, 122430093

Horticulture Practice Summary:

Basin City	Orchard Acres								
	Apples	Cherries	Apricots	Total					
Organic	357		40	398					
Transitional	66		20	86					
Conventional	47	14		60					
Total	470	14	60	544					

Water: The property receives water from the South Columbia Basin Irrigation District. The blocks have been paid off, and as such, are not subject to acreage ownership limitations.

Varieties and Plantings:

Block 12 Unit 57

Fruit	Variety	Practice	Rootstock	Spacing	Trees/Ac	Planting Type	Year	Acres
Apricots	Robada	Trans	Krymsk 86	6x16	389	Central Leader	2017	19.5
Apples	Aztec Fuji	Trans	Bud 9	3x13	1117	V-Trellis	2017	10.6
Apples	Misc. Cider	Conv	Misc	Misc		Misc	2009	5.8
Apples	Autumn Rose Fuji	Org	M7	8x18	303	Central Leader	1999	23.4
Apples	Scarlet Red Delicious	Conv	M106	10x20	218	Central Leader	1994	10.2
Apples	Aztec Fuji	Org	Pajam 2	3x13	1117	Bi-Axis V-Trellis	2015	6.8
Apricots	Rival/Perfection	Org	Citalon/Lovell	10x20	218	Free Standing	2010	20.9
Farmed Acres								97.2
Office, Shop, Cider Facility, Cold Storage, Pond, Two Homes, Manufactured Home, Outbuildings								12.3
Total Acres								109.5

Block 12 Unit 62

Fruit	Variety	Practice	Rootstock	Spacing	Trees/Ac	Planting Type	Year	Acres
Nursery (circle) Misc	Conv					2021	33.8
Apples	Cosmic Crisp	Trans	G41, Bud 9, NIC29	3x13	1117	Bi-Axis V-Trellis	2017	18.5
Apples	Galaxy Gala	Org	M7	8x18	303	Central Leader	1999	18.5
Apples	Crimson Gala*	Org	M7	8x18	303	Central Leader	1999	10.9
Apples	WA2 - Crimson Delight	Trans	Bud 10	3x13	1117	V-Trellis	2016	10.8
Apples	Wildfire Gala	Trans	NIC29	3x13	1117	V-Trellis	2016	13.8
Apples	Autumn Glory	Conv	M7-grafted	6x16	454	V-Trellis (grafts)	2017	16.2
Apples	Cosmic Crisp	Conv	M7-grafted	6x16	454	V-Trellis (grafts)	2017	14.3
Apples	BC2 Fuji	Org	M9-T337	6x16	454	Central Leader	2001	16.7
Apples	Granny Smith	Org	M26	6x16	454	Central Leader	2003	6.5
Apples	Autumn Rose Fuji	Org	M9-T337	6x16	454	Central Leader	2003	13.1
Farmed Acres								173.1
Home, Outbuild	lings, Pond							14.98
Total Acres								188.08

^{*} Cosmic Crisp 2021

Block 12 Unit 22

Fruit	Variety	Practice	Rootstock	Spacing Trees/Ac	Planting Type	Year	Acres
Apple	Nursery Stock	Conv				2022	16.2
Apple	Nursery Stock	Conv				2020	65.61
Farmed Acres							81.81
Other							0.75
Total Acres							82.56

Block 14 Unit 133

Fruit	Variety	Practice	Rootstock	Spacing	Trees/Ac	Planting Type	Year	Acres
Apples	Koru	Org	G935	4x13	838	Bi-Axis V-Trellis	2018	11
Apples	Cosmic Crisp	Org	G41, M9-T337	4x13	838	Bi-Axis V-Trellis	2018	14.9
Beans (Open)	Open Ground *	Conv						31.4
Cherries	Coral/Black Pearl	Conv	Giesla 3, 12	6x13	558	Bi-Axis V-Trellis	2018	13.8
Apples	Misc Cider	Org	Misc	2.5x13	1340	Misc.	2011	3.3
Apples	Autumn Glory	Org	Bud 9	2.5x13	1340	V-Trellis	2011	19.5
Apples	Pinata / Pinova	Org	Supporter 4	6x16	454	Central Leader	2008	12.6
Apples	Ambrosia	Trans	Pajam 2	3x13	1117	V-Trellis	2020	12.6
Farmed Acres								119.1
Two Homes, Shop, Pond								12.7
Total Acres								131.8

^{*} Pink Lady 2021

Block 14 Unit 123

Fruit	Variety	Practice	Rootstock	Spacing	Trees/Ac	Planting Type	Year	Acres
Apples	Autumn Rose Fuji	Org	M9-T337	6x16	454	Central Leader	2003	24.5
Apples	Buckeye Gala	Org	M9, Pajam 2	3x16	1117	V-Trellis	2011	59.2
Apples	Galaxy Gala	Org	M9-T337	6x16	454	Central Leader	2008	1.8
Apricots	Rival/Perfection	Org	Lovell	10x20	218	Free Standing	1999	6
Apricots	Rival/Perfection	Org	Lovell	16x20	136	Free Standing	1999	13.4
Apples	Aztec Fuji	Org	Pajam 2	3x13	1117	Bi-Axis V-Trellis	2013	5.5
Apples	Autumn Rose Fuji	Org	Bud 9	6x16	454	Central Leader	1991	27.9
Farmed Acres								138.3
Home, Hillside								20.5
Total Acres								158.8

Block 14 Unit 124

Fruit	Variety	Practice	Rootstock	Spacing	Trees/Ac	Planting Type	Year	Acres
Apples	Granny Smith	Org	M26	6x16	454	Central Leader	2003	31.7
Apples	Pink Lady	Org	M9-T337	6x16	454	Central Leader	2002	33.4
Apples	Vista Fuji	Org	M9-T337	6x16	454	Central Leader	2007	15.1
Apples	Buckeye Gala	Org	M9-T337	2x16	1361	V Trellis (some Bi-Axis)	2010	1.1
Nursery (circle)	Nursery						2020	31.1
Farmed Acres								112.4
Hillside								34.1
Total Acres								146.5

Labor Housing (Parcel: 122430093)

Fruit	Variety	Practice	Rootstock	Spacing	Planting Type	Year	Acres
Labor Housing							2.0
Total Acres							2.0

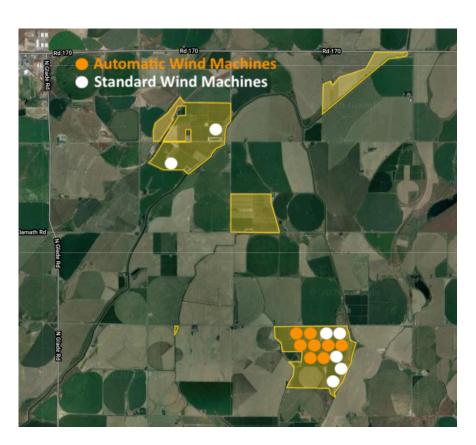
Improvements, assessed at \$2,923,500 per county assessor:

- Unit 57, assessed at \$1,069,300:
 - Office Building built in 2017. 2,520 sq. ft.
 - o Home built in 1947. 1,080 sq. ft.
 - o Home built in 1991. 4,236 sq. ft.
 - o Manufactured Home built in 1975. 1,904 sq. ft.
 - Cider production building
 - Large refrigerated storage shop
 - Outbuilding
- Unit 62, assessed at \$183,700:
 - o Home built on 1950. 1,416 sq. ft.
 - Misc. outbuildings / sheds
- Unit 22 None
- Unit 133, assessed at \$741,600:
 - o Home built in 2018. 2,719 sq. ft.
 - Home built in 1956. 2,016 sq. ft.
 - o Misc. outbuildings / sheds
- Unit 123, assessed at \$546,900:

- Home built in 1994. 4,316 sq. ft.
- Unit 124: None
- Labor Housing (Parcel: 122430093), assessed at \$382,000:
 - o Home built in 1975. 1,088 sq. ft.
 - o Home built in 1975. 1,088 sq. ft.
 - o Home built in 1975. 1,280 sq. ft.
 - o Home built in 1965. 672 sq. ft.

Irrigation: Under tree sprinklers with various sprinkler packages. Also, overhead cooling in most of the producing blocks (R10s and R15s).

Frost Control: There are 15 wind machines in the orchard, nine of which are automatic. Located per the following map:



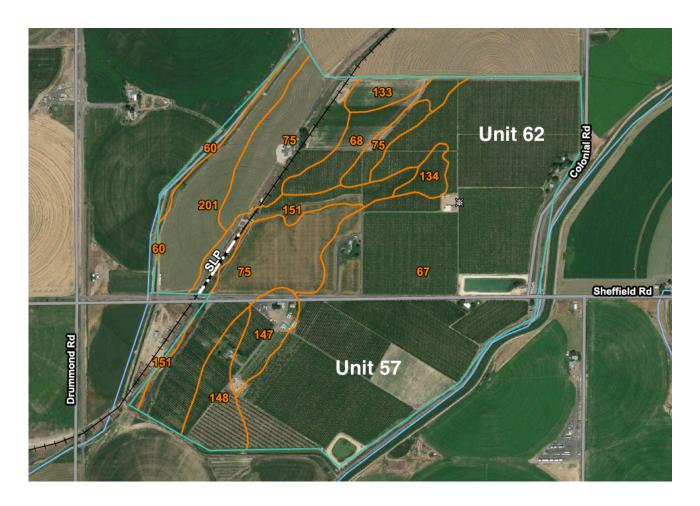
Ponds (sizes approx.):

Unit 57: 7 million gallons
Unit 62: 10 million gallons
Unit 133: 3 million gallons
Unit 124: 4 million gallons

• Ponds are sized for approx.. 6 days of frost control.

Other: The property includes a Semios monitoring system throughout the orchard. See more details at <u>semios.com.</u>

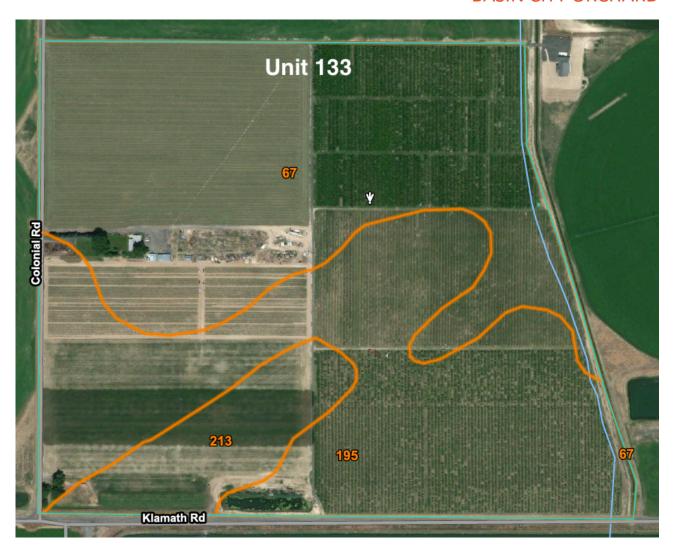
Soils:



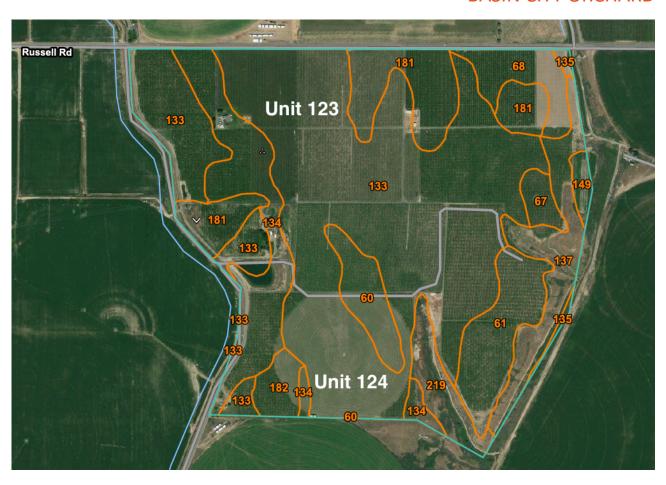
Map Unit Symbol	Map Unit Name	Acres in AOI	Percent of AOI	
60	Neppel very fine sandy loam, 0 to 2 percent slopes		1.2%	
67	Ottmar silt loam, 0 to 2 percent slopes	183.6	54.3%	
68	Ottmar silt loam, 2 to 5 percent slopes	12.3	3.6%	
75	Ottmar-Schlomer complex, 5 to 15 percent slopes		20.1%	
133	Sagehill very fine sandy loam, 0 to 2 percent slopes	5.4	1.6%	
134	Sagehill very fine sandy loam, 2 to 5 percent slopes	3.9	1.2%	
147	Schlomer silt loam, 0 to 2 percent slopes	9.9	2.9%	
148	Schlomer silt loam, 2 to 5 percent slopes	13.1	3.9%	
151	Schlomer silt loam, 15 to 25 percent slopes	13.1	3.9%	
201	Warden silt loam, 0 to 2 percent slopes	24.9	7.4%	
Totals for Area of Interest		338.3	100.0%	



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Map Unit Symbol	Map Unit Name	Acres in AOI	Percent of AOI
60	Neppel very fine sandy loam, 0 to 2 percent slopes	92.4	90.3%
133	Sagehill very fine sandy loam, 0 to 2 percent slopes	10.0	9.7%
Totals for Area of Interest		102.3	100.0%



Map Unit Symbol	Map Unit Name	Acres in AOI	Percent of AOI
67	Ottmar silt loam, 0 to 2 percent slopes	65.4	48.1%
195	Warden very fine sandy loam, 0 to 2 percent slopes	58.1	42.7%
213	Wiehl very fine sandy loam, 0 to 2 percent slopes	12.4	9.1%
Totals for Area of Interest		135.8	100.0%



Map Unit Symbol	Map Unit Name	Acres in AOI	Percent of AOI
60	Neppel very fine sandy loam, 0 to 2 percent slopes	10.4	3.3%
61	Neppel very fine sandy loam, 2 to 5 percent slopes	18.7	5.9%
67	Ottmar silt loam, 0 to 2 percent slopes	4.0	1.3%
68	Ottmar silt loam, 2 to 5 percent slopes	10.5	3.3%
133	Sagehill very fine sandy loam, 0 to 2 percent slopes	169.2	53.6%
134	Sagehill very fine sandy loam, 2 to 5 percent slopes	33.5	10.6%
135	Sagehill very fine sandy loam, 5 to 10 percent slopes	1.4	0.4%
137	Sagehill very fine sandy loam, 15 to 30 percent slopes	21.0	6.7%
149	Schlomer silt loam, 5 to 10 percent slopes	2.4	0.8%
181	Taunton very fine sandy loam, 0 to 2 percent slopes	28.9	9.2%
182	Taunton very fine sandy loam, 2 to 5 percent slopes	5.6	1.8%
219	Xeric Torriorthents, very steep	9.8	3.1%
Totals for Area of Interest	'	315.6	100.0%

Pictures: (boundary lines are approximate)













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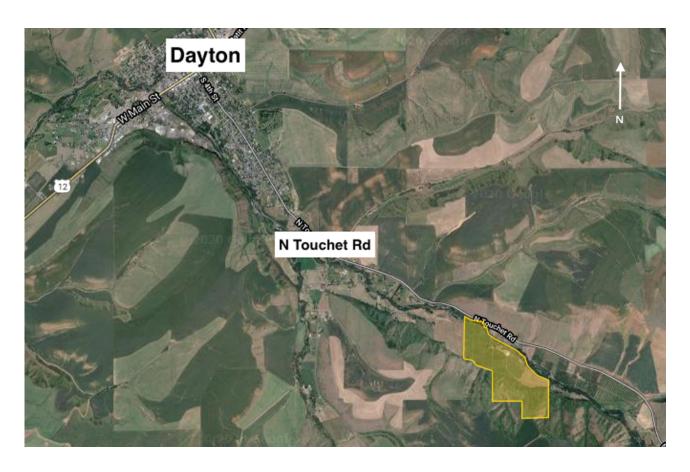




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Acreage: The Dayton orchard consists of 196 gross acres, including 96 acres of planted orchard (of which 34 acres is to be planted in 2020), 17 acres of farmstead, and 82 acres of hillside.

Location: The property is located 3.7 miles southeast of Dayton, on the south side of N Touchet Rd, as indicated in yellow highlights in the following maps:





Parcels: 2009390032300, 2009390033217, 2009390101280

Horticulture Practice Summary:

Dayton	Orchard Acres					
	Apples	Cherries	Apricots	Total		
Organic	43			43		
Transitional	34			34		
Conventional	19			19		
Total	96			96		

Water: the property has 80 acres of water rights from the Touchet River. There are two pump stations on the property.

Varieties and Plantings:

Dayton

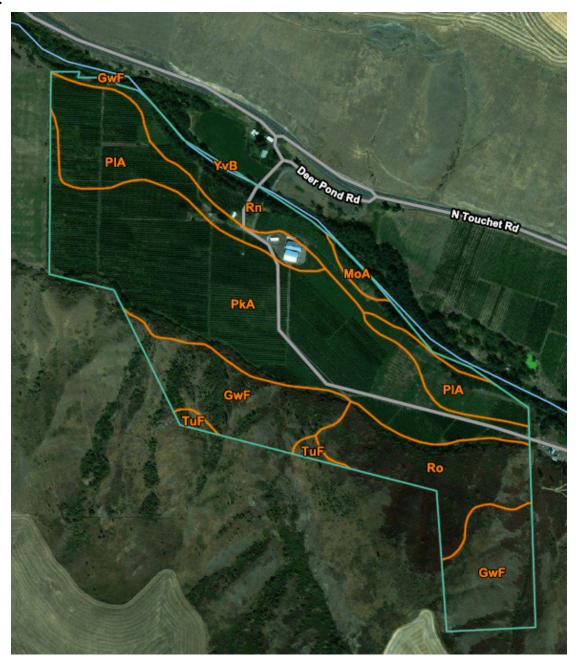
Fruit	Variety	Practice	Rootstock	Spacing	Trees/Ac	Planting Type	Year	Acres
Apples	Golden Delicious	Org	Unknown	8x16	340	Central Leader	1997	6
Apples	Golden Delicious	Org	Unknown	8x16	340	Central Leader	1997	0.8
Apples	Gala	Org	Unknown	8x16	340	Central Leader	1997	1.8
Apples	Gala	Org	Unknown	6x14	519	Central Leader	1996	11.2
Apples	Gala	Org	Unknown	6x14	519	Central Leader	1996	10.4
Apples	Reds	Conv	M 106	8x18	303	Central Leader	1996	9.3
Apples	Reds	Conv	M 106	8x18	303	Central Leader	1996	4.2
Apples	Gala	Org	Unknown	8x14	389	Central Leader	Unknown	1.8
Apples	Granny	Org	Unknown	8x16	340	Central Leader	2005	2.5
Apples	Reds	Conv	M 106	8x18	303	Central Leader	Unknown	5.3
Apples	Honey Crisp	Org	Unknown	8x16	340	Central Leader	1997	6.1
Apples	Granny	Org	Unknown	8x16	340	Central Leader	1997	2.3
Apples	Reds	Conv	M 106	8x16	340	Central Leader	Unknown	0.6
Apples	Cosmic Crisp	Trans	G11	4x12	908	Bi-Axis V-Trellis	2020	19.5
Apples	Firestorm Honey Crisp	Trans	Bud 118	2x12	1815	V-Trellis	2020	14.5
Farmed Acres								96.3
Farmstead including home, shop, warehouse						17.3		
Hillside								82.0
Total Acres							Total	195.6

Improvements, assessed at \$387,500 per county assessor:

- Home built in 1968. 2820 sq. ft.
- Large cold storage warehouse (refrigeration not currently functioning)
- Old packing warehouse
- Old home, not habitable

Irrigation and Frost Control: Under tree irrigation with various sprinkler packages.

Soils:



Map Unit Symbol	Map Unit Name	Acres in AOI	Percent of AOI		
GwF	Gwin extremely rocky silt loam, 30 to 65 percent slopes	33.0	19.9%		
МоА	Mondovi silt loam, 0 to 3 percent slopes	· ·			
PkA	Patit Creek silt loam, 0 to 3 percent slopes	68.7	41.6%		
PIA	Patit Creek gravelly silt loam, 0 to 3 percent slopes	26.3	15.9%		
Rn	Riverwash	14.7	8.9%		
Ro	Rock outcrop	19.5	11.8%		
TuF	Tucannon silt loam, 40 to 65 percent slopes	1.7	1.0%		
YvB	Yakima gravelly silt loam, 3 to 8 percent slopes	0.0	0.0%		
Totals for Area of Interest		165.3	100.0%		

Pictures: (boundary lines are approximate)































