WALLA WALLA VALLEY

CALL FOR BIDS

OVER 6,000 CONTIGUOUS ACRES M/L

WALLA WALLA COUNTY, WASHINGTON

PEOPLES™ COMPANY

INNOVATIVE. REAL ESTATE. SOLUTIONS.

WEIDERT

WALLA WALLA COUNTY, WA

Over the years, when we were putting this farm together, we always had a vision that it would probably go into permanent crop. And now is going to be the time. I don't think this opportunity will ever come up again.

- Tim Weidert, Land Owner

WEIDERTLAND.COM

EXECUTIVE SUMMARY

Peoples Company is proud to offer this unprecedented opportunity to own 6,000 contiguous acres m/l nestled in the Walla Walla Valley. This unique property is ideally suited for permanent crops such as grapes, apples, blueberries, and hops as it offers optimal elevations and gradual slopes, tremendous air drainage, virgin soils, and abundant water rights.

The gently rolling landscape provides elevations between 440 feet and 940 feet. Approximately 30% of the property sits above 800 feet, 45% is situated between 600 feet and 800 feet, and 25% lies below 600 feet. Approximately 2,460 acres m/l have a slope of 6% or less and 1,615 acres m/l have a slope between 6% and 12%.

The natural draws throughout the property allow for rapid, high volume, cold air drainage to the south, east, and west to prevent winter damage as well as spring and fall frost. Approximately 54% of the acres have slopes oriented toward the south or west providing desirable exposures and an estimated 2,950 heat units on average.

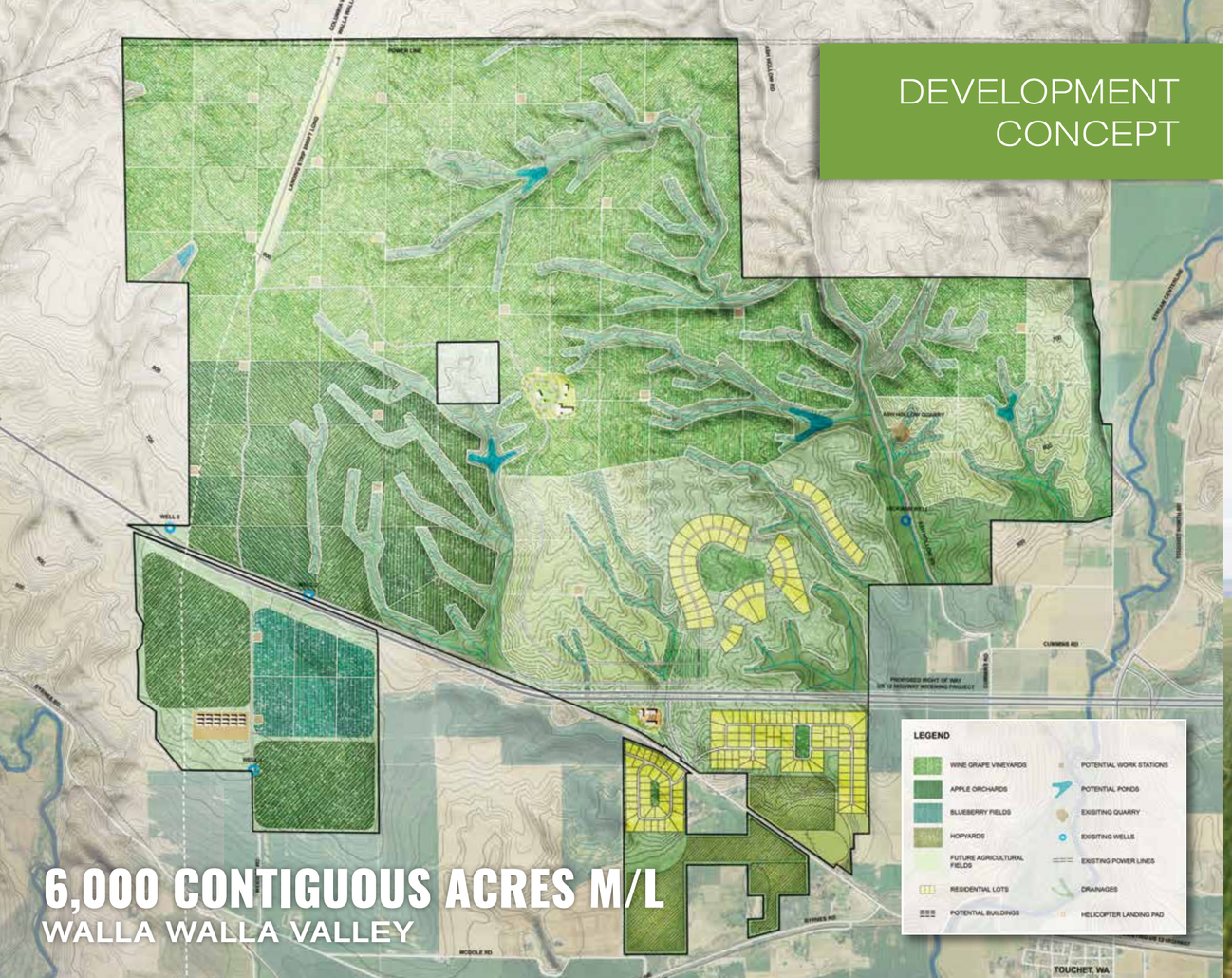
The soil profile throughout the property is remarkable in its near-perfect uniformity, including more than 3,000 acres m/l of Ellisforde series soils and 2,200 acres m/l of Sagemoor series soils. Depth of the soil and underlying silty loess averages 20 feet to more than 40 feet with no hardpans or limiting layers. The water holding capacity is extremely high allowing for the potential to grow various types of permanent crops with maximum water application efficiency and management control.

This property is currently in row crop production and the current water rights allow 1,280 irrigated acres m/l under center pivots as well as sprinkler irrigation on 355 acres m/l. The four wells (a fifth permitted) are currently permitted for 9,100 gallons per minute. All water and irrigation equipment on the property is state-of-the-art with poly-lined piping, telemetry for remote access, and enclosed control panels with redundancy designed into the system.

Detailed information on each of the above attributes can be found throughout this brochure and online at **WeidertLand.com**.

Within this brochure you will find information on the following items:

- Call For Bids Overview, Professional Partners, and Listing Agent
- Overview of Agriculture in Washington State and the Walla Walla Valley
- Existing Water & Irrigation Infrastructure, Certified Water Rights
- Soils, Elevation Ranges, Slope, and Aspect
- Highway 12 Expansion Project
- Regional Location and Attributes
- Quarry Sites
- Terms and Conditions of the Sale
- Property Photos



6,000 CONTIGUOUS ACRES M/L

WALLA WALLA VALLEY

WALLA WALLA VALLEY

CALL FOR BIDS

Call for bids due November 10, 2017.

All bidders will be contacted on or before November 15th with an update regarding their respective bid. If/When a successful bidder is chosen and notified, an earnest money deposit equal to ten percent (10%) of the total purchase price will be due within five (5) business days.

The Property is being sold "As is, Where is" with no guarantees, expressed or implied, made by the Seller or Peoples Company.

All mineral rights and water rights will transfer with the Property.

Closing will take place on or about 60 days after a Purchase and Sales Agreement is executed by Buyer and Seller, unless otherwise agreed upon by both parties.

Real Estate Brokerages representing a client must register said client with Peoples Company at least five (5) business days prior to bid submission.

Contact Peoples Company for detailed information package with additional due diligence materials including information such as: soil maps, water information, permits, tax information, title reports and surveys.

SCHEDULED ON-SITE INSPECTION DATES:

September 11 – September 14
October 23 – October 26

IN COOPERATION WITH:

Alan Busacca, Ph.D.
Certified Professional Soil Scientist 24928
& Washington Licensed Geologist 1112
Vinitas Consultants, LLC
509.592.0756, Alan@Vinitas.net

Timothy Reierson, P.E.
Water Resources & Permitting Consultant
Streamline Water Consulting, LLC
509.965.7175, Tim@Water-Consultant.com

Stuart Turner, CPAg #02575, CCA
Certified Professional Agronomist & Certified Crop Advisor
Turner & Co., Inc.
509.539.5524, AgForensic@aol.com

SELLERS:

Timothy S. Weidert
L.W. Weidert Farms, Inc.

LISTING AGENT:

Steve Bruere
President
Peoples Company
855.800.LAND
Steve@PeoplesCompany.com

NAA Auctioneer

REALTORS® LAND INSTITUTE

Visit **WeidertLand.com**

for detailed videos, interactive map, photos and more!

WASHINGTON STATE AGRICULTURE

Washington State has three key components that drive its agricultural economy:

- Wide range of excellent climates suitable for permanent crops
- Abundance of productive soils
- Ample fresh water for irrigation

These factors combined with intelligent, progressive, leading-edge farmers and farming methods account for the approximately $50 billion in annual agricultural economic activity in the state. Washington State produces roughly 300 different crops, second only to California in agricultural diversity. Two of the key crops that are major components of the agricultural industry throughout Washington include wine grapes and apples.

WINE GRAPES

American Viticultural Areas, or AVAs, are geographical wine grape growing regions in the United States. Washington State AVAs include Ancient Lakes, Columbia Gorge, Columbia Valley, Horse Heaven Hills, Lake Chelan, Lewis-Clark Valley, Naches Heights, Puget Sound, Rattlesnake Hills, Red Mountain, Snipes Mountain, Yakima Valley, Wahluke Slope, Walla Walla Valley and The Rocks District (sub-appellation of Walla Walla Valley).

Washington is second, only to California, in wine grape production at more than 270,000 tons harvested in 2016 by more than 900 wineries and 350 grape growers, up from 650 wineries in 2009.

Forecasts by the Washington State Wine Commission project continued growth in grape harvests, translating to potential record production in coming years. Grape yield forecasts show continued growth of between 5.0% and 9.1% per year through 2019, when wine grape tons harvested are expected to exceed 300,000 tons.

Attention garnered by Washington State wine has increased with production. In 2014, Wine Enthusiast, Wine Spectator, and Wine & Spirits included 32 wineries and 35 distinct wines from Washington State in their "Top of 2014" lists.

APPLES

Washington produces about 42% of the apples grown in the United States, and 60% of those grown for fresh consumption. Bearing apple acreage in Washington is estimated at about 192,000 acres. The value of Washington apples sold as fresh or processed product is estimated at about $2.2 billion annually.

Older orchards were most often the Red or Golden Delicious variety and planted about 110 trees per acre. Trees were spaced at roughly 18 feet in width and were 14 feet high, which made pruning, spraying, hand fruit thinning, and picking difficult and labor intensive. These trees are being removed when no longer profitable. The rate of removal and orchard replanting greatly increased in the late 1990's. Most old-standard density orchards range in yield from about 25 to 40 bins per acre.

Newer orchards are planted more intensively, often to "club" varieties. Most plantings on M9 dwarfing rootstock, supported by a "V" or upright trellis, and planted with 1,200 to 1,800 trees per acre. Trees in this intensive style of orchard are usually about 2-3 feet apart and 8-10 feet tall at maturity with rows about 7-9 feet wide, which eases labor and improves spray material coverage. Varieties can be site specific. Newer high density, new variety plantings can yield as high as 100 bins per acre.

THE WALLA WALLA VALLEY

Of the 14 official American Viticultural Areas in Washington State, the Walla Walla Valley AVA is among the top three in the state for premium wines and premier wineries.

The name Walla Walla is taken from a local Native American name meaning 'many waters'. The Walla Walla Valley is located in southeastern Washington and has a rich agricultural history dating back well over 100 years. Historically, farms in the valley focused on dryland wheat, tree fruit, asparagus, sweet onions, fresh-pack peas, alfalfa for seed, and logging.

The Walla Walla Valley AVA was established in 1984. It is a bi-state AVA with part of the appellation stretching across the state line into Oregon, although almost two-thirds of the AVA is in Washington State. The AVA is wholly contained within the very large Columbia Valley AVA, which allows grapes and wine from the AVA to be labeled with either AVA name and affords flexibility in marketing wine regionally and nationally. The grape and wine industry in the Walla Walla Valley has grown rapidly to meet demand in the last twenty years and today has the highest concentration of wineries in Washington State with more than 150 wineries and approximately 3,000 acres of wine grapes.

The Walla Walla Valley is a climatically diverse growing region. Precipitation varies throughout the valley, with an average of less than 10 inches (250mm) in the western part of the AVA and more than 30 inches (750mm) at the eastern border in the foothills of the Blue Mountains. Thus, the eastern part of the AVA is cooler and somewhat more moist than a number of Washington's growing regions.

CURRENT FARMING OPERATION

FARMLAND DATA						CROP DATA			
Farm #	Tract #	Farmland	Cropland	DCP Cropland	Effective DCP	Crop	Base Acres	PLC Yield	Crop Election
4587*	12790	955.87	897.43	897.43	814.05	Wheat	610.97	53	ARC County
4223	12250	274.47	274.47	274.47	274.47	Wheat	149.90	55	ARC County
4221	12248	888.92	787.81	787.81	787.81	Wheat	624.80	53	ARC County
4220	12247	703.83	677.20	677.20	677.20	Wheat	536.60	55	ARC County
1020	1324	525.48	523.61	523.61	523.61	Wheat	98.20	55	ARC County
1020	1325	177.70	105.56	105.56	105.56	Wheat	104.10	55	ARC County
4222	12249	2,569.04	2,276.52	2,276.52	2,276.52	Wheat	1,228.70	53	ARC County
						Corn	14.80	168	ARC County
3863	11355	5.48	5.48	5.48	5.48	Wheat	2.50	63	Price Loss Coverage
						Canola	0.80	1,026	Price Loss Coverage
TOTALS		**6,100.79**	**5,548.08**	**5,548.08**	**5,464.70**		**3,370.57**		

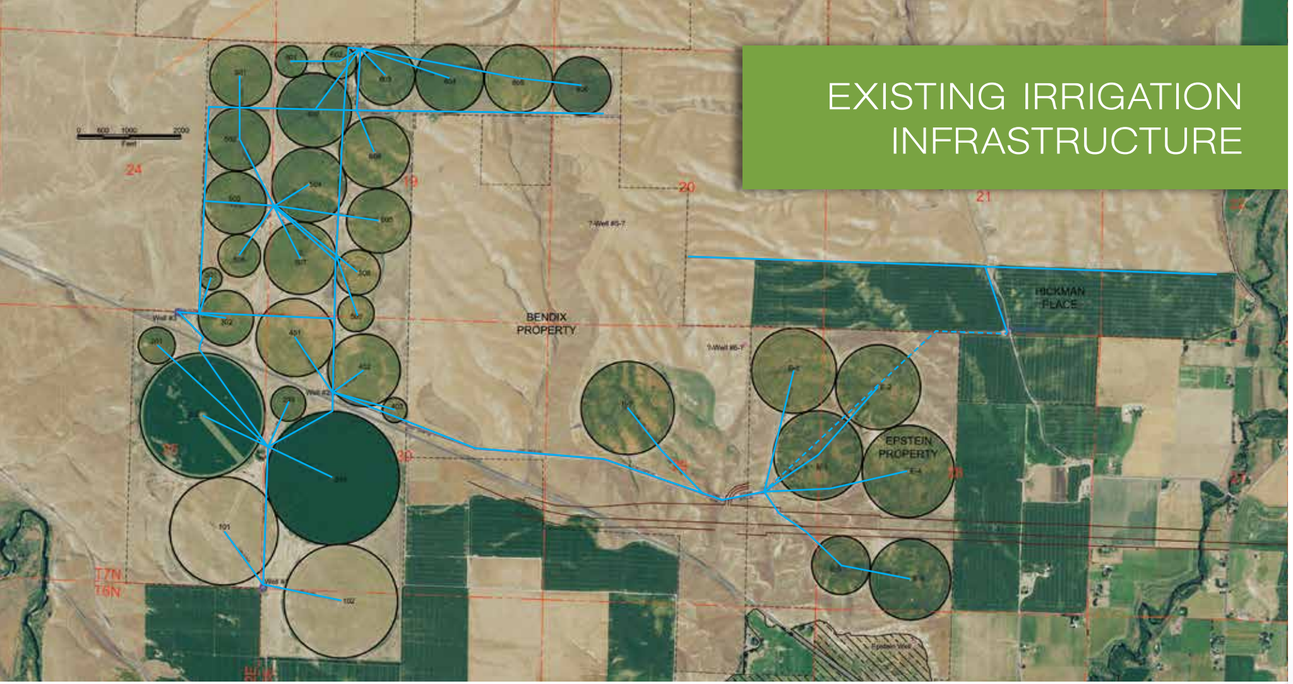
**Farm #4587 has 83.4 Acres enrolled in CRP paying $5,243.36 annually.*

Current Crop: Irrigated and Dryland Wheat

Irrigated Acres: State-issued water rights cover irrigation of 1,635 acres m/l from privately-owned wells. Of these acres, there are 1,280 acres m/l being serviced by center pivots with the balance of 355 acres m/l serviced by hand line sprinklers. In addition, there are 167 acres m/l assessed for irrigation by the Westside Irrigation District. In total, there are currently 1,802 acres m/l being irrigated on the property. Additional details regarding water rights and usage, wells, flow rates, irrigation, and current infrastructure can be found later in this brochure.

Dryland Acres: There were 3,139 acres of dryland wheat harvested in 2017.

Crop History: In previous years, the property has also been planted to a variety of crops including: potatoes, onions, corn, peas, Timothy Hay, and alfalfa.



EXISTING IRRIGATION INFRASTRUCTURE

	PUMP				MOTOR					
Well	Make	Model	Stages	Design Flow	Make	Size (hp)	Speed (rpm)	Rated Volts	Rated Amps	Depth
#1	Peerless	12HXB	10	1,600 gpm	US-NIDEC	250	1,780	460	284	905 ft
#2	Goulds	12FDHC	11	2,000 gpm	US-NIDEC	350	1,785	460	388	1,025 ft
#3	Goulds	14FHC	8	3,400 gpm	US-NIDEC	600	1,780	460	645	1,522 ft
Hickman	Verti-Line	10FHH	15	1,500 gpm	US-NIDEC	200	1,775	460	234	351 ft

There are 35 center pivots covering 1,280 irrigated acres m/l.
Center pivots were installed between 2010 and 2014.
All center pivots are Valley Poly-lined Pivots with CAMS panels.
All CAMS panels are located at clusters for efficient, time-saving, direct access.

All systems run on telemetry for remote access.
All pumps and most boosters run on Variable Frequency Drives (VFDs).
All electronic components are enclosed from elements in dust-free sheds.
For more detailed information on wells, pumps, pivots, etc. please visit **WeidertLand.com.**

WATER & IRRIGATION

Unprecedented access to an abundance of state-issued, privately held water rights from deep wells with sufficient flow rates and accompanied by supporting permits is a particular strength of the Weidert property.

The state-of-the-art water delivery system is telemetry-controlled, offering remote access to the variable-frequency pumps, booster pumps, and motors. Installed between 2010 and 2014, all of the 35 center pivots are Valley Poly-lined Pivots with CAMS panels. The CAMS panels are located at centralized clusters throughout the property for efficient, direct access with generous redundancy designed into the system. All electronic components are housed inside enclosed, dust-free sheds – protected from the elements. Infrastructure includes over 11.3 miles of buried mainlines as well as more than 11.4 miles of buried laterals.

Filtered through a multitude of basalt layers, the water available to the property originates in the Blue Mountains and flows westerly toward the Columbia River. Due to the property's location near the "exit area" of the groundwater catchment, the supply of available water tends to be maximized. The quality of groundwater utilized on the property is excellent and does not require further treatment at the distribution point. In addition to the high quality, the temperature of the water being delivered to the crop is approximately 68 degrees when mixed, which provides remarkable benefits for crucial issues such as frost protection. The rolling topography provides well-positioned, natural draws; several of which include key locations where ponds can be constructed to allow strategic on-site storage and re-distribution of the water if necessary.

The property is serviced by four deep basalt wells (a fifth well permitted) ranging in depth from 350 feet to 1,500 feet with a combined peak flow rate of 7,500 gallons per minute (gpm). Permitted water rights allow for the development of an additional 1,600 gpm to provide a total capacity of 9,100 gpm to the property.

Existing state-issued water rights cover irrigation of 1,635 acres m/l from the privately-owned wells. Recent demonstrated annual water use is over 5,100 ac-ft. Of the 1,635 acres m/l, there are 1,280 acres m/l under a developing permit which allows the use of an additional 950 ac-ft./year which brings the total annual volume to approximately 6,050 ac-ft. in state-issued groundwater rights. In addition to the state water rights, there are approximately 167 acres m/l assessed for irrigation by the Westside Irrigation District, which delivers water under gravity flow from the Touchet River. The District has water rights which pro-rate to 7 gpm/acre with a 4.4 ft. water duty translating to 1,170 gpm and 735 ac-ft./year for the additional 167 assessed acres m/l. In total, there are currently 1,802 acres m/l currently being irrigated on the property.

Per negotiations with the Washington State Department of Ecology, there is the potential to obtain rights for an additional 2,600 gpm to 4,000 gpm; assuming conservatively that partial approval can be obtained in the future for a pending application that requests 10,000 gpm. This would be a "flow rate only" request, due to the informal closure of the Walla Walla Valley to new water rights permits that would consume additional volume. Water and the rights for its use are precious and valuable commodities in the valley. Total permitted flow rate from wells could potentially reach 13,100 gallons per minute should a request for 4,000 gpm be approved from the pending application.

The current water rights are well-suited for "water spreading" which would allow for a substantial increase in permitted acres under irrigation by amending the water rights through the county water conservancy board or state Department of Ecology. Due to the property's unique potential for significant water spreading, there is a tremendous opportunity to vastly increase the productive acres with virtually unlimited permanent crop combinations and/or planting scenarios. Visit **WeidertLand.com** to review several conceptual planting scenarios and potential site layouts.

Within the state of Washington, although the Walla Walla River Basin rule allows for the possibility of new permits to be issued from the basalt aquifer in theory, as a practical matter, the Department of Ecology is not issuing new permits from the aquifer at this time. For the 300,000 acre valley portion lying within the state of Oregon, water regulators have unanimously voted to stop permitting new agricultural wells. Therefore, the permitted rights and flow rates on this property are immensely valuable given the new restriction within the region. Finally, these restrictions against issuing new annual use permits from the aquifer will work to preserve the future long-term sustainability of the source.

An extensive water rights package can be found at **WeidertLand.com**. The comprehensive package includes items such as:

- Maps of Use Areas
- Key Documents/Permits for State-Issued Water Rights & Westside Irrigation District Assessments
- Well Drillers' Construction Reports
- General Water Rights Background Information
- Documentation of Negotiation with Dept. of Ecology for Additional Flow Rate Permit
- EA Engineering Hydrogeology Report
- Ecology Data on Basalt Aquifer Water Levels
- Well Pumping Tests
- Water Level Data

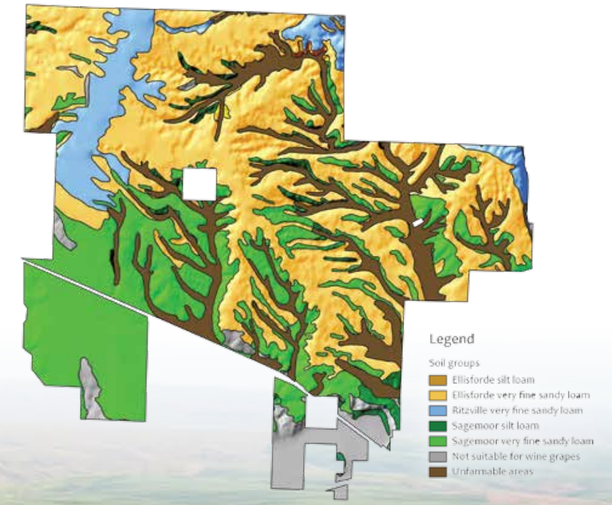
SOILS

The Weidert property will provide an exceptional opportunity to develop thousands of acres of premium wine-grape vineyards, orchards, blueberries, and hops, with abundant deeded water, in a coveted American Viticultural Area. This is an incredibly unique development opportunity that will be extremely difficult to replicate elsewhere in the Pacific Northwest due to its size, high quality soils, elevation range, water rights and infrastructure already in place, and the strict restrictions throughout the state regarding development of new water rights for irrigation.

The wind-blown glacial loess soils of the property are truly remarkable in several ways:

- The soils essentially have silt loam textures throughout the depth of rooting and across the property. This means that the rooting depth and pattern in vines and trees can be precisely controlled and be extremely uniform at depths determined by irrigation strategy.
- The soils are stunningly uniform in character acre-to-acre over more than 90% of the property. This characteristic makes the design of planting blocks very straightforward and allows a large degree of flexibility in planting scenarios and crop combinations.
- The soils are developed from freshly crushed granitic minerals and in a semi-arid grassland ecosystem. This means that inorganic nutrients are in abundant supply, the root environment is rich in available calcium, calcium, but yet the native content of humus and organic nitrogen is very low, which is vital for precise control of grapevine vigor. All of these features are outstanding for the production of premium wine grapes under drip irrigation because vine health is promoted, but excess vine vigor will never be an issue.

The exquisitely uniform soil profile throughout the property includes more than 3,000 acres m/l of Ellisforde silt and very fine sandy loams, as well as approximately 2,200 acres m/l of Sagemoor silt and very fine sandy loams. There are no hardpans or limiting layers and the water holding capacity is extremely high, further adding to the flexibility of crop combinations and planting scenarios.



FORMATION OF THE SOILS OF EASTERN WASHINGTON AND THE WALLA WALLA VALLEY

The incredibly fertile and mellow soils of the Walla Walla Valley are intertwined with the history of Ice-Age mega floods from glacial Lake Missoula in western Montana. The raging floodwaters brought in billions of tons of coarse gravel, sand, and silt that today cover the hard basaltic lava bedrock of the Columbia Valley to depths of up to a hundred feet and more. But the Walla Walla Valley is a side stream to the Columbia, where slower moving waters inundated the landscape and laid down tens of feet of sediment, forming a thick valley fill of layers of silt and finer sands.

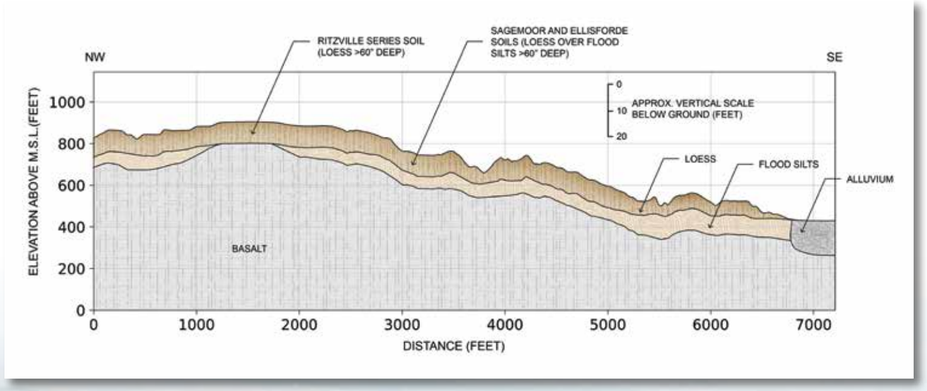
The tremendously productive soil resource in eastern Washington stems partly from the sediments delivered by the floods; however, an even larger area of soils was formed from strong winds reworking and transporting flood sands and silts into huge areas of sand dunes. These vast areas of dune-derived soils form the backbone of the flat-lying, productive farm ground for center pivot irrigated row, field, and horticultural crops. The strong winds picked up the smaller and lighter-weight silts from the flood deposits, forming massive dust storms. In the areas where the dust settled out, the soils resulting from the dust fall are silt-loam textured loess soils many tens of feet thick.

In a few special places throughout the region, such as the Weidert property, the soils are a hybrid of both the flood silts and of the loess. The upper three to six feet of the soil profile is formed of silt-loam textured loess from dust storms, whereas the nearly bottomless soils beneath are formed of slightly layered silts and fine sands from the floods.

SOILS

TOPOGRAPHIC CROSS-SECTION OF WEIDERT FARM*

From Northwest to Southeast with Schematic Depiction of Soils

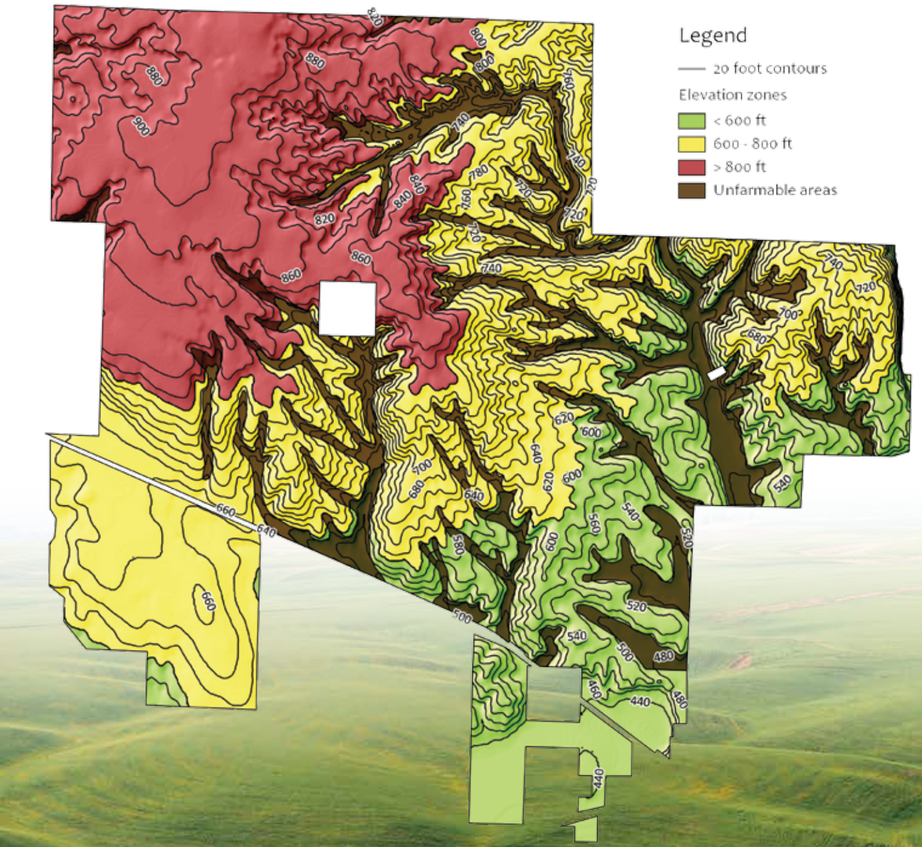


Representative soil profile of Ellisforde series silt loam that covers more than 3,000 acres of the farm. The soil in the upper three feet is formed of windblown loess with silt loam and very fine sandy loam textures and of mega flood sediments with similar textures below that to a depth of many feet. These soils have no hardpans or other restrictive layers anywhere in profile.

Weidert Farm Elevation Range: 424' - 946'
Soils: Windblown glacial deep loess over glacial outburst flood sediments
Soil Texture: Silt loam
Cold Air Drainage: Excellent to W, SW, S, SE, and E
Dominant Slope Directions: South 33%; East 30%; West 20%; Flat 2%; North 15%
Annual Precipitation: 7.5 inches; 80% falls between November and May
Grape Growing Degree Days (Heat Units): Est. average 2008 to 2016: 2950
Wind: Average 2007 to 2016 southwestly at 6 mph

*See location of cross section line on perspective 3D map

ELEVATION



The Weidert property's dominating landscape position atop a major convex system of ridges provides excellent sun exposure and protection from the pooling of cold air in winter.

Elevations range from a low of 440 feet in the southeastern corner to a high of over 940 feet in the northwestern portion of the property. Generally, elevations above 600 feet escape the impacts of winter cold, thus it is vital to note that nearly three quarters of the Weidert property lies at elevations above the 600-foot threshold.

Approximately 2,600 acres m/l lie between 600 ft. and 800 ft. in elevation which equates to roughly 45% of the property. In this elevation zone, apples and wine grapes could potentially share the total acreage and thrive by being strategically planted in the parts of the zone best suited for each. In addition, there are approximately 1,600 acres m/l situated above 800 ft. in elevation which equates to roughly 30% of the property. This elevation zone could produce incredibly high quality wine grapes. Finally, the acres that lie below 600 ft. in elevation would be well-suited for blueberry and hop production.

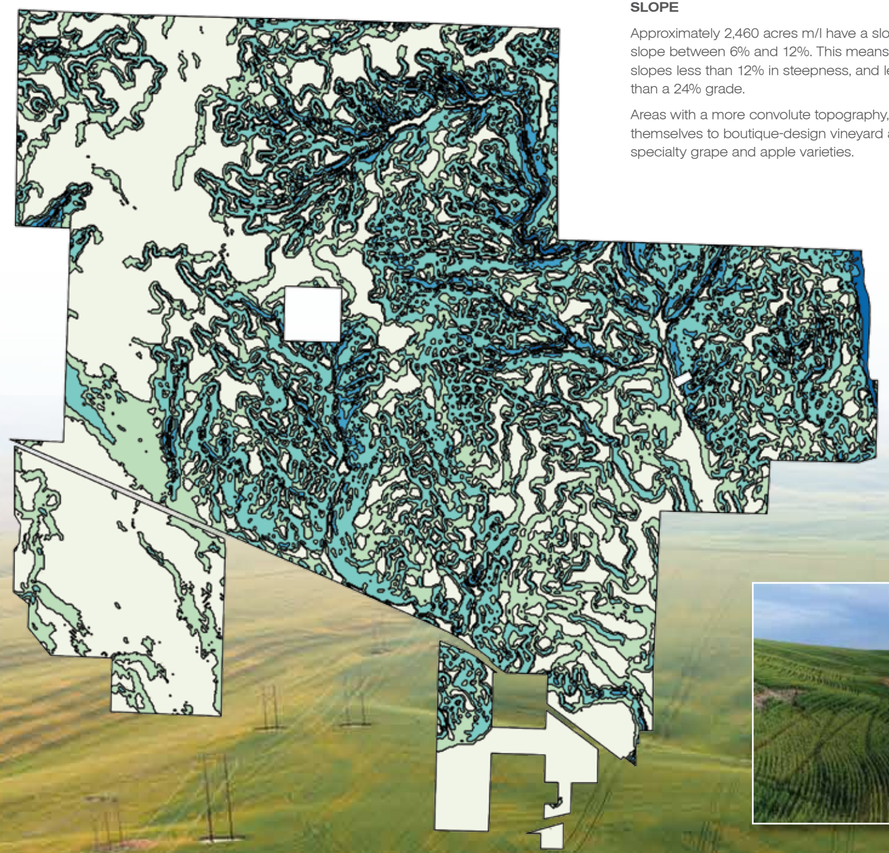
Ideal elevation ranges throughout the property combined with the smooth and gentle topography will create unlimited possibilities for the layout and design of vineyards and orchards, as well as destination wineries with commanding views of the Walla Walla Valley, the Horse Heaven Hills, and the Blue Mountains.

AIR DRAINAGE

The concave draws and small dry valleys in the landscape allow tremendous air drainage of the pooling cold air in winter and also at times during the growing season. These areas occupy less than 15% of the total acres, and more importantly occupy only about 7% of the high-value acreage above 600 feet, but serve as an incredible benefit for frost protection.

A perspective view of the property looking toward the northwest, highlights the commanding upland position of more than three quarters of the total acreage. In eastern Washington, infrequent and brief but severe episodes of sub-zero Fahrenheit cold temperatures place a premium on just such a ridge top landscape. The topographic patterns and the arrows in this diagram demonstrate just how effectively dense cold air can fall away to lower elevations in almost every direction.

SLOPE

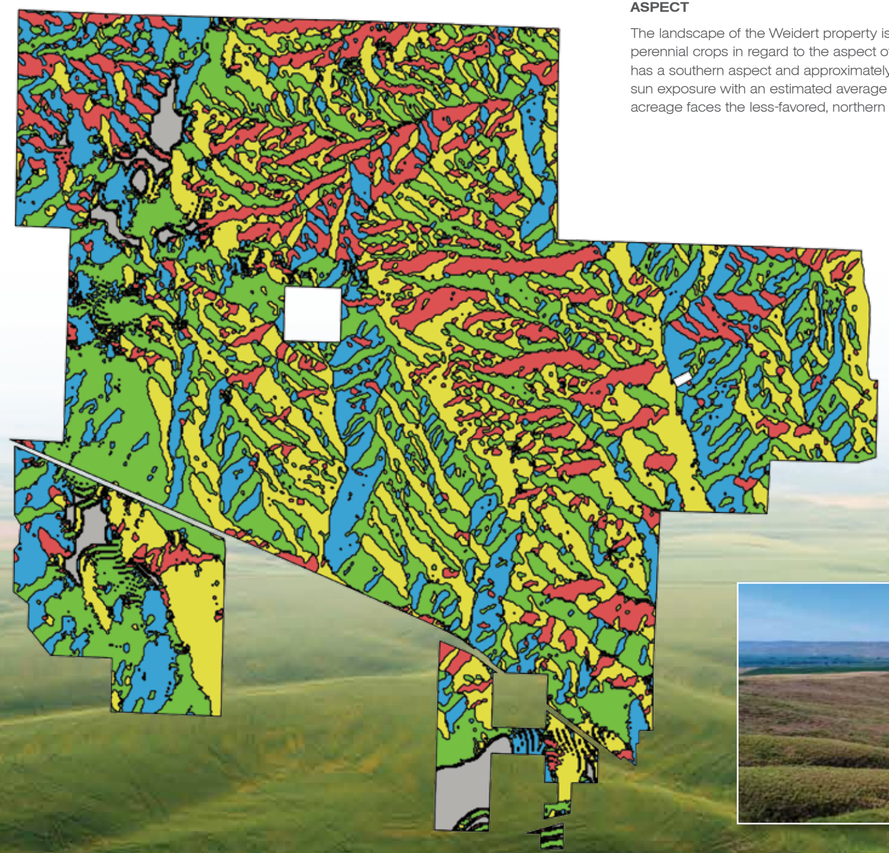


SLOPE

Approximately 2,460 acres m/l have a slope of 6% or less, and 1,615 acres m/l have a slope between 6% and 12%. This means approximately two-thirds of the property has slopes less than 12% in steepness, and less than 4% of the property has slopes steeper than a 24% grade.

Areas with a more convolute topography, such as in the central part of the property, lend themselves to boutique-design vineyard and orchard blocks, as well as smaller acreages of specialty grape and apple varieties.

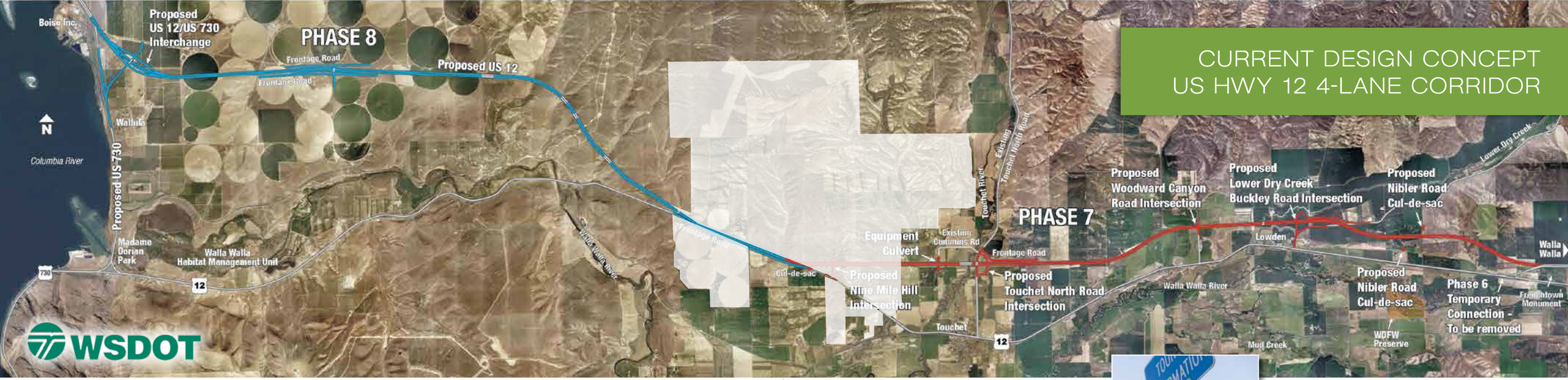
ASPECT



ASPECT

The landscape of the Weidert property is excellent for development of high-value perennial crops in regard to the aspect of the slopes. Greater than 33% of the property has a southern aspect and approximately 21% has a western aspect providing excellent sun exposure with an estimated average 2,950 heat units. Only roughly 15% of the total acreage faces the less-favored, northern aspect.

CURRENT DESIGN CONCEPT
US HWY 12 4-LANE CORRIDOR

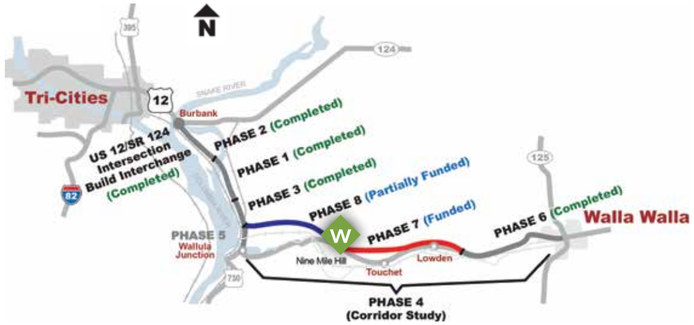


FUTURE HWY 12 EXPANSION

The conversion of US Hwy 12 to a 4-lane corridor is underway and slated to bi-sect the southern portion of the property. The completion of this project would provide immediate, efficient access to a major regional highway allowing for easy transportation of agricultural products and great exposure for future operations.

Throughout the past several years, the Washington State Department of Transportation and the US 12 Highway Coalition have been transforming Hwy 12 into a 4-lane corridor stretching from the Snake River near Burbank to Walla Walla. With more than 17 miles of completed construction in Phases 1 through 6, the remaining two phases will consist of an additional 21 miles. State Legislature has approved funding to complete Phase 7 as well as funding for the design and right of way on Phase 8. Construction of Phase 7 is slated to commence in the Spring of 2019.

The two quarries located on the property could provide additional income as the WSDOT progresses through the final phases of the Hwy 12 project.



QUARRIES

AVAILABLE QUARRY SITES

ASH HOLLOW QUARRY
DNR Reclamation Permit: C7000013106
Permit Start Date: 11/16/2007
Permitted Size: 50.5 Acres
Permitted Depth: 160.0 Feet
Acres Disturbed: 1.9 Acres
Depth Mined: 50.0 Feet
Acres Reclaimed: 0 Acres
Legal Description: S 21 T07.0 R33.0E
Estimated Quantity to be Mined: 3,000,000 Cubic Yards
Current Reclamation Security (bond): $35,500
Total Reclamation Security Required: $35,500

LW WEIDERT QUARRY
DNR Reclamation Permit: C7000012745
Permit Start Date: 02/01/1996
Permitted Size: 25 Acres
Permitted Depth: 50.0 Feet
Acres Disturbed: 4.12 Acres
Depth Mined: 12.0 Feet
Acres Reclaimed: 0 Acres
Legal Description: S 25 T07.0 R32.0E
Current Reclamation Security (bond): $27,100
Total Reclamation Security Required: $27,100
Other Active Permits: Sand and Gravel General Permit (Permit #: WAG-50-7111)

ASH HOLLOW QUARRY
ROCK QUANTITY AND VALUE ESTIMATE

ROCK SOURCE INFORMATION
Ash Hollow Quarry is a permitted rock quarry by the Department of Natural Resources (Surface Mine Reclamation Permit #70-013106). This quarry is ideally located for use in Phases 7 and 8 of the WSDOT US 12 Project. The quarry is located approximately 2.5 miles north of Touchet and is situated 1.2 miles north of the of future Phase 7 of the US 12 Project.

The rock at this site is believed to be excellent quality for highway construction. Exposed rock from the Quarry has been tested and approved by WSDOT in 2007 and 2012 as an aggregate source.

The site has been approved by Walla Walla County as a quarry site. Permitted activities include blasting, crushing, and asphalt/concrete batching. It is assumed that the contractor/operator of the site will be responsible for the Sand & Gravel Permit and Air Quality Permit—both permits which are typically associated with a portable crushing operation. The contractor/operator will also be responsible for executing a haul route agreement with the County based upon the desired haul route.

The following is a summary of the estimated rock quantity and value for the Ash Hollow Quarry.

ASSUMPTIONS
- Total Estimated Rock: 3,000,000 cubic yards
  (2,142,857 tons*)
- Annual Removal Estimate: 10,000 cubic yards
  (71,428 tons*)
- Royalties: $1.00 per ton
  *factor of 1.4 tons per cubic yards
- US 12 Phase 7: estimate for 11 miles of 4-lane roadway
  Base Rock: 350,000 – 400,000 tons
  Surface Rock: 350,000 – 400,000 tons

ROYALTY ESTIMATES
- US 12 Phase 7:
  700,000 tons at $1.00 per ton = **$700,000**
  800,000 tons at $1.00 per ton = **$800,000**
- Total Estimated Value:
  2,142,857 tons x $1.00 = **$2,142,857**

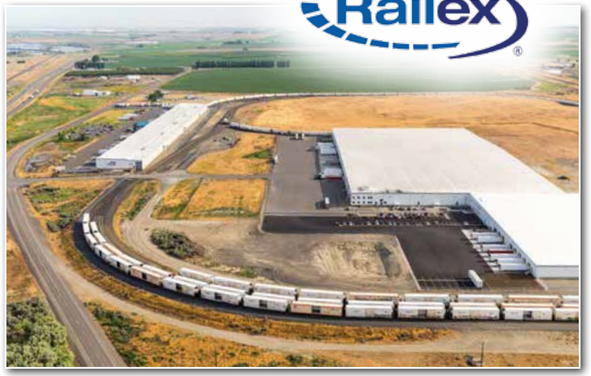
All figures stated herein are approximate estimations and subject to change. Numerical projections should be verified by qualified professionals.

REGIONAL FEATURES

RAILEX

Located approximately 15 miles west of the Property, the extraordinary Railex facility is equipped with two highly-specialized cold logistics infrastructures – one geared toward wine; the other to perishable food – both with customized capabilities to meet diverse customer needs.

Specialized Capabilities:
- 225,000 sq. ft. of refrigerated space
- Separate newly constructed 500,000 sq. ft. specialized wine facility/distribution center
  - $200 million investment
  - More than 3.2 million bottles of wine currently in storage, capacity for millions more
- 6 separate computer-controlled temperature zones
- 19 enclosed refrigerated rail docks
- 38 refrigerated truck docks
- Fully-integrated RF enabled Warehouse Management System and Inventory Control
- Two mile rail loop track
- Beverage Program Service Zones cover every vineyard, brewery, bottling facility and warehouse in CA, OR, and WA
- Seamless nationwide distribution with other facilities located in the Southwest, Midwest, Northeast/Mid-Atlantic, and Southeast



REGIONAL MAP

WALLA WALLA MSA
Distance to Property – 15 miles
Population – 45,000
Regional Airports – 1 (runways up to 6,500 feet in length)
"Friendliest Small City in the US" – USA Today 2011
"Friendliest Small Town in America" – Rand McNally 2011

TRI-CITIES MSA
Distance from Property – 25 miles
Population – 279,000
Regional Airports – 3 (runways up to 7,700 feet in length)
Tri-Cities was ranked #1 most secure places to live for a mid-size city (2011).

BARGE SERVICE
Located approximately 20 miles west of the Property at the intersection of the Snake River and Columbia River

REGIONAL METROPOLITAN AREAS
250 miles from Seattle
220 miles from Portland
160 miles from Spokane

TERMS & CONDITIONS

PROPERTY. Weidert Property, Walla Walla County, Washington

LEGAL DESCRIPTION. Please refer to WeidertLand.com for full legal description.

On behalf of our clients, Timothy S. Weidert & L.W. Weidert Farms, Inc. ("Seller"), we are pleased to present the Weidert Property ("Property") available for sale. If you, as an individual, or your company ("Bidder") is interested in purchasing the Property, we invite you to submit a sealed bid offer under the following terms and conditions:

TERMS & CONDITIONS OF SEALED BID OFFER MEMORANDUM:

1. NOTICE. The information provided represents the extent of the information available from Seller. Bidder understands the Offering Memorandum contains selected information pertaining to the Property and does not purport to contain all of the data a prospective purchaser may desire. Bidder 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 the Offering Memorandum. Bidder 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 therein for any purpose. At any time, this information is subject to, among other things, correction of errors and omissions, addition or deletion of terms, change of terms, withdrawal of Property from market without notice, and prior sale. Each potential bidder 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.

This information has been obtained from sources believed reliable. While we do not doubt its accuracy, we have not verified it and make no guarantee, warranty, or representation about it. It is your responsibility to confirm independently its accuracy and completeness. You and your advisors should conduct a careful, independent investigation of the property to determine to your satisfaction the suitability of the property for your needs. Seller and Peoples Company may supplement, revise, or add property information up to the time bids are due. Potential Bidders should continue to monitor **WeidertLand.com** to ensure Bidder is aware of the most up-to-date information.

2. SELLER INTENT. Seller's intent is to obtain the highest value for the Property.

3. BID SUBMITTAL PROCESS AND DEADLINE. Sealed Bids for this Property will be due in our office, at the address below, prior to 5:00 p.m. CST, on November 10, 2017.

Peoples Company
Attn: Steve Bruere
12119 Stratford Drive, Suite B
Clive, IA 50325
855.800.5263
Steve@PeoplesCompany.com

Bids for the Property shall be submitted on the Sealed Bid Submittal Form found at **WeidertLand.com** or by contacting Peoples Company. Please make additional copies as necessary. Handwritten bids, if legible, are acceptable. Please complete each blank provided in the Sealed Bid Submittal Form. If a particular blank is not applicable, please fill in "N/A" as a response. Bids will be accepted by mail or email. Seller reserves the right to select the best bid, counter any bids, or remove the property from the market in its sole and absolute discretion. The successful bid may or may not be the highest bid submitted. Should Seller elect to counter any bid, Bidder shall have the right to rescind their bid or make a counter offer. After this period, the successful Bidder(s) will be notified. All bidders will be required to submit documents in conjunction with the submittal form which demonstrate their financial bona fides and their ability to pay the proposed purchase price and any potential increase in said purchase price, as well as document bidder's financial ability to fund and close the sale transaction.

4. TITLE TO PROPERTY. Seller will convey good, marketable and insurable fee simple title to the Property to Buyer free and clear of all liens and encumbrances, subject only to title exceptions as laid forth in the Real Estate Purchase and Sale Agreement. Within twenty (20) days after the Effective Date of the executed Real Estate Purchase and Sale Agreement, Seller will, at its sole expense, furnish a commitment to issue an ALTA title insurance policy, including the minimum standard detail requirements and the optional items it elects to provide from Table A, in the amount of the Purchase Price. Seller will provide Buyer with a copy of such title commitment and all associated documentation promptly upon receipt. If Buyer desires further survey information, Buyer shall be responsible for the cost of such.

Title to real property shall transfer pursuant to a Statutory Warranty Deed subject to: (i) current city, state and county ad valorem and property taxes not yet due and payable; (ii) easements for the installation or maintenance of public utilities serving only the Land; (iii) any easement, right-of-way or reservations of record or other Permitted Exceptions, and (v) all encumbrances or matters that would have been, or has been, disclosed by an ALTA survey including all optional Table A matters. Title to Personal Property shall transfer by Bill of Sale subject to the restrictions and reservations of the Real Estate Purchase and Sale Agreement in a form reasonably acceptable to Seller. Water Rights shall transfer by an Assignment and a Bargain and Sale Deed subject to the restrictions and reservations of the Real Estate Purchase and Sale Agreement and in a form reasonably acceptable to Seller.

Quitclaim Deeds will be utilized to convey title to all water rights associated with Certificates which have been put to beneficial use. In addition, Assignment forms will be prepared to convey title to all Permits, Change Authorizations, and Applications. Water Rights shall be transferred by a Water Rights Quit Claim Deed and/or Assignment of Application or Permit to Appropriate Stored Water.

5. LEASES. All leases on the Property have been terminated and the land will be made available upon closing.

6. FARM PROGRAM INFORMATION. The Farm Program Information is provided by the Walla Walla County Farm Service Agency. The figures stated in the marketing material reflects the best knowledge of the Seller and Peoples Company; however, Farm Program Information such as base acres, cropland acres, etc. are subject to change if/when the land is reconstituted by the Walla Walla County Farm Service Agency.

7. SURVEY. Prior to bid submittal deadline, Seller will provide an ALTA Survey, including the minimum standard detail requirements and the optional items it elects to provide from Table A of the "Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys," of the Property which will include gross land area/acres as well as zoning and setback requirements. If the boundaries to the Property are not established to the Buyer's satisfaction, Buyer may, at Buyer's option, secure a survey of same at Buyer's sole cost and expense. A plat of such survey must be delivered to Seller no later than seven (7) days prior to Closing (which survey must contain the surveyor's certification, to both Seller and Buyer, of acreage so determined). Purchase Price will not change based on survey. Property is being sold according to the gross surveyed acres as represented by the ALTA Survey and Bid Submissions shall be based on a total dollar amount. Bids will not be accepted if they are based on a per acre price.

8. CLOSING DATE, POSSESSION, AND EARNEST MONEY. Closing will take place within sixty (60) days, or sooner as may be agreed upon by the parties, of the awarding of the Property to the successful Bidder(s) subject to preparation and full execution of contracts and deeds.

TERMS & CONDITIONS

Seller reserves the right to make changes to these documents subject to (1) filling in of blank sections, (2) attachment of appropriate exhibits, and (3) any necessary or desirable changes due to Seller legal counsel or officers. Possession of the Property will be given at closing. Upon acceptance and notification of successful bid, the Buyer will enter into a Real Estate Purchase and Sale Agreement in a form substantially similar to that provided in the bidder's packet. An earnest money payment equal to 5% of purchase price will be due upon acceptance and notification of successful offer. The balance of the purchase price will be payable at time of closing in the form of cash, guaranteed check, or wire transfer. The earnest money payment will be due no more than ten (10) days after the successful bidder has been notified and may be paid in the form of a wire transfer and will be held in escrow until time of closing with:

Bonnie Thompson
Chicago Title Insurance Company
8102 W Grandridge Blvd, Suite B
Kennewick, WA 99336
509.735.1575

9. CLOSING EXPENSES AND PRORATIONS. Buyer and Seller shall share equally all escrow fees and other closing fees and costs. Seller shall pay real estate excise taxes for the transfer of the Real Property to Buyer, and the premium for a standard owner's title insurance policy to be issued to Buyer in the amount of the Purchase Price allocated to the Real Property. Any additional title insurance coverage or endorsements requested by Buyer or its lender will be paid by Buyer. Buyer shall pay all recording fees and all applicable use/sales tax on the Personal Property (if any). All real estate taxes accruing through the date of closing will be prorated as of closing and will be paid in full by Seller, either as a credit to Buyer or as a cash payment to Buyer. All real estate taxes accruing after the date of closing will be the responsibility of the Buyer.

10. CURRENT USE STATUS. If subject property is in a current use status, Buyer will continue the current use status after closing this transaction. If Buyer elects to discontinue the current use status, Buyer will be responsible for any resulting taxes, penalties, and interest associated therewith.

11. DEFAULT AND REMEDIES. In the event that this Transaction fails to close on account of a default by Seller under this Agreement, Buyer's sole and exclusive remedy will be either (but not both) (a) the return of the Earnest Money (with Buyer thereby waiving any other remedy that Buyer may have against the Seller at law or in equity, including without limitation the right to specific performance), or (b) an action for specific performance of this Agreement for the conveyance of the Property to Buyer (with Buyer thereby waiving any other remedy that Buyer may have against the Seller at law or in equity).

12. GOVERNING LAW. The Real Estate Purchase and Sale Agreement to be executed by Seller and successful Bidder shall be governed by and constructed in accordance with the laws of the State of Washington.

13. DISCLAIMER. All information contained here and all related materials are subject to the terms and conditions outlined in the Real Estate Purchase and Sale Agreement. Except as set forth in this Agreement, Buyer acknowledges, and represents and warrants to each 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, except as specifically stated herein, 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, EXPRESS OR IMPLIED. Buyer does not have the option to close this Transaction without accepting the Real Property and Personal Property in its then current condition, and Buyer acknowledges and agrees that except for Seller's express representations and warranties stated in this Agreement, Buyer is acquiring the Real Property and Personal Property "**AS IS, WHERE IS, WITH ALL OF ITS FAULTS**" 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 express or implied, oral or written, past, present or future, of, as, to or concerning any aspect of the Real Property or Personal Property including, but not limited to, 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.

14. SELLER DISCLOSURE. Buyer waives the right to receive a seller disclosure statement ("Form 17-Commercial") if required by RCW 64.06. However, if Seller would otherwise be required to provide Buyer with a Form 17-Commercial, and if the answer to any of the questions in the section of the Form 17-Commercial entitled "Environmental" would be "yes," then Buyer does not waive the receipt of the "Environmental" section of the Form 17-Commercial which shall be provided by Seller.

15. QUESTIONS. Any questions or comments related to the Property or the Sealed Bid Submittal process should be addressed to Peoples Company.

An official copy of the Sealed Bid Letter, Terms and Conditions, and Submittal Form can be found at **WeidertLand.com** or by contacting Peoples Company.

By signing and submitting the Sealed Bid Letter and Submittal Form the Bidder accepts the Terms and Conditions referenced above and, if Bidder's offer is accepted, Bidder agrees to enter into a Real Estate Purchase and Sale Agreement with Seller upon notification of successful bid. All pages of the Sealed Bid Letter and Submittal Form must be signed and returned to Peoples Company as one unit. A copy of the Real Estate Purchase and Sale Agreement to be executed by Seller and successful Bidder is available upon request to review prior to completing the bid process. The Real Estate Purchase and Sale Agreement is not subject to negotiation.

Thank you in advance for your consideration of the Weidert Property. Please feel free to contact me if you have any questions or comments.

Sincerely,

Steve Bruere
President
Peoples Company
12119 Stratford Drive, Suite B
Clive, IA 50325
855.800.5263
Steve@PeoplesCompany.com

Peoples Company is a leading provider of land brokerage, land management, land investment and appraisal services in 16 states throughout the U.S. With an industry-leading website, a cohesive team of land professionals, and aggressive marketing strategies proven to drive land sales, Peoples Company has become a top agricultural real estate services firm holding licenses in Arkansas, Florida, Georgia, Illinois, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, North Dakota, South Dakota, Washington and Wisconsin.

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