

THE WINE GROUP
DIVISION

**APPLICATION TO DIVIDE AN AGRICULTURAL CONTRACT UNDER
THE LAND CONSERVATION ACT AND FORM NEW PRESERVES
FROM AN EXISTING PRESERVE**

REC'D
SEP 25 2018
SAN BERNARDINO
ASSESSOR

- 1) Existing Contract No 11-02, 11-03
Recorded on 6/24/2011 Book Page or Document No 2011-0005716, 2011-0005717
- 2) Number of acres in existing preserve – 505.98, 77.63
- 3) Assessor's parcel number(s) in existing preserve –
APN: 023-100-065 (505.98 Acres), APN: 023-100-066 (77.63 Acres)
- 4) Reasons(s) for dividing – Reallocating Preserves to sell off the Large Estate Home with a small portion of Vineyard acreage. The intent is to lease back the vineyard and continue farming.

General Notes

The Wine Group has recently acquired the contiguous Pinnacle Vineyard and Bayly Ranch.
The Wine Group has started planting new vineyards with plans to expand vineyard production by approximately 500 acres, greatly increasing agricultural production in the area.

- 5) The existing preserve is to be divided into – 2 preserves

PRESERVE NO. 1 –

- A) Number of acres in this new preserve – 40
- B) This land is currently being used as Vineyards
(row crop, orchard, grazing, perm. pasture, etc.)
- C) 1) Actual annual gross income from this new preserve for 3 of the last 5 years (attach supporting schedules as required) –
See Attached- _____ (year) _____ (year) _____ (year) \$ _____
- 2) If this property is a new orchard or vineyard planting, what is the anticipated annual gross income at maturity--\$ Does Not Apply
- D) Attach a map outlining this new preserve and identifying major improvements such as houses, barns, etc. Also list below the assessor's parcel number(s) that will be part of this new preserve.
Portion of 023-100-066, Major Improvements: House, Guest House, Pool,
11.63 Acres of Vineyard, Well. See Attached Map

PRESERVE NO. 2 -

- A) Number of acres in this new preserve - 543.61
- B) This land is currently being used as Vineyards, Grazing
(row crop, orchard, grazing, perm. pasture, etc.)
- C) 1) Actual annual gross income from this new preserve for 3 of the last 5 years (attach supporting schedules as required) -

See Attached - \$ _____ - \$ _____, _____ - \$ _____
(year) (year) (year)

- 2) If this property is a new orchard or vineyard planting, what is the anticipated annual gross income at maturity—Does not apply
- D) Attach a map outlining this new preserve and identifying major improvements such as houses, barns, etc. Also list below the assessors parcel number(s) that will be part of this new preserve.

Portion of 023-100-066 and all of 023-100-065. 150.87 Acres of Vineyard,

Irrigation Well. See Attached Map

I/We do declare under penalty of perjury the forgoing is true and correct.

Executed this 15th day of September 2018 at Ripon (City) CA (State)

**SIGNATURE OF ALL
CURRENT OWNERS**

NAME (Typewritten)

MAILING ADDRESS

[Handwritten Signature]

Dan Zastrow

17000 East Hwy 120, Ripon, CA 95364

The Wine Group LLC

**NOTARY ACKNOWLEDGEMENT REQUIRED
FOR EACH SIGNATORY**

APPROVED - COUNTY OF SAN BENITO

DATE _____

By _____
Chairman of the Board of Supervisors

ATTEST: _____
Clerk of said Board

1/06

THIS FORM MUST BE TYPEWRITTEN

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

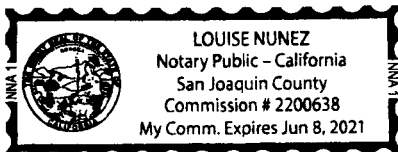
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of San Joaquin)
On Sept 13, 2018 before me, Louise Nunez, Notary Public
Date Here Insert Name and Title of the Officer
personally appeared Daniel Zastrow
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Louise Nunez
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Application to Divide An Agricultural Contract
Document Date: Sept 13, 2018 Number of Pages: 4
Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

Section C - 1 Preserve 1

Block	Varietal	Acres Planted	Tons Harvested			Tons per acre			\$ per ton			Gross Income		
			2015	2016	2017	2015	2016	2017	2015	2016	2017	2015	2016	2017
C3	Cabernet	2.65	3.4	9.48	14.85	1.3	3.6	5.6	1400	1550	1600	4,760	14,694	23,760
C1	Malbec	4.71	11.97	25.62	28.2	2.5	5.4	6.0	900	1000	1062	10,773	25,620	29,948
C2	Cab Franc	4.27	22.92	24.23	23.65	5.4	5.7	5.5	1350	1100	1192	30,942	26,653	28,191
		11.63	38.29	59.33	66.7	3.3	5.1	5.7	\$1,213.76	\$1,128.72	\$1,227.87	\$46,475.00	\$66,967.00	\$81,899.20

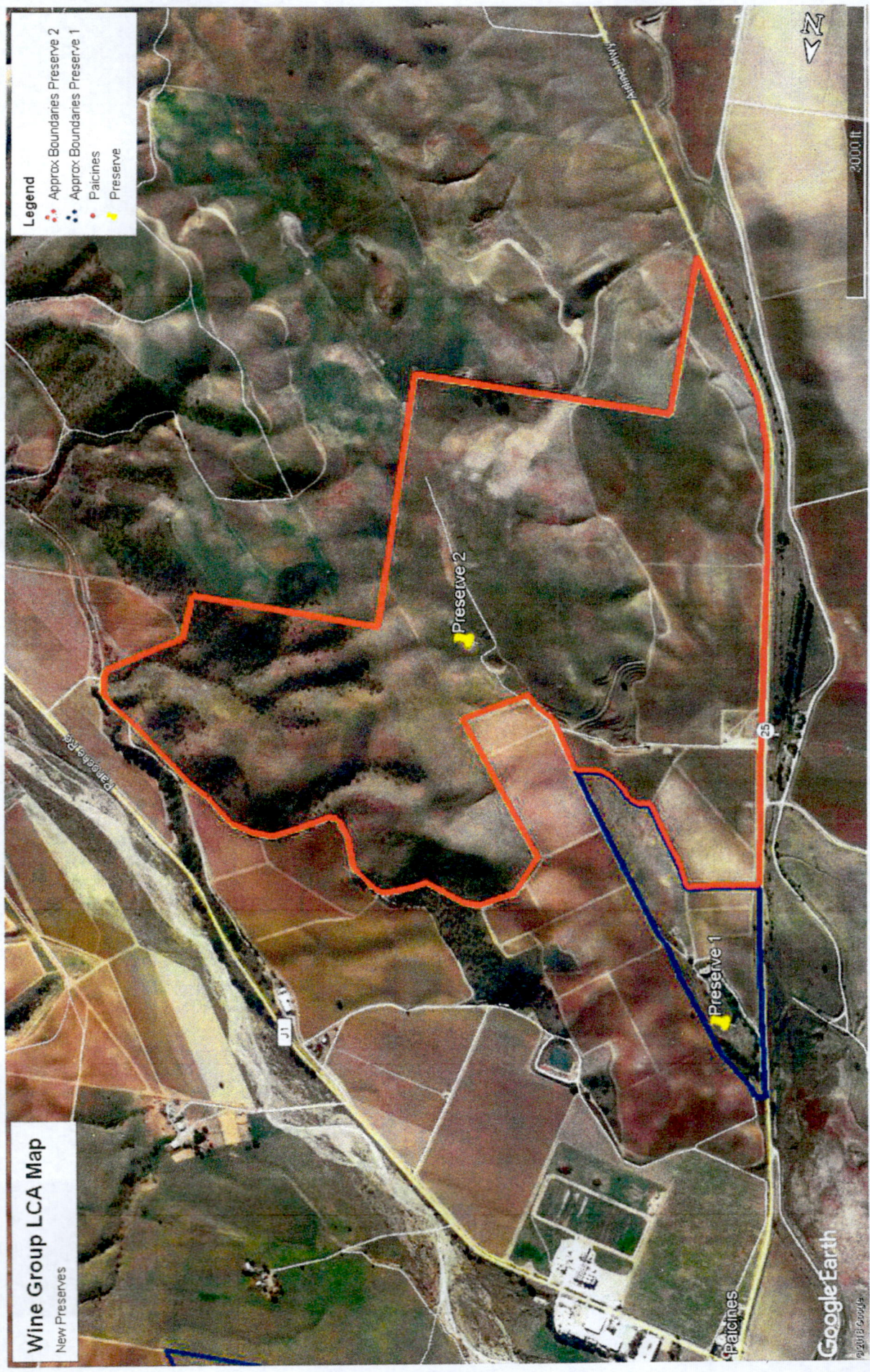
Section C - 1 Preserve 2

Block	Varietal	Acres Planted	Tons Harvested			Tons per acre			\$ per ton			Gross Income		
			2015	2016	2017	2015	2016	2017	2015	2016	2017	2015	2016	2017
E4.1	Cabernet	3.9	8.85	24.39	23.4	2.3	6.3	6.0	1400	1550	1600	12,390	37,805	37,440
E6	Cabernet	15.7	9.85	55.7	78.5	0.6	3.5	5.0	1400	1550	1600	13,790	86,335	125,600
E4.2	Cab Franc	2.12	8.63	14.6	11.66	4.1	6.9	5.5	1350	1000	1000	11,651	14,600	11,660
E5	Pinot Grigio	4.57	6.1	25.77	22.85	1.3	5.6	5.0	1100	1000	1000	6,710	25,770	22,850
F4	Cabernet	11.98	19.97	47.97	59.9	1.7	4.0	5.0	1400	1550	1480	27,958	74,354	88,652
F5	Cabernet	10.11	12.27	48.16	50.55	1.2	4.8	5.0	1400	1550	1600	17,178	74,648	80,880
F6	Cabernet	12.46	8.5	51.61	62.3	0.7	4.1	5.0	1400	1550	1600	11,900	79,996	99,680
F7	Cabernet	29	7.98	46.1	101.5	0.3	1.6	3.5	900	1000	1062	7,182	46,100	107,793
F2	Merlot	19.98	30.23	90.83	99.9	1.5	4.5	5.0	1350	900	935	40,811	81,747	93,407
F3	Merlot	17	0	22.38	59.5	0.0	1.3	3.5	0	900	900	-	20,142	53,550
E3	Malbec	9.05	10.46	48.78	54.3	1.2	5.4	6.0	900	1450	1500	9,414	70,731	81,450
F1	Chardonnay	10	11.07	49.92	55	1.1	5.0	5.5	1000	1000	1000	11,070	49,920	55,000
F9	Pinot Blanc	3	6.59	19.77	18	2.2	6.6	6.0	1000	1000	1000	6,590	19,770	18,000
F8	Petite Verdot	2	5.74	12.64	12	2.9	6.3	6.0	1000	1000	1000	5,740	12,640	12,000
		150.87	146.24	558.62	709.36	1.0	3.7	4.7	\$1,247.15	\$1,243.34	\$1,251.78	\$182,383.00	\$694,556.50	\$887,961.50

Wine Group LCA Map

New Preserves

- Legend**
- Approx Boundaries Preserve 2
 - Approx Boundaries Preserve 1
 - Paicines
 - Preserve





THE WINE GROUP

October 8, 2018

San Benito County Assessor
Tom Slavich
440 Fifth St
Hollister, CA 95023

Dear Mr. Slavich,

Please be advised that Dan Zastrow, currently Executive Vice President – Vineyards, Wine and Grape Supply at The Wine Group, is authorized to sign the “Application to Divide an Agricultural Contract Under the Land Conservation Act and Form New Preserves From an Existing Preserve” with respect to Existing Contract Nos: 11-02 and 11-03, regarding APNs: 023-100-065 and 023-100-066 on behalf of our organization. If you have any questions or need any additional information regarding Dan’s authorization, please do not hesitate to contact me.

Sincerely,

Keith Bauman
EVP & General Counsel