

±120 ACRE CANNABIS FARM WITH APPROVED CUP



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OVERVIEW

SUMMARY

- Asking Price: ~~\$7,000,000~~ \$6,000,000
- Location: Southern San Luis Obispo County, CA
- APNs: 048-151-037, 048-151-043, 048-151-044
- Parcel Size: +/- 120 acres
- Zoning: Agriculture

OVERVIEW

This is an amazing opportunity to purchase a 120+ acre cannabis farm located in beautiful San Luis Obispo County. The Cougar Ridge Farm consists of three forty-acre parcels; 048-151-037, 048-151-043 and 048-151-044.

Water: There are two wells on parcel 048-151-043 and one well on each of the other two parcels which are sufficient for all projected water needs. Irrigation lines throughout the entire property are already in place, as are all necessary water and nutrient storage tanks.

Electricity: Parcels 048-151-043 and 048-151-044 currently have grid-connected power. Parcel 048-151-037 does not have electricity; however, a quote was obtained from PG&E, and it is estimated power can be brought into the parcel for approximately \$55,000 if desired.

Telecommunications: All parcels have cellular coverage. Parcels 048-151-043 and 048-151-044 have Satellite Internet and land-based phone lines located at the residential structures.

Residential Structures: Parcels 048-151-043 and 048-151-044 have residential structures. The 2-bedroom home on parcel 048-151-043 has had a major \$300,000 remodel and is approximately 2,500 square feet, with a detached 1,200 square foot garage. The 2-bedroom house on parcel 048-151-044 is approximately 1,800 square foot with a 235 square foot barn. Parcel 048-151-037 does not have any permanent structures.

LOCATION

The farm is an equidistant 3-hour drive from both Los Angeles and San Francisco making it convenient from a sales distribution standpoint. San Luis Obispo County is known for being one of the premier cannabis cultivation climates in California along with Humboldt and Santa Barbara counties.

With the Pacific Ocean to the west, each evening through mid-morning Pacific fog and coastal breezes funnel in and permeate the property throughout the year. Combined with low annual precipitation, an ideal elevation above sea level and an abundance of natural aquifers, the area enjoys a premier microclimate coupled with an extended growing season that is also prized by California's wine industry.



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COMMUNITY OVERVIEW

CANNABIS CULTIVATION HIGHLIGHTS

San Luis Obispo County places limits on the size of cultivation operations allowed based on zoning location. For the area encompassing Cougar Ridge, regulations prohibit cultivation on parcels/farms of less than 50 acres. For parcels/farms 50 acres or larger, San Luis Obispo allows one-acre of outdoor cultivation, and an additional one-half acre of indoor cultivation. San Luis Obispo classifies hoop structures without supplemental lighting as “outdoor” cultivation. SLO regulations allow two or more adjacent parcels controlled through ownership or lease by the same cultivator to be combined in order to meet the 50-acre minimum size limit. As such, the three Cougar Ridge parcels comprising 120 acres meet this threshold, and the farm qualifies for a cultivation size of one-acre of outdoor cultivation, and an additional one-half acre of indoor cultivation (approximately 65,000 square feet of canopy).

Potentially, a lot line adjustment would allow the property to be licensed at double the above cultivation threshold, for a total of two-acres of outdoor cultivation and one acre of indoor cultivation, or approximately 135,000 square feet of total cultivation canopy. To accomplish this, parcel 048-151-044 would have to be divided such that, at minimum, ten acres or more of the 40-acre parcel 048-151-044 could be allocated to one of the adjacent parcels, with the other portion allotted to the remaining parcel, making them 50 acres or more. The seller has not initiated any lot-line adjustment at this time.

VALUATION

The value of the property reflects a combination of the value of the underlying land, houses on the property, property improvements including water wells, water storage, irrigation systems, nutrient mixing tanks and the existing hoop house assets, storage sheds, barn and similar property improvements and equipment. In addition, the valuation reflects projected earnings from the cultivation business.

ITEM	NOTES	VALUE
Land & Improvements	Includes 120+ acres of land, two houses, barn, water wells, water distribution and improved roads.	\$1,950,000
Cultivation Assets	Includes hoop houses, irrigation systems, cultivation equipment and related tools and equipment.	\$500,000
Cultivation Valuation	Over \$1.5 million net income on \$6,800,000 annual revenue with a 20% cost of capital.	\$7,500,000
Less: Future Improvements	Fencing, gates and electrical	\$450,000
Total Value		\$9,500,000



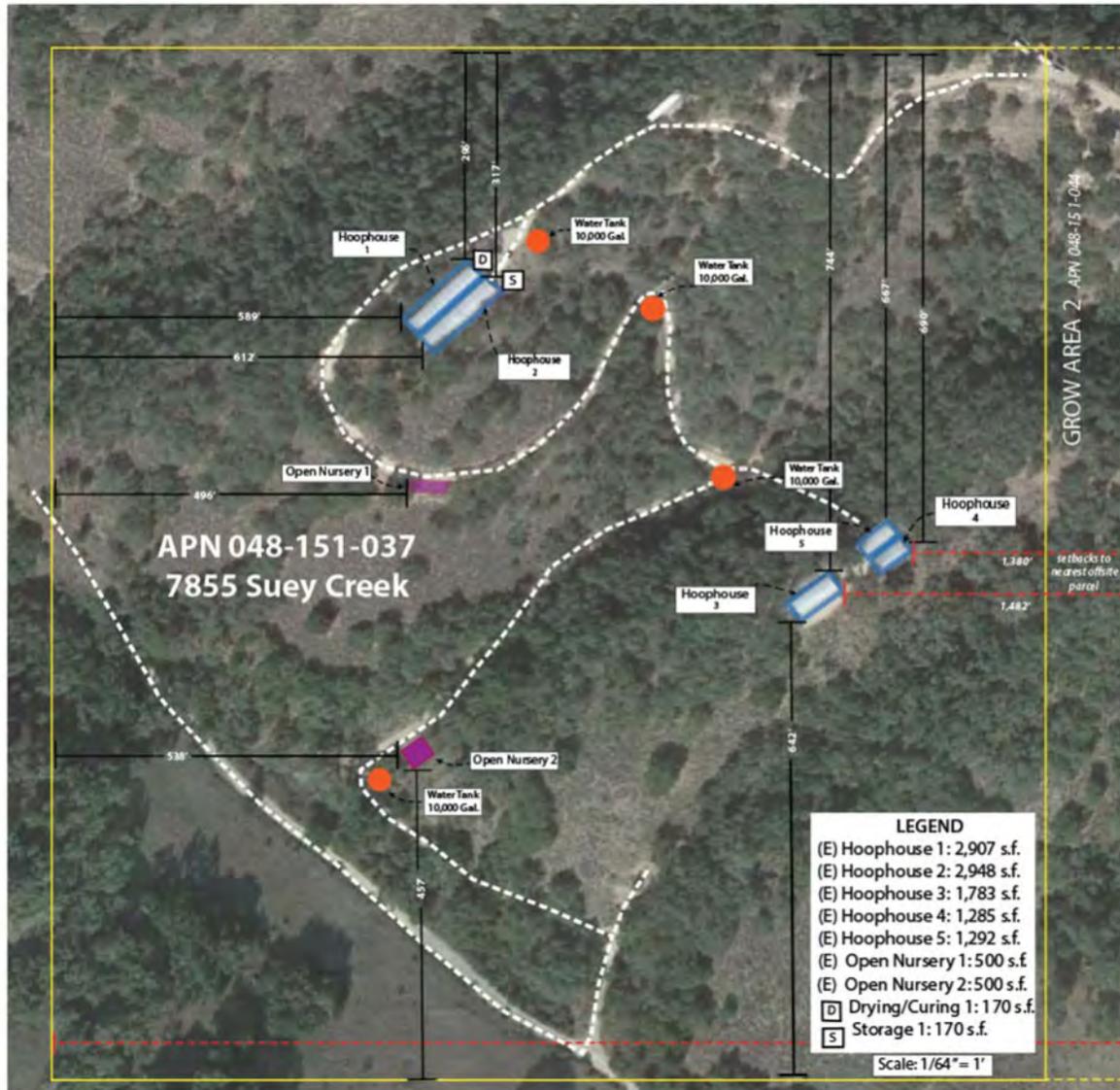
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GROW AREA 1



Kirk Consulting

Sheet 3: Grow Area #1 Site Plan
 Helios Dayspring
 7710 & 7840 Cougar Ridge Wy. and
 7855 Suey Creek Rd.
 Santa Maria, CA 93454

SCALE: 1/64" = 1'	
DATE: 9.11.18	
7710 & 7840 Cougar Ridge Wy, 7855 Suey Creek Rd.	
Sheet	
3 of 6	



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GROW AREA 2

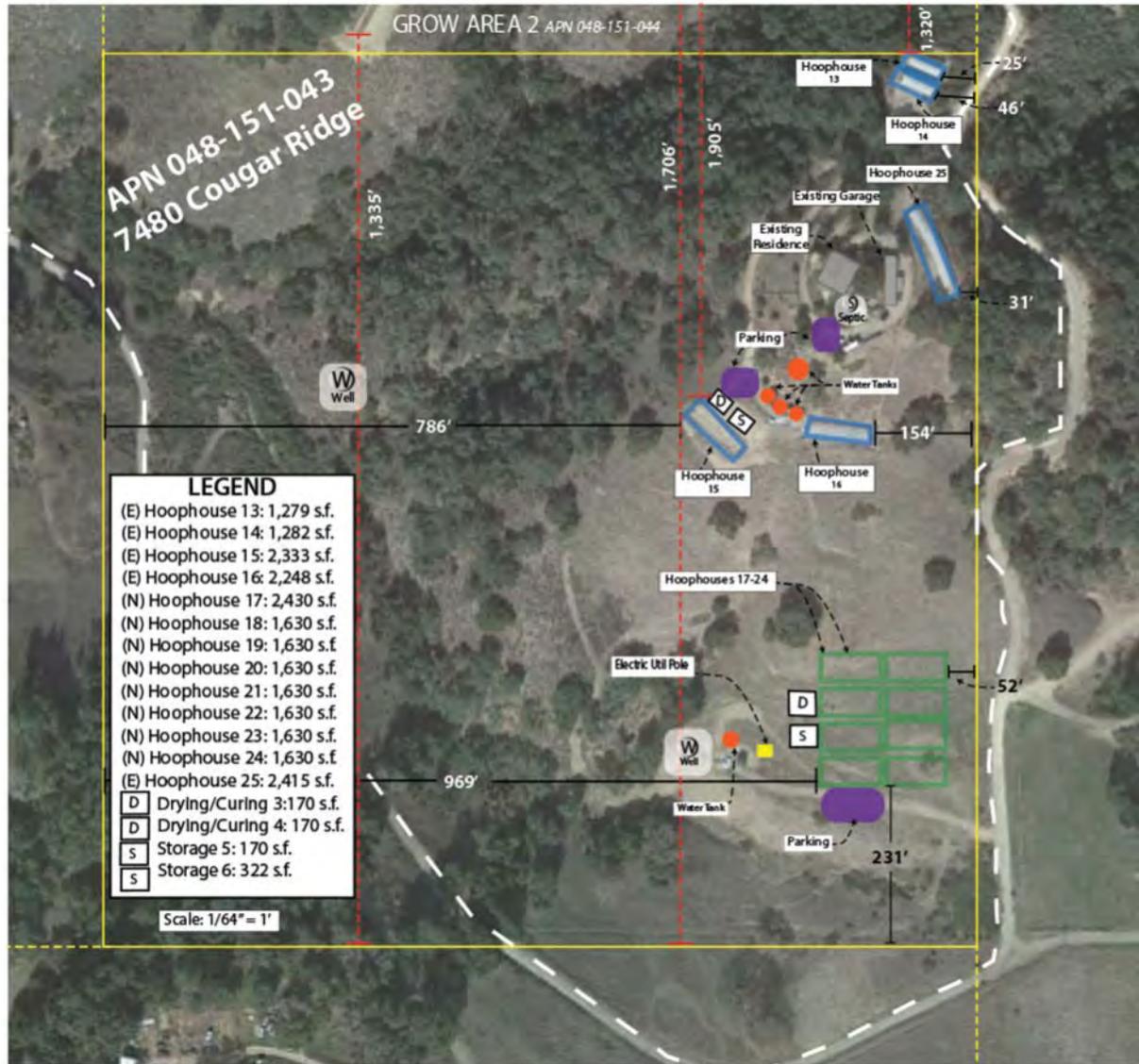


Kirk Consulting

Sheet 4: Grow Area #2 Site Plan
Helios Dayspring
7710 & 7840 Cougar Ridge Wy, and
7855 Suey Creek Rd.
Santa Maria, CA 93454

SCALE 1/64" = 1'	
DATE: 9.11.18	
7710 & 7840 Cougar Ridge Wy, 7855 Suey Creek Rd.	
Sheet	
4 of 6	

GROW AREA 3



Kirk Consulting

Sheet 5: Grow Area #3 Site Plan
 Helios Dayspring
 7710 & 7840 Cougar Ridge Wy, and
 7855 Suey Creek Rd.
 Santa Maria, CA 93454

SCALE 1/64" = 1'	
DATE: 9.11.18	
7710 & 7840 Cougar Ridge Wy, 7855 Suey Creek Rd.	
Sheet	
5 of 6	

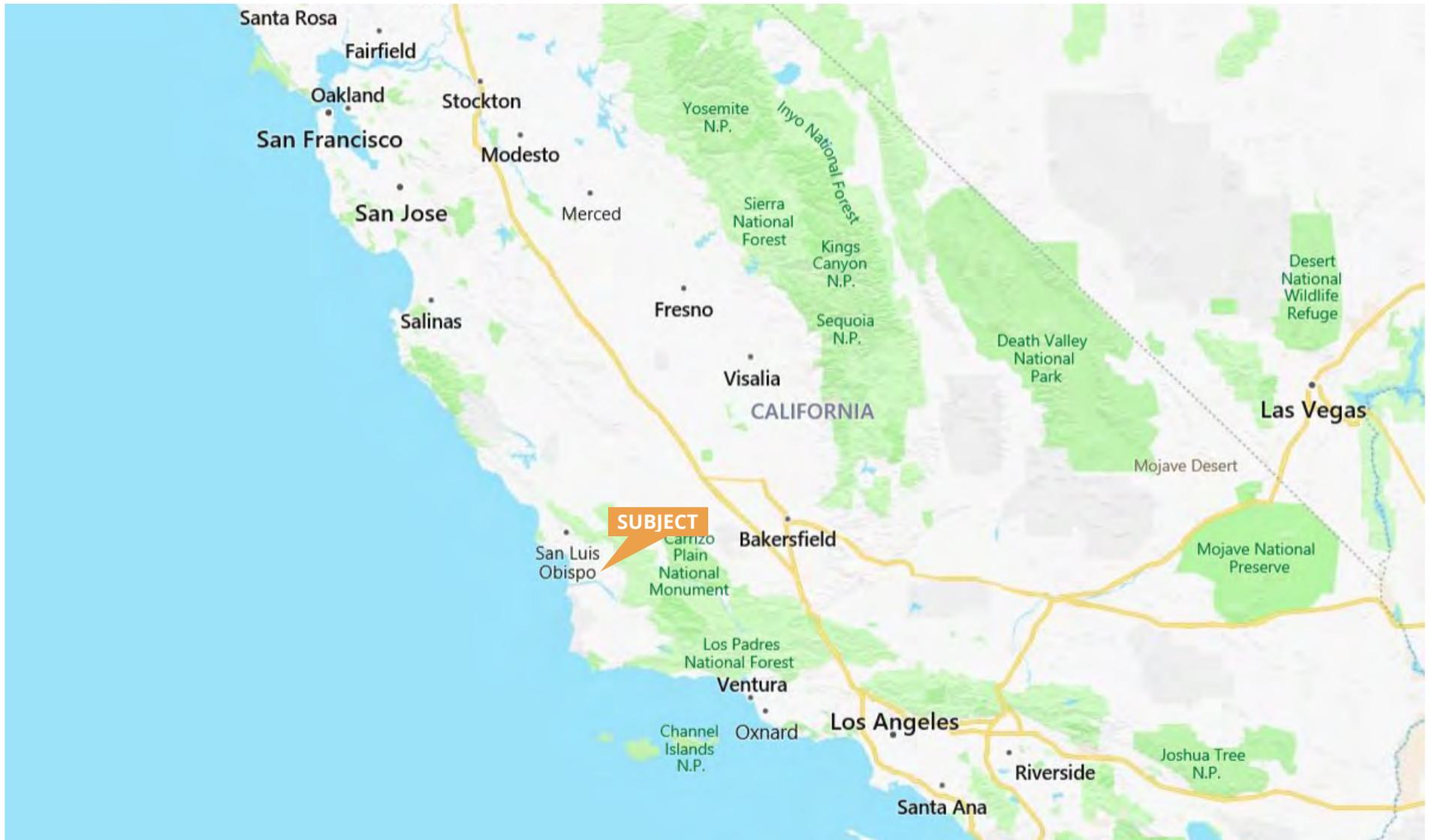


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REGIONAL MAP

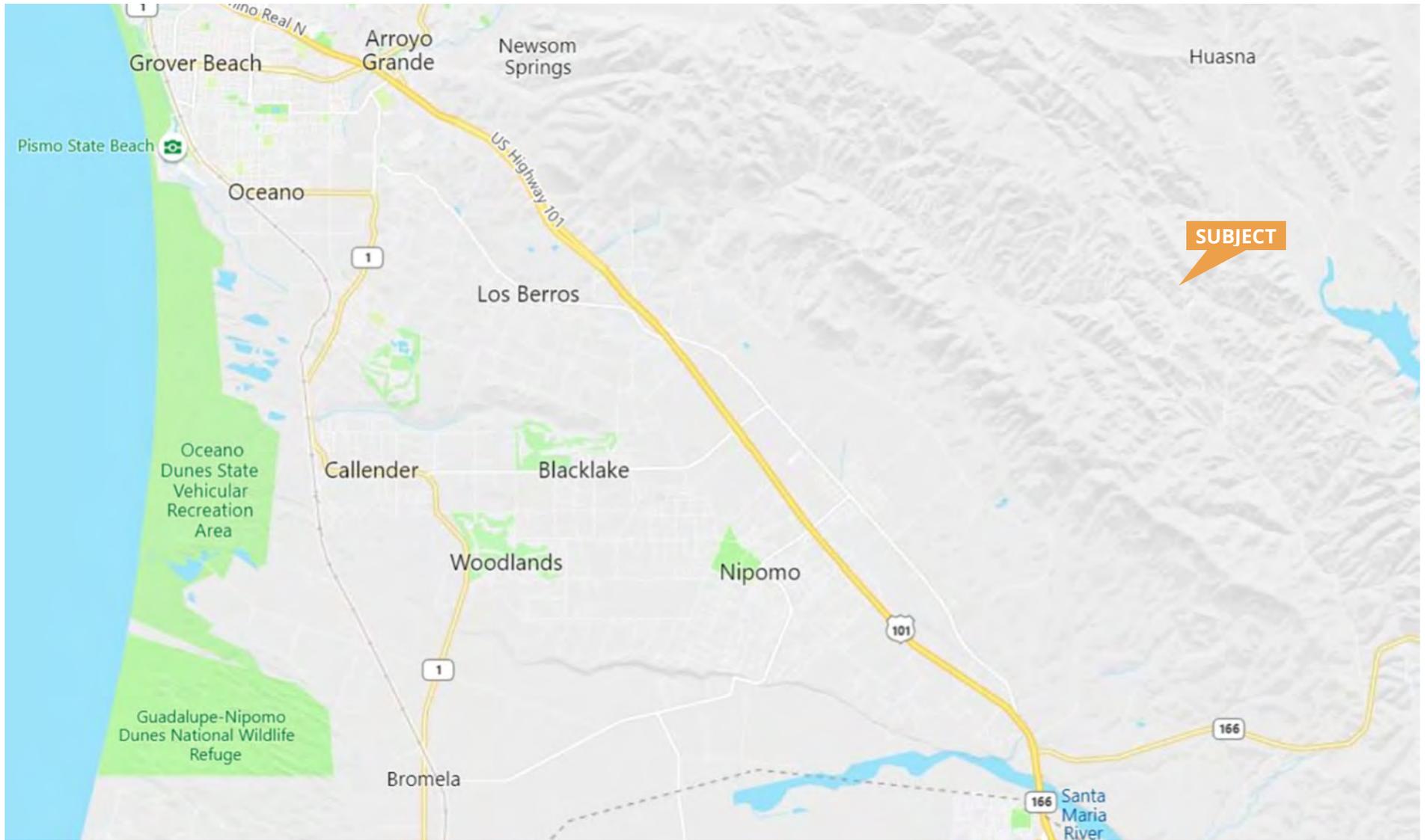


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LOCAL AREA MAP

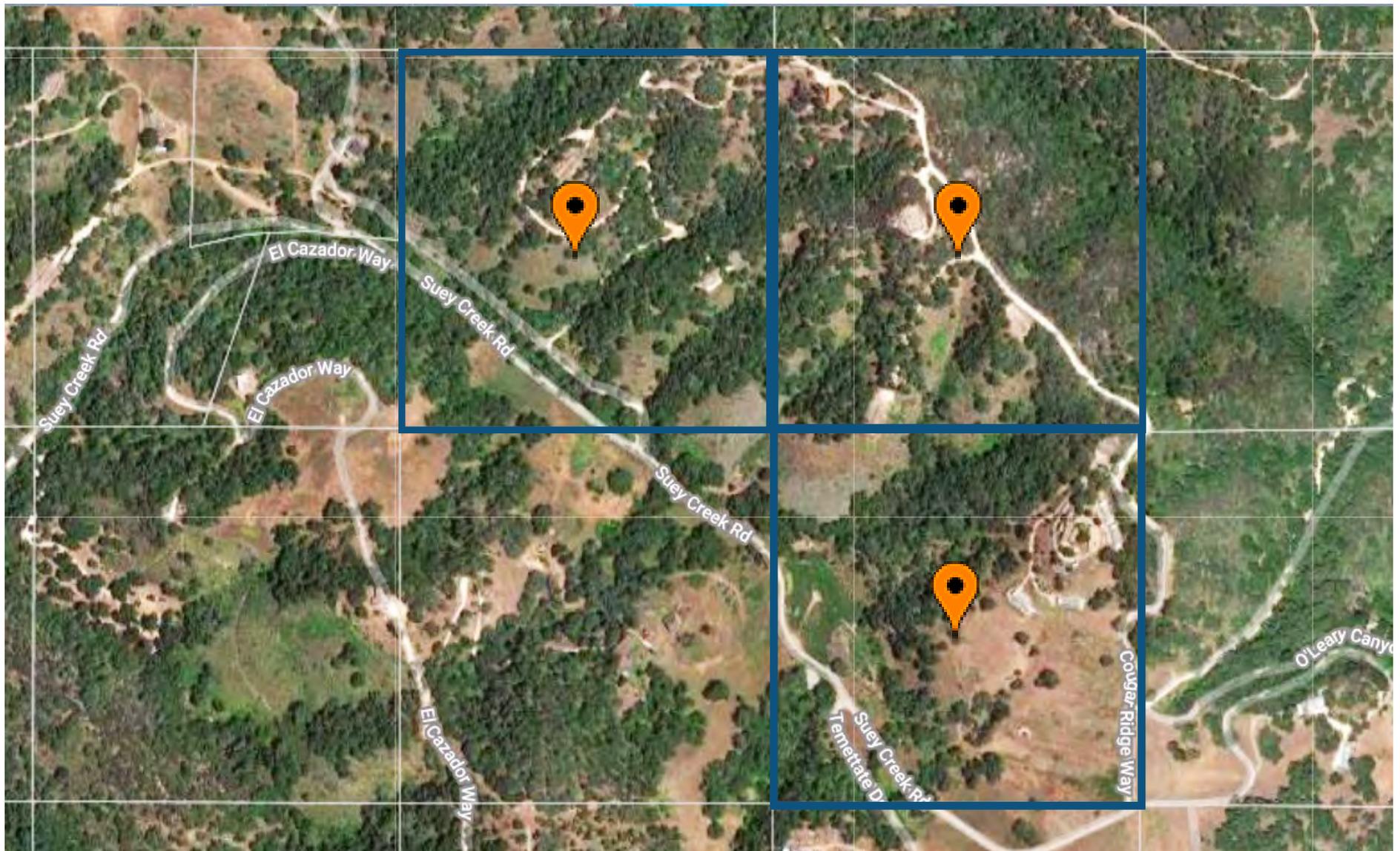


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AERIAL MAP

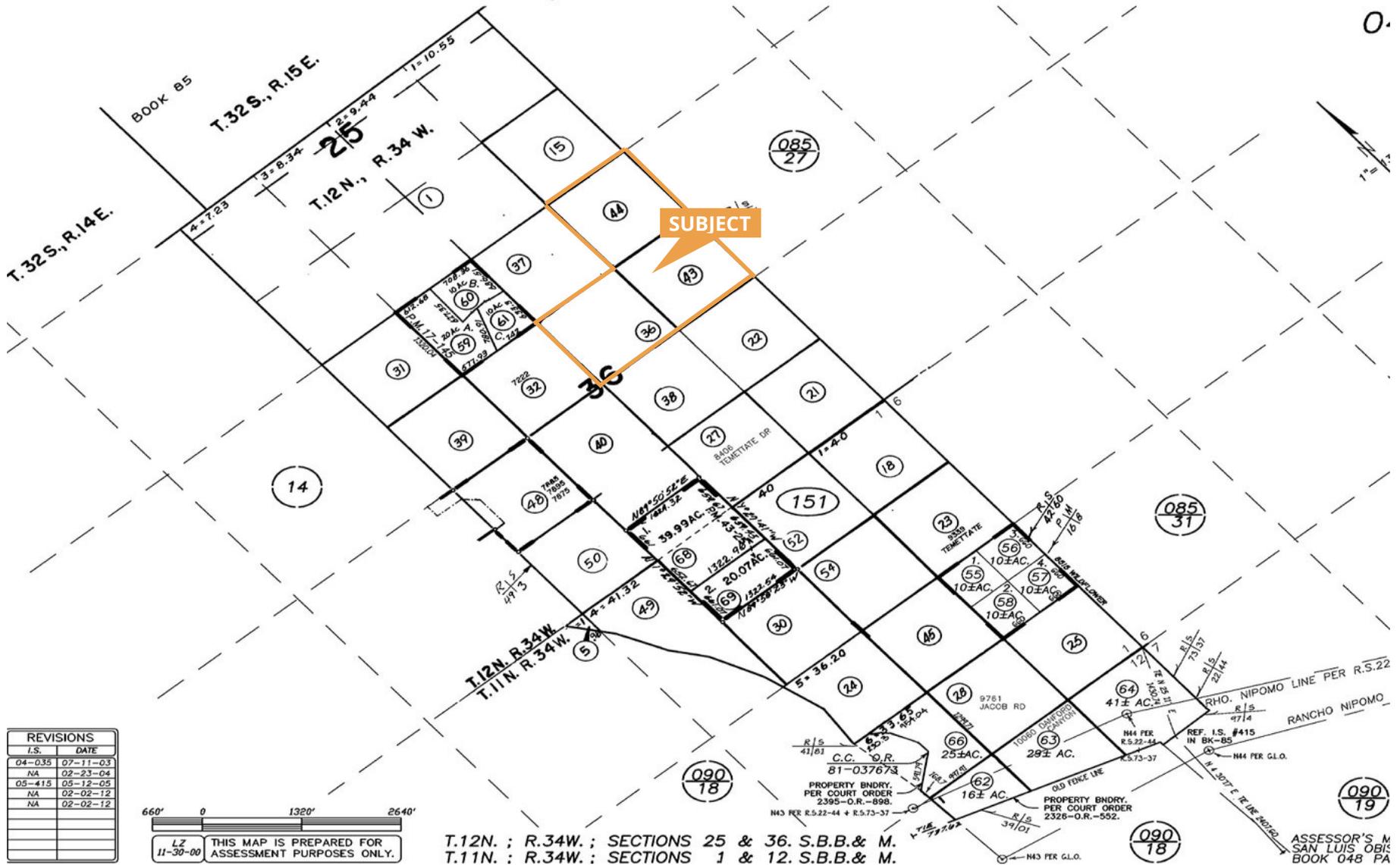


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PLAT MAP



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The financial projections herein represent a reasonable scenario based on pro forma projections of the current owner. The buyer may bring in his or her own operator and employ methods that may yield substantively different results.

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