

STRANGE RANCH

PROPERTY DUE DILIGENCE SUMMARY

The following information is based on seller-provided property information and is intended as a due diligence summary. Buyer should independently verify all service capacities, permits, operating costs, lease terms, and property conditions.

1. ELECTRICAL INFRASTRUCTURE

- Residential Home: 200-amp electrical service.
- Middle Parcel / 3,400± SF Metal Shop: seller reports 200 amps into the shop, plus a shared 400-amp service that can feed either the shop or the grow tiers, but not both at the same time.
- Upper Parcel: three 200-amp services, for 600 amps total service.
- Two 200-amp services attach to the south side of the rental house. Seller states the resulting 400 amps are distributed throughout the property.
- Seller-provided distribution details include approximately 50 amps to the irrigation center and RV site; 40 amps to the abandoned mobile-home location; 60 amps to the rental mobile home; 200+ amps to the garage/office/shop; and 100 amps to the rental house.
- A third, newer 200-amp service is located at the new well near the entrance gate and RV/mobile-home area.
- Previous farm lessees have modified portions of the electrical distribution system to meet agricultural grow, nursery, and processing needs.
- Seller states three-phase overhead power is available near the pole at the new 200-amp service by the gate entrance; a new three-phase service has not been developed.

2. SOLAR SYSTEM

- Primary residential house only.
- Rooftop system: approximately 19 kW with 35 panels.
- Grid-tied through PG&E.
- No battery storage.
- 220V electric-vehicle charging is available in the garage.
- Seller reports annual residential electric cost in the range of approximately \$400-\$600; this figure should be reconciled with utility statements.

3. INTERNET SERVICE

- Volcano Telephone Service in Pine Grove provides high-speed DSL via landline.
- Satellite communication options are also available.

4. SEPTIC SYSTEMS

- Primary Residence: permitted 4-bedroom / 4-bath septic system. Seller states the tank is located east of the home between the house and lawn. The leach field was upgraded and relocated approximately eight years ago to the bench south/below the house.
- Middle Parcel: no septic system.
- Upper Parcel - Rental House: permitted 3-bedroom / 2-bath septic system. Tank is located on the north side of the house; leach field is north of the driveway.

- Upper Parcel - Mobile Home / RV Area: permitted 3-bedroom system serving the rented mobile home, vacant/abandoned mobile-home site, and RV site near the irrigation area. Seller states the system was upgraded approximately six years ago with a new tank and leach field for a total of three bedrooms. Tank is west of the abandoned mobile-home site.
- Upper Parcel - Additional System: a separate 3-bedroom septic system was installed approximately six years ago for future rentals/RVs near the storage containers and new 200-amp service. Seller states this system is not permitted to date. Tank is east of the fruit orchard, south of the driveway and two metal storage containers.

5. PROPANE SYSTEMS

- Primary Residence: leased 200-gallon tank from Kamps Propane, Pine Grove.
- Rental House: owner-owned 200-gallon tank.
- Rental Mobile Home: leased 150-gallon tank from Campora.
- Upper-property renters are responsible for their propane accounts.
- Seller also owns three additional tanks: two 200-gallon tanks and one 100-gallon tank.
- No propane service on the Middle Parcel.

6. REVENUE SUMMARY

- Cannabis lease revenue: 2023 - \$100,000; 2024 - \$150,000; 2025 - \$130,000; 2026 - \$130,000. Seller states farm lessees pay cultivation-related operating costs, including license renewals, grow taxes, electricity, labor, and security.
- Rental house: \$2,000 per month / \$24,000 annually.
- Mobile home: \$700 per month / \$8,400 annually.
- Combined residential rental income: \$32,400 annually.
- Hipcamp revenue: 2024 (May-September) - \$7,561; 2025 (April-October) - \$21,643; 2026 year-to-date through August 18 - \$21,387. Seller projects approximately \$24,500 for full-year 2026.
- Projected 2026 gross revenue based on seller-provided figures: \$186,900.

7. OPERATING EXPENSES

- Property taxes: Residential Property 2883 - \$7,028.32; Upper + Middle Properties 3369 + 2885 - \$10,278.28; total \$17,306.60 annually.
- Insurance: Residential property + metal shop - \$16,426; Upper Property 3369 - \$3,551; total \$19,977 annually.
- Utilities: Residential home - approximately \$1,400 annually (\$800 propane + \$600 electric); metal shop / cannabis drying-processing + three Hipcamp sites - approximately \$2,000 annual electricity; mobile home and rental house electricity - approximately \$3,120 annually; mobile home and rental house propane - approximately \$600 annually. Total listed utility cost: approximately \$7,120 annually.
- Maintenance: approximately \$1,800 annually.
- Seller reports no separate staffing cash expense because owner performs property work.
- Seller reports no separate road-maintenance cash expense because owner uses owned farm equipment for stormwater and snow removal.
- Total listed seller-reported cash operating expenses: approximately \$46,203.60 annually, before any normalization for owner labor, management, reserves, equipment, repairs, or other unreported costs.

Security

- Security services are provided by the Farm Lessee.
- Security costs: Not Disclosed.