



are proud to represent
**Festina Lente
Estate Winery**

21113 16TH AVE, LANGLEY BC

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KAREN CONYERS

Personal Real Estate Corporation, CLHMS, CNE

WINSTON CONYERS

REALTOR® - Conyers & Associates

SOTHEBY'S INTERNATIONAL REALTY | CANADA

Suite 2 - 15621 Marine Drive, White Rock, BC

ABOUT US



Festina Lente was established in 2016, with a specialty in producing dry, food friendly, premium honey wines. Located on a 4.77 acre parcel in Campbell Valley, reflecting environmentally forward wines utilizing the unique location and micro-climate of the farm. Complete with a fully functioning orchard and on-site apiary - from bee to bottle - wines are produced and enjoyed by discriminating grape wine consumers. This is an opportunity to get into a Craft liquor industry that is just beginning to enjoy a surge in popularity and has exponential potential for growth. With fewer than 500 Meaderies in North America, the competition is few and far between versus 8391 wineries at last count.

The cleared area of the property, lack of streams and encumbrances, drainage, location and water quality are all major factors in determining the increased desirability and value of Festina Lente Winery as an agricultural property.

QCW (Quality Certified Wine) program. This program mimics the VQA program with a similar process and measurements. Fruit and Mead Wineries are able to submit their wines to the BC Wine Authority for testing and certification. Once certified they can use the QCW logo on the certified wines as a mark of fine quality. Festina Lente is a member of New Wave Wine Society. The society was set up as a group negotiating team and has 18 members. <https://www.newwavewine.ca/qcw-program.html>

Festina Lente is being featured in BC liquor stores in Aug 2021, supplying 200 cases of the three QCW wines, traditional, blueberry and spice. BC Liquor stores will promote with an end aisle location, as a part of their fruit and mead wine promotions.

Currently in BC, there are 10 meaderies and over 400 grape wineries. Festina Lente is the standard for meads in BC that everyone else is comparing themselves to. <https://www.transparencymarketresearch.com/honey-wine-market.html>

WHAT WE ARE UP TO

Festina Lente has 6 licenses to operate, allowing quick and exponential growth:

A: BUSINESS LICENSE FOR TASTING ROOM AND RETAIL SALES

B: WATER USE LICENSE

This is required where well water is permitted to be used for non-residential use – due to quantities required to produce mead wines over and above typical household needs.

C: LOUNGE LICENSE

This license allows the sale of 6oz and 9oz glasses of wine and food which means that there is potential to open a bistro – pending other permits. Many other wineries have applied for this license and have been refused. The cost to get to the final application process can be upwards of \$200000. *IMPORTANT: The Province is not issuing any more of these licenses for an indefinite period of time.*

D: SPIRITS LICENSE

The spirits license allows fortified wine and other spirits on site – growth is in distilled products ~ 14% across Canada. A spirited wine will be ready for the Christmas season 2021 – with this license there is no limit to the percentage of alcohol in the beverage. May allow for other types of spirits to be produced on site.

E: WAREHOUSE LICENSE

The warehouse license permits the storage of finished product that would normally attract excise duty without paying the taxes until the product is actually sold. This is very important in the cost of excise taxes on spirits that may sit in barrels/bottles for several years prior to being sold. Financially, this is an advantage as you are paying the taxes as the income comes in rather than having something you haven't sold cost you money. It also permits the storage of liquor on site from your own winery/distillery or from another winery/distillery (ie. Renting out space for other wineries to store finished product).

F: USER'S LICENSE

A licensed user may use the alcohol in the following circumstances, as stated in sections 73 and 90:

- in an approved formulation
- in an approved process;
- to produce vinegar;
- to fortify wine (where the licensed user also holds a wine licence);
- to blend spirits and bulk wine where the finished product is spirits (where the licensed user also holds a spirits licence); or
- to produce spirits from bulk wine (where the licensed user also holds a spirits licence).

NEW: Carbonated wine will be sold on the deck 'on tap'

SUPPLY CHAIN STABILITY

The supply lines are secure. Standard bottles and other supplies are all available locally. They didn't go for fancy bottles etc., which would have to be custom made and could cause delays.

Corks are used to maintain high quality image. The only item sourced offshore comes from Germany, is stocked locally and are the capsules for the bottling maintaining a significant brand differentiation.

INDUSTRY GROWTH

In the USA, it's estimated there is a new meadery coming online every 3 days.



"Though more people are making the beverage, it's still oddly hard to find in bars and grocery stores. But thanks to a dedicated community of mead loyalists, that is starting to shift. Soon, "grabbing a glass of mead," might roll off the tongue as naturally and easily as "a glass of wine" or "a beer." In fact, the oldest booze in the world might finally be cool."

LOCATION ADVANTAGES

Located in one of the most desirable areas of Langley, Campbell Valley affords a beautiful farm lifestyle, while still within striking distance of White Rock, Vancouver and the US border. It is a well-travelled route by locals, tourists and truck drivers' alike providing maximum exposure to a variety of people and potential customers.

South Langley, and more specifically, 16th Ave is a major route between the community of White Rock and east Aldergrove. Many south exits lead to the Canada/US border, and exits North lead to Abbotsford/Mission and east on Hwy 1.

Festina Lente has unique property zoning: the building is considered and taxed at a commercial rate while the rest of the property enjoys an extremely low tax rate of farm status due to the farm related sales of eggs etc. Because of the current use, it may be possible to rezone and have the land taken out of the ALR. If you were to build a warehouse, it would immediately make the land under it commercial zoned.

The house on the property could be completely converted into a winery, easier to do as an existing business than to try to start one up; or the residence could be isolated very easily from the business.

There is potential to annex the property to the west: 5 acres with house and barn.

The tasting room is wheelchair accessible, and includes an outdoor patio area.



The well-known horse sculpture in front was one of seven life size horse sculptures that were painted for 'The Horsing Around Langley' project through a provincial cultural grant in connection with the B.C. Summer Games hosted by Langley in 2011. Lush greenery, vineyards, equestrian estates, large estate homes intermingle with a cohesion not often found, yet with a sense of individuality that makes this area feel as though you can be yourself.

WHY TO BUY

This is your opportunity to get into a Craft liquor industry that is just beginning to enjoy a surge in popularity and has exponential potential for growth. With fewer than 500 meaderies in North America, the competition is few and far between versus 8391 wineries at last count.

Mead is naturally very low in tannins, histamines and other allergy producing compounds. Many people have sensitivities to grape wines, but can drink mead without negative effects. Mead is naturally gluten-free and has a 6 week open bottle in the fridge shelf life, compared to a few days for other wines. Because it is drinkable right away, the aging process as required by grape wines is nonexistent; (on the flip side there are reports of mead lasting 5000 years).

The winery has a good working relationship with Township7, including supplying food during events as Festina Lente has the appropriate license and Township7 does not.

VQA/QCW

BC Liquor branch buys at 50% wholesale normally. With this certification of quality, the price paid goes up to 75% wholesale. Sale to restaurant \$17.02. Sale to BCLB \$11.99 regular, \$14.50 QCW.

Margins are set with a minimum of 80% to protect the industry from discounting itself out of business.

GROWTH OPPORTUNITIES

Mead continues to have exponential growth because of who is drinking it: the under 40 crowd who experiment with new tastes and are looking for something unique and exciting.

Growth is in distilled products – 14% across Canada

Some current locations buying the product: 120 Pub Delta, The Artful Dodger, and a few restaurants. Now offered as a preferred product at all Langley Events Centre events.

Mead is the fastest growing alcohol sector in North America in part due to environmental awareness and concern for the welfare of bees. An on-trend product, poised for expansion and exponential growth. Due to the licences secured, there is no barrier to expansion as the winery grows.

PRODUCTION CAPACITY

Production capacity this year has been increased to \$2,000,000 or 8000 cases of product per year, doubling last year's capacity.

Has a very low cost to carry inventory, with a high turnover rate when compared to grape products. A bad batch can cause a great loss in grape wines. There is a local winery that lost a 100,000-gallon tank because a worker left the wrong valve open, twice!!

Small batches make it easy to pivot to market demand and keep the winery on-trend as fickle buyers' tastes change.

Very scalable. Simply buy more tanks (available locally) to increase production.

Grape wine has seen a decline in growth due to market saturation. Today's millennial consumers are more looking for a more "artisanal" experience, most notably in the craft beer industry as well as craft spirits.

Poised for international export with a luxury product.

