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Harvard adds vineyard acreage in California

BOSTON



Oct 27 A company owned by Harvard University's huge endowment fund expanded its presence in California wine country this month, buying 149 acres in the Paso Robles grape growing region, according to county records.

The Harvard-owned company, Brodiaea LLC, also secured a \$10 million mortgage from Wells Fargo bank in June on its other California vineyard holdings, according to the documents reviewed by Reuters.

Harvard has become one of the biggest grape growers in California's up-and-coming but severely drought-stricken Paso Robles wine region, spending more than \$60 million to purchase around 10,000 acres since 2012.

The investments began as a bet on the grape market but turned into a smart water play as the company secured well drilling rights shortly before a ban on new permits, boosting the value of its land.

The new purchase covers 149 acres from Diamond Creek LLC located in the Paso Robles region in San Luis Obispo County, according to a grant deed signed on Oct. 15.

Diamond Creek LLC is not associated with Diamond Creek Vineyards, a Cabernet Sauvignon producer in Napa County.

Four months earlier, Brodiaea secured a \$10 million mortgage on other San Luis Obispo holdings from Wells Fargo, according to San Luis Obispo County documents.

Officials at Brodiaea, Harvard Management Company, and Diamond Creek were not immediately available. Harvard Management Company has declined to comment on its vineyard strategy in the past, citing a policy of not discussing individual investments.

Harvard's investment arm, often a pioneer in new asset classes, has faced criticism in the past for some of its timber and energy investments and last year the school signed on to U.N.-backed principles for responsible investment.

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