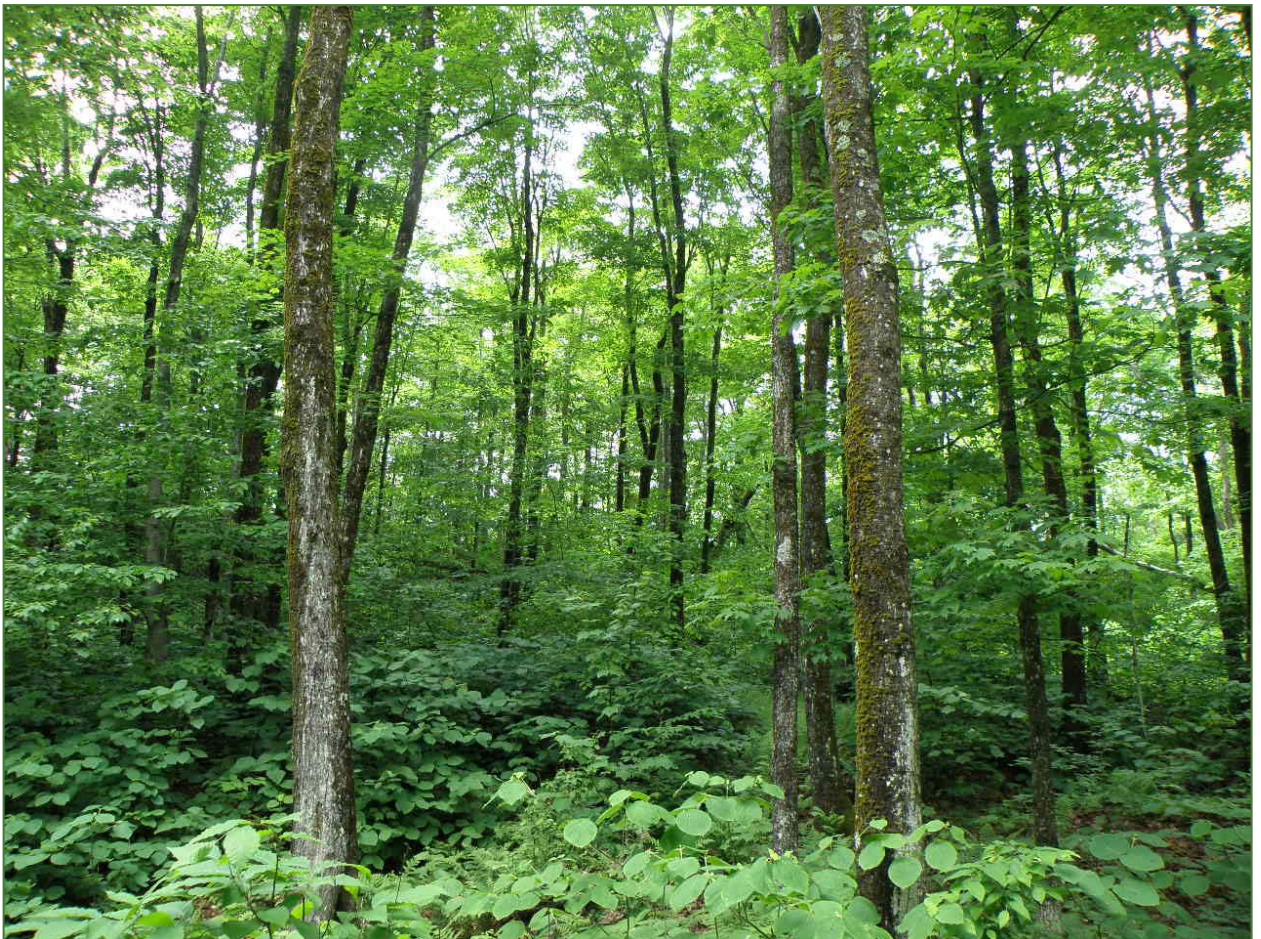


TRI-LOT FOREST

Protected by a conservation easement, where fully stocked northern hardwood stands prevail, the property is well suited to the long-term timber investor. The property's secure access, roadside electric power and over 15,000 potential maple taps also provides opportunity to sugarbush operators.

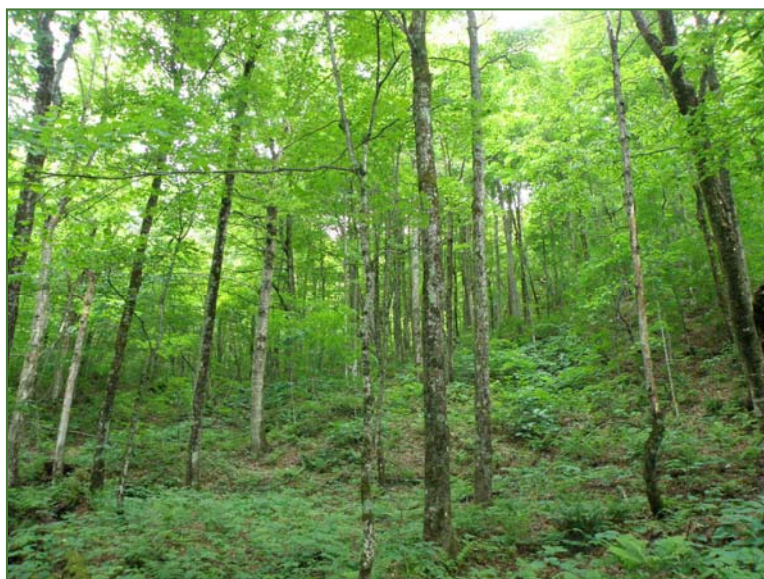


**450 GIS acres
Belvidere, Lamoille County, Vermont**

Price: \$396,000

INVESTMENT OVERVIEW

Tri-Lot Forest represents an affordable timber and/or sugarbush opportunity with attractive species composition, productive soils, good access, and a diameter distribution which supports cash flow and product shifting over the next 20 years. The ownership, Atlas Timberlands Partnership, is a collaboration between two well-known conservation groups, The Nature Conservancy and the Vermont Land Trust. Together, they have held the property (along with other lands) as a model for managing a diverse array of stewardship goals, including the practice of sustainable silvicultural operations. Their goal in divesting is to raise funds to further their forestland conservation work on new projects.



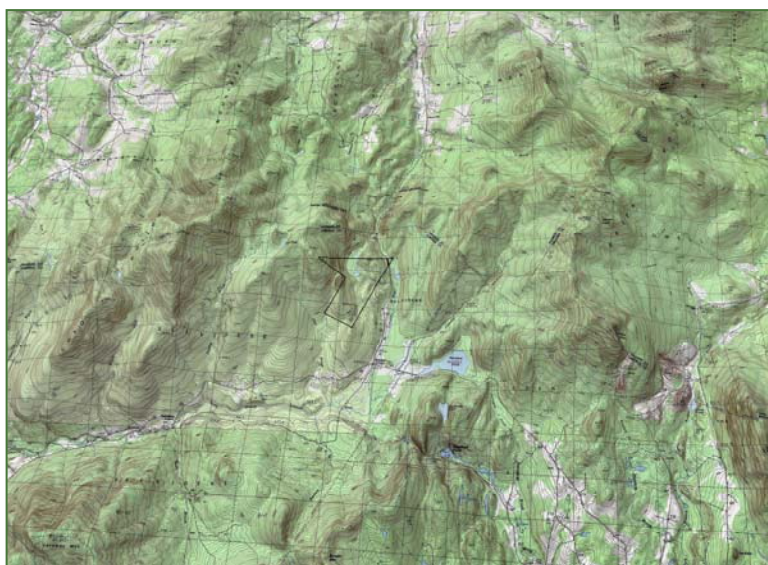
The timber resource is characterized by good stocking, a northern hardwood species composition, quality stems and possible sugarbush conversion potential.

Investment highlights include:

- Species mix dominated by sugar maple, red maple, yellow birch and beech;
- High stocking and middle-aged overstory providing immediate income from thinning operations;
- List price at 85% of Capital Timber Value;
- Secure access with power roadside;
- Possible sugarbush opportunity with 15,000 or more potential taps from stems 9" and greater on east and south-facing slopes with reasonably good sap-flow conditions;
- An additional 9,000 potential taps within the 5-8" diameter class, representing a sizable addition of potential taps over the next 10-30 years.

LOCATION

Tri-Lot Forest is located in a scenic part of northern Vermont near the spine of the Green Mountain Range and long-distance Long Trail 1.5 miles to the east. Just to the west is the spine of the Cold Hollow Mountains, with the property occupying their western slopes near the narrow Route 118 valley. The immediate area is mountainous, rural and mostly forested. The Cold Hollow Mountains are the last range before this part of Vermont's landscape transitions to the more gently sloping Champlain Valley to the west.



The map above shows the location of the property between the Green Mountains to the right and the Cold Hollow Mountains to the left.

The small hamlet of Montgomery Center, which has a ski town influence from nearby Jay Peak Resort, is 6 miles to the north. Johnson, Vermont, the largest nearby town is 17 miles to the south and is home to Johnson State College. Burlington, Vermont's largest city, is 56 miles to the southwest while Montreal, Canada, is 81 miles to the northwest.

ACCESS

The property's access is from Route 118, which bisects the eastern tip of the land. A year-round truck road constructed off Route 118 heads southwesterly into the land for roughly 800' to a landing. From this point, a well-defined trail, which can easily be converted to a winter or all-season road, continues into the land for roughly 1,000', ending at the edge of the wetlands (see property maps for road locations). The internal road and main trail provide good access to the entire property; however, skidding distances to the back of the tract can get long.

Electric power and phone service are provided along Route 118, which is a paved state corridor providing excellent access to forest product markets regionally and into Canada.

SITE DESCRIPTION

The property's center is defined by mostly gently sloping terrain with a series of scenic beaver ponds along the stream which flows through the land from the north to the southeast. The eastern section of the forest (between the ponds and Route 118) has mostly moderate sloping terrain with a tight valley between two high points. Some terrain in this area is steep and has rock outcropping; however, all areas are considered commercially operable.

West of the ponds, the land steadily rises and has moderate to, at times, steep terrain. The steep sections generally occur in short widths with operable old trails traversing through, or adjacent to, the steep terrain runs. The southern part of the property has a ridge where the terrain wraps around its height of land.

Elevation ranges from 1,200' along the road frontage to 2,362' at the land's western tip, creating largely eastern exposure. However, some areas have a southern aspect. With the highest elevation at the land's western end, much of the land offers a natural flow toward the road frontage, facilitating a potential sugarbush setup. From a timber management perspective, the overall access can be considered good; however, steep terrain in some pockets will require special harvest considerations.

Outside the wetland areas, soil quality is generally average or better, with the majority of soils from the Lyman-Tunbridge complex.



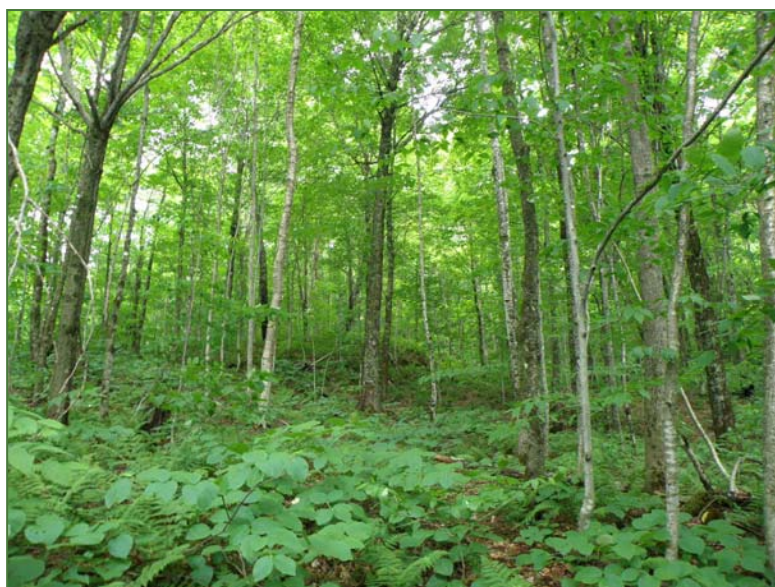
Internal access is provided by old trails. The one pictured here is being used by nearby landowners to reach the ponds.



One of three beaver ponds at the property's center with the western slopes of the land in the background.

TIMBER RESOURCE

Timber data in this report are based on a monumented and comprehensive timber inventory, conducted in November 2015 by the ownership's forest consultant, M.D. Forestland Consulting, LLC. 83 points were sampled (1 plot per 5.0 commercial acres), covering a 460' X 460' grid using a 15-factor prism. Sampling statistics are $\pm 13.1\%$ standard error for sawlog products and $\pm 8.6\%$ for all products combined at the 95% confidence interval, figures within industry standards. After applying growth for 2016 using regional FIA data averages, the timber data reveals a total sawlog volume of 2,190 MBF International $\frac{1}{4}$ " scale (5.3 MBF/commercial acre) with 7,442 pulpwood cords (18.0 cords/commercial acre). Combined total commercial per acre volume is 28.5 cords, a figure above the regional average. Stumpage values were assigned to the volumes in February of 2017, producing a property-wide Capital Timber Value (CTV) of \$464,100 (\$1,031/total acre). See the Timber Valuation in this report for details.



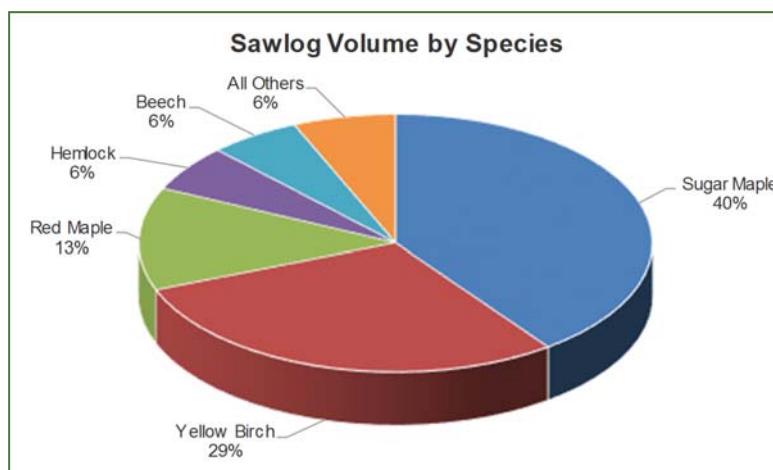
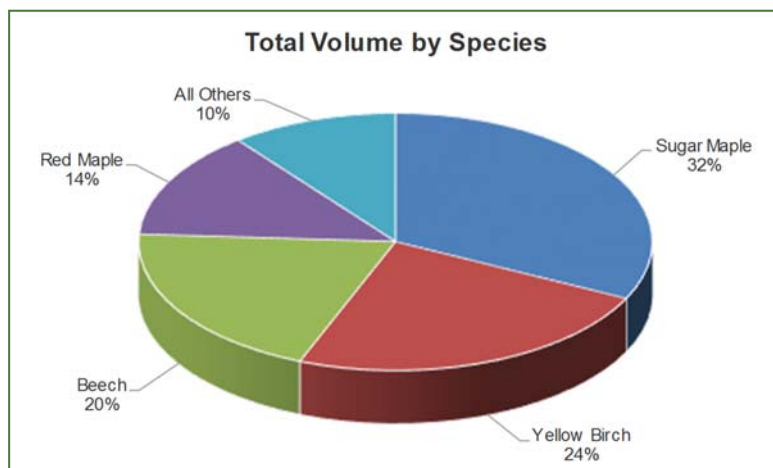
Growing stock stems mix with medium sized sawlogs, a common occurrence on the forest.

Species Composition:

A species composition dominated by hardwoods prevails, with hardwoods at 92% and softwoods at 8% of total volume. Species composition for all products combined offers a favorable mix and is led by sugar maple (32%), followed by yellow birch (24%), American beech (20%), and red maple (14%), with other common hardwoods, spruce/fir and hemlock comprising the balance. The sawlog volume breakdown consists largely of sugar maple (40%), yellow birch (29%) and red maple (13%). This species composition is well suited as part of a long-term timber investment, with solid markets regionally and into Quebec for all products and species growing on the land. While the beech component is not ideal, it can be addressed during the initial thinning phase.

Stocking and Stem Quality:

Forest stocking is generally overstocked on most of the acreage. The average Basal Area (BA) is 107 ft² on 199 stems/acre. Acceptable growing stock BA is 65 ft², a level which can fully occupy the growing space upon thinning of the lower quality stems and beech.

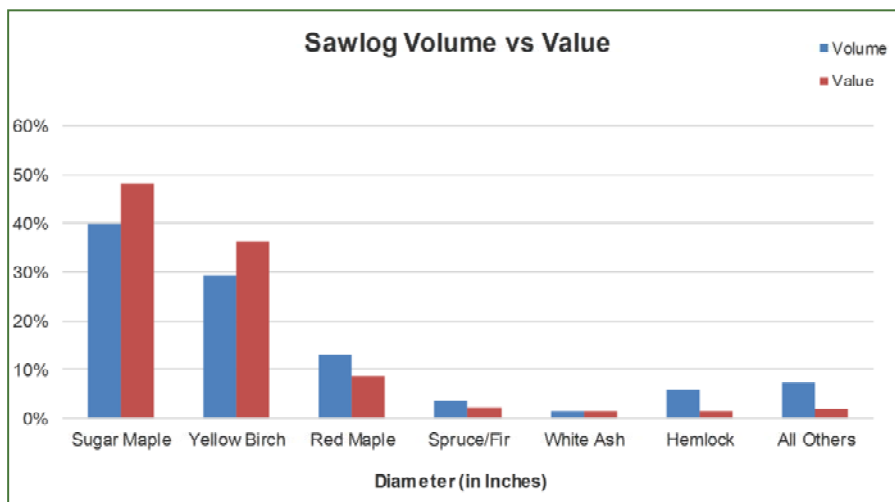


TIMBER RESOURCE (continued)

Sawlog Value/ Thinning History:

Sawlog value is largely dominated by sugar maple (48%) and yellow birch (37%) with the balance comprised of common associates.

Since the tenure of the current conservation group owner-partnership began in 1997, no silvicultural activity has been conducted. Silvicultural activity was conducted by the previous ownership roughly 27 years ago. Based on current stocking levels, thinning activity can occur at anytime.

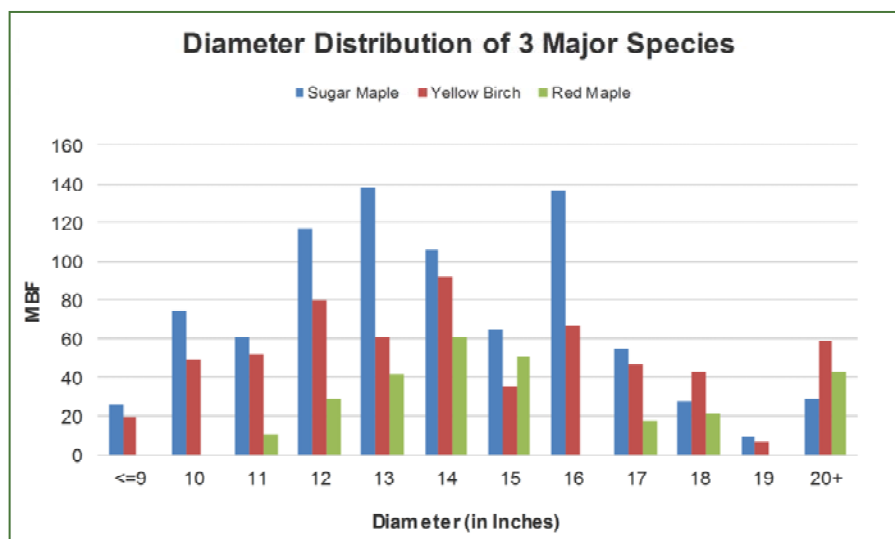
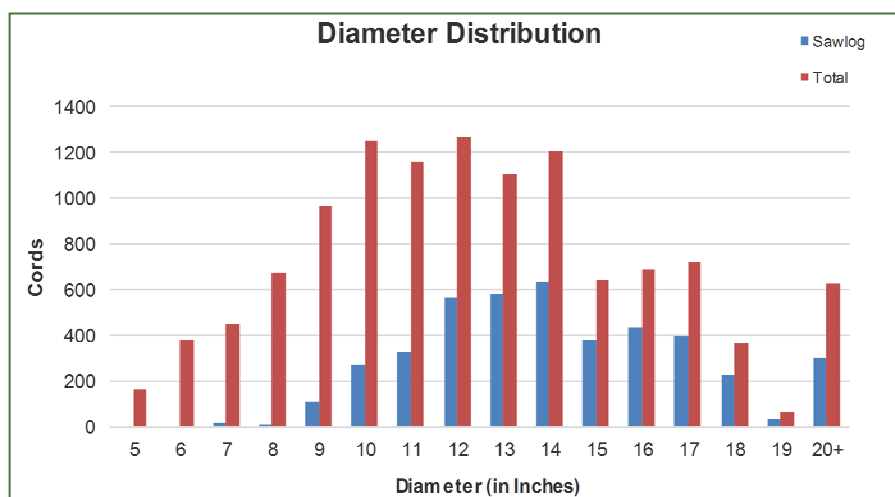


Diameter Distribution:

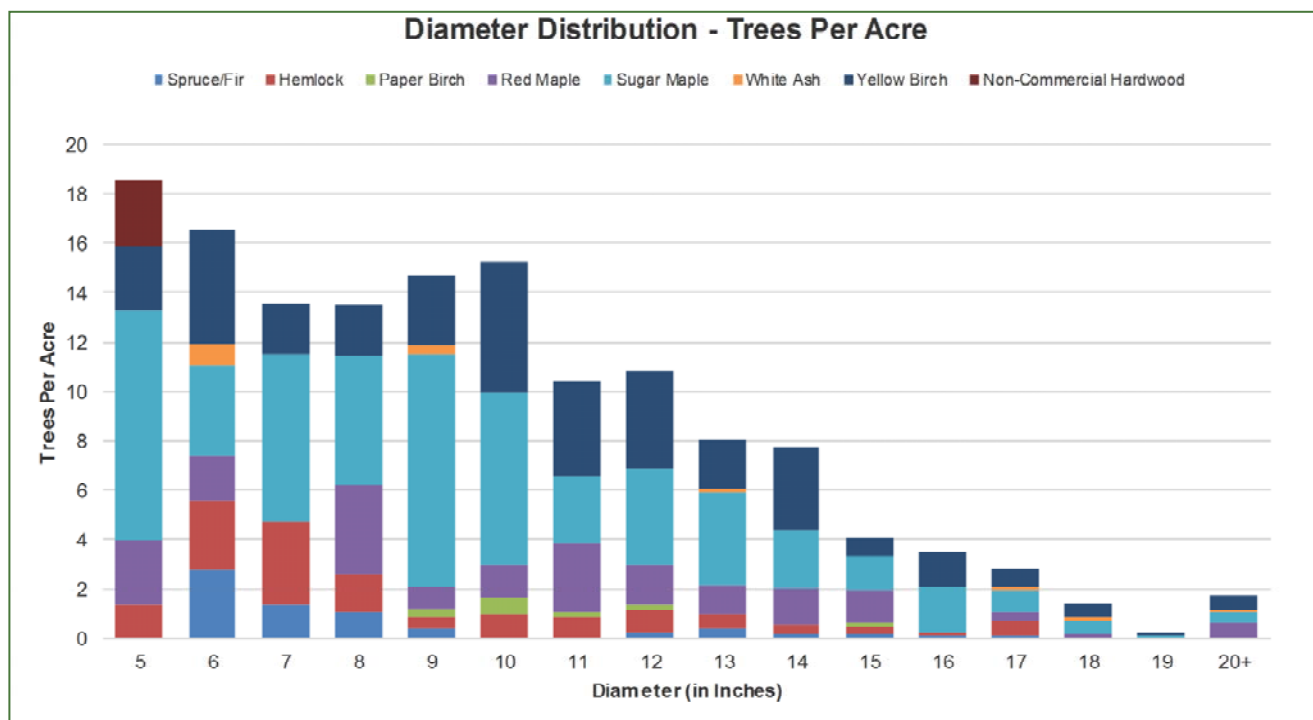
Average diameter for all products combined is 12.0", while the average sawlog diameter is nearly 14.0." This indicates a forest age structure with an older age class that is within 25 years from financial maturity and a younger age class likely 40 years from maturity.

As with most forests that have seen harvesting within the past 30 or more years, the presence of an advanced sapling-to-small pole-sized growing stock age class (5-10" diameters) can be an important component of asset appreciation and an increasing source of future forest stocking. The growing stock on the forest holds 39% of total volume. Sugar maple and yellow birch growing stock stems account for 21% of the total growing stock basal area. The graph on the following page portrays this data.

Average diameter for the three major species is: sugar maple 13.5", yellow birch 14", and red maple 14.5".



TIMBER RESOURCE (continued)



SUGARBUSH OPPORTUNITY

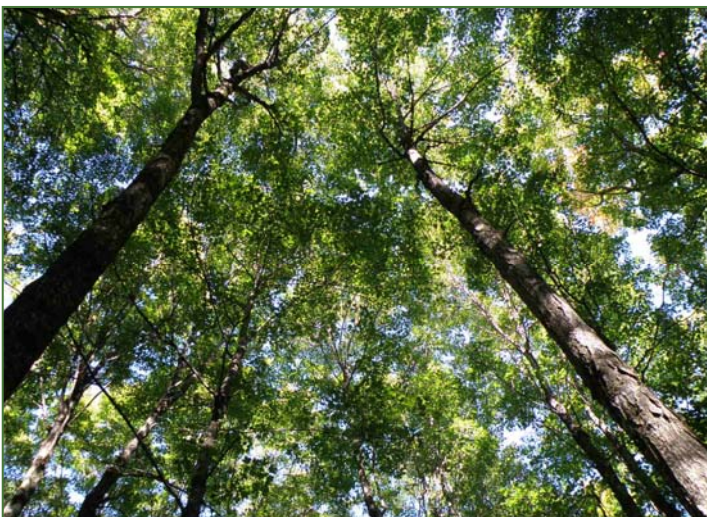
The property offers a potential sugarbush opportunity, given the level of maple stocking, slope factor, access and proximity to electric power. The timber data indicates a total gross potential tap count of 22,495 taps, with roughly 75% of the taps from sugar maple with the balance from red maple. Trees 9" and greater were considered, providing an average of 54 taps/acre covering the property's entire 415 commercial acres. Also, the timber data indicates that an additional 13,000 taps will become available in the coming decades from the maple resource within the 5-8" diameter class.

Note that the tap estimate includes maple stems from all commercial acreage; however, some of the acreage may not offer sugarbush potential due to slope and lower density maple areas. For this reason, not all of the estimated gross taps from the timber data (perhaps only 60-70%) will be available for taping from an economic standpoint.

Electric power exists along the property's road frontage. The majority of the terrain lends itself well to a natural downhill flow with the exception of the extreme southwestern portion of the land.

Tap Estimate from Timber Data

Commercial Acres			415
DBH Class	Stems/ac	Taps/stem	Total Taps
10-14"	38.3	1	38.3
16-20"	6.8	2	13.6
>22"	0.8	3	2.3
Total Taps/ac			54.2
Total Taps			22,495



Good stocking and areas with high maple concentrations offer the possibility for sugarbush establishment.

CONSERVATION EASEMENT

The conservation easement on the property will be held by the Vermont Land Trust (VLT), a Vermont-based organization and one of the most respected conservation organizations in the nation. A working forest “partnership” with VLT offers the new owner predictability and cooperation, given the long history and solid reputation this land trust has established regarding the easement lands under its jurisdiction.

A principal objective of the easement’s commercial acreage is to maintain, grow and harvest forest resources and products on a sustainable basis. The terms of the easement prevent subdivision and future development of any kind; however, forestry and sugarbush operations, and construction of associated support infrastructure, are permitted.

Easement highlights include:

- Most sustainable and traditional forestry and sugarbush activities are permitted to support the long-term stewardship of the protected property;
- The entire property is open to non-vehicular public recreation and hunting;
- Silvicultural activities are limited to sustainable levels, with target diameters set for each species;
- Surface Water Protection Zones (SWPZs), covering 54 acres, permit limited harvesting/ sugaring with special consideration to maintaining water quality;
- One camp structure of 800 ft² is permitted.

The maps provided in this report designate the SWPZ areas. Copies of the easement and baseline documentation are available upon request.

ACREAGE, TAXES & TITLE

Property taxes in 2016 were \$1,757.95. The property IS enrolled in the State of Vermont’s Use Value Appraisal (UVA) program.

The property is owned jointly by Vermont Land Trust and The Nature Conservancy. The property Parcel ID # is 8-012.000. Total Grand List acreage is 626 while the GIS acreage is ±450; the latter is believed to be more accurate and is the basis for the timber data and for setting property asking price.

Boundaries appear to be monumented with the exception of the small area east of Route 118 (nearly all wetland), and the southern line of the property’s extreme western tip (this area is currently delineated as non-commercial and the file indicates that the adjacent landowner has surveyed this area).

Item	Acres
Tax Acres	626
GIS Acres	450
Non Commercial Terrain	35
Commercial Timber Acres	415
SWPZ	54



In many areas the soils are well drained and productive, conducive to producing tall timber and high quality stems.

Fountains Land Inc. is the exclusive broker representing the seller’s interest in the marketing, negotiating and sale of this property. Fountains has an ethical and legal obligation to show honesty and fairness to the buyer. The buyer may retain brokers to represent their interests. All measurements are given as a guide, and no liability can be accepted for any errors arising therefrom. No responsibility is taken for any other error, omission, or misstatement in these particulars, nor do they constitute an offer or a contract. We do not make or give, whether in these particulars, during negotiations or otherwise, any representation or warranty in relation to the property.

Tri-Lot Forest Timber Valuation

Prepared By

F&W FORESTRY SERVICES, INCORPORATED

Belvidere, Lamoille County, Vermont
February 2017

450 Acres
415 Commercial Acres

Species	Volume MBF/CD	Unit Price Range			Total Value
		Low	High	Likely	Likely
Sawtimber - MBF (International 1/4")					
Sugar Maple	393	\$300	\$450	\$375	147,500
Yellow Birch Sawlog	381	\$225	\$350	\$300	114,300
Sugar Maple Pallet	480	\$50	\$125	\$70	33,600
Red Maple	135	\$125	\$225	\$200	26,900
Yellow Birch Pallet	246	\$40	\$75	\$60	14,800
Pallet / Grade 3	294	\$30	\$60	\$40	11,700
Spruce/Fir	76	\$90	\$140	\$110	8,300
Yellow Birch Veneer	12	\$650	\$850	\$700	8,200
Hemlock	129	\$40	\$65	\$45	5,800
White Ash	26	\$175	\$275	\$225	5,800
White Birch	9	\$65	\$125	\$85	800
Aspen	11	\$25	\$45	\$35	400
Pulpwood - Cords					
Hardwoods	7,073			\$12	84,900
Hemlock	369			\$3	1,100

Totals			
Sawtimber Total	2,190 MBF		\$378,100
Sawtimber Per Acre	4.868 MBF		\$840
Sawtimber Per Comm Acre	5.278 MBF		\$911
Cordwood Total	7,442 Cords		\$86,000
Cordwood Per Acre	16.54 Cords		\$191
Cordwood Per Comm Acre	17.93 Cords		\$207
		Total Per Acre	\$1,031

Total Value	<u>Low</u>	<u>High</u>	<u>Likely</u>
	\$376,000	\$469,000	\$464,100

BASED ON 2015 INVENTORY CRUISE BY MD FORESTLAND CONSULTING, LLC

Growth applied for 2016

The volumes and values reflect estimated total capital value of merchantable timber.

83 plots were inventoried on a 460' x 460' grid; statistical error - 13.1% for sawlogs and 8.6% for all products at the 95% confidence level

The volumes and values are not a liquidation value.

Prices are averages for the area and are adjusted to reflect, access, quality and operability of the site.

Fountains Land is a trade name for F&W Forestry Services, Inc.

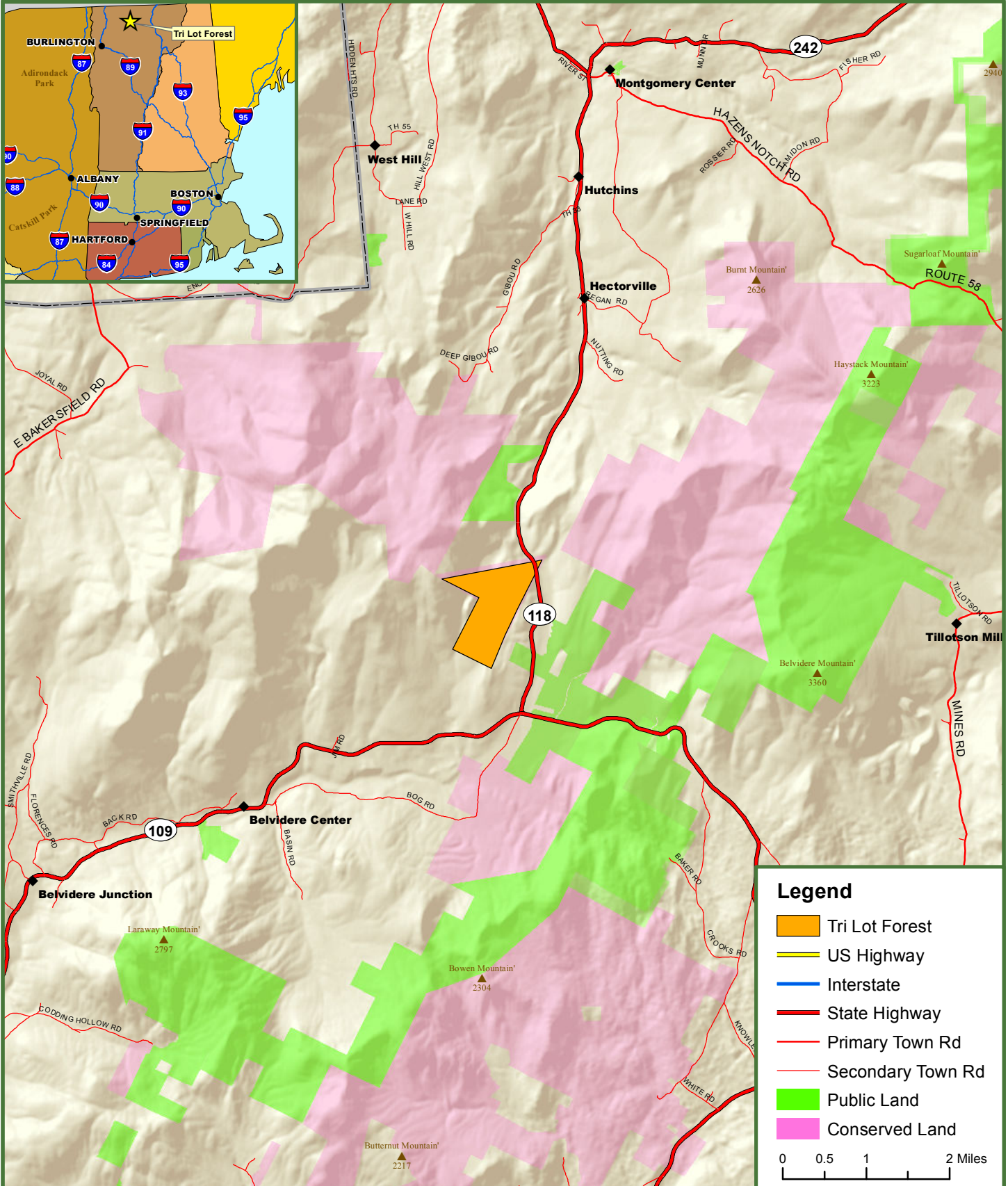


Locus Map Tri Lot Forest

450 Total GIS Acres, 415 Operable GIS Acres
Belvidere, Lamoille County, VT



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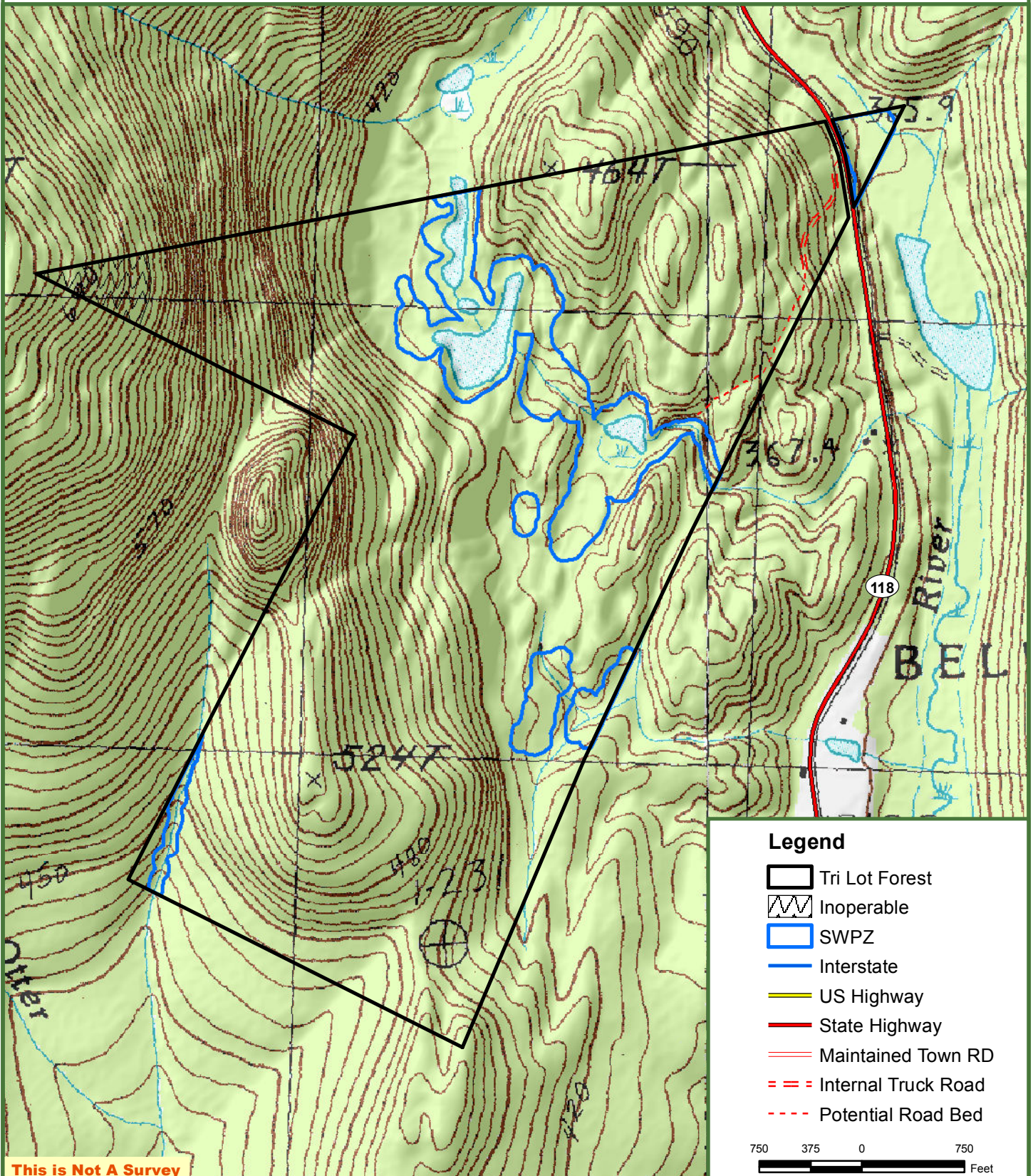


Tri Lot Forest

450 Total GIS Acres, 415 Operable GIS Acres
Belvidere, VT



**Fountains
Land**
AN F&W COMPANY



Map produced from the best available information including town tax maps, hand held GPS data, aerial photography and reference information obtained from publicly available GIS sources, and the owner. Boundary lines portrayed on this map are approximate and could be different than the actual location of boundaries found in the field.

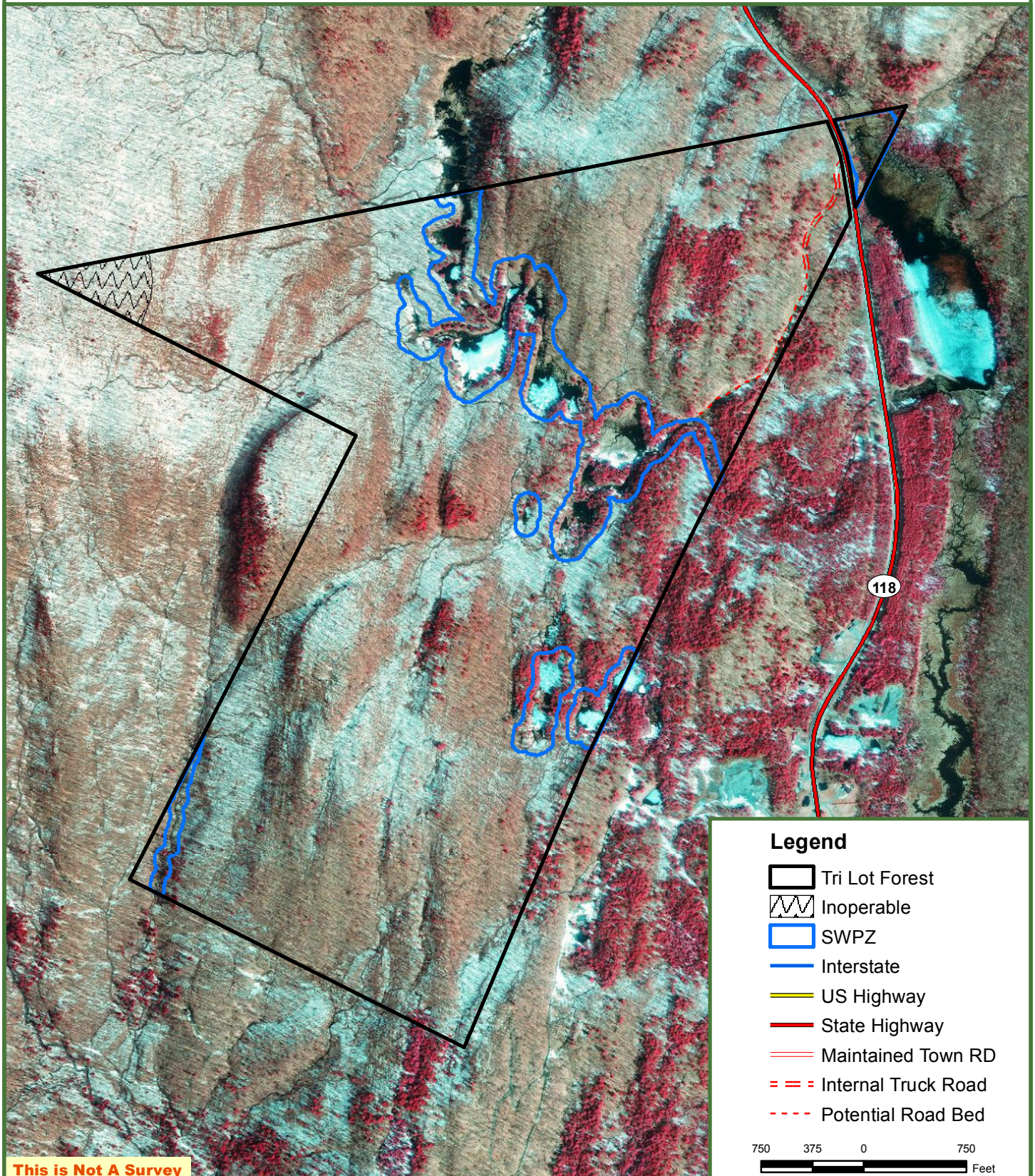


Tri Lot Forest

450 Total GIS Acres, 415 Operable GIS Acres
Belvidere, VT



**Fountains
Land**
AN F&W COMPANY



Map produced from the best available information including town tax maps, hand held GPS data, aerial photography and reference information obtained from publicly available GIS sources, and the owner. Boundary lines portrayed on this map are approximate and could be different than the actual location of boundaries found in the field.



Vermont Real Estate Commission Mandatory Consumer Disclosure



[This document is not a contract.]

This disclosure must be given to a consumer at the first reasonable opportunity and before discussing confidential information; entering into a brokerage service agreement; or showing a property.

RIGHT NOW YOU ARE NOT A CLIENT

The real estate agent you have contacted is not obligated to keep information you share confidential. ***You should not reveal any confidential information that could harm your bargaining position.***

Vermont law requires all real estate agents to perform basic duties when dealing with a buyer or seller who is not a client. All real estate agents shall:

- Disclose all material facts known to the agent about a property;
- Treat both the buyer and seller honestly and not knowingly give false or misleading information;
- Account for all money and property received from or on behalf of a buyer or seller; and
- Comply with all state and federal laws related to the practice of real estate.

You May Become a Client

You may become a client by entering into a written brokerage service agreement with a real estate brokerage firm. Clients receive the full services of an agent, including:

- Confidentiality, including of bargaining information;
- Promotion of the client's best interests within the limits of the law;
- Advice and counsel; and
- Assistance in negotiations.

You are not required to hire a brokerage firm for the purchase or sale of Vermont real estate. You may represent yourself.

If you engage a brokerage firm, you are responsible for compensating the firm according to the terms of your brokerage service agreement.

Before you hire a brokerage firm, ask for an explanation of the firm's compensation and conflict of interest policies.

Brokerage Firms May Offer

NON-DESIGNATED AGENCY or DESIGNATED AGENCY

- **Non-designated agency** brokerage firms owe a duty of loyalty to a client, which is shared by all agents of the firm. No member of the firm may represent a buyer or seller whose interests conflict with yours.
- **Designated agency** brokerage firms appoint a particular agent(s) who owe a duty of loyalty to a client. Your designated agent(s) must keep your confidences and act always according to your interests and lawful instructions; however, other agents of the firm may represent a buyer or seller whose interests conflict with yours.

THE BROKERAGE FIRM NAMED BELOW PRACTICES

NON-DESIGNATED AGENCY

I / We Acknowledge Receipt of This Disclosure

This form has been presented to you by:

Printed Name of Consumer

Fountains Land
Printed Name of Real Estate Brokerage Firm

Signature of Consumer

Date

Michael Tragner
Printed Name of Agent Signing Below

[] Declined to sign

Printed Name of Consumer

[Signature]
Signature of Agent of the Brokerage Firm

Date

Signature of Consumer

Date

[] Declined to sign