

BAKERSFIELD FOREST

Protected by a conservation easement, this sugar maple and yellow birch forest offers an exceptional sugarbush opportunity with over 60,000 potential taps covering a northerly aspect with desirable downhill sap-flow.



**2,214 GIS acres
Bakersfield and Belvidere
Franklin and Lamoille Counties, Vermont**

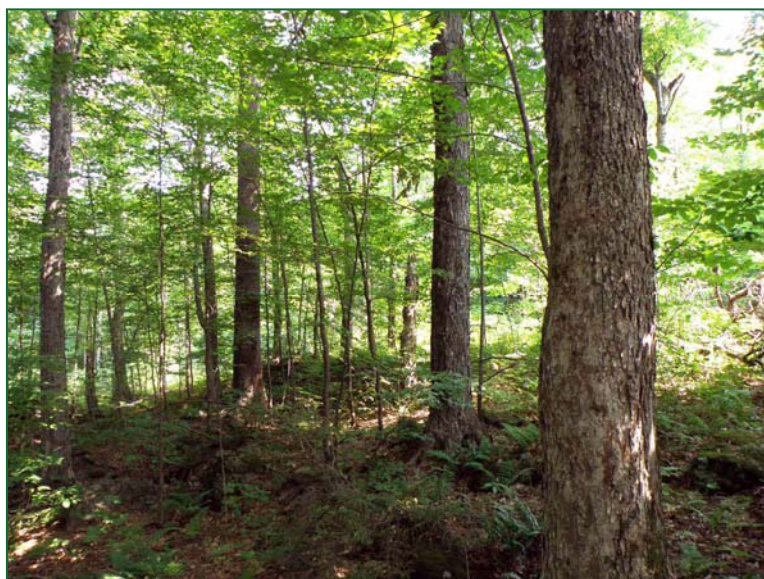
Price: \$2,000,000

INVESTMENT OVERVIEW

The property represents an exceptional 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.

Investment highlights include:

- Pure timber investment, where existing conservation easement sets asking price at 96% of capital timber value;
- Present ownership history of conducting careful silvicultural operations with focus on improving overall forest conditions;
- Good access with power nearby;
- Exceptional sugarbush opportunity with over 66,000 taps on north-facing slopes with ideal sap-flow conditions;
- Ideal species mix dominated by sugar maple and yellow birch.



Maple and yellow birch sawlogs interspersed with advanced saplings and poles characterizes the overstory in the majority of stands.



Looking east at the Cold Hollow Range with property's slopes on the left side of the photo.

LOCATION

Bakersfield Forest is set in the Cold Hollow Mountains in the towns of Bakersfield and Belvidere at the northern end of the Green Mountain Range in northwestern Vermont. Bakersfield is primarily a farming and rural residential community in the eastern reaches of the Lake Champlain Valley. Belvidere, on the other hand, is a sparsely populated, forested, mountainous town situated between the Cold Hollow and Green Mountain Ranges. Both towns have small village centers with a few services. Enosburg Falls to the north and Jeffersonville to the south (both 10 miles away) provide a larger array of amenities. St. Albans, 16 miles to the west, is a complete small city with access to Interstate 89.

The property is a short distance from State Route 108 that runs north-south and state Route 36 that runs to the west. Both routes provide solid transportation to larger corridors and regional markets. The Canadian border is 20 miles to the north via Route 108.

ACCESS

The property is served by two access points stemming from the end of the town-maintained portion of Cold Hollow Road. East of this point, a truck road runs easterly a short distance at which point it runs along the boundary line. Upon crossing Cold Hollow Brook, the road extends roughly 2,000' into the land. The road then forks, providing two spurs each roughly 1,000' in length. A gravel pit is located along this road. Note that the bridge crossing Cold Hollow Brook is out; however, the stable stream banks make reconstruction of abutments, and placement of a temporary bridge crossing structure, relatively easy.

All areas west of Cold Hollow Brook are serviced by a gated right-of-way (RoW) starting along the town road and running 1,200' to the property line. An internal truck road then heads southerly for roughly 4,600'.



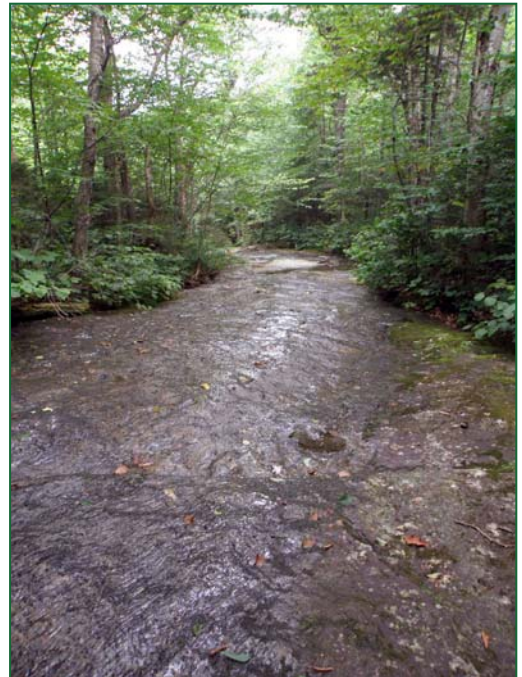
Internal access road looking south toward Belvidere.

Internal skid trails are well established throughout much of the property.

SITE DESCRIPTION

The property sits at the center of the Cold Hollow Range, a series of remote mountains that span from the town of Waterville to the south and Montgomery Village to the north. The well known Green Mountain Range, host of the Long Trail, is situated across the valley to the east. A northern aspect predominates, with the highest elevation along the southern boundary at 3,130', just short of the highest peak along the Cold Hollow Range. From this point, terrain falls northerly to a low elevation of 1,082' at the northern boundary where Cold Hollow Brook leaves the property. The terrain can be characterized as steeply sloping within the southern half and moderate to gently sloping to the north. Forest management operability is generally quite good on the terrain deemed as commercially operable. Soil quality within the commercially designated terrain can be considered above average with a variety of calcium-rich indicator species present, common for the rich northern hardwood forest community types found within this region.

The land includes the headwaters of Cold Hollow Brook, a scenic clear mountain stream which includes various cascades and a notable "slab run" where water flows along smooth bedrock for a considerable distance. The high elevation and "wilderness" setting of the property's southern end provide scenic vistas and are a well-known area for producing large deer and bear.



Upper reaches of Cold Hollow Brook includes a scenic "slab run".

The forest also holds a storied historical past with a considerable early 1800s village settlement encompassing the property's northern gentle slopes. In this area old cellar holes, stone walls, barn foundations, sugar arches and sheep fencing dot the landscape. More recently a group of investors considered developing a ski resort, taking advantage of the land's high elevation and northern aspect.

TIMBER RESOURCE

Timber data in this report are based on a monumented and comprehensive timber inventory, conducted in June 2015 by the ownership's forest consultant, M.D. Forestland Consulting, LLC. 373 points were sampled (1 plot per 5 commercial acres), covering a 455' X 455' grid using a 15-factor prism. Sampling statistics are $\pm 6.9\%$ standard error for sawlog products and $\pm 5.0\%$ for all products combined at the 95% confidence interval, figures well within industry standards. These data reveal a total sawlog volume of 8,035 MBF International $\frac{1}{4}$ " scale (4.4 MBF/commercial acre) with 27,275 pulpwood cords (15.1 cords/commercial acre). Combined total commercial per acre volume is 24.0 cords, a figure near the regional average. After applying growth for 2015 using regional FIA data averages, stumpage values were assigned to the volumes by Fountains in February of 2016, producing a property-wide Capital Timber Value (CTV) of \$2,086,600 (\$942/total acre). See the Timber Valuation in this report for details.

Species Composition:

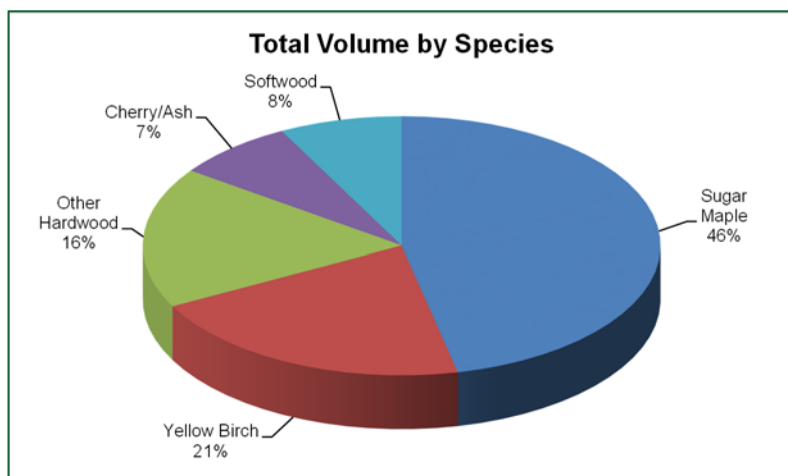
A species composition dominated by hardwoods prevails, with hardwoods at 92% and softwoods at 8% of total volume. Species composition for all products combined offers a favorable mix and is led by sugar maple (46%), followed by yellow birch (21%), other hardwoods consisting of red maple, beech and basswood (16%), black cherry and white ash (7%), with spruce/fir and hemlock comprising the balance. The sawlog volume breakdown consists largely of species with historically strong demand, dominated by sugar maple and yellow birch.

Stocking and Stem Quality:

Forest stocking ranges from adequate in areas recently thinned to overstocked where thinning is scheduled. The average Basal Area (BA) is 99 ft² on 171 stems/acre. The Acceptable Growing Stock BA is 58.8 ft² on 101 stems/acre representing near full utilization of growing space by current and future high-quality crop trees. These numbers indicate a forest resource with overall good stem quality and stocking.



**Above - commonly found stands on the lower slopes.
Below - maple stands common to the upper elevations.**



TIMBER RESOURCE (continued)

Sawlog Value/ Thinning History:

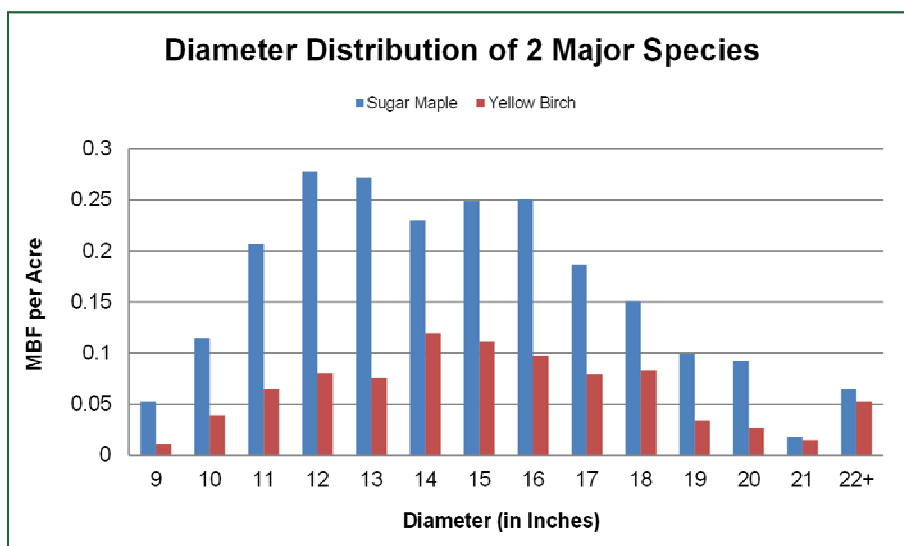
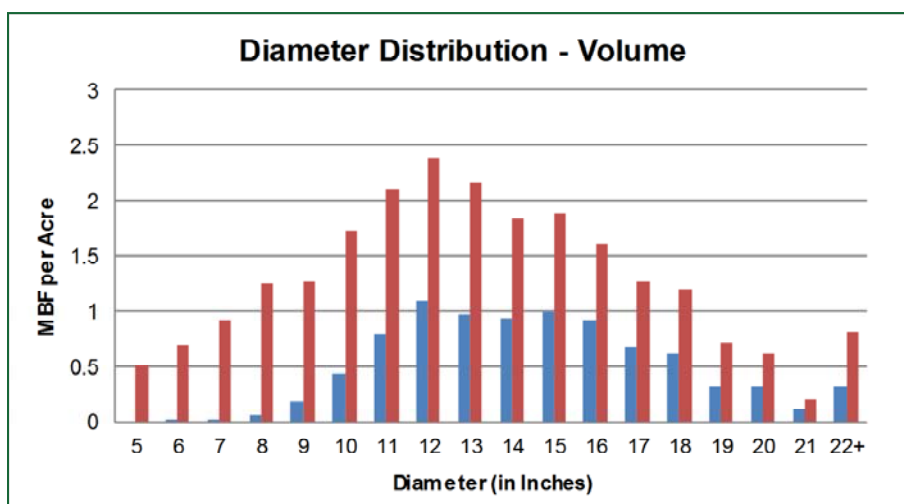
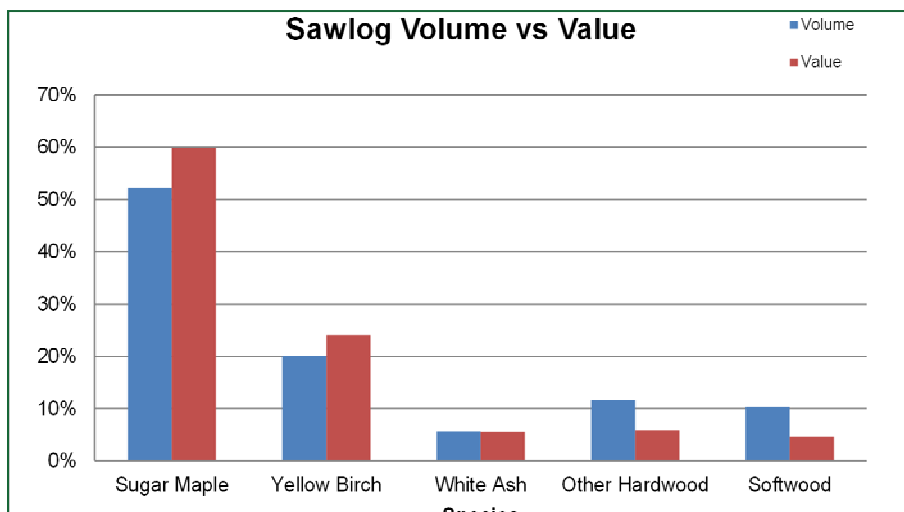
Sawlog value is largely dominated by sugar maple (60%) and yellow birch (24%), with the balance comprised of common associates.

Since the tenure of the current conservation group owner partnership began, silvicultural activity has been conducted under winter conditions on roughly 600 acres at various times within the last 16 years. Harvest amounts were 700 MBF and 3,000 cords. Management goals generally focused on improving overall stand quality through group and single tree selection.

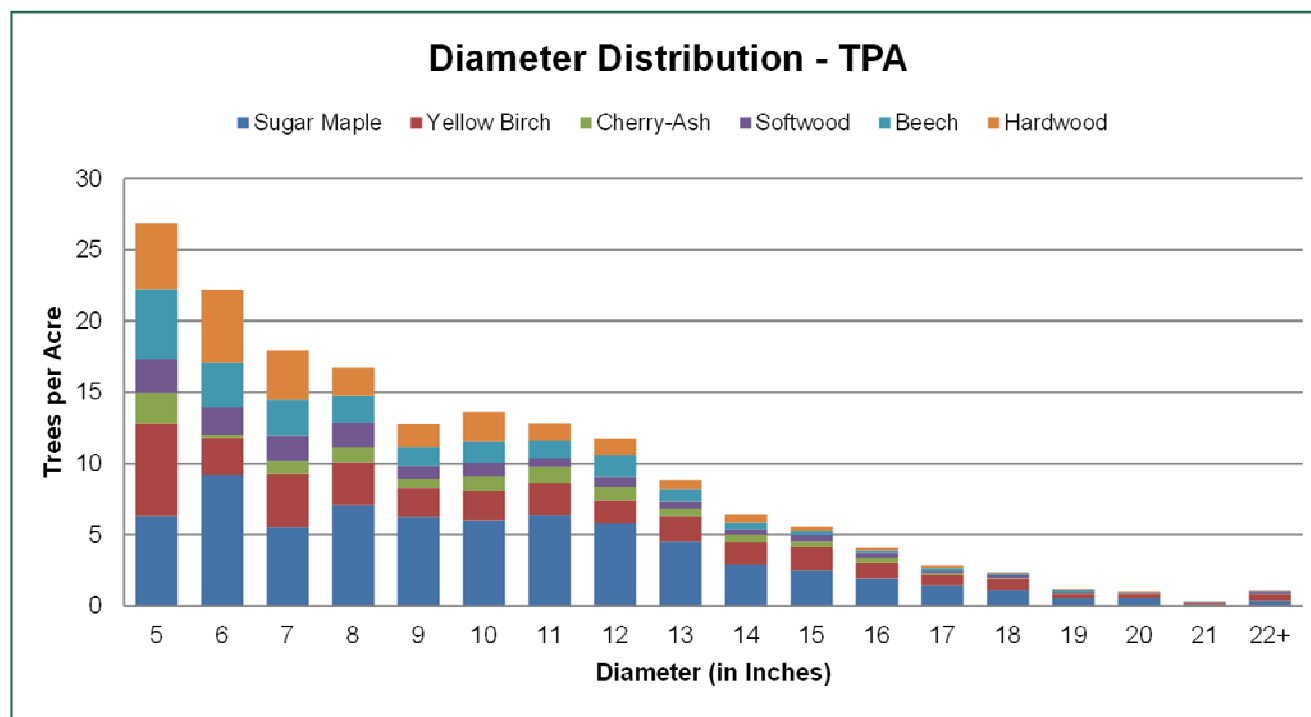
Diameter Distribution:

Average diameter for all products combined is 13.0", while the average sawlog diameter is nearly 14.5", well above average given the hardwood-dominated forest types. Average diameters for the two major species are sugar maple 14.5" and yellow birch 15". These average diameters indicate an age structure which carries much of its volume in middle to late-aged stems.

As with most forests that have seen harvesting within the past 30 years, the presence of an advanced sapling to pole-sized growing stock (5-10" diameters) can be an important component of asset appreciation and a source of the future forest stocking. The growing stock on Bakersfield Forest holds 27% of total volume (65% of total stems/acre). This growing stock consists primarily of desirable species with 36% of its TPA (57% by volume) comprised of sugar maple and yellow birch. The graph on the following page portrays this data.



TIMBER RESOURCE (continued)



SUGARBUSH OPPORTUNITY

The property offers an outstanding potential sugarbush opportunity, given the high level of maple stocking, slope factor, access, and proximity to electric power. The ownership's consultant conducted a maple tap analysis using the timber data on the commercially operable acreage. Five tap compartments by watershed, covering acreage with the highest concentrations of maple, have been delineated. This analysis indicates a total maple potential tap count of 66,745 taps with roughly 93% of the taps from sugar maple with the balance from red maple. Trees 10" and greater were considered, providing an average of 42 taps/acre covering 1,607 acres (the balance of the commercial acreage with lower maple volume has been ignored in the tap analysis). A tap analysis map is provided in the maps section of this report.

Electric power is roughly 1,100' from the property's northwestern boundary along the town road, a point where nearly all of the sap will flow naturally downhill.

Full property details are available at the Fountains web site data room (password: **coldhollow**). Click on the Properties for Sale link on the far right side of the site, then on the Data Room link.

Potential Tap Count by Watershed

Sub Watershed	Acres	Total Taps	Ave. Taps/ac	Timber Inventory Plots
1	661	27762	42	138
2	337	12132	36	72
3	432	19872	46	87
4	67	1809	27	15
5	110	5170	47	24
Total	1607	66745	42	336



Good stocking and high maple concentrations offer ideal conditions 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 respected 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 and process productive forest resources and products. 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 138 acres, permit limited harvesting/sugaring with special consideration to maintaining water quality;
- Ecological Protection Zones (EPZs), covering 38 acres, do not allow harvesting or tapping (EPZ excluded from timber data);
- One camp structure of 800 ft² is permitted.



Part of a series of cascading falls along eastern main stream, within SWPZ that allows “light touch” Mgmt.

Acreage Chart

Item	Acres
Tax Acres	2121
GIS Acres	2214
Non Commercial Terrain	370
EPZ Outside NC (no touch)	38
Commercial Timber Acres	1806
SWPZ (within comm. timber ac)	138
EPZ (Total Acreage in & out of NC)	193

The maps provided in this report designate the SWPZ and EPZ areas. Copies of the easement and baseline documentation are available upon request or accessible in the Fountains Data Room.

ACREAGE, TAXES & TITLE

Property taxes in 2015 are \$4,541.65. The property is enrolled in the State of Vermont’s Use Value Appraisal (UVA) program. The property is owned by the Atlas Timberlands Partnership whose deeds are recorded in the Town of Bakersfield in Book 49, Page 112. The property Parcel ID # is OEB300. Total Grand List acres for Bakersfield is 2,121 while the GIS acreage is 2,214; the latter is believed to be more accurate and the basis for the timber data and for setting property asking price. While roughly 386 acres falls into the Town of Belvidere, that town does not tax the property. Boundaries within the southern end of the forest hold limited boundary evidence; however, much of the area runs within acreage deemed non-commercial or along EPZ areas.

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.

ATP Bakersfield Tract

Timber Valuation

Prepared By

FOUNTAINS FORESTRY INCORPORATED

Bakersfield, Franklin County, Vermont
February 20162,214.0 GIS Acres
1,806.0 Commercial GIS Acres

Species	Volume MBF/CD	Unit Price Range			Total Value
		Low	High	Likely	Likely
<i>Sawtimber - MBF (International 1/4")</i>					
Sugar Maple	2,200	250.00	425.00	375.00	825,100
Yellow Birch	1,057	200.00	350.00	320.00	338,100
Sugar Maple Pallet	1,971	50.00	125.00	75.00	147,800
White Ash	346	150.00	275.00	250.00	86,500
Hemlock	513	30.00	90.00	75.00	38,500
Spruce/Fir	318	90.00	130.00	120.00	38,100
Yellow/White Birch Veneer	53	500.00	800.00	700.00	36,900
Yellow Birch Pallet	516	40.00	100.00	65.00	33,500
Black Cherry	108	175.00	325.00	275.00	29,700
Sugar Maple Veneer	26	800.00	1,200.00	1,000.00	26,300
Pallet / Grade 3	430	30.00	75.00	40.00	17,200
White Birch	94	50.00	200.00	165.00	15,600
Red Maple	93	75.00	175.00	150.00	14,000
Red Maple Pallet	127	40.00	75.00	65.00	8,300
White Ash Pallet	108	40.00	75.00	65.00	7,000
Basswood	42	40.00	80.00	60.00	2,500
Beech	15	40.00	80.00	60.00	900
Aspen	18	30.00	70.00	45.00	800
<i>Pulpwood - Cords</i>					
Hardwoods	25,427	12.00	20.00	16.00	406,800
Hemlock	1,368	5.00	10.00	7.00	9,600
Spruce/Fir	480	5.00	10.00	7.00	3,400

Totals			
Sawtimber Total	8,035 MBF		\$1,666,800
Sawtimber Per Acre	3.629 MBF		\$753
Sawtimber Per Comm. Acre	4.449 MBF		\$923
Cordwood Total	27,275 Cords		\$419,800
Cordwood Per Acre	12.3 Cords		\$190
Cordwood Per Comm. Acre	15.1 Cords		\$232
Total Per Acre			\$942

Total Value	Unit Price Range		Likely
	Low	High	Likely
	\$1,740,000	\$2,299,000	\$2,086,600

BASED ON JUNE 2015 INVENTORY CRUISE BY M. D. FOREST LAND CONSULTING, LLC

Cruise was based on 373 points. Statistical error = Sawlogs 6.9% and Total Volume 5.0% at the 95% Confidence Level.

Growth applied for 2015 at FIA rates

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

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.



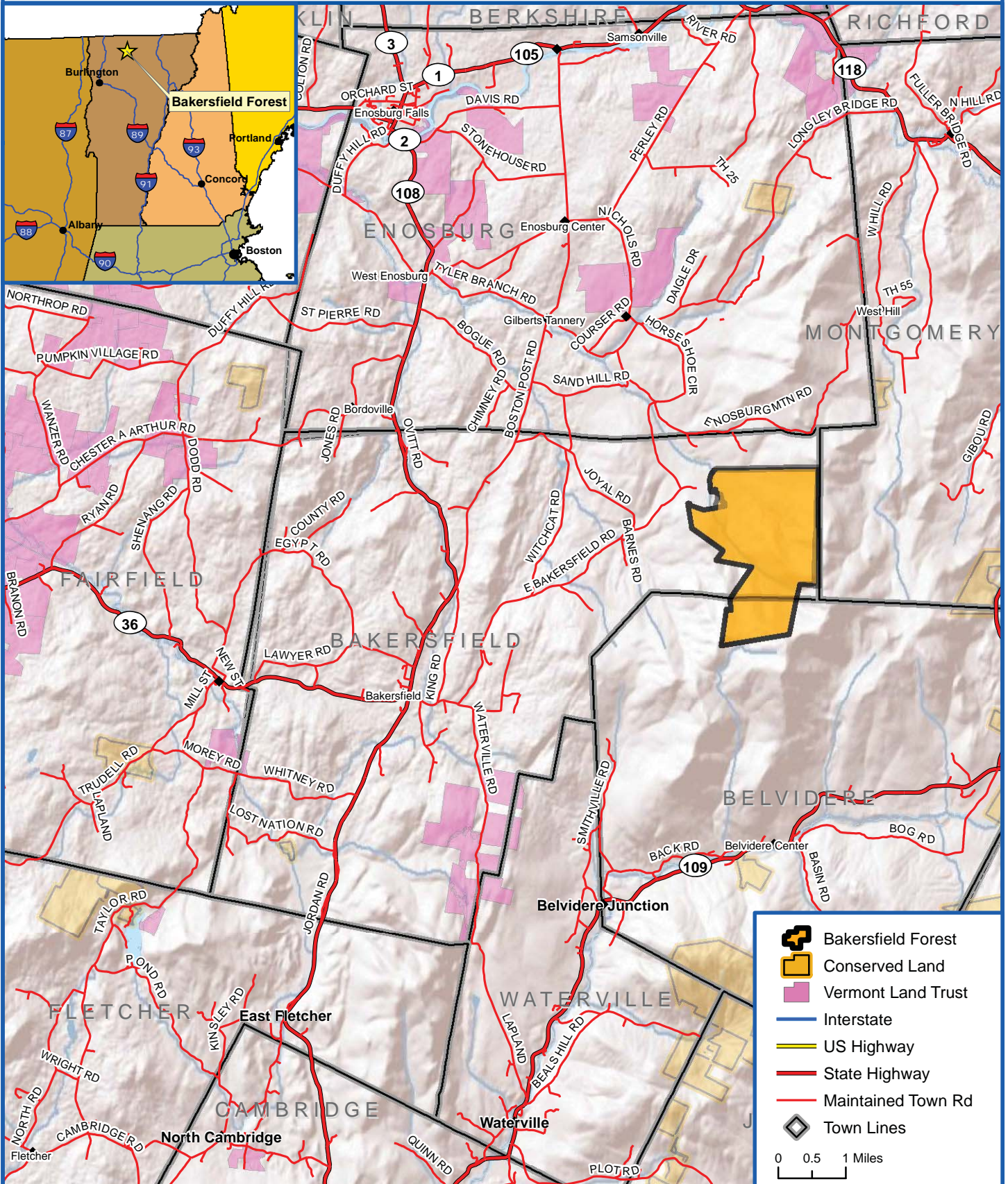
Locus Map

Bakersfield Forest

2,214 GIS Acres

Bakersfield & Belvidere, Vermont

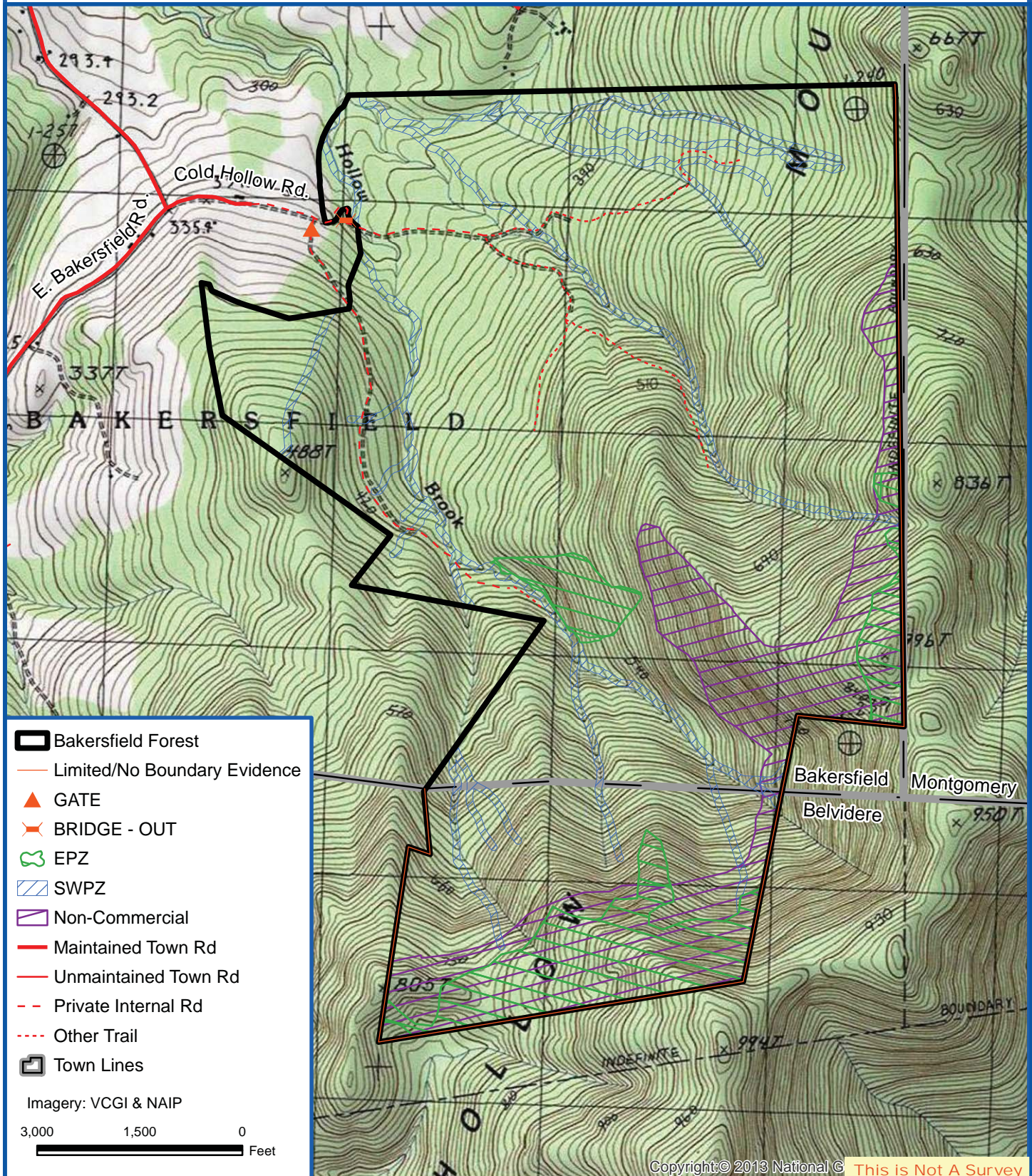
fountains



Bakersfield Forest

2,214 GIS Acres
Bakersfield, & Belvidere, Vermont

fountains



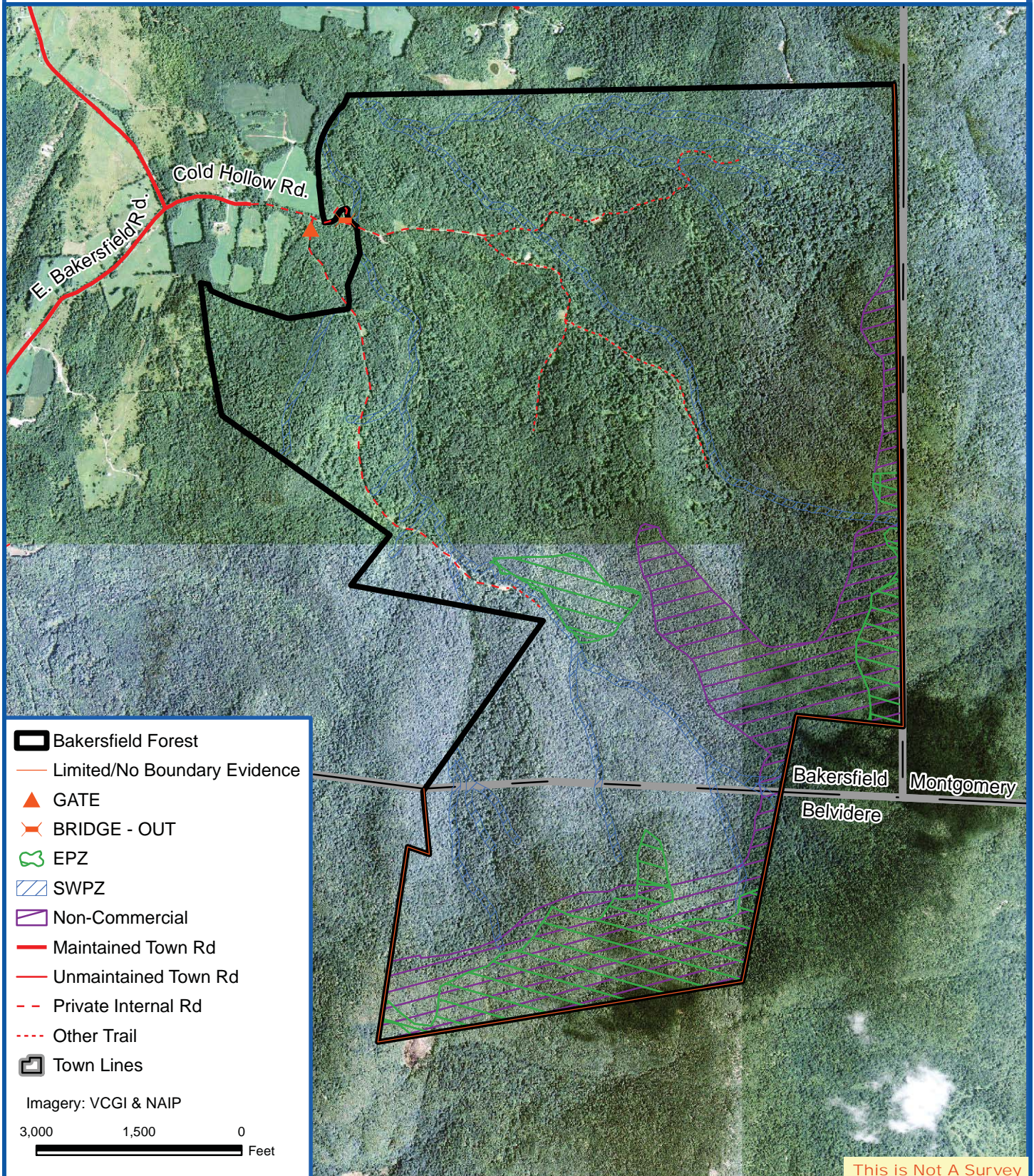
Map produced from the best available information including town tax maps, hand held GPS data, aerial photography and reference information obtained from VVGI, Vermont Land Trust and the owner. Boundary lines portrayed on this map are approximate and could be different than the actual location of boundaries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



Bakersfield Forest

2,214 GIS Acres
Bakersfield, & Belvidere, Vermont

fountains



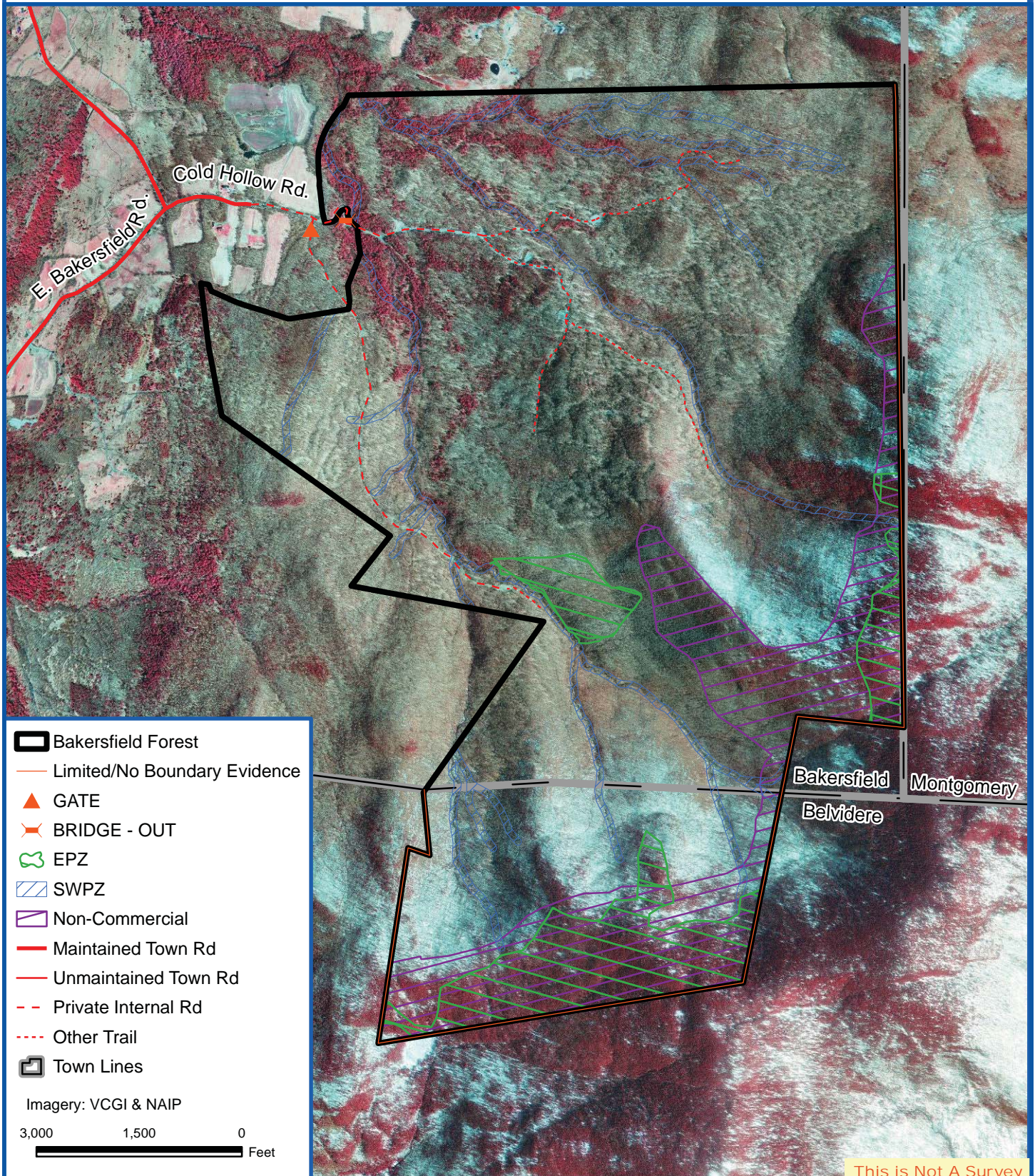
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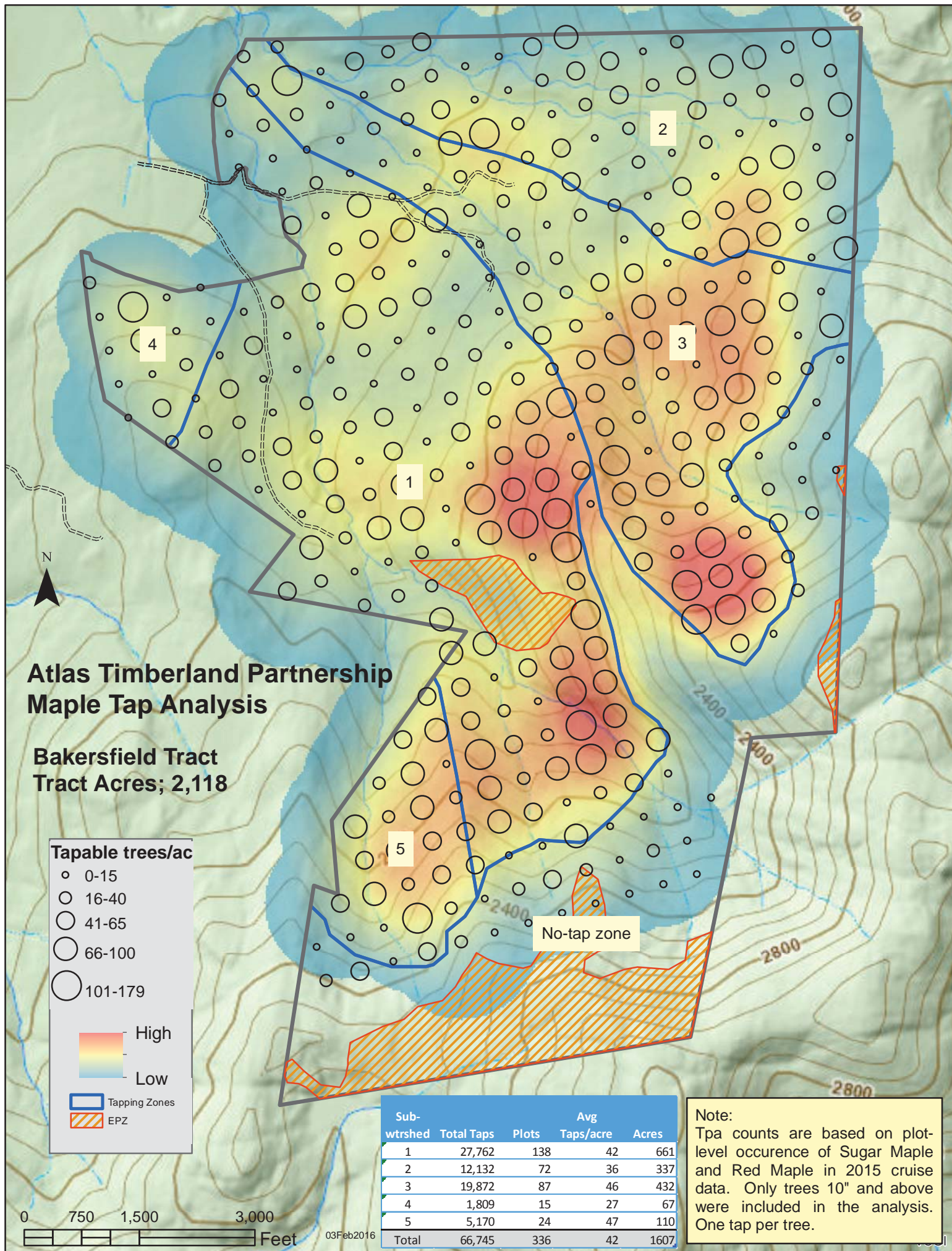
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Vermont Real Estate Commission Mandatory Consumer Disclosure



[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