

fountains

MERRYMEETING FOREST

One of the largest parcels in the New Hampshire Lakes region, this ridge-top forest overlooks Merrymeeting Lake and offers exceptional privacy, sweeping mountain and lake views, and a high quality, well-managed timber resource.



2,014 Acres
New Durham, Strafford County, New Hampshire

Price: \$3,585,000

OVERVIEW

Rarely does one find such a large contiguous tract of land in such close proximity to Lake Winnepesaukee. The tract's size and ridgetop location offer an extremely private retreat within a popular vacation community. Highlights of the property include:

- Ideally positioned just one-and-a-half hours north of Boston and one hour south of the White Mountains;
- Cleared meadow on the ridgetop offers panoramic views of Merrymeeting Lake and beyond;
- Numerous trails and access points provide recreational and development opportunities;
- Sustainably managed timber resource representing 64% of the asking price.



1,233-acre Merrymeeting Lake is the dominant natural feature of New Durham. The property covers the two ridges that extend prominently into the lake from the right.

LOCATION

The forest occupies a prominent peninsula on the eastern shore of Merrymeeting Lake, one of the larger pristine lakes that define New Hampshire's scenic Lakes Region. The quality and character of Merrymeeting Lake influenced the state's Fish and Game department to locate a fish hatchery near the lake. The lake is set just southeast of the larger and more populated Lake Winnepesaukee. Much of the region is characterized by small towns spread across the rolling landscape, which is punctuated by many ponds, lakes and streams.

The property is situated in the town of New Durham, a small, rural town (population 2,500) located 20 minutes south of Lake Winnepesaukee. The town hosts many farms within its bounds as well as homes for commuters who head south on State Route 11 to the larger towns of Rochester, Durham or Portsmouth. The village center is bustling in the summer with many visitors who come to enjoy Merrymeeting Lake.



Much of the area has reforested since the 1800s when it was farmed by settlers. The numerous stone walls serve as reminders of these historic land uses.

The capital city of Concord is 28 miles to the southwest and Portsmouth, New Hampshire's cultural coastal city, is 35 miles to the southeast. Boston, Massachusetts, is 88 miles to the south via Interstate 95. The forest is a quick drive from many New England metro areas, making it ideal for a weekend retreat property. Once there, the forest can serve as a launch pad to enjoy the greater Lakes Region, the White Mountains just to the north, the enchanting seacoast to the southwest, and it can also serve as an immensely private retreat.

ACCESS, BOUNDARIES & ACREAGE

The forest enjoys good town road and right-of-way (ROW) access, including a few short internal gravel spurs.

Merrymeeting Road – a paved town road with approximately 2,700' of frontage, and power and utilities. The terrain is steep along most of this section, limiting building options, though still operable for timber management purposes.

South Shore Road – a paved town road with power and utilities which parallels the subject's western boundary but has no actual frontage. However, there are several 20' wide, deeded ROWs leading from the forest to the road. The functional use of these ROWs for vehicular access will vary with slope conditions. Legal descriptions of these rights-of-way differ.

Brackett Road – This is another town-maintained road which connects with Merrymeeting Road to the south of the property. A legal right-of-way exists off Brackett Road for forestry use only.

Coburn Woods Road – A legal ROW exists off the end of this paved, residential road with power and utilities. This right-of-way provides access "to pass and repass, by vehicle and otherwise and for all purposes" per the deed. The all-purpose nature of this ROW opens the door for accessing the southern portion of the property for possible building opportunities, where soils permit.

Birch Hill Road – There is roughly 2,600' of frontage along this gravel, Class VI road which is kept in excellent condition by a neighbor. The public portion ends at the private gate to Merrymeeting Forest in the northeastern corner. The private extension of Birch Hill Road provides excellent interior access where gently rolling terrain, well-drained soils and long-distance views offer many attractive building opportunities.

A network of forest trails, both new and historic, traverse the property, offering ample interior access for enjoying a variety of activities from forestry and farming to trail riding and hiking.

Overall, property boundaries are well-marked in the form of stone walls and red blazed trees, most of which have been painted within the past ten years.

The tax acres are reported as 2,018.6; deed acres are reported incompletely and GIS acres are 2,013.7. For the purposes of marketing, the GIS acres (rounded) are the primary reference.



Birch Hill Road is a well-maintained gravel road that serves as the main entrance into the parcel. A neighbor near the end of the road keeps the road in excellent condition.



A paved portion of Birch Hill Road, similar to Brackett Road

SITE DESCRIPTION

Merrymeeting Forest was acquired by the current ownership parcel by parcel, resulting in an unusually large tract for the area. While this affords the next ownership the opportunity to enjoy immense privacy, it also opens the possibility for individual parcels to be sold off, without the need for subdivision.

The forest encompasses a series of small ridges on a large peninsula prominently positioned in Merrymeeting Lake. The extensive surrounding water provides existing and potential views in many directions. The property's ridges vary in elevation from 1,000' ASL to 1,360' ASL. Between these high points, brooks flow during the wetter times of the year.



The cleared area at the end of Birch Hill Road offers views and potential homesites.

Birch Hill is the most prominent ridge in the northeastern corner of the forest; Mount Eleanor and Rattlesnake "Mountain" are close to each other in the western corner. Given the strong recreational community that lines the nearby lake, there are likely foot trails that climb to the top of each of these ridges.

Most of the potential building sites on the forest will require clearing and road building. Soils, topography and access best suited for near-term building options are atop the small "plateau" at the end of the Birch Hill Road where the central field is located. This is also the site of the original homestead as evidenced by an old stone foundation. Other historic evidence of previous settlement and agriculture includes stone walls that border the field and thread through the forest.

Below: a drone's-eye view of Merrymeeting Lake and the mountains beyond taken from the open meadow just below Birch Ridge.



SITE DESCRIPTION (continued)

Views of Merrymeeting Lake are available at mid-slope through the recently-thinned forest. For more open water views, additional tree clearing would be necessary. Clearing efforts near the peak of Birch Hill would likely reveal more dramatic views of the lake.

The property's ridges and gently sloping terrain have soils that are generally well-drained throughout. One area of exception is in the far southeastern corner where a year-round brook that emanates from the base of Mt. Eleanor flows south through a small wetland for nearly a mile before reaching Coldrain Pond.

The southern tip of the property offers 2,000' of frontage on Coldrain Pond, an 18-acre pond that is part of the Coldrain Pond Wildlife Management Area. The pond is designated as a "remote trout pond" and is annually stocked with eastern brook trout.



A well-managed and aesthetically pleasing stand of hardwoods halfway up the property's lakeside slope.

An off-grid, recreational camp is located just inside the field at the end of the Birch Hill Road extension. The 500 ft² camp is in good condition and includes a shed roof attachment to shelter ATVs or other forestry/farming equipment. As the structure is built on posts, it would be easy to move it to another location on the property.



This small cabin is in good condition and would serve well as an initial storage building or cabin. It is set in the field at the end of Birch Hill Road where one can enjoy the stunning views.

FOREST RESOURCE

The forest has a long history of stewardship, with Fountains Forestry having managed it since the early 80s. The current owners acquired the property in 2006 and continued that management philosophy in accordance with the Forest Stewardship Council's sustainable forestry guidelines. In recent years, there have been seed tree, shelterwood, and thinning harvests in the pine and oak stands, located in the central and northern portions of the forest. Decades of sound management have resulted in a well-stocked forest with a property-wide average of nearly 21 cords/acre, above the regional average, with good stem quality, and poised for vigorous growth over the next rotation cycle.



The forest's history of management has resulted in a high quality, well-stocked resource of primarily hardwoods.

2015 Timber Inventory

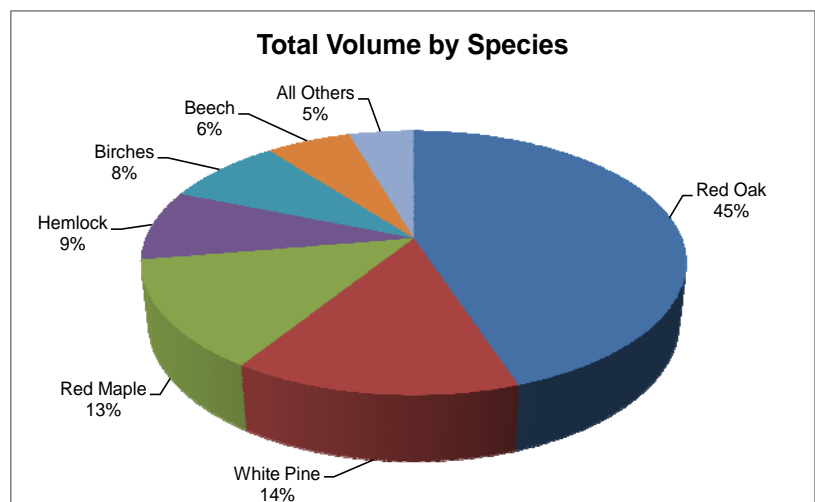
Data in this report are based on an April 2015 timber inventory and valuation conducted by Fountains Forestry. The data were processed using TwoDog software. Cruise design applied a 650' X 650' grid. A total of 182 variable radius plots were taken on commercial ground utilizing a 10 BAF prism. At a 95% confidence interval, the inventory resulted in a standard error of $\pm 10.8\%$ for all sawlog volumes and $\pm 8.8\%$ for total volume of all products. This standard error is within the industry standard for properties of this size. All trees were measured in one-inch diameter increments at breast height (4.5' above ground).

Volumes were recently adjusted to include growth from the 2015 growing season. The total sawlog volume is 8,432 MBF International 1/4" scale (4.436 MBF/commercial acre) with 23,534 pulpwood cords (12.4 cords/acre). Stumpage values assigned to the volumes indicate a total capital timber value of \$2,282,000 (\$1,133/acre). Additional inventory information, data sheets, and cruise specifications are available by request.

Species Composition

The forest is comprised of predominantly hardwood species led by red oak at 45% of the total volume and red maple a distant second at 13%. The remaining hardwoods are a mix of beech, birch and others. White pine (14%) and eastern hemlock (9%) combine to make up 23% of the total volume.

Sustainably managed for decades, the well-stocked forest offers a solid investment opportunity. Timber value represents 64% of the asking price with the balance of value represented by the tract's size, location and other amenities.



FOREST RESOURCE (continued)

Stocking:

Property wide basal area is 80.3 ft² indicating good stocking in light of recent silvicultural treatments and a conservative management approach over the years. There are many areas of the forest that have not seen harvesting in over 20 years, where near-term thinning is recommended.

Sawlog Volume & Value:

Red oak clearly commands the sawlog size class at 57% of the total sawlog volume. Pine is second at 22%, followed by the common associates of an Oak-Pine Type with hemlock at 9% and red maple at 5%.

The well-drained upland soils and western aspect clearly favor red oak and white pine and therefore these species should remain the focus of continued forest management. Timber markets for these desirable commercial species are currently good and expected to improve during the coming months as the construction economy gradually improves.

Hardwoods, driven largely by red oak, account for nearly 70% of the total sawlog volume and over 80% of the sawlog value on the forest. While the abundance of one tree species can increase risk of loss from insects and disease specific to that species, historically, there have been no major threats to red oak in the area. In addition, the white pine resource, at 22% of the sawlog volume, and a mix of hemlock and other hardwoods, offer a degree of biological diversity throughout the forest.

Diameter Distribution:

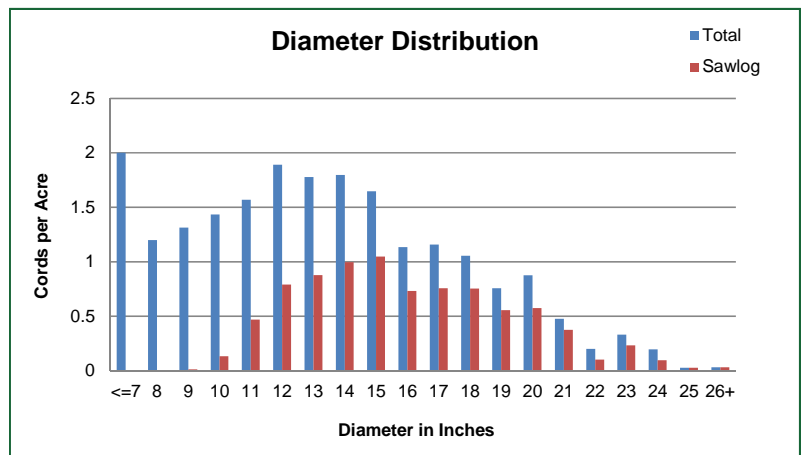
Stem diameters show a broad distribution across the spectrum, indicating a healthy proportion of young stems, with poles (less than 7" in diameter) providing the next generation of sawlogs. The sawlog distribution is even more favorable with strong representation in the 14" and 15" diameter sizes. The average diameter for all merchantable stems is 12" (as a measure of total volume) with an average sawlog diameter of 15.5"



Recently thinned oak stand retaining the highest quality stems.

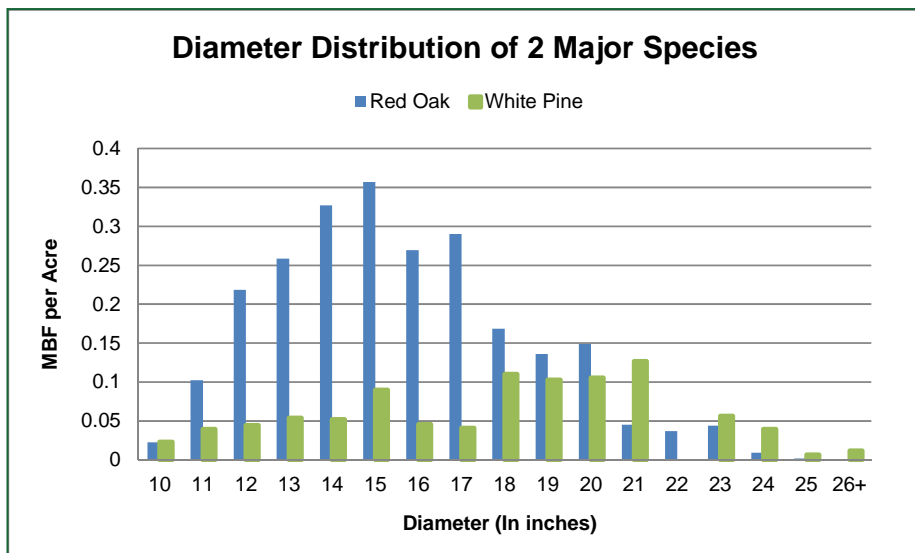


A recently thinned, thriving white pine stand near the center of the property.



FOREST RESOURCE (continued)

Red oak shows its dominance with a wide range of sawlog diameters and an average diameter of 16". With such good distribution, there is ample opportunity to harvest timber now to generate cash-flow upon acquisition. There is also plenty of opportunity to grow trees into larger diameter classes; although once red oak reaches 20" in diameter, a host of biological factors begins to affect log quality.



White pine sawlogs have a strong presence with an average sawlog diameter of 17". Like its red oak associate, a substantial amount of pine exists in economically mature size classes (note the 18" to 21" size classes). The volume in these larger stems offers some short-term cash flow for those seeking early returns on their investment. With proper planning, such a harvest will focus on the mature trees while opening the forest canopy for increased growth in the smaller diameters, especially those in the 10" to 16" size classes.

Data Room:

Complete timber data and other information is available at www.fountainsland.com; click on *Properties for Sale* and then on *Data Room*. Enter the pass code "merrymeeting" to access files for timber inventory data, deeds, title policy and maps.

Lakeside homes are visible along the water's edge and the property's central meadow is to the right. Recently thinned areas are visible in the foreground.



TIMBER VALUATION

Merrymeeting Forest

Timber Valuation

Prepared By

FOUNTAINS FORESTRY INCORPORATED

New Durham, New Hampshire
January 2016

2,013.7 GIS Acres
1,900.6 GIS Commercial Acres

Species	Volume MBF/CD	Unit Price Range			Total Value
		Low	High	Likely	Likely
<i>Sawtimber - MBF (International 1/4")</i>					
Red Oak	3,356	250.00	400.00	350.00	1,174,600
Red Oak Veneer	339	700.00	1,400.00	950.00	322,400
White Pine	1,507	110.00	200.00	150.00	226,100
Red Oak Pallet	1,133	75.00	150.00	125.00	141,700
Hemlock	728	35.00	60.00	50.00	36,400
Red Maple	231	80.00	180.00	120.00	27,700
Yellow/Black Birch	110	100.00	240.00	175.00	19,300
Hardwood Pallet	354	25.00	60.00	40.00	14,200
Birch Pallet	129	40.00	110.00	75.00	9,700
White Oak	58	75.00	225.00	200.00	11,500
White Pine Pallet	333	10.00	45.00	20.00	6,700
White Ash	34	125.00	250.00	225.00	7,500
Red Pine	55	25.00	90.00	50.00	2,800
Sugar Maple Pallet	27	45.00	120.00	100.00	2,700
White Birch	13	60.00	120.00	80.00	1,000
Beech	15	25.00	60.00	40.00	600
Aspen	8	25.00	70.00	40.00	300
<i>Pulpwood - Cords</i>					
Hardwood	19,359	8.00	20.00	13.00	251,700
Pine	2,144	4.00	12.00	6.00	12,900
Hemlock	2,013	4.00	12.00	6.00	12,100
Other Softwood	19	4.00	12.00	6.00	100

Totals					
Sawtimber Total	8,432	MBF			\$2,005,200
Sawtimber Per Acre	4.187	MBF			\$996
Sawtimber Per Comm. Acre	4.436	MBF			\$1,055
Cordwood Total	23,534	Cords			\$276,800
Cordwood Per Acre	11.7	Cords			\$137
Cordwood Per Comm. Acre	12.4	Cords			\$146
Total Per Acre					\$1,133

Total Value	<u>Low</u>	<u>High</u>	<u>Likely</u>
	\$1,933,000	\$2,602,000	\$2,282,000

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

Based on a early 2015 inventory by Fountains of 182 10 BAF Points. % Error: Sawlog Volume 10.8%, Total Volume 8.8%, at 95% Confidence Level

Volumes have been grown forward for the 2015 growing season at FIA rates for Belknap, Merrimack, Rockingham and Strafford Counties

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.

MUNICIPAL ZONING

The property is located in New Durham's Residential/Recreational/Agricultural District where forestry, farming and single-family dwellings are permitted. New Durham has established municipal zoning and subdivision regulations that allow building according to standards. Minimum building lot sizes are 1.37 acres with a minimum of 150' of frontage on a Class V road. Any proposed building or subdivisions will require road upgrades and approval via the town planning process.

For more information on zoning, call the New Durham Town Office (603) 859-2091 or visit the town's comprehensive website at www.newdurhamnh.us where municipal ordinances can be viewed or downloaded.



One of several stone walls snakes through a well-managed forest. Stone walls denote property boundaries in some places.

TAXES, ACREAGE AND TITLE

The property exists in three tax lots – 244-016-000 (1,775 acres); 229-002-000 (149 acres); and 229-004-000 (94.60 acres) totaling 2,018.6 acres. Annual property taxes in 2014 were \$7,390.

All but one tax lot (94.6 acres) is enrolled in New Hampshire's Current Use Program. This program reduces property taxes in exchange for a commitment by the landowner to maintain the land as open space. Ten (10) acres is the minimum required for enrollment in the program. For more information about New Hampshire's current use tax program, contact Fountains Land or the State of New Hampshire Department of Revenue Administration by visiting their website at www.nh.gov/revenue/currentuse.htm.

The property is recorded in three deeds - Book 3446, Page 357 dated October 10, 2006; Book 3482, Page 766 dated January 16, 2007; and Book 3494, Page 615 dated February 16, 2007 in the Strafford County Registry of Deeds. A copy of the deeds, tax bills, and other related documents are available upon request from Fountains or from our website data room.

Looking northwest across the Lakes Region with the western cove of Merrymeeting on the right.



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.



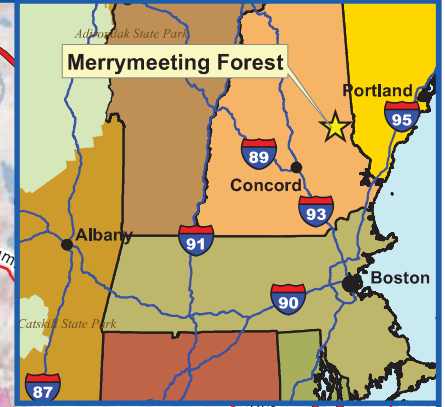
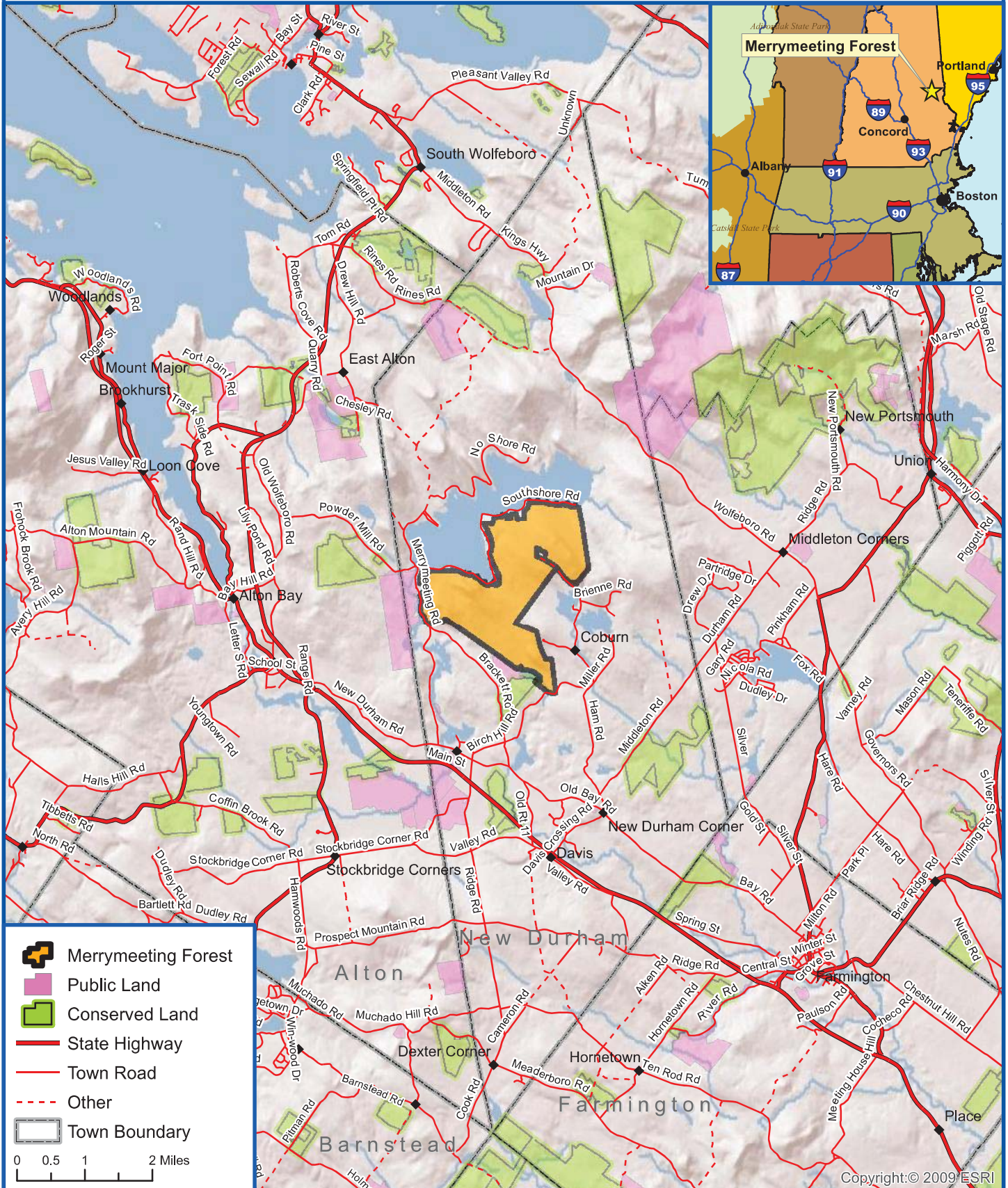
Locus Map

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Merrymeeting Forest

2,013.7 GIS Acres

New Durham, New Hampshire

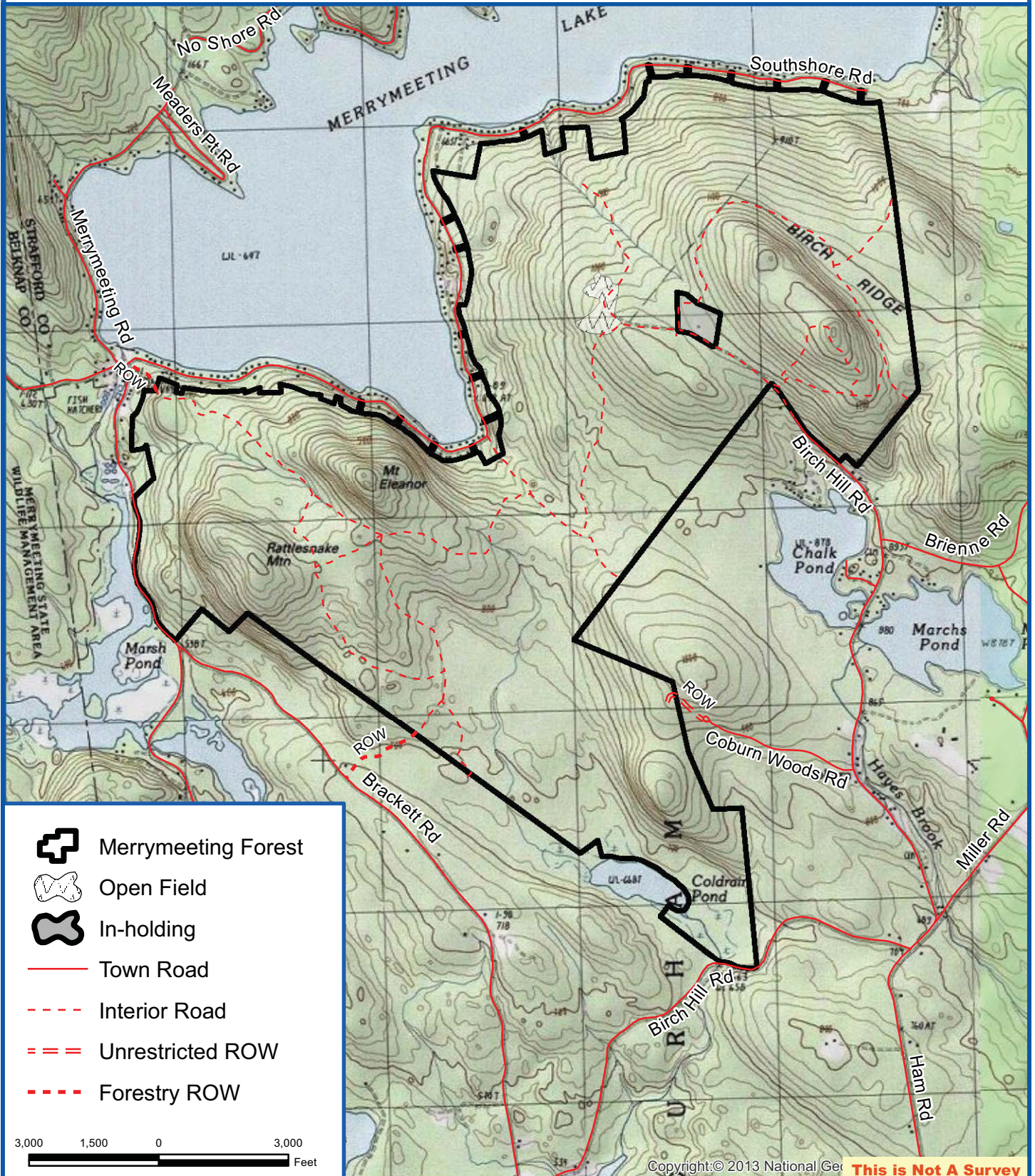




Merrymeeting Forest

2013.7 GIS Acres
New Durham, New Hampshire

fountains



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

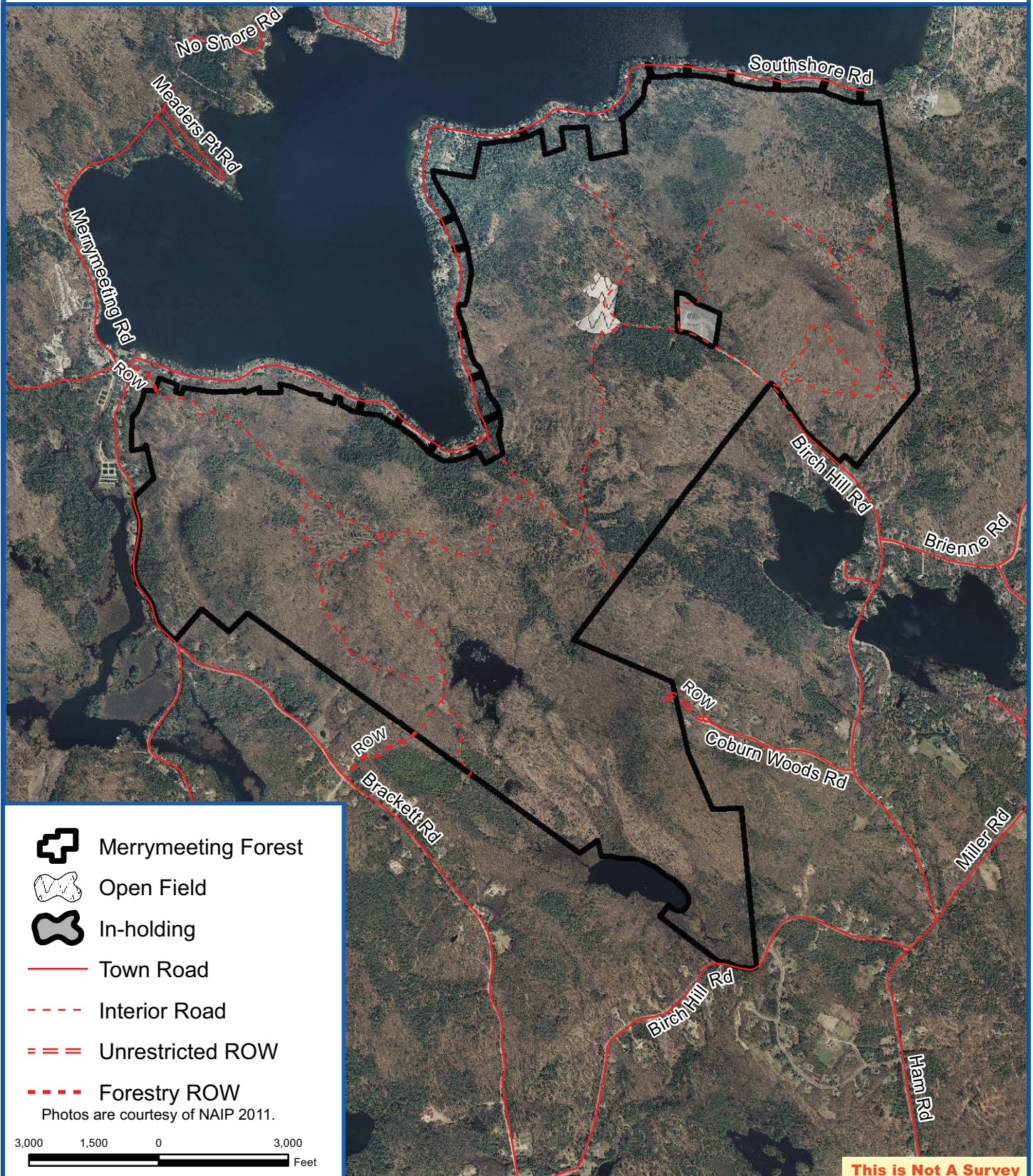


Merrymeeting Forest

2013.7 GIS Acres

New Durham, New Hampshire

fountains



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NEW HAMPSHIRE REAL ESTATE COMMISSION

64 South Street, Concord, NH 03301 Tel.: (603) 271-2701

BROKERAGE RELATIONSHIP DISCLOSURE FORM

(This is Not a Contract)

This form shall be presented to the consumer at the time of first business meeting, prior to any discussion of confidential information

Right Now You Are A Customer

As a customer, the licensee with whom you are working is not obligated to keep confidential the information that you might share with him or her. As a customer, you should not reveal any confidential information that could harm your bargaining position.

As a customer, you can expect a real estate licensee to provide the following customer-level services:

- To disclose all material defects actually known by the licensee pertaining to the on-site physical condition of the real estate;
- To treat both the buyer/tenant and seller/landlord honestly;
- To provide reasonable care and skill;
- To account for all monies received from or on behalf of the buyer/tenant or seller/landlord relating to the transaction;
- To comply with all state and federal laws relating to real estate brokerage activity; and
- To perform ministerial acts, such as showing property, preparing and conveying offers, and providing information and administrative assistance.

To Become A Client

Clients receive more services than customers. You become a client by entering into a written contract for representation as a seller/landlord or as a buyer/tenant.

As a client, in addition to the customer-level services, you can expect the following client-level services:

- Confidentiality;
- Loyalty;
- Disclosure;
- Lawful Obedience; and
- Promotion of the client's best interest.

For seller/landlord clients this means the agent will put the seller/landlord's interests first and work on behalf of the seller/landlord.

For buyer/tenant clients this means the agent will put the buyer/tenant's interest first and work on behalf of the buyer/tenant.

Client-level services also include advice, counsel and assistance in negotiations.

For important information about your choices in real estate relationships, please see page 2 of this disclosure form.

I acknowledge receipt of this disclosure as required by the New Hampshire Real Estate Commission (Pursuant to Rea 701.01).

I understand as a customer I should not disclose confidential information.

Name of Consumer (Please Print)

Name of Consumer (Please Print)

Signature of Consumer

Date

Signature of Consumer

Date

Provided by:

PATRICK D. HACKLEY

Licensee

Date

FOUNTAINS LAND INC.

(Name of Real Estate Brokerage Firm)

Consumer has declined to sign this form.
(Licensees Initials)

To check on the license status of a real estate firm or licensee go to www.nh.gov/nhrec. Inactive licensees may not practice real estate brokerage.

Types of Brokerage Relationships commonly practiced in New Hampshire

SELLER AGENCY (RSA 331-A:25-b)

A seller agent is a licensee who acts on behalf of a seller or landlord in the sale, exchange, rental, or lease of real estate. The seller is the licensee's client and the licensee has the duty to represent the seller's best interest in the real estate transaction.

BUYER AGENCY (RSA 331-A:25-c)

A buyer agent is a licensee who acts on behalf of a buyer or tenant in the purchase, exchange, rental, or lease of real estate. The buyer is the licensee's client and the licensee has the duty to represent the buyer's best interests in the real estate transaction.

SINGLE AGENCY (RSA 331-A:25-b; RSA 331-A:25-c)

Single agency is a practice where a firm represents the buyer only, or the seller only, but never both in the same transaction. Disclosed dual agency cannot occur.

SUB-AGENCY (RSA 331-A:2, XIII)

A sub-agent is a licensee who works for one firm, but is engaged by the principal broker of another firm to perform agency functions on behalf of the principal broker's client. A sub-agent does not have an agency relationship with the customer.

DISCLOSED DUAL AGENCY (RSA 331-A:25-d)

A disclosed dual agent is a licensee acting for both the seller/landlord and the buyer/tenant in the same transaction with the knowledge and written consent of all parties.

The licensee cannot advocate on behalf of one client over another. Because the full range of duties cannot be delivered to both parties, written informed consent must be given by all clients in the transaction.

A dual agent may not reveal confidential information without written consent, such as:

1. Willingness of the seller to accept less than the asking price.
2. Willingness of the buyer to pay more than what has been offered.
3. Confidential negotiating strategy not disclosed in the sales contract as terms of the sale.
4. Motivation of the seller for selling nor the motivation of the buyer for buying.

DESIGNATED AGENCY (RSA 331-A:25-e)

A designated agent is a licensee who represents one party of a real estate transaction and who owes that party client-level services, whether or not the other party to the same transaction is represented by another individual licensee associated with the same brokerage firm.

FACILITATOR (RSA 331-A:25-f)

A facilitator is an individual licensee who assists one or more parties during all or a portion of a real estate transaction without being an agent or advocate for the interests of any party to such transaction. A facilitator can perform ministerial acts, such as showing property, preparing and conveying offers, and providing information and administrative assistance, and other customer-level services listed on page 1 of this form. This relationship may change to an agency relationship by entering into a written contract for representation, prior to the preparation of an offer.

ANOTHER RELATIONSHIP (RSA 331-A:25-a)

If another relationship between the licensee who performs the services and the seller, landlord, buyer or tenant is intended, it must be described in writing and signed by all parties to the relationship prior to services being rendered.