

KEELER BROOK FOREST

A mixedwood timberland property with high volumes, diverse diameter distribution, immediate forest management options and one camp right to enhance the recreational opportunities of adjacent state lands and ponds.



**481 Grand List Acres
Wolcott, Lamoille County, Vermont
Hardwick, Caledonia County, Vermont**

Price: \$468,000

LOCATION

Keeler Brook Forest consists of two non-contiguous parcels that lie within 1,000' of each other in the towns of Hardwick and Wolcott, Vermont. Here, at the edge of the well-known Northeast Kingdom of Vermont, populations are low and much of the land is used for forestry or agriculture. State Routes 14, 15 and 16 pass through Hardwick, connecting the area to Burlington to the west, Saint Johnsbury to the east, Montpelier to the south, and Newport and the Canadian border to the north. This local road infrastructure offers excellent access to the diverse forest products markets within the region and across the border in Quebec, Canada.

In the area, numerous nearby small lakes and ponds, Burke Mountain Ski Resort and the local snowmobile trail network offer varied recreational opportunities. The State of Vermont's East Hill Wildlife Management Area (1,158 acres) is adjacent to the smaller, western parcel.

Vermont's capital city, Montpelier, is 45 minutes southwest of the property. Here, one can access Interstate 89 heading north towards Burlington or south towards White River Junction. Interstate 91, a north-south corridor on the Vermont/New Hampshire border is 40 minutes southeast of the property via Routes 15 and 2, or a similar drive northeast via route 16.



The eastern parcel rises above and to the right of this former summer camp facility on the shores of Wapanacki Lake.

ACCESS and BOUNDARIES

The eastern portion of the property is accessed from Lake Wapanacki Road, a town-maintained Class 3 road. Just beyond Lake Wapanacki, the town road forks, with both roads becoming Class 4 at the property boundary. The western fork remains Lake Wapanacki Road (where electric power continues along its frontage) while the eastern fork turns into Hines Road and bisects the parcel. The southern section of Hines Road is unimproved, but passable, for winter harvesting; summer harvesting would require road upgrades.

The western parcel was accessed in 1988 under a Special Use Permit through the State of Vermont's East Hill Wildlife Management Area (WMA) to the south. Additionally, it is understood that an additional access point along a road leading southwest from Lake Wapanacki Road to the parcel's northern boundary was used decades ago with an adjoining neighbor's permission in the form of a temporary access permit.



Hines Road runs through the eastern parcel.

Maps provided are not surveys; actual boundaries may not be identical to those shown on the maps. The property has not been surveyed. Map sources include tax maps, deed language, field indicators and GPS data. Although the maps provided are believed to be accurate, buyers should not rely on these maps to harvest timber or conduct other field activities until evidence is confirmed on the ground. All boundaries are currently in fair-to-poor condition but visible, with the exception of the northern boundary line of the western parcel per the map notes.

SITE DESCRIPTION

The topography of Keeler Brook East is characterized by Jeudevine Mountain in the northeastern corner of the property and Scribner Hill along the western boundary. A series of beaver ponds and associated wetlands are found between these two features along the course of Keeler Brook. Topography on the flanks of Jeudevine Mountain is moderate to steep, with a small area on this slope delineated as inoperable and non-productive. The balance of the mountain's western flank is composed of more gradual slopes, with shelves of gentle to moderate topography in between. Exposed bedrock is common. Several intermittent streams which drain into Keeler Brook are found in this area. Scribner Hill is dominated by gentle-to-moderate slopes with little exposed bedrock. Evidence of a farmstead in the form of old stone foundations, stonewalls, and harrowed soils can be found at the southern section of the land near the junctions of Hines and Lake Wapanaki Roads.



One of the wetlands found along Keeler Brook on the eastern parcel.

On Keeler Brook West, site quality is generally good with moderately well-drained soils in most areas. Eight acres of steep slopes on this parcel have been delineated as inoperable. When considered together, elevations on both properties range from 1,195' above sea level along the western boundary line of Keeler Brook West, where a small wetland drains toward Wolcott Pond, to 1,780' on the upper slope of Jeudevine Mountain on Keeler Pond East.

TIMBER

Timber Inventory:

Timber data in this report is based on a comprehensive and monumented timber inventory, conducted in the spring of 2015 by Fountains Forestry. 135 points were sampled, covering a 381' X 381' grid (western parcel grid was 363' X 363') using a 15 factor prism. Sampling statistics are $\pm 12.5\%$ standard error for sawlog products and $\pm 8.2\%$ for all products combined at the 95% confidence interval, figures that are well within industry standards. These data reveal a total sawlog volume of 2,879 MBF International $\frac{1}{4}$ " scale (7.17 MBF/commercial acre) with 8,210 pulpwood cords (20.5 cords/commercial acre). Combined total volume is 34.8 cords/commercial acre, a figure well in excess of the regional average. Based on this information, stumpage values were assigned by Fountains, producing a property-wide Capital Timber Value (CTV) of \$532,300 (\$1,078/total acre). See the Timber Valuation in this report for details.

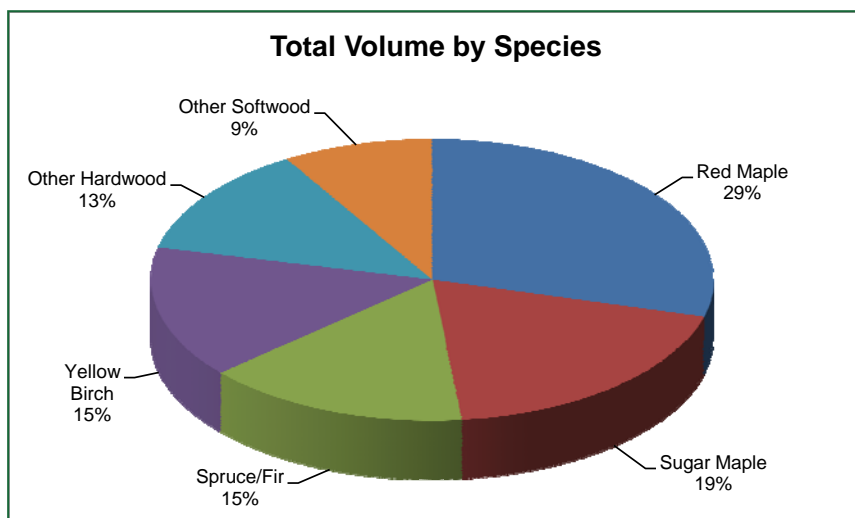


A well-stocked, maturing sugar maple stand.

TIMBER (continued)

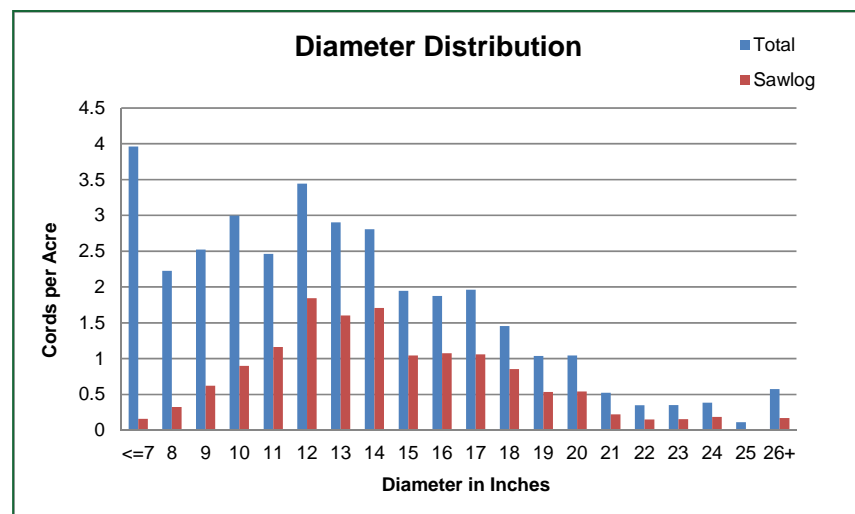
Species Composition:

A hardwood species composition prevails (76%) with the balance held in desirable softwoods (mostly spruce/fir and pine). Total species composition is dominated by the maples, spruce/fir and yellow birch, with much of remaining associates consisting of desirable species such as ash, cherry and pine. Sawlog volume is dominated by the maples (35%), spruce/fir (30%), and yellow birch (15%), with the balance split by hardwood and softwood stems.



Diameter Distribution:

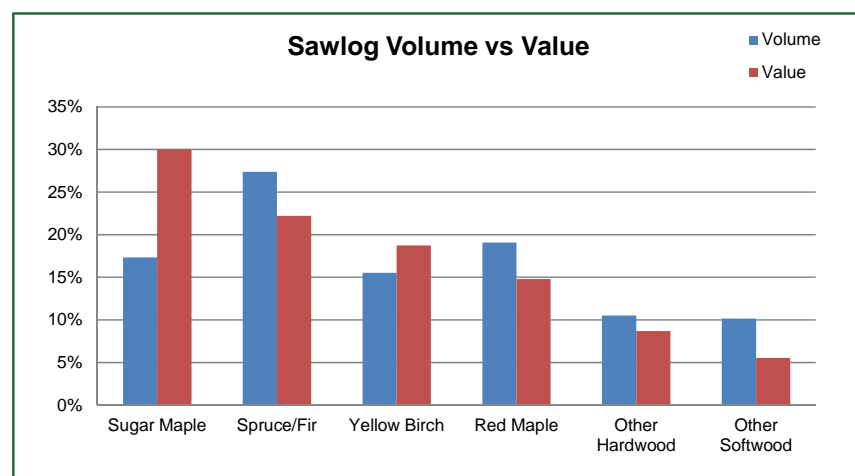
Average diameter for all products combined is 12.5", with sawlog average at 14". Average sawlog diameters for key species include sugar maple at 14.5", red maple at 14" and spruce/fir at 11.5". Thinning activity 12± years ago created a sapling age class. Harvesting of mature stands and stems 25± years ago created an abundant advanced sapling age class (diameters of 3"-7"). Various forest entries occurred prior to this time, creating multiple age classes; however, the dominant overstory age class is roughly 55-75 years old.



Sawlog Value & Stocking:

Sawlog value is largely dominated by sugar maple (30%), spruce/fir (22%), yellow birch (18%) and red maple (15%), all highly desirable species in the marketplace.

The 2015 inventory data indicate a forest-wide commercial acreage of 401, with total basal area at 113 ft²/acre and acceptable growing stock basal area at 84.8 ft²/acre, indicating high stocking of both total volume and acceptable quality stems.



TIMBER (continued)

Forest Types:

The property's management plan (whose forest stand types are NOT based on the recent 2015 timber inventory data) indicates that the forest is dominated by three broad forest types: northern hardwood, mixedwood and sugar maple. The northern hardwood type covers 41% of forested acreage with an average basal area of 105 ft²/acre. This type is dominated by pole and sawlog-sized maple and birch stems. The mixedwood type covers 33% of commercial acreage with an average basal area of 108 ft²/acre with pole and sawlog-sized spruce/fir, red maple, birch, hemlock and pine. The sugar maple type covers 2% of commercial acreage with an average basal area of 88 ft²/acre holding pole and sawlog-sized stems. The balance of the commercial forested acreage consists of two softwood stands, 23.5 acres of Norway spruce plantation and 6 acres of hemlock/spruce on the Keeler West parcel. Acreage not included in the timber inventory totals 92.6 acres.

Type	Acres	% of Total
Forested Acres		
NH3B	187.5	38%
NH4B	12.4	3%
SM3B	10.3	2%
SW3B	29.5	6%
MW3C	127.8	26%
MW3B	21.2	4%
MW4B	12.7	3%
Total Forested	401.4	81%
Non-Forested Acres		
Wetlands/SWBZ	75.2	15%
Non-Productive Steep	17.4	4%
Total Non-Forested	92.6	19%
Total GIS Acres	494	100%

Future forestry operations will be shaped by the following characteristics:

- High stocking, providing immediate opportunity for active forest management.
- Softwood component of 24%, diversifying income flow early in the investment period (softwoods mature well before hardwoods).
- Broad diameter distribution, offering ample opportunity for product shifting.

TAX, TITLE and ACREAGE INFORMATION

The warranty deed for Keeler Brook Forest is recorded with the Town of Hardwick in Book 127, Page 424 and with the Town of Wolcott in Book 88, Page 359. The property is depicted on Hardwick Town Tax Map 1 as Lot 16 as well as on Wolcott Town Tax Map 8 as Lot 36 and Map 9 as Lot 14.

Acreage used in this report to represent the property is based on GIS data from long-standing field evidence, survey work and recent field inspections. While slightly different from the Town Grand List, the GIS acreage has been determined to be the best and most reliable source.

Property taxes in 2014 were \$1,038.17 for the Wolcott parcels and \$241.18 for the Hardwick parcel for a total of \$1,279.35. The property **is** enrolled in the State of Vermont's Use Value Appraisal (UVA) program. The UVA program allows for a substantial property tax reduction in exchange for the practice of "good" silviculture and a commitment to non-development uses. For more information about this program, contact Fountains Land or the State of Vermont's office of Property Valuation and Review at (802) 828-5861.



Red spruce with established understory regeneration

Keeler Brook Forest

Timber Valuation

Prepared By

FOUNTAINS FORESTRY INCORPORATED

Wolcott and Hardwick, Vermont
May 2015

494.0 GIS Acres
401.4 GIS Commercial Acres

Species	Volume MBF/CD	Unit Price Range			Total Value
		Low	High	Likely	Likely
Sawtimber - MBF (International 1/4")					
Sugar Maple	297	325.00	410.00	375.00	111,500
Spruce/Fir	788	100.00	150.00	120.00	94,600
Yellow Birch	316	180.00	260.00	225.00	71,200
Red Maple	411	80.00	175.00	140.00	57,500
White Ash	169	120.00	200.00	160.00	27,000
White Pine	134	100.00	175.00	125.00	16,800
Sugar Maple Pallet	202	45.00	120.00	80.00	16,200
Birch Pallet	140	40.00	90.00	65.00	9,100
Hardwood Pallet	185	25.00	60.00	40.00	7,400
Hemlock	145	35.00	60.00	45.00	6,500
Black Cherry	32	100.00	225.00	175.00	5,500
Aspen	37	25.00	70.00	35.00	1,300
White Birch	4	60.00	130.00	100.00	400
White Pine Pallet	13	10.00	45.00	20.00	300
Basswood	5	25.00	60.00	40.00	200
Pulpwood - Cords					
Hardwood	7,040	8.00	20.00	14.00	98,600
Spruce/Fir	547	4.00	12.00	7.00	3,800
Hemlock	501	4.00	12.00	7.00	3,500
Pine	122	4.00	12.00	7.00	900

Totals					
Sawtimber Total	2,878	MBF			\$425,500
Sawtimber Per Acre	5.827	MBF			\$861
Sawtimber Per Comm. Acre	7.171	MBF			\$1,060
Cordwood Total	8,210	Cords			\$106,800
Cordwood Per Acre	16.6	Cords			\$216
Cordwood Per Comm. Acre	20.5	Cords			\$266
Total Per Acre					\$1,078

Total Value	<u>Low</u>	<u>High</u>	<u>Likely</u>
	\$461,000	\$603,000	\$532,300

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

Based on a early 2015 inventory by Fountains of 135 15 BAF Points. % Error: Sawlog Volume 12.5%, Total Volume 8.2%, at 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.

CONSERVATION EASEMENT

The conservation easement is 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 with the easement lands under its jurisdiction.

The principal objective of the easement is to maintain and process productive forest resources and products. The terms of this easement prevent subdivision and future development for housing; however, forestry and agricultural activities and construction of associated support infrastructure and/or buildings are permitted.

Easement highlights include:

- Most sustainable and traditional forestry and agricultural activities are permitted to support the long-term stewardship of the protected property;
- One (1) rustic camp right is permitted with size limited to 800 ft²;
- Silvicultural activities limited to sustainable levels with target diameters set for each species.
- Surface Water Buffer Zones (SWBZ) established — no future harvesting permitted (area including wetlands covering 74 acres), with volumes and values provided in this report accounting for this no-harvest area;
- Buildings are allowed which support agricultural activity;
- Public recreation permitted.



A large percentage of the sawlog volumes is made up of favorable species such as maples, yellow birch and ash.



Two softwood plantations are found on the lower slopes of Scribner Hill at the southern end of the larger parcel.

Copy of easement and baseline document available upon request.

PROPERTY	Town Ac	GIS Ac	Town	Taxes	SPAN#	Map & Lot #'s	Road Name	Road Class
Keeler Brook	80	64	Hardwick	\$241.18	282-089-11551	01/016	Hines Road	Class IV
Keeler Brook	106	107	Wolcott	\$1,038.17	777-247-10855	08/036	Formally by LUL	Class IV
Keeler Brook	295	324				09/014	Lake Wapanaki & Hines Road	Class IV
Totals	481	494.9		\$1,279.35				

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.

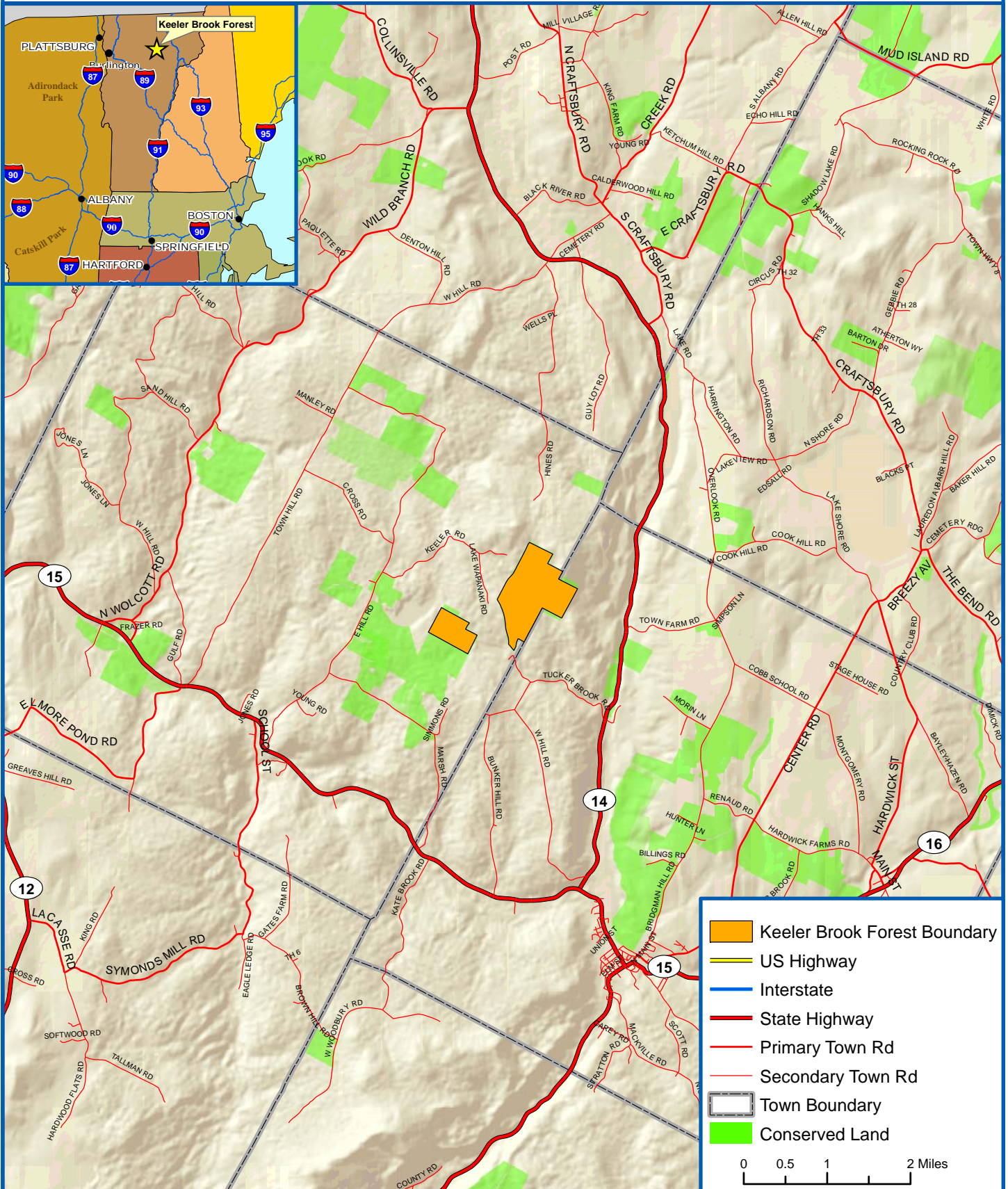


Keeler Brook Forest

fountains

481.3 Town Listed Acres

Wolcott & Hardwick, Vermont

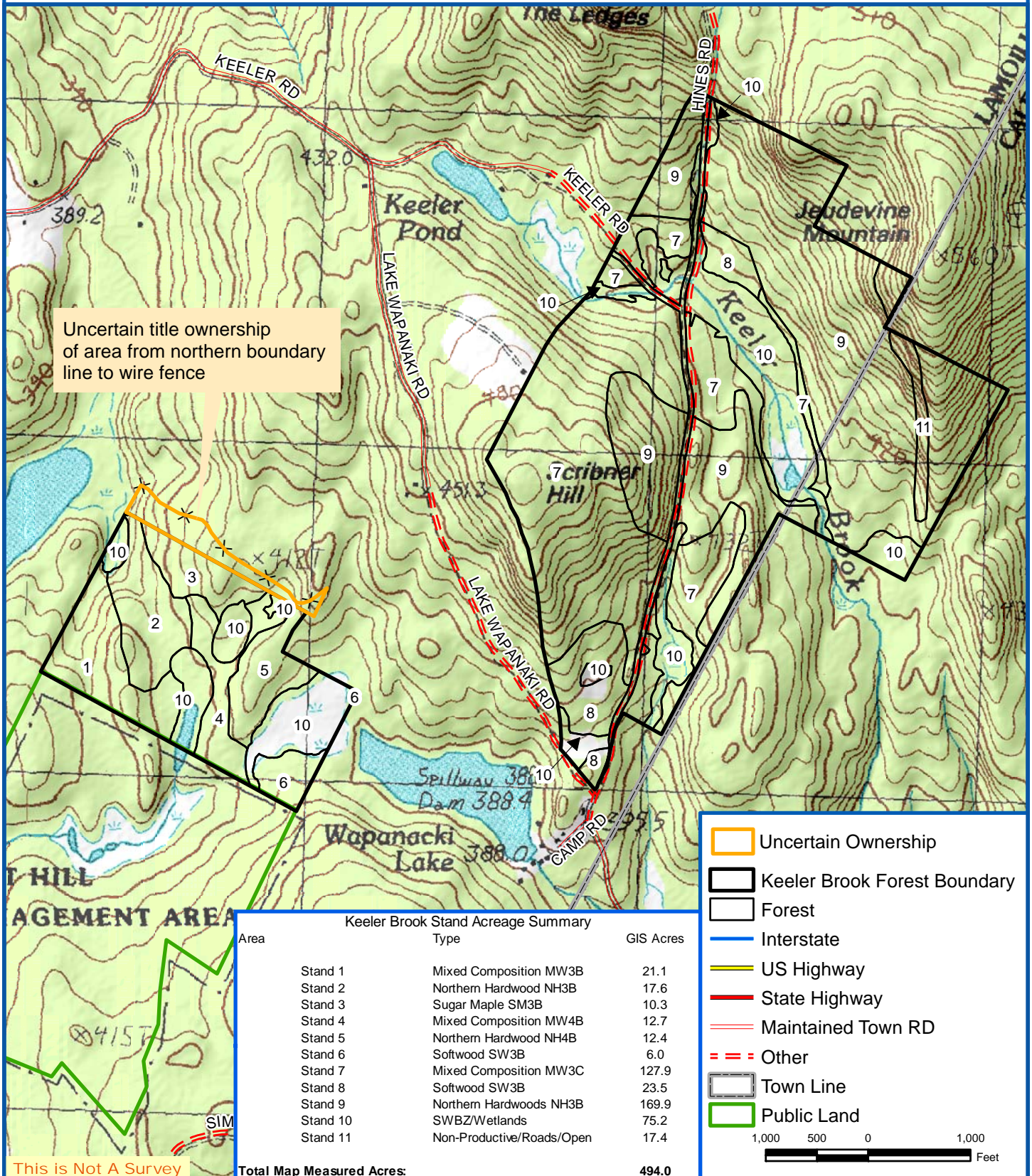


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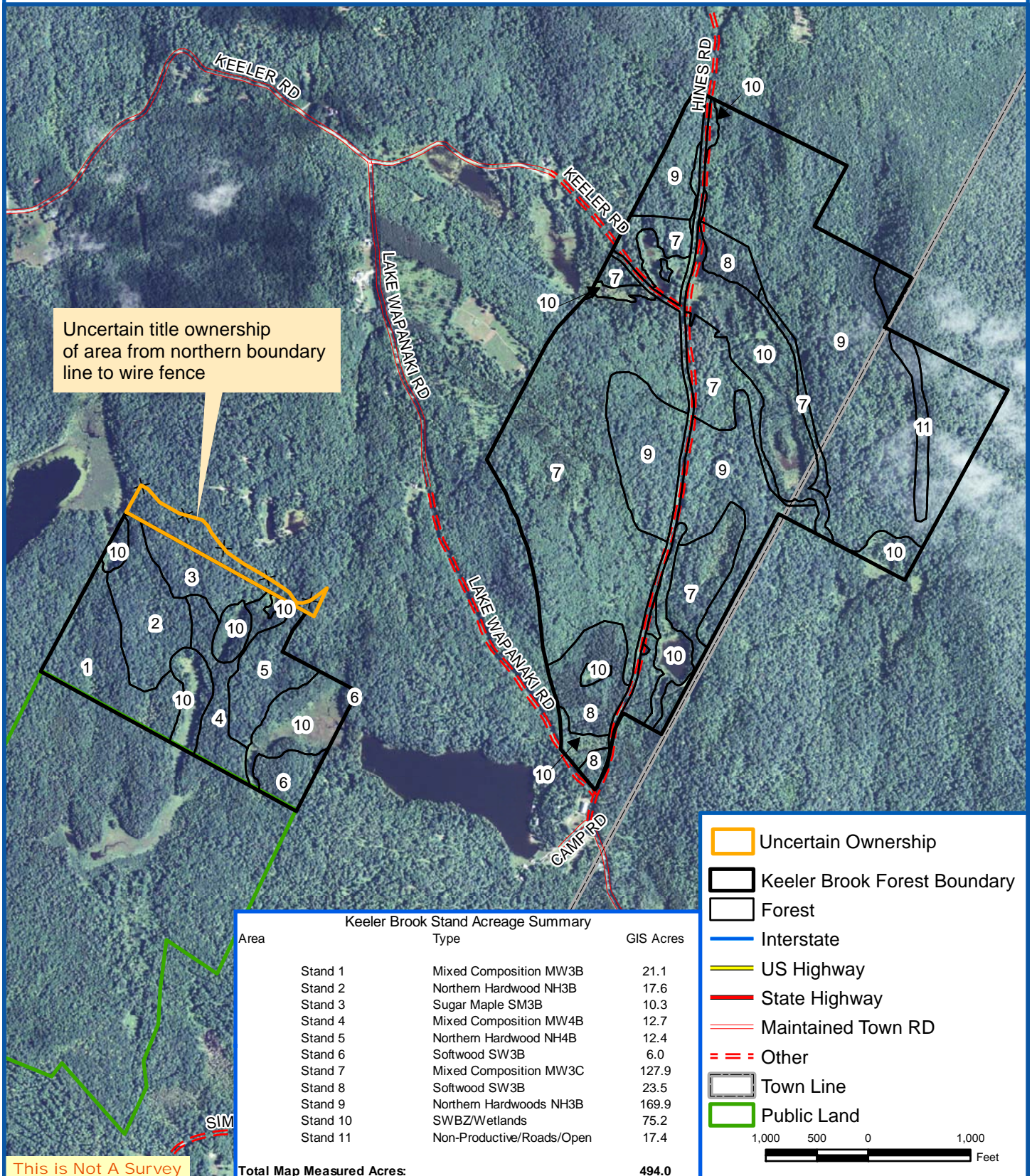
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