

CHASE MOUNTAIN FOREST

Protected by a conservation easement, the property is well suited to sugarbush management offering nearly 40,000 potential maple taps and a high-quality timber resource with fully-stocked forest stands ready for thinning and income potential.



**±1,004 GIS acres
Berlin and Moretown, Washington County, Vermont**

Price: \$1,285,000

INVESTMENT OVERVIEW

Chase Mountain Forest offers exceptional sugarbush potential and timber investment opportunity. The property features abundant stocking, attractive species composition, high quality stems, favorable terrain, good access, attractive central Vermont location, and close proximity to electric power.

Investment highlights include:

- Recent 2017 sugarbush inventory, revealing 37,676 taps with an additional 15,714 potential taps within the 5-8" diameter size classes;
- Exceptional timber resource with capital timber value estimated to be \$1,149,100;
- Long town road frontage with developed internal trails;
- Secure access with roadside power;
- Attractive location within 7 miles of Vermont's capital city, Montpelier;
- An old house and 2 acres outside the land's conservation easement, providing an easily developable homestead near the end of a quiet, town-maintained road;
- Protection by a conservation easement, allowing sugarbush operation and forest management with the development of associated support infrastructure.



The pristine Chase Mountain watershed encompasses much of the property's acreage and hosts well-stocked maple stands and Chase Brook.

LOCATION

Chase Mountain Forest is located in central Vermont, a region known for nurturing productive stands of sugar maple and other commonly occurring northern hardwoods. The area also benefits from a diverse array of regional and local markets for forest products, including sawlogs, veneer, pulpwood and maple sap/syrup outlets.

The property is 15 minutes from Montpelier, the state capital of Vermont, and Interstate 89. The forest is within the towns of Moretown and Berlin. The City of Montpelier and surrounding towns are well known for their solid employment base, strong communities and vibrant cultural scenes.

Boston, Massachusetts, and Hartford, Connecticut, are both 3.5 hours to the southeast and south, respectively. Locally, Knapp Airport is minutes from the property.



Chase Road as it leads into the property and the private Chase Basin on the slopes of Chase Mountain. Camel's Hump and the Green Mountain Range loom in the background.

ACCESS and BOUNDARIES

This forest investment offers secure, year-round access from a town road. Much of the forest is accessed by Chase Road, a fully-maintained, graveled town road that runs off Vermont Route 12. The property starts near the end of Chase Road, where only one year-round residence is located. There is roughly 2,100' of frontage along the maintained section of road and roughly 3,500' of frontage along the Class IV section (not maintained during winter months). A portion of the southern end of the property is accessed from Showacre Road, where a legal right-of-way from this road enters the property.

Electric power and phone service are provided along the Chase Road frontage. Power at the land's southern end is roughly 1,000' from the property.

Boundaries appear to be monumented; however, maintenance in the form of boundary painting will likely be needed within the next 5 years.



Chase Road as it leads to the house site and end of the town-maintained portion of the road.

SITE DESCRIPTION

The property is positioned along the eastern slope of Chase Mountain, a locally prominent peak over 2,000' in elevation. Two shoulders associated with Chase Mountain fall on the property, creating the highest points at 1,859' and 1,790' in elevation. These shoulders define the eastern bowl of Chase Mountain, a scenic, secluded area with the headwaters of Chase Brook. Much of the terrain slopes gently, with rolling hills on primarily southern, northern and eastern aspects. Moderate to steep terrain exists in areas leading to the ridges. Along some of the road frontage and internal trails, the terrain is mostly gentle.

There is a 5-acre meadow at the land's southern end where the right-of-way enters the property.

The property includes a former caretaker's house near the end of Chase Road. The house and its 1.3 acres have been formally subdivided from the larger, easement-encumbered forest. The house is in disrepair and is being sold as is with no warranty as to its structural condition, septic or water systems (alternative septic sites have been approved as part of the subdivision). This site offers an ideal location for a sugarhouse or home, the latter whether by repairs to the existing structure or by tear-down and new construction.



The 5-acre southern meadow overlooks the Northfield Range.

The ownership also owns a sawmill building and associated equipment on 3± acres located at the end of Chase Road. It is available for purchase upon request.

TIMBER RESOURCE

Timber information provided in this report is based on a June 2005 timber inventory using random point sampling with 137 BAF 10 factor points taken (1 plot/6.6 acres). Sampling statistics are favorable with $\pm 6.44\%$ for all products combined and $\pm 12.31\%$ for sawlogs at the 95% confidence level, figures within industry standards. Volumes were grown forward 12 growing seasons using the following growth rates: hardwood sawlogs 3.22%, softwood sawlogs 3.6%, hardwood pulpwood 2.34% and softwood pulpwood 2.85%. No harvesting has been conducted on the property since this 2005 inventory.

After applying growth through 2016, the timber data reveals a total sawlog volume of 6,359 MBF International $\frac{1}{4}$ " scale (6.8 MBF/commercial acre) with 17,564 pulpwood cords (18.7 cords/commercial acre). Combined total commercial per acre volume is 32.2 cords, a figure well above the regional average. Stumpage values were assigned to the volumes in May of 2017, producing a property-wide Capital Timber Value (CTV) of \$1,149,100 (\$1,144/total acre). See the Timber Valuation in this report for details.

Species Composition:

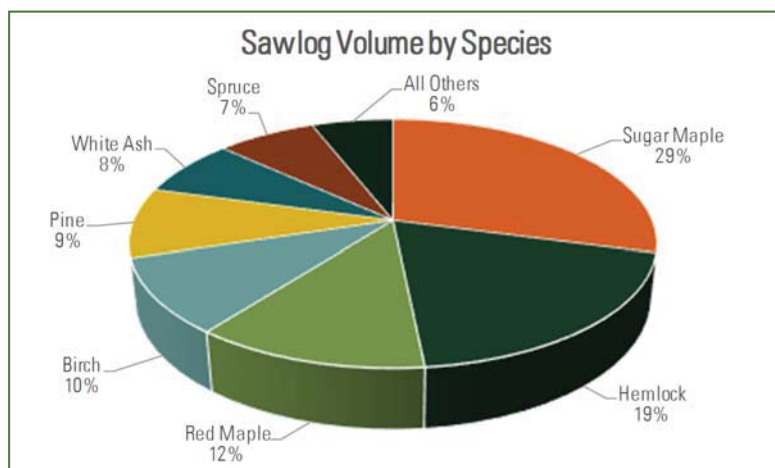
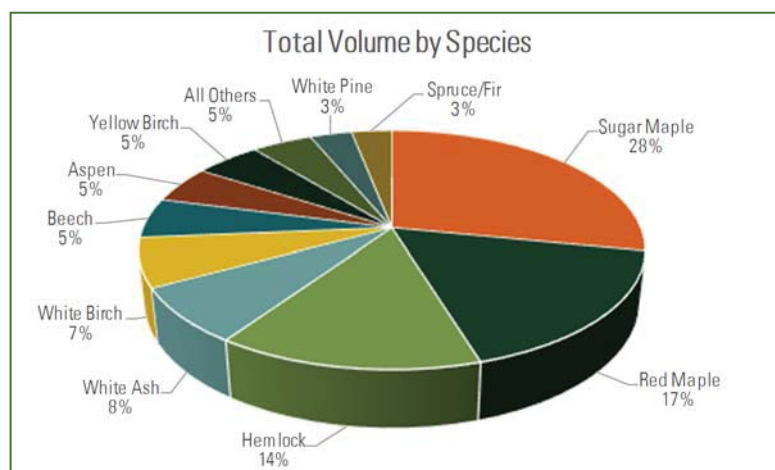
A species composition dominated by hardwoods prevails, with hardwoods at 78% and softwoods at 22% of total volume. Species composition is led by sugar maple (28%), followed by red maple (17%), hemlock (14%) and white ash (8%). The sawlog volume breakdown consists largely of the maples (41%) and hemlock (19%). The diverse species composition is the result of past agricultural land use, which covered nearly all of the gently sloping terrain. The historic fields have naturally reverted to forest over the last 25-50 years. In these areas, white birch and pine prevail. Within the areas that have not seen agricultural uses over the last 110 or so years, northern hardwoods, such as sugar maple, yellow birch, ash and beech dominate.

Stocking and Stem Quality:

Forest stocking is generally overstocked on most of the acreage. The average Basal Area (BA) is well over 100 ft² on 125 stems/acre. Acceptable growing stock BA is nearly 60 ft², a level which can nearly fully occupy the growing space upon thinning of the lower-quality stems.



The property features fine stands of northern hardwoods with sugar maple the dominant species.



TIMBER RESOURCE (continued)

Sawlog Value/ Thinning History:

Sawlog value is largely dominated by sugar maple (48%) with the balance equally split by the other individual species and species groups.

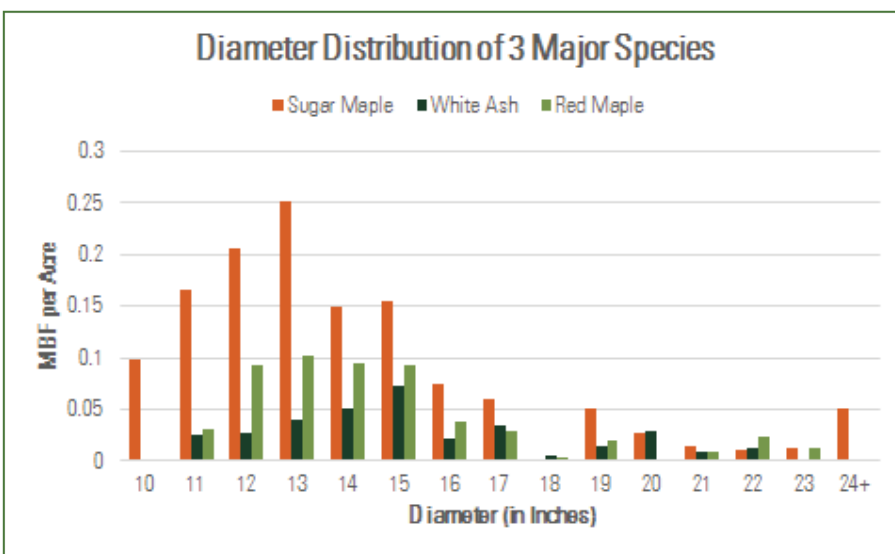
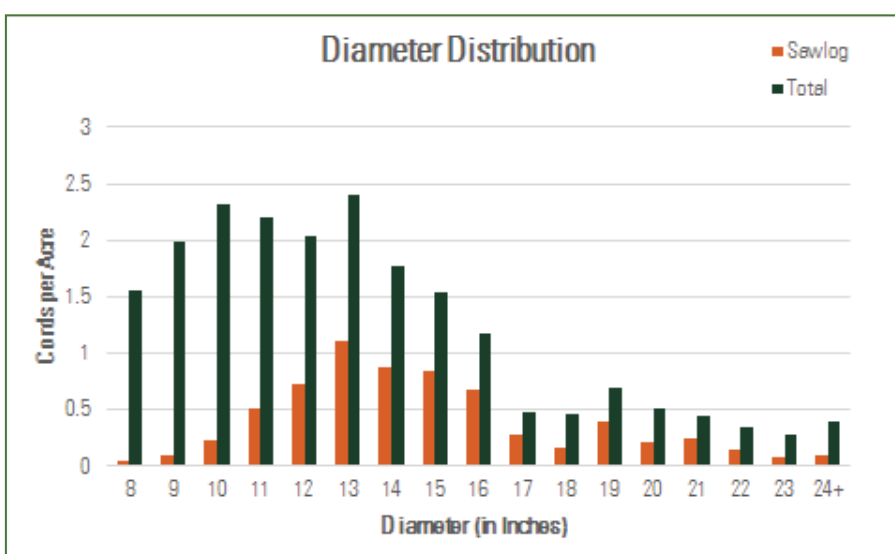
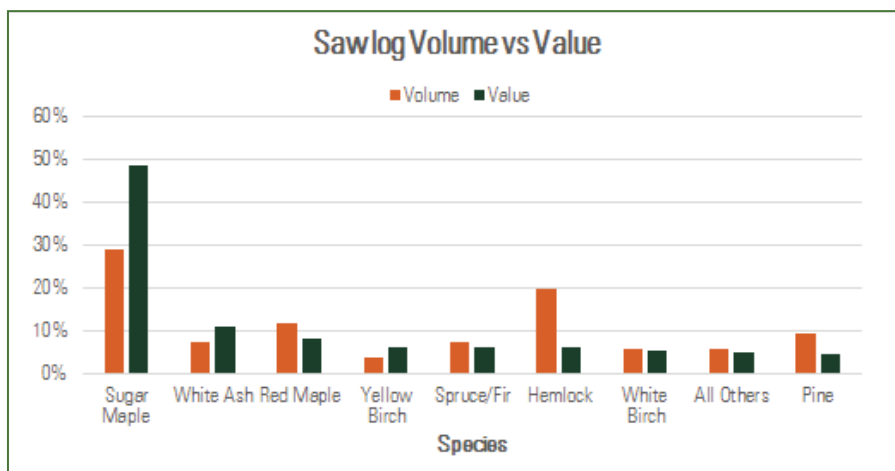
Since the tenure of the current ownership, which began in 2010, no silvicultural activity has been conducted, and no harvesting has occurred since the 2005 inventory. Very limited silvicultural activity was conducted by the previous ownership (prior to 2005) who acquired the land through many individual acquisitions from 1993 to 2002. Based on current stocking levels, thinning activity can occur at anytime.

Diameter Distribution:

Average diameter for all products combined is 13", while the average sawlog diameter is nearly 15". Younger stands (about 25 and 45 years of age) exist on the gently sloping terrain. Older stands (average age of about 75-85 years) occupy the mid-slope and ridgetops. There is a 5-6-acre red pine plantation along West Hill Road.

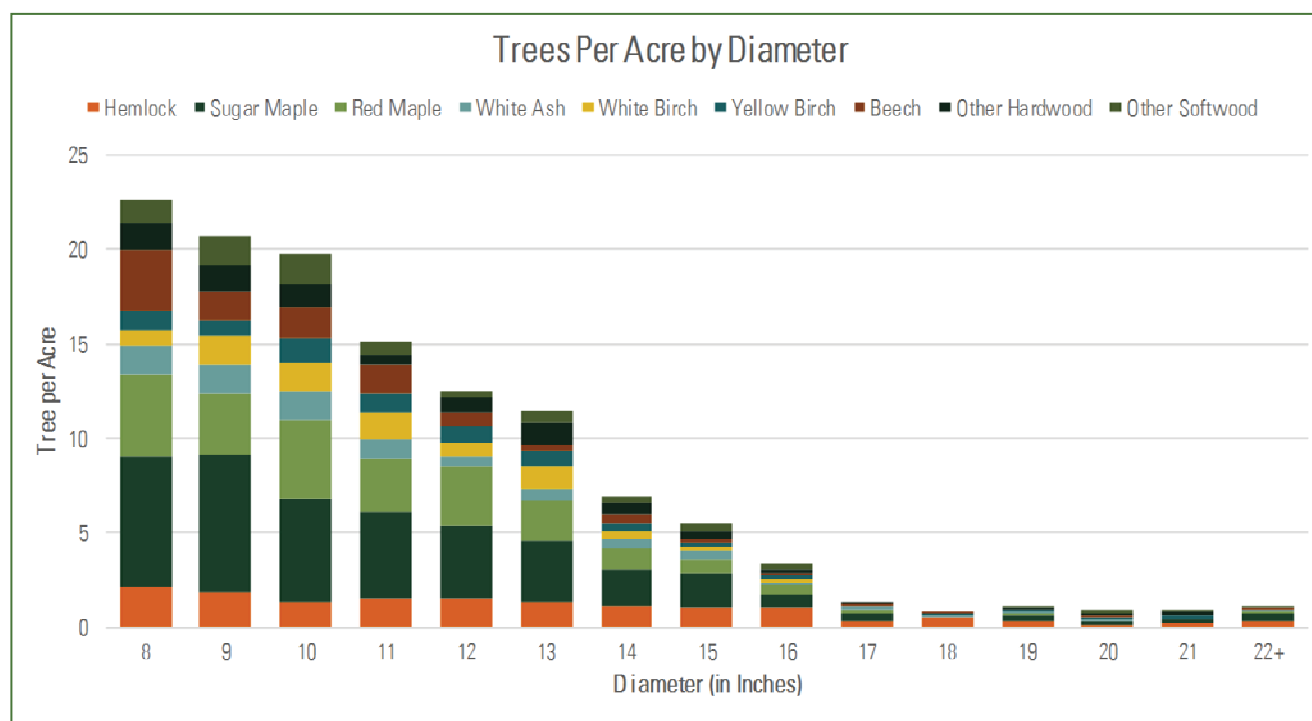
Much of the property's growing stock (8-10" stems) is within younger stands that cover the property's gently sloped terrain. The total growing stock on the forest holds 25% of total trees per acre (TPA) or 28% of total volume. Also, species such as maple, ash, and birch account for much of this growing stock (68%), offering an exceptional young resource component of high quality that is well positioned to advance into future sawlog products.

Average diameter for the three major value species is: sugar maple 14.5", white ash 16", and red maple 15".



Diameter graphs are representations from the 2005 timber inventory. Thus, all diameters have shifted forward by as much as 1-2".

TIMBER RESOURCE (continued)



SUGARBUSH OPPORTUNITY

The property offers an exceptional potential sugarbush opportunity, given the level of maple stocking, slope factor, access and proximity to electric power. A recent May 2017 timber inventory designed to determine tap data indicates a potential tap count of 37,676 taps, with roughly 77% of the taps from sugar maple with the balance from red maple. Trees 9" and greater were considered, providing an average of 66 taps/acre covering 574 acres within three separate watersheds or stands. Also, the timber data indicates that an additional 15,714 taps may become available in the coming decades from the maple resource within the 5-8" diameter class.

Details of the recent May 2017 tap count inventory is provided at the end of this report.

Potential taps on the remaining 399 acres (outside the above-mentioned potential sugarbush area) were not considered because maple is a minor component within this acreage. Capital Timber Value in this non-designated sugarbush acreage is estimated to be \$292,500, representing a timber resource available for future asset appreciation and periodic sources of income during thinnings and harvests of mature areas.

Potential Sugarbush Tap Count				
Stand	Area	Acres	Taps/Acre	Total Taps
1	North	469.9	64	30,163
2	Southeast	27	76	2,050
3	Southwest	76.6	71	5,467
Total		573.5	66	37,676
Species Composition				
Species	Area	Acres	Taps/acre	Total Taps
Red Maple	All	573.5	15	8,460
Sugar Maple	All	573.5	51	29,217
Total			66	37,676
Additional Trees in the 5-8 Inch Size Classes (Potential Additional Taps Coming On-Line)				
Species			Trees/Acre	Total Trees
Red Maple			7.7	4,416
Sugar Maple			19.7	11,298
Total				15,714
Additional Taps in Trees Deemed Unacceptable (Questionable 10-year Survivability)				
Species			Taps/Acre	Total Taps
Red Maple			1	421
Sugar Maple			3	1,772
Total			4	2,193

Thinning income is also available within the designated potential sugarbush area prior to installation of tubing infrastructure.

TIMBER VALUATION



Nature Preserve, LLC

Chase Mountain Forest

Timber Valuation

Prepared By

F&W FORESTRY SERVICES, INCORPORATED

Berlin and Moretown, Vermont
July 1, 2017

1,004.3 Acres
939.8 Commercial Acres

Species	Volume MBF/CD	Unit Price Range			Total Value Likely
		Low	High	Likely	
Sawtimber - MBF					
Sugar Maple	975	275.00	425.00	375.00	365,700
White Ash	398	200.00	275.00	250.00	99,400
Red Maple	437	75.00	175.00	150.00	65,500
Sugar Maple Pallet	812	25.00	90.00	75.00	60,900
Spruce/Fir	474	90.00	140.00	120.00	56,900
Hemlock	1,259	30.00	60.00	45.00	56,600
Yellow Birch	180	200.00	350.00	300.00	54,000
White Birch	277	70.00	200.00	165.00	45,700
Sugar Maple Veneer	37	800.00	1,200.00	1,000.00	36,500
White Pine	238	100.00	140.00	120.00	28,600
Red Oak	64	325.00	425.00	375.00	24,000
Hardwood Pallet	558	25.00	55.00	40.00	22,300
Black Cherry	60	175.00	350.00	225.00	13,400
Red Pine	216	25.00	85.00	50.00	10,800
Yellow Birch Pallet	63	25.00	75.00	60.00	3,800
White Pine Pallet	141	10.00	60.00	25.00	3,500
Aspen	78	30.00	50.00	40.00	3,100
Red Oak Pallet	26	25.00	90.00	75.00	2,000
Beech	36	30.00	50.00	40.00	1,400
Basswood	29	30.00	50.00	40.00	1,200
Pulpwood - Cords					
Hardwood	15,149	8.00	15.00	12.00	181,800
Hemlock	2,046	3.00	8.00	5.00	10,200
Pine	300	3.00	8.00	5.00	1,500
Spruce/Fir	69	3.00	8.00	5.00	300

Totals			
Sawtimber Total	6,359 MBF		\$955,300
Sawtimber Per Acre	6.332 MBF		\$951
Sawtimber Per Comm. Acre	6.766 MBF		\$1,016
Cordwood Total	17,564 Cords		\$193,800
Cordwood Per Acre	17.5 Cords		\$193
Cordwood Per Comm. Acre	18.7 Cords		\$206
Total Per Acre			\$1,144

Total Value	<u>Low</u>	<u>High</u>	<u>Likely</u>
	\$776,600	\$1,377,200	\$1,149,100

BASED ON A JUNE 2005 CRUISE BY FOUNTAINS FORESTRY, CONSISTING OF 137 INVENTORY PLOTS
Growth applied at rates derived from FIA data for 12 growing seasons.
Hardwood Sawlogs 3.22%, Softwood Sawlogs 3.6%, Hardwood Pulpwood 2.34%, Softwood Pulpwood 2.85%.
Statistical Error - 12.3% for sawlogs and 6.4% for all products at the 95% confidence level
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 quality of the timber and operability of the site.
This estimate represents the entire forest except the cabin lot and uneased timberlands.

CONSERVATION EASEMENT

The conservation easement on the property 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 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 crop tree diameters set per species group;
- No forest management activities are permitted within 50’ of easement mapped brooks and wetland areas (such areas have been removed from the timber inventory and tap count data);
- One camp structure of 800 ft² is permitted.

The maps provided in this report designate the Surface Water Protection Zones (SWPZ). Copies of the easement and baseline documentation are available upon request.

Item	Acres
Tax Acres	1075.7
GIS Acres	1004.3
Meadow	11.1
Non Commercial Terrain	4.5
Commercial Timber Acres	939.8
SWPZ (no Harvest)	48.9



Prime maple stand within the Chase basin on gentle terrain.

ACREAGE, TAXES & TITLE

Property taxes in 2016 were \$6,874.75. However, this tax value includes the assessment of the adjacent 30.5 acres, camp, and sawmill properties owned by the seller. The tax burden to the new buyer will likely be closer to \$4,520 (buyer should confirm this). The property IS enrolled in the State of Vermont’s Use Value Appraisal (UVA) program.

Total Grand List acreage is 1,075.7 acres. The estimated GIS acres is 1,004.3 acres. The latter is believed to be more accurate and is the basis for the timber data and for setting property asking price.

The Seller reserves the right to withdraw the Property from the market at any time. The Seller shall not be obligated to accept any offer, and any decision to enter into a binding contract agreement shall be at the Seller’s sole discretion. The Seller reserves the right to reject any and all offers.

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.

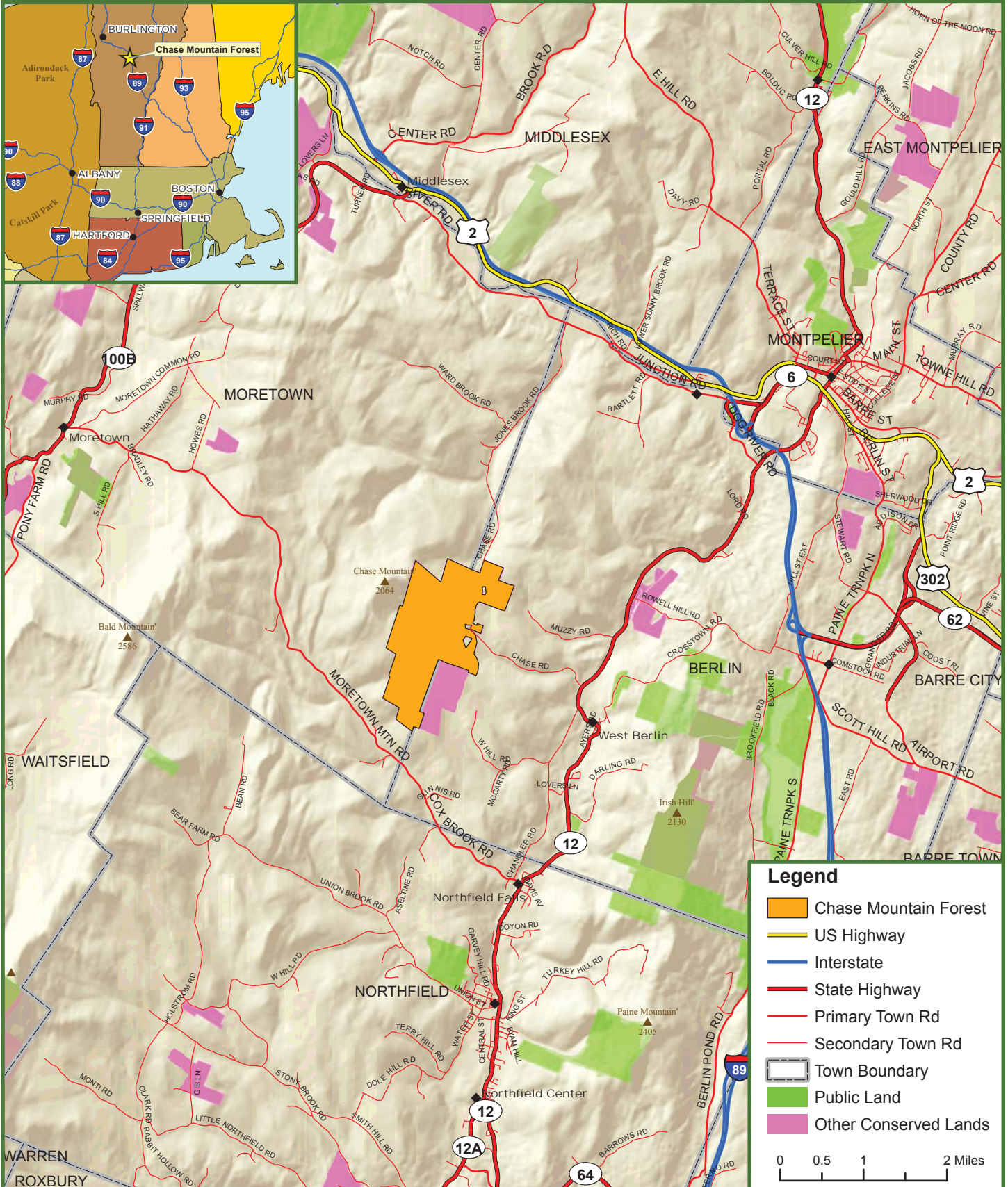


Locus Map Chase Mountain Forest

1,004.3 GIS Acres



Berlin & Moretown, Washington County, VT





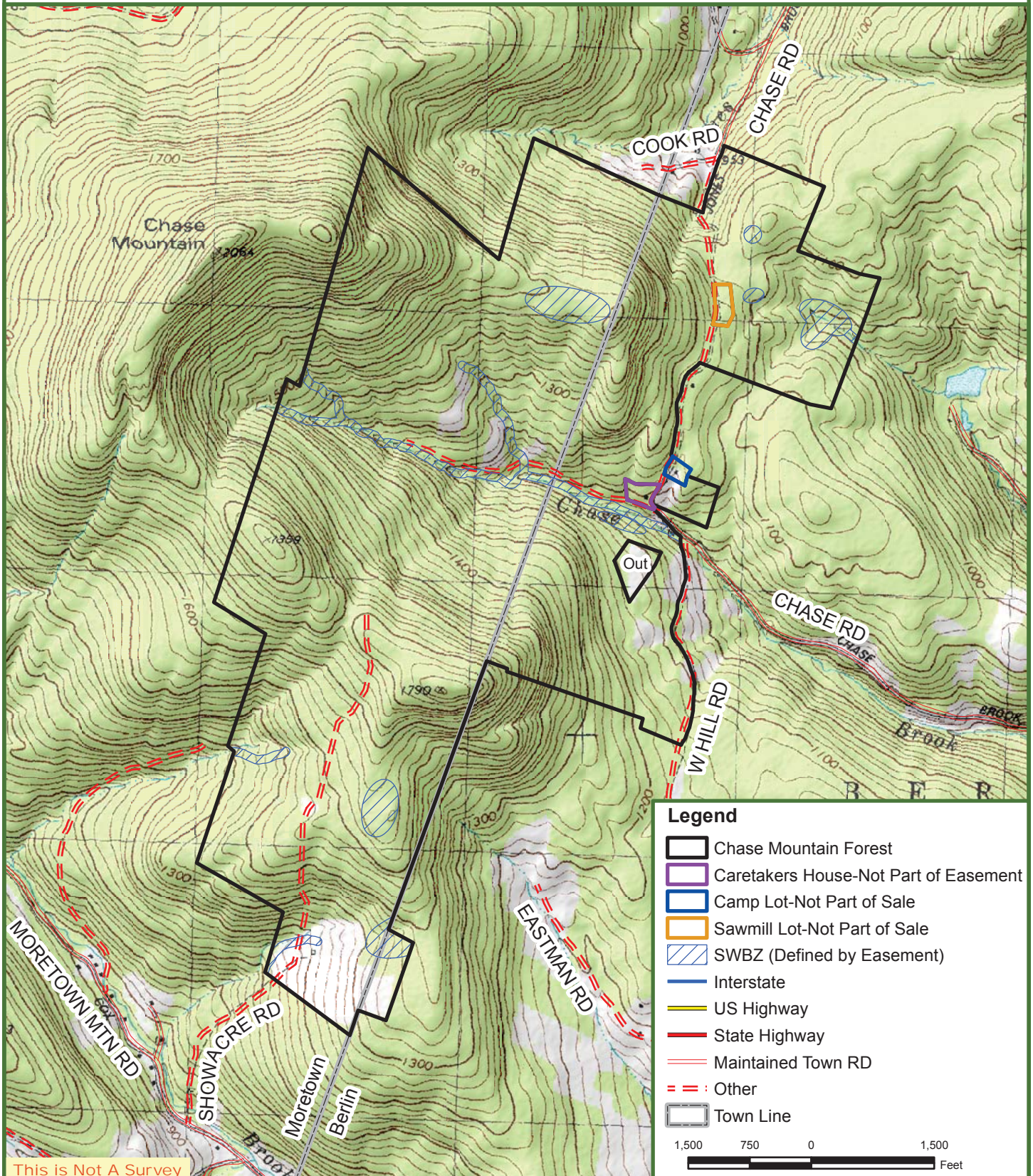
Chase Mountain Forest

1,004.3 GIS Acres

Berlin & Moretown, Washington County, 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.



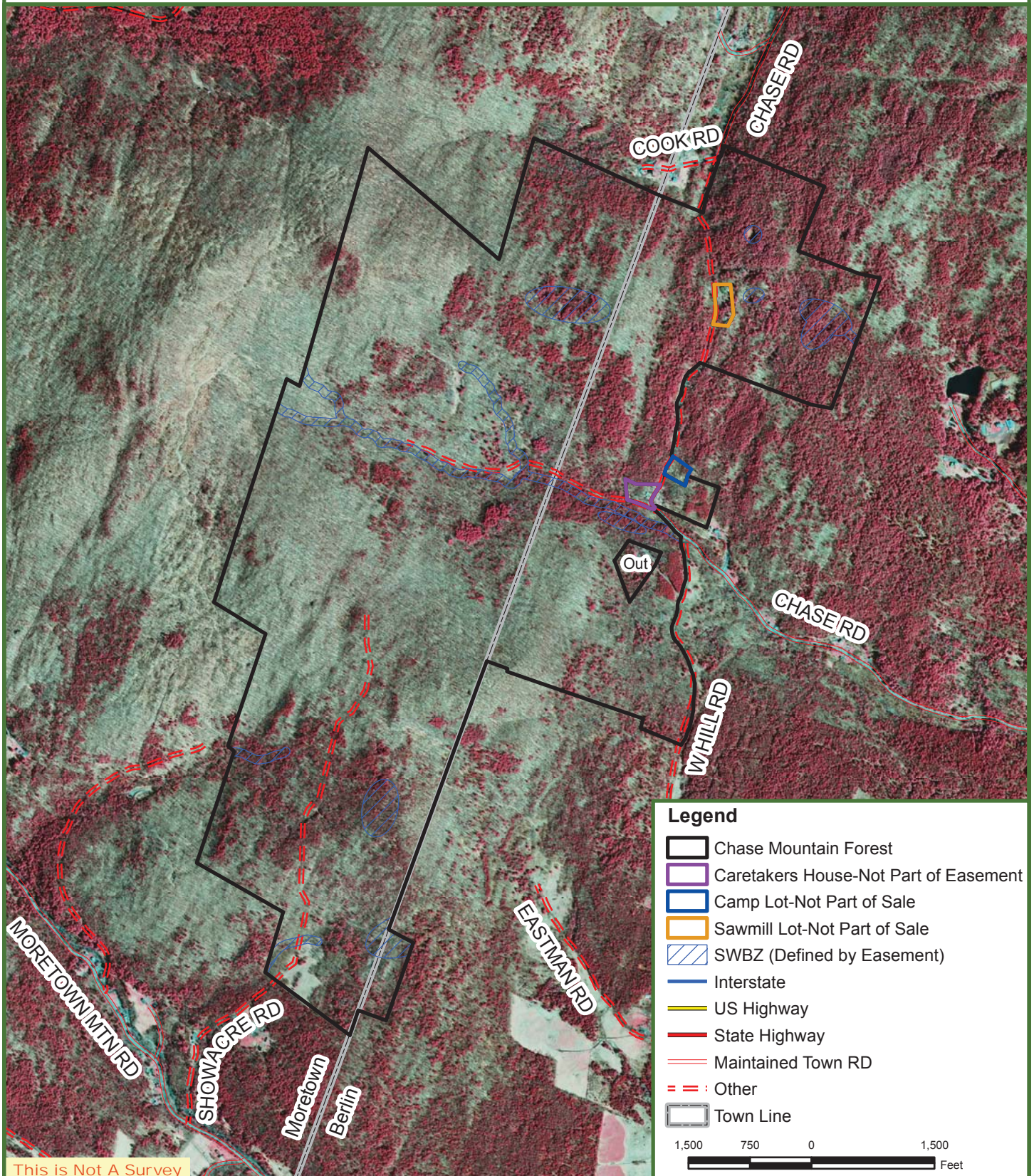
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1,004.3 GIS Acres

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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



F&W
SINCE 1962

7 Green Mountain Drive, Suite 3
Montpelier, VT 05602-2715

Tel 802-223-8644
Fax 802-229-2125

www.fwforestry.net

Chase Mountain Forest Maple Tap Count Inventory May 12, 2017

Overview

F&W Forestry Services Inc. conducted an inventory of potential maple taps on the Chase Mountain Forest in Berlin and Moretown, Vermont in April, 2017.

A potential sugarbush area was delineated based on existing stand data and aerial photography. This potential sugarbush area defined the inventory area.

An inventory was conducted in late April, 2017. The inventory data were processed with a program called TwoDog. Potential total taps were calculated for the entire area, and potential taps-per-acre were calculated at each cruise point.

Three drainage watersheds were delineated within the sugarbush. These watersheds may represent a likely organization of the sugarbush by sap collection points. Total potential taps within each of the three watersheds were calculated.

Procedure

A cruise area was defined on the Chase Mountain Forest, based on the potential for sugarbush use. Stands with low maple density and young stands were excluded from the potential sugarbush area. Two small areas which had previously been delineated as inoperable (steep) for timber management were included in the sugarbush area. Stream buffers and other surface water protection areas, as defined by the conservation easement in place on the property, were excluded from the potential sugarbush area. (The property is encumbered by a Conservation Easement held by the Vermont Land Trust. The easement language is unclear on whether tapping would be allowed in Stream Buffers and other easement-defined surface water protection areas. Without a Vermont Land Trust judgement, it was deemed prudent to exclude these areas.)

104 inventory plots were laid out on the inventory area. Subsequent refinement of the inventory area, based on cruiser calls on the ground added a small area to the initially delineated potential sugarbush area.

The final potential sugarbush area measures 573.5 acres.

At each inventory point, tappable or potentially tappable red and sugar maple trees were tallied, diameter was measured with a D-Tape, and a survivability call was made for each tree (Acceptable, if the tree appeared able to survive for at least ten years; Unacceptable if not).

Data were processed with a program called TwoDog, resulting in diameter distributions of Trees-Per Acre for each species. Tap potential was calculated using tapping rates recommended by the Vermont Department of Forests Parks and Recreation:



	<i>Standard Spout (5/16")</i>
0 taps	Less than 10" diameter (less than 29" circumference)
1 tap	10-14" diameter (29-47" circumference)
2 taps	16-20" diameter (47-66" circumference)
3 taps	22" & over, diameter (66" & over circumference)
4+ taps	Prohibited

Additionally, the sugarbush was further divided into three watersheds, which may allow for the consideration of tapping potential based on sap collection stations in each watershed. The majority of the potential sugarbush area falls within a main sugarbush to the north, measuring 469.9 acres and draining to Chase Road. A southeast sugarbush, measuring 27 acres, will require pumping sap to Chase Road or running saplines across adjacent lands to Eastman Road. A southwest sugarbush, measuring 76.6 acres, drains toward a road known as TH 49 in Moretown (off Moretown Mountain Road).

Results

Tap counts for the various areas are provided below:

Potential Sugarbush				
Stand	Area	Acres	Taps/Acre	Total Taps
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F&W
SINCE 1962

7 Green Mountain Drive, Suite 3
Montpelier, VT 05602-2715

Tel 802-223-8644
Fax 802-229-2125

www.fwforestry.net

Please feel free to contact me with any questions you may have.

Sincerely,

Andrew S. Carlo, CF
Project Forester

VT Licensed Forester: 148.0122250

