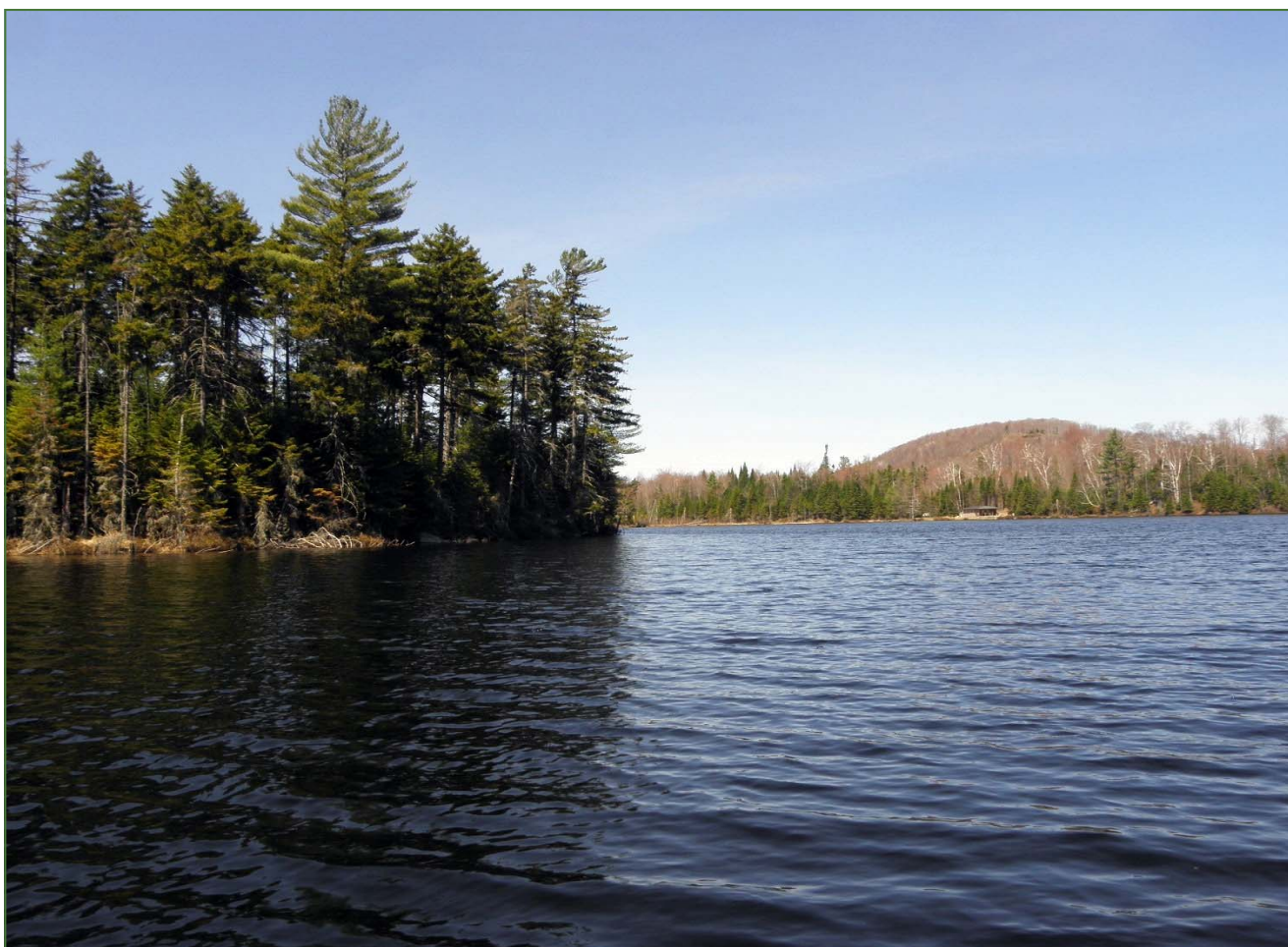


## **EAST POND FOREST**

**One mile of quality water frontage on a private, 68-acre, Adirondack trout pond and a well-managed sugar maple resource make East Pond a classic waterfront timberland estate.**



**1,691 Acres**  
**Tupper Lake, Franklin County, New York**

**New Price: ~~\$2,451,000~~ \$1,850,000**

## LOCATION

East Pond Forest is a 1,691-acre, unique waterfront and timberland investment opportunity in the town of Tupper Lake, Franklin County, New York. East Pond offers over a mile of high-quality, undeveloped shoreline frontage on a pristine, 68-acre Adirondack trout pond. Its compelling waterfront amenity offers a classic family estate opportunity, which is enhanced by the financial and amenity benefits of two-and-a-half square miles of well-managed, northern hardwood timberlands.

The surrounding neighborhood lies within the well-known Township 19 & Kildare Club region of the Adirondacks, a scenic, forested landscape lying along the headwaters of the West Branch of the St. Regis River. Surrounding ownerships include multi-generational family estates, long-established hunting clubs and private working timberland ownerships. Some of the properties adjacent to East Pond are hallmark parcels including Bay Pond Park, Windfall Pond and the New York State Forest Preserve, as well as properties owned by The Nature Conservancy.



East Pond is a 68-acre Adirondack brook trout fishery located in a stunning, private setting. This property offers a classic waterfront timberland investment opportunity.

Tupper Lake Village (population 3,600) is located 14 miles to the south and offers numerous restaurants, shops and amenities. Saranac Lake (population 5,400), recently ranked 11<sup>th</sup> in the *100 Best Small Towns in America*, is 25 miles to the east and hosts the Adirondack Medical Center. New York City and Boston are 6 hours south and east, respectively. Montreal is 2.5 hours to the north and Burlington, Vermont, is 2.5 hours to the east.

## ACCESS/BOUNDARIES

A legally-deeded right-of-way exists over Floodwood Road from the community of Saranac Inn on Upper Saranac Lake. Floodwood Road is a town road to the Santa Clara/Tupper Lake line, at which point it continues as a private, gated woods road extending westward to Kildare Road at Derrick Crossing. This non-exclusive right-of-way is shared with neighboring property owners and is passable for SUV-type traffic during non-winter months. The total road distance from East Pond to Saranac Inn is nine miles.

Non-deeded, but commonly used, access also exists from Kildare Road and Pitchfork Pond Road, which link the property and surrounding ownerships to Tupper Lake Village. Pitchfork Pond Road is a four-season, town-maintained road to the Kildare Club Gate. From there, it continues northward as Kildare Road, a seasonal, private, gravel road suitable for log truck traffic and SUV use during non-winter months. The total distance from East Pond to Tupper Lake via this road network is 14 miles.



The property has over three-and-a-half miles of well-maintained internal roads.



## SITE DESCRIPTION

Why did 19<sup>th</sup> century industry barons and affluent New York City families invest in Adirondack timberland? When William Rockefeller purchased the adjoining Bay Pond Park in 1900, it was to create a vast game preserve and to build an iconic Adirondack Great Camp retreat for his personal enjoyment. For others, it may have been to escape the hassles of everyday city life, to protect their hard-earned wealth with growth-driven timber and land investments, and, perhaps, even to craft a long-term, conservation legacy that would extend into the future well beyond their time. Acquisition goals like these are just as relevant today as they were a century ago, and East Pond offers an exceptional purchase opportunity with its quality water frontage, extensive land base, northern hardwood timber resource and strong conservation appeal.



A mix of hardwood and softwood species along the pond's shoreline creates a scenic backdrop from many vantage points.

The property's site opportunity is three-fold. First, its extensive water frontage along East Pond includes over a mile of pristine shoreline on a stunningly scenic, cold water brook trout fishery. Adirondack brook trout are a popular species for fly fishing enthusiasts and those interested in wilderness pond fishing opportunities. East Pond is reported to span 68 acres with an average depth of ten feet. Its surrounding shoreline is flanked by a mix of maples, birches, spruce and hemlock, creating an iconic Adirondack wilderness setting around the perimeter of the pond. A rustic fishing cabin currently serves as a camp for the property's recreational club and is tucked away on the west end of the pond at the terminus of the entry road. This waterfront building envelope would serve as a prime location for a future family estate overlooking the water with direct, east-facing views of the pond to capture brilliant morning sunrises.

The second key site attribute of East Pond is its two-and-a-half square miles of surrounding forests. East Pond's well-drained hardwood ridges and significant land base provide numerous financial, ecological and recreational benefits that can support a wide variety of ownership objectives. Potential uses for the next ownership can include a family estate development, quality deer management, timberland investment, conservation and water quality protection.



Views up the pond's north shore reveal a pristine, undeveloped shoreline around the waterfront.



## SITE DESCRIPTION (continued)

The third key site attribute is East Pond's direct proximity to the New York State Department of Environmental Conservation's (DEC) Forever Wild State Lands. DEC owns the forest surrounding the eastern half of the pond and several thousand acres of adjoining century-old forests. These neighboring state-owned lands are constitutionally protected against future development and, as such, the eastern end of the pond will forever remain unblemished. This maintains the private building envelope opportunity at East Pond while also expanding its recreational opportunities well beyond its bounds.

## TIMBER

East Pond's timber resource, dominated by sugar maple, has been under professional stewardship for several decades and is well-positioned for steady, consistent timber value growth over the coming ownership tenure. It is currently managed under the standards of Forest Stewardship Council's (FSC) certification program, while also being enrolled in New York's 480A Forest Tax Program. Combine this nice forest resource with the property's exceptional pond frontage and you have a rare opportunity at hand to craft your family's long-term conservation legacy.

### Species Composition

The forest's species composition is considered highly desirable from a timber investment standpoint and is comprised of 92% quality northern hardwoods. Nearly three quarters of this stocking is high-quality maple, yellow birch and cherry. Specifically, overall stocking is driven by a favorable mix of sugar maple (28%) red maple (25%) yellow birch (14%) beech (8%), black cherry (7%) and others.

### 2015 Timber Inventory

Timber information provided is based on a July 2015 timber inventory. Overall, 288 random BAF 10 factor points were taken with sampling statistics being  $\pm 10.8\%$  for sawlog products and  $\pm 6.3\%$  for cordwood products at the 95% Confidence Interval, producing tight stats at a level lying well within industry standards. After applying growth for 2015 and 2016, total sawlog volume is 4,514 MBF International  $\frac{1}{4}$ " scale (3.1 MBF/commercial acre) with 17,276 pulpwood cords (11.8 cords/commercial acre). Combined total commercial per acre volume is 18.0 cords. Based upon this information, Capital Timber Value (CTV) has been established at \$1,052,000 or \$622/acre. A top-shelf waterfront property with one million dollars in timber value provides an excellent opportunity to diversify your investment returns and contribute to long-term asset appreciation.



The camp envelope offers a shoreline with easy access for fishing and boating.



East Pond's timber resource is dominated by the maples and birches.

## TIMBER (continued)

### Stocking & Age Classes

Property-wide basal area is 66 square feet per acre, a figure representing B-Line stocking where many stands are ideally positioned for growth in the coming decade.

East Pond essentially has two general age classes. Much of the acreage is an even-aged forest with an overstory diameter distribution that is heavy at the small sawtimber-sized class: 13" to 15" hardwood stems which are 55-60 years old. The other age class is 25-30 years old and was established in the late 1980s and early 1990s when much of the property received various forms of shelterwood treatments and thinnings.

From 2011-13, approximately 600 acres were treated using shelterwood and overstory removal techniques with an objective of releasing 25-30 year old maple, birch and cherry stems to represent the next forest rotation in those stands. This diversity in stand structure and canopy cover serves equally well as ideal deer, bear and grouse habitat. The forest will remain in a low maintenance, high growth mode over the coming decade, with peak timber yields projected in 15-20 years when the bulk of the northern hardwood stands begin to approach financial maturity.

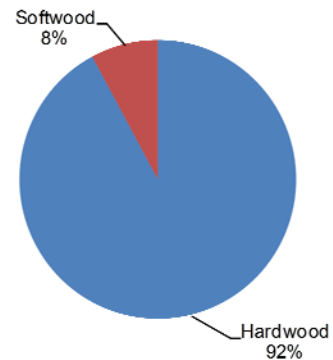
### Sawlog Volume & Value

Sawlog volume is dominated by sugar maple (33%), yellow birch (18%), red maple (14%), white pine (9%), black cherry (7%), white ash (7%) and a host of other associates. Sugar maple drives sawtimber value, representing 43% of overall value. Yellow birch represents 17% of overall value, while others include cherry (10%), red maple (9%) and white ash (5%).

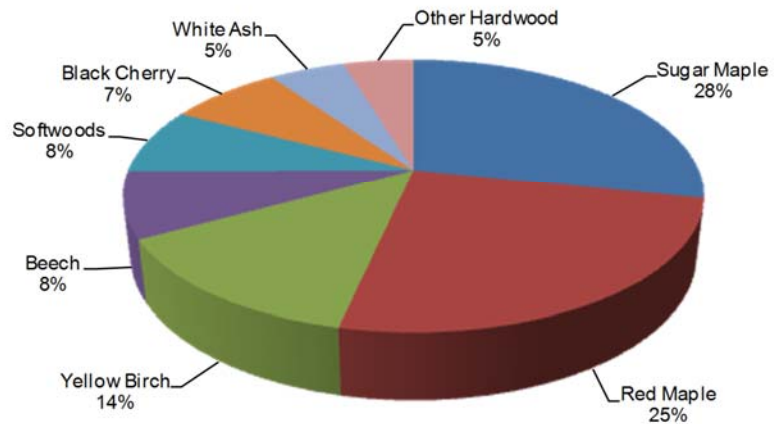
### Diameter Distribution

Total volume is balanced nicely between poles (24% of total volume), small to medium-sized sawtimber (40% total volume) and large-diameter sawtimber 17" and up (36% total volume). This balanced diameter class 'ladders' the timber component from a growth, cash flow and maturity date standpoint. Sawlog diameters for key species include sugar maple 13.6", yellow birch 15.6" and red maple 15.2".

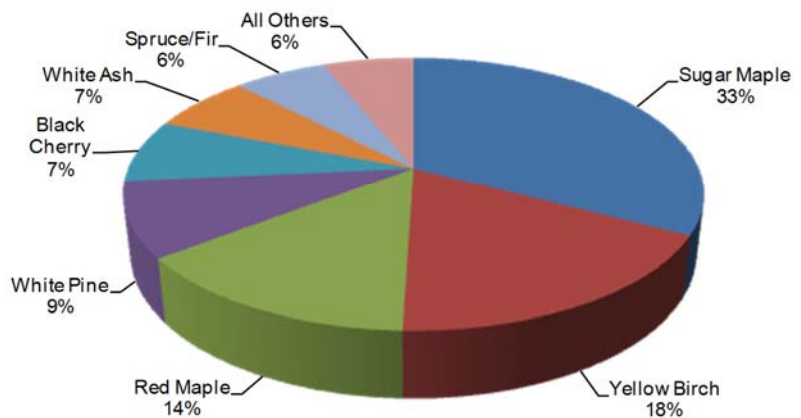
**Hardwood vs Softwood  
as a Percentage of Total Volume**



**Total Volume by Species**

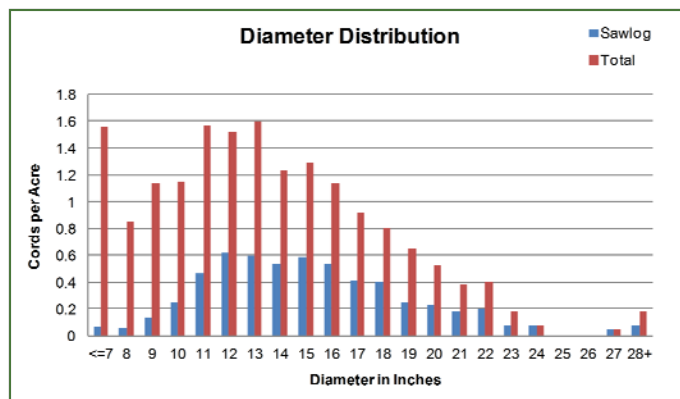
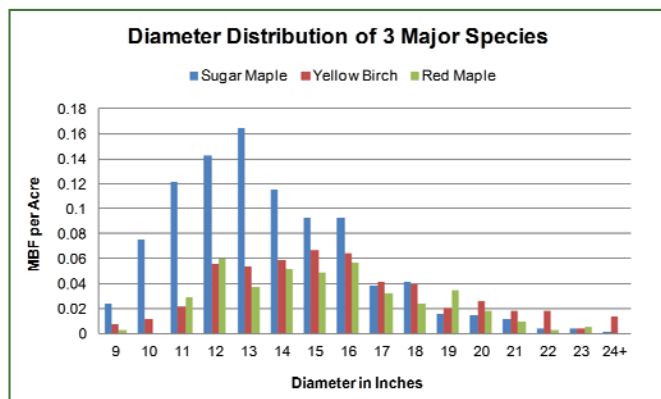


**Sawlog Volume by Species**





## TIMBER (continued)



## TAXES, TITLE and ZONING

Annual property taxes in 2017 were \$6,985. The property **IS** enrolled in New York State's Real Property Tax Law 480-A Program, which significantly reduces the annual tax burden.

The property is listed as tax parcel 417.-1-3 in the Franklin County Real Property Tax Service in Malone, New York. Deed information can be found in the Franklin County Clerk's Office recorded in Book 975, Pages 1-35. Recreational lease income in 2015 was \$11,044.

Adirondack Park Agency land use classification is Resource Management, which allows for 42 acres/principle structure. Minimum setback from the mean high water mark is typically 100 feet. Single family dwellings exceeding 500 square feet typically require an APA minor projects permit. Contact the Adirondack Park Agency for more information about APA land use restrictions at 518-891-4050.



The existing hunting camp on the western shore would make a great guest house as part of a larger, family estate.

Fountains Land 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.

# TIMBER VALUATION

## EAST POND

### Timber Valuation

Prepared By

**F&W FORESTRY SERVICES INCORPORATED**

Franklin County, NY  
July 2017

1,690 Acres  
1,463 Commercial Acres

Species	Volume MBF/CD	Unit Price Range			Total Value
		Low	High	Likely	Likely
<b><i>Sawtimber - MBF (International )</i></b>					
Sugar Maple	608	325.00	400.00	385.00	234,100
Yellow Birch	427	200.00	300.00	245.00	104,700
Yellow Birch Veneer	75	550.00	800.00	725.00	54,300
Sugar Maple Veneer	41	1,000.00	1,400.00	1,150.00	46,600
Black Cherry	201	350.00	500.00	400.00	80,600
Red Maple	362	150.00	200.00	180.00	65,200
Black Cherry Veneer	24	1,400.00	2,000.00	1,700.00	41,400
White Ash	217	150.00	200.00	185.00	40,100
Spruce Fir	286	100.00	120.00	105.00	30,100
Hardwood Pallet	785	40.00	60.00	50.00	39,200
Sugar Maple Pallet	822	40.00	80.00	60.00	49,300
White Pine	242	100.00	120.00	110.00	26,600
White Birch	116	60.00	100.00	80.00	9,300
Black Cherry Pallet	112	50.00	70.00	50.00	5,600
Misc Softwoods	11	20.00	30.00	25.00	300
Misc Hardwoods	22	50.00	70.00	60.00	1,300
White Pine Pallet	162	20.00	40.00	30.00	4,900
<b><i>Pulpwood - Cords</i></b>					
Hardwoods	16,584	10.00	15.00	13.00	215,600
Softwood	692	3.00	7.00	4.00	2,800

<b>Totals</b>					
Sawtimber Total	4,514 MBF				\$833,600
Sawtimber Per Acre	2.671 MBF				\$493
Sawtimber Per Comm Acre	3.085 MBF				\$570
Cordwood Total	17,276 Cords				\$218,400
Cordwood Per Acre	10.2 Cords				\$129
Cordwood Per Comm Acre	11.8 Cords				\$149
Total Per Acre					\$622

<b>Total Value</b>	<u>Low</u>	<u>High</u>	<u>Likely</u>
	\$955,000	\$1,131,000	\$1,052,000

BASED ON A JULY 2015 INVENTORY CRUISE CONDUCTED BY FOUNTAINS FORESTRY

Volumes have been grown forward two seasons using FIA growth rates  
288 variable radius sample points across commercial acreage using 10 factor prism.  
Standard Error  $\pm 10.8\%$  for sawlogs and  $\pm 6.3\%$  total volume 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 provided by Timbervest are based upon recent stumpage bid values for the property



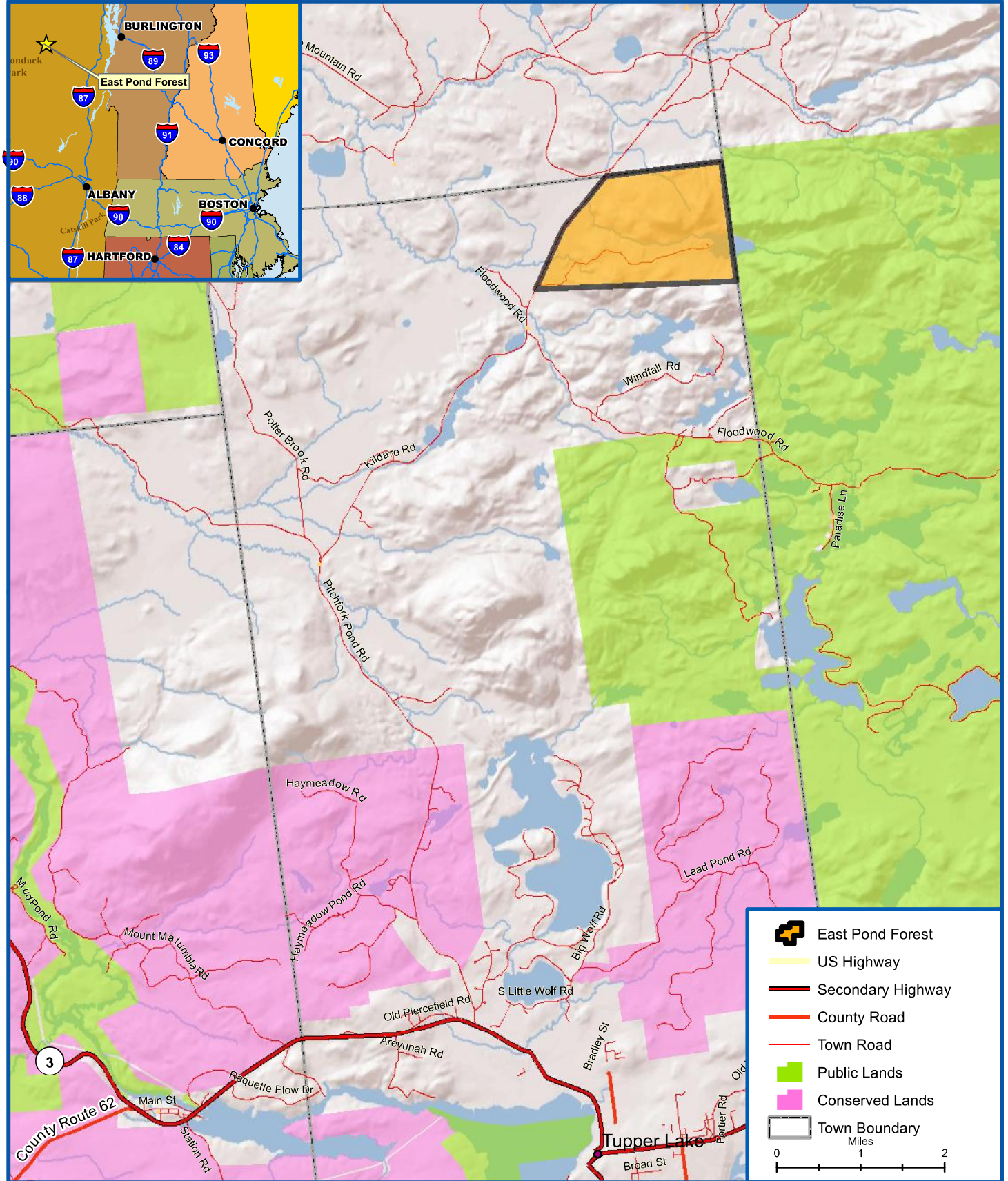


# Locus Map

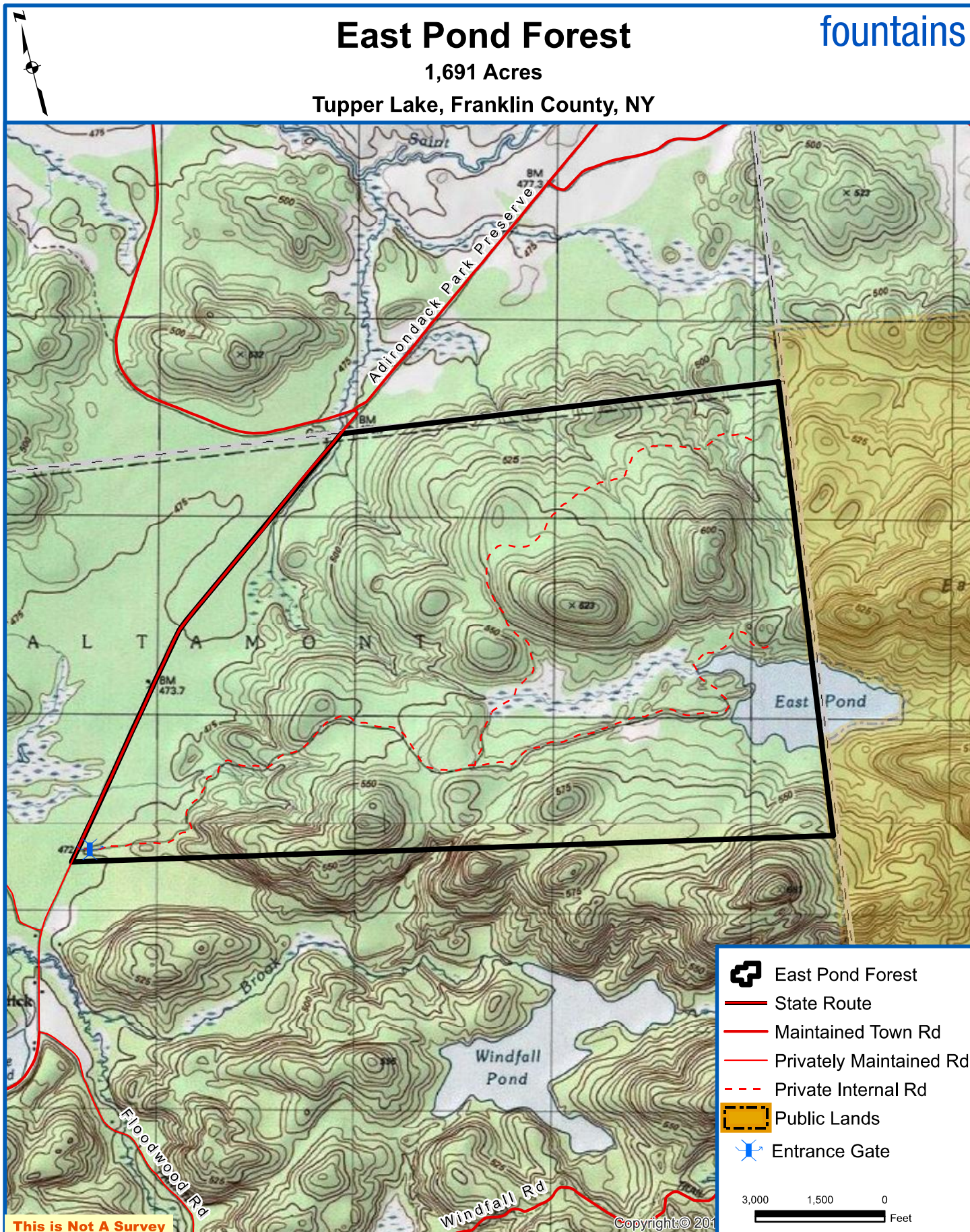
## East Pond Forest

1,691 Acres  
Tupper Lake, Franklin County, NY

fountains







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



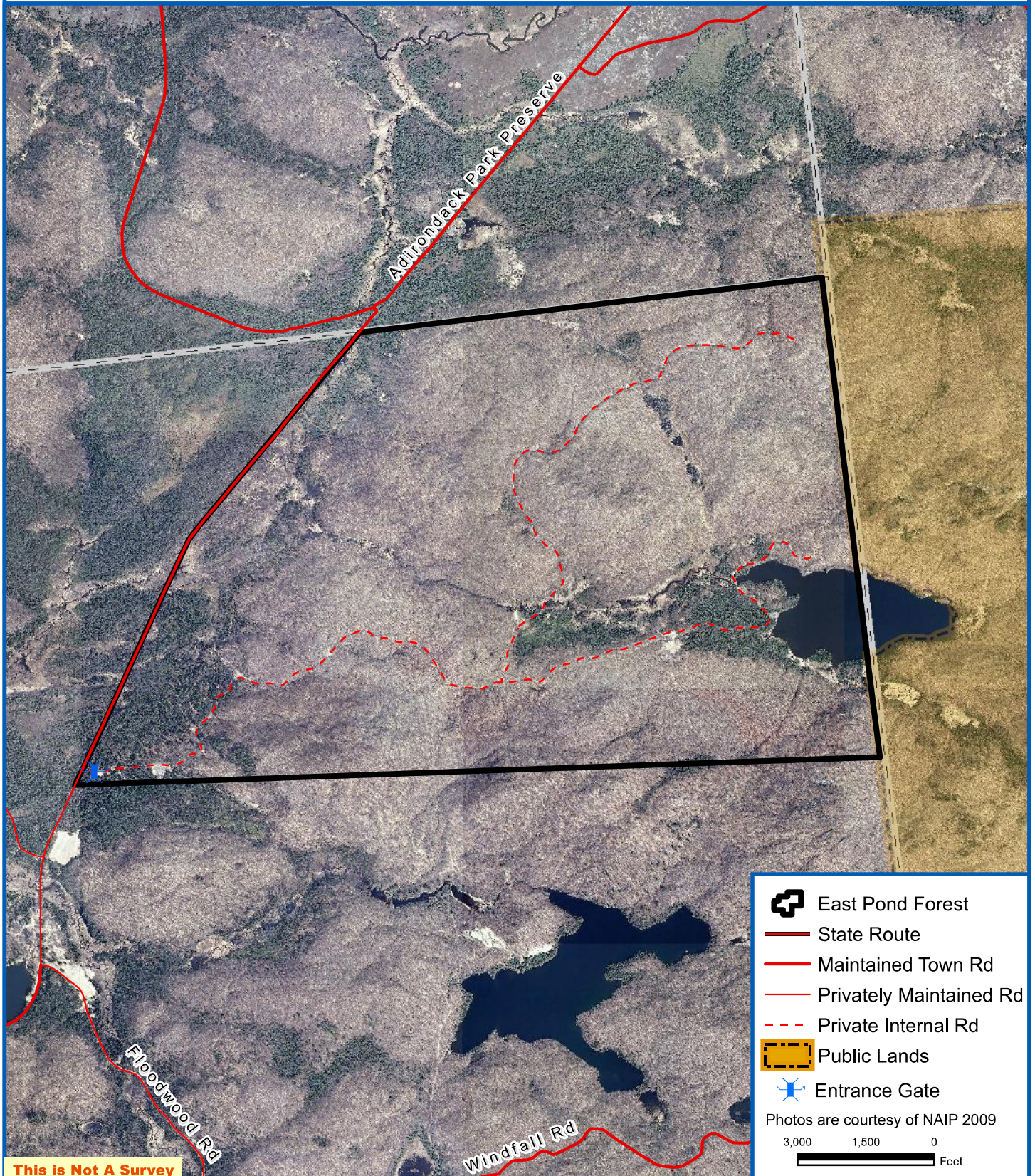


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1,691 Acres

Tupper Lake, Franklin County, NY

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New York State  
DEPARTMENT OF STATE  
Division of Licensing Services  
P.O. Box 22001  
Albany, NY 12201-2001

Customer Service: (518) 474-4429  
Fax: (518) 473-6648  
Web site: [www.dos.state.ny.us](http://www.dos.state.ny.us)

## **New York State Disclosure Form for Buyer and Seller**

### **THIS IS NOT A CONTRACT**

*New York State law requires real estate licensees who are acting as agents of buyers and sellers of property to advise the potential buyers and sellers with whom they work of the nature of their agency relationship and the rights and obligations it creates. This disclosure will help you to make informed choices about your relationship with the real estate broker and its sales associates.*

*Throughout the transaction you may receive more than one disclosure form. The law requires each agent assisting in the transaction to present you with this disclosure form. A real estate agent is a person qualified to advise about real estate.*

*If you need legal, tax or other advice, consult with a professional in that field.*

### **Disclosure Regarding Real Estate Agency Relationships**

#### **Seller's Agent**

A seller's agent is an agent who is engaged by a seller to represent the seller's interest. The seller's agent does this by securing a buyer for the seller's home at a price and on terms acceptable to the seller. A seller's agent has, without limitation, the following fiduciary duties to the seller: reasonable care, undivided loyalty, confidentiality, full disclosure, obedience and duty to account. A seller's agent does not represent the interests of the buyer. The obligations of a seller's agent are also subject to any specific provisions set forth in an agreement between the agent and the seller. In dealings with the buyer, a seller's agent should (a) exercise reasonable skill and care in performance of the agent's duties; (b) deal honestly, fairly and in good faith; and (c) disclose all facts known to the agent materially affecting the value or desirability of property, except as otherwise provided by law.

#### **Buyer's Agent**

A buyer's agent is an agent who is engaged by a buyer to represent the buyer's interest. The buyer's agent does this

by negotiating the purchase of a home at a price and on terms acceptable to the buyer. A buyer's agent has, without limitation, the following fiduciary duties to the buyer: reasonable care, undivided loyalty, confidentiality, full disclosure, obedience and duty to account. A buyer's agent does not represent the interest of the seller. The obligations of a buyer's agent are also subject to any specific provisions set forth in an agreement between the agent and the buyer. In dealings with the seller, a buyer's agent should (a) exercise reasonable skill and care in performance of the agent's duties; (b) deal honestly, fairly and in good faith; and (c) disclose all facts known to the agent materially affecting the buyer's ability and/or willingness to perform a contract to acquire seller's property that are not inconsistent with the agent's fiduciary duties to the buyer.

#### **Broker's Agents**

A broker's agent is an agent that cooperates or is engaged by a listing agent or a buyer's agent (but does not work for the same firm as the listing agent or buyer's agent) to assist the listing agent or buyer's agent in locating a property to sell or buy, respectively, for the listing agent's seller or the buyer agent's buyer. The broker's agent does not have a direct relationship with the buyer or seller and the buyer or seller can not provide instructions or direction directly to the broker's agent. The buyer and the seller therefore do not have vicarious liability for the acts of the broker's agent. The listing agent or buyer's agent do provide direction and instruction to the broker's agent and therefore the listing agent or buyer's agent will have liability for the acts of the broker's agent.

#### **Dual Agent**

A real estate broker may represent both the buyer and seller if both the buyer and seller give their informed consent in writing. In such a dual agency situation, the agent will not be able to provide the full range of fiduciary duties to the buyer and seller. The obligations of an agent are also subject to any specific provisions set forth in an agreement between

the agent, and the buyer and seller. An agent acting as a dual agent must explain carefully to both the buyer and seller that the agent is acting for the other party as well. The agent should also explain the possible effects of dual representation, including that by consenting to the dual agency relationship the buyer and seller are giving up their right to undivided loyalty. A buyer or seller should carefully consider the possible consequences of a dual agency relationship before agreeing to such representation.

**Dual Agent with Designated Sales Agents**

If the buyer and seller provide their informed consent in writing, the principals and the real estate broker who represents both parties as a dual agent may designate a sales agent to represent the buyer and another sales agent to represent the seller to negotiate the purchase and sale of real

estate. A sales agent works under the supervision of the real estate broker. With the informed consent of the buyer and the seller in writing, the designated sales agent for the buyer will function as the buyer’s agent representing the interests of and advocating on behalf of the buyer and the designated sales agent for the seller will function as the seller’s agent representing the interests of and advocating on behalf of the seller in the negotiations between the buyer and seller. A designated sales agent cannot provide the full range of fiduciary duties to the buyer or seller. The designated sales agent must explain that like the dual agent under whose supervision they function, they cannot provide undivided loyalty. A buyer or seller should carefully consider the possible consequences of a dual agency relationship with designated sales agents before agreeing to such representation.

This form was provided to me by Todd Waldron (print name of licensee) of Fountains Land  
(print name of company, firm or brokerage), a licensed real estate broker acting in the interest of the:

- ☒ Seller as a (check relationship below)

☐ Buyer as a (check relationship below)
- ☒ Seller’s agent

☐ Buyer’s agent
- ☐ Broker’s agent

☐ Broker’s agent
- ☐ Dual agent
- ☐ Dual agent with designated sales agent

If dual agent with designated sales agents is checked: \_\_\_\_\_ is appointed to represent the buyer;  
and \_\_\_\_\_ is appointed to represent the seller in this transaction.

I/We \_\_\_\_\_ acknowledge receipt of a copy of this disclosure form:  
signature of { } Buyer(s) and/or { } Seller(s):

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_