

SUSIE PEAK FOREST

**An exceptional Vermont timber investment property
with fine examples of northern hardwood stands, older age classes,
favorable species composition and stunning landscape.**



**1,139 GIS Acres
Ira and Clarendon, Rutland County, Vermont**

Price: ~~\$1,290,000~~ \$1,161,000

OVERVIEW

The 1,139-acre Susie Peak Forest is a classic, southern Vermont timberland property in the towns of Ira and Clarendon. Susie Peak's maturing, northern hardwood-dominated timber resource has been professionally cultivated for many years, culminating in 3 million board feet of quality maple, oak, spruce and ash sawlogs. The property is one of southern Vermont's largest unencumbered offerings and is available to the market for the first time in over 25 years.

While its investment value is firmly anchored by an impressive timber resource, the property has exceptional land attributes as well. Highlights include multiple access points, near-term sugar bush potential approaching 13,100 taps and two lease camps. In addition, the property offers prime kingdom lot options with long, upper-elevation views, for those looking to create an accessible weekend estate near the region's ski centers at Killington, Pico, and Okemo.



Susie Peak Forest offers a compelling mixture of timber investment, kingdom lot development and recreation.

LOCATION

Susie Peak is one of the prominent natural landmarks in the towns of Ira and Clarendon in central Rutland County. The property and its surrounding neighborhood are nestled within the northern Taconic Mountains, a series of stunning peaks stretching nearly two hundred miles along the New York, Massachusetts and Vermont border. The Taconics are well known throughout New England for having strong conservation appeal, productive hardwood forest sites and rich ecological significance.

The nearby town of Ira is a classic New England village, named after Ethan Allen's brother, Ira. The village offers a small town Vermont experience with a mosaic of productive farms and rural residences within the valley and scenic maple and oak covered ridges that stretch toward the skyline.



The Route 133 valley and Taconic Range beyond as seen from the property looking west.

Rutland (population 16,000), 9 miles east of the property along the Route 4 corridor, is the regional commercial and shopping hub of south-central Vermont. The Killington/Pico region is 30 minutes to the northeast, while the Okemo Ski Resort is 32 miles to the southeast. Glens Falls, New York, is an hour to the west and Boston and New York are within a three-and-a-half hour's drive east and south, respectively.

ACCESS

Susie Peak Forest's multiple entry points create excellent access for timberland investment, recreation and home site development. Toppin Road is a town-maintained artery linking the property and its surrounding neighborhood with Route 133. This well-kept, gravel-surfaced road passes by very nice residences and a horse farm on its way to the Susie Peak entrance gate and serves as the main entry route to the northern half of the property.

From the gate, a well-maintained seasonal forest road continues up the hill for a half mile to the northern camp. There are several attractive home sites in this vicinity and a beautiful cascading waterfall along the stream that parallels the entry road. Several forestry trails feather off the woods road, providing great hiking and ATV access into the heart of the land to the south and to upper elevation areas near the summit of Susie Peak.

In addition, there is a 1,400' deeded right-of-way extending south from Toppin Road to one of the designated sugar bush areas. This legal right-of-way runs with the land and, while it has grown in over the years, it can be cleared and used as an entry to a sugar house envelope that could be gravity fed from nearby maple stands.

The southern half of the property is accessed via a 50'-wide right-of-way extending 0.4 miles from Route 133. This access road is passable during non-winter months by SUV and four-wheel drive vehicles. Upon reaching an entry gate, the road continues internally for an additional 3,000' to the southern camp, where several miles of trails feather into the property to the north.



The ridge of Susie Peak as seen from the approach to the property along Toppin Road.



Internal road leading from Toppin Road to the lease camp.

TAXES, TITLE & ACREAGE

Annual property taxes in 2015-16 were \$4,346. The property **IS** enrolled in Vermont's UVA Current Use program, which significantly reduces the annual tax burden. The property is listed as town of Ira, Clarendon and Tinmouth tax parcels N08000, 8.18 and 1330176.000. Multiple deeds were recorded in the respective town offices. Deed copies, right-of-way and Current Use plan information is available upon request.

GIS acreage, based upon GPS points taken in the field at various property corners and boundary line points, is 1,139 GIS acres. Grand List acreage in the towns of Ira, Clarendon and Tinmouth is reported to be 1,245 acres. There is some overlap in reported Grand List acreage between the towns and the GIS acreage is deemed to be the more accurate figure. Boundaries in the field have been painted and maintained over the years and are in generally good condition around the perimeter.

SITE DESCRIPTION

This property has all the classic features of an exceptional hardwood timberland investment and attractive kingdom lot ownership. It is situated along the summit and western flank of Susie Peak (elevation 2,400'), an elongated ridge which overlooks the nearby Ira Creek Valley. The summit and its upper elevation shelves and saddles are the dominant landscape features in the northern half of the property. From this point, Susie's well-drained slopes and productive hardwood bowls spill gradually to the west toward Toppin Road and the nearby Route 133 corridor.

The southern half of the property falls within a lower basin of Susie Peak, characterized as a gently sloping forested amphitheater tucked between the summit area to the north and three un-named hill tops along the southern boundary line.

Susie's attractive timber investment qualities include strong site productivity, a high percentage of operable ground, well-drained Taconic soils and a long history of forest management. For kingdom lot buyers, Susie offers a private ridge-top forest estate with big views and several potential home site envelopes tucked privately within its bounds. For those interested in diversifying income through sugar bush development, Susie offers concentrated sugar maple stands with 13,100 gross taps and an opportunity for additional expansion over the coming decades. Long term conservation interest may also surface due to its large footprint and high visibility ridge line.



Susie Peak and the property's northern slopes from the Toppin Road entrance.



The slopes of Susie Peak are productive hardwood growing sites.

TIMBER

Susie Peak Forest offers a strong timber investment opportunity with its professionally managed, well-stocked northern hardwood resource. This late rotation maple, oak and spruce-dominated forest is well-positioned for continued biological and asset value growth over the coming decade and can experience a notable ramp up in cash yields when financial maturity eventually occurs.

2015 Timber Inventory:

Timber information used in this report is based on a November 2015 inventory by Wagner Forest Management based upon 218 random BAF 15 factor points. The inventory was processed both on a property wide basis and on a stratified basis denoting potential sugar bush areas with high concentrations of sugar maple (230 acres). The tap count of 13,100 maples is based upon a single tap per tree estimate for all stems 8-17" and two taps per tree for diameters larger than 18". An estimated 3,200 additional taps will be available over the next decade as 6-7" diameter classes experience in-growth. Based upon the property wide data and adjustment for 2016 and 2017 growth, we have set Capital Timber Value (CTV) at \$950,200 or \$834/acre.

TIMBER (continued)

Species Composition, Volume and Value:

Susie Peak's timber resource is anchored by a quality sugar maple component representing 35% of total stocking. Sugar maple is one of the key species most investors target when diversifying their financial portfolio of northern hardwood timberland assets. Associated species include beech (13%), the birches (12%), red maple (11%), red oak (8%) and red spruce (7%).

Like the property's overall stocking, sawlog volume is dominated by its sugar maple component, which represents over half of all sawtimber value. Red oak comprises 13% of volume and 19% of value, while red spruce makes up 25% of sawtimber volume and 11% of value.

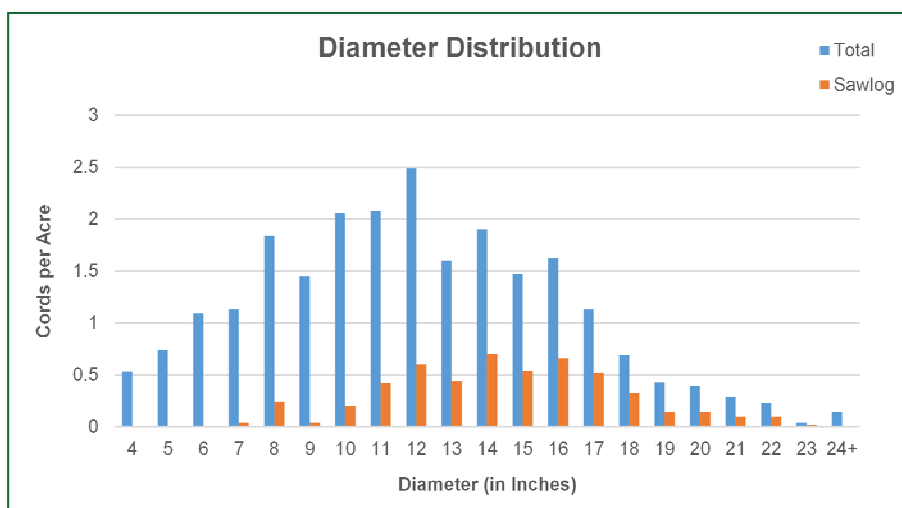
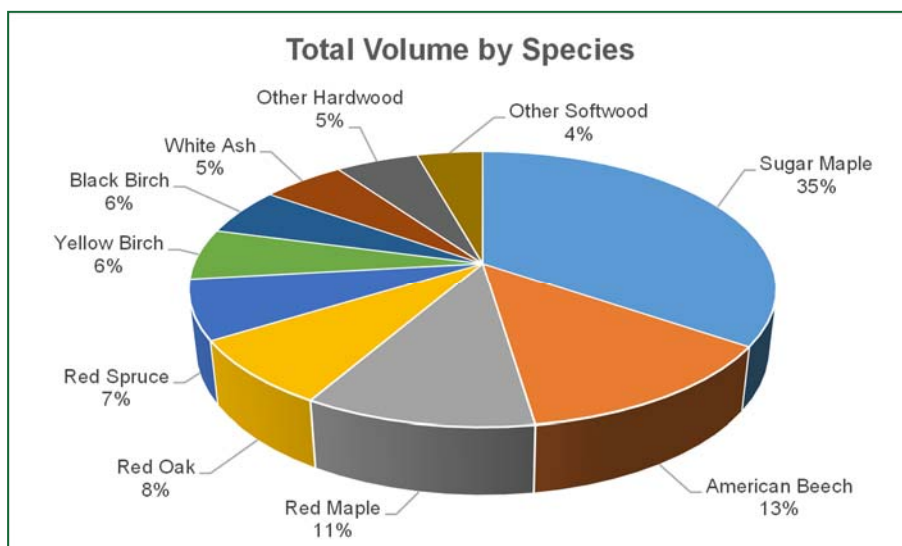
Silvicultural History:

The primary forest management focus at Susie Peak has been to produce high-quality northern hardwood and spruce sawtimber using an even-aged management approach. Most of the forest stands were naturally established in the mid-to-late 1930s as farm lands and pastures reverted to woods. The resulting timber resource is now 75-80 years old with a strong component of medium-sized sawtimber stems. Property-wide, the combined stocking of all sawtimber and cordwood products is 23.4 cords/acre, a figure that is above average for the Northeast. Most stands have been managed on a 100-year rotation schedule and will be approaching financial maturity in the next two decades.

From 2010-13, approximately 60% of the acreage was treated. Most of the harvested stands were thinned to B line, along with some scattered shelterwood harvests and several, small, non-contiguous regeneration patch cuts to jump start the next forest cycle. The next management activity scheduled is a 2017 entry into stand 23 (243 acres), with proposed one half to three-acre patch cuts in areas that should be regenerated and early stage shelterwood harvests in other areas.

Diameter Distribution:

Diameter distribution at Susie Peak reflects a traditional bell-shaped curve, emblematic of even aged management. The average diameter for all merchantable products is 12.0" (measured at breast height), with sawlog diameters for key species being sugar maple at 14.9"; spruce fir at 11.4" and red oak at 18.9".



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.

TIMBER VALUATION

Susie Peak Forest

Timber Valuation

Prepared By

F&W FORESTRY SERVICES, INCORPORATED

Clarendon & Ira, Rutland County, Vermont
July 2017

1,139 Total Acres
1,107 Commercial Acres

| Species | Volume MBF/CD | Unit Price Range | | | Total Value |
|---|------------------|------------------|----------|----------|-------------|
| | | Low | High | Likely | Likely |
| Sawtimber - MBF (International 1/4") | | | | | |
| Sugar Maple | 991 | 285.00 | 345.00 | 340.00 | 337,100 |
| Red Oak | 341 | 275.00 | 400.00 | 300.00 | 102,200 |
| Spruce | 729 | 90.00 | 160.00 | 110.00 | 80,200 |
| Sugar Maple Veneer | 71 | 800.00 | 1,600.00 | 1,000.00 | 70,900 |
| Red Oak Veneer | 57 | 600.00 | 900.00 | 700.00 | 40,000 |
| White Ash | 178 | 130.00 | 275.00 | 200.00 | 35,500 |
| Yellow Birch | 86 | 175.00 | 225.00 | 200.00 | 17,200 |
| Red Maple | 171 | 90.00 | 180.00 | 100.00 | 17,100 |
| Black Birch | 69 | 175.00 | 225.00 | 200.00 | 13,700 |
| White Pine | 118 | 105.00 | 145.00 | 115.00 | 13,600 |
| Yellow Birch Veneer | 13 | 575.00 | 800.00 | 600.00 | 8,000 |
| Hemlock | 110 | 35.00 | 60.00 | 40.00 | 4,400 |
| White Birch | 42 | 75.00 | 150.00 | 90.00 | 3,800 |
| White Ash Veneer | 7 | 400.00 | 600.00 | 450.00 | 3,300 |
| Black Cherry | 11 | 175.00 | 250.00 | 200.00 | 2,300 |
| Aspen | 16 | 25.00 | 70.00 | 40.00 | 600 |
| Beech | 15 | 25.00 | 60.00 | 40.00 | 600 |
| Pulpwood - Cords | | | | | |
| Hardwood | 19,416 | 8.00 | 20.00 | 10.00 | 194,200 |
| Hemlock | 580 | 3.00 | 10.00 | 5.00 | 2,900 |
| Spruce/Fir | 415 | 3.00 | 10.00 | 5.00 | 2,100 |
| Pine | 116 | 3.00 | 10.00 | 4.00 | 500 |

| | | | | |
|--------------------------|--------------|--|----------------|-----------|
| Totals | | | | |
| Sawtimber Total | 3,024 MBF | | | \$750,500 |
| Sawtimber Per Acre | 2.655 MBF | | | \$659 |
| Sawtimber Per Comm. Acre | 2.732 MBF | | | \$678 |
| Cordwood Total | 20,526 Cords | | | \$199,700 |
| Cordwood Per Acre | 18.0 Cords | | | \$175 |
| Cordwood Per Comm. Acre | 18.5 Cords | | | \$180 |
| | | | Total Per Acre | \$834 |

| | | | |
|--------------------|------------|-------------|---------------|
| Total Value | <u>Low</u> | <u>High</u> | <u>Likely</u> |
| | \$870,000 | \$1,137,000 | \$950,200 |

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

Based on a November 2015 inventory by Wagner Forest Management with growth for 2016 & 2017.

Volumes were grown forward 2 seasons using FIA growth rates for Addison, Bennington, Rutland, Windham and Windsor counties in Vermont and Essex, Rensselaer, Warren and Washington counties in New York

218 cruise plots were taken. % Error: Sawlog Volume 16.46%, Total Volume 7.61% 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.



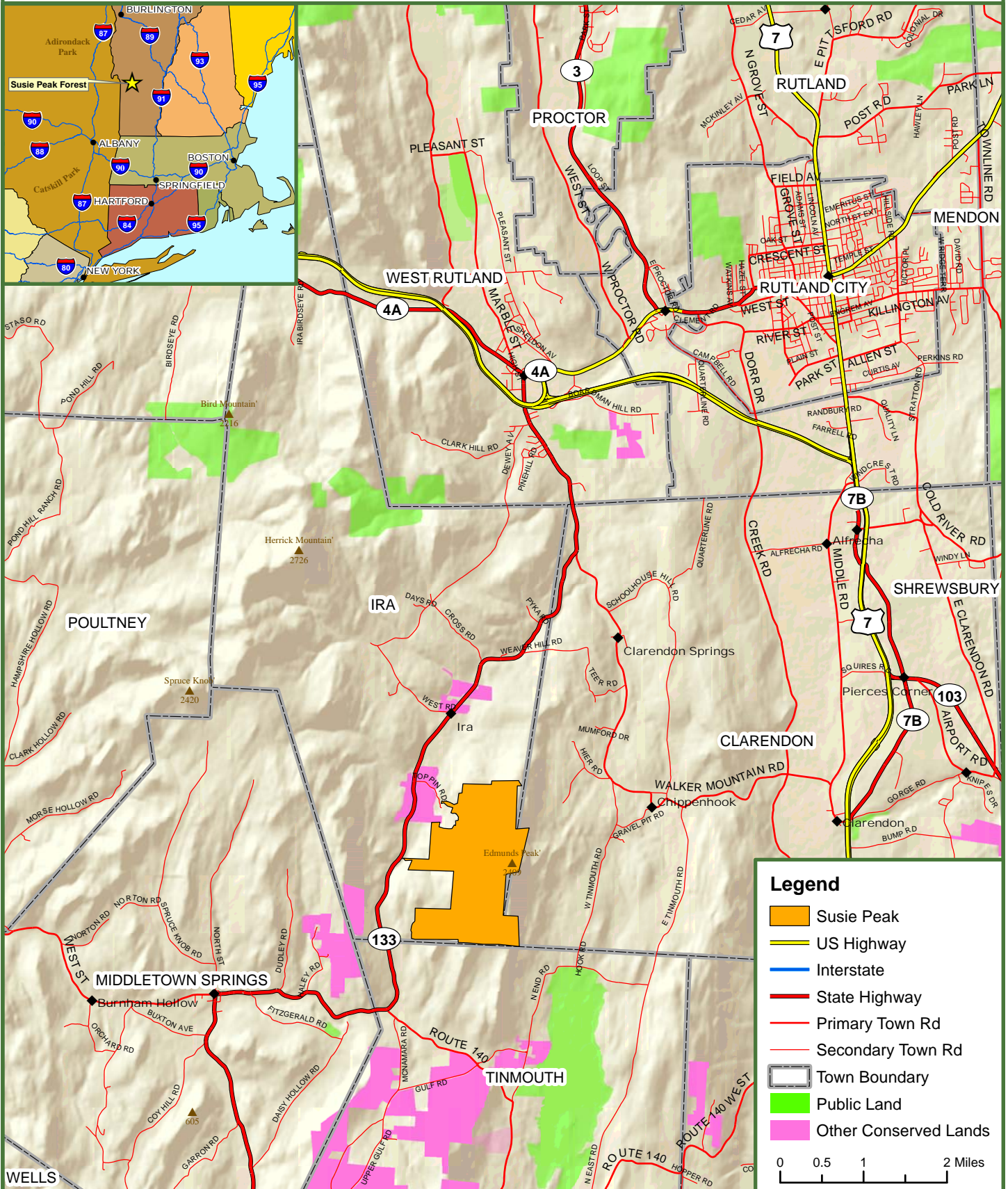
Locus Map Susie Peak Forest

1,139 GIS Acres

Clarendon, Ira & Tinmouth, Rutland County, VT



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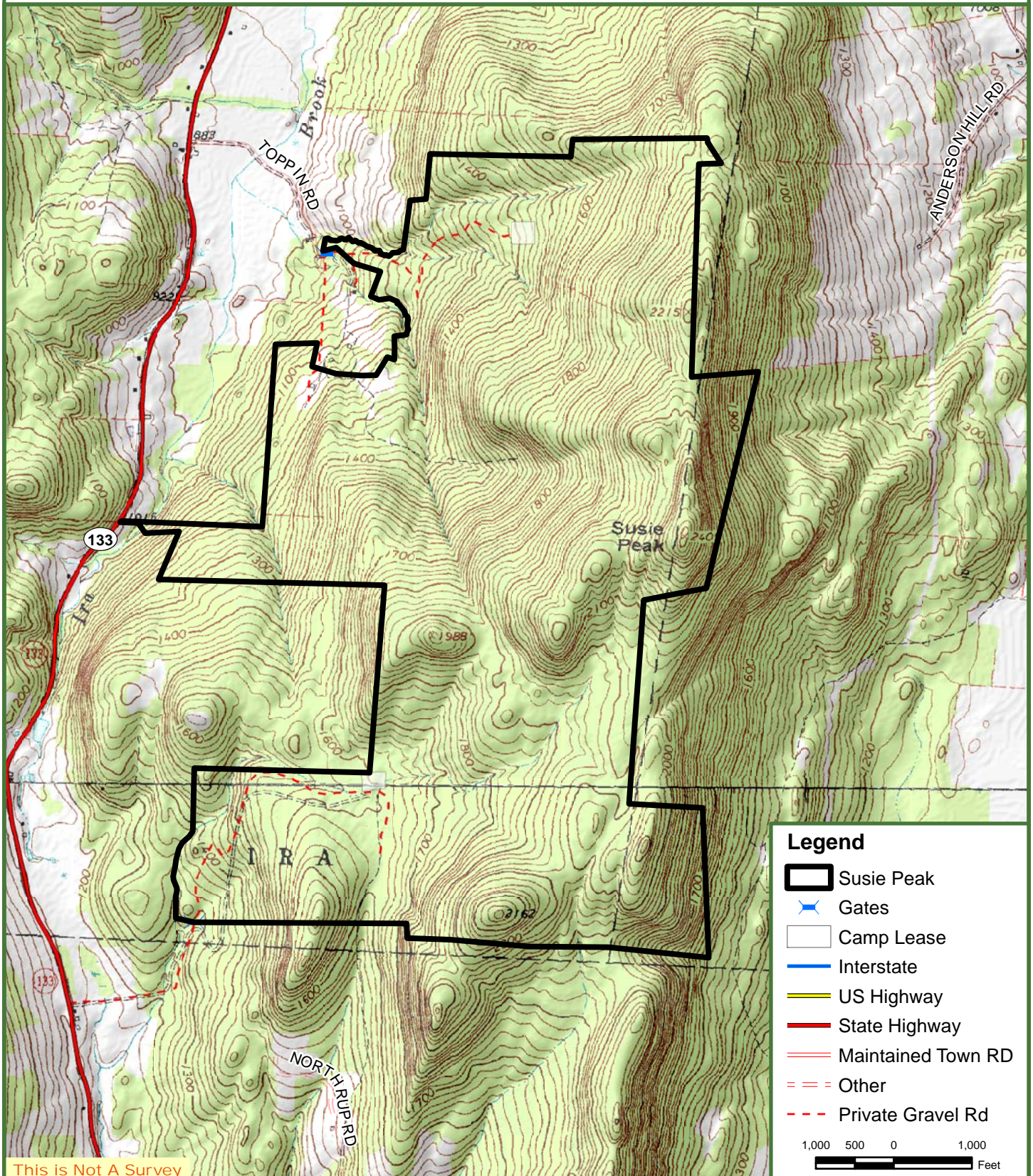
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Map produced from the best available information including town tax maps, hand held GPS data, aerial photography and reference information obtained from publicly available GIS sources, and the owner. Boundary lines portrayed on this map are approximate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



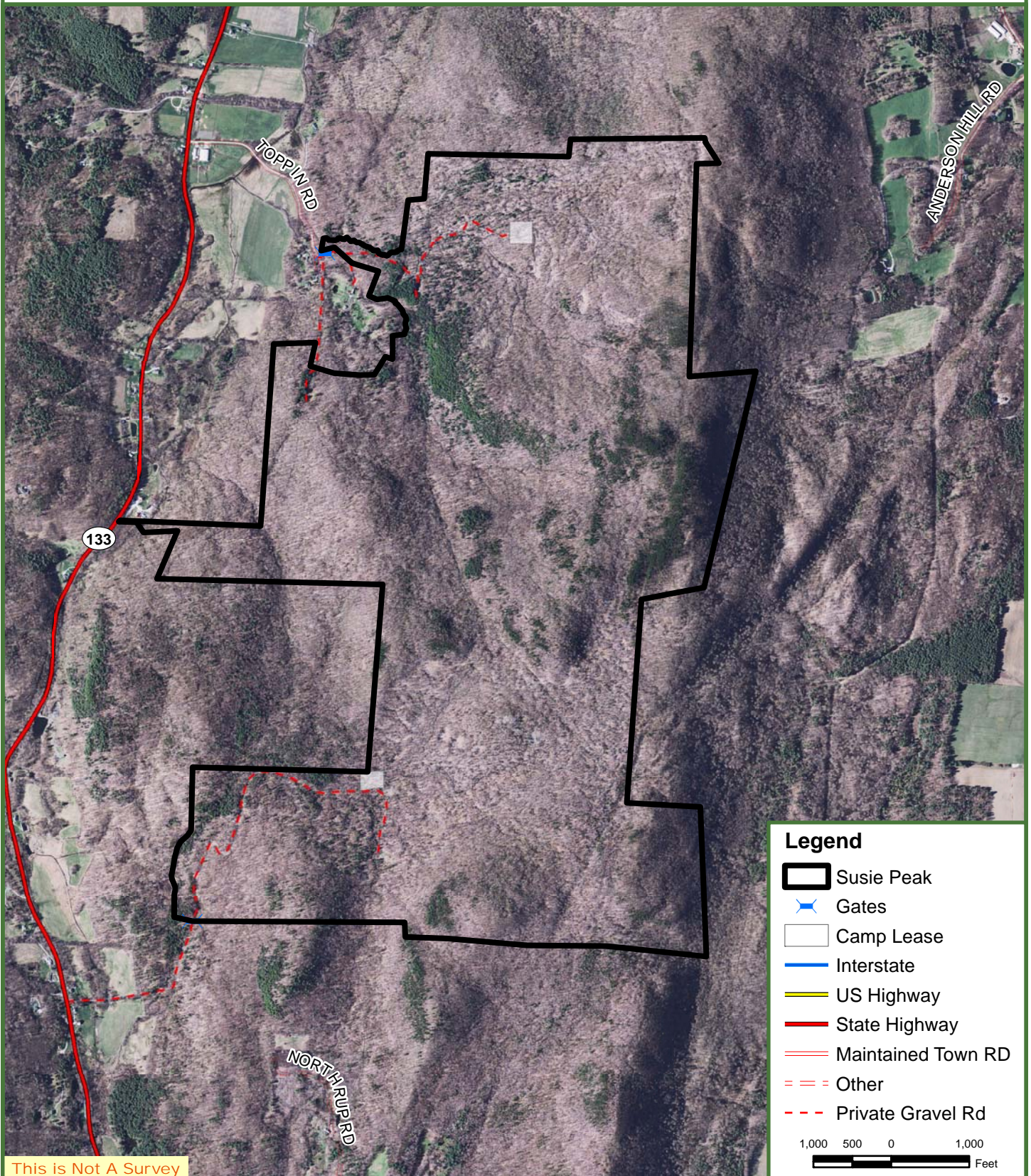
Susie Peak Forest

1,139 GIS Acres

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Legend

- Susie Peak
- Gates
- Camp Lease
- Interstate
- US Highway
- State Highway
- Maintained Town RD
- Other
- Private Gravel Rd

1,000 500 0 1,000
Feet

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.



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