

LOCUST HILL FOREST

Situated in the Gore Mountain Region, this impressive hardwood property has high maple and oak stocking, miles of internal ATV trails, and a yurt-style base camp for rustic weekend getaways.



***592 Tax Acres
Johnsburg, Warren County, NY***

Price: \$599,000

LOCATION

Locust Hill Forest is a 592-acre solid timber investment with exceptional maple and oak stocking, productive forest sites and excellent internal access. The property is located in Warren County's Gore Mountain Region, within the Adirondack gateway town of Johnsbury, a small mountain community that is nestled along the upper Hudson River and well known for its white water rafting, skiing, and outdoor pursuits.

North Creek Village lies 10 miles north of the property and is home to the popular Gore Mountain Ski Center. Gore Mountain offers over a hundred downhill trails and thirteen lifts, and is recognized as one of the most popular ski destinations in New York. Downtown North Creek offers an inviting mountain retreat atmosphere with a Main Street that is lined with several shops, a wine bar, a bakery cafe and hotel services.

If you're looking for that 'sweet spot' in the Adirondacks, offering both privacy and seclusion along with reasonable access to bigger towns and highway travel, Locust Hill is a good option. Warrensburg (population 4,000) is located 10 miles to the south at Adirondack Northway exit 23 and offers numerous options for grocery shopping and dining, along with a modern health care facility. Lake George Village is located 15 miles to the south, while Glens Falls and Saratoga Springs are situated 25 and 40 miles away respectively. New York City and Boston are located 4.5 hours south and east respectively.

ACCESS

Access is gained via two deeded rights-of-way connecting the property to nearby Glen Creek Road, a four-season town highway and secondary artery to New York Route 28. The primary entrance is over a gated gravel truck road which extends across a neighboring property for a mile before reaching the southern property line. This is a 40' wide right-of-way which continues for $\frac{3}{4}$ mile into the property and the yurt base camp. It's drivable via SUV-type traffic during non-winter months.

The second right-of-way extends across another neighboring property from Glen Creek Road to the southeast corner of Locust Hill. This is currently a forestry trail that could support ATV traffic or log skidding equipment. This right-of-way, referred to in its deed as the *East-West Road*, is 20' wide and has been used in the past to support forestry operations.

One of the highlights of this property is the extensive, groomed, well-maintained ATV trails that wind through it. Over 4 miles of trails have been designed and meticulously maintained to connect all corners of the property.



Locust Hill's sugar maple stands are as nice as it gets for this area, offering exceptional sugaring or timber opportunities.



The gated, deeded right-of-way road leading to the yurt camp.

ACCESS (continued)

From the yurt camp, you can ride up on to Pine Mountain, take a short ride through the woods around the beaver pond and have great access for snowmobiling, hunting, sugaring and forestry hobbies, like firewood cutting for camp. Please contact the listing broker for directions and to schedule a showing. The access road gates are currently locked.

SITE OPPORTUNITY

Locust Hill is one of those great forestland properties that offer both exceptionally-managed timber and a host of compelling recreational opportunities. The property is as ideally suited for ATV riding, hunting, weekend yurt camping, hiking and snowmobiling as it is for timber harvest or maple syrup production. It's entirely possible to make a smart timber investment here and have a lot of fun doing it.

The eastern half of the property is comprised of classic maple and oak ridge sites that are settled along the southern slopes of Pine Mountain. The hardwood forest stands are highly impressive in this area, with excellent tree quality, stocking and stem height. Elevations range from 1,300'-1,750' above sea level, a zone that's ideally suited for northern hardwood production. The western half of the property is shaped by a pristine beaver pond flow and creek drainage which offer superb habitat for deer, migratory birds and other wildlife. It's the kind of place where you expect to see blue herons, mallards, Canada geese and beavers. The surrounding forests are a mix of densely-stocked conifers and hardwoods.

The yurt can sleep up to six people comfortably. There's wiring for 120/240 electricity that runs off a generator. A drilled well (owner thinks its approximately 180 feet deep) provides drinking water to a 300-gallon storage tank. From there, the water system is operated with a 12-volt car battery to run the pump. There's a bathroom in the yurt, and the septic system is thought to be a tank, but this is unverified. A former sugar house is also on the property, which served several hundred maples in the vicinity. It has an evaporator, its own well with hydrant and electric hookup for a generator.



Valuable hardwood stands are typical on the ridge lines.



A sugar house and a yurt style camp for weekend getaways with friends.

TAXES and TITLE

Annual property taxes in 2016-17 were \$7,782. The property **IS** enrolled in New York State's Real Property Tax Law 480 FISHER program, which reduces the annual tax burden. The property is listed as town of Johnsbury Tax Map 150-1-18, 150-1-23, 150-1-24, 151-1-7, and 165-1-32. Deed information can be found in the Warren County Clerk's Office Deed Book 3199, Pages 99 and 104. The APA Zoning is a combination of resource management (42-acre zoning) on 351 acres in the eastern half of the property and rural use (8.5-acre zoning) on 240 acres situated in the western half of the property. An annual recreational hunting lease currently generates approximately \$3,800. Tax acreage is 592 while GIS acreage is reported at 577.

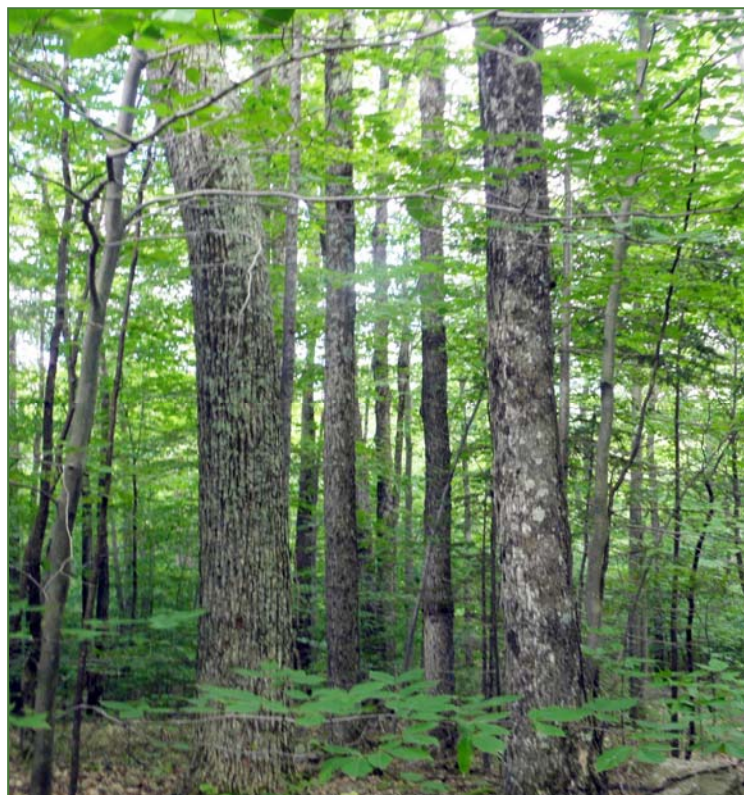
TIMBER

Locust Hill hosts an impressive northern hardwood timber resource, with quality sugar maple sawlogs driving its investment value. This well-stewarded resource offers either a major sugarbush development opportunity for the next ownership or a solid foundation for quality sawtimber management.

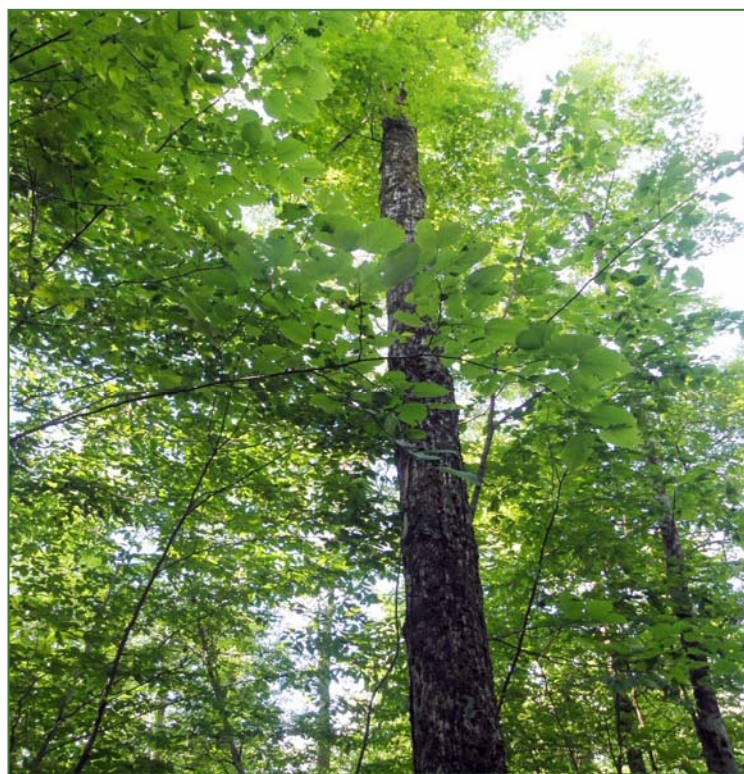
A summer 2017 inventory using a 10 BAF prism on 113 plots reveals a standing timber inventory of 2,648 MBF of quality hardwood and softwood logs and 10,283 cords of pulpwood products, with total stocking representing an impressive 27.0 cords per acre. Capital Timber Value has been set at \$544,100 (\$943/GIS acre), a figure representing most of the asking price. Inventory statistical error at the 95% Confidence Interval are 13.7% for sawlog products and 10.2% for cordwood products.

Species Composition, Stocking & Sugarbush Potential

Locust Hill's timber investment fundamentals are driven by a fully-stocked northern hardwood resource, representing 81% of the overall species composition (see Figure 1 on the next page). The property's productive hardwood sites are ideally-suited for growing quality sugar maple, which is the key species throughout the property by total volume (Figures 2 and 3). Accompanying species include red oak (12% total volume), hemlock (12%), red maple (8%), beech (7%), white pine (6%) and a host of others, including basswood (4%), ash (4%), aspen (4%) and yellow birch (3%).



The property has been in a growth mode for the better part of the last three decades and it certainly shows.



TIMBER (continued)

Property-wide, basal area is 101 square feet (215 stems per acre), a level indicative of fully stocked, well-managed stands which will be ready for further silvicultural treatment over the coming ownership cycle. With an average of 65 sugar maple trees per acre or 36,000 gross taps, there is also an excellent opportunity to consider future sugarbush management. The maple stands along the south flank of Pine Mountain and occupying the well-drained hardwood ridges in the northeast corner of the property are as nice as it gets in the southern Adirondacks.

Sawlog Volume & Value

Sugar maple is the key component of sawlog volume and value, representing 35% of volume and nearly half of total value. A nice medium to large-sized red oak resource comprises 30% of sawlog value (18% of volume), while other hardwoods (e.g., red maple, birch, ash and basswood) comprise 22% of sawlog volume and 14% of value. White pine is the major softwood sawtimber resource property-wide, contributing toward 12% of total volume and 6% of value.

Diameter Distribution & Silviculture

The average sawlog diameter for all species combined is 14.7", while the average diameter for all merchantable products is 12.3". Average sawtimber diameters for the four key species include sugar maple (13.9"), red oak (15.1"), white pine (19.3") and hemlock (14.3").

Stands located on the ridge sites in the eastern half of the property are dominated by northern hardwoods, with the canopy represented by numerous 16"-22" red oak and sugar maple sawtimber-sized stems. Forest stands along the beaver pond drainage in the western half of the property are a mix of species, fully stocked with average sawlog diameters in the 12"-16" range.

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

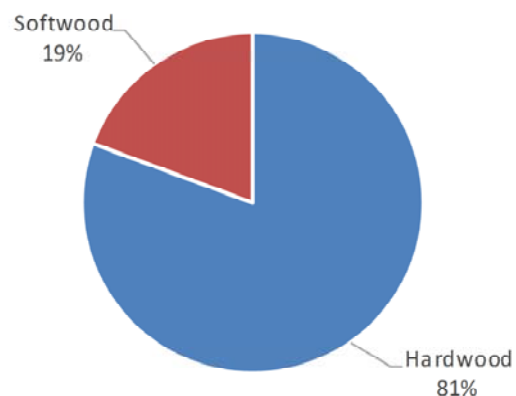


Fig. 1

Fig. 2

Total Volume by Species

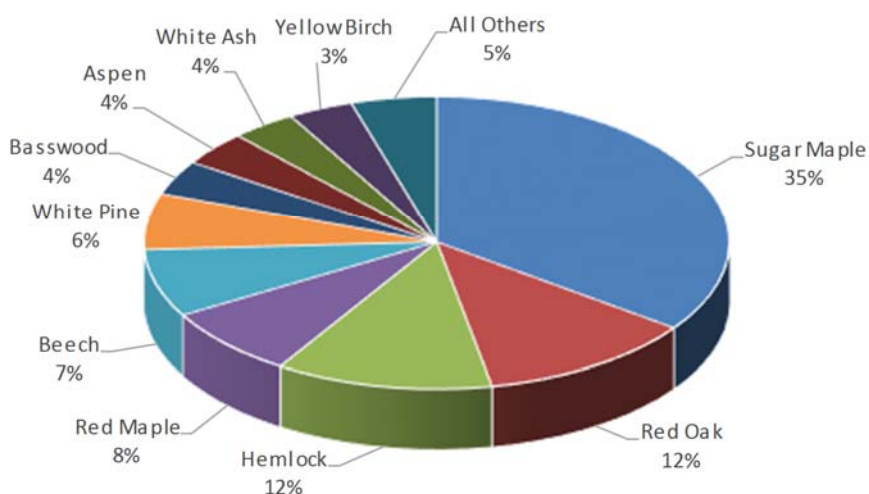
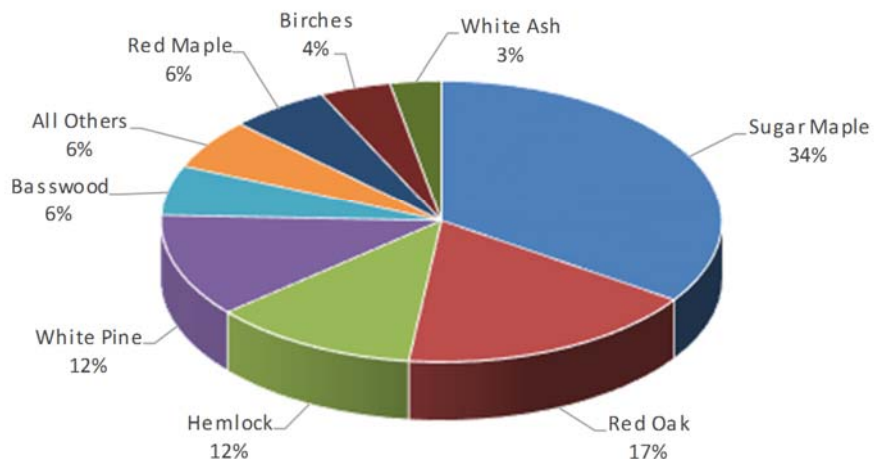


Fig 3

Sawlog Volume by Species



TIMBER (continued)

Fig. 4 - The timber investment and sugarbush opportunity at Locust Hill is anchored by its quality sugar maple component representing half of total value.

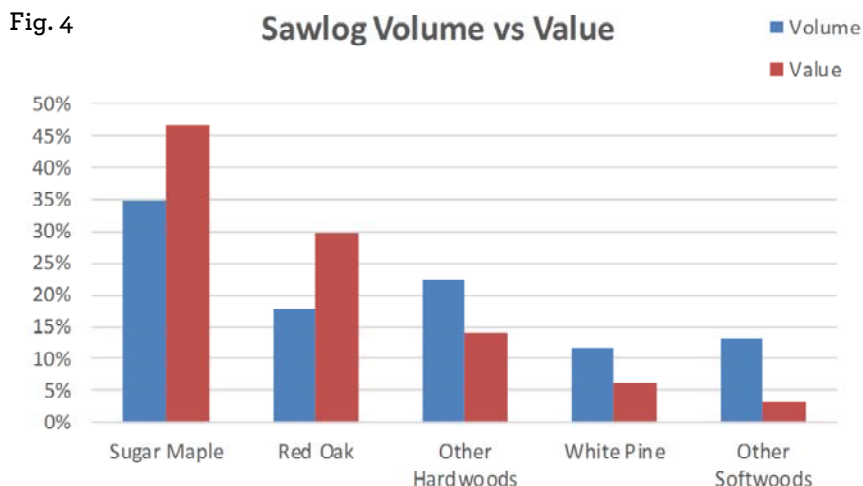


Fig. 5. The average saw log diameter property wide is 14.7", while the average diameter of all merchantable products is 12.3".

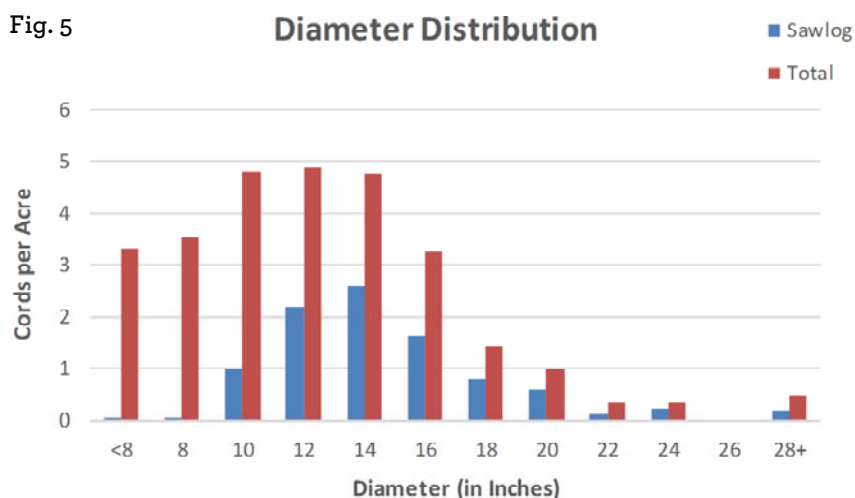
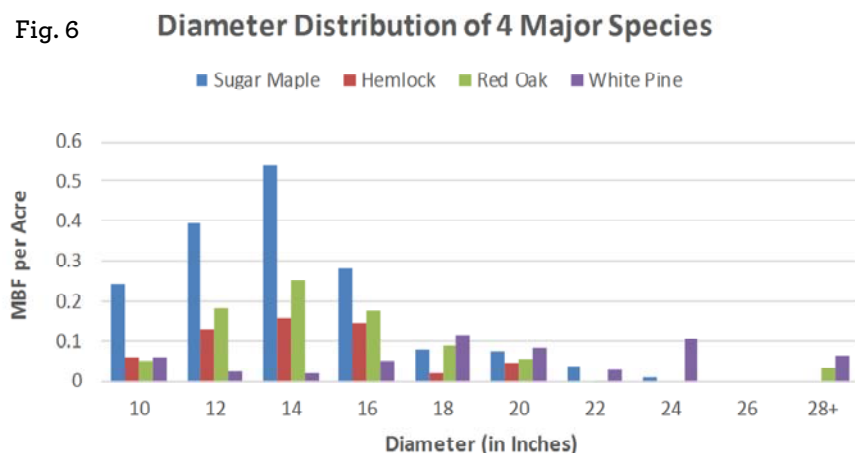


Fig. 6 Average saw log diameters for key species include sugar maple (13.9"), red oak (15.1"), hemlock (14.3") and white pine (19.3").



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

Locust Hill Forest

Timber Valuation

Prepared By

F&W Forestry Services, Inc.

Warren County, New York
August 2017

577 GIS Acres
558 Commercial Acres

Species	Volume MBF/CD	Unit Price Range			Total Value
		Low	High	Likely	Likely
<i>Sawtimber - MBF (Int. 1/4 Rule)</i>					
Sugar Maple	469	300.00	400.00	375.00	175,700
Red Oak	318	325.00	400.00	375.00	119,100
White Pine	214	90.00	125.00	110.00	23,500
Sugar Maple Pallet	455	40.00	60.00	50.00	22,800
Hardwood Pallet	332	40.00	55.00	50.00	16,600
Red Maple	103	120.00	180.00	150.00	15,500
White Ash	71	125.00	180.00	160.00	11,300
Basswood	112	70.00	100.00	90.00	10,100
Yellow Birch	38	210.00	260.00	245.00	9,400
Hemlock	311	20.00	40.00	30.00	9,300
Spruce/Fir	41	85.00	110.00	95.00	3,900
White Birch	43	60.00	100.00	80.00	3,400
White Pine Pallet	95	20.00	40.00	30.00	2,800
Aspen	37	25.00	45.00	30.00	1,100
Beech	11	25.00	40.00	30.00	300
<i>Pulpwood - Cords</i>					
Hardwoods	8,593	8.00	14.00	12.00	103,100
Hemlock	1,245	8.00	14.00	12.00	14,900
Softwood	445	2.00	6.00	3.00	1,300

Totals					
Sawtimber Total	2,648	MBF			\$424,800
Sawtimber Per Acre	4.590	MBF			\$736
Sawtimber Per Comm. Acre	4.746	MBF			\$761
Cordwood Total	10,283	Cords			\$119,300
Cordwood Per Acre	17.8	Cords			\$207
Cordwood Per Comm. Acre	18.4	Cords			\$214
Total Per Acre					\$943

Total Value	<u>Low</u>	<u>High</u>	<u>Likely</u>
	\$480,000	\$567,000	\$544,100

BASED ON SUMMER 2017 INVENTORY CRUISE BY F&W FORESTRY

113 BAF 15 Inventory Points - At the 95% CL - standard error of 13.7% for Sawlogs, 10.2% on Pulpwood and 8.36% on all products

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

The volumes and values are not a liquidation value.

Prices are adjusted to reflect, access, quality and operability of the site.



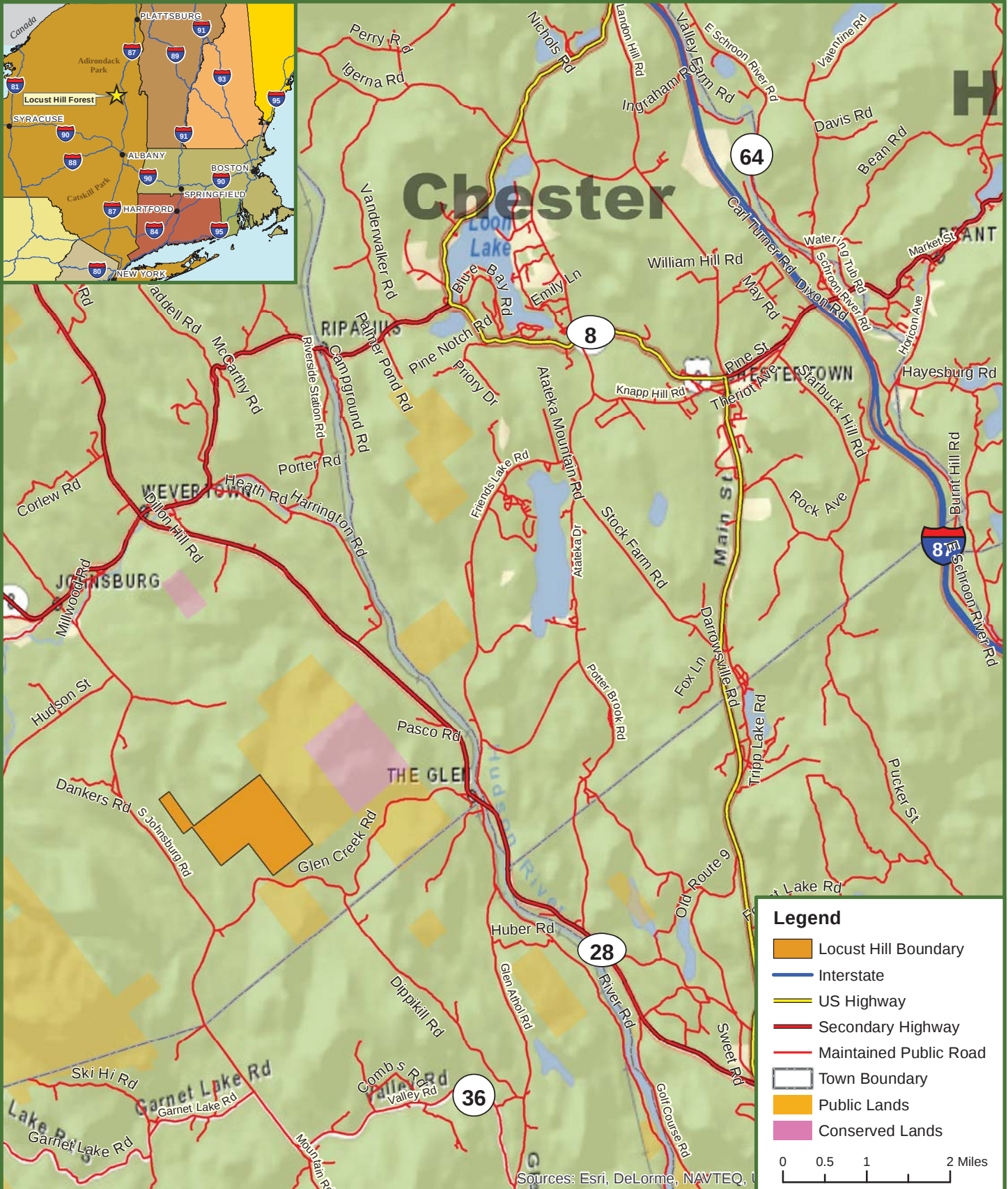
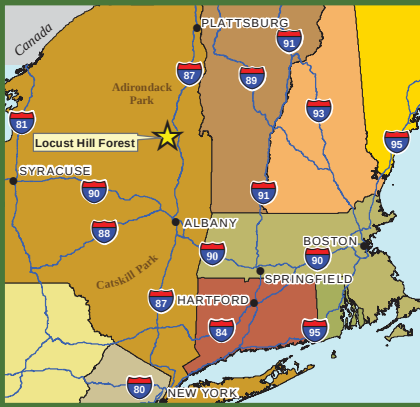
Locus Map Locust Hill Forest

592.49 Tax Acres

Johnsburg, Warren County, NY



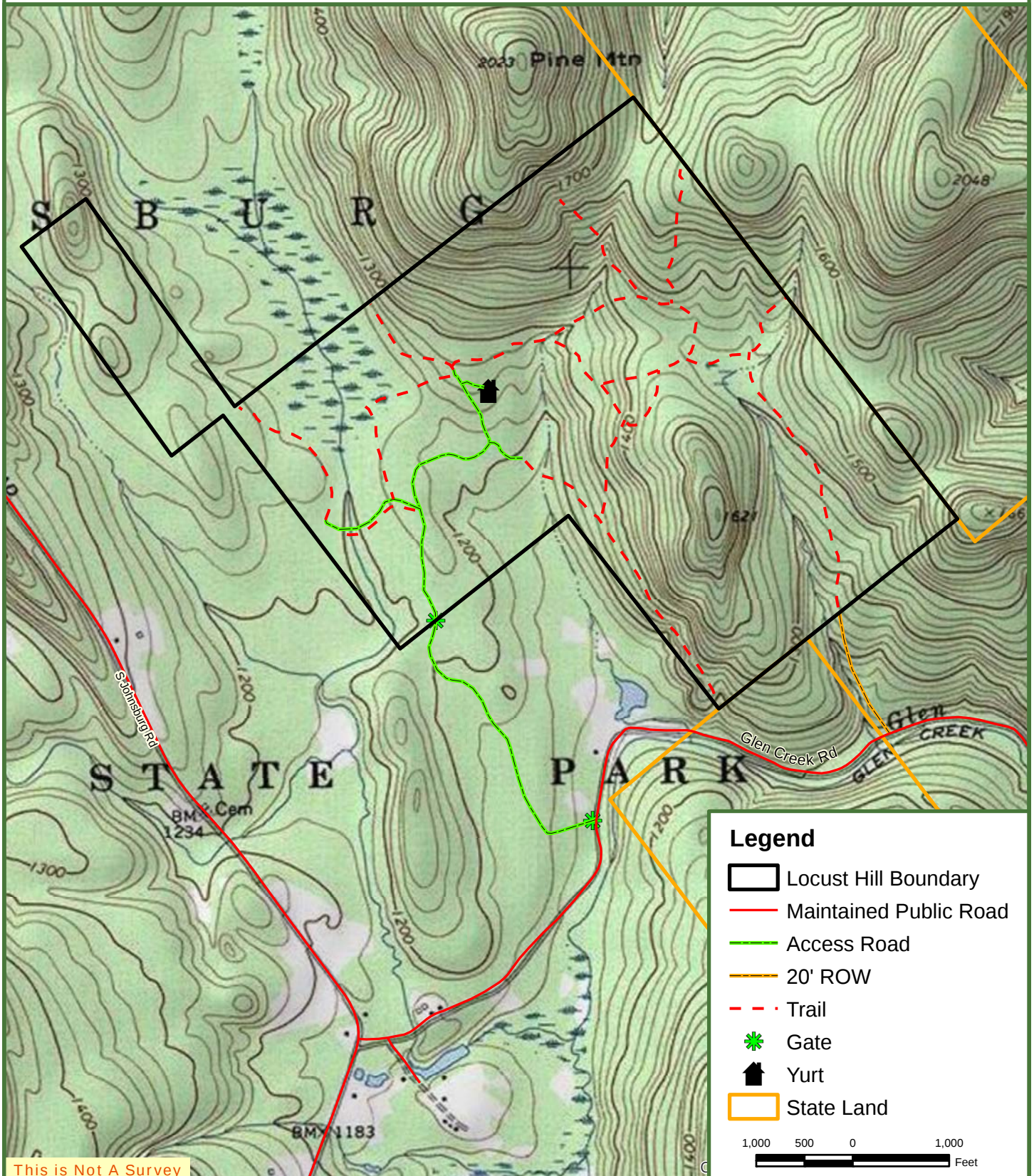
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Locust Hill Forest

592.49 Tax Acres
Johnsburg, Warren County, NY



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.

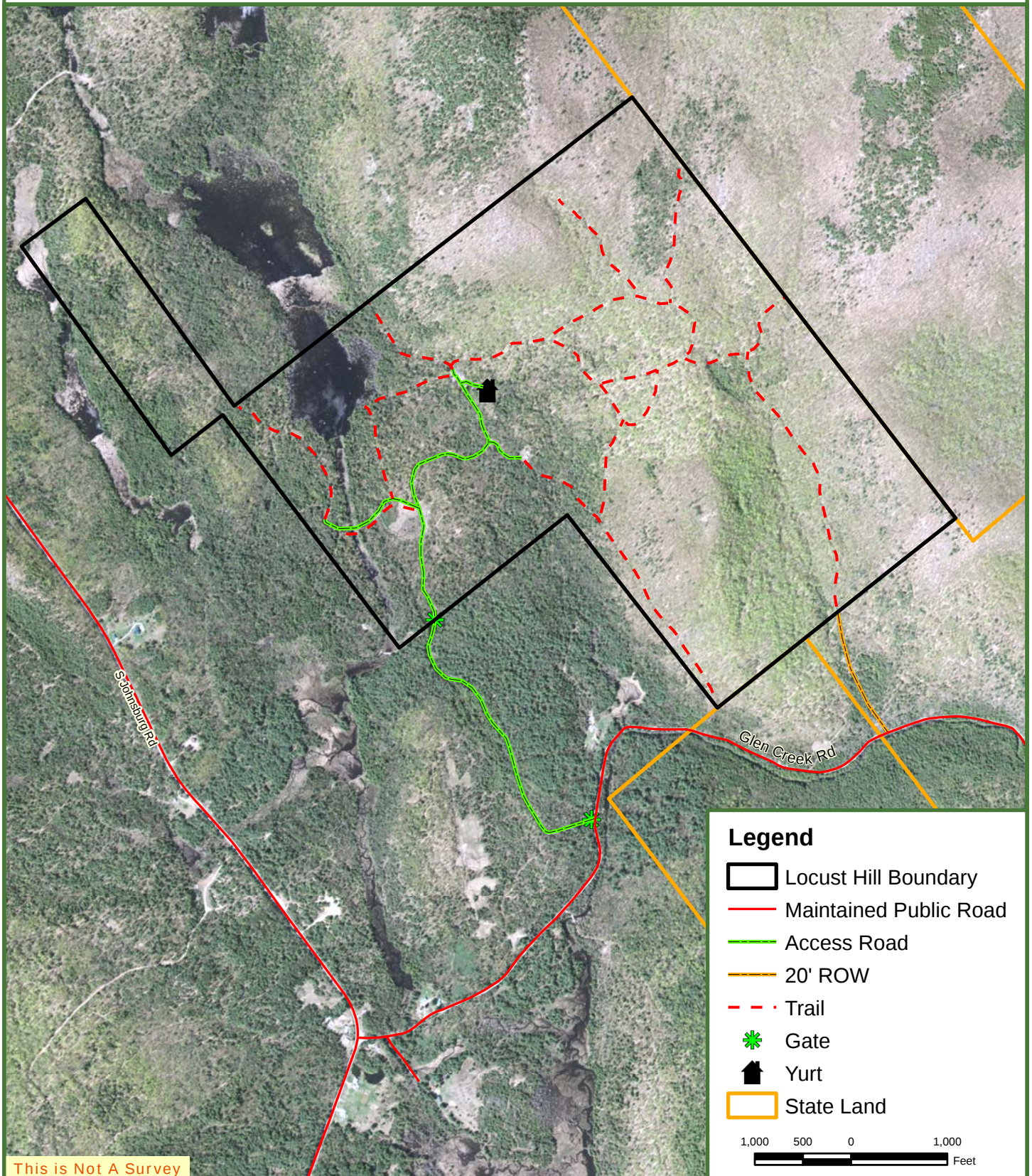


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New York State Disclosure Form for Buyer and Seller

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: _____