

SCHOOL FOREST

**An exceptional timber resource of high quality, maturing hardwoods
with developed access, well suited to robust asset appreciation
with a homesite development option.**

The forest's stands are in view with shelterwood thinning visible. In the background is Round Hill, the eastern limits of the land.



***717 Tax Acres
Irasburg, Orleans County, Vermont***

Price: \$1,070,000

PROPERTY OVERVIEW

School Forest has been meticulously managed since 1983 with the intent of producing the current high-quality timber resource that exists today. While the forest offers an exceptional timber investment opportunity, an alternative use could be to create a mixed homestead/timber investment property.

Property highlights:

- Standing timber value of \$1,002,000, with the asking price set very close to the standing timber value;
- Developed access which can be used for home construction;
- Exceptional asset appreciation expected over the next 10 years of growth;
- High-quality maple, yellow birch and ash sawlog component, much of which is approaching maturity;
- 28,000 potential maple taps available.



Shelterwood treated stand with the highest value stems retained and a clean understory allowing natural regeneration to develop.

LOCATION

School Forest is located in north central Vermont within a geographical transition area. To the east, south and north, and extending into Canada, there are an abundance of agricultural lands that run along the Black, Barton and Magog Rivers. To the west is the Lowell Range, which is largely a forested landscape with small farms in the valleys. The forest is situated on the eastern, lower slopes of the Lowell Range.

Irasburg Village is 3 miles to the east, which hosts a country grocery store, town hall and post office. Route 58, an east/west state highway is just north of the land, providing easy access to regional forest products markets within northern New England and into Canada.

For commuters who intend on using the property for weekend or day-to-day use, Exit 26 of Interstate 91 is just 6 miles to the east. At this exit is the town of Orleans, a larger village with more services. The largest nearby town is Newport which is 12 miles to the north with large box stores and Lake Memphremagog, a lake, mostly in Canada, which covers an area of 687 square miles and stretches 31 miles north to south.

From the property, it is 3 hours southeast to Boston and 2 hours northwest to Montreal. Skiing at Jay Peak Resort is a 30-minute drive to the northwest.



Route 58 with Brighton Mountain in view, the property sits on its lower slopes and includes the forest cover just behind the meadow on the left above.

ACCESS

Alexander Road provides the main access to the property. This road commences off Route 58 and runs 0.3 miles as a Class 3, town-maintained road. The road continues another 0.2 miles as a Class 4 road before approaching the last year-round residence along this road. Beyond this point, the road continues as a private, legally-deeded road for 1,625' to the property boundary. Once on the property the road continues for another 3,125' to the land's southern end where two existing landing areas for forest product sorting have been developed along the way. The entire access road is in good condition and drivable by most vehicle types.

The eastern slopes of the property have traditionally been accessed for over 3 decades through the neighboring farmland. That farmer maintains the ± 11.5 acres of fields that are part of the property, situated at the north central boundary area.



Alexander Road, which accesses the property; seen here is the last house along the road before entering the forest.

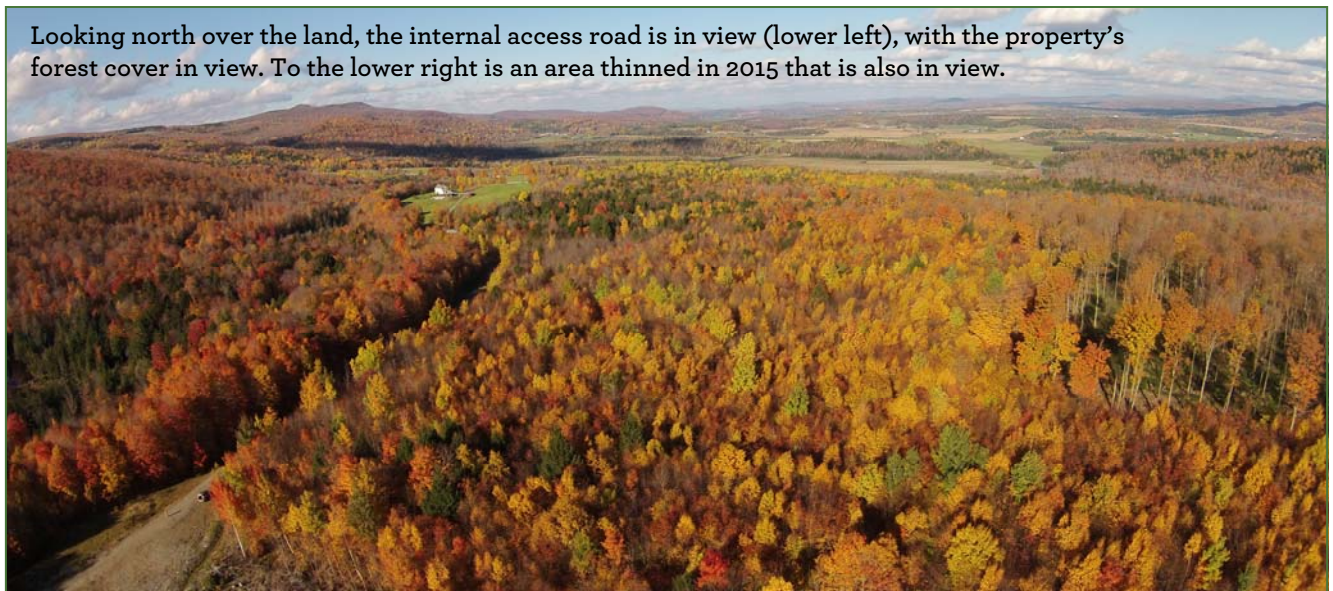
SITE DESCRIPTION

The property is situated along the lower slopes on the eastern side of the Lowell Mountain Range, and just west of Round Hill. Terrain is quite variable, with the steepest slopes along the upper elevation of the Lowell Range and an area at the northern end of Round Hill. In between, terrain is often gently sloping, with rock outcroppings scattered as the land falls towards the Round Hill area.

Soil drainage and productivity is very good; however, wetlands along each of the upland streams have been designated as non-productive forestland and cover ± 55 acres.

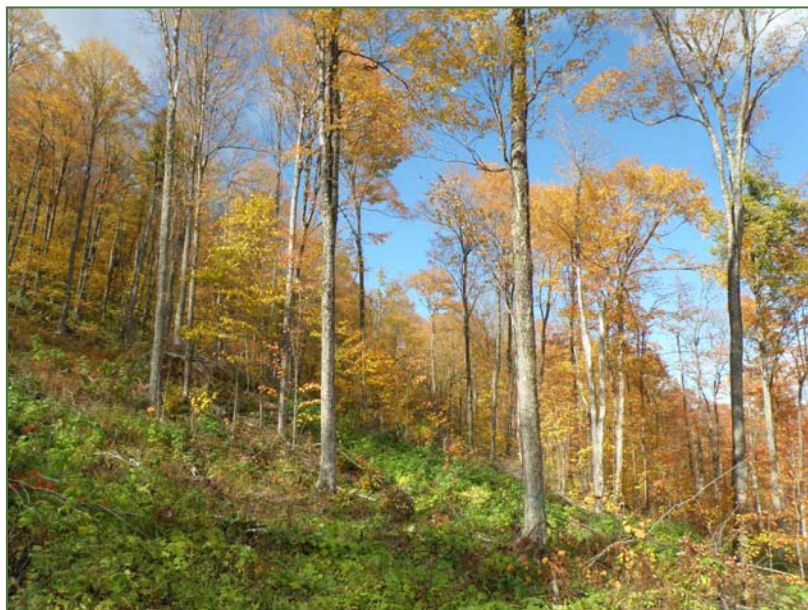
While the property has traditionally been used for long-term timber production, the access and terrain provide good opportunity for the development of a private homestead where views of the nearby Lowell Mountain Range would provide a fine, scenic backdrop.

Looking north over the land, the internal access road is in view (lower left), with the property's forest cover in view. To the lower right is an area thinned in 2015 that is also in view.



TIMBER RESOURCE

Timber data in this report are based on a comprehensive and monumented timber inventory conducted in July of 2019 for the purpose of establishing Capital Timber Value (CTV). 142 inventory points were sampled (1 plot per 4.5 commercial acres), covering a 445' X 445' grid using a 15-factor prism. Sampling statistics are $\pm 12.1\%$ standard error for sawlog products and $\pm 8.1\%$ for all products combined at the 95% confidence interval. The timber data reveal a total sawlog volume of 3,472 MBF International $\frac{1}{4}$ " scale (5.5 MBF/acre), with 8,425 pulpwood cords (13.2 cords/acre). Combined total commercial per acre volume is 24.2 cords, a figure about average for the region. Stumpage values were assigned to the volumes in July of 2019, producing a property-wide Capital Timber Value (CTV) of \$1,002,000 (\$1,576/total acre). See the Timber Valuation in this report for details.



Thinned stand along the lower slopes of Brighton Mountain.

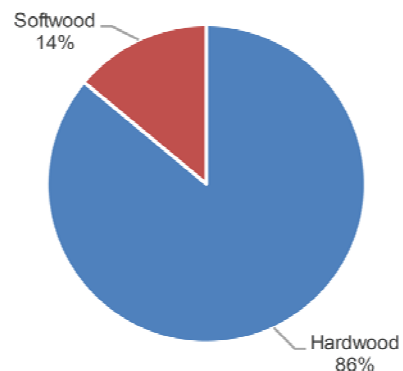
Species Composition:

The species composition is dominated by hardwoods (86%), with softwoods holding the balance (14%). Species composition for all products combined offers a solid mix of valuable species and is led by sugar maple (41%), with the primary other species consisting of red maple (13%), yellow birch (12%), white ash (11%), hemlock (7%) and common associates holding the balance. The sawlog volume breakdown is similar but, through years of good management, has concentrated the overstory trees to a more favorable species mix (see graph below).

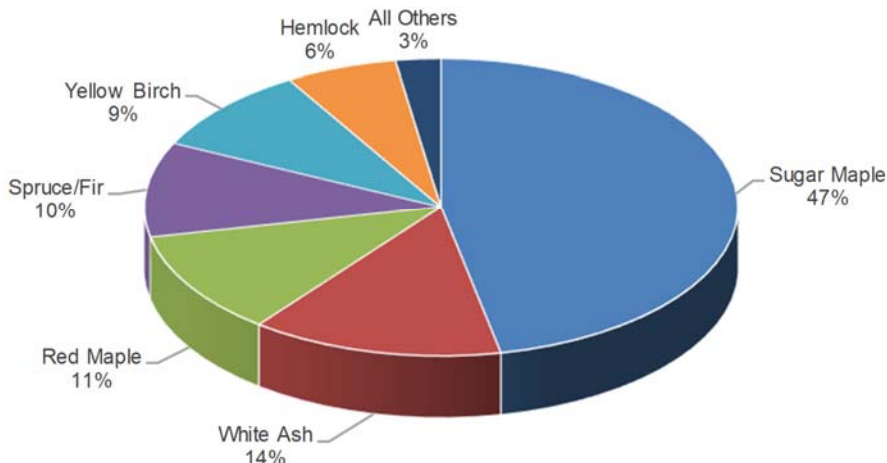
Stocking and Stem Quality:

The average Basal Area (BA) is 77 ft² on 143 stems/acre. Overall this represents a fully stocked forest, given the hardwood species composition. However, stocking is variable, as some stands have been thinned and others have had a shelterwood or seed tree harvest treatment applied. Stem quality is exceptional, with nearly all of the resource existing as Acceptable Growing Stock (AGS), a testament to the high silvicultural standard conducted by the ownership since their tenure started in 1983.

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



Sawlog Volume by Species



TIMBER RESOURCE (continued)

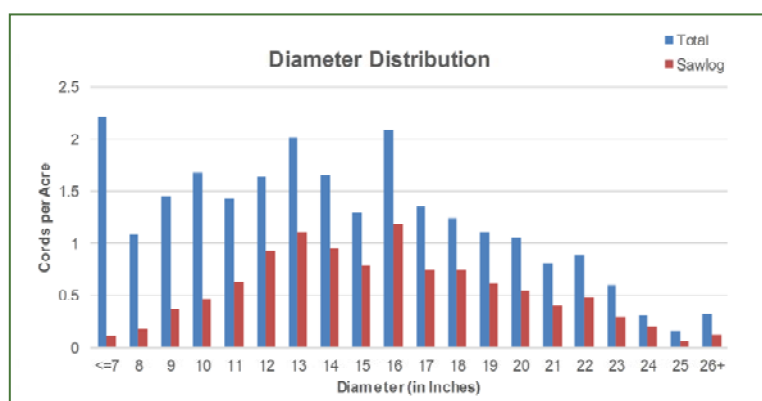
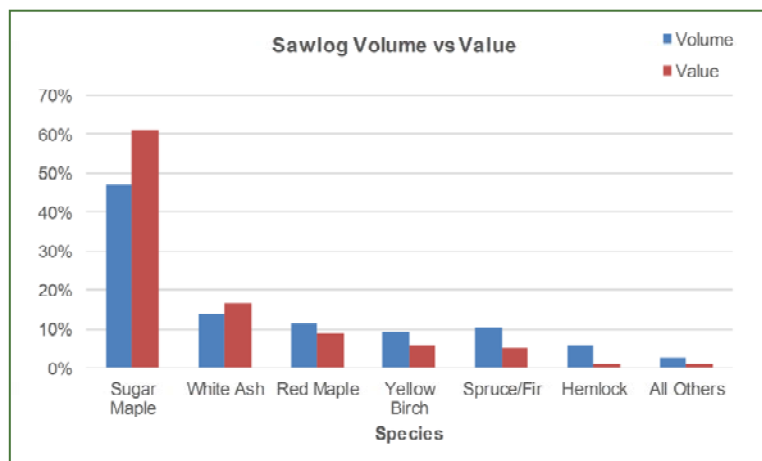
Sawlog Value/Thinning History:

Sawlog value is largely dominated by sugar maple (60%) with yellow birch, ash, red maple and spruce/fir holding most of the balance, ensuring that future value growth will occur in species that are highly desirable in the marketplace.

Since the tenure of the current owner began in 1983, most silvicultural treatment types have been practiced on the land, covering all acreage. The most recent activity was conducted in the winter of 2014 (160 acres of group selection and shelterwoods) and the summer of 2015 (250 acres of shelterwood). In this silvicultural activity, the best stems were retained.

Diameter Distribution:

Average diameter for all products combined is 14.0", while the average sawlog diameter is 15.0", demonstrating that the shelterwoods conducted truly retained the largest and best stems. The diameter distribution generally indicates a three-aged resource, with the majority of the volume nearing maturity and/or late-middle aged (the latter 65-75 years old). The next silvicultural activity will likely focus on additional thinning in some areas and overstory removal in areas that received a shelterwood when regeneration has become fully established, the latter treatment creating considerable income generation. Average sawlog diameter for the three major species are sugar maple at 15.5", red maple 16.5", and white ash 18.0".

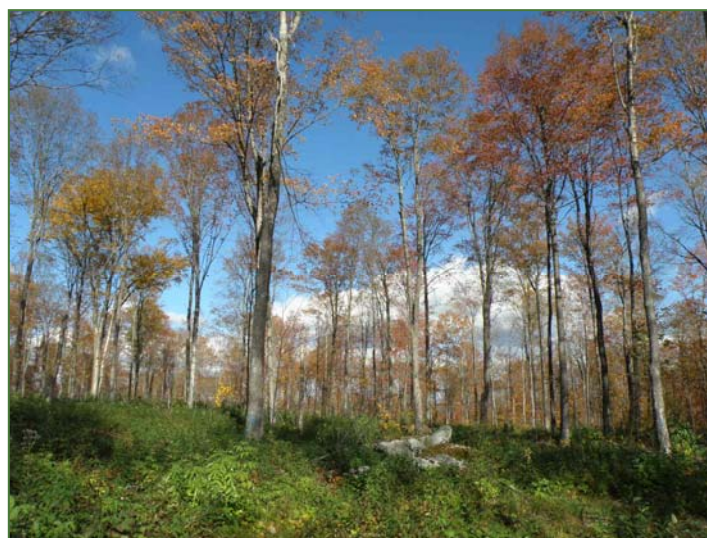


TAXES, ACREAGE & TITLE

Municipal property taxes in 2018 were \$2,091.10. The entire property IS enrolled in the State of Vermont's Use Value Appraisal (UVA) program (plan date 2013 with all scheduled activities now complete).

The land was surveyed in July of 1983, indicating 717 acres. The boundary lines have been maintained and are visible in the field.

Certain rights-of-way to the adjacent landowner go through the property; these are depicted on the property marketing maps. The property is owned by Craigmyle Forestry, Inc., whose deed is recorded in Book 30, page 195 in the Irasburg town records.



Shelterwood cut on the level slopes near the access road.

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

School Forest

Estimated Timber Valuation

Prepared By

F&W FORESTRY SERVICES INCORPORATED

Irasburg, Orleans County, Vermont
June 2019

725 Total Acres
636 Commercial (Forested) Acres

Species	Volume MBF/CD	Unit Price Range			Total Value
		Low	High	Likely	Likely
Sawtimber - MBF					
Sugar Maple	1,181	375.00	460.00	425.00	501,800
White Ash	450	275.00	360.00	325.00	146,400
Red Maple	300	200.00	285.00	250.00	75,000
Yellow Birch	204	175.00	260.00	225.00	45,800
Spruce/Fir	362	110.00	140.00	125.00	45,200
Sugar Maple Pallet	438	50.00	100.00	75.00	32,800
Hemlock	211	35.00	60.00	45.00	9,500
Black Cherry	37	150.00	250.00	200.00	7,400
Sugar Maple Veneer	5	1,000.00	1,400.00	1,200.00	6,600
Hardwood Pallet	131	35.00	60.00	45.00	5,900
Yellow Birch Pallet	117	30.00	60.00	40.00	4,700
Yellow Birch Veneer	4	600.00	800.00	700.00	2,500
Basswood	25	40.00	75.00	50.00	1,200
White Birch	3	75.00	150.00	115.00	400
Cedar	4	50.00	100.00	75.00	300
Pulpwood - Cords					
Hardwood	7,436	12.00	18.00	15.00	111,500
Hemlock	704	2.00	7.00	5.00	3,500
Spruce/Fir	280	2.00	7.00	5.00	1,400
Cedar	5	6.00	12.00	10.00	100

Totals					
Sawtimber Total	3,472	MBF			\$885,500
Sawtimber Per Acre	4.787	MBF			\$1,220.87
Sawtimber Per Comm. Acre	5.460	MBF			\$1,392.51
Cordwood Total	8,425	Cords			\$116,500
Cordwood Per Acre	11.6	Cords			\$160.62
Cordwood Per Comm. Acre	13.2	Cords			\$183.20
Total Per Comm. Acre					\$1,575.72

Total Value	<u>Low</u>	<u>High</u>	<u>Likely</u>
	\$845,000	\$1,129,000	\$1,002,000

BASED ON MARCH 2019 INVENTORY CRUISE BY F&W FORESTRY SERVICES, INC.

Inventory is based upon 142 plots on a 445' x 445' grid (1 plot equals 4.5 acres)

Statistical error: ±12.1% for sawlog products and ±8.1% for all products combined at the 95% Confidence Level

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

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.



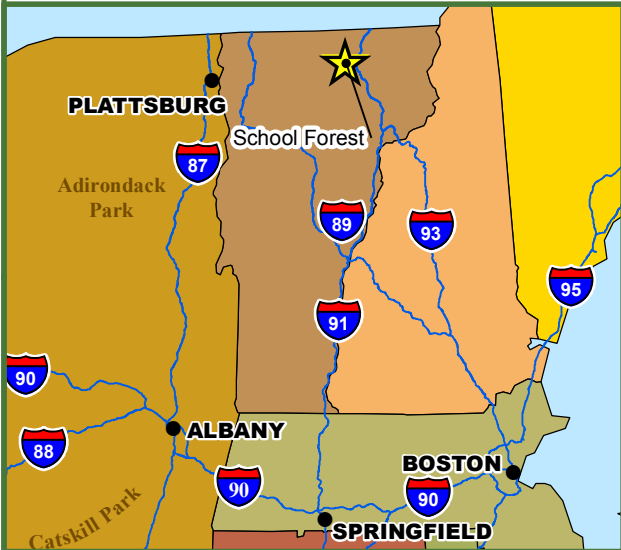
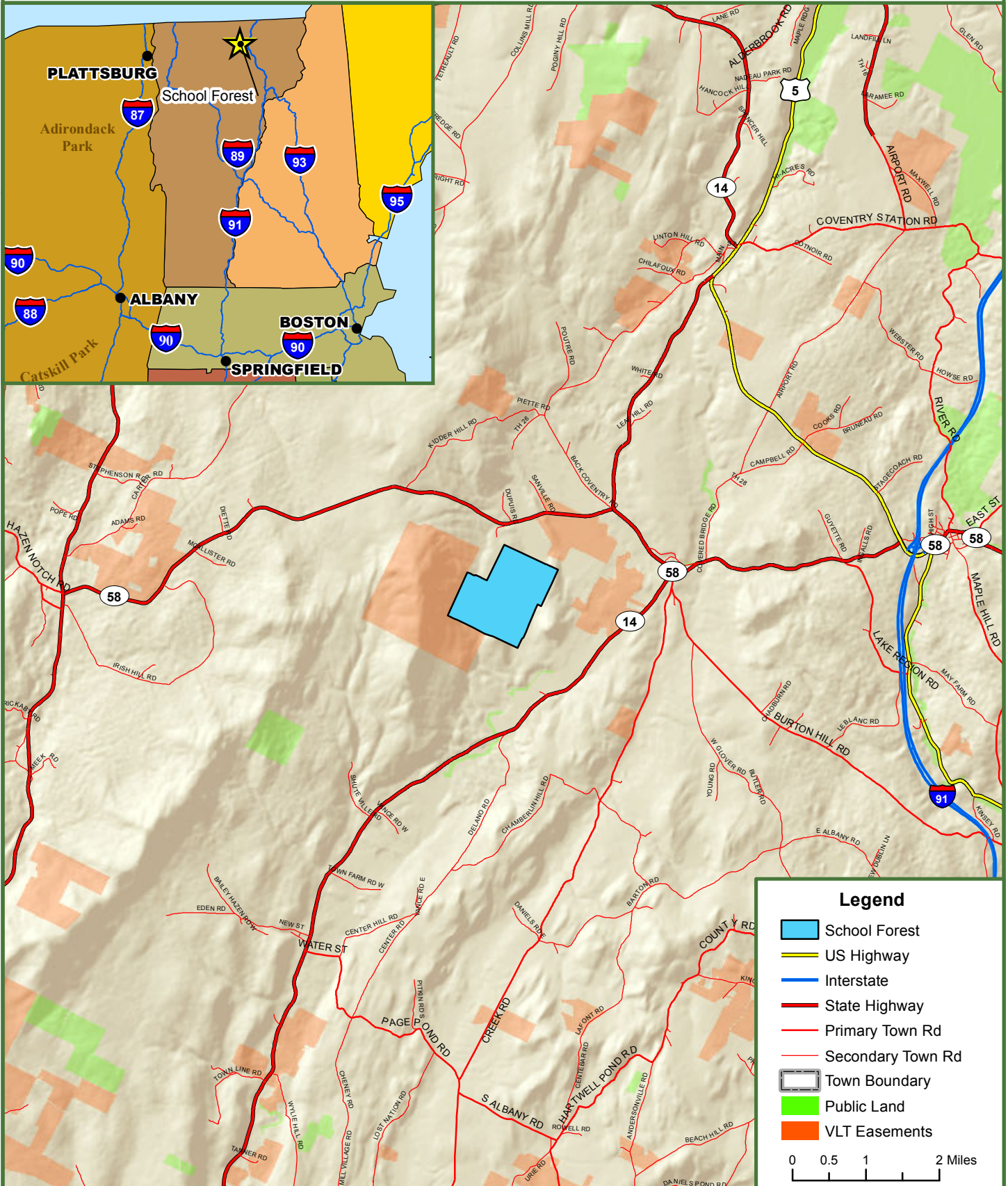
Locus Map School Forest

717 +/- Tax Acres

Irasburg, Orleans County, VT



**Fountains
Land**
AN F&W COMPANY



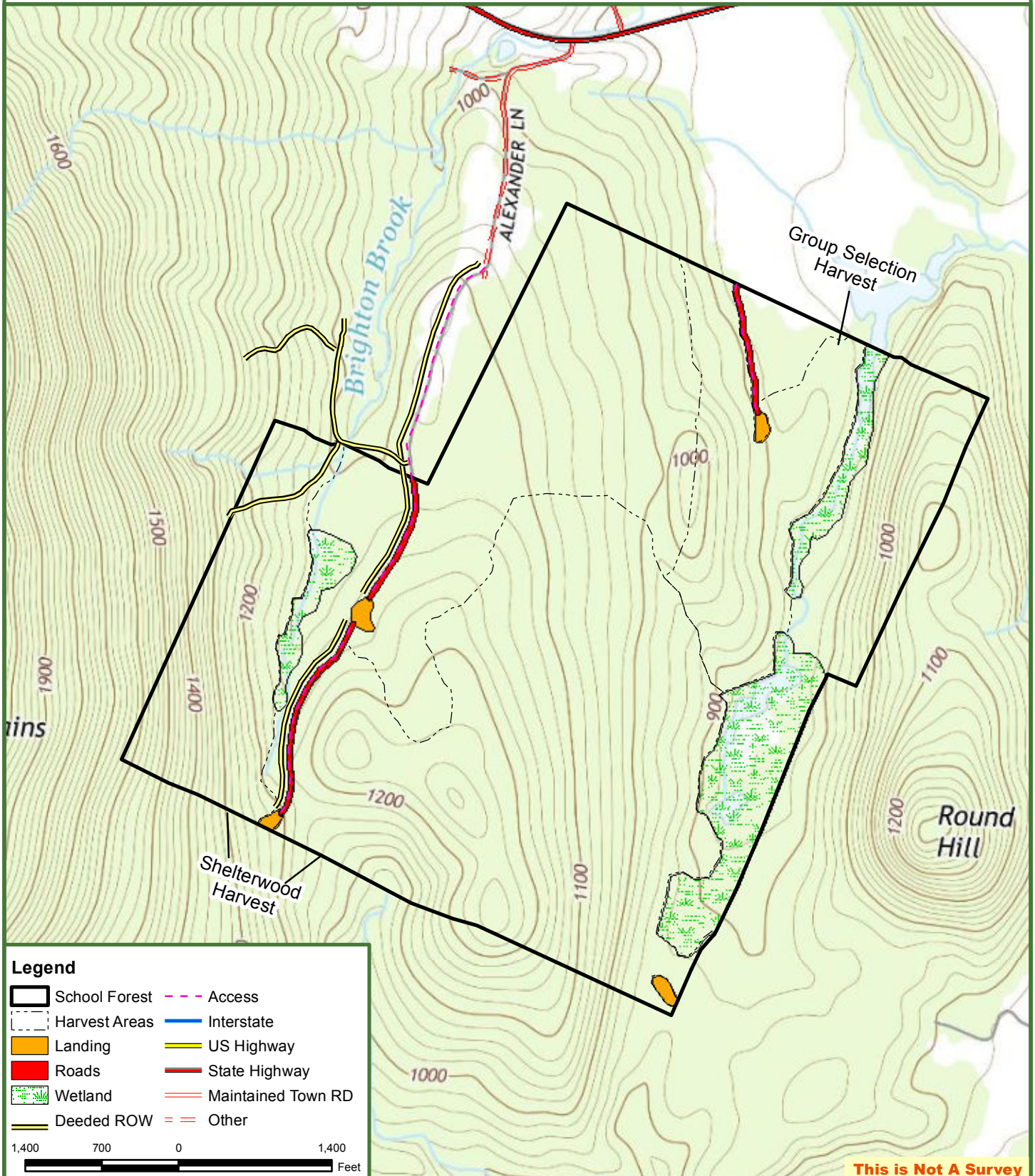


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Map produced from the best available information including town tax maps, hand held GPS data, aerial photography and reference information obtained from publicly available GIS sources, and the owner. Boundary lines portrayed on this map are approximate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

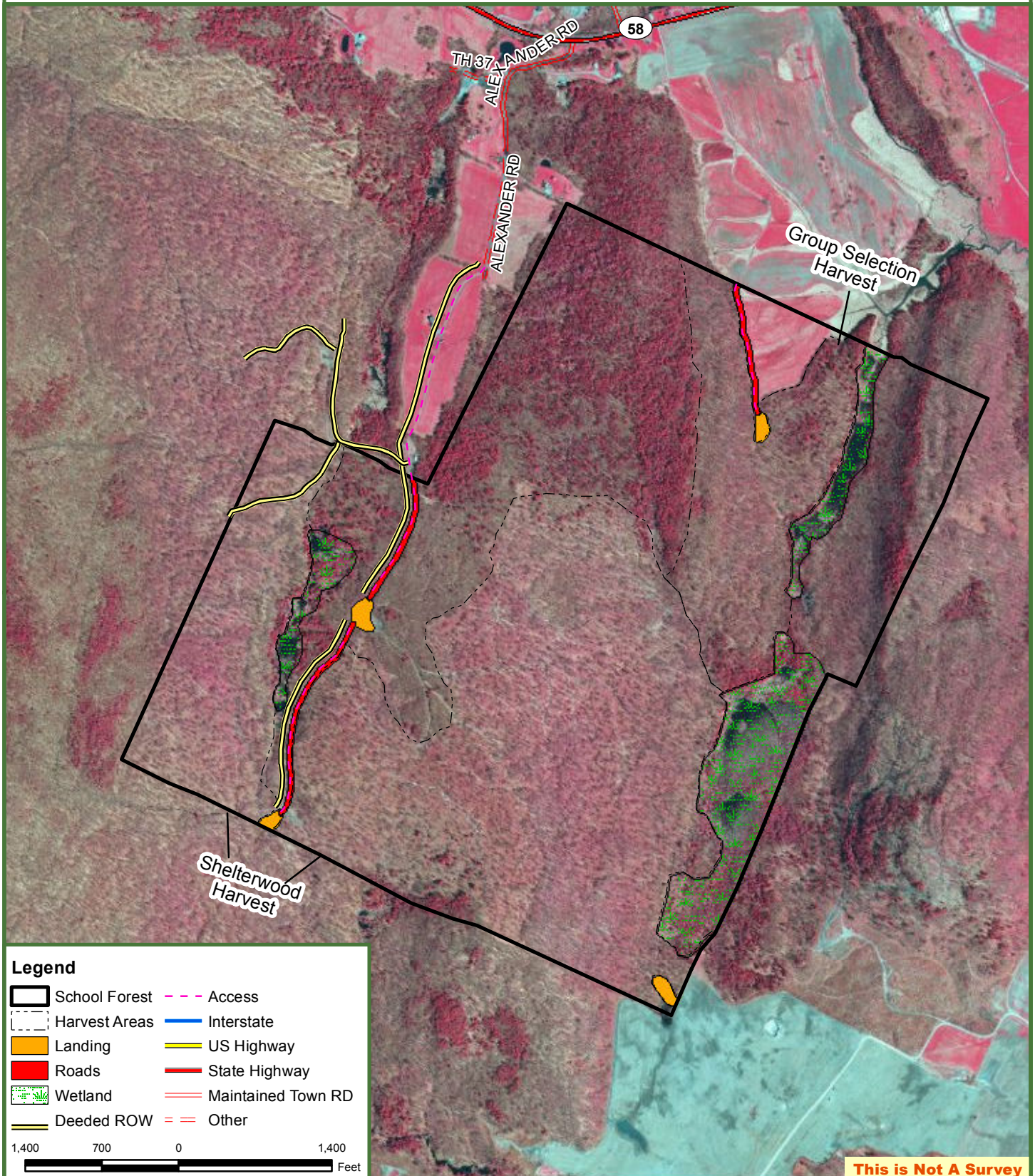


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Vermont Real Estate Commission Mandatory Consumer Disclosure



[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