

BRIDGEWATER HOLLOW FOREST

This property represents a timber investment opportunity where long-term asset appreciation from its timber resource will provide value growth year over year.



Northern hardwood stand near property's center.

***±216 Town-Listed Acres
Bridgewater, Windsor County, Vermont***

Price: \$239,000

INVESTMENT OVERVIEW

Bridgewater Hollow Forest represents a long-term timber investment opportunity with attractive species composition and mostly well-drained soils on sloping terrain, providing for solid asset appreciation from long-term timber growth and management.

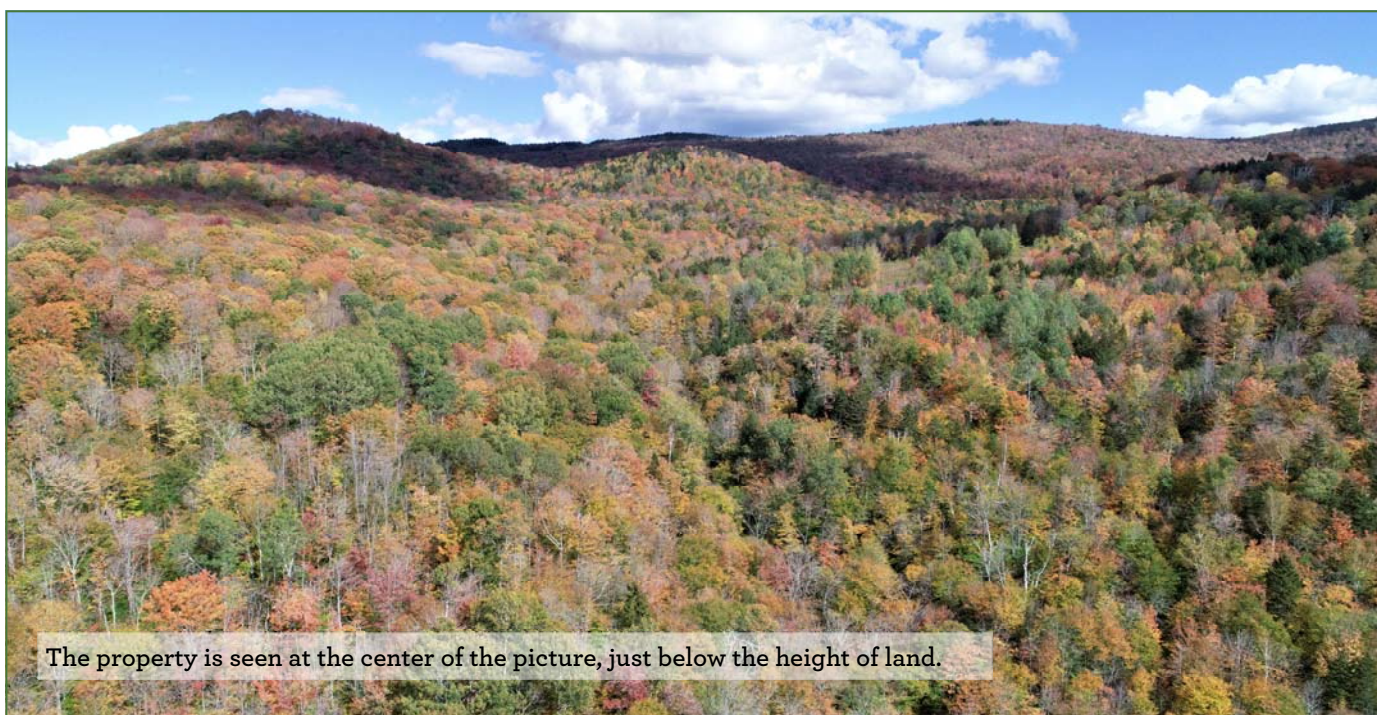
The ownership, The Conservation Fund (TCF), is a non-profit conservation organization whose Mission Statement is “TCF, working with public, private and nonprofit partners, protects America’s legacy of land and water resources through land acquisition, sustainable community and economic development, and leadership training, emphasizing the integration of economic and environmental goals”. Their goal in divesting is to raise funds to further their forestland conservation work on new projects.



Sugar maple stand towards the height of land.

Investment highlights include:

- Long-term timber investment opportunity well positioned for strong asset appreciation;
- Ideal species composition, dominated by sugar maple;
- Developed access along a private road on adjacent landowner with use by permission;
- Standing timber value is 87% of the property asking price;
- Attractive property site well suited to recreation and camp development upon access approval from adjacent landowner;
- Option Agreement held by the seller to acquire a conservation easement on the land, creating income opportunity for the new owner within a 10-year period (see details at end of report).



The property is seen at the center of the picture, just below the height of land.

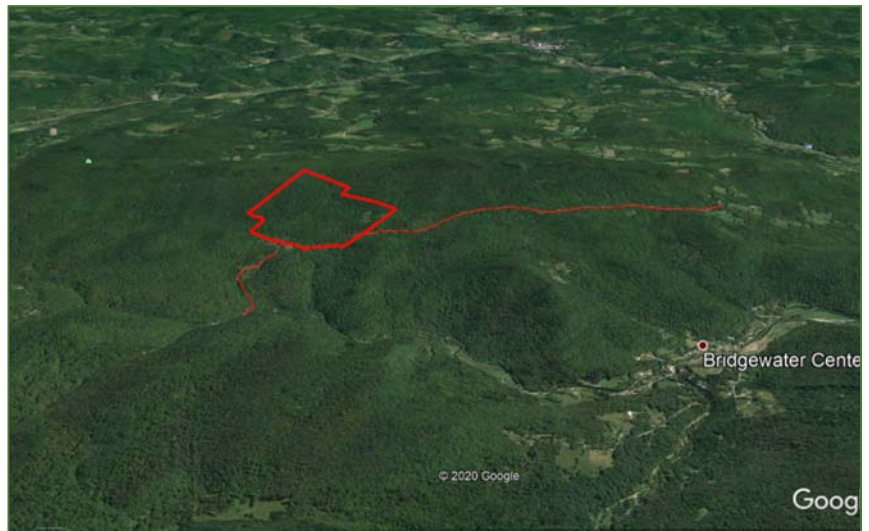
LOCATION

Bridgewater Hollow Forest is located in a mountainous region of central Vermont, which is, surprisingly, sparsely developed, given its close proximity to some of the state's most popular destinations. Known as the Chateaugay-Notown Region, this scenic area has a rich working landscape heritage, as evidenced by the numerous stone walls and cellar holes that cover the hillsides. In the late 19th century, there was even a brief gold rush episode. Now the area is largely forested and hosts the Appalachian Trail.

The Chateaugay-Notown Region covers nearly 60,000 acres and is bounded by Routes 12 to the east, 4 to the south, 100 to the west, and 107 to the north. The property is located in the area's south-central section. Because of its undeveloped nature, the region has been the focus of many conservation groups and individuals who have worked to protect its unique landscape. To date, over 30% of the area has been protected from development by various means (see location map for designation of protected lands in the region). The region's scenic and natural significance has also made it a coveted place for investment.

The township of Bridgewater, the home of Bridgewater Hollow Forest, largely falls within the Chateaugay-Notown Region. The majority of Bridgewater's population and residences are within the small village of Bridgewater along Route 4 (5 miles from the property). Bridgewater was historically a woolen mill village; today, it is an artist and tourist community that is still populated by well-settled, year-round residents, as well as a new population of second home dwellers. Further west along Route 4, the hamlets of Bridgewater Corners and West Bridgewater each offer a general store for locals and the many travelers along this popular east-west corridor. The village of Woodstock, a renowned all-season tourist destination, is 11 miles east of the property, while Killington Mountain Resort is 9 miles to the west.

Route 4 connects Bridgewater to major metropolitan areas via Interstate 91 to the east (Boston is 2.5 hours southeast) and Interstate 87 in New York to the west (New York City is 4.5 hours southwest).



Google Earth screen shot with the property boundary depicted. The traditional access road is shown to the right, coming off Gold Coast Road. Bridgewater Center is in view lower right, with Chateaugay Road and the Ottauquechee River Valley running below the land. The Beulah Robinson legal trail is also seen coming off Chateaugay Road. Route 4, Bridgewater Village and Woodstock are seen beyond to the upper right of the view.



Bridgewater Center and the Chateaugay Road in view looking north towards Route 4.

ACCESS

Historically the property has been accessed via a private road to the south that crosses lands owned by Robinson/Eldredge. This road begins at Gold Coast Road and runs ± 1.9 miles to the property. The road is in good condition for ± 1.5 miles and then becomes a winter road for the balance of the way to the property. Once on the land, an old town road runs along the western end of the land, terminating at a clearing and former log landing. A recreational trail then heads easterly across the property before leaving at the northern boundary.

The access road was last used to conduct forest management on the property in ± 2012 and prior to that in ± 2007 .

In 2014, the property's prior owner, and two of the area's larger landowners (including Robinson and Meadowsend Timberlands), joined together to allow a recreational VAST (Vermont Association of Snow Travelers) trail to cross their lands. The attached property maps depict the location of this VAST trail.

The Beulah Robinson legal trail approaches the land from the west via Chateaugay Road, providing a recreational trail approach to the property with permission from Robinson.

SITE DESCRIPTION

Historically, the property was known as the Caswell Farm and most of the land was used for agricultural purposes, starting in the early 1800s. Most of the land is gently sloping, with terrain becoming steeper in its northeast quadrant. Aspect is westerly and soils are largely well drained with the exception of some sites in the west along the stream that bisects the land.

Elevation ranges from 1,600' ASL (above sea level) in the west where the stream leaves the property to 2,260' ASL at the eastern boundary where the land falls just short of a mountain ridge. The Appalachian Trail runs along this ridge just .9 miles to the north, providing easy access to this national treasure. The popular Lookout and an overnight cabin is along this trail nearby.



Old town road that runs through the western end of the land.



Maple stand on land's mostly level mid-slopes.



Large glacial erratics at the land's mid-slope area.

TIMBER RESOURCE

Timber data in this report are based on a timber inventory conducted in the fall of 2018 by the ownership's forest consultant, Redstart Natural Resource Management. Stumpage values have been assigned by Redstart. Upon adding growth for the 2019 and 2020 growing seasons, the data reveal a total sawlog volume of 1,078 MBF International ¼" scale (5.0 MBF/acre) and 2,239 pulpwood cords (10.4 cords/acre). Combined total per acre volume is 20.4 cords, a figure in line with the regional average. Stumpage values were assigned to the volumes in March of 2019 by Redstart, producing a property-wide Capital Timber Value (CTV) of \$275,000 (\$1,273/total acre). See the Timber Volume and Valuation chart in this report for details.

Species Composition:

A species composition dominated by hardwoods prevails, with hardwoods at 83% and softwoods at 17% of total volume. Species composition for all products combined offers a favorable mix and is led by sugar maple at 49% of total volume, with other common associates making up the balance, including red spruce at 16%. The sawlog volume breakdown consists largely of species with historically strong demand, dominated by sugar maple and red spruce.

Stocking and Stem Quality:

Overall, forest stocking is variable, with primarily ideally-stocked conditions in all areas. Natural regeneration has become fully established in areas where group clearcuts and thinning have previously occurred.

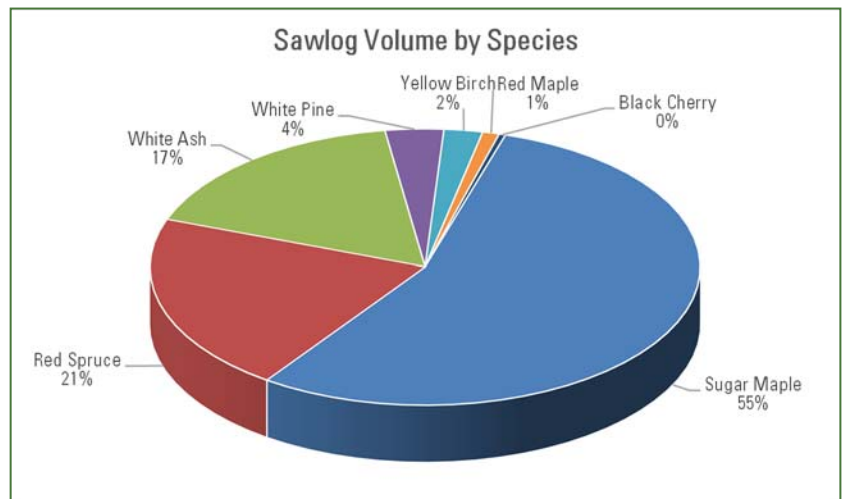
Average Basal Area (BA) is 90 ft² on 166 stems/acre. The Acceptable Growing Stock BA is 66 ft², indicating very good stem quality that fully occupies the site. On the upper, well-drained sites, the hardwood resource is particularly well suited to the soil composition, producing current and future veneer quality stems.



Typical mix of saplings and sawlog stems



Similar display of a mix of younger saplings & sawlogs.



TIMBER RESOURCE (continued)

Sawlog Value:

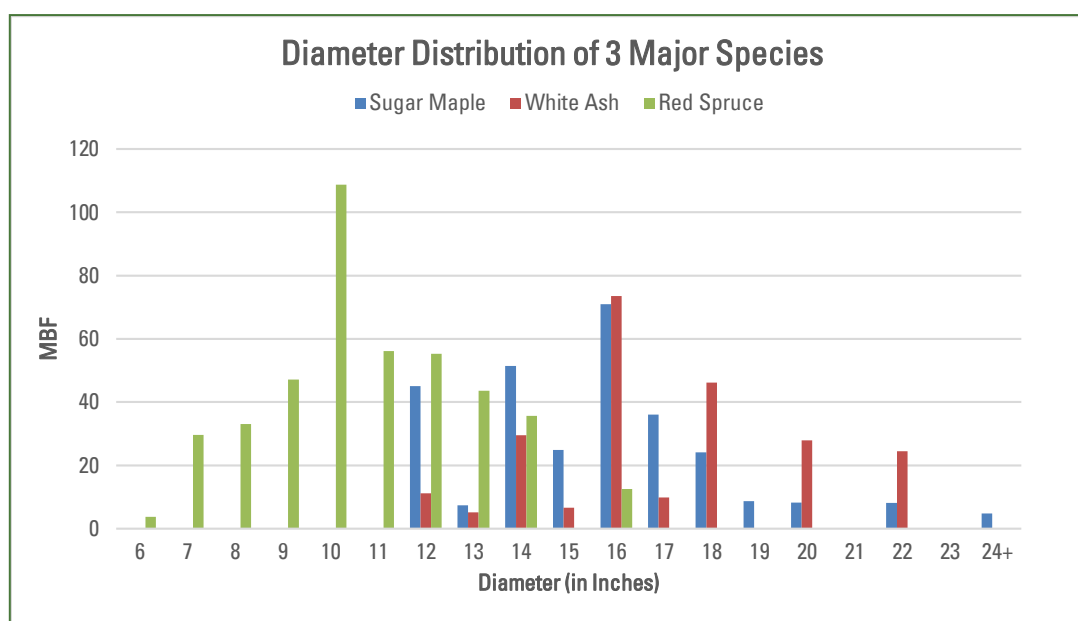
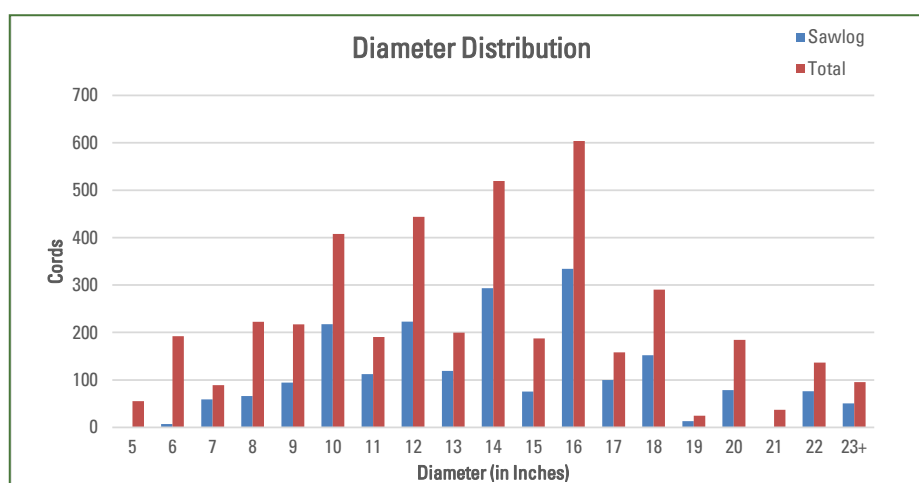
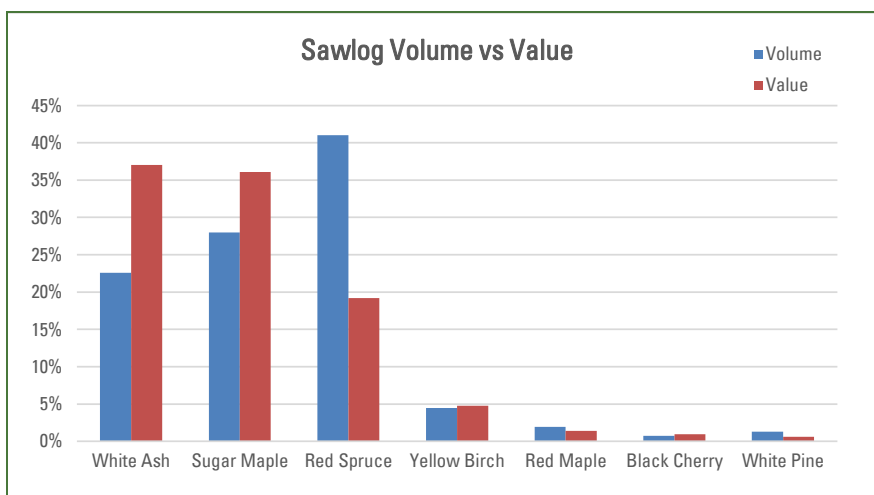
Sawlog value is largely dominated by high-quality northern hardwoods and red spruce, species with a long history of strong demand from manufacturing facilities situated locally, regionally and across the border in Quebec, Canada (all within trucking distance from the property).

Diameter Distribution:

Average diameter for all products combined by volume is 13.5", while the average sawlog diameter is 14". Average diameters for the three major species are sugar maple 15.5", white ash 16.5" and spruce/fir 10.5". Financial maturity for most hardwood sawlog species is 18-24", therefore the maple is within 20-35 years of generating considerable income. The white ash is financially mature, representing near-term income.

Silvicultural History:

No forestry operations have been conducted during the current ownership's tenure (since 2014). In 2007, the previous owner treated Stand 3 with a partial overstory removal and Stand 5 with a thinning. Then, in 2012, portions of Stand 2 were treated with thinning and small patch cuts.



Timber Volume and Valuation Bridgewater Hollow Forest Prepared by Redstart Natural Resource Management

Total Acres: 216		Productive Acres: 216	
Product	Volumes (MBF)	Stumpage/MBF	Total Value
White Ash	243.648	\$385	\$93,805
Sugar Maple	278.913	\$325	\$90,647
Red Spruce	441.560	\$110	\$48,572
Yellow Birch	48.156	\$250	\$12,039
Red Maple	21.333	\$170	\$3,627
Black Cherry	7.979	\$300	\$2,394
White Pine	13.598	\$110	\$1,496
Sugar Maple Pallet	23.271	\$40	\$931
TOTALS	1,078.459		\$254,000
Total MBF/Acre	5.0		
Product	Volumes (Cds)	Stumpage/Cord	Total Value
Hardwood Pulp	2,068.0	\$10.00	\$20,680
Softwood Pulp	171.1	\$2.00	\$342
TOTALS	2,239.2		\$21,000
Total Cords/Acre	10.4		
Total Per Acre Value		\$1,273	Total Value \$275,000
Total Volume/Acre		20.4	

Timber inventory conducted by seller's consulting forester, Redstart Natural Resource Management, in the Fall of 2018. The data was processed using the Forest Metrix program. Stumpage values set by Redstart.

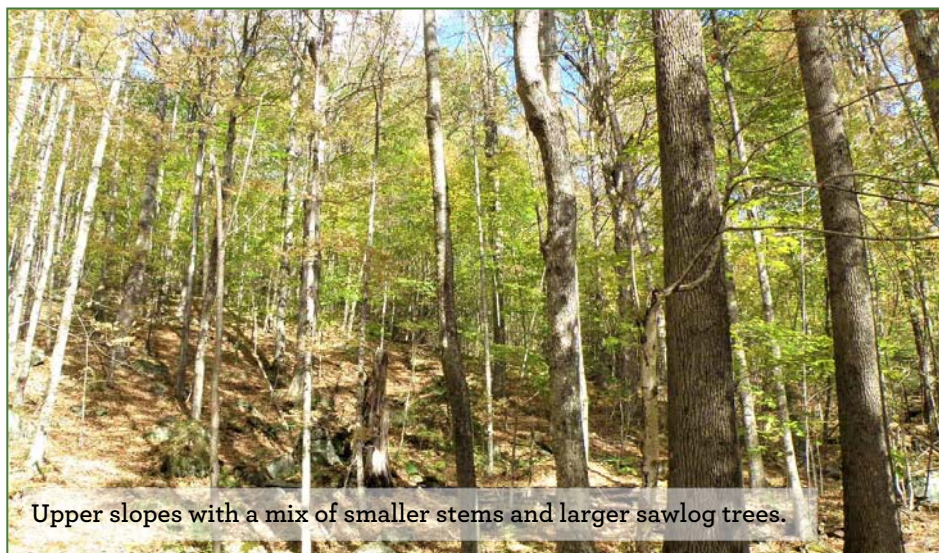
Volumes have been grown forward two (2) seasons using FIA growth rate data to create a weighted average growth rate for Orange, Rutland, Washington and Windsor Counties

Volume data were taken on 45 plots using a 15-factor prism

Statistical Error for all sawlog products is 26.7% and for all cord products is 12.2% at the 95% Confidence Level

CONSERVATION EASEMENT OPTION

The seller is retaining an option over the next 10 years to acquire a conservation easement covering the property from the new owner. This Option will allow the seller to purchase a conservation easement at a value of 75% of the fair market value of the conservation easement (based on appraised value) at the time the option is exercised. This Option offers the new owner an active partner who will work to secure the necessary funding to purchase the easement, providing an alternative revenue source during their ownership tenure.



Upper slopes with a mix of smaller stems and larger sawlog trees.

During the 10-year option term, the owner shall maintain the land's enrollment in the Use Value Appraisal program in good standing and not develop or subdivide the land unless mutually agreed upon with the option holder.

A copy of the Option Agreement is available upon request.

ACREAGE, TAXES & TITLE

The property is owned by The Conservation Fund.

Property taxes for 2019 were \$658.58. The entire property is enrolled in the State of Vermont's Use Value Appraisal (UVA) program. The current, approved plan was developed in 2014.



Chateauguay Road & Ottauquechee River Valley looking east to the land which is high on the distant range upper left of picture.

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.



Locus Map

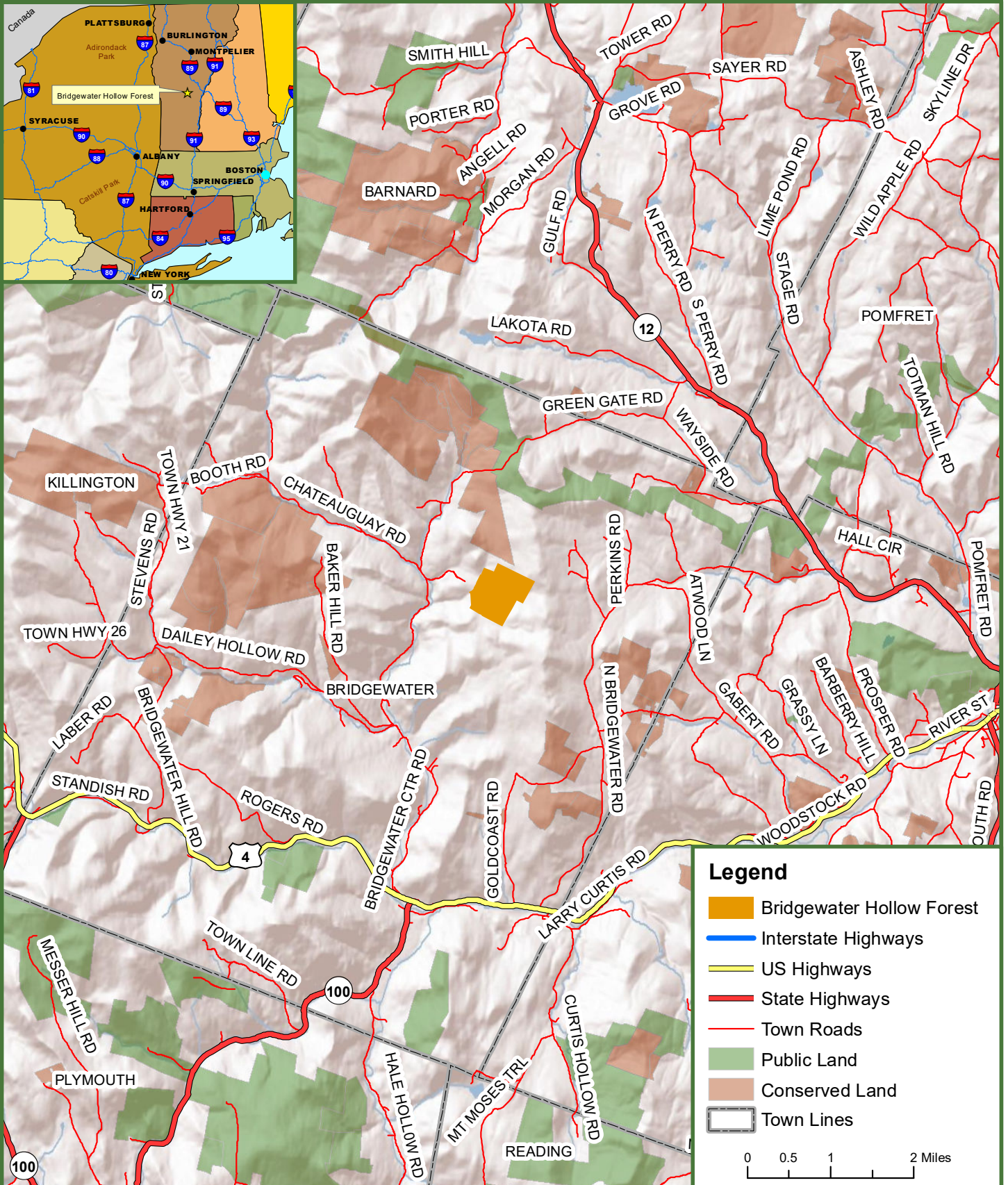
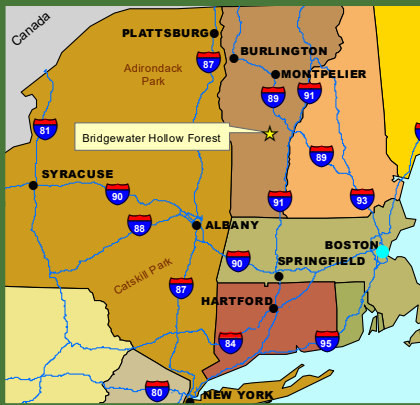
Bridgewater Hollow Forest

216 Grand List Acres

Bridgewater, Windsor County, Vermont



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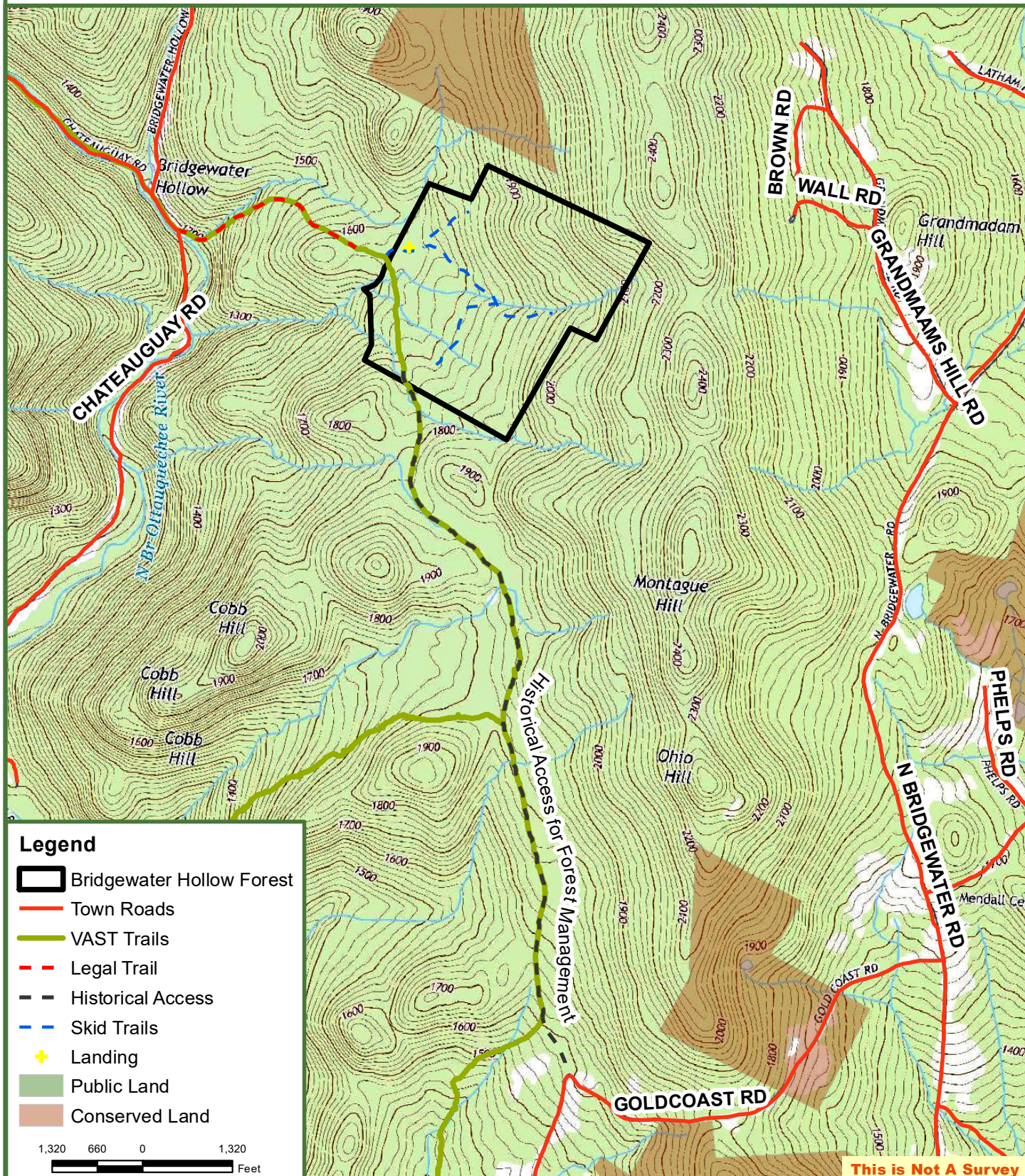
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Map produced from the best available information including property survey, town tax maps, hand held GPS data, aerial photography and reference information obtained from publicly available GIS sources. Boundary lines portrayed on this map are approximate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

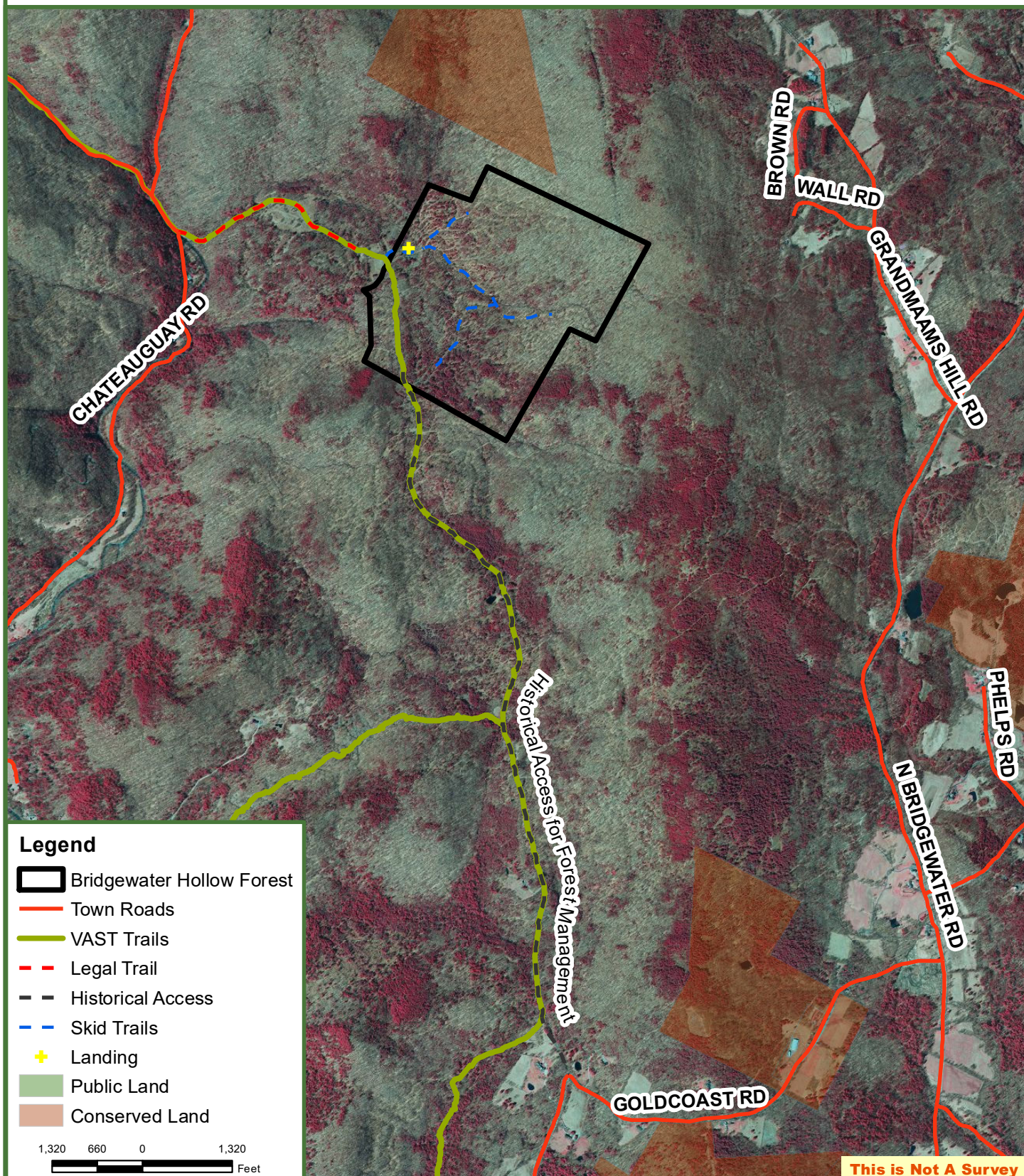


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Vermont Real Estate Commission Mandatory Consumer Disclosure



[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