

HAPPY HOLLOW FOREST

A timber investment and potential sugarbush property with exceptional quality sugar maple sawlogs, low holding costs, adjacent state lands, and an asking price well below the standing timber value.



**163.1 Grand List Acres
Huntington, Chittenden County, Vermont**

Price: \$270,000

INTRODUCTION

The property is a showcase of exemplary forest management and a classic example of a nearly pure sugar maple resource. Healthy stands of sawlog-sized sugar maple cover the majority of the forest, with exceptional stem quality and perfectly-spaced trees for robust asset appreciation. This resource is well aligned to the timber investor seeking value appreciation, while enjoying the recreational amenities this highly esthetic landscape has to offer.

LOCATION

The forest is located at the northern end of Huntington township, roughly 2.5 miles from Huntington Village. The area is mountainous and mostly forested, with widely scattered residences along town and state roads. Small farms can be found within the valleys, especially the nearby Huntington and Winooski River corridors. The property's location along Happy Hollow Road is shared with occasional, well-maintained homes, ; most of these homes are year-round although there are a few, fine seasonal camps. Johns Brook runs along the town road, coursing its way through this narrow valley and, at one point, running through the forest. This small, pristine stream's headwaters originate to the east on Camels Hump State Forest. The property shares a boundary with this state forest, which is the third largest in Vermont (nearly 20,000 acres).

Richmond, the largest town center in the area is 8 miles to the northwest. Burlington, Vermont, is 22 miles to the west while Montpelier, Vermont's state capital, is 27 miles to the east. Boston is a 3.5 hour drive to the southeast.

ACCESS

Access to the property is provided by a 50'-wide right-of-way (RoW) that begins just off Happy Hollow Road on Town Highway #9 (TH9). Once on TH9, the road crosses Johns Brook and proceeds uphill for a short way (note the brook crossing has been removed). From the end of TH9, the RoW runs in an easterly direction for roughly 1,600 feet to the property boundary. The RoW is a woods trail along gently sloping terrain, well suited for future upgrades. A new buyer, committed to land stewardship, can expect to negotiate with the adjacent land owner for a more extensive RoW that deals with logging and/or maple sugaring easements. See attached maps for access location.

Internally, high-quality skid trails provide exceptional access, covering the entire property. At the land's extreme western end, a developed hiking trail leads to the property's highest point, where the trail then enters the state forest.

TITLE, TAXES & BOUNDARIES

The property is owned by the Hilton W. Jones Revocable Trust. Annual property taxes are \$479.72. The property is enrolled in the State of Vermont's Use Value Appraisal (UVA) program. Boundary lines in the field appear secure and well marked.



Upper terrain with views of the surrounding mountains



High-quality skid trails have been installed forest-wide

SITE DESCRIPTION

A northern and westerly aspect prevails on the property, with the lowest elevation at the point where the RoW enters the land (1,320' ASL - above sea level). From here, terrain steadily rises towards the back of the property's two ridgelines with the eastern ridge being height of land (2,220'). This elevated site shares a boundary with the state forest, offering an excellent recreational amenity. The southern ridge offers a long, flat top, with wide views in many directions. It also hosts a cross country ski trail maintained by the Camels Hump Skiers Association.

Overall, terrain is moderate, with some steep slopes along streams and at the eastern end. Operability for forest management can be considered very good with quality trails throughout. Soils are highly productive, predominately well drained and consist largely of a Lyman Marlow complex. This is a rocky surface complex with rich soil characteristics, well suited to the sugar maple resource that exists on this forest.



A level bench mid-slope - thinned in 2015

TIMBER

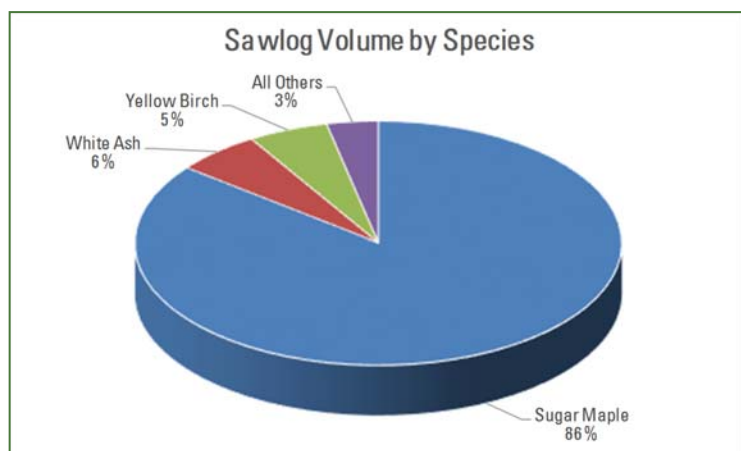
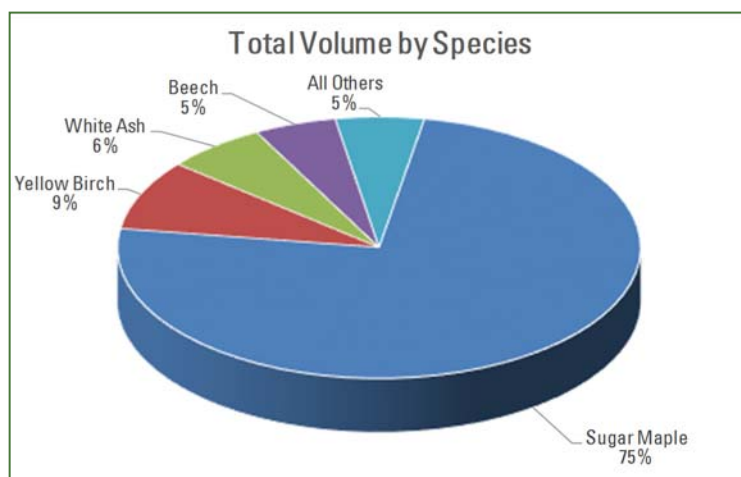
Timber data in this report are based on a comprehensive and monumented timber inventory, conducted in January of 2017 by the ownership's forest consultant and land broker. 42 points were sampled, covering a 410' X 410' grid using a 15 factor prism (1 plot per 3.9 acres). Sampling statistics are $\pm 20.7\%$ standard error for sawlog products and $\pm 14.8\%$ for all products combined at the 95% confidence interval, figures well within industry standards considering the size of this tract. The timber data reveal a total sawlog volume of 821 MBF International $\frac{1}{4}$ " scale (5.1 MBF/commercial acre) with 2,074 pulpwood cords (12.8 cords/commercial acre). Combined total commercial per acre volume is 22.9 cords. Based on this information, stumpage values were assigned in January of 2017, producing a property-wide Capital Timber Value (CTV) of \$291,000 (\$1,758/total acre). See the Timber Valuation in this report for details.

Species Composition:

A species composition of nearly 100% hardwood prevails; however, some red spruce and hemlock stems are present at the property's eastern peak and along the two streams.

Total species composition is mostly sugar maple (75%), with yellow birch, white ash, beech and miscellaneous other species as associates.

Sawlog volume is an impressive 86% sugar maple, which is not a surprise as the Huntington area soils are well known for their maple-producing capacity.



TIMBER (continued)

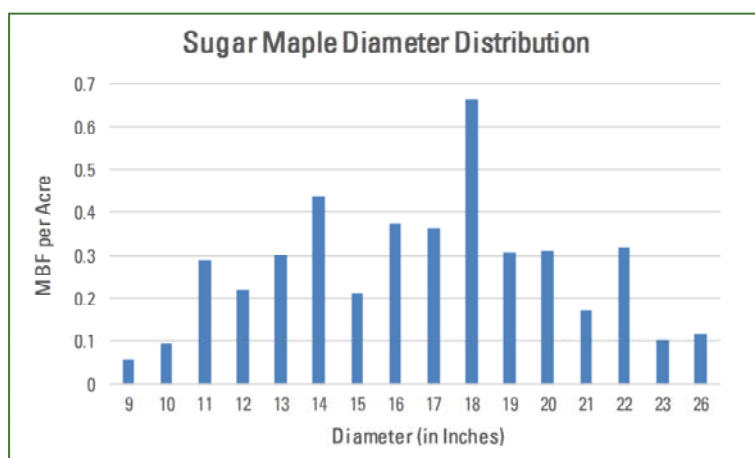
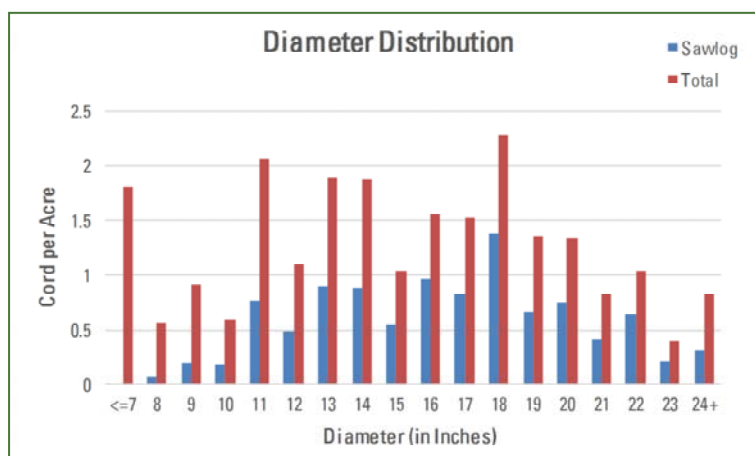
Diameter Distribution:

Average diameter for all products combined is 15", with the sawlogs at 16.5". Average sawlog diameter for sugar maple is 17". The diameter distribution indicates that the majority of the timber resource is well on its way to financial maturity. It also provides evidence of the previous, careful forest management practices which have focused on developing large diameter stems. Thinning last occurred in 2011 within the southern area and in 2015 covering the balance of the forest.

Sawlog Value & Stocking:

Sawlog value is dominated by sugar maple (92% of total sawlog value), with white ash and other associates comprising the balance.

The 2016 inventory data calculated a forest-wide commercial acreage of 162.1 acres, with total basal area at 80 ft²/acre, indicating ideal stocking levels and growth potential given the near perfect spacing of overstory stems. Acceptable growing stock basal area is 62 ft²/acre, a high stocking of acceptable quality stems (nearly all stems possess current or future veneer potential).



SUGARBUSH OPTIONS

The property offers an opportunity for sugarbush development, given the high level of maple stocking and downhill slope to the access point. The timber data indicate a total maple potential tap count of 9,885 taps with nearly all taps from sugar maple. Trees from the 10" size class and greater were considered, providing an average of 61 taps/acre, covering 162.1 commercial acres.

Electric power is roughly ½ mile from the junction of Happy Hollow Road and TH9. Any property use for sugarbush management would have to be approved under a RoW agreement.



Thinning in 2010 and 2015 released the pole and sawlog sized maple resource, producing good potential for sugarbush development.

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.

Happy Hollow Forest

Capital Timber Value

Prepared By

F&W FORESTRY

Prepared For

The Hilton W. Jones Revocable Trust

Huntington, Chittenden County, Vermont
January 2017

165.5 Total GIS Acres
162.1 Commercial GIS Acres

Species	Volume MBF/CD	Unit Price Range			Total Value
		Low	High	Likely	Likely
Sawtimber - MBF (International 1/4")					
Sugar Maple	525	275.00	450.00	425.00	223,100
Sugar Maple Veneer	13	1,000.00	1,600.00	1,300.00	16,900
Sugar Maple Pallet	165	40.00	100.00	65.00	10,700
White Ash	38	150.00	300.00	255.00	9,600
Yellow Birch	22	200.00	300.00	240.00	5,200
Red Oak	6	250.00	400.00	350.00	2,200
Yellow Birch Pallet	22	30.00	100.00	40.00	900
Spruce/Fir	9	75.00	120.00	100.00	900
Hardwood Pallet	13	25.00	60.00	35.00	500
White Birch	4	50.00	150.00	100.00	400
Hemlock	4	30.00	60.00	45.00	200
Pulpwood - Cords					
Hardwoods	2,023	7.00	20.00	10.00	20,200
Hemlock	30	2.00	10.00	4.00	100
Spruce/Fir	21	2.00	10.00	4.00	80

Totals					
Sawtimber Total	821	MBF			\$270,600
Sawtimber Per Acre	4.962	MBF			\$1,635
Sawtimber Per Comm. Acre	5.066	MBF			\$1,669
Cordwood Total	2,074	Cords			\$20,380
Cordwood Per Acre	12.5	Cords			\$123
Cordwood Per Comm. Acre	12.8	Cords			\$126
Total Per Total Acre					\$1,758

Total Value	<u>Low</u>	<u>High</u>	<u>Likely</u>
	\$241,000	\$315,000	\$291,000

BASED ON A JANUARY 2017 INVENTORY CRUISE BY F&W FORESTRY

The cruise consisted of 42 15 BAF inventory plots.

% Error = ±20.7% for sawlog volume and ±14.8% for 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 are averages for the area and are adjusted to reflect, access, quality and operability of the site.

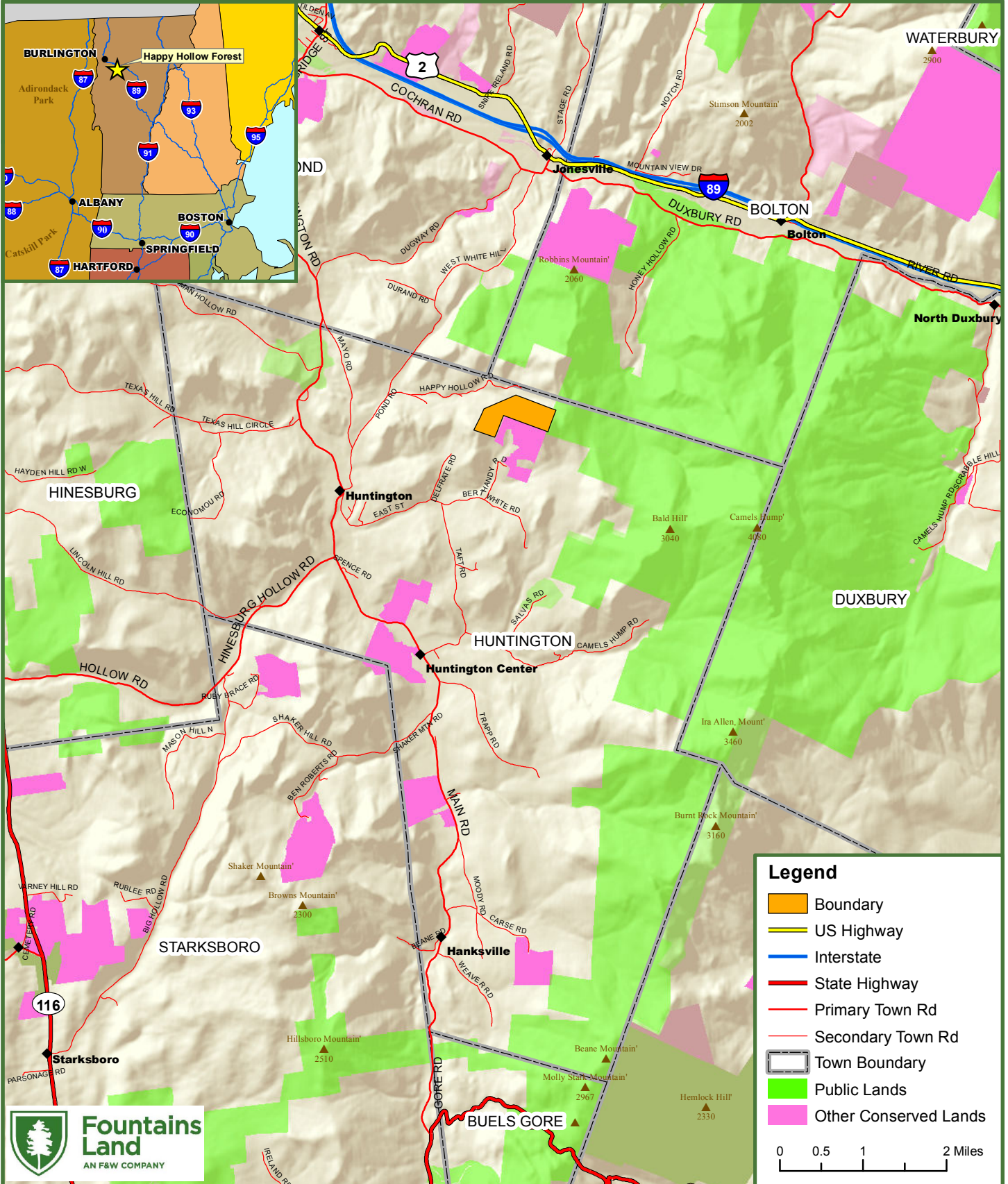


Locus Map

Happy Hollow Forest

165.5 GIS Acres

Huntington, Chittenden County, Vermont





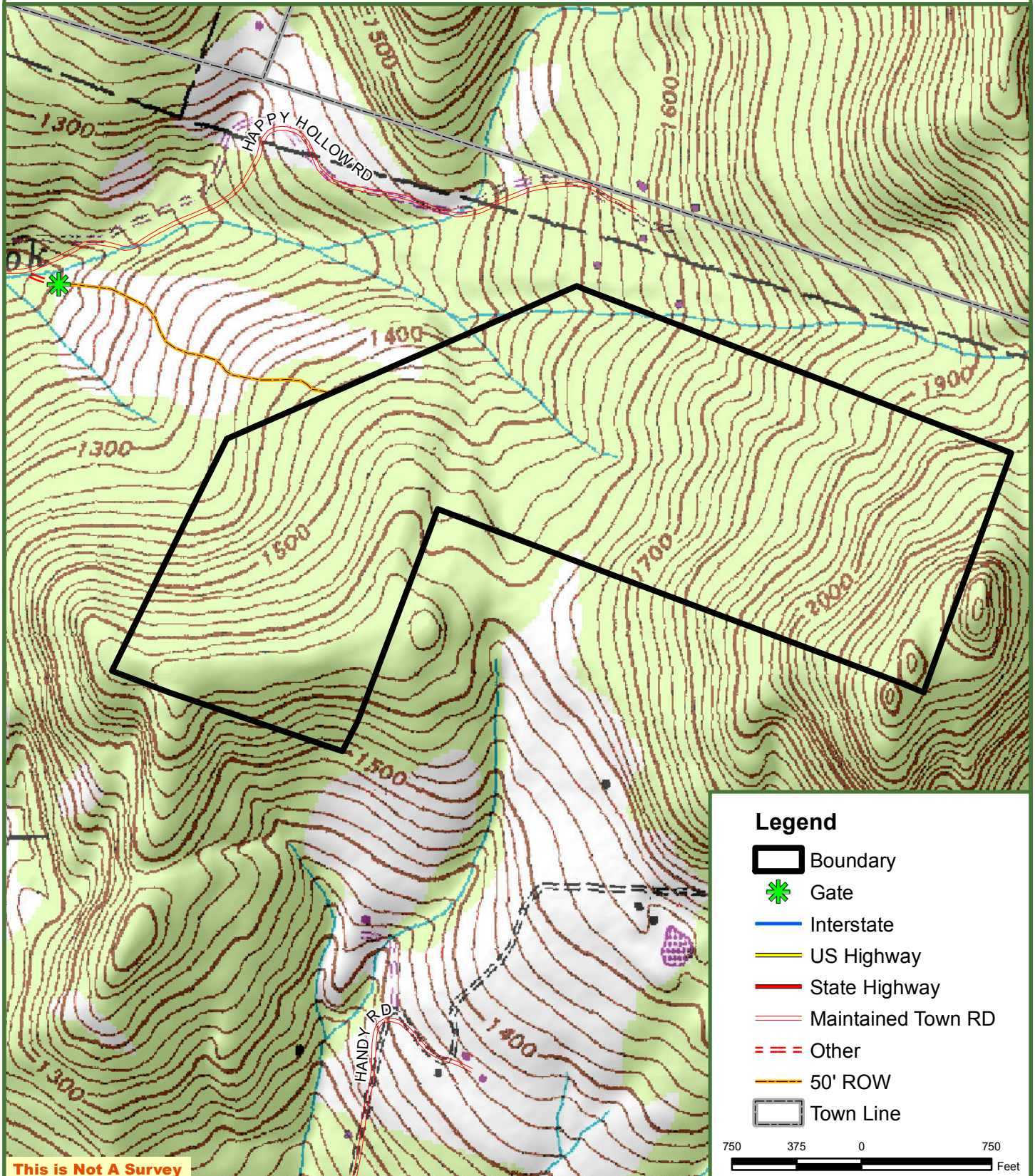
Happy Hollow Forest

165.5 GIS Acres

Huntington, Chittenden County, VT



**Fountains
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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.



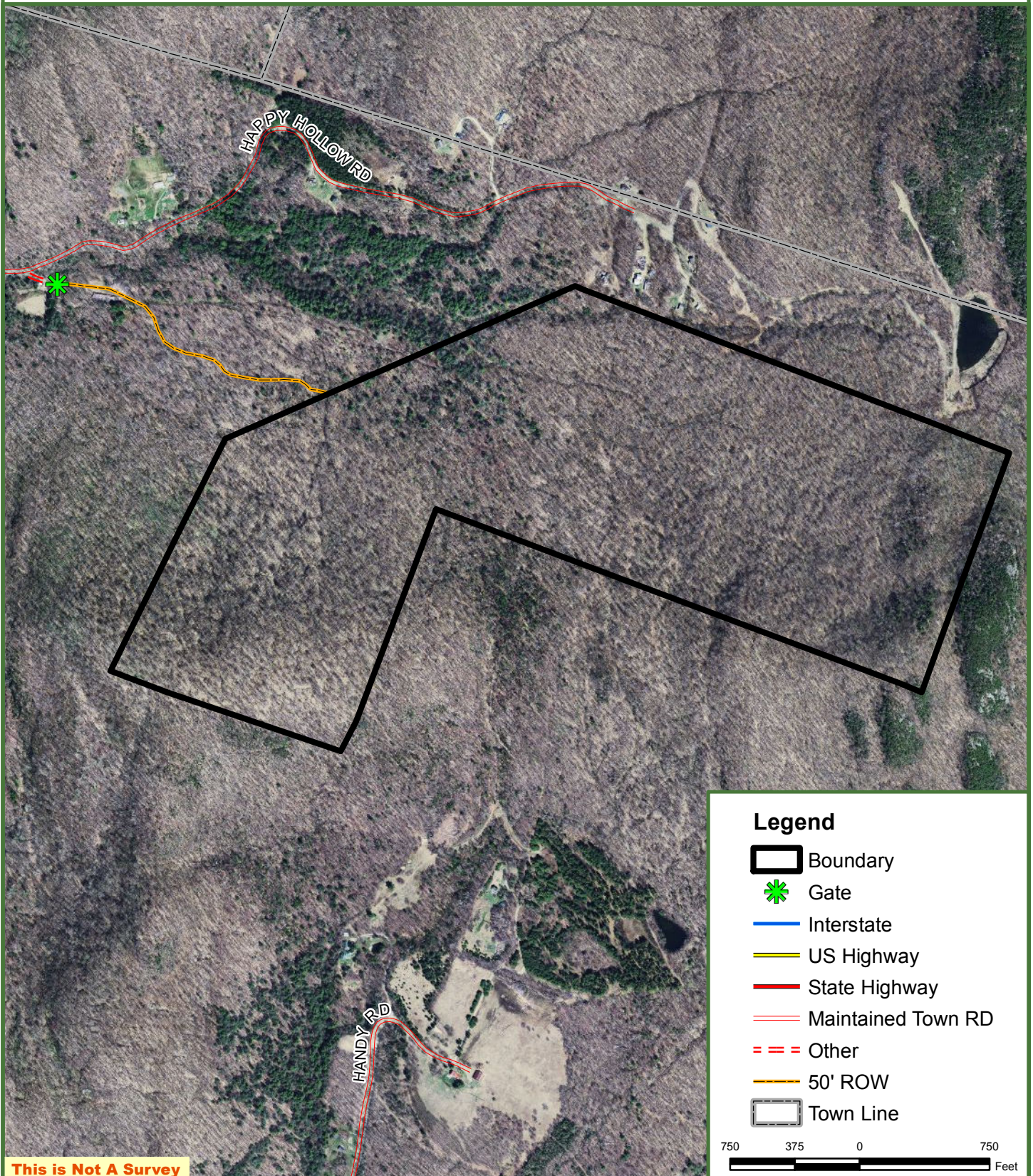
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Vermont Real Estate Commission Mandatory Consumer Disclosure



[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