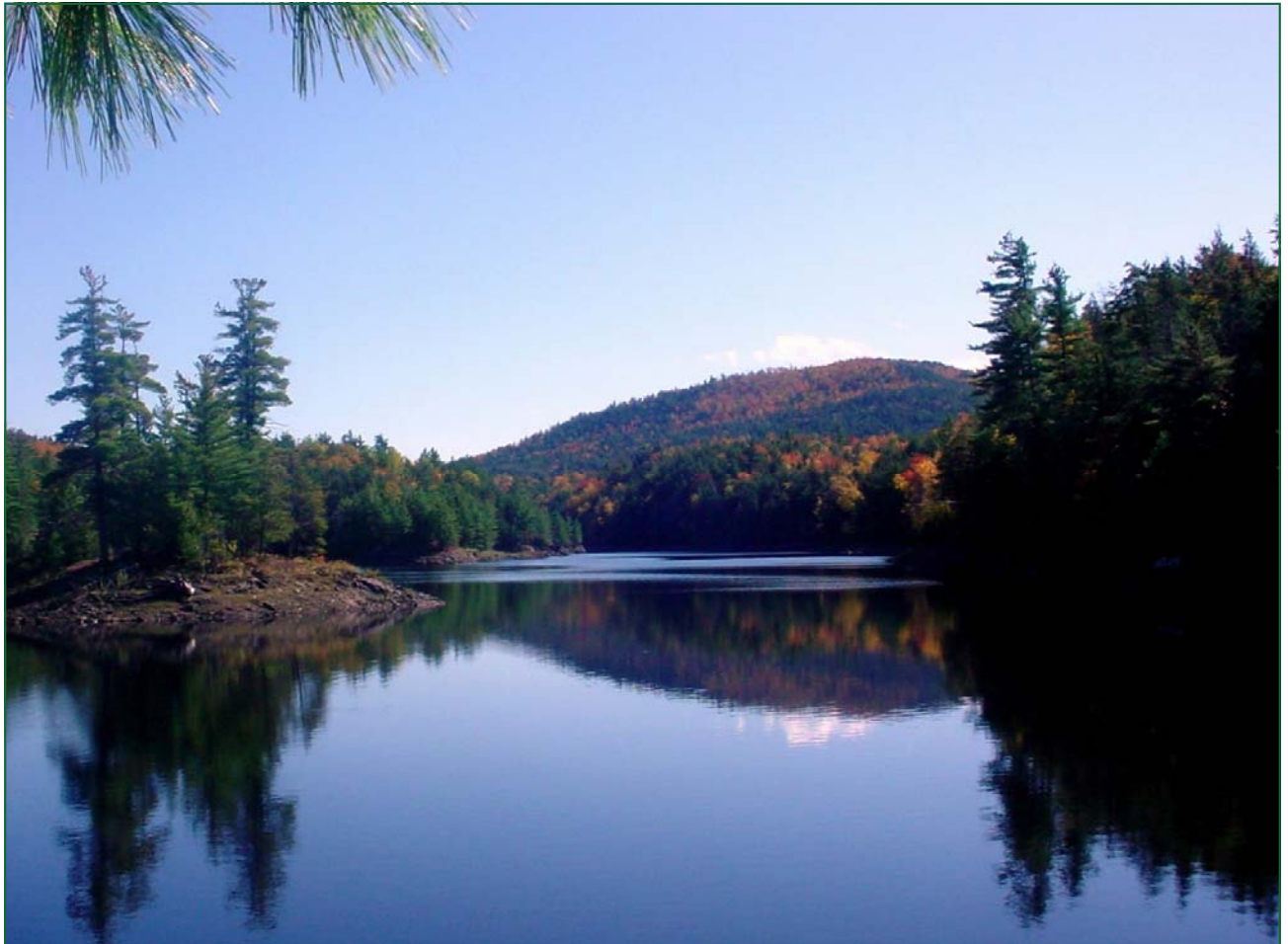


fountains

TUB MILL POND

**A wilderness Adirondack lake property featuring
2.6 miles of private shoreline, developed access,
and exceptional waterfront vistas.**



**1,206 Survey Acres
Moriah, Essex County, New York**

Price: \$1,995,000

LOCATION

Tub Mill Pond is situated in the eastern corner of New York's Adirondack Park, within the town of Moriah in Essex County. This rural, mountainous region is predominantly forested with some small farms located to the east, where the geological influences of nearby Lake Champlain have provided agricultural opportunities along the valley. To the west of the tract, Hammond Pond Wild Forest, which is adjacent to the property, begins the expansive, unfragmented Adirondack Forest Preserve. This significant state forestland asset hosts dozens of remote ponds similar to those on the Tub Mill property, including Eagle's Nest on the property's western edge.

The village of Port Henry is the nearest community, located 5 miles to the east. Set along the western shore of Lake Champlain, the area was settled in 1785 and developed quickly due to its juxtaposition of abundant natural resources and transportation (first by lake and later by rail). Nineteenth century industries, such as lumbering, iron ore mining, and grist milling flourished well into the 20th century. Today, the town is a small, working-class community with a mix of municipal employment and service-oriented businesses.

Situated within a 20-minute drive of the Adirondack Northway (Interstate 87), the property is easily accessible from major population centers throughout the northeast. To the south, New York City is a 4.5-hour drive and Albany is a 1.5-hour drive. Montreal is 2.5 hours north and Burlington, Vermont's largest city, is 1 hour to the northeast.



The property is situated in a mountainous region with valley lands, Lake Champlain and Vermont's Green Mountains in the distance. Big Lock Pond is seen in the foreground.

ACCESS/BOUNDARIES

The property contains nearly 4,500' of frontage along Route 4 (Ensign Pond Road), a paved, county road that links the village of Port Henry with I-87 to the west. This road enters the Adirondack State Forest Preserve just west of the property and vehicular traffic is minimal near the land. The road frontage provides several driveway opportunities among areas of moderate-to-steep slopes and rock outcroppings. Electric power and telephone service exist at the property's northeastern corner.

As depicted on the accompanying maps, a gated internal access road (originating from Route 4) provides excellent access to Tub Mill Pond. This mile-long road traverses undulating terrain on gentle to moderate slopes before ending at Tub Mill Pond's northern shore. A short spur road then extends in a southerly direction ending at a boat launch. Suitable for SUV-type vehicles, this internal road provides access to one of the most spectacular vistas and potential home sites on the property.



Route 4 frontage provides access and several possible driveway sites.

Beyond the internal road, several foot trails provide access to Rockport, Upper Feeder and Big Lock Ponds as well as Eagles Nest Pond (located on state land adjacent to the property).

ACCESS/BOUNDARIES (continued)

The main portion of the property (1,184 acres) was surveyed in 1999 by Martin B. Thompson, Licensed Surveyor of Paradox, New York. Thompson also conducted a survey in 1983 on the adjacent 22-acre parcel that the ownership purchased in 2003. Boundary line conditions are a mix of old blazes and paint. The southwestern boundary shares a common line with the State of New York and is marked by yellow boundary paint. The northwestern, eastern and southeastern boundaries are adjacent to private landowners and marked by blue boundary paint that will require maintenance in the near future.

The estimate of 1,206 acres for the property, as well as maps in this report, are based on surveyed acreage, which matches deed and county acreages. Although the maps provided in this report are believed to be reasonably accurate, buyers should not rely on these maps to precisely portray deeded boundary lines in the field.

SITE DESCRIPTION

Tub Mill Pond boasts many of the attributes central to a great property: private water resources, exceptional aesthetics, significant acreage, and adjacent forest preserve. The property's centerpiece is the 57-acre Tub Mill Pond, a compelling, transparent lake located at the property's center. Tub Mill Pond is a scenic beauty offering spectacular mountain vistas, unbroken forested shoreline and granite outcrops sliding to the water's edge. Its high water quality provides a superior swimming opportunity while the lake's large size permits power boating. Elongated in shape, Tub Mill's distance (north to south) is nearly $\frac{3}{4}$ of a mile in length, adequate distance for float plane departures. Four small islands compliment the lake's scenic integrity. Lake depth is reportedly 15-20' with resident rainbow trout and brown bullhead.

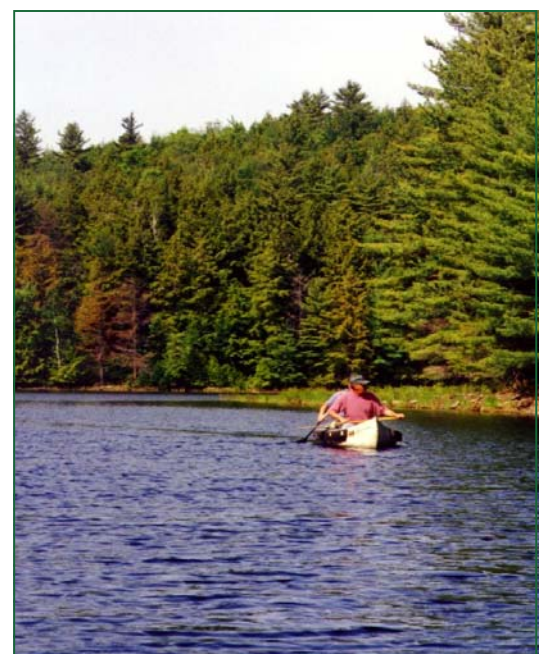
A level bluff with southerly exposure at the lake's northern end offers an ideal home site, providing long views up the lake. Several other bluffs nearby provide additional level building sites, furthering development opportunities.



The northern end of Tub Mill Pond looking to the south.



Tub Mill Pond offers exceptional recreation and aesthetics as well as prime house sites. Several islands offer prime destinations by paddle or motor boats.



SITE DESCRIPTION (continued)

The property's outstanding recreational and scenic attributes are enhanced by several water bodies in addition to Tub Mill Pond. Jutting out to the east, Smith Pond (6 acres) is a narrow appendage of Tub Mill Pond. Its shallow waters provide habitat for a diverse mix of water fowl and amphibian species. Rockport Pond to the south of Tub Mill sits at a higher elevation and has mostly shallow water given its dam control valve is not currently operable. The water level of this pond fluctuates seasonally depending on the level of beaver activity. As Rockport drains into Tub Mill Pond, a scenic water fall cascades along granite rocks, forming a small stream before entering into the southern tip of Tub Mill.



Rockport Pond levels fluctuate seasonally and with variations in beaver activity.

South of Rockport Pond, Upper Feeder Pond (currently 5-6 acres) lies half on the property and is suitable for canoeing and nature watching. Finally, the 7-acre Big Lock Pond lies west of Rockport and offers some of the best mountain scenery on the property, including Lock Mountain to the south and sheer granite cliffs to the west. After a long hike to this area, Big Lock is a great place to swim and fish.

Taking a wider perspective, the property and its five ponds are flanked by a series of mountains and ridges (up to 2,500' in elevation) including Harris Hill, Lock Mountain, and Bald Peak. These high points create a multi-branched valley on the property with the ponds nestled in its nooks and crannies. Elevation for the property ranges from 980' above sea level (ASL) along Route 4 to 1,830' ASL in the southwest corner of the land. Soil quality ranges widely but can generally be described as well-drained, upland soils. Topography is highly undulating, containing moderate to occasionally steep slopes, with many ridges, valleys, and rock outcrops.



Smith Pond (left) and Upper Feeder Pond (right)

TIMBER

The property's exceptional water resources are complemented by a richly diverse northern-forest ecosystem, which enhances the wilderness retreat opportunity. Major tree species include white and red pine, the maples, birches, and hemlock. Dominated by multi-aged softwood stands, the forest provides simultaneous benefits for wildlife, recreation, and forest management objectives. Near the lake, cathedral pines and hemlocks shelter undeveloped shorelines, providing a scenic backdrop and creating ideal walking conditions. Elsewhere, dense conifer stands provide excellent cover, critical winter habitat for white-tailed deer, while the younger softwood areas benefit the winter snowshoe hare population.

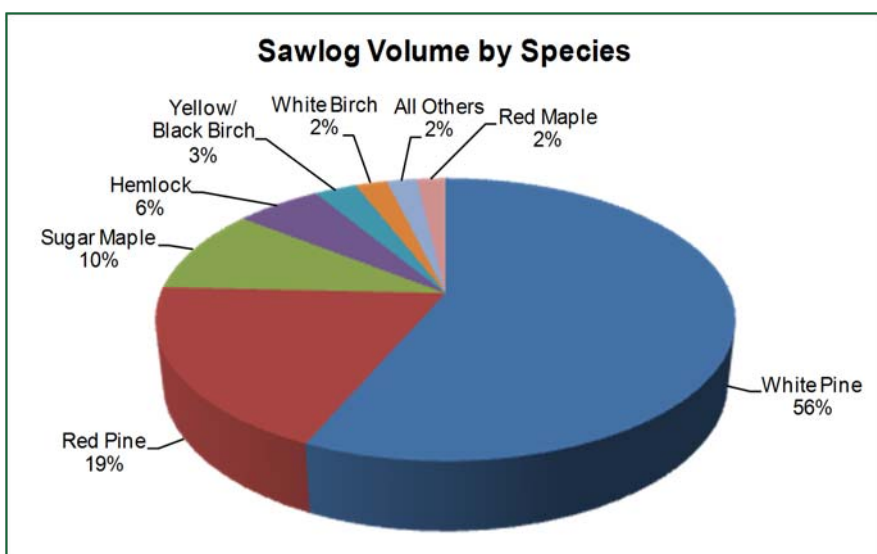
Complementing these strong ecological attributes is a timber resource that is well positioned for value appreciation over the coming decade. With an attractive species mix, adequate stocking levels, and favorable diameter class distribution, the timber amenity represents a notable component of value to the next ownership.

Current stand stocking levels range from 60-80 square feet of basal area (medium stocking) in thinned pole-sized stands to 110-140 square feet of basal area in fully-stocked, mixed-wood stands. Overall estimated volumes tract-wide are 4.2 MBF/acre for sawlogs and 11.6 cords/acre for pulpwood products, resulting in an overall stocking level of 20 cords/acre for all products combined. White pine represents an estimated 40% of the tract's total sawlog volume, with hemlock at 21% and sugar maple representing 8%. In terms of total value, white pine leads the way at 42% of total value, with sugar maple at 23% and hemlock representing 6%. A forest type map identifying stand locations, acreage and basal area stocking is available in the Fountains website data room (see page 7 of this report for more information on the data room).

Most of the forest stands are 65-75 years in age, containing pole-sized to small sawlog-sized stems, which display overall good vigor, form and crown health. Roughly one-third of the property experienced active forest management from the mid-1990s to 2002, with the latest silvicultural thinning occurring in 2010 in stands 1, 6 and 8 (201 acres, collectively). Within the tract's current 480-A Forest Management Plan, ongoing thinning activities are scheduled over the next 2-3 years in 350 acres of mixed hemlock-hardwood stands in the southeast corner of the land. This near-term harvest potential provides modest revenue opportunity early in the investment cycle to cover holding costs while also improving recreational trail access to this vicinity and bolstering long-term forest productivity.

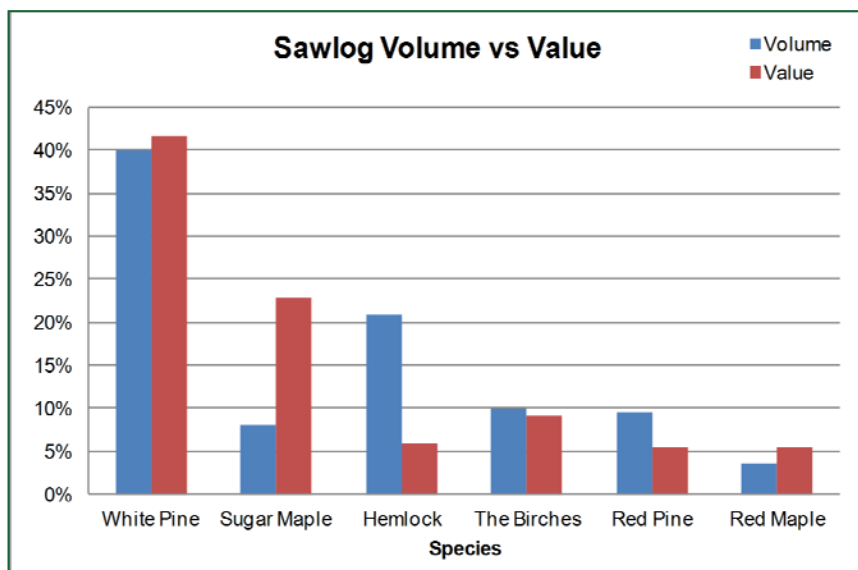


Majestic pines and hemlocks along the water's edge.



TIMBER (continued)

A timber inventory for the purpose of forest management planning was conducted by Fountain Forestry in February 2003 using random point sampling with 114 BAF 10 factor points taken. No statistics are available for this cruise. Volumes from this data have been adjusted for growth using 2.5%/year for sawlogs and 1%/year for pulpwood products. From this data, current stumpage values were applied producing a **ROUGH** Capital Timber Value (CTV) of \$718,400, or \$596/acre. These values are summarized in the attached Timber Valuation. As this data is based on an inventory not intended for timber valuation, investors are advised to consult with a professional forester who understands inventory and valuation issues.



PROPERTY TAXES AND TITLE

Total property taxes in 2013 were \$10,331.54 (\$4,626.88-town/county, \$5,704.66-school). Most of the property **IS ENROLLED** under the State of New York's 480-A tax program. Of the total acreage, 1,063 acres is currently classified as eligible for the program, with the unenrolled acreage including two potential building sites (a 3-acre envelope adjacent to Route 4 and a 6-acre envelope on the north shore of Tub Mill Pond), wetlands, water, and inaccessible terrain. For a copy of the 480A plan or more information about the program, contact Fountains Land at 518-668-5880.

Waterfall between Rockport and Tub Mill Pond (left) and rocky outcrops along the shore of Tub Mill Pond (right).



DAM INFORMATION

A recently upgraded, modern concrete dam is located at the outlet of Tub Mill Pond near the northwestern corner of the lake. Originally built several decades ago by the then power company owner, this structure extends for 50-60 feet and is 25 feet in height. The current ownership has invested significant capital into modernizing this dam to preserve the integrity of the property's exceptional lake resource and to control the water level for swimming, boating and fishing. Following the recommendations of the New York Department of Environmental Conservation (DEC) Bureau of Division of Water and Dams, the structure was completely overhauled in 2013 by a local engineering firm and the pond's 'fill up' is scheduled for spring 2014. Capital improvements include an entirely new concrete face, spillway, apron, control valve, catwalk and drain system.



Recent improvements to the Tub Mill Pond Dam ensure the integrity of the pond for the new ownership.

Internal road improvements around the dam area of the pond have been enhanced in the reconstruction process as well. A new bridge spanning the outlet stream allows for vehicle access, which could be used in the future to serve as a driveway to a waterfront home site or to support recreational or forest management activities in this part of the property.

Two additional dams are located on the property, one on Rockport Pond and the other on Upper Feeder Pond. The Rockport Pond dam is similar in size to the original Tub Mill Dam; however, it has not held back water on this pond for several years. The Upper Feeder Pond dam is a small concrete structure which appears to consistently maintain its water level. No recent DEC inspections have been completed on either of these dams.



Rockport Pond Dam.

For more information on the property's dams, visit the Fountains website data room by selecting "Tub Mill Pond" and then entering the password **biglock**. The data room also contains copies of deeds, timber inventory data, the 480a management plan, shape files and other relevant data.

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

TUB MILL POND

Capital Timber Valuation

Prepared By

FOUNTAINS LAND, INC.

Town of Moriah, Essex County, State of New York
 Date: October 2013

1,206 Acres
 1,063 Commercial Acres

Species	Volume MBF/CD	Unit Price Range			Total Value
		Low	High	Likely	Likely
Sawtimber - MBF					
White Pine	2,016	80.00	120.00	110.00	221,700
Sugar Maple	406	250.00	350.00	325.00	131,800
White Birch	498	60.00	90.00	80.00	39,800
Hemlock	1,087	25.00	30.00	30.00	32,600
Red Pine	432	50.00	80.00	60.00	25,900
Red Maple	68	130.00	180.00	150.00	10,200
Red Oak	202	250.00	325.00	300.00	60,700
Spruce/Fir	176	80.00	120.00	100.00	17,600
Yellow/Black Birch	83	200.00	250.00	235.00	19,500
White Ash	67	125.00	175.00	150.00	10,100
Basswood	32	50.00	80.00	70.00	2,200
Beech	16	25.00	30.00	25.00	400
Aspen	18	30.00	50.00	35.00	600
Cedar	8	15.00	20.00	20.00	200
Pulpwood - Cords					
Hardwood	5,159	8.00	12.00	10.00	51,600
Hemlock	6,579	8.00	14.00	12.00	78,900
Pine	1,313	4.00	6.00	5.00	6,600
Aspen	615	8.00	12.00	10.00	6,200
Spruce/Fir	358	4.00	6.00	5.00	1,800

Totals					
Sawtimber Total	5,107	MBF			\$573,300
Sawtimber Per Acre	4.235	MBF			\$475
Sawtimber Per Comm. Acre	4.804	MBF			\$539
Cordwood Total	14,025	Cords			\$145,100
Cordwood Per Acre	11.6	Cords			\$120
Cordwood Per Comm. Acre	13.2	Cords			\$137
Total Per Acre					\$596

Total Value	<u>Low</u>	<u>High</u>	<u>Likely</u>
	\$547,900	\$802,900	\$718,400

BASED ON A FEBRUARY 2003 NGT PLAN INVENTORY CRUISE BY FOUNTAIN FORESTRY USING 114 RANDOM POINT SAMPLES - NO STATS ARE AVAILABLE

These volumes are based upon an inventory not intended for timber valuation

Buyers who are not knowledgeable about inventory and valuation issues should consult with an independent expert

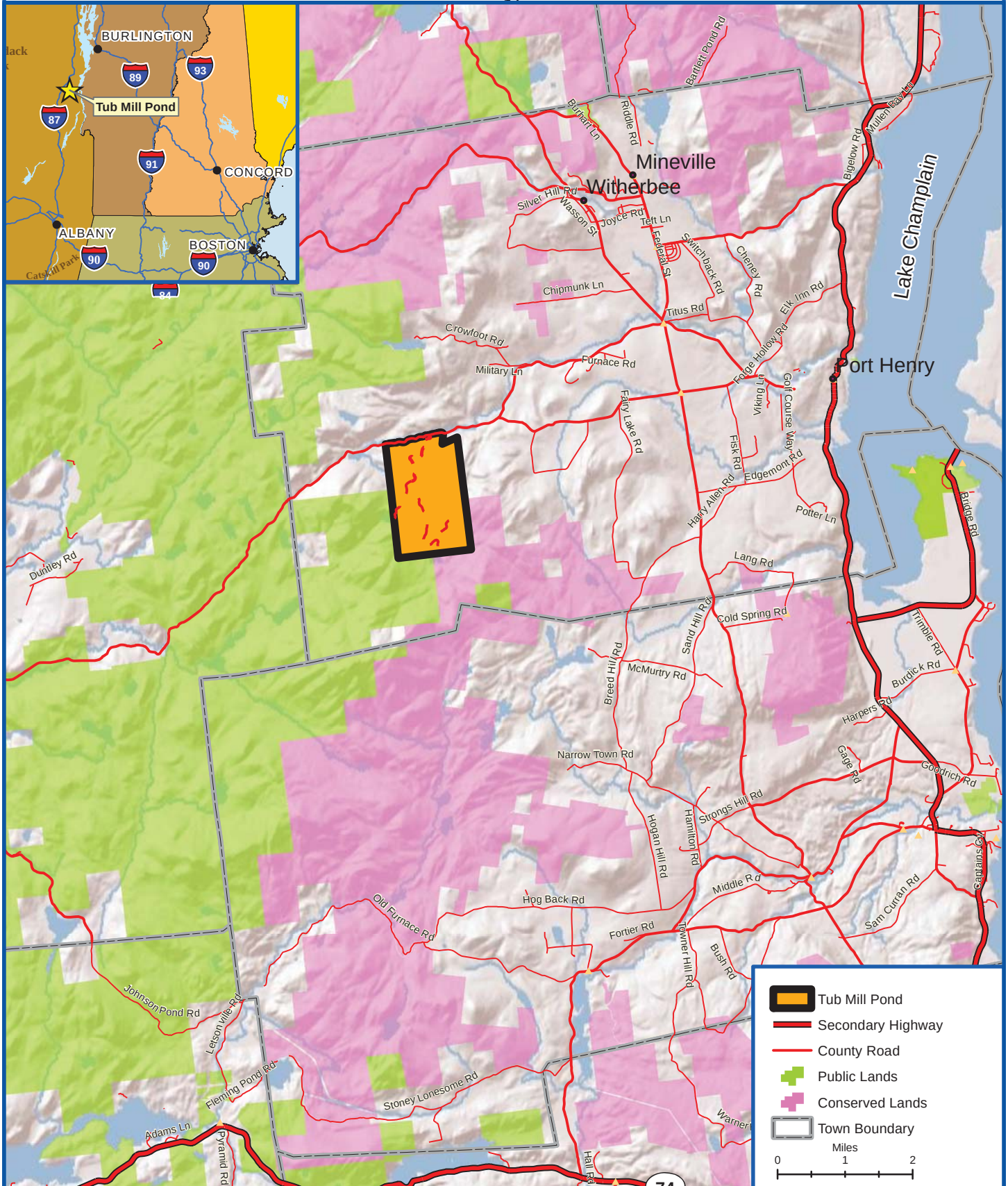
The volumes and values reflect estimated total capital value of merchantable timber

Volumes have been adjusted growth since 2003 by Fountains Real Estate utilizing 2.5% for sawtimber and 1% growth for pulpwood

The volumes and values are not a liquidation value.

Stumpage prices are net averages for the area and reflect access, quality and operability of the site. Prices can vary depending on market variations.

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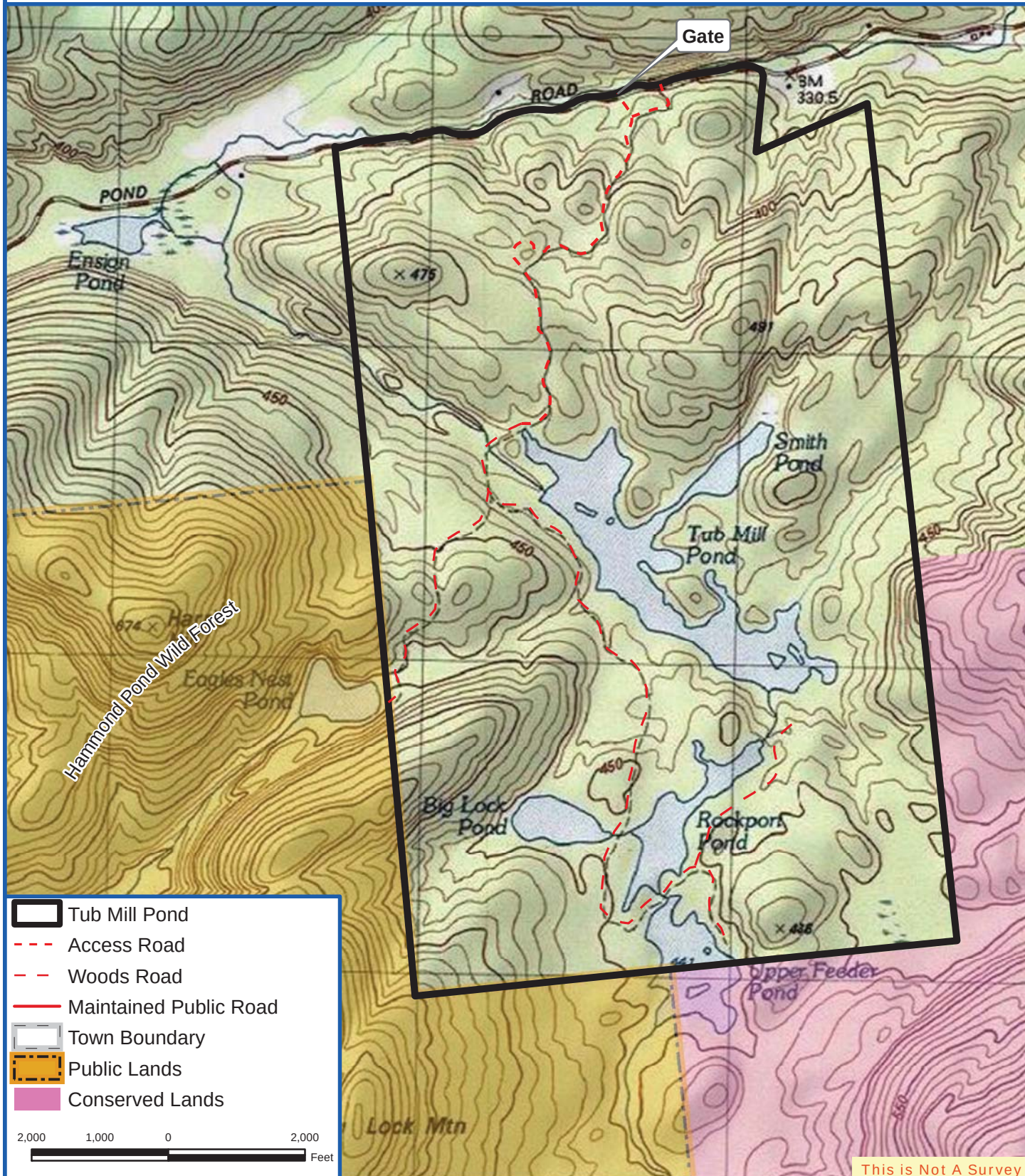




Tub Mill Pond

1,206 Deed Acres
Essex County, New York

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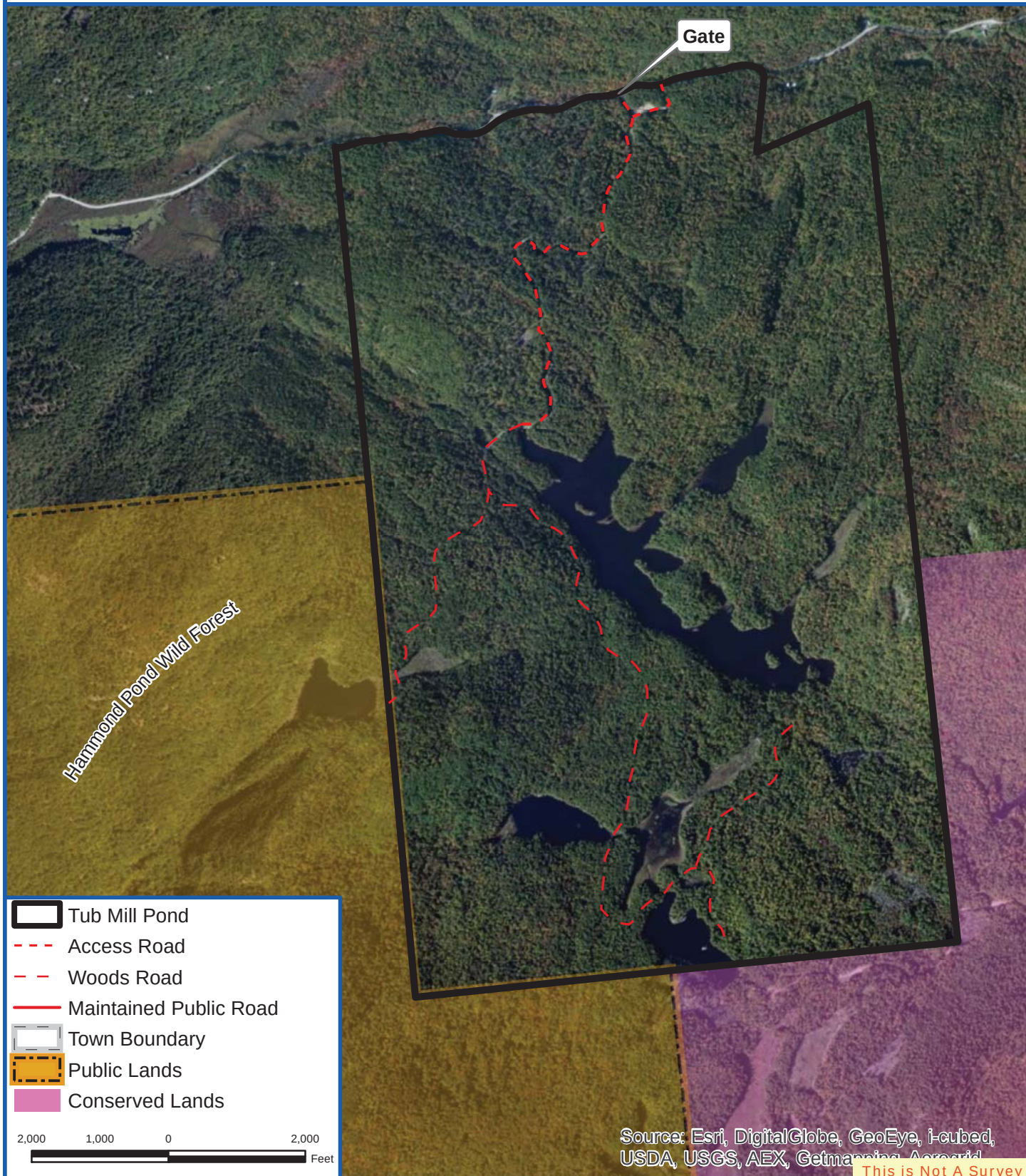
Map produced from the best available information including town tax maps, hand held GPS data, aerial photography and reference information obtained from NYS GIS Clearinghouse. Boundary lines portrayed on this map are approximate and could be different than the actual location of boundaries found in the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



Tub Mill Pond

1,206 Deed Acres
Essex County, New York

fountains



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



New York State
DEPARTMENT OF STATE
Division of Licensing Services
P.O. Box 22001
Albany, NY 12201-2001

Customer Service: (518) 474-4429
Fax: (518) 473-6648
Web site: www.dos.state.ny.us

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: _____