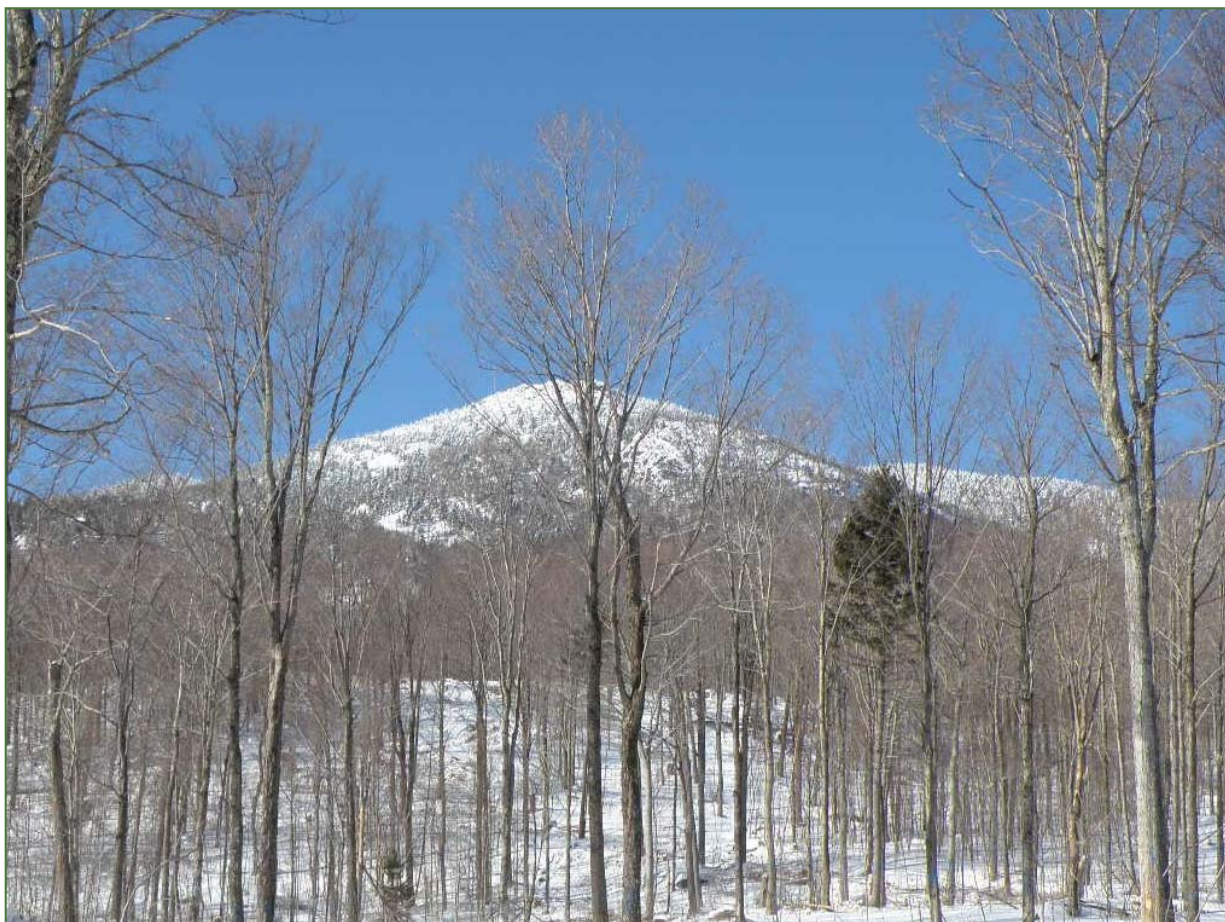


BURNT MOUNTAIN FOREST

Part of a scenic and well-known landscape associated with Vermont's Putnam State Forest and Mount Hunger, the property uniquely brings together timber production, recreation and homesteading opportunities.



763 GIS Acres
Middlesex, Washington County, Vermont

New Price: ~~\$1,144,500~~ \$890,000

PROPERTY OVERVIEW

The 763-acre Burnt Mountain Forest offers several notable attributes:

- Shares 2.7 miles of boundary with the 13,600-acre Putnam State Forest;
- Includes the top of Burnt Mountain, one of three scenic peaks making up the Mount Hunger Ridgeline;
- Gated internal road, penetrating deeply into the forest, from which sweeping views of Mount Hunger unfold;
- Located 10 miles from Montpelier, an economically and culturally vibrant community and Vermont's capital city;
- Timber value estimated at \$553,600 with 29,000± potential maple taps.

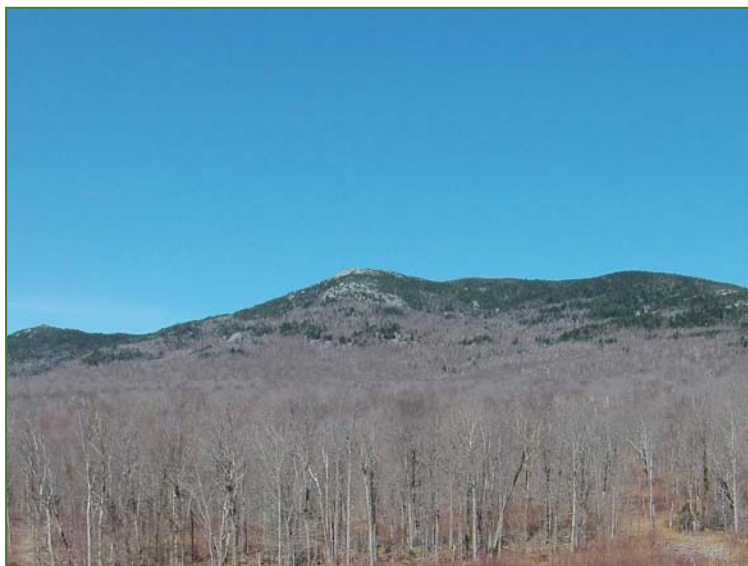
The adjacent 1,003-acre Patterson Brook Tract is also for sale by the same ownership. See maps at the end of this report for location and the broker's website for a property report.

The property has been managed for decades as a working forest, most recently under Forest Stewardship Council (FSC) guidelines, growing quality northern hardwoods and providing a host of diverse forest products to regional markets. While forest management has been the primary goal for the current and former ownerships, left untapped are the land's recreational and homestead amenities offered by its unique site features and location.

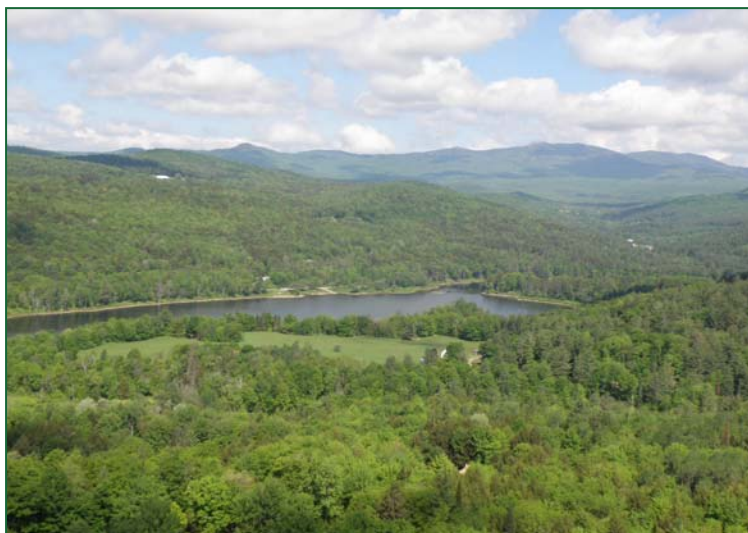
LOCATION

Burnt Mountain Forest lies on the eastern flanks of the Worcester Range in Middlesex, Vermont, in the north-central part of the state. The Worcester Range runs north-south, just east of and parallel to the Green Mountain Range. It is a popular day hiking area from both the eastern and western approaches, with most climbers heading for the semi-alpine peak of Hunger Mountain. From here, there are expansive views from the New York Adirondack Mountains to the New Hampshire White Mountains, and of the Subject property. Wrightsville Reservoir, a 190-acre impoundment of the North Branch of the Winooski River, lies in the valley to the east of the range and offers a boat launch, picnic areas (some with shelters) and a swimming beach.

Middlesex is primarily a bedroom community for Montpelier, Barre, Waterbury and larger employers in the Burlington region. The hilly town is defined by the north-south Route 12 corridor that runs along its eastern border and the east-west Route 2 corridor along its southern border. Much of the town is forested, with homes dotting the back roads and a few farms along the Winooski River and scattered in the hills. The center of town lies on Route 2, where there is a popular local bakery, a few small shops and the exit 9 interchange on Interstate 89.



From right to left, Mount Hunger, White Rocks and Burnt Mountain. Hunger and White Rocks are popular hiking destinations in the Worcester Range.



Wrightsville Reservoir in the foreground with the Worcester Range (and the property on its flanks) visible in the background.

LOCATION (continued)

Downtown Montpelier, located 10 miles to the south, is the hub of the region and offers numerous shops and restaurants, a lively cultural scene, several colleges, state government and an array of employers. Outdoor recreation is a popular pastime with numerous hiking and biking trails throughout the region, a cross-country ski area, various ponds and lakes for fishing and boating and 4 alpine ski areas within an hour's drive. Burlington, the state's largest city, is a 45-minute drive to the northwest. Boston is 3 hours southeast of the property and New York City is 5.5 hours to the southwest.

ACCESS

Access is gained from North Bear Swamp Road, with the property's boundary located 1,280' from the town-maintained section of this road. From this boundary point, nearly 2,000' of property frontage runs along this Class IV road, which also provides access to the small parking area for the Middlesex Mount Hunger Trailhead.

Just before the trailhead parking area, the property's internal road turns off the town road, running deeply into the forest for 1.2 miles (see maps for location). This gated, internal road is well-maintained, graveled, and suitable for most vehicle types.

The lower section of the internal road is also part of the hiking trail to Mount Hunger (known as Carriage Path Road), spanning a section from the trailhead to the point where the trail turns onto state land (see maps for trail location). The public's right to use the lower section of the road as a hiking trail has been recorded in a deed with the State of Vermont as Grantee. Other rights-of-way are indicated on the property maps.

TAX & TITLE INFORMATION

Property taxes in 2016 are \$1,853. The property is enrolled in the State of Vermont's Use Value Appraisal (UVA) program. The UVA program allows for a substantial property tax reduction in exchange for the practice of "good" silviculture and a commitment to non-development uses. A penalty is due to the town (equivalent to 10% of the fair market value of the withdrawn land, as assessed by the town as a stand-alone parcel) at the time development occurs for only the acreage enrolled and developed.

The property is identified as Parcel 00007-016.000 in the Town of Middlesex. The property is owned by Timbervest Partners II ADK Green Mountain, LLC, whose deed is recorded in the town clerk's office in Book 90, Page 741. The parcel is zoned Conservation, where minimum lot size is 10 acres per dwelling.



The capital city of Montpelier offers employment, shopping, dining and a vibrant cultural scene just 10 miles from the property.



Above: The Mount Hunger trailhead along North Bear Swamp Road is adjacent to the property.

Below: North Bear Swamp Road with Mount Hunger in the distance.



SITE DESCRIPTION

Variation in terrain creates two distinct geographical segments of the forest: the steeper, western half which rises to Burnt Mountain, and the more gently-sloped eastern section with its easily accessible terrain. While forest management serves as a common historical use, the unique features of each area will define future land use opportunities.

The forest's western section faces east with terrain rising steadily from east to west, culminating at Burnt Mountain (elevation 2,722'). Burnt is one of nine named peaks that stretch along the 16-mile Worcester Mountain Range. Densmore Mountain is to the south of Burnt and White Rock and Mount Hunger are just to the north. All four peaks rise over the forest, creating a scenic backdrop and expanded recreational opportunity. A mountain stream runs through this section of the forest from its headwaters at Burnt Mountain. There are several seasonal falls along the flow to the open-water beaver bog situated along the road frontage. Some of the best views of the range above can be enjoyed from this wetland.

Terrain for the eastern section of the forest generally rises south to north, providing a southerly aspect over mostly gentle slopes. Much of this terrain is east of the internal road and easily accessible, with elevations between 1,700'-2,000'. From this section, there are attractive views of the mountains and the more settled land towards Montpelier to the south. The property's second mountain stream bisects this area as it flows off White Rock.

The property's southeastern area (closer to the road frontage) provides level homestead opportunity and relatively close proximity to town road services and power. Evidence of former agricultural uses survive here, proving good opportunity for meadow conversion.

As an extreme homesteading site, the vast landscape at the end of the internal road provides a compelling, big country location, unparalleled by many spots in Vermont. Here, the scenic Worcester range, less than a mile to the west, sits at the door.

CONSERVATION OPPORTUNITY

Given the land's juxtaposition to the state forest and associated Mount Hunger trail, the opportunity to work with a conservation organization in a conservation easement sale is high, providing various financial and social benefits.

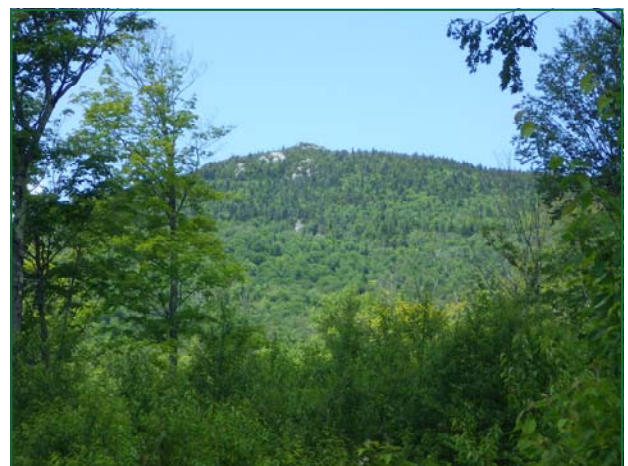
Internal views of Burnt Mountain



One of two streams on the property - this one flowing down from White Rock.



Wetland at the property's road frontage with Mount Hunger and White Rock as backdrop.



TIMBER RESOURCE

The forest has benefited from a long tenure of professional stewardship. A local forester has managed the property for the past 30 years, originally for a German pension fund, followed by a British pension fund. The current owner is a US-based Timber Investment Management Organization (TIMO). The current Capital Timber Value (CTV) accounts for 62% of the purchase price, with the balance realistically covering the bare land value held by the property's multiple-use opportunities (housing, conservation, recreation, etc). Given historical physical growth, ingrowth and stumpage price appreciation figures, within 12 years the CTV should comfortably cover the full purchase price.

Timber Inventory Process

Timber information provided in this report is based on a summer 2015 timber inventory for which 137 random BAF 10 factor points were taken. The TwoDog forest inventory processing software was used to calculate volumes from the inventory data (based upon 692 GIS map acres). Growth for 2015 and 2016 was added, producing a total sawlog volume of 2,749 MBF International ¼" scale (4.0 MBF/commercial acre) with 9,157 pulpwood cords (13.2 cords/commercial acre). This inventory process produced a sampling error statistic of $\pm 12.9\%$ for all sawlog and veneer products and $\pm 9.5\%$ for pulpwood products at the 95% confidence interval, a level lying well within industry standards.

Using these data, the broker and forester established stumpage values for the various products by species on the forest, producing a current Capital Timber Value (CTV) of \$553,600. This information is summarized on the Timber Valuation in this report. Full details of the inventory procedure and results are available upon request.

Species Composition

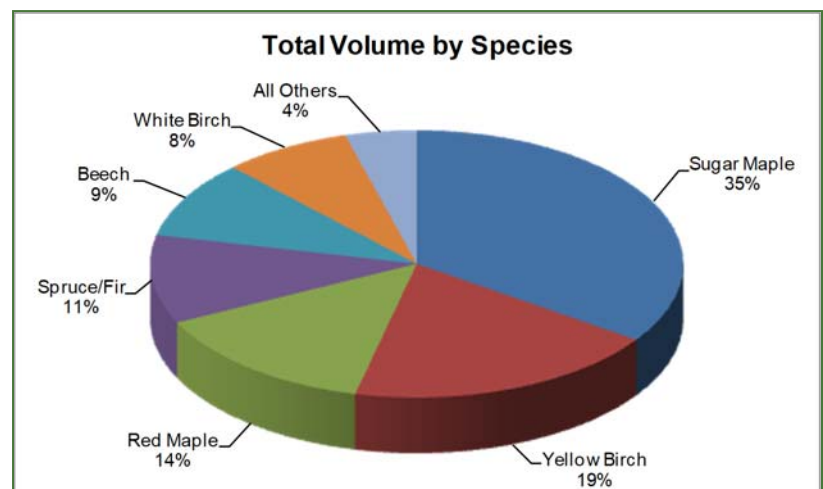
The forest's upland terrain has resulted in a timber resource dominated by northern hardwoods (87% of species composition). The maples are the major species (48%), followed by yellow birch (19%) and spruce/fir (11%).



Dense northern hardwood stand west of the hiking trail (stand 13).



Shelterwood treatment leaving the best quality stems.



TIMBER RESOURCE (continued)

Silvicultural Operations

The property's Current Use management plan has identified 11 forest stands. Over the past 6 years much of the silvicultural activity focused on establishing regeneration through textbook shelterwoods and seedtree treatments covering roughly 140 acres (primarily in stand 11). In these areas, the most superior stems were retained, evenly spaced, with all other stems removed. Within stand 12, thinning occurred on 67 acres along with roughly 8 acres of clear cutting in 2011. Also, stand 16 (25 acres) was thinned. All of these treatment areas clearly show up on the recent photo maps provided in this report. The remaining majority of acreage (450) has not been treated in 15 or more years. The upper reaches of stands 19 and 21 hold stems well in excess of 22" in diameter, trees which are 140+ years in age.



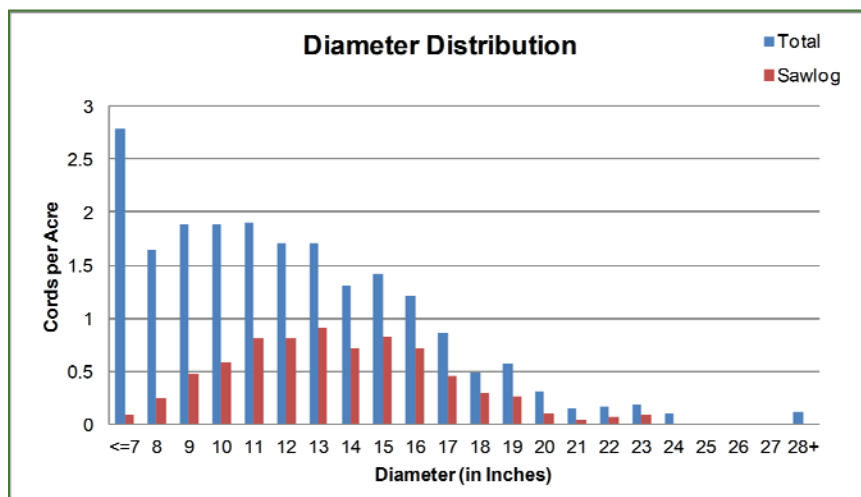
Area cleared in 2011 at the end of the access road . This is a private location, worthy of site improvements.

Sugarbush Opportunity

The property offers a potential sugarbush opportunity, with the timber data indicating roughly 29,000 sugar and red maple taps property-wide (utilizing all stems 9" and greater). Note, however, that this number of taps should be lowered (by as much as 20%) to more accurately reflect an economically feasible sugarbush, based on density and other factors.

Diameter Distribution

Average diameter for all products combined is 11.5", with sawlogs at 13.5". Average diameters for the three major species are sugar maple 13.5", yellow birch 14.0", and red maple 14.5". The diameter distribution chart below portrays the forest's abundant growing stock (saplings/poles - 5-10" stems) which accounts for 40% of total volume.



Most of the hardwood stands consist of a scattered pole and sawtimber overstory with a dense component of advanced regeneration of 3-7" stems.

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.

BURNT MOUNTAIN FOREST

Timber Valuation

Prepared By

F&W FORESTRY SERVICES INCORPORATED

Middlesex, Vermont
July 2017

762 Acres
692 Commercial Acres

Species	Volume MBF/CD	Unit Price Range			Total Value
		Low	High	Likely	Likely
Sawtimber - MBF (International 1/4")					
Sugar Maple	492	325.00	400.00	360.00	177,000
Yellow Birch	327	200.00	275.00	230.00	75,200
Spruce/Fir	520	110.00	150.00	120.00	62,400
Sugar Maple Pallet	489	50.00	100.00	75.00	36,700
Red Maple	227	125.00	160.00	140.00	31,800
Birch Pallet	340	40.00	75.00	60.00	20,400
White Ash	69	175.00	230.00	200.00	13,800
White Birch	82	75.00	110.00	90.00	7,400
Sugar Maple Veneer	7	1,000.00	1,200.00	1,100.00	8,000
Hardwood Pallet	159	25.00	50.00	40.00	6,400
Yellow Birch Veneer	7	600.00	900.00	700.00	4,900
Black Cherry	11	190.00	300.00	225.00	2,400
Hemlock	13	35.00	60.00	45.00	600
Aspen	6	25.00	60.00	40.00	200
Pulpwood - Cords					
Hardwoods	8,579	10.00	15.00	12.00	103,000
Spruce/Fir	536	3.00	8.00	6.00	3,200
Hemlock	29	3.00	8.00	5.00	100
Pine	13	3.00	8.00	5.00	100

Totals					
Sawtimber Total	2,749 MBF				\$447,200
Sawtimber Per Acre	3.607 MBF				\$587
Sawtimber Per Comm. Acre	3.973 MBF				\$646
Cordwood Total	9,157 Cords				\$106,400
Cordwood Per Acre	12.0 Cords				\$140
Cordwood Per Comm. Acre	13.2 Cords				\$154
Total Per Acre					\$726

Total Value	<u>Low</u>	<u>High</u>	<u>Likely</u>
	\$513,000	\$607,000	\$553,600

BASED ON A EARLY SUMMER 2015 INVENTORY CRUISE COMPOSED OF 137 PLOTS BY FOUNTAINS FORESTRY

Original volumes were grown forward two seasons using FIA growth rates for Washington, Lamoille, Windsor & Orange Counties in VT

The inventory resulted in a statistical error of $\pm 12.9\%$ for sawlogs and $\pm 9.5\%$ 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.

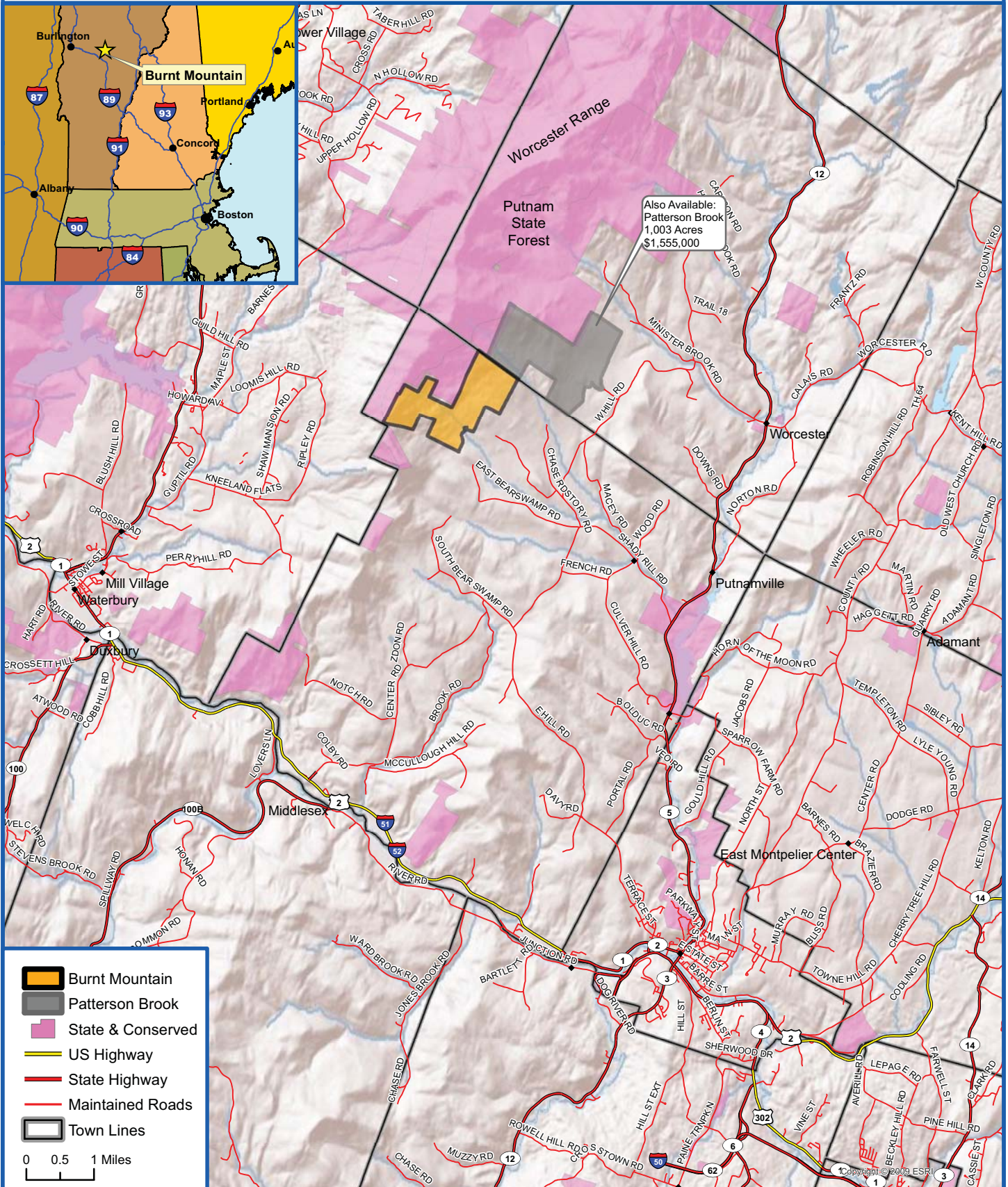
Prices are averages for the area and are adjusted to reflect, access, quality and operability of the site.



Locus Map Burnt Mountain Forest

762 GIS Acres
Middlesex, Vermont

fountains



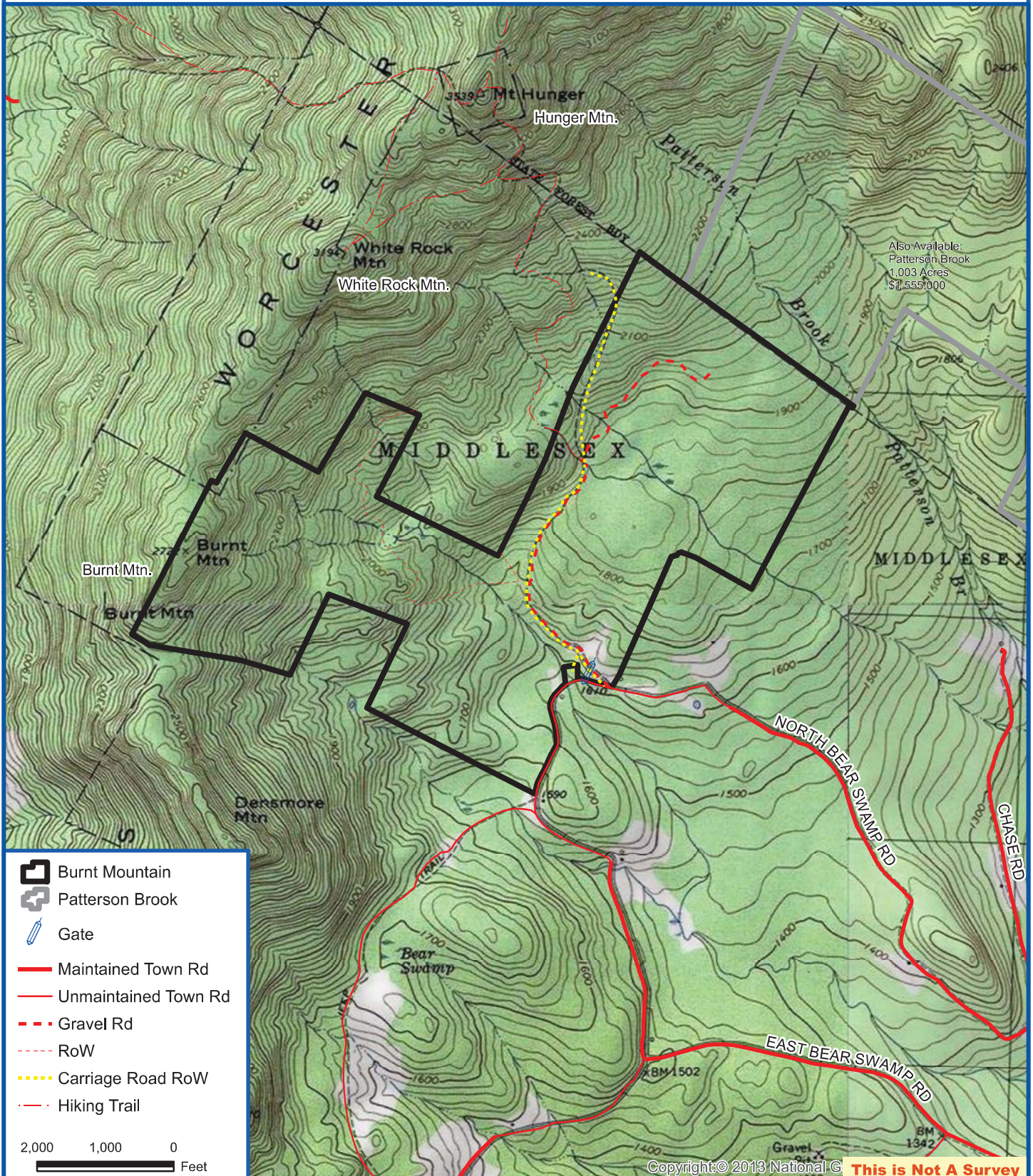


Burnt Mountain Forest

762 GIS Acres

Middlesex, Vermont

fountains



Map produced from the best available information including town tax maps, hand held GPS data, aerial photography and reference information obtained from VVGI, Vermont Land Trust 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.

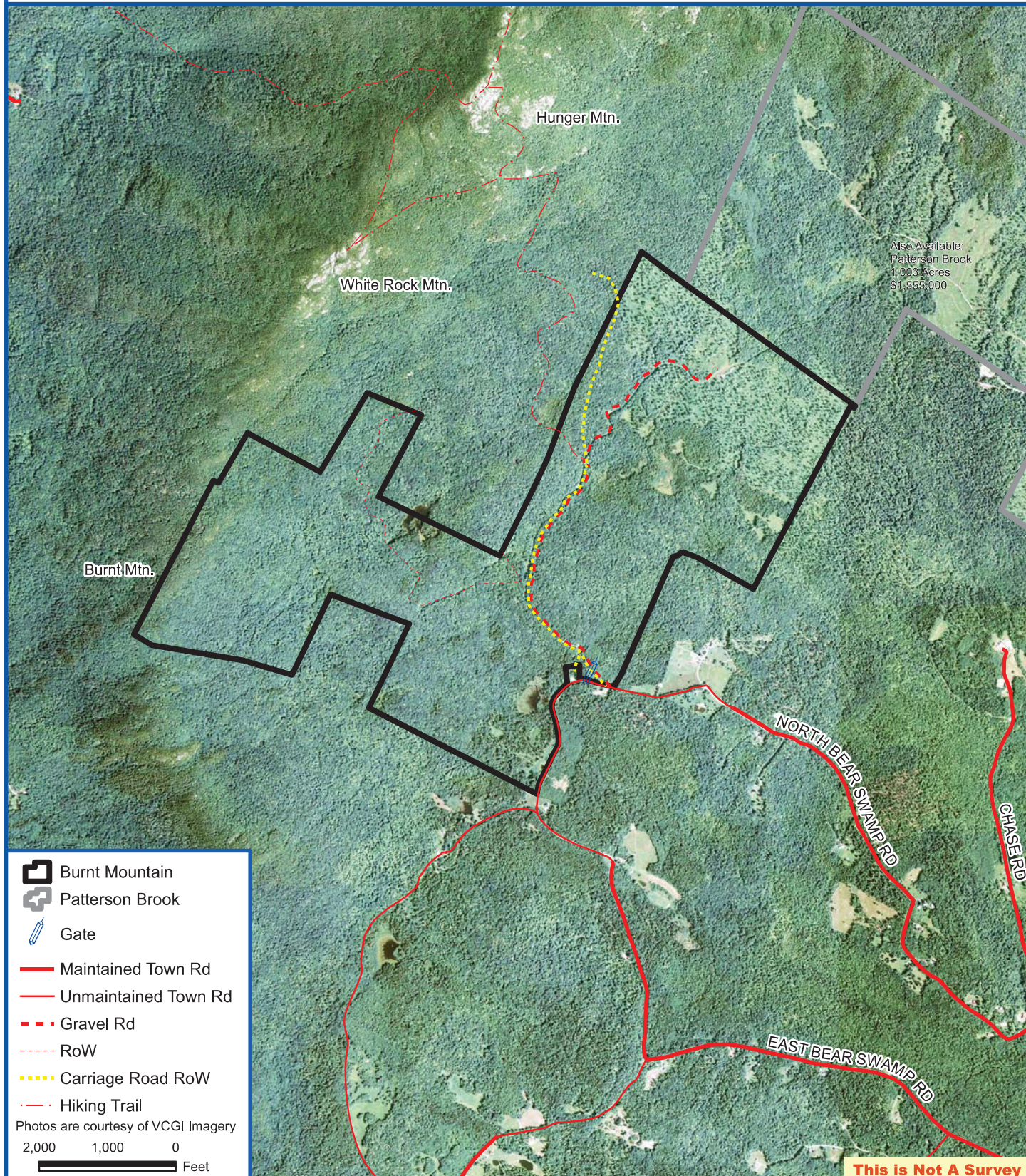


Burnt Mountain Forest

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fountains



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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