

BROAD BROOK FOREST

A central Vermont forest offering maturing hardwood stands, gentle terrain, end-of-the-road access points, nice homestead options and an approved three-lot subdivision.



***588 ± GIS Acres
Royalton, Windsor County, Vermont***

Price: \$693,000

PROPERTY OVERVIEW

Broad Brook Forest is best suited to long-term timber investment. Alternative uses include year-round home construction along any of the access points or conversion of some lands to sugarbush management.

Property highlights:

- Standing timber value of \$584,600, with the asking price set near timber value;
- Two developed access points and overall gentle terrain;
- A three-lot, approved subdivision along Frary Road;
- High-quality maple, yellow birch and ash sawlog component, which is approaching maturity.



The forest is a maturing hardwood sawlog resource growing among younger growing stock, as pictured above.

LOCATION

Broad Brook Forest is located in the southeastern section of Royalton Township. This area is mountainous and largely forested with many town roads sharply twisting along rivers and streams as they pass the occasional homestead. While the property sits in a rural location, South Royalton village is just 3.5 miles to the north. Nestled in a bend along the White River, the village is home to Vermont Law School and has a small, central business district on the outskirts of the college campus.

From South Royalton village, it is just 16 miles to the junction of Interstates 89 and 91 and the White and Connecticut Rivers. Here, several towns join to form the Upper Valley Region. Hartford and Norwich, Vermont, together with Hanover and Lebanon, New Hampshire, are the nucleus of this region. There are national chain retailers in West Lebanon, unique and eclectic shops in Hanover and Norwich, as well as numerous restaurants and hotels throughout the area. Dartmouth College, Dartmouth Hitchcock Medical Center and King Arthur Flour are some of the major employers in the area. The combination of small towns, convenient services, cultural amenities and diverse outdoor recreation make this a popular place to live, work and play.



The local area is dominated by forestland with scattered homes and occasional family farms. This farm is located along Frary Road on the way to the property.

From the property, it is 2¼ hours southeast to Boston and 4¼ hours southwest to New York City.

ACCESS

A ridge stemming from Broad Brook Mountain bisects the property equally into two functional access points. The northern side of the land is accessed by the end of Frary Road. Here there is 935' of property frontage along this town-maintained road. Frary Road continues beyond the property for a short way before it ends at the last house. From the road frontage, an internal access road runs roughly 2,000' into the property.

The southern half of the property is accessed via the $\pm 1,500'$ -long TH 53, a non-maintained town road. This road ends at the property boundary where there is a large clearing formerly used to sort forest products. From this point, a network of woods trails fan out in all directions.

A well-maintained VAST (Vermont Association of Snow Travelers) snowmobile trail runs through the northern end of the property.



The northern section of the forest is accessed by the end of Frary Road, with the property shown here on both sides.

SITE DESCRIPTION

The property covers much of the eastern portion of Broad Brook Mountain. Here, terrain falls in various directions from the many ridges that make up the Broad Brook Mountain complex. Topography is generally gentle to, at times, moderate. Aspects cover northern, eastern and southern directions.

As a mountain property, the several streams that run through the land are small and are primarily at the top of the watershed and feeder streams to Broad Brook to the east. The high point on the forest (1,660') is at the land's southwestern end, while the lowest point (1,090') is along the southern, main stream where it leaves the property.

The northern section of the forest along Frary Road has three subdivided and surveyed buildable lots (7.5, 20.7 and 10.5 acres), which are registered with the town (see maps). The southern end of the property also offers a building opportunity at the end of TH 53.

Most of the terrain gently slopes, with the exception of the eastern end of the land where the two drainages exist (the northern drainage is visible here on the left).



TIMBER RESOURCE

Timber data in this report are based on a comprehensive and monumented timber inventory conducted in July of 2017 for the purpose of establishing Capital Timber Value (CTV) and estimating potential sugarbush taps. 91 inventory points were sampled (1 plot per 6.1 acres), covering a 506' X 506' grid using a 10-factor prism (note: recent patch group cuts were not sampled). Sampling statistics are $\pm 13.3\%$ standard error for sawlog products and $\pm 11.4\%$ for all products combined at the 95% confidence interval. The timber data reveal a total sawlog volume of 2,100 MBF International $\frac{1}{4}$ " scale (3.6 MBF/acre), with 6,360 pulpwood cords (11.1 cords/acre). Combined total commercial per acre volume is 18.4 cords, a figure about average for the region. Stumpage values were assigned to the volumes in July of 2017, producing a property-wide Capital Timber Value (CTV) of \$584,600 (\$995/total acre). See the Timber Valuation in this report for details.

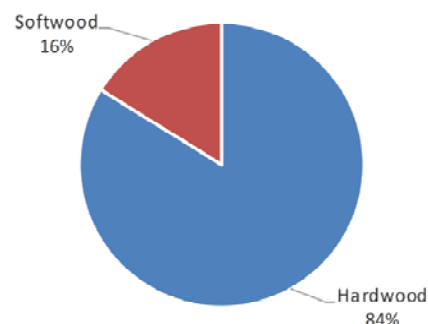


The sawlog component is of high quality and often scattered as it develops with a younger age class.

Species Composition:

The species composition is dominated by hardwoods (84%), with softwoods holding the balance (16%). Species composition for all products combined offers a diverse mix and is led by sugar maple (34%) with the primary other species consisting of red maple (17%), yellow birch (13%), hemlock (11%), white ash (10%), beech (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).

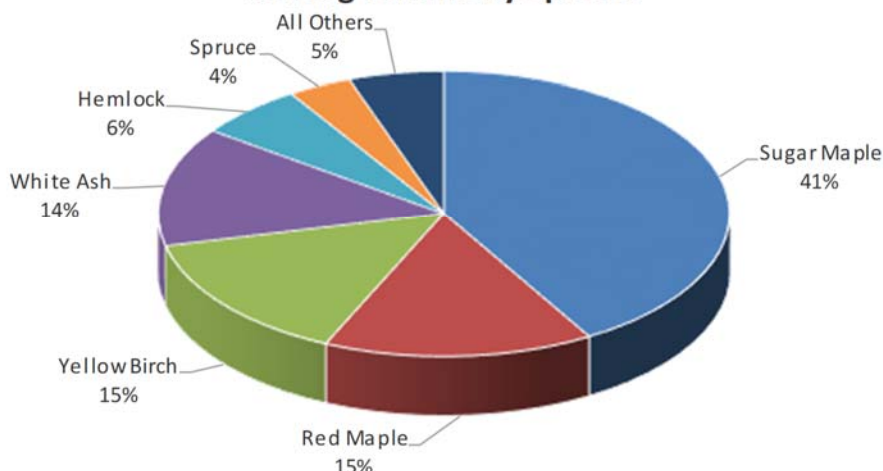
**Hardwood vs Softwood
as a Percentage of Total Volume**



Stocking and Stem Quality:

Aside from recent group patch cuts, forest density is generally represented by fully-stocked stands covering most of the acreage. The average Basal Area (BA) is 73.2 ft² on 135 stems/acre. Stem quality is generally quite good, as the highest quality and largest stems were retained in the recent thinning operation. Average Acceptable Growing Stock BA is 45.5. The forest is currently in a free-to-grow state with no thinning activity required for 10 years.

Sawlog Volume by Species



TIMBER RESOURCE (continued)

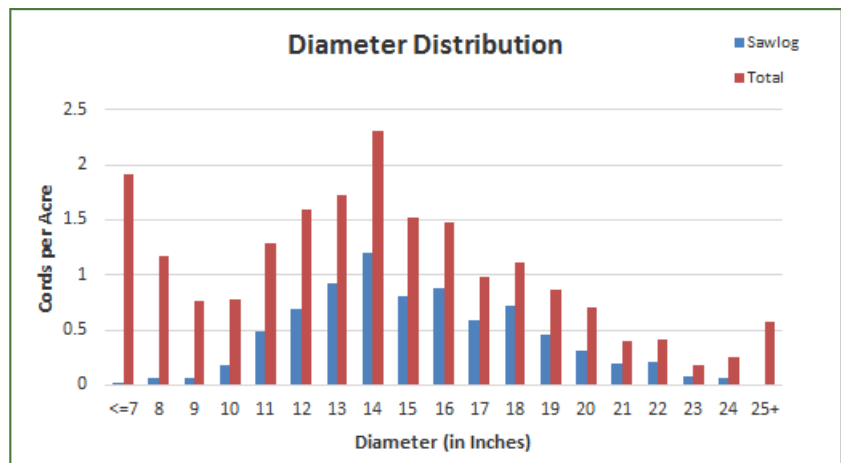
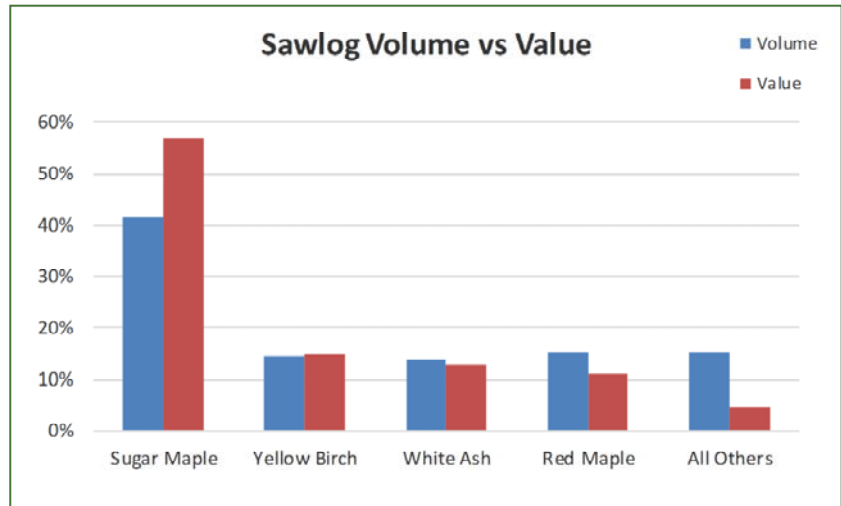
Sawlog Value/ Thinning History:

Sawlog value is largely dominated by sugar maple (58%) with yellow birch, ash and red maple (35%) comprising nearly the entire balance, ensuring that future value growth will occur on the species that are highly desirable in the marketplace.

Since the tenure of the current owner began in 2005, thinning activity was limited to a 2016 event that regenerated 50 acres using group cuts scattered around the forest, targeting overstory areas with the poorest quality stems. At this time, thinning also occurred on roughly an additional 225 acres. Prior to this entry, a thinning occurred during the mid-1990s by the previous owner.

Diameter Distribution:

Average diameter for all products combined is 13.5", while the average sawlog diameter is nearly 15". The diameter distribution generally indicates a middle-aged forest, consisting of an older age class of roughly 75 years and a younger age class of 30-40 years. The next thinning cycle will likely focus on additional regeneration cuts by removal of mature sawlog stems, creating considerable income generation. Average sawlog diameter for the four major species are sugar maple at 14.5" and yellow birch, red maple and white ash at 15".



TAXES, ACREAGE & TITLE

Municipal property taxes in 2016 were \$4,779. With the exception of the three subdivided lots, the property IS enrolled in the State of Vermont's Use Value Appraisal (UVA) program (plan date 2016 with all scheduled activities now complete).

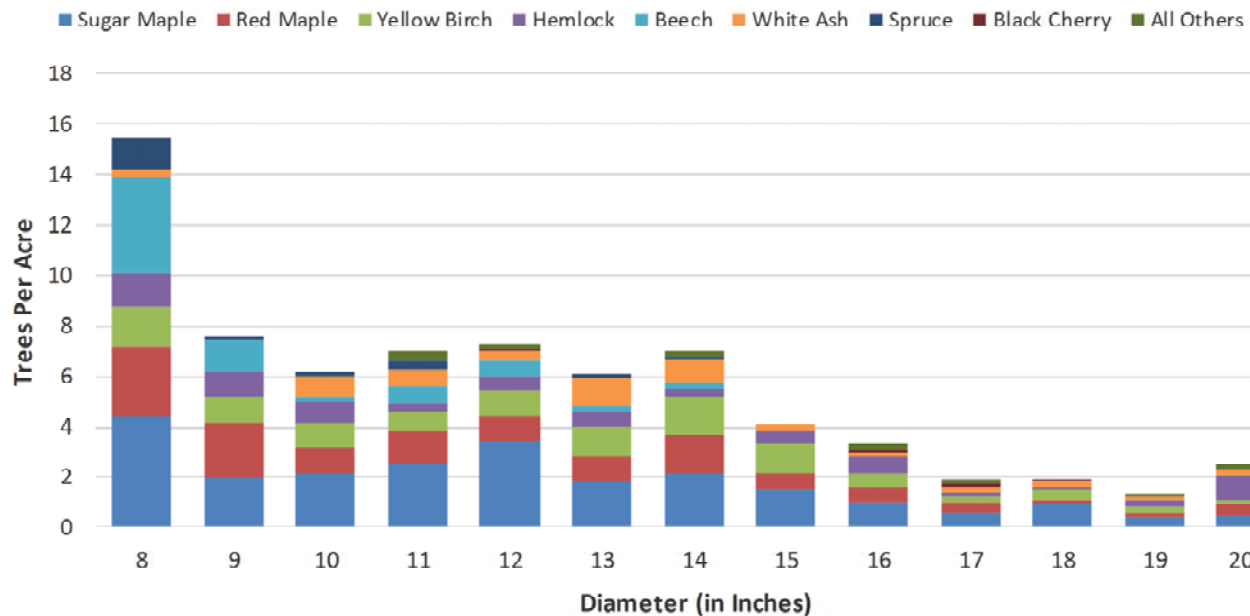
In 2016, the ownership had the boundary line perimeter maintained with red paint to delineate the boundaries. Grand list acreage is 579 while GIS acreage is calculated to be \pm 588.

The property is owned by Broad Brook LLC. The deed was recorded in the Royalton land records on March 1, 2005 as New England LLC to Broad Brook LLC.



Recent group patch cut with retained edge seed trees.

Trees Per Acre by Diameter Class



SUGARBUSH OPPORTUNITY

The property may offer a sugarbush opportunity on some of its acreage. Much of the land slopes into the two access points; however, some areas fall to the east along the two main streams away from the access points. The 2017 timber inventory data indicate a property-wide potential tap count of 21,295, with roughly 64% of the taps from sugar maple and the balance from red maple. Trees 9" and greater were considered, providing an average of 37 taps/acre covering all acres. Where sugarbush potential is likely, the average taps per acre could be ± 50 . Also, the timber data indicate an additional 14,000 taps may become available in the coming decades from the maple resource within the 5-8" diameter class.

Details of the recent June 2017 timber inventory are available upon request.

Electric power is located along the Frary Road access at the property's northern end. Power is roughly 2,000' from the land's northern access road.

Recent thinning where the largest and best stems have been retained.

Tap Estimate from Timber Data

Commercial Acres			574
DBH Class	Stems/ac	Taps/stem	Total Taps
9-14"	22.1	1	22.1
15-20"	6.9	2	13.8
>21"	0.4	3	1.2
Total Taps/ac			37.1
Total Taps			21,295



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.

Broad Brook Forest

Timber Valuation

Prepared By

F&W FORESTRY SERVICES, INCORPORATED

Royalton, Windham County, Vermont
July 2017

588 GIS Acres
574 Commercial Acres

Species	Volume MBF/CD	Unit Price Range			Total Value
		Low	High	Likely	Likely
Sawtimber - MBF (International 1/4")					
Sugar Maple	644	300.00	425.00	400.00	257,500
White Ash	260	175.00	300.00	250.00	64,900
Yellow Birch	233	225.00	325.00	275.00	64,100
Red Maple	279	140.00	225.00	200.00	55,800
Sugar Maple Veneer	19	1,000.00	1,500.00	1,100.00	20,900
Sugar Maple Pallet	209	50.00	100.00	80.00	16,700
Yellow Birch Veneer	16	600.00	850.00	700.00	10,900
Spruce/Fir	76	100.00	140.00	115.00	8,700
Hemlock	128	30.00	60.00	50.00	6,400
White Pine	30	100.00	150.00	120.00	3,600
Pallet / Grade 3	86	30.00	75.00	40.00	3,400
Yellow Birch Pallet	57	40.00	85.00	50.00	2,800
Red Pine	50	30.00	60.00	50.00	2,500
Black Cherry	7	200.00	300.00	250.00	1,800
Other Hardwood	8	50.00	100.00	70.00	600
Pulpwood - Cords					
Hardwoods	5,219	8.00	16.00	11.00	57,400
Hemlock	918	3.00	7.00	6.00	5,500
Spruce/Pine	223	3.00	7.00	5.00	1,100

Totals					
Sawtimber Total	2,100 MBF				\$520,600
Sawtimber Per Acre	3.573 MBF				\$886
Sawtimber Per Comm Acre	3.657 MBF				\$907
Cordwood Total	6,360 Cords				\$64,000
Cordwood Per Acre	10.8 Cords				\$109
Cordwood Per Comm Acre	11.1 Cords				\$111
Total Per Acre					\$995

Total Value	<u>Low</u>	<u>High</u>	<u>Likely</u>
	\$511,000	\$634,000	\$584,600

BASED ON A JULY 2017 INVENTORY CRUISE BY F&W FORESTRY SERVICES, INC.

Volumes are based on 91 10 BAF inventory points taken on a 506' x 506' grid.

Cruise resulted in a statistical error of 13.3% for all sawlog products and 11.4% for all products combined 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.

Fountains Land is a trade name for F&W Forestry Services, Inc.



Locus Map

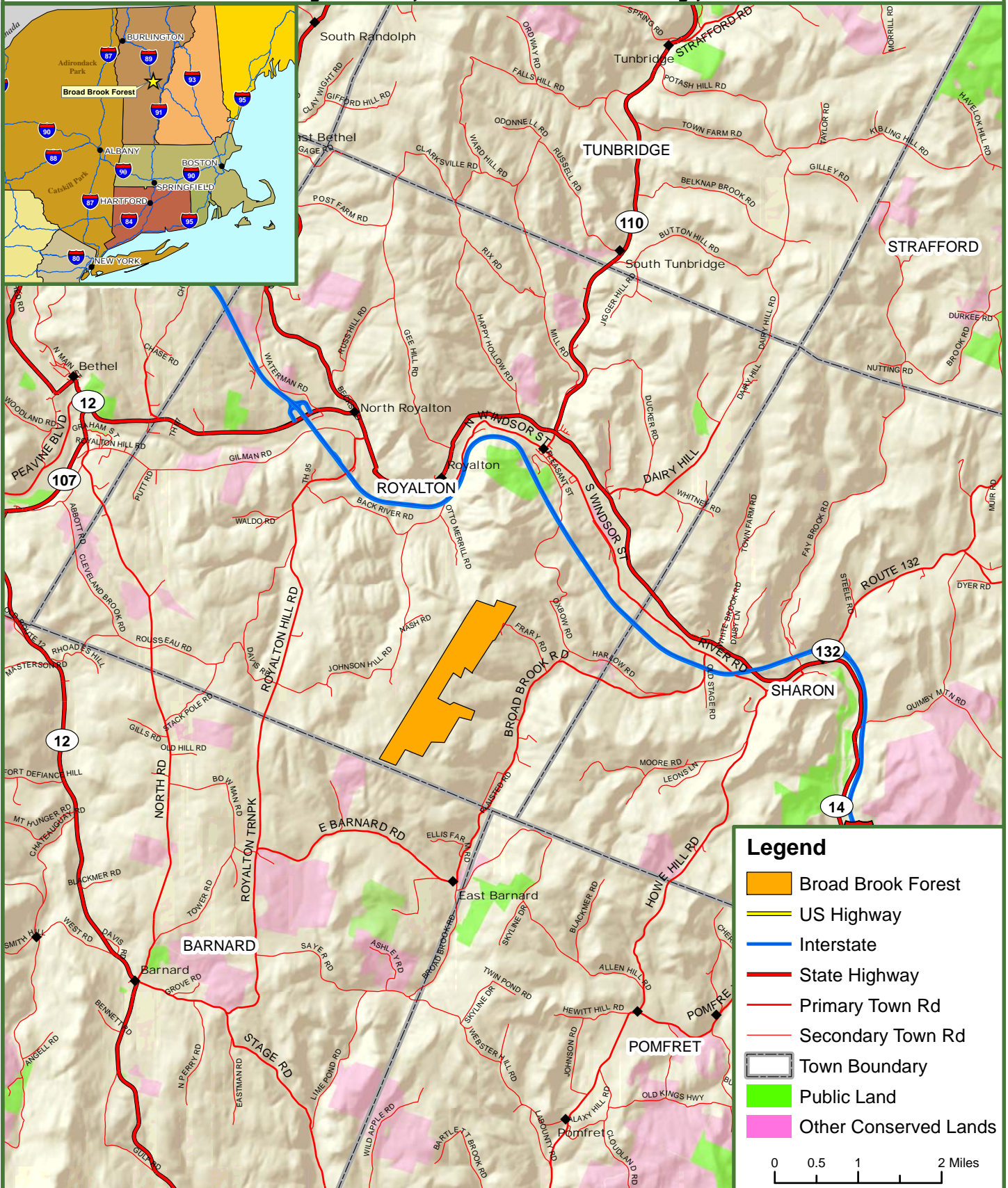
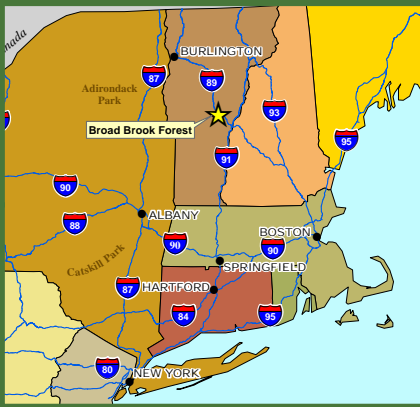
Broad Brook Forest

579 Town Listed Acres

Royalton, Windsor County, VT



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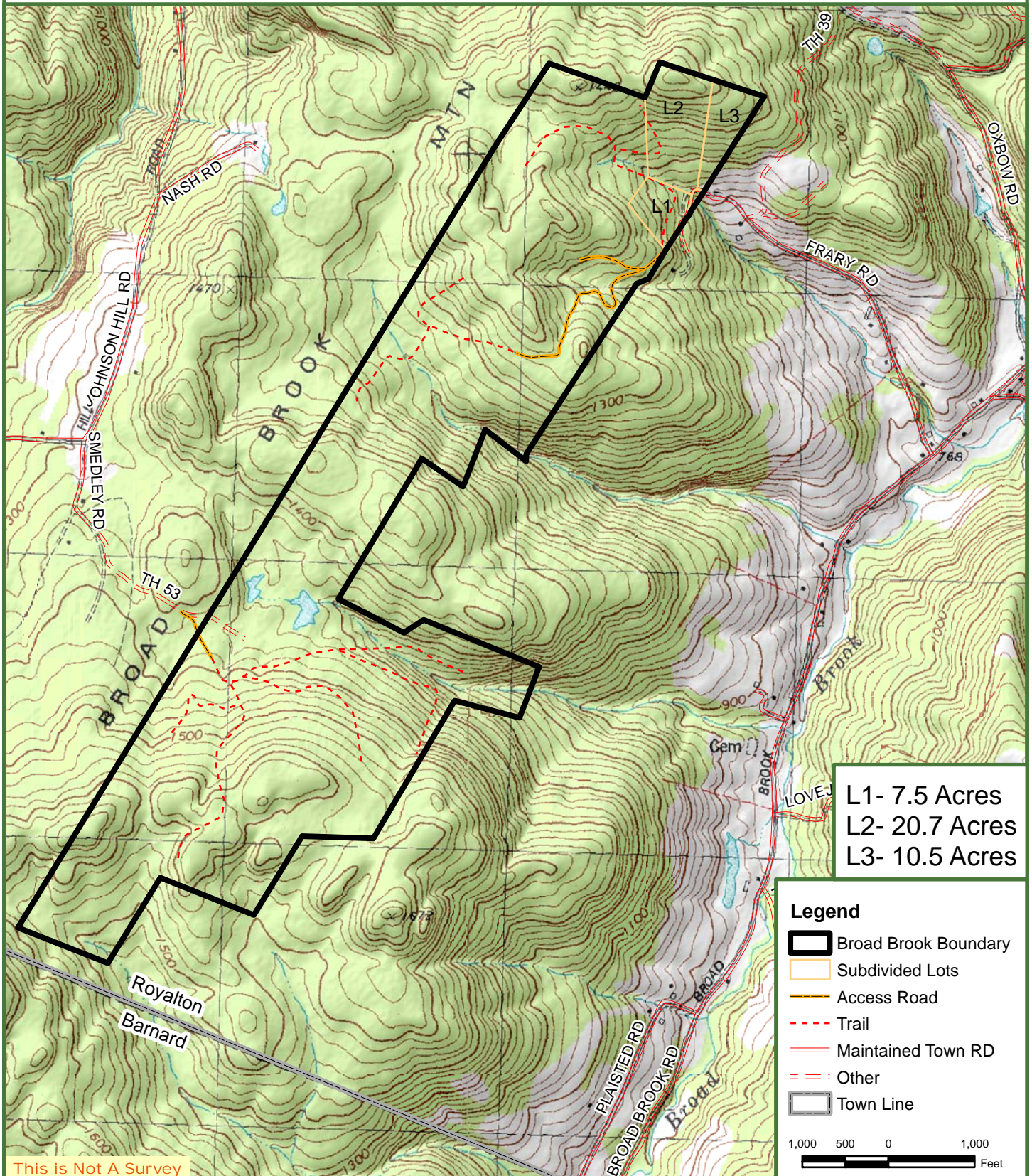


Broad Brook Forest

579 Town Listed Acres
Roaylton, Windsor County, VT



**Fountains
Land**
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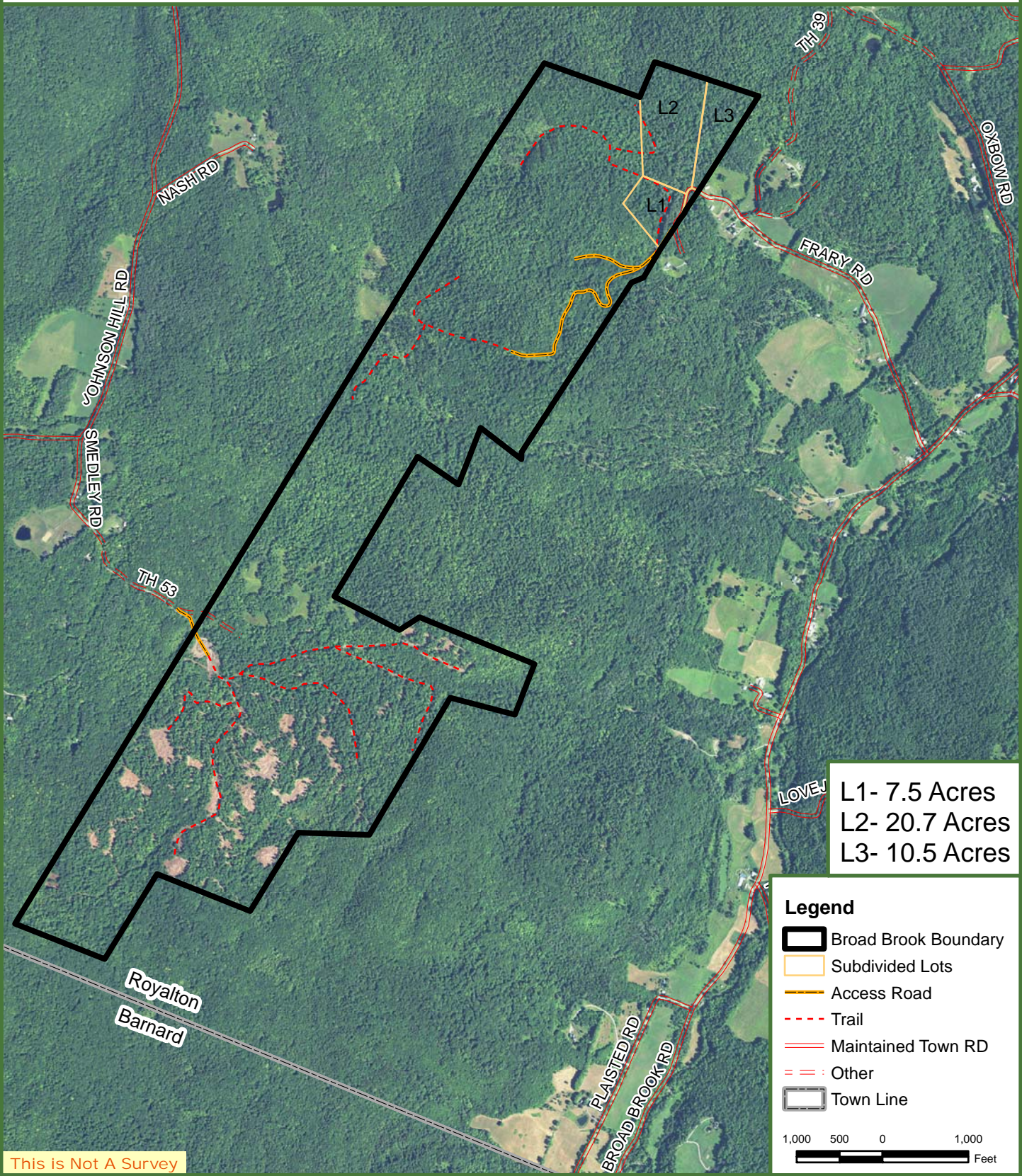


Map produced from the best available information including town tax maps, hand held GPS data, aerial photography and reference information obtained from publicly available GIS sources, and the owner. Boundary lines portrayed on this map are approximate and could be different than the actual location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



Broad Brook Forest

579 Town Listed Acres
Roaylton, Windsor County, VT



This is Not A Survey

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.



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