

EDEN SQUARE FOREST

A conservation easement-encumbered timberland property with exceptional maple and yellow birch stands, comprehensive access, roadside electric power and ±74,500 potential maple taps that flow into existing access points.



***1,572± GIS Acres
Eden, Lamoille County, Vermont***

Price: \$1,800,000

INVESTMENT OVERVIEW

Eden Square Forest is a long-term timber and/or immediate sugarbush opportunity with attractive species composition, productive soils, secure access and excellent potential for asset appreciation from the timber resource. The ownership, Atlas Timberlands Partnership, is a collaboration between two well-known conservation groups — The Nature Conservancy and the Vermont Land Trust. Together, they have held the property (along with other lands) as a model for managing a diverse array of stewardship goals, including the practice of sustainable silvicultural operations. Their goal in divesting is to raise funds to further their forestland conservation work on new projects.

Investment highlights include:

- Species dominated by sugar maple (54%);
- Middle-aged, fully-stocked overstory, well-positioned for asset appreciation;
- Excellent access with power roadside;
- Sugarbush opportunity with $\pm 74,500$ potential taps from stems 9" and greater on east-facing slopes with good sap-flow conditions to power & access locations;
- Average tap/acre of 47, with many areas holding 80-100 taps/acre.



Well stocked for a maple sugaring operation

LOCATION

The forest lies in the northern Vermont town of Eden, along the east side of the Lowell Mountain Range. This is a mountainous, rural area populated by small hamlets, working forests and scattered homesteads.

Locally, along Square Road, there are only three homes, with the last residence hosting a local business, Eden Ethical Dogsledding and Lodge (pictured at right center below) - www.edendogsledding.com.

The small town of Eden is situated 4 miles to the west along Route 100, where Lake Eden is a local landmark, attracting many summer residents. Route 100 is the main transportation corridor through the area, offering ideal access to regional and cross-border forest product manufacturing facilities. This north-south route provides access to Newport, (26 miles to the north) and Morrisville (17 miles to the south), the largest two communities in the region. Montreal, Quebec is 90 miles to the north, while Boston is 3.75 hours to the southeast.



ACCESS

The property offers excellent access from multiple points, providing comprehensive access for all future forest management activities. Two segments of frontage (1,870' and 535') exist along the town-maintained portion of Square Road where electric power is available. Both frontage segments have established driveways with a 1,900' winter road heading westerly into the land per the property maps.

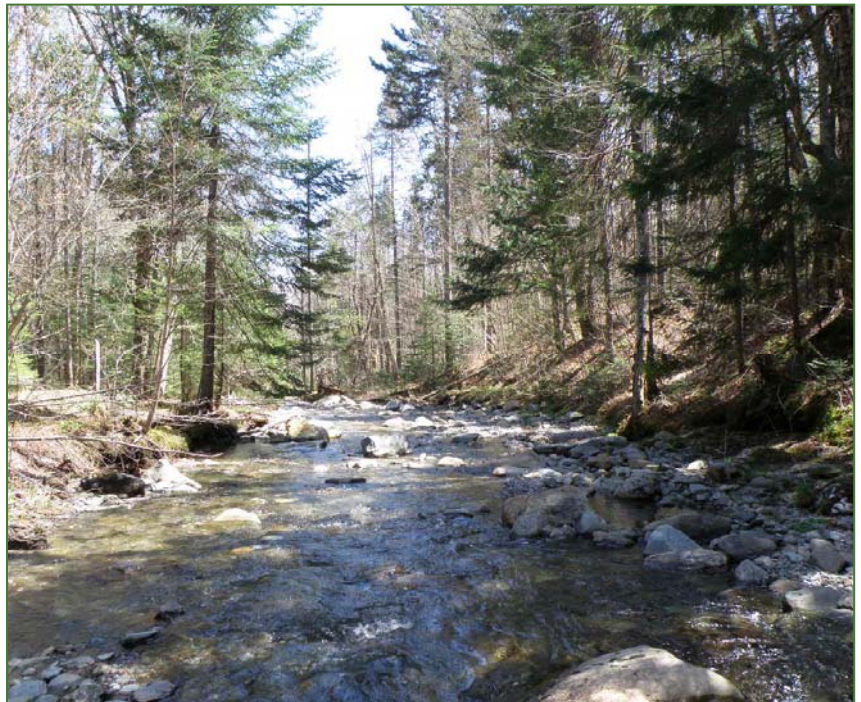
Access is also provided by $\pm 500'$ of frontage along Albany Road (not maintained in the winter), where a small field exists on the west side of the road. This field is likely the best option for a sugarhouse location option due to sapflow direction. Beyond this point, a right-of-way provides truck access to the land's northern basin. Additional access along Collinsville Road ($\pm 1,535'$ of frontage, not maintained in the winter) gives access to the eastern end of the property.



Albany Road along property's field, close to town-maintained road and electric power. Pictured is a good potential sap-house location.

SITE DESCRIPTION

The property's terrain is variable with moderate to steep slopes occupying most of the land west of Square Road. Once the terrain begins to rise, soils become well drained and host the property's greatest concentration of maple, and highest potential for sugarbush opportunity. Soil drainage is often not optimal on the more level terrain on each side of Square Road. In these areas, the best maple (and timber in general) occupies scattered, patchy higher ground conditions. A more mixed species composition, with a higher percentage of softwoods, increases toward the drainages. Generally, conditions for forest operations are very good, with the exception of some steep slopes leading to the top of Lowell Range.



Wild Branch River along Collinsville Road

All of the streams that run through the land originate nearby from the top of the watershed and thus run low during dry summer months. The exception is the Wild Branch River which runs through the eastern edge of the property.

Elevation ranges from 2,314' ASL (Above Sea Level) along the ridgeline of the Lowell Mountain Range to 1,218' ASL in the southeast section of the land near the Wild Branch River.

TIMBER RESOURCE

Timber data in this report are based on a monumented and comprehensive timber inventory conducted in May 2016 by the ownership's forest consultant, M.D. Forestland Consulting, LLC. 381 inventory points were sampled (1 plot per 4.1 commercial acres), covering a 420' x 420' grid and using a 15-factor prism. Sampling statistics are $\pm 8.3\%$ standard error for sawlog products and $\pm 5.6\%$ for all cordwood products at the 95% confidence interval, figures well within industry standards. After applying growth for 2016, 2017 and 2018 using regional FIA data averages, the timber data reveals a total sawlog volume of 5,788 MBF International $\frac{1}{4}$ " scale (3.7 MBF/commercial acre) with 25,512 pulpwood cords (16.2 cords/commercial acre). Combined total commercial per acre volume is 23.6 cords, modestly above the regional average. Stumpage values were assigned to the volumes in August of 2018, producing a property-wide Capital Timber Value (CTV) of \$1,531,100 (\$961/total acre). See the Timber Valuation in this report for details.

Species Composition:

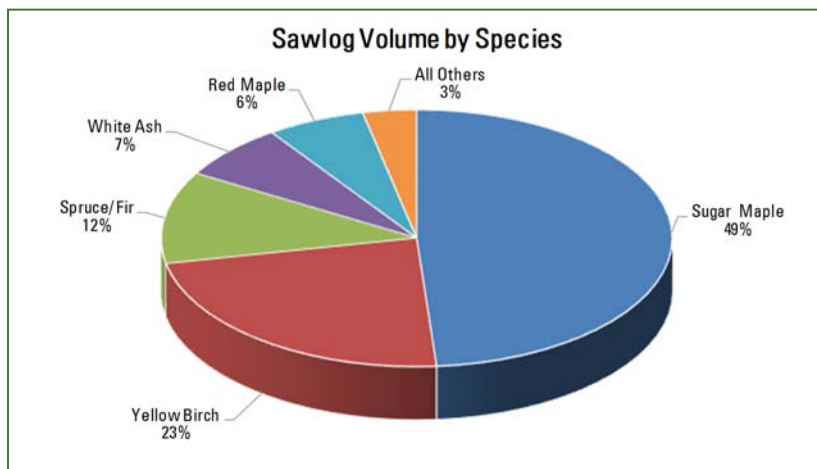
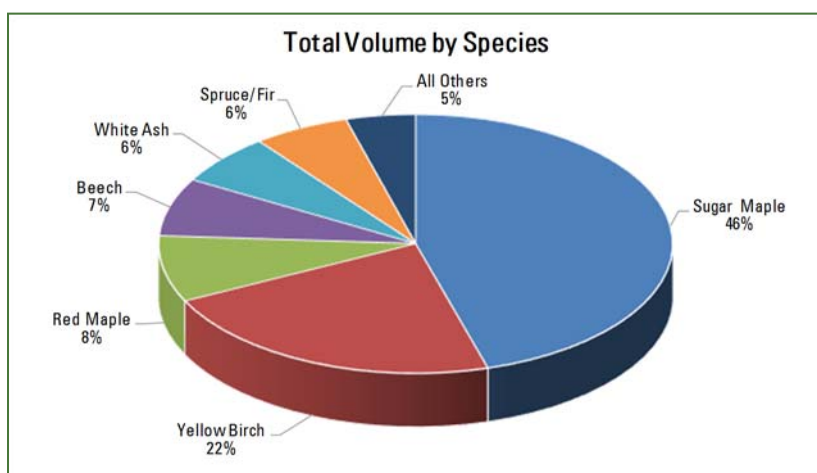
A species composition dominated by hardwoods prevails, with hardwoods at 93% and softwoods at 7% of total volume. Species composition for all products combined offers a favorable mix and is led by sugar maple (46%), followed by yellow birch (22%), red maple (8%), American beech (7%), white ash (6%) and spruce/fir (6%), with other common hardwoods and softwoods comprising the balance. The sawlog volume breakdown consists largely of sugar maple (49%) and yellow birch (23%). This species composition is well suited to a long-term timber investment and/or sugarbush, with solid markets regionally and into Quebec for the products growing on the land. The relatively low beech component is the result of active forest management occurring over 20 years.

Stocking and Stem Quality:

Forest density can generally be considered as fully stocked, with the average Basal Area (BA) at 86 ft² on 181 stems/acre. Acceptable growing stock represents 79 stems/acre. Stem quality is generally average for the region, with the highest quality stems present in the growing stock size classes.



Maple stand along internal access road.

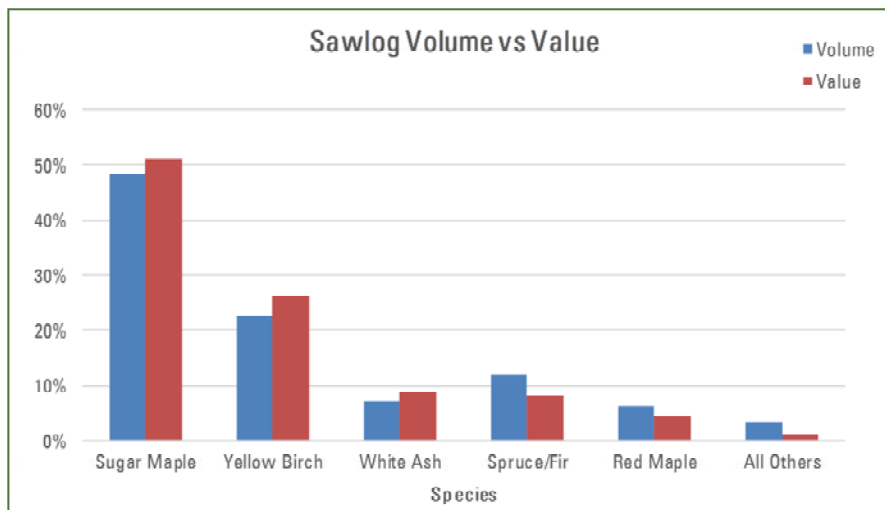


TIMBER RESOURCE (continued)

Sawlog Value/ Thinning History:

Sawlog value is largely dominated by sugar maple (51%) and yellow birch (26%), with the balance comprised of common associates.

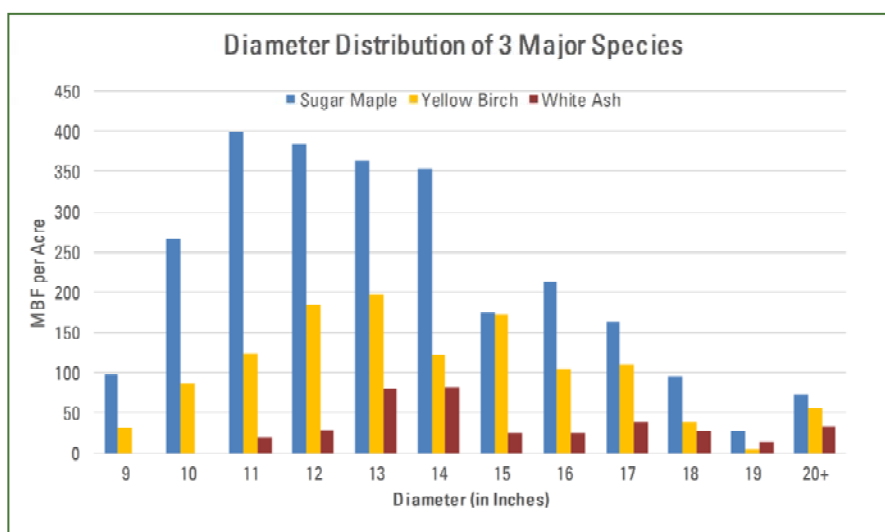
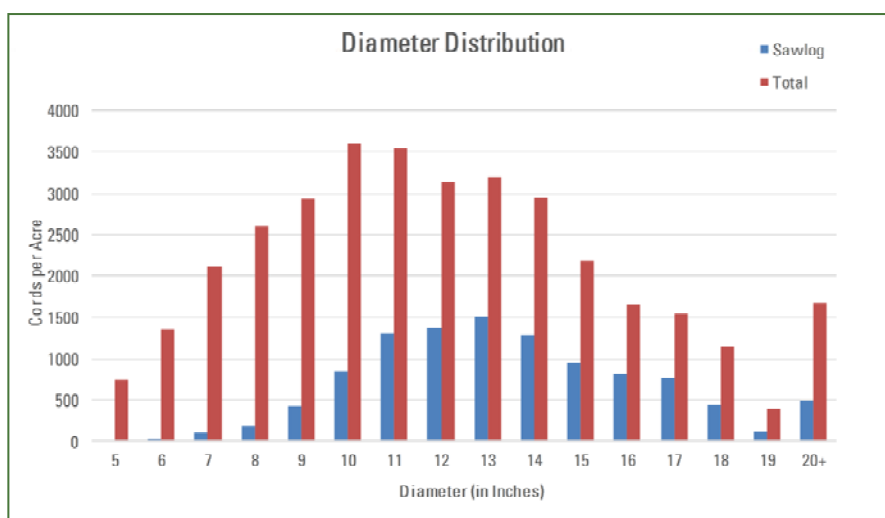
Since the tenure of the current conservation group owner-partnership began in 1997, thinning and small/large group cuts were conducted during six seasons until 2014. The first entry in the late 90s was at the land's southern end (east of Square Road). The areas that were regenerated there are now fully stocked with seedlings. The balance of this area was thinned.



Diameter Distribution:

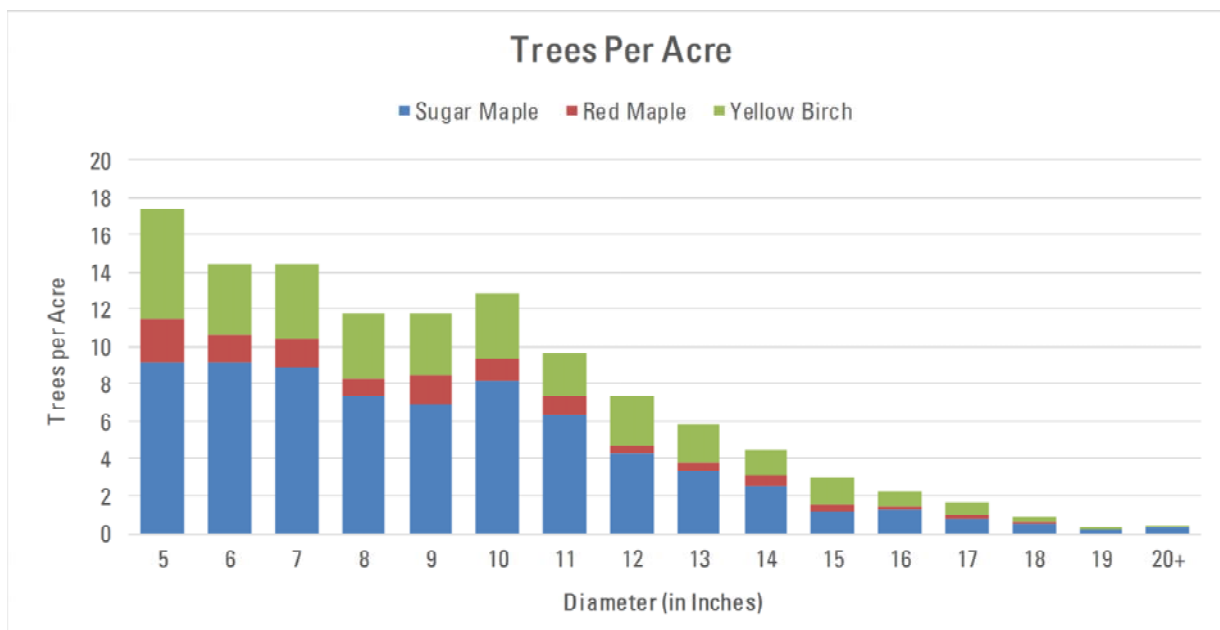
Average diameter for all products combined is 11.5", while the average sawlog diameter is nearly 13.0". Generally, four size classes predominate, with a pre-pole class (5"-6" stems) accounting for 10% of stocking, pole-sized stems (7"-10" stems) 34%, small sawlog class (11"-14" stems) 33%, and a large sawlog class (15"+ stems) 23%.

As with most forests that have seen harvesting within the past 30 or more years, the presence of an advanced sapling to small pole-sized "growing stock" age class (5"-10" diameters) can be an important component of asset appreciation and an increasing source of future forest stocking. The growing stock on the forest holds 44% of total stocking (by basal area). The balance of stocking on this forest exists primarily as larger diameter trees (sawlog-sized stems 11"+) with sugar maple, yellow birch and red maple of this size class making up 62% of total stocking. This indicates an age structure that is well into the sawlog size class and primarily composed of maple and birch.



Average diameter for the three main species are: sugar maple 13.0", yellow birch 13.5" and white ash 14.0".

TIMBER RESOURCE (continued)



SUGARBUSH OPPORTUNITY

The property offers an exceptional potential sugarbush opportunity, given the high maple stocking, slope factor, access and proximity to electric power. The timber data indicate a total potential tap count of 74,477 taps, with roughly 85% of the taps from sugar maple and the balance from red maple. Trees 9" and greater were considered, providing an average of 47 taps/acre, covering the property's commercial acres. Also, the timber data indicate that an additional 60,000± taps may become available in the coming decades from the maple resource within the 5-8" diameter class.

Tap Estimate from Timber Data

Unit	Acres	Average Taps/Acre	Total Gross Taps	Inventory Plots
A	971	54	52445	234
B	220	50	10995	56
C	381	29	11037	91
Totals	1572	47	74477	381

Note that the tap estimate is broken down into three watershed areas (A-C). The largest, Area A, is considered to be an exceptional sugarbush given the level of taps/acre, slope factor, access and relatively short distance to electric power along Square Road.

For Units B and C, distance to electric power from the access points where elevation is lowest is greater and tap density lower than Unit A. However, many sections of Units B and C appear to possess a good sugarbush option.

Good stocking and areas with high maple concentrations offer the possibility for sugarbush establishment.



CONSERVATION EASEMENT

The conservation easement on the property will be held by the Vermont Land Trust (VLT), a Vermont-based organization and one of the most respected conservation organizations in the nation. A working forest “partnership” with VLT offers the new owner predictability and cooperation, given the long history and solid reputation this land trust has established regarding the easement lands under its jurisdiction.

A principal objective of the easement’s commercial acreage is to maintain, grow and harvest forest resources and products on a sustainable basis. The terms of the easement prevent subdivision and future development of any kind; however, forestry and sugarbush operations, and construction of associated support infrastructure, are permitted.

Easement highlights include:

- Most sustainable and traditional forestry and sugarbush activities are permitted to support the long-term stewardship of the protected property;
- The entire property is open to non-vehicular public recreation and hunting;
- Silvicultural activities are limited to sustainable levels, with target diameters set for each species;
- Surface Water Protection Zones (SWPZs - 155 acres), permit limited harvesting/sugaring with special consideration to maintaining water quality;
- One camp structure of 800 ft² is permitted.

The maps provided in this report designate the SWPZ areas. Copies of the easement are available upon request.

ACREAGE, TAXES & TITLE

Property taxes in 2017 were \$4,365.18. The property **IS** enrolled in the State of Vermont’s Use Value Appraisal (UVA) program.

The property is owned jointly by Vermont Land Trust and The Nature Conservancy. Total Grand List acreage is 1,573, while the GIS acreage is ±1,572; the latter is believed to be more accurate and is the basis for the timber data and for setting property asking price.

All boundaries appear to be well marked.



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

Eden Square Forest

Timber Valuation

Prepared By

F&W FORESTRY SERVICES, INCORPORATED

Eden, Lamoille County, Vermont
August 2018

1,593 Acres
1,573 Commercial Acres

Species	Volume MBF/CD	Unit Price Range			Total Value
		Low	High	Likely	Likely
Sawtimber - MBF (International 1/4")					
Sugar Maple	1,182	365.00	400.00	385.00	454,900
Yellow Birch	818	280.00	320.00	300.00	245,500
Sugar Maple Pallet	1,604	80.00	100.00	90.00	144,400
White Ash	330	280.00	320.00	300.00	99,100
Spruce/Fir	689	130.00	150.00	140.00	96,400
Red Maple	210	180.00	220.00	200.00	42,000
Yellow Birch Pallet	452	65.00	85.00	75.00	33,900
Yellow Birch Veneer	50	550.00	650.00	600.00	30,300
Pallet / Grade 3	297	50.00	70.00	60.00	17,800
Sugar Maple Veneer	7	800.00	1,000.00	900.00	6,300
Black Cherry	22	165.00	185.00	175.00	3,800
Hemlock	71	40.00	60.00	50.00	3,600
White Pine	29	115.00	125.00	120.00	3,400
Basswood	17	65.00	85.00	75.00	1,300
Black Ash	7	65.00	85.00	75.00	500
White Pine Pallet	3	20.00	30.00	25.00	100
Pulpwood - Cords					
Hardwoods	24,473	13.00	15.00	14.00	342,600
Spruce/Fir	913	4.00	6.00	5.00	4,600
Hemlock	121	4.00	6.00	5.00	600
Pine	5	2.50	3.50	3.00	16

Totals			
Sawtimber Total	5,788 MBF		\$1,183,300
Sawtimber Per Acre	3.633 MBF		\$743
Sawtimber Per Comm. Acre	3.680 MBF		\$752
Cordwood Total	25,512 Cords		\$347,816
Cordwood Per Acre	16.0 Cords		\$218
Cordwood Per Comm. Acre	16.2 Cords		\$221
Total Per Acre			\$961

Total Value	<u>Low</u>	<u>High</u>	<u>Likely</u>
	\$1,475,000	\$1,584,000	\$1,531,100

BASED ON MAY 2016 INVENTORY CRUISE BY M. D. FORESTLAND CONSULTING

Volumes have been grown forward for 2016, 2017 & 2018 at growth rates in line with FIA data with certain adjustments.)

Volumes are based on a 381 plots taken on a 420' x 420' grid covering 1,573 commercial acres

Statistical Error: 8.3% for all sawlog products and 5.6% on all cord products at the 95% confidence interval

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

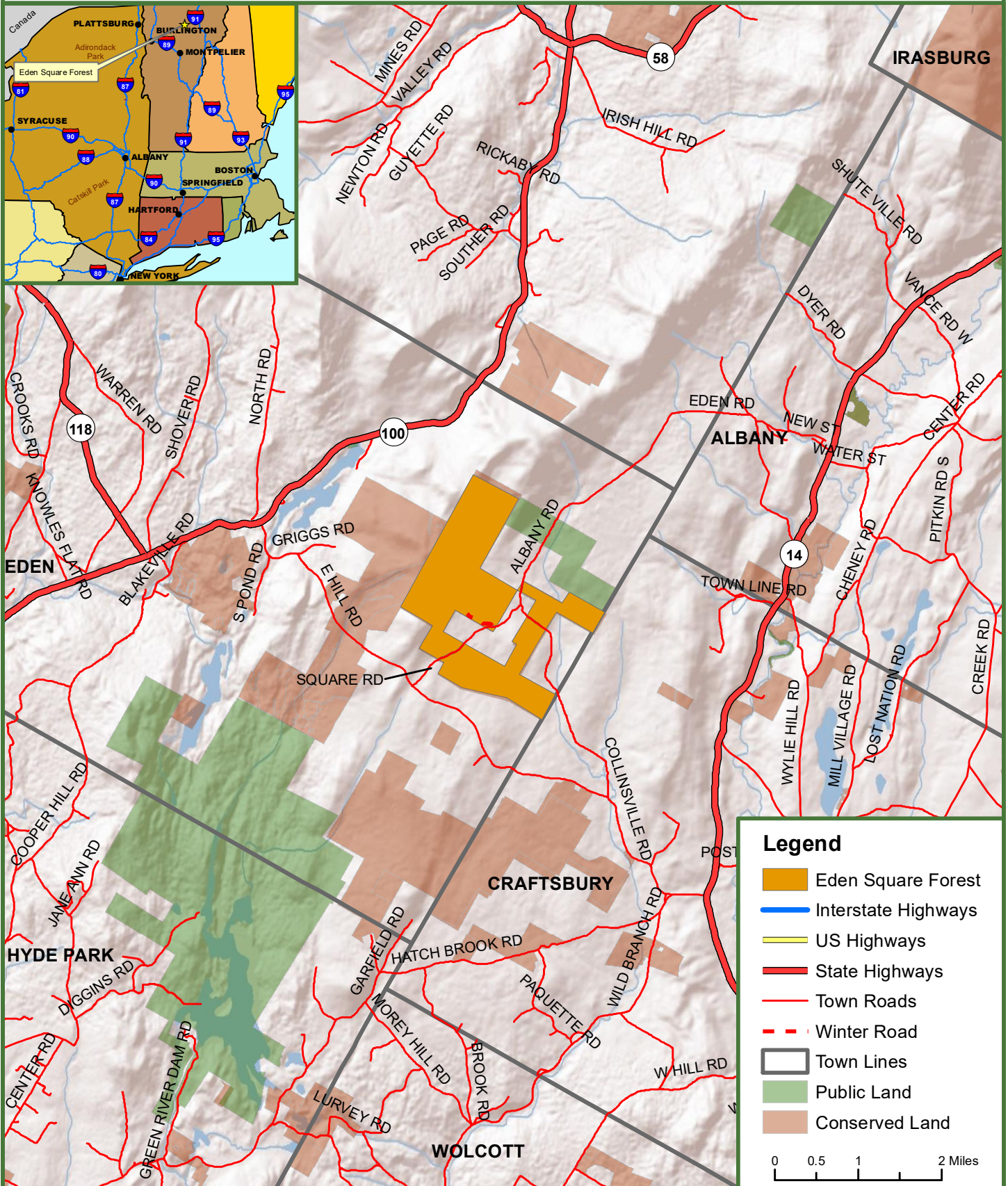
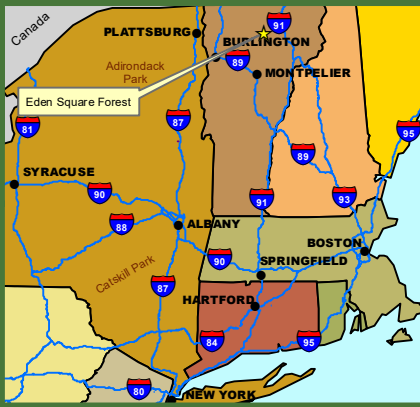
Eden Square Forest

1,572 GIS Acres

Eden, Lamoille County, Vermont



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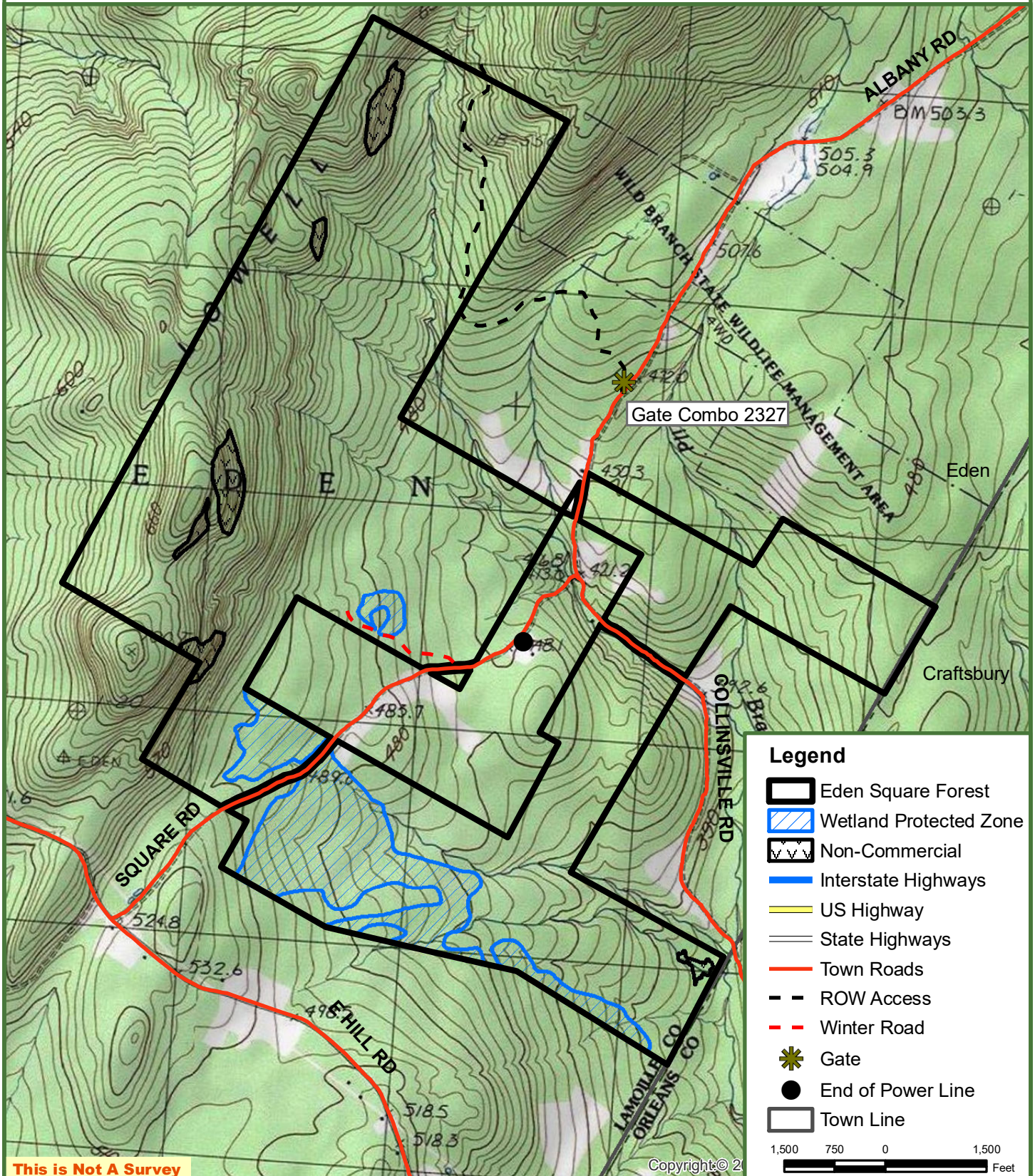
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Map produced from the best available information including town tax maps, hand held GPS data, aerial photography and reference information obtained from publicly available GIS sources, and the owner. Boundary lines portrayed on this map are approximate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



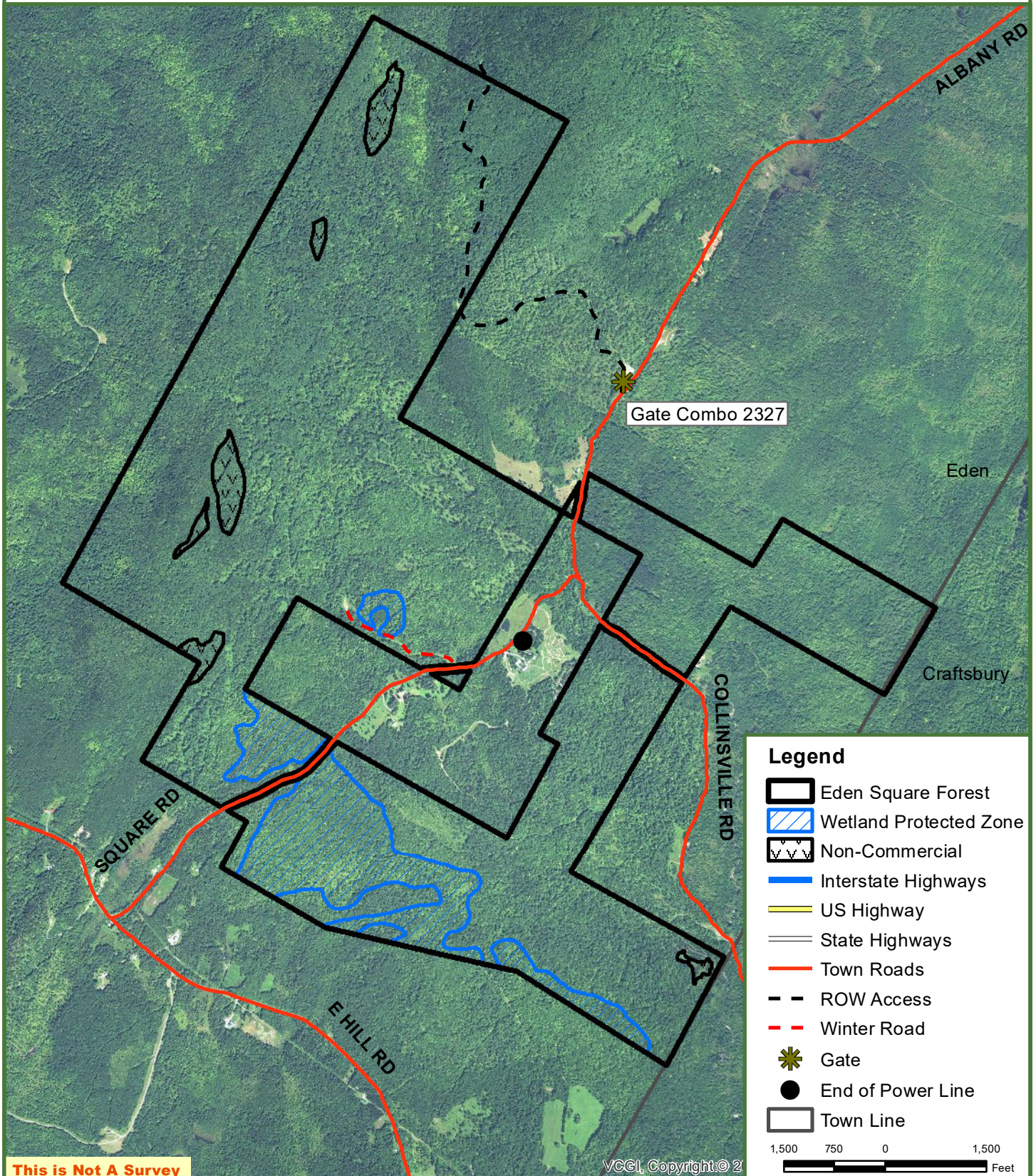
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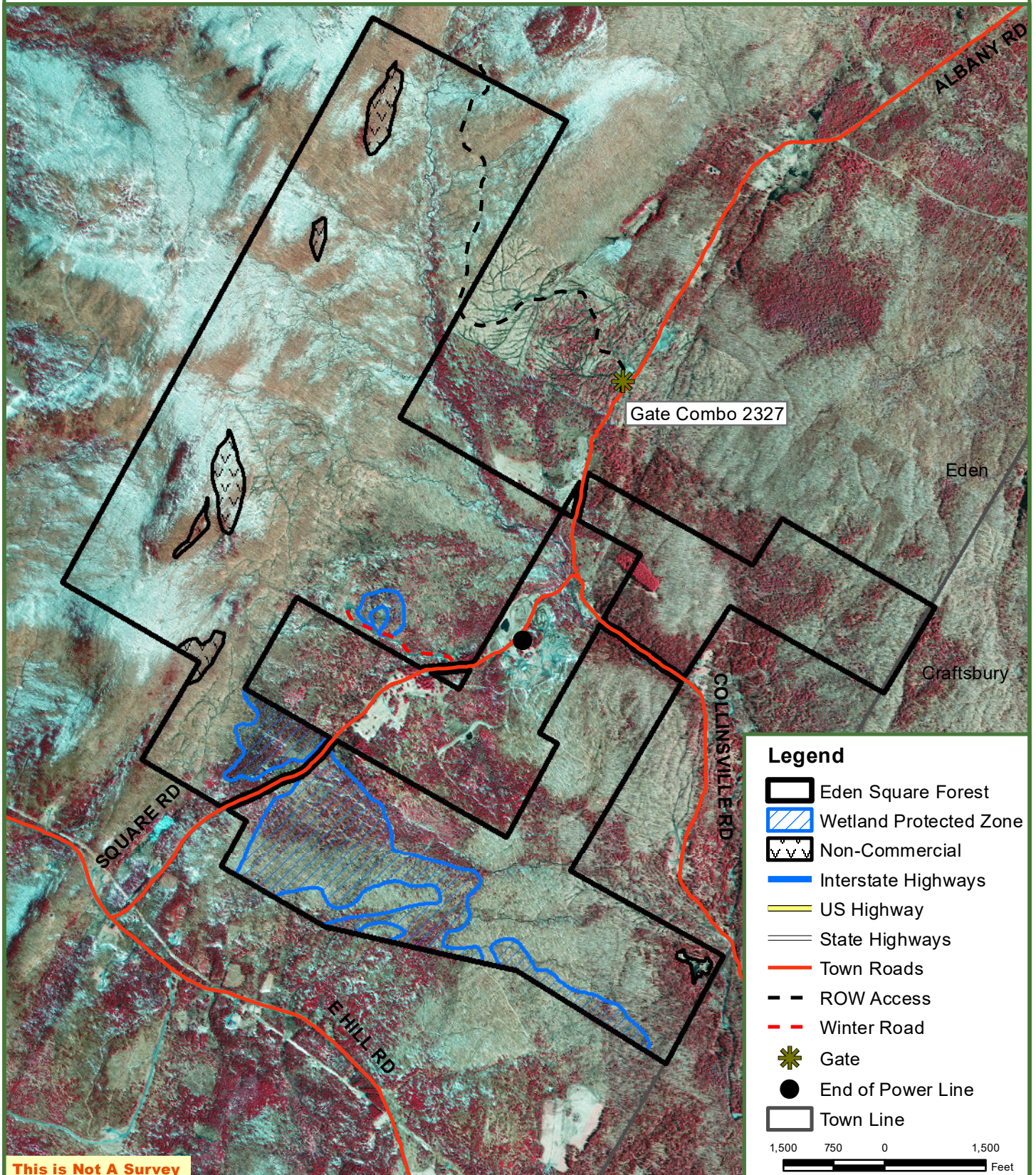
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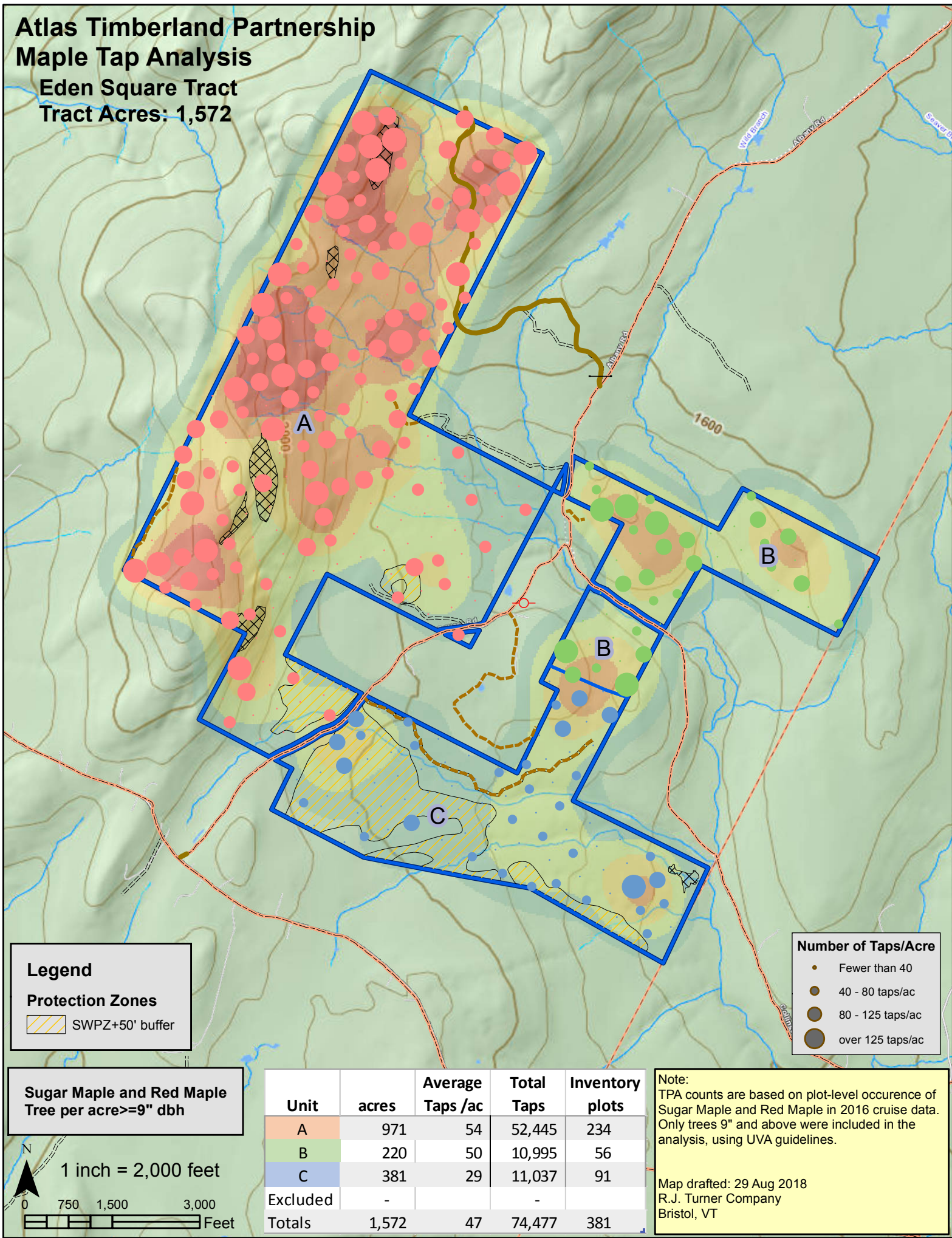
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Eden, Lamoille County, Vermont



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Atlas Timberland Partnership
Maple Tap Analysis
Eden Square Tract
Tract Acres: 1,572





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