

## CATAMOUNT TIMBERLAND TRACT

**A conservation easement-encumbered timberland property with a highly-stocked forest resource, well-suited to the long-term timberland investor, and benefitting from decades of family land stewardship.**



**2,353± GIS Acres  
Elmore & Worcester, Vermont**

**Price: \$1,910,000**

*Adjacent parcel also available:*  
**3,568 Acres East of Rt. 12 - Price: \$3,270,000**

## INVESTMENT OVERVIEW

Catamount Timberland Tract is a long-term timber investment opportunity characterized by an attractive species composition, highly-stocked stands providing positive cash flow, and excellent potential for asset appreciation from the timber resource. The ownership, Vermont Land Trust (VLT), acquired the land in 2014 from the Meyer Family, who formerly owned the property since the 1950s. The family sold to VLT with the goal of ensuring the property will remain as a long-term forest resource. VLT is currently transferring a conservation easement on the land to the State of Vermont, who will oversee the easement terms.

Investment highlights include:

- Species dominated by maple and birch (58%);
- Timber value of \$2,765,000;
- Fully-stocked overstory, well-positioned for asset appreciation;
- Mature timber component, allowing for positive cash flow;
- Developed access, covering nearly all of the landscape;
- Easement allows for sustainable forest management, sugarbush operations and three primitive camps.



Maple stand along the Hampshire Hill access road.

## LOCATION

The property is located in north-central Vermont, 12 miles north of the State's capital city of Montpelier. The region's landscape is defined by scattered valley farms, widely dispersed hillside homes and working forests. Both Worcester and Elmore have small village centers with job markets nearby in the larger towns of Morrisville, Stowe, Montpelier and Waterbury.

Route 12 runs north-south, creating much of the land's eastern boundary and providing access to Interstate 89 and Route 2 to the south and Routes 15 and 100 to the north. These major roads provide transportation corridors to regional and Canadian forest product mills from the property.

The region's landscape is defined by the high-elevation Worcester Range, a 15-mile long, north-south mountain range with the property's Catamount watershed comprising much of the land west of Route 12.



Looking north over Catamount Timberland Tract

## ACCESS

The property offers two developed landing access points and a right-of-way along Route 12, covering nearly all of the central and northern terrain that slopes towards the North Branch of the Winooski River, which runs along this paved road.

Much of the upper slopes and southern area of the Catamount Basin is accessed by Hampshire Hill Road, a town-maintained road that ends at the property. This road continues well into the property as a private road for nearly 4,000'. From this point, an old winter road provides access to the upper slopes.

Property maps in this report depict all of the existing access points.

## SITE DESCRIPTION

The property spans nearly 3 miles from north to south and 2 miles east to west (at its widest point). Primarily eastern aspects are represented. Elevation ranges from 2,620' in the western section (only 6.25 acres are above 2,500') to  $\pm 900'$  along Route 12. The majority of the terrain sits at elevations between 1,100-1,600'.

Most of the property can be characterized as moderate to steeply sloping upland terrain, providing well-drained soils in these areas. Poorly-drained soils and wetlands exist in pockets scattered around the property, often associated with streams in low lying, flat areas. The non-commercial acreage is limited to wetlands, roads and landings, thus all upland terrain has been accessed in the past during commercial thinning operations.

The North Branch of the Winooski River runs along the property in a spot adjacent to Route 12. A notable waterfall along the river is situated a stone's throw from the property's boundary in this area. The Catamount Brook drains the western block before entering the Winooski River along its property frontage on Route 12.



Route 12 frontage along the North Branch of the Winooski River. Catamount Brook enters the river at this point.



Frontage of the North Branch of the Winooski River, this picture was taken on the property with the falls just off the land.

## TIMBER RESOURCE

Timber data in this report are based on a monumented and comprehensive timber inventory conducted in August 2018 by F&W Forestry Services. 115 inventory points were sampled (1 plot per 20 commercial acres), covering a 585' x 1,400' grid and using a 15-factor prism. Sampling statistics are  $\pm 11.8\%$  standard error for sawlog products and  $\pm 6.79\%$  for all products combined at the 95% confidence interval, figures well within industry standards. The timber data reveal a total sawlog volume of 15,683 MBF International  $\frac{1}{4}$ " scale (6.8 MBF/commercial acre) with 44,837 pulpwood cords (19.5 cords/commercial acre). Combined total commercial per acre volume is 33 cords, well above the regional average. Stumpage values were assigned to the volumes in August of 2018, producing a property-wide Capital Timber Value (CTV) of \$2,765,400 (\$1,200/total commercial acre). See the Timber Valuation in this report for details.



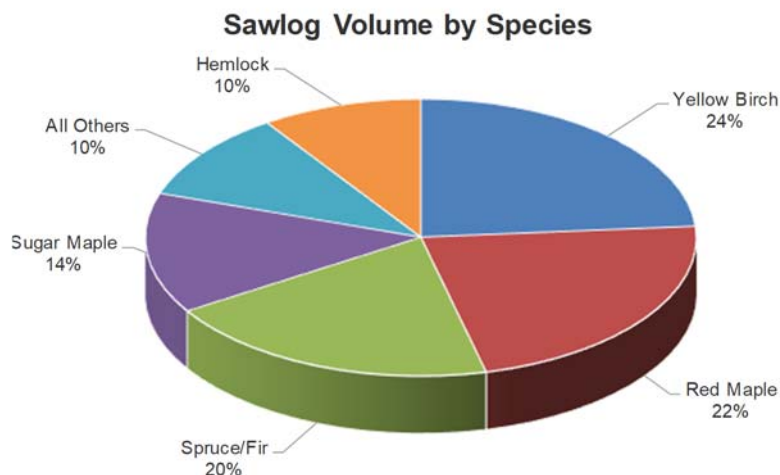
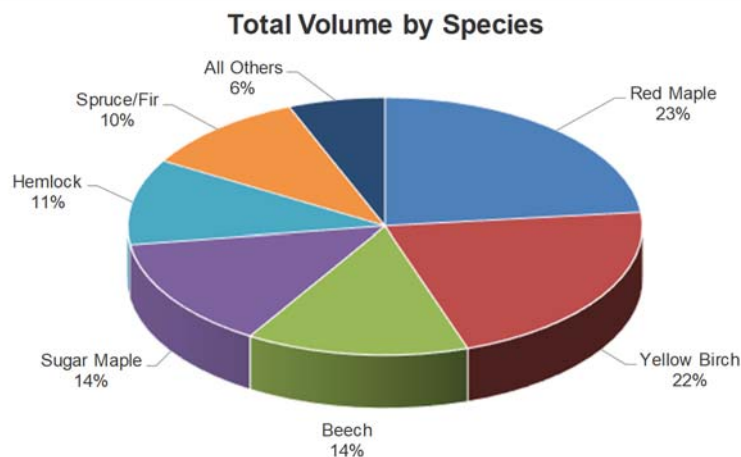
Mid-slope maple stand within Catamount Timberland Tract .

### Species Composition:

A species composition dominated by hardwoods prevails, with hardwoods at 79% and softwoods 21% of total volume. Species composition for all products combined offers a favorable mix and is led by red maple (23%), followed by yellow birch (22%), American beech (14%) sugar maple (14%), hemlock (11%) and spruce/fir (10%), with other common hardwoods and softwoods comprising the balance. The sawlog volume breakdown is much the same, though the spruce/fir component is larger. This species composition is well suited to a long-term timber investment, with solid markets regionally and into Quebec for the products growing on the land. The relatively high American beech component is indicative of a resource that has seen minimal management over the last 25 years.

### Stocking and Stem Quality:

Forest density can generally be considered fully stocked to overstocked, with the average Basal Area (BA) at 114 ft<sup>2</sup> on 206 stems/acre. Acceptable growing stock BA is 76ft<sup>2</sup>, indicating adequate overall stem quality, sufficient to fully occupy stands post thinning with acceptable growing stock.



## TIMBER RESOURCE (continued)

### Sawlog Value/ Thinning History:

Sawlog value is largely dominated by species where market demand has historically been strong within the region. The softwood component is primarily located along ledge runs where soils are shallow to bedrock (within the upper slopes) and on more level terrain along Catamount Brook.

The current owner has not conducted any thinning activity since their 2014 acquisition of the property. The former family owner last managed stands on the eastern side of the property along the winter road roughly 20 years ago. For the balance of the property, it has been  $\pm 30$  years since stands have been managed.

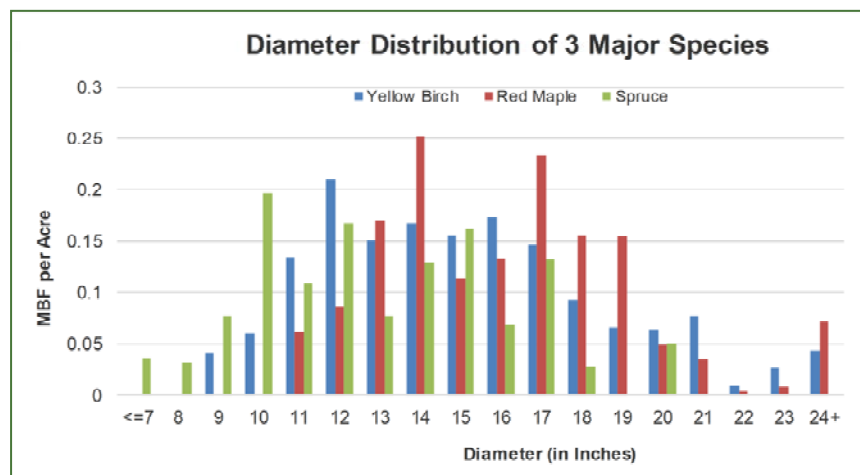
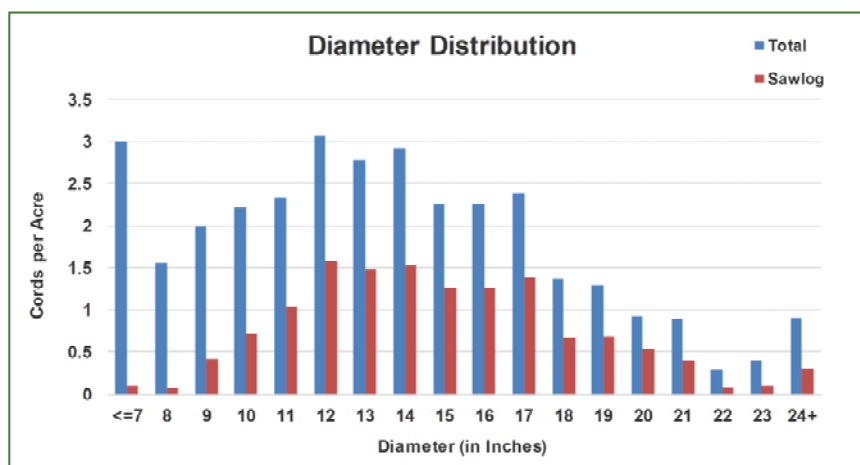
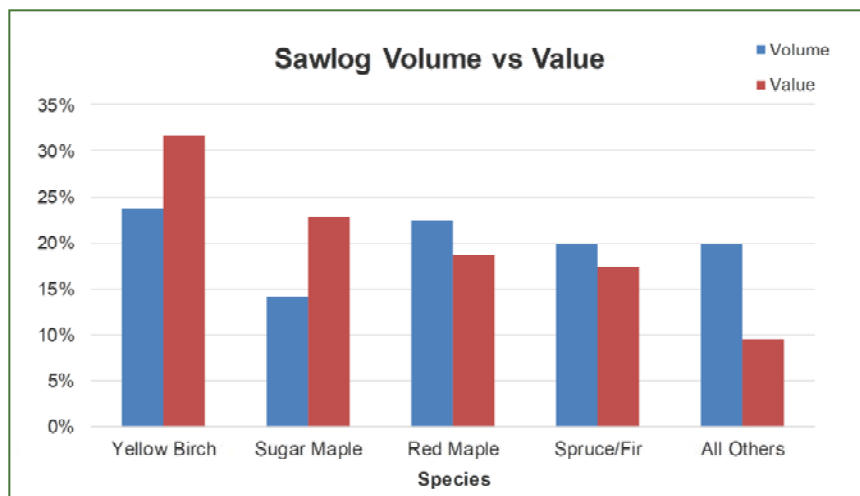
### Diameter Distribution:

Average diameter for all products combined is 13.5", while the average sawlog diameter is nearly 14.5", indicating a forest resource with a mature and maturing age class (the diameter distribution graph to the right shows a noticeable volume of diameters 20" and greater).

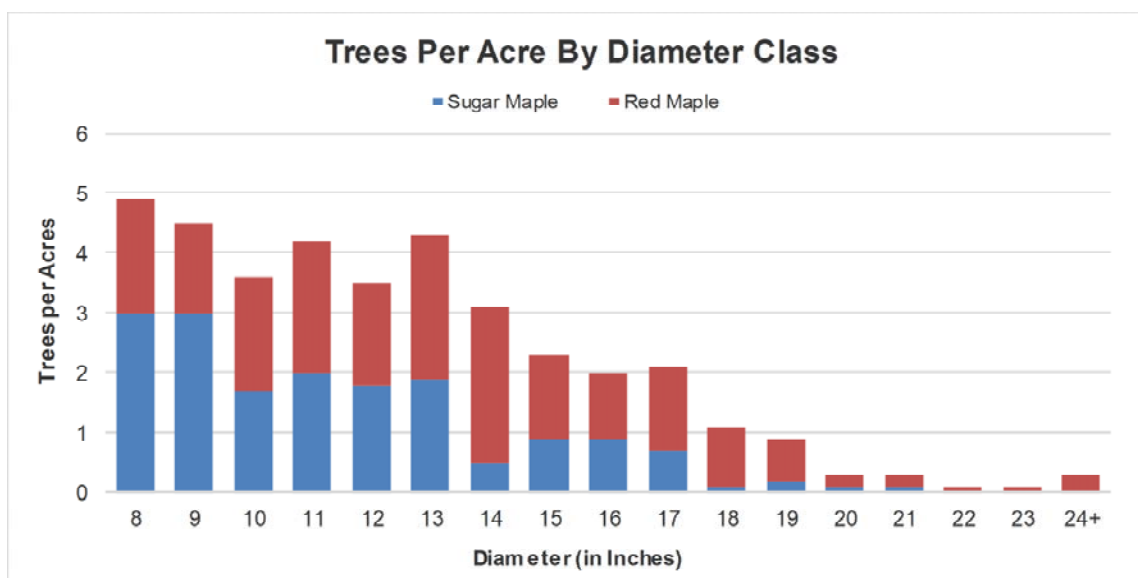
While a considerable component of the resource is within the older age classes, 38% of the pulpwood volume is growing stock (stems in the 5" to 10" size class).

Average diameter for the three main species are red maple 16", yellow birch 15" and spruce/fir 13". Stem quality for these three species plus sugar maple is quite good, with acceptable growing stock between 70% and 80% of each species' total volume, an important indicator given these species represent 90% of the property's sawlog value.

The average hemlock diameter is  $\pm 16$ ", placing this resource at financial maturity. The average sawtimber diameter for sugar maple is  $\pm 13$ ", representing a middle-aged maple resource.



## TIMBER RESOURCE (continued)

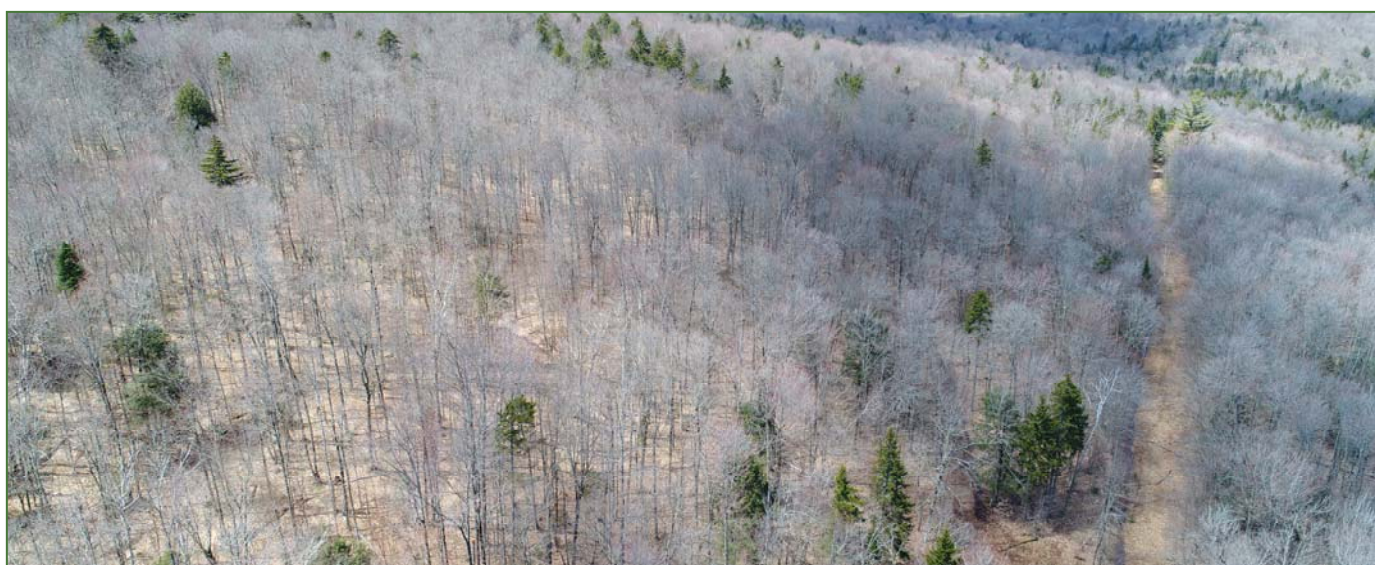


## SUGARBUSH OPPORTUNITY

The property may offer sugarbush opportunity in some areas based on high maple stocking, slope factor, access and proximity to electric power. The timber data indicate a total potential tap count of  $\pm 98,000$  gross taps, with roughly 39% of the taps from sugar maple and the balance from red maple. Trees 9" and greater were considered, providing an average of  $\pm 43$  taps/acre, covering the property's commercial acres. However, many of these taps may not be economically feasible given the proximity to electric power in areas at the northern end of the land. Also, the timber data indicate that an additional  $\pm 57,000$  taps may become available in the coming decades from the maple resource within the 5-8" diameter class.

Tap Estimate from Timber Data

Unit	Gross Taps	Acres	Taps/Acre
Rt 12 West	98,671	2,305	42.8



View of a fully-stocked stand on the lower slopes of Catamount Timberland Tract, with internal seasonal road showing to the right.

## CONSERVATION EASEMENT

The conservation easement on the property will be held by the State of Vermont, Agency of Natural Resources, Department of Forest, Parks and Recreation. Vermont Land Trust (VLT), the current owner since 2014, acquired the land from the Meyer Family, whose wish was to ensure the property would remain a productive, unfragmented forest resource landscape. VLT is transferring the conservation easement to the State of Vermont, a process that is anticipated to occur in 2019. VLT is hoping to agree on purchase terms, subject to the transfer of the conservation easement, at which point title will be transferred to the new owner.

A working forest “partnership” with the State of Vermont Agency of Natural Resources offers the new owner predictability and cooperation, given the long history and solid reputation this agency has in overseeing other conservation easements under their stewardship.

A principal objective of the easement is to minimize ecological impacts of a managed forest resource to provide a long term source of forest products.

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
- Surface Water Buffer Zones (SWBZs), permit limited harvesting/sugaring with special consideration to maintaining water quality
- Three camp structures of 800 ft<sup>2</sup> are permitted



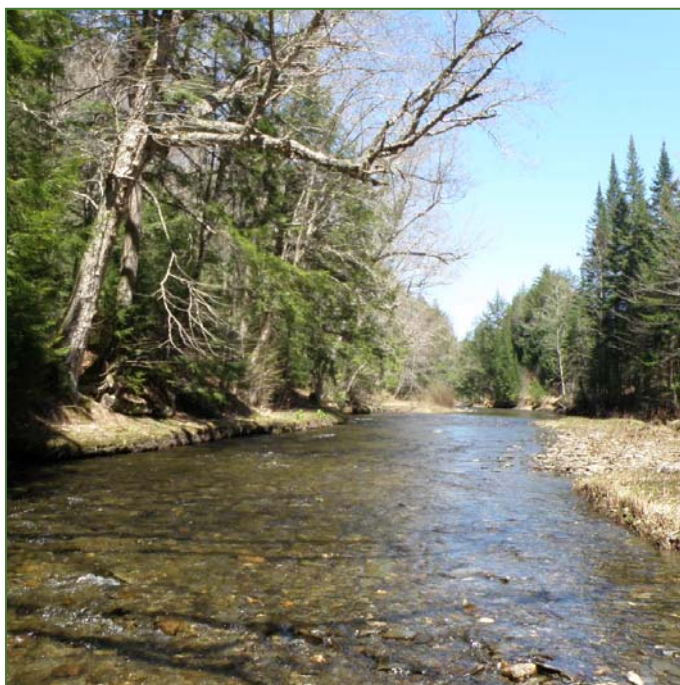
## ACREAGE, TAXES & TITLE

Property taxes in 2017-18 were roughly \$2.54/acre (roughly \$5,977). The property **IS** enrolled in the State of Vermont’s Use Value Appraisal (UVA) program.

Boundaries appear to be marked.

Upper Right: Typical softwood stand with many areas holding large diameter stems.

Lower Right: Frontage along the North Branch of the Winooski River.



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

## Deer Lake - Catamount Tract

### Estimated Timber Valuation

Prepared By

**F&W FORESTRY SERVICES INCORPORATED**

Elmore and Worcester, Vermont  
September 2018

2,353 Total Acres  
2,305 Commercial (Forested) Acres

Species	Volume MBF/CD	Unit Price Range			Total Value
		Low	High	Likely	Likely
<b><i>Sawtimber - MBF</i></b>					
Yellow Birch	2,527	200.00	325.00	260.00	<b>657,000</b>
Sugar Maple	1,225	300.00	425.00	360.00	<b>440,900</b>
Red Maple	2,504	100.00	200.00	170.00	<b>425,700</b>
Spruce/Fir	3,116	100.00	150.00	135.00	<b>420,700</b>
Sugar Maple Pallet	982	50.00	100.00	85.00	<b>83,500</b>
Hardwood Pallet	2,029	30.00	60.00	40.00	<b>81,200</b>
Yellow Birch Pallet	1,182	40.00	80.00	60.00	<b>70,900</b>
Hemlock	1,483	30.00	50.00	45.00	<b>66,800</b>
White Ash	223	225.00	325.00	250.00	<b>55,800</b>
Black Cherry	93	250.00	350.00	275.00	<b>25,600</b>
White Birch	233	60.00	115.00	75.00	<b>17,500</b>
Yellow Birch Veneer	14	600.00	800.00	700.00	<b>9,800</b>
Beech	71	25.00	70.00	50.00	<b>3,600</b>
<b><i>Pulpwood - Cords</i></b>					
Hardwood	37,852	7.00	15.00	10.00	<b>378,500</b>
Hemlock	5,230	3.00	6.00	4.00	<b>20,900</b>
Spruce/Fir	1,755	3.00	6.00	4.00	<b>7,000</b>

<b>Totals</b>					
Sawtimber Total	15,683	MBF			<b>\$2,359,000</b>
Sawtimber Per Acre	6.664	MBF			<b>\$1,002.42</b>
Sawtimber Per Comm. Acre	6.805	MBF			<b>\$1,023.65</b>
Cordwood Total	44,837	Cords			<b>\$406,400</b>
Cordwood Per Acre	19.1	Cords			<b>\$172.69</b>
Cordwood Per Comm. Acre	19.5	Cords			<b>\$176.35</b>
Total Per Comm. Acre					<b>\$1,200</b>

<b>Total Value</b>	<u>Low</u>	<u>High</u>	<u>Likely</u>
	\$2,020,000	\$3,456,000	<b>\$2,765,400</b>

BASED ON A JULY 2018 INVENTORY CRUISE BY F&W FORESTRY SERVICES, INC.

Inventory is based upon 115 (15 BAF) inventory plots on a 585' x 1,400' grid (1 plot equals 20 acres)

Statistical error: ±11.8% for sawlog products and ±6.79% for all products combined at the 95% Confidence Level

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

The volumes and values are not a liquidation value.

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



# Locus Map Worcester Timberlands

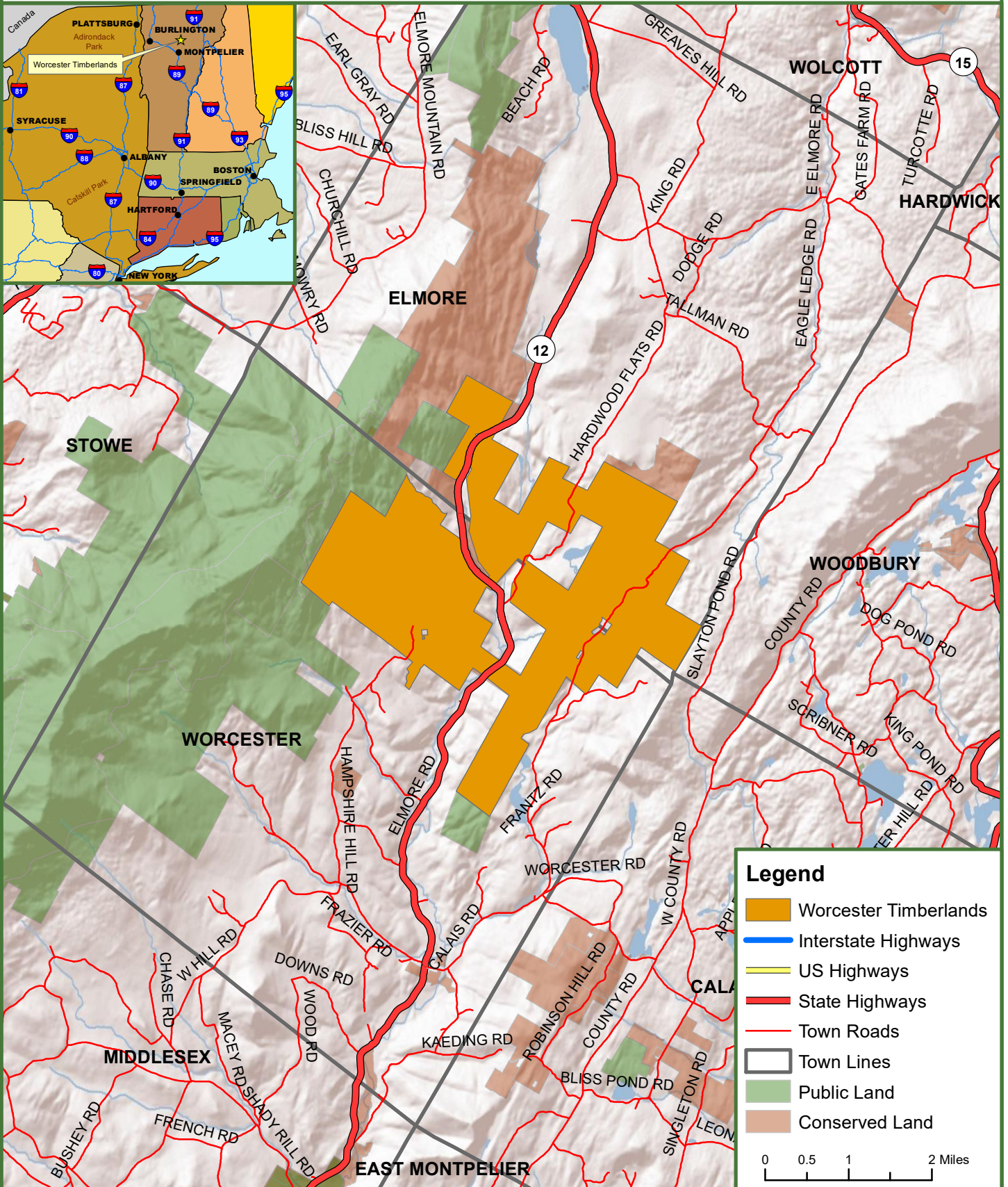
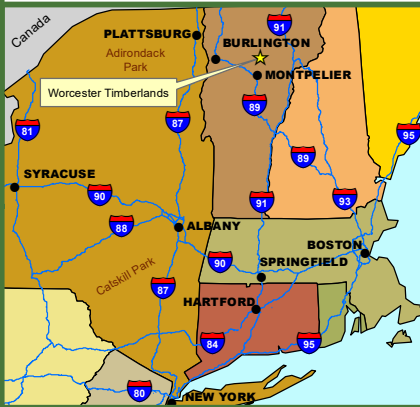
Catamount Tract (Land West of Route 12) 2,353 GIS Acres

Eagle Ledge Tract (Land East of Route 12) 3,568 GIS Acres

Elmore, Lamoille County, and Worcester, Washington County, Vermont



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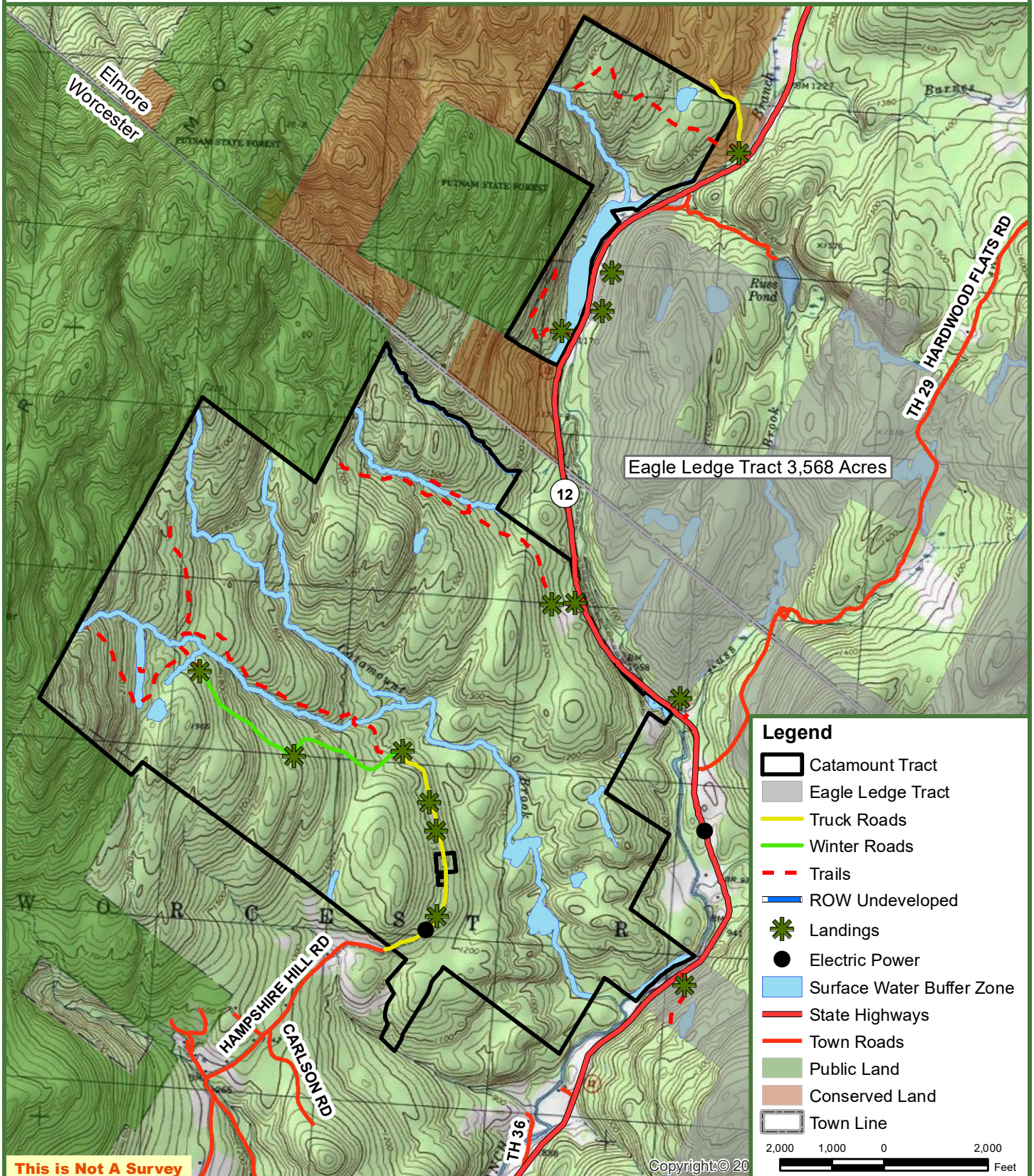


# Worcester Timberlands

Catamount Tract (Lands West of Route 12) 2,353 GIS Acres  
Elmore, Lamoille County, and Worcester, Washington County, Vermont



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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 from the actual location of the boundaries found in the field.

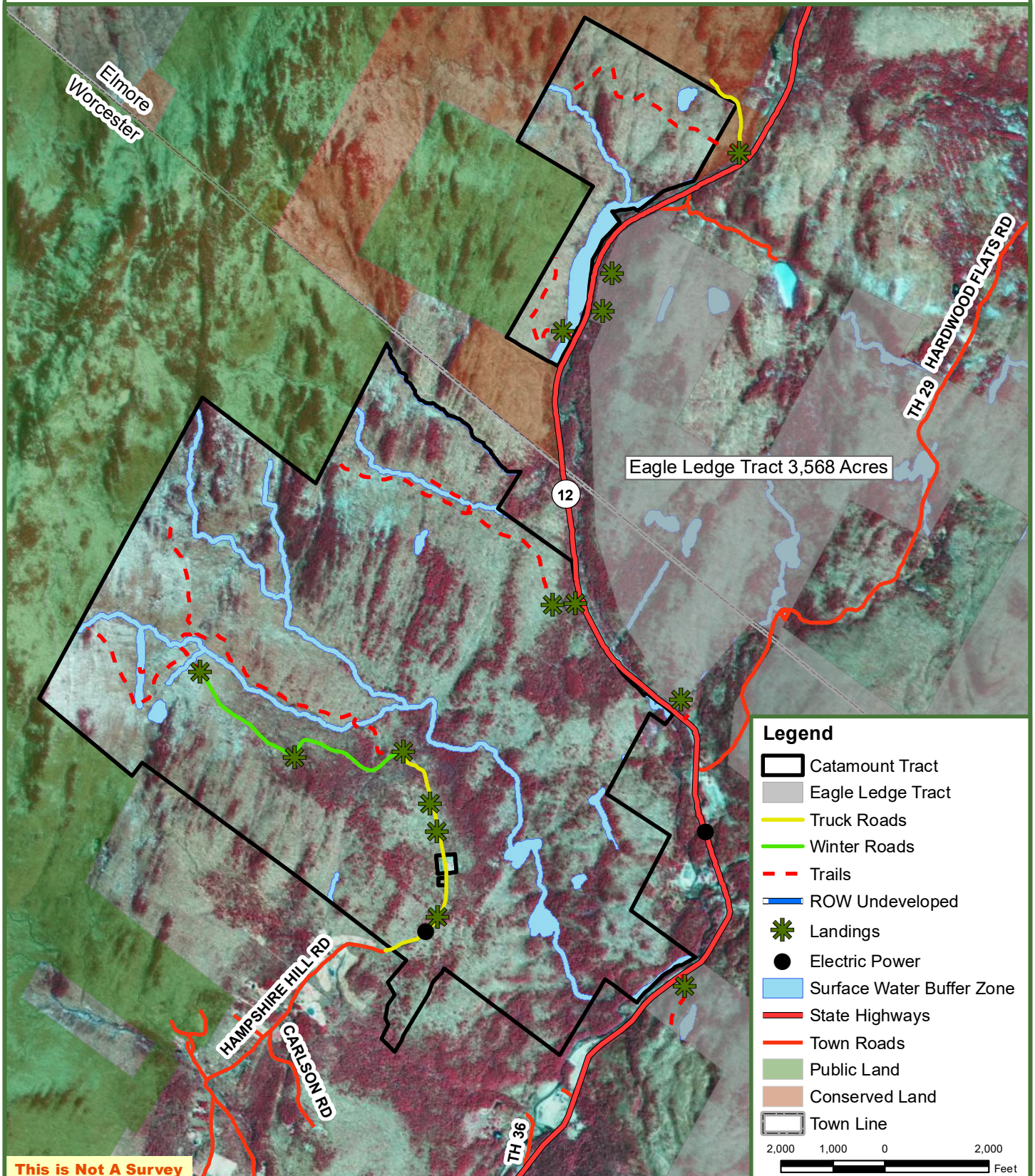


# Worcester Timberlands

Catamount Tract (Lands West of Route 12) 2,353 GIS Acres  
Elmore, Lamoille County, and Worcester, Washington County, Vermont



**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 from the actual location of the 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