

STRAWBROOK FOREST

Located in western New Hampshire, 16 miles east of Interstate 91, this well-managed, mixedwood forest with Class VI road access, an established trail system, and a stand structure positioned for long-term appreciation is close to a variety of forest product markets.



***412 Acres
Canaan, Grafton County, New Hampshire***

Price: \$662,000

LOCATION

Strawbrook Forest is in Canaan, New Hampshire, a small, rural town of less than 4,000 year-round residents approximately 15 miles east of Lebanon and Hanover, New Hampshire. The town is home to Cardigan Mountain School, Mascoma State Forest, and an abundance of water bodies, including scenic Goose Pond and Canaan Street Lake.

Located within minutes of Interstates 89 and 91, there is ample opportunity to access a variety of both low-grade and high grade forest product markets in New Hampshire, Vermont and Canada.

Regionally, the forest is located about 16 miles east of White River Junction, Vermont and Interstate 91; Concord, NH is about 50 miles away, while Boston, Massachusetts is located 120 miles away, or just over a two-hour drive.



A view from the forest looking east across the Straw Brook Valley.

ACCESS

Access to the parcel is gained via Kilton Road, public gravel, but unmaintained, road. About 1,300 feet of the road was recently improved up to the western parcel boundary.

Kilton Road bisects the parcel center providing good internal access and connection to another town road beyond the eastern boundary. A private internal haul road extends from Kilton Road downslope to provide additional management access. Canaan's Class VI road policy allows the potential for residential home development with approval of the town selectboard and planning board.

To visit the property from Interstate 89, take the Enfield exit and head east on Route 4. From Enfield village center, travel approximately 1.5 miles and take a left onto West Farms Road. Travel north on this road for approximately 2.5 miles, where you will see Kilton Road on your right. As Kilton Road is classified as Class VI, it is only periodically maintained by the town and may be gated during spring mud season (roughly late March to late April). If the road is open and ground conditions are relatively dry, proceed on Kilton Road for about a quarter mile to where the parcel boundary begins. The drivable portion of the road will terminate in a recently constructed log landing. This is the best place to park to inspect the forest on foot.



The public Class VI Kilton Road is in good condition and provides direct access to the forest.

SITE DESCRIPTION

A narrow plateau of well-drained soils exists along the western boundary. The plateau then gradually transitions eastward, sloping towards Straw Brook, and is generally consistent across much of the forest with the exception of the lower third. Here, a small intermediate brook traverses a steeper slope following a modest channel. Properly crossed during timber harvesting, it poses no operational constraints.

Soils along the slope are moderately well-drained and conducive to growing a diverse hardwood resource. At the base of the slope, soils become more stony, with pockets of poorly-drained soils. An established trail has been carefully laid out parallel to the slope, which provides access for future forest management. This trail leads to a landing at the base of the slope, facilitating trucking forest products from this area up to Kilton Road.

The majority of Strawbrook Forest's topography lies within the watershed of Straw Brook. This small stream flows south through the southeastern portion of the property and into Goose Pond Brook, which then flows into the Mascoma River in West Canaan.

TIMBER RESOURCE

A December 2018 timber inventory conducted by F&W Forestry indicates a total capital timber value of \$467,000 (\$1,152/GIS acre) detailed in the timber valuation contained in this report.

A thinning conducted in the summer of 2017 has left a well-distributed mix of mature white pine, red oak, sugar maple and other hardwoods. The intent of the thinning was to promote multiple age classes in the hardwoods and create a shelterwood in the pine stands, while also promoting residual high-quality sawlogs. In the hardwood stands, a group selection was applied to allocate growing space across a range of ages. Quality in the residual overstory was a priority throughout the thinning in both hardwood and softwood stands.

Kilton Road and all internal roads, trails and yards were properly closed out to maintain soil stability and the integrity of the internal access.

A well-spaced stand of hardwoods is poised to appreciate over the next rotation in another 12 to 15 years.



A pine shelterwood was recently completed on the forest with the intent of maintaining softwood species composition.



Maple, birch, ash and red oak are thriving on the eastern slope of the forest. Tree height reflects good site quality for hardwoods.



TIMBER RESOURCE (continued)

2018 Timber Inventory:

Timber information in this report is based on a December 2018 timber inventory conducted by F&W Forestry Services. The inventory was conducted via random point sampling using a 15 Basal Area Factor (BAF) prism with 60 sample plots collected. The data were processed using the TwoDog software. Sampling statistics are favorable, with a standard error of $\pm 19.3\%$ for sawlogs and $\pm 18.1\%$ for all products combined at the 95% confidence level. The standard error is a reflection of the forest variability and the number of samples collected; the latter being consistent with what F&W considers to be the industry standard for properties of this size.

All trees were measured in one-inch diameter increments at breast height (4.5' above ground). Merchantable products were tallied in 8' lengths for all trees 5" in diameter and greater.

Total sawlog volume is 2.5 million board feet (MMBF) (6.7 MBF/commercial acre) and 4,259 pulpwood cords (11.4 cords/commercial acre). Total volume per commercial acre is 24.8 cords which exceeds the regional average. Volume data and stumpage values are summarized in the Timber Valuation later in this report. Complete inventory data is available via request. Access to the on-line data folder is available upon request.

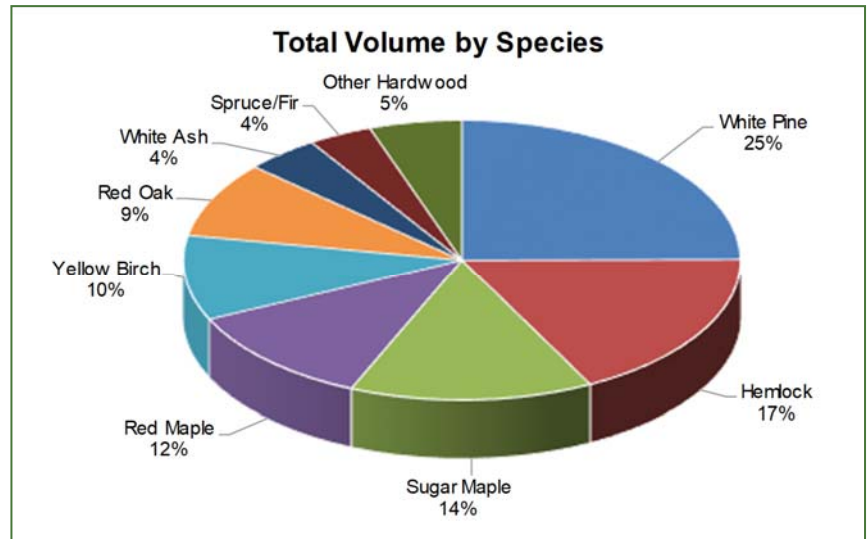


Figure 1: White pine, hemlock and the maples comprise 60% of the total volume. Red oak and northern hardwoods comprise the remainder.

Species Mix & Total Volume:

Figure 1 displays a species mix split almost equally between hardwoods at 54% of total volume and softwoods at 46%. Somewhat uncommon for this region is a mix of white pine, sugar maple, red maple and eastern hemlock, accounting for 68% of the total volume. Typically, red oak is associated with pine and hemlock.

Sawlog Volume:

Figure 2 highlights the dominance of white pine sawlog volume (34%); followed by sugar maple (14%) and hemlock (14%). There is a nearly equal spread of other commercial hardwood sawlogs in red maple, birch and white ash, showing the excellent species diversity—an indicator of favorable soil types.

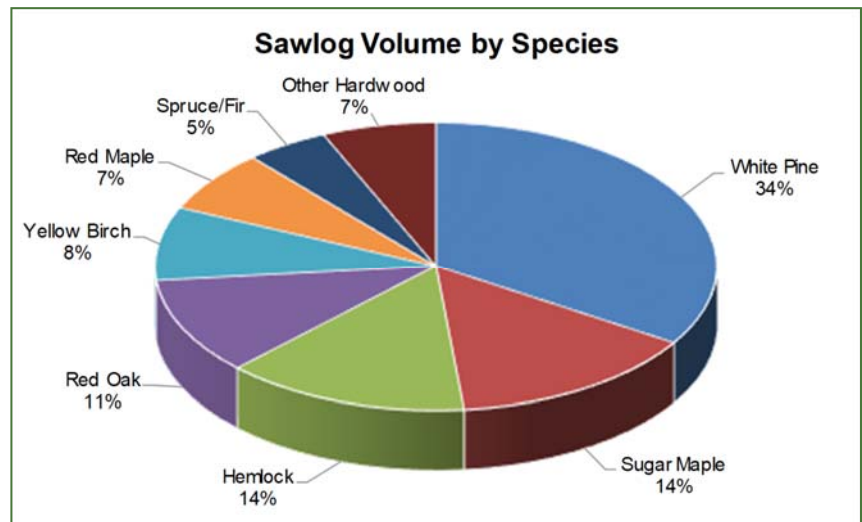


Figure 2: White pine, sugar maple, hemlock and red oak comprise a collective 73% of the total sawlog volume.

TIMBER RESOURCE

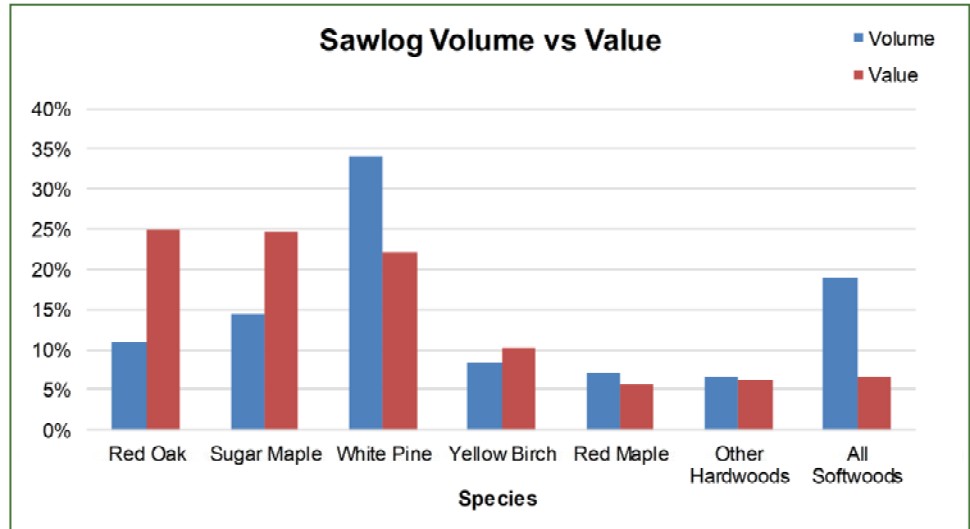
Sawlog Volume & Value:

Sawlog volume is led by white pine at nearly 35% of the total. Although lesser in quantity, sugar maple and red oak collectively comprise 50% of the value, followed by pine at 22% of the total value.

Stocking:

The timber data reveals a forest-wide basal area of 74.8 ft² on 121.8 stems/acre, a stocking level that represents fully-utilized growing space by current and future crop trees.

Stem quality is above average for the region with Acceptable Growing Stock (AGS), accounting for roughly 83% of total basal area. Half of the acceptable growing stocking is held by pine, sugar maple and red maple. The remainder of the AGS is composed of a balanced mix of yellow birch, red oak and white ash.



Although white pine has a commanding lead in sawlog volume, note the stronger comparative value of red oak and sugar maple despite their lesser volumes.



A recently thinned stand of white pine has ample room to grow while sheltering the next stand of softwoods—a mix of young pine, spruce and balsam fir in the understory.

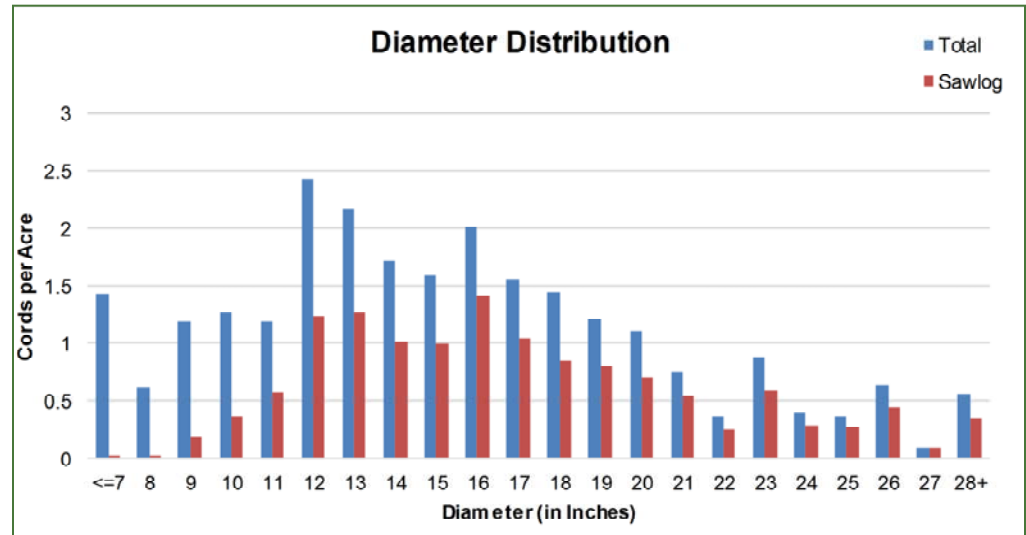
TIMBER RESOURCE

Diameter Distribution:

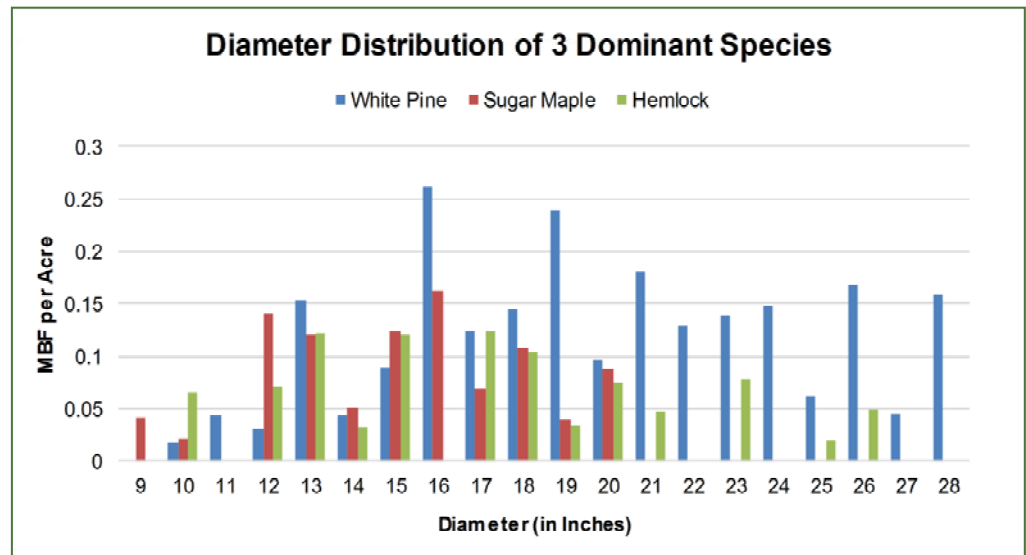
Diameter sizes are well-represented across the size spectrum, ranging in size from 7" to nearly 30" DBH. The average (quadratic mean) diameter for all trees combined is 10.6", while the mid-point of the diameter distribution in the sawlog category is about 17", well above average, given the mixed species type. The average diameter of white pine sawlog trees is 19".

Sugar maple shows a broad distribution with an average diameter near 14.5". Two associated tree species reflect sizable diameters with red oak averaging 16.5" and eastern hemlock averaging 16".

Overall, the diameter distribution of the three major species is favorable for long-term appreciation and future management options that will maintain the health and diversity of these commercial species. Clearly, white pine, with its upper-end diameter distribution, offers near-term harvest options (10 to 12 years), particularly in the 20"+ diameters. Alternatively, if a mature, "big tree" forest type is desired, the pine resource is well on its way. Future management objectives will vary depending on ownership goals; however, the broad spread of economically mature trees represents several silvicultural options going forward.



There is a strong concentration of diameters clustered in the 12" to 16" DBH range. Diameters in the 20" to 26" size range are dominated by white pine. Note the sawlog median of 17", representing significant commercial value.



The three major species have a wide distribution, with white pine showing substantial volume in the 16" to 30" DBH sizes, indicating near-term harvest opportunity.

TIMBER VALUATION



Strawbrook Forest

Timber Valuation

Prepared By

F&W FORESTRY SERVICES, INCORPORATED

Canaan, Grafton County, New Hampshire
December 2018

405 Acres
374 Commercial Acres

Species	Volume MBF/CD	Unit Price Range			Total Value Likely
		Low	High	Likely	
<i>Sawtimber - MBF (International 1/4")</i>					
White Pine	727	115.00	165.00	150.00	109,100
Sugar Maple	262	250.00	375.00	350.00	91,700
Red Oak	208	325.00	425.00	380.00	78,900
Yellow / Black Birch	129	175.00	250.00	225.00	29,000
Red Maple	151	100.00	175.00	150.00	22,700
White Ash	84	200.00	275.00	250.00	21,000
Red Oak Veneer	23	700.00	1,000.00	800.00	18,700
Hemlock	352	35.00	60.00	45.00	15,800
Spruce/Fir	119	90.00	125.00	115.00	13,700
Sugar Maple Pallet	95	50.00	75.00	65.00	6,200
Birch Pallet	84	40.00	70.00	60.00	5,000
Sugar Maple Veneer	4	800.00	1,100.00	900.00	3,700
Red Oak Pallet	41	50.00	100.00	75.00	3,100
White Pine Pallet	123	20.00	35.00	25.00	3,100
Yellow Birch Veneer	4	500.00	650.00	550.00	2,400
White Birch	17	100.00	135.00	125.00	2,200
White Birch Veneer	4	500.00	650.00	550.00	2,200
Pallet / Grade 3	40	30.00	50.00	40.00	1,600
Beech	24	30.00	50.00	40.00	900
Basswood	10	30.00	75.00	65.00	700
<i>Pulpwood - Cords</i>					
Hardwoods	2,632	8.00	13.00	10.00	26,300
Hemlock	916	4.00	8.00	6.00	5,500
Pine	606	2.00	5.00	4.00	2,400
Spruce/Fir	105	4.00	8.00	6.00	600

<i>Totals</i>					
Sawtimber Total	2,501	MBF			\$431,700
Sawtimber Per Acre	6.176	MBF			\$1,066
Sawtimber Per Comm. Acre	6.688	MBF			\$1,154
Cordwood Total	4,259	Cords			\$34,800
Cordwood Per Acre	10.5	Cords			\$86
Cordwood Per Comm. Acre	11.4	Cords			\$93
			Total Per Acre		\$1,152

Total Value	Low	High	Likely
		\$414,000	\$499,000

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

Inventory is based on 60 BAF 15 plots taken on a 352' x 352' grid.

Statistical Error: ±19.3% for all sawlog products and ±18.1% 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.

MUNICIPAL ZONING

Canaan does not have “formal” zoning, but does have Land Use Regulations that require a minimum frontage of 50 feet on a town-maintained road for residential lots and (generally) a 1-acre building lot in rural areas to support a well, septic and to meet minimal setbacks. Canaan has a process for residential development on Class VI roads. If all conditions meet the planning board and selectboard’s approval, the potential exists for establishing residential development on Strawbrook Forest. Please refer to the town’s land use policies available on their website at www.canaannh.org.

TAXES, ACREAGE & TITLE

Municipal property tax in 2018 for Tax Map 4 Lot 25 was \$407.

The property is enrolled in New Hampshire’s Current Use Program which reduces property taxes in exchange for a commitment by the landowner to maintain the land as “open space” - e. g. forest, field working farmland.

Ten (10) acres is the minimum required for enrollment in the program. A land use change tax is payable when development occurs. Development is defined as the subdivision into lots less than 10 acres, or the construction of dwellings or other non-agricultural or forestry structures. The land use change tax is 10% of “fair market value” prior to development and is payable to the town. For more information about New Hampshire’s current use tax program, contact the listing broker or the State of New Hampshire Department of Revenue Administration by visiting their website at www.nh.gov/revenue/currentuse/htm.



Managed for the long-term: an even distribution of quality hardwood stems are poised for continued growth and value appreciation.

Boundaries lines are well-maintained and visible in the form of painted tree blazes, barbed wire and stone walls in some sections. A 1985 survey by Pantel Associates documents approximately 412 total acres. Town tax records report the same. With the exception of the 2018 Timber Appraisal conducted by F&W Forestry, which references total GIS acres, maps in this report reflect the surveyed acreage.

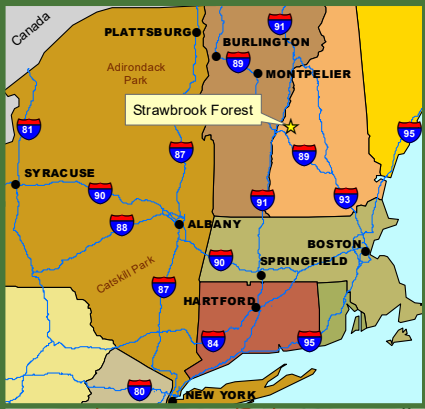
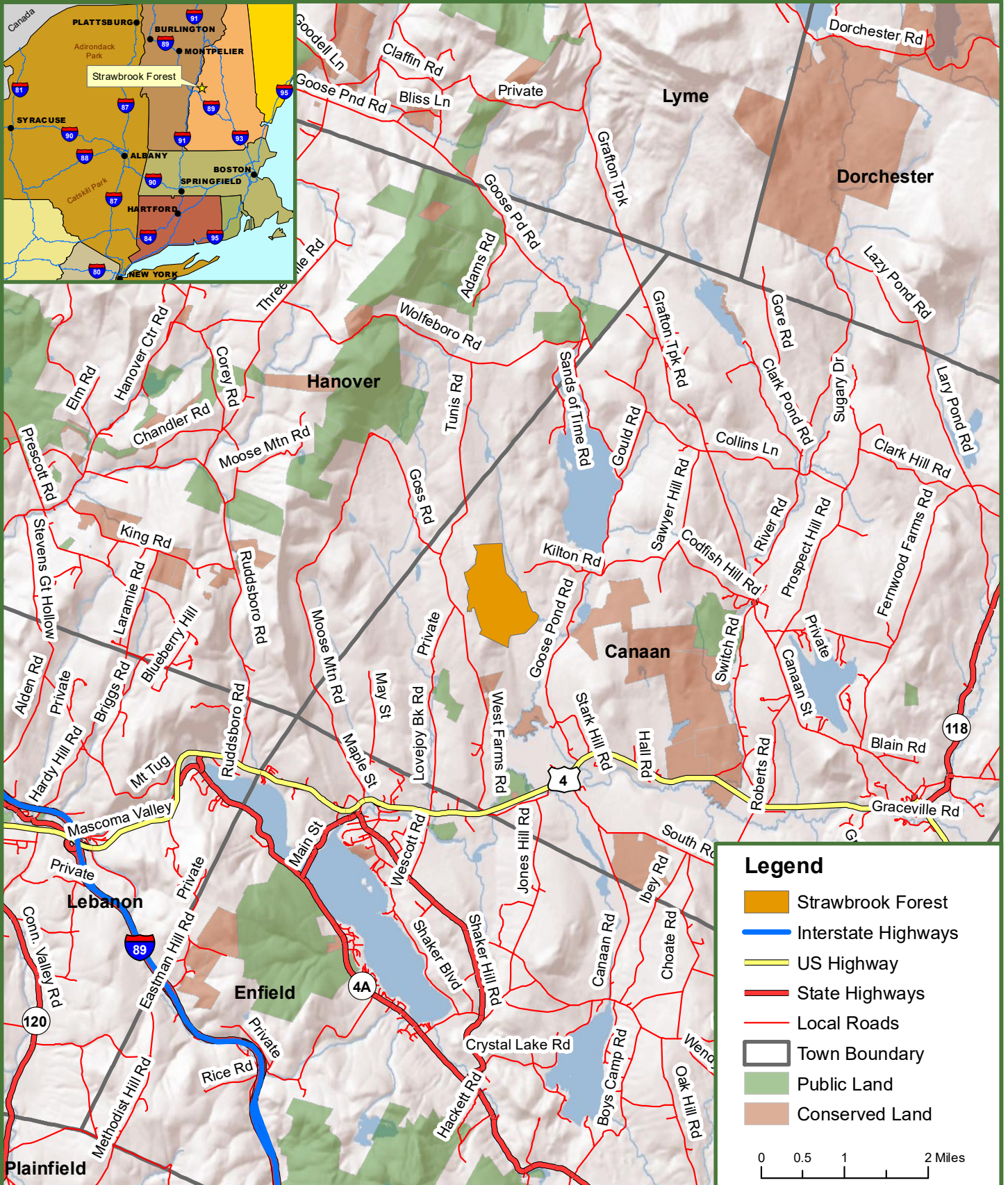
Strawbrook Forest is owned in fee by Strawbrook Forestry, Inc., documented in a Fiduciary Deed dated July 15, 1983 and recorded in the Grafton County Registry, Book 1476, Page 595.

Copies of the deeds, tax bills, tax maps and other related documents are available upon request. Timber data, including cruise specifications, raw cruise data and volume tables are available via email invitation to our online data room upon request. Contact information is on the front cover of this report.

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.

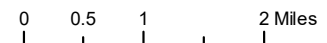


Locus Map Strawbrook Forest 412 Acres Canaan, Grafton County, NH



Legend

- Strawbrook Forest
- Interstate Highways
- US Highway
- State Highways
- Local Roads
- Town Boundary
- Public Land
- Conserved Land





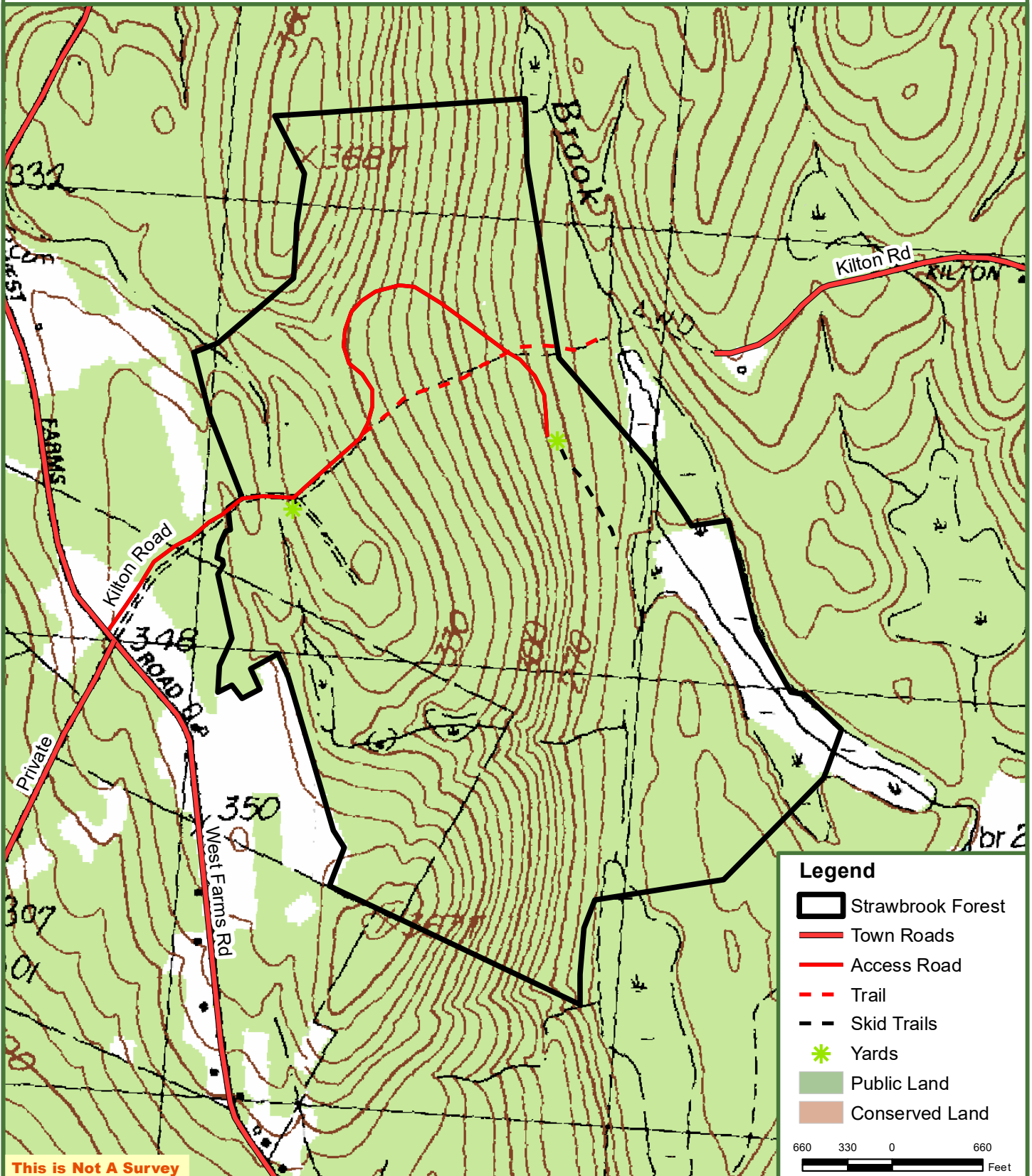
Strawbrook Forest

412 +/- Acres

Canaan, Grafton County, NH



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Land**
AN F&W COMPANY

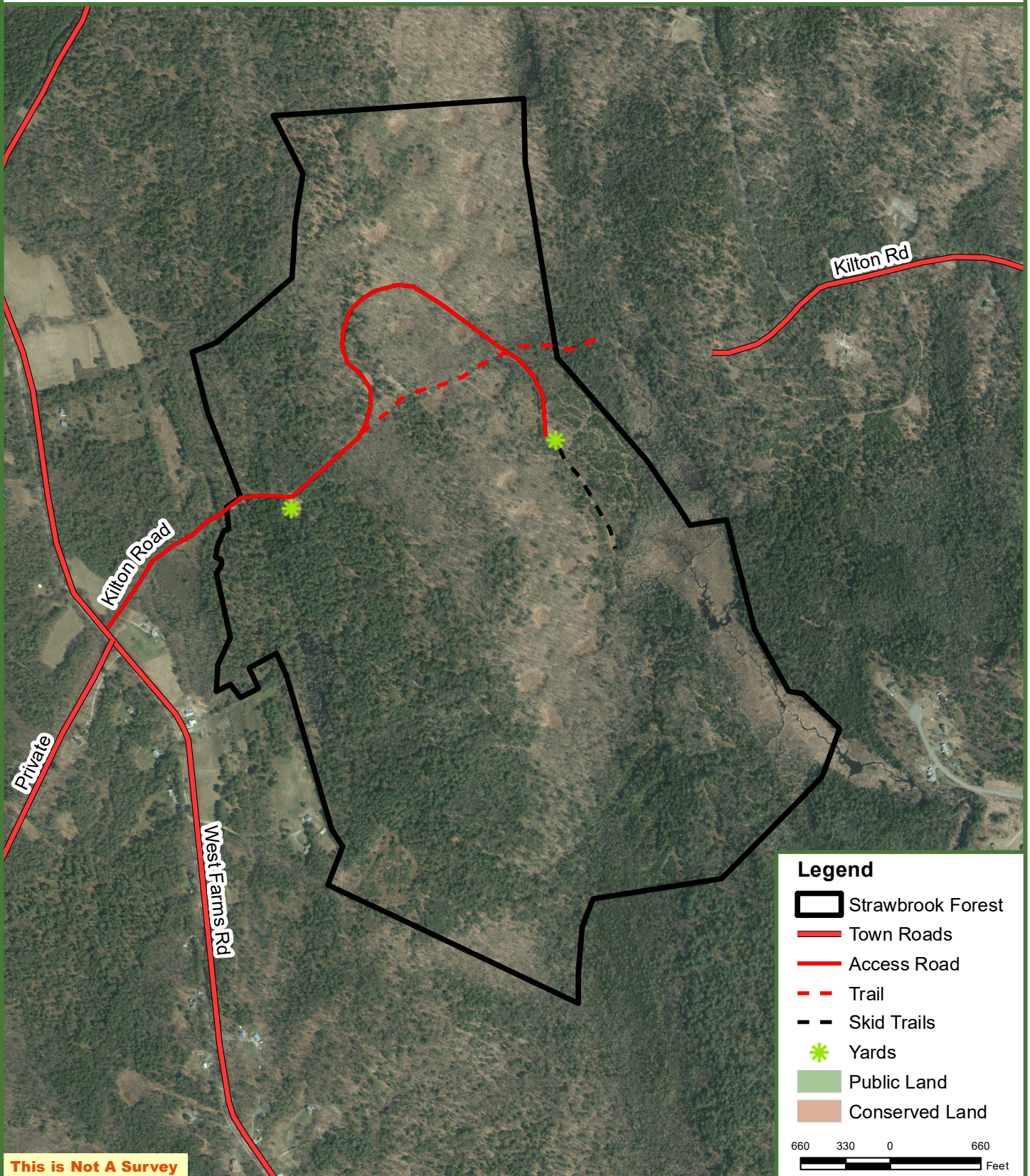


Map produced from the best available information including town tax maps, hand held GPS data, aerial photography and reference information obtained from publicly available GIS sources, and the owner. Boundary lines portrayed on this map are approximate and could be different than the actual location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



Strawbrook Forest

412 +/- Acres
Canaan, Grafton County, NH



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NEW HAMPSHIRE REAL ESTATE COMMISSION

64 South Street, Concord, NH 03301 Tel.: (603) 271-2701

BROKERAGE RELATIONSHIP DISCLOSURE FORM

(This is Not a Contract)

This form shall be presented to the consumer at the time of first business meeting, prior to any discussion of confidential information

Right Now You Are A Customer

As a customer, the licensee with whom you are working is not obligated to keep confidential the information that you might share with him or her. As a customer, you should not reveal any confidential information that could harm your bargaining position.

As a customer, you can expect a real estate licensee to provide the following customer-level services:

- To disclose all material defects actually known by the licensee pertaining to the on-site physical condition of the real estate;
- To treat both the buyer/tenant and seller/landlord honestly;
- To provide reasonable care and skill;
- To account for all monies received from or on behalf of the buyer/tenant or seller/landlord relating to the transaction;
- To comply with all state and federal laws relating to real estate brokerage activity; and
- To perform ministerial acts, such as showing property, preparing and conveying offers, and providing information and administrative assistance.

To Become A Client

Clients receive more services than customers. You become a client by entering into a written contract for representation as a seller/landlord or as a buyer/tenant.

As a client, in addition to the customer-level services, you can expect the following client-level services:

- Confidentiality;
- Loyalty;
- Disclosure;
- Lawful Obedience; and
- Promotion of the client's best interest.

For seller/landlord clients this means the agent will put the seller/landlord's interests first and work on behalf of the seller/landlord.

For buyer/tenant clients this means the agent will put the buyer/tenant's interest first and work on behalf of the buyer/tenant.

Client-level services also include advice, counsel and assistance in negotiations.

For important information about your choices in real estate relationships, please see page 2 of this disclosure form.

I acknowledge receipt of this disclosure as required by the New Hampshire Real Estate Commission (Pursuant to Rea 701.01).

I understand as a customer I should not disclose confidential information.

Name of Consumer (Please Print)

Name of Consumer (Please Print)

Signature of Consumer

Date

Signature of Consumer

Date

Provided by: PATRICK D. HACKLEY
Licensee Date 1/25/2019

FOUNTAINS LAND,
(Name of Real Estate Brokerage Firm)

(Licensees Initials) Consumer has declined to sign this form.

To check on the license status of a real estate firm or licensee go to www.nh.gov/nhrec. Inactive licensees may not practice real estate brokerage.

Types of Brokerage Relationships commonly practiced in New Hampshire

SELLER AGENCY (RSA 331-A:25-b)

A seller agent is a licensee who acts on behalf of a seller or landlord in the sale, exchange, rental, or lease of real estate. The seller is the licensee's client and the licensee has the duty to represent the seller's best interest in the real estate transaction.

BUYER AGENCY (RSA 331-A:25-c)

A buyer agent is a licensee who acts on behalf of a buyer or tenant in the purchase, exchange, rental, or lease of real estate. The buyer is the licensee's client and the licensee has the duty to represent the buyer's best interests in the real estate transaction.

SINGLE AGENCY (RSA 331-A:25-b; RSA 331-A:25-c)

Single agency is a practice where a firm represents the buyer only, or the seller only, but never both in the same transaction. Disclosed dual agency cannot occur.

SUB-AGENCY (RSA 331-A:2, XIII)

A sub-agent is a licensee who works for one firm, but is engaged by the principal broker of another firm to perform agency functions on behalf of the principal broker's client. A sub-agent does not have an agency relationship with the customer.

DISCLOSED DUAL AGENCY (RSA 331-A:25-d)

A disclosed dual agent is a licensee acting for both the seller/landlord and the buyer/tenant in the same transaction with the knowledge and written consent of all parties.

The licensee cannot advocate on behalf of one client over another. Because the full range of duties cannot be delivered to both parties, written informed consent must be given by all clients in the transaction.

A dual agent may not reveal confidential information without written consent, such as:

1. Willingness of the seller to accept less than the asking price.
2. Willingness of the buyer to pay more than what has been offered.
3. Confidential negotiating strategy not disclosed in the sales contract as terms of the sale.
4. Motivation of the seller for selling nor the motivation of the buyer for buying.

DESIGNATED AGENCY (RSA 331-A:25-e)

A designated agent is a licensee who represents one party of a real estate transaction and who owes that party client-level services, whether or not the other party to the same transaction is represented by another individual licensee associated with the same brokerage firm.

FACILITATOR (RSA 331-A:25-f)

A facilitator is an individual licensee who assists one or more parties during all or a portion of a real estate transaction without being an agent or advocate for the interests of any party to such transaction. A facilitator can perform ministerial acts, such as showing property, preparing and conveying offers, and providing information and administrative assistance, and other customer-level services listed on page 1 of this form. This relationship may change to an agency relationship by entering into a written contract for representation, prior to the preparation of an offer.

ANOTHER RELATIONSHIP (RSA 331-A:25-a)

If another relationship between the licensee who performs the services and the seller, landlord, buyer or tenant is intended, it must be described in writing and signed by all parties to the relationship prior to services being rendered.