

THE TRIANGLE FOREST

This property boasts over 16 million board feet of spruce/fir and hardwood logs, immediate pulpwood and biomass harvest opportunities and six-and-a-half square miles of unencumbered, productive central Adirondack forestland.



4,229 Tax Acres
Long Lake, Hamilton County, NY

NEW Price: ~~\$2,830,000~~ \$2,650,000

OVERVIEW

The 4,229-acre Triangle Forest, located in the heart of the Adirondack Mountains, is an attractively priced spruce and northern hardwood property with immediate timber income potential through pulpwood and biomass thinnings. Meanwhile, its valuable hardwood and spruce sawtimber resource can be allowed to grow in value over time. Capital Timber Value has recently been set at \$2,355,100 (\$557/acre), representing 89% of the asking price. Highlights include over 16 million board feet of quality spruce/fir and hardwood sawtimber and nearly 59,000 cords of pulpwood.

LOCATION

The property is in the central Adirondack town of Long Lake, an area known for its working forest landscape, with good access to markets, logging contractors and forestry service providers. Tupper Lake is 12 miles north along Route 30 and offers steady log markets as well as regional shopping and dining amenities. Route 30, 2 miles to the west, is a major forest products transportation artery to regional pulp, sawlog, veneer and firewood outlets.

Interstate 87 is 45 miles to the east and the Canadian border is within 2 hours to the north. International Paper Company in Ticonderoga, a major hardwood pulp market, is 65 miles east of the property, while Finch Pruyn in Glens Falls, is situated 80 miles to the south.

ACCESS

Access is via a deeded right-of-way across Number 4 Road, a 2-mile-long, gated private road that extends from Route 30 to the property's western boundary. Number 4 Road's gravel base and good running surface have been carefully maintained over the years. The road is immediately suitable to both SUV-type traffic and log trucks. Upon entering the property, this gravel road continues for another 3 miles to the caretaker's camp and then beyond toward another camp near the property's eastern boundary. Please contact the listing broker for a copy of the right-of-way deed language.

There are over 11 miles of internal forestry and log hauling roads throughout the property and established forestry skidding and forwarding trails that are already in place for future silvicultural entries.



This well-stocked spruce/fir and hardwood property offers both near-term pulpwood thinnings and steady, long-term growth potential.



Number 4 Road provides deeded access to the property from nearby Route 30, a major regional log hauling road.

SITE OPPORTUNITY

The Triangle Forest offers six-and-a-half square miles of productive, unencumbered forestland in the heart of the Adirondack Park. Highlights include a rich canvas of cathedral spruce and balsam fir stands, well-drained hardwood ridges, several miles of creek frontage along Moose Bog Stream, and abundant gravel deposits that are perfectly suited for internal road building and maintenance.

Forestry and logging operability is considered very good, with hardwood sites workable all year round and the lower-lying spruce/fir stands ideally suited for winter operations when the ground is frozen. The commercial acreage deemed accessible for harvesting total 3,901 acres, representing 92% of the total property area. The ground is suited for both mechanized harvesting or conventional logging, depending upon contractor availability and harvest prescriptions.

The property offers solid recreational leasing opportunities to offset holding costs. The property's long-time caretaker currently has two camps on the property and has hunted the land for many years in exchange for road maintenance and oversight. The cabins are owned by the caretaker and do not convey with the property.

Elevations range from 1,750 feet along the Moose Creek watershed near the far eastern edge of the property to 2,280 feet along the summit areas of the hardwood ridge near the northwest corner.

The Triangle Forest has long frontage on two significant streams. Bog Stream flows through the property's southwest corner for over two miles before leaving the property's bounds and eventually flowing into Little Tupper Lake. Moose Creek's upper headwaters form in the heart of the property and serpentine through boreal spruce stands, open beaver bogs and northern forests for over two-and-a-half miles before flowing eastward toward the Raquette River.



A scenic beaver flow along the Moose Creek frontage well within the heart of The Triangle Forest.



There is a lot of young maple and birch that can be released to grow via pulpwood and biomass removals of the beech component.

TAXES, TITLE & ZONING

Annual property taxes in 2016-17 were \$17,025. The property **IS NOT** enrolled in New York State's Real Property Tax Law 480A program, which can significantly reduce the annual tax burden if enrolled.

The property is listed as Town of Long Lake Tax Map 4.000-1-3, 4.000-1-5, 4.000-1-6, 4.000-1-7 and 5.000-1-3. Deed information can be found in the Hamilton County Clerk's Office Deed Book 2015, Page 205.

A neighboring property owner to the west has a right-of-way for ingress and egress across the portion of Number 5 Road south of Bog Stream. Details of this right-of-way and the Number 4 Road agreement can be provided upon request.

The APA Zoning is Resource Management, which allows for an average of 42 acres per principle structure, while rustic hunting camps smaller than 500 square feet are typically non-APA jurisdictional.

TIMBER

The Triangle Forest offers a fully-stocked spruce/fir and northern hardwood resource that can provide both reasonable near-term cash flow and steady asset growth over time.

A summer 2017 inventory using a 10 BAF prism on 249 plots reveals a standing timber inventory of 16,156 MBF of spruce/fir and hardwood logs and 58,942 cords of pulpwood products, with total stocking at 21.5 cords per acre. Capital Timber Value has been set at \$2,355,100 (\$557/acre), a figure representing most of the asking price. Inventory stats at the 95% Confidence Interval are 16.5% for sawlog products, 11.1% for cordwood products and 9.24% for all products combined.

Species Composition

The Triangle offers a naturally-diverse, resilient Adirondack forest whose overall volume is comprised of 65% northern hardwoods and 35% conifer species. Spruce/fir represents 30% of total property-wide volume, along with beech (28%), red maple (17%), birches (11%), sugar maple (5%) and other associates (9%).



The Triangle Forest's hardwood stands are well drained and highly productive for maple and birch sawlog production over time.



TIMBER (Continued)

Stocking and Silvicultural Opportunities

Property-wide, basal area is 86 square feet (200.9 stems per acre), a level indicative of well-stocked spruce/fir and hardwood stands. There are near-term thinning opportunities associated with low grade beech pulpwood removals that can generate modest cash flow on the front end of the investment, while accelerating residual growth for the higher-value hardwoods like birches and maple. Financially mature spruce and balsam fir that are intermixed within these northern hardwood stands can be harvested simultaneously with the low-grade removals.

Approximately 300-350 acres of spruce/fir stands between Number 4 Road and Bog Stream have been actively thinned and regenerated over the past two decades, with one operation occurring in the early to mid-nineties and a more recent harvest occurring within the last 5-10 years. These areas have regenerated remarkably well. The remaining spruce/fir resource is growing nicely and will be reaching financial maturity within the coming decade. Combined with the immediate low-grade hardwood thinning opportunities, this scenario creates ample opportunities for periodic cash flow to neutralize holding costs while the quality maple and birch stems continue to grow over time.

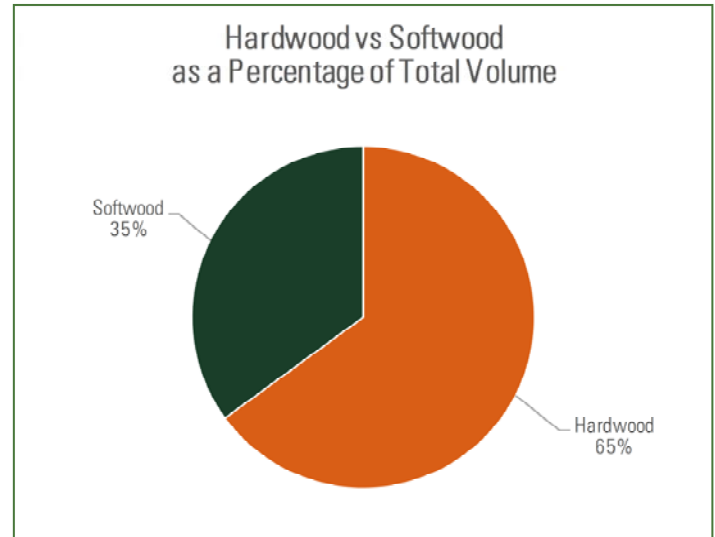
Sawlog Volume & Value

Spruce/fir is the primary sawlog species on the property, representing 61% of volume and over half of the current value. The maples comprise 15% of volume and 17% of value, while yellow birch represents 11% of sawlog volume and 18% of value.

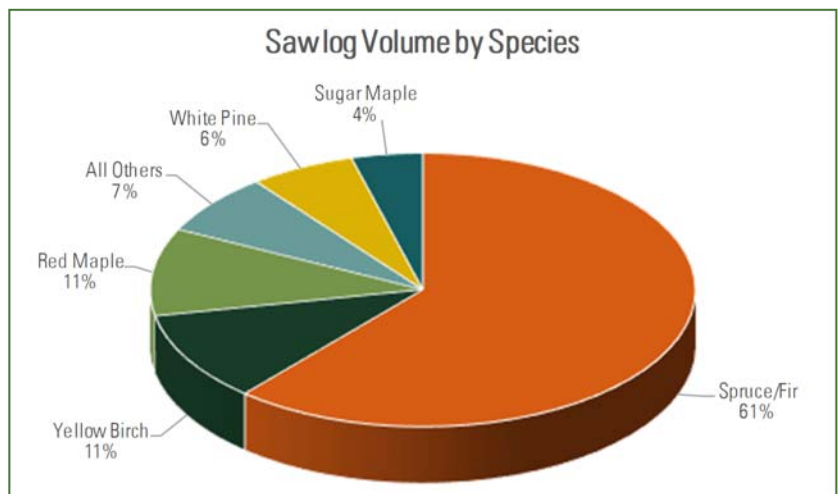
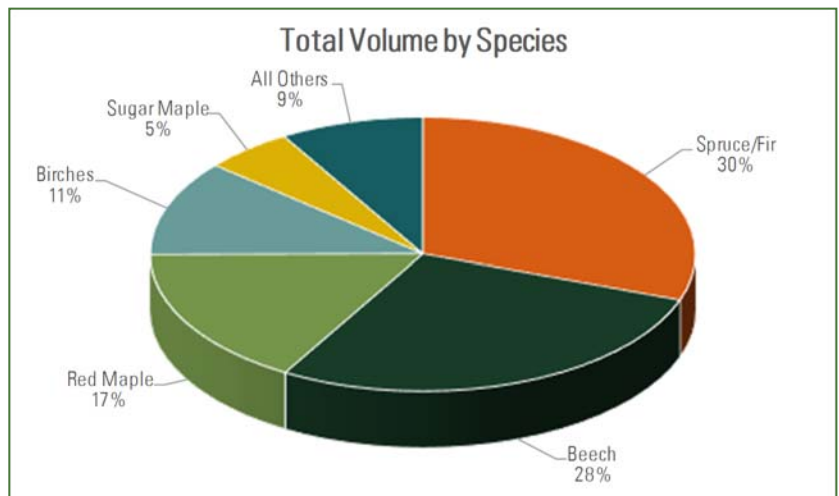
Diameter Distribution

The average sawlog diameter for all species combined is 12.9", while the average diameter for all merchantable products is 11.9". Average sawtimber diameters for the three key species include spruce/fir 10.6", yellow birch 16.1" and red maple 13.6".

Spruce/fir represents 61% of the overall sawlog volume while yellow birch and the maples are key hardwoods.

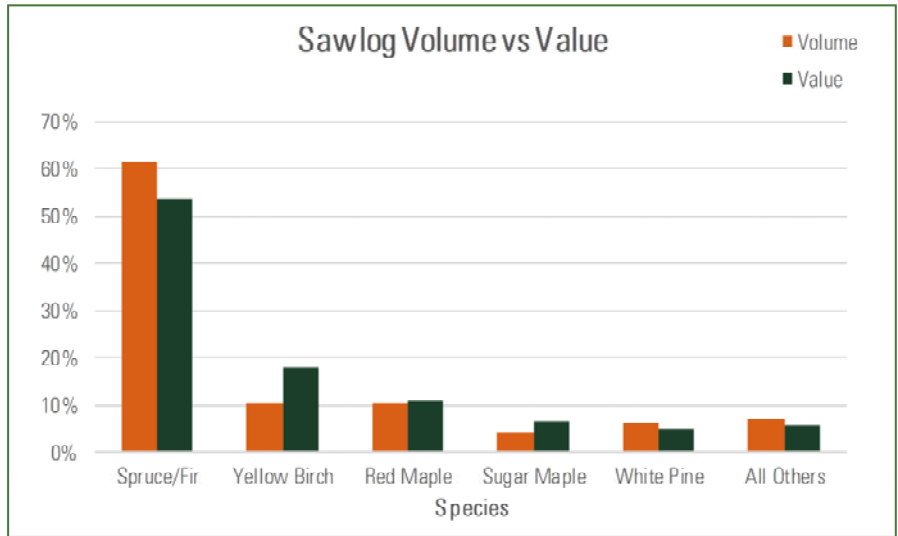


Top and Middle: The property has a diverse suite of naturally resilient northern hardwoods and conifer species, with key components being spruce/fir, beech, the birches and the maples.

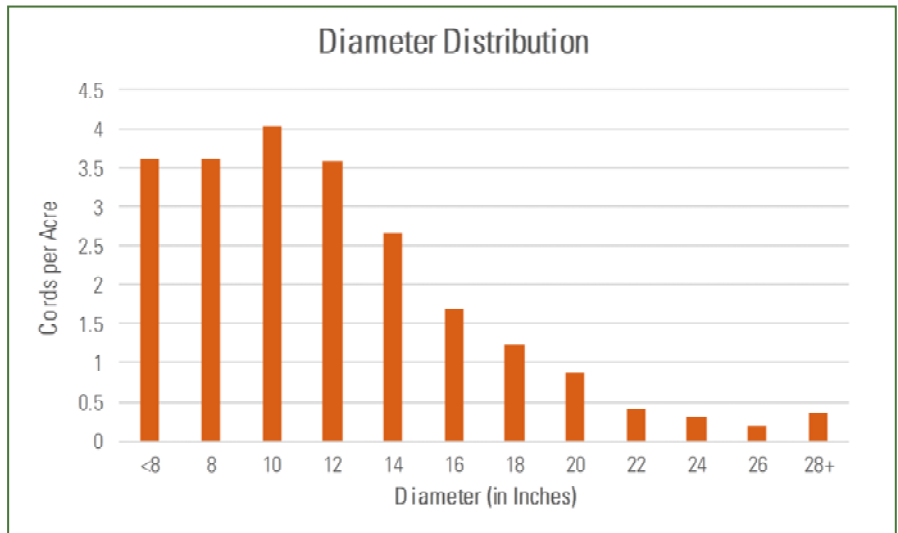


TIMBER (Continued)

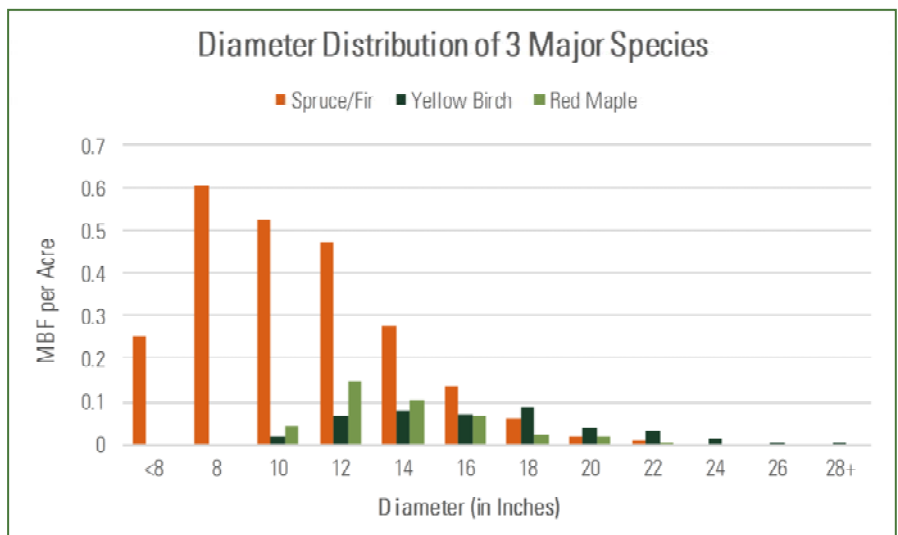
There is a significant spruce/fir component which will reach financial maturity within the next 15 years, offering timber income potential over time as the hardwood resource grows.



The average sawlog diameter for all species combined is 12.9", while the average diameter for all merchantable products is 11.9".



Average sawtimber diameters for the three key species include spruce/fir 10.6", yellow birch 16.1" and red maple 13.6".



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.

TIMBER VALUATION



Triangle Tract

Timber Valuation

Prepared By

F&W Forestry Services, Inc.

Hamilton County, New York
July 2017

4,228 Acres
3,901 Commercial Acres

Species	Volume MBF/CD	Unit Price Range			Total Value
		Low	High	Likely	Likely
Sawtimber - MBF (Int. 1/4 Rule)					
Spruce/Fir	9,903	80.00	110.00	85.00	841,800
Yellow Birch	1,140	210.00	260.00	235.00	267,900
Red Maple	1,136	125.00	180.00	160.00	181,800
Sugar Maple	290	300.00	400.00	330.00	95,800
White Pine	824	90.00	125.00	110.00	90,600
White Ash	287	125.00	180.00	140.00	40,200
Hardwood Pallet	865	30.00	55.00	45.00	38,900
Yellow Birch Veneer	52	600.00	850.00	725.00	37,400
Yellow Birch Pallet	522	40.00	60.00	50.00	26,100
Black Cherry	74	275.00	350.00	300.00	22,300
Sugar Maple Pallet	392	40.00	60.00	45.00	17,700
Hemlock	136	30.00	60.00	45.00	6,100
White Pine Pallet	189	20.00	40.00	30.00	5,700
Beech	142	25.00	40.00	30.00	4,200
Cedar	93	30.00	50.00	30.00	2,800
Black Cherry Pallet	49	40.00	60.00	45.00	2,200
Tamarack	45	25.00	45.00	30.00	1,400
White Birch	16	70.00	120.00	85.00	1,400
Pulpwood - Cords					
Hardwoods	48,923	8.00	14.00	13.00	636,000
Softwood	9,494	2.00	6.00	3.00	28,500
Hemlock	525	8.00	14.00	12.00	6,300

Totals					
Sawtimber Total	16,156	MBF			\$1,684,300
Sawtimber Per Acre	3.821	MBF			\$398
Sawtimber Per Comm. Acre	4.141	MBF			\$432
Cordwood Total	58,942	Cords			\$670,800
Cordwood Per Acre	13.9	Cords			\$159
Cordwood Per Comm. Acre	15.1	Cords			\$172
			Total Per Acre		\$557

Total Value	Low	High	Likely
		\$2,127,000	\$2,557,000

BASED ON SPRING 2017 INVENTORY CRUISE BY F&W FORESTRY ADJUSTED FOR 3 YEARS' GROWTH USING 2.5% FOR SAWLOGS & 1.5% FOR PULPWOOD

249 BAF 10 Inventory Points - At the 95% CL - standard error of 16.5% for Sawlogs, 11.1% on Pulpwood and 9.24% on all products

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

The volumes and values are not a liquidation value.

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

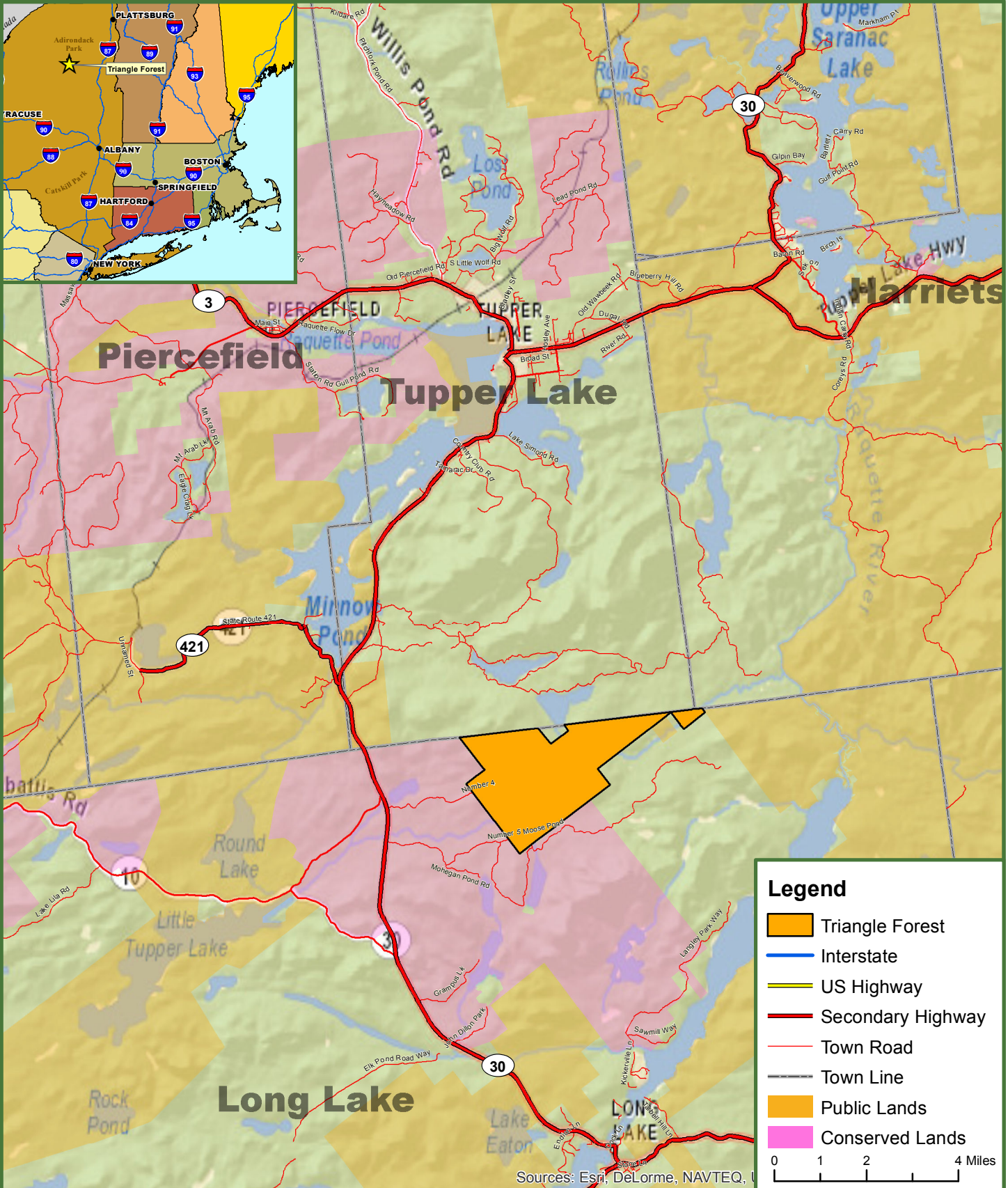
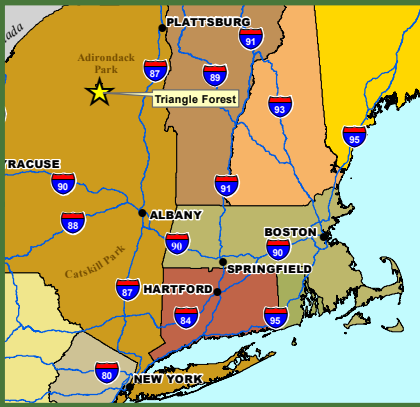


Locus Map Triangle Forest

4,229.1 Tax Acres
Long Lake, Hamilton County, NY



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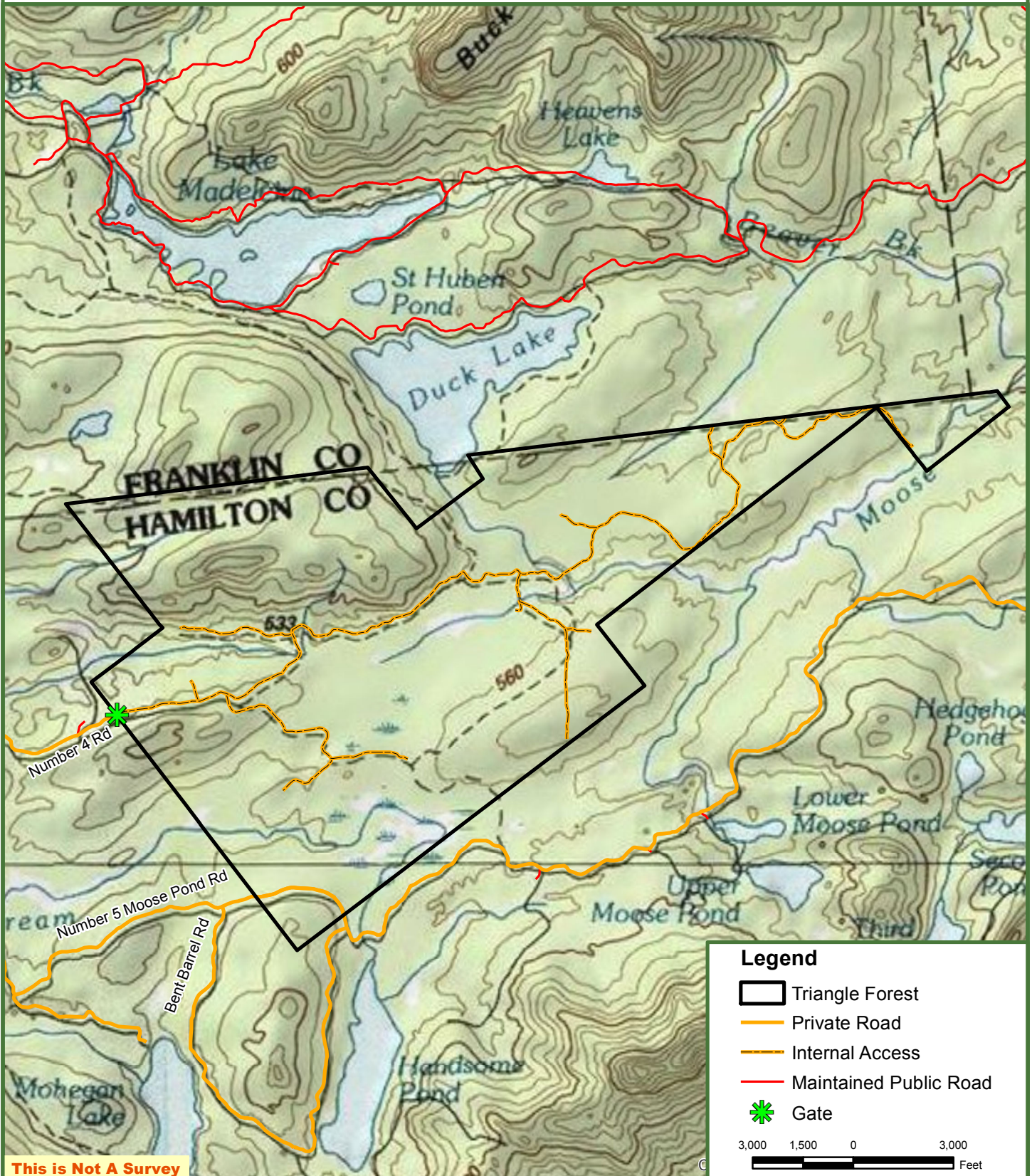
Triangle Forest

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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.



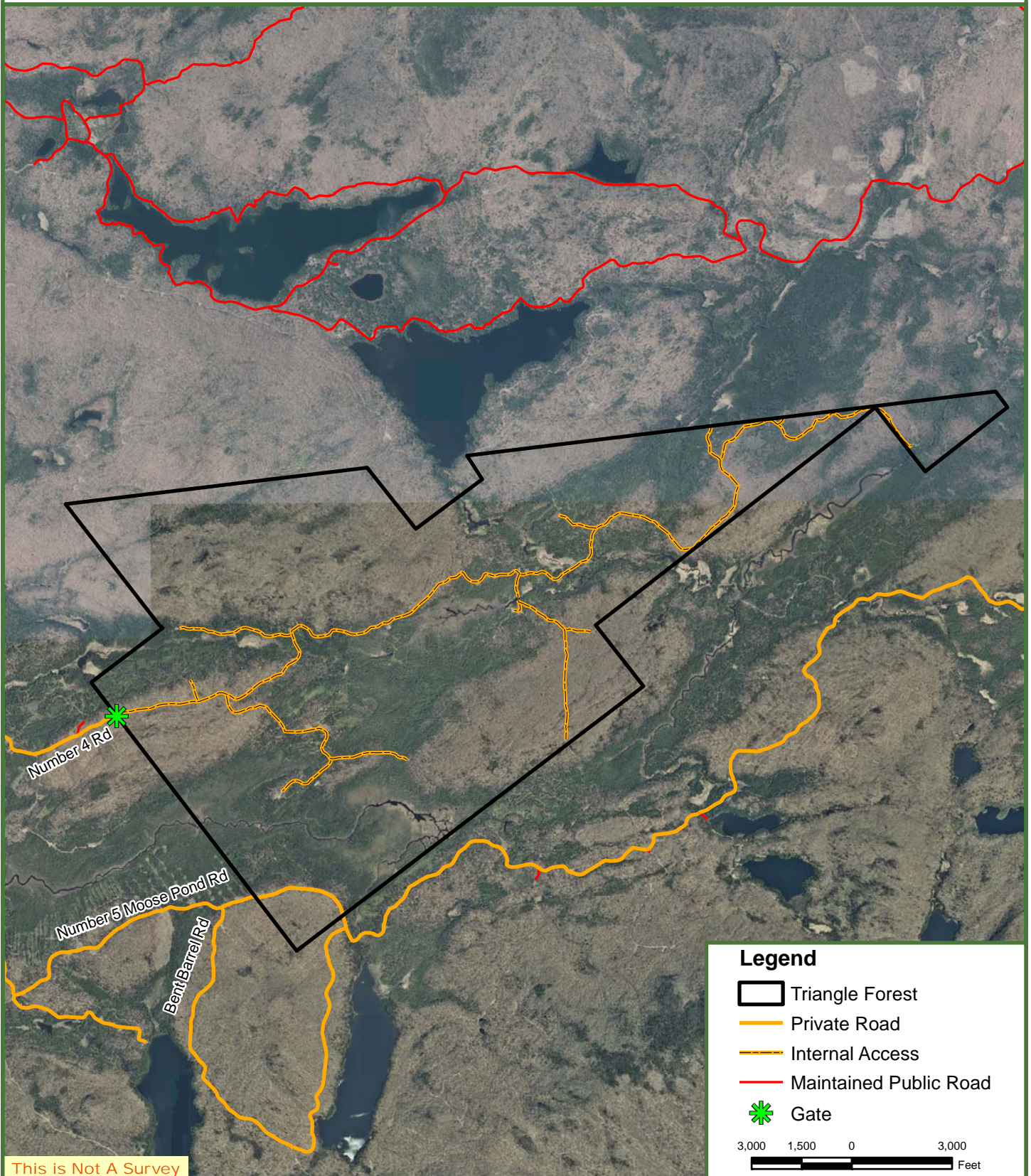
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4,229.1 Tax Acres

Long Lake, Hamilton County, NY



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New York State
DEPARTMENT OF STATE
Division of Licensing Services
P.O. Box 22001
Albany, NY 12201-2001

Customer Service: (518) 474-4429
Fax: (518) 473-6648
Web site: www.dos.state.ny.us

New York State Disclosure Form for Buyer and Seller

THIS IS NOT A CONTRACT

New York State law requires real estate licensees who are acting as agents of buyers and sellers of property to advise the potential buyers and sellers with whom they work of the nature of their agency relationship and the rights and obligations it creates. This disclosure will help you to make informed choices about your relationship with the real estate broker and its sales associates.

Throughout the transaction you may receive more than one disclosure form. The law requires each agent assisting in the transaction to present you with this disclosure form. A real estate agent is a person qualified to advise about real estate.

If you need legal, tax or other advice, consult with a professional in that field.

Disclosure Regarding Real Estate Agency Relationships

Seller's Agent

A seller's agent is an agent who is engaged by a seller to represent the seller's interest. The seller's agent does this by securing a buyer for the seller's home at a price and on terms acceptable to the seller. A seller's agent has, without limitation, the following fiduciary duties to the seller: reasonable care, undivided loyalty, confidentiality, full disclosure, obedience and duty to account. A seller's agent does not represent the interests of the buyer. The obligations of a seller's agent are also subject to any specific provisions set forth in an agreement between the agent and the seller. In dealings with the buyer, a seller's agent should (a) exercise reasonable skill and care in performance of the agent's duties; (b) deal honestly, fairly and in good faith; and (c) disclose all facts known to the agent materially affecting the value or desirability of property, except as otherwise provided by law.

Buyer's Agent

A buyer's agent is an agent who is engaged by a buyer to represent the buyer's interest. The buyer's agent does this

by negotiating the purchase of a home at a price and on terms acceptable to the buyer. A buyer's agent has, without limitation, the following fiduciary duties to the buyer: reasonable care, undivided loyalty, confidentiality, full disclosure, obedience and duty to account. A buyer's agent does not represent the interest of the seller. The obligations of a buyer's agent are also subject to any specific provisions set forth in an agreement between the agent and the buyer. In dealings with the seller, a buyer's agent should (a) exercise reasonable skill and care in performance of the agent's duties; (b) deal honestly, fairly and in good faith; and (c) disclose all facts known to the agent materially affecting the buyer's ability and/or willingness to perform a contract to acquire seller's property that are not inconsistent with the agent's fiduciary duties to the buyer.

Broker's Agents

A broker's agent is an agent that cooperates or is engaged by a listing agent or a buyer's agent (but does not work for the same firm as the listing agent or buyer's agent) to assist the listing agent or buyer's agent in locating a property to sell or buy, respectively, for the listing agent's seller or the buyer agent's buyer. The broker's agent does not have a direct relationship with the buyer or seller and the buyer or seller can not provide instructions or direction directly to the broker's agent. The buyer and the seller therefore do not have vicarious liability for the acts of the broker's agent. The listing agent or buyer's agent do provide direction and instruction to the broker's agent and therefore the listing agent or buyer's agent will have liability for the acts of the broker's agent.

Dual Agent

A real estate broker may represent both the buyer and seller if both the buyer and seller give their informed consent in writing. In such a dual agency situation, the agent will not be able to provide the full range of fiduciary duties to the buyer and seller. The obligations of an agent are also subject to any specific provisions set forth in an agreement between

the agent, and the buyer and seller. An agent acting as a dual agent must explain carefully to both the buyer and seller that the agent is acting for the other party as well. The agent should also explain the possible effects of dual representation, including that by consenting to the dual agency relationship the buyer and seller are giving up their right to undivided loyalty. A buyer or seller should carefully consider the possible consequences of a dual agency relationship before agreeing to such representation.

Dual Agent with Designated Sales Agents

If the buyer and seller provide their informed consent in writing, the principals and the real estate broker who represents both parties as a dual agent may designate a sales agent to represent the buyer and another sales agent to represent the seller to negotiate the purchase and sale of real

estate. A sales agent works under the supervision of the real estate broker. With the informed consent of the buyer and the seller in writing, the designated sales agent for the buyer will function as the buyer's agent representing the interests of and advocating on behalf of the buyer and the designated sales agent for the seller will function as the seller's agent representing the interests of and advocating on behalf of the seller in the negotiations between the buyer and seller. A designated sales agent cannot provide the full range of fiduciary duties to the buyer or seller. The designated sales agent must explain that like the dual agent under whose supervision they function, they cannot provide undivided loyalty. A buyer or seller should carefully consider the possible consequences of a dual agency relationship with designated sales agents before agreeing to such representation.

This form was provided to me by Todd Waldron (print name of licensee) of Fountains Land (print name of company, firm or brokerage), a licensed real estate broker acting in the interest of the:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Seller as a (check relationship below) | <input type="checkbox"/> Buyer as a (check relationship below) |
| <input checked="" type="checkbox"/> Seller's agent | <input type="checkbox"/> Buyer's agent |
| <input type="checkbox"/> Broker's agent | <input type="checkbox"/> Broker's agent |
| <input type="checkbox"/> Dual agent | |
| <input type="checkbox"/> Dual agent with designated sales agent | |

If dual agent with designated sales agents is checked: _____ is appointed to represent the buyer; and _____ is appointed to represent the seller in this transaction.

I/We _____ acknowledge receipt of a copy of this disclosure form: signature of { } Buyer(s) and/or { } Seller(s):

Date: _____

Date: _____