

# fountains

## DANVILLE FOREST

*Situated within close proximity of Geisinger Medical Center, this property offers an exceptional red oak resource and an opportunity to own one of Danville's largest forested parcels.*



**424 GIS Acres  
Mahoning and Valley Townships  
Montour County, Pennsylvania**

**Price: \$1,181,000**



## OVERVIEW

The 424-acre Danville Forest is an exceptional real estate and timberland investment opportunity situated near Danville, Pennsylvania. The property lies within close proximity of Interstate 80 and is one of the few remaining large tracts of land within the community. Its key investment attributes include the following highlights:

- Direct proximity to lands owned by Geisinger Medical Center, one of the region's largest health care employers whose main hospital campus lies just minutes south of the property;
- Multiple entry points with paved frontage, favorable zoning and developed internal woods road infrastructure which facilitates future subdivision, estate development or forest management goals;
- A well-managed, high-quality, red oak sawtimber resource that is well-positioned for near-term cash flow and long-term value growth.

## LOCATION

Danville is home to the Geisinger Medical Facility campus, one of the northeastern United States' premier integrated health care networks. The company is the region's largest employer with over 13,900 full-time staff system-wide, including nearly 1,000 physicians. Along with the main campus, they offer advanced health care technology throughout a 31-county region, including numerous clinical research facilities, health centers, a fleet of emergency service helicopters, and a world-class trauma center. Geisinger owns a 300-acre parcel directly adjacent to Danville Forest that is currently used as an outdoor recreation and rehabilitation resource for patients and employees.

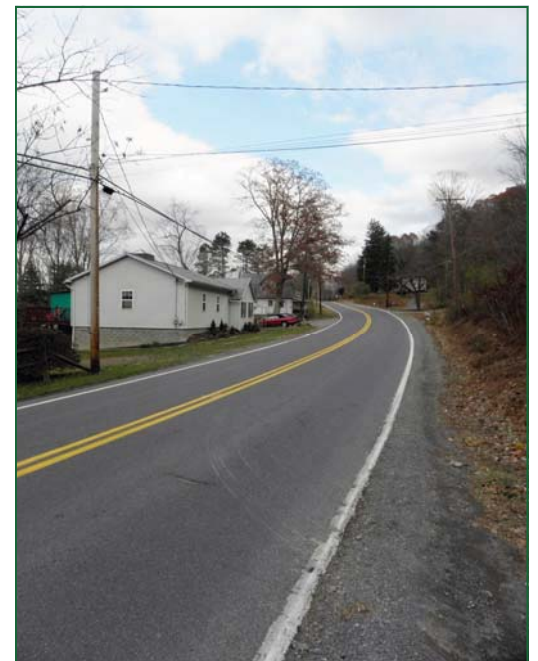
Bloomsburg, Pennsylvania is situated 10 miles to the east along Interstate 80 and is home to Bloomsburg University along with several downtown shops, cafes and storefronts. Harrisburg, the state's capitol, is located 1.5 hours south, while Philadelphia and New York City are 2.5 hours south and 3 hours east, respectively.

## ACCESS

The property has three distinct entry points along the paved, year-round Columbia Hill Road, totaling 975' feet of road frontage. Columbia Hill Road is a town-maintained artery with utilities available roadside. It links the property and the surrounding residential neighborhood to both downtown Danville and to the I-80 corridor lying just to the north. There are two gated, internal forest roads extending well into the heart of the property providing over 2 miles of internal road infrastructure. Both are seasonal woods roads extending all the way to the property's high elevation areas in the south. These roads are currently suitable for high clearance SUV or ATV traffic during the non-winter months.



**A high-quality oak resource enhances the property's strong real estate investment attributes.**



**Columbia Hill Road provides multiple points of access into the property.**

## ACCESS (continued)

The first internal road extends from the westernmost entry point for over a mile toward the height of ground to the south. Future upgrades could transform it into a driveway spur to several private home site envelopes. The second entry road extends over one-and-a-half miles all the way to the height of ground before leading to a telecom tower pad on top of the summit. While the initial approach from Columbia Hill Road is steep for a couple of hundred feet, its grade moderates considerably as it parallels a well-defined hollow to the top of the ridgeline. Additional day-lighting, grading and surfacing work could develop it into a driveway spur to a potential private home site near the top of the hill. This site could be discreetly cleared to reveal long views of the surrounding landscape to the north.



The property lies along the forested ridge in the background, just north of Geisinger's campus.

## SITE DESCRIPTION

Danville Forest's topography is classic central Pennsylvania ridge-and-valley terrain which is compatible with a variety of potential uses. There are a number of potential high-elevation home sites. With light view shed clearing, long views to the north could be opened up. For buyers seeking a private, year-round residence near paved road frontage, there are several potential sites along the two internal roads, which would afford cost-effective driveway construction options.

The land's well-drained, Appalachian-type soils support high timber productivity as evidenced by the quality, stocking and crown vigor of the hardwood resource. Soils are typical shale-silt-loam types including Berks, Hartleton Channery, Weikert, and Watson types. These types are typically highly compatible with hardwood forest productivity and have been a significant influence on the strong vitality of the timber growing on the land. Elevations range from 550' along Columbia Hill Road to 1,150' along the height of ground in the southeast.



Long upper elevation views of the surrounding Susquehanna Valley landscape to the north.

## TAX and TITLE INFORMATION

Annual property taxes in 2014 were \$8,000,59. The property **IS NOT** enrolled in Pennsylvania's Clean and Green Program, which significantly reduces the annual tax burden. For more information about Clean and Green, contact Fountains Land at 518-668-5880.

Valley Township (290 acres) zoning is R-1 Light Residential, allowing for one acre minimum lot sizes for single family dwellings. Mahoning Township zoning (134 acres) is Agriculture-Forestry Zoning which also allows for single family dwellings with a 1 acre minimum lot size.

The property is listed in the Montour County Real Property Tax Service as seven distinct tax parcels in Mahoning and Valley Townships with a total tax acreage of 440.11. Maps in this report, which were created from shape files provided by the ownership, calculate 424 acres. Tax map parcel details can be found in the Fountains Land Data Room. Deed information can be found in the Montour County Clerk's Office in Book 284, page 19. The property is currently being leased to a recreational hunting club through May 2015 (\$2,548/year of income) and there is also a 25-year telecom tower lease to Crown International (roughly \$7,000/year of income). For copies of these leases, contact Fountains. Coal rights are reserved per Pennsylvania legislation dating back the late 1950s. No gas leases have been executed to date by the current ownership.



## TIMBER

Timber information in this report is based on data collected on the property in October and November of 2010 and processed in December 2010 by an independent service provider commissioned by the ownership. The inventory design was based on a random 5 X 6 chain grid using a 10 BAF prism, where 132 sample points were acquired. All inventory points were monumented in the field and are available for inspection. Data processing was performed by the independent service provider using the TIGER forest inventory program.

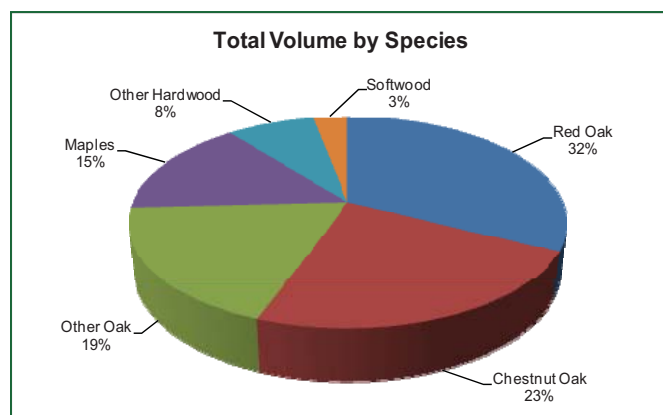
The original inventory volumes have since been grown forward by species and product to account for the 2011-2014 growing seasons with stumpage values based upon the Pennsylvania State Timber Market Report's past 5 quarter averages and reviewed in February 2015. The Timber Valuation indicates a total Capital Timber Value (CTV) of \$632,100 (\$1,491/acre) on 1,811 total MBF and 2,735 total cords. Full details of the timber inventory, data, maps, cruise specifications, and growth rates are available at the Fountains Land Data Room or upon request.



The hardwood timber resource provides a potential means of cash flow over the coming decade to offset holding costs and support future development options.

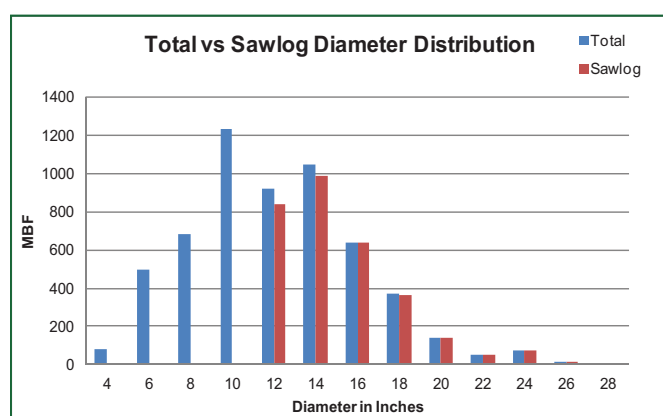
### Species Composition:

The property's well-drained ridge-and-valley terrain and productive soils have produced a resource dominated by commercially valuable northern and Appalachian hardwoods. Overall, species composition is highly diverse with 17 different tree species tallied during the 2010 inventory. The hardwood mix is highly favorable, consisting primarily of red oak (32%), chestnut oak (23%) other oaks (19%), maples (15%) and a host of associates (11%).



### Stocking & Stem Quality:

Forest-wide, total basal area is 87 ft<sup>2</sup> (excluding top-wood volume) representing fully-stocked conditions. Approximately half of this stocking lies within a quality small-to-medium sawlog diameter resource, while the balance lies within a younger pole resource poised for continued steady growth and product shifts over the coming decade. Total volume across the property is 15 cords per commercial acre, near average for the region.



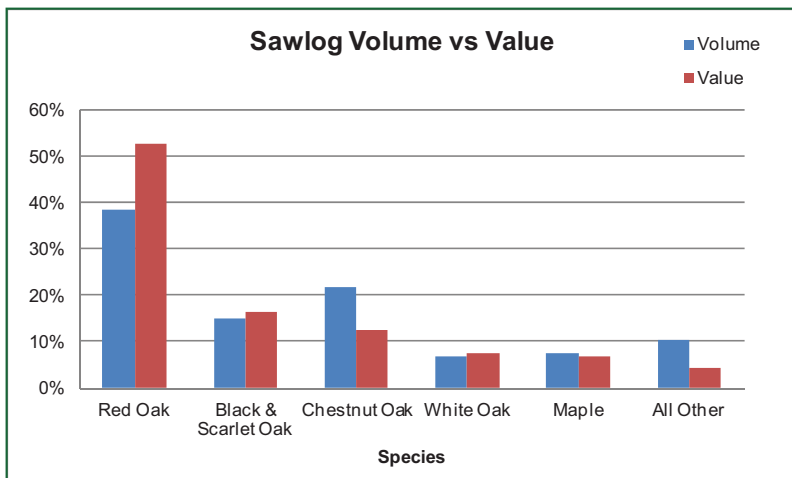
### Forest Structure & Age:

Overall, the forest structure is dominated by a small to medium-sized sawlog resource accompanied by numerous pole-sized hardwoods that are slightly younger in age. This diameter distribution results in a balanced age class distribution capable of providing both periodic timber harvest revenue and steady timber asset appreciation over the coming ownership. The diameter strata have been shaped by past timber harvest entries and consist of four age groups. This includes advanced regeneration in the 15 year class, saplings in the 25-30 year class (4-6" stems), a pole-sized, 40-50-year-old class and the 60-70 year sawlog age group.

## TIMBER (continued)

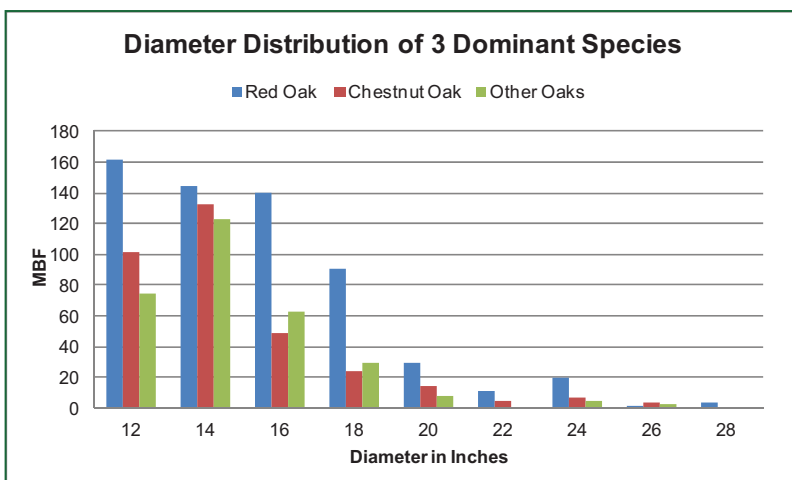
### Sawlog Volume and Value:

Red oak sawlog value leads the way for both categories, holding 39% of volume and 53% of sawlog value. Red oak is regarded as one of three highly desirable species to include in a northeastern US timberland portfolio. It produces highly valuable lumber and veneer grade end products, and it grows quickly. When combined with other oak species (chestnut, black, white and scarlet), the oaks hold 83% of the total sawlog volume and a similar percentage of total sawlog value. Maples (7%) account for much of the balance of the remaining sawlog volume and value.



### Diameter Distribution:

Diameters are well-represented across the commercial spectrum with a resource heavy in the small-and-medium sawlog size class, as well as an abundant pre-pole/pole resource (stems well positioned to develop into the sawlog size class within the next 10 years). This latter size class is dominated by chestnut oak, red oak and the maples. Average diameter (based on total volume with all products combined) is 12.1”.



Average diameter for three of the main species or species groups are: red oak 15.4”, chestnut oak 14.6”, and other oaks 14.1”. All three species pairs contain much of their sawlog volume in the 14-18” size class which will continue to provide solid asset appreciation over the next decade.

**Left: A telecom tower lease provides steady annual income to the ownership.**



**Right: A spectrum of diameters ensures sustainable investment returns well into the future.**



## TIMBER VALUATION

## Danville Forest

## Timber Valuation

Prepared By

FOUNTAINS FORESTRY INCORPORATED

Columbia County, PA  
February 2015424 Acres  
424 Commercial Acres

Species	Volume MBF/CD	Unit Price Range			Total Value Likely
		Low	High	Likely	
<b>Sawtimber - MBF (Scribner )</b>					
Red Oak	694	450.00	550.00	475.00	<b>329,700</b>
Black & Scarlet Oak	268	300.00	450.00	375.00	<b>100,300</b>
Chestnut Oak	398	150.00	250.00	200.00	<b>79,600</b>
White Oak	120	350.00	450.00	385.00	<b>46,100</b>
Red Maple	77	250.00	350.00	300.00	<b>23,000</b>
Sugar Maple	59	200.00	400.00	350.00	<b>20,600</b>
White Ash	45	150.00	250.00	235.00	<b>10,700</b>
Black Cherry	8	400.00	800.00	725.00	<b>5,600</b>
Hickory	28	70.00	100.00	90.00	<b>2,600</b>
Beech	20	70.00	100.00	90.00	<b>1,800</b>
Hemlock	19	40.00	80.00	70.00	<b>1,400</b>
Black Birch	14	70.00	100.00	90.00	<b>1,200</b>
White Pine	22	50.00	80.00	60.00	<b>1,300</b>
Misc Hardwoods	11	70.00	100.00	90.00	<b>1,000</b>
Red Pine	15	50.00	80.00	60.00	<b>900</b>
Misc Softwoods	11	40.00	80.00	60.00	<b>700</b>
Basswood	2	70.00	100.00	90.00	<b>200</b>
<b>Pulpwood - Cords</b>					
Hardwoods	2,670	1.00	5.00	2.00	<b>5,300</b>
Softwood	65	1.00	5.00	2.00	<b>100</b>

<b>Totals</b>					
Sawtimber Total	1,811	MBF			<b>\$626,700</b>
Sawtimber Per Acre	4.271	MBF			<b>\$1,478</b>
Sawtimber Per Comm. Acre	4.271	MBF			<b>\$1,478</b>
Cordwood Total	2,735	Cords			<b>\$5,400</b>
Cordwood Per Acre	6.5	Cords			<b>\$13</b>
Cordwood Per Comm. Acre	6.5	Cords			<b>\$13</b>
Total Per Acre					<b>\$1,491</b>

Total Value	Low	High	Likely
		\$589,000	\$691,000

BASED ON DECEMBER 2010 INVENTORY BY SELLER'S MANAGER AND ADJUSTED FOR 4 YEARS OF GROWTH

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

The volumes and values are not a liquidation value.

Prices provided by Timbervest are based upon recent stumpage bid values for the property



# ADDITIONAL PENNSYLVANIA TIMBERLAND OPPORTUNITIES

Danville Forest is one of ten tracts located in northeastern and central Pennsylvania and held by the same ownership. Each tract represents a multiple-use asset containing a diverse, high-quality and fully-stocked timber resource, well positioned for asset appreciation.

The chart below lists each tract's key characteristics. The locus map on the following page depicts the location of the featured tract in relation to the other available properties. For more information about a specific property, including additional timber data, deeds and title policies, go to [www.fountainsland.com](http://www.fountainsland.com) where full reports on each property are available.

Tract Details & Comparison					
Tract Name	List Price	Acres	Total Sawtimber MBF	Total Pulp Cords	Site Attributes
Marchalonis	\$1,600,000	540	3,261 MBF	5,425 cds	Quality stems, high stocking; oak dominated, large diameter maturing resource; 1.6 miles of paved road frontage and subdivision/wind opportunity. <b>SOLD</b>
Pittson	\$1,345,000	480	2,210 MBF	5,259 cds	Long tenure of managed woodlands with good stocking and large diameters; 1.1 miles of paved road frontage with immediate subdivision opportunity and long views.
Danville	\$1,181,000	424	1,711 MBF	4,625 cds	Outstanding blended real estate and timber investment opportunity; multiple access points and internal road,, well-managed hardwood resource; close to Geisinger Medical Center.
Bear Creek	\$606,000	379	812 MBF	2,138 cds	Classic central PA ridge-and-valley timber lot overlooking Wyoming Valley; open summit offering long views and a developing oak timber resource.
Nescopeck Mountain	\$921,000	348	1,691 MBF	3,818 cds	Includes private log cabin, mountain-top terrain and well managed timber resource; easy access from I-80 and close to Bloomsburg.
Penobscot Mountain	\$634,000	266	883 MBF	2,594 cds	Diverse Appalachian hardwoods for a variety of ownership objectives; Susquehanna River frontage, home site opportunity, convenient location.
Pond Hill	\$431,000	123	—	—	Attractive multiple-use property with excellent home site opportunity; fields and end of the road access with power; only 17 miles from Wilkes-Barre. <b>SOLD</b>
Red Rock One	\$285,000	93	435 MBF	1,031 cds	Three-bedroom cabin on over 100 acres near Rickett's Glen State Park; nice sugar maple and red oak resource; hunting opportunities on-site and on surrounding public lands.
Buckhorn	\$228,000	85	408 MBF	935 cds	Classic central PA hunting property with a well-stocked oak resource and adjacent fields to encourage wildlife population. <b>SOLD</b>
Red Rock Two	\$62,500	10	37 MBF	—	Saltbox-style cabin with open floor plan and loft on well-managed land near Rickett's Glen; hunting retreat or recreational destination. <b>SOLD</b>

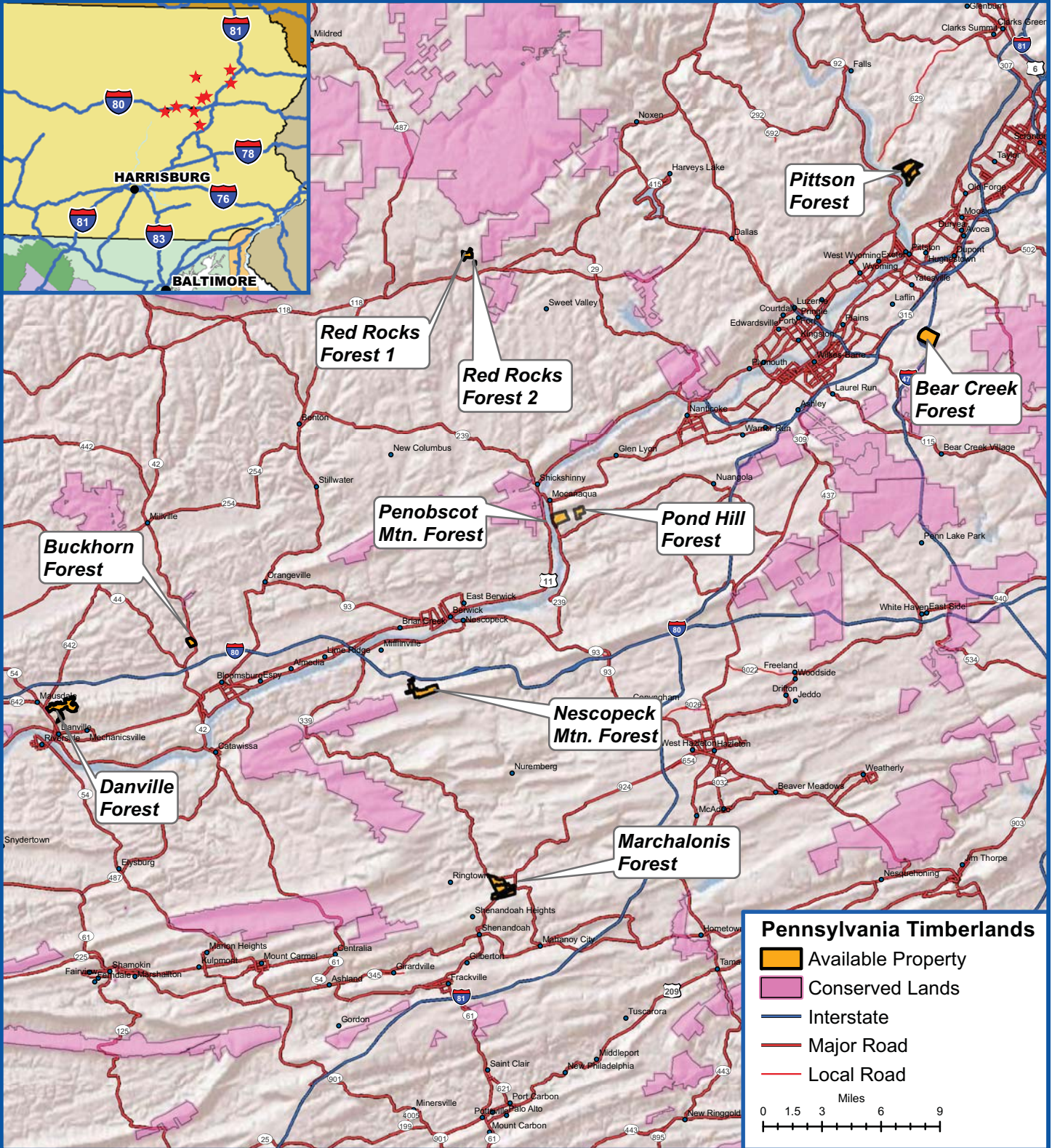
Fountains Land Inc. is the exclusive broker representing the seller's interest in the marketing, negotiating and sale of this property. Fountains has an ethical and legal obligation to show honesty and fairness to the buyer. The buyer may retain brokers to represent their interests. All measurements 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.

# Pennsylvania Timberlands Locus Map

fountains



<b>Marchalonis Forest</b> 540 Acres <b>SOLD</b> Schuylkill County	<b>Penobscot Mtn Forest</b> 257 Acres Luzerne County	<b>Pittson Forest</b> 480 Acres Lackawanna County	<b>Pond Hill Forest</b> 123 Acres <b>SOLD</b> Luzerne County	<b>Nescopeck Mtn Forest</b> 348 Acres Columbia County
<b>Danville Forest</b> 426 Acres Montour County	<b>Red Rocks Forest 1</b> 101 Acres Luzerne County	<b>Red Rocks Forest 2</b> 10 Acres <b>SOLD</b> Luzerne County	<b>Bear Creek Forest</b> 379 Acres Luzerne County	<b>Buckhorn Forest</b> 85 Acres <b>SOLD</b> Columbia County



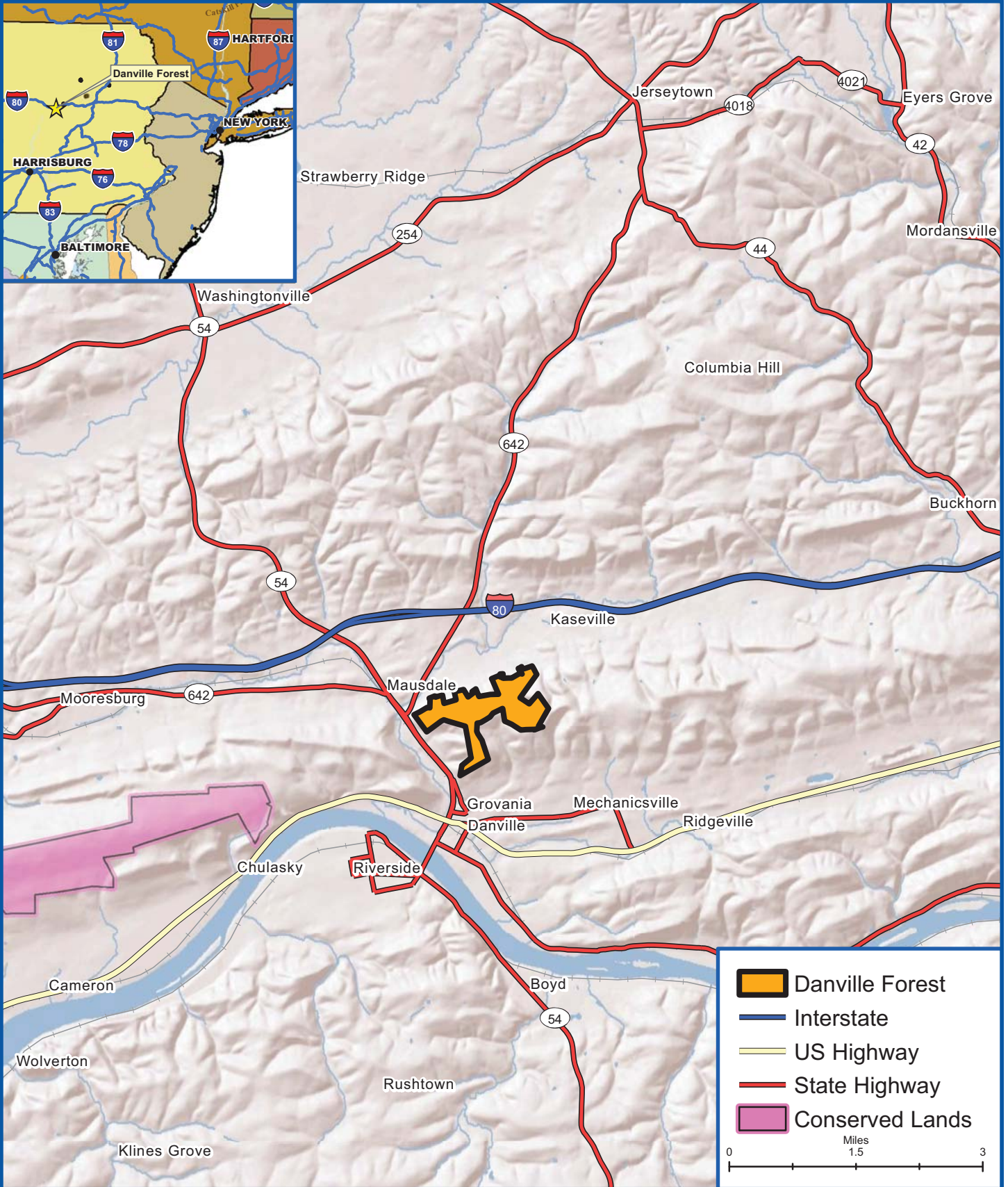
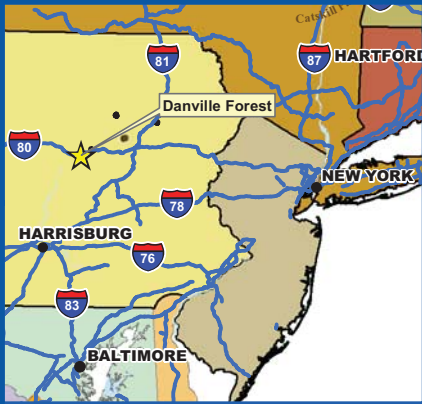


# Locus Map Danville Forest

426 Acres

Montour County, Pennsylvania

fountains



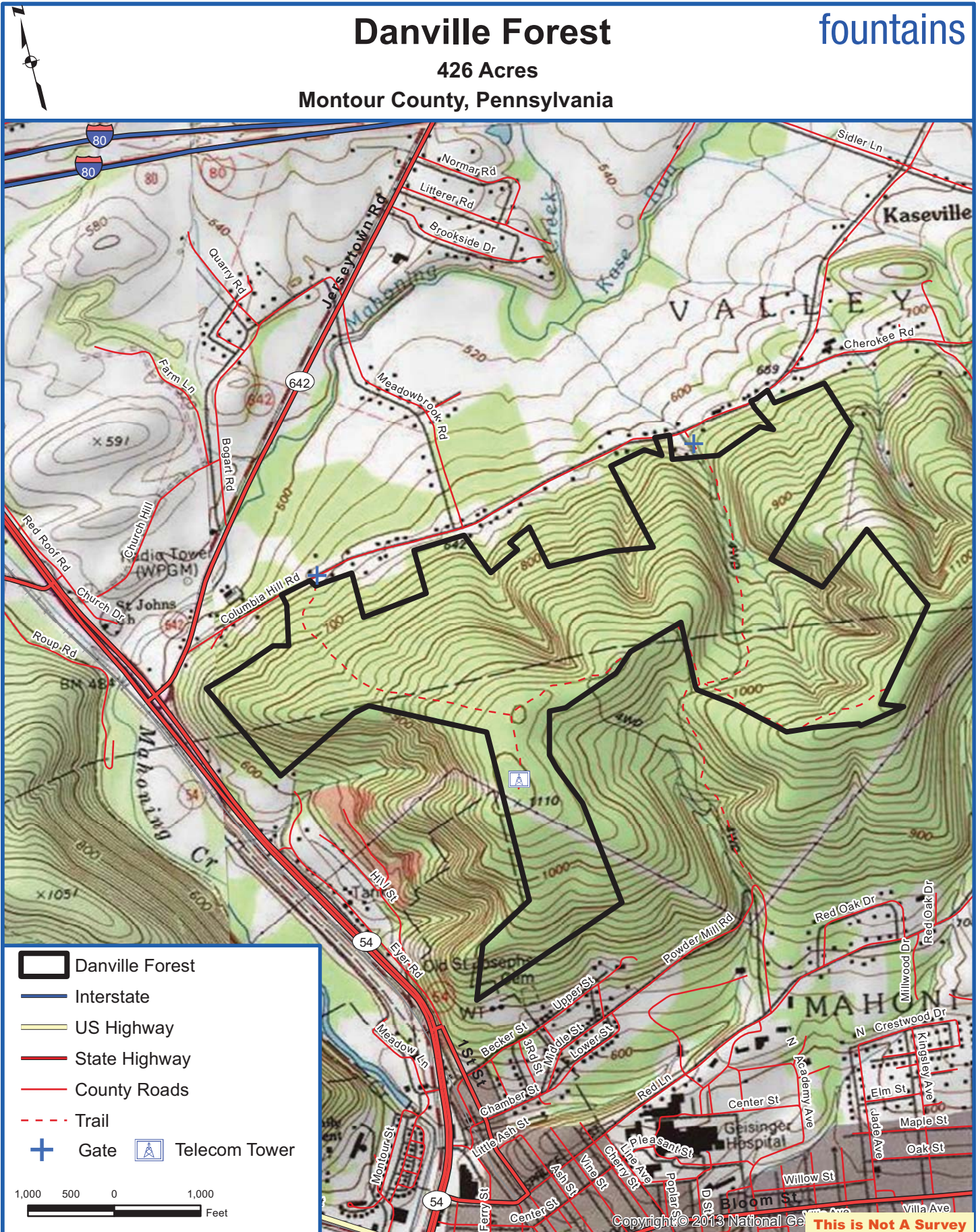


# Danville Forest

426 Acres

Montour County, Pennsylvania

fountains



Map produced from the best available information including shapefiles provided by TMV, aerial photography and reference information obtained from PASDA GIS Clearinghouse. Boundary lines portrayed on this map are approximate and could be different than the actual location of boundaries found in the field.



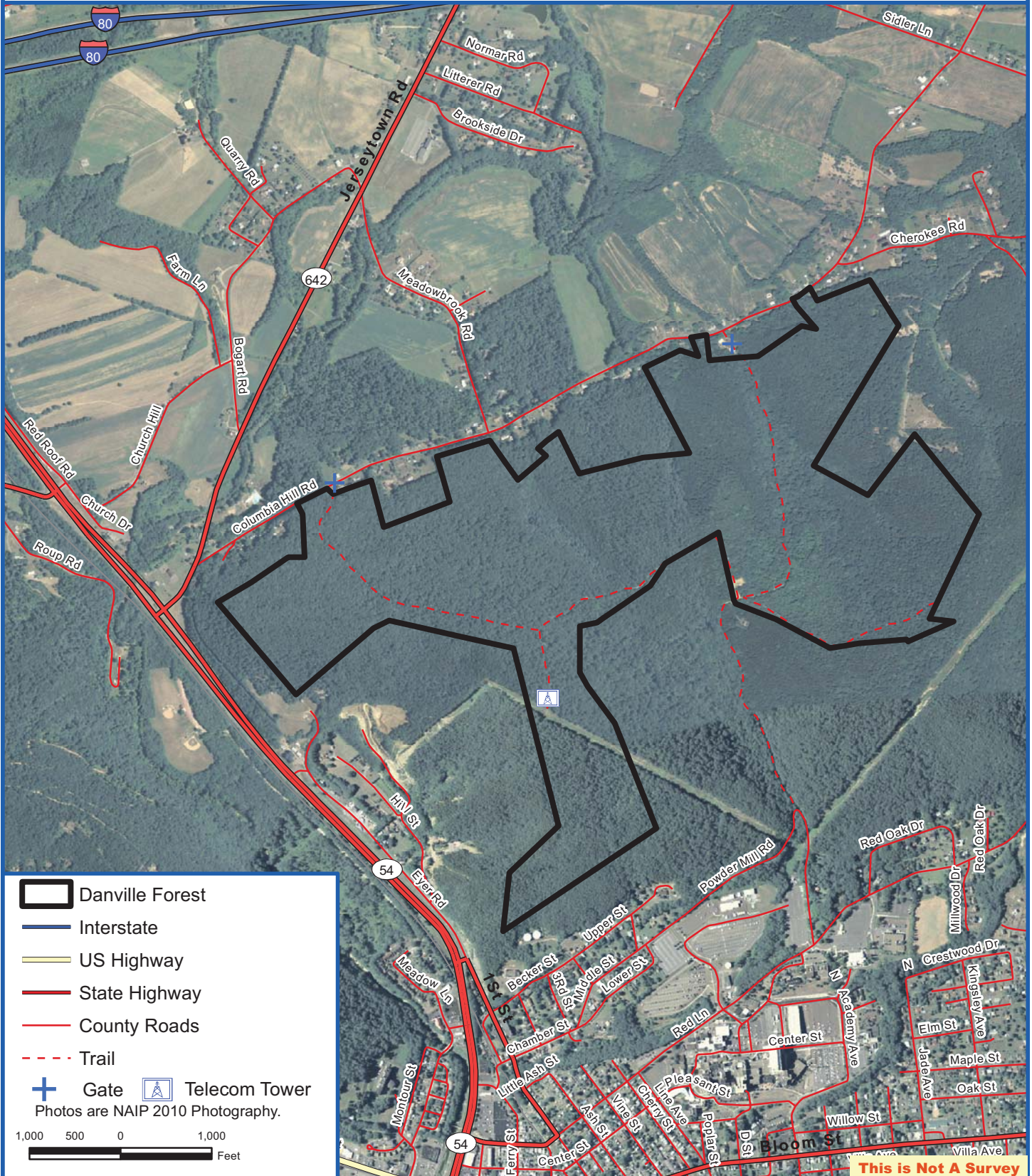


# Danville Forest

fountains

426 Acres

Montour County, Pennsylvania



Danville Forest  
 Interstate  
 US Highway  
 State Highway  
 County Roads  
 Trail  
 Gate    Telecom Tower  
 Photos are NAIP 2010 Photography.  
 1,000 500 0 1,000  
 Feet

**This is Not A Survey**

Map produced from the best available information including shapefiles provided by TMV, aerial photography and reference information obtained from PASDA GIS Clearinghouse. Boundary lines portrayed on this map are approximate and could be different than the actual location of boundaries found in the field.





# CONSUMER NOTICE

## THIS IS NOT A CONTRACT

Pennsylvania law requires real estate brokers and salespersons (licensees) to advise consumers who are seeking to sell or purchase residential or commercial real estate or tenants who are seeking to lease residential or commercial real estate where the licensee is working on behalf of the tenant of the business relationships permitted by the real estate licensing and registration act. **This notice must be provided to the consumer at the first contact where a substantive discussion about real estate occurs unless an oral disclosure has been previously provided. If the oral disclosure was provided, this notice must be provided at the first meeting or the first time a property is shown to the consumer by the broker or salesperson.**

**Before you disclose any information to a licensee, be advised that unless you select an agency relationship the licensee is NOT REPRESENTING YOU. A business relationship of any kind will NOT be presumed but must be established between the consumer and the licensee.**

Any licensee who provides you with real estate services owes you the following duties:

- Exercise reasonable professional skill and care which meets the practice standards required by the Act.
- Deal honestly and in good faith.
- Present, in a reasonably practicable period of time, all offers, counteroffers, notices, and communications to and from the parties in writing. The duty to present written offers and counteroffers may be waived if the waiver is in writing.
- Comply with Real Estate Seller Disclosure Act.
- Account for escrow and deposit funds.
- Disclose all conflicts of interest in a reasonably practicable period of time.
- Provide assistance with document preparation and advise the consumer regarding compliance with laws pertaining to real estate transactions.
- Advise the consumer to seek expert advice on matters about the transaction that are beyond the licensee's expertise.
- Keep the consumer informed about the transaction and the tasks to be completed.
- Disclose financial interest in a service, such as financial, title transfer and preparation services, insurance, construction, repair or inspection, at the time service is recommended or the first time the licensee learns that the service will be used.

A licensee may have the following business relationships with the consumer:

### **Seller Agency:**

Seller agency is a relationship where the licensee, upon entering into a written agreement, works only for a seller/landlord. Seller's agents owe the additional duties of:

- *Loyalty* to the seller/landlord by acting in the seller's/landlord's best interest.
- *Confidentiality*, except that a licensee has a duty to reveal known material defects about the property.
- Making a *continuous and good faith effort* to find a buyer for the property, except while the property is subject to an existing agreement.
- Disclosure to other parties in the transaction that the licensee has been engaged as a seller's agent.

A seller's agent may compensate other brokers as *subagents* if the seller/landlord agrees in writing. Subagents have the same duties and obligations as the seller's agent. Seller's agents may also compensate buyer's agents and transaction licensees who do not have the same duties and obligations as seller's agents.

If you enter into a written agreement, the licensees in the real estate company owe you the additional duties identified above under seller agency. The exception is designated agency. See the designated agency section in this notice for more information.

### **Buyer Agency:**

Buyer agency is a relationship where the licensee, upon entering into a written agreement, works only for the buyer/tenant. Buyer's agents owe the additional duties of:

- *Loyalty* to the buyer/tenant by acting in the buyer's/tenant's best interest.
- *Confidentiality*, except that a licensee is required to disclose known material defects about the property.
- Making a *continuous and good faith effort* to find a property for the buyer/tenant, except while the buyer/tenant is subject to an existing contract.
- Disclosure to other parties in the transaction that the licensee has been engaged as a buyer's agent.

A buyer's agent may be paid fees, which may include a percentage of the purchase price, and, even if paid by the seller/landlord, will represent the interests of the buyer/tenant.

If you enter into a written agreement, the licensees in the real estate company owe you the additional duties identified above under buyer agency. The exception is designated agency. See the designated agency section in this notice for more information.

### **Dual Agency:**

Dual agency is a relationship where the licensee acts as the agent for both the seller/landlord and the buyer/tenant in the same transaction with the written consent of all parties. Dual agents owe the additional duties of:

- Taking no action that is *adverse or detrimental* to either party's interest in the transaction.



- Unless otherwise agree to in writing, making a *continuous and good faith* effort to find a buyer for the property and a property for the buyer, unless either are subject to an existing contract.
- *Confidentiality*, except that a licensee is required to disclose known material defects about the property.

**Designated Agency:**

In designated agency, the employing broker may, with your consent, designate one or more licensees from the real estate company to represent you. Other licensees in the company may represent another party and shall not be provided with any confidential information. The designated agent(s) shall have the duties as listed above under seller agency and buyer agency.

In designated agency, the employing broker will be a dual agent and have the additional duties of:

- Taking reasonable care to protect any confidential information disclosed to the licensee.
- Taking responsibility to direct and supervise the business activities of the licensees who represent the seller and buyer while taking no action that is adverse or detrimental to either party’s interest in the transaction.

The designation may take place at the time that the parties enter into a written agreement, but may occur at a later time. Regardless of when the designation takes place, the employing broker is responsible for ensuring that confidential information is not disclosed.

**Transaction Licensee:**

A transaction licensee is a broker or salesperson who provides communication or document preparation services or performs other acts for which a license is required **WITHOUT being the agent or advocate** for either the seller/landlord or the buyer/tenant. Upon signing a written agreement or disclosure statement, a transaction licensee has the additional duty of limited confidentiality in that the following information may not be disclosed:

- The seller/landlord will accept a price less than the asking/listing price.
- The buyer/tenant will pay a price greater than the price submitted in a written offer.
- The seller/landlord or buyer/tenant will agree to financing terms other than those offered.

Other information deemed confidential by the consumer shall not be provided to the transaction licensee.

**OTHER INFORMATION ABOUT REAL ESTATE TRANSACTIONS**

The following are negotiable and shall be addressed in an agreement/disclosure statement with the licensee:

- The duration of the employment, listing agreement or contract.
- The fees or commissions.
- The scope of the activities or practices.
- The broker’s cooperation with other brokers, including the sharing of fees.

Any sales agreement must contain the zoning classification of a property except in cases where the property is zoned solely or primarily to permit single family dwellings.

Real Estate Recovery Fund exists to reimburse any person who has obtained a final civil judgment against a Pennsylvania real estate licensee owing to fraud, misrepresentation, or deceit in a real estate transaction and who has been unable to collect the judgment after exhausting all legal and equitable remedies. For complete details about the Fund, call (717) 783-3658.

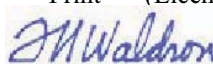
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**ACKNOWLEDGMENT**

I acknowledge that I have received this disclosure.

Date: _____	_____	_____
	Print (Consumer)	Print (Consumer)
	_____	_____
	Signed (Consumer)	Signed (Consumer)
	_____	_____
	Address (Optional)	Address (Optional)
	_____	_____
	Phone Number (Optional)	Phone Number (Optional)

I certify that I have provided this document to the above consumer.

Date: _____	<b>Todd H. Waldron</b> _____ Print (Licensee)
	 _____ Signed (Licensee)