At a point where the road from Georges River met the road from Appin on the top of the Bulli Mountain, a new settlement grew at the time the George's River Road was opened. One of the earliest selectors on Bulli Mountain, a few miles south-west of the road junction, was William Brown, of Dapto, who selected Ferndale in 1875 for orchard purposes. It was found that English fruit would thrive on the mountain top and he planted 75 acres, trying many varieties of fruits and finally concentrating on apples. They averaged 7/- per case in Sydney in 1902 when 9,321 cases were sent away.

Access to the Bulli Mountain settlement was gained by a forest road which branched west from the main road at the top of Bulli Pass, the track, shut by a locked gate, being almost disused to-day. In May, 1875, Knight erected a sawmill and built a dam to supply water for his steam engine. Sawn timber had been used as early as 1870 for the building of a public school.

The people were a united community whose spiritual and social life centred round the Union Church. This building, made of sawn slabs and roofed with shingles, was opened in May, 1882, on a site given by J. Loveday, who built it on contract.

At the same time the church was opened, postal facilities were being sought and the name Sherbrooke was selected in honour of Lord Sherbrooke. In September, 1883, the original school was replaced by a school with master's residence attached. It was a stone building by Wilson and Walker and at £2,000 was the most costly in the district.

Industrial progress at Sherbrooke continued with the opening of the new Knight Brothers' sawmill in 1884 at the head of Cataract River. It stood amidst a forest of excellent timber, and could handle 6,000 ft. per day in addition to the 2,000 ft. handled by the earlier mill.

Sherbrooke also had apiarists working the bees on the wild flowers for which the forests became famous. In the eighties the wild flower shows held in spring brought visitors from far and near and yielded funds for church work. A wild flower show staged by Sherbrooke people in Bulli raised funds for the Wollongong Hospital and the Sherbrooke Church.

In 1894, Franklin Knight and others converted land to potato growing and meanwhile the apple and pear orchards were flourishing and being enlarged.
A new Union Church was built in 1896, but, at the summit of its prosperity, Sherbrooke was included in the catchment area of the Cataract Dam, built for the Sydney Water Supply. The whole village was resumed early in 1903 and work on the Dam was begun.

During the construction period the people of Sherbrooke moved away; some to the coast and many to the Richmond River area, leaving the village to be invaded by rabbits and hares, which caused a boom industry in trapping until they were brought under control in 1910.

Sherbrooke is forbidden land today, its only memorial the public school, now a ranger's cottage, while the forest is gradually encroaching over the road which led to it and over which the rich produce was carried in the days long past.