

Bid prospectus

We invite you to bid on the timber described below owned by our client, Jeff Hawk.

Bid Opening/Critical Dates

Description	Time	Date
Interested parties are encouraged to tour the property at their own convenience, otherwise, call in advance to reserve your place for a one-time, timber showing scheduled for :	2:30 PM	Monday, December 31, 2007
Phone and facsimile bids will be accepted until:	2:30 PM	Friday, January 04, 2008
Bids will be opened in the offices of Clearwater Forest Consultants, LLC in Piedmont, Missouri at:	3:00 PM	Friday, January 04, 2008
The successful bidder will be selected no later than:	5:00 PM	Monday, January 07, 2008
If successful, a phone bid must be proven up with a written bid no later than:	12:00 PM	Wednesday, January 09, 2008

Bids must be submitted in envelopes marked **Hawk Ridge Timber Bid**; please use the forms provided for mailed bids and allow enough time for the Post Office to make delivery. Send mailed bids to: Clearwater Forest Consultants, LLC, PO Box 176, Piedmont, MO 63957.

Unsuccessful bidders will be notified in writing. The owner reserves the right to refuse any or all bids.

Timber Description

Timber quality is above average. Products include grade lumber logs as well as stave logs and tie logs. The forest health is good. There is some evidence of oak decline depending on the aspect, but it is minimal. The sawtimber to be harvested is comprised of approximately 58.7% red oak, 35.5% white oak and 5.8% other species (Table 1). The overall sawtimber volume is estimated at **611.6 MBF** (International ¼ inch scale, form class varies by species). **Over 60% of the sawtimber volume is in trees 14" DBH or larger** (Figure 1).

Table 1. Volume, Number of Trees, Avg. Volume per tree and percent by species.

Species	No. of Trees	Volume (bdft)	Avg. Vol per Tree	Percent Volume
Hickory	205	13,500	65.9	2.2
Sugar maple	24	3,800	158.3	0.6
Black gum	29	5,300	182.8	0.9
Black oak	1,786	221,800	124.2	36.3
Scarlet oak	1,192	137,000	114.9	22.4
White oak	2,031	201,400	99.2	32.9
Post oak	296	28,800	97.3	4.7
Total	5,563	611,600	109.9	100.0

[volume estimated from a variable radius plot cruise conducted on 12/7/2007]

See Scaling Methods section for definitions and confidence interval

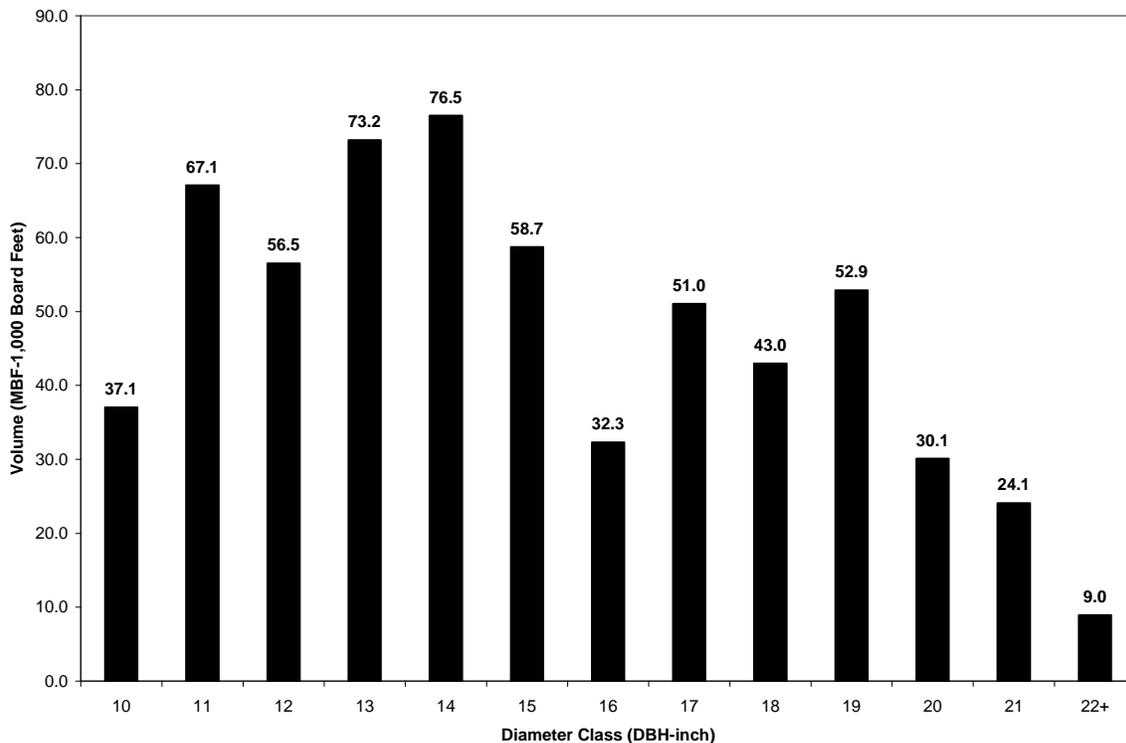


Figure 1. Distribution of volume by DBH class

This is a Pine Seed Tree timber harvest; only merchantable hardwood sawtimber as defined in the Scaling Methods section may be harvested. Hardwood pulpwood from top logs may be removed if desired; however, no pulpwood has been specifically marked or scaled for this sale. Volume estimates and quality descriptions are not guaranteed; proper merchandising is dependent upon the timber cutters. Each bidder is expected to make personal examination of the timber and bid according to his/her own market needs, crew efficiency, and utilization standards.

Consulting forester Tim McAbee has prepared the timber harvest in accordance with the owner's goals and values. All trees are not required to be cut. Pine trees can not be harvested. Minimal damage to the residual stand is expected and required. Felling of damaged trees may be required by the forester. Sale area terrain is well drained. Winter logging would be permissible only during very dry conditions when soil compaction and rutting will not occur. Summer logging is preferable. Stream Management Zones have not been flagged off, but logging crews are expected to conduct operations within the guidelines set forth in the 1997 Missouri Watershed Protection Practices published by the Missouri Department of Conservation.

Access & Location

This sale is located just west of CR 451 in Madison County between State Hwy 143 and FF Hwy. Access is gained from CR 451 crossing a neighbor's property. An access agreement has

been secured and executed. Access begins at a private drive marked by a mailbox with the name 'Silvey' and which immediately crosses Mill Creek over a concrete bridge. Haul trucks will have to bypass the concrete bridge. Access continues along this drive until it departs south following blue and orange flagging. The blue and orange flagging mark the access route leading to the property as shown on the attached map. There are some old internal roads that may be used for logging; the roads and main skid trails will need to be treated prior to completion of harvesting operations. Please refer to the attached maps. The legal description is as follows (nominal):

[Part of Section 30 Township 31 North, Range 5 East being 106.2 acres more or less in Madison County, Missouri]

The specific legal description is available through the deeds on file with CFC.

Tract Acreage & Boundaries

Tract acreage sources are the Madison County Plat Book, a legal survey prepared by Mathis & Associates and ESRI ArcGIS 9® mapping software. The sale area is approximately 106 acres more or less. Tract boundaries: Boundaries are marked by wood lath stakes with pink flagging and blue glow flagging spaced 25-50 feet apart. All corners are marked with rebar survey markers.

Tour

Interested parties are encouraged to tour the property at their own convenience but must not block the private drive. Otherwise, please call in advance to reserve your place for a one time tour of the property scheduled for Monday, December 31, 2007 at 2:30 PM. Interested parties should meet Tim McAbee at the Des Arc General Store at 2:15 pm. We will leave the Des Arc General Store at 2:30 pm. *If no interested parties make reservations with a phone call in advance the tour will be cancelled.*

Terms

The minimum acceptable offer is \$92,500. The purchaser must sign a lump sum contract within ten (10) working days of bid acceptance. Payment of a fifty percent (50%) nonrefundable deposit is required to be submitted along with the signed contract. The remaining 50% must be paid in full at least five (5) days in advance of harvesting and removal of any trees to provide for shipping and check clearance. A sample copy of a contract may be obtained upon request from Clearwater Forest Consultants, LLC. The successful bidder must carry all legally required insurance on vehicles, equipment, employees, and sub-contractors. Additional conditions or exceptions on the bidder's behalf must be submitted in writing at least one week in advance.

A \$5,000 security deposit payable to Clearwater Forest Consultants, LLC is required at least five (5) days in advance prior to moving equipment onto the property or cutting any trees. The security deposit will be returned after harvesting has been completed and final inspection by the inspecting forester has determined that all necessary site treatments have been made. Interest

will not be paid unless the Purchaser requests it in writing; a \$45.00 handling fee is required if interest is requested.

For more detailed information call Tim McAbee, forester with Clearwater Forest Consultants, LLC.

Scaling Methods

It is our objective to estimate the merchantable volumes as close as possible to be fair to both the buyer and the seller. Margins for error are purposely guided to be conservative so we don't overestimate the volume, yet we give as much credit as possible to the volume estimate on behalf of our client. Compensation for defect is done by the individual forester taking the measurements on a tree by tree basis. Our performance is improved through feedback from timber buyers; we appreciate honest reports of cut out volume.

Sampling System: This timber was scaled using a systematic, post-stratified Point Sample (variable radius plots) conducted on December 7, 2007. The overall volume sampling error at a 95% confidence interval was 14.8%. The overall coefficient of variation was 43.2%. To clarify the volume estimates provided in Table 1 it can be said that there is a 95% probability that the true volume will fall within 14.8% of the estimated total volume. If needed, please call our office with further questions or clarifications.

Specifications: Trees must have a Diameter at Breast Height of ten (10) inches or larger and at least one 16 foot log to a merchantable height of at least a 8" top diameter outside bark to have been scaled as sawtimber. All volumes have been reported in International ¼ Inch Scale. Bidders may convert to Doyle scale using their own factors; however, simple multiplication by a constant factor is likely to result in inaccurate results.

Special Considerations

1. Timber harvesting must be conducted under the guidelines of the 1997 Missouri Watershed Protection Practices published by the Missouri Department of Conservation.
2. Damage to the residual stand must be minimized. Ability to directional fall is required. Skidder operators must be capable of skidding with minimum damage. Spring poles must be cut or pushed.
3. There is approximately 100 feet of active cattle fencing in the southwest corner. Damaged fences must be repaired immediately.