

Sutton Hollow Bid Prospectus

We invite you to bid on the FSC certified timber described below owned by our client, Amelia Sutton.

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, 24 March, 2008
·Phone and facsimile bids will be accepted until:	2:30 PM	Friday, 28 March, 2008
·Bids will be opened in the offices of Clearwater Forest Consultants, LLC in Piedmont, Missouri at:	3:00 PM	Friday, 28 March, 2008
·The successful bidder will be selected no later than:	5:00 PM	Monday, 31 March, 2008
·If successful, a phone bid must be proven up with a written bid no later than:	12:00 PM	Monday, 31 March, 2008

Bids must be submitted in envelopes marked Sutton Hollow 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 veneer logs as well as stave logs and tie logs. The forest health is average. There is some evidence of oak decline depending on the aspect, but it is minimal. The sawtimber to be harvested is comprised of approximately 66% Red oak, 27% White oak, 5% Hickory, with the remainder consisting of miscellaneous species. The overall sawtimber volume is estimated at **600.8 MBF** (International ¼ inch scale, form class varies by species). **Approximately 60 % of the sawtimber volume is in trees 16" DBH or larger** (Figure 1).

Table 1. Sawtimber 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	250	30,200	120.8	5.0
Black Oak	1086	171,300	157.7	28.5
Scarlet Oak	1050	223,500	212.9	37.2
White Oak	1356	164,300	121.2	27.3
Misc. Species	121	11,500	95.0	1.9
Total	3863	600,800	155.5	100.0

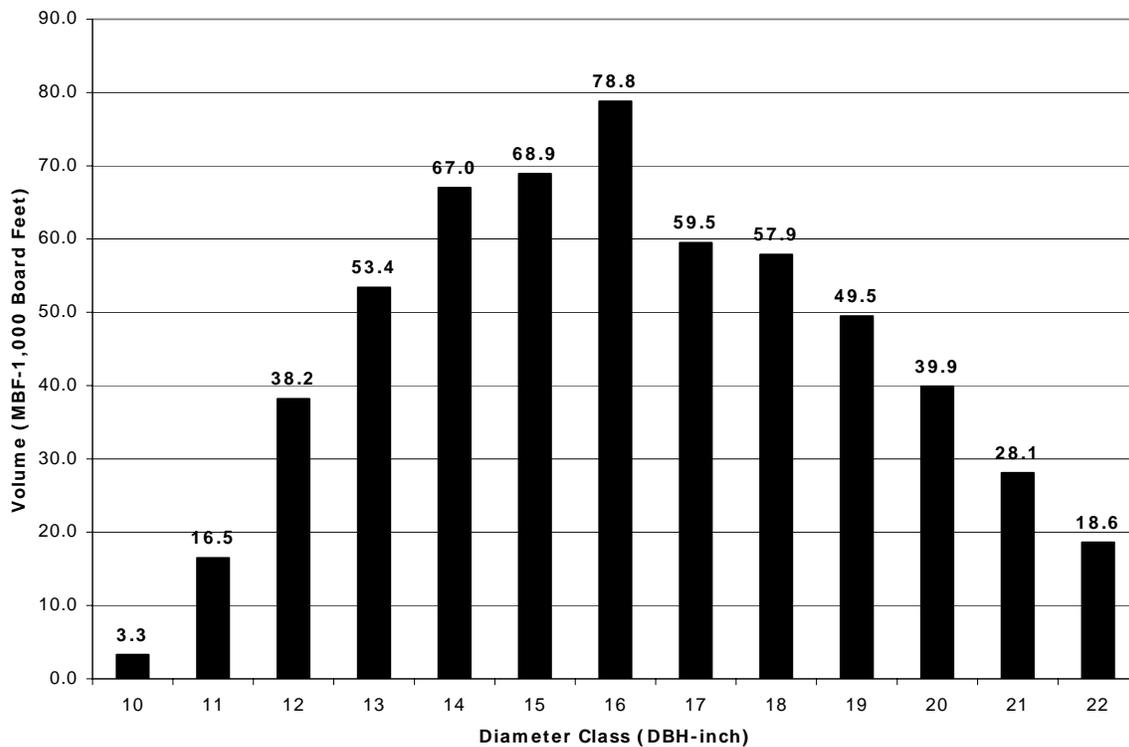


Figure 1. Distribution of sawtimber volume by DBH class

This is a marked harvest; only trees marked with orange paint located in the designated areas may be harvested. 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 foresters Kyle Flinn and Roger Ackerley have prepared the timber harvest in accordance with the owner's goals and values. All trees are not required to be cut. 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. Streamside Management Zones will be flagged off, but logging crews are expected to conduct operations within the guidelines set forth by the Forest Stewardship Council and the 1997 Missouri Watershed Protection Practices published by the Missouri Department of Conservation.

Access & Location

This sale can be accessed from Highway 49 and County Road 147(Sutton Hollow Rd.) in Iron County.

Directions from the South – From Des Arc, take Highway 49 for approximately 3.75 miles. County Road 147 will appear on the left. Travel CR 147 for approximately 800 feet; the Sutton Homestead will appear on the left as well as barbwire fence (CR147 bisects the Sutton property). There is also access to the property off of Highway 49; an unlocked gate 800 feet before CR 147 on the left.

Directions from the North – From Annapolis, take CR 49 for approximately 3.6 miles. CR 147 will appear on the right. Travel CR 147 for approximately 800 feet to the property boundary (barbwire fence) and the Sutton Homestead on the left (CR147 bisects the Sutton property). There is also access to this property right off of CR 49; an unlocked gate 800 feet past CR 147 on the right.

There are 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 Sections 35 & 36, Township 31 North, Range 3 East; being 293 acres more or less in Iron County, Missouri] The specific legal description is available through the deeds on file with CFC.

Tract Acreage & Boundaries

Tract acreage sources are the Iron County Plat Book and ESRI ArcGIS 9® mapping software. The property is approximately 293 acres more or less. The sale area is approximately 174 acres. Tract boundaries: Boundaries are outlined with old barbwire fence.

Tour

Interested parties are encouraged to tour the property at their own convenience. Otherwise, please call in advance to reserve your place for a one time tour of the property scheduled for Monday, March 24, 2008 at 2:30PM. Interested parties should meet Kyle Flinn at the gas station in Des Arc at 2:15 pm. We will leave the gas station at 2:30 pm. *If no interested parties make reservations with a phone call in advance, the tour will be cancelled.*

Terms

The purchaser must sign a lump sum contract within ten (10) working days of bid acceptance. Payment of a fifteen percent (15%) nonrefundable deposit is required to be submitted along with the signed contract. The remaining 85% 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 \$4,000 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 Kyle Flinn or Roger Ackerley, foresters 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 100% tally, due to its high value.

Specifications: Trees must have a Diameter at Breast Height of ten (10) inches or larger and at least one 8 foot log to a merchantable height of at least a 6" 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 Forest Stewardship Council and 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. Damaged fences must be repaired.