

Bid prospectus

We invite you to bid on the timber described below owned by our clients, DALE AND ANITA WHEELLEHON.

Bid Opening

Bids will be opened at **4:00 PM on Friday, January 26th, 2007** in the offices of Clearwater Forest Consultants, LLC in Piedmont, Missouri. After opening, bids will be discussed with the owner's agent prior to awarding the bid. The successful bidder will be selected no later than **Tuesday, January 30th, 2007**. Unsuccessful bidders will be notified in writing.

Bids must be submitted in envelopes marked **AA 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.

Phone and facsimile bids will be accepted until **3:30 PM on Friday, January 26th, 2007**. If successful, a phone bid must be proven up with a written bid no later than noon on **Monday, January 29th, 2007**.

The owner reserves the right to refuse any or all bids.

Timber Description

Timber quality is above average. Products include grade lumber and tie logs. The forest health is good, but there is some evidence of oak decline on ridges and slopes with south and west aspects. The sawtimber to be harvested is comprised of approximately 91% red oak, 4% white oak and 5% other species (Table 1). The overall sawtimber volume is estimated at **180.6 MBF** (International ¼ inch scale, form class varies by species). The total number of marked trees is 1,244. **Nearly 67% of the sawtimber volume is in trees 16" 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
White oak	40	7,498	187.5	4.2
Post oak	62	6,322	102.0	3.5
Black oak	569	76,729	134.8	42.5
Scarlet oak	542	87,419	161.3	48.4
Northern red oak	6	731	121.8	0.4
Hickory	23	1,754	76.3	1.0
Other Hardwoods	2	175	87.5	0.1
Total	1244	180,628	145.2	100.0

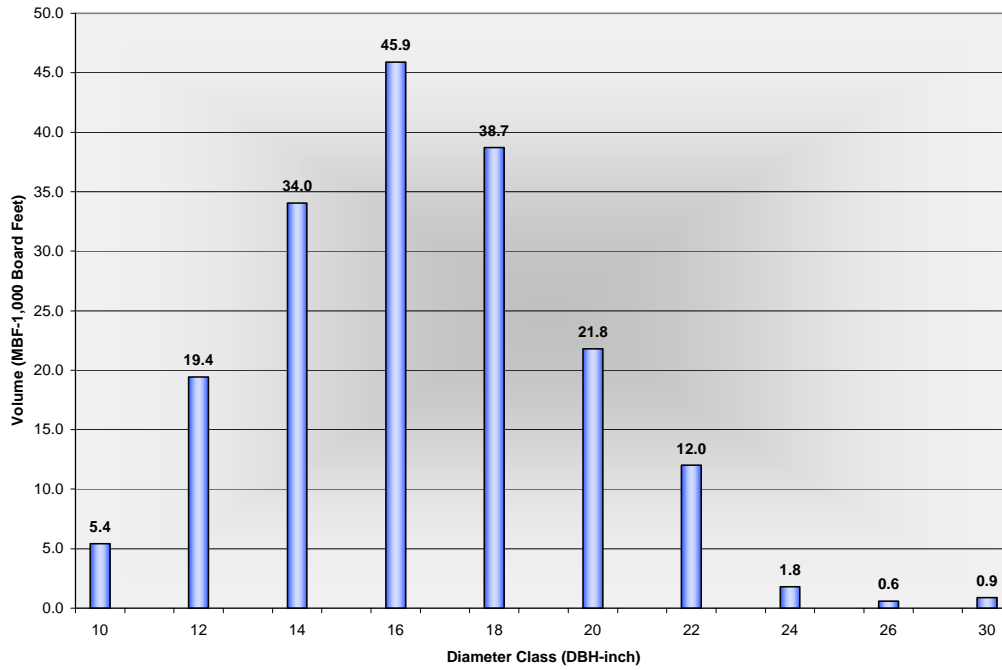


Figure 1. Distribution of volume by DBH class

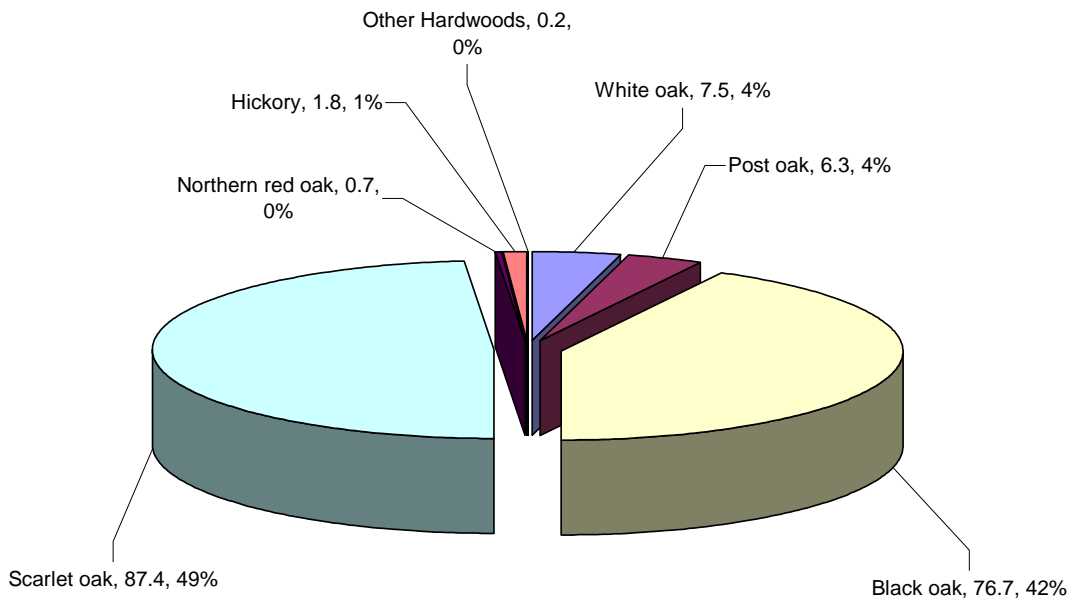


Figure 2. Distribution of volume by species

This is an individual tree selection marked timber harvest; only sawtimber that has been marked with blue paint 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.

MDC resource forester JASON JENSEN and his staff marked the timber in accordance with the owner's goals and values. This harvest will remove a portion the mature trees and small to medium size sawtimber trees. Trees marked with a blue "X" are 'forest management cut trees'. These trees may be harvested or used as skidder bump trees; however, they are not required to be cut. Minimal damage to the residual stand is expected and required. Felling of damaged trees may be required by the forester. Stumps must be left with paint marks intact; if any trees are found that have been marked but do not show a mark on the stump, the forester must be notified prior to cutting. Sale area terrain is well drained. Given the appropriate weather conditions, winter logging would be permissible, but 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 on HWY AA in Wayne County. Access is gained from some HWY AA, approximately 1 mile east of HWY 49. Some trails exist upon the property which may be suitable for skid trails. Also, a utility line is present which will provide skidder access to the sale areas. 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):

N ½ NW ¼ Section 22 (North of HWY AA) &
S ½ SW ¼ Section 15, Township 29 North, Range 3 East.

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

Tract Acreage & Boundaries

Tract acreages are derived from ESRI ArcGIS 9® mapping software. The sale area is approximately 70.45 acres more or less. The property boundary is marked by fence on all sides.

Tour

Interested parties are encouraged to tour the property at their own convenience. Otherwise, a one time tour of this property is scheduled for **Friday, January 19th, 2007 at 2:30 pm.** Interested parties should meet KYLE FLINN at the Peoples' Community Bank at 2:15 pm. We will leave the Peoples' Bank at 2:30 pm.

Terms

The purchaser must sign a lump sum contract within ten (10) working days of bid acceptance. Payment of a ten percent (10%) nonrefundable deposit is required to be submitted along with the signed contract. The remaining 90% 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 ten percent (10%) 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.

Minimum acceptable bid: \$27,090.

For more detailed information call KYLE FLINN, forester with Clearwater Forest Consultants, LLC.

Scaling Methods

The designated timber was marked and scaled by MDC resource forester JASON JENSEN and his staff.

Sampling System: This timber was scaled at 100% due to the high value of the timber involved.

Specifications: Trees must have a Diameter at Breast Height of ten (10) inches or larger 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 fell is required. Skidder operators must be capable of skidding with minimum damage.
3. Damaged fences and other improvements must be repaired immediately.