

Pine Plantation Investment Sale

Eudora 1,322 - Chicot County in southeast Arkansas

- Sale Type:** Lump sum timberland sale by sealed bid. Sale can also be viewed at www.reynoldsforestry.com by selecting "Eudora 1,322" in "Land Sales". To receive sales by email notify colleen@reynoldsforestry.com
- Sealed Bid Date:** **1:00 pm (USA Central Time) Thursday, June 7, 2012** (bidders invited to bid lunch at 12:00 pm).
- Bid Location:** Reynolds Forestry Consulting & Real Estate Office, 2315 North Vine Street, Magnolia, Arkansas.
- Lump Sum Bid:** Land & Timber Combined (1,322 deed acres): \$ _____
- Bidder:** Name: _____ Company: _____
Phone: _____ Fax: _____ Email: _____
- Property Overview:** 1,322 deed acres consisting of 22-year old pine plantation (950 acres), 19-year old pine plantation (118-acres), hardwood (77 acres) and excellent internal and external roads, food plots, seeded decks and irrigation canals maintained by Eudora Western Drainage District (166 acres). GIS acres are 1,339. Pine plantations are well stocked with good annual growth and returns. The ideal timberland term investment market alignment with diverse habitat for whitetail deer, squirrel, turkey & feral hogs.
- Subsidies:** All government subsidy payments transfer to the buyer including the full year of 2012 in the amount of \$39,000 (\$32,000 CRP and \$7,000 Cotton Base) paid by USDA October 1, 2012 to buyer. A breakdown is as follows: 1) Conservation Reserve Program (CRP) payments of \$3,164 through 2013 and \$28,836 through 2020. There is a \$7,000 per year cotton base payment through October 1st, 2012. Buyer also receives additional \$50/acre subsidy for each thinning on approved CRP lands.
- Inventory Method:** Inventoried with 1/10th acre plots that were flagged orange and numbered. Less than 4% error in tree count inventory based on 90% probability; and individual pine plantation cruise errors averaged less than 9%. Tree counts, diameters and heights are guaranteed by RFC within the stated deviations. Bidders are welcome to conduct due diligent inspections and inventories. All individuals entering upon the property assume liability for their own safety and actions and waive landowner liability.

Stand Type	Type	Acres	Age	Product	Stand	TPA	Dbh (Inches)	Height (Logs)
Planted	Loblolly Pine	950	22	Small logs	stands 1 - 8 & 10	130	11.8"	2.1
		118	19	Pulpwood	stands 9 & 11	155	10.2"	2.1
Natural	Loblolly Pine	12	7	Regeneration	stand 12	625	3.1"	1.3
	Hardwood	38	25	Mixed	stand 13	120	7.4"	1.9
		39	30	Mixed	smz & stand 14	132	7.6"	1.9
Non-Timber	na	166	na	na	canal, roads & decks	na	na	na

Note: TPA = trees/acre; Dbh = diameter at breast height (pine pulpwood to 2" top); Logs = number of 16 foot logs

- Access:** 0.8 miles of blacktop frontage on State Highway 8 and ½ mile frontage on County Road 6 (gravel). 3 miles of gated private internal roads (year round) and over 2 miles of summer roads requiring ATV or 4-wheeler when wet to prevent rutting. Yellow RFC signs designate stands and direction. Gate lock combo "0200".
- Bidding:** Bids received by fax, email, web, mail, in-person and phone (recorded) are confirmed and sealed until bid opening. If you need assistance in determining bid based on desired return rate (discount rate) utilizing custom growth-yield model, email or call; all your information is confidential. High bidder notified within 24 hours of acceptance or rejection. Bid results provided to bidders after bid opening.
- Reservations:** Minerals are reserved. Seller reserves the right to reject any and all bids.
- Earnest & Closing:** Earnest money of \$50,000 paid within five business days of acceptance. Closing administered by RFC. Closing within 45-days of bid opening with additional time for 1031 exchange bidders. Taxes prorated. Revenue stamps, owner's title insurance and closing administration divided equally. Closing costs added by buyer are paid by buyer. No other terms exist outside this document unless dually executed by both parties. All submitted bids (verbal or written) are legally binding to all terms stated in this bid prospectus and any deviating party is responsible for reimbursing all legal costs related to ensuring compliance. Exceptions & contingencies by bidder must be in writing with bid.
- Legal & Lines:** Sec 18: E½ SE¼; Sec 20: SE¼ NE¼, E½ SE¼, SW¼ SE¼; Sec 21: NE¼ NW¼, S½ NW¼, N½ SW¼, SW¼ SW¼; Sec 29: N½ NE¼ LESS 1ac cemetery, W2/3 S½ NE¼, NW¼, SW¼, W½ SE¼; Sec 30: SE¼; Sec 31: N½ NE¼; Sec 32: N70 ac NW¼, all in T18S, R2W containing 1,322 deed acres, more or less, Chicot County, Arkansas (GIS acres are 1,339). Sale boundary marked with RFC white flagging, roads, old/new fences, pasture and/or canal as notated on aerial map. No survey provided.....**Call anytime 870-299-0978. Colleen**



Timberland Inventory Summary

Eudora 1,322 (Deed Acres; GIS Acres 1,338)

Chicot County, Arkansas

www.reynoldsforestry.com

4/6/2012

Stand	Type	Acres	Age	Trees Per Acre (#1)	Dbh (inches)	Height (Logs/Ft) (#2)	Growth Rate (inches)	Cruise Percent Error (#1)	Years To Final Harvest (#3)	CRP Payments (#4)				
										Acres	\$/acre/year	\$/year	Expiration	Years Left
Stand 1	Pine Plantation (planted)	43	22	130	11.5"	2.0	.37"	8.9%	9	66	\$ 66	\$ 4,356	9/30/2020	8.4
Stand 2A	Pine Plantation (planted)	72	22	147	12.3"	2.2	.47"	8.3%	4	-	-	-	-	-
Stand 2A-crp	Pine Plantation (planted)	16	22	147	12.3"	2.2	.47"	8.3%	9	16	\$ 68	\$ 1,108	10/1/2020	8.4
Stand 2B	Pine Plantation (planted)	29	22	87	12.5"	2.1	.47"	9.9%	9	30	\$ 68	\$ 2,040	10/1/2020	8.4
Stand 3	Pine Plantation (planted)	90	22	103	13.2"	2.2	.44"	8.1%	4	-	-	-	-	-
Stand 4	Pine Plantation (planted)	81	22	136	12.4"	1.9	.50"	7.5%	9	90	\$ 68	\$ 6,120	10/1/2020	8.4
Stand 5	Pine Plantation (planted)	81	22	95	12.3"	2.2	.55"	8.9%	9	94	\$ 68	\$ 6,392	10/1/2020	8.4
Stand 6	Pine Plantation (planted)	154	22	165	10.9"	2.2	.40"	6.5%	7	-	-	-	-	-
Stand 7	Pine Plantation (planted)	66	22	130	11.3"	2.1	.50"	9.1%	9	72	\$ 68	\$ 4,896	10/1/2020	8.4
Stand 8A	Pine Plantation (planted)	82	22	106	12.0"	2.1	.50"	8.5%	9	46	\$ 68	\$ 3,121	10/1/2020	8.4
Stand 8B	Pine Plantation (planted)	59	22	145	10.9"	2.2	.43"	9.2%	7	-	-	-	-	-
Stand 9	Pine Plantation (planted)	59	19	160	10.4"	2.1	.50"	9.8%	8	70	\$ 45	\$ 3,164	9/30/2013	1.4
Stand 10	Pine Plantation (planted)	177	22	132	11.7"	2.1	.55"	8.6%	5	-	-	-	-	-
Stand 11	Pine Plantation (planted)	59	19	149	10.1"	2.1	.47"	5.7%	9	-	-	-	-	-
Stand 12	Natural Pine	12	7	625	3	1.3	na	na	32	12	\$ 68	\$ 802	10/1/2020	8.4
Stand 13	Natural Hardwood	38	25	120	7.4	1.9	na	na	na	-	-	-	-	-
SMZ	Natural Hardwood	39	30	132	7.6	1.9	na	na	na	-	-	-	-	-
Non-Timbered	Canal, Roads, Decks	166	na	na	na	na	na	na	na	-	-	-	-	-
Summation Planted Pine Stands 1 - 11		1,068	21.8	133	11.7	2.13	0.48	3.2%	7	485	\$ 64.39	\$ 31,197		
Summation All		1,322	22.0	137	11.3	2.11	na	na	8	496	\$ 64.48	\$ 32,000		

Note:

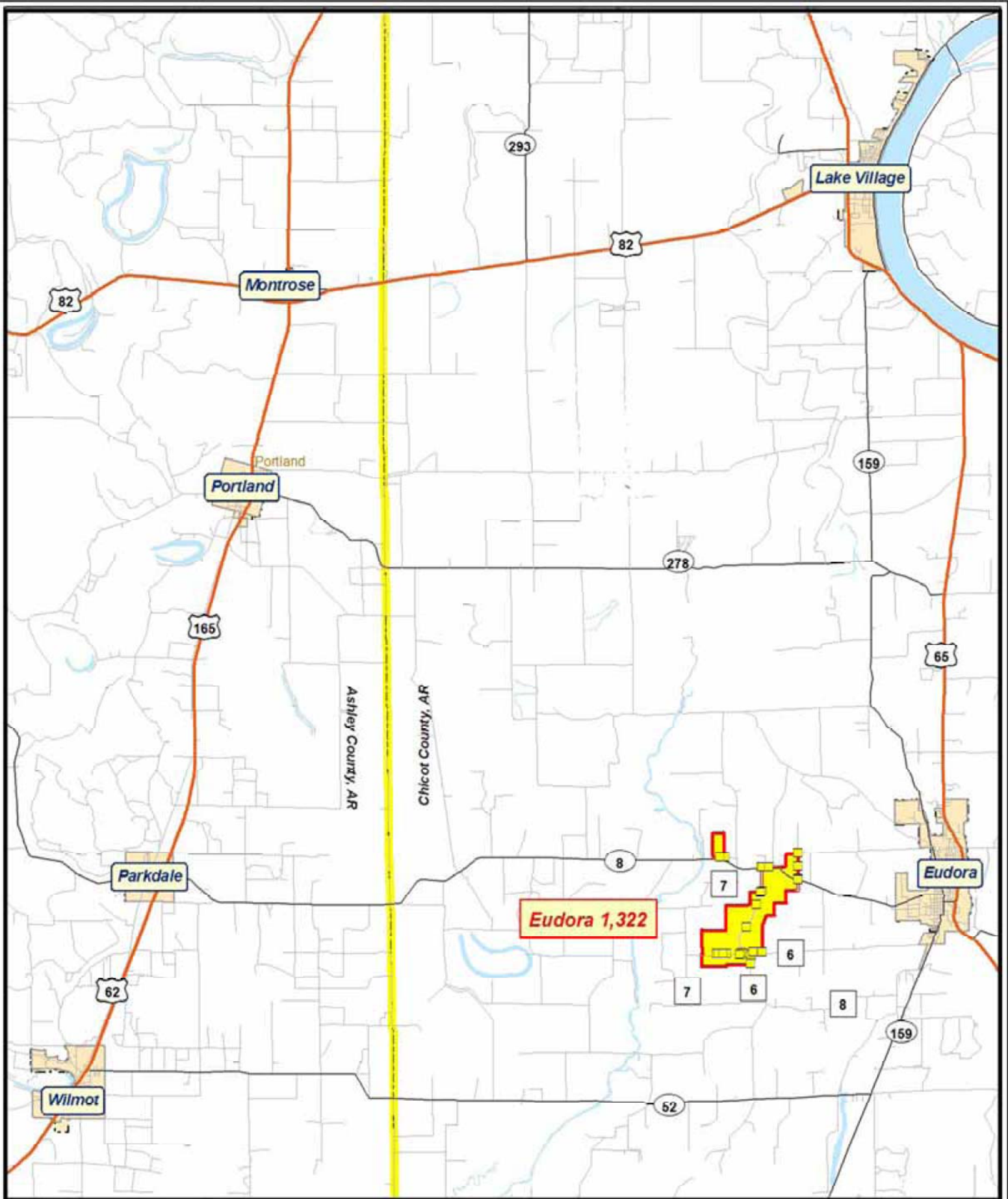
#1) Cruise Percent Error based on 90% probability for pine trees per acre by stand; summation at bottom calculated based on cumulative effect on tree count error by total plots.

#2) "Height" refers to merchantable height, except in stand 12 where it refers to total height (stand 12 is a premerchantable natural pine stand).

#3) Based on sawtimber economic maturity at 14" dbh; when CRP payments surpassed economic maturity then CRP final payment date became the final harvest year and growth reduced accordingly.

#4) CRP is "Conservation Reserve Program" and totals \$32,000 per year and annually paid to landowner by United States Department of Agriculture (USDA) as part of Farm Bill.

#5) Summation average based on "weighted mean average".

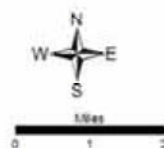


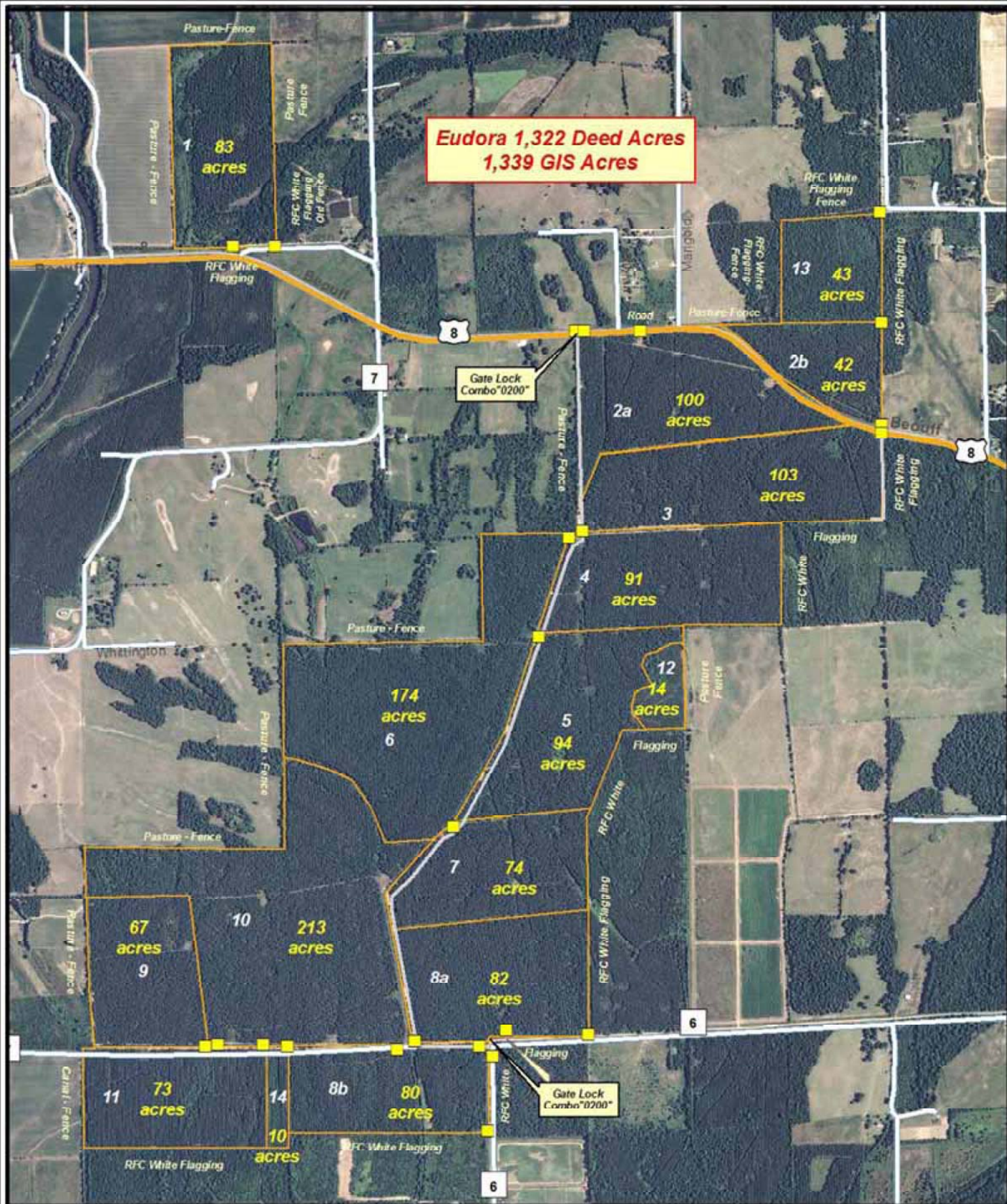
Sec 18,20,21,29,30,31,32,
T18S, R2W
Chicot County, Arkansas
Flight Date 10-15-2010
Map Date 4-19-2012 - cm

- Ownership Boundary
- Stand Boundary
- County Boundary
- RFC Sign
- Road

Eudora 1,322
1,322 Deed Acres
1,339 GIS Acres

Boundaries are approximate and not warranted.



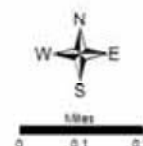


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Eudora 1,322 Pictorial Overview



22-Year Old Pine Plantation *(950-acres Stands 1-8&10)*



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Eudora 1,322 Pictorial Overview



22-Year Old Pine Plantation (950-acres Stands 1-8&10)



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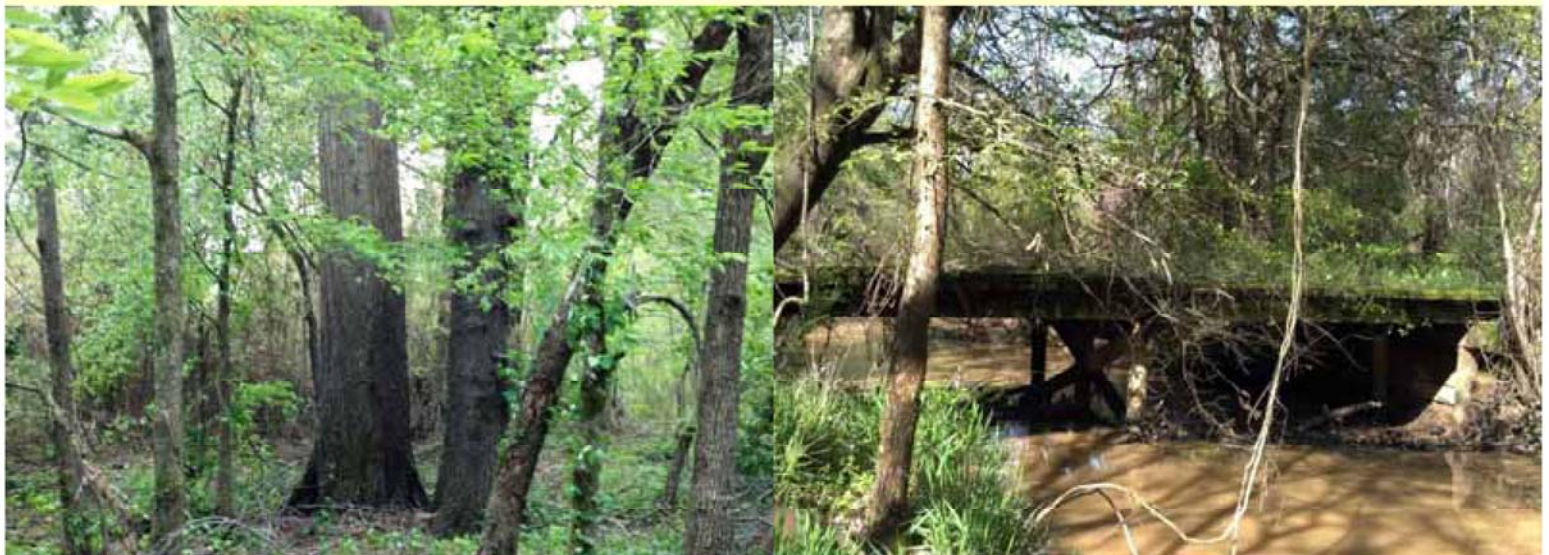
Eudora 1,322 Pictorial Overview



19-Year Old Pine Plantation (118-acres Stands 9&11)



19-Year Old Pine Plantation (118-acres Stands 9&11)



Natural Hardwood (77-acres SMZ & Stand 13) **Bridge** (Irrigation Canal Stand 1)