

Smith-Turner Timberlands

Sealed Bid Real Estate Offering

Bids Due December 15, 2017

112 Tracts totaling an estimated 18,624 GIS-Calculated Acres

Being Offered by Individual Tract or in its Entirety

South Arkansas – North Louisiana – Northeast Texas



PROJECT OVERVIEW

TerraStone Land Company, in cooperation with United Country - Neeley Forestry Services, is pleased to offer for sale, by sealed bid, 113 tracts of timberland containing an estimated 18,624 GIS-calculated acres located in:

- South Central Arkansas - 16,991 acres
- North Louisiana - 1,598 acres
- Texas - 35 acres

The individual tracts offered for sale range in size from 19 acres to 3100 acres. The offered tracts are

owned by Smith-Turner Land Company LLC, Tri-State Company LLC, Tri-State Land and Minerals LLC, and CTS Land Company LLC.

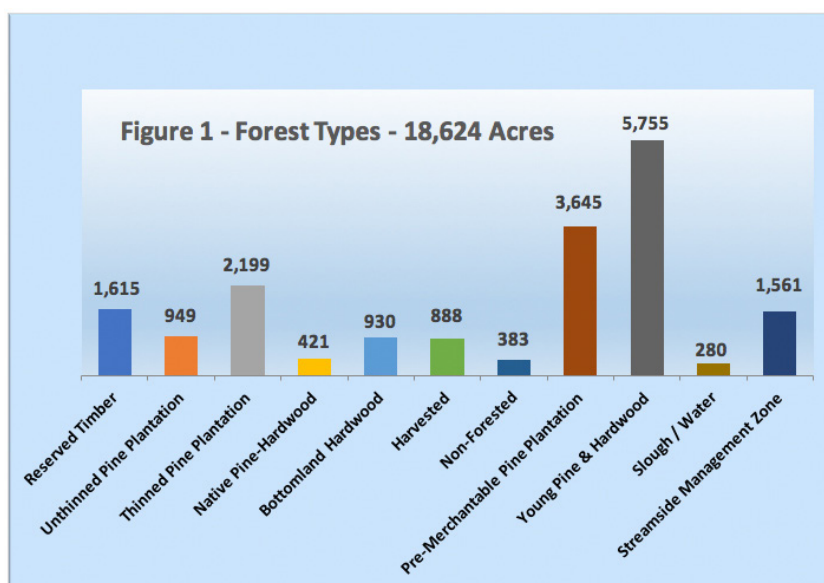
Historically managed for timber production, the composition of the stands offers both near- and long-term income opportunities. Recreational and hunting opportunities abound, too, with a significant number of the tracts lying adjacent to or dissected by either Dorcheat Bayou or Bodcau Bayou. Healthy populations of deer, turkey and duck have been observed on the property.

LOCATION AND NEARBY FOREST PRODUCT MARKETS

As shown on the enclosed Vicinity Map, most of the tracts and acreage are located in Southwest Arkansas in the vicinity of Magnolia, in Columbia County. The remainder of the tracts are scattered throughout the Arkansas counties of Union, Nevada, Lafayette and Miller; the Louisiana Parishes of Bossier, Webster, Claiborne and Morehouse; and one tract in Cass County, Texas.

The properties are well situated to take advantage of not only the existing and recently-opened primary wood-using markets, but also facilities that are slated for construction or expansion.

The recent additions to the available wood markets include the Conifex Timber, Inc. sawmill in El Dorado, Arkansas, formerly owned by Georgia Pacific; an expansion at Georgia Pacific's lumber and plywood plant in Gurdon, Arkansas, and the announcement of a new paper mill to be constructed in Clark County, Arkansas, near Arkadelphia. Construction of the new paper mill is expected to begin in March, 2018, and is expected to consume 10,000 tons a day of pulp material.



GENERAL SITE CHARACTERISTICS

Ranging from bottomland hardwood to upland pine plantations, the properties offer a variety of soil types and characteristics. Due to this assortment of forest stand ages, these properties offer the potential of rotational utilization for market-timed timber production and/or recreational enhancement.

As shown in Table 1 and Figure 1, the property is composed of well-stocked, merchantable pine plantations; pre-merchantable pine plantations of varying ages; mature pine-hardwood stands; mature bottomland hardwood stands; and harvested areas containing a mix of both planted pines and/or naturally regenerated hardwoods.

As shown in Table 1, an estimated 1,615 acres is classified as Reserved Timber. These acres are encumbered by Timber Deeds; most of which will expire on December 31, 2017.

Details concerning the specifics of those stands classified as Reserved Timber, as well as timber inventory data and detailed mapping, are available to registered bidders in the Virtual Data Room ("VDR").

To gain access to the data stored in the VDR, please contact either TerraStone Land Company or United Country-Neeley Forestry Services by phone or email. Contact information for both companies is listed here.

Table 1 - Forest Types	Acres	% of Total
Reserved Timber	1,615	9%
Unthinned Pine Plantation	949	5%
Thinned Pine Plantation	2,199	12%
Native Pine-Hardwood	421	2%
Bottomland Hardwood	930	5%
Harvested	888	5%
Non-Forested	383	2%
Pre-Merchantable Pine Plantation	3,645	20%
Young Pine & Hardwood	5,755	31%
Slough / Water	280	2%
Streamside Management Zone	1,561	8%
Total Acres	18,624	100%

TerraStone Land Company

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TIMBER RESOURCES

Table 2 on this page and Figure 2 on the next page summarize the total merchantable timber volumes estimated to be growing on the tracts being offered for sale. The estimated timber volumes are based on a low-intensity timber inventory recently completed by Bird and Crawford Forestry and Neeley Forestry Services.

The estimated volumes are based on plot and point sampling systematically dispersed throughout the properties.

In general, for merchantable pine plantations, the goal was one 10 BAF-point per ten acres, while in merchantable natural stands, the goal was to take one 1/10th-acre fixed-radius plot per five acres.

Please refer to the Disclaimer section of this document.

Table 2 - Merchantable Timber Volumes		
<u>Product Type</u>	<u>Tons</u>	<u>% of Class</u>
Native Pine Sawtimber	6,965	2.9%
Native Pine Chip-N-Saw	2,537	1.0%
Native Pine Pulpwood	7,813	3.2%
Planted Pine Sawtimber	114,631	47.3%
Planted Pine Chip-N-Saw	24,145	10.0%
Planted Pine Pulpwood	86,418	35.6%
Total Pine	242,509	100.0%
Cypress Sawtimber	1,424	71.3%
Cypress Pulpwood	572	28.7%
Total Cypress	1,995	100.0%
Hardwood Sawtimber	6,353	10.6%
Red Oak Sawtimber	9,311	15.5%
White Oak Sawtimber	4,412	7.3%
Hardwood Pulpwood	40,108	66.6%
Total Hardwood	60,184	100.0%
Total Timber Volume	304,688	

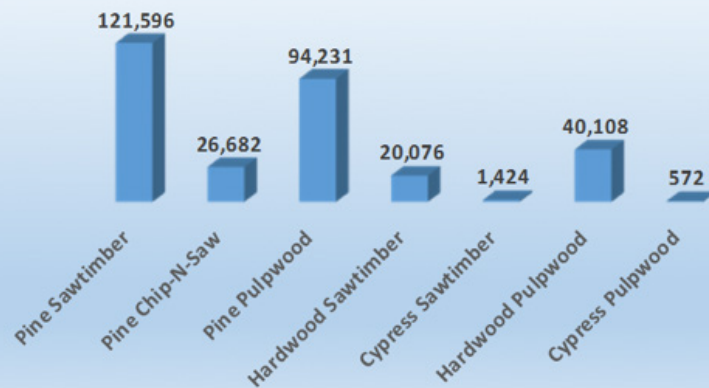
ACCESS

The make-up of the access to the properties varies from direct state and local public roads to historical access across adjacent landowners.

RECREATIONAL LEASES

Smith-Turner Timberlands have well established hunting clubs on many of the offered properties. Most of the acreage is leased for recreational use at an average rate of \$5.50 per acre.

Figure 2 - Total Timber Volumes in Tons



BIDDING PROCESS

Smith-Turner Timberlands is being offered in a single-stage, private sealed-bid process. Bids may be submitted on the total portfolio of properties, or on individual tracts as listed in the bid form. Details for this timberland offering can be found at either www.terrastonelandco.com or www.ucneeleyforestry.com.

The required Bid Sheet and bidding procedures may be downloaded from the VDR.

Bid Delivery Procedure: Prior to 4 P.M. on Thursday, December 14, 2017, bids may be hand delivered, mailed, faxed or scanned and emailed to the addresses listed below. After 4 P.M. on Thursday, December 14, 2017, only hand delivered bids, delivered to the physical address shown below, will be accepted between 8:00 A.M. and 11:59 A.M. on Friday, December 15, 2017. (All times are Central Time.)

Mail and Physical Address: Daniel Neeley, United Country-Neeley Forestry Services; 915 Pickett St, Camden, AR, 71701.

Fax number: 870-836-7432

Email: daniel@neeleyforestry.com.

DISCLAIMER: All information provided by the owner, its agents, employees or representatives on the subject properties is provided solely for the convenience of prospective bidders. This includes, but is not limited to, map accuracy, map scales, forest stand acreages, boundary line locations, timber stand information, estimated mean per-acre timber volumes and/or any other specifics concerning the land and/or timber resources on the subject properties.

No warranty is made as to the value, access, merchantability, fitness for any particular purpose, harvesting suitability, quality of any land and/or the quantity or quality of timber resources on the subject properties, nor any implied or express warranties unless otherwise set forth herein.

Any and all maps, plats or other representations of the subject lands are intended for illustrative purposes only, being based on GIS-derived estimates and not on boundary surveys nor deeded acreages. Bidders are encouraged to satisfy themselves concerning any and all attributes of the offered properties before submitting bids.

SALE OFFERING IS SUBJECT TO CHANGE, AT ANY TIME OR WITHOUT NOTICE, INCLUDING BUT NOT LIMITED TO: WITHDRAWAL FROM MARKET, PRICE CHANGE OR PRIOR SALE.

Smith-Turner Timberlands Sale Vicinity Map

