

MINNESOTA DEPARTMENT OF NATURAL RESOURCES DIVISION OF FORESTRY

NOTICE OF SALE OF STUMPAGE ON STATE LANDS IN THE FOLLOWING AREA: TWO HARBORS AREA

STATUS: COMPLETED INTERMEDIATE AUCTION - SALE #2 ORAL BID

Notice is hereby given that I offered for sale at public auction in Silver Bay, MN at 9:45 AM on Tuesday, January 7, 2020, timber belonging to the State of Minnesota. All tracts were offered at the Tettegouche State Park Visitor Center in Silver Bay, MN.

All of the timber offered was SFI and FSC certified.

The following pages list the lands upon which the timber was located, the estimated quantities of timber offered, the appraised prices, and the bid prices.





MINNESOTA DEPARTMENT OF NATURAL RESOURCES DIVISION OF FORESTRY

INTERMEDIATE AUCTION
ORAL BID TIMBER SALE
TWO HARBORS AREA

9:45 AM on January 7, 2020 Tettegouche State Park Visitor Center in Silver Bay, MN

TERMS OF SALE

- This auction sale will be held according to Minnesota Statutes Sections 90.101 and 90.14. Timber shall be offered and sold by the same unit of measure as it was appraised. Sale shall be made to whoever bids the highest price for all timber species advertised for bidding on each tract. Bidding over the appraised price shall be by increments of one (1) percent or more. The percent bid up will be added to the appraised price of each species indicated as a bid species by a plus symbol (+) on the Notice of Sale. Any or all bids may be rejected and sales canceled for good and sufficient reasons.

REGISTRATION AND ELIGIBLE BIDDERS

- Interested persons must be registered at least four (4) business days prior to the auction by submitting an *Annual Timber Sales Purchaser Registration* form. No bid will be accepted from anyone having a delinquent timber sale account or trespass account or a willful timber trespass with any public agency in Minnesota, or from anyone who does not qualify as a Responsible Bidder as defined in Minnesota Statutes § 90.01 (12), or from anyone who has been debarred for cause by any public agency [M.S. § 90.041 (11)]. Purchase is limited to registered persons or companies with 30 or fewer employees. No bidder may purchase more than twenty-five (25) percent of the tracts offered on the first round of bidding. Purchases or attempts to purchase tracts beyond the twenty-five (25) percent limit will result in the forfeiture of the down payment and loss of the tract.

DOWN PAYMENT

- Purchasers of timber must pay a down payment of fifteen (15) percent of the appraised value of the timber at the time the purchaser's bid is approved. The down payment will be kept on deposit by the State and applied against any billings for timber. The purchaser may elect to have the down payment refunded if they post security for one hundred (100) percent of the bid price of the timber (see Security Required). If the purchaser does not sign the permit document within 45 days of sale, the down payment will forfeit to the State. A permit signature extension of 10 business days may be granted, provided the purchaser pays a \$200 penalty.

BID GUARANTEE

- For any bid increase in excess of \$10,000 of the appraised price, a bid guarantee equal to fifteen (15) percent of the total bid price of the timber less the down payment amount is required at the time the permit is signed. If the bid guarantee is not submitted with the signed permit, the permit cancels, and the down payment forfeits to the State. If the permit holder fails to execute an effective permit, the bid guarantee payment forfeits to the State.

PURCHASER AND LOGGER QUALIFICATIONS AND OPERATIONS REQUIREMENTS

- The purchaser or the purchaser's agents, employees, subcontractors, and assigns conducting logging operations on a timber permit must comply with the general industry safety standards for logging (e.g., LogSafe) adopted by the Commissioner of Labor and Industry and provide proof of compliance with these standards. The purchaser or the purchaser's agents, employees, subcontractors, and assigns conducting logging operations on a timber permit must comply with the State of Minnesota mandatory insurance requirements before harvest operations begin. A *Certification of Compliance with the Minnesota Workers' Compensation Law* form must be submitted each year. Before the start of harvest operations, the purchaser must certify that a designated foreperson, who will be supervising active logging operations, has a current certificate of completion from a logger education program (e.g., MLEP or FISTA) approved by the Commissioner of Natural Resources.

SECURITY REQUIRED

- The purchaser must furnish security equal to the total bid value of the permit, LESS the amount paid as a down payment and bid guarantee. Security can be furnished in the following forms: Corporate surety bond, Letter of Credit, certified check, cashier's check, personal check, money order, or by signing a Cutting Block Payment Agreement for individual cutting blocks, at least one business day prior to the start of any permit operations. If the purchaser elects to receive a refund of the down payment and bid guarantee, they must furnish security in a form described above, for one hundred (100) percent of the total bid value of the timber purchased. If the deferred cash payment for cutting blocks is selected, the down payment and bid guarantee WILL NOT be refunded. If the purchaser elects to secure a permit by prepayment of cutting block(s), they must make a written request on a form provided by the state. No harvesting is permitted until proper security has been furnished to and approved by the Commissioner of Natural Resources or his agent.

PERMIT TERMS

- A permit to harvest and remove the timber from state lands will be issued to the purchaser. NO permit shall be issued to anyone other than the purchaser in whose name the bid was made. All timber purchased on the permit must be harvested prior to the permit expiration date. All permits provide for the continuous identification of timber from the time of cutting until delivery to the consumer. Failure to continuously identify the timber as specified in the permit shall constitute trespass. Also, please note all harvest specifications on each tract being sold. Only one Regular Extension is permitted for exceptional circumstances. An annual interest rate of 5 percent may be charged on a regular extension for the period of the extension.

UNSOLD TRACTS

- On the next regular business day (8:00 AM - 4:30 PM, Monday - Friday, except holidays) after the date of the auction sale, unsold tracts may be available for over-the-counter purchase at the appraised price for a period of no more than one year. Unless canceled for reoffer at an earlier date, unsold tracts will be available until January 7, 2021, at the following Area Headquarters: Two Harbors Area. Beginning 30 days after the auction date, an unsold intermediate auction tract may be purchased by any registered responsible bidder, i.e., purchase is no longer limited to businesses with 30 or fewer employees.

TRACT X1 COUNTY: ST. LOUIS AREA: TWO HARBORS AREA ACRES: 32.6

Permit Number: X017037 Expiration Date: 05/31/2023

Purchased By: Fjeran's Forest Products

Address: 1801 Hwy 3, Two Harbors, MN 55616

GL03,GL04 of Section 4 - Township 54, Range 12W.

						AISED	BID %: 0	
s	PECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	PRICE	\$ VALUE
+	PINE SPECIES	WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	300.00	Cd	35.70	10,710.00	35.70	10,710.00
+	TREMBLING ASPEN	PULPWOOD	100.00	Cd	11.90	1,190.00	11.90	1,190.00
+	MIXED SPRUCE	PULP & BOLTS	80.00	Cd	14.00	1,120.00	14.00	1,120.00
	PAPER BIRCH	PULPWOOD	75.00	Cd	7.00	525.00	7.00	525.00
	BALSAM FIR	PULPWOOD	50.00	Cd	9.80	490.00	9.80	490.00
	TAMARACK	PULPWOOD	15.00	Cd	4.20	63.00	4.20	63.00
	LOWLAND HARDWOODS	PULPWOOD	5.00	Cd	5.60	28.00	5.60	28.00
+	BID SPECIES * SC	OLD ON APPRAISED VOLUME			SED TOTAL = PAYMENT =	\$14,126.00 \$2,118.90	BID TOTA	L = \$ 14,126.00

Optional Timber (may be purchased with an Added Timber Agreement):

ANY LISTED SPECIES BIOMASS 200.00 Tons 0.45 90.00

Mixed Species Description:

Lowland Hardwoods Pulpwood includes: Ash 50%; Red Maple 50%.

Mixed Spruce Pulp & Bolts includes: Black Spruce 70%; White Spruce 30%.

Pine Species Woodsrun Sawtimber (Softwood only) includes: Norway Pine 44%; White Pine 56%.

Mixed Product Description:

Mixed Spruce Pulp & Bolts includes: Bolts 50%; Pulpwood 50%.

Pine Species Woodsrun Sawtimber (Softwood only) includes: Pulpwood 30%; Sawtimber (Softwood Only) 70%.

Cutting and Felling:

- Harvest white pine, norway pine, paper birch, balsam fir, trembling aspen, white spruce, black spruce, red maple, tamarack, and black ash.

Season of Operations:

- No sale operations allowed between June 1st and August 31st , without written permission from State.
- Conduct sale operations on dry/frozen soil conditions only, except with written permission from State.

Sale Conditions:

- Access is across state land.

Marketing Conditions:

From Two Harbors, drive north on Highway 2 for 13 miles. Turn west onto the Wales Rd. and drive 9.5 miles. Turn south onto Highway 44. and drive 6 miles to the Moose Lake Rd. where the sale is located on the north side of the road. The sale is located 60 miles from Cloquet, 105 miles from Grand Rapids, 160 miles from International Falls, and 170 miles from Bemidji.

Operational constraint deduction is due to harvest restriction from June 1st to August 31st due to wood turtle mortality concerns.

There is a chance for a dry soil condition harvest outside of the above dates.

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Other price factor deduction is due to significant RMZ area in sale and amount of landings needed.

Price Adjustments:

Road Construction Costs: 0% Haul Distance to Nearest Mill: -5%

Stand Density: 0%

Operational Constraints: -10%

Other Price Factor: -15% (additional operational constraints)

Appraiser:

Andrew R. Weston

(Appraisal ID 15310-0; Cutting Block ID 17804-0)

TRACT X2 COUNTY: LAKE AREA: TWO HARBORS AREA ACRES: 26.6

Permit Number: X017038 Expiration Date: 05/31/2023

Purchased By: Holden Logging LLC

Address: 6763 Highway 1, Finland, MN 55603

NESW of Section 7 - Township 57, Range 7W.

					APPR	AISED	BIE) %: 0
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	SUGAR MAPLE	PULPWOOD	312.00	Cd	10.00	3,120.00	10.00	3,120.00
	PAPER BIRCH	PULPWOOD	44.00	Cd	10.00	440.00	10.00	440.00
	BALSAM FIR	PULPWOOD	39.00	Cd	7.00	273.00	7.00	273.00
	ASPEN SPECIES	PULPWOOD	37.00	Cd	8.35	308.95	8.35	308.95
	ASH	PULPWOOD	5.00	Cd	6.00	30.00	6.00	30.00
_	+ BID SPECIES *	SOLD ON APPRAISED VOLUME			SED TOTAL = E PAYMENT =	\$4,171.95 \$625.79	BID TOTA	AL = \$ 4,171.95

Optional Timber (may be purchased with an Added Timber Agreement):

ANY LISTED SPECIES BIOMASS 241.00 Tons 0.33 79.53

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 10%; Trembling Aspen 90%.

Cutting and Felling:

- Harvest in shelterwood area Sugar Maple 7-14" dbh, Paper Birch, Aspen, Ash, Balsam Fir. In clearcut-reserve area, harvest Sugar Maple, Paper Birch, Aspen, and Balsam Fir.
- Reserve Sugar Maple less than 6" dbh, and greater than 15", all Spruce, all Pine in both shelterwood and clearcut areas.

Season of Operations:

- Conduct sale operations on frozen, dry soil conditions only, except with written permission from State.

Sale Conditions:

- Access is across county land.
- Permission to cross county land must be obtained by permittee.
- Provisions of access and /or water crossing permits will become part of sale terms and conditions for this sale.

Marketing Conditions:

Access is best via the Hut Two Rd, north of Finland, using recreational trail. Accessis potential from the south off of Hwy 1, but proximal landowners are not in favor.

Aspen is falling out of the canopy and is priced as salvage.

Balsam is showing signs of Spruce Budworm.

Price Adjustments:

Road Construction Costs: 0% Haul Distance to Nearest Mill: 0%

Stand Density: 0%

Operational Constraints: 0%

Other Price Factor: -50% (forest health)

Appraiser:

Glenn N. Ristow

TRACT X3 COUNTY: LAKE AREA: TWO HARBORS AREA ACRES: 46.4

Permit Number: X017039 Expiration Date: 05/31/2023

Purchased By: Holden Logging LLC

Address: 6763 Highway 1, Finland, MN 55603

GL04,NWSW,SESW,SWSE,SWSW of Section 12; GL01,GL02,GL03,NENW,NWNE,NWNW,SENW,SWNE of

Section 13 - Township 57, Range 8W.

					APPRA	AISED	BID	%: 0
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	NORTHERN HARDWOODS	PULPWOOD	880.00	Cd	9.00	7,920.00	9.00	7,920.00
	WHITE SPRUCE	WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	40.00	Cd	21.96	878.40	21.96	878.40
	PAPER BIRCH	PULP & BOLTS	25.00	Cd	10.35	258.75	10.35	258.75
	BALSAM FIR	PULPWOOD	10.00	Cd	12.60	126.00	12.60	126.00
	+ BID SPECIES	SOLD ON APPRAISED VOLUME			SED TOTAL = E PAYMENT =	\$9,183.15 \$1,377.47	BID TOTAL	_ = \$ 9,183.15

Optional Timber (may be purchased with an Added Timber Agreement):

ANY LISTED SPECIES BIOMASS 440.00 Tons 0.58 255.20

Mixed Species Description:

Northern Hardwoods Pulpwood includes: Red Maple 10%; Sugar Maple 90%.

Mixed Product Description:

Paper Birch Pulp & Bolts includes: Bolts 15%; Pulpwood 85%.

White Spruce Woodsrun Sawtimber (Softwood only) includes: Pulpwood 40%; Sawtimber (Softwood Only) 60%.

Cutting and Felling:

- Harvest maple, paper birch, spruce, balsam fir within gap cuts identified on map. Harvest trees on the skid trails to a width of 20' that are identified on the map.

Season of Operations:

- Conduct sale operations on dry or frozen soil conditions only, except with written permission from State.

Sale Conditions:

- Access is across private and state land.
- Permission to cross private land must be obtained by permittee.
- Provisions of access and /or water crossing permits will become part of sale terms and conditions for this sale.

Marketing Conditions:

This sale is down minimum maintenance road 621, and continues down woodsroad through a private landowner (Marlow). It is approximately 2.25 miles from the Heffelfinger SFR to the sale. Frozen ground access from Hwy 1 is possible, crossing Baptism River, and is approximately 1.75 miles to the sale.

prices reduced for operational constraints to harvest gaps and skid trails. Harvest gaps are identified with blue paint. Skid trails will be flagged as harvest operation progresses, volume on sale includes the estimate from all skid trails identified on the map.

Price Adjustments:

Road Construction Costs: 0% Haul Distance to Nearest Mill: 0%

Stand Density: 0%

Operational Constraints: -10% Other Price Factor: 0%

Appraiser:

Jason A. Bushmaker

(Appraisal ID 15271-0; Cutting Block ID 17762-0)

TRACT X4 COUNTY: COOK AREA: TWO HARBORS AREA **ACRES: 184.0**

Permit Number: X017040 Expiration Date: 05/31/2023

Purchased By:
Address:

NWSW,SWNW of Section 16;

NENE, NENW, NESE, NESW, NWSE, NWSW, SENE, SENW, SESE, SESW, SWNE, SWSE, SWSW of Section 17;

NESE, NWSE, SWSE of Section 8 - Township 58, Range 5W.

					APPR UNIT	AISED	BID:	
SI	PECIES	PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE
+	PAPER BIRCH	PULPWOOD	1,120.00	Cd	7.00	7,840.00	7.00	7,840.00
+	MIXED SPRUCE	PULPWOOD	360.00	Cd	11.20	4,032.00	11.20	4,032.00
+	ASPEN SPECIES	PULPWOOD	340.00	Cd	11.79	4,008.60	11.79	4,008.60
+	BALSAM FIR	PULPWOOD	220.00	Cd	9.80	2,156.00	9.80	2,156.00
+	BID SPECIES	s SOLD ON APPRAISED VOLUME			SED TOTAL =	\$18,036.60 \$2,705.49	BID TOTA	L = \$ 18,036.60

tional limber (may be purchased with an Added limber Agreement):

ASH	PULPWOOD	50.00 Cd	4.20	210.00
ANY LISTED SPECIES	BIOMASS	940.00 Tons	0.65	611.00

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 5%; Trembling Aspen 95%. Mixed Spruce Pulpwood includes: Black Spruce 1%; White Spruce 99%.

Cutting and Felling:

- Harvest birch, aspen, and balsam over 5" DBH. Harvest spruce over 5" DBH and below 13" DBH.

Season of Operations:

- Conduct sale operations on frozen or dry soil conditions only, except with written permission from State.

Sale Conditions:

- Access is across state land.

Marketing Conditions:

Site is located 1 mile north of Highway 61 on the east side of the sugar loaf road. Area has heavier clay soils that will dictate the possibility of dry summer harvest opportunity.

Price Adjustments:

Road Construction Costs: -10% Haul Distance to Nearest Mill: -10%

Stand Density: -10%

Operational Constraints: 0% Other Price Factor: 0%

Appraiser:

Jason A. Bushmaker

(Appraisal ID 15307-0; Cutting Block ID 17765-0)

TRACT X5 COUNTY: LAKE AREA: TWO HARBORS AREA ACRES: 23.0

Permit Number: X017041 Expiration Date: 05/31/2023

Purchased By: Jule Foster Logging

Address: 1690 Slate Rd, Isabella, MN 55607

NESE, SESE of Section 36 - Township 58, Range 10W.

						AISED		%: 65
5	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	MIXED SPRUCE	PULPWOOD	260.00	Cd	10.20	2,652.00	16.83	4,375.80
+	BALSAM FIR	PULPWOOD	145.00	Cd	8.40	1,218.00	13.86	2,009.70
+	TREMBLING ASPEN	PULPWOOD	125.00	Cd	12.00	1,500.00	19.80	2,475.00
	PAPER BIRCH	PULPWOOD	55.00	Cd	6.60	363.00	6.60	363.00
	TAMARACK	PULPWOOD	10.00	Cd	3.60	36.00	3.60	36.00
+	- BID SPECIES * SOLE	O ON APPRAISED VOLUME			SED TOTAL = E PAYMENT =	\$5,769.00 \$865.35	BID TOTA	AL = \$ 9,259.50

Optional Timber (may be purchased with an Added Timber Agreement):

ANY LISTED SPECIES BIOMASS 160.00 Tons 0.39 62.40

Mixed Species Description:

Mixed Spruce Pulpwood includes: Black Spruce 7%; White Spruce 93%.

Cutting and Felling:

- Harvest aspen, balsam fir and birch with 2 sticks or more. In planted white spruce area, thin spruce to an average spacing of 25'.

Season of Operations:

- Conduct sale operations on frozen or dry soil conditions only, except with written permission from State.

Sale Conditions:

- Access is across state land.

Marketing Conditions:

Base prices reduced for thinning and spruce budworm salvage.

Approximately 75% of the cutting area has the possibility of summer/dry access.

Price Adjustments:

Road Construction Costs: 0% Haul Distance to Nearest Mill: 0%

Stand Density: 0%

Operational Constraints: -10%

Other Price Factor: -30% (spruce budworm)

Appraiser:

Karen L. Updegraff

(Appraisal ID 15064-0; Cutting Block ID 17553-0)

TRACT X6 COUNTY: LAKE AREA: TWO HARBORS AREA ACRES: 63.8

Permit Number: X017042 Expiration Date: 05/31/2023

Purchased By:
Address:

NWSW, SESW, SWSW of Section 23 - Township 59, Range 8W.

	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	BID: UNIT PRICE	\$ VALUE
+	BALSAM FIR	PULPWOOD	315.00	Cd	9.10	2,866.50	9.10	2,866.50
+	PAPER BIRCH	PULPWOOD	130.00	Cd	6.50	845.00	6.50	845.00
+	BALM OF GILEAD	PULPWOOD	80.00	Cd	9.10	728.00	9.10	728.00
+	MIXED SPRUCE	PULP & BOLTS	75.00	Cd	13.42	1,006.50	13.42	1,006.50
	ASH	PULPWOOD	18.00	Cd	3.90	70.20	3.90	70.20
	+ BID SPECIES *	SOLD ON APPRAISED VOLUME			SED TOTAL = E PAYMENT =	\$5,516.20 \$827.43	BID TOTA	AL = \$ 5,516.20

Optional Timber (may be purchased with an Added Timber Agreement):

ANY LISTED SPECIES BIOMASS 604.00 Tons 0.42 253.68

Mixed Species Description:

Mixed Spruce Pulp & Bolts includes: Black Spruce 1%; White Spruce 99%.

Mixed Product Description:

Mixed Spruce Pulp & Bolts includes: Bolts 58%; Pulpwood 42%.

Cutting and Felling:

- Harvest balsam fir, paper birch, black ash, balsam poplar, and spruce species.

Season of Operations:

- Conduct sale operations on frozen soil conditions only, except with written permission from State.

Sale Conditions:

- Access is across USFS land.
- Provisions of access and /or water crossing permits will become part of sale terms and conditions for this sale.

Marketing Conditions:

Sale is located south of Juoppi Lake, between Isabella and Murphy City.

1.2 miles of existing USFS road will require shearing brush to reach the sale.

Price Adjustments:

Road Construction Costs: -15% Haul Distance to Nearest Mill: -10%

Stand Density: -10%

Operational Constraints: 0% Other Price Factor: 0%

Appraiser:

Simon Cain

(Appraisal ID 15321-0; Cutting Block ID 17817-0)

TRACT X7 COUNTY: COOK AREA: TWO HARBORS AREA ACRES: 35.3

Permit Number: X017043 Expiration Date: 05/31/2023

Purchased By: Peter Hall

Address: 280 Hall Rd, Lutsen, MN 55612

NWNE of Section 22 - Township 62, Range 2W.

				APPRA		AISED	BID %: 0			
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE		
	<u> </u>	PRODUCT	VOLUME	- UNIT	- FRICE	T VALUE	PRICE -	₹ VALUE		
+	TREMBLING ASPEN	PULPWOOD	460.00	Cd	4.25	1,955.00	4.25	1,955.00		
+	BLACK SPRUCE	PULPWOOD	415.00	Cd	4.00	1,660.00	4.00	1,660.00		
_	+ BID SPECIES									
C	Optional Timber (may be purchased with an Added Timber Agreement):									
	ANY LISTED SPECIES	BIOMASS	435.00	Tons	0.65	282.75				

Cutting and Felling:

- Harvest aspen and black spruce.

Season of Operations:

- Conduct sale operations on frozen soil conditions only, except with written permission from State.
- Frozen ground access across USFS.

Sale Conditions:

- Access is across USFS land.
- Provisions of access and /or water crossing permits will become part of sale terms and conditions for this sale.
- USFS hauling/plowing permit will need to be obtained by permittee for the use of FS Rd 158-Bally Cr Rd.

Marketing Conditions:

Winter ice/snow bridge will be needed to access block.

Price Adjustments:

Road Construction Costs: 0% Haul Distance to Nearest Mill: 0%

Stand Density: 0%

Operational Constraints: -10%

Other Price Factor: -65% (Cook County Discount)

Appraiser:

Aaron J. Mielke

(Appraisal ID 15257-0; Cutting Block ID 17748-0)

TRACT X8 COUNTY: COOK AREA: TWO HARBORS AREA ACRES: 146.2

Permit Number: X017044 Expiration Date: 05/31/2023

Purchased By:
Address:

NENE, NESE, NWNE, NWSE, SENE, SESE, SWNE of Section 28; NWSW, SWSW of Section 27 - Township 63,

Range 4E.

NESW, NWSW of Section 27; NESE of Section 28 - Township 63, Range 4E.

NESW, SENE, SWNE of Section 33 - Township 63, Range 4E.

						AISED	BID:	
	eneciee	PRODUCT	VOLUME	LINUT	UNIT	¢ MALUE	UNIT	¢ \/A
	SPECIES	PRODUCT	VOLUME	UNIT	PRICE _	\$ VALUE	PRICE _	\$ VALUE
4	- TREMBLING ASPEN	PULPWOOD	589.00	Cd	5.95	3,504.55	5.95	3,504.55
4	- SUGAR MAPLE	PULPWOOD	385.00	Cd	3.50	1,347.50	3.50	1,347.50
4	 WHITE SPRUCE 	PULPWOOD	374.00	Cd	5.60	2,094.40	5.60	2,094.40
4	PAPER BIRCH	PULPWOOD	357.00	Cd	3.50	1,249.50	3.50	1,249.50
	BALSAM FIR	PULPWOOD	37.00	Cd	4.90	181.30	4.90	181.30
	+ BID SPECIES * SC	ILD ON APPRAISED VOLUME			SED TOTAL = E PAYMENT =	\$8,377.25 \$1,256.59	BID TOTA	L = \$ 8,377.25

Optional Timber (may be purchased with an Added Timber Agreement):

ANY LISTED SPECIES BIOMASS 1,015.00 Tons 0.23 233.45

Cutting and Felling:

- Harvest all trees with 2 or more sticks of spruce and aspen (Cutting Block 2).
- Harvest maple trees with 2 or more sticks within 80' radius of yellow marked center tree (Cutting Block 1).
- Harvest trees with 2 or more sticks of aspen, birch, and fir (Cutting Block 3).

Season of Operations:

- Conduct sale operations on dry/frozen soil conditions only, except with written permission from State (Cutting Block 1).
- Conduct sale operations on frozen soil conditions only, except with written permission from State (Cutting Blocks 2 and 3).

Sale Conditions:

- Access is across state land (Cutting Blocks 2, 3, and 1).

Marketing Conditions:

A 1700 cord GNA sale within 2 miles will be on upcoming auction. Block 1 is the only block with the possibility of dry soil conditions access.

Price Adjustments:

Road Construction Costs: 0% Haul Distance to Nearest Mill: 0%

Stand Density: 0%

Operational Constraints: 0%

Other Price Factor: -65% (Cook County discount)

Appraiser:

Scott William Dowling

TRACT X9 COUNTY: COOK AREA: TWO HARBORS AREA ACRES: 32.5

Permit Number: X017045 Expiration Date: 05/31/2023

Purchased By:
Address:

NENW of Section 26 - Township 63, Range 1W.

					APPR	RAISED	BID:	
					UNIT		UNIT	
5	PECIES	PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE
F	BLACK SPRUCE	PULPWOOD	460.00	Cd	1.60	736.00	1.60	736.00
٠	TREMBLING ASPEN	PULPWOOD	150.00	Cd	1.70	255.00	1.70	255.00
	WHITE CEDAR	PULPWOOD	5.00	Cd	0.60	3.00	0.60	3.00
+	BID SPECIES * SOL	D ON APPRAISED VOLUME		APPRAIS	ED TOTAL =	\$994.00	BID TOTA	L = \$ 994.00
			А	DVANCE	PAYMENT =	\$149.10		

Optional Timber (may be purchased with an Added Timber Agreement):

ANY LISTED SPECIES BIOMASS 320.00 Tons 0.65 208.00

Cutting and Felling:

- Harvest aspen and spruce.
- Appraised cedar for access only, removal must be approved by TSA.

Season of Operations:

- Conduct sale operations on frozen soil conditions only, except with written permission from State.

Landings Roads and Trails:

- USFS hauling and snow plowing permits the repsonsibility of permittee.

Sale Conditions:

- Access is across USFS land.
- Provisions of access and /or water crossing permits will become part of sale terms and conditions for this sale.

Marketing Conditions:

Approx. 9.5 miles of winter road to plow/maintain.

Price Adjustments:

Road Construction Costs: -15% Haul Distance to Nearest Mill: 0%

Stand Density: 0%

Operational Constraints: -10%

Other Price Factor: -65% (Cook County Discount)

Appraiser:

Aaron J. Mielke

(Appraisal ID 15281-0; Cutting Block ID 17772-0)

TRACT X10 COUNTY: COOK AREA: TWO HARBORS AREA ACRES: 123.2

Permit Number: X017046 Expiration Date: 05/31/2023

Purchased By: Kent Anderson

Address: 984 Cutoff Rd, Grand Marais, MN 55604

NESE,SWSE of Section 15; NWSW,SWSW of Section 14 - Township 64, Range 3E. NENE,NENW,NWNE,SENE,SENW,SWNE of Section 14 - Township 64, Range 3E.

NENE, NENW, NWNE of Section 14 - Township 64, Range 3E.

					APPR UNIT	AISED	BID	%: 0
	SPECIES	PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE
+	NORWAY PINE	PULP & BOLTS	1,720.00	Cd	4.01	6,897.20	4.01	6,897.20
+	MIXED SPRUCE	PULPWOOD	865.00	Cd	3.20	2,768.00	3.20	2,768.00
	BALSAM FIR	PULPWOOD	68.00	Cd	2.80	190.40	2.80	190.40
	TREMBLING ASPEN	PULPWOOD	68.00	Cd	3.40	231.20	3.40	231.20
	PAPER BIRCH	PULPWOOD	30.00	Cd	2.00	60.00	2.00	60.00
	+ BID SPECIES * SOLD	ON APPRAISED VOLUME	А		ISED TOTAL = E PAYMENT =	\$10,146.80 \$1,522.02	BID TOTA	L = \$ 10,146.80

Optional Timber (may be purchased with an Added Timber Agreement):

ANY LISTED SPECIES BIOMASS 2,065.00 Tons 0.13 268.45

Mixed Species Description:

Mixed Spruce Pulpwood includes: Black Spruce 24%; White Spruce 76%.

Mixed Product Description:

Norway Pine Pulp & Bolts includes: Bolts 52%; Pulpwood 48%.

Cutting and Felling:

- Harvest Norway Pine by logger select strip thinning. Cut strips should be 15-16 feet wide; 50 feet apart on center. Reduce basal area by 1/3. Max average residual spacing for Block 3 is 19 feet. Favor the larger trees and /or trees with better form for leave trees. See TSA for further details (Cutting Block 3).
- Harvest Norway Pine by logger select strip thinning. Cut strips should be 15-16 wide; 50 apart on center. Reduce basal area by 1/3. Max average residual spacing for Block 1A is 17 and Block 1B is 15. Favor the largest trees and/or trees with the best form for leave trees. See TSA for further details (Cutting Block 1).
- Harvest Spruce, Balsam Fir, Aspen and Norway Pine (Cutting Block 2).

Season of Operations:

- Conduct sale operations on dry or frozen soil conditions only, except with written permission from State (Cutting Blocks 1, 2, and 3).

Sale Conditions:

- Access is across State land (Cutting Blocks 1, 2, and 3).

Marketing Conditions:

(N/A)

Price Adjustments:

Road Construction Costs: 0% Haul Distance to Nearest Mill: 0%

Stand Density: 0%

Operational Constraints: 0%

Other Price Factor: -80% (County discount and First Thinning)

Appraiser:

Justin Owen Rexrode

COMPLETED - DATA AS OF 01/07/2020

(Appraisal ID 15293-0; Cutting Block ID 17791-0, 17767-0, 17749-0)

TRACT X11 COUNTY: COOK AREA: TWO HARBORS AREA ACRES: 71.5

Permit Number: X017047 Expiration Date: 05/31/2023

Purchased By:
Address:

NENE, NENW, NWNE, SENE, SENW, SWNE of Section 20 - Township 64, Range 3E.

					APPR/ UNIT	AISED	BID:	
	SPECIES	PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE
+	ASPEN SPECIES	PULPWOOD	730.00	Cd	4.21	3,073.30	4.21	3,073.30
+	MIXED SPRUCE	PULP & BOLTS	130.00	Cd	4.20	546.00	4.20	546.00
+	BALSAM FIR	PULPWOOD	120.00	Cd	3.50	420.00	3.50	420.00
	PAPER BIRCH	PULPWOOD	110.00	Cd	2.50	275.00	2.50	275.00
	RED MAPLE	PULPWOOD	107.00	Cd	2.50	267.50	2.50	267.50
	ASH	PULPWOOD	5.00	Cd	1.50	7.50	1.50	7.50
_	+ BID SPECIES	SOLD ON APPRAISED VOLUME			ISED TOTAL = E PAYMENT =	\$4,589.30 \$688.40	BID TOTA	AL = \$ 4,589.30

Optional Timber (may be purchased with an Added Timber Agreement):

ANY LISTED SPECIES BIOMASS 436.00 Tons 0.16 69.76

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 5%; Trembling Aspen 95%. Mixed Spruce Pulp & Bolts includes: Black Spruce 5%; White Spruce 95%.

Mixed Product Description:

Mixed Spruce Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.

Cutting and Felling:

- Harvest aspen, paper birch, spruce, balsam fir, and red maple. Harvest ash only as needed for access.
- Reserve all cedar and white pine. Reserve all ash except as needed for trail access and wetland crossings. Reserve 3-6 maple, birch or aspen per acre. Clump reserve species together where possible.

Season of Operations:

- Conduct sale operations on dry or frozen soil conditions only, except with written permission from State.

Sale Conditions:

- Access is across USFS land.
- An access permit to cross USFS land has been applied for. A stream crossing on USFS land will require a snow/ ice bridge.

Marketing Conditions:

This sale has areas of steep terrain within the harvest boundary, most boundaries of the sale are at the top of slopes. Sale operations are planned on areas of steeper terrain (up to 30%) to complete the sale as described. Price adjustment for operational constraints is for the steep terrain within the sale boundary.

Price Adjustments:

Road Construction Costs: 0% Haul Distance to Nearest Mill: 0%

Stand Density: 0%

Operational Constraints: -10%

Other Price Factor: -65% (Cook County haul distance)

Appraiser:

Anna K. Heruth

COMPLETED - DATA AS OF 01/07/2020

(Appraisal ID 15323-0; Cutting Block ID 17815-0)

Harvest specifications and additional information about each tract may be obtained upon request from the following DNR Area Forestry Office:

TWO HARBORS AREA

The right is reserved to reject any and all bids.

For the Commissioner
MINNESOTA DEPARTMENT OF NATURAL RESOURCES

By: Authorized Signature
Division Of Forestry

Dated: January 7, 2020

TWO HARBORS AREA

SUMMARY FOR <u>SOLD</u> TRACTS								
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE			
PULP & BOLTS	PAPER BIRCH	25.00	Cd	10.35	258.75			
	NORWAY PINE	1,720.00	Cd	4.01	6,897.20			
	MIXED SPRUCE	80.00	Cd	14.00	1,120.00			
PULPWOOD	ASH	5.00	Cd	6.00	30.00			
	LOWLAND HARDWOODS	5.00	Cd	5.60	28.00			
	ASPEN SPECIES	37.00	Cd	8.35	308.95			
	TREMBLING ASPEN	753.00	Cd	7.77	5,851.20			
	PAPER BIRCH	204.00	Cd	6.80	1,388.00			
	NORTHERN HARDWOODS	880.00	Cd	9.00	7,920.00			
	SUGAR MAPLE	312.00	Cd	10.00	3,120.00			
	BALSAM FIR	312.00	Cd	9.90	3,089.10			
	BLACK SPRUCE	415.00	Cd	4.00	1,660.00			
	TAMARACK	25.00	Cd	3.96	99.00			
	MIXED SPRUCE	1,125.00	Cd	6.35	7,143.80			
BIOMASS	ANY LISTED SPECIES (optional)	3,541.00	Tons	-	0.00			
WOODSRUN SAWTIMBER	PINE SPECIES	300.00	Cd	35.70	10,710.00			
(SOFTWOOD ONLY)	WHITE SPRUCE	40.00	Cd	21.96	878.40			

TOTAL SOLD TRACTS CONVERTED TO CORDS: 6,238.00
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 47,011.90
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 50,502.40
TOTAL ACRES SOLD: 287.1

SOLD TRACT NUMBERS: 1, 2, 3, 5, 7, 10

TOTAL NUMBER OF TRACTS SOLD: 6

SUMMARY FOR <u>UNSOLD</u> TRACTS								
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE			
PULP & BOLTS	MIXED SPRUCE	205.00	Cd	7.57	1,552.50			
PULPWOOD	ASH (optional) ASH	50.00 23.00		4.20 3.38	210.00 77.70			
	ASPEN SPECIES TREMBLING ASPEN	1,070.00 739.00		6.62 5.09	7,081.90 3,759.55			
	PAPER BIRCH BALM OF GILEAD	1,717.00 80.00		5.95 9.10	10,209.50 728.00			
	RED MAPLE SUGAR MAPLE	107.00 385.00		2.50 3.50	267.50 1,347.50			
	WHITE SPRUCE BALSAM FIR	374.00 692.00		5.60 8.13	2,094.40 5,623.80			
	BLACK SPRUCE WHITE CEDAR	460.00 5.00		1.60 0.60	736.00 3.00			
	MIXED SPRUCE	360.00	Cd	11.20	4,032.00			
BIOMASS	ANY LISTED SPECIES (optional)	3,315.00	Tons	0.42	1,375.89			

TOTAL UNSOLD TRACTS CONVERTED TO CORDS: 6,217.00
TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS: \$37,513.35
TOTAL ACRES UNSOLD: 498.0
UNSOLD TRACT NUMBERS: 4, 6, 8, 9, 11

TOTAL NUMBER OF TRACTS UNSOLD: 5