

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 Thursday, June 5, 2025, 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 DNR is Certified to the Sustainable Forestry Initiative® and/or the Forest Stewardship Council®. For information on our certificates go to <u>mndnr.gov/forestry/certification/certificates.html</u>



MINNESOTA DEPARTMENT OF NATURAL RESOURCES

DIVISION OF FORESTRY

INTERMEDIATE AUCTION ORAL BID TIMBER SALE TWO HARBORS AREA

9:45 AM on June 5, 2025 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 June 5, 2026, 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: LAKE

AREA: TWO HARBORS AREA

ACRES: 62.2

Permit Number: X019900 Expiration Date: 05/31/2029

Purchased By:

Address:

NESW,NWSE,NWSW,SENW,SESW,SWNW,SWSW of Section 36 - Township 55, Range 10W.

					APPR	AISED	BID:	
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	TREMBLING ASPEN	PULPWOOD	735.00	Cd	21.85	16,059.75	21.85	16,059.75
+	MAPLE SPECIES	PULP & BOLTS	79.00	Cd	8.78	693.62	8.78	693.62
	ASH	PULP & BOLTS	47.00	Cd	7.82	367.54	7.82	367.54
	+ BID SPECIES * SOLD	ON APPRAISED VOLUME	Ą		SED TOTAL = PAYMENT =	\$17,120.91 \$2,568.14	BID TOTAI	L = \$ 17,120.91

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

BALSAM FIR	PULPWOOD	174.00	Cd	3.25	565.50
WHITE SPRUCE	PULP & BOLTS	5.00	Cd	14.04	70.20
ANY LISTED SPECIES	BIOMASS	465.00	Tons	0.65	302.25

Mixed Species Description:

Maple Species Pulp & Bolts includes: Red Maple 35%; Sugar Maple 65%.

Mixed Product Description:

Ash Pulp & Bolts includes: Bolts 67%; Pulpwood 33%. Maple Species Pulp & Bolts includes: Bolts 35%; Pulpwood 65%. White Spruce Pulp & Bolts includes: Bolts 70%; Pulpwood 30%.

Marketing Conditions:

Sale is located off London Crossing Road, approximately 0.7 miles east of Hwy 3. and <25 miles from Two Harbors. Existing road provides excellent access into and throughout sale.

Price adjustments apply to aspen only, other species have county discount applied.

Price Adjustments:

Road Construction Costs: +10% Haul Distance to Nearest Mill: +10% Stand Density: -5% Operational Constraints: 0% Other Price Factor: -35%

Appraiser:

Michael J. Young

(Appraisal ID 16892-5; Cutting Block ID 19435-13)

COUNTY: LAKE

AREA: TWO HARBORS AREA

ACRES: 131.3

Permit Number: X019901 Expiration Date: 05/31/2029

TRACT X2

Purchased By: Address:

NESE,SESE of Section 16; NWSW,SWSW of Section 15 - Township 56, Range 8W. NESE,NESW,NWSE,SENW,SESE,SWNE,SWSE of Section 16 - Township 56, Range 8W.

					APPR	AISED	BID:	
					UNIT		UNIT	
8	PECIES	PRODUCT		UNIT		\$ VALUE	PRICE	\$ VALUE
+	ASH	PULPWOOD	560.00	Cd	3.90	2,184.00	3.90	2,184.00
+	ASPEN SPECIES	PULPWOOD	530.00	Cd	12.90	6,837.00	12.90	6,837.00
	BALSAM FIR	PULPWOOD	140.00	Cd	3.25	455.00	3.25	455.00
+	MAPLE SPECIES	PULPWOOD	65.00	Cd	6.50	422.50	6.50	422.50
+	BID SPECIES	SOLD ON APPRAISED VOLUME		APPRAI	SED TOTAL =	\$9,898.50	BID TOTA	L = \$ 9,898.50
			A	DVANCE	E PAYMENT =	\$1,484.78		

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

ANY	LISTED SPECIES	BIOMASS	852.00	Tons	0.65	553.80

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 19%; Trembling Aspen 81%. Maple Species Pulpwood includes: Red Maple 1%; Sugar Maple 99%.

Season of Operations:

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

Sale Conditions:

- Access is across county and state land (Cutting Block 2).
- Access is across state and county land (Cutting Block 1).
- Permission to cross county land must be obtained by permittee (Cutting Blocks 1 and 2).

Marketing Conditions:

This sale is located north of Forest Hwy 11 and the Snowmobile Trail. Access is mostly through state, but crosses through a county parcel. Road may need some amount of spot-gravelling for initial access off FH11. Additional half-mile of new road is required to gain access to cutting block two. Haul distance to Sappi is 80mi, haul distance to LP is 33mi. The sale has limited drainage keeping soils moist year-round restricting operations to frozen conditions only. Timber is younger and smaller but without much decay. Price adjustments apply to Aspen only, other species receive Lake County discount.

Price Adjustments:

Road Construction Costs: -10% Haul Distance to Nearest Mill: -10% Stand Density: -10% Operational Constraints: 0% Other Price Factor: -35% (Lake County Discount)

Appraiser:

Glenn N. Ristow

(Appraisal ID 15651-0; Cutting Block ID 18289-0, 19061-0)

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TRACT X3 COUNTY: LAKE

AREA: TWO HARBORS AREA

ACRES: 102.7

Permit Number: X019902 Expiration Date: 05/31/2028

> Purchased By: Address:

GL03,GL04,SENW,SWNW of Section 3 - Township 57, Range 8W. SESW,SWSW of Section 34 - Township 58, Range 8W.

					APPR	AISED	BID:	
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	- ASPEN SPECIES	PULP & BOLTS	629.00	Cd	17.99	11,315.71	17.99	11,315.71
+	PAPER BIRCH	PULP & BOLTS	306.00	Cd	8.19	2,506.14	8.19	2,506.14
+	- WHITE SPRUCE	PULP & BOLTS	215.00	Cd	12.29	2,642.35	12.29	2,642.35
	+ BID SPECIES *	SOLD ON APPRAISED VOLUME			SED TOTAL = PAYMENT =	\$16,464.20 \$2,469.63	BID TOTA	_ = \$ 16,464.20

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

	BALSAM FIR	PULPWOOD	31.00	Cd	3.25	100.75	
ANY LISTED SPECIES BIOMASS 548.00 Tons 0.65 356.20	ANY LISTED SPECIES	BIOMASS	548.00	Tons	0.65	356.20	

Mixed Species Description:

Aspen Species Pulp & Bolts includes: Balm of Gilead 2%; Trembling Aspen 98%.

Mixed Product Description:

Aspen Species Pulp & Bolts includes: Bolts 46%; Pulpwood 54%.

Paper Birch Pulp & Bolts includes: Bolts 26%; Pulpwood 74%.

White Spruce Pulp & Bolts includes: Bolts 55%; Pulpwood 45%.

Season of Operations:

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

Sale Conditions:

- Access is across State land.

- Access crosses Public Waters. A Permit is not required if using a snow / ice bridge.

- A waters permit may not be required when using a temporay bridge that meets the specifications of Appendix H in the Forest Management Guidelines book.

Marketing Conditions:

Sale is located approximately 4.75 miles north of Finland, MN on Hwy 1. Access is down the Moose Run Grant-In-Aid Trail and would require two temporary bridges for summer access.

If choosing to access from private to south on Crown Creek Spur (Private Road), permittee will need permission from several landowners for approximately 1.5 miles. New road must be built through approximately 300 feet of private land. The private bridge(s) on Crown Creek Rd is unknown for load limit and may require a temporary bridge.

Stands are heavily infested with spruce budworm with a signification amount of balsam fir and spruce laying on the ground or standing dead. Cutting and piling of this debris for access across the site is approved.

Price adjustments apply to aspen. All other species have -35% Lake County discount applied.

Price Adjustments:

Road Construction Costs: 0% Haul Distance to Nearest Mill: +5% Stand Density: -10% Operational Constraints: 0% Other Price Factor: -35% (Lake County Discount)

Appraiser:

Jason A. Bushmaker

(Appraisal ID 19865-0; Cutting Block ID 22967-0)

TRACT X4 COUNTY: LAKE

AREA: TWO HARBORS AREA

ACRES: 76.7

Permit Number: X019903 Expiration Date: 05/31/2028

Purchased By:

Address:

NENE, NENW, NESW, NWNE, SENE, SENW, SWNE of Section 8 - Township 57, Range 8W.

					APPR	AISED	BID:	
	PECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	WHITE SPRUCE	PULPWOOD	285.00	Cd	5.85	1,667.25	5.85	1,667.25
+	PAPER BIRCH	PULP & BOLTS	175.00	Cd	10.14	1,774.50	10.14	1,774.50
+	ASPEN SPECIES	PULPWOOD	100.00	Cd	16.91	1,691.00	16.91	1,691.00
	BALSAM FIR	PULPWOOD	100.00	Cd	3.25	325.00	3.25	325.00
+	NORWAY PINE	PULP & BOLTS	40.00	Cd	25.38	1,015.20	25.38	1,015.20
-	BID SPECIES *	SOLD ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$6,472.95 \$970.94	BID TOTA	L = \$ 6,472.95

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

ANY LISTED SPECIES	BIOMASS	232.00 Tons	0.65	150.80

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 7%; Trembling Aspen 93%.

Mixed Product Description:

Norway Pine Pulp & Bolts includes: Bolts 74%; Pulpwood 26%. Paper Birch Pulp & Bolts includes: Bolts 56%; Pulpwood 44%.

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:

This sale is located on either side of Fry Creek between Heffelfinger Rd and the Moosewalk Snowmobile Trail. Access from the Heffelfinger into the northern portion of the sale has brushed in and would require grading to reopen. Access to the southern portion during an exceptionally dry season may use the Moosewalk Trail. Most timber is of average quality but the Spruce and Balsam have been defoliated by Spruce Budworm. Mortality is at least 20% as of December 2024. These are failed plantations with the intent to thin where pine is well established. Price adjustments apply to Aspen and Pine only, other species receive the Lake County discount.

Price Adjustments:

Road Construction Costs: 0% Haul Distance to Nearest Mill: 0% Stand Density: -10% Operational Constraints: 0% Other Price Factor: -35% (Lake County Discount)

Appraiser:

Glenn N. Ristow

TRACT X5 COUNTY: LAKE

AREA: TWO HARBORS AREA

Permit Number: X019904 Expiration Date: 05/31/2028

> Purchased By: Address:

NESW,NWSW of Section 11; NENW,NWNE of Section 15; NESE,NWSE,SESE,SESW,SWSE of Section 10 - Township 57, Range 8W.

					APPR	AISED	BID:	
					UNIT		UNIT	
5	SPECIES	PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE
+	MIXED SPRUCE	PULP & BOLTS	670.00	Cd	1.92	1,286.40	1.92	1,286.40
+	BALSAM FIR	PULP & BOLTS	178.00	Cd	1.50	267.00	1.50	267.00
+	NORWAY PINE	PULP & BOLTS	119.00	Cd	13.86	1,649.34	13.86	1,649.34
+	ASPEN SPECIES	PULP & BOLTS	100.00	Cd	11.30	1,130.00	11.30	1,130.00
+	PAPER BIRCH	PULPWOOD	76.00	Cd	6.50	494.00	6.50	494.00
-	► BID SPECIES ★	SOLD ON APPRAISED VOLUME			SED TOTAL = PAYMENT =	\$4,826.74 \$724.01	BID TOTA	L = \$ 4,826.74

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

ANY LISTED SPECIES BIOMASS 516.00 Tons 0.65 335.40	ANY LISTED SPECIES	BIOMASS	516.00 Tons	0.65	335.40
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Mixed Species Description:

Aspen Species Pulp & Bolts includes: Balm of Gilead 5%; Trembling Aspen 95%. Mixed Spruce Pulp & Bolts includes: Black Spruce 28%; White Spruce 72%.

Mixed Product Description:

Aspen Species Pulp & Bolts includes: Bolts 42%; Pulpwood 58%. Balsam Fir Pulp & Bolts includes: Bolts 17%; Pulpwood 83%. Mixed Spruce Pulp & Bolts includes: Bolts 21%; Pulpwood 79%. Norway Pine Pulp & Bolts includes: Bolts 57%; Pulpwood 43%.

Season of Operations:

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

Sale Conditions:

- Access is across state land.

Marketing Conditions:

Roading to stand 248 is located 2.2 miles down the Moosewalk snowmobile / ATV trail, and will require some brushing and blading of the trail. Access to stand 301 will require some blading (.25 mile) and removal of merchantable timber.

Spruce budworm damage is occurring in both stands with less than 5% mortality and 100% affected, as of January 2025.

Price adjustments apply to aspen and pine, salvage and Lake county discount apply to spruce and fir, and the Lake country discount only applies to paper birch.

Price Adjustments:

Road Construction Costs: -15% Haul Distance to Nearest Mill: -15% Stand Density: -5% Operational Constraints: -5% Other Price Factor: -85% (Spruce budworm - fir & spruce)

Appraiser:

Simon Cain

TRACT X6 COUNTY: LAKE

AREA: TWO HARBORS AREA

ACRES: 58.0

Permit Number: X019905 Expiration Date: 05/31/2028

> Purchased By: Address:

SESW of Section 28; NESE,NWSE,SENE,SWNE of Section 32; NENW of Section 33 - Township 57, Range 8W.

					APPR	AISED	BID:	
		PRODUCT	VOLUME		UNIT		UNIT	¢ \/AL UE
-	SPECIES	PRODUCT		UNIT		\$ VALUE	PRICE	\$ VALUE
+	MAPLE SPECIES	PULP & BOLTS	400.00	Cd	9.43	3,772.00	9.43	3,772.00
	ASH	PULPWOOD	20.00	Cd	3.90	78.00	3.90	78.00
	ASPEN SPECIES	PULPWOOD	10.00	Cd	19.00	190.00	19.00	190.00
	PAPER BIRCH	PULPWOOD	10.00	Cd	6.50	65.00	6.50	65.00
	BALSAM FIR	PULPWOOD	8.00	Cd	3.25	26.00	3.25	26.00
+	BID SPECIES *	SOLD ON APPRAISED VOLUME			SED TOTAL =	\$4,131.00 \$619.65	BID TOTA	AL = \$ 4,131.00
			A 4	DVANCL		φ010.00		

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

ANY LISTED SPECIES BIOMASS 288.00 Tons 0.65 187.20	ANY LISTED SPECIES	BIOMASS	288.00	Tons	0.65	187.20
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Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 43%; Trembling Aspen 57%. Maple Species Pulp & Bolts includes: Red Maple 13%; Sugar Maple 87%.

Mixed Product Description:

Maple Species Pulp & Bolts includes: Bolts 45%; Pulpwood 55%.

Season of Operations:

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

Sale Conditions:

- Access is across county and state land.
- Permission to cross county land must be obtained by permittee.

Marketing Conditions:

Sale can be accessed from either the Beaver River SFR or the Bird Shot Rd. Sale is off of the Moose Walk OHV trail.

Stand 839 is dry summer chance.

Price adjustments apply to aspen only, other species receive Lake County discount.

Price Adjustments:

Road Construction Costs: 0% Haul Distance to Nearest Mill: 0% Stand Density: 0% Operational Constraints: 0% Other Price Factor: -35% (Lake County Adjustment)

Appraiser:

Simon Cain

TRACT X7 COUNTY: LAKE

AREA: TWO HARBORS AREA

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ACRES: 18.0

Permit Number: X019906 Expiration Date: 05/31/2029

> Purchased By: Address:

GL02 of Section 6; SWNW of Section 5 - Township 57, Range 10W. SWSE of Section 31 - Township 58, Range 10W.

							APP	RAISED	BID:	
S	PECIES		PRODUCT	vo	LUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	PAPER BIRCH		PULPWOOD		115.00	Cd	6.50	747.50	6.50	747.50
+	MIXED SPRUCE		PULP & BOLTS		80.00	Cd	7.02	561.60	7.02	561.60
	BALSAM FIR		PULPWOOD		60.00	Cd	3.25	195.00	3.25	195.00
+	ASPEN SPECIES		PULPWOOD		45.00	Cd	13.30	598.50	13.30	598.50
	TAMARACK		PULP & BOLTS		10.00	Cd	4.91	49.10	4.91	49.10
+	BID SPECIES	* S(OLD ON APPRAISED VOLUME				ISED TOTAL = E PAYMENT =	\$2,151.70 \$322.76	BID TOTA	AL = \$ 2,151.70

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

ANY LISTED SPECIES	BIOMASS	155.00	Tons	0.65	100.75

Mixed Species Description:

Aspen Species Pulpwood includes: Trembling Aspen 100%. Mixed Spruce Pulp & Bolts includes: Black Spruce 95%; White Spruce 5%.

Mixed Product Description:

Mixed Spruce Pulp & Bolts includes: Bolts 10%; Pulpwood 90%. Tamarack Pulp & Bolts includes: Bolts 26%; Pulpwood 74%.

Cutting and Felling:

- Fell all live black spruce equal to or greater than 5 feet tall.

Season of Operations:

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

Sale Conditions:

- Access is across state land.

Marketing Conditions:

Sale is located off of County Hwy 2 approximately 31.5 miles North of Two Harbors. Access on East side of Hwy 2 has brush and some merchantable timber that may need to be cut. Road construction includes approximately .6 miles of new construction on upland and lowland.

95% of Balsam fir and white spruce have been affected by spruce budworm.

Lake county discount has been applied to all but aspen species, standard discounts applied to aspen.

Price Adjustments:

Road Construction Costs: -15% Haul Distance to Nearest Mill: -10% Stand Density: -5% Operational Constraints: 0% Other Price Factor: -35% (Lake County)

Appraiser:

Brian Patrick Schiller

TRACT X8 COUNTY: ST. LOUIS

AREA: TWO HARBORS AREA

ACRES: 56.2

Permit Number: X019907 Expiration Date: 05/31/2028

> Purchased By: Address:

SESE,SWSE of Section 23; SESE of Section 29; SESE,SWSE of Section 27 - Township 57, Range 12W.

					APPR	AISED	BID:	
5	SPECIES	PRODUCT	VOLUME		UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	TREMBLING ASPEN	PULPWOOD	600.00	Cd	18.05	10,830.00	18.05	10,830.00
	BALSAM FIR	PULPWOOD	60.00	Cd	4.75	285.00	4.75	285.00
	ASH	PULPWOOD	25.00	Cd	5.70	142.50	5.70	142.50
	MIXED SPRUCE	PULP & BOLTS	15.00	Cd	11.97	179.55	11.97	179.55
	NORTHERN HARDWOODS	PULPWOOD	15.00	Cd	9.50	142.50	9.50	142.50
4	BID SPECIES * SOLD	ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$11,579.55 \$1,736.93	BID TOTAI	L = \$ 11,579.55

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

ANY LISTED SPECIES	BIOMASS	420.00	Tons	0.65	273.00

Mixed Species Description:

Mixed Spruce Pulp & Bolts includes: Black Spruce 2%; White Spruce 98%. Northern Hardwoods Pulpwood includes: Paper Birch 45%; Red Maple 55%.

Mixed Product Description:

Mixed Spruce Pulp & Bolts includes: Bolts 20%; Pulpwood 80%.

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 reduces 10% for low stand density.

Wooden bridge on Round Lake Rd will need to be replaced with minimum 24" culvert for access.

Most of the spruce and balsam fir have been affected by spruce budworm; roughly 20% of the standing spruce+balsam volume is dead in stand 94 (west block); 30% in stand 91 and 50% in stand 74 (east block). Standing dead was not appraised.

Price Adjustments:

Road Construction Costs: 0% Haul Distance to Nearest Mill: +5% Stand Density: -10% Operational Constraints: 0% Other Price Factor: 0%

Appraiser:

Karen L. Updegraff

TRACT X9 COUNTY: LAKE

AREA: TWO HARBORS AREA

0.65

61.75

ACRES: 16.4

Permit Number: X019908 Expiration Date: 05/31/2029

Purchased By:

Address:

NENE of Section 3; NWNW,SWNW of Section 2 - Township 58, Range 6W.

					APPRAISED		BID:		
ę	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE		\$ VALUE	
+	TREMBLING ASPEN	PULP & BOLTS	90.00	Cd	14.25	1,282.50	14.25	1,282.50	
+	PAPER BIRCH	PULP & BOLTS	40.00	Cd	10.92	436.80	10.92	436.80	
+	SUGAR MAPLE	PULPWOOD	30.00	Cd	6.50	195.00	6.50	195.00	
	ASH	PULPWOOD	10.00	Cd	3.90	39.00	3.90	39.00	
+ BID SPECIES * SOLD ON APPRAISED VOLUME		APPRAISED TOTAL = ADVANCE PAYMENT =			\$1,953.30 \$293.00				
0	Optional Timber (may be purchased with an Added Timber Agreement):								

 		•	
ANY LISTED SPECIES	BIOMASS	95.00	Tons

Mixed Product Description:

Paper Birch Pulp & Bolts includes: Bolts 68%; Pulpwood 32%. Trembling Aspen Pulp & Bolts includes: Bolts 91%; Pulpwood 9%.

Season of Operations:

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

Sale Conditions:

- Access is across state and private land.
- Permission to cross private land must be obtained by permittee.
- Access crosses Public Waters. A Permit is not required if using a snow / ice bridge.
- Provisions of access and /or water crossing permits will become part of sale terms and conditions for this sale.

Marketing Conditions:

This sale is located north of Cramer Road and west of Caribou River and Martin Creek. Access is limited to frozen conditions only in order to cross Martin Creek. Snowmobile Trl usage is expected for 3/4mi. An additional 1/3mi of road can be reopened from the trail and 3/4mi of road building and freezing is expected to gain access to the sale boundary. All species are of average quality. Price adjustments apply to Aspen only, other species receive Lake County discount.

Price Adjustments:

Road Construction Costs: -15% Haul Distance to Nearest Mill: 0% Stand Density: -10% Operational Constraints: 0% Other Price Factor: -35% (Lake County Discount)

Appraiser:

Glenn N. Ristow

(Appraisal ID 20173-0; Cutting Block ID 23348-0)

TRACT X10 COUNTY: LAKE

AREA: TWO HARBORS AREA

ACRES: 5.7

Permit Number: X019909 Expiration Date: 05/31/2029

> Purchased By: Address:

JNSOLD

NWNW of Section 3 - Township 58, Range 6W.

					APPRAISED		BID:	
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	- BALSAM FIR	PULP & BOLTS	40.00	Cd	12.20	488.00	12.20	488.00
+	 MIXED SPRUCE 	PULP & BOLTS	25.00	Cd	16.26	406.50	16.26	406.50
+	- TREMBLING ASPEN	PULP & BOLTS	25.00	Cd	17.10	427.50	17.10	427.50
	+ BID SPECIES * SOL	D ON APPRAISED VOLUME	Δ		SED TOTAL = PAYMENT =	\$1,322.00 \$198.30	BID TOTA	L = \$ 1,322.00

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

ANY LISTED SPECIES	BIOMASS	45.00	Tons	0.65	29.25

Mixed Species Description:

Mixed Spruce Pulp & Bolts includes: Black Spruce 6%; White Spruce 94%.

Mixed Product Description:

Balsam Fir Pulp & Bolts includes: Bolts 81%; Pulpwood 19%. Mixed Spruce Pulp & Bolts includes: Bolts 89%; Pulpwood 11%. Trembling Aspen Pulp & Bolts includes: Bolts 84%; Pulpwood 16%.

Season of Operations:

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

Sale Conditions:

- Access is across state land.

- Sale may require a temporary approach permit from the county. Provisions of this permit will become part of the terms and conditions for this sale.

Marketing Conditions:

This sale is located right off CR7. Operations are on upland ground but persist into lower RMZs for harvest and therefore limit seasonality. Aspen is average quality while Balsam Fir and Spruce show signs of defoliation. Mortality is over 30% at January 2025 field visit. Price adjustment apply to Aspen only, other species receive Lake County discount. Haul distance to nearest mill refers to Aspen to Two Harbors.

Price Adjustments:

Road Construction Costs: +10% Haul Distance to Nearest Mill: -10% Stand Density: -10% **Operational Constraints: 0%** Other Price Factor: -35% (Lake County Discount)

Appraiser:

Glenn N. Ristow

(Appraisal ID 14418-0; Cutting Block ID 23321-0)

NSOLD

TRACT X11 COUNTY: LAKE

Permit Number: X019910

AREA: TWO HARBORS AREA

ACRES: 22.8

Expiration Date: 05/31/2028

Purchased By: Address:

Address.

SENW of Section 28 - Township 59, Range 7W.

					APPRAISED		BID:	
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	WHITE SPRUCE	PULP & BOLTS	555.00	Cd	2.84	1,576.20	2.84	1,576.20
+	NORWAY PINE	PULP & BOLTS	255.00	Cd	15.30	3,901.50	15.30	3,901.50
	TREMBLING ASPEN	PULPWOOD	20.00	Cd	11.40	228.00	11.40	228.00
	► BID SPECIES ★ SOLD	ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$5,705.70 \$855.86	BID TOTA	L = \$ 5,705.70

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

PAPER BIRCH	PULPWOOD	55.00	Cd	1.50	82.50
BALSAM FIR	PULPWOOD	30.00	Cd	1.50	45.00
ANY LISTED SPECIES	BIOMASS	386.00	Tons	0.65	250.90

Mixed Product Description:

Norway Pine Pulp & Bolts includes: Bolts 65%; Pulpwood 35%. White Spruce Pulp & Bolts includes: Bolts 55%; Pulpwood 45%.

Season of Operations:

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

Sale Conditions:

- Access is across private & state land.

- A prescriptive easement exists for access over private land.

Marketing Conditions:

The sale is located approximately 6.5 miles up the E. General Grade from Highway 1. 100% of spruce and balsam fir is affected and 10% is dead due to spruce budworm.

Price adjustments apply to aspen and pine only, other species have Lake County discount applied.

Price Adjustments:

Road Construction Costs: 0% Haul Distance to Nearest Mill: 0% Stand Density: +10% Operational Constraints: 0% Other Price Factor: -85% (Insect & disease (Spruce & Fir))

Appraiser:

Simon Cain

(Appraisal ID 15315-0; Cutting Block ID 19418-0)

TRACT X12 COUNTY: LAKE

AREA: TWO HARBORS AREA

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ACRES: 120.3
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Permit Number: X019911 Expiration Date: 05/31/2029

Purchased By: Holden Logging LLC

Address: 6763 Highway 1, Finland, MN 55603

NENE, NESE, NWNE, NWSE, SESE, SWNE of Section 33 - Township 59, Range 7W.

				APPRAISED		AISED	BID %: 0	
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	NORWAY PINE	PULP & BOLTS	600.00	Cd	7.32	4,392.00	7.32	4,392.00
+	MIXED SPRUCE	PULP & BOLTS	175.00	Cd	6.05	1,058.75	6.05	1,058.75
	BALSAM FIR	PULPWOOD	80.00	Cd	2.00	160.00	2.00	160.00
	PAPER BIRCH	PULPWOOD	20.00	Cd	4.00	80.00	4.00	80.00
	+ BID SPECIES	★ SOLD ON APPRAISED VOLUME			ISED TOTAL = E PAYMENT =	\$5,690.75 \$853.61	BID TOT	AL = \$ 5,690.75

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Optional Timber (may b	e purchased with an Added	Timber Agreement):	
		100 00 -	

ANY LISTED SPECIES	BIOMASS	408.00 Tons	0.65	265.20

Mixed Species Description:

Mixed Spruce Pulp & Bolts includes: Black Spruce 45%; White Spruce 55%.

Mixed Product Description:

Mixed Spruce Pulp & Bolts includes: Bolts 34%; Pulpwood 66%. Norway Pine Pulp & Bolts includes: Bolts 41%; Pulpwood 59%.

Season of Operations:

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

Sale Conditions:

- Access is across USFS & state land.
- Access crosses Public Waters. A Permit is not required if using a snow / ice bridge.
- Provisions of access and /or water crossing permits will become part of sale terms and conditions for this sale.
- Best access requires new access across USFS lands. A Special Use permit for the identified route has been applied for

by the DNR. Provisions of this permit will become part of the terms and conditions for this sale.

Marketing Conditions:

Existing trail to section 33 needs to be widened for .75 miles, south from MMR 615. MMR 615 is 6.5 miles up the E. General Grade from Highway 1.

Price adjustments applied to species are County discount (-35%) and first entry thinning (-25%).

Price Adjustments:

Road Construction Costs: -15% Haul Distance to Nearest Mill: -10% Stand Density: 0% Operational Constraints: -10% Other Price Factor: -60% (First entry thinning on RP(-25) & Lake County(-35))

Appraiser:

Simon Cain

TRACT X13 COUNTY: COOK

AREA: TWO HARBORS AREA

 $\cap L$

ACRES: 102.2

Permit Number: X019912 Expiration Date: 05/31/2028

> Purchased By: Address:

GL06 of Section 30; GL04 of Section 31 - Township 64, Range 3E. GL01, GL02, SENE, SWNE of Section 36 - Township 64, Range 2E.

				APPRAISED		BID:	
SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING A + PAPER BIRCH	 PULP & BOLTS PULP & BOLTS	2,122.00 426.00		14.25	30,238.50 1.806.24	14.25 4.24	30,238.50 1,806.24
+ BID SPECIES	LD ON APPRAISED VOLUME		-	ED TOTAL =	\$32,044.74		L = \$ 32,044.74
				PAYMENT =	\$4,806.71		$L = \psi \ 52,044.74$

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

Mixed Product Description:

Paper Birch Pulp & Bolts includes: Bolts 21%; Pulpwood 79%. Trembling Aspen Pulp & Bolts includes: Bolts 64%; Pulpwood 36%.

Season of Operations:

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

Sale Conditions:

- Access is across state and USFS land.

- Best access requires new access across USFS lands. A Special Use permit for the identified route has been applied for by the DNR. Provisions of this permit will become part of the terms and conditions for this sale.

Marketing Conditions:

Access is approximately 4.25 miles from Arrowhead Trail down the Esther Lake Rd, then .7 miles down the Gunflint Snowmobile Trail, and .15 new access into sale across USFS land.

Price Adjustments and haul distance apply to aspen. All other species have -65% Cook County discount applied.

Price Adjustments:

Road Construction Costs: +5% Haul Distance to Nearest Mill: 0% Stand Density: +5% Operational Constraints: -5% Other Price Factor: -30% (haul distance (130 miles))

Appraiser:

Jason A. Bushmaker

(Appraisal ID 20133-0; Cutting Block ID 19877-0)

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: June 5, 2025

TWO HARBORS AREA

SUMMARY FOR SOLD TRACTS						
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE	
PULP & BOLTS	NORWAY PINE	600.00	Cd	7.32	4,392.00	
	MIXED SPRUCE	175.00	Cd	6.05	1,058.75	
PULPWOOD	PAPER BIRCH	20.00	Cd	4.00	80.00	
	BALSAM FIR	80.00	Cd	2.00	160.00	
BIOMASS	ANY LISTED SPECIES (optional)	408.00	Tons	-	0.00	

TOTAL SOLD TRACTS CONVERTED TO CORDS:875.00TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS:\$ 5,690.75TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS:\$ 5,690.75TOTAL ACRES SOLD:120.3SOLD TRACT NUMBER:12

TOTAL NUMBER OF TRACTS SOLD: 1

SUMMARY FOR UNSOLD TRACTS					
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE
PULP & BOLTS	ASPEN SPECIES	729.00	Cd	17.07	12,445.71
	TREMBLING ASPEN	2,237.00	Cd	14.28	31,948.50
	PAPER BIRCH	947.00	Cd	6.89	6,523.68
	MAPLE SPECIES	400.00	Cd	9.43	3,772.00
	NORWAY PINE	414.00	Cd	15.86	6,566.04
	WHITE SPRUCE	770.00	Cd	5.48	4,218.55
	BALSAM FIR	218.00	Cd	3.46	755.00
	TAMARACK	10.00	Cd	4.91	49.10
	MIXED SPRUCE	790.00	Cd	3.08	2,434.05
PULPWOOD	ASH	615.00	Cd	3.97	2,443.50
	ASPEN SPECIES	685.00	Cd	13.60	9,316.50
	TREMBLING ASPEN	620.00	Cd	17.84	11,058.00
	PAPER BIRCH (optional)	55.00	Cd	1.50	82.50
	PAPER BIRCH	201.00	Cd	6.50	1,306.50
	MAPLE SPECIES	65.00	Cd	6.50	422.50
	NORTHERN HARDWOODS	15.00	Cd	9.50	142.50
	SUGAR MAPLE	30.00	Cd	6.50	195.00
	WHITE SPRUCE	285.00	Cd	5.85	1,667.25
	BALSAM FIR (optional)	267.00	Cd	1.90	506.25
	BALSAM FIR	368.00	Cd	3.49	1,286.00
BIOMASS	ANY LISTED SPECIES (optional)	4,918.00	Tons	0.65	3,196.70

TOTAL UNSOLD TRACTS CONVERTED TO CORDS:9,721.00TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS:\$ 96,550.38TOTAL ACRES UNSOLD:662.6UNSOLD TRACT NUMBERS:2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 13TOTAL NUMBER OF TRACTS UNSOLD:11

SUMMARY FOR CANCELED TRACTS						
PRODUCT	ST SPECIES			APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE	
		VOLUME	UNIT			
PULP & BOLTS	ASH	47.00	Cd	7.82	367.54	
	MAPLE SPECIES	79.00	Cd	8.78	693.62	
	WHITE SPRUCE (optional)	5.00	Cd	14.04	70.20	

- SUMMARY SHEET (Continued) -

SUMMARY FOR CANCELED TRACTS						
PRODUCT	SPECIES	TOTAL VOLUME		APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE	
PULPWOOD	TREMBLING ASPEN	735.00	-	21.85	16,059.75	
	BALSAM FIR (optional)	174.00	Cd	3.25	565.50	
BIOMASS	ANY LISTED SPECIES (optional)	465.00	Tons	0.65	302.25	
	TOTAL CANCELED TRACTS CONVERTED TO CORDS: CANCELED TRACT NUMBER: TOTAL NUMBER OF TRACTS CANCELED:	1				