

Heartwood Forestland Fund VI, LP

Lock 8 Timberlands Property

Executive Summary
The Forestland Group, LLC

I Description of Property

- i) Totals 6,992 acres located approximately 4 air miles southeast (down river) of Calion, Arkansas.
- ii) Acquired in 4Q07 from Dr. James Chambers, who purchased the land in the 1990's from Potlach. Potlach had owned the property since the 1950's when they acquired it from Bradley Lumber Company.
- iii) The property is all overflow bottomland hardwood with natural hardwood timber. Located on the north bank of the Ouachita River.

II Conservation Value

- i) There are no conservation easements on the Lock 8 property.
- ii) High Conservation Value Forests: Currently, there are no areas identified on the Lock 8 property as high conservation value forests.
- iii) Rare, Threatened or Endangered Species
**Arkansas Natural Heritage has not identified any locations or potential locations of Rare, Threatened or Endangered species on the Lock 8 property. Manage as if the species is present until a survey is completed to verify presence of the species.*
 1. If present, necessary modifications will be made to the harvest prescription (details included in the 10-year management plan).
 2. Conservation zones will be created.
- iv) Indigenous/Cultural issues: There are no areas recognized as belonging to indigenous peoples.
- v) Third Party Certification
 - Managed according to an accredited third party's principles and criteria
 - Active Forest Management Chain of Custody Certificate with a completed 10-year management plan and Regular third party audits

III Timber Resource

- i) 6,001 acres forested; 814 acres non-productive
- ii) Overall forest cover type proportions

<u>Forest Type</u>	<u>Acres</u>	<u>Proportion</u>
Productive Timberland	6,001	86%
Non-Productive	814	12%
Other	177	2%
Total	6,992	100%

IV Climatic and Biological Risks

- i) Historical weather damage is limited to wind throw from strong summer storms. This damage has been limited to small areas with merchantable volumes large enough for salvage and not enough damage to alter stand designations or management objectives.
- ii) Risk from fire is low due to being mostly bottomland hardwood and due to the property being entirely leased to hunting and recreational clubs.
- iii) Southern Pine Beetle is moderate threat in the upland pine stands but not of immediate concern. Red Oak Borer has been a problem in northern Arkansas but there have been no outbreaks in southern Arkansas.

V HBU and Leases

- i) Due to the heavy use of the river in the area and the large river frontage, Lock 8 is an attractive property for future non-timber revenue opportunities including recreation and wildlife uses.
- ii) Approximately 6,741 acres of the Lock 8 property is leased for hunting and recreation.

VI Agreements and Contracts

- i) Managed by Larson & McGowin, Inc. located in El Dorado, Arkansas.
- ii) No timber supply agreements are in place on the Lock 8 Property.

VII Energy

- i) TFG acquired no oil, gas, or coal resources rights with the property.
- ii) No wind leases exist or are currently being negotiated on the Lock 8 Property.