



PROPERTY PERSPECTIVE

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POTLATCHDELTA ANNOUNCES AGREEMENT TO SELL 72,000 ACRES IN MINNESOTA TO THE CONSERVATION FUND

In June, PotlatchDeltic Corporation announced an agreement to sell approximately 72,000 acres in Minnesota to The Conservation Fund. The transaction is subject to customary closing conditions and is expected to close before the end of the year.

“This transaction represents a significant milestone in our long-term strategy to maximize shareholder value through rural real estate sales,” said Mike Covey, chairman and chief executive officer of PotlatchDeltic. “Proceeds from this transaction will further enhance our already strong

liquidity position and flexibility. Our Minnesota ownership was approximately 330,000 acres when we began our rural land sale program over a dozen years ago. The timberlands that we currently own in Minnesota are heavily weighted to more remote areas, ideal for conservation and working forest protection. Nearly all of our ownership in the state is now under contract with a series of closings scheduled to occur through 2022.”

“The Minnesota’s Heritage Forest acquisition will be one of the largest land conservation efforts in Minnesota in recent history. Our goal is to ensure the 72,000 acres remain forested and sustainably managed as working timberlands,” said Larry Selzer, President and CEO of The Conservation Fund. “Our purchase and the ultimate protection of the PotlatchDeltic land will support northern Minnesota’s long tradition of timber production and outdoor recreation by preserving working forestlands and safeguarding jobs, while also protecting water quality and wildlife habitat, helping mitigate climate change, and contributing to local economies.”

This outcome is a culmination of long-standing work The Conservation Fund and PotlatchDeltic have been able to complete together to achieve conservation and economic goals. With this transaction and others underway, this partnership has been the catalyst to conserve more than

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ABOUT THE CONSERVATION FUND

The Conservation Fund makes conservation work for America. By creating solutions that make environmental and economic sense, they are redefining conservation to demonstrate its essential role in our future prosperity. Top-ranked for efficiency and effectiveness, The Conservation Fund has worked in all 50 states since 1985 to protect more than 8 million acres of land, including more than 311,000 acres in Minnesota. More information can be found at www.conservationfund.org and www.workingforestfund.org.

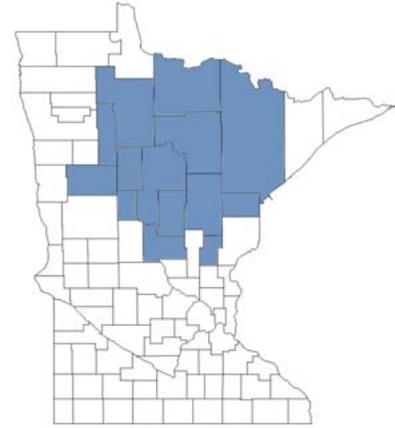
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So many ways to connect with us!



Want to share your PotlatchDeltic experience with us? Take our survey now or email us. We'd love to hear from you!



Aitkin, Becker, Beltrami, Carlton, Cass, Clearwater, Crow Wing, Hubbard, Itasca, Kanabec, Koochiching, Morrison, St. Louis, and Wadena Counties

Northern Minnesota is a patchwork of public and private ownership. Fragments of private land lie interwoven with blocks of public land, making management for wildlife and sound forestry a challenge. Both the public and private landowners in northern Minnesota would like to find a better way.

The Conservation Fund, through its Working Forest Fund®, will purchase approximately 72,000 acres from PotlatchDeltic, representing the majority of their remaining timberlands in Minnesota. This significant acquisition, stretching across 14 counties, will be one of the largest land conservation projects in Minnesota's history. The purchase and ultimate protection of Minnesota's Heritage Forest will support northern Minnesota's long tradition of timber production, wildlife conservation and outdoor recreation by preserving the state's working timberlands and contributing to both the timber and recreation economies.

Over the last decade the Fund has successfully worked with a variety of partners to advance some of the biggest land exchanges ever undertaken in the state. Minnesota's Heritage Forest will be the capstone to our efforts to improve the quality of land patterns in northern Minnesota's expansive forested landscape. The Fund will work to better align and consolidate public forest holdings through land exchanges and direct conveyances resulting in improved economic returns to local and tribal governments as well as school districts throughout Minnesota. Additionally, this project will protect jobs in the forest products industry, safeguard the headwaters of the Mississippi River, and improve habitat of Minnesota's rich natural heritage.

During its ownership, the Fund will sustainably manage the forestland for wildlife, water quality and timber harvesting, while continuing recreational uses currently allowed by PotlatchDeltic, including hunting and fishing.

Purchase Price

Approximately \$48 million

Status

The Conservation Fund and PotlatchDeltic entered into a purchase contract in early June 2020 and anticipate closing later in 2020.

Conservation Funding Sources

Variety of public and private sources

Long-term Goal for Forestlands

The Fund will work with county, state, tribal, and local governments, as well as private organizations, over the next decade to determine the best conservation and sustainable management outcomes.

Ecological Benefits

- Protecting more than 31,000 acres in the headwaters of the Mississippi River, which supports over 350 species of mammals, birds, and fish
- Increasing efficiency of habitat management through consolidation of ecologically sensitive areas

Economic Benefits

- Conserving working forests that drive Minnesota's timber products industry and associated jobs, including at PotlatchDeltic's Bemidji mill
- Consolidating forest ownership to improve sustainable forest management
- Improve the revenue-generating potential of the Minnesota School Trust holdings that support all school districts in the state



For recreational land buyers in Minnesota who are used to seeking out PotlatchDeltic tracts, the move is part of an overall change in PotlatchDeltic's presence in the state. So, what does this mean for buyers? Here are some questions and answers:

Q: Why did PotlatchDeltic decide to sell much of its Minnesota property to The Conservation Fund?

A: The company's current Minnesota land ownership is heavily weighted to more remote areas, ideal for conservation and working forest protection. This transaction is the culmination of long-standing work The Conservation Fund and PotlatchDeltic have been able to complete together to achieve conservation and economic goals. With this transaction and others underway, this partnership has been the catalyst to conserve more than 200,000 acres in Minnesota for various conservation purposes, including working forests, protection of important habitats and public access. PotlatchDeltic remains dedicated to long-term stewardship and sustainable management of its timber resources.

Q: What does the conservation sale mean for PotlatchDeltic's recreational land sales and leasing program in Minnesota?

A: Current PotlatchDeltic recreational leases will expire in April 2021. The company will have a small number of selected properties for sale near the city of Baxter going into 2021, and those new listings will be posted at www.PotlatchDelticLandSales.com. Regarding recreational leases, The Conservation Fund has indicated that they plan to continue a leasing program on the Minnesota Heritage Forest land.

The Conservation Fund transaction is part of a group of planned property sales by PotlatchDeltic in the state. In fact, nearly all of PotlatchDeltic's land ownership in Minnesota is now under contract to be sold, with a series of closings scheduled to occur through 2022.

Q: What are The Conservation Fund's plans for these 72,000 acres?

A: This significant acquisition, stretching across 14 counties, will be one of the largest land conservation projects in Minnesota history. The purchase and ultimate protection of Minnesota's Heritage Forest will support northern Minnesota's long tradition of timber production, wildlife conservation and outdoor recreation by preserving the state's working timberlands and contributing to both the timber and recreation economies.

Q: How do I get more information about The Conservation Fund, or this transaction?

A: Visit with them online at www.ConservationFund.org and learn more about their mission.

Q: Will any of the land still be available for hunting or leasing?

A: The Conservation Fund's intent is to manage the forestland for wildlife, water quality and timber harvesting, while continuing recreational uses including hunting and fishing. For more information about future uses we suggest you visit The Conservation Fund's website, www.ConservationFund.org.

Q: What should recreational land buyers in Minnesota do if they are used to having PotlatchDeltic help them?

A: We recommend that buyers continue to work with the highly experienced recreational land sales experts in the PotlatchDeltic Preferred Broker Network, who can help with finding the right property for you, whether it's a PotlatchDeltic property or not. While PotlatchDeltic properties were sold exclusively through this network, the brokers in the network do not represent PotlatchDeltic exclusively – they manage many listings and they all remain in business and ready to help Minnesota buyers find the rural recreational property they're looking for.

- Bear Island Land Co., Inc. (Ely, MN)
bearislandland.com
- LandRadar.com by Close Converse (Brainerd, MN)
landradar.com
- United Country Banning Junction Real Estate (Moose Lake, MN)
ucminnesota.com

Q: Will PotlatchDeltic continue to have a presence in Minnesota?

A: PotlatchDeltic will continue to have a strong presence in, and commitment to, Minnesota. The PotlatchDeltic lumber mill in Bemidji will continue to operate, as it has for nearly 30 years. That operation will eventually form the great majority of the company's activities in the state.

Q: Does PotlatchDeltic plan to continue its recreational land sales program?

A: Yes, most definitely. The company continues to offer thousands of acres of recreational land to buyers in Alabama, Arkansas, Idaho, Louisiana, and Mississippi. We recommend that interested buyers contact one of the experts in our Preferred Broker Network to see how we can help you.

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200,000 acres in Minnesota for various conservation purposes, including working forests, protection of important habitats and public access.

The Conservation Fund's purchase will be made possible through its Working Forest Fund®, dedicated to protecting large, ecologically and economically important forestlands from subdivision and fragmentation, allowing time for permanent conservation solutions to be developed and implemented with local partners that strengthen rural economies and conserve natural ecosystems.

The PotlatchDeltic lumber mill in Bemidji will continue to operate successfully, as it has for nearly 30 years. The property being sold to The Conservation Fund as a working forest will continue to supply logs to these markets and will provide for the protection of the essential jobs required to deliver and process the trees.

This transaction, along with other moves by PotlatchDeltic, means that the company will be ending its recreational land sales program in Minnesota in the coming months. We encourage buyers to keep working with our partners in the PotlatchDeltic Preferred Broker program for their buying needs, and we encourage buyers to continue to check out our listings in Idaho, Arkansas, Alabama, Mississippi, and Louisiana.

“The Minnesota’s Heritage Forest acquisition will be one of the largest land conservation efforts in Minnesota in recent history.”

**~ Larry Selzer,
President and CEO of The Conservation Fund**

POTLATCHDELTAIC PREFERRED BROKER NETWORK

Let us show you why your PotlatchDeltic Preferred Broker is the only name you'll need to know when it comes to buying property. Please contact the broker nearest your area of interest or visit us at www.PotlatchDelticLandSales.com. We look forward to helping you with your property search!

ALABAMA

Southeastern Land Group
Jonathan Goode
jonathan@selandgroup.com
Dadeville, AL
256-825-4331 | selandgroup.com

Northwest Land & Lifestyle Properties
Tom Moore
tom@nwlandlifestyle.com
Hayden, ID
208-772-3000
northwestlandandlifestyleproperties.com

United Country
Southern States Realty
Scott Lindsey
southernstatesrealty@gmail.com
McComb, MS
601-250-0017 | southernstatesrealty.com

ARKANSAS

Davis Dubose Knight
Forestry & Real Estate
Mark Knight
mknight@forestryrealestate.com
Little Rock, AR
501-219-8600 | forestryrealestate.com

United Country
Musick & Sons
Earl Musick
earl@musicklandgroup.com
Grangeville, ID
208-983-0069 | ucidaholand.com

MINNESOTA

Bear Island Land Co., Inc.
Charlie Chernak
charlie@bearislandland.com
Ely, MN
218-235-6239 | mnlands.com

United Country
Neeley Forestry Service Inc.
J.D.Neeley
jdneeley@neeleyforestry.com
Camden, AR
870-836-5981 | ucneeleyforestry.com

LOUISIANA

United Country
Neeley Forestry Service Inc.
J.D.Neeley
jdneeley@neeleyforestry.com
Camden, AR
870-836-5981 | ucneeleyforestry.com

Close Converse Properties
Brett Anderson
brett@closeconverse.com
Brainerd, MN
1-866-403-LAND (5263) | landradar.com

IDAHO

Latah Realty
Sean Wilson
sean@latahrealty.com
Moscow, ID
208-883-1525 | latahrealty.com

MISSISSIPPI

Tom Smith Land and Homes
Tom Smith
tom@tomsmithland.com
Ridgeland, MS 39157
601-898-2772 | tomsmithland.com

United Country
Banning Junction Real Estate
Natalie Cowart
natalieunitedcountry@gmail.com
Moose Lake, MN
612-390-3945 | ucminnesota.com



www.PotlatchDelticLandSales.com

CORPORATE OFFICE: 601 West First Street
Spokane, WA 99201 | (509) 835-1500