

From: Eileen Alexanderson <[REDACTED]>
To: jeffrey E. <jeevacation@gmail.com>, Melanie Spinella <[REDACTED]>
Subject: RE: FW: Second Round Offer: timber interest
Date: Fri, 12 Dec 2014 23:12:32 +0000

9/30 value was \$18,614,237 vs 6/30 value of \$18,971,280 reflecting 9/30 distribution referenced below and \$76,031 net income loss in the quarter. December value won't be available until early March.

From: jeffrey E. [mailto:jeevacation@gmail.com]
Sent: Friday, December 12, 2014 6:04 PM
To: Eileen Alexanderson; Melanie Spinella
Subject: Re: FW: Second Round Offer: timber interest

Leons call , do we have a current valuation as they are using a june value and then deducting the distribution, leon talk to me please

On Fri, Dec 12, 2014 at 6:57 PM, Eileen Alexanderson <[REDACTED]> wrote:

Little movement on price –

Bidder is offering a 14.9% discount to the 6/30 value which equates to a **\$16,144,559 purchase price but LOI indicates a reduction from that value equivalent to the 9/30 distribution of \$281,012 will be applied. Therefore net purchase price is \$15,863,547. Eaton Partners will be due a 100 bp fee.**

Our tax basis at 12/31/13 was \$16,087,512. We will only know 12/31/14 cost basis when we receive the 2014 K-1. The LOI makes reference to requiring completion of tax due diligence. I was told 99% of that was completed today and that the Bidder is ready to close before 12/31. Technically, signed letter of intent needs to be returned by 12/19 but we should try to do so on Monday. Seller provided their own purchase & sale agreement which I will have Ada review.

From: Alexander H. Mejia [mailto:[REDACTED]]
Sent: Friday, December 12, 2014 5:20 PM
To: Eileen Alexanderson
Subject: Fwd: Second Round Offer: SWF II

Eileen,

Please find attached the LOI for the Molpus interest. The text below also provides more clarity on the offer and next steps should you wish to proceed. I can assure you that we tried as hard as we could to push them higher on price and though they came up a bit it doesn't seem like there was much wiggle room for them. Either way, take a look at your convenience and let me know what you would like to do.

Best,
Alexander

From: "Tom Goodrich" <[REDACTED]>
To: "Michael T. Pilson" <[REDACTED]>
Cc: "Vince Cao" <[REDACTED]>, "Carter Coe" <[REDACTED]>
Subject: Second Round Offer: SWF II

Michael,

I am pleased to submit Stafford's second round offer for your client's interest in Molpus SWF II. In the course of our due diligence in the past weeks, a number of significant issues have been resolved, and as a result, we have been able to reduce the discount from 15.0% in our initial LOI to 14.9% in this version. We believe this is a very compelling valuation for this interest, and hope you agree.

Our due diligence process is largely complete, and this offer has been approved by the Stafford investment committee subject to completion of our tax review. I believe my colleague Vince Cao is working with Molpus to complete this by next Wednesday. If no issues arise as a result of the tax review, I will send you a revised version of the LOI at that time should we be selected as the successful bidder.

I have also attached a draft purchase and sale agreement, which is largely complete but lacking a few obvious details. We stand ready to execute this document at the appropriate time, and are in a position to close within two weeks of receiving a signed agreement and completion of the conditions described in the document (completion of tax DD and manager consent).

Irrespective of the purchase and sale agreement, if you find our offer compelling, please return an executed version of the LOI at your earliest convenience.

I look forward to hearing from you.

Regards

Tom

Thomas W. Goodrich, CFA
Partner

Stafford Timberland

35 South Main Street
Hanover, NH 03755 USA

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

<[mailto:\[REDACTED\]](mailto:[REDACTED])>

<[REDACTED]>

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