



FOR IMMEDIATE RELEASE
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Contact: Brian Kernohan – Forest Capital Partners (208) 859-2364
Hanley Jenkins, II – Union County (541) 963-1014

UNION COUNTY COMPLETES PURCHASE OF MT. EMILY RECREATION AREA FROM FOREST CAPITAL PARTNERS

La Grande, OR – Union County has finalized its purchase of 3,669 acres of working forestland from Forest Capital Partners to create the Mt. Emily Recreation Area and sale documents will be officially recorded October 31, 2008. The County's purchase puts the popular recreation area and scenic backdrop for the city of La Grande in permanent public ownership.

“The purchase of this unique property provides continued public access to enjoy the area for recreation and guarantees it will remain in sustainable resource management as a public asset,” said Steve McClure, Union County Commissioner.

“Sale of this working forest to the County will keep what has become an important recreation asset open and available to the community as well as provide local jobs and timber supply to the mills”, said Kevin Boling, who represented Forest Capital Partners in the sale of the Mt Emily land.

Discussions between the two parties began more than a year ago when Forest Capital Partners determined that the Mt. Emily lands did not fit with the company's long-term management plans, and began to consider strategic sale options.

As an alternative to an outright sale, US Forest Capital, LLC (www.usforestcapital.com) was retained to design and manage a working forest transaction and to facilitate its financing. Union County was identified as the most appropriate conservation buyer.

Two sales alternatives were discussed, each of which would permanently preserve the property for the economic, recreational and environmental benefits they provide. The first called for the County to acquire all the land and all of the timber for \$7.8 million; the second allowed the County to buy all the land and one-third of the timber for \$4.65 million. The County chose the second option, using grants from the Oregon Parks and Recreation Department ATV Fund and the Blue Mountain Habitat Restoration Council.

Because the County chose to purchase only a portion of the timber value, the agreement allows Forest Capital Partners to harvest two-thirds of the timber value on the land between 2009 and 2012. Terms of the agreement detail how the timber will be harvested. Forest Capital Partners will use its local forestry and logging professionals to harvest the trees beginning next year and deliver the logs to Boise's La Grande and Elgin manufacturing facilities.

Visit www.forestcap.com and www.union-county.org for additional information.