



**Bucksport Mill**  
**2 River Road,**  
**Bucksport, ME 04416**

*CRE Estimated Valuation Report*

Presented To

**Client XYZ**

***January 2015***

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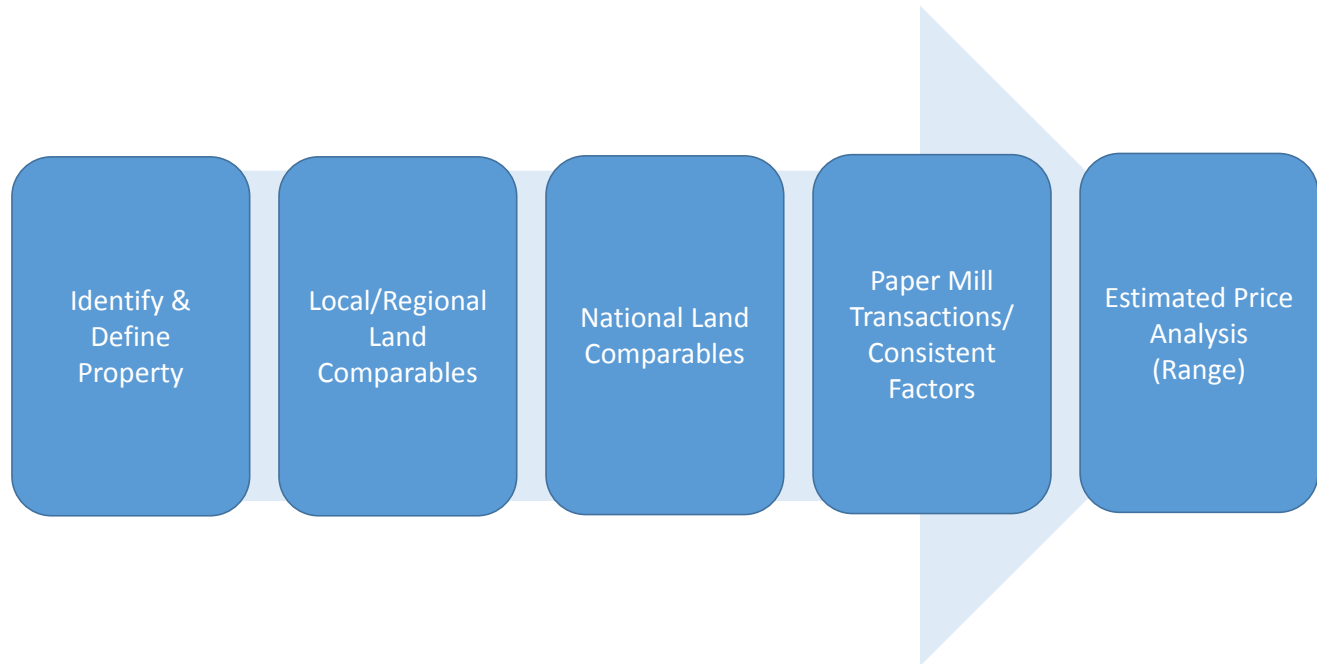
## **I. Scope of Assignment**

## Scope of Assignment

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The purpose of the Real Property Price Estimate Analysis is to provide a price estimate analysis for 348.89 acres of real estate. The property currently has the Bucksport Mill located on the bulk of the property that is located in Bucksport, Maine. CRE DEMOGRAPHICS has been retained to compile data on a local, regional and national data.

The data was compiled as follows:





## **II. Study Findings**

# Study Findings

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## *Conclusions*

Based on the information gathered and comparing local and national data sources, specific to industrial real estate and industrial real estate with paper mills, the following range of estimated values was identified for the Bucksport property.

Compiled Property Information (Local - National)	Estimated Per Acre Value	Estimated Bucksport Mil Range of Values (348.89 Acres)
High Price	\$39,670	\$13,840,762
Low Price	\$2,322	\$810,337
Average Price	\$11,944	\$4,167,086
Median Price	\$8,902	\$3,105,717

Of the forty four paper mill transactions reviewed that have occurred since 2009 to date, 80% of the properties had some sort of environmental issue. Environmental issues decrease the value of a property and can create a negative equity value for a property. Based on the information available CRE DEMOGRAPHICS is not aware if environmental issues exist regarding the Bucksport property. If environmental issues do exist they would decrease the above identified values of the property.

## *Property Description*

The Target Property for this report is the Bucksport Paper Mill located in Bucksport, Maine. The town of Bucksport is located at the head of the Penobscot Bay and is crossed by US Route 1 and State Routes 3, 15 and 46. According to the US Census Bureau, the 2013 population of town was 5,494 with a median age of 40.9 years. Its 2,266 households had a median income of \$46,731 and a mean income of \$59,230.

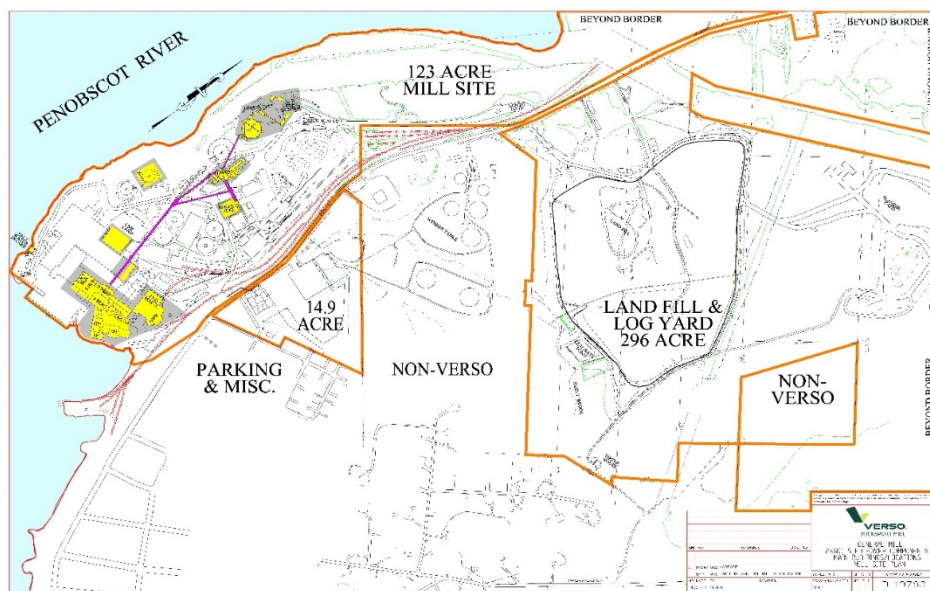
The target property contains 30 parcels that total 348.89 acres per recent tax records. 23 of the lots are located in the town limits of Bucksport and 7 parcels are located in the neighboring town of Orland.

# Study Findings

## Aerial Map of Bucksport Mill



## Property Boundaries / Layout





# Study Findings

## Local / Regional Real Estate Market Information

The Industrial land market in Maine is not very active. After a search of two commercial listing services for the entire State of Maine was conducted using a criteria of 250 acre minimum lot sizes, only four closed transactions could be located. The search had to be extended back to the beginning of 2008 to maximize the results. In the table below the four transactions are summarized with the details listed further below.

Market Comparables Survey Statistics	
Number of Properties Surveyed	4
High Price per Acre	\$1,667
Low Price per Acre	\$493
Average Price per Acre	\$918
Median Price per Acre	\$757

## National Real Estate Market Information

A nationwide search was conducted using commercial listing services to locate Industrial land comparables for parcels in the 250 – 450 acre range. The search focused on vacant industrial land and properties zoned for heavy manufacturing use. It should be emphasized that one of the comparables (#5 in the table below) is a former paper mill in Sartell, Minnesota. It was owned by Verso and sold to AIM. All of the transactions below occurred since December of 2013.

Sales Comparables Summary	
Sample Size	8
High Price/Acre	\$57,446
Low Price/Acre	\$1,591
Average Price/Acre	\$16,289
Median Price/Acre	\$10,949

A nationwide search was conducted for on-market comparables covering Industrial properties with a size of 250 – 450 acres. A total of 37 properties for sale meet the criteria. The tables on the following pages summarize the details of the market offerings. A statistical summary of the data is listed below.

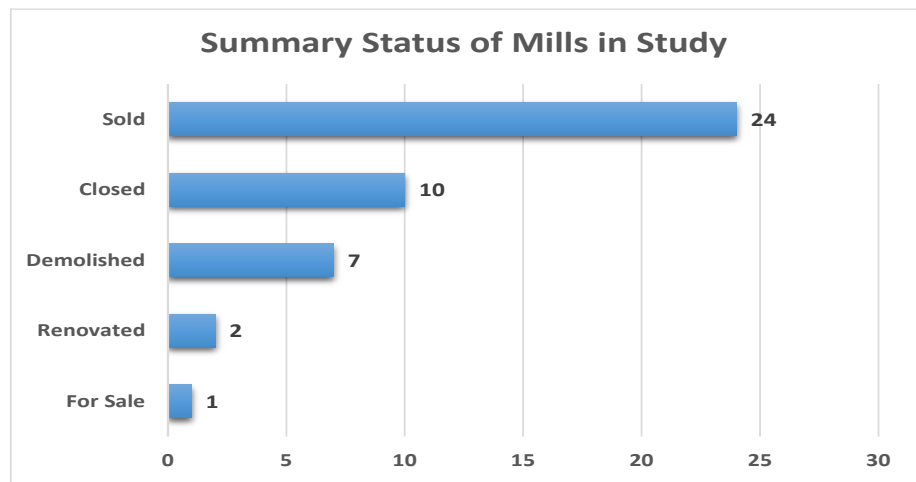
Market Comparables Survey Statistics	
Number of Properties Surveyed	37
High Price per Acre	\$59,900
Low Price per Acre	\$4,884
Average Price per Acre	\$18,625
Median Price per Acre	\$15,000

# Study Findings

## Paper Mills

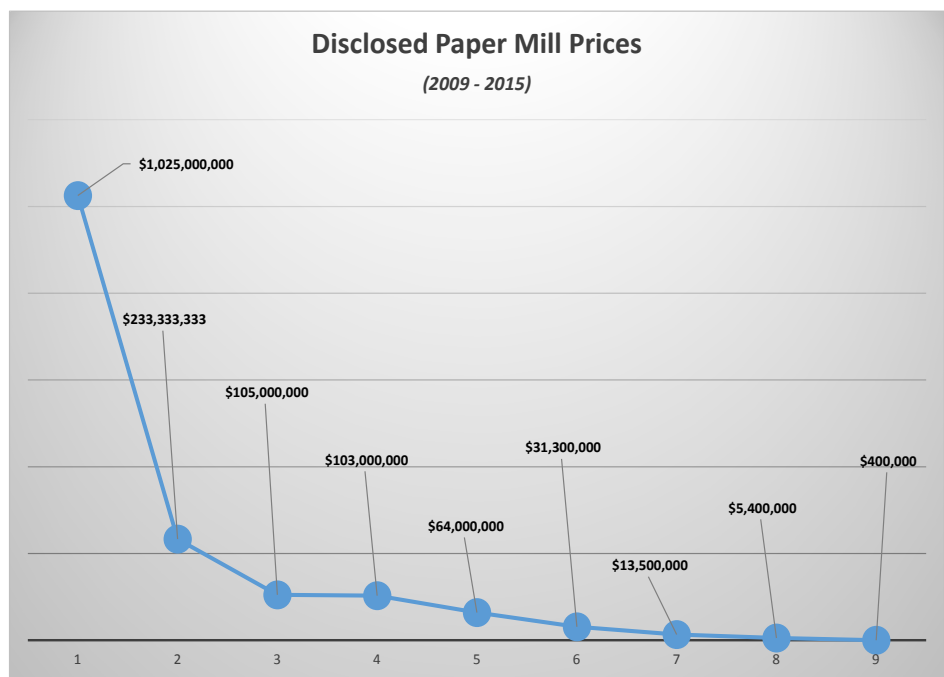
A nationwide search for paper mills was conducted for this report. Information on a total of 44 mills was collected dating back to 2009. The following graphs shows the status of each mill.

### Status of Mills



With many private transactions in the paper mill market, the depth of information available regarding sale prices is varied. The graph below shows the range of prices for select paper mill sales. The graph demonstrates the wide variation in pricing.

### Pricing Ranges

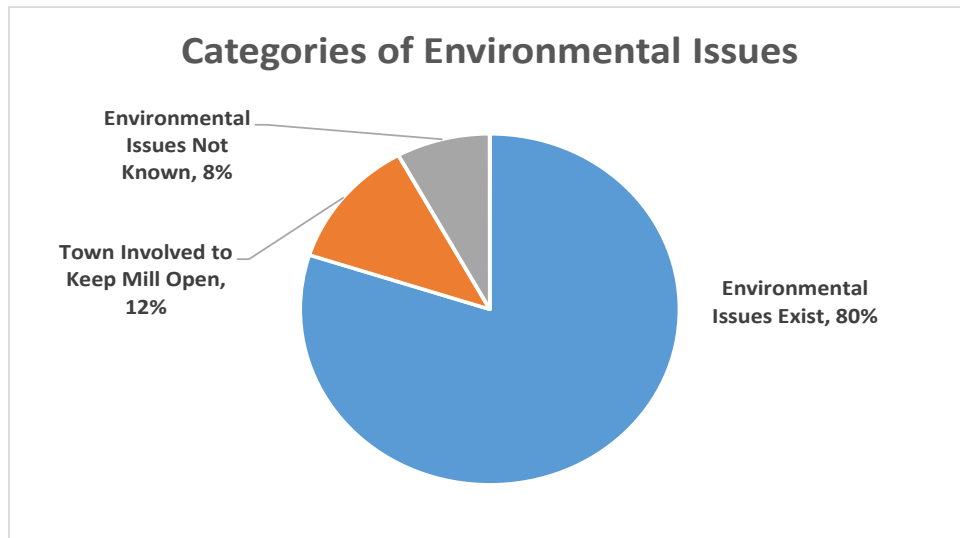


# Study Findings

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## Environmental Issues

The environmental status of a paper mill can be a significant factor in determining the property's valuation. The following table highlight the environmental status of 44 selected paper mills across the United States. It is important to note that approximately 80% of the paper mills surveyed have some type of environmental issue.





### **III. Property Description**

## Property Description

The Target Property for this report is the Bucksport Paper Mill located in Bucksport, Maine. The town of Bucksport is located at the head of the Penobscot Bay and is crossed by US Route 1 and State Routes 3, 15 and 46. According to the *US Census Bureau*, the 2013 population of town was 5,494 with a median age of 40.9 years. Its 2,266 households had a median income of \$46,731 and a mean income of \$59,230.

The target property contains 30 parcels that total 348.89 acres per recent tax records. 23 of the lots are located in the town limits of Bucksport and 7 parcels are located in the neighboring town of Orland. The table below lists all of the properties that have been included in the recent sale of the Bucksport Mill from Verso to AIM.

Name	Street Address	City	State	Zip	Map/Lot	Acres
Verso Bucksport LLC (Mill)	2 River Rd	Bucksport	ME	04416	01-10	100.22
Verso Bucksport LLC (Landfill)	River Rd	Bucksport	ME	04416	01-08	92.00
Verso Bucksport LLC (Energy)	2 River Rd (at paper mill)	Bucksport	ME	04416	01-10-on2	0
Verso Bucksport LLC	River Rd	Bucksport	ME	04416	01-03	33.00
Verso Bucksport LLC	River Rd	Bucksport	ME	04416	01-05	3.50
Verso Bucksport LLC	River Road (off)	Bucksport	ME	04416	01-06	1.00
Verso Bucksport LLC (Fitness Center)	3 River Rd	Bucksport	ME	04416	01-87	14.35
Verso Bucksport LLC (IT Office)	181 Franklin St	Bucksport	ME	04416	01-89	0.13
Verso Bucksport LLC (Dam)	Central St (off)	Bucksport	ME	04416	01-82	10.50
Verso Bucksport LLC (14 Bagley)	14 Bagley Ave	Bucksport	ME	04416	01-90	0.33
Verso Bucksport LLC (Pumphouse)	Silver Lake Rd	Bucksport	ME	04416	01-29	13.00
Verso Bucksport LLC	River Rd	Bucksport	ME	04416	37-26	0.42
Verso Bucksport LLC	180 Main St	Bucksport	ME	04416	34-15	0.53
Verso Bucksport LLC	River Rd	Bucksport	ME	04416	36-09	2.00
Verso Bucksport LLC	River Rd	Bucksport	ME	04416	36-05	5.00
Verso Bucksport LLC	Silver Lake Islands	Bucksport	ME	04416	09-96	3.00
Verso Bucksport LLC	River Rd	Bucksport	ME	04416	01-07	1.00
Verso Bucksport LLC	River Rd	Bucksport	ME	04416	36-01	1.25
Verso Bucksport LLC	River Road (off)	Bucksport	ME	04416	36-10	1.24
Verso Bucksport LLC	River Road (off)	Bucksport	ME	04416	01-28	32.45
Verso Bucksport LLC	River Rd	Bucksport	ME	04416	36-02	0.35
Verso Bucksport LLC	River Rd	Bucksport	ME	04416	36-11	0.88
Verso Bucksport LLC	179 Main St	Bucksport	ME	04416	01-88	0.97
Verso	31 Soper Road	Orland	ME	04472	026-010	1.50
Verso	Narramissic Drive	Orland	ME	04472	010-022-A	12.77
Verso	Narramissic Drive	Orland	ME	04472	021-022	0.40
Verso	Carrier Lane	Orland	ME	04472	026-009	1.25
Verso	Orland River	Orland	ME	04472	023-005-A	0.05
Verso	Alamoosook Lake	Orland	ME	04472	036-034	15.00
Verso	Toddy Dam Road	Orland	ME	04472	039-002	0.80
<b>Totals</b>						<b>348.89</b>





# Property Description

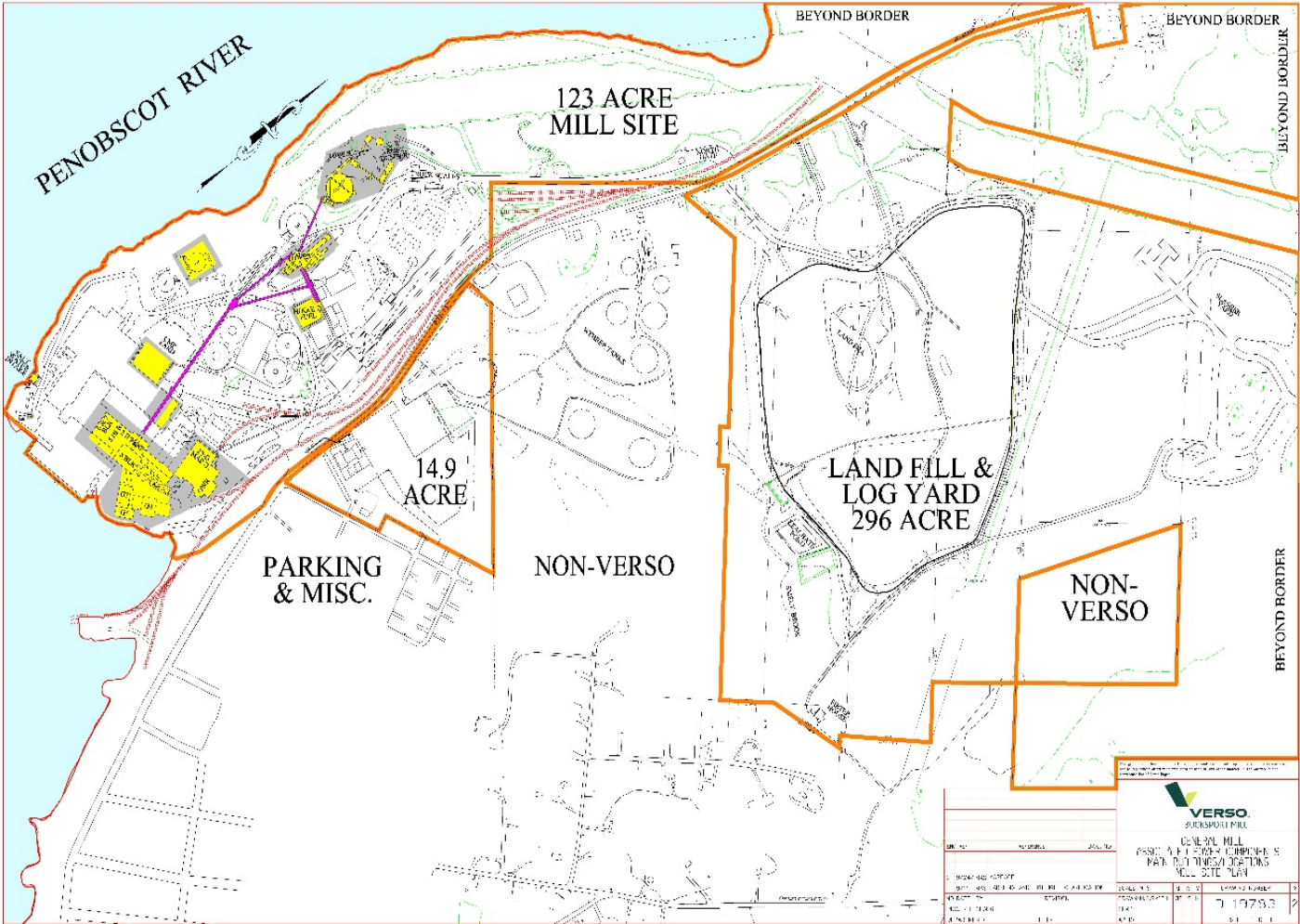
## Aerial Photos of the Target Property





# Property Description

Aerial Map of the Target Property





## **IV. Local/Regional Real Estate Market Information**



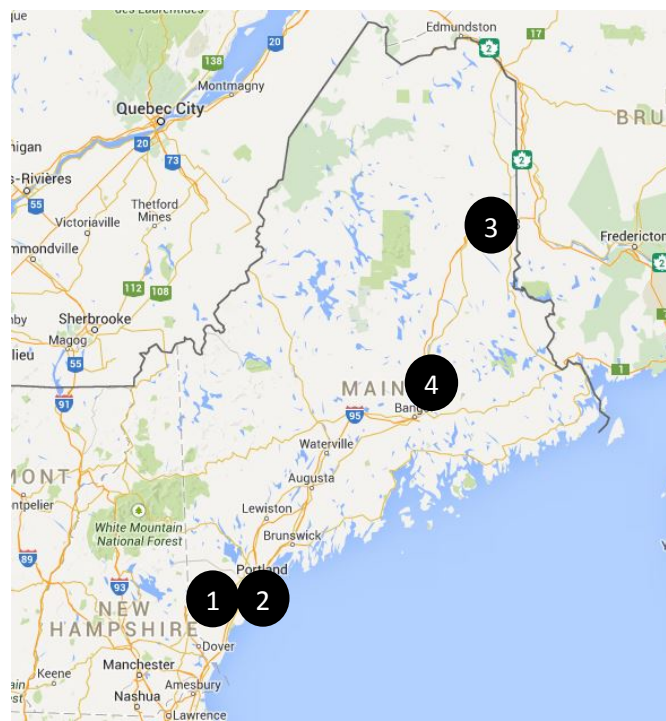
# Local/Regional Real Estate Market Information

## Maine – Industrial Sales Comparables

The Industrial land market in Maine is not very active. After a search of two commercial listing services for the entire State of Maine was conducted using a criteria of 250 acre minimum lot sizes, only four closed transactions could be located. The search had to be extended back to the beginning of 2008 to maximize the results. In the table below the four transactions are summarized with the details listed further below.

Market Comparables Survey Statistics	
Number of Properties Surveyed	4
High Price per Acre	\$1,667
Low Price per Acre	\$493
Average Price per Acre	\$918
Median Price per Acre	\$756

Maine Historical Sales of Heavy Industrial Land (Minimum 250 Acres January 2008 – January 2015)								
	Address	City	State	Zip	Acreage	Sale Price	Price/Acre	Transaction Date
1	73 Industrial Park Rd	Saco	ME	04072	360	\$600,000	\$1,667	9/27/2011
2	102 Industrial Park Rd	Saco	ME	04072	498	\$478,125	\$960	3/4/2013
3	1 County Rd	New Limerick	ME	04761	751	\$415,000	\$553	7/24/2014
4	Route 16	Alton	ME	04468	404	\$199,000	\$493	2/29/2008



# Local/Regional Real Estate Market Information

## Maine – Industrial Sales Listings

The current inventory of Industrial properties in the 250 – 450 acre range for the State of Maine is basically empty. After a thorough search of two commercial listing services and the Multiple Listing Service for Maine, there was only one property for sale fitting this criteria. The property is located in Saco, Maine, amounts to 400 acres and is for sale at \$3,750 per acre (\$1,500,000). The listing has been active for almost four years. Given this scenario, there are no conclusions that can be drawn from any on-market properties from Maine.

## Bucksport Maine Demographics

The remaining pages in this section will cover the demographics for a one, three and five mile radius from Bucksport, Maine. The report utilizes information generated by the US Census Bureau. There are three Zip Codes inside a five mile radius of Bucksport – 04416 (Bucksport), 04472 (Orland) and 04421 (East Orland). The report uses data from these Zip Codes.

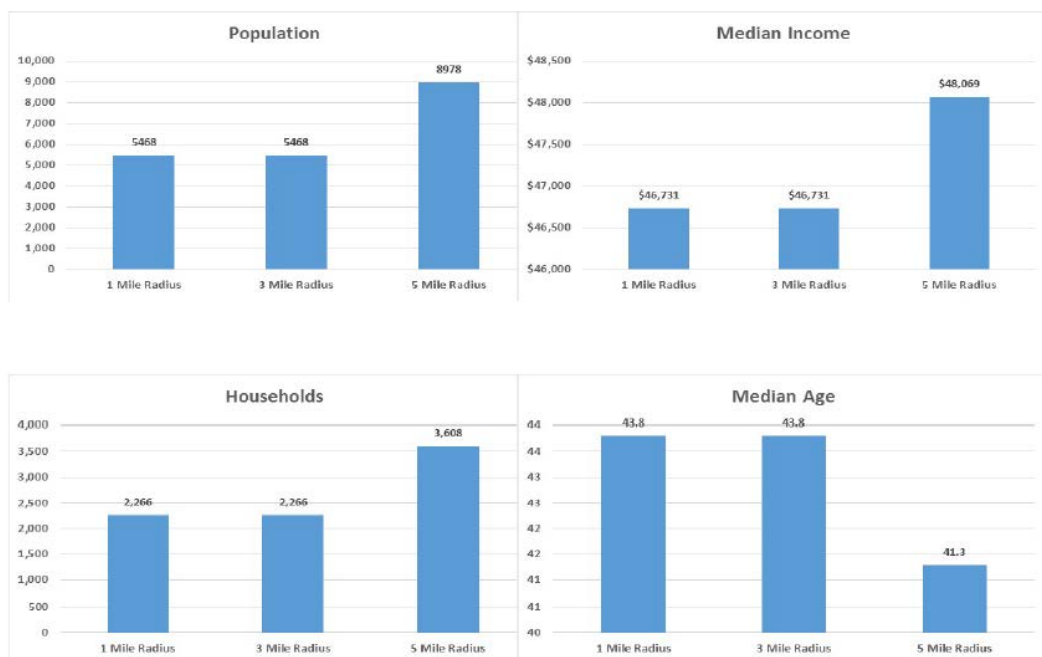


CRE Demographics

### Zip Code Demographic Report for 04416 - Bucksport, ME

#### Summary Highlights for the Zip Codes with a Five Mile Radius of 04416

Zip Code	Distance (Miles)	Population	Median Income	Total Estimated Zip Code Income	Households	Median Age
04416	0.00	5,468	\$46,731	\$131,949,180	2,266	43.8
04472	3.96	2,144	\$55,625	\$59,305,050	938	47.0
04421	4.43	1,366	\$41,563	\$28,485,232	404	22.2
Five Mile Radius		8,978	\$48,069	\$219,739,462	3,608	41.3



CRE Demographics

# Local/Regional Real Estate Market Information

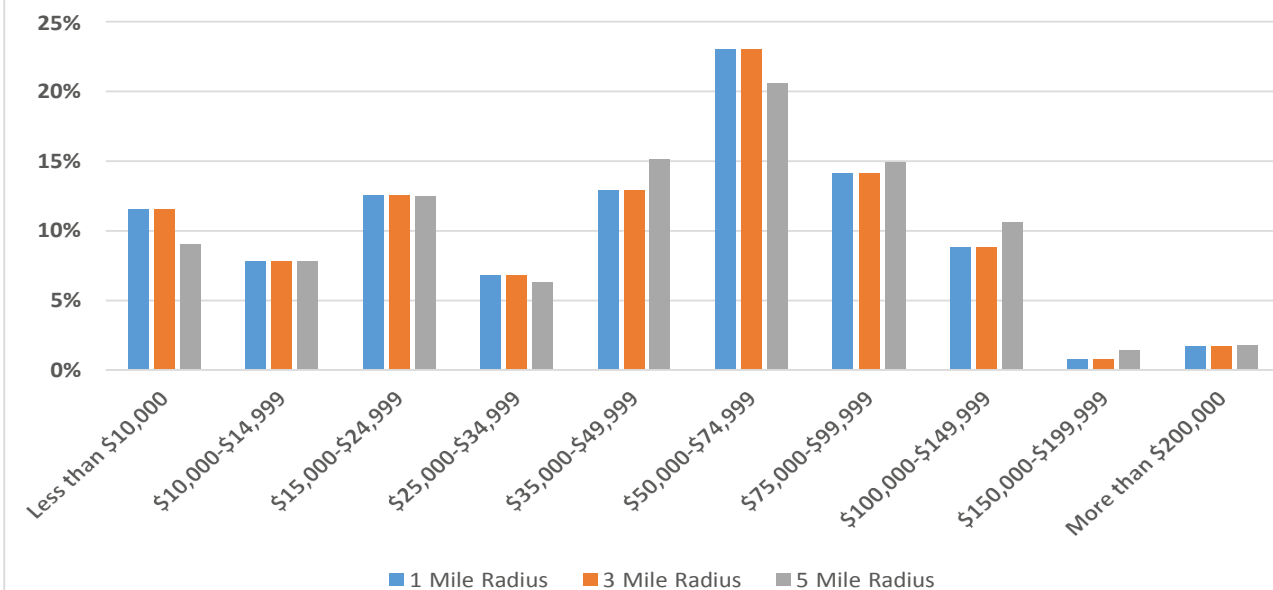
## Income Demographics for 04416 - Bucksport, ME

	1 Mile Radius	3 Mile Radius	5 Mile Radius
Median Income	\$46,731	\$46,731	\$48,069
Mean Income	\$58,230	\$58,230	\$61,292
Gross Income	\$131,949,180	\$131,949,180	\$219,739,462
Households	2,266	2,266	3,608

### Household Income Interval Analysis

Intervals	1 Mile Radius	3 Mile Radius	5 Mile Radius
Less than \$10,000	261	261	326
\$10,000-\$14,999	177	177	281
\$15,000-\$24,999	283	283	450
\$25,000-\$34,999	154	154	227
\$35,000-\$49,999	292	292	545
\$50,000-\$74,999	521	521	742
\$75,000-\$99,999	320	320	539
\$100,000-\$149,999	199	199	383
\$150,000-\$199,999	18	18	50
More than \$200,000	39	39	65

### Income Intervals (in %)



# Local/Regional Real Estate Market Information

## Housing Demographics for 04416 - Bucksport, ME

1-Mile Radius

3-Mile Radius

5-Mile Radius

1-Mile Radius

3-Mile Radius

5-Mile Radius

### Housing Type

	1-Mile Radius	3-Mile Radius	5-Mile Radius
Total Housing Units	2,629	2,629	4,845
Owner Occupied Units	1,668	1,668	2,727
Owner Occupied %	73.6%	73.6%	75.6%
Renter Occupied Units	598	598	891
Renter occupied %	26.4%	26.4%	24.4%

### Units

1-Unit Detached	1,836	1,836	3,723
1-Unit Attached	12	12	54
2 Units	160	160	209
3 or 4 Units	60	60	130
5 to 9 Units	56	56	56
10 to 19 Units	94	94	94
20 or More Units	82	82	82
Mobile Homes	329	329	494

### Median # of Rooms

	5.6	5.6	5.7
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### Unit Values

<\$100,000	35.2%	35.2%	28.2%
\$100k - \$199k	46.3%	46.3%	39.5%
\$200k - \$299k	8.6%	8.6%	17.7%
\$300k - \$499k	6.1%	6.1%	7.8%
\$500k - \$999k	2.3%	2.3%	5.0%
>\$1,000,000	1.5%	1.5%	1.9%

### Gross Rent as a % of Income (GRPI)

<20%	21.4%	21.4%	21.9%
20% - 24.9%	22.8%	22.8%	18.0%
25% - 29.9%	9.1%	9.1%	6.5%
30% - 34.9%	4.4%	4.4%	6.2%
35% or more	42.2%	42.2%	47.4%

### Values & Rents

Median Unit Value	\$120,800	\$120,800	\$179,980
% Mortgaged	63.4%	63.4%	63.4%
% Unmortgaged	36.6%	36.6%	36.6%
Median Gross Rent	\$682	\$682	\$719
Rental Vacancy %	7.6%	7.6%	9.0%

### Year Units Built

2010 or Later	0	0	16
2000 - 2009	304	304	582
1990 - 1999	472	472	820
1980 - 1989	261	261	568
1960 - 1979	548	548	1,033
1940 - 1959	282	282	422
Before 1940	762	762	1,404

### Avg. Household Size

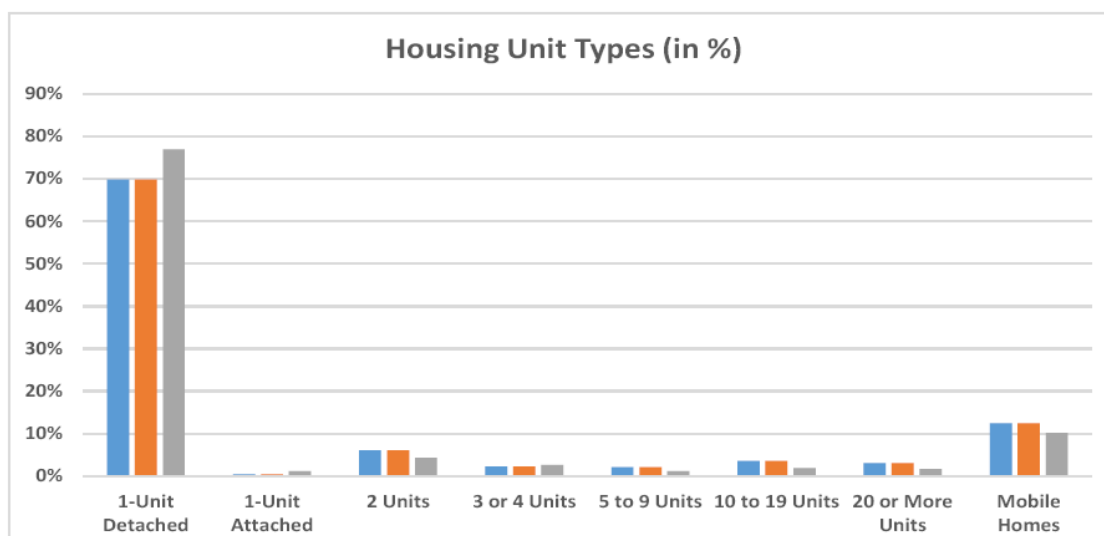
Owner Occupied	2.6	2.6	2.4
Renter Occupied	1.9	1.9	1.9

### Number of Bedrooms

0	1.4%	1.4%	1.8%
1	11.4%	11.4%	11.9%
2	32.7%	32.7%	31.8%
3	39.4%	39.4%	37.3%
4	10.5%	10.5%	12.0%
5 or more	4.7%	4.7%	5.2%

### Owner Costs as % of Household Income

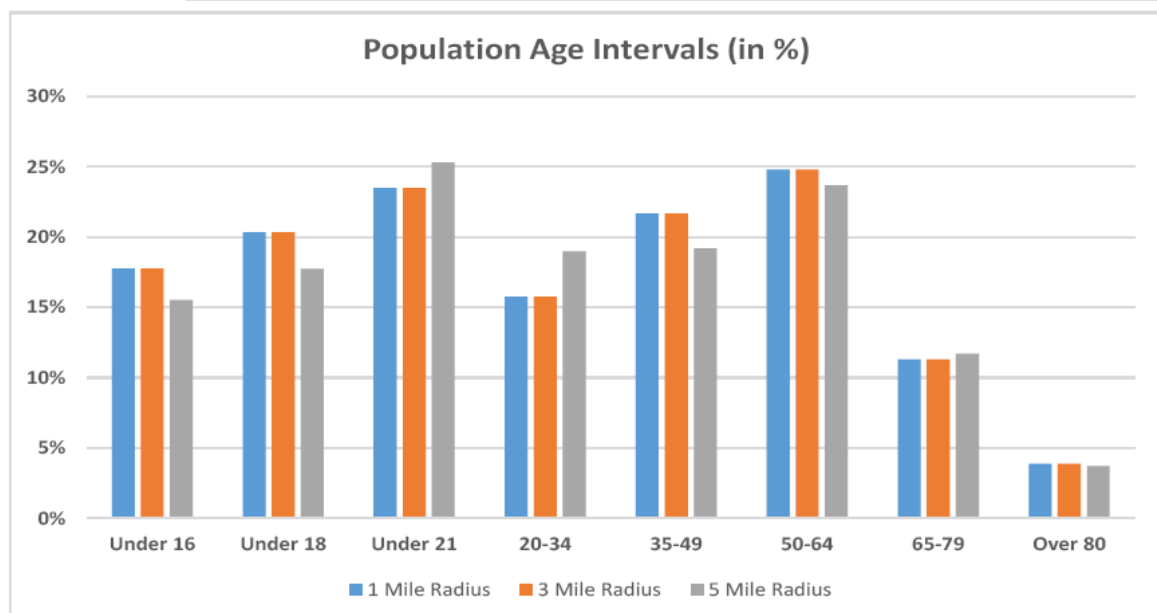
<20%	35.6%	35.6%	35.7%
20% - 24.9%	18.9%	18.9%	18.8%
25% - 29.9%	11.1%	11.1%	11.7%
30% - 34.9%	6.3%	6.3%	6.9%
35% or more	28.1%	28.1%	26.9%



# Local/Regional Real Estate Market Information

## Age Demographics for 04416 - Bucksport, ME

	1 Mile Radius		3 Mile Radius		5 Mile Radius	
	Number	Percentage	Number	Percentage	Number	Percentage
<b>TOTAL POPULATION</b>	5,468	100.00%	5,468	100.00%	8,978	100.00%
Under 5 years	295	5.40%	295	5.40%	425	4.73%
5 TO 9 years	307	5.61%	307	5.61%	435	4.85%
10 to 14 years	302	5.52%	302	5.52%	438	4.88%
15 to 19 years	330	6.04%	330	6.04%	741	8.25%
20 to 24 years	267	4.88%	267	4.88%	804	8.96%
25 to 29 years	295	5.40%	295	5.40%	451	5.02%
30 to 34 years	300	5.49%	300	5.49%	449	5.00%
35 to 39 years	353	6.46%	353	6.46%	471	5.25%
40 to 44 years	360	6.58%	360	6.58%	525	5.85%
45 to 49 years	472	8.63%	472	8.63%	727	8.10%
50 to 54 years	481	8.80%	481	8.80%	746	8.31%
55 to 59 years	478	8.74%	478	8.74%	750	8.35%
60 to 64 years	397	7.26%	397	7.26%	630	7.02%
65 to 69 years	256	4.68%	256	4.68%	444	4.95%
70 to 74 years	202	3.69%	202	3.69%	346	3.85%
75 to 79 years	160	2.93%	160	2.93%	262	2.92%
80 to 84 years	105	1.92%	105	1.92%	173	1.93%
85 years and over	108	1.98%	108	1.98%	161	1.79%
<b>Median Age</b>	<b>43.8</b>		<b>43.8</b>		<b>41.3</b>	
<b>16 Years and over</b>	4,496	82.22%	4,496	82.22%	7,584	84.47%
<b>18 Years and over</b>	4,356	79.66%	4,356	79.66%	7,386	82.27%
<b>21 Years and over</b>	4,184	76.52%	4,184	76.52%	6,707	74.70%
<b>62 Years and over</b>	1,053	19.26%	1,053	19.26%	1,746	19.45%
<b>65 Years and over</b>	831	15.20%	831	15.20%	1,386	15.44%





## **V. National Real Estate Market Data**

# National Real Estate Market Data

## National Industrial Historical Sales Comparables

A nationwide search was conducted using commercial listing services to locate Industrial land comparables for parcels in the 250 – 450 acre range. The search focused on vacant industrial land and properties zoned for heavy manufacturing use. It should be emphasized that one of the comparables (#5 in the table below) is a former paper mill in Sartell, Minnesota. It was owned by Verso and sold to AIM. All of the transactions below occurred since December of 2013.

Sales Comparables Summary	
Sample Size	8
High Price/Acre	\$57,446
Low Price/Acre	\$1,591
Average Price/Acre	\$16,289
Median Price/Acre	\$10,949

Recent US Sales of Heavy Industrial Land								
	Address	City	State	Zip	Acreage	Sale Price	Price/Acre	Transaction Date
1	1001 Airport Rd	Destin	FL	32541	219.95	\$350,000	\$1,591	2/5/2014
2	1315 Boughton Dr	Bakersfield	CA	93308	229.56	\$2,400,000	\$10,455	5/8/2014
3	10910 Commerce Rd	Athens	GA	30607	226.30	\$13,000,000	\$57,446	7/16/2014
4	8300 Ferguson Ave	Sacramento	CA	95828	207.00	\$5,327,500	\$25,737	11/24/2014
5	100 E Sartell St	Sartell	MN	56377	212.00	\$1,100,000	\$5,189	5/12/2014**
6	57 Textile Dr	Toccoa	GA	30577	226.00	\$457,000	\$2,022	5/29/2014
7	5500 Turkey Highway	Turkey	NC	28393	201.00	\$2,300,000	\$11,443	2/20/2014
8	8256 N US 79	Palestine	TX	75801	275.00	\$451,7450	\$16,427	12/15/2013

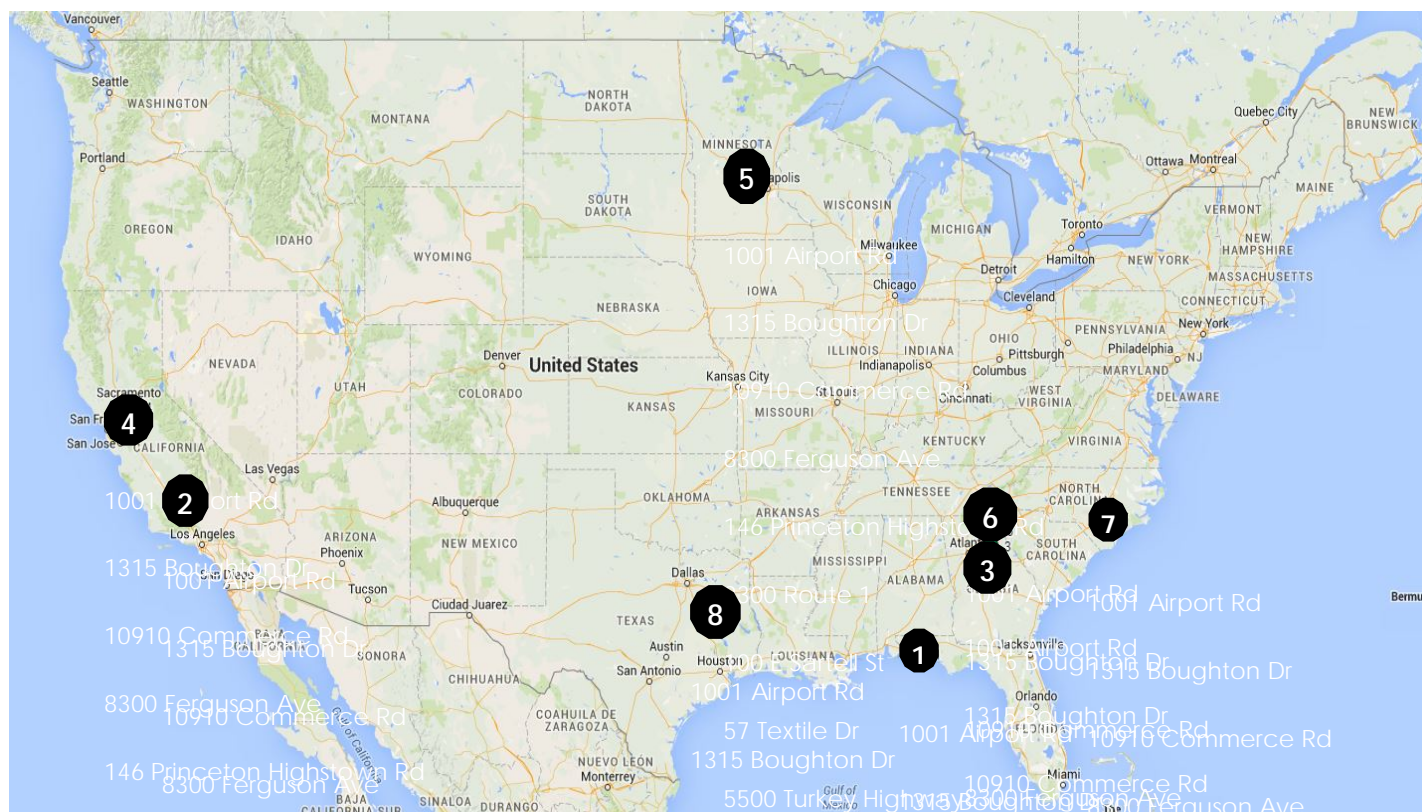
\*\*Formerly operated as a paper mill.





## National Real Estate Market Data

### Map of the Recent Historical Sales Comparables





# National Real Estate Market Data

## Industrial Land - On Market

A nationwide search was conducted for on-market comparables covering Industrial properties with a size of 250 – 450 acres. A total of 37 properties for sale meet the criteria. The tables on the following pages summarize the details of the market offerings. A statistical summary of the data is listed below.

Market Comparables Survey Statistics	
Number of Properties Surveyed	37
High Price per Acre	\$59,900
Low Price per Acre	\$4,884
Average Price per Acre	\$18,624
Median Price per Acre	\$15,000

250 - 450 Acre Industrial Property For Sale								
Map #	Address	City	State	Zip	Acreage	Asking Price	Price/Acre	Notes
1	Route 6 & Tabler Rd	Morris	IL	60450	287	\$17,191,300	\$59,900	
2	Humble Island & Highway 87	Bridge City	TX	77611	306	\$13,329,360	\$43,560	
3	4000 Etna Parkway	Pataskala	OH	43062	296.54	\$11,713,488	\$39,500	
4	3047 Highway 41	Caledonia	WI	53108	355	\$12,425,000	\$35,000	
5	110 Voyles Rd	Athens	GA	30601	336	\$10,080,000	\$30,000	Rail Adjacent
6		Winterville	GA	30683	336	\$10,080,000	\$30,000	
7	3493 Highway 101	Woodruff	SC	29388	360.2	\$9,905,500	\$27,500	
8	I-83 & Route 30	York	PA	17402	336.47	\$9,000,000	\$26,748	
9	49 E Keystone Rd	Brawley	CA	92227	320	\$8,000,000	\$25,000	
10	Highway 380 at CR 2148	Greenville	TX	75401	281	\$7,000,000	\$24,911	
11	Highway 265 & Highway 268	Mount Croghan	SC	29727	287	\$6,500,000	\$22,648	
12	0 Lower Level Rd	Charleston	TN	37310	388	\$8,536,000	\$22,000	
13	Bradwood Rd	Clatskanie	OR	97017	400	\$8,000,000	\$20,000	On Columbia River
14	Quality Drive & US Route 24	Defiance	OH	43512	415	\$8,300,000	\$20,000	Railroad adjacent to property
15	423 Vaughn Road	Cleburne	TX	76033	357	\$7,140,000	\$20,000	



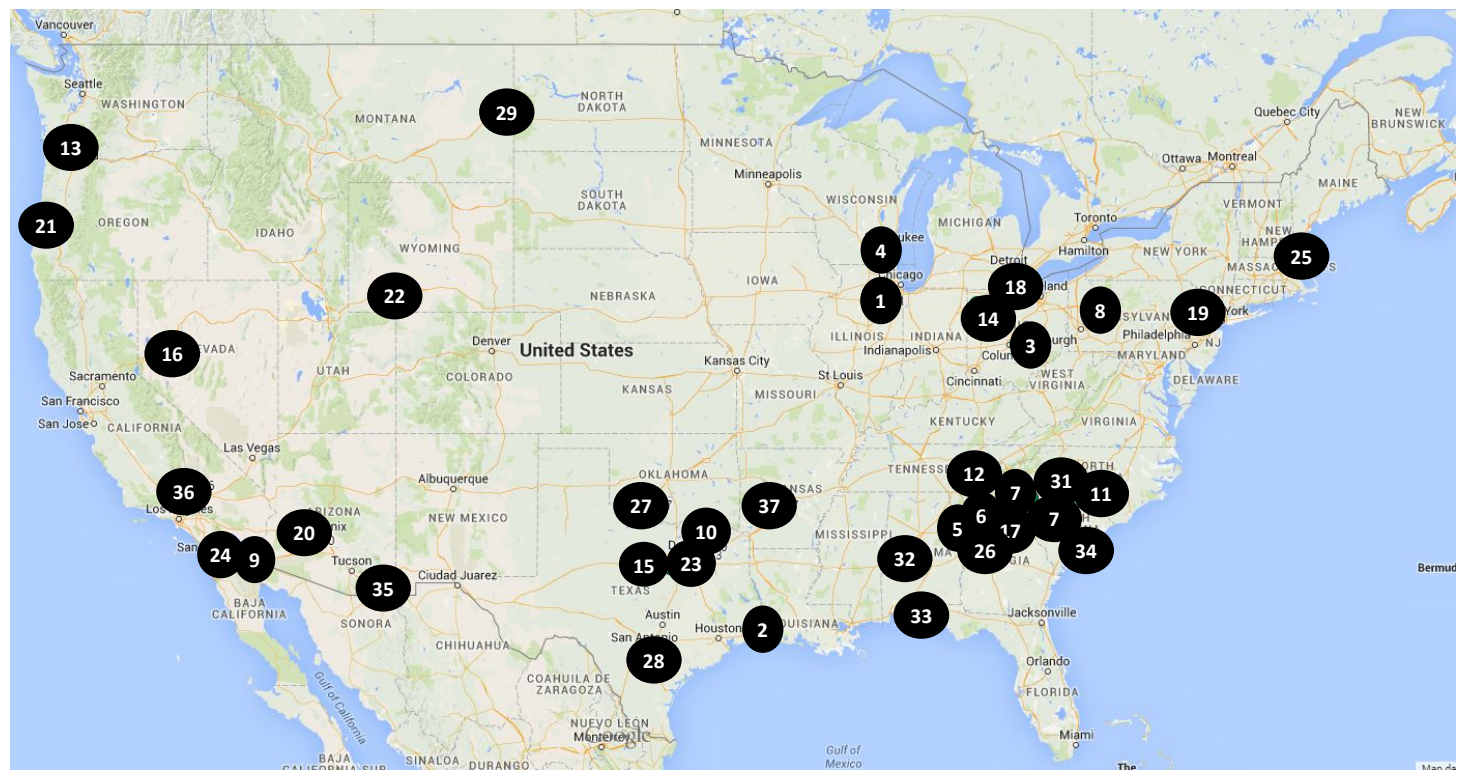
# National Real Estate Market Data

250 - 450 Acre Industrial Property For Sale (Continued)								
Map #	Address	City	State	Zip	Acreage	Asking Price	Price/Acre	Notes
16	1 UAS Drive	Fernley	NV	89408	421	\$7,344,000	\$17,444	
17	1310 Spring Valley Rd	Winterville	GA	30683	292.58	\$4,973,860	\$17,000	
18		Erie	MI	48133	377.23	\$6,224,295	\$16,500	
19	Caughbaugh Road	Blakeslee	PA	18610	400	\$6,000,000	\$15,000	2 Plants
20	363rd Ave & Elliot Rd	Buckeye	AZ	85322	313	\$4,695,000	\$15,000	
21	77622 US Highway 101	Gardiner	OR	97441	415	\$6,000,000	\$14,458	
22	Lincoln Highway & Purple Sage Rd	Rock Springs	WY	82901	313.3	\$4,000,000	\$12,767	
23	NEC of SH 276 & Rochell Rd	Rockwell	TX	75032	316.31	\$4,000,000	\$12,646	
24	SE Corner of Highway 86 & Carey Rd	Imperial	CA	92251	295	\$3,540,000	\$12,000	
25	Route 27	Raymond	NH	03077	343	\$4,000,000	\$11,662	Property contains a quarry
26	Highway 441	Madison	GA	30650	308.39	\$3,546,485	\$11,500	
27	690 NW Goodyear Blvd	Lawton	OK	73501	320	\$3,200,000	\$10,000	Adjacent to Goodyear Tire Plant
28	IH 37 south	Elmendorf	TX	78112	356	\$3,560,000	\$10,000	
29	95 Belle Prairie Rd	Glendive	MT	59330	312.05	\$3,100,000	\$9,934	
30	971-13 County Rd	Calhoun	TN	39309	340	\$3,230,000	\$9,500	On Hiwassee River
31	Highway 9 & Turner Lane	Chester	SC	29706	294	\$2,793,000	\$9,500	
32	Highway 69 South and Highway 46	Moundville	AL	35474	420	\$3,800,000	\$9,048	Railroad adjacent to property
33	Highway 87 & East Highway 90	Milton	FL	32571	365	\$2,500,000	\$6,849	
34	0 Highway 78	Ridgeville	SC	29472	319	\$1,900,000	\$5,956	Railroad access
35	300 N Ten Pond Place	Sierra Vista	AZ	85635	281.67	\$1,600,000	\$5,680	Concrete Plant
36	Munsey Road	Cantil	CA	93519	318.18	\$1,599,000	\$5,025	
37	Mountain Pine Road & Blakely Mtn Dam Rd	Mountain Pine	AZ	71956	389	\$1,900,000	\$4,884	Former Weyerhaeuser Timber Mill



# National Real Estate Market Data

National On Market Map



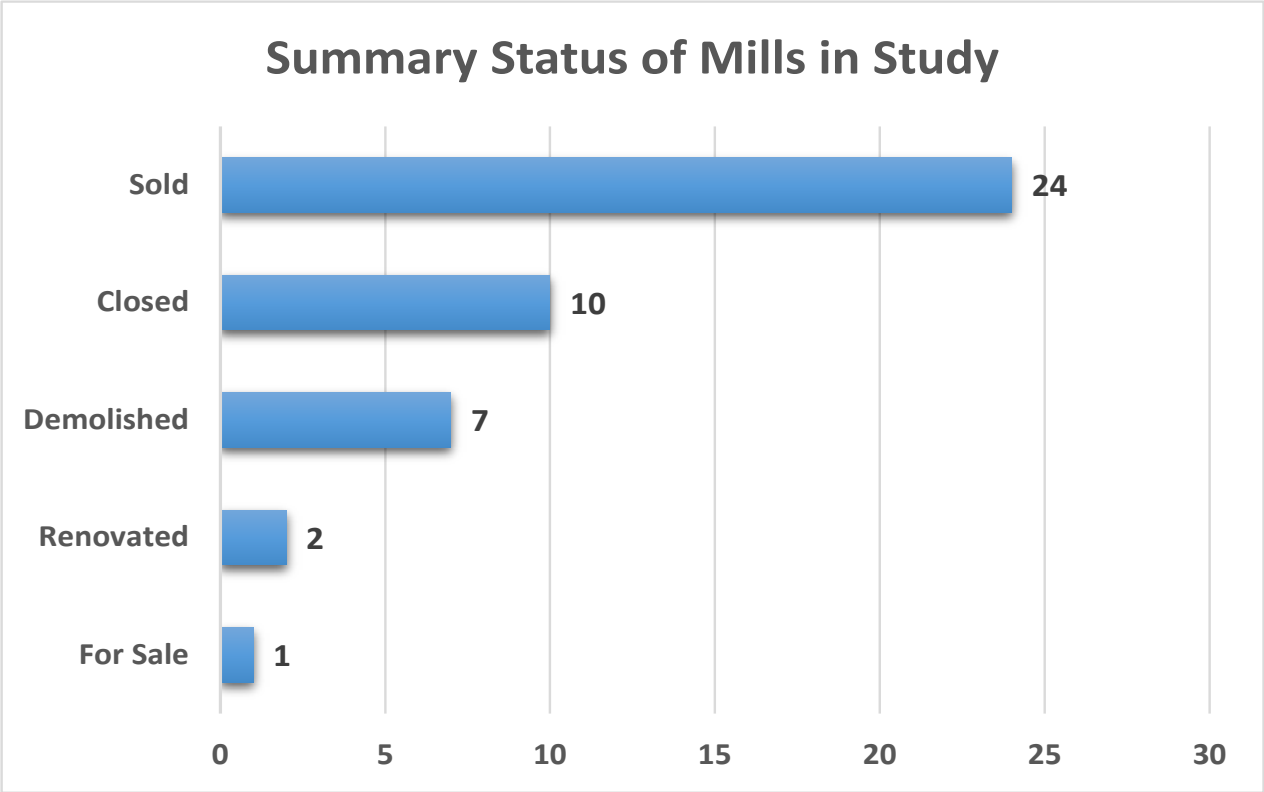


## **VI. Paper Mill Overview – US Status and Transactions**

# Paper Mill Overview — US Status and Transactions

## Summary

A nationwide search for paper mills was conducted for this report. Information on a total of 44 mills was collected dating back to 2009. The information obtained regarding sales transactions and status is contained in the tables on the following two pages.



## Paper Mill Overview — US Status and Transactions

State	City	Paper Mill Name	Status	Sale Price	Sold By	Sold To	Sale Date
Oregon	Albany	Albany Paper Mill, Albany	(Closed in 2009, demolished in 2012)	n/a			
Wisconsin	Biron	Biron Paper Mill	Sold	\$62.4m	New Page	Catalyst	late 2014
Maine	Rumford	Rumford Paper Mill	Sold	\$62.4m	New Page	Catalyst	late 2014
Wisconsin	Brokaw	Brokaw Paper Mill	Closed by Verso	n/a			
Maine	Bucksport	Bucksport Mill	Closed Dec 2014 - By Verso	n/a			
Alabama	Courland	Courtland Paper Mill	Closed 2014	n/a			
Delaware	Newark	Curtis Paper Mill, Newark, Delaware	(Closed-( known as Nonantum Mill)	n/a	Will be a park		
Minnesota	Duluth	Duluth Paper Mill	Sold	\$1.4B for all	New Page	Verso	Jan-15
Michigan	Escanaba	Escanaba Paper Mill	Sold	\$1.4B for all	New Page	Verso	Jan-15
Maryland	Luke	Luke Paper Mill	Sold	\$1.4B for all	New Page	Verso	Jan-15
Kentucky	Wickliffe	Wickliffe Paper Mill	Sold	\$1.4B for all	New Page	Verso	Jan-15
Wisconsin	Stevens Point	Stevens Point (Neenah) Paper Mill	Sold	\$1.4B for all	New Page	Verso	Jan-15
Wisconsin	Wisconsin Rapids	Wisconsin Rapids Paper Mill	Sold	\$1.4B for all	New Page	Verso	Jan-15
Virginia	Franklin	Franklin Paper Mill	(Closed in 2009 but recommissioned in 2012)	n/a			
Maine	Lincoln	Lincoln Paper and Tissue	Closed -tissue part open	n/a			
Minnesota	Brainerd	Missota Mill	Closed - trying to sell-failed	n/a	Wausau Paper	Liberty Paper looking	
Wisconsin	Mosinee	Mosinee Paper Mill + Rhineland	Sold	UDS\$105M	Wausau Paper	Expera Specialty Solutions	Jun-13
Louisiana	Pineville	Pineville Paper Mill	Closed 2009	n/a			
Maine	Westbrook	Sappi Fine Paper	Renovated	n/a			
Maine	Old Town	Old Town Fiber	Sold	USD\$10.5	Old Town Fibre(Bankruptcy)	Expera Specialty Solutions	
Maine	Millinocket	Great Northern Paper Mill	Closed equipment sold	n/a			
Maine	East Millinocket	Great Northern Paper Mill	Sold at bankruptcy auction	USD\$5.4M	Great Northern Paper	Hackman Capital Partner	Dec-14

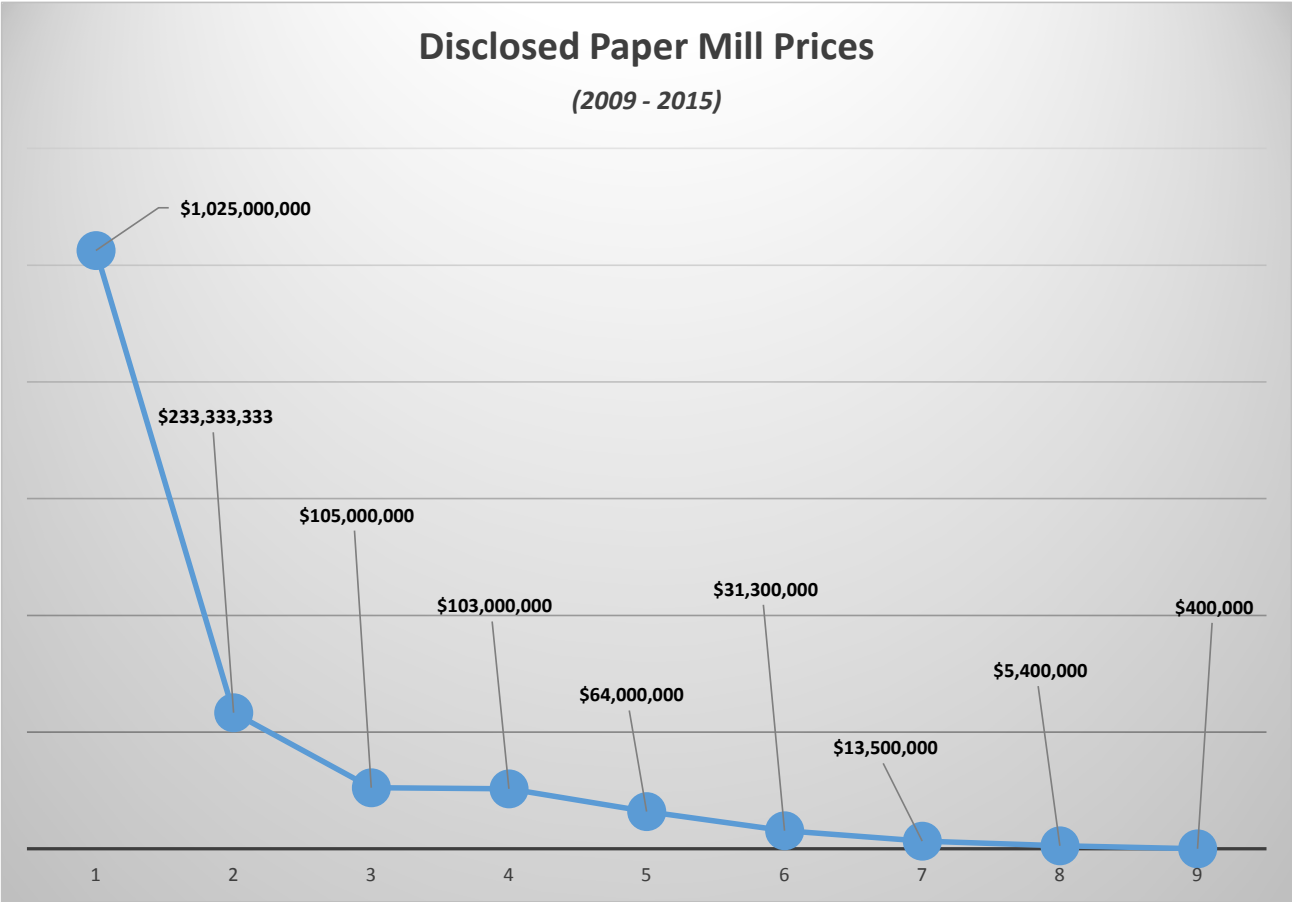


## Paper Mill Overview — US Status and Transactions

State	City	Paper Mill Name	Status	Sale Price	Sold By	Sold To	Sale Date
Connecticut	East Hartford	Clearwater Paper	Sold	n/a	Clearwater Paper	Dunn Paper, Inc.	Jan-15
Mississippi	Wiggins	Clearwater Paper	Sold	n/a	Clearwater Paper	Dunn Paper, Inc.	Jan-15
New York	Gouverneur	Clearwater Paper	Sold	n/a	Clearwater Paper	Dunn Paper, Inc.	Jan-15
Michigan	Menominee	Clearwater Paper	Sold	n/a	Clearwater Paper	Dunn Paper, Inc.	Jan-15
Ontario	St Catharines	Clearwater Paper	Sold	n/a	Clearwater Paper	Dunn Paper, Inc.	Jan-15
Maine	East Millinocket	Katahdin Paper Co	Closed	\$103M	Brookfield Asset Mgt.	Cate Street Capital	TBD
Minnesota	Sartell	Verso Paper Mill	Closed-Sold-being demolished	n/a	Versa Paper	AIM Development	Jan-13
Pennsylvania	York	Newark Group Yorktowne Paperboard Mill	Sold	n/a	Yorktowne Paper	Lenders Group	
Arizona	Snowflake	Catalyst Paper	Sold	\$13.5M	Catalyst	Hackman Capital Partners	Jan-13
Mississippi	Natchez	Mississippi River Pulp	Sold	\$105M	Mississippi River Pulp	von Drehle	2013
Washington	Longview	Longview Fibre Paper	Sold	\$1.025B	Brookfield	KapStone	2013
Wisconsin	Brokaw	Brokaw Paper Mill	Sold	n/a	Brokaw Holdings	Undisclosed	2013
Louisiana	Bastrop	Bastrop Pulp Mill	Idled to be demolished	n/a	International Paper	n/a	2011
Michigan	Ontonagon	Ontonagon Paper Mill	Idled to be sold, demolish	n/a	Smurfit-Stone	n/a	
Montana	Missoula	Missoula Paper Mill	Idled to be sold	n/a	Smurfit-Stone	n/a	
Wisconsin	Port Edwards	Port Edwards Paper Mill	To be research park	n/a	n/a	n/a	
Wisconsin	Kimberly	Kimberly Paper Mill	Being demolished	n/a	AIM	Kimberly Village	
Washington	Everett	Everett Paper Mill	Deep water port	n/a	Kimberly Clark Everett	Saltchuk Resources	
Alabama	Monroe County	Monroe County Paper Mill	For Sale	n/a	Abitibi Bowater	Parsons & Whittemore	
Ohio	Hamilton	Smart Papers Hamilton Mill	Sold	\$400,000	Plainfield Asset Management	Hamilton City	
Maine	Baileyville	Baileyville Paper Mill	Sold	\$64,000,000	Domtar Corp	International Grand Invest (IGIC)	Oct-10
Alabama	Perdue Hill	Alabama River Pulp	Sold	n/a	Parsons & Whittemore	Georgia Pacific	Aug-10
Montana	Missoula	Frenchtown	Being scraped	n/a	Rock-Tenn Co.	n/a	

# Paper Mill Overview — US Status and Transactions

With many private transactions in the paper mill market, the depth of information available is varied. In the graph below the range of prices for paper mill sales is displayed. The graph demonstrates the wide variation in pricing. Some of this variation can be attributed to the environmental issues that will be covered later in this report.







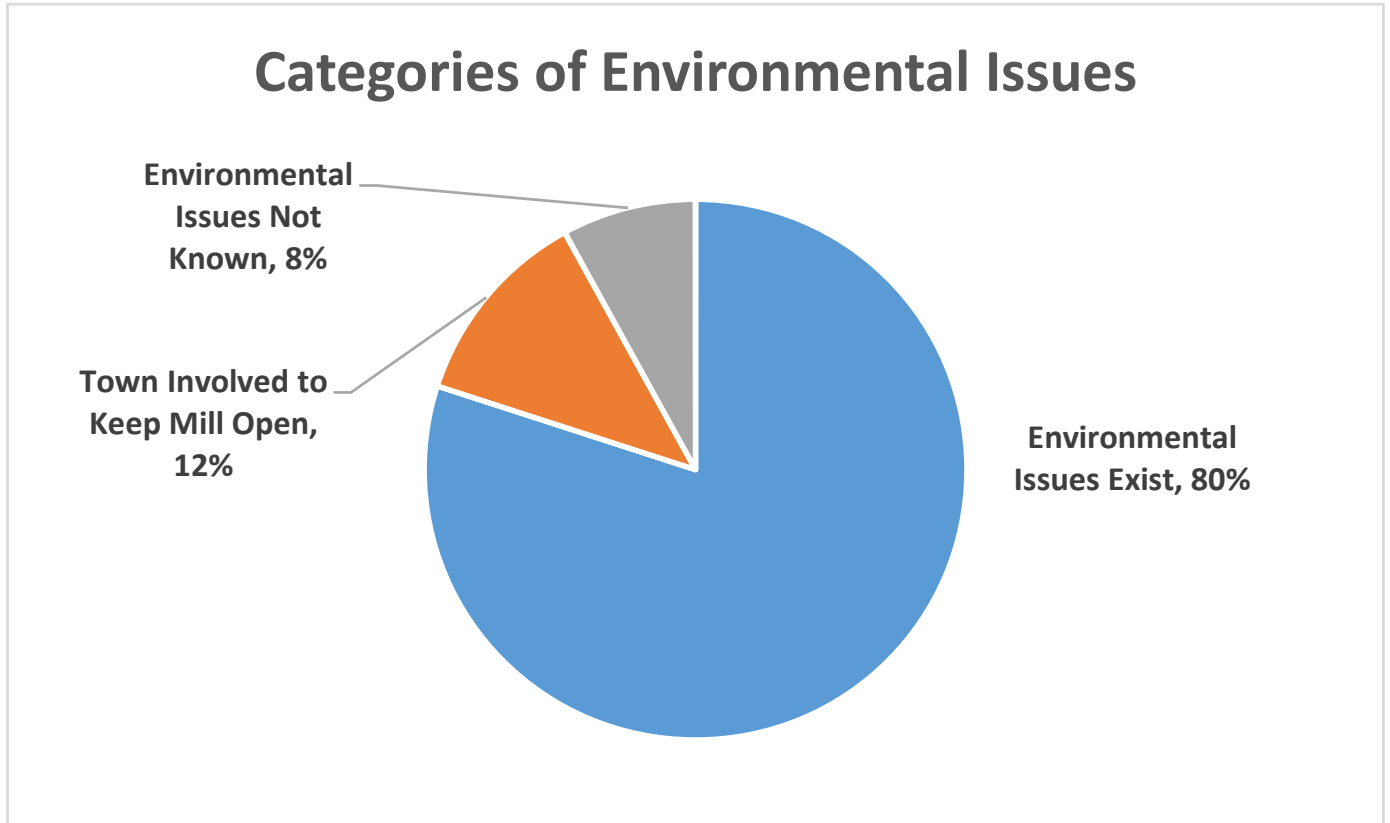
## **VII. Environmental Issues**

# Environmental Issues

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## Summary

The environmental status of a paper mill can be a significant factor in determining the property's valuation. The following tables highlight the environmental status of 44 selected paper mills across the United States. It is important to note that approximately 80% of the paper mills surveyed have some type of environmental issue.



# Environmental Issues

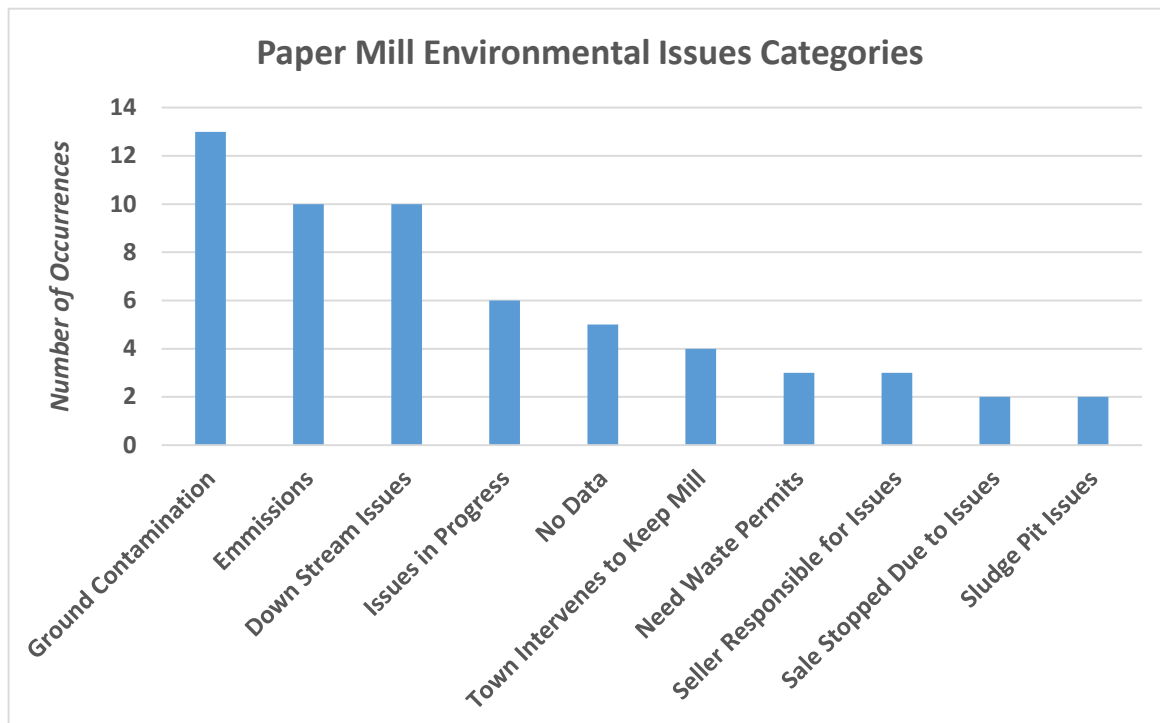
Name of Paper Mill	Environmental Status
Albany Paper Mill, Albany	Industrial waste landfill, need to renew existing solid waste permit
Biron Paper Mill	Sellers responsible for pre-closing environmental issues
Rumford Paper Mill	Sellers responsible for pre-closing environmental issues, emissions
Brokaw Paper Mill	Status not available
Bucksport Mill	Questions raised about bio-mass boiler at plant, emissions main issues?
Courtland Paper Mill	Had environmental emissions, lead main issues
Curtis Paper Mill, Newark, Delaware	Site soil are impacted with metals, lead, arsenic, chromium, vanadium etc.
Duluth Paper Mill	Pollution may effect fish in river, proposed emissions permit being worked
Escanaba Paper Mill	Working to minimize environmental issues
Luke Paper Mill	Issues have been raised about approving a Title V Permit and water treatment plant
Wickliffe Paper Mill	Status not available
Stevens Point (Neenah) Paper Mill	Ground water pumping affecting downstream river quality
Wisconsin Rapids Paper Mill	A high concentration of paper mills on the Fox river, cleaning the river still needs to be done
Franklin Paper Mill	EPA being sued to cut back on paper mill CO2 emissions, Sulfur Dioxide, nitrogen dioxide
Lincoln Paper and Tissue	Penobscot raising issues of contaminated water downstream from paper mill?
Missota Mill	Wausau paper mill dropped interest in buying plant over environmental concerns
Mosinee Paper Mill + Rhineland	Status not available
Pineville Paper Mill	Burning bio-mass is an issue, air, water and land pollution could be an issue
Sappi Fine Paper	Using new technologies and water conservation to reduce pollution
Old Town Fiber	Mill has racked up fines (approx. \$300K) for CO2, S2 and methanol over limits
Great Northern Paper Mill	Town purchased Dolby land fill which is contaminated with sludge ,pulp, paper mill waste
Great Northern Paper Mill	Town purchased Dolby land fill which is contaminated with sludge ,pulp, paper mill waste
Clearwater Paper	No ground water impacts anticipated, potential surface water issues
Clearwater Paper	Has 5 sludge pits ,ground water extraction system in place to remove contaminants
Clearwater Paper	Environmental issues could still be caused by sediment from mills
Clearwater Paper	Environmental issues could still be caused by sediment from mills
Clearwater Paper	Soil contaminated with mercury, lead, arsenic, cooper from the Domtar mill could still be an issue
Katahdin Paper Co	Town purchased Dolby land fill which is contaminated with sludge ,pulp, paper mill waste
Verso Paper Mill	A on-site pollution control system and water treatment plant has been installed
Newark Group Yorktown Paperboard Mill	In 2001, 2,000 truckloads of soil where removed at a cost of \$4 million.
Catalyst Paper	Many environmental concerns still exist



# Environmental Issues

Name of Paper Mill	Environmental Status
Mississippi River Pulp	Will employ new technology to reduce pollution
Longview Fibre Paper	New owners plan on being environmentally compliant
Paper Mill	Copper, ammonia, Diethanolamine, and nitrates are thought to be released to the air and water?
Pulp Mill	Lawsuit against LP by residents claiming pollution from mill has damaged their health
Paper Mill	Ontonagon officials want to ensure all environmental concerns and cleanup are addressed
Paper Mill	EPA proposes superfund designation for Missoula mill
Paper Mill	Status not available
Paper Mill	Kimberly mill leaves toxic mess behind, waterways has been identified with dioxin, chorine, etc.
Paper Mill	Plant closes due to not being able to resolve environmental issues
Paper Mill	Environmental concerns has become an issue
Smart Papers, Hamilton Mill	Emmisions-CO2,SO2, No2,Mercury
Paper Mill	There are environmental issues to consider due to poor maintenance, and old technology
Alabama River Pulp	Not clear whether any environmental issues are present
Frenchtown	EPA indicates that all work is complete and believe no environmental issues remain

Data was obtained on 44 paper mill transactions involving properties that had some type of environmental issue. Some mills had more than one issue to resolve. The overview chart shows the most prevalent issues in terms of number of occurrences for which data or news was available.





## **VIII. Data Sources**

### Data Source Overview

