

✓
piece #1 is on Exhibit A

A000602474

OFFICE OF THE COUNTY RECORDER
ITASCA COUNTY, MINNESOTA

CERTIFIED, FILED, AND
RECORDED ON
09/08/2006 09:15:00AM
FILE #

PAGES 7
REC FEES \$46.00

JEAN BENGSTON WINTER
ITASCA COUNTY RECORDER

BY SWR Dep

State of Minnesota

SUSTAINABLE FOREST INCENTIVE ACT COVENANT 2006

Minnesota Statutes, Chapter 290C

This covenant is made on August 29, 2006 (date) by the person signing on page 2, who will be referred to as "the claimant" for the purpose of this covenant.

- This covenant is in accordance with Minnesota Statutes, section 290C.04, paragraph (a), of the Sustainable Forest Incentive Act (SFIA). It must be recorded in the office of the county recorder (or registrar for registered land) in each county where any of the land is located. The recording may be done in person or by mail. Contact your county recorder if you have any questions on the recording procedures.
- The SFIA is administered by the Department of Revenue on behalf of the state of Minnesota.
- By signing this covenant, the claimant certifies that they have the consent of all owners of the property. All of the owners of the property are responsible for complying with the terms of this covenant, even if they do not sign the covenant. Owners include lienholders and others with an interest in the property.
- If you do not leave a 1 inch margin on this covenant, and on all attachments, you may be assessed an additional recording fee.
- This covenant pertains to all or part of the real property in Itasca County, Minnesota, which is legally described on the attached "Exhibit A." A map of the property is in the attachment marked "Exhibit B." This property will be referred to as "the property" for the purpose of this covenant.
- Any person purchasing or acquiring an interest in the property during the time this covenant is in effect must also abide by the terms of the covenant.
- This covenant is not a contract; it is a condition of the SFIA. The conditions of the SFIA and of this covenant are requirements of current law that could change in the future. All references in this covenant to "sections" and "chapter" are to sections and chapters of the Minnesota Statutes as currently in effect and as amended or renumbered in the future.
- Under the SFIA law, this covenant shall run with the property for a period of at least eight years from the date listed above or for the period that the property is in the SFIA program, whichever is longer, unless the claimant qualifies for an earlier termination.

Potlatch
PO Box 504
Cloquet MN 55720

Itasca County Registrar/Recorder

Received SEP 01 2006

SEP 07 2006

- If the claimant applies to the SFIA program but is not accepted into the program or if the property otherwise becomes no longer subject to the restrictions of the SFIA program, then the commissioner of Revenue shall issue a document releasing the claimant and the property from the terms and restrictions of this covenant.

RESTRICTIONS

As the claimant, on behalf of all the owners and myself, I accept all of the following restrictions on the property. These restrictions shall run with the property and bind me, all other owners, our heirs, and any future owners as provided under the SFIA law. The restrictions are a condition for entrance into the SFIA program and are required in order to receive an annual incentive check from the Department of Revenue. The restrictions are:

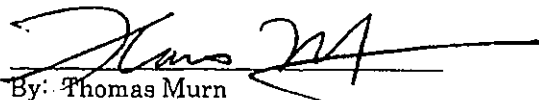
The property is not and will not be developed in violation of the provisions of the SFIA. This means that the property is not and will not be:

- used for residential purposes;
- used for agricultural purposes;
- enrolled in the Reinvest in Minnesota (RIM) program or in a state or federal conservation reserve or easement reserve program (CRP or CREP) under sections 103F.501 to 103F.531;
- enrolled in the Minnesota Agricultural Property Tax Law (also known as Green Acres) under section 273.111;
- subject to agricultural land preservation controls or restrictions as defined in section 40A.02 or the Metropolitan Agricultural Preserves Act (also known as Ag Preserves) under chapter 473H; or
- improved with a structure, pavement, sewer, permanent campsite, or any road (other than a township road), that are used for purposes not prescribed in the forest management plan for the property.

SIGNATURES

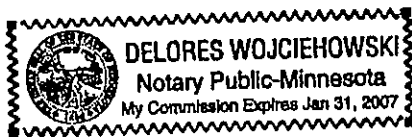
By signing below I hereby accept the restrictions of this covenant.


Potlatch Forest Holdings Inc.



By: Thomas Murn
Regional Resource Manager

This covenant was acknowledged before me this 29th day of August, 2006 by Thomas Murn, the Regional Resource Manager of Potlatch Forest Holdings Inc., a corporation under the laws of the State of Delaware, on behalf of the corporation.




Notary Public

Commission Expires 1-31-07

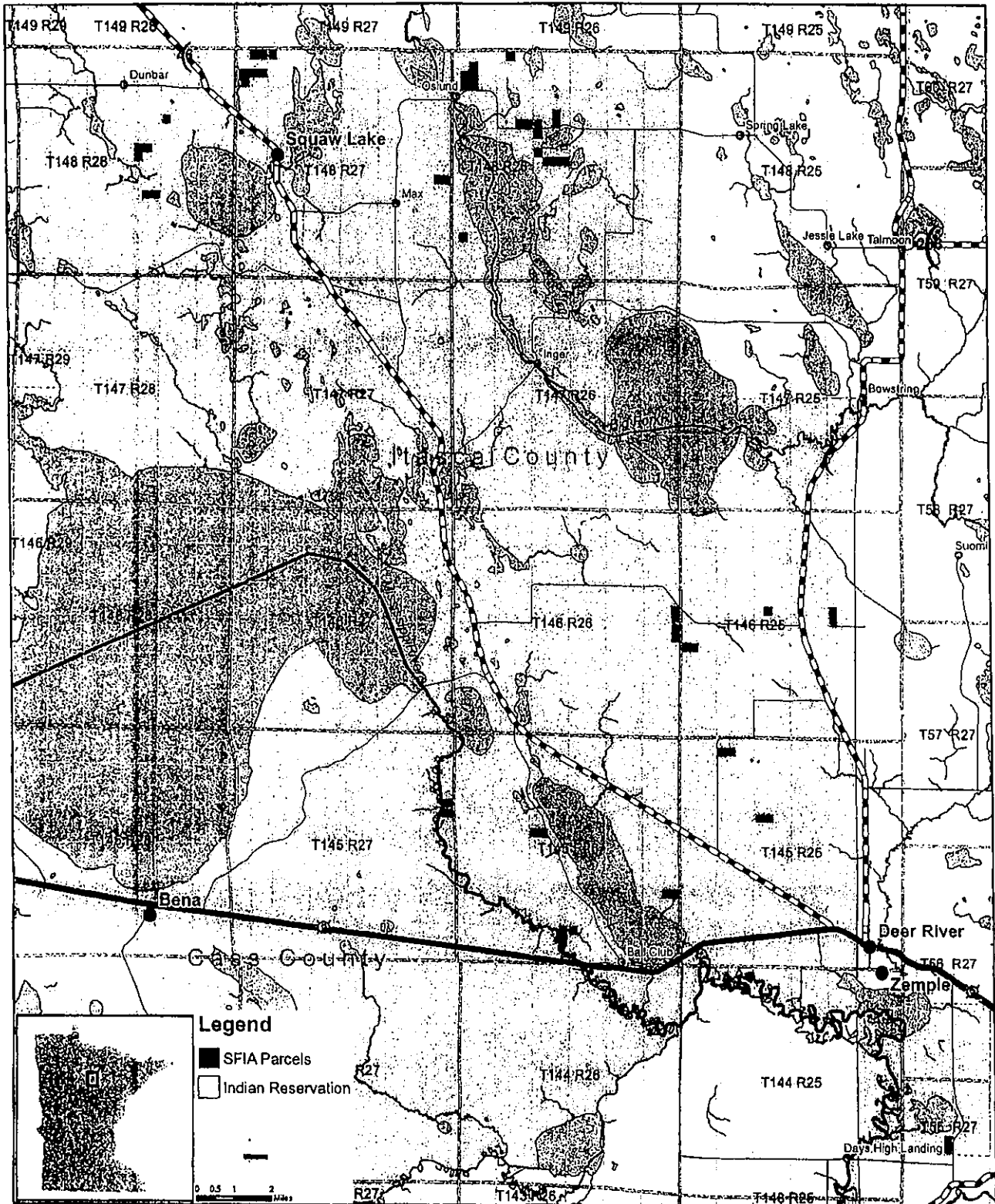
EXHIBIT A

CVT	LOT	DESC	SEC	TWP	RGE	ACRES	COUNTY
291052300		SWNW	5	145	25	39.02	ITASCA
291052400		SENW	5	145	25	40.00	ITASCA
291162100		NENW	16	145	25	40.00	ITASCA
291162200		NWNW	16	145	25	40.00	ITASCA
320143200		NWSW	14	146	25	40.00	ITASCA
320143300		SWSW	14	146	25	40.00	ITASCA
320163100		NESW	16	146	25	40.00	ITASCA
320193100		NESW	19	146	25	40.00	ITASCA
320193200	3	NWSW	19	146	25	39.67	ITASCA
750163100		NESW	16	145	26	40.00	ITASCA
750163200		NWSW	16	145	26	40.00	ITASCA
750251100		NENE	25	145	26	40.00	ITASCA
750251200		NWNE	25	145	26	40.00	ITASCA
750331100		NENE	33	145	26	40.00	ITASCA
750331400	4	SENE	33	145	26	31.25	ITASCA
750342200		NWNW	34	145	26	40.00	ITASCA
760134100		NESE	13	146	26	32.00	ITASCA
760134400		SESE	13	146	26	38.00	ITASCA
760241100		NENE	24	146	26	40.00	ITASCA
760241400		SENE	24	146	26	40.00	ITASCA
350052100	3	NENW	5	148	26	46.00	ITASCA
350062600	8	SENW	6	148	26	40.00	ITASCA
350063100	9	NESW	6	148	26	40.00	ITASCA
350063200	10	NWSW	6	148	26	40.00	ITASCA
350063500	13	SWSW	6	148	26	40.00	ITASCA
350063600	14	SESW	6	148	26	40.00	ITASCA
350084301		SWSE*	8	148	26	39.77	ITASCA
*Southwest Quarter of Southeast Quarter EXCEPT the following described portion thereof: Beginning at the Quarter Corner between Sections 8 and 17, thence North along the quarter section line a distance of 50 feet to an iron monument, which is the point of beginning of the tract to be conveyed, thence north along the quarter section line a distance of 100 feet to a wooden post, thence East at an interior angle of 89 degrees 36 minutes 30 seconds, a distance of 100 feet to a wooden post, thence South at an interior angle of 90 degrees 23 minutes 30 seconds a distance of 100 feet to a wooden post, thence West at an interior angle of 89 degrees 36 minutes 30 seconds a distance of 100 feet to the point of beginning; also described as the South 150 feet of the West 100 feet of the Southwest Quarter of the Southeast Quarter, less highway, containing .23 acres more or less.							
350084400		SESE	8	148	26	40.00	ITASCA
350093301		SWSW*	9	148	26	36.62	ITASCA
* SWSW EXCEPT South 450 feet of West 450 feet.							
350094200		NWSE	9	148	26	40.00	ITASCA
350094300		SWSE	9	148	26	40.00	ITASCA
350162200		NWNW	16	148	26	40.00	ITASCA
350163200		NWSW	16	148	26	40.00	ITASCA
350163400		SESW	16	148	26	40.00	ITASCA
350164300		SWSE	16	148	26	40.00	ITASCA
350164400		SESE	16	148	26	40.00	ITASCA
350303500	9	SWSW	30	148	26	40.00	ITASCA

CVT	LOT	DESC	SEC	TWP	RGE	ACRES	COUNTY
690104100		NESE	10	55	27	40.00	ITASCA
690104400		SESE	10	55	27	40.00	ITASCA
780124400	8	SESE	12	145	27	51.00	ITASCA
780131100	1	NENE	13	145	27	49.00	ITASCA
270052200	4	NWNW	5	148	27	43.00	ITASCA
270061100	1	NENE	6	148	27	42.61	ITASCA
270061200	2	NWNE	6	148	27	43.58	ITASCA
270063100		NESW	6	148	27	40.00	ITASCA
270063400		SESW	6	148	27	40.00	ITASCA
270064100		NESE	6	148	27	40.00	ITASCA
270064200		NWSE	6	148	27	40.00	ITASCA
270241300		SWNE	24	148	27	40.00	ITASCA
270241400		SENE	24	148	27	40.00	ITASCA
130113300		SWSW	11	148	28	40.00	ITASCA
130153100		NESW	15	148	28	40.00	ITASCA
130153400		SESW	15	148	28	40.00	ITASCA
130154200		NWSE	15	148	28	40.00	ITASCA
130224300		SWSE	22	148	28	40.00	ITASCA
130224400		SESE	22	148	28	40.00	ITASCA

Exhibit B

Clearly indicate on this map all portions of the property described in Exhibit A that are restricted by this covenant. Open water of less than three acres in size may be included. If you need additional space, attach a separate sheet of paper.



DSPPRCL1

Display Parcel Description

9/02/06 11:27:36

Notes: No

Parcel number/Tax year: 35-008-4301

2007 Reference parcel: 35-008-4301

Owner(s): 20393

Parcel type : RE

Hold tax stmt:

POTLATCH CORP

Com district: 1 Misc1/2:

PO BOX 504

Escrow agent:

CLOQUET MN 55720

Mortgage hld:

UTA: Twp/City School FIRE WATR **** *

035 0317 00 00 00 00

Taxpayer: 20393 FALCO: 1 F.O.

TIF district: 000 000

POTLATCH CORP

Lake#/name :

PO BOX 504

Property adr:

CLOQUET MN 55720

Emergency# :

Twp/City Plt: SAND LAKE TWP

Alternate taxpayer:

Sec/twp/rge : 8 148.0 26 Acres: 39.77

Plat:

Description: Lot/Block . :

SW SE LESS S 150 FT OFW 100 FT

Press Enter to continue or enter new parcel/tax year. 35-008-4301 2007

F1=Full desc F2=Trans hist F3=Exit F6=Prcl hist F7=Backward F9=Escrow hist

F12=Cancel F14=Phy Addr F17=Dsply Note

DSPPRCL1

Display Parcel Description

9/02/06 11:33:20

602474

Notes: No

Parcel number/Tax year: 35-009-3301

2006 Reference parcel: 35-009-3301

Owner(s): 20393

Parcel type : RE

Hold tax stmt:

POTLATCH CORP

Com district: 1 Misc1/2:

PO BOX 504

Escrow agent:

CLOQUET MN 55720

Mortgage hld:

UTA: Twp/City School FIRE WATR **** *

035 0317 00 00 00 00

Taxpayer: 20393 FALCO: 1 F.O.

TIF district: 000 000

POTLATCH CORP

Lake#/name :

PO BOX 504

Property adr:

CLOQUET MN 55720

Emergency# :

Twp/City Plt: SAND LAKE TWP

Alternate taxpayer:

Sec/twp/rge : 9 148.0 26 Acres: 36.62

Plat:

Description: Lot/Block . :

SW SW LESS S 450FT OF W 450FT

Press Enter to continue or enter new parcel/tax year. 35-009-3301 2006

F1=Full desc F2=Trans hist F3=Exit F6=Prcl hist F7=Backward F9=Escrow hist

F12=Cancel F14=Phy Addr F17=Dsply Note