



**For Immediate Release**  
June 14, 2007

Media Contact: Lauri Hennessey  
Redwood Forest Foundation, Inc.  
(877) 707-9990

Colleen Haggerty, Bank of America  
(213) 718-2156

## **Bank of America and Redwood Forest Foundation Announce Nation's First Private Capital Forest Acquisition by Nonprofit**

---

### *Transaction Helps Protect California's Usal Redwood Forest*

SAN FRANCISCO, CA – Bank of America and the Redwood Forest Foundation (RFFI) today announced the country's first forest acquisition by a nonprofit using 100 percent private capital to close the deal. The transaction preserves more than 50,000 acres of critical working timberland in the Usal Redwood Forest, just north of Fort Bragg in Northern California's Mendocino County.

This transaction will stop the forest's fragmentation while also allowing the property's coastal redwood trees to grow and be managed as a working sustainable forest. The foundation will purchase the acreage from Hawthorne Timber Company using \$65 million in flexible long-term financing from Bank of America.

This unique structure provides a national model for nonprofit ownership of a forest, and enables local environmentalist and timber companies to implement sustainable timber practices that sustains jobs and tax base while protecting critical ecological areas. The transaction also provides a return on investment for Bank of America.

"This is the beginning of a new era for our local community," said Art Harwood, President of RFFI. "We are banding together to protect and manage our forests. We are pulling together private capital, and the hopes and aspirations of people from all walks of life to create a bright beacon for our future. We are doing this by ending the 30 years of fighting, and focusing on what unites us."

"Some of the trees we are protecting were saplings before Bank of America was founded in San Francisco in 1904," said Kenneth D. Lewis, Bank of America chairman and CEO. "This is one of the most significant transactions of our recently announced \$20 billion environmental initiative. We are honored to protect a California legacy and one of the environment's most precious resources."

Don Kemp, RFFI's Executive Director added, "We anticipate that this project will be the first of many in which the global capital markets will be tapped to finance projects more traditionally considered the domain of the public sector. We look forward to working with the entire community to manage our Redwood forests so that jobs and environmental benefits will be maintained for decades to come."

(More)

RFFI's oversight of the forest will preserve open space, restore the quality of the Redwood forest, purify waterways, enhance wildlife habitat and maintain family wage jobs for those who depend on forests for their livelihoods. Upon fulfilling its financial obligations, RFFI will continue to sustainably harvest timber and reinvest in the community as determined by RFFI.

Almost 75% of the nation's nearly 70 million acres of privately-owned industrial forests has changed hands between 1995 and 2006. As more tracts are put up for sale or fragmented, communities and businesses are seeking alternative ways to finance large-scale forest acquisitions.

US Forest Capital LLC served as advisor to facilitate and manage the transaction. The Campbell Group has been retained by RFFI to manage the property and implement its conservation plans. RFFI has entered into a Letter of Intent with the Conservation Fund to negotiate the sale of a conservation easement that would prohibit development on the property and enhance conservation practices.

"Californians are increasingly concerned about the loss of redwood forests to development and agricultural conversion," said Lawrence Selzer, President and Chief Executive Officer of the Conservation Fund. "We welcome this innovative partnership and applaud Bank of America and the Redwood Forest Foundation's bold objective to protect the ecologically rich and economically productive Usal Redwood Forest."

###

## **About**

### **Redwood Forest Foundation**

The Redwood Forest Foundation, Inc (RFFI) is a private non-profit, Section 501(c)(3) organization. RFFI's purpose is to acquire, protect, restore and manage forestlands for the long-term public benefit of the region's citizens. Our goal is to create a model of "working community forests" by purchasing and sustainably managing the once great redwood forests surrounding the communities of the redwood region in northwestern California, this will be for the social, environmental and economic benefit of all our citizens in perpetuity, by returning net profits directly back to the communities served.

### **Bank of America**

Bank of America is one of the world's largest financial institutions, serving individual consumers, small and middle market businesses and large corporations with a full range of banking, investing, asset management and other financial and risk-management products and services. The company provides unmatched convenience in the United States, serving more than 55 million consumer and small business relationships with more than 5,700 retail banking offices, through more than 17,000 ATMs and award-winning online banking with more than 21 million active users. Bank of America is the No. 1 overall Small Business Administration (SBA) lender in the United States and the No. 1 SBA lender to minority-owned small businesses. The company serves clients in 175 countries and has relationships with 98 percent of the U.S. Fortune 500 companies and 80 percent of the Global Fortune 500. Bank of America Corporation stock (NYSE: BAC) is listed on the New York Stock Exchange. Bank of America is an equal housing lender. Certain activities and services referred to in this press release are provided by Banc of America Securities LLC and other affiliates of Bank of America Corporation.