



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN

DEPARTMENT OF NATURAL RESOURCES

LANSING



REBECCA A. HUMPHRIES
DIRECTOR

January 11, 2010

TO: Rebecca A. Humphries, Director

INFORMATION: Natural Resources Commission

Transaction: State Forest Land Exchange
Crystal Falls Management Unit – Iron County
Land Transaction Case #20050569

Applicant: Tony Andreski Inc., Iron River, Michigan

Private Land Offered Iron County, Mastodon and Crystal Falls Township, T42N, R32W
In Exchange: Undivided partial interests in multiple parcels and a full interest in one parcel,
as more particularly described on the attached "Exhibit A".
266.5 equated acres, more or less.

Exchange Value: The offered 266.5 acres of private interest exceed the acreage of the desired
State land. The parcels have land characteristics and habitat values superior to
the desired parcels.

State Land Desired Iron County, Crystal Falls Township, T43N, R33W and T44N, R35W
In Exchange: Undivided partial interest in multiple parcels, as more particularly described
on the attached "Exhibit A".
263 equated acres, more or less.

Exchange Value: The desired 263 acres of State undivided interest is less than the acreage to be
acquired. The management efficiencies to be gained by this exchange of
numerous undivided interests are very beneficial to the Department.

Authority: Part 21 of Act 451, Public Acts of 1994, as amended

Notice: This item will appear on the Department of Natural Resource's (Department)
January 25, 2010 Calendar, and is eligible for approval on February 1, 2010.

NATURAL RESOURCES COMMISSION
Keith J. Charters, Chair • Mary Brown • Hurley J. Coleman, Jr. • John Madigan • Timothy L. Nichols • J. R. Richardson • Frank Wheatlake

STEVENS T. MASON BUILDING • P.O. BOX 30028 • LANSING, MICHIGAN 48909-7528
www.michigan.gov/dnr • (517) 373-2329

Great Lakes, Great Times, Great Outdoors!

Comments:

Through this exchange, the Department will acquire undivided interest ownership in a number of parcels and convey undivided interest ownership in another set of parcels. As a result, each party will consolidate their interests so that they may manage land in a more efficient manner. This transaction will eliminate the need for the Department to monitor and maintain undivided interest ownership in 360 acres of existing State-owned land.

At present, the applicant and the Department each own a variety of undivided interest shares in 1,120 acres of land in Iron County. These parcels present unique management difficulties for the Department since management activities must be coordinated with those of other shareholders.

All of the offered parcels are located within the State Forest boundary, block in exceedingly well with State Forest land, and contribute to efficient timber, recreation, and wildlife habitat management. The majority of the State interests being disposed are located outside the State Forest boundary and were approved for disposal in Phase II of the Land Consolidation Strategy.

This transaction was reviewed by Department staff and recommended for approval by the Land Exchange Review Committee on February 22, 2007. The Mineral and Land Management Section staff of the Department's Forest, Mineral and Fire Management Division has determined that it is appropriate to exchange mineral rights. Mineral rights to State-owned lands will only be conveyed to the extent that mineral rights are a part of the offered estate.

The desired State-owned lands were acquired by tax reversion in 1939. As a result of this exchange, the offered lands will assume tax-reverted status.

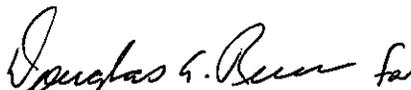
This transaction will contribute to Natural Resources Commission Policy 2627 and the Department's Land Consolidation Strategy through prudent use of the Department's exchange authority. In this transaction, the statutory requirement for a land exchange is satisfied based on offered acreage exceeding desired State acreage. In addition, acquisition of the offered private land provides a noteworthy consolidation benefit in the State Forest. The land characteristics, timber, habitat values, and management efficiencies of this exchange have been thoroughly reviewed by field staff and found to be in favor of the State. For these reasons, the expense of contracting for an appraisal of this exchange was not deemed to provide a benefit to the State and was therefore not undertaken.

January 11, 2010

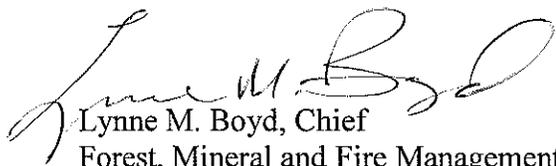
- Recommendations:
- (1) That the exchange be approved, under authority of Part 21, Act 451 of 1994, as amended, with the State reserving rights to aboriginal antiquities.
 - (2) Mineral rights to the desired State-owned lands will be conveyed to the extent that commensurate minerals are offered. If minerals (excluding sand and gravel) are not commensurate, excess State mineral acres will be retained. If sand and gravel mineral acres are not at least equivalent, the State will retain a royalty interest over excess desired sand and gravel acres conveyed.



David E. Freed, Chief
Land and Facilities



Russ Mason, Chief
Wildlife



Lynne M. Boyd, Chief
Forest, Mineral and Fire Management



Ronald A. Olson, Chief
Parks and Recreation



Kelley D. Smith, Chief
Fisheries



Arminda S. Koch
Resource Management Deputy

I approve the staff recommendations.

Rebecca A. Humphries
Director

Date Approved

Exhibit A

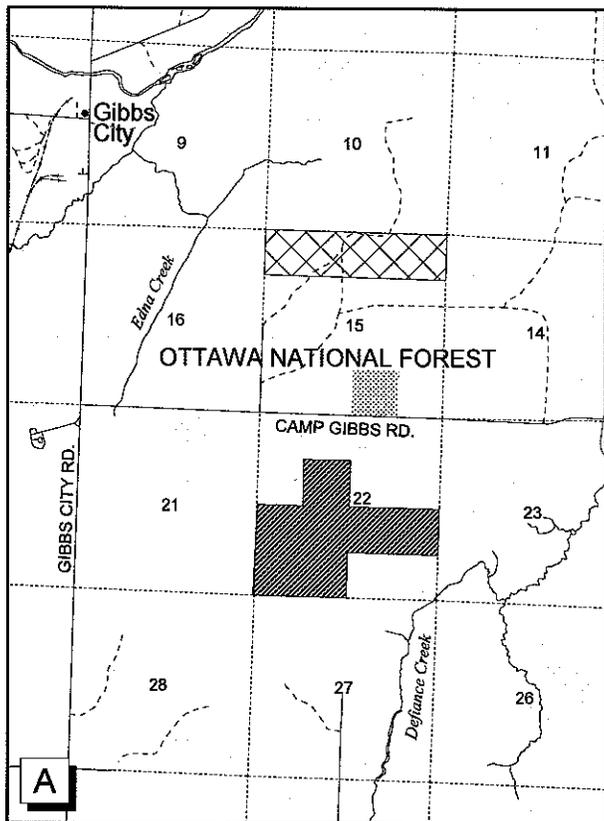
Desired State-owned Lands

1. 4/6 undivided interest in the West ½ of the Southwest ¼ of Section 19, T43N-R33W, Crystal Falls Township, Iron County, Michigan.
2. ¾ undivided interest in the Southwest ¼; AND ¾ undivided interest in the Southeast ¼ of the Northwest ¼; AND ¾ undivided interest in the North ½ of the Southeast ¼; all in Section 22 of T44N-R35W, Crystal Falls Township, Iron County, Michigan.

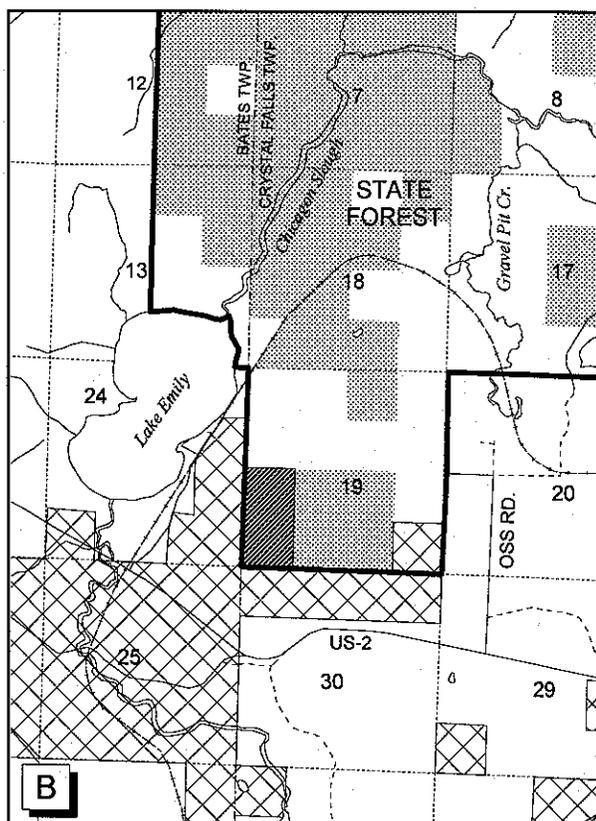
Offered Private Lands

1. 100% interest in the Northeast ¼ of the Southwest ¼ of Section 3, T42N-R32W, Mastodon Township, Iron County, Michigan.
2. 1/8 undivided interest in the Northwest ¼ of the Southwest ¼ of Section 3, T42N-R32W, Mastodon Township, Iron County, Michigan.
3. 1/6 undivided interest in the West ½ of the Northwest ¼ of Section 9, T42N-R32W, Mastodon Township, Iron County, Michigan.
4. 2/5 undivided interest in the Northeast ¼ of the Southeast ¼ of Section 9, T42N-R32W, Mastodon Township, Iron County, Michigan.
5. 1/8 undivided interest in the Southwest ¼ of the Southwest ¼ of Section 9, T42N-R32W, Mastodon Township, Iron County, Michigan.
6. 1/6 undivided interest in the East ½ of the Northwest ¼ of Section 16, T42N-R32W, Mastodon Township, Iron County, Michigan.
7. 1/6 undivided interest in the East ½ of the Southwest ¼ of Section 16, T42N-R32W, Mastodon Township, Iron County, Michigan.
8. 1/8 undivided interest in the South ½ of the Northeast ¼ of Section 16, T42N-R32W, Mastodon Township, Iron County, Michigan.
9. 7/8 undivided interest in the West ½ of the Southeast ¼ of Section 16, T42N-R32W, Mastodon Township, Iron County, Michigan.
10. 1/6 undivided interest in the Northeast ¼ of the Northwest ¼ of Section 21, T42N-R32W, Mastodon Township, Iron County, Michigan.
11. 25/28 undivided interest in the Southeast ¼ of the Southeast ¼ of Section 32, T43N-R32W, Crystal Falls Township, Iron County, Michigan.
12. 1/8 undivided interest in the East ½ of the Southeast ¼ of Section 6, T43N-R33W, Crystal Falls Township, Iron County, Michigan.
13. ½ undivided interest in the Northeast ¼ of the Northeast ¼ of Section 18, T43N-R33W, Crystal Falls Township, Iron County, Michigan.
14. 9/10 undivided interest in the Southwest ¼ of the Northeast ¼ of Section 16, T43N-R33W, Crystal Falls Township, Iron County, Michigan.

STATE FOREST LAND EXCHANGE
Crystal Falls Management Unit - Iron County
Land Transaction Case #20050569
(Map 1 of 2)

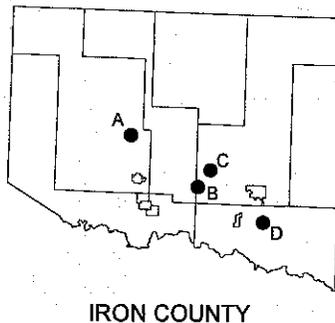


Section 22, T44N, R35W
 Crystal Falls Township



Section 19, T43N, R33W
 Crystal Falls Township

- State Forest boundary
- ▨ State land desired from DNR in exchange (263.00 equated acres total)
- ▧ Applicant's land
- ▩ State land
- Private land

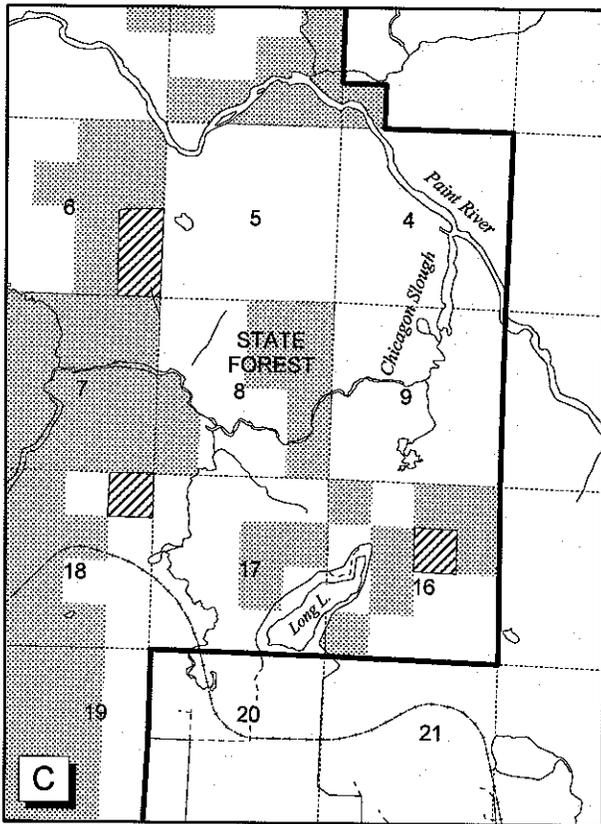


IRON COUNTY

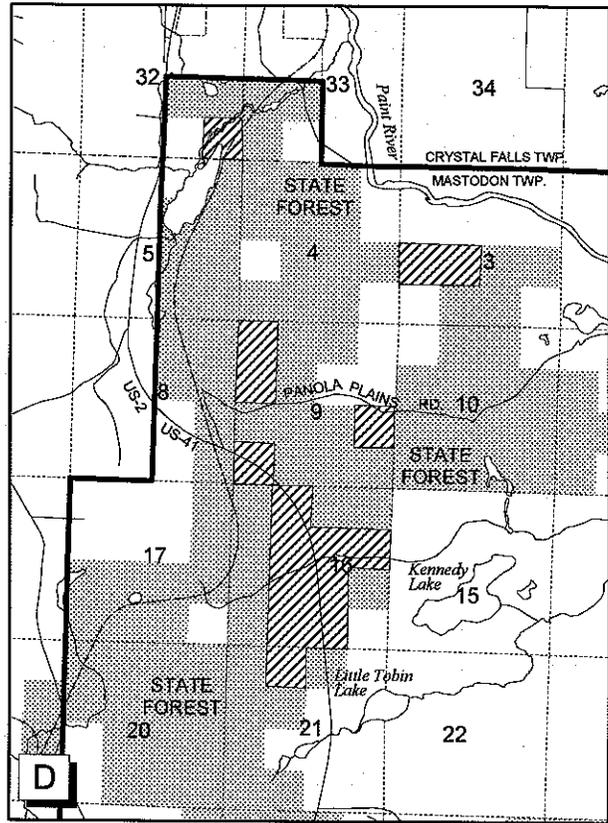


DNR-FMFM
 Dnrfile2\RAU_Projects\
 Commission_Memos\
 OLAF\20050569_exchange
 01-04-10, 4:30 pm (1 of 2)

STATE FOREST LAND EXCHANGE
Crystal Falls Management Unit - Iron County
Land Transaction Case #20050569
(Map 2 of 2)

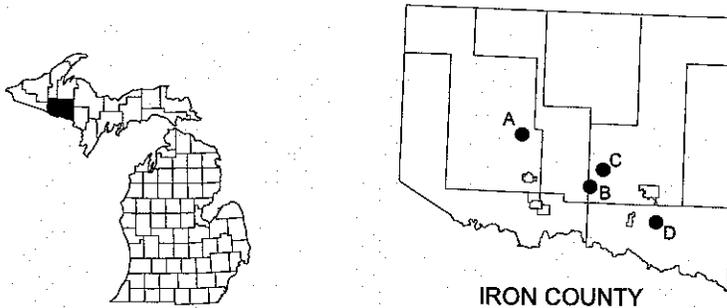


Sections 6, 16 and 18, T43N, R33W
 Crystal Falls Township



Sections 3, 9, 16 and 21, T42N, R32W
 Mastodon Township
 Section 32, T43N, R32W
 Crystal Falls Township

- State Forest boundary
- Private land offered to DNR in exchange (266.50 equated acres total)
- State land
- Private land



IRON COUNTY

