



**HAMILTON  
FARM BUREAU**

4670 E. Washington Street, Hamilton, MI 49419  
PH: 269.751.5171

September 29, 2010

Dear Hamilton Farm Bureau Stockholder,

I am excited to share with you that Zeeland Lumber has signed an agreement to purchase the former North Pacific Group's distribution center in Grand Rapids, Michigan. The purpose of this investment is to allow us to cost effectively expand the Hamilton Truss business to accommodate the growth we are experiencing.

The enclosed letter is being mailed to all of the shareholders of Zeeland Lumber. Hamilton Farm Bureau owns 25% of the Zeeland Lumber business. We have two seats on the Zeeland Lumber Board to provide strategic oversight and governance. Dan Wedeven and I currently serve in those positions. One of the key initiatives we assigned to the Zeeland Lumber management team was to create a business plan to expand the truss plant so we could minimize the outsourced truss orders. This new facility will be a key part of executing that strategic business plan.

It was always the belief of the Hamilton Farm Bureau management team that there was more than enough truss business in the market to fill our production schedule. We also felt that if we effectively marketed the great product we were manufacturing, then we would need to expand. The combination of the operations of Hamilton Lumber and Zeeland Lumber in January of 2009 allowed us to quickly grow to that point. Over the past eighteen months, we have been running the facility at capacity and outsourcing the rest of the truss orders to our competitors.

We feel fortunate that we were able to find a facility that met our requirements and that was priced significantly below the cost of new construction. It is our hope that you will view the purchase of this facility as a means of strengthening the value of your investment in Zeeland Lumber. While we expect that all of the truss production employees and product engineering team will relocate to this new facility, we also will continue to operate the product showroom with its current inventory in Hamilton.

I recommend that you read the enclosed letter to learn more about the facility. If you have questions, please feel free to contact me at 269.751.1001.

Sincerely,

Bob Fenton  
President/CEO

Encl.



# Zeeland Lumber & Supply Co.

concepts | showrooms

146 E. Washington Avenue - Zeeland, MI 49464 Phone: (616) 772-2119; Fax: (616) 772-6409

September 29, 2010

Dear Shareholder,

We are pleased to announce that Zeeland Lumber has entered into an agreement to purchase the former North Pacific Group (NORPAC) location at 5836 Clay Avenue in Grand Rapids, Michigan. It is our intention to relocate the Hamilton Truss manufacturing operations from Hamilton to this facility to accommodate our growth. The new facility will allow Hamilton Truss, LLC to more than double its production of roof trusses and expand into floor trusses, wall panels and building components. In addition, we anticipate that it will add up to 40 jobs over the next 3 years to support the expansion.

The truss operation is a strong competitive advantage for our customers and sales team in this challenging economy. It has allowed us to be a single source of building products for many of our customers. These customers have blessed us with more truss business than our current facility in Hamilton is able to manufacture. Our employee manufacturing team has been running the current facility 24 hours a day and we are still outsourcing truss business to our competitors.

We realize that in order to service all of our customers and maximize the financial opportunity available to the organization, we need to expand our facilities. The management team examined several options that included expanding our location in Hamilton, purchasing land to build a new facility in Zeeland adjacent to our logistics center and buying an existing facility. After much consideration, the NORPAC location was the best option due to its location, size and cost.

The facility is on 7 acres of fenced, paved property. It offers us 60,000 square feet of warehouse space for manufacturing, 2,000 square feet of office space and a Class A rail spur for receiving product. It is centrally located to the potential growth markets of Grand Rapids, Lansing, Kalamazoo, South Bend and Traverse City. With its close proximity to US 131 and M-6, it allows efficient routes back to our traditional base of business in Hamilton, Holland and Zeeland.

NORPAC filed bankruptcy January 20, 2010. We are purchasing this property through a court appointed receiver. It is our expectation that the process will take up to 75 days to complete. If we clear the court hurdles and receive a satisfactory environmental study, we then intend to close on the property and immediately begin the transition of moving our equipment and employee team to the new facility.

We will continue to operate a Concepts showroom with the required amount of inventory in Hamilton to support our customers accustomed to using this resource. If you have any questions, please feel free to contact us regarding this exciting next step in our growth.

Sincerely,

Mary L. Tabin  
Board Chairperson

Bob Fenton  
Board Vice President

P.S. Mary can be reached at (616)233-5174 and Bob at (269)751-1001.