
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 26, 2009

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Commission File Number 0-22684

UNIVERSAL FOREST PRODUCTS, INC.

(Exact name of registrant as specified in its charter)

<u>Michigan</u> (State or other jurisdiction of incorporation or organization)	<u>38-1465835</u> (I.R.S. Employer Identification Number)
<u>2801 East Beltline NE, Grand Rapids, Michigan</u> (Address of principal executive offices)	<u>49525</u> (Zip Code)

Registrant's telephone number, including area code (616) 364-6161

NONE
(Former name or former address, if changed since last report.)

Indicate by checkmark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☐ No ☐

Indicate by checkmark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer ☒ Accelerated Filer ☐ Non-Accelerated Filer ☐ Smaller reporting company ☐

Indicate by checkmark whether the registrant is a shell company (as defined by Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

<u>Class</u>	<u>Outstanding as of September 26, 2009</u>
<u>Common stock, no par value</u>	<u>19,355,748</u>

UNIVERSAL FOREST PRODUCTS, INC.

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UNIVERSAL FOREST PRODUCTS, INC.
CONSOLIDATED CONDENSED BALANCE SHEETS
(Unaudited)

(in thousands, except share data)	September 26, 2009	December 27, 2008	September 27, 2008
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	\$ 79,976	\$ 13,337	\$ 31,459
Accounts receivable, net	162,875	138,043	230,106
Inventories:			
Raw materials	80,326	109,942	112,150
Finished goods	61,774	83,554	85,693
	142,100	193,496	197,843
Assets held for sale	3,057	8,296	11,950
Refundable income taxes		6,283	11,884
Other current assets	23,242	21,453	34,363
TOTAL CURRENT ASSETS	411,250	380,908	517,605
OTHER ASSETS	3,439	5,927	7,587
GOODWILL AND INDEFINITE-LIVED INTANGIBLE ASSETS	156,936	159,263	158,287
OTHER INTANGIBLE ASSETS, net	18,873	22,751	25,225
PROPERTY, PLANT AND EQUIPMENT:			
Property, plant and equipment	508,691	505,177	505,296
Accumulated depreciation and amortization	(278,134)	(258,007)	(255,218)
PROPERTY, PLANT AND EQUIPMENT, NET	230,557	247,170	250,078
TOTAL ASSETS	\$ 821,055	\$ 816,019	\$ 958,782
LIABILITIES AND EQUITY			
CURRENT LIABILITIES:			
Accounts payable	\$ 70,817	\$ 63,184	\$ 101,430
Accrued liabilities:			
Compensation and benefits	54,585	49,306	53,631
Other	32,048	22,620	38,827
Current portion of long-term debt and capital lease obligations	3,064	15,490	445
TOTAL CURRENT LIABILITIES	160,514	150,600	194,333
LONG-TERM DEBT AND CAPITAL LEASE OBLIGATIONS, less current portion	53,168	85,684	166,713
DEFERRED INCOME TAXES	17,703	17,056	24,519
OTHER LIABILITIES	13,956	14,453	17,952
TOTAL LIABILITIES	245,341	267,793	403,517
EQUITY:			
Controlling interest shareholders' equity:			
Preferred stock, no par value; shares authorized 1,000,000; issued and outstanding, none			
Common stock, no par value; shares authorized 40,000,000; issued and outstanding 19,355,748, 19,088,880 and 19,075,475	\$ 19,356	\$ 19,089	\$ 19,075
Additional paid-in capital	132,156	128,830	128,271
Retained earnings	416,853	393,312	395,250
Accumulated other comprehensive earnings	3,375	2,353	4,557
	571,740	543,584	547,153
Employee stock notes receivable	(1,780)	(1,701)	(1,763)
	569,960	541,883	545,390
Noncontrolling interest	5,754	6,343	9,875
TOTAL EQUITY	575,714	548,226	555,265
TOTAL LIABILITIES AND EQUITY	\$ 821,055	\$ 816,019	\$ 958,782

See notes to unaudited consolidated condensed financial statements.

UNIVERSAL FOREST PRODUCTS, INC.
CONSOLIDATED CONDENSED STATEMENTS OF EARNINGS
(Unaudited)

(in thousands, except per share data)	Three Months Ended		Nine Months Ended	
	September 26, 2009	September 27, 2008	September 26, 2009	September 27, 2008
NET SALES	\$ 457,768	\$ 610,744	\$ 1,334,435	\$ 1,808,741
COST OF GOODS SOLD	388,505	546,094	1,135,866	1,604,393
GROSS PROFIT	69,263	64,650	198,569	204,348
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	51,198	58,046	156,310	178,302
NET (GAIN) LOSS ON DISPOSITION OF ASSETS AND OTHER IMPAIRMENT AND EXIT CHARGES	606	5,339	(1,246)	6,554
EARNINGS FROM OPERATIONS	17,459	1,265	43,505	19,492
INTEREST EXPENSE	900	2,705	3,403	9,589
INTEREST INCOME	(79)	(211)	(258)	(763)
	821	2,494	3,145	8,826
EARNINGS (LOSS) BEFORE INCOME TAXES	16,638	(1,229)	40,360	10,666
INCOME TAXES	6,378	535	14,808	4,655
NET EARNINGS (LOSS)	10,260	(1,764)	25,552	6,011
LESS NET EARNINGS ATTRIBUTABLE TO NONCONTROLLING INTEREST	(206)	(187)	(617)	(875)
NET EARNINGS (LOSS) ATTRIBUTABLE TO CONTROLLING INTEREST	<u>\$ 10,054</u>	<u>\$ (1,951)</u>	<u>\$ 24,935</u>	<u>\$ 5,136</u>
EARNINGS (LOSS) PER SHARE — BASIC	\$ 0.52	\$ (0.10)	\$ 1.30	\$ 0.27
EARNINGS (LOSS) PER SHARE — DILUTED	\$ 0.51	\$ (0.10)	\$ 1.28	\$ 0.27
WEIGHTED AVERAGE SHARES OUTSTANDING FOR BASIC EARNINGS (LOSS)	19,307	19,092	19,244	19,045
WEIGHTED AVERAGE SHARES OUTSTANDING FOR DILUTED EARNINGS (LOSS)	19,585	19,092	19,442	19,233

See notes to unaudited consolidated condensed financial statements.

UNIVERSAL FOREST PRODUCTS, INC.
CONSOLIDATED CONDENSED STATEMENTS OF EQUITY
(Unaudited)

(in thousands, except share and per share data)	Controlling Interest Shareholders' Equity						Total
	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Earnings	Employees Stock Notes Receivable	Noncontrolling Interest	
Balance at December 29, 2007	\$ 18,908	\$ 123,368	\$ 391,253	\$ 4,704	\$ (1,565)	\$ 10,376	\$ 547,044
Comprehensive income:							
Net earnings			5,136			875	
Foreign currency translation adjustment				(147)		10	
Total comprehensive income							5,874
Capital contribution from noncontrolling interest						419	419
Purchase of additional noncontrolling interest						(844)	(844)
Distributions to noncontrolling interest						(961)	(961)
Cash dividends — \$0.060 per share			(1,139)				(1,139)
Issuance of 161,104 shares under employee stock plans	161	2,830					2,991
Issuance of 3,310 shares under stock grant programs	3	92					95
Issuance of 13,242 shares under deferred compensation plans	13	(13)					—
Received 17,396 shares for the exercise of stock options	(17)	(563)					(580)
Tax benefits from non-qualified stock options exercised		841					841
Expense associated with share-based compensation arrangements		875					875
Accrued expense under deferred compensation plans		611					611
Issuance of 7,374 shares in exchange for employee stock notes receivable	7	230			(237)		—
Payments received on employee stock notes receivable					39		39
Balance at September 27, 2008	\$ 19,075	\$ 128,271	\$ 395,250	\$ 4,557	\$ (1,763)	\$ 9,875	\$ 555,265
Balance at December 27, 2008	\$ 19,089	\$ 128,830	\$ 393,312	\$ 2,353	\$ (1,701)	\$ 6,343	\$ 548,226
Comprehensive income:							
Net earnings			24,935			617	
Foreign currency translation adjustment				1,022		(33)	
Total comprehensive income							26,541
Capital contribution from noncontrolling interest						14	14
Purchase of additional noncontrolling interest		(853)				(917)	(1,770)
Distributions to noncontrolling interest						(270)	(270)
Cash dividends — \$0.060 per share			(1,158)				(1,158)
Issuance of 118,267 shares under employee stock plans	118	1,991					2,109
Issuance of 79,084 shares under stock grant programs	79	24					103
Issuance of 73,611 shares under deferred compensation plans	74	(74)					—
Repurchase of 6,213 shares	(6)		(236)				(242)
Received 1,602 shares for the exercise of stock options	(2)	(33)					(35)
Tax benefits from non-qualified stock options exercised		705					705
Deferred tax asset reversal for deferred compensation plans		(518)					(518)
Expense associated with share-based compensation arrangements		1,417					1,417
Accrued expense under deferred compensation plans		546					546
Issuance of 3,721 shares in exchange for employees' stock notes receivable	4	121			(125)		—
Payments received on employee stock notes receivable					46		46
Balance at September 26, 2009	\$ 19,356	\$ 132,156	\$ 416,853	\$ 3,375	\$ (1,780)	\$ 5,754	\$ 575,714

See notes to unaudited consolidated condensed financial statements.

UNIVERSAL FOREST PRODUCTS, INC.
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
(Unaudited)

(in thousands)	Nine Months Ended	
	September 26, 2009	September 27, 2008
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net earnings attributable to controlling interest	\$ 24,935	\$ 5,136
Adjustments to reconcile net earnings to net cash from operating activities:		
Depreciation	24,604	28,929
Amortization of intangibles	6,414	7,322
Expense associated with share-based compensation arrangements	1,417	875
Excess tax benefits from share-based compensation arrangements	(302)	(162)
Expense associated with stock grant plans	103	95
Deferred income taxes (credit)	151	(137)
Net earnings attributable to noncontrolling interest	617	875
Net (gain) loss on sale or impairment of assets	(1,892)	5,293
Changes in:		
Accounts receivable	(24,342)	(85,884)
Inventories	51,488	40,985
Accounts payable	7,578	16,395
Accrued liabilities and other	21,160	13,592
NET CASH FROM OPERATING ACTIVITIES	111,931	33,314
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(9,497)	(13,959)
Acquisitions, net of cash received	—	(23,338)
Proceeds from sale of property, plant and equipment	10,408	30,152
Advances on notes receivable	(14)	(997)
Collections of notes receivable	134	500
Insurance proceeds	1,023	—
Other, net	16	(52)
NET CASH FROM INVESTING ACTIVITIES	2,070	(7,694)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net repayments under revolving credit facilities	(30,257)	(36,657)
Repayment of long-term debt	(16,830)	(2,332)
Borrowings of long-term debt	800	—
Proceeds from issuance of common stock	2,109	2,762
Purchase of additional noncontrolling interest	(1,770)	—
Distributions to noncontrolling interest	(270)	(961)
Investment received from minority shareholder	14	419
Dividends paid to shareholders	(1,158)	(1,139)
Repurchase of common stock	(242)	—
Excess tax benefits from share-based compensation arrangements	302	162
Other, net	(60)	(20)
NET CASH FROM FINANCING ACTIVITIES	(47,362)	(37,766)
NET CHANGE IN CASH AND CASH EQUIVALENTS	66,639	(12,146)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	13,337	43,605
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 79,976	\$ 31,459
SUPPLEMENTAL SCHEDULE OF CASH FLOW INFORMATION:		
Cash paid (refunded) during the period for:		
Interest	\$ 3,074	\$ 7,572
Income taxes	5,964	805

UNIVERSAL FOREST PRODUCTS, INC.
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS -
(CONTINUED)

	Nine Months Ended	
	September 26, 2009	September 27, 2008
NON-CASH FINANCING ACTIVITIES:		
Stock acquired through employees' stock notes receivable	\$ 125	\$ 237
NON-CASH FINANCING ACTIVITIES:		
Common stock issued under deferred compensation plans	\$ 2,461	\$ 262
Stock received for the exercise of stock options, net	35	352

See notes to unaudited consolidated condensed financial statements.

UNIVERSAL FOREST PRODUCTS, INC.

NOTES TO UNAUDITED
CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

A. BASIS OF PRESENTATION

The accompanying unaudited, interim, consolidated, condensed financial statements (the “Financial Statements”) include our accounts and those of our wholly-owned and majority-owned subsidiaries and partnerships, and have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission. Accordingly, the Financial Statements do not include all of the information and footnotes normally included in the annual consolidated financial statements prepared in accordance with accounting principles generally accepted in the United States. All intercompany transactions and balances have been eliminated.

In our opinion, the Financial Statements contain all material adjustments necessary to present fairly our consolidated financial position, results of operations and cash flows for the interim periods presented. All such adjustments are of a normal recurring nature. These Financial Statements should be read in conjunction with the annual consolidated financial statements, and footnotes thereto, included in our Annual Report to Shareholders on Form 10-K for the fiscal year ended December 27, 2008.

Effective at the beginning of the fiscal year ending December 26, 2009, we adopted Accounting Standards Codification (“ASC”) 810, *Noncontrolling Interests in Consolidated Financial Statements* (“ASC 810”). ASC 810 establishes new accounting and reporting standards for the noncontrolling interest in a subsidiary and for the deconsolidation of a subsidiary. Specifically, this statement requires the recognition of a noncontrolling interest (minority interest) as equity in the consolidated financial statements and separate from the parent’s equity. The amount of net income attributable to the noncontrolling interest will be included in consolidated net income on the face of the income statement. ASC 810 clarifies that changes in a parent’s ownership interest in a subsidiary that do not result in deconsolidation are equity transactions if the parent retains its controlling financial interest. In addition, this statement requires that a parent recognize a gain or loss in net income when a subsidiary is deconsolidated. Such gain or loss will be measured using the fair value of the noncontrolling equity investment on the deconsolidation date. ASC 810 also includes expanded disclosure requirements regarding the interests of the parent and its noncontrolling interest. The adoption of ASC 810 did not have a material impact on our consolidated financial statements.

Effective at the beginning of the fiscal year ending December 26, 2009, we adopted ASC 260, *Determining Whether Instruments Granted in Share-Based Payment Transactions are Participating Securities* (“ASC 260”). ASC 260 clarifies that unvested share-based payment awards with a right to receive nonforfeitable dividends are participating securities and also provides guidance on how to allocate earnings to participating securities and compute basic earnings per share using the two-class method. The adoption of ASC 260 impacts our Executive Stock Grant Plan and it had no impact on our earnings per share calculation.

Subsequent events have been evaluated through our filing date October 21, 2009.

UNIVERSAL FOREST PRODUCTS, INC.

B. FAIR VALUE

Effective at the beginning of the fiscal year ended December 27, 2008, we adopted ASC 820, *Fair Value Measurements* (“ASC 820”). This new standard establishes a framework for measuring the fair value of assets and liabilities. This framework is intended to provide increased consistency in how fair value determinations are made under various existing accounting standards which permit, or in some cases require, estimates of fair market value. ASC 820 also expands financial statement disclosure requirements about a company’s use of fair value measurements, including the effect of such measures on earnings. The adoption has not had a material impact on our consolidated financial statements.

Effective at the beginning of the fiscal year ended December 26, 2009, we adopted the nonfinancial asset and liability provisions of ASC 820 that were previously deferred by the standard.

Assets and liabilities measured at fair value are as follows:

(in thousands)	September 26, 2009			September 27, 2008		
	Total	Quoted Prices in Active Markets (Level 1)	Prices with Other Observable Inputs (Level 2)	Total	Quoted Prices in Active Markets (Level 1)	Prices with Other Observable Inputs (Level 2)
Assets:						
Trading marketable securities	\$ 813	\$ 813		\$ 4,544	\$ 4,544	
Assets held for sale				410		\$ 410
Property, plant and equipment	1,350		\$ 1,350	1,205		1,205
	<u>\$ 2,163</u>	<u>\$ 813</u>	<u>\$ 1,350</u>	<u>\$ 6,159</u>	<u>\$ 4,544</u>	<u>\$ 1,615</u>

Effective at the beginning of the fiscal year ended December 27, 2008, we adopted ASC 825, *The Fair Value Option for Financial Assets and Financial Liabilities* (“ASC 825”). ASC 825 allows companies to choose to measure certain financial instruments and certain other items at fair value. The statement requires that unrealized gains and losses are reported in earnings for items measured using the fair value option and establishes presentation and disclosure requirements. We have elected not to apply the fair value option to any of our financial instruments except for those expressly required by U.S. GAAP.

UNIVERSAL FOREST PRODUCTS, INC.

C. REVENUE RECOGNITION

Earnings on construction contracts are reflected in operations using either percentage-of-completion accounting, which includes the cost to cost and units of delivery methods, or completed contract accounting, depending on the nature of the business at individual operations. Under percentage-of-completion using the cost to cost method, revenues and related earnings on construction contracts are measured by the relationships of actual costs incurred related to the total estimated costs. Under percentage-of-completion using the units of delivery method, revenues and related earnings on construction contracts are measured by the relationships of actual units produced related to the total number of units. Revisions in earnings estimates on the construction contracts are recorded in the accounting period in which the basis for such revisions becomes known. Projected losses on individual contracts are charged to operations in their entirety when such losses become apparent. Under the completed contract method, revenues and related earnings are recorded when the contracted work is complete and losses are charged to operations in their entirety when such losses become apparent.

The following table presents the balances of percentage-of-completion accounts which are included in “Other current assets” and “Accrued liabilities: Other”, respectively (in thousands):

	September 26, 2009	December 27, 2008	September 27, 2008
Cost and Earnings in Excess of Billings	\$ 11,117	\$ 7,934	\$ 20,755
Billings in Excess of Cost and Earnings	7,027	5,882	13,752

D. EARNINGS PER SHARE

A reconciliation of the changes in the numerator and the denominator from the calculation of basic EPS to the calculation of diluted EPS follows (in thousands, except per share data):

Three Months Ended September 26, 2009			Three Months Ended September 27, 2008		
Income (Numerator)	Shares (Denominator)	Per Share Amount	Loss (Numerator)	Shares (Denominator)	Per Share Amount
Net Earnings (Loss)					
Attributable to					
Controlling Interest	\$ 10,054		\$ (1,951)		
EPS — Basic					
Income available to common stockholders	10,054	19,307	\$ 0.52	(1,951)	19,092
					\$ (0.10)
Effect of dilutive securities					
Options		278		—	
EPS — Diluted					
Income available to common stockholders and assumed options exercised	\$ 10,054	19,585	\$ 0.51	\$ (1,951)	19,092
					\$ (0.10)

UNIVERSAL FOREST PRODUCTS, INC.

	Nine Months Ended September 26, 2009			Nine Months Ended September 27, 2008		
	Income (Numerator)	Shares (Denominator)	Per Share Amount	Income (Numerator)	Shares (Denominator)	Per Share Amount
Net Earnings Attributable to Controlling Interest	\$ 24,935			\$ 5,136		
EPS — Basic						
Income available to common stockholders	24,935	19,244	\$ 1.30	5,136	19,045	\$ 0.27
Effect of dilutive securities						
Options		198			188	
EPS — Diluted						
Income available to common stockholders and assumed options exercised	\$ 24,935	19,442	\$ 1.28	\$ 5,136	19,233	\$ 0.27

No outstanding options were excluded from the computation of diluted EPS for the quarter ended September 26, 2009.

Options to purchase 10,000 shares of common stock were not included in the computation of diluted EPS for the nine months ended September 26, 2009 because the options' exercise price was greater than the average market price of the common stock during the period and, therefore would be antidilutive.

Options to purchase shares and certain other shares of common stock were not included in the computation of diluted EPS because they were antidilutive given the net loss for the quarter ended September 27, 2008.

Options to purchase 30,000 shares of common stock were not included in the computation of diluted EPS for the nine months ended September 27, 2008 because the options' exercise price was greater than the average market price of the common stock during the period and, therefore would be antidilutive.

UNIVERSAL FOREST PRODUCTS, INC.

E. SALE OF ACCOUNTS RECEIVABLE

On March 8, 2006 we entered into an accounts receivable sale arrangement with a bank that was terminated on September 26, 2008. Under the terms of this arrangement:

- We sold specific receivables to the bank at an agreed-upon price at terms ranging from one month to one year.
- We serviced the receivables sold and outstanding on behalf of the bank at a rate of 0.50% per annum.
- We received an incentive servicing fee, which we account for as a retained interest in the receivables sold. Our retained interest is determined based on the fair market value of anticipated collections in excess of the Agreed Base Value of the receivables sold. Appropriate valuation allowances are recorded against the retained interest.
- The maximum amount of receivables, net of retained interest, which may be sold and outstanding at any point in time under this arrangement was \$50 million.

No receivables were outstanding as of September 26, 2009 and September 27, 2008. A summary of the transactions we completed for the first nine months of 2008 are presented below (in thousands).

	Nine Months Ended September 27, 2008
Accounts receivable sold	\$ 369,242
Retained interest in receivables	(2,432)
Expense from sale	(882)
Servicing fee received	118
Net cash received from sale	<u>\$ 366,046</u>

F. ASSETS HELD FOR SALE AND NET (GAIN) LOSS ON DISPOSITION OF ASSETS AND OTHER IMPAIRMENTS AND EXIT CHARGES

Included in “Assets held for sale” on our Consolidated Condensed Balance Sheets are certain property, plant and equipment totaling \$3.1 million on September 26, 2009 and \$11.9 million on September 27, 2008. The assets held for sale consist of certain vacant land and several facilities we closed to better align manufacturing capacity with the current business environment. The fair values were determined based on appraisals or recent offers to acquire the assets. These and other idle assets were evaluated based on the requirements of ASC 360, which resulted in certain impairment and other exit charges. “Net (gain) loss on disposition of assets and other impairment and exit charges” consists of the following amounts, separated by reporting segment, for the periods presented below (in millions):

	Three Months Ended September 26, 2009		Three Months Ended September 27, 2008	
	Eastern and Western Divisions	All Other	Eastern and Western Divisions	All Other
Severances			\$ 0.5	
Property, plant and equipment	\$ 0.6		1.9	\$ 0.6
Gain on sale of real estate			(0.4)	
Notes receivable			1.6	
Lease termination			0.5	
Other intangibles			0.6	

UNIVERSAL FOREST PRODUCTS, INC.

	Nine Months Ended September 26, 2009		Nine Months Ended September 27, 2008	
	Eastern and Western Divisions	All Other	Eastern and Western Divisions	All Other
Severances	\$ 0.6		\$ 1.2	
Property, plant and equipment	1.7		2.4	\$ 0.7
Gain on sale of real estate	(3.5)		(0.4)	
Notes receivable			1.6	
Lease termination			0.5	
Other intangibles			0.6	

The changes in assets held for sale in 2009 are as follows (in thousands):

Description	Net Book Value	Date of Sale	Net Sale Price
Assets held for sale as of December 27, 2008	\$ 8,296		
Additions	1,030		
Sale of certain real estate in Woodburn, Oregon	(2,806)	February 6, 2009	\$5.2 million
Sale of certain real estate in Dallas, Texas	(2,433)	May 13, 2009	\$3.4 million
Sale of certain real estate in Murrieta, California	(1,030)	June 10, 2009	\$0.9 million
Assets held for sale as of September 26, 2009	<u>\$ 3,057</u>		

G. COMMITMENTS, CONTINGENCIES, AND GUARANTEES

We are self-insured for environmental impairment liability, including certain liabilities which are insured through a wholly owned subsidiary, UFP Insurance Ltd., a licensed captive insurance company.

We own and operate a number of facilities throughout the United States that chemically treat lumber products. In connection with the ownership and operation of these and other real properties, and the disposal or treatment of hazardous or toxic substances, we may, under various federal, state, and local environmental laws, ordinances, and regulations, be potentially liable for removal and remediation costs, as well as other potential costs, damages, and expenses. Environmental reserves, calculated with no discount rate, have been established to cover remediation activities at our affiliates' wood preservation facilities in Stockertown, PA; Elizabeth City, NC; Auburndale, FL; Gordon, PA; Janesville, WI; Medley, FL; and Ponce, PR. In addition, a reserve was established for our affiliate's facility in Thornton, CA to remove certain lead containing materials which existed on the property at the time of purchase. During the second quarter, a subsidiary entered into a consent order with the State of Florida to conduct additional testing at the Auburndale, FL facility. We admitted no liability and the costs are not expected to be material.

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On a consolidated basis, we have reserved approximately \$4.4 million on September 26, 2009 and \$4.4 million on September 27, 2008, representing the estimated costs to complete future remediation efforts. These amounts have not been reduced by an insurance receivable.

From time to time, various special interest environmental groups have petitioned certain states requesting restrictions on the use or disposal of CCA treated products. The wood preservation industry trade groups are working with the individual states and their regulatory agencies to provide an accurate, factual background which demonstrates that the present method of uses and disposal is scientifically supported. We market a modest amount of CCA treated products for permitted, non-residential applications.

We have not accrued for any potential loss related to the contingencies above. However, potential liabilities of this nature are not conducive to precise estimates and are subject to change.

In addition, on September 26, 2009, we were parties either as plaintiff or a defendant to a number of lawsuits and claims arising through the normal course of our business. In the opinion of management, our consolidated financial statements will not be materially affected by the outcome of these contingencies and claims.

On September 26, 2009, we had outstanding purchase commitments on capital projects of approximately \$1.6 million.

We provide a variety of warranties for products we manufacture. Historically, warranty claims have not been material.

In certain cases we supply building materials and labor to site-built construction projects or we jointly bid on contracts with framing companies for such projects. In some instances we are required to post payment and performance bonds to insure the owner that the products and installation services are completed in accordance with our contractual obligations. We have agreed to indemnify the surety for claims made against the bonds. As of September 26, 2009, we had approximately \$20.7 million in outstanding payment and performance bonds for projects in progress, which expire during the next two years. In addition, approximately \$28.5 million in payment and performance bonds are outstanding for completed projects which are still under warranty.

We have entered into operating leases for certain personal property assets that include a guarantee of a portion of the residual value of the leased assets. If at the expiration of the initial lease term we do not exercise our option to purchase the leased assets and these assets are sold by the lessor for a price below a predetermined amount, we will reimburse the lessor for a certain portion of the shortfall. These operating leases will expire periodically over the next five years. The estimated maximum aggregate exposure of these guarantees is approximately \$1.6 million.

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On September 26, 2009, we had outstanding letters of credit totaling \$34.7 million, primarily related to certain insurance contracts and industrial development revenue bonds as further described below.

In lieu of cash deposits, we provide irrevocable letters of credit in favor of our insurers to guarantee our performance under certain insurance contracts. We currently have irrevocable letters of credit outstanding totaling approximately \$19.9 million for these types of insurance arrangements. We have reserves recorded on our balance sheet, in accrued liabilities, that reflect our expected future liabilities under these insurance arrangements.

We are required to provide irrevocable letters of credit in favor of the bond trustees for all of the industrial development revenue bonds that we have issued. These letters of credit guarantee principal and interest payments to the bondholders. We currently have irrevocable letters of credit outstanding totaling approximately \$14.8 million related to our outstanding industrial development revenue bonds. These letters of credit have varying terms but may be renewed at the option of the issuing banks.

Certain wholly owned domestic subsidiaries have guaranteed the indebtedness of Universal Forest Products, Inc. in certain debt agreements, including the Series 2002-A Senior Notes and our revolving credit facility. The maximum exposure of these guarantees is limited to the indebtedness outstanding under these debt arrangements and this exposure will expire concurrent with the expiration of the debt agreements.

Many of our wood treating operations utilize "Subpart W" drip pads, defined as hazardous waste management units by the EPA. The rules regulating drip pads require that the pad be "closed" at the point that it is no longer intended to be used for wood treating operations or to manage hazardous waste. Closure involves identification and disposal of contaminants which are required to be removed from the facility. The cost of closure is dependent upon a number of factors including, but not limited to, identification and removal of contaminants, cleanup standards that vary from state to state, and the time period over which the cleanup would be completed. Based on our present knowledge of existing circumstances, it is considered probable that these costs will approximate \$0.3 million. As a result, this amount is recorded in other long-term liabilities on September 26, 2009.

We did not enter into any new guarantee arrangements during the third quarter of 2009 which would require us to recognize a liability on our balance sheet.

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H. BUSINESS COMBINATIONS

No business combinations were completed in fiscal 2009. We completed the following business combinations in fiscal 2008 which were accounted for using the purchase method (in millions).

Company Name	Acquisition Date	Purchase Price	Intangible Assets	Net Tangible Assets	Reportable Segment	Business Description
D-Stake Mill and Manufacturing Country ("D-Stake")	June 9, 2008	\$7.1 (asset purchase)	\$ 5.1	\$ 2.0	Western Division	Manufactures kiln stickers, lath, stakes, decking, and pallets and pallet components for a variety of industries including manufacturing, retail and agriculture. Plants are located in McMinnville, OR and Independence, OR. Combined 2007 sales were \$18.5 million. Purchased 100% of the inventory, property, plant and equipment, and intangibles.
Shawnlee Construction, LLC ("Shawnlee")	April 1, 2008	\$1.8 (asset purchase)	\$ 1.0	\$ 0.8	Eastern Division	Provides framing services for multi-family construction in the northeast. Located in Plainville, MA. As of April 1, 2008 we owned a 90% membership interest and have purchased and additional 5% interest each year.
Romano Construction Company, Ltd. ("Romano")	March 15, 2008	\$0.4 (asset purchase)	\$ 0.2	\$ 0.2	Eastern Division	Provides framing services and is located in Middletown, NY. Purchased 100% of the property, plant and equipment and intangibles.
International Wood Industries, Inc. ("IWI")	February 4, 2008	\$14.0 (stock purchase)	\$ 10.6	\$ 3.4	Western Division	Manufactures and distributes industrial products, including specialty boxes, crates, pallets and skids. Headquartered in Turlock, CA with distribution sites in Hawaii and Alaska. 2007 sales were \$40.0 million. Purchased 100% voting interest.

The amounts assigned to major intangible classes for business combinations mentioned above are as follows (in millions):

	Non-compete agreements	Customer Relationships	Goodwill - Total	Goodwill - Tax Deductible
D-Stake	\$ 2.6		\$ 2.5	\$ 2.5
Shawnlee	0.3	\$ 0.4	0.3	0.3

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The purchase price allocation for IWI was finalized during the first quarter of fiscal 2009 as follows (in millions).

	Non-compete agreements	Customer Relationships	Goodwill - Total	Goodwill - Tax Deductible
IWI — preliminary	5.4		5.2	
Final purchase price allocations	(3.0)	5.6	(2.6)	
IWI — final	2.4	5.6	2.6	0.0

The business combinations mentioned above were not significant to our operating results individually or in aggregate, and thus pro forma results are not presented.

I. SEGMENT REPORTING

ASC 280, *Disclosures about Segments of an Enterprise and Related Information* (“ASC 280”) defines operating segments as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance.

Under the definition of a segment, our Eastern, Western and Consumer Products Divisions may be considered an operating segment of our business. Under ASC 280, segments may be aggregated if the segments have similar economic characteristics and if the nature of the products, distribution methods, customers and regulatory environments are similar. Based on this criteria, we have aggregated our Eastern and Western Divisions into one reporting segment. Our Consumer Products Division is included in the “All Other” column in the table below. Our divisions operate manufacturing and treating facilities throughout North America. A summary of results for the first nine months of 2009 and 2008 are presented below (in thousands).

	Nine Months Ended September 26, 2009			Nine Months Ended September 27, 2008		
	Eastern and Western Divisions	All Other	Total	Eastern and Western Divisions	All Other	Total
Net sales to outside customers	\$ 1,242,119	\$ 92,316	\$ 1,334,435	\$ 1,740,037	\$ 68,704	\$ 1,808,741
Intersegment net sales	0	29,239	29,239	0	24,510	24,510
Segment operating profit	36,845	6,660	43,505	17,980	1,512	19,492

J. SUBSEQUENT EVENT

On October 19, we announced a semi-annual dividend of \$0.20 per share, payable December 15, 2009 to the shareholders of record on December 1, 2009. The dividend was approved by our Board of Directors at their October 15, 2009 meeting.

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**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

Included in this report are certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The forward-looking statements are based on the beliefs and assumptions of management, together with information available to us when the statements were made. Future results could differ materially from those included in such forward-looking statements as a result of, among other things, the factors set forth below and certain economic and business factors which may be beyond our control. Investors are cautioned that all forward-looking statements involve risks and uncertainty. We also encourage you to read our Annual Report on Form 10-K, filed with the United States Securities and Exchange Commission. That report includes "Risk Factors" that you should consider in connection with any decision to buy or sell our securities. We are pleased to present this overview of 2009.

OVERVIEW

Our results for the third quarter of 2009 were impacted by the following:

- Our overall unit sales decreased 18% due to weak demand in each of our markets. We believe we have gained additional share of the DIY/retail and industrial markets and maintained our share of the manufactured housing and site-built markets.
- National housing starts decreased approximately 36% in June through August of 2009, compared to the same periods of 2008, as a result of an excess supply of homes, tight credit conditions, and an increase in foreclosures.
- Consumer spending for large repair/remodel projects has decreased due to general economic conditions, among other factors, including weak home prices and decreased cost recovery for most types of upper-end home improvement projects. Consequently, the same store sales of "big box" home improvement retailers have declined by approximately 10%.
- Shipments of HUD code manufactured homes were down 37% in July of 2009, compared to the same period of 2008. Industry sales of modular homes have also continued to decline. Weak market conditions are due, in part, to an excess supply of site-built homes and foreclosures and tight credit conditions.
- The industrial market has declined due to the general weakening of the U.S. economy. We gained additional share of this market due, in part, to adding new concrete forming business.
- Our gross margin increased to 15.1% from 10.6% in 2008 due to the implementation of various cost reduction initiatives and the lower level of the Lumber Market.

UNIVERSAL FOREST PRODUCTS, INC.

- Our SG&A expenses are down approximately \$6.8 million, or 12%, from the third quarter of 2008, due to our right-sizing efforts and plant consolidation actions we took last year, offset somewhat by an increase in incentive compensation expense.
- Our net interest costs decreased by \$1.7 million, or 67%, as our interest-bearing debt declined from \$167 million at the end of September of 2008 to \$56 million at the end of September of 2009.
- We are pleased to report operating and investing cash flows totaling almost \$114 million for the first nine months of 2009 due to improved profitability, effective working capital management, and reduced working capital requirements due to weak demand.

Route 2012

Since we discussed our Growth & Opportunity 2010 (“GO 2010”) goals in our annual report on form 10-K for the period ended December 30, 2006, industry and general economic conditions have significantly deteriorated. In addition, the Lumber Market has declined from an average of \$388/MBF in 2005 to an average of \$215/MBF in 2009; a 45% decline from when we first set our goals, which has adversely impacted our sales.

In place of our GO 2010 goals, we have a new four-year growth plan entitled “Route 2012,” which includes goals to be achieved by the end of our fiscal year 2012 including:

- Increase sales to \$3 billion.
- Improve productivity by 15% through our Continuous Improvement initiative.
- Improve profitability by three hundred basis points through productivity improvements, cost reductions, and growth.
- Improve receivables cycles in our industrial, site-built and manufactured housing markets by 10% by reducing the amount of our receivables that are paid past the agreed upon due date.
- Improve inventory turnover by 10%.

HISTORICAL LUMBER PRICES

The following table presents the Random Lengths framing lumber composite price is presented below:

	Random Lengths Composite Average \$/MBF	
	2009	2008
January	\$ 198	\$ 249
February	199	244
March	195	240
April	208	255
May	198	281
June	222	268
July	238	267
August	239	282
September	236	272
Third quarter average	\$ 238	\$ 274
Year-to-date average	\$ 215	\$ 262
Third quarter percentage change from 2008	(13.1%)	
Year-to-date percentage change from 2008	(17.9%)	

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In addition, a Southern Yellow Pine (“SYP”) composite price, which we prepare and use, is presented below. Sales of products produced using this species, which primarily consists of our preservative-treated products, may comprise up to 50% of our sales volume.

	Random Lengths SYP Average \$/MBF	
	2009	2008
January	\$ 241	\$ 269
February	233	264
March	232	264
April	241	272
May	231	324
June	236	318
July	253	303
August	241	304
September	244	309
Third quarter average	\$ 246	\$ 305
Year-to-date average	\$ 239	\$ 292
Third quarter percentage change from 2008	(19.3%)	
Year-to-date percentage change from 2008	(18.2%)	

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IMPACT OF THE LUMBER MARKET ON OUR OPERATING RESULTS

We experience significant fluctuations in the cost of commodity lumber products from primary producers (“Lumber Market”). We generally price our products to pass lumber costs through to our customers so that our profitability is based on the value-added manufacturing, distribution, engineering, and other services we provide. As a result, our sales levels (and working capital requirements) are impacted by the lumber costs of our products. Lumber costs are a significant percentage of our cost of goods sold.

Our gross margins are impacted by both (1) the relative level of the Lumber Market (i.e. whether prices are higher or lower from comparative periods), and (2) the trend in the market price of lumber (i.e. whether the price of lumber is increasing or decreasing within a period or from period to period). Moreover, as explained below, our products are priced differently. Some of our products have fixed selling prices, while the selling prices of other products are indexed to the reported Lumber Market with a fixed dollar adder to cover conversion costs and profits. Consequently, the level and trend of the Lumber Market impact our products differently.

Below is a general description of the primary ways in which our products are priced.

- Products with fixed selling prices. These products include value-added products such as decking and fencing sold to DIY/retail customers, as well as trusses, wall panels and other components sold to the site-built construction market, and most industrial packaging products. Prices for these products are generally fixed at the time of the sales quotation for a specified period of time or are based upon a specific quantity. In order to maintain margins and reduce any exposure to adverse trends in the price of component lumber products, we attempt to lock in costs for these sales commitments with our suppliers. Also, the time period and quantity limitations generally allow us to re-price our products for changes in lumber costs from our suppliers.
- Products with selling prices indexed to the reported Lumber Market with a fixed dollar “adder” to cover conversion costs and profits. These products primarily include treated lumber, remanufactured lumber, and trusses sold to the manufactured housing industry. For these products, we estimate the customers’ needs and carry anticipated levels of inventory. Because lumber costs are incurred in advance of final sale prices, subsequent increases or decreases in the market price of lumber impact our gross margins. For these products, our margins are exposed to changes in the trend of lumber prices.

Changes in the trend of lumber prices have their greatest impact on the following products:

- Products with significant inventory levels with low turnover rates, whose selling prices are indexed to the Lumber Market. In other words, the longer the period of time these products remain in inventory, the greater the exposure to changes in the price of lumber. This would include treated lumber, which comprises approximately 12% of our total sales. This exposure is less significant with remanufactured lumber, trusses sold to the manufactured housing market, and other similar products, due to the higher rate of inventory turnover. We attempt to mitigate the risk associated with treated lumber through vendor consignment inventory programs. *(Please refer to the “Risk Factors” section of our annual report on form 10-K, filed with the United States Securities and Exchange Commission.)*
- Products with fixed selling prices sold under long-term supply arrangements, particularly those involving multi-family construction projects. We attempt to mitigate this risk through our purchasing practices by locking in costs.

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In addition to the impact of the Lumber Market trends on gross margins, changes in the level of the market cause fluctuations in gross margins when comparing operating results from period to period. This is explained in the following example, which assumes the price of lumber has increased from period one to period two, with no changes in the trend within each period.

	Period 1	Period 2
Lumber cost	\$ 300	\$ 400
Conversion cost	50	50
= Product cost	350	450
Adder	50	50
= Sell price	\$ 400	\$ 500
Gross margin	12.5%	10.0%

As is apparent from the preceding example, the level of lumber prices does not impact our overall profits, but does impact our margins. Gross margins are negatively impacted during periods of high lumber prices; conversely, we experience margin improvement when lumber prices are relatively low.

BUSINESS COMBINATIONS

See Notes to Consolidated Condensed Financial Statements, Note H, "Business Combinations."

RESULTS OF OPERATIONS

The following table presents, for the periods indicated, the components of our Consolidated Condensed Statements of Earnings as a percentage of net sales.

	For the Three Months Ended		For the Nine Months Ended	
	September 26, 2009	September 27, 2008	September 26, 2009	September 27, 2008
Net sales	100.0%	100.0%	100.0%	100.0%
Cost of goods sold	84.9	89.4	85.1	88.7
Gross profit	15.1	10.6	14.9	11.3
Selling, general, and administrative expenses	11.2	9.5	11.7	9.9
Net (gain) loss on disposition of assets and other impairment and exit charges	0.1	0.9	(0.1)	0.4
Earnings from operations	3.8	0.2	3.3	1.0
Interest, net	0.2	0.4	0.2	0.4
Earnings (loss) before income taxes	3.6	(0.2)	3.1	0.6
Income taxes	1.4	0.1	1.2	0.3
Net earnings (loss)	2.2	(0.3)	1.9	0.3
Less net earnings attributable to noncontrolling interest	(0.0)	(0.0)	(0.0)	(0.0)
Net earnings (loss) attributable to controlling interest	2.2%	(0.3%)	1.9%	0.3%

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GROSS SALES

We market, manufacture and engineer wood and wood-alternative products for the DIY/retail market, structural lumber products for the manufactured housing market, engineered wood components for the site-built construction market, and specialty wood packaging for various markets. We also provide framing services for the site-built construction market and various forms for concrete construction. Our strategic long-term sales objectives include:

- Diversifying our end market sales mix by increasing sales of specialty wood packaging to industrial users, increasing our penetration of the concrete forms market, increasing our sales of engineered wood components for custom home, multi-family and light commercial construction, and expanding our product lines in each of the markets we serve.
- Expanding geographically in our core businesses.
- Increasing sales of “value-added” products and framing services. Value-added product sales primarily consist of fencing, decking, lattice, and other specialty products sold to the DIY/retail market, specialty wood packaging, engineered wood components, and “wood alternative” products. Engineered wood components include roof trusses, wall panels, and floor systems. Wood alternative products consist primarily of composite wood and plastics. Although we consider the treatment of dimensional lumber with certain chemical preservatives a value-added process, treated lumber is not presently included in the value-added sales totals.
- Maximizing unit sales growth while achieving return on investment goals.

The following table presents, for the periods indicated, our gross sales (in thousands) and percentage change in gross sales by market classification.

Market Classification	For the Three Months Ended			For the Nine Months Ended		
	Sept. 26, 2009	Sept. 27, 2008	% Change	Sept. 26, 2009	Sept. 27, 2008	% Change
DIY/Retail	\$ 214,719	\$ 253,348	(15.2)	\$ 674,394	\$ 765,868	(11.9)
Site-Built Construction	68,288	119,472	(42.8)	189,882	358,566	(47.0)
Industrial	132,718	164,982	(19.6)	367,657	476,875	(22.9)
Manufactured Housing	53,766	85,071	(36.8)	134,985	245,679	(45.1)
Total Gross Sales	469,491	622,873	(24.6)	1,366,918	1,846,988	(26.0)
Sales Allowances	(11,723)	(12,129)		(32,483)	(38,247)	
Total Net Sales	\$ 457,768	\$ 610,744	(25.0)	\$ 1,334,435	\$ 1,808,741	(26.2)

Note: In the first quarter of 2009, we reviewed the classification of our customers and made certain reclassifications. Prior year information has been restated to reflect these reclassifications.

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Gross sales in the third quarter of 2009 decreased 25% compared to the third quarter of 2008. We estimate that our unit sales decreased by 18% and overall selling prices decreased by 7% comparing the two periods. We estimate that our unit sales decreased 18% as a result of existing and closed facilities due to a decline in demand in each of the markets we serve. Our overall selling prices may fluctuate as a result of the Lumber Market (see “Historical Lumber Prices”) and competitive factors.

Gross sales in the first nine months of 2009 decreased 26% compared to the first nine months of 2008 resulting from an estimated decrease in units shipped of approximately 20%, while overall selling prices decreased by 6%. We estimate that our unit sales increased 1% as a result of business acquisitions and new plants, while our unit sales from existing and closed facilities decreased by 21% due to a decline in market demand.

Changes in our sales by market are discussed below.

DIY/Retail:

Gross sales to the DIY/retail market decreased 15% in the third quarter of 2009 compared to 2008 primarily due to an estimated 9% decrease in overall unit sales and an estimated 6% decrease in overall selling prices due to the Lumber Market. Unit sales declined due to the impact of the housing market on our retail customers whose business is closely correlated with single-family housing starts and a decline in consumer spending as evidenced by declines in same store sales reported by our “big box” customers. We believe that we achieved market share gains in 2009, which offset some of the impact of these adverse market conditions.

Gross sales to the DIY/retail market decreased 12% in the first nine months of 2009 compared to 2008 primarily due to an estimated 6% decrease in overall unit sales and an estimated 6% decrease in overall selling prices due to the Lumber Market. We estimate that our unit sales increased 1% as a result of acquisitions, while unit sales from existing and closed facilities decreased 7%. The decrease in unit sales is primarily due to the same factors mentioned in the paragraph above.

Site-Built Construction:

Gross sales to the site-built construction market decreased 43% in the third quarter of 2009 compared to 2008 due to an estimated 37% decrease in unit sales out of existing plants and an estimated 6% decrease in our average selling prices primarily due to the Lumber Market. National housing starts were off a reported 36% for June through August of 2009 compared to the same period of 2008.

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Gross sales to the site-built construction market decreased 47% in the first nine months of 2009 compared to 2008, due to an estimated 38% decrease in unit sales and an estimated 9% decrease in selling prices. National housing starts were off a reported 44% for the year to date through August of 2009 compared to the same period of 2008.

Industrial:

Gross sales to the industrial market decreased 20% in the third quarter of 2009 compared to the same period of 2008, due to an estimated 12% decrease in unit sales and an estimated 8% decrease in selling prices. We continue to experience a decline in sales to certain of our customers that supply the housing market or have been impacted by the weakening U.S. economy. We have been able to offset some of the impact of a decline in demand with market share gains and our continued penetration of the concrete forming market.

Gross sales to the industrial market decreased 23% in the first nine months of 2009 compared to the same period of 2008, due to an estimated 17% decrease in units and an estimated 6% decrease in selling prices. Unit sales decreased for the reasons mentioned in the paragraph above.

Manufactured Housing:

Gross sales to the manufactured housing market decreased 37% in the third quarter of 2009 compared to the same period of 2008, primarily due to an estimated 32% decrease in unit sales and an estimated 5% decrease in selling prices due to the Lumber Market. Our decline in unit sales was the result of an overall decline in industry production. The industry most recently reported a decrease in HUD code production of 37% in July compared to the same period of 2008. Modular home production was similarly down during the period.

Gross sales to the manufactured housing market decreased 45% in the first nine months of 2009 compared to the same period of 2008. This decrease resulted from an estimated 40% decrease in unit sales combined with an estimated 5% decrease in selling prices. Industry production of HUD code homes was off a reported 44% through July of 2009 compared to the same period of 2008. Modular home production was similarly down during the period.

Value-Added and Commodity-Based Sales:

The following table presents, for the periods indicated, our percentage of value-added and commodity-based sales to total sales.

	Three Months Ended		Nine Months Ended	
	Sept. 26, 2009	Sept. 27, 2008	Sept. 26, 2009	Sept. 27, 2008
Value-Added	58.4%	59.6%	60.1%	60.7%
Commodity-Based	41.6%	40.4%	39.9%	39.3%

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Value-added sales decreased 26% in the third quarter of 2009 compared to 2008, primarily due to decreased sales of trusses, turn-key framing and installed sales, fencing and decking and railing. Commodity-based sales decreased 22% comparing the third quarter of 2009 with the same period of 2008, primarily due to decreased sales of non-manufactured and treated lumber.

Value-added sales decreased 27% in the first nine months of 2009 compared to 2008, primarily due to decreased sales of trusses, turn-key framing and installed sales, engineered wood products and manufactured component lumber. Commodity-based sales decreased 25% comparing the first nine months of 2009 with the same period of 2008, primarily due to decreased sales of non-manufactured lumber and panels and treated lumber.

COST OF GOODS SOLD AND GROSS PROFIT

Our gross profit percentage increased to 15.1% from 10.6% comparing the third quarter of 2009 with the same period of 2008. In addition, our gross profit dollars increased by 7% comparing the third quarter of 2009 with the same period of 2008, which compares favorably with our 18% decrease in unit sales. Our improved gross margin is primarily due to cost reductions consisting of:

- An improvement in material costs as a percentage of net sales as a result of better buying and inventory management to protect margins.
- An improvement in labor and plant overhead as a percentage of net sales due to plant consolidation and right-sizing efforts previously taken.
- Lower freight costs due to fuel prices.

In addition, the lower level of the Lumber Market caused our gross margin to increase. See “Impact of the Lumber Market on Our Operating Results”.

Our gross profit percentage increased to 14.9% from 11.3% comparing the first nine months of 2009 with the same period of 2008. Our gross profit dollars decreased by approximately 3% comparing the first nine months of 2009 with the same period of 2008, which compares favorably with our 20% decrease in unit sales. Our improved gross margin comparing these two periods was primarily due to the factors mentioned in the paragraph above.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative (“SG&A”) expenses decreased by approximately \$6.8 million, or 11.8%, in the third quarter of 2009 compared to the same period of 2008, while we reported an 18% decrease in unit sales. New operations added \$0.2 million of expenses, operations we closed decreased expenses by \$4.3 million, and existing operations reduced expenses by \$2.7 million. The decrease in SG&A expenses at our existing operations was primarily due to a decline in wages and related costs due to a reduction in headcount and a decline in many other account categories as a result of efforts to control costs. These decreases were partially offset by an increase in accrued bonus. Our SG&A expenses increased as a percentage of sales primarily due to the lower level of the Lumber Market and an increase in accrued bonus expense.

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Selling, general and administrative (“SG&A”) expenses decreased by approximately \$22.0 million, or 12%, in the first nine months of 2009 compared to the same period of 2008, while we reported a 20% decrease in unit sales. New operations added \$0.2 million of expenses, operations we closed decreased expenses by \$13.4 million, and existing operations reduced expenses by \$8.8 million. The decrease in SG&A expenses at our existing operations was primarily due to a decline in wages and related costs due to a reduction in headcount and a decline in many other account categories as a result of efforts to control costs. These decreases were partially offset by an increase in accrued bonus and bad debt expense. Our SG&A expenses increased as a percentage of sales primarily due to the lower level of the Lumber Market, accrued bonus, and bad debt expense.

NET (GAIN) LOSS ON DISPOSITION OF ASSETS AND OTHER IMPAIRMENT AND EXIT CHARGES

We incurred \$0.6 million of charges in the third quarter of 2009 and \$5.7 million in the third quarter of 2008 relating to asset impairments and other costs associated with idled facilities and down-sizing efforts. In 2008, these costs were offset by \$0.4 million of gains on the sale of certain real estate.

We incurred \$2.3 million of charges in the first nine months of 2009 and \$7.0 million in the first nine months of 2008 relating to asset impairments and other costs associated with idled facilities and down-sizing efforts. These costs were offset by \$3.5 million in 2009 and \$0.4 million in 2008 of gains on the sale of certain real estate.

We regularly review the performance of each our operations and make decisions to permanently or temporarily close operations based on a variety of factors including:

- Current and projected earnings, cash flow and return on investment
- Current and projected market demand
- Market share
- Competitive factors
- Future growth opportunities
- Personnel and management

We currently have 11 operations which are experiencing operating losses and negative cash flow for the first nine months of 2009. The net book value of the long-lived assets of these operations, which could be subject to an impairment charge in the future in the event a closure action is taken, was \$15.8 million at the end of September of 2009. In addition, these operations had future fixed operating lease payments totaling \$2.7 million at the end of September of 2009.

INSURANCE PROCEEDS

In May, 2008 our plant in Windsor, CO was hit by a tornado. In accordance with ASC 605, *Accounting for Involuntary Conversions of Non-Monetary Assets to Monetary Assets*, we have written off the net book value of the destroyed inventory and property totaling \$0.7 million. The insured value of the property exceeded its net book value, which was recorded as a gain in 2008. In 2008, we collected \$0.8 million of the insurance receivable and in 2009 we collected \$1.0 million. As of September 26, 2009, there is no remaining insurance receivable.

UNIVERSAL FOREST PRODUCTS, INC.**INTEREST, NET**

Net interest costs were lower in the third quarter and first nine months of 2009 compared to the same periods of 2008 due to lower debt balances combined with a decrease in short-term interest rates upon which our variable rate debt is based. In addition, in June of 2009 we incurred \$360,000 of expense related to a make-whole provision as a result of electing to pay off one of our senior unsecured notes six months early. We saved approximately \$210,000 in the third quarter of 2009 and expect to save another \$210,000 in the fourth quarter of 2009 because of this pre-payment.

INCOME TAXES

Effective tax rates differ from statutory federal income tax rates, primarily due to provisions for state and local income taxes and permanent tax differences. Our effective tax rate was 38.3% and 36.7% for the third quarter and first nine months of 2009. Our effective tax rate differs from the federal statutory rate primarily due to estimated state and local income taxes and certain permanent tax differences.

OFF-BALANCE SHEET TRANSACTIONS

We have no significant off-balance sheet transactions other than operating leases.

LIQUIDITY AND CAPITAL RESOURCES

The table below presents, for the periods indicated, a summary of our cash flow statement (in thousands):

	Nine Months Ended	
	September 26, 2009	September 27, 2008
Cash from operating activities	\$ 111,931	\$ 33,314
Cash from investing activities	2,070	(7,694)
Cash from financing activities	(47,362)	(37,766)
Net change in cash and cash equivalents	66,639	(12,146)
Cash and cash equivalents, beginning of period	13,337	43,605
Cash and cash equivalents, end of period	\$ 79,976	\$ 31,459

In general, we financed our growth in the past through a combination of operating cash flows, our revolving credit facility, industrial development bonds (when circumstances permit), and issuance of long-term notes payable at times when interest rates are favorable. We have not issued equity to finance growth except in the case of a large acquisition. We manage our capital structure by attempting to maintain a targeted ratio of debt to equity and debt to earnings before interest, taxes, depreciation and amortization. We believe this is one of many important factors to maintaining a strong credit profile, which in turn helps ensure timely access to capital when needed. We are currently below our internal targets and plan to manage our capital structure conservatively in light of current economic conditions.

UNIVERSAL FOREST PRODUCTS, INC.

Seasonality has a significant impact on our working capital from March to August which historically resulted in negative or modest cash flows from operations in our first and second quarters. Conversely, we experience a substantial decrease in working capital from September to February which results in significant cash flow from operations in our third and fourth quarters. For comparative purposes, we have included the September 27, 2008 balances in the accompanying unaudited consolidated condensed balance sheets.

Due to the seasonality of our business and the effects of the Lumber Market, we believe our cash cycle (days of sales outstanding plus days supply of inventory less days payables outstanding) is a good indicator of our working capital management. Our cash cycle (excluding the impact of our sale of receivables program) increased to 45 days in the first nine months of 2009 from 44 days in the first nine months of 2008, due to a 1 day increase in our days supply of inventory. The increase in our days supply of inventory was primarily due to a combination of lower than planned sales early in the year and inventory positions we have taken to protect margins during the year.

Cash provided by operating activities was approximately \$112 million in the first nine months of 2009 including net earnings of \$24.9 million, \$31.1 million of non-cash expenses and a \$55.9 million decrease in working capital since the end of 2008. Working capital decreased primarily due to reductions in inventory as we reached our primary selling season, the impact of a lower Lumber Market on our inventory levels, an increase in accounts payable as purchases and volumes increase compared to December 2008, and an increase in accrued bonus and income taxes due to improved profitability. These reductions were offset by an increase in accounts receivable due to higher sales volumes compared to December 2008. In addition, through September of 2008, there was approximately \$27 million of negative cash flow included in operating activities related to our sale of receivables program. Specifically, at the end of December 2007 we had approximately \$27 million of receivables sold and outstanding under this program, while no amounts were sold outstanding at the end of September of 2008 because the program was terminated in that month.

We have made the decision to limit our investing activities in 2009 and make debt repayment our first priority for use of our operating cash flows. As a result, we have curtailed our capital expenditures and currently plan to spend approximately \$15 million in 2009, which includes outstanding purchase commitments on existing capital projects totaling approximately \$1.6 million on September 26, 2009. We intend to fund capital expenditures and purchase commitments through our operating cash flows and cash. In addition, we sold certain real estate, for which we had no planned future use, for approximately \$10 million.

On September 26, 2009, we had no outstanding balance on our \$300 million revolving credit facility, which matures in February of 2012. The revolving credit facility also supports letters of credit totaling approximately \$32.2 million on September 26, 2009. Financial covenants on the unsecured revolving credit facility and unsecured notes include a minimum net worth requirement, minimum interest and fixed charge coverage tests, and a maximum leverage ratio. The agreements also restrict the amount of additional indebtedness we may incur and the amount of assets which may be sold. We were within all of our lending requirements on September 26, 2009.

Our Series 2002-A Senior Notes totaling \$15.0 million, due on December 18, 2009, were pre-paid during the second quarter of 2009. In addition, in June of 2009 we incurred \$360,000 of expense related to a make-whole provision as a result of electing to pay off one of our senior unsecured notes six months early. We saved approximately \$210,000 in the third quarter of 2009 and expect to save another \$210,000 in the fourth quarter of 2009 because of this pre-payment. In addition, on October 15, 2009 the Board of Directors approved an increase in our semi-annual cash dividend to \$0.20 per common share to shareholders of record as of December 1, 2009.

UNIVERSAL FOREST PRODUCTS, INC.

ENVIRONMENTAL CONSIDERATIONS AND REGULATIONS

See Notes to Consolidated Condensed Financial Statements, Note G, “Commitments, Contingencies, and Guarantees.”

CRITICAL ACCOUNTING POLICIES

In preparing our consolidated financial statements, we follow accounting principles generally accepted in the United States. These principles require us to make certain estimates and apply judgments that affect our financial position and results of operations. We continually review our accounting policies and financial information disclosures. There have been no material changes in our policies or estimates since December 27, 2008.

UNIVERSAL FOREST PRODUCTS, INC.

Item 3. Quantitative and Qualitative Disclosures about Market Risk.

We are exposed to market risks related to fluctuations in interest rates on our variable rate debt, which consists of a revolving credit facility and industrial development revenue bonds. We do not currently use interest rate swaps, futures contracts or options on futures, or other types of derivative financial instruments to mitigate this risk.

For fixed rate debt, changes in interest rates generally affect the fair market value, but not earnings or cash flows. Conversely, for variable rate debt, changes in interest rates generally do not influence fair market value, but do affect future earnings and cash flows. We do not have an obligation to prepay fixed rate debt prior to maturity, and as a result, interest rate risk and changes in fair market value should not have a significant impact on such debt until we would be required to refinance it.

Item 4. Controls and Procedures.

- (a) Evaluation of Disclosure Controls and Procedures. With the participation of management, our chief executive officer and chief financial officer, after evaluating the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rules 13a — 15e and 15d — 15e) as of the quarter ended September 26, 2009 (the “Evaluation Date”), have concluded that, as of such date, our disclosure controls and procedures were effective.
- (b) Changes in Internal Controls. During the quarter ended September 26, 2009, there were no changes in our internal control over financial reporting that materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

UNIVERSAL FOREST PRODUCTS, INC.

PART II. OTHER INFORMATION

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

- (a) None.
- (b) None.
- (c) Issuer purchases of equity securities.

Fiscal Month	(a)	(b)	(c)	(d)
June 28, 2009 — August 1, 2009 ⁽¹⁾				1,223,323
August 2 — 29, 2009				1,223,323
August 30 2009 — September 26, 2009	6,285	\$ 38.88	6,285	1,217,038

- (a) Total number of shares purchased.
- (b) Average price paid per share.
- (c) Total number of shares purchased as part of publicly announced plans or programs.
- (d) Maximum number of shares that may yet be purchased under the plans or programs.
- (1) On November 14, 2001, the Board of Directors approved a share repurchase program (which succeeded a previous program) allowing us to repurchase up to 2.5 million shares of our common stock. As of September 26, 2009, cumulative total authorized shares available for repurchase is 1.2 million shares.

Item 5. Other Information.

In the third quarter of 2009, the Audit Committee did not approve any non-audit services to be provided by our independent auditors, Ernst & Young LLP, for 2009.

UNIVERSAL FOREST PRODUCTS, INC.

PART II. OTHER INFORMATION

Item 6. Exhibits.

The following exhibits (listed by number corresponding to the Exhibit Table as Item 601 in Regulation S-K) are filed with this report:

10 Material Contracts.

- (i)(4) Series 2004-A, Credit Agreement dated December 20, 2004 was filed as Exhibit 10(i) to a Form 8-K Current Report dated December 21, 2004 and the same is incorporated herein by reference. Schedules and Exhibits to such Agreement are filed herewith.
- (i)(5) First Amendment dated February 12, 2007 relating to Series 2004-A, Credit Agreement dated December 20, 2004, was filed as Exhibit 10(i) to a Form 8-K Current Report dated February 15, 2007 and the same is incorporated herein by reference. Schedules and Exhibits to such Agreement are filed herewith.
- (j)(2) Series 2002-A, Senior Note Agreement dated December 18, 2002 was filed as Exhibit 10(j)(2) to a Form 10-K Annual Report for the year ended December 28, 2002 and the same is incorporated herein by reference. Schedules and Exhibits to such Agreement are filed herewith.

31 Certifications.

- (a) Certificate of the Chief Executive Officer of Universal Forest Products, Inc., pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350).
- (b) Certificate of the Chief Financial Officer of Universal Forest Products, Inc., pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350).

32 Certifications.

- (a) Certificate of the Chief Executive Officer of Universal Forest Products, Inc., pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350).
- (b) Certificate of the Chief Financial Officer of Universal Forest Products, Inc., pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350).

* Indicates a compensatory arrangement.

UNIVERSAL FOREST PRODUCTS, INC.

SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

UNIVERSAL FOREST PRODUCTS, INC.

Date: October 21, 2009

By: /s/ Michael B. Glenn
Michael B. Glenn,
Chief Executive Officer and Principal Executive Officer

Date: October 21, 2009

By: /s/ Michael R. Cole
Michael R. Cole,
Chief Financial Officer,
Principal Financial Officer and
Principal Accounting Officer

EXHIBIT INDEX

Exhibit No.	Description
10	Material Contracts. <ul style="list-style-type: none">(i)(4) Series 2004-A, Credit Agreement dated December 20, 2004 was filed as Exhibit 10(i) to a Form 8-K Current Report dated December 21, 2004 and the same is incorporated herein by reference. Schedules and Exhibits to such Agreement are filed herewith.(i)(5) First Amendment dated February 12, 2007 relating to Series 2004-A, Credit Agreement dated December 20, 2004, was filed as Exhibit 10(i) to a Form 8-K Current Report dated February 15, 2007 and the same is incorporated herein by reference. Schedules and Exhibits to such Agreement are filed herewith.(j)(2) Series 2002-A, Senior Note Agreement dated December 18, 2002 was filed as Exhibit 10(j)(2) to a Form 10-K Annual Report for the year ended December 28, 2002 and the same is incorporated herein by reference. Schedules and Exhibits to such Agreement are filed herewith.
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* Indicates a compensatory arrangement.

EXHIBIT A

BID-OPTION NOTE

December __, 2004

Detroit, Michigan

For value received, Universal Forest Products, Inc., a Michigan corporation (the "Company"), unconditionally promises to pay to the order of _____ (the "Lender"), the unpaid principal amount of each Bid-Option Loan made by the Lender to the Company pursuant to the Credit Agreement referred to below, on the last day of the Interest Period relating to such Loan. The Company further promises to pay interest on the aggregate unpaid principal amount of such Bid-Option Loans on the dates and at the rates negotiated as provided in the Credit Agreement. All such payments of principal and interest with respect to Bid-Option Loans shall be made in U.S. Dollars in Same Day Funds at the Agent's principal office in Detroit, Michigan.

The Lender is hereby authorized by the Company to record on the schedule attached to this Bid-Option Note, or on its books and records, the date, amount and type of each Bid-Option Loan, the duration of the related Interest Period (if applicable), the amount of each payment or prepayment of principal thereon and the other information provided for on such schedule, which schedule or such books and records, as the case may be, shall constitute prima facie evidence of the information so recorded, provided, however, that any failure by the Lender to record any such information shall not relieve the Company of its obligation to repay the outstanding principal amount of such Bid-Option Loans, all accrued interest thereon and any amount payable with respect thereto in accordance with the terms of this Bid-Option Note and the Credit Agreement.

The Company and each endorser or guarantor hereof waives demand, presentment, protest, diligence, notice of dishonor and any other formality in connection with this Bid-Option Note. Should the indebtedness evidenced by this Bid-Option Note or any part thereof be collected in any proceeding or be placed in the hands of attorneys for collection, the Company agrees to pay, in addition to the principal, interest and other sums due and payable hereon, all costs of collecting this Bid-Option Note, including attorneys' fees and expenses (including without limitation allocated costs and expenses of attorneys who are employees of the Lender).

This Bid-Option Note evidences one or more Bid-Option Loans made under the Credit Agreement, dated as December __, 2004, as amended, supplemented or otherwise modified from time to time (the "Credit Agreement"), by and among the Company, the Canadian Borrower, the lenders party thereto from time to time (including the Lender), JPMorgan Chase Bank, N.A., as Agent, Wachovia Bank, N.A., as Syndication Agent, and Standard Federal Bank, N.A., as Documentation Agent, to which reference is hereby made for a statement of the circumstances under which this Bid-Option Note is subject to prepayment and under which its due date may be accelerated. Capitalized terms used but not defined in this Bid-Option Note shall have the respective meanings ascribed thereto in the Credit Agreement.

This Bid-Option Note is made under, and shall be governed by and construed in accordance with, the laws of the State of Michigan applicable to contracts made and to be performed entirely within such State and without giving effect to choice of law principles of such State.

UNIVERSAL FOREST PRODUCTS, INC.

By: _____
Print Name: _____
Its: _____

BID-OPTION NOTE

Schedule to Bid-Option Note, dated December __, 2004,
payable by Universal Forest Products, Inc. to the order of _____

<u>Transaction Date</u>	<u>Principal Amount of Bid-Option Loan</u>	<u>Type of Bid- Option Loan*</u>	<u>Interest Rate</u>	<u>Interest Period</u>	<u>Amount Paid Or Prepaid</u>	<u>Principal Balance Outstanding</u>	<u>Notation Made By</u>
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* A — Bid-Option Absolute Rate
E — Bid-Option Eurocurrency Rate

BID-OPTION NOTE

EXHIBIT B

GUARANTY AGREEMENT

PARTIES

THIS GUARANTY AGREEMENT, dated as of December 20, 2004 (this "Guaranty"), is made by UNIVERSAL FOREST PRODUCTS, INC., a Michigan corporation (the "Company"), UNIVERSAL FOREST PRODUCTS TEXAS LIMITED PARTNERSHIP, a Michigan limited partnership ("Universal Texas"), UNIVERSAL FOREST PRODUCTS HOLDING COMPANY, INC., a Michigan corporation ("Universal Holding"), UNIVERSAL FOREST PRODUCTS WESTERN DIVISION, INC., a Michigan corporation ("Universal Western"), UNIVERSAL FOREST PRODUCTS EASTERN DIVISION, INC., a Michigan corporation ("Universal Eastern"), UNIVERSAL TRUSS, INC., a Michigan corporation ("Universal Truss"), UNIVERSAL FOREST PRODUCTS RECLAMATION CENTER, INC., a Michigan corporation ("Universal Reclamation"), UNIVERSAL FOREST PRODUCTS OF MODESTO L.L.C., a Michigan limited liability company ("Universal Modesto"), TRESSTAR, LLC, a Michigan limited liability company ("Tresstar"), UFP VENTURES, INC., a Michigan corporation ("UFP Ventures"), UFP REAL ESTATE, INC., a Michigan corporation ("UFP Real Estate"), UFP VENTURES II, INC., a Michigan corporation ("UFP Ventures II"), UNIVERSAL FOREST PRODUCTS RMS, LLC a Michigan limited liability company ("Universal RMS"), UFP TRANSPORTATION, INC. a Michigan limited liability company, ("UFP Transportation"), INDIANAPOLIS REAL ESTATE, LLC, a Michigan limited liability company ("Indianapolis Real Estate" and together with the Company, Universal Texas, Universal Holding, Universal Western, Universal Eastern, Universal Truss, Universal Reclamation, Universal Modesto, Tresstar, UFP Ventures, UFP Real Estate UFP Ventures II, Universal RMS, and UFP Transportation, collectively referred to as the "Guarantors") in favor of each of the Lenders as defined below.

RECITALS

A. The Company and the Canadian Borrower (collectively referred to as the "Borrowers", and individually as a "Borrower"), the lenders party thereto from time to time (such lenders, together with any other lenders now or hereafter parties to the Credit Agreement as defined below, collectively referred to as the "Banks"), JPMorgan Chase Bank, N.A., as agent for the Banks (in such capacity, together with any successor agent, the "Agent"), Wachovia Bank, N.A., as Syndication Agent, and Standard Federal Bank, N.A., as Documentation Agent, have executed a Credit Agreement dated as December 20, 2004 (as amended or modified from time to time, and together with any agreement executed in replacement therefor or otherwise refinancing such credit agreement, the "Credit Agreement"), and the Borrowers have issued their promissory notes pursuant to the Credit Agreement (as amended or modified from time to time and together with any promissory note or notes issued in exchange or replacement therefor or otherwise issued pursuant to the Credit Agreement, the "Notes", and the Credit Agreement, the Notes and all other agreements and instruments among the Borrowers, the Agent and the Banks, or any of them, executed in connection therewith, including without limitation any Rate Hedging Agreements relating to the Credit Agreement, whether now or hereafter executed, and any supplements or modifications thereof and any agreements or instruments issued in exchange or replacement therefor, collectively referred to as the "Agreements").

B. Pursuant to the terms of the Agreements the Banks have agreed to make certain extensions of credit to the Borrowers.

GUARANTY AGREEMENT

C. Each Guarantor, other than the Company, is a Domestic Subsidiary of the Company or the Canadian Borrower. The Canadian Borrower, the Company, and the other Guarantors are engaged in related businesses, and the Guarantors have derived or will derive substantial direct and indirect benefit from the making of the extensions of credit by the Banks.

D. The obligation of the Banks to make or continue to make certain extensions of credit under the Credit Agreement are conditioned upon, among other things, the execution and delivery by the Guarantors of this Guaranty, and the extensions of credit under the Credit Agreement were made in reliance upon the issuance of this Guaranty.

AGREEMENT

In consideration of the premises and to induce the Banks to make loans, extend credit or make other financial accommodations, and to continue to keep such credit and other financial accommodations available to the Borrowers, each Guarantor hereby agrees with and for the benefit of the Banks as follows:

1. Defined Terms. As used in this Guaranty, terms defined in the first paragraph of this Guaranty and in the recital paragraphs are used herein as defined therein, and the following terms shall have the following meanings:

“Cumulative Guarantors” shall mean the Guarantors and all other future guarantors of the Liabilities.

“Lenders” shall mean the Banks and the Agent and their successors and assigns.

“Liabilities” shall mean (i) with respect to the Guarantors other than the Company, all indebtedness, obligations and liabilities of the Borrowers to any of the Lenders in connection with or pursuant to the Agreements, including without limitation, all principal, interest (including but without limitation interest which, but for the filing of a bankruptcy petition, would have accrued on the principal amount of the Liabilities), charges, fees and all costs and expenses, including without limitation reasonable fees and expenses of counsel, in each case whether now existing or hereafter arising, direct or indirect (including without limitation any participation interest acquired by any Lender in such indebtedness, obligations and liabilities of the Borrowers to any other person), absolute or contingent, joint and/or several, secured or unsecured, arising by operation of law or otherwise, and (ii) with respect to the Company, all indebtedness, obligations and liabilities of the Canadian Borrower to any of the Lenders in connection with or pursuant to the Agreements, including without limitation, all principal, interest (including but without limitation interest which, but for the filing of a bankruptcy petition, would have accrued on the principal amount of the Liabilities), charges, fees and all costs and expenses, including without limitation reasonable fees and expenses of counsel, in each case whether now existing or hereafter arising, direct or indirect (including without limitation any participation interest acquired by any Lender in such indebtedness, obligations and liabilities of the Canadian Borrower to any other person), absolute or contingent, joint and/or several, secured or unsecured, arising by operation of law or otherwise.

GUARANTY AGREEMENT

All other capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Credit Agreement.

2. Guarantee. (a) Each Guarantor hereby guarantees to the Lenders, irrevocably, absolutely and unconditionally, as primary obligor and not as surety only, the prompt and complete payment of the Liabilities.

(b) All payments to be made under this Guaranty (except pursuant to paragraph (c) below) shall be made to each Lender pro rata in accordance with the unpaid amount of Liabilities held by each Lender at the time of such payment.

(c) The Guarantors agree to make prompt payment, on demand, of any and all reasonable costs and expenses incurred by any Lender in connection with enforcing the obligations of any of the Guarantors hereunder including without limitation the reasonable fees and disbursements of counsel.

3. Consents to Renewals, Modifications and other Actions and Events. This Guaranty and all of the obligations of the Guarantors hereunder shall remain in full force and effect without regard to and shall not be released, affected or impaired by: (a) any amendment, assignment, transfer, modification of or addition or supplement to the Liabilities or any Agreement; (b) any extension, indulgence, increase in the Liabilities or other action or inaction in respect of any of the Agreements or otherwise with respect to the Liabilities, or any acceptance of security for, or other guaranties of, any of the Liabilities or Agreements, or any surrender, release, exchange, impairment or alteration of any such security or guaranties including without limitation the failing to perfect a security interest in any such security or abstaining from taking advantage of or realizing upon any other guaranties or upon any security interest in any such security; (c) any default by any Borrower under, or any lack of due execution, invalidity or unenforceability of, or any irregularity or other defect in, any of the Agreements; (d) any waiver by any Lender or any other person of any required performance or otherwise of any condition precedent or waiver of any requirement imposed by any of the Agreements, any other guaranties or otherwise with respect to the Liabilities; (e) any exercise or non-exercise of any right, remedy, power or privilege in respect of this Guaranty, any other guaranty or any of the Agreements; (f) any sale, lease, transfer or other disposition of the assets of any Borrower or any consolidation or merger of any Borrower with or into any other person, corporation, or entity, or any transfer or other disposition of any shares of capital stock of any Borrower; (g) any bankruptcy, insolvency, reorganization or similar proceedings involving or affecting any Borrower or any other guarantor of the Liabilities; (h) the release or discharge of any Borrower from the performance or observance of any agreement, covenant, term or condition under any of the Liabilities or contained in any of the Agreements, of any Cumulative Guarantor or of this Guaranty, by operation of law or otherwise; or (i) any other cause whether similar or dissimilar to the foregoing which, in the absence of this provision, would release, affect or impair the obligations, covenants, agreements or duties of any Guarantor hereunder or constitute a defense hereto, including without limitation any act or omission by any Lender or any other person which increases the scope of any Guarantor's risk; and in each case described in this paragraph whether or not any Guarantor shall have notice or knowledge of any of the foregoing, each of which is specifically waived by each Guarantor. Each Guarantor warrants to the Lenders that it has adequate means to obtain from the Borrowers on a continuing basis information concerning the financial condition and other matters with respect to the Borrowers and that it is not relying on any Lender to provide such information either now or in the future.

GUARANTY AGREEMENT

4. Waivers, Etc. Each Guarantor unconditionally waives: (a) notice of any of the matters referred to in Paragraph 3 above; (b) all notices which may be required by statute, rule of law or otherwise to preserve any rights of any Lender, including, without limitation, notice to the Guarantors of default, presentment to and demand of payment or performance from any Borrower and protest for non-payment or dishonor; (c) any right to the exercise by any Lender of any right, remedy, power or privilege in connection with any of the Agreements; (d) any requirement of diligence or marshaling on the part of any Lender; (e) any requirement that any Lender, in the event of any default by any Borrower, first make demand upon or seek to enforce remedies against, such Borrower or any other Cumulative Guarantor before demanding payment under or seeking to enforce this Guaranty; (f) any right to notice of the disposition of any security which any Lender may hold from any Borrower or otherwise and any right to object to the commercial reasonableness of the disposition of any such security; and (g) all errors and omissions in connection with any Lender's administration of any of the Liabilities, any of the Agreements or any other Cumulative Guarantor, or any other act or omission of any Lender which changes the scope of such Guarantor's risk. The obligations of each Guarantor hereunder shall be complete and binding forthwith upon the execution of this Guaranty by it and subject to no condition whatsoever, precedent or otherwise, and notice of acceptance hereof or action in reliance hereon shall not be required.

5. Nature of Guaranty; Payments. This Guaranty is an absolute, unconditional, irrevocable and continuing guaranty of payment and not a guaranty of collection, and is wholly independent of and in addition to other rights and remedies of any Lender with respect to any Borrower, any collateral, any Cumulative Guarantor or otherwise, and it is not contingent upon the pursuit by any Lender of any such rights and remedies, such pursuit being hereby waived by each Guarantor. The obligations of each Guarantor hereunder shall be continuing and shall continue (irrespective of any statute of limitations otherwise applicable) and cover and include all the Liabilities of the Borrowers accruing or in the process of accruing to the Lenders before the Lenders deliver to the Guarantors a release of this Guaranty, which is in writing, refers specifically to this Guaranty, and is signed by a President, a Senior Vice President, or a Vice President of each Lender. Nothing shall discharge or satisfy the liability of any Guarantor hereunder except the full and irrevocable payment and performance of all of the Liabilities and the expiration or termination of all the Agreements. All payments to be made by the Guarantors hereunder shall be made without set-offs or counterclaim, and each Guarantor hereby waives the assertion of any such set-offs or counterclaims in any proceeding to enforce its obligations hereunder. All payments to be made by each Guarantor hereunder shall also be made without deduction or withholding for, or on account of, any present or future taxes or other similar charges of whatsoever nature, provided that if any Guarantor is nevertheless required by law to make any deduction or withholding, such Guarantor shall pay to the Lenders such additional amounts as may be necessary to ensure that the Lenders shall receive a net sum equal to the sum which it would have received had no such deduction or withholding been made. Each Guarantor agrees that, if at any time all or any part of any payment previously applied by any Lender to any of the Liabilities must be returned by such Lender for any reason, whether by court order, administrative order, or settlement and whether as a "voidable preference", "fraudulent conveyance" or otherwise, each Guarantor remains liable for the full amount returned as if such amount had never been received by such Lender, notwithstanding any termination of this Guaranty or any cancellation of any of the Agreements and the Liabilities and all obligations of each Guarantor hereunder shall be reinstated in such case.

GUARANTY AGREEMENT

6. Evidence of Liabilities. Each Lender's books and records showing the Liabilities shall be admissible in any action or proceeding, shall be binding upon each Guarantor for the purpose of establishing the Liabilities due from the Borrowers and shall constitute prima facie proof, absent manifest error, of the Liabilities of the Borrowers to such Lender, as well as the obligations of each Guarantor to such Lender.

7. Subordination, Subrogation, Contribution, Etc. Each Guarantor agrees that all present and future indebtedness, obligations and liabilities of any Borrower to such Guarantor shall be fully subordinate and junior in right and priority of payment to any indebtedness of such Borrower to the Lenders, and no Guarantor shall have any right of subrogation, contribution (including but without limitation the contribution and subrogation rights granted below), reimbursement or indemnity whatsoever nor any right of recourse to security for the debts and obligations of such Borrower unless and until all Liabilities shall have been paid in full, such payment is not subject to any possibility of revocation or rescission and all Agreements have expired or been terminated. Subject to the preceding sentence, if any Guarantor makes a payment in respect of the Liabilities it shall be subrogated to the rights of the payee against the relevant Borrower with respect to such payment and shall have the rights of contribution set forth below against all other Cumulative Guarantors and each Guarantor agrees that all other Cumulative Guarantors shall have the rights of contribution against it set forth below. If any Guarantor makes a payment in respect of the Liabilities that is smaller in proportion to its Payment Share (as hereinafter defined) than such payments made by the other Cumulative Guarantors are in proportion to the amounts of their respective Payment Shares, such Guarantor shall, when permitted by the first sentence of this Section 7, pay to the other Guarantors an amount such that the net payments made by the Cumulative Guarantors in respect of the Liabilities shall be shared among the Cumulative Guarantors pro rata in proportion to their respective Payment Shares. If any Guarantor receives any payment by way of subrogation that is greater in proportion to the amount of its Payment Share than the payments received by the other Cumulative Guarantors are in proportion to the amounts of their respective Payment Shares, such Guarantor shall, when permitted by the first sentence of this Section 7, pay to the other Cumulative Guarantors an amount such that the subrogation payments received by the Guarantors shall be shared among the Cumulative Guarantors pro rata in proportion to their respective Payment Shares.

For purposes of this Guaranty, the "Payment Share" of any Cumulative Guarantor shall be the sum of (a) the aggregate proceeds of the Liabilities received by such Guarantor (and, if received subject to a repayment obligation, remaining unpaid on the Determination Date, as hereinafter defined), plus (b) the product of (i) the aggregate Liabilities remaining unpaid on the date such Liabilities become due and payable in full, whether by stated maturity, acceleration or otherwise (the "Determination Date") reduced by the amount of such Liabilities attributed to all of the Cumulative Guarantors pursuant to clause (a) above, times (ii) a fraction, the numerator of which is such Guarantor's net worth on the effective date of this Guaranty (determined as of the end of the immediately preceding fiscal reporting period of the Guarantor), and the denominator of which is the aggregate net worth of all of the Cumulative Guarantors, determined for each Cumulative Guarantor on the respective effective date of the guaranty signed by such Cumulative Guarantor.

GUARANTY AGREEMENT

8. Assignment by Lenders. Each Lender shall have the right to assign and transfer this Guaranty to any assignee of any portion of the Liabilities. Each Lender's successors and assigns hereunder shall have the right to rely upon and enforce this Guaranty.

9. Joint and Several Obligations. The obligations of the Guarantors hereunder and all other Cumulative Guarantors shall be joint and several and each Guarantor shall be liable for all of the Liabilities to the extent provided herein regardless of any other Cumulative Guarantors, and each Lender shall have the right, in its sole discretion to pursue its remedies against any Guarantor without the need to pursue its remedies against any other Cumulative Guarantor, whether now or hereafter in existence, or against anyone or more Cumulative Guarantors separately or against any two or more jointly, or against some separately and some jointly.

10. Representations and Warranties. Each Guarantor hereby represents and warrants to the Lenders that:

(a) the execution, delivery and performance by the Guarantor of this Guaranty are within its corporate, company, or partnership powers, have been duly authorized by all necessary corporate, company, or partnership action, require no action by or in respect of, or filing with, any governmental body, agency or official, and do not contravene or constitute a default under, any provision of applicable law or regulation or of the articles of incorporation, articles of organization, certificate of limited partnership or other charter documents or bylaws, operating agreement or partnership agreement of such Guarantor, or of any agreement, judgment, injunction, order, decree or other instrument binding upon such Guarantor, or result in the creation or imposition of any lien, security interest or other charge or encumbrance on any asset of such Guarantor;

(b) this Guaranty constitutes a legal, valid and binding agreement of each Guarantor, enforceable against the Guarantor in accordance with its terms;

(c) as of the date hereof, each of the following is true and correct for each Guarantor, assuming value is given to the rights of contribution and subrogation as described in Section 7 hereof: (i) the fair saleable value and the fair valuation of such Guarantor's property is greater than the total amount of its liabilities (including contingent liabilities) and greater than the amount that would be required to pay its probable aggregate liability on its existing debts as they become absolute and matured, (ii) each Guarantor's capital is not unreasonably small in relation to its current and/or contemplated business or other undertaken transactions, and (iii) each Guarantor does not intend to incur, or believe that it will incur, debt beyond its ability to pay such debts as they become due; and

(d) the Canadian Borrower, the Company, and the other Guarantors are engaged as an integrated group in the business of providing related services; that the integrated operation requires financing on such a basis that credit supplied to the Borrowers can be made available from time to time to various subsidiaries of the Borrowers, as required for the continued successful operation of the integrated group as a whole; and that each Guarantor has requested the Lenders to continue to lend and to make credit available to the Borrowers for the purpose of financing the integrated operations of the Borrowers and their subsidiaries, including each Guarantor other than the Company, with each Guarantor expecting to derive benefit, direct or indirectly, from the loans and other credit extended by the Lenders to the Borrowers, both in such Guarantor's separate capacity and as a member of the integrated group, inasmuch as the successful operation and condition of each Guarantor is dependent upon the continued successful performance of the functions of the integrated group as a whole. Each of the Guarantors hereby determines and agrees that the execution, delivery and performance of this Guaranty are necessary and convenient to the conduct, promotion or attainment of the business of such Guarantor and in furtherance of the corporate purposes of such Guarantor.

GUARANTY AGREEMENT

11. Binding on Successors and Assigns. This Guaranty shall be the valid, binding and enforceable obligation of the Guarantors and their successors and assigns.

12. Indemnity. As a separate, additional and continuing obligation, each Guarantor unconditionally and irrevocably undertakes and agrees with each Lender that, should the Liabilities not be recoverable from any Guarantor as guarantor under this Guaranty for any reason whatsoever (including, without limitation, by reason of any provision of any of the Liabilities or the Agreements being or becoming void, unenforceable, or otherwise invalid under any applicable law) then, notwithstanding any knowledge thereof by any Lender at any time, each Guarantor as original and independent obligor, upon demand by the Lenders, will make payment to the Lenders of the Liabilities by way of a full indemnity.

13. Cumulative Rights and Remedies, Etc. The obligations of each Guarantor under this Guaranty are continuing obligations and a new cause of action shall arise in respect of each default hereunder. No course of dealing on the part of any Lender, nor any delay or failure on the part of any Lender in exercising any right, power or privilege hereunder, shall operate as a waiver of such right, power, or privilege or otherwise prejudice the Lenders' rights and remedies hereunder; nor shall any single or partial exercise thereof preclude any further exercise thereof or the exercise of any other right, power or privilege. No right or remedy conferred upon or reserved to any Lender under this Guaranty is intended to be exclusive of any other right or remedy, and every right and remedy shall be cumulative and in addition to every other right or remedy given hereunder or now or hereafter existing under any applicable law. Every right and remedy given by this Guaranty or by applicable law to the Lenders may be exercised from time to time and as often as may be deemed expedient by any Lender.

14. Severability. If anyone or more provisions of this Guaranty should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected, impaired, prejudiced or disturbed thereby, and any provision hereunder found partially unenforceable shall be interpreted to be enforceable to the fullest extent possible. If at any time all or any portion of the obligation of any Guarantor under this Guaranty would otherwise be determined by a court of competent jurisdiction to be invalid, unenforceable or avoidable under Section 548 of the federal Bankruptcy Code or under any fraudulent conveyance or transfer laws or similar applicable law of any jurisdiction, then notwithstanding any other provisions of this Guaranty to the contrary such obligation or portion thereof of such Guarantor under this Guaranty shall be limited to the greatest of (i) the value of any quantified economic benefits accruing to such Guarantor as a result of this Guaranty, (ii) an amount equal to 95% of the excess on the date the relevant Liabilities were incurred of the present fair saleable value of the assets of such Guarantor over the amount of all liabilities of such Guarantor, contingent or otherwise, and (iii) the maximum amount of which this Guaranty IS determined to be enforceable.

GUARANTY AGREEMENT

15. Merger; Amendments. This Guaranty is intended as a final expression of the subject matter hereof and is also intended as a complete and exclusive statement of the terms hereof. Each Guarantor's liability hereunder is independent of and in addition to its liability under any other guaranty previously or subsequently executed. No course of dealing, course of performance or trade usage, and no parole evidence of any nature, shall be used to supplement or modify any terms hereof, nor are there any conditions to the full effectiveness of this Guaranty. None of the terms and provisions of this Guaranty may be waived, altered, modified or amended in any way except by an instrument in writing executed by duly authorized officers of each Lender and the Guarantors.

16. Consent to Jurisdiction. Notwithstanding the place where any Liability originates or arises, or is to be repaid, any suit, action or proceeding arising out of or relating to this Guaranty, any of the Agreements, or any borrowing made in connection with any of the Agreements, may be instituted in any court of the United States of America or the State of Michigan, sitting in the City of Detroit, State of Michigan, and each Guarantor hereby irrevocably waives any objection which it may have or hereafter have to the laying of the venue of any such suit, action or proceeding and any claim that any such suit, action or proceeding has been brought in an inconvenient forum; and each Guarantor hereby irrevocably submits his person and property to the jurisdiction of any such court in any such suit, action or proceeding. Each Guarantor hereby consents to the service of process in any suit, action or proceeding of the nature referred to in this Section 16 by the mailing of a copy thereof by registered or certified mail, postage prepaid, or personally delivering a copy thereof to such Guarantor, at the address set forth under its signature below, or at such other address as such Guarantor may hereafter specify to the Lenders in writing. Nothing in this Section 16 shall affect the right of any Lender to serve process in any other manner permitted by law or limit the right of the Lenders to bring proceedings against any Guarantor or any of its property in the courts of any other jurisdiction in which it is subject to service of process. To the extent that any Guarantor now or hereafter may be entitled, in any jurisdiction in which proceedings may at any time be commenced with respect to this Guaranty or the transactions contemplated hereby, to claim itself or its revenues, assets or properties any immunity (including, without limitation, immunity from service of process, jurisdiction, suit, judgment, counterclaim, enforcement of or execution on a judgment, attachment prior to the judgment, attachment in aid of execution of a judgment or other legal process), and to the extent that in any such jurisdiction there may be attributed any such immunity (whether or not claimed), such Guarantor hereby irrevocably undertakes not to claim and hereby irrevocably waives any such immunity to the fullest extent permitted by law. Each Guarantor irrevocably and generally consents in respect of any proceedings to the giving of any relief or the issue of any process in connection with those proceedings including, without limitation, the making, enforcement or execution against any assets whatsoever of any order or judgment which may be made or given in those proceedings.

17. Governing Law; Headings. This Guaranty shall be governed by and construed in accordance with the laws of the State of Michigan without giving effect to the choice of law principles of such state. The headings of the various paragraphs hereof are for the convenience of reference only and shall in no way modify any of the terms or provisions hereof.

GUARANTY AGREEMENT

18. Notices. Any notice, demand, consent or request given or made to each Guarantor by any Lender shall be deemed to have been duly given or made if sent in writing (including telecommunications) to such Guarantor to the address or telex or telecopy number set forth below the name of such Guarantor on the signature page hereof, or at such other address or telex or telecopy number as such Guarantor may hereafter specify to the Lenders in writing. All notices or other communications sent by means of telecopy, telex or other wire transmission shall be made with request for assurance of receipt in a manner typical with respect to communications of that type. Written notices or other communications shall be deemed delivered upon receipt if delivered by hand or by telecopy, three business days after mailing if mailed, or one business day after deposit with an overnight courier service if delivered by overnight courier. Notices or other communications delivered by hand shall be deemed delivered upon receipt.

19. WAIVER OF JURY TRIAL. THE LENDERS, IN ACCEPTING THIS GUARANTY, AND THE GUARANTORS, AFTER CONSULTING OR HAVING HAD THE OPPORTUNITY TO CONSULT WITH COUNSEL, KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHT ANY OF THEM MAY HAVE TO A TRIAL BY JURY IN ANY LITIGATION BASED UPON OR ARISING OUT OF THIS GUARANTY OR ANY RELATED INSTRUMENT OR AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED BY THIS GUARANTY OR ANY COURSE OF CONDUCT, DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF ANY OF THEM. NEITHER THE LENDERS NOR THE GUARANTORS SHALL SEEK TO CONSOLIDATE, BY COUNTERCLAIM OR OTHERWISE, ANY SUCH ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. THESE PROVISIONS SHALL NOT BE DEEMED TO HAVE BEEN MODIFIED IN ANY RESPECT OR RELINQUISHED BY ANY OF THE LENDERS OR THE GUARANTORS EXCEPT BY A WRITTEN INSTRUMENT EXECUTED BY ALL OF THEM. THIS GUARANTY IS FREELY AND VOLUNTARILY GIVEN TO THE LENDERS BY THE GUARANTORS WITHOUT ANY DURESS OR COERCION, AND AFTER EACH GUARANTOR HAS EITHER CONSULTED WITH COUNSEL OR BEEN GIVEN AN OPPORTUNITY TO DO SO. EACH GUARANTOR HAS CAREFULLY AND COMPLETELY READ ALL OF THE TERMS AND PROVISIONS OF THIS GUARANTY AND OF EACH AGREEMENT.

GUARANTY AGREEMENT

EXECUTED and effective as of the day and year first above written.

UNIVERSAL FOREST PRODUCTS, INC.

By: _____
Print Name: _____
Its: _____

UNIVERSAL FOREST PRODUCTS TEXAS LIMITED
PARTNERSHIP

By: _____
Print Name: _____
Its: _____

UNIVERSAL FOREST PRODUCTS HOLDING
COMPANY, INC.

By: _____
Print Name: _____
Its: _____

UNIVERSAL FOREST PRODUCTS WESTERN
DIVISION, INC.

By: _____
Print Name: _____
Its: _____

GUARANTY AGREEMENT

UNIVERSAL FOREST PRODUCTS EASTERN
DIVISION, INC.

By: _____
Print Name: _____
Its: _____

UNIVERSAL TRUSS, INC.

By: _____
Print Name: _____
Its: _____

UNIVERSAL FOREST PRODUCTS RECLAMATION
CENTER, INC.

By: _____
Print Name: _____
Its: _____

UNIVERSAL FOREST PRODUCTS OF MODESTO
L.L.C.

By: _____
Print Name: _____
Its: _____

GUARANTY AGREEMENT

TRESSTAR, LLC

By: _____
Print Name: _____
Its: _____

UFP VENTURES, INC.

By: _____
Print Name: _____
Its: _____

UFP REAL ESTATE, INC.

By: _____
Print Name: _____
Its: _____

UFP VENTURES II, INC.

By: _____
Print Name: _____
Its: _____

GUARANTY AGREEMENT

UNIVERSAL FOREST PRODUCTS RMS, LLC

By: _____
Print Name: _____
Its: _____

UFP TRANSPORTATION, INC.

By: _____
Print Name: _____
Its: _____

INDIANAPOLIS REAL ESTATE, LLC

By: _____
Print Name: _____
Its: _____

Address for each Guarantor:
2801 Beltline NE
Grand Rapids, MI 49505
Telecopy No.: 616-361-7534

GUARANTY AGREEMENT

EXHIBIT C

REVOLVING CREDIT NOTE

\$ _____

December __, 2004
Detroit, Michigan

FOR VALUE RECEIVED, _____, a _____ (the "Company"), hereby unconditionally promises to pay to the order of _____ (the "Lender"), at the principal banking office of the Agent in Detroit, Michigan in [U.S.] [Canadian] Dollars and in Same Day Funds, the principal sum of _____ [U.S.] [Canadian] Dollars ([C]\$ _____) or such lesser amount as is recorded on the schedule attached hereto, or in the books and records of the Lender, on the Termination Date; and to pay interest on the unpaid principal balance hereof from time to time outstanding, in like money and funds, for the period from the date hereof until the Syndicated Loans evidenced hereby shall be paid in full, at the rates per annum and on the dates provided in the Credit Agreement referred to below.

The Lender is hereby authorized by the Company to record on the schedule attached to this Revolving Credit Note, or on its books and records, the date, amount and type of each Syndicated Loan, the duration of the related Interest Period (if applicable), the amount of each payment or prepayment of principal thereon and the other information provided for on such schedule, which schedule or such books and records, as the case may be, shall constitute prima facie evidence of the information so recorded, provided, however, that any failure by the Lender to record any such information shall not relieve the Company of its obligation to repay the outstanding principal amount of such Syndicated Loans, all accrued interest thereon and any amount payable with respect thereto in accordance with the terms of this Revolving Credit Note and the Credit Agreement.

The Company and each endorser or guarantor hereof waives demand, presentment, protest, diligence, notice of dishonor and any other formality in connection with this Revolving Credit Note. Should the indebtedness evidenced by this Revolving Credit Note or any part thereof be collected in any proceeding or be placed in the hands of attorneys for collection, the Company agrees to pay, in addition to the principal, interest and other sums due and payable hereon, all costs of collecting this Revolving Credit Note, including attorneys' fees and expenses (including without limitation allocated costs and expenses of attorneys who are employees of the Lender).

This Revolving Credit Note evidences one or more Syndicated Loans made under a Credit Agreement, dated as of December ____, 2004 (as amended or modified from time to time, the "Credit Agreement"), by and among the Company, the other Borrower, the lenders party thereto from time to time (including the Lender), JPMorgan Chase Bank, N.A., as Agent, Wachovia Bank, N.A., as Syndication Agent, and Standard Federal Bank, N.A., as Documentation Agent, to which reference is hereby made for a statement of the circumstances under which this Revolving Credit Note is subject to prepayment and under which its due date may be accelerated. Capitalized terms used but not defined in this Revolving Credit Note shall have the respective meanings assigned to them in the Credit Agreement.

REVOLVING CREDIT NOTE

This Revolving Credit Note is made under, and shall be governed by and construed in accordance with, the laws of the State of Michigan in the same manner applicable to contracts made and to be performed entirely within such State and without giving effect to choice of law principles of such State.

By: _____
Print Name: _____
Its: _____

REVOLVING CREDIT NOTE

Schedule to Revolving Credit Note, dated
December _____, 2004, made by _____
in favor of _____

<u>Transaction Date</u>	<u>Principal Amount of Loan</u>	<u>Type of Loan*</u>	<u>Interest Rate</u>	<u>Interest Period (if applicable</u>	<u>Principal Amount Paid, Pre- paid or Converted</u>	<u>Principal Balance Outstanding</u>	<u>Notation Made By</u>
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* E — Syndicated Eurodollar Rate
F — Floating Rate
B — BA Rate

REVOLVING CREDIT NOTE

EXHIBIT D

SWINGLINE NOTE

\$ _____

December ____, 2004
Detroit, Michigan

FOR VALUE RECEIVED, Universal Forest Products, Inc., a Michigan corporation (the "Company"), hereby promises to pay to the order of JPMorgan Chase Bank, N.A. (the "Agent"), at the principal banking office of the Agent in Detroit, Michigan in U.S. Dollars and in Same Day Funds, the principal sum of _____ U.S. Dollars (\$ _____), or such lesser amount as is recorded on the schedule attached hereto or in the books and records of the Agent, on the Termination Date or such earlier date as the Agent may require in its sole discretion; and to pay interest on the unpaid principal balance hereof from time to time outstanding, in like money and funds, for the period from the date hereof until the Swingline Loans evidenced hereby shall be paid in full, at the rates per annum and on the dates provided in the Credit Agreement referred to below.

The Agent is hereby authorized by the Company to record on the schedule attached to this Swingline Note, or on its books and records, the date and the amount of each Swingline Loan, the applicable interest rate and type and the duration of the related Interest Period (if applicable), the amount of each payment or prepayment of principal thereon, and the other information provided for on such schedule, which schedule or such books and records, as the case may be, shall constitute prime facie evidence of the information so recorded, provided, however, that any failure by the Agent to record any such notation shall not relieve the Company of its obligation to repay the outstanding principal amount of this Swingline Note, all accrued interest hereon and any amount payable with respect hereto in accordance with the terms of this Swingline Note and the Credit Agreement.

The Company and each endorser or guarantor hereof waives presentment, protest, notice of dishonor and any other formality in connection with this Swingline Note. Should the indebtedness evidenced by this Swingline Note or any part thereof be collected in any proceeding or be placed in the hands of attorneys for collection, the Company agrees to pay, in addition to the principal, interest and other sums due and payable hereon, all costs of collection of this Swingline Note, including attorneys' fees and expenses.

This Swingline Note evidences Swingline Loans made under a Credit Agreement, dated as of December ____, 2004 (as amended or modified from time to time, the "Credit Agreement"), by and among the Company, the Canadian Borrower, the lenders party thereto from time to time (including the Lender), the Agent, Wachovia Bank, N.A., as Syndication Agent, and Standard Federal Bank, N.A., as Documentation Agent, to which reference is hereby made for a statement of the circumstances under which this Swingline Note is subject to prepayment and under which its due date may be accelerated. Capitalized terms used but not defined in this Swingline Note shall have the respective meanings assigned to them in the Credit Agreement.

SWINGLINE NOTE

This Swingline Note is made under, and shall be governed by and construed in accordance with, the laws of the State of Michigan in the same manner applicable to contracts made and to be performed entirely within such State and without giving effect to choice of law principles of such State.

UNIVERSAL FOREST PRODUCTS, INC.

By: _____
Print Name: _____
Its: _____

SWINGLINE NOTE

Schedule to Swingline Note dated December_____, 2004,
made by Universal Forest Products, Inc.
in favor of JPMorgan Chase Bank, N.A.

<u>Transaction Date</u>	<u>Principal Amount of Loan</u>	<u>Applicable Interest Rate</u>	<u>Interest Period</u>	<u>Principal Amount Paid or Prepaid</u>	<u>Balance Outstanding</u>	<u>Notation Made By</u>
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SWINGLINE NOTE

EXHIBIT E

BID-OPTION QUOTE REQUEST

[Date]

JPMorgan Chase Bank, N.A.,
as Agent for the Lenders
6511 Woodward Avenue
Detroit, Michigan 48226

Attention: _____

Universal Forest Products, Inc., a Michigan corporation (the "Company"), hereby requests offers to make Bid-Option Loans comprising the Bid-Option Borrowing(s) described below pursuant to Section 2.2(b) of the Credit Agreement, dated as of December_, 2004, as amended, supplemented or otherwise modified (the "Credit Agreement"), by and among the Company, the Canadian Borrower, JPMorgan Chase Bank, N.A., as Agent, Wachovia Bank, N.A., as Syndication Agent, and Standard Federal Bank, N.A., as Documentation Agent. Capitalized terms used but not defined herein shall have the respective meanings ascribed thereto in the Credit Agreement.

Date of Bid-Option Borrowing(s): _____, _____

Type of Bid-Option Borrowing(s): _____ [Absolute Rate] [Eurodollar Rate]

Aggregate Amount of each Bid-Option Borrowing: (a) _____ *
(b) _____
(c) _____

Interest Period: (a) _____ **
(b) _____
(c) _____

UNIVERSAL FOREST PRODUCTS, INC.

By: _____
Print Name: _____
Its: _____

* Must be (a) \$3,000,000 or a larger multiple of \$1,000,000.

** Must comply with the definition of the "Bid-Option Interest Period."

EXHIBIT F

INVITATION FOR BID-OPTION QUOTES

[Date]

To: [Name of Lender]
Attention: _____

Reference is made to the Credit Agreement, dated as of December , 2004, as amended, supplemented or otherwise modified (the "Credit Agreement"), by and among Universal Forest Products, Inc. (the "Company"), the Canadian Borrower, the lenders party thereto from time to time, JPMorgan Chase Bank, N.A., as Agent, Wachovia Bank, N.A., as Syndication Agent, and Standard Federal Bank, N.A., as Documentation Agent. Capitalized terms used but not defined herein shall have the respective meanings ascribed thereto in the Credit Agreement.

Pursuant to Section 2.2(c) of the Credit Agreement, JPMorgan Chase Bank, N.A., as Agent, is pleased on behalf of the Company to invite you to submit Bid-Option Quotes to the Company for the BidOption Borrowing(s) described below.

Date of Bid-Option Borrowing(s): _____, _____

Type of Bid-Option Borrowing(s): [Absolute Rate] [Eurodollar Rate]

Aggregate Amount of Each

Bid-Option Borrowing:	Interest Period:
(a) _____	(a) _____
(b) _____	(b) _____
(c) _____	(c) _____

Please respond to this invitation by no later that 9:00 a.m. (Detroit time) on _____, _____. *

UNIVERSAL FOREST PRODUCTS, INC.

By: _____
Print Name: _____
Its: _____

* The proposed date of the Borrowing in the case of Absolute Rate Bid-Option Borrowing. The third Business Day prior to the proposed date of Borrowing in the case of Eurodollar Rate Bid-Option Borrowing.

EXHIBIT G

BID-OPTION QUOTE

[Date]

JPMorgan Chase Bank, N.A.,
6511 Woodward Avenue
Detroit, Michigan 48226

Attention: _____

Reference is made to the Credit Agreement, dated as of December __, 2004, as amended, supplemented or otherwise modified (the "Credit Agreement"), by and among Universal Forest Products, Inc. (the "Company"), the Canadian Borrower, the lenders party thereto from time to time (including the Lender), JPMorgan Chase Bank, N.A., as Agent, Wachovia Bank, N.A., as Syndication Agent, and Standard Federal Bank, N.A., as Documentation Agent. Capitalized terms used but not defined herein shall have the respective meanings ascribed thereto in the Credit Agreement.

In response to your Invitation for Bid-Option Quotes dated _____, _____, _____ (the "Lender"), hereby makes the following offer[s] to make [a] Bid-Option Loan[s]:

1. Quoting Lender: _____

Contact Person: _____

2. Date of proposed Borrowing: _____ *

3. Quotes:

Type of Bid-Option Loans: Absolute Rate or Eurodollar Rate**	Principal Amount***	Bid-Option Absolute Rate or Bid-Option Eurodollar Rate Margin****	Interest Period*****
(a) _____	_____	_____	_____
(b) _____	_____	_____	_____
(c) _____	_____	_____	_____

4. The aggregate amount of Bid-Option Loans which may be accepted by the Company pursuant to this Bid-Option Quote shall not exceed \$_____.

The Lender acknowledges and agrees that this Bid-Option Quote (a) is irrevocable and (b), subject to the terms and conditions of the Credit Agreement, obligates it to make a Bid-Option Loan for which any quote is accepted, in whole or in part.

[Name of Lender]

By: _____
Print Name: _____
Its: _____

- * As specified in the related Invitation for Bid-Option Quotes.
- ** As specified in the related Invitation for Bid-Option Quotes.
- *** The principal amount (a) must be \$3,000,000 or a larger multiple of \$1,000,000 and (b) may not exceed the aggregate amount of the related Bid-Option Borrowing specified in the related Invitation for Bid-Option Quotes.
- **** Specify rate of interest per annum (rounded up to the nearest 1/1000th of 1%) or applicable margin, which may be positive or negative, expressed as a percentage (rounded up to the nearest 1/1000th of 1%), as the case may be.
- ***** As specified in the related Invitation for Bid-Option Quotes.

BID-OPTION QUOTE

EXHIBIT H

REQUEST FOR SYNDICATED ADVANCE

[Date]

To each Lender party to
the referenced Credit Agreement
c/o JPMorgan Chase Bank, N.A., as Agent for the Lenders
611 Woodward Avenue
Detroit, Michigan 48226

Attention: _____

_____, a _____ (the "Borrower") hereby requests a [insert Syndicated Loan, or Letter of Credit Advance] pursuant to Section 2.6 of the Credit Agreement, dated as of December __, 2004 (as amended or modified from time to time, the "Credit Agreement"), among the Borrowers, the lenders party thereto from time to time, JPMorgan Chase Bank, N.A., as Agent, Wachovia Bank, N.A., as Syndication Agent, and Standard Federal Bank, N.A., as Documentation Agent.

[A Syndicated Loan is requested to be made in the amount of [C]\$_____, to be made on _____, _____ and evidenced by the Borrower's Revolving Credit Notes. Such Loan shall be a [insert Eurodollar Rate Syndicated Loan, BA Rate Syndicated Loan, or Floating Rate Loan] and the initial Interest Period, if such requested Loan is a Eurodollar Rate Syndicated Loan or a BA Rate Syndicated Loan, shall be [insert permitted Interest Period].]

[Such Letter of Credit Advance shall be made by the issuance by the Agent of its Letter of Credit for the account of the Borrower in the maximum stated amount of \$ _____ to and for the benefit of _____ with a stated expiry date of _____, and containing the further terms and conditions set forth in the attached letter of credit application to the Agent.]

In support of this request, the Borrower hereby represents and warrants to the Agent and the Lenders that:

1. The representations and warranties contained in the Credit Agreement are true and correct in all material respects on and as of the date hereof, and will be true and correct in all material respects on the date such Advance is made (both before and after such Advance is made), as if such representations and warranties were made on and as of such dates.

2. No Event of Default or Default has occurred and is continuing or will exist on the date such Advance is made and such Advance shall not cause an Event of Default or Default.

Acceptance of the proceeds of such Advance by the Borrower shall be deemed to be a further representation and warranty that the representations and warranties made herein are true and correct in all material respects at the time such proceeds are disbursed.

Capitalized terms used but not defined herein shall have the respective meanings assigned to them in the Credit Agreement.

By: _____

Print Name: _____

Its: _____

Date : _____, _____

REQUEST FOR SYNDICATED ADVANCE

EXHIBIT I



December 20, 2004

JPMorgan Chase Bank, N.A., as Agent, and each Lender
which is a party to the Credit Agreement
(as defined below)
611 Woodward Avenue
Detroit, Michigan 48226

**Re: Credit Agreement dated as of December 20, 2004, by and
among Universal Forest Products, Inc., the signatory lenders
thereto, and JPMorgan Chase Bank, N.A., as Agent (the
“Agreement”)**

Ladies and Gentlemen:

We have acted as counsel to Universal Forest Products, Inc., a Michigan corporation (the “Company”), and the entities identified in Schedule A attached hereto (collectively, the “Guarantors”) in connection with the Agreement, the Notes and the Guaranties (collectively referred to as the “Loan Documents”) and the transactions completed thereby. This opinion is being delivered to you pursuant to paragraph 2.7(d) of the Agreement. Except as otherwise defined in this opinion, capitalized terms used herein shall have the meanings given to them in the Agreement.

We have examined such records, documents, certificates and other instruments and have made such investigation of fact and law as we deem necessary to render this opinion. As to various questions of fact relevant to this opinion, we have relied upon statements and certificates of officers and employees of the Company and its Subsidiaries and of public officials.

In our examination, we have assumed the legal capacity of all natural persons, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as copies, and the authenticity of the originals of such copies. For purposes of the opinion expressed in paragraph 3 below, we have further assumed that the Loan Documents constitute the valid and binding obligations of the parties thereto other than the Company and the Guarantors.

Based on and subject to the foregoing, it is our opinion that:

1. Each of the Company and the Guarantors is duly organized, validly existing and in good standing under the laws of the state of Michigan, and has all requisite corporate, limited liability company or limited partnership (as applicable, “Entity”) power and authority to own or lease its property and to carry on its business as now conducted and to engage in the transactions contemplated by the Loan Documents.



JPMorgan Chase Bank, N.A., *et al.*

December 20, 2004

Page 2

2. Each of the Company and the Guarantors has full Entity power and authority to execute and deliver the Loan Documents to which it is a party and to engage in the transactions contemplated thereby. The execution, delivery and performance by each of the Company and the Guarantors of the Loan Documents to which it is a party have been duly authorized by all necessary Entity action and are not in contravention of (i) the Company's or such Guarantor's organizational or charter documents or any law or regulation applicable to the Company or such Guarantor or (ii) to our knowledge, any judgment, decree, writ, injunction, order or award of any arbitrator, court or governmental authority or any contract or undertaking to which the Company or any Guarantor is a party or by which the Company or any Guarantor or its respective property is bound.

3. No authorization or approval of, filing with, or notice to any governmental authority or regulatory body is required on behalf of the Company or any Guarantor to authorize, or is required in connection with the execution, delivery and performance by the Company or any Guarantor of the Loan Documents.

4. Each Loan Document to which the Company or any Guarantor is a party has been duly executed and delivered and constitutes the valid and legally binding obligation of the Company or such Guarantor, as applicable, and is enforceable against the Company or such Guarantor, as applicable, in accordance with its terms.

5. To our knowledge there is no pending or threatened action or proceeding against the Company or any Guarantor before any court, governmental agency or arbitrator which is required to be described pursuant to Item 103 of Regulation S-K under the Securities Exchange Act of 1934, as amended (the "Act") in the Company's reports filed with the Securities and Exchange Commission ("SEC") pursuant to the Act, other than matters described in the Company's 10-K (Annual Report for Fiscal Year Ended December 27, 2003), filed with the SEC on March 11, 2004, and the Company's 10-Q (Quarterly Report for Quarterly Period Ended September 25, 2004), filed with the SEC on October 25, 2004.

The foregoing opinion is subject to and qualified by the following qualifications:

A. The law covered by the opinions expressed herein is limited to the federal law of the United States and the law of the State of Michigan.

B. The term "knowledge" as used herein is limited to the actual knowledge of those attorneys in our firm who have directly participated in this engagement or who are primarily responsible for the Company and the Guarantors concerning any issue or factual information addressed herein. Additionally, with respect to factual matters not independently established by us we have relied upon certificates of officers of the Company and the Guarantors, which reliance we deem appropriate.



JPMorgan Chase Bank, N.A., *et al.*
December 20, 2004
Page 3

C. To the extent our opinion relates to the enforceability of any agreement or obligation, it is subject to and qualified by the following:

(1) the effect and application of bankruptcy, insolvency, reorganization, moratorium and other laws now or hereafter in effect which relate to or limit creditors' and secured parties' rights or remedies generally;

(2) the effect and application of general principles of equity, whether considered in a proceeding in equity or at law; and

(3) limitations imposed by applicable law on the enforceability of purported waivers of rights and defenses.

D. With respect to the validity and legality of the interest provisions of the Agreement and the Notes, no opinion is expressed as to the effect of the Michigan criminal usury statute (MCLA Sec. 438.41) if the applicable rate of interest on any of the Notes at any time exceeds the applicable rate specified in such statute (25% per annum simple interest).

E. We have made no independent investigation as to the accuracy or completeness of any of the statements set forth in the certificates of representatives of the Company or the Guarantors or other documents presented to us for our review, but we have no knowledge of any incorrect or misleading statement therein.

F. This opinion is given as of the date hereof, and we undertake no obligation to advise you of any changes in the matters set forth herein.

This opinion is addressed to and is for the benefit solely of the Agent and the Lenders and their permissible successors, assigns and participants, and the Agent's and Lenders' respective legal counsel in connection with the Agreement, and may not be relied upon by any other person, firm or corporation for any purpose whatsoever and, except as required by law, may not be published or disseminated, nor referenced, in any other document or writing without our express written consent.

Very truly yours,

VARNUM, RIDDERING, SCHMIDT & HOWLETT LLP

Joan Schleef



EXHIBIT A
Guarantors

Universal Forest Products of Modesto, LLC
Tresstar, LLC
UFP Ventures, Inc.
Universal Forest Products Western Division, Inc.
Universal Forest Products Texas Limited Partnership
Universal Forest Products Holding Company, Inc.
Universal Forest Products Reclamation Center, Inc.
Universal Forest Products Eastern Division, Inc.
UFP Real Estate, Inc.
Universal Truss, Inc.
Indianapolis Real Estate, LLC
UFP Ventures II, Inc.
UFP Transportation, Inc.
Universal Forest Products RMS, LLC

File Reference: NS28679-1

December 20, 2004

JPMORGAN CHASE BANK, N.A., AS AGENT, AND THE LENDERS REFERRED TO BELOW

Gentlemen/Ladies:

We are local Nova Scotia counsel for Universal Forest Products Nova Scotia ULC, an unlimited company (sometimes referred to as an “unlimited liability company”) (the “**Canadian Borrower**”), and have represented the Canadian Borrower in connection with its execution and delivery of an Amended and Restated Credit Agreement (the “**Credit Agreement**”) dated as of December 20, 2004 by and among Universal Forest Products, Inc., a Michigan corporation, the Canadian Borrower, the lenders party thereto from time to time (the “**Lenders**”), JPMorgan Chase Bank, N.A., a national banking association, as Agent (in such capacity, together with its successors and assigns, the “**Agent**”), Wachovia Bank, N.A., as syndication Agent and Standard Federal Bank, N.A., National City Bank of the Midwest and Comerica Bank as documentation agents (the Credit Agreement and the various Revolving Credit Notes, each dated as of December 20, 2004 made by the Canadian Borrower, being collectively referred to as the “**Canadian Borrower Loan Documents**”).

In connection with the opinions set out below, we have examined executed copies of each of the following documents:

1. the Canadian Borrower Loan Documents;
 2. a certificate of status (the “**Certificate of Status**”) pertaining to the Canadian Borrower issued on behalf of the Registrar of Joint Stock Companies for the Province of Nova Scotia, dated December 20, 2004;
 3. the memorandum of association, articles of association, other constating documents and organizational minutes of the Canadian Borrower contained in the minute book of the Canadian Borrower; and
 4. a resolution of the directors of the Canadian Borrower dated December 20, 2004 authorizing the execution and delivery of the Canadian Borrower Loan Documents by the Canadian Borrower.
-

We have also examined the originals or copies, certified or otherwise identified to our satisfaction, of such public and corporate records, certificates, instruments and other documents and have considered such questions of law as we have deemed necessary as a basis for the opinions hereinafter expressed.

In stating our opinions, we have assumed:

- a. the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity to original documents of all documents submitted to us as notarial, certified, telecopies, conformed or reproduction copies thereof and the authenticity of the originals of such documents;
- b. the completeness, truth and accuracy of all facts set forth in official public records and certificates and other documents supplied by public officials;
- c. that the constating documents and corporate resolutions in the minute book of the Canadian Borrower reviewed by us above remain unamended and complete;
- d. that all facts set out in a certificate of an officer of the Canadian Borrower attached hereto, upon which we have relied in connection with this opinion, are true and correct; and
- e. that the Canadian Borrower Loan Documents have each been physically delivered by the Canadian Borrower to the Agent or its lawful representatives and that such delivery was not subject to any condition or escrow.

The opinions hereinafter expressed are limited to the laws of the Province of Nova Scotia including the federal laws of Canada applicable therein as of the date of this opinion letter and we express no opinion as to the laws of any other jurisdiction.

Based upon the foregoing, it is our opinion that:

1. The Canadian Borrower is an unlimited company duly incorporated, validly existing and in good standing as to the filing of annual returns and payment of annual fees under the Companies Act (Nova Scotia) and Corporations Registration Act (Nova Scotia).
 2. The Canadian Borrower has the power and authority, and the legal right, to make, deliver and perform its obligations under the Canadian Borrower Loan Documents and to borrow under the Credit Agreement. The Canadian Borrower has taken all necessary corporate and other action to authorize the performance of its obligations under the Canadian Borrower Loan Documents and to authorize the execution, delivery and performance of the Canadian Borrower Loan Documents.
 3. No consent or authorization of, approval by, notice to, filing with or other act by or in respect of, any governmental authority in the Province of Nova Scotia or under the federal laws of Canada applicable therein is required in connection with the borrowings by the Canadian Borrower under the Canadian Borrower Loan Documents or with the execution, delivery, performance, validity or enforceability of any of the Canadian Borrower Loan Documents.
-

4. The Canadian Borrower Loan Documents have been duly executed and delivered on behalf of the Canadian Borrower.
 5. The execution and delivery of the Canadian Borrower Loan Documents by the Canadian Borrower, the performance of its obligations there under, the consummation of the transactions contemplated thereby, the compliance by the Canadian Borrower with any of the provisions thereof, the borrowings under the Credit Agreement and the use of proceeds thereof, all as provided therein, a) will not violate, or constitute a default under, any requirement of any law, order or regulation of the Province of Nova Scotia or federal law of Canada applicable therein applicable to the Canadian Borrower and (b) will not result in, or require, the creation or imposition of any Lien (as such term is defined in the Credit Agreement) on any of the properties or revenues of the Canadian Borrower pursuant to any such law, order or regulation.
 6. To ensure the legality, validity, enforceability or admissibility in evidence of the Canadian Borrower Loan Documents it is not necessary that any Canadian Borrower Loan Documents or any other document be filed, registered or recorded with, or executed or notarized before, any court of other authority of the Province of Nova Scotia or that any registration charge or stamp or similar tax be paid on or in respect of the Canadian Borrower Loan Documents in the Province of Nova Scotia other than court filing fees.
 7. A court in the Province of Nova Scotia (a “**Nova Scotia Court**”) would not refuse to enforce any of the Canadian Borrower Loan Documents by reason of their failure to comply with any special formal requirements of the Province of Nova Scotia.
 8. It is not necessary under the laws of the Province of Nova Scotia or the federal laws of Canada applicable therein (a) in order to enable the Agent and the Lenders or any of them to enforce their respective rights of the Canadian Borrower Loan Documents or (b) by reason of the execution of the Canadian Borrower Loan Documents or the performance of the Canadian Borrower Loan Documents that any of them should be licensed, qualified or entitled to carry on business in the Province of Nova Scotia except that in order to enforce their rights in the Canadian Borrower Loan Documents the Agent and the Lenders may be required to become licensed at the time of enforcement under the *Corporations Registration Act* (Nova Scotia)
 9. In any action or proceeding arising out of or relating to the Canadian Borrower Loan Documents in any Nova Scotia Court, such court would recognize and give effect to the choice of law provisions in the Canadian Borrower Loan Documents wherein the parties thereto agree that the Canadian Borrower Loan Documents shall be governed by, and construed and interpreted in accordance with, the laws of the State of Michigan if it was not made with a view to avoiding the consequences of the laws of any other jurisdiction and that choice is not otherwise contrary to public policy, as such term is understood under the laws of the Province of Nova Scotia.
-

10. The laws of the Province of Nova Scotia permit an action to be brought in a Nova Scotia court on any final and conclusive judgment *in personam* under the internal laws of the State of Michigan which is not impeachable as void or voidable under the internal laws of the State of Michigan, for a sum certain if:
 - a. that judgment was not obtained by fraud or in a manner contrary to “natural justice” and the enforcement of that judgment would not be contrary to “public policy” as such terms are applied by the courts of the Province of Nova Scotia;
 - b. the Michigan Court did not act either:
 - i. without jurisdiction under the conflict of laws rules of the laws of the Province of Nova Scotia; or
 - ii. without authority, under the laws in force in Michigan, to adjudicate concerning the cause of action or subject matter that resulted in the judgment or concerning the person of that judgment debtor;
 - c. the Canadian Borrower, was duly served with the process of the Michigan Court or appeared to defend such process, and, for the purposes of service of process, it is not sufficient that the Canadian Borrower had agreed to submit to the jurisdiction of Michigan;
 - d. the judgment is not contrary to the final and conclusive judgment of another jurisdiction;
 - e. the enforcement of that judgment does not constitute, directly or indirectly, the enforcement of foreign revenue or penal laws;
 - f. the enforcement of the judgment would not be contrary to any order made by the Attorney General of Canada under the *Foreign Extraterritorial Measures Act* (Canada) or the Competition Tribunal under the *Competition Act* (Canada) in respect of certain judgments, laws, and directives having effects on competition in Canada; and
 - g. the action to enforce that judgment is taken within six years of the date of that foreign judgment as stipulated in the *Limitations of Actions Act* (Nova Scotia)
 11. The submission by the Canadian Borrower to the non-exclusive jurisdiction of any court of the State of Michigan or the United States of America federal court sitting in Detroit, Michigan would be recognized by a Nova Scotia Court provided that such submission was enforceable under the laws by which the documents are governed.
-

This opinion letter is being delivered to you solely for your benefit and only in connection with the transactions contemplated by the Canadian Borrower Loan Documents. Without our prior written consent, this letter and the opinions expressed herein may not be:

- a. relied upon you for any other purpose or in connection with any other transaction, except in connection with or during the course of judicial or administrative proceedings in which the opinion may be relevant;
- b. relied upon by any other party;
- c. quoted in whole or in part; or
- d. furnished (either in its original form or by copy) to any other party except in connection with or during the course of judicial or administrative proceedings in which the opinions may be relevant.

We hereby consent to this opinion may be relied upon by the Agent's and the Lenders' participants, assignees and other transferees contemplated by the Canadian Borrower Loan Documents.

Yours very truly,

STEWART MCKELVEY STIRLING SCALES

BENNETT JONES LLP

December 20, 2004

JPMorgan Chase Bank, N.A.,
as Agent and the Lenders referred to below

Universal Forest Products Nova Scotia ULC
c/o Universal Forest Products, Inc.
2801 East Beltline NE
Grand Rapids, MI USA
49505

Dear Sirs:

Re: Universal Forest Products Nova Scotia ULC — Credit Agreement

We have acted as Canadian tax counsel to Universal Forest Products Nova Scotia ULC (the “Canadian Borrower”), an unlimited liability company organized under the laws of Nova Scotia, Canada, in connection with its execution and delivery of a credit agreement (the “Credit Agreement”) dated as of December 20, 2004 by and among Universal Forest Products, Inc., a Michigan corporation, the Canadian Borrower, the lenders party thereto from time to time (the “Lenders”), JPMorgan Chase Bank, N.A., as Agent, Wachovia Bank, N.A., as Syndication Agent, and Standard Federal Bank, N.A., National City Bank of the Midwest and Comerica Bank, as Documentation Agents. At your request, we are rendering our opinion concerning certain Canadian tax consequences applicable to Canadian Lenders who make Canadian Syndicated Loans to the Canadian Borrower under the Credit Agreement. In connection therewith, we have reviewed the final execution copy of the Credit Agreement. All capitalized terms used herein but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Credit Agreement.

Our opinion is based on the current provisions of the *Income Tax Act* (Canada) (the “ITA”) and the regulations thereunder, our understanding of the current assessing and administrative practices of the Canada Revenue Agency (the “CRA”) and all specific proposals to amend the ITA and the regulations thereunder which have been publicly announced by the Minister of Finance (Canada) before the date hereof. Our opinion does not otherwise take into account or anticipate changes in the law or in the assessment and administrative practices of the CRA, whether by judicial, governmental or legislative decision or action, nor does it take into account tax legislation or considerations of any province or territory of Canada or any jurisdiction other than Canada. We assume that the obligations contained in the Credit Agreement to which our opinion relates will be performed in accordance with the terms described therein.

Based on the foregoing, we hereby confirm our opinion that:

1. Other than as set forth in paragraph 2 below and other than customary security registration and enforcement charges and expenses, there are no taxes imposed under the ITA (or under any other federal laws applied in Canada) on or by virtue of the execution, delivery, enforcement or performance of the Canadian Syndicated Loans under the Credit Agreement and the other Loan Documents to which the Canadian Borrower is a party.

2. There will be withholding tax imposed under the ITA on every amount paid or credited, or deemed to be paid or credited, to persons who are not residents of Canada for the purposes of the ITA as, on account or in lieu of payment of, or in satisfaction of, interest on the Canadian Syndicated Loans under the Credit Agreement. There will, however, be no such Canadian withholding tax on amounts which are paid or credited as interest on the Canadian Syndicated Loans under the Credit Agreement to persons who are residents of Canada in respect of the receipt of such interest, including persons who are deemed to be residents of Canada under section 212(13.3) of the ITA because such persons are authorized foreign banks and such interest is in respect of any amount paid or credited to such bank in respect of its Canadian banking business.

We have not considered and render no opinion on any aspect of law other than as expressly set forth above.

Yours truly,

BENNETT JONES LLP

Darcy D. Moch

EXHIBIT J

COMPLIANCE CERTIFICATE

To: The Lenders party to the
Credit Agreement described below

This Compliance Certificate is furnished pursuant to that certain Credit Agreement dated as of December 20, 2004 (as amended, modified, renewed or extended from time to time, the "Credit Agreement") among Universal Forest Products, Inc., a Michigan corporation (the "Company"), the Canadian Borrower, the lenders party thereto from time to time, JPMorgan Chase Bank, N.A., as Agent, Wachovia Bank, N.A., as Syndication Agent, and Standard Federal Bank, N.A., as Documentation Agent. Unless otherwise defined herein, capitalized terms used in this Compliance Certificate have the meanings ascribed thereto in the Credit Agreement.

THE UNDERSIGNED CERTIFIES THAT:

1. I am the duly elected [Chief Financial Officer or Treasurer] of the Company.
 2. I have reviewed the terms of the Credit Agreement and I have made, or have caused to be made under my supervision, a detailed review of the transactions and conditions of the Company and its Subsidiaries during the accounting period covered by the attached financial statements.
 3. The representations and warranties made by the Company contained in each Loan Document are true and correct as though made on and as of the date hereof.
 4. The examinations described in paragraph 2 did not disclose, and I have no knowledge of, the existence of any condition or event which constitutes an Event of Default or Default during or at the end of the accounting period covered by the attached financial statements or as of the date of this Compliance Certificate, except as set forth below.
 5. Schedule I attached hereto sets forth financial data and computations evidencing the Company's compliance with certain covenants of the Credit Agreement, all of which data and computations are true, complete and correct.
 6. Schedule II attached hereto sets forth the various reports and deliveries which are required at this time under the Credit Agreement and the other Loan Documents and the status of compliance.
-

Described below are the exceptions, if any, to paragraph 4 by listing, in detail, the nature of the condition or event, the period during which it has existed and the action which the Company has taken, is taking, or proposes to take with respect to each such condition or event:

The foregoing certifications, together with the computations set forth in Schedule I and the various reports and deliveries set forth in Schedule II hereto and the financial statements delivered with this Certificate in support hereof, are made and delivered on _____, 200_.

Printed Name:

Title:



SCHEDULE I TO COMPLIANCE CERTIFICATE

Compliance as of _____, _____ with
provisions of Section 5.2 of
the Credit Agreement

SCHEDULE II TO COMPLIANCE CERTIFICATE

Reports and Deliveries Currently Due

EXHIBIT K

SOLVENCY CERTIFICATE

This Certificate is made and delivered to JPMorgan Chase Bank, N.A., as Agent, in connection with the Credit Agreement dated as of December ____, 2004 (the "Credit Agreement") among Universal Forest Products, Inc., a Michigan corporation (the "Company"), the Canadian Borrower, the lenders party thereto from time to time (the "Lenders"), JPMorgan Chase Bank, N.A., as Agent for the Lenders (the "Agent"), Wachovia Bank, N.A., as Syndication Agent, and Standard Federal Bank, N.A., as Documentation Agent, and all other Loan Documents. Terms used but not defined herein shall have the meanings ascribed thereto in the Credit Agreement.

Pursuant to the Credit Agreement, and acting solely in my capacity as an officer of the Company and not in my individual capacity I hereby certify as follows:

1. I am the duly elected, qualified and acting chief financial officer of the Company and I have been responsible for acting on behalf of the Company and each Subsidiary in connection with the negotiation and consummation of the Loan Documents. In connection with these negotiations, I have been responsible for, among other things, reviewing the affairs of the Company and the Subsidiaries.
2. I have further, for purposes hereof, reviewed the assets and liabilities of the Company and the Subsidiaries, after giving effect to the transactions contemplated by the Loan Documents. In particular:
 - A. I have reviewed the financial statements referred to in Section 4.6 of the Credit Agreement.
 - B. With respect to contingent and off-balance sheet liabilities included in the liabilities of the Company and its Subsidiaries, I have consulted with the appropriate officers and employees of the Company and its Subsidiaries and outside counsel of the Company concerning pending and threatened litigation and other contingent liabilities of the Company and its Subsidiaries.

On the basis of the review and analysis described above, I have concluded that:

I. (i) Immediately after the consummation of the Loan Documents and transactions to occur on the date hereof and immediately following the making of the Advances on the date hereof and after giving effect to the application of the proceeds of such Advances, (a) the fair value of the assets of the Company and the Subsidiaries on a consolidated basis, at a fair valuation, will exceed the debts and liabilities, subordinated, contingent or otherwise, of the Company and the Subsidiaries on a consolidated basis; (b) the present fair saleable value of the assets of the Company and the Subsidiaries on a consolidated basis will be greater than the amount that will be required to pay the probable liability of the Company and the Subsidiaries on a consolidated basis on their debts and other liabilities, subordinated, contingent or otherwise, as such debts and other liabilities become absolute and matured; (c) the Company and the Subsidiaries on a consolidated basis will be able to pay their debts and liabilities, subordinated, contingent or otherwise, as such debts and liabilities become absolute and matured; and (d) the Company and the Subsidiaries on a consolidated basis will not have unreasonably small capital with which to conduct the businesses in which they are engaged as such businesses are now conducted and are proposed to be conducted after the date hereof.

(ii) The Company does not intend to, or to permit any of its Subsidiaries to, and does not believe that it or any of its Subsidiaries will, incur debts beyond its ability to pay such debts as they mature, taking into account the timing of and amounts of cash to be received by it or any such Subsidiary and the timing of the amounts of cash to be payable on or in respect of its Indebtedness or the Indebtedness of any such Subsidiary.

II. To the best of my knowledge, none of the Company or the Subsidiaries has executed any Loan Document or any documents mentioned therein or made any transfer or incurred any obligation thereunder or in connection therewith with actual intent to hinder, defraud or delay either present or future creditors.

Executed and delivered on December _____, 2004.

UNIVERSAL FOREST PRODUCTS, INC.

By: _____
Print Name: _____
Its: _____

EXHIBIT L

**REQUEST FOR CONTINUATION OR
CONVERSION OF SYNDICATED LOAN**

[Date]

To each Lender party to
the referenced Credit Agreement
c/o JPMorgan Chase Bank, N.A.,
as Agent for the Lenders
611 Woodward Avenue
Detroit, Michigan 48226

Attention: _____

_____, a _____ (the "Company"), hereby requests that [C]
\$_____ of the principal amount of the Syndicated Loan originally made on _____,
_____, which Syndicated Loan is currently a [insert type of Loan], be continued as or converted to, as the case may be, a
[insert type of Loan requested] on _____. If such Loan is requested to be converted to a
Eurodollar Rate Syndicated Loan or a BA Rate Syndicated Loan, the Company hereby elects an Interest Period for such Loan of
[insert permitted Interest Period].

In support of this request, the Company hereby represents and warrants to the Agent and the Lenders that:

1. The representations and warranties contained in the Credit Agreement are true and correct in all material respects on and as of the date hereof, and will be true and correct in all material respects on the date such Loan is [continued] [converted] (both before and after such Loan is [continued] [converted]), as if such representations and warranties were made on and as of such dates.

2. No Event of Default or Default has occurred and is continuing or will exist on the date such Loan is [continued] [converted] (whether before or after such Loan is [continued][converted]).

Acceptance of the proceeds of such [continued][converted] Loan by the Company shall be deemed to be a further representation and warranty that the representations and warranties made herein are true and correct in all material respects at the time of such [continuation] [conversion].

Capitalized terms used but not defined herein shall have the respective meanings assigned to them in the Credit Agreement, dated as of December __, 2004, among the Company, the other Borrower, the lenders party thereto from time to time (the "Lenders"), JPMorgan Chase Bank, N.A., as Agent, Wachovia Bank, N.A., as Syndication Agent, and Standard Federal Bank, N.A., as Documentation Agent.

By: _____
Print Name: _____
Its: _____

REQUEST FOR CONTINUATION OR
CONVERSION OF SYNDICATED LOAN

EXHIBIT M

ASSIGNMENT AND ACCEPTANCE

Reference is made to the Credit Agreement dated as of December __, 2004 (as amended or modified from time to time, the "Credit Agreement") among Universal Forest Products, Inc., a Michigan corporation, the Canadian Borrower, the lenders party thereto from time to time, JPMorgan Chase Bank, N.A., as Agent, Wachovia Bank, N.A., as Syndication Agent, and Standard Federal Bank, N.A., as Documentation Agent. Terms defined in the Credit Agreement are used herein with the same meaning.

The "Assignor" and the "Assignee" referred to on Schedule 1 agree as follows:

1. The Assignor hereby sells and assigns (without recourse) to the Assignee, and the Assignee hereby purchases and assumes from the Assignor, an interest in and to the Assignor's rights and obligations under the Credit Agreement as of the date hereof equal to the interest specified on Schedule 1 of all outstanding rights and obligations under the Credit Agreement. After giving effect to such sale and assignment, the Assignee's Commitments will be as set forth on Schedule 1.

2. The Assignor (i) represents and warrants that it is the legal and beneficial owner of the interest being assigned by it hereunder and that such interest is free and clear of any adverse claim; (ii) makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with the Credit Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Agreement or any other instrument or document furnished pursuant thereto; (iii) makes no representation or warranty and assumes no responsibility with respect to the financial condition of any Borrower or the performance or observance by any Borrower of any of its obligations under the Credit Agreement or any other instrument or document furnished pursuant thereto; and (iv) attaches the Note or Notes held by the Assignor and requests that the Agent exchange such Note or Notes for a new Note or Notes payable to the order of the Assignee in an amount equal to the Commitments assumed by the Assignee pursuant hereto and the Assignor in an amount equal to the Commitments retained by the Assignor under the Credit Agreement, respectively, as specified on Schedule 1.

3. The Assignee (i) confirms that it has received a copy of the Credit Agreement, together with copies of the financial statements referred to in Section 4.6 thereof and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Acceptance; (ii) agrees that it will, independently and without reliance upon the Agent, the Assignor or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement; (iii) appoints and authorizes the Agent to take such action as agent on its behalf and to exercise such powers and discretion under the Credit Agreement as are delegated to the Agent by the terms thereof, together with such powers and discretion as are reasonably incidental thereto; (iv) agrees that it will perform in accordance with their terms all of the obligations that by the terms of the Credit Agreement are required to be performed by it as a Lender; and (v) if the Assignee is organized under the laws of a jurisdiction outside the United States, attaches the forms prescribed by the Internal Revenue Service of the United States certifying as to the Assignee's status for purposes of determining exemption from United States withholding taxes with respect to all payments to be made to the Assignee under the Credit Agreement and the Notes or such other documents as are necessary to indicate that all such payments are subject to such taxes at a rate reduced by an applicable tax treaty.

4. Following the execution of this Assignment and Acceptance, it will be delivered to the Agent for acceptance and recording by the Agent. The effective date for this Assignment and Acceptance (the "Effective Date") shall be the date of acceptance hereof by the Agent, unless otherwise specified on Schedule 1.

5. Upon such acceptance and recording by the Agent, as of the Effective Date, (i) the Assignee shall be a party to the Credit Agreement and, to the extent provided in this Assignment and Acceptance, have the rights and obligations of a Lender thereunder and be bound by the terms and provisions applicable to a Lender under the Loan Documents (including without limitation the Intercreditor Agreement) and (ii) the Assignor shall, to the extent provided in this Assignment and Acceptance, relinquish its rights and be released from its obligations under the Credit Agreement.

6. Upon such acceptance and recording by the Agent, from and after the Effective Date, the Agent shall make all payments under the Credit Agreement and the Notes in respect of the interest assigned hereby (including, without limitation, all payments of principal, interest and commitment fees with respect thereto) to the Assignee. The Assignor and Assignee shall make all appropriate adjustments in payments under the Credit Agreement and the Notes for periods prior to the Effective Date directly between themselves.

7. This Assignment and Acceptance shall be governed by, and construed in accordance with, the laws of the State of Michigan.

8. This Assignment and Acceptance may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of Schedule 1 to this Assignment and Acceptance by telecopier shall be effective as delivery of a manually executed counterpart of this Assignment and Acceptance.

ASSIGNMENT AND ACCEPTANCE

SCHEDULE 1
to
ASSIGNMENT AND ACCEPTANCE

[_____, as Assignor, and _____, as Assignee]

Amount of Assignor's Commitment assigned to Assignee: \$ _____

Effective Date: _____

_____ as, Assignor

By: _____

Its: _____

_____ as, Assignee

By: _____

Its: _____

Address for Notices:

Attention: _____

Facsimile No.: _____

Telephone No.: _____

Commitment amount of the Assignee after giving
Effect to this Assignment and Acceptance:

\$ _____

*Consented to and accepted this _____ day
of _____, _____*

JPMORGAN CHASE BANK, N.A., as Agent

By: _____

Printed Name: _____

Its: _____

[BORROWER]

By: _____

Printed Name: _____

Its: _____

Schedule 1

L/C Number	Date Open	L/C Expiry	Amount	Beneficiary
SLT750930	12/23/2002	12/23/2005	3,750,685	Standard Federal Corp
SLT601	11/25/2002	8/15/2005	3,340,685	LaSalle Bank NA
SLT652	11/25/2002	10/15/2005	2,736,987	LaSalle Bank NA
SLT677	11/25/2002	11/6/2005	2,534,247	Standard Federal Corp
SLT596	11/25/2002	7/15/2005	2,429,590	LaSalle Bank NA
SLT751223	5/20/2003	5/20/2005	3,950,000	Employee Insurance of Wausau
SLT751240	5/22/2003	5/20/2005	9,831,000	United States Fidelity and Guaranty Co.
SLT440243	7/1/2004	7/1/2005	2,500,000	United States Fidelity and Guaranty Co.
SLT569	1/1/1998	12/15/2005	1,315,227	Standard Federal Corp

Schedule of Subsidiaries, Partnerships and Affiliates of Universal Forest Products, Inc.

Subsidiary	Jurisdiction	Location of Chief Executive Office	Capital Stock Owned By
Universal Forest Products Holding Company, Inc.	Michigan	Grand Rapids, MI	Universal Forest Products, Inc.
Universal Forest Products Eastern Division, Inc.	Michigan	Grand Rapids, MI	Universal Forest Products Holding Company, Inc.
Universal Forest Products Western Division, Inc.	Michigan	Grand Rapids, MI	Universal Forest Products, Inc.
Universal Forest Products Texas Limited Partnership	Michigan	Grand Rapids, MI	General Partner is Universal Forest Products Western Division, Inc. (1%) Limited Partner is Universal Forest Products Holding Company, Inc. (99%)
D&R Framing Contractors, L.L.C. (50% owned)	Michigan	Grand Rapids, MI	Universal Forest Products Western Division, Inc.
Universal Truss, Inc.	Michigan	Grand Rapids, MI	Universal Forest Products, Inc.
Universal Consumer Products, Inc.	Michigan	Grand Rapids, MI	Universal Forest Products, Inc.
Euro-Pacific Building Materials, Inc. ¹	Oregon	Grand Rapids, MI	Universal Forest Products, Inc.
Universal Forest Products Reclamation Center, Inc. ¹	Michigan	Grand Rapids, MI	Universal Forest Products, Inc.
Universal Forest Products of Canada, Inc.	Canada	Quebec, Canada	Universal Forest Products, Inc.
ECJW Holdings Ltd.	Canada	Ontario, Canada	Universal Forest Products of Canada, Inc.
Universal Forest Products Canada Limited Partnership	Canada	Quebec, Canada	General Partner is Universal Forest Products of Canada, Inc. (.1%) Limited Partner is Universal Forest Products Nova Scotia ULC (99.9%)
Universal Forest Products Nova Scotia ULC	Canada	Nova Scotia, Canada	Universal Forest Products, Inc.
UFP Mexico Holdings, S. de R.L. de C.V.	Mexico	Grand Rapids, MI	Universal Forest Products, Inc.
Pinelli Universal, S. de R.L. de C.V. (50% owned)	Mexico	Durango, Mexico	Universal Forest Products Mexico Holdings, S. de R.L. de C.V.
UFP Insurance, Ltd.	Bermuda	Hamilton, Bermuda	Universal Forest Products, Inc.
Nascor Structures ¹	Nevada	Grand Rapids, MI	Universal Forest Products, Inc.
UFP Real Estate, Inc.	Michigan	Grand Rapids, MI	Universal Forest Products, Inc.
UFP of Modesto, LLC ¹	Michigan	Grand Rapids, MI	Universal Forest Products Western Division, Inc.
Tresstar, LLC	Michigan	Grand Rapids, MI	Universal Forest Products, Inc.
UFP Ventures, Inc.	Michigan	Grand Rapids, MI	Universal Forest Products, Inc.
UFP Ventures II, Inc.	Michigan	Grand Rapids, MI	Universal Forest Products Eastern Division, Inc.
UFP Transportation, Inc.	Michigan	Grand Rapids, MI	Universal Forest Products, Inc.
Advanced Component Systems LLC	Michigan	Grand Rapids, MI	Universal Forest Products Western Division, Inc.
UFP Framing LLC	Michigan	Grand Rapids, MI	Universal Forest Products, Inc.
Universal Forest Products RMS, LLC	Michigan	Grand Rapids, MI	Universal Forest Products Western Division, Inc.
UFP Framing of Florida, LLC	Michigan	Grand Rapids, MI	Universal Forest Products Eastern Division, Inc.
Treating Services of Minnesota, LLC	Michigan	Grand Rapids, MI	Universal Forest Products Eastern Division, Inc.
Norpac Construction, LLC (75% owned)	Michigan	Grand Rapids, MI	Universal Forest Products Western Division, Inc.
Indianapolis Real Estate, LLC	Michigan	Grand Rapids, MI	Universal Forest Products Eastern Division, Inc.
Shawnlee Construction LLC (50% owned)	Michigan	Grand Rapids, MI	Universal Forest Products Eastern Division, Inc.
D & L Framing, LLC (50% owned)	Michigan	Grand Rapids, MI	Universal Forest Products Western Division, Inc.
Western Building Professionals, LLC	Michigan	Grand Rapids, MI	Universal Forest Products Western Division, Inc.
Western Building Professionals of California, Inc.	Michigan	Grand Rapids, MI	Western Building Professionals, LLC
Western Building Professionals of California II Limited Partnership	Michigan	Grand Rapids, MI	General Partner is Western Building Professionals of California, Inc. (2%) Limited Partner is Western Building Professionals, LLC (98%)

¹ Entities that have been shelved

UCC LIEN SEARCH SCHEDULE
Michigan Secretary of State

DEBTOR: Universal Forest Products, Inc.

Secured Party	Original Filing No.	Original File Date	Continuation	Amendments	Collateral
Leggett & Platt, Incorporated	204210586-4	10/28/07	N/A	N/A	Consigned Inventory located at 2100 Avalon Street, Riverside, CA.
General Electric Capital Corporation (Allied)	02440C	04/07/99	2003239719-8	Amendment: Debtor New Address 2003239718-6 12/16/03	All accounts receivable for AlliedSignal is the Account debtor pursuant to the Agreement dated 3/17/99 and all proceeds thereof
Toyota Industrial Equipment Lessor:	D599344	12/20/99	N/A	N/A	Specific Equipment
Computer Sales International, Inc	D610909	1/21/00	N/A	Amendment: Additional Collateral 12003C 3/16/00	Lease of Equipment
				Assignment: First Bank Of Highland Park 12004C 3/16/00	
				Assignment: Computer Sales International, Inc. 2003027351-2 2/11/03	
Citicorp Del Lease, Inc. (Lessor)	D635269	3/27/00	N/A	N/A	Specific Equipment
NMHG Financial Services	12757C	4/12/00	N/A	N/A	All equipment now or hereafter leased by lessor
Citicorp Del Lease, Inc.	D641374	4/12/00	N/A	N/A	Specific Equipment
Citicorp Del Lease, Inc.	D641375	4/12/00	N/A	N/A	Specific Equipment Listed
Citicorp Del Lease, Inc.	D641376	4/12/00	N/A	N/A	Specific Equipment
Citicorp Del Lease, Inc.	D647240	4/27/00	N/A	N/A	Informational filing re Equipment
Citicorp Del Lease, Inc.	D647241	4/27/00	N/A	N/A	Informational filing re Equipment

Secured Party	Original Filing No.	Original File Date	Continuation	Amendments	Collateral
Citicorp Del Lease, Inc.	D647243	4/27/00	N/A	N/A	Informational filing re Equipment
Citicorp Del Lease, Inc.	D654505	5/16/00	N/A	N/A	Informational filing re Equipment
Citicorp Del Lease, Inc.	D654548	5/16/00	N/A	N/A	Informational filing re Equipment
Citicorp Del Lease, Inc.	D654549	5/16/00	N/A	N/A	Informational filing re Equipment
Ikon Office Solutions	D660061	6/01/00	N/A	N/A	Specific Equipment Listed
Citicorp Del Lease, Inc.	D663942	6/12/00	N/A	N/A	Specific Equipment Listed
Citicorp Del Lease, Inc.	D672478	7/07/00	N/A	N/A	Specific Equipment Listed
Citicorp Del Lease, Inc.	D676688	7/21/00	N/A	N/A	Specific Equipment Listed
Citicorp Del Lease, Inc.	D676689	7/21/00	N/A	N/A	Specific Equipment Listed
Citicorp Del Lease, Inc.	D688087	8/25/00	N/A	N/A	Specific Equipment listed
Citicorp Del Lease, Inc.	D688088	8/25/00	N/A	N/A	Specific Equipment listed
Citicorp Del Lease, Inc.	D692200	9/07/00	N/A	N/A	Specific Equipment listed
Citicorp Del Lease, Inc.	D692201	9/07/00	N/A	N/A	Specific Equipment listed
Ikon Office Solutions	D694635	9/15/00	N/A	N/A	Specific Equipment listed
Citicorp Del Lease, Inc.	D777973	5/23/01	N/A	N/A	Informational filing re Specific Equipment Listed
Citicorp Del Lease, Inc.	D781389	06/04/01	N/A	N/A	Informational filing re Specific Equipment Listed
Citicorp Del Lease, Inc.	D787464	6/20/01	N/A	N/A	Informational filing re Specific Equipment Listed
Gilman Building Products Company	D825831	10/09/01	N/A	N/A	To secure payment and performance of all obligations. Seller's Security Interest is explicitly limited to outstanding obligations between buyer and seller.
Citicorp Del Lease, Inc.	D868461	1/30/02	N/A	N/A	Specific Equipment Listed
Fleet Capital Corporation	D925819	6/21/02	N/A	N/A	One 1997 Cessna 750 aircraft. Precautionary filing

Secured Party	Original Filing No.	Original File Date	Continuation	Amendments	Collateral
Caterpillar Financial Services Corporation	39940C	6/25/02	N/A	Termination: 2003148299-6 8/04/03	Specific Equipment Listed
Fifth Third Leasing Company	D941519	8/01/02	N/A	N/A	Specific Equipment listed
Bank of the West	45530C	9/26/02	N/A	Termination 2002006284-2 11/05/02	All equipment, general intangibles and all modifications covered by Equipment Lease Agreement dated 8/14/02
Signode Packaging Systems	2002019971-4	12/06/02	N/A	N/A	Debtor's inventory of Signode Steel and Plastic Packaging Strapping on the Debtor's Plant in Missouri
Toyota Motor Credit Corporation	2003042726-6	3/05-03	N/A	N/A	In lieu filing re California UCC-1 financing statements
NMHG Financial Services, Inc.	2003055481-1	3/24/03	N/A	N/A	All of the equipment now hereafter leased by lessor to lessee
The CIT Group/Equipment Financing, Inc.	2003086865-2	5/06/03	N/A	N/A	In Lieu filing & additional collateral
Barloworld Handling	2003169666-0	9/08/03	N/A	N/A	Parts inventory to support the Hyster Forklift Fleet
Bank of America, N.A.	2003216389-0	11/12/03	N/A	N/A	All purchased receivables and proceeds
LeaseNet Group, Inc	2003242165-8	12/19/03	N/A	N/A	All equipment, software and other personal property described on Master Equipment Lease dated November 20, 2003
Signode Container Industry Systems	2004023395-2	02/03/04	N/A	N/A	Debtor's inventory of Signode Steel and Plastic Packaging Strapping on the Debtor's Plant in Janesville, WI
The CIT Group/Equipment Financing, inc	2004073417-0	04/09/04	N/A	N/A	Specific Equipment Listed

Secured Party	Original Filing No.	Original File Date	Continuation	Amendments	Collateral
Signode Container Industry Systems	2004078355-3	04/19/04	N/A	N/A	Debtor's Inventory of Signode Steel And plastic Packaging Strapping on the Debtor's plant in White Bear Lake, MN
The Fifth Third Leasing Company	200407848-3	04/19/04	N/A	N/A	Equipment Owned by Fifth Third Leasing Co.
The CIT Group/Equipment Financing, Inc.	200410765-2	05/18/04	N/A	N/A	Specific Equipment Listed
Citibank, N.A.	2004131047-6	08/04/04	N/A	N/A	Accounts Receivable from The Stanley Works Co.
Weyerhaeuser Company	2004155596-7	08/04/04	N/A	N/A	All Southern Yellow Pine Softwood lumber Which contains The Mill number Of a Weyerhaeuser Mill.
Fifth Third Bank, Western Michigan	2004170208-5	08/26/04	N/A	N/A	Specific Equipment Listed

DEBTOR: Universal Forest Products Nova Scotia ULC

Secured Party	Jurisdiction	Original Filing No.	Original File Date	Continuation	Amendments	Collateral
N/A	Michigan SOS	N/A	N/A	N/A	N/A	N/A
N/A	Novia Scotia, Canada	N/A	N/A	N/A	N/A	N/A

DEBTOR: Universal Forest Products RMS, LLC

Secured Party	Original Filing No.	Original File Date	Continuation	Amendments	Collateral
Bank of America, N.A.	2003216390-3	11/12/03	N/A	N/A	All Purchased Receivables And proceeds thereof

DEBTOR: UFP Transportation, Inc.

Secured Party	Original Filing No.	Original File Date	Continuation	Amendments	Collateral
The Fifth Third Leasing company	2004078478-3	04/19/04	N/A	N/A	Equipment Owned by Fifth Third Leasing Co., Lessor and Leased by UFP Transportation

DEBTOR: Universal Forest Products Indiana Limited Partnership

Secured Party	Original Filing No.	Original File Date	Continuation	Amendments	Collateral
Citicorp Del Lease, Inc., As Agent for Harrison Credit Corp.	D771799	05/08/01	N/A	N/A	Specific Equipment

DEBTOR: Universal Forest Products Texas Limited Partnership

Secured Party	Original Filing No.	Original File Date	Continuation	Amendments	Collateral
Fifth Third Leasing Co.	2004209763-7	10/26/04	N/A	N/A	Lease of listed Equipment Under schedule No. 2 dated September 26, 2004 Master Lease Agreement
Fifth Third Leasing Co.	2003107485-2	06/04/03	N/A	N/A	Equipment Owned by Fifth Third Leasing Co., Lessor and Leased by Universal Forest Products Texas LP
Fifth Third Leasing Co.	2003107525-8	06/04/03	N/A	N/A	Equipment Owned by Fifth Third Leasing Co., Lessor and Leased by Universal Forest Products, Inc. Forest Products Texas LP
Universal Forest Products RMS, LLC	2003172856-8	09/11/03	N/A	N/A	Debtor is Selling to SP all Of its accounts Receivable and All related Instruments, Chattel paper, Payment Intangibles, Notes on Contact rights

<u>Secured Party</u>	<u>Original Filing No.</u>	<u>Original File Date</u>	<u>Continuation</u>	<u>Amendments</u>	<u>Collateral</u>
The Fifth Third Leasing Company	2004001965-5	01/05/04	N/A	N/A	Equipment Owned by Fifth Third Leasing Co., Lessor and Leased by Universal Forest Products Texas LP
Weyerhaeuser Company	2004155600-8	08/04/04	N/A	N/A	All Southern Yellow Pine Softwood Lumber which Contains the Mill number of A Weyerhaeuser Mill with the Southern Pine Inspection Bureau of Grade stamp

DEBTOR: Universal Forest Products Holding Company, Inc.

<u>Secured Party</u>	<u>Original Filing No.</u>	<u>Original File Date</u>	<u>Continuation</u>	<u>Amendments</u>	<u>Collateral</u>
Weyerhaeuser Company	2004155598-1	08/04/04	N/A	N/A	All Southern Yellow Pine Softwood Lumber which Contains the Mill number of Weyerhaeuser Mill with the Southern Pine Inspection Bureau of Grande stamp Weyerhaeuser Mill



DEBTOR: Universal Forest Products Western Division, Inc.

Secured Party	Original Filing No.	Original File Date	Continuation	Amendments	Collateral
Carlson System Corp	D877601	2/25/02	N/A	N/A	Specific Equipment Listed
Fifth Third Bank, Chicago	2003007078-8	1/10/03	N/A	N/A	Specific Equipment Listed
MITek Industries, Inc.	2003024850-7	2/06/03	N/A	N/A	Lease of Specific Equipment
MiTek Industries, Inc.	2003067261-9	04/08/03	N/A	N/A	Lease of Specific Equipment
Universal Forest Products RMS, LLC	2003172854-4	9/11/03	N/A	N/A	Debtor is Selling to SP all Of it's accounts Receivable and All instruments, Chattel paper, Payment Intangibles, Notes and Contact rights
The Fifth Third Leasing Company	2004009853-6	01/14/04	N/A	N/A	Equipment Owned by Fifth Third Leasing Co., Lessor and Leased by Universal Forest Products Western Division
Weyerhaeuser Company	2004155595-5	08/04/04	N/A	N/A	All Southern Yellow Pine Softwood Lumber which Contains the Mill number of Weyerhaeuser Mill with the Southern Pine Inspection Bureau of Grande stamp Weyerhaeuser Mill

DEBTOR: Shoffner Holding Company, Inc.

Secured Party	Original Filing No.	Original File Date	Continuation	Amendments	Collateral
N/A	N/A	N/A	N/A	N/A	N/A

DEBTOR: Universal Forest Products Eastern Division, Inc.

Secured Party	Original Filing No.	Original File Date	Continuation	Amendments	Collateral
Computer Sales International, Inc.	D876209	2/20/02	N/A	Assignment: First Bank of Highland Park 40859C 7/10/02	Lease of Specific Equipment
Fifth Third Bank Western Michigan	2002036928-4	12/16/02	N/A	N/A	Specific Equipment
Fifth Third Bank Western Michigan	2002039531-6	12/18/02	N/A	N/A	Specific Equipment
Fifth Third Bank Western Michigan	2002039591-2	12/18/02	N/A	N/A	Specific Equipment
Fifth Third Bank Chicago	2003007079-0	1/10/03	N/A	N/A	Specific Equipment
Fifth Third Leasing Co.	2003107491-5	6/04/03	N/A	N/A	Specific Equipment
Fifth Third Leasing Co.	2003107524-6	06/04/03	N/A	N/A	Specific Equipment
Universal Forest Products RMS, LLC	2003172853-2	9/11/03	N/A	N/A	Debtor is Selling to SP all Of it's accounts Receivable and All instruments, Chattel paper, Payment Intangibles, Notes and Contract rights
Fifth Third Leasing Co.	2004078494-7	4/19/04	N/A	N/A	Specific Equipment
Fifth Third Leasing Co.	2004078495-9	4/19/04	N/A	N/A	Specific Equipment
Weyhaeuser Company	2004155597-9	08/04/04	N/A	N/A	All Southern Yellow Pine Softwood Lumber which Contains the Mill number of Weyerhaeuser Mill with the Southern Pine Inspection Bureau of Grade stamp Weyerhaeuser Mill.
New Holland Credit Company	2004164977-6	8/18/04	N/A	N/A	Precautionary Filing re specific Equipment Listed

DEBTOR: Universal Forest Products Shoffner LLC

Secured Party	Original Filing No.	Original File Date	Continuation	Amendments	Collateral
Universal Forest Products, RMS LLC	2003172855-6	9/11/03	N/A	N/A	Debtor is Selling to SP all Of it's accounts Receivable and All instruments, Chattel paper, Payment Intangibles, Notes and Contact rights

DEBTOR: Universal Truss, Inc.

Secured Party	Original Filing No.	Original File Date	Continuation	Amendments	Collateral
The CIT Group/Equipment Financing, Inc.	17082C	9/8/00	N/A	N/A	All of the Goods, Furniture, Fixtures and equipment and other Personal Property leased To lessee
The CIT Group/Equipment Financing, Inc.	17083C	9/8/00	N/A	N/A	All of the Goods, Furniture, Fixtures and Equipment and Other Personal Property leased to lessee
MiTek Industries, Inc.	2003024850-7	02/06/03	N/A	N/A	Lease of Specific Equipment
MiTek Industries, Inc.	2003067261-9	04/08/03	N/A	N/A	Lease of Specific Equipment
The Fifth Third Leasing Company	2004009852-4	1/14/04	N/A	N/A	Equipment Owned by Fifth Third Leasing Co., Lessor and Leased by Universal Truss
Weyerhaeuser Company	2004155601-0	08/04/04	N/A	N/A	All Southern Yellow Pine Softwood Lumber which Contains the Mill number of Weyerhaeuser Mill with the Southern Pine Inspection Bureau of Grand stamp Weyerhaeuser Mill

DEBTOR: Universal Forest Products Reclamation Center, Inc.

Secured Party	Original Filing No.	Original File Date	Continuation	Amendments	Collateral
N/A	N/A	N/A	N/A	N/A	N/A

DEBTOR: Universal Forest Products of Modesto L.L.C.

Secured Party	Original Filing No.	Original File Date	Continuation	Amendments	Collateral
Citicapital Commercial Leasing Corporation	2003038259-9	2/27/03	N/A	N/A	Specific Equipment
Universal Forest Products RMS, LLC	2003172858-2	9/11/03	N/A	N/A	Debtor is Selling to SP all Of it's accounts receivable and All instruments, Chattel paper, Payment Intangibles, Notes and Contract rights

DEBTOR: Tresstar, LLC

Secured Party	Original Filing No.	Original File Date	Continuation	Amendments	Collateral
N/A	N/A	N/A	N/A	N/A	N/A

DEBTOR: UFP Ventures, Inc.

Secured Party	Original Filing No.	Original File Date	Continuation	Amendments	Collateral
Universal Forest Products RMS, LLC	2003172859-4	9/11/03	N/A	N/A	Debtor is Selling to SP all Of it's accounts receivable and All instruments, Chattel paper, Payment Intangibles, Notes and Contract rights

DEBTOR: Consolidated Building Components, Inc.

<u>Secured Party</u>	<u>Original Filing No.</u>	<u>Original File Date</u>	<u>Continuation</u>	<u>Amendments</u>	<u>Collateral</u>
N/A	N/A	N/A	N/A	N/A	N/A

DEBTOR: UFP Real Estate, Inc.

<u>Secured Party</u>	<u>Original Filing No.</u>	<u>Original File Date</u>	<u>Continuation</u>	<u>Amendments</u>	<u>Collateral</u>
N/A	N/A	N/A	N/A	N/A	N/A

DEBTOR: Syracuse Real Estate, LLC

<u>Secured Party</u>	<u>Original Filing No.</u>	<u>Original File Date</u>	<u>Continuation</u>	<u>Amendments</u>	<u>Collateral</u>
N/A	N/A	N/A	N/A	N/A	N/A

DEBTOR: UFP Ventures II, Inc.

<u>Secured Party</u>	<u>Original Filing No.</u>	<u>Original File Date</u>	<u>Continuation</u>	<u>Amendments</u>	<u>Collateral</u>
Universal Forest Products RMS, LLC	2003172860-7	9/11/03	N/A	N/A	Debtor is Selling to SP all Of it's accounts Receivable and All instruments, chattel paper, payment intangibles, notes and contract rights

Schedule of Material Litigation and Contingent Obligations

NONE

List of Existing Environmental Conditions

Subsidiary	Location of Facility	Amount Accrued for Remediation as of 11/27/04
Universal Forest Products Eastern Division, Inc.		
	Auburndale, Florida	\$ 9,574
	Elizabeth City, North Carolina	\$ 1,189,727
	Stockertown, Pennsylvania	\$ 151,921
	Union City, Georgia	\$ 30,285
	Janesville, Wisconsin	\$ 194,492
Universal Forest Products Texas Limited Partnership		
	Schertz, Texas	\$ 212,745
Universal Forest Products Western Division, Inc.		
	Thornton, California	\$ 72,936
Treating Services of Minnesota, LLC		
	White Bear Lake, Minnesota	\$ 416,089
Total		<u>\$ 2,277,769</u>

Schedule of Liens

<u>Name of Secured Party</u>	<u>Name of Debtor</u>	<u>Amount of Secured Debt as of 11/27/04</u>	<u>Description</u>
See Attached UCC Search Schedule	See Attached UCC Search Schedule	N/A	Operating Leases

List of Existing Investments, Loans and Advances

Legal Entity	Description	Balance as of 11/27/04
Universal Forest Products, Inc.	Officers Stock Notes Receivable	\$ 831,991
	Employers' Stock Assistance Receivable	\$ 743,122
	Fleetfoot Note Receivable	27,792
	Superior Note Receivable	111,880
	Cadevick Note Receivable	177,561
	(1) Cash Surrender Value of Investments for Deferred Compensation	—
	(1) Current Market Value of Investments for Deferred Compensation	—
Universal Forest Products Western Division, Inc.	CHC Enterprises Note Receivable	367
Total Investments, Loans and Advances		<u>\$ 1,892,713</u>

(1) These assets have an offsetting liability on the company's balance sheet representing an obligation for future distribution to officers and directors of the company; therefore, the assets are not scheduled

SCHEDULE 5.2(i)

Restrictive Agreement

None

Schedule of Subsidiaries, Partnerships and Affiliates of Universal Forest Products, Inc.

Subsidiary	Jurisdiction	Location of Chief Executive Office	Capital Stock Owned By
Universal Forest Products Holding Company, Inc.	Michigan	Grand Rapids, MI	Universal Forest Products, Inc.
Universal Forest Products Eastern Division, Inc.	Michigan	Grand Rapids, MI	Universal Forest Products Holding Company, Inc.
Universal Forest Products Western Division, Inc.	Michigan	Grand Rapids, MI	Universal Forest Products, Inc.
Universal Forest Products Texas Limited Partnership	Michigan	Grand Rapids, MI	General Partner is Universal Forest Products Western Division, Inc. (1%) Limited Partner is Universal Forest Products Holding Company, Inc. (99%)
D&R Framing Contractors, L.L.C. (50% owned)	Michigan	Grand Rapids, MI	Universal Forest Products Western Division, Inc.
Universal Truss, Inc.	Michigan	Grand Rapids, MI	Universal Forest Products, Inc.
Universal Consumer Products, Inc.	Michigan	Grand Rapids, MI	Universal Forest Products, Inc.
Euro-Pacific Building Materials, Inc.	Oregon	Grand Rapids, MI	Universal Forest Products, Inc.
Universal Forest Products Reclamation Center, Inc.	Michigan	Grand Rapids, MI	Universal Forest Products, Inc.
Universal Forest Products of Canada, Inc.	Canada	Quebec, Canada	Universal Forest Products, Inc.
U.F.P Mexico Holdings, S. de R.L. de C.V.	Mexico	Grand Rapids, MI	Universal Forest Products, Inc.
Pinelli Universal, S. de R.L. de C.V. (50% owned)	Mexico	Durango, Mexico	U.F.P Mexico Holdings, S. de R.L. de C.V.
UFP Insurance Ltd.	Bermuda	Hamilton, Bermuda	Universal Forest Products, Inc.
UFP Real Estate, Inc.	Michigan	Grand Rapids, MI	Universal Forest Products, Inc.
Universal Forest Products of Modesto L.L.C.	Michigan	Grand Rapids, MI	Universal Forest Products Western Division, Inc.
Tresstar, LLC	Michigan	Grand Rapids, MI	Universal Forest Products, Inc.
UFP Ventures, Inc.	Michigan	Grand Rapids, MI	Universal Consumer Products, Inc.
UFP Ventures II, Inc.	Michigan	Grand Rapids, MI	Universal Consumer Products, Inc.
UFP Transportation, Inc.	Michigan	Grand Rapids, MI	Universal Forest Products, Inc.
Advanced Component Systems LLC	Michigan	Grand Rapids, MI	Universal Forest Products Western Division, Inc.
UFP Framing LLC	Michigan	Grand Rapids, MI	Universal Forest Products, Inc.
Universal Forest Products RMS, LLC	Michigan	Grand Rapids, MI	Universal Forest Products Western Division, Inc.
UFP Framing of Florida, LLC	Michigan	Grand Rapids, MI	Universal Forest Products Eastern Division, Inc.
Treating Services of Minnesota, LLC	Michigan	Grand Rapids, MI	Universal Forest Products Eastern Division, Inc.
Norpac Construction, L.L.C. (75% owned)	Nevada	Grand Rapids, MI	Universal Forest Products Western Division, Inc.
Indianapolis Real Estate LLC	Michigan	Grand Rapids, MI	Universal Forest Products Eastern Division, Inc.
Shawnlee Construction LLC (80% owned)	Michigan	Grand Rapids, MI	Universal Forest Products Eastern Division, Inc.
D & L Framing, LLC (50% owned)	Nevada	Grand Rapids, MI	Universal Forest Products Western Division, Inc.
Western Building Professionals, LLC	Michigan	Grand Rapids, MI	Universal Forest Products Western Division, Inc.
Western Building Professionals of California, Inc.	Michigan	Grand Rapids, MI	Western Building Professionals, LLC
Western Building Professionals of California II Limited Partnership	Michigan	Grand Rapids, MI	General Partner is Western Building Professionals of California, Inc. (2%) Limited Partner is Western Building Professionals, LLC (98%)
Aljoma Holding Company, LLC	Michigan	Grand Rapids, MI	Universal Forest Products Eastern Division, Inc.
Atlantic Building Professionals, LLC	Michigan	Grand Rapids, MI	Universal Forest Products Eastern Division, Inc.
Euro-Pacific International Corp	Oregon	Grand Rapids, MI	Euro-Pacific Building Materials, Inc.
Maine Ornamental, LLC	Michigan	Grand Rapids, MI	Universal Consumer Products, Inc.
Midwest Framing, LLC	Michigan	Grand Rapids, MI	Universal Forest Products Eastern Division, Inc.
Pinelli Universal TKT, S. de R.L. de C.V. (75% owned)	Mexico	Tecate, Mexico	Universal Truss, Inc. (50%) Pinelli Universal, S. de R.L. de C.V. (50%)
Shepardville Construction, LLC (80% owned)	Michigan	Grand Rapids, MI	Shawnlee Construction LLC
TKT Real Estate, S. de R.L. de C.V. (50% owned)	Mexico	Tecate, Mexico	Universal Forest Products, Inc.
Universal Forest Products Eastern Purchasing, Inc.	Michigan	Grand Rapids, MI	Universal Forest Products Eastern Division, Inc.
Universal Forest Products Western Purchasing, LLC	Michigan	Grand Rapids, MI	Universal Forest Products Western Division, Inc.
Gulf Coast Components, LLC (50% owned)	Michigan	Grand Rapids, MI	Universal Forest Products Eastern Division, Inc.
United Lumber & Reman, LLC (50% owned)	Michigan	Grand Rapids, MI	Universal Forest Products Eastern Division, Inc.
Aljoma Lumber, Inc. ¹	Florida	Grand Rapids, MI	Aljoma Holding Company, LLC

¹ Assumes closing of acquisition occurs February 12, 2007

Schedule of Material Litigation and Contingent Obligations

NONE

List of Existing Environmental Conditions

Subsidiary	Location of Facility	Amount Accrued for Remediation as of 12/30/06
Universal Forest Products Eastern Division, Inc.		
	Auburndale, Florida	\$ 40,218
	Elizabeth City, North Carolina	\$ 1,220,375
	Stockertown, Pennsylvania	\$ 151,921
	Janesville, Wisconsin	\$ 61,695
Universal Forest Products Western Division, Inc.		
	Thornton, California	\$ 123,716
Aljoma Lumber, Inc. ¹		
	Ponce, Puerto Rico	\$ 750,000
	Medley, Florida	\$ 1,750,000
Total		<u>\$ 4,097,925</u>

¹ Assumes closing of acquisition occurs February 12, 2007

SCHEDULE 5.2(d)
Existing Liens

Liens and interests described in the following filings:

DEBTOR: UNIVERSAL FOREST PRODUCTS HOLDING COMPANY, INC.

Filing with the Michigan Secretary of State, UCC Division:

<u>Filing Number</u>	<u>Date of Filing</u>	<u>Document Type</u>	<u>Secured Party</u>	<u>Collateral</u>
2004155598-1	8-4-04	Orig	Weyerhaeuser Company	All southern yellow pine softwood lumber which contains the mill number of a Weyerhaeuser mill or Weyerhaeuser contract mill with the Southern Pine Inspection Bureau grade stamp

DEBTOR: UNIVERSAL FOREST PRODUCTS EASTERN DIVISION, INC.

Filings with the Michigan Secretary of State, UCC Division:

Filing Number	Date of Filing	Document Type	Secured Party	Collateral
D876209	2-20-02	Orig	Computer Sales International, Inc.	Specific leased equipment
40859C	7-10-02	Asgn	First Bank of Highland Park	
2002036928-4	12-16-02	Orig	Fifth Third Bank, Western Michigan	Specific leased equipment
2002039531-6	12-18-02	Orig	Fifth Third Bank, Western Michigan	Specific leased equipment
2002039591-2	12-18-02	Orig	Fifth Third Bank, Western Michigan	Specific leased equipment
2003007079-0	1-10-03	Orig	Fifth Third Bank, Chicago	Specific leased equipment
2003107491-5	6-4-03	Orig	Fifth Third Leasing Co.	Specific leased equipment
2003107524-6	6-4-03	Orig	Fifth Third Leasing Co.	Specific leased equipment
2003172853-2	9-11-03	Orig	Universal Forest Products RMS, LLC	All purchased accounts and related instruments, chattel paper, payment intangibles, notes and contract rights
2004078494-7	4-19-04	Orig	Fifth Third Leasing Co.	Specific leased equipment
2004078495-9	4-19-04	Orig	Fifth Third Leasing Co.	Specific leased equipment
2004155597-9	8-4-04	Orig	Weyerhaeuser Company	All southern yellow pine softwood lumber which contains the mill number of Weyerhaeuser mill or Weyerhaeuser contract mill with the Souther Pine Inspection Bureau grade stamp
2004164977-6	8-18-04	Orig	New Holland Credit Company	Specific leased equipment
2005063167-9	4-7-05	Orig	Fifth Third Leasing Co.	Specific leased equipment
2005154593-2	9-1-05	Orig	The Fifth Third Leasing Co	Specific leased equipment
2005208657-3	12-5-05	Orig	Citibank	Accounts receivable from Hubbell Incorporated purchased by Citibank, N.A. per the terms of the Supplier Agreement between Universal Forest Products Eastern Division, Inc. and Citibank, N.A.
2005223313-4	12-30-05	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2005223316-0	12-30-05	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2006056960-4	3-31-06	Orig	The Fifth Third Leasing Company	Specific leased equipment
2006146627-7	8-24-06	Amend		
2006116468-3	6-30-06	Orig	The Fifth Third Leasing Company	Specific leased equipment
2006146617-6	8-24-06	Amend		
2006118673-0	7-5-06	Orig	The Fifth Third Leasing Company	Specific leased equipment
2006146619-0	8-24-06	Amend		
2006167608-2	10-3-06	Orig	The Fifth Third Leasing Company	Specific leased equipment
2006168382-3	10-4-06	Orig	The Fifth Third Leasing Company	Specific leased equipment
2006176585-3	10-19-06	Orig	The Fifth Third Leasing Company	Specific leased equipment
2006194978-8	11-21-06	Amnd		
2006208513-1	12-15-06	Amnd		
2007001848-3	1-3-07	Amnd		
2007013635-6	1-24-07	Amnd		
2007013656-0	1-24-07	Amnd		
2007005810-8	1-10-07	Orig	Stimson Lumber Company	Consigned inventory

DEBTOR: UNIVERSAL FOREST PRODUCTS WESTERN DIVISION, INC.Filings with the Michigan Secretary of State, UCC Division:

Filing Number	Date of Filing	Document Type	Secured Party	Collateral
D877601	2-25-02	Orig	Carlson Systems Corp.	Specific leased equipment
2003007078-8	1-10-03	Orig	Fifth Third Bank, Chicago	Specific leased equipment
2003024850-7	2-6-03	Orig	Mitek Industries, Inc.	Specific leased equipment
2003067261-9	4-8-03	Orig	Mitek Industries, Inc.	Specific leased equipment
2003172854-4	9-11-03	Orig	Universal Forest Products RMS, LLC	All purchased accounts and related instruments, chattel paper, payment intangibles, notes and contract rights
2004009853-6	1-14-04	Orig	The Fifth Third Leasing Company.	Specific leased equipment
2004155595-5	8-4-04	Orig	Weyerhaeuser Company	All southern yellow pine softwood lumber which contains the mill number of a Weyerhaeuser mill or Weyerhaeuser contract mill with the Southern Pine Inspection Bureau grade stamp
2004237997-6	12-8-04	Orig	Mellon US Leasing, a division of Mellon Leasing Corporation	Specific leased equipment
2005128161-5	7-18-05	Orig	Signode Packaging Systems	Debtor's inventory of Signode Packaging materials now or hereafter on the premises or on consignment to the Debtor at the Debtor's plant in Lafayette, CO
2005128873-4	7-19-05	Orig	NMHG Financial Services, Inc.	Leased equipment
2007005811-0	1-10-07	Orig	Stimson Lumber Company	Consigned inventory

DEBTOR: UNIVERSAL FOREST PRODUCTS TEXAS LIMITED PARTNERSHIPFilings with the Michigan Secretary of State, UCC Division:

Filing Number	Date of Filing	Document Type	Secured Party	Collateral
2003107485-2	6-4-03	Orig	Fifth Third Leasing Co.	Specific leased equipment
2003107525-8	6-4-03	Orig	Fifth Third Leasing Co.	Specific leased equipment
2003172856-8	9-11-03	Orig	Universal Forest Products RMS, LLC	All purchased accounts and related instruments, chattel paper, payment intangibles, notes and contract rights
2004001965-5	1-5-04	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2004115600-8	8-4-04	Orig	Weyerhaeuser Company	All southern yellow pine softwood lumber which contains the mill number of a Weyerhaeuser mill or Weyerhaeuser contract mill with the Southern Pine Inspection Bureau grade stamp
200409763-7	10-26-04	Orig	Fifth Third Leasing Co.	Specific leased equipment
200451942-9	12-31-04	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2005035420-3	2-24-05	Orig	Tennant Financial Services	Specific leased equipment
2005154593-2	9-1-05	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2005223313-4	12-30-05	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2006118673-0	7-5-06	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2006146619-0	8-24-06	Amend		
2006167339-1	10-3-06	Orig	LaSalle Bank	Amounts deposited in funds established under Trust Indenture relating to \$4,200,00 City of Arlington Industrial Development Bonds, Series 1999
2006167608-2	10-3-06	Orig	The Fifth Third Leasing Co.	Specific leased equipment

DEBTOR: UNIVERSAL TRUSS, INC.

Filings with the Michigan Secretary of State, UCC Division:

Filing Number	Date of Filing	Document Type	Secured Party	Collateral
2003024850-7	2-6-03	Orig	Mitek Industries, Inc	Specific leased equipment
2003067261-9	4-8-03	Orig	Mitek Industries, Inc	Specific leased equipment
2004009852-4	1-14-04	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2004155601-0	8-4-04	Orig	Weyerhaeuser Company	All southern yellow pine softwood lumber which contains the mill number of a Weyerhaeuser mill or Weyerhaeuser contract mill with the Southern Pine Inspection Bureau grade stamp
2005223316-0	12-30-05	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2006056960-4	3-31-06	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2006146627-7	8-24-06	Amnd		

DEBTOR: UFP VENTURES, INC.

Filing with the Michigan Secretary of State, UCC Division:

Filing Number	Date of Filing	Document Type	Secured Party	Collateral
2003172859-4	9-11-03	Orig	Universal Forest Products RMS, LLC	All purchased accounts and related instruments, chattel paper, payment intangibles, notes and contract rights

DEBTOR: UFP VENTURES II, INC.

Filing with the Michigan Secretary of State, UCC Division:

Filing Number	Date of Filing	Document Type	Secured Party	Collateral
2003172860-7	9-11-03	Orig	Universal Forest Products RMS, LLC	All purchased accounts and related instruments, chattel paper, payment intangibles, notes and contract rights

DEBTOR: UFP TRANSPORTATION, INC.

Filings with the Michigan Secretary of State, UCC Division:

Filing Number	Date of Filing	Document Type	Secured Party	Collateral
2004078478-3	4-19-04	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2006087049-9	5-12-06	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2006130513-8	7-26-06	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2006150856-8	8-31-06	Amnd		
2006165241-2	9-28-06	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2006167495-1	10-3-06	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2006176585-3	10-19-06	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2006194978-8	11-21-06	Amnd		
2006208513-1	12-15-06	Amnd		
2007001848-3	1-3-07	Amnd		
2007013635-6	1-24-07	Amnd		
2007013656-0	1-24-07	Amnd		
2007009850-6	1-18-07	Orig	The Fifth Third Leasing Co.	Specific leased equipment

DEBTOR: UNIVERSAL FOREST PRODUCTS RMS, LLC

Filing with the Michigan Secretary of State, UCC Division:

Filing Number	Date of Filing	Document Type	Secured Party	Collateral
2006043697-0	3-10-06	Orig	Fifth Third Bank	Purchased accounts receivables and related assets

DEBTOR: UNIVERSAL FOREST PRODUCTS, INC.

Filings with the Michigan Secretary of State, UCC Division:

Filing Number	Date of Filing	Document Type	Secured Party	Collateral
02440C	4-7-99	Orig	General Electric Capital Corp	All accounts receivable for which Allied Signal, Inc. is the account debtor and which have been purchased from the debtor pursuant to agreement dated 3/17/99
2003239718-6	12-16-03	Amnd		
2003239719-8	12-16-03	Cont		
D787464	6-20-01	Orig	Citicorp Del Lease, Inc.	Specific leased equipment
2006078822-8	5-1-06	Cont		
D925819	6-21-02	Orig	Fleet Capital Corporation	Specific leased equipment
D941519	8-1-02	Orig	Fifth Third Leasing Co.	Specific leased equipment
45530C	9-26-02	Orig	Bank of the West	Specific leased equipment
2002006284-2	11-5-02	Term	Signode Packaging Systems	Debtor's inventory of Signode steel and plastic packaging strapping now or hereafter on the premises or on consignment to debtor at debtor's plant in Missouri
2002019971-4	12-6-02	Orig		
2003042726-6	3-5-03	Orig	Toyota Motor Credit Cor.	Specific leased equipment
2003055481-1	3-24-03	Orig	NMHG Financial Services, Inc.	Leased equipment
2003086865-2	5-6-03	Orig	CIT Group/Equipment Financing	Specific leased equipment
2003169666-0	9-8-03	Orig	Barloworld Handling	Parts inventory to support the Hyster forklift at the customer locations
2003242165-8	12-19-03	Orig	Leasenet Group, Inc	Specific leased equipment
2004023395-2	2-3-04	Orig	Signode Container Industry Services	Debtor's inventory of Signode steel and plastic packaging strapping now or hereafter on the premises or on consignment to debtor at debtor's plant in Janesville, WI
2004073417-0	4-9-04	Orig	The CIT Group/Equipment Financing, Inc.	Specific leased equipment
2004078355-3	4-19-04	Orig	Signode Container Industry Systems	Debtor's inventory of Signode steel and plastic packaging strapping now or hereafter on the premises or on consignment to debtor at debtor's plant in White Bear Lake, MN
2004078478-3	4-19-04	Orig	The Fifth Third Leasing Company	Specific leased equipment
2004101765-2	5-18-04	Orig	The CIT Group/Equipment Financing, Inc.	Specific leased equipment
2004131047-6	6-28-04	Orig	Citibank, N.A.	Accounts receivable from The Stanley Works Co. purchased by Citibank, N.A. per the terms of the Supplier Agreement with Citibank, N.A.
2004155596-7	8-4-04	Orig	Weyerhaeuser Company	All southern yellow pine softwood lumber which contains the mill number of a Weyerhaeuser mill or Weyerhaeuser contract mill with the Southern Pine Inspection Bureau grade stamp
2004170208-5	8-26-04	Orig	Fifth Third Bank, Western Michigan	Specific leased equipment

Filing Number	Date of Filing	Document Type	Secured Party	Collateral
2004210586-4	10-28-04	Orig	Leggett & Plant, Incorporated	Consigned inventory located at 2100 Avalon Street, Riverside CA
2004249366-3	12-27-04	Orig	FCC Equipment Financing, Inc.	Specific leased equipment
2004251940-5	12-31-04	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2004251942-9	12-31-04	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2005008396-7	1-11-05	Orig	Citicapital Commercial Leasing	Specific leased equipment
2005008405-8	1-11-05	Orig	Citicapital Commercial Leasing	Specific leased equipment
2005025154-6	2-7-05	Orig	FCC Equipment Financing, Inc.	Specific leased equipment
2005030752-1	2-15-05	Orig	FCC Equipment Financing, Inc.	Specific leased equipment
2005030755-7	2-15-05	Orig	FCC Equipment Financing, Inc.	Specific leased equipment
2005128766-7	7-19-05	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2005133985-8	7-27-05	Orig	Citicapital Commercial Leasing	Specific leased equipment
2005134571-2	7-28-05	Orig	Citicapital Commercial Leasing	Specific leased equipment
2005154593-2	9-1-05	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2005169996-3	9-29-05	Orig	Thompson Tractor Co., Inc	Specific equipment
2005171689-6	10-3-05	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2005192830-2	11-4-05	Orig	FCC Equipment Financing, Inc.	Specific leased equipment
2005192831-4	11-4-05	Orig	FCC Equipment Financing, Inc.	Specific leased equipment
2005223313-4	12-30-05	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2005223316-0	12-30-05	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2006043697-0	3-10-06	Orig	Fifth Third Bank	Purchased accounts receivable and related assets
2006044421-8	3-13-06	Orig	Mellon US Leasing	Specific leased equipment
2006052008-2	3-23-06	Orig	Thompson Tractor Co., Inc	Specific equipment
2006056960-4	3-31-06	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2006146627-7	8-24-06	Amnd		
2006087049-9	5-12-06	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2006096911-9	5-30-06	Orig	Canal Air, LLC	Specific leased equipment
2006116468-3	6-30-06	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2006146617-6	8-24-06	Amnd		
2006118673-0	7-5-06	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2006146619-0	8-24-06	Amnd		
2006130513-8	7-26-06	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2006150856-8	8-31-06	Amnd		
2006165241-2	9-28-06	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2006167495-1	10-3-06	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2006167608-2	10-3-06	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2006167979-7	10-3-06	Orig	Thompson Tractor Co., Inc	Specific equipment
2006168382-3	10-4-06	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2006176585-3	10-19-06	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2006194978-8	11-21-06	Amnd		
2006208513-1	12-15-06	Amnd		
2007001848-3	1-3-07	Amnd		
2007013635-6	1-24-07	Amnd		
2007013656-0	1-24-07	Amnd		
2007009850-6	1-18-07	Orig	The Fifth Third Leasing Co.	Specific leased equipment
2007011797-6	1-22-07	Orig	Thompson Tractor Co., Inc	Specific equipment
2007011798-8	1-22-07	Orig	Thompson Tractor Co., Inc	Specific equipment

DEBTOR: UNIVERSAL FOREST PRODUCTS OF MODESTO, L.L.C.

Filings with the Michigan Secretary of State, UCC Division:

Filing Number	Date of Filing	Document Type	Secured Party	Collateral
2003038259-9	2-27-03	Orig	Citicapital Commercial Leasing	Specific leased equipment
2003172858-2	9-11-03	Orig	Universal Forest Products RMS, LLC	All purchased accounts and related instruments, chattel paper, payment intangibles, notes and contract rights

List of Existing Investments, Loans and Advances

Legal Entity	Description	Balance as of 12/30/06
Universal Forest Products, Inc.	Officers Stock Notes Receivable	\$ 575,224
	Employers' Stock Assistance Receivable	\$ 678,195
	Fleetfoot Note Receivable	27,792
	(1) Cash Surrender Value of Investments for Deferred Compensation	—
	(1) Current Market Value of Investments for Deferred Compensation	—
UFP Insurance Ltd.	AJ Ranch Note	\$ 548,534
Total Investments, Loans and Advances		<u>\$ 1,829,745</u>

(1) These assets have an offsetting liability on the company's balance sheet representing an obligation for future distribution to officers and directors of the company; therefore, the assets are not scheduled

INFORMATION RELATING TO PURCHASERS

NAME AND ADDRESS OF PURCHASER	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED
CONNECTICUT GENERAL LIFE INSURANCE COMPANY c/o CIGNA Retirement & Investment Services. 280 Trumbull Street Hartford, Connecticut 06103 Attention: Private and Alternative Investments — H16B Fax: 860-534-7203	\$5,000,000 \$5,000,000 (Tranche A) \$8,000,000 \$4,000,000 (Tranche B)

Payments

All payments on or in respect of the Notes to be by Federal Funds Wire Transfer to:

J.P.Morgan Chase Bank
BNF=CIGNA Private Placements/AC=9009001802
ABA #021000021
OBI=[name of company; description of security; interest rate; maturity date; PPN; due date] and application (as among principal, premium and interest of the payment being made); contact name and phone.

Address for Notices Related to Payments:

CIG & Co.
c/o CIGNA Retirement & Investments Services
Attention: Securities Processing, H05P
280 Trumbull Street
Hartford, Connecticut 06103

CIG & Co.
c/o CIGNA Retirement & Investment Services
Attention: Private and Alternative Investments, H16B
Operations Group
280 Trumbull Street Hartford, Connecticut 06103
Fax: 860-534-7203

SCHEDULE I
(to Note Agreement)

with a copy to:

J.P. Morgan Chase Bank
Private Placement Servicing
P.O. Box 1508
Bowling Green Station
New York, New York 10081
Attention: CIGNA Private Placements
Fax: 212-552-3107/1005

Address for All Other Notices:

CIG& Co.
c/o CIGNA Retirement & Investments Services
Attention: Private and Alternative Investments, H16B
280 Trumbull Street
Hartford, Connecticut 06103
Fax: 860-534-7203

Name of Nominee in which Notes are to be issued: CIG & Co.

Taxpayer I.D. Number for CIG & Co.: 13-3574027

NAME AND ADDRESS OF PURCHASER	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED
PRINCIPAL LIFE INSURANCE COMPANY	\$13,000,000
c/o Principal Global Investors, LLC	\$3,000,000
801 Grand Avenue	\$1,000,000
Des Moines, Iowa 50392-0800	\$1,000,000
	\$1,000,000
	(Tranche B)

Payments

All payments on or in respect of the Notes to be made by 12:00 Noon (New York City time) by bank wire transfer of immediately available funds to:

ABA #073000228
Wells Fargo Bank Iowa, N.A.
7th and Walnut Streets
Des Moines, Iowa 50309
For credit to Principal Life Insurance Company
Account No. 0000014752
OBI PFGSE (S) B0065565

With sufficient information (including interest rate, maturity date, interest amount, principal amount and premium amount, if applicable) to identify the source and application of such funds.

All notices with respect to payments to:

Principal Global Investors, LLC
801 Grand Avenue
Des Moines, Iowa 50392-0960
Attention: Investment Accounting -Securities
Telefacsimile: (515) 248-2643
Confirmation: (515) 248-2766

All other notices and communications to:

Principal Capital Management, LLC
801 Grand Avenue
Des Moines, Iowa 50392-0800
Attention: Fixed Income -Securities
Telefacsimile: (515) 248-2490
Confirmation: (515) 248-3495

All other notices and communications to:

Principal Capital Management, LLC
801 Grand Avenue
Des Moines, Iowa 50392-0800
Attention: Fixed Income -Securities
Telefacsimile: (515) 248-2490
Confirmation: (515) 248-3495

Name of Nominee in which Notes are to be issued: None

Taxpayer I.D. Number: 42-0127290

NAME AND ADDRESS
OF PURCHASER

PRINCIPAL AMOUNT OF NOTES
TO BE PURCHASED

SCOTTISH RE (U.S.), INC.
c/o Principal Global Investors, LLC
801 Grand Avenue
Des Moines, Iowa 50392-0800
Attn: Fixed Income — Securities

\$1,000,000
(Tranche B)

Payments

All payments on account of the Note to be made by 12:00 noon (New York City time) by wire transfer of immediately available funds to:

Comerica Bank/Trust Operations
AC: 2158598532
BNF: Scottish Annuity & Life Holdings, Ltd.
AC: 011000734950
BBI: Trade Settlement (313) 222-3111
Bank Routing Number: 072000096
OBI PFGSE (S) B0065565

With sufficient information (including interest rate, maturity date, interest amount, principal amount' and premium amount, if applicable) to identify the source and application of such funds.

Notices

All notices with respect to the Note payable to Scottish Re, except with respect to payment, should be sent to:

Scottish Re (U.S.), Inc.
c/o Principal Global Investors, LLC
801 Grand Avenue
Des Moines, Iowa 50392-0800
Attn: Fixed Income -Securities
Fax: (515) 248-2490
Confirmation: (515) 248-3495

All notices with respect to payments on the Note payable to Scottish Re should be sent to:

Scottish Re (U.S.), Inc.
c/o Principal Global Investors, LLC
801 Grand Avenue
Des Moines, Iowa 50392-0800
Attn: Fixed Income -Securities
Fax: (515) 248-2643
Confirmation: (515) 248-2766

Upon closing, deliver Note to:

Deutsche Bank
(Bankers Trust Company)
14 Wall Street
4th Floor, Window 44
Comercia Bank A/C 090755
New York, New York 10015

Name of Nominee in which Notes are to be issued: None

Taxpayer I.D. Number: 23-2038295

NAME AND ADDRESS OF PURCHASER	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED
STATE FARM LIFE INSURANCE COMPANY One State Farm Plaza Bloomington, Illinois 61710 Attention: Investment Department E-10	\$4,000,000 (Tranche A) \$4,000,000 (Tranche B)

Payments

All payments on or in respect of the Notes to be by bank wire transfer of Federal or other immediately available funds (identifying each payment as "Universal Forest Products, Inc. and as to interest rate, security description, maturity date and PPN, principal, premium or interest") to:

The Chase Manhattan Bank
ABA #021000021
SSG Private Income Processing
A/C #900-9-000200

for Credit to: Account Number G 06893

Notices

Send notices, financial statements, officer's certificates and other correspondence to:

State Farm Life Insurance Company
Investment Dept. E-8
One State Farm Plaza
Bloomington, IL 61710

Send confirms to:

State Farm Life Insurance Company
Investment Accounting Dept. D-3
One State Farm Plaza
Bloomington, IL 61710

Name of Nominee in which Notes are to be issued: None

Taxpayer I.D. Number: 37-0533090

NAME AND ADDRESS
OF PURCHASER

PRINCIPAL AMOUNT OF NOTES
TO BE PURCHASED

STATE FARM LIFE & ACCIDENT
ASSURANCE COMPANY

One State Farm Plaza
Bloomington, Illinois 61710
Attention: Investment Department E-10

\$1,000,000
(Tranche A)

Payments

All payments on or in respect of the Notes to be by bank wire transfer of Federal or other immediately available funds (identifying each payment as "Universal Forest Products, Inc. and as to interest rate, security description, maturity date and PPN, principal, premium or interest") to:

The Chase Manhattan Bank
ABA #021000021
SSG Private Income Processing
A/C #900-9-000200

for Credit to: Account Number G 06895

Notices

Send notices, financial statements, officer's certificates and other correspondence to:

State Farm Life and Accident Assurance Company
Investment Dept. E-8
One State Farm Plaza
Bloomington, IL 61710

Send confirms to:

State Farm Life and Accident Assurance Company
Investment Accounting Dept. D-3
One State Farm Plaza
Bloomington, IL 61710

Name of Nominee in which Notes are to be issued: None

Taxpayer I.D. Number: 37-00805091

NAME AND ADDRESS
OF PURCHASER

PRINCIPAL AMOUNT OF NOTES
TO BE PURCHASED

THE CANADIAN LIFE ASSURANCE COMPANY
330 University Avenue, SP-11
Toronto, Ontario, Canada M5G 1R8
Attention: Paul English, U.S. Investments Division

\$4,000,000
(Tranche B)

Payments

All payments on or in respect of the Notes to be by bank wire transfer of Federal or other immediately available funds to:

For call or maturity payments:

Chase Manhattan Bank
ABA #021-000-021
Account No. 900-9-000192
Trust Account No. G52708
Reference: CUSIP, Name of Issuer & description, and call or maturity date

For all other payments (by wire):

Chase Manhattan Bank
ABA #021-000-021
Account No. 900-9-000200
Trust Account No. G52708
Reference: PPN, Name of Issuer and description, and Principal and Interest payment

For all other payments (by mail):

Mail check payment to:
J. Romeo & Co.
c/o Chase Manhattan Bank
P. O. Box 35308
Newark, New Jersey 07101-8006
Attention: Funds Clearance/ A/C# G52708
Reference: CUSIP, Name of Issuer and description, and Principal and Interest payment

Notices

Notices with respect to payments and written confirmation of each such payment, to be addressed:

Chase Manhattan Bank
North American Insurance
3 Chase MetroTech Centre, 6th Floor
Brooklyn, New York 11245
Attention: Doll Balbadar

with a copy to:

The Canada Life Assurance Company
330 University Avenue, SP-12
Securities Accounting
Toronto, Ontario, Canada M5G 1R8

All other notices and communications (including financial statements) to be addressed as first provided above.

Name of Nominee in which Notes are to be issued: J. Romeo & Co.

Taxpayer I.D. Number: 38-03974

**Funded Debt; Liens Securing Funded Debt
(Including Capitalized Leases); Subsidiaries; and
Restricted Subsidiaries as of the Closing Date**

See Attached

SCHEDULE II
(to Note Agreement)

Schedule II

Funded Debt

Legal Entity	Description	Balance as of 11/30/02
Universal Forest Products, Inc.	Senior unsecured notes, \$5,714,000 due annually through May 2004, interest due semi-annually at 7.15% per annum.	11,428,570
	Series 1998-A Senior Notes Tranche C, due on December 21, 2008, interest due semi-annually at 6.98%	19,000,000
	Series 1998-A Senior Notes Tranche B, due on December 21, 2008, interest due semi-annually at 6.98%	59,500,000
	Series 1998-A Senior Notes Tranche A, due on December 21, 2005, interest due semi-annually at 6.98%	21,500,000
	Revolving credit facility totaling \$200 Million, due on November 25 2005, interest due monthly at a floating rate	102,255,480
	Series 1998 Industrial Development Revenue Bonds, due on December 1, 2018, Interest payable monthly at a floating rate (1.88% on November 28, 2002)	1,300,000
	Series 1999 Industrial Development Revenue Bonds, due on July 1, 2029, Interest payable monthly at a floating rate (1.65% on November 28, 2002)	2,400,000
	Series 1999 Industrial Development Revenue Bonds, due on August 1, 2029, Interest payable monthly at a floating rate (1.79% on November 28, 2002)	3,300,000
	Series 2000 Industrial Development Revenue Bonds, due on October 1, 2020, Interest payable monthly at a floating rate (1.78% on November 28, 2002)	2,700,000
	Series 2000 Industrial Development Revenue Bonds, due on November 1, 2020, Interest payable monthly at a floating rate (1.79% on November 28, 2002)	2,400,000
	Series 2001 Industrial Development Revenue Bonds, due on November 1, 2021, Interest payable monthly at a floating rate (1.75% on November 28, 2002)	2,500,000
	Non-Compete Agreement, \$75,000annually including interest at 7.00%, through February 2006	227,137
	Non-Compete Agreement, \$200,000 annually including interest at 7.00%, through April 2003	194,464
	Non-Compete Agreement, \$137,500annually including interest at 6.00%, through April 2012	1,034,370

Schedule II

Funded Debt

Legal Entity	Description	Balance as of 11/30/02
Universal Forest Products, Inc. (Cont.)	Non-Compete Agreement, \$137,500 annually including interest at 6.00%, through April 2012	1,034,370
	Chrysler Leasing, capital lease on one pickup, \$604 month including interest at 0.90%, through November 2003	7,213
	Employees Insurance of Wausau, Letter of Credit, Issued 6/03/02 and expires 6/3/03	4,783,658
	USF&G, Letter of Credit, Issued 6/01/02 and expires 6/1/03	4,000,000
	UFP Insurance Ltd., Letter of Credit, Issued 6/01/02 and expires 6/1/03	1,800,000
Consolidated Building Components, Inc.	LTM Parker, Inc., capital lease on building and property, \$3,000 due monthly including interest at 8.00% through September 2003	26,296
Universal Forest Products Shoffner, LLC	Travelers Property Casualty Co., Letter of Credit, Issued 6/01/02 and expires 6/1/03	200,000
Nascor Incorporated	Roynat, mortgage, secured by land and building, \$20,000 CDN due monthly plus interest at a floating rate based on the average of the bankers acceptances on each business day during the monthly period, plus 3.25% through June 2009. Final payment of \$100,000 CDN due July 2009	1,080,180
	Line of Credit of \$4.0 Million CDN with TD Bank, which bears interest at the bank's prime lending rate plus 1.5% per annum and is secured by inventory and accounts receivable and a second mortgage on land and buildings	1,537,668
	TD Bank, capital lease on manufacturing equipment	198,321
		<u>198,321</u>
Total Indebtedness		<u><u>\$ 244,407,727</u></u>

Liens Securing Funded Debt

<u>Name of Secured Party</u>	<u>Name of Debtor</u>	<u>Amount of Secured Debt as of 11/30/02</u>	<u>Description</u>
Chrysler Leasing	Universal Forest Products, Inc.	\$ 7,213	Dodge Ram Pickup
LTM Parker, Inc.	Consolidated Building Components, Inc.	\$ 26,296	Land and building in Parker, PA purchased with proceeds.
TD Asset Finance Corp.	Nascor Incorporated	\$ 198,321	Manufacturing Equipment
Roynat	Nascor Incorporated	\$ 1,080,180	Land and building in Calgary, AB
TD Bank	Nascor Incorporated	\$ 1,537,668	Accounts receivable and inventory
Total		<u>\$ 2,849,678</u>	

Schedule of Subsidiaries, Partnerships and Affiliates of Universal Forest Products, Inc.

Subsidiary	Jurisdiction	Location of Chief Executive Office	Capital Stock Owned By
Restricted Subsidiaries			
Universal Forest Products Holding Company, Inc.	Michigan	Grand Rapids, MI	Universal Forest Products, Inc.
Shoffner Holding Company, Inc.	Michigan	Grand Rapids, MI	Universal Forest Products Holding Company, Inc.
Universal Forest Products Eastern Division, Inc.	Michigan	Grand Rapids, MI	Shoffner Holding Company, Inc.
Universal Forest Products Shoffner, LLC	Michigan	Grand Rapids, MI	Universal Forest Products Eastern Division, Inc.
Universal Forest Products Indiana Limited Partnership	Michigan	Grand Rapids, MI	General Partner is Universal Forest Products Eastern Division, Inc. Limited Partner is Universal Forest Products Holding Company, Inc.
Syracuse Real Estate, LLC	Michigan	Grand Rapids, MI	Universal Forest Products Indiana Limited Partnership
Universal Forest Products Western Division, Inc.	Michigan	Grand Rapids, MI	Universal Forest Products, Inc.
Universal Forest Products Texas Limited Partnership	Michigan	Grand Rapids, MI	General Partner is Universal Forest Products Western Division, Inc. Limited Partner is Universal Forest Products Holding Company, Inc.
Universal Truss, Inc.	Michigan	Grand Rapids, MI	Universal Forest Products, Inc.
Consolidated Building Components, Inc.	Pennsylvania	Parker, PA	Universal Forest Products, Inc.
Universal Forest Products Reclamation Center, Inc.	Michigan	Grand Rapids, MI	Universal Forest Products, Inc.
Universal Real Estate, Inc.	Michigan	Grand Rapids, MI	Universal Forest Products, Inc.
UFP of Modesto, LLC	Michigan	Grand Rapids, MI	Universal Forest Products Western Division, Inc.
Tresstar, LLC	Michigan	Grand Rapids, MI	Universal Forest Products, Inc.
UFP Ventures, Inc.	Michigan	Grand Rapids, MI	Universal Forest Products, Inc.
UFP Ventures II, Inc.	Michigan	Grand Rapids, MI	Universal Forest Products Eastern Division, Inc.
Unrestricted Subsidiaries			
Universal Consumer Products, Inc.	Michigan	Grand Rapids, MI	Universal Forest Products, Inc.
Euro-Pacific Building Materials, Inc.	Oregon	Grand Rapids, MI	Universal Forest Products, Inc.
Universal Forest Products of Canada, Inc.	Canada	Quebec, Canada	Universal Forest Products, Inc.
ECJW Holdings Ltd.	Canada	Ontario, Canada	Universal Forest Products of Canada, Inc.
Nascor Incorporated (57% owned)	Canada	Alberta, Canada	Universal Forest Products of Canada, Inc.
Universal Forest Products Canada Limited Partnership	Canada	Quebec, Canada	General Partner is Universal Forest Products of Canada, Inc. Limited Partner is Universal Forest Products Nova Scotia ULC
Universal Forest Products Nova Scotia ULC	Canada	Nova Scotia, Canada	Universal Forest Products, Inc.
Universal Forest Products FSC, Inc.	Barbados	Grand Rapids, MI	Universal Forest Products, Inc.
Universal Forest Products Mexico Holdings, S. de R.L. de C.V.	Mexico	Grand Rapids, MI	Universal Forest Products, Inc.
UFP Insurance, Ltd.	Bermuda	Hamilton, Bermuda	Universal Forest Products, Inc.
Nascor Structures	Nevada	Grand Rapids, MI	Universal Forest Products, Inc.
Consolidated Affiliates			
D&R Framing Contractors, L.L.C. (50% owned)	Michigan	Grand Rapids, MI	Universal Forest Products Western Division, Inc.
Pinelli Universal, S. de R.L. de C.V. (50% owned)	Mexico	Durango, Mexico	Universal Forest Products Mexico Holdings, S. de R.L. de C.V.

Environmental Obligations

None

SCHEDULE III
(to Note Agreement)

UNIVERSAL FOREST PRODUCTS, INC.

5.63% Series 2002-A Senior Note, Tranche A,
Due December 18, 2009

PPN 913543 B@ 2

No.

December 18, 2002

\$___

UNIVERSAL FOREST PRODUCTS, INC., a Michigan corporation (the “Company”), for value received, hereby promises to pay to

or registered assigns
on the 18th day of December, 2009
the principal amount of

DOLLARS (\$_____)

and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on the principal amount from time to time remaining unpaid hereon at the rate of 5.63% per annum from the date hereof until maturity, payable semiannually on the 18th day of June and December in each year (commencing on June 18, 2003) and at maturity. The Company agrees to pay interest on overdue principal (including any overdue optional prepayment of principal) and premium, if any, and (to the extent legally enforceable) on any overdue installment of interest, at the Overdue Rate after the due date, whether by acceleration or otherwise, until paid. “Overdue Rate” shall mean the lesser of (a) the maximum interest rate permitted by law and (b) 7.63% per annum.

Both the principal hereof and interest hereon are payable at the principal office of the Company in Grand Rapids, Michigan in coin or currency of the United States of America which at the time of payment shall be legal tender for the payment of public and private debts. If any amount of principal, premium, if any, or interest on or in respect of this Note becomes due and payable on any date which is not a Business Day, such amount shall be payable on the immediately succeeding Business Day. “Business Day” means any day other than a Saturday, Sunday or other day on which banks in either Grand Rapids, Michigan or New York, New York are required by law to close or are customarily closed

EXHIBIT A-1
(to Note Agreement)

This Note is one of the 5.63%Series 2002-A Senior Notes, Tranche A, due December 18, 2009 of the Company in the aggregate principal amount of \$15,000,000, which, together with the 6.16% Series 2002-A Senior Notes, Tranche B, due December 18, 2012 of the Company in the aggregate principal amount of \$40,000,000, and any Additional Notes are issued or to be issued under and pursuant to the terms and provisions of the separate Note Agreements, each dated as of December 18, 2002 (the "Note Agreements"), entered into by the Company with the original Purchasers therein referred to and any Additional Purchasers of Additional Notes and the holder hereof is entitled equally and ratably with the holders of all other Notes outstanding under the Note Agreements to all the benefits provided for thereby or referred to therein. Reference is hereby made to the Note Agreements for a statement of such rights and benefits.

This Note and the other Notes outstanding under the Note Agreements may be declared due prior to their expressed maturity dates and certain prepayments are required to be made thereon, all in the events, on the terms and in the manner and amounts as provided in the Note Agreements.

The Notes are not subject to prepayment or redemption at the option of the Company prior to their expressed maturity dates except on the terms and conditions and in the amounts and with the premium, if any, set forth in the Note Agreements.

This Note is registered on the books of the Company and is transferable only by surrender thereof at the principal office of the Company duly endorsed or accompanied by a written instrument of transfer duly executed by the registered holder of this Note or its attorney duly authorized in writing. Payment of or on account of principal, premium, if any, and interest on this Note shall be made only to or upon the order in writing of the registered holder.

This Note and said Note Agreements are governed by and construed in accordance with the law of New York, including all matters of construction, validity and performance.

UNIVERSAL FOREST PRODUCTS, INC.,

By: _____
Its: _____

UNIVERSAL FOREST PRODUCTS, INC.

6.16% Series 2002-A Senior Note, Tranche B,
Due December 18, 2012

PPN 913543 B# 0

No.

December 18, 2002

\$___

UNIVERSAL FOREST PRODUCTS, INC., a Michigan corporation (the "*Company*"), for value received, hereby promises to pay to

or registered assigns
on the 18th day of December, 2012
the principal amount of

DOLLARS (\$_____)

and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on the principal amount from time to time remaining unpaid hereon at the rate of 6.160/0 per annum from the date hereof until maturity, payable semiannually on the 18th day of June and December in each year (commencing on June 18, 2003) and at maturity. The Company agrees to pay interest on overdue principal (including any overdue optional prepayment of principal) and premium, if any, and (to the extent legally enforceable) on any overdue installment of interest, at the Overdue Rate after the due date, whether by acceleration or otherwise, until paid. "*Overdue Rate*" shall mean the lesser of (a) the maximum interest rate permitted by law and (b) 8.16% per annum.

Both the principal hereof and interest hereon are payable at the principal office of the Company in Grand Rapids, Michigan in coin or currency of the United States of America which at the time of payment shall be legal tender for the payment of public and private debts. If any amount of principal, premium, if any, or interest on or in respect of this Note becomes due and payable on any date which is not a Business Day, such amount shall be payable on the immediately succeeding Business Day. "*Business Day*" means any day other than a Saturday, Sunday or other day on which banks in either Grand Rapids, Michigan or New York, New York are required by law to close or are customarily closed.

EXHIBIT A-2
(to Note Agreement)

This Note is one of the 6.16% Series 2002-A Senior Notes, Tranche B, due December 18, 2012 of the Company in the aggregate principal amount of \$40,000,000, which, together with the 5.63% Series 2002-A Senior Notes, Tranche A, due December 18, 2009 of the Company in the aggregate principal amount of \$15,000,000, and any Additional Notes are issued or to be issued under and pursuant to the terms and provisions of the separate Note Agreements, each dated as of December 18, 2002 (the "Note Agreements"), entered into by the Company with the original Purchasers therein referred to and any Additional Purchasers of Additional Notes and the holder hereof is entitled equally and ratably with the holders of all other Notes outstanding under the Note Agreements to all the benefits provided for thereby or referred to therein. Reference is hereby made to the Note Agreements for a statement of such rights and benefits.

This Note and the other Notes outstanding under the Note Agreements may be declared due prior to their expressed maturity dates and certain prepayments are required to be made thereon, all in the events, on the terms and in the manner and amounts as provided in the Note Agreements.

The Notes are not subject to prepayment or redemption at the option of the Company prior to their expressed maturity dates except on the terms and conditions and in the amounts and with the premium, if any, set forth in the Note Agreements.

This Note is registered on the books of the Company and is transferable only by surrender thereof at the principal office of the Company duly endorsed or accompanied by a written instrument of transfer duly executed by the registered holder of this Note or its attorney duly authorized in writing. Payment of or on account of principal, premium, if any, and interest on this Note shall be made only to or upon the order in writing of the registered holder.

This Note and said Note Agreements are governed by and construed in accordance with the law of New York, including all matters of construction, validity and performance.

UNIVERSAL FOREST PRODUCTS, INC.,

By: _____
Its: _____

A-2-2
(to Note Agreement)

[FORM OF SUBSIDIARY NOTE GUARANTY]

[See Tab No. 2]

EXHIBIT B-1
(to Note Agreement)

INTERCREDITOR AGREEMENT

AMONG

THE BANKS

AND

THE NOTEHOLDERS

Re: \$40,000,000 7.15% Senior Notes
due May 5, 2004
of
Universal Forest Products, Inc.

Dated as of November 13, 1998

EXHIBIT B-2
(to Note Agreement)

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(Not a part of the Agreement)

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INTERCREDITOR AGREEMENT

INTERCREDITOR AGREEMENT dated as of November 13, 1998 among the Creditors (as defined below) of Universal Forest Products, Inc., a Michigan corporation (the “*Company*”) and of certain Subsidiaries of the Company, and NBD Bank, as Collateral Agent (the “*Collateral Agent*”).

RECITALS:

A. Under and pursuant to separate and several Note Purchase Agreements dated as of May 1, 1994 (the “1994 Note Purchase Agreements”), between the Company and the purchasers named on Schedule A attached to the 1994 Note Purchase Agreements (collectively, the “1994 Noteholders”), the Company issued and sold to the 1994 Noteholders \$40,000,000 aggregate principal amount of its 7.15% Senior Notes due May 5, 2004 (collectively, the “1994 Notes”).

B. Under and pursuant to the First Amendment dated as of November 13, 1998 to the Note Agreements dated as of May 1, 1994 (the “First Amendment”), between the Company and the 1994 Noteholders, the Company and the 1994 Noteholders propose to amend the 1994 Note Purchase Agreements in several respects.

C. Under and pursuant to the Bank Credit Agreement dated as of November 13, 1998 (as such agreement may be amended, restated or otherwise modified from time to time, the “Existing Bank Credit Agreement”) between the Company, various lenders party thereto from time to time and NBD Bank, as Agent (collectively, the “Existing Lenders”), the Existing Lenders propose to make available to the Company certain credit facilities in a current aggregate principal amount up to \$175,000,000 (all amounts outstanding in respect of the Existing Bank Credit Agreement, whether constituting loans, letters of credit or other advances, being hereinafter collectively referred to as the “Existing Loans”).

D. Under and pursuant to the Existing Bank Credit Agreement, the Company, as security for the payment of the Existing Loans and all other obligations of the Company under the Existing Bank Credit Agreement, covenants (i) to cause certain subsidiaries of the Company to deliver to the Existing Lenders a guaranty (collectively, the “Existing Lender Guaranties”) and (ii) to pledge to the Existing Lenders 65% of the shares of capital stock of certain foreign subsidiaries of the Company pursuant to stock pledge agreements (individually a “Stock Pledge Agreement” and collectively the “Stock Pledge Agreements”).

E. The 1994 Noteholders, in order to provide for security for the payment of the principal of, premium, if any, and interest on the 1994 Notes and the payment and performance of all other obligations of the Company under the 1994 Note Purchase Agreements, have required as a condition to their entering into the First Amendment that (i) the Company cause each subsidiary of the Company that delivers an Existing Lender Guaranty or a Successor Guaranty (as defined below) to deliver to the 1994 Noteholders a guaranty (collectively, the “1994 Noteholder Guaranties”), (ii) the Stock Pledge Agreements secure each of the Creditors on an equal and ratable priority basis and (iii) the Existing Lenders and the 1994 Noteholders enter into this Agreement.

F. The Existing Lender Guaranties, the 1994 Noteholder Guaranties and any Successor Guaranties (as defined below) are hereinafter collectively referred to as the “Subsidiary Guaranties”.

G. The Subsidiary Guaranties and the Stock Pledge Agreements are hereinafter collectively referred to as the “Security”.

H. The Existing Lenders, the 1994 Noteholders and the Collateral Agent desire to enter into this Agreement in order to provide for the sharing of payments received in respect of the Security, all as more fully set forth below.

Now, THEREFORE, in consideration of the premises and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1. DEFINITIONS.

The following terms shall have the meanings assigned to them below in this §1 or in the provisions of this Agreement referred to below:

“*Bank Credit Agreement*” shall mean collectively the Existing Bank Credit Agreement and any Successor Bank Credit Agreement.

“*Bankruptcy Proceeding*” shall mean with respect to any Person a general assignment by such Person for the benefit of its Creditors or the institution by or against such Person or any proceeding seeking relief as debtor, or seeking to adjudicate such Person as bankrupt or insolvent, or seeking reorganization, arrangement, adjustment or composition of such Person or its debts, under any law relating to bankruptcy, insolvency, reorganization or relief of debtors or seeking an appointment of a receiver, trustee, custodian or any similar official for such Person or for any substantial part of its property.

“*Company*” shall have the meaning assigned thereto in the Recitals hereof.

“*Creditor*” shall individually mean any Lender or Noteholder and “*Creditors*” shall mean all of the Lenders and the Noteholders.

“*Directing Creditors*” shall mean, with respect to any particular instruction given to the Collateral Agent, each Creditor that has given such instructions to the Collateral Agent.

“*Enforcement*” shall mean the taking of any action under the Stock Pledge Agreements, including, but not limited to, the sale or other disposition of the Pledged Stock.

“Excess Subsidiary Payment” shall mean as to any Creditor an amount equal to the Subsidiary Payment received by such Creditor less the Pro Rata Share of Subsidiary Payments to which such Creditor is then entitled.

“Existing Bank Credit Agreement” shall have the meaning assigned thereto in the Recitals hereof.

“Existing Lenders” shall have the meaning assigned thereto in the Recitals hereof.

“Existing Loans” shall have the meaning assigned thereto in the Recitals hereof.

“Event of Default” shall mean an “Event of Default” or “Default” as defined in any Financing Agreement.

“Financing Agreements” shall mean the Bank Credit Agreement, the Notes, the Note Purchase Agreements, each other security document securing the Subject Obligations, and any other instruments, documents or agreements entered into in connection with any Subject Obligation or Financing Agreement.

“First Amendment” shall have the meaning assigned thereto in the Recitals hereof.

“Grantors” shall mean the Company and other Person who grants any collateral to the Collateral Agent under the Stock Pledge Agreements or any other security document securing the Subject Obligations.

“Lender” and *“Lenders”* shall mean collectively the Existing Lenders and any Successor Lenders.

“Existing Lender Guaranties” shall have the meanings assigned thereto in the Recitals hereof.

“Loans” shall mean collectively the Existing Loans and any loans and letters of credit or other advances outstanding under any Successor Bank Credit Agreement.

“Majority Creditors” shall mean (a) the Required Lenders, (b) the Required 1994 Noteholders, and (c) the Required Successor Noteholders, each voting as a class, provided that if at any time the aggregate outstanding principal amount of the Loans or the aggregate outstanding principal amount of the Notes represents less than 10% of the sum of the aggregate outstanding principal amount of the Indebtedness evidenced by the Loans and the Notes, then “Majority Creditors” shall mean Creditors, considered as a single class, holding more than 51 % of the sum of (i) the outstanding principal amount of the Notes, plus (ii) the outstanding principal amount of the Loans.

“1994 Noteholder Guaranties” shall have the meaning assigned thereto in the Recitals hereof.

“1994 Note Purchase Agreements” shall have the meaning assigned thereto in the Recitals hereof.

“1994 Noteholders” shall have the meaning assigned thereto in the Recitals hereof.

“1994 Notes” shall have the meaning assigned thereto in the Recitals hereof.

“Non-Directing Creditors” shall mean, with respect to any particular instruction given to the Collateral Agent, each Creditor that has not given or agreed with such instruction given to the Collateral Agent.

“Note Purchase Agreements” shall mean collectively the 1994 Note Purchase Agreements and any Successor Note Purchase Agreements.

“Noteholder” and “Noteholders” shall mean, individually, a 1994 Noteholder or any Successor Noteholder, and, collectively, the 1994 Noteholders and any Successor Noteholders.

“Notes” shall mean collectively the 1994 Notes and any notes issued under a Successor Note Purchase Agreement.

“Notice of Special Default” shall have the meaning assigned thereto in §5(a).

“Party” shall mean individually any Lender, Noteholder or the Collateral Agent and “Parties” shall mean all of the Lenders, the Noteholders and the Collateral Agent.

“Person” shall mean an individual, a corporation, a limited liability company, an association, a partnership, a trust or estate, a joint stock company, an unincorporated organization, a joint venture, a trade or business (whether or not incorporated), a government (foreign or domestic) and any agency or political subdivision thereof, or any other entity.

“Pledged Stock” shall mean any shares of stock pledged under the Stock Pledge Agreements.

“Preferential Payment” shall mean any payments from the Company or any other source with respect to the Subject Obligations arising as a result of the exercise of any set-off and which are:

(i) received by a Creditor within 45 days prior to the commencement of a Bankruptcy Proceeding with respect to the Company, or the acceleration of the Notes or the Loans, and which payment reduces the amount of the Subject Obligations owed to such Creditor below the amount owed to such Creditor as of the 90th day prior to such occurrence, or

(ii) received by a Creditor (A) within 45 days prior to the occurrence of any Event of Default (other than an Event of Default arising as a result of the commencement of a Bankruptcy Proceeding or the acceleration of the Notes or the Loans) which has not been waived or cured within 45 days after the occurrence thereof and which payment reduces the amount of the Subject Obligations owed to such Creditor below the amount owed to such Creditor as of the 90th day prior to the occurrence of such Event of Default or (b) within 45 days after the occurrence of such Event of Default, or

(iii) received by a Creditor after the occurrence of a Special Event of Default except as provided in §5(b).

“*Proceeds*” shall mean (a) any and all proceeds of any collection, sale or other disposition of the Pledged Stock, (b) any and all amounts from time to time paid or payable under in connection with any of the Pledged Stock and (c) amounts collected by the Collateral Agent or any Lender by way of set-off, deduction or counterclaim.

“*Pro Rata Share of Subsidiary Payments*” shall mean as of the date of any Subsidiary Payment to a Creditor in respect to a Subsidiary Guaranty an amount equal to the product obtained by multiplying (a) the amount of all Subsidiary Payments made by any Subsidiary Guarantor to all Creditors less all reasonable costs incurred by such Creditors in connection with the collection of such Subsidiary Payments by (b) a fraction, the numerator of which shall be the Specified Amount owing to such Creditor, and the denominator of which is the aggregate amount of all outstanding Subject Obligations (without giving effect in the denominator to the application of any such Subsidiary Payments).

“*Receiving Creditor*” shall have the meaning assigned thereto in §7.

“*Required Lenders*” shall mean those Lenders having aggregate percentages of the Loan commitments under the Bank Credit Agreement entitling such Lenders to act or refrain from acting under the Bank Credit Agreement.

“*Required 1994 Noteholders*” shall mean those 1994 Noteholders having or representing the amount of 1994 Noteholders entitling such Noteholders to act or refrain from acting under the 1994 Note Purchase Agreements.

“*Required Noteholders*” shall mean collectively the Required 1994 Noteholders and the Required Successor Noteholders.

“*Required Successor Noteholders*” shall mean those Successor Noteholders having or representing the amount of notes under any Successor Note Purchase Agreement entitling such Successor Noteholders to act or refrain from acting under such Successor Note Purchase Agreement.

“*Security*” shall have the meaning assigned thereto in the Recitals hereof.

“*Special Event of Default*” shall mean (i) the commencement of a Bankruptcy Proceeding with respect to the Company or (ii) the acceleration or final maturity (if the relevant Subject Obligations are not paid in full upon such maturity) of the Notes or the Loans.

“*Special Trust Account*” shall mean that certain interest-bearing trust account maintained by or on behalf of the Collateral Agent for the purpose of receiving and holding Preferential Payments.

“*Specified Amount*” shall mean as to any Creditor the aggregate amount of the Subject Obligations owed to such Creditor.

“*Stock Pledge Agreement*” and “*Stock Pledge Agreements*” shall have the respective meanings assigned thereto in the Recitals hereof.

“*Subject Obligations*” shall mean all principal of, premium, if any, and interest on, the Notes and the Loans, the reimbursement obligations under all letters of credit issued pursuant to the Bank Credit Agreement (including, without limitation, any obligation to provide cash collateral for any outstanding letters of credit), all obligations pursuant to any Rate Hedging Agreement (as defined in the Existing Bank Credit Agreement) to which the Company and any Existing Lenders or Successor Lenders are parties, and all other obligations of the Company under or in respect of the Notes and the Loans and under the Note Purchase Agreements or the Bank Credit Agreement or the documents or instruments executed in connection therewith.

“*Subsidiary Guarantor*” shall mean a subsidiary of the Company that delivers a Subsidiary Guaranty.

“*Subsidiary Guaranty*” and “*Subsidiary Guaranties*” shall have the meanings assigned thereto in the Recitals hereof.

“*Subsidiary Payment*” shall have the meaning assigned thereto in §7.

“*Successor Bank Credit Agreement*” shall mean any replacement, refinancing or restructuring of the Existing Bank Credit Agreement and any additional credit agreement entered into by the Company with any Successor Lenders pursuant to which any such Successor Lenders make Loans to the Company and which Loans are guaranteed ratably with the existing Subject Obligations; provided that each Successor Lender or an agent acting on behalf of all such Successor Lenders thereunder has executed an acknowledgment to this Agreement in the form attached hereto as Exhibit A-I.

“*Successor Guaranty*” shall mean a guaranty delivered by a subsidiary of the Company to a Successor Lender or Successor Noteholder.

“*Successor Lender*” shall mean a lender party to a Successor Bank Credit Agreement.

“*Successor Note Agreement*” shall mean any replacement, refinancing or restructuring of the 1994 Note Agreements and any additional senior note agreement entered into by the Company with institutional investors pursuant to which the Company issues and sells to such institutional investors senior notes to be pari passu with the existing Subject Obligations and guaranteed ratably with the existing Subject Obligations; provided that each Successor Noteholder thereunder or an agent acting on behalf of all such Successor Noteholders has executed an acknowledgment to this Agreement in the form attached hereto as Exhibit A-2.

“*Successor Noteholders*” shall mean an institutional investor party to a Successor Note Agreement.

SECTION 2. APPOINTMENT OF COLLATERAL AGENT.

Each of the Creditors hereby irrevocably (subject to §10.10) appoints, designates and authorizes the Collateral Agent to take such action on its behalf under the provisions of this Agreement and the Stock Pledge Agreements and to exercise such powers and perform such duties as are expressly delegated to it by the terms of this Agreement or the Stock Pledge Agreements, together with such powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary contained elsewhere in this Agreement or the Stock Pledge Agreements, the Collateral Agent shall not have any duties or responsibilities except those expressly set forth herein, nor shall the Collateral Agent have or be deemed to have any fiduciary relationship with any Creditor, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or the Stock Pledge Agreements or otherwise exist against the Collateral Agent.

SECTION 3. DECISIONS RELATING TO ADMINISTRATION AND EXERCISE OF REMEDIES IN RESPECT OF STOCK PLEDGE AGREEMENTS VESTED IN THE MAJORITY CREDITORS.

(a) Except as set forth in §3(f), the Collateral Agent agrees that it will not release Pledged Stock or commence Enforcement without the direction of the Majority Creditors. The Collateral Agent agrees to administer the Stock Pledge Agreements and the Pledged Stock and to make such demands and give such notices under the Stock Pledge Agreements as the Majority Creditors may request, and to take such action to enforce the Stock Pledge Agreements following the occurrence of a Special Event of Default and to realize upon, collect and dispose of the Pledged Stock or any portion thereof as may be directed by the Majority Creditors.

(b) Upon the occurrence and during the continuance of any Special Event of Default, the Collateral Agent shall commence Enforcement if requested by the Required Lenders, the Required 1994 Noteholders or the Required Successor Noteholders as directed by the Majority Creditors, provided that after the occurrence of any Special Event of Default and the request by the Required Lenders, the Required Noteholders or the Required Successor Noteholders, the Majority Creditors shall direct Enforcement in a commercially reasonable manner. The Agent and the Noteholders shall give the Collateral Agent prompt notice of any Special Event of Default of which it has actual knowledge, and the Collateral Agent shall reasonably promptly deliver notice thereof to the Creditors. Failure to do so, however, does not constitute a waiver of any such Special Event of Default by the Creditors or the Collateral Agent (provided that the Collateral Agent shall have no other obligation to inform any Creditor of any other Default or Event of Default). The Agent and each Noteholder agrees that it shall give the Collateral Agent prompt notice of any Special Event of Default of which it has actual knowledge, and the Collateral Agent shall reasonably promptly

deliver notice thereof to the Creditors. Failure to do so, however, does not constitute a waiver of any such Special Event of Default by the Creditors or the Collateral Agent (provided that the Collateral Agent shall have no other obligation to inform any Creditor of any other Default or Event of Default). Each Party agrees that the Collateral Agent shall act as the Majority Creditors may request (regardless of whether any individual Creditor agrees, disagrees or abstains with respect to such request, provided that the Majority Creditors shall direct Enforcement in a commercially reasonable manner and that the Collateral Agent shall have no liability for acting in accordance with such request and that no Directing Creditor or Non-Directing Creditor shall have any liability to any Non-Directing Creditor or Directing Creditor, respectively, for any such request. The Collateral Agent shall give prompt notice to the Non-Directing Parties of action taken pursuant to the instructions of the Majority Creditors to enforce the Stock Pledge Agreements; provided, however, that the failure to give any such notice shall not impair the right of the Collateral Agent to take any such action or the validity or enforceability under this Agreement of the action so taken. Notwithstanding anything herein to the contrary, the Majority Creditors shall agree to release the Pledged Stock from the security interests granted for the benefit of any Non-Directing Creditor only if the Collateral Agent is concurrently releasing the security interest granted with respect to such Pledged Stock for all Creditors having a security interest in such Pledged Stock.

(c) Each Party agrees that the only right of a Non-Directing Creditor under the Stock Pledge Agreements is for Subject Obligations held by such Non-Directing Creditor to be secured by the Pledged Stock for the period and to the extent provided therein and in this Agreement and to receive a share of the Proceeds, if any, to the extent and at the time provided in the Stock Pledge Agreements and in this Agreement.

(d) The Collateral Agent may at any time request directions from the Majority Creditors as to any course of action or other matter relating hereto or relating to the Stock Pledge Agreements. Except as otherwise provided in this Agreement or the Stock Pledge Agreements, directions given by the Majority Creditors to the Collateral Agent hereunder shall be binding on all Creditors, including all Non-Directing Creditors, for all purposes.

(e) Nothing contained in this Agreement shall affect the rights of any Creditor to give the Company or any other Grantor notice of any default, accelerate or make demand for payment of their respective Subject Obligations or collect payment thereof other than through a realization on or in respect of the Pledged Stock or any part or portion thereof, nor shall anything contained in this Agreement be deemed or construed to affect the rights of any Creditor to administer, modify, waive or amend any term or provision of any Financing Agreement to which it is a party, other than this Agreement and the Stock Pledge Agreements. If the Majority Creditors instruct the Collateral Agent to take any action, commence any proceedings or otherwise proceed against the Pledged Stock or enforce the Stock Pledge Agreements, and such action or proceedings are or may be defective without the joinder of other Creditors as parties, then all other Creditors shall join in such actions or proceedings. Each Creditor agrees not to take any action to enforce any term or provision of the Stock Pledge Agreements or to enforce any of its rights in respect of the Pledged Stock except through the Collateral Agent in accordance with this Agreement.

(f) Unless an Event of Default has occurred and is continuing, the Collateral Agent may, without the approval of the Majority Creditors as required herein, release any Pledged Stock under the Stock Pledge Agreements which is permitted to be so released pursuant to the Bank Credit Agreement and the Note Purchase Agreements and execute and deliver such releases as may be necessary to terminate of record the Creditors' security interest in such Pledged Stock. In determining whether any such release is permitted, the Collateral Agent may rely upon instructions from the Majority Creditors.

(g) NBD Bank, in its capacity as a Creditor hereunder, shall have the same rights and powers hereunder as any other Creditor and may exercise or refrain from exercising the same as though it were not the Collateral Agent. NBD Bank and its affiliates may (without having to account therefor to any Creditor) accept deposits from, lend money to, and generally engage in any kind of (banking, trust, financial advisory or other) business with the Company or any Subsidiary or Affiliate thereof as if it were not acting as Collateral Agent hereunder, and may accept fees and other consideration therefor without having to account for the same to the Creditors.

(h) The Collateral Agent shall have no duties or responsibilities except those expressly set forth in this Agreement and the Stock Pledge Agreements, and shall not, by reason of this Agreement, have a fiduciary relationship with any Creditor, and no implied covenants, responsibilities, duties, obligations or liabilities shall be read into this Agreement or otherwise exist against the Collateral Agent. Neither the Collateral Agent nor any of its directors, officers, agents or employees shall be required to exercise any discretion or take any action, but shall in all cases be fully protected in acting, or in refraining from acting, pursuant to the written consent or request of the Majority Creditors; provided, however, that the Collateral Agent need not take any action which in its judgment may expose it to personal liability (unless the Collateral Agent is fully indemnified to its satisfaction, as determined in the sole discretion of the Collateral Agent) or which is contrary to this Agreement, the Stock Pledge Agreements or applicable law; and provided, further, that any such consent or request described in this sentence to any action or omission pursuant hereto or thereto shall be binding upon all of the Creditors. Neither the Collateral Agent nor any of its directors, officers, agents or employees shall be liable to the Creditors for any action taken or not taken by it or them in connection herewith with the consent or at the request of the Majority Creditors or in the absence of its or their own gross negligence or willful misconduct. Neither the Collateral Agent, nor any of its directors, officers, agents or employees shall be responsible for or have any duty to ascertain, inquire into or verify (a) any statement, warranty or representation made in connection with this Agreement or any borrowing by the Company or any of the Guarantors, (b) the performance or observance of any covenants or agreements of the Company or any of the Guarantors, or the satisfaction of any condition for a borrowing by the Company or any of the Guarantors or (c) the validity, effectiveness, legal enforceability, value or genuineness of this Agreement, any of the Stock Pledge Agreements or any other instrument or writing furnished in connection herewith or the perfection of any lien or security interest under any Stock Pledge Agreement or otherwise with respect to any assets of the Company or any of the Guarantors.

(i) The Collateral Agent shall be entitled to rely upon any certificate, notice or other document (including any cable, telegram, telex or facsimile transmission or any oral communication that is to be confirmed in writing) believed by the Collateral Agent to be genuine and correct and to have been signed or sent or made by or on behalf of a proper person. The Collateral Agent may rely conclusively upon certifications from the Creditors as to the amount of Subject Obligations at any time owing to each of them. The Collateral Agent may employ agents (including without limitation collateral agents) for any purpose and may consult with legal counsel (who may be counsel for the Company), independent public accountants and other experts selected by the Collateral Agent and shall not be liable to the Creditors, except as to money or property received by it or its authorized agents, for the negligence or misconduct of any such agent selected by it with reasonable care or for any action taken or omitted to be taken by it in good faith in accordance with the advice of such counsel, accountants or experts.

(j) Each Creditor acknowledges and agrees that it has, independently and without reliance on the Collateral Agent or any other Creditor, and based on such documents and information as it has deemed appropriate, made its own analysis of the Company, the Guarantors, the Pledged Stock, the Stock Pledge Agreements and the perfection of liens and security interests in connection therewith, and that it will, independently and without reliance upon the Collateral Agent or any other Creditor, and based on such documents and information as it shall deem appropriate at the time, continue to make its own analysis and decision in taking or not taking action under this Agreement. The Collateral Agent shall not be required to keep itself informed as to the performance or observance by the Company or any Guarantor of this Agreement, the Stock Pledge Agreements or any other documents referred to or provided for herein or to inspect the properties or books of the Company or any Guarantor. The Collateral Agent shall have no duty or responsibility to provide any Creditor with any information concerning the affairs, financial condition or business of the Company or any of its Subsidiaries which may come into the possession of the Collateral Agent, but agrees to send any such information to any Creditor upon the written request of such Creditor, unless the Collateral Agent is prohibited by law from doing so.

(l) The Creditors agree to indemnify the Collateral Agent (to the extent not reimbursed by the Company, but without limiting any obligation of the Company to make such reimbursement), ratably according to the respective principal amounts of the Subject Obligations then owing to each of them, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against the Collateral Agent in any way relating to or arising out of this Agreement or the transactions contemplated hereby or any action taken or omitted by the Collateral Agent in its capacity as Collateral Agent in any way relating to or arising out of this Agreement or any of the Stock Pledge Agreements, provided that no Creditor shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the Collateral Agent's gross negligence or willful misconduct. Each Creditor agrees to reimburse the Collateral Agent promptly upon demand for its ratable share of any liabilities (including reasonable counsel fees) incurred by the Collateral Agent in connection with the preservation of any rights of the Collateral Agent or the Creditors under, or the enforcement of, or legal advice in respect of rights or responsibilities under, this Agreement or any of the Stock Pledge Agreements to the extent that the Collateral Agent is not reimbursed for such expenses by the Company, and the Collateral Agent shall subsequently reimburse such Creditor to the extent it is subsequently reimbursed by the Company or any Guarantor.

SECTION 4. APPLICATION OF PROCEEDS.

(a) Any and all Proceeds received by the Collateral Agent in connection with an Enforcement and any Preferential Payments required to be paid to all Creditors in accordance with the provisions of §5, shall be applied promptly by the Collateral Agent, as follows:

FIRST: To the payment of the reasonable costs and expenses of such Enforcement, including, without duplication, fees and expenses of counsel to the Collateral Agent evidenced by reasonable and customary computer back-up detail, and all reasonable out-of-pocket expenses, liabilities and advances made or incurred by the Collateral Agent in connection therewith;

SECOND: To the ratable payment of the Subject Obligations to the Creditors, calculated in accordance with the provisions of §4(b) hereof; and

THIRD: After payment in full of all Subject Obligations, to the payment to or upon the order of Grantors, or to whomsoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct, of any surplus then remaining from such Proceeds.

Until such Proceeds are so applied, the Collateral Agent shall hold such Proceeds in its custody in accordance with its regular procedures for handling deposited funds.

(b) Any Proceeds received by the Collateral Agent in respect of the Pledged Stock (net of any amounts applied in accordance with §4(a) FIRST shall be applied in accordance with the priority set forth in §4(a) and SECOND so that each Creditor shall receive payment of its proportionate amount of all such Proceeds. Payment shall be based upon the proportion which the amount of such Subject Obligations of such Creditor bears to the total amount of all Subject Obligations of all such Creditors.

(c) Payments of Proceeds by the Collateral Agent in respect of (i) the Loans shall be made to the Lenders in accordance with the Credit Agreement; and (ii) the Notes shall be made as directed in writing by the Noteholder to whom paid.

(d) For the purposes of payments and distributions hereunder, the full amount of Subject Obligations on account of any letter of credit shall be deemed to be then due and owing, and the face amount of any letters of credit then outstanding but not drawn upon and all unreimbursed obligations due on any letter of credit that have been drawn upon shall be considered principal owing pursuant to Subject Obligations relating to letters of credit and the amount outstanding under the letters of credit for purposes of determining pro rata sharing or otherwise. Amounts distributable hereunder to Lenders on account of such Subject Obligations under letters of credit shall be deposited in a separate collateral account in the name of and under the control of the Collateral Agent and held by the Collateral Agent first as security for such letter of credit Subject Obligations and then as security for all other Subject Obligations and the amount so deposited shall be applied to the letter of credit Subject Obligations at such times and to the extent that such letter of credit Subject Obligations become absolute liabilities and if and to the extent that the letter of credit Subject Obligations fail to become absolute Subject Obligations because of the expiration or termination of the underlying letters of credit without being drawn upon then such amounts shall be applied to the remaining Subject Obligations in the order provided herein.

(e) The Creditors further agree among themselves that if any payment described in this §4 shall be rescinded or must otherwise be restored, each Creditor which shall have shared the benefit of such payment shall, by repurchase of Subject Obligations theretofore sold, or otherwise, return its share of that benefit to each Creditor whose payment shall have been rescinded or otherwise restored.

SECTION 5. PREFERENTIAL PAYMENTS AND SPECIAL TRUST ACCOUNT;

(a) The Collateral Agent shall give each Creditor a written notice (a "Notice of Special Default") promptly after being notified in writing by a Creditor that a Special Event of Default has occurred. After the receipt of such Notice of Special Default, all Preferential Payments other than those payments received pursuant to §5(b) shall be deposited into the Special Trust Account. Each Creditor agrees that no Event of Default shall occur as a result of payments so made on a timely basis to the Collateral Agent.

(b) If (i) such Special Event of Default is waived by the Required Lenders or the Required Noteholders, or both, as the case may be, and if no other Event of Default has occurred and is continuing, (ii) such Special Event of Default is cured by the Company or by any amendment of the Bank Credit Agreement or the Note Purchase Agreements, as the case may be, and if no other Event of Default has occurred and is continuing or (iii) the Subject Obligations have not been accelerated and the Majority Creditors have not instructed the Collateral Agent to seek the appointment of a receiver, commence litigation against the Company, liquidate the Pledged Stock, commence a Bankruptcy Proceeding against the Company or exercise other remedies of similar character prior to the 90th day following such Special Event of Default, the Collateral Agent thereupon shall return all amounts, together with their pro rata share of interest earned thereon, held in the Special Trust Account representing payment of any Subject Obligations to the Creditor initially entitled thereto, and no payments thereafter received by a Creditor shall constitute a Preferential Payment by reason of such cured or waived Special Event of Default. No payment returned to a Creditor for which such Creditor has been obligated to make a deposit into the Special Trust Account shall thereafter ever be characterized as a Preferential Payment. If the Special Event of Default is an Event of Default under the terms of the Bank Credit Agreement and the Note Agreements, the Collateral Agent shall not return any payments to the Creditors pursuant to (i) above unless the Required Lenders and the Required Noteholders have each waived such Special Event of Default.

(c) Each Creditor agrees that upon the occurrence of a Special Event of Default it shall (i) promptly notify the Collateral Agent of the receipt of any Preferential Payments, (ii) hold such amounts in trust for the Creditors and act as agent of the Creditors during the time any such amounts are held by it, and (iii) deliver to the Collateral Agent such amounts for deposit into the Special Trust Account.

(d) If (i) an Event of Default has occurred and has not been waived or cured within 90 days after the occurrence thereof, (ii) the Subject Obligations have been accelerated or (iii) the Majority Creditors have instructed the Collateral Agent to seek the appointment of a receiver, commence litigation against the Company, liquidate the Pledged Stock, commence a Bankruptcy Proceeding against the Company, or exercise other remedies of similar character, then all funds, together with interest earned thereon, held in the Special Trust Account and all subsequent Preferential Payments shall be applied in accordance with the provisions of §4(a) above. Any Lender or any Noteholder which is aware of the same, shall give the Collateral Agent written notice of any Event of Default which has occurred and which has not been waived or cured within 90 days after the occurrence thereof, provided that failure to give any such notice shall not modify, amend or otherwise prejudice or affect the rights of any Lender or Noteholder hereunder.

SECTION 6. INFORMATION.

If the Collateral Agent proceeds to Enforcement, the Parties hereto agree as follows:

(a) the Agent shall (i) promptly from time to time, upon the written request of the Collateral Agent, notify the Collateral Agent of the outstanding Subject Obligations owed to the Lenders and the Agent as at such date as the Collateral Agent may specify; and (ii) promptly from time to time thereafter notify the Collateral Agent of any payment received by the Lenders to be applied to satisfy such Subject Obligations. The Lenders shall certify as to such amounts and the Collateral Agent shall be entitled to rely conclusively upon such certification.

(b) Each Noteholder shall (i) promptly from time to time, upon the written request of the Collateral Agent, notify the Collateral Agent of the outstanding Subject Obligations owed to such Noteholder as at such date as the Collateral Agent may specify; and (ii) promptly from time to time thereafter, notify the Collateral Agent of any payment received thereafter by such Noteholder to be applied to such Subject Obligations. Each Noteholder shall certify as to such amounts and the Collateral Agent shall be entitled to rely conclusively upon such certification.

SECTION 7. SHARING OF RECOVERIES UNDER GUARANTIES.

Each Creditor hereby agrees with each other Creditor that payments (including payments made through set-off of deposit balances or otherwise or payments or recoveries from any security interest granted to any Creditor) made pursuant to the terms of any Subsidiary Guaranty (a "Subsidiary Payment"), shall be shared so that each Creditor shall receive its Pro Rata Share of Subsidiary Payments. Accordingly, each Creditor hereby agrees that in the event any Creditor shall receive a Subsidiary Payment (a "Receiving Creditor"), and any other Creditor shall not concurrently receive its Pro Rata Share of such Subsidiary Payment, then the Receiving Creditor shall promptly remit the Excess Subsidiary Payment to each other Creditor who shall then be entitled thereto so that after giving effect to such payment (and any other payments then being made by any other Receiving Creditor pursuant to this §7) each Creditor shall have received its Pro Rata Share of Subsidiary Payment.

Any such payments shall be deemed to be and shall be made in consideration of the purchase for cash at face value, but without recourse, ratably from the other Creditors such amount of Notes or Loans (or interest therein), as the case may be, to the extent necessary to cause such Receiving Creditor to share such Excess Subsidiary Payment with the other Creditors as hereinabove provided; provided, however, that if any such purchase or payment is made by any Receiving Creditor and if such Excess Subsidiary Payment or part thereof is thereafter recovered from such Receiving Creditor by the Subsidiary Guarantor that made such Subsidiary Payment (including, without limitation, by any trustee in bankruptcy of such Subsidiary Guarantor or any creditor thereof), the related purchase from the other Creditors shall be rescinded ratably and the purchase price restored as to the portion of such Excess Subsidiary Payment so recovered, but without interest; and provided further nothing herein contained shall obligate any Creditor to resort to any setoff, application of deposit balance or other means of payment under any Subsidiary Guaranty or avail itself of any recourse by resort to any property of the Company or any Subsidiary Guarantor, the taking of any such action to remain within the absolute discretion of such Creditor without obligation of any kind to the other Creditors to take any such action.

SECTION 8. AGREEMENTS AMONG THE CREDITORS.

Section 8.1. Independent Actions by Creditors. Nothing contained in this Agreement shall prohibit any Creditor from accelerating the maturity of, or demanding payment from any Subsidiary Guarantor on, any Subject Obligation of the Company to such Creditor or from instituting legal action against the Company or any Subsidiary Guarantor to obtain a judgment or other legal process in respect of such Subject Obligation, but any funds received from any Subsidiary Guarantor in connection with any recovery therefrom shall be subject to the terms of this Agreement.

Section 8.2. Relation of Creditors. This Agreement is entered into solely for the purposes set forth herein, and no Creditor assumes any responsibility to any other party hereto to advise such other party of information known to such other party regarding the financial condition of the Company or any Subsidiary Guarantor or of any other circumstances bearing upon the risk of nonpayment of the Subject Obligations. Each Creditor specifically acknowledges and agrees that nothing contained in this Agreement is or is intended to be for the benefit of the Company or any Subsidiary Guarantor and nothing contained herein shall limit or in any way modify any of the obligations of the Company or any Subsidiary Guarantor to the Creditors.

Section 8.3. Acknowledgment of Guaranties. The Lenders hereby expressly acknowledge the existence of the Noteholder Guaranties and the Noteholders hereby expressly acknowledge the existence of the Lender Guaranties.

SECTION 9. ADDITIONAL PARTIES.

Successor Lenders and Successor Noteholders may join this Agreement, provided that each Successor Lender or Successor Noteholder shall sign an acknowledgment in the form of Exhibit A-1 or Exhibit A-2, respectively, attached to this Agreement, by which each such Successor Lender or each such Successor Noteholder, as the case may be, agrees to be bound by the terms of this Agreement, and each such Successor Lender or Successor Noteholder shall deliver a copy of the signed acknowledgment to the Noteholders and the Lenders.

SECTION 10. MISCELLANEOUS.

Section 10.1. Entire Agreement. This Agreement represents the entire Agreement among the Creditors and, except as otherwise provided, this Agreement may not be altered, amended or modified except in a writing executed by all the parties to this Agreement.

Section 10.2. Notices. Notices hereunder shall be given to the Creditors at their addresses as set forth in the Note Purchase Agreements or the Bank Credit Agreement, as the case may be, or at such other address as may be designated by each in a written notice to the other parties hereto.

Section 10.3. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of each of the Creditors and their respective successors and assigns, whether so expressed or not, and, in particular, shall inure to the benefit of and be enforceable by any future holder or holders of any Subject Obligations, and the term "Creditor" shall include any such subsequent holder of Subject Obligations, wherever the context permits, and any assignment by any Creditor shall be specifically subject to such assignee agreeing to be bound by the terms of this Agreement.

Section 10.4. Consents, Amendment, Waivers. All amendments, waivers or consents of any provision of this Agreement shall be effective only if the same shall be in writing and signed by all of the Creditors.

Section 10.5. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

Section 10.6. Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one Agreement, and any of the parties hereto may execute this Agreement by signing any such counterpart.

Section 10.7. Sale of Interest. No Creditor will sell, transfer or otherwise dispose of any interest in the Subject Obligations unless such purchaser or transferee shall agree, in writing, to be bound by the terms of this Agreement.

Section 10.8. Severability. In case anyone or more of the provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby.

Section 10.9. Term of Agreement. This Agreement shall terminate when all Subject Obligations are paid in full and such payments are not subject to any possibility of revocation or rescission or until all of the parties hereto mutually agree in a writing to terminate this Agreement.

Section 10.10. Resignation or Removal of Collateral Agent. (a) The Collateral Agent may resign at any time by giving at least 60 days' notice thereof to the Creditors (such resignation to take effect upon the acceptance by a successor Collateral Agent of any appointment as the Collateral Agent hereunder) and the Collateral Agent may be removed as the Collateral Agent at any time by either (i) the Required Lenders or (ii) the Required Noteholders. In the event of any such resignation or removal of the Collateral Agent, the Majority Creditors shall thereupon have the right to appoint a successor Collateral Agent which is not a Creditor. If no successor Collateral Agent shall have been so appointed by the Majority Creditors and shall have accepted such appointment within 60 days after the notice of the intent of the Collateral Agent to resign or the removal of the Collateral Agent, then the retiring Collateral Agent may, on behalf of the other Parties, appoint a successor Collateral Agent which is not a Creditor. Any successor Collateral Agent appointed pursuant to this clause shall be a commercial bank or other financial institution organized under the laws of the United States of America or any state thereof having (1) a combined capital and surplus of at least \$500,000,000 and (2) a rating upon its long-term senior unsecured indebtedness of "A" or better by Moody's Investors Service, Inc. or "A" or better by Standard & Poor's Corporation. Notwithstanding the foregoing, in the event (y) the Collateral Agent shall have received a court order requiring that it resign as Collateral Agent or (z) the Collateral Agent shall have received a written opinion of independent outside counsel reasonably acceptable to the Majority Creditors that the performance by the Collateral Agent of its duties as Collateral Agent constitutes a conflict of interest, then in either such event, the Collateral Agent shall give written notice of such event to the Creditors and the Collateral Agent may resign on the earlier of the 120th day following such notice or the date on which a successor Collateral Agent has accepted appointment hereunder. With regard to any such conflict of interest or perceived conflict of interest, the Parties agree to act in a commercially reasonable manner in addressing any such conflict of interest.

(b) Upon the acceptance by a successor Collateral Agent of any appointment as the Collateral Agent hereunder, such successor Collateral Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring or removed Collateral Agent. The retiring or removed Collateral Agent shall be discharged from its duties and obligations hereunder upon the appointment of the successor Collateral Agent. After any retiring or removed Collateral Agent's resignation or removal hereunder as the Collateral Agent, the provisions of this §10.10 shall continue in effect for its benefit in respect of any actions taken or omitted to be taken by it while it was acting as the Collateral Agent.

[Intentionally Blank]

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed as of the date first above written.

NBD Bank, as Agent and on behalf of the Lenders

By: _____

Its: _____

**FORM OF ACKNOWLEDGMENT TO
INTERCREDITOR AGREEMENT FOR SUCCESSOR LENDERS
UNDER A SUCCESSOR BANK CREDIT AGREEMENT**

Reference is hereby made to the Intercreditor Agreement dated as of November 13, 1998 (the "Agreement"), among the Creditors (as defined therein) of Universal Forest Products, Inc., a Michigan corporation (the "Company") and NBD Bank, as Collateral Agent. Capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Agreement.

The undersigned has entered into a Credit Agreement dated as of _____ with the Company and desires to become a Successor Lender. The undersigned acknowledges the terms of the Agreement and agrees to be bound thereby.

as a Successor Lender

By: _____
Title: _____
Date: _____

Notice Address:

EXHIBIT A-1
(to Intercreditor Agreement)

**FORM OF ACKNOWLEDGMENT TO
INTERCREDITOR AGREEMENT FOR SUCCESSOR NOTEHOLDERS
UNDER A SUCCESSOR NOTE AGREEMENT**

Reference is hereby made to the Intercreditor Agreement dated as of November 13, 1998 (the "Agreement"), among the Creditors (as defined therein) of Universal Forest Products, Inc., a Michigan corporation (the "Company") and NBD Bank, as Collateral Agent. Capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Agreement.

The undersigned has entered into a Note Agreement dated as of _____ with the Company and desires to become a Successor Noteholder. The undersigned acknowledges the terms of the Agreement and agrees to be bound thereby.

as a Successor Noteholder

By: _____
Title: _____
Date: _____

Notice Address:

EXHIBIT A-2
(to Intercreditor Agreement)

REPRESENTATIONS AND WARRANTIES

The Company represents and warrants to you as follows:

1. **Subsidiaries.** Schedule II attached to the Agreements correctly states the name of each of the Company's Subsidiaries, its jurisdiction of incorporation, the percentage of its Voting Stock owned by the Company and/or its Subsidiaries and whether each such Subsidiary is a Restricted Subsidiary or an Unrestricted Subsidiary. The Company and each Restricted Subsidiary has good and marketable title to all of the shares it purports to own of the stock of each Restricted Subsidiary, free and clear in each case of any Lien. All such shares have been duly issued and are fully paid and non-assessable.

2. **Corporate Organization and Authority.** The Company, and each Restricted Subsidiary,

(a) is a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation;

(b) has all requisite power and authority and all licenses and permits to own and operate its properties and to carry on its business as now conducted and as presently proposed to be conducted, except for any license or permit the failure of which to have would not materially and adversely affect the properties, business, prospects, profits or condition (financial or otherwise) of the Company or of the Company and its Restricted Subsidiaries, taken as a whole; and

(c) is duly licensed or qualified and is in good standing as a foreign corporation in each jurisdiction wherein the nature of the business transacted by it or the nature of the property owned or leased by it makes such licensing or qualification necessary.

3. **Business and Property.** You have heretofore been furnished with a copy of the Offering Materials (as defined in the Agreements and herein referred to as the "Offering Materials") delivered to you by Banc One Capital Markets, Inc. which generally sets forth the business conducted and proposed to be conducted by the Company and its Subsidiaries and the principal properties of the Company and its Subsidiaries.

4. **Financial Statements.** (a) The consolidated balance sheets of the Company and its consolidated Subsidiaries as of December 27, 1997, December 26, 1998, December 25, 1999, December 30, 2000 and December 29, 2001 and the statements of earnings, shareholders' equity and cash flows for the fiscal years ended on said dates, each accompanied by a report thereon containing an opinion unqualified as to scope limitations imposed by the Company and otherwise without qualification except as therein noted, by Deloitte & Touche in the case of fiscal years 1997, 1998, 1999 and 2000 and Arthur Andersen LLP in the case of fiscal year 2001, have been prepared in accordance with GAAP consistently applied except as therein noted, are correct and complete and present fairly the financial position of the Company and its consolidated Subsidiaries as of such dates and the results of their operations and changes in their cash flows for such periods.

EXHIBIT C
(to Note Agreement)

(b) Since December 29, 2001, there has been no change in the condition, financial or otherwise, of the Company and its consolidated Subsidiaries as shown on the consolidated balance sheet as of such date except changes in the ordinary course of business, none of which individually or in the aggregate could reasonably be expected to have a Material Adverse Effect.

5. Indebtedness. Schedule II attached to the Agreements correctly describes all Current Debt, Funded Debt, Capitalized Leases and Attributable Indebtedness of Sale and Leaseback Transactions of the Company and its Restricted Subsidiaries outstanding on the first and second Closing Date.

6. Full Disclosure. Neither the financial statements referred to in paragraph 4 hereof nor the Agreements, the Offering Materials or any other written statement furnished by the Company to you in connection with the negotiation of the sale of the Notes, contains any untrue statement of a material fact or omits a material fact necessary to make the statements contained therein or herein not misleading. There is no fact peculiar to the Company or its Restricted Subsidiaries which the Company has not disclosed to you in writing which materially affects adversely nor, so far as the Company can now foresee, will materially affect adversely the properties, business, prospects, profits or condition (financial or otherwise) of the Company and its Restricted Subsidiaries, taken as a whole.

7. Pending Litigation. There are no proceedings pending or, to the knowledge of the Company after due inquiry, threatened against or affecting the Company or any Restricted Subsidiary in any court or before any governmental authority or arbitration board or tribunal which could reasonably be expected to have a Material Adverse Effect.

8. Title to Properties. The Company and each Restricted Subsidiary has good and marketable title in fee simple (or its equivalent under applicable law) to all material parcels of real property and has good title to all the other material items of property it purports to own, including that reflected in the most recent balance sheet referred to in paragraph 4 hereof, except as sold or otherwise disposed of in the ordinary course of business and except for Liens permitted by the Agreements.

9. Patents and Trademarks. The Company and each Restricted Subsidiary owns or possesses all patents, trademarks, trade names, service marks, copyright, licenses and rights with respect to the foregoing necessary for the present and planned future conduct of its business, without any known conflict with the rights of others.

10. Sale is Legal and Authorized. The sale of the Notes and compliance by the Company with all of the provisions of the Agreements (including any Supplement) and the Notes:

(a) are within the corporate powers of the Company;

(b) will not violate any provisions of any law or any order of any court or governmental authority or agency and will not conflict with or result in any breach of any of the terms, conditions or provisions of, or constitute a default under the Articles of Incorporation or By-laws of the Company or any indenture or other material agreement or instrument to which the Company is a party or by which it may be bound or result in the imposition of any Liens or encumbrances on any property of the Company; and

(c) have been duly authorized by proper corporate action on the part of the Company (no action by the stockholders of the Company being required by law, by the Articles of Incorporation or By-laws of the Company or otherwise), executed and delivered by the Company and the Agreements and the Notes constitute the legal, valid and binding obligations, contracts and agreements of the Company enforceable in accordance with their respective terms.

11. No Defaults. No Default or Event of Default has occurred and is continuing. The Company is not in default in the payment of principal or interest on any Indebtedness for borrowed money and is not in default under any instrument or instruments or agreements under and subject to which any Indebtedness for borrowed money has been issued and no event has occurred and is continuing under the provisions of any such instrument or agreement which with the lapse of time or the giving of notice, or both, would constitute an event of default thereunder.

12. Governmental Consent. No approval, consent or withholding of objection on the part of any regulatory body, state, Federal or local, is necessary in connection with the execution and delivery by the Company of the Agreements or the issuance, sale or delivery of the Notes or compliance by the Company with any of the provisions of the Agreements or the Notes.

13. Taxes. All tax returns required to be filed by the Company or any Restricted Subsidiary in any jurisdiction have, in fact, been filed, and all taxes, assessments, fees and other governmental charges upon the Company or any Restricted Subsidiary or upon any of their respective properties, income or franchises, which are shown to be due and payable in such returns have been paid. For all taxable years ending on or before December 31, 1997, the Federal income tax liability of the Company and its Restricted Subsidiaries has been satisfied and either the period of limitations on assessment of additional Federal income tax has expired or the Company and its Restricted Subsidiaries have entered into an agreement with the Internal Revenue Service closing conclusively the total tax liability for the taxable year. The Company does not know of any proposed additional tax assessment against it for which adequate provision has not been made on its accounts, and no material controversy in respect of additional Federal or state income taxes due since said date is pending or to the knowledge of the Company threatened. The provisions for taxes on the books of the Company and each Restricted Subsidiary are adequate for all open years, and for its current fiscal period.

14. Use of Proceeds. The net proceeds from the sale of the Notes will be used for general corporate purposes including to repay existing Indebtedness of the Company and its Subsidiaries. No part of the proceeds from the sale of the Notes hereunder will be used, directly or indirectly, for the purpose of buying or carrying any margin stock within the meaning of Regulation U of the Board of Governors of the Federal Reserve System (12 CFR 221), or for the purpose of buying or carrying or trading in any securities under such circumstances as to involve the Company in a violation of Regulation X of said Board (12 CFR 224) or to involve any broker or dealer in a violation of Regulation T of said Board (12 CFR 220). Margin stock does not constitute more than 5% of the value of the consolidated assets of the Company and its Restricted Subsidiaries and the Company does not have any present intention that margin stock will constitute more than 50/0 of the value of such assets. As used in this Paragraph 14, the terms “margin stock” and “purpose of buying or carrying” shall have the meanings assigned to them in said Regulation U.

15. Private Offering. Neither the Company, directly or indirectly, nor any agent on its behalf has offered or will offer the Notes or any similar Security or has solicited or will solicit an offer to acquire the Notes or any similar Security from or has otherwise approached or negotiated or will approach or negotiate in respect of the Notes or any similar Security with any Person other than the Purchasers and not more than 15 other institutional investors, each of whoml was offered a portion of the Notes at private sale for investment. Neither the Company, directly or indirectly, nor any agent on its behalf has offered or will offer the Notes or any similar Security or has solicited or will solicit an offer to acquire the Notes or any similar Security from any Person so as to bring the issuance and sale of the Notes within the provisions of Section 5 of the Securities Act of 1933, as amended.

16. ERISA. (a) The Company and each ERISA Affiliate (i) have operated and administered each of its plans in compliance with all applicable laws, except where noncompliance could not reasonably be expected to result in a Material Adverse Effect, and (ii) has not incurred any Material liability, nor has any event, transaction or condition occurred or exists that would reasonably be expected to result in the incurrence of any such Material liability or the imposition of any Material Lien, pursuant to Title I or IV of ERISA or pursuant to penalty or excise tax provisions of the Code relating to employee benefit plans or to Section 401(a)(29) or 412 of the Code.

(b) The present value of the aggregate benefit liabilities under each of its plans (other than multiemployer plans), determined as of the end of such plan’s most recently ended plan year, did not exceed the aggregate current value of the assets of such plan allocable to such benefit liabilities, or such deficit, if any, did not exceed 50/0 of Adjusted Consolidated Net Worth. The term “benefit liabilities” has the meaning specified in Section 4001 of ERISA and the terms “current value” and “present value” have the meaning specified in Section 3 of ERISA.

(c) The Company currently does not have any Multiemployer plans.

(d) The expected postretirement benefit obligation (determined as of the last day of the Company’s most recently ended fiscal year in accordance with Financial Accounting Standards Board Statement No. 106, without regard to liabilities attributable to continuation coverage mandated by Section 4980B of the Code) of the Company and its Subsidiaries is not Material or has otherwise been disclosed in the most recent audited consolidated financial statements of the Company and its Subsidiaries.

(e) The execution and delivery of the Note Agreement and the issuance and sale of the Notes will not involve any transaction that is subject to the prohibitions of Section 406 of ERISA or in connection with which a tax could be imposed pursuant to Section 4975(c)(1)(A)-(D) of the Code which in either event could reasonably be expected to result in a Material Adverse Effect. The representation is made in reliance upon and subject to the accuracy of the representation as to the sources of the funds used to pay the purchase price of the Notes to be purchased.

17. Compliance with Law. Neither the Company nor any Restricted Subsidiary (1) is in violation of any law, ordinance, franchise, governmental rule or regulation to which it is subject; or (2) has failed to obtain any license, permit, franchise or other governmental authorization necessary to the ownership of its property or to the conduct of its business, which violation or failure to obtain could reasonably be expected to have a Material Adverse Effect or impair the ability of the Company to perform its obligations contained in the Agreement (including any Supplement) or the Notes. Neither the Company nor any Restricted Subsidiary is in default with respect to any order of any court or governmental authority or arbitration board or tribunal.

18. Investment Company Act. The Company is not, and is not directly or indirectly controlled by or acting on behalf of any Person which is, required to register as an “investment company” under the Investment Company Act of 1940, as amended.

19. Foreign Assets Control Regulations, etc. Neither the Company nor any of the Company’s Restricted Subsidiaries or Affiliates is, by reason of being a “national” of “designated foreign country” or a “specially designated national” within the meaning of the Regulations of the Office of Foreign Assets Control, United States Treasury Department (31 C.F.R., Subtitle B, Chapter V), or for any other reason, subject to any restriction or prohibition under, or is in violation of, any Federal statute or Presidential Executive Order, or any rules or regulations of any department, agency or administrative body promulgated under any such statute or order, concerning trade or other relations with any foreign country or any citizen or national thereof or the ownership or operation of any property. Without limiting the foregoing, neither the Company nor any Restricted Subsidiary (a) is or will become a person whose property or interests in property are blocked pursuant to Section 1 of Executive Order 13224 of September 23, 2001 Blocking Property and Prohibiting Transactions With Persons ‘Who Commit, Threaten to Commit, or Support Terrorism (66 Fed. Reg. 49079 (2001)) or (b) engages or will engage in any dealings or transactions, or be otherwise associated, with any such person.

20. Environmental Matters. To the best of the Company’s knowledge, except for any of such matters which individually or in the aggregate could not reasonably be expected to have a Material Adverse Effect, the following clauses (a) through (f) are true and correct:

(a) the Company, each Restricted Subsidiary, and the properties each owns or operates comply with every applicable Environmental Law;

(b) the Company and each Restricted Subsidiary has obtained all permits, licenses and other governmental approvals required by every applicable Environmental Law for its operations and the properties it owns or operates;

(c) no Hazardous Substance has been released or disposed at any property currently owned or operated or while previously owned or operated by the Company or any Restricted Subsidiary;

(d) neither the Company nor any Restricted Subsidiary has any liability for restoration, removal, remedial, response or corrective action, natural resource damage or other harm pursuant to any applicable Environmental Law, either with respect to properties currently or previously owned or operated by the Company and its Subsidiaries;

(e) neither the Company nor any Restricted Subsidiary is subject to, has notice or knowledge of or is required to give any notice of any claim, demand, action, lawsuit or legal proceeding pursuant to any applicable Environmental Law in connection with the operations of or the properties owned by the Company or any Restricted Subsidiary; and

(f) there is no legal or regulatory proceeding pending or applicable Environmental Law which would be expected to prohibit or materially reduce the use of chromated copper arsenate or any other wood preservative by the Company or any Restricted Subsidiary.

DESCRIPTION OF SPECIAL COUNSEL'S CLOSING OPINION

[Delivered to Purchasers only]

EXHIBIT D
(to Note Agreement)

December __, 2002

Noteholders under the Agreements (as defined below)

Re: Note Agreements dated as of December 18, 2002 (the "Agreements") by and between Universal Forest Products, Inc. and the signatory Noteholders thereto (the "Noteholders")

Ladies and Gentlemen:

We have acted as counsel to Universal Forest Products, Inc., a Michigan corporation (the "Company") and the entities identified in Schedule A attached hereto (collectively, the "Guarantors") in connection with the Agreements and the 2002 Subsidiary Note Guaranty. This opinion is being delivered to you pursuant to Section 4.1 (c) of the Agreements. Capitalized terms not otherwise defined herein shall have the meanings as set forth in the Agreements.

We have examined executed copies of the Agreements, the Tranche A Notes and the Tranche B Notes (collectively, the "Notes") and the 2002 Subsidiary Note Guaranty and such records, documents, certificates and other instruments and have made such investigation of fact and law as we deem necessary to render this opinion. For purposes of the opinion expressed in paragraph 10 hereof, we have relied upon factual representations made by each of the Noteholders in Section 3.2(a) of the respective Agreements and on a letter dated December 18, 2002 from Banc One Capital Markets, Inc.

In our examination, we have assumed the legal capacity of all natural persons, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as copies, and the authenticity of the originals of such copies. For purposes of the opinion expressed in paragraph 3 hereof, we have further assumed that the Agreements constitute the valid and binding obligations of the respective Noteholders.

Based upon and subject to the foregoing, it is our opinion that:

1. The Company is a corporation, duly incorporated, validly existing and in good standing under the laws of the state of Michigan, has the corporate power and the corporate authority to execute and perform the Agreements and to issue the Notes and has the full corporate power and the corporate authority to conduct the activities in which it is now engaged and is duly licensed or qualified and is in good standing as a foreign corporation in each jurisdiction in which the character of the properties owned or leased by it or the nature of the business transacted by it makes such licensing or qualification necessary and the failure to so qualify would have a Material Adverse Effect.

EXHIBIT E
(to Note Agreement)

2. Each Guarantor is a corporation, limited liability company or limited partnership, as applicable, duly organized, validly existing and in good standing under the laws of its state of organization, has the corporate, limited liability company or limited partnership power and authority to execute and perform the 2002 Subsidiary Note Guaranty and to conduct the activities in which it is now engaged and is duly licensed or qualified and is in good standing in each jurisdiction in which the character of the properties owned or leased by it or the nature of the business transacted by it makes such licensing or qualification necessary and the failure to so qualify would have a Material Adverse Effect; and all of the issued and outstanding shares of capital stock or membership or partnership interests, as applicable, of each Guarantor have been duly issued, are fully paid and nonassessable and are owned by the Company, by one or more Restricted Subsidiaries, or by the Company and one or more Restricted Subsidiaries.

3. The Agreements have been duly authorized by all necessary corporate action on the part of the Company, have been duly executed and delivered by the Company and constitute the legal, valid and binding obligations of the Company enforceable in accordance with their respective terms.

4. The Notes have been duly authorized by all necessary corporate action on the part of the Company, have been duly executed and delivered by the Company and constitute the legal, valid and binding obligations of the Company enforceable in accordance with their respective terms.

5. The 2002 Subsidiary Note Guaranty has been duly authorized by all necessary corporate, limited liability company or limited partnership action on the part of the Guarantors, has been duly executed and delivered by the Guarantors and constitutes the legal, valid and binding obligation of the Guarantors, enforceable in accordance with its terms.

6. No approval, consent or withholding of objection on the part of, or filing, registration or qualification with, any federal or state of Michigan governmental body, is necessary in connection with the execution, delivery and performance by the Company of the Agreements or the Notes.

7. No approval, consent or withholding of objection on the part of, or filing, registration or qualification with, any federal or state of Michigan governmental body, is necessary in connection with the execution, delivery and performance by the Guarantors of the 2002 Subsidiary Note Guaranty.

8. The issuance and sale of the Notes and the execution, delivery and performance by the Company of the Agreements do not conflict with or result in any breach of any of the provisions of or constitute a default under or result in the creation or imposition of any Lien upon any of the property of the Company pursuant to the provisions of the articles of incorporation or bylaws of the Company or, to our knowledge, any material agreement or other instrument to which the Company is a party or by which the Company may be bound.

EXHIBIT E
(to Note Agreement)

9. The execution, delivery and performance by each of the Guarantors of the 'Jf()') Subsidiary Note Guaranty does not conflict with or result in any breach of any of the provisions of or constitute a default under or result in the creation or imposition of any Lien upon any of the property of any Guarantor pursuant to the provisions of its articles of incorporation or bylaws or its articles of organization or operating agreement or its limited partnership agreement, as applicable, or, to our knowledge, any material agreement or other instrument to which any Guarantor is a party or by which any Guarantor may be bound.

10. The issuance, sale and delivery of the Notes under the circumstances contemplated by the Agreements does not, under existing law, require the registration of the Notes under the Securities Act of 1933, as amended, or the qualification of an indenture under the Trust Indenture Act of 1939, as amended; provided, however, we express no opinion as to the compliance with applicable securities laws of any subsequent transfers of the Notes by the Noteholders.

11. The issuance of the Notes and the use of the proceeds of the sale of the Notes in accordance with the provisions of and contemplated by the Agreements do not violate or conflict with Regulation T, U, or X of the Board of Governors of the Federal Reserve System.

12. The Company is not an "investment company" or a company "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

13. To our knowledge, there is no litigation pending or threatened against the Company which could reasonably be expected to have a Material Adverse Effect on the Company's business or assets or which would impair the ability of the Company to issue and deliver the Notes or to comply with the provisions of the Agreements.

The foregoing opinion is subject to the following qualifications:

A. We express no opinion concerning any laws other than the federal laws of the United States and the laws of the state of Michigan. As to Consolidated Building Components, Inc., we have necessarily assumed that the laws of the Commonwealth of Pennsylvania are identical to the laws of the state of Michigan governing the same subject matter.

B. As to the due organization, valid existence, good standing and qualification in foreign jurisdictions of the Company and the Guarantors, we have relied exclusively upon certificates of the appropriate public officials of the applicable jurisdictions.

C. The term "knowledge" as used herein is limited to the actual knowledge of those attorneys in our firm who have directly participated in this engagement or who are primarily responsible for the Company and the Guarantors concerning any issue or factual information addressed herein. Additionally, with respect to factual matters not independently established by us, we have relied upon certificates of officers of the Company and the Guarantors, which reliance we deem appropriate.

EXHIBIT E
(to Note Agreement)

D. To the extent our opinion relates to the enforceability of any agreement or obligation, it is subject to and qualified by the following:

(i) the effect and application of bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other laws now or hereafter in effect which relate to or limit creditors' rights or remedies generally;

(ii) the effect and application of general principles of equity, whether considered in a proceeding in equity or at law; and

(iii) limitations imposed by applicable law and the enforceability of purported waivers of rights and defenses.

E. We have made no independent investigation as to the accuracy or completeness of any of the statements set forth in the certificates of representatives of the Company or the Guarantors or other documents presented to us for our review, but we have no knowledge of any incorrect or misleading statement therein.

F. This opinion is given as of the date hereof, and we undertake no obligation to advise you of any changes in the matters set forth herein.

This opinion is addressed to and is for the benefit solely of the Noteholders and their permissible successors, assigns and participants and the Noteholders= special counsel in rendering its opinion pursuant to Section 4.1(c) of the Agreements, and may not be relied upon by any other person, firm or corporation for any purpose whatsoever and may not be published or disseminated, nor referenced, in any other document or writing without our express written consent.

Very truly yours,

VARNUM, RIDDERING, SCHMIDT & HOWLETT LLP

EXHIBIT E
(to Note Agreement)

SUPPLEMENT TO NOTE PURCHASE AGREEMENT

Dated as of

_____, _____
To the Purchaser(s) named in
Schedule I hereto

Ladies and Gentlemen:

This [Number] Supplement to Note Purchase Agreement (the "Supplement") is between Universal Forest Products, Inc. (the "Company") whose address is 2801 East Beltline, N.E. Grand Rapids, Michigan 49525 and the institutional investors named on Schedule I attached hereto (the "Purchasers").

Reference is hereby made to the separate and several Note Purchase Agreements dated as of December 18, 2002 (the "Note Agreements") between the Company and the purchasers listed on Schedule I thereto. All capitalized terms not otherwise defined herein shall have the same meaning as specified in the Note Agreements. Reference is further made to Section 4.3 thereof which requires that, prior to the delivery of any Additional Notes, the Company and each Additional Purchaser shall execute and deliver a Supplement.

The Company hereby agrees with the Purchaser(s) named on Schedule I hereto as follows:

1. The Company has authorized the issue and sale of \$_____ aggregate principal amount of its _____ % Series ____ Senior Notes, due _____, __ (the "Series ____ Notes"). The Series _____ Notes, together with the Series 2002-A Notes initially issued pursuant to the Note Agreements and each series of Additional Notes which may from time to time be issued pursuant to the provisions of Section 1.4 of the Note Agreements, are collectively referred to as the "Notes" (such term shall also include any such notes issued in substitution therefor pursuant to Section 9.2 of the Note Agreement). The Series ____ Notes shall be substantially in the form attached hereto as Exhibit 1 with such changes therefrom, if any, as may be approved by the Purchaser(s) and the Company.

2. Subject to the terms and conditions hereof and as set forth in the Note Agreements and on the basis of the representations and warranties hereinafter set forth, the Company agrees to issue and sell to each Purchaser, and each Purchaser agrees to purchase from the Company, Series _____ Notes in the principal amount [and of the tranche] set forth opposite such Purchaser's name on Schedule I hereto at a price of 100% of the principal amount thereof on the Closing Date hereafter mentioned.

EXHIBIT F
(to Note Agreement)

3. Delivery of the \$_____ in aggregate principal amount of the Series _____ Notes will be made at the offices of _____, _____, _____, against payment therefor in Federal Reserve or other funds current and immediately available at the principal office of Bane One Capital Markets, Inc., Chicago, Illinois in the amount of the purchase price at 10:00 A.M., Chicago time, on, _____ or such later date (not later than _____, _____) as shall mutually be agreed upon by the Company and the Purchasers of the Series _____ Notes (the "Closing Date").

4. [Here insert prepayment provisions (including any applicable premium upon default and acceleration), closing conditions and representations and warranties applicable to Series _____ Notes].

5. The Purchaser represents and warrants that the representations and warranties set forth in Section 3.2 of the Note Agreements are true and correct on the date hereof with respect to the Series Notes.

6. The Company and each Purchaser agree to be bound by and comply with the terms and provisions of the Note Agreements as if such Purchaser were an original signatory to the Note Agreements.

The execution hereof shall constitute a contract between the Company and the Purchaser(s) for the uses and purposes hereinabove set forth, and this agreement may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one agreement.

UNIVERSAL FOREST PRODUCTS, INC.

By: _____
Printed Name: _____
Its: _____

Accepted as of _____, _____

[VARIATION]

By: _____
Printed Name: _____
Its: _____

FORM OF SERIES ____ NOTE

____ % Series _____ Note, Tranche _____,
Due _____
PPN _____

No.

\$ _____

UNIVERSAL FOREST PRODUCTS, INC., a Michigan corporation (the “Company”), for value received, hereby promises to pay to

or registered assigns
on the _____ day of _____
the principal amount of

DOLLARS (\$ _____)

(computed on the basis of a 360-day year of twelve 30-day months) on the principal amount from time to time remaining unpaid hereon at the rate of ____% per annum from the date hereof until maturity, payable on the day of and _____ in each year (commencing on) and at maturity. The Company agrees to pay interest on overdue principal (including any overdue optional prepayment of principal) and premium, if any, and (to the extent legally enforceable) on any overdue installment of interest, at the Overdue Rate after the due date, whether by acceleration or otherwise, until paid. “Overdue Rate” shall mean the lesser of (a) the maximum interest rate permitted by law and (b) _____% per annum.

Both the principal hereof and interest hereon are payable at the principal office of the Company in Grand Rapids, Michigan in coin or currency of the United States of America which at the time of payment shall be legal tender for the payment of public and private debts. If any amount of principal, premium, if any, or interest on or in respect of this Note becomes due and payable on any date which is not a Business Day, such amount shall be payable on the immediately succeeding Business Day. “Business Day” means any day other than a Saturday, Sunday or other day on which banks in either Grand Rapids, Michigan or New York, New York are required by law to close or are customarily closed.

SCHEDULE I
(to [Number] Supplement)

This Note is one of the ___% Series _____ Notes, Tranche ___, due of the Company in the aggregate principal amount of \$___, which, together with the 5.63% Series 2002-A Senior Notes, Tranche A, due December 18, 2009 of the Company in the aggregate principal amount of \$15,000,000, the 6.16% Series 2002-A Senior Notes, Tranche B, due December 18, 2012 of the Company in the aggregate principal amount of \$40,000,000 and any Additional Notes are issued or to be issued under and pursuant to the terms and provisions of the separate Note Agreements, each dated as of December 18, 2002 (the "Note Agreements"), entered into by the Company with the original Purchasers therein referred to and any Additional Purchasers of Additional Notes and the holder hereof is entitled equally and ratably with the holders of all other Notes outstanding under the Note Agreements to all the benefits provided for thereby or referred to therein. Reference is hereby made to the Note Agreements for a statement of such rights and benefits.

This Note and the other Notes outstanding under the Note Agreements may be declared due prior to their expressed maturity dates and certain prepayments are required to be made thereon, all in the events, on the terms and in the manner and amounts as provided in the Note Agreements.

The Notes are not subject to prepayment or redemption at the option of the Company prior to their expressed maturity dates except on the terms and conditions and in the amounts and with the premium, if any, set forth in the Note Agreements.

This Note is registered on the books of the Company and is transferable only by surrender thereof at the principal office of the Company duly endorsed or accompanied by a written instrument of transfer duly executed by the registered holder of this Note or its attorney duly authorized in writing. Payment of or on account of principal, premium, if any, and interest on this Note shall be made only to or upon the order in writing of the registered holder.

This Note and said Note Agreements are governed by and construed in accordance with the law of New York, including all matters of construction, validity and performance.

UNIVERSAL FOREST PRODUCTS, INC.,

By: _____
Its: _____

GUARANTY AGREEMENT

Dated as of December 18, 2002

By

UNIVERSAL FOREST PRODUCTS OF MODESTO LLC,
TRESSTAR, LLC,
UNIVERSAL TRUSS, INC.,
UFP VENTURES, INC.,
UFP VENTURES II, INC.,
UNIVERSAL FOREST PRODUCTS WESTERN DIVISION, INC.,
UNIVERSAL FOREST PRODUCTS EASTERN DIVISION, INC.,
SHOFFNER HOLDING COMPANY, INC.,
CONSOLIDATED BUILDING COMPONENTS, INC.,
UNIVERSAL FOREST PRODUCTS SHOFFNER, LLC,
UNIVERSAL FOREST PRODUCTS INDIANA LIMITED PARTNERSHIP,
UNIVERSAL FOREST PRODUCTS TEXAS LIMITED PARTNERSHIP,
UNIVERSAL FOREST PRODUCTS HOLDING COMPANY, INC.,
UFP REAL ESTATE, INC.,
SYRACUSE REAL ESTATE, LLC
and
UNIVERSAL FOREST PRODUCTS RECLAMATION CENTER, INC.

Re: \$55,000,000 Senior Notes
due 2009-2012

of
UNIVERSAL FOREST PRODUCTS, INC.

GUARANTY AGREEMENT

PARTIES

THIS GUARANTY AGREEMENT, dated as of December 18, 2002 (this “*Guaranty*”), is made by UNIVERSAL FOREST PRODUCTS OF MODESTO LLC, TRESSTAR, LLC, UFP VENTURES, INC., UFP VENTURES II, INC., CONSOLIDATED BUILDING COMPONENTS, INC., UNIVERSAL FOREST PRODUCTS EASTERN DIVISION, INC., UNIVERSAL FOREST PRODUCTS WESTERN DIVISION, INC., SHOFFNER HOLDING COMPANY, INC., UNIVERSAL FOREST PRODUCTS SHOFFNER, LLC, UFP REAL ESTATE, INC., UNIVERSAL TRUSS, INC., UNIVERSAL FOREST PRODUCTS INDIANA LIMITED PARTNERSHIP, UNIVERSAL FOREST PRODUCTS TEXAS LIMITED PARTNERSHIP, UNIVERSAL FOREST PRODUCTS HOLDING COMPANY, INC., SYRACUSE REAL ESTATE, LLC AND UNIVERSAL FOREST PRODUCTS RECLAMATION CENTER, INC. (each, a “*Guarantor*” and collectively, the “*Guarantors*”) in favor of each of the Noteholders (as defined below).

RECITALS

A. Each Guarantor is wholly-owned, directly or indirectly, by Universal Forest Products, Inc., a corporation incorporated under the laws of Michigan (the “*Company*”).

B. Pursuant to the separate and several Note Agreements, each dated as of December 18, 2002 (the “*Note Agreements*”), between the Company and the Purchasers named on Schedule I thereto (each, a “*Purchaser*,” and collectively, the “*Purchasers*”), the Company has agreed to issue and sell to the Purchasers (a) \$15,000,000 in principal amount of the Company’s 5.63% Series 2002-A Senior Notes, Tranche A, due December 18, 2009 (the “*Tranche A Notes*”) and (b) \$40,000,000 in principal amount of the Company’s 6.16% Series 2002-A Senior Notes, Tranche B, due December 18, 2012 (the “*Tranche B Notes*”; the Tranche B Notes and the Tranche A Notes are hereinafter collectively referred to as the “*Notes*”).

C. Each Guarantor will receive substantial direct and indirect benefit from the sale of the Notes.

D. The Purchasers have required as a condition to their purchase of the Notes that the Guarantors enter into this Guaranty as security for the Notes and accordingly the Guarantors have agreed to provide this Guaranty.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and for the purpose of inducing the Purchasers to purchase the Notes and in further consideration of the sum of Ten Dollars (\$10.00) paid to the Guarantors by the Purchasers, the receipt and sufficiency of which is hereby acknowledged, the Guarantors do hereby covenant and agree as follows:

1. *Defined Terms.* As used in this Guaranty, terms defined in the first paragraph of this Guaranty and in the recital paragraphs are used herein as defined therein, and the following terms shall have the following meanings:

“*Cumulative Guarantors*” shall mean the Guarantors and all other future guarantors of the Liabilities.

“*Liabilities*” shall mean all indebtedness, obligations and liabilities of the Company to any of the Noteholders in connection with or pursuant to the Note Agreements and the Notes, including, without limitation, all principal, interest, premium, charges, fees and all costs and expenses, including, without limitation, reasonable fees and expenses of counsel, in each case whether now existing or hereafter arising, direct or indirect, absolute or contingent, joint and/or several, secured or unsecured, arising by operation of law or otherwise.

“*Noteholders*” shall mean the Purchasers and any subsequent holders of the Notes.

All other capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Note Agreements.

2. *Guarantee.* (a) Each Guarantor hereby guarantees to the Noteholders, irrevocably, absolutely and unconditionally, as primary obligor and not as surety only, the prompt and complete payment of the Liabilities.

(b) All payments to be made under this Guaranty (except pursuant to paragraph (c) below) shall be made to each Noteholder *pro rata* in accordance with the unpaid amount of Liabilities held by each Noteholder at the time of such payment.

(c) The Guarantors agree to make prompt payment, on demand, of any and all reasonable costs and expenses incurred by any Noteholder in connection with enforcing the obligations of any of the Guarantors hereunder, including, without limitation, the reasonable fees and disbursements of counsel.

3. *Consents to Renewals, Modifications and other Actions and Events.* This Guaranty and all of the obligations of the Guarantors hereunder shall remain in full force and effect without regard to and shall not be released, affected or impaired by: (a) any amendment, assignment, transfer, modification of or addition or supplement to the Liabilities or any of the Note Agreements; (b) any extension, indulgence, increase in the Liabilities or other action or inaction in respect of any of the Note Agreements or otherwise with respect to the Liabilities, or any acceptance of security for, or other guaranties of, any of the Liabilities or Note Agreements, or any surrender, release, exchange, impairment or alteration of any such security or guaranties, including, without limitation, the failing to perfect a security interest in any such security or abstaining from taking advantage of or realizing upon any other guaranties or upon any security interest in any such security; (c) any default by the Company under, or any lack of due execution, invalidity or unenforceability of, or any irregularity or other defect in, any of the Note Agreements; (d) any waiver by any Noteholder or any other person of any required performance or otherwise of any condition precedent or waiver of any requirement imposed by any of the Note Agreements, any other guaranties or otherwise with respect to the Liabilities; (e) any exercise or non-exercise of any right, remedy, power or privilege in respect of this Guaranty, any other guaranty or any of the Note Agreements; (f) any sale, lease, transfer or other disposition of the assets of the Company or any consolidation or merger of the Company with or into any other person, corporation, or entity, or any transfer or other disposition of any shares of capital stock of the Company; (g) any bankruptcy, insolvency, reorganization or similar proceedings involving or affecting the Company or any other guarantor of the Liabilities; (h) the release or discharge of the Company from the performance or observance of any agreement, covenant, term or condition under any of the Liabilities or contained in any of the Note Agreements, of any Cumulative Guarantor or of this Guaranty, by operation of law or otherwise; or (i) any other cause whether similar or dissimilar to the foregoing which, in the absence of this provision, would release, affect or impair the obligations, covenants, agreements or duties of any Guarantor hereunder or constitute a defense hereto, including, without limitation, any act or omission by any Noteholder or any other person which increases the scope of any Guarantor's risk, and in each case described in this paragraph whether or not any Guarantor shall have notice or knowledge of any of the foregoing, each of which is specifically waived by each Guarantor. Each Guarantor warrants to the Noteholders that it has adequate means to obtain from the Company on a continuing basis information concerning the financial condition and other matters with respect to the Company and that it is not relying on any Noteholder to provide such information either now or in the future.

4. *Waivers, Etc.* Each Guarantor unconditionally waives: (a) notice of any of the matters referred to in Paragraph 3 above; (b) all notices which may be required by statute, rule of law or otherwise to preserve any rights of any Noteholder, including, without limitation, notice to the Guarantors of default, presentment to and demand of payment or performance from the Company and protest for non-payment or dishonor; (c) any right to the exercise by any Noteholder of any right remedy, power or privilege in connection with any of the Note Agreements; (d) any requirement of diligence or marshaling on the part of any Noteholder; (e) any requirement that any Noteholder, in the event of any default by the Company, first make demand upon or seek to enforce remedies against, the Company or any other Cumulative Guarantor before demanding payment under or seeking to enforce this Guaranty; (f) any right to notice of the disposition of any security which any Noteholder may hold from the Company or otherwise and any right to object to the commercial reasonableness of the disposition of any such security; and (g) all errors and omissions in connection with any Noteholder's administration of any of the Liabilities, any of the Note Agreements or any other Cumulative Guarantor, or any other act or omission of any Noteholder which changes the scope of such Guarantor's risk. The obligations of each Guarantor hereunder shall be complete and binding forthwith upon the execution of this Guaranty by it and subject to no condition whatsoever, precedent or otherwise, and notice of acceptance hereof or action in reliance hereon shall not be required.

5. *Nature of Guaranty; Payments.* This Guaranty is an absolute, unconditional, irrevocable and continuing guaranty of payment and not a guaranty of collection, and is wholly independent of and in addition to other rights and remedies of any Noteholder with respect to the Company, any collateral, any Cumulative Guarantor or otherwise, and it is not contingent upon the pursuit by any Noteholder of any such rights and remedies, such pursuit being hereby waived by each Guarantor. The obligations of each Guarantor hereunder shall be continuing and shall continue (irrespective of any statute of limitations otherwise applicable) and cover and include all the Liabilities of the Company accruing or in the process of accruing to the Noteholders before the Noteholders deliver to the Guarantors a release of this Guaranty, which is in writing, refers specifically to this Guaranty, and is signed by a President, a Senior Vice-President, or a Vice-President of each Noteholder. Nothing shall discharge or satisfy the liability of any Guarantor hereunder except the full and irrevocable payment and performance of all of the Liabilities and the expiration or termination of all the Note Agreements. All payments to be made by the Guarantors hereunder shall be made without set-off or counterclaim, and each Guarantor hereby waives the assertion of any set-off or counterclaim in any proceeding to enforce its obligations hereunder. All payments to be made by each Guarantor hereunder shall also be made without deduction or withholding for, or on account of, any present or future taxes or other similar charges of whatsoever nature, *provided* that if any Guarantor is nevertheless required by law to make any deduction or withholding, such Guarantor shall pay to the Noteholders such additional amounts as may be necessary to ensure that the Noteholders shall receive a net sum equal to the sum which it would have received had no such deduction or withholding been made. Each Guarantor agrees that, if at any time all or any part of any payment previously applied by any Noteholder to any of the Liabilities must be returned by such Noteholder for any reason, whether by court order, administrative order, or settlement and whether as a “voidable preference”, “fraudulent conveyance” or otherwise, each Guarantor remains liable for the full amount returned as if such amount had never been received by such Noteholder, notwithstanding any termination of this Guaranty or any cancellation of any of the Note Agreements and the Liabilities and all obligations of each Guarantor hereunder shall be reinstated in such case.

6. *Evidence of Liabilities.* Each Noteholder’s books and records showing the Liabilities shall be admissible in any action or proceeding, shall be binding upon each Guarantor for the purpose of establishing the Liabilities due from the Company and shall constitute *prima facie* proof, absent manifest error, of the Liabilities of the Company to such Noteholder, as well as the obligations of each Guarantor to such Noteholder.

7. *Subordination, Subrogation, Contribution, Etc.* Each Guarantor agrees that all present and future indebtedness, obligations and liabilities of the Company to such Guarantor shall be fully subordinate and junior in right and priority of payment to any indebtedness of the Company to the Noteholders, and no Guarantor shall have any right of subrogation, contribution (including, without limitation, the contribution and subrogation rights granted below), reimbursement or indemnity whatsoever nor any right of recourse to security for the debts and obligations of the Company unless and until all Liabilities shall have been paid in full, such payment is not subject to any possibility of revocation or rescission and all Note Agreements have expired or been terminated. Subject to the preceding sentence, if any Guarantor makes a payment in respect of the Liabilities it shall be subrogated to the rights of the payee against the Company with respect to such payment and shall have the rights of contribution set forth below against all other Cumulative Guarantors and each Guarantor agrees that all other Cumulative Guarantors shall have the rights of contribution against it set forth below. If any Guarantor makes a payment in respect of the Liabilities that is smaller in proportion to its Payment Share (as hereinafter defined) than such payments made by the other Cumulative Guarantors are in proportion to the amounts of their respective Payment Shares, such Guarantor shall, when permitted by the first sentence of this Section 7, pay to the other Guarantors an amount such that the net payments made by the Cumulative Guarantors in respect of the Liabilities shall be shared among the Cumulative Guarantors *pro rata* in proportion to their respective Payment Shares. If any Guarantor receives any payment by way of subrogation that is greater in proportion to the amount of its Payment Share than the payments received by the other Cumulative Guarantors are in proportion to the amounts of their respective Payment Shares, such Guarantor shall, when permitted by the first sentence of this Section 7, pay to the other Cumulative Guarantors an amount such that the subrogation payments received by the Guarantors shall be shared among the Cumulative Guarantors *pro rata* in proportion to their respective Payment Shares.

For purposes of this Guaranty, the "Payment Share" of any Cumulative Guarantor shall be the sum of (a) the aggregate proceeds of the Liabilities received by such Guarantor (and, if received subject to a repayment obligation, remaining unpaid on the Determination Date (as hereinafter defined)), plus (b) the product of (i) the aggregate Liabilities remaining unpaid on the date such Liabilities become due and payable in full, whether by stated maturity, acceleration or otherwise (the "*Determination Date*") reduced by the amount of such Liabilities attributed to all of the Cumulative Guarantors pursuant to clause (a) above, times (ii) a fraction, the numerator of which is such Guarantor's net worth on the effective date of this Guaranty (determined as of the end of the immediately preceding fiscal reporting period of the Guarantor), and the denominator of which is the aggregate net worth of all of the Cumulative Guarantors, determined for each Cumulative Guarantor on the respective effective date of the guaranty signed by such Cumulative Guarantor.

8. *Assignment by Noteholders.* Each Noteholder shall have the right to assign and transfer this Guaranty to any assignee of any portion of the Liabilities. Each Noteholder's successors and assigns hereunder shall have the right to rely upon and enforce this Guaranty.

9. *Joint and Several Obligations.* The obligations of the Guarantors hereunder and all other Cumulative Guarantors shall be joint and several and each Guarantor shall be liable for all of the Liabilities to the extent provided herein regardless of any other Cumulative Guarantors, and each Noteholder shall have the right, in its sole discretion to pursue its remedies against any Guarantor without the need to pursue its remedies against any other Cumulative Guarantor, whether now or hereafter in existence, or against any one or more Cumulative Guarantors separately or against any two or more jointly, or against some separately and some jointly.

10. *Representations and Warranties.* Each Guarantor hereby represents and warrants to the Noteholders that:

(a) the execution, delivery and performance by the Guarantor of this Guaranty are within its corporate powers, have been duly authorized by all necessary corporate action, require no action by or in respect of, or filing with, any governmental body, agency or official, and do not contravene or constitute a default under, any provision of applicable law or regulation or of the articles of incorporation or other charter documents or bylaws of such Guarantor, or of any agreement, judgment, injunction, order, decree or other instrument binding upon such Guarantor, or result in the creation or imposition of any lien, security interest or other charge or encumbrance on any asset of such Guarantor;

(b) this Guaranty constitutes a legal, valid and binding agreement of each Guarantor, enforceable against such Guarantor in accordance with its terms;

(c) as of the date hereof, each of the following is true and correct for each Guarantor, assuming value is given to the rights of contribution and subrogation as described in Section 7 hereof: (i) the fair saleable value and the fair valuation of such Guarantor's property is greater than the total amount of its liabilities (including contingent liabilities) and greater than the amount that would be required to pay its probable aggregate liability on its existing debts as they become absolute and matured, (ii) each Guarantor's capital is not unreasonably small in relation to its current and/or contemplated business or other undertaken transactions and (iii) each Guarantor does not intend to incur, or believe that it will incur, debt beyond its ability to pay such debts as they become due; and

(d) the Company and the Guarantors are engaged as an integrated group in the business of providing related services; the integrated operation requires financing on such a basis that proceeds from the sale of Notes paid to the Company by the Purchasers can be made available from time to time to various subsidiaries of the Company, as required for the continued successful operation of the integrated group as a whole; and each Guarantor has requested that the Purchasers purchase the Notes from the Company for the purpose of financing the integrated operations of the Company and its subsidiaries, including such Guarantor, with such Guarantor expecting to derive benefit, direct or indirectly, from the purchase of the Notes by the Purchasers from the Company, both in such Guarantor's separate capacity and as a member of the integrated group, inasmuch as the successful operation and condition of such Guarantor is dependent upon the continued successful performance of the functions of the integrated group as a whole. Each of the Guarantors hereby determines and agrees that the execution, delivery and performance of this Guaranty are necessary and convenient to the conduct, promotion or attainment of the business of such Guarantor and in furtherance of the corporate purposes of such Guarantor.

11. *Binding on Successors and Assigns.* This Guaranty shall be the valid, binding and enforceable obligation of the Guarantors and their successors and assigns.

12. *Indemnity.* As a separate, additional and continuing obligation, each Guarantor unconditionally and irrevocably undertakes and agrees with each Noteholder that, should the Liabilities not be recoverable from any Guarantor as guarantor under this Guaranty for any reason whatsoever (including, without limitation, by reason of any provision of any of the Liabilities or the Note Agreements being or becoming void, unenforceable, or otherwise invalid under any applicable law) then, notwithstanding any knowledge thereof by any Noteholder at any time, each Guarantor as original and independent obligor, upon demand by the Noteholders, will make payment to the Noteholders of the Liabilities by way of a full indemnity.

13. *Cumulative Rights and Remedies, Etc.* The obligations of each Guarantor under this Guaranty are continuing obligations and a new cause of action shall arise in respect of each default hereunder. No course of dealing on the part of any Noteholder, nor any delay or failure on the part of any Noteholder in exercising any right, power or privilege hereunder, shall operate as a waiver of such right, power, or privilege or otherwise prejudice the Noteholders' rights and remedies hereunder, nor shall any single or partial exercise thereof preclude any further exercise thereof or the exercise of any other right, power or privilege. No right or remedy conferred upon or reserved to any Noteholder under this Guaranty is intended to be exclusive of any other right or remedy, and every right and remedy shall be cumulative and in addition to every other right or remedy given hereunder or now or hereafter existing under any applicable law. Every right and remedy given by this Guaranty or by applicable law to the Noteholders may be exercised from time to time and as often as may be deemed expedient by any Noteholder.

14. *Severability.* If any one or more provisions of this Guaranty should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected, impaired, prejudiced or disturbed thereby, and any provision hereunder found partially unenforceable shall be interpreted to be enforceable to the fullest extent possible. If at any time all or any portion of the obligation of any Guarantor under this Guaranty would otherwise be determined by a court of competent jurisdiction to be invalid, unenforceable or avoidable under Section 548 of the federal Bankruptcy Code or under any fraudulent conveyance or transfer laws or similar applicable law of any jurisdiction, then notwithstanding any other provisions of this Guaranty to the contrary such obligation or portion thereof of such Guarantor under this Guaranty shall be limited to the greatest of (i) the value of any quantified economic benefits accruing to such Guarantor as a result of this Guaranty, (ii) an amount equal to 95% of the excess on the date the relevant Liabilities were incurred of the present fair saleable value of the assets of such Guarantor over the amount of all liabilities of such Guarantor, contingent or otherwise and (iii) the maximum amount of which this Guaranty is determined to be enforceable.

15. *Merger, Amendments.* This Guaranty is intended as a final expression of the subject matter hereof and is also intended as a complete and exclusive statement of the terms hereof. Each Guarantor's liability hereunder is independent of and in addition to its liability under any other guaranty previously or subsequently executed. No course of dealing, course of performance or trade usage, and no parole evidence of any nature, shall be used to supplement or modify any terms hereof, nor are there any conditions to the full effectiveness of this Guaranty. None of the terms and provisions of this Guaranty may be waived, altered, modified or amended in any way except by an instrument in writing executed by duly authorized officers of each Noteholder and the Guarantors.

16. *Consent to Jurisdiction.* Notwithstanding the place where any Liability originates or arises, or is to be repaid, any suit, action or proceeding arising out of or relating to this Guaranty or any of the Note Agreements may be instituted in any court of the United States of America or the State of Illinois, sitting in the City of Chicago, State of Illinois, and each Guarantor hereby irrevocably waives any objection which it may have or hereafter have to the laying of the venue of any such suit, action or proceeding and any claim that any such suit action or proceeding has been brought in an inconvenient forum; and each Guarantor hereby irrevocably submits his person and property to the jurisdiction of any such court in any such suit, action or proceeding. Each Guarantor hereby consents to the service of process in any suit action or proceeding of the nature referred to in this paragraph by the mailing of a copy thereof by registered or certified mail, postage prepaid, or personally delivering a copy thereof to such Guarantor, at the address set forth under its signature below, or at such other address as such Guarantor may hereafter specify to the Noteholders in writing. Nothing in this paragraph shall affect the right of any Noteholder to serve process in any other manner permitted by law or limit the right of the Noteholders to bring proceedings against any Guarantor or any of its property in the courts of any other jurisdiction in which it is subject to service of process. To the extent that any Guarantor now or hereafter may be entitled, in any jurisdiction in which proceedings may at any time be commenced with respect to this Guaranty or the transactions contemplated hereby, to claim itself or its revenues, assets or properties any immunity (including, without limitation, immunity from service of process, jurisdiction, suit, judgment, counterclaim, enforcement of or execution on a judgment attachment prior to the judgment, attachment in aid of execution of a judgment or other legal process), and to the extent that in any such jurisdiction there may be attributed any such immunity (whether or not claimed), such Guarantor hereby irrevocably undertakes not to claim and hereby irrevocably waives any such immunity to the fullest extent permitted by law. Each Guarantor irrevocably and generally consents in respect of any proceedings to the giving of any relief or the issue of any process in connection with those proceedings including, without limitation, the making, enforcement or execution against any assets whatsoever of any order or judgment which may be made or given in those proceedings.

17. *Governing Law; Headings.* This Guaranty shall be governed by and construed in accordance with the laws of the State of Michigan without giving effect to the choice of law principles of such state. The headings of the various paragraphs hereof are for the convenience of reference only and shall in no way modify any of the terms or provisions hereof.

18. *Notices.* Any notice, demand, consent or request given or made to each Guarantor by any Noteholder shall be deemed to have been duly given or made if sent in writing (including telecommunications) to such Guarantor to the address or telex or telecopy number set forth below the name of such Guarantor on the signature page hereof, or at such other address or telex or telecopy number as such Guarantor may hereafter specify to the Noteholders in writing. All notices or other communications sent by means of telecopy, telex or other wire transmission shall be made with request for assurance of receipt in a manner typical with respect to communications of that type. Written notices or other communications shall be deemed delivered upon receipt if delivered by hand or by telecopy, three business days after mailing if mailed, or one business day after deposit with an overnight courier service if delivered by overnight courier. Notices or other communications delivered by hand shall be deemed delivered upon receipt.

19. *WAIVER OF JURY TRIAL.* THE NOTEHOLDERS, IN ACCEPTING THIS GUARANTY, AND THE GUARANTORS, AFTER CONSULTING OR HAVING HAD THE OPPORTUNITY TO CONSULT WITH COUNSEL, KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHT ANY OF THEM MAY HAVE TO A TRIAL BY JURY IN ANY LITIGATION BASED UPON OR ARISING OUT OF THIS GUARANTY OR ANY RELATED INSTRUMENT OR AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED BY THIS GUARANTY OR ANY COURSE OF CONDUCT, DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF ANY OF THEM. NEITHER THE NOTEHOLDERS NOR THE GUARANTORS SHALL SEEK TO CONSOLIDATE, BY COUNTERCLAIM OR OTHERWISE, ANY SUCH ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. THESE PROVISIONS SHALL NOT BE DEEMED TO HAVE BEEN MODIFIED IN ANY RESPECT OR RELINQUISHED BY ANY OF THE NOTEHOLDERS OR THE GUARANTORS EXCEPT BY A WRITTEN INSTRUMENT EXECUTED BY ALL OF THEM. THIS GUARANTY IS FREELY AND VOLUNTARILY GIVEN TO THE NOTEHOLDERS BY THE GUARANTORS WITHOUT ANY DURESS OR COERCION, AND AFTER EACH GUARANTOR HAS EITHER CONSULTED WITH COUNSEL OR BEEN GIVEN AN OPPORTUNITY TO DO SO. EACH GUARANTOR HAS CAREFULLY AND COMPLETELY READ ALL OF THE TERMS AND PROVISIONS OF THIS GUARANTY AND OF EACH NOTE AGREEMENT.

[INTENTIONALLY BLANK]

UNIVERSAL FOREST PRODUCTS OF MODESTO LLC

By: /s/ Michael Cole
Its Treasurer

TRESSTAR, LLC

By: /s/ Michael Cole
Its Treasurer

UNIVERSAL TRUSS, INC.

By: /s/ Michael Cole
Its Treasurer

UFP VENTURES, INC.

By: /s/ Michael Cole
Its Treasurer

UFP VENTURES II, INC.,

By: /s/ Michael Cole
Its Treasurer

UNIVERSAL FOREST PRODUCTS WESTERN DIVISION, INC.

By: /s/ Michael Cole
Its Treasurer

UNIVERSAL FOREST PRODUCTS EASTERN DIVISION, INC.

By: /s/ Michael Cole
Its Treasurer

SHOFFNER HOLDING COMPANY, INC.

By: /s/ Michael Cole
Its Treasurer

CONSOLIDATED BUILDING COMPONENTS, INC.

By: /s/ Michael Cole
Its Treasurer

UNIVERSAL FOREST PRODUCTS SHOFFNER, LLC.

By: /s/ Michael Cole
Its Treasurer

UNIVERSAL FOREST PRODUCTS INDIANA
LIMITED PARTNERSHIP

By: /s/ Michael Cole
Its Treasurer

UNIVERSAL FOREST PRODUCTS TEXAS
LIMITED PARTNERSHIP

By: /s/ Michael Cole
Its Treasurer

UNIVERSAL FOREST PRODUCTS HOLDING
COMPANY, INC.

By: /s/ Michael Cole
Its Treasurer

UFP REAL ESTATE, INC.

By: /s/ Michael Cole
Its Treasurer

SYRACUSE REAL ESTATE, LLC

By: /s/ Michael Cole
Its Treasurer

UNIVERSAL FOREST PRODUCTS RECLAMATION
CENTER, INC.

By: /s/ Michael Cole
Its Treasurer

Universal Forest Products, Inc.**Certification**

I, Michael B. Glenn, certify that:

1. I have reviewed this report on Form 10-Q of Universal Forest Products, Inc.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report, based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 21, 2009

/s/ Michael B. Glenn

Michael B. Glenn,

Chief Executive Officer and Principal Executive Officer

Universal Forest Products, Inc.**Certification**

I, Michael R. Cole, certify that:

1. I have reviewed this report on Form 10-Q of Universal Forest Products, Inc.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report, based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 21, 2009

/s/ Michael R. Cole

Michael R. Cole,
Chief Financial Officer,
Principal Financial Officer and
Principal Accounting Officer

CERTIFICATE OF THE
CHIEF EXECUTIVE OFFICER OF
UNIVERSAL FOREST PRODUCTS, INC.

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350):

I, Michael B. Glenn, Chief Executive Officer of Universal Forest Products, Inc., certify, to the best of my knowledge and belief, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350) that:

(1) The quarterly report on Form 10-Q for the quarterly period ended September 26, 2009, which this statement accompanies, fully complies with requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in this quarterly report on Form 10-Q for the quarterly period ended September 26, 2009 fairly presents, in all material respects, the financial condition and results of operations of Universal Forest Products, Inc.

UNIVERSAL FOREST PRODUCTS, INC.

Date: October 21, 2009

By: /s/ Michael B. Glenn

Michael B. Glenn,

Chief Executive Officer and Principal Executive Officer

The signed original of this written statement required by Section 906, or any other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Universal Forest Products, Inc. and will be retained by Universal Forest Products, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

CERTIFICATE OF THE
CHIEF FINANCIAL OFFICER OF
UNIVERSAL FOREST PRODUCTS, INC.

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350):

I, Michael R. Cole, Chief Financial Officer of Universal Forest Products, Inc., certify, to the best of my knowledge and belief, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350) that:

(1) The quarterly report on Form 10-Q for the quarterly period ended September 26, 2009, which this statement accompanies, fully complies with requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in this quarterly report on Form 10-Q for the quarterly period ended September 26, 2009 fairly presents, in all material respects, the financial condition and results of operations of Universal Forest Products, Inc.

UNIVERSAL FOREST PRODUCTS, INC.

Date: October 21, 2009

By: /s/ Michael R. Cole

Michael R. Cole,
Chief Financial Officer,
Principal Financial Officer and
Principal Accounting Officer

The signed original of this written statement required by Section 906, or any other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Universal Forest Products, Inc. and will be retained by Universal Forest Products, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.