

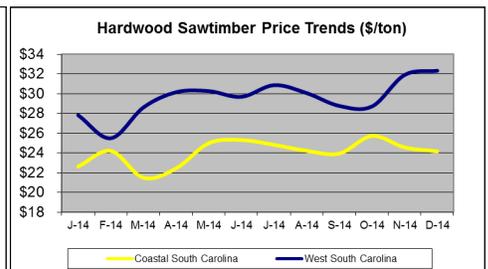
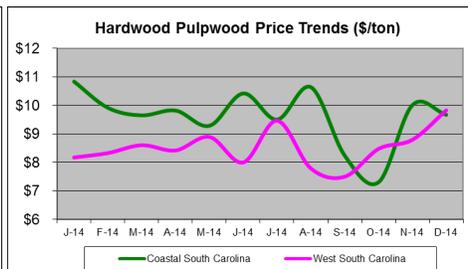
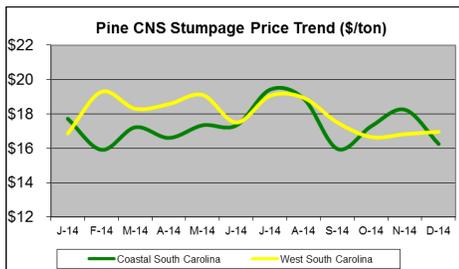
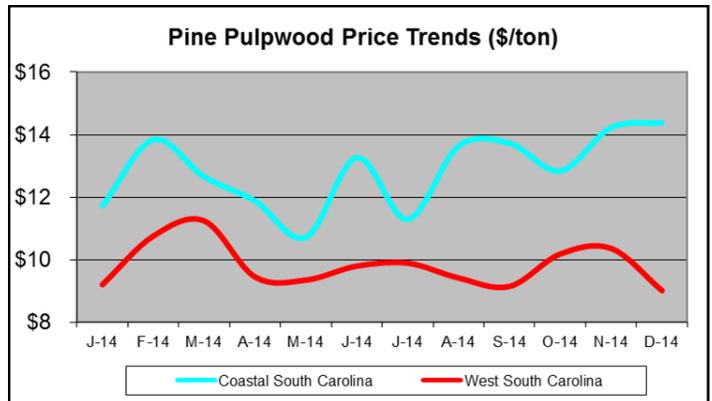
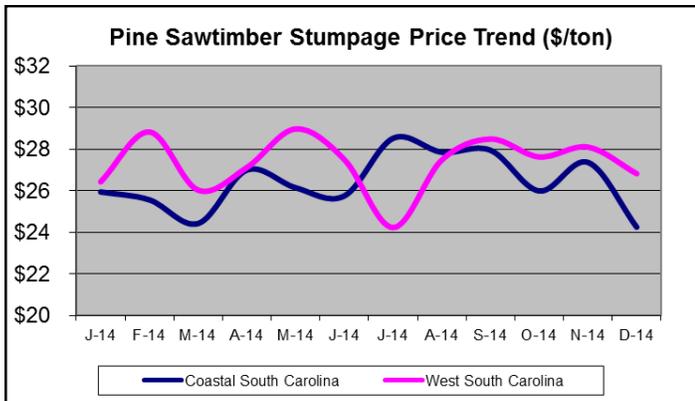


Since many variables, such as raw material demand, mill inventories, buyer competition and weather, play key roles in determining local prices, we encourage you to subscribe to our continuously updated online price service at www.forest2market.com for prices that are specific to your local area.

Forest2Market Market Regions

- West South Carolina
- Coastal South Carolina

SOUTH CAROLINA STUMPAGE PRICE TRENDS





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SOUTH CAROLINA STUMPAGE PRICES

| Coastal South Carolina | | | |
|---|----------|--------------|----------------|
| Weighted Average Stumpage Prices (\$/ton) 4th Quarter 2014 | | | |
| Product | Price | Price Change | Percent Change |
| Pine Pulpwood | \$ 14.05 | \$0.97 | 7.4% |
| Pine Chip-n-Saw | \$ 17.61 | -\$0.98 | -5.3% |
| Pine Sawtimber | \$ 26.89 | -\$1.19 | -4.2% |
| Hardwood Pulpwood | \$ 9.54 | \$0.48 | 5.3% |
| Hardwood Sawtimber | \$ 25.10 | \$1.09 | 4.6% |

| West South Carolina | | | |
|---|----------|--------------|----------------|
| Weighted Average Stumpage Prices (\$/ton) 4th Quarter 2014 | | | |
| Product | Price | Price Change | Percent Change |
| Pine Pulpwood | \$ 10.07 | \$0.49 | 5.1% |
| Pine Chip-n-Saw | \$ 16.85 | -\$2.11 | -11.1% |
| Pine Sawtimber | \$ 27.86 | \$1.52 | 5.8% |
| Hardwood Pulpwood | \$ 8.87 | -\$0.43 | -4.6% |
| Hardwood Sawtimber | \$ 30.00 | -\$0.78 | -2.5% |

U.S. SOUTH TIMBER MARKET OUTLOOK

The latest revision of 3rd quarter real GDP growth has it up to 3.9%, but early predictions suggest that the overall 4th quarter numbers will not be as strong. Industrial production fell 0.1% in October, while manufacturing output increased 0.2% for two consecutive months. Total housing starts dropped 2.8% in October to 1.009 million units SAAR. The unemployment rate remained at its six-year low of 5.8%. Crude oil continues to tumble, with it down to \$75.79/barrel in November.

Looking forward, we anticipate the economy to grow at an average rate of 2.1% through the end of 2015. Beginning in 2016 the economy will steadily slow and by 3Q 2016 we expect GDP to be -0.9% as the U.S economy retracts. Housing starts will continue to improve, peaking in mid-2015 at 1.21 million units in July, then oscillate around 1.1 million for the rest of 2015. Housing will then retreat to a low of 856,000 units in mid-2016.

With housing starts trending upward in 1H2015, pine sawtimber and chip-n-saw prices will mimic housing starts, peaking in late summer or early fall 2015, until growth begins to dissipate in 2016. Pulpwood prices will continue to rise in the near term, but begin to lose steam as we move further into 2015. Declining pulpwood prices over 2015 will be due to warmer and dryer weather in the summer months, but also an increase in residuals entering the market due to rising housing starts.