

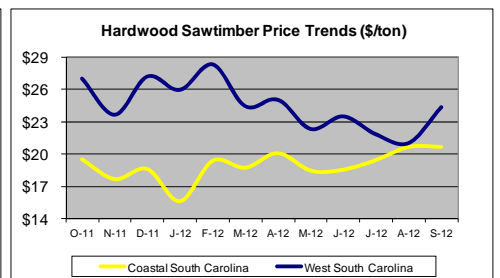
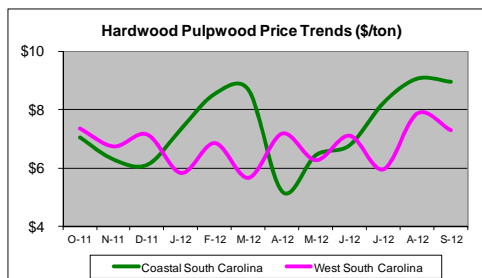
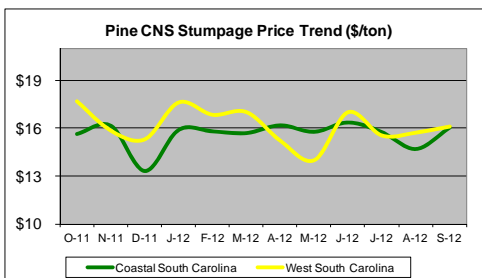
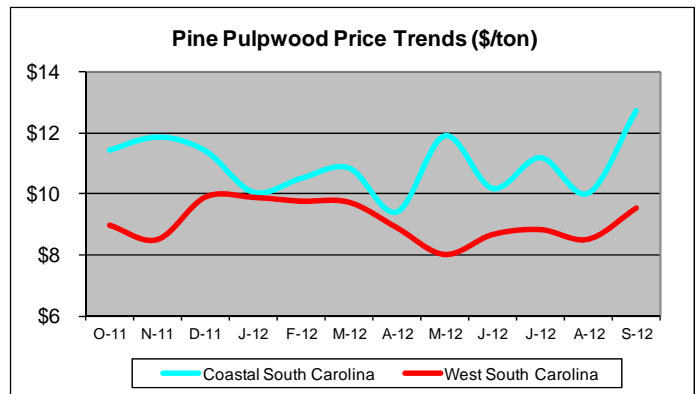
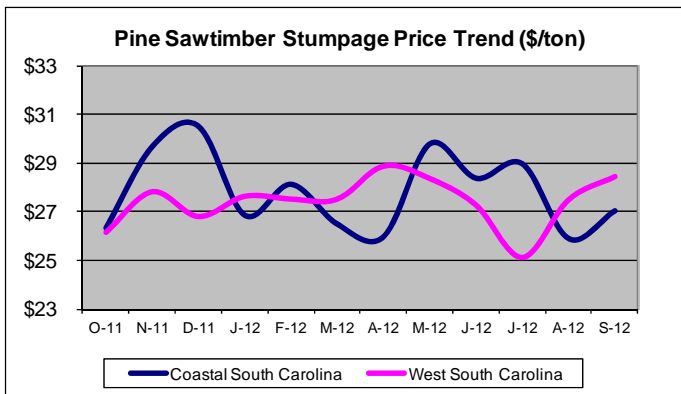


Since many variables, such as raw material demand, mill inventories, buyer competition and weather, play key roles in determining local prices, we encourage you to subscribe to our continuously updated online price service at www.forest2market.com for prices that are specific to your local area.

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 2012			
Product	Price	Price Change	Percent Change
Pine Pulpwood	\$ 11.06	\$0.04	0.4%
Pine Chip-n-Saw	\$ 15.57	-\$0.04	-0.2%
Pine Sawtimber	\$ 28.33	\$0.85	3.1%
Hardwood Pulpwood	\$ 9.70	\$0.69	7.6%
Hardwood Sawtimber	\$ 22.96	\$2.40	11.7%

West South Carolina			
Weighted Average Stumpage Prices (\$/ton) 4th Quarter 2012			
Product	Price	Price Change	Percent Change
Pine Pulpwood	\$ 8.93	\$0.03	0.3%
Pine Chip-n-Saw	\$ 17.56	\$1.70	10.7%
Pine Sawtimber	\$ 26.42	-\$0.66	-2.5%
Hardwood Pulpwood	\$ 8.14	\$0.66	8.8%
Hardwood Sawtimber	\$ 23.43	-\$0.34	-1.4%

U.S. SOUTH TIMBER MARKET OUTLOOK

The economy continued to improve slowly but steadily in the fourth quarter, led primarily by a housing market that is clearly in recovery. Home prices continue to increase, the number of foreclosures coming on the market is shrinking and housing starts remained strong throughout the fourth quarter. The Bureau of Economic Analysis' (BEA) estimates of growth in real gross domestic product (GDP) for 3Q2012 was 3.1 percent, higher than most analysts expected.

The most recent manufacturing and service sector reports issued by the Institute for Supply Management (ISM) indicate that there was little net change for the Wood Products industry in December, though production was higher. The performance of the Paper Products industry improved in December, with production, employment and new orders all higher. Real Estate and Ag & Forestry both reported no change in overall activity, while Construction expanded.

Across the South, pine sawtimber and chip-n-saw prices remained stable during the last 60 days of the year. Increased demand from housing start activity has not caused large price increases, primarily because the large number of timberland owners who delayed harvests during the recession are moving back in the market. Pulpwood prices—both pine and hardwood—surged at the end of the year, due to harvest activity being constrained by wet winter weather and stronger industry performance.