

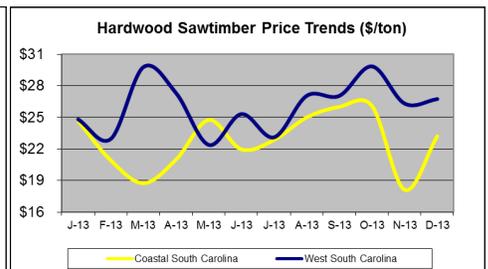
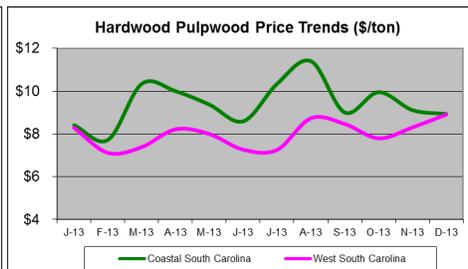
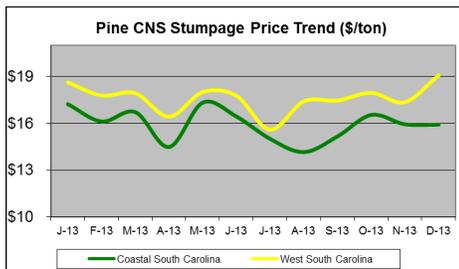
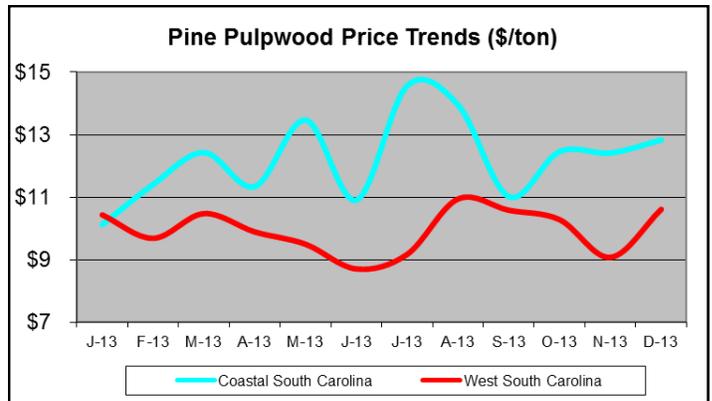
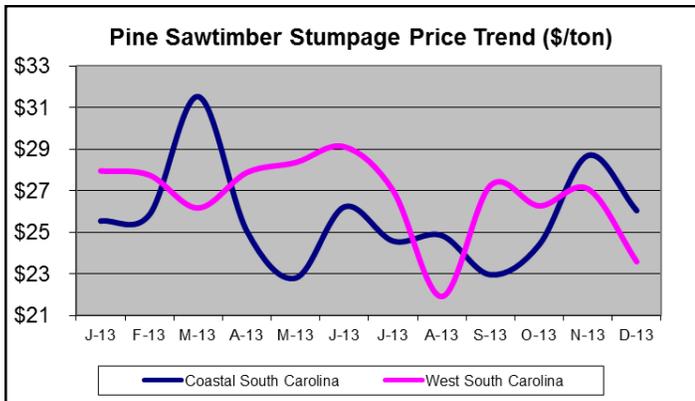


Since many variables, such as raw material demand, mill inventories, buyer competition and weather, play key roles in determining local prices, we encourage you to subscribe to our continuously updated online price service at www.forest2market.com for prices that are specific to your local area.

Forest2Market Market Regions

- West South Carolina
- Coastal South Carolina

SOUTH CAROLINA STUMPAGE PRICE TRENDS





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 Charlotte, NC 28277
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SOUTH CAROLINA STUMPAGE PRICES

Coastal South Carolina			
Weighted Average Stumpage Prices (\$/ton) 4th Quarter 2013			
Product	Price	Price Change	Percent Change
Pine Pulpwood	\$ 12.55	-\$0.92	-6.8%
Pine Chip-n-Saw	\$ 16.31	-\$0.05	-0.3%
Pine Sawtimber	\$ 26.14	\$0.24	0.9%
Hardwood Pulpwood	\$ 9.38	-\$1.52	-13.9%
Hardwood Sawtimber	\$ 22.78	-\$1.18	-4.9%

West South Carolina			
Weighted Average Stumpage Prices (\$/ton) 4th Quarter 2013			
Product	Price	Price Change	Percent Change
Pine Pulpwood	\$ 9.82	-\$0.29	-2.9%
Pine Chip-n-Saw	\$ 18.12	\$1.22	7.2%
Pine Sawtimber	\$ 25.55	-\$2.63	-9.3%
Hardwood Pulpwood	\$ 8.26	\$0.45	5.8%
Hardwood Sawtimber	\$ 28.98	\$3.03	11.7%

U.S. SOUTH TIMBER MARKET OUTLOOK

The U.S. economy grew in 3Q2013 by a revised 4.1% (annualized) rate, with increased consumption adding to the earlier-reported inventory build-up. Industrial production gained 1.1% in November. November's housing starts surged nearly to 1.1 million units. There was some bad news too: non-farm employment rose by only 74,000 jobs in December. We anticipate modest GDP growth (averaging 2.3% per year) during the next two years, but decelerating growth in 2H2015 will herald a recession expected in 2016. Housing starts will trend higher after a December 2013 reset, peaking at 1.20 million in August 2015. Oil prices will continue trending lower.

As a result of these microeconomic factors (especially higher housing start numbers), plus some above-normal rainfall in some parts of the South that will push prices higher following seasonal patterns, pine sawtimber and chip-n-saw prices will trend higher over the next two years.

Pulpwood prices will trend in the opposite direction, falling slightly over the course of the next two years, a result of higher sawtimber harvest levels (creating higher pulpwood supplies) and higher lumber production (bringing more mill residuals to the market and driving demand for pulpwood lower).