

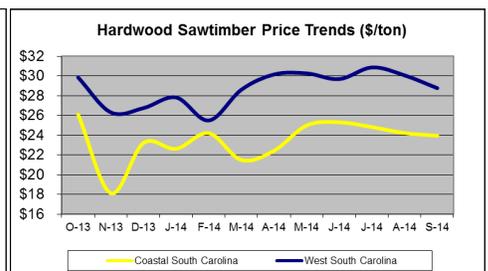
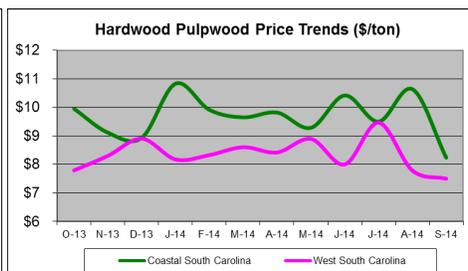
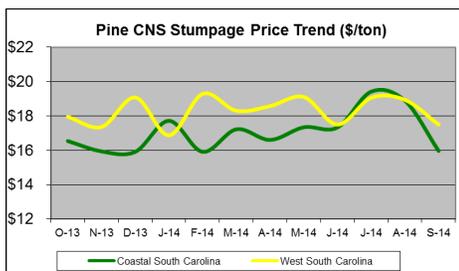
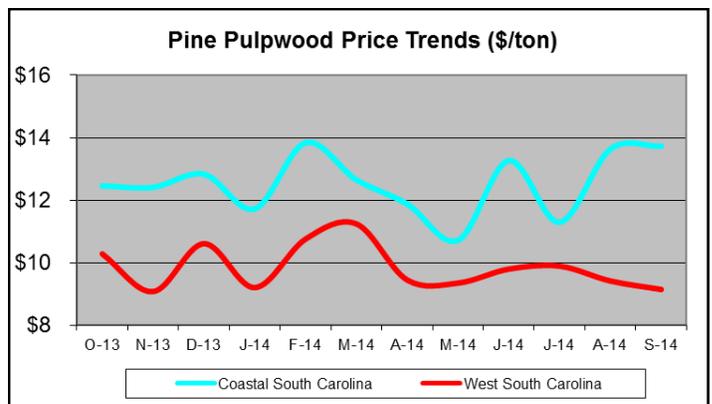
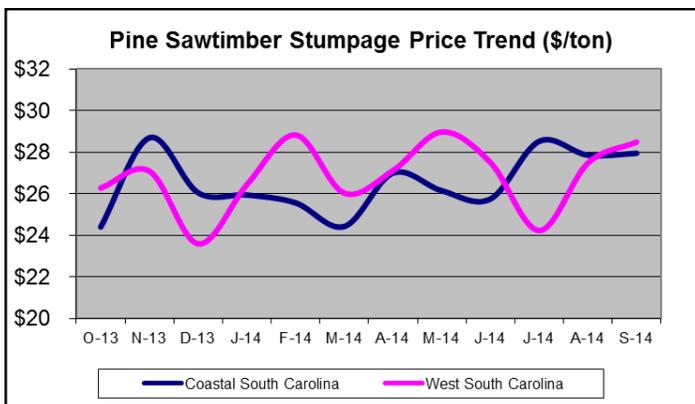


Since many variables, such as raw material demand, mill inventories, buyer competition and weather, play key roles in determining local prices, we encourage you to subscribe to our continuously updated online price service at www.forest2market.com for prices that are specific to your local area.

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) 3rd Quarter 2014			
Product	Price	Price Change	Percent Change
Pine Pulpwood	\$ 13.08	\$1.00	8.3%
Pine Chip-n-Saw	\$ 18.59	\$1.49	8.7%
Pine Sawtimber	\$ 28.08	\$1.70	6.4%
Hardwood Pulpwood	\$ 9.06	-\$0.84	-8.5%
Hardwood Sawtimber	\$ 24.01	-\$1.17	-4.7%

West South Carolina			
Weighted Average Stumpage Prices (\$/ton) 3rd Quarter 2014			
Product	Price	Price Change	Percent Change
Pine Pulpwood	\$ 9.58	\$0.11	1.1%
Pine Chip-n-Saw	\$ 18.96	\$0.01	0.1%
Pine Sawtimber	\$ 26.34	-\$1.32	-4.8%
Hardwood Pulpwood	\$ 9.30	\$0.90	10.7%
Hardwood Sawtimber	\$ 30.79	\$0.64	2.1%

U.S. SOUTH TIMBER MARKET OUTLOOK

The last few months have brought positive news in the way of macroeconomic data. The latest revision of 2Q2014 GDP growth is at +4.2%, a slight increase from the previous estimate. Industrial production rose 0.4% in July, marking the sixth consecutive monthly gain. Manufacturing followed suit by increasing 1.0%, the largest increase since February. Total housing starts jumped to 1.093 million units SAAR, which is only 1.1% shy of last November's peak rate.

Although this past quarter has been positive the fundamentals have not changed. We anticipate the economy to grow at an average of 2.0% through the end of 2015. This growth will gradually slow and end with the beginnings of a recession in the 2H of 2016. Oil Prices will trade sideways through mid-2015, with volatility picking up as the economy slows. Housing starts will continue to improve, peaking in mid-2015.

With housing starts trending upward well into 2015, pine sawtimber and chip-n-saw prices will mimic housing starts, peaking in late 2015, until growth begins to dissipate in 2016. Winter inventory building is underway and pulpwood prices will rise in the near term. Although as housing starts continue to rebound throughout 2015 overall pulpwood prices will suffer due to increased residual chip levels from sawtimber harvests.