

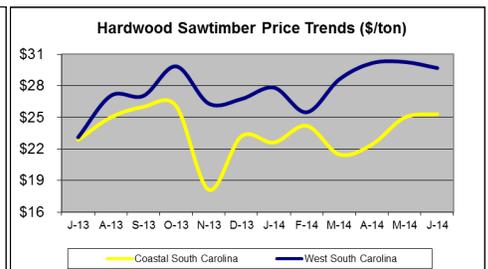
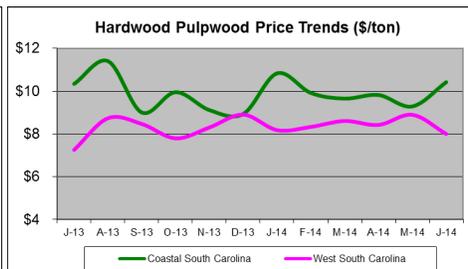
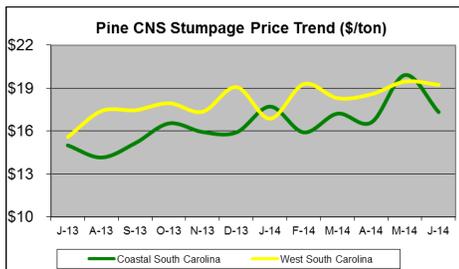
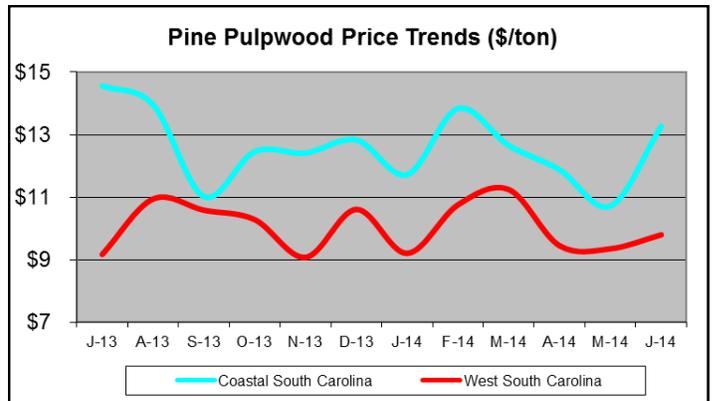
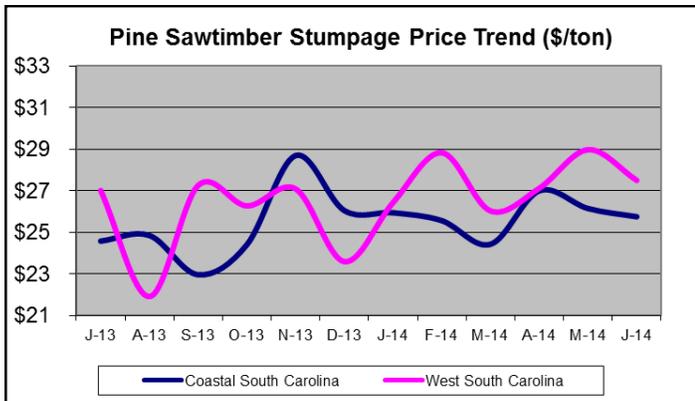


Since many variables, such as raw material demand, mill inventories, buyer competition and weather, play key roles in determining local prices, we encourage you to subscribe to our continuously updated online price service at www.forest2market.com for prices that are specific to your local area.

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) 2nd Quarter 2014			
Product	Price	Price Change	Percent Change
Pine Pulpwood	\$ 12.08	-\$0.96	-7.4%
Pine Chip-n-Saw	\$ 17.10	\$0.79	4.9%
Pine Sawtimber	\$ 26.38	\$0.24	0.9%
Hardwood Pulpwood	\$ 9.90	-\$0.07	-0.7%
Hardwood Sawtimber	\$ 25.18	\$2.21	9.6%

West South Carolina			
Weighted Average Stumpage Prices (\$/ton) 2nd Quarter 2014			
Product	Price	Price Change	Percent Change
Pine Pulpwood	\$ 9.48	-\$1.52	-13.8%
Pine Chip-n-Saw	\$ 18.95	\$0.83	4.6%
Pine Sawtimber	\$ 27.66	\$2.11	8.3%
Hardwood Pulpwood	\$ 8.40	\$0.01	0.1%
Hardwood Sawtimber	\$ 30.15	\$1.71	6.0%

U.S. SOUTH TIMBER MARKET OUTLOOK

Revisions to 1Q2014 real GDP growth estimates showed the economy retracted by 1.0%. Industrial production lost 0.6% in April after having risen about 1.0% in both February and March. Manufacturing decreased by 0.4%. April's housing starts increased 125,000 units, to 1.072 million units (SAAR). Non-farm payrolls expanded by 217,000 jobs in May, finally recovering the jobs lost since 2008. The unemployment rate has held at 6.3%.

We anticipate moderate growth over the near term. Growth is expected to slow as 2015 progresses and will lead to a recession in 2016. Oil Prices will trade sideways through 2014 and 2015. Housing starts will trend upward until Mid-2015 after a sluggish first four months of the year, peaking at 1.32 million in June 2015.

With housing starts beginning to pick up during the summer months, pine sawtimber and chip-n-saw prices will trend higher over the next 12 month period until growth slows during the second half of 2015. Pulpwood prices will trend lower over the same period, falling slightly over the course of 2014 and more quickly during 2015. Increased sawtimber harvest levels and higher lumber production that will accompany the surge in housing starts will drive pulpwood prices.