

JACKSON & PROCHNAU
INCORPORATED
CONSULTING FOREST ENGINEERS
PROFESSIONAL FORESTERS CERTIFIED APPRAISERS

Hungry Hill Timber Enterprises, LLC

May 8, 2017

RE: Timber Cruise Report

Dear Ms. Iannarone,

As instructed, Jackson & Prochnau, Inc. has conducted a complete timber cruise of your property located near Scio, Oregon. The specific property cruised is as follows:

Tax Lot 200, Section 30, Township 10 South, Range 1 West, W.M., 164.18 legal acres
Tax Lot 901, Secton 25, Township 10 South, Range 2 West, W. M., 169.68 legal acres

Of the 333.86 total acres, 284.5 acres were cruised in 4 separate timber types. A total of 139 variable plots were tallied on a 2x10 chain grid. All trees were cruised in 32 foot lengths with half logs acceptable. Top diameters were to 6 inches inside bark or 30% of DBH, whichever was greater. All grading was domestic and conforms to Columbia River Log Scaling Bureau specifications. Overall board foot Standard Error was 3.8%.

In addition to the 4 timber types cruised, there were 2 young reproductive stands that were inspected for age, species content, stocking levels and productive capacity. Both reproductive stands (Types 5 and 9 on the attached timber type map) range in age from 6 to 10 years. Both are primarily Douglas fir with small pockets of Ponderosa pine. Stocking runs about 90% on both. The timber types, as shown on the attached timber type map, are described as follows:

Type 1: this 2.2 acre stand consists of large mature Douglas fir about 70 to 90 years of age. Total net volume is approximately 100 MBF with over half the volume being of export sort quality. About 17% of the net volume fits high grade sorts (Special Mill and better).

Type 2: This 157.1 acre stand consists primarily of 40 year old Douglas fir that has been recently thinned. There are a few small pockets of older timber in this type. Stocking levels have been reduced to an average of 112 trees per acre as a result of the thinning. Average DBH is 12.4 inches. Total net volume is 1.255 MMBF or 8.06 MBF/acre. Over half the volume in this type contains 8"+ logs.

Type 3 is dominated by 30 year old Douglas fir. Most of this age class occurs in the eastern portion of the Section 30 parcel. The type has also been recently thinned. In the Section 25 parcel, type lines between the 30 and 40 year old timber overlap in many areas due to inter-planting. Consequently, pockets of 30 year old timber were included with the Type 2 cruise. Stocking levels for Type 3 have been reduced to about 165 trees peer acre with an average DBH of 10 inches. Only 28% of the standing volume contains 8"+ logs.

Type 4 consists of moderate to poorly stocked Douglas fir with a significant component of maple trees. Most of the Type 4 acreage occurs on very rocky ground which limits seedling survival and reduces overall stocking. Type 4 stands average 82 trees per acre with maple accounting for 16 trees per acre. Average diameter is 11.3 inches for DF with merchantable height averaging one 32 foot log. Nearly all the Type 4 acreage was not thinned. The maple is generally of pulp log quality.

The other types indicated on the map were not cruised and are described below. Types 5 and 9, as described earlier, consist of well stocked reproductive Douglas fir with a small component of Ponderosa pine. Both stands are doing well and have released from brush competition. Types 6 and 7 consist of an unplanted old Christmas tree plantation in Type 6, and a field for Type 7.

Type 8 is the area near the pond and creek. This area is generally very brushy and poorly stocked with commercial timber species. ODF indicates that their “modelling” program shows that the creek meets criteria for a fish bearing stream for the first 1000 feet from the south property line. The creek would need to be sampled for fish prior to starting harvest operations in the vicinity of the creek.

The following table summarizes the cruise results.

Type No.	Type Call	Acres	DF Vol.	BLM Vol.	Total Net	MBF/Acre	Plots	Std. Error
1	D4/// 1937	2.2	100	0	100	46	3	12.40%
2	D3,2/// 1977	157.1	1255	11	1266	8.1	81	4.50%
3	D2/// 1987	78.3	530	2	532	6.8	33	7.40%
4	D2,3// 1977	46.9	173	24	197	4.2	22	15.60%
	Total Cruise	284.5	2058	37	2095	7.4	139	3.80%
5	D1///p 2010	5.2						
6	Non-stocked	9						
7	Field	11.3						
8	stream/pond	6.3						
9	D1///p 2010	17.6						
	Total Acres	333.9						

The above table works as a legend for the type maps shown on the following 2 pages. Results from the cruise and inspection are used to formulate present net timber value in our forthcoming timber appraisal. Please feel free to contact me with any questions regarding the timber cruise.

Sincerely,

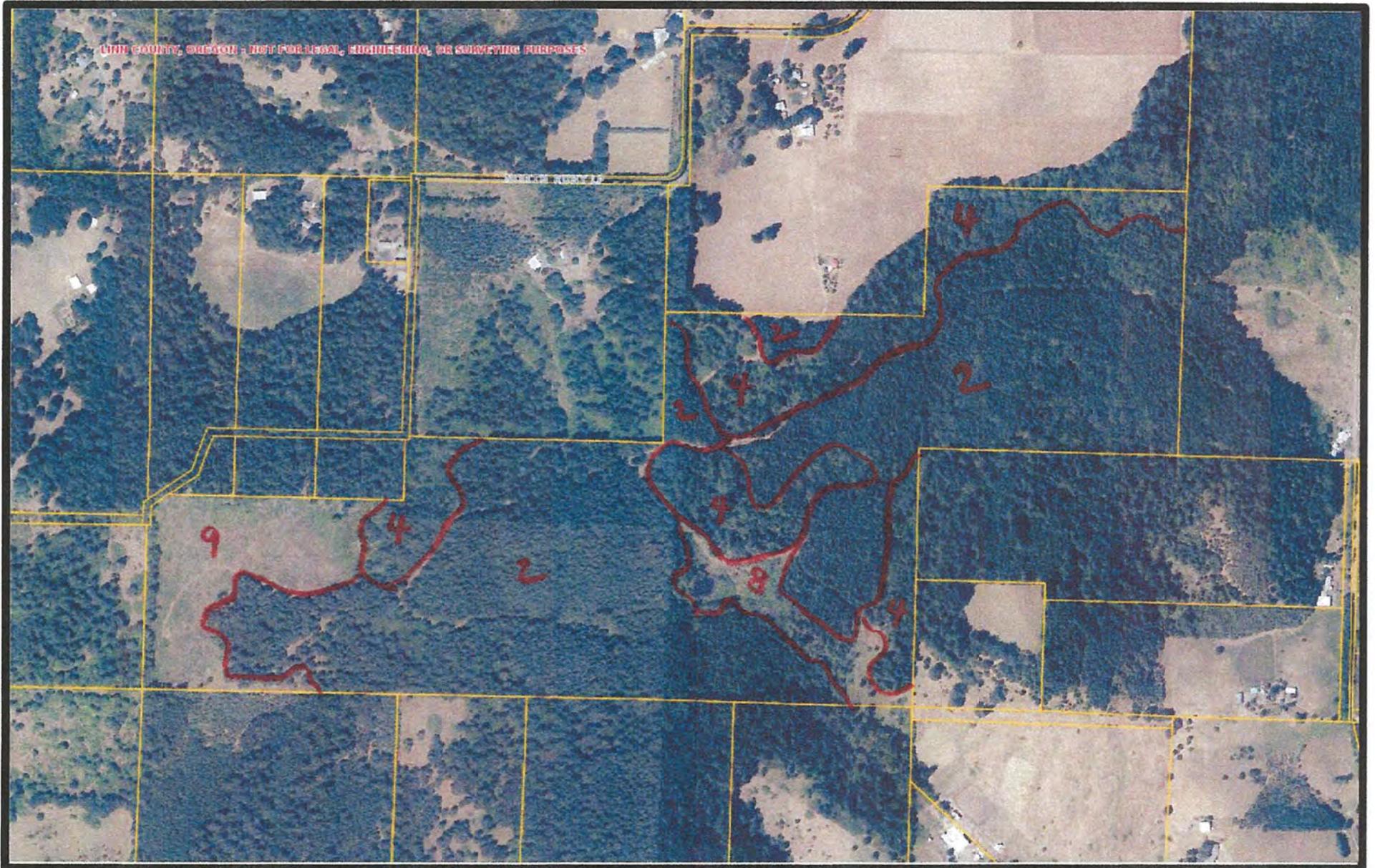
William H. Roach
 Jackson & Prochnau, Inc.



TIMBER TYPE MAP

Hungry Hill Enterprises, LLC

Tax Lot 901, Section 25, Township 10 South, Range 2 West, 169.7 Acres



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