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276-389-9072



August 15, 2018

Dear Mr. Hardy:

Enclosed is the timber description and value summary for approximately 1,100 acres of timberland (subdivided into 13 parcels) owned by the Wilson estate in Franklin County, Virginia. This property is situated near Callaway, in the vicinity of Green Creek, just east of the Blue Ridge Parkway.

TIMBER DESCRIPTION:

Overview: The forest resource has been sustainably managed for decades. The result is a patchwork of high quality timber that is ready for harvest today, plus an abundance of desirable growing stock that will reach maturity in the next 2-3 decades. Of the several million board feet of timber ready for harvest, there are dense stands of yellow poplar and red oak growing in the coves with mixed oaks, hickory, and some white pine along the ridgetops. There is mature timber on every parcel, some of which is of exceptional quality. A network of old logging roads and skid trails is in place—with a few upgrades, this road network will help the next owner manage these forest assets.

Distribution: High quality, mature timber is evenly distributed across the parcels. The highest value timber is located in rich coves and/or areas with more favorable slopes—gently sloping flats along ridgetops. Approximately 15% of the property consists of this high quality timber. In some areas, the timber quality is outstanding—certain coves have trees where the majority of merchantable stems are $> \approx 24$ " diameter at breast height (DBH). In addition to these areas, at least another 45% of the property consists of actively growing forest with desirable growing stock. Though these areas contain a number of merchantable trees, it would be prudent to defer any timber harvest in these areas for at least 2-3 decades to take advantage of the vigorous growth. The forest management opportunities on the remainder of the property may be limited by steep slopes, poor site productivity, less desirable species composition, or some combination of these factors.

Timber Volumes / Species Composition: Estimated conservatively, there is at least 4 million board feet, Doyle Scale, of merchantable timber on this property, or approximately 3,700 board feet per acre. In light of the timber distribution (see discussion above), some areas will have well in excess of that average—as high as 12,000 board feet per acre or more. The species composition is a mix of yellow poplar, oaks, and associated upland hardwood species with white and yellow pine scattered throughout. The following species are found on the property (ranked by estimated volume):

1. Yellow poplar
2. Chestnut oak
3. Red oak
4. Black oak
5. Scarlet oak

6. White oak
7. Hickory
8. Ash
9. White pine
10. Yellow pine
11. Other mixed hardwoods—Basswood, Cucumber magnolia, Fraser magnolia, Sycamore, Cherry, Black walnut, etc.

Access: The tract is part of the Blue Ridge escarpment, and as such, the side slopes are steep to very steep. Notwithstanding this topography, much of this timberland is accessible by conventional, ground-based forest management equipment; although additional road layout and construction would be needed in places.

VALUE SUMMARY:

Timber value for this property is comprised of the stumpage value of merchantable timber, plus the expected value of the abundant growing stock throughout the property. *A conservative estimate of this timber value is \$1.32 million or approximately \$1,200 per acre.*

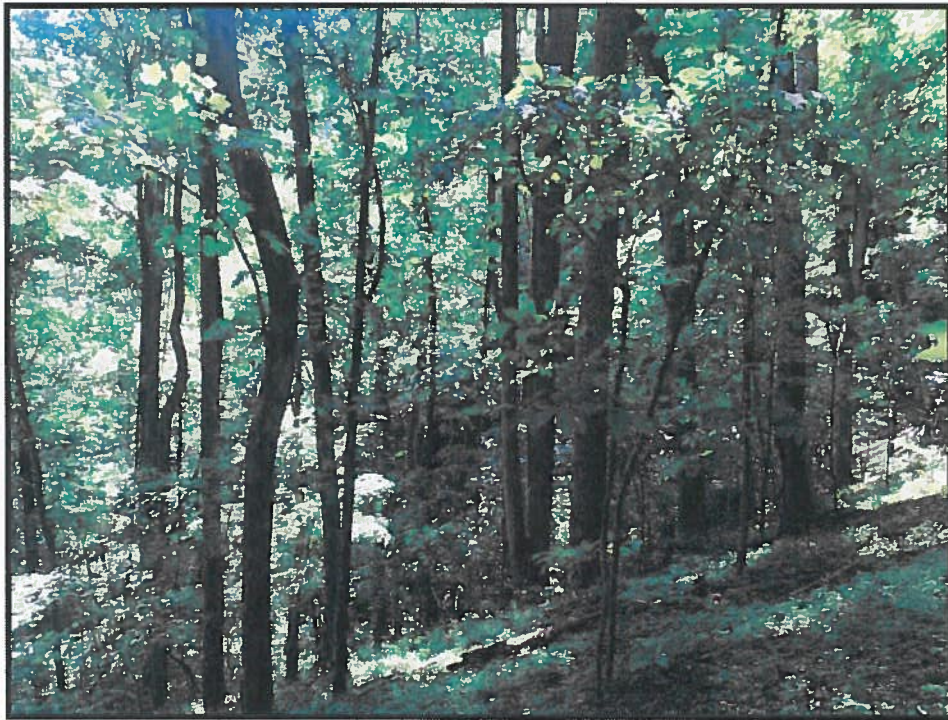
I appreciate your asking me to do this timber description and value summary. If you have questions, please do not hesitate to call.

Sincerely,

David W. Richert

David Richert, CF, CA
Owner/Operator
Whole Forest Solutions, LLC

Enclosures



Photos 1 and 2: Examples of high quality timber found in rich coves and gently sloping ridgetops.



Photo 3: A growing forest—a mix of poles and small- and medium-sized sawtimber trees.



Photo 4: A legacy of forest management.

NOTES/DISCLAIMERS:

1. *This property is subject to a conservation easement that restricts the size of clear cut timber harvesting, especially when these timber harvests would be visible from the Blue Ridge parkway. Any forest management involving a clearcut timber harvest will be subject to input/oversight from Virginia Outdoors Foundation prior to approval.*
2. *This report is not a guarantee of the exact acreage of timberland associated with this parcel of land.*
3. *This value summary is based on a low-intensity cruise of the tract.*
4. *This estimate reflects current market conditions as at August 15, 2018. These market conditions are subject to change at any time.*