

102819
O.W.
R.R. 2,160 ac. Timberland
Founders County, Ga. File #: L019-059

APPRAISAL REPORT

OF

2,160.583± ACRES OF LAND LOCATED APPROXIMATELY 4.5 MILES SOUTH OF
VALDOSTA ON MADISON HIGHWAY, OLD CLYATTVILLE HIGHWAY, AND
HART ROAD IN CENTRAL LOWNDES COUNTY, GEORGIA

MAP-PARCEL IDENTIFICATION NUMBER(S):

0135-009 AND 0135-019

BORROWER:

OLIN WOOTEN

CONDUCTED FOR:

MATT TAYLOR
AGSOUTH FARM CREDIT, ACA
P.O. BOX 368
VIDALIA, GA 30475

DATES:

DATE OF VALUATION: SEPTEMBER 24, 2019

DATE OF REPORT: OCTOBER 27, 2019

PERFORMED BY:

S. TYLER NELSON

FLORIDA STATE-CERTIFIED GENERAL REAL ESTATE APPRAISER # RZ-2521

GEORGIA CERTIFIED GENERAL REAL PROPERTY APPRAISER # 293840

SOUTH CAROLINA CERTIFIED GENERAL APPRAISER # 6801

ALABAMA CERTIFIED GENERAL REAL PROPERTY APPRAISER # G01216

GEORGIA REGISTERED FORESTER RF-2121

DEEP SOUTH APPRAISALS, LLC

1250 BINFORD ROAD

NEWBORN, GA 30056



October 27, 2019

Matt Taylor
AgSouth Farm Credit, ACA
P.O. Box 368
Vidalia, GA 30475

RE: Appraisal of 2,160.583+/-acres located on Madison Highway in central Lowndes County, Georgia. Borrower- Olin Wooten

Dear Mr. Taylor,

After inspection of the above-described property, and based on the facts and opinions contained in this appraisal report, it is my opinion the market value of the subject property as of September 24, 2019, is:

\$3,900,000

The Assumptions and Limiting Conditions can be found in a subsequent section of this report. If you need additional information or have any questions please feel free to contact me. Thank you for the opportunity to work on this project.

Respectfully submitted,

S. Tyler Nelson
Florida State-Certified General Real Estate Appraiser, # RZ-2521
Georgia Certified General Real Property Appraiser # 293840
South Carolina Certified General Appraiser # 6801
Alabama Certified General Real Property Appraiser # G01216
Georgia Registered Forester RF-2121
Deep South Appraisals, LLC.

APPRAISER'S CERTIFICATION

I certify that, to the best of my knowledge and belief:

- *The statements of fact contained in this report are true and correct.*
- *The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.*
- *I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.*
- *I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.*
- *My engagement in this assignment was not contingent upon developing or reporting predetermined results.*
- *My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.*
- *My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.*
- *I have made a personal inspection of the property that is the subject of this report.*
- *No one provided significant professional assistance to the person signing this report.*
- *I have not provided appraisal or other services on the subject property in the three years prior to acceptance of this appraisal assignment.*



S. Tyler Nelson, Appraiser

Florida State-Certified General Real Estate Appraiser, # RZ-2521

Georgia Certified General Real Property Appraiser # 293840

South Carolina Certified General Appraiser # 6801

Alabama Certified General Real Property Appraiser # G01216

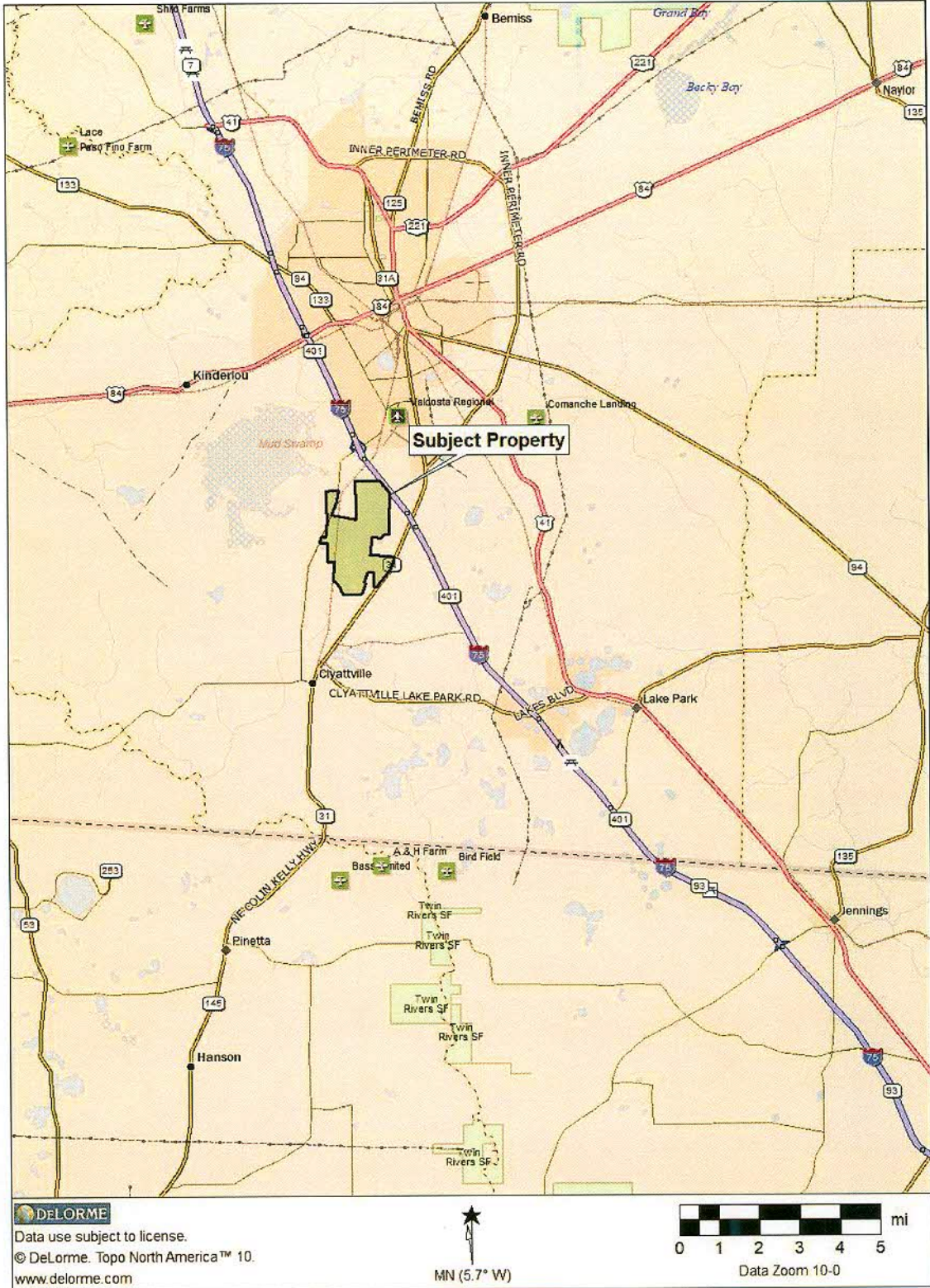
Georgia Registered Forester RF-2121

Deep South Appraisals, LLC

October 27, 2019

Date

SUBJECT PROPERTY GENERAL LOCATION MAP



TIMBER VALUATION

The merchantable planted pine and natural stands were inventoried by Deep South Appraisals, LLC in September of 2019 in order to estimate the merchantable timber value found within these stands. These stands were sampled using 10-BAF sample points in which trees considered "in" the sample point were tallied and measured at diameter breast height. There were 207 sample points installed throughout these stands. Data collected during this inventory was utilized in the valuation of this component. The following are the inventory specifications utilized in the timber inventory of the planted and natural stands composing the subject property.

TIMBER INVENTORY SPECIFICATIONS					
		Min.	Max	Merch Top	Min Merch
Species Group	Product Group	DBH	DBH	Diameter	Hgt (ft)
Pine	Pulpwood	4.6"	N/A	0"	16
	Chip-N-Saw	8.6"	12.59"	5"	20
	Sawtimber	12.6"	N/A	8"	25
	Large Poles	12"	N/A	8"	25
Hardwood	Pulpwood	6"	N/A	4"	20
	Sawtimber	12"	35"	10"	20
Cypress	Pulpwood	6"	N/A	4"	20
	Sawtimber	12"	35"	10"	20

Current Timber Market

The timber products on the subject property are valued based on area timber sales and current stumpage rates as provided by local forestry consultants. An additional regional publication was researched for stumpage price trends in this market area. The following table is a summation of this analysis;

COMPARABLE TIMBER SALES									
			PINE			HARDWOOD		CYPRESS	
			Pulp	CNS	Saw	Pulp	Saw	Mulch	Saw
County	Date	Acres	(\$/ton)	(\$/ton)	(\$/ton)	(\$/ton)	(\$/ton)	(\$/ton)	(\$/ton)
Columbia, FL	Jul-19	55				\$5.00	\$20.00	\$6.00	\$24.00
Columbia, FL	Jan-19	15	\$19.00	\$26.00					
Hamilton, FL	Aug-18	10	\$18.03	\$26.90	\$36.40	\$10.50	\$30.00		
Consultant	Current	N/A	\$14.00	\$23.00	\$31.00	\$3.50	\$24.50	\$11.00	\$18.00
Consultant	Current	N/A	\$15.50	\$24.00	\$31.00				
Timbermart-FL	2nd Qtr '19	N/A	\$15.60	\$22.88	\$29.53	\$7.61	\$18.59	\$7.38	\$18.57
Timbermart-FL	1st Qtr '19	N/A	\$16.58	\$23.52	\$29.65	\$8.01	\$18.80	\$6.25	\$35.19
Timbermart-FL	4th Qtr '18	N/A	\$14.86	\$23.02	\$30.09	\$5.70	\$19.04	\$11.50	\$22.60
Timbermart-GA	2nd Qtr '19	N/A	\$14.98	\$20.81	\$27.53	\$10.75	\$33.82	\$9.13	\$21.63
Timbermart-GA	1st Qtr '19	N/A	\$14.40	\$21.85	\$28.07	\$11.13	\$34.18	\$10.94	\$28.70
Timbermart-GA	4th Qtr '18	N/A	\$14.15	\$20.58	\$27.16	\$9.92	\$44.17	\$12.00	\$23.60
		Mean	\$15.71	\$23.26	\$30.05	\$8.01	\$27.01	\$9.28	\$24.04
		High	\$19.00	\$26.90	\$36.40	\$11.13	\$44.17	\$12.00	\$35.19
		Low	\$14.00	\$20.58	\$27.16	\$3.50	\$18.59	\$6.00	\$18.00

The following table presents the timber product pricing based on the above timber data obtained for the subject market area. The consultant interviews and area sales were given the greatest weight in the timber pricing for the subject property. There was not a significant amount of pine poles on the subject property and these components were not allocated separately in this analysis. These prices will be utilized to value the timber volumes estimated in the timber inventory.

TIMBER PRODUCT PRICES		
Type	Product	Per Ton
PINE	Pulpwood	\$14.00
	CNS	\$23.00
	Sawtimber	\$31.00
HARDWOOD	Pulpwood	\$4.00
	Sawtimber	\$24.50
CYPRESS	Mulch	\$10.00
	Sawtimber	\$18.00

The following table includes the overall valuation of the subject's planted pine and natural timber components as found during the timber inventory process. A valuation spreadsheet along with timber volume reports for each stand can be found in the Addenda of this report.

MERCHANTABLE TIMBER ESTIMATION-ALL PLANIED PINE STANDS						
	Inventory	Price	Total	Stand	Value/	% of Total
(Volume in Tons)	Volumes	(in tons)	Value	Acres	Acre	Volume
<i>Pine Products</i>						
Pulpwood	16,683.0	\$14.00	\$233,562	519.9	\$449.24	43.42%
Topwood	1,788.0	\$10.00	\$17,880	519.9	\$34.39	4.65%
Chip-n-Saw	13,166.0	\$23.00	\$302,818	519.9	\$582.45	34.27%
Sawtimber	5,859.0	\$31.00	\$181,629	519.9	\$349.35	15.25%
Total Pine	37,496.0		\$735,889	519.9	\$1,415.44	97.58%
<i>Hardwood Products</i>						
Pulpwood	928.0	\$4.00	\$3,712	519.9	\$7.14	2.42%
Sawtimber	0.0	\$24.50	\$0	519.9	\$0.00	0.00%
Total Hardwood	928.0		\$3,712	519.9	\$7.14	2.42%
<i>Cypress Products</i>						
Mulch	0.0	\$10.00	\$0	519.9	\$0.00	0.00%
Sawtimber	0.0	\$18.00	\$0	519.9	\$0.00	0.00%
Total Cypress	0.0		\$0	519.9	\$0.00	0.00%
Totals	38,424.0		\$739,601	519.9	\$1,422.58	100.00%

MERCHANTABLE TIMBER ESTIMATION-ALL NATURAL STANDS						
	Inventory	Price	Total	Stand	Value/	% of Total
(Volume in Tons)	Volumes	(in tons)	Value	Acres	Acre	Volume
<i>Pine Products</i>						
Pulpwood	4,739.0	\$14.00	\$66,346	589.5	\$112.55	14.30%
Topwood	2,087.0	\$10.00	\$20,870	589.5	\$35.40	6.30%
Chip-n-Saw	3,161.0	\$23.00	\$72,703	589.5	\$123.33	9.54%
Sawtimber	4,711.0	\$31.00	\$146,041	589.5	\$247.74	14.22%
Total Pine	14,698.0		\$305,960	589.5	\$519.02	44.35%
<i>Hardwood Products</i>						
Pulpwood	9,032.0	\$4.00	\$36,128	589.5	\$61.29	27.25%
Sawtimber	426.0	\$24.50	\$10,437	589.5	\$17.70	1.29%
Total Hardwood	9,458.0		\$46,565	589.5	\$78.99	28.54%
<i>Cypress Products</i>						
Mulch	6,615.0	\$10.00	\$66,150	589.5	\$112.21	19.96%
Sawtimber	2,369.0	\$18.00	\$42,642	589.5	\$72.34	7.15%
Total Cypress	8,984.0		\$108,792	589.5	\$184.55	27.11%
Totals	33,140.0		\$461,317	589.5	\$782.56	72.89%

MERCHANTABLE TIMBER ESTIMATION-ALL MERCHANTABLE STANDS						
	Inventory	Price	Total	Tract	Value/	% of Total
(Volume in Tons)	Volumes	(in tons)	Value	Acres	Acre	Volume
<i>Pine Products</i>						
Pulpwood	21,422.0	\$14.00	\$299,908	2,160.58	\$138.81	29.93%
Topwood	3,875.0	\$10.00	\$38,750	2,160.58	\$17.93	5.41%
Chip-n-Saw	16,327.0	\$23.00	\$375,521	2,160.58	\$173.81	22.81%
Sawtimber	10,570.0	\$31.00	\$327,670	2,160.58	\$151.66	14.77%
Total Pine	52,194.0		\$1,041,849	2,160.58	\$482.21	72.93%
<i>Hardwood Products</i>						
Pulpwood	9,960.0	\$4.00	\$39,840	2,160.58	\$18.44	13.92%
Sawtimber	426.0	\$24.50	\$10,437	2,160.58	\$4.83	0.60%
Total Hardwood	10,386.0		\$50,277	2,160.58	\$23.27	14.51%
<i>Cypress Products</i>						
Mulch	6,615.0	\$10.00	\$66,150	2,160.58	\$30.62	9.24%
Sawtimber	2,369.0	\$18.00	\$42,642	2,160.58	\$19.74	3.31%
Total Cypress	8,984.0		\$108,792	2,160.58	\$50.35	12.55%
Totals	71,564.0		\$1,200,918	2,160.58	\$555.83	100.00%

Based on this analysis, the estimated contributory market value of the subject's merchantable planted pine and natural timber is \$1,200,918 or \$556 per acre over the entire tract. The contributory value of this component is considered in the final market value estimation using the Sales Comparison Approach found in the subsequent section of this report.

Premerchantable Timber Valuation

The subject property contains several stands of premerchantable planted pines. Premerchantable planted pine stands generally do not have commercial liquidation value at this age in the form of harvesting income. However, a value is typically allocated for this component based on an anticipatory value from future harvests. There are several ways to value this component including; developing growth and yield models (method utilized in this analysis), analyzing comparable sales for the contributory value of this component, or by utilizing an existing merchantable (unthinned) stand to estimate its annual growth rate. Typical industry stand stocking, site preparation methods, and seedlings quality was utilized to estimate the future value of this premerchantable stand at age 15. This data was input into a growth simulation program, SiMS 2009, in order to project the volumes of the established stands to age 15. Site index information from the aforementioned soil data was also utilized in this analysis. The volumes at age 15 were valued using current timber prices for each product, then a stand establishment cost of \$250 was deducted from the age 15 value to obtain a growth value contribution for each stand. This growth value was then applied to the existing stands of premerchantable planted pines on the subject property. The results of this analysis can be found in the following table;

Estimated Pine Timber Valuation-Growth Analysis										
Stand	Acres	Pulpwood Vol @ 15	\$ Ton	CNS Vol @ 15	\$ Ton	Sawtimber Vol @15	\$ Ton	Total Value @ 15	Est. Costs	Growth Value
Generic	1.00	61	\$14.00	8.8	\$23.00	0.00	\$31	\$1,056	\$250	\$54

Estimated Pine Timber Valuation-Growth Analysis						
Stand	Acres	Stand Age Sep-19	Avg Growth Per ac/yr	Establishment Costs	Per Acre Value	Total Value
2006 PP	156.3	13	\$54	\$250	\$949	\$148,310
2008 PP	47.2	11	\$54	\$250	\$841	\$39,712
2018 PP	185.90	1	\$54	\$250	\$304	\$56,469
Estimated Total Value						\$244,491
Est. Tract Per Acre Value						\$113

The estimated contributory value from the subject's premerchantable planted pine stand is \$244,491 or \$113 per acre over the entire 2,160.583+/-tract acres.

Timber Valuation Summary

Overall, the contributory of the subject's merchantable and premerchantable timber components total \$1,487,033 or \$688 per acre across the entire subject. This figure will be utilized in the adjustment process of the Sales Comparison Approach.