



LAND & TIMBER PROSPECTUS

LANE COUNTY, OR



McKENZIE RIVER TREE FARM

BLUE RIVER, OREGON

546.4 Acres

Section 30, Township 16 South, Range 4 East
TL300 (290.1 Acres); TL1000 (20.7 acres); TL1100 (37.2 acres)

Section 25, Township 16 South, Range 3 East
TL2600 (198.4 acres)

SEALED BID AUCTION
BID DEADLINE: May 12, 2016 (3:00 pm)

Contact: **Fred Sperry**, *Principal Broker*
NW Forest Properties
fred@nwforestproperties.com
(541) 868-6567



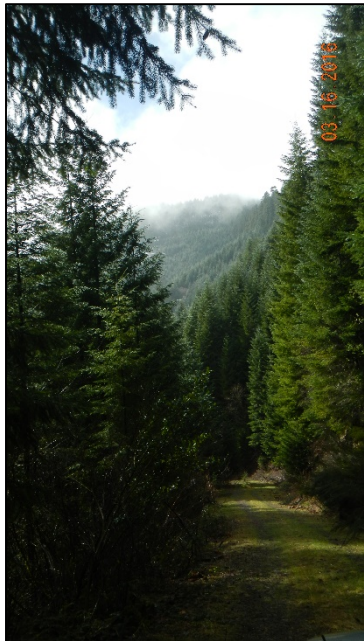
McKENZIE RIVER TREE FARM

LAND & TIMBER OFFERING

On behalf of Taylor Brothers Timber, LLC, NW Forest Properties is offering this property as a sealed bid auction. Bids will be opened at 3:00 pm on May 12, 2016.

GENERAL DESCRIPTION

This is a highly productive tree-growing property, well stocked with Douglas-fir. Approximately 83% of the acres are Site Class II- or above. Douglas-fir site index average is 122. The predominant age class is 25-30 years (66%). Approximately 84% is 21-40 years old. Reforestation was excellent with most acres being well-stocked with Douglas-fir. The property is well-roaded. Most roads have a rock surface.



Access: Direct access (no easement required) is provided from Highway 126 at mile post 39 just west of Blue River. Turn off Highway 126 to the north at the bus stop sign. Immediately turn right (east) and follow the road ~500 feet to the gate. There is a combination lock box with the key inside hanging on the hinge side of the gate.

Property Inspection

Contact Fred Sperry (541) 868-6567 or Tim Gurton (541) 636-7851 for the lock box combination.

Zoning: The entire property is zoned F1 by Lane County

Higher and Better Use: This property is not being marketed as having higher and better use value.

Soils: NRCS Lane County Soils Survey is available upon request.

Hydrology: There are two main drainages: Fern Creek and Doris Creek. 3300' of Fern Creek within the property was verified as a small fish stream by ODF in 2015. ~1100' of Doris Creek within the property was verified as a small fish stream by ODF in 2015.

Sensitive Resources

HLHL. The majority of terrain is very steep. Significant portions of the property have been identified as high landslide hazard locations (HLHL). HLHL restricts the ability to harvest to varying degrees depending on the downstream public safety risk (DSPSR). (A geo-technical report is available.)

Disclaimer: This information is provided to assist prospective purchasers' in their preliminary assessment of the property. No guarantee is made by the Seller or by NW Forest Properties as to the accuracy of any information contained in this prospectus. Prospective buyers should perform their own due diligence.

The Fern Creek drainage (251 acres) is the most heavily impacted. Because the highway and a commercial business operation are located downstream, Geosciences determined the DSPSR to be “substantial.” Harvesting is limited to areas where slopes are less than 80%. In draws and headwalls the limiting slope is 70%.



Roughly estimated, there may be 40 acres in the Fern Creek drainage where the slopes are under the slope thresholds. The determination of actual acres where harvesting will be permitted needs to be made on a site specific basis and upon approval of ODF.

Geosciences has determined the DSPSR of Doris Creek to be “intermediate”. The general rule is that logging is permitted on HLHL sites in drainages with intermediate DSPSR. However, no more than half of the HLHL within a basin may be in the 0-9 year age class. The entire intermediate drainage may be thinned at any given time. The thinning must be “from below” and the residual stand must be capable of responding rapidly. The residual stand density must be no lower than 30% less than the maximum stand density index. Site specific conditions could further limit operations.

The Elk Creek basin is also considered to be “substantial” DSPSR. Approximately 38 acres of the property lies within the Elk Creek basin. However, a majority of the acreage is believed to be less steep than the HLHL slope thresholds.

The above information is provided to give prospective buyers a general understanding of the rules regarding HLHL and the potential impact on harvesting this property. Neither Seller nor NW Forest Properties make any warranty regarding actual harvestable acres.

Seller recognizes that the value of the property will be discounted to account for the HLHL limitations. There is huge upside value potential for the buyer if certain measures can be taken to make more acreage available for logging.

Domestic Water Sources. There are domestic water sources located on or near the property.

Threatened and Endangered Species. ODF databases do not identify any sensitive wildlife or plant species on or near the property.

Preliminary title report and exception documents are available upon request.

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McKENZIE RIVER TREE FARM

PROPERTY INFORMATION SUMMARY

LOCATION Lane County, OR
Tax Lots 300, 1000, 1100, Sec 25, T16S, R4E
Tax Lot 2600, Sec 30, T16S, R3E

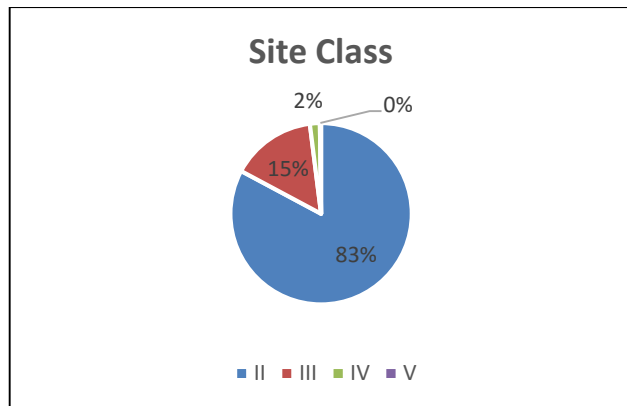
PROPERTY SIZE Tax Lot Acres = 546.4

ZONING F1 (Non-Impacted Forest Lands)

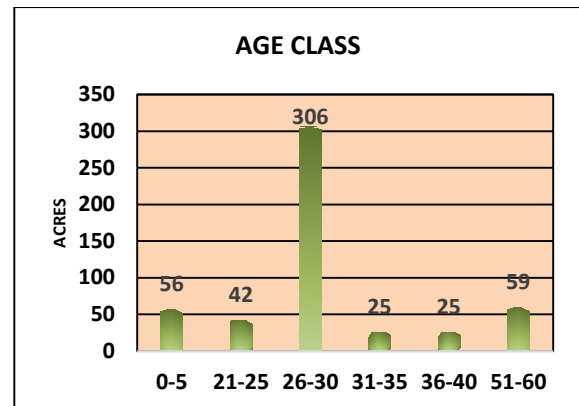
SOILS (NRCS Soils Survey)

Klickatat stony loam	48.5%
Peavine silty clay load	33.5%
Hummington gravelly loam	7.4%
Bohannon gravelly loam	7.2%
Other minor soil types	3.4%

SITE INDEX Average DF SI = 122 (Kings 50yr)



AGE CLASS DISTRIBUTION



ELEVATION 1040'-3000'

ROADS Most roads are rocked

HYDROLOGY There are two main drainages: Fern Creek and Doris Creek. 3300' of Fern Creek within the property was verified as a small fish stream by ODF in 2015. ~1100' of Doris Creek within the property was verified as a small fish stream by ODF in 2015.

PROXIMITY

Springfield	~38 miles	Cottage Grove	~64 miles
Eugene	~49 miles	Roseburg	~110 miles

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BID PROCESS

Please submit your bid on the attached bid form. A sealed bid is the preferred method. Bids submitted by fax or email will be kept confidential. Bid deposits must be presented to NW Forest Properties prior to the bid deadline for the bid to be considered.

This property is being sold as land and timber.

TERMS OF SALE: Cash due at closing
Property sold "As Is"
Seller to provide standard title insurance policy
Escrow fees shared 50:50

Preference will be granted to bids that contain few or no conditions that require subsequent due diligence beyond a review of the final preliminary title report.

BID DEPOSIT: \$25,000 in the form of a cashier's check or certified bank check made out to Cascade Escrow ("Taylor Brothers" on memo line)

BID DEADLINE: 3:00 pm, May 12, 2016

CLOSING: June 3, 2016. Closing may be delayed to accommodate the Seller's 1031 timing requirements.

SUBMIT BID & DEPOSIT TO: Fred Sperry, Principal Broker
NW Forest Properties
PO Box 42273
Eugene, OR 97404
(541) 505-3377 fax
fred@sperryridge.com

ESCROW: Cascade Escrow
811 Willamette Street
Eugene, OR 97401
(541) 687-2233
Julie Johnson, Escrow Officer

BROKERS: *The Seller is not offering a Buyer's broker commission. Brokers will need to procure their commission from their Client.*

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**TAYLOR BROTHERS TIMBER, LLC
McKENZIE RIVER TREE FARM
LAND & TIMBER SALE**

BID FORM

BIDDER: _____

BID AMOUNT: _____

BID CONTINGENCIES: *(We anticipate that the successful bid will contain few or no conditions that require subsequent due diligence beyond a review of the final preliminary title report.)*

BIDDER ADDRESS: _____

PHONE NUMBER: _____ (cell) _____ (office)

EMAIL: _____

Bidder acknowledges that it has inspected the property and has determined its bid based on its own assessment and due diligence. Information that was provided by Seller and NW Forest Properties was intended to assist prospective purchasers in their preliminary assessment of the property. No guarantee is made as to its accuracy.

Bidder has been provided a copy of the preliminary title report and the Purchase and Sale Agreement stating the terms of agreement. The bid should contain few or no conditions that require subsequent due diligence beyond a review of the final preliminary title report.

By signing below I warrant that I have full authority as a purchaser or as a representative of the purchaser to submit this bid.

SIGNATURE: _____ **DATE:** _____

PRINT NAME: _____

☐ I have read the Oregon Real Estate Agency Disclosure Pamphlet

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