
August 31, 2006

Oregon Department of Transportation, Right of Way Section
Attn: Gail Harbert, Room 420
355 Capital Street, N.E.
Salem, Oregon 97301-3871

Dear Gail:

In accordance with our agreement, I have re-appraised the immediate harvest value of stumpage on Parcels 5 & 6 in Douglas County, Oregon. These parcels have been designated as surplus and are being considered for sale, either separately or combined, by the Oregon Department of Transportation (ODOT). These parcels are identified as Tax Lot 200, Section 35, T31S, R5W, Willamette Meridian. They are located approximately 3 miles north of the town of Azalea on opposite sides of the Interstate 5 (I-5) freeway. I re-inspected the timber on these parcels on August 11, 2006. This letter summarizes the results of my re-inspection and stumpage re-appraisal for these parcels.

Physical Characteristics

Parcels 5 & 6 contain a total of 97.66 acres. Of this, approximately 61.66 acres is in Parcel 5 (west of I-5) and 36 acres is in Parcel 6 (east of I-5). Approximately 97 acres of these parcels are forested with merchantable timber. The remaining 0.66 acres of non-forest and sub-merchantable timber are located in roads and in minor openings in the merchantable timber stands.

Soils on these parcels are deep and above average in productivity for Douglas County. Site quality is low Site Class II to high Site Class III for Douglas-fir. Slopes average approximately 50% on these parcels and they are vulnerable to surface erosion or mass movement, if denuded or undercut. Ridgetops provide stable locations for road construction on these parcels and both cable and helicopter yarding systems could provide low-impact logging systems. There are no indications of recent soil movement on these parcels. There are, however, some minor slumps in the approximately 15-year-old BLM clearcut adjoining the northern boundary of Parcel 5. Therefore, timber harvesting or road construction on these parcels should be designed to avoid creating slope stability problems.

There is a small, perennial, stream in the southwest corner of Parcel 6 and a number of small intermittent streams in both of these parcels. None of these streams have fish or domestic water use. Jack Tanahill, the local Oregon Department of Forestry (ODF) Forest Practices