



A TIMBER APPRAISAL  
of  
76± acres  
in the  
Ricardo Guadalupe Survey, Abstract 34, Tract 08  
Trinity County, Texas

Prepared for:  
Michelle Dickeson  
123 Northridge Circle  
Longview, TX 75605

Effective Date of Appraisal  
July 27, 2018

Prepared by:  
Richard Cole  
Senior Forester  
Burns Forestry  
P.O. Box 1227  
Crockett, TX 75835



## BURNS FORESTRY

*"Good Stewards of Your Timberland"*  
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July 30, 2018

Michelle Dickeson  
123 Northridge Circle  
Longview, TX 75605

Re: Timber valuation, 76± acres in the Ricardo Guadalupe Survey, Abstract 34, Tract 08, Trinity County, Texas

Dear Ms. Dickeson:

In response to your request, we have conducted the required investigation, gathered the necessary data, and made certain analyses that have enabled us to form an opinion of the market value of the fee simple interest in the timber located on the subject property, being 76± acres in the Ricardo Guadalupe Survey, Abstract 34, Tract 08, Trinity County, Texas.

Based on an investigation of the property and the investigation and analyses undertaken, we have formed the opinion that as of July 27, 2018, the market value of the commercial timber upon the subject property is:

**\$76,530.24,**

**rounded to \$77,000**

**(Seventy-seven thousand dollars)**

The narrative appraisal report that follows sets forth the identification of the property, pertinent facts about the subject property, the results of the investigations and analyses, and the reasoning leading to the conclusions.

Sincerely,

Richard Cole  
Senior Forester  
Burns Forestry

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PHOTOGRAPH



Timber near middle of subject property.

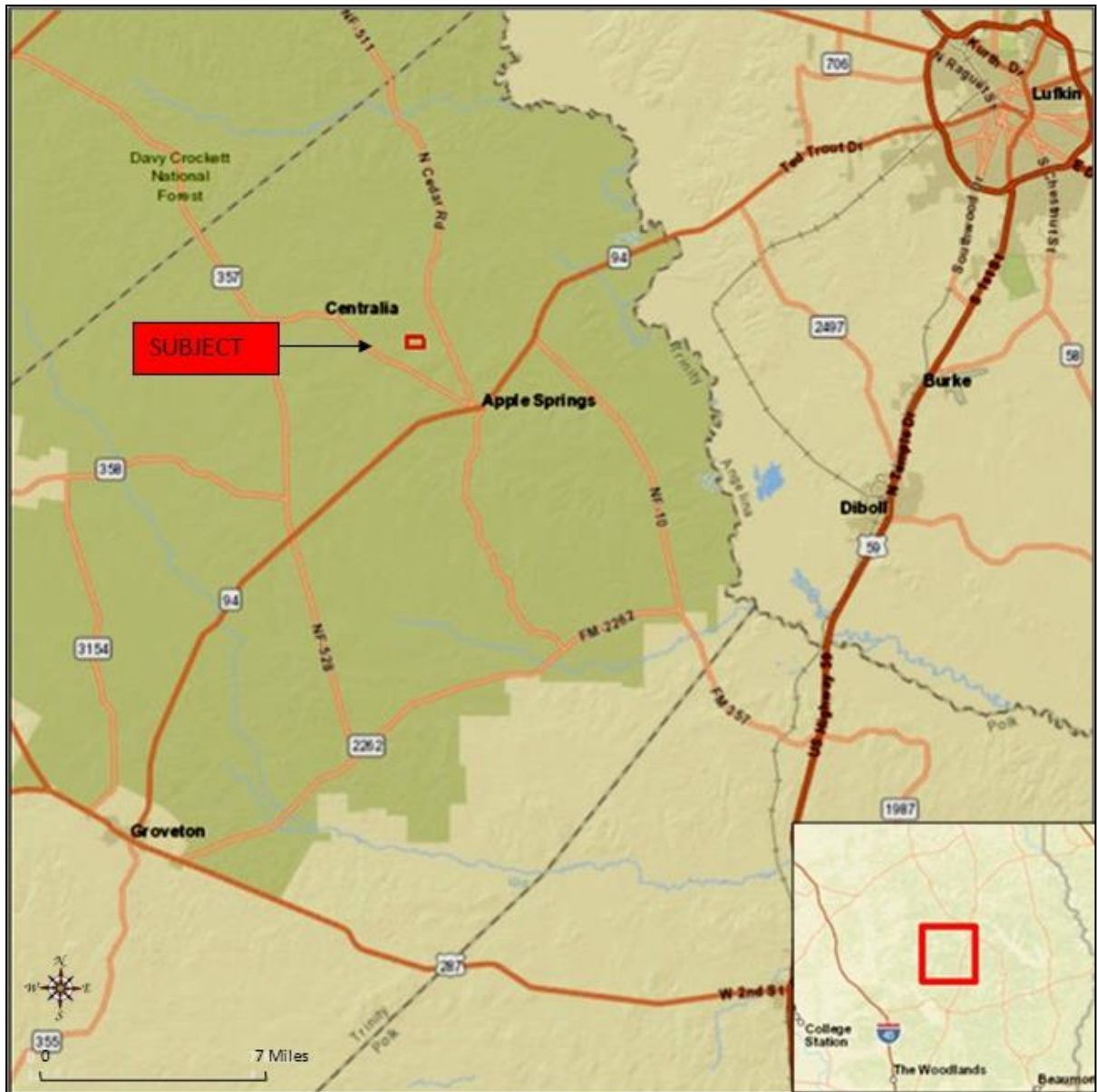
## SUMMARY OF IMPORTANT CONCLUSIONS

Property Type	Timber & Pasture
Location of Property	North of Farm-to-Market Road 357, about 2.5 miles southeast of the Centralia Community in northeastern Trinity County, Texas
Owner of Record	Travis A. Tullos
Date of Value Estimation	July 27, 2018
Estimated Area of Appraisal	76± acres
Estimated Wooded Acreage	58 acres
Highest & Best Use	Commercial timber production
Commercial Timber Value-Sales Comparison Approach	\$77,000 (rounded) (\$1,013± /acre on 76± acres)

Pine Sawtimber (791 tons)	\$23,715.27
Pine Pulpwood, incl. Topwood (232 tons)	\$1,160.00
Hardwood Sawtimber (1,161 tons)	\$44,133.53
Hardwood Pulpwood (537 tons)	\$7,521.44
<b>Total</b>	<b>\$76,530.24</b>

**Rounded to \$77,000.**

# LOCATION MAP



## AERIAL IMAGE



Note: The south boundary line of the subject property, as depicted here, differs from the south boundary as mapped by the Trinity County Appraisal District. The boundary depicted herein reflects the location of the fencelines observed on the ground, and is assumed to be accurate for the purposes of this appraisal.

## PROPERTY DESCRIPTION

Subject property appears in the Trinity County Appraisal District records as being Property ID: 27468, Owner ID: 629484, 76.00 acres in the Ricardo Guadalupe Survey, Abstract 34, Tract 08. Current Ownership is listed as Travis A. Tullos, c/o Michelle Dickeson, 686 Charlie Adams Drive, Livingston, Texas 77351.

The property is reportedly accessed from Farm-to-Market Road 357 by a recorded easement. However, field note description of the easement delivered to Burns Forestry was incomplete, so the location and route of the legal easement to the subject property has not been determined by Burns Forestry. The property is currently accessed by a mostly undeveloped woods road, which appears to cross multiple ownerships. It is unclear whether this road (approximately one mile in length, as measured by vehicle speedometer, is the actual legal easement, or is a road of convenience used by permission of the adjoining landowners. This appraisal assumes free and unfettered access to the property by established roads suitable for logging.

The north boundary line of the subject property appears to run approximately east/west, and is marked by white-painted blazes on trees near the boundary line, and by an old barbed-wire fence in that is in disrepair, being down in many places.

The northwest property corner is assumed to be a tree banded with white paint. The northeast property corner is assumed to be the intersection of the old north fence and a barbed-wire fence ranging approximately north/south that is in slightly better condition than the north fence.

The southeast property corner appears to be a corner post at the intersection of the east fence and an old barbed-wire fence that ranges approximately east-west. Approximately mid-way between the southeast and southwest corners, the old south boundary line fence ties into a much newer barbed-wire fence (also ranging about east-west), which continues to the assumed southwest property corner.

This new section of fence along the assumed south property boundary appears to be less than two months old (as evidenced by fresh dirt around new fence posts). Timber has been harvested recently (within the past year) south of this fence location, and the current fence location appears to have been honored as the property boundary by the adjoining landowner.

While we did not visit the southwest property corner, it appeared from a distance that this corner was an intersection of the new barbed-wire fence along the south boundary line and an older barbed-wire fence along the west property boundary. This fence along the west boundary line stops perhaps 100 feet short of the northwest property corner referenced above.

It is important to note that the south boundary line of the subject property as depicted in this appraisal differs from the south boundary depicted on maps obtained from the Trinity County Appraisal District and from other sources. This appraisal assumes that the south boundary line

#### PROPERTY DESCRIPTION, CONT'D

as depicted on the attached "Appraisal Map" is correct and accurate.

The 76±-acre subject property consists of forested land (58± acres), and open land (18± acres). The forest consists of a mixture of various hardwood and pine species. The open land appears to have been used for pasture or hay meadow in the past, but does not appear to have been mowed recently.

No houses, barns, or other structures or improvements were observed on the property. Two small ponds are located on the property, and an intermittent stream enters the west boundary line of the property and exits the south boundary of the property.

## TIMBER INVENTORY

On July 26 and July 27, 2018, Richard Cole, Senior Forester of Burns Forestry inventoried merchantable pine and hardwood timber on 58± acres of the 76± acre subject property, being that part of the property populated with commercial timber.

Mr. Cole completed an approximate 10% inventory of merchantable trees by measuring DBH (diameter, measured 4.5 feet above the ground) in 2-inch increments and merchantable height of each tree. Mr. Cole also recorded the species of each tree and assigned a merchantability class to each tree (pine sawtimber, pine pulpwood, hardwood sawtimber or hardwood pulpwood based upon its likely highest and best use) depending upon size and quality of each tree.

“Pine chip-n-saw” (an intermediate size class between pine sawtimber and pine pulpwood) was not tallied as separate merchantability class, since the number of trees meeting chip-n-saw specifications for size and straightness were insufficient to warrant separation during a commercial logging operation. The few trees in our sample which met chip-n-saw specifications were therefore re-assigned to either “pine sawtimber”, or “pine pulpwood” categories, as appropriate.

Non-merchantable trees that were excessively crooked, decayed, storm-damaged or otherwise did not meet mill specifications for either hardwood sawtimber or hardwood pulpwood were tallied as “cull trees” and excluded from inventory and valuation.

According to our inventory, the merchantable trees consist of 21% pine species (loblolly and shortleaf pine), and 79% hardwood trees (water oak, willow oak, white oak, southern red oak, sweetgum and hickory being the most abundant species). Pine trees were noted in varying numbers throughout the subject property, so the merchantable timber is best categorized as a “Mixed Type”.

Tree diameters, tree heights, and merchantability classes of the tallied trees were used to determine the cumulative timber volume (expressed in tons) of pine sawtimber, pine pulpwood, hardwood sawtimber, and hardwood pulpwood. Results of our inventory of merchantable timber within the fenced boundaries of the subject property is presented herein:

## TIMBER INVENTORY, CONT'D

### Pine Sawtimber

<i>DBH (inches)</i>	<i># of Trees</i>	<i>Tons</i>
12"	31	17
14"	21	13
16"	41	41
18"	155	227
20"	52	89
22"	83	158
24"	52	129
26"	31	85
28"	<u>10</u>	<u>31</u>
<i>Totals</i>	<i>trees 673</i>	<i>tons 889</i>

### Pine Pulpwood

<i>DBH (inches)</i>	<i># of Trees</i>	<i>Tons</i>
6"	10	1
8"	52	14
10"	62	24
12"	41	24
14"	21	18
16"	83	158
18"	10	17
20"	<u>0</u>	<u>0</u>
<i>Totals</i>	<i>trees 197</i>	<i>tons 98</i>

In addition to the standing pine pulpwood inventoried, we estimate an additional 134 tons of pine topwood (useable for pine pulpwood) would be generated by a harvest of pine sawtimber (based on the assumption of 0.17 ton of pine topwood per ton of pine sawtimber), for **a total of 232 tons of available pine pulpwood.**

\*DBH – Diameter Breast Height, measured in 2-inch increments at 4.5 feet above the ground.

# TIMBER INVENTORY, CONT'D

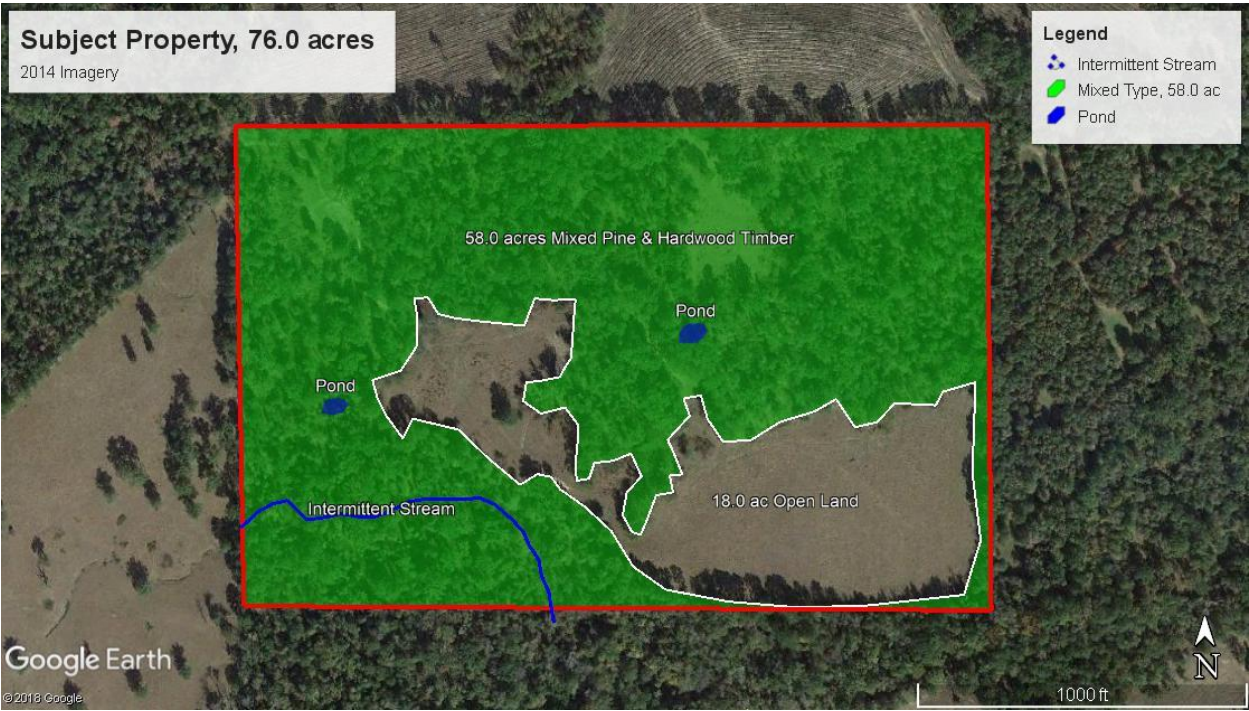
## Hardwood Sawtimber

<i>DBH (inches)</i>	<i># of Trees</i>	<i>Tons</i>
12"	41	10
14"	238	106
16"	166	119
18"	104	99
20"	93	134
22"	41	110
24"	73	170
26"	31	90
28"	31	88
30"	10	55
32"	10	37
34"	10	58
36"	0	0
38"	0	0
40"	<u>10</u>	<u>86</u>
<i>Totals</i>	<i>trees 860</i>	<i>tons 1,161</i>

## Hardwood Pulpwood

<i>DBH (inches)</i>	<i># of Trees</i>	<i>Tons</i>
6"	249	231
8"	508	89
10"	539	156
12"	259	111
14"	52	34
16"	93	70
18"	41	46
20"	<u>10</u>	<u>9</u>
<i>Totals</i>	<i>trees 197</i>	<i>tons 98</i>

APPRAISAL MAP



## COMMERCIAL TIMBER VALUATION

Unit values for merchantable timber were sourced from the most recently published issue of "Texas Timber Price Trends" (Volume 36, No. 2, March/April, 2018), a bi-monthly publication of the Texas A&M Forest Service, and modified by recent timber sale data to reflect current local market conditions and timber pricing.

Our investigation revealed that the market value of the merchantable timber on the subject property as of July 27, 2018 is as follows:

### Unit Value:

Product	Value
Pine Sawtimber	\$30.00/ton
Pine Pulpwood	\$5.00/ton
Hardwood Sawtimber	\$38.00/ton
Hardwood Pulpwood	\$14.00/ton

## ASSUMPTIONS & LIMITING CONDITIONS

The following assumptions and limiting conditions apply to this timber appraisal:

- Property boundaries, as depicted in Appraisal Map herein are correct and accurate.
- Timber harvest would be accomplished by a conventional tree-length logging operation.
- A minimum 12-month term contract would be permitted to remove the timber.
- Timber purchaser would be permitted free and unencumbered access to the subject timber using established roads suitable for travel be loaded log trucks and logging equipment.
- Timber purchaser is free to haul timber to interchangeable markets. Pine logs classified as sawtimber may, alternatively, be hauled to mills for use as construction lumber, treated lumber, or pine plywood. Similarly pine pulpwood may be marketed as material for paper/cardboard production, pine oriented strand board (OSB) panel material, pine posts, or pine fuel pellet stock. Hardwood sawtimber may be marketed for hardwood lumber, hardwood plywood, or for treatment as hardwood railroad ties. Hardwood pulpwood may be marketed for paper/cardboard products, fuel chips, or pallet material. Other products and/or mills other than those listed herein may exist and be utilized by timber purchaser.
- The ratio of 0.17 tons of pine topwood pulpwood per ton of pine sawtimber is appropriate for the timber size and quality.
- Inventoried timber contains no hidden rot or defects that would reduce quality or quantity of timber produced.

## **STATEMENT OF QUALIFICATIONS – 2018**

Richard Lloyd Cole  
The Texas Building P. O. Box 1227  
Crockett, Texas 75835 (936) 544-3622  
e-mail: rcoleburnsforestry@nctv.com

### **Experience**

2003 – present. Burns Forestry. Senior Forester. Current duties include management of all forestry operations, including timber sales and appraisals, landowner assistance, GIS, litigation, timber taxation, timber and wildlife management plans.

1987 – 2003. Louisiana-Pacific Corporation. Assistant District Forester, Crockett District (1987 – 1988), Management Forester, Lufkin District (1989-1999), and District Forester, Crockett District (1999) and Ace District (2000 – 2003). Most recent job assignment included management of 55,000 acres of industrial forestland in four counties and 12,000 acres of private land in the Landowner Assistance program, implementation of compliance procedures for sustainable Forest Initiative (SFI) certification of corporate lands.

1980 – 1987. Forester, Burns Forestry. Supervised timber sales, harvesting contract compliance, and timber appraisal. Trained new forestry employees and supervised management service crew (tree planting, TSI boundary line work, timber marking).

### **Professional Affiliations**

Houston County Forest Landowners Association – Chairman (2011-2012), Vice Chairman – (2009-2010).

American Tree Farm System – State Chairman (2008-2009). Chair-elect (2006 – 2007). Area Chairman (2000 – 2006). Certified Tree Farm Inspector (1980-present).

Texas Forestry Association – Board of Directors (2006 – 2008).

### **Education**

Bachelor of Science in Forestry (Forest Management Emphasis), 1980, Stephen F. Austin State University, Nacogdoches, Texas.

Forest Investment Analysis, 1997 (Post-graduate), Stephen F. Austin State University, Nacogdoches, Texas.

Texas Real Estate License Coursework (Salesperson), 2004, Angelina College, Lufkin, Texas.

### **Certifications**

Accredited Forester, Member No. 0045, Texas Forestry Association.

Texas Pro-Logger Certification, Texas Forestry Association.

Qualified Inspector, No. 7138, American Tree Farm System.