

OPAL MOUNTAIN RANCH

PRINEVILLE, OREGON



RANCHLANDNW

Jake Polvi

(541) 410-3050

jake@polvi.net

www.ranchlandnw.com



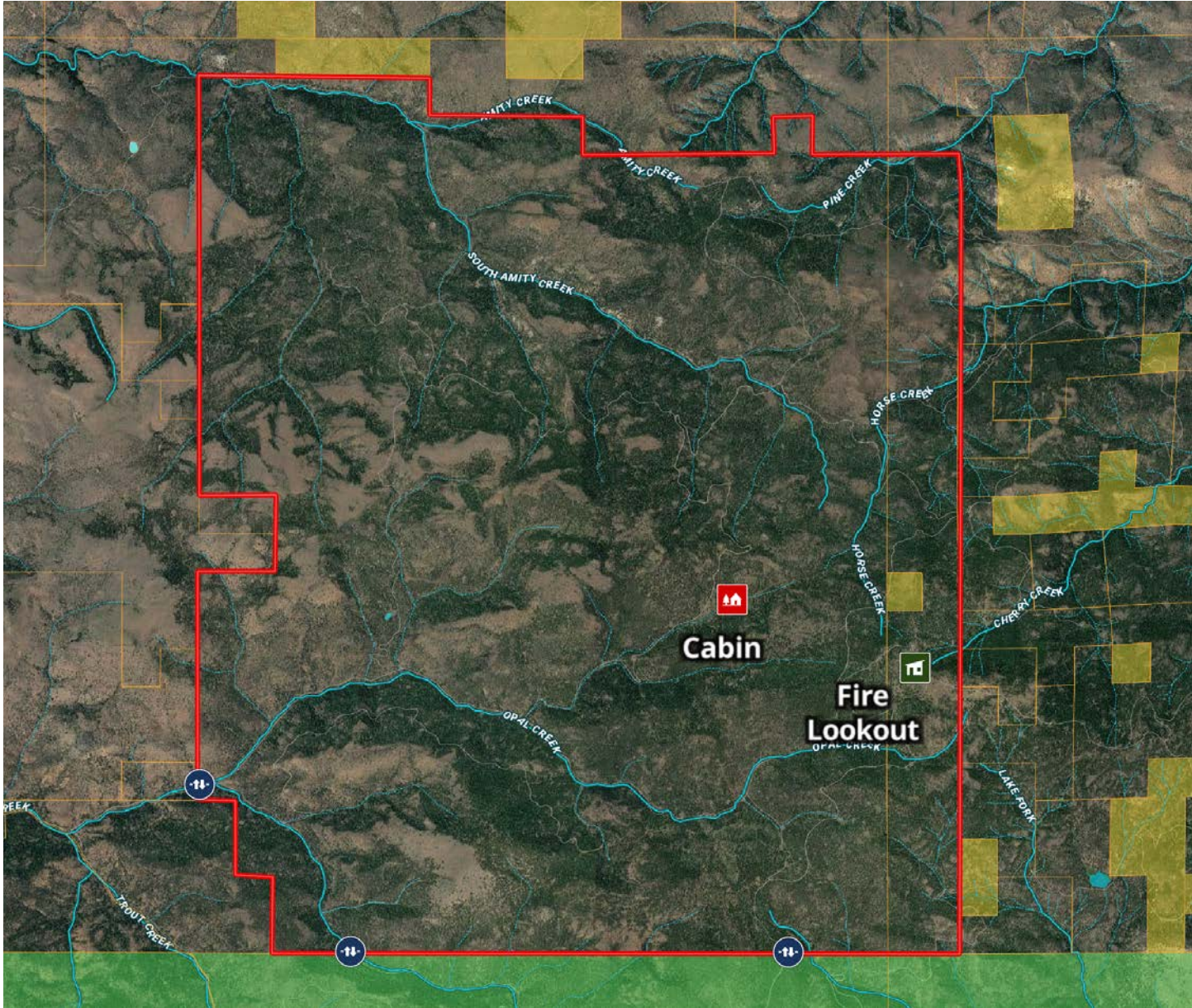
Summary

OPAL MOUNTAIN RANCH
±16,981 ACRES
\$9,500,000

The Opal Mountain Ranch, located twenty-five miles north east of Prineville, Oregon, is a legacy recreational timber ranch consisting of approximately 16,981+/- deeded acres in a large private block with exceptional wildlife, timber and water resources. There are 17+ miles of streams and creeks that create the headwaters of Trout Creek/Deschutes River and flow into the John Day River. With Cascade Mountains views from Mt Bachelor to Mt Rainier as its backdrop, the topography ranges from timber covered slopes, grassy hillsides, steep canyons and meadows. The ranch has an elevation range of 5,700 feet down to 3,600 feet with over four miles bordering the Ochoco National Forest allowing for diverse wildlife habit and abundant recreation. The property is expected to generate attractive annual positive cash flow from outfitting, conservation and carbon projects. Sustainable timber management and recreation create significant long-term appreciation opportunities.

This prime investment is being offered at an attractive price while providing tremendous value for recreational enthusiasts who seek a private retreat, stunning views, and abundant wildlife with the benefit of a positive cash flow.





Location

PRINEVILLE, OREGON

The property is located within the southern portion of Jefferson County in Central Oregon. This area is located approximately 25 miles northeast of Prineville, Oregon and approximately 65 miles from Bend, Oregon.

The property can be legally described by the Map and Tax Lots in Jefferson County:

T11S R18E Tax Lot 200 - 15,397.63 Acres

T11S R19E Tax Lot 800 - 1,584.25 Acres

Zoning

PRIMARY FOREST USE

The subject is zoned Primary Forest Use by Jefferson County. The purpose and intent of the Forest Management Zone is to provide for timber production, harvesting, and related activities, and to help protect timber areas from fire, pollution, and encroachment of non-forestry activities. This zone is also intended to preserve and protect watersheds, scenic areas, and wildlife habitats, and to provide for recreational opportunities and agriculture.



Acreage & Topography

ELEVATION: 3,600 — 5,700 FEET

The property has a mixture of gentle rolling topography graduating to steeper slopes along the southern boundary. The elevations range from of about 3,600 feet to 5,700 feet at Stephenson Mountain. This property is very private, with locked gates, and full of wildlife. Several fish bearing streams run on the property including Opal Creek, Amity Creek and Horse Creek. High mountain view points include Stephenson Mountain, Opal Mountain and Box Springs Butte.

APPROXIMATE ACREAGE BY CATEGORY

TIMBERLAND

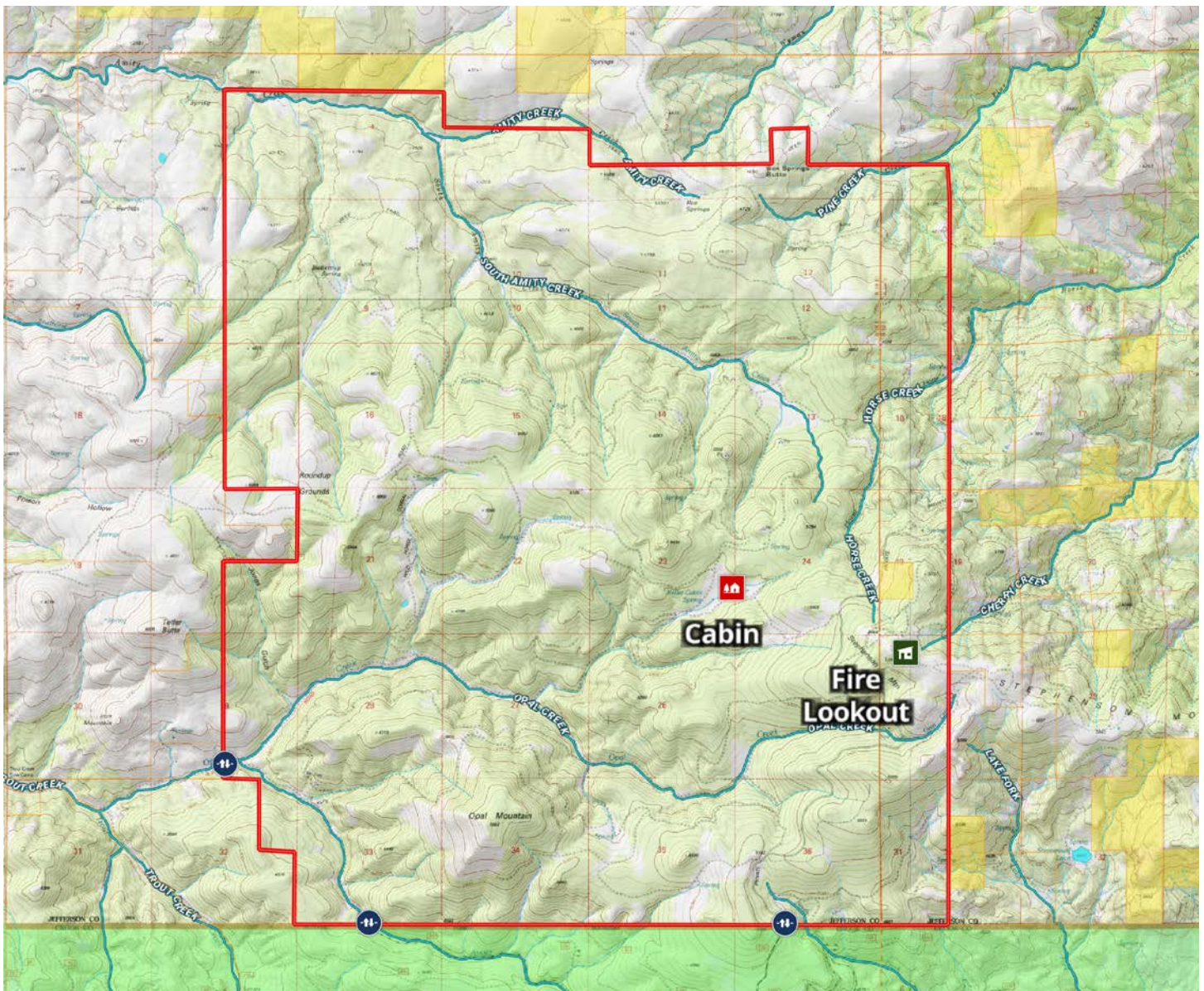
14,186 AC

RANGELAND

2,795 AC

TOTAL

16,981 AC



Water Resources

SPRINGS & CREEKS

The property includes over 17 miles of springs and creeks that provide abundant water for wildlife, fish and stock water. The three major fish bearing creeks, Amity, Opal and Auger Creeks are tributaries to Trout Creek which flows into the Deschutes River Basin. Horse Creek, in the northeastern corner of the property, is a tributary to the John Day River. Winter snow pack at the higher elevations provide annual recharge for all the springs and creeks.



Recreational Amenities

HUNTING, FISHING, HIKING, BIKING,
HORSEBACK RIDING, SKIING

This property is a premier private timber block, located in the heart of the Ochoco Mountains, that also includes some high mountain meadows and rolling rangeland teeming with exceptional big game and upland bird species. In addition to the premier hunting and fishing, the ranch provides abundant opportunities for other recreation, such as snowmobiling, cross-country skiing, horseback riding, four-wheeling, and bike riding or hiking.



Hunting

PRIZED ACTIVITY YEAR ROUND

Abundant wildlife can be seen in and around the streams, timbered canyons and wide open mountain meadows. Hunting remains a prized activity year round. Rocky Mountain elk, Mule deer, Pronghorn antelope, bear, cougar, pheasant, chukar, wild turkey and quail are all found on the property. The ranch qualifies for six mule deer buck and six bull elk landowner permits in the Grizzly Unit 38.

Big game hunting on the property is managed for trophy Rocky Mountain elk and Mule deer. Habitat and abundance of Mule deer provide the opportunity for trophy class bucks. Elk hunts are unique because the ranch is in the main rutting area for the Ochoco Mountains.

This property has been leased to Centerfire Outfitters for over thirty years. Many of the hunting clients have been hunting for decades with the outfitter and return year after year due to the great hunting.

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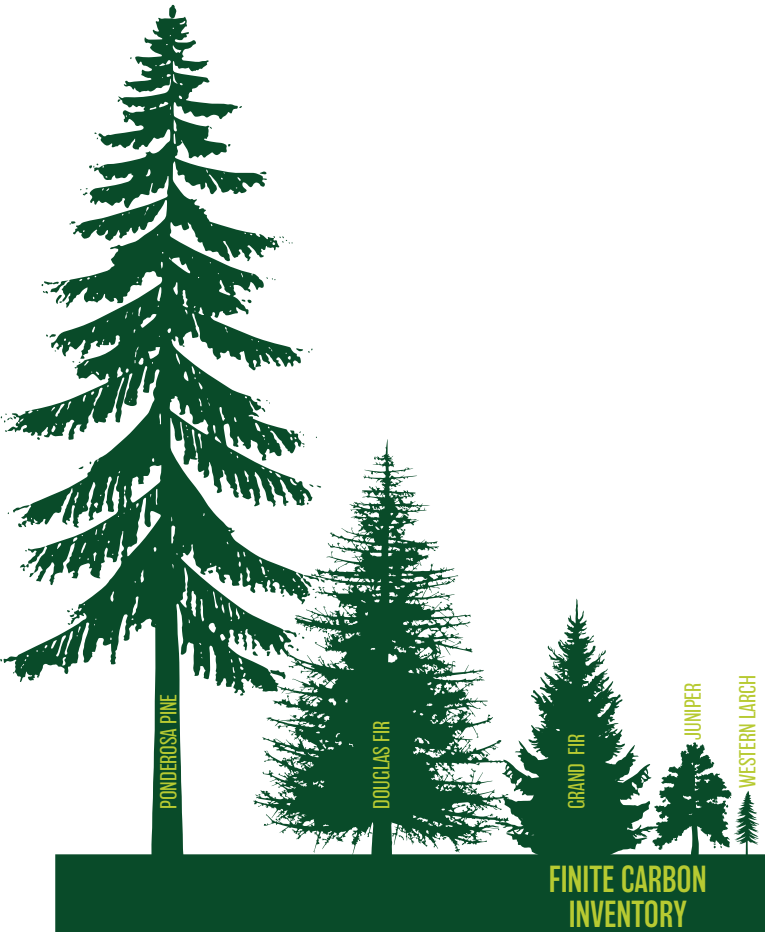


Timber

PINE, FIR, JUNIPER & LARCH

Opal Mountain Ranch is one of the largest, contiguous timberland properties in close proximity to the cities of Prineville, Redmond and Bend. The timberlands are predominately Ponderosa Pine, White Fir and Douglas Fir with smaller volumes of Juniper, Larch and other Pine. Over the years, the previous owners managed for recreation while only harvesting very limited timber.

Estimated net merchantable volume is 70,000 MBF (or 5,000 board feet per timbered acre) with an estimate annual growth of 2,400 MBF. The volume estimate was calculated using third-party inventory data collected in 2020.



Area (Acres)	16,981
Forested Acres	14,186
Stocking (Forested Acres, Avg BF/Acre)	5,000
Merch Volume Estimate (MBF)	70,000
Estimated Annual Growth (MBF)	2,400

STOCKING BY SPP.

Ponderosa Pine	61%
Douglas Fir	22%
Grand Fir	11%
Juniper	4%
Western Larch	1%
Merch Annual Growth Rate	3.44%

MERCHANTABLE SPECS (MINIMUM)

DBH	None
Ponderosa Pine Top End Diameter	6"
All Other Timber Top End Diameter	5"



Conservation

LAYERED CONSERVATION EASEMENT

Opal Mountain's steelhead-bearing streams and wildlife habitat in the Deschutes and John Day watersheds make it a strong candidate for stream and riparian restoration, upland habitat complexity, and wildlife management projects that will enhance the region's native fish and wildlife populations. Conservation can be focused on improved habit complexity for wildlife and include projects ranging from enhanced timber management to mule deer habitat restoration. The owner is examining opportunities to secure public funding for these activities. Many other opportunities exist for the owner to be compensated for ensuring the stewardship of their land and timber for years to come.

Climate

SEMI-ARID, HIGH DESERT

Central Oregon is widely recognized as a tourist destination in part because of its moderate climate, picturesque scenery and significant recreational amenities, and the property's location on the Northern Slope of the Ochoco Mountains provides a semi-arid, high desert climate. Precipitation averages 10-15 inches with heavy snowfall at the upper elevations during winter months. It is not unusual to have overcast conditions in Portland and clear skies in the Prineville area. Scenic views to rivers, buttes and mountain peaks are prevalent. This combination of pleasant weather conditions and scenic views enables all types of outdoor recreation available in Central Oregon.

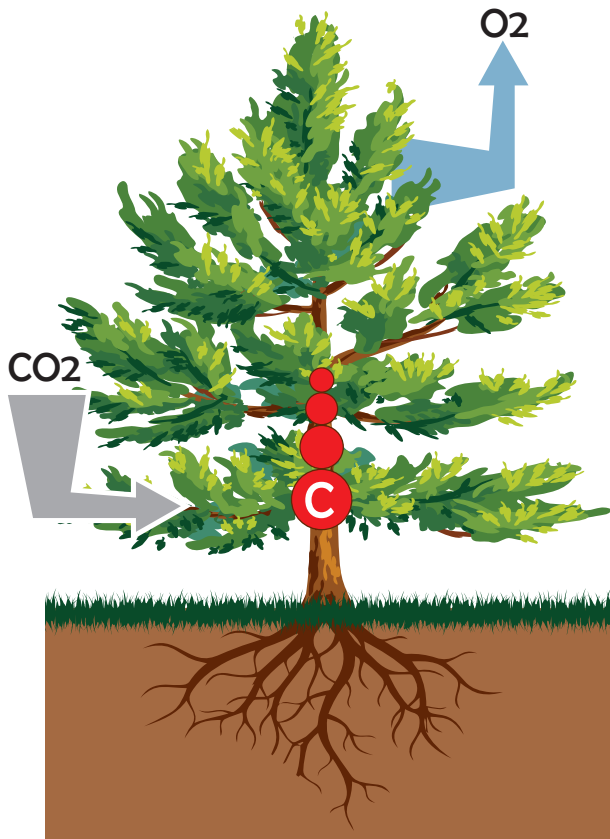


Carbon Project

HOW IT WORKS

As trees grow, forests capture carbon dioxide (CO₂) from the atmosphere and store them in trees' roots and wood. Timberlands are a key carbon sink and play a pivotal role in slowing down the accumulation of greenhouse gases in the atmosphere.

Owners have made significant progress towards establishing a carbon offset project at Opal Mountain Ranch. The carbon project will create opportunities for ongoing sale of carbon offsets under California's greenhouse gas emissions reduction market.



Carbon Benefits

17,000 TONS OF CARBON = ±\$170,000

Opal Mountain Ranch's 2020 timber inventory indicated that the property's timber and carbon stocking exceed regional averages and should generate attractive annual cash flows through carbon sales under regulations promulgated by the California Air Resources Board. Opal Mountain Ranch has implemented the steps (full carbon inventory, list project with a registry, etc.) necessary to finalize a carbon project on the property.

Enrollment in the California carbon program brings valuable benefits to a future buyer, but also imposes certain long-term management requirements. The following is a summary of benefits that may be enjoyed by a landowner following the registration of a carbon project on the property.

The carbon project allows for sustainable timber harvesting. As long as a landowner does not harvest more timber than the amount of growth in a given year, harvesting is permitted. Thus, the landowner can implement a range of silvicultural prescriptions that will generate income and benefit the long-term health and value of the property.

Each year, the landowner can sell carbon offsets equal to the amount of carbon sequestered that year by the trees on the property. Each offset is equivalent to one ton of sequestered carbon. If the landowner harvests no timber in a given year and, as a result, the growth of trees on the property sequesters approximately 17,000 tons of additional carbon, the landowner can sell approximately 17,000 offsets.

Offset prices have been in the \$10-\$15 range over the past few years. At only \$10 per offset, the property could generate \$170,000 each year from the sale of 17,000 offsets representing estimated growth. By way of comparison, property taxes on Opal Mountain Ranch are approximately \$41,000 in 2020.



Carbon Management Requirements

CALIFORNIA AIR RESOURCES BOARD

The landowner can harvest timber at rates that do not exceed the forest's annual rate of growth. The landowner may not intentionally cause the property's carbon stock to drop. However, unintentional losses of carbon (from wildfire, disease, etc.) are not the responsibility of the landowner. The state of California has established a "buffer pool" of offsets by setting aside a portion of all offsets generated by California carbon projects. This buffer pool is analogous to an insurance policy that protects the landowner in the event of a reduction in carbon stocking caused by factors outside the landowner's control, such as wildfire or disease. In the event of such an "unintentional reversal," the state will draw on the buffer pool to replace any lost carbon offsets, and the landowner will be shielded from any associated regulatory penalties.

The landowner will need to submit annual reports to the third-party carbon "registry" responsible for the property. Most landowners satisfy this obligation by hiring a carbon developer, such as Finite Carbon, to perform the analysis and submit the reports. Reporting in most years is a paper exercise (desk

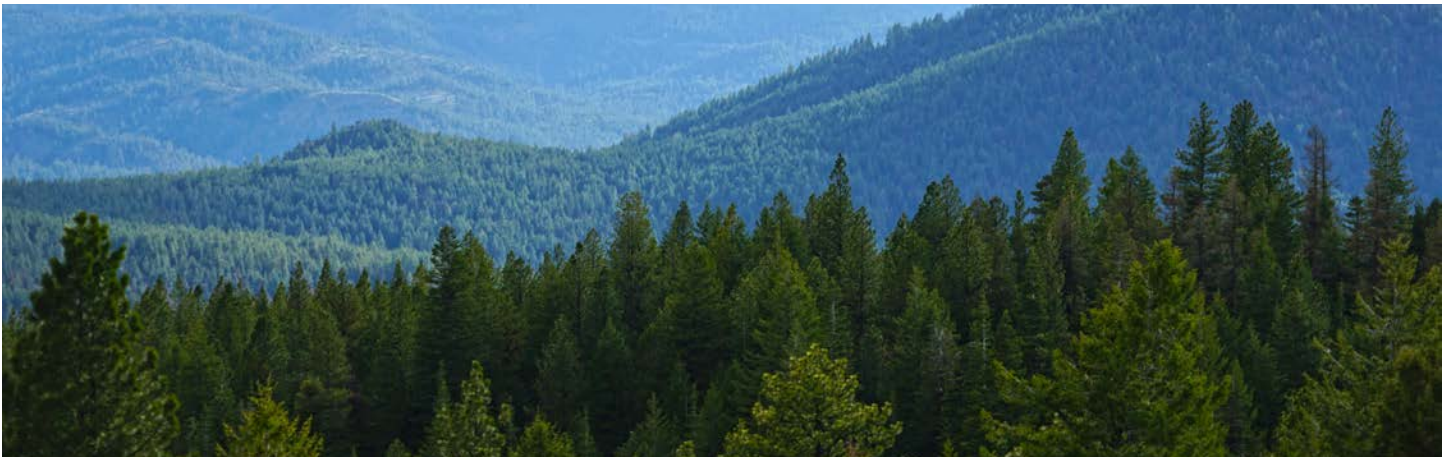
audit) and is not a major undertaking, if the landowner is not harvesting. Every six years, an inventory and field visit verification will be required.

The landowner must commit to sustainable long-term harvesting practices. A common method of demonstrating this commitment is becoming certified under the Tree Farm System, Sustainable Forestry Initiative, or Forest Stewardship Council certification programs.

The property may be subdivided and sold to multiple buyers if all buyers agree to the carbon program restrictions.

The landowner must adopt a natural resource management plan that satisfies the California requirements.

The above is only a summary of the potential benefits and requirements of the program. For more information, please see the detailed guidance available on the website of the California Air Resources Board at <https://ww3.arb.ca.gov/cc/capandtrade/offsets/offsets.htm>.



Improvements

CABIN & FIRE LOOKOUT

Hunting Cabin: A custom hand-hewn log hunting cabin is located on the property and is used by the hunting outfitter. The cabin sits on the edge of a meadow and is accessible by gravel road.

Fire Lookout: The U.S. Forest Service operates a fire lookout on the property, providing the best protection available for a legacy timber property.



Sub-Surface

SUB-SURFACE (MINERAL) ESTATE

All mineral rights appurtenant to the property and owned by the seller will convey to the buyer at closing. There is a Mineral Royalty of 50% interest in income from mineral extraction on the Property. The buyer has absolute control over any exploration, access, and development of these mineral rights.



Opal Mountain Ranch

PRICE: \$9,500,000

DEEDED ACRES: ±16,981

PRICE PER ACRE: \$560.00



HIGHLIGHTS

- 14,186 forested acres with a mixed conifer timber stands
- USFS fire lookout located on the property
- Mountain views from Mt. Bachelor to Mt. Rainier
- 6 buck Mule Deer & 6 Rocky Mountain bull elk land-owner tags
- 8 creeks, some with mountain trout
- Large private block with no public roads or private in-holdings
- Annual income from sustainable forest management projects

Disclaimer: The information provided has been obtained from sources believed to be reliable and is believed to be correct, but the project developers and brokers do not guarantee its accuracy. This information is subject to errors and withdrawal without notice. All distances, sizes, capacities, and similar measurements and figures are approximate. All information about properties should be independently verified by interested purchasers.

For More Information, Contact:

JAKE POLVI

(541) 410-3050

jake@polvi.net

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