

Investor Call

June 12, 2019

Call Participants

- Tom Ringo, President and CEO
- Mike Mackelwich, Vice President of Timberland Operations
- Kevin Bates, Vice President of Timberland Investments
- Jon Rose, Vice President of Real Estate
- Daemon Repp, Vice President and CFO

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Safe Harbor Statement

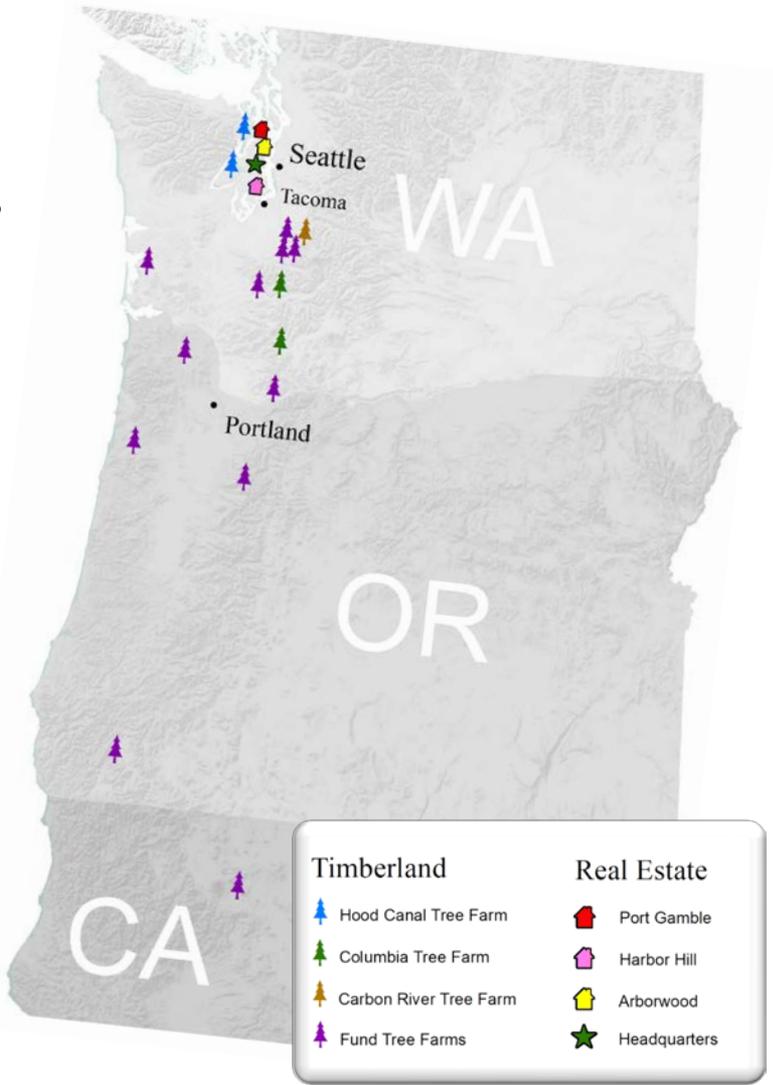
This presentation contains forward-looking statements, which are subject to various risks and should not be relied upon as predictions of future events or promises of a given course of action. Some of the forward-looking statements include statements about our future distribution yield and the related effects of federal tax law, our estimated sustainable harvest levels, our plans and intentions for future private equity fund activities, our estimates for future remediation costs and environmental liabilities at Port Gamble, shifting transportation patterns and other factors that affect our real estate values, and our expectations about the time and costs of completing real estate sales. A number of important factors could cause actual results to differ materially from those described in the forward-looking statements. Some of these factors include environmental issues affecting our properties and our ability to anticipate the actions of regulators, environmental groups, and other parties that might affect our remediation efforts; changes in forestry, land use, environmental, and other governmental regulations; risk of loss from fires, insect infestations, or tree diseases; changes in economic conditions and competition in our domestic and export markets; the costs incurred and the level of management distraction associated with responses to activist investors; and other factors described from time to time in our filings with the Securities and Exchange Commission. In particular, readers should consider those risk factors that are detailed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2018 and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2019. Forward-looking statements speak only as of the date made, and neither Pope Resources nor its management undertakes any obligation to update or revise any forward-looking statements.

Pope Resources: Long-term, Green, Sustainable

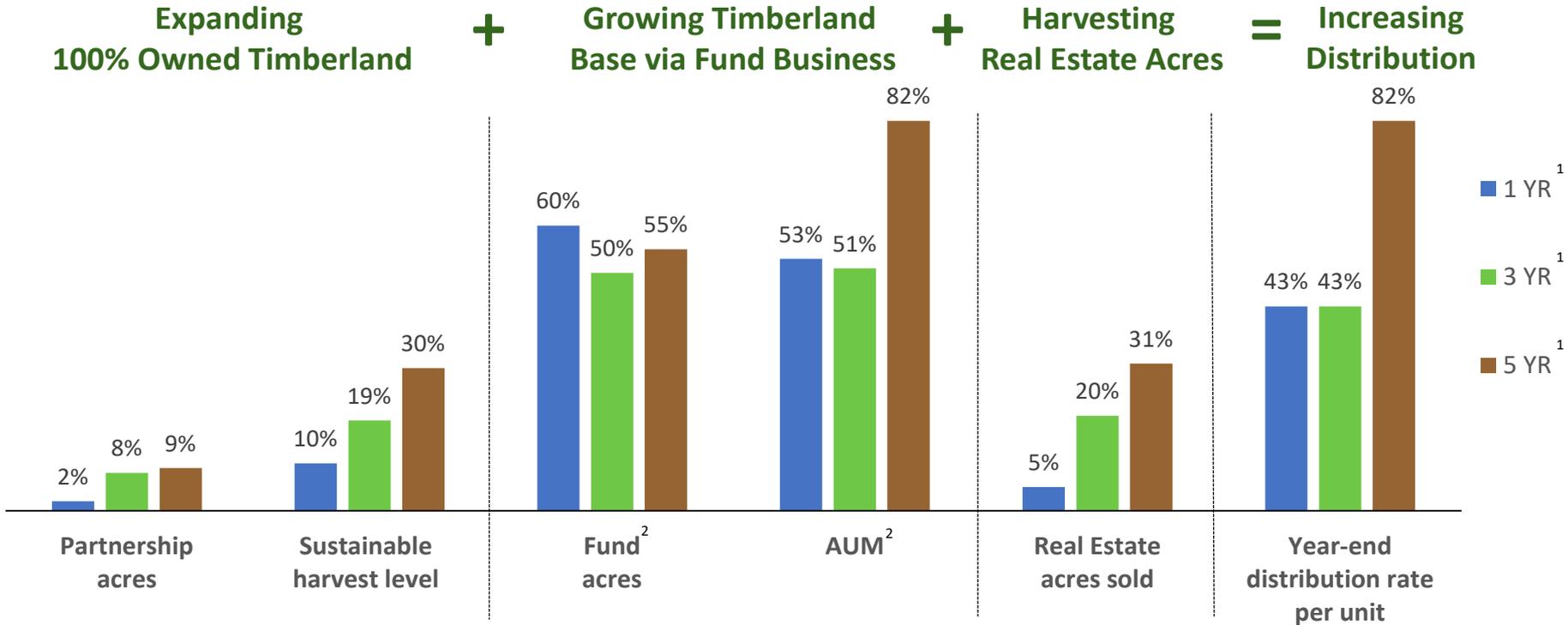
- Pure play publicly traded (NASDAQ: POPE) Pacific Northwest (PNW) timberland owner structured as a master limited partnership
- Emphasis on tax efficient distributions to unitholders (approximately 6%) with capital preservation
- Three decades of managing timberlands and real estate assets in the PNW
- Diversified log markets with access to Asia

Four Complementary Business Segments

Partnership Timber	Funds Timber	Timberland Investment Management	Real Estate
Direct ownership and management of 120,000 acres of Partnership timberlands in western Washington	Co-investment and on-the-ground management of 141,000 acres of Fund timberlands	Investment management of three private equity timber funds with total assets under management AUM of \$545 MM	2,000 acres of development & commercial properties (including 800 entitled lots) in west Puget Sound



Strategy Execution Delivers 43% Distribution Increase



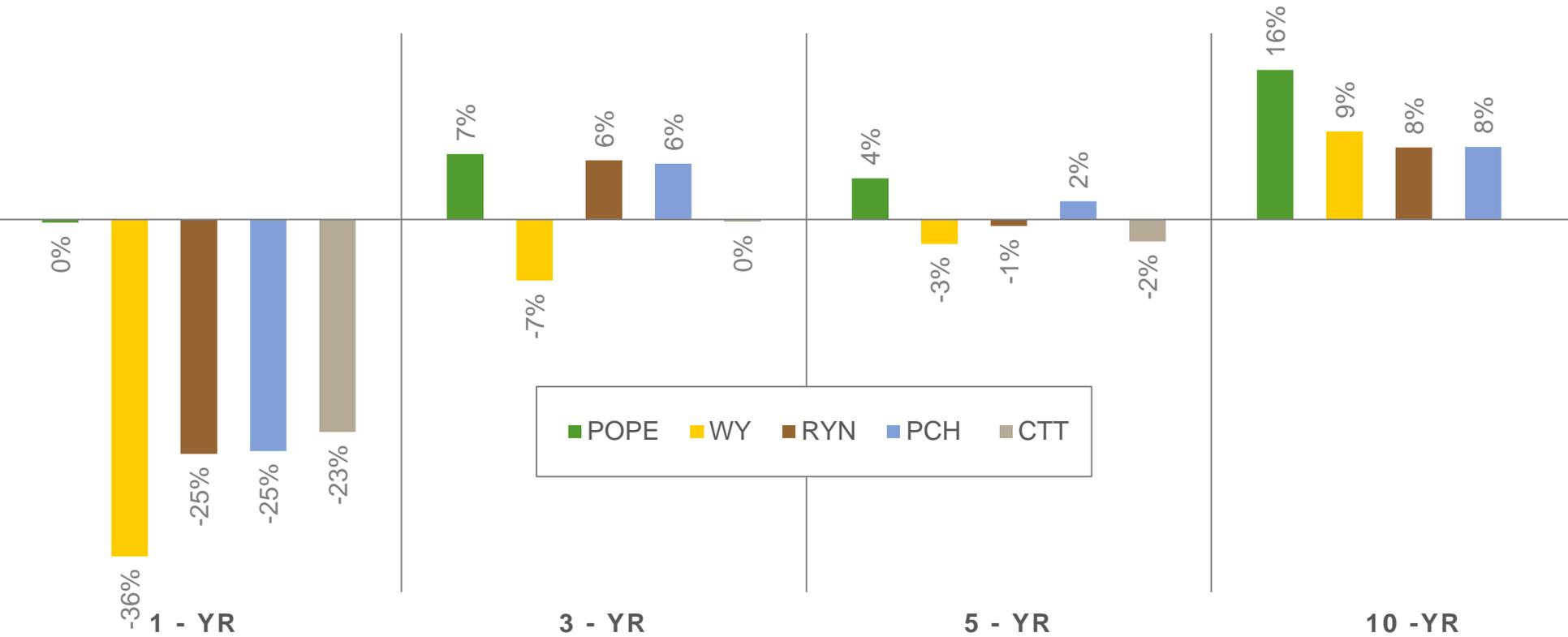
Results over the trailing 12 months

- Growth of Partnership Timber assets provided a 10% increase in the sustainable harvest level which is our largest contributor to CAD³
- Cash accretive acquisitions by Fund IV increased AUM, recurring fee revenue, and Fund distributions to POPE
- 43% increase in unit distribution

¹ Cumulative change as of 12/31/2018;
² Fund acres and AUM include 7,100-acre, \$20.3 MM acquisition by Fund IV which closed in early January 2019
³ See Glossary of terms in Appendix for definition of non-GAAP CAD

Outperforming Timber REIT Peers

POPE ANNUALIZED TOTAL RETURN VS. TIMBER REIT PEERS AS OF 5/31/2019



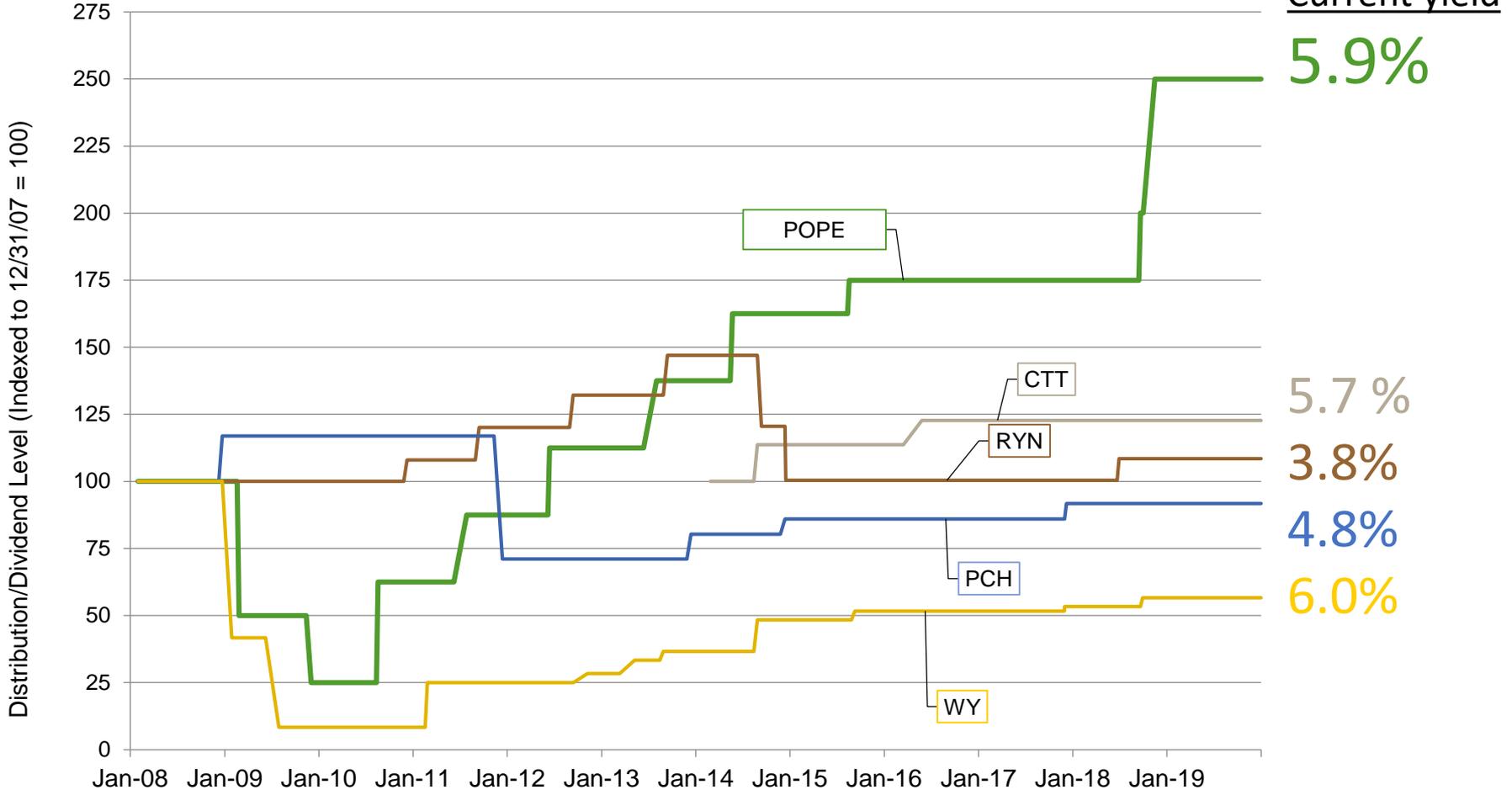
For over 33 years, assuming reinvestment of distributions, POPE has delivered an annualized total return just shy of 13.9%. This outperforms the only two T-REIT peers that have existed over the entire period (PCH: +8.9% and WY: +4.2%), as well as the S&P 500 Index total return of 10.6%¹.

¹33.25 year annualized total return as of 3/31/2019
Source: NASDAQ



10x Increase in Distribution Since GFC

Distribution/Dividend¹ Relative to Pre-Global Financial Crisis (GFC)

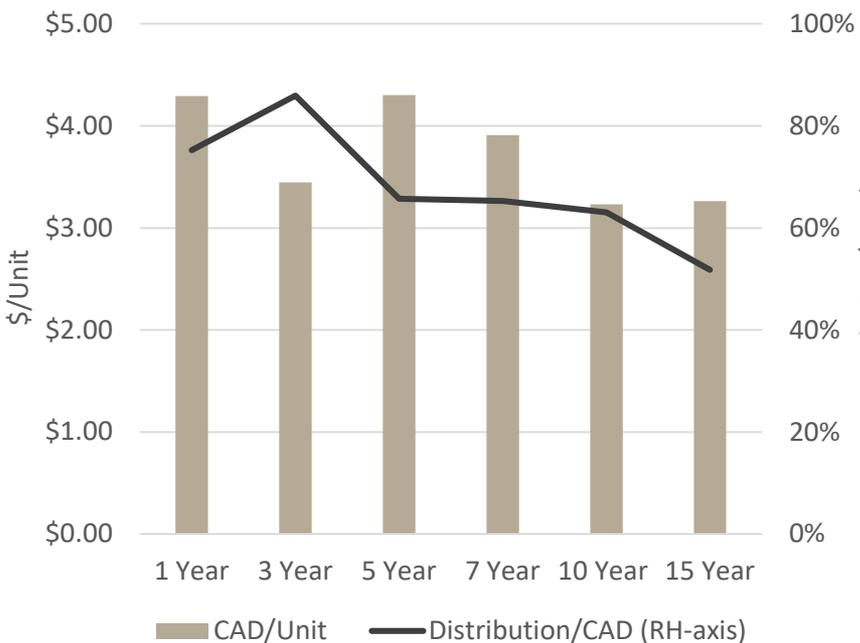


¹ Excludes: WY's special dividend of \$26.42 upon REIT conversion in July 2010, RYN's special dividend of \$0.50 upon RYAM spinoff in July 2014, and PCH's special dividend of \$3.54 in November 2018 following DEL merger.

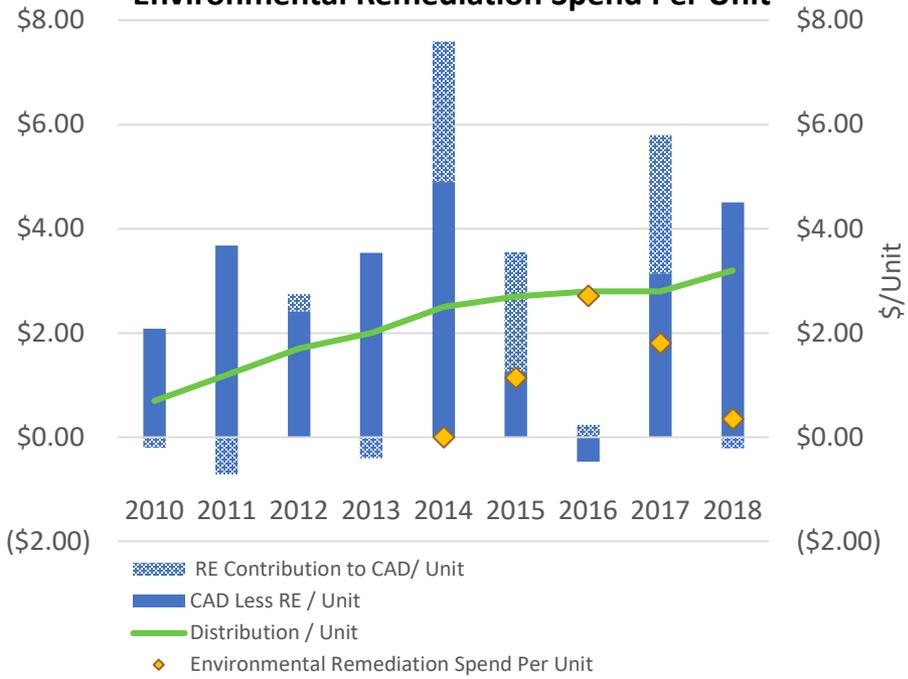
Sustainable, Well-Covered Distribution

- Consistently covering the distribution over a cycle
- Monitoring coverage of the distribution from CAD¹ and CAD less real estate (RE) contribution
- RE contribution to CAD², while variable, provides an important component of CAD
- CAD less RE contribution exceeds the distribution historically, except for 2015 & 2016 when the bulk of the environmental remediation spend was incurred

Average CAD and Payout Ratio



CAD, Distributions and Environmental Remediation Spend Per Unit



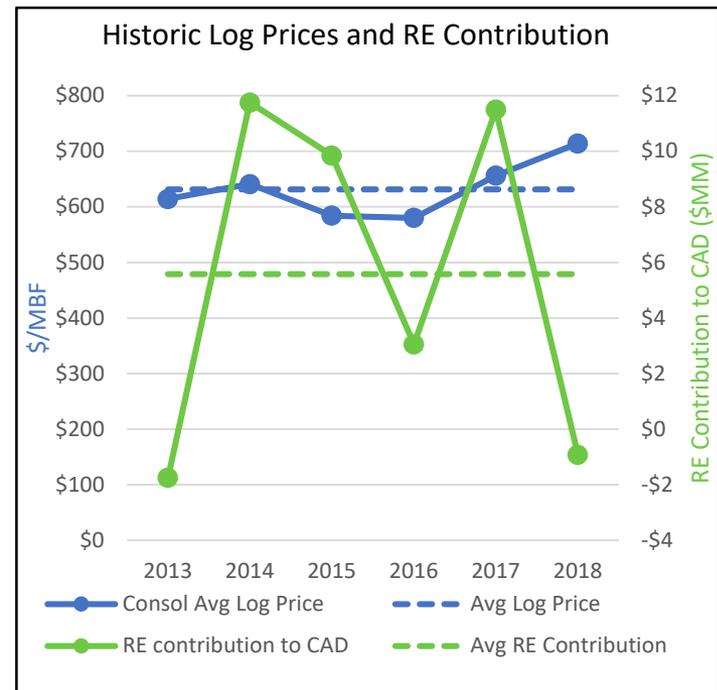
¹See Glossary of terms in Appendix for definition of non-GAAP CAD
²RE contribution to CAD is a non-GAAP measure that is reconciled in Appendix A. It does not include impact of environmental remediation accruals or cash payments.

Distribution Going Forward

CAD¹ at various Log Prices and Real Estate (RE) Contribution levels

Log Price	RE Contribution to CAD ² (\$MM)								
	(\$2.0)	(\$1.0)	\$0.0	\$1.0	\$2.0	\$3.0	\$4.0	\$5.0	\$6.0
\$600	\$7.9	\$8.9	\$9.9	\$10.9	\$11.9	\$12.9	\$13.9	\$14.9	\$15.9
\$650	\$11.4	\$12.4	\$13.4	\$14.4	\$15.4	\$16.4	\$17.4	\$18.4	\$19.4
\$700	\$14.8	\$15.8	\$16.8	\$17.8	\$18.8	\$19.8	\$20.8	\$21.8	\$22.8
\$750	\$18.3	\$19.3	\$20.3	\$21.3	\$22.3	\$23.3	\$24.3	\$25.3	\$26.3

Assumptions		
	in \$MM	\$/MBF
Volume (look-through) MMBF	68.9	
Log revenue	\$44.8	\$650
Net stumpage	\$30.0	\$435
Other revenue	2.0	
Operating expenses	(7.2)	(\$105)
Capital expenditures	(2.1)	(\$30)
Timber contribution to CAD	\$22.7	\$300
Less: G&A	(6.5)	
Less: Interest payments	(3.5)	
Less: Environmental remediation pmt	(1.0)	
Plus: Equity compensation	1.1	
Plus: Depreciation & amortization	0.6	
Plus: TIM contribution to CAD	0.0	
Plus: RE contribution to CAD	0.0	
CAD	\$13.4	
Distribution	\$17.4	



¹See Glossary of terms in Appendix for definition of non-GAAP CAD

²RE contribution to CAD is a non-GAAP measure that is reconciled in the Appendix. It does not include impact of environmental remediation accruals or cash payments.

MLP Structure: Attractive After-Tax Yields

- Distributions to unitholders are tax free
- Capital gains and ordinary losses are passed through to an MLP owner and beneficially impact that owner's income at different tax rates
- The appreciated value of sold timber is reported as income that is taxed at capital gain rates; depending on the owner's tax situation, that capital gain rate will range from 0% to 20%
- Remainder of business activity generally reported as an ordinary loss, which can offset other forms of ordinary income (like W-2 wages) and result in an overall lower effective tax rate to a unitholder
- REITs do not enjoy the rate arbitrage provided by POPE via the passthrough of ordinary losses; instead REITs are only taxed on the characterization of their dividends

	Tax Impact to Individual of POPE Units			Proforma Tax Impact as a REIT		MLP Tax Savings Versus a REIT
	2018 Tax Year	Top Tax Rate ²	Tax (Cost)/Benefit	Top Tax Rate	Tax (Cost)/Benefit	
Pope Resources K-1 (per unit) ¹						
Ordinary loss	(\$6.32)	37.0%	\$2.34			
Capital gain-timber	7.88	20.0%	(1.58)			
Capital gain-land	0.96	20.0%	(0.19)			
Interest income	0.03	37.0%	(0.01)			
Total	\$2.55		\$0.56	20.0%	(\$0.51)	\$1.07

¹Income components provided above are at an aggregate level. Each unitholder's allocation of income will be different depending on the date and price at which POPE units were purchased.

²Rates in this column reflect Federal income tax rates presented at the highest ordinary (37%) and long-term capital gain (20%) rates. Certain individuals may be subject to an additional 3.8% Net Investment Income Tax, which is not shown above. Taxpayers should seek independent advice from a tax professional, as these materials are provided for general informational purposes only.

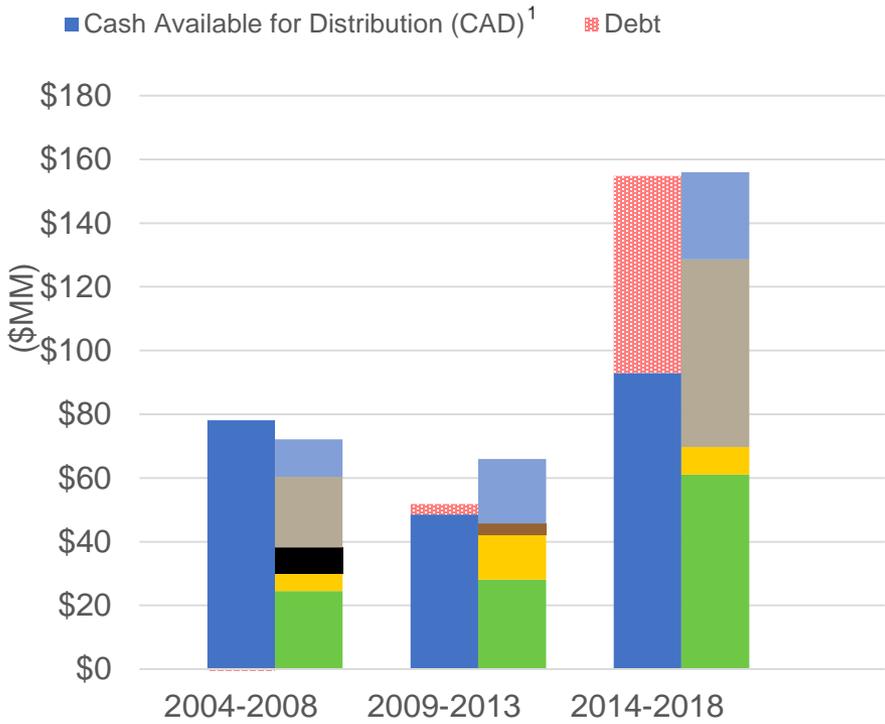


Capital Allocation Reflects Growth Strategies

Three primary growth strategies dovetail to support long-term sustainable value for unitholders which prioritizes delivery of a highly tax efficient distribution to unitholders

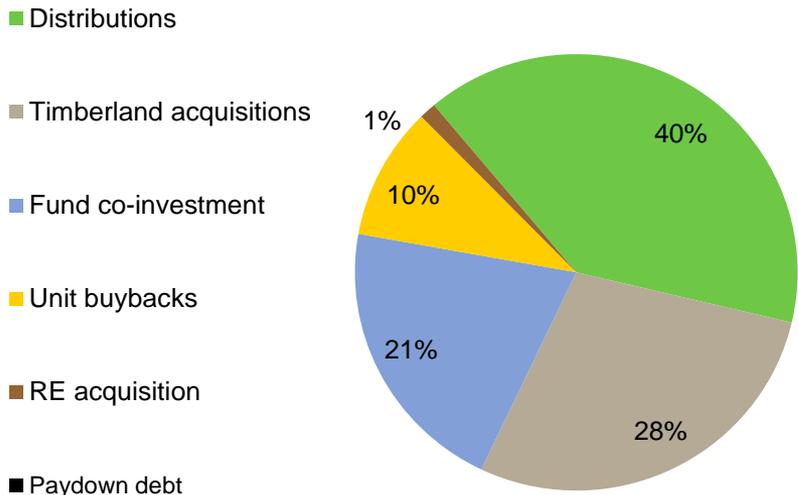
Sources and uses of Capital

Sources of Capital



Priority of capital allocation over past 15 years (2004-2018)

Uses of Capital



¹See Glossary of terms in Appendix for definition of non-GAAP CAD

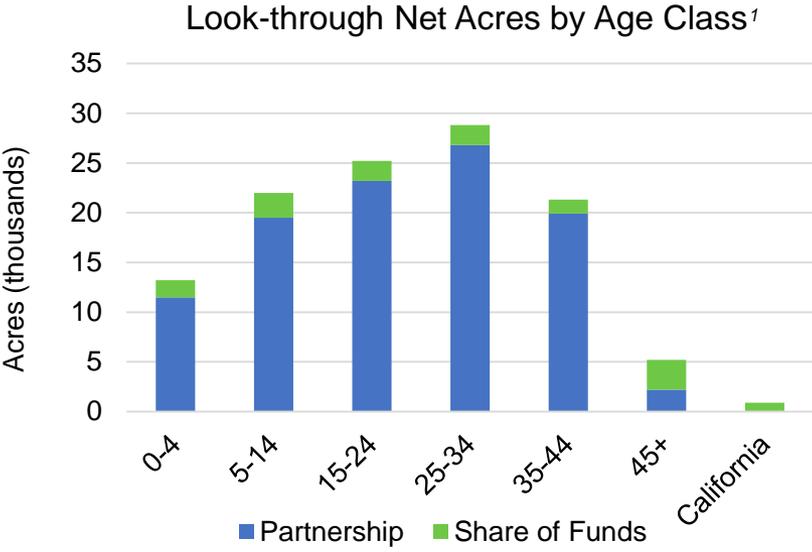
Timber – Partnership and Funds

Optimize Partnership Timber Portfolio

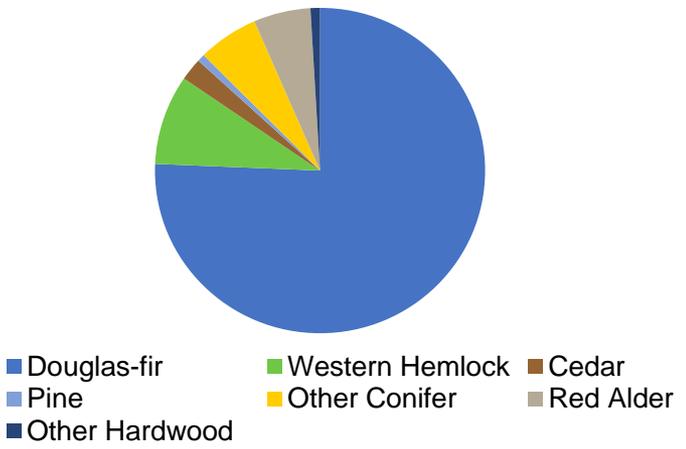
- Focus of acquisitions:
 - Fill in age class gaps to improve efficiency of consistent annual harvest levels by reducing the need to defer volume to fill age class gaps
 - Add value through improving access to existing properties
 - Acquire in-holdings to reduce management cost
 - Recycle capital with immediate harvest of merchantable timber
- Acquired 14,600 acres, resulting in a net 9% increase in acres owned and 30% increase in sustainable harvest level since 2014



Age Class Supports Long-term Distributions



Look-through Merchantable Volume by Species²

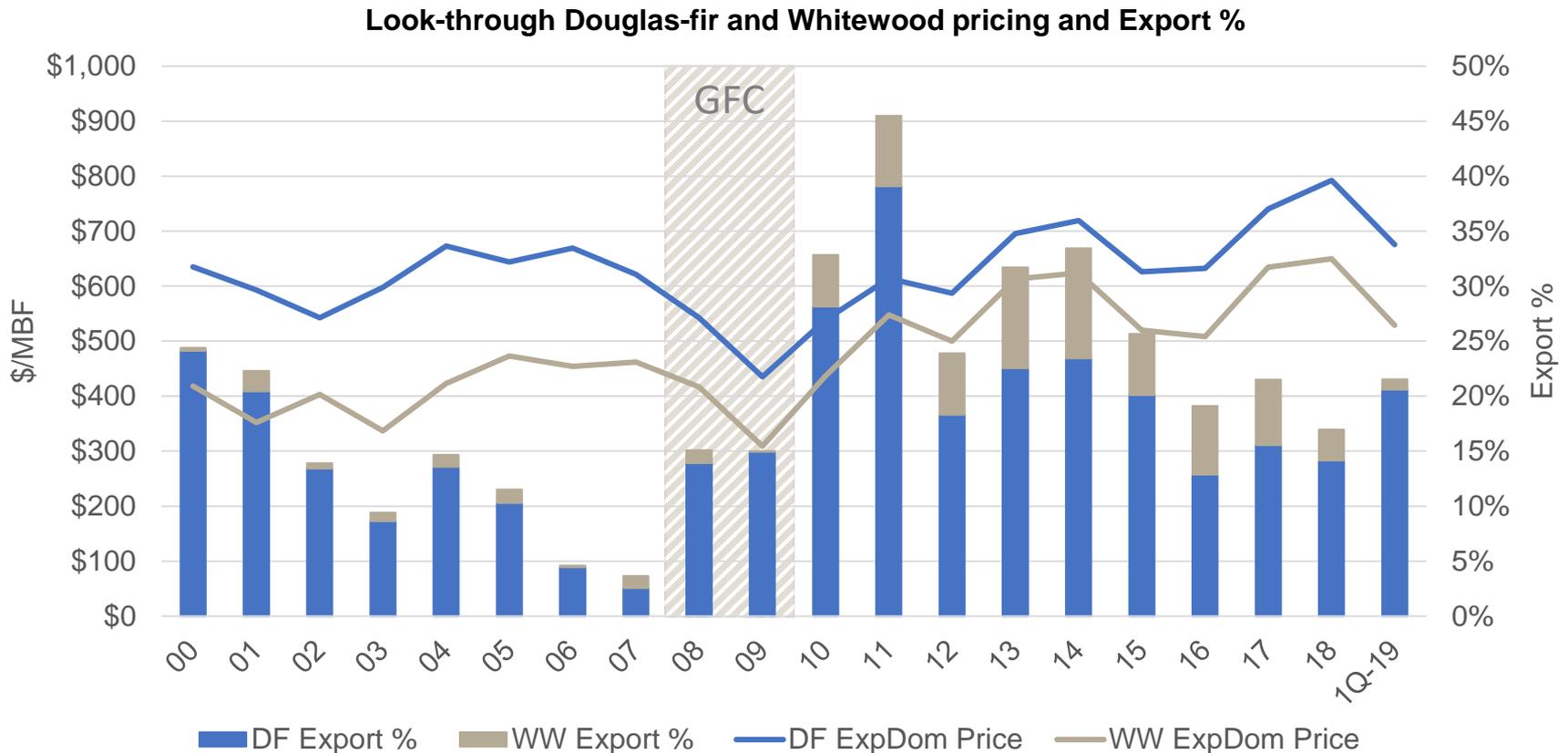


	Partnership Timber	Funds Timber	Look-through ¹
Gross Acres	120,000	141,000	137,000
Average Site Index (DF 50)	116'	109'	116'
2018 Adjusted EBITDDA¹	\$25.4 MM	\$26.9 MM	\$28.5 MM
1Q-19 Adjusted EBITDDA	\$8.5 MM	\$2.7 MM	\$8.8 MM
2019 Sustainable Harvest Level	57 MMBF	93 MMBF	69 MMBF

¹See Glossary of Terms in Appendix for definition of non-GAAP "Adjusted EBITDDA" and "Look-through".
²As of 12/31/18. Does not include 2019 Fund IV acquisition which added, on a look-through basis, 852 net acres and 3 MMBF of merchantable volume.

Access to Asia Provides Log Market Diversification

- Export markets provide market tension within Douglas-fir and Whitewood markets
- Extended period of weak domestic housing starts had little effect on PNW log prices due to access to Asian export markets



Timberland Investment Management

Private Equity Timber Funds

Aligning like-minded timberland investors to leverage our expertise in the PNW to:

- Diversify the Partnership land base across PNW geographies, log markets, and time periods
- Create economies of scale in management of the Partnership assets
- Dramatically improve our underwriting processes and retention of top talent

\$3.4 MM of annual asset management fee (AMF) revenue generated by Funds II, III, and IV portfolios on \$545 MM of assets under management (AUM)

(in \$MM)	Timber Funds	Partnership Share of Funds
Current acres	141,000	17,000
Location	Washington, Oregon, California	Washington, Oregon, California
Cumulative invested capital ¹	\$430	\$51
Cumulative distributions ¹	\$106	\$17
Current net asset value ²	\$492	\$70
Current Fund debt	\$57	\$7
Carried interest ³	(\$12)	\$12
Remaining committed capital	\$221	\$33
IRR ⁴	6.7%	9.5%

¹Of current Funds (II, III, IV) as of 3/31/2019

²Based on appraised value. Partnership Share of Funds column includes \$12.0 million of carried interest.

³Carried interest is not paid to POPE until the investors have received, in cash, all of their paid-in capital plus a preferred return annualized. This is unlikely to happen until a timber fund's properties are sold and the proceeds are distributed to investors. \$12.0 million represents the carried interest that would have been due to POPE had the Fund II properties been sold on 3/31/2019 at their appraised value. The Fund II term does not end until March 2021.

⁴As of 3/31/2019, includes Fund I which sold its assets in 2014

Growth of Private Equity Fund Business

2018 and early 2019 success

\$167 MM of capital placed in four PNW timberland properties

- 20,000 acres of timberland in southern Oregon, which is expected to generate strong cash flow over the next five years
- 33,400 acres (in three separate transactions) of timberland in western Washington with great access to domestic and export markets

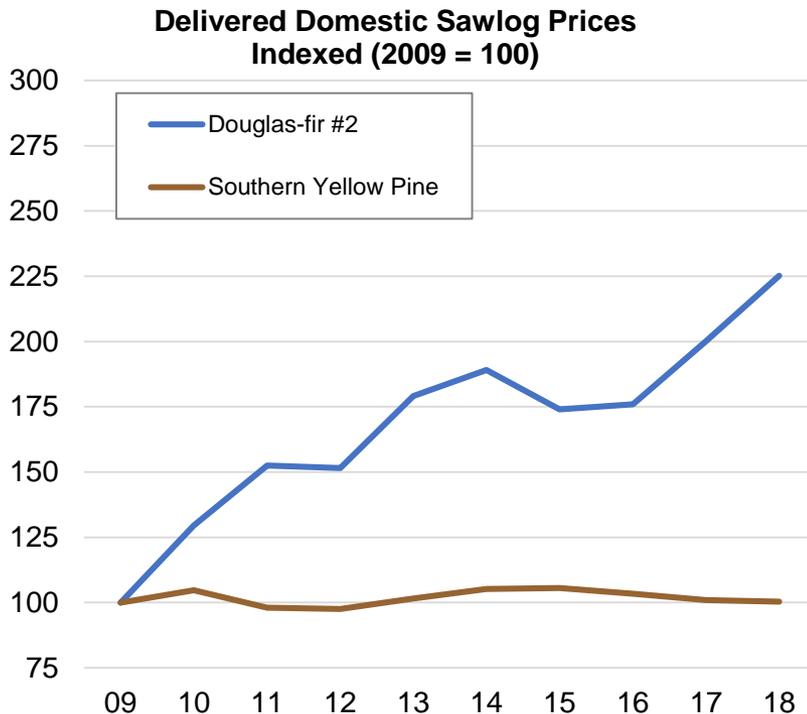
Looking forward

Actively working to place remaining \$221 MM of committed capital, including Pope Resources' \$33 MM co-investment, in PNW timberland

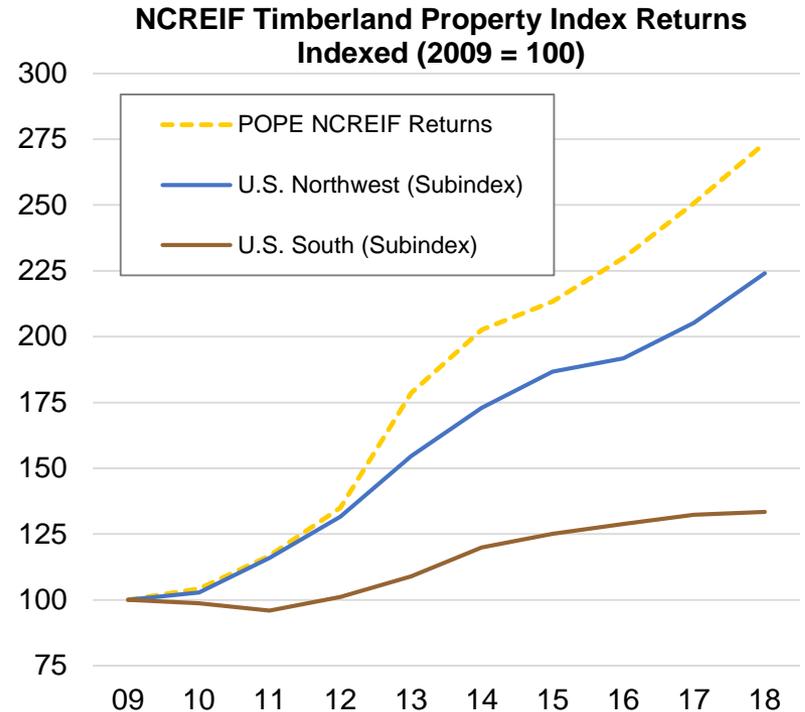
- Capital will only be placed judiciously in quality assets
- Transaction markets in the PNW are tight, with strong demand and relatively light supply of high-quality timberland on the market
- Disappointing returns in other U.S. regions exacerbates this issue with investors and managers actively searching for opportunities to acquire timberland in the PNW (as opposed to mill owners which are often looking to expand in the South to take advantage of attractive log prices)

Post-GFC Recovery: PNW vs South

- Primary driver of log prices in the PNW has transitioned from export to domestic demand over the last couple years
- Tight timber inventory in the PNW provides support for log prices as opposed to the South, which has an accumulation of deferred volume
- Log price strength has translated into outperformance of PNW timberland returns relative to the South



Source: Forest Economic Advisors



Source: NCREIF

Real Estate



Seattle

Harbor Hill

SEATTLE/BREMERTON

SEATTLE/BAINBRIDGE

Bainbridge Island

★ **BLIS (Bainbridge Landing)**

KINGSTON/SEATTLE (FAST FERRY)

Edmonds

EDMONDS/KINGSTON

Arborwood



HERITAGE PARK
800 ACRES

Kingston

■ **Divide Block**

307

Poulsbo

305

104

■ **PG South**

104

COUNTY PARK
3600 ACRES

3

★ **Port Gamble**

WATER TRAILS

104



Use of Private Equity to Conserve Partnership Capital

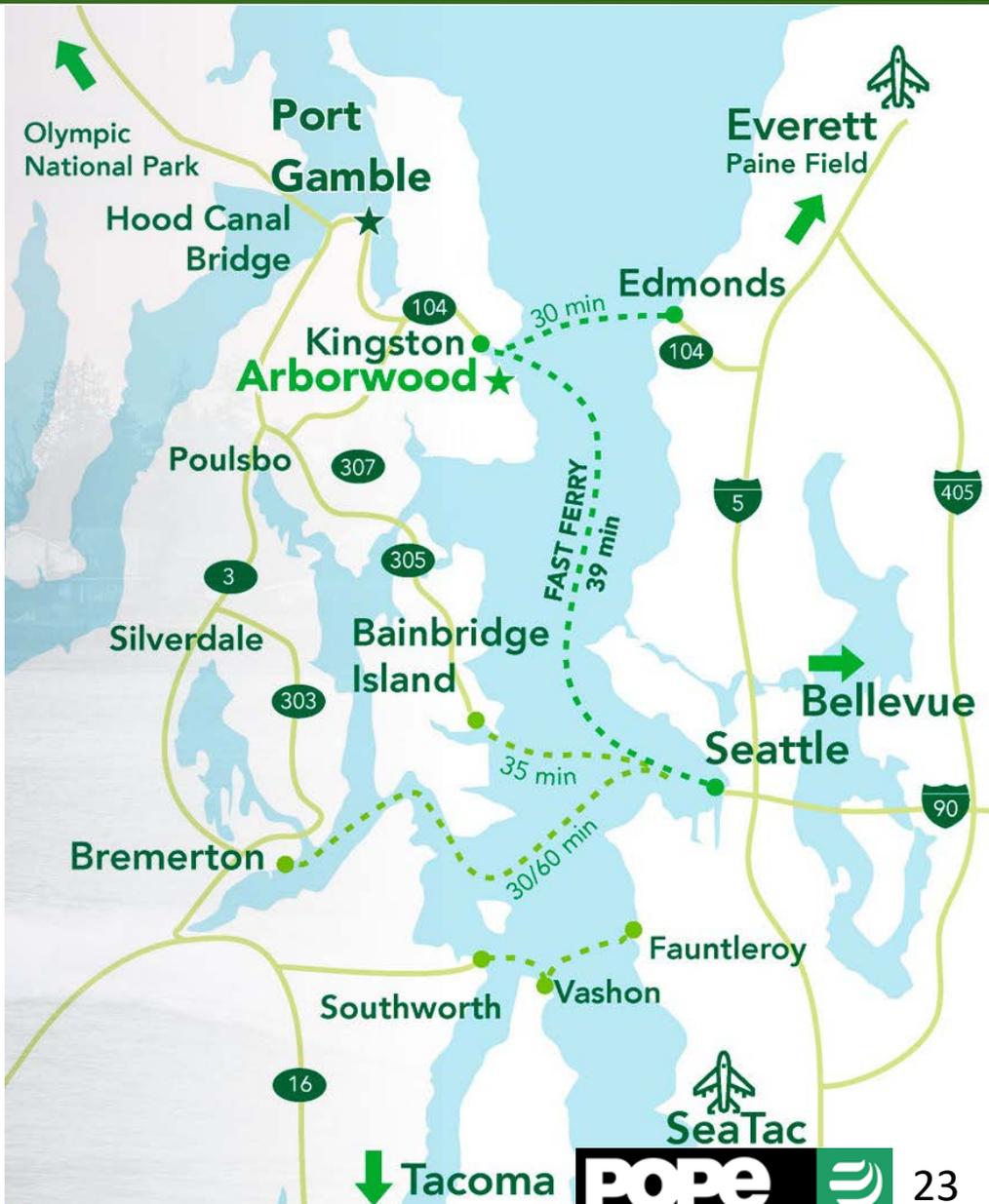
Project	Harbor Hill	BLIS (formerly Bainbridge Landing)
Location	Gig Harbor, Washington	Bainbridge Island, WA Walking distance to Bainbridge Island ferry, (35 minutes to downtown Seattle)
Description	330-acre mixed-use, multi-phased master planned community, development of 290 acres complete	107 apartments and 25 townhomes
Capital Structure	Partnership land and capital	Joint venture (JV) project on non-Partnership land
Status	Final residential phase of 65 lots under construction; sale and/or development of Village Center in process	Apartment construction complete 2Q-19; townhome construction to begin 2Q-19

- Real Estate is now using a combination of JV and private equity structures to reduce the Partnership’s capital commitment to these developments and increase returns
- We have formed a JV for development of the Village Center at the Harbor Hill project
- BLIS, formerly Bainbridge Landing, has also been structured as a JV
- Both projects are using private equity to help fund the Partnership’s portion of the required capital and both JV partners are guaranteeing the necessary debt

New Fast Ferry: Increases Real Estate Project Values

- Seattle, which enjoys one of the strongest job and housing markets in the country, is now accessible via a 39-minute fast ferry from Kingston, Washington
- Increased development potential of Partnership timberland holdings in west Puget Sound including Arborwood, Port Gamble, and the other 2,700 acres of legacy Partnership lands in North Kitsap County

Project	Arborwood	Port Gamble
Description	360-acre master planned community 2 miles from planned Kingston fast ferry	Historic company town in a 350-acre redevelopment site in close proximity to Kingston fast ferry
Zoning/Uses	750 residential units; 20,000 sf commercial	293 residential units; 100,000 sf commercial
Status	Master approval obtained; Phase 1 engineering to be completed in 2019 with Phase 1 lot construction of expected in 2020	Master plan submitted; plan revisions in process



Significant Cash Flow from Conservation Transactions

- \$43 MM of net cash flow generated from conservation sales and easements since 2009
- Two significant conservation easements in process and expected to close in 2019

Conservation Transactions Past 10 Years (2009-2018)

Type of Sale	Net Cash Flow (in \$MM)	Acres	\$/Acre
Conservation sale	\$20.3	5,320	\$3,818
Conservation sale with timber reservation	\$5.7	2,863	\$1,993
Conservation easement	\$16.9	27,544	\$615
TOTAL	\$42.9	35,727	\$1,200

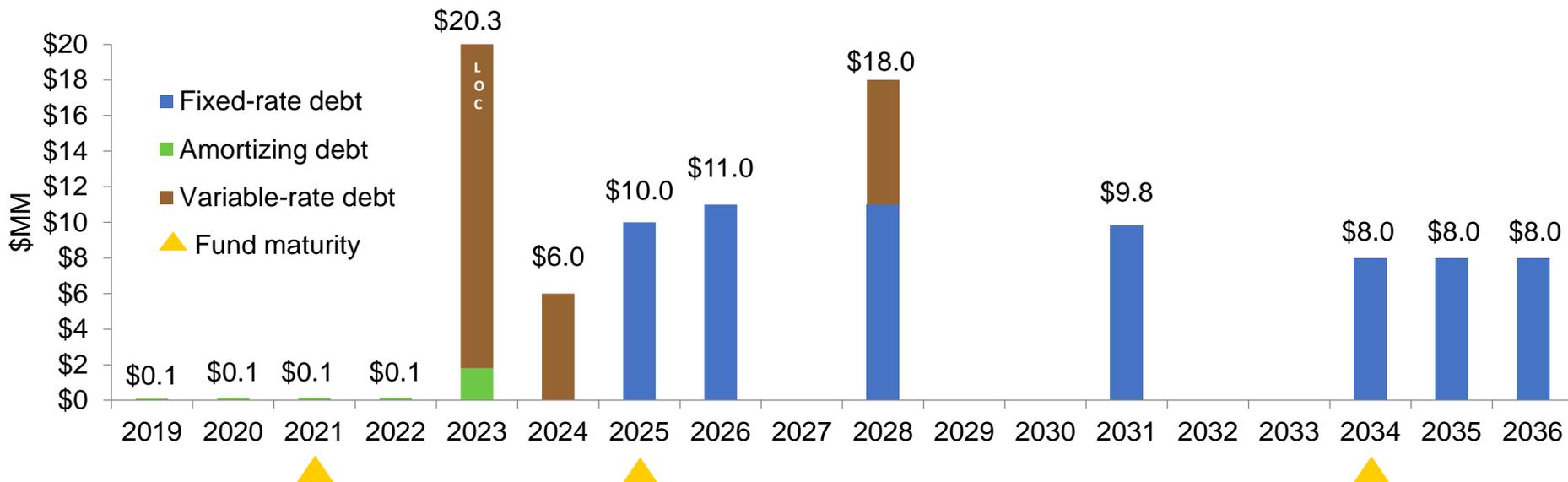
Conservation Sale: Monetization of real estate development potential without capital outlay

Conservation Sale with Timber Reservation: Opportunity to harvest real estate value while retaining future right to harvest timber through an additional rotation

Conservation Easement: Retain full ownership of land and timber and extinguish real estate development rights

Other Items

Financial Items



- In April, Partnership refinanced \$9.8 MM, September 2019 maturity with NWFCS; matures April 2031
 - Resulted in a 21 bps decrease in weighted average net cost of debt; saving \$205,000 of annual interest expense, net of expected patronage payments from NWFCS
- Partnership share of Fund NAV (appraised value):
 - Fund II (2021): \$34.4 MM
 - Fund III (2025): \$10.0 MM
 - Fund IV (2034): \$25.3 MM
- LOC, Acquisition Facility, and Accordion provide \$94.5 MM of undrawn capacity

(\$'s in MM)

Market capitalization ¹	\$290.1
Net debt ²	97.6
Enterprise value	\$387.8
Cash ²	\$2.0
Net debt to enterprise value	25.2%
Net debt to Adj EBITDDA (LTM) ^{2 3}	5.44
Weighted average cost of debt ^{2 4}	3.57%
Fixed / float mix ²	68% / 32%
Distribution yield ¹	5.9%

¹ Based on 5/31/19 closing price of \$69.08

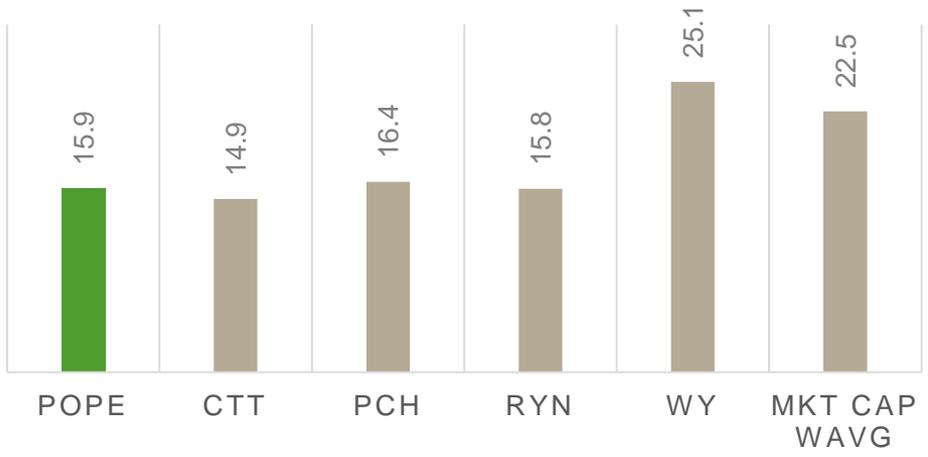
² Partnership-only

³ See Appendix for definition of non-GAAP Adjusted EBITDDA. LTM = Last Twelve Months

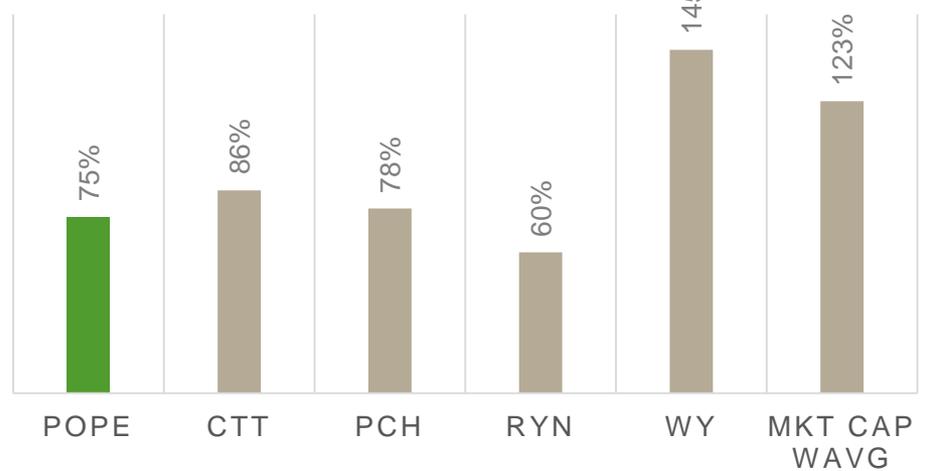
⁴ Post April 2019 refinancing

POPE Comparison to Timber REIT Peers

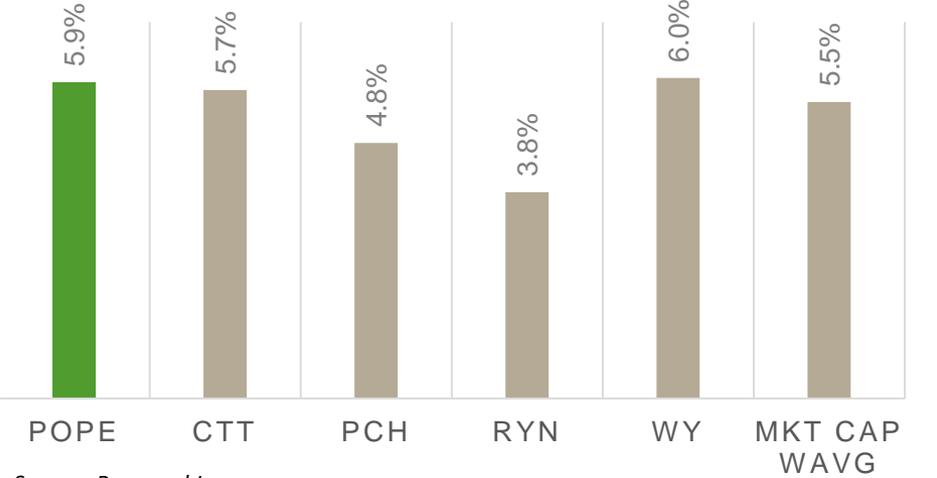
2018 CAD MULTIPLE¹



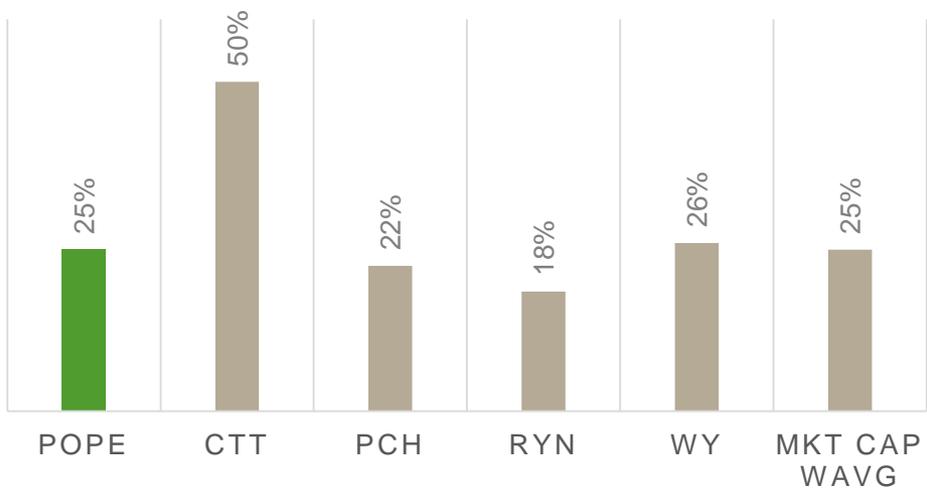
2018 CAD PAYOUT RATIO



YIELD AS OF 5/31/2019



NET DEBT TO ENTERPRISE VALUE²



Source: Raymond James

¹ Price (5/31/2019) divided by 2018 CAD

² 3/31/2019 net debt and 5/31/2019 price; Pope reflects Partnership only

What is Expected for 2019 and Beyond?

Partnership Timber & Funds Timber

- Execute annual 150–163 MMBF harvest plan
 - 59–65 MMBF from Partnership timberlands
 - 91–98 MMBF from Fund timberlands
- Focus on value add opportunities to improve portfolio composition or strategically reposition portfolio through 1031 exchanges

Timberland Investment Management

- Fund IV capital available for acquisition of high-quality PNW timberlands

Real Estate

- Close final residential phase of Harbor Hill development with sale of 65 single family lots
- Expect to close two conservation sales by year-end
- Complete first phase of Bainbridge Landing construction and begin Phase II: construction of townhomes

Takeaways

- 100% PNW geographic focus; highest value timberland in North America; **diverse log markets**
- Units offer **opportunity to own real assets** that generate attractive distribution yield
- MLP structure produces **favorable after-tax returns** for unitholders

Appendix

Reconciliation of Non-GAAP Measures

(in \$MM)

	Three Months Ended March 31, 2019						
	A	B	C	B + C	A + B + C	- C	A + B
	Partnership	Funds			Consolidated	NCI	Look-through
Partnership		NCI	Total				
Net income (loss)	\$3.6	(\$0.3)	(\$2.5)	(\$2.8)	\$0.8	\$2.5	\$3.3
Depletion	1.6	0.5	4.4	4.9	6.5	(4.4)	2.1
Depreciation and amortization	0.1	—	—	—	0.1	—	0.1
Interest expense, net	1.0	0.1	0.5	0.6	1.5	(0.5)	1.0
Income tax expense	—	—	0.1	0.1	0.1	(0.1)	—
Adjusted EBITDDA	\$6.3	\$0.3	\$2.4	\$2.7	\$9.1	(\$2.4)	\$6.6
Net income (loss)	\$3.6	(\$0.3)	(\$2.5)	(\$2.8)	\$0.8	\$2.5	\$3.3
Depletion	1.6	0.5	4.4	4.9	6.5	(4.4)	2.1
Depreciation and amortization	0.1	—	—	—	0.1	—	0.2
Capitalized development activities	(1.0)	—	—	—	(1.0)	—	(1.0)
Equity based compensation	0.6	—	—	—	0.6	—	0.6
Environmental remediation cash spend	(0.2)	—	—	—	(0.2)	—	(0.2)
Changes in working capital	(1.9)	—	0.1	0.1	(1.9)	(0.1)	(2.0)
Net cash provided by operating activities	\$2.8	\$0.2	\$2.0	\$2.2	\$5.0	(\$2.0)	\$3.0
Capital expenditures	(0.6)						
Distributions received from the Funds	0.4						
Cash available for distribution (CAD)	\$2.7						

Reconciliation of Non-GAAP Measures

Adjusted EBITDDA¹ by Segment

(in \$MM)

	1Q-19	2018	2017	2016	2015	2014	2013	2012	2011	2010
Partnership Timber										
Operating income - internal	\$6.9	\$21.1	\$19.0	\$15.6	\$12.0	\$15.0	\$14.6	\$12.1	\$14.0	\$9.7
Depletion, depreciation, and amortization	1.6	4.2	4.1	3.8	2.2	2.6	3.0	3.3	3.5	\$2.9
(Gain) loss on timberland sold	-	-	-	(0.8)	-	-	-	-	-	-
Adjusted EBITDDA	\$8.5	\$25.4	\$23.1	\$18.6	\$14.2	\$17.5	\$17.6	\$15.4	\$17.4	\$12.5
Funds Timber										
Operating income (loss) - internal	(\$2.2)	\$3.8	\$12.2	(\$1.9)	(\$0.9)	\$26.6	(\$0.7)	(\$2.0)	\$0.9	(\$1.3)
Depletion, depreciation, and amortization	4.9	23.0	15.2	9.1	8.0	10.0	8.1	7.0	8.6	\$2.5
(Gain) loss on timberland sold	-	-	(12.5)	(0.2)	1.1	(23.8)	-	-	-	(0.2)
Adjusted EBITDDA	\$2.7	\$26.9	\$14.8	\$7.0	\$8.2	\$12.9	\$7.4	\$5.0	\$9.5	\$1.0
Timberland Investment Management										
Operating income (loss) - internal	\$0.1	\$0.0	(\$0.2)	\$0.4	(\$0.7)	\$0.4	\$0.3	\$0.2	\$0.4	\$0.1
Depreciation and amortization	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Adjusted EBITDDA	\$0.1	\$0.1	(\$0.2)	\$0.4	(\$0.7)	\$0.4	\$0.3	\$0.2	\$0.4	\$0.1
Real Estate										
Operating income (loss) - internal	(\$0.6)	(\$5.0)	\$4.9	(\$3.4)	\$5.4	(\$2.6)	\$3.4	(\$11.0)	(\$0.3)	(\$0.7)
Depletion, depreciation, and amortization	0.1	0.3	0.3	0.4	0.3	0.4	0.7	0.8	0.4	0.2
Environmental remediation expense	-	5.6	-	7.7	-	10.0	-	12.5	1.0	0.9
Adjusted EBITDDA	(\$0.5)	\$0.8	\$5.2	\$4.7	\$5.7	\$7.8	\$4.2	\$2.3	\$1.1	\$0.4
Plus: basis of land sold	0.0	1.7	13.9	12.4	14.0	9.1	5.0	1.6	0.1	0.0
Less: RE capital expenditures	(1.0)	(3.4)	(7.6)	(14.1)	(9.9)	(5.2)	(10.9)	(2.5)	(4.3)	(1.3)
RE contribution to CAD	(\$1.6)	(\$0.9)	\$11.5	\$3.1	\$9.8	\$11.8	(\$1.7)	\$1.4	(\$3.1)	(\$0.9)
General & Administrative										
Operating loss - internal	(\$1.8)	(\$7.3)	(\$5.8)	(\$5.1)	(\$5.1)	(\$3.9)	(\$4.7)	(\$4.2)	(\$4.2)	(\$4.7)
Depreciation and amortization	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2
Adjusted EBITDDA	(\$1.8)	(\$7.3)	(\$5.8)	(\$5.1)	(\$5.0)	(\$3.8)	(\$4.6)	(\$4.1)	(\$4.1)	(\$4.5)

¹See Glossary of Terms in Appendix for definition of non-GAAP "Adjusted EBITDDA".

Glossary of Terms

- **Partnership** represents the Partnership on a stand-alone basis, which consists of the ownership and operation of the Hood Canal and Columbia tree farms; the Management of the Funds (but not the ownership or operation thereof); and the ownership and operation of the real estate assets.
- **Consolidated** results are what GAAP require us to report, and represent the ownership and operation of everything owned by the Partnership and the Funds. It further requires the elimination of the fee revenue earned by our Timberland Investment Management segment for managing the Funds and a corresponding elimination of the fee expense incurred in our Funds Timber segment. Consolidation also results in the elimination of the distributions the Partnership receives from the Funds, but these distributions are very real and serve to add to the Partnership's cash balance and/or reduce the Partnership's debt balance.
- **Look-through** represents the Partnership on a stand-alone basis, plus the Partnership's 20% share of Fund II, 5% share of Fund III, and 15% share of Fund IV.
- **Non-controlling interests** represent the portions of the Funds owned by outside investors (i.e., not owned by the Partnership); 80% of Fund II, 95% of Fund III, 85% of Fund IV.
- **Internal** pertains to segment reporting and represents results prior to eliminations that occur in consolidation; the biggest elimination is the fee revenue in Timberland Investment Management and the corresponding fee expense in Funds Timber.
- **Adjusted EBITDDA** is a non-GAAP measure and is reconciled to GAAP in Appendix. We define Adjusted EBITDDA as earnings before interest, taxes, depletion, depreciation, and amortization (EBITDDA), with additional adjustments that eliminate the gain or loss on timberland sold in the Partnership Timber and Funds Timber segments, and add back environmental remediation expense in the Real Estate segment. We believe Adjusted EBITDDA captures the ongoing operations of each of our segments and is effective in assessing each segment's financial performance.
- **Cash available for distribution (CAD)** is a non-GAAP measure calculated for the Partnership only that is reconciled to GAAP in Appendix. CAD is a measure of cash generated by the Partnership that starts with consolidated cash provided by operating activities and subtracts cash provided by operating activities for the Funds and maintenance capital expenditures for the Partnership only, excluding the Funds, and adds distributions received by the Partnership from the Funds. As such, CAD represents cash generated that is available for capital allocation by the Partnership to alternatives such as distributions to unitholders, co-investing in the Funds, acquisition of timberland and real estate, buying back units, or paying down debt.