

Chris Corr:

I don't think there's anything more creative than to take an entire landscape and envision a new town, a whole place from the ground up. That's exhilarating. There's nothing like it.

This was a story of grinding; dreaming it is one thing and doing it is another. Wildlight's a vision for a master plan community, a mix of uses over a big, big area. It started because there was a business purpose.

We created this premise that said if we take lead over planning, over markets, over land use entitlements, over infrastructure, we can yield more value than some other strategy. I would say equally important and simultaneously, there was a community purpose.

This company, almost a hundred years old, has always been stewards over large environmental landscapes around the country, around the world. And so there's an ethic and a responsibility for how you manage those things. We brought that same spirit to community development and we said it looks like we have an opportunity to create a higher standard, to be a model for others to emulate and do it in a way that really does give back to the community.

So why start here? One is because of the market potential, and the other was because of the scale of our holdings here. We knew that if we started here, we had the potential to create value over that landscape for a long, long period of time.

There's power in community, right? I mean incredible power. You focus on education and you realize if you do your community right, you're going to create a learning place where people actually learn because they lived in this place in a way that would be different if they lived somewhere else. I could do the same thing around health and community, technology, environment, outdoor recreation, friends, clubs, activities, all those things that create rich life. You can make a difference in people's lives if you create the place right and create an environment where all those things just flourish. That's what's happening here and that's what makes me tick for sure.

Hey guys hit the stage. That's how you create value in real estate. So if you're one of the only people sitting in a room in New York that hasn't bought real estate in Florida yet, come see me after the show.

That's Wildlight. I checked, it's 70 degrees there, it's sunny right now. You can live 15 miles from the beach and 15 miles from an international airport. Come see me after the show, okay?

Look, there's just no better way to convey the progress we've made than by seeing it. And by progress, I'm not just talking about the project, I'm talking about the business. I've spent the better part of the last 10 years creating and refining a strategy for real estate development at Rayonier, in building a team with the capabilities and the expertise to execute and to do it in a reliable way at a very high level, and the results speak for themselves. I couldn't be more proud of this team. I'm more excited about the future. We've built a platform and now we're going to scale it.

Pretty simple formula: really well-positioned land holdings, large, in the path to growth, valuable, getting more valuable. And now we have the proven capability, as you heard from both Dave and

Mark, because of the work we've done over the past few years to execute and to do it in a very reliable way. That's a winning formula, just those two things. But what's really going to make a difference is in our approach, in the responsible way that we do this, creating inspirational places is now fully embedded in the vision of Rayonier. And we're going to do this in a way that adds more market premiums, because I've learned from experience.

So when I came to Rayonier, I had over 25 years experience working on similar assets, converting agriculture, timberland to higher performing places. All of those now are earning market premiums. They earn better market share. It's where people live, work and play and thrive. When you do that, you make more money. You also make better places, better communities, win support in communities, which is really vital for going and going for a long, long time.

There's one core business on the left. I like to call the one on the right, the other core business. That's the Chris Corr business. The growth business, as Mark said. That's what I'm talking about today.

So it's important to understand where we play on the real estate development value chain. This is a simple illustration of what it takes to develop real estate from an undeveloped property to an actual community. So undeveloped land to the left, vertical development to the right. As you go left to right, time, complexity, capital investment, risk goes up and so does value. How you manage at each one of those steps is very different, very technical, very political; requires selling a vision.

In the undeveloped bucket there, that's rigor, that's analysis. You got to understand that you've got a market and you've got a program that can serve it before you step into the next box, which is entitlements, where you go in front of local governments and ask for an approval. You're saying, "Can you take this timberland and put development on it?" And then they got to face elections for their decisions that they make. You're selling a vision, you're committing to them that you can do something that makes the community better. That's politics. It's also regulatory because you win your permits here. Highly technical; complying with codes, regulations. When you get those approvals, you've got an opportunity and those entitlements are really, really valuable and they can take you a long, long way.

The next step is horizontal development. This is another set of rigorous steps, civil engineering, planning, analysis across a landscape, really making sure that when you invest capital, you get it returned, you make money on it. It's about project management, discipline along a continuum; testing, retesting, bidding and rebidding, redesigning until you get in that budget, you know you can move all the way and then vertical development buildings off to the right.

The point of going through all of this is to say our sweet spot is right there in the middle. We aim to deliver an entitled pod of real estate within an inspired master plan that's been served by master infrastructure, horizontal infrastructure. By pod, I mean it's still undeveloped. So the buyer comes in and finishes the landscape, the development, horizontal infrastructure and builds buildings, homes, et cetera within that pod.

This place on the continuum for us we believe is the best for us in terms of our risk profile. It's more capital light, and we can get a really big premium and a really big return when we execute this way. Because you deliver a buyer an entitled pod that's ready to go with infrastructure, they'll pay you a big financial premium for that.

So look, we've learned from experience and we've applied lessons here in a really methodical way. We knew that our industry didn't have a great track record, honestly, in executing in real estate development. So along every step of this process, we've been very, very careful to make sure that we've applied lessons learned, learning from those mistakes. And look, it's about some things that may sound real simple, but sometimes, look, honestly, it gets missed. And I think it's because in our industry sometimes the folks just hadn't taken the time to inbound the expertise with the experience required to execute. No disparaging a forester, but they know a lot about silviculture and forestry and really important things, but maybe not real estate. I promise I can't run Doug's business. If you ever see that happening, do something. I can't do that, but I can do this. And so the first bit is then about the right experience. The other is keeping capital return in sync with capital investment.

And I think what happens a lot of times is people make mistakes. You get big appetites. These are raw tracks. You can get a lot of capital in the ground before the return starts. You got to be really, really careful there.

And so it's about discipline, knowing you've got a market, knowing when you put it out there that you're going to have a buyer, you're going to have a buyer quickly. You're going to apply that experience. We have more than 25 years average experience across our team. We inbounded a very deep set of experienced professionals across a broad range of capabilities on this team.

And I mentioned rigor, it's just always analysis, analysis, analysis, every step of the way. Looking and relooking back and forth, financial, technical, all those things along the continuum. And at the end of the day, what really drives you is trust because we've got to have the trust of the local governments we serve, of the markets we serve, of our buyers, homebuilders and developers, and always maintaining those relationships and that credibility. Really, really important.

So that headline is a true statement. This really is a unique and a competitive advantage for Rayonier; the market position, our scale, our reputation, our strong capabilities.

So here's the size of the opportunity. This is 120,000 acres. I got to stop for a minute. It's 120,000 acres for a real estate development platform in Florida and Georgia, and then a smaller but really valuable set of assets out in the Pacific Northwest. That's an incredible platform for a real estate development company. I mentioned my experience, I've worked across Florida, Tampa Bay, Central Florida, Northwest Florida, across the Americas on many projects. This is an amazing set of assets for a real estate development company.

And so one of the things to know about this picture is it's activated, meaning it's not just a blob of acres. "Hey, here's some acres with real estate development potential." And Dave mentioned this, everything within this table has some kind of project against it. It's a set of projects. Some are further along in the pipeline. They may be in development or in an entitlements process.

Others are in analysis. But everything we've got here is activated. It's got attention on it. We're setting it up for the market in the future.

So drilling into our most significant opportunities, this is northeast Florida and southeast Georgia. Not a mistake that these are the most significant opportunities, it's where they're located. If you haven't checked, Florida is growing rapidly. 1,500 people a day by most measures. Southeast Georgia, not too far behind. This is, looking at the map, it's 300 miles from the Orlando International Airport in Central Florida, probably most people know where that is, up to the Hilton Head/Savannah International Airport up to the north on this map. Everything on red there is land owned by Rayonier. Most the people in this area, they live within 15 miles of the coast, and 15 miles of an interstate. That's Interstate 95. Look at where our land holdings are vis-a-vis those metro areas, that coast, that interstate; significant opportunity and it's only growing over time.

One of the other things to know about this is scarcity. I've lost track of how many people have come to me wanting to buy a big raw chunk of land for the wrong value. Land has just gotten more scarce and the competition for it has gotten more fierce. And a lot of the land along these areas is already in public hands. It's owned by the federal, state government, local governments. It's been conserved. Some of it's water; lakes, rivers, streams. There are not many large tracts of land left for development and that makes it even that much more valuable.

Last slide on the portfolio and the potential. And I call this pace, the pace of growth and also the path, the path of growth. We benefit from both of those things. Pace, the bars off to the top there. Jacksonville, by these measures, is the sixth-fastest growing Savannah metro area, the ninth-fastest growing markets by population growth. That's 2020 to 2022. For a measure of the national growth rates, about 0.4%. This is population. Those are very fast-growing markets.

And what's happened is they're growing even more faster now than before COVID. Two trends I think are driving that. One is work from home. It's here to stay. You can work anywhere you want to work, you want to work here, near the beach. Great climate. And in the technology and the willingness of employers is here to stay, in my view. It's driving a lot of migration to the South. The other one are the baby boomers. 65% of all baby boomers have now hit retirement age. Baby boomers retire to the South in big numbers, and that's just beginning. So put the boomers together with that trend, the climate, the quality of life, the jobs in the South, we've just begun to see the growth here that we expect to grow for a long, long time.

Let me talk about path for a minute. On Wildlight, what's happened over the years for 30, 40 years is I've been watching that market growth in Northeast Florida has gone south of Jacksonville. So it starts at the beach and it can't grow into the ocean. Starts at the beach, it comes inland downtown into the south of Jacksonville. If you know that area, that's been some of the fastest growing real estate in Florida for a long, long time. So what happens when things grow fast? It gets congested; the roads are busy, the schools are overcrowded, housing prices go up. The markets start to look for more opportunity and it's come looking.

And one of the reasons we put the Wildlight project out there is because our quantitative research, our ear to the ground, believe this was to be true. The market was coming north of Jacksonville, whereas Mark said within 10 miles of that green on the map is the first phase of

Wildlight. We own over 50,000 acres. So now Wildlight is pulling the market. The market was pushing in our direction, now we're pulling it, and that's really turning on the velocity.

Same story in Savannah. Savannah and Hilton Head have grown together. They ran out of room to grow, they started going south. If you know that area around Pooler, if you ever drive I-95 through there, that's where the traffic stops. That's where it gets slow because there's so much development in that area and it's pushed it in our direction, which is Bryan County, Georgia. It's Richmond Hill. We own 20,000 acres within that 10-mile ring of where Heartwood is.

This is also a market that's got a lot of organic growth because the state and the local governments there have been so strong in economic development. The Port of Savannah is the largest, fastest-growing container port in America. It's responsible for one out of every 10 jobs in this market. And I'll show you when we talk about Heartwood, we've got a very successful industrial project there as a result of that really, really strong market.

So this is Wildlight. You saw a video, it's up and out of the ground past that startup phase, performing really well, earning market premiums. We've been really pleased by the response in the market, really pleased by how it's impacting the community. It's attracted significant capital. So when you look, when you see the video, there's a lot of buildings in that video. We built one building, we built an office building for Rayonier, which was really good move by the way, because it told the market, "They're here to stay." It got us a lot of market credibility. All those other buildings for multifamily projects, single-family homes, UF Health at University of Florida put two pieces of hospital campus here, two schools, one private, one public. Groceries, dining, restaurants, all that stuff came because they believed in our vision and they said, "Yep, we think you're right. This is going to go." And it's been really gratifying and successful.

Now, some of those buyers are coming back for more, certainly the homebuilders and other developers too. And we've been able to bring some of them even up to the Heartwood project that say, "We like the way you guys do this. We want to be with you at that project as well." We've got a really significant sales pipeline now and a really proven concept.

And so here's the best news of all. So Dave mentioned this, we've got a big entitlement approval last year that will allow us to grow up to 15,000 more residential units, more non-residential here over about 15,000 acres on the map. Phase 1's a little less than 3,000 acres. There's a couple of thousand homes there. Some built, some under construction that we've sold, and the market's wanting more.

That goes to Phase 2, five times the footprint. It's a plan that really sets up well for our sweet spot. So what'll happen through that Phase 2, there'll be a new major road that runs through it. It's going to be built by the special district that sits over Wildlight that has the authority to sell tax-free bonds and build infrastructure and pay it back by the residences that come into the community. So there'll be a road built by the district and we'll sell pods to homebuilders off of it.

And one of the things about the way we structure our homebuilder transactions, and this has been something we've earned through the credibility of the project and the market, is we get paid two ways. One on the front end when the lot closes, and then on the back end when the

home sales. So we get paid a percentage of the final home sales price. So when the builder does better, we get to participate in that as well.

So the performance of the project, really strong. We're excited about launching this. We're going to be under construction here before mid-year. Everything we do, and Mark mentioned this, the reason we do it is because of all the rest of that land we owned around it. Every time we invest here, every time someone else invests capital, we just spread that halo value over the rest of that land and it creates optionality value for the business for a long, long time.

This is Heartwood. Similar to Wildlight, we replicated the model, we extended our capabilities here. This is about 90 miles up the Interstate 95, a completely different market. Like Wildlight, exceeding our expectations. The market response has been tremendous. It's transforming the asset values there and the community that has received this in a really, really heartfelt, compelling way. And it's attracted significant capital as well. We've got three multifamily rental projects under construction here. More than a thousand homes. Land for that many units has been sold. We've got a K-12 school campus here, one of the largest in the state of Georgia that'll have over 7,500 students on it, integrated right into Heartwood. When people want to live in a community, I want to make sure there's a great school there. We got a really great school here. Last Friday, I was at the opening of the first phase of the healthcare campus here, like University of Florida and Wildlight. We replicated that model, created a partnership with the longest-serving hospital in the region, St. Joseph Candler. They opened their first phase on Friday. That's all their capital creating this place.

And then there's the industrial side of this project, which is extraordinary. I mentioned the port, how this market thrives in that regard. We sold, since the interchange opened here, which was a major catalyst for Heartwood, the interchange on Interstate 95; a new interchange opened in 2021. Since that time, we sold a thousand acres or so for industrial uses that'll support over 10 million square feet of non-residential use. There's about 5 million square feet built with big logistics centers for companies like Medline, AltaBird, Volvo, and Hyundai is under construction on a manufacturing facility here that'll open this year and employ about 1,500 people. Those are jobs; they need houses, they go to grocery stores. That's how you create value in real estate. So like Wildlight, significant part of our growth strategy when you look at our EBITDA targets will come from Heartwood.

So here's the Pacific Northwest, acquired as part of Pope. Really interesting because not too dissimilar from the landscape in the Southeast, but even more so, land and private ownership, larger chunks of it, are really rare out here. There just isn't much of it. This is Kitsap County, North Kitsap north of Bainbridge Island. It's an easy commute to Seattle with the ferry systems here. Beautiful property, scenic mountain views, water views when the sun's shining in Seattle, it's a little different than Florida. We'll have strong market demand for these properties and we can extend our expertise here and optimize these opportunities.

Let me talk for a minute about unimproved development. Unimproved development, as Mark mentioned, means that we're selling land after receipt of entitlements, but short of investment in horizontal infrastructure. This works best for us when we have land with development potential, but we don't own land around it. So the best strategy for us is to monetize it.

Back to the prior page, look at the key transactions, so we can earn significant premiums to the alternatives with a strategy that sale in Kitsap County on one of those Pacific Northwest properties at over \$110,000 an acre. That's to national homebuilders. We got the entitlements. We thought we were going to have to develop lots and invest capital, develop lots to sell this property. But during the process, the demand was so high, we sold it before and got a really, really great return.

So when you secure entitlements, in some cases when you help solve for infrastructure, you create opportunity to earn these type of premiums when there's market demand in a very capital-like way.

So here's what we are prepared to deliver from zero to a meaningful contributor of growth for Rayonier. I call that 2016 to 2020 frame startup. And we're in the ramp-up phase now. So we've returned our capital, cash is flowing, we're earning good returns on the investments we made. We've shifted our model to the pod sales, more capital-light. We've earned that in the market and we're making good money here. And this is where we're headed off to the right, to the \$40 million average adjusted EBITDA by 2030.

Here's how we're going to do it. We're going to develop Phase 2 of Wildlight, as I mentioned before, five times larger, quite significant. A lot of this growth is going to come from Wildlight. We're going to accelerate opportunities as Heartwood, turning on the Heartwood project and continuing to grow it, will drive a lot of that EBITDA in the coming years.

We're going to activate additional properties. I think there's at least one, maybe two portfolios on the scale of a Wildlight or Heartwood in our markets. So we're going to be working with local governments to entitle, to prepare other land to come to the market as well. And we're going to grow our entitlements pipeline. Every time, like I said, we secure entitlements that we create the opportunity for value, we're going to grow that unimproved development business on certain assets with development potential where we can really ring the cash register when we secure entitlements.

So Mark talked about our relentless focus on optimizing and unlocking value from our land portfolio. That's our focus, and I think of it in two ways. There's a lot of moving parts in development. Sometimes it helps to get real laser-like. When I think about the value we're creating, I think of two things.

One is the premiums we generate. Mark's always said it's all about the premium. The premium to timberland, the premium to alternatives. So one way to think about is that last bullet there, we're realizing bare land values of \$25,000 and greater per gross acre net of capital investment. So financial premiums, significant so to the alternatives. And secondly, the increased asset value. It's at every move we make. Every time someone else invests in our project, they put capital in, that value ripples across thousands of acres. I call it a halo effect. That halo is a huge part of how we create value in real estate development as well. So I'll close with the message I opened with, we've got that formula now, well positioned landholdings, large, valuable, getting more valuable, the proven capability execute.

And the real way we'll add value is by our approach doing this in a responsible way, earning greater market premiums, maintaining that trust, creating that runway to do this business for a long, long time in a reliable and successful way. Thank you.