



FOR IMMEDIATE RELEASE

Sale of SDS Lumber Company and SDS Co, LLC Complete

- *Silver Creek Capital Management's Twin Creeks Timber, LLC acquires 61,000 acres of timberland to be managed by Green Diamond Management Company*
- *The Conservation Fund purchases 35,000 acres and will work with local partners to conserve these and additional timberlands*
- *WKO acquires and assumes mill operations*

BINGEN, Wash., Nov. 18, 2021 – Three entities with strong Northwest ties and deep expertise in timberlands, forest conservation and mill operations have acquired portions of SDS Lumber Company and SDS Co, LLC. The sale was finalized on November 17.

The unique consortium, comprised of Seattle-based Silver Creek Capital's fund Twin Creeks Timber, LLC, The Conservation Fund, and Carson, Washington-based WKO, Inc., designed and put forth a purchase solution for the SDS Lumber Company and SDS Co, LLC that continues sustainable timber harvesting and mill operations while providing a path for the forestlands to be permanently conserved in the future for wildlife, recreation, and community benefits. Included in the transaction are over 96,080 acres of timberlands with environmental and community importance near the Columbia River in Washington and Oregon and the lumber and plywood mills and associated assets in Bingen, Wash.

Now that the sale is complete, each entity will solely manage its own specific acquired lands or assets.

Green Diamond Management Company, in its role as manager and co-investor in Twin Creeks Timber, LLC, will manage 61,000 acres of the timberlands as working forests to support the local economy while upholding their practice of long-term forest stewardship. "We are pleased to continue a legacy of forest management set by SDS in its tenure on these timberlands," said Douglas Reed, President of Green Diamond Resource Company. "We look forward to working in the region, managing forests for long-term value."

Green Diamond will maintain staff and an office in the area and continue forest management operations. The timberlands will be managed under the Sustainable Forestry Initiative Standard® environmental certification program and state forest practices laws and rules to protect clean air and water, wildlife and soils.

The Conservation Fund, through an affiliate, has acquired over 35,000 acres of the SDS timberlands, including important oak habitat, river frontage and municipal drinking water sources. The national non-profit's purchase provides time to fundraise, develop and implement a range of permanent conservation strategies with local partners that will seek to secure public recreational access, ensure sustainable timber harvesting, and preserve the natural, climate and community values of the land.

In addition, The Conservation Fund and Green Diamond are committed to work together to place conservation easements on the former SDS lands managed by Green Diamond that will provide environmental protection while continuing sustainable timber production. Larry Selzer, CEO of The Conservation Fund remarked: "This unique transaction sets the stage for one of the largest conservation victories in the Pacific Northwest, and it demonstrates how sophisticated conservation finance and the private market can work together to achieve the best outcomes that balance environmental and community priorities with economic sustainability. Replicating this innovative

approach will be essential to accelerating efforts to ensure the sustainable management of large, existing forests across the U.S.—one of the most effective strategies available right now to combat climate change.”

The Conservation Fund’s acquisition was possible through its [Working Forest Fund](#)[®], dedicated to mitigating climate change, strengthening rural economies and protecting natural ecosystems through the permanent conservation of at-risk working forests. Capital from the organization’s green bonds—the first of its kind dedicated to conservation in the U.S.—was part of a mixed capital strategy that enabled the purchase, including a loan from the Richard King Mellon Foundation enabled the purchase.

The timberland purchasers will each assume and continue the terms of the Safe Harbor Agreement established by SDS Co, LLC to protect the northern spotted owl.

Wilkins, Kaiser & Olsen, Inc. (WKO) ownership has acquired and will continue to operate the Bingen mills under the SDS Lumber name. The ownership group has two modern state-of-the art facilities in the region. The Carson, Wash. sawmill and planer mill with boiler and dry kilns, specializing in high quality kiln dried dimensional lumber has been in operation since 1962. The Mt. Hood Forest Products sawmill near Hood River, Ore., which is a green Douglas-fir dimensional lumber producer was acquired in 2002 and began operations in 2004. Between the two mills, production exceeds 300 million bd. ft. annually. “Our company couldn’t be more excited about the acquisition of the SDS Lumber facilities. We have held a mutual respect with the ownership and management of SDS for decades as operators in the Columbia Gorge and we look forward to continuing operations at the Bingen mill site,” said Bill Wilkins, CEO of WKO.

“We spent a year focused on a thoughtful transition that led us to this proposal. We are pleased to have completed the sale with these respected organizations. Under their leadership, the timberlands, the mill, the employees and the community are poised for a bright future,” said Jeff Webber, president for SDS Lumber Company and SDS Co, LLC (Stevenson Land Company).

About Green Diamond

Green Diamond Resource Company is a privately held forest products company with roots dating back to 1890 in Washington state. Today, the company owns working forest lands in Washington, Oregon, Montana, and California. A subsidiary, Green Diamond Management Company, provides forest management services in the U.S. South and West and will manage the SDS property. All lands owned and managed by Green Diamond are independently audited and certified for sustainable forest management. More information about Green Diamond's environmental leadership may be found at www.greendiamond.com.

About Twin Creeks Timber, LLC

Silver Creek Capital Management formed Twin Creeks Timber, LLC to bring together sophisticated institutional investors and a strong operating company as manager and investor to purchase timberland across the United States. With over \$1.5B in capitalization, the fund will own over 650,000 acres between the U.S. South and the Pacific Northwest with the purchase of the SDS timberlands. Learn more at www.silvercreekcapital.com

About The Conservation Fund

The Conservation Fund is a national non-profit that works with public, private and non-profit partners to protect America’s legacy of land and water resources through land acquisition and sustainable community and economic development, emphasizing the integration of economic and environmental goals. The Fund acquired the lands from SDS through its affiliate Lupine Forest LLC. Founded in 1985, The Conservation Fund has worked in all 50 states to protect over 8.5 million acres valued at over \$7 billion. Through its Working Forest Fund[®], The Conservation Fund and its affiliates have acquired more than 941,000 acres of working forestland in 19 states and deployed \$686 million of capital to help mitigate climate change, strengthen rural economies and protect natural ecosystems. Learn more at www.conservationfund.org and www.workingforestfund.org.

About WKO, Inc and its Affiliates

WKO, Inc. started operations in Carson, Washington in 1962. The company has continued to grow and improve since that time through a steadfast commitment to reinvestment in facilities and technology. Mt. Hood Forest Products is an affiliated facility and began operating under company ownership in 2004. The companies look forward to a continued focus on safety and quality production with the acquisition of SDS. Learn more at <https://wkoinc.com/>.

About SDS Companies

SDS Lumber was established in 1946 by Wally and Bruce Stevenson and Frank Daubenspeck on the banks of the Columbia River in Bingen, Washington. They incrementally grew the business from one small green lumber mill by adding a plywood mill, a boiler with electricity generation, dry kilns, a whole log chipping mill and several versions of sawmill upgrades. Steady growth and re-investment into the mill and the continual accumulation of timberlands made SDS Lumber Company and SDS Co, LLC (dba Stevenson Land Company) a driving force and major employer in the Columbia Gorge community. Learn more at <https://sdslumber.com/>.

Map and Photos

<https://bit.ly/3Fc6IAA>

Media Contacts

Green Diamond | Patti Case | PCase@greendiamond.com | 360-790-6182

The Conservation Fund | Ann Simonelli | asimonelli@conservationfund.org | 703-908-5809

WKO, Inc. | Mike Engel | mike@wkoinc.com | 509-427-8413

SDS Companies | Liz Fuller | Lfuller@gardcommunications.com | 503-552-5067

###

SDS Timberland Sale

THE CONSERVATION FUND

