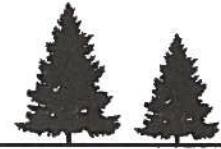


# JD LUMBER, INC.



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December 30<sup>th</sup>, 2019

DEPT. OF LANDS

Idaho Department of Lands  
Dustin Miller, Director  
300 N. 6th Street, Suite 103  
Boise, ID 83702

JAN 02 2020

BOISE, IDAHO

Dear Dustin,

My name is Jake Weimer and I work for JD Lumber. We are a family-owned timberland company that has been in the Idaho forest products industry since 1980.

First off, I would like to thank you and everyone else at the Idaho Department of Lands for doing an excellent job administering the state forest practices act and fighting fire. We consider ourselves lucky to be in Idaho rather than certain neighboring states that have considerably more cumbersome and less effective regulation.

There is one issue I would like to raise with IDL however, which is why I am writing this letter.

IDL's acquisition of 32,000 acres from the private landowner Molpus Woodlands makes no sense to me (or other people in private industry I've talked to) for a number of reasons:

- 1.) Forestland in Idaho is over 85% owned by government agencies
- 2.) IDL is already the largest player in the Idaho forest industry with over 1 million acres
- 3.) The price of \$1,313/acre plus a 5-year timber reservation is above what private market participants have recently paid (I don't know all the details)
- 4.) The Endowment already has a substantial exposure to Idaho timberland, adding more timberland is against the basic 'Finance 101' principle of diversification

Basically it comes down to this – we don't need any more government land in Idaho!

I get the concept of consolidating a checkerboarded ownership (via an equal value land trade), or needing a property here or there for access or logging capability, but I don't understand the rationale of a large outright purchase like this one.

Well actually I didn't understand it... then I saw the Land Bank's "use it or lose it" rule of purchasing Idaho land within 5 years from cottage site sale proceeds, or else the money goes into the Permanent Fund where it would be invested in stocks and bonds. Viewed through this lens the land purchase looks like a classic case of departmental 'empire building' to keep the money under direct IDL control regardless of any rationale.

I was recently made aware of the still considerable size of the Payette and Priest Lake cottage site sale fund, so I thought I would write a letter before this happens again. IDL does a great job and I thank you for that, but quite simply IDL already has enough land – the cottage site proceeds belong in the Permanent Fund.

Sincerely,

Jake Weimer  
jakeweimer10@gmail.com