



# TRI Pointe & WRECO A Powerful Combination

*November 4, 2013*

Weyerhaeuser  
Real Estate Company



## Forward-Looking Statements

This presentation contains statements concerning Weyerhaeuser Company (“Weyerhaeuser”) and TRI Pointe Homes, Inc. (“TRI Pointe”) that are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on various assumptions and the current expectations of the management of Weyerhaeuser and TRI Pointe, and may not be accurate because of risks and uncertainties surrounding these assumptions, and expectations. Factors listed below, as well as other factors, may cause actual results to differ significantly from these forward-looking statements. There is no guarantee that any of the events anticipated by these forward-looking statements will occur. If any of the events occur, there is no guarantee what effect they will have on the operations or financial condition of Weyerhaeuser or TRI Pointe. Forward-looking statements included herein are made as of the date hereof, and Weyerhaeuser and TRI Pointe undertake no obligation to publicly update or revise any forward-looking statement unless required to do so by the federal securities laws.

Some forward-looking statements discuss Weyerhaeuser’s and TRI Pointe’s plans, strategies and intentions. They use words such as “expects,” “may,” “will,” “believes,” “should,” “would,” “could,” “approximately,” “anticipates,” “estimates,” “targets,” “intends,” “likely,” “projects,” “positioned,” “strategy,” “future,” and “plans.” In addition, these words may use the positive or negative or other variations of those terms. Forward-looking statements in this presentation include statements regarding the expected effects on Weyerhaeuser, Weyerhaeuser Real Estate Company (“WRECO”) and TRI Pointe of the proposed distribution of WRECO to Weyerhaeuser’s shareholders and merger of WRECO with a subsidiary of TRI Pointe (the “Transaction”), the anticipated timing and benefits of the Transaction and whether the Transaction will be tax-free for Weyerhaeuser and its shareholders for U.S. federal income tax purposes. Forward-looking statements also include all other statements in this presentation that are not historical facts.

These statements are based on the current expectations of the management of Weyerhaeuser and TRI Pointe (as the case may be) and are subject to uncertainty and to changes in circumstances. Major risks, uncertainties and assumptions include, but are not limited to: the satisfaction of the conditions to the Transaction and other risks related to the completion of the Transaction and actions related thereto; Weyerhaeuser’s and TRI Pointe’s ability to complete the Transaction on the anticipated terms and schedule, including the ability to obtain shareholder and regulatory approvals and the anticipated tax treatment of the Transaction and related transactions; risks relating to any unforeseen changes to or effects on liabilities, future capital expenditures, revenues, expenses, earnings, synergies, indebtedness, financial condition, losses and future prospects; TRI Pointe’s ability to integrate WRECO successfully after the closing of the Transaction and to achieve anticipated synergies; the risk that disruptions from the Transaction will harm Weyerhaeuser’s or TRI Pointe’s businesses; the effect of general economic conditions, including employment rates, housing starts, interest rate levels, availability of financing for home mortgages, and the strength of the U.S. dollar; and other factors described under “Risk Factors” in each of Weyerhaeuser’s and TRI Pointe’s Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q. However, it is not possible to predict or identify all such factors. Consequently, while the list of factors presented here is considered representative, no such list should be considered to be a complete statement of all potential risks and uncertainties.

## Additional Information and Where to Find It

In connection with the proposed “Reverse Morris Trust” transaction between TRI Pointe and Weyerhaeuser, pursuant to which the homebuilding subsidiary of Weyerhaeuser, WRECO (with certain exclusions), will be combined with TRI Pointe, TRI Pointe will file a registration statement on Form S-4 with the Securities and Exchange Commission (“SEC”), which will include a prospectus. TRI Pointe will also file a proxy statement which will be sent to the TRI Pointe shareholders in connection with their vote required in connection with the transaction. In addition, WRECO expects to file a registration statement in connection with its separation from Weyerhaeuser. **Investors and security holders are urged to read the proxy statement and registration statement/prospectus and any other relevant documents when they become available, because they will contain important information about TRI Pointe, the real estate business of Weyerhaeuser and the proposed transaction.** The proxy statement and registration statement/prospectus and other documents relating to the proposed transaction (when they are available) can be obtained free of charge from the SEC’s website at [www.sec.gov](http://www.sec.gov). These documents (when they are available) can also be obtained free of charge from Weyerhaeuser upon written request to Weyerhaeuser Company, 33663 Weyerhaeuser Way South, Federal Way, Washington 98003, Attention: Vice President, Investor Relations, or by calling (800) 561-4405, or from TRI Pointe upon written request to TRI Pointe Homes, Inc., 19520 Jamboree Road, Irvine, California 92612, Attention: Investor Relations, or by calling (949) 478-8696.

## Participants in the Solicitation

This communication is not a solicitation of a proxy from any security holder of TRI Pointe or Weyerhaeuser. However, Weyerhaeuser, TRI Pointe and certain of their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from TRI Pointe’s shareholders in connection with the proposed transaction. Information about the Weyerhaeuser’s directors and executive officers may be found in its Annual Report on Form 10-K for the year ended December 31, 2012 filed with the SEC on February 19, 2013 and the definitive proxy statement relating to its 2013 Annual Meeting of Shareholders filed with the SEC on February 26, 2013. Information about the TRI Pointe’s directors and executive officers may be found in its Annual Report on Form 10-K for the year ended December 31, 2012 filed with the SEC on March 28, 2013. These documents can be obtained free of charge from the sources indicated above. Additional information regarding the direct and indirect interests of these participants, whether by security holdings or otherwise, will be included in the registration statement/prospectus, proxy statement and other relevant materials to be filed with the SEC when they become available.



Doyle Simons  
President &  
Chief Executive Officer



Barry Sternlicht  
Chairman

Doug Bauer  
Chief Executive Officer

# TRI Pointe & WRECO: A Powerful Combination

- TRI Pointe Homes and Weyerhaeuser have entered into an agreement whereby Weyerhaeuser's homebuilding subsidiary, WRECO, will combine with TRI Pointe in a Reverse Morris Trust transaction, expected to be tax-free, and valued at approximately \$2.7 billion
- Creates a leading national homebuilder focused on some of the most attractive housing markets in the U.S. with an approximate estimated combined equity market capitalization of \$2.5 billion<sup>(1)</sup>
- Combines industry-leading management at TRI Pointe with WRECO's strong local market franchises and management teams
- Expands land holdings with a combined land position of more than 30,000 lots including approximately 19,000 lots in California
- Strong long-term growth potential

# Transaction Overview

## Structure and Consideration

- Weyerhaeuser's homebuilding business to merge with a subsidiary of TRI Pointe Homes in a Reverse Morris Trust transaction
- Total transaction value of approximately \$2.7 billion<sup>(1)</sup>, including \$2.0 billion in TPH stock (approximately 130 million shares) and approximately \$700 million in cash

## Ownership

- Weyerhaeuser shareholders: 80.5%
- Existing TRI Pointe shareholders: 19.5%

## Board of Directors

- Barry Sternlicht to remain Chairman and Doug Bauer as CEO and a director
- Board will expand from seven to nine directors; TRI Pointe will appoint five directors and Weyerhaeuser will appoint the remaining four directors

## Management

- CEO: Doug Bauer, current TRI Pointe Chief Executive Officer
- COO: Thomas Mitchell, current TRI Pointe Chief Operating Officer
- CFO: Michael Grubbs, current TRI Pointe Chief Financial Officer

## Headquarters

- Irvine, California

## Conditions and Expected Closing

- Transaction anticipated to close in the second quarter of 2014, subject to customary closing conditions, including regulatory and TRI Pointe stockholder approvals
- Starwood and TRI Pointe's management have agreed to vote approximately 40% of outstanding TRI Pointe shares in favor of the transaction



# Strategic Rationale for Weyerhaeuser

- Combination creates a strong standalone homebuilder
  - Top 10 public homebuilder based on estimated combined equity market value
  - Significant long-term growth potential
  - Opportunity for pure play homebuilding investment
  - Appropriate homebuilder capital structure allowing access to additional capital
- A more focused Weyerhaeuser
  - Concentrate on forest products businesses
  - Expect reduced earnings volatility
  - Capital allocation to grow shareholder value
- Reverse Morris Trust (“RMT”) transaction structure
  - Weyerhaeuser shareholders will receive approximately 80.5% of TRI Pointe shares and pre-transaction TRI Pointe shareholders will own the balance
  - Expected to be tax-free to Weyerhaeuser and its shareholders

**Creates the Most Value for Weyerhaeuser Shareholders**

# Benefits to Shareholders of New TRI Pointe Homes

- Best-in-class senior management team combined with strong and experienced local management
- Expands geographic presence into additional attractive, high-growth markets
- Deepens California footprint
- Expands land holdings with a combined land position of more than 30,000 lots owned and controlled
- Strengthens balance sheet
- Increases equity market capitalization and stock liquidity
- Transaction expected to be EPS accretive to TRI Pointe shareholders



## Summary Overview: TRI Pointe Homes



# Experienced and Proven Leadership

- Senior management has worked as a team for nearly 25 years
- Significant prior experience running a large, geographically diversified, growth-oriented public homebuilder
- Deep local market knowledge and strict operating discipline
- Additional access to extensive real estate expertise



**Barry S. Sternlicht**  
*Chairman*

- Chairman and CEO of Starwood Capital Group since formation in 1991
- Former Chairman and CEO of Starwood Hotels & Resorts
- Current Chairman and CEO of Starwood Property Trust, Inc.
- Structured transactions valued at more than \$50 billion



**Douglas Bauer**  
*Chief Executive Officer*

- 25 years of real estate and homebuilding experience
- Former President and COO of WLH
- Previously, managed WLH Northern California Division



**Thomas Mitchell**  
*President and COO*

- 25 years of real estate and homebuilding experience
- Former EVP and Southern California Regional President at WLH



**Michael Grubbs**  
*Chief Financial Officer*

- 25 years of real estate and homebuilding experience
- Former SVP / CFO of WLH
- Previously specialized in real estate accounting at Kenneth Leventhal & Co.

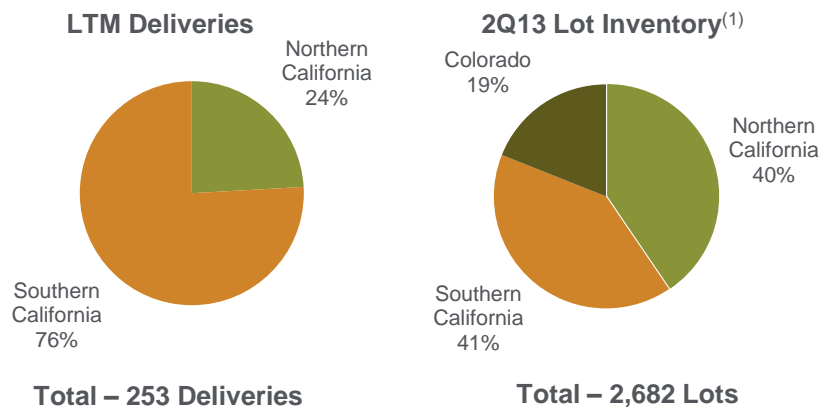
# TRI Pointe Homes – Company Overview

- Leading regional merchant homebuilder focused on attractive California and Colorado markets
- 3 operating divisions: Northern California, Southern California and Colorado
- Build across a variety of price points and home sizes that provide flexibility to pursue wide array of land acquisition opportunities
- Rapid year-over-year growth in last twelve months across key metrics

## Geographic Footprint



## Owned Deliveries & Inventory Breakdown



(1) Lots owned and controlled which includes land under a purchase contract, option contract or non-binding letter of intent.  
Note: All data as of June 30, 2013.



Weyerhaeuser  
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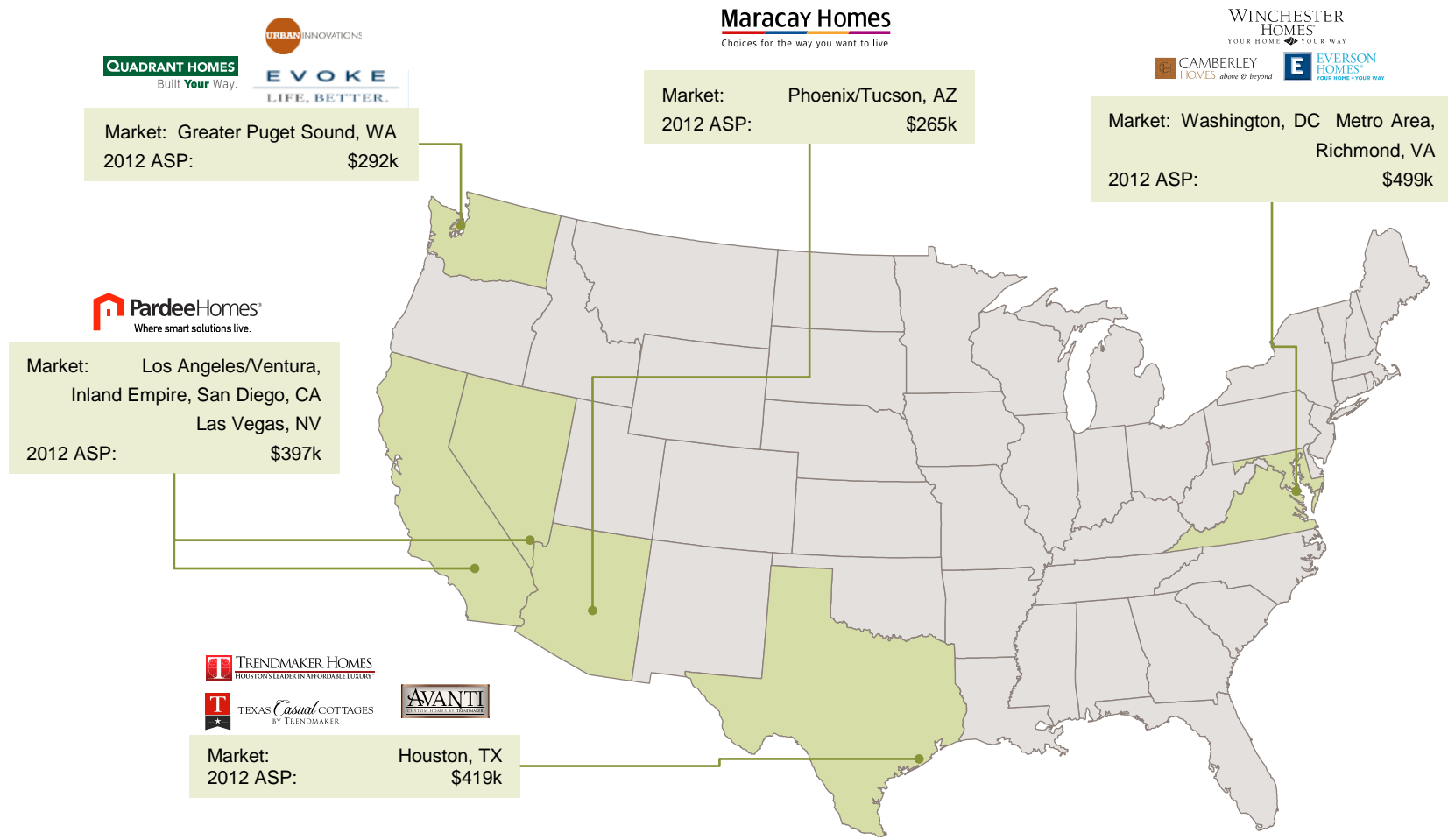
Summary Overview:  
WRECO

# WRECO – Company Overview

- Top National Builder with industry-leading profitability
  - Ranked 17th by closing volume and 13th by revenue as of 2012<sup>(1)</sup>
- Established local brands in desirable long-term markets
  - 7 states, 10 sub-markets, 5 primary brands (and 6 brand extensions)
- Attractive land supply in geographically diverse and land-constrained markets
  - Over 27,000 lots in high-growth, land-constrained markets
- Extensive builder/developer capabilities
  - Land strategies are sub-market specific
- Industry-leading quality and customer service
  - Willingness-to-refer rating of 95%<sup>(2)</sup>
- Highly experienced management team
  - Average tenure of WRECO and subsidiary presidents approximately 20 years

(1) Public company filings and Builder Magazine, May 2013.  
(2) Independent customer surveys.

# WRECO's Geographic Footprint



**~700 Employees  
as of September 30, 2013**



# A Powerful Combination

- Industry-leading management team at TRI Pointe combined with WRECO's local market-leading franchises and strong entrepreneurial management teams
- Broad and complementary geographic footprint with leadership positions in attractive housing markets such as California, Houston, Las Vegas, Phoenix, Washington, D.C. & Seattle
- Combines merchant building model with WRECO's land development capabilities and enhanced California land position
- Combined total lot position of over 30,000 lots
- Focus on move-up segment with combined company ASP in excess of \$400,000<sup>(1)</sup>, while executing a tailored approach to branding and product development
- Strong gross margin performance with estimated combined margins of 23%<sup>(2)</sup> on LTM basis
- Expected to have conservative leverage and ample liquidity for growth
- Potential for operating savings and additional revenue growth associated with ancillary businesses
- Transaction expected to be EPS accretive to TRI Pointe stockholders

(1) Based on weighted average revenues.

(2) Estimated combined adjusted homebuilding gross margin calculated using TPH and WRECO LTM figures as of 6/30/2013. LTM adj. gross margin excludes capitalized interest amortization, impairment, deposit write-off and project abandonment costs.

# Leading Brand Names Targeted to Specific Markets



Market: Orange County, Los Angeles, San Diego, San Francisco Bay Area, Denver

2012 Single-Family Closings: 144

Lots Owned & Controlled: 2,682



Built Your Way.



Market: Greater Puget Sound

2012 Single-Family Closings: 415

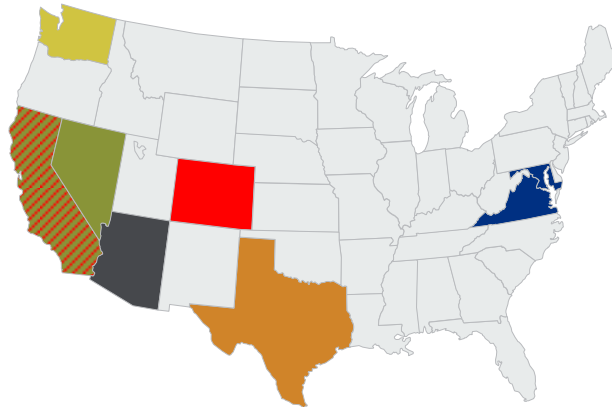
Lots Owned & Controlled: 1,355



Markets: Los Angeles/Ventura, Inland Empire, San Diego, Las Vegas

2012 Single-Family Closings: 681

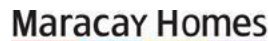
Lots Owned & Controlled: 18,450



Markets: Washington, D.C. Metro Area, Richmond, VA

2012 Single-Family Closings: 352

Lots Owned & Controlled: 3,395



FLEX DESIGN®

Choices for the way you want to live.

Markets: Phoenix, Tucson

2012 Single-Family Closings: 389

Lots Owned & Controlled: 2,440



TRENDMAKER HOMES  
HOUSTON'S LEADER IN AFFORDABLE LUXURY™



TEXAS Casual COTTAGES  
BY TRENDMAKER



Market: Houston

2012 Single-Family Closings: 477

Lots Owned & Controlled: 1,739

**Total Lots Owned and Controlled: 30,061**

**Total 2012 Single-Family Closings: 2,458**

**Projected 2013 Single-Family Closings: ~3,350**

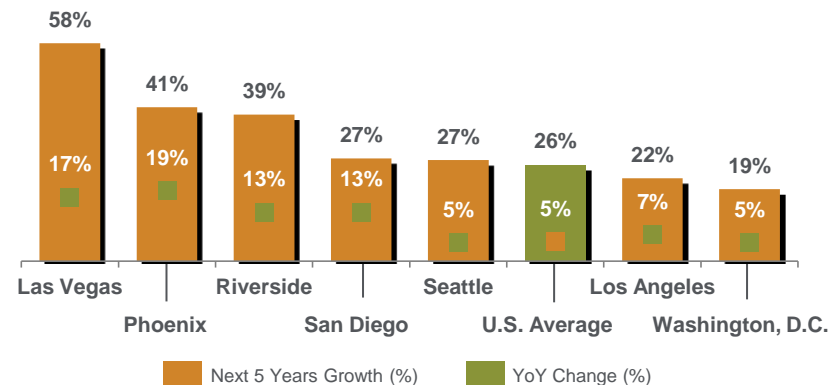
# Leadership Positions in Several High Growth Markets

## Leading Local Presence<sup>(1)</sup>

Location	Overall Position	Target Segment	
		Position	Definition
<b>Pardee Homes</b>			
San Diego	#3	#2	\$600K – \$1MM
LA County	#8	#5	\$400K – \$700K
Inland Empire	#9	#7	\$100K – \$400K
Las Vegas	#9	#5	\$200K – \$500K
<b>Maracay Homes</b>			
Phoenix	#13	#13	\$200K – \$450K
<b>Quadrant Homes</b>			
Seattle	#3	#3	\$200K – \$450K
<b>Trendmaker Homes</b>			
Houston	#11	#3	\$350K – \$800K
<b>Winchester Homes</b>			
Washington, DC	#4	#3	\$450K – \$650K
<b>TRI Pointe</b>			
Southern California			\$300K – \$1.5MM
Northern California			\$400K – \$2.0MM
Denver, CO			\$300K – \$650K

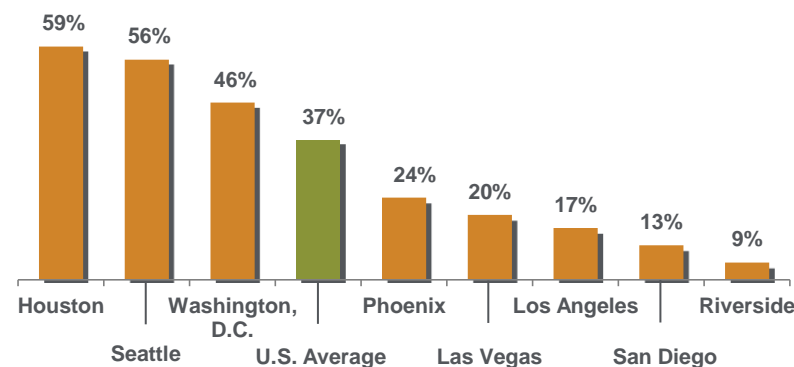
## High Growth Markets<sup>(2)</sup>

(John Burns Home Value Index)



## Housing Permits as % of Peak<sup>(3)</sup>

Based on LTM closings (in years)



(1) Based on Hanley Wood data for 12 months ended December 31, 2012.  
 (2) John Burns Home Value Index (April 2013).  
 (3) John Burns Real Estate Consulting.

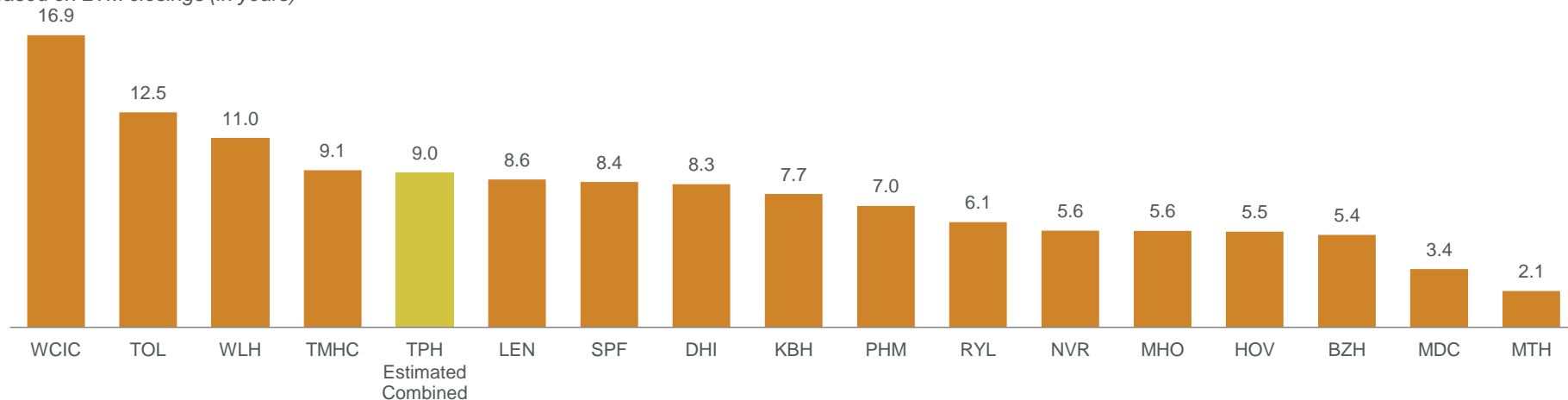
# Land Supply to Fuel Expansion

## Combined Lot Position<sup>(1)</sup>

Market	TRI Pointe			WRECO			Combined Company
	Owned	Optioned	Total	Owned	Optioned	Total	
Southern California	713	374	1,087	15,055	58	15,113	16,200
Northern California	759	327	1,086	1,372	--	1,372	2,458
Washington, D.C. <sup>(2)</sup>	--	--	--	2,330	1,065	3,395	3,395
Arizona	--	--	--	1,007	1,433	2,440	2,440
Nevada	--	--	--	1,580	385	1,965	1,965
Washington	--	--	--	859	496	1,355	1,355
Texas	--	--	--	1,364	375	1,739	1,739
Colorado	57	452	509	--	--	--	509
<b>Total</b>	<b>1,529</b>	<b>1,153</b>	<b>2,682</b>	<b>23,567</b>	<b>3,812</b>	<b>27,379</b>	<b>30,061</b>

## Combined Land Supply at High End of Peers<sup>(3)</sup>

Based on LTM closings (in years)



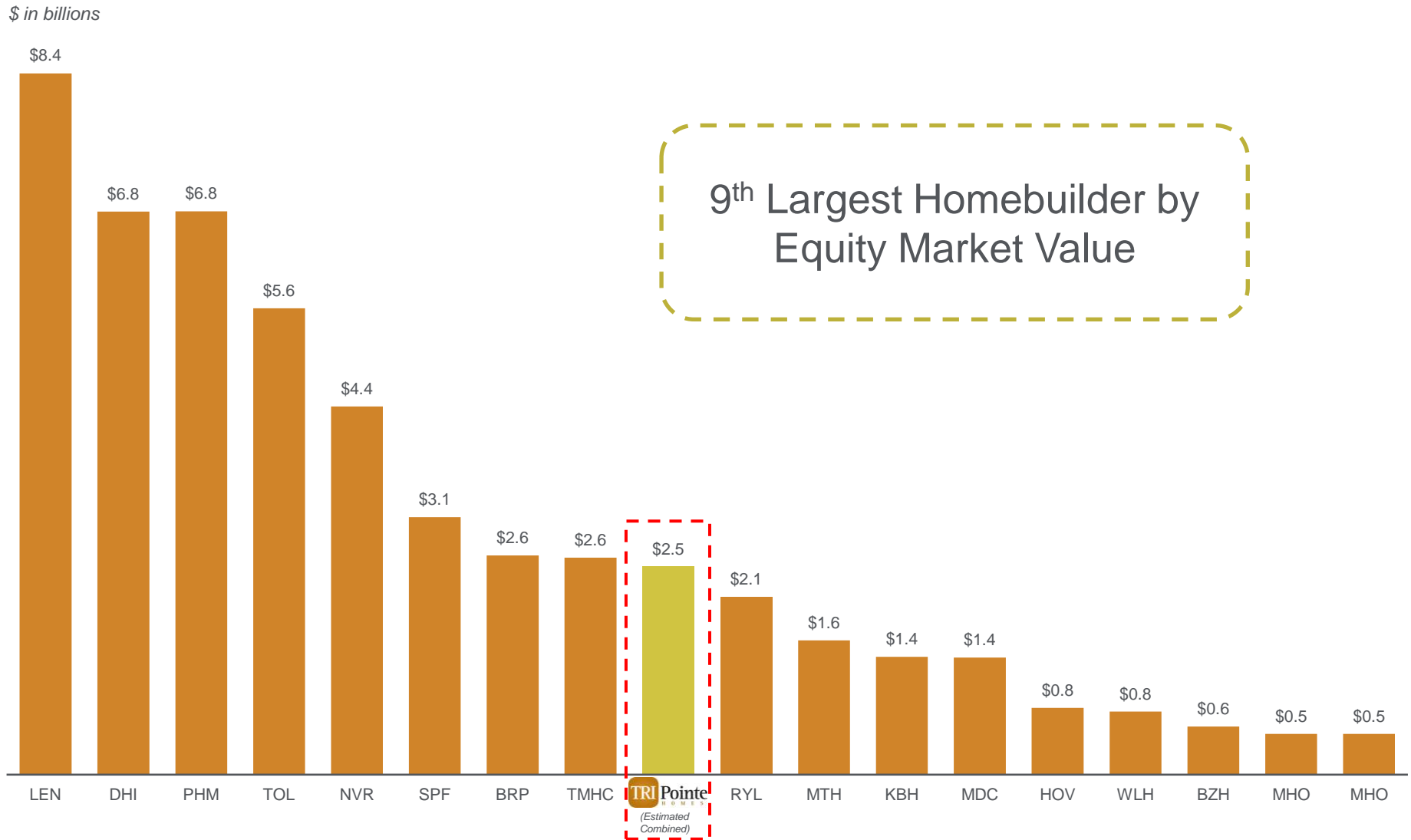
(1) Reflects lots owned and controlled as of 9/30/2013 for WRECO and 6/30/2013 for TRI Pointe.

(2) Includes lots in the greater metro area as well as recently acquired lots for expansion into the Richmond, VA market.

(3) Estimated combined TPH lot position divided by combined company projected 2013 single family closings of approximately 3,350.

# Significantly Increases Size, Scale & Profitability

## Equity Market Value<sup>(1)</sup>



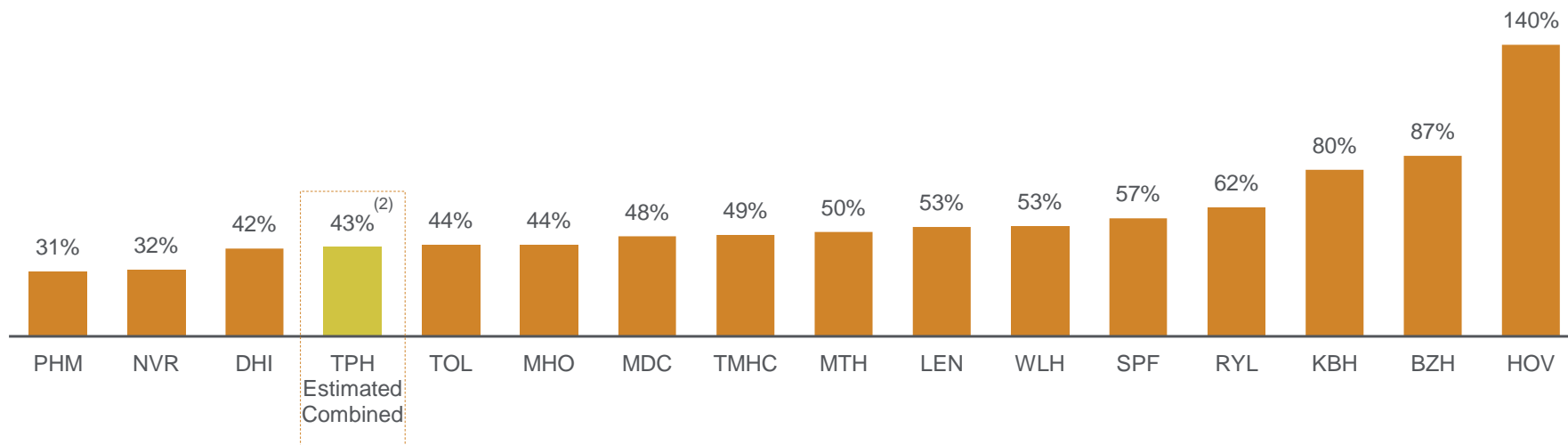
(1) Equity value as of 11/1/2013. Estimated combined equity market value calculated using TPH equity market capitalization as of 11/1/2013 divided by 19.5%.  
Source: Company filings and presentations.



# Combined Liquidity / Capital Structure

- Debt / book capitalization of 43% in line with peer group
- Expected strong pro forma liquidity with ample “dry powder” to invest in cyclical housing recovery already underway
- Expect to issue senior unsecured notes to coincide with closing of transaction
- A portion of the proceeds will be paid to Weyerhaeuser at closing

## Debt / Book Capitalization<sup>(1)</sup>



Source: Based on last reported company filings as of 11/1/2013.

(1) Debt / Book Capitalization equal to total debt divided by the sum of book value of equity, total debt and minority interest.

(2) TPH estimated combined assumes 11/1/2013 TPH share price of \$15.38, approximately \$700mm dividend to Weyerhaeuser, and assumed \$800mm of new debt.

# Key Investment Highlights

## Proven Leadership

- TPH founders have deep experience growing and managing a public company
- Strong regional management teams allow an accelerated growth strategy
- Respected industry veteran, Barry Sternlicht, remains Chairman

## Enhances Geographic Presence

- Broad geographic footprint in nation's leading markets
- Poised for continued growth at the early stages of a recovery
- Supply constraints and strong job growth in core markets

## Attractive Land Holdings

- Pardee offers a strong franchise with an enviable land position in California
- Controlling over 30,000 lots provides a competitive advantage in land constrained markets
- Land holdings provide optionality for future land and lot sales

## Strong Relationships with Key Land Owners and Developers

- Extensive, long-term relationships in our core regional markets
- Access to attractive land opportunities in desirable master plan communities
- Long track record of delivering high quality product and profits

## Attractive Growth Potential

- Expected to be EPS accretive to TRI Pointe stockholders
- Strong margin contribution from WRECO assets at book value
- Prudent balance sheet with capacity to grow

## Increased Equity Market Capitalization and Stock Liquidity

- Significant increase in equity market capitalization and number of shares outstanding
- Improved access to capital markets
- Broader investor base