

OMB APPROVAL	
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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

<b>1. Name and Address of Reporting Person*</b> <u>VANDENNOORT HANS E</u>  (Last) (First) (Middle) <u>1301 RIVERPLACE BOULEVARD</u> <u>SUITE 2300</u>  (Street) <u>JACKSONVILLE FL 32207</u>  (City) (State) (Zip)	<b>2. Issuer Name and Ticker or Trading Symbol</b> <u>RAYONIER INC [ RYN ]</u>	<b>5. Relationship of Reporting Person(s) to Issuer</b> (Check all applicable) Director 10% Owner Officer (give title below) Other (specify below)  SR VP & CFO
	<b>3. Date of Earliest Transaction (Month/Day/Year)</b> <u>08/01/2012</u>	
<b>4. If Amendment, Date of Original Filed (Month/Day/Year)</b>		

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Shares	08/01/2012		M		4,388	A	\$27.36	182,129.5	D	
Common Shares	08/01/2012		S		4,388 <sup>(1)</sup>	D	\$48	177,741.5	D	
Common Shares								7,096.7924	I	In Trust <sup>(2)</sup>

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Employee Stock Option	\$27.36	08/01/2012		M		4,388		(3)	01/03/2017	Common Shares	4,388	\$0.0000	9,450	D	

**Explanation of Responses:**

- The sales reported in this Form 4 (and the Form 4 filed 7/31/2012) were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on July 27, 2012, covering his 2007 stock option grant totaling 18,450 shares (adjusted for the August 24, 2011 stock split).
- Shares are held in the Rayonier Investment and Savings Plan, a 401(k) plan, for this person's account.
- The option vests in three equal annual installments beginning on 1/3/08.

W. Edwin Frazier, III,  
Attorney-in-Fact

08/02/2012

\*\* Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

\* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.