## Is a Timber Sale in Your Future?

The larger trees growing in your woods caught your eye and you began wondering about their value. I know from talking with numerous forest owners that a lot of questions suddenly occur about selling trees and typically include: What are my objectives for owning forest land? What tree species do I have that are of interest to timber buyers? What tree sizes are in demand? Who would buy my trees? What are typical values offered for timber? What are some other forestry practices that help perpetuate healthy woods? Who do I talk to for information? Here are some tips about proceeding with a timber harvest from members of the Missouri Society of American Foresters:

- Your local forester is a good place to begin looking for information. Foresters can be contacted through the Missouri Department of Conservation, Missouri Consulting Foresters Association or Natural Resource Conservation Service. An important goal of foresters is to help forest owners manage their forests and that may include timber harvesting.
- 2. What are the objectives for your woods? You may have seen several dead or dying trees in your woods and are seeking information about their health. Your forest land is important to you and its management should be done to meet your objectives such as: Providing a source of revenue, improving hunting and the health of your forest, addressing issues involving an estate, creating a small recreational lake, and many other activities. Investigating forest management and the possibility of selling some trees can raise revenue for these projects.
- What tree species and sizes of trees are in my forest that would interest timber buyers?
  Tree species and their marketability vary around Missouri. Generally Missouri's forest is

composed of hardwoods and coniferous trees such as native eastern redcedar and shortleaf pine that's found in several of the southern Missouri counties. Oaks dominate the forest. White, black, red and post oaks are the most abundant in terms of acreage and volume, while black walnut, hickory, silver maple, sugar maple, sycamore, cottonwood, and several other hardwood species are in high demand. Large diameter black walnut and white oak veneer, white oak staves, and grade sawlogs are in demand state wide. Smaller diameter trees are frequently taken for pallet lumber from harvests in the southern part of Missouri. A key point is to harvest trees that are mature or have merchantable logs but are not healthy enough for further growth. While a healthy black walnut tree, measured at 16 inches at chest height above the ground, has sufficient diameter and length to interest buyers; the same tree growing, growing on a deep soil to 20 inches in diameter could significantly increase its value.

4. Are my trees valuable enough to interest buyers? Many factors influence the price of standing timber. Timber is a commodity and its pricing depends upon supply and demand plus other variables such as the tree species, tree diameter, amount of clear wood, and the products available in each log. The value paid varies by tree species and quality of the lumber and large timbers that can be cut from the logs. Additionally, the cost of logging and hauling logs to market influences the value of timber. Placing a value on trees is similar to buying a vehicle, horse or cow; the buyer needs to inspect the timber prior to placing a bid. Assigning specific, firm value to timber is best left to those who want to buy them and the price paid should be part of a written and agreed upon timber sale contract. Discussing the process with a forester can be beneficial.

- 5. Who should be contacted for information? Your local professional forester provides assistance and serves as your coach for getting through the harvesting process. Professional foresters who work for the Missouri Department of Conservation and those who are members of the Missouri Consulting Foresters Association provide on the ground assistance for marking timber and provide information about volumes marked, general quality of the timber, soliciting bids for the timber, and developing a contact for harvesting. These foresters also provide management planning assistance through the Natural Resource Conservation Service cost share programs. The plan and cost share programs help guide your management and enhance forest and wildlife objectives. Foresters also provide forest stand improvement and tree planting services that are covered by the cost sharing programs.
- 6. Note: Consulting foresters have a fee structure that you should discuss with them prior to retaining their services. In addition to forest management services previously described, consulting foresters can provide services that are not offered through government forestry programs including timber valuation and appraisal for use in estate planning, damage appraisals, and establishing the basis in the timber land for use by your tax accountant. Members of the Missouri Consulting Foresters Association are graduates of a Society of American Foresters accredited college or university with at least a Bachelor of Science degree in forestry; have at least three years experience or a combination of education and experience in practical forest administration and management. No Member can have an economic interest in timber purchasing or procurement, meaning they are not being paid by the logger or log processing mills. The fee charged by a consulting forester can be by the hour, by the job, or as a percentage of the gross value of your timber sale. The fee is

a tax deduction as it is part of the cost of managing your forest or selling the timber. Be sure to get a contract with the consulting forester so services, work details, and fees are understood.

The value in working with a forester is their knowledge of matching your objectives with the capabilities of your forest resource, knowledge of the timber markets, and the loggers whom they are familiar with in your area.

Harvesting timber can be an intense use of the land. To help reduce the impacts to streams and lakes, best management practices (BMPs) are recommended to secure soil on roads, log loading areas, and skid trails. Typical BMPs used are water bars that divert water off trails and function to secure the soil so healing occurs in a short time. The contract with the logger should include water bars, additional BMP's to be installed on a case by case need, and removing trash, and leaving pastures and crop land in serviceable condition. In selected counties there is cost share to the loggers who are Master Loggers to help cover part of their cost of installing BMPs following the harvest and to the forest owner for using forester to mark the timber.

To get information that can help in making decisions about the management of your forest you can contact these sources:

Call The Call Before You Cut hot line at 877-564-7483 or the web site at www.callb4ucut.com

You will receive a free of charge packet of information and, if interested and have 40 acres of timber or more, request a free of charge walk through your forest with a consulting forester. You will receive a map showing your property boundaries and a brief report stating your objectives for managing the forest, tree species and their general condition, and the forester's opinion of the

need for a harvest or other management. For folks with less than 40 acres the walk through can be done by a Department of Conservation forester.

The Call Before You Cut information packet contains contact information, a brief planning guide, and a Timber Price Report that shows ranges of prices paid in the past for standing timber based on report submitted by foresters for the previous quarter. The Price Report should not be used to price your timber as the market fluctuates seasonally and with the domestic and international demand for wood. The Price Report is only a rough guide that gets you in the ball park but you actually have to make contact with forester or timber buyer to get a better picture of the present price of timber.

To speak directly with a forester contact your local Missouri Department of Conservation Resource Forester, or use the web site: <u>http://mdc.mo.gov/</u>. To contact a consulting forester use the Missouri Consulting Foresters Association web site: <u>http://www.missouriforesters.com/</u>.

To contact a logger or timber buyer: Missouri Forest Products Association at 573-634-3252 or use the web site at <u>http://www.moforest.org/</u>. Additionally the Forest and Woodland Association of Missouri provides an informational web site for anyone interested in our forests and woodlands: <u>http://www.forestandwoodland.org/</u>.

If you do not use a computer please call your local Missouri Department of Conservation office or the State Forester at 573-751-4115.

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