



Markets and what to consider when harvesting timber

Keeping the Farm Workshop

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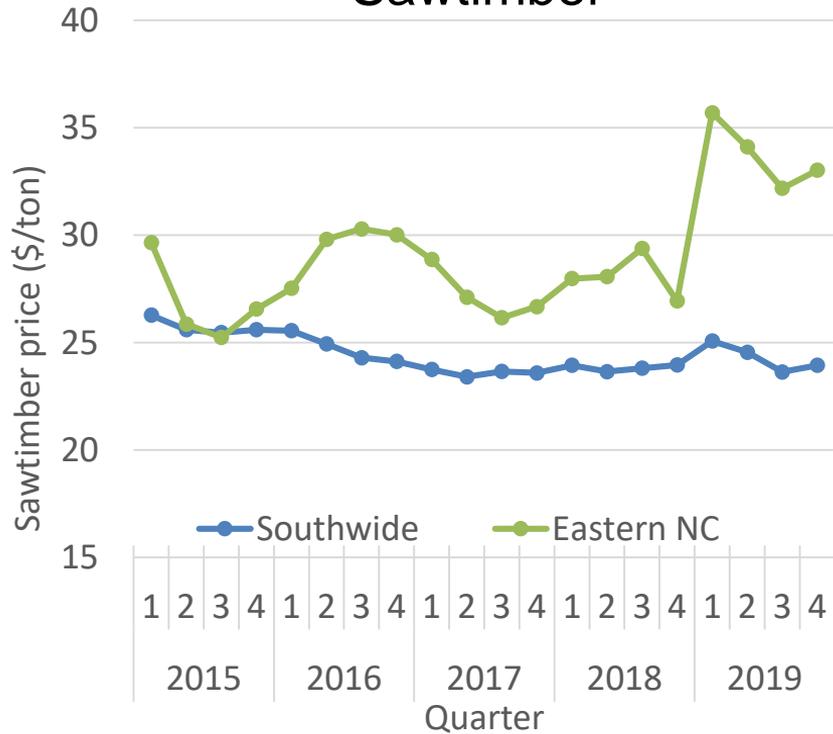
Agenda

- Markets
 - Current conditions
 - Market drivers
- Harvest considerations
 - Local regulations
 - Seek assistance

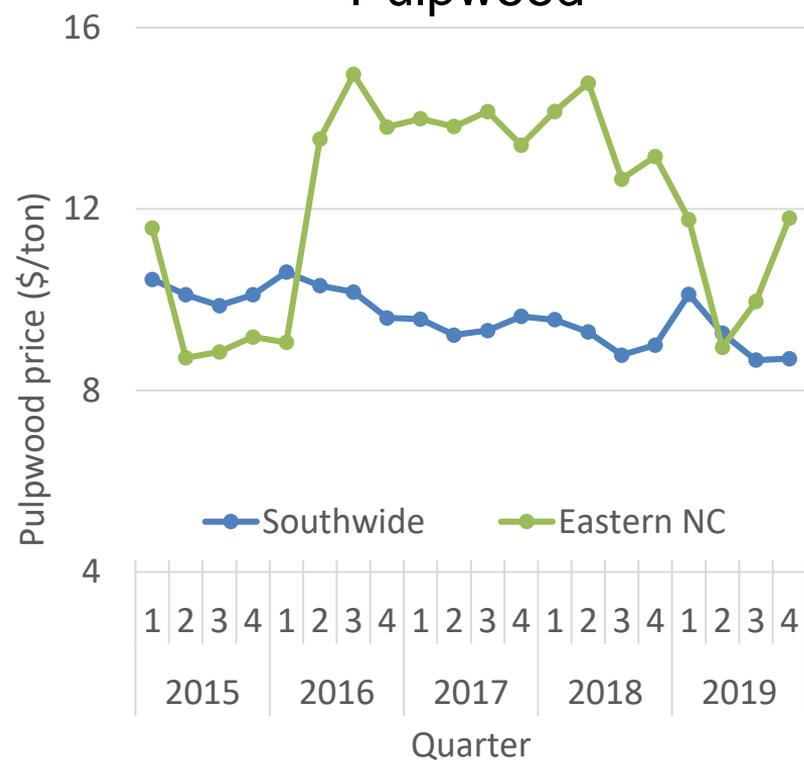


Eastern NC average pine prices – consistently higher than south-wide averages

Sawtimber

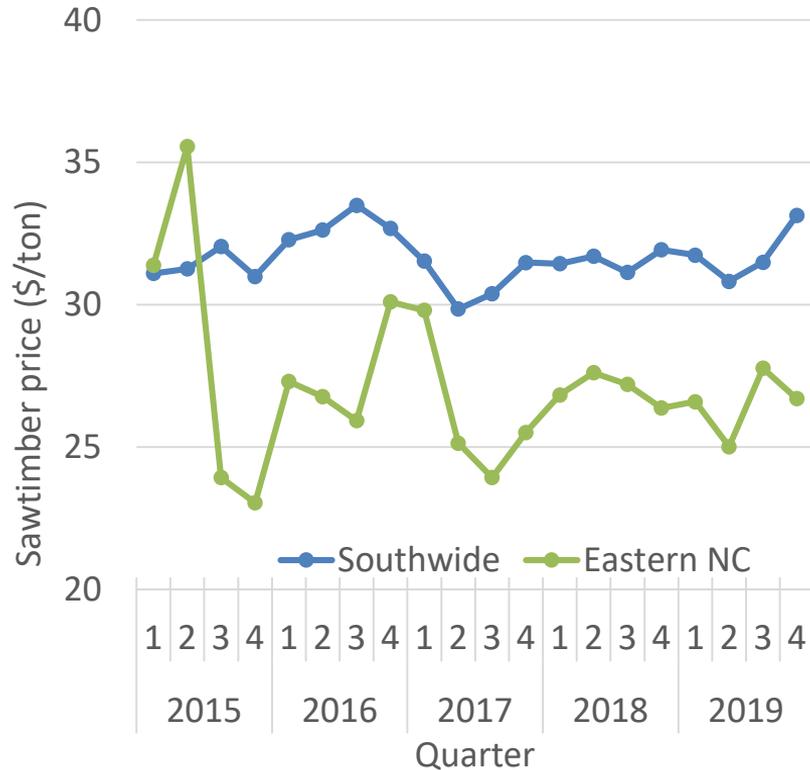


Pulpwood

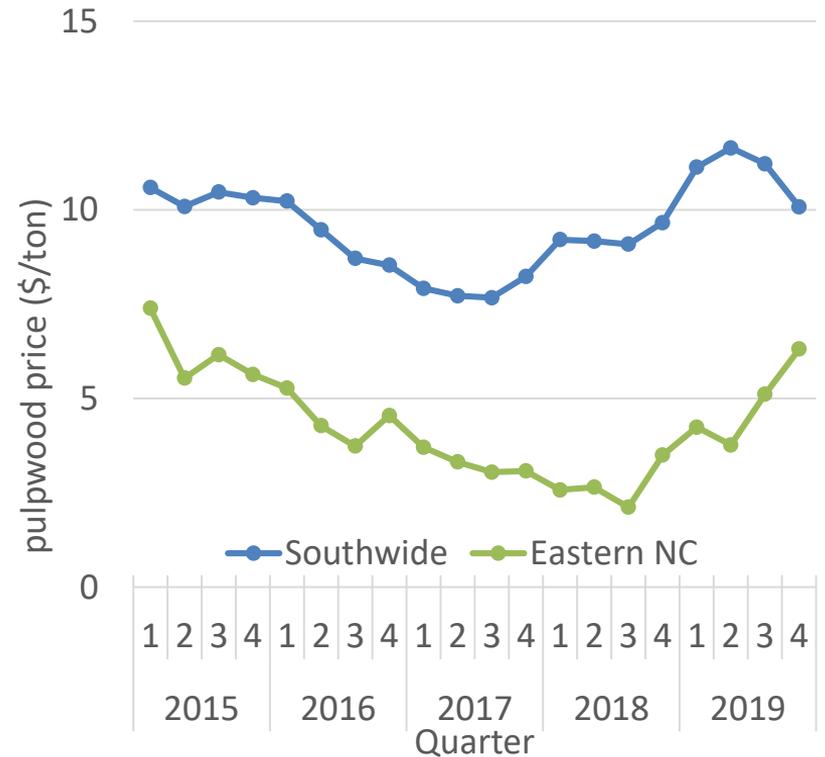


Eastern NC average hardwood prices – consistently lower than south-wide averages

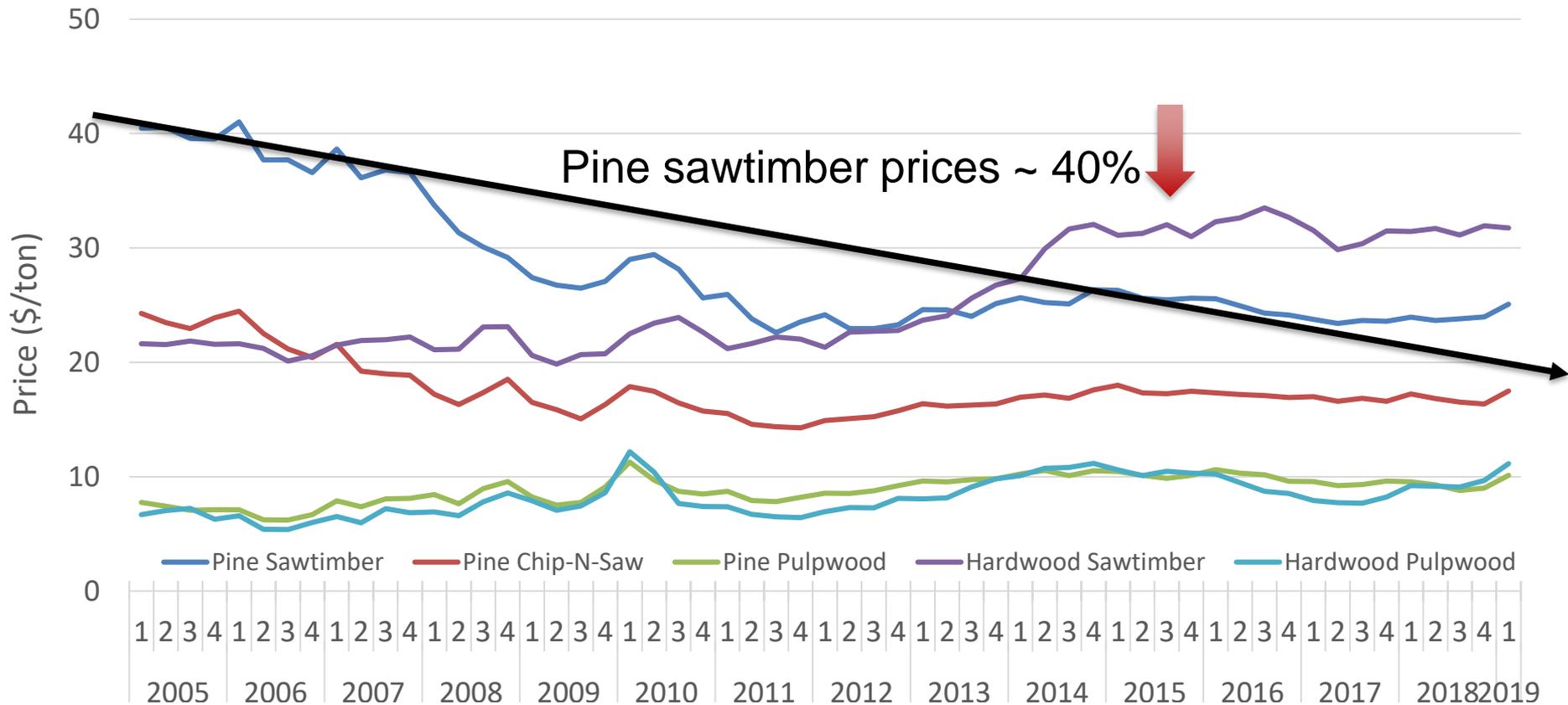
Sawtimber



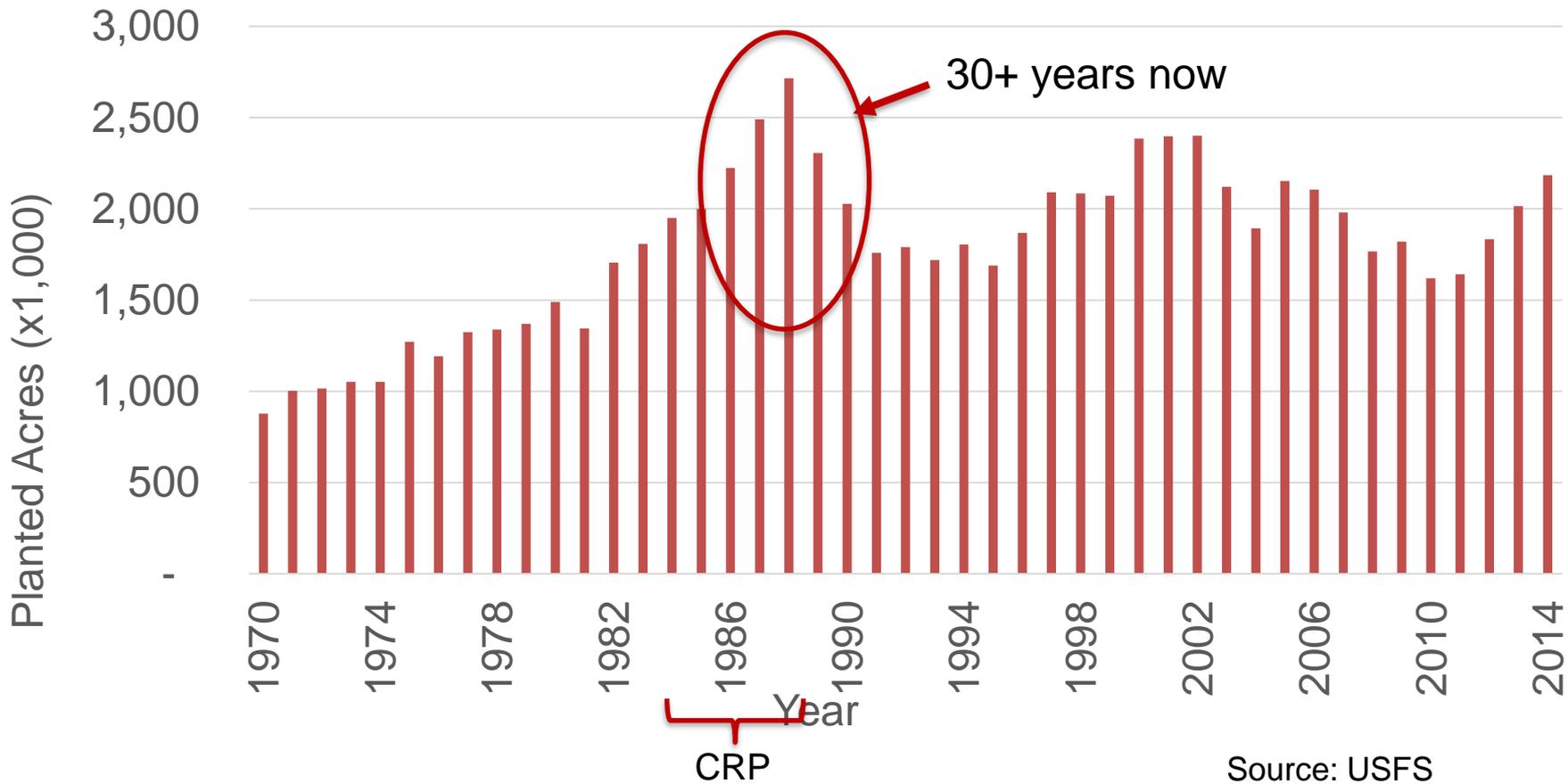
Pulpwood



Timber Markets in the U.S. South



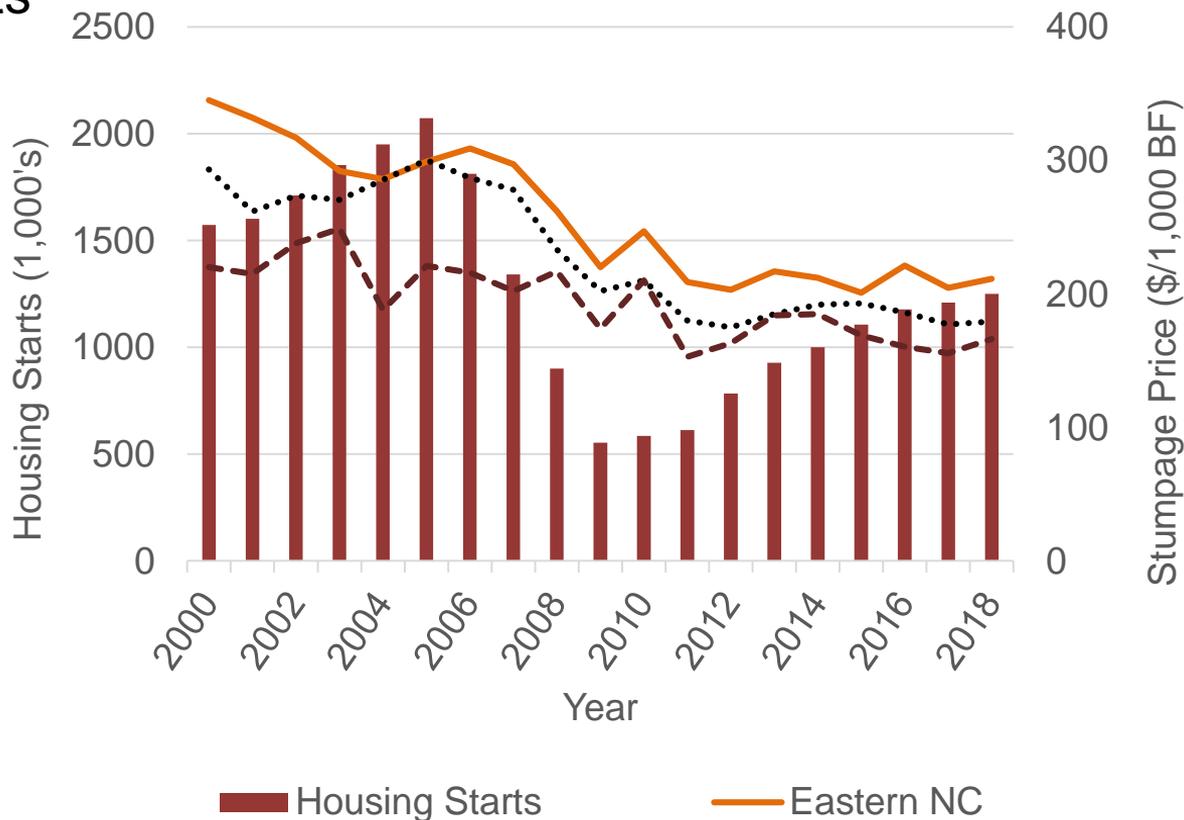
Supply: Tree planting in the South



Source: USFS

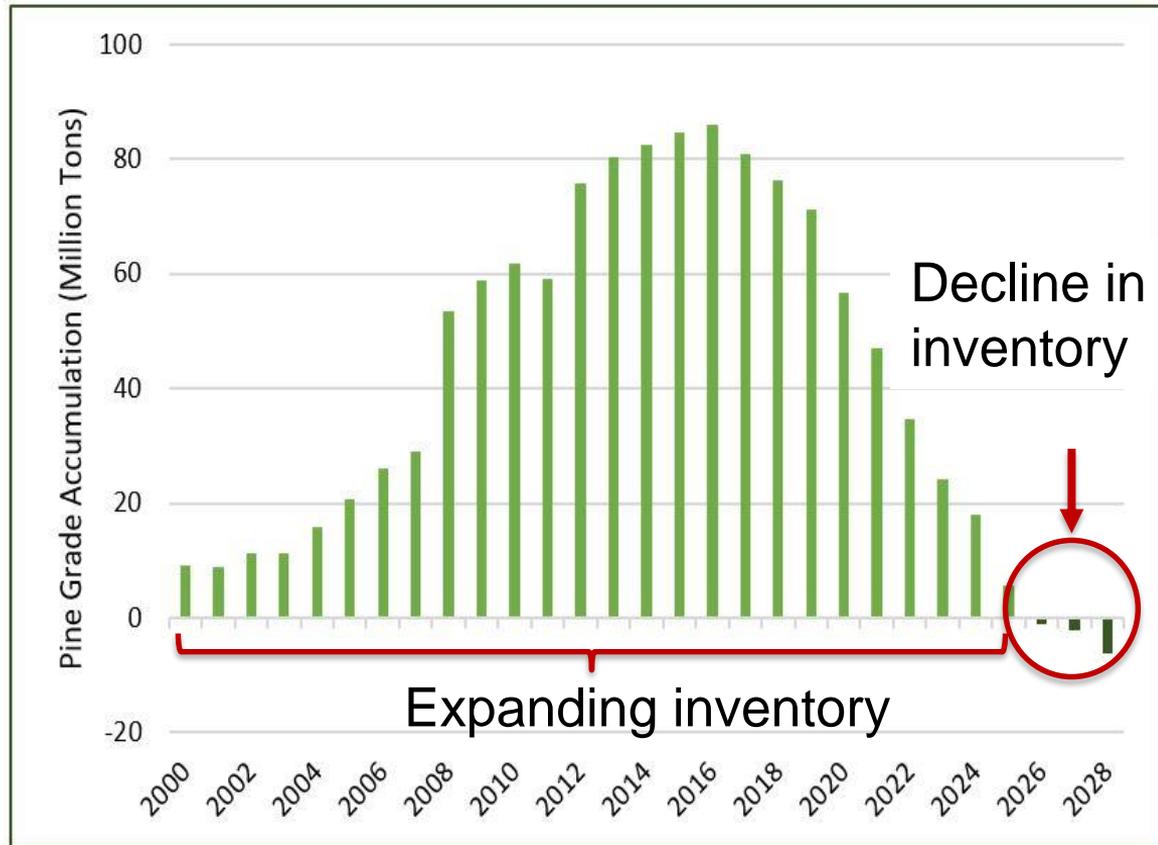
Demand: U.S. housing starts

- A primary driver of the wood product industry
- Housing market continues to improve, albeit slowly
- 75% of structural wood products go to housing



Supply: Annual change in U.S. South pine sawtimber supply

- Trees planted in the 80's growing in to sawtimber product class
- Great recession reduce demand, landowners hold off for better times



Source:



Things to consider

- What you're selling and what it's worth
- How you will sell it
- Land use and other regulations

Local Regulations and Rules

- Zoning and Land Use regulations
- Riparian buffer rules
- Others



Forestry and Zoning

- May determine
 - whether trees may be harvested
 - which trees may be harvested
 - where the trees may be harvested
 - how to replant or maintain the land after harvesting



Evidence of Bona fide farm purpose

- A farm sales tax exemption certificate issued by the Department of Revenue
- A copy of the property tax listing showing eligibility for participation in the present use value program pursuant to G.S. 105-277.3
- A copy of Schedule F from the owner's or operator's most recent federal income tax return
- A forest management plan



Sound Forest Management Plan

- Landowner objectives
- Maps, plats, aerial photos
- Forest inventory/description
- Management activities and schedule
 - Harvest dates, methods and regeneration strategies

NC Forest Service

Plan type	Fee per acre
• Forest Management Plan	\$5.00
• Forest Stewardship Plan	



Developing forestland

- North Carolina General Statutes, Ch. 153A— 452, and Ch.160A—458.5 allows local governments
 - To wait 3 years before approving a building permit
 - To wait 5 years if trees are cut in “Willful” violation of these same development regulations.
- Development regulations often require tree preservation areas (buffers)

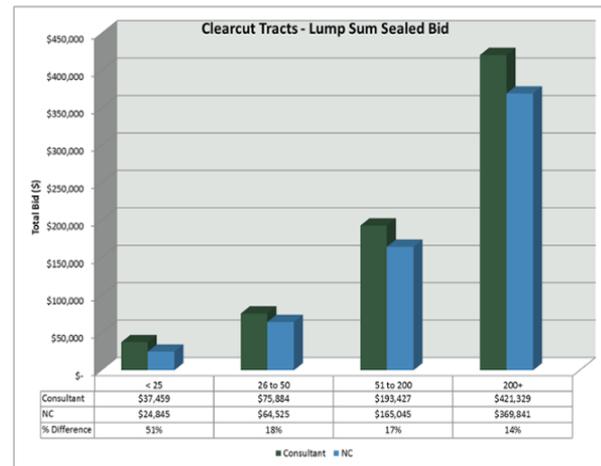


Seek assistance!



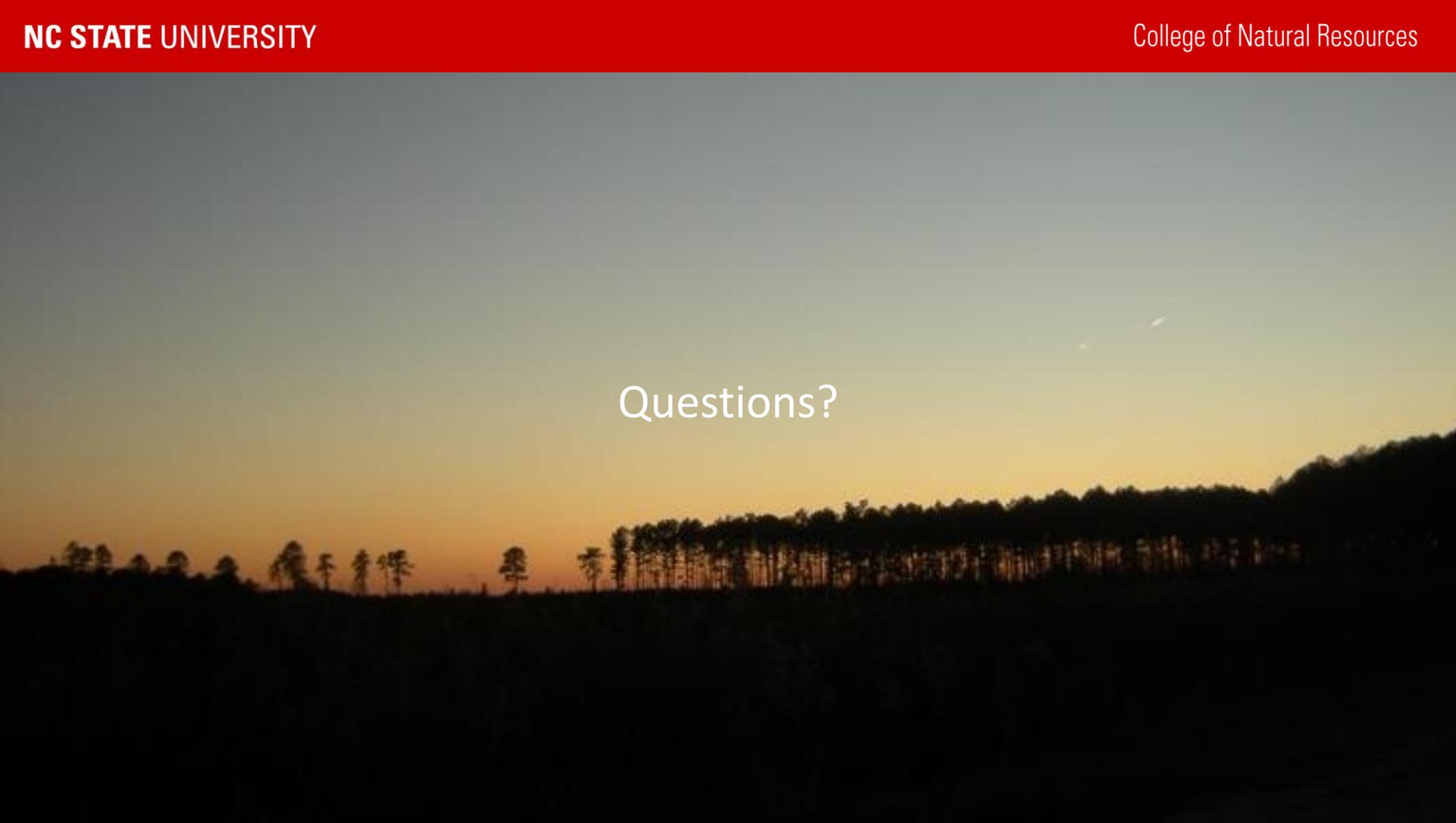
Advantages of a consulting forester

- Works on your behalf
- Understands ecological and economic aspects of forestry
- Knows environmental regulations
- Professional advice not limited to harvesting timber
- Understands timber markets
- Can save you money
- Future forest more productive



<https://blog.forest2market.com/the-value-of-a-consulting-forester>

- Research shows
 - land is 120% more productive
 - more likely to be reforested
 - 11-23% more for the timber

A landscape photograph showing a dense forest of trees silhouetted against a bright, hazy sky at sunset or sunrise. The foreground is dark, and the sky transitions from a pale yellow near the horizon to a light blue at the top. The word "Questions?" is centered in the middle of the image in a white, sans-serif font.

Questions?