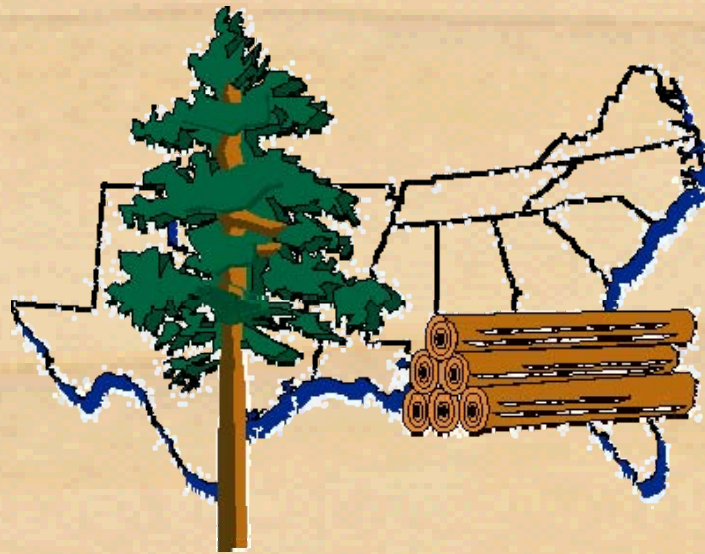


Southern Timber Market

Trends

October 2010



**Thomas G. Harris, Jr., Sara Baldwin, Jonathan Smith &
Robert Simmons**

Southern Timber Trends

October 20, 2010

**Alabama Forest Owners
Association**



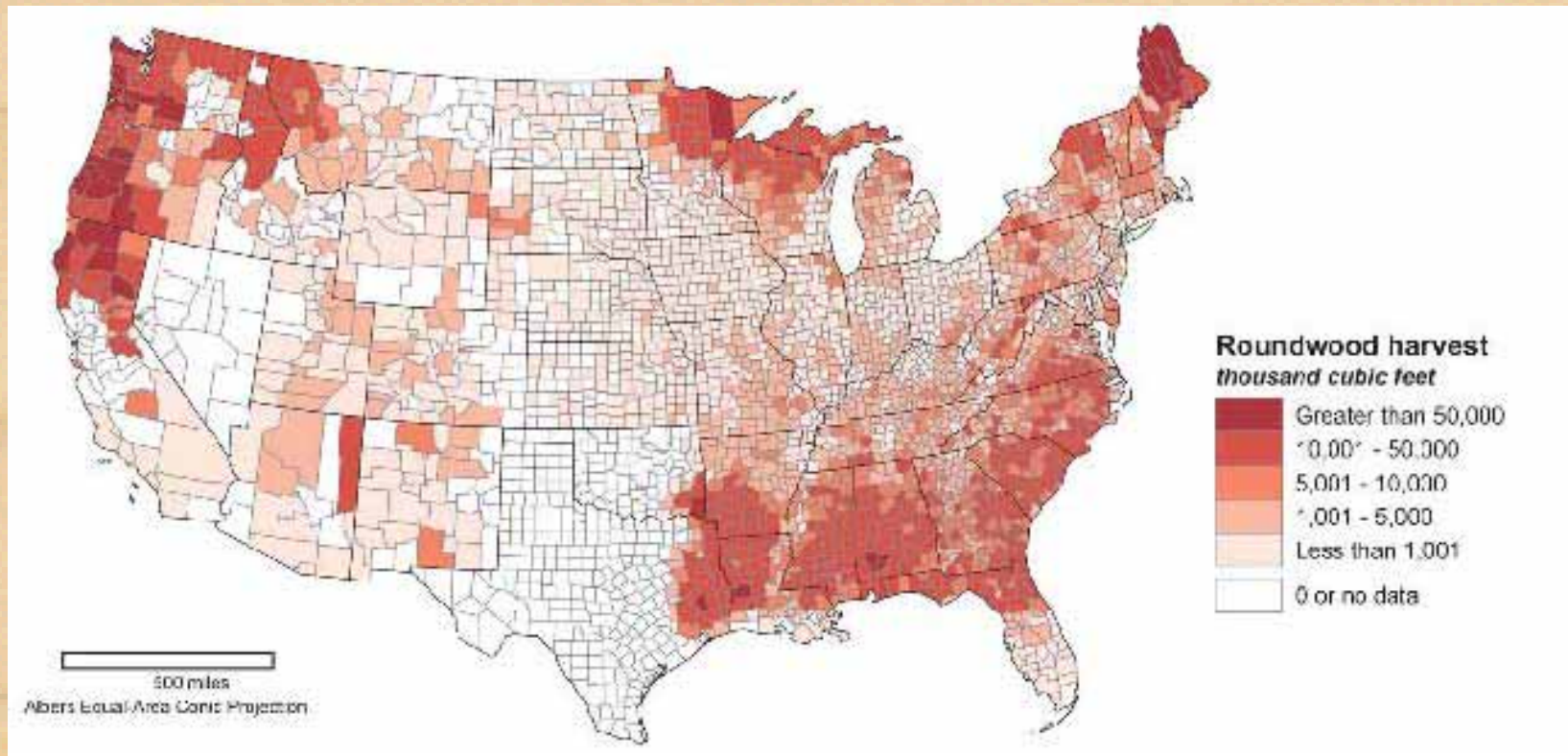
The Timberland Asset:
Timberland Investment:
Conference

March 22 – 25, 2011
Ritz Carlton Lodge, Reynolds Plantation
Lake Oconee, Georgia USA

www.ugacfb.com/events

U.S. Timberland Production

roundwood volume harvested by county



South's Timber Industry, 2007

Primary wood-using mills

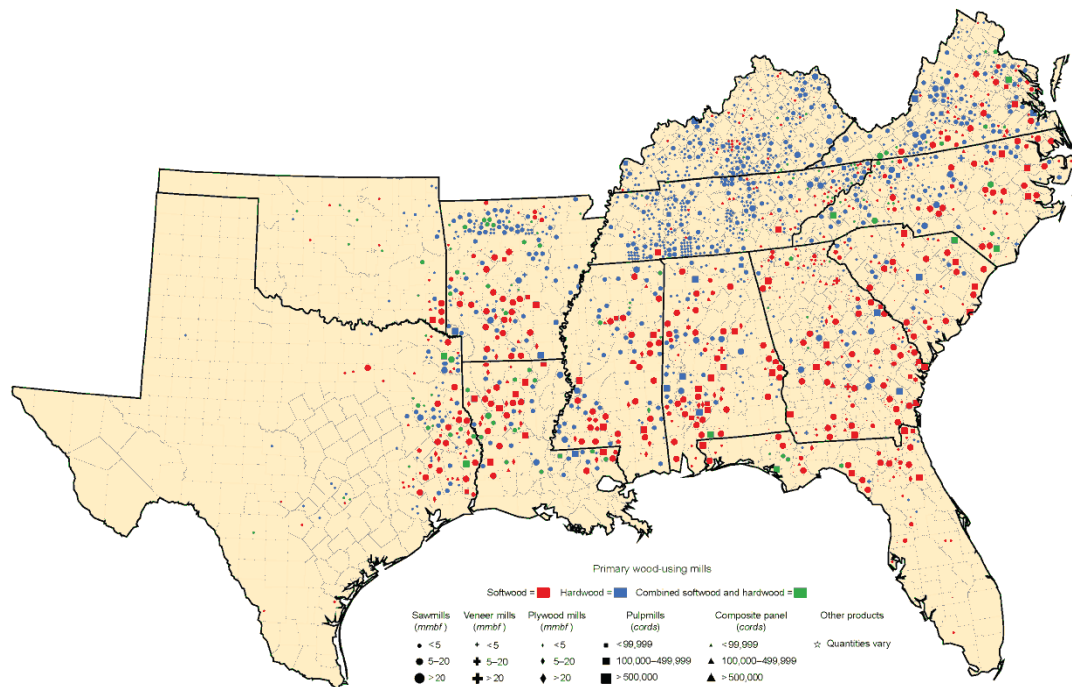


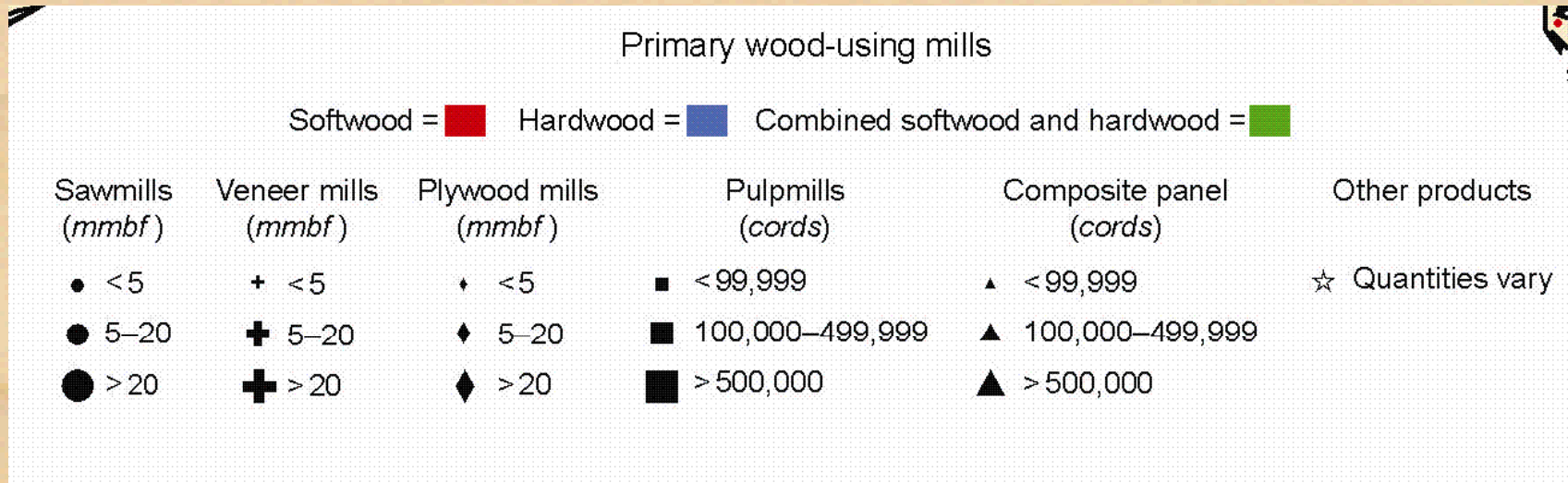
Figure 6—Primary wood-using mills in the South by State, 2007.

5

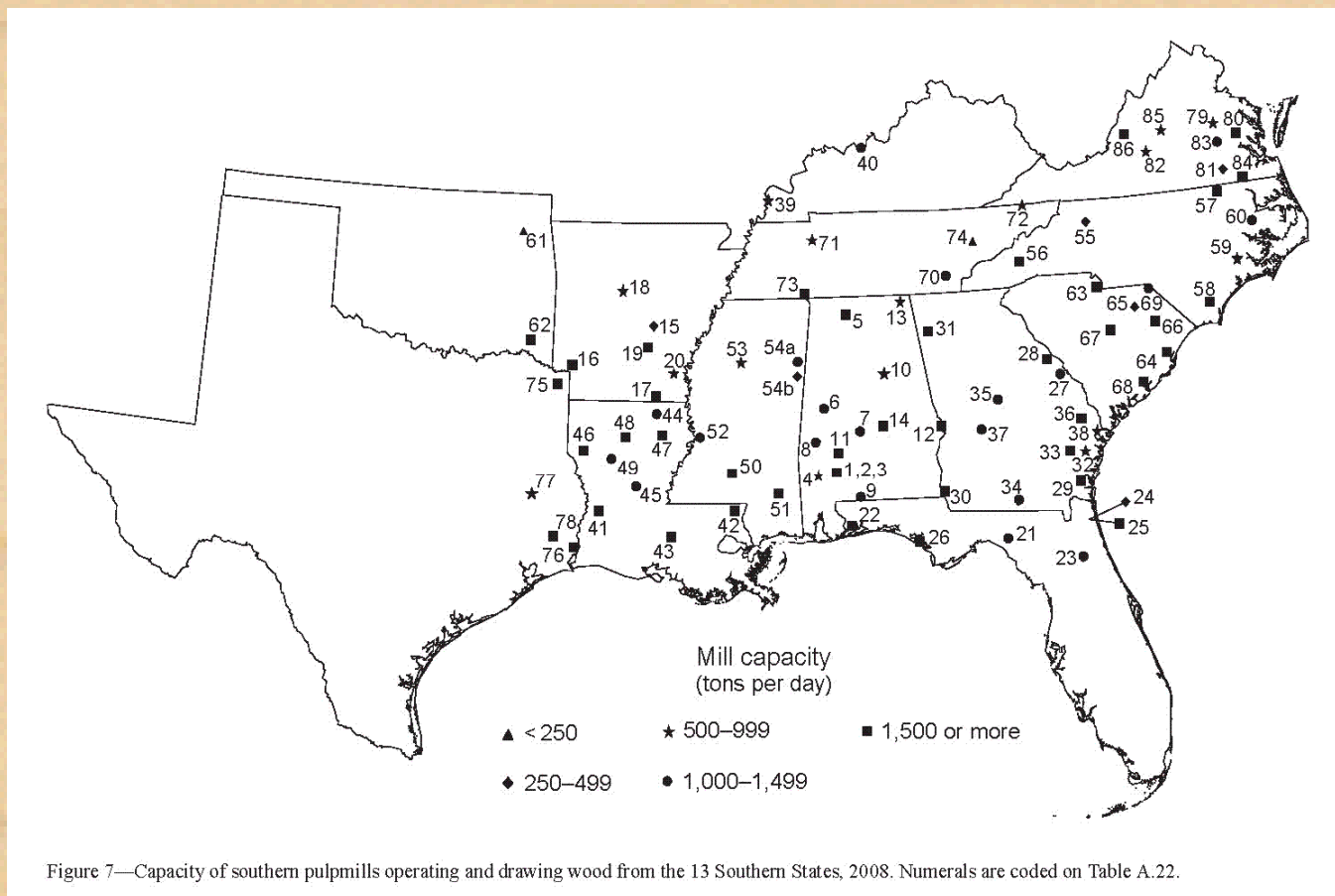
South's Timber Industry

Legend

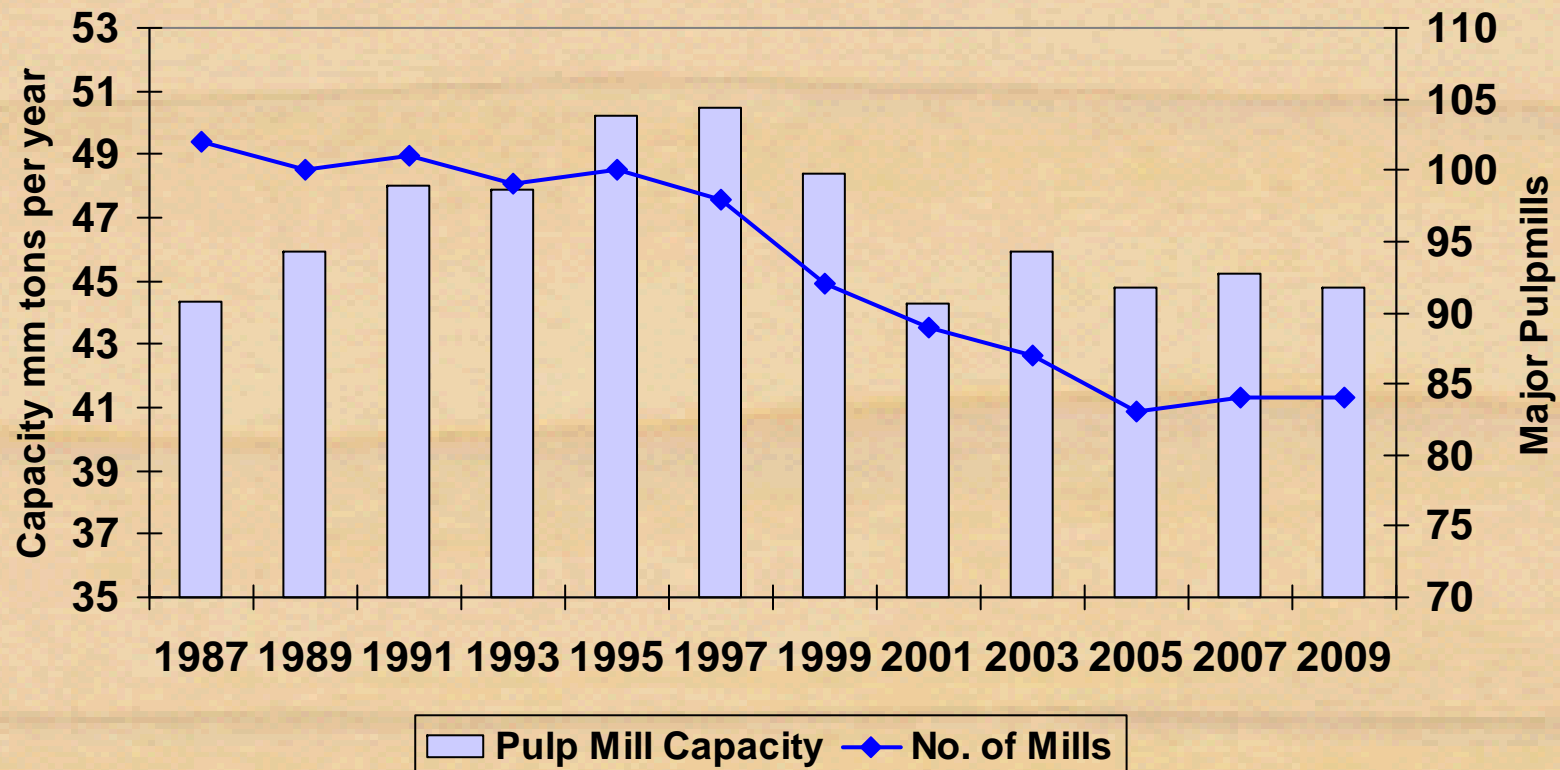
Primary wood-using mills, 2007



US South Pulp Mills, 2008

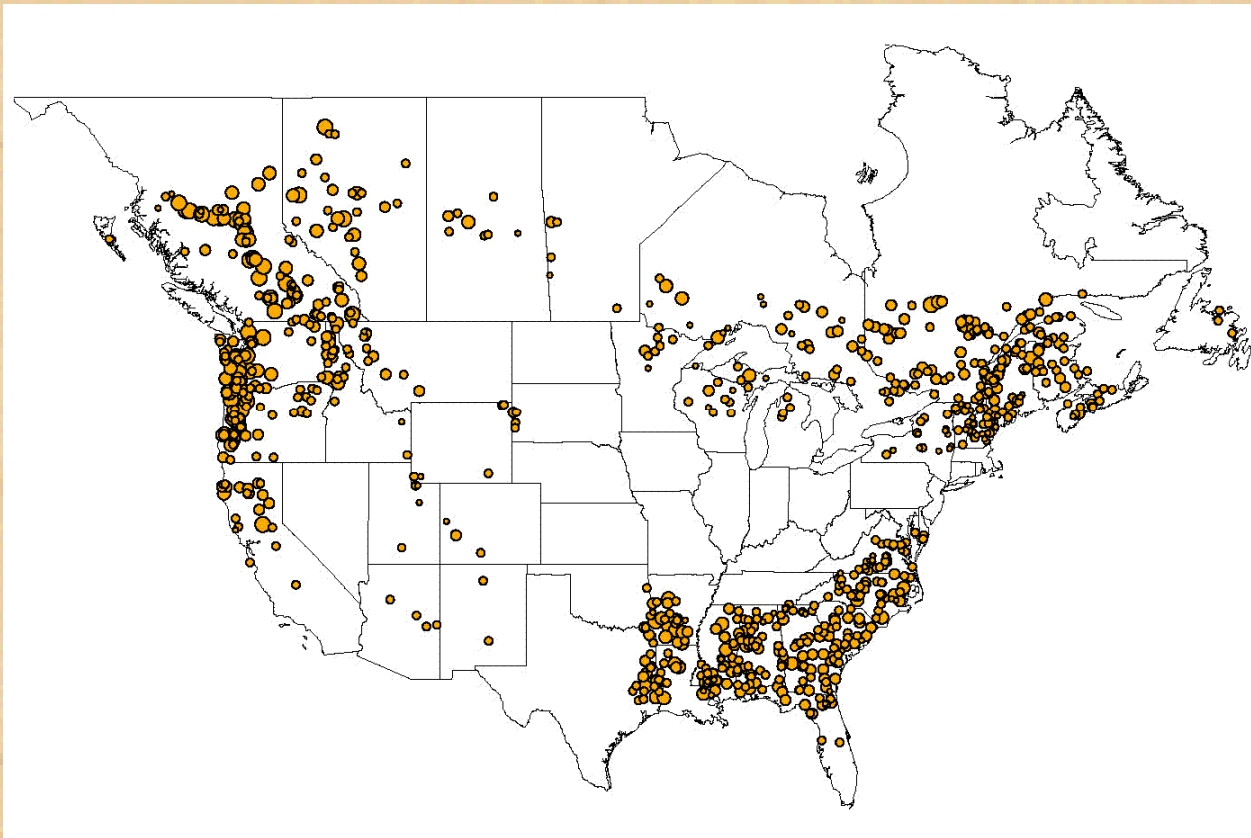


Southern Pulp Mill Capacity & Number of Mills

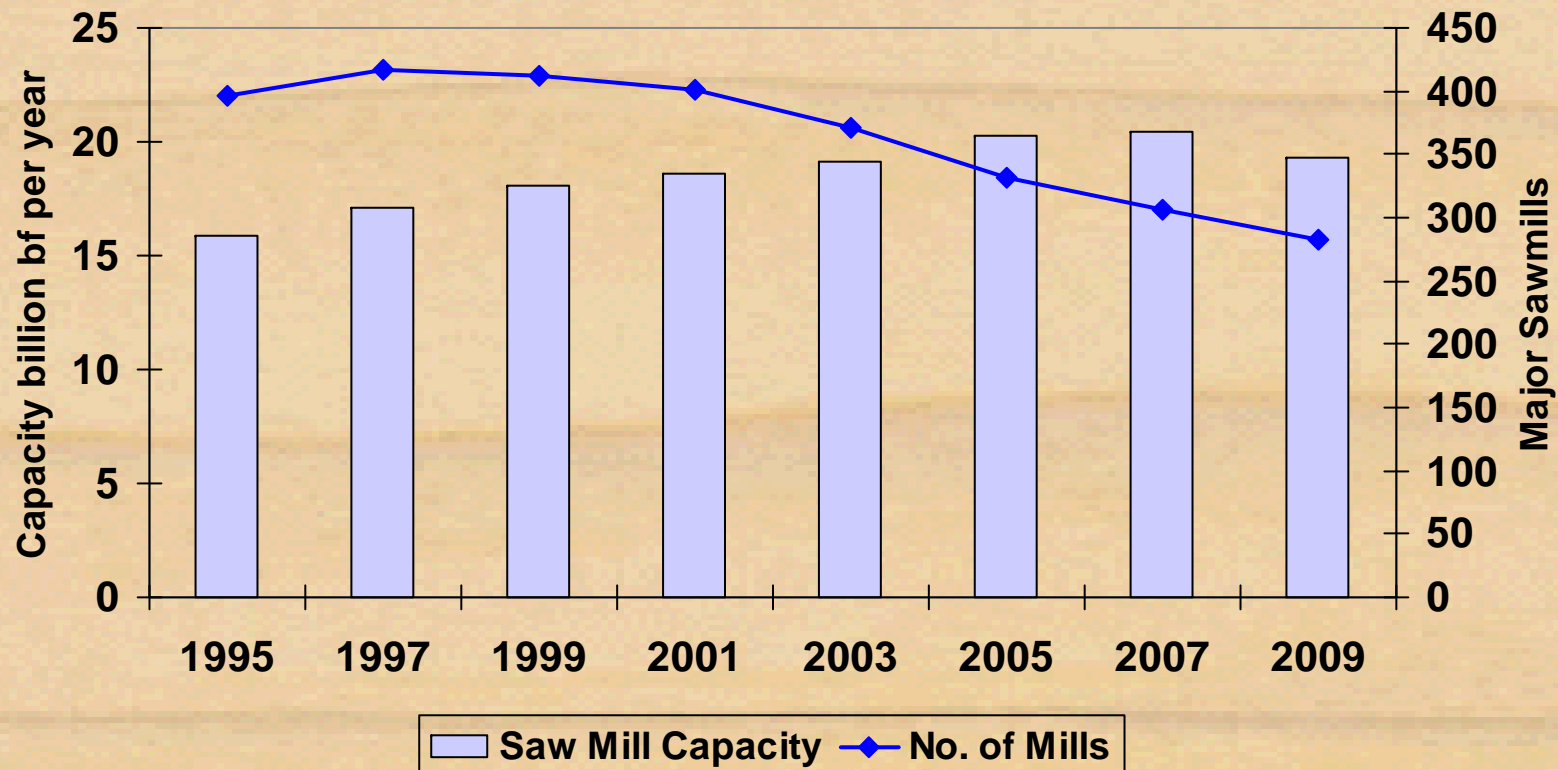


Source: USDA & TMS estimates,

North American Softwood Sawmills, 2009



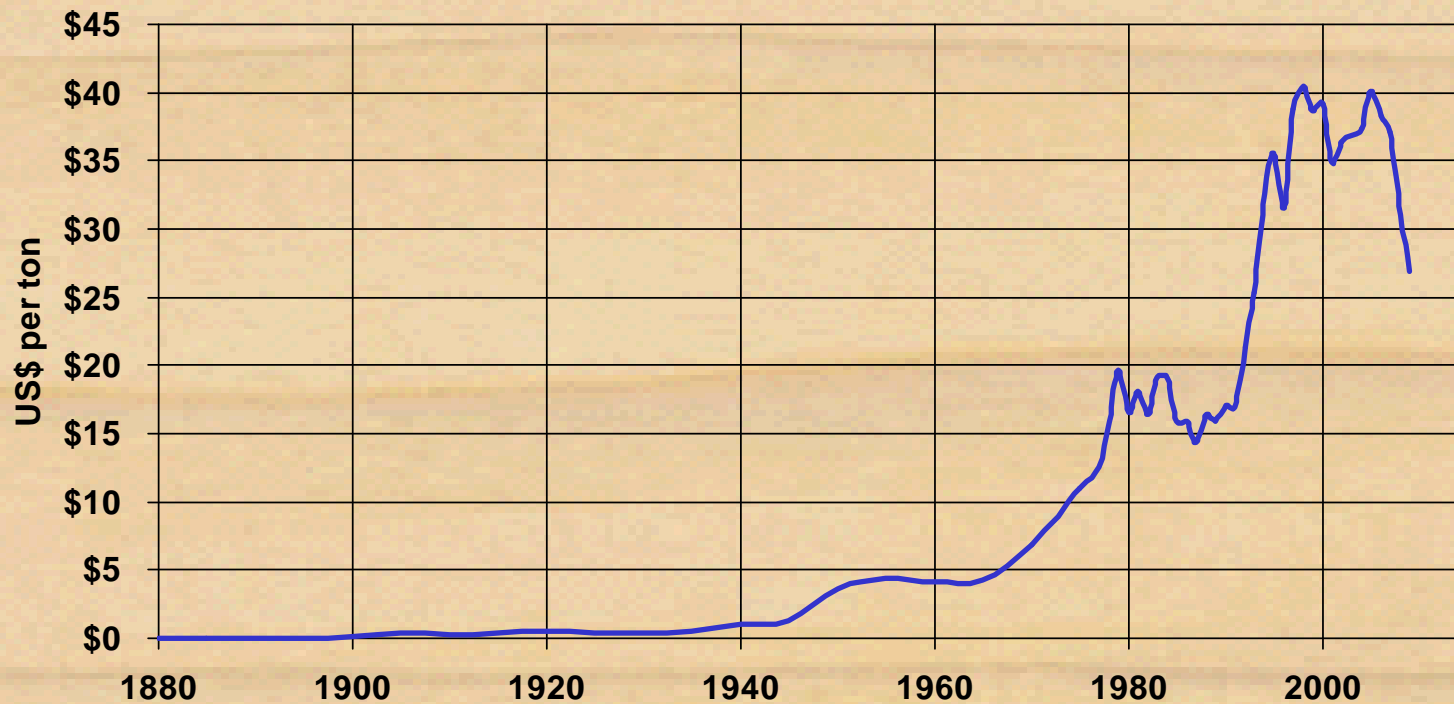
Southern Saw Mill Capacity & Number of Mills



Source: USDA & TMS estimates,

U. S. South Pine Sawtimber Stumpage Prices – Long History

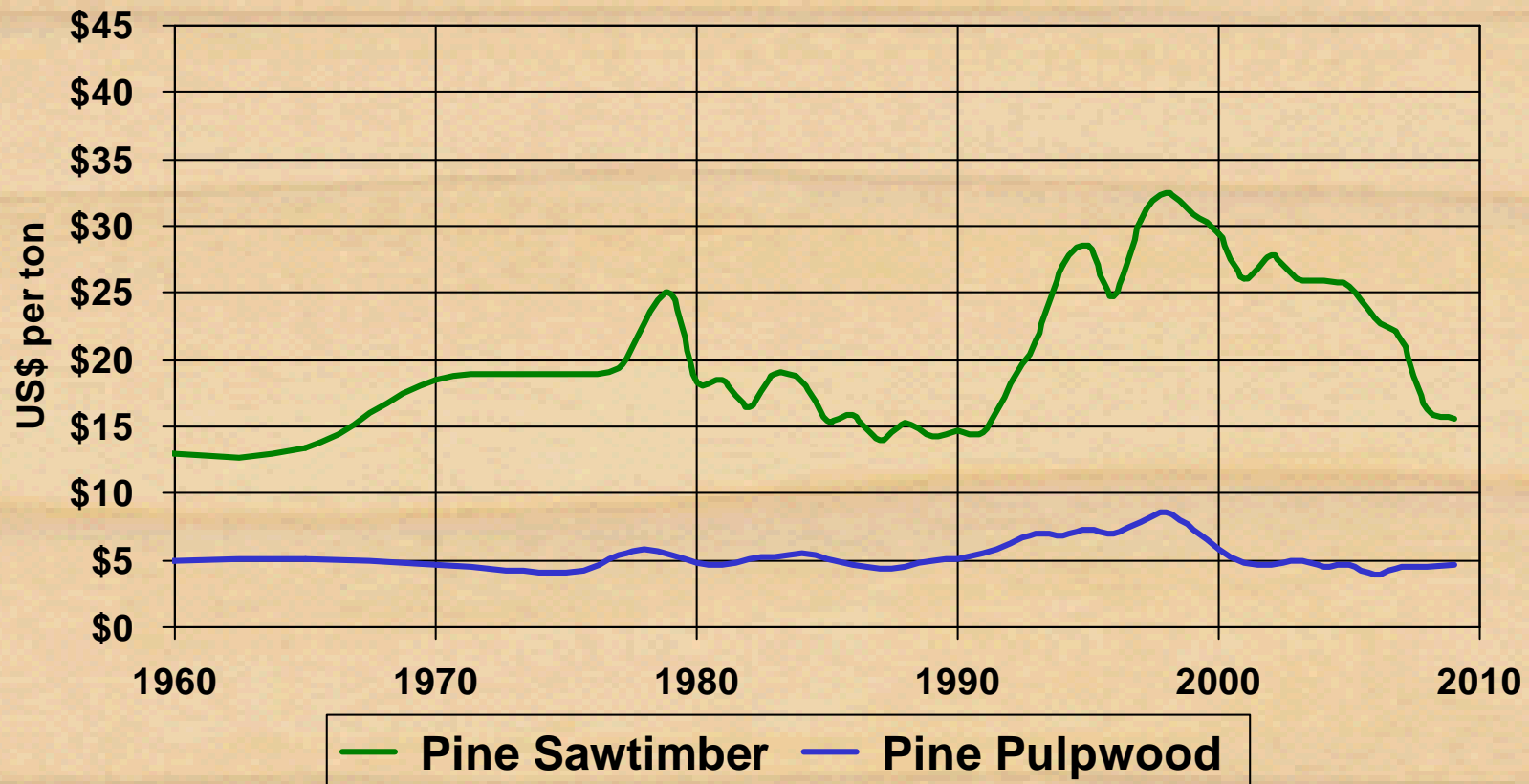
2009 average is \$26.92 up from a low of \$0.02 per ton in 1880
to a high of \$40.46 per ton in 1998



Source: U.S. Forest Service & Timber Mart-South

South-wide Average Pine Stumpage

Annual Average Real Prices in 1982 US\$/Ton

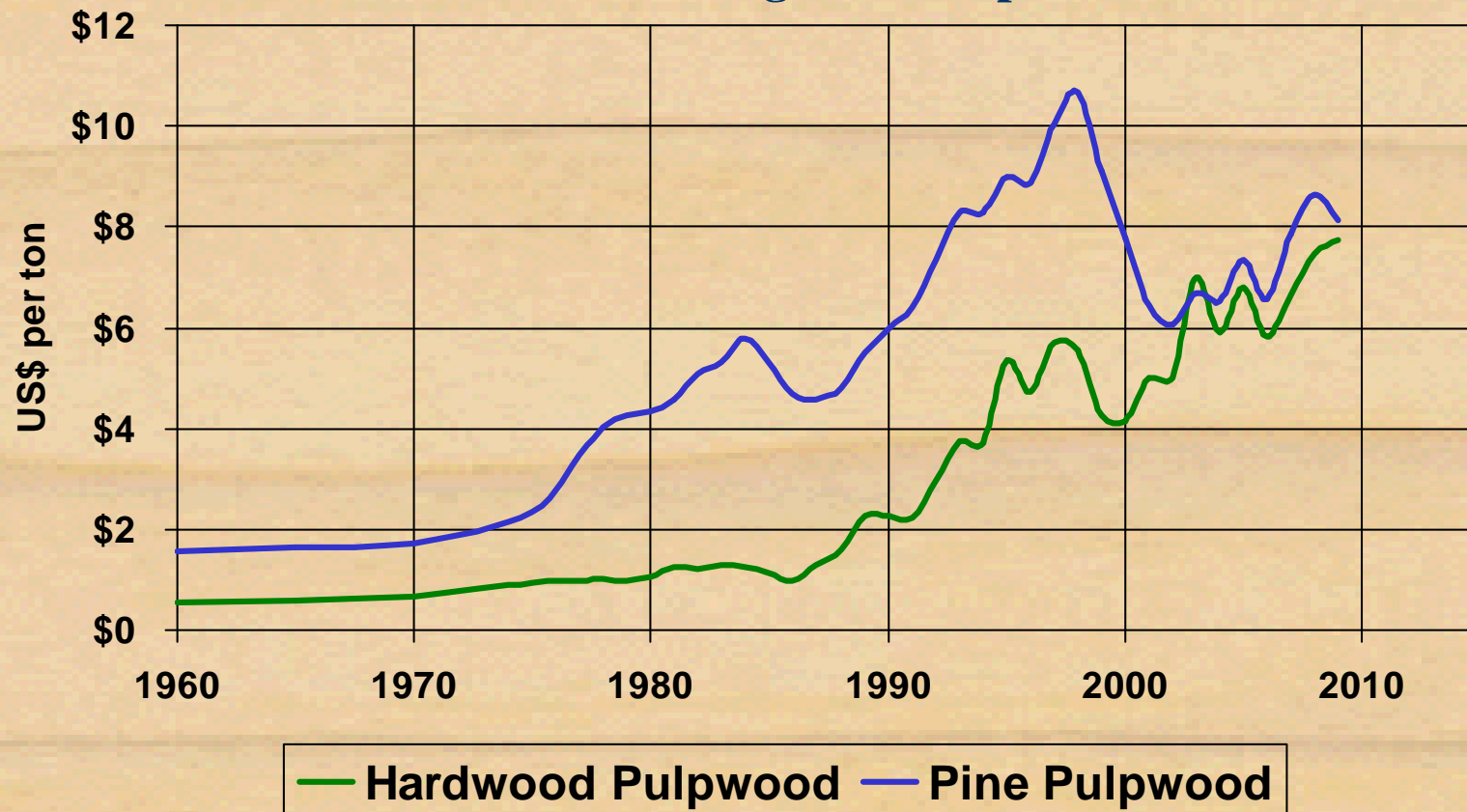


Sources: Timber Mart-South,
U.S. Forest Service & U.S.
Bureau of Labor Statistics

TimberMart-South

U. S. South Average Pulpwood Stumpage Prices

Annual Average 1960 to present

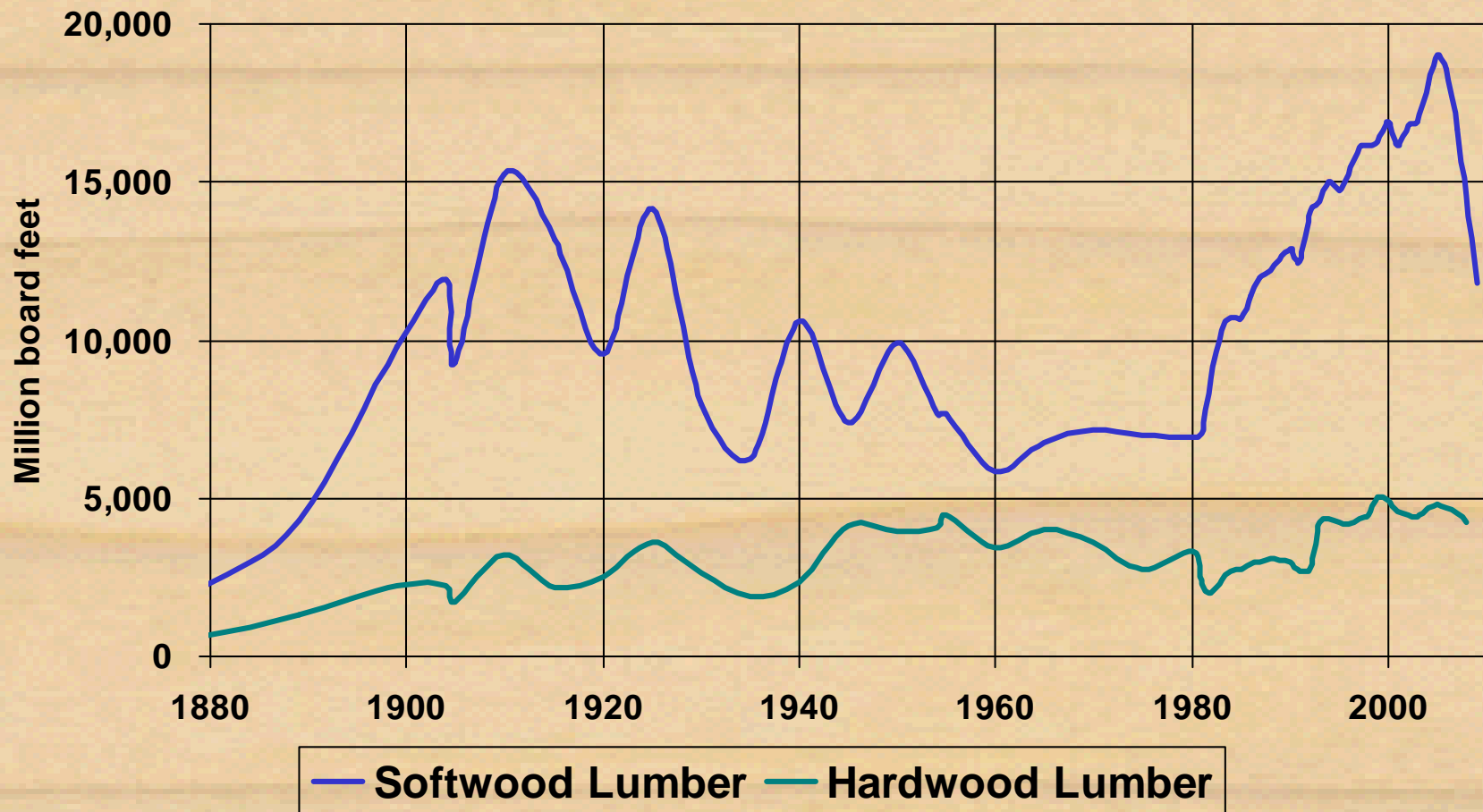


Source: U.S. Forest Service
& Timber Mart-South

TimberMart-South

U. S. South Lumber Production

Annual 1880 to present



Source: U.S. Forest Service, U.S. Census, and Random Lengths Yardstick

TimberMart-South

The South's Competitive **Advantage**

Favorable combination of:

Location/Market Access

Terrain

Climate

Species

Wood Quality

Infrastructure

Management

Government

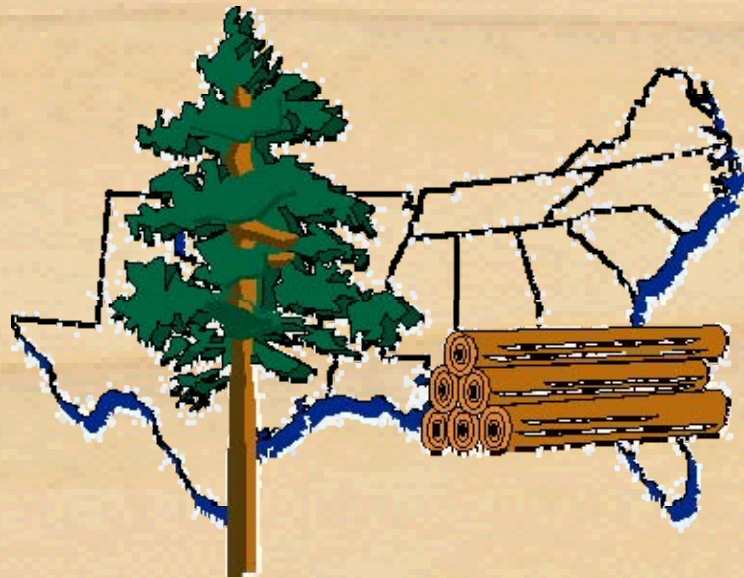
Private ownership

Investment opportunities

Wood is Good

- **Renewable**
- **Available**
- **Sustainable**
- **Energy efficient**
- **Versatile**
- **Essential**

Southern Timber Trends



**Final
Questions**

Southern Timber Trends

Sources

- FRA 2000 www.FAO.com
- SFRA www.srs.fs.fed.us/sustain/
- Wood Markets 2002
- North American Pulp and Paper Factbook
- Pulp and Paper International
- USDA Forest Service
- Wood Resources International

Southern Timber Trends

Sources (cont.)

- **Forest Resources Association**
- **APA Engineered Wood Association**
- **Random Lengths**
- **US Department of Commerce**
- **US Census Bureau**
- **US Federal Reserve**
- **AF & PA**
- **SFPA**