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Quarterly Management Calendar

April:

- Herbaceous spraying
- Hunting season ends

May:

- Herbaceous spraying
- Plant summer time forage for wildlife

June:

- Great time to build roads
- Do boundary lines
- Harvests of any sensitive or wet areas
- AFA Reception

The History of History (part 1 of 2)

Let's be perfectly clear: **Your timberland investment will outlive your memory.** If you fail to document history, your investment becomes just a pretty place to take the family on a picnic. If you record history, the land becomes an investment, a legacy. It becomes alive and real to your heirs, to a buyer, to the next manager. History is knowledge. It is power. It is the engine that drives decisions.

Even though we have been managing timberland since the mid-1950's, it wasn't until 1996 that we realized we were about to lose an incredible amount of information ourselves. Charles Tomlinson had started the consulting business four decades earlier. When he started handing the business over to the next generation he realized that most of the useful information was in his memory. He also came to his next conclusion – not all of it was there any more. That's when we started the Growing Assets project. Months of discussions focused on these challenges:

1. There are thousands of bits of information that are extremely useful in managing a timberland asset. Prices, vendors, quotes, basis, agreements, taxes, markets, sales, surveys, descriptions – every shred of pertinent information needs to be collected in real time so it doesn't become lost.
2. It is not enough to simply hang on to something you think will be useful in the future. You will soon forget that you have kept it, meaning that when the time comes to use it you will never even know to look for it. Once the information is collected, it needs to be organized, searchable and retrievable.
3. Finally, steps one and two absolutely have to be quick and easy.

The task was not just developing an information management system that accomplished these three steps, but it meant spending the years to mine the existing information out of the files, and out of our memories. Thankfully we did, and although Charles Tomlinson died in 2004, we visit with him every day when we sit down with these records.

Okay, but how does this help you? I would contend that whether you manage over a hundred-thousand acres of land for clients, or you manage your own personal investment, keeping detailed information is equally critical. For example...

- ❖ Should you spend \$1,200/acre to buy bottom land to grow pine trees when you can buy some "regular timberland" for half as much? What if you looked in your records and saw that on similar bottom land your growth rate had been twice as much? *With everything else the same, the more expensive land has a better rate of return.*
- ❖ Your uncle has left you 100 acres of what looks to be a fully stocked stand of 16 year old pine. Should you thin it? Perhaps ... but what if you found his records and discovered that it is actually 25 years old, was planted in an old field, and was not sub-soiled before planting? Would it make a difference? *It should; maybe now you clearcut.*
- ❖ You have invested in timberland for decades. You know its value as an investment. You know what it means to be able to enjoy it with your family, with your friends. Your hope is that after you're gone your family will continue to own the land, care for it, and maintain a connection with you through your legacy.

Timber Markets

Hot or Not?

Pine pulpwood (NOT) – Expect markets to tighten as drier weather allows harvests to over supply demand. Could be difficult selling pulpwood regardless of price.

Hardwood pulpwood (NOT) – Ditto.

Pine sawtimber (NOT) – Saw some increase during the winter due to weather, but fell back quickly as deliveries filled demand. Most analysts see 2017 as the year.

Hardwood sawtimber (HOT) – Consistent demand for ties; oil fields keep prices high. Predicted to remain strong.

The History of History continued ...

The simple fact is if you haven't left any detailed history, at least two things are working against your family after you are gone.

- a. The land will be a big black hole, just land with no life, no indication of what the plans were, no clue as to what made it yours, what made it special, what made it so valuable. Chances are they will see it as just another asset – cold, a balance sheet item, an unknown quantity, more of a challenge than an opportunity; and likely the first asset they put up for sale.
- b. Your family will need money. The government certainly may want some, and the family may need some to pay expenses, or settle differences within the family. We see time and time again that families without good records go straight for the land or the timber to generate the money. So to a family that needs \$100,000, your 100 acre pine stand may seem like the perfect place to get it. But what if they knew from your recorded history the current value for this timber is about 30% below what it was expected to be in the fall? Wouldn't that make a difference to them?

For us, the Growing Asset project has given us almost a 60 year history about land, markets, regulations, growth rates, site prep techniques, performance, taxes, and more, but we have also narrowed down our list of what we have found to be the most useful information to record. We'll share that list with you in the next newsletter.

Survival of the Fittest

Did you have pine seedlings planted this past winter? If you did, don't worry if you can't find them. From now until fall we will get several calls from concerned landowners who are adamant that their new pine trees have died. We used to spend many a day in the field looking for them as well and we would come to the same conclusion. Then sometime between summer and fall, they would grow back. What we quickly realized was that it is incredibly difficult to see a green pine seedling in the middle of green grass, green sprouts and green foliage. So we quit looking. Now we wait until after the first frost in the fall and then inspect all of the last season's planting to check survival. If you do go out to look for pines in the spring and summer, look for dead ones. They show up rather well and if you see a lot you'll need to let your forester know.



Vegetation Control

The best time to control grasses and annual vegetation is in the spring before the plants produce seed. Spray herbicides before seed production and you not only kill the plants, but eliminate the source of regeneration. Wait until after seeds have fallen and you kill the plants, but the site will quickly regrow from seed. Even if you spray early enough, remember that your neighbor will probably have these annuals too. They have very light seeds that are designed to be dispersed by the wind, so you will likely have a lush stand of regeneration returning by the end of the summer. If you are spraying to give newly planted pine seedlings some relief from what can be extremely aggressive competition, even keeping the annuals away for a couple of months can be the difference between a fully stocked stand and a savanna dotted with a few hardy pines.

Besides making little pines, what else is all this pine pollen good for? Seems the chemistry of pine pollen is almost identical to that of male testosterone. Native Americans knew that, and their warriors used it to "pump up". Today pine pollen can be purchased as a supplement.



It's Spring Time ...

watch out for critters

(the one on the left)!



Real Estate Listings

See more of our listings at www.naturalrg.com



BUR02 – Blount County, Alabama
36 acres - \$3,950 / acre
Barn...Pastures...Timberland...Creek...Pond
Building sites w/ power & water
Plenty of hunting



DKB01 – Tippah County, Mississippi
139.7 acres - \$1,145 / acre
Investment opportunity w/ 4 year old pine plantation
12 acres of hardwood
Peaceful country setting w/ breathtaking views from ridgetops



WLK04 – Tishomingo County, Mississippi
430 acres - \$995 / acre
1.8 miles of paved county road frontage
Several building sites
Healthy populations of deer and turkey
Offered as a whole or any combination of 3 separate tracts
please see website or call for further info



SRT208 – Hardin County, Tennessee
286 acres - \$1,095 / acre
Abundant hunting and investment opportunities
10 minutes from nearest boat ramp on Pickwick Lake
Deeded, recorded access
Great interior network of roads & trails throughtout
Broker / Co-Owner

GOT LAND? We probably have a Buyer. Got young pine? We probably have lots of buyers.



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WE WANT TO KEEP YOU INFORMED!

If your address changes give us a call or email us at info@naturalrg.com and we'll update our records.

Who We Are

Growing Assets, LLC does just that. Your timberland is one of the best investments out there. We manage that investment to make it even better. If it needs to be done, we do it.

Natural Resources Group, Inc. specializes in timberland real estate. We not only represent Sellers as their agent, but we just as often represent Buyers who are looking for timberland to purchase. Being foresters as well as real estate professionals, we are uniquely qualified to see the forest investment in the trees.

www.growingassetsllc.com

2015 AFA Regional Reception

The Alabama Forestry Association will be having its annual Valley District meeting on **June 22, 2015** at the River Bottom Grille in McFarland Bottoms, Florence. The meeting starts at 5:00 P.M. when the AFA staff from Montgomery will talk forestry. Then at 6:00, it's all about the food, refreshments and socializing. If you haven't been to one of these events you owe it to yourself to drop by. Support from generous sponsors mean there is no cost. The food is incredible and the AFA is a group worth learning more about. Call us for details, or call Liz at the AFA office in Montgomery 334-265-8733. Get your name on the list – this will fill up fast!



The U.S. House of Representatives voted 240-179 recently to repeal the federal estate tax. For now there are not enough votes in the senate to get it passed, and President Obama has vowed to veto any such law that crosses his desk.