INTO THE FOREST: HOW TIMBER GROWS VALUE ON THE PROPERTY YOU’RE BUYING

In most recreational property sales, timber plays some sort of role in determining value. So if you’re planning to buy property, how should you think about the timber aspect of your purchase?

The key, of course, is to ask the right questions. We talked to Bob King of United Country Land & Lifestyle Realty in Anderson, South Carolina. Bob is a leading expert on how timber factors into rural property sales and he had some interesting and helpful insights.

On the most basic level, how do you factor timber value into a recreational property purchase?

King: True recreational properties are focused on recreational use, with timber value seen as a bonus. So the buyer will think more about how the timber matches his recreational goals. For example, quail hunters might look for mature pines and a clean understory, while deer hunters might look for diversity of timber and plenty of bedding cover.

But looking beyond those factors, timber

THE NEW POTLATCH SOUTH

With the purchase of 201,000 acres of timberland in Alabama and Mississippi, Potlatch is growing its national presence, which will expand the opportunities for recreational real estate buyers over time.

As we evaluate individual real estate tracts for possible sale, we know that our timberlands in Alabama and Mississippi contain some of those states’ best recreational and hunting areas.

The purchase, completed late last year, expands our real estate holdings beyond our previous footprint in Minnesota, Idaho, Arkansas and Wisconsin. Through years of working in these areas, we have become experts in knowing the needs of the recreational land buyer, and that experience is coming into play as we evaluate the new property.

Hunting and fishing are extremely popular in both Alabama and Mississippi. Thanks to a wide variety of well managed properties, a good winter-weather hunting and fishing climate, and active state game and fish commissions, there are plenty of areas with quality game.

“There are a number of excellent locations for deer and turkey hunting, along with other recreational opportunities, in the areas of Alabama and Mississippi where Potlatch has acquired property,” said Mark Bice, Potlatch’s new Senior Real Estate and Acquisitions Manager for the Southern region. “As we consider the best use for each tract, weighing recreational possibilities is a key component of our evaluation.”

At Potlatch, we focus on having timber and real estate experts on the team with deep local knowledge, and Mark is the latest example of that.

“More than 200,000 acres of quality timberland and recreational property comes to market in 2015 as Potlatch changes its Southern footprint.”

-Mark Bice, Senior Real Estate and Acquisitions Manager, Southern Region
**Broker in the Woods:**

**Rick Musick**  
United Country – Musick & Sons

When Potlatch Preferred Broker Rick Musick of United Country Musick and Sons talks about spending time outdoors with his Ranger, he’s not talking about a forestry officer— he’s referring to his four-wheeler.

“I spend a lot of time off-road,” he says. In fact, he considers that one of the best parts of his job. He gets to combine the business of selling land with the pleasure of spending time in the woods. Musick says, “On a four-wheeler we can cover a lot of area.”

He traces his love of the outdoors to growing up on a farm near Grangeville, Idaho: “It was a cattle/wheat ranch surrounded by forest.” Farming is still in his blood. “I’ve got 25 cows and some hay ground,” he says. “I enjoy putting up the hay, but my wife would say it’s really my John Deere tractor.”

Unlike the tractors of his youth, this one came equipped with satellite radio and air-conditioning. Musick finds the hours he spends in the cab relaxing, but still prefers the freedom of his four-wheeler.

“We ride trails and in the winter I put tracks on it, so I can go out in the snow,” he says. “We can show property all year long.” The Potlatch forested land he shows teems with wildlife like elk, bear and turkeys. “It helps sell property when the elk jumps out!” he says.

Musick considers himself privileged to be able to enjoy a career that involves spending time in the woods on his four-wheeler. “You can go to places you’ve never been before,” he says. “It’s an adventure!”

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**SPORTS OF A DIFFERENT KIND**

Broker Mark Knight, Davis DuBose Knight Forestry and Real Estate, says he can’t compete with his older brother’s trophies— and he doesn’t really want to.

Knight says his brother’s unusual collection of sports trophies stemmed from growing up on a row crop farm in the Mississippi River Delta. “I was into football, basketball and baseball,” says Knight. “That’s what my trophy shelf was filled with. My brother’s trophies? His shelf had tractor-pull, 3-wheeler race and arm wrestling trophies.” So far Knight’s sons are following in their dad’s footsteps with baseball, football and soccer trophies. They also share their dad’s passion for hunting and fishing, but Mark is confident his brother’s awards will remain unique on the family trophy shelf.

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**Brother News**

Charlie Chernak (left) of Bear Island Land Co. and Natalie Cowart (right) of United Country – Banning Junction Real Estate show off their favorite recreational properties at the Northwood Outdoors - Duluth Deer Classic held in mid-March in Duluth, MN.

We’re not all work and no play as Rick Musick and his son, Earl, show during a quick draw contest (left) at the 2015 United Country Convention in Scottsdale, AZ in late February. And, not to be outdone, Bill DeReu and Mike Fasteland of Potlatch (right) take a break to show us how target shooting gets done. *We think Mike has both eyes closed!*
Wisconsin may be famous for cheese and for being home to the Green Bay Packers, but residents know the true allure of the state lies in its natural beauty. Potlatch Preferred Broker Ryan Hanson of Lakeland Land Company was born and raised in Wisconsin and says recreational opportunities abound in the Dairy State.

Hanson lives and works in Minocqua in the northern part of the state. “There are hundreds of lakes within an hour or so from me,” he says. That proximity to the water offers hours of swimming, boating and fishing fun. Of course, Wisconsin is also known for its proximity to two of the Great Lakes - Michigan and Superior. Many anglers are eager to fish one of these amazing bodies of water.

Lakeland Land Company has some waterfront properties available, including a few Potlatch tracts along the Tomahawk River. These are the last of Potlatch’s for-sale holdings in the state and the area is so attractive that Hanson expects those properties to sell quickly. “It’s really pretty and wildlife is drawn to the river even during the winter because it rarely freezes over.” Interested Wisconsin buyers should act now!

There’s plenty of fun to be had on land as well. Northern Wisconsin features an extensive ATV trail network and multiple mountain biking trail systems such as the WinMan trail in Winchester; the Washburn Lake trail just west of Rhinelander; and, the Raven trail in Woodruff.

When the snow flies, thousands of people from northern Illinois and southern Wisconsin flock to the Northwoods for cross-country skiing, snowshoeing and snowmobiling. In addition to the hundreds of miles of groomed snowmobile trails, another big draw to the area is the Minocqua Winter Park Cross Country ski trail network that is located on former Potlatch-owned lands that are now protected from development.

An abundance of forested properties means plenty of opportunity for hunting deer, grouse, turkey and black bear. Hanson is delighted to be able to live, work and play in Wisconsin: “It’s a good place to be.”

THE NEW POTLATCH SOUTH

Based in Birmingham, Alabama, he joined the company from BTG Pactual Timberland Investment group, formally Regions Timberland Group, where he served as Timberland Acquisition Manager for 10 years. Prior to Regions, Mark spent 23 years with Resource Management Service. He has 34 years of experience in the forestry and timberland real estate industry, closing over $1 billion in timberland transactions.

“It’s very exciting to build on Potlatch’s already solid Southern presence in Arkansas,” he said. “These new properties in Alabama and Mississippi are of excellent quality, and have been very well maintained. This is a portfolio that is rich with attractive opportunities for land buyers whether their interest is investment, recreation or both.”

If you’re interested in learning more about Potlatch’s expanded Southern presence, or would like to get updates on property availability in Alabama and Mississippi, read the company press release or send us an email with your specific question. We’d love to hear from you.
INTO THE FOREST
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does add value. It means money in the bank for the landowner. If the owner doesn’t need timber income, simply manage the timber in a way that most benefits the habitat. Otherwise, harvesting timber can help pay for the property, or can be used to pay for property improvements.

So is there a way to fully maximize both recreational and timber opportunities on one tract?

King: Buyers need to have a clear idea of what their number one priority is. It can be difficult to maximize wildlife habitat and timber production at the same time. For example, if income from timber is the buyer’s higher priority, a compromise can be found where quality wildlife habitat is maintained while also managing the timber for profit.

For the buyer who wants the best of both worlds, wildlife habitat and timber production, the solution may not be as easy and there has to be give-and-take to find a balance between the two objectives.

Should a buyer make sure someone is available to offer advice on the timber aspects of a property?

King: It is important that the broker either has that knowledge or knows where to get it. And it’s about more than just walking a property to survey the current timber value. It’s about determining if this particular property fits the buyer’s intended use, and also about understanding the best way to manage the timber resource moving forward.

In many cases, I recommend that a buyer make sure a competent consulting forester has spent a day on the property to provide a detailed assessment. This is time well spent.

[EDITOR’S NOTE: The good news is that a Potlatch buyer doesn’t have to look far to find a qualified consulting forester. Many team members of Potlatch and our Preferred Broker Network hold certifications as consulting foresters - and there also are many state programs underway to provide this type of information. If you would like to know more, ask your broker for more information.]

The Property Perspective newsletter will feature more insights from Bob King in our next issue. Bob has been in the land brokerage and forest management business for over 25 years. He has achieved the esteemed Accredited Land Consultant designation awarded by the Realtors Land Institute (RLI). Bob is currently the national instructor for the “Timberland Evaluation” course for RLI. In 2004, Bob was named “Land Broker of the Year” by the South Carolina RLI Chapter, and he was President of the South Carolina RLI Chapter in 2003, 2004 and 2007.

POTLATCH PREFERRED BROKER NETWORK

Let us show you why your Potlatch Preferred Broker is the only name you’ll need to know when it comes to buying property. Please contact the broker nearest your area of interest or visit us at www.PotlatchLandSales.com.

We look forward to helping you with your property search!

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