Timberland Returns have held up vs. Inflation

As the stock market bounces around, PotlatchDeltic’s real estate brokers are often asked how rural real estate with timber on the property fares as an investment.

While no one can predict the future, it can be helpful to study past performance of timberland as an investment. Forest Research Group has studied timberland returns vs. inflation and government bond investments over the years, and last fall issued a report that showed how timberland returns have tended to be strongly correlated with inflation.

“Many investors use correlation as an indicator of an asset’s ability to hedge against inflation,” the report states. “Under this criterion, timberland is a better inflation hedge than most of the assets in our analysis.”

Timberland returns have always exceeded inflation over any and all 10-year investment periods since 1960.

The upshot: rural recreational land is worth looking at as an investment alternative that in the past has performed well in hedging against inflation. And what’s more, this is an investment you can enjoy over the years – hunting, camping and enjoying time with your family and friends.

To learn more about all the ins and outs of buying rural recreational land, contact one of our PotlatchDeltic Preferred Brokers. They are experts in helping you find a property that will fit your needs.