Why Managed Timber has its Charms

Investing in timber can definitely be appealing, says a recent article in USA Today, but the key is to consider it as a long-term investment.

Indeed, whether you are looking at timber company stocks such as Potlatch (Nasdaq: PCH), or looking to get an income stream from timber on your own recreational property, patience is a good idea.

“Managed timber has its charms,” the story says. “If the market for timber falls, a manager can simply let the trees stand and grow another year, which makes them more valuable. Over the very long term, demand for timber tends to grow, especially as supply diminishes as forest land gets converted to use in agriculture or real estate development.”

For many recreational buyers, timber value is often a bonus. After all, as pointed out in the story, “…the best return you can get from your own trees is to walk outside on a spring morning and see them in bloom.”