

How to Have a Successful Timber Sale

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New York's Forests and Woodlands

- Cover 63 % of the Entire State
- Total about 19 Million Acres
- Almost 2/3 (12 million acres) are owned by Private Family Forest Owners
- These Lands are Held for a Variety of Reasons
- Timber Supply for New York's Wood-Using Industries

Subjects to Cover

- *Reasons for Harvesting*
- *Types of Harvests*
- *Preparing the Sale*
- *Contracts and Bids*
- *Operations and Monitoring*
- *Post Sale*

Reasons for Having a Timber Sale

- Someone Offers to “Buy Your Timber”

NO, NO, NO

- Financial
 - Planned
 - Emergency

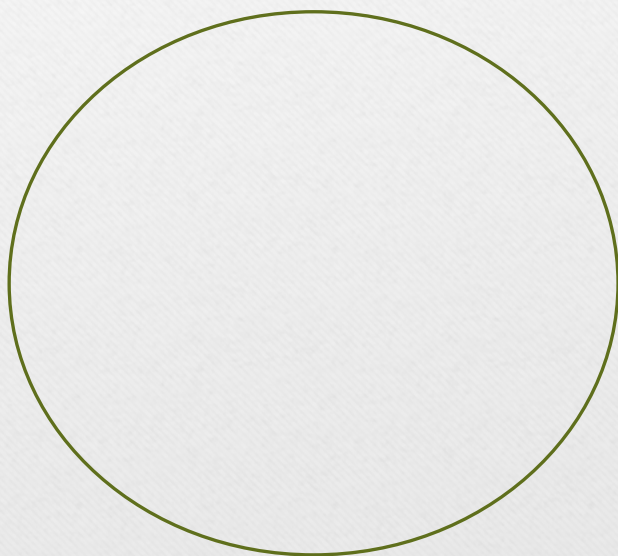
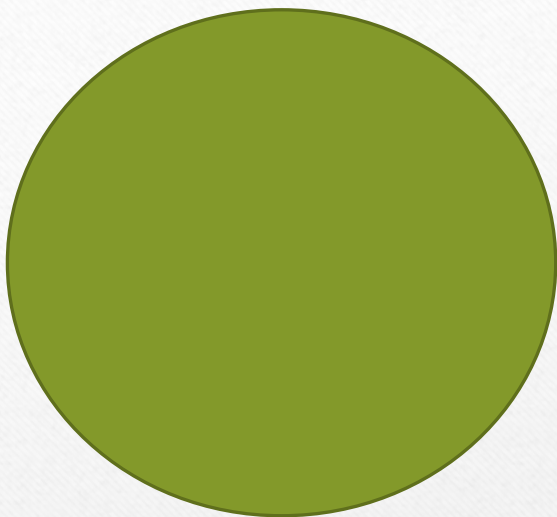
Reasons for Having a Timber Sale

Timber Mature

*Future Growth Versus
Current Value*

*Bigger Trees, Even If they
Grow as Fast, the Rate of
Value Increase is Less*





The Concept of Financial Maturity



Reasons for Having a Timber Sale -Improve the Stand

Stimulate Growth



Improve Quality



Reasons for Having a Timber Sale- Develop Other Objectives

**Wildlife Habitat or
Recreation**



Maple Syrup



Silvicultural Harvesting Systems

Single Tree Selection



Shelterwood



Silvicultural Harvesting Systems

Seed Tree



Clearcut



Preparing the Harvest/Sale

1. Work with a Forester

2. Have a Management Plan

3. Determine Sale Area

4. Clearly Mark Boundaries



Preparing the Harvest/Sale

1. Select and Mark Trees
2. Determine Volume
3. Determine Value



Preparing the Harvest/Sale

Loading Areas

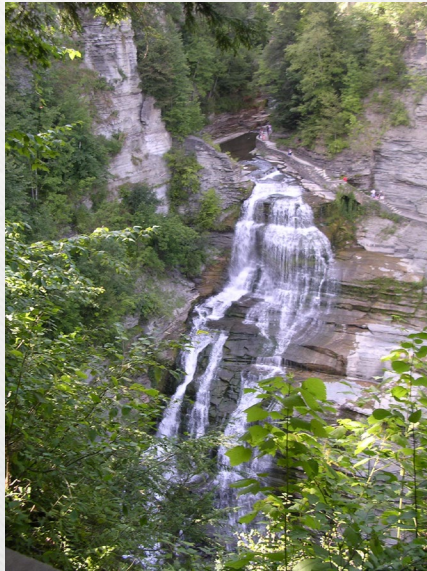


Skid Trails



Preparing the Harvest/Sale

**Stream
Crossings/Wetlands**



Fences/Roads/ROW



Developing the Sale Contract

Work with your forester

Have your lawyer examine
it

Payment in advance of any
cutting



*You know, the idea of taxation with representation doesn't
appeal to me very much, either."*

Items to Include in a Written Contract

- **Description of Property and Sale Area**
- **Designation of Trees to Harvest**
- **Length of Contract/Sale Time**
- **Location of landings, skid roads, stream crossings**
- **Who obtains permits**
- **Repair of roads, fences, trails, etc.**
- **Performance Bond**

Obtaining Bids and Awarding Contract

- Bids versus Negotiated Sale
- Know Who You Are Dealing With
- Get References



Monitoring the Harvesting Process

- Very important:
- Always check on the logging job
- You and your forester
- Correct things **NOW**
- Get it right before the logger leaves



After the Sale is Completed

Cleanup/Seeding



Income Taxes

Important to consider

Capital Gains vs
Ordinary Income

Expenses of Sale

Depletion Allowance



In Summary

**Do It Right and You Will Have a Good Experience
And You Keep the Other Values of Your Forest Intact
For Future Generations**



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