The COVID-19 impact on our society and our economy has been historic to say the least. I have spent many hours over the past month researching market demand and trends in an attempt to answer the questions of my clients regarding the sale of their standing timber. While it is impossible to know the long term effects of this pandemic on our timber markets here in the Mid-South, there are a few things that we do know:

- While most buyers are taking a “Wait and See” approach to purchasing standing timber, there remains a demand for some products in some areas. Most buyers will only purchase timber on a pay-as-cut basis during this time of uncertainty. I am ok with a pay-as-cut contract if there are enough security measures in place and a reputable buyer is selected.
- Many of the pine sawmills have either shutdown or are no longer accepting new contracts for wood. For this reason, most buyers are no longer purchasing these products or will make extremely low offers to compensate for their risk.
- The shut-down of pine chip-n-saw mills may actually create a window of opportunity to move pine pulpwood. The absence of wood chips provided by chip-n-saw mills to pulp mills may increase the demand for standing pulpwood timber. While this may help landowners move some pulpwood, most buyers will only be interested in clear cutting and the prices will remain close to their pre-COVID-19 levels. Several buyers have contacted us requesting clear cuts of 15-22 year old pine.
- Hardwood pulpwood markets had been trending down from their all-time high in the winter of 2019 even before the pandemic struck. Many mills and woodyards have seen their requests for chips and paper reduced greatly during the past month. However, there are a few locations where buyers are actually requesting this product.
- The demand for cross ties has ground to a halt. Most tie-log mills are either no longer purchasing wood or are only fulfilling existing contracts. It may be difficult to sell standing tie-logs at this time other than a few spot markets.
- Grade hardwood is still moving at the time of this email. Due to the prolonged wet weather, shortage of loggers, and a strong export market, most grade hardwood mills continue to purchase high quality wood. We’ve actually seen a slight increase in the price paid for grade red oak at one sawmill.

Ultimately, the decision as to whether or not to sell at this time is based on your opinion of how long our economy will feel the impact of shutdown. If you think that the economy will bounce back within 6 months to a year, it is probably best to postpone the sale of your timber until markets have stabilized. However, if you feel that the economy is headed for a deep recession or even depression and you can find a buyer, it is probably best to sell now.

We at Forest Management Specialists, Inc. are here to assist with your timber sales and land management efforts. Thank you for your past support of our company and feel free to contact me directly at 256-810-6876 to discuss your specific needs.

Billy Rye, President

Forest Management Specialists, Inc.