



TIMBER HARVESTS & FOREST INCOME

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GETTING TO KNOW YOUR WOODS

REASONS TO HARVEST

- Forest Health & Growth
- Wildlife Habitat
- Recreational Improvements
- Aesthetic Improvements
- Wildfire Prevention
- Forest Management
- Timber Sale Profit
- Salvage Weather or Pest Damage



SELLING YOUR TIMBER

Selling your timber can be an intimidating process. Working with a forester can ease and streamline the process. A forester will help you develop a sound harvest plan that considers your management plans and goals for your land. A harvest plan will help guide how you sell your timber, the methods used, and the terms set for sale.

Early on you will also want to ensure you are lawfully eligible to sell your timber. In order to sell your timber legally, your property taxes must be paid. In Wisconsin, the required county cutting permit will only be issued if your taxes have been paid. In Minnesota, the logger is responsible for verifying this before harvesting, but as a landowner, you can expedite the process by checking with your county assessor. If there are owed taxes for your property, you may still be eligible for a harvest, but you will need to work more with the assessor's office.

Once you are ready to sell, you have two main options: to sell as logs, meaning you will harvest and process your own timber and sell the finished products directly to the buyer, or to sell as stumpage, meaning you will sell the standing trees to be hauled and processed by the buyer. Selling by

WORKING WITH A FORESTER

Working with a forester can help to ensure a successful harvest. Foresters can help you:

- Develop harvest & management plans
- Identify the right time to harvest
- Select the best methods and practices
- Inventory and assess your trees
- Select and appraise your timber
- Plan for access and removal on your land
- Navigate market conditions
- Find and identify buyers
- Coordinate with loggers

It is important to choose a forester that you trust and communicate well with. When choosing a forester, be sure to check their references, credentials and qualifications, and to confirm their insurance coverage.

Foresters will have professional and academic training, and often belong to a professional association like the Society of American Foresters (SAF). These memberships require continued training and ensure that your forester is up to date with current practices and management approaches.

During a harvest you may also work with loggers to cut, handle and buy your timber. Loggers are usually trained on the ground and will have operational certifications and licenses. You will also want to check that your loggers are properly insured.

Some professional associations such as the Minnesota Logger Education Program (MLEP) help to ensure that your loggers are



stumpage is the more common approach for private landowners as it is lower risk and does not require you to have the necessary equipment, insurance, and market knowledge.

If you choose to sell by stumpage, you will have a few options for payment. You can either sell as a lump sum, which means you receive a single advance payment based on an estimated value for the timber, or you can also sell by the unit, which means the volume actually cut will be measured and valued. When making this decision, you'll want to consider the possible tax implications, how much work and time you want to invest in the harvest, what type of product your timber will sell for and the appropriate volume and value determinations, the characteristics of your stand, and how much risk and liability you are willing to take on. A forester will help you take all these factors into account to make the best decision for you and your land. Once you have decided how to sell your timber, you'll need to identify your buyers and begin taking bids. Your forester can help you navigate the market and identify appropriate potential buyers. Once you have possible buyers identified, you can then open bidding, giving yourself time to consider both the price and the harvest method being offered, as well as to check references and develop a contract for all parties involved in the harvest and the sale.

Once you have a committed buyer communicate your expectations and requirements, and do not feel pressured to alter your harvest plan. Keeping your forester involved in the process can help keep your buyer honest. Your forester can also help ensure you are in compliance with legal and environmental regulations. Throughout the process you'll want to be cautious of pushes for high grading, residual damage and ruts, root exposure, soil erosion, unplanned tree removals, and excessive debris or waste on the site. Be sure you have a contract you are happy with and that you follow up throughout the harvest to ensure that it is being upheld.

THINKING ABOUT HARVESTING YOUR TIMBER? CALL BEFORE YOU CUT AT (218) 879-5100 FOR A FREE INFORMATION PACKET!

HUNTING & RECREATION INCOME

WHY LEASE OUT YOUR LAND?

Leasing out your land to hunters, fishers or other recreationalists can help you to turn a profit without sacrificing the natural beauty of your forest.

trained in best management practices. Certified Master Loggers have taken an extra step on this training and have had their business and practices certified by a third party audit.

Check our Service Provider Directory to find a forester, Master Logger or other professional.

WHAT IS IN A LEASING AGREEMENT?

Leasing agreements set and clarify expectations, obligations and liabilities. If you are uncertain about creating and executing agreements, be sure to talk to an attorney. Generally agreements will include:

- The names of all the people involved
- The property location and boundaries
- Dates covered by the lease (start & expiration)
- Any places where the lessee should not use
- How many people are allowed to use the land
- The agreed upon payments and due dates
- Subleasing terms
- Specific stipulations, such as:
 - The wildlife allowed for hunting
 - The hunting or fishing methods allowed
 - Recreational activities allowed
- Any concerns or hazard notices
- Responsibilities of the lessee
- The consequences for lessee failing to meet their responsibilities
- The rules to be followed while on your land
- A liability release to be signed by the lessee
- Signatures of all involved parties



WHAT YOU NEED

- A suitably sized, well-managed property
- Ample, well managed and monitored game or fish populations
- Trails, paths or other infrastructure for recreationalists
- Coordinated or provided amenities such as:
 - Suitable campsites or cabins
 - Relationships with nearby hospitality providers
 - Outhouses or latrines and available drinking water
- Regular, non-intrusive monitoring and maintenance practices
- An effective marketing strategy or existing market demand
- The necessary insurance and liability coverage
- Coordinated leasing agreements and communication with lessees

WHAT YOU NEED TO KNOW

Opening your land up to lessees involves an increased level of liability and accountability. According to the law, those who pay to use your property are owed the highest duty of care. That means you're responsible for regularly inspecting your property, removing or repairing any dangerous conditions, and warning your lessees about potential hazards on the property. By not following through on these accountabilities, you risk legal liability in the event of an accident.

MARKETING TIPS

When marketing specialty forest products, playing to a niche market can have a big payoff. Check out some tips for succeeding in niche markets:

- Know your market and your buyers:
 - Consider if you want to sell wholesale or directly to consumers at the retail level
- Advertise locally to establish a reliable and accessible customer base
- Focus on quality over quantity:
 - Tailor to your customers' specific needs
 - Keep your markets and products to a manageable size
- Know your costs, including your time and overhead investments
- Research your pricing options:
 - Talk to wholesale buyers and retailers to find out what they generally pay
- Line up markets and buyers early on
- Consider products with several markets that offer you security as a producer and seller
- Make sure you have obtained the appropriate certifications for medicinal and food products.

NON-TIMBER (SPECIAL) FOREST PRODUCTS (NTFPs)

WHY SELL YOUR FOREST PRODUCTS?

Focusing on non-timber forest products can help you to maximize the profitability of your land and to best utilize all the resources your land offers. It can provide a profit from damaged or scrapped wood in your forest, as well as from the fruits, nuts, plants and berries already growing. It can also offer a less intensive alternative to a timber harvest.

WHAT CAN YOU SELL?

DECORATIVE PRODUCTS such as balsam boughs, buds, blossoms and birch wood for floral arrangements, willow stems for furniture and baskets, grape vines for wreaths, and pine cones for crafting.

WOOD PRODUCTS like firewood from conifers and fruit trees, fence post, and handicraft woods of smaller, damaged pieces like burls.

FOODS such as mushrooms, berries, fruits, nuts, herbs or maple syrup.

MEDICINAL AND SUPPLEMENTAL PLANTS such as yarrow, dandelion and burdock.



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WANT TO LEARN MORE? CONTACT US AT

www.wilddriversconservancy.org OR CALL US AT (715) 483-3300.