

# TEXAS TIMBER PRICE TRENDS

## Market Overview\*

Continued dry weather in East Texas provided favorable logging conditions, increasing timber supplies at mills and resulting in price decreases of most timber products in November/December 2010. The pine sawlog market remained slow due to the weak housing market. Compared to the same period last year, sawlog prices were higher while pulpwood prices were lower.

Statewide pine sawlog prices averaged \$24.74 per ton, 13 percent lower than the last period. This was 14 percent higher than the price a year ago. The average pine sawlog price was \$24.46 per ton for Northeast Texas and \$24.85 per ton for Southeast Texas during this period.

Demand for pine pulpwood remained strong. The average pine pulpwood price was \$6.42 per ton, 2 percent up from the last period. This was 17 percent lower than the price a year ago.

Small diameter pine sawlog (CNS) prices averaged \$13.09 per ton, up 22 percent or \$2.34 per ton from the last period and slightly higher than the price last year.

Mixed hardwood sawlog prices dropped slightly. The average hardwood sawlog

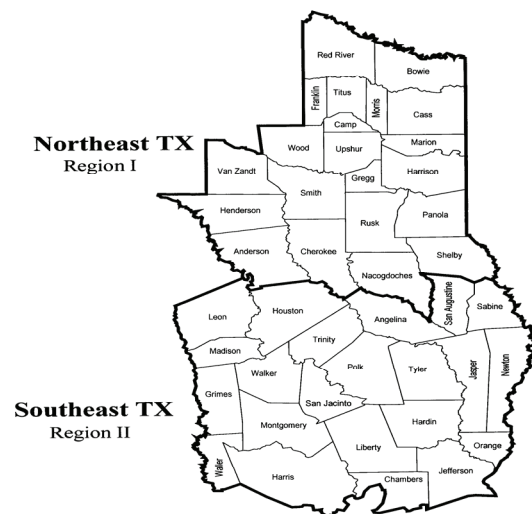
price was \$27.11 per ton, down 4 percent from the last period. This was still well above the price (\$18.27/ton) a year ago.

The average hardwood pulpwood price dropped 7 percent from the last period to \$7.47 per ton.

The 2010 Tax Relief act signed in December extended reduced capital gain tax rate for two years. Landowners may continue to take advantage of this tax benefit for any proceeds from qualifying timber sales.

The average prices reported here represent statewide transactions of 85,253 tons of pine sawlogs, 182,701 tons of pine pulpwood, 98,231 tons of pine CNS, 17,572 tons of mixed hardwood sawlogs, and 21,781 tons of hardwood pulpwood during November/December 2010.

**Texas Timber Price Trends  
Market Regions**

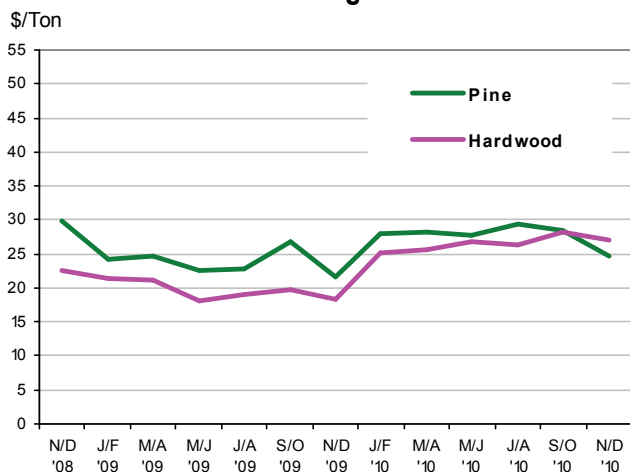


## Stumpage Prices in Texas

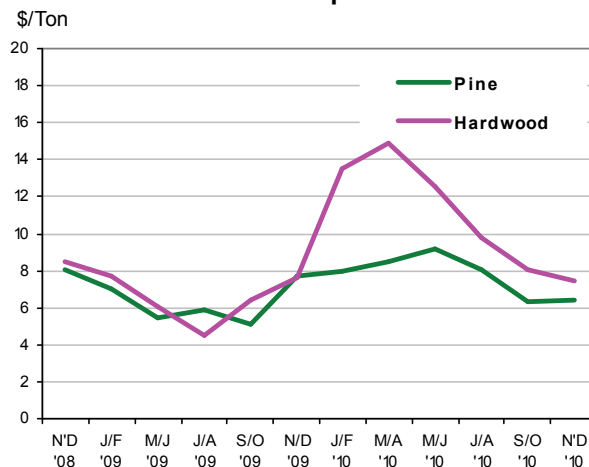
Product /Region	Average Price		Last Period			Year Ago			Report	
<b>PINE</b>										
<b>Sawlogs</b>	<b>\$/ton</b>	<b>\$/MBF</b>	<b>\$/ton</b>	<b>\$/MBF</b>	<b>Chg</b>	<b>\$/ton</b>	<b>\$/MBF</b>	<b>Chg</b>	<b>Number</b>	
Northeast TX	24.46	197.31	26.51	220.55	-8% ↓	24.39	196.22	0% ↑	28	
Southeast TX	24.85	190.85	30.23	241.82	-18% ↓	20.64	165.14	20% ↑	7	
Statewide	24.74	192.54	28.36	231.35	-13% ↓	21.65	173.47	14% ↑	35	
USFS	**	**	**	**	**	**	**	**	**	**
<b>Pulpwood</b>	<b>\$/ton</b>	<b>\$/cord</b>	<b>\$/ton</b>	<b>\$/cord</b>	<b>Chg</b>	<b>\$/ton</b>	<b>\$/cord</b>	<b>Chg</b>	<b>Number</b>	
Northeast TX	6.22	16.74	6.86	18.52	-9% ↓	5.72	15.41	9% ↑	41	
Southeast TX	6.65	17.96	6.10	16.48	9% ↑	8.64	23.32	-23% ↓	26	
Statewide	6.42	17.31	6.31	17.05	2% ↑	7.73	20.87	-17% ↓	67	
USFS	**	**	**	**	**	**	**	**	**	**
<b>Chip-N-Saw</b>	<b>\$/ton</b>	<b>\$/cord</b>	<b>\$/ton</b>	<b>\$/cord</b>	<b>Chg</b>	<b>\$/ton</b>	<b>\$/cord</b>	<b>Chg</b>	<b>Number</b>	
Northeast TX	10.44	28.18	**	**	**	**	**	**	**	**
Southeast TX	13.22	35.69	10.72	28.93	23% ↑	12.57	33.93	5% ↑	10	
Statewide	13.09	35.35	10.75	29.04	22% ↑	12.55	33.89	4% ↑	13	
<b>HARDWOOD</b>										
<b>Mixed Sawlogs</b>	<b>\$/ton</b>	<b>\$/MBF</b>	<b>\$/ton</b>	<b>\$/MBF</b>	<b>Chg</b>	<b>\$/ton</b>	<b>\$/MBF</b>	<b>Chg</b>	<b>Number</b>	
Northeast TX	23.37	210.29	26.13	239.76	-11% ↓	17.91	163.75	30% ↑	30	
Southeast TX	33.98	305.83	33.32	299.87	2% ↑	22.93	206.41	48% ↑	3	
Statewide	27.11	243.99	28.15	256.86	-4% ↓	18.27	166.84	48% ↑	33	
USFS	**	**	**	**	**	**	**	**	**	**
<b>Pulpwood</b>	<b>\$/ton</b>	<b>\$/cord</b>	<b>\$/ton</b>	<b>\$/cord</b>	<b>Chg</b>	<b>\$/ton</b>	<b>\$/cord</b>	<b>Chg</b>	<b>Number</b>	
Northeast TX	7.56	21.17	6.41	17.96	18% ↑	8.13	22.76	-7% ↓	21	
Southeast TX	6.75	18.90	8.59	24.04	-21% ↓	7.28	20.52	-7% ↓	9	
Statewide	7.47	20.92	8.06	22.56	-7% ↓	7.59	21.35	-2% ↓	30	
USFS	**	**	**	**	**	**	**	**	**	**

1. Stumpage price statistics include gatewood sales. Stumpage prices for gatewood sales are estimated by subtracting cut-and-haul costs, other expenses, and profits provided by reporter.
2. Price is calculated from a specific conversion factor reported for each sale if available; otherwise, the average conversion factors listed on page 4 are used. MBF = Thousand Board Feet. The DOYLE LOG SCALE is used for board foot measurements.
3. Statewide data excludes U.S. Forest Service sales.
4. \*\* indicates insufficient sales to report price statistics (less than three sales).
5. Prices listed for previous periods may differ from previously published values because additional data have been received.
6. Price change in percentage is calculated based on price in ton.
7. Extreme outliers from reported data are detected and filtered out based on statistical methods.
8. Price changes are calculated based on price in ton.

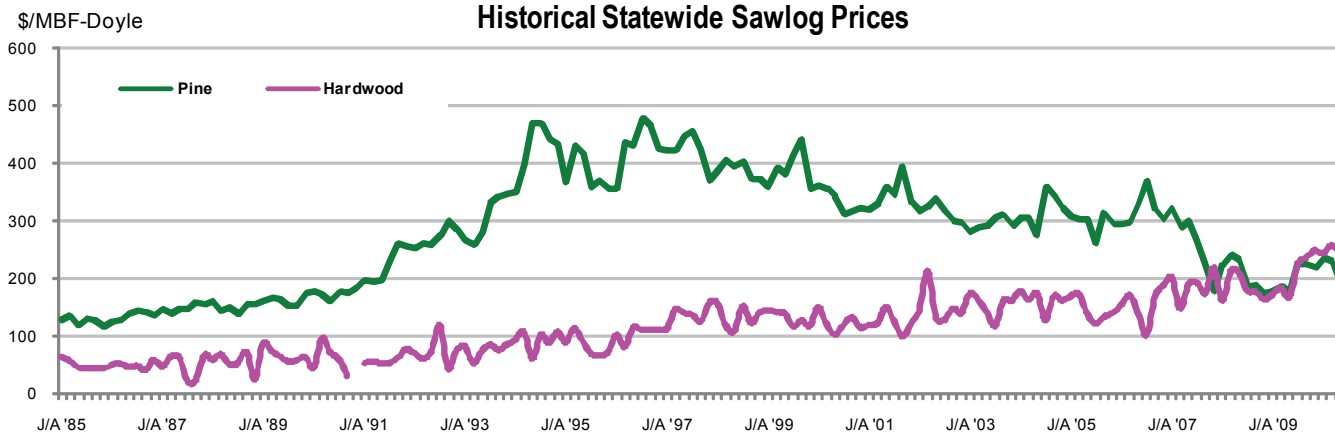
### Sawlogs



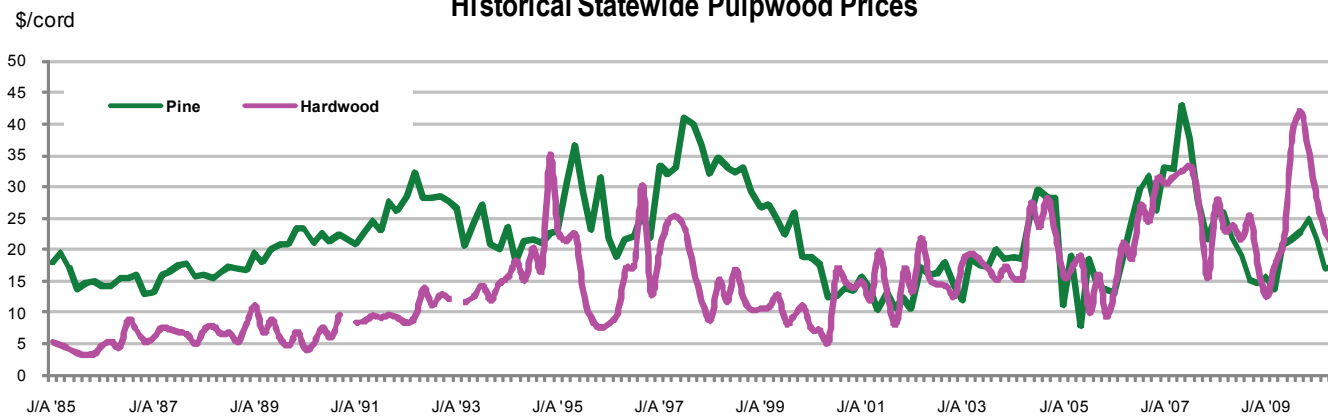
### Pulpwood



### Historical Statewide Sawlog Prices



### Historical Statewide Pulpwood Prices



Note: A gap in the chart means less than 3 sales were reported and no price statistics were compiled.  
 For chart data, please go to <http://txforestservicetamu.edu/main/article.aspx?id=145>.



*Texas Timber Price Trends* is a bi-monthly publication reporting average prices paid for standing timber in Texas.

***This report is intended only as a guide to general price levels.*** Individuals inter-

ested in buying and selling timber can use this report to monitor market trends and get a general idea of what timber is worth. However, it should not be used to judge the fair market value of a specific timber sale, which may vary considerably due to many factors.

#### HOW ARE AVERAGE PRICES CALCULATED?

Data published in this report are from actual timber sales as reported by as many as 60 cooperators active in the East Texas timber market. Reporters include forest product companies, logging contractors, consulting foresters, family forest landowners, financial institutions, and federal agencies.

The prices are volume weighted average prices. The price per ton for each product category is as reported or using a specific conversion factor provided by the reporters. When a specific conversion factor for each sale is not available, an average conversion factor listed here is used instead.

#### VOLUME CONVERSION FACTORS

##### Sawlogs & Chip-N-Saw

Pine— 8 tons=1 MBF-Doyle

Pine CNS— 2.7 tons= 1 Cord

Hardwood— 9 tons= 1 MBF-Doyle

##### Pulpwood

Pine— 2.7 tons=1 Cord

Hardwood— 2.8 tons= 1 Cord

**This publication is also available on the Texas Forest Service website at:**

<http://txforestservice.tamu.edu/main/article.aspx?id=145>

#### WANT TO BE A REPORTER?

If you are active in the East Texas timber market, please consider becoming a cooperating price reporter. You will receive report forms bi-monthly with a self-return envelope. In addition, you will receive a hard copy of the report in exchange for your price information.