

This Complimentary Newsletter
produced and brought to you
by:

FOREST PRO L.L.C.

TIMBER & LAND MANAGEMENT COMPANY

FORESTRY | REAL ESTATE | APPRAISALS

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Certified Forester®



- Miss. State University Degrees in Forest Management & Banking and Finance
- Miss. Registered Forester #1573
- Georgia Registered Forester #2523
- SAF Certified Forester #1625
- MS Licensed Appraiser #1331
- Mississippi Broker # B-17340
- Southwest District Tree Farm Inspector of the Year (2001)
- Miss. Tree Farm Inspector of the Year (2001)
- Association of Consulting Foresters
- 14+ years Forestry Experience

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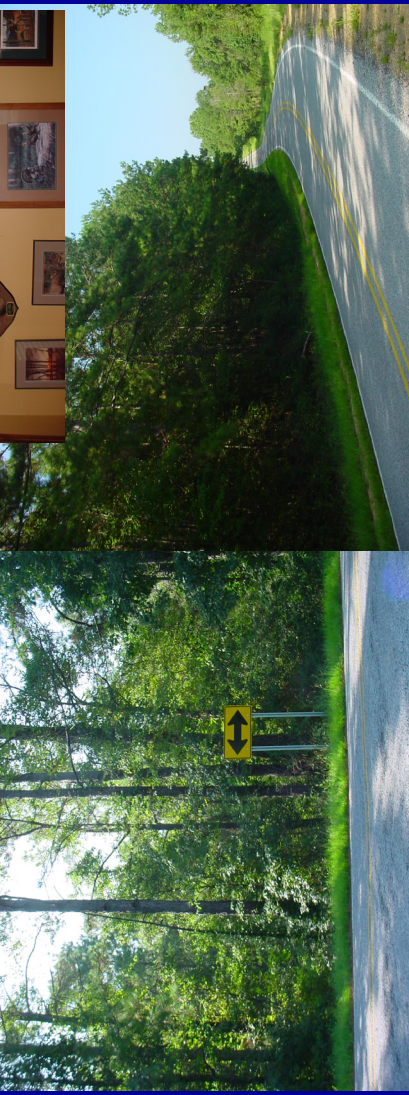
“Everything Timberland”

Featured Property for Sale

The Plantation on White Sand Church Road.

Jefferson Davis Co. MS: S27-T9N-R18W
25 acres for \$2510/acre

This property has everything a prospective buyer could ask for. For the investor this tract has a vibrant plantation of twenty-one (21) year old loblolly pine that has undergone one thinning with the best yet to come. Fully timbered tracts like this one are hard to find. Hunters will be interested to know that impressive deer have been taken off the tract in the past (see picture). Prospective home builders looking for a beautiful homesite will be interested in knowing that this gently sloping property has over 1000 feet of paved road frontage and public water and electric utilities available. Give us a call to see this beautiful property or go to www.theforestpro.com to view maps or current information.



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We Provide Forest Landowners.

- Timberland & Recreational Land Real Estate Brokerage Services
- Forest Management
- Timber Sales
- Timber Appraisals
- Land Appraisals
- GIS Mapping
- Tract Inspections
- Reforestation
- Timber Trespass Appraisals
- Expert Witness Testimony
- Boundary Painting
- Harvest Scheduling

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TIMBER TRACKS NEWSLETTER

Volume 2, Issue 2 “Everything Timberland” 2nd Quarter 2007

FOREST PRO IS NOW OFFERING REAL ESTATE SERVICES.

We would like to take this opportunity to tell you about some changes that have taken place at our company. You may have received our previous newsletters under the name “Total Forest Management. We have since added Real Estate to our list of services offered to Mississippi landowners and felt that a name change was needed to reflect this. We are now known as Forest Pro L.L.C. and our motto is “Everything Timberland” since landowners can call on us to perform most all professional timberland services.

Before now landowners had to contact a Real Estate Broker to help sell their property , a Consulting Forester to help sell or manage their timber or an Appraiser to get an appraisal performed on their land. We have alleviated all the confusion and now landowners can call on Forest Pro to perform all these functions.

Real Estate Services

Are you looking to buy or sell recreational, hunting, or timber investment property, then have the advantage of a Forester/Appraiser as your Realtor™. We can offer insight into timberland and recreational properties that traditional real estate agents cannot match.



Are you looking to sell land? For our Listing clients our advantages are evident.

Marketing -Just like traditional Realtors® we market your property to the world on our website and other websites, and on the local Multiple Listing Service to other Realtors®. But we don't just stop there; we saturate your local market with our interesting and informative quarterly forestry and timberland newsletter. **(You could see your property in our newsletter)** These full color newsletters are mailed to all the landowners in your area, and judging from past responses are eagerly anticipated.

Pricing – This is probably the most important (Continued on Page 2)

LEGISLATIVE UPDATE (NEW LAWS THAT AFFECT LANDOWNERS)

House Bill 1077 Registered Foresters Bill

Has been passed by both houses and has been signed by Governor Barber. It strengthened flaws in the language in the “Registered Forester law of 1977”. Under the old law individuals could offer forestry services that were usually understood as being services of a for-

ester without being registered. They could claim that the never advertised or held themselves out as been “registered foresters” thus subverting weak language written into the original law.

The new bill that has just been signed into law makes it illegal for anyone to practice forestry for a fee without first being registered. The

(Continued on Page 3)



Timtek Boards

New Engineered Wood Product may have a large affect on the Timber industry

In the early 1970's a structural composite product, Scrimber, was developed by CSIRO based on small diameter roundwood. Its name was derived from the innovative method developed to break down whole logs. The logs were passed through a series of paired opposing interlocking toother rollers which progressively reduced the material into long strands or "scrim". The process also incorporated a foamed tannin-based adhesive, and the final product was formed in an enclosed steam press.

Attempts to commercialize the product failed due to various technical issues. After the project passed through a number of owners in Australia in the late 1980's and early 1990's, Georgia Pacific who had picked up the technology, shut it

down with a change in strategic direction for the company.

Shuqualak Lumber Company is currently in the process of building a Timtek engineered wood products plant with two production lines in Meridian, Mississippi. The State of Mississippi has approved a \$10 million appropriation to assist Lauderdale County with the purchase of the proposed site and the development of infrastructure necessary for this \$140,000,000 plant. It is predicted that the plant will provide 140 jobs directly and another 168 jobs indirectly in the Lauderdale County and surrounding areas.

But what is TimTek, and why is it important? TimTek is a patented process that makes high

Continued on Page 3)

FOREST PRO REAL ESTATE SERVICES (Continued from page 1)

step in selling your property and where we can help you the most. If the selling price for your property is set to low you will not realize all the gain that is available. If the price is set to high then the property can stay on the market for extended periods. Because we are Foresters and Appraisers we can gather land pricing and timber pricing information for your market and evaluate your property to set the sales price where you receive the most gain without extended marketing times.

Are you looking to Buy? For our Buyer clients we can help you evaluate the conditions of the timber, wildlife, the acreage, and soils of the properties you are considering for purchase, and rank them in order of quality and because we are also timberland appraisers we can help you evaluate whether the asking price is within reason. After the purchase of your property we can continue to offer forest management assistance, so it's not the end of our relationship but just the beginning.

What most prospective land buyers don't know is that you can hire us to represent you in a land purchase and it may not cost you anything. When most properties are listed for sale with a Real Estate Broker they offer cooperating compensation to any Broker who can bring them a willing and able buyer. The property

2nd Quarter Special, 1/2% Savings

List with us this Quarter and mention that you saw this special in our newsletter and receive **1/2% savings** on commission charges.

What most land buyers don't know!

(see article to the right)



Legislative Update (Continued from page 1)

new law helps protect Mississippi landowners from under qualified would be practitioners.

SB 3058 & HB 1628 Mississippi reforestation Tax Credit raised from 10000 to 75000.

In 1999 the State of Mississippi pasted landmark legislation with the countries first Reforestation Tax Credit Bill. This legislation is still not well known among Mississippi landowners but allows Mississippi income tax payers to receive up to a 50% tax credit on approved reforestation practices. When passed in 1999 the lifetime limit per person was \$10,000 in state tax credits. Due to damage from Hurricane Katrina and as part of the reforestation efforts the Legislature is considering raising the lifetime limit to \$75000. The house bill made it through the legislature and has been signed by Governor Barber.

Landowners considering taking the tax credit should note that you will need to have paid

Engineered Wood Product (Continued from page 2)

strength engineered lumber from small diameter trees thinned from pine plantations. Developed in Australia, the TimTek process takes small trees and separates the wood into long strands. The strands are coated with an exterior-type adhesive and dried before being formed to desired shape in a specialized steam injection hot press to form the resin/wood fiber composite.

TimTek's product is a unique, long-fiber structural engineered lumber with uniform, stable, and high strength properties of select grade sawn timber. It can be produced in lengths and cross sections greater than can be achieved from the largest logs available. The beams and timbers will compete favorably with the engineered products now used in residential and commercial construction as joists, rafters and headers and for other uses where strength and quality are required. The product is unique in that it can produce construction strength timbers from plantations of either fast-grown soft woods or hardwoods in the three-inch to eight-inch diameter classes. This product is economically and environmentally sound, the two main criteria of the timber industry.

Previous attempts to reconstitute wood into structural products have required that either the wood be broken down in varying degrees or turned into veneer, then realigned and glued to form the desired section. Veneer-based products need high quality expensive logs. At the other extreme, where wood is reduced to fibers, the final properties show a marked decline. The Timtek process avoids these problems.

This development is important to landowners,

Mississippi income taxes for this credit to be worth while. So out of state landowners or retired individuals usually don't benefit from the credit.

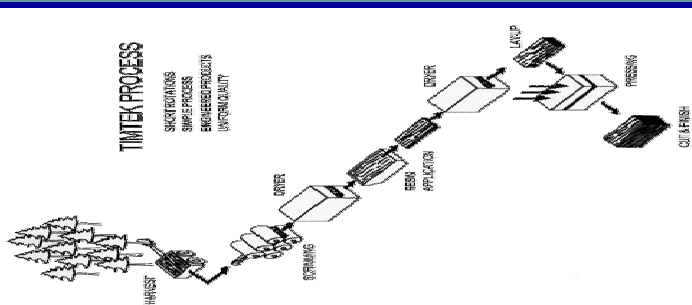
SB2152 & HB1628 Eminent Domain Law These two laws would restrict the governments use of it's Eminent Domain Power. In the last few years states have used the power of eminent domain to help acquire land for projects that were not for a direct public use. An example in Mississippi would be the Nissan Site. The argument was the these projects have a public use due to the amount of jobs and tax revenue created. Concerned lawmakers have put forth these two bills to limit the states eminent domain power for direct public uses with limited exemptions. This bill died in conference committees.



who will see a new market for their pine trees in east central Mississippi. This comes after several years of depressed timber prices, particularly for pulpwood, and the closure of several mills in and around the state.

The question that remains to be answered is that, if successful, what will the future hold for large pine sawtimber? Large diameter pine trees are what are currently used to produce large dimensional pine lumber (i.e. 2x10, 2x12, etc.). When Oriented Strain Board was accepted by the market it reduced the demand for plywood since it essentially performs the same role as plywood at a reduced cost. If the Timtek product can do what is claimed, then it would stand to reason that the demand large dimensional lumber would be reduced thus prices for large pine sawtimber would be lower. With landowners having no incentive to grow long rotations needed to grow large pine sawtimber then rotation lengths would shorten and the focus becomes grow as much fiber as possible in the shortest time frame possible.

Landowners in the future may have to decide if they want manage their timber for quantity or quality. At Forest Pro we believe there will still be niche markets in the future where quality is still in demand. People prefer the natural look of wood in flooring or in high end furniture. Species like longleaf pine or members of the red oak family are but some of trees that landowners can consider when making these decisions.



Mill Process