

## THE F&W DIFFERENCE

F&W is a global forestry consulting firm focused on helping its clients maximize the value and enjoyment of their land and forest resources according to their individual objectives, needs and desires.



### GLOBAL PERSPECTIVE. LOCAL SERVICE.

With an experienced leadership team and more than 100 advanced-degree professionals operating in forests throughout the U.S., South America and Europe, F&W provides clients a unique opportunity to ensure reliable and standardized operations management services across a broad geography.

**US SOUTH | US NORTHEAST | US WEST | SCOTLAND & WALES | ENGLAND | FRANCE | SOUTHERN BRAZIL | URUGUAY**

### STRATEGY DRIVEN. EXECUTION FOCUSED.

Local forest management teams follow a common set of operating procedures and reporting standards to ensure clients have a consistent view of their timberland properties. F&W emphasizes a culture of "doing what we say we will do" where staff understands that plans are only as good as the execution on the ground.



#### SILVICULTURE

F&W local professionals are experts at managing forestland and are supported by best in class decision tools.



#### EXPERTISE

F&W has more than 50 years of experience, with foresters currently managing more than 2 million acres of timberland globally.



#### MARKET KNOWLEDGE

F&W professionals are recruited and staffed locally, making our local offices the best equipped to handle targeted timberland management needs.



#### INTEGRATED NETWORK

The F&W network provides cutting-edge technology, analytics and insights to timberland owners.



#### ASSET SECURITY

F&W's staff is trained to use practices and procedures to reduce risk of timber theft and build financial security for future generations.



# REGIONAL TIMBERLAND CHARACTERISTICS

ALL VALUES IN US DOLLARS

	US SOUTH	US NORTHEAST	US WEST	SCOTLAND & WALES	ENGLAND	FRANCE	SOUTHERN BRAZIL	URUGUAY
Inheritance or Capital Tax advantages	Neutral	Neutral	Neutral	High	High	High	Neutral	Neutral
Income Tax advantages	Neutral	Neutral	Neutral	Y	Y	Y		Y
Historic annual returns*	5.20% <sup>1</sup>	2.90% <sup>1</sup>	7.7% <sup>1</sup>	8.5% <sup>2</sup>		4 - 5%	8 - 14% <sup>3</sup>	10.4% <sup>3</sup>
Average annual Discount Rate %**	4 - 5.5%	3 - 4.25%	4 - 5.5%	2 - 4%		2 - 4%	7 - 8%	6 - 7%
Annual cash yield (% Cap Employed)	4% <sup>3</sup>	2%	4%	2%		1 - 4%	6 - 7%	6 - 7%
FOREST TYPE	SOUTHERN PINE PLANTATIONS	SEMI NATURAL HARDWOOD FORESTS	MIXED CONIFER PLANTED STANDS	SITKA SPRUCE UPLAND PLANTATIONS	COMMERCIAL CONIFER WITH NATIVE BROADLEAVES	VARIED CONIFERS & PRODUCTIVE HARDWOODS	PINE & EUCALYPTUS PLANTATIONS	PINE & EUCALYPTUS PLANTATIONS
Regulatory risk	Low	Low	Medium	Low	Low	Low	Med - High	Low - Med
Diversified Forestland Level of Biological risk ***	Low	Low	Low	Medium	Medium	Medium	Low	Low
Diversified Forestland Level of Natural risks****	Low - Med	Low - Med	Low - Med	Low - Med	Low	Low - Med	Low - Med	Low - Med
Diversified timber product markets	Y	Y	Y	Y	Y	Y	Y	Developing
Forestland availability	High	High	Medium	Medium	Low - Med	Low - Med	High	Low - Med
Sporting & recreational amenity	High	High	Medium	High	Medium	High	Low	Low - Med

1. NCREIF Timberland Index (Q2 2021), 20 year average return.

2. IPD Forestry Index UK (2017), 25 year average return.

3. Cabbage, et al. (2019). Does not include land cost.

\*IRR before tax, real terms.

\*\*F&W Market observation from forest valuations.

\*\*\*Disease and pest risks.

\*\*\*\*Fire and storm events.

F&W Forestry is not a financial advisor and interested investors should consult their own financial advisors to check the applicability of the taxation benefits and the suitability of forestry investment for their particular circumstances. While every care has been taken to ensure that the information provided is accurate, neither F&W Forestry nor its employees accept any liability for the contents, or their application to any individual circumstances.



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