Hardwoods

Nearly half of the world’s forests are gone and deforestation continues unabated from agricultural expansion, land development, unsustainable logging practices, and insect infestations due to global trade and climate change. On average nearly 3% of the marketable timber is lost each year. As supplies of this valuable resource dwindle, commercial timber will continue to rise in price due to the shrinking availability of high quality wood. This creates a unique opportunity to provide rapidly grown, tall hardwood tree seedlings for plantations.

Plantation investment programs are offered worldwide for tropical projects featuring exotic species such as Teak and Mahogany. The attraction for investors has been the reasonable return on investment (ROI) compared to potential temperate timber plantation projects. Typically, a Teak timber investment program will begin to return profit in 20 years, while temperate timber projects may take up to 60 years, well beyond the patience of most investors. It’s not surprising then that currently there are no financially viable temperate hardwood plantation investment vehicles available in the marketplace.

Tree Plantation proposes the creation of a temperate timber investment program utilizing the company’s hardwood seedlings. For the first time, this type of temperate timber investment would be economically viable due to the creation of an instant 20 foot hardwood tree plantation beginning in year 1 of the project. Depending on the location of the project, profits could be generated beginning in year 20 for wood pellets, veneer in year 25 and timber in year 30, or the entire project (land together with timber) could be sold anytime after transplant. Approximately 10,000 seedlings could be planted on 50 acres. Timber profits are shared entirely between the investors in the program. Tree Plantation would be contracted to grow and transplant the hardwood seedling product, procure suitable plantation properties and provide ongoing management of the plantation.