



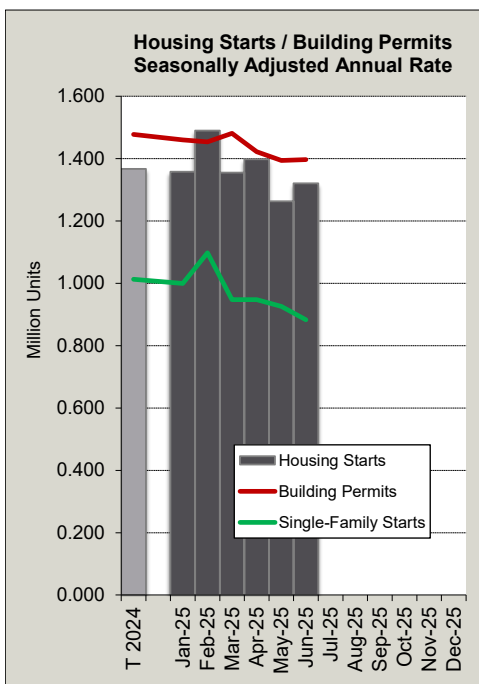
**Family Forest Owner
MB&G Client
Washington County, OR**

This is not an official weather or fire message, but it does seem that it's turning into a pretty mild summer around the Pacific Northwest; to the point that leaves are turning color and falling from trees ahead of their fall schedule (at least on my property). Log prices are holding steady, even in an average economy with a weak housing market, due in part to the lack of log supply, which continues to prop up prices. A lot of folks are hopeful about Trump's order to increase federal harvests (and of course a lot folks are not), but I am skeptical that we'll see any kind of sea change from the Forest Service as their road system, institutional knowledge, and culture could not currently support a full blown timber program. Not to mention issues with mill capacity and logger availability. We may see an increase in harvest levels but not to the point where it moves the needle on log prices.

If you need help managing your forestland, or just want to talk forestry, give me a call at (503) 224-3445 or send me an email at bkeller@masonbruce.com. MB&G has a sophisticated understanding of the forest industry and great relationships with numerous log buyers, loggers, road builders, nurseries, and reforestation contractors. MB&G is a full-service outfit that works with the full range of forest landowners and offers a complete set of services, including timber harvests, silviculture, management plans, timber cruising, forestland valuations, and road maintenance. Thanks – Brent

MARKET WATCH: HOUSING, LUMBER AND LOGS

HOUSING STARTS



Housing starts increased 4.6% in June, to 1.32 million units, and they were down 0.5% year-over-year. Single family starts fell 4.6% in June, and year-over-year they were down 10%.

June building permits increased 0.2% from May to 1.4 million units, and they were down 4.4% year-over-year. Single-family permits decreased 3.7% from May to 0.87 million units, and they were down 8.4% from the same month in the prior year.

Multi-family building starts were up 30% and multi-family permits were up 8% in June.

	June 2025	May 2025	Monthly Difference	June 2024	Annual Difference
All Starts	1.321	1.263	4.6%	1.327	-0.5%
Single-Family Starts	0.883	0.926	-4.6%	0.981	-10.0%
Building Permits	1.397	1.394	0.2%	1.461	-4.4%
Single-Family Building Permits	0.866	0.899	-3.7%	0.945	-8.4%

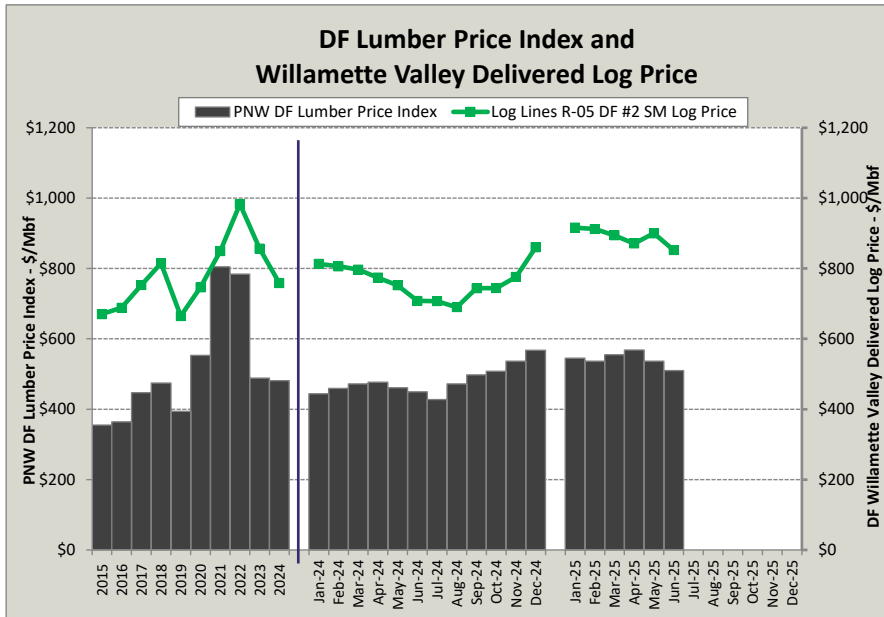
LUMBER & LOGS

Published Douglas-fir (DF) log and lumber prices were down in June, as shown below.

June published DF #2S log prices decreased 5.3% from May, to \$852/Mbf. June log prices were still 20.3% above a year ago, and they were 3.5% above the 5-year average of \$823.

At \$510/Mbf, the June DF lumber index price decreased 4.9% from May. Lumber is still up 13.4% over a year ago and is 18.1% below the 5-year average of \$622.

With single family home starts looking likely to stagnate or weaken over the remainder of 2025, log prices are likely to remain stable or decrease.



June 2025 Douglas-fir Prices

	June 2025	May 2025	Change from Previous Month	June 2024	Change from Previous Year	5 Yr Annual Average	Current Month Compared to 5 Yr Annual Avg
Logs	\$ 852	\$ 900	-5.3%	\$ 708	20.3%	\$ 823	3.5%
Lumber	\$ 510	\$ 536	-4.9%	\$ 450	13.4%	\$ 622	-18.1%

Lumber Track

YTD Western Mill Production through May 2025 was down 2% relative to May 2024. May production was also 6.2% lower than the prior month.

YTD production through May, as a percent of capacity, was up 2% when comparing 2025 to 2024. At 80%, May monthly production as a percent of capacity was down 2% when compared to the prior month. (*Western Lumber Facts, (7/8/25)*)

Western U.S. Softwood Lumber Production			
YTD Total (Bbf)		Monthly Total (Bbf)	
May 2025	5.52	May 2025	1.11
May 2024	5.64	April 2025	1.19
Percent Change	-2%	Percent Change	-6%
YTD Production as a % of Capacity		Production as a % of Capacity	
May 2025	79%	May 2025	80%
May 2024	77%	April 2025	82%
Percent Change	2%	Percent Change	-2%

INDUSTRY NEWS

What Climate Conditions Drive Fire Risk in Western Oregon?

In Western Oregon, wildfire escalation is closely linked to two specific climate conditions: dry air (vapor deficit) and lack of recent rainfall (drought). Much of Western Oregon has experienced a statistically significant increase in these conditions during the July–September fire seasons since 2016. Risk increases greatly when combined with east wind events, though these are relatively rare and becoming rarer over time.

Oregon Legislature Finds Money for Fire Suppression

In June, Oregon’s legislature voted to fund the state’s wildfire budget through a new tax on nicotine pouches, and with 20% of the interest earned from the state’s \$1.9 billion Rainy Day Fund.

This new funding plan will reduce the amount forest owners pay for the fund in their property tax assessments over the next three years.

After the fires in 2020, lawmakers passed legislation in 2021 to boost the state’s wildfire budget, with much of the financial burden assessed to property owners whose land is protected by the forestry department. Rates at the time increased by 20- to 50%. (Baker City Herald 6/29/25, Capital Press 6/30/25)

Fire Season, So Far

As of the first week of July there had already been 36,156 fires in the U.S. year-to-date, burning more than two million acres. This is double the number of fires last year at this time, but the acreage burned is less than last year. At the time of this report, Alaska led the nation with the most actively burning fires, with 79 active wildfires in July, followed by California and Montana.

On July 20 it was reported that YTD, the country's largest wildfire was the Cram Fire, which was located in central Oregon. It burned over 95,000 acres and was fully contained by July 26. The Little John Fire, a rapidly moving fire reported July 27th in southeast Oregon, grew to about 10,000 acres in just 1.5 hours.

(Carrier Management 7/7/25 & 7/25/25, Salem Statesman Journal 7/28/25)

USFS Reportedly Fully Staffed

Just in time for peak fire season, the United States Forest Service (USFS) reports having hired 99% of its targeted 11,300 firefighter workforce. Their press release claims they are fully operational and ready for fire season. The USFS hiring target includes primarily entry-and mid-level field positions. While the goal was achieved, internal data reported by ProPublica indicates there are over 4,500 vacant USFS firefighting jobs. Additionally, large fires are managed by career USFS staff. Due to staff departures, the availability of these staff is expected to be reduced, though USFS reporting is such that it is difficult to get reliable numbers. (USFS 7/14/25; ProPublica 7/22/2025)

Canadian Countervailing Tariffs Increased Again, as Expected

In the last week of July, the U.S. Department of Commerce announced an increase in the Canadian anti-dumping duty rate of 20.56% for unfairly traded Canadian softwood lumber imports into the U.S. The announcement was celebrated by the U.S. Lumber Coalition, and it was called a “gut punch” by B.C. Forests Minister Ravi Parmar. "This is a big deal for our workers. This is going to have a significant impact. It will lead to curtailments," Parmar added. (U.S. Lumber Coalition 7/25/25, CBC News 7/26/25)

Rescinding the Roadless Rule

On June 30, the Department of Agriculture announced the rescission of the 2001 Roadless Rule, which prevented logging and roadbuilding on nearly 59 million acres of national forest land; about one-third of all National Forest System lands.

The hope is that this rule change would allow more access for fire suppression and logging.

Reversing the rule will not necessarily open all these acres to logging, at least not in the near-term. It costs money and it takes time to build roads. Additionally, these acres are still subject to existing environmental laws, local forest plans, and site-specific environmental reviews.

It is reported that many forests in roadless areas are overstocked with dead and dying trees. Nearly half of all roadless acres are now located in areas rated at high or very high wildfire risk.

Research conducted in 2020 and 2021 indicates that “forests in roadless areas burned at similar frequencies and severities (to forests with roads). However, roadless areas tended to have larger fires with more burned acreage.” The reasons for that are “fairly obvious,” according to James Johnston, a professor at the University of Oregon. “It’s easier to corral fires when there’s a road system to facilitate direct attack with hand crews and bulldozers,” he said. Johnston’s team found that almost twice as many fire ignitions escape initial control efforts in roadless national forest areas versus in forest areas with roads.

Will this rule reversal improve forest health and lower the wildfire danger on these acres through more access to forest management? According to Johnston, it is difficult to predict what the effects of this change will be. Roads may help firefighters suppress fires more quickly by allowing for better access. However, roads can also be a “vector for fire ignitions,” as roads allow for more human access to remote areas and humans cause 84% of wildfires in the U.S. Research shows that roads would significantly increase invasive species on some forest lands, and that some invasive grasses may catch fire more easily, and some invasive woody species may burn more intensely. (Salt Lake Tribune 6/30/25, Healthy Forests 7/10/25)

Insights into Oregon’s Forestry Workforce

A recently released study, authorized by the Oregon Legislature and led by a member of the Oregon Associated Loggers, confirmed the importance of Oregon’s foresters. The study found that foresters are central to the state’s economic, environmental, and public safety goals, and home to some of the state’s most essential, high-demand, and technically advanced jobs.

Report highlights:

- Forest workers are critical public servants and environmental stewards, as critical first responders during fire season who work to achieve healthy, productive landscapes.
- A significant portion of Oregon’s forestry workforce is nearing retirement. It is estimated that 3,400 forestry workers will need to be replaced annually just to maintain the current capacity of the state, as older foresters leave the workforce.
- An increase is needed in the awareness and educational pathways to forestry careers. Only 1-2% of environmental graduates enter the forest sector, indicating that many young people who care deeply about the environment don’t see forestry as a relevant path.

It is hoped that this study will spur local action to address the encroaching workforce gap, as needed to fully implement key state and federal strategies for wildfire mitigation, forest resiliency, mass timber production, and domestic wood supply chains. (Forest Resources.org 7/10/25)

First Quarter Lumber Production Down, Except in the PNW Coast Region

When comparing 1Q2025 with 1Q2024, lumber production in North America was down in 2025. U.S. lumber production was down 2.1 % overall, and Canadian production was down 7%. Every region of the U.S. saw decreased lumber production in this period, except for the Coast Region (which includes Western Oregon), which had a modest 1.1% increase year-over-year. Southern pine lumber production was down 2.5%, Inland production was down 5.6%, and the California Coast Region was down 5.4%. (Random Lengths 6/27/25)