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P.O. Box 669 Winthrop, WA 98862  
www.bearcreeklumber.com

*You'll Love This Flooring!*

## Jatoba

**Brazilian Cherry Flooring**

- Prefinished
  - Clear
  - Micro-groove
- \$4.90 per sq ft.**



**Melissa loves her new Jatoba floor!**  
photo by Melissa Hughes

## In This Issue

- Questionnaire Comments**
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## Making the Grade

One of the respondents to our questionnaire, Gary Gamel of Woodside CA, asked that we talk about lumber grades in this newsletter. Grades are always an interesting subject. First of all, there are dozens of grading agencies. Various species have their own grading rules (cedar and redwood are different from each other, and from other western species). While almost all mills follow grading regulations, they will vary slightly from mill to mill based on WHICH agency they adhere to.

### Association Membership

Having said all that, Bear Creek Lumber wouldn't exist if we didn't adhere to grading standards. Its what we stake our reputation on. We are a member of the Western Wood Product Association as well as the Western Red Cedar Lumber Association. Our grading reflects their rules.

### How Grades Differ

There are a variety of grades, but most people outside the industry have little idea of what they are. As a customer service representative for this company, I almost find it more important to know what a customer wants to see at the end of the end of his project than what grade they want. Sometimes the idea of clear, which is a somewhat knot free grade, gets muddled. In all lumber products, grades allow for some amount of knots, no matter how good a grade the material is. What makes the difference between clear and knotty grades is the amount of knots, the size of the knots and the frequency within the length of the piece of wood. But since wood is a naturally grown product, all grades will have knots. These represent the limbs of the trees they came from. In a high end clear grade, the knots will be small, infrequent and very tight. In every grade as they descend into lower grades, the knots become more frequent, larger and at the very low end of the scale, not as tight. Besides knots, there are other defects that come up in lumber grading. They can be caused by how the tree grew, how the timber was handled at the mill, how it was sawn, and even how it dried. Once again the higher grade of lumber has fewer of these defects, the lower grades more.

Many times other lumber companies will represent their product as being cheaper than Bear Creek, but the customer usually finds out that they end up with a lower grade product if they compare apples to apples. Bear Creek Lumber isn't afraid to quote you the right product, even when that makes our product appear more expensive. We have



**Charlie Sheen of North Carolina has built his custom log home from scratch.**  
BCL product: 8 x 12 WRC log cants More pictures by Charlie Sheen inside.

nothing to gain from misrepresentation. We want our client's trust as well as their business. Its a relationship we have been building with those who buy from us since we started 30 years ago, and it is the most important aspect of the work we do.

Your newsletters continue to broaden my views about the use of wood in the landscape. Although I have not used your products, I continue to suggest that contractors, and builders consider your products.

David Franke  
Landscape Architect  
Batavia NY

We enjoy your newsletter, and make it available to our clients. Thanks,

Randy Hodges  
Hodges/Marvin Architects  
Dillon CO

Thank you for newsletter! Don't change anything! Its perfect. I tell other builders about you when the time is right. Maybe list more large quantity pricing?

Thanks, Robert  
Palmer Construction  
Camano Island WA

Very pleased with past purchases. Is clear aircraft sitka spruce available? (yes, but in cant form-Ela)

Richard Andersen  
Hailey ID

Its always a pleasure to pass on your company name to my clients. Aloha,

Gordon Dunnill  
Maui HI

Still love shingles and 8x8 porch posts from 14 years ago.

Patti Olson  
Ariel WA

Always a well informed staff, always quality products.

What more can a contractor ask for? Bill Eich

Bill Eich Construction  
Spirit Lake IA

We think you carry great products and will continue to specify them for our jobs as needed.

Mervin Stauffer  
Lakeside Builders  
Port Trevorton PA

Great for specifying materials available and estimating job costs.

Al Krumvieda  
CPBD  
Redding CA

You have products that suppliers here don't have or can't get.

Kevin Check Designs  
Mosinee WI

We love your ideas and the pictures of all the results. We will be working on a project and will have questions in the near future.

Leo Peiffer Architects  
Cedar Rapids IA

We have always been extremely pleased with the quality of your products. The customer service also matches the level of product quality. Thanks!

Ron and Barbara Goodrich  
Goodrich Construction  
North Mankato MN

Sage,

We've got about 100 sq ft to go and the ceiling is finished. The (AYC) product is just plain beautiful... Thanks for the help and great service,

Robert Smith  
Renton WA



Charlie Sheen's Japanese Tatami room

Sage and Cloud

I've enclosed 3 pictures showing Bear Creek Lumber products. We get constant comments about them.

Charlie Sheen Wake Forest NC



Charlie Sheen working a classic foot-powered whet stone

Your product is great, as are your services.

My clients are very pleased.

Ewa Piastucha/NP Architecture  
Spokane WA

## Industry News

### Repair and Remodeling To Stay Strong

Lumber consumption in home repair and remodeling will surpass 20 billion board feet in 2005 thanks to record home refinancing activity. While home sales and refinancing are expected to ease in 2006, due to higher interest rates, repair and remodeling expenditures, and lumber usage should remain at about the same level for the coming year due to the lag time between purchase/refinance and actual remodel. Drawing up plans, getting bids, and securing permits all take time. With the number of homes in the US increasing every year and with the median age of homes rising as well, lumber use in repair and remodeling markets is expected to remain at high levels over the long term.

### Study Finds Many Markets Overvalued

Amidst rumors of a cooling housing industry, the National City Corp's Housing Market Analysis issued a report finding that 65 of the nation's 299 biggest real estate markets are severely overpriced and subject to possible price corrections. National City Corp, a financial holding company, in conjunction with Global Insight, a financial information provider issued the report in January.

The report named Naples, Florida as the most overvalued of all housing markets in the United States. A single-family, median-priced home there sells for \$329,970, 84 percent more than what it should cost -- \$180,956 -- according to the analysis.

National City arrives at its estimates of what the typical house in these markets should cost by examining the town's population densities, local interest rates, and income levels. It also factors in historical premiums and discounts for each area.

Other markets deemed wildly overpriced included Merced, California (by 77 percent), Salinas, California (75 percent), and Port St. Lucie, Florida (72 percent).

Undervalued markets were College Station (-23 percent), El Paso (-18 percent), and Killeen (-16 percent), all in Texas. That state dominated the discounted markets list with nine of the 10 most undervalued housing markets. Montgomery, Alabama was No. 8 among the undervalued markets.

The report backed up evidence of prices moderating, according to National City's chief economist, Richard DeKaser.

In Massachusetts, for example, one of the hottest of housing markets over the past few years, each of the seven housing markets analyzed was still overvalued. Prices, however, had fallen in all seven. That would indicate the state is trending back toward normal valuations.

The same could not be said of Florida. The Sunshine State had 15 different markets on the list of extremely overpriced metro areas and all 15 had grown more overpriced during the quarter.

Amidst all these hot and cold markets there were a few judged, like Goldilock's porridge, "just right." They included Albuquerque New Mexico, Dayton Ohio, and Omaha Nebraska. In all those towns actually selling prices closely tracked the expected values.

### U.N Forestry Report Cautiously Optimistic

Some 13 million hectares of forests are destroyed around the world each year, an area the size of Greece, although the net loss of trees has finally slowed thanks mainly to new plantations, the United Nations said on Monday. The U.N. Food and Agriculture Organization (FAO) said its Global Forest Resources Assessment was the most exhaustive such survey undertaken, covering 229 countries and territories.

Taking into account plantations, landscape restoration and the natural expansion of some forests, the FAO said the net loss of forest area between 2000-2005 was some 7.3 million hectares a year against 8.9 million hectares in the 1990-2000 period.

FAO officials hailed the improvement in the net loss figure, saying China in particular had embarked on a major tree-growing program to provide timber for its construction boom and to tackle the process of deforestation.

"There are reasons to be very optimistic about what is happening," Hosny El-Lakany, FAO's assistant director general for forestry, told a news conference.

Other highlights:

- Russia has the largest forested area -- 850 million hectares (2.1 billion acres) -- taking up just over half the country's land area.
- Tropical forests account for more than half world's forest area and boreal/polar forests one quarter.
- More than 8,000 tree species -- 10 percent of the world's total -- are threatened with extinction.
- Forests are home to 300 million people around the world, and more than 1.6 billion people depend on forests for their livelihoods.
- The global annual trade in forest products is worth some \$270 billion. Losses due to illegal cutting of forests are estimated at \$10 billion.
- Forests provide habitats to about two-thirds of all species on earth.
- Wood energy accounts for 7 to 9 percent of energy consumed worldwide. More than 2 billion people depend on wood fuel for cooking, heating and food preservation.

Sources: Food and Agriculture Organization/ World Bank/ Global Trees Campaign

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**TIMBERLINE**

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