THE LUMBER DAILY

Monday, July 27, 2026
High Country Edition
Est. 2026 | Vol. 1, No. 92

MARKET PULSE | Diesel $5.313 (+18c w/w) | West Coast $6.067 | 10yr 4.71% | USDA backs $80M for two Western mills

TOP STORIES

USDA Guarantees $80 Million for Two Western Sawmill Projects

The Department of Agriculture backed $80 million in guaranteed loans across two Western projects on July 23. Clatskanie Scion LLC in Oregon received $30 million through First Interstate Bank for construction and permanent financing of a new sawmill and equipment at its Myers Woodline facility, producing industrial lumber products and expected to create at least 35 jobs. Tahoe Forest Products in Nevada received $50 million through MapleMark Bank for kilns, a planer mill and a new saw line, adding 60,000 MBF of capacity and shifting the company from selling raw material to finished lumber for retail distributors and large-scale construction. Both loans run through the Timber Production Expansion Guaranteed Loan Program and the Business and Industry Guaranteed Loan Program. Tahoe Forest Products paused operations in late 2025 and resumed in June 2026 after a modernization.

Ottawa Lends Millar Western $100 Million Against Asian Pulp Exposure

The federal government announced a $100 million loan to Millar Western Forest Products on July 27 under the Large Enterprise Tariff Loan facility, created in March 2025 for companies exposed to tariffs and countermeasures. Millar Western runs three mills producing hardwood and softwood pulp at Slave Lake and Whitecourt in Alberta and at Quesnel in BC, employing more than 420 full-time workers and supporting roughly 300 contractors. The stated purpose is near-term operating flexibility, including rebuilding log inventory. The company sends 93 percent of its sales to China.

Diesel Jumps 18 Cents in a Week and the West Coast Clears $6

The national on-highway diesel average reached $5.313 a gallon in the week of July 27, up 17.9 cents from the prior week and $1.51 from a year earlier. The West Coast average reached $6.067, up 19.0 cents on the week and the first reading above $6 in the region. Diesel sets the floor under every delivered price in the wood products chain, from log trucks feeding the mill to flatbeds moving finished lumber, and West Coast producers now carry a spread of roughly 75 cents a gallon against the national average on every mile they haul.

■ DEEP DIVE: THE HIGH-COUNTRY MIGRATION

What happened between 2020 and 2022

When office attendance stopped being a condition of employment, a cohort of high earners discovered they could keep coastal pay in a mountain town. They moved into places built for a few thousand residents and a seasonal crowd. Deschutes County took 14,811 of them between July 2020 and July 2025, a 7.5 percent gain and the largest of any Oregon county this decade, and roughly 97 percent of that growth came from people arriving rather than from births. The smaller resort counties absorbed their share almost immediately and then stopped. Teton County, Wyoming, peaked in 2021 and has drifted down every year since. Summit County, Utah, is still below its 2021 level. Money followed the same curve. Second homes reached about 5 percent of all US mortgages in 2020, the highest share on record. Bend's median single-family price, which topped out near $396,000 in the 2007 cycle, set an all-time record of $832,000 in April 2025.

Arrivals halved while permits climbed

The last year of that run added only 1,870 people to Deschutes County, 0.89 percent, against an average near 3,235 a year over the prior four. Arrivals are running at roughly half the post-2020 pace, and a regional economist described it as the slowest growth the area has seen since before the 1990s. Construction went the other direction. Single-family permits in the Bend-Redmond market totaled 864 in the first half of 2026, up 21.2 percent from 713 a year earlier, and June's 176 units was the strongest single month in the series. Nationally, single-family permits ran 4.3 percent lower over the same six months and single-family completions fell 9.3 percent. Prices came off with the slowdown. Bend's median single-family sale price was $699,000 in April 2026, down 16.0 percent from the record set twelve months earlier, and listed inventory sits near 3.5 months against 1.9 months in June 2022. Builders are putting up more houses into a market with fewer arrivals and nearly double the standing inventory.

The resort core is full; growth moved one tier down

Teton County, Wyoming, netted two residents between July 2020 and July 2025. Eagle County, Colorado, lost 2.58 percent over the same span. Summit County, Colorado, gained 1.49 percent and Summit County, Utah, 1.85 percent. Blaine County, Idaho, shrank 0.72 percent in the last year alone. The national gain across those five years was 3.12 percent, so most of the marquee mountain markets underperformed the country. The counties still growing are the larger and cheaper markets one tier down. Ada County, Idaho, is up 10.34 percent since 2020 and accelerating, adding 2.04 percent in the last year. Kootenai County, Idaho, is up 11.96 percent. Permit counts follow the same split. Deschutes County authorized 2,574 units in 2025 against 1,624 in 2024, and Kootenai County ran 1,705, up 7.4 percent, while Gallatin County, Montana, fell to 1,544 in a third consecutive annual decline. Bozeman's city population grew 10.36 percent over five years while its county grew 8.22 percent, so what growth that market still has is moving inside city limits rather than onto acreage.

California is still emptying

California recorded roughly 1.3 million in net domestic migration losses between April 2020 and July 2025 and is now one of five states losing population outright. The outflow itself did not accelerate. What changed is the offset: net international migration into the state fell from 312,761 in 2024 to 109,278 in 2025, part of a national drop from 2.7 million to 1.3 million, which left the domestic departures with nothing covering them. Los Angeles County lost 53,934 residents in the year to July 2025, the largest numeric decline of any county in the country. The redistribution underneath is intact. Counties above one million residents shed 637,634 net domestic migrants in that year while counties between 50,000 and one million gained 533,766. Idaho grew 1.4 percent, second-fastest among states, and Utah 1.0 percent. In Arizona, Nevada and Wyoming, domestic migration became the largest single source of growth for the first time this decade. County-level origin data for Deschutes has not been published past the 2022-2023 filing years, so the size of the California share arriving in Bend specifically is not documented.

What the money builds, and where the wood comes from

Custom home starts rose 3 percent year over year in the first quarter of 2026 while overall single-family construction fell 5 percent. Custom building now accounts for about 20 percent of single-family starts, near its highest share since 2009. That segment tracks household wealth and equity markets more than it tracks financing, which is why it holds while the 30-year mortgage rate sits at 6.58 percent. It is also the segment that a wealthy in-migrant buying acreage actually uses. Remodeling is flatter, with national homeowner improvement and repair spending projected to move from $517 billion to $519 billion over the four quarters through mid-2027 and growth decelerating from 2.1 percent to 0.5 percent. What gets specified is changing too. Bend adopted the state's R327 wildfire construction standards on April 15, 2026, effective May 15 for new residential permit applications. Class B roofing is the floor, which removes wood shakes. Exterior walls may comply through heavy timber assemblies or log wall construction. Decking may use exterior fire-retardant-treated wood, and decks under 200 square feet may still use nominal two-inch lumber. Deschutes County and Sisters adopted the same standards, and additions and renovations are excluded. The wood does not come from there. Deschutes, Crook and Jefferson counties have no operating dimensional sawmill, and the nearest primary conversion is at Gilchrist in northern Klamath County. Deschutes National Forest sold 28.2 million board feet in the first half of fiscal 2026, more than the 26.4 million it sold in all of fiscal 2025, and 9,031 hundred cubic feet (CCF) went unbid, roughly a quarter of the volume that did sell. What remains locally is secondary manufacturing: cutstock and moulding in Madras, hardwood millwork in Prineville, truss plants in Redmond and Bend.

INDUSTRY & COMPANY NEWS

- **Port of Portland** completed the final phase of the $2 billion main terminal expansion at Portland International Airport. The one-million-square-foot terminal sits under a nine-acre mass timber roof that was prefabricated so the airport could stay open through a five-year build. Hoffman Skanska Joint Venture built it and ZGF designed it.
- **Stella-Jones** crews fought a two-alarm fire at the company's pressure-treated wood products plant in Arlington, Washington, a little more than a year after a previous fire at the same site.
- **Premier Forest** restarted timber production at Croespenmaen in South Wales, taking on a site left idle by the closure of SDL Sawmills.

■ THE BOTTOM LINE

Federal loan guarantees are rebuilding Western sawmill capacity in two states, and both projects move raw material toward finished lumber rather than adding log volume. Ottawa is now lending against pulp exposure to Asia rather than to the United States. Diesel at the pump jumped eighteen cents in a week and West Coast delivered cost cleared six dollars, which lands on every truckload before a single board is priced. The mountain-town boom that started in 2020 has stopped adding people, but Central Oregon is permitting more houses than it did a year ago, and the wood filling those permits comes from outside the region.