

TOP STORIES

Oregon Posts Three Months of Timber Auction Results

The Oregon Department of Forestry has now posted its June, July and August timber sale results. Five sales cleared in the August 17 to 21 bid-opening window alone. North Cascade's Mashed Potatoes sale drew six bidders and went to Frank Lumber Co. at \$4,199,732.48, on a Douglas-fir bid price of \$773.94/MBF. That is the highest Douglas-fir figure anywhere in the June through August state tape. Forest Grove's Back Track went to Stimson Lumber at \$2,795,851.47, ahead of the second bid by \$631.54 on a \$2.8 million sale. Sierra Pacific took Astoria's Hunt Quarry at \$2,528,627.06, bidding \$635.49 on Douglas-fir and \$279.00 on hemlock; the runner-up bid less on Douglas-fir and more on hemlock.

Canada Sets September 8 for Its Matching Surtax List

Canada will apply surtaxes of 15, 25 and 50 percent to C\$27.6 billion of United States imports at 12:01 a.m. on September 8, with individual product rates set to match the American rate on the same goods. The list is drawn from products already targeted by the United States and names steel and aluminum, dairy, appliances, agricultural equipment, pulp and paper, plastics and electronics. The tariff-item list is published at the line level. The American duties it answers took effect August 22, after a three-day suspension signed August 18 lapsed without a deal. Ottawa paired the announcement with a C\$7.5 billion support package for affected businesses and workers.

Mendocino Logging Injunction Reaches Court Thursday

A preliminary injunction hearing over two Mendocino County timber harvest plans is set for 2 p.m. Thursday in Ukiah before Judge Charlotte Scott. California's First District Court of Appeal stayed operations under the Hot Tuna and Lincoln Logs plans on August 17, barring Redwood Timber Company and its contractors from timber operations, with a narrow exception for actions taken to protect water quality. The underlying suit challenges CAL FIRE's July approval of both plans, alleging the plans inadequately assess sediment delivery into Dutch Charlie Creek, a South Fork Eel River tributary west of Laytonville. The court has not ruled on the merits. The California Department of Fish and Wildlife separately approved streambed alteration agreements and determined the project would not have a significant effect within its own approval action.

■ DEEP DIVE: THE TYPE IV-B TEST

A Spec Office Drawn to the Limit

Bevel is a 12-storey, 55-meter mass timber office tower planned for downtown Bellevue, Washington, by developer Skanska, with new drawings released this month by Waugh Thistleton Architects and Mithun. The stacking plan shows about 205,000 rentable square feet across 11 office floors above five below-grade parking levels, with exposed timber ceilings and beams on every floor and a steel core carrying the seismic load. Skanska estimates a 49 percent carbon reduction against a baseline building. The project is in design and entitlement, with design review signoff targeted for the end of this summer and no construction start committed. It is being marketed as a pre-lease headquarters able to accommodate a full-building occupier. By one industry tally of the 22 tall timber buildings built or under construction in the United States, three are commercial.

What Type IV-B Allows

The 2021 International Building Code (IBC) created three heavy-timber construction types: Type IV-A up to 18 stories, Type IV-B up to 12, Type IV-C up to nine. Under the 2021 text, a Type IV-B building could leave 20 percent of its ceiling area and integral beams exposed, or 40 percent of walls and integral columns, or a combination whose ratios sum to no more than one. The 2024 code raised the ceiling allowance to 100 percent and left walls at 40 percent. Washington has adopted the 2024 tall mass timber provisions, as have Oregon and California, while most states remain on the 2021 limits and design teams in several of them have gone to variances to get the newer exposure. Type IV-B primary frames, bearing walls and floors carry two-hour fire-resistance ratings. Where mass timber surfaces require noncombustible protection, that covering must generally contribute at least two-thirds of the required rating, or 80 minutes on a two-hour element. Exterior faces of mass timber exterior walls require 40 minutes of protection, and floor tops require at least an inch of noncombustible material. Bevel's fully exposed ceilings are what the newer code permits outright and the older one did not.

The Cost Question

Mithun partner Craig Curtis says the timber package came in at the same cost as concrete, and that moving the core to the side opened wider floor plates. Skanska is both the developer and the contractor. Where projects have reached cost parity, teams commonly cite savings in labor, schedule and foundations as the offset to higher structural material costs. On the First Tech Federal Credit Union headquarters in Oregon, the builder reported 4 percent savings against a steel structure and four months off the schedule, crediting a simpler envelope interface and lighter foundations. T3 in Minneapolis went up seven stories in two and a half months, averaging nine days a floor, on a structure the fabricator put at 30 percent lighter than the steel equivalent and 60 percent lighter than post-tensioned concrete. The friction sits downstream of construction, where lenders and insurers still underwrite tall mass timber as an asset with limited performance history, and where tariffs on imported timber products have moved the cost basis under projects already in the ground.

Who Fills the Order

Mercer Mass Timber runs plants at Spokane Valley, Washington, Conway, Arkansas, and the Okanagan in British Columbia. The company currently publishes 255,000 cubic meters of annual capacity across the three, split 218,000 cubic meters of cross-laminated timber (CLT) and 37,000 of glulam, with Spokane Valley the largest at 140,000. A 2024 industry estimate put the company at roughly 30 percent of the region's structural CLT capacity. Its order book stood at \$151 million at the end of June, anchored by data center work commencing late this year into 2027, and realizations reached \$2,206 per cubic meter, up 67 percent year over year on a shift toward higher-value projects. Industry estimates put large technology buyers at up to a tenth of all mass timber sold in the United States. Meta has named Mercer, alongside contractor Fortis Construction, to build additional mass timber administrative buildings at its Cheyenne, Wyoming data center campus, with no contract size disclosed. Closer to Bellevue, Freres Engineered Wood in Lyons, Oregon builds veneer-based mass ply panels roughly 12 feet wide and 48 feet long, and Vaagen Timbers in Colville, Washington cuts Douglas-fir CLT. A project the size of Bevel competes for fabrication capacity against that order book.

WHAT YOU MISSED YESTERDAY

Tuesday, August 25 — business, markets, and the broader economy.

- Stocks closed higher across the board. The S&P 500 finished at 7,677.28, up 0.32 percent; the Dow Jones Industrial Average at 53,577.40, up 0.30 percent for a third straight gain; the Nasdaq Composite at 26,151.30, up 0.66 percent.
- The 10-year Treasury yield fell to 4.64 percent, down six basis points and lower for a second straight session. Treasury said last week it will at least double the maximum size of long-end buyback operations to \$4 billion, though the larger operations do not begin until September 9.
- New home sales were estimated to have fallen 10.5 percent in July to an annual rate of 607,000, the weakest since January and below the 620,000 expected. The median new house price was \$393,800, down 0.9 percent from a year earlier.
- Consumer confidence slipped to 89.4 in August from a revised 90.2 in July. The share of consumers planning to buy a home within six months fell to 5.2 percent from 6.5 percent, the largest one-month decline in more than five years.
- Dick's Sporting Goods fell 30.7 percent after missing second-quarter estimates and cutting full-year guidance. Advanced Micro Devices rose 4.9 percent after an upgrade to strong buy, on a thesis citing artificial intelligence server demand.

INDUSTRY & COMPANY NEWS

- **Great Southern Wood** will invest \$40 million in a lumber treatment plant at Laurinburg-Maxton Airport in Scotland County, North Carolina, creating 43 jobs at an average salary of \$60,827 against a county average of \$49,091. It will be the company's 17th treating plant. A performance-based \$200,000 state grant supports the project, contingent on hitting job and capital targets.
- **QXO** named Ken West president and chief operating officer effective September 1, reporting to chief executive officer Brad Jacobs and taking day-to-day operations. Having completed its acquisitions of Beacon, Kodiak Building Partners and TopBuild, the last of those a \$17 billion deal that closed July 1, the distributor puts the enlarged platform at about \$18 billion of combined revenue on a 2025 full-year-ownership basis.
- **Oregon's fire season** had burned more than 2.4 million acres as of August 21, a state record, and state spending on suppression has passed \$200 million. Two people have died: a dozer operator building line in Klamath County who was overtaken when winds shifted, and a Madras man who crashed an all-terrain vehicle while protecting his home from a fire later folded into the 370,000-acre Rowe Creek Complex. Statewide structure-loss assessments remain incomplete; six homes burned on the Warm Springs Reservation, and fences, outbuildings and grazing land are uncounted.
- **Trex** named Brian J. Taylor its first chief commercial officer, effective August 24, with responsibility for sales, marketing and information technology. Taylor was previously vice president of sales for North America at PoolCorp and spent 24 years at Sherwin-Williams.

■ TIMBER & HOUSING SNAPSHOT

INDICATOR	VALUE	TREND
Oregon state Douglas-fir bid price	\$773.94/MBF	North Cascade sale, August 20 opening; highest Douglas-fir figure in the June through August state tape
Oregon state hemlock bid price	\$279.00/MBF	Astoria sale, August 18; the runner-up bid \$351.95 on the same hemlock sort
New home sales, July	607,000	Annual rate, down 10.5 percent on the month and the weakest since January
30-year fixed mortgage rate	6.65%	Second consecutive weekly decline, from 6.67 percent; 6.58 percent a year ago
10-year Treasury yield	4.64%	Down six basis points Tuesday and lower for a second straight session
Builder confidence, August	35	Up one point and below 40 for a 16th straight month; 35 percent of builders cut prices in August

■ THE BOTTOM LINE

Oregon's June, July and August timber sale results are all on the board now, and August Douglas-fir cleared at \$773.94/MBF against six bidders. Canada set September 8 for surtaxes on C\$27.6 billion of American goods, matched rate for rate against the duties that took effect August 22. Housing gave back more ground, with new home sales down 10.5 percent in July and the share of consumers planning to buy a home posting its steepest monthly drop in more than five years. Builder confidence has now sat below 40 for sixteen straight months. A Bellevue office tower will test Type IV-B construction in speculative commercial space, after the code path's early tall timber use ran heavily to multifamily and student housing.