



NCREIF Fall Conference 2020
Timberland Committee
Meeting
Thursday, November 5

Chairs

Committee Chair

Jason Whisenant, Resource Management Service

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Committee Vice Chair

Jackson Casstevens, Forest Investment Associates

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Welcome and Kick-Off

- Roll Call
- Recap of last conference



Agenda



Time	Duration (min)	Topic, Lead(s)	Topic, Points for Discussion
1:00 pm – 1:05 pm	5	Kick-off CG	Welcome and Housekeeping <ul style="list-style-type: none"> • Roll call • Recap and accomplishments to date
1:05 pm – 1:20 pm	15	Review Initiatives Grid	<ul style="list-style-type: none"> • How is the committee tracking to the initiative grid established during the prior meeting?
1:20 pm – 1:35 pm	15	Task Force Update: Valuation	<ul style="list-style-type: none"> • Discuss scope and status of project to accumulate valuation documents into one valuation manual
1:35 pm – 1:50 pm	15	Task Force Update: International Data	<ul style="list-style-type: none"> • Discuss scope and status of international data task force projects
1:50 pm – 2:00 pm	10	Task Force Update: Alternative Income	<ul style="list-style-type: none"> • Discuss scope and status of alternative income items addressed by task force
2:00 pm – 2:10 pm	10	NCREIF Staff Update	<ul style="list-style-type: none"> • Update on database project & submission template • New submission template go-live pushed to Q2 2021 at earliest – questions or concerns?
2:10 pm – 2:25 pm	15	Hot Topics / Other Items	<ul style="list-style-type: none"> • Concerns over how taxes are handled in the index. Committee to discuss types of taxes and how each should be handled – should alternative income task force help? • Appetite for joint governance and market update session for December with Farmland?
2:20 pm – 2:30 pm	10	Questions/Forward Look	<ul style="list-style-type: none"> • Time for other questions • Status of March conference • Committee project ideas

Strategy Initiatives Grid



Category	NCREIF Member Initiatives Grid 2020	Approval Processes / Process Stages =====>> Process/Stage	Approval Proces: I=Board of Directors; II=Sponsoring Committee; III=Staff; IV=EMC Process Stage: 0=Future initiative; i=Proposal in progress w/staff aware; ii=Staff involved for review / feedback; iii=Feedback review after sponsoring committee approval; iv=Refining post-Feedback; v=Refining post-approval presentation; Pending=Approved and pending implementation; vi=Refining during/post-implementation Committee NOTES: (include Initiative details, goals, timing, etc)	
New Data Collection	Introduce Harvestable Volume to the NCREIF Timberland Property Index	II	i	Different ways to measure - need to standardize
New Data Collection	Introduce ESG fields to the NCREIF Timberland Property Index (such as % of certified acres)	II	0	Survey contributors to determine if feasible
Modify Data Definition	Accounting task force to help define appreciation/net investment income fields	II	i	Currently working through the ways to identify the fund level data to allow for further members to contribute the data as "Required", rather than "Optional"
Modify Data Definition	Task force to develop prescriptive guidance to amend contributor manual for various alternative income items (conservation easements, permanent easements, carbon credits, solar lease/options, mitigation bank income, etc.)	II	0	Create a task force within the timberland committee to address
New Index Delivery	Create international property level Index.	I	ii	Need new fields in order to consider. NCREIF needs a final product
New Index Delivery	Introduce an international fund level Index; First step - totals for internal review, next steps - 1) Policies 2) regional breakdowns	I	ii	First step complete.
New Guidance	Introduce best practices for internal valuation	II	i	Guidance for best practices should be put in place for members during internal periods of timberland valuation. Revised draft material to be circulated to committee for approval.
New Guidance	Revise and update timberland valuation best practices document	II	0	Create a task force to revisit and work on updates to the timberland valuation best practices document
New Guidance	Create NCREIF for Timber Guidance Document	II	i	
Membership	New Member Recruitment	NA		



Valuation Task Force Update

- Recap of July meeting
- Sub-committee
 - Bruno Folegatti, Campbell
 - Ryan Belcher, TIR
 - Jason Whisenant, RMS
- Compilation of existing valuation documents into one manual
 - External valuation guide/best practices - updates
 - Internal valuation guide – scrap
 - Interim fair value best practice manual – review
- Goal to have document to members by 12/31 for comment and subsequent approval in winter meeting



International Data Task Force Update

- Recap of July meeting
- Interim work – defining region definitions for international property index
 - Members from Hancock, FIA, and Campbell
 - Country and province/state/region if higher proportion of timberland investments
- Projected rollout contingent upon NCREIF database project
 - New template rollout pushed back from 3Q20 or 4Q20 to 2Q21 at earliest
 - Updated database platform should allow for creation of TFSAI international index in addition to property index
- Confirm international property index region definitions at Spring 2021 meeting



International Property Index – Region Definitions

North America

- Canada

British Columbia, Quebec, Ontario, Nova Scotia, New Brunswick

Asia

- Thailand, India, Indonesia, Malaysia, Vietnam, China

Australasia

- Australia

New South Wales, Queensland, South Australia, Tasmania, Victoria, Western Australia

- New Zealand

North Island, South Island

Latin America

- Brazil

Bahia, Parana, Mato Grosso do Sul, Santa Catarina, Sao Paulo, Minas Gerais, Tocantins, Reo Grande do Sul

- Chile

VII – Maule, VIII - Bio Bio, IX - La Araucania, XIV Los Rios, X Los Lagos

- Argentina, Uruguay, Paraguay, Peru, Mexico

Africa

- South Africa, Mozambique

Europe

- Estonia, Latvia, Lithuania, Poland, Belarus, Ukraine, Hungary, Romania, France, Germany, Ireland, Iberia, United Kingdom, Sweden, Finland, Norway, Denmark

Alternative Income Task Force Update



- Recap of July meeting
- Sub-committee
 - John Griffith, HNRG
 - Michelle Riley, TIR
- Created a schedule of alternative income streams to group into EBITDDA or Appreciation return components
- Working on bucketing these
- Goal to have a list to the committee for approval in winter meeting

NCREIF Updates

- General updates on NCREIF database project
 - Updates on database timeline?
- New timberland submission templates
 - Q3 2020 roll-out for timber pushed back – any idea when these will go live?
 - Questions or concerns from members about converting from current format to new format?





Questions, Other Topics, & Path Forward

- Questions or hot topics?
- Joint meetings with Farmland committee
 - Interest in having a panel discussion with Farmland to discuss 2020 market results and forecasts for each region (with industry experts like F2M, forestry professors, etc.)?
 - Committee governance project
- Project ideas
 - Collecting ESG-related additional information (certified acres, protected conservation acres, etc.)
 - Other suggestions?
- Winter 2021 conference update from Fabiana