12 February 2013

via email: commentletters@ivsc.org

International Valuation Standards Council
41 Moorgate
LONDON EC2R 6PP
United Kingdom

RE: IVSC “The Valuation of Forests – Exposure Draft”

Dear Members of the IVSC Standards Board:

Thank you for inviting comments on IVSC’s “The Valuation of Forests – Exposure Draft.” I run the forestry consulting side of Sewall’s business, and we work worldwide for many different private and institutional investors and public agencies. Sewall has been in business since 1880, and we have considerable experience conducting forest valuation and due diligence on six continents. My credentials are attached at the end of this letter.

Sincerely,

Bret P. Vicary, PhD, MAI
Vice President
JAMES W. SEWALL COMPANY

Attended: Answers to Exposure Draft questions

Credentials

Questions

1. Do you consider that the principles discussed in this TIP could have wider application beyond the indicated scope? If so, please indicate the additional purposes to which the TIP could be applied.

No comment.

2. i) Please indicate your experience of different standards or techniques that are applied in preparing forest inventory, and the markets in which these are applied.
I have extensive experience with forest inventory. My Masters Degree is in forest biometrics, and my PhD in forest economics (thesis: The Theory and Practice of Timberland Appraisal). I am the principal author of the National Council of Real Estate Investment Fiduciaries (NCREIF) Timber Index’s “Best Valuation Practices.” My consulting experience includes designing, executing, and auditing forest inventory all over the world. It is important to distinguish among: (a) inventory for acquisition due diligence or management purposes; (b) inventory auditing for acquisition for due diligence; and, (c) inventory auditing to support forest valuation. The scope, intensity and effort applied to the inventory process can differ greatly among the three cases. I assume that item “c” is of primary interest to IVSC.

If there is no forest inventory available to support the appraisal process, and it is clear that sound valuation requires a reliable inventory, then a wide range of options for inventory design and execution exists, depending on factors such as:

- whether the forests are planted or natural;
- regional industry standards for inventory;
- the time and budget available for inventory;
- the age or maturity of the forest;
- terrain and access conditions; and,
- the species and timber products produced by the forest.

When executing a new inventory, four basic types of sampling design are commonly used: random sample unstratified; random sample stratified by forest cover type; systematic sample unstratified; systematic sample stratified by forest cover type. Sample can include collecting data on individual sample plots, or via strip cruising. Selecting individual trees to be sampled with a plot or strip can be based on laying out fixed-sized plots or strips, or using the Bitterlich method which uses a wedge prism, angle gauge, Relaskop, or similar device, which is called “variable-radius” or “variable-strip” sampling. Sampling precision should comport with industry standards for acquisition, and is expressed in terms of target confidence intervals. Target confidence intervals may range from +/-10% at the 90% level to +/-5% at the 95% level. In rare cases where property size is small or timber values are extraordinarily high, it may be appropriate to "sample" 100% of the trees in the forest. Inventory for intensively-grown plantations may target less rigorous precision for individual stands, but more rigorous precision for the forest as a whole. Inventory for natural timber often does not occur at the individual stand level, particularly where values per acre do not justify the cost. It is important to understand that a new inventory may be precise but inaccurate. It may help to think of a target shooter firing five rounds in a very close group that is far off the bulls-eye; the shooter was precise but inaccurate. Another shooter may produce a much
more variable group, but one that is clustered around the bulls-eye and thus, on average, more accurate. The same is true with forest inventory, and the following factors can “bias” a precise inventory, resulting in an unreliable estimate of forest volume: plot locations that do not represent average conditions; sloppy or inaccurate field measurements; inaccurate equations used to process field data into the desired inventory units (e.g., tons, cubic meters, cords, board feet).

When executing a review or audit of an existing inventory, particularly in the context of a forest valuation for financial reporting purposes, there are many different paths to take, depending on the quality of data being provided to the appraiser. If the inventory data are old and have not been updated for growth, mortality, and harvest, the appraiser must update the information to the effective appraisal date. If the inventory data are too old, this process may be unreliable, and it therefore may be necessary to conduct a fresh inventory. The scope of an audit can range widely, from perfunctory to comprehensive. Any one or a combination of the following procedures may be used to audit forest inventory data:

- Interview the forest manager to ascertain whether inventory collection and updating procedures meet industry standards for the species and region in question.
- Review foundational information such as remote imagery, maps made from that imagery, and the process used to update maps for harvest.
- Review field procedures for evidence of internal and external audits of field data collection.
- Process raw field data and compare key inventory statistics with those reported by the forest managers.
- Review biometric equations used to convert field measurements to tree volume or weight.
- Review forest volume data against tree or stand age data as a check on growth and yield functions provided by the manager.
- If the inventory is recent, visit a sample of actual field sample plots and check for accuracy.
- Conduct a low-intensity forest inventory and compare means and confidence intervals to those produced by the inventory provided to the appraiser.

The options presented above are not unique to any given market area. In our valuation experience, wide variation in practice is found all over the world.

ii) Do you believe that it would reduce diversity of valuation practice if the IVSC gave more information on common sampling and measurement techniques?
Just as the scope, time, and cost of auditing inventory data vary widely, so also do the auditing standards imposed by external financial auditors. The circumstances dictate what is appropriate. Given the complexity of the issue, it would not be in the best interest of IVSC to impose to suggest particular standards, because no one “standard” will apply universally. I therefore do believe that it should be a goal of IVSC to reduce the diversity of practice around forest auditing.

Finally, it is not realistic to expect, as an outcome of the forest inventory audit process, the forest valuation expert to include a statement that he or she affirms that the information provided is accurate or correct. Forest sampling lies at the root of forest inventory, and sampling variability is inherent in most any forest inventory. Hence, there is always an element of uncertainty around forest inventory information, now matter how good or recent process. Therefore, the objective of the audit process, when used to support valuation for financial reporting, should be to enable the appraiser to assert \textit{whether there is any material reason to doubt the accuracy or reliability} of the information upon which the valuation is based. This is tantamount to accepting or rejecting the null hypothesis (that two estimates are no different from one another); it is \textit{not} the same as asserting that the information provided is actually accurate or reliable, which is not something that the appraiser should realistically be expected to assert. It is one thing to measure acres, hectares, square meters, etc. It is an entirely different thing to quantify trees over large areas using probability and statistics.

3. \textit{Please indicate which of the methods discussed you most commonly encounter in the valuation of forestry interests. If you encounter more than one on a regular basis please indicate whether there is clear tendency to use different methods under different circumstances, eg:}

\begin{enumerate}
\item \textit{the stage of maturity of the tree crop}
\item \textit{whether the valuation is of a single stand or multiple stands}
\end{enumerate}

We apply three basic valuation approaches with appraising forestland interests: the market (sales comparison) approach, the income approach, and the cost approach. We use all three approaches for some appraisals, and only one or two approaches for other appraisals. The appraiser’s job is to model market behavior, so our choice of approaches is largely a function of which approaches are relevant to the market in which the subject property trades and the valuation models common to typical buyers.
The stage of maturity of the tree crop can influence our choice of method. Where crops are young, the cost approach is often one of the methods applied. The cost approach becomes more important in emerging forest investment markets like Africa and Central America where young plantations are being established and there is little empirical sale evidence as to their value. The cost approach is also useful in the markets like the U.S. South where it has traditionally played a role as a “check” or “rule of thumb” metric for acquisition purposes.

Most sophisticated investors who acquire forest property on a large scale, such as pension funds, infrastructure equities, and timber investment management organizations (TIMOs), develop acquisition models based primarily on the income approach, and using discounted cash flow analysis. For this reason, most international forest appraisers routinely include the income approach in the valuation process. It has almost universal application, regardless of tree age, maturity, or type (planted or natural). In cases where forest properties are so small that they appeal more to “retail” buyers who project short-term holding periods, near-term liquidation of tree crops, or non-timber uses such as recreation or development, the income approach may not be relevant.

We apply the market approach in every geography where there is a record of relevant (i.e., reasonably comparable) sale transactions. Various valuation standards around the world admonish appraisers to apply the market approach wherever possible. Many courts and public agencies favor this approach because it is empirical. Forest investors (buyers and sellers) apply the market approach, although often in less systematic ways than appraisers do. For example, they are usually aware of other relevant transactions and this information is used as a basis for buy-sell decisions. It is also useful for gauging the competition in an open-bid environment, or for deriving implied discount rates for use in the income approach. We hasten to add that some appraisers avoid using the market approach outside the U.S. because they are unfamiliar with the methodology and uncomfortable with the subjectivity that is sometimes required in the sale adjustment process. We view this as a major shortcoming in the professional standards that are applied to forest appraisal over much of the world.

4. Are there any other valuation approaches or methods used for valuing interests in forestry with which you are familiar? If so, please describe the method and the circumstances under which it is applied.

In my education, training, and experience, I have never encountered an approach or method that did not align with the principals of one of the three valuation approach mentioned above. There are variations of each approach, but the principles of
substitution (market and cost approaches) and anticipation (income approach) are inherent in every approach we have seen or used.

For example, the classic application of the cost approach is to value the land by the market approach and estimate the reproduction or replacement cost of the improvements (e.g., the trees or current crop). If the trees are newly planted, this is straight-forward. If they are 5 years old, we apply cost-forwarding, or conduct an IRR analysis and then cost forward at the IRR. One can use this method to value the entire forest crop, regardless of its maturity. Alternatively, the cost approach model applied in the U.S. is to use cost forwarding for just the pre-merchantable trees, and apply retail spot prices to the merchantable trees, the sum of the two equaling the contributory value of the entire tree crop. This component valuation follows a sum-of-the-parts methodology which is common the cost approach in general. The only difference is that we may use more of a market-based analysis to derive unit values for the merchantable component. I should add that the courts and public agencies often criticize the cost approach because it violates the “unit rule.” That is, it does not reflect a holistic transaction and a single economic unit. Many forest investors place little weight on the cost approach because they are more interested in current or future value than sunk costs.

5. i) In your experience what is a typical range of forecast period for valuing forestry interests, and what criteria are used to determine how long this should be on a case by case basis?

Forecast periods vary by the type of investor, the character and location of the forest asset, and the objective of the investment itself. This is a case-by-case issue, so there is no one answer to the question of what holding period should be applied to the valuation process.

There can be considerable variation even within a particular class of investor. For example, a TIMO, REIT, or public pension fund develop a perpetual investment model, particularly where the land and timber are being acquired together and rotation ages tend to be long. This reflects the view that the land and trees are an integrated production unit producing revenues. This approach is most common where the underlying investor has a direct investment in the asset and an open-ended investment period. Another investor evaluating the same asset may prefer to project cash flows out over a 10- to 15-year holding period, and with re-sale value at the end of the period reflecting the present value of future revenues (rotations). The two methods can produce nearly identical results where the assumptions applied to the reversion value match those applied to a perpetual valuation model.
It is not uncommon to find investors and appraisers who match the projection period to the expected rotation age of the timber. This can range from as little as 7 years to as long as 50+ years, depending on the species, location, and products produced from the forest.

Some investors and appraisers routinely match the projection period to the expected termination date of the fund. This is commonly 10 to 15 years. But if a reversion value is computed, it still may require estimating stabilized cash flows further into the future if continued forest management is contemplated.

ii) Do you consider that it would be helpful for the IVSC to provide specific guidance on the length of the forecast period?

Because of the wide variation in practice and circumstance, it would not be in the best interests of investors or appraisers to have the holding period prescribed by rule or standard. The one piece of guidance that may be appropriate would be to acknowledge that there is considerable variable and ask appraisers to follow practices that are common to market participants. After all, a good appraisal is one that models market behavior.

6. Do you agree with this guidance? If you have experience of how appropriate discount rates can be derived for use in a DCF of a forestry interest please indicate if this differs from the proposed guidance.

Yes. Inputs to the valuation model should be supported in the market place to the extent practical. In thin or emerging markets, this can be problematic, so there are times when the appraiser may need to resort to “proxy” indicators like the CAPM, WACC analysis, and commercial bond yields. However, many of our clients prefer to see a broad discussion of discount rates, so we include CAPM and WACC analysis in our appraisals. We do not place primary reliance on them for the reasons suggested in the Exposure Draft.

There are several ways in which discount rates can be derived from market evidence.

First, the appraiser may have access to sufficient transactions evidence from which implied discount rates can be derived. This can be subjective, because the appraiser may be uncertain about the characteristics of the income stream projected by the buyer. In some cases, buyers will disclose the discount rate to the appraiser, but this cannot always be expected. In other cases there the appraiser may be able to access summaries of implied discount rates produced for a region (e.g., New Zealand).
Regardless of the source of the information, growth rates, silvicultural methods, assumptions about future timber prices, regulatory risks, highest and best use, and other factors all contribute to the buyer’s net cash flow projections. We find that too much emphasis can be placed on the discount rate and too little on these other factors. One bidder using optimistic price forecasts and a high discount rate may arrive at the same bid as another bidder using conservative price forecasts and a low discount rate. So, simply deriving a rate is not necessarily easy or the end of the story.

To avoid some of the pitfalls noted above, some appraisers adapt a standard set of inputs and make assume flat pricing for costs and revenues. They compute the IRR and then apply it to the subject property under flat pricing assumptions. This avoids some of the guesswork involved in deriving implied discount rates, but it has its own pitfalls. First, the appraiser is assuming that the buyer of the comparable sale would apply the same valuation metrics on the effective date of the appraisal. The appraiser is also assuming that the risk profile and cash flow characteristics of the comparable sale are similar to those of the subject property.

A few appraisal firms conduct periodic surveys of active investors to develop ideas on discount rates, price assumptions, the availability of capital, and other factors that are important to the market place. This information can be very valuable, particularly for detecting trends. Where country risk premia must be applied across various geographies, it can be very helpful to develop a sense of how the investment communities ranks countries in terms of relative risk. This information can be used to adjust discount rates from one region to another.

7. Please indicate if you agree with the proposed guidance on the applicability of the cost approach. If not please explain why by reference to practice in the markets with which you are familiar.

I agree with the guidance in Paragraph 52. Moreover, there are some situations where it may be appropriate to apply the cost approach to younger stands and the market approach to older stands, resulting in a “hybrid” analysis. I would not recommend applying the cost approach to natural forests or mature plantations. Because the cost approach violates the unit rule, I would not recommend attaching material weight to it in cases where the market and/or income approaches can be reliably applied.

Regarding Paragraph 53, this needs to be re-worded. It refers to “established forests,” and to the casual reader this means a forest that is in place at the time of the valuation, regardless of its age. However, I take from the context of the
paragraph that the writers intended to convey “mature forests” or something other than young forests.

8. i) Please indicate if you have encountered a similar problem to that described and, if so, any reason or justification given for the change in value.

I have seen two different appraisals of the same property, one relying solely on the income approach, and another relying on the income approach and the market approach and/or the cost approach. This can cause significant discrepancies, particularly where markets are not stable (rising or falling), and where inappropriate weight is placed on one approach or another.

Many investors who rely on periodic valuation for reporting purposes are very sensitive to abrupt changes in valuation conclusions from one period to the next. Changing valuation methods can introduce artificial volatility to the valuation process. In the vast majority of cases, the same basic valuation methods should be applied from period to period. However, where multiple approaches are applied, it may be appropriate to change the weighting for individual approaches from one period to the next. This can also produce volatility, but it may be justifiable from the perspective of the appraiser. The appraiser should not be “wedded” to previous appraisal conclusions, but rather should conduct each appraisal objectively and in consideration of the best available market evidence. For example, in 2011 there may have been a few older comparable sales that were only moderately similar to the subject property, so the appraiser may place more weight on the income approach. But if 2012 saw several very comparable sale transactions take place, the 2012 analysis might well warrant place more weight on the market approach. In the final analysis, the appraiser should objectively weight the evidence and reconcile the relevant valuation approaches without being overly concerned with fluctuations in the value conclusion.

ii) Do you consider that the guidance provided on the need to consider an alternative method in the Exposure Draft addresses this issue?

I agree with the idea that the reporting standard should have no influence over the overall value conclusion, and the value conclusion should reflect relevant valuation metrics used by the market place.

The Exposure Draft would be stronger if it were to identify a crucial issue in forest valuation worldwide – the fact that too many forest valuations do not incorporate the market approach. I have provided instruction and advice around this on behalf of several international timber investors, and yet there seems to be little progress
being made amongst forest valuation experts who eschew the practice of incorporate this approach into their appraisal process.

9. *Please indicate if you have experience of a separate value being ascribed to the “biological asset” in a forest for financial reporting purposes and, if so, the method or methods that you are most familiar with to arrive at this value.*

Many of Sewall’s appraisals are conducted to IAS 41 standards, and therefore require us to report separate values for the land and biological asset (i.e., the current crop). When performing work in Australia, we follow AASB 141, which is an adaptation of IAS 41. We are from time to time required to follow other IFRS guidelines dealing with the need to distinguish the value of the current crop.

This is mainly an issue where the property being appraising includes land and an establish tree crop, whether planted or natural in origin.

Investors acquire forest assets using valuation models reflecting their view of cash flows that will be generate over the life of their investment, and a return when they sell the property or their ownership tenure otherwise ends. The beginning point for any analysis therefore should be the appraisal of the whole – land and timber together and acting as a single economic unit. Once the appraiser has estimated the value of the whole, that value should represent what a willing and informed buyer would pay a willing and informed seller for the property in a single transaction on the effective valuation date. Subsequent segregation of this total value into land and biological assets should be result in the sum of the parts equaling the whole. This produces a situation in which the appraiser in valuing the *contributory* value of the land and biological assets.

Note that the biological assets are generally held to mean the trees that were established on the land base on the effective valuation date. Therefore, the implied value of future trees or crops is imputed to the land value, as suggested by the classic soil rent theory (Martin Faustmann, 1889) in which the land expectation value (LEV) is computed as the present value of future rotations.

For IAS 41 applications, the most common approach to segregating the current tree crop value from the land value is to estimate net cash flows from the current tree crop, and charge a “notional land rent” charge against the tree crop. For a forest having stands of multiple ages, the cash flow schedule is carried forward for each stand to its final harvest, and then retired from the cash flow schedule once harvested. Therefore, we apply the income approach (DCF analysis) to the current crop valuation. Then the land value is computed by subtracting the current crop
value from the initial overall value. It is also possible to find sales of “forestry rights” where only the current crop was acquired, and derive unit values by age class from such transactions and apply them to the subject property. This is much less common and requires detailed market information that is often difficult to obtain.

Another approach is to begin by estimating the LEV for the land, and then subtracting this from the initial overall value, the difference thereby indicating the contributory value of the current crop. This is less popular because investors are less certain about land values than they are about current crop values. It is also problematic where forest land may be in transition to a different highest and best use (e.g., agriculture).

In either case, more than one valuation approach may be used to estimate the initial overall value. Many appraisers prefer to use only the income approach for purposes of defining a separate value for the current crop.

It sometimes is the case that the first attempt to derive a current crop value results in the current crop actually yielding a value that is higher than the initial overall value of land and timber. This can happen where land is in transition to higher and better use, or where forest productivity is marginal. In this case, it is important to carefully consider whether the discount rates applied to the current crop should differ from the discount rate applied to the overall investment or to the land alone. In many cases there is evidence to show that land rents command a lower rate of return than timber crop rates of return, for two reasons. First, the timber operator incurs operational risk that the land renter does not incur. Second, the land renter may stand to benefit from option value when it is time to consider whether to replant to convert the land to another use.

Finally, forest appraisers are sometimes required to estimate land value using comparable sales of bare land, while using cash flow analysis to appraise the current crop. This is dangerous, and for several reasons. First, it can violate the principle of consistent use which states that it is improper to appraise the land under one highest and best use while appraising the improvements (in this case, the current crop) under a different highest and best use. This is covered in paragraph 66 of the Exposure Draft. Second, it is often the case with large forest estates that the only evidence of bare land value is agricultural land sales, and worse yet, these sales usually are much smaller in size than the forest estate being appraised, so a subjective size adjustment is required to differentiate between high unit prices being paid for smaller properties and lower unit prices being paid for larger properties. Finally, the agricultural sales must be adjusted downward to account for
the cost to prepared harvested forestland for agricultural use. The end result is a highly subjective land value that often has no logical economic relationship to the land’s *contributory* value. One way to overcome this problem is to add the separate land and current values, and then pro-rate them such that the sum of the two equals the initial value for the whole.

10. *In the context of the requirement to ascribe a fair value to the biological asset as required by IAS 41, which of these views do you support?*

The preferable method practiced by the timber investment industry it to value the current crop and, in doing so, charge a notional land rent against timber revenues if appropriate, and use an appropriate discount rate (which may differ from the overall discount rate) that reflects the risk of growing and managing the timber crop, which may differ from the rate applicable to the land component. One problem with IAS 41 is that it was developed for agriculture without consideration for the unique attributes of tree crops, which are not annual crops. The valuation guidelines should accommodate the character of the asset and the behaviors of the market place. Moreover, it is common for investors to acquire the rights to the current crop with no interest in the land. The method we advocate will allow consistent appraisal practice to be applied to the biological assets, regardless of whether land value must be considered.

11. *i) Do you consider that these examples will be helpful in reducing diversity in practice?*

Perhaps. However, they do not cover the range of situations in which the income and cost approaches might be applied, the ways in which discount rates may be derived, or how the reconciliation process ought to be applied in situations where more than one approach is used. Most importantly, leaving the reader with just these two examples may leave the reader with the impression that the market approach has marginal application to forest valuation. At this juncture in the evolution of forest valuation on the international stage, it is critical that the market approach take on a more prominent role in the forest valuation process.

*ii) Are there any other subjects that you consider would benefit from an illustrative example?*

Yes; as noted above, there should be an illustration of how the market approach is used. Ideally, it might be best to take a generic forest valuation assignment and show how all three approaches might be applied to it, culminating in an example of how to reconcile the three approaches into a final indication of value.
12. i) Please indicate whether you believe that the draft meets these objectives. If you disagree please indicate why and how the guidance could be improved.

I recommend revising the term “market approach” to “sales comparison approach.” All valuation approaches should be market-based, not just this one. This also has the advantage of conforming to language used in the Uniform Standards of Professional Appraisal Practice (USPAP).

Regarding paragraph 47, this is a common refrain amongst appraisers who summarily refuse to apply the market approach. These appraisers routinely excuse away their responsibility by claiming that they do not have access to sufficient information that enables them to use this approach. Yet, when I have asked them whether they think there is any basis for judging the relative merits of one transaction and the property it represents, to another transaction and the corresponding property, they, being informed market analysts, invariably respond in the affirmative. They know how the age class structure, operating conditions, market prices, and other factors compare from one transaction to another, and yet remain convinced that they cannot perform a meaningful market approach. They appear afraid to tackle a more subjective approach, preferring instead to make long-term predictions of costs and revenues that will inevitably prove to be incorrect to some degree. The income approach will remain a critical element in forest valuation, but it should not occupy that space at the expense of transaction analysis applied in the market approach.

ii) Are there any additional matters that you believe should be addressed? If so please indicate what these are.

Treatment of Foreign Exchange Rates: There is wide diversity of practice around how FX rates are handled in the appraisal process. This is usually driven by the client. This treatment affects value conclusions. Practice ranges from doing timber price trend analysis in converted currency, and projecting forward rates, to simply appraising the property in local currency and converting the value conclusion to another currency at the end. To the extent that IVSC may be concerned about variation in reporting, this may need to be addressed. However, as noted above, this affects the overall value conclusion, and any guidance should be careful not to dictate practice that may be contrary to how local markets behave.

Treatment of Income Taxes: Many institutional investors enjoy tax-free status when investing domestically, but have to work hard to mitigate income tax liability when investing abroad. Where foreign investors are market-makers in a particular country, appraisers should consider the differential impact this has on discount
rates. Foreign investors in some cases are competing against domestic investors, which in some cases may obviate the need to consider this if one assumes that the foreign investor must be competitive to remain successful. As with FX rates, this affects the overall value conclusion, and any guidance should be careful not to dictate practice that may be contrary to how local markets behave.

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Bret Vicary, a forestry consultant since 1976, joined Sewall in 1989 and has provided forestland investors with valuation and due diligence services throughout the Continental U.S., Hawaii, Canada, Eastern Europe, Central America, South America, Africa, Australia, and New Zealand. Typical clients include timber investment management organizations (TIMOs), REITs, pension funds, forest industry, family investors, lenders, attorneys, public agencies, and conservation groups.

Bret specializes in timberland investment analysis & appraisal, conservation easements and timber tax litigation. He holds the Appraisal Institute's MAI designation, and is the Association of Consulting Foresters delegate to the Council of Tree & Landscape Appraisers. Bret is licensed as a forester in Maine, New Hampshire, and Alabama, and is a certified general appraiser in nine states. An author and frequent speaker, he also conducts short courses on forest valuation and investment analysis. Bret is a Faculty Associate at the University of Maine where he earned his PhD in Forest Economics, the thesis topic for which was "The Theory and Practice of Timberland Appraisal." He is the principal author of the NCREIF Timberland Committee's "Best Appraisal Practices."

Sewall provides valuation and due diligence services on over $20 billion of assets around the world each year. Notable assignments include being the lead valuation and due diligence consultant for the acquisition of International Paper's 5.7 million acres; being a lead valuation expert in reorganizing Pacific Lumber Company; and providing valuation services and a valuation framework for international accounting standards for Forestry Tasmania's 1.5 million-hectare forest estate.
The Forestry & Natural Resource Consulting group at Sewall is the oldest in North America, dating back to 1880. Sewall’s forestry services include:

- Natural resource appraisal
- Growth & yield modeling and harvest scheduling
- Forest inventory & GIS
- Forest economics and investment analysis
- Forest management & mgt. auditing
- Environmental & civil engineering
- Aerial photography

Other Sewall forestry consulting offices:
Charlotte, NC  |  Summerville, SC  |  International Falls, MN