



CPD Course | Dept. of Construction Economics & Management

# Valuation of Forestry Property

Online, 19 – 22 June 2023 (mornings only)



## Objectives



The course aims to provide knowledge and skills in the valuation of forestry property. The valuation of forestry property is a highly specialised activity and is only superficially covered in the regular full-time undergraduate programmes. On completion of this course, participants will be able to:

- Understand factors that determine the market value of forestry property.
- Undertake research of the forestry industry for valuation purposes.
- Understand and apply tools and techniques for measuring the volume of standing timber.
- Understand and apply the Faustmann Formula and other methods to determine the market value of forestry property.

## Who Should Attend

The valuation of forestry property is a highly specialised activity, requiring specific knowledge and skills. This course will be of relevance to all those who are involved in, or have an interest in, the valuation of forestry property/timber plantations. These include professional property valuers, agricultural economists, land reform officials, agricultural credit analysts, investment analysts and fund managers.

## Course Content

- Understanding the timber life cycle, from planting to clear-fell.
- Overview of the South African forestry/timber industry.
- Key inputs into a timber plantation valuation.
- Understanding the effect of the age class distribution plays in cash flow and value.
- Forestry valuation methods.
  - Accumulate Cost Value.
  - Faustmann.
  - Discounted Cash Flow model.
  - Net Salvage Value.
  - Discounted Net Salvage Value.
- Selecting the right method.
- Determination of the Weighted Average Cost of Capital
- Timber land rentals and determination of the land value.
- Presenting the final value in respect of: land, timber and other improvements

# Course Format

This course will be presented online via Zoom and Vula from Monday 19 June to Thursday 22 June 2023, 09h00 – 13h00. Course participants will need computer access and a reliable internet connection.

Please note that in the event of loadshedding participants are required to ensure that their laptop batteries are fully charged and that they have a secondary source for obtaining wifi and/or data.

## Course Overview

<b>Name</b>	Valuation of Forestry Property
<b>Duration</b>	19 – 22 June 2023 (09h00 – 13h00 daily)
<b>Venue</b>	Online, via Zoom and the UCT Vula platform
<b>CPD</b>	2 CPD points, ECSA Validation No: UCTVFP23; SACPVP CET points
<b>Participants</b>	Those who involved in the valuation of forestry property/timber plantations, property valuers, agricultural economists, land reform officials, agricultural credit analysts, investment analysts and fund managers
<b>Fees</b>	R7500
<b>Other</b>	For technical enquiries, contact A/Prof Many Mooya: <a href="mailto:many.mooya@uct.ac.za">many.mooya@uct.ac.za</a>

## Course Presenters

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**Martin Engelbrecht** is owner of Forestry Valuations, a Southern Africa forestry consulting firm specialising in timber/plantation valuations and established in 2003. Martin began his career in 1988, working for National Forestry Planning, collecting forestry statistics for all plantations and processing plants in South Africa. During 1991, he was transferred as a forest economist to Forest Management under which all State plantations were managed. When SAFCOL (South African Forestry Company Limited) was formed in 1993, he continued as a forest economist doing forestry valuations, analysing plantation costs and plantation profitability.

Martin's areas of expertise/experience include forestry valuations in terms of buying, selling and fire loss determination based on the Faustmann Formula, application of various forestry models to determine profitability, determination of the fair value of a plantation in terms of IFRS 13, determination of the forestry land value and the rental thereof and green field afforestation forestry projects in Mozambique and Angola using a DCF model. He has done forestry valuation consulting for, inter alia: Komatiland Forests, MTO Forestry/ Cape Pine; Kolombangara Forestry Plantation Limited (Solomon Island), ZZ2, Witzenberg Properties, Amatola Forestry; PG Bison; SARS; Mondi Forests; Steinhoff; Geo Parks & Sons; ESKOM, EnviroGIS, DAFF, Chikweti Forests, Morajane du Plessis Attorneys; Savage Jooste and Adams, Moflor Company (Mozambique); Forestry Solutions, Eskom, MTO Lowveld, Pull Scar Estate, Imvelo Forests, Mondi Land claim iro Nhlabathi Community, MTO Kruisfontein Denron Quarry, Ramanas Farms, SAPPI Land claim iro of Mkulisi Community, Helderstroom Prison, TC Appraisals and Lourensford Estate, Seven Oaks Farm and Stevens Lumber, Arch Rock Farm 296 / 2 and valuation of Friedheim and Bloemhof.

Martin Engelbrecht completed his matric at Paul Roos Gymnasium in Stellenbosch in 1981. In 1985, the degree B Econ (Stell) was conferred upon him by the University of Stellenbosch. He obtained the National Diploma Real Estate from the University of South Africa (UNISA) in 2005. Followed by the Diploma in Alternative Dispute Resolution in 2006, conferred by the University of Pretoria and Arbitration Foundation of Southern Africa (AFSA). He is a member of the Agricultural Economics Association of South Africa (AEASA)



**Manya M. Mooya**, PhD, is an Associate Professor of Property Studies at the University of Cape Town's Department of Construction Economics & Management. His academic career spans over 20 years and at three different universities. His research on property valuation theory has been published in several leading international journals and conferences. Dr Mooya is author of the book *Real Estate Valuation Theory – A Critical Appraisal* (Springer 2016). He teaches property valuation on the undergraduate, honours and masters programmes in the department. He is the Programme Convenor for the BSc and BSc (hons) in Property Studies programmes.

Dr Mooya holds a PhD in Real Estate from the University of Pretoria, an MPhil in Land Economy from the University of Cambridge and a BSc in Land Economy from the Copperbelt University.

# Registration

## Registration and Cancellation

- [Register for this course](#)
- Registration covers attendance of all sessions of the workshop and course materials.
- Registrations close one week before the start of the course. Confirmation of acceptance will be sent on receipt of a registration form.
- **Cancellations must be received one week before the start of a course, or the full course fee will be charged.**
- For more information on application and registration procedures, please visit our website: [www.cpd.uct.ac.za](http://www.cpd.uct.ac.za)

## Certificates and CPD Points

A University of Cape Town certificate of attendance will be awarded to all course participants who attend a minimum of 80% of the lectures and who successfully complete a set of prescribed exercises, where appropriate.

Participants may claim hours of CET points from the South African Council of the Property Valuers Profession (SACPVP). The course is also registered with the Engineering Council of South Africa, and is accredited for the award of CPD points, which are required for continuing professional registration. The ECSA course code is. UCTVFP23

## Contact details

For more information or details on CPD courses, visit our website or contact us.

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**Web:** <http://www.cpd.uct.ac.za>

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