



Front Range Lumber Company

The news you need to make your project a success!

INDUSTRY NEWS

Lumber Prices

As written before in our last newsletter, the Softwood Lumber Agreement between Canada and the U.S. has long expired. In recent weeks, the U.S. Trade Commission has determined that the actions of the Canadian lumber industry have “materially damaged” American lumber mills. At this writing, the date when the CVD (Counter Vailing Duty) will be announced is April 24th. What this means is the U.S. can and probably will assess a tariff on imported Canadian lumber. The tariff amount has been talked about in ranges of up to 30%. The Canadian wood will be charged this tariff for up to 90 days before the CVD release date. Therefore, 90 days before 4/24 was late January/early February. Since the wood will be charged this tariff and the mills don’t want to get caught short, they must increase their prices in the amount they think the Trade Commission will charge. On February 3rd, the lumber market moved significantly upward riding the emotion of this price pressure. While a tariff in the 30% range may be unlikely, the consensus of opinions we’re hearing is that a tariff in the 10-15% is very probable. We believe what this means is lumber prices will stay or increase from their current levels for at least the first six months or so of 2017. American mills will increase their prices because they can and still be very competitive with Canadian wood with its newly added tariff. Estimates vary, but we get over half of the framing lumber we need from Canada.

The tariff will impact the full range of wood boards – although the direct impact on products like manufactured items like LVLs, OSB and plywoods should be minimal.

This is not a new situation. Regardless of current politics there have been multiple trade agreements concerning wood products between Canada and the United States over the decades. The province of British Columbia in Canada provides half of Canada’s softwood lumber exports to the United States. Overall Canada, sends 75% of all its exports (all product categories) to the U.S. Canada has a very special status as a “special trading partner”. The emphasis on this and previous agreements had been construction grades of lumber.

However in this iteration, all wood products are affected. Regardless of the type of wood, this increase is dramatic – even 10% on a very common and competitive item like studs is noticed just as “hard” as a 10% increase on cedar.

As of this writing, lumber is continuing to increase in price mainly due to the uncertainty of what the tariff will end up being. As we discuss under economic news later in this newsletter, the economy still is not using the amount of overall wood used in the go-go days before the recession.

Another facet to the situation is the low truck availability to carry loads. The supply has tightened up significantly over the last few months. Part of this trend will be long term – trucking companies are having continuing problems finding enough drivers.

Economic News

Construction spending ended 2016 with a decline by falling 0.2% in December compared to 2015. Economists are looking for housing construction to be a key sector supporting economic growth in 2017. They also look for labor trends to

be more accurate in predicting consumer behavior as consumer spending accounts for 70% of all U.S. economic activity. One indicator of how the economy is doing is job creation. Fed Chairperson Yellen has said the economy

needs to create just short of 100,000 jobs a month to keep up with growth in the working age population. The GDP rose 1.9% in the 4th quarter and 1.6% for all of 2016, below economists’ expectations and the worst results in five years.

The rental market continues to be very strong. Renter households are expected to grow in every

generational segment because of a host of demographic and financial reasons. Higher interest rates, rising homes costs and slow income growth will delay home buying at least by new potential owners. Multifamily building exceeded expectations in 2016 and although some slowing might come, this sector will remain in a strong boom period. Tight overall housing availability is impacting affordability and pushing rents higher.

Wells Fargo Bank projects new housing starts in 2017 at 1.17 million units and 1.22 million in 2018. Remember this is still far off the highs in the 2005 period of 2.4 million starts.

Redwood

Availability of redwood will continue to be very limited in 2017. A primary current reason are the environmental and governmental approvals which must be obtained before harvesting redwood trees. **FRONT RANGE LUMBER** strives to stock only “B grade” – boards containing both sapwood and heartwood and with limited knots. Our best advice is to see what you’re getting before making a purchase decision. In addition, we believe prices will be up to 20% more than

☞
Your present
circumstances
don’t determine
where you can go;
they merely
determine where
you start.



last year. Another strategy with redwood is to be flexible in the lengths needed to take advantage of what is available and potentially less expensive.

Self-Storage Building Boom

Owners/developers of self-storage type properties are on a spending kick. In 2016, they spent \$1.5 billion on building new and repairing old installations. This is the most that industry has spent since 1993.

Concrete

We all see concrete as a fairly humdrum product but American consumption grew by 2.7% in 2016. Ready mix concrete accounts for almost 75% of all concrete used (about 260 million cubic yards).

Remodeling

According to the numbers, we're seeing; not only is the remodeling sector more stable in total dollars, but it is a growing sector. Most economists (and many in the housing industry) constantly talk about housing starts, but even if we resume the very high levels of housing unit starts the nation experienced in the 2005 period, those levels were about 2.4 million units. This ignores existing housing of over 130 million units becoming older every day and needs remodeling or repair – lots of opportunity here!

FRLCo NEWS

Project of Month

See our website regarding our project of the month contest.

We be social!

We are now using social media!

FOLLOW us on TWITTER:
www.twitter.com/frontrangelumbr

LIKE us on FACEBOOK:
www.facebook.com/frontrangelumberco

FOLLOW our BLOG:
frontrangelumber.blogspot.com

KENT'S CORNER

Let's talk pergolas. This article describes the best, most common processes. Use rough sawn cedar, trust me. You may need a permit. You may put a finish on it, remember that is just a color protector, and you are starting a

maintenance cycle. Cedar does not NEED a sealer as it has the natural tannins to resist bugs and decay. The height you plan may be a function of the back door location, the soffit level, available space, etc. Give close attention to this before you buy your posts which determine that height. Consider wind direction, where the sun is when you want shade, and how beefy you want the pergola to look before you get started. And watch cedar prices, they may change upward without notice.

An average size pergola is about 10 feet by 20 feet. Perhaps it can attach to one side of the house (eliminating the need for 2 posts), but most are free standing. A possible list, from the ground up:

- 12 bags concrete
- 4 6"x6"x10' posts
- 4 decorative post bases
- 4 2"x10" x 20' beams
- 8 beam to post decorative connectors
- 16 2"x6"x 10' rafters
- 32 decorative rafter clips
- 40 2"x2" x 10' cedar for the shade layer (purlins)

I recommend Ozco black finished steel connectors. This is an established brand, we have lots of experience with it. Many of their products are wisely made to hold different thicknesses of lumber. It is a heavy and attractive finish to your project. Simpson Strong-Tie^R (the joist hanger company) is making a lighter weight version, this might be an option for you. We'll be glad to show you how and why.

Most people use 6"x6" posts because 4"x4" is too spindly looking. Remember that rough sawn cedar is oversize, so you do not assume that all connectors will fit; be sure you get the correctly sized hardware.

You will place the posts atop a dry concrete caisson that has a bolt sticking out of it. This is a superior method to embedding them into the concrete like fence posts.

The 2"x10" and 2"x6" members listed above could be different sizes based on your taste and budget. The "beams" usually are located on the sides of the posts, but we have heard some codes that they go on top of the posts. Remember that any lumber in dry Colorado, especially wider boards like the

2"x10" can have split ends even when new. You must accept how Mother Nature made wood! And disclaimer: Wood is made smaller than what it is called! You will get some non-straight 2"x2" pieces, but they are flexible and can be screwed down straight.

Make special consideration of the "shade" layer. Some pergolas are built with so much wood up there that they collect snow and risk collapse. Build accordingly if that is what you want. Some customers lay sheets of lattice across the top of their pergola - this is a quick but perhaps short-sighted method. I advise that after the rest of the project is built, lay 2"x2" pieces up there at your best guess of spacing. Notice throughout a day how much shade it gives as the sun moves – you may alter the original spacing to gain the end result you desire.

Curious about the cost? At the time of writing, this list totalled almost \$2,000 exactly, plus tax and delivery. We are the best source of cedar in the state!

BUILT RIGHT

Timbers

Remember as on all boards and timbers, cutting any wood item may change the grade of the timber. As an over-simplified example, notching a 6x6 timber with a large 4" cutout may alter its load carrying characteristics. One simple step to take is only to buy lengths close to what you need, so you're just trimming to your precise needs. For example, if you need two 94-7/8" pieces - instead of buying one 16' timber, buy two 8' pieces and cut each to the needed 94-7/8". In addition, those two 8' pieces are probably lower in cost than one 16' piece! Note grade stamps are only printed towards one end of the board. Make every attempt to cut from the other end to incorporate the longer piece which has the stamped portion within your project (specifically in framing and structural applications).

Garden Bed Season

Around this time every year, we all get cabin fever and make plans to have a great garden. Remember treated lumber should NEVER be used in "food contact" applications like a raised garden

bed or retaining wall near vegetable/fruit gardens. Cedar is the best choice; consult with us to determine the best and most cost effective way to build your project.

Load Safety

If you carry building materials in your moped, wide loads on your truck, furniture in your trailer or use the family sedan to move large, unusual or projecting loads, you must know and obey the laws that set out how to transport them safely. These laws have been developed to protect all road users.

When carrying a load on a vehicle, you must consider:

- The total dimensions permitted for your vehicle or trailer plus its load;
- Legal safety requirements when carrying projecting loads of different sizes; and
- What to do if your load is too big.

The law dictates safe and legal overhangs and weights permitted. The driver is ultimately responsible for the safety of their load. We see many purchases carried on customer's vehicles that are just not prudent. Remember we offer low cost delivery – generally on a same/next day basis.

Tips for Wood Siding Application

- Keep siding clean, dry and under cover. Keep 4"-6" off the ground with a moisture barrier under the wood. Let stand in dry environment for at least a week to reach equilibrium moisture content.
- Prime all cut ends, front and back of each board. For cedar and redwood, use an oil base or Kilz® primer.
- Use a ring shank siding nail. For 7/8"-15/16" thick board, a 10d, and for 11/16"-3/4" thick board, an 8d is recommended. NEVER nail through two pieces of siding as the wood will expand and contract as it takes on or loses moisture. Keep snug but not too tight.
- Caulking should be used on butt joints and on corners to help keep out moisture.
- A quality semi-transparent or solid bodied stain is an excellent choice for a final finish.

Marine Plywoods

Unless you're literally building a boat (or repairing one), there are relatively few uses for marine grade plywood. Marine plywood stands out from other plywoods as marine has no "voids" or holes in the inner plies (layers of the plywood) and a special glue has been used for direct and constant water contact. Many customers think they must use marine plywood for any exterior application, however, in many of these applications, plywood may not be your best choice in product or in pricing.

PRODUCT NEWS

Simpson Outdoor Accents

The best known brand in joist hangers is unveiling a new line of hangers to be used on pergolas and similar structures. The post bases and brackets are powder coated black to provide many years of service.

Composite Decking

New versions of man-made decking are constantly arriving on the marketplace. We urge you not to be instantly tempted by a low price alone. Some items bring quality trade-offs where you exchange quality issues for a low price. The standard in composite decking is a "capped" board – these have a PVC covering over the "composite" center. The PVC handles UV, damage and staining much better. It retains the color better and adds longer life. There are newer, less expensive versions of decking coming – for example, some that are literally painted and will require recoating occasionally. By doing your research, you'll be making the best decision for your own circumstances.

PROFIT SHARING

Metal Pricing

We're watching for other items to increase, we were surprised by a 30% recent increase in metal flashing – increased without any previous notice. Steel prices are increasing, so a general round of increases in a broad spectrum of products can be expected.

Wood Differences and Pricing

A common wood decking item is 5/4x6 select tight knot cedar decking. While to a casual glance, different suppliers carry the exact same item - **FRONT RANGE LUMBER** generally stocks only a dried, nominally graded to both sides. Other suppliers you may see carry lesser qualities, specifically a green (non-dried product) which have been graded only to one side. They offer a lower price because they're providing a lower grade product. You may decide to buy that lower grade but be aware of what you're buying. Turning back to our own inventory, we stock a dried product which is more a stable and less prone to cracking, cupping and twisting. Also, since ours has been "nominally" graded to both faces, you have more flexible in what side is used face up as decking. Decking should be always installed "crown up" as virtually all boards will cup slightly opposite the crown. Crown-up installation will leave your decking shedding water off instead of puddling within any possible cupping. Chances are high the crown-up side probably will contain more defects. Cedar mills, like all mills, grades only the "best" side to adhere to grading rules. The best side very well may NOT be the crown side. Long story made short, decking graded to both sides allows to install as you should AND provide a great appearance.

Non-Com Plywood

Contrary to most other wood products, we've seen some sizeable cost DECREASES on fire-retardant plywood ("non-com"). This product is normally used for electrical panel backer boards, party walls and commercial installations. **FRONT RANGE LUMBER** stocks 1/2", 5/8" and 3/4" plywood thicknesses. In addition, we carry a variety of framing lumber. Recent product improvements allow for a longer warranty – 50 years. The brand of non-combustible (or fire treated) product **FRONT RANGE LUMBER** carries – D-Blaze® has been treated with the necessary treatment which also includes a red dye which gives D-Blaze® its distinctive color. This makes this brand of very identifiable to users and inspectors. See attached for more information.

TAKING STOCK...

Hardwoods

Currently, pricing on maple and cherry are relatively low and are great values if they can be used in your next project. As a wood species, walnut is the largest seller at **FRONT RANGE LUMBER**. We are also now stocking ½” net thickness in walnut, maple and red oak boards.

You may have noticed purple paint on the ends of hardwoods and higher grade materials **FRONT RANGE LUMBER** sells to you. We’ve taken the additional step to protect the boards - using an end-coat solution on the ends minimizes cracking and cupping. We’re trying to protect boards in as good a shape as possible until you start working on them.

Penofin®

In addition to the blue label series of Penofin®, we also carry the red label series and Verde (water-based) series. Protect your deck with a great deck stain/sealer which penetrates the wood for lasting protection.

KDAT

FRONT RANGE LUMBER carries Weyerhaeuser’s Treater Series™ treated lumber. There are two great reasons why we do so – since it was kiln dried after treatment, it is both lighter in weight and more stable in use. The drying allows the boards to release more moisture, effectively putting them on a “weight loss diet”. As a result, these boards will be more stable since they’re “pre-dried”. Remember cupping, cracking, warpage and other defects are symptoms of all wood as it dries out, losing its natural engrained moisture.

FRONT RANGE LUMBER COMPANY, INC.

Your best source for all your building needs!

1741 S. Wadsworth Blvd.
Lakewood, CO 80232-6821

FUNNIES

1. My goal for 2016 was to lose just 10 pounds ... only 15 to go.
2. Ate salad for dinner ...mostly croutons & tomatoes ... really just one big, round crouton covered with tomato sauce ... and cheese... FINE, it was a pizza... I ate a pizza!
3. How to prepare Tofu: 1. Throw it in the trash. 2. Grill some meat.
4. I just did a week’s worth of cardio after walking into a spider web.
5. I don’t mean to brag but... I finished my 14-day diet food in 3 hours and 21 minutes.
6. A recent study has found women who carry a little extra weight live longer than men who mention it.
7. Kids today don’t know how easy they have it... when I was young, I had to walk through 9 feet of shag carpet to change the TV channel.
8. Senility has been a smooth transition for me.
9. Remember back when we were kids and every time it was below zero out they closed school? Me neither.
10. I may not be that funny or athletic or good looking or smart or talented ... I forgot where I was going with this.
11. I love being over 60 ... I learn something new every day ... and forget 5 others.
12. A thief broke into my house last night ... He started searching for money ... so I woke up and searched with him.
13. My dentist told me I need a Crown ... I said, “You bet, pour mine over the rocks”.
14. I think I’ll just put an “Out of Order” sticker on my forehead and call it a day.

**Just remember,
once you’re over
the hill you begin
to pick up speed.**

Truck Stop Blonde

A trucker came into a truck stop café and placed his order. He said, “I want three flat tires, a pair of headlights and a pair of running boards.” The brand new blonde waitress, not wanting to appear stupid, went to the kitchen and said to the cook, “This guy out there just ordered three flat tires, a pair of headlights and a pair of running boards. What does he think this is – a car part store?” “No” the cook replied, “Three flat tires means three pancakes, a pair of headlights is two eggs sunny side up and running boards are two pieces of bacon.”

“Oh, OK!” said the blonde. She thought for a minutes and spooned up a bowl of beans and gave it to the customer.

The trucker asked, “What are the beans for, Blondie?”

She replied, “I thought while you were waiting for the flat tires, running boards and headlights, you might as well gas up.”

For once, the blonde gets even.

C	A	L	E	N	D	A	R
<i>You can count days or make everyday count.</i>							
February							
17 th	Random Acts of Kindness Day <i>Do one!</i>						
20 th	President Day <i>It's a tough job; honor them.</i>						
22 nd	Geo. Washington's Birthday <i>Father of our country</i>						
March							
3 rd	National Anthem Day <i>Be proud to be an American</i>						
3 rd	Employee Day – Thank ‘em!						
12 th	Daylight saving time begins <i>SPRING forward!</i>						
17 th	St. Patrick's Day – Wear your green!						
20 th	First Day of Spring						