

Timber becoming a commodity of the rich

By Jesse Solomon, CNNMoney

NEW YORK – In the rarefied world of the wealthy, timber is the hot new commodity.

That's according to Dennis Moon, head of Specialty Asset Management at U.S. Trust, a division of Bank of America, whose job it is to find, manage, and log plots of trees for the firm's well-healed clients.

Ever since the financial crisis, business is booming, as rich families have worked tirelessly to diversify their investments beyond traditional stocks and bonds.

Here's why the 1 percent are loving lumber, and all the green that comes with it.

After seeing their portfolios pummeled during the recession, many wealthy people have flocked to asset classes that don't rise and fall with the stock markets. That's where timber comes in.

"They'd rather this be their steady eddie, slow-as-you-go type of asset," said Moon, who's based in Dallas. "They like transparency. You can go see it if you want to. It's not like a piece of financial paper like a stock or a bond."

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