

WILLIAM H. LOCK & ASSOCIATES, INC.
Consulting Forester * Certified Arborist * Real Estate Broker
P. O. Box 49571 * Greensboro, NC 27419
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INVITATION TO BID BY SEALED BID ON STANDING TIMBER

SALE DATE: Tuesday, May 31, 2011 at my office

CAMP TRACT – CALDWELL COUNTY, NC

TIMBER VOLUMES – 35.3 +/- acres (clear-cut)

<u>Timber Species</u>	<u>Est. Vol.</u>	<u>BdFt/Tree</u>
Virginia Pine	24,560	75
Shortleaf Pine	1,960	115
White Pine	118,920	218
Yellow Poplar	23,510	147
Red Oak	12,240	97
White Oak	6,660	113
Sweetgum	2,400	141
Hickory	6,400	128
Beech	3,330	98
Maple	11,850	100
Miscellaneous	1,090	64
Totals	212,920	145

Pine Pulpwood was estimated at 75 Cords and Hardwood Pulpwood was estimated at 97 Cords. No topwood or crownwood is included in these numbers.

This information is supplied for your information only. I do not guarantee any volumes or acreage. Volumes were calculated using International Log Rule, FC 78. Pine Sawtimber was estimated to an 8" top and Hardwood Sawtimber was estimated to a 10" top. Volume estimates are based on forty-two (42) 1/10th acre field plots.

LOCATION:

This tract is located east of old Hwy. 321 and west of new Hwy. 321 in the town of Hudson. The parcel runs parallel to Ridge Street and will be accessed from the property of 156 Ridge Street. See attached location maps.

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BIDS:

The Camp Tract is being sold on a lump sum sealed bid basis. Bids will be accepted by **regular mail** if received by 5:00 pm on Monday, May 30, 2011 **OR** bids will be accepted by **email (whlock@whlock.com), telephone (336-632-9088), fax (336-632-9088), or in-person** at my office until 11:00 am on Tuesday, May 31, 2011. At 11:00 am on Tuesday, May 31, 2011 all bids received will be recorded. The successful bidder will be notified within 24 hours of the bid openings. A 10% deposit may be requested to be delivered to William H. Lock & Associates, Inc. within 72 hours of the bid opening. The balance of the sales price is to be delivered at the sale closing which should occur on or before June 28, 2011. The seller reserves the right to refuse or accept any and all bids. Seller will consider all bids. The seller will be responsible for the timber deed preparation and forestry consultant fees. The buyer will be responsible for all other closing costs. A \$1,000 performance deposit will be payable at closing and held in a non-interest bearing trust account until satisfactory completion of logging. The performance deposit does not limit the buyer's liability.

PLACE OF SALE:

The timber sale will be held at the office of William H. Lock & Associates, Inc. in Greensboro, NC. The office address is 375 S. Swing Road, Greensboro, NC 27409. Telephone and Fax: 336-632-9088; Email-whlock@whlock.com

CONDITIONS OF SALE:

1. The Buyer shall have 24 months from the date of the timber deed to cut and remove all merchantable timber within the "Sale Areas". "Creek Buffers" have been marked with Blue Paint. No blue painted trees marking the buffer boundaries may be cut. Pine \geq 14" DBH and Hardwood \geq 16" DBH can be harvested from within the blue painted buffers provided all Best Management Practices, Forest Practice Guidelines, any applicable River Basin Rules, and any local rules and regulations are followed. The "out" area has been flagged with orange flagging. No harvesting activity will be allowed in this area and no trees are to be harvested within this area. Buyer will not be allowed to cross or use the existing sewer line areas for any harvesting and/or access activities. Buyer is responsible for any damage to the sewer lines and their grassed easements caused by any harvesting activity.

2. The Buyer shall access the tract from 156 Ridge Street along the orange flagged access path. This path will need to be installed by the Buyer and should be limited to 20' +/- in width. Care should be taken in the removal of any existing trees within this right of way to minimize damage to the remaining trees on this property. The Buyer is responsible for the installation, maintenance, and final restoration of this new access.

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Buyer will need to re-seed and mulch any newly cleared areas on this pathway to minimize erosion and possible sedimentation. All access routes will need to be installed and/or maintained according to all North Carolina Best Management Practices, Forest Practice Guidelines, and any applicable river basin rules. Call W.H. Lock if questions concerning the access route.

3. The Buyer is responsible for maintaining a clean site. No equipment parts, trash, tires or other debris shall be left on the property. It shall be the Buyer's responsibility to clean up any hazardous material or chemical waste spills including but not limited to Diesel Fuel, Hydraulic Fluid, Machine Oil, and/or Gasoline upon the subject property. Responsibility will include any required remediation including but not limited to the removal of contaminated soils.

4. All loading decks and truck parking areas must be reseeded when the harvesting operation is completed.

5. The Buyer is responsible for following all Federal, State, and local regulations regarding timber harvesting activities. If required, Buyer is responsible for obtaining any necessary permits or licenses required for timber harvesting. All logging operations must conform to North Carolina Best Management Practices, Forest Practices Guidelines, and any applicable river basin rules. In the event that a non-compliance situation is identified on the tract as a result of the harvesting operation, William H. Lock & Associates, Inc. will have the express right to suspend the harvesting operation until the situation is brought into compliance. No trees or other logging debris shall be left in or across the property boundary, sale cutting lines or access roads and paths.

6. All necessary property lines and corners have been marked with pink flagging. No flagged or painted trees denoting the property and/or sale boundary shall be cut and no trees outside the boundary lines shall be cut. If trees marking the property lines or sale boundary are cut, North Carolina timber trespass laws may apply. No trees shall be cut to fall on a neighboring landowner's property or where potential damage may occur. If existing property corners are damaged or removed as a result of the harvesting operation, Buyer agrees to replace the markers at the correct surveyed location at their own expense.

7. Buyer agrees to notify William H. Lock & Associates, Inc., P. O. Box 49571, Greensboro, NC 27419 at least 3 days in advance of the beginning of the harvesting operation and at least 3 days in advance of the completion of the harvesting operation. The buyer and/or logger must complete a pre-harvest inspection with WHL & Associates prior to beginning any logging activity.

8. Seller or their Agent reserves the right, in its sole discretion, to require the termination of all timber harvesting in the event that weather conditions cause the land to become so

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wet that continued logging will cause excessive site damage and rutting. Seller agrees to extend the cutting time automatically for the number of days of required termination if he exercises this item. If work is allowed to continue during the determination process, Buyer agrees to repair any excessively rutted areas.

9. The Buyer shall indemnify and hold harmless the Owner, his agent or assigns, from any and all liability and any and all loss, including attorney's fees and other reasonable expenses incurred, arising from the operations, activities, or omission of Buyer incident or related to this contract or upon the Sale Area, including such liability or loss caused by acts of omissions of Buyer's employees, contractors, sub-contractors, employees of contractors or sub-contractors, or licensees of Buyer, or to any others for property damage, personal injury, death, or otherwise. Buyer guarantees their loggers will be covered by Workers Compensation and General Liability Insurance in the amount of one million dollars and will provide satisfactory evidence of coverage at closing and maintain same throughout all logging operations.

10. Once purchased, the Timber shall not be assigned by the Buyer, either in whole or in part without the prior written consent of the Seller.

11. Seller warrants his title to said timber and agrees to defend said title against any and all claims for taxes, mortgages, or any other encumbrances at his own expense.

12. Seller or their Agent reserves the right to inspect the harvesting operations of the Buyer upon the Seller's lands at reasonable times and intervals. In the event the Seller or his Agent detects any violations of the timber deed or contract, the Seller or his Agent reserves the right to suspend all harvesting operations until the violations are corrected. Any questions regarding this sale should be directed to William H. Lock & Associates, Inc. in Greensboro, NC.