

WILLIAM H. LOCK & ASSOCIATES, INC.
Consulting Forester * Certified Arborist * Real Estate Broker
P. O. Box 49571 * Greensboro, NC 27419
(336) 632-9088
1-888-899-9088 * www.whlock.com

INVITATION TO BID BY SEALED BID ON STANDING TIMBER

SALE DATE: Thursday, November 19, 2009

VADEN TRACT – ROCKINGHAM COUNTY, NC

TIMBER VOLUMES – 101.2 +/- acres (clear-cut)

<u>Timber Species</u>	<u>Est. Vol.</u>	<u>BdFt/Tree</u>
Virginia Pine	192,800	79
Shortleaf Pine	13,700	106
White Pine	12,400	132
Yellow Poplar	341,700	223
Red Oak	73,900	162
White Oak	141,900	174
Sweetgum	30,600	188
Blackgum	3,200	188
Hickory	29,200	170
Sycamore	500	56
Beech	11,300	188
Maple	24,400	167
Ash	3,200	188
Totals	878,800	145

Pine Pulpwood was estimated at 418 Cords and Hardwood Pulpwood was estimated at 361 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 One Hundred Eighteen (118) 1/10th acre field plots.

LOCATION:

This tract is located just east of Wentworth on the south side of NC 65 and at the end of Blueberry Lane. See attached location maps.

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Vaden - Timber Sale

Sale Date: Thursday – November 19, 2009

BIDS:

The Vaden Tract is being sold on a lump sum, sealed bid basis. Bids will be accepted by mail if received by 5:00 pm on Wednesday, November 18, 2009 or bids will be accepted by telephone at my office until 9:00 am on Thursday, November 19, 2009. Bids may be brought to the timber sale on Thursday, November 19, 2009 by 11:00 am. At 11:00 am on Thursday, November 19, 2009 all bids in hand will be opened. A 10% deposit may be requested to be delivered to William H. Lock & Associates, Inc. within 72 hours of the bid opening. Fifty percent (50%) of the balance of the sales price is to be delivered at the sale closing which should occur on or before December 31, 2009. The remaining 50% will be due and payable on or before January 15, 2010. The seller reserves the right to refuse or accept any and all bids. Seller will consider all bids and Seller has indicated that he may favor the use of a whole tree chipper for the harvesting operation. A \$1,000 performance deposit will be payable at the closing and held in a non-interest bearing trust account until satisfactory completion of harvesting. The performance deposit does not limit the buyer's liability for following the terms of the sale.

PLACE OF SALE:

The timber sale will be held at Mr. Vaden's residence at 8030 NC 87 at 11:00 am on Thursday, November 19, 2009. See attached map for bid opening location.

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 and no Beech of any size may be cut within the buffers. Within the buffer areas, all pine of any size and other hardwoods ≥ 16 " DBH may be harvested (No Beech of any size) provided all NC Best Management Practices, Forest Practice Guidelines, and any applicable River Basin Rules are followed. Buyer agrees to use his best efforts in harvesting the larger trees from the "Buffer" areas to minimize damage to the smaller remaining trees. Seller acknowledges that some damage to smaller stems may occur.
2. The Buyer shall access the tract along the existing driveway located at #8080 NC Highway 87/65 and a new "to be installed" roadway from the end of this driveway across the existing field leading into the Vaden tract. NO ROCK IS TO BE PLACED IN THIS FIELD. We have signed access agreements for this access. Buyer may also use Blueberry Lane off of Peachtree Drive to access the rear portion of the timber. All access routes will need to be installed and/or maintained according to all North Carolina Best Management Practices and Forest Practice Guidelines. All roadways must remain open and passable by ordinary automobile and farm traffic at all times. The roadways must be

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Vaden - Timber Sale

Sale Date: Thursday – November 19, 2009

left in similar condition at the completion of the harvesting operation, reasonable wear and tear accepted. Call W.H. Lock if questions concerning access routes.

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. Harvesting operations must not interfere with any farming operations and farming operations must not interfere with any harvesting operations. Decking, loading or hauling will not be permitted in any existing open fields or pastures immediately adjacent to the timber unless approved by William H. Lock & Associates, Inc. If approved, open areas must be free of logging debris, smoothed when completed, and re-seeded if necessary.

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 the timber harvesting operation. 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 William H. Lock & Associates, Inc. prior to beginning any harvesting activities.

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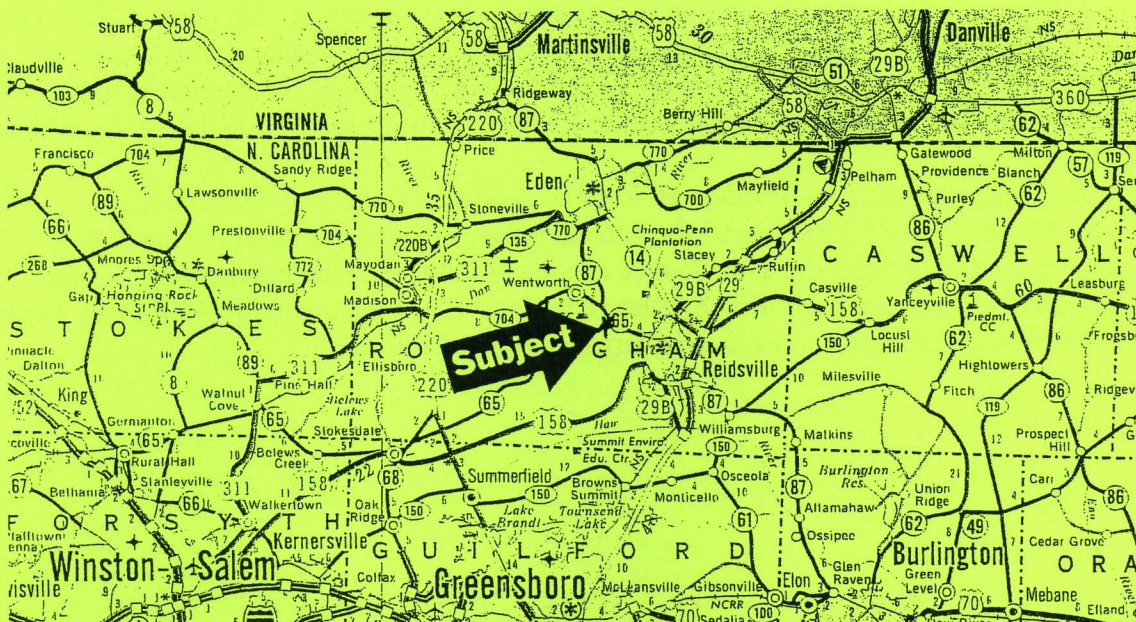
8. Seller or their Agent reserves the right, in its sole discretion, to require the termination of all timber harvesting in the event that weather conditions cause the land to become so wet that continued logging will cause excessive site damage and rutting. Seller agrees to extend the cutting time automatically 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.

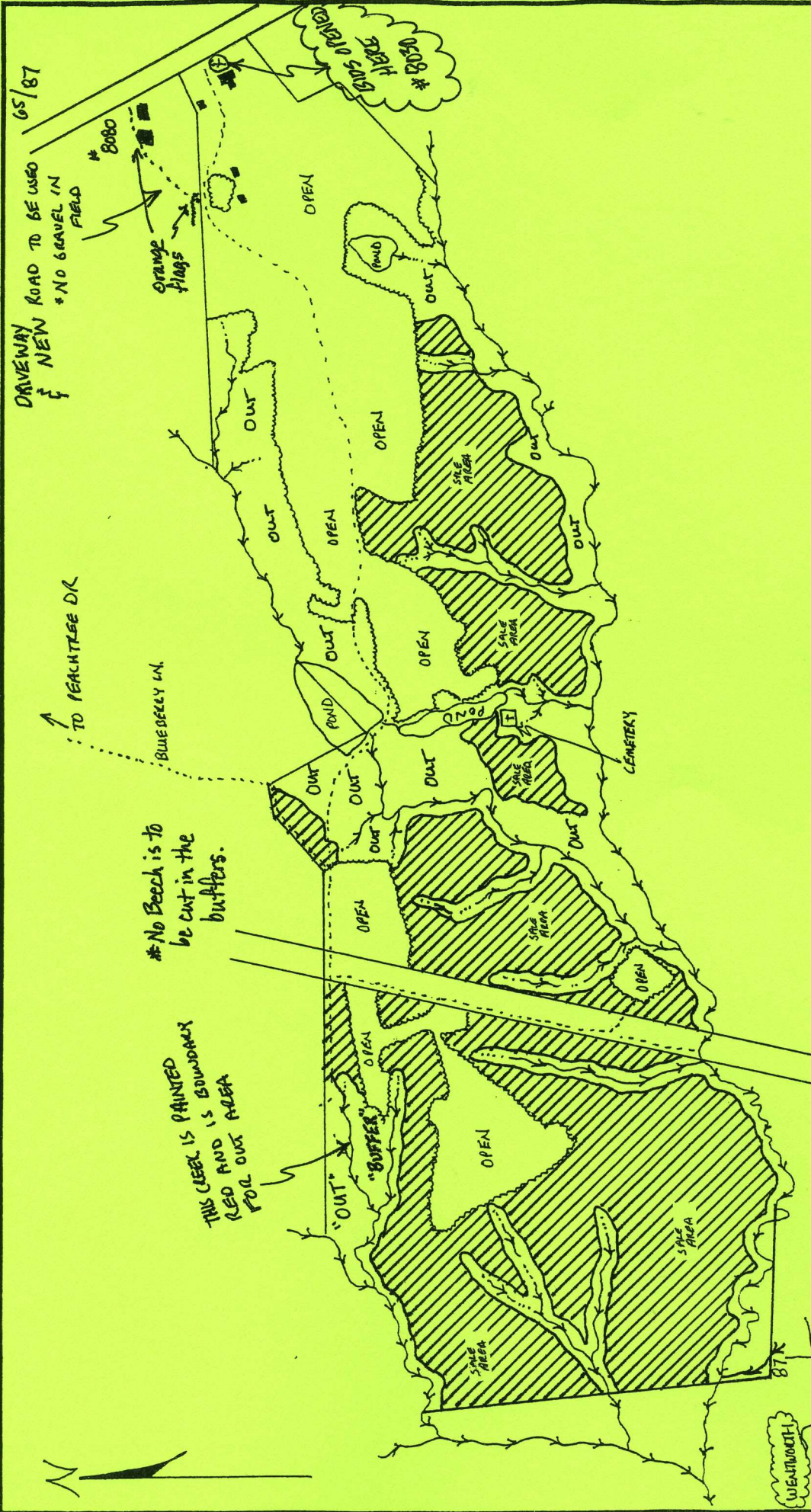
10. Once purchased, the Timber shall not be assigned by the Buyer, either in whole or in part without the prior written consent of the Seller.

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.



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* No Beech is to be cut in the buffers.

THIS CREEK IS PAINTED RED AND OUT AREA FOR OUT

- * BUFFERS PAINTED BLUE
- * OUT AREAS PAINTED RED
- * PROPERTY LINES FLAGGED PINK

This map is not a certified survey and has not been reviewed by a local government agency for compliance with any applicable land development regulations.

TIMBER SALE MAP

APPROVED BY:

DRAWN BY **JOHN GANNES, C.E.**

SCALE: 1" = 660'
DATE: 10/16/2009

REVIS
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DRAWING NUMBER
VADEN TRACT- ROCKINGHAM CO., NC

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11/20/09