

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, July 10, 2014
(Bids taken at our office and not at the tract)

DAYTON-CHAMBERS TRACT "A" - HENRY COUNTY, VA

(282.5 +/- acres)

THIS TRACT IS BEING SOLD ON A PER UNIT BASIS. THE TIMBER WAS HARVESTED 15-20 +/- YEARS AGO AND IS PREDOMINANTLY CHIPPING MATERIAL.

Acreages were determined by survey maps, County GIS information, GPS data and field notes. This information is supplied for your information only and I do not guarantee any acreages.

LOCATION:

The tract is located on the south side of Lee Ford Camp Road (Rt. 688) and the east side of Chestnut Knob Road (Rt. 781). See attached location maps.

BIDS:

The Dayton-Chambers Tract "A" is being sold on a per unit basis. Bids will be accepted by **regular mail** if received by 5:00 pm on Wednesday, July 9th, 2014 **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 Thursday, July 10, 2014. At 11:00 am on Thursday, July 10, 2014 all bids received will be recorded. The successful bidder will be notified within 24 hours of the bid openings. A \$15,000 non-refundable deposit will be collected at the sale closing and delivered to William H. Lock & Associates, Inc. Forestry Trust Account. One-half of this amount will be used as a "draw" account when the harvesting begins and the scale tickets delivered. The other one-half will be retained by WHL and returned to the Buyer at the final completion of the entire chipping harvest operation within the "sale area" if completed within the specified time. 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.

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Bids should be submitted as follows:

Pine/Hardwood Chips (blended price)	\$ _____/Ton
Pine Sawlogs (10'-16'; 7" top)	\$ _____/Ton
Pallet Logs (10'6"-14'6"; 7" top)	\$ _____/Ton
Grade Hardwood Logs (10'-16'; 10" top)	\$ _____/Ton
Mixed Hardwood Logs (10'-16'; 12" top)	\$ _____/Ton

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 until November 31, 2015 to cut and remove all trees and timber within the "Sale Areas". Buyer must utilize a whole tree chipping operation in the harvesting of this tract. The sale boundaries and creek buffers have been marked with pink flagging. No flagged trees marking the sale boundaries and no trees outside the flagged boundaries are to be harvested. The creek buffers are considered "no-cut" zones.
2. The Buyer may access the tract from Lee Ford Camp Road (Rt. 688) and/or Chestnut Knob Road (Rt. 781). Any access routes will need to be installed and/or maintained according to all Virginia Best Management Practices. All existing roadways must be left in similar condition, reasonable wear and tear accepted, at the completion of the harvesting operation. Call W.H. Lock if questions concerning access routes.
3. A \$15,000 non-refundable deposit will be collected at the sale closing and delivered to William H. Lock & Associates, Inc. Forestry Trust Account. One-half of this amount will be used as a "draw" account when the harvesting and scale tickets begin. The other one-half will be retained by WHL and returned to the Buyer at the final completion of the entire chipping harvest operation within the "sale area" if completed within the specified time.
4. The Buyer is responsible for maintaining a clean site. No equipment parts, trash, tires or other debris shall be left on the property as a result of the harvesting operation. 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 if they resulted from the harvesting operation. Responsibility

will include any required remediation including but not limited to the removal of contaminated soils. Deck sites, loading sites, and/or truck parking areas must be free of logging debris, smoothed when completed, and re-seeded at the completion of the harvesting operation.

5. The Buyer is responsible for following all Federal, State, and local regulations regarding timber harvesting activities. Buyer is responsible for harvest notification required under Virginia law and for obtaining any other necessary permits or licenses required for timber harvesting. All logging operations must conform to Virginia Best Management Practices. 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.

6. All property lines and corners are marked with pink flagging. No flagged 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, Virginia 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 marked 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. Telephone numbers are Office: (336) 632-9088. The buyer and/or logger must complete a pre-harvest inspection with WHL & Associates prior to beginning any logging activity.

8. Seller reserves the right 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 wet weather conditions, 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

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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 minimum amount of 1 million dollars and will provide satisfactory evidence of coverage at closing and maintain this coverage throughout the harvesting operation.

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 these conditions, 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 at our office number - (336) 632-9088.