

TENNESSEE TIMBER CONSULTANTS, INC.

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January 24, 2012

Summers Timber Sale

Bids to be opened February 16, 2012

Attn.: Buyers of Standing Timber,

Mr. Paul Summers, Mr. Philip Summers, and JCL, Inc. have authorized Tennessee Timber Consultants to serve as their agents in the sale of certain **hardwood sawtimber** and pulpwood located on their property near Dancyville in Fayette County Tennessee. This is the same property recorded as two separate tracts in the Fayette County Courthouse in Book 110, Page 03520, and Control Map 024, Parcel 006.00 and Book 549, Page 994, Map 025, Parcel 001.01.

General Description of the Sale

This is a hardwood sawtimber and pulpwood sale on a tract totaling approximately 432 acres. The actual woodland sale area is estimated at 77 acres containing approximately **232,673 Boardfeet of hardwood & pine sawtimber.** This is primarily a quality hardwood sale that features 25% cherry-bark oak, 11% other red oak species, 28% gum, 8% cow oak, and 7% cypress. **All trees average 245 bf/tree.**

The tract is located on bottomland with good access.

Location:

From the junction of Highway 64 and Highway 76 in Somerville, follow Hwy 76 north for approximately 8.5 miles. Turn left (west) onto Joyners Campground Road and follow for approximately 2.25 miles. Turn right (north) onto Yum Yum Road. Access to the tract will be 7/10th of a mile on the right (east) side of the road, parallel to the driveway of 6200 Yum Yum Rd.

Logging access will be via this same road.

Sale Description

The sale includes the areas shown on the attached map. Approximately 74 acres of the sale is on the Summers tract, and roughly 3 acres on the JCL, Inc. tract. The property line on the Summers tract is marked with red paint.

Only the hardwood and pine trees marked by "Tennessee Timber Consultants" with **blue paint** at approximately chest height and below the stump line are eligible for harvest.

- Trees marked with a spot were considered sawtimber.
- Trees marked with a slash were considered pulpwood.
- Trees with a horizontal line under the spot indicate a deduction for defect, although further deductions were made even though the horizontal line may not be present.
- Trees marked with a "X" were considered culls.

The location of all roads, primary skid trails and log decks must be approved in advance by the owners or their agents. SMZ's have not been flagged. **BMP's must be applied throughout the sale.**

Terms of the Sale

Sealed bids, submitted on a lump sum basis only for both tracts combined, will be accepted until 11:00 A.M on February 16, 2012, at which time they will be opened. The bid opening will be held **at the Grand China Restaurant on Highway 412 West in Lexington.** Buyers are invited to attend the bid opening and join us for lunch. Bids also may be submitted by mail, or fax (**call to be certain your fax was received**) on the attached or similar Bid Offer form, but **faxed offers must be received by us no later than 10:00 a.m. on the morning of the bid opening.** The Seller reserves the right to refuse any and all bids.

The Purchaser shall be required to make separate payments to both sellers in full upon execution of the timber deeds. The Purchaser shall provide the timber deeds subject to the attached terms and conditions of the Sellers, and assume all closing costs.

You are invited to inspect the tract at your convenience. Please feel free to contact me at 731-608-2933 if you have any questions relative to this sale.

Sincerely,

Austin Carroll

Austin Carroll

Tennessee Timber Consultants, Inc

Summers Timber Sale

TIMBER VOLUME SUMMARY

The following timber volume estimates are provided for informational purposes only. Neither the Seller, nor Tennessee Timber Consultants guarantees the accuracy of this information in whole or in part.

Board Feet Volume Estimates*

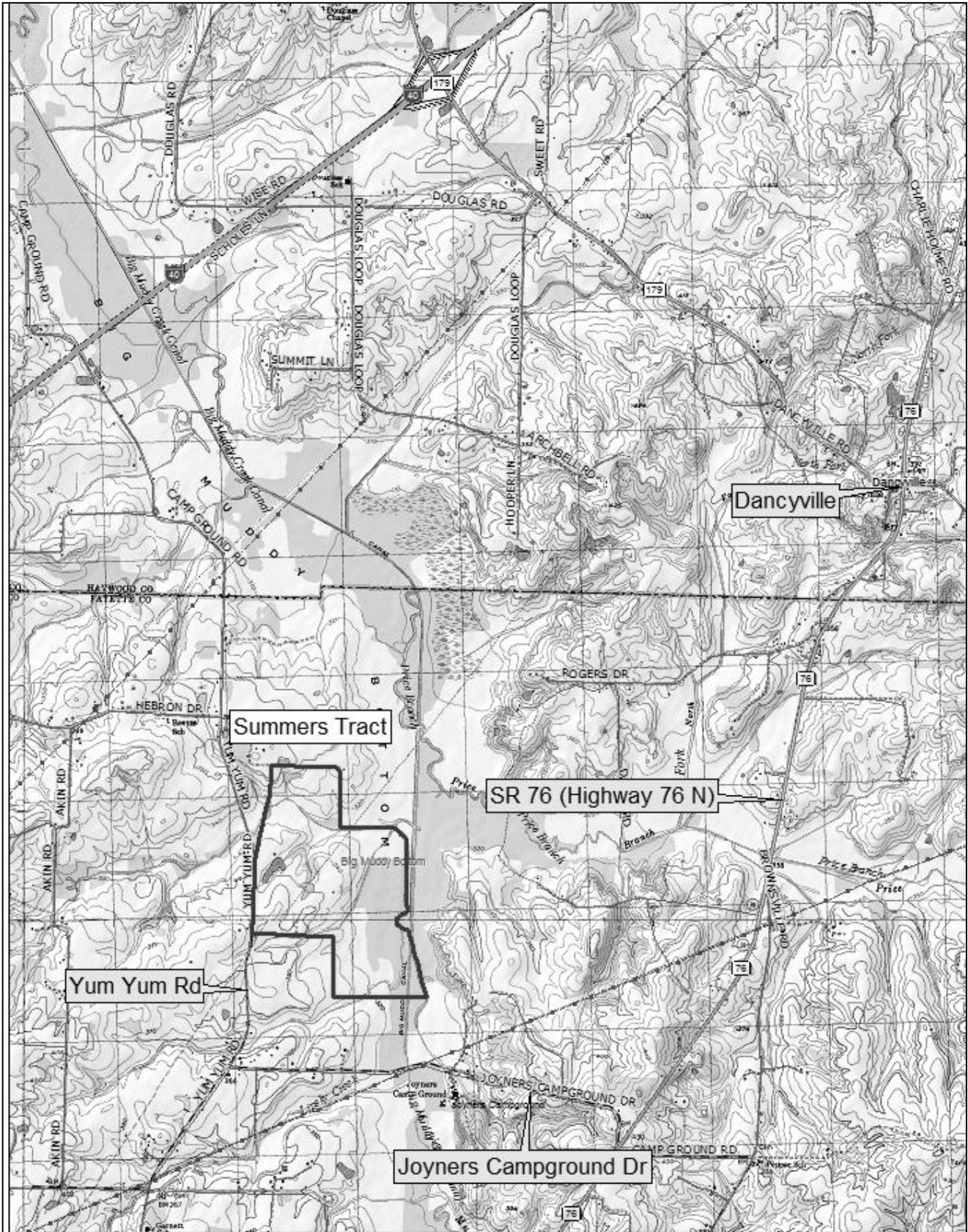
species	Summers Tract		Avg. bf/tree
	trees	volume	
cherrybark oak	135	48182	357
gum	330	65357	198
poplar	45	11160	248
elm	16	1792	112
pin oak	82	17089	208
cow oak	61	18122	297
sycamore	41	7400	180
misc. RO**	40	8358	209
hickory	34	6308	186
cypress	40	15402	385
overcup oak	43	11382	265
misc.***	52	6605	127
Total	919	217157	236

species	JCL, Inc. Tract		Avg. bf/tree
	trees	volume	
cherrybark oak	15	9299	620
gum	3	963	321
poplar	4	1927	482
pin oak	1	234	234
cow oak	1	551	551
whitie oak	1	650	650
hickory	2	732	366
cypress	2	239	120
ash	3	921	307
Total	32	15516	485

* Doyle scale FC 78 for all species except FC 80 for yellow poplar

** Includes ash, river birch, cottonwood, hackberry, honey locust, red maple, sugar maple, white oak, and black willow

Summers Tract Location Map



Data use subject to license.

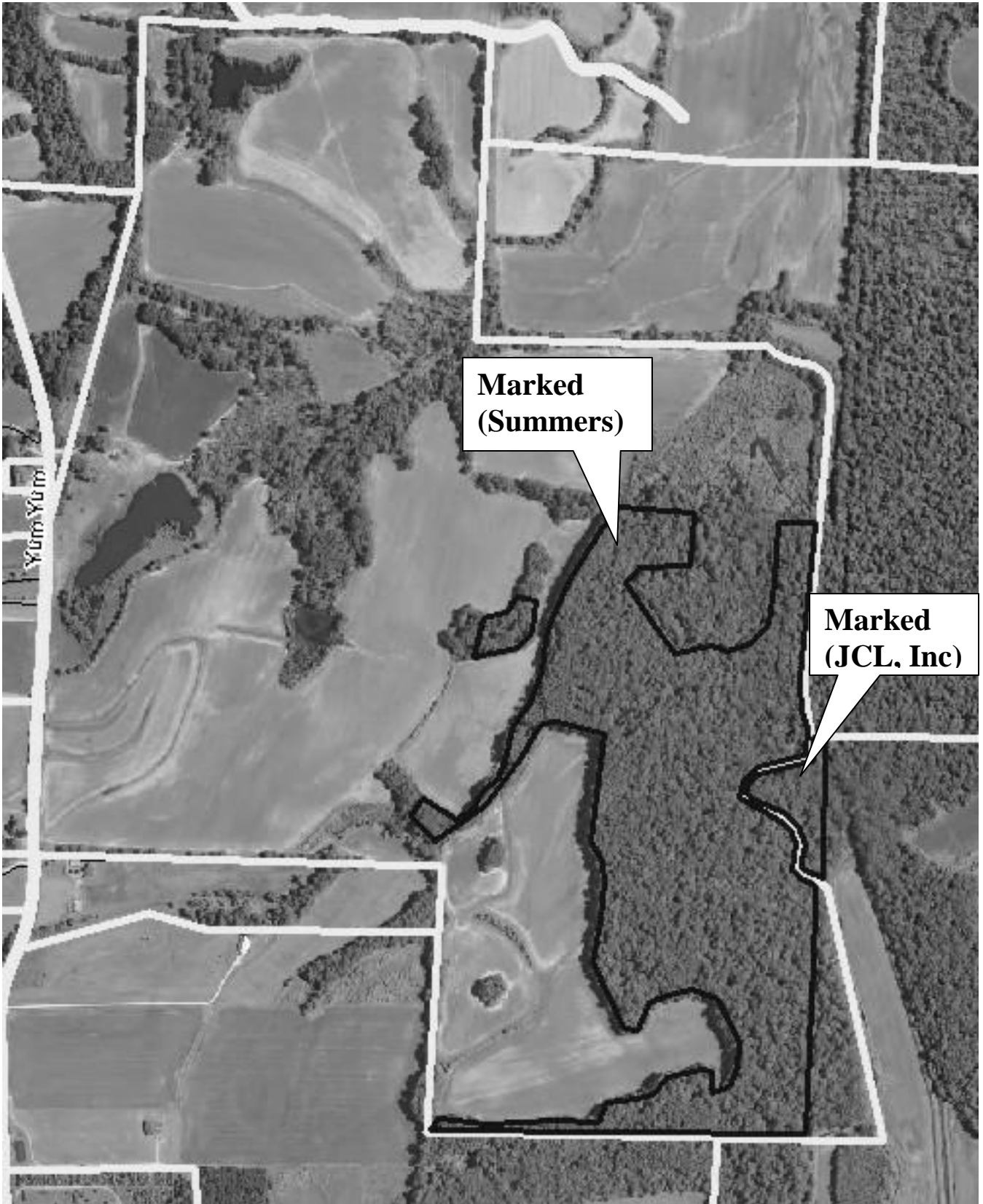
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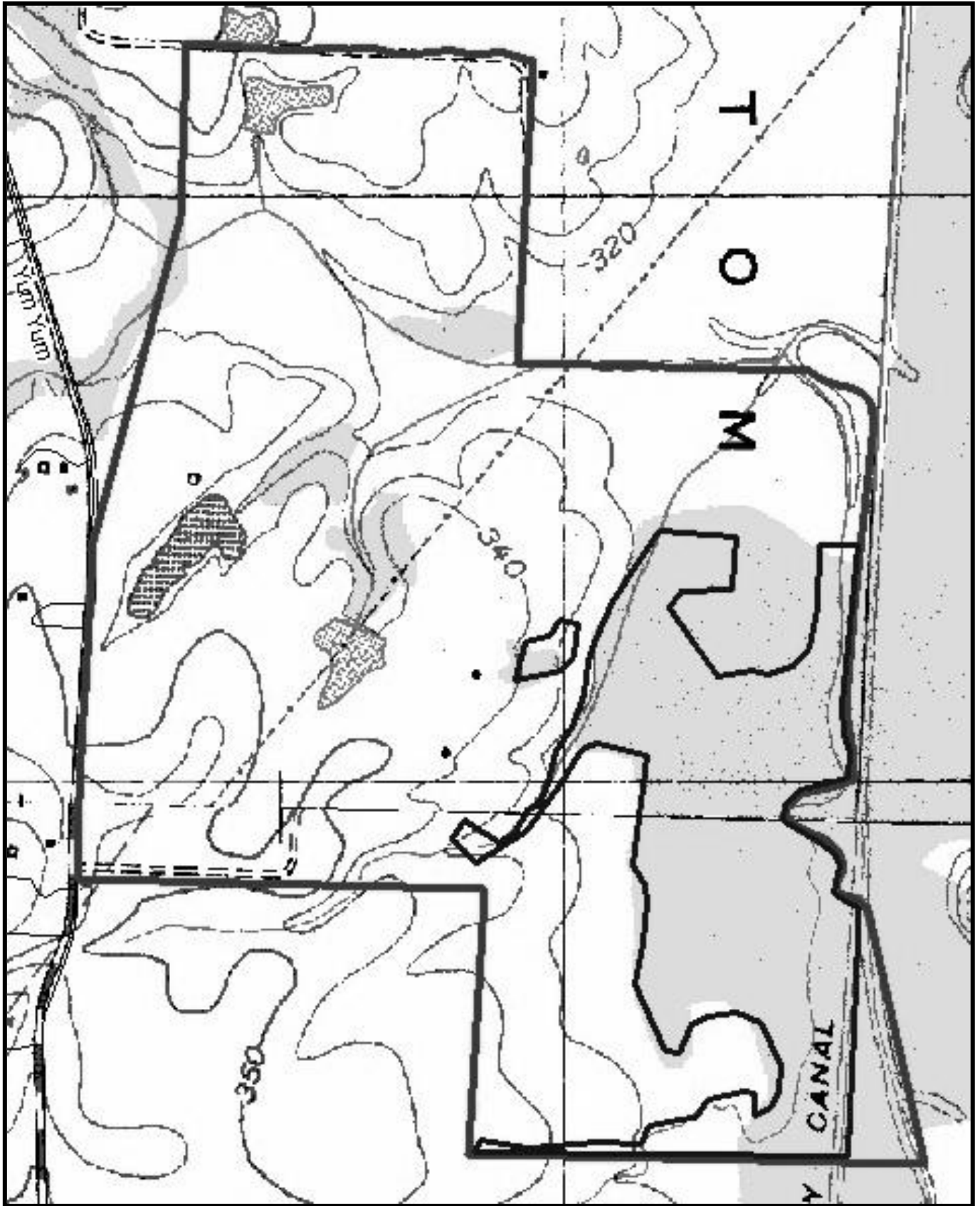


Data Zoom 12-2

Summers Tract



Summers Tract



SALE TERMS and CONDITIONS

1. The Seller guarantee title to the timber sold, and grants to the Purchaser the right of ingress and egress upon the land for the purpose of harvesting and removing cut and severed trees. Securing the right to use any access points or access roads not on the property of the Seller is the sole responsibility of the Purchaser. The location of roads, loading decks and access points on the property of the Seller shall be agreed to in advance of logging activities.
2. Purchaser will pay for the timber in full at the time the contract or timber deed is signed, and shall assume all closing costs associated with the purchase of the timber contained in this sale. Purchaser shall be required to place a **5%** performance bond in the escrow account of the Seller's Agent Tennessee Timber Consultants. At the conclusion of logging operations this money or portions thereof not necessary to be used to bring the Purchaser into contractual compliance, shall be refunded provided the terms of this sale are met. In the event that the contractual terms are not upheld by the purchaser then this performance bond shall not be construed as being the final limit of the Purchasers liability to the Seller.
3. The Purchaser shall have until **October 31, 2013** to cut and remove the timber. Should adverse weather conditions preclude the removal of any or all timber prior to this date, this agreement shall be extended for any additional time, not to exceed six months, required by the Purchaser to cut and remove such timber. The Seller reserves the right to halt logging operations in the event that the logging operations are not being conducted in a manner consistent with the following terms and conditions. Any time lost due to a cessation of logging for contract non-compliance will count against the time stated in these Sale Terms and Conditions and no extension shall be granted in such event except said event shall be due to weather as stated above.
4. This timber sale is on the 432-acre property of Paul and Philip Summers on Yum Yum Road in Fayette County and on the property of JCL, Inc. west of Muddy Creek Canal (approx. 3 acres). Throughout the sale area of marked timber totaling roughly 77 acres, only those trees marked by Tennessee Timber Consultants with blue paint at approximately chest height and below the stump line are eligible for harvest. .
5. The Purchaser shall not assign or in any way transfer its rights, duties or obligations under this contract or interest in this contract to a third party without the prior written consent of the Seller. Such consent shall not be withheld provided the third party agrees in writing to be bound by all of the Seller's original terms and conditions stated in this agreement as a condition of the transaction.
6. Purchaser will notify Tennessee Timber Consultants immediately prior to the logging operation. The Purchaser and logging supervisor will meet on site with a representative agent of the company to review all contract provisions and requirements before harvesting begins. It is understood and agreed that the Seller's agent Tennessee Timber Consultants speaks with the Seller's authority under these terms regarding logging activities and contractual issues regarding logging activities.
7. Purchaser will remove tops and logging debris from roads, fields, streams, and the land of adjacent property owners immediately upon felling. Furthermore, the Purchaser shall take precautions, as needed so as not to allow its trucks or equipment to create ruts on the property during wet weather or in moist soil conditions. Purchaser will leave haul roads in a smooth and passable condition when logging is completed. Purchaser shall scatter back into the woods all logging debris including but not limited to tops, butt offs, shorts, abandoned logs, limbs and bark and smooth out loading areas, and subsequently disk in fescue or wildlife vegetation and fertilizer on all affected areas as needed.
8. All trash, including but not limited to bottles, cans, lunch boxes, bags, broken equipment, oil cans, fluid spills discarded by the loggers will be removed from the property of the Seller when logging is completed. All clean up operations must be completed and all equipment removed from the property of the Seller within thirty days of completion of logging activities except in such case as other arrangements have been made with and agreed to in writing by the Seller.
9. Purchaser shall be responsible for monitoring that all applicable state and federal laws and regulations regarding environmental issues are complied with relating to logging activities. Furthermore, the Purchaser shall take all actions required by State of Tennessee water quality best management practices (BMP's) to prevent and mitigate any environmental damage, and take such reasonable actions which may be requested by the Seller or their agent, Tennessee Timber Consultants.
10. Purchaser shall maintain in effect, general liability insurance coverage at a minimum rate of one million dollars per occurrence to cover any and all claims by Seller or others subject to the fulfillment and/or compliance with the terms and conditions of this agreement. This insurance coverage shall not be construed as being the final limit of the Purchasers liability to the Seller.

11. Purchaser shall indemnify and hold the Seller harmless from any liability arising out of the Purchaser's logging operations on the property or Purchaser's presence on the property, including without limitation any liability for injury or loss of life, damages to property of the Purchaser, streams, lessees, or adjoining property. The Purchaser further agrees that it shall have and show proof of worker's compensation insurance currently in effect and shall continue to carry said insurance in the full amount required by law for the entire period that it, or its employees, are on the property.
12. Seller shall provide written documentation to the Purchaser that these terms and conditions have been met and showing that the Purchaser has no other contractual obligations to the Seller upon satisfactory completion of logging activities. Satisfactory completion shall be agreed to mean that all contractual obligations have been met and are in compliance with all terms and conditions, laws, regulations and other agreements made during the course of logging. Such written documentation shall not be unreasonably withheld.
13. In the event of dispute over the terms of this agreement, final decision will rest with an arbitration board of three persons, one to be selected by each party to this agreement, and a third to be selected by the first two members of the board. The cost of arbitration shall be shared equally by Purchaser and Seller. Notwithstanding the foregoing, or in addition to the foregoing, Purchaser and Seller may each bring action(s) in law or in equity to enforce their respective rights.

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SUMMERS TIMBER SALE

Bid Offer

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Date _____

For, and in accordance with the invitation to bid for certain timber offered for sale by Mr. Paul Summers and Mr. Philip Summers, and JCL, Inc. in Fayette County, Tennessee, and subject to the terms and conditions required by the Sellers, the undersigned agrees to purchase and pay the sum of \$_____.

Company Name _____

Street or P.O. Address _____

City/State/ZIP _____

Telephone _____

Authorized Signature _____ Title _____

(Mail, fax, or email your bid as shown above. Please feel free to bring your bid to the opening at the time and place described above.)