



2011038075 00165

FORSYTH CO, NC FEE \$26.00
STATE OF NC REAL ESTATE EXT
\$84.00

PRESENTED & RECORDED:
10-05-2011 02:12:42 PM

C. NORMAN HOLLEMAN
REGISTER OF DEEDS

BY: PATSY RUTH DAVIS
DPT

BK: RE 3023

PG: 1357-1361

STATE OF North Carolina

COUNTY OF Forsyth

Prepared by: Trey Church

TIMBER DEED

Excise Tax \$84.00

Original to Phil Carraw

THIS TIMBER DEED made and entered into this the 13th day of Sept 2011, by owner(s) I-40 Union Cross Real Estate, LLC hereinafter collectively referred to as the Grantor, and Church Real Estate Investments, a North Carolina limited liability company with principal offices located at 863 New Brown's Ford Road, Wilkesboro, Wilkes County, North Carolina 28697, hereinafter referred to as the Grantee.

WITNESSETH:

WHEREAS, the Grantor is the owner of certain timber which the Grantee wishes to purchase from the Grantor, said timber being located in Forsyth County, North Carolina, said tract being more particularly described as follows:

Deed Book 2961, page 1258 of the Forsyth County Registry, said deed being incorporated herein by reference; the particular portions of said land, containing approximately 87+/- acres.

KNOW ALL MEN BY THESE PRESENTS, that the Grantors, for the SUM of FOURTY-ONE THOUSAND, SEVEN HUNDRED AND SEVENTY-TWO DOLLARS (\$41,772), AND OTHER CONSIDERATIONS agree to sell the above described timber FOR WHICH A FULL PAYMENT IS MADE OF THIS DAY.

TO HAVE AND TO HOLD, said timber and all rights, privileges, and appurtenances thereto belonging, subject to the following terms and conditions, all of which are mutually understood and agreed to by both Grantor and Grantee:

1. The Grantor does covenant that the Grantor is seized of said timber and the lands upon which it is situated in fee simple and has the right to convey the same, that the same is free and clear of all liens and encumbrances, and that the Grantor shall defend the title against the lawful claims of all persons whomsoever.
2. The timber being sold is being defined as all merchantable timber within the Harvest Area, with the exception of marked boundary, corner and line trees as shown on Exhibit A.
3. The term of this sale shall be TWENTY-FOUR (24) months from the date of the execution of this timber deed, after which time the title to any remaining timber shall be deemed to have reverted to the Grantor. The Grantee may release the sale area prior to said date upon his completion of harvest and approval of compliance with these terms by the Grantor. Said release and approval shall be in writing.
4. No markers, corners, or marked boundary trees shall be cut, damaged or destroyed.
5. The Grantor assumes no liability for any loss of timber due to theft or any other artificial or natural cause during the Grantee's term of ownership.
6. The Grantee, by his acceptance of this timber deed, agrees to perform and comply with all applicable Best Management Practices (BMPs) regarding erosion and sedimentation control that are currently being administered and enforced by the NC Forest Service. The Grantee further agrees to indemnify and save the Grantor harmless for any and all non-compliance, fees, fines, and other costs resulting from the Grantee's actions or non-compliance.
7. The Grantee, by acceptance of this timber deed, agrees to indemnify and save the Grantor harmless for any and all costs resulting from damages, injury or death to any party that are a result of the Grantee's actions upon the property of the Grantor. The Grantee also agrees to indemnify and save the Grantor harmless for any and all damages, fines, fees, or reparation paid as the result of the Grantee's cutting beyond the timber-cutting boundary lines.

8. During and upon the termination of logging operations, the Grantee shall maintain and leave all existing roads on the property, used for transportation of forest products by a truck, in a good, passable condition with appropriate, intact erosion control measures as specified by BMPs. All artificial debris and trash —e.g. cans, bottles, wrappers, oil cans, and hydraulic oil containers—shall be kept gathered up during and removed upon the termination of the logging operation. No logging debris or brush shall be left in any field on the subject property or on any adjoining property.

9. The Grantee and his agents shall establish Streamside Management Zones for the purpose of reducing erosion into streams and maintaining water quality in compliance with state regulation in accord with Best Management Practices.

10. HARVEST BOUNDARIES are flagged as shown to the Grantee by Jeffrey L. Smith and shown in EXHIBIT "A."

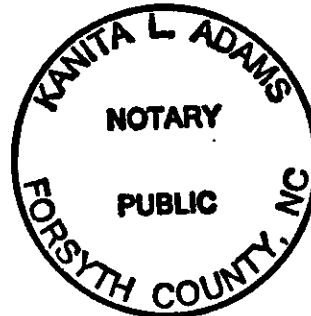
IN WITNESS WHEREOF, the Grantor and the Grantee have hereunto set their hands and seals, the day and date first written above.

GRANTOR

Jeffrey L. Smith (SEAL)

Jeffrey L. Smith, manager

I-40 Union Cross Real Estate, LLC



State of North Carolina, Forsyth County.

I Kanita L. Adams, a Notary Public, of said county, do hereby certify that Jeffrey L. Smith personally appeared before me this 13 day of September, 2011 and acknowledged the due execution of this agreement.

My commission expires: July 24, 2016.

Kanita L. Adams Kanita L. Adams Notary Public

GRANTEE

Mark Church (SEAL)

Mark Church, partner

Church Real Estate Investments, LLC

State of North Carolina, Wilkes County.

I Wilma B. Shell, a Notary Public, of said county, do hereby certify that Mark Church personally appeared before me this 19 day of September, 2011 and acknowledged the due execution of this agreement.

My commission expires: 12/26/2011.

Wilma B. Shell Notary Public

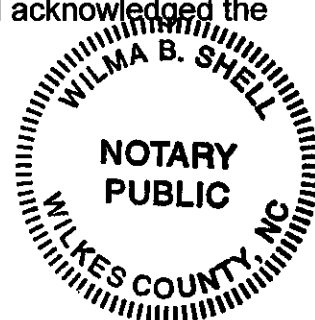
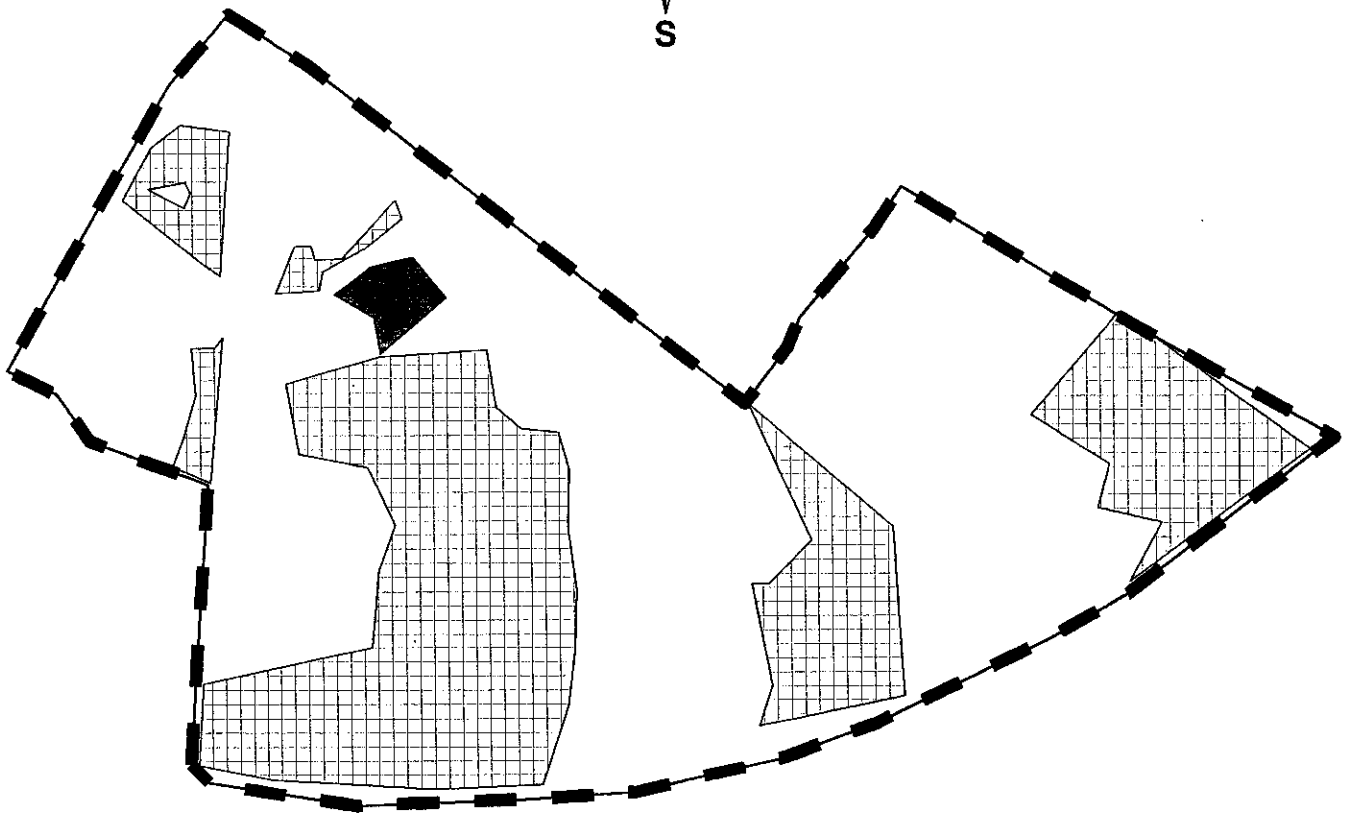
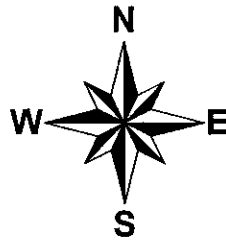


EXHIBIT "A"



-  HARVEST AREA
-  POND
-  PROPERTY BOUNDARY



Church Real Estate
Investments

09-07-2011

Scale = 1 : 500.00 (In : US Feet)

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.