



SAWMILL TIMBER SALE CONTRACT, (the "Contract")

This Sawmill Timber Sale Contract entered into this ____ day of June, **2023**, between Cecilia M. Anzures, M.D., a single resident of Florida, ("the" SELLER) and _____, a resident of _____, (the "LAND BUYER") and _____, a resident of _____, (the "PURCHASER").

WITNESSETH:

Paragraph 1: That for and in consideration of the total sale price of \$_____

Further defined as:

High Bid:	\$ _____
plus, Buyer's Premium of 10%:	\$ _____
Total Sale Price ("TSP")	\$ _____

Total Deposit due w/Contract-15% of TSP: \$_____

the Seller agrees to sell and the Purchaser agrees to purchase the Seller's Sawmill Timber as further described in the R.L. Taylor Forestry Service Timber Report/Cruise (the "Exhibit A"), attached hereto dated May 7, 2023. All harvestable sawmill timber is located within the Property boundaries area as shown on the attached land survey (the "Exhibit B") conducted by Turner Engineering Company, Elizabethtown, KY, (the "Property"). The Purchaser, Seller and Land Buyer jointly agree that said timber is entirely situated on the Property of Cecilia Anzures, M.D., which is located in Hardin County, Kentucky, off Mt. Olive Road, Big Clifty, Kentucky.

The Purchaser herein tenders to the escrow agent a non-refundable deposit in the amount of \$_____ payable to Tranzon Asset Advisors (the "Escrow Agent") as a sale deposit. This deposit amount is equal to fifteen percent (15%) of the Total Sale Price and due upon Purchaser acknowledgement of the Contract. The balance of the purchase price that is due to the closing agent, not including any settlement, survey or closing fees, at close of escrow is \$_____ and shall be due and payable on or before July 25, 2023. Time is of the Essence in this Contract and Sale. The Land Buyer, in consideration of \$1.00 and other good and valuable consideration, payable at closing, hereby enters into this Contract for the purpose of acknowledging and agreeing to abide by the terms hereunder during the term of this Contract.

Paragraph 2: The Seller hereby warrants and guarantees the accuracy of the Property boundary, which is identified by a recorded land survey which was conducted by Turner Engineering dated March 30, 2022, and attached hereto as Exhibit B. Further, the Seller and Land Buyer (to include all heirs, assigns and successors) agree to defend and warrants all right title and interests made herein against any and all adverse claims, should any arise. The Purchaser hereby agrees to harvest the timber in accordance with the specifications provided herein, and the statutes and guidelines promulgated by the Kentucky Division of Forestry and applicable law of the Commonwealth of Kentucky. The Land Buyer agrees to reasonably cooperate with and not impede the Purchaser's operations, employees, efforts and work in the removal of the Sawmill Timber under the terms of this Contract.

Paragraph 3: The Seller guarantees and warrants that it holds clear title to and the absolute right to sell the timber described in Exhibit A and further guarantees that there are no encumbrances of any kind, such as liens or mortgages against the timber. The Seller further agrees to defend said title against any and all claims. The Seller and Land Buyer warrants that they are legally vested and each holds the right to enter into this Contract in their capacities as the Seller and Land Buyer. The Seller and Land Buyer further

guarantee that their acknowledgement of this Contract and acceptance of monies paid through closing will be binding upon all heirs, assigns or successors. In the event the Land Buyer desires to sell the real estate on which the timber that has been purchased through this Contract is located, the Land Buyer is legally obligated to disclose to any future purchaser that title to said timber is held by the Purchaser and shall insure that it is noted on any transfer instrument to a new landowner that all designated sawmill timber, as described in Exhibit A, are owned by _____(Purchaser) for the Contract's term and under the conditions specified in Paragraph 6 below.

Paragraph 4: The Seller and Land Buyer agree to provide the Purchaser the right of ingress and egress over and through the Property in order to conduct the harvest, preparation and removal of the specified timber. This section, together with the above-referenced agreement of the Land Buyer and Seller to identify and show the sale boundaries to the Purchaser, shall be deemed sufficient to meet the requirements of Section 1, Subsection 2a of KRS 364.130, as it may apply to the Purchaser in any future claims of timber trespass which may arise from adjoining landowners.

The Purchaser and Land Buyer agree to the necessity and use of acceptable and sufficient sized areas for the timber placement, storage and loading/removal (the "Yarding Areas") of timber being harvested under this Contract. The exact location and routes of ingress and egress for the Yarding Areas locations will be cleared and utilized only after their locations have been established and agreed upon with the Land Buyer. The Purchaser agrees these Yarding Areas shall not block or impede any roadways, streams, lakes or ponds or other existing ingress/egress areas and will be restored to grass upon completion of the term of this Contract or the timber harvest, whichever is sooner.

Paragraph 5: The Purchaser is responsible for identifying any structures or utilities (water lines, gas transmission lines, cemeteries, etc.) that could be damaged while harvesting the timber.

Paragraph 6: The time period for the completion of this Contract shall be one (1) year from July 25, 2023. This Contract does allow for one (1) extension of a single thirty-day (30) period for the Purchaser to finalize the timber harvest, remove any remaining felled timber and equipment and to complete all restoration of the Yarding Areas. In order to effectuate this extension period, the Purchaser must notify, in writing, the Land Buyer of their intent to extend by June 30, 2024. Failure to provide notice shall automatically terminate the Purchaser's access rights at 12:00amEST July 24, 2024.

Furthermore, unless this Contract is extended, in writing and signed by the Land Buyer and Purchaser, all right to access the Property, remove equipment or product or for any other reason shall terminate at 6:00pmEST on August 15, 2024. The Purchaser agrees that all logs, equipment, or other property of the Purchaser shall be removed from the Seller's Property by the end of the term of this Contract or its written extensions, unless prior approval is obtained from the Land Buyer. Any personal property or timber that is not removed by the above noted timelines shall be considered abandoned by the Purchaser to the Land Buyer.

Paragraph 7: The Seller is released and will have no control or authority to enforce or be obligated to further moderate the actions, work, agreements or disputes of the Land Buyer and Purchaser upon satisfaction of its obligations herein. Land Buyer and Purchaser hereinafter release, indemnify and agree to defend the Seller, at their cost and expense, from any and all disputes arising between the Land Buyer and Purchaser. The Seller's obligations of providing clear title, identification of the Property boundary and all other duties are considered met, discharged and satisfied once this Contract has been closed. These covenants shall continue and remain in full force and effect after closing.

Paragraph 8: It is understood by the parties that the Purchaser is an independent entity and not an employee, agent or contractor of the Seller and Land Buyer. The Purchaser agrees to assume all risk related to the harvesting of the trees covered by this Contract and to protect, indemnify, and save harmless, the Seller and Land Buyer, from any and all liability, claims and actions covering loss, costs,

expense and damages of every kind and description which may be brought or made against the Seller or Land Buyer on account of or in any manner arising out of the work being done under this Contract as may be sustained by any person, or firm, or by the Purchaser or his agent, employees, contractor(s) or sub-contractor(s).

The Purchaser is responsible for purchasing liability, hazard, property, unemployment, and/or workman's compensation insurance required, and agrees to save harmless, the Seller and Land Buyer, from any and all liability which may arise as a result of actions and activities which are executed by the Purchaser, the Purchaser's employees, agents, visitors, contractors, vendors, or others engaged in any way with the Purchaser under this Contract. **PRIOR TO CLOSING the Purchaser will direct its insurance provider(s) to stipulate and also provide to the Seller and Land Buyer a copy of its comprehensive liability insurance naming the Seller and Land Buyer as "Additionally Insured Parties." The minimum amount of the liability policy is agreed to be \$2,000,000.00.**

The Purchaser shall be responsible for payment of all of its own taxes including, but not limited to, Federal, State, sales, excise and local taxes arising out of the Purchaser's activities in accordance with this Contract. Purchaser agrees that it will not cause or permit any vendor or mechanicsman lien to be filed against the Property, Seller or Land Owner and will indemnify and defend, at the Purchaser's expense all claims resulting from the Purchaser's activities at the Property.

Paragraph 9: - Property Restoration Requirements: The Purchaser agrees to protect and/or maintain all physical improvements of the Seller's Property and adjoining landowner's property, such as roads, bridges, fences, pastures, and cultivated fields, affected by the activities conducted under this Contract in functional condition throughout the life of this Contract and to leave them in as good a condition as found upon the Contract's expiration. Log yards and skid trails (where necessary) shall be leveled and seeded with a mixture of grass seed in a quantity sufficient to stabilize and re-establish the disturbed areas. The log yard(s) will be identified prior to being used by the Purchaser with the Land Buyer, in accordance with Paragraph 4. Log yards and access roads will be restored prior to the completion of the Contract.

Paragraph 10: Access to the Seller's/Land Buyer's Property shall be made available by the Seller or Land Buyer, as applicable. However, the Purchaser should take reasonable care and avoid utilizing the access during periods of weather that is wet enough to cause severe damage to the Property.

Paragraph 11: To reduce soil erosion and protect water quality at the Property and downstream of the Property, the Purchaser further agrees to implement the current edition of Best Management Practices (BMPs), as contained in "Kentucky Forest Practice Guidelines For Water Quality Management", in all activities in the Seller's woodlands and Property and that a Kentucky Master Logger will be on-site at all times during harvesting operations.

In accordance with Best Management Practices all roads and streams will be cleared of tops, logs, brush and other logging debris. All haul roads and skid trails will be smoothed and water bars or diversion ditches installed as needed to prevent erosion. Yarding areas located in fields shall be smoothed to the original contour and restored as herein described. Roads and skid trails shall be sown as necessary in sufficient quantity with appropriate seed to minimize soil erosion. All trash and debris (oil cans, food containers, fuel cans, paper, etc.) shall be removed from the site **daily** throughout the logging operations, and in no event shall be left on site after completion of the harvesting operation.

Paragraph 12: The Purchaser agrees to remove any designated trees and or tops which fall from the property of the Seller onto adjacent properties. Purchaser further agrees he is responsible for any timber or Property damage to adjoining properties, or fence lines, caused by Purchaser's harvesting operations taking place on the Property belonging to the Seller.

Paragraph 13: No party shall, without prior written consent of the other, assign or otherwise transfer any interest in this Contract. Nor shall any amendment or modification of this Contract be effective unless reduced to writing and signed by all parties. Seller's/Land Buyer's delay or failure to cancel or terminate this Contract upon the occurrence of any default shall not be deemed a waiver or release Seller/Land Buyer's rights, claims or causes of action arising from this Contract or by common or statutory law.

Any and all modifications of this Contract shall be reduced to writing, dated, and signed by both parties, and attached to this Contract within a reasonable time after such modifications are discussed and agreed upon by both parties.

Paragraph 14: - Other Considerations:

- a. Realizing that it may be necessary to suspend logging operations when conditions are such that excessive rutting, as determined by a reasonable and objective standard occurs, the Purchaser agrees to appropriately repair ALL damages to the Seller's property, in particular rutting, caused by wet weather logging conditions.
- b. The Land Buyer will retain title to tops and other normal timber debris not considered merchantable for logs or pulpwood to dispose of as Land Buyer sees fit. The Purchaser shall not allow or leave any hanging tops in trees during the term of this Agreement.
- c. The Purchaser agrees to pay, at closing, an amount equal to one-third (1/3) of the total survey costs as provided by Turner Engineering, Inc. This amount will be finally determined prior to the closing and will not exceed \$5,300.00.
- d. Purchaser will limit all logging to merchantable sawtimber of fourteen inches (14") Diameter Breast Height (DBH) or larger, as noted and measured by Exhibit A – the Taylor Forestry Report.

Paragraph 15: Dispute Resolution, Governing Law and Venue. This Agreement and the obligations of the parties hereunder shall be governed in all respects by the laws of the Commonwealth/State of Kentucky. Any dispute arising under or in connection with this Agreement or related to any matter which is the subject of this Agreement shall be subject to the exclusive jurisdiction and venue of the courts sitting in Hardin County, Kentucky. To facilitate judicial resolution and save the parties time and expense, any right to trial by jury is hereby waived by the parties. The Agent and Seller further agree that whichever party prevails in the legal action shall have the right to collect all costs, fees and expenses, including, but not limited to, reasonable attorney fees for enforcement or defense of its rights under this Agreement.

All notices relating to this Agreement shall be in writing and shall be considered delivered when hand delivered or deposited with the United States Postal Service, postage prepaid, via certified mail return receipt requested, and addressed to the parties at the addresses indicated above or such other addresses as they may, by notice, specify.

Signed and executed this _____ day of June, 2023 with a copy to the Seller, the Land Buyer, the Purchaser and the Seller's Agent, each copy having the force and effect of an original.

Acknowledgement:

(Seller): Cecilia M. Anzures, M.D.

_____ Date: _____ Time: _____

Cecilia M. Anzures, M.D.

(Purchaser): _____

_____ Date: _____ Time: _____

Name: _____

(Land Buyer): _____

_____ Date: _____ Time: _____

Name: _____

STATE OF KENTUCKY)

COUNTY OF HARDIN

The foregoing SAWMILL TIMBER CONTRACT was duly acknowledged and sworn to before me by CECILIA M. ANZURES, M.D. (SELLER) on this _____ day of June, 2023.

NOTARY PUBLIC, STATE AT LARGE
Printed Name: EDWARD D. DURNIL
Notary ID #: KYNP9891
My Commission Expires: 8/8/2024

STATE OF KENTUCKY)

COUNTY OF HARDIN)

The foregoing SAWMILL TIMBER CONTRACT was duly acknowledged and sworn to before me by _____ (PURCHASER) on this _____ day of June, 2023.

NOTARY PUBLIC, STATE AT LARGE
Printed Name: EDWARD D. DURNIL
Notary ID #: KYNP9891
My Commission Expires: 8/8/2024

STATE OF KENTUCKY)

COUNTY OF HARDIN)

The foregoing SAWMILL TIMBER CONTRACT was duly acknowledged and sworn to before me by _____(LAND BUYER) on this _____ day of June, 2023.

NOTARY PUBLIC, STATE AT LARGE
Printed Name: EDWARD D. DURNIL
Notary ID #: KYNP9891
My Commission Expires: 8/8/2024

SAMPLE

THIS INSTRUMENT WAS PREPARED BY:

EDWARD D. DURNIL
TRANZON ASSET ADVISORS
1108-A NORTH DIXIE AVENUE
ELIZABETHTOWN, KY 42701

Note to County Clerk: Upon filing, please remit original to Edward Durnil, Tranzon, 1108-A North Dixie Avenue, Elizabethtown, KY 42701