

TIMBER SALE CONTRACT¹

The Seller

Timber Buyer (License # _____)

Full Name(s)

Full Name

US Mailing Address

US Mailing Address

Phone Number

Phone Number

The *Seller* being the legal owner or the lawful authorized agent for the following described timber agrees to sell and the *Buyer* agrees to buy upon the terms and conditions hereinafter stated the designated timber marked with _____ colored paint above stump height and at ground line, and legally owned by the *Seller* on lands located in the:

_____ Quarter, Section _____, Township _____, Range _____, County of _____, State of Illinois;

_____ Quarter, Section _____, Township _____, Range _____, County of _____, State of Illinois.

Total number of trees conveyed by this contract is _____ with an estimated volume of _____ bd. ft. (Doyle Tree Scale).

A. Payments, Terms, and Contract Period:

- **Total Bid Price \$** _____ **IL 4% Harvest Fee \$** _____ (mandatory per 225 ILCS 732/2)
 - IL 4% Timber Harvest fee is paid to IDNR by the *Buyer* on behalf of the *Seller*.
- **Total Net Payment \$** _____, which is hereby understood as Total Bid Price less IL 4% Timber Harvest Fee.
 - Was *Total Net Payment* paid in full and received by owner on the contract signing date? **Yes** _____ **No** _____
 - Check Number: _____
 - If *No*, the *Buyer* has provided the *Seller* a **15-percent** Down Payment in the form of a cashier's check or a certified check in the amount of \$ _____, and the *Seller* hereby acknowledges receipt of said down payment.
 - The balance of \$ _____, which is hereby understood as Total Net Payment less the Down Payment, shall be paid **10** business days prior to the commencement of timber cutting based on the number of trees specified and the volume estimates contained herein. The *Seller* is not legally obligated to return any portion of the Total Net Payment in the event the *Buyer* fails to remove all the marked and designated timber authorized for sale via this contract.
- **Contract Period:** This Contract will be in effect from _____, **20** _____ to _____, **20** _____, after which time the contract is null and void, unless the *Seller* and *Buyer* agree upon a written extension due to circumstances such as weather-related events that render soil conditions unacceptable for skidding and hauling. All rights to remaining cut/standing timber and logs included in this contract returns to the *Seller* if no extension is granted, and the *Seller* shall be under no obligation to return payments to the *Buyer*. A reasonable contract period for the harvesting of standing timber is 18-24 months.

¹ Neither Jay Hayek nor University of Illinois Extension Forestry assumes legal responsibility for provisions or agreements stated in this *sample* contract. Adapted in part from numerous state and Extension forestry agencies throughout the US.

Initials _____ & _____

B. Seller Agrees to the Following:

1. The *Seller* guarantees title to the timber and has the full legal authority to dispose of the timber in the manner specified herein.
2. The *Seller* has and warrants legal ingress/egress onto this property for the agreed upon timber harvesting purposes.
3. The *Seller* agrees that no concurrent contract involving the area trees or period covered in this contract has been or will be entered into by the *Seller* without the written consent of the *Buyer*.
4. *Seller* agrees to identify (e.g., paint, flagging, signs, etc.) property lines and corner markers/monuments of said property.
 - a. Both parties have inspected the property lines and the *Buyer* agrees to harvest only those marked trees within the established boundary.
5. To grant the *Buyer* and his employees access to the timber and trees at all reasonable times, seasons (which includes fall/winter deer hunting and spring turkey hunting), and weather for the sole purpose of carrying out the terms of this contract.
 - a. *Seller* agrees to coordinate logging activities with the *Buyer* during deer hunting season and turkey season, but only with the mutual understanding that logging activities and hunting activities may occur concurrently on-site.
6. The *Buyer*, his employees, and equipment shall be given protection from all livestock, farming, recreation, and hunting activities.

C. Buyer Agrees to the Following:

1. The *Seller* retains ownership of all marked timber described in this contract until successfully paid for in full by the *Buyer*.
2. The *Buyer* agrees to notify the *Seller* and *Forester* at least **48 hours** in advance of initiating logging operations.
3. The *Buyer* agrees that any/all subcontractors used for felling, skidding, yarding, loading, and transporting, are also bound to the conditions and provisions stated in this contract.
4. The *Buyer* agrees to cease all logging/hauling operations on the *Seller's* property during the 1st & 2nd firearm deer season, unless provisioned for specifically in **Section G: Part 4abc**.
5. The *Buyer* agrees to level and grade all skid trails, skidder & truck ruts, and decking / yarding areas upon harvest completion.
6. The *Buyer* agrees to obtain & maintain general liability and worker's compensation insurance throughout the harvesting operation.
7. The *Seller*, his authorized agent(s), and the *Forester* reserve the right to monitor the harvesting operation at any time to verify that the provisions of this contract are being carried out faithfully by the *Buyer*.
8. The *Seller*, his authorized agent(s), and the *Forester* may suspend harvesting operations, including removal of cut timber, if conditions of this contract are violated. Violations of conditions of this contract are sufficient grounds for termination of contract.
9. The *Seller*, his authorized agent(s), and the *Forester* have not made and do not make any warranties or other representations regarding the quantity, quality, or value of the trees or forest products covered by this contract.

D. Damages and Remedies

1. *Buyer* agrees to pay the *Seller* triple stumpage damages for each merchantable tree that is cut in violation of the terms of this contract pursuant to Illinois Conservation Law (740 ILCS 185/ Wrongful Tree Cutting Act); however, this shall not be construed as permission to cut any tree(s) not designated by the *Forester*.
 - a. The *Seller's* decision to assess damages as provided here and to allow the *Buyer* to continue performance under this contract shall not be construed as a waiver of other contract performance requirements.
2. The *Buyer* is liable for any damage to cropland, fields, and standing crops induced by the *Buyer's* logging and hauling activities.
 - a. Land in row crop production (**May or May Not**) be used for skidder turns, haul roads, or decking/land areas.
3. The *Buyer* agrees to repair to original condition or pay for at replacement cost any damage, caused by logging operations, to ditches, culverts, fences, bridges, roads, trails, buildings, or other improvements damaged beyond ordinary wear and tear.
4. The *Buyer* and his employees shall exercise care at all times against the starting and spreading of fires in the sale and surrounding areas and accepts full liability for all property damage or bodily injury induced by *Buyer's* neglect.
5. Other _____
6. Other _____

E. Liability & Insurance

1. The *Buyer* agrees to protect, indemnify, and save harmless the *Seller*, his authorized agent(s), and the *Forester* from and against all causes of action, claims, demands, suits, liability, or expense by reason of loss or damage to any property or bodily injury to any person, including death, as a direct or indirect result of timbering operations under this contract or in connection with any action or omission of the *Buyer*, who shall defend the *Seller* and *Forester* in any cause of action or claim.
2. The *Buyer* is an independent contractor for all purposes including Worker’s Compensation and General Liability Insurance and is not an employee or agent of the *Seller*.
 - a. The same holds true for any subcontractor the *Buyer* uses to carry out felling, skidding, loading, and transporting.
3. The risk of loss or damage to the designated trees herein purchased from any and all causes whatever shall be borne by the *Buyer* from the date hereof.
4. Other _____

F. Logging Operations & Forestry Best Management Practices (BMPs)

1. No trees, standing or downed, except those explicitly designated and marked by the *Forester*, shall be harvested.
2. The *Buyer* and *Seller* must agree upon the location of all haul roads, landings, and decking areas prior to logging operations.
 - a. Upon completion of the harvest, the *Buyer* agrees to restore all skid trails, skidder ruts, haul roads, trucking ruts, and yarding / decking areas, by appropriate leveling, resurfacing, and grading techniques, including revegetation, as specified by the *Seller* or *Forester*.
3. All skid trails, haul roads, log landings, fields, and streams at present on the lands described herein, shall be left clear and free of logs, treetops, brush, debris, and other obstructions during and at time of completion of the logging operation by the *Buyer*.
4. Streams are not to be randomly crossed by logging equipment and log trucks: Stream crossing locations shall be designated by the *Forester* or the *Seller*:
 - a. Temporary stream crossings made with logs and brush piled in the stream and covered with soil are NOT permitted.
5. Except at stream crossings, haul roads will not be constructed within 100 feet of any stream, river, pond, or lake on the property.
6. All logging debris (trees, tops, stumps, limbs, etc.) if felled or pushed into boundary lines, streams, rivers, ponds, or lakes shall be moved back/removed immediately a minimum of 50 feet by the *Buyer* or will be in violation of Illinois Conservation Law.
7. Limit or avoid road building and skidding activities in designated wetland areas according to state and federal regulations.
8. Skidding of logs is not permissible up and down perennial and intermittent stream channels and narrow ravines.
9. The *Buyer* agrees to use approved directional felling techniques and extreme care in skidding to protect desirable advance regeneration and unmarked, future harvestable trees.
10. The *Buyer* agrees to eliminate all hanging trees induced by the buyer’s logging operation and agrees to promptly release all young trees (i.e., spring-poles) unavoidably bent or held down by felled trees.
11. Log decks and landings will not be constructed within 150 feet of any stream, river, pond, or lake on the property, unless authorized in advance by the *Forester*.
12. Skid trails will be spread out on several paths and not concentrated except for major haul trails. Skidding will be conducted on gradual grades instead of straight up and down slopes as much as possible.
13. The *Buyer* agrees to properly use and dispose of all petroleum and hazardous products, including but not limited to oil, oil filters, grease cartridges, hydraulic fuel, and diesel fuel. Any on-site spillage must be properly reported, removed, and cleaned up by the *Buyer* in accordance with applicable statutes and rules of the State of Illinois.
14. The *Buyer* agrees to install, at his own cost, sediment control structures (e.g., water bars) on all skid trails located on slopes where directed by the *Forester*; and to install appropriate structures (e.g., temporary skidder bridges, culverts, or rock fords) to cross perennial/intermittent streams as required by the *Forester*.
15. Other _____

16. Other _____

G. The Buyer and Seller Mutually Agree to the Following:

1. This contract, together with specifications in the Timber Sale Announcement, as well as reference to parts and attachments, shall constitute the entire agreement and any previous communications or agreements pertaining to this contract are hereby superseded.
2. All modifications of this agreement shall be reduced in writing, dated, signed, witnessed, and attached to this contract.
3. Both parties have visually inspected, located, and acknowledged all property boundaries, septic fields, oil & water wells, tile drainages, etc., for the purposes of all logging, skidding, landing, decking, and hauling operations.
4. Both parties have verbally discussed how to handle logging operations that will likely overlap with deer & turkey hunting seasons.
 - a. _____
 - b. _____
 - c. _____
5. Both parties agree to discuss, **PRIOR** to closing out the logging operation, the resurfacing, releveling, and grading of all skid trail(s), haul road(s), ditches, stream banks, decking area(s), and log landing(s).
 - a. The *Buyer* is legally responsible, at his own cost, to come back to the *Seller's* property to remedy any shortcomings in closing out the logging operation if the *Buyer* fails to seek approval of final resurfacing, releveling, and grading.
6. Neither party shall be liable for defaults or delays due to acts of God or the public enemy.
7. The laws of the State of Illinois shall govern this agreement. The *Buyer* shall at all times comply with all federal, state, and local laws, ordinances, and regulations in effect during the contract period.
8. In case of dispute over the terms of this contract, the final decision shall rest with an arbitration board of three persons; one to be selected by each party to this contract and a third to be selected by agreement of both parties.
9. Other _____

10. Other _____

H. This Contract is Binding Upon Their Heirs, Successors, and Assigns of the Parties Hereto.

In witness whereof, the parties hereto have set their hands and seals, this _____ day of _____, 20 _____

Seller(s) / Power of Attorney:

Buyer(s):

_____ Date _____

_____ Date _____

_____ Date _____

_____ Date _____

Witnessed:

_____ Date _____

_____ Date _____