

PREPARED BY:

MARK R. BRIDWELL, ESQ.
RAYONIER INC.
P.O. BOX 723
FERNANDINA BEACH, FL 32034

RETURN TO:

David A. Hallman, Esq.
Nassau County Attorney
96135 Nassau Place, Suite 6
Yulee, Florida 32097

STATE OF FLORIDA
COUNTY OF NASSAU

SPECIAL WARRANTY DEED
(Florida Property)

THIS SPECIAL WARRANTY DEED, is made this 26th day of September, 2012, from **RAYONIER FOREST RESOURCES, L.P.**, a Delaware limited partnership (f/k/a Rayonier Timberlands Operating Company, L.P., a Delaware limited partnership, by name change n/k/a Rayonier Forest Resources, L.P.), whose address is 1901 Island Walkway, Fernandina Beach, Florida 32034 ("Grantor"), to **NASSAU COUNTY BOARD OF COUNTY COMMISSIONERS**, a political subdivision of the State of Florida, whose address is 96135 Nassau Place, Suite 1, Yulee, FL 32097 ("Grantee").

W I T N E S S E T H:

THAT GRANTOR, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, hereby grants, bargains, sells, aliens, remises, releases, conveys and confirms unto Grantee, all that land and improvements thereon located in **Nassau County, Florida** as more particularly described at EXHIBIT A, attached hereto and by reference made a part hereof (the "Property").

TAX PARCEL ID# 09-2N-25-0000-0001-0000

THIS CONVEYANCE IS SUBJECT TO: Ad valorem property taxes accruing subsequent to December 31, 2011; cemeteries, easements, encroachments, servitudes, covenants, restrictions, zoning ordinances, rights-of-way, outstanding mineral interests, riparian rights, the rights of the public or any governmental entity in and to any portion of the land lying below the ordinary mean high water line of any body of water, and all matters of record or apparent from a survey or inspection of the Property.

TOGETHER WITH all tenements, hereditaments and appurtenances, thereto belonging or in anywise appertaining.

TO HAVE AND TO HOLD the same in fee simple forever.

AND GRANTOR hereby covenants with Grantee that Grantor is lawfully seized of the Property in fee simple; that Grantor has good right and lawful authority to sell and convey the Property; that Grantor hereby fully warrants the title to the Property and will defend the same against the lawful claims of all persons claiming by, through and under Grantor for claims arising during the period of time of Grantor's ownership of the Property, but against none other.

(SIGNATURES ON FOLLOWING PAGE)

IN WITNESS WHEREOF, Grantor has caused this instrument to be executed on the day and year first above written.

Signed and sealed in the presence of:

RAYONIER FOREST RESOURCES, L.P.
By its Managing General Partner: **RAYONIER**
TIMBERLANDS MANAGEMENT, LLC

Cyndi Jones
Cyndi Jones (Print)
Laura F. Davis
Laura F. Davis (Print)

By: John Enlow
John Enlow
Its: Director, Atlantic and Northern Regions
Attest: Mark R. Bridwell
Mark R. Bridwell
Its: Assistant Secretary

STATE OF FLORIDA
COUNTY OF NASSAU

THE FOREGOING INSTRUMENT was acknowledged before me this 24th day of September, 2012, by John Enlow, Director, Atlantic and Northern Regions and Mark R. Bridwell, Assistant Secretary, of Rayonier Timberlands Management, LLC, a Delaware limited liability company, as the managing general partner of Rayonier Forest Resources, L.P., a Delaware limited partnership, and who are personally known to me.



ELIZABETH M. LOWE
NOTARY PUBLIC
STATE OF FLORIDA
Comm# EE136960
Expires 10/10/2015

Elizabeth M. Lowe
Notary Public, State of Florida
Elizabeth M. Lowe
My Commission Expires: 10/10/15
Commission No.: EE136960

EXHIBIT "A"

A PORTION OF LANDS LYING IN SECTION 9, TOWNSHIP 2 NORTH, RANGE 25 EAST, NASSAU COUNTY FLORIDA BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

FOR A POINT OF REFERENCE COMMENCE AT THE SOUTH WEST CORNER OF SECTION 9; THENCE RUN NORTH $02^{\circ}02'33''$ EAST ALONG THE WESTERLY LINE OF SAID SECTION 9, A DISTANCE OF 1,398.50 FEET TO THE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE CONTINUE NORTH $02^{\circ}02'33''$ EAST ALONG THE WESTERLY LINE OF SAID SECTION, A DISTANCE OF 1,063.71 FEET; THENCE SOUTH $15^{\circ}56'06''$ EAST DEPARTING THE WESTERLY LINE OF SAID SECTION, A DISTANCE OF 81.00 FEET; THENCE SOUTH $02^{\circ}02'33''$ WEST, PARALLEL TO AND 25.00 FEET EAST OF, WHEN MEASURED AT RIGHT ANGLES TO, THE WESTERLY LINE OF SAID SECTION, A DISTANCE OF 854.00 FEET; THENCE SOUTH $12^{\circ}42'52''$ WEST, A DISTANCE OF 135.00 FEET TO THE POINT OF BEGINNING.

SAID LANDS CONTAIN 23,971.38 SQUARE FEET OR 0.55 ACRES MORE OR LESS.

SETTLEMENT STATEMENT

SELLER: RAYONIER FOREST RESOURCES, L.P.

BUYER: NASSAU COUNTY BOARD OF COUNTY COMMISSIONERS

PROPERTY: .55 ACRES, NASSAU COUNTY, FLORIDA

CLOSING DATE: SEPTEMBER 26, 2012

BUYER		SELLER	
PURCHASE PRICE	1,100.00	PURCHASE PRICE	1,100.00
Recording Fee (Payable to Nassau County Clerk of Court)	43.20		
2012 Prorated Taxes (9/26/12 – 12/31/12)	.49	2012 Prorated Taxes (9/26/12 – 12/31/12)	.49
Gross Amount to Close	1,143.69	Gross Amount To Seller	1,100.49

BUYER CREDITS		SELLER DEDUCTIONS	
Deposit Paid		Deposit Received	
Total Credits		Total Deductions	

BUYER'S RECAPITULATION		SELLER'S RECAPITULATION	
Gross Amount to Close	1,143.69	Purchase Price	1,100.49
Less: Total Credits		Less: Deductions	
Total Required to Close	1,143.69	Net Proceeds to Seller	1,100.49

DISBURSEMENTS:

Nassau County Clerk of Court	\$ 43.20
Rayonier Forest Resources, L.P.	1,000.49
Rayonier Forest Resources, L.P.	100.00**

TOTAL DISBURSEMENTS **\$1,143.69**



**\$100 earnest money credit erroneously reflected on initial Settlement Statement. First version of the Purchase and Sale Agreement required \$100 earnest money however; the final version required no earnest money deposit.

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BUYER: Nassau County Board of County Commissioners.

SELLER: Rayonier Forest Resources, L.P.

PROPERTY: .55 Acres, Nassau County, FL

CLOSING DATE: September 26, 2012

I have reviewed the foregoing Settlement Statement and hereby approve same, acknowledging receipt of all monies due and authorizing disbursement in accordance therewith.

SELLER:

RAYONIER FOREST RESOURCES, L.P.

By its Managing General Partner

RAYONIER TIMBERLANDS

MANAGEMENT, LLC

By: _____

Mark R. Bridwell

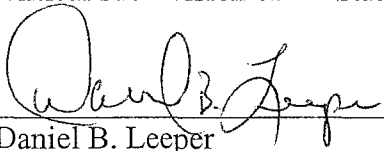
Its: Assistant Secretary

BUYER:

NASSAU COUNTY

BOARD OF COUNTY COMMISSIONERS

A political subdivision of the State of Florida

By:  _____

Daniel B. Leeper

Its: Chairman

Page 2

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By its Managing General Partner

RAYONIER TIMBERLANDS

MANAGEMENT, LLC

By: 
Mark R. Bridwell

Its: Assistant Secretary

BUYER:

NASSAU COUNTY

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By: _____

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OWNER'S POLICY OF TITLE INSURANCE
OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY

Any notice of claim and any other notice or statement in writing required to be given to the Company under this Policy must be given to the Company at the address shown in Section 18 of the Conditions.

COVERED RISKS

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B, AND THE CONDITIONS, OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY, a Minnesota corporation (the "Company") insures, as of Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from
 - (a) A defect in the Title caused by
 - (i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
 - (ii) failure of any person or Entity to have authorized a transfer or conveyance;
 - (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
 - (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
 - (v) a document executed under a falsified, expired, or otherwise invalid power of attorney;
 - (vi) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
 - (vii) a defective judicial or administrative proceeding.
 - (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
 - (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
3. Unmarketable Title.
4. No right of access to and from the Land.
5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (a) the occupancy, use, or enjoyment of the Land;
 - (b) the character, dimensions, or location of any improvement erected on the Land;
 - (c) the subdivision of land; or
 - (d) environmental protection

if a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce but only to the extent of the violation or enforcement referred to in that notice.

(Covered Risks continued)

In Witness Whereof, OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY, has caused this policy to be signed and sealed as of Date of Policy shown in Schedule A, the policy to become valid when countersigned by an authorized signatory of the Company.

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY
A Stock Company
400 Second Avenue South, Minneapolis, Minnesota 55401
(612) 371-1111



By  President

Attest  Secretary

SERIAL
OF6-8073829

(Covered Risks continued)

6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.
7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.
9. Title being vested other than as stated in Schedule A or being defective
 - (a) as a result of the avoidance in whole or in part, or from a court order providing an alternative remedy, of a transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction vesting Title as shown in Schedule A because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or
 - (b) because the instrument of transfer vesting Title as shown in Schedule A constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the Public Records
 - (i) to be timely, or
 - (ii) to impart notice of its existence to a purchaser for value or to a judgment or lien creditor.
10. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 9 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The Company will also pay the costs, attorneys' fees, and expenses incurred in defense of any matter insured against by this Policy, but only to the extent provided in the Conditions.

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy; or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
 - (a) a fraudulent conveyance or fraudulent transfer; or
 - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY
OWNER'S POLICY
Schedule A

Policy No.: OF6-8073829
Effective Date: September 28, 2012, at 9:27 AM

Fund File Number: na
Agent's File Reference: NC/Rayonier

Amount of Insurance: \$1,100.00

1. Name of Insured:

Nassau County, a political subdivision of the State of Florida

2. The estate or interest in the land described herein and which is covered by this policy is a fee simple and is at the effective date hereof vested in the named insured as shown by instrument recorded in O.R. Book 1816 Page 240, of the Public Records of Nassau County, Florida.

3. The land referred to in this policy is described as follows:

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OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY

AGENT NO.: 3667701
ISSUED BY: Mollie M. Garrett

MAILING ADDRESS:

463688 State Rd 200 STE 1-315
Yulee, FL 32097

AGENT'S SIGNATURE


Mollie M. Garrett

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY
OWNER'S POLICY

Schedule B

Policy No.: OF6-8073829

Fund File Number: na
Agent's File Reference: NC/Rayonier

This policy does not insure against loss or damage by reason of the following exceptions:

1. Taxes for the year of the effective date of this policy and taxes or special assessments which are not shown as existing liens by the public records.
2. Rights or claims of parties in possession not shown by the public records.
3. Encroachments, overlaps, boundary line disputes, and any other matters which would be disclosed by an accurate survey and inspection of the premises.
4. Easements or claims of easements not shown by the public records.
5. Any lien, or right to a lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
1. Subject to all Permitted Encumbrances related to the subject property identified in EXHIBIT "B", recorded in Official Record Book 905, Page 1032, and subsequently corrected by corrective deeds recorded in Official Record Book 976, Page 1628, Book 1000, Page 1946; and Book 1083, Page 770.
2. Subject to payment of all Nassau County Landfill Assessments by virtue of Ordinance No. 88-20.
6. Subject to the rights of the tenants/lessees under unrecorded leases, if any.

CONDITIONS

I. DEFINITION OF TERMS

The following terms when used in this policy mean:

- (a) "Amount of Insurance": The amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b), or decreased by Sections 10 and 11 of these Conditions.
- (b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.
- (c) "Entity": A corporation, partnership, trust, limited liability company, or other similar legal entity.
- (d) "Insured": The Insured named in Schedule A.
 - (i) the term "Insured" also includes
 - (A) successors to the Title of the Insured by operation of law as distinguished from purchase, including heirs, devisees, survivors, personal representatives, or next of kin;
 - (B) successors to an Insured by dissolution, merger, consolidation, distribution, or reorganization;
 - (C) successors to an Insured by its conversion to another kind of Entity;
 - (D) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title
 - (1) if the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,
 - (2) if the grantee wholly owns the named Insured,
 - (3) if the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity, or
 - (4) if the grantee is a trustee or beneficiary of a trust created by a written instrument established by the Insured named in Schedule A for estate planning purposes.
 - (ii) with regard to (A), (B), (C), and (D) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured.
- (e) "Insured Claimant": An Insured claiming loss or damage.
- (f) "Knowledge" or "Known": Actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.
- (g) "Land": The land described in Schedule A, and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.
- (h) "Mortgage": Mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.
- (i) "Public Records": Records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge. With respect to Covered Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.
- (j) "Title": The estate or interest described in Schedule A.
- (k) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title to be released from the obligation to purchase, lease, or lend if there is a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE

The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of the Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 5(a) of these Conditions, (ii) in case Knowledge shall come to an Insured hereunder of any claim of title or interest that is adverse to the Title, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if the Title, as insured, is rejected as Unmarketable Title. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

4. PROOF OF LOSS

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance, or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

5. DEFENSE AND PROSECUTION OF ACTIONS

- (a) Upon written request by the Insured, and subject to the options contained in Section 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action. It shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs, or expenses incurred by the Insured in the defense of those causes of action that allege matters not insured against by this policy.
- (b) The Company shall have the right, in addition to the options contained in Section 7 of these Conditions, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.
- (c) Whenever the Company brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction, and it expressly reserves the right, in its sole discretion, to appeal any adverse judgment or order.

6. DUTY OF INSURED CLAIMANT TO COOPERATE

- (a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the Insured, at the Company's expense, shall give the Company all reasonable aid (i) in securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title or any other matter as insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.
- (b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection, and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect, and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage. All information designated as confidential by the Insured Claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath, produce any reasonably requested information, or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

7. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY

In case of a claim under this policy, the Company shall have the following additional options:

- (a) To Pay or Tender Payment of the Amount of Insurance.

To pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay.

Upon the exercise by the Company of this option, all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in this subsection, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

- (b) To Pay or Otherwise Settle With Parties Other Than the Insured or With the Insured Claimant.

- (i) to pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or

- (ii) to pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in subsections (b) (i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

8. DETERMINATION AND EXTENT OF LIABILITY

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.

- (a) The extent of liability of the Company for loss or damage under this policy shall not exceed the lesser of

- (i) the Amount of Insurance; or

- (ii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy.

- (b) If the Company pursues its rights under Section 5 of these Conditions and is unsuccessful in establishing the Title, as insured,

- (i) the Amount of Insurance shall be increased by 10%, and
- (ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.
- (c) In addition to the extent of liability under (a) and (b), the Company will also pay those costs, attorneys' fees, and expenses incurred in accordance with Sections 5 and 7 of these Conditions.

9. LIMITATION OF LIABILITY

- (a) If the Company establishes the Title, or removes the alleged defect, lien, or encumbrance, or cures the lack of a right of access to or from the Land, or cures the claim of Unmarketable Title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.
- (b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title, as insured.
- (c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY

All payments under this policy, except payments made for costs, attorneys' fees, and expenses, shall reduce the Amount of Insurance by the amount of the payment.

11. LIABILITY NONCUMULATIVE

The Amount of Insurance shall be reduced by any amount the Company pays under any policy insuring a Mortgage to which exception is taken in Schedule B or to which the Insured has agreed, assumed, or taken subject, or which is executed by an Insured after Date of Policy and which is a charge or lien on the Title, and the amount so paid shall be deemed a payment to the Insured under this policy.

12. PAYMENT OF LOSS

When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

13. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT

- (a) Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees, and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise, or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies.

If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.

- (b) The Company's right of subrogation includes the rights of the Insured to indemnities, guaranties, other policies of insurance, or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.

14. ARBITRATION

Unless prohibited by applicable law, arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association may be demanded if agreed to by both the Company and the Insured at the time of the controversy or claim. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, and service of the Company in connection with its issuance or the breach of a policy provision or other obligation. Arbitration pursuant to this policy and under the Rules in effect on the date the demand for arbitration is made or, at the option of the Insured, the Rules in effect at Date of Policy shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the Land is located permit a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request.

15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT

- (a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.
- (b) Any claim of loss or damage that arises out of the status of the Title or by any action asserting such claim whether or not based on negligence shall be restricted to this policy.
- (c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.
- (d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance.

16. SEVERABILITY

In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid, but all other provisions shall remain in full force and effect.

17. CHOICE OF LAW; FORUM

- (a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefor in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies, or enforcement of policies of title insurance of the jurisdiction where the Land is located.

Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title that are adverse to the Insured and to interpret and enforce the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of law principles to determine the applicable law.

- (b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

18. NOTICES, WHERE SENT

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at 400 Second Avenue South, Minneapolis, Minnesota 55401-2499, Phone: (612) 371-1111.

**Old Republic National
Title Insurance Company**

OWNER'S
TITLE INSURANCE
POLICY



For information about coverage or
assistance in resolving complaints,
call (612) 371-1111.

Offices at
400 Second Avenue South
Minneapolis, Minnesota 55401


STATE OF FLORIDA
COUNTY OF NASSAU

LIEN AND POSSESSION AFFIDAVIT

BEFORE ME came in person, the undersigned affiant, John Enlow ("Affiant"), Director, Atlantic and Northern Regions of **RAYONIER TIMBERLANDS MANAGEMENT, LLC**, a Delaware limited liability company, as the Managing General Partner of **RAYONIER FOREST RESOURCES, L.P.**, ("Owner"), a Delaware limited partnership (f/k/a Rayonier Timberlands Operating Company, L.P., a Delaware limited partnership, by name change is n/k/a Rayonier Forest Resources, L.P.), who, having been duly sworn and placed on oath, deposed and said as follows:

1. The facts recited herein are based on the Affiant's best knowledge and belief.
2. Owner holds a fee estate, encumbered by easement(s), reservation(s), grant(s) or lease(s) of record, in and to a parcel of land (the "Property") lying in Nassau County, Florida, and more particularly described upon **EXHIBIT A**, attached hereto and by reference made a part hereof ("Property"). Owner is in possession of the Property and no other parties have any claim to possession of the Property, **except for a Hunt Club License Agreement which shall expire 30 days from the date of Closing.**
3. No improvements or repairs have been made on the Property by or at the instance of Owner during three (3) months immediately preceding this date, and there are no outstanding bills incurred for labor or materials used in making improvements or repairs on the Property, or for services of architects, surveyors or engineers incurred in connection therewith, other than those services as have arisen under or by reason of the transaction to which this Affidavit relates, and as will be discharged at closing or assumed by **NASSAU COUNTY BOARD OF COUNTY COMMISSIONERS** ("Buyer").
4. There are no outstanding oral or written contracts, mortgages, claims, liens, special assessments, financing statements, leases or permits entered into by or on behalf of the Owner and relating to the Property, which would survive the conveyance of the Property to Buyer and encumber the title Buyer receives, other than as appear of record upon the date hereof or as have been addressed in the Purchase and Sale Agreement and/or documentation ancillary to the closing.
5. This Affidavit is made with the knowledge that the same may be used in connection with securing an owner's title insurance policy for Buyer.

AFFIANT:


John Enlow
Director, Atlantic and Northern Regions
Rayonier Timberlands Management, LLC

SWORN TO AND SUBSCRIBED before me this 24th day of September, 2012, by John Enlow, who is personally known to me.



ELIZABETH M. LOWE
NOTARY PUBLIC
STATE OF FLORIDA
Comm# EE136960
Expires 10/10/2015

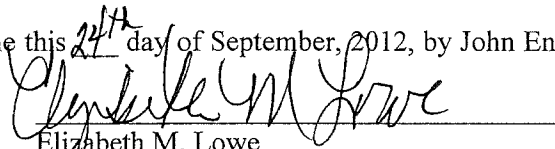

Elizabeth M. Lowe
Notary Public, State of Florida
My Commission No.: EE136960
Commission Expires: 10/10/15

EXHIBIT "A"

A PORTION OF LANDS LYING IN SECTION 9, TOWNSHIP 2 NORTH, RANGE 25 EAST, NASSAU COUNTY FLORIDA BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

FOR A POINT OF REFERENCE COMMENCE AT THE SOUTH WEST CORNER OF SECTION 9; THENCE RUN NORTH 02°02'33" EAST ALONG THE WESTERLY LINE OF SAID SECTION 9, A DISTANCE OF 1,398.50 FEET TO THE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE CONTINUE NORTH 02°02'33" EAST ALONG THE WESTERLY LINE OF SAID SECTION, A DISTANCE OF 1,063.71 FEET; THENCE SOUTH 15°56'06" EAST DEPARTING THE WESTERLY LINE OF SAID SECTION, A DISTANCE OF 81.00 FEET; THENCE SOUTH 02°02'33" WEST, PARALLEL TO AND 25.00 FEET EAST OF, WHEN MEASURED AT RIGHT ANGLES TO, THE WESTERLY LINE OF SAID SECTION, A DISTANCE OF 854.00 FEET; THENCE SOUTH 12°42'52" WEST, A DISTANCE OF 135.00 FEET TO THE POINT OF BEGINNING.

SAID LANDS CONTAIN 23,971.38 SQUARE FEET OR 0.55 ACRES MORE OR LESS.

STATE OF FLORIDA
COUNTY OF NASSAU

CERTIFICATE OF NON-FOREIGN STATUS

Section 1445 of the Internal Revenue Code provides that a transferee of a United States real property interest must withhold tax if the transferor is a foreign person. For U.S. tax purposes (including Section 1445), the owner of a disregarded entity (which has legal title to a U.S. real property interest under local law) will be the transferor of the property and not the disregarded entity. To inform **NASSAU COUNTY BOARD OF COUNTY COMMISSIONERS** (Purchaser") and its/their agents that withholding is not required upon the disposition of a U.S. real property interest in property located in Nassau County, Florida and described upon **EXHIBIT "A"**, attached hereto and by reference made a part hereof ("Property"), by **RAYONIER INC.**, a North Carolina corporation, ("Seller"), the undersigned hereby certifies the following on behalf of Seller:

1. Seller is not a "foreign corporation", "foreign partnership", "foreign trust", or "foreign estate" (as those terms are defined in the Internal Revenue Code and Income Tax Regulations promulgated thereunder);
2. Seller is not a disregarded entity as defined by Section 1.1445-2(b)(2)(iii);
3. Seller's U.S. employer identification number is: 13-2607329.
4. Seller's office address is: 1901 Island Walkway
Fernandina Beach, Florida 32034

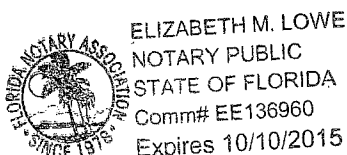
Seller understands that this certification may be disclosed to the Internal Revenue Service by Purchaser and that any false statement contained herein could be punished by fine, imprisonment, or both.

Under penalties of perjury, I declare that I have examined this certification, and to the best of my knowledge and belief, it is true, correct, and complete, and I further declare that I have authority to sign this document on behalf of Seller.

AFFIANT: _____

John Enlow
Director, Atlantic and Northern Regions
Rayonier Timberlands Management, LLC

SWORN TO AND SUBSCRIBED before me this 24th day of September, 2012, by John Enlow, who is personally known to me.



Elizabeth M. Lowe
Notary Public, State of Florida
My Commission Expires: 10/10/15

EXHIBIT "A"

A PORTION OF LANDS LYING IN SECTION 9, TOWNSHIP 2 NORTH, RANGE 25 EAST, NASSAU COUNTY FLORIDA BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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STATE OF FLORIDA
COUNTY OF NASSAU

AFFIDAVIT

BEFORE ME, the undersigned, a Notary Public in and for the State of Florida, personally appeared **MARK R. BRIDWELL**, the Assistant Secretary of RAYONIER INC., a North Carolina corporation ("RAYO"), RAYONIER TIMBERLANDS MANAGEMENT, LLC, a Delaware limited liability company ("RTM"), as Managing General Partner of RAYONIER FOREST RESOURCES, L.P., a Delaware limited partnership ("RFR"), who being first duly sworn, deposes and says that:

1. I am aware of and familiar with the contents of any and all partnership agreements, articles of organizations, and bylaws of RAYO, RTM and RFR.
2. RAYO is a North Carolina corporation, which is authorized to do business in Florida. RAYO has not been terminated, nor have proceedings to terminate the company, nor have bankruptcy proceedings been commenced.
3. RTM is a Delaware limited liability company and is the sole Managing General Partner of RFR, and is authorized to do business in Florida. RTM has not been terminated, nor have proceedings to terminate the Articles of Organization, nor have bankruptcy proceedings been commenced.
4. RFR is a Delaware limited partnership, formerly known as Rayonier Timberlands Operating Company, L.P., a Delaware limited partnership, and by name change is now known as Rayonier Forest Resources, L.P., which is currently authorized to do business in Florida. RFR has not been terminated, nor have proceedings to terminate the Partnership Agreement, nor have bankruptcy proceedings been commenced.
5. John Enlow, Director, Atlantic and Northern Regions, and Mark R. Bridwell, Assistant Secretary, of RTM, are authorized to perform all acts as shall be required to sell real property located in Nassau County, Florida, as more particularly described upon **EXHIBIT A**, attached hereto and by reference made a part hereof ("**Property**"), to **NASSAU COUNTY BOARD OF COUNTY COMMISSIONERS** ("**Buyer**"), and to execute on behalf of RAYO, RTM and RFR such documentation as Buyer shall require to transfer the Property to Buyer.
6. **THE UNDERSIGNED ACKNOWLEDGES** that this Affidavit is being furnished to Buyer with the intention and expectation of their reliance thereon in connection with the sale of the Property owned by RFR. Each may continue to rely on the representations contained herein until written notice to the contrary shall have been delivered to Buyer.


Mark R. Bridwell
Assistant Secretary
Rayonier Timberlands Management, LLC
Rayonier Inc.

SWORN TO AND SUBSCRIBED before me this ^{24th} day of September, 2012, by Mark R. Bridwell, who is personally known to me.



ELIZABETH M. LOWE
NOTARY PUBLIC
STATE OF FLORIDA
Comm# EE136960
Expires 10/10/2015

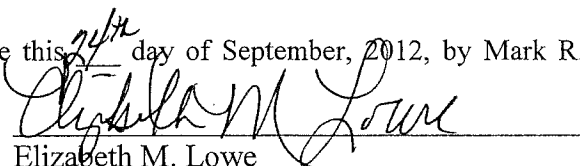

Elizabeth M. Lowe
Notary Public, State of Florida
My Commission No.: EE136960
Commission Expires: 10/10/15

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