

This FINANCING STATEMENT is presented to filing officer for filing pursuant to the Uniform Commercial Code.

NC

No. of additional sheets presented:

3. Maturity date (if any):

1. Debtor(s): (last name first, and mailing address(es))

LEWIS COUNTY TIMBER COMPANY,  
a Washington ltd. partnership  
c/o ITT Rayonier Incorporated  
18000 Pacific Highway South  
Seattle, WA 98188

2. Secured Party(ies) and address(es):

ITT RAYONIER INCORPORATED  
1177 Summer Street  
Stamford, CT 06904

~~FILED BY~~ 2247 NC  
Skamania Co. Title  
Company  
3:45 P.M. August 24, 1981

B. BABCOCK  
DEPUTY COUNTY AUDITOR  
SKAMANIA COUNTY, WASH.

5. This Financing Statement covers the following types (or items) of property: (Use this space for Real Property description if required.)

SEE ATTACHED EXHIBIT A WHICH IS  
BY THIS REFERENCE INCLUDED HEREIN.

6. Assignee(s) of Secured Party(ies) and address(es)

CHECK  IF COVERED:  Proceeds of collateral are also covered  Products of collateral are also covered

Filed with: Skamania County

The collateral described herein is brought into this state already subject to a security interest in the state of

LEWIS COUNTY TIMBER COMPANY,  
by Raymidga Co., general partner

BY:

SIGNATURE(S) OF DEBTOR(S)

ITT RAYONIER INCORPORATED

BY:

Signature of Secured Party or Assignee of Record (Not Valid until Signed)

EXHIBIT A  
DESCRIPTION OF PROPERTY

All right, title and interest of the Debtor in and to all of the real property located in the Counties of Lewis, King, Grays Harbor, Mason, Skamania and Jefferson, State of Washington, described in Exhibit B attached hereto and made a part hereof; together with all buildings, structures, fixtures and other improvements now or hereafter located on or placed or erected in or upon said real property or any part or parcel thereof; together with all and singular the tenements, hereditaments, easements, leases, right of way, licenses, tenancies, permissions, water rights and appurtenances and other rights and privileges thereunto belonging or in anywise now or hereafter appertaining; together with all Timber and crops now located on or hereafter planted or growing in the soil of said real property, or any part or parcel thereof, and all additions, substitutions and replacements thereof but excluding cut Timber remaining on said real property; together with all interests, estates or other claims, both at law and in equity, which the Debtor now has or may hereafter acquire in said real property; and together with all governmental permits relating to said real property, all names under or by which said real property may at any time be operated or known, and all rights to carry on business under any such names or any variant thereof, and all trademarks, trade names, patents pending and goodwill. As used herein, "Timber" shall mean any and all timber, logs, trees and wood, of any size and whether merchantable or not, situate, standing, being and growing, now or in the future, on said real property, and all timber rights of whatever kind and nature with respect to said real property.

The filing of this financing statement shall not be construed to derogate from or impair the lien or provisions of the second Mortgage from Debtor to Secured Party encumbering such real property with respect to any property described therein which is real property or which the parties have agreed to treat as real property. The hereby-stated intention of Debtor and Secured Party is that everything used in the ownership or operation of such real property or used in connection with the production of income from such real property or adapted for use therein is, and at all times and for all purposes and in all proceedings both legal or equitable shall be regarded as, real property and part of the real property encumbered by such Mortgage, irrespective of whether or not the same is physically attached to the improvements thereon. Similarly, nothing in this financing statement

shall be construed to alter any of the rights of Secured Party as determined by such Second Mortgage or the priority of the Secured Party's lien created thereby, and this financing statement is declared to be for the protection of Secured Party in the event any court shall at any time hold that notice of Secured Party's priority of interest in any property or interests described in such Second Mortgage must, in order to be effective against a particular class of persons, including but not limited to the United States Government and any agencies thereof, be filed in the office wherein this financing statement is filed.

EXHIBIT B

The following described real estate situated in the County  
of Skamania, State of Washington:

Township 10 North, Range 6 East, W. M.

Parcel 105:

Section 1: The Northeast Quarter

PIONEER NATIONAL TITLE  
INSURANCE COMPANY

SKAMANIA COUNTY,  
WA.