

commence cutting the timber now growing upon said real property, or upon real property owned by them adjacent thereto, delivering the timber so cut in logs not over sixteen (16') feet in length to the mill operated by Lehtonen. The logs are to be cut into lumber and the Mortgagors agree that all of such lumber so manufactured from such timber will be delivered by the Mortgagors, or their employees, to the Mortgagee at its mill in Vancouver, Washington, until the Mortgagee shall have received 800,000 board feet; that the Mortgagors shall be paid by the Mortgagee \$46.00 per 1000 board feet for such lumber so delivered, and that \$10.00 per 1000 board feet shall be credited by the Mortgagee upon the note secured by this mortgage until said note and accumulated interest thereon has been paid in full.

It is further understood and agreed that the Mortgagors may sell logs cut from trees too large to be cut into lumber at the mill operated by Lehtonen to others, but shall pay to the Mortgagee the sum of \$10.00 per 1000 board feet on all of said logs so sold, which sum so received by the Mortgagee shall also be credited upon the promissory note secured by this mortgage.

The Mortgagors further agree to continue the logging and cutting operations hereinabove provided for without interruption, save from being prevented by weather conditions, state or local regulations, strikes, or other unavoidable delay, until the Mortgagee shall have received the specified 800,000 board feet, or payment of the promissory note secured by this mortgage, and the Mortgagors further agree that after this mortgage obligation has been satisfied that if there is timber remaining upon said real property and they cut and manufacture the same into lumber that they will give this Mortgagee the first option of purchasing all of such lumber so manufactured at the then current market price.

Time is of the essence of this agreement.

Dated this 4th day of August, 1955.

Jess L. Hillberg
Ruth E. Hillberg