

115939 LOAN AGREEMENT AND MORTGAGE

5672 / 7753

BOOK 134 PAGE 459

1. **Date and Parties:** This Agreement made on 4-1-93, by and between WEYERHAEUSER COMPANY ("Weyerhaeuser") and Eagle Ridge Development Corporation.
2. **Loan:** Eagle Ridge Development Corporation acknowledges that it has borrowed and received thirty thousand dollars (\$30,000.00) from Weyerhaeuser to finance its purchase of land and timber on the real estate described in Exhibit A. Eagle Ridge Development Corporation is indebted to Weyerhaeuser in that amount and agrees to repay the same on the terms set forth.
3. **Interest:** The unpaid balance of said loan shall begin bearing interest 30 calendar days after closing. At that time, it shall bear interest at the rate of ten percent (10%) per year.
4. **Security - Mortgage:**
 - A. As security for its repayment of the said loan with interest, if any, Eagle Ridge Development Corporation hereby grants Weyerhaeuser a mortgage on its interest in the land and timber described on Exhibit A.
 - B. Eagle Ridge Development Corporation also agrees to harvest the timber to the extent that it is merchantable, and to sell and deliver all export logs to Weyerhaeuser at the prices and location set forth in Exhibit B (log price list).
 - C. Said timber harvest and log deliveries shall be completed on or before June 30, 1993.
 - D. If for any reason Eagle Ridge Development Corporation fails to harvest and deliver the aforesaid logs at the said delivery point by June 30, 1993, Weyerhaeuser may, in its discretion, perform these functions, or hire a contractor to perform them, for and on behalf of Eagle Ridge Development Corporation in performing these functions.
 - E. Eagle Ridge Development Corporation warrants that it owns the said timber and has full authority to encumber, harvest and sell it.
5. **Loan Amortization:**
 - A. The aforementioned thirty thousand dollar (\$30,000.00) loan shall be amortized by applying a part of the price due for the logs which Eagle Ridge Development Corporation must deliver to the principal of the loan set forth in Exhibit C (loan amortization schedule). The purpose of this amortization schedule is to assure the complete repayment of the loan on or before June 30, 1993. If the anticipated rate of log deliveries fails to materialize, Weyerhaeuser may adjust the amortization schedule accordingly.
 - B. If for any reason the loan is not repaid in full by June 30, 1993, the unpaid balance then remaining, shall be paid in cash within 15 days.

6. Guarantee:

The obligations under the above agreement between Eagle Ridge Development Corporation and Weyerhaeuser Company are guaranteed by me personally.

Registered

Indexed, Dir

Indirect

Filed

Mailed

FILED FOR RECORD
SKAMANIA CO. TITLE

APR 7 11 32 AM '93

Ron Powell

4-1-93
Date

Eagle Ridge Development Corp.

Date

Weyerhaeuser Company
Longview Operations

4/1/93
Date

STATE OF WASHINGTON)

County of Clark)

ss.

On this 1st day of April, 1993, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared RON POWELL to me known to be the persons who executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said persons, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute the said instrument.

Witness my hand and official seal hereto affixed the day and year first above written.

GORDON L. REITER
NOTARY PUBLIC
STATE OF WASHINGTON
COMMISSION EXPIRES
MAY 15, 1995

Notary Public in and for the State of Washington
residing at VAN CUMEN
My appointment expires: 5-15-94

BOOK 134 PAGE 460

EXHIBIT "A"

Lot 2 of JACKSON SHORT PLAT, as described in Volume 3 of Short Plats, at page 80, recorded August 20, 1985, under Auditor's File No. 99789, records of Skamania County, Washington.

Unofficial
Copy

EXHIBIT B
WEYERHAEUSER COMPANY
PRICE SHEET #1

BOOK 134 PAGE 461

P.O. Number
LP 92.0722 (Advance)

Vendor Name
Eagle Ridge Development Corporation

Effective Date



Weyerhaeuser

PRICES ARE SUBJECT TO CHANGE PRIOR TO EXPIRATION DATE UPON NOTIFICATION BY PURCHASER

DOUGLAS FIR			
Sort Code	Sort #	Price	Del. Point
OS	11	\$1300/M	LGV
RS	1	\$1250/M	LGV
SS	2	\$1160/M	LGV
SL	3	\$1050/M	LGV
IS	25	\$1050/M	LGV
SB	22	\$ 970/M	LGV
GC 20'-25'	5	\$ 900/M	LGV
GC 26'-40'	5	\$ 960/M	LGV
SC	6	\$ 960/M	LGV
DOM	13/70	\$ 750/M	LGV

HEM-WF-NF			
Sort Code	Sort #	Price	Del. Point
RS	1	\$1000/M	LGV
SS	2	\$ 950/M	LGV
SL	3	\$ 860/M	LGV
GC	5	\$ 850/M	LGV
SC	6	\$ 850/M	LGV
DOM	13/70	\$ 500/M	LGV

QUAD		\$75/Ton	GM
CNS	16		GM
QUAD	13		GM
SC	6		GM

QUAD		\$92/Ton	GM
CNS	16		GM
QUAD	13		GM
SC	16		GM

SORTING AND CUTTING SPECIFICATIONS

See enclosed sheet for cutting and sorting specifications.

All loads must be species sorted.

All logs must have bucked ends and bucked knots.

Weyerhaeuser reserves the right to refuse loads not meeting sort specifications.

POSSESSION OF THIS PRICE SHEET IS NOT AN OFFER TO BUY

EXHIBIT C

LOAN AMORTIZATION SCHEDULE

1. Weyerhaeuser Company will retain the agreed upon log prices (Exhibit B) per MBF delivered except for \$150/MBF for all scaled wood and \$30/Ton for all weighed wood until the thirty thousand dollar (\$30,000.00) loan is paid.
2. The difference between this retention and the applicable log prices (Exhibit B) shall be paid to Eagle Ridge Development Corporation.
3. When the loan has been repaid in full, Weyerhaeuser shall pay Eagle Ridge Development Corporation the full prices listed on Exhibit B.