

5/12/1986 **LOAN AGREEMENT AND MORTGAGE**

124595

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1. **Date and Parties:** This Agreement made on February 12, 1996 by and between WEYERHAEUSER COMPANY ("Weyerhaeuser") and Roy S. Ostroski, a single person and Ronald D. Clark, a married person as his separate estate.
2. **Loan:** Roy S. Ostroski and Ronald D. Clark acknowledge that they have borrowed and received one hundred thirty thousand dollars (\$130,00.00) from Weyerhaeuser to finance their purchase of land and timber on the real estate described in Exhibit A. Roy S. Ostroski and Ronald D. Clark are indebted to Weyerhaeuser in that amount and agree 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 twelve percent (12%) per year.
4. **Security - Mortgage:**
 - A. As security for their repayment of the said loan with interest, if any, Roy S. Ostroski and Ronald D. Clark, hereby grants Weyerhaeuser a mortgage on their interest in the land and timber described on Exhibit A.
 - B. Roy S. Ostroski and Ronald D. Clark also agree 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 March 31, 1996.
 - D. If for any reason Roy S. Ostroski and Ronald D. Clark, fails to harvest and deliver the aforesaid logs at the said delivery point by March 31, 1996, Weyerhaeuser may, in its discretion, perform these functions, or hire a contractor to perform them, for and on behalf of Roy S. Ostroski and Ronald D. Clark in performing these functions.
 - E. Roy S. Ostroski and Ronald D. Clark warrant that they owns the said timber and has full authority to encumber, harvest and sell it.
5. **Loan Amortization:**
 - A. The aforementioned one hundred thirty thousand dollar (\$130,00.00) loan shall be amortized by applying a part of the price due for the logs which Roy S. Ostroski and Ronald D. Clark 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 March 31, 1996. 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 March 31, 1996, the unpaid balance then remaining, shall be paid in cash within 15 days.
6. **Guarantee:**

The obligations under the above agreement are guaranteed by me personally.

FILED FOR RECORD
SKAMANIA CO. WASH
BY SKAMANIA CO. TITLE

FEB 16 12 40 PM '96

Roy S. Ostroski
Roy S. Ostroski

2/12/96
Date

Mike Mursina
Weyerhaeuser Company
Longview Operations

GARY M. OLSON
AUDITOR
Date

Ronald D. Clark
Ronald D. Clark

2-12-96
Date

SEARCHED ☒
INDEXED, Cir ☒
INDEXED ☒
FILED ☒
MAILED ☒

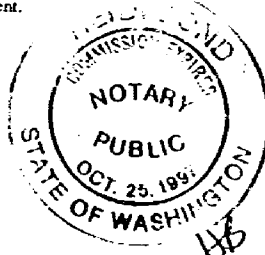
STATE OF WASHINGTON)

County of Klickitat)

On this 12 day of Feb., 1996, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Roy Ostroski and Ronald D. Clark 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.

Heidi B. O. Hedibne
Notary Public in and for the State of Washington
residing at White Salmon
My appointment expires: 10-25-97



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EXHIBIT A

LAND AND TIMBER LEGAL DESCRIPTION

All that portion of the South half of the Southwest Quarter of the Northeast Quarter of Section 21, Township 3 North, Range 10 East of the Willamette Meridian, in the County of Skamania, State of Washington, lying Southeasterly of the county road known and designated as the Underwood-Willard Highway.

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RL-

EXHIBIT B
WEYERHAEUSER COMPANY
PRICE SHEET

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P.O. Number
0371 M

Vendor Name
Roy Ostroski and Ron Clark

Effective Date
February 5, 1996



Weyerhaeuser

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

DOUGLAS FIR

Sort Code	Sort #	Price	Del. Point
RS	1	\$1250/M	DPT
SS	2	\$1180/M	DPT
SL	3	\$ 920/M	DPT
IS	25	\$1085/M	DPT
GC 20'-25' 5		\$ 685/M	DPT
GC 26'-40' 5		\$ 735/M	DPT
SC	6	\$ 790/M	DPT
DOM	13/16/70	\$ 400/M	DPT

HEM-WF-NF

Sort Code	Sort #	Price	Del. Point
RS	1	\$690/M	DPT
SS	2	\$590/M	DPT
SL	3	\$540/M	DPT
GC	5	\$420/M	DPT
SC	6	\$420/M	DPT
DOM	13/70	\$300/M	DPT

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

February 1996

RC
R.O

EXHIBIT C

LOAN AMORTIZATION SCHEDULE

1. Weyerhaeuser Company will retain the agreed upon log prices (Exhibit B) per MBF delivered until the one hundred thirty thousand dollar (\$130,00.00) loan is paid.
2. When the loan has been repaid in full, Weyerhaeuser shall pay Roy S. Ostroski, a single person and Ronald D. Clark, a married person as his separate estate, the full prices listed on Exhibit B.

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