

502 20173
FILED FOR RECORD AT THE
REQUEST OF AND RETURN TO:

WEYERHAEUSER COMPANY
ATTN: Mike Mussman
P.O. Box 188, Longview WA 98632

FILED FOR RECORD
SKANAMU, WASH
BY SKANAMIA CO. TITLE

SEP 6 12 34 PM '96

Oxley
AUDITOR
GARY M. OLSON

**LOAN AGREEMENT
MORTGAGE
UCC SECURITY AGREEMENT
AND**

126177

FINANCING STATEMENT BOOK 159 PAGE 393

1. **DATE AND PARTIES:** This Agreement made on 9/5, by and between
WEYERHAEUSER COMPANY ("Secured Party") and Richard Beckman, an unmarried
person, ("Debtor")

2. **LOAN:** Debtor acknowledges that it has borrowed and received from Secured Party
\$233,000.00, to finance, among other things, the purchase of standing timber on the real
estate described on Exhibit A, attached hereto. Debtor is indebted to Secured Party in
that amount and promises to repay the amount borrowed on the terms and conditions
herein.

3. **INTEREST:** The unpaid balance shall bear interest at 0% until October 17, 1996,
thereafter it shall bear interest at twelve percent (12%) per year until paid.

4 (A). SECURITY - MORTGAGE:

- 1). Debtor warrants that it owns the Exhibit A property and has full authority to
encumber, harvest and sell the timber located thereon.
- 2). As security for the repayment of the loan noted above and any interest that may be
due, Debtor grants to Secured Party a mortgage on its interest on the real property
described on Exhibit A attached hereto.

4 (B). SECURITY - FINANCING STATEMENT:

- 1). In consideration of financial accommodations given or to be given to the
undersigned Debtor by Secured Party and as security for payment of all debts,
obligations or liabilities now or hereafter existing, absolute or contingent, of the
undersigned Debtor to the Secured Party, Debtor grants to the Secured Party a
security interest in all the collateral described in paragraph 4 (B) 2).
- 2). Secured collateral covers: All trees and timber, whether severed or unsevered and
including standing and down timber, and cut timber and logs, and other forest
products whether now located on or hereafter planted or growing on the land
described on the attached Exhibit A, and all products and processes of the trees,

LOAN / MORTGAGE / FIN STMT LOANMORT.DOC 8/29/96 11:13 AM
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timber and logs. Together with the growth of all such trees, all species, all ages and all sizes.

4 (C). SECURITY - FILING IN COUNTY LAND RECORDS:

This instrument is to be filed with the county official responsible for recording documents in the public land records in the county where the real property described on Exhibit A, attached, is located.

5. LOAN REPAYMENT & AMORTIZATION:

- 1). Debtor also agrees to harvest the timber on the Exhibit A property, to the extent that it is merchantable, and to sell and deliver all of the resulting logs to Secured Party at the prices and location set forth on Exhibit B attached hereto.
- 2). Said harvest and log delivery to be completed on or before December 31, 1996.
- 3). The loan mentioned in paragraph 2 above shall be amortized by applying a part of the price due for the logs which Debtor must deliver hereunder to the Secured Party as follows: Loan will be repaid as logs are delivered. Secured Party shall withhold \$115.50/MBF of all log delivery payments until the loan is paid in full. The purpose of this amortization schedule is to assure the complete repayment of the loan on or before December 31, 1996. If the anticipated rate of log deliveries fails to materialize, Secured Party may adjust the withholding % upward to assure repayment.
- 4). Each payment shall be credited first on interest then due and the remainder on principal; and interest shall then cease upon principal so credited.
- 5). If, for any reason the loan is not repaid in full by December 31, 1996, via this withholding method or direct cash payment, the unpaid balance (principal & interest, if any) then remaining shall be paid in cash no later than January 10, 1997.

6. REMEDY ON DEFAULT:

If for any reason, Debtor fails to harvest and deliver the logs from the Exhibit A property, Secured Party may, at its discretion, enter upon the Exhibit A property, perform the harvest and delivery functions, or hire others to harvest and deliver the logs, for and on behalf of Debtor. If Secured Party performs such harvest and delivery functions, it is acting to collect on its security and not as an agent for Debtor. Secured party also retains all other remedies in addition to those provided herein and shall not be limited to a single choice of remedy.

7. MULTIPLE PARTIES:

If Debtor or Guarantors consist of more than one party or person this Agreement is joint and several as between such parties as either Debtor or Guarantor.

8. LEGAL FEES:

If action be instituted on either the Note provisions or rights of entry reserved in paragraph 6, Debtor promises to pay such sum as the court may fix as legal fees.

9. GUARANTEE:

Debtor's obligations under this AGREEMENT between Debtor and Secured Party are hereby guaranteed by the undersigned. This is a guarantee of performance and payment and not of collection.

Dated: 9/4/96

Dated: 9/5/96

SECURED PARTY

DEBTOR

WEYERHAEUSER COMPANY

By: Mike Mussman

Richard Beckman

Address: PO Box 188

Address: PO Box 421

Longview, WA 98632

NORTH BONNEVILLE, WA 98639

Phone # (360) 414 3396

Phone # 509-427-8956

FIN#:

GUARANTEE

Endorsed and personally guaranteed, jointly and severally and unconditionally by:

Richard Beckman

Date: 9/5/96

Date:

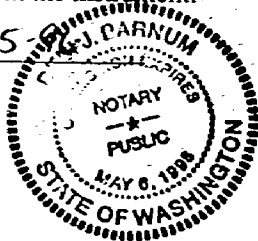
BOOK 159 PAGE 396

STATE OF WASHINGTON)

COUNTY OF SKAMANIA)

I certify that I know or have satisfactory evidence that RICHARD BECKMAN is the person who appeared before me, and said person acknowledged that HE signed this instrument and acknowledged it to be HIS free and voluntary act for the uses and purposes mentioned in the instrument.

Dated: 9-5-96



Debi J. Barnum DEBI J. BARNUM

Notary Public

My appointment expires MAY 6, 1998

STATE OF WASHINGTON)

COUNTY OF _____)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that _____ signed this instrument, on oath stated that _____ was authorized to execute the instrument and acknowledged it as the _____ of _____, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____

Notary Public

My appointment expires _____

EXHIBIT A

Parcel I

The West half of the East half of the Northwest Quarter of the Southwest Quarter of Section 26, Township 4 North, Range 7 East of the Willamette Meridian, in the County of Skamania, State of Washington.

Parcel II

The East half of the Northwest Quarter of the Northwest Quarter of the Southwest Quarter of Section 26 and the East half of the Southwest Quarter of the Southwest Quarter of the Northwest Quarter of Section 26, all in Township 4 North, Range 7 East of the Willamette Meridian, in the County of Skamania, State of Washington.

RB

Parcel III

All of that portion of the George W. Johnson D.L.C. in Section 20, Township 2 North, Range 7 East of the Willamette Meridian, in the County of Skamania, State of Washington lying Northerly of the center of the channel of Greenleaf Slough.

EXCEPT that portion conveyed to Vern Peter Tol by instrument recorded in Book 66, Page 439.

NOTICE AND DISCLAIMER

Weyerhaeuser Company has agreed to make a loan of \$233,000.00 to Richard Beckman, an unmarried person, for the purpose of buying standing timber, land, or both. The decision to make this loan was based on Weyerhaeuser's business judgment. By this decision Weyerhaeuser makes no statement, express or implied, to borrower or anyone else, that the quality, quantity, or species mix of said timber to be purchased will, when harvested and sold to Weyerhaeuser, provide sufficient funds to pay back the loan.

The dollar amount of the loan described in the attached LOAN AGREEMENT MORTGAGE must be repaid. The loan will not be canceled or marked paid in full just because the timber purchased with the borrowed funds did not produce enough funds to pay the loan. Borrowers are hereby cautioned to exercise their own judgment as to whether the timber, when harvested and sold to Weyerhaeuser, will provide enough money to repay the loan.

Read, understood, and accepted this 5th day of Sept., 1996.

NAME Richard Beckman
TITLE owner

EXHIBIT B
WEYERHAEUSER COMPANY
PRICE SHEET

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P.O. Number
0711 E

Vendor Name
Richard Beckman

Effective Date
September 2, 1996



Weyerhaeuser

Expiration Date: Not later than December 31, 1996.

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

DOUGLAS FIR

Sort Code	Sort #	Price	Del. Point
RS	1	\$1220/M	DPT
SS	2	\$1140/M	DPT
SL	3	\$ 950/M	DPT
IS	25	\$1070/M	DPT
GC 20' -25'	5	\$ 630/M	DPT
GC 26' -40'	5/55	\$ 650/M	DPT
JGC	55	\$ 960/M	DPT
SC	6	\$ 860/M	DPT
DOM	13/16/70	\$ 520/M	DPT

HEM-WF-NF

Sort Code	Sort #	Price	Del. Point
RS	1	\$600/M	DPT
SS	2	\$420/M	DPT
SL	3	\$430/M	DPT
GC	5	\$400/M	DPT
SC	6/66	\$400/M	DPT
DOM	13/70	\$350/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