

Recording requested by
and when recorded return to:

John B. D'Agostino
Edwards Angell Palmer & Dodge LLP
20 Church Street, 20th Floor
Hartford, CT 06103

See 313/4
Loan Nos. 193387, 193388 and 193957

1ST AM

NCB-405139-WA1

**MODIFICATION OF DEED OF TRUST, SECURITY AGREEMENT, ASSIGNMENT
OF LEASES AND RENTS, FINANCING STATEMENT AND FIXTURE FILING**

GRANTOR: **PORT BLAKELY TREE FARMS (LIMITED
PARTNERSHIP**, a Washington limited partnership

GRANTEE (Trustee): **FIRST AMERICAN TITLE INSURANCE
COMPANY**, a California corporation

GRANTEE
(Beneficiary): **METROPOLITAN LIFE INSURANCE COMPANY**, a
New York corporation

RECORDING NUMBER(S) OF DOCUMENTS AMENDED:

Lewis County: 3333844, 3333845 and 3333846; Skamania County: 2009173907;
Mason County: 1946484; Thurston County: 4110959, 4110960, 4110961 and
4110962; Pacific County: 3122028, 3122029, 3122030, 3122031, 3122032; Grays
Harbor County: 2009-09160032

NC *AM*
**This instrument is executed in multiple counterparts for simultaneous recording in Grays
Harbor, Lewis, Mason, Pacific, Skamania and Thurston Counties.**

This **MODIFICATION OF DEED OF TRUST, SECURITY AGREEMENT, ASSIGNMENT OF LEASES AND RENTS, FINANCING STATEMENT AND FIXTURE FILING** (this "**Modification**") dated as of May 3, 2010, modifies that certain Deed of Trust (as defined herein), from **PORT BLAKELY TREE FARMS (LIMITED PARTNERSHIP)**, a Washington limited partnership, as grantor (the "**Grantor**" or the "**Borrower**"), to **FIRST AMERICAN TITLE INSURANCE COMPANY**, as trustee (the "**Trustee**"), in favor of **METROPOLITAN LIFE INSURANCE COMPANY**, a New York corporation, as beneficiary (the "**Beneficiary**" or the "**Lender**"), securing a loan in the original principal amount of One Hundred Twenty Million and No/100 US Dollars (US\$120,000,000.00) (the "**Original Loan**") and which Original Loan is being increased to One Hundred Fifty Million and No/100 US Dollars (US\$150,000,000.00) pursuant to the terms and provisions of the Loan Agreement (as defined herein), and encumbering the real property (the "**Premises**") legally described on Schedule A to the Deed of Trust.

For purposes of Article 9 of the Uniform Commercial Code (RCW 62A.9A), the Deed of Trust, as amended by this Modification, constitutes a Security Agreement with the Grantor being the Debtor and the Beneficiary being the Secured Party. The Deed of Trust, as amended by this Modification, also constitutes a Financing Statement filed as a fixture filing pursuant to Article 9 of the Uniform Commercial Code. The Deed of Trust, as amended by this Modification, also constitutes a Financing Statement covering Timber (as defined in the Deed of Trust), timber to be cut and as extracted collateral, each as defined in and pursuant to Article 9 of the Uniform Commercial Code (RCW 62A.9A-502(c)).

WITNESSETH:

WHEREAS, the Grantor has previously executed and delivered to the Trustee for the benefit of the Beneficiary that certain Deed of Trust, Security Agreement, Assignment of Leases and Rents, Financing Statement and Fixture Filing (as amended, restated, extended, renewed or otherwise modified from time to time, the "**Deed of Trust**") dated as of September 15, 2009, and which Deed of Trust has been recorded as follows:

- (a) in Lewis County, Washington on September 18, 2009 under recording numbers 3333844, 3333845 and 3333846;
- (b) in Skamania County, Washington on September 16, 2009 under recording number AFN 2009173907;
- (c) in Mason County, Washington on September 16, 2009 under recording number 1946484;
- (d) in Thurston County, Washington on September 16, 2009 under recording numbers 4110959, 4110960, 4110961 and 4110962;

- (e) in Pacific County, Washington on September 16, 2009 under recording numbers 3122028, 3122029, 3122030, 3122031, 3122032; and
- (f) in Grays Harbor, Washington on September 16, 2009 under recording number 2009-09160032;

WHEREAS, the Grantor executed and delivered the Deed of Trust to the Trustee, for the benefit and security of the Beneficiary, in connection with that certain Loan Agreement dated as of September 15, 2009 (the "**Original Loan Agreement**") between Grantor and Beneficiary, and which Original Loan Agreement is being amended and restated pursuant to that certain Amended and Restated Loan Agreement of even date herewith by and between the Grantor and the Beneficiary (such Amended and Restated Loan Agreement as amended, restated, extended, renewed or otherwise modified from time to time, the "**Loan Agreement**"), which provides for, among other things, an additional loan from the Beneficiary to the Grantor in the principal sum of Thirty Million and No/100 US Dollars (US\$30,000,000.00) (the "**Additional Loan**"), which Additional Loan will be consolidated with, and added to, the Original Loan pursuant to the terms and provisions of the Loan Agreement and the Original Loan and the Additional Loan as so consolidated shall constitute and be treated as a single loan in the aggregate original principal amount of One Hundred Fifty Million and No/100 US Dollars (US\$150,000,000.00) (which consolidated loan is defined below as the "Loan");

WHEREAS, the Grantor and the Beneficiary desire to amend and modify the Deed of Trust to make certain conforming amendments thereto in connection with the foregoing;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged the Grantor and the Beneficiary hereby agree to supplement and amend the Deed of Trust as set forth herein.

AND FURTHERMORE, FOR THE PURPOSE OF SECURING payment and performance of the Secured Obligations (as such term is defined in Section 1.1 of the Deed of Trust as amended by Section 3(b) of this Modification) and the trust created in the Deed of Trust (as amended by this Modification), Grantor does hereby ratify and confirm the **GRANT, BARGAIN, SALE, CONVEYANCE AND CONFIRMATION**, to the Trustee, **IN TRUST, WITH POWER OF SALE**, for the benefit and security of Beneficiary, under and subject to the conditions hereinafter set forth and set forth in the Deed of Trust, all right title and interest in and to the Mortgaged Property (as defined in the Deed of Trust), as set forth in the Deed of Trust;

SUBJECT, HOWEVER, to the exceptions and encumbrances described in the Loan Agreement as Permitted Encumbrances.

AND BENEFICIARY'S RIGHTS hereunder shall include, without limitation, the right to foreclose judicially or non-judicially against the Mortgaged Property upon the occurrence of an Event of Default;

TO HAVE AND TO HOLD the Real Property Collateral (as defined in the Deed of Trust), together with the rights, privileges and appurtenances thereto belonging, unto the Trustee and its substitutes or successors, forever, and Grantor hereby binds itself and its heirs, executors, administrators, personal representatives, successors and assigns to warrant and forever defend the Real Property Collateral unto the Trustee, its substitutes or successors and assigns, against the claim or claims of all persons claiming or to claim the same or any part thereof, together with the rights, privileges and appurtenances thereto belonging, unto the Beneficiary and its successors and assigns, forever, and Grantor hereby binds itself and its heirs, executors, administrators, personal representatives, successors and assigns to warrant and forever defend the Code Collateral (as defined in the Deed of Trust) unto the Beneficiary, its successors and assigns, against the claim or claims of all persons claiming or to claim the same or any part thereof.

THIS MODIFICATION IS MADE upon the terms and conditions contained herein, in the Loan Agreement, the Notes and the other Loan Documents (as such term is defined in the Loan Agreement). This Modification is given to secure the Secured Obligations. Any capitalized term used in this Modification and not otherwise defined herein (or defined by reference to other documents herein) shall have the meaning assigned to said term in the Deed of Trust;

AND Grantor hereby agrees with the Beneficiary as follows:

1. **INCORPORATION BY REFERENCE.** The foregoing recitals and the terms and provisions of the Deed of Trust are hereby incorporated by reference as if set forth at length herein.

2. **NO IMPAIRMENT OF LIEN.** Nothing set forth herein shall affect the priority or extent of the lien of the Deed of Trust or any of the other Loan Documents, nor release or change the liability of any party who may now be or after the date of this Modification may become liable, primarily or secondarily, under the Deed of Trust or any of the other Loan Documents. The Notes, the Deed of Trust and the other Loan Documents shall remain in full force and effect and this Modification shall have no effect on the priority or validity of the liens set forth in the Deed of Trust or the other Loan Documents, which are incorporated herein by reference.

3. **AMENDMENTS TO THE DEED OF TRUST.** The following amendments are hereby made to the Deed of Trust:

(a) The Deed of Trust is hereby amended to make the recitations and contents thereof consistent with the recitations and terms of this Modification, and is further amended to provide that all references herein and in the Deed of Trust to the Loan Agreement, the Notes, the Loan, and the other Loan Documents shall hereafter be references to such terms as they are modified and amended in the manner described and defined in this Modification, or as required to be consistent therewith.

(b) Section 1.1 of the Deed of Trust (captioned "**Obligations**") is hereby amended such that all references to the terms the "Notes", the "Loan", the "Loan Agreement" and the "Loan Documents" appearing in said Section 1.1 and in the definition of the term "Obligations" or "Secured Obligations", shall have the meanings set forth in this Modification, and all references in the Deed of Trust and herein to the "Obligations" or "Secured Obligations" shall be deemed to mean and refer to the "Obligations" or "Secured Obligations" as defined in said Section 1.1 and as modified by this Modification.

(c) All references in the Deed of Trust to "Deed of Trust" or "this Deed of Trust" shall be deemed to be references to the Deed of Trust as affected and modified by this Modification, and as hereafter amended, restated, extended, renewed or otherwise modified from time to time. The Deed of Trust and this Modification shall be construed together as a single instrument. This Modification is a Loan Document.

(d) Section 1 of the Deed of Trust (captioned "**Loan Agreement; Notes**") is hereby amended by restating the third full sentence thereof (beginning with the words "Pursuant to the Loan Agreement" and continuing through the words "hereinafter referred to as the "Note" or the "Notes")."), in order to reflect the Additional Loan, to read as follows:

"Pursuant to the Loan Agreement, the Borrower is or hereafter shall be justly indebted to the Beneficiary in the original principal amount of One Hundred Fifty Million and No/100 US Dollars (US\$150,000,000.00) (the "**Loan**"), as evidenced by (a) those two certain promissory notes from the Borrower to the Beneficiary, in the aggregate original principal amount of One Hundred Twenty Million and No/100 US Dollars (US\$120,000,000.00) and dated as of September 15, 2009, bearing interest as set forth therein and all successive extensions and renewals of the obligations represented thereby, and (b) that certain promissory note from the Borrower to the Beneficiary in the original principal amount of Thirty Million and No/100 US Dollars (US\$30,000,000.00) of even date herewith bearing

interest as set forth therein and all successive extensions and renewals of the obligations represented thereby (said notes (as identified in clauses (a) and (b) above), as presently constituted and as they may hereafter be amended, extended, renewed or consolidated, together with any and all notes that may hereafter be given in substitution therefor, being hereinafter referred to as the "Note" or the "Notes")."

(e) Section 4.1.3 of the Deed of Trust is hereby amended by deleting the words "in favor of a party other than Beneficiary" appearing in said Section after the words "(whether superior or junior to this Deed of Trust and the lien hereof)," and prior to the words "regardless of whether or not".

(f) Section 4.1 of the Deed of Trust (captioned "**Events of Default**") is hereby amended by (i) deleting the period at the end of Section 4.1.5 and inserting in lieu thereof a semi-colon followed by the word "or" and (ii) adding thereto as a new Section 4.1.6, the following:

"4.1.6 Any default by the Grantor shall occur, or any foreclosure or other enforcement action shall be commenced, under or with respect to the Additional Deed of Trust."

4. **ADDITIONAL DEED OF TRUST.** (a) Grantor has simultaneously herewith executed and delivered to or for the benefit of Beneficiary counterpart originals of this Modification to be recorded in each County in the State of Washington where any of the Mortgaged Property is located and a counterpart of the Deed of Trust is recorded (the Deed of Trust as so modified by this Modification, is referred to as this "Deed of Trust" for purposes of this Section).

(b) The Grantor, simultaneously herewith, has executed and delivered to or for the benefit of Beneficiary a certain deed of trust and other documents and instruments encumbering or relating to certain additional property owned by the Grantor located in Grays Harbor County and Pacific County, Washington as additional security for the Obligations (the "**Additional Deed of Trust**"), which Additional Deed of Trust secures the Loan.

(c) The Additional Deed of Trust and this Deed of Trust (and each counterpart thereof and hereof) shall each and all constitute security for the Notes, the indebtedness referred to therein and the Loan. If there should be an Event of Default (as defined therein) in any of the terms, conditions or obligations of the Additional Deed of Trust, such default shall constitute an Event of Default under this Deed of Trust. The Beneficiary may foreclose or otherwise enforce such security under the Additional Deed of Trust, enforce its rights, powers and remedies with respect to, and realize upon, such security, either before or concurrently with or after a foreclosure or other enforcement of this Deed of

Trust, any other security or any of the other Loan Documents, and in any order as Beneficiary may choose (whether or not every aspect of any such foreclosure or other enforcement may be commercially reasonable), all without impairing or being deemed to have waived any rights, benefits, liens or security evidenced by or arising under or in connection with this Deed of Trust, any other such security or any of the other Loan Documents, or the Additional Deed of Trust, and without being deemed to have made an election thereby or to have accepted the benefits of such security (or the proceeds thereof) in full settlement of the Obligations and of its rights with respect thereto. No judgment, order or decree rendered against Grantor with respect to any such other security or any of the other Loan Documents, whether rendered in any state in which any collateral is situated or elsewhere, shall in any manner affect the security of this Deed of Trust, and any deficiency or other debt represented by any such judgment, order or decree shall, to the extent permitted by law, be secured by this Deed of Trust to the same extent that the Loan shall have been secured by this Deed of Trust prior to the rendering of such judgment, order or decree. Grantor for itself and for any and all persons who may at any time claim through or under Grantor or who hereafter may otherwise acquire any interest in or title to all or any part of the Mortgaged Property or any other security for the Obligations, hereby irrevocably waives and releases, to the extent permitted by law, all benefit of any and all laws that would limit or prohibit the effectiveness of anything set forth in this Section.

(d) Notwithstanding anything contained herein to the contrary, Beneficiary shall be under no duty to Grantor or any other person or entity, including, without limitation, any holder of any other junior, senior or subordinate mortgage on the Mortgaged Property or any part thereof or on any other security held by Beneficiary, to exercise, exhaust or first resort to all or any of the rights, powers and remedies available to Beneficiary, whether under this Deed of Trust, the other Loan Documents, or the Additional Deed of Trust, prior to the sale of the Mortgaged Property by power of sale or any other enforcement of this Deed of Trust. Furthermore, Grantor and such other persons and entities waive all rights relating to marshaling and agree that Beneficiary shall not be compelled to release any part of the security of this Deed of Trust, the other Loan Documents or the Additional Deed of Trust or be prevented from foreclosing or enforcing this Deed of Trust, the other Loan Documents or the Additional Deed of Trust upon all or any part of such security unless the Obligations shall have been paid in full and that Beneficiary shall not be compelled to accept or allow any apportionment of the Loan to or among any of the property encumbered by this Deed of Trust, the other Loan Documents or the Additional Deed of Trust.

5. NO WAIVER OF REMEDIES. EXCEPT AS MAY BE EXPRESSLY SET FORTH HEREIN, NOTHING CONTAINED IN THIS MODIFICATION SHALL PREJUDICE, ACT AS, OR BE DEEMED TO BE A WAIVER OF ANY RIGHT OR REMEDY AVAILABLE TO BENEFICIARY BY REASON OF THE OCCURRENCE OR EXISTENCE OF ANY FACT, CIRCUMSTANCE OR EVENT

CONSTITUTING AN EVENT OF DEFAULT UNDER THE NOTES, THE DEED OF TRUST OR THE OTHER LOAN DOCUMENTS.

6. **REFERENCES IN LOAN DOCUMENTS.** Each reference in the Loan Agreement and the Loan Documents to the Deed of Trust shall be deemed and construed to refer to the Deed of Trust as modified by this Modification and as hereafter amended, restated, extended, renewed or otherwise modified from time to time, and are hereby modified accordingly.

7. **DEFAULT.** Any default by Grantor in the performance of its obligations herein contained or any material inaccuracy in the representations and warranties made by Grantor herein shall constitute an Event of Default under the Loan Agreement, the Notes, the Deed of Trust and the other Loan Documents and shall entitle Beneficiary to exercise all of its rights and remedies set forth in the Loan Agreement, the Notes, the Deed of Trust and the other Loan Documents.

8. **RATIFICATION; CONTINUED FORCE AND EFFECT.** This Modification is only a modification of the Deed of Trust and is not intended to, and shall not be construed to, effect a novation, and, except as expressly set forth herein, all of the representations, covenants, terms and conditions of the Deed of Trust and the collateral security provided thereby, have not been modified, amended, cancelled, terminated, released, satisfied, superseded or otherwise invalidated in any manner and shall remain in full force and effect. Grantor hereby ratifies and confirms the Deed of Trust as modified hereby, including all representations, warranties, covenants and obligations set forth therein, and acknowledges and agrees that the Deed of Trust and each other Loan Document as modified hereby are enforceable against Grantor and against the Mortgaged Property and the other collateral described therein in accordance with their respective terms.

9. **HEADINGS.** The section headings hereof are inserted for convenience of reference only and shall in no way alter, amend, define or be used in the construction or interpretation of the text of such section.

10. **CONSTRUCTION.** Whenever the context hereof so requires, reference to the singular shall include the plural and likewise, the plural shall include the singular; words denoting gender shall be construed to mean the masculine, feminine or neuter, as appropriate; and specific enumeration shall not exclude the general, but shall be construed as cumulative of the general recitation.

11. **MISCELLANEOUS.**

(a) Grantor, upon request from Beneficiary, agrees to execute such other and further documents as may be reasonably necessary or appropriate to consummate

the transactions contemplated by the Loan Documents or this Modification or to perfect the liens and security interests intended to secure the payment of the Loan evidenced by the Notes.

(b) The execution of this Modification by Beneficiary does not and shall not constitute a waiver of any rights or remedies to which Beneficiary is entitled pursuant to the Loan Agreement, Notes, the Deed of Trust or the other Loan Documents, nor shall the same constitute a waiver of any default which may have heretofore occurred or which may hereafter occur with respect to the Loan Agreement, Notes, the Deed of Trust or the other Loan Documents.

(c) This Modification may be executed in any number of identical counterparts, each of which shall be deemed to be an original, and all of which shall collectively constitute a single agreement, fully binding upon and enforceable against the parties hereto.

(d) This Modification shall be binding upon Grantor, and the successors and assigns of Grantor, and shall be binding upon and inure to the benefit of the Beneficiary, its successors and assigns, including any subsequent holder of the Notes.

(e) This Modification contains the entire agreement between the parties hereto with respect to the modification of the Deed of Trust and fully supersedes all prior agreements and understandings between the parties pertaining to such subject matter.

12. NON-AGRICULTURAL USER COMMERCIAL LOANS. Grantor represents and warrants that (a) the Mortgaged Property is not used principally for agricultural purposes and (b) the Loan secured by this Deed of Trust was not made primarily for personal, family and household purposes. The foregoing representation and warranty is made by Grantor with the understanding that using the Mortgaged Property principally for commercial timber production and harvest does not constitute using it principally for agricultural purposes.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LEND MONEY, EXTEND CREDIT, OR FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

[Remainder of this page intentionally left blank; signature pages follow.]

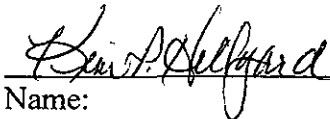
IN WITNESS WHEREOF, Grantor and Beneficiary have executed this instrument under seal as of the day and year first written above.

GRANTOR:

Witnessed by:

**PORT BLAKELY TREE FARMS
(LIMITED PARTNERSHIP),**
a Washington limited partnership

By: The Port Blakely Company,
a Washington corporation,
its general partner


Name:

By: 

Name: James E. Warjone
Title: Chief Executive Officer
Duly Authorized

*[Signature page to Modification of Deed of Trust, Security Agreement, Assignment of Leases and Rents,
Financing Statement and Fixture Filing]*

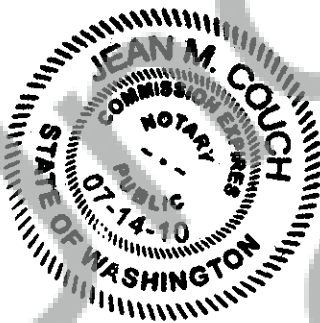
STATE OF WASHINGTON)

COUNTY OF KING)

ss.

On this 29th day of April, 2010, before me, a Notary Public in and for the State of Washington, personally appeared James E. Warjone, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who signed the instrument; on oath stated that he was authorized to execute this instrument as the Chief Executive Officer of THE PORT BLAKELY COMPANY, a Washington corporation, the corporation that executed the instrument; acknowledged the same instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned; and on oath stated that he was duly elected, qualified, and acting as said officer of the corporation; that said corporation is the general partner of PORT BLAKELY TREE FARMS (LIMITED PARTNERSHIP), a Washington limited partnership; that said corporation was authorized to execute the said instrument on behalf of said partnership; and that said instrument was the free and voluntary act and deed of said partnership for the uses and purposes therein mentioned.

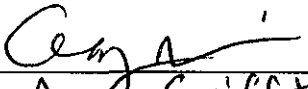
IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.



Jean M. Couch
 NOTARY PUBLIC in and for the State of
 Washington, residing at 1014 1st Ave
 My appointment expires 7-14-10
 Print Name Jean M. Couch

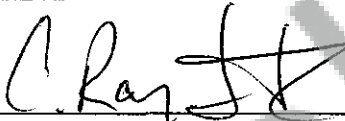
[Acknowledgment page to Modification of Deed of Trust, Security Agreement, Assignment of Leases and Rents, Financing Statement and Fixture Filing]

Witnessed by:


Name: Amy Griffin

BENEFICIARY:

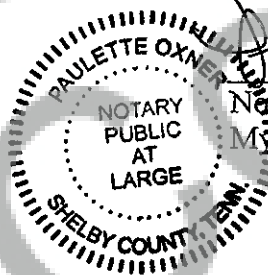
**METROPOLITAN LIFE INSURANCE
COMPANY**


By: 
Name: C. Ray Smith
Title: Director
Duly Authorized

**STATE OF TENNESSEE
COUNTY OF SHELBY**

I, the undersigned Notary Public in and for said State and County, hereby certify that C. Ray Smith, whose name as Director of Metropolitan Life Insurance Company, a New York corporation, is signed to the foregoing conveyance and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such Director and with full authority, executed the same voluntarily for and as the act of said corporation.

Witness my hand and seal at office this 26th day of April, 2010.




Notary Public
My Commission Expires: 7-16-2011

*[Signature page to Modification of Deed of Trust, Security Agreement, Assignment of Leases and Rents,
Financing Statement and Fixture Filing]*