

TIMBER AGREEMENT

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WHEREAS, MICHAEL C. MATWICH and BRENDA S. MATWICH, husband and wife, have conveyed to JESPERSEN-EDGEWOOD, INC., an Oregon corporation timber rights over the following described real property:

E 1/2 NW 1/4 SE 1/4 SW 1/4 SE 1/4 SE 1/4 SW 1/4 of Section 18, Township 37 South, Range 10, East of the Willamette Meridian.

EXCEPTING THEREFROM that JESPERSEN-EDGEWOOD, INC. shall not log timber within a 150 foot radius of the house that is currently located upon the premises.

by virtue of a deed that was recorded on the 2nd day of September, 1981 in Book Volume M-81, Page 15614, and

WHEREAS, the parties wish to memorialize the agreement regarding the timber rights,

NOW, THEREFORE, JESPERSEN-EDGEWOOD, INC. agrees as follows:

I.

In return for the conveyance of the timber rights, JESPERSEN-EDGEWOOD, INC. agrees to harvest not more than \$40,000.00 worth of merchantable timber in a 20 year period.

II.

JESPERSEN-EDGEWOOD, INC. agree to harvest not more than 50,000 board feet per harvest.

III.

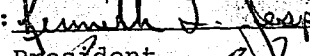
This Agreement shall inure to the benefit and be binding upon the heirs, executors, successors and assigns of the parties hereto; provided, however, JESPERSEN-EDGEWOOD, INC. shall not assign all or any part of this Agreement without the prior written consent of MICHAEL C. MATWICH and BRENDA S. MATWICH, husband and wife, provided such consent shall not be unreasonably withheld.

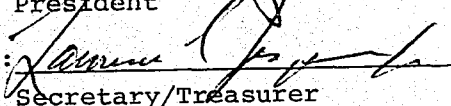
IN WITNESS WHEREOF, the parties have executed this document the 2nd day of September, 1981.


MICHAEL C. MATWICH

JESPERSEN-EDGEWOOD, INC.
an Oregon corporation


BRENDA S. MATWICH

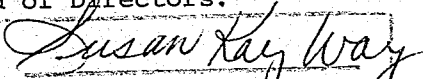
by: 
President

by: 
Secretary/Treasurer

STATE OF OREGON)
) ss.
County of Klamath)

Personally appeared KENNETH L. JESPERSEN and LAWRENCE C. JESPERSEN, JR., who, being first duly sworn, depose and say that the former is the President and the latter is the Secretary/Treasurer of JESPERSEN-EDGEWOOD, INC., an Oregon corporation, and that they voluntarily signed and sealed this instrument in behalf of the corporation by authority of its Board of Directors.


BEFORE ME:


Susan Kay Way
Notary Public for Oregon
My commission expires 6/4/1988

STATE OF OREGON)
) ss.
County of Klamath)

Personally appeared MICHAEL C. MATWICH and BRENDA S. MATWICH, husband and wife, and acknowledged the foregoing instrument to be their voluntary act and deed.

BEFORE ME:

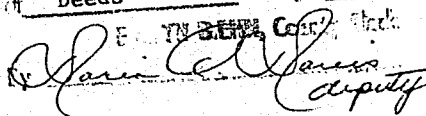

Susan Kay Way
Notary Public for Oregon
My commission expires 6/4/1988

AFTER RECORDING RETURN TO:

Jespersen-Edgewood, Inc.
Route 2 Box 809
Swan Lake Road
Klamath Falls, Oregon 97601

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of Klamath County Title Co.
this 2nd day of September D. 19 81 at 3:02 o'clock P M., and
duly recorded in Vol. M81 of Deeds on Page 15616


Karin C. Davis
deputy