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State of Oregon, County of Klamath
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Linda Smith, County Clerk
Fee \$ 71.00 # of Pgs 11

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional]

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

ST. JOHN & WAYNE, L.L.C.
70 EAST 55TH STREET - 19TH FLOOR
NEW YORK, NEW YORK 10022
Attention: Peter G. Seiden, Esq.

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - Insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME U.S. TIMBERLANDS SERVICES YAKIMA, LLC					
OR	1b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX	
1c. MAILING ADDRESS 625 Madison Ave., Suite 10-B		CITY New York	STATE NY	POSTAL CODE 10022	COUNTRY US
1d.	ADDL INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION ltd liab. co.	1f. JURISDICTION OF ORGANIZATION Delaware	1g. ORGANIZATIONAL ID #, if any DE 3419150	<input type="checkbox"/> NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - Insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME					
OR	2b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX	
2c. MAILING ADDRESS		CITY	STATE	POSTAL CODE	COUNTRY
2d.	ADDL INFO RE ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	2g. ORGANIZATIONAL ID #, if any	<input type="checkbox"/> NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE OF ASSIGNOR S/P) - Insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME BANK OF AMERICA, N.A.					
OR	3b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX	
3c. MAILING ADDRESS 101 South Tryon NC1-002-06-31 6th Flr		CITY Charlotte	STATE NC	POSTAL CODE 28255	COUNTRY US

4. This FINANCING STATEMENT covers the following collateral:

Please see EXHIBIT 1 attached hereto for a description of the collateral covered by this Financing Statement.

5. ALTERNATIVE DESIGNATION (if applicable): ☐ LESSOR/LESSOR ☐ CONSIGNEE/CONSIGNOR ☐ BAILEE/BAILO ☐ SELLER/BUYER ☐ AG. LIEN ☐ NON-UCC FILING

6. ☒ This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS.
Attach Addendum (if applicable)

7. See instruction Debtor(s)

8. OPTIONAL FILER REFERENCE DATA
Klamath County, Oregon

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UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

9. NAME OF FIRST DEBTOR (1a or 1b) ON RELATED FINANCING STATEMENT

9a. ORGANIZATION'S NAME

U.S. TIMBERLANDS SERVICES YAKIMA, LLC

OR 9b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME, SUFFIX

10. MISCELLANEOUS:

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

11. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - Insertion by one name (11a or 11b) - do not abbreviate or combine names

11a. ORGANIZATION'S NAME

OR 11b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

11c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY

11d. ADD'L INFO RE ORGANIZATION DEBTOR 11e. TYPE OF ORGANIZATION 11f. JURISDICTION OF ORGANIZATION 11g. ORGANIZATIONAL ID#, if any ☐ NONE

12. ☐ ADDITIONAL SECURED PARTY'S or ☐ ASSIGNOR S/P'S NAME - Insertion by one name (12a or 12b)

12a. ORGANIZATION'S NAME

OR 12b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

12c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY

13. This FINANCING STATEMENT covers ☒ timber to be cut or ☐ as-estimated collateral, or is filed as a ☒ fixture filing.

14. Description of real estate:

Please see EXHIBIT 2 attached hereto for a description of the real estate.

15. Name and address of a RECORD OWNER of above-described real estate (if Debtor does not have a record interest):

16. Additional collateral description:

Please see EXHIBIT 1 attached hereto for a description of the collateral covered by this Financing Statement.

17. Check only if applicable and check only one box.

Debtor is a ☐ Trust or ☐ Trustee acting with respect to property held in trust or ☐ Decedent's Estate

18. Check only if applicable and check only one box.

☐ Debtor is a TRANSMITTING UTILITY

☐ Filed in connection with a Manufactured-Home Transaction — effective 30 years

☐ Filed in connection with a Public-Finance Transaction — effective 30 years

EXHIBIT 1
to
UCC FINANCING STATEMENT
of
U.S. TIMBERLANDS SERVICES YAKIMA, LLC ("Debtor")
in favor of
BANK OF AMERICA, N.A. ("Secured Party")

Debtor has pledged to Secured Party and granted to Secured Party a security interest in all of the Debtor's right, title and interest in and to the following, in accordance with that certain Deed of Trust, Security Agreement and Fixture Filing and Assignment of Rents and Agreements, dated as of June 30, 2003, given by the Debtor, as the Trustor, to Chicago Title Insurance Company, as the Trustee, and the Secured Party, as the Beneficiary (as same may hereinafter be amended, restated, renewed, extended, replaced, supplemented and/or consolidated from time to time, the "Deed of Trust"):

- A. All of Debtor's present and future estate, right, title and interest in and to the following:
1. All of the Timber (as defined below) (hereinafter, the "Timber") located on that certain real property located in the Counties of Klamath and Jackson, State of Oregon, as more particularly described in EXHIBIT 2 to this financing statement (the "Land"), including all hereditaments, appurtenances, easements and rights thereto or used in connection therewith or as a means of access thereto, together with all right, title and interest that Debtor now has or may hereafter acquire in the Timber and any proceeds thereof.
 2. All income, rents, royalties, revenues, issues, profits and proceeds from any and all of such Timber.
 3. All proceeds and claims arising on account of any damage to or taking of such Timber, and all causes of action and recoveries for any loss or diminution in the value of such Timber, including the proceeds of any policy of insurance covering the Timber or the proceeds of any condemnation action or transfer in lieu of condemnation.
 4. All of the buildings and other improvements now or hereafter located on the Land, if any (collectively, the "Improvements"), including all plans and specifications prepared for construction of the Improvements and all contracts and agreements of the Debtor relating to the plans and specifications or the construction of the Improvements, and all right, title and interest, if any, of the Debtor in and to the streets and roads abutting the Land to the center lines thereof, and strips and gores within or adjoining the Land, development rights, the air space and right to use said air space above the Land, all rights of ingress and egress by motor vehicles to parking facilities on or within the Land, all easements now or hereafter affecting the Land, all royalties and all rights appertaining to the use and enjoyment of the Land, including, without limitation, alley, drainage, crop, timber, agricultural, horticultural, mineral, water, oil and gas rights and reservations of the Land.
 5. All of the accounts and accounts receivable, fixtures and articles of personal property and all appurtenances and additions thereto and substitutions or

replacements thereof, now or hereafter attached to, contained in, or used in connection with the Land and/or the Improvements or placed on any part thereof though not attached thereto, including, but not limited to, all screens, awnings, shades, blinds, curtains, draperies, carpets, rugs, furniture and furnishings, heating, lighting, plumbing, ventilation, air conditioning, refrigeration, refrigerators, incinerator and/or compacting and elevator plants, stoves, ranges, vacuum cleaning systems, call and intercom systems, sprinkler systems and other fire prevention and extinguishing apparatus and materials, motors, machinery, pipes, appliances, equipment, fittings and fixtures, and the trade name, good will and books and records relating to the business operated on the Land and/or the Improvements.

6. All of the leases, subleases, contracts to lease, lettings, licenses and other agreements relating to the use or occupancy of all or any part of the Land, the Improvements and/or any other property or rights encumbered or conveyed by the Deed of Trust, or any part thereof, now or hereafter entered into by the Debtor as landlord or sublandlord and all right, title and interest of the Debtor thereunder, including, without limitation, all extensions, renewals, amendments and modifications thereof, and any options, rights of first refusal, guarantees, privileges and interests relating thereto, and all rents, income, receipts, revenues, escrow accounts, reserves, cash and securities deposited thereunder, the right to receive and collect the rents, issues and profits payable thereunder and the right to enforce, whether by action at law or in equity or by other means, all provisions, covenants and agreements thereof (it being intended by the Debtor and the Secured Party that the assignment contained in this paragraph constitutes an unconditional, absolute assignment, as part of the consideration for the indebtedness under the Note (as defined in the Deed of Trust), and not an assignment for additional security); provided, however, that Debtor shall have a license to collect and retain all amounts due thereunder and to perform the same unless and until the occurrence of an Event of Default (as defined in the Deed of Trust).
7. All unearned premiums, accrued, accruing or to accrue under insurance policies now or hereafter obtained by the Debtor with respect to the Land and all proceeds of the conversion, voluntary or involuntary, of the Land, the Improvements and/or any other property or rights encumbered or conveyed by the Deed of Trust, or any part thereof, into cash or liquidated claims, including, without limitation, proceeds of hazard and title insurance and all awards and compensation heretofore and hereafter made to the present and all subsequent owners of the Land, the Improvements and/or any other property or rights encumbered or conveyed by the Deed of Trust by any governmental or other lawful authority for the taking by eminent domain, condemnation or otherwise, of all or any part of the Land; the Improvements and/or any other property or rights encumbered or conveyed by the Deed of Trust or any easement therein, including, but not limited to, awards for any change of grade of streets.
8. All extensions, improvements, betterments, renewals, substitutions and replacements of and all additions and appurtenances to the Land, the Improvements and/or any other property or rights encumbered or conveyed by the Deed of Trust, hereafter acquired by or released to the Debtor (but excluding therefrom any of the Land which shall have at any time been covered by the lien

hereof and the security interest granted hereunder and shall thereafter have been released therefrom by the Secured Party pursuant to a written instrument executed by the Secured Party) or constructed, assembled or placed by the Debtor on the Land, the Improvements, and/or any other property or rights encumbered or conveyed by the Deed of Trust, and all conversions of the security constituted thereby which, immediately upon such acquisition, release, construction, assembling, placement or conversion, as the case may be, and in each such case without any further mortgage, conveyance, assignment or other act by the Debtor, shall become subject to the lien of the Deed of Trust as fully and completely, and with the same effect, as though now owned by the Debtor and specifically described herein.

9. All the estate, right, title, interest, property, possession, claim and demand whatsoever of the Debtor, as well in law as in equity, of, in and to the same and every part and parcel thereof with the appurtenances.

For purposes hereof, "Timber" means all merchantable timber identified as being located on Parcels 1, 2, 4 and 5 and valued in the Appraisal of the Fair Market Value of U.S. Timberlands Company, L.P. Boise Cascade Land Sale in Klamath and Jackson Counties, Oregon and Siskiyou County, California, prepared by Wesley Rickard, Inc., Gig Harbor, Washington and W.R. Weathers & Associates, Lowell, Oregon, dated as of May 5, 2003 (the "Appraisal"). Timber does not include bare land, non-forest, non-stocked, non-productive, reproduction, non-merchantable, riparian management area (RMA), watershed, not cruised, non-commercial, sale area (to be clear cut), or any other non-merchantable timber identified, and not valued as merchantable timber, in the Appraisal.

B. Any portion of the property owned by Debtor that may be construed to be personal property and all other personal property of every kind and description, whether now existing or hereafter acquired and owned by Debtor, or in which Debtor has an interest, now or at any time arising from the use or enjoyment of all or any portion of the Real Property (as defined in the Deed of Trust), including:

1. All permits, licenses, entitlements, authorizations, exemptions, certifications, franchises, timber harvesting plan reviews and approvals, environmental approvals (including an environmental impact statement or report if required under applicable law for Debtor's acquisition or disposition of the Timber) whether now existing or hereafter issued to or obtained by or on behalf of Debtor that relate to or concern in any way the Timber, and that are given or issued by any governmental agency or quasi-governmental authority as the same may be modified, amended or supplemented from time to time.
2. All substitutions, accessions, additions and replacements to the Timber (including logs and lumber) and to any of the foregoing; all proceeds of any of the foregoing property, including, without limitation, proceeds of any voluntary or involuntary disposition, diminution in value or claim respecting any such property (pursuant to judgment, condemnation award or otherwise) and all goods, documents, general intangibles, chattel paper and accounts, wherever located, acquired with cash proceeds of any of the foregoing or proceeds thereof.
3. All agreements, contracts, arrangements or other contractual obligations, whether now existing or hereafter entered into, whereby Debtor or its predecessors in interest have granted, grant or will grant to third persons the right to cut, harvest, or otherwise remove Timber from the Land (to the extent Debtor has an interest

in such rights) and all timber sales agreements, log sales agreements, purchase orders, purchase and sale agreements and other contractual obligations, whether now existing or hereafter entered into, whereby Debtor, as seller, is or may become obligated to cut, harvest or otherwise remove Timber harvested from the Land or to otherwise obtain Timber from the Land and to sell, exchange or deliver such Timber to third persons and all agreements, contracts or other contractual obligations, whether now existing or hereafter entered into, whereby third persons have granted or will grant to Debtor the right to cut, harvest or otherwise remove Timber from the Land.

All of the property assigned or transferred or intended to be assigned or transferred to Secured Party in paragraph B, as well as those items deemed to be personal property (under the applicable Uniform Commercial Code in effect in the State of Oregon (the "Code")) under paragraph A above are hereinafter referred to as the "Personal Property."

Except to the extent expressly prohibited under applicable law, this financing statement, together with the Deed of Trust, shall be deemed to be a "security agreement" (as defined in the Code) and the Secured Party shall have, in addition to all rights and remedies provided in the Deed of Trust, and in any other Loan Documents (as defined in the Deed of Trust), agreements, commitments and undertakings made by the Debtor to the Secured Party, all of the rights and remedies of a "Secured Party" under the Code, and the Deed of Trust shall also constitute a financing statement as provided for in the Code.

EXHIBIT 2
to
UCC FINANCING STATEMENT
of
U.S. TIMBERLANDS SERVICES YAKIMA, LLC ("Debtor")
in favor of
BANK OF AMERICA, N.A. ("Secured Party")

A. Jackson County, Oregon

All real property located in Jackson County, Oregon, described as follows:

PARCEL NO. 1:

The East half of Section 28, Township 40 South, Range 3 East, Willamette Meridian, Jackson County, Oregon.

PARCEL NO. 2:

The Northwest quarter, and the West half of the Southwest quarter of Section 34, Township 40 South, Range 3 East, Willamette Meridian, Jackson County, Oregon.

PARCEL NO. 3:

All of Section 10, Township 39 South, Range 4 East, Willamette Meridian, Jackson County, Oregon.

PARCEL NO. 4:

All of Section 18, Township 39 South, Range 4 East, Willamette Meridian, Jackson County, Oregon.

PARCEL NO. 5:

The Northeast quarter, the North half of the Northwest quarter, the Southeast quarter of the Northwest quarter, and the South half of Section 22, Township 39 South, Range 4 East, Willamette Meridian, Jackson County, Oregon.

PARCEL NO. 6:

All of Section 28, Township 39 South, Range 4 East, Willamette Meridian, Jackson County, Oregon.

PARCEL NO. 7:

All of Section 30, Township 39 South, Range 4 East, Willamette Meridian, Jackson County, Oregon.

B. Klamath County, Oregon

All real property located in Klamath County, Oregon, described as follows:

TOWNSHIP 40 SOUTH, RANGE 6 EAST, W.M.

- Section 12: Government Lot 1; The Southeast Quarter of the Northeast Quarter; The East Half of the Southeast Quarter
- Section 24: All
- Section 25: All
- Section 26: The East Half
- Section 36: All

TOWNSHIP 41 SOUTH, RANGE 6 EAST, W.M.

- Section 2: The Northeast Quarter
- Section 9: The Southwest Quarter
- Section 12: All
- Section 16: Government Lots 1, 2, 3, and 4

TOWNSHIP 39 SOUTH, RANGE 7 EAST, W.M.

- Section 27: The South Half of the Southwest Quarter; The Southwest Quarter of the Southeast Quarter
- Section 28: The South Half of the South Half
- Section 29: The Southeast Quarter of the Southeast Quarter
- Section 32: The Southeast Quarter of the Northwest Quarter; The Southwest Quarter of the Northeast Quarter; The Southeast Quarter of the Southeast Quarter; The West Half of the Southeast Quarter; The East Half of the Southwest Quarter; The Southwest Quarter of the Southwest Quarter
- Section 33: The Northeast Quarter; The Northeast Quarter of the Northwest Quarter; The North Half of the Southeast Quarter
- Section 34: All
- Section 35: The West Half of the Southwest Quarter; A Portion of Government Lot 3; The Southeast Quarter of the Southwest Quarter; The Southwest Quarter of the Southeast Quarter; Government Lot 5, more particularly described in Volume 314, Page 179, Deed Records of Klamath County, Oregon

TOWNSHIP 40 SOUTH, RANGE 7 EAST, W.M.

- Section 1:** The Northwest Quarter of the Southeast Quarter; The Northeast Quarter of the Southwest Quarter; The South Half of the Southwest Quarter
- Section 2:** Fractional North Half; The North Half of the Southwest Quarter; The Southeast Quarter of the Southwest Quarter; The Southeast Quarter
- Section 4:** All
- Section 6:** The North Half of the Northeast Quarter; The Southeast Quarter of the Northeast Quarter; The Southeast Quarter; The South Half of the Southwest Quarter
- Section 7:** The West Half of the Southwest Quarter; The Southeast Quarter of the Southwest Quarter; The Southwest Quarter of the Southeast Quarter
- Section 8:** The Northeast Quarter; Government Lots 3, 4, and 5; The Northeast Quarter of the Southwest Quarter
- Section 10:** Governments Lots 1, 2, 3, and 4; The South Half of the North Half; The Southwest Quarter
- Section 12:** The Southwest Quarter; The Southeast Quarter of the Northwest Quarter; The Southwest Quarter of the Northeast Quarter; the West Half of the Southeast Quarter
- Section 13:** Being a portion of the North Half of the Northwest Quarter of Section 13, Township 40 South, Range 7 East, W.M., Klamath County, Oregon, more particularly described as follows:
- Beginning at the section corner common to Sections 11, 12, 13, and 14, Township 40 South, Range 7 East, W.M., Klamath County, Oregon; thence South 89°10'48" East along the Section line 2,636.126 Feet to the ¼ corner common to Sections 12 and 13 of said Township and Range; thence South 0°21'4" East 1,321.589 Feet to a 2" survey cap; thence North 89°15'40" West 1,331.234 feet to a 2" survey cap marking the Northwest 1/16th corner of Section 13; thence North 44°22'04" West 1,877.448 feet to the point of beginning.
- Section 16:** All
- Section 18:** All
- Section 20:** The North Half; The North Half of the South Half
- Section 22:** The Northwest Quarter; The North Half of the Northeast Quarter; The Southwest Quarter of the Northeast Quarter; The Northwest Quarter of the Southeast Quarter; The North Half of the Southwest Quarter; Government Lots 3 and 4
- Section 26:** The East Half; The East Half of the Northwest Quarter; The Southwest Quarter of the Northwest Quarter; The Northwest Quarter of the Northwest Quarter

EXCEPT that portion of the following described land lying in the Northwest Quarter of the Northwest Quarter of said Section 26, more particularly described as follows:

Beginning at an iron pin from which the Section corner common to said Sections 23 and 26 (as marked by a brass capped monument) bears North 45°07'46" West 130.75 feet and South 29°15'31" West 61.67 feet; thence North 43°51'57" East 223.58 feet to an iron pin; thence North 84°44'04" East 229.91 feet to an iron pin; thence South 08°53'40" East 279.98 feet to an iron pin; thence South 41°58'02" West 234.03 feet to an iron pin; thence North 45°07'46" West 381.17 feet to the point of beginning.

- Section 28: All
- Section 33: The East Half of the West Half; The Southwest Quarter of the Southeast Quarter
- Section 35: The East Half of the East Half; The Southwest Quarter of the Southeast Quarter
- Section 36: The West Half; The Southeast Quarter

TOWNSHIP 41 SOUTH, RANGE 7 EAST, W.M.

- Section 1: The East Half; The Southwest Quarter
- Section 2: The Southwest Quarter of the Northeast Quarter; The East Half of the Northwest Quarter
EXCEPT That portion described in Deed recorded January 5, 1925, in Deed Book 65 at Page 142.
The East Half of the Southwest Quarter; The West Half of the West Half
- Section 3: The East Half of the Southeast Quarter
- Section 4: The North Half of the North Half; The South Half of the Northeast Quarter
- Section 10: The Northwest Quarter; The Northeast Quarter of the Southwest Quarter
- Section 11: The East Half; The Northwest Quarter of the Northwest Quarter; The Northwest Quarter of the Southwest Quarter
- Section 12: All
- Section 13: The Northwest Quarter of the Northeast Quarter; The North Half of the Northwest Quarter; Government Lots 2 and 3
- Section 14: The Northeast Quarter of the Northeast Quarter; Government Lots 1, 2, 3, and 4

TOWNSHIP 41 SOUTH, RANGE 8 EAST, W.M.

- Section 6: The Northwest Quarter; The Northwest Quarter of the Northeast Quarter; The North Half of the Southwest Quarter; The Southwest Quarter of the Southwest Quarter

Section 7: **The Northwest Quarter; The North Half of the Northeast Quarter; The North Half of the Southwest Quarter; The Southwest Quarter of the Southwest Quarter**