

2014-010977

Klamath County, Oregon

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After Recording, Return to:

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Schwabe, Williamson & Wyatt
1211 SW Fifth Avenue, Suites 1500-1900
Portland, OR 97204-3795

**FIRST AMENDMENT TO AMENDED AND RESTATED RECIPROCAL ACCESS
EASEMENT AGREEMENT**

(Douglas, Jackson, Josephine, and Klamath Counties, Oregon)

Grantors:

- (i) Hancock Timberland X Inc.;
- (ii) System Global Timberlands, LLC;
- (iii) AP Timber, LLC; and
- (iv) SFG HCK Timber Partnership, L.P.

Grantees:

- (i) Hancock Timberland X Inc.;
- (ii) System Global Timberlands, LLC;
- (iii) AP Timber, LLC; and
- (iv) SFG HCK Timber Partnership, L.P.

FATCO NCS-1682744-DR1

**FIRST AMENDMENT
TO
AMENDED AND RESTATED RECIPROCAL ACCESS EASEMENT AGREEMENT
(Douglas, Jackson, Josephine, and Klamath Counties, Oregon)**

This First Amendment to Amended and Restated Reciprocal Access Easement Agreement (this “**Amendment**”) is made and effective this 17th day of October, 2014, by (i) Hancock Timberland X Inc., a Delaware corporation, also appearing of record as Hancock Timberland X, Inc., a Delaware corporation (“**HTX**”), (ii) System Global Timberlands, LLC, a Virginia limited liability company (“**SGT**”), (iii) AP Timber, LLC, a Delaware limited liability company, also appearing of record as AP Timber LLC, a Delaware limited liability company (“**APT**”), and (iv) SFG HCK Timber Partnership, L.P., a Delaware limited partnership (“**SFG**”), successor-in-interest to Tristar Southwest Oregon Timberlands LLC, a Delaware limited liability company. HTX, SGT, APT, and SFG and their respective successors and assigns are sometimes individually referred to herein as a “**Timberland Owner**” and sometimes collectively referred to herein as the “**Timberland Owners.**”

RECITALS:

A. HTX is the owner of certain real property located in Jackson and Josephine Counties, Oregon, which is described in Exhibit A attached hereto (the “**HTX Property**”).

B. SGT is the owner of certain real property located in Douglas, Jackson, Josephine, and Klamath Counties, Oregon, which is described in Exhibit B attached hereto (the “**SGT Property**”).

C. APT is the owner of certain real property located in Douglas, Jackson, Josephine, and Klamath Counties, Oregon, which is described in Exhibit C attached hereto (the “**APT Property**”).

D. SFG is the owner of certain real property located in Douglas, Jackson, Josephine, and Klamath Counties, Oregon, which is described in Exhibit D attached hereto (the “**SFG Property**”).

E. The Timberland Owners, or their predecessors-in-interest, entered into that certain Amended and Restated Reciprocal Access Easement Agreement, dated January 23, 2014, and recorded in: (i) the Douglas County, Oregon official records on March 26, 2014, as Instrument No. 2014-004636; (ii) the Jackson County, Oregon official records on March 26, 2014, as Instrument No. 2014-007049; (iii) the Josephine County, Oregon official records on March 26, 2014, as Instrument No. 2014-002769; and (iv) the Klamath County, Oregon official records on March 26, 2014, as Instrument No. 2014-002624 (as amended herein, the “**REA**”).

AGREEMENT:

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. **HTX Easement to SGT, APT, and SFG.** HTX hereby grants to SGT, APT, and SFG for the benefit of the SGT Property, the APT Property, and the SFG Property, respectively, a perpetual, nonexclusive, appurtenant easement (the “**HTX Rock Pit Access Easement**”), subject to all matters of public record, for the purposes described in this Amendment over, across and through all rock pits operated by a Developing Owner, as defined in Section 7, and the associated aggregate processing areas and aggregate stockpile and loading areas on the HTX Property (the “**HTX Rock Pits**”), and all roads, roadways, drives, thoroughfares and rights-of-way (the “**HTX Roads**” and together with the HTX Rock Pits, the “**HTX Easement Areas**”) now existing or hereafter constructed on the HTX Property that are the most direct and commercially reasonable routes between the SGT Property, the APT Property, or the SFG Property, as the case may be, and the HTX Rock Pits. The HTX Rock Pit Access Easement shall run with the land, shall burden the HTX Property, and shall be for the benefit of and appurtenant to the SGT Property, the APT Property, and the SFG Property, including any division or partition thereof.

2. **SGT Easement to HTX, APT, and SFG.** SGT hereby grants to HTX, APT, and SFG for the benefit of the HTX Property, the APT Property, and the SFG Property, respectively, a perpetual, nonexclusive, appurtenant easement (the “**SGT Rock Pit Access Easement**”), subject to all matters of public record, for the purposes described in this Amendment over, across and through all rock pits operated by a Developing Owner, as defined in Section 7, and the associated aggregate processing areas and aggregate stockpile and loading areas on the SGT Property (the “**SGT Rock Pits**”), and all roads, roadways, drives, thoroughfares and rights-of-way (the “**SGT Roads**” and together with the SGT Rock Pits, the “**SGT Easement Areas**”) now existing or hereafter constructed on the SGT Property that are the most direct and commercially reasonable routes between the HTX Property, the APT Property, or the SFG Property, as the case may be, and the SGT Rock Pits. The SGT Rock Pit Access Easement shall run with the land, shall burden the SGT Property, and shall be for the benefit of and appurtenant to the HTX Property, the APT Property, and the SFG Property, including any division or partition thereof.

3. **APT Easement to HTX, SGT, and SFG.** APT hereby grants to HTX, SGT, and SFG for the benefit of the HTX Property, the SGT Property, and the SFG Property, respectively, a perpetual, nonexclusive, appurtenant easement (the “**APT Rock Pit Access Easement**”), subject to all matters of public record, for the purposes described in this Amendment over, across and through all rock pits operated by a Developing Owner, as defined in Section 7, and the associated aggregate processing areas and aggregate stockpile and loading areas on the APT Property (the “**APT Rock Pits**”), and all roads, roadways, drives, thoroughfares and rights-of-way (the “**APT Roads**” and together with the APT Rock Pits, the “**APT Easement Areas**”) now existing or hereafter constructed on the APT Property that are the most direct and commercially reasonable routes between the HTX Property, the SGT Property, or the SFG

Property, as the case may be, and the APT Rock Pits. The APT Rock Pit Access Easement shall run with the land, shall burden the APT Property, and shall be for the benefit of and appurtenant to the HTX Property, the SGT Property, and the SFG Property, including any division or partition thereof.

4. **SFG Easement to HTX, SGT, and APT.** SFG hereby grants to HTX, SGT, and APT for the benefit of the HTX Property, the SGT Property, and the APT Property, respectively, a perpetual, nonexclusive, appurtenant easement (the “**SFG Rock Pit Access Easement**”), subject to all matters of public record, for the purposes described in this Amendment over, across and through all rock pits operated by a Developing Owner, as defined in Section 7, and the associated aggregate processing areas and aggregate stockpile and loading areas on the SFG Property (the “**SFG Rock Pits**” and together with the HTX Rock Pits, the SGT Rock Pits, and the APT Rock Pits, the “**Rock Pits**”), and all roads, roadways, drives, thoroughfares and rights-of-way (the “**SFG Roads**” and together with the SFG Rock Pits, the “**SFG Easement Areas**”) now existing or hereafter constructed on the SFG Property that are the most direct and commercially reasonable routes between the HTX Property, the SGT Property, and the APT Property, as the case may be, and the SFG Rock Pits. The SFG Rock Pit Access Easement shall run with the land, shall burden the SFG Property, and shall be for the benefit of and appurtenant to the HTX Property, the SGT Property, and the APT Property, including any division or partition thereof.

5. **Easement Areas and Roads.** The easement areas under the HTX Easement Areas, the SGT Easement Areas, the APT Easement Areas, and the SFG Easement Areas, are herein sometimes referred to collectively as the “**New Easement Areas.**” The HTX Roads, the SGT Roads, the APT Roads, and the SFG Roads are herein referred to as the “**Additional Roads.**” The term “**Easement Areas,**” as defined in the REA, is amended to include the New Easement Areas and the term “**Roads,**” as defined in the REA, is amended to include the Additional Roads.

6. **Purpose.** The New Easement Areas shall only be used for (a) surface mining, processing, stockpiling, and removal of Aggregates, as defined, within the Rock Pits, and for other purposes ancillary or incidental thereto, and (b) vehicular ingress and egress, to and from the Timberland Owners’ respective properties, related to hauling Aggregates, and for other purposes ancillary or incidental thereto. For purposes of this Amendment, the term “**Aggregates**” means all sand, gravel, rock, jetty rock and other construction aggregates of whatever size, shape or composition located on a Timberland Owner’s property.

7. **Compensation for Removal of Aggregates.** If a Timberland Owner (the “**Developing Owner**”) is developing Aggregates on its property or another Timberland Owner’s property (the “**Fee Owner**”), the other Timberland Owners shall have the right to remove Aggregates within and from the applicable Rock Pits, provided, however, that (a) each Timberland Owner (the “**Exercising Owner**”) exercising rights under this paragraph shall compensate the Developing Owner for the costs incurred by the Developing Owner in connection with the exercise of rights by the Exercising Owner at a uniform rate, as adjusted from time to time by the Timberland Owners, for all removed Aggregates, which the Timberland Owners

mutually shall reasonably establish from time to time, (b) the exercise of rights by the Exercising Owner shall be subject to such other terms and conditions as the Fee Owner, the Developing Owner and the Exercising Owner may reasonably agree, including, without limitation the amount of Aggregates available for removal and the allocation of Rock Pit operation and development costs, (c) no Exercising Owner may sell Aggregates that are mined or otherwise developed on a Fee Owner's property to third parties without the prior written consent of the Fee Owner, and (d) each Timberland Owner may only use Aggregates that are mined or otherwise developed on another Timberland Owner's property for forestry uses on such Timberland Owner's property or on roads which access such Timberland Owner's property (including road surface repair and replacement, new road and landing construction, watercourse rip-rap, cut and fill stabilization and similar purposes) unless the Fee Owner agrees otherwise in writing. Nothing herein shall prohibit a Fee Owner from selling Aggregates developed by such Timberland Owner, a Developing Owner or its assignees and lessees on such Timberland Owner's property to third parties.

8. **Aggregate Development.** No Timberland Owner shall have the right to mine, process, stockpile, or remove Aggregates within or from another Timberland Owner's property without the prior written consent of such other Timberland Owner, which consent shall not be unreasonably withheld, conditioned or delayed. Any development of Aggregates on a Timberland Owner's property by another Timberland Owner shall be subject to the parties executing a rock removal permit on terms and conditions mutually satisfactory to the parties in their sole and absolute discretion and conducted in accordance with best management practices.

9. **Annual Meetings.** The Timberland Owners shall endeavor to meet no less than once per calendar year to discuss their respective need for Aggregates for the upcoming year and their plans for mining or developing Aggregates on their respective properties.

10. **Miscellaneous.**

(a) This Amendment contains the entire agreement and understanding of the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements with respect thereto. The parties acknowledge and agree that there are no agreements or representations relating to the subject matter of this Amendment, either written or oral, express or implied, that are not set forth in this Amendment or in the Exhibits to this Amendment.

(b) The headings or titles of the sections of this Amendment are intended for ease of reference only and shall have no effect whatsoever on the construction or interpretation of any provision of this Amendment; references herein to sections are to sections of this Amendment unless otherwise specified. Meanings of defined terms used in this Amendment are equally applicable to singular and plural forms of the defined terms. As used herein, (i) the terms "hereof," "herein," "hereunder," and similar terms refer to this Amendment as a whole and not to any particular provision of this Amendment, (ii) the term "this transaction" refers to the transaction(s) contemplated by this Amendment, and (iii) the term "including" is not limiting and means "including without limitation."

(c) All provisions of this Amendment have been negotiated at arm's length and this Amendment shall not be construed for or against any party by reason of the authorship or alleged authorship of any provision hereof.

(d) Each party agrees to execute and deliver such additional documents and instruments as may reasonably be required to effect this transaction fully, so long as the terms thereof are consistent with the terms of this Amendment.

(e) The Recitals to this Amendment and any Exhibits or Schedules attached to this Amendment are incorporated herein by this reference.

(f) This Amendment may be executed in as many counterparts as may be deemed necessary or convenient, each of which, when so executed, shall be deemed an original, but all such counterparts shall constitute but one and the same instrument. This Amendment shall become effective and in full force only when duly and properly executed, authorized, and delivered by the parties hereto. Each individual who executes this Amendment on behalf of a party warrants his or her authority to do so.

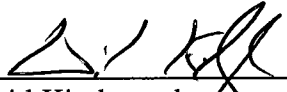
(g) No other modification to the REA is made or intended to be made hereby. Except as expressly modified by this Amendment, all other terms and conditions of the REA are hereby ratified and affirmed by the Timberland Owners and shall remain in full force and effect.

[Remainder of the page left intentionally blank – signatures appear on the following page]

IN WITNESS WHEREOF, this Amendment has been executed as of the date and year first above written.

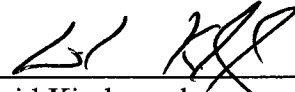
HANCOCK TIMBERLAND X INC., a Delaware corporation, also appearing of record as HANCOCK TIMBERLAND X, INC., a Delaware corporation

By: Hancock Natural Resource Group, Inc., its Advisor

By: 
Name: David Kimbrough
Title: Vice President

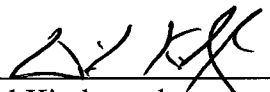
AP TIMBER, LLC, a Delaware limited liability company, also appearing of record as AP TIMBER LLC, a Delaware limited liability company

By: Hancock Natural Resource Group, Inc., its Advisor

By: 
Name: David Kimbrough
Title: Vice President

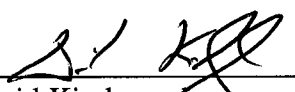
SYSTEM GLOBAL TIMBERLANDS, LLC, a Virginia limited liability company

By: Hancock Natural Resource Group, Inc., its Advisor

By: 
Name: David Kimbrough
Title: Vice President

SFG HCK TIMBER PARTNERSHIP, L.P., a Delaware limited partnership

By: Hancock Natural Resource Group, Inc., its Manager

By: 
Name: David Kimbrough
Title: Vice President

(notary acknowledgements on following pages)

STATE OF NORTH CAROLINA

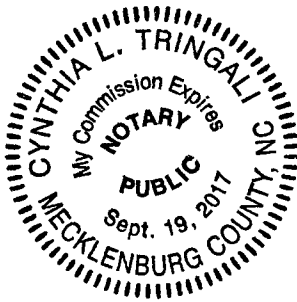
)

) ss.

COUNTY OF MECKLENBURG

)

On this 17th day of October, 2014, before me, the undersigned Notary Public, personally appeared David Kimbrough, proved to me through satisfactory evidence of identification, which was/were personal knowledge, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose(s) as Vice President of Hancock Natural Resource Group, Inc., a Delaware corporation, on behalf of Hancock Timberland X Inc.



Cynthia L. Tringali

Notary Public

Name: Cynthia L. Tringali

(Print or Type)

My Commission Expires: 9-19-2017

STATE OF NORTH CAROLINA

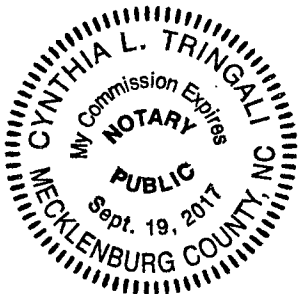
)

) ss.

COUNTY OF MECKLENBURG

)

On this 17th day of October, 2014, before me, the undersigned Notary Public, personally appeared David Kimbrough proved to me through satisfactory evidence of identification, which was/were personal knowledge, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose(s) as Vice President of Hancock Natural Resource Group, Inc., a Delaware corporation, on behalf of AP Timber, LLC.



Cynthia L. Tringali

Notary Public

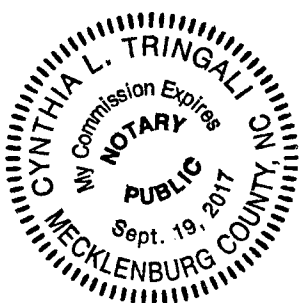
Name: Cynthia L. Tringali

(Print or Type)

My Commission Expires: 9-19-2017

STATE OF NORTH CAROLINA)
) ss.
COUNTY OF MECKLENBURG)

On this 17th day of October, 2014, before me, the undersigned Notary Public, personally appeared David Kimbrough, proved to me through satisfactory evidence of identification, which was/were personal knowledge, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose(s) as Vice President of Hancock Natural Resource Group, Inc., a Delaware corporation, on behalf of System Global Timberlands, LLC.



Cynthia L. Tringali
Notary Public
Name: Cynthia L. Tringali
(Print or Type)
My Commission Expires: 9-19-2017

STATE OF NORTH CAROLINA)
) ss.
COUNTY OF MECKLENBURG)

On this 17th day of October, 2014, before me, the undersigned Notary Public, personally appeared David Kimbrough, proved to me through satisfactory evidence of identification, which was/were personal knowledge, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose(s) as Vice President of Hancock Natural Resource Group, Inc., a Delaware corporation, on behalf of SFG HCK Timber Partnership, L.P.



Cynthia L. Tringali
Notary Public
Name: Cynthia L. Tringali
(Print or Type)
My Commission Expires: 9-19-2017

EXHIBIT "A"
(HTX Property)

1. Real property in the County of Jackson, State of Oregon, described as follows and incorporated herein by this reference:

The Parcel(s) set forth on **Exhibit A** to that certain Reciprocal Access Easement Agreement dated July 15, 2013, and recorded on July 24, 2013, in the Jackson County, Oregon records as Instrument No. 2013-024802.

2. Real property in the County of Josephine, State of Oregon, described as follows and incorporated herein by this reference:

The Parcel(s) set forth on **Exhibit A** to that certain Reciprocal Access Easement Agreement dated July 15, 2013, and recorded on July 25, 2013, in the Josephine County, Oregon records as Instrument No. 2013-010088.

EXHIBIT "B"
(SGT Property)

1. Real property in the County of Douglas, State of Oregon, described as follows and incorporated herein by this reference:

The Parcel(s) set forth on **Exhibit B** to that certain Reciprocal Access Easement Agreement dated July 15, 2013, and recorded on July 24, 2013, in the Douglas County, Oregon records as Instrument No. 2013-012866.

2. Real property in the County of Jackson, State of Oregon, described as follows and incorporated herein by this reference:

The real property described in that certain Statutory Special Warranty Deed by and between Tristar Southwest Oregon Timberland LLC, as grantor, and System Global Timberlands, LLC, as grantee, dated as of July 15, 2013, and recorded on July 24, 2013, in the Jackson County, Oregon Records as Fee Number 2013-024797, and re-recorded on November 26, 2013, in the Jackson County, Oregon Records as Fee Number 2013-040035, **INCLUDING THE FOLLOWING PARCEL:**

The real property described in that certain Statutory Special Warranty Deed by and between Tristar Southwest Oregon Timberland LLC, as grantor, and System Global Timberlands, LLC, as grantee, dated as of July 15, 2013, and recorded on September 4, 2013, in the Jackson County, Oregon Records as Fee Number 2013-030144.

LESS AND EXCEPT THE FOLLOWING PARCEL:

The South Half of the Southwest Quarter (S1/2SW1/4) and the Southwest Quarter of the Southeast Quarter (SW1/4SE1/4) of Section 21, Township 33 South, Range 4 West, Willamette Meridian, Jackson County, Oregon.

3. Real property in the County of Josephine, State of Oregon, described as follows and incorporated herein by this reference:

The Parcel(s) set forth on **Exhibit B** to that certain Reciprocal Access Easement Agreement dated July 15, 2013, and recorded on July 25, 2013, in the Josephine County, Oregon records as Instrument No. 2013-010088, are hereby incorporated by this reference.

4. Real property in the County of Klamath, State of Oregon, described as follows and incorporated herein by this reference:

The Parcel(s) set forth on **Exhibit B** to that certain Reciprocal Access Easement Agreement dated July 15, 2013, and recorded on July 24, 2013, in the Klamath County, Oregon records as Instrument No. 2013-008399, are hereby incorporated by this reference.

EXHIBIT "C"
(APT Property)

1. Real property in the County of Douglas, State of Oregon, described as follows and incorporated herein by this reference:

The Parcel(s) set forth on **Exhibit C** to that certain Reciprocal Access Easement Agreement dated July 15, 2013, and recorded on July 24, 2013, in the Douglas County, Oregon records as Instrument No. 2013-012866.

2. Real property in the County of Jackson, State of Oregon, described as follows and incorporated herein by this reference:

The real property described in that certain Statutory Special Warranty Deed by and between Tristar Southwest Oregon Timberland LLC, as grantor, and AP Timber LLC, as grantee, dated as of July 15, 2013, and recorded on July 24, 2013, in the Jackson County, Oregon Records as Fee Number 2013-024796, and re-recorded on November 26, 2013, in the Jackson County, Oregon Records as Fee Number 2013-040036.

LESS AND EXCEPT THE FOLLOWING PARCELS:

The real property described in that certain Statutory Bargain and Sale Deed by and between AP Timber, LLC, as grantor, and Jackson County, as grantee, dated as of November 15, 2013, and recorded on November 15, 2013, in the Jackson County, Oregon Records as Fee Number 2013-039034.

The real property described in that certain Special Warranty Deed by and between AP Timber, LLC, as grantor, and 276 Cattle Company, LLC, as grantee, dated as of January 13, 2014, and recorded on January 15, 2014, in the Jackson County, Oregon Records as Fee Number 2014-001042.

The real property described in that certain Special Warranty Deed by and between AP Timber, LLC, as grantor, and Michael Amaranthus and Eileen Amaranthus, as Trustees of the Amaranthus Family Trust under trust instrument dated December 21, 2001, as grantee, dated July 2014 and recorded on July 2, 2014, in the Jackson County, Oregon Records as Fee Number 2014-001042.

3. Real property in the County of Josephine, State of Oregon, described as follows and incorporated herein by this reference:

The Parcel(s) set forth on Exhibit C to that certain Reciprocal Access Easement Agreement dated July 15, 2013, and recorded on July 25, 2013, in the Josephine County, Oregon records as Instrument No. 2013-010088, are hereby incorporated by this reference.

4. Real property in the County of Klamath, State of Oregon, described as follows and incorporated herein by this reference:

The Parcel(s) set forth on **Exhibit C** to that certain Reciprocal Access Easement Agreement dated July 15, 2013, and recorded on July 24, 2013, in the Klamath County, Oregon records as Instrument No. 2013-008399, are hereby incorporated by this reference.

EXHIBIT "D"
(Description of the SFG Property)

1. Real property in the County of Douglas, State of Oregon, described as follows and incorporated herein by this reference:

The Parcel(s) set forth on **Exhibit D** to that certain Reciprocal Access Easement Agreement dated July 15, 2013, and recorded on July 24, 2013, in the Douglas County, Oregon records as Instrument No. 2013-012866.

2. Real property in the County of Jackson, State of Oregon, described as follows and incorporated herein by this reference:

The Parcel(s) set forth on **Exhibit D** to that certain Reciprocal Access Easement Agreement dated July 15, 2013, and recorded on July 24, 2013, in the Jackson County, Oregon records as Instrument No. 2013-024802, **INCLUDING THE FOLLOWING PARCEL:**

The South Half of the Southwest Quarter (S1/2SW1/4) and the Southwest Quarter of the Southeast Quarter (SW1/4SE1/4) of Section 21, Township 33 South, Range 4 West, Willamette Meridian, Jackson County, Oregon.

LESS AND EXCEPT THE FOLLOWING PARCELS:

The real property described in that certain Statutory Special Warranty Deed by and between Tristar Southwest Oregon Timberland LLC, as grantor, and System Global Timberlands, LLC, as grantee, dated as of July 15, 2013, and recorded on September 4, 2013, in the Jackson County, Oregon Records as Fee Number 2013-030144.

The real property described in that certain Statutory Special Warranty Deed by and between Tristar Southwest Oregon Timberland LLC, as grantor, and System Global Timberlands, LLC, as grantee, dated as of July 15, 2013, and recorded on September 4, 2013, in the Jackson County, Oregon Records as Fee Number 2013-030144.

The West Half of the Northwest Quarter (W1/2NW1/4) of Section 11, Township 34 South, Range 2 West Willamette Meridian, Jackson County, Oregon.

3. Real property in the County of Josephine, State of Oregon, described as follows and incorporated herein by this reference:

The Parcel(s) set forth on **Exhibit D** to that certain Reciprocal Access Easement Agreement dated July 15, 2013, and recorded on July 25, 2013, in the Josephine County, Oregon records as Instrument No. 2013-010088.

4. Real property in the County of Klamath, State of Oregon, described as follows and incorporated herein by this reference:

The Parcel(s) set forth on **Exhibit D** to that certain Reciprocal Access Easement Agreement dated July 15, 2013, and recorded on July 24, 2013, in the Klamath County, Oregon records as Instrument No. 2013-008399.