

# UCC-1

STATE OF OREGON  
Corporation Division - UCC  
255 Capitol Street NE, Suite 151  
Salem, OR 97310-1327  
(503) 986-2200 Facsimile (503) 373-1166  
<http://www.sos.state.or.us/corporation/corphp.htm>

## STATE FINANCING STATEMENT STANDARD FORM

PLEASE TYPE OR PRINT LEGIBLY. READ INSTRUCTIONS BEFORE FILLING OUT FORM.

This Financing Statement is presented to filing officer pursuant to the Uniform Commercial Code. This financing statement remains effective for a period of five years from the date of filing, unless extended for additional periods as provided for by ORS Chapter 79. A carbon, photographic, or other reproduction of this form, financing statement, or security agreement may be filed as a financing statement under ORS Chapter 79.

**A. DEBTOR NAME(S)** (If individual, list last name first.)

1. McCONNELL, Galen R.
2. McCONNELL, Marietta J.
3. \_\_\_\_\_

DEBTOR MAILING ADDRESS:  
16974 Cagle Road  
La Pine, OR 97737

**F. DESCRIBE THE COLLATERAL**  
(ORS 79.4020).

PRODUCTS of collateral are also covered.

See Exhibit "A" attached hereto and incorporated as if fully set forth herein

**B. SECURED PARTY(IES) NAME AND ADDRESS**

LIME Financial Services, Ltd.  
4500 SW Kruse Way, Suite 170  
Lake Oswego, OR 97035  
Contact Name: David R. Ambrose Phone No.: (503) 222-0552

**C. ASSIGNEE(S) NAME AND ADDRESS** (if any)

Contact Name: \_\_\_\_\_ Phone No.: \_\_\_\_\_

**D. DEBTOR SIGNATURE(S) REQUIRED**

By: Galen R. McConnell By: [Signature]  
By: \_\_\_\_\_ By: \_\_\_\_\_

**E. DEBTOR SIGNATURE(S) NOT REQUIRED**. If applicable, check the appropriate box below to file without debtor signature(s). This statement is filed without the debtor signature(s) to perfect a security interest in collateral. Secured Party must sign, when debtor signature(s) is not required. See instructions for further information.

- Collateral already subject to a security interest in another jurisdiction.
- Which is proceeds of the described original collateral which was perfected.
- Collateral as to which the filing has lapsed.
- Collateral acquired after a change of name, identity, or corporate structure of debtor.

By: \_\_\_\_\_ By: \_\_\_\_\_  
Secured Party Signature Secured Party Signature

RETURN ACKNOWLEDGMENT LETTER TO: (Include name, address, and identifier for the debtor listed above. Limit the identifier to eight characters. REFER TO INSTRUCTION, NUMBER 5.) Please do not type or print outside of bracketed area.

LIME Financial Services, Ltd.  
C/O AMBROSE HANLON LLP  
222 SW Columbia, Suite 1670  
Portland, OR 97201-6616

**FEEES**

Make check for \$10.00 payable to "Corporation Division."

NOTE: Filing fees may be paid with VISA or MasterCard. The card number and expiration date should be submitted on a separate sheet of paper for your protection.

DO NOT SUBMIT DUPLICATES OF THIS FILING AND/OR ATTACHMENTS.

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## EXHIBIT "A"

UCC-1  
Description of Collateral

The collateral of this Security Agreement is all personal property located on, removed from, or associated with the real property described on Exhibit "A-1" attached hereto and incorporated as if fully set forth herein, including, but not limited to, the following:

- (a) **inventory**, including raw materials, supplies, work in process, finished goods, and consigned, returned and repossessed goods;
- (b) **equipment**, including machinery, tools, furniture, furnishings, factory or office equipment and machines, automobiles and other vehicles, trailers, rolling stock, airplanes, engines, and propellers, boats, farm tractors, mobile homes, shipping containers, road building, construction, and commercial harvesting machinery, parts, components, and other accessions;
- (c) **accounts**, deposit accounts, money, instruments, letters of credit, certificates of deposit, certificated and uncertificated securities and other investment property, documents, chattel paper, leases, security agreements, mortgages, charters and other contracts involving the use or hire of a vessel, and claims to the proceeds of policies of insurance;
- (d) **general intangibles**, including contract rights, licenses, permits, intellectual property, and other government entitlements, tort claims and other things in action, and proceeds of policies of insurance;
- (e) **all books**, records and documents concerning or relating to the items described in (a) through (d) above.

EXHIBIT "A-1"  
UCC-1  
Description of Collateral

The following described real property situate in Klamath County, Oregon:

Twenty five acres, more or less, being located in Section 36, Township 24 South, Range 8 East of the Willamette Meridian, more specifically known as the Southerly 400 feet of that portion of the NE 1/4 SW 1/4 lying Northwesterly of the Klamath Northern Railroad right-of-way.

AND ALSO INCLUDING that portion of the SE 1/4 SW 1/4 lying Northwesterly of the Klamath Northern Railroad right-of-way.

SAVING AND EXCEPTING THEREFROM the following parcels:

PARCEL NO. 1: Any portion thereof conveyed for railroad right-of-way; and also

PARCEL NO. 2: Beginning at the intersection of the South line of Section 36, T. 24 S., R. 8 E.W.M., with the west line of the Gilchrist Railroad; thence west along said South line a distance of 1000 feet to a point; thence north at right angles to said South line a distance of 200 feet to a point; thence east parallel to said South line, and at a distance 200 feet therefrom, a distance of 1170 feet more or less, to a point on the Westerly line of said railroad; thence southwesterly along said Westerly right of way line a distance of 240 feet, more or less, to the point of beginning; and also

PARCEL NO. 3: Beginning at the South quarter corner of Section 36, T. 24 S., R. 8 E.W.M., Klamath County, Oregon; thence North 89°17'00" West, 1407.87 feet along the South line of Section 36 to the westerly right of way of the Klamath Northern Railroad; thence North 39°40'16" East, 257.19 feet along the Westerly right of way of aforesaid railroad to the true point of beginning; thence North 89°17'00" West, 615.00 feet; thence North 0°43'00" East, 295.00 feet; thence South 89°17'00" East 853.50 feet to the westerly right of way of said railroad; thence South 39°40'16" West, 379.35 feet along said right of way to the true point of beginning; and also

PARCEL NO. 4: A 60 foot right of way along the northerly boundary of above described property from the Klamath Northern Railroad right of

way westerly to the NW 1/4 SW 1/4 of Section 36, T. 24 S., R.8.E.W.M., to provide roadway ingress, egress and for the installation and maintenance of public or private utilities to said appurtenant properties lying in the NW 1/4 SW 1/4 and NE 1/4 SW 1/4 and SW 1/4 SW 1/4 of said Section 36

together with all buildings, improvements and tenements now or in the future erected on the Property, and all previously or in the future vacated alleys and streets abutting the Property, and all easements, rights, appurtenances, leases, including, without limitation, the leases, permits or agreements now or hereafter existing, however evidenced, covering all or any portion of the Property, together with all rents or monies due or to become due thereunder; and together with all now existing or in the future arising or acquired; (a) revenues, royalties, mineral, oil and gas rights and profits, water, water rights, and water stock appurtenant to the Property; (b) fixtures, machinery, equipment located or to be located on the Property, including, without limitation, personal Property required for the maintenance and operation of the Property (including, but not limited to, engines, boilers, incinerators, building materials, and all appliances, escalators and elevators, and related machinery and equipment, fire prevention and extinguishing apparatus, security and access control apparatus, communications apparatus, plumbing, plumbing fixtures, water heaters, paneling, attached floor and wall coverings); and (c) estate, interest, claims or demands, and other general intangibles now or in the future relating to the Property, including, but not limited to, all insurance which the Debtor now has or may in the future acquire in and to the Property, and all present or future refunds or rebates of taxes or assessments on the Property and all compensation, awards, damages or rights of action arising out of or relating to any taking of the Property described above.

State of Oregon, County of Klamath  
 Recorded 04/11/00, at 1:01 p. m.  
 In Vol. M00 Page 11827  
**Linda Smith,**  
 County Clerk Fee\$ 36<sup>00</sup>