

1st 328139

Vol M04 Page 15190

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER (optional)

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

William P. McMillan, Esq.
 Katten Muchin Zavis Rosenman
 401 South Tryon Street
 Suite 2600
 Charlotte, North Carolina 28202-1935

State of Oregon, County of Klamath

Recorded 03/17/2004 10:33 A m

Vol M04 Pg 15190-95

Linda Smith, County Clerk

Fee \$ 46.00 # of Pgs 6

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
Bi-Mart Corporation

OR 1b INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME

SUFFIX

1c. MAILING ADDRESS
220 South Seneca Road

CITY

Eugene

STATE

OR

POSTAL CODE

97402

COUNTRY
USA1d. TAX ID # SSN OR EIN
05-4159313 ADD'L INFO RE 1e. TYPE OF ORGANIZATION
ORGANIZATION corporation1f. JURISDICTION OF ORGANIZATION
California1g. ORGANIZATIONAL ID #, if any
CA1612789 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

FIRST NAME

MIDDLE NAME

SUFFIX

2c. MAILING ADDRESS

CITY

STATE

OR

POSTAL CODE

97402

COUNTRY
USA

2d. TAX ID # SSN OR EIN ADD'L INFO RE 2e. TYPE OF ORGANIZATION 2f. JURISDICTION OF ORGANIZATION 2g. ORGANIZATIONAL ID #, if any

 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
Morgan Stanley Dean Witter Commercial Financial Services, Inc.

FIRST NAME

MIDDLE NAME

SUFFIX

OR 3b INDIVIDUAL'S LAST NAME

CITY

STATE

NY

POSTAL CODE

10022

COUNTRY
USA

4. This FINANCING STATEMENT covers the following collateral:

See Schedule A attached hereto and incorporated herein by this reference.

6. ALTERNATIVE DESIGNATION (if applicable): LESSEE/LESSOR CONSIGNEE/CONSIGNOR BAILEE/BAILOR SELLER/BUYER AG. LIEN NON-UCC FILING6. This FINANCING STATEMENT is to be filed (or record) (or recorded) in the REAL
ESTATE RECORDS. Attach Addendum (if applicable) 7. Check to REQUEST SEARCH REPORT(S) on Debtor(s)
[ADDITIONAL FEE] (optional) All Debtors Debtor 1 Debtor 2

8. OPTIONAL FILER REFERENCE DATA

53102890.01 County Fixture Filing (other than Gresham, OR leasehold)

Instructions for National UCC Financing Statement (Form UCC1)

Please type or laser-print this form. Be sure it is completely legible. Read all instructions, especially Instruction 1; correct Debtor name is crucial. Follow instructions completely.

Fill in form very carefully; mistakes may have important legal consequences. If you have questions, consult your attorney. Filing office cannot give legal advice. Do not insert anything in the open space in the upper portion of this form; it is reserved for filing office use.

When properly completed, send Filing Office Copy, with required fee, to filing office. If you want an acknowledgment, complete Item B and, if filing in a filing office that returns an acknowledgment copy furnished by filer, you may also send Acknowledgment Copy; otherwise detach. If you want to make a search request, complete Item 7 (after reading Instruction 7 below) and send Search Report Copy, otherwise detach. Always detach Debtor and Secured Party Copies.

If you need to use attachments, use 8-1/2 X 11 inch sheets and put at the top of each sheet the name of the first Debtor, formatted exactly as it appears in Item 1 of this form; you are encouraged to use Addendum (Form UCC1Ad).

A. To assist filing offices that might wish to communicate with filer, filer may provide information in Item A. This item is optional.

B. Complete Item B if you want an acknowledgment sent to you. If filing in a filing office that returns an acknowledgment copy furnished by filer, present simultaneously with this form a carbon or other copy of this form for use as an acknowledgment copy.

1. Debtor name: Enter only one Debtor name in Item 1, an organization's name (1a) or an individual's name (1b). Enter Debtor's exact full legal name. Don't abbreviate.
2. If an additional Debtor is included, complete Item 2, determined and formatted per Instruction 1. To include further additional Debtors, or one or more additional Secured Parties, attach either Addendum (Form UCC1Ad) or other additional page(s), using correct name format. Follow Instruction 1 for determining and formating additional names.
3. Enter information for Secured Party or Total Assignee, determined and formatted per Instruction 1. If there is more than one Secured Party, see Instruction 2. If there has been a total assignment of the Secured Party's interest prior to filing this form, you may either (1) enter Assignor S/P's name and address in Item 3 and file an Amendment (Form UCC3) [see Item 5 of that form]; or (2) enter Total Assignee's name and address in Item 3 and, if you wish, also attaching Addendum (Form UCC1Ad) giving Assignor S/P's name and address in Item 12.
4. Use Item 4 to indicate the collateral covered by this Financing Statement. If space in Item 4 is insufficient, put the entire collateral description or continuation of the collateral description on either Addendum (Form UCC1Ad) or other attached additional page(s).
5. If filer desires (at filer's option) to use titles of lessee and lessor, or consignee and consignor, or seller and buyer (in the case of accounts or chattel paper), or bailee and bailor instead of Debtor and Secured Party, check the appropriate box in Item 6. If this is an agricultural item (as defined in applicable Commercial Code) filing or is otherwise not a UCC security interest filing (e.g., a tax lien, judgment lien, etc.), check the appropriate box in Item 6, complete Items 1-7 as applicable and attach any other items required under other law.
6. If this Financing Statement is filed as a fixture filing or if the collateral consists of timber to be cut or as-extracted collateral, complete Items 1-5, check the box in Item 6, and complete the required information (Items 13, 14 and/or 15) on Addendum (Form UCC1Ad).
7. This item is optional. Check appropriate box in Item 7 to request Search Report(s) on all or some of the Debtors named in this Financing Statement. The Report will list all Financing Statements on file against the designated Debtor on the date of the Report, including this Financing Statement. There is an additional fee for each Report. If you have checked a box in Item 7, file Search Report Copy together with Filing Office Copy (and Acknowledgment Copy). Note: Not all states do searches and not all states will honor a search request made via this form; some states require a separate request form.
8. This item is optional and is for filer's use only. For filer's convenience of reference, filer may enter in Item 8 any identifying information (e.g., Secured Party's loan number, law firm file number, Debtor's name or other identification, state in which form is being filed, etc.) that filer may find useful.

Note: If Debtor is a trust or a trustee acting with respect to property held in trust, enter Debtor's name in Item 1 and attach Addendum (Form UCC1Ad) and check appropriate box in Item 17. If Debtor is a decedent's estate, enter name of deceased individual in Item 1b and attach Addendum (Form UCC1Ad) and check appropriate box in Item 17. If Debtor is a transmitting utility or this Financing Statement is filed in connection with a Manufactured-Home Transaction or a Public-Finance Transaction as defined in applicable Commercial Code, attach Addendum (Form UCC1Ad) and check appropriate box in Item 18.

UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

9. NAME OF FIRST DEBTOR (1a or 1b) ON RELATED FINANCING STATEMENT9a. ORGANIZATION'S NAME
Bi-Mart Corporation

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 - Insert only 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. TAX ID #: SSN OR EIN 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 - Insert only 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 re-extracted collateral, or is filed as a future filing.

16. Additional collateral description:

See Schedule A attached hereto and incorporated herein by this reference.

14. Description of real estate:

See Exhibit A attached hereto and incorporated herein by this reference.

15. Name and address of a RECORD OWNER of above-described real estate
(If Debtor does not have a record interest):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 Estate18. 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

53102890.01

Instructions for National UCC Financing Statement Addendum (Form UCC1Ad)

9. Insert name of first Debtor shown on Financing Statement to which this Addendum is related, exactly as shown in Item 1 of Financing Statement.
10. **Miscellaneous:** Under certain circumstances, additional information not provided on Financing Statement may be required. Also, some states have non-uniform requirements. Use this space to provide such additional information or to comply with such requirements; otherwise, leave blank.
11. If this Addendum adds an additional Debtor, complete Item 11 in accordance with instruction 1 on Financing Statement. To add more than one additional Debtor, either use an additional Addendum form for each additional Debtor or replicate for each additional Debtor the formatting of Financing Statement Item 1 on an 8-1/2 X 11 inch sheet (showing at the top of the sheet the name of the first Debtor shown on the Financing Statement), and in either case give complete information for each additional Debtor in accordance with instruction 1 on Financing Statement. All additional Debtor information, especially the name, must be presented in proper format exactly identical to the format of Item 1 of Financing Statement.
12. If this Addendum adds an additional Secured Party, complete Item 12 in accordance with instruction 3 on Financing Statement. In the case of a total assignment of the Secured Party's interest before the filing of this Financing Statement, filer has given the name and address of the Total Assignee in Item 3 of the Financing Statement, filer may give the Assignor S/P's name and address in Item 12.
- 13-15. If collateral is timber to be cut or as-extracted collateral, or if this Financing Statement is filed as a fixture filing, check appropriate box in Item 13; provide description of real estate in Item 14; and, If Debtor is not a record owner of the described real estate, also provide, in Item 15, the name and address of a record owner. Also provide collateral description in Item 4 of Financing Statement. Also check box 6 on Financing Statement. Description of real estate must be sufficient under the applicable law of the jurisdiction where the real estate is located.
16. Use this space to provide continued description of collateral. If you cannot complete description in Item 4 of Financing Statement.
17. If Debtor is a trust or a trustee acting with respect to property held in trust or is a decedent's estate, check the appropriate box.
18. If Debtor is a transmitting utility or if the Financing Statement relates to a Manufactured-Home Transaction or a Public-Finance Transaction as defined in the applicable Commercial Code, check the appropriate box.

SCHEDULE A

DESCRIPTION OF COLLATERAL
(all property other than property at Gresham, Oregon)

The following property, now owned or hereafter acquired by Debtor (collectively, the "Property"), to the extent the following items are collateral as to which a security interest may be granted under the Uniform Commercial Code:

- (a) the real property described in Exhibit A attached hereto and made a part hereof and Debtor's leasehold estate in and to the real property described in Exhibit B attached hereto and made a part hereof (the "Land"), and all additional lands, estates and development rights hereafter acquired by Debtor together with all of Debtor's fee or leasehold estate in and to all easements, rights of way or use, strips and gores, water rights, air and development rights and all other rights and estates appurtenant thereto;
- (b) all of Debtor's fee or leasehold estate in and to the buildings, structures, fixtures, and improvements now or hereafter located on the Land (the "Improvements");
- (c) all machinery, equipment, fixtures (including, but not limited to, all heating, air conditioning, plumbing, lighting, communications and elevator fixtures), furniture shelving and racking of every kind and nature whatsoever owned by Debtor, or in which Debtor has or shall have an interest, now or hereafter located upon the Land and the Improvements, or appurtenant thereto (collectively, the "Personal Property");
- (d) all leases, subleases and other agreements affecting the use, enjoyment or occupancy of the Land and/or the Improvements heretofore or hereafter entered into (the "Leases");
- (e) all agreements, contracts, certificates, instruments, franchises, permits, licenses, plans, specifications and other documents, now or hereafter entered into, and all rights therein and thereto, respecting or pertaining to the use, occupation or operation of the Land and any part thereof and any Improvements;
- (f) all books and records relating to or used in connection with the operation of the Property;
- (g) all proceeds of and any unearned premiums on any insurance policies covering the Property, including, without limitation, the right to receive and apply the proceeds of any insurance, judgments, or settlements made in lieu thereof, for damage to the Property; and

any and all other rights of Debtor in and to the items set forth in Subsections (a) through (g) above, including, without limitation, all proceeds and products thereof.

Property #611 – Klamath Falls, OR

**EXHIBIT A
LEGAL DESCRIPTION**

Real property in the County of Klamath, State of Oregon, described as follows:

A tract of land being a portion of Tract 805 of Enterprise Tracts, situated in the Northeast quarter of Section 4, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a 5/8 inch iron pin with aluminum cap being on the South line of said Tract 805, said iron pin being South 89°51'00" West 20.00 feet from the Southeast corner of said Tract 805, and on the Westerly right of way line of Washburn Way; thence North 00°03'30" East, along the Westerly right of way line of Washburn Way (North 00°00'30" East by M-73 on page 3750) 238.00 feet; thence North 55°46'50" West (North 55°50" West by M-73 on page 3750) 257.48 feet; thence North 34°13'10" East (North 34°09'30" East by M-73, page 3753) 25.00 feet; thence North 55°46'50" West (North 55°50'30" West by M-73, page 3753) 50.00 feet; thence North 34°13'10" East (North 34°09'30" East by M-73 on page 3753) 110.00 feet to the Southwesterly right of way line of South Sixth Street; thence North 55°46'50" West, along said South Sixth Street (North 55°50'30" West by M73, Page 3753 and North 55°50" West by M-73, page 3750) 50.00 feet; thence South 34°13'10" West (South 34°09'50" West by M-73 on page 3753 and South 34°10' West by M-73, Page 3750) 400.00 feet; thence South 55°46'50" East (South 55°50'30" East by M-73, page 3753 and South 55°50' East by M-73 on page 3750) 27.00 feet; thence South 00°34'05" East 205.84 feet (South, 205 feet, more or less, by M-73 on page 3750) to the South line of said tract 805; thence North 89°51'00" East, along said South line (North 89°47 East by M-73 on page 3750) 420.00 feet to the point of beginning.

Tax Parcel Number: R530991