

COVER SHEET

RETURN TO:

AMERICAN COMMERCIAL CAPITAL L.L.C.

5963 LAPLACE COURT, SUITE 300

CARLSBAD, CA. 92008

ATTN: JAMES KENDRICK NOBLE III

199907270103

Kathy Hill, Skagit County Auditor

7/27/1999 Page 1 of 5 12:08:57PM

DOCUMENT TITLE(S) (or transactions contained herein):

UCC FINANCING STATEMENT

REFERENCE NUMBER(S) OF DOCUMENTS ASSIGNED OR RELEASED:

ISLAND TITLE CO.
SB-14913 ✓

[] ADDITIONAL REFERENCE NUMBERS ON PAGE _____ OF DOCUMENT.

GRANTOR(S) (Last name, first name and initials):

- 1. BELCHER & BELCHER, INC.
- 2.
- 3.
- 4.

[] ADDITIONAL NAMES ON PAGE _____ OF DOCUMENT.

GRANTEE(S) (Last name, first name and initials):

- 1. AMERICAN COMMERCIAL CAPITAL L.L.C.
- 2.
- 3.
- 4.

[] ADDITIONAL NAMES ON PAGE _____ OF DOCUMENT.

LEGAL DESCRIPTION (Abbreviated: i.e., lot, block, plat or quarter, quarter, section, township and range):

PTN. NW SE, SEC. 18, T34N, R4E W.M.,
BEING TRACT B OF SURVEY IN VOL. 5, PG. 5

[] ADDITIONAL LEGAL(S) ON PAGE _____ OF DOCUMENT.

ASSESSOR'S PARCEL/TAX I.D. NUMBER: 340418-4-010-0006

[] TAX PARCEL NUMBER(S) FOR ADDITIONAL LEGAL(S) ON PAGE _____ OF DOCUMENT.

FINANCING STATEMENT — FOLLOW INSTRUCTIONS CAREFULLY
 This Financial Statement is presented for filing pursuant to the Uniform Commercial Code and will remain effective, with certain exceptions, for 5 years from the date of filing.

A. NAME AND TEL. # OF CONTACT AT FILER (optional)		B. FILING OFFICE ACCT. # (optional)	
C. RETURN COPY TO: (Name and Mailing Address)			
James Kendrick Noble III American Commercial Capital LLC 5963 LaPlace Court, Suite 300 Carlsbad, California 92008			
		Loan No. 99 0472 001	
D. OPTIONAL DESIGNATION (if applicable):			
<input type="checkbox"/> LESSOR/LESSEE		<input type="checkbox"/> CONSIGNOR/CONSIGNEE	
<input type="checkbox"/> NON-UCC FILING			

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b)

1a. ENTITY'S NAME			
OR BELCHER AND BELCHER, INC.			
1b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME
			SUFFIX
1c. MAILING ADDRESS		CITY	STATE COUNTRY POSTAL CODE
3819 100th Place N.E.		Marysville	WA USA 98271
1d. S.S. OR TAX I.D.#	OPTIONAL ADD'NL INFO RE ENTITY DEBTOR	1e. TYPE OF ENTITY	1f. ENTITY'S STATE OR COUNTRY OF ORGANIZATION
91-1258088			1g. ENTITY'S ORGANIZATION I.D.#, if any
			<input type="checkbox"/> NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b)

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

3. SECURED PARTY'S (ORIGINAL S/P OR ITS TOTAL ASSIGNEE) EXACT FULL LEGAL NAME - insert only one secured party name (3a or 3b)

3a. ENTITY'S NAME			
OR AMERICAN COMMERCIAL CAPITAL LLC			
3b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME
			SUFFIX
3c. MAILING ADDRESS		CITY	STATE COUNTRY POSTAL CODE
5963 LaPlace Court, Suite 300		Carlsbad	CA USA 92008

4. This FINANCING STATEMENT covers the following types or items of property:

The items described in the Schedule of Collateral attached hereto and incorporated herein by reference for all purposes, as the same relate to the land described in Exhibit A attached hereto and the improvements thereon (collectively, the "Mortgaged Property").

Unit No. 1116
 Property: 1616 Freeway Dr., Mt. Vernon, Washington

5. CHECK <input type="checkbox"/> This FINANCING STATEMENT is signed by the Secured Party instead of the Debtor to perfect a security interest (a) in collateral already subject to a security interest in another jurisdiction when it was brought into this state, or when the debtor's location was changed to this state, or (b) in accordance with other statutory provisions [additional data may be required]	7. If filed in Florida (check one) <input type="checkbox"/> Documentary stamp tax paid <input type="checkbox"/> Documentary stamp tax not applicable
6. REQUIRED SIGNATURES SEE ATTACHED SIGNATURE PAGE	8. <input type="checkbox"/> This FINANCING STATEMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS Attach Addendum (if applicable)
	9. Check to REQUEST SEARCH CERTIFICATE(S) on Debtor(s) (ADDITIONAL FEE) (optional) <input type="checkbox"/> All Debtors <input type="checkbox"/> Debtor 1 <input type="checkbox"/> Debtor 2

199907270103

Debtor:
Belcher and Belcher, Inc.
3819 100th Place N.E.
Marysville, Washington 98271
Brand: Jiffy Lube

Secured Party:
AMERICAN COMMERCIAL
CAPITAL LLC
5963 La Place Court, Suite 300
Carlsbad, CA 92008

SCHEDULE 1

All of the following whether now owned or existing, hereafter acquired or arising, or in which the Debtor now or hereafter has any rights, and wheresoever located:

The Collateral, whether now owned and existing or hereafter acquired or arising, all additions and accessions thereto, substitutions therefor and replacements and improvements of or to any or all of the foregoing, and all products and proceeds thereof. For this purpose the following terms have the following meanings:

"Business" means the business of operating the Unit in accordance with the Principal Agreements (as defined in the Security Agreement).

"Certificate of Title" means any certificate or document evidencing title.

"Collateral" means the Leasehold Estate, all Goods (including Equipment and Inventory), General Intangibles, Accounts, Certificates of Title, Fixtures, Money, Instruments, Investment Property, Documents, Chattel Paper, Deposit Accounts, Letters of Credit, credit balances, deposits, bankers' acceptances, guaranties, credits, claims, choses in action, demands, liens, security interests, rights, insurance, awards, deposits, compensation, remedies, title and interest in, to and in respect of other Collateral, and all Collateral Revenues and all other personal property, now or hereafter owned, acquired, existing, arising, held, sold, used or consumed in connection with the Business or the Unit and any other property, rights, and interests which at any time relate to, arise out of or in connection with the foregoing or which come into the possession, custody or control of Secured Party or any of its agents, representatives, associates or correspondents, for any purpose.

"Collateral Revenues" means with respect to any Collateral all interest, income, rents, dividends, distributions and earnings thereon or other monies or revenues derived therefrom, including any such property received in connection with any disposition of any Principal Agreement, all moneys which may become payable or received under any policy insuring the Collateral or otherwise required to be maintained under the Security Agreement (including return of unearned premiums), all awards in connection with any condemnation, and all rights of Debtor to refunds of real estate taxes and assessments.

"Leasehold Estate" means all title, estates, interests or rights which are now owned or may hereafter be acquired by Debtor in or to the Property demised under the lease creating the leasehold estate as described on Exhibit A attached hereto.

199907270103

Debtor:
Belcher and Belcher, Inc.
3819 100th Place N.E.
Marysville, Washington 98271
Brand: Jiffy Lube

Secured Party:
AMERICAN COMMERCIAL
CAPITAL LLC
5963 La Place Court, Suite 300
Carlsbad, CA 92008

SCHEDULE 1 - cont'd

"Property" means the real property and improvements thereon upon which the Debtor operates the Business and in which the Debtor has a leasehold interest, as more particularly described on Exhibit A attached hereto.

"UCC" means the Uniform Commercial Code as adopted in the State where the Property is located.

"Unit" means the Business, Collateral and Property and other property and assets related to the Business or located at the Property.

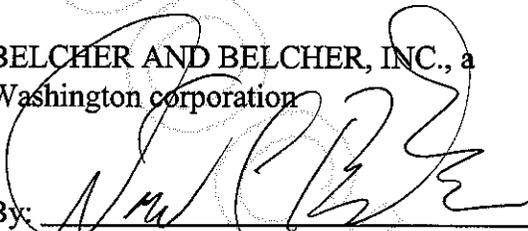
Terms used herein and not otherwise defined have the meaning accorded to such terms in the UCC.

The record owner of the Property is Israel Group, Inc.

Executed as of July 23, 1999.

DEBTOR:

BELCHER AND BELCHER, INC., a
Washington corporation

By: 

Donald L. Belcher
President

199907270103

Kathy Hill, Skagit County Auditor
7/27/1999 Page 4 of 5 12:08:57PM

Exhibit A
Legal Description

That certain leasehold estate created by the Sublease Agreement dated July 23, 1999 between Q Lube, Inc., a Delaware corporation as landlord, and Belcher and Belcher, Inc., a Washington corporation as tenant, as amended from time to time, and as evidenced by Memorandum of Lease recorded or to be recorded in the real property records where the underlying property subject of the herein described lease is located, covering the following described property:

PARCEL A

That portion of the North Half of the Northwest Quarter of the Southeast Quarter of Section 18, Township 34 North, Range 4 East of the Willamette Meridian, lying North of that certain fence line designated in the last paragraph of that certain judgment entered April 28, 1961, in Skagit County Superior Court Case No. 25671, records of Skagit County, Washington; lying West of both Parcel "A" as described in Stipulated Judgment and Decree of Appropriation as to Item No. 1, filed April 21, 1975, in Skagit County Superior Court Case No. 34431, records of Skagit County, Washington, and Parcel "A" as described in Stipulated Judgment and Decree of Appropriation, filed April 24, 1974, in Skagit County Superior Court Cause No. 34117, records of Skagit County, Washington; and lying East of Line 2 as described in said Stipulated Judgment and Decree of Appropriation, in said Skagit County Superior Court Cause No. 34431, records of Skagit County, Washington;

EXCEPT the North 165 feet thereof.

(Also known as Tract B of that certain survey recorded April 22, 1983 in Volume 5 of Surveys, page 5, under Auditor's File No. 8304220009, records of Skagit County, Washington).

Situated in Skagit County, Washington.

PARCEL B

An easement to erect a sign on the East 20 feet of the following described property to wit:

The North 165 feet of that portion of the North Half of the North Half of the Northwest Quarter of the Southeast Quarter of Section 18, Township 34 North, Range 4 East of the Willamette Meridian, lying West of Parcel "A" as described in Stipulated Judgment and Decree of Appropriation, filed April 24, 1974, in Skagit County Superior Court Cause No. 34117, records of Skagit County, Washington, and lying East of Line 2 as described in Stipulated Judgment and Decree of Appropriation as to Item No. 1 filed April 21, 1975, in Skagit County Superior Court Cause No. 4431, records of Skagit County, Washington:

EXCEPT the North 50 feet thereof as described in said Stipulated Judgment and Decree of Appropriation as Parcel "B" in said Skagit County Superior Court Cause No. 34117, records of Skagit County, Washington.

ALL situated in Skagit County, Washington.

199907270103