

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY



200410270057
Skagit County Auditor

10/27/2004 Page 1 of 3 9:29AM

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

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

Skagit State Bank
301 E Fairhaven Ave, P O Box 285
Burlington, WA 98233

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

OR

1b. INDIVIDUAL'S LAST NAME WHALEY	FIRST NAME BRADLEY	MIDDLE NAME M	SUFFIX
---	------------------------------	-------------------------	--------

1c. MAILING ADDRESS

331 E FAIRHAVEN ST	CITY BURLINGTON	STATE WA	POSTAL CODE 98233-4730	COUNTRY USA
---------------------------	---------------------------	--------------------	----------------------------------	-----------------------

1d. SEE INSTRUCTIONS

ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION Individual	1f. JURISDICTION OF ORGANIZATION	1g. ORGANIZATIONAL ID #, if any
-----------------------------------	---	----------------------------------	---------------------------------

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 WHALEY	FIRST NAME AMY	MIDDLE NAME K	SUFFIX
---	--------------------------	-------------------------	--------

2c. MAILING ADDRESS

331 E FAIRHAVEN ST	CITY BURLINGTON	STATE WA	POSTAL CODE 98233-4730	COUNTRY USA
---------------------------	---------------------------	--------------------	----------------------------------	-----------------------

2d. SEE INSTRUCTIONS

ADD'L INFO RE ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION Individual	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
Skagit State Bank

OR

3b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX
----------------------------	------------	-------------	--------

3c. MAILING ADDRESS

301 E. Fairhaven Ave, P O Box 285	CITY Burlington	STATE WA	POSTAL CODE 98233	COUNTRY USA
--	---------------------------	--------------------	-----------------------------	-----------------------

4. This FINANCING STATEMENT covers the following collateral:

All Inventory, Accounts, Equipment, General Intangibles and Fixtures; whether any of the foregoing is owned now or acquired later; all accessions, additions, replacements, and substitutions relating to any of the foregoing; all records of any kind relating to any of the foregoing; all proceeds relating to any of the foregoing (including insurance, general intangibles and other accounts proceeds) including but not limited to the following: SEE ATTACHED SCHEDULE A.

D71958

E 10 ft of Lot 18, Block 97, Amended Plat of Burlington

5. ALTERNATIVE DESIGNATION (if applicable):

LESSEE/LESSOR	CONSIGNEE/CONSIGNOR	BAILEE/BAILOR	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. Check to REQUEST SEARCH REPORT(S) on Debtor(s) (OPTIONAL FEE)

All Debtors	Debtor 1	Debtor 2
-------------	----------	----------

8. OPTIONAL FILER REFERENCE DATA

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

OR

9b. INDIVIDUAL'S LAST NAME WHALEY	FIRST NAME BRADLEY	MIDDLE NAME, SUFFIX M
---	------------------------------	---------------------------------

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. SEE INSTRUCTIONS 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 as-extracted collateral, or is filed as a fixture filing.

14. Description of real estate:

The east 18 feet of Lot 18, Block 97, AMENDED PLAT OF BURLINGTON, according to the plat thereof, recorded in Volume 3 of Plats, page 17, records of Skagit County, Washington.

Tax Parcel #P71958

16. Additional collateral description:



200410270057
Skagit County Auditor

10/27/2004 Page 2 of 3 9:29AM

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 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 for 30 years

Schedule "A" -BRADLEY M. WHALEY AND AMY K. WHALEY DBA BURLINGTON CAFE

All Inventory, Accounts, Equipment, General Intangibles and Fixtures; whether any of the foregoing is owned now or acquired later; all accessions, additions, replacements, and substitutions relating to any of the foregoing; all records of any kind relating to any of the foregoing; all proceeds relating to any of the foregoing (including insurance, general intangibles and other accounts proceeds) including but not limited to the following:

All of the restaurant equipment of every kind, age, make and description used in the operation of Burlington Cafe, 331 E Fairhaven Ave., Burlington, WA 98233, now owned or hereafter acquired whether for substitution, addition or replacement, during the continuance of this Security Agreement, including but not limited to the following:

One (1) Wolf Grill w/ double oven & 4 burners S/N
One (1) U. S. Range grill table top S/N
One (1) Kelvinator refrigerator S/N
One (1) Condiment refrigerator w/ lower unit S/N
One (1) Counter refrigerator double door S/N
One (1) Delfield Pie case double glass door S/N GDM49
One (1) Milk Machine double dispenser S/N
One (1) Seegar refrigerator 5 door S/N
One (1) True refrigerator double door glass Ser. #675053
One (1) 3 unit steam table S/N
One (1) 8' stainless steel table with bottom shelf S/N
One (1) 6 door cupboard with metal top S/N
One (1) 2 dr ice cream freezer S/N
One (1) Sharp microwave R-7600 S/N
One (1) Quasar microwave S/N 18102
One (1) 6' Stainless shelf upper unit S/N
One (1) 2 Milkshake machine (3 unit) Hamilton Beach S/N
One (1) Hood and Vent system S/N
One (1) Globe Meat Slicer S/N 203574
One (1) Hobart Mixer 115V A-120 S/N 675053
One (1) Whirlpool Ice Machine S/N
One (1) Double Stainless Steel Sink S/N
One (1) Stainless Steel Counter (wet) w/hose S/N
One (1) Admiral Freezer (Upright) S/N
One (1) Montgomery Ward Upright Freezer S/N
One (1) Chest Frigidaire Freezer S/N 085-0803
One (1) Sharp cash register S/N I90-8205
One (1) counter w/wet bar and sink S/N
Ten (10) counter stools S/N
Four (4) booths S/N
Three (3) 4-person tables S/N
One (1) 6-person table S/N
Five (5) 2-person tables S/N
Twenty-nine (29) chairs
One (1) Neon catering sign
Eleven (11) paintings by Fred Sutliff S/N
Two (2) Vulcan deep fryers (new) S/N 481103719 & 481059058
One (1) Deli prep table (new) S/N

ALSO: All glasses, dishes, silverware, serving utensils, high chairs, large and small appliances, sinks, booster seats, serving trays, pots, pans, entertainment/stereo system and accessories, security system, and office equipment and supplies, and computer equipment, accessories, and software now owned or hereafter acquired.

It is understood and agreed by and between the Mortgagor and the Mortgagee that the stock-in-goods above referred to is a shifting stock-in-trade to be sold by the Mortgagor in the regular course of business, and that the Mortgagor does hereby covenant and agree that a strict account of all such sales shall be kept by them, and that on or before the 1st day of January, 2005, and annually thereafter they shall render a statement of all sales made from said stock to the said Mortgagee and that the gross proceeds of such sales shall be applied first to paying the operating expenses of the business of the Mortgagor and second to keeping the said stock-in-trade replenished to its present market value, and that after said expenditures have been made, from the net proceeds of such sales there shall be paid by the Mortgagor to the said Mortgagee the payment of the debt hereby secured.

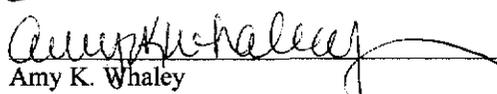
ALSO: Assignment of Rent/Lease income from property located at 331 E. Fairhaven St., Burlington, WA 98233.

All of the above being located in and on the property known as Lot 18, Block 97, "Amended Plat of Burlington, City of Burlington, County of Skagit, commonly known as 331 E Fairhaven Ave., Burlington WA 98233.

Signed at Burlington, Washington
this 15th day of October, 2004.



Bradley M. Whaley



Amy K. Whaley



200410270057
Skagit County Auditor