



201008160146

Skagit County Auditor

8/16/2010 Page 1 of 6 3:27PM

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

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

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

Thomas A. Hauser, Esquire
Ballard Spahr LLP
300 East Lombard Street
18th Floor
Baltimore, Maryland 21202

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: FRONTIER MANAGEMENT LLC

1b. INDIVIDUAL'S LAST NAME: _____ FIRST NAME: _____ MIDDLE NAME: _____ SUFFIX: _____

2c. MAILING ADDRESS: 17400 SW Upper Boones Ferry Road, Suite 230, Durham, OR 97224, USA

1d. SEE INSTRUCTIONS: ADD'L INFO RE ORGANIZATION DEBTOR: _____ 1e. TYPE OF ORGANIZATION: limited liability company 1f. JURISDICTION OF ORGANIZATION: Oregon 1g. ORGANIZATIONAL ID#, if any: 778853-83 NONE

44828-4

GUARDIAN NORTHWEST TITLE CO.

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: _____

2b. INDIVIDUAL'S LAST NAME: _____ FIRST NAME: _____ MIDDLE NAME: _____ SUFFIX: _____

2c. MAILING ADDRESS: _____ CITY: _____ STATE: _____ POSTAL CODE: _____ COUNTRY: _____

2d. SEE INSTRUCTIONS: ADD'L INFO RE ORGANIZATION DEBTOR: _____ 1a. 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: FANNIE MAE

3b. INDIVIDUAL'S LAST NAME: _____ FIRST NAME: _____ MIDDLE NAME: _____ SUFFIX: _____

3c. MAILING ADDRESS: 3900 Wisconsin Avenue, N.W., Washington, DC 20016, USA

4. This FINANCING STATEMENT covers the following collateral:

P109418 & P72259

See attached Schedule A attached hereto and made a part hereof by reference.

Ptn lots 2, 4 & 5 Blk 136 First Add. To 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) [ADDITIONAL FEE] [optional] All Debtors Debtor 1 Debtor 2

8. OPTIONAL FILER REFERENCE DATA

Skagit County, Washington

FILING OFFICE COPY - UCC FINANCING STATEMENT (FORM UCC1) REV. 05/22/02

DMEAST #12753115 v1

[Burlington]

UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

9. NAME OF FIRST DEBTOR (1a or 1b) ON RELATED FINANCING STATEMENT

OR	9a. ORGANIZATION'S NAME FRONTIER MANAGEMENT LLC		
	9b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME, SUFFIX

10. MISCELLANEOUS:

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11. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one name (11a or 11b) - do not abbreviate or combine names

OR	11a. ORGANIZATION'S NAME				
	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 <input type="checkbox"/> None	

12. ADDITIONAL SECURED PARTY'S or ASSIGNOR S/P'S NAME - insert only one name (12a or 12b)

OR	12a. ORGANIZATION'S NAME RED MORTGAGE CAPITAL, LLC				
	12b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX	
12c. MAILING ADDRESS Two Miranova Place, 12th Floor		CITY Columbus	STATE OH	POSTAL CODE 43215	COUNTRY USA

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:

See attached Exhibit A attached and made a part hereof

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

HP Burlington Partners, LLC
c/o Frontier Management, LLC
17400 SW Upper Boones Ferry Road, Suite 230
Durham, OR 97224

16. Additional collateral description.

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 30 years.



SCHEDULE A
(Manager)

DEBTOR: FRONTIER MANAGEMENT, LLC

SECURED PARTY ASSIGNOR: RED MORTGAGE CAPITAL, LLC

SECURED PARTY ASSIGNEE: FANNIE MAE

This financing statement covers the following types (or items) of property (the "Collateral Property"):

1. **Accounts.** All money, funds, investment property, accounts, general intangibles, deposit accounts, chattel paper, documents, instruments, judgments, claims, settlements of claims, causes of action, refunds, rebates, reimbursements, reserves, deposits, subsidies, proceeds, products, rents and profits, now or hereafter arising, received or receivable, from or on account of the Debtor's management and operation of the Seniors Housing Facility (the "Property") known as HomePlace Special Care at Burlington, 112 N. Skagit Street and 210 N. Skagit Street, Burlington, Washington 98233 (the "Accounts");
2. **Contracts.** Any contract or other agreement for the provision of goods or services at or otherwise in connection with the operation, use or management of the Property, including cash deposited to secure performance by parties of their obligations (the "Contracts");
3. **Equipment.** All right, title and interest of Debtor in and to all machinery, equipment, computer equipment (hardware and software), tools, furniture, furnishings, kitchen or restaurant supplies and facilities, office equipment, dining room supplies and facilities, medical supplies and facilities, appliances, supplies, books, records, fixtures, leasehold improvements, all tangible and intangible property, and goods now owned and hereafter acquired, used in connection with the operation of the Property, together with all present and future parts, additions, accessories, replacements, attachments, accessions, replacement parts and substitutions therefor (the "Equipment");
4. **Inventory.** All right, title and interest of Debtor in and to inventory of every type and description, now owned and hereafter acquired, including, without limitation, raw materials, work in process, finished goods, goods returned or repossessed or stopped in transit, goods used for demonstration, promotion, marketing or similar purposes, property in, on or with which any of the foregoing may be stored or maintained, all materials and supplies usable or used or consumed at the Property, and all documents and documents of title relating to any of the foregoing, together with all present and future parts, additions, accessories, attachments, accessions, replacements, replacement parts and substitutions therefor or thereto in any form whatsoever (the "Inventory");



5. **Leases.** All present and future leases, subleases, licenses, concessions or grants or other possessory interests now or hereafter in force, whether oral or written, covering or affecting the Property or any portion of the Property, and all modifications, extensions or renewals thereof, all residency, occupancy, admission, and care agreements pertaining to residents of the Property and also specifically, that certain Management Agreement dated June 21, 2006, by and between HP Burlington Partners, LLC, HP Oak Harbor Partners, LLC, HP Heart Partners, LLC and Debtor (the "Leases");

6. **Names.** All names under or by which any of the above Collateral Property may be operated or known, and all trademarks, trade names, and goodwill relating to any of the Collateral Property (the "Names");

7. **Proceeds.** All proceeds from the conversion, voluntary or involuntary, of any of the above into cash or liquidated claims, and the right to collect such proceeds, including insurance proceeds (the "Proceeds");

8. **Rents.** All rents (whether from residential or non-residential space), revenues and other income of the Property, including subsidy payments received from any sources (including but not limited to payments under any Housing Assistance Payments Contract), parking fees, laundry and vending machine income and fees and charges for food, healthcare and other services provided at the Property, whether now due, past due, or to become due, security deposits, entrance fees, application fees, processing fees, community fees and any other amounts or fees forfeited by any resident or tenant, together with and including all proceeds from any private insurance for residents to cover rental charges and charges for services at or in connection with the Property, and the payments and the right to receive payments from residents or Medicaid programs or similar federal, state or local programs, boards, bureaus or agencies, due for the rents or services of residents at the Property (the "Rents"); and

9. **Tenant Security Deposits.** All resident and tenant security deposits, entrance fees, application fees, processing fees, community fees and any other amounts or fees deposited by any resident or tenant upon execution of a Lease which have not been forfeited by any resident or tenant (the "Tenant Security Deposits").



EXHIBIT "A"

PARCEL "B"

THE WEST 240.00 FEET OF LOTS 4 AND 5, BLOCK 136, "FIRST ADDITION TO BURLINGTON, SKAGIT CO., WASH.", AS PER PLAT RECORDED IN VOLUME 3 OF PLATS, PAGE 11, RECORDS OF SKAGIT COUNTY, WASHINGTON.

(ALSO SHOWN AS PARCEL B OF SURVEY RECORDED DECEMBER 4, 1992 IN VOLUME 13 OF SURVEYS, PAGE 147, UNDER AUDITOR'S FILE NO. 9212040024, RECORDS OF SKAGIT COUNTY, WASHINGTON)

TOGETHER WITH THE EAST 20 FEET OF THE WEST 260 FEET OF THE NORTH 60 FEET OF LOT 5, BLOCK 136, "FIRST ADDITION TO BURLINGTON, SKAGIT CO., WASH.", AS PER PLAT RECORDED IN VOLUME 3 OF PLATS, PAGE 11, RECORDS OF SKAGIT COUNTY, WASHINGTON;

BEING A NORTHWESTERLY PORTION OF PARCEL "A" OF SURVEY RECORDED DECEMBER 4, 1992 IN VOLUME 13 OF SURVEYS, PAGE 147, UNDER AUDITOR'S FILE NO. 9212040024.

TOGETHER WITH A NON-EXCLUSIVE EASEMENT FOR INGRESS, EGRESS, PARKING AND UTILITIES CREATED BY DEEDS RECORDED UNDER RECORDING NOS. 9610240056 AND 9610240057, IN SKAGIT COUNTY, WASHINGTON;

AND ALSO TOGETHER WITH AN EASEMENT AS DISCLOSED IN DECLARATION OF EASEMENT RECORDED UNDER AUDITOR'S FILE NOS. 200302060063 AND 200608140224, RECORDS OF SKAGIT COUNTY, WASHINGTON.

PARCEL "D":

THE WEST 145 FEET OF THE SOUTH 60 FEET OF THE NORTH 70 FEET OF LOT 2, BLOCK 136 "FIRST ADDITION TO BURLINGTON, SKAGIT CO., WASH.", AS PER PLAT RECORDED IN VOLUME 3 OF PLATS, PAGE 11, RECORDS OF SKAGIT COUNTY, WASHINGTON.

TOGETHER WITH THE NORTH 10 FEET OF THE WEST 120 FEET OF LOT 2, BLOCK 136, "FIRST ADDITION TO BURLINGTON, SKAGIT CO., WASH.", AS PER PLAT RECORDED IN VOLUME 3 OF PLATS, PAGE 11, RECORDS OF SKAGIT COUNTY, WASHINGTON.

ALSO TOGETHER WITH THAT PORTION OF LOT 2, BLOCK 136, "FIRST ADDITION TO BURLINGTON, SKAGIT CO., WASH.", AS PER PLAT RECORDED IN VOLUME 3 OF PLATS, PAGE 11, RECORDS OF SKAGIT COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF LOT 3 OF SAID BLOCK 136; THENCE EAST ALONG THE NORTH LINE OF SAID LOT 3, A DISTANCE OF 223 FEET TO THE NORTHWEST CORNER OF A TRACT CONVEYED TO L.J. SOMMER BY DEED RECORDED DECEMBER 9, 1946, UNDER AUDITOR'S FILE NO. 398847: THENCE SOUTH ALONG THE



201008160146

Skagit County Auditor

WEST LINE OF SAID SOMMER TRACT TO THE SOUTH LINE OF SAID LOT 3, SAID POINT BEING THE NORTHEAST CORNER OF A TRACT CONVEYED TO BELLE BRINDLE BY DEED RECORDED MARCH 5, 1946, UNDER AUDITOR'S FILE NO. 389077; THENCE WEST ALONG THE SOUTH LINE OF SAID LOT 3 AND THE NORTH LINE OF SAID BRENDLE TRACT, A DISTANCE OF 78 FEET TO THE NORTHWEST CORNER OF SAID BRINDLE TRACT AND THE TRUE POINT OF BEGINNING; THENCE SOUTH ALONG THE WEST LINE OF SAID BRENDLE TRACT A DISTANCE OF 10 FEET TO THE NORTHEAST CORNER OF A TRACT CONVEYED TO HENRY G. REINERT, BY DEED RECORDED SEPTEMBER 9, 1946, UNDER AUDITOR'S FILE NO. 395792; THENCE WEST ALONG THE NORTH LINE OF SAID REINERT TRACT, A DISTANCE OF 25 FEET TO THE SOUTHEAST CORNER OF A TRACT CONVEYED TO SAID HENRY REINERT BY DEED RECORDED MARCH 28, 1949, UNDER AUDITOR'S FILE NO. 429473, SAID POINT BEING 120 FEET EAST OF THE WEST LINE OF LOT 2 OF SAID BLOCK 136; THENCE NORTH ALONG THE EAST LINE OF THE SECOND REFERRED TO REINERT TRACT TO THE NORTH LINE OF SAID LOT 2; THENCE EASTERLY ALONG SAID NORTH LINE TO THE TRUE POINT OF BEGINNING.

AND ALSO TOGETHER WITH AN EASEMENT AS DISCLOSED IN DECLARATION OF EASEMENT RECORDED AUGUST 14, 2006 UNDER AUDITOR'S FILE NOS. 200302060063 AND 200608140224, RECORDS OF SKAGIT COUNTY, WASHINGTON.

Burlington



201008160146

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