

RETURN DOCUMENT TO:

Laura Minton Breckenridge
Furlong Butler Attorneys
825 Cleveland Avenue
Mount Vernon, WA 98273



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Skagit County Auditor

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Use dark black ink and print legibly. Documents not legible will be rejected per RCW 65.04.045 & 65.04.047

DOCUMENT TITLE(S):

UCC FINANCING STATEMENT AND ADDENDUM

AUDITOR FILE NUMBER & VOL. & PG. NUMBERS OF DOCUMENT(S) BEING ASSIGNED OR RELEASED:

Land Title and Escrow

Additional reference numbers can be found on page _____ of document.

151190-08

GRANTOR(S):

SKAGIT FARMLAND, LLC, a Washington limited liability company

Additional grantor(s) can be found on page _____ of document.

GRANTEE(S):

MARK KNUTZEN FARMS, INC., a Washington corporation

Additional grantee(s) can be found on page _____ of document.

ABBREVIATED LEGAL DESCRIPTION: (Lot, block, plat name OR; qtr/qtr, section, township and range OR; unit, building and condo name.)

Lot 2, SP 34-89, Ptn W 1/2 of SE 1/4 of 36-35-3 E W.M.

Additional legal(s) can be found on page _____ of document.

ASSESSOR'S PARCEL/TAX NUMBERS:

P35435/350336-4-003-0011; and P35437/350336-4-005-0209

Additional numbers can be found on page _____ of document.

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional) Laura Minton Breckenridge (360) 336-6508
B. E-MAIL CONTACT AT FILER (optional)
C. SEND ACKNOWLEDGMENT TO: (Name and Address) Mark Knutzen Farms, Inc. c/o Furlong Butler Attorneys 825 Cleveland Avenue Mount Vernon, WA 98273

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME: Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); If any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

1a. ORGANIZATION'S NAME Skagit Farmland, LLC				
OR	1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
1c. MAILING ADDRESS P.O. Box 4227		CITY Bellingham	STATE WA	POSTAL CODE 98227
			COUNTRY USA	

2. DEBTOR'S NAME: Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); If any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

2a. ORGANIZATION'S NAME				
OR	2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
2c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
			COUNTRY	

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)

3a. ORGANIZATION'S NAME Mark Knutzen Farms, Inc.				
OR	3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
3c. MAILING ADDRESS 14332 Roadrunner Lane		CITY Burlington	STATE WA	POSTAL CODE 98233
			COUNTRY USA	

4. COLLATERAL: This financing statement covers the following collateral:
See attached Schedule A.



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5. Check <u>only</u> if applicable and check <u>only</u> one box: Collateral is <input type="checkbox"/> held in a Trust (see UCC1Ad, item 17 and Instructions) <input type="checkbox"/> being administered by a Decedent's Personal Representative	
6a. Check <u>only</u> if applicable and check <u>only</u> one box: <input type="checkbox"/> Public-Finance Transaction <input type="checkbox"/> Manufactured-Home Transaction <input type="checkbox"/> A Debtor is a Transmitting Utility	
6b. Check <u>only</u> if applicable and check <u>only</u> one box: <input type="checkbox"/> Agricultural Lien <input type="checkbox"/> Non-UCC Filing	
7. ALTERNATIVE DESIGNATION (if applicable): <input type="checkbox"/> Lessee/Lessor <input type="checkbox"/> Consignee/Consignor <input type="checkbox"/> Seller/Buyer <input type="checkbox"/> Bailee/Bailor <input type="checkbox"/> Licensee/Licensor	
8. OPTIONAL FILER REFERENCE DATA:	

UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS

9. NAME OF FIRST DEBTOR: Same as line 1a or 1b on Financing Statement, if line 1b was left blank because Individual Debtor name did not fit, check here ☐

9a. ORGANIZATION'S NAME

Skagit Farmland, LLC

OR

9b. INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME

ADDITIONAL NAME(S)/INITIAL(S)

SUFFIX

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

10. DEBTOR'S NAME: Provide (10a or 10b) only one additional Debtor name or Debtor name that did not fit in line 1b or 2b of the Financing Statement (Form UCC1) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name) and enter the mailing address in line 10c

10a. ORGANIZATION'S NAME

OR

10b. INDIVIDUAL'S SURNAME

INDIVIDUAL'S FIRST PERSONAL NAME

INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S)

SUFFIX

10c. MAILING ADDRESS

CITY

STATE

POSTAL CODE

COUNTRY

11. ☐ ADDITIONAL SECURED PARTY'S NAME or ☐ ASSIGNOR SECURED PARTY'S NAME: Provide only one name (11a or 11b)

11a. ORGANIZATION'S NAME

OR

11b. INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME

ADDITIONAL NAME(S)/INITIAL(S)

SUFFIX

11c. MAILING ADDRESS

CITY

STATE

POSTAL CODE

COUNTRY

12. ADDITIONAL SPACE FOR ITEM 4 (Collateral):

13. ☒ This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS (if applicable)

14. This FINANCING STATEMENT:

☐ covers timber to be cut

☐ covers as-extracted collateral

☐ is filed as a fixture filing

15. Name and address of a RECORD OWNER of real estate described in item 16 (if Debtor does not have a record interest):

16. Description of real estate:

See Legal Descriptions attached as Exhibit A.



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17. MISCELLANEOUS:

SCHEDULE A

COLLATERAL DESCRIPTION FOR UCC FINANCING STATEMENT

Debtor: Skagit Farmland, LLC
P.O. Box 4227
Bellingham, WA 98227

Secured Party: Mark Knutzen Farms, Inc.
14332 Roadrunner Lane
Burlington, WA 98233

Abbreviated Legal Description:

Lot 2, SP 34-89, Ptn W 1/2 of SE 1/4 of 36-35-3 E W.M.

All of the following property of Debtor, whether now owned or hereafter acquired by Debtor, that in any way relates to the properties located in Skagit County, Washington, whose legal descriptions are more particularly described in **Exhibit A**, attached hereto and incorporated herein by this reference ("Land"):

A. To Secured Party all of its present and future estate, right, title and interest in and to that certain real property located in the County of Skagit, State of Washington, as more particularly described in **Exhibit A** attached hereto and made a part hereof, including all hereditaments, appurtenances, easements and rights thereto or used in connection therewith or as a means of access thereto, together with all right, title and interest that Debtor now has or may hereafter acquire in the following and any proceeds thereof:

1. All income, rents, royalties, revenues, issues, profits and proceeds from any and all of such real property, subject, however, to the right, power and authority hereinafter conferred upon Secured Party or reserved to Debtor to collect and apply such income, rents, royalties, revenues, issues, profits and proceeds.

2. All deposits or other security or advanced payments, including, without limiting the generality of the foregoing, rental payments, made by or on behalf of Debtor to others with respect to (i) utility service for all or any part of said property or any improvements thereon, (ii) insurance policies relating to said property or any improvements thereon, (iii) cleaning, maintenance, repair or similar services for said property or any part thereof or any improvements thereon, (iv) rental of equipment used in the operation of any part of said property or any improvements thereon, and (v) parking services for all or any part of said property.

3. All fixtures now or hereafter affixed to such real property, including all buildings, structures and improvements of every kind and description now or hereafter erected or placed thereon and any and all machinery, boilers, equipment (including, without limitation, all equipment for the generation or distribution of air, water, heat, electricity, light, telephone, fuel



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or refrigeration or for ventilating or air-conditioning purposes or for sanitary or drainage purposes or for the removal of dust, refuse or garbage), fire sprinklers and alarms, control devices, partitions, appliances, cabinets, awnings, window shades, blinds, drapes and drapery rods and brackets, screens, carpeting and other floor coverings, incinerators and other property of every kind and description now or hereafter placed, attached, affixed or installed in such buildings, structures or improvements, and all replacements, repairs, additions, accessions or substitutions or proceeds thereto or therefor; but excluding the movable trade fixtures owned by tenants leasing space in the Improvements; all of such fixtures whether now or hereafter placed thereon, being hereby declared to be real property and referred to hereinafter as the "Improvements."

4. All oil, gas or minerals related to such real property before or after extraction and all damages, royalties and revenue of every kind, nature and description whatsoever that Debtor may be entitled to receive from any person or entity owning or having or hereafter acquiring a right to the oil, gas or mineral rights and reservations of such real property, with the right in Secured Party to receive and receipt therefor and apply the same to the indebtedness secured hereby either before or after any default hereunder, and Secured Party shall have the right to demand, sue for and recover any such payments but shall not be required to do so.

5. All proceeds and claims arising on account of any damage to or taking of such real property or the Improvements or any part thereof, and all causes of action and recoveries for any loss or diminution in the value of such real property or the Improvements, including the proceeds of any policy of insurance covering the Improvements or the proceeds of any condemnation action or transfer in lieu of condemnation.

All of the property mortgaged or conveyed or intended to be mortgaged or conveyed in Paragraph A above is hereinafter referred to as the "Property." The parties intend that the definition of Property is to be broadly construed and in the case of doubt as to whether a particular item is included in the definition of Property, the doubt should be resolved in favor of inclusion.

TO HAVE AND TO HOLD the Property bargained and described, together with all and singular the lands, tenements, privileges, water rights, hereditaments and appurtenances thereto belonging or in any way appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, and all of the estate, right, title, claim and demands whatsoever of Debtor, either in law or in equity, of, in and to the above-bargained property forever,

Together with any and all profits, benefits and products of any of the foregoing and any and all other security and collateral of any nature whatsoever, now or hereafter given for the repayment of the debt owed (as described in the Mortgage).



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EXHIBIT A

Legal Description

Lot 2, Short Plat No. 34-89, approved September 6, 1989, recorded September 13, 1989 in Book 8 of Short Plats, page 155, under Auditor's File No. 8909130027 and being a portion of the Southeast $\frac{1}{4}$ of Section 36, Township 35 North, Range 3 East, W.M.

EXCEPTING Parcels A and B described below:

Parcel A

Beginning at the Southwest corner of Lot 1 of said Short Plat;
thence West along the South line of said Lot 2 for a distance of 15 feet;
thence North parallel to the West line of said Lot 1 for a distance of 160.00 feet to a point North $89^{\circ}05'49''$ West of the Northwest corner of said Lot 1; said point being hereinafter referred to as Point X;
thence South $89^{\circ}05'49''$ East 15 feet, more or less, to the Northwest corner of said Lot 1;
thence South along the West line of said Lot 1 to the point of beginning.

Parcel B

Beginning at the Northwest corner of said Lot 1;
thence North $89^{\circ}05'49''$ West for a distance of 15 feet to Point X;
thence North parallel to the West line of Lot 1 extended North for a distance of 26 feet;
thence South $89^{\circ}05'49''$ East for a distance of 115 feet, more or less, to the East line of said Lot 2 to a point 26 feet North of the Northeast corner of said Lot 1;
thence South along the East line of said Lot 2 for a distance of 26 feet to the Northeast corner of said Lot 1;
thence West along the North line of said Lot 1 to the point of beginning.

Situate in the County of Skagit, State of Washington.

