

## LEASE TYPE FORM

This FIXTURE FILING is presented pursuant to the WASHINGTON UNIFORM COMMERCIAL CODE.

 LEASE : This filing is for informational purposes only. The terms debtor and secured party are to be construed as LESSEE and LESSOR. CONSIGNMENT : This filing is for informational purposes only. The terms debtor and secured party are to be construed as CONSIGNEE and CONSIGNOR.

1. DEBTOR(S) (or assignor(s))  
(last name first, and address(es))  
**JENSON, Lawrence N. and  
JENSON, Nina M.  
PO Box 326  
Carson, WA. 98610**

2. FOR OFFICE USE ONLY  
FILED FOR RECORD  
SKAMANIA CO. WASH  
BY *[Signature]*

Mar 20 3:04 PM '86

INSTRUMENT NO. *24104*FILED BY *[Signature]*AT *3rd fl. M 3-20-86*

4. SECURED PARTY(IES) (or assignee(s))  
(name and address)

SMITH, Hubert D. and  
SMITH, Danna L.  
Carson, Wa. 98610

3. NUMBER OF ADDITIONAL SHEETS ATTACHED: **1**  
DEPUTY COUNTY AUDITORS  
**GARY M. OLSON**

5. ASSIGNEE(S) OF SECURED PARTY(IES)  
(if applicable)  
(last name first, and address(es))

6. This FIXTURE FILING covers the following types or items of property:

- The goods are to become fixtures on . . .  
 The property is timber standing on . . .  
 The property is minerals or the like (including gas and oil) or accounts to be financed at the wellhead or mine head of the well or mine located on . . .  
 (Describe real estate. Use legal description.) **Real property located in Skamania County, Wa.**

That portion of the Southeast Quarter of the Southeast Quarter of Section 20, Township 3 North, Range 8 East of the Willamette Meridian, described as follows: Beginning at a point 30 feet north and 80 feet east of the southwest corner of the southeast quarter of the southeast quarter of the said section 20; thence north 90 feet; thence east 57 feet; thence south 90 feet; thence west 57 feet to the point of beginning.

This fixture filing is to be filed for record in the real estate records. If the debtor does not have an interest of record in the realty,

the name of a record owner is . . .

 Products of collateral are also covered.

7. RETURN ACKNOWLEDGMENT COPY TO:

**Jan C. Kielinski, P.C.  
Attorneys at Law  
PO Box 510  
Stevenson, Wa. 98648**

FILE FOR RECORD WITH:

COUNTY AUDITOR OF COUNTY  
IN WHICH REAL PROPERTY IS  
LOCATED

8. This statement is signed by the Secured Party(ies) instead of the Debtor(s) to perfect a security interest in collateral. (Please check appropriate box)

Complete fully if box (d) is checked;  
complete as applicable for (a), (b), and (c):

- (a)  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)  which is proceeds of the original collateral described above in which a security interest was perfected, or  
 (c)  as to which the filing has lapsed, or  
 (d)  acquired after a change of name, identity, or corporate structure of the debtor(s).

Original recording number \_\_\_\_\_

Filing office where filed \_\_\_\_\_

Former name of debtor(s) \_\_\_\_\_

## 9. SIGNATURES ON ATTACHED SECURITY AGREEMENT

TYPE NAME(S) OF DEBTOR(S) (or assignor(s))

SIGNATURE(S) OF DEBTOR(S) (or assignor(s))

USE IF APPLICABLE

TYPE NAME(S) OF SECURED PARTY(IES) (or assignee(s))

SIGNATURE(S) OF SECURED PARTY(IES) (or assignee(s))

10. TERMINATION STATEMENT: The SECURED PARTY(IES) certifies that the SECURED PARTY(IES) no longer claims a security interest under the fixture filing bearing the recording number shown above

NAME \_\_\_\_\_

DATE \_\_\_\_\_

Return to COUNTY AUDITOR of County where original filing/recording was made.

Registered

Indexed, Dir

SIGNATURE \_\_\_\_\_

## **SECURITY AGREEMENT**

Agreement made this 15th day of September , 1985, between **LAWRENCE N. JENSON** and **NINA M. JENSON**, husband and wife, of Carson, County of Skamania, State of Washington, hereinafter referred to as the "debtors", and **HUBERT D. SMITH** and **DANNA L. SMITH**, husband and wife, of Carson, County of Skamania, State of Washington, hereinafter referred to as the "secured parties".

In consideration of the mutual covenants and promises set forth herein, debtors and secured parties agree as follows:

### **SECTION ONE Parties**

Secured party now owns and operates a floral and garden shop under the firm name of Carson Flowers and Garden Center located in Carson, County of Skamania, State of Washington. The parties hereto have entered into an agreement for the sale of the business. Said agreement is annexed hereto as Exhibit A and is hereby incorporated herein by reference.

### **SECTION TWO Description of Collateral**

Pursuant to RCW 62A.9, debtors hereby give and grant to secured parties a security interest in the following described property:

- (a) Equipment, furniture and fixtures.
- (b) Inventory of every description used in the conduct of the business of debtors and in the possession or control of debtors on or after time of closing of said Agreement for Sale of Business.
- (c) Notes and accounts receivable now outstanding or hereafter arising.

All the aforementioned personal property is herein referred to as collateral.

### **SECTION THREE After-Acquired Property**

This security agreement applies to all collateral of the kind that is the subject of this agreement which debtors may acquire at any time during which this agreement is in effect.

**SECTION FOUR**  
**Payment Obligation**

The security interest herein granted secures payment of Forty Thousand and No/100 (\$40,000.00) Dollars which debtors hereby covenant to pay as follows:

A. The sum of **Fifteen Thousand Dollars** (\$15,000.00) in cash on execution of this agreement, receipt whereof is hereby acknowledged by seller; and

B. Assumption by buyer of the following obligations presently owed by seller:

Vancouver Wholesale  
1205 W. 8th Street  
Vancouver, Wa. 98660   \$ 600.00

Russ Berrie & Co., Inc.  
20360 70th Avenue South  
Kent, Wa. 98032   \$ 700.00

Northrup King Co.  
PO Box 959  
Minneapolis, Minnesota 55440   \$ 200.00

Holland Bulb Co.  
6441 SE Johnson Creek Blvd.  
Portland, Oregon 97206   \$ 300.00

Chas H. Lilly Co.  
7737 NE Killingsworth  
Portland, Oregon 97218   \$ 500.00

N.W. Rose Growers  
PO Box 810  
Woodland, Wa 98674   \$ 700.00

Billingsley Evergreens  
7525 SE Salmon  
Portland, Oregon 97215   \$1,000.00

**TOTAL**   \$4,000.00

and

C. Six Thousand Dollars (\$6,000.00) to be paid as follows:

1. Two Thousand Dollars (\$2,000.00) on February 15,  
1986.

2. Two Thousand Dollars (\$2,000.00) on May 15, 1986.

3. Two Thousand Dollars (\$2,000.00) on August 15, 1986; and

D. Fifteen Thousand Dollars (\$15,000.00) to be paid as follows:

1. Monthly payments of Three Hundred Thirty-three and 67/100 Dollars (\$333.67) commencing on the 15th day of October, 1985, and payable on the 15th day of each, and every month thereafter until paid in full.
2. Twelve (12%) percent interest per annum on the unpaid principal balance
3. Interest shall be deducted from each installment payment and the balance of each payment applied in reduction of principal.

#### **SECTION FIVE** **Other Terms and Conditions**

1. **Title to Collateral:** Until all installments and all other amounts due hereunder have been paid in full, secured parties shall retain title to and a security interest in collateral.

2. **Priority of Security Interest:** The security interest granted herein is a first and prior security interest on collateral.

3. **Additional Instruments:** Debtors shall join in executing, and shall pay all costs of filing, this security agreement and any financing or termination statement required with respect to collateral, and debtors hereby appoint secured parties as attorneys in fact for debtors to do whatever secured parties may deem necessary to perfect or continue perfected the security interest of secured parties in collateral.

4. **Use of Collateral:** Collateral shall be used by debtors primarily for business purposes.

5. **Loss or Damage:** Loss of or damage to collateral shall not release debtors from the obligations stated herein. Repairs to collateral and to equipment or accessories placed on collateral shall be at the expense of debtors and shall constitute component parts of collateral subject to the terms of this agreement.

6. **Notice:** Notice to debtors, required hereunder by RCW 62A.9 or other applicable statutes of the State of Washington,

ordinary manner and will not enter into any unusual contract or make any unusual commitment affecting the operation of the business beyond such closing date without consent of buyer.

**SECTION EIGHT**  
**Assumption of Liabilities**

Buyer agrees to assume those liabilities that arise in the ordinary course of seller's business after the signing of this contract but before closing. Buyer shall not be liable for any of the obligations or liabilities of seller of any kind and nature other than those specifically assumed under this section. Buyer will indemnify seller against any and all liability under the contracts and obligations assumed hereunder, provided that seller is not in default under any of such contracts or obligations at the date of closing.

**SECTION NINE**  
**Rental of Building**

The building located at the above address, owned by the seller, will be rented to the buyers subject to that certain Deed of Trust dated October 19, 1982, recorded under Auditor's File No. 94901, in Book 58 of Mortgages, page 901, in the official records of the County of Skamania, State of Washington, for a period of three (3) years from date of closing at a rental of Three Hundred Fifty Dollars (\$350.00) per month payable in advance on the 1st day of each and every month. Utilities are to be paid by the buyer during such period.

**SECTION TEN**  
**Bulk Sales Law**

The seller will duly comply with the provisions of Article 6 of the Uniform Commercial Code of the State of Washington by furnishing lists of creditors of the business, as required by the laws of the State of Washington.

**SECTION ELEVEN**  
**Seller's Warranty as to Absence of Litigation**

Seller hereby represents and warrants that there is no pending administrative, civil, or criminal litigation involving the business sold, nor any demands or claims that would materially and adversely affect the same or Seller's financial condition.

**SECTION TWELVE**  
**Sale "As Is"**

Buyer acknowledges that he has examined the properties covered by this agreement and is purchasing the same in an "as is" condition.

**SECTION THIRTEEN**  
**Expenses of Sale**

Seller and buyer shall each pay all costs and expenses incurred or to be incurred by each of them respectively in negotiating and preparing this agreement and in closing and carrying out the transactions contemplated thereby.

**SECTION FOURTEEN**  
**Time of Passing of Title**

Title to the properties sold under this agreement shall pass to the buyer at the time of final payment of the purchase price.

**SECTION FIFTEEN**  
**Modification**

No alteration or other modification of this agreement shall be effective unless such modification shall be in writing and signed by the parties.

**SECTION SIXTEEN**  
**Time of the Essence**

Time is of the essence of this agreement. Seller's acceptance of past due payments does not constitute a waiver of this provision.

**SELLER:**

Hubert D. Smith  
HUBERT D. SMITH

Danna L. Smith  
DANNA L. SMITH

**BUYER:**

Lawrence N. Jenson  
LAWRENCE N. JENSON

Nina M. Jenson  
NINA M. JENSON

STATE OF WASHINGTON )  
                             ) ss  
County of Skamania )

On this day personally appeared before me HUBERT D. SMITH and DANNA L. SMITH, husband and wife, to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 3rd day of  
September, 1985.

December

Lawrence N. Jenson  
Notary Public in and for the  
State of Washington, residing  
at Stevenson, Wa.

STATE OF WASHINGTON )  
County of Skamania ) ss

On this day personally appeared before me **LAWRENCE N. JENSON** and **NINA M. JENSON**, husband and wife, to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 6th day of  
September, 1985.

December

Gay Ford  
Notary Public in and for the  
State of Washington, residing  
at Carson, Wa.

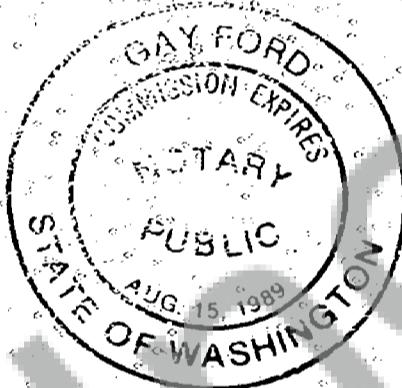


EXHIBIT "A"

1 fan #2072  
1 heater #0787001  
1 wooden display  
6 4' light fixtures  
13 8' light fixtures  
metal stands  
fire extinguisher  
plastic cabinets  
pole iron plant  
air conditioner #625540  
3 ribbon rakes  
4 green gondolas  
3 platforms  
2 clocks  
1 teacart  
2 stools  
2 short stools  
1 ladder  
1 wood shop garden table  
scales #41180-4  
1 register #990010702  
1 inside sign  
1 outside sign  
1 road sign  
1 window hanger  
double sink  
front counter with files  
3 garden gondolas  
2 file cabinets  
desk  
chair  
calculator #OS-1111  
pick machine #34790  
tools  
2 staplers  
3 glue guns  
chairs  
chest  
cooler unit #C-140477  
2 tables  
5 wall units  
pegboard unit  
1 silk display  
4 plant stands misc.  
driftwood display  
gondola units  
back check stand  
workshop table  
garden check stand

4 outside tables  
32 flower buckets  
oplate glassgon  
9 plant stands  
spot light  
plate glass shelves  
3 wire shelves  
shelfe brackets  
298 peg board shelving  
480 wood shelves  
235 brackets  
3 ceiling displays  
curtains  
register #1311653

Rental Equipment:

3 spreaders  
3 rollers  
2 brass candleabras  
2 brass plant stands  
2 brass baskets  
2 brass baskets  
3 white basket stands  
wedding arch

EXHIBIT "A"