

This FINANCING STATEMENT is presented to a filing officer for filing pursuant to the Uniform Commercial Code.

1. DEBTOR'S NAMES & ADDRESSES (Last Name First)

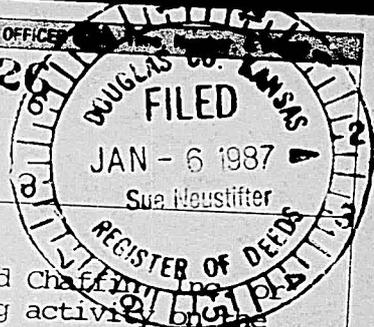
FALGERS, INC.
3120 S. Kansas
Topeka, KS 66611

2. SECURED PARTIES (OR ASSIGNEES) & ADDRESSES

MERCHANTS NATIONAL BANK
P. O. Box 178
Topeka, KS 66601

FOR FILING OFFICER

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3 A. This Financing Statement covers the following types (or items) of property: (Describe)

Assignment of lease proceeds between Pocar, Inc, Falley's, Inc. and Chaffin, Inc. and all future successor or lease proceeds derived from leasing activity on the property known as Tracts I & IV in Crossgates and Tracts II & III in Crossgates No. 2, Addition to the City of Lawrence, Douglas County, Kansas.

3 B. (If Collateral is Crops) The above described Crops are growing or are to be grown on: (Describe real estate)

3 C. If applicable, the above (Goods are to become fixtures on:) (Timber is standing on:) (Minerals or the like, including oil and gas, or accounts will be financed at the wellhead or minehead of the well or mine located on:)

NAME OF RECORD OWNER: Falgers, Inc.

LEGAL DESCRIPTION OF REAL ESTATE:
Tracts I & IV in Crossgates and Tracts II & III in Crossgates No. 2, Addition to the City of Lawrence, Douglas County, KS. (see attached legal description)

4. Check if:

Products of Collateral are claimed

Proceeds of collateral are also covered.

DEBTOR SIGNATURES

x FALGERS, INC.

x *[Signature]* Pocar

SECURED PARTY OR ASSIGNEE SIGNATURES

MERCHANTS NATIONAL BANK OF TOPEKA

By *[Signature]* Michael T. Fleming, President

UNIFORM COMMERCIAL CODE SECTION 9-1 FINANCING STATEMENT

KANSAS UNIFORM COMMERCIAL CODE

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