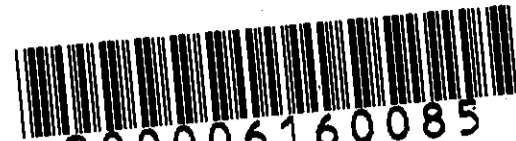


Return Address:

990-090C
ATTN: RUTH LUFFMAN
CHOICEPOINT BUS. & GOV. SVCS.
2885 BRECKINRIDGE BLVD., STE 200
DULUTH, GA. 30096



200006160085
Kathy Hill, Skagit County Auditor
6/16/2000 Page 1 of 5 11:37:49AM

Please print or type information **WASHINGTON STATE RECORDER'S Cover Sheet** (RCW 65.04)

Document Title(s) (or transactions contained therein): (all areas applicable to your document must be filled in)

- 1. Form UCC-2
- 2.
- 3.
- 4.

Reference Number(s) of Documents assigned or released:

Additional reference #'s on page _____ of document

Grantor(s) (Last name first, then first name and initials)

- 1. GTS Drywall Supply Co.
- 2.
- 3.
- 4.

Additional names on page _____ of document.

Grantee(s) (Last name first, then first name and initials)

- 1. Gypsum Management and Supply, Inc.
- 2.
- 3.
- 4.

Additional names on page _____ of document.

Legal description (abbreviated: i.e. lot, block, plat or section, township, range)

Two parcels located in a portion of Tract 84, Plat of Burlington Acreage Property, located at 1303 South Anacortes, Burlington, Skagit County, Washington.

Additional legal is on page 3 of document.

Assessor's Property Tax Parcel/Account Number

Assessor Tax # not yet assigned

P 62848

The Auditor/Recorder will rely on the information provided on the form. The staff will not read the document to verify the accuracy or completeness of the indexing information provided herein.

RETURN COPY TO: (Name and Mailing Address)

ATTN: RUTH LUFFMAN
CHOICEPOINT BUSINESS GOV. SCVS.
2885 BRECKINRIDGE BLVD - STE 200
DULUTH, GA 30096

FORM UCC-2 For use in Washington Counties

ORIGINAL FILING

Record in: Skagit County

Debtor Name(s) (if an Individual - Last, First, Middle Initial)

1. GTS Drywall Supply Co.

2.

3.

Additional Debtor Names to be found on Page No. _____

Claimant Name(s) (if an Individual - Last, First, Middle Initial)

1. Gypsum Management and Supply, Inc.

2.

3.

Additional Claimant Names to be found on Page No. _____

Abbreviated Legal Description of Real Estate (Lot, Block, Plat Name, Section-Township-Range)

Full Legal Description is on page:

Assessor's Property Tax Parcel Account Number(s): _____

Enter other information here

See Exhibit A attached hereto and hereby made a part hereof.

Signature(s) of Debtor(s) and Claimant(s)

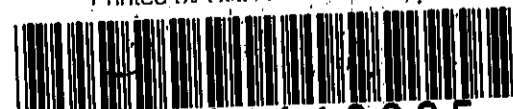
Michael Callahan VP

Michael Callahan VP

COPY (1)

Please Keep Signatures Inside This P-

Printed by UCC Choice



200006160085

Kathy Hill, Skagit County Auditor

6/16/2000 Page 2 of 5 11:37:49AM

**UCC Financing Statement
Exhibit A
(fixture)**

Debtor: GTS Drywall Supply Co.
(FEI# 91-1086047)
Secured Party: Gypsum Management and Supply, Inc.

All of the Debtor's right, title and interest in and to each of the following, wherever located and whether now or hereafter existing or now owned or hereafter acquired or arising (referred to collectively as the "Collateral"):

A. (i) all rights to the payment of money or other forms of consideration of any kind (whether classified under the Uniform Commercial Code (the "UCC") as accounts, contract rights, chattel paper, general intangibles or otherwise) including, but not limited to, accounts receivable, letters of credit and the right to receive payment thereunder, chattel paper, tax refunds, insurance proceeds, any rights under contracts not yet earned by performance and not evidenced by an instrument or chattel paper, notes, drafts, instruments, documents, acceptances and all other debts, obligations and liabilities in whatever form from any person, (ii) all guaranties, security and liens securing payment thereof, (iii) all goods, whether now owned or hereafter acquired, and whether sold, delivered, undelivered, in transit or returned, which may be represented by, or the sale or lease of which may have given rise to, any such right to payment or other debt, obligation or liability, and (iv) all proceeds of any of the foregoing (the foregoing, collectively, "Receivables"),

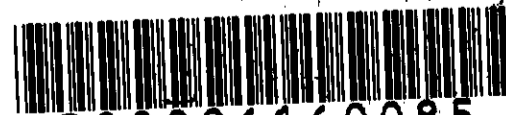
B. (i) all inventory, (ii) all goods intended for sale or lease or for display or demonstration, (iii) all work in process, (iv) all raw materials and other materials and supplies of every nature and description used or which might be used in connection with the manufacture, packing, shipping, advertising, selling, leasing or furnishing of goods or services or otherwise used or consumed in the conduct of business, and (v) all documents evidencing and general intangibles relating to any of the foregoing (the foregoing, collectively, "Inventory"),

C. (i) all machinery, apparatus, equipment, motor vehicles, tractors, trailers, rolling stock, fittings, fixtures and other tangible personal property (other than Inventory) of every kind and description, (ii) all tangible personal property (other than Inventory) and fixtures used in the Debtor's business operations or owned by Debtor or in which Debtor has an interest, and (iii) all parts, accessories and special tools and all increases and accessions thereto and substitutions and replacements therefor (the foregoing, collectively, "Equipment"),

D. all general intangibles, choses in action and causes of action and all other intangible personal property of every kind and nature (other than Receivables), including, without limitation, intellectual property (including all of the Debtor's property now owned and hereafter arising or acquired: patents, copyrights, trademarks, and all other rights under any of the foregoing, the "Proprietary Rights"), corporate or other business records, inventions, designs, blueprints, plans, specifications, trade secrets, goodwill, computer software, customer lists, registrations, licenses, franchises, tax refund claims, reversions or any rights thereto and any other amounts payable to such person from any benefit plan, rights and claims against carriers and shippers, rights to indemnification, business interruption insurance and proceeds thereof, property, casualty or any similar type of insurance and any proceeds thereof, the beneficiary's interest in proceeds of insurance covering the lives of key employees and any letter of credit, guarantee, claims, security interest or other security for the payment by an account debtor of any of the Receivables (the foregoing, collectively, "General Intangibles"),

E. any demand, time, savings, passbook, money market or like depository account, and all certificates of deposit, maintained with a bank, savings and loan association, credit union or like organization, other than an account evidenced by a certificate of deposit that is an instrument under the UCC (the foregoing, collectively, "Deposit Accounts"),

189130



200006160085

Kathy Hill, Skagit County Auditor

F. all goods and other property, whether or not delivered, a. the sale or lease of which gives or purports to give rise to any Receivable, including, but not limited to, all merchandise returned or rejected by or repossessed from customers, or b. securing any Receivable, including, without limitation, all rights as an unpaid vendor or lienor (including, without limitation, stoppage in transit, replevin and reclamation) with respect to such goods and other properties,

G. all mortgages, deeds to secure debt and deeds of trust on real or personal property, guaranties, leases, security agreements and other agreements and property which secure or relate to any Receivable or other Collateral or are acquired for the purpose of securing and enforcing any item thereof,

H. all documents of title, including bills of lading and warehouse receipts, policies and certificates of insurance, securities, chattel paper and other documents and instruments,

I. all files, correspondence, computer programs, tapes, disks and related data processing software which contain information identifying or pertaining to any of the Collateral or any account debtor or showing the amounts thereof or payments thereon or otherwise necessary or helpful in the realization thereon or the collection thereof,

J. all cash or property deposited with Secured Party or any affiliate thereof or which Secured Party is entitled to retain or otherwise possess as collateral pursuant to the provisions of that certain Loan and Security Agreement between Debtor and Secured Party (the "Loan Agreement") or any of the Loan Documents (as defined in the Loan Agreement), and

K. any and all products and cash and non-cash proceeds of the foregoing (including, but not limited to, any claims to any items referred to in this definition and any claims against third parties for loss of, damage to or destruction of any or all of the Collateral or for proceeds payable under or unearned premiums with respect to policies of insurance) in whatever form, including, but not limited to, cash, negotiable instruments and other instruments for the payment of money, chattel paper, security agreements and other documents.

Proceeds of the above described property include, without limitation, and to the extent not described above, the following types of property acquired with cash proceeds: accounts, chattel paper, general intangibles, investment property, deposit accounts, documents, inventory, equipment, fixtures, farm products and consumer goods.



UCC Financing Statement
Exhibit B
(fixture)

Debtor: GTS Drywall Supply Co.
(FEI# 91-1086047)
Secured Party: Gypsum Management and Supply, Inc.

Record Owner:

Skagit River Steel & Recycling, Inc.

Legal Description:

1303 South Anacortes
Burlington, WA 98233

PARCEL B

That portion of Tract 84, Plat of the Burlington Acreage Property, as per plat recorded in Volume 1 of Plats, page 49, records of Skagit County, Washington, lying easterly of the Great Northern Railway right of way and being more particularly described as follows:

Commencing at the Northeast corner of said Tract 84; thence South 0° 24' East along the East line of said Tract 84, 140.62 feet to the corner of an existing chainlink fence; thence continue South 0° 24' East along said East line 100.00 feet; thence North 88° 14' West 10.00 feet to the true point of beginning; thence South 0° 24' East 130.10 feet; thence North 88° 14' West 192.93 feet to the easterly margin of said Great Northern Railway right of way; thence North 8° 06'33" West along said easterly margin 131.96 feet to a point that is North 88° 14' West from the true point of beginning; thence 88° 14' West from the true point of beginning; thence South 88° 14' East 210.64 feet to the true point of beginning.

TOGETHER WITH a non-exclusive easement for ingress, egress and utility purposes over and across Parcel A described as follows:

PARCELA

That portion of Tract 84, Plat of the Burlington Acreage Property, as per plat recorded in Volume 1 of Plats, page 49, records of Skagit County, Washington, lying easterly of the Great Northern Railway right of way and being more particularly described as follows:

Commencing at the Northeast corner of said Tract 84; Thence South 0° 24' East along the East line of said Tract 84, 140.62 feet to the corner of an existing chainlink fence; thence continue South 0° 24' East along said East line, 100.00 feet to the true point of beginning; thence North 88° 14' West 1200.00 feet; thence South 0° 24' East 24.02 feet; thence South 88° 14' East 110.00 feet to said East line; thence North 0° 24' West along said East line, 30.02 feet to the true point of beginning.

200006160085
Kathy Hill, Skagit County Auditor
6/16/2000 Page 5 of 5 11:37:49AM