

UNIFORM COMMERCIAL CODE — FINANCING STATEMENT CHANGE — FORM N-UCC-2

This STATEMENT is presented for filing pursuant to the Nevada Uniform Commercial Code

IMPORTANT:

Read instructions on back before filling out form.


Receipt No. _____

1. File No. of Orig. Financing Statement 0409357 BK 0397 PG 4510	1A. Date of Filing of Orig. Financing Statement 3/28/97	1B. Date of Orig. Financing Statement 3/14/97	1C. Place of Filing Orig. Financing Statement Douglas County, Nevada
2. DEBTOR (ONE NAME ONLY) <input type="checkbox"/> LEGAL BUSINESS NAME <input type="checkbox"/> INDIVIDUAL (LAST NAME FIRST) Q. M. CORPORATION			2A. SOCIAL SECURITY OR FEDERAL TAX NO.
2B. MAILING ADDRESS 515 Nichols Blvd.		2C. CITY, STATE Sparks, NV	2D. ZIP CODE 89431
3. ADDITIONAL DEBTOR (If Any) (ONE NAME ONLY) <input type="checkbox"/> LEGAL BUSINESS NAME <input type="checkbox"/> INDIVIDUAL (LAST NAME FIRST)			3A. SOCIAL SECURITY OR FEDERAL TAX NO.
3B. MAILING ADDRESS		3C. CITY, STATE	3D. ZIP CODE
4. <input type="checkbox"/> ADDITIONAL DEBTOR(S) ON ATTACHED SHEET			
5. SECURED PARTY NAME LITCHFIELD FINANCIAL CORPORATION MAILING ADDRESS 13701 West Jewell Ave., Suite 200 CITY Lakewood STATE CO ZIP CODE 80228			5A. SOCIAL SECURITY NO. FEDERAL TAX NO. OR BANK TRANSIT AND A.B.A. NO.
6. ASSIGNEE OF SECURED PARTY (If Any) NAME LITCHFIELD HYPOTHECATION CORP. 1997-B MAILING ADDRESS 13701 West Jewell Ave., Suite 200 CITY Lakewood STATE Co ZIP CODE 80228			6A. SOCIAL SECURITY NO. FEDERAL TAX NO. OR BANK TRANSIT AND A.B.A. NO.
7. A. <input type="checkbox"/> CONTINUATION—The original Financing Statement between the foregoing Debtor and Secured Party bearing the file number and date shown above is continued. If collateral is crops or timber, fixtures, or oil, gas or minerals check here <input type="checkbox"/> and insert description of real property on which growing or to be grown or to which affixed or to be affixed or from which to be extracted in Item 8 below. If crops or fixtures, also insert name of record owner of real estate. Effective only if submitted within 6 months prior to expiration date.			
B. <input type="checkbox"/> RELEASE—From the collateral described in the Financing Statement bearing the file number shown above, the Secured Party releases the collateral described in Item 8 below. Release does not terminate debt.			
C. <input checked="" type="checkbox"/> ASSIGNMENT—The Secured Party certifies that the Secured Party has assigned to the Assignee above named, all or part of the Secured Party's rights under the Financing Statement bearing the file number shown above in the collateral described in Item 8 below.			
D. <input type="checkbox"/> TERMINATION—The Secured Party certifies that the Secured Party no longer claims a security interest under the Financing Statement bearing the file number shown above.			
E. <input type="checkbox"/> AMENDMENT—The Financing Statement bearing the file number shown above is amended as set forth in Item 8 below. Any changes made to Items 2 thru 6 above must be made in Item 8 below. (Signature of Debtor(s) and Secured Party(ies) required on all amendments.)			
8. All of debtor's rights, title and interest in and to that personal property, as is more fully described on EXHIBIT "A" attached hereto.			

THIS SPACE FOR USE OF FILING OFFICER

9. Litchfield Financial Corporation (Date) 8.26 19 97

By _____ (SIGNATURE(S) OF DEBTOR(S)) _____ (TITLE)

By  (SIGNATURE(S) OF SECURED PARTY(IES)) Vice President (TITLE)

Cory M. Coulston (TYPE NAME(S))

10. This Space for Use of Filing Officer: (Date, Time, File Number and Filing Officer)

11. Return Copy to:

NAME Litchfield Financial Corporation

ADDRESS 13701 W. Jewell Ave. Suite 200

CITY, STATE AND ZIP Lakewood CO 80228

Trust Account Number (If Applicable)

YELLOW—Alphabetical; PINK—Acknowledgement; GREEN—Secured Party; BLUE—Debtor.

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EXHIBIT A

20-22476-1	Balani, Noelene	03119A	-0908
20-11721-1	Beaman, John C. & Harriet A.	00210	-4719
20-22225-1	Britto, Carl L/Sarah	02609A	-6291
20-22656-1	Casper, Gerald /Carolyn	00914A	-5979
20-21949-1	Clements, Steven F.	01915A	-5185
20-22711-1	Collins, Donald l/Susan	01146A	-6154
20-22519-1	Duval, Oliver A. & Barbara R.	1920A	-5241
20-22992-1	Eller, Cecil F./Marie M	01638B	-6247
20-22630-1	Escolano, Stanley/Evelyn V.	01923A	-4812
20-20675-1	Farley, Cheryl & Richard	03540B	-3564
20-22142-1	Fox, Jason G./Anzalone-Fox, Cynthia	01734B	-2302
20-12084-1	Greenslade, Ronald L. & Kathleen	00143	-7923
20-22643-1	Guerin, Guy	02319B	-0302
20-22593-1	Harner, Allen C./Catherine A.	02026a	-4422
20-21820-1	Harris, Dean N./Vanessa B.	01032A	-3633
20-20669-1	Heflin, Shane & Nancy R.	03001C	-7724
20-22624-1	Hegdahl, David H/Karen L.	02018B	-6157
20-22548-1	Iwamoto, Henry H./Marie L.	01151A	-3804
20-22274-1	Klunder, Mark W./Casarez, Olga	03103A	-5001
20-22834-1	Lehmann, Elmer E. & Carol A.	01343A	-0560
20-22945-1	Liles, Jimmy D./Patricia A.	01440A	-2371
20-22815-1	Linder, Nils R. & Linda J.	1538A	-0292
20-21993-1	Loera Jr., Fernando/Dolores I	01820A	-1833
20-22669-1	Martens, Harold /Linda	02021B	-3489
20-22876-1	Merson, Brian & Perreault, Lizabeth	1544A	-1729
20-23070-1	Miller, James D./Maria M.	01851B	-2499
20-23008-1	Moreno, Roberto & Helen D.	1549A	-7649
20-20457-1	Thomas, Walter Roy & Denise A.	02517B	-6917
20-19264-1	Vaughn Sr., Timothy D/Jane A.	02832A	-0532

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EXHIBIT A
TO FINANCING STATEMENT

DEBTOR/ASSIGNOR: Q.M. CORPORATION

SECURED PARTY/ASSIGNEE: LITCHFIELD FINANCIAL CORPORATION

The property which is subject to and encumbered by this Financing Statement includes:

All of the right, title and interest, whether now existing or hereafter acquired, of Debtor/Assignor in, to and under the following, and specifically including all proceeds therefrom:

1. All Notes and other notes, documents and other property sold or delivered to, deposited with, or held by or for Lender pursuant to the Promissory Note and Installment Contract Purchase Agreement dated January 25, 1996, which has been executed by and between Secured Party/Assignee and Debtor/Assignor ("Purchase Agreement") including, without limitation, all promissory notes, installment sales contracts, leasehold interest rental agreements, accounts, deeds of trust and related or unrelated receivables generated by Debtor/Assignor in connection with its on-going land development and timeshare sales operations within the Thunderbird Resort, Ridge Sierra and Lakeside Tennis and Ski Resort development projects as located in or near Sparks, Stateline, and Incline Village, Nevada, respectively, as are more fully described in SCHEDULE 1 attached hereto, along with all after acquired Notes which are subsequently sold or transferred by Debtor/Assignor to Secured Party/Assignee pursuant to the terms of the Purchase Agreement;

2. All payments and prepayments of principal, interest, penalties and other amounts due or to become due on and/or under all the Notes and other Notes which will become the subject of the Purchase Agreement;

3. All security for, and all property used or useful in connection with the foregoing including, without limitation, all rights, liens and security interests existing with respect to, or as security for, all such Notes and other notes including, without limitation, all hold-back and loss reserve funds maintained and held by Secured Party/Assignee pursuant to the terms of the Purchase Agreement;

4. All files, surveys, certificates, correspondence, computer programs, tapes, discs, cards, accounting records, and other

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records, information and data relating to the Notes (including all formation, records, data, programs, tapes, discs and cards necessary for Lender to administer and service such collateral);

5. All insurance proceeds and condemnation proceeds associated with or pertaining to the real and personal property which is associated with the Notes being purchased hereunder;

6. All present and future accounts, general intangibles, chattel paper, contract rights, deposit accounts, instruments and documents as those terms are defined in the Colorado Commercial Code, now or hereafter relating or arising with respect to the Notes or otherwise, including, without limitation: (a) all rights to the payment of money, including escrow proceeds arising out of the sale of all or any portion of the Notes or otherwise; and (b) all reserves, deferred payments, deposits, refunds, cost savings, bonds, insurance policies and payments of any kind relating to the Notes or otherwise.

7. All present and future additions, modifications, renewals, attachments, replacements and substitutions of or to any or all of the foregoing;

8. All proceeds and products of any or all of the foregoing including, without limitation, all monies, deposit accounts, insurance proceeds and other tangible or intangible property received upon a sale or other disposition of any of the foregoing; and

9. All agreements of Debtor/Assignor with respect to the Project including, without limitation, any and all marketing agreements, sales contracts, and consignment agreements.

Capitalized terms used in this Exhibit "A" and not otherwise defined shall have the same meanings set forth for them in the Purchase Agreement.

REQUESTED BY
Witchfield Financial
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA
corp

'97 SEP -8 P4:12

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LINDA SLATER
RECORDER

\$18.00 PAID *[Signature]* DEPUTY