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## Circuit Court of the State of Oregon in and for the County of Klamath

Denny Collins  
Plaintiff

vs.

Kris Palmerton and Christine Palmerton,  
Husband and Wife  
DefendantsDeclaration of Denny Collins  
d.b.a. Pelican Motel/Apts.Issues pending: Suit, Lis Pendens, Quit  
Claim, Full Conveyance.

Legal Description Attached

Comes now the Plaintiff, Denny Collins, after first receiving Defendant's Exhibit "A" March 21, 1996. Hereby the Plaintiff declares that the following is my voluntary sworn statement.

That; **Discovery and development** of the Pelican Motel/Apartments in Klamath Falls, Oregon is that of Denny Collins. Borrowing the down payment from the Palmerton credit cards, credit maintenance for utilities is the Palmerton's contribution for Twenty (20%) percent ownership, **secured** as the mortgage owners of record.

I, Denny Collins, **unilaterally** acquiesced after first being the lead, as a documented lien holder and purchaser of record this action taken in good faith. See: Exhibit "B" attached.

**DECLARATION OF OWNERSHIP**

Denny Collins is the ostensible owner and manager of the Pelican Motel/Apartments and has each and every time successfully defended in court this property against all enemies. Some of those alleged enemies (tenants) were in place upon up close, personal inspection by the Palmertons, not Collins. Innocently overlooked by the Palmertons, glossed over by the sellers (Beans) was the true nature, condition and income history of the Pelican Motel/Apartments. On behalf of Collins, for their own edification, the Palmerton overview was incorrect.

**Collins took possession** on January 17, 1995 and immediately upon discovery that (his) home and business was a rodent and drug infested cesspool, took immediate action. Short of bullets flying, information solicited by Collins from Mr. Miller of the F.B.I. Medford, Lt. Mediger, Commander Oregon State Patrol, Lt. Reynolds, Klamath Police, Mike Griffin, Klamath County Sheriff's Department (Records), and the District Attorney's Office.

**ARMED**

with the aforementioned individual and collective support, Denny Collins did lawfully and

systematically eradicate some of the most evil villains this town has had to offer. The druggies were replaced with the blue collar working class and mothers with dependant children. With each new tenant came a new and different attitude, along with persistent new services and renovations.

### OFFER OF SETTLEMENT

Upon receipt, then henceforth 120 days whereupon the Palmerton's grant an offer to **Quit Claim** said vested interest by recorded title to Virginia (Ginger) Collins.

1. The Palmertons shall receive by cashiers check the total amount of their cash advances (past) at the time of escrow closing January 1995, limited to amounts at closing.
2. Retain the tax credit lawfully allowed for the year of 1995.
3. Privately retain twenty percent (20%) ownership, now and into the future, absent of any future liability and/or involvement in the Pelican Motel/Apartments of Klamath Falls, Oregon.

To date the parties named herein acknowledge that no partnership agreement in writing exists, that this act alone and changing circumstances has created a potentially "dark ugly cloud" on said title to named property. See: Legal Description attached.

### BRIEF RECITAL

The Palmerton down payment, **loaned** to the Pelican project was by credit card cash advances. The principal total and/or interest due monthly is paid into their private access account, here in Klamath Falls, and the underlying mortgage payment of \$800.00 each month as well.

Collins has not paid himself a finder's fee, developer's fee, nor management fee but rather advanced ongoing cash advances for materials and labor. The **successful results** are all documented.

The fixtures, furniture, and equipment belong to Collins, i.e. televisions, replacement refrigerators, microwaves, beds, tables and chairs, lawn mowers, vacuum cleaners, etc.

**Note:** Chris Palmerton is the daughter of Denny Collins.

**AFFIRMATIVE DEFENSE**

On behalf of Collins, the Palmertons counted ten (10) motel/apartment doors, noting eight (8) apartments. Less than a year later, ten (10) apartments exist, developed solely by Denny Collins.

The hostile take over initiated by the Palmerton's Exhibit "A" demands also options that Collins rent his own apartment, renovated by Collins, from the Palmertons.

If formal litigation is the destiny of the parties, we will visit the doctrine of unjust enrichment,: not limited to **QUANTUM MERUIT, ESTOPPEL**, equitable distribution, offer, acceptance and consideration void of a written contract. The venue is Oregon State.

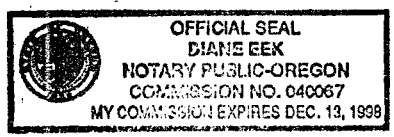
I declare, under penalty of perjury of the laws of the State of Oregon, that the foregoing is true and correct.

Executed at Klamath Falls, Oregon the 26<sup>TH</sup> day of MAR, 1996.

*Denny L. Collins*  
Ret: Denny L. Collins Plaintiff Pro-Se  
2700 Biehn Street  
Klamath Falls, OR 97601  
(541) 884-9191

State of Oregon  
County of Klamath

Signed or attested before me on 3-26-96 by Denny L. Collins



*Diane Eek*  
Notary Public  
My commission expires: 12-13-98

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

A tract of land in the SW1/4 of Section 20, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a point 1280 feet East and 1352 feet North of the Section corner common to Sections 19, 20, 29 and 30, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, said point being in the center line of "A" Street as shown on the plat of Highway Addition filed May 31, 1927 in Plat Book 7 and page 9, now vacated, and on the Westerly line of Biehn Street as now located (80 feet wide); thence Westerly along the center line of said vacated "A" Street to the Easterly line of Lakeport Boulevard; thence North in a straight line 274 feet more or less to the South line of the Southern Pacific Railroad right of way; thence Southeasterly tracing the Southerly line of said right of way 313 feet, more or less, to the Westerly line of said Biehn Street; thence South 127.2 feet, more or less, to the point of beginning.

-continued-

The beneficial interest under said Trust Deed was assigned by instrument;  
Dated: February 1, 1989  
Recorded: February 27, 1989  
Volume: M89, page 3038, Microfilm Records of Klamath County, Oregon  
From: Michael B. Ilg  
To: Dorothy M. Pheiffer

11. Trust Deed, subject to the terms and provisions thereof, given to secure an indebtedness with interest thereon and such future advance as may be provided therein;  
Dated: May 11, 1993  
Recorded: May 20, 1993  
Volume: M93, page 11448, Microfilm Records of Klamath County, Oregon  
Amount: \$57,136.47  
Grantor: Robert A. Bean and Lurene G. Bean  
Trustee: Mountain Title Company of Klamath County  
Beneficiary: Larry A. Hardgrove and Sharon E. Hardgrove

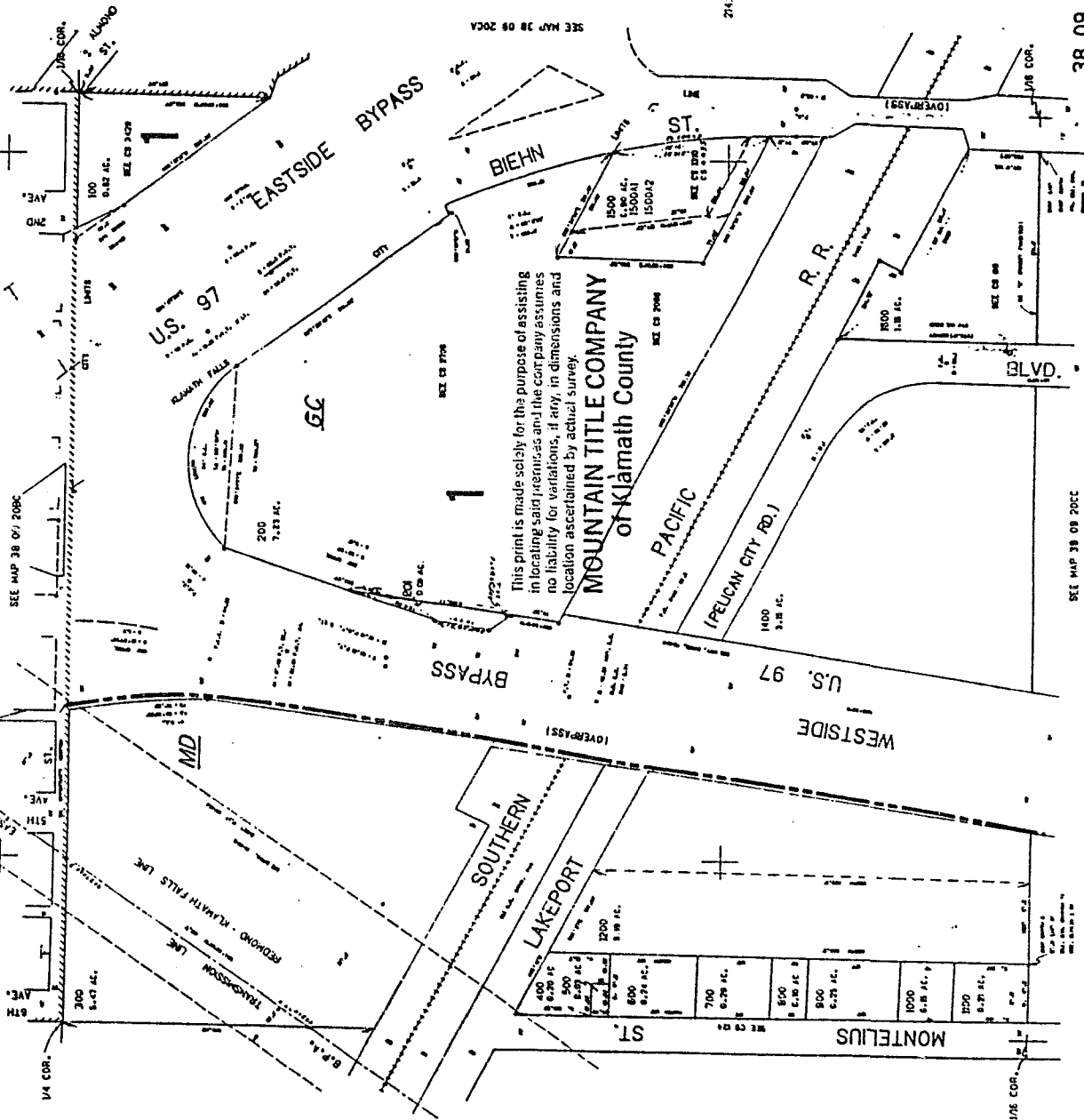
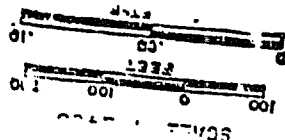
NOTE A: We find no judgments or Federal Tax Liens against Denny Collins, Kris Palmerton or Chris Palmerton.

38 01' B  
K LAMATH R. S

NW1/4 SW1/4 S. 20 T. 38S. R. 09E. W.M.  
K. 7TH COUNTY

1-400

THIS MAP WAS PREPARED FOR  
ASSISTANT PURPOSE ONLY.



This print is made solely for the purpose of assisting  
in locating said premises and the company assumes  
no liability for variations, if any, in dimensions and  
location ascertained by actual survey.

MOUNTAIN TITLE COMPANY  
of Klamath County

SEE MAP 38 08 20CA

214.500

SEE MAP 38 09 20CC

38 09 20CB



# Mountain Title Company

of Klamath County

222 S. 6TH ST. • KLAMATH FALLS, OREGON 97601 • TELEPHONE (503) 883-3401 • FAX (503) 882-0620

December 12, 1994

Order Number: 34437-KR  
Escrow Officer: Kristi Redd

Mountain Title Company  
of Klamath County  
222 South Sixth Street  
Klamath Falls, OR 97601

**PRELIMINARY** Title Report  
For Standard Coverage Policy  
Owner's \$ 95,000.00

We are prepared to issue title insurance (Ticor Title Insurance Company) in the form and amount shown above insuring title to the land hereinafter described:

**PLEASE SEE ATTACHED EXHIBIT "A"**

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showing to title December 2, 1994 at 8:00 a.m. vested of record in

**ROBERT A. BEAN and LURENE G. BEAN**  
as **TENANTS BY THE ENTIRETY**

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Subject to the standard coverage exceptions, and the exclusions, conditions and stipulations which are part of the policy form, and to exceptions as shown herein.

**PLEASE SEE ATTACHED EXCEPTIONS**

**MOUNTAIN TITLE COMPANY**  
**OF KLAMATH COUNTY**

  
Patti Harvey  
Senior Title Officer

PH:pn

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This report is preliminary to the issuance of a policy of title insurance and shall become null and void unless a policy is issued and the full premium therefore paid.

**MISSION STATEMENT**

*"Superior Service with Commitment and Respect for Customers and Employees"*

*Schedule B of the policy(ies) to be issued will contain the following general and special exceptions unless removed prior to issuance:*

**GENERAL EXCEPTIONS (Standard Coverage Policy Exceptions)**

1. a. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.  
b. Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. a. Easements, liens, encumbrances, interests or claims thereof which are not shown by any public records.  
b. Any facts, right, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession hereof.
3. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
4. a. Unpatented mining claims.  
b. Reservations or exceptions in patents or in Acts authorizing the issuance thereof.  
c. Water rights, claims or title to water:  
whether or not the matters excepted under (a), (b), or (c) are shown by public record
5. Any lien or right to a lien, for services, labor or materials heretofore or hereafter furnished, imposed by law and not shown by the public records.

**SPECIAL EXCEPTIONS**

6. Taxes for the fiscal year 1993-1994, partially paid.  
Account No: 3809-020CB-01600      Key No: 439993  
Original Amount: \$2,034.71      Code No: 001  
Unpaid Balance: \$1,356.47 plus interest

7. Taxes for the fiscal year 1994-1995, delinquent.  
Account No: 3809-020CB-01600      Key No: 439993  
Amount: \$1,800.06 plus interest      Code No: 001

8. Rights of the public in and to any portion of the herein described premises lying within the limits of streets, roads or highways.

9. Subject to the reservations in Deed from Central Eastern Railway Company to John H. Decker, et ux, dated April 5, 1948, recorded May 3, 1948 in Volume 220, page 133, Deed Records of Klamath County, Oregon.

10. Trust Deed, subject to the terms and provisions thereof, given to secure an indebtedness with interest thereon and such future advances as may be provided therein;  
Dated: April 19, 1984  
Recorded: April 23, 1984  
Volume: M84, page 6678, Microfilm Records of Klamath County, Oregon  
Amount: \$75,000.00  
Grantor: Larry A. Hardgrove and Sharon E. Hardgrove, husband and wife  
Trustee: Mountain Title Company, Inc.  
Beneficiary: Fern A. Smith

Due probate and administration of the Estate of Fern Amelia Smith, deceased, which proceedings are pending in the Circuit Court for Klamath County. Mardis Hartley was appointed as personal representative of the estate.

The beneficial interest under said Trust Deed was assigned by instrument,  
Recorded: November 25, 1988  
Volume: M88, page 19987, Microfilm Records of Klamath County, Oregon  
From: Mardis Hartley, Personal Representative of the Estate of Fern A. Smith,  
deceased  
To: Michael B. Ilg

-continued-



March 15, 1996

Denny Collins  
2700 Biehn St.  
Klamath Falls, Ore. 97601

**RE: End of verbal contract to Manage Pelican Apartments**

Denny,

As you find it difficult to talk man to man over the phone and insist on hanging up when asked a simple yet plausible question, I have but one option left.

As of April 1 (one) 1996 you will no longer collect rents due, conduct business in regards to the Pelican Apartments or perform any "managerial" duties as were described to you in January of 1995.

The agreement of one third (1/3) NET profits of sale will stand, however minus all monies not accounted for, I.E; rents and damage deposits collected and not deposited in owners account. This will be paid directly to you via cashiers check and reported to the IRS on form 1098 upon sale of the property solely owned by Kris and Christine Palmerton.

You may continue to reside at the Managers residence and will assume all non-essential utilities to be placed in your name, such as telephone, cable television etc. Rent will be waived until June 1st, 1996 when you will be required to pay \$300.00 payable in full on the first of the month and every month thereafter until you vacate said premises or sale of said premises occur.

On April 1st 1996 a Property Manager hired by Owners will collect all rents and will conduct all advertising, maintenance, evictions or problems with tenants after agreement with owners is satisfied, I can only hope that you will not interfere with this person and respect them as they are only doing their job.

Kris L. Palmerton  
Co-owner  
Pelican Apartments

*[Signature]*  
3/15/96

Christine P. Palmerton  
Co-owner  
Pelican Apartments

*[Signature]*  
3-15-96

cc/ Mr. Frank Atwood Attorney at Law, Bellingham, WA.  
Ginger Collins Bellingham, WA.

enclosed: Rental Agreement for Main House and office

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Denny Collins the 26th day  
of March A.D., 19 96 at 11:27 o'clock A M., and duly recorded in Vol. M96,  
of Deeds on Page 8294.

FEE \$70.00

By Bernetha G. Letsch, County Clerk  
*[Signature]*

STATE OF CALIFORNIA  
UNIFORM COMMERCIAL CODE-FINANCING STATEMENT-FORM UCC-1 (REV. 1/90)  
IMPORTANT-Read Instructions on back before completing form



THIS FINANCING STATEMENT is for filing and will remain effective, with certain exceptions, for five years from the date of filing, pursuant to Section 9403 of the California Uniform Commercial Code.

1. DEBTOR (LAST NAME FIRST-IF AN INDIVIDUAL) <b>J &amp; W WALKER FARMS, INC.</b>		1A. SOCIAL SECURITY OR FEDERAL TAX NO.	
1B. MAILING ADDRESS <b>P O BOX 830</b>		1C. CITY, STATE <b>MERRILL, OR</b>	1D. ZIP CODE <b>97633</b>
2. ADDITIONAL DEBTOR (IF ANY) (LAST NAME FIRST-IF AN INDIVIDUAL)		2A. SOCIAL SECURITY OR FEDERAL TAX NO.	
2B. MAILING ADDRESS		2C. CITY, STATE	2D. ZIP CODE
3. DEBTOR'S TRADE NAMES OR STYLES (IF ANY)		3A. FEDERAL TAX NUMBER	
4. SECURED PARTY NAME <b>SPRECKELS SUGAR COMPANY, INC.</b> MAILING ADDRESS <b>P O BOX 8025</b> CITY <b>PLEASANTON</b> STATE <b>CA</b> ZIP CODE <b>94588</b>		4A. SOCIAL SECURITY NO., FEDERAL TAX NO. OR BANK TRANSIT AND A.B.A. NO. <b>13-3366164</b>	
5. ASSIGNEE OF SECURED PARTY (IF ANY) NAME MAILING ADDRESS CITY STATE ZIP CODE		5A. SOCIAL SECURITY NO., FEDERAL TAX NO. OR BANK TRANSIT AND A.B.A. NO.	

6. This FINANCING STATEMENT covers the following types or items of property (include description of real property on which located and owner of record when required by instruction 4).

(SEE ATTACHED)

7. CHECK IF APPLICABLE <input checked="" type="checkbox"/>	7A. <input checked="" type="checkbox"/> PRODUCTS OF COLLATERAL ARE ALSO COVERED	7B. DEBTOR(S) SIGNATURE NOT REQUIRED IN ACCORDANCE WITH INSTRUCTION 8(S) ITEM: <input type="checkbox"/> (1) <input type="checkbox"/> (2) <input type="checkbox"/> (3) <input type="checkbox"/> (4)	
8. CHECK IF APPLICABLE <input checked="" type="checkbox"/>	<input type="checkbox"/> DEBTOR IS A "TRANSMITTING UTILITY" IN ACCORDANCE WITH UCC § 9105 (1) (n)		
9. SIGNATURE(S) OF DEBTOR(S)  DATE: <b>MARCH 21, 1996</b>		10. THIS SPACE FOR USE OF FILING OFFICER (DATE, TIME, FILE NUMBER AND FILING OFFICER)	
TYPE OR PRINT NAME(S) OF DEBTOR(S) <b>J &amp; W WALKER FARMS, INC.</b>		1 2 3 4 5 6 7 8 9 0	
SIGNATURE(S) OF SECURED PARTY(IES)  OPERATIONS ACCOUNTING MANAGER			
TYPE OR PRINT NAME(S) OF SECURED PARTY(IES) <b>SPRECKELS SUGAR COMPANY, INC.</b>			
11. Return copy to: NAME ADDRESS CITY STATE ZIP CODE			
<b>SPRECKELS SUGAR COMPANY, INC.</b> <b>P O BOX 8025</b> <b>PLEASANTON, CA 94588-8625</b>			
(1) FILING OFFICER COPY		FORM UCC-1 Approved by the Secretary of State	