

STATE OF OREGON

UNIFORM COMMERCIAL CODE

FINANCING STATEMENT

REAL PROPERTY - Form UCC-1A

THIS FORM FOR COUNTY FILING OFFICER USE ONLY

mtc 41756

THIS FINANCING STATEMENT is presented to the county filing officer pursuant to the Uniform Commercial Code.		
1A. Debtor Name(s): Klamath Mall LLC, an Oregon limited liability company; Christopher A. Welsh 1B. Debtor Mailing Address(es): 2130 Santiago Drive Newport Beach, California 92660 SEE EXHIBIT B ATTACHED	2A. Secured Party Name(s): John E. Aschieris as Trustee of the JMR TRUST dated May 1, 1986 2B. Address of Secured Party from which security information is obtainable: 1575 Placentia Avenue Newport Beach, California 92663 SEE EXHIBIT C ATTACHED	4A. Assignee of Secured Party (if any): 4B. Address of Assignee:

3. This financing statement covers the following types (or items) of property (check if applicable): (

- ☒ The goods are to become fixtures on: _____ ☐ The above timber is standing on: _____
☐ The above minerals or the like (including gas and oil) or accounts will be financed at the wellhead or minehead of the well or mine located on: (describe real estate)

*See Schedule A attached hereto and made a part hereof by this reference.

and the financing statement is to be filed for record in the real estate records. (If the debtor does not have an interest of record) The name of a record owner is:

☒ Check box if products of collateral are also covered

Number of attached additional sheets: 5

Debtor hereby authorizes the Secured Party to record a carbon, photographic or other reproduction of this form, financing statement or security agreement as a financing statement under ORS Chapter 79.
Signature of the debtor required in most cases. By: See Exhibit "B" attached hereto and incorporated herein by this reference.
Signature(s) of Secured Party in cases covered by ORS 79.4020 Required signature(s) _____

- 1. PLEASE TYPE THIS FORM.** **INSTRUCTIONS**
2. If the space provided for any item(s) on this form is inadequate, the item(s) should be continued on additional sheets. Only one copy of such additional sheets need to be presented to the county filing officer. DO NOT STAPLE OR TAPE ANYTHING TO THIS FORM.
3. This form (UCC-1A) should be recorded with the county filing officers who record real estate mortgages. This form cannot be filed with the Secretary of State. Send the Original to the county filing officer.
4. After the recording process is completed the county filing officer will return the document to the party indicated. The printed termination statement below may be used to terminate this document.
5. The RECORDING FEE must accompany the document. The fee is \$10.00 first page. \$5.00 each additional page.
6. Be sure that the financing statement has been properly signed. Do not sign the termination statement (below) until this document is to be terminated.

Recording Party contact name: <u>Susan E. Graham, Esq.</u> Recording Party telephone number: <u>(949) 553-1313</u> Return to: (name and address) Allen, Matkins, Leck, Gamble & Mallory LLP 18400 Von Karman Ave., 4th Floor Irvine, California 92612 Attn: Susan E. Graham Please do not type outside of bracketed area.	TERMINATION STATEMENT This statement of termination of financing is presented for filing pursuant to the Uniform Commercial code. The Secured Party no longer claims a security interest in the the financing statement bearing the recording number shown above. By: _____ Signature of Secured Party(ies) or Assignee(s)
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SCHEDULE A

All right, title and interest of Debtor in and to the following (collectively, the "Property"):

(1) The real property described in Exhibit A attached hereto and made a part hereof (the "Land");

(2) All additional lands, estates and development rights hereafter acquired by Debtor for use in connection with the Land and the development of the Land and all additional lands and estates therein which may, from time to time, by supplemental mortgage or otherwise be expressly made subject to the lien of the Security Instrument (as defined below);

(3) The buildings, structures, fixtures, additions, enlargements, extensions, modifications, repairs, replacements and improvements now or hereafter erected or located on the Land (the "Improvements");

(4) All easements, rights-of-way or use, rights, strips and gores of land, streets, ways, alleys, passages, sewer rights, water, water courses, water rights and powers, air rights and development rights, and all estates, rights, titles, interests, privileges, liberties, servitudes, tenements, hereditaments and appurtenances of any nature whatsoever, in any way now or hereafter belonging, relating or pertaining to the Land and the Improvements and the reversion and reversions, remainder and remainders, and all land lying in the bed of any street, road or avenue, opened or proposed, in front of or adjoining the Land, to the center line thereof and all the estates, rights, titles, interests, dower and rights of dower, curtesy and rights of curtesy, property, possession, claim and demand whatsoever, both at law and in equity, of Debtor of, in and to the Land and the Improvements and every part and parcel thereof, with the appurtenances thereto;

(5) All machinery, equipment, fixtures (including, but not limited to, all heating, air conditioning, plumbing, lighting, communications and elevator fixtures) and other property of every kind and nature whatsoever owned by Debtor, or in which Debtor has or shall have an interest, now or hereafter located upon the Land and the Improvements, or appurtenant thereto, and usable in connection with the present or future operation and occupancy of the Land and the Improvements and all building equipment, materials and supplies of any nature whatsoever owned by Debtor, or in which Debtor has or shall have an interest, now or hereafter located upon the Land and the Improvements, or appurtenant thereto, or usable in connection with the present or future operation and occupancy of the Land and the Improvements (collectively, the "Personal Property"), and the right, title and interest of Debtor in and to any of the Personal Property which may be subject to any security interests, as defined in the Uniform Commercial Code, as adopted and enacted by the state or states where any of the Property is located, superior in lien to the lien of the Security Instrument and all proceeds and products of the above;

(6) All leases, subleases and other agreements affecting the use, enjoyment or occupancy of the Land and/or the Improvements heretofore or hereafter entered into and all extensions, amendments and modifications thereto, whether before or after the filing by or against Debtor of any petition for relief under 11 U.S.C. §§ 101 et seq., as the same may be amended from time to time (the "Bankruptcy Code") (the "Leases") and all right, title and interest of Debtor, its successors and assigns therein and thereunder, including, without limitation, cash or securities deposited thereunder to secure the performance by the lessees of their obligations thereunder and all rents, additional rents, revenues, issues and profits (including all oil and gas or other mineral royalties and bonuses) from the Land and the Improvements whether paid or accruing before or after the filing by or against Debtor of any petition for relief under the Bankruptcy Code (the "Rents") and all proceeds from the sale or other disposition of the Leases and the right to receive and apply the Rents to the payment of the indebtedness secured by the Security Instrument;

(7) All proceeds of and any unearned premiums on any insurance policies covering the Property, including, without limitation, the right to receive and apply the proceeds of any insurance, judgments, or settlements made in lieu thereof, for damage to the Property;

(8) All awards or payments, including interest thereon, which may heretofore and hereafter be made with respect to the Property, whether from the exercise of the right of eminent domain (including but not limited to any transfer made in lieu of or in anticipation of the exercise of the right), or for a change of grade, or for any other injury to or decrease in the value of the Property;

(9) All refunds, rebates or credits in connection with a reduction in real estate taxes and assessments charged against the Property as a result of tax certiorari or any applications or proceedings for reduction;

(10) All proceeds of the conversion, voluntary or involuntary, of any of the foregoing including, without limitation, proceeds of insurance and condemnation awards, into cash or liquidation claims;

(11) The right, in the name and on behalf of Debtor, to appear in and defend any action or proceeding brought with respect to the Property and to commence any action or proceeding to protect the interest of Secured Party in the Property;

(12) All agreements, contracts, certificates, instruments, franchises, permits, licenses, plans, specifications and other documents, now or hereafter entered into, and all rights therein and thereto, respecting or pertaining to the use, occupation, construction, management or operation of the Land and any part thereof and any Improvements or respecting any business or activity conducted on the Land and any part thereof and all right, title and interest of Debtor therein and thereunder, including, without limitation, the right, upon the occurrence and during the continuance of an Event of

Default (as defined in the Security Instrument), or any other document executed in connection therewith, to receive and collect any sums payable to Debtor thereunder, and

(13) All tradenames, trademarks, service marks, logos, copyrights, goodwill, books and records and all other general intangibles relating to or used in connection with the operation of the Property.

This UCC-1 Financing Statement is filed in connection with a certain Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing dated September 28, 1998 (the "Security Instrument") in the principal sum of \$1,400,000.00 given by Debtor to Secured Party covering the estate of Debtor in the Property and intended to be duly recorded in Klamath County, Oregon.

EXHIBIT "A"
LEGAL DESCRIPTION

35441

PARCEL 1: All that portion of Tracts 32, 33A and 36, ENTERPRISE TRACTS, situated in the NW1/4 of Section 3, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at an iron pipe on the South line of said Tract 32, said point being North 89 degrees 30' 45" West, a distance of 281.8 feet from the Southeast corner of said Tract 32 (this same reference is described as being West a distance of 281.7 feet by previous records), said beginning point also being on the Northwestern line of Austin Street as deeded to Klamath County by Deed Volume 229, page 300, Deed Records of Klamath County, Oregon; thence North 34 degrees 07' 30" East at right angles to South Sixth Street and along the Northwestern line of Austin Street a distance of 183.08 feet to an iron pin on a point on a line that is parallel to and 180 feet distant at right angles from the East line of said Tract 32; thence North 0 degrees 20' 45" East along said parallel line and along the Westerly line of Austin Street a distance of 722.70 feet to an iron pin that is South 0 degrees 20' 45" West a distance of 400.02 feet from the iron pin marking the Southerly line of Shasta Way; thence North 89 degrees 39' 15" West a distance of 629.67 feet to an iron pin on the Southeasterly line of Avalon Street; thence South 30 degrees 37' 00" West along the Southeasterly line of Avalon Street a distance of 667.53 feet to an iron pin on the most Northerly corner of a tract described as Parcel 3 in Deed Volume 256, page 96, Deed Records of Klamath County, Oregon; thence South 59 degrees 23' 00" East along the Northeasterly line of said tract a distance of 149.94 feet to an iron pin; thence South 30 degrees 37' 00" West along the Southeasterly line of said tract a distance of 59.20 feet to an iron pin on the Northeasterly line of Pershing Way; thence South 55 degrees 52' 30" East along the Northeasterly line of Pershing Way a distance of 485.15 feet to an iron pipe on the Southerly projection of the line between Tracts 32 and 36, Enterprise Tracts; thence North 0 degrees 14' 30" West along said projected line a distance of 98.97 feet to an iron pipe on the Southwest corner of said Tract 32; thence South 89 degrees 30' 45" East along the Southerly line of said Tract 32 a distance of 362.50 feet to the point of beginning.

PARCEL 2: A parcel of land situated in the NW1/4 of Section 3, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at the Northwest corner of said Section 3, said point being marked by a cased iron pin; thence South 0 degrees 00' 30" East along the Westerly line of said Section 3 a distance of 826.80 feet to its intersection with a line parallel with and 75.0 feet distant at right angles Northeasterly from the centerline of the Klamath Falls-Lakeview Highway, also known as South Sixth Street, as the same is now located and constructed; thence South 55 degrees 52' 30" East, along said parallel line a distance of 1682.84 feet to an iron pin on the Northwestern line of Austin Street; thence North 34 degrees 07' 30" East along said line a distance of 235.00 feet to an iron pin on the Northeasterly line of Pershing Way, said point being the True Point of Beginning of this description; thence North 34 degrees 07' 30" East along the Northwestern line of Austin Street a distance of 282.50 feet to an iron pipe on the Southerly line of Tract 32, Enterprise Tracts, said point being North 89 degrees 30' 45" West a distance of 281.8 feet from the Southeast corner of said Tract 32 (this same reference is described as being West a distance of 281.7 feet by previous records), said point being on the Northwestern line of that tract deeded to Klamath County by Deed Volume 229, page 300, Deed Records of Klamath County, Oregon; thence North 89 degrees 30' 45" West along the Southerly line of said Tract 32, a distance of 362.50 feet to an iron pipe on the Southwest corner of said Tract 32; thence South 0 degrees 14' 30" East along the Southerly projection of the line between Tracts 32 and 36, Enterprise Tracts, a distance of 98.97 feet to an iron pipe on the Northeasterly line of Pershing Way; thence South 55 degrees 52' 30" East along said line a distance of 245.93 feet to the True Point of Beginning of this description.

35442

EXHIBIT "B"

TO

UCC-1A FINANCING STATEMENT

Debtor:

KLAMATH MALL LLC,
an Oregon limited liability company

By: [Signature]
Name: Ramiro P. Ramirez
Its: Manager

By: [Signature]
Name: Chris A. Welsh
Its: Manager

Mailing Address: 2130 Santiago Drive
Newport Beach, CA 92660

Additional Debtor:

[Signature]
CHRISTOPHER A. WELSH,
an individual

Mailing Address: 2130 Santiago Drive
Newport Beach, CA 92660

Additional Debtor:

*Security interest as an
accommodation*

CDF II LLC, a California limited liability company

By: [Signature]
Name: Chris A. Welsh
Its: Manager

Mailing Address: 2130 Santiago Drive
Newport Beach, CA 92660

35443

EXHIBIT "C"
TO
UCC-1 FINANCING STATEMENT

Additional Secured Party: John E. Aschieris doing business as Investors Management Service
1575 Placentia Avenue
Newport Beach, CA 92663

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Amerititle the 28th day
of September A.D., 19 98 at 1:23 o'clock P. M., and duly recorded in Vol. M98
of Mortgages on Page 35437

FEE \$35.00

By Kathleen Rosa Bernetha G. Letsch, County Clerk