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STATE OF OREGON

UNIFORM COMMERCIAL CODE

FINANCING STATEMENT

REAL PROPERTY - Form UCC-1A

THIS FORM FOR COUNTY FILING OFFICER USE ONLY

K-52604

The FINANCING STATEMENT is presented to the county filing officer pursuant to the Uniform Commercial Code.

1A. Debtor Name(s): NO APPLES I - KLAMATH FALLS, L.L.C.	2A. Secured Party Name(s): KEYBANK NATIONAL ASSOCIATION	4A. Assignee of Secured Party (if any):
1B. Debtor Mailing Address(es): 2810 Eastlake Avenue Seattle, Washington 98102-3087	2B. Address of Secured Party from which security information is obtainable: 127 Public Square Cleveland, Ohio 44114 Mail Code: NY-00-15-0035	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: Schedule A ☐ 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 incorporated herein 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: _____

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.

Signature(s) of Secured Party in cases covered by
ORS 79.4020

By:

See Rider A attached hereto.

Required signature(s)

INSTRUCTIONS

1. PLEASE TYPE THIS FORM.

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: _____

Recording Party telephone number: _____

Return to: (name and address)

Michelle A. Hickerson, Esq.
JONES, DAY, REAVIS & POGUE
3500 SunTrust Plaza
303 Peachtree Street
Atlanta, Georgia 30308-3242

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)

45380

RIDER A

Debtor:

NO APPLES I - KLAMATH FALLS, L.L.C.

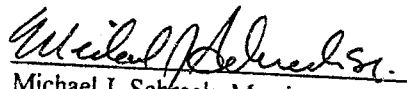
Secured Party:

KEYBANK NATIONAL ASSOCIATION

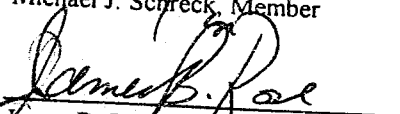
The Collateral covered by this Financing Statement is described in detail on Schedule A attached hereto, some of which consists of goods which are or are to become fixtures on the Land (which is situated in the County of Klamath, State of Oregon (the "Land") and more particularly described on Exhibit A attached hereto). Debtor is the record owner of the Land.

NO APPLES I - KLAMATH FALLS,
L.L.C., a limited liability company organized
under the laws of Washington

By:


Michael J. Schreck, Member

By:


James B. Rose, Member

SCHEDULE A TO FINANCING STATEMENT

Debtor:

NO APPLES I - KLAMATH FALLS, L.L.C.

Secured Party:

KEYBANK NATIONAL ASSOCIATION

(a) The buildings, structures, fixtures, additions, enlargements, extensions, modifications, repairs, replacements and improvements (the "Improvements") now or hereafter erected or located on the real property situated in the County of Klamath, State of Oregon, and more particularly described on Exhibit A attached to the Financing Statement to which this Schedule A is attached (the "Land");

(b) 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;

(c) 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 Personal Property is located, superior in lien to the lien of the lien of the Deed of Trust and Security Agreement granted by Debtor to or for the benefit of Secured Party (the "Security Instrument") encumbering the Land and other property described therein and all proceeds and products of the above;

(d) 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;

(e) All proceeds of and any unearned premiums on any insurance policies covering the Land, the Improvements, or any of the Personal 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 Improvements and the Personal Property;

(f) All awards or payments, including interest thereon, which may heretofore and hereafter be made with respect to the Land or Improvements, 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 Land or Improvements;

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

(h) 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;

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

(j) 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;

(k) All tradenames, trademarks, servicemarks, logos, copyrights, goodwill, books and records and all other general intangibles relating to or used in connection with the operation of the Land, Improvements, or Personal Property;

(l) All right, title, and interest of Debtor in and to any leases for equipment now or hereafter located at, or used in connection with, the Land or the Improvements, including without limitation, all leases for office equipment, maintenance and operating equipment, recreational equipment, and fixtures, telephone equipment, furniture, and furnishings;

(m) Any and all other rights of Debtor in and to the items set forth in the preceding paragraphs of this Schedule A, including all increases, substitutions, renewals, replacements, and accessions of and to the foregoing; and

(n) All Proceeds (as defined in the Oregon Uniform Commercial Code) of any of the foregoing.

45384

EXHIBIT "A"
DESCRIPTION OF PROPERTY

A parcel of land situated in the SE ¼ NE ¼ of Section 9, Township 39 South, Range 9 East of the Willamette Meridian, being Lots 16 and 17 of TRACT 1276, a Re-Subdivision of a portion of Lot 3, Block 1 of "Tract 1080-Washburn Park", according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, being more particularly described as follows:

Beginning at a point on the Westerly right of way of Washburn Way, said point being the Northeast corner of said Lot 16; thence South 00°02'00" East 202.00 feet; thence South 89°58'00" West 209.00 feet; thence North 00°02' 00" West 202.00 feet; thence North 89°58'00" East 209.00 feet to the point of beginning.

TOGETHER WITH THE EASEMENTS, RESTRICTIONS AND COVENANTS CONTAINED IN THAT CERTAIN DECLARATION OF CROSS EASEMENTS AND RESTRICTIVE COVENANTS RECORDED IN VOLUME M-97, PAGE 7211, RECORDS OF KLAMATH COUNTY OREGON (THE "RECORDS"), AND THAT CERTAIN EASEMENTS WITH COVENANTS AND RESTRICTIONS AFFECTING LAND RECORDED IN VOLUME M-91, PAGE 12081, OF THE RECORDS AS AMENDED BY THAT CERTAIN AMENDMENT NO.1 TO EASEMENTS WITH COVENANTS AND RESTRICTIONS AFFECTING LAND RECORDED IN VOLUME M-97, PAGE 28746 OF THE RECORDS.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of First American Title the 11th day
of December A.D., 19 98 at 1:02 o'clock P. M., and duly recorded in Vol. M98
of Mortgages on Page 45379.

FEE \$30.00

By Bernetha G. Letsch, County Clerk
Kathleen Rosa