

2009-008043

Klamath County, Oregon



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06/10/2009 11:34:34 AM

Fee: \$51.00

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME AND PHONE OF CONTACT AT FILER [optional]

B. SEND ACKNOWLEDGEMENT TO: (Name and Address)

G.B. Peaseley VI, Esquire
Bradstreet Peaseley PLC
5310 Markel Road, Suite 205
Richmond, VA 23230

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME -- insert only one debtor name (1a or 1b) -- do not abbreviate or combine names

OR	1a. ORGANIZATION'S NAME Shangri La Apartments of Klamath, LLC				
	1b. INDIVIDUAL'S LAST NAME				
1c. MAILING ADDRESS 1415 Esplanade		CITY Klamath Falls		STATE OR	POSTAL CODE 97601
1d. <u>SEE INSTRUCTIONS</u>		ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION limited liability co.	1f. JURISDICTION OF ORGANIZATION Wyoming	1g. ORGANIZATIONAL ID#, if any 592275-96 <input type="checkbox"/> NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME -- insert only one debtor name (2a or 2b) -- do not abbreviate or combine names

OR	2a. ORGANIZATION'S NAME				
	2b. INDIVIDUAL'S LAST NAME				
2c. MAILING ADDRESS		CITY		STATE	POSTAL CODE
2d. <u>SEE INSTRUCTIONS</u>		ADD'L INFO RE ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	2g. ORGANIZATIONAL ID#, if any <input type="checkbox"/> NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) -- insert only one secured party name (3a or 3b)

OR	3a. ORGANIZATION'S NAME Evanston Financial Corporation				
	3b. INDIVIDUAL'S LAST NAME				
3c. MAILING ADDRESS 112 S. David Lane		CITY Knoxville		STATE TN	POSTAL CODE 37922
				COUNTRY USA	

4. This FINANCING STATEMENT covers the following collateral:

Debtor's interest in all property located on or used or acquired in connection with the operation and maintenance of the real estate described in the attached Exhibit A, including, without limitation, the collateral described on Exhibit B attached hereto and made a part hereof.

5. ALTERNATIVE DESIGNATION [if applicable]: ☐ LESSEE/LESSOR ☐ CONSIGNEE/CONSIGNOR ☐ BAILEE/BAILOR ☐ SELLER/BUYER ☐ AG. LIEN ☐ NON-UCC FILING

6. ☒ This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. Attach Addendum [if applicable] 7. Check to REQUEST SEARCH REPORT(s) on Debtor(s) [ADDITIONAL FEE] [optional] ☐ All Debtors ☐ Debtor 1 ☐ Debtor 2

8. OPTIONAL FILER REFERENCE DATA

Shangri La Apartments, FHA Project No. 126-11057 - local filing of mortgagor

FILING OFFICE COPY -UCC FINANCING STATEMENT (FORM UCC1) (REV. 5/22/02)

56 Amt

UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

9. NAME OF FIRST DEBTOR (1a OR 1b) ON RELATED FINANCING STATEMENT

OR	9a. ORGANIZATION'S NAME		
	Shangri La Apartments of Klamath, LLC		
	9b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME, SUFFIX

10. MISCELLANEOUS

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

11. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME – insert only one debtor name (11a or 11b) – do not abbreviate or combine names:

OR	11a. ORGANIZATION'S NAME				
OR	11b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
11c. MAILING ADDRESS			CITY	STATE	POSTAL CODE COUNTRY
11d. SEE INSTRUCTIONS	ADD'L INFO RE ORGANIZATION DEBTOR	11e. TYPE OF ORGANIZATION	11f. JURISDICTION OF ORGANIZATION		11g. ORGANIZATIONAL ID#, if any <input type="checkbox"/> NONE

12. ☒ ADDITIONAL SECURED PARTY'S or ☐ ASSIGNOR S/P'S NAME – insert only one name (12 or 12b)

OR	12a. ORGANIZATION'S NAME				
	SECRETARY OF HOUSING AND URBAN DEVELOPMENT				
OR	12b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
12c. MAILING ADDRESS			CITY	STATE	POSTAL CODE COUNTRY
400 S.W. Sixth Avenue, Suite 700			Portland	OR	97204 USA

13. This FINANCING STATEMENT covers ☐ timber to be cut or ☐ as extracted collateral, or is filed as a ☒ fixture filing.

14. Description of real estate:

See Exhibit A attached hereto and made a part hereof.

15. Name and address of RECORD OWNER of above-described real estate (if Debtor does not have a record interest):

16. Additional collateral Description

17. Check only if applicable and check only one box.

Debtor is a ☐ Trust or ☐ Trustee acting with respect to property held in trust or ☐ Decedent's Estate

18. Check only if applicable and check only one box.

☐ Debtor is a TRANSMITTING UTILITY
☐ Filed in connection with a Manufactured-Home Transaction – effective 30 years
☐ Filed in connection with a Public-Finance Transaction – effective 30 years

EXHIBIT "A"
LEGAL DESCRIPTION

A tract of land situated in the SE1/4 SW1/4 of Section 34, T38S, R9EWM, Klamath County, Oregon, being more particularly described as follows:

Commencing at the Northeast corner of Lot 37, ENTERPRISE TRACTS, Klamath County, Oregon; thence South 00°15'30" East along the centerline of Avalon Street, 242.83 feet; thence North 89°44'30" East, 30.00 feet to a point on the East boundary of said street for the True Point of Beginning; thence North 89°44'30" East, 395.00 feet; thence North 00°15'30" West 59.01 feet, to a point on the Southwesterly boundary of the U.S.R.S. "A" canal; thence along said canal boundary 204.24 feet along the arc of a curve right (which arc has a radius of 433.10 feet and a long chord of North 55°12'32" West 202.35 feet); thence North 41°42' West 183.35 feet to the Southeasterly boundary of Eberlein Avenue; thence along said boundary South 47°54'30" West, 144.93 feet to the East boundary of Avalon Street; thence along said boundary South 00°15'30" East 216.00 feet to the true point of beginning.

AND an easement for a sewer in and across the following described real estate, situate, lying and being in Klamath County, Oregon, and more particularly described as follows:

A strip of land 10 feet in width lying along the following described centerline:

Beginning at a point 240 feet Northerly from the North boundary of SUNNYLAND ADDITION to the City of Klamath Falls, and 310 feet Easterly from the East boundary of Avalon Street, at which point a manhole is constructed; thence Northerly to a point on the Southerly boundary line of a parcel of property owned by Shangri-La Apartments, a partnership, said point being North 89°44'30" East 298.00 feet from the East boundary of Avalon Street.

**EXHIBIT "B" TO SECURITY AGREEMENT
AND FINANCING STATEMENTS**

This Exhibit "B" is attached to, incorporated by reference in, and forms a part of that certain Security Agreement and Financing Statements (collectively, the "Security Documents"), executed and delivered by the Debtor in connection with the financing of the Project (as hereinafter defined) in favor of the Secured Party.

This Exhibit "B" refers to the following collateral, which may be now or hereafter located on the premises of, relate to, or be used in connection with, the acquisition or refinancing, repair, ownership, management, and operation of a certain apartment complex known as Shangri La Apartments (the "Project"), located in Klamath Falls, Klamath County, Oregon, owned by the Debtor:

14. All income, rents, profits, receipts and charges from the Project.
15. All accounts including without limitation the following: reserve for replacement, residual receipts, and special funds; ground rents, taxes, water rents, assessments and fire and other hazard-insurance premiums; accounts receivable; operating revenue; initial operating escrow; and escrow for latent defects (if any).
16. All insurance and condemnation proceeds; and all inventories.
17. All materials now owned or hereafter acquired by the Debtor and intended for the construction, reconstruction, alteration and repair of any building, structure or improvement now or hereafter erected or placed on the property described in Exhibit "A" attached hereto (the "Property"), all of which materials shall be deemed to be included within the Project immediately upon the delivery thereof to the Project.
18. All of the walks, fences, shrubbery, driveways, fixtures, machinery, apparatus, equipment, fittings, and other goods and other personal property of every kind and description whatsoever, now owned or hereafter acquired by the Debtor and attached to or contained in and used or usable in connection with any present or future operation of the Project, including, by way of example rather than of limitation, all lighting, laundry, incinerating and power equipment; all engines, boilers, machines, motors, furnaces, compressors and transformers; all generating equipment; all pumps, tanks, ducts, conduits, wire, switches, electrical equipment and fixtures, fans and switchboards; all telephone equipment; all piping, tubing, plumbing equipment and fixtures; all heating, refrigeration, air conditioning, cooling, ventilating, sprinkling, water, power and communications equipment, systems and apparatus; all water coolers and water

heaters; all fire prevention, alarm and extinguishing systems and apparatus; all cleaning equipment; all lift, elevator and escalator equipment and apparatus; all partitions, shades, blinds, awnings, screens, screen doors, storm doors, exterior and interior signs, gas fixtures, stoves, ovens, refrigerators, garbage disposals, dishwashers, cabinets, mirrors, mantles, floor coverings, carpets, rugs, draperies and other furnishings and furniture installed or to be installed or used or usable in the operation of any part of the Project or facilities erected or to be erected in or upon the Property, including pool and deck furniture, clubhouse furnishings and exercise equipment; and every renewal or replacement thereof or articles in substitution therefor, whether or not the same are now or hereafter attached to the Property in any manner; all except for any right, title or interest therein owned by any tenant (it being agreed that all personal property owned by the Debtor and placed by it on the Property shall, so far as permitted by law, be deemed to be affixed to the Property, appropriated to its use, and covered by each of the Security Documents to which this Exhibit is attached).

19. All of the Debtor's right, title and interest in and to any and all judgments, awards of damages (including but not limited to severance and consequential damages), payments, proceeds, settlements or other compensation (collectively, the "Awards") heretofore or hereafter made, including interest thereon, and the right to receive the same, as a result of, in connection with, or in lieu of (i) any taking of the Property or any part thereof by the exercise of the power of condemnation or eminent domain, or the police power, (ii) any change or alteration of the grade of any street, or (iii) any other injury or decrease in the value of the Property or any part thereof (including but not limited to destruction or decrease in value by fire or other casualty), all of which Awards, rights thereto and shares therein are hereby assigned to the Secured Party, who is hereby authorized to collect and receive the proceeds thereof and to give proper receipts and acquaintances therefor and to apply, at its option, the net proceeds thereof, after deducting expenses of collection, as a credit upon any portion, as selected by the Secured Party, of the indebtedness secured by the Security Documents.
20. All of the Debtor's right, title and interest in and to any and all payments, proceeds, settlements or other compensation heretofore or hereafter made, including any interest thereon, and the right to receive the same from any and all insurance policies covering the Property or any portion thereof, or any of the other property described herein.
21. The interest of the Debtor in and to all of the rents, royalties, issues, profits, revenues, income and other benefits of the Property, or arising from the use or enjoyment of all or any portion thereof, or from any lease or agreement pertaining thereto, and all right, title and interest of the Debtor in and to, and remedies under, all contract rights, accounts receivable and general intangibles arising out of or in connection with any and all leases and subleases of the Property, or any part thereof, and of the other property described herein, or any part thereof, both now in existence or hereafter entered into, together with all

proceeds (cash and non-cash) thereof; and including, without limitation, all cash or securities deposited thereunder to secure performance by the lessees of their obligations thereunder.

22. All of the Debtor's rights, options, powers and privileges in and to (but not the Debtor's obligations and burdens under) any construction contract, architectural and engineering agreements and management contract pertaining to the construction, development, repair, operation, ownership, equipping and management of the Property and all of the Debtor's right, title and interest in and to (but not the Debtor's obligations and burdens under) all architectural, engineering and similar plans, specifications, drawings, reports, surveys, plats, permits and the like, contracts for construction, development, repair, operation, management and maintenance of, or provision of services to, the Property or any of the other property described herein, and all sewer taps and allocations, agreements for utilities, bonds and the like, all relating to the Property.
23. All intangible personal property, accounts, licenses, permits, instruments, contract rights, chattel paper and general intangibles of the Debtor, including but not limited to cash; accounts receivable; bank accounts; certificates of deposit; securities; promissory notes; rents; rights (if any) to amounts held in escrow; insurance proceeds; condemnation rights; deposits; judgments, liens and causes of action; warranties and guarantees.
24. The interest of the Debtor in any cash escrow fund and in any and all funds, securities, instruments and other property which are at any time paid to, deposited with, under the control of, or in the possession of the Secured Party, or any of its agents, branches, affiliates, correspondents or others acting on its behalf, which rights shall be in addition to any right of set-off or right of lien that the Secured Party may otherwise enjoy under applicable law, regardless of whether the same arose out of or relates in any way, whether directly or indirectly, to the Project located upon the Property.
25. The interest of the Debtor in and to any and all funds created or established and held by the Trustee pursuant to any indenture of trust or similar instrument authorizing the issuance of bonds or notes for the purpose of financing the Project located upon the Property.
26. All of the records and books of account now or hereafter maintained by or on behalf of the Debtor and/or its agents and employees in connection with the Project.
27. All names now or hereafter used in connection with the Project and the goodwill associated therewith.
28. All major movable equipment located on the property and used in connection with the Project together with all substitutions, replacements, additions,

attachments, accessories, component parts and accretions to the foregoing property.

29. All inventory, including raw materials, components, work-in-process, finished merchandise and packing and shipping materials.
30. Proceeds, products, returns, additions, accessions and substitutions of and to any and all of the above.
31. Any and all of the above arising or acquired by the Debtor or to which the Debtor may have a legal or beneficial interest in on the date hereof and at any time in the future.
32. Any and all of the above which may become fixtures by virtue of attachment to Property.
33. The interest of the Debtor, as lessee, in any and all of the above which may be leased by the Debtor from others.
34. All inventory, general tangible and intangible property, goods, revenues, accounts receivable, deposit accounts, investment property, equipment, accounts, after-acquired property, and accessions and substitutions of and to any and all of the above.
35. Any and all other collateral of the borrower as defined in the Uniform Commercial Code of the state in which the Project lies.

(non-§ 232)