

**STATE OF OREGON
DEPARTMENT OF ENVIRONMENTAL QUALITY**

MORTGAGE

CONVEYANCE

Mark and Lori Gillispe (Mortgagor), in consideration of the conditional essential services grant of fifteen thousand and ^{no}/₁₀₀ dollars (\$15,000), made available under the Underground Storage Tank Financial Assistance Program (ORS 466.705 to 466.835 as amended by Chapter 863 Oregon Laws, 1991), conveys to the Oregon Department of Environmental Quality (Mortgagee) this mortgage secured by the property described as Bonanza Minimart, Hwy 70 and 2nd Street, Bonanza, OR 97623, and located in Klamath County, Oregon, the legal description being:

SEE EXHIBIT "A" FOR LEGAL DESCRIPTION WHICH IS MADE A PART HEREOF

BY THIS REFERENCE

INTENT OF THE PARTIES AS TO THE EFFECT OF THIS MORTGAGE

This mortgage is intended to secure the reimbursement of the essential services grant in full if the mortgagor should not satisfy the following condition:

CONDITION

Except as noted under the transfer provision below, the mortgagor shall repay the grant in full if the mortgagor or its legal representatives sells the above property or business reselling motor fuel within five years after receiving the latest grant disbursement. The latest grant disbursement is due to be received on November 17, 1993. If the mortgagor sells the property or business reselling motor fuel on or before November 17, 1998, without reimbursing the mortgagee the full amount of the grant, the mortgagor will not satisfy this condition.

CONDITION: EFFECT OF SATISFACTION

If the property or business reselling motor fuel is not sold on or before November 17, 1998, this mortgage shall terminate. If the mortgagor reimburses the mortgagee the full amount of the grant, this mortgage shall terminate.

CONDITION: EFFECT OF NOT SATISFYING

If the property or business reselling motor fuel is sold on or before November 17, 1998, and the purchaser does not enter a subsequent mortgage and the mortgagor fails to repay the grant in full, then the mortgagee and its legal representatives may foreclose on this mortgage. Proceeds from the foreclosure and sale of the property sufficient to reimburse the mortgagee for the full amount of the grant may be retained by the mortgagee.

THIS MORTGAGE IS TRANSFERABLE

The mortgagor may sell the above property or business on or before November 17, 1998, without reimbursing the mortgagee the amount of the grant, if the purchaser intends to keep the motor fuel reselling facility open through November 17, 1998, and enters into a mortgage agreement for the remaining term of the original mortgage.

MORTGAGE (Continued)

SIGNATURE OF MORTGAGOR: In Witness Whereof, the undersigned (mortgagor) Mark S. Gillispie & Lorin M. Gillispie, has executed this instrument on (date) 12/30/97.

NOTARY BLOCK: State of Oregon, County of Klamath.

This instrument was acknowledged before me on (date) 12/30/97

By (name of person) MARK S. GILLISPIE & LORIN M. GILLISPIE

As (where mortgagor is a corporation, give title of above person) N/A

Of (corporation name) N/A

Stamp official seal here:



Signature of notarial officer:

Kristi L. Redd

Notary Public for Oregon

My commission expires 11/16/99

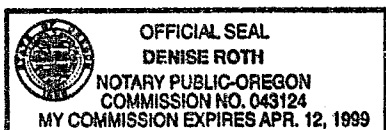
SIGNATURE OF MORTGAGEE (Department of Environmental Quality): In Witness Whereof, the undersigned MHKT, on (date) 1/29/98, has executed this instrument on behalf of the Department of Environmental Quality.

NOTARY BLOCK: State of Oregon, County of Multnomah

This instrument was acknowledged before me on (date) 1/29/98

by Michael H. Korten Hof UST Compliance and Cleanup Manager of the Department of Environmental Quality (mortgagee).

Stamp official seal here:



Signature of notarial officer:

Denise Roth

Notary Public for Oregon

My commission expires 4.12.99

EXHIBIT "A"
LEGAL DESCRIPTION

7550

The East 70 feet of Lots 1 and 2 of Block 5 of BONANZA, and the East 100 feet of Lots 8, 9 and 10 in Block 5 of BONANZA according to the official plat thereof on file in the office of the County

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of DEQ the 9th day
of March A.D., 1998 at 2:42 o'clock P. M., and duly recorded in Vol. M98,
of Mortgages on Page 7548.

Bernetha G. Letsch, County Clerk

FEE \$20.00

By

Kathleen Ross