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INSTALLMENT CONTRACT

This Installment Contract is made and entered into on MARCH 2, 2006

BE IT KNOWN, the undersigned: ARLENE DIANE ALLEN & STEVEN DOUGLAS ALLEN (HUSBAND & WIFE)
 (hereinafter referred to as Buyer),
 whose address is P.O. Box 159, CHEMULT, OR. 97731 and
VERNALEE I. NYTES & BRYON JOSEPH NYTES (HUSBAND & WIFE)
 (hereinafter referred to as Seller),
 whose address is 1501 KALEY CT. SUTHERLIN, OR. 97479

WITNESSETH, that in consideration of the mutual covenants to be performed between the respective Parties hereto as hereinafter expressed, it is agreed between the Parties hereto as follows:

The Seller hereby sells and agrees to convey unto the Buyer all of Seller's Right, Title, and Interest in that certain piece or parcel of Land known as :

LOTS 1 & 2 & 3 & 4 NORTH BEAVER MARSH ADDITION & 1984 MANUFACTURED STRUCTURE

more particularly described as:
SEC. 19, T. 28, R. 8 BLOCK 2 FLEETWOOD ID# 1DFL2AD511307202

Hereinafter, Premises, together with all improvements and appurtenances, if any, and now on the Premises, and subject to all recorded easements, conditions, encumbrances and limitations, if any, affecting the Premises, and further subject to the following conditions:

Buyer hereby purchases said Premises of the Seller and agrees to pay the Seller the said sum of \$60,000.00 in the manner following:

\$425.00 on delivery of this Contract, the receipt whereof is hereby confessed and acknowledged by said Seller, and the remaining \$59,575.00, the sum which is secured by this Contract, together with interest on the whole sum that shall be from time to time unpaid, at the rate of 6.5 per cent per year, payable as follows:

Monthly installments of \$425.00, or more, per month, which includes interest at the rate of 6.5 per cent per annum on the unpaid balance, based upon the number of days since the previous payment.

The first payment shall be due and payable on APRIL 5th 2006, and a like sum due and payable on the same day of each month as the first payment thereafter, until the entire sum of principal and interest is paid in full, however, the entire amount of principal, and all interest due, shall be paid in full within 1 year from the date hereof. Buyer shall have the right to pay larger installments than above provided, and to pay the whole, or any part of the balance remaining unpaid on this Contract, at any time before the same, by the terms hereof, becomes due and payable.

The date of payment, if sent by mail, shall be determined by the postmark on the envelope, or the date of the paying instrument, whichever is later; or the date of actual delivery if hand delivered.

While this Contract is in effect, Buyer shall promptly pay, when due, all taxes and assessments of every nature, which shall become a lien on Premises after the date hereof, however, the current year's taxes, if any, shall be prorated, and shall be treated as though paid in arrears. Seller reserves the right to pay any taxes or assessments, and to bill Buyer for

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*Until a change is requested, all Tax Statements
 Shall be sent to the following address:*

*Steven D. & Arlene D. Allen
 P.O. Box 159
 Chemult, Ore. 97731*

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full reimbursement, and if such become delinquent thirty days past notification to Buyer, then the amount expended shall become a lien on the Premises, and Seller may add said amount to the principal balance remaining on this Contract, said amount to be due at once, and to bear interest at 6.5 per cent per year.

In addition, Buyer shall be liable in the sum of \$50.00 for each check issued by Buyer that is returned to Seller, from Seller's bank, reflecting - NOT PAID - for any reason.

If Buyer shall have failed to perform any of the Covenants or Conditions contained in this Contract for a period of ten (10) days after the date on which such performance is hereby required (default), Seller may enforce his/her rights under this Contract of the State of Oregon, or may enforce this Contract in any other manner now or hereafter provided.

Failure of Seller to exercise his/her rights under this Contract shall not be deemed as a waiver by Seller to exercise said rights at any time. Seller may give Buyer written notice specifying the default which has occurred and inform Buyer in such notice that if such default continues for a period of fifteen days after service of notice that Seller will immediately thereafter declare this Contract void and forfeited. The said buildings, improvements and all payments made on this Contract shall be forfeited to Seller as rental for the use of the Premises and as stipulated damages for failure to perform.

All written notices permitted or required by this Contract to be given to the parties hereto shall be at their respective mailing locations listed hereinabove. Said notices shall be by First Class mail of the United States of America, and shall identify this Contract by DATE, PARTIES, and DESCRIPTION. Either party may change such location by giving written notice to the other Party specifying the new location.

All buildings, trees or other improvements now on said Premises, or hereafter made or placed thereon, shall be considered a part of the Premises, and shall be security for the performance of this Contract, and may not be removed therefrom, except as may be necessary to improve Premises by constructing a driveway or building site. Buyer shall not commit, or suffer any other person to commit, any waste or damage to Premises and shall keep Premises in its new and/or improved condition. Buyer shall, during the continuance of this Contract, keep insured against loss by fire and windstorm, any buildings on Premises in the name of Seller, for such amount as Seller is due on this Contract, and forthwith deposit all policies of insurance with Seller, with loss, if any, payable to Seller. Should Buyer fail to keep said buildings insured, Seller may pay the same and have the buildings insured and the amounts thus expended shall be treated in the same manner as with unpaid taxes, if such become delinquent thirty days past notification to Buyer, then the amount expended shall become a lien on the Premises, and Seller may add said amount to the principal balance remaining on this Contract, said amount to be due at once, and to bear interest at 10 per cent per year.

If Buyer shall, in the time and manner above specified, make all the payments as herein provided, and shall observe and perform all conditions and agreements herein made, Seller shall thereupon, by good and sufficient warranty deed, convey the Premises to Buyer on the conditions herein agreed, provided, however, that the Deed shall be limited so as to except acts or negligence of parties other than Seller subsequent to the date of this Contract. Except for costs resulting from acts, negligence, or death of Seller, all cost of additional evidence of title shall be the obligation of Buyer.

Seller reserves the right to convey His/Her Interest in the Premises, and

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this Contract. Seller may, during the lifetime of this Contract, place, continue and renew a mortgage on the Premises, which shall be a lien on the Premises, superior to the rights of Buyer, provided that no said mortgage shall be scheduled to be paid in full on a date later than this Contract is scheduled to be satisfied. Payments received from Buyer by Seller are to first be applied by Seller to the interest and then principal owing, if any, on the Premises. Priority of lien for same shall be secured by giving written notice to Buyer within fifteen (15) days of the execution of all such new mortgages and renewals containing the name and address of the mortgagee, the rate of interest of such mortgage, the amount and due date of payments and maturity of principal.

In the event that any provisions of this Agreement shall be held to be invalid, the same shall not affect, in any respect whatsoever, the validity of the remained of this Agreement.

BUYER Steve Douglas Allen } Husband &
BUYER Arlene Diane Allen } Wife
SELLER Vernalee D. Nytes } Husband &
SELLER Byron Joseph Nytes } Wife
witness (notary)

STATE OF OREGON }
COUNTY OF KLAMATH }

On March 2 2006, personally

appeared before me Steve Allen, Arlene Allen, Vernalee Nytes
known to be the named principal(s) who executed this instrument and acknowledged to me that it was executed for purpose therein mentioned. Byron Nytes.

Glenda A. Eaton
Notary Public for Oregon

My Commission Expires: Nov 28, 09

