

NOTICE OF CONFIDENTIALITY RIGHTS. IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

GENERAL WARRANTY DEED
(In Lieu of Foreclosure)

THE STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF MONTGOMERY §

That, **VINCENT P. BARTEK, JR.** and wife, **MIOK BARTEK**, of 9580 Lake Conroe Drive, Conroe, Texas 77304, hereinafter called "Grantor," in consideration of the following: (1) the sum of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration to Grantor, in hand paid by **RICHARD H. LEWELLEN**, of 414 N. 9th Street, Mt. Vernon, Washington 98273, hereinafter called "Grantee," and (2) in further consideration of the cancellation and extinguishment of that certain Promissory Note (the "Note"), dated **OCTOBER 15, 2002**, in the original principal amount of **THIRTY-EIGHT THOUSAND AND 00/100THS DOLLARS (\$38,000.00)**, executed and delivered by Grantor to Grantee (all such indebtedness under the Note or instruments securing the payment of the Note being collected called the "Indebtedness"), the receipt and sufficiency of which are hereby acknowledged and confessed, have GRANTED, BARGAINED, SOLD, and CONVEYED, and by these presents does hereby GRANT, BARGAIN, SELL, and CONVEY unto Grantee, all of the following: (i) the real property (the "Land") described as: **Lot Three (3), Block Two (2), TRES SUBDIVISION, a subdivision of 63.611 acres of land in the ELIJAH COLLARD SURVEY, A-7, Montgomery County, Texas, according to the map or plat thereof recorded in Plat Cabinet G, as Sheet 39A, Map Records, Montgomery County, Texas;** (ii) all benefits, privileges, easements, tenements, leases, rentals, hereditaments thereon or in anywise appertaining thereto, and any and all right, title and interest of Grantor in and to adjacent roads and rights-of-way (collectively, the "Rights and Appurtenances"); and (iii) all buildings, structures, fixtures, and other improvements located on the Land (collectively, the "Improvements"). The Land, Improvements, and Rights and Appurtenances are hereinafter collectively referred to as the "Property."

This conveyance is made and accepted subject to all presently valid restrictions, reservations, covenants, conditions, rights-of-way, easements, mineral leases, and royalty and mineral conveyances now outstanding and of record, if any, in Montgomery County, Texas, affecting the above-described Property.

TO HAVE AND TO HOLD the Property, together with all the rights and appurtenances thereto lawfully accompanying it by the Grantee, their successors and assigns FOREVER; and Grantor does hereby bind themselves, and their assigns to WARRANT AND FOREVER DEFEND all the Property, subject to the matters described above, unto Grantee, their successors, legal representatives, and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

BUT IT IS HEREBY EXPRESSLY ACKNOWLEDGED AND AGREED that:

A. This General Warranty Deed, and the conveyances being made hereby, are being executed, delivered, and accepted in lieu of foreclosure, and that the same shall be interpreted and construed the same as a foreclosure of the Liens (as defined below) and as an absolute conveyance to Grantee of all right, title, and interest of Grantor in the Property, including specifically but without limitation, any equity or rights of redemption of Grantor in the Property (or any portion thereof or interest therein).

B. Notwithstanding the cancellation and extinguishment of the Indebtedness (as described above) and other provisions hereof, all of the liens and security interests that evidence or secure the payment of the Note (collectively, the "Liens") are NOT RELEASED OR RELINQUISHED in any manner or respect whatsoever, but the Liens shall remain valid and continuous and in full force and effect, unless and until released by written instrument (the "Release") executed by Grantee, or its successors or assigns, and recorded in the Official Public Records of Real Property of Montgomery County, Texas. The Deed of Trust (as defined below) is hereby expressly amended to provide that the cancellation of the Note pursuant to this General Warranty Deed shall not cause the termination of the Deed of Trust, but the same shall continue in full force and effect notwithstanding such cancellation, until released by written instrument as described in the preceding sentence. Such Release may be made as, if and when Grantee, or its successors or assigns, shall determine in the exercise of its sole discretion. **The Liens include, without limitation (i) the Vendor's Lien retained in that certain Warranty Deed dated October 15, 2002, filed under Clerk's Document No. 2002-108730 of the Official Real Property Records of Montgomery County, Texas, securing payment of the Note, and (ii) that certain Deed of Trust dated October 15, 2002, in favor of Foster Madeley, Trustee, filed under Clerk's Document No. 2002-108731 of the Official Real Property Records of Montgomery County, Texas.**

C. Grantor and Grantee specifically intend that there shall not be a merger of any of the Liens with the title or other interest of Grantee in the Property, under any circumstances connected with this conveyance. Grantor and Grantee expressly provide that the interest of Grantee in and to (1) the Liens, and (2) title or other interest of Grantee in the Property, shall remain at all times SEPARATE AND DISTINCT. Such liens shall merger ONLY under one (1) or more of the following conditions:

- (1) the foreclosure of the Liens; or
- (2) the sale of the Property pursuant to the power of sale granted in the Deed of Trust; or
- (3) Grantee, their heirs or assigns, shall execute and file in the Official Real Property Records of Montgomery County, Texas, the Release or other instrument specifically agreeing to permit the merger of the Liens with the title or other interests of Grantee in the Property.

In this regard, such interests shall not be merged in the event of the sale of the Property by Grantee, its successors or assigns, or the granting or acceptance of additional liens or interests in the Property, unless a separate written Release is executed and filed for public record, as prescribed in subsection C.(3), above.

D. Any and all rights of Grantee to exercise their remedies of foreclosure of any of the Liens (either by judicial foreclosure or nonjudicial foreclosure), together with any other remedies available to Grantee, are expressly preserved hereby, but not for purposes of personal deficiency liability of Grantor. For the purpose of permitting Grantee to exercise such rights and remedies, Grantor and Grantee agree that the statute of limitations applicable with respect to the exercise of such rights is hereby tolled and extended so that the exercise of such rights and remedies shall not be limited under any applicable time bar defense.

E. The priority of the Liens is intended to be and shall remain in full force and effect, and nothing herein or in any instruments executed in connection herewith shall be construed to subordinate the priority of the Liens to any other liens or encumbrances whatsoever.

F. Grantor acknowledges and agrees that the conveyance of the Property pursuant hereto is an absolute conveyance of all of Grantor's right, title, and interest in and to the Property and is not intended (now, or in the future) to constitute a deed of trust, mortgage, trust conveyance, or other security agreement of any nature whatsoever. Grantor hereby acknowledges that, after the conveyance hereunder, Grantor shall have no further interest or claim with respect to the Property, including, without limitation, the rights to the following:

- (1) the right to manage the Property;
- (2) the right to occupy or use the Property in any manner;
- (3) the right to receive any revenues from the Property;
- (4) the right to receive any proceeds from the sale, transfer, financing, or operation of the Property; or
- (5) the right to repurchase, redeem, or regain any right, title, or interest in the Property, or in any portion thereof.

G. As additional consideration due and owing to Grantee, Grantor hereby releases and discharges Grantee from any and all liability, claims, demands, and causes of action, of any kind and every kind or character, whether known or unknown, at law or equity, which Grantor may have against Grantee which arise in any way, directly or indirectly, out of any matter relating to the Note and Deed of Trust. It is expressly agreed and understood that this Release is a full, complete, and general release in favor of Grantee, their heirs and assigns, of any and all claims of any kind or character whatsoever which Grantor may have or had against it related to the Note and Deed of Trust whether such claims arise out of contract, tort, violation of laws or

regulations, or arises out of the Note and Deed of Trust or otherwise; provided however, nothing in this paragraph, and nothing in the Release hereby granted, shall affect in any way whatsoever, or release the obligations of Grantee under this Deed to perform in accordance with the terms and conditions hereof.

Ad Valorem taxes on the Property are expressly assumed by Grantee.

This General Warranty Deed has been executed by Grantor on the date of the taking of its acknowledgment, but the effective date of this General Warranty Deed for all purposes shall be deemed to be the 20TH day of MARCH, 2007, and it shall be effective as of that date.

GRANTOR:


VINCENT P. BARTEK, JR.


MIOK BARTEK

RICHARD H. LEWELLEN has joined in the execution of this General Warranty Deed for the sole purpose of evidencing his acceptance of same.

GRANTEE:


RICHARD H. LEWELLEN

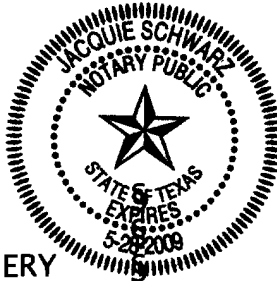
GRANTEE'S ADDRESS:

**RICHARD H. LEWELLEN
414 N. 9TH STREET
MT. VERNON, WASHINGTON 98273**

317-11-2685

THE STATE OF TEXAS §
 §
COUNTY OF MONTGOMERY §

This instrument was acknowledged before me on this 20th day of MARCH, 2007,
by **VINCENT P. BARTEK, JR.**



Jacquie Schwarz

NOTARY PUBLIC, STATE OF TEXAS

THE STATE OF TEXAS
COUNTY OF MONTGOMERY

This instrument was acknowledged before me on this 21st day of MARCH, 2007,
by **MIOK BARTEK.**



Jacquie Schwarz

NOTARY PUBLIC, STATE OF TEXAS

AFTER RECORDING,
PLEASE RETURN TO:
FOSTER MADELEY
Attorney at Law
300 W. Davis
Conroe, Texas 77301

RECORDER'S MEMORANDUM:

At the time of recordation, this instrument was found to be inadequate for the best photographic reproduction because of illegibility, carbon or photo copy, discolored paper, etc. All black-outs, additions and changes were present at the time the instrument was filed and recorded.

FILED FOR RECORD
07 APR -5 PM 12:23

Mark Timball

COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF MONTGOMERY

I hereby certify this instrument was filed in File Number Sequence on the date and at the time stamped herein by me and was duly RECORDED in the Official Public Records of Real Property at Montgomery County, Texas.

APR - 5 2007



Mark Timball

County Clerk
Montgomery County, Texas