

REAL ESTATE EXCISE TAX

After recording, return to:
Grace International Churches and
Ministries, Inc.
c/o Paul R. Duplechain
1301 McKinney, Suite 3010
Houston, Texas 77010

28375
JAN 19 2010
PAID exempt
Nickie G. Holland
SKAMANIA COUNTY TREASURER

See 31044

DEED IN LIEU OF FORECLOSURE

THE STATE OF WASHINGTON §
§
COUNTY OF SKAMINIA §

KNOW ALL MEN BY THESE PRESENTS:

Father's House International Ministries, a Washington non-profit corporation, (the "Grantor"), its successors and assigns, for the consideration hereafter stated, hereby grants, bargains, sells, conveys and warrants unto Grace International Churches and Ministries, Inc., formerly known as Christian Evangelistic Assemblies, Inc., (the "Grantee"), and Grantee's successors and assigns, all of that certain real property with the tenements, hereditaments, and appurtenances thereto belonging or in any way appertaining, and free of encumbrances except as specifically set forth herein, situated in Skamania County, Washington, and more particularly described as follows:

6.5.
Parcel No. 02-05-33-3-2-0801-00, 02-05-33-3-2-0100-00 and *6.5.* 02-05-33-3-2-0102-00, together with all improvements thereon, lying and being situated in the State of Washington and County of Skamania (the "Property"), more particularly described in Exhibit "A" attached hereto and incorporated herein as if repeated herein verbatim, and easement described in Exhibit "C", all as described in Deed of Trust as shown in Auditors Instrument No. 2006161918.

The conveyance of the Property by this Warranty Deed is being made and accepted subject only to those exceptions and encumbrances described on Exhibit "B" (the "Permitted Exceptions") attached hereto and incorporated herein by this reference.

Any and all rights of Grantee to exercise its remedies of foreclosure of any of the Liens (either by judicial foreclosure or non-judicial 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.

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.

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.

This Deed is absolute in effect and conveys fee simple title of the Property to Grantee and does not operate as a mortgage, trust conveyance or security of any kind. Grantee shall be entitled to immediate possession of the Property upon recording this Deed.

This Deed does not effect a merger of the fee ownership and the lien created by Short Form Deed of Trust (the "Deed of Trust") between Grantor and Grantee, as Beneficiary, dated June 7, 2006, and recorded in the Real Property Records of Skamania County, Washington, on June 12, 2006, as Instrument No. 2006161918. The fee interest and lien interests shall hereafter remain separate and distinct and until such time as Grantee elects to merge those interests through a separate instrument.

Grantor represents, warrants and agrees that he is not under any misapprehension as to the effect of this Deed nor under any duress, undue influence or misrepresentation by Grantee, Grantee's agents, attorneys, employees, directors, or any other person, and the Property is free and clear of encumbrances, except the Deed of Trust.

Grantor is indebted to Grantee by virtue of the terms of the note secured by the Deed of Trust in an amount not less than \$610,000.00 principal plus accrued and accruing interest, late charges, and for Grantee's additional attorneys' fees, costs, and disbursements incurred as a result of Grantor's default in accordance with the terms of the Note and Deed of Trust. Grantee, by acceptance of this Deed, covenants and agrees that it will forever forbear from taking any action whatsoever against Grantor to collect on the indebtedness secured by the Deed of Trust, other than by foreclosure of the Deed of Trust against the Property, and that in any such action Grantee will not seek or obtain a deficiency judgment, costs, or attorney fees against Grantor personally. Grantee reserves the right to foreclose the Deed of Trust as to interest holders other than Grantors or take such other action as Grantee deems appropriate to perfect its interest in the Property. Other than as set forth in this paragraph, the debt secured by the Deed of Trust against the Property is not satisfied or forgiven.

Grantor acknowledges and agrees that Grantor is in default under the terms of the obligations to Grantee described hereinabove. Such obligations are subject to immediate foreclosure and Grantor and Grantee have agreed that Grantee will accept this absolute deed of conveyance in forbearance of seeking to collect the indebtedness secured by the Deed of Trust from Grantors personally.

The true consideration for this conveyance is Grantee's agreement not to pursue any deficiency judgment, costs or attorney fees against Grantor, or any action solely against Grantor under the note secured by the Deed of Trust and other good and valuable consideration. This Deed is exempt from excise tax under WAX 458-61A-208(3)(a).

In construing this Deed and where the context so requires, the singular includes the plural and all grammatical changes shall be applied to make the provisions apply equally to all individuals, parties, and entities.

Grantor acknowledges and agrees that this document was prepared by the attorneys for the Grantee, and agree that this document will not be construed in accordance with any rules of interpretation or construction which in any manner favor the Grantor including, without limitation, the rule that any ambiguity in this document will be construed against the drafter. In addition, the Grantor acknowledges his right and ability to seek legal counsel to have this document and the procedure described within it reviewed and they have either reviewed this document with his attorney or decided not to have independent counsel.

Dated this 13th day of December, 2009.

Father's House International Ministries

By: _____

President

By: _____

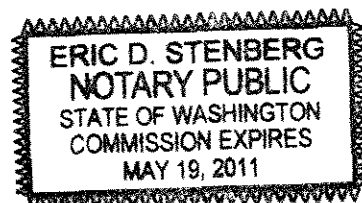
Vice President

STATE OF WASHINGTON §
COUNTY OF CLALLAM §

This instrument was subscribed and sworn to before me this 8th day of JANUARY, 2010, by VICTOR R. ALVARIZARES as PRESIDENT of Father's House International Ministries.

Dated: 01-08-2010

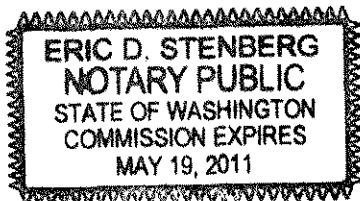
Notary Public in and for the State of Washington
My Appointment Expires: MAY 19, 2011



STATE OF WASHINGTON §
COUNTY OF CLALLAM §

This instrument was subscribed and sworn to before me this 8th day of JANUARY, 2010, by VERONICA AGUIAR ZARES as Vice President of Father's House International Ministries.

Dated: JANUARY 8 2010



Notary Public in and for the State of Washington
My Appointment Expires: MAY 19, 2011

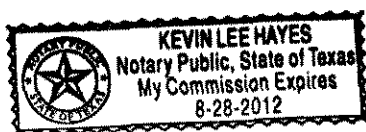
ACCEPTANCE

The above Deed is hereby accepted by Grace International Churches and Ministries, Inc.

By: [Signature] President Steve Riggle

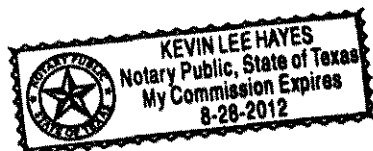
By: [Signature] Vice President Larry Ihrig

SWORN TO and SUBSCRIBED before me by
Steve Riggle, President of Grace International Churches and
Ministries, Inc., this 10th day of December, 2009.



Kevin Lee Hayes
Notary Public for Texas
My Commission Expires: 8-28-2012

SWORN TO and SUBSCRIBED before me by
Larry Iking, Vice President of Grace International Churches
and Ministries, Inc., this 13th day of December, 2009.



Kevin Lee Hayes
Notary Public for Texas
My Commission Expires: 8-28-2012

Unofficial Copy

EXHIBIT 'A'

A tract of land situated in the southwest quarter of the northwest quarter of Section 33, Township 2 North, Range 5 East, Willamette Meridian, Skamania County, State of Washington, which is located within the following description:

Beginning at a Skamania County brass cap which is the southwest corner of the Preachers Row Lots Subdivision and is located North 23°18'03" East, a distance of 235.13 feet from the west quarter corner of said Section 33 as documented in the record of survey recorded under Book 1, page 229 of Skamania County records;

Thence North 00°37'44" East along the west line of said Subdivision, a distance of 297.95 feet;

Thence North 89°22'16" West, a distance of 81.26 feet to the west line of said Section 33;

Thence North 00°40'23" East along said west line of Section 33, a distance of 835.93 feet to the northwest corner of the southwest quarter of the northwest quarter of said Section 33;

Thence South 89°31'59" East along the north line of said southwest quarter of the northwest quarter of said Section 33, a distance of 850.45 feet to the northwest corner of that certain tract of land deeded to Roger and Loretta Malfait as recorded under book 75, page 644 of Skamania County records;

Thence South 01°38'00" West along the west line of said Malfait tract, a distance of 628.32 feet to the north line of that certain tract of land deeded to Lee and Judith Scheel as recorded under book 66, page 933 of Skamania County records and a yellow plastic survey cap inscribed "Bell Design 11873" set on a 5/8-inch diameter rebar;

Thence North 89°22'16" West along the north line of said Malfait tract, a distance of 73.43 to a yellow plastic survey cap inscribed "Bell Design 11873" set on a 5/8-inch diameter rebar;

Thence South 00°37'44" West along the west line of said Malfait tract, a distance of 300.00 feet to a one and one half inch diameter iron pipe set at the northeast corner of Lot 14 of said Subdivision;

Thence South 00°37'44" West along the east line of said Lot 14, a distance of 142.10 feet to the north right of way line of the Washougal River Road and a yellow plastic survey cap inscribed "Bell Design 11873" set on a 5/8-inch diameter rebar;

Thence southwesterly a distance of 1.69 feet along said north right of way line which is a curve to the left having a radius of 603.00 feet and a central angle of 00°19'19" to a Skamania County concrete right of way marker at road station 37+82.47;

CONTINUED

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Thence South $45^{\circ}04'55''$ West along said north right of way line, a distance of 353.58 feet to a yellow plastic survey cap inscribed "Bell Design 11873" set on a 5/8-inch diameter rebar;

Thence continuing along said north right of way line South West along said north right of way line, a distance of 315.93 feet;

Thence continuing along said north right of way line southwesterly, a distance of 34.87 feet along a curve to the right having a radius of 288.30 feet and a central angle of $6^{\circ}55'50''$;

Thence leaving said north right of way line North $16^{\circ}17'39''$ West, a distance of 52.00 feet;

Thence North $89^{\circ}22'16''$ West, a distance of 194.00 feet;

Thence North $01^{\circ}33'45''$ East, a distance of 388.00 feet to the True Point of Beginning.

Except that portion conveyed to Christian Evangelistic Assemblies, recorded in Auditor File No. 2006161171.

Also except that portion conveyed to Christian Evangelistic Assemblies, recorded in Auditor File No. 2006161201.

Skamania County Assessor
Date 1-19-10 Parcel# 2-5-33-3-2-801
CS +100
+102

EXHIBIT "B"

1. TAXES FOR YEAR 2009: \$17.90 PAID IN FULL
PARCEL NO. 02-05-33-3-2-0102-00

TAXES FOR YEAR 2009: \$17.90 PAID IN FULL
PARCEL NO. 02-05-33-3-2-0100-00

TAXES FOR YEAR 2009: \$17.90 PAID IN FULL
PARCEL NO. 02-05-33-3-2-0801-00
2. Rights of the Public in and to that portion lying within Road.
3. Easements as disclosed by Contract recorded December 17, 1971 in Book 63, Page 608.
4. Easement, including the terms and provisions thereof, recorded in Book 53, Page 16.
5. Easement, including the terms and provisions thereof, recorded in Book 53, Page 19.
6. Lease on a portion of this property for Church Purposes, including the terms and Provisions thereof, as disclosed by deed recorded October 30, 1980 in Book 78, Page 921.
7. Easement, including the terms and provisions thereof, recorded in Book 70, Page 542.
8. An easement, including the terms and provisions thereof, recorded in February 29, 1955, in Book 39, Page 246.
9. Easement including the terms and provisions thereof, recorded February 14, 2006 in Auditor File No. 2006160564.
10. Easement including the terms and provisions thereof, recorded February 14, 2006 in Auditor File No. 2006160565.
11. Easement including the terms and provisions thereof, recorded February 14, 2006 in Auditor File No. 2006160566.
12. Easement including the terms and provisions thereof, recorded June 9, 2006 in Auditor File No. 2006161918.
13. Third Party Vendor's Lien between Christian Evangelistic Assemblies and Father's House International Ministries in the amount of \$610,000.00, recorded June 9, 2006 in Auditor File No. 2006161917.

6.5

14. Deed of Trust, including the terms and provisions thereof, executed by FATHER'S HOUSE INTERNATIONAL MINISTRIES, A WASHINGTON NON PROFIT CORPORATION, as grantor to CHICAGO TITLE INSURANCE COMPANY, as trustee for CHRISTIAN EVANGELISTIC ASSEMBLIES, INC., A CALIFORNIA NON PROFIT CORPORATION, as beneficiary, dated JUNE 7, 2006, recorded JUNE 12, 2006 in Auditor File No. 2006161918, Skamania County Mortgage Records, given to secure the payment of \$610,000.00. C.S.

EXHIBIT C

An existing drain field located in the Northwest Quarter of the Northwest Quarter of the Southwest Quarter of Section 33, Township 2 North, Range 5 East, Willamette Meridian;
generally bounded on the east by the west line of a paved driveway serving as the main entrance into the campground complex;
bounded on the south by the Washougal River County Road;
bounded on the west by a north-south oriented line located one hundred feet (100) feet east of the west line of said Section 33;
bounded on the north by the north line of the most southerly north line of the newly created two (2) acre Church tract (Tax Parcel 800).

Assessor's Property Tax Parcel/Account Numbers: 02-05-33-3-2-0800 00, 02-05-33-3-2-0801-00

Skamania County Assessor
Date 1-19-10 Parcel# 2-5-33-3-2-801
65 +100
+102

Unofficial Copy