

STATE OF ALABAMA     )  
                              )  
SHELBY COUNTY         )

DECLARATION OF COVENANTS TO  
CONVEY REAL PROPERTY

WHEREAS, James T. Parsons, a married man ("Parsons") is the fee simple owner of approximately forty (40) acres of real property situated in Shelby County, Alabama which property is legally described in Exhibits A, B and C attached hereto and incorporated herein by reference (the "Property"); and

WHEREAS, of even date herewith, Parsons entered into The Parsons Property Development Agreement (the "Agreement") with School House Properties, an Alabama general partnership ("School House") and Crest Ridge, Inc., an Alabama corporation ("Crest Ridge"); and

WHEREAS, pursuant to the Agreement, Parsons agreed to convey an ownership interest in the Property to School House in exchange for School House's agreement to make certain improvements to the Property; and

WHEREAS, pursuant to the Agreement, Parsons and School House granted to Crest Ridge an irrevocable option to purchase a parcel of the Property (the "Option"); and

WHEREAS, pursuant to the Agreement, Parsons agreed that the covenant to convey an ownership interest in the Property to School House shall create a first encumbrance and lien on the Property and further agreed that, notwithstanding the Option, Parsons shall not otherwise encumber, mortgage or convey in any manner whatsoever any interest in the Property pending performance of the Agreement; and

WHEREAS, Parsons desires to hereby declare and covenant that the Property is encumbered in favor of School House and Crest Ridge pending the performance of the Agreement;

NOW THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth in the Agreement, Parsons hereby declares and covenants the following:

(1) that Parsons is the fee simple owner of the Property described in Exhibits A, B and C attached hereto and incorporated herein by reference, which Property is not the homestead of Parsons or Parsons' spouse;

(2) that as of this date, the Property is free from all liens and encumbrances and, other than as set forth herein,

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Parsons has not conveyed or agreed to convey any interest in the Property, whether by contract, deed, mortgage, lien or other instrument;

(3) that Parsons has this date entered into the Agreement with School House whereby, in exchange for School House's agreement to make certain improvements to the Property, Parsons agreed to convey a fee simple ownership interest in the Property to School House;

(4) that Parsons' agreement to convey said interest to School House is a first lien and encumbrance against the Property and shall remain the lien of first priority against the Property pending performance of the Agreement;

(5) that, pursuant to the Agreement, Parsons and School House have granted to Crest Ridge the Option to purchase a parcel of the Property under the terms and conditions set forth in the Agreement;

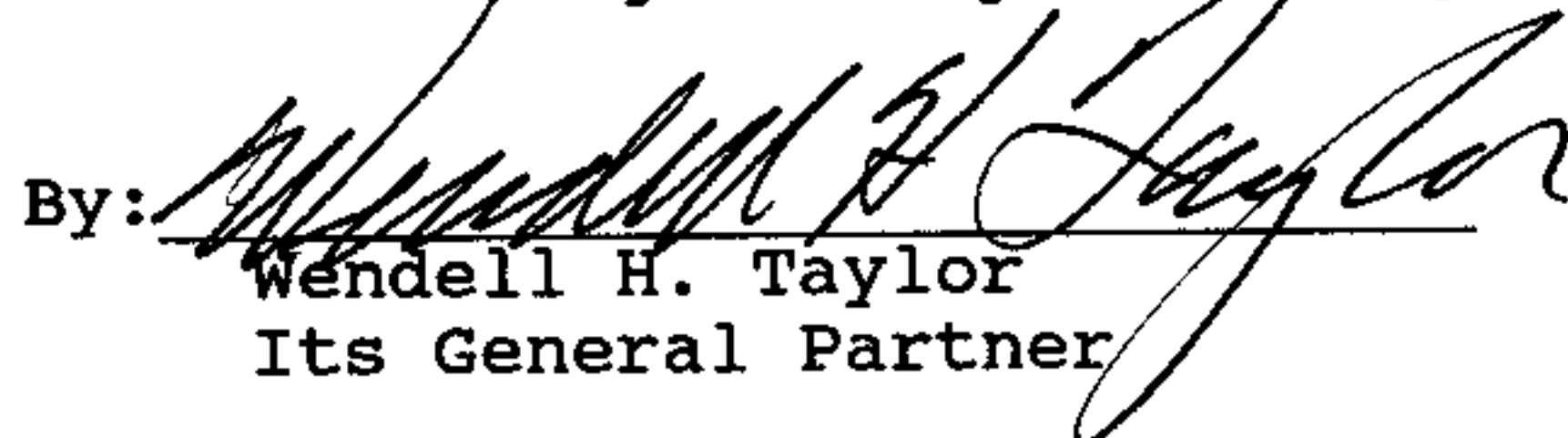
(6) that, other than the covenants to convey as set forth herein, Parsons will not in any manner encumber, convey or mortgage any interest in the Property or agree to encumber, convey or mortgage any interest in the Property without (a) the consent of School House and the joinder of School House on any instrument encumbering, mortgaging or conveying any interest in the Property and (b) notice to and the consent of Crest Ridge.

IN WITNESS WHEREOF, James T. Parsons has hereto set his signature and seal, this 3 day of November, 1993.

X   
James T. Parsons

ACKNOWLEDGED:

SCHOOL HOUSE PROPERTIES, an  
Alabama general partnership

By:   
Wendell H. Taylor  
Its General Partner

CREST RIDGE, INC., an Alabama  
corporation

By: Charles W. Daniel  
Charles W. Daniel  
Its President

STATE OF ALABAMA     )  
                                  )  
JEFFERSON COUNTY     )

I, the undersigned, a Notary Public in and for said  
County in said State, hereby certify that James T. Parsons,  
whose name is signed to the foregoing instrument, and who is  
known to me acknowledged before me on this day that, being  
informed of the contents of the instrument, he executed the  
same voluntarily on the day the same bears date.

Given under my hand this the 3d day of November,  
1993.

Mary P. Thornton  
Notary Public  
My Commission expires: 5/24/95

## EXHIBIT "A"

Part of Sections 23 and 26, Township 18 South, Range 1 West, Shelby County, Alabama, being more particularly described as follows:

Begin at the Southwest corner of said Section 23, run in a northerly direction along the west line of said Section 23 for a distance of 1020.89 feet; thence turn an angle to the right of 133 degrees 10 minutes 43 seconds and run in a southeasterly direction for a distance of 560.92 feet; thence turn an angle to the left of 38 degrees 00 minutes 00 seconds and run in an easterly direction for a distance of 65.00 feet; thence turn an angle to the right of 38 degrees 00 minutes 00 seconds and run in a southeasterly direction for a distance of 380.00 feet; thence turn an angle to the right of 87 degrees 00 minutes 00 seconds and run in a southwesterly direction for a distance of 1166.96 feet, more or less to a point on the west line of said Section 26; thence turn an angle to the right of 140 degrees 02 minutes 35 seconds and run in a northerly direction along the west line of said Section 26 for a distance of 520.42 feet to the southwest corner of said Section 23, being the point of beginning. Containing 13.19 acres, more or less.

### LESS AND EXCEPT

A parcel of land situated in the NW 1/4 of the NW 1/4 of Section 26, Township 18 South, Range 1 West, Shelby County, Alabama, being more particularly described as follows:

Begin at the Northwest Corner of said Section 26 and run South  $5^{\circ}03'52''$  West for a distance of 334.47 feet; thence run North  $82^{\circ}42'05''$  West for a distance of 411.96 feet to a point on the West Line of said Section 26; thence run North  $57^{\circ}20'30''$  East along said West Line for a distance of 520.42 feet to the Point of Beginning. Said parcel contains 1.58 acres.



## **EXHIBIT "B"**

**Part of Section 23, Township 18 South, Range 1 West, Shelby County, Alabama, being more particularly described as follows:**

**From the Southwest corner of said Section 23, run in a northerly direction along the west line of said Section 23 for a distance of 1020.89 feet to the point of beginning; thence continue along last mentioned course for a distance of 310.62 feet; thence turn an angle to the right of 33 degrees 29 minutes 16 seconds and run in a northeasterly direction for a distance of 700.00 feet; thence turn an angle to the right of 87 degrees 56 minutes 51 seconds and run in a southeasterly direction for a distance of 1289.82 feet; thence turn an angle to the right of 98 degrees 44 minutes 36 seconds and run in a southwesterly direction for a distance of 1140.58 feet; thence turn an angle to the right of 93 degrees 00 minutes 00 seconds and run in a northwesterly direction for a distance of 380.00 feet; thence turn an angle to the left of 38 degrees 00 minutes 00 seconds and run in a westerly direction for 65.00 feet; thence turn an angle to the right of 38 degrees 00 minutes 00 seconds and run in a northwesterly direction for a distance of 560.92 feet, more or less, to the point of beginning. Containing 28.74 acres, more or less.**

**EXHIBIT "C"**

A parcel of land situated in the SE 1/4 of the SE 1/4 of Section 22, Township 18 South, Range 1 West, Shelby County, Alabama, being more particularly described as follows:

Begin at the Southeast Corner of said Section 22 and run North 5°03'52" East for a distance of 430.60 feet; thence run South 84°56'08" East for a distance of 552.25 feet to a point on the East Line of said Section 22; thence run South 57°07'12" West along said East Line for a distance of 700.28 feet to the Point of Beginning. Said parcel contains 2.73 acres.

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