

THIS INSTRUMENT PREPARED BY:
Kristy Liggan Riley, LLC
1000 Urban Center Drive, Suite 250
Birmingham, Alabama 35242

SEND TAX NOTICE TO:
Dunnavant Valley Building Company
c/o Peter Wolnski
1000 Urban Center Drive, Ste. 650
Birmingham, Alabama 35242

STATE OF ALABAMA
JEFFERSON COUNTY

STATUTORY WARRANTY DEED

KNOW ALL MEN BY THESE PRESENTS: That in consideration of One Hundred Fifty Thousand and no/100 Dollars (\$150,000.00) to **STONEGATE FARMS, LLC**, an Alabama limited liability company (the "Grantor"), in hand paid by **DUNNAVANT VALLEY BUILDING COMPANY, LLC**, an Alabama limited liability company (the "Grantees"), the receipt and sufficiency of which is hereby acknowledged, Grantor does by these presents grant, bargain, sell and convey unto Grantees, subject to the covenants, conditions and other matters set forth below, the real estate situated in Shelby County, Alabama, more particularly described as follows (the "Property"):

Lot 23-A, according to the Final Plat of the Residential, Private Subdivision, Stonegate Realty-Lake Lots Resurvey, as recorded in Map Book 29, page 139, in the Probate Office of Shelby County, Alabama.

SUBJECT TO:

1. General and special taxes or assessments for 2002 and subsequent years not yet due and payable.
2. Any loss, claim, damage or expense including additional tax due, if any, due to the fact that ad valorem taxes for subject property have been paid under a current use assessment. (See 1975 Code of Alabama Section 40-7-25.3).
3. Restrictions, covenants and conditions as set out in instrument(s) recorded in Instrument #2001/5954 as amended and restated in Instrument #2001/12016 together with Articles of Incorporation of Stonegate Farms Property Owners' Association, Inc., recorded in Instrument #2001/5955 in the Probate Office of Shelby County, Alabama.
4. Easements(s) to Alabama Power Company as shown by instrument recorded in Deed Book 185, page 475; Deed Book 182, page 326; Deed Book 184, page 172 and Deed Book 180, page 35 and Instrument #2002-8798, in the Probate Office of Shelby County, Alabama.
5. Agreement as set out in Instrument # 1993/8112 in the Probate Office of Shelby County, Alabama. (Applies only to that part of the land lying within 100 feet of the water's edge of each of the two lakes on the land).
6. Terms, conditions, reservations and restrictions contained in the agreement dated March 19, 1993 by and between "Smyer" and Shelby Lake Corporation as set out by Instrument #1993/8110 in the Probate Office of Shelby County, Alabama.
7. Easement and Use Restrictions Agreement recorded as Instrument #2001-02969 in the Probate Office of Shelby County, Alabama.
8. Option Agreement by and between Ingrid Frances Smyer Dubrow, Harald L. Smyer, Jr. and S. W. Smyer, Jr. (Lake Lot Owners); Ingrid Frances Smyer Dubrow, Harald L. Smyer, Jr., Sidney W. Smyer, III and S.W. Smyer, Jr. (Hollybrook Owners) and Stonegate Farms, LLC recorded as Instrument #2001/02970 in the Probate Office of Shelby County,

9. Restrictions, limitations and conditions as set out in Map Book 29, page 4A and 4B.
10. 30 foot storm and trail easement as shown on Map Book 29 page 4A and 4B, and 20 foot drainage through center of lot.
11. Restrictive Covenants and Grant of Land Easement to Alabama Power Company as set out in Instrument #2002/18715 in the Probate Office.
12. Rights to Others to Use of Lake.

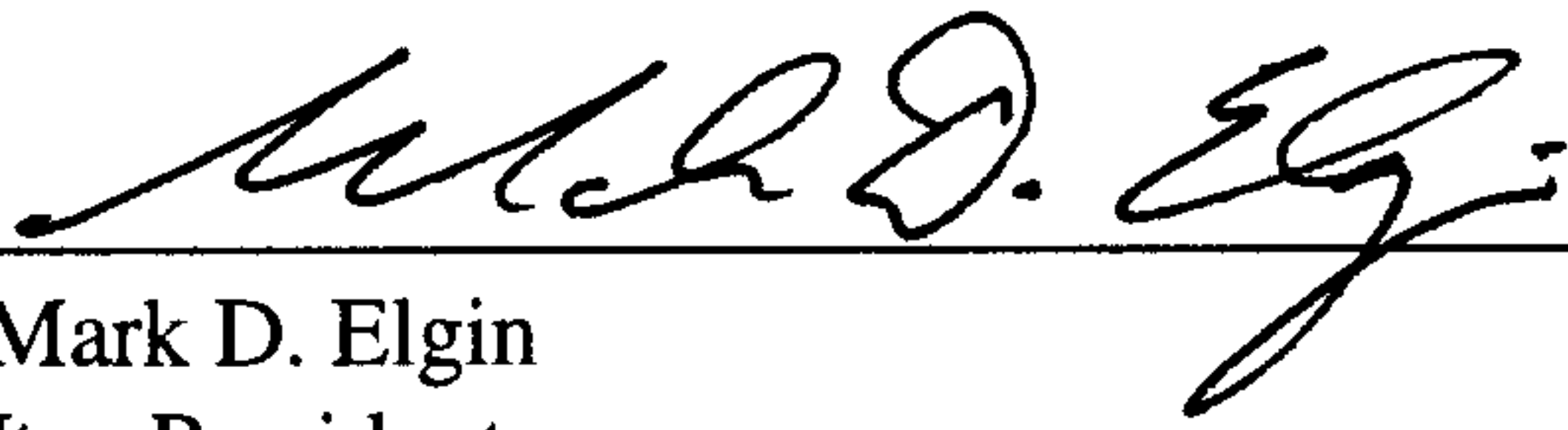
Together with the nonexclusive easement to use the Development Roads, as more particularly defined and described in the Covenants.

TO HAVE AND TO HOLD unto Grantee, and Grantee's successors and assigns forever, subject, however, to the matters described above.

By acceptance of this Deed, Grantee hereby covenants and agrees for itself and its heirs, successors, assigns, licensees, lessees, employees and agents that the Released Parties shall not be liable for, and no action shall be asserted against the any of the Released Parties for loss or damage on account of injuries to the Property or to any buildings, improvements, or structures now or hereafter located upon the Property, or on account of past or future injuries to any owner, occupant or other person in or upon the Property, which are caused by, or arise as a result of soil and/or subsurface conditions, known or unknown (including, without limitation, underground mines, sinkholes or other geological formations or conditions) under or on the Property or any other property now or hereafter owned by any of the Released Parties, whether contiguous or non-contiguous to the Property sold hereunder. For purposes of this paragraph, the term "Released Parties" shall mean and refer to (i) Stonegate Farms, LLC; (ii) the partners of Stonegate Farms, LLC, both in their capacity as a partner and in their separate corporate and limited liability capacities including, without limitation and as may be applicable, their capacity as the owner or prior owner of any minerals subjacent to Stonegate Farms; (iii) the agents, employees, contractors and subcontractors of Stonegate Farms, LLC; (iv) the officers, directors, employees, agents, contractors and subcontractors of the partners of Stonegate Farms, LLC; (v) any successors and assigns of Stonegate Farms, LLC; (vi) any successors and assigns of Stonegate Farms LLC's interest in other property owned by Stonegate Farms, LLC. This covenant and agreement shall run with the land conveyed hereby as against Grantee, and all persons, firms, trusts, partnerships, limited partnerships, corporations or other entities holding under or through Grantee.

IN WITNESS WHEREOF, Grantor, STONEGATE FARMS, LLC, has caused this conveyance to be executed by its duly authorized President as of the 29th day of May, 2002.

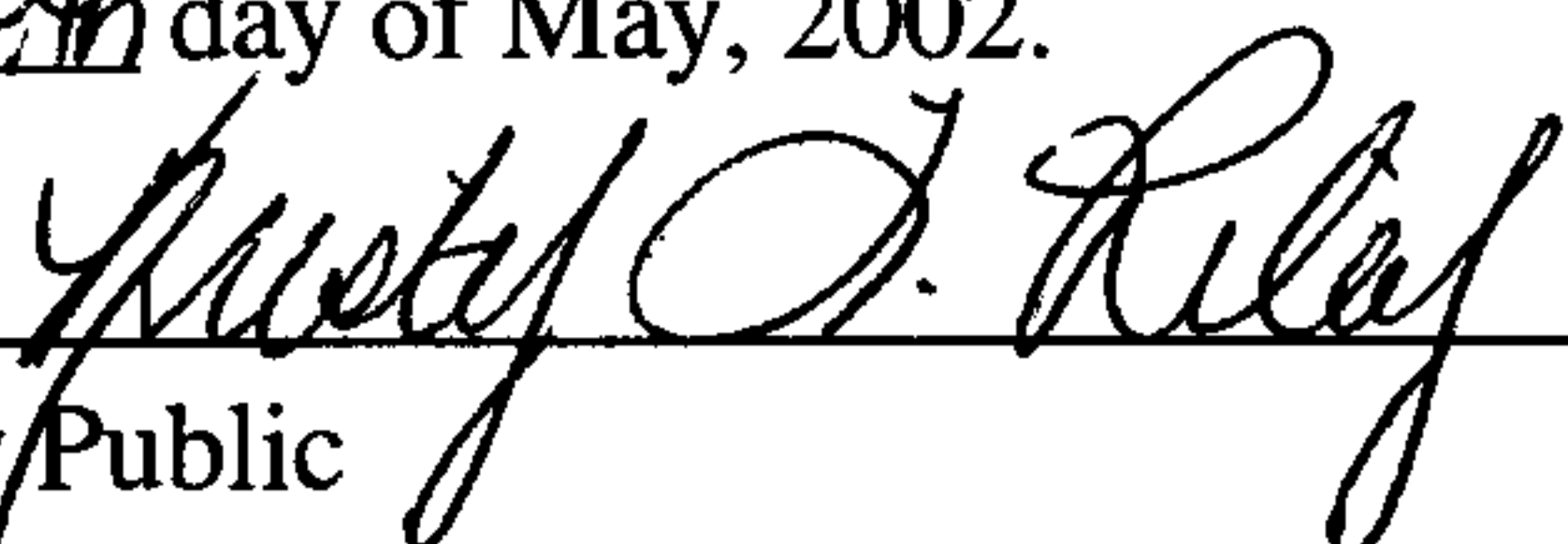
STONEGATE FARMS, LLC an Alabama limited liability company

By: 
Mark D. Elgin
Its: President

STATE OF ALABAMA
JEFFERSON COUNTY

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that MARK D. ELGIN, whose name as President of Stonegate Farms, LLC, an Alabama limited liability company, is signed to the foregoing conveyance, and who is known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, he, as such officer and with full authority, executed the same voluntarily for and as the act of said limited liability company.

Given under my hand and official seal this 29th day of May, 2002.


Notary Public
My Commission expires: 10-1-05