

1611

LEASE-PURCHASE CONTRACT

STATE OF ALABAMA
SHELBY COUNTY

25 WITNESS this lease-purchase contract made this day of October, 1991, by and between B. G. Strickland, Angela Strickland and Strickland Chevrolet, Inc., hereinafter referred to as "Lessors", and Shelby County Board of Education, hereinafter referred to as "Lessee":

WITNESS, that the Lessor does hereby rent and lease unto Lessee the real property hereinafter described situated in Shelby County, Alabama, to-wit:

Building and approximately 2.38 acres located in the City of Columbiana, Alabama, at the intersection of the Alabama Highway 25 By-Pass and the Columbiana-Saginaw Highway, which building and premises were formerly known as Strickland Chevrolet, an approximate diagram of which is shown on as Parcels 45, 46 and 59.01 on Exhibit "A" attached hereto and made part and parcel hereof as fully as if set out herein.

The above said property is leased unto Lessee for occupation by Lessee for a shop and maintenance building and Lessee's other lawful purposes, for and during the term from October 20, 1991 until October 20, 1995.

IN CONSIDERATION WHEREOF said Lessee agrees to pay to said Lessor the sum of FIFTY THOUSAND AND NO/100 DOLLARS (\$50,000.00) per year, the first payment due October 20, 1991, the second payment due October 20, 1992, the third payment due October 20, 1993, the fourth payment due October 20, 1994 and the fifth and final payment due October 20, 1995, as rental for said premises. This agreement and lease is entered into subject to the following terms, agreements and conditions.

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1. A more accurate description of said property shall be provided by survey conducted by Lessee at Lessee's expense. In the event said survey reveals that the property to be conveyed is otherwise than as represented to Lessee on the site, Lessee shall have the right to cancel and nullify this contract without incurring any liability hereunder. Lessee shall, however, have only a period of thirty (30) days from the date of the execution of this document to exercise such right of cancellation based on deficiency in survey and quantity of land.

2. It is understood and agreed that at the end of the term of this lease, or upon making the last payment required hereby, whichever shall occur first, the five Fifty thousand and no/100 Dollars (\$50,000.00) per year lease payments herein provided for shall be considered payment for said property in full and Lessors shall make and execute a warranty deed conveying said property to Lessee free and clear of all encumbrances except road rights-of-way and utility permits of record.

3. Lessors warrant that Lessors have good, merchantable and insurable title to the property and real estate made subject to this contract. Lessors further warrant that they have not received any notification from any governmental agency of any pending public improvements, or requiring any repairs, replacements, or alterations to said premises that have not been satisfactorily made, which said warranty shall survive the execution of this document and delivery of the deed. Lessee shall be responsible for procuring, at Lessee's expense, any policy of title insurance or other proof of title which it desires with reference to said property. In the event, however, Lessee shall determine that said title is not insurable, then and in that event, Lessee shall have the option, in Lessee's sole discretion, to terminate this lease without incurring any liability to Lessors for any

✓ J. C. N. J.

payments of rent or the performance of any other obligations hereunder.

4. Lessee shall be responsible for paying the ad valorem taxes assessed against said property which became due and payable October 1, 1991 and for each year thereafter. Lessee shall have the right to assess said property for taxes in the office of the Tax Assessor of Shelby County in the name of Lessee. Lessee shall be responsible for keeping the building on said premises insured against loss by fire and other hazard by either continuing, at Lessee's option, the existing policy maintained by Lessors thereon with Lessee, Lessors and Altus Bank, "as their interests may appear", designated as loss payees under said policy, or Lessee may, at Lessee's option, provide fire and hazard insurance through other agencies or companies. In any event, however, the minimum coverage maintained by Lessee shall be at least Two hundred thousand and no/100 Dollars (\$200,000.00) and such policy shall name Lessee, Lessors and Altus Bank "as their interests may appear" as loss payees in said policy.

5. Lessors shall also deliver to Lessee immediate possession of the remaining radiant ceiling heaters which were formerly located in said building, but which have been removed and, also, the three lift arms or lift frames which were formerly used on the air or hydraulic lift in said building. It is understood that Lessors will convey title to said personal property and the other fixtures and furnishings located therein, including but not being limited to the central heating and air conditioning systems, without warranty of any kind, express or implied, "as is where is". It shall be the responsibility of the Lessee to take possession of any personal property not located in said building which is included in this paragraph at such point as may be designated by Lessors. Upon a final closing of this transaction and upon the payment of the last rent installment, Lessors shall execute a bill of sale conveying title to Lessee to any personal property described in this contract.

6. (Possession by Lessee) The Lessors covenant to keep the Lessee in possession of said premises during said term. Lessors agree that Lessors will promptly pay the mortgage indebtedness due and outstanding to Altus Bank as such payments shall become due, and on or before the end of the term of this lease, Lessors shall pay said Altus Bank in full any remaining balance due and outstanding on said mortgage. In the event said mortgage or any other encumbrance on said property remain due and outstanding, Lessee shall have the right to pay any sum or sums remaining due from Lessee to Lessors pursuant to the terms of this lease to such mortgage holder for the purpose of retiring or paying such mortgage indebtedness.

7. (No warranty as to condition of premises) Nothing herein contained shall be construed as a warranty that said premises are in GOOD CONDITION or FIT or SUITABLE for the use and purposes for which they are hereby let.

8. (Right of entry for repairs and inspection) The Lessors shall not be required to make any repairs or to do any work on or about the said premises unless specifically provided for herein, but Lessor shall have the right to enter said premises at any reasonable hour in the presence of representatives of Lessee to make inspections or any repairs which Lessors in Lessors' sole discretion deem advisable.

9. (Broken glass; lost keys; gas and electricity; repairs; Lessors' lien) The Lessee further agrees with the Lessor as follows: that the Lessee will replace all glass broken and keys lost or broken, if any, when broken and lost; that the Lessee will pay all bills for utilities used on or about said premises; that the Lessee will take good care of said premises, commit no waste of property or permit the same to be done, and will keep in good condition all plumbing and all electrical wires and fixtures, and clear all sewers that may become stopped; that

Lessee will promptly repair and make good all injury or damage to said premises caused by the Lessee, or any other person or persons on or about said premises, and that failing to do so, the lessor, by giving five days' notice to the Lessee, may repair and make good the same at the cost of the Lessee, and such cost shall be considered as additional rent for said premises, secured by landlord's lien, and shall be paid by the Lessee to the Lessors on the first day of the month following the month in which the same was incurred by the Lessors; that the Lessors shall have a lien upon all goods, furniture, and effects and fixtures of the Lessee on said premises, or to be placed thereon during the term of said lease, for the rent for the full term thereof and for any other amounts owing or accruing hereunder, in addition to the statutory landlord's lien.

10. (Acceleration of rent and termination of lease on default or violations) In the event the Lessee fails to pay any one or more of said installments of rent, or any amount owing or accruing hereunder, as and when due, and in the further event that such failure to pay by Lessee shall continue for more than thirty (30) days after written notice by Lessors to Lessee that such payment is due and unpaid, or if a petition in bankruptcy is filed by or against Lessee, or an assignment for the benefit of creditors is made by Lessee, or if a receiver of Lessee's property is appointed, or if the Lessee permanently vacates said premises before the expiration of the term of this lease without the written consent of the Lessors, or if Lessee violates any of the other terms, conditions, or covenants herein contained in said lease, then and upon the happenings of any one or more of said events, and in the further event such violation continues for more than thirty (30) days after written notice by Lessors to Lessee, Lessors may, at Lessors' option, mature and make due and payable all rent reserved herein, immediately upon giving written notice to said Lessee and upon failure of Lessee to pay said thus accelerated rent, then and in that event, Lessors would have the right to re-enter said premises and cancel and nullify this lease.

11. Lessee shall not sub-lease, underlease or sublet said premises or any part thereof or transfer and assign this lease without the prior written consent of Lessors.

12. (Destruction or damage to structure) If said premises are so injured by fire, rain, wind, earthquake, or other casualty covered under the terms and provisions of any fire, hazard or other insurance policy on said premises, then and in that event, Lessee may, at Lessee's option, be entitled to the proceeds of any such insurance policy or policies on said property insuring against said loss and Lessee may, at Lessee's option, repair or replace any such loss or damage.

13. Lessors jointly and severally warrant and certify that there are no mortgages, liens, encumbrances or other defects outstanding against said property with the exception of a first mortgage to Altus Bank and Lessors do jointly and severally warrant that they have good and merchantable title to said property subject only to the aforesaid mortgage to Altus Bank. On or simultaneously with the delivery of the last rental installment of Fifty thousand and no/100 Dollars (\$50,000.00) on or about October 15, 1995, this sale shall be closed and the deed and appropriate bills of sale delivered to Lessee.

14. In the event either party violates any of the terms of this agreement, the violating party agrees to pay a reasonable attorney's fee to the other party in the event of the employment of an attorney to enforce the provisions hereof.

[Signature]
Witness

LESSEE:

SHELBY COUNTY BOARD OF EDUCATION

By [Signature]
As its Superintendent

LESSORS:

Deborah Haight
Witness

[Signature] (SEAL)
B. G. Strickland

Deborah Haight
Witness

[Signature] (SEAL)
Angela Strickland

ATTEST:

STRICKLAND CHEVROLET, INC.

[Signature]
Secretary

By [Signature]
As Its President

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SHELBY COUNTY BOARD OF EDUCATION

BY:

Susan P. Bagley
Susan Bagley, President

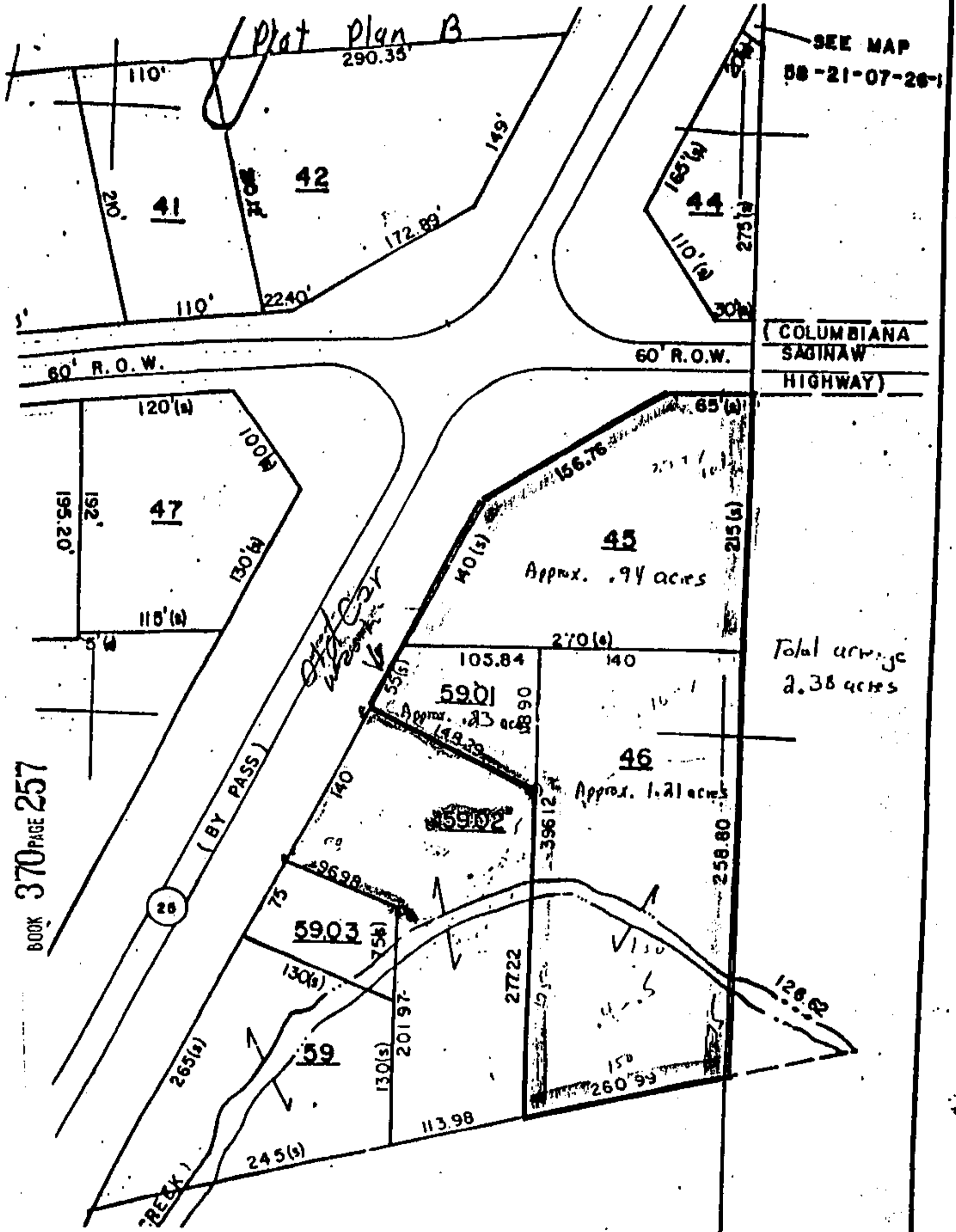
Donna Morris
Donna Morris, Vice-President

Paula M. Coker
Paula Coker, Member

Lee Doebler
Lee Doebler, Member

Steve Martin
Steve Martin, Member

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STATE OF ALA. SHELBY CO.
I CERTIFY THIS INSTRUMENT WAS FILED

91 OCT 28 AM 11:56

Thomas W. Jennings
JUDGE OF PROBATE

1. Deed Tax	\$	
2. Mtg. Tax	\$	
3. Recording Fee	\$	15.00
4. Indexing Fee	\$	3.00
5. No Tax Fee	\$	1.00
6. Certified Fee	\$	1.00
Total	\$	20.00