

Inst # 1994-15896

STATE OF ALABAMA)
)
SHELBY COUNTY) 05/17/1994-15896
) 09:08 AM CERTIFIED
) SHELBY COUNTY JUDGE OF PROBATE
 003 SNA 13.50

OPTION AGREEMENT
BY AND BETWEEN SCHOOL HOUSE PROPERTIES
AND THORNTON CONSTRUCTION COMPANY, INC.
REGARDING GREYSTONE VILLAGE

Thornton Construction Company, Inc. (hereinafter referred to as Thornton) and School House Properties (hereinafter referred to as SHP) agree, in good faith and under the terms and conditions set forth herein, that SHP will improve and develop certain real property to sell as single family residential lots and Thornton will supervise the improvement and development of said property. The real property to be improved and developed is owned in fee simple by SHP and consists of approximately 97 acres of real property located on the southeastern side of Highway 280 and Hugh Daniel Drive. The property is legally described in Exhibit A attached hereto and made a part hereof (the "Property"). The Property will be part of the planned unit development known as Greystone, which is located in the City of Hoover, Shelby County, Alabama. All lots referred to herein (the "Lots") are located within the Property and approximately 148 Lots in two sections are planned for this subdivision which will be known as Greystone Village. The two sections are (1) the Single-Family Residential Section, consisting of approximately 30

acres where an estimated 105 Lots are to be developed in two phases, and (2) the Estate Lots Section, consisting of approximately 67 acres where an estimated 43 one-acre Lots are to be developed. The Single-Family Residential Section will be developed in two phases with the first phase consisting of 55 Lots ("Phase I") and the second phase consisting of 50 Lots ("Phase II").

(a) Thornton. Thornton will supervise the improvement and development of the Single-Family Residential Section and the Estate Section into Lots. Said supervision includes directing and coordinating: engineering plans preparation and approval, subcontract preparation, clearing and grubbing, site grading, geotechnical reviews and tests, engineering stake-out, storm sewer installation, sanitary system installation, domestic and fire protection water service, erosion control, curb and gutter base and asphalt paving, entrance wall plans and construction, landscaping and other work which may be necessary to develop the Property into individual Lots as per the final mutually agreed upon development plan.

(b) SHP. SHP will bear all responsibility, liability and costs of improving and developing the Single-

Family Residential Section and the Estate Section into Lots, including costs of subcontractors, material suppliers, service providers and any other costs associated with development of the Property into Lots.

(c) Consideration and Compensation.

(1) SINGLE-FAMILY RESIDENTIAL SECTION - EXCLUSIVE OPTION GRANTED TO THORNTON. At no cost to SHP for Thornton's services, Thornton will supervise the improvement and development of the Single-Family Residential Section into Lots. In consideration of Thornton's said supervision, SHP grants to Thornton the exclusive right and option to purchase each Lot, for the Lot Price as defined hereinafter, until such time as Thornton does not purchase the minimum of thirty (30) Lots per fiscal year.

(A) Fiscal Years. The first fiscal year shall begin on the first day of the month following the later of the recording of the record maps or the release of the Lots for single family residential construction by the governing municipalities and/or agencies. The end of a fiscal year shall be at 5:00 p.m. on the day before the beginning of the succeeding fiscal year. Subject to said map recordings and Lot release, it is the intention of the parties that the first fiscal year will begin on or about December 15, 1993.

(B) Agreement to Exercise Option in First Fiscal Year. Thornton hereby agrees to exercise its exclusive

right and option for the purchase of seven (7) Lots within thirty (30) days of the beginning of the first fiscal year. Said seven (7) Lots shall be chosen by mutual agreement, ready and released for single family residential construction, and included in the thirty (30) Lot minimum for the first fiscal year.

(C) Forfeiture of Option. Failure of Thornton to exercise its option with respect to a minimum thirty (30) Lots in any fiscal year shall terminate Thornton's exclusive right and option to purchase any additional Lots in the Single-Family Residential Section.

(D) Conveyance. For each Lot with respect to which Thornton exercises its option, SHP shall convey to Thornton clear title by general warranty deed, free of all liens and encumbrances, other than easements and restrictions of record which are satisfactory to Thornton.

(E) Lot Price. The "Lot Price" for each Lot in Phase I of the Single-Family Residential Section is FORTY THOUSAND AND NO/100 DOLLARS (\$40,000.00). The "Lot Price" for each Lot in Phase II of the Single-Family Residential Section is FORTY-TWO THOUSAND AND NO/100 DOLLARS (\$42,000.00). The Lot Price shall not increase or decrease without the mutual consent of Thornton and SHP. The Lot Price is based upon estimated improvement costs.

(2) THE ESTATE SECTION. At no cost to SHP for Thornton's services and in consideration of the mutual

covenants and agreements set forth herein, Thornton will supervise the improvement and development of the Estate Section into Lots.

(A) SHP's Obligation to Pay Costs. In addition to SHP's obligation to pay the costs of development of the Property as set forth in Section (b) hereinabove, SHP shall be responsible for paying all costs associated with or arising out of the ownership or sale of the Lots in the Estate Section including, without limitation, closing costs, sales commissions, ad valorem taxes, library and fire dues, if any, Greystone and/or Greystone Village assessments, if any, and the costs of satisfying and obtaining releases from any mortgage encumbering the Property and any Lots thereof. Marketing and advertising costs are to be paid by Daniel Realty Corporation pursuant to a separate listing agreement between SHP and Daniel Realty Corporation.

(d) Miscellaneous.

(1) ASSIGNMENT. This Agreement may not be assigned in whole or in part by either of the parties hereto without the prior written consent of the other party. This Agreement shall inure to the benefit of and be binding on and enforceable against the successors and assigns of the parties.

(2) ENTIRE AGREEMENT. This Agreement constitutes the entire Agreement between the parties and supersedes in its entirety all prior negotiations, proposals or

stipulations, oral or written, between the parties with respect to the subject matter herein.

(3) AMENDMENT. This Agreement may be amended or modified only in writing, duly executed by both of the parties hereto.

(4) GOVERNING LAW. This Agreement and the rights of the parties hereto shall be governed by, construed and interpreted in accordance with the laws of the State of Alabama.

(5) CONSTRUCTION. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

(6) HEADINGS. The captions and headings in this Agreement are made for convenience and general reference only and shall not be construed to describe, define or limit the scope or intent of the provisions of this Agreement.

(7) BINDING EFFECT. The parties intend that the Agreement and its terms and conditions as set forth herein be binding.

IN WITNESS WHEREOF, SHP and Thornton have executed and effected this Agreement this 30 day of November, 1993.

SCHOOL HOUSE PROPERTIES,
an Alabama general
partnership

By: Wendell H. Taylor
Wendell H. Taylor
Its General Partner

THORNTON CONSTRUCTION COMPANY,
INC., an Alabama corporation

By: GARY R. DENT
Gary R. Dent
Vice President

By: William L. Thornton, III
William L. Thornton, III
Vice President

EXHIBIT A

A parcel of land situated in the West 1/2 of Section 4 and the East 1/2 of Section 5, Township 19 South, Range 1 West, Shelby County, Alabama, being more particularly described as follows:
Begin at the Northwest corner of said Section 4 and run South 0 deg. 58 min. 47 sec. West along the West line thereof for a distance of 1274.12 feet; thence run South 45 deg. 29 min. 23 sec. West for a distance of 413.61 feet to a point in said Section 5; thence run South 90 deg. 00 min. 00 sec. West for a distance of 376.59 feet; thence run South 0 deg. 56 min. 36 sec. West for a distance of 1948.62 feet; thence run North 33 deg. 11 min. 21 sec. East for a distance of 4176.86 feet to a point on the north line of Section 4; thence run North 89 deg. 23 min. 04 sec. West for a distance of 1561.11 feet to the point of beginning; being situated in Shelby County, Alabama.

A tract of land situated in the Northeast 1/4 of the Northeast 1/4 and the Southeast 1/4 of the Northeast 1/4 of Section 5, Township 19 South, Range 1 West, with a portion situated in the Southeast 1/4 of the Southeast 1/4 of Section 32, Township 18 South, Range 1 West, all in Shelby County, Alabama, being more particularly described as follows:
Commence at the Northeast corner of said Section 5 and run thence South 0 deg. 58 min. 47 sec. West along the East line thereof for 180.29 feet to the point of beginning of the tract of land herein described; from said point of beginning run North 70 deg. 10 min. 11 sec. West for 275.68 feet; thence run South 85 deg. 01 min. 23 sec. West for 391.67 feet; thence run North 39 deg. 22 min. 29 sec. West for 69.09 feet; thence run North 15 deg. 50 min. 27 sec. East for 28.48 feet; thence run North 64 deg. 51 min. 16 sec. West for 41.11 feet; thence run North 67 deg. 41 min. 32 sec. West for 100.66 feet to a point in the Southeast 1/4 of the Southeast 1/4 of Section 32; thence run South 87 deg. 28 min. 27 sec. West for 44.66 feet; thence run South 63 deg. 26 min. 48 sec. West for 112.17 feet to a point in the Northeast 1/4 of the Northeast 1/4 of said Section 5; thence run North 82 deg. 41 min. 26 sec. West for 107.30 feet; thence run North 62 deg. 50 min. 42 sec. West for 79.16 feet to a point in the Southeast 1/4 of the Southeast 1/4 of said Section 32; thence run South 27 deg. 56 min. 21 sec. West for 426.60 feet to an iron pin on the West line of the Northeast 1/4 of the Northeast 1/4 of said Section 5; said

point also being the Northeast corner of the Shelby County Sewage Treatment Plant; thence run South 0 deg. 59 min. 12 sec. West along the West line of said 1/4-1/4 line for 298.63 feet to an iron pin; thence run South 1 deg. 39 min. 12 sec. West for 656.30 feet to an iron pin; being the Southwest corner of the Northeast 1/4 of the Northeast 1/4 of said Section 5; thence run South 0 deg. 44 min. 19 sec. West for 386.85 feet to an iron pin; thence run North 89 deg. 57 min. 50 sec. East for 329.87 feet to an iron pin; thence run South 0 deg. 47 min. 07 sec. West for 410.96 feet; thence run South 89 deg. 59 min. 28 sec. East for 343.11 feet; thence run North 0 deg. 56 min. 36 sec. East for 551.83 feet to a point on the South boundary of a Proposed Hoover School Site; thence run South 90 deg. 00 min. 00 sec. West along said school boundary for 113.41 feet; thence run North 44 deg. 30 min. 36 sec. West along said boundary for 252.37 feet; thence run North 0 deg. 58 min. 47 sec. East along said boundary for 548.86 feet; thence run North 89 deg. 01 min. 13 sec. West along said boundary for 75.00 feet; thence run North 0 deg. 58 min. 47 sec. East along said boundary for 59.40 feet to a point of curve, curving to the right in a northeasterly direction, having a central angle of 89 deg. 01 min. 13 sec., a radius of 150.00 feet and a length of 233.05 feet; thence run along the arc of said curve for 233.05 feet to the end of said curve; thence run North 90 deg. 00 min. 00 sec. East, tangent to the end of said curve and along said school boundary for 36.96 feet; thence run South 0 deg. 00 min. 00 sec. East for 35.00 feet; thence run North 90 deg. 00 min. 00 sec. East along said boundary for 560.00 feet; thence run South 44 deg. 30 min. 36 sec. East for 406.60 feet along said school boundary to a point on the East line of said Section 5; thence leaving said school boundary run North 0 deg. 58 min. 47 sec. East along said East line of Section 5 for 771.84 feet to the point of beginning; being situated in Shelby County, Alabama.

15896

05/17/1994-15896
09:08 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
003 SNA 13.50