

LEASE AGREEMENT

STATE OF ALABAMA
CHILTON COUNTY

04/20/1995-10297
11:55 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
003 SNA 36.00

This indenture made this the 15 day of February, 1994, by and between John J. Atchley and Lois F. Atchley, hereinafter called the Lessors, which expression, where the context so admits shall include their heirs and assigns, of the one part, and W. Marshall Headley, hereinafter referred to as Lessee, which expression shall include, where the context so admits, his heirs, and assigns, of the other part, witnesseth as follows:

(1) In consideration of the rent and Lessee's covenants hereinafter reserved and contained, the Lessors hereby lease to the Lessee the following described property, to-wit:

Commence at the Northeast corner of the NW 1/4 of SW 1/4 of Section 25, Township 20 South, Range 3 West and run West along the North boundary of said forty acres 327.4 feet to a point on the East right-of-way of U.S. Highway 31; thence run an angle of 75 deg. 52 min. to the left and run along the East right-of-way of said Highway 414.0 feet to the point of beginning of the land herein conveyed; thence turn an angle of 104 deg. 08 min. to the left and run 200 feet; thence turn an angle of 104 deg. 08 min. to the right and run 100 feet; thence turn an angle of 75 deg. 52 min. to the right and run 200 feet to a point on the East right-of-way line of said Highway; thence turn an angle of 104 deg. 08 min. to the right and run along the East right-of-way of said Highway 100.0 feet to the point of beginning. This being a part of the NW 1/4 of the SW 1/4 of Section 25, Township 20 South, Range 3 West and containing 0.418 acres, more or less.

situated in Shelby County, Alabama.

To hold to the Lessee for a period of 5 years commencing October 1, 1994 and ending on or before September 30, 1999, payable in equal monthly installments of \$417.10 a month as follows: Lessee will pay \$417.10 per month for the first year of said Lease. The rent shall increase 3% each year, computed yearly, payable in monthly installments.

(2) The Lessee hereby covenants with the Lessors as follows:

- a. To pay the rent reserved on the day and in the manner aforesaid.
- b. To keep the demised premises in such repair as they are at the commencement of the term or may be put in by the Lessor during the continuance thereof; reasonable use and wear and damage by fire and other unavoidable casualties only excepted.
- c. To permit the Lessors and their agents at all reasonable times to enter upon the premises and examine the condition thereof and to make necessary repairs.
- d. The Lessee further agrees to pay all water, electricity, gas, telephone bills and other assessments which may be assessed upon the demised premises during the term hereof. *Addendum: ETC. Advokery TAXES AND ANY OTHER TAXES levied AGAINST Property. J.A. L.A. W.M.H.*
- e. The Lessee further agrees that he is leasing said premises as is and that he is to assume the obligations of all repairs on said building.

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8805 Co. Rd. 37
Clanton, AL 35045

f. The Lessee further agrees that he will provide a suitable insurance policy to cover losses occasioned by fire, windstorm or other unavoidable casualties.

g. The Lessee further agrees that any improvements placed on said property by the Lessee during the term of said lease shall at the expiration of said lease become part of the real estate and shall become the property of the Lessors.

h. To yield up the demised premises and all additions thereto, at the termination of the tenancy in good and tenantable repair, reasonable use and wear and damage or other unavoidable casualties and condemnation or appropriation by eminent domain excepted, as the same now are or may be put in by the Lessors.

i. Lessee further agrees that all property of any kind that may be on the premises during the continuance of this lease shall be at sole risk of the Lessee and that the Lessors shall not be liable to the Lessee or any other person or party for any injury, loss, or damages to the property or to persons on the premises.

j. Lessee further covenants that he will not assign any rights under this Lease or sublease any portion of said lands without the previous consent of the Lessors.

(3) Lessors hereby covenant with the Lessee as follows:

a. That the Lessee, paying the rent hereby reserved and performing the several covenants and stipulations herein on his part contained, shall peaceably hold and enjoy the demised premises during the said term without any interruption by the Lessors or any persons rightfully claiming under them.

Lessee is hereby specifically granted, by Lessors, an option to purchase said real estate at any time during the five years of said lease on said devised premises on the following terms:

Lessee shall pay a total purchase price of \$100,000.00 and all expenses of closing with a maximum down payment of \$25,000.00 at the time of closing.

The balance of said purchase price shall be payable at 8% interest for not more than 20 years nor less than 10 years.

Said payment shall be made in monthly installments and the Lessee shall not pay off the mortgage earlier than at maturity without the express permission of the Lessors.

If in any event said property has to be sold by Lessors, their heirs, administrators, successors or assigns, Lessee is to have the first option to purchase and shall be given 6 months to make the financial arrangements.

In the event the option to purchase is exercised, the Lessors will convey merchantable title to the property to the Lessee by general warranty deed. Lessee shall pay for title insurance if desired by him.

(4) Provided, always, and these premises are upon this condition that if the rent reserved, or any part thereof, shall be unpaid for 30 days after becoming payable, whether formally demanded or not, or if any of the covenants on the Lessee's part herein contained shall not be observed or performed or if the Lessee shall become bankrupt, then and in any of said events, it shall be lawful for the Lessors to reenter at any time thereafter upon the demised premises, or any part thereof, in the name of the whole, and thereupon this demise shall absolutely terminate, but without prejudice to the right of action of the Lessors in respect of any breach of the Lessee's covenants herein contained.

IN WITNESS WHEREOF, the said parties hereto and to another instrument of like tenor, have hereunto set their hands and seals, this the 15 day of February, 1994.

WITNESSES:

Douglas Jones

Chris Spears

Robin M. Patten

John J. Atchley
LESSOR

Lois Ann Atchley
LESSOR

W. Marshall Holly
LESSEE

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