

This instrument was prepared by:  
Clayton T. Sweeney, Esquire  
2700 Highway 280 East  
Suite 290E  
Birmingham, Alabama 35223

Send Tax Notice to:  
GAVIN L. FINLAY and  
LYNN FINLAY  
3500 Victoria Road  
Birmingham, AL 35223

STATE OF ALABAMA )  
COUNTY OF SHELBY )

**STATUTORY WARRANTY DEED**

**KNOW ALL MEN BY THESE PRESENTS**, that in consideration of EIGHTY-NINE THOUSAND and NO/100 Dollars (\$89,000.00) to the undersigned grantor, HIGHLAND LAKES DEVELOPMENT, LTD., an Alabama limited partnership (herein referred to as "Grantor"), in hand paid by Grantee named herein, the receipt of which is hereby acknowledged, the said HIGHLAND LAKES DEVELOPMENT, LTD, an Alabama limited partnership, does by these presents, grant, bargain, sell and convey unto **GAVIN L. FINLAY and LYNN FINLAY** (hereinafter referred to as "Grantees", whether one or more), as joint tenants with right of survivorship, the following described real estate (the "property"), situated in Shelby County, Alabama, to-wit:

Lot 412, according to the Map of Highland Lakes, 4th Sector, Phase 1, an Eddleman Community, as recorded in Map Book 19, Page 79 A & B, in the Probate Office of Shelby County, Alabama.

Together with nonexclusive easement to use the private roadways, Common Area all as more particularly described in the Declaration of Easements and Master Protective Covenants for Highland Lakes, a Residential Subdivision, recorded as Instrument #1994-07111 in the Probate Office of Shelby County, Alabama, and the Declaration of Covenants, Conditions and Restrictions for Highland Lakes, a Residential Subdivision, 4th Sector, recorded as Instrument #1995-01906 in the Probate Office of Shelby County, Alabama ( which, together with all amendments thereto, is hereinafter collectively referred to as, the "Declaration").

Mineral and mining rights excepted.

The above property is conveyed subject to:

- (1) Ad Valorem taxes due and payable October 1, 1995, and all subsequent years thereafter, including any "roll-back taxes."
- (2) Public utility easements as shown by recorded plat, including any tree bufferline as shown on recorded plat.
- (3) Declaration of Easements and Master Protective Covenants for Highland Lakes, a Residential Subdivision, which provides, among other things, for an Association to be formed to assess and maintain the private roadways, etc. of the development; all of said covenants, restrictions and conditions being set out in instrument recorded as Instrument #1994-07111, in said Probate Office, along with Articles of Incorporation of Highland Lakes Residential Association, Inc. as recorded as Instrument 9402/3947, in the Office of the Judge of Probate of Jefferson County, Alabama.
- (4) Declaration of Covenants, Conditions and Restrictions for Highland Lakes, a Residential Subdivision, Fourth Sector, as recorded as Instrument #1995-1906, in said Probate Office.
- (5) Subdivision restrictions shown on recorded plat in Map Book 19, Page 79 A & B, provide for construction of single family residence only.
- (6) Title to all minerals within and underlying the premises, together with all mining rights and other rights, privileges and immunities relating thereto, including rights set out as Instrument Book 28, Page 237, in said Probate Office.

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(7) Subject to the provision of Sections 2.3 and 2.6 of the Declaration, the property shall be subject to the following minimum setbacks:

- (a) Front setback: as per plot plan which must be approved by the ARC
- (b) Rear setback: 35 feet
- (c) Side setback: 15 feet

(8) Right(s) of Way(s) granted to Alabama Power Company by instrument(s) recorded in Book 111, page 408, Book 109, page 70; Book 149, page 380; Book 173, page 364, Book 276, page 670, Book 134, page 408, Book 133, page 212, Book 133, page 210, and Real Volume 31, page 355 in said Probate Office.

(9) Right(s) of Way(s) granted to Shelby County, Alabama, by instrument(s) recorded in Book 196, page 246 in said Probate Office.

(10) Agreement with Alabama Power Company as to covenants pertaining thereto, recorded as Instrument #1994-1186, in said Probate Office.

(11) Rights of riparian owners in and to the use of Lake, if any.

(12) Lake Easement Agreement executed by Highland Lake Properties, Ltd. and Highland Lake Development, Ltd., providing for easements, use by others, and maintenance of Lake Property described within Instrument #1993-15705 in said Probate Office.

(13) Easement for ingress and egress to serve Highland Lakes Development executed by Highland Lakes Development, Ltd., to Highland Lakes Properties, Ltd., recorded as Instrument #1993-15704 in said Probate Office.

(14) Collateral Assignment of Contract dated 5/28/94 by and between Highland Lakes Development, Ltd., and Central Bank of the South recorded as Instrument #1993-15711 in said Probate Office.

(15) Any dwelling built on the property (a) shall contain a minimum of 4,500 heated square feet, excluding the basement and garages; (b) shall be a minimum of Eighty Five (85') feet in length; and, (c) shall have a brick exterior.

In the event the Grantor conveys any of the lots named in the contract with less restrictive covenants than those contained in the original sales contract addendum, the Grantor shall notify the Grantee and shall amend the contract and the restrictions contained herein to those less restrictive covenants.

Pursuant to Article III Paragraph 3.4 (c) (iv) of the Declaration of Easements and Master Protective Covenants for Highland Lakes as recorded in Instrument #1994-07111, in the Probate Office of Shelby County, Alabama, the Grantor hereby elects to exercise the right reserved for itself and the Association, and their respective successors and assigns, and hereby grants to the Grantees, their heirs and assigns, a non-exclusive right to use the Lakes number **one** and **three** in the legal description of the lakes included as Exhibit C to the Lake Easement Agreement recorded as Instrument #1993-15705 in the Probate Office of Shelby County, Alabama, in common with the Lake Lot Owners and the Developer, and its successors and assigns; provided that the access to said Lakes by Grantees, their heirs and assigns, shall be limited to the Common Areas designated for such purpose by the Association; and provided further that the use of said Lakes number **one** and **three** by the Grantees, their heirs and assigns, shall be subject to the restrictions and limitations on the use of the Lakes as set forth in the Master Protective Covenants for Highland Lakes and such rules and regulations as may be promulgated by the Developer and /or the Board with respect to the use of said lakes by Lot Owners.

Grantee agrees to observe and perform all obligations imposed upon said Grantees pursuant to the Declarations, including but not limited to the obligation to pay assessments levied on the property herein conveyed in accordance with the Declarations.

Grantee understands and agrees that Grantor has obtained from the Alabama Department of Environmental Management (ADEM) a General Permit for stormwater runoff from construction, excavation, land clearing, other land disturbance activities and associated areas to comply with the terms and conditions of said General Permit in the design and construction of improvements on the Property which shall include,

without limitation, the preparation and implementation of a Best Management Practices Plan for structural and non-structural practices to prevent/minimize the discharge of all sources of pollution (i.e., sediment, trash, garbage, debris, oil, grease, chemicals, etc.) to State waters in stormwater run-off in accordance with the requirements of the General Permit.

Grantee shall indemnify and hold Grantor harmless for any loss or damage suffered by the Grantor as a result of Grantee's violation of or failure to comply with the terms, conditions and requirements of the General Permit. Further, if Purchaser shall be in violation of the General Permit, Grantor shall have the right after 10 days notice to take such corrective action as may reasonably be necessary to cure such violation and Grantee shall indemnify and hold Grantor harmless for any costs reasonably incurred in taking any such corrective action.

This conveyance is made with the express reservation and condition that by acceptance of this deed, the Grantees, for themselves and on behalf of their heirs, administrators, executors, successors, assigns, contractors, permittees, licensees and lessees, hereby release and forever discharge Grantor, its successors and assigns, from any and all liability, claims and causes of action whether arising at law (by contract or in tort) or in equity with respect to damage or destruction of property and injury to or death of any person located in, on, or under the surface of or over lands herein conveyed, as the case may be, which are caused by, or arise as a result of, past or future soil, subsoil or other conditions (including without limitation, sinkholes, underground mines, and limestone formations) under or on the Property, whether contiguous or non-contiguous. The Grantee(s) agree(s) that he (she) (they) is (are) acquiring the Property "AS IS", without any representation or warranty on the part of Grantor other than as to title. Further, the Grantee, its successors and assigns hereby acknowledges that the Grantor shall not be liable for and no action shall be asserted against Grantor in connection with any drainage easements, ditches or pipes or drainage problems associated therewith and that Grantee has inspected the same and accepts the property along with all drainage easements, ditches or pipes in its present "AS IS" condition. For purposes of this paragraph the term Grantor shall mean and refer to (i) the partners, agents and employees of Grantor; (ii) the officers, directors, employees and agents of general partners of Grantor or partners thereof; (iii) any successors or assigns of Grantor; and (iv) any successors and assigns of Grantor's interest in the Property. 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.

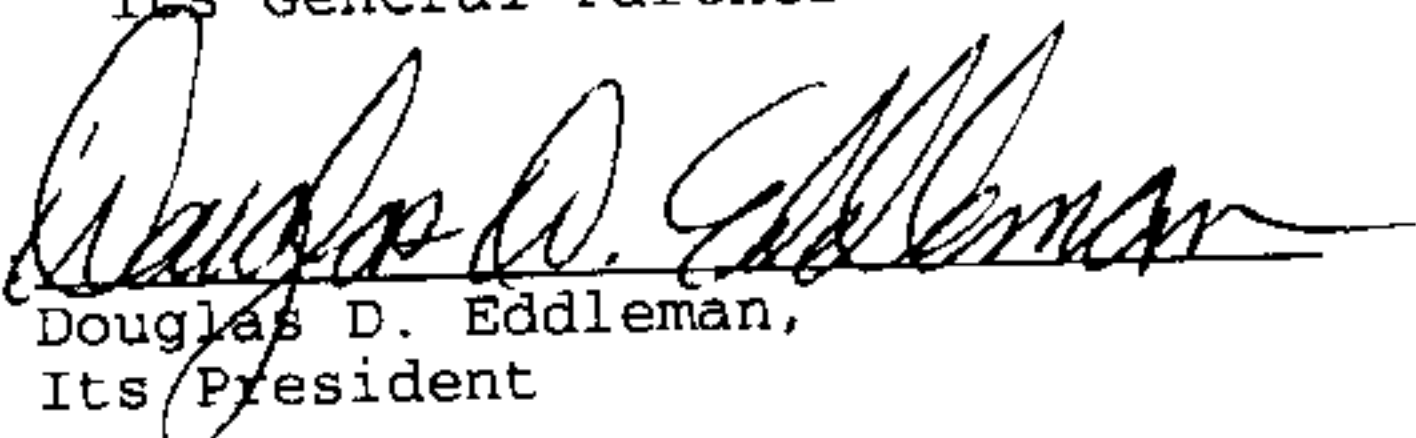
The Grantor shall have a right of first refusal to re-purchase the property at the original purchase price as described herein from the Grantee in the event the Grantee has not commenced construction of the dwelling on said lot within eight (8) months from August 17, 1995 (the "Contract Date"). Grantee agrees to complete construction of said dwelling on said lot within twenty (20) months of the Contract Date. If the Grantee has not sold his personal residence at the end of the eight (8) month period, but is actively marketing his personal residence for sale at that time, the Grantee may elect to extend the eight (8) month period by an additional three (3) months by notifying the Grantor in writing of his election. Grantee hereby grants unto Grantor a right of first refusal to re-purchase on the same terms and conditions contained in the original sale contract. The Grantor's right of first refusal becomes viable only if the Grantee does not commence construction of the dwelling within the period of time described hereinabove and in the original sales contract (hereinafter "viability"). Grantor must must notify the Grantee in writing of his election to exercise the right of first refusal within thirty (30) days of viability and Grantor shall close and re-purchase the property within sixty (60) days of viability or the right of first refusal shall expire.

**TO HAVE AND TO HOLD** unto the said Grantees, as joint tenants, with right of survivorship, their heirs and assigns, forever; it being the intention of the parties to this conveyance, that (unless joint tenancy hereby created is severed or terminated during the joint lives of the grantees herein) in the event one grantee herein survives the other, the entire interest in fee simple shall pass to the surviving grantee, and if one does not survive the other, then the heirs and assigns of the grantees herein shall take as tenants in common.

**IN WITNESS WHEREOF**, the said Grantor has hereunto set its hand by its duly authorized officer this 23rd day of August, 1995.

GRANTOR:

HIGHLAND LAKES DEVELOPMENT, LTD.  
By: EDDLEMAN PROPERTIES, INC.  
Its General Partner

By:   
Douglas D. Eddleman,  
Its President

HIGHLAND LAKES - 4th Sector, Phase 1  
Lot 412 - GAVIN L. FINLAY

STATE OF ALABAMA       )  
COUNTY OF JEFFERSON )

I, the undersigned, a Notary Public in and for said County in said State hereby certify that Douglas D. Eddleman, whose name as President of Eddleman Properties, Inc., an Alabama Corporation, which is General Partner of Highland Lakes Development, Ltd., an Alabama Limited Partnership, is signed to the foregoing Deed, and who is known to me, acknowledged before me on this day that, being informed of the contents of the above and foregoing Deed, he, as such officer, and with full authority, executed the same voluntarily for and as the act of said Corporation acting in its capacity as general partner of said limited partnership.

Given under my hand and official seal of office this the 23rd day of August, 1995.

  
NOTARY PUBLIC

My Commission expires: 5-29-99

The Grantee executes this deed only to acknowledge and accept all covenants and restrictions contained hereinabove and Grantee, his successors and assigns, agree and understand that the property conveyed herein is subject to the foregoing covenants and restrictions.

Gavin L. Finlay  
GAVIN L. FINLAY  
Lynn Finlay  
LYNN FINLAY

STATE OF ALABAMA     )  
COUNTY OF JEFFERSON )

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that GAVIN L. FINLAY and LYNN FINLAY, husband and wife whose names are signed to the foregoing conveyance, and who are known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, they executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 24<sup>th</sup> day of August, 1995.

Nancy D. Crawford  
NOTARY PUBLIC

My Commission expires: 4/30/97

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