

THIS INSTRUMENT PREPARED BY:
W. Clark Goodwin
Berkowitz, Lefkovits, Isom & Kushner
A Professional Corporation
1600 SouthTrust Tower
Birmingham, AL 35203

STATE OF ALABAMA)

SHELBY COUNTY)

OPTION AGREEMENT

THIS OPTION AGREEMENT is made and entered into as of the 16th day of May, 1997, by and between **WALTER L. HOWARD** and **WILEY B. HOWARD**, individual residents of Shelby County, Alabama (hereinafter referred to collectively as "Grantor"), and **FAITH PRESBYTERIAN CHURCH**, an Alabama church corporation (the "Grantee").

WITNESSETH:

WHEREAS, Grantor owns certain unimproved real estate situated in Shelby County, Alabama and particularly described in Exhibit "A" attached hereto and incorporated herein by reference (the "Option Property"); and

WHEREAS, Grantor and Grantee desire to enter into this Option Agreement whereby Grantee shall have the option to purchase the Option Property upon the terms and conditions hereinafter set forth (the "Option").

NOW THEREFORE, for and in consideration of the sum of Five Hundred Dollars (\$500.00), the mutual covenants and promises herein contained, and other good and valuable consideration paid by Grantee to Grantor, the receipt and sufficiency of which are hereby acknowledged, Grantor and Grantee hereby agree as follows:

1. GRANT OF OPTION. Grantor does hereby grant to Grantee the exclusive Option (but not the obligation) to purchase, upon the terms and conditions hereinafter set forth, the Option Property, together with all improvements thereon, all easements, rights-of-way, and appurtenances thereto, and all of Grantor's right, title, and interest in all public ways adjoining the Option Property.

Inst # 1997-15656
MAY 20 1997 10:51 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
008 MCD 26.00

2. PURCHASE PRICE. The purchase price for the Option Property shall be Five Thousand Dollars (\$5,000.00), which shall be paid at the closing of the transaction described in this Option Agreement, less the option price paid to Grantor pursuant to the terms hereof.

3. TERM OF OPTION. The Option may be exercised by giving written notice thereof to Grantor, at the address set forth below, at any time during the term commencing January 1, 1998 and ending on December 31, 2002 (the "Option Term"). In the event Grantee fails to exercise the Option, the Grantor shall retain the option price set forth above, and the Option shall automatically expire and be of no further force and effect.

4. INSPECTION, DUE DILIGENCE, REZONING OR VARIANCE. The Grantee shall have the right to enter upon the Option Property at any time during the Option Term to conduct such studies as it deems appropriate, including, without limitation, environmental studies, sub-soil analysis, surveys and other engineering studies. Grantee is further authorized during the Option Term to seek from the proper governmental authority any change in zoning classification or zoning variance necessary to allow the Grantee to develop the Option Property in the event of the exercise of the Option, and to construct and operate a church facility thereon. The Grantee agrees to indemnify and hold harmless the Grantor from and against any and all liability, claim, or damages arising from the Grantee's (i) entry onto the Option Property, through its agents, employees or contractors or (ii) conduct in connection with seeking any such zoning change or variance.

5. TITLE. If the Option is exercised, Grantor shall, within fifteen (15) days after the delivery of the notice of exercise, secure and submit to Grantee for examination by its attorneys a title insurance commitment issued by a qualified title insurance company doing business in the State of Alabama. Within fifteen (15) days thereafter Grantee shall give notice in writing to Grantor of any defects in or objections to the title as so evidenced, and Grantor shall clear the title of the defects and objections so specified. If Grantor fails to clear title to the extent herein required or to submit evidence of Grantor's ability to do so prior to closing, and such failure continues for thirty (30) days after the date of exercise of the Option, Grantee may, at its option, terminate this Option Agreement by giving fifteen (15) days' notice to Grantor whereupon this Option Agreement shall thereupon terminate and neither party shall have any further obligation to the other. In the alternative, Grantee may elect to close the transaction and accept such title as Grantor is able to deliver without any reduction in the purchase price.

6. CLOSING. The closing of the sale by Grantor and the purchase by Grantee of the Option Property (the "Closing") shall take place on the date stated in the notice of exercise of the Option (the "Closing Date") at the office of Berkowitz, Lefkovits, Isom & Kushner, 1600 Southtrust Tower, Birmingham, Alabama 35203, or at such other place as may be mutually agreed upon by the parties. At the Closing, Grantor shall take the following actions: (i) execute, acknowledge and deliver to Grantee a special warranty

deed in recordable form conveying the Option Property to Grantee, subject to those title matters approved by Grantee and otherwise permitted herein; and (ii) execute, acknowledge and deliver a lien waiver affidavit acknowledging that no bills for labor and/or materials furnished to the Option Property at Grantor's request are due and owing to any parties. At the Closing, Grantee shall deliver to Grantor the balance of the purchase price, in immediately available funds, subject to such credits, prorations and adjustments as are provided herein. Grantee is responsible for obtaining any mortgage financing needed in connection with the Closing. Taxes and assessments for the current year shall be prorated between the parties as of the Closing Date. Grantor shall pay for the title insurance unless Grantee obtains mortgage financing in which event the parties shall divide the costs of title insurance. The parties agree to divide equally the fees and expenses of the closing attorney. All other closing costs and costs of mortgage financing shall be paid by Grantee.

7. REPRESENTATIONS AND WARRANTIES. Grantor makes the following representations and warranties:

(a) Grantor has good and merchantable fee simple title to the Option Property, free and clear of any and all mortgages, liens, encumbrances, condition, claims or restrictions.

(b) Grantor has complied with all applicable laws, ordinances, regulations, statutes, rules and restrictions pertaining and affecting the Option Property. The obligations and undertakings of Grantor under this Option Agreement do not or will not violate or conflict with any agreement to which the Grantor is a party or by which it or the Option Property is bound.

(c) There are no suits, judgments, bankruptcies, actions or proceedings pending, or, to the best of the Grantor's knowledge and belief, threatened or contemplated affecting any portion of the Option Property.

(d) Grantor has not received any notice of any violation of any ordinance, regulation, law or statute of any governmental agency pertaining to the Option Property or any part thereof, which has not been cured.

(e) No actions or proceedings are pending for the condemnation of any part of the Option Property or, to the best of Grantor's current knowledge of any adjacent property or for any acquisition in lieu thereof, and, to the best of Grantor's current knowledge, no such actions or proceedings are threatened or contemplated. Grantor has not received any notification of any pending public improvements or assessments relating to the Option Property or to any adjacent property or requirements with respect to any repairs, replacements or alterations thereto that have not been satisfactorily made.

(f) Grantor has not engaged in any, nor, to the best of Grantor's current knowledge, has there been any use, generation, storage or disposal of any hazardous wastes or materials, asbestos or petroleum products in or about the Option Property, and no use has been made of the Option Property which would in any manner cause it to be in violation of any applicable governmental laws, rules, ordinances or regulations with respect to hazardous wastes or materials or other environmental matters.

(g) There are no parties in possession of any portion of the Option Property as lessees, tenants at sufferance or trespasser.

8. NOTICES. Any notice hereunder shall be given in writing to the party to whom it is intended and shall be delivered in person or by first-class mail at the following address, or such future address as may be designated in writing:

If to Grantor:

Walter L. Howard
Wiley B. Howard
2634 Valleydale Road
Birmingham, AL 35244

With a copy to:

Michael R. O'Donnell
One Independence Plaza
Suite 520
Birmingham, AL 35209

If to Grantee:

Faith Presbyterian Church
4601 Valleydale Road
Birmingham, AL 35242

With a copy to:

W. Clark Goodwin
Berkowitz, Lefkovits, Isom & Kushner
1600 SouthTrust Tower
Birmingham, Alabama 35203

to any successor or assignee of either party, at the address stated in the notice of succession or assignment.

9. ASSIGNMENT AND SUCCESSION. All rights, powers and privileges herein reserved to either party shall inure to the benefit of and be held by their respective successors, executors, administrators, heirs and assigns, and, likewise, all liabilities and obligations imposed upon each party shall be binding upon their respective successors, executors, administrators, heirs and assigns. The rights of Grantee hereunder may not be assigned without the written consent of Grantor.

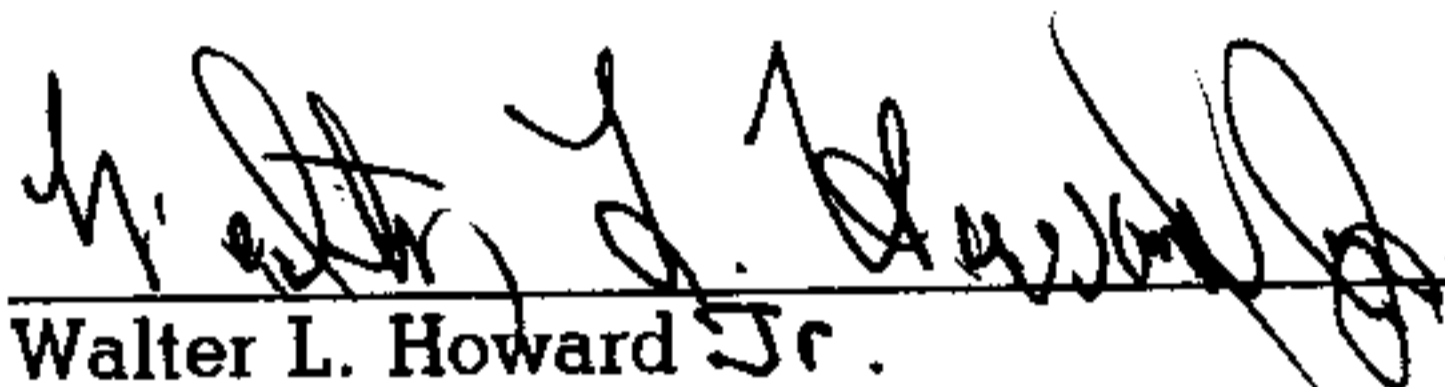
10. CONSTRUCTION OF AGREEMENT. This Option Agreement shall be governed by and construed in accordance with the laws of the State of Alabama and without regard to any presumption or other rule requiring construction against the drafter of an instrument.

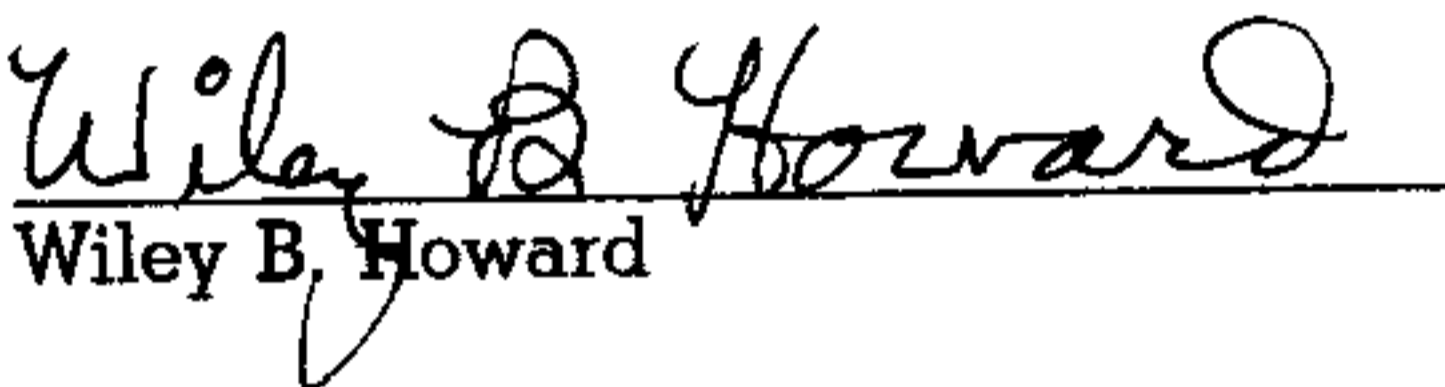
11. TIME FOR PERFORMANCE. Time is of the essence with respect to every provision of this Option Agreement.

12. ENTIRE AGREEMENT. This Option Agreement constitutes the entire agreement between the parties hereto and supersedes any prior oral or written agreements between the parties with respect to the Option Property. No modifications or amendments to this Option Agreement may be made except in a writing signed by both parties hereto.

IN WITNESS WHEREOF, the parties have executed this Option Agreement as of the date and year first set forth above.

GRANTOR:


Walter L. Howard Jr.


Wiley B. Howard

GRANTEE:

FAITH PRESBYTERIAN CHURCH

By: 
W. Clark Goodwin, Trustee

STATE OF ALABAMA)

Jefferson COUNTY)

I, the undersigned authority, a Notary Public in and for said County, in said State, hereby certify that WALTER L. HOWARD, who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he executed the same voluntarily on the day the same bears date.

Given under my hand this the 16 day of May, 1997.



Notary Public

My Commission Expires: 10/16/99

STATE OF ALABAMA)

Jefferson COUNTY)

I, the undersigned authority, a Notary Public in and for said County, in said State, hereby certify that WILEY B. HOWARD, who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, she executed the same voluntarily on the day the same bears date.

Given under my hand this the 16 day of May, 1997.



Notary Public

My Commission Expires: 10/16/99

STATE OF ALABAMA)

Jefferson COUNTY)

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that W. CLARK GOODWIN, whose name as Trustee of Faith Presbyterian Church is signed to the foregoing Option Agreement, and who is known to me, acknowledged before me on this day that, being informed of the contents of the same, he, in his capacity as such Trustee and with full authority, executed the same voluntarily for and as the act of Faith Presbyterian Church, on the day the same bears date.

Given under my hand this 16th day of May, 1997.



Notary Public

My Commission Expires: 9-16-2000

EXHIBIT A

A parcel of land located in the NE 1/4 of Section 15, Township 19 South, Range 2 West more particularly described as follows: Commence at the NW corner of the SW 1/4 of the NE 1/4 of said Section 15; thence in a southerly direction along the westerly line of said 1/4 - 1/4 section, a distance of 373.53 feet to a point on the southeasterly right of way line of Buckton Road; thence 131 degrees 08 minutes 35 seconds left in a northeasterly direction along said southeasterly right of way line, a distance of 4.18 feet to the beginning of a curve to the left having a radius of 312.26 feet and a central angle of 22 degrees 03 minutes 10 seconds; thence continue in a northeasterly direction along arc of said curve and right of way line, a distance of 120.19 feet to end of said curve; thence continue in a northeasterly direction along a line tangent to said curve and right of way line a distance of 160.00 feet to the Point of Beginning; thence continue in a northeasterly direction and along said right of way line a distance of 35.50 feet to the beginning of a curve to the left having a radius of 424.18 feet and a central angle of 14 degrees 27 minutes 30 seconds; thence continue in a northeasterly direction along arc of said curve and right of way line, a distance of 107.05 feet to the end of said curve; thence continue in a northeasterly direction and along a line tangent to said curve and right of way line, a distance of 28.48 feet; thence 45 degrees 17 minutes 50 seconds right in a northeasterly direction and along said right of way line a distance of 70.34 feet to a point on the southerly right of way line of Valleydale Road; thence 45 degrees 17 minutes 50 seconds right in a southeasterly direction and along said southerly right of way line, a distance of 150.80 feet; thence 90 degrees right in a southwesterly direction, a distance of 218.98 feet; thence 90 degrees right in a northwesterly direction, a distance of 220.82 feet to the Point of Beginning containing 1 acre more or less.

Inst # 1997-15636

05/20/1997-15636
09:51 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
008 HCB 26.00