

LEASE AGREEMENT

5th THIS LEASE AGREEMENT ("Lease") is hereby made and entered into as of this the 5th day of April, 2001, by and between **E. Wayne McCain**, an individual residing in Pelham, Alabama (hereinafter the "Landlord"), and **Dixie General, Inc.**, an Alabama corporation (hereinafter the "Tenant") and **Leland Ray West and Cynthia G. DeHaven** (collectively, the "Guarantors").

WITNESSETH:

1. **LEASED PREMISES.** Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the land located thereon (hereinafter referred to as "Land") that is described on Exhibit A annexed hereto and all buildings, improvements and fixtures located thereon and that is situated in the County of Shelby, State of Alabama (hereinafter referred to as the "Leased Premises").

2. **TERM.** The term of this Lease shall commence on May 1, 2001 ("Commencement Date") and shall end on April 30, 2006, or on such earlier date upon which the term may be terminated pursuant to any of the provisions of this Lease (herein the "Term").

3. **USE AND RESTRICTIONS.** Landlord and Tenant hereby agree that the Leased Premises may be used for any and all lawful purposes by Tenant. Tenant, together with their customers, invitees and business guests, shall have the right to use, free of charge, all of the access roads, service driveways, footways, sidewalks, and areas and facilities for the parking of automobiles at any time and from time to time existing in and around the Leased Premises, except for periods of time during which said areas are being repaired, altered or reconstructed, provided Landlord shall make available an alternate means of access.

4. **BASE RENTAL.** Tenant hereby agrees to pay an annual base rental (herein called the "Base Rental") at the rate of \$36,000 per year of the Leased Premises. The Tenant shall also pay, as additional rent, all such other sums of money as shall become due and payable by Tenant to Landlord under this Lease. The Base Rental shall be due and payable in twelve (12) equal monthly installments on the first day of each calendar month during the Term, and Tenant hereby agrees to pay such rent to Landlord monthly in advance without demand and without any reduction, abatement, counterclaim or setoff (except as otherwise set forth herein), at the address specified in Section 18 or at such other address as may be designated to Tenant in writing by Landlord. The "Base Rental" and any other additional rental provided for hereunder shall be collectively referred to herein as "Rent" or "rent". If the Commencement Date occurs on other than the first day of a calendar month or the Term terminates on other than the last day of a calendar month, then the Rent provided for herein for such month or months shall be prorated and the installment or installments so prorated shall be paid in advance. All rent payments are due on the first day of each calendar month during the Term. In the event that the Rent payment

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is not paid by Tenant to Landlord on or before the 5th day of such month, a late fee of One Hundred and Fifty Dollars (\$150.00) shall be due and payable on the 6th day of such month. In addition, if a Rent payment is past due and is not paid in full by the 6th day of any given month, Tenant shall be deemed to be in default under the terms of this Lease, and Landlord may exercise any remedies provided in this Lease.

5. TAXES AND ASSESSMENTS.

(a) The Tenant shall pay any and all real estate ad valorem and lease taxes, on the Leased Premises (hereinafter collectively a "Charge" or "Charges")), general or special, of every character, which at any time during or with respect to the Term hereof may be assessed, levied, confirmed or imposed, otherwise become payable, or become a lien, on or with respect to the Leased Premises, or any part thereof, any rent therefrom, any estate or interest therein, or any occupancy, use or possession thereof. Except as provided in subsection 5(c) below, all such tax payments shall be made by the Tenant on or before the due date thereof, and in any event, before the date on which any penalty, interest or other additional Charge may begin to accrue with respect thereto.

(b) If any Charge for which the Tenant is liable pursuant to subsection 5(a) hereof covers a fiscal period during which the Term shall commence, or covers a fiscal period during which the Term shall terminate otherwise than because of the default of the Tenant, such payment shall be adjusted and prorated between the Landlord and the Tenant as of the commencement or as of the termination of the Term, as the case may be, so that the Tenant shall pay only an amount which bears the same relation to the entire payment as the part of such fiscal period included within the Term bears to the entire fiscal period upon which the charge is based. With respect to any payment which by law is payable in installments, the Tenant shall pay only those installments which become due during the term of this Lease.

(c) The Tenant shall have, during the Term of this Lease, the right to contest by appropriate legal proceedings, without any cost or expense whatsoever to the Landlord, the amount or validity of Charge which it is required to pay under the provisions of this section 5, and may do so in the name of the Landlord, provided that the Tenant shall not be relieved of the obligation to pay such Charge in accordance with this section, unless the proceedings shall operate to stay and prevent the collection of such payment and the sale of the Leased Premises or any part thereof to satisfy the same or the Tenant has otherwise taken steps to prevent collection of same (such as posting a bond). If the Tenant contests any Charge in its own name or in the Landlord's name, the Tenant shall indemnify the Landlord and save the Landlord harmless from any losses, damages, taxes, penalties, interests, costs or expenses, including reasonable legal fees, incurred by the Landlord incident thereto, and Landlord shall reasonably cooperate with Tenant in any such contest and execute any instruments or documents as may be reasonably necessary or advisable in connection with the same. Landlord shall have the right to contest by appropriate legal proceedings, at its expense, the amount or validity of any Charge which Tenant fails to contest, in which event Landlord may, at its expense, join Tenant as a party to any such proceeding. Notwithstanding the foregoing, unless Tenant has purchased the Leased Premises as

provided by section 27 herein, Landlord shall have the first right to contest any Charge at its expense.

(d) If a separate tax bill is not issued for the Leased Premises, the amount of Tenant's obligations for payment of Charges pursuant to subsection 5(a) hereof shall be determined by the assessor's worksheets, notes or other evidence as to the portion of the assessment allocable to the land and improvements included within the Leased Premises.

6. UTILITIES.

(a) Tenant, and not Landlord, shall be responsible for the payment of all utilities and other services used at or on the Leased Premises. Landlord represents and warrants that all utilities necessary for the contemplated use of the Leased Premises are available on the Leased Premises. Landlord agrees to reasonably cooperate with Tenant in making any repairs or improvements to the Leased Premises, and to grant new easements or expand existing easements for utilities, as the case may be, as are reasonably required to allow Tenant to make such repairs or improvements.

(b) Landlord shall not be liable for, and Tenant shall not be entitled to any abatement or reduction of rent by reason of, any failure of any third party to furnish or any failure to receive any utilities or services including instances where such failure is caused by accident, breakage, repairs, riots, strike, lockouts or other labor disturbance or labor dispute of any character, governmental action, or by any other cause. Failure, stoppage or interruption of any such utility or service shall not be construed as an actual or constructive eviction or as a partial eviction of Tenant, or a release of Tenant's obligations under this Lease.

(c) Tenant's use of heat, electricity, air conditioning and/or water at the Leased Premises shall be subject to and limited by all laws, rules and regulations of any governmental authority affecting the supply, distribution, availability, conservation or consumption of energy or natural resources, including, but not limited to, heat, electricity, gas, oil and/or water.

7. ASSIGNMENT AND SUBLETTING. Tenant may sublease or grant the right to occupy and use the Leased Premises, in whole or in part, to others, but only with the prior written consent of Landlord, which such consent may be withheld in Landlord's sole and absolute discretion, provided (a) no such grant or sublease shall relieve the Tenant from primary liability for any its obligations under this Lease, including, without limiting the purchase obligation under Section 27 hereof; (b) in connection with any such grant or sublease, the Tenant shall retain such rights and interests as are required to comply with its obligations under this Lease; (c) all such assignments or sublease made and entered into shall be subject to the terms and conditions of this Lease; and (d) Tenant will, within thirty (30) days after complete execution thereof, furnish to the Landlord a complete copy of each such sublease. If this Lease is assigned, or the Leased Premises or any part thereof be sublet or occupied by anybody other than Tenant in accordance with the foregoing, Landlord may, after default by Tenant, collect rent from the assignee, subtenant, undertenant or occupant, and apply the net amount collected to the rent herein reserved, but no such assignment, subletting, occupancy or collection shall be deemed to relieve

Tenant of any of its obligations hereunder nor be deemed a waiver of this covenant, or the acceptance of the assignee, sub-tenant or occupancy as Tenant, or a release of Tenant named herein from the further performance by such Tenant of the covenants on the part of Tenant herein occupied, it being understood and agreed that Tenant named herein shall at all times remain the primary obligor under the Lease.

8. **ALTERATIONS.** No improvements, additions, or other alterations, including, but not limited to, the removal of partition walls or additions, shall at any time be made by Tenant without Landlord's prior written consent. All work, repairs and alterations made by Tenant shall, at Tenant's cost and expense, be done in a good and workmanlike manner and in compliance with any applicable governmental rules and regulations, and the payment of the costs thereof shall be in such manner that the Leased Premises shall, at all times, be free of liens for labor and materials supplied or claimed to have been supplied to the Leased Premises. Upon termination or expiration of the Term any alterations shall become the property of Landlord unless the Leased Premises are purchased by the Tenant under section 27 herein, in which case such alterations shall become the property of Tenant. Notwithstanding the foregoing, nothing in this section shall be construed to require Landlord to make any improvements, additions or other alterations to the Leased Premises at any time during the Term of this Lease. The term "alterations" is defined to include only those items permanently affixed to the building constituting a part of the Leased Premises.

9. **REPAIRS.** Tenant covenants and agrees that it shall keep the Leased Premises in good repair and condition (normal wear and tear excepted) and shall not suffer or commit waste thereon. Upon the expiration or termination of the Term of this Lease, Tenant shall surrender the Leased Premises to Landlord in the same condition existing as of the commencement of the Term, normal wear and tear excepted, and except for any improvements, additions or alterations constructed by Tenant in accordance with the terms of this Lease, unless the Tenant purchases the Leased Premises under section 27 herein, in which case Tenant shall be relieved of this obligation at the expiration of the Term.

10. **NO LIENS.** Nothing contained in this Lease shall authorize Tenant to do any act which may create or be the foundation for any lien, mortgage or other encumbrance upon the reversion or other estate of Landlord, or of any interest of Landlord in the Leased Premises, or upon or in any improvements thereon; it being agreed that should Tenant cause the alterations, changes, additions, improvements or repairs to be made to the Leased Premises, or cause materials to be furnished or labor to be performed therein or thereon, neither Landlord nor the Leased Premises shall, under any circumstances, be liable for the payment of any expense incurred or for the value of any work done or material furnished to the Leased Premises, or any part thereof; Tenant shall upon request of Landlord deliver such documents as may be required by Tenant in order to effectuate the lien protection required by this section. If, because of any act or omission of Tenant, any mechanic's or other lien or order for the payment of money shall be filed against the Leased Premises or any building or improvements thereon, or against Landlord (whether or not such lien or order is valid or enforceable as such), Tenant shall, at Tenant's own cost and expense within thirty (30) days after the date of filing thereof, cause the same to be canceled and discharged of record, or furnish Landlord with a surety bond issued by a surety

company reasonably satisfactory to Landlord, protecting Landlord from any loss because of such lien claim.

11. **INSURANCE.** Tenant will, during the Term of this Lease, at its own cost and expense, maintain and provide commercial general liability insurance, and personal injury liability coverage from a reputable insurance company licensed to do business in Alabama for the benefit and protection of Tenant in respect of the Leased Premises in an amount not less than \$1,000,000 for combined single limit coverage for bodily injury and property damage in any one occurrence resulting from actions or omissions on the Leased Premises. In addition, Tenant shall, throughout the Term, keep the Leased Premises and Landlord's property therein insured for the "full replacement value" thereof against loss or damage by perils customarily included under standard "all-risk" policies with deductibles established by Tenant. Tenant shall cause Landlord to be named as an additional insured under each insurance policy that it is required to maintain under the terms of this section. Notwithstanding anything contained herein to the contrary, Tenant may self-insure for its personal property.

12. **CONDEMNATION.** The parties hereto agree that should the Leased Premises, or such portion thereof as will make the Leased Premises unusable for the purposes herein leased, be taken or condemned by competent authority for public or quasi-public use, then this Lease shall terminate from the date of the taking. If the Lease continues after partial taking, the rent amount specified in section 4 and the purchase price (prior to adjustment) provided under section 27 shall abate proportionately as to the part taken. If such partial taking exceeds thirty percent (30%) of the Leased Premises (determined by square footage), Tenant has the option to cancel the Lease. All compensation awarded for such taking of the Leased Premises, the fee and the leasehold, shall belong to and be the property of Landlord; provided, however, that Landlord shall not be entitled to any portion of the award made to Tenant for the value of Tenant's trade fixtures or unamortized portion of permanent improvements or additions made by Tenant. Tenant shall not be entitled to any damages for the unexpired portion of the Term of this Lease.

13. **PERSONAL PROPERTY.** Tenant shall be liable for all taxes levied against personal property and trade fixtures placed by Tenant in or about the Leased Premises, including, but not limited to, shelves, counters, furniture, partitions, fixtures, and heating, ventilation and air conditioning equipment.

14. **REMEDIES OF LANDLORD.**

(a) Tenant shall be in default hereunder under each of the following conditions or circumstances:

(i) If Tenant fails to pay when due any Rent reserved herein on or before the 5th day of each calendar month during the term of this Lease; or

(ii) If Tenant shall fail to pay any item of additional rent or other monies due hereunder and such failure shall continue for a period of three (3) days after Tenant's

receipt of written notice thereof from Landlord specifying such failure and requiring that it be remedied; or

(iii) If Tenant shall fail to perform or comply with any term of this Lease (other than any failure referred to in clauses (i) or (ii) above), and such failure shall continue for a period of thirty (30) days after Tenant's receipt of written notice thereof from Landlord specifying such failure and requiring it to be remedied; or

(iv) If Tenant shall make an assignment for the benefit of creditors, or file a voluntary petition in bankruptcy, or be adjudicated a bankrupt by any court, or if Tenant takes the benefit of any insolvency act, or if Tenant be dissolved voluntarily or involuntarily or have a receiver of Tenant's property appointed in any proceedings.

(b) In the event of any default as set out in section 15(a)(i)-(iii) above, Landlord may take any one or more of the following steps:

(i) Landlord may re-enter and take possession of the Leased Premises without terminating this Lease, exclude the Tenant from possession thereof and rent the same for and on account of the Tenant, holding Tenant liable for the deficiency due thereunder;

(ii) Landlord may terminate this Lease, exclude the Tenant from possession of the Leased Premises and lease the same for and on account of Landlord, continuing to hold Tenant liable for any deficiency due hereunder;

(iii) Declare all payments of rent, additional rent or of any other monies due or to become due from Tenant during the term of this Lease immediately due and payable in full; or

(iv) Landlord may take whatever other action at law or in equity may appear necessary or desirable to collect the rent then due or to enforce any obligation, covenant or agreement of Tenant under this Lease.

In connection with Landlord's exercise of any of its remedies above, Landlord may also repair or alter the Leased Premises in such manner as to Landlord may seem necessary or advisable, and/or let or re-let the Leased Premises and any and all parts thereof for the whole or any part of the remainder of the Term hereof or for a longer period, in Landlord's name, or as the agent of Tenant, and, out of any rent so collected or received, Landlord shall pay to itself the expense and cost of retaking, repossessing, repairing and/or altering the Leased Premises, and the expense of removing all persons and property therefrom; and then pay to itself any cost or expense sustained in securing any new Tenant or Tenants; and then, if Landlord shall have declared all payments hereunder immediately due and payable in full as provided in this section, pay to itself any balance remaining on account of Tenant's liability to Landlord for such accelerated payments; provided, however, that nothing herein shall be interpreted as prohibiting Landlord from proceeding against Tenant for the full amount of such accelerated payments, less amounts collected by Landlord from any replacement Tenant or Tenant and not applied to expenses incurred to prepare the Leased Premises for occupancy by any replacement Tenant or Tenants,

immediately upon the declaration thereof. Any entry or reentry by Landlord, whether had or taken under summary proceedings or otherwise, shall not absolve or discharge Tenant from liability hereunder.

(c) If Tenant should default hereunder, Landlord may, in addition to the other remedies provided herein, cure the default for and on account of Tenant. Tenant hereby authorizes Landlord to come upon the Leased Premises to perform such act and while on the Leased Premises to do any act which Landlord deems proper to accomplish the correction of such default. If the default by Tenant is the payment of any sum of money or if Landlord incurs any expense, including reasonable attorney's fees, whether for payment of any sum or for instituting, prosecuting or defending any action or proceeding instituted by reason of any default of Tenant, any such expenditure made by Landlord including interest, costs and damages shall be deemed additional rental and together with interest at the rate specified in section 4 shall be due and payable to Landlord on the first day of the month following the incurring of such respective expense.

(d) In the event that as a result of a default or threatened default by Tenant hereunder, Landlord should employ attorneys-at-law or incur other expenses in and about the collection of rent or the enforcement of any other obligation, covenant, agreement, term or condition of this Lease, Landlord shall be entitled to reimbursement for counsel fees and other expenses reasonably and actually incurred.

15. ACCESS TO PREMISES. Landlord and Landlord's representatives shall have the right to enter upon the Leased Premises during normal business hours for the purpose of inspecting same. In addition and notwithstanding the foregoing conditions, Landlord shall have the unconditional right to access and use the dog house and runs on the south part of the Leased Premises on an unlimited basis without providing any notice to the Tenant. Landlord shall be responsible for repairs and maintenance on the dog house.

16. REQUIREMENTS OF LAW. Landlord and Tenant shall comply and cause their employees and other persons using the building located on the Leased Premises to comply with all certificates of occupancy laws, orders and regulations of federal, state, city, county and municipal authorities and fire insurance rating organizations which shall impose any duty upon the owner or occupant of the Leased Premises. Notwithstanding anything contained herein to the contrary, Landlord and Tenant agree that Landlord shall be responsible for the Leased Premises being in compliance with the Americans With Disabilities Act.

17. NOTICES. All notices to be given pursuant to this Lease shall be in writing and shall either be served personally or sent by prepaid certified or registered mail to the address of the parties below specified, or at such other address as may be given by written notice in the manner prescribed in this section. Any notices to Landlord shall be sent to Landlord at 176 Weatherly Way, Pelham, Alabama 35124, or such other place as Landlord shall designate in writing. Tenant's address for notices shall be 2000 McCain Parkway, Pelham, AL 35124, unless Tenant provides Landlord in writing notice of a new address to be used for this purpose.

18. **NO BROKER OR BROKERAGE.** The parties hereto agree that no broker or finder was used in consummating this Lease, and no one is entitled to a commission or fee for the consummation of this Lease between the parties hereto.

19. **WAIVER.** No delay or omission of the exercise of any right by Landlord or Tenant hereto shall impair any such right or shall be construed as a waiver of any default or as acquiescence therein. One or more waivers of any covenant, term or condition of this Lease by Landlord or Tenant shall not be construed by the other party hereto as a waiver of a subsequent breach of the same covenant, term or condition. No requirements whatsoever of this Lease shall be deemed modified or varied because of Landlord's or Tenant's, as the case may be, failure or delay in taking advantage of any default, and Landlord's acceptance of any payment from Tenant with knowledge of any default shall not constitute a waiver of Landlord's rights in respect to such default, nor any subsequent or continued breach of any other requirements of this Lease. All remedies provided Landlord or Tenant herein shall be construed as cumulative and shall be in addition to every other remedy otherwise available to Landlord or Tenant.

20. **TERMINATION OF TERM.** If, pursuant to the provisions hereof, the Term of this Lease is terminated prior to its expiration, Tenant shall quit and surrender to Landlord the Leased Premises "broom-clean" and in good order and condition, normal wear and tear excepted. Upon such termination, Tenant shall remove all property of Tenant as directed by Landlord and failing to do so, any such property shall be deemed abandoned by Tenant and Landlord may, in its discretion, cause all or any part of the said property to be removed, stored, discarded or otherwise disposed of at the expense of Tenant, and Tenant hereby agrees to pay all costs and expenses thereby incurred. Tenant's obligations to observe or perform this covenant shall survive the termination of the terms of this Lease.

21. **TENANT'S SIGNS.** Tenant shall have the right to the maximum signage available under applicable law and ordinances. Tenant shall have the right to place both pylon and monument signs on the Leased Premises, and attach signage to the exterior of the buildings and the improvements constituting a portion of the Leased Premises.

22. **DEFINITIONS.** Words of any gender used in this Lease shall be held to include any other gender and words in the singular number shall be held to include the plural when the sense requires.

23. **AUTHORITY.** Landlord and Tenant do each hereby respectively represent to the other that he and it have the full power and authority to enter into this Lease.

24. **ENTIRE AGREEMENT.** This Lease contains the entire and only agreement between the parties concerning the Leased Premises and no prior oral or written statements or representations, if any, of any party hereto or any representative of a party hereto, not contained in this instrument, shall have any force or effect. This Lease shall not be modified in any way except by a writing executed by both Landlord and Tenant, and no oral agreement or representations for rental shall be deemed to constitute a lease other than this Lease. This Lease shall not be binding until it shall have been executed by both Tenant and Landlord.

25. SUCCESSORS IN INTEREST. All provisions herein contained shall bind and inure to the benefit of the respective parties hereto, their successors and permitted assigns. In the event Landlord or any successor-owner of the Leased Premises shall convey or otherwise dispose of the Leased Premises and/or the property of which the Leased Premises form a part, all liabilities and obligations of Landlord as lessor under this Lease shall be assumed by such successor-owner upon such conveyance or disposal and written notice thereof to Tenant.

26. QUIET ENJOYMENT. So long as Tenant is paying Rent and observing and performing all of the covenants of this Lease, all without default hereunder (beyond any applicable notice and cure periods herein provided), Tenant shall quietly hold and enjoy the Leased Premises, during the Term, subject to the terms and conditions of this Lease.

27. PURCHASE AGREEMENT.

(a) At the expiration of the Term or at any time during the Term of this Lease at the Tenant's option, Tenant shall be required to purchase and acquire from the Landlord, on the Closing Date (herein defined), all of the Landlord's right, title and interest in and to the Leased Premises, which, subject to the terms and upon the conditions contained herein, shall be conveyed by Landlord to Tenant on and as of the Closing Date, free and clear of all liens, claims, charges, encumbrances or rights of consent of any nature.

(b) The purchase price for the Leased Premises shall be Three Hundred Twenty-Five Thousand and No/100 Dollars (\$325,000.00) (the "Purchase Price"); provided, however, that the Purchase Price shall be reduced in accordance with the following formula: (number of monthly \$3,000.00 rent payments made by Tenant to Landlord minus five (5)) multiplied by \$1,000.00. Therefore, if Tenant makes twelve (12) Rent payments of \$3,000.00, and then elects to exercise his purchase option provided herein, the Purchase Price shall be $\$325,000.00 - (12-5) \times 1000 = \$318,000.00$. In no event shall this reduction in the Purchase Price be deemed to create any obligation on the part of the Landlord to pay or refund to Tenant any Rent payments. The reduction in the Purchase Price shall only be given effect in the event that the Tenant actually purchases the Leased Premises from Landlord pursuant to the terms of this Lease. The Purchase Price shall be payable by delivery of cash in such amount at closing.

(c) On the Closing Date, Tenant shall not be obligated to assume, and shall not assume, any of the liabilities or obligations of the Landlord (absolute, accrued, contingent or otherwise), whether existing prior to or as of the Closing Date, or asserted after the Closing Date and relating to events that occurred before the Closing Date, or otherwise.

(d) The "Closing" under this Lease shall take place at a mutually agreeable time and place within 5 days after the expiration of the Term. For purposes of this Agreement, the term

"Closing Date" shall mean the date on which the Closing shall occur. The consummation of all of the transactions at the Closing shall be deemed to have occurred as of the close of business on the Closing Date, or at such different time and place upon which the parties may subsequently agree in writing. After the Closing occurs, Tenant shall have no further obligation to pay Rent to Landlord, and the Term of this Lease shall be deemed to have expired.

(i) The obligations of Tenant to purchase the Leased Premises and to perform its other obligations under this section shall be subject to the fulfillment at or prior to the Closing of each of the following conditions precedent:

(A) No proceeding or formal investigation by any governmental authority or agency and no proceeding by any other person or entity shall have been commenced with respect to any of the transactions contemplated by this purchase or the consummation thereof; and

(B) All approvals, consents, waivers, exemptions, and other actions that are necessary in the opinion of Tenant and its counsel in connection with the consummation of the transactions contemplated by this purchase shall have been duly given, taken, made, transferred or obtained, as the case may be, shall be in full force and effect on the Closing Date, and copies evidencing the same shall have been supplied to Tenant; and

(C) The Landlord shall have delivered to Tenant the documents and other items required under section 27(d)(iii) below; and

(D) All representations and warranties regarding the Leased Premises contained in section 27(f) below are true and correct as of the date hereof and shall be true and correct as of the Closing Date; and

(ii) The obligations of the Landlord to sell, convey, transfer, assign, set over and deliver the Leased Premises under this section shall be conditioned upon and subject to the fulfillment at or prior to the time of Closing of each of the following conditions precedent:

(A) No proceeding or formal investigation by any governmental authority or agency and no proceeding by any other person or entity shall have been commenced with respect to any of the transactions contemplated by this purchase or the consummation thereof; and

(B) The Tenant shall have delivered to the Landlord the documents and other items required by section 27(d)(iv) below.

(iii) At the Closing, Landlord shall execute, acknowledge (if appropriate), and deliver to Tenant, in addition to all other items specified elsewhere in this Agreement, the following:

(A) a statutory warranty deed (the "Deed"), conveying to Tenant fee simple title to the Land, free and clear of any liens, and, if Tenant deems necessary, a bill of sale in form and content satisfactory to Tenant for the transfer of any personal property or fixtures related thereto; and

(iv) At the Closing, Tenant shall execute, acknowledge (if appropriate), and deliver to the Landlord, in addition to all other items specified elsewhere in this Agreement, the following:

(A) the Purchase Price in immediately available funds; and

(B) a copy of the resolutions of the Board of Directors of Tenant, certified as of the Closing Date by the secretary or an assistant secretary of Tenant, duly authorizing the execution, delivery and performance of the purchase and the consummation of the transactions contemplated hereby.

(e) The ad valorem taxes with respect to the Leased Premises shall not be prorated as of the date of Closing. Any proration for such taxes shall be as provided in the Lease. Landlord shall pay for the preparation of the Deed, and Tenant shall pay for the recording costs thereof.

(f) With respect to the Leased Premises: (i) Landlord has good and marketable title to the parcel of real property constituting the Leased Premises, free and clear of all liens; (ii) there are no pending or threatened condemnation proceedings, lawsuits, or administrative actions relating to the Leased Premises or other matters affecting adversely the current use, occupancy or value of the Leased Premises; (iii) the legal description for the Leased Premises contained in the deed thereof describes such parcel fully and adequately, the buildings and improvements are located within the boundary lines of the described parcels of land, the land is not serving any adjoining property for any purpose inconsistent with the use of land, and the property is not located within any flood plain; (iv) there are no leases, subleases, licenses, concessions, or other agreements, written or oral, granting to any party or parties the right of use or occupancy of any portion of the parcel of the Leased Premises (except for this Lease); (v) there are no

outstanding options or rights of first refusal to purchase the Leased Premises, or a portion thereof or interest therein; (vi) there are no parties in possession of the Leased Premises, other than Tenant; (vii) all facilities located on the Leased Premises are supplied with utilities and other services necessary for the operation of such facilities, including electricity, water, telephone, sanitary sewer, and storm sewer; and (viii) the parcel of real property abuts on and has direct vehicular access to a public road, or has access to a public road via a permanent, irrevocable, appurtenant easement benefitting the parcel of real property, and access to the properties provided by paved public right-of-way with adequate curb cuts available.

28. SEVERABILITY. The Landlord and Tenant hereby agree that if any provision of this Lease or the application of any provision of this Lease to any person or in any circumstance shall be determined to be invalid or unenforceable, then such termination shall not affect any other provision of this Lease or the application thereof to any other person or any other circumstance, all of which shall remain in full force and effect. It is the intention of the parties hereto that in lieu of each provision of this Lease which is determined to be invalid or unenforceable there should be added, as part of this Lease, an alternative clause or provision to the extent possible that such provision may be valid and enforceable.

29. GUARANTY. This Lease shall be secured by a Guaranty Agreement executed contemporaneously herewith by the Guarantors under which the Guarantors, jointly and severally, agree to personally guarantee all of the obligations of Tenant hereunder. Any failure by Tenant to comply with the terms, covenants, or conditions of this Lease shall automatically constitute a default under this Lease which would enable Landlord to seek relief under the Guaranty Agreement. The Guarantors have executed and delivered this Lease in order to acknowledge their respective obligations under this Lease and the Guaranty Agreement.

30. LANDLORD'S LIMITED RESPONSIBILITY FOR CERTAIN EQUIPMENT AND STRUCTURES. For a period of six (6) months from the Commencement Date, Landlord shall guaranty the mechanical performance of the electrical service, air conditioning and heating units, and hot water heaters only. In the event of any failure of such equipment to operate in a reasonably acceptable manner, Landlord shall make repairs at Landlord's expense in a reasonable amount of time. Landlord warrants that the building as of the Commencement Date, is in a condition suitable for the uses for which it has heretofore been used. Landlord agrees to make structural repairs to the building for a period of one (1) year after the Commencement Date for structural problems which are not caused by Tenant. Landlord shall have no obligation hereunder for any repairs to the structure necessitated by Tenant's alternation of the building.

31. LANDLORD'S BUILD OUT ADVANCE TO TENANT. As an inducement to Tenant to enter into this Lease, Landlord, upon Landlord's receipt of the first Rent payment, shall advance the sum of Five Thousand Dollars (\$5,000.00) to Tenant for Tenant to use to build out the Leased Premises in a manner to be approved by Landlord. All such funds shall be used by

Tenant to improve the Leased Premises. If Tenant makes the first five (5) regular monthly Rent payments in accordance with the terms of this Lease, Tenant shall not be obligated to reimburse Landlord for this build out advance. In the event that Tenant fails to make the first five (5) regular monthly payments in accordance with the terms of this Lease, Tenant shall owe to Landlord, in addition to any other amounts owed to Landlord hereunder, the additional sum of Five Thousand Dollars (\$5,000.00) as a reimbursement of this build out advance.

[SIGNATURES APPEAR ON FOLLOWING PAGES]

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first above written.

WITNESS:

Kevin M. Johnson

LANDLORD:

E. Wayne McCain
E. Wayne McCain

WITNESS:

Kevin M. Johnson

TENANT:

Dixie General, Inc.,
an Alabama corporation

By: Ray West
Its: President

WITNESS:

Kevin M. Johnson

GUARANTORS:

Leland Ray West
Leland Ray West

WITNESS:

Kevin M. Johnson

Cynthia G. DeHaven
Cynthia G. DeHaven

STATE OF ALABAMA

)

:

COUNTY OF SHELBY

)

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that **E. Wayne McCain**, whose name is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he executed the same voluntarily as of the day the same bears date.

GIVEN under my hand and seal this the 5th day of April, 2001.

Donna Sue Gorsick

NOTARY PUBLIC

My Commission Expires: March 3, 2002

[SEAL]

STATE OF ALABAMA

)

:

COUNTY OF SHELBY

)

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that Ray West, whose name as President of Dixie General, Inc., is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation as of the day the same bears date.

GIVEN under my hand and seal this the 5th day of April, 2001.

Donna Sue Gorsick

NOTARY PUBLIC

My Commission Expires: March 3, 2002

[SEAL]

STATE OF ALABAMA)
 :
COUNTY OF SHELBY)

I, the undersigned, a notary public in and for said county in said state, hereby certify that **Leland Ray West**, whose name is signed to the foregoing instrument as Guarantor and 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.

GIVEN under my hand and seal this the 5th day of April, 2001.

Donna Sue Gorsick

[SEAL]

NOTARY PUBLIC

My Commission Expires: March 3, 2002

STATE OF ALABAMA)
 :
COUNTY OF SHELBY)

I, the undersigned, a notary public in and for said county in said state, hereby certify that **Cynthia G. DeHaven**, whose name is signed to the foregoing instrument as Guarantor and 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.

GIVEN under my hand and seal this the 5th day of April, 2001.

Donna Sue Gorsick

[SEAL]

NOTARY PUBLIC

My Commission Expires: March 3, 2002

EXHIBIT A

LEGAL DESCRIPTION OF LAND

[To Be Attached]

Inst # 2001-15228

04/19/2001-15228
01:51 PM CERTIFIED

SHELBY COUNTY JUDGE OF PROBATE
017 MEL 236.50