

STATE OF ALABAMA, COUNTY

This lease, made 16 day of MARCH 2002

by and between FRED M. & SARAH JO RICHARDS party of the first part

and PATRICK SMITH part of the second part:

WITNESSETH, That the party of the first part does hereby rent and lease unto the part of the second part the following premises in 212 - NIVEN ST. WILSONVILLE AL 35186

for occupation by PERSONAL RESIDENCE and not otherwise. for and during the term of to-wit: from the 1st day of APRIL 2002

to the 31st day of March 2005

IN CONSIDERATION WHEREOF, The party of the second part agrees to pay to the party of the first part the sum of 28,200 - twenty eight thousand two hundred and 00 DOLLARS,

of which sum \$ - 0 - is paid in cash, the receipt of which is hereby acknowledged, the balance \$ 28,200 is divided into 120 payments of \$ 372.87 PER MONTH - PLUS TAXES AND INSURANCE.

each evidenced by notes bearing legal interest, payable at the office of 30737 Hwy 25 on the 1st day of each month, during said term, in advance, being at the rate of 10% per annum.

should the party of the second part fail to pay the rents as they become due, as aforesaid, or violate any other condition of this Lease, the said party of the first part shall then have the right at their option, to re-enter the premises and annul this Lease. And in order to entitle the party of the first part to re-enter, it shall not be necessary to give notice of the rents being due and unpaid, or to make any demands for the same, the execution of this Lease signed by the said parties of the first and second part, which execution is hereby acknowledged, being sufficient notice of the rents being due and the demand for same, and shall be so construed, any law, usage or custom to the contrary notwithstanding. And the party of the second part agrees to comply with all the laws in regard to nuisance in so far as premises hereby leased are concerned, and by no act render the party of the first part liable therefore, and to commit no waste of property, or allow the same to be done, but to take good care of the same; nor to under-lease said property nor transfer this Lease without the written consent of the party of the first part, hereon endorsed and further, this Lease being terminated, to surrender quiet and peaceable possession of said premises in like good order as at the commencement of said term, natural wear and tear excepted.

In the event of the employment of an attorney by the party of the first part, on account of the violation of the condition of this Lease by the party of the second part, the party of the second part hereby agrees that PATRICK SMITH shall be taxed with said attorney's fee. And as a part of the consideration of this Lease, and for the purpose of securing the party of the first part prompt payments of said rents as herein stipulated, or any damage that party of the first part may suffer, either by failure to surrender quiet and peaceable possession of said premises, as aforesaid, or for any damage whatever, may be awarded said party of the first part under this contract, the said party of the second part hereby waives all right which may have under the Constitution and Laws of the State of Alabama, to have any of the personal property of the party of the second part exempted from levy and sale, or other legal process.

The party of the second part agrees to pay all taxes on the above described property during said term as the same becomes due; and also agrees to pay all assessments for street and sidewalk improvements, should any be made against said property.

It is understood and agreed that at the end of said term if the party of the second part has complied with each and all conditions of this Lease, then the party of the first part agrees that the rent paid under this Lease shall be considered a payment for said

property, and the party of the first part shall make and execute a deed conveying said property to the party of the second part.

It is further understood and agreed that if the party of the second part fails to pay the monthly rent as it becomes due, and becomes as much as two months in arrears during the first year of existence of this Lease, or as much as three months in arrears on such payments at any time thereafter, or should fail to pay the taxes on the said property when the same becomes due, or should fail to comply with any condition or requirement herein, then on the happenings of any such event the party of the second part forfeits his rights to a conveyance of said property, and all money paid by the party of the second part under this contract shall be taken and held as payment of rent for said property, and the party of the second part shall be liable to the party of the first part as a tenant for the full term of said Lease, and the provisions herein "that the rent paid under this Lease shall be considered a payment for said property, and the party of the first part shall make and execute a deed with a warranty of title conveying said property to the party of the second part," shall be a nullity and of no force or effect; and the failure of the party of the second part to comply with any of the conditions of this instrument shall ipso facto render the said provisions a nullity, and make the said party of the second part a lessee under this instrument, without any rights whatever except the rights of lessee without any notice or action whatever upon the part of the party of the first part.

It is further understood and agreed that if the party of the second part should at any time before the maturity thereof desire to pay off the remaining monthly payments, as named herein PATRICK SMITH shall have the right to do so, and shall be entitled to a rebate on such advance payments of all unearned interest, it being intended that only the earned interest shall be collected.

THIS IS A LEASE-PURCHASE BASED ON 10 YEARS WITH A 3 YEAR BALLOON NOTE - DUE 3-31-05 PURCHASER WILL PAY TAXES AND HAZARD INSURANCE MONTHLY - 5% PENALTY ON TOTAL PAYMENT CHARGED IF NOT PAID ON OR BEFORE 10th DAY EACH MONTH (\$8,63)

IN TESTIMONY WHEREOF We have hereunto set our hands and seals in duplicate this day of 10 2002-15153

Sarah J. Richards } Patrick Smith 3-16-02 (L.S.) Fred M. Richards } (L.S.)

04/01/2002 02:11 PM CERTIFIED SHELBY COUNTY JUDGE OF PROBATE 001 CH 39:50