

STATE OF ALABAMA)
SHELBY COUNTY)

WARRANTY DEED

KNOW ALL MEN BY THESE PRESENTS, That for and in consideration of TWO HUNDRED FIFTY THREE THOUSAND NINE HUNDRED EIGHTY AND NO/00 (\$253,980.00) to the undersigned GRANTOR in hand paid by the GRANTEE herein, the receipt whereof is acknowledged, DURWIN RICHEY HOMES, INC., a corporation, (GRANTOR) does grant, bargain, sell and convey unto MURIEL F. KUNKEL (GRANTEE), the following described real estate situated in SHELBY COUNTY, ALABAMA to-wit:

Lot 3106, according to the Map of Highland Lakes, 3rd Sector, Phase I as recorded in Map Book 21, Page 124, in the Probate Office of Shelby County Alabama.

Together with a nonexclusive easement to use 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 in Instrument # 1994-07111 and amended in Instrument no. 1996-17543, and further amended in Instrument # 1999-31095, in the Probate Office of Shelby County, Alabama, and the Declaration of Covenants, Conditions and Restrictions for Highland Lakes, a Residential Subdivision, 3rd Sector recorded in Instrument # 1996-17544 in the Probate Office of Shelby County, Alabama (which together with all amendments thereto, is hereinafter collectively referred to as the "Declaration").

Subject to:

1. Ad Valorem taxes due and payable October 1, 2002."
2. Public utility easements as shown by recorded plat, including any tree buffer line shown thereon.
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 and amended in Instrument #1996-17543, in said Probate Office of Shelby County, Alabama, 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, Third Sector, as recorded in Instrument #1996-17544, in said Probate Office.
5. Subdivision restrictions shown on recorded plat in Map Book 21, Page 124, among which provides 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 in Deed Book 81, Page 417, in said Probate Office.
7. Subject to the provisions of Sections 2.3 and 2.6 of the Declaration, the property shall be subject to the following minimum setbacks:
 - (a) Front setback: 35 feet, or as per plot plan which must be approved by ARC;
 - (b) Rear setback: 35 feet
 - (c) Side setback: 8 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, Real Volume 31, Page 355 and Instrument #1994-1186 in said Probate Office.
9. Right of Way granted to Shelby County, Alabama, by instrument recorded in Book 196, Page 246 in said Probate Office.
10. 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
11. Lake Easement Agreement executed by Highland Lakes Properties, Ltd. And Highland Lakes Development, Ltd., providing for easements, use by others, and maintenance of Lake property described within Instrument #1993-015705
12. Declaration of Easement by Highland Lakes Development, Ltd., and Highland Lakes Residential Association, Inc., recorded as Inst. #1995-

18135 in the Probate office.

13.Right of Way to The Water Works and Sewer Board of the City of Birmingham as set out in Inst. #1995-34035 in Probate Office.

14.Restrictions, Covenants and conditions as set out in instrument(s) recorded in Inst. No. 1999-31095 and Inst. No. 1999-31096 in Probate Office.

15.Release(s) of damages as set out in instrument(s) recorded in Inst. No. 1999-31093 in Probate Office.

16.Declaration of Covenants, Conditions and Restrictions for Highland Lakes Third Sector recorded as Inst. #1996-27544 in the Probate Office.

Grantee agrees to observe and perform all obligations imposed upon said Grantee 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.

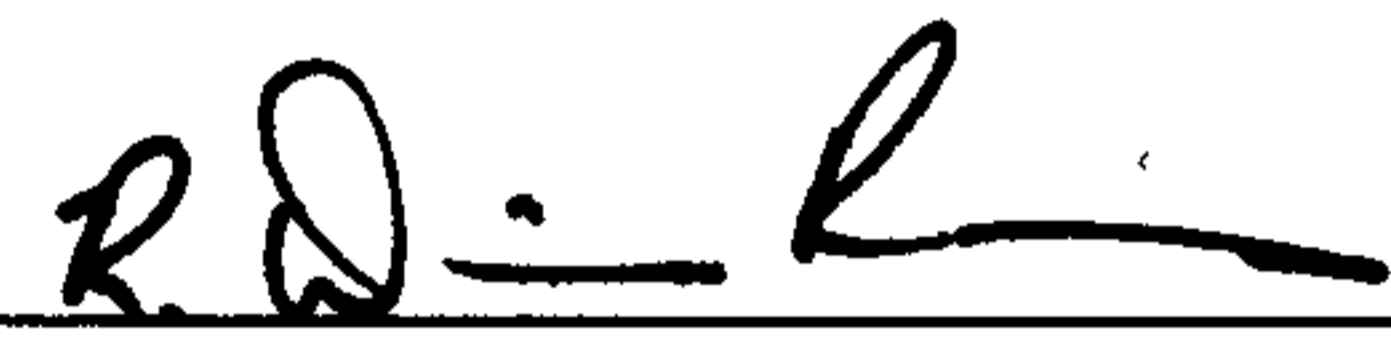
\$130000.00 OF THE CONSIDERATION WAS PAID FROM A MORTGAGE LOAN.

GRANTEES understand that acceptance of this deed constitutes acceptance of all of the terms, conditions and obligations of the Declaration of Protective Covenants for HIGHLAND LAKES as amended from time to time.

TO HAVE AND TO HOLD unto the said GRANTEE his heirs, successors and assigns forever; And said GRANTORS do for themselves, their successors, assigns, and personal representatives covenant with said GRANTEE, his heirs, successors and assigns that they are lawfully seized in fee simple of said premises, that they are free from all encumbrances, unless otherwise noted above, that they have a good right to sell and convey the same as aforesaid, and that they will and their successors, assigns and personal representatives shall, warrant and defend the same to the same GRANTEES, their heirs, and assigns forever, against the lawful claims of all persons.

IN WITNESS WHEREOF, the said GRANTOR has caused this conveyance to be executed this the 10TH day of DECEMBER, 2001.

DURWIN RICHEY HOMES, INC.

By: 
R. DURWIN RICHEY
ITS PRESIDENT

GRANTEE:


MURIEL F. KUNKEL

STATE OF ALABAMA)
JEFFERSON COUNTY)

I, the undersigned, a Notary Public, in and for said County in said State, hereby certify that R. DURWIN RICHEY, whose name as President of DURWIN RICHEY HOMES, INC., an Alabama corporation is signed to the foregoing conveyance, and who is known to me, acknowledged before me on this day, that being informed of the contents of said conveyance, he, as such officer, and with full authority, executed the same voluntarily for and as the act of said corporation. Given under my hand and official seal of office this 28TH day of JUNE, 2002.


Notary Public, Gene W. Gray, Jr.
My Commission Expires: 11/09/02

STATE OF ALABAMA)
JEFFERSON COUNTY)

I, the undersigned, a Notary Public, in and for said County in said State, hereby certify that MURIEL F. KUNKEL whose name is signed to the foregoing conveyance, and who is known to me, acknowledged before me on this day, that being informed of the contents of said conveyance, she executed the same voluntarily on the day the same bears date.

Given under my hand and official seal of office this 28th day of JUNE, 2002.



Notary Public Gene W. Gray, Jr.
My Commission Expires: 11/09/02

THIS INSTRUMENT PREPARED BY:
GENE W. GRAY, JR.
2100 SOUTHBRIDGE PARKWAY,
SUITE 638
BIRMINGHAM, AL 35209

SEND TAX NOTICE TO:
MURIEL F. KUNKEL
1036 HERMITAGE CIRCLE
BIRMINGHAM, AL 35242