

## AGREEMENT WITH GUARANTOR

**WHEREAS**, Acton Homes, Inc., has purchased the property described on Exhibit "A" and "B" located in the City of Calera, Shelby County, Alabama. Acton Homes, Inc. intends to develop the property described on Exhibit "A" as Parcel 2, Test Parcel only into 71 residential lots. Acton Homes, Inc. has closed on acquisition and development loans with Frontier Bank in the total sum of \$1,700,000.00 encumbering the properties in a first lien status. Frontier Bank, as a condition of making said loans, required that personal guaranties be executed by both Danny F. Acton and Minnie Lee Acton.

**WHEREAS**, Minnie Lee Acton is willing to execute a personal guaranty in favor of Frontier Bank guaranteeing the payment of the loan(s) Acton Homes, Inc. on the following terms and conditions:

If Minnie Lee Acton remains as a personal guarantor for as long as sixty (60) days Minnie Lee Acton shall be compensated by Acton Homes, Inc. the sum of \$25,000.00 plus any interest or expenses incurred by her to the date of being released as guarantor from the sale of the first 25 lots.

Acton Homes, Inc. shall be paid a management fee in the sum of \$1,000.00 from each lot sold.

If Minnie Lee Acton remains as a personal guarantor for as long as one hundred fifty (150) days, Minnie Lee Acton shall be compensated an additional \$25,000.00 plus any interest or expenses incurred by her to the date of being released as a guarantor from the sale of either the first 25 lots or the second 25 lots depending upon whether funds are sufficient to support payment thereof.

If Minnie Lee Acton is released from her personal guaranty after the term of one hundred fifty (150) days Minnie Lee Acton shall be due the full \$50,000.00 together with any interest and expenses incurred to the date of being released as a guarantor and all of the profits from the sale of any portion of the property shall be paid to Minnie Lee Acton less a \$1,000.00 per lot management fee which shall be paid through each lot sale to Acton Homes, Inc.

After one hundred fifty (150) days from the date hereof, Acton Homes, Inc., further agrees that all profits from the sale of the property as a whole, any part thereof or any lot shall be paid to Minnie Lee Acton after payment to Frontier Bank has been made as required under the loan documents, except that Acton Homes, Inc. shall be paid or retain as a management fee the sum of \$1,000.00 from the sale of each developed lot.

**IN WITNESS WHEREOF**, Danny F. Acton of Acton Homes, Inc., has caused this agreement to be executed on this the 2 day of April, 2004.

ACTON HOMES, INC.

By: Danny F. Acton  
Danny F. Acton  
Its President

STATE OF ALABAMA}  
COUNTY OF SHELBY}

I, the undersigned authority, a Notary Public, in and for said county and state, hereby certify that Danny F. Acton, whose name as President of Acton Homes, Inc., is signed to the foregoing conveyance and who is known to me, acknowledged before me on this day that, he, as such officer, in his capacity as President, executed the same voluntarily for and as the act of said corporation on the day the same bears date.

Given under my hand and official seal this the 2nd day of April, 2004.

Little D. Hill  
NOTARY PUBLIC

My commission expires: 3/20/04

[NOTARIAL SEAL]

This instrument was prepared by  
Mitchell A. Spears

Attorney at Law

P.O. Box 119

Montevallo, AL 35115-0091

205/665-5102

205/665-5076

Send Tax Notice to:

(Name) Acton Homes, Inc.

(Address) 2232 Cahaba Valley Dr.  
Birmingham, AL 35242

Warranty Deed

STATE OF ALABAMA  
SHELBY COUNTY

KNOW ALL MEN BY THESE PRESENTS,

20040405000174240 Pg 2/2 14.00  
Shelby Cnty Judge of Probate, AL  
04/05/2004 13:56:00 FILED/CERTIFIED

That in consideration of SIX HUNDRED TWENTY FIVE THOUSAND AND 00/100 (\$625,000.00) to the undersigned Grantor (whether one or more), in hand paid by the Grantee herein, the receipt whereof is acknowledged, I or we, Wayne Booth, a married man, and Ronnie Booth, a married man, (herein referred to as Grantor, whether one or more), grant, bargain, sell and convey unto Acton Homes, Inc. (herein referred to as Grantee, whether one or more), the following described real estate, situated in Shelby County, Alabama, to-wit:

PARCEL I: Exhibit A

Commence at the Northwest corner of Section 16, Township 22 South, Range 2 West, Shelby County, Alabama, and run thence easterly along the north line of said Section 16, a distance of 1301.30 feet to the point of beginning of the property being described; thence continue along last described course a distance of 681.90 feet to a point on the westerly right of way line of Highway 211 (Old Highway No. 31); thence turn a deflection angle of 69°12'05" right and run Southeasterly along said right of way line a distance of 1425.44 feet to a point; thence turn a deflection angle of 110°45'15" right and run westerly a distance of 574.96 feet to a point; thence turn a deflection angle of 65°20'42" right and run northwesterly a distance of 1467.25 feet to the point of beginning.

PARCEL II: Exhibit B

Commence at the Northwest corner of Section 16, Township 22 South, Range 2 West, Shelby County, Alabama and run thence easterly along the north line of said Section 16, a distance of 2089.22 feet to a point on the easterly right of way line of Highway No. 211 (Old Highway No. 31) and the point of beginning of the property being described; thence continue along last described course a distance of 493.41 feet to a point on the westerly right of way line of Highway No. 31; thence turn a deflection angle of 94°47'07" right and run southerly along said right of way line a distance of 823.21 feet to the P.C. of a highway curve to the left; thence turn a deflection angle of 3°37'21" left to chord and run Southerly along the chord of said highway curve a chord distance of 287.00 feet to a point marking the intersection of the rights of way of Highway No. 31 and Highway No. 211; thence turn a deflection angle of 158°06'52" right from chord and run northwesterly along the right of way of Highway No. 211 a distance of 1183.88 feet to the point of beginning.

SUBJECT TO:

To be known as Kinsale

- Taxes and assessments for the year 2004, and subsequent years.
- Coal, oil, gas and other mineral interest in, to or under the land herein described are not insured.
- LESS AND EXCEPT any part of subject property lying within a public road right of way.
- LESS AND EXCEPT 100 foot right of way as shown on tax map.

THE ABOVE DESCRIBED PROPERTY DOES NOT CONSTITUTE THE HOMESTEAD OF THE ANY GRANTOR, NOR THAT OF HIS RESPECTIVE SPOUSE, NEITHER IS IT CONTIGUOUS THERETO.

PURCHASE MONEY FIRST MORTGAGE EXECUTED BY GRANTEE HEREIN, ON EVEN DATE HERewith, IN FAVOR OF FRONTIER BANK, IN THE SUM OF \$1,100,000.00.

TO HAVE AND TO HOLD, to the said GRANTEE, his, her or their heirs and assigns forever.

And I (we) do, for myself (ourselves) and for my (our) heirs, executors and administrators covenant with the said grantee, his, her or their heirs and assigns, that I am (we are) lawfully seized in fee simple of said premises; that they are free from all encumbrances, unless otherwise stated above; that I (we) have a good right