

STATE OF ALABAMA - CHILTON COUNTY

\$ 145,000.00 Beg

LEASE-SALE AGREEMENT

This lease made this 19 day of May, 2004, by and between Elner C. Glass, B. R. Glass and Waxahatchee Enterprises, Inc., Party of the First Part, and Charles Glaze and wife, Susan Glaze, d/b/a ~~Highway and Hedges Ministries~~, Party of the Second Part;

WITNESSETH:

That the Party of the First Part does hereby rent and lease unto the Party of the Second Part the following described property: One 10,000 square foot building, more or less, located on one acre, more or less, fronting on Highway 47, in Section 9, Township 21 North, Range 15 East with an address of 7073 Highway 47, Shelby, Alabama 35143 for and during the term of 180 months, beginning May 15, 2004 and extending for a period of 180 months.

In consideration whereof, the Party of the Second Part agrees to pay to Party of the First Part the sum of \$2,000.00 upon execution of this agreement together with \$13,000.00 being due and payable on or before May 4, 2005 together with 8% interest. In addition Party of Second Part shall pay monthly installments in the amount of \$1,242.35 per month commencing on May 15, 2004 and on the 15th day of each and every month during the term of this agreement. 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, re-take the property, and annul this lease. And, in order to entitle the Party of the First Part to re-enter and re-take, it shall not be necessary to give notice of the rents being

due and unpaid, or to make any demand for the same, the execution of this lease, signed by the parties, which execution is hereby acknowledged, being sufficient OF the 2nd PART CONCERNING RE-ENTERING PREMISES. For notice of the rents being due and demand for same, and shall be so construed, by any law, usage or custom to the contrary notwithstanding.

There shall be a \$75.00 late fee assessed for any payment more than 10 days past the due date.

It is expressly understood and agreed that when the \$15,000.00 has been paid the Party of the Second Part shall have the right to purchase said property at any time during the term of this lease agreement by tendering the outstanding principal balance as shown on the amortization schedule attached hereto.

It is mutually understood and agreed that said property is encumbered by mortgage from Party of the First Part, to Central State Bank.

Party of the Second Part agrees to commit no waste to the property, nor allow the same to be done, but to take good care of the same; and not to under-lease or sub-let said property, nor transfer this lease, without the express, written consent of the Party of the First Part. And, does further agree that in the event this lease is terminated, to surrender, quiet and peaceable possession of said property in like good order as at the commencement of said term, natural wear and tear excepted.

In the event the interest rate on the loan that Party of the First Part has with Central State Bank increases, the monthly payment will be re-amortized with a corresponding increase in the interest rate.

In the event of the employment of an attorney by the Party of the First Part, on account of violations of the conditions of this lease by the Party of the Second Part, the Party of the Second Part does hereby agree to pay a reasonable attorney's fee and does agree to waive any exemptions under the Constitution and laws of the State of Alabama as to execution.

The Part of the Second Part further agrees in addition to the rental to pay all taxes and assessments accruing on said property during said term and during the continuance of this lease and keep said property insured against loss or damage by fire or otherwise, for the benefit of the Party of the First Part, in some company which shall be approved for at least the amount \$175,000.00..

The Party of the Second Part agrees that they will, at their own cost, keep the property in good repair, usual wear and tear and fire, not the result of negligence, excepted It is understood and agreed that at the end of said term, if the Part 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 warranty 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, or should fail to comply with any condition or requirement herein, then on that happening of such event, the Party of the Second Part forfeits the right to a conveyance of said property and all money paid by the Part of the Second Part under this contract shall be taken and

held as payment for 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 will make and execute a warranty deed conveying said property to the Party of the Second Part", shall be a nullity and of no force and effect.

Each party to this agreement acknowledges that William D. Latham, the attorney drawing this agreement, has not seen, read nor examined the security agreement or mortgage by which the property is encumbered. Said attorney has also informed Party of the First Part that this agreement may violate said security agreement which may prohibit the sale of said secured property by lease agreement or otherwise. Said attorney has advised that the consent of the lien holder be obtained prior to the execution of this agreement.

IN WITNESS WHEREOF, we, the undersigned mutually agree this 19 day of MAY 2004.

Waxahatchee Exp. Inc
Elnor C. Glass Pres.
Waxahatchee Exp Inc.
B.R. Glass Vice Pres

PARTY OF THE FIRST PART

Charles E. Glaze
Susan B. Glaze

PARTY OF THE SECOND PART

STATE OF ALABAMA
CHILTON COUNTY

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Elnor C. Glass, B. R. Glass and Waxahatchee Enterprises, Inc. and Charles Glaze and Susan Glaze d/b/a Highway and Hedges Church, whose names are signed to the foregoing, and who is known to me, acknowledged before me on this day, that being informed of the contents of the conveyance they executed the same voluntarily on the day the same bears date.

Given under my hand this 25 day of MAY, 2004.

Lene Perry
NOTARY PUBLIC

MY COMMISSION EXPIRES JULY 2, 2008