

THIS INSTRUMENT PREPARED BY:
James J. Odom, Jr.
P.O. Box 11244
Birmingham, AL 35202-1244
(NO CURRENT TITLE EXAMINATION PROVIDED)

SEND TAX NOTICE TO:
Larry R. House
1749 VESTWOOD HILLS DRIVE
BIRMINGHAM, AL 35206

STATE OF ALABAMA)
COUNTY OF SHELBY)

WARRANTY DEED

KNOW ALL MEN BY THESE PRESENTS THAT in consideration of One Hundred Thirty-Eight Thousand One Hundred Twenty-Three and No/100 Dollars (\$138,123.00) (the "Purchase Price"), and other good and valuable consideration, paid to the undersigned grantor, Stephen H. Lee, a married man ("Grantor"), by Larry R. House ("Grantee"), the receipt and sufficiency whereof are hereby acknowledged, Grantor does by these presents, grant, bargain, sell and convey unto the Grantee the following described real estate situated in Shelby County, Alabama (the "Property"), to-wit:

SEE ATTACHED EXHIBIT "A" FOR LEGAL DESCRIPTION.

SUBJECT TO: (1) Current taxes; (2) Transmission Line Permit to Alabama Power Company, recorded in Deed Book 133, at Page 281, and Deed Book 143, at Page 444, in the Probate Office, in the Probate Office; (3) Right of Way to South Central Bell recorded in Deed Book 343, at Page 766, in the Probate Office; (4) Easement recorded in Deed Book 343, at Page 643, in the Probate Office; (5) Title to Minerals underlying caption lands with mining rights and privileges belonging thereto as recorded in Deed Book 337, at Page 673, and Deed Book 339, at Page 972, in the Probate Office; (6) Title to minerals underlying caption lands with mining rights and privileges belonging thereto as recorded in Deed Book 337, at Page 673, and Deed Book 339, at Page 972, in the Probate Office; (7) All rights acquired by Alabama Power Company as set out in Deed Book 241, at Page 838, and Deed Book 246, at Page 714, in the Probate Office.

Grantee herein assumes and agrees to pay that certain mortgage from Stephen H. Lee to Fred Richards and Sarah Jo Richards dated January 21, 2004, and recorded in Instrument #20040311000123990, in the Office of the Judge of Probate of Shelby County, Alabama.

This property does not constitute the homestead of the Grantor or spouse herein.

TO HAVE AND TO HOLD to the Grantee, his heirs and assigns forever.

And Grantor does for himself, his heirs, executor(s), administrator(s) or attorney-in-fact , covenant with Grantee, his heirs, executor(s), administrator(s) or attorney-in-fact, that he is lawfully seized in fee simple of the Property; that the Property are free from all encumbrances, except as noted above; that Grantor has a good right to sell and convey the Property as aforesaid; that Grantor will, and his heirs, executor(s), administrator(s) or attorney-in-fact shall, warrant and defend the same to the Grantee, his heirs, executor(s), administrator(s) or attorney-in-fact forever, against the lawful claims of all persons.

Right of First Refusal to Purchase. Grantor reserves for himself the right and option to match any bona fide offer to purchase the Property that Grantee receives and is willing to accept (an "Offer"). Grantee shall give Grantor a true copy of any Offer upon receipt, and Grantor shall have five (5) business days after his receipt of notice of an Offer (the "Option Period") in which to give Grantee notice in writing of his intention to purchase the Property for the lesser of (1) the price, terms and conditions that are expressed in the Offer, or (2) the sum of the Purchase Price, interest to the then date on the Purchase Price actually paid by Grantee, ad valorem taxes paid, insurance premiums paid and the actual cost of any improvements to the Property made by Grantee, if any.

Should Grantor fail to give written notice to Grantee of his agreement to purchase the Property within the Option Period, then at midnight on the fifth (5th) day of the Option Period, the Grantor shall be deemed to have refused to exercise the option to purchase the Property, and Grantee may proceed to sell the Property to the offeror free of this Right of First Refusal. In the event that Grantor declines to purchase under the terms of the Offer, and thereafter the Grantee fails to close the sale under the terms and within the time contemplated in the Offer, the Property shall again become subject to Grantor's right of first refusal to purchase under this Warranty Deed.

IN WITNESS WHEREOF, the undersigned has executed this conveyance on this the 21st day of July, 2004.

WITNESS:

A Marshall

Stephen H. Lee
Stephen H. Lee

STATE OF ALABAMA)
COUNTY OF SHELBY)

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Stephen H. Lee, a married man, 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 the conveyance, he executed the same on the day the same bears date.

Given under my hand and seal this 21st day of July, 2004.

Anne P. Marshall
Notary Public

My Commission Expires: 3/13/2007

EXHIBIT "A"

All of Lots 6, 7, 8 and 9 of Paradise Cove - Phase 2, as recorded in Shelby County, Alabama, being more particularly described as follows:
Commence at the NW corner of the SW 1/4 of the SE 1/4 of Section 23, Township 21 South, Range 1 East; thence run West along the North line thereof for 1316.02 feet to the Easterly right of way of Paradise Cove Road; thence 89 degrees 49 minutes left run Southerly along said right of way 202.02 feet to the NW corner of Lot 1, of said subdivision; thence 90 degrees left run Easterly along the North line of Lot 1, 161.0 feet; thence 90 degrees right run Southerly 20.00 feet to the NW corner of Lot 2 of said subdivision; thence 90 degrees left run Easterly 399.69 feet to the NE corner of Lot 4 of said subdivision; thence 90 degrees 05 minutes 20 seconds right run southerly along the East line of said Lot 4, 256.19 feet to the NW corner of Lot 9 and the point of beginning; thence continue along the last described course 150.00 feet; thence 89 degrees 43 minutes 40 seconds right run Westerly 34.00 feet to the NW corner of Lot 8; thence 90 degrees 16 minutes 20 seconds left run southerly along the East line of said Lot 4, 362.49 feet to the NW corner of Lot 5; thence 50 degrees 09 minutes 38 seconds left and run southeasterly 571.60 feet to the northwesterly right of way of Paradise Cove road; thence 113 degrees 09 minutes 38 seconds left run northeasterly along said right of way 505.00 feet to a point on a curve to the right, having a radius of 396.80 feet, a central angle of 30 degrees 30 minutes 00 seconds; thence run along said curve and said right of way an arc length of 211.23 feet; thence continue along the last described course 168.81 feet to a point of a curve to the left, having a radius of 30.00 feet, a central angle of 77 degrees 20 minutes 04 seconds; thence run along said curve and said right of way an arc length of 40.49 feet to the westerly right of way of Paradise Cove Lane and a point of a curve to the right, having a radius of 423.79 feet, a central angle of 5 degrees 06 minutes 14 seconds; thence continue along said right of way and run along said curve an arc length of 40.22 feet; thence continue along the last described course 115.55 feet to the NE corner of the aforesaid Lot 9; thence 75 degrees 35 minutes 42 seconds left run westerly along the North line of said Lot 9 for 883.70 feet to the aforesaid NW corner of Lot 9 and the point of beginning; being situated in the SE 1/4 of SW 1/4 and SW 1/4 of SE 1/4 of Section 23, Township 21 South, Range 1 East, Shelby County, Alabama.