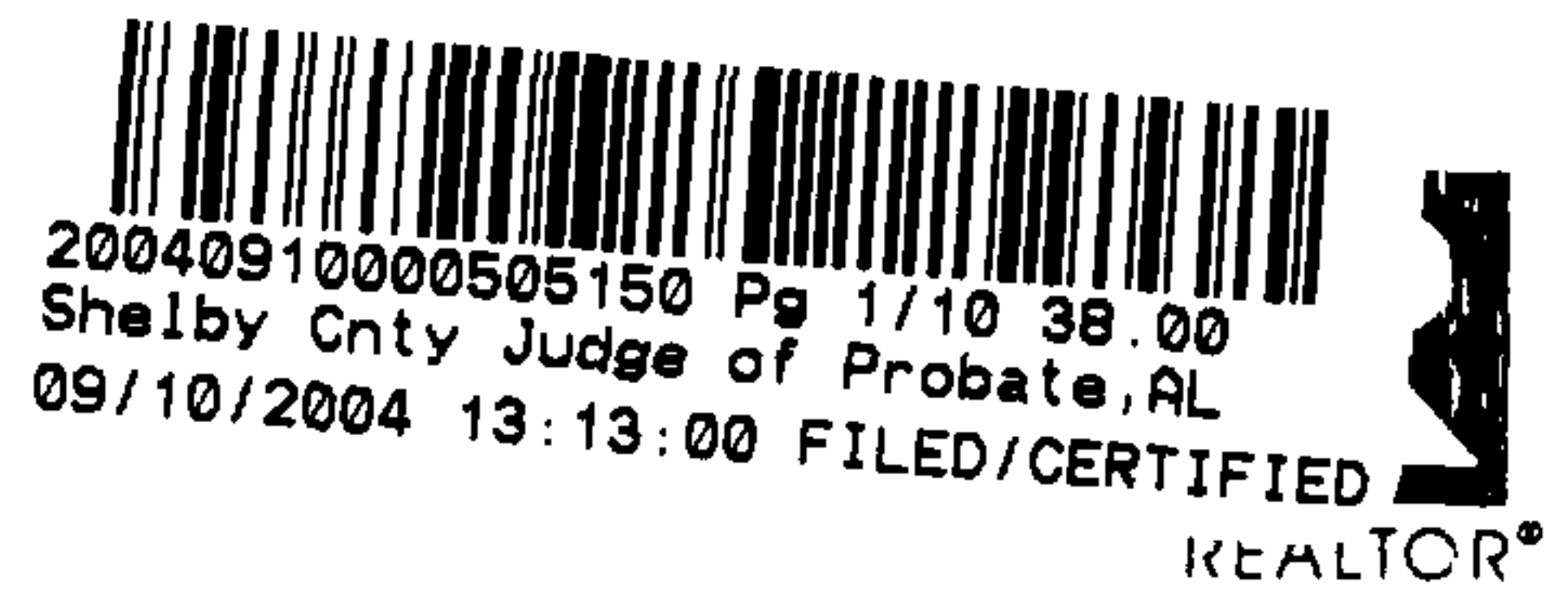




JEFFERSON TITLE CORPORATION
P.O. Box 10481 • Birmingham, AL 35201 • (205) 328-8020



Birmingham, Alabama October 30 2003

The undersigned Purchaser(s) Warren K. Bailey hereby agrees to purchase
and the undersigned Seller(s) Charles Posey hereby agrees to sell the
following described real estate, together with all improvements, shrubbery, plantings, fixtures and appurtenances (the "Property") situated in the
City of Shelby County of Shelby, Alabama, on the terms stated below:
Address 128 acres off Highway 41
and legally described as Lot _____ Block _____ Survey _____
Parcel ID# 04-2-09-0-000-006.00 and 04-2-09-0-000-006.002
Map Book _____ Page _____

1. THE PURCHASE PRICE: shall be \$ See below, payable as follows:
Earnest Money, receipt of which is hereby acknowledged by the Agent. \$ \$ 1,000.00
Cash on closing this sale. \$ See below

PURCHASE PRICE: (See attachment A)

WKB
CPA

Approximately 128 acres total. Acreage
highlighted in yellow the purchase
price shall be \$15,000.00 per acre.
All other acreage the purchase price
shall be \$8,000.00 per acre. Exact
amount to be determined by survey
prior to closing at purchasers expense

2. EARNEST MONEY & PURCHASER'S DEFAULT: Seller hereby authorizes the listing Agency, David Orson
to hold the earnest money in trust for Seller pending the fulfillment of this Contract. In the event
Purchaser fails to carry out and perform the terms of this Contract, the earnest money shall be forfeited as liquidated damages at the option of Seller,
provided Seller agrees to the cancellation of this Contract. Said earnest money so forfeited shall be divided equally between Seller and his Agent.

3. CONVEYANCE: Seller agrees to convey the Property to Purchaser by General warranty deed (check here ☐ if
Purchasers desire title as joint tenants with right of survivorship), free of all encumbrances except as permitted in this Contract. Seller and
Purchaser agree that any encumbrances not herein excepted or assumed may be cleared at the time of closing from sales proceeds. THE PROPERTY
IS SOLD AND IS TO BE CONVEYED SUBJECT TO ANY MINERAL AND MINING RIGHTS NOT OWNED BY SELLER AND SUBJECT TO
PRESENT ZONING CLASSIFICATION, _____, AND IS ☒ IS NOT ☐ LOCATED IN A FLOOD PLAIN, AND, UNLESS
OTHERWISE AGREED HEREIN, SUBJECT TO UTILITY EASEMENTS SERVING THE PROPERTY, RESIDENTIAL SUBDIVISION
COVENANTS AND RESTRICTIONS, AND BUILDINGS LINES OF RECORD, PROVIDED THAT NONE OF THE FOREGOING MATERIALLY
IMPAIR USE OF THE PROPERTY FOR RESIDENTIAL PURPOSES.

4. TITLE INSURANCE: Seller agrees to furnish Purchaser a standard form owner's title insurance policy at Seller's expense, issued by a
company qualified to insure titles in Alabama, in the amount of the purchase price, insuring Purchaser against loss on account of any defect or
encumbrance in the title, subject to exceptions herein, including paragraph 3 above; otherwise, the earnest money shall be refunded. In the event
both Owner's and Mortgagee's title policies are obtained at the time of closing, the total expense of procuring the two policies will be divided equally
between Seller and Purchaser, even if the mortgagee is Seller.

5. SURVEY: Purchaser does ☐ does not ☒ (check one) require a survey by a registered Alabama land surveyor of Purchaser's choosing.
Unless otherwise agreed herein, the survey shall be at Purchaser's expense.

6. PRORATIONS: Ad valorem taxes, as determined on the date of closing, insurance transferred, accrued interest on mortgages assumed, and
fire district dues, if any, are to be prorated between Seller and Purchaser as of the date of delivery of the deed, and any existing advance escrow
deposits shall be credited to Seller. UNLESS OTHERWISE AGREED HEREIN, ALL AD VALOREM TAXES EXCEPT MUNICIPAL ARE
PRESUMED TO BE PAID IN ARREARS FOR PURPOSES OF PRORATION; MUNICIPAL TAXES, IF ANY, ARE PRESUMED TO BE PAID IN
ADVANCE.

7. CLOSING & POSSESSION DATES: The sale shall be closed and the deed delivered on or before July 31, 2004, except Seller shall
have a reasonable length of time within which to perfect title or cure defects in the title to the Property. Possession is to be given on delivery of the
deed, if the Property is then vacant; otherwise, possession shall be delivered on same, 19____, at _____ (A.M.) (P.M.).

Seller's initials CPA

Purchaser's initials WKB

8. **CONDITION OF PROPERTY:** NEITHER SELLER NOR ANY AGENT MAKES ANY REPRESENTATIONS OR WARRANTIES REGARDING THE CONDITION OF THE PROPERTY EXCEPT TO THE EXTENT EXPRESSLY AND SPECIFICALLY SET FORTH HEREIN. Purchaser has the obligation to determine, either personally or through or with a representative of Purchaser's choosing, any and all conditions of the Property material to Purchaser's decision to buy the Property, including without limitation, the condition of the heating, cooling, plumbing and electrical systems and any built-in appliances, and the roof and the basement, including leaks therein; the size and area of the Property; construction materials, including floors; structural condition; utility and sewer or septic tank availability and condition; and any matters affecting the character of the neighborhood. In recognition of the foregoing, Purchaser and Seller agree as follows with respect to the physical condition of the Property:

[NOTE: Choose (a) (1) below if Purchaser does not require further inspections, or choose (a) (2) if further inspections are required.]

(a) (1) _____ Purchaser has inspected the Property and, without relying on any representation or warranty from Seller or Broker or any salesperson or on any printed or written description of the Property, accepts the Property in its present "as is" condition, subject only to the following: _____

(a) (2) _____ Purchaser requires additional inspections of the Property. Within _____ calendar days after Seller's acceptance of this Contract, Purchaser shall have the right, at Purchaser's expense and through licensed contractor(s) or other qualified professionals of Purchaser's choosing, to inspect and investigate the Property. When such inspections or investigations reveal conditions unsatisfactory to Purchaser, Purchaser shall inform Seller in writing of such unsatisfactory condition, and provide to Seller at no cost a copy of the written report of the inspector, all within _____ days of Seller's acceptance of this Contract. Seller shall notify Purchaser in writing within _____ days of receipt of notice of such unsatisfactory condition whether Seller will correct the defect prior to Closing. If Seller is unable or unwilling to correct the defect, Purchaser may cancel this Contract by notifying Seller in writing within _____ hours of receipt of Seller's written refusal to correct the defect, and the Earnest Money shall be returned to Buyer. Purchaser's failure to notify Seller of any such defects or of Purchaser's election to terminate the Contract, as herein provided, shall conclusively be considered approval of the Property as is and an election to proceed with the closing.

(b) Seller agrees to deliver the heating, cooling, plumbing and electrical systems and any built-in appliances in normal operating condition at the time of closing; provided, it shall be the responsibility of Purchaser to inspect said systems and equipment prior to closing and to notify Seller immediately of any systems that are not in normal operating condition. Purchaser's failure to provide such notification prior to closing shall conclusively establish that Seller has satisfied this covenant.

(c) All repairs required of Seller by this Contract shall not exceed \$ _____. If such repairs exceed the specified amount and Seller refuses to pay the excess, Purchaser may pay the additional cost or accept the Property with the limited repairs (or accept the specified amount at closing as a reduction of the purchase price), and this sale shall be closed as scheduled, or Purchaser may cancel this Contract by notifying Seller in writing of the cancellation within _____ hours of Purchaser's receipt of Seller's notice of refusal to pay the excess.

9. **DISCLAIMER:** Seller and Purchaser acknowledge that they have not relied upon advice or representations of Broker (or Broker's associated salespersons) relative to (i) the legal or tax consequences of this Contract and the sale, purchase or ownership of the Property, (ii) the structural condition of the Property, including condition of the roof and basement; (iii) construction materials; (iv) the nature and operating condition of the electrical, heating, air conditioning, plumbing, water heating systems and appliances; (v) the availability of utilities or sewer service; (vi) the character of the neighborhood; (vii) the investment or resale value of the Property; or (viii) any other matters affecting their willingness to sell or purchase the Property on the terms and price herein set forth. Seller and Purchaser acknowledge that if such matters are of concern to them in the decision to sell or purchase the Property, they have sought and obtained independent advice relative thereto.

10. **SELLER WARRANTS** that Seller has not received notification from any lawful authority regarding any assessments, pending public improvements, repairs, replacement, or alterations to the Property that have not been satisfactorily made. Seller warrants that there is no unpaid indebtedness on the Property except as described in this Contract. These warranties shall survive the delivery of the deed.

11. **FIRE/SMOKE DETECTORS:** Purchaser shall satisfy himself that all applicable federal, state and local statutes, ordinances and regulations concerning fire/smoke detectors have been met. Upon closing or after taking possession of the Property, whichever occurs first, Purchaser shall be solely responsible for compliance with such laws, including the Alabama Department of Insurance (Fire Marshall Division), Regulation entitled "Requirements for Single Station Smoke Detectors in New and Existing Residential Occupancies."

12. **RISK OF LOSS:** Seller agrees to keep in force sufficient hazard insurance on the property to protect all interests until this sale is closed and the deed is delivered. If the Property is destroyed or materially damaged between the date hereof and the closing, and Seller is unable or unwilling to restore it to its previous condition prior to closing, Purchaser shall have the option of cancelling this Contract and receiving the Earnest Money back or accepting the Property in its then condition. If Purchaser elects to accept the Property in its damaged condition, any insurance proceeds otherwise payable to Seller by reason of such damage shall be applied to the balance of the purchase price or otherwise be payable to Purchaser.

13. **SELECTION OF ATTORNEY.** The parties hereto acknowledge and agree that, if they have agreed to share the fees of a closing attorney hereunder, such fee sharing may involve a potential conflict of interest and they may be required to execute an affidavit at closing acknowledging their recognition and acceptance of same. Each of the parties further acknowledges that he has a right to be represented at all times in connection with this Contract and the closing by an attorney of his own choosing, at his own expense.

14. **ADDITIONAL PROVISIONS** set forth on the attached addendum(s) *see attached*, and signed by all parties, are hereby made a part of this Contract. *Contract contingent on purchaser being satisfied in all respects to property at purchaser's sole discretion*

15. **ENTIRE AGREEMENT.** This Contract constitutes the entire agreement between Purchaser and Seller regarding the Property, and supersedes all prior discussions, negotiations and agreements between Purchaser and Seller, whether oral or written. Neither Purchaser, Seller, nor Broker or any sales agent shall be bound by any understanding, agreement, promise, or representation concerning the Property, expressed or implied, not specified herein.

THIS IS INTENDED TO BE A LEGALLY BINDING CONTRACT. IF YOU DO NOT UNDERSTAND THE LEGAL EFFECT OF ANY PART OF THIS CONTRACT, SEEK LEGAL ADVICE BEFORE SIGNING.

Witness to Purchaser's Signature(s)

Witness to Seller's Signature(s)

M. K. Saling
Purchaser [SEAL]

Purchaser [SEAL]

Charles B. Posey
Seller [SEAL]

Seller [SEAL]

EARNEST MONEY: Receipt is hereby acknowledged of the earnest money as hereinabove set forth _____ CASH _____ CHECK
FIRM _____

COMMISSION: THE COMMISSION PAYABLE TO THE BROKER IN THIS SALE IS NOT SET BY THE BIRMINGHAM AREA BOARD OF REALTORS®, INC., BUT IN ALL CASES IS NEGOTIABLE BETWEEN THE BROKER AND THE CLIENT. In this contract, Seller agrees to pay _____ as Agent, a commission in the amount of _____ of the total purchase price.

Seller [SEAL] Seller [SEAL]

ADDENDUM:

1. Seller to be given a permanent 20 foot nonexclusive easement noted on attachment A by the dashed area for ingress/egress into seller's property noted in pink on attachment A.
2. Seller to retain approximately 5 acres as noted by the pink highlighted area on attachment A. Actual property lines to be established via a cooperative effort between seller, purchaser, and land planner.
3. Cash at closing shall be the greater of \$300,000.00 or amount needed to give clear title on acreage to be included in Phase 1. Seller then agrees to hold purchase money mortgage of the principle balance at 8% amortized over 15 years. Purchaser may pay off the principle balance of additional acreage in not less than 50 acre increments at anytime and receive clear title for development.
4. Purchaser has first right of refusal on retained land highlighted in pink on attachment A after immediate family including children and grand children.
5. Purchaser agrees to allow seller's daughter and grandson to reside at 10940 Highway 41 South, Leeds, AL 35094 for a period of 30 months at no rental expense. Seller agrees to maintain liability insurance on aforementioned property at all times during occupancy. Seller agrees to perform all maintenance at sole expense. Following 30 months seller may purchase property for the current appraised value of the structure to be determined prior to the closing of this contract. Purchaser to deliver land at no charger if seller elects to purchase home. Actual lot size to be determined by land planner. Seller agrees that if he or daughter declines to purchase property they shall vacate no later than 31 months following the closing of this contract.
6. If seller's daughter decides not to live at 10940 Highway 41 then purchaser will contribute \$25,000.00 toward her relocation within 60 days of the closing of this contract.
7. Purchaser warrants permanent easement of 60 feet into sellers remaining property in event there is a default on the mortgage at anytime. The location of the easement shall be at the sole discretion of the seller.

M. L. Sails
PURCHASER

10.30.03
DATE

Charles B. Posey
SELLER

10-30-03
DATE

8. Purchaser agrees to pay all costs and attorney's fees associated with closing of all property with described in this contract. CPH

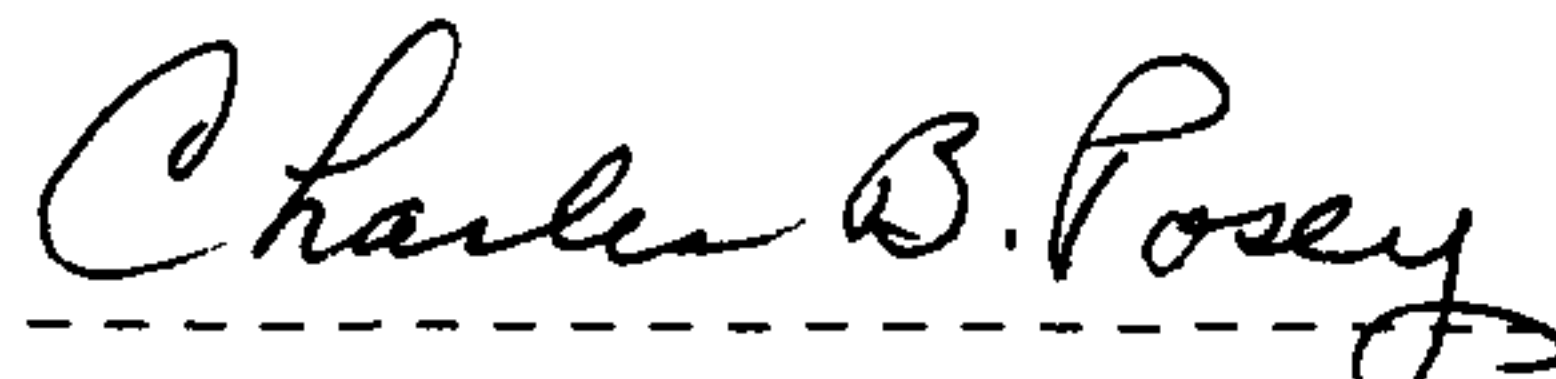
ADDENDUM #2

Item 2, under previous addendum is amended to read as follows:

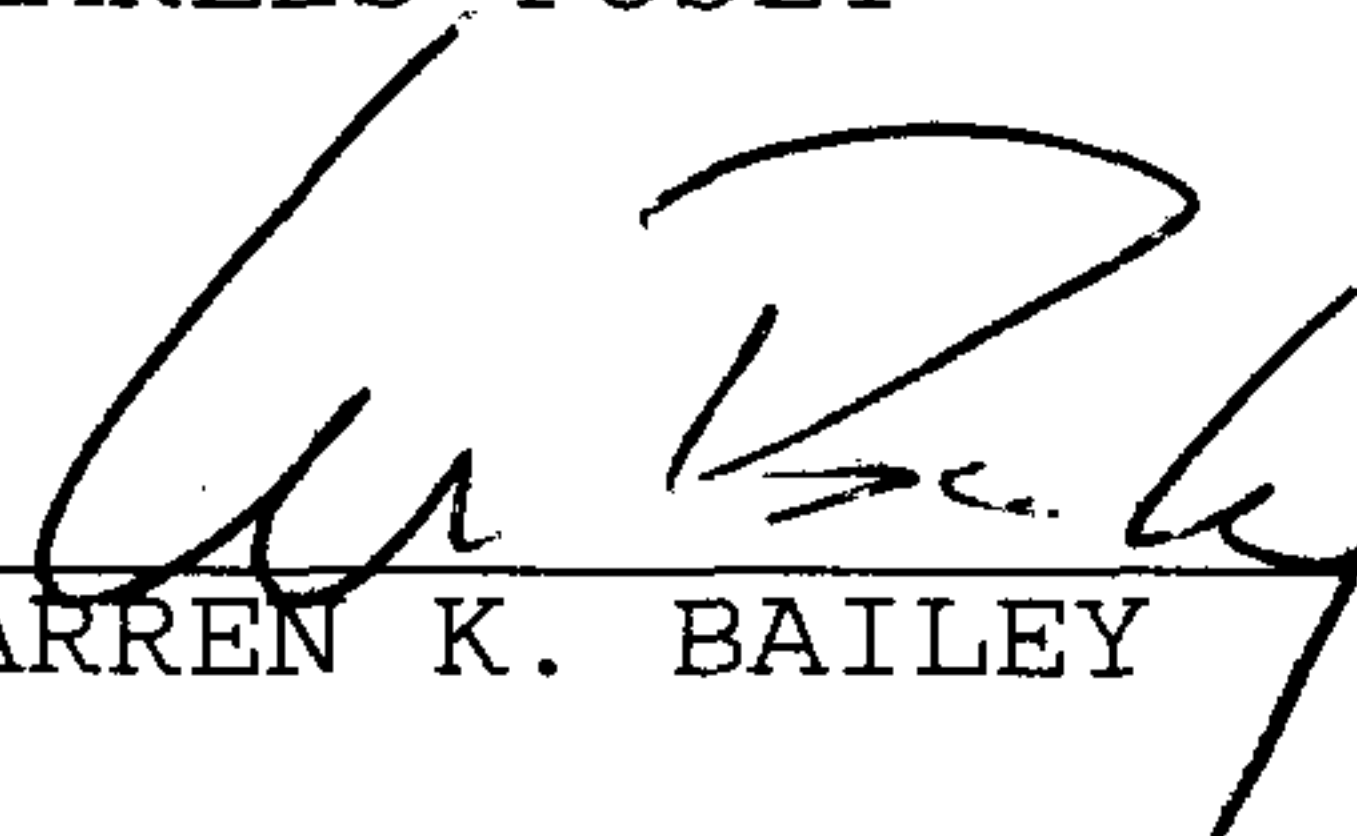
2. Seller to retain approximately 5 acres as noted by the Pink highlighted area on attachment A. Actual property lines to be established via a cooperative effort between seller, purchaser, and land planner. Also, in the event that Purchaser is unable to acquire title to Tax Parcels 58-04-2-04-0-000-006.001 and 58-04-2-04-0-000-006.003 as shown on the Tax Maps of Shelby County, Alabama, Seller agrees to allow Purchaser access across retained 5 acre parcel as shown herein, sufficient for development of remaining lands of Seller that is the subject of this contract.

Item 9, is added to said addendum:

9. This contract is extended so that it shall not expire until January 31, 2007.



CHARLES POSEY



WARREN K. BAILEY

(A) Attachment

31
26 AC

20' easement

41

33 35.003
6.39 AC

80' ROW

80' ROW

33.002

33.003

2.013

1.001

\$15,000/acre

Shoal Cre
approximately
5 acres to
be retained
by Posey

\$8,000/acre

Shoal Creek

Shoal Creek

WAB

CBP

2.008

49.052 AC

6.001

13.2 AC

6.003

LEASE WITH PURCHASE OPTION

BY THIS AGREEMENT made and entered into on January 26, 2004 (year),
 between Warren K. Bailey, herein referred to as Lessor,
 and Charles B. Posey, herein referred to as Lessee,
 Lessor leases to Lessee the premises situated at 10940 Highway 41 North, in
 the City of Shelby, County of Shelby, State of Alabama,
 and more particularly described as follows:

together with all appurtenances, for a term of 3 years, to commence on February 1, 2004 (year),
 and to end on January 31, 2007 (year), at 12:00 clock P. m.

WCB
CBP
1. Rent. Lessee agrees to pay, without demand, to Lessor as rent for the demised premises the sum of
SEE ATTACHED "Lease Sale Contract form" (\$ -0-) per month
 in advance on the _____ day of each calendar month beginning _____, (year), payable at
 _____, City of _____, State of _____,
 or at such other place as Lessor may designate.

2. Security Deposit. On execution of this lease, Lessee deposits with Lessor

-NA-

Dollars (\$

), receipt of which is

acknowledged by Lessor, as security for the faithful performance by Lessee of the terms hereof, to be returned to Lessee, without interest, on the full and faithful performance by him of the provisions hereof.

3. Quiet Enjoyment. Lessor covenants that on paying the rent and performing the covenants herein contained, Lessee shall peacefully and quietly have, hold, and enjoy the demised premises for the agreed term.

4. Use of Premises. The demised premises shall be used and occupied by Lessee exclusively as _____, and neither the premises nor any part thereof shall be used at any time during the term of this lease by Lessee for any other purpose. Lessee shall comply with all the sanitary laws, ordinances, rules, and orders of appropriate governmental authorities affecting the cleanliness, occupancy, and preservation of the demised premises, and the sidewalks connected thereto, during the term of this lease.

5. Condition of Premises. Lessee stipulates that he has examined the demised premises, including the grounds and all buildings and improvements, and that they are, at the time of this lease, in good order, repair, and in a safe, clean, and tenantable condition.

6. Assignment and Subletting. Without the prior written consent of Lessor, Lessee shall not assign this lease, or sublet or grant any concession or license to use the premises or any part thereof. A consent by Lessor to one assignment, subletting, concession, or license shall not be deemed to be a consent to any subsequent assignment, subletting, concession, or license. An assignment, subletting, concession, or license without the prior written consent of Lessor, or an assignment or subletting by operation of law, shall be void and shall, at Lessor's option, terminate this lease.

7. Alterations and Improvements. Lessee shall make no alterations to the buildings or the demised premises or construct any building or make other improvements on the demised premises without the prior written consent of Lessor. All alterations, changes, and improvements built, constructed, or placed on the demised premises by Lessee, with the exception of fixtures removable without damage to the premises and movable personal property, shall, unless otherwise provided by written agreement between Lessor and Lessee, be the property of Lessor and remain on the demised premises at the expiration or upon sooner termination of this lease.

8. Damage to Premises. If the demised premises, or any part thereof, shall be partially damaged by fire or other casualty not due to Lessee's negligence or willful act or that of his employee, family, agent, or visitor, the premises shall be promptly repaired by Lessor and there shall be an abatement of rent corresponding with the time during which, and

the extent to which, the leased premises may have been untenable; but, if the leased premises should be damaged other than by Lessee's negligence or willful act or that of his employee, family, agent, or visitor to the extent that Lessor shall decide not to rebuild or repair, the term of this lease shall end and the rent shall be prorated up to the time of the damage.

9. Dangerous Materials. Lessee shall not keep or have on the leased premises anything of a dangerous, inflammable, or explosive character that might unreasonably increase the danger of fire on the leased premises or that might be considered hazardous or extra hazardous by any responsible insurance company.

10. Utilities. Lessee shall be responsible for arranging for and paying for all utility services required on the premises, except that NONE shall be provided by Lessor.

11. Maintenance and Repair. Lessee will, at his sole expense, keep and maintain the leased premises and appurtenances in good and sanitary condition and repair during the term of this lease and any renewal thereof. In particular, Lessee shall keep the fixtures on or about the leased premises in good order and repair; keep the furnace clean; keep the electric bells in order; keep the walks free from dirt and debris; and, at his sole expense, shall make all required repairs to the plumbing, range, heating apparatus, and electric and gas fixtures whenever damage thereto shall have resulted from Lessee's misuse, waste, or neglect or that of his employee, family, agent, or visitor. Major maintenance and repair of the leased premises, not due to Lessee's misuse, waste, or neglect or that of his employee, family, agent, or visitor, shall be the responsibility of Lessor or his assigns. Lessee agrees that no signs shall be placed or painting done on or about the leased premises by Lessee or at his direction without the prior written consent of Lessor.

12. Right of Inspection. Lessor and his agents shall have the right at all reasonable times during the term of this lease and any renewal thereof to enter the demised premises for the purpose of inspecting the premises and all building and improvements thereon.

13. Display of Signs. During the last _____ days of this lease, Lessor or his agent shall have the privilege of displaying the usual "For Sale" or "For Rent" or "Vacancy" signs on the demised premises and of showing the property to prospective purchasers or tenants.

14. Subordination of Lease. This lease and Lessee's leasehold interest hereunder are and shall be subject, subordinate, and inferior to, any liens or encumbrances now or hereafter placed on the demised premises by Lessor, all advances made under any such liens or encumbrances, the interest payable on any such liens or encumbrances, and any and all renewals or extensions of such liens or encumbrances.

15. Holdover by Lessee. Should Lessee remain in possession of the demised premises with the consent of Lessor after the natural expiration of this lease, a new month-to-month tenancy shall be created between Lessor and Lessee which shall be subject to all the terms and conditions hereof but shall be terminated on 31 days' written notice served by either Lessor or Lessee on the other party.

16. Surrender of Premises. At the expiration of the lease term, Lessee shall quit and surrender the premises hereby demised in as good state and condition as they were at the commencement of this lease, reasonable use and wear thereof and damages by the elements excepted.

17. Default. If any default is made in the payment of rent, or any part thereof, at the times hereinbefore specified, or if any default is made in the performance of or compliance with any other term or condition hereof, this lease, at the option of Lessor, shall terminate and be forfeited, and Lessor may re-enter the premises and remove all persons therefrom. Lessee shall be given written notice of any default or breach, and termination and forfeiture of the lease shall not result if, within 15 days of receipt of such notice, Lessee has corrected the default or breach or has taken action reasonably likely to effect such correction within a reasonable time. Lessee shall pay all reasonable attorneys' fees necessary to enforce lessor's rights.

18. Abandonment. If at any time during the term of this lease Lessee abandons the demised premises or any part thereof, Lessor may, at his option, enter the demised premises by any means without being liable for any prosecution therefore, and without becoming liable to Lessee for damages or for any payment of any kind whatever, and may, at his discretion, as agent for Lessee, relet the demised premises, or any part thereof, for the

whole or any part of the then unexpired term, and may receive and collect all rent payable by virtue of such reletting, and, at Lessor's option, hold Lessee liable for any difference between the rent that would have been payable under this lease during the balance of the unexpired term, if this lease had continued in force, and the net rent for such period realized by Lessor by means of such reletting. If Lessor's right of re-entry is exercised following abandonment of the premises by Lessee, then Lessor may consider any personal property belonging to Lessee and left on the premises to also have been abandoned, in which case Lessor may dispose of all such personal property in any manner Lessor shall deem proper and is hereby relieved of all liability for doing so.

19. Binding Effect. The covenants and conditions herein contained shall apply to and bind the heirs, legal representatives, and assigns of the parties hereto, and all covenants are to be construed as conditions of this lease.

20. Radon Gas Disclosure. As required by law, (Landlord) (Seller) makes the following disclosure: "Radon Gas" is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in . Additional information regarding radon and radon testing may be obtained from your county public health unit.

21. Lead Paint Disclosure. "Every purchaser or lessee of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller or lessor of any interest in residential real estate is required to provide the buyer or lessee with any information on lead-based paint hazards from risk assessments or inspection in the seller or lessor's possession and notify the buyer or lessee of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase."

22. Purchase Option. It is agreed that Lessee shall have the option to purchase real estate known as:

*WLB
CBP*
SEE ATTACHED "Lease Sale Contract Terms"

for the purchase price of _____ Dollars (\$ _____)
with a down payment of _____ Dollars (\$ _____) payable upon
exercise of said purchase option, and with a closing date no later than _____ days thereafter. This purchase option
must be exercised in writing no later than _____ , _____ (year), but shall not be
effective should the Lessee be in default under any terms of this lease or upon any termination of this lease.

IN WITNESS WHEREOF, the parties have executed this lease on the day and year first above written.

[Signature]

Lessor

Charles B. Posey

Lessee

NOTICE: State law establishes rights and obligations for parties to rental agreements. This agreement is required to comply with the Truth in Renting Act or the applicable Landlord Tenant Statute or code of your state. If you have a question about the interpretation or legality of a provision of this agreement, you may want to seek assistance from a lawyer or other qualified person.

THIS INSTRUMENT WAS PREPARED BY: MIKE T. ATCHISON, ATTORNEY
P.O. BOX 822
COLUMBIANA, ALABAMA 35051

STATE OF ALABAMA
COUNTY OF SHELBY

LEASE SALE CONTRACT TERMS

This lease, made this 26th day of January, 2004, by and between WARREN K. BAILEY, Party of the First Part and CHARLES POSEY and/or his immediate family, Party of the Second Part:

WITNESSETH, That the party of the first part does hereby rent and lease unto the parties of the second part the following premises in Shelby County, Alabama, more particularly described as follows, to-wit:

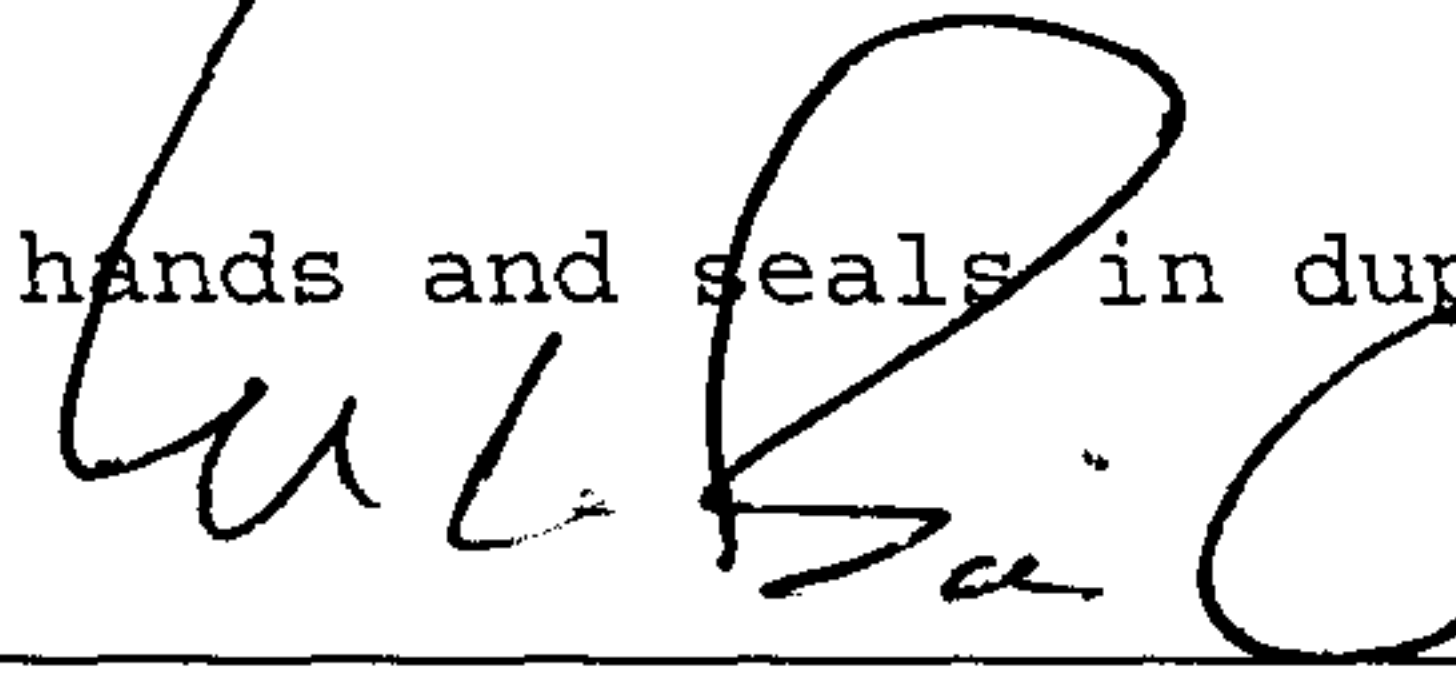
House and land located at: 10940 Highway 41 North
Birmingham, Alabama

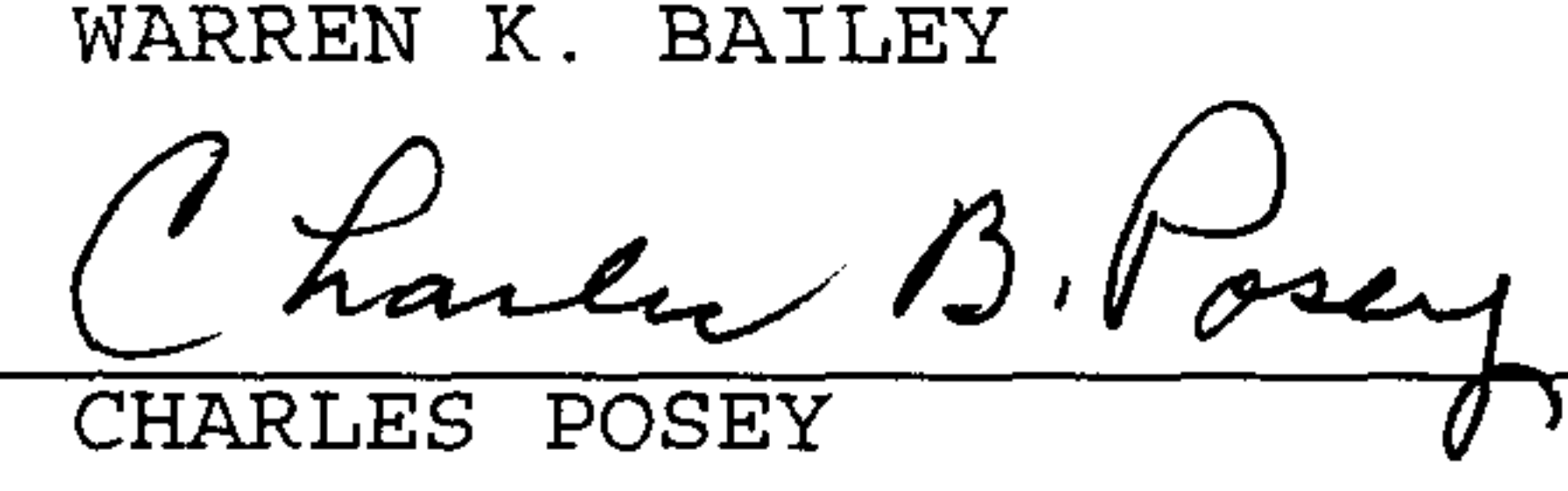
for occupation by them as a residence, and not otherwise, for and during the term of 36 month(s), to-wit: from the 1st day of February, 2004, to the 31st day of January, 2007. The description of said property is to be determined by survey at a later date, and is to be determined solely at the discretion of the party of the first part. Party of the first part must be able to retain a sufficient amount of the property for development of the 128 acre tract, which is the subject of a contract dated October 30, 2003.

In consideration whereof, the parties of the second part agrees to pay to the party of the first part the sum of Eighty-Seven Thousand and no/100 Dollars, of which \$0.00 is paid in cash, the receipt of which is hereby acknowledged, the balance \$87,000.00, is divided into payments as follows:

1. The lease sale price of \$87,000.00 will be applied as down payment toward the sales contract by and between Charles Posey, Seller and Warren K. Bailey, dated October 30, 2003, with regard to approximately 128 acres off Highway 41.
2. Any costs for any improvements to the house located at 10940 Highway 41 North, Birmingham, Alabama, paid by Party of the First Part, shall also be applied toward the purchase price of the 128 acre tract, which is the subject of the above recited sales contract.
3. Two Thousand and no/100 (\$2000.00) DOLLARS, non-refundable, paid to the Party of the Second Part, per month beginning February 1, 2004, with signing of the Lease by both parties shall be applied toward the purchase price of the 128 acre tract, which is the subject of the above recited sales contract. At the end of the lease period or at time of closing of the 128 acre tract, \$2,000.00 per month will be deducted from the purchase price of the 128 acre tract, which is the subject of the above recited sales contract.
4. Party of the Second Part is guaranteed 36 months of occupancy according to this agreement.
5. In the event the contract regarding the 128 acre tract, dated October 30, 2003, closes prior to January 31, 2007, this lease sale contract must close simultaneously.
6. In the event, Party of the Second Part elects not to accept or complete this lease sale contract on property located at 10940 Highway 41 North, Birmingham, Alabama, at the closing of 128 acre parcel, all payments previously made shall still be credited toward the purchase of the 128 acre tract and the original \$87,000.00 credit shall not apply to the purchase price of the 128 acre tract and the house shall remain the property of the Party of the First Part.

IN TESTIMONY WHEREOF, we have set our hands and seals in duplicate, this 26th day of January, 2004.

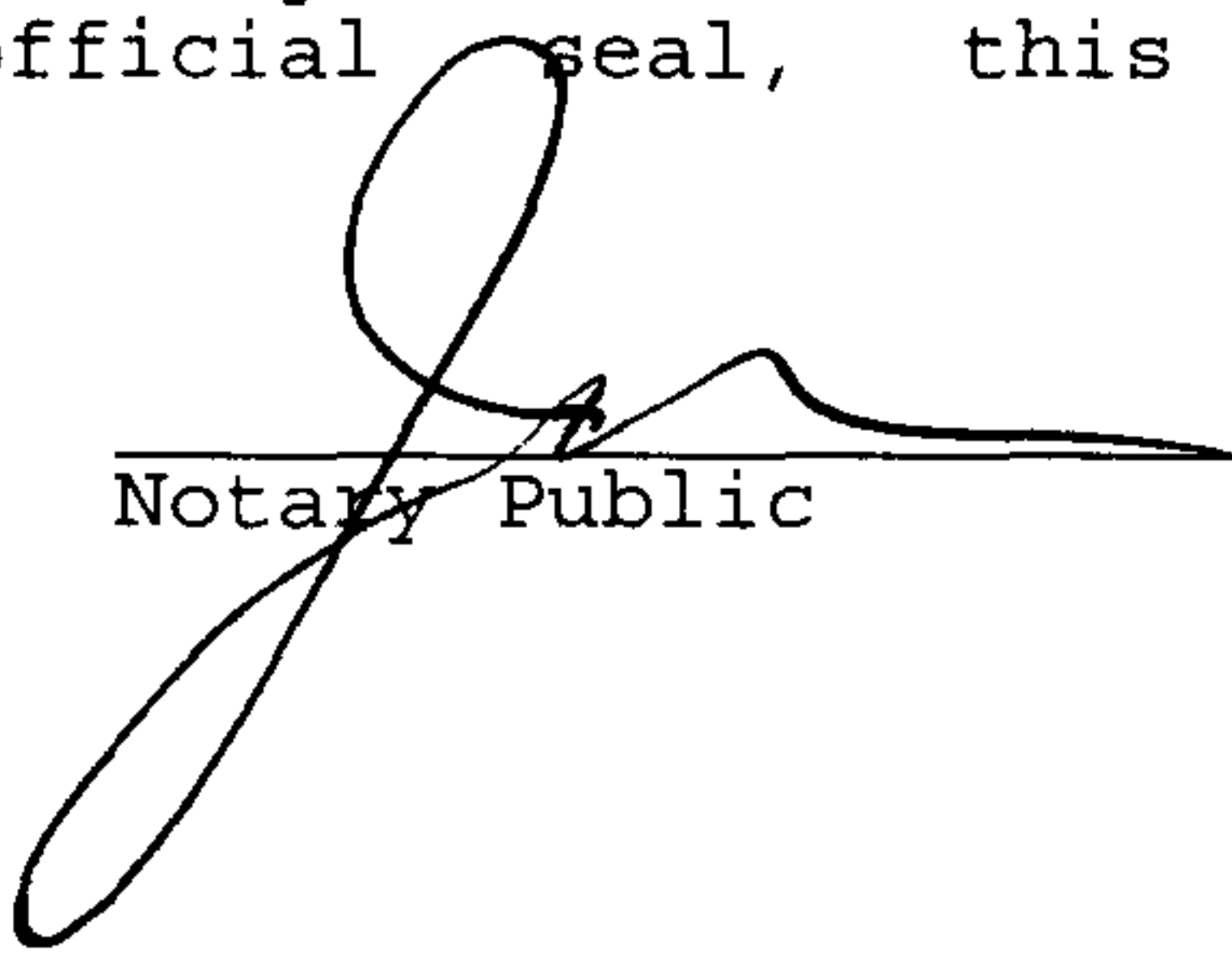

WARREN K. BAILEY


CHARLES POSEY

STATE OF ALABAMA
COUNTY OF SHELBY

I, the undersigned authority, a Notary Public, in and for said County, in said State, hereby certify that WARREN K. BAILEY and CHARLES POSEY, whose names are signed to the foregoing instrument, and who are known to me, acknowledged before me on this day, that, being informed of the contents of the instrument, they executed the same voluntarily on the day the same bears date.

Given under my hand and official seal, this 26th day of January, 2004.



Notary Public

My commission expires:

MY COMMISSION EXPIRES JULY 21, 2007