

OPTION TO PURCHASE REAL ESTATE AGREEMENT

The Parties hereto agree that this Option To Purchase Real Estate is to be recorded in the Probate Office of Shelby County, Alabama

BE IT KNOWN, this **OPTION TO PURCHASE REAL ESTATE** is entered into and made on this 15th day of September, 2004 between the undersigned Parties:

Kenneth D. Cost and Donald E. Lowery "Optionors") whose address is stated below and
Solid Ground Development Company, LLC ("Optionee") whose address is stated below.

WHEREAS, Optionors own Joint Tenants With Right of Survivorship interest (subject to a first mortgage in the principal amount of TWENTY ONE THOUSAND FIVE HUNDRED AND SEVENTY THREE DOLLARS AND NO/100s (\$21,573.00) in favor of Central State Bank, Calera, AL, that Optionors agree is to be satisfied in full by Optionors from Purchase Price proceeds at closing should Optionee exercise this Option To Purchase Real Estate) in the lot or land and/or real estate (the "Property") more particularly described as and located at:

Lot 6 of Ironwood Subdivision plat as that plat is recorded in Map Book 32, Page 88 in the Probate Office of Shelby County, Alabama., said Lot 6 containing approximately 15,889 square feet, more or less.

WHEREAS Optionors desires to offer Optionee the option of purchasing the Property, and

WHEREAS, Optionee desires to purchase from Optionors the option of purchasing said Property;

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Optionee will pay to Optionors the sum of FIVE HUNDRED AND NO/100 Dollars (\$500.00) monthly in consideration for this Option To Purchase Real Estate, the sufficiency of which is hereby acknowledged and confessed. Optionor's signature on this Option To Purchase Real Estate is Optionors' acknowledgement of the receipt of \$500.00 Option payment from Optionee which is made for the month of September, 2004. Optionee agrees to pay additional sums of \$500.00 due and payable on the first of each calendar month beginning October 1, 2004. Such sums are to be either hand delivered to Optionors or mailed to Optionors by First Class mail of the United States Postal Service to Optionors' address as set forth in this Option To Purchase Real Estate in Paragraph 4 below.
2. Optionors offer Optionee the option of purchasing the Property for the Purchase Price of ~~TWENTY SIX THOUSAND AND NO/100 Dollars (\$26,000.00).~~ THIRTY TWO THOUSAND K.D.C. RES 32,000.00
3. This Option To Purchase Real Estate shall expire automatically (unless previously exercised by Optionee) at midnight on April 30, 2005 unless Optionors and Optionee both execute a written Extension of Option to Purchase Real Estate Agreement.

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D.E. K.D.C. OCT 6, 2004

4. All written notices permitted or required by this Agreement to be given to the Parties hereto shall identify this Agreement by DATE, PARTIES, and DESCRIPTION and shall be binding and deemed sufficiently served upon said parties respectively when sent by First Class mail of the United States Postal Service, pre-paid, certified, return receipt requested to the Optionors and Optionee at the following addresses:

Optionors at: Kenneth D. Cost and Donald E. Lowery
P.O. Box 595
Calera, AL 35040

Optionee at: Solid Ground Development Company, LLC
c/o Ronald W. Johnson, Manager
926 Highland Lakes Lane
Birmingham, AL 35242

Either party may change such location by giving written notice to the other party specifying the new location.

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5. Optionee agrees to pay Optionors the sum of ONE THOUSAND AND NO/100 Dollars (\$1,000.00) upon the exercise of this Option To Purchase Real Estate as a deposit on the Purchase Price agreed herein and the remaining \$25,000.00 of the Purchase Price shall be paid at closing. ~~31,500.00~~ ~~OPTIONEE WILL CLOSE ON OCT 6, 2004.~~
6. Upon the giving of timely notice of the exercise of this Option To Purchase Real Estate as specified herein, Optionors shall be obligated to sell and Optionee shall be obligated to purchase the Property, in a timely manner, on the following terms and conditions:
- K.D.C.
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- (a) Upon Optionee's notice to Optionors of Optionee's exercise of this Option to Purchase Real Estate, Optionors will thereupon, by good and sufficient Warranty Deed, convey the Property to Optionee on the conditions herein agreed, free and clear of any liens, encumbrances, taxes, assessments or other defects, to the satisfaction of Optionee's attorney.
- (b) Optionors shall furnish Optionee, at closing and at Optionors' expense, an Owner's title policy purchased from Cahaba Title in favor of "any purchaser".
- (c) Optionors shall pay recording fees for any mortgage satisfaction(s); Optionee shall pay deed recording fees.

7. If Optionee fails to exercise this Option To Purchase Real Estate within the time provided herein, the full consideration paid to Optionors shall be retained by Optionors and neither party shall have any further rights or claims against the other by reason of this Option To Purchase Real Estate. In such event, all monies retained by Optionors and any and all costs hereunder assumed or incurred by Optionee shall be considered full and complete satisfaction of any damages Optionors may suffer or have suffered due to Optionee's failure to exercise this

Option To Purchase Real Estate.

8. If, within a period of twenty (20) days of notice of exercise of this Option To Purchase Real Estate, Optionors neglect or do not meet any covenant or condition required of Optionors herein, Optionee may, at Optionee's sole discretion, be released from Optionee's obligation to purchase upon written notice to Optionors of such election and all monies paid Optionors shall be refunded Optionee. However, Optionee may, at Optionee's sole discretion, elect to waive any requirement not met by Optionors and proceed with the purchase or otherwise specifically enforce Optionee's rights to purchase.
9. Optionee may assign and convey his/her (Optionee's) Interest in this Option To Purchase Real Estate Agreement or any part thereof provided, however, that such assignment or conveyance shall not result in the probability of waste or other impairment of Owner/Optionor's security in the Property. No assignment, however, shall be valid until written notice thereof has been given to Optionors.
10. Optionors warrant that they have not dealt with any Broker or Real Estate Agent concerning the real estate which is the subject (Lot 6 Ironwood Subdivision) of this Option To Purchase Real Estate and Optionors hereby indemnify the Optionee from any claim from any Broker or Real Estate Agent claiming to have represented the Optionors in any transaction involving the real estate which is the subject of this Option to Purchase Real Estate Agreement.
11. This Agreement supersedes and replaces all prior agreements and understandings, whether oral or in writing, and may only be modified in a separate writing signed by both parties.

IN WITNESS WHEREOF, the parties have signed this Agreement on the date first above written.

Kenneth D. Cost
Optionor, Kenneth D. Cost

RT Singleton
Witness

Donald E. Lowery
Optionor, Donald E. Lowery

RT Singleton
Witness

Ronald W. Johnson
Optionee—Solid Ground Development Company, LLC
By: Ronald W. Johnson, its Manager

RT Singleton
Witness

K.D.C.
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