

This instrument prepared by:
Anthony D. Snable, Attorney
1629 11th Avenue South
Birmingham, Alabama 35205

SEND TAX NOTICE TO:
KARNIE C. SMITH, SR.
CLARISSA F. SMITH
8198 CASTLEHILL ROAD
BIRMINGHAM, AL 35242

FILE #S05018

WARRANTY DEED

JOINT TENANTS WITH RIGHT OF SURVIVORSHIP

STATE OF ALABAMA

SHELBY COUNTY

KNOW ALL MEN BY THESE PRESENTS:

That in consideration of EIGHT HUNDRED TWENTY FIVE THOUSAND AND 00/100 DOLLARS (\$825,000.00) to the undersigned grantor (whether one or more), in hand paid by the grantee herein, the receipt whereof is acknowledged, I or we, DAVID M. VARNER and BARBARA S. VARNER, HUSBAND AND WIFE (herein referred to as grantor, whether one or more), grant, bargain, sell and convey unto KARNIE C. SMITH, SR. and CLARISSA F. SMITH (herein referred to as GRANTEES, whether one or more), as joint tenants with right of survivorship, the following described real estate, situated in Shelby County, Alabama to-wit:

LOT 54, ACCORDING TO THE SURVEY OF GREYSTONE 8TH SECTOR,
AS RECORDED IN MAP BOOK 20, PAGE 93, IN THE PROBATE OFFICE
OF SHELBY COUNTY, ALABAMA.

SUBJECT TO:

1. Advalorem property taxes for the current tax year, 2005.
2. Easements, restrictions, covenants and reservations of record.

\$660,000.00 of the consideration herein was derived from a mortgage loan closed simultaneously herewith.

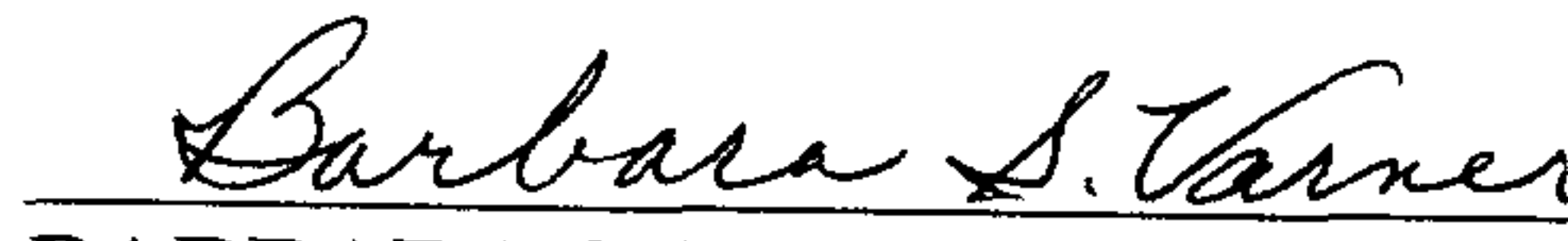
\$165,000.00 of the consideration herein was derived from a second mortgage loan closed simultaneously herewith.

TO HAVE AND TO HOLD to the said GRANTEES as joint tenants, with right of survivor ship, their heirs and assigns, forever, it being the intention of the parties to this conveyance, that (unless the joint tenancy hereby created is severed or terminated during the joint lives of the grantees herein) in the event one grantee herein survives the other, the entire interest in fee simple shall pass to the surviving grantee, and if one does not survive the other, then the heirs and assigns of the grantees herein shall take as tenants in common.

And I (we) do, for myself (ourselves) and for my (our) heirs, executors and administrators, covenant with said GRANTEES, 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 to sell and convey the same as aforesaid; that I (we) will, and my (our) heirs, executors and administrators shall warrant and defend the same to the said grantee, his, her or their heirs and assigns forever, against the lawful claims of all persons.

IN WITNESS WHEREOF, I/(we), have hereunto set my (our) hand(s) and seal(s) this 3rd day of February, 2005.

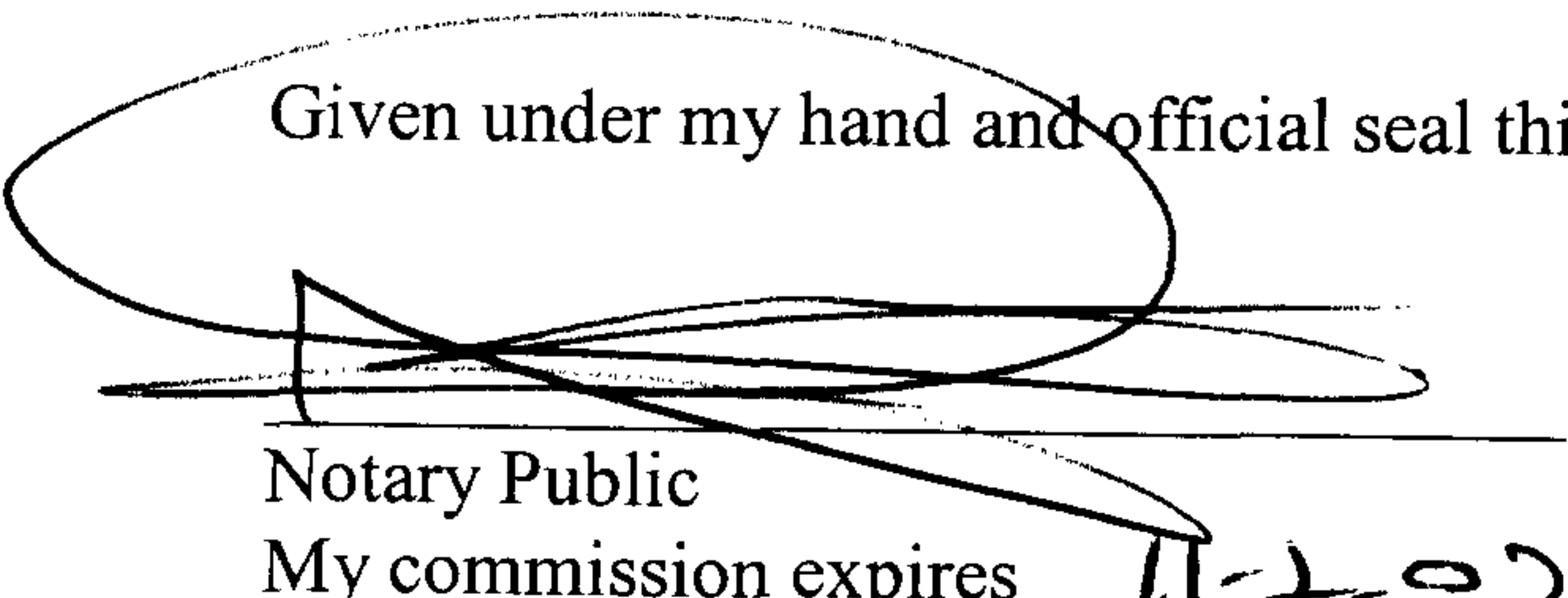

_____(SEAL)
DAVID M. VARNER


_____(SEAL)
BARBARA S. VARNER

STATE OF ALABAMA
JEFFERSON COUNTY

I, THE UNDERSIGNED, a Notary Public in and for said County, in said State, hereby certify that DAVID M. VARNER and BARBARA S. VARNER, HUSBAND AND WIFE whose name(s) (is/are) signed to the foregoing conveyance, and who (is/are) known to me, acknowledged before me on this day, that being informed of the contents of the conveyance, HE/SHE/THEY executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 3rd day of February, 2005.



Notary Public

My commission expires 11-2-07