20060828000420380 1/2 \$444.00 Shelby Cnty Judge of Probate, AL 08/28/2006 08:10:54AM FILED/CERT

Shelby County, AL 08/28/2006 State of Alabama

Deed Tax: \$430.00

STATE OF ALABAMA)
SHELBY COUNTY)

STATUTORY WARRANTY DEED

KNOW ALL MEN BY THESE PRESENTS, That for and in consideration of FOUR HUNDRED THIRTY THOUSAND NINE HUNDRED AND NO/100 DOLLARS(\$430,000.00) to the undersigned GRANTOR in hand paid by the GRANTEE herein, the receipt whereof is acknowledged, ARTHUR HOWARD HOMES, INC. Alabama Corporation (GRANTOR) does grant, bargain, sell and convey unto WAYNE H. SMALLEY and ANTOINETTE C. SMALLEY (GRANTEES) as joint tenants with the right of survivorship, the following described real estate situated in SHELBY COUNTY, ALABAMA to-wit:

Lot 2246, according to the Map of Highland Lakes, 22nd Sector, Phase 1 an Eddleman Community as recorded in Map Book 33, Page 79 in the Probate Office of Shelby County Alabama.

Together with a nonexclusive easement to use private roadways, Common Area all as more particularly described in the Declaration of Easements and Master Protective Covenants for Highland Lakes, a Residential Subdivision, recorded in Instrument# 1994-07111 and amended in Instrument no. 1996-17543, and further amended in Instrument # 1999-31095, in the Probate Office of Shelby County, Alabama, and the Declaration of Covenants, Conditions and Restrictions for Highland Lakes, a Residential Subdivision, 22nd Sector recorded in Instrument # 20040823000471390 in the Probate Office of Shelby County, Alabama (which together with all amendments thereto, is hereinafter collectively referred to as the "Declaration").

Subject to:

1.Ad Valorem taxes due and payable October 1, 2006.

2. Public utility easements as shown by recorded plat, including any tree buffer line shown thereon.

3.Declaration of Easements and Master Protective Covenants for Highland Lakes, a Residential Subdivision, which provides, among other things, for an Association to be formed to assess and maintain the private roadways, etc. of the development; all of said covenants, restrictions and conditions being set out in instrument recorded as Instrument #1994-07111 and amended in Instrument#1996-17543, in said Probate Office of Shelby County, Alabama, along with Articles of Incorporation of Highland Lakes Residential Association, Inc. as recorded as Instrument 9402/3947, in the Office of the Judge of Probate of Jefferson County, Alabama.

4. Declaration of Covenants, Conditions and Restrictions for Highland Lakes, a Residential Subdivision, 22^{nd} Sector, Phase I as recorded as Instrument #20040823000471390, in said Probate Office.

5. Subdivision restrictions, limitations and conditions shown on recorded plat in Map Book 33, Page 79.

6. Title to all minerals within and underlying the premises, together with all mining rights and other rights, privileges and immunities relating thereto, including rights set out in inst# 1999-40620, Page 417, in said Probate Office.

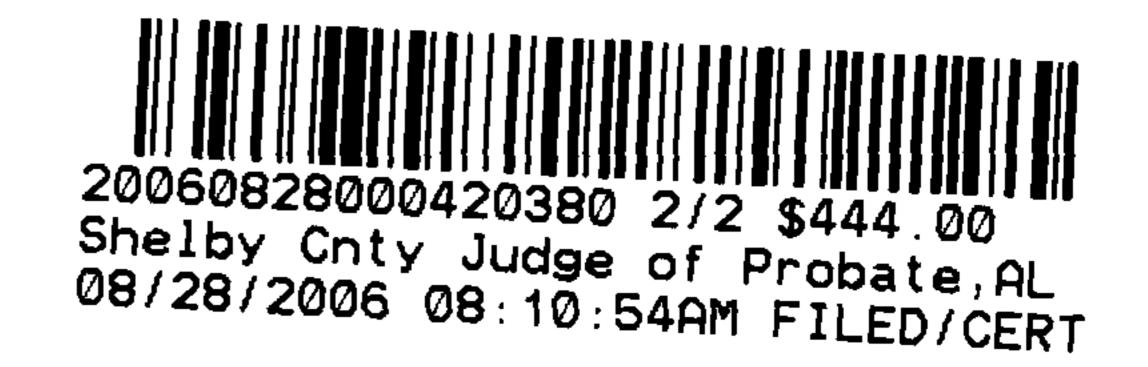
7. Easement for ingress and egress to serve Highland Lakes Development executed by Highland Lakes Development, Ltd., to Highland Lakes Properties, Ltd., recorded as Instrument #1993-15704 in said Probate Office

8. Lake Easement Agreement executed by Highland Lakes Properties, Ltd. And Highland Lakes Development, Ltd., providing for easements, use by others, and maintenance of Lake property described within Instrument #1993-015705

9. Cable Agreement set out in Inst. No. 1997-19422.

10. Release(s) of damages as set out in instrument(s) recorded in Inst. No. 1999-31093 in Probate Office.

This conveyance is made with the express reservation and condition that by acceptance of this deed, the Grantees, for themselves and on behalf of their heirs, administrators, executors, successors, assigns, contractors, permitees, licensees and lessees, hereby release and forever discharge Grantor, its successors and assigns, from any and all liability, claims and causes of action whether arising at law (by contract or in tort) or in equity with respect to damage or destruction of property and injury to or death of any person located in, on, or under the surface of or over lands herein conveyed, as the case may be, which are caused by, or arise as a result of, past or future soil, subsoil, or other conditions (including without limitation, sinkholes, underground mines, and limestone formations) under or on the Property, whether contiguous or non-contiguous. The Grantee(s) agree(s) that he(she)(they) is(are) acquiring the Property "AS IS", without any representation or warranty on the part of Grantor other than as to title. Further, the Grantee, its successors and assigns hereby acknowledges that the Grantor shall not be liable for and no action shall be asserted against Grantor in connection with any drainage easements, ditches or pipes or drainage problems associated therewith and that Grantee has inspected the same and accepts the property along with all drainage easements, ditches or pipes in its present "AS IS" condition. For purposes of this paragraph the term Grantor shall mean and refer to (I) the partners, agents and employees of Grantor; (II) the officers, directors, employees and agents of general partners of Grantor or partners thereof; (III) any successors or assigns of Grantor; and (IV) any successors and assigns of Grantor's interest in the



Property. This covenant and agreement shall run with the land hereby as against Grantee, and all persons, firms, trusts, partnerships, limited partnerships, corporations, or other entities holding under or through Grantee.

Grantor warrants that it commenced and completed construction within the proper time frame as set by the Developer, and has received no Notice from Developer of any intent to exercise its option to re-purchase.

TO HAVE AND TO HOLD unto the said GRANTEES as Joint Tenants with Right of Survivorship, 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, the heirs and assigns of the grantees herein shall take as tenants in common.

IN WITNESS WHEREOF, the said GRANTOR has caused this conveyance to be executed this the / K day of AUGUST, 2006.

ARTHUR HOWARD HOMES, INC.

an Alabama Corporation

ARTHUR W. HOWARD

ITS PRESIDENT

STATE OF ALABAMA) JEFFERSON COUNTY)

I, GENE W. GRAY, JR., a Notary Public, in and for said County in said State, hereby certify that ARTHUR W. HOWARD, whose name as President of ARTHUR HOWARD HOMES, INC. an Alabama Corporation 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 said conveyance, he, as such officer, and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal of office this! daff of AUGUST, 2006.

GENE W./ GRAX,

Commission Expires: 11/09/06

PREPARED BY: GENE W. GRAY, JR. 2100 SOUTHBRIDGE PARKWAY, SUITE 338 BIRMINGHAM, AL 35209 205-879-3400

WAYNE H/ SMALLEY

ANTOINETTE C. SMALLEY

SEND TAX MOTICE TO:

1/32/SHEFFIELD LANE

BIRMINGHAM, AL 35242