

BALLANTRAE LOT SALES CONTRACT

June 27, 2007 [Date]

The undersigned BSR Development LLC ("Purchaser") hereby agrees to purchase, and the undersigned **MOBLEY DEVELOPMENT, INC.** ("Seller") hereby agrees to sell the following described real property (the "Property") situated in the City of Pelham, County of Shelby, State of Alabama (the "Lot"), on the terms stated below:

Stoneykirk, Phase 5 at Ballantiae

Address: _____

and legally described as Lots Nos. 1721, 1722, 1723, 1724, 1725

according to the Plat of Stoneykirk Phase 5 at Ballantiae (the "Subdivision Plat"), as recorded in Map Book 38, Page 136, in the Office of the Judge of Probate of Shelby County, Alabama (the "Probate Office"). If the recording information for the Subdivision Plat has not been completed above or if the Lot is shown on a preliminary subdivision plat attached as Exhibit A hereto (the "Preliminary Plat"), then Purchaser acknowledges and agrees that the attached Preliminary Plat is not the final Subdivision Plat and that the actual configuration of the Lot, as well as the lot lines and dimensions of the Lot, are subject to change by Seller in order to accommodate any construction or development conditions encountered by Seller in developing the real property to be included on the final Subdivision Plat and to otherwise comply with any requirements of any applicable utility companies or governmental agencies having jurisdiction over the Property and other real property shown on the Subdivision Plat.

The Lot shall be conveyed to Purchaser subject to all of the following (collectively, the "Permitted Exceptions"): real estate ad valorem taxes and assessments for the current and all subsequent tax years, all easements, restrictions, rights-of-way, reservations, building setback lines and other matters of record, including, specifically, the Ballantrae Declaration of Protective Covenants recorded in or to be recorded in the Probate Office and all amendments thereto (which, together with all amendments thereto, is hereinafter referred to as the "Declaration"), and all Assessments, as defined in the Declaration, which are payable to the Ballantrae Home Owner's Association, Inc. (the "Association") pursuant to the Declaration.

1. PURCHASE PRICE. The purchase price for the Lots shall be \$ 52,900 for each lot, payable as follows:

Non-Refundable Earnest Money (paid to Seller contemporaneously herewith)	\$ <u>2,500</u>
Cash at closing this sale (payable by cashier's check)	\$ <u>262,000</u>
Total Purchase Price	\$ <u>264,500</u>



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Shelby Cnty Judge of Probate, AL
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2. AGENCY DISCLOSURE. The Listing Company, RE/MAX First Choice is an agent of (check one):

☐ Seller

☒ Both parties as a limited consensual dual agent

☐ Purchaser

☐ Neither Party and is acting as a transaction broker.

The Selling Company, RE/MAX First Choice, if any, is an agent of (check one):

☐ Seller

☒ Both parties as a limited consensual dual agent

☐ Purchaser

☐ Neither Party and is acting as a transaction broker

Purchaser's Initials DB

Seller's Initials J

Purchaser represents and warrants that, except as set forth above, no real estate agent, broker or other sales personnel has represented Purchaser in this transaction as listing agent, selling agent or otherwise. Purchaser does hereby indemnify, agree and hold Seller and RE/MAX First Choice ("Seller's Agent"), jointly and severally, harmless from and against any and all claims, suits, demands, causes of action, judgments, liabilities, expenses, including attorney's fees, and any other costs of any nature suffered, paid or incurred by Seller and/or Seller's Agent as a result of or in connection with any claims for brokerage commission, fees or other compensation asserted by any real estate agent, firm, corporation, broker or sales person other than Seller's Agent or the real estate firm identified above with respect to the purchase and sale transaction between Seller and Purchaser as contemplated in this Agreement.

Purchaser's Initials DB

3. EARNEST MONEY AND DEFAULT. Seller shall hold the Earnest Money in trust pending the fulfillment of this Agreement. In the event Purchaser fails to carry out and perform the terms of this Agreement, then the Earnest Money shall be forfeited to and claimed by Seller as liquidated damages, this Agreement shall be canceled and neither party shall have any further obligations hereunder. In the event Seller fails to carry out and perform Seller's obligations under this Agreement (other than as a result of any default hereunder by Purchaser), then Purchaser may seek specific performance of this Agreement or terminate this Agreement and obtain a refund of the Earnest Money in which event neither party shall have any further obligation hereunder. Purchaser hereby waives any right to seek or obtain any monetary judgment or damages from Seller as a result of any default hereunder by Seller. Purchaser, by execution hereof, acknowledges and agrees that the Earnest Money is non-refundable unless, and only to the extent that, Seller fails to carry out and perform Seller's obligations under this Agreement (other than as a result of any default hereunder by Purchaser). The Earnest Money is

non refundable in the event Purchaser fails to close the transaction contemplated herein for any reason, including, without limitation, inability of Purchaser to obtain financing. If the Earnest Money is evidenced by a check and the check is returned by a financial institution as unpaid, then Seller shall have the right to unilaterally cancel and terminate this Agreement without further recourse on the part of Purchaser.

4. TITLE INSURANCE. On or prior to closing, Seller agrees to furnish to Purchaser a standard form owner's title insurance commitment for the issuance of a title insurance policy for the Lot, issued by a company selected by Seller and qualified to issue titles in Alabama, in the amount of the purchase price, insuring Purchaser against loss on account of any defect or encumbrance in the title, unless herein excepted; otherwise, the Earnest Money shall be refunded. The Lot is sold and is to be conveyed subject to all of the Permitted Exceptions, less and except any mineral and mining rights not owned by Seller, and subject to present zoning classification, and is not located in a flood plain.

5. PRORATIONS. Ad valorem property taxes (whether paid in arrears or advance) for the Lot, as determined on the date of closing, are to be prorated between Seller and Purchaser as of the date of delivery of the deed. Purchaser shall be responsible for the payment of all "rollback" taxes assessed to or against the Lot after the date of closing pursuant to Section 40-7-25.3 of the CODE OF ALABAMA (1975), regardless of whether such rollback taxes are assessed in the name of Seller, Purchaser or any other person. All ad valorem taxes, except municipal taxes, are assumed to be paid in arrears for purposes of proration. At the closing, Purchaser shall pay, by separate payment to the Association, Purchaser's share of the Annual Assessments, as defined in the Declaration, for the Lot for the balance owed for the remainder of the calendar year. Annual Assessments for the Lot for the current calendar year are estimated to be \$400.00 for the entire year.

6. CLOSING AND POSSESSION DATES. The sale shall be closed and the deed delivered on or before 14 days from the recording of the final plat map, except Seller shall leave a reasonable length of time within which to perfect title or cure defects in the title to the Lot; provided, however, that in no event shall the closing occur (a) prior to the recordation of the Subdivision Plat in the Probate Office or (b) more than 180 days following the date of execution of this Agreement by Purchaser. Possession is to be given on delivery of the deed.

7. CONVEYANCE. Seller agrees to convey the Lot to Purchaser by statutory warranty deed free of all monetary liens and encumbrances, but subject to the Permitted Exceptions and Seller and Purchaser agree that any encumbrance not herein excepted or assumed may be cleared at the time of closing.

8. SELECTION OF ATTORNEY, CLOSING COSTS AND DOCUMENTS. Seller and Purchaser hereby ___ do X do not agree to share the fees of a closing attorney. Seller and Purchaser acknowledge and agree that such sharing may involve a potential conflict of interest and each may be required to execute an affidavit at closing acknowledging their recognition and acceptance of the same. The parties further acknowledge and agree that they have a right to be represented at all times in connection with this Agreement and at the closing by an attorney of

their own choosing at their own expense. Seller shall pay for the issuance of the title insurance commitment to be issued pursuant to Paragraph 4 above; the cost of any owner's title insurance policy, if required by Purchaser, shall be paid by Purchaser. All other closing costs shall be paid by Purchaser. At closing, Purchaser shall execute a consent form acknowledging and consenting to the Permitted Exceptions, that Purchaser has physically inspected the Lot and that the Lot is subject to all of the terms and provisions of the Declaration. Seller's standard form statutory warranty deed shall be utilized. Seller and Purchaser agree to execute such other documents as may be reasonably required to consummate the closing contemplated by this Agreement.

9. ROADS. Seller represents and warrants that access to the Lot will be provided by Seller, at Seller's expense, via a X public or ___ private street or roadway which will abut the Lot, which roadway will be paved and constructed in accordance with the minimum requirements of the City of Pelham, Alabama (the "City"). The aforesaid street or roadway will be completed no later than 180 days from the closing and, if the same has not been completed by the closing, will be bonded with the City pursuant to a surety bond or other financial guaranty required by and acceptable to the City. If access to the Lot will be provided by a private street or roadway, the Purchaser further acknowledges and agrees that (a) additional restrictive covenants (the "Additional Covenants"), in such form as may be required by Seller, will apply to the Lot and the other property shown on the Subdivision Plat, (b) the Additional Covenants will, among other things, (i) establish a separate owners' association (the "Additional Association") for the Lot and other real property shown on the Subdivision Plat which will maintain and operate such private street or road and (ii) require all property owners (including Purchaser as the owner of the Lot) to pay additional annual assessments to the Additional Association, which assessments will be used to pay all costs and expenses of maintaining, repairing and replacing such private streets or roadways and any limited access device such as, but not limited to, a card access system or gate utilized to limit access to the real property shown on the Subdivision Plat, and all other costs and expenses of the Additional Association, (c) access to any such private streets or roads may be limited or restricted to exclude the general public therefrom, (d) the Additional Association shall be solely responsible for the maintenance, repair and replacement of such private streets or roads and (e) a good faith estimate of the costs of the Additional Association in maintaining, repairing and replacing the private streets or roadways, if any, shown on the Subdivision Plat over the first ten (10) years of ownership and operation is estimated to be \$ 27; provided, however, that the actual maintenance, repair and replacement costs may be greater than or less than the foregoing estimate.

10. UTILITIES. Seller represents and warrants that water, gas, sanitary sewage, electricity and telephone lines will be constructed and installed to or along the boundary lines of the Lot; provided, however, that (a) Seller does not represent or warrant that any utility company or utility provider will provide utility services to the Lot and it shall be the sole responsibility of Purchaser to ascertain that such services are available and will be provided to the Lot and (b) Purchaser, at Purchaser's sole expense, shall be solely responsible for (i) connecting all such utility lines to any dwelling or other improvements to be located on the Lot and (ii) paying all reservation, tap, impact, service, demand, use and other fees, charges, costs or expenses charged by any of the applicable utility companies or those persons providing any of the foregoing utility services to the Lot. The aforesaid utilities servicing the Lot will be completed no later than 180 days from the closing and, if the same have not been completed by the closing, will be bonded

with the City pursuant to a surety bond or other financial guaranty required by and acceptable to the City. Purchaser covenants and agrees that, at the time of initial construction and occupancy of a residence on the Lot, each residence constructed on each Lot shall be equipped with one or more natural gas central heating systems and water heaters as the exclusive central space and water heating systems for such residence; provided, however, that the aforesaid covenant may be satisfied and released with respect to each Lot by Purchaser or Purchaser's heirs, executors, successors and assigns paying to Seller MOBLEY DEVELOPMENT, INC. \$ ~~1000~~ 1000 for each Lot that is to be released from the aforesaid covenant, which payment shall be due and payable upon the first to occur of (1) approval by the ARC, as defined in the Declaration, of plans for, (2) issuance of a building permit for, or (3) substantial completion of, a residence on the Lot that does not comply with the foregoing covenant. Any such payment that is not paid when due shall bear interest from and after such due date and until paid in full at the lesser of 18% per annum or the highest rate which may be charged to Purchaser at law, which amount shall constitute an Individual Assessment, as defined in the Declaration, and Seller shall be entitled to a lien on the Lot until such amount is paid in full. If Seller brings suit to enforce the foregoing obligations, Seller shall be entitled to recover the legal cost of such suit, including reasonable attorney's fees. The foregoing covenant is more fully set forth in the Declaration, the terms of which will govern the application and enforcement of the foregoing covenant. The ARC, as defined in the Declaration, will not approve any plans that do not comply with the foregoing covenant unless the aforesaid payment is paid in full. All of the terms and provisions of this Paragraph 10 shall survive the execution and delivery of the deed to the Lot and shall inure to the benefit of Seller, its successors and assigns.

11. INSPECTION OF LOT AND SIDEWALKS. PURCHASER ACKNOWLEDGES AND AGREES THAT PURCHASER HAS PHYSICALLY AND PERSONALLY INSPECTED THE LOT PRIOR TO EXECUTING THIS AGREEMENT. Purchaser further acknowledges and agrees that pursuant to the terms and provisions of the Declaration, Purchaser, at Purchaser's sole cost and expense, shall be solely responsible for the construction of a sidewalk along the entire length of the Lot which abuts any public or private roadway, which sidewalk shall be constructed by Purchaser in accordance with the sidewalk requirements of the City.

Purchaser's Initials

10

12. CONDITION OF LOT. Purchaser acknowledges and agrees that (a) Purchaser has been given the absolute and unfettered right prior to executing this Agreement to conduct all inspections, tests, evaluations and investigations of the Lot as Purchaser, in Purchaser's sole discretion, may determine to be necessary in order to satisfy Purchaser of the physical and environmental condition of the Lot and all other aspects of the Lot, including, without limitation, the zoning of the Lot and utility availability for the Lot, (b) Purchaser has assumed full and complete responsibility for the investigation and determination of the suitability of the surface and subsurface conditions of the Lot, including, without limitation, the existence or presence of any sinkholes, underground mines, tunnels, water channels and limestone formations or deposits on, under, adjacent to or in close proximity with the Lot, (c) Seller has not made and does not make any covenants, representations or warranties, either express or implied, regarding the physical condition of the Lot or any portion thereof, the suitability or fitness of the Lot for any intended or specific use or whether any underground storage tanks or any hazardous or toxic

waste, substances or materials, including, without limitation, asbestos, radon, formaldehyde and polychlorinated biphenyls, are present or at any time prior to the date hereof or the date of closing have been located in, on, under, upon or adjacent to the Lot and (d) the Lot is sold and Purchaser does hereby irrevocably and unconditionally waive, release and forever discharge Seller, its agents, employees, officers, directors, stockholders, mortgagees, successors and assigns, of and from any and all actions, causes of action, claims, potential claims, demands, agreements, covenants, suits, obligations, controversies, accounts, damages, costs, expenses, losses and liabilities of every kind and nature, known or unknown, arising out of or as a result of any past, present or future soil, surface and subsurface condition known or unknown (including, without limitation, sinkholes, underground mines, tunnels, water channels and limestone formations and deposits), under or upon the Lot or any other real property surrounding, adjacent to or in close proximity with the Lot which may be owned by Seller. The foregoing provisions shall be included in the deed.

Purchaser's Initials

JD

13. PROTECTIVE COVENANTS. Purchaser acknowledges that the Lot is subject to and shall be conveyed subject to all of the terms and provisions of the Declaration, which include, without limitation, building setback requirements, use restrictions limiting the use of the Lot to single-family residential purposes only, requirements that all plans and specifications for all improvements be approved by the ARC, as defined in the Declaration, and that each property owner pay Assessments, as defined in the Declaration. Purchaser further acknowledges and agrees that the Declaration contains various waivers and disclaimers of liability in favor of various parties and grants to Seller the right, in Seller's sole discretion, to modify and amend the Declaration without having to first obtain the consent or approval of any owners of any of the Property, as defined in the Declaration, all as more particularly described and reflected in the Declaration. Furthermore, Purchaser acknowledges and agrees that the Declaration provides that should Purchaser desire to resell the Lot prior to construction of a residential dwelling thereon or should Purchaser fail to commence construction of a residential dwelling on the Lot within twelve (12) months from the date of closing, then, in either event, Seller has reserved the right to repurchase the Lot at the Purchase Price reflected in this Agreement, without interest thereon, all as more particularly set forth in the Declaration. Purchaser further acknowledges and agrees that the Lot is part of a mixed-use development whereby single family detached housing districts may be situated directly adjacent to townhouse and patio home districts, planned office and planned commercial districts and a middle school and vice versa and that Seller has the right, at its option, to change the land use districts for the Property, as defined in the Declaration, at any time (subject to satisfaction of any rules, regulations or requirements of the City).

Purchaser's Initials

JD

14. MINIMUM FLOOR SPACE AND SETBACK REQUIREMENTS. Purchaser acknowledges and agrees that the finished floor space in the houses to be built on the land shall not be less than (a) 2000 square feet for a single-story home; and (b) 2300 square feet for a one and one-half story or a two-story home, with a minimum square footage of feet on the first level. The Lot shall also be subject to the following minimum setbacks: Front Lot Line: twenty-five (25) feet; Rear Lot Line: twenty-five (25) feet;

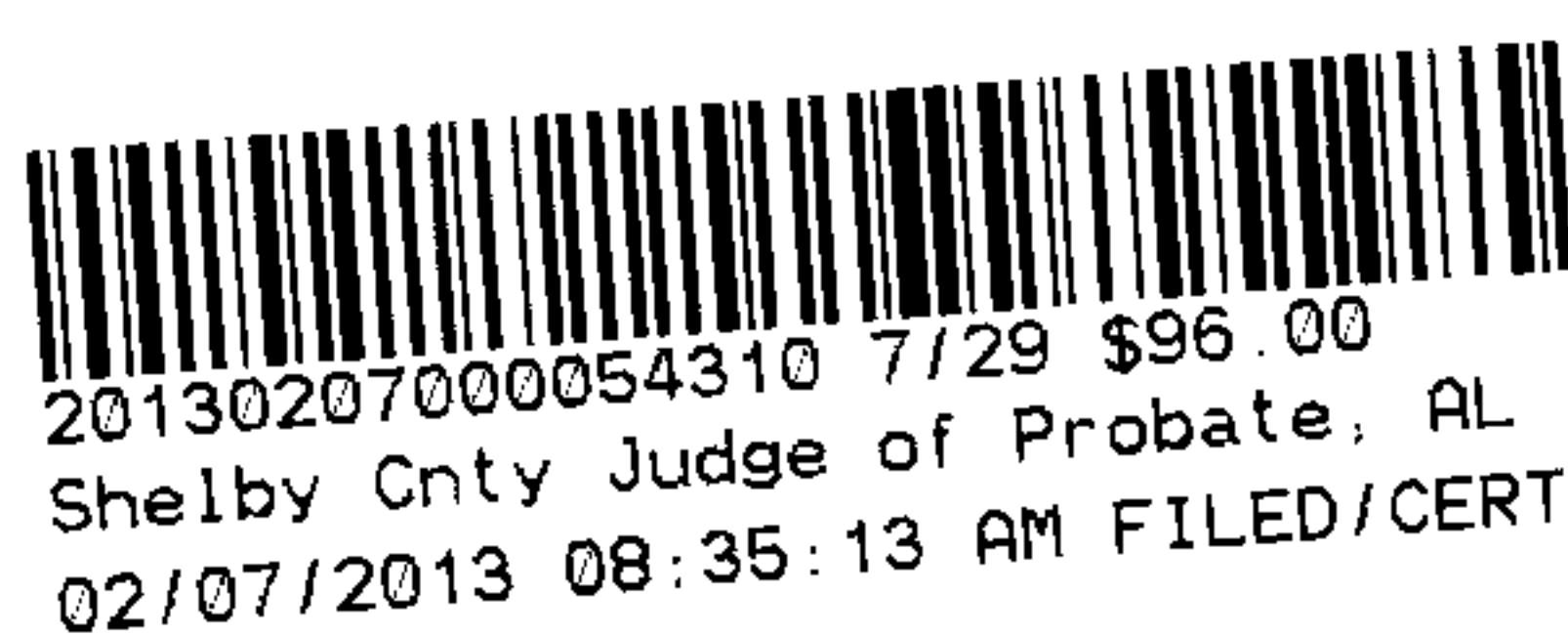
and Side Lot Line: ten (10) feet; provided, however, that such setbacks may be increased or decreased by the Architectural Review Committee under the Declaration, in their sole and absolute discretion. The foregoing provisions shall be contained in the Deed.

15. SWIM AND TENNIS CLUB AND OTHER COMMON RECREATIONAL AMENITIES. Notwithstanding anything provided herein or in any other agreement to the contrary, the purchase and ownership of the Lot shall not entitle Purchaser or Purchaser's heirs, successors and assigns to any rights to use or otherwise enter onto or use the swim and tennis facilities, clubhouse and other related facilities and amenities, if any, which may be constructed to be on the Club Property, as defined in the Declaration. Purchaser acknowledges and agrees that certain streets and roads and other facilities or amenities within the Property, as defined in the Declaration, may be private roads, streets, facilities or amenities which are limited in use to only those owners of the Property, as defined in the Declaration, who are specifically entitled to the use of the same and that Purchaser may be prohibited or restricted from use of the same. Seller has no current plans to construct, and makes no representations or warranties regarding the construction of, any additional common recreational amenities within the Ballantrae development for the common use by Purchaser or other property owners of the Property, as defined in the Declaration.

16. PURCHASER'S WARRANTIES. Purchaser represents and warrants to Seller that Purchaser is purchasing the Lot for the purpose of engaging in the business of constructing a residential dwelling thereon for resale in the ordinary course of business or is otherwise acquiring the Lot solely for residential purposes.

17. ARBITRATION. Seller and Purchaser agree that any controversy or claim arising from or out of or relating to this Agreement or the breach hereof shall be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The parties acknowledge and agree that the transactions contemplated by this Agreement, which include the use of interstate mails, roadways and commerce, involve interstate commerce, as that term is defined in the Federal Arbitration Act. The site of such arbitration shall be Birmingham, Alabama.

18. COMMISSIONS AND AGENT REPRESENTATIONS. THE COMMISSIONS PAYABLE FOR THE SALE OF THE LOT ARE NOT SET BY THE BIRMINGHAM BOARD OF REALTORS, BUT IN ALL CASES ARE NEGOTIABLE BETWEEN THE AGENT AND SELLER. Seller agrees to pay Seller's Agent, as agent, a commission pursuant to separate written agreement. Purchaser and Seller acknowledge and agree that neither of them have relied upon any advice or representations, either oral or written, of Seller's Agent or any agent or employees of Seller's Agent relating to (a) the legal or tax consequences of the transaction contemplated by this Agreement or the purchase, sale or ownership of the Lot, (b) any zoning or rezoning for the Lot, (c) any subdivision matters affecting the Lot, (d) soil or subsurface conditions of the Lot, (e) the availability of utilities or sewer service for the Lot, (f) the investment or resale value of the Lot, (g) any projections of income or operating expenses with respect to the Lot, (h) the existence of any hazardous or toxic waste substances or materials or underground storage tanks below, within, under or adjacent to the Lot and (i) any other matters



affecting the decision to sell or purchase the Lot. SELLER AND PURCHASER ACKNOWLEDGE AND AGREE THAT SELLER'S AGENT HAS NOT MADE ANY REPRESENTATIONS OR WARRANTIES, EITHER EXPRESS OR IMPLIED, CONCERNING THE LOT.

Purchaser's Initials D

19. MISCELLANEOUS. Purchaser may not assign, transfer, convey or encumber this Agreement or any interest herein without Seller's prior written consent. This Agreement shall be binding upon and subject to the terms and provisions of the immediately preceding sentence, and shall inure to the benefit of Seller and Purchaser and their respective heirs, executors, successors and assigns. This Agreement and any addendum attached hereto constitute the sole and entire agreement between the parties hereto and this Agreement may not be modified or amended except in a writing signed by both parties hereto. This Agreement supersedes all prior written or oral discussions, negotiations and agreements between Seller and Purchaser with respect to the purchase and sale of the Lot. Purchaser acknowledges and agrees that neither Seller's Agent nor any agents or employees thereof have any right to make any representations, warranties, covenants, or agreements on behalf of Seller and that no representations, warranties, covenants or agreements of Seller's Agent or any agents or employees thereof shall be binding on Seller. No representations, promises, warranties, understandings or inducements (including, without limitation, that any proposed dwelling or other improvements to be constructed on the Lot will be approved) with respect to this Agreement or any of the matters contemplated herein which are not set forth in this Agreement shall be binding upon the parties hereto. The paragraph headings of this Agreement are used for convenience of reference only and in no way define, limit or describe the scope or intent of this Agreement. Time is of the essence of this Agreement. This Agreement has been executed in the State of Alabama and shall be governed by the laws of the United States (including, specifically, the provisions of the Federal Arbitration Act, 9 U.S.C. §1, et seq.) and, to the extent not inconsistent therewith, the laws of the State of Alabama. If any provision of this Agreement should be invalid or unenforceable, then such provision only shall be held unenforceable and the validity and enforceability of the remaining provisions hereof shall not be affected thereby. All of the terms and provisions of this Agreement shall survive the closing and the conveyance of the Lot by Seller to Purchaser.

20. ADDENDUM. Check if attached.

 A, B Additional terms are set forth on the Addendum attached hereto and made a part of this Agreement.

Purchaser's Initials D

Seller's Initials



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Shelby Cnty Judge of Probate, AL
02/07/2013 08:35:13 AM FILED/CERT

THIS AGREEMENT IS INTENDED TO BE A LEGALLY BINDING CONTRACT. IF YOU DO NOT UNDERSTAND THE LEGAL EFFECT OF ANY PART OF THIS AGREEMENT, SEEK LEGAL ADVICE BEFORE SIGNING THIS AGREEMENT. SELLER AND PURCHASER ACKNOWLEDGE AND AGREE THAT EACH HAS THE RIGHT TO BE REPRESENTED AT ALL TIMES IN CONNECTION WITH THIS AGREEMENT BY AN ATTORNEY OF HIS, HER OR ITS CHOOSING, AT HIS, HER OR ITS SOLE COST AND EXPENSE.

PURCHASER:

RSR Development, LLC

WITNESS:

[Signature]

BY

[Signature]

Print Name: Sean Dassar

June 28, 2007

Date of Execution by Purchaser

Purchaser's Address:

6280 Highway 13

Helena, AL 35080

Telephone: 966-7869

SELLER:

MOBLEY DEVELOPMENT, INC.

WITNESS:

[Signature]

BY:

[Signature]

J. STEVEN MOBLEY

Its President

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Shelby Cnty Judge of Probate, AL
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BALLANTRAE LOT SALES CONTRACT
Addendum "A"

In reference to the Ballantrae Lot Sales Contract between MOBLEY DEVELOPMENT, INC. (Seller), and KSR Development, LLC (Purchaser), dated June 27, 2007, covering the real property commonly known as Sector Stoney Kirk Phase 5, BALLANTRAE, City of Pelham, Shelby County, Alabama, the undersigned Seller and Purchaser agree as follows:

- (1) Lots are sold subject to easements, restrictions and covenants of record.
- (2) Purchaser agrees to list subject property with RE/MAX First Choice (see Addendum B).
- (3) Purchaser agrees to comply with all provisions of Seller's drainage and storm water runoff permit from the Alabama Department of Environmental Management.
- (4) Purchaser agrees to maintain job site in as neat and clean a manner as possible.
- (5) Purchaser agrees to remove all unused construction materials and debris including, but not limited to, tree stumps from Ballantrae at his expense.
- (6) This Contract is subject to Purchaser being able to obtain a building permit from the applicable authority.
- (7) Purchaser understands that if lots are not closed by the specified closing date, the earnest money shall be forfeited to the Seller. TIME IS OF THE ESSENCE regarding the earnest money and the closing date.
- (8) This Contract is subject to Purchaser being able to obtain a construction loan.
- (9) All homes are to be constructed according to Alagasco Guidelines (~~NO PIGGYBACK SYSTEMS~~). SD
- (10) Purchaser agrees to pay for a periodic report to be prepared by Spectrum Environmental Services, Inc., and/or Mobley Development, Inc., that shall identify and outline any and all requirements of the Purchaser to comply with Best Management Practices of ADEM.
- (11) All ad valorem taxes, except municipal taxes, are assumed to be paid in arrears for purposes of proration. At the closing, Purchaser shall pay, by separate payment to the Association, Purchaser's share of the Annual Assessments, as defined in the Declaration, for the Lot(s) for the balance owed for the remainder of the calendar year. Annual Assessments for the Lot(s) for the current calendar year are estimated to be \$400.00 for the entire year (January to January) to be prorated at closing for the year 2007.
- (12) Purchaser acknowledges and agrees that sanitary sewer service is provided by Weatherly Utility Services, LLC, a private company. Seller is to contract with Weatherly Utility Services to provide service to Purchaser, but it will be Purchaser's responsibility to contract for the sanitary sewer service as stated in paragraph 10 of the Contract. Seller has prepaid \$2,000.00 toward the total impact fee of \$4,000.00 per lot for sewer service. Purchaser shall be responsible for the additional \$2,000.00 due on the impact fee (due and payable to Weatherly Utility Services, LLC, at the time the Purchaser obtains a building permit) and for the pump system fee of \$3,000 (due and payable to Weatherly Utility Services, LLC, at the time the Purchaser obtains a sewer pump on each lot). The pump system fee may increase depending on any special demands by the Purchaser. Purchaser agrees to provide notice to and inform any subsequent purchaser of subject property that sewer is provided by a private company and that the Seller is not responsible for such notification to subsequent purchasers.

- (13) Purchaser acknowledges that it is responsible for the payment of the additional \$500.00 water tap fee payable to the City of Pelham at the time of closing OR upon the issuance of a building permit pursuant to the requirements of the City of Pelham.
- (14) Purchaser acknowledges and agrees that Purchaser shall use the Sentricon Termite Colony Elimination System offered by Wayne's Environmental Services, Inc., pursuant to the Ballantrae Community Partnership Proposal. Purchaser shall separately contract with Wayne's Environmental Services, Inc., for said service.

All other terms and conditions of said Ballantrae Lot Sales Contract remain the same. Upon its execution by both parties, this Addendum "A" is herewith made an integral part of the aforementioned Ballantrae Lot Sales Contract.

SELLER:

MOBLEY DEVELOPMENT, INC.

By: _____

J. Steven Mobley
J. Steven Mobley
Its President

Witness

PURCHASER:

RSR Development, LLC

(Print name of Builder's Company)

By: _____

Sean Daggan
(Print Name)

Its: _____

Witness


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BALLANTRAE LOT SALES CONTRACT
Addendum "B"

This agreement shall be attached to and made a part of the Ballantrae Lot Sales Contract dated the 27 day of June, 2007, between MOBLEY DEVELOPMENT, INC., Seller, and RSR Development, LLC, covering property commonly known as Stonekirk Phase 5, Ballantrae, City of Pelham, Shelby County, Alabama, the undersigned Purchaser agrees as follows:

1. Purchaser hereby agrees to pay ReMax First Choice a sales commission in the amount of 5% of the total sales price of the lot(s) plus its improvements upon the closing of the same. The 5% sales commission is to be divided equally between the listing and selling agencies/agents. Purchaser agrees for an additional 1% of the total sales price to be paid to Re/Max First Choice as a marketing fee at closing - 1/2% of the 1% is to be disbursed by Re/Max First Choice to Mobley Development, Inc. Any marketing fees collected are non-refundable.

2. Purchaser agrees to list subject property plus its improvements with RE/MAX First Choice exclusively for a period of one year after total completion (certificate of occupancy has been issued) not to exceed two years from the date of this sales contract. If the purchaser sells the lot(s) to another builder, that sale shall be subject to Mobley Development, Inc.'s approval and it is understood that this entire contract shall be attached to and made a part of any subsequent sales contract written to re-sell the lot(s). If the purchaser fails to list subject property with RE/MAX First Choice for the time specified above, a sales commission in the amount of 10% of the purchase price of the lot(s) shall become due and payable to Re/Max First Choice plus interest in the amount of 12% per annum from the original lot closing date until the commission is paid in full. Purchaser further agrees to pay all attorney and legal fees as a result of purchaser's failure to comply with this agreement.

Done this 27 day of June, 2007.

RE/MAX FIRST CHOICE

By: [Signature]
Broker/Owner

RSR Development LLC
(Print Builder's Legal Company Name)

By: [Signature]
Its Member

Witness

Witness



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OMB Approval No. 2502-021
(expires 11/30/2008)

J. SUMMARY OF BORROWER'S TRANSACTION		K. SUMMARY OF SELLER'S TRANSACTION	
100. GROSS AMOUNT DUE FROM BORROWER:		400. GROSS AMOUNT DUE TO SELLER:	
101. Contract sales price	264,500.00	401. Contract sales price	264,500.00
102. Personal property		402. Personal property	
103. Settlement charges to borrower (Line 1400)	1,754.43	403.	
104.		404.	
105.		405.	
Adjustments for items paid by seller in advance		Adjustments for items paid by seller in advance	
106. City/town taxes		406. City/town taxes	
107. County taxes		407. County taxes	
108. Assessments		408. Assessments	
109.		409.	
110.		410.	
111.		411.	
112.		412.	
120. GROSS AMOUNT DUE FROM BORROWER	266,254.43	420. GROSS AMOUNT DUE TO SELLER	264,500.00
200. AMOUNTS PAID BY OR IN BEHALF OF BORROWER:		500. REDUCTIONS IN AMOUNT DUE TO SELLER:	
201. Deposit or earnest money	2,500.00	501. Excess deposit	2,500.00
202. Principal amount of new loan(s)	262,000.00	502. Settlement charges to seller (Line 1400)	
203. Existing loan(s) taken subject to		503. Existing loan(s) taken subject to	
204.		504. Payoff of first mortgage loan	
205.		505. Payoff of second mortgage loan	
206.		506.	
207.		507.	
208.		508.	
209.		509.	
Adjustments for items unpaid by seller		Adjustments for items unpaid by seller	
210. City/town taxes		510. City/town taxes	
211. County taxes		511. County taxes	
212. Assessments		512. Assessments	
213.		513.	
214.		514.	
215.		515.	
216.		516.	
217.		517.	
218.		518.	
219.		519.	
220. TOTAL PAID BY/FOR BORROWER	264,500.00	520. TOTAL REDUCTION AMOUNT DUE SELLER	2,500.00



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 Shelby Cnty Judge of Probate, AL
 02/07/2013 08:35:13 AM FILED/CERT

300. CASH AT SETTLEMENT FROM/TO BORROWER		600. CASH AT SETTLEMENT FROM/TO SELLER	
301. Gross amount due from borrower (Line 120)	266,254.43	601. Gross amount due to seller (Line 420)	264,500.00
302. Less amount paid by/for borrower (Line 220)	264,500.00	602. Less reduction in amount due seller (Line 520)	2,500.00
303. CASH FROM BORROWER	1,754.43	603. CASH TO SELLER	262,000.00

Section 5 of the Real Estate Settlement Procedures Act (RESPA) requires the following:

- * HUD must develop a Special Information Booklet to help persons borrowing money to finance the purchase of residential real estate to better understand the nature and costs of real estate settlement services;
- * Each lender must provide the booklet to all applicants from whom it receives or for whom it prepares a written application to borrow money to finance the purchase of residential real estate;
- * Lenders must prepare and distribute with the Booklet a Good Faith Estimate of the settlement costs that the borrower is likely to incur in connection with the settlement. These disclosures are mandatory.

Section 4(a) of RESPA mandates that HUD develop and prescribe this standard form to be used at the time of loan settlement to provide full disclosure of all charges imposed upon the borrower and seller. These are third party disclosures that are designed to provide the borrower with pertinent information during the settlement process in order to be a better shopper.

The Public Reporting Burden for this collection of information is estimated to average one hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

The information requested does not lend itself to confidentiality.

L. SETTLEMENT CHARGES

700. TOTAL SALES/BROKER'S COMMISSION based on price \$ 264,500.00 @		PAID FROM BORROWER'S FUNDS AT SETTLEMENT	PAID FROM SELLER'S FUNDS AT SETTLEMENT
Division of Commission (line 700) as follows:			
701. \$			
702. \$			
703. Commission paid at Settlement			
704.			
800. ITEMS PAYABLE IN CONNECTION WITH LOAN			
801. Loan Origination Fee \$			
802. Loan Discount \$			
803. Appraisal Fee to			
804. Credit report to			
805. Lender's Inspection Fee			
806.			
807.			
808.			
809.			
810.			
811.			
812.			
813.			
900. ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE			
901. Interest from			
902. Mortgage Insurance Premium for			
903. Hazard insurance Premium for			
904.			
905.			
1000. RESERVES DEPOSITED WITH LENDER			
1001. Hazard insurance			
1002. Mortgage insurance			
1003. City Property Taxes			
1004. County Property Taxes			
1005. Annual assessments			
1006.			
1007.			
1008. Aggregate Accounting Adjustment		0.00	
1100. TITLE CHARGES			
1101. Settlement or closing fee to F. WAYNE KEITH		500.00	
1102. Abstract or title search to			
1103. Title Examination to			
1104. Title insurance binder to			
1105. Document preparation to			
1106. Notary fees to			
1107. Attorney's fees to			
(includes line numbers:			
1108. Title Insurance to MAGIC CITY TITLE		60.00	
(includes line numbers:			
1109. Lender's coverage \$			
1110. Owner's coverage \$			
1111.			
1112.			
1113.			
1200. GOVERNMENT RECORDING AND TRANSFER CHARGES			
1201. Recording fees: Deed \$ 14.00 Mortgage \$ 35.00 Release \$		49.00	
1202. City/cnty tax/stamps: Deed \$ 2.50 Mortgage \$ 393.00		395.50	
1203. State tax/stamps: Deed \$ Mortgage \$			
1204.			
1205.			
1300. ADDITIONAL SETTLEMENT CHARGES			
1301. Survey to			
1302. Pest inspection to			
1303. HOA dues to BALLANTRAE RESIDENTAIL ASSOCIATION (5 lots)		749.93	
1304.			
1305.			
1306.			
1400. TOTAL SETTLEMENT CHARGES (enter on lines 103, Section J and 502, Section K)		1,754.43	

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02/07/2013 08:35:13 AM FILED/CERT

CERTIFICATION: I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I received a copy of the HUD-1 Settlement Statement.

Seller MOBLEY DEVELOPMENT INC

Borrower RSR DEVELOPMENT LLC

Seller

Borrower

The HUD-1 Settlement Statement which I have prepared is a true and accurate account of the funds disbursed or to be disbursed by the undersigned as part of the settlement of this transaction.

Settlement Agent F. WAYNE KEITH

Date

08/24/2007

WARNING: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18 U.S. Code Section 1001 and Section 1010.

STATE OF ALABAMA

DOMESTIC LIMITED LIABILITY COMPANY GUIDELINES ARTICLES OF AMENDMENT TO ARTICLES OF ORGANIZATION

20040407000179030 Pg 1/1 15.00
Shelby Cnty Judge of Probate, AL
04/07/2004 09:19:00 FILED/CERTIFIED

INSTRUCTIONS

STEP 1: WITHIN 30 DAYS OF A NAME CHANGE, FALSE OR ERRONEOUS STATEMENT IN THE ARTICLES OF ORGANIZATION, CHANGE IN THE PERIOD OF DURATION, OR A CHANGE IN ANY STATEMENT IN THE ARTICLES OF ORGANIZATION, AN AMENDMENT SHOULD BE FILED TO REFLECT THE OCCURRENCE OF THE EVENT(S).

STEP 2: FILE THE ORIGINAL AND TWO COPIES IN THE COUNTY WHERE THE ORIGINAL ARTICLES OF ORGANIZATION ARE FILED. THE SECRETARY OF STATE'S FILING FEE IS \$0. PLEASE CONTACT THE JUDGE OF PROBATE TO VERIFY THE PROBATE FILING FEE.

PURSUANT TO 10-12-11 OF THE ALABAMA LIMITED LIABILITY COMPANY ACT, THE UNDERSIGNED HEREBY ADOPTS THE FOLLOWING ARTICLES OF AMENDMENT:

Article I The name of the limited liability company:
RSR Development LLC

Article II The date of filing of the articles of organization: 3-15-2004

Article III The following amendment was adopted in the manner provided for by the Alabama Limited Liability Act:
Add members
Roger Massey 3185 Bradford Place B'ham, AL 35242
Rodney Bird 8839 Hwy 22 Montevallo, AL 35115
Sean Driscoll 1336 Windsor Court Alabake, AL 35007

Article IV The amendment, consistent with the Limited Liability Company Act, was approved by a majority vote of the members entitled to vote or in accordance with the requirements set forth in the articles of organization and prescribed by law.

DATE 4-7-04

Rodney Bird
Type or Print Name of Member

Rodney Bird
Signature of Member

20130207000054310 15/29 \$96.00
Shelby Cnty Judge of Probate, AL
02/07/2013 08:35:13 AM FILED/CERT

This Document prepared by:
Holliman Law Firm
2491 Pelham Parkway
Pelham, AL 35124

\$10,000⁰⁰
VALUE

STATE OF ALABAMA)
SHELBY COUNTY)

QUIT CLAIM DEED

KNOW ALL MEN BY THESE PRESENTS: That in consideration of the sum of Ten dollars and no/100, RSR DEVELOPMENT, LLC, (hereinafter referred to as Grantor), in hand paid by Grantee, ROGER MASSEY CONTRACTING, LLC (hereinafter referred to as Grantee), Grantor, hereby releases, remises, quit claims and conveys to the said Grantee, its heirs and assigns all of their right, title, interest and claim in that certain described real estate situated in Shelby County, Alabama, to-wit:

LOT 1703, 1704, 1705, 1707, 1708, 1709, 1723, 1724, 1725, 1728, 1729 & 1730 ACCORDING TO THE SURVEY OF STONEYKIRK @ BALLANTRAE, PHASE V, AS RECORDED IN MAP BOOK 38, ~~PAGE 136~~ IN THE PROBATE OFFICE OF SHELBY COUNTY, ALABAMA. PAGE 136

LOT 483 ACCORDING TO THE SURVEY OF STONEYKIRK @ BALLANTRAE, PHASE 4 AS RECORDED IN MAP BOOK 37, PAGE 15, SHELBY COUNTY, ALABAMA.

No title search was performed. This deed was prepared with information provided to the drafter by the grantor and grantee herein.

TO HAVE AND TO HOLD, to the said Grantees, their heirs and assigns forever.

Given under my hand and seal on this the 2nd day of February, 2009.

RSR DEVELOPMENT, LLC

Roger D. Massey Sr.
ROGER D. MASSEY, SR., MEMBER

Sean Dassau
SEAN DASSAU, MEMBER

STATE OF ALABAMA)
SHELBY COUNTY)

I, a Notary Public in and for said County, in said State, hereby certify that ROGER D. MASSEY, SR. AND SEAN DASSAU, AS MEMBERS OF RSR DEVELOPMENT, LLC whose names are signed to the foregoing conveyance, and who are known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, they executed the same voluntarily as THE ACT OF SAID LLC.

Given under my hand and official seal this the 2nd day of February, 2009.

John L. Holliman
NOTARY PUBLIC

My commission expires: 8-29-10


20090223000062510 1/1 \$21.00
Shelby Cnty Judge of Probate, AL
02/23/2009 10:46 31AM FILED/CERT

Shelby County, AL 02/23/2009
State of Alabama
Dead Tax: \$10.00


20130207000054310 16/29 \$96.00
Shelby Cnty Judge of Probate, AL
02/07/2013 08:35:13 AM FILED/CERT

STATE OF ALABAMA

DOMESTIC LIMITED LIABILITY COMPANY ARTICLES OF DISSOLUTION GUIDELINES

20090327000113780 1/1 \$20.00
Shelby Cnty Judge of Probate, AL
03/27/2009 12:35:46PM FILED/CERT

INSTRUCTIONS:

STEP 1: FILE ORIGINAL AND TWO COPIES WITH THE JUDGE OF PROBATE IN THE COUNTY WHERE THE ORIGINAL ARTICLES OF ORGANIZATION WERE FILED. ATTACH SECRETARY OF STATE AND JUDGE OF PROBATE FEES. THE SECRETARY OF STATE'S FILING FEE IS \$10. PLEASE CONTACT THE JUDGE OF PROBATE OFFICE TO VERIFY THEIR FILING FEES.

PURSUANT TO THE PROVISIONS OF THE ALABAMA LIMITED LIABILITY COMPANY ACT AND SECTION 10-12-37 OF THIS ACT, THE UNDERSIGNED DOMESTIC LIMITED LIABILITY COMPANY SUBMITS THE FOLLOWING ARTICLES OF DISSOLUTION.

- Article I** The name of the limited liability company:
RSR DEVELOPMENT, LLC
- Article II** The date of filing of the articles of organization: AUGUST 2, 2007
- Article III** The reason for filing the articles of dissolution: WINDING UP OF AFFAIRS AND BUSINESS
OF THE COMPANY, MEMBERS TO OPERATE INDEPENDENTLY
- Article IV** The dissolution was authorized by written consent of all members and effective on
FEBRUARY 2, 2009
- Article V** Attach other information the members or managers filing the articles of dissolution deem appropriate.

FEBRUARY 2, 2009

Date

Sean Dassen

Type or Print Member's Name and Title

Sean Dassen

Signature of Authorized Member

Roger Massey

Type or Print Member's Name and Title

Roger Massey

Signature of Authorized Member

20130207000054310 17/29 \$96.00
Shelby Cnty Judge of Probate, AL
02/07/2013 08:35:13 AM FILED/CERT

REAL ESTATE CONTRACT FOR
PROPOSED CONSTRUCTION

July 5, 2012

The undersigned Purchaser(s), Brian Bacon, hereby agree to purchase and the undersigned **Builder, Roger Massey, an Alabama limited liability company**, its successors and assigns hereby agrees to build a residence in the following described real estate, (the "Property") owned by the Purchasers and situated in the City of Pelham, County of Shelby, Alabama, subject to easements and restrictions of record: Address: 1725 StoneyKirk way and legally described as Lot 1725 according to the Survey of Ballantrae recorded in Map Book 38, Page 136 ("the "Record Map"), in the Probate Office of Shelby County, Alabama, on the terms stated below:

1. **EMPLOYMENT and PRICE.** In consideration of the covenants and agreements herein contained, the Purchaser hereby agrees to employ the Builder to construct and erect on said building site a residence according to the attached plans prepared by Distinctive Design dated May 30, 2012 and modified by the Purchaser, construction specifications and allowances, **such attachment identified as Addendum A are incorporated herein as if set out in full**, and which the Purchaser has approved on the following terms and conditions:

PRICE of DWELLING as based on the attachments\$499,455.00 ^{Rm} \$450,000

2. **ROCK AND OTHER SUBSURFACE CONDITIONS.** If initialed by Builder and Purchaser here (Builder Rm) (Purchaser BB) the price above does not include any costs or contingencies for rock or other abnormal subsurface conditions, including but not limited to, sink holes, soft soils, etc. And Purchaser shall be responsible for the abnormal costs of correcting any such conditions. Should such abnormal conditions be encountered on the building site in connection with foundations and footing excavation, or installation of septic tank system, water lines, or other utility services. Builder shall promptly inform Purchaser of same and estimate costs of additional work. Such costs may include, but are not necessarily limited to, blasting expenses, jackhammer, and drill operations. Additional costs shall be billed at cost plus a Ten percent (10 %) management and overhead fee. At the time that rock or subsurface conditions are encountered, Builder shall provide a maximum cost for written approval by Purchaser prior to proceeding with construction.

3. **PAYMENTS:**

The Purchase Price, exclusive of the items excluded from the estimate attached hereto as Addendum A, for the Dwelling of \$ _____ shall be payable as follows:

(a) Deposit, receipt of which is hereby acknowledged by (Builder's initials _____) \$ _____
The Deposit may be applied by Builder toward start-up costs, building permit fees, insurance and tap fees and will be credited to the Purchasers on the final draw.

(b) Builder shall submit written draw requests to the Purchaser and the Purchaser's lender in accordance with the Residential Construction Field Inspection Report and all other regulations and requirements of said lender. Purchaser's lender and Purchaser will pay the draw requests within ten (10) days of their being submitted.

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Shelby Cnty Judge of Probate, AL
02/07/2013 08:35:13 AM FILED/CERT

Upon completion of the residence and prior to occupancy by the Purchaser, the Purchaser will pay the full remaining amount of this Contract plus all approved unpaid change orders, and any amounts due the Builder for allowance overruns. The residence will be deemed to be complete upon obtaining a final approval by the building inspector of the City of *Pelham* Shelby County, whichever is the governing authority.

EXCLUSIONS FROM PURCHASE PRICE:

It shall be the sole responsibility of the Purchaser to obtain any financing necessary to pay the total contract price set forth in this Contract, and Purchaser shall have the sole responsibility to pay all fees, charges, or other costs of such financing, including inspection fees. *Purchaser shall have the sole responsibility to pay all fees, if applicable, for plans, mortgage closing costs, real estate commissions, perc testing, health department septic tank approval, closing costs, haul in fill material, the drainage pipe under the drive, construction interest, the lot purchase price, underground power fee, gas tap fee and the front door of the residence.*

Initial: (Builder *[Signature]*) (Purchasers *[Signature]*)

Builder may stop construction at any time if a draw request is approved by the Lender and is not paid within seven days (7) of being approved by said Lender and may refuse to continue until such time as the draw request is paid. Such work stoppage due to non-payment shall extend the completion date pursuant to this contract and paragraph 6 herein.

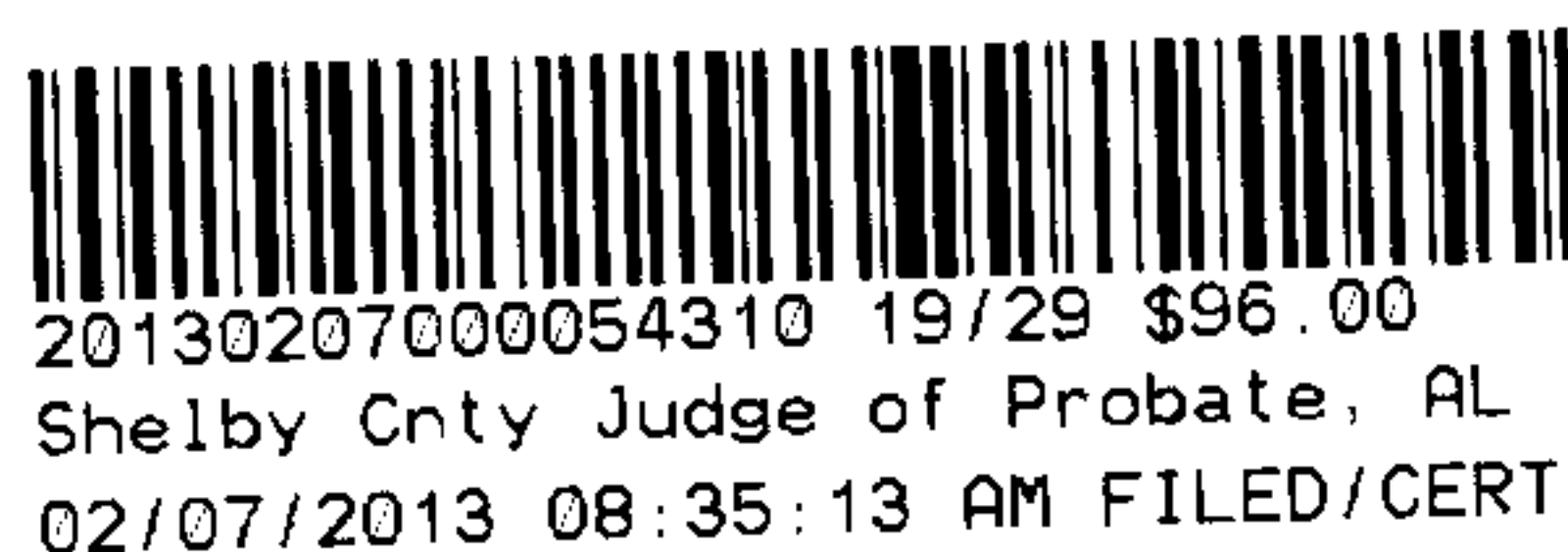
4. **DEPOSIT & PURCHASER'S DEFAULT:** Purchaser hereby authorizes the Builder to utilize the deposit pending the fulfillment of this Contract. In the event Purchaser fails to carry out and perform the terms of this Contract, the deposit shall be forfeited, except as set forth below. Further, nothing in this provision shall prohibit Builder from seeking reimbursement of all other reasonable costs, expenses and damages suffered as a result of Purchaser's breach, including but not limited to reasonable attorney's fees, interest of 1 1/2% per month, and costs of collection.

5. **ALL LOAN CLOSING COSTS, DISCOUNTS AND PREPAID ITEMS** are to be paid by Purchaser.

6. **START OF CONSTRUCTION.** Builder agrees to commence excavation of the Lot within 15 days after this agreement has been executed, Purchaser has purchased the lot, and after all contingencies are removed. Said Dwelling shall be completed in good workmanlike manner and equal to the standards of the industry within ONE HUNDRED EIGHTY DAYS (180) workdays from the completion of the excavation work and payment in full for the same, except when builder shall be prevented from completing such buildings by reason of change in plans or specifications required by Purchaser, or additional change orders required by Purchaser, delays in making selections caused by Purchaser, delays in making progress payments, rain or inclement weather delays, by warfare, Acts of God, governmental regulations or decrees, strikes, act of Purchaser, or shortage of material and supply beyond the control of the builder or other causes beyond the control of Builder. If unusual delay is caused by Purchaser by requesting unavailable materials or failing to make selections in sufficient time to allow delivery, the completion date shall automatically be extended by the length of the delay.

7. **ALLOWANCES and CHANGE ORDERS.** It is understood and agreed by Purchaser that the contract price recited herein above includes "allowances" or established costs for certain items to be used in the construction of the residence, such specifications and allowances being attached hereto and included herein as Addendum A. Purchaser understands that if items are selected which exceed the cost of Builder's allowances there for, Purchaser shall be required to pay the excess cost by separate check at the time of purchase.

Upon the request of the Purchaser, Builder may agree to make approved changes, additions, or alterations to



the plans or specifications. Change orders shall be handled in a professional manner and all approved change orders will be administered at cost of change plus a twenty percent (20%) handling charge to be paid to Builder. All change orders are to be signed by both parties and the cost of such paid to builder before such change is initiated as deemed necessary or appropriate by builder. Changes under \$500.00 per item may be agreed upon verbally by the Builder.

8. **CONDITION OF PROPERTY.** Builder is to provide Purchaser with a one-year Limited New Home Warranty, which is attached as Addendum Band Purchaser agrees to accept the terms and conditions of said Warranty as his only implied or expressed warranty.

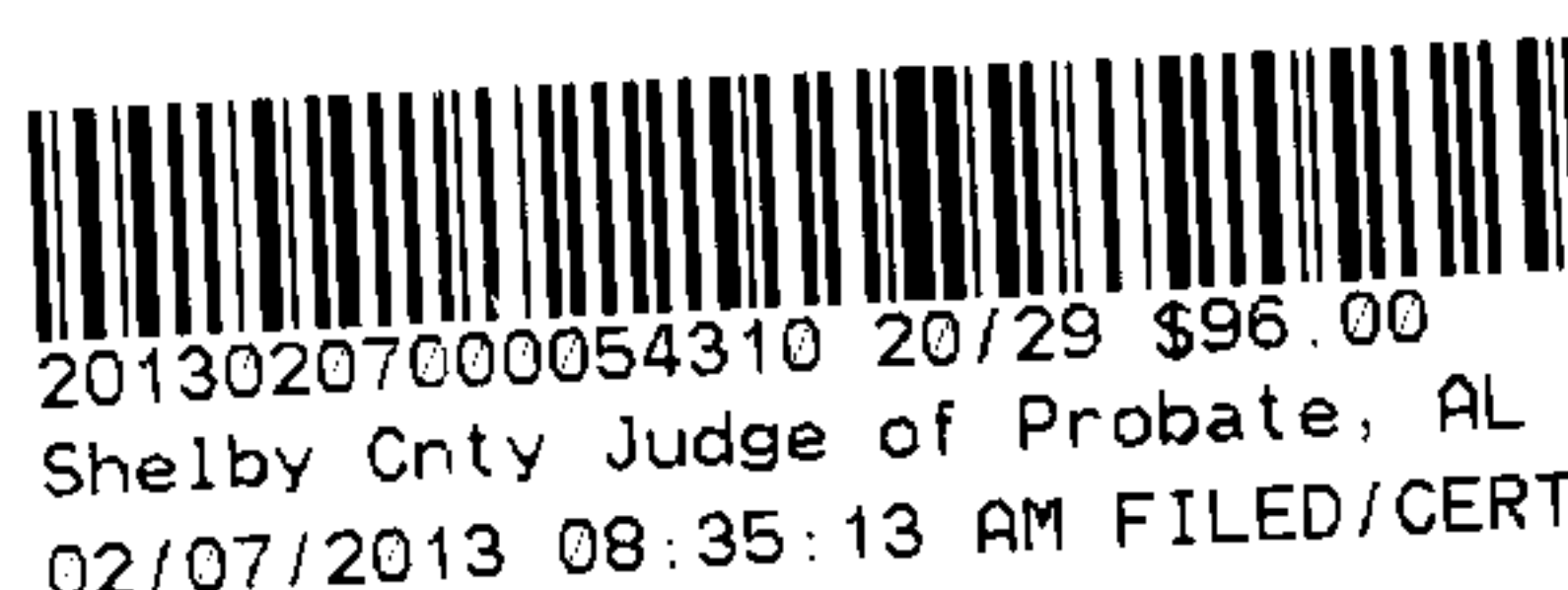
9. **BUILDER'S REMEDIES:** In the event, the Purchaser shall fail to pay the Builder any amount due the Builder hereunder when the same is due or otherwise breach any provision of this Contract, then the Builder may refuse to perform any further work to the premises under warranty or otherwise until such time as the Purchaser shall have paid the Builder all amounts then due to the Builder (including but not limited to interest at the legal rate, attorney's fees and other costs of collection) or shall have cured such breach and the Contract Price shall be increased by the amount of the Builder's reasonable cost of shut-down, delay and start-up; provided, however, that nothing contained herein shall be construed as prohibiting the Builder from pursuing any other remedies available to the Builder for any such nonpayment or breach including the recovery of damages from the Purchaser. In the event the Builder shall cease construction of the residence due to the Purchaser's breach, the completion date shall be delayed by the period of time construction of the residence was delayed.

10. **PURCHASER'S REMEDIES:** In the event, the Builder breaches any obligation herein, except for the completion date as provided for in Paragraph 6 herein, Purchaser shall be entitled to terminate this Agreement upon thirty (30) days written notice and opportunity to cure. In the event of said termination, Builder shall be paid for work up to the effective date of the termination. Notwithstanding anything to the contrary in this Agreement, nothing shall prohibit Purchaser from pursuing all remedies available at law or equity including consequential damages.

11. **SUPERVISION OF WORK.** Purchaser agrees that the direction and supervision of the working forces, including sub-contractors and suppliers, rest exclusively with the Builder, and Purchaser agrees not to issue any instructions to, or otherwise interfere with same. The Builder shall be the authority for the proper usage, arrangements and placement of fixtures, equipment and materials in accordance with recognized standards. Slight deviations from plans and specifications shall be construed as substantial compliance with this agreement and so long as deviations are within accepted standards in the industry. Material deviations from the plans and specifications shall require Purchaser's written approval. The Purchaser further agrees not to negotiate for additional work with Builder's subcontractors nor to engage other builders or subcontractors except with the Builder's consent and in such manner as will not interfere with Builder's completion of work under this Contract.

12. **HOOKUPS TO UTILITIES AND SEPTIC TANK APPROVAL:** The contract price does not include additional expense which may be incurred to run utility lines to the Purchaser's property. Neither does the contract price include the design or approval of the septic tank system. Purchaser agrees that the water, gas and electric meters when installed will be in his name. Builder agrees to reimburse Purchaser for all utility bills incurred, when required to complete the building, prior to occupancy.

13. **RISK OF LOSS.** Purchaser agrees to keep in force sufficient insurance on the Property to protect all interests until this dwelling is complete. If the Property is destroyed or materially damaged between the date hereof and the closing, and Builder is unable or unwilling to restore it to its previous condition prior to closing, Purchaser shall have the option of canceling this Contract or extending the closing



date a sufficient time for Builder to complete construction. If Purchaser elects to extend the closing date, this Contract shall continue in full force and effect.

The Builder shall carry Public Liability Insurance with limits of Five Hundred Thousand Dollars (\$500,000.00) per person, and One Million Dollars (\$1,000,000.00) per occurrence, to protect the Purchaser, Builder and its subcontractors against claims for injury to or death of one, or more than one, person because of accidents which may occur or result from operations under the contract; such insurance shall cover the use of all equipment, including but not limited to excavating machinery, trenching machines, cranes, hoists, rollers, concrete mixers and motor vehicles in the construction of improvements embraced in this contract.

- 14. DISPUTE RESOLUTION (MEDIATION / ARBITRATION).** The parties to this contract acknowledge that the construction work performed pursuant to the contract involves interstate commerce by virtue of the materials and components contained in the dwelling. It is agreed by the Purchaser and Builder that, in the event that a dispute arises between the parties, the parties will not sue each other in court, but will submit said dispute to first mediation as a condition precedent and then if not resolved to binding arbitration. The arbitrator's decision will be final and binding on both parties, and it is agreed that judgment on the decision may be entered in any court having jurisdiction. However, if the Builder's claim relates to or is the subject of a mechanic's lien, the Builder may proceed in accordance with applicable law to comply with the lien notice or filing deadlines prior to the resolution of any other disputes by mediation or arbitration. This provision of the contract shall NOT merge and shall survive delivery of the deed.
- 15. SELECTION OF ATTORNEY.** Each of the parties further acknowledges that he has a right to be represented by an attorney of his choice at all times in connection with this Contract at his own expense.
- 16. NON-ASSIGNMENT.** This Contract and any interest which Purchaser may have herein are non-assignable and non-transferable without the prior written consent of Builder.
- 17. ACCEPTANCE.** Builder shall notify Purchaser in writing of the date when the Dwelling is completed and ready for occupancy and, upon said notice, the final progress payment shall be payable to Builder. Purchaser shall within five (5) days of said notice conduct a walk through inspection of the Dwelling and note any defect in the condition of the Dwelling in writing. Builder shall have a reasonable time to cure any noted defects and shall advise Purchaser in writing when all defects are cured. Purchaser shall then promptly conduct a walk through inspection and after a walk through of the completed Property with Builder, further agrees to execute an acceptance statement.
- 18. ADDITIONAL PROVISIONS.** set forth on any attached Addendum. Allowances, Specifications, etc. if signed by all parties hereto, are hereby incorporated and made a part of this Contract by reference as though fully set forth herein.
- 19. ENTIRE AGREEMENT.** This Contract constitutes the entire and complete agreement between Purchaser and Builder regarding the Property and supersedes any and all prior discussions, negotiations and agreements between Purchaser and Builder, whether oral or written. Neither Purchaser, nor Builder, nor Broker, nor any sales agent shall be bound by any understanding, agreement, promise, or representation concerning the Property, express or implied, not specified herein.


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Shelby Cnty Judge of Probate, AL
02/07/2013 08:35:13 AM FILED/CERT

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

Witness to Purchaser

Witness to Builder

Brian Bacon
Purchaser
Brian Bacon

Contractor's Name
Roger MASSEY CONTRACTING
By: Roger Massey

Contractor
Its: Managing Member


20130207000054310 22/29 \$96.00
Shelby Cnty Judge of Probate, AL
02/07/2013 08:35:13 AM FILED/CERT

New

Brian & Julias New house								
EXCAVATION			\$18,000.00		\$0.00			\$18,000.00
SURVEY (2)			\$700.00		\$0.00			\$700.00
PERMITS			\$1,000.00		\$0.00			\$1,000.00
WATER (CITY FEE)			\$2,000.00		\$0.00			\$2,000.00
ENVIRONMENTAL FEE			\$3,800.00		\$0.00			\$3,800.00
CLEAN UP			\$5,000.00		\$0.00			\$5,000.00
FOOTINGS			\$1,830.00		\$1,900.00			\$3,730.00
SLAB			\$2,200.00		\$3,300.00			\$5,500.00
CONCRETE WALLS			\$1,900.00		\$5,200.00			\$7,100.00
STEEL (BASEMENT & RAILS)			\$1,800.00		\$0.00			\$1,800.00
SEWER FEE			\$5,000.00		\$0.00			\$5,000.00
FRAMING, ROOFING & DECK			\$21,100.00		\$36,725.00			\$57,825.00
DECK ??			\$3,100.00		\$0.00			\$3,100.00
SHEET ROCK			\$24,000.00		\$0.00			\$24,000.00
WINDOWS & DOORS			\$0.00		\$30,700.00			\$30,700.00
TRIM-INTERIOR & EXTERIOR			\$8,200.00		\$0.00			\$8,200.00

GUTTERS			\$2,300.00		\$0.00			\$2,300.00
GARAGE DOORS			\$7,100.00		\$0.00			\$7,100.00
PUMBING			\$14,300.00		\$5,000.00	TUB JETTED		\$19,300.00
ELECTRICAL		ROUGH	\$18,200.00		\$0.00			\$18,200.00
ELECTRICAL		FINISH	\$0.00		\$5,000.00			\$5,000.00
HEATING & AIR		ROUGH	\$12,200.00		\$0.00			\$12,200.00
HEATING & AIR		FINISH	\$7,000.00		\$0.00			\$7,000.00
FIREPLACE			\$0.00		\$800.00			\$800.00
FIREPLACE BRICK OR STONE			\$1,500.00		\$0.00			\$1,500.00
BRICK			\$15,000.00		\$14,000.00			\$29,000.00
STONE - EXTERIOR			\$3,900.00		\$0.00			\$3,900.00
Audio/Vidio			(X) \$2,945.00					\$2,945.00
PAINT		EXTERIOR	\$2,600.00		\$0.00			\$2,600.00
PAINT		INTERIOR	\$6,900.00		\$0.00			\$6,900.00
INSULATION			\$4,000.00		\$0.00			\$4,000.00
CABINETS			(X) \$20,000.00		\$0.00			\$20,000.00
APPLIANCES		GAS	(X) \$4,000.00		\$0.00			\$4,000.00
COUNTERTOPS & BACKSLASH			\$6,000.00		\$0.00			\$6,000.00
FLOORING		HARDWOODS	(X) \$10,625.00		\$0.00			\$10,625.00
FLOORING		CARPET	(X) \$2,725.00		\$0.00			\$2,725.00



20130207000054310 25/29 \$96.00
Shelby Cnty Judge of Probate, AL
02/07/2013 08:35:13 AM FILED/CERT

TILE	BATH & LAUNDRY ROOM	\$8,000.00		\$0.00				\$8,000.00
HARWARE & MIRRORS		\$2,800.00		\$0.00				\$2,800.00
CONCRETE DRIVE & WALK		\$6,100.00		\$3,000.00				\$9,100.00
LANDSCAPING		\$5,000.00		\$0.00				\$5,000.00
SPRINKLER SYSTEM	FRONT AND BACK	\$2,600.00		\$0.00				\$2,600.00
RETAINING WALLS		\$7,000.00		\$0.00				\$7,000.00
MAIL BOX		\$400.00		\$0.00				\$400.00
UTILITIES		\$1,800.00		\$0.00				\$1,800.00
LOT & BUILDERS FEE		\$67,000.00		\$0.00				\$67,000.00
REAL ESTATE COMMISSION		\$2,750.00						\$2,750.00
								\$450,000.00

3



A. Settlement Statement (HUD-1)

B. Type of Loan			6. File Number	7. Loan Number	8. Mortgage Ins Case Number
1. ☐ FHA 2. ☐ RHS 3. ☒ Conv Unins 4. ☐ VA 5. ☐ Conv Ins. 6. ☐ Seller Fin 7. ☐ Cash Sale.			BHM1200582	74020971	
C. Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.					
D. Name & Address of Borrower Brian Bacon 1359 Calliston Way Pelham, AL 35124		E. Name & Address of Seller Roger Massey Contracting, LLC		F. Name & Address of Lender Aliant Bank, a Division of USAmeribank 1100 Corporate Parkway Birmingham, AL 35242	
G. Property Location Stoneykirk at Ballantrae Ph 5, Lot 1725, Book 38, Page 136, Shelby County, Alabama 1725 Stoneykirk Pelham, AL 35124		H. Settlement Agent Name Reli Settlement Solutions, LLC 3595 Grandview Parkway Ste 600 Birmingham, AL 35243 205-970-2200 Underwritten By: North American Title Insurance Company Place of Settlement Reli Settlement Solutions, LLC 3595 Grandview Parkway Ste 600 Birmingham, AL 35243		I. Settlement Date 8/28/2012 Fund: 8/28/2012	

J. Summary of Borrower's Transaction	
100. Gross Amount Due from Borrower	
101. Contract sales price	\$450,000.00
102. Personal property	
103. Settlement charges to borrower	\$10,272.54
104.	
105.	
Adjustments for items paid by seller in advance	
106. City property taxes	
107. County property taxes	
108. Assessment Taxes	
109. School property taxes	
110. HOA Dues	
111. Other taxes	
112.	
113.	
114.	
115.	
116.	
120. Gross Amount Due From Borrower	\$460,272.54
200. Amounts Paid By Or In Behalf Of Borrower	
201. Deposit or earnest money	
202. Principal amount of new loan(s)	\$405,000.00
203. Existing loan(s) taken subject to	
204.	
205. 10% Tolerance Cure	\$693.88
206.	
207.	
208.	
209.	
Adjustments for items unpaid by seller	
210. City property taxes	
211. County property taxes 10/01/11 thru 08/28/12	\$620.58
212. Assessment Taxes	
213. School property taxes	
214. HOA Dues	
215. Other taxes	
216.	
217.	
218.	
219.	
220. Total Paid By/For Borrower	\$406,314.46
300. Cash At Settlement From/To Borrower	
301. Gross Amount due from borrower (line 120)	\$460,272.54
302. Less amounts paid by/for borrower (line 220)	\$406,314.46
303. Cash From Borrower	\$53,958.08

K. Summary of Seller's Transaction	
400. Gross Amount Due to Seller	
401. Contract sales price	\$450,000.00
402. Personal property	
403.	
404.	
405.	
Adjustments for items paid by seller in advance	
406. City property taxes	
407. County property taxes	
408. Assessment Taxes	
409. School property taxes	
410. HOA Dues	
411. Other taxes	
412.	
413.	
414.	
415.	
416.	
420. Gross Amount Due to Seller	\$450,000.00
500. Reductions in Amount Due to Seller	
501. Excess deposit (see instructions)	
502. Settlement charges to seller (line 400)	\$2,750.00
503. Existing loan(s) taken subject to	
504. Payoff of first mortgage loan	\$53,413.25
505. Payoff of second mortgage loan	
506.	
507. Balance of Construction Loan held by lender	\$381,432.34
508. Initial Draw for closings costs funded by lender	\$11,783.83
509.	
Adjustments for items unpaid by seller	
510. City property taxes	
511. County property taxes 10/01/11 thru 08/28/12	\$620.58
512. Assessment Taxes	
513. School property taxes	
514. HOA Dues	
515. Other taxes	
516.	
517.	
518.	
519.	
520. Total Reduction Amount Due Seller	\$450,000.00
600. Cash At Settlement To/From Seller	
601. Gross Amount due to seller (line 420)	\$450,000.00
602. Less reductions in amt. due seller (line 520)	\$450,000.00
603. Cash Seller	\$0.00

The Public Reporting Burden for this collection of information is estimated at 35 minutes per response for collecting, reviewing, and reporting the data. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. No confidentiality is assured; this disclosure is mandatory. This is designed to provide the parties to a RESPA covered transaction with information during the settlement process.

L. Settlement Charges				
700. Total Real Estate Broker Fees \$2,750.00			Paid From Borrower's Funds at Settlement	Paid From Seller's Funds at Settlement
Division of Commission (line 700) as follows:				
701. \$2,750.00 to Re/Max First Choice				
702. to N/A				
703. Commission Paid at Settlement				\$2,750.00
100. Origination Charges				
801. Our origination charge (includes Origination Point(s) 1.000% or \$4,050.00)		\$5,950.00	(from GFE #1)	
802. Your credit or charge (points) for the specific rate chosen		\$0.00	(from GFE #2)	
803. Your adjusted origination charges to Allant Bank, a Division of USAmeribank			(from GFE #A)	\$5,950.00
804. Appraisal Fee to Allant Bank for EVP			(from GFE #3)	\$450.00
805. Credit report to Allant Bank for Kroll			(from GFE #3)	\$43.68
806. Tax service to			(from GFE #3)	
807. Flood certification to Allant Bank for Corelogic			(from GFE #3)	\$12.00
808. Appraisal Re-Inspection Fee to Allant Bank for EVP			(from GFE #3)	\$150.00
900. Other Settlement Charges				
901. Daily interest charges from to @ /day			(from GFE #10)	
902. Mortgage Insurance Premium for months to			(from GFE #3)	
903. Homeowner's insurance for years to			(from GFE #11)	
904. 2012 Ad Valorem Property Taxes to Shelby County Tax Collector				\$633.36
1000. Monthly Payments				
1001. Initial Deposit for your escrow account			(from GFE #9)	\$0.00
1002. Homeowner's insurance months @ per month				
1003. Mortgage insurance months @ per month				
1004. City property taxes months @ per month				
1005. County property taxes months @ per month				
1006. Assessment Taxes months @ per month				
1007. School property taxes months @ per month				
1008. HOA Dues months @ per month				
1009. Other taxes months @				
1010. Other taxes months @				
1011. Aggregate Adjustment				
1100. Title Services and Insurance				
1101. Title services and lender's title insurance to Reli Settlement Solutions, LLC			(from GFE #4)	\$1,125.00
1102. Settlement or closing fee to Reli Settlement Solutions, LLC			\$700.00	
1103. Owner's title insurance to Reli Settlement Solutions, LLC			(from GFE #5)	\$1,150.00
1104. Lender's title insurance to Reli Settlement Solutions, LLC			\$75.00	
1105. Lender's title policy limit \$ \$405,000.00/\$75.00				
1106. Owner's title policy limit \$ \$450,000.00/\$1,150.00				
1107. Agent's portion of the total title insurance premium to Reli Settlement Solutions, LLC			\$1,041.25	
1108. Underwriter's portion of the total title insurance premium to North American Title Insurance Company			\$183.75	
1109. Search and Exam Fee to Reli Settlement Solutions, LLC			\$200.00 (from GFE #4)	
1110. Lender CPL Fee to North American			\$25.00 (from GFE #4)	
1111. Update Fee to Reli Settlement Solutions, LLC			\$50.00 (from GFE #4)	
1112. Deed Prep Fee to Stewart & Associates			\$75.00 (from GFE #4)	
1200. Government Recording Charges				
1201. Government recording charges			(from GFE #7)	\$96.00
1202. Deed \$18.00 Mortgage \$78.00 Release \$0.00 to Shelby County Judge of Probate				
1203. Transfer taxes			(from GFE #8)	\$652.50
1204. City/County tax/stamps Deed \$0.00 Mortgage \$0.00				
1205. State tax/stamps Deed \$45.00 Mortgage \$607.50 to Shelby County Judge of Probate				
1300. Municipal Assessment Letter				
1301. Required services you can shop for			(from GFE #6)	
1302. Municipal Assessment Letter to City of Pelham				\$10.00
1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K)			\$10,272.54	\$2,750.00

POC (B) – Paid Outside of Closing by Borrower. POC (S) – Paid Outside of Closing by Seller. POC (L) – Paid Outside of Closing by Lender.



20130207000054310 27/29 \$96.00
Shelby Cnty Judge of Probate, AL
02/07/2013 08:35:13 AM FILED/CERT

Charges That Cannot Increase	
Charges That Cannot Increase	HUD-1 Line Number
Our origination charge (includes Origination Point(s) 1.000% or \$4,050.00)	# 801
Your credit or charge (points) for the specific rate chosen	# 802
Your adjusted origination charges	# 803
Transfer taxes	# 1203

Charges That Can Change	
Government recording charges	# 1201
Appraisal Fee	# 804
Credit report	# 805
Flood certification	# 807
Appraisal Re-Inspection Fee	# 808
Title services and lender's title insurance	# 1101
Owner's title insurance	# 1103

Total
Increase between GFE and HUD-1 Charges

Good Faith Estimate	HUD-1
\$6,550.00	\$5,950.00
\$0.00	\$0.00
\$6,550.00	\$5,950.00
\$687.00	\$652.50

Good Faith Estimate	HUD-1
\$71.00	\$96.00
\$450.00	\$450.00
\$40.00	\$43.68
\$12.00	\$12.00
\$150.00	\$150.00
\$1,500.00	\$1,125.00
\$0.00	\$1,150.00

\$2,223.00	\$3,026.68
\$803.68	or 36.15%

Charges That Can Change	HUD-1
Initial deposit for your escrow account	# 1001
Daily interest charges	# 901 \$0/day
Homeowner's insurance	# 903

Good Faith Estimate	HUD-1
\$0.00	\$0.00
\$0.00	\$0.00
\$0.00	\$0.00

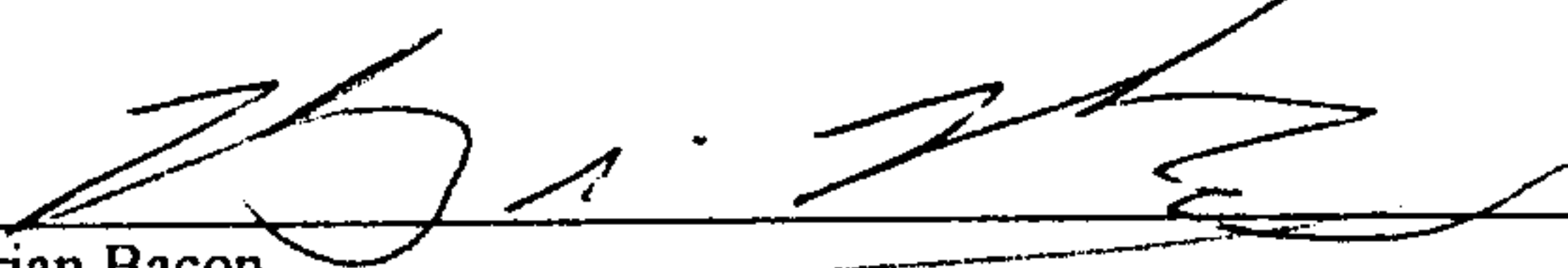
Loan Terms

Your initial loan amount is	\$405,000.00
Your loan term is	31 years
Your initial interest rate is	4.25%
Your initial monthly amount owed for principal, interest, and any mortgage insurance is	\$1,992.36 includes ☐ Principal ☒ Interest ☐ Mortgage Insurance
Can your interest rate rise?	☐ No. ☒ Yes, it can rise to a maximum of 9.25%. The first change will be on 6/1/2018 and can change again every 12 months after 6/1/2018. Every change date, your interest rate can increase or decrease by 5%. Over the life of the loan, your interest rate is guaranteed to never be lower than 2.75% or higher than 9.25%.
Even if you make payments on time, can your loan balance rise?	☒ No. ☐ Yes, it can rise to a maximum of \$0.00
Even if you make payments on time, can your monthly amount owed for principal, interest, and mortgage insurance rise?	☐ No. ☒ Yes, the first increase can be on 7/1/2018 and the monthly amount owed can rise to \$1,992.36 The maximum it can ever rise to is \$3,149.52
Does your loan have a prepayment penalty?	☒ No. ☐ Yes, your maximum prepayment penalty is \$0.00
Does your loan have a balloon payment?	☒ No. ☐ Yes, you have a balloon payment of \$0.00 due in 0 years on
Total monthly amount owed including escrow account payments	☒ You do not have a monthly escrow payment for items, such as property taxes and homeowner's insurance. You must pay these items directly yourself. ☐ You have an additional monthly escrow payment of that results in a total initial monthly amount owed of \$1,992.36. This includes principal, interest, any mortgage insurance and any items checked below: ☐ Property taxes☐ Homeowner's Insurance ☐ Flood insurance☐ ☐☐

Note: If you have any questions about the Settlement Charges and Loan Terms listed on this form, please contact your lender.

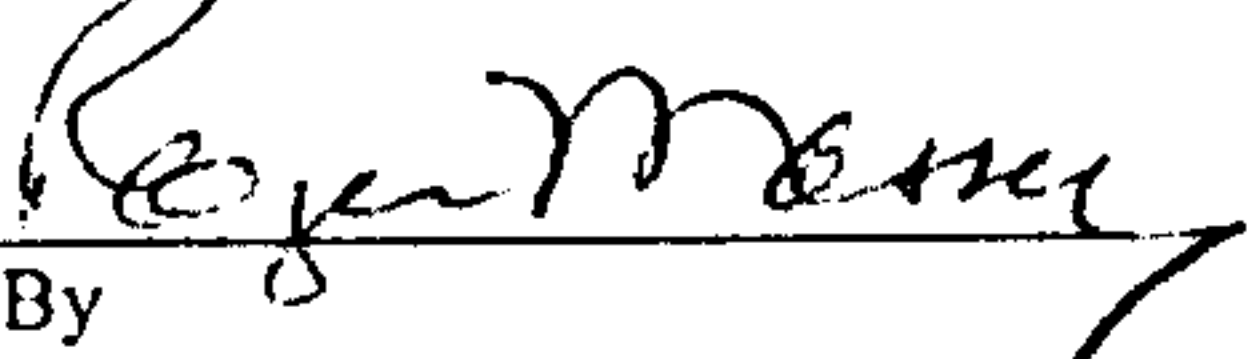
20130207000054310 28/29 \$96.00
Shelby Cnty Judge of Probate, AL
02/07/2013 08:35:13 AM FILED/CERT

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a completed copy of pages 1, 2 and 3 of this HUD-1 Settlement Statement.



Brian Bacon

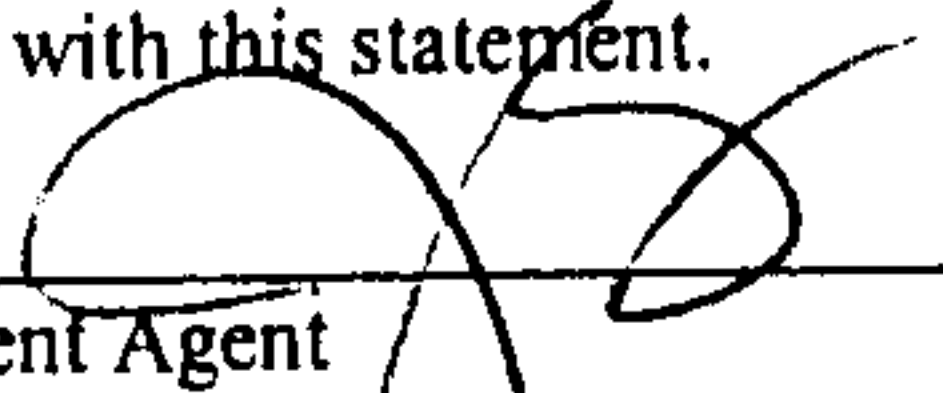
Roger Massey Contracting, LLC



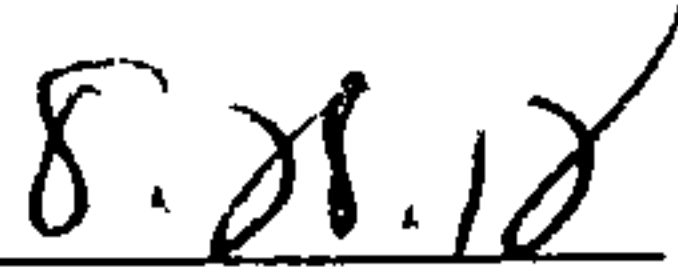
By

SETTLEMENT AGENT CERTIFICATION

The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused the funds to be disbursed in accordance with this statement.



Settlement Agent



Date

Warning: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18 U.S. Code Section 1001 and Section 1010.


20130207000054310 29/29 \$96.00
Shelby Cnty Judge of Probate, AL
02/07/2013 08:35:13 AM FILED/CERT