

OPTION AGREEMENT

This Option Agreement ("Agreement") is made as of this 2nd day of December, 2014, and is by and between **Joan Dorough (a/k/a Bobby Joan Dorough)** ("Seller") and **TESC, LLC, an Alabama limited liability company** ("Buyer"), with reference to the following facts and circumstances:

A. Seller is the owner of certain real property more particularly described in Exhibit "A" attached hereto (the "Property").

B. Buyer desires to obtain, and Seller desires to grant to Buyer, an option to purchase the Property upon the terms and conditions set forth in this Agreement.

NOW, THEREFORE, Seller and Buyer agree as follows:

1. **GRANT OF OPTION.** In consideration of the Option Payment (as defined below) and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Seller hereby grants to Buyer an option to acquire the Property upon the terms and conditions set forth in this Agreement.

2. **TERM.** The term of the option ("Option Term") shall commence on the date of this Agreement ("Commencement Date") and shall terminate unless exercised upon the earlier of i) ten (10) days after Buyer's receipt of the Offer Notice or ii) 5:00 p.m., on May 31, 2017. If this Option has not been exercised within the Option Term, this Agreement and Option shall automatically expire.

3. **CONSIDERATION.** Concurrently with the execution of this Agreement and in consideration for the Option contained in this Agreement, Buyer has purchased certain property from Seller under that certain General Warranty Deed recorded simultaneously herewith.

4. **CONDITIONS FOR OPTION EXERCISE.** Buyer shall be entitled to exercise the Option within the Option Term, and to consummate the purchase of the Property, provided each of the conditions set forth below have been satisfied:

(a) The representations and warranties of Buyer contained in this Agreement are true and correct in all respects on the date hereof, on the Exercise Date, and on the Closing Date as though such representations and warranties were made on each such date.

(b) Buyer has duly performed on or prior to the Exercise Date and, after exercise of this Agreement, on or prior to the Closing Date, all the covenants to be performed by it under the terms of this Agreement.

Any condition set forth above may be waived by Seller in writing and any such condition shall be deemed waived only upon Buyer's receipt of such written waiver.

5. **EXERCISE OF OPTION.** Buyer may exercise the Option contained in this Agreement at any time on or before the expiration of the Option Term, provided each of the conditions set forth herein have been satisfied. Buyer shall exercise the Option contained in this Agreement by giving written notice thereof to Seller no later than the expiration of the Option Term (the "Notice of Exercise"). Upon exercise of this Option, as set forth herein, Buyer shall be bound to purchase the Property on the terms and conditions set forth in this Agreement.

6. **RECEIPT OF BONA-FIDE OFFER.** In the event Seller receives a bona-fide written offer from a third-party not related to Seller within three degrees on consanguinity for the purchase for the Property (hereinafter the "Offer"), Seller shall provide notice (hereinafter the "Offer Notice") to the Buyer within three days of receipt of the Offer. Upon receipt of the Offer Notice, Buyer shall have ten (10) business days to notify the Seller if Buyer will exercise the Option.

7. **REPRESENTATIONS AND WARRANTIES OF BUYER.** Buyer hereby represents, warrants and covenants to and with the Seller, which representations, warranties and covenants shall continue for the Option Term and through the Closing Date, that:

(a) Buyer is duly organized and validly existing, and in good standing under the laws of the State of its formation; and

(b) Buyer has the right, power, legal capacity and authority to execute, deliver and perform this Agreement and the individuals who have executed this Agreement on behalf of Buyer have the right, power, legal capacity and authority to execute, deliver and perform this Agreement on behalf of Buyer.

8. **REPRESENTATIONS AND WARRANTIES OF SELLER.** Seller hereby represents, warrants and covenants to and with the Buyer, which representations, warranties and covenants shall continue for the term of this Agreement and through the Closing Date, that Seller has the right, power, legal capacity and authority to execute, deliver and perform this Agreement and the individuals who have executed this Agreement on behalf of Seller have the right, power, legal capacity and authority to execute, deliver and perform this Agreement on behalf of Seller.

9. **PURCHASE PRICE.** The Purchase Price of the Property shall be Two Hundred Ten Thousand and 00/100 Dollars (\$210,000.00).

10. **PAYMENT OF PURCHASE PRICE.** The Purchase Price shall be paid in full of a certified or cashier's check or other transfer of immediately available funds made payable to Seller on the Closing Date.

11. **CLOSING.**

(a) Closing Date. The purchase and sale of the Property shall be consummated within thirty (30) days of the Exercise Date (herein the "Closing Date").

(b) Closing Costs. Buyer shall pay the costs of recording the Deed. All other costs shall be apportioned in the manner customary in the county in which the Property is located.

(c) Prorations. Real and personal property taxes, based upon the latest available tax bills, assessments, and Tenant's rents, if any, utility charges shall be prorated between the parties as of the Closing Date. The amount of any security deposits delivered to Seller by Tenants of the Property shall be credited to Buyer at closing. If at any time after the Closing Date, the Property shall be reassessed with respect to a period of time prior to the Closing Date, then, within thirty (30) days of receipt of such notice, Buyer and Seller shall make further adjustments as may be necessary so that Seller shall have paid for all real estate taxes payable in respect of the Property for the period prior to the Closing Date.

12. **TITLE.** Title to the Property shall be evidenced by a standard ALTA policy of title insurance ("Title Policy") issued by the Land Title Company of Alabama (the "Title Company") in the amount of the Purchase Price showing fee title vested in Buyer, subject only to the lien for nondelinquent real estate taxes, the standard printed policy exceptions and any other matters which do not adversely and materially affect Buyer's intended use of the Property, and any matters created, approved or consented to by Buyer in writing. Neither Buyer nor any agent, employee, or representative of Buyer shall cause an exception to title for, or an encumbrance against, the Property prior to the Closing Date, without Seller's prior written consent. Seller shall indemnify and hold Buyer and the Property harmless from all mechanic's and materialmen's liens which are filed against the Property as a result of the supply of work or materials at the request of Seller. This indemnification of Seller shall survive the Closing Date for nine (9) months.

13. **ATTORNEYS FEES.** If any Party hereto institutes any proceeding in court to enforce any provision hereof or for damages by reason of any alleged breach of this Agreement, the prevailing Party shall be entitled to recover from the other Party all costs of suit, including, without limitation, court costs and such amount as the court may award as reasonable attorneys' fees for services rendered to the prevailing Party in such proceeding.

14. **MISCELLANEOUS**

(a) Modifications. No modification of this Agreement shall be effective unless set forth in writing and signed by both Buyer and Seller.

(b) Further Assurances. Each party shall execute such other and further documents as may be reasonably necessary or proper for the consummation of the transaction contemplated by this Agreement.

(c) Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective successors and assigns.

(d) Entire Agreement. This Agreement contains the entire agreement between the Parties and supersedes all prior oral and written agreements between the Parties with respect to the subject matter hereof.

(e) Paragraph Headings. Captions at the beginning of each paragraph and each subparagraph are solely for the convenience of the Parties and are not a part of this Agreement.

- (f) Exhibits. All exhibits which are attached to this Agreement are incorporated herein by this reference.
- (g) Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one instrument.
- (h) Interpretation and Governing Law. This Agreement shall not be construed against the Party who prepared it but shall be construed as though prepared by both Parties. This Agreement has been made and entered into and shall be construed, interpreted and governed by the laws of the state of Alabama. Any litigation regarding this Agreement or the Property shall be brought in the courts located in the county in which the Property is located.
- (i) Time. Time is of the essence in this Agreement.
- (j) Severability. If any portion of this Agreement is declared by a court of competent jurisdiction to be invalid or unenforceable, such portion shall be deemed severed from this Agreement, and the remaining parts shall remain in full force as though such invalid or unenforceable provision had not been a part of this Agreement.
- (k) Notices. Any notice, request, demand, approval, or other communication given hereunder or in connection herewith shall be in writing and shall be personally delivered, or sent by courier, or sent by express, registered, or certified mail, return receipt requested, postage and fees prepaid, and addressed to the Party to receive the Notice, at its address set forth opposite its signature below. Any Party, by a Notice so given, may change its address for any subsequent Notice. Any Notice shall be deemed given when delivered if personally delivered or sent by courier, or if sent by mail, on the earlier of delivery or two (2) business days after deposit in the United States mail.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.

Intending to be legally bound, the parties have executed this Agreement on the date first written above.

BUYER:

TESC, LLC, an Alabama limited liability company

BY: Tom E. Stevens

Name: Tom E. Stevens

Title: Manager

ADDRESS: 3459 50 COULE DR
Bham AL 35213

SELLER:

Joan Dorough (a/k/a Bobby Joan Dorough)

BY: Jeffrey Michael Dorough

Name: Jeffrey Michael Dorough

Title: Agent and Attorney in Fact

ADDRESS: 2022 English Oak Lane
Helena, AL 35080

STATE OF ALABAMA
JEFFERSON COUNTY

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Tom E. Stevens whose name as Manager of TESC, LLC, an Alabama limited liability company, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such manager, and with full authority, executed the same voluntarily, as an act of said company, acting in its capacity as aforesaid.

Given under my hand and official seal, this the 2nd day of December, 2014.

Heather Elaine Ward

NOTARY PUBLIC

My Commission expires: 1/31/16

STATE OF ALABAMA
JEFFERSON COUNTY

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Jeffrey Michael Dorough as Agent and Attorney in Fact of Joan Dorough (a/k/a Bobby Joan Dorough), is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such agent and attorney in fact, and with full authority, executed the same voluntarily, as an act of said Joan Dorough (a/k/a Bobby Joan Dorough), acting in her capacity as aforesaid.


Given under my hand and official seal, this the 2nd day of December, 2014.

Heather Elaine Ward

NOTARY PUBLIC

My Commission Expires: 1/31/16

EXHIBIT "A"


20141204000382180 6/6 \$29.00
Shelby Cnty Judge of Probate, AL
12/04/2014 03:56:46 PM FILED/CERT

The Southeast 1/4 of the Northwest 1/4 and all that part of the Southwest 1/4 of the Northwest 1/4, lying East of Wilsonville-Westover Road (County Road 51) in Section 23, Township 20 South, Range 1 East, situated in Shelby County, Alabama.