

STATE OF ALABAMA )

COUNTY OF BALDWIN )

VENDOR'S LIEN DEED

KNOW ALL MEN BY THESE PRESENTS, that W. R. BEAN and STERLING BEAN, husband and wife, hereinafter called the Grantors, in consideration of the sum of THIRTY-EIGHT THOUSAND AND NO/100THS DOLLARS (\$38,000.00), of which the sum of EIGHTEEN THOUSAND AND NO/100THS DOLLARS (\$18,000.00), is hereby acknowledged to have been paid to the Grantors by JOSEPH D. SPALDING and LOU E. SPALDING as TRUSTEES OF THE SPALDING FAMILY TRUST OF 1990 UNDER DECLARATION OF TRUST DATED DECEMBER 19, 1990, hereinafter called the Grantees, and the balance of which is payable as hereinafter set forth, do hereby, subject to the exceptions and reservations hereinafter contained, GRANT, BARGAIN, SELL and CONVEY unto the said Grantees, in fee simple, all of that certain real property in the County of Baldwin, State of Alabama, described as follows, to-wit:

Lot 21, in Block 20, Silverhill, Alabama, as per map or plat thereof recorded in Miscellaneous Book 1, page 59, in the Office of the Judge of Probate of Baldwin County, Alabama.

Grantors hereby reserve all remaining rights to all oil, gas and other minerals situated in, on, or under the above described property.

THIS CONVEYANCE IS MADE SUBJECT TO THE FOLLOWING:

Oil, gas and mineral lease, and all rights in connection therewith, by S. Dwight Bowman to Jay Mortgage Corporation dated June 29, 1977 and recorded in Deed Book 518, page 79.

TOGETHER WITH ALL AND SINGULAR the rights, tenements, privileges, hereditaments, easements and appurtenances thereunto belonging or in anywise appertaining.

TO HAVE AND TO HOLD the said above described property unto the said Grantees, in fee simple, and to the Grantees' successors and assigns, forever.

And except as to taxes hereafter falling due which are assumed by the Grantees, and except as to the above mentioned encumbrances, the Grantors do, for themselves and their heirs and assigns, hereby covenant with the Grantees that they are seized of an indefeasible estate in fee simple in said property, are in peaceable possession thereof, that said property is free and clear of all encumbrances, and that they do hereby WARRANT AND WILL FOREVER DEFEND the title to said property and the peaceable possession thereof, unto the Grantees, and to the successors and assigns of Grantees, against the lawful claims of all persons whomsoever.

The said balance of TWENTY THOUSAND AND NO/100THS DOLLARS (\$20,000.00) due on the purchase price, together with interest thereon at the rate of seven percent (7%) per annum, is to be paid to the said Grantors by the Grantees according to the tenor and effect to that certain waiver of exemption promissory note of the Grantees of even date herewith, payable at such place as the holders thereof from time to time designates in writing as follows:

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Payable in one (1) annual installment, which shall be in the amount of \$21,400.00, which includes interest at the rate of seven percent (7%) per annum, and which shall be due and payable on the 17th day of March, 1994.

GRANTEES HEREBY RESERVE THE RIGHT TO PREPAY, WITHOUT PENALTY, ANY OR ALL OF THE PRINCIPAL DUE HEREUNDER FOR THE PURPOSE OF SAVING INTEREST.

The Grantees shall not sell or transfer title to the property described herein, nor allow to make any change in the possession, or character of possession, thereof, without the written approval of the Grantors, and any violation of this provision shall constitute a default hereunder, and, at the option of the Grantors, all amounts secured by the lien retained in this Vendor's Lien Deed shall become due and payable.

By accepting this conveyance, the Grantees hereby agree and bind the Grantees and Grantees' successors and assigns, so long as any part of said purchase price, or the interest thereon, remains unpaid as follows:

1. To pay said indebtedness and the installments of principal and interest thereon when they respectively fall due.
2. To keep any buildings or other improvements now or which may hereafter be erected upon said property in good repair and condition and insured against fire and lightning and, against other hazards, casualties, and contingencies and for such periods as may be required by Grantors, by policies issued by good and solvent insurance companies approved by the Grantors, which policies shall be deposited with the Grantors and shall provide that loss, if any, shall be payable to the Grantors as the Grantors' interest may appear, such policies to be in such amounts, not exceeding the insurable value of the said buildings or other improvements, as may be required by the Grantors.
3. To pay before the same become delinquent all taxes, assessments, liens, other charges, or encumbrances which may be or become effective against said property, or any portion thereof, together with all penalties, costs and other expenses incurred, or which may accrue, in connection therewith.
4. That, if the Grantors, upon the happening of any default hereunder, shall foreclose this lien either by sale under the power herein contained or by court proceedings or shall otherwise resort to litigation for the recovery of the sums hereby secured, or employ an attorney to collect said sums, the Grantees will pay all reasonable costs, expenses and attorney's fees thus incurred, including the cost of bringing down from date of this deed to date of foreclosure sale hereunder abstract of title to property hereinabove described, and said costs, expenses and attorney's fees, and any other sum or sums due the Grantors by virtue of any of the special liens herein declared, may be included in any judgment or decree rendered in connection with said litigation.
5. That, if the Grantees should fail to perform any of the duties and obligations herein specified to be performed or done by the Grantees, the Grantors may perform the same, but shall not be under any duty so to do, and for any sum expended by the Grantors in this behalf, together with interest thereon at the highest lawful contract rate permitted by law (but in no event to exceed a rate which is five percentage points per annum above the contract rate in the Note) from the date of such expenditure, the Grantors shall have an additional lien, secured by these presents, on said property. The Grantees agree to pay the Grantors any sum or sums so expended by the Grantors, with

interest thereon, within ten (10) days after mailing of written notice from the Grantors to the Grantees at the Grantees' place of residence last known to the Grantor, of the expenditure of said sum or sums together with demand for payment thereof.

6. That upon the happening of a default in the payment of said indebtedness or any installment of principal or interest thereon or upon any default in the performance of any of the obligations herein imposed on the Grantees, the Grantors shall have the right, at Grantors' election, to declare all of the unpaid principal of said indebtedness and interest thereon immediately due and payable, and the Grantors shall have the right, at Grantors' election, to foreclose the said lien, either under the power of sale hereinafter written, or through court proceedings, and to that end, the Grantors are hereby authorized and empowered to sell said property or so much and such parts thereof as may remain subject to the said lien, for cash to the highest bidder, at public outcry in front of the Courthouse of said county in which said property is located, after giving notice of the time, place and terms of sale by an advertisement published once a week for three (3) successive weeks in a newspaper published in said county, and to make or to cause the auctioneer conducting said sale to make proper conveyance to the purchaser at said sale; and the proceeds of said sale to be applied, first, to the payment of the costs of said sale and conveyance, including reasonable attorney's fees, second, to the payment of the principal balance of said indebtedness then remaining unpaid, whether due or not, with the unpaid interest thereon to the date of sale, and any amount that may be due the Grantors by virtue of any of the special liens herein declared; and third, the balance, if any to be paid over to the said Grantees.

7. That at any sale under the powers herein the Grantors may bid for and purchase said property, or any portion thereof, as if a stranger hereto, and in the event the Grantors should become the purchasers at such sale, either the auctioneer conducting the sale or the Grantors are hereby authorized and empowered to execute a deed to the Grantors in the name of the Grantees.

8. That the word "Grantors", wherever used, shall include all Grantors herein named, and their respective heirs, executors, administrators and assigns, and the word "Grantees", wherever herein used, shall include all Grantees herein named, and their respective successors, assigns, heirs, executors and administrators. The masculine pronoun, wherever herein used, shall mean and include the feminine or neuter pronoun. Wherever used, the singular number shall include the plural, and the plural number shall include the singular.

IN WITNESS WHEREOF, the Grantors and the Grantees have caused this instrument to be properly executed on this the 11th day of March, 1993.

GRANTORS:

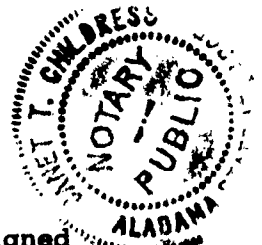
W. R. Bean (SEAL)  
W. R. BEAN  
Sterling Bean (SEAL)  
STERLING BEAN

GRANTEES:

Joseph D. Spalding Trustee (SEAL)  
JOSEPH D. SPALDING as TRUSTEE OF  
THE SPALDING FAMILY TRUST OF 1990  
UNDER DECLARATION OF TRUST DATED  
DECEMBER 19, 1990

Lou E. Spalding, Trustee (SEAL)  
LOU E. SPALDING as TRUSTEE OF THE  
SPALDING FAMILY TRUST OF 1990 UNDER  
DECLARATION OF TRUST DATED DECEMBER  
19, 1990

STATE OF Alabama  
COUNTY OF Baldwin



I, Vincent T. Childress, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that W. R. BEAN and STERLING BEAN, 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 said conveyance, they have executed the same voluntarily on the day the same bears date.

Given under my hand and seal this the 11th day of March, 1993.

Vincent T. Childress  
Notary Public

My Commission Expires:  
11-1-94

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STATE OF California

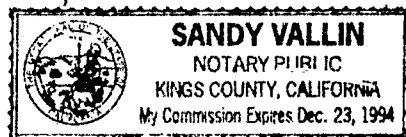
COUNTY OF Kings

I, Sandy Vallin, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that JOSEPH D. SPALDING acting in his capacity as TRUSTEE OF THE SPALDING FAMILY TRUST OF 1990 UNDER DECLARATION OF TRUST DATED DECEMBER 19, 1990, whose name 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, in his capacity as such Trustee, has executed the same voluntarily on the day the same bears date.

Given under my hand and seal this the 19th day of March, 1993.

Sandy Vallin  
Notary Public

My Commission Expires: 12/23/94



STATE OF California

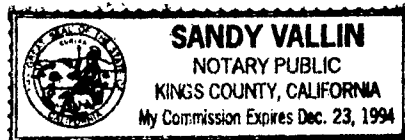
~~COUNTY OF~~ Kings

I, Sandy Vallin, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that LOU E. SPALDING, acting in her capacity as TRUSTEE OF THE SPALDING FAMILY TRUST OF 1990 UNDER DECLARATION OF TRUST DATED DECEMBER 19, 1990, whose name 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, she, in her capacity as such Trustee, has executed the same voluntarily on the day the same bears date.

Given under my hand and seal this the 19th day of March, 1993.

Sandy Vallin  
Notary Public

My Commission Expires: 12/23/94



This Instrument Prepared by:

G. DAVID CHAPMAN III, P.C.  
Attorney at Law  
Post Office Box 1508  
Gulf Shores, Alabama 36547  
File 93.6444

Grantors' Address:

9045 Newmann Road  
Elberta, AL 36530

Grantee's Address:

7462 12th Avenue  
Hanford, CA 93230

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