# GROUND LEASE AGREEMENT

JEFFERSON COUNTY

THIS GROUND LEASE AGREEMENT made and entered into on this the \_\_\_\_\_\_ day of \_\_\_\_\_\_, 1980 by and between N.C.N. COMPANY, an Alabama general partnership (hereinafter called "Landlords"), and ACTION GRAND PRIX, INC., a corporation (hereinafter called "Tenant").

# WITNESSETH:

19800618000066480 Pg 1/17 .00 Shelby Cnty Judge of Probate, AL 06/18/1980 00:00:00 FILED/CERTIFIED

#### 1. DESCRIPTION OF PROPERTY.

That the Landlords do hereby demise and ground lease unto the Tenant the following described real property:

A 35 ft. wide parcel of land situated in the Southeast 1/4 of the Southeast 1/4 of Section 25, Township 19 South, Range 3 West, Shelby County, Alabama more particularly described as follows: Commence at the Northeast corner of said quarterquarter section and run along the north line in a westerly direction for a distance of 422.06 feet; thence an angle left of 91 degrees, 23 minutes 26 seconds and run in a southerly direction for a distance of 412.83 feet to the northwest corner of Main tract of land; thence continue in a southerly direction along last described course for a distance of 175.35 feet; thence an angle right of 49 degrees, 18 minutes, 39 seconds and run in a southwesterly direction for a distance of 175.89 feet to the Point of Beginning; thence an angle left of 9 degrees, 47 minutes, 39 seconds and run in a southwesterly direction a distance of 147.17 feet to a point on the east line of a paved street; thence an angle left of 90 degrees and run in a southeasterly direction along said east line a distance of 35 feet; thence an angle left of 90 degrees and run in a northeasterly direction a distance of 138.25 feet to a point on the westerly line of Main Tract; thence an angle left of 75 degrees, 42 minutes, 21 seconds and run in a northwesterly direction along main tract a distance of 36.12 feet to the Point of Beginning. Tract contains 0.115 acres more or less.

See Exhibit "A" attached hereto and made a part of this lease.

#### 2. PRIMARY TERM: COMMENCEMENT DATE.

The primary term of this lease shall begin (a) one hundred twenty days from the date of delivery of this agreement or (b) upon opening to the public of the proposed driving skills and entertainment center, whichever is the first to occur, and shall continue for a period of five (5) calendar years.

This instrument was prepared by Eric L. Carlton, Attorney at Law, 1600 Pank for Savings Building, Birmingham, Blabana 35203.

THOMAS, TALIMILATO, FORMAN, BURR & MURRAY
"SIXTEENTH FLOOR BANK FOR SAVINGS BUILDING
BIRMINGHAM, ALABAMA 35203

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BOOK 327 PAGE 07

Tomant may enter upon the leased premises prior to the commencement date for the purpose of preparing the leased premises for the operation of Tenant's business.

# 3. RENTAL AND OPTION TO RENEW.

- (a) Tenant hereby agrees to pay to Landlords the sum of Six Hundred and no/100 Dollars (\$600.00) per year for five (5) years, due and payable in twelve equal monthly installments of Fifty Dollars (\$50.00), the same to be due and payable in advance on the first day of each month of said lease term.
- (b) At the end of the five year primary lease period, the Tenant will have the option of (1) permitting the lease to expire, (2) renewing the lease for one additional five-year term at the then fair market rental value, determined as provided below, or (3) purchasing the property from Landlords at a price of \$13,935.63. Tenant must give Landlords written notice of its intention either to renew this lease or to purchase the property at least six months prior to the expiration of the primary term.
- (c) In the event Tenant exercises its option to renew this lease, the rental during the renewal term shall be One Thousand Two Hundred and no/100 Dollars (\$1,200.00) per year, due and payable in twelve monthly installments of One Hundred Dollars (\$100.00), the same to be due and payable in advance on the first day of each month of said renewal term. At the end of such renewal term, Tenant shall again have the option to purchase the leased premises as provided in paragraph 3(b)(3) hereof; provided, however, that the purchase price shall be \$16,135.63 rather than \$13,935.63.
- (d) In the event Tenant exercises its option to purchase the property, Landlords shall convey the same to Tenant, upon payment of the purchase price therefor, by a general warranty deed, subject to no liens or encumbrances other than (1) liens or encumbrances suffered or incurred by

Tenant, and (2) such minor defects, irregularities, encumbrances, easements, rights of way and clouds on title as normally exist with respect to properties similar in character to said property and which do not, in the opinion of counsel satisfactory to Tenant, materially impair the real property for the purpose for which it is used by Tenant.

# 4. TAXES; ASSESSMENTS.

Landlord shall pay all ad valorem tax assessments and special assessments levied or assessed against the leased premises by any duly constituted authority, including sewer assessments and charges. Landlord shall further provide Tenant with evidence within 30 days of payment of said ad valorem taxes. In the event Landlord should be delinquent in payment of ad valorem taxes, Tenant shall have the right to pay such taxes due and deduct the amount of taxes paid from rents due Landlord under this lease.

## 5. USE OF PREMISES; CONSTRUCTION; OWNERSHIP.

Tenant shall have the right and privilege during the term hereof to use said premises for the construction, operation and maintenance of a skills driving center and for any other lawful use without the written consent of Landlords, and without limiting the generality of the foregoing, at its expense, to grade, fill, excavate, pave or otherwise alter the existing topographical features thereof, to erect, construct and install any and all buildings, improvements and equipment as it may desire, and to replace, remodel and make additions, alterations and replacements to any such buildings, improvements and equipment. All buildings, improvements and equipment which Tenant may erect, construct, install or improve on the leased premises shall remain the sole property of the Tenant during the term hereof, but upon the final termination of such term or any extensions thereof, any such buildings and improvements then remaining on the leased premises in their then condition shall unconditionally revert to and vest in Landlords, with the exception of

furniture, stocks of merchandise, trade fixtures, lighting, signs and other personal property of Tenant, which may be removed by Tenant at any time within fifteen (15) days following the final termination of such term, provided that Tenant shall repair any damage to the main structure and close any openings in the exterior walls thereof caused by such removal, and provided further that Tenant is not in default of any terms and conditions of this lease at the time of said termination. This provision shall not be construed to limit or restrict the right of Tenant to assign this lease or sublease the premises for any lawful use under the conditions set forth in paragraph 15 hereof.

# 6. ZONING.

Tenant proposes to construct, operate and maintain a skills driving and entertainment center on the leased premises. In the event said premises cannot be so used, or in the event Tenant is unable to procure the necessary building permits or other municipal authorization or in the event such use of said premises is denied or prohibited by municipal authority, or in the event said premises cannot lawfully be used for such purpose or such use is prohibited by restrictions or by Tenant's inability to secure adequate utility service to or to locate septic tanks upon the property, Tenant may at its option, and in addition to any other of its rights and/or remedies hereunder, terminate this lease by giving ten (10) days' written notice to Landlords and this lease shall then be null and void and neither of the parties shall be liable to the other for any cost, loss or expense incurred.

#### 7. IMPROVEMENTS.

All improvements constructed on the leased premises shall be done and completed in a safe, efficient and workmanlike manner, with good quality materials and Tenant shall pay for the cost of such work and shall indemnify and save harmless Landlords from any loss or damage by reason of the cost

thereof or damage by reason of any mechanic's and/or materialmen's lien, or any encumbrance of any kind associated therewith.

Any and all work done, demolition, grading, filling or other changes of work performed in connection with said leased premises shall in every respect comply with the laws, ordinances and regulations of the State of Alabama, the County of Shelby and City of Pelham and Tenant shall indemnify and save Landlords harmless from any loss, damage or claim because of such work or demolition. It is understood that Tenant will use the leased premises as a driveway, and Tenant shall not be entitled to erect any buildings or other structures thereon.

It is mutually understood and agreed that Landlords shall not become obligated in any way or in any wise for labor or materials furnished on the leased premises or services or supplies furnished thereto either by way of construction of buildings or otherwise and that notice is hereby given to all persons, firms or corporations who hereafter might furnish labor, materials, supplies or services to or for said premises that the obligations therefor are entirely the obligations of Tenant and that Tenant alone shall be liable and responsible therefor.

#### 8. INDEMNIFICATION AND HOLD HARMLESS.

Tenant will indemnify and save harmless Landlords from any and all fines, suits, claims, demands and actions of any kind or nature, by reason of any breach, violation or non-performance of any condition hereof on the part of Tenant.

Tenant will indemnify, protect and save harmless Landlords from any loss, cost, damage, or expense caused by injuries to persons or property, while in, on or about said premises, and any and all property of Tenant which may be located or stored on said premises.

## 9. RIGHT OF INJUNCTION.

In the event of a breach or threatened breach by either party hereto of the conditions and covenants hereof, the

other party shall have the right of injunction to restrain the same and the right to invoke any remedy available at law or in equity to the same extent as if specific remedies, indemnities or reimbursements were herein provided for.

10. LANDLORDS' RIGHT TO ANNUL AND TERMINATE AND TO RE-ENTER.

Upon the happening of any one or more of the events as expressed below in (a) through (f) inclusive, Landlords shall have the right at the option of Landlords to either annul and terminate this lease upon two (2) days' written notice sent by certified mail to Tenant and thereupon to reenter and take possession of the leased premises or the right upon such two (2) days' written notice to Tenant to re-enter and relet the leased premises or parts or parcels thereof from time to time as agent of Tenant, and such reentry and/or reletting shall not discharge Tenant from any liability or obligation hereunder except that net rents collected as a result of such reletting shall be a credit on the Tenant's liability for rents payable under the terms of this lease. Nothing herein, however, shall be construed to require the Landlords to re-enter and relet in such event, nor shall anything herein be construed to postpone the right Landlords to sue for rents, but, on the contrary, Land-Lords are hereby given the right to sue for all rents then due and payable at any time after default:

- (a) If Tenant should fail to pay any one or more of said monthly installments of rent as and when the same shall become due and such default shall continue for as much as thirty (30) days after notice thereof be given the Tenant by certified mail;
- (b) In the event a voluntary petition in bankruptcy is filed by Tenant or the Tenant is adjudged a bankrupt;
- (c) In the event Tenant makes a general assignment for the benefit of creditors;
- (d) In the event the appointment of a receiver, whether in bankruptcy or otherwise, of the Tenant's property, provided such appointment be not vacated or set aside within ninety (90) days;

- (e) In the event of the filing by Tenant of a voluntary petition for reorganization under Chapter X of the National Bankruptcy Act or any act substantially similar thereto; or
- (f) In the event Tenant violates any of the other terms, conditions, covenants, stipulations or agreements on the part of Tenant herein contained and fails to remedy or commence in good faith to remedy the same within thirty (30) days after written notice thereof by certified mail by Landlords to Tenant.

# TENANT ACCEPTS PREMISES AS IS, NON-LIABILITY OF LANDLORDS.

This is a lease of unimproved land. Tenant has inspected the premises leased hereunder and accepts the same in their present condition, and Tenant agrees that all persons entering upon said premises pursuant to or in connection with the use of said premises under this lease do so at their own risk, so far as Landlords are concerned, and that neither the Landlords nor their agents, servants, or employees shall be liable for any act or negligence resulting in injury (including death) or damage to any person or persons or property while on or about said premises. Nothing contained in this lease shall be construed to release Landlords, their agents, servants, or employees from any liability for or loss or damage arising from their own conduct.

#### 12. ATTORNEY.

In the event of the employment by Landlords of any attorney to collect any rents due by Tenant hereunder and unpaid, or to protect the interests of the Landlords in the event Tenant files a voluntary petition for reorganization, or a receiver is appointed for the property of Tenant, or legal process is levied upon the goods of Tenant upon said premises or upon the interest of Tenant in this lease, or in the event of a violation by Tenant of any of the terms, conditions, covenants and agreements on the part of Tenant herein contained, which violation is not remedied in thirty (30) days after written demand on Tenant, then in such event, Tenant will pay to Landlords the reasonable fees of such attorney.

# 13. EMINENT DOMAIN.

If all or substantially all of the demised premises (or such portion thereof as to render the remainder thereof unsuitable for the purposes of Tenant at the opinion of Tenant) are taken under the exercise of the power of eminent domain by any governmental authority or person, firm or corporation having such power, this lease shall terminate as of the date possession of said premises shall be surrendered to or taken by such authority or person, firm or corporation, and Tenant shall thereupon be relieved of all future rent payments hereunder, and any rent which has been paid in advance shall be prorated as of such date and refunded by Landlords. In the event of any other taking of any part of the demised premises under the exercise of the power of eminent domain by any such authority or person, firm or corporation, this lease shall remain in full force and effect, and (a) Landlords shall lease to Tenant adjoining land equal in usable area to the part of the premises so taken, or (b) if Landlords are unable to lease to Tenant such adjoining land, the monthly net rent thereafter to be paid hereunder shall be reduced in the same proportion as the value of the part of said premises taken (excluding the value of the buildings and improvements thereon) bears to the value of the part of said premises remaining (excluding the value of the buildings and improvements thereon).

The provision set forth above in this paragraph shall in no way prejudice or interfere with any claim which Landlords or Tenant has against the authority or person, firm or corporation exercising the power of eminent domain for compensation and damages or otherwise, and any compensation received by Landlords or Tenant shall belong to the party receiving such compensation. In the event, however, that only one award is made for such taking, without separation thereof for the respective parties, the parties shall make a

division of such award as is fair and equitable under the circumstances, taking into account the value of any buildings or improvements constructed by Tenant for which Tenant shall be compensated from such award.

# 14. NOTICE.

Any notices, demands or communications hereunder to Tenant shall be served or given by United States Certified Mail, addressed to Tenant in care of Action Toyota, Inc., 9709 Parkway East, Birmingham, Alabama 35215, Attention: Mr. Allen E. Willey, and any such notices, demands, or communications hereunder to Landlords shall be served or given by United States Certified Mail addressed in care of Landlords' agent, Johnson-Rast & Hays Co., Inc., 2131 Magnolia Avenue South, Birmingham, Alabama 35205, provided that either Landlords or Tenant may at any time hereafter in writing notify the other party of some other address to which such party desires that such notices, demands and communications be sent, and following such written notice all such demands, notices and communications shall be sent to the address so specified and likewise by United States Certified Mail.

### 15. SUBLEASE.

Tenant shall not be entitled to sublease the demised premises or any part thereof or assign this lease except with the written consent of Landlords, which consent Landlords will not unreasonably withhold. Any such subleasing or assignment shall not relieve the Tenant from liability for payment of the rental herein provided or from the obligations to keep and be bound by conditions and covenants of this lease. The acceptance of rent from any other person shall not be deemed to be a waiver of any of the provisions of this lease or a consent to the assignment or subletting of the demised premises. Notwithstanding the foregoing, Tenant shall be entitled to assign this lease to any corporation

controlling, controlled by, or under common control with Tenant or to any limited partnership of which Tenant or any such related corporation is general partner without securing the consent of Landlords.

# 16. SALES COMMISSION.

In the event the Tenant exercises the option to purchase this property as hereinabove set forth in paragraph 3(b), Landlord agrees to pay Johnson-Rast & Hays Company a sales commission equal to ten (10%) percent of the sales price of the property. Landlord shall be solely responsible for the payment of all commissions due Johnson-Rast & Hays Company, and Tenant shall not be held responsible for payment of any commissions earned by the Agent.

# 17. MAINTENANCE.

Tenant shall be responsible for cleaning and maintaining the said leased premises. All buildings erected on said real property or other improvements thereon shall be maintained in a good state of repair during the lease term or any extension thereof.

# 18. QUIET ENJOYMENT.

Landlords hereby covenant with Tenant that so long as Tenant is not in default in the performance of its obligations hereunder, it shall quietly and peacefully enjoy and possess said premises for the full term of this lease and any renewals thereof without hindrance from Landlords or any other persons and Landlords further covenant with Tenant that they are seized of said premises in fee simple, free of all liens and encumbrances, that Landlords have a good right and full power to lease said premises as herein done, and that Landlords will warrant and defend the same unto Tenant in its use and occupation thereof during the term of this lease and any renewals thereof against the claims of all persons.

#### 19. SURVEY.

Exhibit "A" being a survey of this ground lease is attached to this lease and made a part hereof.

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#### 20. GOVERNING LAW.

This lease shall be construed under the laws of the State of Alabama.

#### 21. BINDING EFFECT.

This lease shall be binding upon and inure to the benefit of the parties hereto and their respective executors, administrators, heirs or successors and assigns.

# 22. LEASEHOLD MORTGAGE.

In the event that Tenant shall pledge its leasehold estate as security for an indebtedness in any form whatsoever (such pledge hereinafter referred to as a "mortgage"), and if the holder of the indebtedness secured by the leasehold estate (hereinafter "mortgagee") notifies Landlords of the execution of such mortgage and the name and place for service of notices upon such mortgagee, then and in such event, Landlords hereby agree for the benefit of Tenant and such mortgagee from time to time:

- (a) That Landlords will give to any such mortgagee simultaneously with service on Tenant a duplicate of any and all notices or demands given by Landlords to Tenant and no such notice to Tenant shall be effective unless a copy is so serviced upon the mortgagee.
- (b) In the event of any default by Tenant hereunder, or under the terms of the mortgage, such mortgagee shall have the privilege of performing any of Tenant's covenants or of curing any defaults by Tenant or of exercising any election, option or privilege conferred upon Tenant by the terms of this lease.
- (c) Landlords shall not terminate this lease or Tenant's right of possession for any default of Tenant if, within a period of thirty (30) days after the expiration of the period of time within which Tenant might cure such default, such default is cured or caused to be cured by such mortgagee, or if, within a period of thirty (30) days after the expiration of the period of time within which Tenant might commence to eliminate the cause of such default, such mortgagee commences to eliminate the cause of such default and proceeds therewith diligently and with reasonable dispatch.
- (d) No liability for the payment of rental or the performance of any of Tenant's covenants and agreements hereunder shall attach to or be imposed upon any mortgagee, while not in possession of the premises, all such liability being hereby expressly waived by Landlords.

IN WITNESS WHEREOF, Landlords and Tenant, respectively, have caused this Ground Lease to be executed for and in their names and their corporate seals to be hereunder affixed and attested by their duly authorized officers as of the date first above written.

LANDLORD:
N.C.N. COMPANY, a partnership
BY:
Its Partner
TENANT:
ACONTON OD XVID DD TV TVC
ACTION GRAND PRIX, INC.
BY: Mulle
Its I-best 1. It

ATTEST:

Secretary

LANDLORD:

N.C.N. COMPANY, a partnership

BY: Robert L. Nightwine, Partner

BY: Mightwine, wife of Robert L. Nightwine

BY: Messe W. Curtis, III, partner

BY: Satura A Cuttis, Wife of Jesse L. Curtis, III

Y: Clarence D. Norris, III, Partner

BY: Morris, wife of Clarence D. Norris, III

CONSTITUTING ALL THE PARTNERS OF N.C.N. COMPANY AND THEIR SPOUSES

STATE	OF	ALABAMA	)
JEFFEF	4O2S	COUNTY	)

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Allen Willey, whose name as President of Action Grand Prix, Inc., a corporation, is signed to the foregoing Ground Lease Agreement, and who is known to me, acknowledged before me on this day that, being informed of the contents of the Ground Lease Agreement, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this // - day of

Notary Public

NOTARIAL SEAL

My commission expires:

STATE OF CACO

STATE OF COUNTY )

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Robert L. Nightwine, whose name as general partner of N.C.N. Company, an Alabama general partnership, is signed to the foregoing Ground Lease Agreement, and who is known to me, acknowledged before me on this day that, being informed of the contents of the Ground Lease Agreement, he, as such partner and with full authority, executed the same voluntarily for and as the act of said partnership.

Given under my hand and official seal this 6 day of 1980.

Notary Public Motary

NOTARIAL SEAL

My commission expires:

NOTARY FUELIC - STATE OF OHIO My commission has no expiration date.
Section 147.03 R.C.

STATE	OF		)
	· ·	COUNTY	)

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Gloria J. Nightwine, whose name is signed to the foregoing Ground Lease Agreement, and who is known to me, acknowledged before me on this day that, being informed of the contents of the Ground Lease Agreement, she executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 116.

STEPHEN M. DARLINGTON, Attorney NOTARY PUBLIC-STATE OF OHIO My commission has no expiration data. Section 147.03 R.C.

NOTARIAL SEAL

My commission expires:

STATE OF (21: fornia)

Ochre County

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Jesse W. Curtis, III, whose name as general partner of N.C.N. Company, an Alabama general partnership, is signed to the foregoing Ground Lease Agreement, and who is known to me, acknowledged before me on this day that, being informed of the contents of the Ground Lease Agreement, he, as such partner and with full authority, executed the same voluntarily for and as the act of said partnership.

Notary Public

NOTARIAL SEAL

My commission expires:

MARK E. McLAUGHLIN NOTARY PUBLIC - CALIFORNIA

PRINCIPAL OFFICE IN ORANGE COUNTY

My Commission Expirer Dec. 30, 1933 

STATE	OF	61110	)
20an	و <sup>سر</sup> و رسان	COUNTY	)

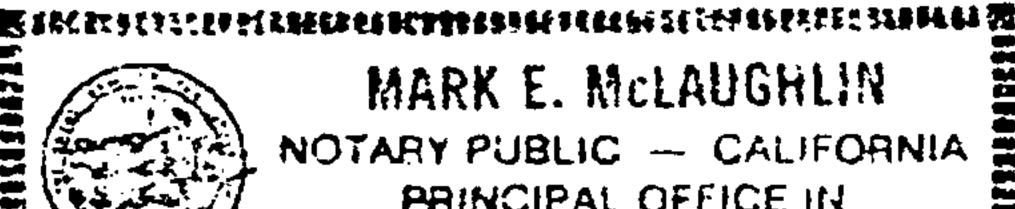
I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Patricia L. Curtis, whose name is signed to the foregoing Ground Lease Agreement, and who is known to me, acknowledged before me on this day that, being informed of the contents of the Ground Lease Agreement, she executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this  $\frac{14}{1}$  day of  $\frac{1}{1}$ , 1980.

Notary Public

NOTARIAL SEAL

My commission expires:



PRINCIPAL OFFICE IN OPANGE COUNTY

My Commission Expired Dec. 30, 1983

STATE OF Clade Shelling COUNTY

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Clarence D. Norris, III, whose name as general partner of N.C.N. Company, an Alabama general partnership, is signed to the foregoing Ground Lease Agreement, and who is known to me, acknowledged before me on this day that, being informed of the contents of the Ground Lease Agreement, he, as such partner and with full authority, executed the same voluntarily for and as the act of said partnership.

Given under my hand and official seal this 2nd day of tuni, 1980.

NOTARIAL SEAL

My commission expires:

STATE OF COUNTY)

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Suzanne S. Norris, whose name is signed to the foregoing Ground Lease Agreement, and who is known to me, acknowledged before me on this day that, being informed of the contents of the Ground Lease Agreement, she executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this a day of

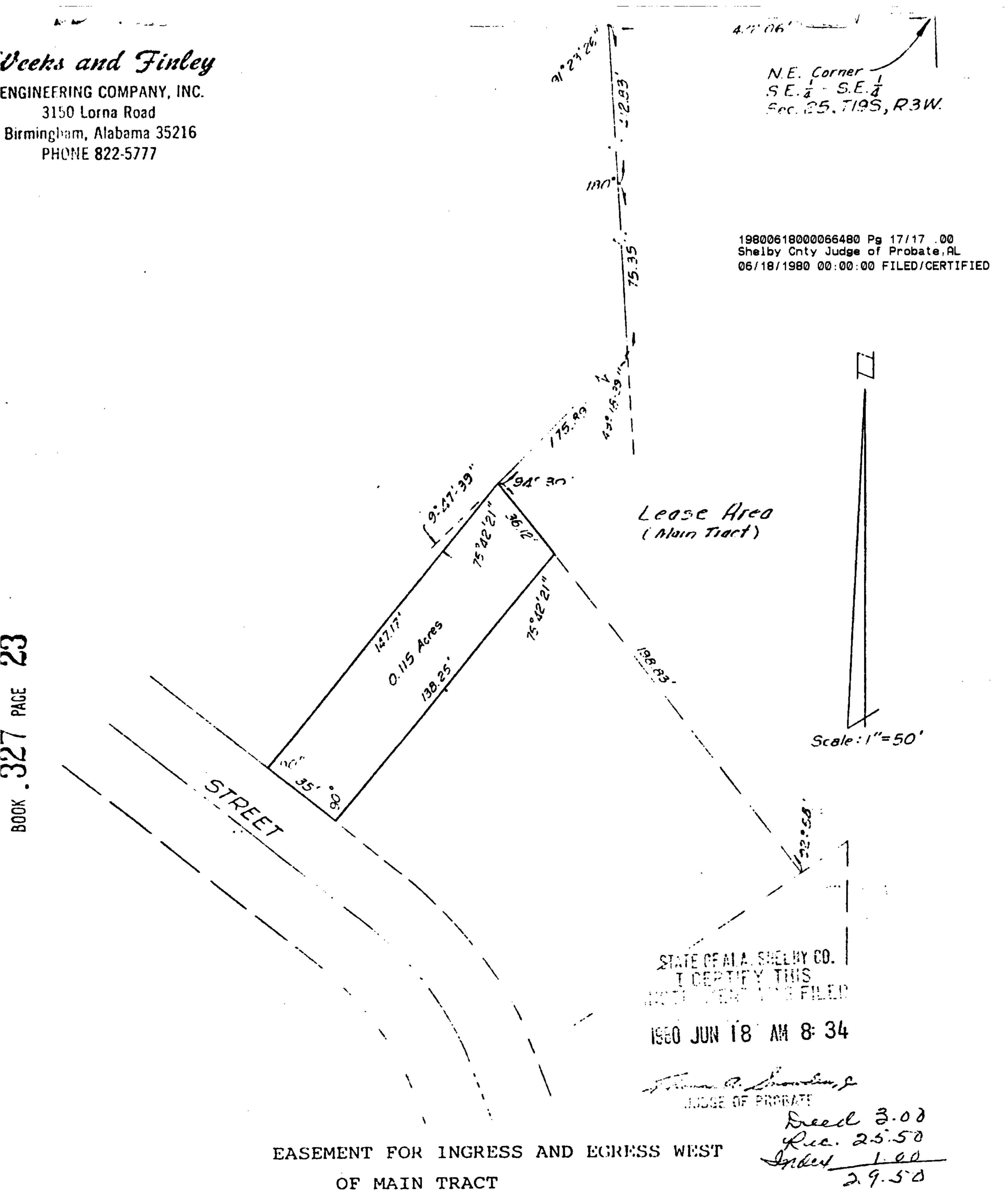
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Notary Public

NOTARIAL SEAL

My commission expires:

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A 35'ft. wide parcel of land situated in the Southeast & of the Southeast& of Section 25, Township 19 South, Range 3 West, Shelby County, Alabama more particularly described as follows; Commence at the Northeast corner of said quarter-quarter section and run along the north line in a westerly direction for a distance of 422.06 feet; thence an angle left of 91 degrees, 23 minutes 26 seconds and run in a southerly direction for a distance of 412.83 feet to a the northwest corner of Main tract of land; thence continue in a souther! direction along last described course for a distance of 175.35 feet; thence an angle right of 49 degrees, 18 minutes, 39 seconds and run in a southwester! direction for a distance of 175.89 feet to the Point of Beginning; thence an angle left of 9 degrees, 47 minutes, 39 seconds and run in a southwesterly direction a distance of 147.17 feet to a point on the east line of a paved street; thence an angle left of 90 degrees and run in a southeasterly directic along said east line a distance of 35 feet; thence an angle left of 90 degree: and run in a northeasterly direction a distance of 138.25 feet to a point on the westerly line of Main Tract; thence an angle left of 75 degrees, 42 minutes, 21 seconds and run in a northwesterly direction along main tract a catamor of 36.12 foot to the Polist of Bogamilla, Tract contains 6.315

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