

STATE OF ALABAMA  
SHELBY COUNTY

200  
CONDOMINIUM SUBLEASE

THIS SUBLEASE, executed according to the dates hereunder, by and between KAMCO DEVELOPMENT CORPORATION (hereinafter referred to as "Sublessor"), and Dr. Don Jernigan (hereinafter referred to as "Sublessee").

WITNESSETH:

The Sublessor, for and in consideration of the sum of Thirteen Thousand Five Hundred & 00/100 Dollars (\$13,500.00) paid this date, the receipt of which is hereby acknowledged, and the agreements to be kept and performed by the Sublessee, has demised and leased and by these presents does demise and lease unto the said Sublessee, those certain improvements known as Condominium Unit No. B-221H of PINE HILL, PHASE I, A CONDOMINIUM, together with such unit's fractional share of 1/24th of the undivided common areas as shown by the Declaration of Condominium as recorded in Official Records Real Book 47, page 405, of the Public Records of Shelby County, Alabama.

1. TERM: This Sublease is to run from the 17th day of October, 1985, through and including the 17th day of October of the year 2037. It is the intent of the Sublessor, at such time as all condominium units in Pine Hill, Phase I, a Condominium, have been subleased, to have divested itself of all right, title and interest in and to all property submitted to condominium, as per Declaration thereof recorded in Official Records Real Book, 47, at page 405, of the Public Records of Shelby County, Alabama.

2. TERMS OF EXISTING LEASES, AMENDMENTS AND ASSIGNMENTS THEREOF INCORPORATED HEREIN: The terms of the existing lease between Alabama District Church of the Nazarene and Kamco Development Corporation, dated October 17, 1985, and recorded within the Declaration of Condominium in Official Records Real Book 47, at page 405, of the Public Records of Shelby County, Alabama, and the terms of all subsequent assignments of such lease are incorporated herein by reference, as fully as if said terms and provisions were set forth in full herein. Sublessee and its successors shall comply with all terms of the aforesaid lease, amendments thereto and assignments thereof.

3. DUTIES OF SUBLESSEE. For the purposes of this Sublease, Sublessor and Sublessee agree that wherever the term "condominium unit" or "unit owner" or "owner of a unit" appears in the Declaration of Condominium of Pine Hill, Phase I, a Condominium, the same shall be construed to mean and include Sublessee herein and his assigns, sublessors, and successors, as well as other sublessees of units in said Condominium. Sublessee shall pay his share of all common expenses and comply with, perform and be bound by all other obligations, conditions, restrictions, reservations, terms and easements, as provided in said Declaration, which apply to a "Unit Owner" or "Owner of a Unit", as aforesaid, to the same extent and as though Sublessee was, in fact, the fee simple owner of said Unit, using the premises only for such purposes as are permissible under the terms of said Declaration.

*Massey, Baddley*

4. TRANSFER AND MORTGAGING OF LEASEHOLD INTEREST: The Sublessee and his successors in interest shall have the right to assign all of their leasehold interest, and to mortgage the same, subject only to the requirement that a copy of said assignment or mortgage, or written notice thereof, is given to the KAMCO Development Corporation, together with a transfer fee not exceeding Twenty-five Dollars (\$25.00).

5. COSTS AND ATTORNEY FEES: In any proceeding arising because of a default by one of the parties, the non-defaulting party shall be entitled to reasonable attorney fees, expenses and costs arising from the default.

6. CARE OF THE PREMISES: Sublessee shall not permit to be performed any acts or allow to be carried on any practices which may injure the improvements on the above-described premises.

7. UTILITY SERVICE, REPAIRS, AND/OR EXPENSES: Sublessee agrees that Sublessor has no obligation to provide any utilities, repairs or expenses for the unit owner's leased premises, but rather Sublessee agrees that Sublessee shall pay for all necessary and desired utilities, repairs or expenses thereon.

8. MAINTENANCE OF PREMISES: Sublessee agrees to maintain the leased premises in good order, condition and repair, and that Sublessor has no obligation whatsoever to maintain the leased premises or any of the improvements thereon, in view of the fact that it is divesting itself of all its right, title and interest in and to the aforesaid condominium unit leased herein and the fractional share of such condominium unit in the common and limited elements appurtenant to such apartment, as set forth in the Declaration of Condominium referred to hereinabove. Sublessee agrees to permit no waste, damage or injury to said premises. At the expiration of the Sublease created hereunder (which is for the remainder of the term of the underlying Master Lease), Sublessee shall surrender the premises in good condition, reasonable wear and tear excepted, in accordance with the Master Lease with the Alabama District Church of the Nazarene referred to in Paragraph 2 hereof. Sublessee agrees that the electrical systems, water systems, fixtures and equipment within and upon the leased premises shall be under the full control of Sublessee, and that all operation, upkeep, repairs and replacements of such items shall be done by and at Sublessee's expense, except as modified by the aforesaid Declaration of Condominiums.

9. INSURANCE ON PREMISES: The Pine Hill, Phase I, Condominium Association, Inc. may, pursuant to Section 35-8-9, Code of Alabama, purchase and maintain all forms of insurance coverage which are for the benefit of Unit Owners. The amount of each Unit Owner's liability for payment of premiums for such insurance shall be part of his common expense or limited common expense as is appropriate. The Association shall apprise each Unit Owner whether or not insurance coverage is maintained by the Association and the type and amount of any insurance which is so maintained. No Unit Owner or other person having an insurable risk may be precluded from obtaining insurance, individually, at his own expense and for his own benefit against any risk whether or not covered by insurance maintained by the Association.

10. COVENANT TO HOLD HARMLESS AND INDEMNIFY: Sublessor shall be and is hereby held harmless by Sublessee from any liability for damages to any person or any property in or upon said leased premises and the common elements appurtenant to the same, including the person and property of Sublessee and all persons upon the leased premises at Sublessee's invitation, expressed or implied.

10.1 It is understood and agreed that all property kept, stored or maintained in or upon leased premises shall be so kept, stored or maintained at the risk of Sublessee only.

10.2 Sublessee agrees to indemnify the Sublessor for any liability which the Sublessor may incur under the provisions of this Section 10.

11. DEFAULTS: In the event of any default in this Sublease, the aforesaid PINE HILL, PHASE I, CONDOMINIUM ASSOCIATION, INC., shall be entitled to enforce compliance with the terms of this Sublease and the underlying Master Lease provisions, as amended, and all subsequent assignments of said Master Lease, in accordance with the Declaration of Condominium referred to hereinbefore, and as the irrevocable agent of Sublessor, KAMCO Development Corporation.

12. WAIVER: One or more waivers of any covenant or condition by Sublessor shall not be construed as a waiver of any subsequent breach of the same covenant or condition, and the consent or approval by Sublessor to or any act by Sublessee requiring Sublessor's consent or approval shall not be deemed to waive or render unnecessary Sublessor's consent or approval to or of any subsequent similar act by Sublessee.

13. NOTICES: Whenever under this Lease a provision is made for notice of any kind, such notice shall be in writing.

13.1 It shall be deemed sufficient notice and service thereof if such notice to Sublessee is addressed to Sublessee at the last known post office address of Sublessee, and sent by certified mail with postage prepaid, and such notice to Sublessor shall be in writing, addressed to the last known post office address of Sublessor, and sent by certified mail with postage prepaid.

14. CONSTRUCTION: Nothing contained herein shall be deemed or construed by the parties hereto, nor by any third party as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto, it being understood and agreed that no provision contained herein or included herein by reference, nor any acts of the parties herein, shall be deemed to create any relationship between the parties hereto, other than the relationship of Sublessor and Sublessee, and that Sublessor has divested itself of all right, title and interest and any reversion in the Sublease by this instrument. Whenever herein the singular is used, the same shall include the plural, and the masculine gender shall include the feminine and the neuter genders, if such be appropriate.

15. NON-LIABILITY: Sublessor shall not be responsible or liable to Sublessee for any loss or damage that may be occasioned by or through the acts or omissions of persons occupying adjoining premises or any part of the premises adjacent to or connected with the premises hereby leased, or of the acts or omissions of any of the other sublessees of apartments in said condominium, in view of the fact that the entire property subject to condominium has been submitted to the condominium regime, and the PINE HILL, PHASE I, CONDOMINIUM ASSOCIATION, INC., an Alabama non-profit corporation, consisting of the condominium Unit Owners, has full control over all the structures and improvements known as the common and limited elements.

16. TAXES: The Sublessor warrants that all taxes prior to the current year have been paid or are barred by the applicable

statute of limitation. Sublessee covenants and agrees with Sublessor that the Sublessee shall pay, before any fine, penalty, interest or cost may be added thereto, or become due or be imposed by operation of law for the nonpayment thereof, all taxes, assessments, water and sewer rents, charges for public utility, excises, levies, licenses and permit fees and other government charges, general and special, ordinary and extraordinary, unforeseen and foreseen, of any kind and nature whatsoever, which, at any time during the term of this Sublease may be assessed, levied, confirmed or imposed upon the demised premises, or any improvements thereon.

17. CONDITIONS: This Agreement shall be binding upon and inure to the benefit of the heirs, successors, assigns, personal representatives, assignees and transferees of the parties.

18. SUBLESSOR'S INTEREST NOT SUBJECT TO MECHANIC'S LIENS: All persons to whom these presents may come are put upon notice of the fact that the Sublessee shall never, under any circumstances, have the power to subject the interest of the Sublessor, if any, in the premises to any mechanics' lien or materialman's lien or lien of any kind.

19. RIGHTS OF SUBLESSOR TO BE EXERCISED BY CONDOMINIUM ASSOCIATION, INC.: At such time as Sublessor has filed of record this Sublease, then the Pine Hill, Phase I, Condominium Association, Inc. (the Unit Owner's operating association) be and it is irrevocably empowered to exercise, and said Sublessor does hereby assign to such Association, Sublessor's rights, privileges and benefits under this Sublease and all rights of the Sublessor in the underlying Master Lease described in Paragraph 2 hereof with respect to such Master Lease, and any assignments to such Master Lease, as described hereinabove.

20. SUBLESSEES ACKNOWLEDGEMENT OF, AND MEMBERSHIP IN, THE PINE HILL, PHASE I, CONDOMINIUM ASSOCIATION, INC.: Sublessee, his heirs, assigns, mortgagors, mortgagees, sublessees and successors hereby expressly acknowledge the existence of the governing body of the unit owners association known as Pine Hill, Phase I, Condominium Association, Inc. (hereinafter referred to as the association). Further, the aforesaid hereby expressly declare membership in the said association and expressly agree to abide by the rules, regulations, Articles of Incorporation, and By-Laws of the same having fully understood the aforesaid rules, regulations, Articles of Incorporation and By-Laws.

21. ARTICLES OF INCORPORATION AND BY-LAWS OF PINE HILL, PHASE I, CONDOMINIUM ASSOCIATION, INC. INCORPORATED HEREIN: The Articles of Incorporation and the By-Laws of Pine Hill, Phase I, Condominium Association, Inc. which are recorded in official records corporations book 2029 at page 51 of the public records of Shelby County, Alabama, and any subsequent changes thereof are incorporated herein by reference, as fully as if said documents were set forth in full herein. Sublessee and its successors shall comply with all provisions of said documents, amendments thereto and rulings of the aforesaid governing body.

22. SUBLESSEE'S COVENANT TO RESTRICT USE OF UNITS HELD: Sublessee, his heirs, assignees, mortgagors, mortgagees, sublessees and successors hereby expressly covenant and agree to restrict their use of each and every unit held by them to the period of two (2) weeks per calendar year, for each of such unit so held. It is the intent and desire of these aforesaid parties that their unit be available for rental for a period of fifty



23. BY-LAWS CHURCH OF THE NAZARENE: The unit owners are aware, understand and agree to abide by the By-Laws of the Church of the Nazarene and said By-Laws shall be considered as part and parcel of this agreement as if fully set out.

KAMCO DEVELOPMENT CORPORATION,  
an Alabama Corporation

STATE OF ALABAMA  
JEFFERSON COUNTY

Given under my hand and seal this 11<sup>th</sup> day of November, 1985.

Notary Public

Don Jernigan (Sublessee)

(Sublessee)

STATE OF ALABAMA  
JEFFERSON COUNTY

*Butler*  
I, the undersigned, a Notary Public in and for said County and State hereby certify that Don Jernigan, 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

the conveyance, he executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 11<sup>th</sup> day of November, 1985.

Lester H. Chou  
Notary Public

STATE OF ALABAMA  
JEFFERSON COUNTY

I, the undersigned, a Notary Public in and for said County and State hereby certify that Don Jernigan, 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 the conveyance, he executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 11<sup>th</sup> day of November, 1985.

NOTARY  
PUBLIC

Lester H. Chou  
Notary Public

The undersigned Association hereby accepts the Sublessor's obligations, rights and privileges in the underlying Master Lease described in Paragraph 2 hereof, any amendments thereto, any assignments of such Master Lease and this Sublease.

PINE HILL, PHASE I, CONDOMINIUM  
ASSOCIATION, INC.

By: Don Jernigan  
Don Jernigan, President

STATE OF ALABAMA  
BUTLER COUNTY

I, the undersigned, a Notary Public in and for said County and State hereby certify that Don Jernigan, 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 the conveyance, he executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 11<sup>th</sup> day of November, 1985.

Lester H. Chou  
Notary Public

My commission expires: 5/24/87



STATE OF ALA. SHERIFF CO.  
I CERTIFY THIS  
INSTRUMENT WAS FILED

1985 DEC -4 AM 9:17

JUDGE

RECORDING FEES  
Recording Fee \$ 15.00  
Index Fee 1.00  
TOTAL \$ 16.00