

STATE OF ALABAMA     )  
                                 :  
SHELBY COUNTY         )

### INDEMNITY

This Indemnity is entered into effective the 18<sup>th</sup> day of January, 2005 by the undersigned, CALDWELL MILL, LLP, an Alabama limited liability partnership ("Indemnitor"), for the benefit of the CITY OF HOOVER, ALABAMA, a municipal corporation (the "City").

### WITNESSETH:

Indemnitor has requested that the City annex approximately 23 acres on Caldwell Mill Road in Shelby County, Alabama (the "Property"). Indemnitor proposes to develop the Property, together with an adjacent parcel which is presently situated within the boundaries of the City, as a single family, residential development (the "Development"). The plan for the Development includes a restricted and limited access between the public roads to be constructed within the Development and Wyngate Drive. Wyngate Drive extends to the boundary of the Development but has not been extended within the Development. The restricted and limited access between Wyngate Drive and the public roads to be constructed within the Development will be gated and restricted to use by fire, rescue, police and emergency vehicles only. Indemnitor does not propose to construct an unrestricted, free flowing access from Wyngate Drive into the Development.

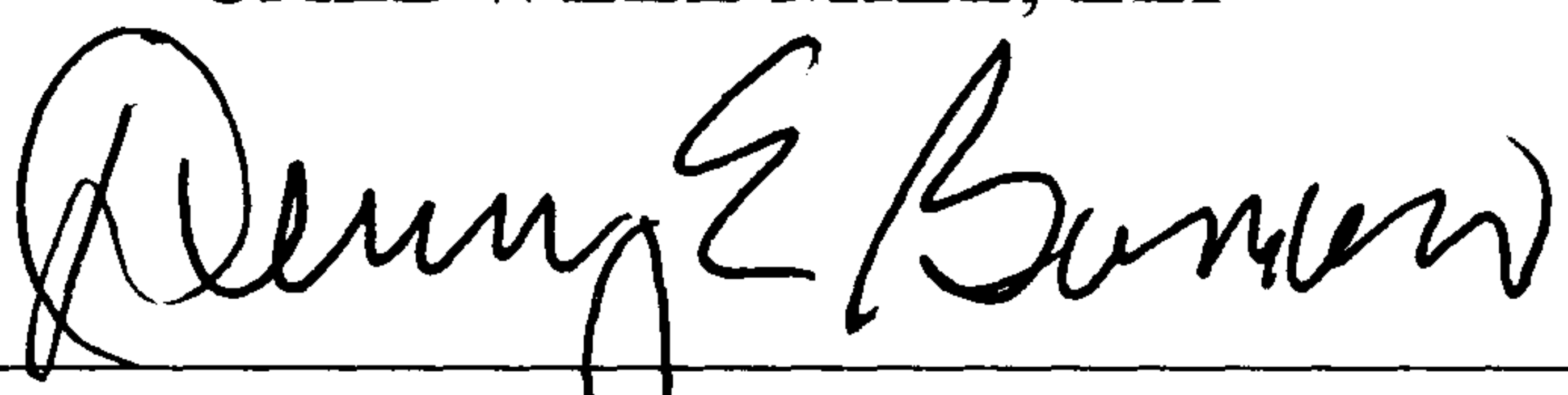
The City has raised the concern that it might be named in a lawsuit by Shelby County, Alabama or by area residents or by non-resident property owners or by any person or entity with standing to bring a legal action as the result of said connection of the Development to Wyngate Drive. Indemnitor has agreed to indemnify the City, its officers, employees, and agents, against any and all liability which might be imposed upon the City as the result of a challenge by Shelby County, Alabama or by any resident of Shelby County, Alabama, or Jefferson County, Alabama, or by any non-resident property owner or by any person or entity to the approval by the City of said connection between the Development and Wyngate Drive.

NOW, THEREFORE, in consideration of the foregoing recitals, Ten Dollars, and other good and valuable considerations, the receipt and sufficiency which are hereby acknowledged, Indemnitor does hereby covenant, declare and agree that, if the City should approve the Development in such manner that includes a connection of the Development to Wyngate Drive which is gated and which is available only to fire, rescue and emergency vehicles (the "Approval"), and if the City should be named as a defendant in a lawsuit filed by Shelby County, Alabama or by any resident of Shelby County, Alabama, or Jefferson County, Alabama, in which the Approval is alleged to be unlawful or harmful (the "Lawsuit"), then Indemnitor shall indemnify, defend and hold harmless the City from and against any liability imposed by a court of competent jurisdiction as a

result of the Lawsuit and the Approval and shall also provide, at the expense of Indemnitor, a legal defense in the Lawsuit, at the expense of the Indemnitor, by legal counsel reasonably acceptable to both Indemnitor and the City. The obligations of Indemnitor pursuant to this instrument shall be secured by a Letter of Credit in the amount of \$100,000 which shall be issued by First Commercial Bank and which shall be in force for a period of one (1) year from the date of the Approval, and which shall be renewed annually by Indemnitor and maintained in full force and effect for a period of three (3) years from the date of the Approval.

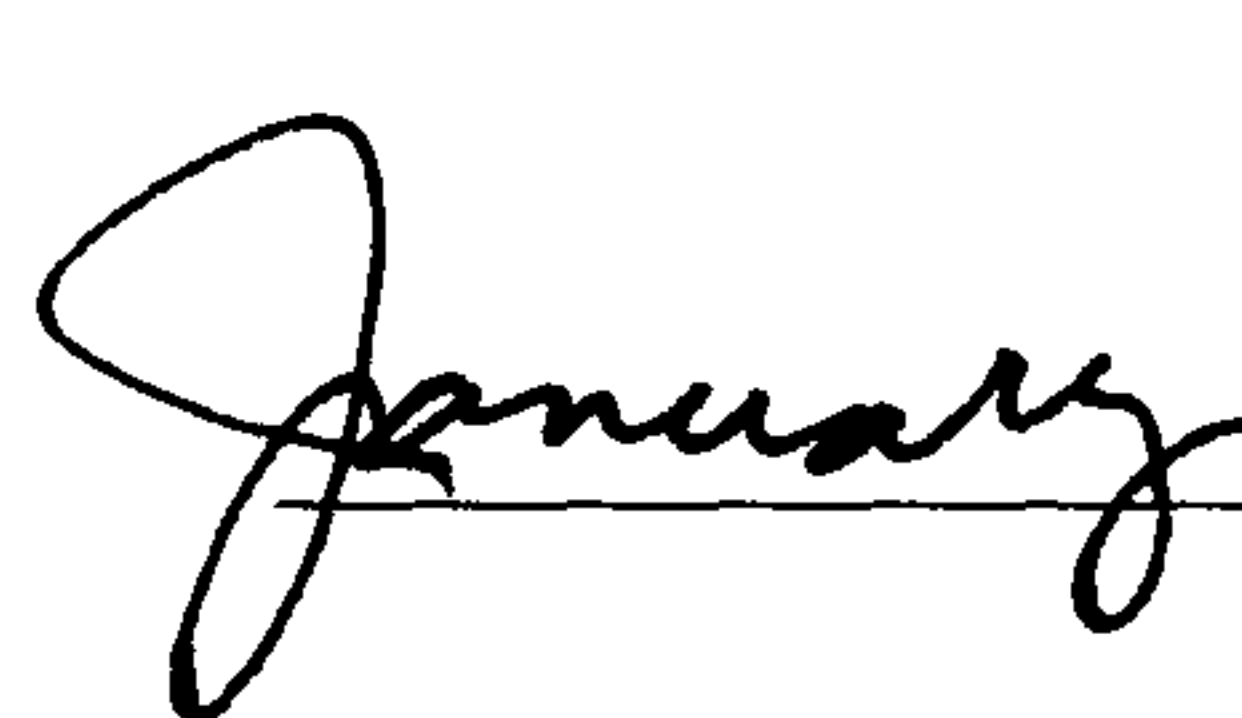
Executed by the undersigned effective the same date as first hereinabove written.


CALDWELL MILL, LLP

By   
Denney E. Barrow  
Its Managing Partner

STATE OF ALABAMA                     )  
   :  
JEFFERSON COUNTY                    )

I, the undersigned, a notary public in and for said county in said state, hereby certify that DENNEY E. BARROW, whose name as Managing Partner of CALDWELL MILL, LLP, an Alabama limited liability partnership, 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 Managing 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 31st day of January, 2005.

  
Notary Public

[NOTARIAL SEAL]

My commission expires: 6-25-08