STATE OF ALABAMA			
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SHELBY COUNTY)		

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SANITARY SEWER EASEMENT AGREEMENT

THIS SANITARY SEWER EASEMENT AGREEMENT (the "Agreement") is made and entered into as of the _______ day of April, 2016 by and between SHOAL CREEK ASSOCIATION, an Alabama corporation ("Grantor") and DOUBLE OAK WATER RECLAMATION, LLC, an Alabama limited liability company ("Grantee").

RECITALS:

WHEREAS, Grantee owns and operates a sanitary sewage treatment plant and system that serves north Shelby County, Alabama; and

WHEREAS, Grantor owns certain real property situated in north Shelby County, Alabama within which Grantor desires to convey to Grantee an easement for sanitary sewer purposes; and

WHEREAS, the property made the subject of the sanitary sewer easement is legally described in **Exhibit A** attached hereto and made a part hereof and is reflected on the survey map attached hereto as **Exhibit B** (the "Easement Property"); and

WHEREAS, upon the terms and conditions hereinafter set forth, Grantor has agreed to convey to Grantee a permanent, non-exclusive easement ("Easement") over, across, upon, under and through the Easement Property and Grantee hereby desires to accept the Easement to the Easement Property from Grantor; and

WHEREAS, the purpose of the Easement is for sanitary sewer purposes including, but not limited to, the installation and maintenance of underground and surface sewer pipelines, support facilities, appurtenances, fixtures, equipment, access points, stubouts and manholes (collectively, the "Sewer Facilities").

WHEREAS, Grantee has agreed to remediate a water or drainage problem on Grantor's property adjacent to Highway 41 and to make the repairs described on a drawing captioned Highway 41 Sewer Extension and made **Exhibit C** hereto.

Shelby County, 81, 84/15/2016

Shelby County, AL 04/15/2016 State of Alabama Deed Tax: \$.50 NOW THEREFORE, in consideration of the construction of a sanitary sewer system within the easement, Ten Dollars (\$10.00), the mutual promises and covenants set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor and Grantee agree as follows:

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1. GRANT OF EASEMENT.

Unless specifically terminated as set forth in Section 10 below, Grantor does hereby grant, bargain, sell and convey to Grantee forever, a permanent, non-exclusive easement ("Easement") over, across, upon, under and through the Easement Property for purposes of, at such times and from time to time in the future as Grantee may elect, laying, constructing, installing, maintaining, operating, renewing, repairing, changing the size of, relocating, removing and replacing the Sewer Facilities deemed by Grantee to be necessary or useful in connection with the collection and transportation of sanitary sewage, together will all rights and privileges necessary or convenient for the full enjoyment or use of the rights and Easement herein granted including, but not limited to, the right, from time to time in connection with the enjoyment of the privileges herein conveyed, to cut and keep clear trees, brush, undergrowth and other obstructions, located within the Easement Property, to the extent reasonably necessary to permit the full enjoyment of the rights and privileges herein granted, as relate to the protection of the Sewer Facilities. No other use shall be made by Grantee except as permitted by this Easement.

2. INSURANCE

Grantee shall maintain a commercial general liability insurance policy covering any bodily injury or property damage arising out of or associated with Grantee's use of or access to the Easement Property, in an amount not less than One Million Dollars (\$1,000,000.00), and shall name Grantor as an Additional Insured under said policy, and shall provide Grantor with a Certificate of Insurance referable to that policy.

3. ACCESS.

Grantee's right of ingress and or egress from the Easement Property by Grantor shall be from the right of way of Highway 41. Grantee shall erect no structures on any portion of the Easement Property that interferes with Grantor's rights. Grantor shall not interfere with or damage the Sewer Facilities installed or to be installed within the Easement Property, or interfere with the

right of Grantee to access the Easement Property and the Sewer Facilities from the right of way of Highway 41 at any time for purposes heretofore expressed.

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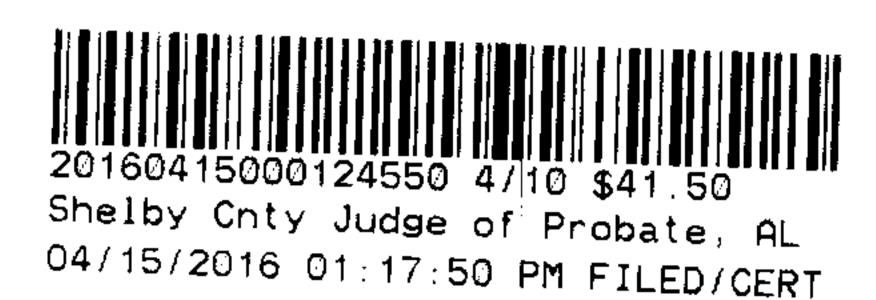
4. MAINTENANCE OF THE EASEMENT PROPERTY.

- (a) Grantor shall, at Grantor's expense, maintain the Easement Property in such manner as it sees fit, and shall not be required to change or otherwise improve the Easement Property in any way from its current condition. Grantee shall, at its expense, repair any damage to the Easement Property, including, but not limited to, to any fencing on or near the Easement Property, caused by Grantee so that any and all damaged portions of the Easement Property are restored to substantially the same condition as existed prior to such damage. Grantor agrees not to construct, cause to be constructed, or permit to be constructed, within the Easement Property any building or structure of any kind which would interfere with, the Sewer Facilities. No delay in Grantee's use of the Easement and the rights granted hereby or in installing the Sewer Facilities in or along the Easement Property shall result in the abandonment of any right, title, interest, easement or estate granted hereby to Grantee.
- (b) Grantee shall, at Grantee's expense, maintain the Sewer Facilities in reasonably good operating condition and to repair and replace the Sewer Facilities as necessary so long as the Sewer Facilities are being used by Grantee; provided, however, that Grantor shall, at its expense, repair any damage to the Sewer Facilities caused by Grantor so that the damaged portions of the Sewer Facilities are restored to substantially the same condition as existed prior to such damage.

5. GRANTOR'S WARRANTIES.

Grantor warrants that Grantor has not received notification from any lawful authority regarding any assessments, condemnation, pending public improvements, repairs, replacement, or alterations to the Easement Property that have not been satisfactorily made. Grantor warrants that Grantor will pay all assessments and ad valorem taxes pertaining to the Easement Property as such come due and payable, but shall not be responsible for any taxes or assessments referable to improvements or changes to the Easement Property made by the Grantee. Grantor covenants with Grantee that Grantor is lawfully seized in fee-simple of said Easement Property, that Grantor is authorized to execute this Agreement and has a good right to grant and convey the Easement conveyed hereby, and that Grantor will warrant and defend the title to the Easement Property from

and against the lawful claims of all persons whomsoever.



6. GRANTEE'S WARRANTIES

Grantee warrants that it has and will maintain all permits necessary to operate a sanitary sewer system in the Easement Area, and that all activity undertaken thereon will be done in a professional manner, in compliance with all laws, regulations and permits. Grantee warrants that it is authorized to make this Easement Agreement and that the person signing the Easement Agreement is duly authorized to sign the Agreement on behalf of Grantee.

7. NATURE OF THIS AGREEMENT.

The terms, provisions, covenants, conditions and restrictions under this Agreement shall run with the land and bind and burden the Easement Property for the benefit of Grantee and its successors and assigns. The Easement granted hereby and the terms and provisions of this Agreement are (i) for the use and enjoyment of Grantee, and its successors, assigns, employees, managers, contractors and agents, (ii) for the benefit of Grantee and its successors in title to the Sewer Facilities and may be terminated or modified only by the written consent of Grantee or its successors in title to the Sewer Facilities, (iii) appurtenant to and shall be deemed to be covenants, conditions, restrictions, and regulations running with title to the Easement Property and (iv) binding upon the Grantor as owner of the Easement Property and inure to the benefit of Grantee as owner of the Sewer Facilities, and their respective successors and assigns.

8. INDEMNIFICATION

Grantee shall indemnify, defend and hold Grantor, its employees, shareholders, officers, successors and assigns harmless for and against any and all loss, cost, damage, suit, action, expense or claim related to Grantee's use of the Easement Property.

9. NOTICES

All notices, demands and requests which may be given or which are required to be given by either Party to the other under this Easement Agreement shall be in writing and shall be deemed to be effective: when delivered by hand or within three business days of mailing to such party at the address specified below (unless changed by notice in writing giving the name and address to be changed):

TO SHOAL CREEK ASSOCIATION: 19

103 Carnoustie

Shoal Creek, AL 35242

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TO DOUBLE OAK WATER RECLAMATION, LLC:

William J. Thornton, III

5300 Cahaba River Road

Suite 200

Birmingham, AL 35243

10. TERMINATION

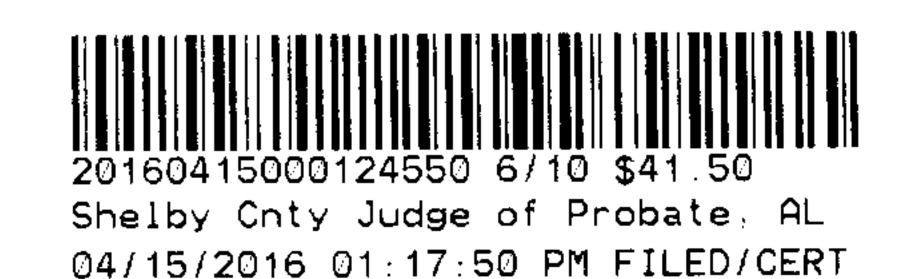
Grantor may terminate this Agreement, if, and only if, Grantee ceases use of the Easement Property for purposes of a sanitary sewer for a period of six (6) consecutive months. In order to terminate this Agreement, Grantor must provide Notice to Grantee in writing or obtain Grantee's signature on a Termination Agreement. Upon the signing of the Termination Agreement, Grantee agrees to remove any and all equipment associated with the Sanitary Sewer Facilities in the Easement Property, and agrees to restore the Easement Property to the condition it was in prior to removal of the equipment.

11. CONDEMNATION

If the Easement Property or any part thereof is condemned by a condemning authority, Grantee may elect to terminate the Easement Agreement by providing written notice to Grantor at the Address in Section 10 of its decision to terminate within ten (10) days of receiving written notice of the condemnation. If Grantee does not terminate the Agreement, Grantor and Grantee shall each be entitled to protect its interest in the Easement Property with the condemning authority.

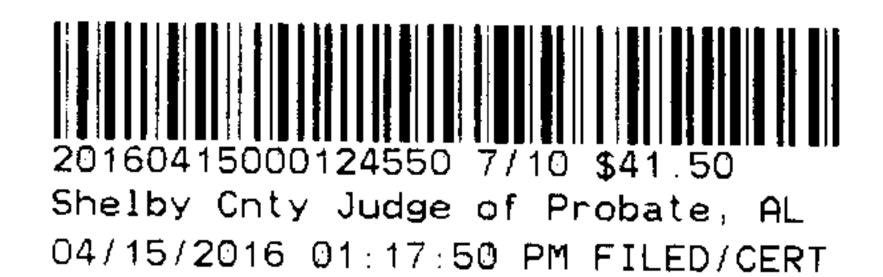
12. MISCELLANEOUS.

- (a) This Agreement shall be construed under the laws of the State of Alabama.
- (b) Any provision of this Agreement which may be unenforceable or invalid under any applicable law shall be ineffective to the extent of such unenforceability or invalidity without affecting the enforceability or validity of any other provision hereof.



- (c) The non-prevailing party hereto shall be responsible for the payment of all costs and expenses, incurred by the prevailing party in enforcing any provision of this Agreement.
- (d) The recitals first above written are incorporated by reference into the terms and provisions of this Agreement.
- (e) This Agreement constitutes the entire understanding and agreement between the Parties with regard to the subject matter hereof and any and all prior discussions or representations discussed between the parties are included herein, and this Agreement shall not be changed, altered or modified, except by an instrument in writing signed by the Party against whom enforcement of such change would be sought.
- (f) Each Party acknowledges and warrants that it is fully authorized to execute this Agreement by and through the individuals executing below.
- (g) This Agreement shall not be deemed to create a joint venture or partnership by and between or among the Parties hereto.
- (h) If any of the provisions of this Agreement shall be considered unlawful, void or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty one (21) years after the death of the last survivor of the now living descendants of George H.W. Bush, forty first President of the United States.
- (i) This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.
- (j) This Agreement will be recorded by Grantee in the Office of the Judge of Probate of Shelby County, Alabama.

[SIGNATURES ON FOLLOWING PAGE]



IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

GRANTOR:

	SHOAL CREEK ASSOCIATION By: Show Its President			
	GRANTEE: DOUBLE OAK WATER RECLAMATION, LLC By: South Edge, Inc. Its Manager			
	By: William L. Thornton, III Its Vice-President			
TATE OF ALABAMA				
DUNTY OF JEFFERSON)			

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that William L. Thornton, III, whose name as Vice-President of South Edge, Inc., an Alabama corporation, as Manager of DOUBLE OAK WATER RECLAMATION, 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 the foregoing instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation as Manager as aforesaid on the day the same bears date.

Given under my hand and official seal of office this //h /day of February, 2016.

Notary Public

My Commission Expires:

JERRY HOWARD, JR.
My Commission Expires
November 7, 2019

STATE OF ALABAMA			0415000124550 8	-
COUNTY OF JEFFERSON)		by Cnty Judge of 5/2016 01:17:50	
I, the undersigned, a No Steve Shaw	tary Public in and f	for said County in ne as	said State, he	reby certify that of SHOAL
CREEK ASSOCIATION, an A	lahama aamaratian			·····
is known to me, acknowledged				
foregoing instrument, he, as suc	ch officer and with	full authority, exe	cuted the sam	e voluntarily for
and as the act of said corporation				
Given under my hand a		~ 1	APR	1
Given under my hand a	nd official seal of o	ffice this	day of Februa	ry , 2016.
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	Motai	ry Public		•
	МуС	Commission Expir	res: 4/17	1/7

EXHIBIT A

THE EASEMENT PROPERTY

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EASEMENT A (Shoal Creek Association)

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A 25 foot easement located in Section 25, Township 18 South, Range 1 West, Shelby County, Alabama, being more particularly described as follows:

BEGIN at a point where the projection of the north line of Lot 164A of the Cottages at Shoal Creek as recorded in Map Book 27 Page 76 in the Office of the Judge of Probate in Shelby County, Alabama, intersects with the eastern right-of-way of Shelby County Hwy. 41 said point being the POINT OF BEGINNING of the western line of a 25 foot easement lying 25 foot easterly of described Shelby County Hwy. 41 right-of-way; thence N 34°53′21″ E along said right-of-way and the western line of said easement a distance of 538 feet more or less to station 277+86 of Shelby County Hwy. 41 Project # SACP 4244R dated 1958; thence N 34°51′51″ E along said right-of-way and western line of said easement a distance of 2649 feet more or less to the intersection of the centerline of a 20 foot easement for utilities approximately 352 feet north of the centerline of New Williamsburg Road as shown on Shoal Creek as recorded in Map Book 6 Page 150 in said county and being the END of said easement.

LESS AND EXCEPT all that part that lies inside of the right-of-way of New Williamsburg Road.

My B