

ORDINANCE No. 496

An Ordinance Declaring Certain Real Property as Surplus and Approving the Sale of said Surplus Real Property to Campus No. 124, LLC

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PELHAM, ALABAMA, AS FOLLOWS:

Section 1. It is hereby established and declared that the following described real property of the City of Pelham, Alabama (the "City") is no longer needed for public or municipal purposes:

As described in the legal description attached as **Exhibit A** and survey dated January 11, 2019 attached as **Exhibit B**. The subject property is located at 310 Opportunity Drive, Pelham, Alabama 35124 (the "Property").

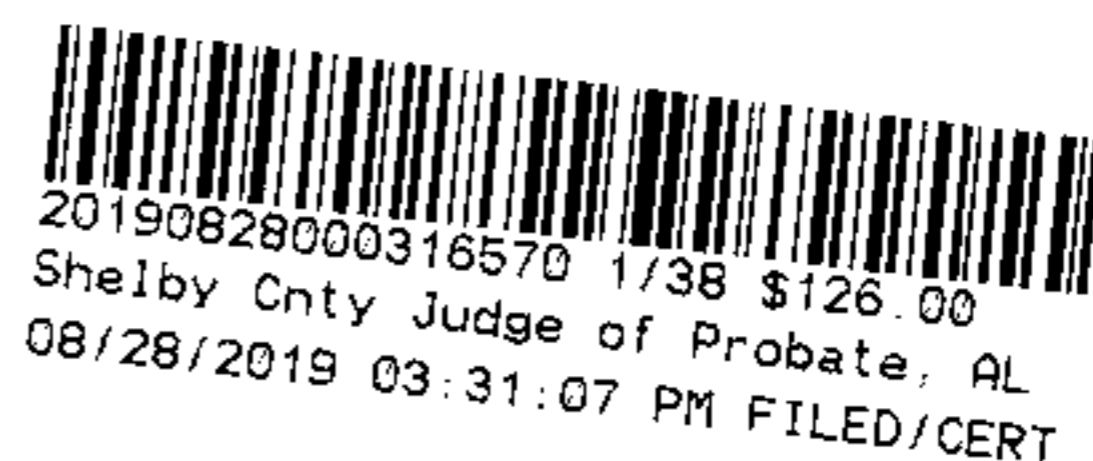
Section 2. Pursuant to the authority granted by § 11-47-20, Code of Alabama 1975, the Mayor is hereby authorized and directed to execute a statutory warranty deed for the Property and such other necessary instruments of conveyance, for the total sales price of One Million Dollars, (\$1,000,000.00) to Campus No. 124, LLC (the "Company"), in accordance with the terms and conditions as set forth in the Special Economic Development Agreement to be dated the date of delivery between the City and the Company, which is attached hereto as **Exhibit C** (the "Development Agreement"), and which shall be approved by the Council pursuant to a separate resolution, and which shall become a permanent part of this Ordinance.

Section 3. It is hereby established and declared that the consideration being paid to the City by the Company, which is an affiliate of the Schrimsher Company Inc., for the purchase of the Property, which includes the cash purchase price of \$1,000,000 plus the obligation of the Company as provided in the Development Agreement to make a significant capital investment in the Property in order to convert the Property into a commercial and retail development generating significant sales and ad valorem tax proceeds and business license fees to the City, constitutes the fair market value of the Property.

Section 4. In support of the City's determination of the fair market value of the Property, it is hereby established and declared that the purpose and intent of the City's sale of the Property is for it to be developed into a commercial and retail development generating significant sales and ad valorem tax proceeds and business license fees to the City. The City acknowledges the receipt of other offers for the purchase of the Property, but notwithstanding such other offers, the City hereby establishes and declares that the offer by the Company for the purchase of the Property is the most favorable offer received by the City and represents the fair market value thereof, given the significant experience of the Company and its parent, the Schrimsher Company Inc., in developing commercial and retail developments of a like character as proposed for the Property and desired by the City.

Section 5. Pursuant to, and for the purposes of, Amendment No. 772 of the Constitution of Alabama of 1901, as amended ("Amendment No. 772"), it is necessary, desirable and in the public interest for the City to sell the Property to the Company on the terms and for the purposes specified in the Development Agreement. The sale of the Property to the Owner on the terms and for the purposes specified in the Development Agreement will serve a valid and sufficient public purpose, notwithstanding any incidental benefit accruing to any private entity or entities. On July 24, 2019, the City caused to be published in *The Shelby County Reporter*, which newspaper has the largest circulation in the Municipality, the notice required by Amendment No. 772(c)(2), a true and correct copy of which notice is attached hereto as **Exhibit D**.

Section 6. This Ordinance shall become effective upon its passage and publication or posting as required by law.



Ron Scott, a member of the Pelham City Council, moved that all rules which would prevent the immediate consideration of **Ordinance No. 496**, hereupon attached, be suspended and immediate consideration given to passage of said Ordinance. Said motion was seconded by Beth McMillan, a member, and passed unanimously by roll call vote.

The vote on said motion was as follows:

Rick Hayes Council President	<u>Yes</u>
Ron Scott Council Member	<u>Yes</u>
Beth McMillan Council Member	<u>Yes</u>
Maurice Mercer Council Member	<u>Yes</u>
Mildred Lanier Council Member	<u>Yes</u>

THEREUPON Maurice Mercer, a councilmember moved and Beth McMillan, a councilmember seconded the motion that Ordinance No. 496 be given vote. The roll call vote on said motion was as follows:

Rick Hayes Council President	<u>Yes</u>
Ron Scott Council Member	<u>Yes</u>
Beth McMillan Council Member	<u>Yes</u>
Maurice Mercer Council Member	<u>Yes</u>
Mildred Lanier Council Member	<u>Yes</u>

Ordinance No. 496 passed by majority vote of all members of the Council and the Council President declared the same passed.



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Shelby Cnty Judge of Probate, AL
08/28/2019 03:31:07 PM FILED/CERT

ADOPTED and approved this 5th day of August 2019.

Rick Hayes, Council President

Ron Scott, Council Member

Beth McMillan, Council Member

Maurice Mercer, Council Member

Mildred Lanier, Council Member



ATTEST:

Tom Seale, MMC, City Clerk/Treasurer

APPROVED:

Gary Waters, Mayor

8/5/2019

Date

POSTING AFFIDAVIT

I, the undersigned qualified City Clerk/Treasurer of the City of Pelham, Alabama, do hereby certify that the above and foregoing ORDINANCE No. 496 was duly ordained, adopted, and passed by the City Council of the City of Pelham, Alabama at a regular called meeting of such Council held on the 5th day of August 2019, and duly published by posting an exact copy thereof on the 10th day of August 2019, at four public places within the City of Pelham, Alabama, including the Mayor's Office at City Hall, Recreation Center, Library, Water Works and www.pelhamalabama.gov. I further certify that said Ordinance is on file in the office of the City Clerk/Treasurer and a copy of the full ordinance may be obtained from the office of the City Clerk/Treasurer during normal business hours.

Tom Seale, MMC, City Clerk/Treasurer

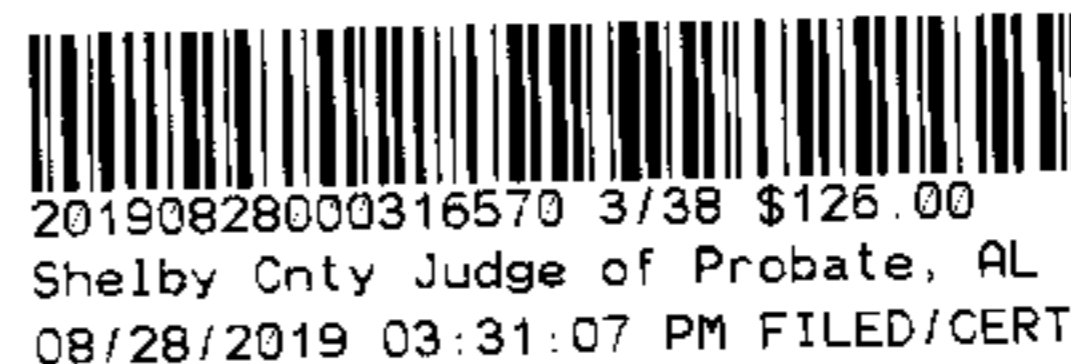
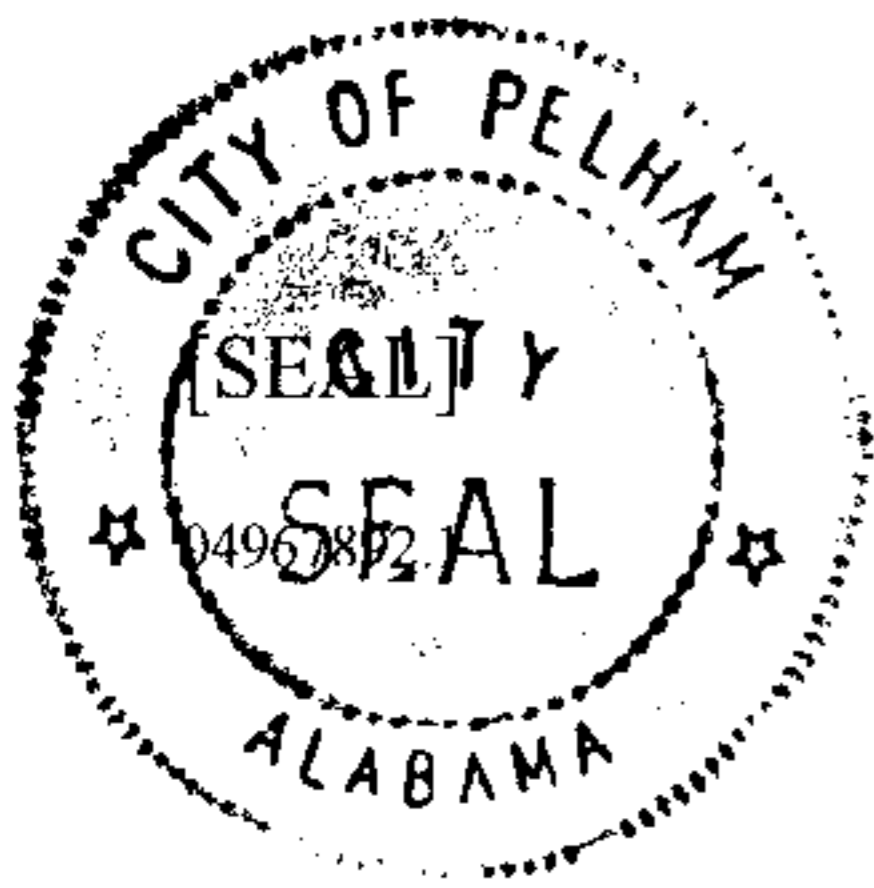


EXHIBIT A

SURVEY LEGAL DESCRIPTION

Parcel 1:

A parcel of land situated in the Southwest Quarter of the Northwest Quarter and the Northwest Quarter of the Northwest Quarter of Section 6, Township 20 South, Range 2 West, Shelby County, Alabama, said parcel being more particularly described as follows:

Commence at a found rebar marking the Southwest corner of the Southwest Quarter of the Northwest Quarter of said Section 6; thence run North 00 degrees 08 minutes 05 seconds West along the West line of said Section line for a distance of 86.22 feet to a found capped rebar stamped 25657, said point being the POINT OF BEGINNING of the parcel herein described; thence run North 00 degrees 27 minutes 21 seconds West along the West line of said Section for a distance of 1035.70 feet to a SET 5/8 inch capped rebar stamped CA-560LS (Line Iron); thence continue along the last described course for a distance of 33.81 feet to a point, said point lying in the center line of Old Bishop Creek; thence run in a Northeasterly and Southeasterly direction along said centerline of Old Bishop Creek the following courses, North 53 degrees 51 minutes 35 seconds East for a distance of 256.31 feet to a point; thence run North 19 degrees 25 minutes 06 seconds East for a distance of 51.43 feet to a point; thence run North 16 degrees 20 minutes 53 seconds East for a distance of 132.00 feet to a point; thence run North 53 degrees 01 minutes 08 seconds East for a distance of 52.87 feet to a point; thence run North 66 degrees 48 minutes 53 seconds East for a distance of 60.64 feet to a point; thence run South 50 degrees 06 minutes 34 seconds East for a distance of 114.83 feet to a point; thence run South 59 degrees 58 minutes 08 seconds East for a distance of 202.42 feet to a point; thence run South 68 degrees 22 minutes 19 seconds East for a distance of 47.33 feet to a point; thence run North 88 degrees 30 minutes 54 minutes East for a distance of 42.24 feet to a point; thence run North 82 degrees 47 minutes 08 seconds East for a distance of 119.12 feet to a point; thence run North 60 degrees 18 minutes 53 seconds East for a distance of 44.15 feet to a set 5/8 inch capped rebar stamped CA-560LS on the West Right of Way of U.S. Highway 31 (AKA U.S. Highway 119), said point also lying on a curve to the right, said curve having a radius of 2,764.93 feet, a central angle of 13 degrees 09 minutes 18 seconds, a chord bearing of South 17 degrees 26 minutes 02 seconds West, and a chord distance of 633.43 feet; thence run along the arc of said curve and along said Right of Way for a distance of 634.82 feet to a set 5/8 inch capped rebar stamped CA-560LS, said point lying on a spiral curve to the Right, having a chord bearing of South 26 degrees 01 minutes 17 seconds West, a chord distance of 294.81 feet; thence run along said spiral curve and along said Right of Way for a distance of 300.00 feet to a found concrete monument stamped 519+80.2; thence run South 26 degrees 56 minutes 45 seconds West along said Right of Way for a distance of 617.54 feet to a found capped rebar stamped 25657; thence leaving said Right of Way run North 64 degrees 32 minutes 29 seconds West for a distance of 285.60 feet to the POINT OF BEGINNING. Said parcel contains 828,418 Square feet or 19.02 Acres more or less.

END OF LEGAL DESCRIPTION

EXHIBIT B

Survey

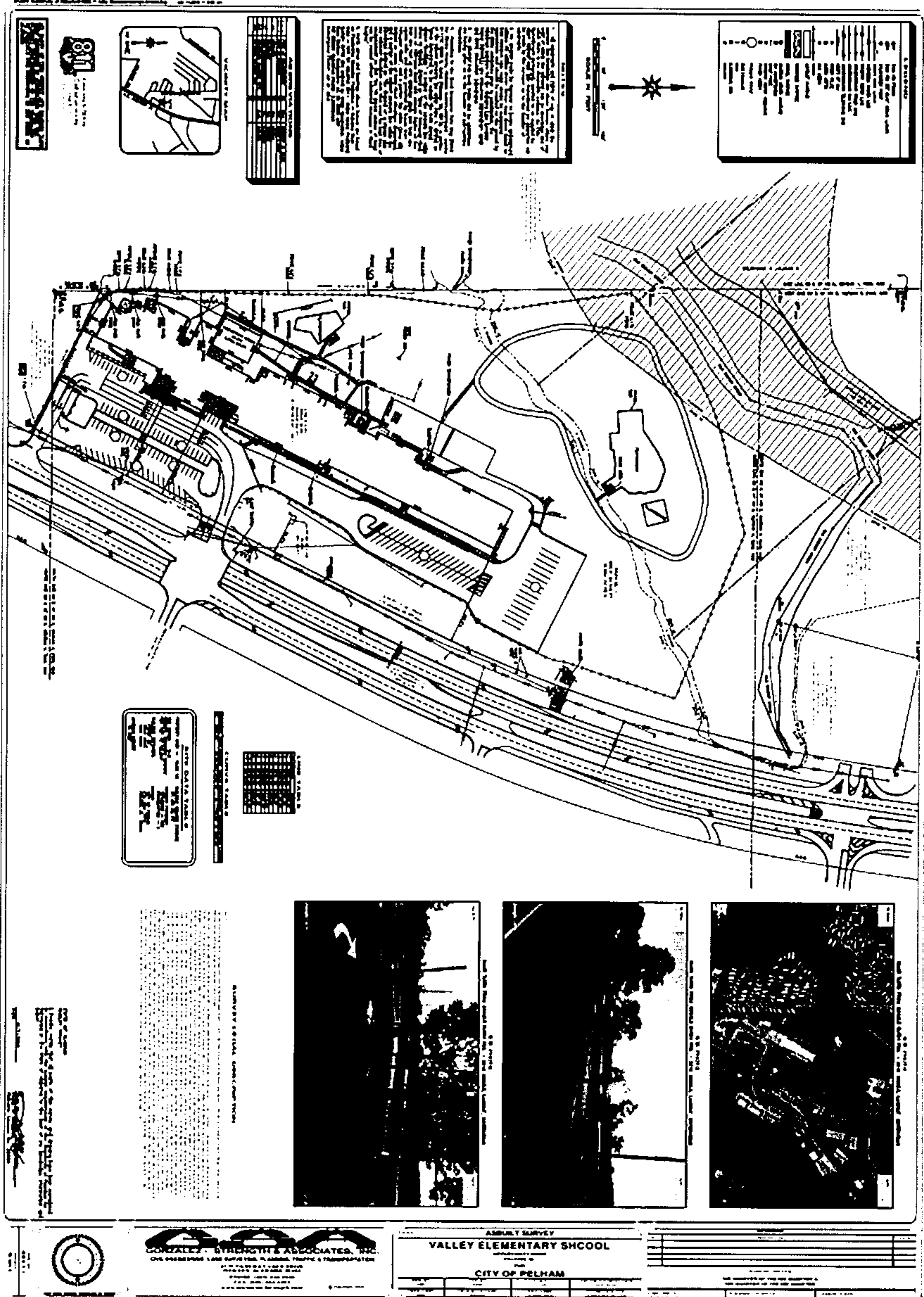


EXHIBIT C

SPECIAL ECONOMIC DEVELOPMENT AGREEMENT

See attached.



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Shelby Cnty Judge of Probate, AL
08/28/2019 03:31:07 PM FILED/CERT

EXHIBIT D

AMENDMENT 772 NOTICE

Publisher's Certificate of Publication

STATE OF ALABAMA
COUNTY OF SHELBY

Tim Prince, being duly sworn, says:
That he is Publisher of the Shelby County Reporter
a weekly newspaper of general circulation, printed
and published in Columbiana, Shelby County,
Alabama; that the publication, a copy of which is at-
tached hereto, was published in the said newspaper
on the following dates:

07/24/19

That said newspaper was regularly issued and
circulated on those dates.

The sum charged by the Newspaper for said publi-
cation does not exceed the lowest rate paid by com-
mercial customers for an advertisement of similar
size and frequency in the same newspaper in which
the public notice appeared.

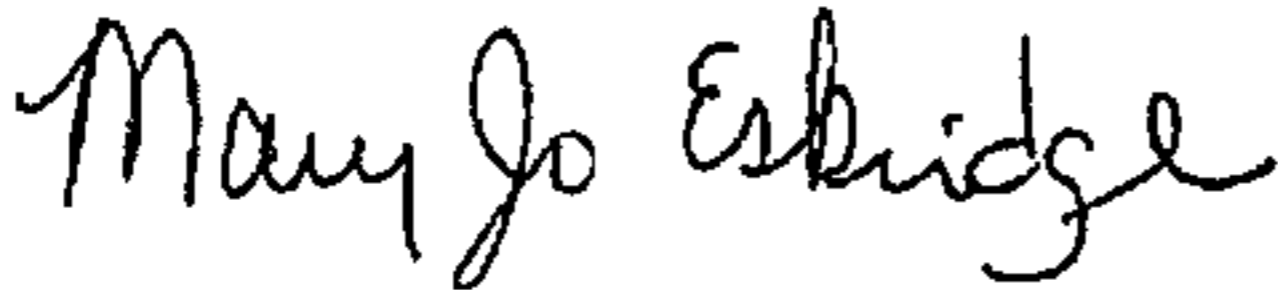
There are no agreements between the Shelby
County Reporter and the officer or attorney charged
with the duty of placing the attached legal advertis-
ing notices whereby any advantage, gain or profit
accrued to said officer or attorney.

SIGNED:



Tim Prince, Publisher

Subscribed and sworn to before me this
24th Day of July, 2019



Mary Jo Eskridge, Notary Public
State of Alabama at Large
My commission expires 03-05-2022



Account # 141543
Ad # 856000

MAYNARD COOPER & GALE PC
1901 SIXTH AVENUE N STE 2400
BIRMINGHAM AL 35203

PUBLIC NOTICE

LEGAL NOTICE
OF PROPOSED ECONOMIC
DEVELOPMENT ACTION
AND RELATED PUBLIC
EXPENDITURES BY THE
CITY OF PELHAM, ALABAMA

Notice is hereby given that the
City Council (the "Council") of
the City of Pelham, Alabama
(the "City") will meet in public
session at 7:00 p.m. on August
5, 2019 in the Pelham Police
and Court Building located at
32 Philip Davis Street, Pelham,
Alabama for the purpose of con-
sidering the transaction of busi-
ness that may properly come
before the Council, such busi-
ness to include, but not be lim-
ited to, the authorization by the
Council, pursuant to Amend-
ment No. 772 of the Consti-
tution of Alabama of 1901, as
amended, of a resolution (the
"Resolution") approving (i) the
sale by the City of the old Valley
Elementary School building and
approximately 19 acres of prop-
erty (the "Property") to Campus
No. 124, LLC, an Alabama lim-
ited liability company (the "De-
veloper"), for a purchase price
of \$1,000,000, and (ii) the exe-
cution and delivery of a Special
Economic Development Agree-
ment (the "City Agreement") by
the City and the Developer, to
be dated the date of delivery,
pursuant to which the City shall
issue its warrant in a maximum
principal amount of \$750,000
(the "Warrant") to the Develop-
er, for purposes referenced in
the City Agreement.

The Warrant shall evidence the
agreement of the City to make
economic development grants to
the Developer (based solely
upon a percentage of net sales
tax proceeds received by the
City with respect to a multi-pur-
pose retail, office and entertain-
ment project to be developed
by the Developer on the Prop-
erty (the "Project") for a period
of 8 years after completion of
the Project) for the purpose of
promoting the economic devel-
opment of the City and in con-
sideration of the establishment
by the Developer and the oper-
ation of the Project and its com-
mercial and related facilities in
the City.

The City seeks to achieve, by
selling the Property to the De-
veloper and undertaking its
obligations pursuant to the City
Agreement and the Resolution,
to promote the local economic
and industrial development of
the City, to increase employ-
ment in the City, and to increase
the tax and revenue base of the
City.

The business entity to whom or
for whose benefit the City pro-
poses to lend its credit or grant
public funds or thing of value is
the Developer.

All interested persons may
examine and review the City
Agreement, the Resolution, and
all relevant documents pursuant
to which the Warrant is to be
issued and secured, and make
copies thereof at personal ex-
pense, at the offices of the City
Manager during normal busi-
ness hours, before and after the
meeting referenced herein.
Further information concerning
the information in this notice
can be obtained from the City
Manager at the offices thereof
during normal business hours.

Shelby County Reporter
July 24, 2019
SCHRIMSHER PRJ



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Shelby Cnty Judge of Probate, AL
08/28/2019 03:31:07 PM FILED/CERT

SPECIAL ECONOMIC DEVELOPMENT AGREEMENT

Dated _____, 2019


by

CITY OF PELHAM, ALABAMA

and

CAMPUS NO. 124, LLC

This Special Economic Development Agreement was prepared by C. Bradley Cherry of Maynard, Cooper & Gale, P.C., 1901 Sixth Avenue North, 2400 Regions/Harbert Plaza, Birmingham, Alabama 35203-2618.


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SPECIAL ECONOMIC DEVELOPMENT AGREEMENT

_____, 2019

This Special Economic Development Agreement is made on the above date by:

Municipality: City of Pelham, Alabama

Owner: Campus No. 124, LLC, its successors and assigns

Recitals

The Owner expects and intends to expand and increase the tax and revenue base of the Municipality by development of commercial enterprises within the corporate limits of the Municipality.

The Owner has agreed to purchase the Property from the Municipality as set forth herein.

The Municipality has agreed to provide the Owner the within referenced Annual Economic Development Payments.

Pursuant to the applicable laws of the State of Alabama, and for the purposes referenced herein, the Municipality and the Owner have delivered this Agreement.

Agreement

NOW, THEREFORE, for and in consideration of the premises, and the mutual covenants and agreements herein contained, the Municipality and the Owner hereby covenant and agree as follows:



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ARTICLE 1

DEFINITIONS

For purposes of this Agreement the following terms shall have the following meanings:

Actual Cost Certificate shall have the meaning assigned in Article 5(2).

Actual Cost Reduction Fraction shall mean the fraction, the numerator of which is the actual aggregate costs of the Project as set forth in the Actual Cost Certificate and the denominator of which is the Estimated Project Cost. If the actual aggregate costs of the Project as set forth in the Actual Cost Certificate exceed the Estimated Project Cost, the Actual Cost Reduction Fraction shall be 1/1 or 1.

Annual Economic Development Payment shall mean, for each Annual Payment Date with respect to the Project Years specified below, an amount equal to the sum of:

(a) Project Years 1 and 2: seventy-five percent (75%) of the Municipality Net Sales Tax Proceeds actually received by the Municipality from the Project during each Project Year for which such Annual Economic Development Payment is determined during the period beginning on the Occupancy Date and ending on and including September 30, 2023;

(b) Project Years 3 and 4: sixty percent (60%) of the Municipality Net Sales Tax Proceeds actually received by the Municipality from the Project during each Project Year for which such Annual Economic Development Payment is determined during the period beginning on October 1, 2023 and ending on and including September 30, 2025; and

(c) Project Years 5, 6, 7 and 8: fifty percent (50%) of the Municipality Net Sales Tax Proceeds actually received by the Municipality from the Project during each Project Year for which such Annual Economic Development Payment is determined during the period beginning on October 1, 2025 and ending on and including September 30, 2029.

Annual Payment Date shall mean such date which is not later than 45 days after receipt by the Municipality of the certificate therefor from the Owner pursuant to Section 4.02(1).

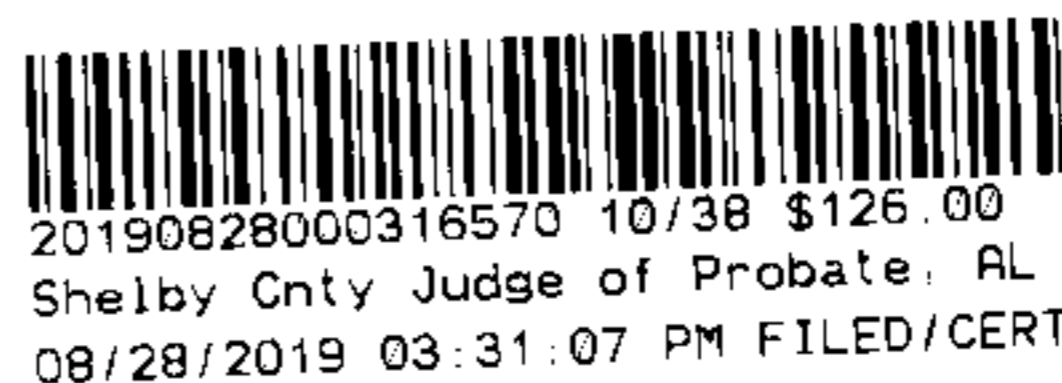
Date of Delivery shall mean the date set forth on the first page hereof.

Occupancy Date shall mean October 1, 2021.

Project Year shall mean the applicable period of twelve (12) successive months following the Occupancy Date (or anniversary thereof, as applicable) during the term of this Agreement (that is October 1st to September 30th of each year).

Enabling Law shall mean Amendment No. 772 of the Constitution of Alabama of 1901, as amended, as at any time amended or supplemented, or any successor provision of law.

Estimated Project Cost shall mean \$4,000,000, which such amount is the total of all costs to develop and construct the Project, whether by Owner, tenants or occupants of the Project.



Municipality Net Sales Tax Proceeds for any Project Year shall (a) mean and include all proceeds and receipts of Municipality Sales Tax from the Project, (b) not include any proceeds or receipts received by the Municipality (i) from the levy by the Municipality of privilege license or excise taxes not described in the definition of Municipality Sales Tax or (ii) from the levy of privilege license or excise taxes of any kind, type or nature by taxing authorities other than the Municipality, and (c) not include any privilege license or excise taxes levied for educational purposes or for capital improvements for education or otherwise previously committed or pledged; provided, however, that any proceeds or receipts of Municipality Sales Tax received by the Municipality from businesses that relocate to the Project site from existing locations within the corporate limits of the Municipality shall only be included to the extent of the **increased** proceeds or receipts of Municipality Sales Tax from such business over the average proceeds or receipts received from such business during the 3-year period immediately preceding the date of such relocation (the foregoing exclusion from Municipality Net Sales Tax Proceeds does not apply to any business relocating to the Project from a location outside the corporate limits of the Municipality).

Municipality Sales Tax shall mean collectively the privilege license and excise taxes levied by the Municipality pursuant to Article II of Chapter 5 of the Code of Ordinances of the Municipality.

Owner shall mean Campus No. 124, LLC, and the successors and assigns thereof.

Person shall mean and include any individual, corporation, partnership, joint venture, limited liability company or partnership, association, trust, unincorporated organization, and any government or any agency or political subdivision thereof.

Project shall mean and include those commercial and related facilities established by the Owner on the Property within the Municipality from which the Municipality receives Municipality Net Sales Tax Proceeds, as described on Exhibit C.

Property shall mean the real property identified on Exhibit D.

Reporting Requirements shall mean the requirements set forth in Section 2 of Article 5.


State shall mean the State of Alabama.

Termination Date shall mean that date on which the Municipality shall have no obligation to make any Annual Economic Development Payment under this Agreement or the Warrant in accordance with Section 4.01(5)(b).

Total Municipality Commitment shall mean an amount equal to \$750,000 multiplied by the Actual Cost Reduction Fraction; provided, however, in no event shall the Total Municipality Commitment exceed \$750,000.

Validation Date shall mean that date on which a judgment entered by the Circuit Court of Shelby County, Alabama validating and confirming the Warrant and this Agreement shall have become forever conclusive in accordance with, and as provided in, Section 6-6-755 of the Code of Alabama 1975.

Warrant shall have the meaning set forth in Section 4.03.


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ARTICLE 2

REPRESENTATIONS AND WARRANTIES

SECTION 2.01 The Municipality


The Municipality hereby represents as follows:

(1) The Municipality has corporate power and authority to enter into this Agreement, pursuant to the Enabling Law and to carry out its obligations hereunder and by proper corporate action the Municipality has duly authorized the execution, delivery and performance of this Agreement.

(2) The Warrant shall be issued, sold and delivered upon condition, and purchased by the Owner thereof in the reliance, that this Agreement is enforceable against the Municipality in accordance with the terms hereof.

(3) The issuance of the Warrant and the application of the proceeds thereof for the purposes set forth in this Agreement (i) will result in direct financial benefits to the Municipality and (ii) will serve a valid and sufficient public purpose, notwithstanding any incidental benefit accruing to any private entity or entities.

(4) The Municipality represents and certifies that the indebtedness of the Municipality incurred pursuant to the Enabling Law is less than 50 percent of the assessed value of the taxable property in the Municipality as determined for state taxation for the fiscal year ending September 30, 2018.


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SECTION 2.02 The Owner


The Owner hereby represents and warrants as follows:

(1) The Owner is duly organized and validly existing as a limited liability company under the laws of the State of Alabama and has duly authorized the execution, delivery and performance of this Agreement.

(2) The execution, delivery and performance of this Agreement by the Owner does not conflict with or result in a violation of any agreement, contract, instrument, order, writ, judgment or decree to which the Owner is a party or is subject.

(3) No consent or approval by, or filing with, any governmental authority in the State of Alabama is required for the execution or delivery of this Agreement by the Owner or for the full effectiveness or enforceability thereof under the laws of the State of Alabama.


(4) There is no action, suit, proceeding, inquiry or investigation pending before any court or governmental authority, or threatened in writing against or affecting the Owner, which involves the consummation of the transactions contemplated by, or the validity of, this Agreement.


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ARTICLE 3

DURATION OF AGREEMENT

The obligations of the Municipality and the Owner hereunder shall arise on the Validation Date and shall continue until the Termination Date, except with respect to any specific agreement or covenant which by its terms arises on a date other than the Validation Date and expressly survives termination of this Agreement.


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ARTICLE 4

AGREEMENTS AND OBLIGATIONS OF THE MUNICIPALITY

SECTION 4.01 Nature, Amount and Duration of Obligation of Municipality

The Municipality and the Owner agree:

(1) Purpose. Pursuant to this Agreement, the Municipality has agreed to pay to the Owner of the Warrant in installments in arrears the Annual Economic Development Payments determined by the Municipality to be due and payable in accordance with the terms hereof.

(2) Limited Obligation. The obligation of the Municipality for the payment of the Warrant:

(a) is a limited obligation payable solely from the Annual Economic Development Payments;

(b) shall never constitute a general obligation, or a charge against the general credit or taxing powers, of the Municipality within the meaning of any constitutional provision or statutory limitation whatsoever;

(c) is subject to (i) all pledges of the Municipality Net Sales Tax Proceeds for the benefit of long term indebtedness of the Municipality and (ii) in accordance with Johnson v. Sheffield, 183 So. 265 (Ala. 1938), the law-imposed requirement that, if necessary, there must first be paid from all Municipality Net Sales Tax Proceeds (including without limitation the Annual Economic Development Payments) the legitimate and necessary governmental expenses of operating the Municipality; and

(d) shall commence after the Validation Date.

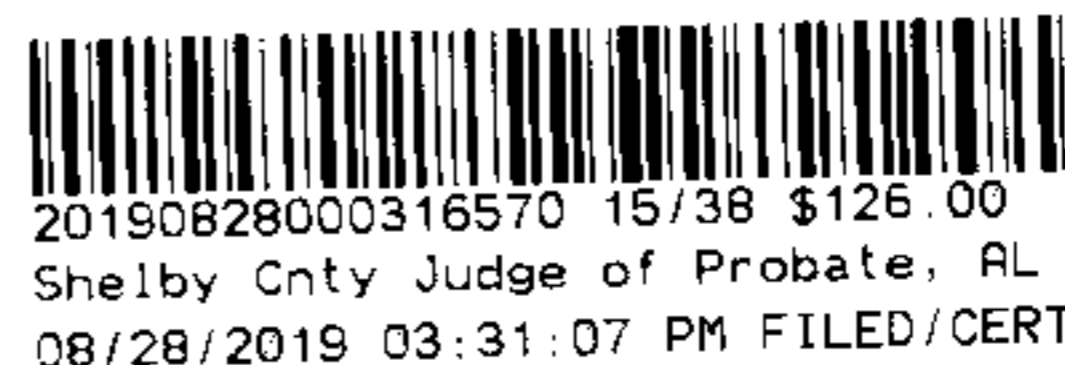
(3) Maximum Amount. The maximum amount the Municipality shall pay under this Agreement and the Warrant shall be limited to and shall not exceed the Total Municipality Commitment..

(4) Reserved.

(5) Duration and Termination. Anything in this Agreement or in the Warrant to the contrary notwithstanding, the Municipality shall have no obligation to pay any amount of Annual Economic Development Payments under this Agreement or the Warrant:

(a) prior to the Validation Date; or

(b) after the first to occur of (i) the expiration of eight (8) Annual Payment Dates, or (ii) that date on which the Municipality shall have paid as Annual Economic Development Payments an aggregate amount not less than the Total Municipality Commitment or (iii) termination of this Agreement by the Municipality under Section 7.02(2).



SECTION 4.02 Determination and Payment of Annual Economic Development Payments.

(1) In order to receive an Annual Economic Development Payment during the period prior to the Termination Date, the Owner shall execute and deliver to the Municipality, a certificate in form and of content as attached as Exhibit B hereto. Owner shall provide such certificate no later than 45 days after each anniversary of the Occupancy Date during the term of this Agreement.

(2) The Municipality shall, on each Annual Payment Date, determine as provided herein, and pay to the Owner, the amount (if any) of the Annual Economic Development Payment due hereunder for the period referenced in such certificate.

(3) The Municipality will permit any attorneys, accountants or other agents or representatives designated by the Owner to visit and inspect any of the accounting systems, books of account, and financial records and properties of the Municipality which pertain to the Municipality Net Sales Tax Proceeds and the determination of Annual Economic Development Payments, all at reasonable business times and upon reasonable notice.

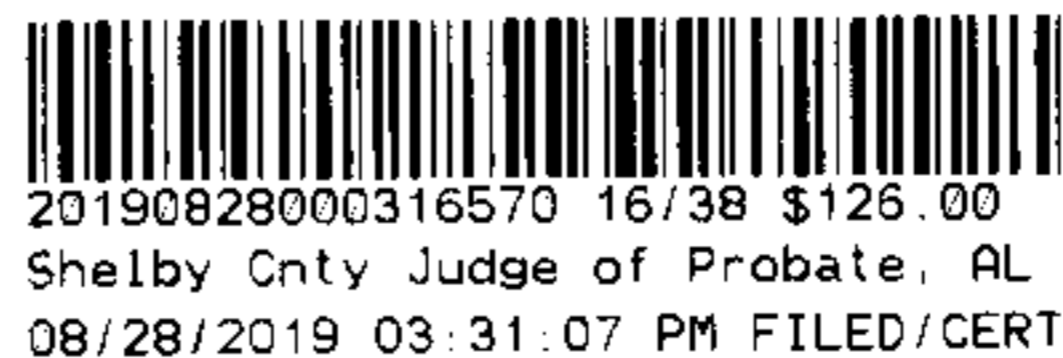
SECTION 4.03 The Warrant

(1) The obligation of the Municipality to pay the Annual Economic Development Payments hereunder shall be evidenced by a limited obligation revenue warrant, payable solely from, and secured by a pledge of, the Annual Economic Development Payments, in form and of content as the form of warrant attached to this Agreement as Exhibit A (the "Warrant").

(2) The Warrant shall not bear interest, shall be issued in an aggregate principal amount not exceeding the Total Municipality Commitment, shall be dated the Date of Delivery, and shall mature on the Termination Date.

(3) The Warrant shall be duly executed, sealed, and attested by the Municipality, and shall be registered by the Municipality as a conditional claim against the Annual Economic Development Payments.

(4) The Warrant shall be registered and transferred as provided therein.



SECTION 4.04 Agreements of the Municipality

(1) All proceedings of the governing body of the Municipality heretofore had and taken, and all ordinances and resolutions adopted pursuant thereto with respect to the levy and collection of the Municipality Sales Tax, are hereby ratified and confirmed in all respects from and after the effective date thereof.

(2) The Municipality covenants and agrees the Municipality shall, as long as this Agreement and the Warrant shall be outstanding, continue to levy and to provide for the assessment and collection of the Municipality Sales Tax at rates not less than those in effect on the date of this Agreement.

(3) The Municipality covenants and agrees, provided there is no expense to the Municipality, to use commercially reasonable efforts to pursue the designation of the Project, together with such other areas as shall be designated by the Municipality in its sole discretion, as an entertainment district designation under Section 28-3A-17.1(d) of the Code of Alabama, subject to compliance with all applicable governmental requirements therefor.

(4) The Municipality intends to create a capital improvement cooperative district under Chapter 99A of Title 11 of the Code of Alabama 1975 (the "Cooperative District"), to assist the Municipality in financing the cost of certain public infrastructure that will benefit the Project and levy a fee of 1% that will be assessed against retail sales in the Project. The Municipality agrees that any fees collected from the Project by the Cooperative District shall only be used to pay for public improvements benefitting the Project. The Owner and its successors and assigns agree to cooperate with the Municipality as it establishes the Cooperative District, and the Owner agrees that any owner, operator or lessee of any business in the Project, as a condition to locating in the Project, shall be required to collect such fee and remit it to the Cooperative District or at its direction and further that any lease to any business in the Project will require the cooperation of such business in collecting such fee and remitting it to the to the Cooperative District or at its direction.

ARTICLE 5

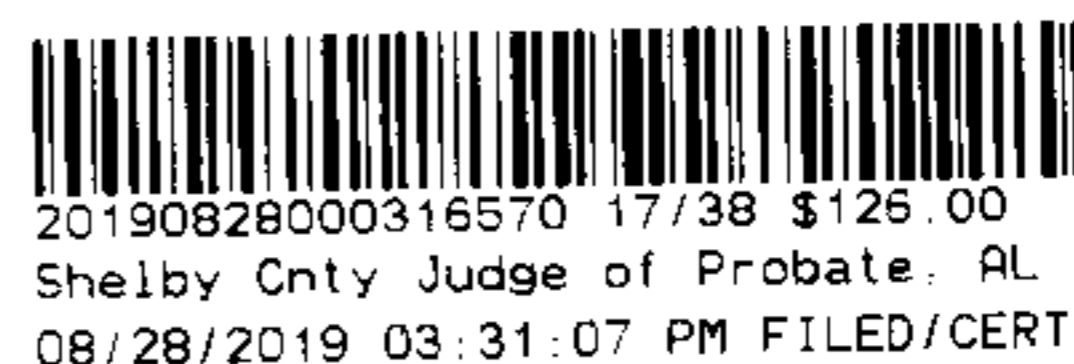
OBLIGATIONS OF THE OWNER

(1) The Owner hereby agrees to duly and punctually observe and perform all agreements thereof under this Agreement.

(2) Within 90 days after the Occupancy Date, the Owner shall deliver to the Municipality the following Reporting Requirements:

(a) A certificate setting forth the actual aggregate costs of the Project, which shall include the purchase price of the Property and the constructions costs paid for the Project (the "Actual Cost Certificate"); and

(b) Such information with respect to the verification of the actual aggregate costs of the Project as the Municipality shall reasonably request. The Municipality agrees that the final payment request under the Owner's construction contract for the Project, as approved by the Project architect and the Owner's lender, showing the aggregate costs paid to date for the Project, shall constitute the information necessary for verification of the actual aggregate costs of the Project.



Notwithstanding the foregoing, if Owner has not yet spent the entire amount of the Estimated Project Cost on the date Owner delivers the Reporting Requirements to the Municipality and such shortfall is attributable to interior improvements in the retail spaces only, the Municipality and Owner shall agree upon an appropriate cost amount to complete such interior spaces upon Owner securing tenants or users for such spaces and such amount shall be added to the Estimated Project Costs prior to calculating the Actual Cost Reduction Fraction.

(3) The Municipality has agreed to provide the Annual Economic Development Payments to assist with the costs of development of the Project in order to incentivize Owner to develop and construct the Project in the Municipality.

(4) (a) The Owner agrees to defend, protect, indemnify, and hold harmless the Municipality, its agents, employees, and members of its governing body, from and against all claims or demands, including actions or proceedings brought thereon, and all costs, expenses, and liabilities of any kind relating thereto, including reasonable attorneys' fees and cost of suit, arising out of or resulting from any of the following, provided, however, that the foregoing indemnity will not extend to the negligent misconduct of the Municipality, its agents, employees, and members of its governing body: (i) any construction activity performed by Owner, or anyone claiming by through, or under Owner; and (ii) any loss of life, personal injury, or damage to property arising from or in relation to the entry upon, construction, use, operation or occupancy of the Project, including, without limitation, tenants, customers and invitees of the Project and/or Owner.

(b) The agreements and covenants in this Article 5 shall survive the termination of this Agreement with respect to events or occurrences happening prior to or upon the termination of this Agreement and shall remain in full force and effect until commencement of an action with respect to any thereof shall be prohibited by law.

ARTICLE 6

SPECIAL COVENANTS REGARDING THE PROPERTY

Except for Article 6(2), which shall become effective on the date of this Agreement, the covenants, agreements and representations in this Article 6 shall arise and become effective on the Validation Date and shall expressly survive Closing and delivery of the Deed, as set forth herein:

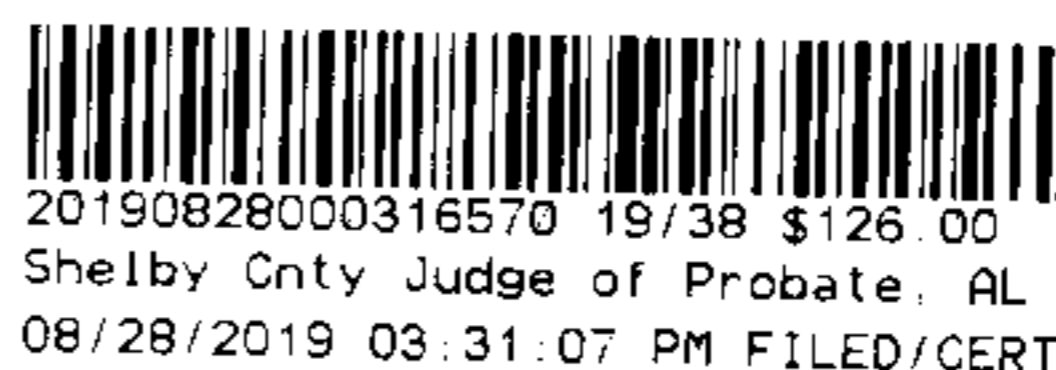
(1) The Municipality agrees to sell and the Owner agrees to purchase the Property, together with all improvements situated thereon, for a purchase price of \$1,000,000 (the "Purchase Price"). On the date of execution of this Agreement by the Owner and the Municipality, the Owner shall deposit the sum of \$50,000 with the Municipality (the "Deposit"), which shall be applied by the Municipality against the Purchase Price and which shall be nonrefundable except as set forth herein. The sale of the Property shall be consummated on the third business day after the Validation Date, or upon such later date as the Municipality and the Owner may mutually agree, at a time and place designated by the Municipality and the Owner ("Closing"). The Municipality shall provide not less than 10 days prior notice to the Owner of the expected Validation Date.

(2) In the event the Validation Date shall not have occurred by October 15, 2019, either party shall have the right to terminate this Agreement, whereupon the Deposit shall be returned to the Owner, and neither party shall have any further rights, obligations or liabilities with respect to the other.

(3) At the Closing and upon payment in full of the Purchase Price (after credit for the Deposit), the Municipality shall deliver to the Owner a Statutory Warranty Deed for the Property (the "Deed"), which shall convey title to the Property, together with all buildings, fixtures, structures, and other improvements located on the Property, subject to all covenants, restrictions, easements, rights-of-way, encroachments and other matters of record, mineral and mining rights, ad valorem taxes which are a lien but which are not due and payable until October 1 following the date of delivery of the Deed and subsequent years, and matters set forth on the survey of the property dated January 11, 2019 by Gonzalez-Strength & Associates, Inc. and attached hereto as Exhibit F (collectively the "Permitted Encumbrances"). The Deed shall recite that the Property is conveyed "**AS IS, WHERE IS, WITH ALL FAULTS**" and shall release the Municipality from any liability arising from the physical or environmental condition of the Property. Possession of the Property shall be given to the Owner on the date of Closing and all equipment and other personal property of the Municipality located on the Property shall have been removed from the Property at or prior to Closing, provided all existing kitchen equipment and security and closed camera systems shall remain on the Property and become the property of Owner. The Owner shall be responsible for paying all real estate ad valorem taxes, charges, and assessments ("Tax" or "Taxes") on the Property; provided, however, all Taxes (if any) for the current Tax year shall be prorated as of midnight of the day before the Closing between the Owner and the Municipality according to the number of days each party owns the Property during the current Tax year. The Owner shall pay any deed and mortgage taxes and all recording fees and other real estate transfer fees incurred pursuant to this Agreement, the cost of any title insurance policy and the cost of any survey, in each case if Owner elects to obtain. The Municipality shall (a) pay the cost of a Phase I environmental site assessment and an asbestos report with respect to the Property, (b) close a water well on the Property and remove any equipment or structure on the surface of the Property related thereto, (c) pay the cost of removal of the F-500 Foam Release in the northern portion of the building on the Property and provide documentation to the Owner of such removal (as of the date of this Agreement, Owner acknowledges that such removal has occurred and documentation thereof satisfactory to the Owner has been provided by the Municipality), and (d) pay for the inspection of the sewer line.


(4) The Municipality shall sell and convey to Owner and Owner shall accept the Property "**AS IS, WHERE IS, WITH ALL FAULTS,**" and Owner hereby assumes the risk that adverse physical characteristics, existing conditions and other aspects may not have been revealed by its inspections. Owner has not relied and will not rely on, and the Municipality has not made and is not liable for or bound by, any express or implied warranties (other than the Municipality's warranty of title to be contained in the Deed), guarantees, statements, representations or information pertaining to the Property or relating thereto (including specifically, without limitation, any Property information distributed with respect to the Property) made or furnished by the Municipality, or any property manager, real estate broker, agent or third party representing or purporting to represent the Municipality, to whomever made or given, directly or indirectly, orally or in writing. Owner represents that it is a knowledgeable, experienced and sophisticated purchaser of real estate and that it is relying solely on its own expertise and that of Owner's consultants in purchasing the Property and shall make an independent verification of the accuracy of any documents and information provided by the Municipality. Owner has conducted such inspections and investigations of the Property as Owner deems necessary, including, but not limited to, the physical and environmental conditions thereof, and shall rely upon the same.

(5) Neither the Municipality nor the Owner has dealt with a real estate brokerage company or agent that is entitled to payment of any real estate commission in connection with this Agreement or the purchase and sale of the Property. The Owner shall indemnify, defend, and hold harmless the Municipality from and against any and all claims asserted against the Municipality by any broker, agent, salesperson, or representative for any fees or commissions arising from the acts of the Owner related to this Agreement. The provisions of this Section shall survive the delivery of the Deed to the Municipality or termination of this Agreement.



(6) The Owner covenants and agrees to design, develop and complete renovations to the exterior of the existing building (the old Valley Elementary School) on the Property as part of the Project by no later than December 31, 2020. The exterior renovations shall be completed substantially in accordance with the architectural renderings attached hereto as Exhibit E. Renovations to the interior of the Project shall be designed and constructed according to the specifications of the respective tenants for such spaces and shall commence once leases for such interior spaces are finalized.

(7) Upon approval of plans therefor by the Municipality and all applicable governmental entities, the Owner shall donate at no cost to the Municipality, by statutory warranty deed (subject only to the Permitted Encumbrances that exist as of the date of this Agreement), approximately 2.92 acres of the Property (the "Donated Property") to the Municipality for use by the Municipality as a public park (the "Park") and as part of the Municipality's Greenway Trail. The location of the Donated Property shall be generally as depicted as of July 30, 2019 on the Site Diagram – Phase 1 prepared by Matheny Goldman Architecture + Interiors, LLC (the "Site Diagram"), with the legal description for such Donated Property established by a survey generally consistent with the Site Diagram and approved by the Municipality and the Owner. Upon donation of the Donated Property to the Municipality, the Municipality agrees to maintain the Donated Property as a public park, and the Owner agrees to grant to the Municipality, at no cost to the Municipality, such easements for access and maintenance as are determined to be reasonably necessary by the Municipality. The Municipality anticipates in the future undertaking a city-wide parks master plan process, and the Municipality will incorporate the Park into any such master plan and further agrees to consult with Owner in connection with the impact of the master plan on the Park and its design and improvements. The Owner's donation of the Donated Property is intended to comply in all respects with the federal Uniform Relocation Assistance and Real Property Acquisition Act and Owner and Municipality agree to work in good faith to ensure such compliance.



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ARTICLE 7

EVENTS OF DEFAULT AND REMEDIES

SECTION 7.01 Events of Default

Any one or more of the following shall constitute an event of default by the Municipality or the Owner hereunder (an "Event of Default") under this Agreement:

(1) default in the performance, or breach, of any covenant or warranty of the Municipality in this Agreement, including without limitation default in the payment of any Annual Economic Development Payments under Section 4.02 hereof, and the continuance of such default or breach for a period of 30 days after there has been given, by registered or certified mail, to the Municipality by the Owner a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "notice of default" hereunder, provided that if such default is of a kind which cannot reasonably be cured within such thirty-day period, the Municipality shall have a reasonable period of time within which to cure such default, provided that it begins to cure the default promptly after its receipt of such written notice and proceeds in good faith, and with due diligence, to cure such default; or

(2) default in the performance, or breach, of any covenant or warranty of the Owner in this Agreement, and the continuance of such default or breach for a period of 30 days after there has been given, by registered or certified mail, to the Owner by the Municipality a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "notice of default" hereunder, provided that if such default is of a kind which cannot reasonably be cured within such thirty-day period, the Owner shall have a reasonable period of time within which to cure such default, provided that it begins to cure the default promptly after its receipt of such written notice and proceeds in good faith, and with due diligence, to cure such default.


SECTION 7.02 Remedies

(1) Each party hereto may proceed to protect its rights and interests by suit in equity, action at law or other appropriate proceedings, whether for the specific performance of any covenant or agreement of any other party herein contained or in aid of the exercise of any power or remedy available at law or in equity.

(2) Anything in this Agreement to the contrary notwithstanding, the Municipality may terminate this Agreement upon the occurrence of an Event of Default under Section 7.01(2), whereupon the Municipality shall have no further obligation hereunder.

SECTION 7.03 Remedies Subject to Applicable Law

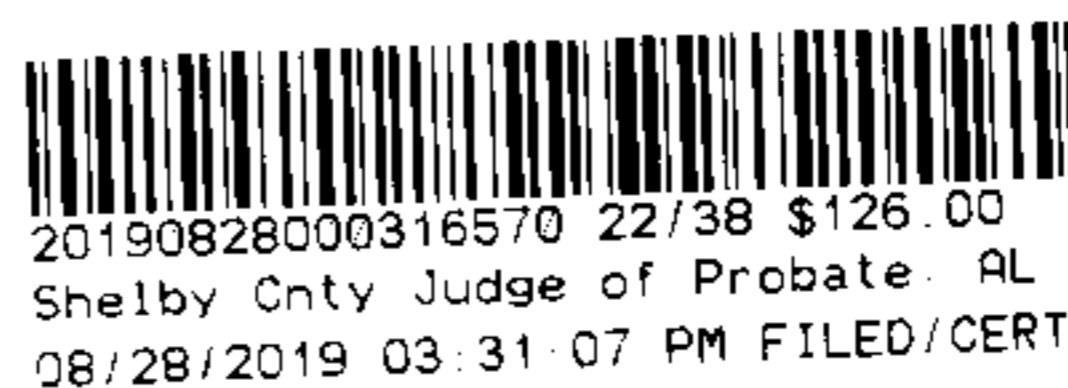
All rights, remedies and powers provided by this Agreement may be exercised only to the extent the exercise thereof does not violate any applicable provision of law in the premises, and all the provisions of this Article are intended to be subject to all applicable mandatory provisions of law which may be controlling in the premises and to be limited to the extent necessary so that the same will not render this Agreement invalid or unenforceable.


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ARTICLE 8

PROVISIONS OF GENERAL APPLICATION

- (a) Governing Law:** This Agreement shall be governed by and construed in accordance with the laws of the State of Alabama without regard to principles of conflict of laws.
- (b) Binding Effect:** This Agreement shall be enforceable by and binding upon the respective successors and assigns of the undersigned.
- (c) Counterparts:** This Agreement may be executed in several counterparts each of which shall constitute one and the same agreement.
- (d) Amendment:** This Agreement may be amended only in writing duly authorized, executed and delivered by each party to this Agreement.
- (e) Assignment:** Following the Closing, this Agreement may be transferred by the Owner, as provided hereinafter, without consent of the Municipality, to a transferee of the Warrant simultaneously with the endorsement by the Municipality of transfer of the Warrant to such transferee as provided in the Warrant therefor. Owner's rights under this Agreement may be assigned without the Municipality's consent to any lender providing financing for the Project (a "Project Lender"). In the event of any such collateral assignment, and reasonable notice thereof to the Municipality, a copy of any and all notices thereafter given to Owner under this Agreement will be simultaneously provided to the Project Lender at the address provided in such notice to the Municipality. Furthermore, following the Closing, Owner may assign or transfer its interest in this Agreement, without the written consent of the Municipality, but with written notice of such assignment or transfer to the Municipality, to either (1) an affiliated entity of Owner or an entity owned, managed or controlled by Owner or the owners of Owner, or (2) a third-party purchaser of the Project from Owner. No such assignment or transfer shall be valid or binding on Municipality unless the person or entity to whom such assignment or transfer is made agrees in writing to assume any and all obligations of Owner and to be bound fully by this Agreement as Owner was prior to such assignment. Furthermore, following the Closing, Owner may sell the Project to a third party at any time during the term of this Agreement, and no such sale shall relieve the Municipality of its obligations to make the payments required hereunder to Owner or its assigns, regardless of the fact that the Project may be owned by another entity, unless Owner, at its sole option, assigns its rights under this Agreement to such third party purchaser and advises the Municipality of such assignment as set forth in the preceding sentence.

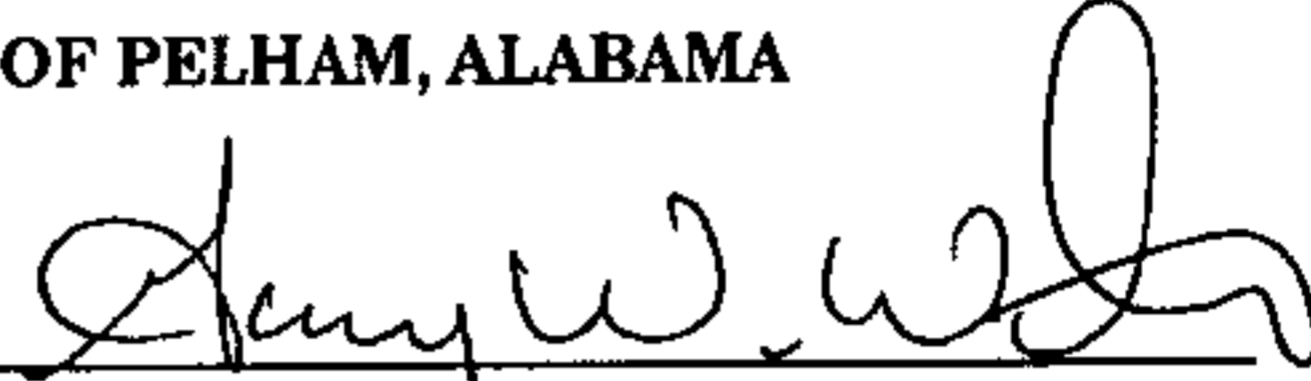


- (f) **Enforceability:** If any provision herein shall be unenforceable, the parties agree the remaining provisions hereof shall not be affected thereby and shall remain in full force and effect.
- (g) **Notices:** Any notice given hereunder by any party shall be delivered simultaneously to all parties hereto at the respective addresses thereof set forth on the signature page hereof.
- (h) **No Jury Trial:** Each party hereto hereby (1) waives, to the extent permitted by law, any right to trial by jury in any action or proceeding under, or related to, this Agreement and (2) agrees that no person has represented (by expression or implication) that a party hereto would not seek to enforce such waiver in the event of litigation.
- (i) **No Joint Venture:** This Agreement shall not operate or be construed to create a joint venture or partnership among the parties hereto.
- (j) **No Other Beneficiaries:** This Agreement is solely for the benefit of the parties hereto and the successors and assigns thereof and no other person shall have any benefit, interest or rights under or by virtue of this Agreement.
- (j) **Legal Fees:** The Owner and the Municipality shall pay their own attorney fees, if any, except the Owner agrees to pay 50% of the Municipality's legal fees and expenses in connection with the preparation and review of this Agreement and its validation in the Circuit Court of Shelby County, Alabama, up to an amount not to exceed \$7,500.
- (k) **Final and Full Contract:** This Agreement shall constitute the final and full contractual agreement of the parties and shall supersede all prior or other agreements (written or oral) by the parties relating to the subject matter hereof.


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IN WITNESS WHEREOF, the Municipality has caused this Agreement to be executed in its name, under seal, and the same attested, all by officers thereof duly authorized thereunto, and the Owner has executed this Agreement under seal, and the parties have caused this Agreement to be dated the date and year first above written.

CITY OF PELHAM, ALABAMA

By 
Mayor

SEAL

ATTEST: 
City Clerk



Address of Municipality:

City Hall
3162 Pelham Parkway
Pelham, Alabama 35124

CAMPUS NO. 124, LLC

By: _____

Its: _____

Address of Owner:

228 Holmes Ave. NW, Floor 10
Huntsville, Alabama 35801



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EXHIBIT A

Form of Warrant



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This Warrant has not been registered (i) under the Securities Act of 1933, as amended, in reliance upon the exemption provided by Section 4(2) of said act, or (ii) under any state securities law, in reliance upon applicable exemptions, and may not be transferred without registration except pursuant to an exemption therefrom.

THIS WARRANT DOES NOT BEAR INTEREST

**UNITED STATES OF AMERICA
STATE OF ALABAMA**

**CITY OF PELHAM
LIMITED OBLIGATION ECONOMIC DEVELOPMENT REVENUE WARRANT
(CAMPUS NO. 124, LLC)**

No. R-1

DATED DATE:

_____, 20__

MATURITY DATE:

Termination Date

The CITY OF PELHAM, a municipal corporation organized and existing under and by virtue of the laws of the State of Alabama (the "Municipality"), for value received, hereby acknowledges itself indebted to

CAMPUS NO. 124, LLC

or registered assigns (collectively the "Owner") in a principal amount not exceeding

**SEVEN HUNDRED FIFTY THOUSAND DOLLARS
(\$750,000)**

as determined pursuant to the within-referenced Agreement, and hereby orders and directs the City Clerk and Treasurer of the Municipality to pay to the Owner, solely from the Annual Economic Development Payments deposited in the Warrant Fund hereinafter designated, said principal amount, without interest, on each Annual Payment Date, until and including the Maturity Date specified above.



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Authority for Issuance

This Warrant is issued pursuant to the authority of the Constitution and laws of the State of Alabama, including particularly and without limitation Amendment No. 772 of the Constitution of Alabama of 1901, as amended (collectively the "Enabling Law"), and that certain Special Economic Development Agreement dated the above Dated Date (the "Agreement") by the Municipality and Campus No. 124, LLC.

Capitalized terms used hereinbefore and hereinafter without definition shall have the respective meanings assigned thereto in the Agreement.

Reference is made to the provisions of the Agreement, to and by which all of which provisions the Owner, by acceptance of this Warrant, assents and agrees to be bound.

Payment

Payment of this Warrant shall be made to or as directed by the Owner; provided the final payment of principal of this Warrant shall be made only upon presentation and surrender of this Warrant to the Municipality for cancellation.

Each payment of principal made on this Warrant shall be reflected by the notations made by the Municipality on its internal records (which may be kept by computer or by other means determined by the Municipality) and the Municipality is hereby authorized so to record thereon all such payments. All payments of principal on this Warrant and the aggregate unpaid principal amount of this Warrant reflected on the internal records of the Municipality (whether by computer or otherwise) shall be rebuttably presumptive evidence of the principal amount of this Warrant outstanding and unpaid.

All payments of principal of this Warrant by the Municipality shall be made at par in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts, and shall be valid and effectual to satisfy and discharge the liability of the Municipality upon this Warrant to the extent of the amounts so paid.

The person in whose name this Warrant is registered shall be deemed and regarded as the absolute owner hereof for all purposes and payment of the principal of this Warrant shall be made only to or upon the order of the Owner hereof or its legal representative, and neither the Municipality nor any agent of the Municipality shall be affected by any notice to the contrary.

Security

This Warrant is a limited obligation of the Municipality payable solely from the Annual Economic Development Payments as provided in the Agreement.

The Annual Economic Development Payments are hereby pledged to the payment, and for the benefit, of this Warrant, subject to (i) all prior pledges of the Municipality Net Sales Tax Proceeds for the benefit of long term indebtedness of the Municipality and (ii) in accordance with Johnson v. Sheffield, 183 So. 265 (Ala. 1938), the law-imposed requirement that, if necessary, there must first be paid from all Municipality Net Sales Tax Proceeds (including without limitation the Annual Economic Development Payments) the legitimate and necessary governmental expenses of operating the Municipality.

This Warrant shall never constitute a charge against the general credit or taxing powers of the Municipality within the meaning of any constitutional provision or statutory limitation whatsoever.

The Municipality has established a special fund designated "Warrant Fund" (the "Warrant Fund") for the payment of this Warrant and has obligated itself to pay or cause to be paid into the Warrant Fund, solely from the Annual Economic Development Payments, sums sufficient to provide for the payment of this Warrant.

Prepayment and Redemption

The Municipality may, on any date, pay in advance the entire unpaid principal amount of this Warrant or any lesser portion or portions thereof by paying to the Owner the principal amount to be prepaid without premium or penalty.

Registration and Transfer

This Warrant is registered as to principal and interest in the name of the Owner on the book of registration maintained for that purpose by the Municipality.

This Warrant may be transferred only upon written direction of the registered owner or its legal representative, addressed to the Municipality, presentation of this Warrant to the Municipality accompanied by a written instrument of transfer, satisfactory to the Municipality, duly executed by the registered owner or its attorney duly authorized in writing, and compliance with Article 8(e) of the Agreement. Upon presentation of this Warrant to the Municipality for transfer, the Municipality shall record such transfer on said book of registration and shall endorse on the Registration of Ownership hereon the name of the transferee and the principal amount of this Warrant then outstanding. No charge shall be made for the privilege of transfer, but the registered owner of this Warrant requesting any such transfer shall pay any tax or other governmental charge required to be paid with respect thereto.

General

No covenant or agreement contained in this Warrant or in the Agreement shall be deemed to be a covenant or agreement of any officer, agent, employee, or member of the governing body of the Municipality in the individual capacity thereof and none of such parties or persons nor any officer executing this Warrant shall be liable personally on this Warrant or be subject to any personal liability or accountability by reason of the issuance of this Warrant.

It is hereby recited, certified and declared that the indebtedness evidenced and ordered paid by this Warrant is lawfully due without condition, abatement or offset of any description, that this Warrant has been registered in the manner provided by law, that this Warrant represents a valid claim against the Warrant Fund, that all acts, conditions and things required by the Constitution and laws of the State of Alabama to happen, exist and be performed precedent to and in the execution, registration and issuance of this Warrant, the adoption of the resolution approving the Agreement, and the execution and delivery of the Agreement, have happened, do exist and have been performed in due time, form and manner as so required by law and that the principal amount of this Warrant, together with all other indebtedness of the Municipality, are within every debt and other limit prescribed by the Constitution and laws of the State of Alabama.



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IN WITNESS WHEREOF, the Municipality, acting by and through the City Council of the Municipality, as the governing body thereof, has caused this Warrant to be executed in its name and on its behalf by the Mayor of the Municipality, has caused its corporate seal to be affixed hereto and the same attested by the City Clerk of the Municipality, and has caused this Warrant to be dated the date and year first above written.

CITY OF PELHAM, ALABAMA

By _____
Mayor


SEAL

Attest: _____
City Clerk

REGISTRATION CERTIFICATE

The undersigned hereby certifies that this Warrant has been duly registered as a conditional claim against the City of Pelham, in the State of Alabama, and the Warrant Fund referred to herein, and the Annual Economic Development Payments pledged to the payment hereof.


City Clerk and Treasurer of the City of Pelham,
Alabama


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VALIDATION CERTIFICATE

Validated and confirmed by judgment of the Circuit Court of Shelby County, State of Alabama entered on the _____ day of _____, 2019.


Clerk of Circuit Court of Shelby County, Alabama


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REGISTRATION OF OWNERSHIP

This Warrant is recorded and registered on the warrant register of the City of Pelham in the name of the last owner named below. The principal of this Warrant shall be payable only to or upon the order of such registered owner.

<u>Date of Registration</u>	<u>In Whose Name Registered</u>	<u>Principal Amount Outstanding</u>	<u>Signature of Authorized Officer of Municipality</u>
Dated Date	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____


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Assignment

For value received, _____ hereby sell(s), assign(s) and transfer(s) unto _____ this warrant and hereby irrevocably constitute(s) and appoint(s) _____ attorney to transfer this warrant on the books of the within named Municipality with full power of substitution in the premises.

Dated: _____

NOTE: The name signed to this assignment must correspond with the name of the payee written on the face of the within warrant in all respects, without alteration, enlargement or change whatsoever.

Signature Guaranteed:

(Bank or Trust Company)

By _____
(Authorized Officer)




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EXHIBIT B

Request for Payment of Annual Economic Development Payments

See attached.


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Request for Payment of Annual Economic Development Payments

From: Campus No. 124, LLC

To: City of Pelham, Alabama

Date: _____, 20__

Re: **Special Economic Development Agreement dated _____, 2019 by City of Pelham, Alabama (the "Municipality") and Campus No. 124, LLC (the "Owner").**

The undersigned, as Owner under the above Agreement, hereby requests payment to the Owner by the Municipality of the Annual Economic Development Payment, to be determined by the Municipality as provided in the Agreement, for the following period:

_____ 1, 20__ to _____ 1, 20__

and in connection therewith does hereby represent, warrant and certify to the Municipality as follows:

1. The Owner is in full compliance with the agreements and covenants thereof under the Agreement and no Event of Default, or any event which upon notice, or lapse of time, or both shall become an Event of Default, has occurred and is continuing.
2. The Agreement is in full force and effect.
3. The Owner has provided the Reporting Requirements to the Municipality in accordance with Section 5(2) of the Agreement.
4. The Owner is in full compliance with all applicable ordinances and regulations of the Municipality.

Capitalized terms used herein shall have the respective meanings assigned in the above Agreement.

In Witness Whereof, the undersigned Owner has caused this instrument to be executed in its name, under seal, by an officer thereof duly authorized thereunto.

Campus No. 124, LLC
as Owner

By _____

Its _____



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EXHIBIT C

The purchase of the old Valley Elementary School building and approximately 19.02 acres of property, as particularly described on Exhibit D and as depicted on the survey attached as Exhibit E, from the Municipality and the development and renovation of such property by the Owner into a multi-purpose retail, office and entertainment facility, similar to Campus No. 805 in the City of Huntsville, Alabama.



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EXHIBIT D

Legal Description

A parcel of land situated in the Southwest Quarter of the Northwest Quarter and the Northwest Quarter of the Northwest Quarter of Section 6, Township 20 South, Range 2 West, Shelby County, Alabama, said parcel being more particularly described as follows:

Commence at a found rebar marking the Southwest corner of the Southwest Quarter of the Northwest Quarter of said Section 6; thence run North 00 degrees 08 minutes 05 seconds West along the West line of said Section line for a distance of 86.22 feet to a found capped rebar stamped 25657, said point being the POINT OF BEGINNING of the parcel herein described; thence run North 00 degrees 27 minutes 21 seconds West along the West line of said Section for a distance of 1035.70 feet to a SET 5/8 inch capped rebar stamped CA-560LS (Line Iron); thence continue along the last described course for a distance of 33.81 feet to a point, said point lying in the center line of Old Bishop Creek; thence run in a Northeasterly and Southeasterly direction along said centerline of Old Bishop Creek the following courses, North 53 degrees 51 minutes 35 seconds East for a distance of 256.31 feet to a point; thence run North 19 degrees 25 minutes 06 seconds East for a distance of 51.43 feet to a point; thence run North 16 degrees 20 minutes 53 seconds East for a distance of 132.00 feet to a point; thence run North 53 degrees 01 minutes 08 seconds East for a distance of 52.87 feet to a point; thence run North 66 degrees 48 minutes 53 seconds East for a distance of 60.64 feet to a point; thence run South 50 degrees 06 minutes 34 seconds East for a distance of 114.83 feet to a point; thence run South 59 degrees 58 minutes 08 seconds East for a distance of 202.42 feet to a point; thence run South 68 degrees 22 minutes 19 seconds East for a distance of 47.33 feet to a point; thence run North 88 degrees 30 minutes 54 minutes East for a distance of 42.24 feet to a point; thence run North 82 degrees 47 minutes 08 seconds East for a distance of 119.12 feet to a point; thence run North 60 degrees 18 minutes 53 seconds East for a distance of 44.15 feet to a set 5/8 inch capped rebar stamped CA-560LS on the West Right of Way of U.S. Highway 31 (AKA U.S. Highway 119), said point also lying on a curve to the right, said curve having a radius of 2,764.93 feet, a central angle of 13 degrees 09 minutes 18 seconds, a chord bearing of South 17 degrees 26 minutes 02 seconds West, and a chord distance of 633.43 feet; thence run along the arc of said curve and along said Right of Way for a distance of 634.82 feet to a set 5/8 inch capped rebar stamped CA-560LS, said point lying on a spiral curve to the Right, having a chord bearing of South 26 degrees 01 minutes 17 seconds West, a chord distance of 294.81 feet; thence run along said spiral curve and along said Right of Way for a distance of 300.00 feet to a found concrete monument stamped 519+80.2; thence run South 26 degrees 56 minutes 45 seconds West along said Right of Way for a distance of 617.54 feet to a found capped rebar stamped 25657; thence leaving said Right of Way run North 64 degrees 32 minutes 29 seconds West for a distance of 285.60 feet to the POINT OF BEGINNING. Said parcel contains 828,418 Square feet or 19.02 Acres more or less.

END OF LEGAL DESCRIPTION

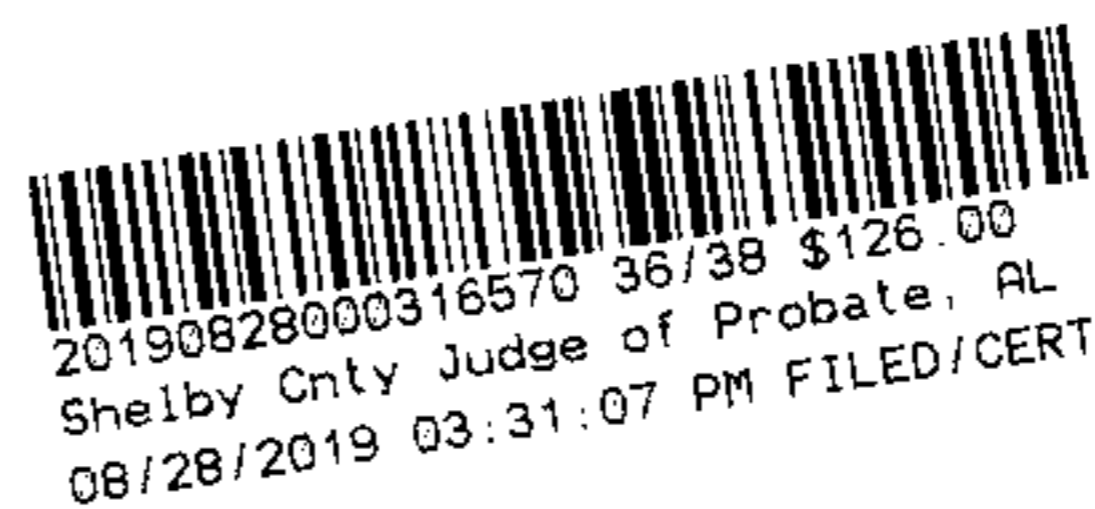


EXHIBIT F

Architectural Renderings



20190828000316570 38/38 \$126.00
Shelby Cnty Judge of Probate, AL
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