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TUSCALOOSA, ALABAMA 35402

SOURCE OF TITLE:
Deed Book 891, Page 96
" " 900 " 20
" " 901 " 612
THE STATE OF ALABAMA)
COUNTY OF TUSCALOOSA)

Deed Book 965 Page 358

LEASE AGREEMENT

THIS AGREEMENT is made and entered into on this the 27th day of January, 1988, by and between RIVER ROAD ASSOCIATION, INC., an Alabama nonprofit corporation, hereinafter referred to as Lessor, and DUMAC, INC., hereinafter referred to as Lessee.

W-I-T-N-E-S-S-E-T-H:

WHEREAS, River Road Association, Inc., an Alabama nonprofit corporation, was incorporated in Tuscaloosa County, Alabama, to provide for the maintenance, preservation and architectural control of the units and common elements and facilities within that certain condominium known as River Road Condominium for which a Declaration of Condominium is recorded in the Probate Office of Tuscaloosa County, Alabama in Deed Book 900, at Page 20 and rerecorded in Deed Book 901, at Page 612 and for which the site plan and floor plan of the condominium are recorded in Map Book 17, at Pages 19 through 25; and

WHEREAS, the developer of River Road Condominium, River Road Development Company, Inc., an Alabama business corporation, owns certain real property hereinafter described which DUMAC, Inc., desires to purchase and develop; and

WHEREAS, the Declaration of Condominium of River Road Condominium in Article XXV provides for the development of the property to be sold by River Road Development Company, Inc., to DUMAC, Inc., by either the incorporation of all of that said property into River Road Condominium as Phase II or in the alternative the development of this property in a manner separate and apart from River Road Condominium and in either event the Declaration of Condominium provides that River Road Development Company, Inc., has reserved and created a nonexclusive easement for the benefit of the Phase II property over and across so much of

the Condominium Property as may be reasonably necessary for the purpose of ingress and egress, to, over and across the Condominium Property for vehicular and pedestrian ingress and egress, which easement shall remain in effect and run with the Phase II property whether the same or any part thereof is hereafter included within the Condominium Property; and

WHEREAS, DUMAC, Inc., as the successor and assignee of River Road Development Company, Inc., has elected to not exercise the option to develop this said property as Phase II of River Road Condominium but instead to develop this property as a separate condominium subject, however, to the terms and conditions of this Lease Agreement between River Road Association, Inc., and DUMAC, Inc.; and

WHEREAS, the development plans of DUMAC, Inc., were duly presented to the Board of Directors of River Road Association, Inc., and the members of River Road Association, Inc., at a meeting of the Board of Directors held on October 19, 1987 in the City of Tuscaloosa and at a special called meeting of River Road Association, Inc., held in the City of Tuscaloosa on October 20, 1987 and following the presentation of these development plans which were described in a distributed letter dated October 15, 1987 and more fully disclosed and discussed at these meetings, a motion was made and duly seconded that the proposal by DUMAC, Inc., be accepted as presented and the Board of Directors be empowered to work out the details of the Lease Agreement where upon a vote was taken and the motion passed; and

WHEREAS, the discussions between the Board of Directors of River Road Association, Inc., and DUMAC, Inc., have been concluded and this Lease Agreement sets forth the several agreements between River Road Association, Inc., and DUMAC, Inc.

NOW, THEREFORE, in consideration of the premises as set forth hereinabove and the performance of the covenants and obligations as set forth hereinafter and the payment of the sums of money as set forth hereinafter, River Road Association, Inc., as Lessor, and DUMAC, Inc., as Lessee, do hereby irrevocably agree for and during the lease term referred to hereinafter that the Lessee shall have the right to use pursuant to the terms of this Lease Agreement, those certain

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portions of the common elements of River Road Condominium as are hereinafter described provided such use at all times is in accordance with the terms, conditions and agreements as set forth in this Lease.

1. DURATION OF LEASE TERM

The term covered by this Lease Agreement shall commence on the execution date of this Lease Agreement and shall continue for a period of ninety-nine (99) years or upon the termination of River Road Condominium and the condominium to be organized by Lessee, whichever shall first occur.

2. SUCCESSIVE INTEREST

This Lease Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Lessor and the Lessee and it is specifically understood and agreed that the rights hereby leased by Lessor to Lessee will only be assigned by Lessee to the unit owners and association members of the condominium to be organized by Lessee upon completion of the construction and sale of the forty-two (42) units to be included in the condominium to be constructed upon the property described on Exhibit "A" attached hereto. The condominium to be constructed by Lessee shall be in accordance with the site plan and architectural renderings which have been reviewed and approved by the Board of Directors and the members of the Lessor herein.

3. USE OF LEASED PREMISES

The four (4) portions of the common elements of River Road Condominium which shall be subject to this Lease Agreement and the consideration to be paid by Lessee to Lessor and the extent of the Lessee's rights and obligations with respect to these common elements shall be as follows:

A. ENTRANCE

During the period of construction and the initial sale of the units of Lessee's new condominium, the Lessor leases unto the Lessee the right to erect and maintain, at Lessee's expense, a suitable sign for the purpose of advertising and identifying the new condominium development. This sign, which shall be no larger than 4' x 8', shall be located no further than 10' from the southern boundary of the River Road right-of-way, and which shall

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be compatible in color and design with the existing River Road Condominium sign, may be erected upon the commencement of construction and thereafter maintained for a period of thirty (30) months following the issuance of the certificate of occupancy for the first completed unit. During the remaining term of this lease, the Lessee shall pay to the Lessor one-half (1/2) of the actual cost incurred in the operation, maintenance, repair, replacement and construction of the additions to the River Road entrance sign and lights located thereon as well as the common area maintained as a lawn between River Road and the northernmost parking lot of River Road Condominium all as shown on the site plan of River Road Condominium as recorded in Deed Book 901, at Page 642. All decisions on matters involving the entrance sign, the lights and the lawn shall be made by the Lessor provided the cost, for which the Lessor and Lessee are jointly responsible, is reasonable. The use of the lawn area shall be subject to reasonable rules and regulations to be established by Lessor.

B. ROADWAYS

The Lessor acknowledges that the Lessee has the absolute right under the Declaration of Condominium of River Road Condominium to a nonexclusive easement over and across so much of the River Road Condominium property as may be reasonably necessary for the purpose of ingress and egress, to, over and across the condominium property for vehicular and pedestrian ingress and egress, which easement remains in effect and runs with the Phase II property whether the same or any part thereof is to be included within the condominium property. These said easements for ingress and egress are more specifically shown and designated on the site plan of River Road Condominium as recorded in Deed Book 901, at Page 642. Although no provision appears in the said Declaration which would require the Lessee to participate in the payment of the cost of maintaining and repairing these roadways, nevertheless the Lessee hereby agrees to pay one-half (1/2) of the cost of maintaining and repairing the ingress and egress roadway areas as shown on the River Road Condominium site plan

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recorded in Deed Book 901, at Page 642. The Lessee shall be solely responsible for the repair of any damage to these roadways or any other common areas of River Road Condominium which occurs during and is caused by the construction of the building to be located on the property described on Exhibit "A" attached hereto.

C. UTILITY AND SEWER CONNECTIONS

The Lessor hereby leases unto the Lessee the nonexclusive right to the common use of and to tie onto the existing utility easements and connections and the existing sewer line as presently located in the common areas of River Road Condominium. In consideration the Lessee agrees to pay one-half (1/2) of the cost of maintaining and repairing the sewer line from the point where Lessee's sewer line enters the River Road Condominium sewer line and continuing therefrom to the point where maintenance of the sewer line by the City of Tuscaloosa begins. Lessee shall pay all costs incurred in the initial construction of its sewer line and the connection of the two sewer lines.

D. PARKING

The Lessor acknowledges that the Lessee owns the real property upon which the southernmost row of parking spaces is located in the southernmost parking lot of River Road Condominium. The Lessor hereby leases to Lessee and likewise the Lessee hereby leases to Lessor the nonexclusive right for the members of both condominium associations to park in the southernmost parking lot which presently exists and also at the south end of the west parking lot which presently exists. These cross parking rights are, however, subject to the approval of both Association Boards to assign parking spaces to persons who are handicapped or sixty-two (62) years of age. In addition, the Lessor hereby leases unto Lessee the exclusive right to use during the term of this Lease Agreement those several parking spaces shown on Lessee's approved site plan located at the Southwest corner and along the southwest side of the south and west parking lots of River Road Condominium for use by Lessee to access the Lessee's westernmost parking lot as shown on its site plan and to provide

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space for the construction and maintenance of the canopy which will cover the entrance to the building to be constructed by Lessee. It is understood and agreed that the Lessee shall have no right to use the north and east parking lots and those spaces in the west parking lot adjacent to building D of River Road Condominium nor shall the Lessor have the right to use the two (2) parking lots to be constructed by Lessee on the property described in Exhibit "A" attached hereto. The Lessor and the Lessee shall each bear the cost of maintaining and repairing the parking areas which are actually owned by each respective party, however, the Lessee shall pay all of the initial cost incurred in the conversion of the parking spaces to the entrance way to Lessee's new parking lot. A diagram showing the affected parking areas is attached hereto as Exhibit "B".

4. INSURANCE

If additional, specific coverage for any portion of the common elements affected by this Lease Agreement is necessary or desired, the cost of such additional coverage shall be shared equally by the Lessor and the Lessee. The Lessor and the Lessee shall each bear their respective expense of maintaining the desired insurance coverages for the portions of the common elements of River Road Condominium which are affected by this Lease.

5. DEFAULT

In the event the Lessee fails to pay any sums due from it under the terms of this Lease Agreement or fails to fulfill any other obligations of Lessee pursuant to this Lease Agreement, the Lessor shall first notify the Lessee in writing of the said default and upon the receipt of such notice, the Lessee shall undertake to cure the said default within forty-five (45) days of the receipt of said notice. The failure of the Lessee to remedy any default during the forty-five (45) day period shall entitle the Lessor to cancel, terminate and annul this Lease Agreement.

6. MISCELLANEOUS

The original executed copy of this Lease Agreement shall be recorded in the Probate Office of Tuscaloosa County, Alabama at the

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expense of the Lessee. Except for the occurrence of a default which is not timely cured by the Lessee, this Lease Agreement shall be irrevocable during the ninety-nine (99) year term hereof except, however, this Lease Agreement may be modified or terminated by mutual agreement of not less than sixty-seven (67%) percent of the members of River Road Association, Inc., and sixty-seven (67%) percent of the members of the Homeowner's Association for the condominium to be organized by Lessee, said agreement to be in writing and effective only upon the recordation of such agreement in the Probate Office of Tuscaloosa County, Alabama. The payments due from Lessee to Lessor pursuant to Section 3, Paragraphs A, B and C regarding the entrance, roadways and utility and sewer connections shall commence upon the execution of this Lease.

IN WITNESS WHEREOF, the parties hereto have caused their respective names to be hereunto subscribed by their duly authorized officers on the day and year set forth hereinabove.

ATTEST:

LESSOR:

By: [Signature]
As Its Secretary

By: [Signature]
As Its President

ATTEST:

LESSEE:

DUMAC, INC.

By: [Signature]
Joe B. Duckworth
As Its Secretary

By: [Signature]
Roger McCoy
As Its President

STATE OF ALABAMA)

TUSCALOOSA COUNTY)

I, the undersigned authority, a Notary Public in and for the State of Alabama at Large, do hereby certify that Gary E Major, whose name as President of River Road Association, Inc., 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 said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of the said River Road Association, Inc.

25th day of January, 1988.

[Signature]
Notary Public in and for the
State of Alabama at Large

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STATE OF ALABAMA)
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TUSCALOOSA COUNTY)

I, the undersigned authority, a Notary Public in and for the State of Alabama at Large, do hereby certify that Roger McCoy, whose name as President of DUMAC, Inc., 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 said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of the said DUMAC, Inc.

GIVEN under my hand and official seal of office on this the 26th day of January, 1988.

Rodney M. Jones

Notary Public in and for the
State of Alabama at Large

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EXHIBIT "A"

A part of the Southwest Quarter of the Southwest Quarter of Section 14, Township 21 South, Range 10 West, in Tuscaloosa County, Alabama, being more particularly described as follows: Start at the intersection of the West line of the Southwest Quarter of the Southwest Quarter and the North boundary of the right-of-way of Seaboard Railroad, said point being further defined as being the East boundary of Queen City Avenue and 50.00 ft. North of the centerline of said Seaboard Railroad; thence run in a Northerly direction along the West line of the Southwest Quarter of the Southwest Quarter for a distance of 100.00 ft. to the POINT OF BEGINNING; thence with a deflection angle of 81 degrees 31 minutes to the right, run in an Easterly direction for a distance of 430 ft., more or less, to a point on the curving North right-of-way margin of said Seaboard Railroad, said point being the Northwest corner of a right-of-way change, 70.00 ft. from centerline being Station 876+78.9; thence continue Eastwardly along the right-of-way of said Seaboard Railroad along a curve concaved to the right, said curve having a radius of 1,979.8 ft., for a distance of 77.75 ft. to a point; thence Southwardly and radial to said curve for a distance of 20.0 ft. to a point; thence Eastwardly along the right-of-way of said Seaboard Railroad along a curve concaved to the right, said curve having a radius of 1,959.8 ft., for a distance of 366.0 ft. to a point, said point being further defined as being 50 ft. North of centerline of said Seaboard Railroad and on the West boundary of Circle Drive, a 50.00 ft. street, as defined by the Guild's Woods Addition Survey, as recorded in Plat Book 5, Page 11, in the Probate Office of Tuscaloosa County, Alabama; thence Northwardly along the West boundary of said Circle Drive for a distance of 90.82 ft. to a point; thence with an interior angle of 173 degrees 53 minutes continue in a Northerly direction and along the West boundary of said Circle Drive for a distance of 108.82 ft. to a point; thence with an interior angle of 208 degrees 24 minutes continue in a Northerly direction and along the West boundary of said Circle Drive for a distance of 54.38 ft. to a point which is the Southeast corner of Lot 54 of the Second Addition to Guild's Woods Subdivision, as recorded in Plat Book 7 at Page 76, in the Probate Office of Tuscaloosa County, Alabama; thence with an interior angle of 59 degrees 13 minutes, run in a Westerly direction and along the South boundary of said Lot 54 for a distance of 127.0 ft. to the Southwest corner of said Lot 54; thence with an interior angle of 270 degrees 00 minutes, run in a Northerly direction along the West boundary of said Lot 54 for a distance of 38.24 ft. to a point; thence with an interior angle of 110 degrees 21 minutes, run in a Northwesterly direction for a distance of 571.80 ft. to a point; thence with an interior angle of 270 degrees 00 minutes run in a Northerly direction for a distance of 120.0 ft. to a point; thence with an interior angle of 90 degrees 00 minutes, run in a Westerly direction for a distance of 79.94 ft. to a point on the West boundary of said Southwest Quarter of the Southwest Quarter; thence with an interior angle of 97 degrees 52 minutes, run in a Southerly direction and along the West boundary of said Southwest Quarter of the Southwest Quarter for a distance of 348.90 ft. to the point of beginning.

Blay E. Mayal 1/25/88
[Signature] 1/26/88
Joe D. Duverson 1/26/88
Allen Barber 1-27-88

W.O.* 87-07-029

McGUIRE, CABANISS, AND McGUIRE
 CONSULTING ENGINEERS, INC.

P.O. Box 2630
 TUSCALOOSA, ALABAMA 35403