

STATE OF ALABAMA
COUNTY OF BALDWIN

PURCHASE AGREEMENT

This Purchase Agreement ("Agreement") is entered into by and between the CITY OF FOLEY, ALABAMA, an Alabama municipal corporation ("Seller") and A-1 INSULATING CO., INC., an Alabama corporation ("Purchaser"). The effective date of this Agreement shall be the date of execution and delivery hereof by Seller and Purchaser (the "Effective Date").

Recitals

WHEREAS, Seller is the owner of certain real property located in Baldwin County, Alabama and more specifically described on **Exhibit A** attached hereto and made a part hereof (the "Property"); and

WHEREAS, Seller wishes to sell the Property to Purchaser, and Purchaser wishes to acquire the Property from Seller, subject to and in accordance with the terms and conditions hereof.

NOW, THEREFORE, in consideration of the sum of Ten Dollars (\$10.00), the premises, the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Purchaser hereby agree as follows:

1. Purchase and Sale. Subject to the terms and conditions of this Agreement, Seller hereby agrees to sell and convey the Property to Purchaser, and Purchaser hereby agrees to purchase the Property from Seller.

2. Purchase Price. The purchase price for the Property shall be FIFTY THOUSAND and No/100 Dollars (\$50,000.00) per acre, computed to the nearest hundredth of an acre pursuant to the Survey (the "Purchase Price"). The Purchase Price shall be paid to Seller at Closing in immediately available funds satisfactory to Seller.

3. Earnest Money. Within five (5) business days after the Effective Date, if not previously provided, Purchaser shall deliver to Seller, the amount of TEN THOUSAND and No/100 (\$10,000.00) (the "Earnest Money"). All Earnest Money shall be non-refundable. If the sale of the Property is consummated pursuant to the terms of this Agreement, the Earnest Money shall be applied to the payment of the Purchase Price. If the sale of the Property is not consummated for any reason, then Seller shall retain the Earnest Money as liquidated damages, and neither Seller nor Purchaser shall have any further obligation or liability to the other hereunder.

4. Title Insurance. Within thirty (30) days following the Effective Date, the Seller will cause Gulf Shores Title Co. (the "Title Company") to issue an owner's policy of title insurance ("Owner's Title Policy") to Purchaser with respect to the Property (the "Title Commitment") in the amount of the Purchase Price. All exceptions which are set forth in the Title Commitment shall be deemed permitted exceptions to the status of Seller's title (the "Permitted Title").

Exceptions)). The premiums for the Title Policy and fifty percent of any search fees or Title Commitment fees shall be paid by the Purchaser.

5. Survey. Seller prepared a survey of the Property in conjunction with the subdivision of the Property (the "Survey"). An electronic copy of the Survey will be supplied to Purchaser.

6. Closing. Unless otherwise agreed, the closing of the purchase of the Property ("Closing") shall take place through the offices of the Title Company located at 120 Cove Avenue, Gulf Shores, Alabama 36542.

7. City Council Approval Contingency. This Agreement and the Seller's obligation to sell the Property as provided herein is contingent upon the issuance of all necessary and proper authorizations and approvals by the City Council of the City of Foley. This approval will be granted thirty (30) days from the Effective Date.

8. Development. Purchaser shall utilize its best efforts to commence construction of its intended use on the Property within twenty-four (24) months after the Closing Date, provided all necessary permits have been issued by the City. In the event Purchaser does not commence construction of its intended use within twenty-four (24) months, the Property shall revert to Seller.

9. Closing Deliverables. The purchase and sale of the Property pursuant to this Agreement shall be made by the execution and delivery at the Closing of the following instruments and documents by, from and between Seller and Purchaser, as applicable:

- (a) The Deed in Alabama standard form conveying the Property to Purchaser, subject only to the lien for current ad valorem taxes and the use restriction setout therein;
- (b) Settlement Statement prepared in accordance with this Agreement;
- (c) The Owner's Title Policy;
- (d) A Non-Foreign Status Affidavit and Certificate in customary form to be provided by the Title Company; and
- (e) Such authorizations, affidavits, organizational documents, proof of existence and good standing and other instruments as the Title Company shall require, including, without limitation, affidavits required by the Title Company to delete the standard exceptions to the Title Commitment concerning such matters as mechanic's liens, parties in possession and the gap, and such other and additional documents or instruments as may be required of Seller or Purchaser, under the terms of this Agreement, to complete the sale and purchase of the Property.

10. Additional Closing Costs and Expenses. Seller and Purchaser shall pay for fifty percent of the preparation of the Deed, all recording and transfer fees, documentary stamps, taxes or other charges or assessments in connection with the recording of the Deed and other closing documents, as applicable. Seller shall pay fifty percent of the closing and escrow fee charged by the Title Company and Purchaser shall pay the remaining fifty percent of the same. Real estate taxes and assessments, if any, with respect to the Property shall be prorated based upon the best estimate available to the Title Company. Any proration based on an estimate will be prorated between the parties upon receipt of the actual tax bill upon the request of either party.

11. Default. Should a party breach this Agreement, or this transaction not be concluded because of the default of a party, then the other party shall have such rights or remedies as may be afforded to it by law, provided that neither party shall have the right or remedy of specific performance.

12. As-Is Sale. Except as expressly provided herein, the purchase and sale of the Property contemplated under this Agreement is and shall be on an "as is, where is" basis.

13. Commission. Seller and Purchaser hereby represent and warrant to each other that neither is represented by a real estate company, and no commission will be due or payable to any agent, broker, salesman, or other persons or entities.

14. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon each of the parties hereto, and their respective successors and permitted assigns. Purchaser may not assign this Agreement without the prior written consent of Seller.

15. Notices. Any notices or other communications which may be required or desired to be given under the terms of this Agreement shall be in writing and shall be deemed to have been duly given if personally delivered, if sent by overnight courier service (e.g., Federal Express) or if mailed by United States certified mail, return receipt requested, postage prepaid, addressed to the respective party at the addresses set forth below. Any notice so given, delivered or made by mail shall be deemed to have been duly given, delivered or made when received at such address. Either party may change the address to which notices are to be sent to such party by written notice to the other party specifying such change of address.

To Seller: The City of Foley, Alabama
Attn: Assistant City Clerk
407 E. Laurel Avenue
Foley, Alabama 36535
Email: cwatkins@cityoffoley.org

With a copy to: Helmsing, Leach, Herlong, Newman & Rouse, P.C.
Attn: Keri R. Coumanis, Esq.
Rachel C. Palmer, Esq.
150 Government Street, Suite 2000
Mobile, Alabama 36602
Email: krc@helmsinglaw.com

rcp@helmsinglaw.com

To Purchaser: DM3 LLC
104 Rainbow Industrial Blvd.
Rainbow City, AL 35906
Attn: David Wrenn
Email: david.s.wrenn@gmail.com

17. Miscellaneous. This Agreement (and all exhibits and addenda hereto) constitutes the entire understanding and agreement between the parties hereto with respect to the subject matter hereof and supersedes any and all prior or contemporaneous agreements, representations or warranties with respect to the subject matter hereof, whether written or oral. This Agreement may not be changed, amended or modified in any respect whatsoever, nor may any covenant, agreement, condition, requirement, provision, warranty or obligation contained herein be waived, except in writing signed by both parties. The fact that one of the parties to this Agreement may be deemed to have drafted or structured any provision of this Agreement shall not be considered in construing or interpreting any particular provision of this Agreement, either in favor of or against such party. This Agreement may be executed in multiple copies, each of which will for all purposes constitute one Agreement, binding on all parties. Delivery of an executed copy of this Agreement by electronic transmission (e.g. facsimile or email) shall be binding upon the parties as delivery of the original.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date shown below the signature of each.

SELLER:

CITY OF FOLEY, ALABAMA,
an Alabama municipal corporation

By: Ralph G. Hellmich
As its: Mayor
Date: _____

ATTEST:

By: Christi Watkins
Its: Assistant City Clerk

PURCHASER:

A-1 INSULATING CO., INC.

By: David Wrenn
Its: _____
Date: _____

EXHIBIT A

Property Description

Lot 1A, being a resubdivision of Lot 1 of the Foley Beach Express Industrial Park Subdivision, as recorded on Slide 2186-C on November 3, 2004 in the Office of the Judge of Probate of Baldwin County, Alabama, LESS AND EXCEPT the North 20' of said Lot 1A which is being reserved for future right of way and is more particularly described as follows:

[insert boundaries of north 20']

EXHIBIT B

REAL ESTATE VALIDATION FORM

The following information is provided pursuant to Alabama Code § 40-22-1, and is verified by the signature of Grantor below:

Grantor's Name: The City of Foley

Grantee's Name: A-1 Insulating Co., Inc.

Mailing Address: 407 E. Laurel Avenue
Foley, Alabama 36535

Mailing Address:

Property Address:

Date of Sale:

Purchase Price: \$ _____

THE STATE OF ALABAMA
COUNTY OF BALDWIN

STATUTORY WARRANTY DEED

KNOW ALL MEN BY THESE PRESENTS, that the **CITY OF FOLEY, ALABAMA** an Alabama municipal corporation existing under the laws of the State of Alabama (hereinafter called "Grantor"), for and in consideration of the sum of _____ THOUSAND and ZERO DOLLARS (\$____,000.00) and other valuable consideration, the receipt of which is hereby acknowledged to have been paid to Grantor by **A-1 INSULATING CO., INC.**, an Alabama corporation (hereinafter called "Grantee") does hereby GRANT, BARGAIN, SELL and CONVEY unto the said Grantee, its successor or assigns, subject to the provisions hereinafter contained, the following real property situated in the County of Baldwin, State of Alabama, described as follows, to-wit:

Lot 1A, being a resubdivision of Lot 1 of the Foley Beach Express Industrial Park Subdivision, as recorded on Slide 2186-C on November 3, 2004 in the Office of the Judge of Probate of Baldwin County, Alabama, LESS AND EXCEPT the North 20' of said Lot 1A which is being reserved future right of way and is more particularly described as follows:

[insert boundaries of north 20']

(the "Subject Property"). The tax parcel number for the subject property is: 54-07-35-0-000-001.009.

This conveyance is made subject to the following:

The parcel herein conveyed shall be held, administered and developed by the Grantee pursuant to the terms and conditions of that certain Real Estate Purchase Agreement of even date herewith by and among the parties hereto, specifically the Development provision contained therein. Grantee acknowledges that Grantor relied on Grantee's promise to perform under the terms of the Development provision of the Real Estate Purchase Agreement as additional consideration for value in exchange for the subject real property.

The subject property shall be used and occupied for the following permitted uses only (subject to applicable zoning or other laws, regulations and ordinances):

(a) An office and warehouse.

AND, excepting any and all easements, setback line requirements, reservations and restrictions which are of public record in the Office of the Judge of Probate of Baldwin County, Alabama, to any present encroachments thereon, if any, and to the lien of real property taxes hereinafter falling due.

TOGETHER with all and singular, the rights, privileges, benefits, improvements, tenements, and appurtenances thereunto belonging or in anywise appertaining.

TO HAVE AND TO HOLD unto the said Grantee, and any successors or assigns, in fee simple AS LONG AS the Grantee performs under the terms of the Real Estate Purchase Agreement between Grantor and Grantee, specifically the Development provision. Failure by the Grantee to fulfill the terms of the Real Estate Purchase Agreement, specifically the Development provision, after this conveyance unconditionally allows the Grantor a Right of Reentry and, upon reentry by the Grantor, Grantee will thereby forfeit any and all interest in the Subject Property and any improvements thereon.

And the Grantor does hereby covenant and warrant with and unto the said Grantee, and to their successors and assigns, that the CITY OF FOLEY, ALABAMA is seized of an indefeasible estate in fee simple in and to all of the property hereinabove conveyed; that the same is free from all liens and encumbrances; that the CITY OF FOLEY, ALABAMA its successors or assigns, shall forever warrant and defend the same unto the said Grantee and unto their successors or assigns, forever against the lawful claims of all persons.

All recordings referenced herein to the records of the Office of the Judge of Probate of Baldwin, County, Alabama, unless otherwise specified.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the City of Foley, Alabama, an Alabama municipal corporation, has caused this instrument to be executed in its name and its seal to be hereto affixed, on this the ____ day of _____, 2025.

GRANTOR:

THE CITY OF FOLEY, ALABAMA,
An Alabama municipal corporation

By: Ralph G. Hellmich

Its: Mayor

ATTEST:

By: Christi Watkins

Its: Assistant City Clerk

STATE OF ALABAMA
COUNTY OF BALDWIN

I, the undersigned Notary Public, in and for said County in said State, hereby certify that _____ and _____ whose names as _____ and _____ respectively, of the City of Foley, Alabama, are signed to the foregoing instrument and who are known to me, acknowledged before me on this day that, being informed of the contents of this instrument, they, as such officers and with full authority, executed the same voluntarily for and as the act of said municipal corporation on the day the same bears date.

Given under my hand and seal this the ____ day of _____, 2025.

NOTARY PUBLIC

My Commission Expires:

_____ (SEAL)

THIS INSTRUMENT PREPARED BY:

Rachel C. Palmer, Esq.

Helmsing, Leach, Herlong,
Newman & Rouse, P.C.
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Mobile, Alabama 36652
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