

Model Home Infrastructure Construction and Hold Harmless Agreement

THIS MODEL HOME INFRASTRUCTURE CONSTRUCTION AND HOLD HARMLESS AGREEMENT (“Agreement”) is made and entered into this _____ day of _____, 2025, by and between **Kolter Group Acquisitions LLC**, a Florida limited liability company, (“Kolter”), whose address is 105 NE 1st Street, Delray Beach, Florida 33444, and the **City of Foley, Alabama**, whose address is 407 E. Laurel Avenue, Foley, Alabama 36535.

Background

WHEREAS, Kolter is, or will be, the owner of certain real property located in the City of Foley (the “City”), Baldwin County (the “County”), Alabama that is particularly described in Exhibit A to this Agreement (the “Property”);

WHEREAS, Kolter intends to develop the Property as a residential development;

WHEREAS, as part of Kolter’s plan to develop the Property as a residential development, Kolter desires to obtain building permits so that it can begin constructing up to twenty (20) model homes on a portion of the Property (the “Model Homes”) and associated parking areas;

WHEREAS, Kolter and the City acknowledge that certain infrastructure improvements (i.e., installation of water distribution systems, curbs, and asphalt) necessary to serve the Model Homes at the Property (the “Infrastructure Improvements”) have not yet been installed on the portion of the Property where Kolter will be constructing the Model Homes, but Kolter desires to begin its construction of the model homes in the immediate future prior to the installation of the Infrastructure Improvements and prior to the final plat recording;

WHEREAS, the City requests and Kolter agrees to indemnify and hold harmless the City, as stated in this Agreement, from any damages that arise out of Kolter constructing the Model Homes on the Property prior to the completion of the installation of the Infrastructure Improvements;

WHEREAS, in exchange for Kolter’s agreement to indemnify and hold harmless the City, as stated in this Agreement, the City will allow Kolter to construct the Model Homes on the Property prior to the completion of the installation of the Infrastructure Improvements and therefore will not delay or prevent the issuance of any building permits associated with such construction due to the Infrastructure Improvements not yet being installed, but only on the terms and conditions contained herein;

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth in this Agreement, Kolter and the City agree as follows:

Agreement

1. The above recitals are true and correct and are incorporated herein by this reference.

2. Kolter hereby agrees to indemnify, defend and hold City, its agents, employees and affiliates, harmless from any and all manner of actions, causes of action, suits, damages, judgments, executions, claims for personal injury or property damage, demands or losses of any kind whatsoever, in law or in equity, which may arise as a result of Kolter's commencement of construction of the Model Homes on the Property prior to the completion of the Infrastructure Improvements, including, but not limited to, losses from the loss of workmanship and materials due to fire or other disasters whether manmade or natural, and/or losses due to delays in obtaining a final certificate of occupancy resulting in part or all from the failure to complete some or all of the Infrastructure Improvements.

The indemnification and hold harmless obligations set forth in this Paragraph 2 of this Agreement shall terminate immediately upon the completion of the last of the following: completion of the Infrastructure Improvements, the final plat recording, and issuance of a Certificate of Occupancy for each of the Model Homes.

3. The Infrastructure Improvements shall be deemed completed upon final testing and acceptance by the City of Foley.
4. Kolter agrees to strictly follow the requirements set forth herein.
5. Kolter agrees to remove any subcontractor or contractor who is working on the construction of the Model Homes or the Infrastructure Improvements who is determined by the City to be negligent in regard to their work on the Property and who continues to damage or destroy the Property, Model Homes, or Infrastructure Improvements, or otherwise jeopardizes the health, safety and welfare of any citizens.
6. Prior to the completion of the Infrastructure Improvements, Kolter acknowledges responsibility for its own fire protection at the areas where the Model Homes are being constructed at the Property.
7. Kolter shall not transfer ownership of any Model Home until the Infrastructure Improvements are completed, the final plat is recorded, and a CO on the Model Home is issued.
8. This Agreement shall not govern Kolter as it relates to its development of other areas of the Property where Kolter is not constructing Model Homes.
9. The City will not issue a Certificate of Occupancy for any Model Home until after final plat recording. The City will, however, issue a Certificate of Completion and allow one or more Model Homes to be used as show houses and/or offices for sales activity, but not for overnight or other habitation.
10. This Agreement shall extend to and be binding upon Kolter, the City, and their successors and assigns. Kolter shall have the right to assign this Agreement and its rights and obligations hereunder at any time without the City's prior consent to an entity affiliated

with, owned (in-whole or in part), controlled, operated, or managed by The Kolter Group LLC or its affiliates or the owners or principals of an affiliated entity of such entities.

11. This Agreement may be signed in counterparts. An email copy of a signature shall be deemed an original for all purposes
12. The undersigned represent and warrant that they have full authority to execute, deliver and perform this Agreement in accordance with its terms on behalf of the named party to this Agreement, without the joinder or consent of any additional parties.
13. This Agreement constitutes the entire agreement between the City and Kolter supersedes all prior agreements and understandings, whether written or oral, relating to the subject matter hereof.

IT IS SO AGREED:

City of Foley, Alabama

By: _____
Signature

Printed Name

Title

Date

IT IS SO AGREED:

Kolter Group Acquisitions LLC

By: _____
Signature

Printed Name

Title

Date

Exhibit A
(Property Description)

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