

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (this “Agreement”) is made and entered into on this the ____ day of _____, 2025, by and between the **CITY OF FOLEY, ALABAMA**, an Alabama municipal corporation (“Seller” or “City”), and **BALDWIN INDUSTRIAL STORAGE AND WAREHOUSING LLC**, an Alabama limited liability company (“Purchaser”).

WHEREAS, Seller is the owner of certain real property described in **Exhibit A** attached hereto (collectively, the “Property”); and

WHEREAS, Seller and Purchaser desire that the Property be developed in accordance with the Development Plan (as hereinafter defined); and

WHEREAS, contemporaneously herewith, Seller will convey the Property to Purchaser by Warranty Deed (the “Deed”), which Deed incorporates the terms, conditions and covenants of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. Scope of Work

- (a) Development Plan. Purchaser has agreed to undertake the following improvements to the Property (hereinafter the “Development Plan”):
 - i. Development of Industrial Storage / Warehouse with capital improvement costs to approximating \$2,000,000 in order to support the warehousing and distribution of freight in and around Foley and with a direct hire of 9-11 employees;
 - ii. Development of secured truck and trailer parking with capital improvement costs to approximating \$500,000 and with a direct hire of 3-4 employees; and,
 - iii. Development of truck wash/ lube change station (this facility can also service RVs, boats or any other oversized equipment). Approximately \$500,000 investment with a direct Hire of 5-6 employees.
- (b) The Development Plan, as described in more detail in **Exhibit B** attached hereto and incorporated herein, has been provided by the Purchaser to Seller as part of the purchase negotiations.
- (c) In the event Purchaser wishes to make any modifications to the Development Plan, following receipt of the necessary building and development permits, Purchaser shall present all modifications to Seller for approval, which will not be unreasonably withheld.

2. Warranty.

The Development Plan and any other improvements of the Property (collectively, the “Improvements”) shall be performed in a good and workmanlike manner in accordance with all applicable City of Foley ordinances and regulations and the guidelines and standards of the City Council of the City of Foley, and pursuant to the terms, conditions and deadlines provided for in this Agreement.

3. Deadlines.

- (a) Purchaser shall obtain all required permits from the City of Foley and/or agencies tasked with permitting the Improvements and commence construction within 24 months of the date of closing (the “Construction Commencement Deadline”).
- (b) Time is of the essence in this Agreement and the above deadlines shall be strictly adhered to by Purchaser.

4. Additional Requirements. In addition to all other requirements in this Agreement, Purchaser shall construct and perform the Improvements in accordance with City of Foley ordinances and regulations and the guidelines and standards of the City Council of the City of Foley.

5. Enforcement.

- (a) As a material condition and inducement to Seller entering into this Agreement and conveying the Property to Purchaser, Purchaser has agreed to undertake the Development Plan, and any Improvements, in accordance with the terms and conditions of this Agreement.
- (b) Should construction not commence by the Construction Commencement Deadline, Seller shall give Purchaser written notice thereof of its intent to exercise its right to re-enter and repurchase the Property.
- (c) In the event the failure to commence construction is not cured within thirty (30) calendar days after written notice thereof from Seller, then, in any such event, title to the Property shall automatically revert to and re-vest in Seller, its successors and assigns, without the necessity of re-entry or repossession or any other action on the part of Seller. Purchaser, by its acceptance hereof, does hereby acknowledge and agree that, upon such reversion, the compensation due to Purchaser shall be the purchase price paid to Seller for the Property, said price to be paid at the closing; and, Purchaser does hereby waive any and all claims against Seller for reimbursement or for other compensation or for loss or expense suffered by Purchaser by reason of said reversion and re-vesting of title to the Property in Seller.
- (d) No failure on the part of Seller to enforce any term herein nor the waiver of any right hereunder by Seller shall discharge or invalidate such term or other condition, or any deadline contained herein, or affect the right of Seller to enforce the same in the event of a subsequent breach or default.

6. Miscellaneous.

- (a) This Agreement and the other agreements referred to herein constitute the entire agreement and understanding of the parties with respect to the subject matter hereof, and supersede all prior and contemporaneous agreements and understandings, oral or written, relative to said subject matter.
- (b) This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns, but neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by Purchaser without the prior written consent of Seller.
- (c) This Agreement may not be changed, amended, terminated, augmented, rescinded or otherwise altered, in whole or in part, except by a writing executed by each party hereto. No right, remedy or election given by any term of this Agreement shall be deemed exclusive, but each shall be cumulative with all other rights, remedies and elections available at law or in equity.
- (d) Any notice required or permitted hereunder shall be in writing, and shall be deemed given and received only when (a) personally delivered, (b) five (5) days following deposit in the United States Mail, postage prepaid, Certified Mail, Return Receipt Requested, (c) upon delivery by an overnight courier, addressed to Seller or Purchaser, or (d) upon delivery by electronic mail, as the case may be, at the addresses set forth below. Either party may change its address or other information above by written notice given as aforesaid.

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.
150 Government Street, Suite 2000
Mobile, Alabama 36602
Email: krc@helmsinglaw.com

To Purchaser: Baldwin Industrial Storage and Warehousing LLC

Attn: Sunny Johal
599 Royal Troon Circle
Gulf Shores, Alabama 36542
Email: johalsunny@gmail.com

- (e) This Agreement shall in all respects be governed by and construed in accordance with the laws of the State of Alabama, without regard to its conflict of laws principles.
- (f) The headings in this Agreement are inserted for convenience and identification only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof.
- (g) This Agreement may be executed in multiple counterparts by original or facsimile signatures, and each such counterpart shall be considered an original, but all of which together shall constitute one and the same agreement.
- (h) Whenever the context requires, words used in the singular shall be construed to mean or to include the plural and vice versa, and pronouns of any gender shall be deemed to include and to designate the masculine, feminine or neuter gender.
- (i) Whenever a period of time is herein prescribed for the taking of any action by Purchaser, Purchaser shall not be liable or responsible for, and there shall be excluded from the computation of such period of time, any delays due to acts of God, adverse weather conditions in excess of those reasonably anticipatable during a given period that impacts construction (using the same standard for weather delay that would be applicable under the current standard AIA form of A-201 General Conditions, but including related drying time and time for re-preparation of ground, fill or other existing materials), shortages of labor or materials, governmental laws, regulations or restrictions, or any other cause whatsoever beyond the control of Purchaser.

[SIGNATURES PAGE TO FOLLOW]

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

SELLER:

CITY OF FOLEY, ALABAMA,
an Alabama municipal corporation

By _____
As its: _____
Date: _____

ATTEST:

By: _____
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 _____, 2024.

NOTARY PUBLIC
My Commission Expires:
_____ (SEAL)

PURCHASER:

BALDWIN INDUSTRIAL STORAGE AND
WAREHOUSING LLC

By: Sunny Johal

Its: _____

Date: _____

STATE OF ALABAMA
COUNTY OF BALDWIN

I, the undersigned Notary public in and for said county in said state, hereby certify that SUNNY JOHAL, whose name as _____ of BALDWIN INDUSTRIAL STORAGE AND WAREHOUSING LLC, an Alabama limited liability company, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the above and foregoing instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said limited liability company on the day the same bears date.

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

NOTARY PUBLIC

My Commission Expires:

_____ (SEAL)

EXHIBIT A

12+/- acres of Lot 3B, being a resubdivision of Lot 3 of the Foley Beach Express Industrial Park Unit 7 Subdivision, as recorded on Slide 2969-A on September 19, 2024, in the Office of the Judge of Probate of Baldwin County, Alabama

EXHIBIT B

DEVELOPMENT PLAN PROVIDED BY PURCHASER

REQUEST FOR 10 ACRES IN INDUSTRIAL PARK FOLEY

External

Inbox

sunny johal <johalsunny@gmail.com>

Mon, May 19,
2:06 PM

to me

Good afternoon Sir,

It was a pleasure meeting with you on Friday.

Just to refresh again, we are a LOGISTICS company (Marinetrans Logistics) in business since 2007. We are dealing with trucks/ containers/ 3PL warehouses to handle freight for our various clients.

As we discussed, I would like to get about 10 acres of the property facing Foley Expressway for the following project.

1. INDUSTRIAL STORAGE/ WAREHOUSE (approximately 2 million investment)- 5-10 employees

- We would like to build up to a 20,000- 100,000sf (will start with 20,000 and keep adding to it) warehouse to store freight for businesses in Baldwin County. This would include indoor and outdoor storage.
- We will offer cross-dock services to the trucking companies/ businesses in and around the Foley area.
- We will handle overweight/ oversized freight, which no one in the area is offering.

2. SECURED TRUCK AND TRAILER PARKING (500,000\$ investment) 3-4 employees

- We will offer a secured parking lot with 24 hr security to the existing and new trucking companies in and around the area. Also, will offer them covered storage so that they won't have stuff all around the property like tyres, boxes, lubes, rims etc

3. TRUCK WASH/ LUBE CHANGE. (500,000\$ investment) 5-6 employees

- Once we reach the capacity in the warehouse and parking, we would like to add a Truck trailer wash as well as a lube change facility to serve all the trucks on the parking lot, as well as around the town. This facility can also service RVs, Big Boats, etc, or any other big equipment.

We are very open to any suggestions from your side. Thanks in advance, and let us know if more information is needed.

Yours Truly

Sunny Johal

Cell: 251-243-2064

e-mail: johalsunny@gmail.com