

**COUNTY OF BALDWIN
STATE OF ALABAMA**

GROUND LEASE

This Agreement, made as of the last day written below, by and between the WALLACE LIVING TRUST ("Lessor") and the CITY OF FOLEY, ALABAMA, a municipal corporation of the State of Alabama ("Tenant").

WITNESSETH:

1. **PREMISES:** In consideration of the rents, covenants and agreements hereinafter set forth, Lessor does hereby demise and lease to Tenant, and Tenant does hereby take and hire from Lessor, that certain real property situated in the City of Foley, Baldwin County, Alabama, together with all rights, easements and appurtenances thereunto belonging or appertaining (collectively referred to herein as the "Leased Premises"), said Leased Premises being those more fully described below, to-wit:

Parcel 1 (Tax Parcel Number 54-08-28-2-000-036.001):

The North 46 feet and 7 inches of Lots One (1), Two (2), and Three (3) in Block 3 in the Town of Foley, Alabama, all of which are located in Section 28, Township 7 South, Range 4 East, in Baldwin County, Alabama.

And,

Parcel 2 (Tax Parcel Number 54-08-28-2-000-036.000):

Beginning at a point which is 46 feet and 7 inches South of the Northwest corner of Lot 1, Block 3 in the Town of Foley and run thence South 63 feet to a point; thence East 75 feet; thence North 63 feet; and thence West 75 feet to the Point of Beginning;

Plus

The South 93 feet and 5 inches of Lots 2 and 3, Block 3, Town of Foley.

LESS AND EXCEPT, the garage and/or shed that is located in the southern portion of said Lot 3.

2. **TERM:** The term of this Lease shall commence on the date Tenant signs this Agreement, or if Tenant signs first, the date Lessor signs this Agreement (the "Commencement Date"). The original term of this Lease shall be **one (1) year**, (or twelve months) beginning on the Commencement Date (the "Original Term"). Lessor and

Tenant, following the Original Term, shall have the right, by giving ninety (90) days written notice to terminate this Lease with or without cause and for convenience. Upon termination, the parties shall have no further liabilities or obligations under this Lease.

3. RENTAL: Tenant shall pay Lessor rent in an amount equal to ONE AND 00/100 DOLLARS (\$1.00), which rent is to be pre-paid on the Commencement Date. Rent to be renegotiated for each renewal term.

4. USE AND MAINTENANCE OF PREMISES: Tenant shall not commit waste on the Leased Premises. Tenant shall not have the right to construct permanent improvements upon the Leased Premises without the written permission of Lessor, which consent may be withheld in the discretion of the Lessor. This lease does not include the garage/shed. Lessor retains the use and access to the shed. Premises to be used only for free parking

Tenant agrees to maintain the grass and landscaping present on the Leased Premises in a manner consistent with other lots in the vicinity of the Leased Premises. Tenant will not cut down any trees without Lessor's approval.

5. SURRENDER OF PREMISES: Tenant will deliver up and surrender possession of the Leased Premises to Lessor upon the expiration of this Lease or upon its termination in any way in a safe, clean and lawful condition.

6. NO WARRANTY OF CONDITION: Lessor does not warrant, and Tenant hereby acknowledges and agrees that Lessor has made no representation or warranty, that the Leased Premises is fit for any particular purpose or that it is suitable for the use to which the Tenant intends to put it. Tenant has had an opportunity to inspect and observe the Leased Premises, and Tenant enters into this Lease and takes the Leased Premises "as is, where is."

7. SUCCESSORS IN INTEREST: Every provision hereof applicable to Lessor and every provision hereof applicable to Tenant shall also bind, apply to and run in favor of "their respective successors in interest, heirs, executors, administrators, or personal representatives" as fully as if said quoted words were inserted after the word "Lessor" and "Tenant" wherever they appear herein, except that this provision shall not permit the assignment of the Lease, or subleasing of the Leased Premises.

8. SEVERABILITY: If any term, covenant or condition of this Lease or the application thereof to any person or circumstances shall to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant and condition of this Lease shall be valid and be enforced to the fullest extent permitted by law.

9. LIABILITY INSURANCE: This is the responsibility of the Tenant. Tenant agrees and covenants to hold the Lessor harmless against any and all claims, demands, causes of action, damages, costs and expenses arising out of or related to any personal injury, death, or property damage that is proximately caused by Tenant's use of the Leased Premises.

10. CONSTRUCTION OF LEASE: Words of any gender used in this Lease shall be held to include any other gender, and words in the singular number shall be held to include the plural, when the sense requires.

11. SERVICE OF NOTICE: Notices hereunder shall be in writing signed by the party serving the same and shall be sent by Registered or Certified U. S. Mail, Return Receipt Requested, postage prepaid, or by private express mail service, and (a) if intended for Lessor, shall be addressed to:

George C. Wallace and Evelyn L. Wallace
772 Bon Haven Drive
Annapolis, Maryland 21401

and (b) if intended for Tenant, shall be addressed to:

Mayor - City of Foley
City Hall
407 East Laurel Avenue
Foley, Alabama 36536

or to such other addresses as either party may have furnished to the other from time to time as a place for the service of Notice. Any Notice so mailed shall be deemed to have been "given" as of the time said Notice is received or refused.

13. HEADINGS: It is understood and agreed that the headings are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope or intent of this Lease, nor in any way affect this Lease.

14. ENTIRE AGREEMENT: This Lease contains the entire agreement between the parties and any agreement hereafter made shall be ineffective to change, modify or discharge it in whole or in part unless such agreement is in writing and signed by both parties.

15. COUNTERPARTS: This Lease may be executed simultaneously in several counterparts, each of which will be deemed an original, but all of which together will constitute one in the same instrument.

IN WITNESS WHEREOF, the parties, by and through their duly authorized representatives, have caused this Lease to be executed and attested on the dates appearing together with their signatures below.

LESSOR: WALLACE LIVING TRUST

_____ Date: _____
By: George C. Wallace
As Its: Trustee

_____ Date: _____
By: Evelyn L. Wallace
As Its: Trustee

TENANT: THE CITY OF FOLEY, ALABAMA

_____ Date: _____
By: John Koniar
As Its: Mayor

ATTEST:

_____ Date: _____
By: Victoria Southern, CMC
As Its: City Clerk

STATE OF ALABAMA
COUNTY OF BALDWIN

The undersigned, a Notary Public in and for the above state and county, hereby certify that John Koniar and Victoria Southern, the Mayor and City Clerk, respectively, of the City of Foley, Alabama, an Alabama municipal corporation, and who were known to me as the persons and officers described herein, acknowledged before me that being informed of the contents of said instrument, they, as such officers and with full authority, executed the same voluntarily for and as the act of said corporation on the day the same bears date.

Given under my hand and official seal, this the _____ day of _____, 2013.

[SEAL]

Notary Public
My Commission Expires: _____

STATE OF _____
COUNTY OF _____

I, the undersigned Notary Public, in and for said county and said state, hereby certify that George C. Wallace and Evelyn L. Wallace, as Trustees of the Wallace Living Trust, 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 said instrument, they, as such officers and with full authority, executed the same voluntarily for and as the act of said corporation on the day the same bears date.

Given under my hand and official seal, this the _____ day of _____, 2013.

[SEAL]

Notary Public
My Commission Expires: _____

This Document Prepared by:

J. CASEY PIPES
**HELMSING, LEACH, HERLONG,
NEWMAN & ROUSE, P.C.**
P.O. Box 2767
Mobile, AL 36652
(251) 432-5521

(Note: No title research was conducted. All legal descriptions provided to scrivener from Lessor's source deeds, recorded in the Baldwin County Probate Records as Instrument No. 528280 and in Real Property Book 730 Page 0074).