

DEVELOPMENT AGREEMENT

This Development Agreement (this "Agreement") is made and entered into effective as of March 14, 2025, by and between the CITY OF FAIRHOPE, ALABAMA, a municipal corporation organized and existing under the laws of Alabama (the "City") and DANIEL REALTY COMPANY, LLC, an Alabama limited liability company (the "Developer"). The City and the Developer are together sometimes referred to collectively as the "Parties" and, individually, as a "Party" herein.

RECITALS

WHEREAS, the Developer has entered into one or more contracts to purchase and acquire an approximately 549-acre tract of land in Baldwin County, as described on Exhibit A attached hereto (the "Site");

WHEREAS, the Developer proposes to develop an 18-hole championship golf course, club house with restaurants and related amenities, and related development of single-family homes with a maximum of 310 lots on the Site (the "Development");

WHEREAS, the Developer has requested that the City issue a letter to the Developer providing that the City will make water, sewer and natural gas utility services available to the Development (the "Availability Letter"); and

WHEREAS, the City is willing to issue the Availability Letter, subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, for and in consideration of the foregoing premises, the covenants and agreements herein contained, and other good and valuable consideration, the receipt, adequacy, and sufficiency of which are hereby acknowledged, the Parties do hereby agree as follows:

ARTICLE I OBLIGATIONS OF THE DEVELOPER

Section 1.1 The Subdivision. Promptly after the City's issuance of the Availability Letter, the Developer shall proceed to acquire the Site, seek subdivision approval from the Baldwin County Planning and Zoning Commission, and to construct the Development with reasonable diligence, generally in accordance with the site plan attached hereto as Exhibit B. The Development shall include not more than 310 lots for single-family homes (which maximum number of lots includes any rental cottages) and shall include one 18-hole championship golf course and clubhouse with restaurants and related amenities located at the clubhouses.