CODE ENFORCEMENT/ORDINANCE COMMITTEE

REGULAR MEETING AGENDA
1705 MAIN STREET, DAPHNE, AL
TUESDAY, SEPTEMBER 8, 2026 at 4:30 PM

Councilman Benjamin Hughes
Councilwoman Jennifer Green
Councilman Steve Olen
Councilman Oliver Roberts, Chairperson
Councilwoman Tommie Conaway
Councilman Joel Coleman
Councilwoman Stephanie Messinger

1. CALL TO ORDER/ROLL CALL

2. APPROVE MINUTES

A. Review the minutes from the August 3, 2026 meeting

3. PUBLIC PARTICIPATION

4. ORDINANCE REVIEW/DISCUSSION

A. Ordinance Authorizing the Acquisition of Certain Real Property Known as the Apalachee Property

5. OTHER BUSINESS DEEMED NECESSARY

A. Discuss advertising fees for ordinances

6. NEXT MEETING: October 5, 2026

7. ADJOURN

CODE ENFORCEMENT/ORDINANCE COMMITTEE MEETING
August 3, 2026, 4:30 p.m.
City Hall, Council Chamber
1705 Main Street, Daphne, AL 36526

MEETING MINUTES

MEMBERS PRESENT: Councilwoman Conaway, Councilman Roberts, Councilwoman Green, Councilman Olen and Councilman Hughes

MEMBERS ABSENT: Councilman Coleman and Councilwoman Messinger

ALSO PRESENT: Jay Ross, City Attorney; Christina Brazell, Code Enforcement; Mayor LeJeune; Cindy Beaudreau, City Clerk; Troy Strunk, City Development; Bobby Purvis, Public Works; Randy Jones, Public Works; Chief Tacon, Fire; and Kelli Reid, Finance.

1) CALL MEETING TO ORDER / ROLL CALL

There being a quorum present Councilman Roberts called the meeting to order at 4:30 p.m.

2) APPROVE MINUTES FROM THE June 2, 2026 Meeting

3) PUBLIC PARTICIPATION

4) ORDINANCE REVIEW/DISCUSSION

5) OTHER BUSINESS DEEMED NECESSARY

A) Act 2026-608 One-Time Lump Sum Payment to Retired Members and Beneficiaries of Deceased Retirees in the amount of $31,964.

MOTION by Councilman Hughes to recommend to Council to approve the One-Time Lump Sum Payment to Retired Members and Beneficiaries of Deceased Retirees in the amount of $31,964. Seconded by Councilwoman Green.
MOTION CARRIED 4-1 WITH COUNCILMAN OLEN AGAINST.

6) NEXT MEETING

The next meeting is scheduled for Monday, September 8, 2026 at 4:30 p.m.

7) ADJOURN

There being no further business to discuss, the Council adjourned at 4:35pm.

CITY OF DAPHNE, ALABAMA
ORDINANCE 2026-___

AN ORDINANCE AUTHORIZING THE ACQUISITION OF CERTAIN REAL PROPERTY COMMONLY KNOWN AS THE APALACHEE PROPERTY; APPROVING A PURCHASE AND DONATION AGREEMENT; AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND RELATED DOCUMENTS; AUTHORIZING THE EXPENDITURE OF FUNDS; AND PROVIDING FOR RELATED MATTERS

WHEREAS, Section 11-40-1, Code of Alabama (1975), as amended, authorizes a municipality to acquire property by purchase, gift, devise, or appropriation for a municipal purpose authorized by law; and

WHEREAS, Section 11-47-170, Code of Alabama (1975), as amended, authorizes a municipality, whenever in the judgment of its governing body it is necessary or expedient for the carrying out and full exercise of any power granted by law, to acquire by purchase the necessary lands, rights, easements, or interests therein; and

WHEREAS, pursuant to Section 11-43-56, Code of Alabama (1975), as amended, the City Council has the management and control of the finances and real and personal property of the City; and

WHEREAS, Barry L. Booth ("Booth") and Chunchula Energy Corporation, an Alabama corporation ("Chunchula"), hold record title to Lot 1-B of the Resubdivision of Lot 1, Sundowne Subdivision, and Apalachee Development LLC, an Alabama limited liability company ("Apalachee"), holds record title to Lot 1-A of the Resubdivision of Lot 1, Sundowne Subdivision, which parcels, together with all appurtenant rights and easements, constitute the property commonly known as "Apalachee," located at 28747 2nd Street, Daphne, Alabama, and more particularly described in the Purchase and Donation Agreement referenced below (the "Property"); and

WHEREAS, the City desires to acquire one hundred percent (100%) fee simple title to the Property, together with all appurtenant rights and easements, for municipal purposes; and

WHEREAS, the City and Booth, Chunchula, and Apalachee (collectively, the "Sellers") have negotiated a Purchase and Donation Agreement substantially in the form attached hereto as Exhibit A and incorporated herein by reference (the "Agreement"); and

WHEREAS, pursuant to the Agreement, the aggregate cash purchase price to be paid by the City for the Property is Two Million Three Hundred Seventy-Five Thousand Dollars ($2,375,000), consisting of (i) One Million Dollars ($1,000,000) payable with respect to Lot 1-B and (ii) One Million Three Hundred Seventy-Five Thousand Dollars ($1,375,000) payable with respect to Lot 1-A; and

WHEREAS, the Agreement further provides that Three Hundred Seventy-Five Thousand Dollars ($375,000) of the value attributable to Lot 1-B will constitute a charitable gift and donation to the City, for which the City will provide the acknowledgment described in the Agreement, resulting in total consideration and donated value of Two Million Seven Hundred Fifty Thousand Dollars ($2,750,000); and

WHEREAS, the Property was appraised by Edmond G. Eslava III, MAI, SRA, ASA, of The Appraisal & Consultant Group, with an effective date of August 26, 2025, at an "As Is" market value of the fee simple estate of Two Million Seven Hundred Fifty Thousand Dollars ($2,750,000); and

WHEREAS, after consideration of the Agreement, the appraisal, the location and characteristics of the Property, the interests to be acquired, and the anticipated municipal use and benefit of the Property, the City Council finds and determines that the acquisition of the Property serves a valid municipal and public purpose, that the terms of the proposed acquisition are fair and reasonable, and that acquisition of the Property is in the best interests of the City and its citizens.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, AS FOLLOWS:

SECTION 1. APPROVAL OF ACQUISITION. The acquisition by the City of one hundred percent (100%) fee simple title to the Property, together with all rights and easements appurtenant thereto, upon the terms and subject to the conditions set forth in the Agreement, is hereby authorized and approved. The City Council further finds and determines, pursuant to Section 11-47-170, Code of Alabama (1975), as amended, that acquisition of the Property is necessary or expedient in furtherance of the lawful municipal purposes of the City.

SECTION 2. APPROVAL OF PURCHASE AND DONATION AGREEMENT. The Agreement, substantially in the form attached hereto as Exhibit A, is hereby approved. The Mayor is hereby authorized and directed, for and on behalf of the City, to execute and deliver the Agreement and, following its execution and prior to Closing, to execute and approve such amendments, supplements, modifications, waivers, consents, and other changes thereto as the Mayor, with the approval of the City Attorney as to legal form and sufficiency, may determine to be necessary, desirable, or appropriate to consummate the transaction contemplated hereby; provided, however, that without further approval of the City Council, no such amendment, modification, waiver, or other change shall: (a) increase the aggregate cash Purchase Price above Two Million Three Hundred Seventy-Five Thousand Dollars ($2,375,000); (b) materially reduce the real property interests to be acquired by the City, including the City's acquisition of one hundred percent (100%) fee simple title to Lots 1-A and 1-B together with the appurtenant easement rights contemplated by the Agreement; (c) materially change the public purpose of the acquisition; or (d) materially increase the City's financial obligations other than customary and reasonable closing costs and expenses authorized by this Ordinance.

SECTION 3. AUTHORIZATION OF PURCHASE PRICE AND OTHER TRANSACTION COSTS. The City is hereby authorized to pay at Closing the aggregate cash Purchase Price of Two Million Three Hundred Seventy-Five Thousand Dollars ($2,375,000), allocated among the Sellers as provided in the Agreement. The City is further authorized to pay the title insurance premiums, recording charges, survey costs, closing charges, professional fees, and other costs expressly allocated to the City under the Agreement or otherwise reasonably necessary to consummate the acquisition. The Finance Director and other appropriate officers and employees of the City are authorized and directed to take such actions as may be necessary to effectuate such payments.

SECTION 4. SOURCE OF FUNDS. The Purchase Price and other costs authorized by this Ordinance shall be paid from the City's General Fund, which funds are hereby appropriated for such purposes to the extent not previously appropriated.

SECTION 5. AUTHORITY TO CONSUMMATE TRANSACTION. The Mayor, City Clerk, Finance Director, and other appropriate officers and employees of the City are hereby authorized and directed to execute, attest, deliver, accept, and, where appropriate, record such closing statements, settlement statements, certificates, affidavits, acknowledgments, tax forms, deeds, title documents, and other instruments and to take such other actions as may be reasonably necessary or appropriate to consummate the acquisition contemplated by the Agreement. Without limiting the foregoing or the authority granted in Section 2, the Mayor is authorized, with the approval of the City Attorney as to legal form and sufficiency, to determine whether the conditions to the City's obligation to close under the Agreement have been satisfied or waived, to exercise any rights, remedies, elections, consents, or approvals granted to the City under the Agreement, and to approve and execute such amendments, supplements, modifications, waivers, consents, closing documents, and other instruments as may be necessary, desirable, or appropriate to consummate the acquisition, subject to the limitations set forth in Section 2.

SECTION 6. CHARITABLE DONATION ACKNOWLEDGMENT. The Mayor is authorized to execute and deliver, on behalf of the City, the charitable donation acknowledgment contemplated by the Agreement. Nothing in this Ordinance shall constitute a representation or warranty by the City concerning the valuation, deductibility, or federal, state, or local tax treatment of the charitable donation.

SECTION 7. DISCLOSURE PURSUANT TO ALA. CODE § 9-15-100. The City Clerk is hereby directed to ensure compliance with Section 9-15-100, Code of Alabama (1975), as amended, concerning disclosure of information relating to the purchase of real property with public funds. To the extent the City elects to satisfy the requirements of § 9-15-100 pursuant to subsection (d) thereof, the minutes of the meeting at which this Ordinance is adopted shall reflect the information required by subsection (b), including:

(a) identification of the Property;

(b) the identity of the appraiser, the date and effective date of the appraisal, and the appraised value of the Property;

(c) the Agreement and the material terms of the acquisition;

(d) the source or sources of all public funds used for the acquisition; and

(e) such other related information and materials as are required by Section 9-15-100.

If the requirements of § 9-15-100 are not satisfied pursuant to subsection (d) thereof, the City Clerk shall cause the disclosures required by that section to be made within sixty (60) days following the Closing, including preparation of the required public report, attachment of the report to the minutes of the next scheduled meeting of the City Council, and publication on the City's website as required by law.

SECTION 8. RATIFICATION. All prior actions taken by the Mayor, City Clerk, City Attorney, and other officers, employees, and agents of the City in connection with the negotiation, due diligence, appraisal, title examination, and proposed acquisition of the Property that are consistent with the terms of this Ordinance are hereby ratified and confirmed.

SECTION 9. SEVERABILITY. If any section, subsection, sentence, clause, phrase, or provision of this Ordinance is held invalid or unenforceable by a court of competent jurisdiction, such determination shall not affect the validity or enforceability of the remaining provisions hereof.

SECTION 10. REPEALER. All ordinances, resolutions, orders, or parts thereof in conflict with this Ordinance are hereby repealed to the extent of such conflict.

SECTION 11. EFFECTIVE DATE. This Ordinance shall become effective upon its adoption and approval and upon publication to the extent required by applicable law.

ADOPTED AND APPROVED this _____ day of ____________, 2026.

____
Robin LeJeune, Mayor

ATTEST:

____
Cindy Beaudreau, City Clerk

EXHIBIT A
FORM OF PURCHASE AND DONATION AGREEMENT

(attached)

PURCHASE AND DONATION AGREEMENT

THIS PURCHASE AND DONATION AGREEMENT (this “Agreement”) is entered into as of the ____ day of __________, 2026 (the “Effective Date”), by and among:

SELLERS/DONORS:

(1) Barry L. Booth, an individual resident of Baldwin County, Alabama (“Booth”), with a mailing address of PO Box 7406, Spanish Fort, AL 36577;

(2) Chunchula Energy Corporation, an Alabama corporation (“Chunchula”), with a mailing address of1000-A Cody Road, Mobile, AL 36695;

(3) Apalachee Development LLC, an Alabama limited liability company (“Apalachee” and, together with Booth and Chunchula, collectively the “Sellers”), with a mailing address of 1000-A Cody Road, Mobile, AL 36695; and

BUYER/DONEE:

The City of Daphne, Alabama, a municipal corporation organized and existing under the laws of the State of Alabama (the “City”), acting by and through its Mayor and City Council, with a mailing address of 1705 Main Street, Daphne, Alabama 36526.

The Sellers and the City are sometimes referred to herein individually as a “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, Booth and Chunchula hold record title to Lot 1-B, and Apalachee holds record title to Lot 1-A, of the Resubdivision of Lot 1, Sundowne Subdivision, together constituting all of the real property commonly known as “Apalachee,” located at 28747 2nd Street, Daphne, Alabama 36526, in Baldwin County, Alabama, and more particularly described herein (the “Property”); and

WHEREAS, according to the Title Commitment, title to Lot 1-B is vested in Booth and Chunchula, and title to Lot 1-A is vested in Apalachee; and

WHEREAS, Booth holds a fifty percent (50%) membership interest in Apalachee, and an affiliate of Chunchula holds the remaining fifty percent (50%) membership interest in Apalachee; and

WHEREAS, the Sellers together hold one hundred percent (100%) of the ownership interests in the Property and desire to convey all such interests to the City; and

WHEREAS, an appraisal of the Property was conducted by Edmond G. Eslava III, MAI, SRA, ASA, of The Appraisal & Consultant Group, with an effective date of August 21, 2026’, which concluded that the “As Is” Market Value of the Fee Simple Estate of the entire Property is Two Million Seven Hundred Fifty Thousand Dollars ($2,750,000); and

WHEREAS, the Parties have agreed that the total consideration for the Property shall be Two Million Seven Hundred Fifty Thousand Dollars ($2,750,000), consisting of cash payments totaling Two Million Three Hundred Seventy Five Thousand Dollars ($2,375,000) and a charitable donation acknowledgment in the amount of Three Hundred Seventy Five Thousand Dollars ($375,000); and

WHEREAS, the consideration shall be allocated as follows: (i) with respect to Lot 1-B, One Million Dollars ($1,000,000) in cash and a Three Hundred Seventy Five Thousand Dollar ($375,000) charitable donation acknowledgment (the "Lot 1-B Consideration"); and (ii) with respect to Lot 1-A, One Million Three Hundred Seventy Five Thousand Dollars ($1,375,000) in cash (the "Lot 1-A Consideration"); and

WHEREAS, the City desires to acquire one hundred percent (100%) fee simple title to the Property for municipal purposes; and

WHEREAS, the City Council of the City of Daphne has authorized or, upon execution, will have authorized the acquisition of the Property in accordance with applicable Alabama law governing municipal acquisition of real property; and

WHEREAS, the foregoing recitals are provided for background and context only, are not representations, warranties, covenants, or agreements of any Party, and shall not be construed to impose any obligation or liability upon any Seller.

NOW, THEREFORE, in consideration of the mutual covenants, agreements, representations, and warranties set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE I — DEFINITIONS

Section 1.1 — Defined Terms. As used in this Agreement, the following terms shall have the meanings set forth below:

(a) "Appraisal" means the appraisal report prepared by Edmond G. Eslava III, MAI, SRA, ASA, of The Appraisal & Consultant Group, dated August 25, 2026, with an effective date of August 21, 2026, estimating the Market Value of the Fee Simple Estate of the entire Property at $2,750,000.

(b) "Closing" has the meaning set forth in Section 5.1 of this Agreement.

(c) "Closing Date" has the meaning set forth in Section 5.1 of this Agreement.

(d) "Deed" means one or more warranty deeds in the form attached hereto as Exhibit B, each conveying the applicable Seller's right, title, and interest in the Lot to which such Seller holds record title, in recordable form and in compliance with Alabama law, and containing the covenants and warranty of title set forth therein.

(e) “Donation Amount” means Three Hundred Seventy Five Thousand Dollars ($375,000), representing that portion of the Lot 1-B Consideration that constitutes a charitable gift from Booth to the City, as described in Section 3.2.

(f) “Property” means the real property described in Article II of this Agreement.

(g) “Purchase Price” means Two Million Three Hundred Seventy Five Thousand Dollars ($2,375,000), representing the aggregate cash consideration payable by the City to the Sellers at Closing, allocated as follows: (i) One Million Dollars ($1,000,000) payable to Booth and Chunchula with respect to Lot 1-B (the “Lot 1-B Cash Payment”); and (ii) One Million Three Hundred Seventy Five Thousand Dollars ($1,375,000) payable to Apalachee with respect to Lot 1-A (the “Lot 1-A Cash Payment”).

(h) “Sellers’ Interest” means the Sellers’ collective one hundred percent (100%) fee simple ownership interest in the Property, including all right, title, and interest of Booth and Chunchula in Lot 1-B and all right, title, and interest of Apalachee in Lot 1-A, as confirmed by the Title Commitment.

(i) “Title Commitment” means the commitment for title insurance to be obtained by the City, as described in Section 4.1.

(j) “Total Consideration” means Two Million Seven Hundred Fifty Thousand Dollars ($2,750,000), consisting of the Purchase Price and the Donation Amount.

ARTICLE II — DESCRIPTION OF THE PROPERTY

Section 2.1 — Property Description. The Property is that certain parcel of real property commonly known as “Apalachee,” with a street address of 28747 2nd Street, Daphne, Alabama 36526, situated in Baldwin County, Alabama, consisting of Lot 1-A and Lot 1-B, and legally described as follows:

> **Parcel 1 (Lot 1-B):** Lot 1-B of the Resubdivision of Lot 1 of Sundowne Subdivision, according to the plat thereof recorded in Slide 2244-E in the records of the Office of the Judge of Probate of Baldwin County, Alabama.
>
> **Parcel 2 (Lot 1-A):** Lot 1-A of the Resubdivision of Lot 1 of Sundowne Subdivision, according to the plat thereof recorded in Slide 2244-E in the records of the Office of the Judge of Probate of Baldwin County, Alabama.
>
> **Easement:** Together with that certain 30-foot Non-Exclusive Perpetual Ingress/Egress Easement conveyed in Instrument 939804, more particularly described in Exhibit A attached hereto.

Section 2.2 — Property Characteristics. The Property consists of approximately 490,485 square feet, or 11.26 acres, of which approximately 5.00 acres are considered usable and developable. The balance of the site is located within FEMA Flood Zones AE and VE, which are subject to potential flooding and are not considered developable. The Property is an irregularly shaped parcel located on Mobile Bay, situated approximately one block west of U.S. Highway 98 and just north of 2nd Street, Daphne, Alabama. The Property is currently zoned R-4 (High Density Single & Multi-Family Residential) under the zoning ordinances of the City of Daphne. The

Property is a vacant site with no improvements. The information set forth in this Section 2.2 and in Section 2.3 is derived from the Appraisal and from public records and is provided for informational purposes only. No Seller makes any representation or warranty, express or implied, as to acreage, square footage, usable or developable area, flood zone designation, zoning, or the accuracy of any tax assessment or parcel data, and the City shall rely solely upon its own survey, inspections, and investigations.

Section 2.3 — Tax Parcels. The Property is assessed as two separate tax parcels, as follows:

Lot	Parcel Number	Assessed Market Value	Current Taxes
Lot 1-A	43-03-06-0-004-010.000	$396,400	$3,645.96
Lot 1-B	43-03-06-0-004-010.002	$808,900	$7,441.88

Section 2.4 — Ownership Structure.

(a) According to the Title Commitment, title to Lot 1-B (Parcel 1) is vested in Booth and Chunchula.

(b) According to the Title Commitment, title to Lot 1-A (Parcel 2) is vested in Apalachee.

(c) Booth holds a fifty percent (50%) membership interest in Apalachee, and Chunchula holds the remaining fifty percent (50%) membership interest in Apalachee.

(d) Prior to Closing, each Seller shall deliver to the City the following documentation with respect to such Seller and the Lot to which such Seller holds record title, together with such other documentation as may be reasonably required by the title company to confirm such Seller's existence, authority, and capacity to consummate the transactions contemplated hereby: (A) as to items (i)and (ii) below, which are within such Seller's possession or reasonable control, such Seller shall deliver the same; and (B) as to items (iii) through (vi) below, which require the execution or cooperation of third parties or governmental agencies not controlled by any Seller, such Seller shall use commercially reasonable efforts to obtain the same, at no out-of-pocket cost to such Seller in excess of Five Thousand Dollars ($5,000) in the aggregate and without any obligation to commence or prosecute litigation. Failure to obtain any item described in clause (B), despite such commercially reasonable efforts, shall constitute the failure of a condition precedent and shall not constitute a default by any Seller; in such event, the City may either waive such condition and proceed to Closing or terminate this Agreement in its entirety by written notice, whereupon no Party shall have any further liability in respect thereof. The items are: (i) operating agreements, articles of incorporation, or other organizational documents governing any entity holding title; (ii) resolutions or authorizations evidencing the authority of the signatory to execute this Agreement and the Deed on behalf of such entity; (iii) certificates of existence or good standing for any entity, as applicable; (iv) certificates of compliance from the Alabama Department of Revenue for each entity; (v) a scrivener's affidavit correcting the legal description in the deed recorded in Instrument No. 939803 as required by the Title Commitment; and (vi) a waiver and relinquishment of grantor rights from Purcell Co., Inc. (surviving entity of Lake Forest, Inc.) as required by the Title Commitment.

ARTICLE III — PURCHASE PRICE AND DONATION

Section 3.1 — Purchase Price. The City shall pay to the Sellers at Closing the sum of Two Million Three Hundred Seventy Five Thousand Dollars ($2,375,000) (the "Purchase Price") in immediately available funds by wire transfer or certified check, allocated and payable as follows:

(a) One Million Dollars ($1,000,000) with respect to Lot 1-B, allocated and payable by separate wire transfer as follows: $312,500 to Barry L. Booth and $687,500 to Chunchula Energy Corporation, in each case to the account designated in writing by such Seller not less than three (3) business days prior to Closing; and

(b) One Million Three Hundred Seventy Five Thousand Dollars ($1,375,000) payable to Apalachee (or as it may direct) with respect to Lot 1-A.

Section 3.2 — Charitable Donation.

(a) The Parties acknowledge and agree that the difference between the Lot 1-B Consideration ($1,375,000) and the Lot 1-B Cash Payment ($1,000,000), that is, Three Hundred Seventy Five Thousand Dollars ($375,000) (the "Donation Amount"), constitutes a charitable gift and donation from Booth to the City, a political subdivision of the State of Alabama, in connection with the conveyance of Lot 1-B.

(b) The Parties intend that the Donation Amount shall qualify as a charitable contribution for federal and state income tax purposes to the extent permitted by applicable law, including but not limited to Section 170 of the Internal Revenue Code of 1986, as amended (the "Code"), governing charitable contributions to political subdivisions described in Section 170(c)(1) of the Code.

(c) The City shall, within thirty (30) days following the Closing Date, provide Booth with (i) a written acknowledgment of the Donation Amount in a form satisfying the contemporaneous written acknowledgment requirements of Section 170(f)(8) of the Code and applicable Treasury Regulations, including a statement that no goods or services were provided by the City to Booth in consideration for the Donation Amount (or, if any such goods or services were provided, a description and good-faith estimate of the value thereof); and (ii) a properly executed IRS Form 8283.

(d) Booth acknowledges and agrees that: (i) the tax consequences of the charitable donation are the sole responsibility of Booth; (ii) the City makes no representations or warranties regarding the deductibility of the Donation Amount for federal, state, or local tax purposes; (iii) the City makes no representations or warranties regarding the valuation of the Donation Amount or the Property for any purpose; and (iv) Booth is advised to consult with independent tax counsel regarding the tax implications of this transaction. The City's sole obligation with respect to the charitable donation is to provide the contemporaneous written acknowledgment described in Section 3.2(c) and the executed Form 8283.

ARTICLE IV — CONDITIONS PRECEDENT

Section 4.1 — Title Commitment. The City has obtained or shall obtain, at its sole cost and expense, a commitment for title insurance (the "Title Commitment") covering the Property. The City shall have five (5) business days following the later of (i) receipt of the Title Commitment and all instruments referenced therein or (ii) the Effective Date (the "Title Review Period") within which to review the same and to deliver written notice to the Sellers of any objection to title. Except as otherwise provided in this Section 4.1, the City's obligation to close is conditioned upon the City's receipt of good, marketable, and insurable fee simple title to the Property, subject only to the Permitted Exceptions approved or deemed approved by the City in accordance with this Section 4.1.

(a) "Permitted Exceptions" shall mean, collectively: (i) current ad valorem taxes and assessments not yet due and payable; (ii) zoning ordinances, land use and subdivision regulations, and all other governmental laws, rules, ordinances, and regulations affecting the Property; (iii) building restriction lines, drainage and utility easements, and all other matters shown on the recorded plats in Slide 2176-C and Slide 2244-E; (iv) mineral, oil, gas, and other reservations, severances, and leases of record, including those recorded in Deed Book 421, page 703 and RP Book 144, page 1708; (v) restrictions recorded in RP Book 13, page 502; (vi) the agreement for water and sewer service recorded in RP Book 223, page 417; (vii) the Access Easement Agreement recorded in Instrument 939804; (viii) easements, covenants, conditions, restrictions, and other matters of record specifically identified in the Title Commitment and not objected to by the City within the Title Review Period or any applicable objection period; and (ix) matters disclosed by survey and not objected to by the City within the Title Review Period or any applicable objection period. An exception, requirement, or condition in the Title Commitment does not become a Permitted Exception merely by virtue of its appearance in the Title Commitment; requirements and conditions in Schedule B-I of the Title Commitment that are applicable to the Sellers shall be satisfied by the Sellers as provided in Section 4.1(b). Notwithstanding the foregoing, Permitted Exceptions shall not include any Mandatory Cure Item, as defined in Section 4.1(b)(ii), which the applicable Seller shall cause to be satisfied, released, or insured over at or prior to Closing.

(b) Seller Title Obligations; City Remedies. (i) Each Seller shall satisfy, at or prior to Closing, the requirements and conditions in Schedule B-I of the Title Commitment that are applicable to such Seller and within such Seller's reasonable control, including delivery of entity authority documents, certificates of compliance, affidavits of identity, and similar instruments customarily required of a seller in order for the title company to issue an owner's policy of title insurance. (ii) "Mandatory Cure Items" means (A) any mortgage, deed of trust, or other consensual monetary lien voluntarily created or assumed by any Seller, (B) any judgment lien against any Seller, (C) any mechanic's or materialman's lien arising from work, labor, services, or materials contracted for by any Seller, (D) any delinquent ad valorem taxes or assessments for which any Seller is liable, and (E) any encumbrance voluntarily created by any Seller after the Effective Date; each Seller shall satisfy, release, or cause the title insurer to insure over any Mandatory Cure Item applicable to such Seller at or prior to Closing. (iii) The scrivener's affidavit described in Section 2.4(d)(v) and the Purcell/Lake Forest waiver and relinquishment described in Section 2.4(d)(vi) shall be obtained in accordance with Section 2.4(d). (iv) The City acknowledges that it is responsible for obtaining and examining'' the Title Commitment and survey and for causing its title insurer to conduct such search and examination as the City deems appropriate. No Seller makes any representation, warranty, or covenant that title to the Property is good, marketable, or insurable, or that the Property is free of liens, encumbrances, easements, restrictions, or defects, except as expressly set forth in Section 6.1(b). (v) If the City timely objects to any title or survey matter (other than a Mandatory Cure Item or a requirement applicable to the Sellers under clause (i)), the affected Seller may elect, in its sole discretion, whether to cure such matter, and shall notify the City of its election within five (5) business days after receipt of the objection; failure to give such notice shall be deemed an election not to cure. If the Seller elects or is deemed to elect not to cure, or if the Seller elects to cure and such matter is not cured as of the Closing, the City may' (A) waive the objection and proceed to Closing, in which event the matter shall constitute a Permitted Exception, or (B) terminate this Agreement in its entirety by written notice, whereupon no Party shall have any further obligation hereunder except for those obligations expressly surviving termination. (vi) If any matter first appears of record or is first disclosed on an update to the Title Commitment or survey after expiration of the Title Review Period, the City shall have five (5) business days after receipt of such update to object in writing, and any such matter not so objected to shall be deemed approved and shall constitute a Permitted Exception. (vii) If' any Mandatory Cure Item is not satisfied, released, or insured over as of the Closing, the City may' (A) waive the same and proceed to Closing, in which event such item shall constitute a Permitted Exception, or (B) terminate this Agreement in its entirety by written notice, whereupon no Party shall have any further obligation hereunder except for those obligations expressly surviving termination. (viii) No Seller shall have any liability to the City for consequential, special, indirect, incidental, or punitive damages arising from any title matter. The City's sole recourse with respect to any matter of record or survey matter not constituting a breach of a Mandatory Cure Item obligation or a surviving representation shall be against its title insurer and not against any Seller, provided that nothing in this subsection shall relieve any Seller of liability for its own intentional misrepresentation or active suppression of a material fact actually known to such Seller. This Section 4.1(b) shall survive the Closing and the delivery of the Deed.

Section 4.2 — Municipal Approvals. The obligation of the City to close this transaction is further conditioned upon:

(a) Authorization and approval of this Agreement and the transactions contemplated hereby by the City Council of the City of Daphne, Alabama, in accordance with applicable provisions of the Code of Alabama (1975), as amended, including without limitation any requirements for public hearings, resolutions, or ordinances related to the acquisition of real property by a municipality.

(b) Appropriation of sufficient funds by the City Council to pay the Purchase Price and all closing costs allocated to the City hereunder.

(c) Compliance with any other requirements of Alabama law applicable to the municipal acquisition of real property.

Section 4.3 — Ownership Verification. The obligation of the City to close this transaction is further conditioned upon each Seller's delivery to the City, no later than five (5) business days prior to the Closing Date, of satisfactory documentation confirming such Seller's ownership structure and authority to convey such Seller's interest in the Property, as contemplated by Section 2.4(d). Failure of any Seller to deliver such documentation shall entitle the City to terminate this Agreement in its entirety by written notice, whereupon no Party shall have any further obligation hereunder except for those obligations expressly surviving termination.

Section 4.4 — Environmental; Access.

(a) The City shall have the right, at its sole cost and expense, to obtain a Phase I Environmental Site Assessment of the Property during the period commencing on the Effective Date and ending twenty (20) days thereafter (the "Due Diligence Period"). If such assessment identifies a recognized environmental condition requiring remediation at an estimated cost exceeding Fifty Thousand Dollars ($50,000), the City may terminate this Agreement by written notice delivered to the Sellers on or before the last day of the Due Diligence Period, time being of the essence. If such notice is not so delivered, this condition shall be deemed satisfied and irrevocably waived.

(b) Each Seller grants the City and its consultants reasonable access to such Seller's Lot during the Due Diligence Period upon not less than two (2) business days' prior written notice, subject to the following: (i) no invasive, subsurface, or Phase II testing shall be conducted without such Seller's prior written consent, which may be withheld in its sole discretion; (ii) the City shall maintain, and cause each consultant to maintain, commercial general liability insurance of not less than $1,000,000 per occurrence and $2,000,000 in the aggregate, naming each Seller as an additional insured, with certificates delivered prior to entry; (iii) the City shall promptly restore the Property to substantially its condition prior to entry; (iv) to the fullest extent permitted by Alabama law, the City shall indemnify and hold each Seller harmless from all claims, liens, damages, and costs arising from such entry, excluding the mere discovery of a pre-existing condition; (v) the City shall deliver copies of all reports, data, and results to each Seller promptly upon receipt, at no cost; and (vi) except to the extent disclosure is required by the Alabama Open Records Act, the Alabama Open Meetings Act, other applicable law, or the order of a court or regulatory authority, the City shall keep such results confidential and shall give the affected Seller not less than five (5) business days' prior written notice before reporting any environmental condition to any governmental authority, unless a shorter period is required by law. This Section 4.4(b) shall survive the Closing and any termination of this Agreement.

Section 4.5 — Sellers' Conditions Precedent. The obligation of each Seller to close is expressly conditioned upon: (a) delivery by the City of a certified copy of the authorizing ordinance described in Section 4.2(a) and written evidence of the appropriation described in Section 4.2(b); (b) delivery of the Purchase Price and all other City deliveries described in Section 5.3; (c) the representations and warranties of the City in Section 6.2 being true and correct in all material respects as of the Closing Date; and (d) the absence of any injunction or order restraining the transactions contemplated hereby. If any such condition is not satisfied or waived on or before the Closing Date, the affected Seller may terminate this Agreement as to its own Lot by written notice to the City, without liability of any kind; provided, however, that if any Seller terminates this Agreement as to its Lot pursuant to this Section 4.5, the City may elect, by written notice delivered within five (5) business days after receipt of such termination notice, to terminate this Agreement in its entirety, whereupon no Party shall have any further liability hereunder except as to those obligations expressly surviving termination.

ARTICLE V — CLOSING

Section 5.1 — Closing Date and Location. The closing of the transactions contemplated by this Agreement (the "Closing") shall take place on or before September 25, 2026, or such other date as the Parties may agree upon in writing (the "Closing Date"), at a location mutually agreed upon by the Parties or through an escrow arrangement with [________________] (the "Closing Agent"), in Baldwin County, Alabama. Closing as to Lot 1-A and Lot 1-B shall occur simultaneously; neither the City nor any Seller shall be obligated to close as to one Lot unless the Closing occurs as to both Lots. If the Closing has not occurred on or before September 30, 2026 (the "Outside Date") for any reason other than the default of the Party seeking to terminate, either any Seller (as to its own Lot) or the City may terminate this Agreement by written notice to the other Parties; provided, however, that if any Seller terminates as to its Lot, the City may elect, by written notice delivered within five (5) business days, to terminate this Agreement in its entirety. Upon any termination pursuant to this Section 5.1, this Agreement shall be of no further force or effect' except as to those provisions that expressly survive. The City shall give the Sellers not less than ten (10) business days' prior written notice of any Closing scheduled to occur earlier than the Outside Date.

Section 5.2 — Sellers' Deliveries at Closing. At or prior to the Closing, each Seller shall deliver or cause to be delivered to the City or the Closing Agent the following, as applicable:

(a) A duly executed and acknowledged Deed from each Seller, in the form attached hereto as Exhibit B, conveying such Seller's interest in the Lot to which such Seller holds record title, subject to the Permitted Exceptions, in recordable form and in compliance with Alabama law. No Seller shall be required to execute any deed or instrument of conveyance, or to warrant title, with respect to any Lot in which such Seller does not hold record title, and the obligations of each Seller under this Section 5.2 are several and not joint.

(b) Such affidavits, certificates, resolutions, or other documents as may be reasonably required by the title company to issue a standard owner's policy of title insurance in favor of the City, provided that no Seller shall be required to deliver any indemnity, undertaking, or affidavit that increases such Seller's liability beyond that expressly set forth in this Agreement or that requires the expenditure of funds, and provided further that items (v) and (vi) below are subject to Section 2.4(d). Such documents include:

(i) proof of organization for Chunchula Energy Corporation, including its articles of incorporation and any operating agreement, together with resolutions authorizing the transaction and designating the person(s) authorized to execute on its behalf;

(ii) a Certificate of Compliance from the Alabama Department of Revenue for Chunchula Energy Corporation;

(iii) the Operating Agreement of Apalachee Development LLC, together with resolutions authorizing the transaction and designating the person(s) authorized to execute on its behalf;

(iv) a Certificate of Compliance from the Alabama Department of Revenue for Apalachee Development LLC;

(v) a Scrivener's Affidavit from the preparer of the deed recorded in Instrument 939803 correcting the legal description to read: "Lot 1A of the re-subdivision of Lot 1, Sundowne Subdivision"; and

(vi) a Waiver and Relinquishment of Grantor Rights from Purcell Co., Inc. (surviving entity of Lake Forest, Inc.) waiving and relinquishing its architectural and building plan approval rights set forth in the deed recorded in RP Book 13, page 501.

(c) Evidence of authority of the signatory or signatories to execute and deliver this Agreement, the Deed, and all other closing documents on behalf of each Seller, including any required entity resolutions.

(d) A non-foreign affidavit in compliance with Section 1445 of the Code (FIRPTA) from each Seller, or, if applicable, evidence that withholding is not required.

(e) An Affidavit of Residence or Exemption from Withholding Tax on Real Property by Nonresidents from each Seller in compliance with Section 40-18-86 of the Code of Alabama (1975), as amended, or, if any Seller does not meet the requirements of residency or exemption, evidence of payment or withholding of applicable taxes.

(f) Internal Revenue Service Form 8283, completed by the donor or donors identified in Section 3.2(a) and bearing the declaration of the appraiser, presented to the City at Closing for execution of the Donee Acknowledgment in Part V thereof. This Section 5.2(f) applies solely to the donor or donors identified in Section 3.2(a), and imposes no obligation on Apalachee Development LLC.

(g) Possession of the Property, free and clear of all tenancies and occupancies.

(h) If applicable, a properly completed Alabama Department of Revenue Form RT-1 (Real Estate Sales Validation Form), or the conveyance documents shall contain the information required by Section 40-22-1 of the Code of Alabama (1975), as amended.

(i) Such other documents as may be reasonably required to consummate the transactions contemplated hereby.

Section 5.3 — City's Deliveries at Closing. At or prior to the Closing, the City shall deliver or cause to be delivered to the Sellers or the Closing Agent:

(a) The Purchase Price of $2,375,000 in immediately available funds, allocated and payable as set forth in Section 3.1.

(b) A certified copy of the ordinance of the City Council authorizing the City to enter into this Agreement and to consummate the transactions contemplated hereby.

(c) The written acknowledgment of the Donation Amount described in Section 3.2(c) to be delivered to Booth, or confirmation that such acknowledgment will be delivered within thirty (30) days following the Closing Date.

(d) An Internal Revenue Service Form 8283, with Section V (Donee Acknowledgment) of said Form completed and signed by an appropriate representative of the City.

(e) Such other documents as may be reasonably required to consummate the transactions contemplated hereby.

Section 5.4 — Prorations. Ad valorem real property taxes and assessments for the year in which the Closing occurs shall be prorated between the Sellers and the City as of the Closing Date on the basis of the most recent available tax bills, with the Sellers responsible for taxes attributable to the period prior to and including the Closing Date and the City responsible for taxes attributable to the period after the Closing Date. If the actual tax bills for the year of Closing are not available at the time of Closing, the proration shall be based on the prior year's taxes, subject to reproration upon receipt of the actual bills.

Section 5.5 — Closing Costs. Unless otherwise agreed in writing:

(a) The Sellers shall pay: (i) any transfer taxes, documentary stamps, or recording fees imposed on the grantor under Alabama law; (ii) one-half (1/2) of any escrow or closing fees charged by the Closing Agent; and (iii) the Sellers' own attorneys' fees.

(b) The City shall pay: (i) the cost of preparing the Deed; (ii) the cost of the Title Commitment and any owner's title insurance policy; (iii) the cost of any survey obtained by the City; (iv) any recording fees for the Deed; (v) one-half (1/2) of any escrow or closing fees charged by the Closing Agent; and (vi) the City's own attorneys' fees.

ARTICLE VI — REPRESENTATIONS AND WARRANTIES

Section 6.1 — Representations and Warranties of the Sellers. Each Seller represents and warrants to the City, severally and not jointly and solely as to itself and its own interest in the Property, as of the Effective Date and as of the Closing Date, as follows, provided that: (i) a Seller may update any representation by written notice to the City to reflect facts first arising after the Effective Date and not caused by such Seller's breach, and no such update shall constitute a default by such Seller; (ii) the City's sole remedy in respect of any such update that is materially adverse to the City shall be to terminate this Agreement by written notice delivered within five (5) business days after receipt of such update; (iii) no Seller shall have any liability in respect of any representation of which the City had actual knowledge prior to Closing; (iv) subject to Section 9.10, the representations and warranties in subsections (a) through (j) of this Section 6.1 shall survive the Closing for a period of twelve (12) months, and no claim for breach thereof may be brought after such period; and (v) no member, manager, shareholder, officer, director, employee, or agent of any Seller shall have any personal liability in respect of any representation or warranty herein, but such limitation shall not relieve the applicable Seller entity (or, in the case of Booth, Booth individually) of liability for breach of a surviving representation. The representations are:

(a) **Authority.** Such Seller has full power, authority, and legal capacity to enter into this Agreement, to perform such Seller's obligations hereunder, and to consummate the transactions contemplated hereby. If such Seller's interest is held by an entity, such entity is duly organized, validly existing, and in good standing under the laws of the State of Alabama, and all necessary entity authorizations have been obtained.

(b) **Title.** Such Seller holds good and marketable title to such Seller's interest in the Property, free and clear of all mortgages, liens, pledges, security interests, encumbrances, claims, charges, restrictions, and defects voluntarily created or suffered by such Seller, except for the Permitted Exceptions, all matters of record affecting the Property, all matters that an accurate survey or physical inspection would disclose, and all matters disclosed by the Title Commitment. Each Seller makes the representation in this Section 6.1(b) solely as to its own interest in the Lot to which it holds record title, and no Seller makes any representation or warranty as to the title, interest, ownership, or acts of any other Seller or as to any Lot in which it does not hold record title.

(c) **No Conflict**. The execution, delivery, and performance of this Agreement by such Seller does not and will not, to such Seller's knowledge, result in a material breach of any agreement or instrument to which such Seller is a party, other than the Permitted Exceptions and any matter disclosed in the Title Commitment.

(d) **Litigation**. To such Seller's knowledge, there is no pending or threatened litigation, arbitration, administrative proceeding, or governmental investigation that materially and adversely affects the Property or such Seller's interest therein or that would materially impair such Seller's ability to perform under this Agreement.

(e) **Environmental.** To such Seller's knowledge, without independent investigation, no hazardous substances, pollutants, contaminants, or toxic materials have been generated, stored, released, or disposed of on, under, or about the Property, except as may be common to the ordinary use of vacant land.

(f) **No Leases or Occupancy Agreements.** To such Seller's knowledge, there are no leases, licenses, occupancy agreements, or other agreements granting any third party the right to use or occupy any portion of the Property that would be binding upon the City following Closing, except as may be disclosed in the Title Commitment.

(g) **Condemnation.** To such Seller's knowledge, no condemnation or eminent domain proceedings are pending or threatened with respect to the Property.

(h) **Compliance with Laws.** To such Seller's knowledge, the Property is in material compliance with all applicable federal, state, and local laws, ordinances, rules, and regulations, including but not limited to zoning, building, and environmental laws.

(i) **FIRPTA.** Such Seller is not a "foreign person" within the meaning of Section 1445 of the Code.

(j) **Bankruptcy.** Such Seller has not filed, and no third party has filed against such Seller, any petition in bankruptcy, and such Seller is not insolvent.

Section 6.2 — Representations and Warranties of the City. The City represents and warrants to the Sellers as of the Effective Date and as of the Closing Date as follows:

(a) **Authority.** The City is a municipal corporation duly organized and validly existing under the laws of the State of Alabama and has full power and authority to enter into this Agreement and to consummate the transactions contemplated hereby, subject to obtaining the municipal approvals described in Section 4.2.

(b) **No Conflict.** The execution, delivery, and performance of this Agreement by the City does not and will not violate, conflict with, or result in a breach of any applicable law, ordinance, regulation, order, judgment, or decree, or any agreement or instrument to which the City is a party or by which the City is bound.

(c) **Funds.** Subject to the appropriation described in Section 4.2(b), the City has or will have sufficient funds available to pay the Purchase Price and to satisfy the City's obligations under this Agreement.

(d) **Due Diligence.** The City has had, or will have, the opportunity to conduct such inspections, investigations, and due diligence with respect to the Property as the City deems appropriate.

Section 6.3 — AS-IS, WHERE-IS; No Reliance; Release. EXCEPT FOR THE EXPRESS REPRESENTATIONS SET FORTH IN SECTION 6.1, AS LIMITED BY SECTION 9.10, THE CITY ACKNOWLEDGES AND AGREES THAT IT IS ACQUIRING THE PROPERTY "AS IS, WHERE IS, WITH ALL FAULTS," AND THAT NO SELLER HAS MADE ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE CONDITION, ACREAGE, SQUARE FOOTAGE, BOUNDARIES, SOILS, DRAINAGE, EROSION OR ACCRETION, FLOOD ZONE DESIGNATION, WETLANDS, RIPARIAN OR LITTORAL RIGHTS, SUITABILITY OR SUFFICIENCY FOR DEVELOPMENT, ZONING, ENTITLEMENTS, UTILITIES, ACCESS, MERCHANTABILITY, OR FITNESS FOR ANY PARTICULAR PURPOSE OF THE PROPERTY, OR AS TO THE STATE OF TITLE, THE COMPLETENESS OR ACCURACY OF THE TITLE COMMITMENT, OR THE EXISTENCE, VALIDITY, PRIORITY, OR EFFECT OF ANY EASEMENT, COVENANT, RESTRICTION, RESERVATION, LIEN, OR OTHER MATTER OF RECORD OR ANY MATTER THAT AN ACCURATE SURVEY WOULD DISCLOSE. THE CITY ACKNOWLEDGES THAT IT HAS BEEN AFFORDED FULL OPPORTUNITY TO INSPECT AND INVESTIGATE THE PROPERTY AND IS RELYING SOLELY UPON ITS OWN INVESTIGATIONS AND NOT UPON THE APPRAISAL, THE INFORMATION SET FORTH IN SECTIONS 2.2 AND 2.3, OR ANY OTHER STATEMENT, DOCUMENT, OR INFORMATION FURNISHED BY OR ON BEHALF OF ANY SELLER. EFFECTIVE AS OF THE CLOSING, THE CITY RELEASES EACH SELLER AND ITS AFFILIATES, MEMBERS, MANAGERS, OFFICERS, DIRECTORS, EMPLOYEES, AND AGENTS FROM ANY AND ALL CLAIMS, DEMANDS, LIABILITIES, AND CAUSES OF ACTION ARISING FROM OR RELATING TO THE PHYSICAL, GEOTECHNICAL, OR ENVIRONMENTAL CONDITION OF THE PROPERTY, WHETHER SUCH CONDITION AROSE BEFORE OR AFTER THE CLOSING, INCLUDING WITHOUT LIMITATION ANY CLAIM ARISING UNDER THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY ACT OR ANY ANALOGOUS FEDERAL, STATE, OR LOCAL LAW. THE CITY ACKNOWLEDGES THAT IT MAY HEREAFTER DISCOVER FACTS DIFFERENT FROM OR IN ADDITION TO THOSE IT NOW KNOWS OR BELIEVES TO BE TRUE WITH RESPECT TO THE PROPERTY, AND THE CITY INTENDS THAT THE FOREGOING RELEASE SHALL BE AND REMAIN EFFECTIVE IN ALL RESPECTS NOTWITHSTANDING THE DISCOVERY OF ANY SUCH DIFFERENT OR ADDITIONAL FACTS. NOTWITHSTANDING THE FOREGOING, NOTHING IN THIS SECTION 6.3 SHALL RELIEVE ANY SELLER OF LIABILITY FOR ITS OWN INTENTIONAL MISREPRESENTATION OR ACTIVE SUPPRESSION OF A MATERIAL FACT ACTUALLY KNOWN TO SUCH SELLER. THIS SECTION 6.3 SHALL SURVIVE THE CLOSING AND THE DELIVERY OF THE DEED WITHOUT LIMITATION AS TO TIME.

ARTICLE VII — DEFAULT AND REMEDIES

Section 7.1 — Seller Default. If any Seller fails to perform any material obligation under this Agreement and such failure continues for five (5) business days after written notice from the City delivered in accordance with Section 9.5, the City may, as its sole and exclusive remedies, at its option: (a) terminate this Agreement in its entirety by written notice to all Sellers; or (b) seek specific performance of this Agreement against such defaulting Seller as to such Seller's Lot. The City shall have no right to seek damages against any Seller for any breach or default, and in no event shall any Seller be liable to the City for consequential, special, indirect, incidental, or punitive damages.

Section 7.2 — City Default. If the City fails to perform any material obligation under this Agreement and such failure continues for five (5) business days after written notice from any Seller delivered in accordance with Section 9.5, each affected Seller may, as its sole and exclusive remedies, at its option: (a) terminate this Agreement as to the Lot to which such Seller holds record title; or (b) seek specific performance of this Agreement as to such Lot. If any Seller terminates this Agreement as to its Lot pursuant to this Section 7.2, the City may not compel the remaining Seller or Sellers to close as to their respective Lots, and the remaining Sellers may each elect to terminate as to their own Lots by written notice delivered within five (5) business days. The exercise or non-exercise of remedies by one Seller shall not bind, limit, or prejudice any other Seller.

Section 7.3 — Remedies Exclusive; Limitation. The remedies expressly set forth in this Article VII, in Section 4.1(b), and in Section 9.10 are the sole and exclusive remedies of the Parties with respect to any breach, default, or failure of a condition under this Agreement, and each Party waives all other remedies at law or in equity. In no event shall any Seller be liable to the City for consequential, special, indirect, incidental, or punitive damages, or for lost profits, lost opportunity, or diminution in value. The obligations and liability of the Sellers under this Article VII are several and not joint, and no default by one Seller shall constitute or be deemed a default by any other Seller or give rise to any remedy against any other Seller; provided, however, that nothing in this Section 7.3 shall limit the City's right to terminate this Agreement in its entirety as expressly provided in Section 7.1(a). This Section 7.3 shall survive the Closing and any termination of this Agreement.

ARTICLE VIII — RISK OF LOSS

Section 8.1 — Risk of Loss. Risk of loss or damage to the Property by fire, casualty, or other cause shall remain with the Sellers until the Closing. No Seller shall have any obligation to maintain, obtain, or renew any policy of casualty or other insurance with respect to the Property, or to repair, restore, or replace the Property or any portion thereof. If, prior to the Closing, all or any material portion of a Lot is damaged or destroyed, or is taken or threatened to be taken by eminent domain, the City may, at its option, by written notice delivered to the affected Seller within ten (10) business days after receipt of written notice of such event: (a) proceed with the Closing as to both Lots, in which event the affected Seller shall assign to the City, without recourse or warranty, such insurance proceeds or condemnation awards, if any, as such Seller actually receives and is entitled to retain with respect to such Lot; or (b) terminate this Agreement in its entirety, whereupon no Party shall have any further obligation hereunder except for those obligations expressly surviving termination. If the City fails to deliver such notice within such period, the City shall be deemed to have elected clause (a). For purposes of this Section, damage or destruction is “material” if the cost to restore exceeds Fifty Thousand Dollars ($50,000) as to the affected Lot.

ARTICLE IX — MISCELLANEOUS PROVISIONS

Section 9.1 — Governing Law. This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Alabama, without regard to its conflict-of-laws principles.

Section 9.2 — Entire Agreement. This Agreement, together with all exhibits, schedules, and addenda attached hereto, constitutes the entire agreement **among the Parties** with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements, understandings, negotiations, and discussions, whether oral or written, **among the Parties** relating thereto.

Section 9.3 — Amendment. This Agreement may not be amended, modified, or supplemented except by a written instrument executed by both Parties.

Section 9.4 — Waiver. No waiver of any provision of this Agreement shall be effective unless in writing and signed by the Party against whom enforcement is sought. No waiver of any breach of this Agreement shall constitute a waiver of any subsequent breach of the same or any other provision.

Section 9.5 — Notices. All notices, demands, requests, consents, approvals, and other communications required or permitted under this Agreement shall be in writing and shall be deemed duly given when: (a) delivered personally; (b) sent by certified or registered mail, return receipt requested, postage prepaid; or (c) sent by nationally recognized overnight courier, to the Parties at the following addresses (or such other address as a Party may designate by written notice to the other Party):

If to the Sellers:

Barry L. Booth[1]
PO Box 7406, Spanish Fort, AL 36577
Attention: Dr. Barry L. Booth
Email: [________________]

With a copy to:

Helmsing, Leach, Herlong, Newman & Rouse, PC
Attt. Leslie Weeks
365 Grand Ave., Ste C., Fairhope, AL 36532
lgw@helmsinglaw.com

Chunchula Energy Corporation:

[_________________________]

[1] NTD: Sellers to provide their respective contact information.

Attention: [________________]

Email: [________________]

Apalachee Development LLC:

[________________________]

Attention: [________________]

Email: [________________]

If to the City:

City of Daphne, Alabama
1705 Main Street
Daphne, AL 36526
Attention: Office of the Mayor

With copies to:

Adams and Reese LLP
11 N Water St, Ste 23200
Mobile, AL 36602
Attention: Jay Ross
Email: jay.ross@arlaw.com

Notice given to one Seller shall not constitute notice to any other Seller. Any notice asserting a default, or commencing any cure or election period, must be delivered separately to each affected Seller and to such Seller's designated counsel at the address set forth above.

Section 9.6 — Severability. If any provision of this Agreement is held to be invalid, illegal, or unenforceable by a court of competent jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement, and the remaining provisions shall continue in full force and effect.

Section 9.7 — Assignment. No Party may assign its rights or obligations under this Agreement without the prior written consent of the other Parties, except that the City may assign its rights hereunder to any agency, authority, or instrumentality of the City without the Sellers' consent, provided that such assignee assumes in writing all obligations of the City hereunder and a copy of such assumption is delivered to each Seller not less than five (5) business days prior to Closing. No assignment shall relieve the City of any of its obligations or liabilities under this Agreement, and the City shall remain jointly and severally liable with any assignee for the performance thereof. This Section 9.7 shall survive the Closing and any termination of this Agreement.

Section 9.8 — Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Signatures transmitted by electronic means, including but not limited to facsimile or portable document format (.pdf), shall be deemed original signatures for all purposes.

Section 9.9 — Time of the Essence. Time is of the essence with respect to all dates, deadlines, and time periods set forth in this Agreement.

Section 9.10 — Survival; Merger; Limitation of Liability.

(a) Except as expressly provided in this Section 9.10 and in Sections 4.1(b) and 6.3, all covenants and agreements of the Sellers set forth in this Agreement shall terminate at, and shall not survive, the Closing, and shall merge into the Deed upon delivery thereof to the extent relating to title to the Property. The representations and warranties of the Sellers set forth in Section 6.1(a) through (j) shall survive the Closing for a period of six (6) months, and no claim by the City for breach of any such representation or warranty may be commenced after such six (6) month period. The aggregate liability of all Sellers for breaches of the representations and warranties in Section 6.1 shall not exceed Three Hundred Thousand Dollars ($300,000), and the City shall not be entitled to recover for any individual claim (or series of related claims) unless the damages exceed Ten Thousand Dollars ($10,000). From and after the expiration of the six (6) month survival period, and except as expressly provided in Sections 4.1(b) and 6.3, no Seller shall have any liability whatsoever to the City under or in connection with this Agreement, and the City's sole and exclusive recourse in respect of title to the Property shall be (i) against its owner's policy of title insurance and (ii) against the applicable Seller solely under the warranty of title expressly set forth in such Seller's Deed. In no event shall any Seller be liable for consequential, special, indirect, incidental, or punitive damages. Notwithstanding the foregoing, nothing in this subsection (a) shall relieve any Seller of liability for its own intentional misrepresentation or active suppression of a material fact actually known to such Seller.

(b) The obligations of the City under Sections 3.2, 4.4(b), 5.3, and 9.7, and the provisions of Sections 4.1(b), 6.3, 7.3, 9.15, and 9.16, shall survive the Closing or any termination of this Agreement in accordance with their respective terms. The representations and warranties of the Sellers in Section 6.1(a) through (j) shall survive the Closing as provided in subsection (a) above.

(c) The obligations and liability of the Sellers under this Agreement are several and not joint. No Seller shall have any liability or responsibility for any act, omission, representation, warranty, covenant, or breach of any other Seller, and no default by one Seller shall constitute or be deemed a default by any other Seller.

Section 9.11 — Further Assurances. Each Party agrees to execute and deliver such additional documents, instruments, conveyances, and assurances and to take such further actions as may be reasonably required to carry out the provisions of this Agreement and to give effect to the transactions contemplated hereby.

Section 9.12 — Relationship of the Parties. Nothing in this Agreement shall be construed to create a partnership, joint venture, or agency relationship between the Parties.

Section 9.13 — No Third-Party Beneficiaries. This Agreement is for the sole benefit of the Parties and their respective successors and permitted assigns and shall not confer any rights or remedies upon any third party.

Section 9.14 — Recording. This Agreement shall not be recorded in the public records of Baldwin County, Alabama, or any other jurisdiction; provided, however, that a memorandum of this Agreement may be recorded upon the mutual written consent of the Parties.

Section 9.15 — Non-Recourse. No member, manager, shareholder, officer, director, partner, employee, agent, or affiliate of any Seller shall have any personal liability or obligation under or in connection with this Agreement, the Deed, or the transactions contemplated hereby, and the City shall look solely to the assets of the applicable Seller entity in respect of any claim arising hereunder. This Section 9.15 shall survive the Closing and any termination of this Agreement.

Section 9.16 — Brokers. Each of Chunchula and Booth represents that it has dealt with no broker other than its respective broker, and shall be solely responsible for any commission payable to its own broker under its own written agreement; Apalachee and the City each represent that they have dealt with no broker, agent, or finder, and neither shall have any obligation to pay any commission, fee, or other compensation to any broker in connection with this transaction. The obligations under this Section are several and not joint, and each party shall indemnify and hold harmless the other parties from any claim asserted by any broker, agent, or finder claiming by, through, or under such indemnifying party. This Section 9.16 shall survive the Closing and the delivery of the Deed and any termination of this Agreement.

(SIGNATURES ON FOLLOWING PAGE)

IN WITNESS WHEREOF, the Parties have executed this Purchase and Donation Agreement as of the date first written above.

SELLERS/DONORS:

LOT 1-B SELLERS:

____
Barry L. Booth, individually

CHUNCHULA ENERGY CORPORATION,
an Alabama corporation

By: ______________________________
Name: ____________________________
Title: ____________________________

LOT 1-A SELLER:

APALACHEE DEVELOPMENT LLC,
an Alabama limited liability company

By: ______________________________
Name: ____________________________
Title: ____________________________

BUYER/DONEE:

CITY OF DAPHNE, ALABAMA

____
By: Robin LeJeune, Mayor

ATTEST:

____
Cindy Beaudreau, City Clerk
[SEAL]

EXHIBIT A — LEGAL DESCRIPTION

The Property consists of the following parcels, together with appurtenant easement rights:

Parcel 1 (Lot 1-B): Lot 1-B of the Resubdivision of Lot 1 of Sundowne Subdivision, according to the plat thereof recorded in Slide 2244-E in the records of the Office of the Judge of Probate of Baldwin County, Alabama.

Parcel 2 (Lot 1-A): Lot 1-A of the Resubdivision of Lot 1 of Sundowne Subdivision, according to the plat thereof recorded in Slide 2244-E in the records of the Office of the Judge of Probate of Baldwin County, Alabama.

Appurtenant Easement: Together with that certain 30-foot Non-Exclusive Perpetual Ingress/Egress Easement conveyed in Instrument 939804 and more particularly described as follows:

Beginning at the Northwest corner of Second Street, said point being along the East line of Lot 1B, of the Resubdivision of Lot 1, Sundowne Subdivision, as recorded on Slide 2244E, in the Office of the Judge of Probate, Baldwin County, Alabama; thence run North 89 degrees 42 minutes 52 seconds West, 3.84 feet to a point; thence run North 00 degrees 20 minutes 12 seconds East 268.37 feet to a point on the North line of said Lot 1B, said point also being on the South line of Lot 1A, said Resubdivision of Lot 1, Sundowne Subdivision; thence run South 89 degrees 51 minutes 05 seconds East, along said North line of Lot 1B, and the South line of said Lot 1A, 30.00 feet to the Northeast corner of said Lot 1B, said point also being the Southeast corner of said Lot 1A; thence run South 00 degrees 20 minutes 12 seconds West along the East line of said Lot 1B, 268.44 feet to the Southeast corner of said Lot 1B, and a point on the North right of way line of Second Street; thence run North 89 degrees 42 minutes 52 seconds West, along said North right of way line of Second Street, 26.16 feet to the Point of Beginning.

EXHIBIT B — FORM OF DEED

Prepared by and return to:
Adams and Reese LLP
11 N Water Street, Suite 23200
Mobile, AL 36602

STATUTORY WARRANTY DEED

STATE OF ALABAMA §
§
COUNTY OF BALDWIN §

THIS STATUTORY WARRANTY DEED (this "Deed") is made as of the [____] day of [____________], 2026, between [__________________], a/an [___________________] ("Grantor"), and the CITY OF Daphne,, ALABAMA, an Alabama municipal corporation, the address of which is 1705 Main Street, Daphne, Alabama 36526 ("Grantee").

That for and in consideration of the sum of [__________________] Dollars ($____________), cash in hand paid, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby GRANT, BARGAIN, SELL AND CONVEY unto Grantee, subject to the Permitted Encumbrances hereinafter described, all of Grantor's right, title, and interest in and to the real property located in Baldwin County, Alabama, described on Exhibit A attached hereto and incorporated herein by reference (the "Land"), together with (i) all improvements thereon, if any, to the extent owned by Grantor, and (ii) all privileges, easements, and rights of access appurtenant thereto, including without limitation that certain 30-foot Non-Exclusive Perpetual Ingress/Egress Easement conveyed in Instrument 939804 (collectively, the "Property").

TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances thereto in anywise belonging, unto Grantee, its successors and assigns, forever IN FEE SIMPLE.

This conveyance, and the covenants and warranty of title set forth herein, are made expressly subject to the matters set forth on Exhibit B attached hereto and incorporated herein by reference (collectively, the "Permitted Encumbrances").

COVENANTS OF TITLE. Grantor covenants with Grantee, its successors and assigns, that: (a) Grantor is seized of the Property in fee simple and has good right, full power, and lawful authority to sell and convey the Property; (b) the Property is free and clear of all liens, encumbrances, and defects of title, except for the Permitted Encumbrances; (c) Grantee shall have quiet and peaceable possession of the Property, free from lawful disturbance; and (d) Grantor will forever warrant and defend title to the Property unto Grantee, its successors and assigns, against the lawful claims of all persons whomsoever. Each Seller conveys only its own right, title, and interest in the Lot to which it holds record title, and no Seller makes any covenant, representation, or warranty with respect to the title, interest, ownership, or acts of any other owner or cotenant of the Property, or with respect to any undivided interest in the Property not held of record by such Seller.

INTEREST CONVEYED. This Deed conveys only the right, title, and interest of Grantor in and to the Property. Grantor makes no covenant, representation, or warranty of any kind with respect to any undivided interest in the Property not held of record by Grantor, or with respect to the title, interest, ownership, or acts of any other owner or cotenant of the Property.

Pursuant to Ala. Code § 40-22-1 (1975), the following information is provided in lieu of Form RT-1:

Grantor's Name and Mailing Address: [__________________]

Grantee's Name and Mailing Address: the City of Daphne,, Alabama, 1705 Main Street Daphne, AL 36526

Property Address: 28747 2nd Street, Daphne, Alabama 36526

Purchase Price: $[____________]

The Purchase Price can be verified by the closing statement.

[SIGNATURE PAGE FOLLOWS]

[USE THE APPLICABLE BLOCK]

ENTITY GRANTOR

IN WITNESS WHEREOF, Grantor has caused this Deed to be executed by its duly authorized signatory as of the date first written above.

Chunchula Energy Corporation
an Alabama Corporation

By: ______________________________
Name: ____________________________
Title: ____________________________

INDIVIDUAL GRANTOR

IN WITNESS WHEREOF, Grantor has executed this Deed as of the date first written above.

____
Barry L. Booth, an individual

ENTITY ACKNOWLEDGMENT

STATE OF ALABAMA
COUNTY OF Baldwin

I, ______________________________, a Notary Public in and for said County in said State, hereby certify that ______________________________, whose name as ______________________________ of ______________________________, a/an ______________________________, 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 instrument, he/she, as such officer and with full authority, executed the same voluntarily for and as the act of said entity.

Given under my hand and official seal this ____ day of ______________, 2026.

____
Notary Public
My commission expires: ______________

INDIVIDUAL ACKNOWLEDGMENT

STATE OF ALABAMA
COUNTY OF Baldwin

I, ______________________________, a Notary Public in and for said County in said State, hereby certify that ______________________________, whose name 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 instrument, he/she executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this ____ day of ______________, 2026.

____
Notary Public
My commission expires: ______________

EXHIBIT A
LEGAL DESCRIPTION

EXHIBIT B
PERMITTED ENCUMBRANCES

The Permitted Encumbrances are the "Permitted Exceptions" as defined in Section 4.1(a) of the Purchase and Donation Agreement (as approved or deemed approved by the City in accordance with Section 4.1), and include the following:

1. Current ad valorem taxes and assessments not yet due and payable.
2. Zoning ordinances, land use and subdivision regulations, and all other governmental laws, rules, ordinances, and regulations affecting the Property.
3. Building restriction lines, drainage and utility easements, and all other matters shown on the recorded plats in Slide 2176-C and Slide 2244-E.
4. Mineral, oil, gas, and other reservations, severances, and leases of record, including those recorded in Deed Book 421, page 703 and RP Book 144, page 1708.
5. Restrictions recorded in RP Book 13, page 502.
6. The agreement for water and sewer service recorded in RP Book 223, page 417.
7. The Access Easement Agreement recorded in Instrument 939804.
8. Matters disclosed by survey and not objected to by the City within the Title Review Period or any applicable objection period.
9. Matters of record specifically identified in the Title Commitment and not objected to by the City within the Title Review Period or any applicable objection period.

IN WITNESS WHEREOF, Grantor has caused its duly authorized signatory to execute this Deed as of the Effective Date.

[________]
A/an [_____]

By: ______________________________
Name: ____________________________
Title: ____________________________

STATE OF ALABAMA
COUNTY OF BALDWIN

I, ___________________________________, a Notary Public in and for the State and County aforesaid, hereby certify that _______________ whose name as ______________ of _________________, an ___________, is signed to the foregoing instrument and who is personally known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he/she, as such officer and with full authority, executed the same voluntarily for and as the act of said _______________.

Given under my hand and official seal on this ___ day of _______, 2026.

____
Notary Public
Print Name: __________________________
My commission expires: ________________

[Notary Seal]

EXHIBIT C — FORM OF CHARITABLE DONATION ACKNOWLEDGMENT

[TO BE ATTACHED]