

AMENITY AGREEMENT

THIS AMENITY AGREEMENT (this "Agreement"), effective as of April 10th, 2020 ("Effective Date"), is made by The Camden Ridge Homeowners' Association, Inc. ("HOA") and Stone Martin Builders, LLC and SMB Land, LLC (collectively "SMB").

WITNESSETH:

WHEREAS, SMB desires to burden the lots to be developed in the "Camden West" preliminary plat as depicted on "Exhibit A" with the Declaration of Covenants, Conditions and Restrictions as recorded in the Office of the Judge of Probate of Lee County, Alabama in Book 1963 Page 124 ("CCRs"); and

WHEREAS, in consideration of HOA entering into that certain Home Owners Association Indemnification Agreement, SMB shall construct an additional amenity area, to include a pool, on the existing amenity area of the HOA at the intersection of Keystone Drive and Piedmont Drive ("Amenity Parcel").

WHEREAS, this entire Agreement is contingent on FAB II, LLC donating approximately one half of one acre of land to the HOA.

NOW, THEREFORE, in consideration of Ten Dollars (\$10.00) and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties to this Agreement hereby agree to the following:

1. Amenity Parcel.

- a. Amenity Parcel Design. HOA shall be solely responsible for designing the Amenity Parcel and paying any associated costs to produce the design of the Amenity Parcel. It is expressly agreed that SMB together with all of its successor and assigns shall have all rights and privileges to the Amenity Parcel and all amenities of the HOA.
- b. Amenity Parcel Construction. Upon HOA's completion of the Amenity Parcel's design, HOA shall convey all design documents to SMB. SMB shall then prepare a detailed cost estimate of the design of the Amenity Parcel (the "Cost Estimate"). Notwithstanding anything in this Agreement to the contrary, in no instance shall SMB be required to commence any construction on the Amenity Parcel should SMB determine, in SMB's sole discretion, that the Cost Estimate will exceed **FIVE HUNDRED THOUSAND DOLLARS (\$500,000.00)**. Upon SMB's acceptance of a design for the Amenity Parcel that meets the previous criteria, SMB shall commence construction in a diligent manner until the completion of the Amenity Parcel design provided by the HOA.
- c. Amenity Parcel Costs. SMB shall be responsible for the first **THREE HUNDRED THOUSAND DOLLARS (\$300,000.00)** (the "Cost Ceiling")

of land and construction costs associated with the Amenity Parcel. Prior to the commencement of any construction on the Amenity Parcel, HOA shall deposit **ONE HUNDRED THOUSAND DOLLARS (\$100,000.00)** with Escrow Agent. In addition to the above cash deposit, HOA shall secure a loan of not less than **ONE HUNDRED THOUSAND DOLLARS (\$100,000.00)** and the terms of such loan must be reasonably acceptable to SMB. Notwithstanding anything contained herein to the contrary, should SMB have expenditures on the Amenity Parcel in amounts in excess of the Cost Ceiling, HOA shall promptly reimburse SMB.

- d. Escrow Agreement. The parties to this Agreement shall enter into an escrow agreement with Crum, Ellis and Associates, P.C (the "Escrow Agent"). The escrow agreement shall dictate how escrow funds are to be released to the parties of this Agreement as follows: (a) no escrow disbursement shall occur until SMB provides detailed documentation confirming SMB has incurred costs exceeding the Cost Ceiling; (b) after SMB exceeds the Cost Ceiling, SMB may request disbursements from Escrow Agent for any amounts incurred above the Cost Ceiling by providing detailed job costs to both the HOA and Escrow Agent to verify total costs incurred; (c) Escrow Agent shall disburse any funds to SMB that exceed the Cost Estimate without additional consent from HOA; and (d) should any funds be remaining with Escrow Agent after the full completion of the Amenity Area, HOA may request for funds to be returned to them, with approval from SMB.

2. General Provisions.

a. Entire Agreement; Amendment; Severability. This Agreement contains the entire agreement between the parties respecting the matters herein set forth and supersedes all prior agreements, whether written or oral, between the parties respecting such matters. Any amendments or modifications hereto, in order to be effective, shall be in writing and executed by the parties hereto. A determination that any provision of this Agreement is unenforceable or invalid shall not affect the enforceability or validity of any other provision, and any determination that the application of any provision of this Agreement to any person or circumstance is illegal or unenforceable shall not affect the enforceability or validity of such provision as it may apply to any other persons or circumstances.

b. Governing Law; Binding Effect; Waiver of Acceptance. **THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF ALABAMA, EXCEPT TO THE EXTENT THAT THE APPLICABILITY OF ANY OF SUCH LAWS MAY NOW OR HEREAFTER BE PREEMPTED BY FEDERAL LAW, IN WHICH CASE SUCH FEDERAL LAW SHALL SO GOVERN AND BE CONTROLLING.**

c. Captions for Convenience. The captions and headings of the sections and paragraphs of this Agreement are for convenience of reference only and shall not be construed in interpreting the provisions hereof.

1. Indemnity and Hold Harmless. HOA HEREBY AGREES TO PAY PROTECT, DEFEND AND SAVE SMB HARMLESS FROM AND AGAINST, AND HEREBY INDEMNIFIES SMB FROM AND AGAINST ANY AND ALL LIABILITIES, OBLIGATIONS, LOSSES, DAMAGES, COSTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES), CAUSES OF ACTION, SUITS, DEBTS, CLAIMS, DEMANDS AND JUDGMENTS OF ANY NATURE OR DESCRIPTION WHATSOEVER (COLLECTIVELY, "COSTS") WHICH MAY AT ANY TIME BE IMPOSED UPON, INCURRED BY OR AWARDED AGAINST SMB AS A RESULT OF:

Arising from any injury or death to persons or damage or destruction to property arising from the act or omission of SMB, its agents, employees or independent contractors, their respective agents or employees, on or near the Amenity Parcel.

The HOA shall not, without the prior written consent of SMB: (i) settle or compromise any action, suit, proceeding or claim or consent to the entry of any judgment that does not include as an unconditional term thereof the delivery by the claimant or plaintiff to SMB of a full and complete written release of SMB (in form, scope and substance satisfactory to SMB in its sole discretion) from all liability in respect of such action, suit, proceeding or claim and a dismissal with prejudice of such action, suit, proceeding or claim; or (ii) settle or compromise any action, suit, proceeding or claim in any manner that may adversely affect SMB or obligate SMB to pay any sum or perform any obligation as determined by SMB in its sole discretion.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, each SMB and the HOA have executed this Indemnity and Guaranty Agreement to be effective as of the date first written above.

SMB Land, LLC

Witness

By: 
Its: CFO

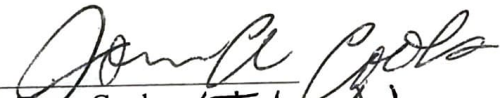
Stone Martin Builders, LLC

Witness

By: 
Its: CFO

Camden Ridge Homeowner's Association, Inc.

Witness

By: 
Tony Cook (John D.)
Its: President and Chairman of the Board

