

STATE OF ALABAMA)
BALDWIN COUNTY)

LEASE AGREEMENT

WHEREAS, this Lease Agreement is made and entered into by and between the BALDWIN COUNTY COMMISSION, hereinafter called "LESSOR", and J & J RHODES FARMS, INC., hereinafter called "LESSEE"; and

WHEREAS, the parties hereto have previously contracted to lease this same property in question and for the same purposes; and

WHEREAS, said previously executed Lease Agreement is due to be terminated and renewed by the execution of a new Lease Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein set forth, LESSORS do hereby DEMISE and LEASE to LESSEE, and LESSEE does hereby LEASE from LESSOR for the limited purpose of farms, the following described property situated in Baldwin County, Alabama, to-wit:

PARCEL "A" (Parcel #05-55-05-15-0-000-004.001) See Exhibit A

PARCEL "B" (Parcel #05-55-05-15-0-000-001.000): See Exhibit A

(Parcel #05-55-05-15-0-000-001.001): See Exhibit A

(Parcel #05-55-05-15-0-000-002.000): See Exhibit A

(Parcel #05-55-05-15-0-000-003.000): See Exhibit A

and;

1. **TERM:** The term of this Lease Agreement shall be from July 3, 2012 to July 3, 2014, unless sooner terminated. This Lease Agreement may be terminated by either party and for any reason with a forty-five (45) day written notification to the other party.

2. **CONSIDERATION/PAYMENTS:** The consideration for this Lease Agreement shall be Fifty Dollars (\$50.00) per acre of identified cultivatable land (see Exhibit A) for the two year lease term period. There being approximately one hundred twenty (120.00) acres hereby leased, the annual rental payment shall be Six Thousand Dollars (\$6,000). The rental payment shall be payable in an annual advance lump sum payment of Six Thousand Dollars (\$6,000). All lease payments shall be made payable to LESSOR with lawful funds of The United States of America at the following address: Baldwin County Commission, Attention: Finance/Accounting Department, 312 Courthouse Square, Bay Minette, Alabama 36507.

3. **USAGE:** For and during the term of this Lease Agreement, LESSEE agrees to plant and farm on all suitable land located on the herein leased property such crops as the LESSEE desires and to use the said property for farm purposes and pasture only during the term of said Lease Agreement. LESSEE warrants and guarantees that it shall do nothing to encumber, lien or otherwise adversely affect the title to the real property. Notwithstanding anything herein written or implied by this Lease Agreement, nothing shall prevent the LESSOR from accessing and utilizing the subject property for any purpose whatsoever to include, without limitation, storage.

4. **ADDITIONALLY RESERVED RIGHTS:** This Lease Agreement is entered into between the parties subject to the terms and conditions of any oil, gas and mineral lease now in force and effect on the said property or any such oil, gas and mineral lease entered into by the LESSOR in the future during the term of this Lease Agreement.

5. **LIABILITY:** LESSOR shall not be responsible or liable for any work performed by the LESSEE, its agents, servants or employees during the term of the said Lease Agreement and LESSOR shall not be responsible or liable to any person for any accident or injury incurred by the reason of the LESSEE's farming operation on said property. The LESSEE hereby indemnifies and holds the LESSOR harmless from any and all liability for any property damage and/or personal injury which may occur at any time upon the leased premises or as a result of the activities of the LESSEE on

the leased premises. Said indemnification shall include any and all court costs and/or attorney's fees incurred by the LESSOR in defense of any claim made against it which may be based upon any occurrence on the leased premises or action of the LESSEE in the usage of said leased premises.

6. **HUNTING WAIVER**: LESSEE hereby waives any and all rights and privileges of hunting on said property. Said rights and privileges are reserved by LESSOR.

7. **COUNTY IMPROVEMENTS**: LESSEE agrees and covenants that LESSOR, as the owner of said property, has any and all rights to improve, at any time, said property including, but not limited to, recreational capital improvements and that LESSEE will not dissent and/or disagree with any and all improvements made by LESSOR. LESSEE shall have the right and authority to keep trespassers there from.

8. **FARMING**: LESSEE agrees and covenants to cultivate the farm during the term hereof in an efficient, economic and husband like manner and to employ all modern methods of farming as are customarily practiced in the area.

9. **DUTY OF CARE AND PRESERVATION**: LESSEE agrees to operate the leased premises with care and not to permit waste of the said property nor destroy or remove without the consent of the owner any improvements on said property.

10. **DUTY NOT TO REMOVE**: LESSEE shall not sell or remove from the leased premises any sand, gravel, rock, oil, coal, or other minerals, or any lumber, posts or wood.

11. **RIGHT OF ENTRY**: LESSOR or its authorized representatives shall have the right, at any reasonable time, to enter on the premises for any purpose to include but not limited to making any major repairs, alterations or improvements, and any other activity or action allowed by Alabama law.

12. **NO AGENCY**: This Lease Agreement shall not give rise to the creation of an agency relationship or a partnership relation between the parties hereto, and none of the parties shall have the authority to bind the others without written consent.

13. **NO ASSIGNMENT**: LESSEE may not assign this Lease Agreement or sublease or encumber any portion of the farm leased hereunder without the prior written consent of the LESSOR.

Any attempt at assignment, sublease or other transfer, in violation of the provisions of this Lease Agreement, shall at the option of the LESSOR be void.

14. **BINDING**: This Lease Agreement shall be binding on the LESSOR's successors and assigns.

15. **TAXES**: LESSOR agrees to pay all taxes levied and assessed against the premises.

16. **DEFAULT**: If LESSEE fails to carry out any provision of this Lease Agreement, LESSOR shall have the right to terminate the Lease Agreement on ten (10) days written notice of their intention to do so, and LESSOR shall have the right to proceed by all legal means to obtain possession of the leased premises. LESSEE agrees that if LESSOR employs an attorney to represent it in order to obtain possession of the leased premises, that it will pay a reasonable attorney's fee and court costs in connection therewith to include but not limited to fees and costs associated with LESSEE's failure to surrender properly, quietly and peaceably.

17. **ENTIRE UNDERSTANDING**: This Lease Agreement shall constitute the entire understanding of the parties hereto with respect to the subject matter hereof, and no amendment, modification, or alternation of the terms hereof shall be binding unless the same be in writing, dated subsequent to the date hereof, and duly executed by the parties hereto.

18. **ACTS OF GOD**: Neither LESSOR nor LESSEE shall be required to perform any terms, condition, or covenant of this Lease Agreement so long as performance is delayed or prevented by acts of God, drought, floods, material or labor restrictions by any governmental authority and any other cause not reasonably within the control of either party, and which, by the exercise of due diligence, LESSOR or LESSEE is unable, wholly or in part, to prevent or overcome.

19. **NON-WAIVER OF DEFAULT**: The failure of the LESSOR to insist upon the strict performance of any of the terms, covenants, agreements and conditions of this Lease Agreement shall not constitute or be construed as a waiver or relinquishment of the right of the LESSOR to thereafter enforce any such term, covenant, agreement, or condition, but the same shall continue in full force and effect.

IN WITNESS WHEREOF, the undersigned LESSOR and LESSEE have hereunto signed and sealed this instrument as of the day and year first above written.

LESSOR:
BALDWIN COUNTY COMMISSION
312 Courthouse Square, Suite 12
Bay Minette, Alabama 36507

BY: _____ /_____
ROBERT E. JAMES /Date
Chairman

ATTEST:

BY: _____ /_____
DAVID A. Z. BREWER /Date
County Administrator

LESSEE:
J&J RHODES FARMS, INC.
13668 County Road 49
Summerdale, Alabama 36580

BY: _____ /_____
JESSE D. RHODES /Date

***NOTARY PAGE TO FOLLOW**

STATE OF ALABAMA)
COUNTY OF BALDWIN)

I, _____, a Notary Public, in and for said County in said State, do hereby certify that Robert E. James, as Chairman of the Baldwin County Commission, and David A. Z. Brewer, as County Administrator of the Baldwin County Commission, whose names are signed to the foregoing instrument and who are known to me, acknowledged before me on this date, that being informed of the contents of said instrument, they voluntarily executed the same on the day the same bears date.

GIVEN under my hand and seal this the ____ day of _____, 2012.

Notary Public
My Commission Expires: _____

STATE OF ALABAMA)
COUNTY OF BALDWIN)

I, _____, a Notary Public, within and County and State, hereby certify that Jesse D. Rhodes, of J&J Rhodes Farms, Inc., 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 said instrument, he executed the same voluntarily on the day the same bears date.

GIVEN under my hand and seal on this the ____ day of _____, 2012.

Notary Public
My Commission Expires: _____

