

**NORTHPORT CITY COUNCIL MEETING
THURSDAY, JUNE 11, 2026
5:30 PM**

- 1. CALL TO ORDER**
- 2. INVOCATION**
- 3. PLEDGE OF ALLEGIANCE**
- 4. ROLL CALL**
- 5. PRESENTATIONS**
- 6. APPROVAL OF THE AGENDA**
- 7. VISITORS TO ADDRESS THE COUNCIL**
- 8. UNFINISHED BUSINESS**
 - a. Ordinances and Resolutions of a Permanent Nature
- 9. NEW BUSINESS**
 - a. Ordinances and Resolutions of a Permanent Nature
 - b. Resolutions of a Temporary Nature
 - c. Consent Agenda
- 10. PUBLIC HEARINGS**
 - a. Engineering
 - b. Legal Department
 1. Resolution authorizing the Project Development Agreement for Big Mike's Steakhouse with Sucarnoochee Investments, LLC and Winship, LLC. -
 - c. Planning Inspections Department
 - d. Police Department
- 11. CITY ADMINISTRATOR'S BUSINESS**
- 12. MAYOR & COUNCIL MEMBER'S BUSINESS**
- 13. ADJOURNMENT**



**DEPARTMENTAL SUMMARY OF REQUESTED ACTION
THE NORTHPORT CITY COUNCIL AGENDA**

AGENDA ITEM NO. 10.b.1.

MEETING DATE: June 11, 2026

SUBJECT: Resolution authorizing the Project Development Agreement for Big Mike's Steakhouse with Sucarnoochee Investments, LLC and Winship, LLC.

Unfinished Business:
Public Hearing: X

New Business: X
First Reading:

Consent Agenda:
Second Reading:

Prepared By: Kim Braughton

Approved By: Kim King

Summary:

Attached is a resolution authorizing a Project Development Agreement with Sucarnoochee Investments, LLC d/b/a Big Mike's Steakhouse and Winship, LLC. Under the proposed Development Agreement, Winship will construct an approximately 6,720 square foot commercial building, including all necessary building equipment, for use as a Big Mike's Steakhouse. The City will purchase the finished building, which will then be leased to Big Mike's. Big Mike's will pay 5% of its gross sales as rent every year. That 5%, along with an additional 2% of sales tax and 2% from a potential cooperative district, will be used to repay the City's debt. The City will keep the additional 1% of sales tax for use in its general fund. Big Mike's will agree to operate the restaurant at that location for at least twenty years. If Big Mike's operates its business at that location for twenty years, it will be able to purchase the property for \$100. The total principal investment in the project by the City will not exceed \$4,800,000.

Recommendation:

Adopt the resolution.

Funding Source/GL Code:

GL Code No. Amount: \$

Motion for Consideration:

I move to adopt the resolution authorizing the Mayor to execute the Project Development Agreement with Sucarnoochee Investments and Winship LLC, along with all accompanying exhibits, for the Big Mike's Steakhouse project pursuant to Amendment 772 of the Constitution of Alabama.

RESOLUTION NO. 26-

**A RESOLUTION AUTHORIZING THE PROJECT DEVELOPMENT AGREEMENT
BY AND AMONG THE CITY OF NORTHPORT, ALABAMA, SUCARNOOCHEE
INVESTMENTS, LLC, AND WINSHIP, LLC.**

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY
OF NORTHPORT, ALABAMA, AS FOLLOWS:**

Section 1. Findings. The City Council of the City of Northport, Alabama (the “City Council”), which is the governing body of the City of Northport, Alabama (the “City”), upon evidence duly presented to and considered by it, has found and determined, and does hereby find, determine, and declare as follows:

(a) Pursuant to the applicable laws of the State of Alabama, the City, Sucarnoochee Investments, LLC, an Alabama limited liability company (the “Company”), and Winship, LLC (the “Developer”) have prepared that certain Project Development Agreement to be effective as of June 11, 2026 (the “Development Agreement”), attached hereto as Exhibit A and expressly incorporated herein by reference. All capitalized terms not defined herein are defined in the Development Agreement.

(b) Conditioned on the incentives described in the proposed Development Agreement, the Company proposes to locate and operate a new-to-market Big Mike’s Steakhouse (the “Project”) on certain vacant commercial land located in Northport, Alabama (the “Project Site”), which is currently owned by Developer. The Company anticipates that the Project will produce annual sales of more than \$4,800,000 and will employ more than thirty-five (35) employees. The Project Site is more particularly described in the proposed Agreement.

(c) The Company has requested that the City provide certain incentives to the Company to assist the Company in locating the Project in Northport, Alabama, including the provision of a commercial building and certain equipment necessary to operate the Project. Under the proposed Development Agreement, the City proposes to purchase the Project Site from the Developer following the Developer’s construction of a new commercial building containing approximately 6,720 square feet and the Developer’s provision and installation of certain equipment necessary to operate the Project, all of which must satisfy the requirements of the Company. The total investment of the City under the proposed Development Agreement, which shall include the purchase price of the Project Site and the equipment package necessary for the Project, shall not exceed \$4,800,000, and the City anticipates issuing debt in that amount to finance the purchase (the “Project Indebtedness”). The construction and development of the Project Site and the operation of the Project is expected to generate significant annual taxable sales and the creation of full and part-time jobs, many of which may be filled by residents of the City.

(d) In return for the City’s investment, the Company shall enter into a lease of the Project Site and commit to operating the Project on the Project Site for twenty (20) years (the “Project Term”) in accordance with the terms of the proposed Agreement. Under the proposed Lease Contract, the Company agrees to pay monthly rent which shall be applied to the Project

Indebtedness in the amount of five percent (5%) of the Project's Gross Revenues for each month (the "Monthly Rental Payment") until the Project Indebtedness is satisfied; thereafter, the Monthly Rental Payment under the proposed Agreement shall be terminated. Under the proposed Agreement, the City agrees to allocate to the payment of the Project Indebtedness an amount equal to two percent (2%) of the gross amount of each retail sale at the Project, representing two-thirds (2/3) of the revenue actually received by the City from the collection of the City Sales Tax from the Project on the Project Site, net of all Costs of Collection. Additionally, the proposed Agreement contemplates the formation of a Cooperative District encompassing the Project Site and the imposition of a Cooperative District User Fee assessed at the rate of two percent (2%) on the gross sales of all business operations at the Project on the Project Site. If a Cooperative District is formed and if a Cooperative District User Fee is assessed, one hundred percent (100%) of the revenue actually received by the City from the collection of the Cooperative District User Fee, net of all Costs of Collection, would be applied to satisfy the Project Indebtedness. Upon the satisfaction of the Project Indebtedness, the City would be free to use all taxes and fees generated by the Project for any lawful purpose.

(e) The proposed Development Agreement terminates after twenty (20) years from the date the Project is open for business and makes its first retail sale. At that time, and provided the Project Indebtedness has been satisfied in full, the Company shall have the option to purchase the Project Site for \$100.00. If the Project Indebtedness is paid in full prior to the end of the Project Term, the Monthly Rental Payment due from the Company shall be reduced to zero. The proposed Development Agreement may be terminated earlier pursuant to the termination provisions set forth in the Development Agreement.

(f) In accordance with Amendment No. 772 of the Constitution of Alabama of 1901, as amended, and now codified as Section 94.01 of the Constitution of Alabama of 2022 ("Amendment No. 772"), the City is authorized to, among other things, grant public funds and things of value in aid of or to any individual, firm, corporation, or other business entity, public or private, for the purpose of promoting the economic development of the City, after compliance with certain conditions set forth in Amendment No. 772.

(g) The purpose of the Project and the incentives provided in the Development Agreement is the promotion of the economic development of the City in accordance with the economic development goals and objectives of the City, the increase in employment opportunities for citizens of the City, the increase in tax revenues in the City, and the improvement of the quality of life for citizens in the City.

(h) For the purpose of keeping the taxpayers and citizens of the City informed of the City's consideration of entering into the Development Agreement, and in accordance with Amendment No. 772, on May 27, 2026, at least seven days prior to the public meeting at which this Resolution is to be considered, a notice was published in the *Northport Gazette*, which is a newspaper in circulation in the City, describing in reasonable detail the action proposed to be taken, a description of the public benefits sought to be achieved by the action, and identifying each individual, firm, corporation, or other business entity to whom or for whose benefit the City proposes to grant public funds or things of value ("the Public Notice").

(i) The Public Notice provided notice to the public of the holding by the City Council of a public meeting beginning at 5:30 p.m. on June 11, 2026, for the purpose of receiving comments from interested citizens, pursuant to the provisions of the Constitution and laws of the State of Alabama, including particularly Amendment No. 772, concerning the proposed authorization, execution, and delivery of the Development Agreement in the name and on behalf of the City.

(j) The information set forth in the Public Notice is true and correct, and the publication of the Public Notice is hereby ratified and confirmed.

(k) Drafts of the proposed Development Agreement were made available for inspection by the public at the office of the City Administrator at City Hall in the City of Northport during regular business hours prior to the scheduled meeting.

(l) Any interested citizens appearing at the public meeting have been given an opportunity to make comments to the City Council on the proposed Project and the terms of the Development Agreement and the City Council has considered such comments as may have been made with respect thereto.

(m) In furtherance of the objectives of Amendment No. 772, the City has determined that entering into the Development Agreement is necessary and desirable and in the best interests of the taxpayers and citizens of the City to accommodate and provide for increases in economic activity in the City and to provide for increases in tax revenues for the City. Moreover, the City has determined that the public benefits to be achieved by the adoption of the Development Agreement include (i) the development and construction of the Project on the Project Site, which is expected to generate significant tax revenue and to lead to the creation of a substantial number of full and part-time jobs, many of which may be filled by residents of the City; (ii) the promotion of local economic and commercial development and the stimulation of the local economy; (iii) increasing the City's tax base, which will result in additional tax revenues for the City; (iv) promoting the location, relocation, expansion, and retention of commercial enterprises in the City; and (v) preserving and improving the aesthetic quality of commercial development, which supports and improves the economic health of the City.

(n) The City acknowledges and agrees that the Project will significantly increase the tax and revenue base of the City.

(o) For purposes of Amendment No. 772, the Company, Sucarnoochee Investments, LLC, an Alabama limited liability company, and the Developer, Winship, LLC, an Alabama limited liability company, are the individuals, firms, corporations, or other business entities to whom or for whose benefit the City proposes to lend its credit or grant public funds or things of value.

(p) Pursuant to Amendment No. 772, the City Council does hereby find, determine, and declare that the expenditure of public funds in connection with entering into the Development Agreement and the provision of the public funds and things of value to the Company and the Developer as defined in the Development Agreement for the purposes set forth therein will serve

a valid and sufficient public purpose, notwithstanding any incidental benefit accruing to the Company and the Developer or any other private person, entity, or entities.

Section 2. Approval.

(a) The City Council does hereby approve, adopt, authorize, direct, ratify, and confirm the agreements, covenants, and undertakings of the City set forth in the Development Agreement and the Public Notice.

(b) The City Council hereby approves the authorization, execution, and delivery of the Development Agreement by the Mayor on behalf of the City and the incentives as set forth therein to be provided by the City, in substantially the form and of substantially the content as attached hereto as Exhibit A and presented to and considered by the City Council, with such changes, additions, or deletions as the Mayor, with the approval of the City Attorney, shall approve, such approval to be conclusively evidenced by the Mayor's execution thereof, all in accordance with the applicable provisions of Amendment No. 772.

(c) The City Council does hereby approve the authorization, execution, and delivery of all exhibits attached to the Development Agreement which require signature, including the Construction and Purchase Agreement, by the Mayor on behalf of the City, in substantially the form and of substantially the content as attached hereto as Exhibit A and presented to and considered by the City Council, with such changes, additions, or deletions as the Mayor, with the approval of the City Attorney, shall approve, such approval to be conclusively evidenced by the Mayor's execution thereof, all in accordance with the applicable provisions of Amendment No. 772.

Section 3. Authorization of Related Documents and Actions.

(a) The Mayor is hereby authorized and directed to execute and deliver the Development Agreement for and on behalf of and in the name of the City. The City Administrator is hereby authorized and directed to affix the official seal of the City to the Development Agreement and to attest the same.

(b) The Mayor, City Administrator, and the officers of the City are each hereby authorized and directed to take all such actions, and execute, deliver, and perform all such agreements, documents, instruments, notices, and petitions and proceedings, with respect to the Development Agreement, as the Mayor and such officers shall determine to be necessary or desirable to carry out the provisions of this Resolution and the Development Agreement and to duly and punctually observe and perform all agreements and obligations of the City under this Resolution and the Development Agreement.

(c) The City Attorney is hereby authorized, for and on behalf of and in the name of the City, to institute and prosecute, or cause to be instituted and prosecuted, at such time as the City Attorney shall determine to be advisable, proceedings in the Circuit Court of Tuscaloosa County, Alabama, pursuant to the applicable laws of the State of Alabama, for the validation and confirmation of the Development Agreement, the agreements and undertakings of the City thereunder, the Project Indebtedness, and any related obligations, instruments, or proceedings of

the City, and to take all such actions and execute, file, and deliver all such pleadings, notices, and other documents as the City Attorney shall determine to be necessary or desirable in connection therewith.

(d) Nothing in this Resolution shall constitute, or be deemed to constitute, the authorization or incurrence of the Project Indebtedness or any other indebtedness, warrants, bonds, or other obligations of the City, all of which, if and when incurred, shall be authorized by separate proceedings of the City Council duly adopted in accordance with the Constitution and laws of the State of Alabama. The City's obligations under the Development Agreement remain subject to the contingencies, limitations, and conditions set forth therein, including the limitation of the City's total financial obligation for the Project to \$4,800,000.

Section 4. Provisions of Resolution Severable.

(a) The various provisions of this Resolution are hereby declared to be severable. In the event any provision hereof shall be held invalid or unenforceable by a court of competent jurisdiction, such holding shall not affect the validity or enforceability of any other portion of this Resolution.

(b) All ordinances, resolutions, orders, or parts of any thereof, of the City Council in conflict, or inconsistent, with any provision of this Resolution hereby are, to the extent of such conflict or inconsistency, repealed.

Section 5. Effective Date. This resolution shall take effect immediately upon its passage and adoption by the City Council.

ADOPTED and RESOLVED this 11th day of June, 2026.

Jamie Dykes, Council President

ATTEST:

Tera Tubbs, City Administrator

APPROVED this 11th day of June, 2026.

Dale Phillips, Mayor

ATTEST:

Tera Tubbs, City Administrator

STATE OF ALABAMA)

TUSCALOOSA COUNTY)

CERTIFICATION

I, the undersigned, **Tera Tubbs**, City Administrator of the City of Northport, Alabama, do hereby, certify that the above is a true and correct copy of a resolution duly adopted by the City Council of the City of Northport, Alabama, at its meeting held on June 11, 2026, and as same appears of record in Minute Book of the City, and approved by the City Council on the 11th day of June, 2026.

GIVEN UNDER MY HAND AND CORPORATE SEAL of the City of Northport, Alabama this 11th day of June, 2026.

Tera Tubbs, City Administrator/Clerk

EXHIBIT “A”

PROJECT DEVELOPMENT AGREEMENT

This **PROJECT DEVELOPMENT AGREEMENT** (this “Agreement”) is made and entered into effective as of June __, 2026 (the “Effective Date”), by and among the **CITY OF NORTHPORT, ALABAMA**, an Alabama municipal corporation (the “City”), **SUCARNOOCHEE INVESTMENTS, LLC**, an Alabama limited liability company (the “Company”), and **WINSHIP, LLC**, an Alabama limited liability company (the “Developer”). Capitalized terms and phrases used herein without otherwise being defined have the meaning ascribed to such terms and phrases in Article 1 below. The City, the Company, and the Developer are sometimes collectively referred to as the “Parties” and singularly as the “Party.”

RECITALS

A. The City supports and encourages business development in order to increase tax revenues and improve the quality of life of its citizens.

B. Conditioned on the incentives described herein, the Company proposes to locate and operate a Big Mike’s Steakhouse (the “Project”) on certain vacant commercial land located in Northport, Alabama (the “Project Site”), which is owned by Developer.

C. The Company anticipates that the Project will produce annual sales of more than \$4,800,000 and will employ more than thirty-five (35) employees.

D. The Company has requested that the City provide certain incentives to the Company to assist the Company in locating the Project in Northport, Alabama, including the provision of a commercial building and certain equipment necessary to operate the Project.

E. Under this Agreement, the City proposes to purchase the Project Site from the Developer following the Developer’s construction of a new commercial building containing approximately 6,720 square feet and the Developer’s provision and installation of certain equipment necessary to operate the Project, all of which must satisfy the requirements of the Company.

F. The total investment of the City under this Agreement, which shall include the purchase price of the Project Site and the equipment package necessary for the Project, shall not exceed the principal amount of \$4,800,000.

G. In return for the City’s investment, the Company shall enter into a lease of the Project Site and commit to operating the Project on the Project Site for at least twenty (20) years in accordance with the terms of this Agreement.

H. Amendment No. 772 of the Constitution of Alabama of 1901, as amended, and now codified as Section 94.01 of the Constitution of Alabama of 2022 (“Amendment 772”), authorizes the City to lease, on terms approved by the governing body of the City, all or any part of any real property to any individual, firm, corporation, or other business entity, public or private, for the purpose of constructing, developing, equipping, and operating commercial or service facilities of any kind, and to grant public funds and things of value in aid of or to any individual, firm, corporation, or other business entity, public or private, for the purpose of promoting the economic development of the City, after compliance with certain conditions set forth in Amendment 772.

I. The development and operation of the Project is expected to encourage and foster retail and commercial growth and development in the City, and the operation of the Project is expected to generate significant tax revenue and the creation of substantial full and part-time jobs, many of which may be filled

by residents of the City.

J. The development and operation of the Project is expected to promote the economic development of and enhance the public benefit and welfare of the citizens of the City by, among other things, promoting local economic and commercial development, stimulating the local economy, increasing the tax revenues of the City, and improving the quality of life for citizens of the City.

K. The City has determined that entry into this Agreement and the development and operation of the Project will promote the economic development of the City, will create jobs, will increase the tax revenues in and around the City, will promote the location, relocation, expansion, and retention of commercial enterprises in the City, will preserve and improve the aesthetic quality of commercial development inuring to the economic health of the City, and will improve the quality of life for citizens in and around the City.

L. The City has further determined that the expenditure of the public funds and the provision of things of value for the purposes specified herein will serve a valid and sufficient public purpose, notwithstanding any incidental benefit accruing to Company, Developer, or any other person or private entity, and further, has determined that the entry into this Agreement and transactions described herein is in the best interest of the health, safety, and welfare of the citizens of the City.

M. The City finds that it is necessary, proper, and in the public interest, in accordance with Amendment 772, that the City purchase the Project Site from the Developer and provide certain incentives to Company in connection with the development and operation of the Project, and that providing such financial assistance is a public purpose consistent with and in furtherance of the objectives of Amendment 772.

N. The Parties hereto are desirous of having the terms and conditions of their agreement set forth in a valid, binding, and enforceable agreement between the City and the Company.

AGREEMENT

NOW, THEREFORE, for and in consideration of the premises, and the mutual covenants and agreements herein contained, the City, the Company, and Developer hereby covenant and agree as follows:

ARTICLE 1 Definitions

In addition to the terms defined elsewhere in this Agreement, for purposes of this Agreement, the following terms shall have the following meanings:

1.1 “Amendment 772” shall have the meaning assigned thereto in the Recitals.

1.2 “Building” shall mean a newly-constructed building of approximately 6,720 square feet to be constructed by the Developer on the Project Site in accordance with the plans and specifications of the Company attached hereto as Exhibit A and expressly incorporated herein by reference (the “Plans and Specifications”), which shall be purchased by the City after completion and then leased to the Company to operate the Project in accordance with terms of this Agreement. If in the opinion of the Developer or the City, it becomes necessary to modify the Plans and Specifications, the Developer or the City will consult with the Company and in no event will the Developer or the City make modifications to the Plans and Specifications that would prevent the Company from using the Building for its intended purpose.

1.3 “Building Equipment Package” shall mean the equipment necessary for the Project, which is

listed in Exhibit B attached hereto and expressly incorporated by reference, which equipment package shall be provided by the Developer in accordance with the terms of this Agreement, thereafter purchased by the City, and subsequently leased to the Company in accordance with the terms of the Lease Contract.

1.4 “City Sales Tax” shall mean the privilege tax levied by the City (commonly called sales taxes) on the gross sales or gross receipts of persons or businesses engaged in business activities, including the retail sale of tangible personal property in the City (subject to applicable exemptions of certain property, items, or services as prescribed by law), which tax is currently assessed at the rate of three percent (3%) to the purchaser at the point of sale and collected by the retailer for remittance to the City by the retailer; specifically excluding, however, any taxes levied or that may be levied for educational purposes by the City and excluding any increase of the rate or rates of all or any portion of either of the said taxes.

1.5 “City Sales Tax Allocation” shall mean an amount equal to two percent (2%) of the gross amount of each retail sale at the Project, representing two-thirds (2/3) of the revenue actually received by the City from the collection of the City Sales Tax from the Project on the Project Site, net of all Costs of Collection.

1.6 “Cooperative District” shall mean a cooperative district that is anticipated to be formed in connection with the Project pursuant to Chapter 99B of Title 11 of the Code of Alabama (1975), as amended, for the purposes described in this Agreement.

1.7 “Cooperative District Note” shall mean a limited obligation note that is anticipated to be executed by the Cooperative District, if approved, evidencing the Cooperative District’s obligation to remit the Cooperative District User Fee to the City in accordance with the terms of this Agreement.

1.8 “Cooperative District User Fee” shall mean the user fee that is anticipated to be imposed by the Cooperative District, if approved, pursuant to the constitution and laws of the State of Alabama, including Chapter 99B of Title 11 of the Code of Alabama (1975), as amended, and a resolution to be adopted by the governing body of the Cooperative District, on the gross sales of all business operations at the Project on the Project Site, at the rate of two percent (2%) of each such sale.

1.9 “Cooperative District User Fee Agreement” shall mean an agreement that is anticipated to be executed between the Cooperative District, if approved, and the City whereby the Cooperative District pledges payment of the Cooperative District User Fees to the City.

1.10 “Cooperative District User Fee Revenue” shall mean an amount equal to one hundred percent (100%) of the revenue actually received by the City from the collection of the Cooperative District User Fee, if approved, that is anticipated to be imposed on the Project and the Project Site, net of all Costs of Collection paid by the City or the Cooperative District to collect the Cooperative District User Fee from the Premises.

1.11 “Company” shall mean Sucarnoochee Investments, LLC, an Alabama limited liability company, and the heirs, administrators, executors, successors and assigns thereof.

1.12 “Costs of Collection” shall mean all reasonable costs incurred by the City or the Cooperative District to collect the City Sales Tax or the Cooperative District User Fee for the Project, whether paid by the City or the Cooperative District to the State of Alabama or any other third-party sales or lodging tax collector or charged by the City to collect said revenue. In the absence of any third-party tax collector, the parties agree that the City shall charge a fee of 2% of the revenue collected as a reasonable cost of collection or the amount charged by the State of Alabama to collect such taxes, whichever is greater.

1.13 “Effective Date” shall mean June ____, 2026.

1.14 “Enabling Law” shall mean Amendment 772 (as defined above), Section 11-47-2 of the Code of Alabama (1975), and Chapter 99B of Title 11 of the Code of Alabama (1975), each as amended from time to time.

1.15 “Event of Default” shall have the meaning set forth in Section 8.1.

1.16 “Indemnified Parties” means the City, its elected and appointed officials, officers, employees, agents, attorneys, successors and assigns, and any Cooperative District formed in connection with the Project, and its appointed officials, officers, employees, agents, attorneys, successors and assigns.

1.17 “Lease Contract” shall mean the Lease Contract that is anticipated to be entered into by and between the Cooperative District, if approved, as landlord, and the Company, as tenant, with respect to the Cooperative District’s lease of the Building, the Building Equipment Package, and the Project Site to the Company for purposes of the Company opening and operating a Big Mike’s Steakhouse in the Building. A substantially final form of the Lease Contract is attached hereto as Exhibit C and incorporated herein.

1.18 “Monthly Rental Payment” shall have the meaning specified in the Lease Contract.

1.19 “Developer” shall mean Winship, LLC, an Alabama limited liability company.

1.20 “Project” shall mean, as set forth in the Recitals, the location and operation of a Big Mike’s Steakhouse in the Building to be constructed on the Project Site, which restaurant shall be a modern, clean, upscale restaurant, substantially similar to the Big Mike’s Steakhouse restaurants currently owned and operated by Big Mike’s in Andalusia and Thomasville, Alabama.

1.21 “Project Indebtedness” shall mean any present or future indebtedness of the City or the District, including the principal amount thereof and all interest payable thereon, incurred in financing or refinancing the ownership, acquisition, construction, development, leasing, maintenance and/or operation of the Project and the Project Site. Without limiting the generality of the foregoing sentence, Project Indebtedness specifically includes the principal of, and interest payable on, the indebtedness that the City expects to issue in an amount not to exceed \$4,800,000 in order to finance the cost of purchasing the Building, the Building Equipment Package, and the Project Site from the Developer (the “Original Financing”). The limitation of the principal amount of the Original Financing to \$4,800,000 shall not limit the principal amount of any refinancing of the Project Indebtedness, which may include accrued and unpaid interest, costs of issuance, and other financing costs, provided that no refinancing shall increase the City’s total investment in the cost of the Project beyond \$4,800,000 in original principal.

1.22 “Project Site” shall mean, as set forth in the Recitals, that certain vacant commercial land located in Northport, Alabama, which real property is more particularly described on Exhibit D attached hereto and incorporated herein by reference.

1.23 “Rent” shall mean all rent of any type payable by the Company under the Lease Contract, including, without limitation, all Monthly Rental Payments.

1.24 “Term” shall mean the period of time beginning on the Effective Date of this Agreement and ending on the Termination Date.

1.25 “Termination Date” shall mean the date of expiration of the term of the Lease Contract, unless the Lease Contract is terminated earlier in accordance with the terms thereof, whereupon the Termination Date shall mean the date of termination of the Lease Contract.

1.26 “Validation Date” shall mean the date on which the Validation Order is issued and any

appeals period relative thereto shall have expired without appeal having been taken or any appeals have been adjudicated such that the Validation Order is final and conclusive.

1.27 “Validation Order” shall mean a final, nonappealable judgment entered by the Circuit Court of Tuscaloosa County, Alabama validating and confirming this Agreement and the obligations set forth herein, the issuance of the Project Indebtedness and means of payment of the Project Indebtedness, the Cooperative District Note and the means of payment of the Cooperative District Note, the Cooperative District User Fee, and the Cooperative District User Fee Agreement shall have become forever conclusive in accordance with, and as provided in, Section 11-81-224 of the Code of Alabama (1975) and other applicable Alabama law.

1.28 “Validation Proceeding” shall have the meaning set forth in Article 7.

ARTICLE 2 Representations and Warranties

2.1 Representations and Warranties of the City. The City hereby represents and warrants as follows:

- (a) The City is duly organized and validly existing as a municipal corporation under the laws of the State of Alabama and is not in default under any of the provisions contained in its charter.
- (b) The City has all necessary power and authority to enter into and perform its obligations hereunder and by proper action the governing body of the City has duly authorized the execution, delivery and performance of this Agreement.
- (c) The development of the Project and the issuance of the Project Indebtedness by the City for the purposes set forth in this Agreement will result in direct financial benefits to the City.
- (d) The execution, delivery, and performance of this Agreement by the City, including the consummation of the transactions contemplated herein, do not constitute and will not result in (upon notice or lapse of time or both) a breach, violation or default under any contract, lease, mortgage, bond, indenture, franchise, permit, order, judgment, or agreement of any nature to which City is a party or is subject.
- (e) The representations, warranties and covenants made by the City herein shall survive the performance of any obligations to which such representations, warranties and covenants relate.

2.2 Representations and Warranties of the Company. The Company hereby represents and warrants as follows:

- (a) The Company is duly organized and validly existing as a limited liability company under the laws of the State of Alabama and is not in default under any of the provisions contained in its certificate of formation or operating agreement.
- (b) The Company has all necessary power and authority to enter into and perform its obligations hereunder and by proper action the Company has duly authorized the execution, delivery and performance of this Agreement.
- (c) The execution, delivery, and performance of this Agreement by the Company, including the consummation of the transactions contemplated herein, do not constitute and will not result in (upon notice or lapse of time or both) a breach, violation or default under any contract, lease,

mortgage, bond, indenture, franchise, permit, order, judgment, or agreement of any nature to which Company is a party or is subject.

- (d) The representations, warranties and covenants made by the Company herein shall survive the performance of any obligations to which such representations, warranties and covenants relate.

2.3 Representations and Warranties of the Developer. The Developer hereby represents and warrants as follows:

- (a) The Developer is duly organized and validly existing as a limited liability company under the laws of the State of Alabama and is not in default under any of the provisions contained in its certificate of formation or operating agreement.
- (b) The Developer has all necessary power and authority to enter into and perform its obligations hereunder and by proper action the Developer has duly authorized the execution, delivery and performance of this Agreement.
- (c) The execution, delivery, and performance of this Agreement by the Developer, including the consummation of the transactions contemplated herein, do not constitute and will not result in (upon notice or lapse of time or both) a breach, violation or default under any contract, lease, mortgage, bond, indenture, franchise, permit, order, judgment, or agreement of any nature to which Developer is a party or is subject.
- (d) The representations and warranties of the Developer set forth in this Section 2.3 shall survive the conveyance of the Building, the Project Site, and the Building Equipment Package to the City and shall not be merged into or extinguished by any deed, bill of sale, or other conveyance instrument delivered in connection therewith.

ARTICLE 3 Duration of Agreement

3.1 General. The obligations of the City, the Company, and Developer hereunder shall arise on the Effective Date and shall continue until the Termination Date.

3.2 Contingencies. The obligations of the City and the Company under this Agreement are expressly contingent upon the occurrence of each of the following:

- (a) The formation of the Cooperative District pursuant to Chapter 99B of Title 11 of the Code of Alabama (1975), as amended;
- (b) The Cooperative District's adoption of a resolution imposing the Cooperative District User Fee at a rate of two percent (2%) on the gross sales of the Project;
- (c) The Cooperative District's adoption of the Cooperative District Note and the Cooperative District User Fee Agreement;
- (d) The City having secured the Project Indebtedness on terms acceptable to the City, in its sole discretion; and,
- (e) The Developer's delivery to the City of the Building and Building Equipment Package, as approved by the Company, and the consummation of the City's purchase of the Building,

Building Equipment Package, and Project Site in accordance with the terms of this Agreement.

In the event any of the foregoing contingencies is not satisfied within three hundred sixty-five (365) days after the date of this Agreement, any Party may terminate this Agreement upon thirty (30) days' written notice to the other Parties, and no Party shall have any further obligation hereunder.

3.3 Re-Conveyance of Project Site. In the event of termination of the Lease Contract due to an event of default thereunder by the Company, the City shall have the option to reacquire the Project Site from the Cooperative District at no cost to the City. The City shall exercise such option by providing written notice to the Cooperative District within thirty (30) days after termination of the Lease Contract. Upon the City exercising such option, the Cooperative District shall convey the Project to the City, at no cost to the City, pursuant to a statutory warranty deed within fifteen (15) days after the City exercising such option, subject only to those liens and encumbrances, if any, to which title to said property was subject when conveyed by the City to the Cooperative District. The provisions of this Section 3.3 shall survive termination of this Agreement. The provisions of this Section shall be incorporated into an agreement with the Cooperative District and shall be a condition precedent to the formation of a Cooperative District.

ARTICLE 4

Agreements and Obligations of the Developer

4.1 Construction of the Building and Conveyance of the Project Site. The Developer shall construct the Building on the Project Site in accordance with the Plans and Specifications of the Company attached hereto as Exhibit A and expressly incorporated herein by reference, and shall equip the Building with the Building Equipment Package listed in Exhibit B attached hereto and expressly incorporated by reference. The Project Site and Project shall be fully compliant with all aspects of the Americans with Disabilities Act of 1990 as it pertains to a building owned by the City.

4.2 Conveyance of the Building, Project Site, and Building Equipment Package. Developer shall convey the Building, Project Site, and Building Equipment Package to the City (or to the Cooperative District, at the City's request) in accordance with a purchase agreement in substantially the form as attached hereto as Exhibit E and incorporated herein.

4.3 Construction Warranties. The Developer shall provide the construction warranties as set forth in the purchase agreement attached hereto as Exhibit E, which are expressly incorporated herein by reference.

ARTICLE 5

Agreements and Obligations of the City and the Cooperative District

5.1 Formation of Cooperative District. The City will in good faith consider the formation of a Cooperative District upon the submission of an application for incorporation filed with the City in accordance with Alabama Code § 11-99B-3.

- (a) The City shall not be responsible for any financing to be conducted by the Cooperative District, nor shall the City be responsible for the payment of or security for any obligations issued by the Cooperative District.
- (b) The Parties hereby covenant and agree that any fee, assessment, or other charge levied or imposed by any Cooperative District will not be characterized in the Cooperative District certificate of incorporation or in any other document prepared and filed by or for the Cooperative District as a tax, fee, assessment or other charge of the City.

- (c) Upon receipt of an application for incorporation of a Cooperative District, the governing body of the City shall consider in good faith approving the formation of a Cooperative District. Subject to the requirements of Chapter 99B of Title 11 of the Code of Alabama (1975), the boundaries of the Cooperative District shall encompass all of the Project Site. If approved, the governing body of the City shall appoint the initial directors of the Cooperative District in accordance with applicable law.
- (d) If the Cooperative District is approved, it is anticipated that the Cooperative District will impose a special fee or charge on all business operations at the Project on the Project Site at the rate of two percent (2%) of each such sale.
- (e) If the Cooperative District is approved, it is also anticipated that the Cooperative District shall enter into the Cooperative District Note, which shall evidence the Cooperative District's obligation to remit the Cooperative District User Fees to the City, together with the Cooperative District User Fee Agreement with the City.
- (f) The Cooperative District User Fee described in this Agreement shall be the only fee or charge imposed by the Cooperative District on sales in the Project and the Project Site and the governing documents of the Cooperative District shall include a restriction upon the powers of the Cooperative District to that effect.

5.2 Description of Initial Obligations. Pursuant to the authority of the Enabling Law and in consideration of the agreements and covenants of the Parties in this Agreement, the City hereby covenants and agrees to take the following actions, assuming a Cooperative District is successfully formed:

- (a) Conditioned on the Cooperative District's agreement to comply with the terms set forth herein, the City shall (i) convey to the Cooperative District fee simple title to the Building and the Project Site by statutory warranty deed, subject to those liens and encumbrances, if any, to which title to said Project Site is subject on the date of such conveyance, and (ii) convey or assign to the Cooperative District the City's interest in the Building Equipment Package and the Cooperative District shall accept such conveyance or assignment.
- (b) The Cooperative District shall (i) execute and deliver the Lease Contract in substantially the form and content as set forth in Exhibit C attached hereto and incorporated herein, with such additions and changes as have been approved by the Chairman of the Cooperative District and the Mayor of the City, such approval to be conclusively evidenced by the Chairman of the Cooperative District's execution of the Lease Contract and by the Mayor of the City's execution of the City's acknowledgment and agreement attached to the Lease Contract, (ii) take all steps necessary to fulfill its obligations as landlord under the Lease Contract, (iii) strictly enforce the obligations of the Company as tenant under the Lease Contract, in all cases with prior consultation with, and agreement of, the City, (iv) not alter, amend or waive any provision of the Lease Contract or consent to any request of the Company thereunder without the City's prior written consent, and (v) subject to the terms of the Lease Contract, pay to the City any casualty insurance proceeds and any award for a taking by eminent domain with respect to the Project and the Project Site to which the Cooperative District is entitled under the Lease Contract.
- (c) Subject to the approval of the final form of the Lease Contract by the Mayor of the City and the City Attorney, the City shall (i) execute and deliver the City's acknowledgment and agreement attached to the Lease Contract and (ii) take all steps necessary to fulfill its obligations under the Lease Contract.

- (d) Conditioned on the City's receipt of a fully executed Lease Contract by the Cooperative District and the Company and the City's execution of its acknowledgment and agreement thereto, the City shall incur the Project Indebtedness in an amount sufficient, but not to exceed the principal amount of \$4,800,000, for the purpose of financing the acquisition of the Building, Building Equipment Package, and the Project Site. The City's total financial obligation under this Agreement shall not exceed \$4,800,000.
- (e) The Cooperative District shall levy the Cooperative District User Fee with respect to all sales at the Project on the Project Site for the duration of the Term of this Agreement.
- (f) The City and the Cooperative District shall each have the right, at any time and from time to time, to refinance, refund, or restructure all or any portion of the Project Indebtedness in their respective discretion. Any such refinancing shall constitute Project Indebtedness for all purposes of this Agreement and the Lease Contract. All obligations of the Parties measured by reference to the Project Indebtedness, including the Monthly Rental Payments, the Cooperative District User Fee Revenue, the City Sales Tax Allocation, the elimination of rent upon satisfaction of the Project Indebtedness, and the purchase option, shall continue in full force and effect with respect to the refinanced Project Indebtedness until the Project Indebtedness, as so refinanced, has been paid in full. No refinancing shall relieve the Company of any obligation under this Agreement or the Lease Contract, nor shall any refinancing increase the original principal cost of the Project to the City beyond \$4,800,000.

5.3 Description of Ongoing Obligations. Pursuant to the authority of the Enabling Law and in consideration of the agreements and covenants of the Parties in this Agreement, the City hereby covenants and agrees as follows, assuming a Cooperative District is successfully formed:

- (a) In consideration of the financial contributions of the City with respect to the Project and the Project Site, the City shall require the Cooperative District to grant, bargain, sell, convey, assign and transfer to the City, without warranty or recourse, all right, title, and interest of the Cooperative District in and to the Rent under the Lease Contract and the Cooperative District User Fee Revenue; provided, however, in the event the Cooperative District shall incur any expense for maintenance to, or operation of, the Project or the Project Site, then the Cooperative District shall be entitled to deduct the amount of such expense from the Rent that it would otherwise pay to the City hereunder and apply such amount to such maintenance or operation expense.
- (b) The City shall require the Cooperative District to cause all Rent payable under the Lease Contract and all Cooperative District User Fee Revenue to be delivered and transferred to the City when and as received by the Cooperative District, for use thereby in respect of reimbursement to the City for the costs of the Project and the Project Site paid thereby and of the obligations of the City under this Agreement as long as the same is in effect.
- (c) In furtherance of the provisions of Sections 5.3(a) and (b) above, the City shall require the Cooperative District to appoint the City as its agent for purposes of collecting all Rent payable under the Lease Contract and all Cooperative District User Fee Revenue, and the City shall accept such appointment and agrees to collect the Rent and Cooperative District User Fee Revenue as the same shall become due and payable.
- (d) The City and the Cooperative District shall covenant and agree that the conveyance by the Cooperative District of the Rent under the Lease Contract and the Cooperative District User Fee Revenue to the City, as provided herein, shall constitute a contractual agreement of the

Cooperative District for the purposes of Section 11-99B-11(4) of the Code of Alabama (1975), as amended.

- (e) Provided no event of default shall have occurred and be continuing under the Lease Contract, the City shall apply on a monthly basis the full amount of (i) each Monthly Rental Payment actually received from the Company, (ii) all Cooperative District User Fee Revenue actually received by the City, and (iii) the City Sales Tax Allocation, to reduce the balance of the Project Indebtedness as provided in the Lease Contract. Following the payment, in full, of the Project Indebtedness, the Monthly Rental Payment shall be eliminated (as set forth in the Lease Contract) but the Cooperative District User Fee shall continue to be assessed. Following the payment, in full, of the Project Indebtedness, the Cooperative District User Fee Revenue and the City Sales Tax Allocation may be used by the City for any lawful purpose. The City shall execute an acknowledgment and agreement to the Lease Contract with respect to such obligations.

ARTICLE 6

Agreements and Obligations of the Company

6.1 Description of Initial Obligations. In consideration of the agreements and covenants of the Parties in this Agreement, within forty-five (45) days after the Validation Date, the Company hereby covenants and agrees to (i) execute and deliver the Lease Contract in substantially the form and content as set forth in Exhibit C attached hereto and incorporated herein, with such additions and changes as have been approved by the Company, such approval to be conclusively evidenced by the execution and delivery of the Lease Agreement by an authorized officer of the Company, and (ii) take all steps necessary to fulfill its obligations as tenant under the Lease Contract.

6.2 Description of Ongoing Obligations. In consideration of the agreements and covenants of the Parties in this Agreement, including the City's willingness to issue the Project Indebtedness, the Company hereby covenants and agrees as follows:

- (a) The Company covenants and agrees to locate and operate the Project (a Big Mike's Steakhouse) on the Project Site for not less than twenty (20) years from the date the Project is open for business and makes its first retail sale.
- (b) The Company shall operate the Project and the Project Site in accordance with all applicable statutes, ordinances, laws, rules, and regulations of any governmental authority having jurisdiction over the operation of the Project or the Project Site.
- (c) The Company shall ensure the timely submission of City Sales Tax returns and the payment of the City Sales Tax revenue generated by the Project, together with the timely collection and payment of the Cooperative District User Fees assessed to the Project and Project Site.
- (d) The Company shall comply with the terms and conditions contained in this Agreement.
- (e) The Company shall maintain all pertinent books, accounts, or other records of the Company accumulated in connection with the gross sales from the Project and make those records available to representatives of the City for inspection and audit upon reasonable request during the Term of this Agreement and for three (3) years following the termination of this Agreement. If any audit, claim, or litigation concerning this Agreement arises before the expiration of the three (3) year period, the Company shall retain the records until the resolution of all litigation, claims, or audits involving such records. The City's right to audit pursuant to this Section shall survive the termination of this Agreement.

- (f) The Company shall release, save, hold harmless, and indemnify the Indemnified Parties from and against any and all claims arising from or in any way connected with the Project and the Project Site, and without limitation of the foregoing, arising from the Company's breach or default in the performance of any obligation herein, or arising from or in connection with any activity of the Company or the Company's agents, contractors, or employees in connection with the Project or the Project Site, and from and against all costs, reasonable attorney's fees, expenses, and liabilities incurred in the defense of any such claim or any action against the Indemnified Parties, or any of them individually, by reason of any such claim. In connection with this clause, the Company, upon written request by the City and the Cooperative District, shall defend the same at the Company's expense by counsel reasonably satisfactory to the City.

ARTICLE 7

Validation Proceeding; Cooperation

The Parties agree to cooperate and assist each other if the City, Company, or any Cooperative District formed in connection with the Project seeks a Validation Order of the Circuit Court of Tuscaloosa County, Alabama. The Parties shall each bear their own costs in connection with said validation proceeding.

The Parties covenant and agree that each shall, from time to time, execute and deliver such further instruments and take such further actions as may be reasonably required to carry out the purposes and intent of this Agreement.

ARTICLE 8

Events of Default and Remedies

8.1 Events of Default. Any one or more of the following shall constitute an event of default by the City, the Company, or the Developer hereunder (an "Event of Default") under this Agreement (whatever the reason for such event and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

- (a) default in the performance, or breach, of any covenant or warranty of the respective Party under this Agreement, and the continuance of such default or breach for a period of 30 days after there has been given, pursuant to Section 9.7 below, to the Party in default, as applicable, by a non-defaulting Party a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "notice of default" hereunder, provided that if such default is of a kind which cannot reasonably be cured within such thirty-day period, the Party in default, as applicable, shall have a reasonable period of time within which to cure such default, provided that it begins to cure the default promptly after its receipt of such written notice and proceeds in good faith, and with due diligence, to cure such default; or
- (b) initiation of bankruptcy, reorganization, liquidation, dissolution or receivership proceedings of any Party, whether voluntary or involuntary, which are not withdrawn or dismissed within 120 days thereafter, or any Party's making an assignment for the benefit of creditors.

8.2 Remedies. Each Party hereto may proceed to protect its rights and interests by suit in equity, action at law or other appropriate proceedings, whether for the specific performance of any covenant or agreement of any other Party herein contained or in aid of the exercise of any power or remedy available at law or in equity.

8.3 Remedies Subject to Applicable Law. All rights, remedies and powers provided by this Agreement may be exercised only to the extent the exercise thereof does not violate any applicable provision of law in the premises, and all the provisions of this Article are intended to be subject to all applicable mandatory provisions of law which may be controlling in the premises and to be limited to the extent necessary so that the same will not render this Agreement invalid or unenforceable.

8.4 Cessation of Operations.

- (a) The Company acknowledges that the City's willingness to incur the Project Indebtedness is made in material reliance upon the Company's covenant under Section 6.2(a) to locate and operate the Project (a Big Mike's Steakhouse) on the Project Site for not less than twenty (20) years from the date the Project is open for business and makes its first retail sale. The Company further acknowledges that a cessation of restaurant operations on the Project Site would cause direct and material financial harm to the City by eliminating or substantially reducing the revenue streams pledged to the repayment of the Project Indebtedness.
- (b) If, at any time during the Term, the Company ceases to operate the Project on the Project Site for a continuous period of one hundred eighty (180) days or more (a "Cessation of Operations"), such Cessation of Operations shall constitute an independent Event of Default under this Agreement, without the requirement of notice or opportunity to cure; provided, however, that a Cessation of Operations shall not include any interruption of operations caused by (i) fire, casualty, or other insured event, so long as the Company is diligently pursuing restoration or relocation within the Project Site, (ii) a taking by eminent domain, (iii) force majeure events as described in the Lease Contract, or (iv) renovations or repairs to the Premises undertaken with the prior written consent of the City, so long as such renovations or repairs are being diligently pursued to completion.
- (c) Upon the occurrence of a Cessation of Operations constituting an Event of Default under this Section 8.4, the City shall be entitled, in addition to all other rights and remedies available to the City under this Agreement, the Lease Contract, or applicable law, to recover from the Company, as liquidated damages and not as a penalty, an amount equal to the lesser of (i) the then-outstanding balance of the Project Indebtedness, including accrued interest, or (ii) the then-outstanding balance of the Project Indebtedness, including accrued interest, less the fair market value of the Building, the Building Equipment Package, and the Project Site as determined by a licensed appraiser selected by the City at the Company's expense. The Parties acknowledge and agree that the City's actual damages resulting from a Cessation of Operations would be difficult to calculate with precision and that the foregoing liquidated damages amount represents a reasonable estimate of the City's anticipated loss.
- (d) The Company's obligations under this Section 8.4, including the obligation to pay liquidated damages, together with any amounts recovered by the City pursuant to the acceleration provisions of Paragraph 5 of the Lease Contract, shall not exceed Three Hundred Thousand and No/100 Dollars (\$300,000.00) in the aggregate (the "Default Cap"). For the avoidance of doubt, the Default Cap shall apply solely to the liquidated damages arising from default payable under this Section 8.4 and the accelerated rent payable under Paragraph 5 of the Lease Contract, and shall not limit or affect any other obligation of the Company under this Agreement or the Lease Contract.
- (e) The provisions of this Section 8.4 shall survive the termination of this Agreement and the Lease Contract.

8.5 Failure to Open; Full Recourse for Project Indebtedness.

- (a) The Parties acknowledge that the City's willingness to deliver the Notice to Proceed under the Purchase Agreement and to incur the Project Indebtedness is made in material reliance upon the Company's commitment to open and operate the Project. The Parties further acknowledge that if the Company fails to open the Project for business, none of the revenue streams pledged to the repayment of the Project Indebtedness (the Monthly Rental Payments, the Cooperative District User Fee Revenue, and the City Sales Tax Allocation) will ever commence, and the City's damages will be materially greater than those resulting from a default occurring after the Project has opened and operated.
- (b) A "Failure to Open" shall occur if: (i) the Company fails to open the Project for business and make its first retail sale within one hundred eighty (180) days after the later of (A) the date of the City's acquisition of the Building, the Building Equipment Package, and the Project Site pursuant to the Purchase Agreement, and (B) the date the City or the Cooperative District tenders possession of the Premises to the Company under the Lease Contract, as such period may be extended by force majeure events as described in the Lease Contract or by delays caused by the City or the Cooperative District; (ii) the Company repudiates this Agreement or the Lease Contract prior to opening the Project for business; or (iii) the Company fails to take possession of the Premises within sixty (60) days after tender of possession by the City or the Cooperative District. A Failure to Open shall constitute an Event of Default under this Agreement; provided, however, that the Company shall have thirty (30) days following written notice from the City to cure a Failure to Open described in clause (i) or (iii) by opening the Project for business.
- (c) Upon the occurrence of an uncured Failure to Open, the Company shall pay to the City, as liquidated damages and not as a penalty, an amount equal to the aggregate outstanding Project Indebtedness, including accrued interest and financing costs, not to exceed \$4,800,000 in principal plus accrued interest and costs. Upon the Company's payment in full of such amount, the City shall convey, or shall cause the Cooperative District to convey, the Building, the Building Equipment Package, and the Project Site to the Company by statutory warranty deed and bill of sale, free of any liens created by the City or the Cooperative District. The Parties acknowledge and agree that the City's actual damages resulting from a Failure to Open would be difficult to ascertain with precision, and that the foregoing amount, which corresponds to the public funds actually expended and committed in reliance on the Company's commitments and offset by the conveyance of the Project to the Company upon payment in full, represents a reasonable estimate of the City's probable loss and not a penalty.
- (d) Notwithstanding anything to the contrary in Section 8.4(d) of this Agreement or Paragraph 5 of the Lease Contract, the Default Cap shall not apply to, limit, or reduce the Company's obligations under this Section 8.5. The Default Cap shall continue to apply solely to liquidated damages payable under Section 8.4 and accelerated rent payable under Paragraph 5 of the Lease Contract arising from defaults occurring after the Project has opened for business.
- (e) The provisions of this Section 8.5 shall survive the termination of this Agreement and the Lease Contract.

ARTICLE 9
Provisions of General Application

- 9.1 Public Purpose. The City does hereby ascertain, determine, declare, and find that the

construction, development, and operation of the Project on the Project Site, supported by the expenditure of public funds and the provision of things of value in the form as set forth herein, will serve a valid and sufficient public purpose, notwithstanding any incidental benefit accruing to the Company, the Developer, or any other person or private entity. The City does further hereby ascertain, determine, declare, and find that it is in the best interests of the citizens of the City and will serve a public purpose and further enhance the public benefit and welfare by, among other things: (i) generating significant annual taxable sales and the substantial creation of full and part-time jobs, many of which may be filled by residents of the City; (ii) promoting local economic and commercial development and the stimulation of the local economy; (iii) increasing the City's tax base, which will result in additional tax revenues for the City; (iv) promoting the location, relocation, expansion, and retention of commercial enterprises in the City; and (v) preserving and improving the aesthetic quality of commercial development, which supports and improves the economic health of the City.

9.2 Liability of the City. Nothing contained in this Agreement shall be construed to impose a charge against the general credit of the City. The City shall have no liability or obligation in connection with the construction or operation of the Project or the Project Site.

9.3 Severability. The provisions of this Agreement shall be severable. In the event any provision hereof shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any of the remaining provisions hereof.

9.4 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument. Copies of this Agreement showing the signatures of the respective parties, whether produced by photographic, digital, computer, or other reproduction, may be used for all purposes as originals, and shall have the same legal force and effect as an original document.

9.5 Binding Effect. This Agreement shall inure to the benefit of, and shall be binding upon, the parties hereto and their respective successors and assigns except as otherwise provided herein.

9.6 Governing Law; Venue. This Agreement shall be governed exclusively by the laws of the State of Alabama. By executing this Agreement, the Parties do hereby consent and agree that the Circuit Court of Tuscaloosa County, Alabama, shall have the exclusive jurisdiction and venue with respect to any matter between the Parties arising out of or related to this Agreement, the Project, or the Project Site.

9.7 Notices. All notices, demands, consents, certificates or other communications hereunder shall be in writing, shall be sufficiently given and shall be deemed given when delivered personally to the Party or to an officer of the Party to whom the same is directed, or mailed by registered or certified mail, postage prepaid, or sent by overnight courier, addressed as follows:

If to the City:
City of Northport
City Hall
3500 McFarland Blvd.
Northport, Alabama 35476
Attn: City Administrator

If to the Company:
Sucarnoochee Investments, LLC
33215 Highway 43
Thomasville, Alabama 36784
Attn: Michael A. Cole

with a copy to:
Ronald L. Davis, City Attorney
City of Northport, Alabama
3500 McFarland Blvd.
Northport, Alabama 35476

If to the Developer:
Winship, LLC
5870 Charlie Shirley Road
Northport, Alabama 35473
Attn: John T. Harrison

Any such notice or other document shall be deemed to be received as of the date delivered, if delivered personally, or as of three (3) days after the date deposited in the mail, if mailed, or the next business day, if sent by overnight courier.

9.8 No Assignment of this Agreement. This Agreement, or any part hereof, shall not be assigned, pledged or encumbered by any of the parties hereto, except upon the prior written consent of each of the parties hereto.

9.9 Amendments. This Agreement may be amended or supplemented only by an instrument in writing duly authorized, executed and delivered by each party hereto.

9.10 City's Liabilities. Notwithstanding any provision hereof to the contrary, the Parties agree and acknowledge that the obligations of the City as set forth herein are limited by the limitations imposed on municipalities by the Constitution of the State of Alabama and laws with respect to the duties and powers of the City and its officers.

9.11 Payments Subject to Prior Pledges. Notwithstanding anything herein to the contrary, the City and the Company each acknowledge and agree that the City's obligations hereunder are subject to (i) the law-imposed requirements that, if necessary, there must first be paid from the City Sales Tax proceeds generated by the Project the necessary and legitimate governmental expenses of operating the City and (ii) the prior payment of all outstanding general obligation warrants of the City, whether presently outstanding or hereafter issued.

9.12 No Waiver. No consent or waiver, express or implied, by a Party or to any breach or default by another Party in the performance by the other Party of its obligations hereunder shall be valid unless in writing and no such consent or waiver to or of one breach or default shall constitute a consent or waiver to or of any other breach or default in the performance by such other Party of the same or any other obligations of such Party hereunder. Failure on the part of either Party to complain of any act or failure to act of the other Party or to declare the other Party in default, irrespective of how long such failure continues, shall not constitute a waiver by such Party of its rights hereunder. The granting of any consent or approval in any one instance by or on behalf of any Party hereto shall not be construed to waive or limit the need for such consent in any other or subsequent instance.

9.13 Relationship of Parties. The Parties agree that nothing contained in this Agreement, or any act of any Party hereunder, shall be deemed or construed by the Parties hereto, or by third persons, to create any relationship of third-party beneficiary hereof, or of principal and agent, a limited or general partnership, a joint venture, or of any association or relationship between the Parties other than as independent contractors in a contract entered into at arm's length. Notwithstanding any of the provisions of this Agreement, it is agreed that the City has no investment or equity interest in the business of the Company or the Developer. Moreover, the City shall not be liable for any debts of the Company or Developer, nor shall the City be deemed or construed to be a partner, joint venturer, or otherwise interested in the assets of the Company or the Developer. At no time shall the Company or the Developer attempt to use the name or credit of the City in purchasing or attempting to purchase any equipment, supplies, or any other thing whatsoever.

9.14 No Real Estate Commissions. The Parties represent to each other that no Party has employed any real estate broker or agent in connection with the Project Site, the Project, or the transactions contemplated by this Agreement. Any party alleged to have employed any real estate broker or agent shall be responsible for any and all claims, losses, liabilities and expenses, including, without limitation, reasonable attorney's fees and court costs, which may be incurred on account of any claim by any broker or agent or other person on the basis of any arrangements or agreements made or alleged to have been made by or on its behalf.

9.15 Entire Agreement. This Agreement contains the entire agreement of the Parties, and there are no representations, oral or written, relating to the transactions described herein which have not been incorporated herein. Any agreement hereafter made shall be ineffective to change, modify, or discharge this Agreement in whole or in part unless such agreement is in writing and is signed by the Party against whom enforcement of any change, modification, or discharge is sought. This Agreement shall completely and fully supersede all other prior agreements, both written and oral, among the Parties hereto relating to the matters contained herein. None of the Parties hereto shall hereafter have any rights under any of such prior agreements but shall look to this Agreement for definition and determination of all of their respective rights, liabilities and responsibilities relating to the matters contained herein.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized officers and/or representatives, to be effective as of the date first above written.

COMPANY:

**SUCARNOOCHEE INVESTMENTS,
LLC, an Alabama limited liability
company**

By: _____
Michael Cole, its Managing Member

By: _____
Scott Powell, its Managing Member

By: _____
Caine Conway, its Managing Member

STATE OF ALABAMA

TUSCALOOSA COUNTY

I, the undersigned, a Notary Public in and for said County in said State, do hereby certify that MICHAEL COLE, SCOTT POWELL and CAINE CONWAY, whose names as MANAGING MEMBERS of SUCARNOOCHEE INVESTMENTS, LLC, an Alabama limited liability company, 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, as such officers and with full authority, executed the same voluntarily on the day the same bears date for and as the act of the said limited liability company.

Given under my hand and seal this _____ day of _____, 2026.

Notary Public

My Commission Expires: _____

DEVELOPER:

**WINSHIP, LLC,
an Alabama limited liability company**

By: _____
John T. Harrison
Title: Manager

STATE OF ALABAMA

TUSCALOOSA COUNTY

I, the undersigned, a Notary Public in and for said County in said State, do hereby certify that JOHN T. HARRISON, whose name as MANAGER of WINSHIP, LLC, an Alabama limited liability company, is signed to the foregoing instrument and who is known to me, acknowledged before me on this date that, being informed of the contents of said instrument, he/she, as such officer and with full authority, executed the same voluntarily on the day the same bears date for and as the act of the said limited liability company.

Given under my hand and seal this _____ day of _____, 2026.

Notary Public

My Commission Expires: _____

CITY:

CITY OF NORTHPORT, ALABAMA

By: _____

Hon. Dale Phillips

Title: Mayor

Attest:

Tera Tubbs
City Administrator

STATE OF ALABAMA

TUSCALOOSA COUNTY

I, the undersigned, a Notary Public in and for said County in said State, do hereby certify that DALE PHILLIPS and TERA TUBBS, whose names as MAYOR and CITY ADMINISTRATOR, respectively, of the CITY OF NORTHPORT, ALABAMA, 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, as such officers and with full authority, executed the same voluntarily on the day the same bears date for and as the act of said City.

Given under my hand and seal this _____ day of _____, 2026.

Notary Public

My Commission Expires: _____

EXHIBIT A

Plans and Specifications of the Company for the Building

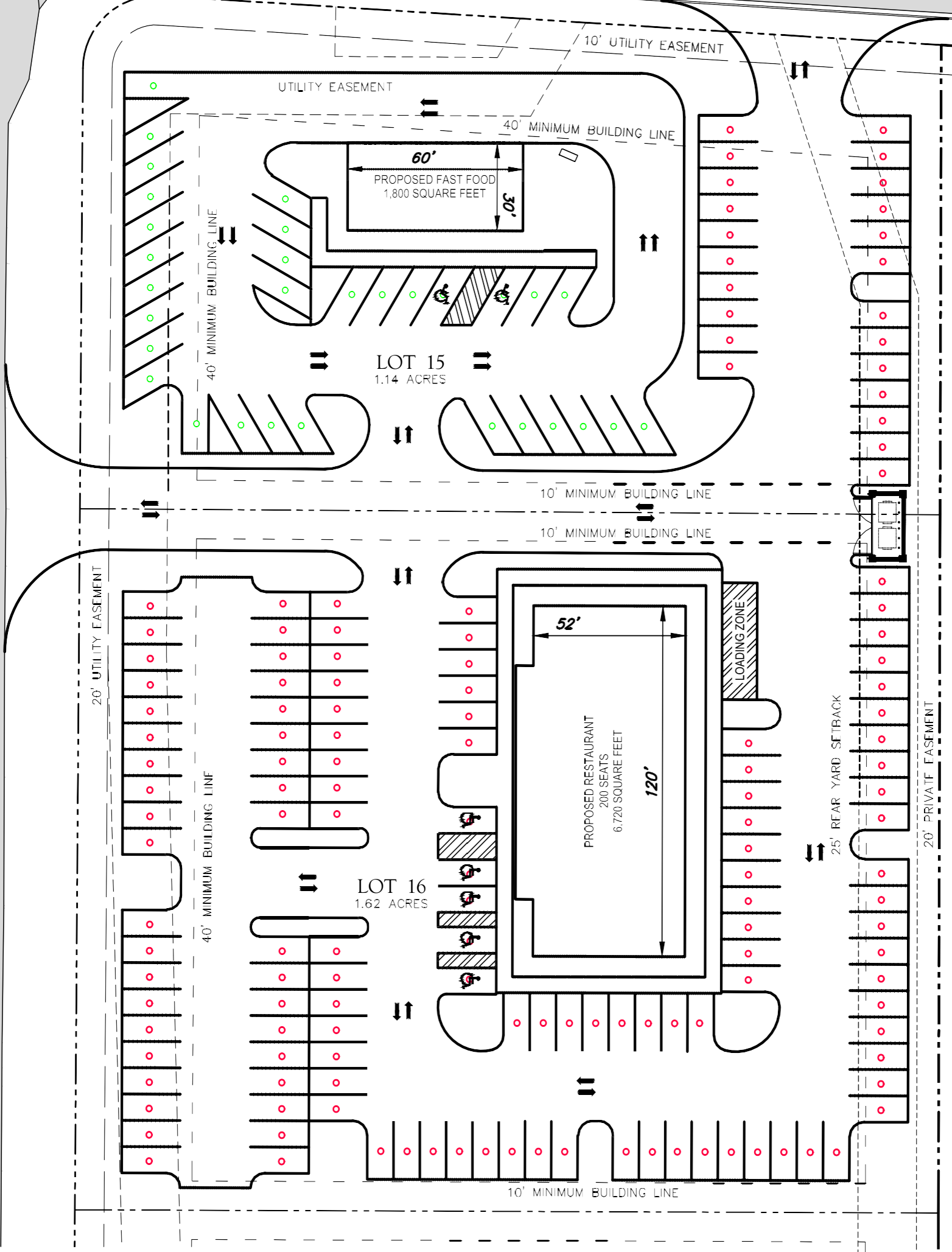
CHICK-FILA

FRONTAGE ROAD

JEMISON LANE
(60' ROW)



AIRPORT ROAD
(100' ROW)



UNIVERSITY MEDICAL CENTER



JOLLY HEATING & COOLING

(31) ● PARKING - PROPOSED FAST FOOD
(143) ● PARKING - PROPOSED RESTAURANT



2814 STILLMAN BLVD. • P.O. BOX 20559
TUSCALOOSA, ALABAMA 35402-0559
WWW.MCGIFFERT.COM (205)759-1521

SCHEMATIC SITE PLAN

| REVISION | | |
|----------|-------------|----|
| DATE | DESCRIPTION | BY |
| | | |
| | | |

THIS DRAWING AND ALL INFORMATION SHOWN HEREON IS THE PROPERTY OF THE ENGINEER AND MAY NOT BE REPRODUCED OR USED WITHOUT WRITTEN CONSENT OF THE ENGINEER.
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1871 SUBDIVISION PH. II

LOTS 15 & 16
PROPOSED RESTAURANTS
P.B. 2019 P.G. 219

| | |
|---|------------------|
| NORTHPORT ALABAMA | |
| FILE NAME: Harrison - 1871 Ph.II Lots 15&16 | SHEET No. 1 of 1 |
| DATE OF FIELD SURVEY: N/A | JOB No. 26-2016 |
| FIELD BOOK: N/A | SCALE: 1"=40' |
| PAGE: N/A | DRAWN BY: W K M |
| CHECKED BY: RAM | DWG. No. 17-26 |



HCC
BIG MIKE'S STEAKHOUSE

NORTHPORT, ALABAMA

4-28-26



HCC
BIG MIKE'S STEAKHOUSE

NORTHPORT, ALABAMA

4-28-26



HCC
BIG MIKE'S STEAKHOUSE

NORTHPORT, ALABAMA

4-28-26



HCC
BIG MIKE'S STEAKHOUSE

NORTHPORT, ALABAMA

4-28-26

EXHIBIT B

BUILDING EQUIPMENT PACKAGE

| Amount | Vendor | Description |
|---------------|--------------------------|---------------------------------|
| \$ 300,000.00 | Mobile Fixture | kitchen equipment and furniture |
| \$ 80,000.00 | Safety Extinguisher | hoods and suppression |
| \$ 50,000.00 | Commercial Refrigeration | cooler and freezer |
| \$ 30,000.00 | Mitchell Signs | small sign |
| \$ 60,000.00 | Emily & G | Interior Design |
| \$ 35,000.00 | Birmingham-Toledo | POS |
| \$ 10,000.00 | Various | alarm and speakers |
| \$ 61,919.00 | Various | contingency |

Total FFE Allowance: \$626,919.00.

EXHIBIT C

LEASE CONTRACT

This Lease Contract (“Lease” or “Lease Contract”) is entered into on the ____ day of _____, 2026, by and between _____, **COOPERATIVE DISTRICT** (hereinafter called the “District” or “Lessor”), and **SUCARNOOCHEE INVESTMENTS, LLC**, an Alabama limited liability company, through its Managing Members Michael Cole, Scott Powell, and Caine Conway (hereinafter called “Big Mike’s” or “Lessee”).

1. The District does hereby demise and lease the premises consisting of a newly constructed building of approximately 6,720 square feet situated on an approximately 1.62-acre parcel of real property located at _____ in the City of Northport, Alabama, identified by the Tuscaloosa County Revenue Commissioner as Parcel No. _____ (the “Building”), said premises more particularly described as Exhibit A (the “Premises”), to Big Mike’s for the term of two hundred and forty (240) months (the “Term”), for the purpose of locating and operating a Big Mike’s Steakhouse (the “Restaurant”) in said Premises. The Term of this Lease shall commence on the date the Restaurant is open for business and makes its first retail sale (the “Commencement Date”). In the event Big Mike’s should hold-over, the Lease shall become a month-to-month lease on all other terms and conditions contained herein. Big Mike’s covenants and agrees to locate and operate a Big Mike’s Steakhouse on the Premises for not less than twenty (20) years from the date the Restaurant is open for business and makes its first retail sale.

2. Time is of the essence in this Lease. In consideration of the improvements to be made to the Premises by the District and the City of Northport, Alabama (the “City”) on behalf of the District, Big Mike’s shall use commercially reasonable best efforts to open and operate a Big Mike’s Steakhouse on the Premises on or before _____, 2027. Big Mike’s anticipates that the Restaurant will produce annual sales of more than \$4,800,000 and will employ more than thirty-five (35) employees. The Restaurant shall be a modern, clean, upscale restaurant, substantially similar to the Big Mike’s Steakhouse restaurants currently owned and operated by Big Mike’s in Andalusia and Thomasville, Alabama.

3. The Building shall be constructed in accordance with the plans and specifications (“Plans and Specifications”) identified in Exhibit B. If it becomes necessary to modify the Plans and Specifications, the District or the City will consult with Big Mike’s and in no event will the District or the City make modifications to the Plans and Specifications that would prevent Big Mike’s from using the Premises for its intended purpose. The Building shall be equipped in accordance with the equipment list set forth in Exhibit C (the “Building Equipment Package”).

4. The obligation to pay rent shall commence on the date that is thirty (30) days after the date the Restaurant is open for business and makes its first retail sale. Big Mike’s shall thereafter pay, for the Term of this Lease, to the City, on behalf of the District, on or before the 15th day of each month, five percent (5%) of Big Mike’s Gross Revenues for the previous month (the “Monthly Rental Payment”). All Monthly Rental Payments shall be made by Automated Clearing House (ACH) transfer to the account designated by the City in writing, which account the City may change upon written notice to Big Mike’s. For purposes of this Lease, “Gross

Revenues” means the aggregate gross amount of all revenues from whatever source derived (whether in the form of cash, credit, agreement to pay, exchange, or other consideration and whether or not payment is received at the time of sale or any such amounts prove uncollectible, excluding only sales taxes) which arise from or derived by Big Mike’s or any other person (including any sub Lessee or concessionaires approved pursuant to the terms of this Agreement) from any business conducted in, on, from, or through the Premises and whether such business is conducted in compliance with or in violation of provisions of this Lease including, but not limited to, revenues derived from the sales of goods sold in vending machines, to-go order, services, food, beverages and all other merchandise. Gross Revenues excludes any federal, state, county or city tax, excise tax, or other similar taxes collected from customers of Lessee based upon sale. Big Mike’s shall document “Gross Revenues” by providing the District and the City with a copy of Big Mike’s sales tax reports for the preceding month. Big Mike’s shall certify to the District and the City that the same were true and correct and represent all of the Gross Revenues of Big Mike’s with respect to the Premises. The District and the City shall have the right to review and audit Big Mike’s sales records at the District’s or the City’s option.

5. In the event that any rental payment becomes delinquent (paid/received after the 10th of the month), the City, on behalf of the District, shall be entitled to a late fee in the amount of Five Hundred and No/100 Dollars (\$500.00), which late fee shall be immediately due and payable to the City, on behalf of the District. If the delinquency should continue for an additional 10 days, then the City, on behalf of the District, shall have the right to accelerate all remaining payments due hereunder making the same immediately due and payable. Any failure of the City, on behalf of the District, to accelerate shall not be deemed a waiver of its right to accelerate in the future. No acceptance or series of acceptances of late rent shall constitute a waiver of the City’s right (on behalf of the District) to insist that future rent be paid when due. The rent shall be payable at the business address of the City or at such other place as the City may designate in writing. In the event the City accelerates all future rental payments pursuant to the terms of this Agreement, then such monthly rental payments shall be deemed payable in the amount of Five Thousand and No/100 Dollars (\$5,000.00), discounted at a rate of five percent (5%). In the event more than three (3) years remain on the Term, the period subject to the foregoing acceleration provision shall be limited to three (3) years. For the avoidance of doubt, the Company’s aggregate obligation to pay accelerated rent under this Paragraph 5, together with any liquidated damages payable under Section 8.4 of the Project Development Agreement, shall not exceed Three Hundred Thousand and No/100 Dollars (\$300,000.00) (the “Default Cap”). The Default Cap shall apply solely to accelerated rent and liquidated damages arising from default, and shall not limit or affect any other obligation of the Company under the Project Development Agreement or this Lease.

6. The City acknowledges that the City will receive City sales tax of 3% from the revenue generated by Big Mike’s and any other business on the Premises. On a monthly basis, the City shall allocate 2%, representing two-thirds (2/3) of said sales tax receipts (the “City Sales Tax Allocation”) to the reduction of the Project Indebtedness (as defined in Section 40 herein). Upon satisfaction, in full, of the Project Indebtedness, said City Sales Tax Allocation shall no longer be required, and all of the City sales tax generated from the Premises shall be retained by the City for any lawful purpose.

7. The District hereby agrees to impose, and Big Mike's hereby consents to, the District assessing, pursuant to Section 11-99B-7(21) of the Code of Alabama (1975) as amended, a user fee of 2% of the gross monthly sales of all business operations located on the Premises, which shall be in addition to all other taxes assessed (the "Cooperative District User Fee Revenue"). The Cooperative District User Fee Revenue shall be paid by the District to the City on a monthly basis and shall be applied by the City to the Project Indebtedness. Upon satisfaction, in full, of the Project Indebtedness, the Cooperative District User Fee Revenue may be used by the City or the District for any purpose permitted under applicable Alabama law.

8. The Premises shall be used only for the following purposes unless Big Mike's first obtains the District's and the City's prior written consent: (i) use as a modern, clean, upscale Big Mike's Restaurant, substantially similar to the restaurants currently owned and operated by Big Mike's in Andalusia and Thomasville, Alabama, and (ii) use as a banquet hall, and related commercial or retail operations in connection with the operations of Big Mike's Steakhouse. The District shall not unreasonably withhold its consent for any other lawful uses of the Premises, provided such proposed use is not deemed incompatible with the surrounding uses of nearby properties.

9. Big Mike's may place a sign or signs on the Premises subject to the following conditions:

- (a) Big Mike's must obtain the proper permits from the City for the placement and proposed design of the sign;
- (b) The erection and maintenance of the sign must be permitted by applicable law; and
- (c) Big Mike's shall indemnify and hold harmless the District and the City against and from any and all losses, damages, claims, suits or actions for any injury or damage to person or property caused by the erection and maintenance of the signs, and insurance coverage therefor shall be included in the liability insurance policy which Big Mike's is required to furnish under this Lease.

10. Big Mike's has inspected the property and is aware of its condition. Big Mike's is leasing the property as a result of such inspection or investigation and not by or through any representations made by the District, the City, or their respective agents or representatives. Big Mike's waives all claims for damages or for rescission or cancellation of this contract because of any representations made by or on behalf of the District or the City, except for those expressly contained herein.

11. The District shall work to expedite the project as much as possible within the limits of the laws of the State of Alabama and the City.

12. Big Mike's shall commit no waste and shall take good care of the demised premises and make all repairs and replacements necessitated by Big Mike's use of the Premises. Big Mike's shall maintain, keep in repair and replace the plumbing equipment, fixtures, and appurtenances located within the Premises, and after the first year of the Term, the air conditioning and heating

system serving the Premises. The District shall maintain and keep in repair (and shall put into repair where necessary) the walls, structure, foundation, and roof of the building of which the Premises form a part and the sidewalks in front thereof.

13. Big Mike's shall be responsible for the payment of all utilities serving the Premises.

14. Big Mike's shall indemnify and hold harmless the City, the District, and the District's property from liability for all mechanics' liens or other expenses or damages resulting from any renovations, alterations, buildings, repairs, or other work placed on the property by Big Mike's.

15. Big Mike's shall procure and maintain insurance covering the Premises from damage by fire or other casualty during the entire Term of the Lease in an amount not less than the full replacement cost of the Premises, which initially shall be Four Million Eight Hundred Thousand and No/100 Dollars (\$4,800,000.00). The City and the District shall be named as the loss payees of such insurance. Big Mike's shall procure and be responsible for maintaining insurance coverage for personal property located in the Premises. Big Mike's shall provide the District and the City with a copy or certificate of such insurance policy together with proof that the premiums on such liability insurance have been paid.

16. Big Mike's shall indemnify and hold the District and the City free and harmless from all demands, loss, or liability resulting from the injury to or death of any person or persons because of Big Mike's negligence or strict liability or the condition of the property at any time after the date possession of the property is delivered to Big Mike's.

17. Big Mike's shall obtain liability insurance acceptable to the District covering the Premises in an amount not less than One Million Dollars (\$1,000,000.00) and said insurance shall name the District and the City as additional insureds. Big Mike's shall provide the District and the City with a copy or certificate of such insurance policy together with proof that the premiums on such liability insurance have been paid.

18. Any insurance policy that Big Mike's is required to obtain under this Lease shall provide that the policy and any renewal thereof may not be cancelled by the insurer without thirty (30) days' prior written notice to the District, the City, and to Big Mike's.

19. Big Mike's may enter into possession of the Premises on execution of this Lease and continue in possession so long as Big Mike's is not in default of the terms of this Lease.

20. Big Mike's payment of all monies becoming due hereunder and the performance of all of Big Mike's other obligations hereunder are conditions precedent to the District's and the City's performance of any of their respective obligations herein contained. If Big Mike's fails either to pay any amount due within 15 days after the due date thereof, or to comply with any of Big Mike's other obligations hereunder, then Big Mike's shall be in default. If such default is not cured within 30 days of the occurrence of the default, then, at the District's election and in addition to the remedy contained in Section 5:

- (a) The District and the City shall be released from all obligations under this Lease;
- (b) Big Mike's shall forfeit all rights to possession of the Premises and the personal property, fixtures and equipment located therein;
- (c) The District shall have an immediate right to retake possession of the Premises; and/or
- (d) The District and the City may, at the District's and the City's option, negotiate a new payment schedule with Big Mike's, imposing such additional fees and/or interest as the District and the City see fit.

All rights or remedies given herein to the District and the City shall not be exclusive of, but in addition to, all other rights and remedies which the District and the City may have at law or in equity.

21. In addition, the District may declare this Lease to be null and void and, without incurring liability therefor, reenter or repossess the Premises, by force, summary proceedings, surrender, or otherwise, and dispossess and remove Big Mike's or other occupants therefrom, together with their effects, if

- (a) the Premises shall become abandoned, deserted, or vacated;
- (b) Big Mike's is open for business less than five (5) days per week without cause;
- (c) proceedings are commenced by or against Big Mike's in any court under a bankruptcy act or for the appointment of a trustee or receiver of Big Mike's property at any time;
- (d) the Lease is assigned or the Premises sublet other than in accordance with the terms of this Lease; or
- (e) Big Mike's defaults in performing any other covenant, agreement, condition, rule, or regulation now or subsequently contained herein for more than 15 days after the District gives written notice thereof.

In any such event, the District may cancel this Lease and re-let all or part of the Premises for the remaining Term without incurring liability therefor.

22. If the Premises are materially damaged or rendered materially untenable by fire or other casualty so that their repair, restoration, or rebuilding would require more than 180 days for completion, Big Mike's may, by giving written notice to the District within 15 days after the fire or other casualty occurs, terminate this Lease upon a date specified in the notice. This date shall not be less than five nor more than ten days after the notice is given. In such event the Term of this Lease shall expire in the same manner as if the date specified in the notice were the date

herein originally specified for the expiration of the Term. If Big Mike's does not give the required notice, then the District shall immediately proceed to repair, restore, or rebuild the Premises to their former condition and shall complete the same with reasonable promptness. Notwithstanding the foregoing, the obligation of the District to repair, restore or rebuild shall be limited to insurance proceeds received by the District, if any. The rent shall abate from the date of the fire or other casualty until the repairs, restoration, or rebuilding are completed. If this Lease is terminated pursuant to notice as provided above, Big Mike's shall pay no rent for any period after the date of the fire or other casualty. The rent shall be apportioned as of that date, and Big Mike's shall be repaid all rent that has been pre-paid.

23. If the Premises or any part thereof or any estate therein, or any other part of the building of which the Premises form a part materially affecting Big Mike's use thereof, are taken by virtue of eminent domain, this Lease shall terminate on the date title vests pursuant to the taking. In such case the rent shall be apportioned as of that date and Big Mike's shall be repaid all rent that has been pre-paid.

24. Big Mike's shall be entitled to any part of an award for real property which exceeds the amount of Project Indebtedness pursuant to a taking by virtue of eminent domain. In addition, the District shall pay to Big Mike's from the award when received any amount by which it is increased by reason of the following: the taking of fixtures and equipment which Big Mike's is entitled to remove; alterations and improvements paid for by Big Mike's; or the cost to Big Mike's of moving from the Premises and relocating.

25. The District may enter the Premises at any reasonable time on reasonable notice to Big Mike's for the purpose of inspection or repair and to show the premises to prospective mortgagees or purchasers.

26. If litigation is commenced between the parties concerning this Lease Contract or the parties' respective rights and duties hereunder, the prevailing party may recover, in addition to other relief granted, reasonable attorney's fees.

27. The proper forum for litigation concerning this Lease contract shall be in the Circuit Court of Tuscaloosa County, Alabama, and this Lease shall be construed in accordance with and governed by the laws of the State of Alabama.

28. THE PARTIES HERETO WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM BROUGHT BY EITHER OF THE PARTIES TO THIS LEASE AGAINST THE OTHER ON ANY MATTERS WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED TO THIS LEASE OR THE PREMISES.

29. Big Mike's shall not assign this Lease without receiving the District's prior written consent.

30. Assignment by District. Lessee acknowledges that the District may sell, assign, grant a security interest in, or otherwise transfer all or any part of its rights, title and interest in this

lease and the equipment without notice to or consent of Lessee. Upon the District's written notice to Lessee that this Lease, or the right to the Rental Payments hereunder, have been assigned, Lessee shall, if requested, pay directly to District's assignee without abatement, deduction, or set off all amounts which become due hereunder. Lessee acknowledges that any assignment or transfer by District does not materially change Lessee's duties or obligations under this Lease nor materially increase the burdens or risks imposed on Lessee. Big Mike's acknowledges and agrees that the District has assigned its right to all rent hereunder to the City, and Big Mike's shall pay all rent hereunder directly to the City.

31. Upon the expiration or earlier termination of this Lease, Big Mike's shall surrender the premises to the District in good order and condition, except for ordinary wear and tear. Big Mike's shall remove from the Premises on or prior to the expiration or earlier termination all property owned by Big Mike's situated thereon and shall repair any damage caused by the removal. Property not so removed shall become the property of the District. All equipment listed on Exhibit C shall remain with the Building.

32. All notices or demands required or permitted by this Lease shall be in writing and be deemed to have been given when delivered in person or when mailed by first class registered or certified mail, postage prepaid, or sent by overnight courier, addressed to the proper party as follows.

If to the City or District:
City of Northport / _____ Cooperative District)
City Hall
3500 McFarland Blvd.
Northport, Alabama 35476
Attn: City Administrator

If to the Company:
Sucarnoochee Investments, LLC
33215 Highway 43
Thomasville, Alabama 36784
Attn: Michael A. Cole

with a copy to:
Ronald L. Davis, City Attorney
City of Northport, Alabama
3500 McFarland Blvd.
Northport, Alabama 35476

Either party may change the place for giving notice by written notice in the manner set forth in this section. Any such notice or other document shall be deemed to be received as of the date delivered, if delivered personally, or as of three (3) days after the date deposited in the mail, if mailed, or the next business day, if sent by overnight courier.

33. The parties hereto shall execute, acknowledge, and deliver to the District a short form or memorandum of this Lease in form for recording.

34. No delay or failure by either party to exercise any right hereunder, and no partial or single exercise of any such right, shall constitute a waiver of that or any other right, unless otherwise expressly provided herein.

35. Whenever a provision of this Lease prescribes a time period for the District or the City to take action, it shall not be liable or responsible for, and there shall be excluded from the computation of that period, all delays due to strikes, riots, acts of God, shortages of labor or materials, war, governmental laws, regulation, restrictions, or other causes that are beyond the District's or the City's reasonable control.

36. The provisions of this Lease shall be binding upon and inure to the benefit of the District, the City, and Big Mike's and their respective heirs, successors in interest, and legal representatives, except as expressly provided herein.

37. Nothing contained in this Lease shall be deemed or construed by the District, the City, or Big Mike's, or by a third party, to create the relationship of principal and agent, of partnership, or of joint venture between them. No provision contained herein and no acts of the District or the City or Big Mike's shall be deemed to create any relationship between them other than the relationship of landlord and tenant.

38. All prior understandings and agreements between the parties are merged into the Project Development Agreement between the parties and this Lease, which together constitute the entire agreement between the parties.

39. If any provision of this Lease or any application thereof shall be declared invalid or unenforceable, the remainder of the Lease and any other application of such provision shall not be affected thereby.

40. The parties hereto acknowledge that indebtedness will be incurred by the City on behalf of the District in connection with the Project (the "Project Indebtedness"). On a monthly basis, the City shall apply the full amount of each Monthly Rental Payment which it receives from Big Mike's to reduce the balance of the Project Indebtedness. For purposes of this Lease Contract, "Project Indebtedness" means any present or future indebtedness of the City or the District, including the principal amount thereof and all interest payable thereon, incurred in financing or refinancing the ownership, acquisition, construction, development, leasing, maintenance and/or operation of the Project and the Project Site. Without limiting the generality of the foregoing sentence, Project Indebtedness specifically includes the principal of, and interest payable on, the indebtedness that the City expects to issue in an amount not to exceed \$4,800,000 in order to finance the cost of purchasing the Premises, the Building, and the Building Equipment Package.

41. The City shall provide Big Mike's with an accounting of the outstanding balance due for the Project Indebtedness no less than annually, or within thirty (30) days of a written request from Big Mike's. Big Mike's may prepay to the City, as prepaid rent, the outstanding balance of the Project Indebtedness. Upon satisfaction, in full, of the Project Indebtedness based upon the cumulative total of (i) all Monthly Rental Payments made by Big Mike's and received by the City, (ii) all Cooperative District User Fee Revenue as provided in Section 7 herein, and (iii) all City Sales Tax Allocations as provided in Section 6 herein, the Monthly Rental Payment shall be eliminated. Upon the expiration of the full Term of this Lease (*i.e.*, two hundred forty (240) months from the Commencement Date), and provided that the Project Indebtedness has been satisfied in full, as provided herein, Big Mike's shall have the option to purchase the Building and the real

property on which it is situated upon thirty (30) days written notice to the District and the City and the payment to the City of the additional sum of \$100. For the avoidance of doubt, the purchase option set forth in this Section 41 shall not become exercisable prior to the expiration of the full Term, notwithstanding the earlier satisfaction of the Project Indebtedness.

42. Without the written consent of Big Mike's, which will not be unreasonably withheld, conditioned or delayed, the District, the City, and any other current or future cooperative district formed by the City shall not enter into leasing, financing, or assessment fee agreements with other restaurants in Direct Competition with Big Mike's until the Project Indebtedness is paid in full. For purposes of this Lease, a restaurant in "Direct Competition" with Big Mike's shall mean a casual or family-style dine-in restaurant with "steak" or "steak house" in the name, such as Outback Steakhouse or LongHorn Steakhouse, or a casual or family-style dine-in restaurant having a dinner menu with 50% or more of the entrees being steak items. Notwithstanding the foregoing, the term "Direct Competition" shall not include a Fine Dining Restaurant. For purposes of this Lease, a "Fine Dining Restaurant" means a full-service restaurant that satisfies all of the following criteria: (i) an average dinner entrée price of \$50.00 or more (exclusive of taxes and gratuity), (ii) a requirement that reservations be made or strongly encouraged for dinner service, and (iii) a dress code that requires, at a minimum, business casual attire. The determination of whether a restaurant constitutes a Fine Dining Restaurant shall be based on the restaurant's actual operations during the first ninety (90) days of its opening to the public. For the avoidance of doubt, Big Mike's acknowledges and agrees that the steakhouse proposed to be located in the Clover Square development to be constructed at 5th Street and Bridge Avenue in Northport, Alabama, shall not be considered in "Direct Competition" with Big Mike's and shall not violate the terms of this Lease.

43. The obligations contained in this Lease shall be conditioned upon the District's acquisition of fee title to the Premises from the City and the City taking all actions necessary to secure the Project Indebtedness.

44. The District, the City and the Lessee represent and warrant to each other that no party has dealt with a real estate broker so there are no brokerage commissions or fees due in connection with this Lease Contract.

45. This Lease shall be executed in three (3) counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF the parties have hereunto caused this agreement to be entered into as of the day and year first written above.

LESSOR:

_____ COOPERATIVE DISTRICT

By: _____
_____, its Chairman

Attest:

_____, Secretary

STATE OF ALABAMA

TUSCALOOSA COUNTY

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that _____, whose name as Chairman of _____ Cooperative District, an Alabama public corporation, 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/she, as such officer and with full authority, executed the same voluntarily for and as the act of said public corporation.

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

Notary Public

My Commission Expires: _____

LESSEE:

**SUCARNOOCHEE INVESTMENTS,
LLC, an Alabama limited liability
company**

By: _____
Michael Cole, its Managing Member

By: _____
Scott Powell, its Managing Member

By: _____
Caine Conway, its Managing Member

STATE OF ALABAMA

TUSCALOOSA COUNTY

I, the undersigned, a Notary Public in and for said County in said State, do hereby certify that MICHAEL COLE, SCOTT POWELL and CAINE CONWAY, whose names as MANAGING MEMBERS of SUCARNOOCHEE INVESTMENTS, LLC, an Alabama limited liability company, 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, as such officers and with full authority, executed the same voluntarily on the day the same bears date for and as the act of the said limited liability company.

Given under my hand and seal this _____ day of _____, 2026.

Notary Public

My Commission Expires: _____

ACKNOWLEDGMENT AND AGREEMENT

The City does hereby acknowledge and consent to the terms and provisions of the foregoing Lease Contract and agrees to be bound by the obligations imposed on the City of Northport, Alabama therein.

CITY OF NORTHPORT, ALABAMA

By: _____
Hon. Dale Phillips
Title: Mayor

Attest:

Tera Tubbs
City Administrator

STATE OF ALABAMA

TUSCALOOSA COUNTY

I, the undersigned, a Notary Public in and for said County in said State, do hereby certify that DALE PHILLIPS and TERA TUBBS, whose names as MAYOR and CITY ADMINISTRATOR, respectively, of the CITY OF NORTHPORT, ALABAMA, 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, as such officers and with full authority, executed the same voluntarily on the day the same bears date for and as the act of said City.

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

Notary Public

My Commission Expires: _____

Exhibit A

Description of Premises

[To Be Inserted Prior to Signing of Lease Contract]

Exhibit B

Plans and Specifications

[To be attached prior to execution and delivery]

EXHIBIT C

BUILDING EQUIPMENT PACKAGE

| | Amount | Vendor | Description |
|----|---------------|--------------------------|---------------------------------|
| \$ | 300,000.00 | Mobile Fixture | kitchen equipment and furniture |
| \$ | 80,000.00 | Safety Extinguisher | hoods and suppression |
| \$ | 50,000.00 | Commercial Refrigeration | cooler and freezer |
| \$ | 30,000.00 | Mitchell Signs | small sign |
| \$ | 60,000.00 | Emily & G | Interior Design |
| \$ | 35,000.00 | Birmingham-Toledo | POS |
| \$ | 10,000.00 | Various | alarm and speakers |
| \$ | 61,919.00 | Various | contingency |

Total FFE Allowance: \$626,919.00.

EXHIBIT D

Description of the Project Site

Lot 16 of 1871 Subdivision Phase II, a Resurvey of Lots 1 and 2 of Gillis Subdivision, a map or plat of which is recorded in Plat Book 2019, at Page 219 in the Probate Office of Tuscaloosa County, Alabama.

EXHIBIT E

CONSTRUCTION AND PURCHASE AGREEMENT

THIS CONSTRUCTION AND PURCHASE AGREEMENT (the “Agreement”) is dated June ____, 2026, by and between Winship, LLC, an Alabama limited liability company (“Winship”), and the City of Northport, Alabama, an Alabama Municipal Corporation (the “City”).

RECITALS

WHEREAS, the City has entered into a Project Development Agreement (the “Development Agreement”), effective as of June ____ 2026, by and among the City, Sucarnoochee Investments, LLC, an Alabama limited liability company (the “Company”), and Winship, pursuant to which the Company proposes to locate and operate a Big Mike’s Steakhouse on certain vacant commercial land located in Northport, Alabama (the “Project Site”).

WHEREAS, the City desires to purchase the Project Site from Winship following Winship’s construction of a new commercial building containing approximately Six Thousand Seven Hundred Twenty (6,720) square feet, together with the provision and installment of certain furniture, fixtures, and equipment necessary to operate a Big Mike’s Steakhouse (the “Project”).

WHEREAS, the parties acknowledge that the Project Development Agreement contemplates the formation of a cooperative district that is anticipated to be formed in connection with the Project pursuant to Chapter 99B of Title 11 of the Code of Alabama (1975), as amended (the “Cooperative District”), for the purposes described in this Development Agreement.

WHEREAS, Winship acknowledges and agrees that this Agreement is fully assignable by the City to the Cooperative District and that the City may direct that title to the Project be conveyed to the Cooperative District even if the City does not assign this Agreement.

NOW, THEREFORE, For and in consideration of the premises and the mutual covenants and agreements herein contained, the City and Winship hereby covenant and agree as follows:

1. Project Site. The Project Site is located in Northport, Alabama and more particularly described as Lot 16 of 1871 Subdivision Phase II, a Resurvey of Lots 1 and 2 of Gillis Subdivision, a map or plat of which is recorded in Plat Book 2019, at Page 219 in the Probate Office of Tuscaloosa County, Alabama.

2. Scope of Work. Winship agrees to furnish all supervision, labor, materials, equipment, supplies, services, machinery, tools, and all other elements necessary for the proper, complete, expeditious and efficient performance of the work necessary to construct and deliver the Project on the Project Site (the “Work”), and deliver the same to the City. The Work will be performed in accordance with the Scope of Work/General Conditions attached hereto as Exhibit “A” and incorporated herein by reference.

3. Plans and Specifications. The plans, drawings and specifications for the Project are attached to this Agreement as Exhibit “B” (collectively the “Plans and Specifications”) and constitute the plans which shall be submitted for approval for the Work. Winship shall submit the Plans and Specifications, and all revisions, amendments, and supplements thereto, to the City for review and approval in the normal course of the City’s plan review and permitting processes, in the same manner and subject to the same requirements applicable to any other commercial construction project within the City, and the Plans and Specifications shall be subject to the City’s approval. No construction of the Project, or any portion thereof, shall commence until the Plans and Specifications have been so submitted, reviewed, and approved. Winship shall, at its sole cost and expense, design and construct the Project in compliance with all applicable federal, state, and local laws, codes, ordinances, rules, and regulations, including, without limitation, the City’s building codes, fire codes, zoning ordinances, subdivision regulations, stormwater and drainage requirements, and all permitting and inspection requirements, and shall obtain all permits, licenses, and approvals required for the design and construction of the

Project. The City's review or approval of the Plans and Specifications under this Agreement shall not constitute or be deemed a waiver, release, or modification of any requirement of the City's codes, ordinances, or regulations, nor shall the issuance of any permit or approval by the City in its governmental or regulatory capacity constitute acceptance of the Work or a waiver of any of the City's rights under this Agreement. The City is a party to this Agreement in its proprietary capacity, and nothing in this Agreement limits, impairs, or waives the City's governmental and regulatory authority with respect to the Project.

4. Commencement of Construction. Construction of the Project shall commence as soon as practicable after this Agreement and all schedules, exhibits, and related contract documents are fully completed and executed. The City will provide Winship with written notice of the date upon which the Work is to commence (the "Notice to Proceed").

5. Project Cost; Contract Price. The total Project cost is \$4,800,000, which is broken down between the "Contract Price" and the "FFE Allowance". The City agrees to pay Winship for the full and faithful performance of the Work, a lump sum payment in the amount of \$4,173,081 (the "Contract Price"). The Contract Price shall be payable in full, in immediately available funds, on the Closing Date (as hereinafter defined).

6. Building Equipment Package. The "Building Equipment Package" shall mean the furniture, fixtures, and equipment necessary for the Project, which have been identified and approved by the Company and which are set forth in Exhibit "C" attached hereto and incorporated herein by reference. The Building Equipment Package shall be provided by Winship as part of the Project in accordance with the terms of the Scope of Work and this Agreement. The parties have agreed to a Building Equipment Package allowance in the amount of \$626,919.00 (the "FFE Allowance"). The FFE Allowance shall be separate from and in addition to the Contract Price. The FFE Allowance shall include Winship's cost of specific products and materials required by Company as part of the Building Equipment Package, and shall include all taxes, freight and delivery to the Project Site. Winship's cost for receiving and handling, at the Project Site, labor, installation, overhead and similar costs related to products and materials comprising the Building Equipment Package, shall be included as part of the FFE Allowance. In the event that the final cost of the Building Equipment Package exceeds the FFE Allowance, the City shall not be responsible for such excess cost. Such excess cost shall be borne by the Company pursuant to separate agreement between Winship and the Company, and in no event against the City or the Cooperative District. In the event that the final cost of the Building Equipment Package is less than the FFE Allowance, Winship shall reduce the final invoice for the Building Equipment Package by such difference.

7. Completing Construction. Winship shall complete construction within 365 working days from the start of construction. "Working Day" means Monday through Friday, except National and State holidays. If progress with the Work is delayed by changes or acts of the City or City's agent, Government acts, inclement weather, flood, earthquake, picketing, boycotts, shortages of materials, or other causes beyond the reasonable control of Winship, the time for performance of the work shall be extended as necessary, provided that Winship delivers written notice to the City of any such delay within fifteen (15) days after its occurrence, identifying the cause and the estimated duration of the delay. Notwithstanding the foregoing, if Winship fails to achieve substantial completion of the Project within four hundred twenty (420) Working Days from the start of construction, as such period may be extended by delays excused under this Section (the "Outside Completion Date"), the City shall be entitled to claim liquidated damages for such delay in the amount of Six Hundred Eighty Five (\$685.00) Dollars per day for any day after the Outside Completion Date that Winship fails to achieve substantial completion of the Project, up to a maximum amount of six percent (6%) of the Contract Price. The parties agree that the City's actual damages for each day are difficult to measure and that this stated per day sum is a reasonable estimate of the City's actual damages for each day of delay and that the per day sum is intended by the parties to be in the nature of liquidated damages and not a penalty.

8. Acknowledgement of Completion and Release. (Except for matters covered by the representations and warranties set forth in Section 9 and the Construction Warranties described in Section 11 below) the City's acceptance of the deed constitutes a complete release and discharge of all Winship's obligations and liabilities with respect to construction, completion and delivery of the Project.

9. Representations and Warranties of Winship. Winship hereby represents and warrants as follows:

(a) Winship is duly organized and validly existing as a limited liability company under the laws of the State of Alabama and is not in default under any of the provisions contained in its certificate of formation or operating agreement.

(b) Winship has all necessary power and authority to enter into and perform its obligations hereunder and by proper action Winship has duly authorized the execution, delivery and performance of this Agreement.

(c) The execution, delivery, and performance of this Agreement by Winship, including the consummation of the transactions contemplated herein, do not constitute and will not result in (upon notice or lapse of time or both) a breach, violation or default under any contract, lease, mortgage, bond, indenture, franchise, permit, order, judgment, or agreement of any nature to which Winship is a party or is subject.

(d) Winship will convey good, marketable, and insurable fee simple title to the Project Site, free and clear of all liens, encumbrances, easements, restrictions, covenants, reservations, and rights-of-way, except for those matters of record that are disclosed to and accepted by the City in writing prior to the City's acquisition of the Project Site and that do not, individually or in the aggregate, materially impair the use of the Project Site for the purposes contemplated by this Agreement.

(e) To Winship's actual knowledge, the Project Site is not in violation of any applicable environmental law, rule, or regulation, and no hazardous substances, pollutants, or contaminants (as defined under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, or any comparable state law) have been generated, stored, released, or disposed of on, in, or under the Project Site. Winship has not received any notice from any governmental authority or third party alleging any such violation or condition.

(f) The Project Site is properly zoned for the construction and operation of a commercial restaurant, and all permits, approvals, and entitlements necessary for the construction and the operation of the Project thereon have been obtained or are obtainable in the ordinary course, and no condition exists that would prevent the issuance of any such permits or approvals. To Winship's actual knowledge, the Project Site is in compliance with all applicable zoning ordinances, building codes, subdivision regulations, and land use restrictions.

(g) There are no pending or, to Winship's actual knowledge, threatened actions, suits, proceedings, or investigations by any governmental authority or third party affecting the Project Site or Winship's ability to perform its obligations under this Agreement, including any pending or threatened condemnation or eminent domain proceedings.

(h) All utilities necessary for the construction and operation of the Project, including water, sewer, electricity, natural gas, and telecommunications, are available at the boundary of the Project Site or will be made available by Winship at its expense prior to conveyance of the Project Site to the City.

(i) Winship has not entered into, and shall not enter into, any contract, lease, easement, license, or other agreement affecting the Project Site that would be binding upon the City or its assigns after the City's acquisition of the Project Site, except as disclosed to and approved by the City in writing.

(j) Winship agrees to provide, at Closing, an easement for ingress and egress across Lot 15 of 1871 Subdivision for the benefit of the Project Site, in order to allow access from the Project Site to Jemison Lane.

(k) The representations and warranties of Winship set forth in this Section 9 shall survive the conveyance of the Project, the Project Site, and the Building Equipment Package to the City and shall not be merged into or extinguished by any deed, bill of sale, or other conveyance instrument delivered in connection therewith, and shall inure to the benefit of the City, the Cooperative District, and their respective successors and assigns.

10. Representations and Warranties of the City. The City hereby represents and warrants as follows:

(a) The City is duly organized and validly existing as a municipal corporation under the laws of the State of Alabama and is not in default under any of the provisions contained in its charter.

(b) The City has all necessary power and authority to enter into and perform its obligations hereunder, and by proper action the governing body of the City has duly authorized the execution, delivery and performance of this Agreement.

(c) The execution, delivery, and performance of this Agreement by the City, including the consummation of the transactions contemplated herein, do not constitute and will not result in (upon notice or lapse of time or both) a breach, violation or default under any contract, lease, mortgage, bond, indenture, franchise, permit, order, judgment, or agreement of any nature to which City is a party or is subject.

(d) The representations, warranties and covenants made by the City herein shall survive the performance of any obligations to which such representations, warranties and covenants relate.

11. Construction Warranties.

(a) Winship warrants to the City that the Project, upon completion, shall have been constructed in a good and workmanlike manner, in substantial conformance with the Plans and Specifications, and in compliance with all applicable building codes, zoning ordinances, and governmental regulations. Winship further warrants that all materials incorporated into the Project shall be new and of good quality, free from defects in materials and workmanship. The Project Site and Project shall be fully compliant with all aspects of the Americans with Disabilities Act of 1990 as it pertains to a building owned by the City.

(b) For a period of one (1) year following the date of the City's acceptance of the Project (the "Warranty Period"), Winship shall, at its sole cost and expense, promptly repair, replace, or correct any defect in the construction, materials, or workmanship of the Project that is identified by the City, the Cooperative District, or the Company, and reported in writing to Winship during the Warranty Period. Winship's obligation under this Section 11 shall not extend to the Building Equipment Package, or to defects arising from the Company's misuse, neglect, or failure to perform ordinary maintenance after taking possession of the Project, provided, however, that Winship's warranty obligation under this Section 11 shall extend to Winship's installation of, and connections to, the Building Equipment Package, including all mechanical, electrical, and plumbing rough-in and hook-up work, all of which shall constitute part of the construction of the Project for purposes of this Section 11.

(c) Winship shall assign to the City or the Cooperative District, if requested by the City, or cause to be assigned to the City or the Cooperative District, if requested by the City, all manufacturers' warranties and guarantees applicable to the Building Equipment Package, and all components, systems, and materials incorporated in the Project, including warranties on the roof, structural components, HVAC systems, plumbing, and electrical systems. To the extent any such warranty is not assignable, Winship shall enforce such warranty on behalf of and at the direction of the City.

(d) Winship shall deliver to the City, at or prior to the closing of the City's purchase of the Project Site, the following: (i) a certificate of occupancy issued by the applicable Governmental authority for the Project/Project Site (ii) final lien waivers from all contractors, subcontractors, and material suppliers who performed work on or furnished materials to the Project; (iii) a copy of all warranties referenced in Section 11; (iv) as-built drawings of the Project/Project Site; and (v) a transferable termite bond covering the Building, which shall be assigned to the City or the Cooperative District at Closing.

(e) The warranties and obligations of Winship set forth in this Section 11 shall survive the conveyance of the Project, the Project Site, and the Building Equipment Package to the City and the termination of Winship's other obligations under this Agreement, and shall inure to the benefit of the City, the Cooperative District, and their respective successors and assigns.

12. Termination.

(a) The City may terminate this Agreement at any time before delivery of the Notice to Proceed, by delivering written notice of such termination to Winship. The parties acknowledge and agree that Winship has expended significant funds for engineering, architectural and other professional services in connection with the Project. As such, if City elects to terminate this Agreement as set forth above, the City shall pay to Winship the sum of \$150,000 as liquidated damages for such termination. Upon delivery of the Notice to Proceed, the City shall have no further right to terminate this Agreement for any reason, and the City acknowledges and agrees that it shall be liable for the full Project Cost of \$4,800,000. The City's acknowledgement of the foregoing is a material inducement for Winship to enter into this Agreement. Notwithstanding the foregoing, the City shall not be obligated to deliver the Notice to Proceed unless and until the contingencies set forth in Section 3.2 of the Development Agreement have been satisfied.

(b) The parties acknowledge that Winship has provided the City with a fixed Construction Price of \$4,173,081 based on current market conditions; therefore, if the City has not delivered the Notice to Proceed to Winship within sixty (60) days of the execution date of this Agreement, Winship shall have the right to adjust the Construction Price to reflect documented changes in the cost of materials and labor. If the City does not agree to the adjusted Construction Price, Winship shall have the right to terminate this Agreement. In the event of such termination, Winship shall be entitled to the sum of \$150,000 as liquidated damages.

(c) The parties further acknowledge and agree that to the extent the terms of the Development Agreement are in conflict with the terms of this Agreement, the terms of this Agreement shall control with respect to the construction and conveyance of the Project; provided, however, that nothing in this Agreement shall limit, supersede, or impair the limitation of the City's total financial obligation for the Project to \$4,800,000 as set forth in the Development Agreement. If the Development Agreement is terminated by the City prior to the City's delivery of the Notice to Proceed, this Agreement shall automatically terminate, and the City shall pay to Winship the sum of \$150,000 as liquidated damages as provided in subsection (a) above; following delivery of the Notice to Proceed, the termination of the Development Agreement will not, in and of itself, result in termination of this Agreement.

13. Environmental Assessment. Within sixty (60) days after the execution of this Agreement, Winship shall deliver to the City a Phase I Environmental Site Assessment of the Project Site prepared by a qualified environmental consultant. The City's obligation to deliver the Notice to Proceed and to consummate the Closing shall be conditioned upon the results of such assessment being reasonably satisfactory to the City.

14. Risk of Loss. Winship shall bear all risk of loss of or damage to the Project and the Project Site until the Closing Date. If, prior to the Closing Date, the Project is materially damaged by fire or other casualty, or any portion of the Project Site is taken or threatened to be taken by eminent domain, the City may terminate this Agreement upon written notice to Winship, without payment of any liquidated damages and without further liability of the City hereunder.

15. Inspection. The City and its agents, engineers, and representatives shall have the right to enter upon the Project Site at all reasonable times during construction to inspect the Work for conformance with the Plans and Specifications. No such inspection shall constitute acceptance of the Work or a waiver of any of the City's rights under this Agreement.

16. Closing. The closing date (the "Closing Date") shall be within ten (10) Working Days after substantial completion of the Project. Substantial completion of the Project shall occur upon Winship's receipt of a Certificate of Occupancy for the Project together with all applicable City and County inspections and approvals. The date and place for the closing shall be agreed to by the Parties. On the Closing Date, Winship shall convey to City an unencumbered, marketable title to the Project Site, by statutory warranty deed, subject to easements and restrictive covenants of record at the time of the closing and applicable regulations imposed by governmental agencies. Possession of the Project and Project Site shall be given on the Closing Date.

17. Closing Costs. All costs and expenses for the Closing shall be paid by Winship. The City and Winship hereby agree that each party will be responsible for the costs and fees of its own legal representation in connection with this Agreement, except as elsewhere addressed in this Agreement.

18. Prorations. Ad valorem taxes are to be prorated as of the date of closing. UNLESS AGREED HEREIN, ALL AD VALOREM TAXES EXCEPT MUNICIPAL ARE PRESUMED TO BE PAID IN ARREARS FOR PURPOSES OF PRORATION; MUNICIPAL TAXES, IF ANY, ARE PRESUMED TO BE PAID IN ADVANCE.

19. Brokers. All parties warrant that there are no brokers involved in this transaction.

20. Notices. All notices, demands, consents, certificates or other communications hereunder shall be in writing, shall be sufficiently given and shall be deemed given when delivered personally to the Party or to an officer of the Party to whom the same is directed, or mailed by registered or certified mail, postage prepaid, or sent by overnight courier, addressed as follows:

If to the City:
City of Northport
City Hall
3500 McFarland Blvd.
Northport, Alabama 35476
Attn: City Administrator

If to Winship:
Winship, LLC
5870 Charlie Shirley Road
Northport Alabama
Attn: John T. Harrison

with a copy to:
Ronald L. Davis, City Attorney
City of Northport, Alabama
3500 McFarland Blvd.
Northport, Alabama 35476

with a copy to:
Phelps, Jenkins, Gibson, & Fowler, LLC
1201 Greensboro Ave.
Tuscaloosa, Alabama 35401
Attn: Stephen E. Snow

Any such notice or other document shall be deemed to be received as of the date delivered, if delivered personally, or as of three (3) days after the date deposited in the mail, if mailed, or the next business day, if sent by overnight courier.

21. Modifications. There shall be no waiver, modification or change of the terms of this Agreement without the written approval of the parties hereto.

22. Captions. The titles of the Articles and Paragraphs and the captions of this Agreement have been assigned thereto for convenience and reference only and in no way define, describe, extend, or limit, nor be construed as limiting, defining or affecting the substantive terms, scope or intent of this Agreement.

23. Entire Agreement. Integration. This Agreement, together with the accompanying Exhibits attached hereto, constitutes the entire agreement among the parties hereto, as a complete and final integration thereof. All understandings and agreement heretofore had between and among the parties with respect to the subject matter of this Agreement are merged into this Agreement, which alone fully and completely expresses their understandings, and this Agreement supersedes all prior memoranda, correspondence, conversations and negotiations.

24. No Partnership. Nothing contained in this Agreement is intended to, or shall, or shall be deemed to, create a joint venture or partnership of any kind between the parties hereto, or any relationship other than that of a seller and purchaser of the Project.

25. Gender. Number. All personal pronouns used in this Agreement shall include all genders, whether used in the masculine, feminine, or neuter gender. Singular nouns and pronouns shall include the plural, as may be appropriate, and vice versa.

26. Severability. All of the terms, provisions, and conditions of this Agreement shall be deemed to be severable in nature. If, for any reason, the provisions hereof are held to be invalid or unenforceable to any extent, to the extent that such provisions are valid and enforceable, a court of competent jurisdiction shall construe and interpret this Agreement to provide for maximum validity and enforceability of this Agreement.

27. Construction. This Agreement shall be construed in its entirety according to its plain meaning and shall not be construed against the party who provided or drafted it.

28. Party. The terms “party” and “parties” refer to the parties of this Agreement, unless otherwise stated.

29. Use of Counterparts. Any number of counterparts of this Agreement may be executed, and together shall constitute but one agreement.

30. Waiver. No waiver by any party hereto of any default, breach or violation of any term, condition or provision of this Agreement shall be deemed to be a waiver of any other breach, default or violation of the same or any term, condition, or provision contained herein.

31. Governing Laws. This Agreement, and all of the rights and duties of the parties arising from or relating in any way to the subject matter hereof or the transaction contemplated hereby, shall be governed by, construed and enforced in accordance with the laws of the State of Alabama(excluding any conflicts-of-law rule or principle that might refer the construction of the Agreement to the laws of another jurisdiction); and all obligations of the parties created hereunder shall be performable in Tuscaloosa County, Alabama. All parties to this Agreement agree and consent to the exclusive jurisdiction, for any legal proceeding involving any thing pertaining to the Agreement, shall be in the Circuit Court of Tuscaloosa County, Alabama. The prevailing party in a proceeding shall be entitled to an award of a reasonable attorney’s fee and court costs.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the undersigned has hereunto set his hand and seal effective the day and date of the first above written.

Winship, LLC

By: _____
John T. Harrison
As Its Manager

STATE OF ALABAMA

TUSCALOOSA COUNTY

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that John T. Harrison, whose name as Manager of Winship, LLC, an Alabama limited liability company, is signed to the foregoing instrument and who are known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such Manager and with full authority, executed the same voluntarily for and as the act of said limited liability company.

Given under my hand and seal this _____ day of _____, 2026.

Notary Public

My Commission Expires: _____

IN WITNESS WHEREOF, the undersigned have hereunto set their hands and seals effective the day and date of the first above written.

CITY OF NORTHPORT, ALABAMA

By: _____
Hon. Dale Phillips
Title: Mayor

Attest:

Tera Tubbs
City Administrator

STATE OF ALABAMA

TUSCALOOSA COUNTY

I, the undersigned, a Notary Public in and for said County in said State, do hereby certify that DALE PHILLIPS and TERA TUBBS, whose names as MAYOR and CITY ADMINISTRATOR, respectively, of the CITY OF NORTHPORT, ALABAMA, 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, as such officers and with full authority, executed the same voluntarily on the day the same bears date for and as the act of said City.

Given under my hand and seal this _____ day of _____, 2026.

Notary Public

My Commission Expires: _____

EXHIBIT "A"

Scope of Work

- Complete Architectural, Structural, MEP, and Civil Design

- **Sitework**
 - Develop site of approximately 2.76 acres to include grading, utilities, paving, including approximately 143 parking spaces.
 - Paving build-up for the parking areas to be light duty asphalt, delivery lanes to be heavy duty asphalt.
 - Curb and Gutter and inlets are included
 - All necessary parking lot striping and signage
 - Dumpster pad enclosure to include concrete approach, steel framed gates and TREX style siding
 - Appropriately sized grease trap included per Health Department and City requirements
 - Site lighting to meet the City of Northport requirements
 - Landscaping to meet the City of Northport requirements

- **Concrete**
 - 4" Slab on grade using 4,000 psi concrete. Slab reinforcement to include 6x6 W1.4xW1.4 welded wire mesh. Slab build-up to include 4" of 825b and 15 mil vapor barrier.
 - Continuous footings, grade beams, and thickened slabs to be 4,000 psi concrete reinforced with #4 rebar
 - Termite pretreat to be applied prior to placement of slab on grade.
 - Sidewalks will be poured using 3,000 psi concrete

- **Masonry**
 - Exterior facade to include brick veneer per the attached renderings. Brick accessories to include ties, ladder reinforcing, and mortar next
 - Through wall flashing is included
 - Precast caps are included at brick columns at front entry

- **Steel**
 - Steel scope to include galvanized brick lintels
 - Hold down hardware and embeds as necessary
 - Steel gate frames included at dumpster enclosure
 - Steel hardware included at barn door entrance to private dining room

- **Wood Framing**
 - Roof framing to be Tfl 16x380 at 2'-0" on center with LVL's as required for bearing.
 - Roof decking to be ½" APA rated plywood
 - Exterior wall framing to be 6" wood studs 24" oc
 - Wall sheathing to be ½" APA rated plywood
 - Front entry canopy to be framed with rough sawn cypress beams

- o Roof deck at front entry canopy to be tongue and groove pine
 - o All wood framing to include necessary Simpson anchors and accessories as required by code
 - o Seating booths to be raised on pressure treated 2x4 framing
 - o Cementous board siding as shown on the attached renderings as well as Cementous board trim at windows
 - o Interior doors to be plain sliced wood doors
 - o Building wrap and waterproofing accessories included at exterior sheathing
- **Roofing**
 - o Main roof to be 60 mil TPO with R25 rigid insulation
 - o Front entrance canopy to be asphalt shingles
 - o Parapet, fascia metal, downspouts and conductor heads to included using 24-gauge sheet metal
- **Windows and Exterior Doors**
 - o Exterior doors to be storefront doors with appropriate hardware
 - o Front entry vestibule to include insulated storefront system with air lock
 - o Exterior windows to be storefront systems glazed with Gray Low-e clear glass equal to a Coral AP center set system
- **Paint**
 - o Exposed roof decking to be painted with flat paint
 - o All interior drywall to be painted using egg-shell paint
 - o Interior trim and door frames to be painted
 - o All exposed brick lintels to be painted with an exterior metals paint
 - o Steel gate frame at dumpster enclosure to be painted with an exterior metals paint
 - o Exterior entrance framing and roof deck to be stained and sealed
- **Drywall and Acoustical**
 - o Interior drywall to be 5/8" type x
 - o Restroom ceilings to include vinyl faced tile
 - o Kitchen ceilings to include vinyl faced tile
 - o Back of house areas to include 2'x2' square edge ceiling tile
 - o Kitchen walls to include 5/8" type x gypsum board FRP panels
 - o Exterior walls to include R19 batt unfaced insulation
- **Flooring**
 - o Main building flooring to be stained and sealed concrete including joint filler
 - o Kitchen floor to be a resinous type floor with base
 - o Riser room, and janitors closet to be clear stained concrete with rubber base
- **Specialties**
 - o Floor mounted toilet partitions and urinal screens are included in scope
 - o Toilet accessories including paper towel dispensers, paper towel dispensers, and grab bars are included

- o Fire extinguishers per code are included
- o K-type fire extinguishers are included in the kitchen per code
- o Code required signage is included
- **Fire Sprinklers**
 - o Fire sprinkler system to be provided per building code including any tie-in to kitchen hood systems
- **Plumbing**
 - o Sanitary, drain, waste, and vent piping to be pvc piping
 - o Domestic water piping to be type L copper with fiberglass insulation
 - o All plumbing fixtures including water closets, sinks, water fountains, floor drains, and janitors sink.
 - o Gas piping as required for kitchen equipment
 - o Final plumbing connections are included at all kitchen equipment
- **HVAC**
 - o A total of three separate systems are included in the scope. The kitchen will include a dedicated system.
 - o Venting and exhaust for kitchen hood included
 - o Sizing of *ARV* to be determined when final design is complete.
 - o Outside air as required by code is included
- **Electrical**
 - o Appropriate electrical service is included. Size of service to be determined during final design
 - o Convenience outlets as needed are included
 - o Raceways for data is included
 - o LED lighting is included throughout
 - o Power for HVAC equipment is included
 - o Final connections for kitchen equipment is included
- Building Equipment Package as required by this Agreement and the Development Agreement.

EXHIBIT "B"
Plans and Specifications

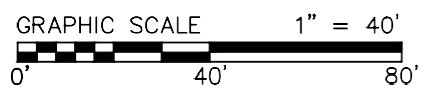
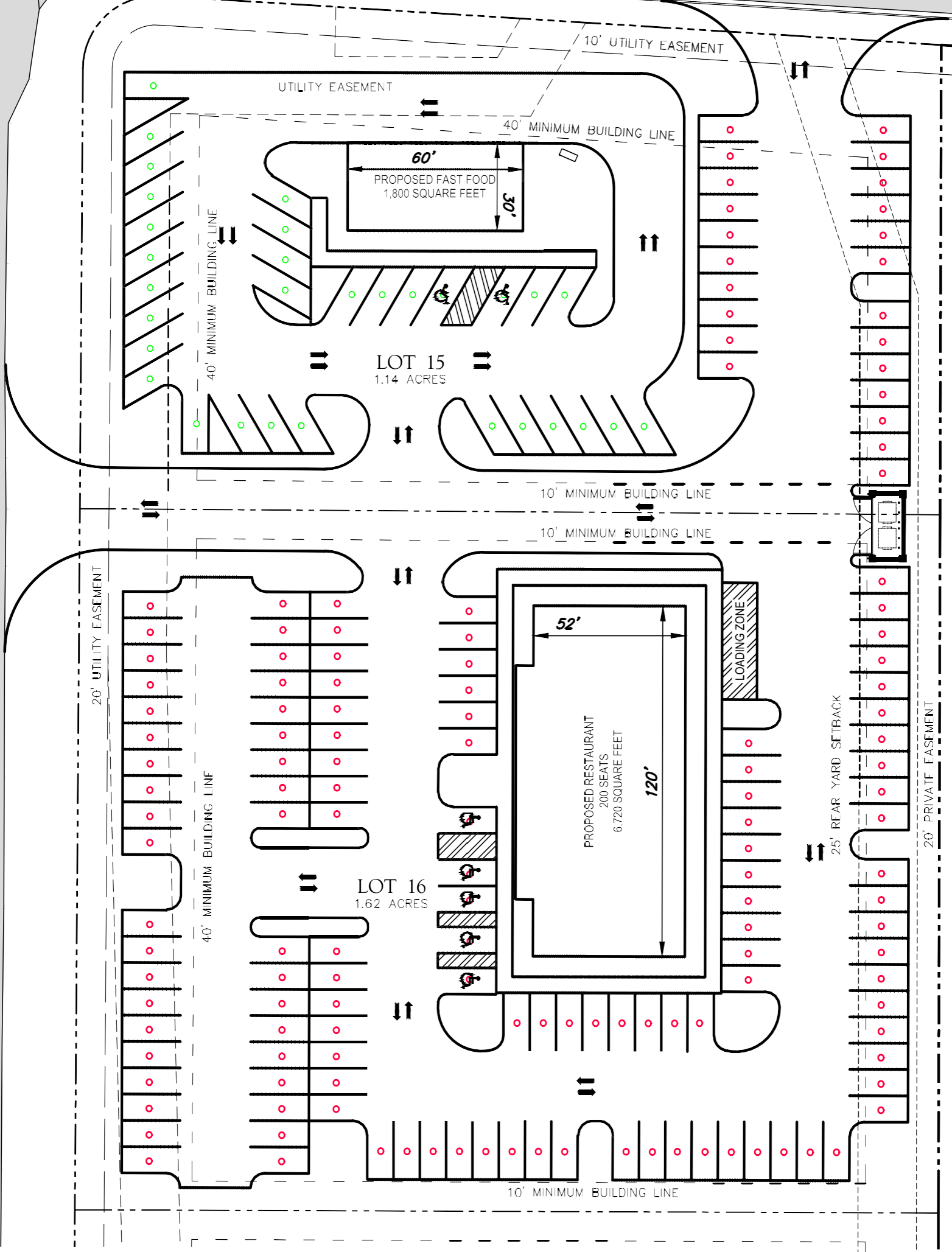
CHICK-FILA

FRONTAGE ROAD

JEMISON LANE
(60' ROW)



AIRPORT ROAD
(100' ROW)



JOLLY HEATING & COOLING

(31) ● PARKING - PROPOSED FAST FOOD
(143) ● PARKING - PROPOSED RESTAURANT



2814 STILLMAN BLVD. • P.O. BOX 20559
TUSCALOOSA, ALABAMA 35402-0559
WWW.MCGIFFERT.COM (205)759-1521

SCHEMATIC SITE PLAN

| REVISION | | |
|----------|-------------|----|
| DATE | DESCRIPTION | BY |
| | | |
| | | |

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1871 SUBDIVISION PH. II

LOTS 15 & 16
PROPOSED RESTAURANTS
P.B. 2019 P.G. 219

| | |
|---|------------------|
| NORTHPORT ALABAMA | |
| FILE NAME: Harrison - 1871 Ph.II Lots 15&16 | SHEET No. 1 of 1 |
| DATE OF FIELD SURVEY: N/A | JOB No. 26-2016 |
| FIELD BOOK: N/A | SCALE: 1"=40' |
| PAGE: N/A | DRAWN BY: W K M |
| CHECKED BY: RAM | DWG. No. 17-26 |



HCC
BIG MIKE'S STEAKHOUSE

NORTHPORT, ALABAMA

4-28-26



HCC
BIG MIKE'S STEAKHOUSE

NORTHPORT, ALABAMA

4-28-26



HCC
BIG MIKE'S STEAKHOUSE

NORTHPORT, ALABAMA

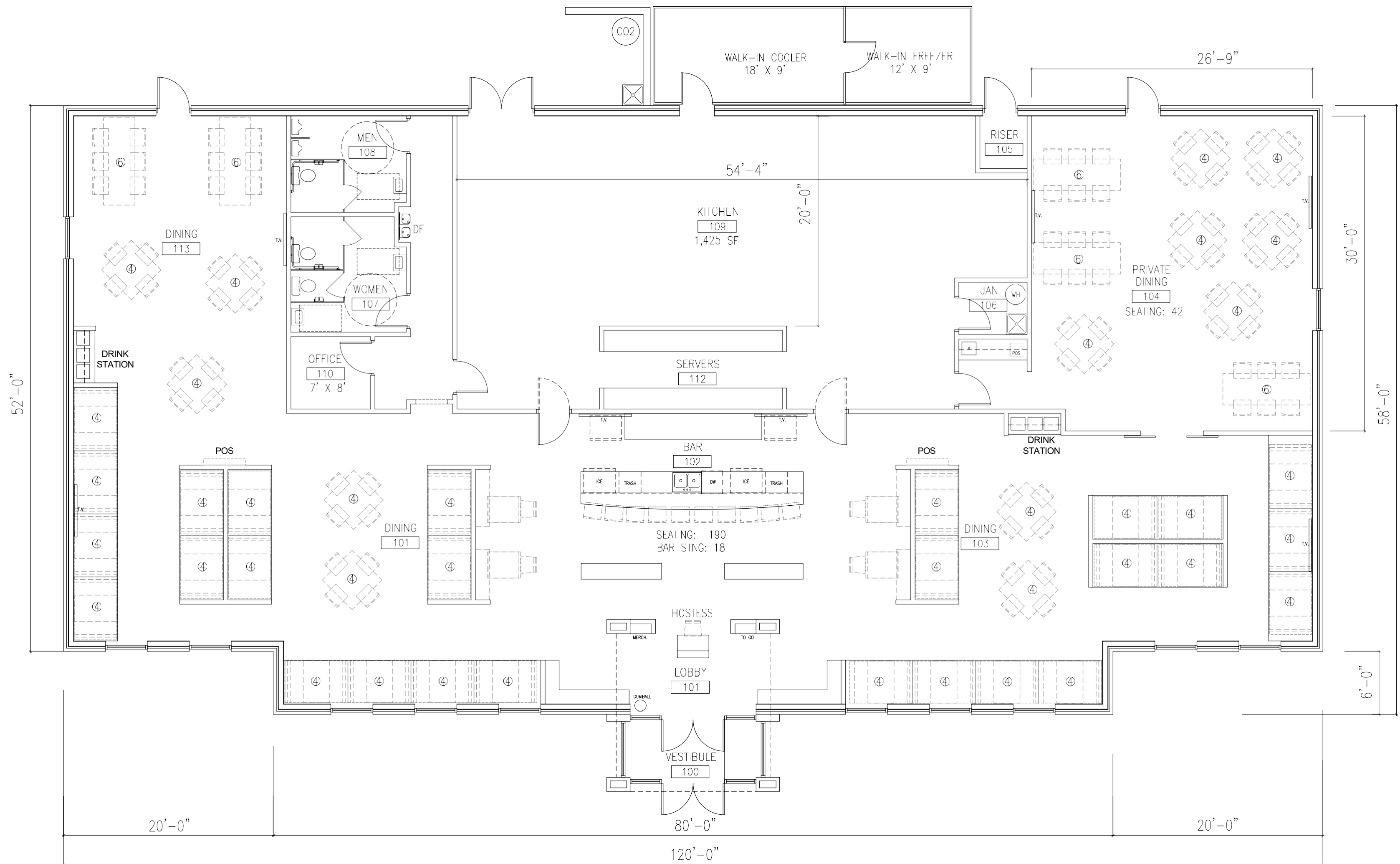
4-28-26



HCC
BIG MIKE'S STEAKHOUSE

NORTHPORT, ALABAMA

4-28-26



**BIG MIKE'S
RESTAURANT**
NORTHPORT, ALABAMA



lucy design associates
1800 HUNTER FARM
NORTHPORT, ALABAMA 36551
904-938-1947

DATE: 5/5/2021

PROJECT NUMBER: 26-012

DRAWING:
FLOOR PLAN

SHEET:
A2.1

FLOOR PLAN
1/8" = 1'-0" 6,800 SF

EXHIBIT C

BUILDING EQUIPMENT PACKAGE

| Amount | Vendor | Description |
|---------------|--------------------------|---------------------------------|
| \$ 300,000.00 | Mobile Fixture | kitchen equipment and furniture |
| \$ 80,000.00 | Safety Extinguisher | hoods and suppression |
| \$ 50,000.00 | Commercial Refrigeration | cooler and freezer |
| \$ 30,000.00 | Mitchell Signs | small sign |
| \$ 60,000.00 | Emily & G | Interior Design |
| \$ 35,000.00 | Birmingham-Toledo | POS |
| \$ 10,000.00 | Various | alarm and speakers |
| \$ 61,919.00 | Various | contingency |

Total FFE Allowance: \$626,919.00.