

**STATE OF ALABAMA
COUNTY OF BLOUNT**

GROUND LEASE AND OPERATIONAL AGREEMENT

KNOW ALL MEN BY THESE PRESENTS, that for and in consideration of the covenants and conditions described herein, the undersigned the City of Oneonta, Alabama, a municipal corporation, (hereinafter referred to as "the City") and the undersigned HomeTown Bank, a banking corporation, (hereinafter referred to as "HomeTown"), herewith covenant and agree as follows:

1. For and in consideration of the Lease hereinafter reserved and the conditions, covenants, and agreements herein contained on the part of HomeTown to be kept, observed, and performed by HomeTown, the City does hereby lease and rent unto HomeTown and HomeTown does hereby lease and rent the following described premises situated in Blount County, Alabama, to-wit:

Lot Six (6), Seven (7) and Eight (8) in Block 3, Second Addition as Platted and filed in the Oneonta Land and Improvement Company and known as the Garner (Alaco) Drug Store property. Plat 16M

Tract 1:

Lots Now. Nine, Ten, Eleven and Twelve of Fractional Block No. 3 of the Second Addition to the town of Oneonta, Alabama, and lying between Railroad and First Avenue, and being the property now fully covered by Concrete Block Building, known as Snow Hendrix Garage Building.

Tract 1-A

A part of the NE $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 31, Township 12 South, Range 2 East, Blount County, Alabama and being more particularly described as follows: From the Northeast corner of Fractional Block No. 3 of the Second Addition to the Town of Oneonta, Alabama; thence S 53°39'55" W 220.03 feet along the Northwest Block line of said Block No. 3; thence S 34°57'30" E 30.90 feet to a point on the Southeast Block line of said Block No. 3 and the point of beginning; thence S 34°57'30" E 22.42 feet; thence S 57°56'46" W 30.98 feet to a point on the Northwest right of way line of the Cheney Railroad (formerly known as the L&N Railroad); thence S 69°30'44" W 53.69 feet along said right of way line; thence S 65°14'39" W 27.63 feet along said right of way line; thence leaving said right of way line run thence N 34°58'16" W 8.65 feet to a point on the Southeast Block line of said Block No. 3; thence N 58°13'05" E 110.29 feet along said Block line to the point of beginning. Containing 1876.83 square feet.

Tract 1-B

From the Northeast corner of Fractional Block No. 3 of the Second Addition to the Town of Oneonta, Alabama; thence S 53°39'55" W 220.03 feet along the Northwest Block line of said Block No. 3; thence S 34°57'30" E 53.32 feet; thence S 57°56'46" W 30.98 feet to a point on the Northwest right of way line of the Cheney Railroad (formerly known as the L&N Railroad) and the point of beginning; thence S 69°30'44" W 53.69 feet along said right of way line; thence S 65°14'39" W 27.63 feet along said right of way line; thence S 34°58'16" E 14.29 feet; thence N 57°56'46" E 79.28 feet to the point of beginning. Containing 621.00 square feet.

The Cheney Railroad ROW (formerly known as the L&N Railroad ROW) as it borders the above described property. In addition, the abandoned portion of Ingram Avenue adjacent to the Senior Citizens' Center and the Oneonta Public Library property.

2. The initial term of this Lease shall be for a period of one hundred and twenty months beginning the ___ day of _____, 2023 and continuing until midnight the ___ day of _____, 2033, unless renewed as hereinafter provided. HomeTown shall have the option to renew this lease for an additional ten year period of time upon mutual agreement, and upon renegotiated terms. Notice of its intent to renew this agreement for the second ten year period of time shall be provided on or before the ___ day of _____, 2033.

3. As rent for the premises described above, HomeTown shall pay annually an amount equal to One Dollar (\$1.00) per year. In addition, HomeTown agrees to construct upon the above described premises an amphitheater consistent in design with the architectural drawings and renderings approved by The City. As additional consideration for the annual rent herein, the City acknowledges and accepts the cost of construction of the amphitheater and related improvements that HomeTown will construct on the subject premises. With certain restrictions, the City also transfers to HomeTown the exclusive management and operation of the amphitheater constructed on said premises. The restrictions on HomeTown's management and operation of the amphitheater are further defined hereafter.

4. The parties agree that The City shall be entitled to review the plans and specifications for the amphitheater and reserves the right to have input into final plans for the amphitheater. Once the final design for the amphitheater has been approved, HomeTown acknowledges that it has an obligation to abide by all city ordinances pertaining to the construction and operation of the amphitheater.

5. The parties agree that The City shall be entitled to the use of the amphitheater at least once per month at times to be coordinated between the parties. In addition, HomeTown agrees to provide both the Blount-Oneonta Chamber of Commerce and the Oneonta Business Association equal access for use of the amphitheater.

6. The parties acknowledge issues of public parking for access to the downtown retail district, the Oneonta Public Library, the Senior Citizen Center, Wallace State Community College and other entities in the area. HomeTown agrees to keep the existing parking lot for the Oneonta Public Library and the public parking behind the building owned by Mark Sims adjacent to the leased property.

7. HomeTown agrees to honor the existing agreement between the City and Mark Sims for the construction of certain improvements on the western side of his building. These improvements shall include an elevator for access to Mark Sims' building on the western side as well as balconies on the second and third floor of his building. A rendering of the agreed upon improvements is attached hereto as Exhibit "A". The cost of these improvements to the Sims building shall be paid for by Mark Sims. The City will coordinate with Sims to produce a hold harmless and waiver of liability for HomeTown pertaining to any construction/improvements made by Sims on the property constructed by HomeTown.

In conjunction with the construction of the above referred to improvements, Hometown agrees to construct public restrooms adjacent to the Sims building. The construction of said restrooms shall be coordinated with Mr. Sims' construction of the elevator and the balconies for the second and third floor of his building. HomeTown shall be responsible for the maintenance of the restrooms referred to above during any events promoted by HomeTown.

In addition, the City reserves the use of the northwestern side of the structure housing the elevator referred to above for its use.

8. The City has a public building located at 110 First Avenue West, Oneonta, Alabama in proximity to the property upon which the amphitheater is to be constructed. At the time the City made its improvements to the "110 Building", underground cable was laid for operation of the amphitheater when the City initially contemplated construction of the amphitheater. HomeTown agrees to provide operational capability for the amphitheater to the 110 building through the existing cables installed by the City for that purpose. These operational lines do not have to be the exclusive operational controls for the amphitheater, but could be used by the City when the management and operation

of the amphitheater reverts back to the City upon the expiration of this agreement.

9. The parties agree that the City shall have input into HomeTown's branding and marketing of the amphitheater and its related facilities.

10. With the exception of the restrictions set forth above, HomeTown shall have exclusive management and operation of the amphitheater during the period of this agreement. HomeTown shall be entitled to retain the monetary proceeds from any events it contracts for and promotes at the amphitheater.

11. HomeTown agrees to pay all necessary and incidental expenses associated with the operation of the amphitheater during the pendency of this agreement. The term operational expenses shall include, but be not limited to, electric utility bills, water, sewage, and garbage pickup, and incidental repairs to the leasehold improvements.

12. HomeTown agrees to insure any property it locates on the leased premises with a standard insurance policy. It shall be the responsibility of the City, to insure the building and any property that the City locates on said premises.

13. Taxes on the leased premises shall be paid by the City during the term of the Lease.

14. In the event that HomeTown abandons the leased premises before the expiration of the term thereof of this Lease, whether voluntary or involuntary or violates the terms, conditions, or covenants hereof, the City shall have the privilege, at the City's option of re-entering and taking possession of said premises and leasing all or any portion of said premises for such terms and upon such conditions as deemed satisfactory by the City. Either party shall have the right to cancel this commercial lease agreement upon thirty days written notice to the other party upon breach of this agreement by the other party.

15. All improvements and additions to the leased premises shall adhere to the leased premises shall become the property of the City upon the expiration of this agreement.

16. As a part of the consideration hereof, HomeTown hereby covenants and agrees to hold the City free and harmless from any and all liability for claims for damages, or other claims for personal injury, or death, sustained by

HomeTown, or any of its invitees, while on the leased premises or adjacent thereto during the terms of this Lease. HomeTown agrees to have the City listed as an additional insured on any liability insurance policy obtained by HomeTown on the amphitheater property. In addition, HomeTown shall include in any contract for an event a provision providing that the City will be held harmless of any liability for damages, or personal injury, or death, sustained in such said event.

17. HomeTown agrees not to transfer any of its responsibilities or obligations under this agreement without the prior-written consent of the City.

IN TESTIMONY WHEREOF, the parties hereto have hereunto set their signatures and seals, the day and year first above written.

City of Oneonta,
a municipal corporation

BY: _____

HomeTown Bank,
a banking corporation

BY: _____

**STATE OF ALABAMA
COUNTY OF BLOUNT**

I, the undersigned authority, a notary public in and for said County and in said State, do hereby certify that Richard Phillips, Mayor of the City of Oneonta, Alabama, whose name is signed to the foregoing Lease and who is known to me, acknowledged before me on this day that being informed of the contents of this Lease, executed the same voluntarily on the day the same bears date.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on this the ___ day of _____, 2023.

Notary Public

**STATE OF ALABAMA
COUNTY OF BLOUNT**

I, the undersigned authority, a notary public in and for said County and in said State, do hereby certify that _____ on behalf of HomeTown Bank, a banking corporation, whose name is signed to the foregoing Lease and who is known to me, acknowledged before me on this day that being informed of the contents of this Lease, executed the same voluntarily on the day the same bears date.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on this the ___ day of _____, 2023.

Notary Public

THIS INSTRUMENT PREPARED BY:
Alexander M. Smith
Attorney At Law
204 THIRD STREET NORTH
ONEONTA, ALABAMA 35121