

LICENSE AGREEMENT

This LICENSE AGREEMENT (this "Agreement") between Baldwin County, Alabama, ("Licensor"), with an address at 312 Courthouse Square, Suite 12, Bay Minette, Alabama 36507 and The Lakeses Property Owners Association, Inc. with an address at P.O. Box 7782 / Spanish Fort, AL, 36577 ("Licensee").

WITNESSETH:

WHEREAS, Licensor is the owner of the real property described as Right of way at entrance to The Lakes subdivision and more particularly as shown on Exhibit A - Prepared by Chris Johnson and dated 8/16/06 attached hereto and included as if fully set forth herein (the "Property").

WHEREAS, Licensee desires to obtain access to the Property for the purposes of: maintaining, improving and erecting a brick wall, and Licensor is willing to provide such access pursuant to this Agreement.

WHEREAS, pursuant thereto Licensee agrees to indemnify and hold the Licensor harmless from any and all claims or demands for injuries or damage to persons or personal property and further agrees to assure the Licensor that he, nor any persons using said public access in conjunction with this License would claim any personal rights in the subject property or any rights of adverse possession.

NOW, THEREFORE, for Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Licensor, the parties agree as follows:

1. Recitals. The above recitals and statements are incorporated as part of this Agreement as if fully set forth herein.

2. Grant of License. Subject to the terms and conditions set forth herein, Licensor hereby grants to Licensee, The Lakes Property Owners Association, Inc. a revocable, non-exclusive, temporary license (the "License") to enter upon the Property as is reasonably required to maintain existing landscaping, improve and erect brick wall.

Any other use of the Property requires the prior written consent of Licensor in each instance. This License is granted to Licensee and is limited and specifically restricted to Licensee and its employees ("Licensee Representatives"). Licensee shall comply with Licensor's safety and security policies deemed to be necessary by Licensor and with such reasonable rules and regulations as Licensor, or its agents may impose from time to time by notice to Licensee.

3. Property. The real property subject hereto is limited to and sufficiently described as: The entrance to the Lakes subdivision off of Hwy 225 just north of the 4 mile marker (see Exhibit A - Prepared by Chris Johnson and dated 8/16/06). Any exhibits referenced and attached hereto shall be incorporated herein as if fully set forth.

4. Term of License. The term of the License shall commence on the date of full execution of this Agreement and, unless sooner terminated, shall automatically terminate and expire at 11:59 p.m. on the earlier of (a) the date Licensor terminates this Agreement in any manner provided in this Agreement or (b) 10 years.

Upon termination or expiration of the term of this License, all rights to enter upon and use the Property under this License shall cease.

5. Condition of License Area: Assumption of Risk. Licensee accepts the Property in its "WHERE IS", "AS IS", condition and acknowledges that Licensor has made no representation or warranty to Licensee as to, and has no obligation for the condition of the Property. Licensee assumes the risk of any latent or patent defects or problems that are or may be on the Property or the improvements thereon. Licensee agrees that Licensor shall not be liable for any injury, loss or damage on account of any such defects or problems. Licensee for itself and the Licensee Representatives waives and releases Licensor from any and all claims for injury to persons or damage to the personal property of Licensee or any Licensee

Representatives by reason of the condition of the Property or otherwise.

6. Compliance. Licensee and the Licensee Representatives shall comply, at Licensee's expense, with all applicable laws, regulations, rules and orders, whether federal, state or local, or any regulation of any governmental body having jurisdiction over the Property with respect to Licensee's work and activities at the Property, regardless of when they become effective. Licensee, at its cost, shall obtain any applicable licenses or permits required by applicable laws and regulations for the use of the Property. Licensee shall not use, nor permit the use, of the Property for any purpose in violation of such laws, regulations, rules or orders. Licensee agrees not to use said right-of-way in any fashion which will in any way damage or restrict the same for future use by the public in general for a public right-of-way. Furthermore, said usage as described herein, or the placement of said usage, shall not in any way alter the present or future rights of the Licensor to move, relocate, amend, or otherwise change said travel way to any other location whatsoever.

7. Public Property. Licensee acknowledges and consents that said property/right of way is public in nature and that the usage hereunder is permissive. Licensee shall not obstruct or otherwise interrupt any rights of the general public to the property. Licensee makes no claim of private ownership or other possessory interest in the property subject hereto, and any rights of the Licensee in the property will be limited to the same extent as that of the general public.

8. Indemnification. Licensee shall indemnify, defend and hold Licensor and its affiliates, employees, agents, representatives, contractors, subcontractors, licensees and invitees (collectively, "Licensor Representatives") harmless from and against any and all claims, demands, liabilities, damages, losses, judgments, costs, and expenses including, without limitation, attorneys' fees, for any and all personal injury (including death) and property damage of any kind or nature whatsoever, incurred by or imposed upon Licensor or any Licensor Representative, as a result of any entry upon or activity conducted by, or any act or omission, by Licensee or any Licensee Representative. The Licensee shall also assume the responsibility for any claims for damage done to property due to the exercise, usage and/or presence of the resulting work as a result of this License.

9. No Alteration. Except as expressly permitted by this Agreement, Licensee shall not make nor permit any uses alterations or additions to the Property without Licensor's prior written consent.

10. Removal and Completion Upon Termination. Upon the expiration or termination of this License, Licensee shall (a) peaceably deliver to Licensor the full possession of the Property; (b) remove all materials, equipment, debris, waste, staged fill materials and improvements placed thereon by Licensee or Licensee Representatives (or resulting from work under this Agreement); and (c) repair any damage to the Property and restore the Property to its condition on the date of this Agreement. Should Licensee fail, within thirty (30) days after the date of the termination of this License, to make such removal, repair and restoration, Licensor may, at its option, remove said materials, equipment and improvements and complete said repair and restoration at the sole cost of Licensee. Licensee shall reimburse Licensor for such costs within thirty (30) days after request by Licensor.

11. Damage to Property. Licensee agrees to pay for any damage which may arise to buildings, fences, machinery, or other property of Licensor or any third party on or near the Property resulting from Licensee's operations or presence on the Property. Licensee shall reimburse any and all costs related to any and all corrections, changes or improvements deemed to be necessary by Licensor as a result of work performed pursuant to this Agreement or as a result thereof.

12. Termination for Breach. Licensor may terminate this License upon written notice should Licensee fail to fulfill any obligation of this Agreement and such failure is not cured within five (5) days after giving notice that Licensee is in breach.

13. Standard of Operation: Expenses. Licensee shall conduct all of its operations in a safe and workmanlike manner. All work and activities which Licensee performs at the Property shall be at Licensee's sole cost and expense.

14. Insurance. Prior to occupying or using the Property, Licensee shall carry, with insurers satisfactory to Licensor, throughout the term hereof, Auto Liability Insurance, including owned, hired and non-owned vehicles, with limits of not less than \$1,000,000, combined single limit, for both bodily injury liability and property damage liability each occurrence. Commercial General Liability Insurance, including all contractual liability hereunder, with limits not less than \$1,000,000, combined single limit, for both bodily injury liability and property damage liability each occurrence; and Worker's Compensation Insurance, meeting the statutory limits of the state where the Property is located and Employer's Liability Insurance fully covering all employees and supervisors participating in the work at the Property with limits not less than \$1,000,000 each accident and \$1,000,000 each employee disease. All liability insurance shall name Licensor as an additional insured. Prior to commencing operations hereunder, a Certificate of Insurance evidencing such coverage, satisfactory to Licensor, shall be furnished to Licensor, which shall specifically state that such insurance shall provide for at least ten (10) days' notice to Licensor in the event of cancellation, termination or any change in such insurance policies. The workers compensation certificate shall bear an endorsement clearly evidencing a waiver of the right of subrogation against Licensor and Licensor Representatives. Should Licensee fail to furnish current evidence upon demand of any insurance required hereunder, or in the event of cancellation, termination or change in any such insurance, Licensor may, at its option, suspend this Agreement until insurance is obtained or terminate this Agreement immediately without further action.

15. Responsibility. Licensee shall be responsible for compliance by Licensee Representatives with the terms of this Agreement and for all acts or omissions by Licensee Representatives on the Property.

16. No Assignment. Licensee shall not have the right to assign this Agreement or any rights or obligations hereunder without Licensor's prior written permission. Any attempted assignment shall be void. No assignment shall relieve Licensee of its liabilities and obligations herein.

17. Agency. It is neither the express nor the implied intent of the Parties to create an agency relationship pursuant to this License; therefore, any actions of the parties shall not be considered or implied to create such agency.

18. No Waiver. The failure of Licensor or Licensee to insist upon a strict performance of any of the terms, conditions and covenants herein shall not be deemed a waiver of any subsequent breach or default in the terms, conditions and covenants herein contained.

19. Termination. It is understood and agreed that Licensor, in its absolute discretion, with or without cause, may terminate the permission herein granted to Licensee. Termination of the permission herein granted may be accomplished in writing, or orally, and once notice of termination is given by Licensor to Licensee, the permission herein granted shall immediately and automatically terminate and Licensee shall have no further right, permission or authority to utilize the Property.

20. Miscellaneous.

(a) No principals or agents of the parties or their successors or assigns shall be personally or individually liable under this Agreement or any instrument executed or delivered by any one of them pursuant to the terms and conditions of this Agreement, and said persons shall look to the other personally or individually for the satisfaction of any claim hereunder or there under.

(b) This Agreement shall not be construed more strictly against one party than against the other merely by virtue of the fact that it may have been prepared by counsel for one of the parties. Both Licensor and Licensee have contributed substantially and materially to the preparation of this Agreement.

(c) This Agreement shall apply to and bind the successors and permitted assigns of the respective parties.

(d) This Agreement embodies the entire agreement and understanding of the parties and there are no further or prior agreements or understandings, written or oral, in effect between the parties relating to the subject matter hereof.

(e) This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by the parties or their respective successors or permitted assigns.

- (f) The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.
- (g) This Agreement may be executed in any number or counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument. This agreement may be delivered by facsimile transmission.
- (h) This Agreement shall be construed in accordance with and governed by the laws of the State of Alabama.
- (i) Licensee's obligations under this Agreement shall survive expiration or termination of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date of full execution by Licensor below.

LICENSEE: THE LAKES PROPERTY OWNERS ASSOC.

BY: [Signature] 9/25/06
 CHRIS W. JOHNSON /Date

ITS: PRESIDENT

State of Alabama)
 County of Baldwin)

I, Lisa Sangster, a Notary Public in and for said County, in said State, hereby certify that Chris Johnson, is/are the individual(s) whose name(s) is/are signed to the foregoing License, and who is known to me, acknowledged before me on this day that, being informed of the contents of the License, he/she/they executed the same with full authority to do so voluntarily and personally.

Given under my hand and official seal, this the 25 day of September, 2006

Notary Public
 SEAL
 My Commission Expires: 6/09/10

LICENSOR:

BALDWIN COUNTY, ALABAMA
 BY: Albert Lipscomb, 10/3/06
 Chairman /Date

ATTEST:
Michael L. Thompson, 10/3/06
 Michael L. Thompson /Date

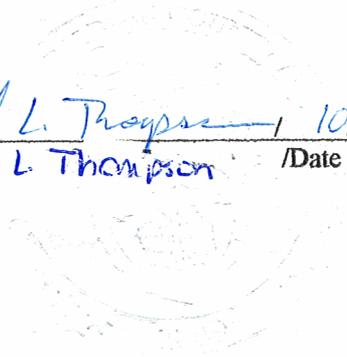
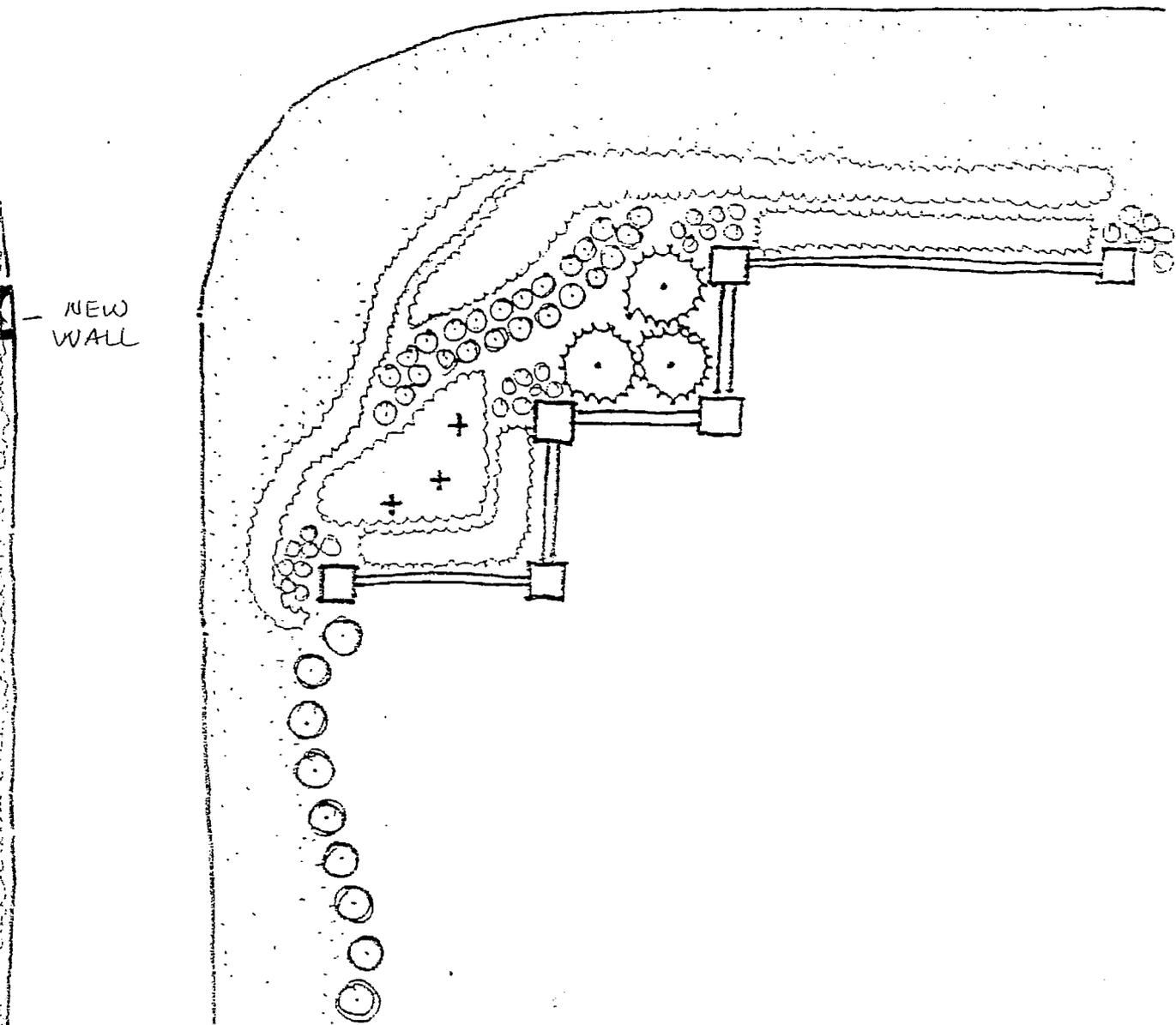


EXHIBIT A



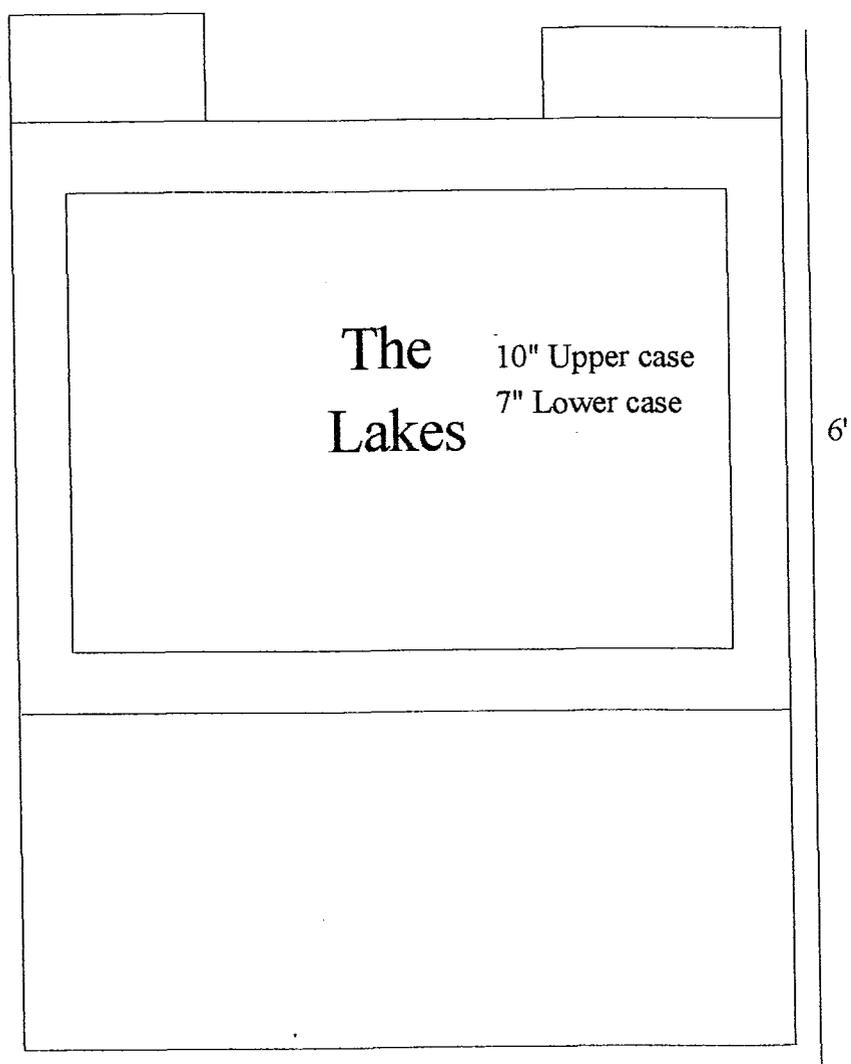
The Lakes

Entry Signage Landscape Improvements

Not to scale

EXHIBIT B

Width of median interior -approx 5'-6'



The Lakes Property Owners Association
7191 Wilkins Creek Ct.
Spanish Fort, AL 36527
251/626-9864

Aug 16, 2006

Mr. Cal Markert, County Engineer
Baldwin County Courthouse
Bay Minette, AL

Dear Mr. Markert,

This is a request from The Lakes Property Owners Association for permission to have the "License Agreement" to maintain the entire front entrance and all county right of ways located off Lake Blvd just north of the 4 mile marker on Hwy 225. Included is the paperwork you require for such agreement.

Along with the request for permission to maintain the front entrance right of ways, we are also submitting a request for change in the right of way median at the entrance. We are requesting permission to erect a brick sign (see exhibit B) in the median for the purpose of placing our name on the sign and redoing the median design per the drawing exhibit A.

Thank you for your help in this matter and we look forward to hearing from you. I am,

Sincerely,
Chris W. Johnson, President
The Lakes Property Owners Assoc.

ACORD CERTIFICATE OF LIABILITY INSURANCE		DATE (MM/DD/YYYY) 8/16/2006
PRODUCER Sun Coast Insurance P O Box 6218 Mobile AL 36660 Phone# 251-478-8470	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
INSURED THE LAKES 7191 WILKINS CREEK CT Spanish Fort, AL 36527	INSURERS AFFORDING COVERAGE INSURER A: CANAL INSURANCE COMPANY INSURER B: INSURER C: INSURER D: INSURER E:	NAIC #

COVERAGES						
THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.						
INSR ADD'L LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> A OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	TBA	08/16/2006	08/16/2007	EACH OCCURRENCE \$ 100,000 DAMAGE TO RENTED PROPS (Ea Occurrence) \$ 50,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 100,000 GENERAL AGGREGATE \$ 100,000 PRODUCTS - COMP/OP AGG \$ 100,000	
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (En-entirety) \$ BODILY INJURY (Ea person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$	
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY AGG \$	
	EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE \$ \$1,000				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$	
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/EMPLOYEE? If yes, describe under SPECIAL PROVISIONS below				<input type="checkbox"/> WITH STATUTORY LIMITS <input type="checkbox"/> OTHER C.L. EACH ACCIDENT \$ P.L. DISEASE - EA EMPLOYEE \$ S.L. DISEASE - POLICY LIMIT \$	
	OTHER					
DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS						

CERTIFICATE HOLDER BALDWIN COUNTY COMMISSION BALDWIN COUNTY ALABAMA 312 COURTHOUSE SQUARE SUITE 12 BAY MINETTE, AL 36507	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.
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