

THIRD AMENDMENT TO DEVELOPMENT AGREEMENT

This Third Amendment to Development Agreement (this "Amendment") is made and entered into on and as of _____, 2026 (the "Effective Date"), by and between THE CITY OF MADISON, ALABAMA, a municipal corporation organized under the laws of the State of Alabama (the "City"), DILTINA DEVELOPMENT CORPORATION, an Alabama Corporation, and its respective successors and assigns ("Developer", "Owner", and "Builder" and collectively the "Company"), and REALITY 9, LLC, an Alabama limited liability company, joining in this Amendment solely in its capacity as owner of the Reality 9 Parcel described herein and for the purposes set forth herein (the "Reality 9 Owner"). The City, the Company, and the Reality 9 Owner are herein referred to collectively from time to time as the "Parties" and individually, from time to time, as a "Party."

WITNESSETH

WHEREAS, the City and the Company have entered into a Development Agreement dated February 18, 2020, as amended by that certain Amendment to Development Agreement dated December 18, 2020, and as further amended by that certain Second Amendment to Development Agreement dated February 12, 2025 (collectively, the "Development Agreement") to provide for the phasing of and provision of green space within the Bellawoods Subdivision (the "Development"); and

WHEREAS, the Company is under contract to acquire from Reality 9, LLC, that certain 20.8-acre parcel of real property located in Limestone County, Alabama, more particularly described in Exhibit A5 attached hereto, being all or a portion of the real property previously referenced in Section 1.1(c) of the Second Amendment to Development Agreement as the "Reality 9 Parcel", which the Company intends to incorporate into the Development; and

WHEREAS, Company has proposed that the Reality 9 Parcel be annexed into the corporate limits of the City and zoned Residential Cluster Zoning District No. 2 (RC-2), consistent with the zoning designation applicable to prior phases of the Development, before it is incorporated into and developed as part of the Development;

WHEREAS, Reality 9, LLC, as the current owner of the Reality 9 Parcel, is joining in this Amendment solely for the purpose of participating in the annexation of the Reality 9 Parcel into the City and consenting to the matters set forth herein with respect to the Reality 9 Parcel, and is not, and shall not be deemed to be, a party to the Development Agreement;

WHEREAS, the Developer has proposed to incorporate the Reality 9 Parcel into the phasing schedule of the Development Agreement so that the total Development will contain no more than 326 residential lots; and

WHEREAS, the Developer shall dedicate a thirty (30) foot right-of-way across the Reality 9 Parcel to connect to the public right-of-way previously dedicated pursuant to the Second Amendment to Development Agreement for the future extension of Henderson Lane;

NOW THEREFORE, in consideration of the premises, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Section 1.1(a) of the Agreement is hereby deleted in its entirety and replaced with the following:

The Development shall consist of approximately 176.8 acres of real property, more or less, said Property being more particularly described in Exhibit A, Exhibit A2, Exhibit A3, Exhibit A4, Exhibit A5, and Exhibit A6 attached hereto, which will be subdivided and developed into a residential subdivision for single-family detached homes. The Development is expected to contain no more than 326 residential lots (each a "Lot," collectively, the "Lots").

2. Sections 1.1(c)(2) and 1.1(c)(3) of the Agreement are hereby amended in full and replaced with the following:

- (2) The Company shall provide, or shall cause Reality 9 Owner to provide, a statutory warranty deed in form and content reasonably acceptable to the City and the Company to donate and dedicate a public right-of-way along the east side of the Property and across the Reality 9 Parcel for the future extension of Henderson Drive as depicted in Exhibit A6, such that up to thirty (30) feet of right-of-way is provided. After the dedication is complete, City shall provide to Company a letter acknowledging the donation pursuant to the requirements of the Internal Revenue Code.
- (3) The City will use its best efforts to acquire the necessary public right-of-way on a portion of the adjacent property, as of the date hereof being the Reality 9 Parcel and/or certain real property described Parcel ID 44-09-07-36-0-000-006.001 owned by BAPS Huntsville, LLC (the “BAPS Parcel”), to connect Henderson Lane to the Company’s provided public right-of-way for the purposes of implementing a capital improvement project to construct Henderson Lane as identified in the City’s master plans.

3. Section 1.3(a) of the Agreement is hereby deleted in its entirety and replaced with the following:

(a) Development Phases. The Company shall develop the Property in no less than six (6) distinct phases (each a “phase,” together, the “phases”), with no more than one phase to be developed within a calendar year. The Company will develop the number of Lots in each phase in substantial conformity with the projected phasing plan provided in Exhibit B attached hereto and incorporated herein (the “Phasing Plan”). The Company shall not develop more Lots in a given year than provided by the Phasing Plan, in each case as modified by the Final Improvement Plans and Specifications approved for each phase, but the Company may develop fewer Lots in a given year than permitted by the Phasing Plan. The Final Improvement Plans and Specifications will determine the configuration, timing, and maximum number of Lots permitted in each phase.

Notwithstanding the number of lots to be developed or prepared within each phase, Developer shall not apply for more than thirty (30) certificates of occupancy for newly constructed homes during a given year, but Developer may apply for forty one (41) certificates of occupancy during the first phase. In its sole and absolute discretion, the City may approve more Lots than is authorized in the Phasing Plan or more certificates of occupancy allowed in the current and approved phases, and the Company shall have the option of developing additional Lots or obtaining additional certificates of occupancy in order to match or “catch up” with the number of Lots permitted in the Phasing Plan or the certificates of occupancy permitted in this Section. If market demand for a given year is low, and the Company does not develop the number of Lots allowed in the current and approved phases, the Company shall have the option to develop additional Lots in order to match or “catch up” with the number of Lots permitted in the Phasing Plan. Developer shall not apply for building permits for Lots in the Subdivision that are not within a current or previous phase, and Developer acknowledges that the City will not issue building permits for the development of Lots that are not within the then current or previous phases. Company shall cause its successors in interest to Lots within the Development to comply with the Phasing Plan.

In the event the Company is unable to develop or process a final plat for a phase in the calendar year in which it was originally scheduled under the Phasing Plan due to delays in development, permitting, or governmental approval, the Company may, subject to Planning Commission approval of the applicable final plat(s) in accordance with the City's standard subdivision regulations, develop, process, and record a final plat for the delayed phase together with the next succeeding phase within the same calendar year. Such approval shall not be withheld on the basis of the one-phase-per-calendar-year limitation, and such development shall not be deemed a violation of the one-phase-per-calendar-year limitation set forth above.

Notwithstanding the foregoing, subject to the "catch up" provision in the second paragraph of this Section 1.3(a), the Company may process and record final plats for Phase 5 in calendar year 2026 and for Phase 6 in calendar year 2027, regardless of the specific months in which such final plats are recorded, and if Phase 5 does not receive a final plat approval until 2027, the Company may nonetheless process and record final plats for both Phase 5 and Phase 6 within calendar year 2027.

4. Exhibits.

(a) Exhibit A3 attached hereto is hereby amended as depicted on Exhibit A3 attached to this Third Amendment to Development Agreement, and it is incorporated into the Development Agreement as if fully set forth therein. The Parties acknowledge that Exhibit A3 depicts a Layout Plan reflecting the increase in the total number of Lots in the Development from 296 to 326 Lots.

(b) Exhibit A5, which describes the Reality 9 Parcel, is attached hereto is hereby incorporated into the Agreement as if fully set forth therein.

(c) Exhibit A6, which depicts the thirty (30) foot right-of-way dedication across the Reality 9 Parcel, is attached hereto is hereby incorporated into the Agreement as if fully set forth therein.

5. Contingencies. This Amendment is contingent upon (1) the successful closing of the purchase of the Reality 9 Parcel by the Company, (2) Planning Commission approval the layout plat of the Property necessary to accommodate the development contemplated herein, (3) Approval and publication of an ordinance authorizing zoning of the Property, (4) City Council approval of this Amendment, and (5) approval and publication of an ordinance annexing the Reality 9 Parcel into the corporate limits of the City.

6. Limited Effect. Except as expressly provided hereby, all of the terms and provisions of the Agreement are and shall remain in full force and effect and are hereby ratified and confirmed by the parties hereto. The amendments contained herein shall not be construed as a waiver or amendment of any other provision of the Agreement for any purpose except as expressly set forth herein or a consent to any further or future action on the part of the parties hereto that would require the waiver or consent of the parties hereto.

7. Representations and Warranties. The parties hereby represents and warrant to each other (before and after giving effect to this Amendment) that:

(a) Each party has the corporate power and authority, and the legal right, to execute, deliver, and perform its obligations under this Amendment and the Agreement.

(b) Each party has taken all necessary corporate action to authorize the execution, delivery and performance of this Amendment.

(c) No consent or authorization of, filing with, notice to or other act by, or in respect of, any governmental authority or any other person is required in connection with this Amendment, the execution, delivery, performance, validity or enforceability of this Amendment, or the performance, validity or enforceability of the Agreement, except consents, authorizations, filings and notices which have been obtained or made and are in full force and effect.

(d) This Amendment has been duly executed and delivered on behalf of each party. This Amendment and the Agreement constitute the legal, valid and binding obligations of each party and are enforceable against in accordance with their terms except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

(e) No event of default has occurred and is continuing under the Agreement as of the date of this Amendment.

(f) Each party has performed in all material respects all agreements and satisfied all conditions of the Agreement.

8. Successors and Assigns. This Amendment shall inure to the benefit of and be binding upon the parties hereto and each of their respective successors and assigns.

9. Governing Law. This Amendment shall be governed by, and construed in accordance with, the laws of the State of Alabama.

10. Counterparts. This Amendment may be executed in any number of counterparts, all of which shall constitute one and the same agreement, and any party hereto may execute this Amendment by signing and delivering one or more counterparts.

11. Severability. If any one or more of the provisions contained in this Amendment shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such illegality or unenforceability shall not affect any other provision hereof, and this Amendment shall be construed as if such invalid, illegal, or unenforceable provision was not contained herein.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, each of the parties has caused this Amendment to be executed and delivered on its behalf by its duly authorized officer, on and as of the Effective Date.

THE CITY OF MADISON

By: _____
Ranae Bartlett, Mayor

Attest:

By: _____
Lisa D. Thomas
City Clerk-Treasurer

STATE OF ALABAMA §
 §
COUNTY OF MADISON §

I, the undersigned Notary Public, in and for said County, in said State, hereby certify that Ranae Bartlett and Lisa D. Thomas, whose names as Mayor and the City Clerk-Treasurer, respectively, of the City of Madison, Alabama, are signed to the foregoing instrument, and who are known to me, acknowledged before me on this day that, being informed of the contents of the instrument, they, as such officers and with full authority, executed the same voluntarily for and as the act of the City of Madison, Alabama, a municipal corporation.

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

Notary Public

COMPANY:

DILTINA DEVELOPMENT CORPORATION

By: _____
Alex Maxwell, Vice President

STATE OF ALABAMA §
 §
COUNTY OF MADISON §

I, the undersigned authority, a Notary Public in and for the said County in said State, hereby certify that Alex Maxwell, whose name as Vice President of Diltina Development 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 the instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said entity.

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

Notary Public

REALITY 9 OWNER:

REALITY 9, LLC,
an Alabama Limited Liability Company

By: _____
Name: Kishore Koduru
Its: Member

STATE OF ALABAMA §
 §
COUNTY OF MADISON §

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that, Kishore Koduru, whose name as Member of Reality 9, LLC, 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 the instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said entity.

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

Notary Public

EXHIBIT A3

LAYOUT PLAN

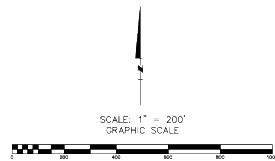
TOTAL PROPOSED LOTS = 326
 EXISTING/APPROVED LOTS = 221

100 FT. LOTS = 53
 70 FT. LOTS = 52
 TOTAL LOTS REMAINING = 105

TOTAL EXISTING/APPROVED AREA = 111.04 ACRES
 TOTAL PROPOSED ACRES = 61.59 ACRES
 TOTAL AREA = 172.63 ACRES
 OPEN SPACE AREA = 45.05 ACRES
 % OPEN SPACE = 26.24%

RESERVED OPEN SPACE

WETLAND AREAS



BELLWOOD SUBDIVISION
 SINGLE FAMILY RESIDENTIAL
 CITY OF MADISON, ALABAMA
 LIMESTONE COUNTY, ALABAMA
 SECTION 13, TOWNSHIP 4 SOUTH, RANGE 3 WEST

REVISIONS

LAYOUT
 EXHIBIT

DATE: 7/20/04
 DRAWN BY: J.W.
 CHECKED BY: J.W./C.C.
 PROJECT NO: 24-4151-10

1 OF 1

EXHIBIT A5

The Land referred to herein below is situated in the County of Limestone, State of Alabama and is described as follows:

A tract of land lying in the Northeast Quarter of Section 35, Township 3 South, Range 3 West, and being more particularly described as follows, Commence at an existing railroad spike at the Northeast corner of Section 35, Township 3 South, Range 3 West, said railroad spike being 5.45 feet East of the center line of Henderson Lane, thence South 01 degrees 11 minutes 23 seconds East along the East boundary of said Section 35 a distance of 2374.46 feet to a set 5/8" rebar with cap stamped "Dunivant Engr. Co., Inc. CA-0044-LS" said 5/8" rebar also being the point of true beginning of the tract herein described, thence from the point of true beginning South 01 degrees 11 minutes 23 seconds East along the East boundary of said Section 35 a distance of 339.21 feet to an existing 3/4" rebar at the Southeast corner of the Northeast Quarter of Said Section 35, thence South 88 degrees 57 minutes 04 seconds West along the South boundary of the Northeast Quarter of said Section 35 a distance of 2673.30 feet to an existing 5/8" rebar with the cap stamped "W.A. Dunivant RLS 9089" at the Southwest corner of the Northeast Quarter of said Section 35, thence North 00 degrees 35 minutes 53 seconds West along the West boundary of the Northeast Quarter of said Section 35 a distance of 340.36 feet to set 5/8" rebar with cap stamped "Dunivant Engr. Co., Inc. CA-0044-LS" said 5/8" rebar also being South 00 degrees 35 minutes 53 seconds East a distance of 2382.54 feet from an existing concrete monument at the Northwest corner of the Northeast Quarter of Section 35, thence North 88 degrees 58 minutes 33 seconds a distance of 2669.79 feet to the point of true beginning and containing 20.838 acres, more or less.

SUBJECT TO AND INCLUDES:

A 60.00 foot easement for ingress and egress, drainage and utilities, lying 60.00 feet West of and adjoining the East boundary of the Northeast Quarter of Section 35, Township 3 South, Range 3 West, Less and Except all of that part of the right-of-way for Henderson Lane which extends Westerly to a line 30.00 feet from and parallel to its centerline and is partially within the above 60.00 foot easement.

The above described easement is being reserved for the use and benefit of all the property owners that purchased from the Grantors at auction on October 10th, 1992. By the acceptance of the conveyance the Grantees agree that the above described easement will be deeded to the appropriate county should any owner of the real estate service by the easement desires to build a road to county specifications over and along said easement.

Subject to any easements of record but not limited to those recorded Probate Case Number 28-025, Book 2009, page 41093 and Book 2010, page 34530.

EXHIBIT A6

Right-of-way Dedication Detail

