<u>A G R E E M E N T</u>

WITNESSETH:

That for and in consideration of the mutual promises and covenants of each other herein contained, Don VanHooser, (Developer), and Southwest Sewer Corporation, (Sewer Corporation) agree each with the other as follows:

- 1. Developer agrees:
- (a) To assign, transfer, and convey unto Sewer Corporation its rights, title and interest in sewage disposal and treatment of property located in a tract described as follows, to-wit:

Beginning at a point located at the Northwest Corner of Lot 27 of Twin Hills Estates, thence West One Hundred Fifty (150) feet, thence North One Hundred Eighty (180) feet, thence East Two Hundred (200) feet, thence South One Hundred Eighty (180) feet, thence West Fifty (50) feet to the point of beginning, all being located in Jasper County, Missouri.

Said sewage and treatment property shall be assigned, transferred, and conveyed in fee simple by Warranty Deed. Said sewage treatment property shall include all properties comprising the sewage and wastewater collection treatment and disposal system designed to serve the above-described area, as shown by Exhibit "A", attached hereto and incorporated herein by reference, and shall be conveyed by Developer to Sewer Corporation by Bill of Sale;

- (b) To provide, or obtain for Sewer Corporation, such easements as may be necessary for the operation, construction, replacement, and maintenance of the collection line, outfall lines, and other facilities.
- (c) To provide a source of an adequate supply of water with which to operate, clean and maintain the sewer treatment plant aforesaid.

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- (d) To provide Sewer Corporation with such reasonable proof as it may require that all property to be transferred to it by Deployer is free and clear of all liens and encumbrances, and that no condition exists with respect thereto which might ripen into a mechanic's lien or materialman's lien.
- (e) To place into an escrow account at a Federally chartered banking institution the sum of Eight Hundred Dollars (\$800.00) upon the sale of each lot which is sold in Twin Hills Estates. At such time as Fourteen (14) lots have been sold, improved with single family residential structures, and so occupied, Developer shall then immediately place into the escrow account an amount equal to the number of unsold lots in Twin Hills Estates multiplied by Eight Hundred Dollars (\$800.00), the intention being that upon sale, improvement and occupancy of Fourteen (14) residential lots there shall be an amount in said escrow account a sum equal to Eight Hundred Dollars (\$800.00) multiplied by the total number of lots reflected in the recorded plat of Twin Hills Estates. Until such time as Fourteen (14) lots have been so sold, improved and occupied, all accrued interest shall be payable to the Developer; otherwise, all accrued interest shall be payable together with the principle sums in accordance with the provisions of subparagraph 4 (a) herein.
- (f) To cause the area described in Attachment "A" to be formally platted generally as is therein set forth, and to be known as Twin Hills Estates to cause said plat to be recorded in the real estate records of the Office of Recorder of Deeds, Jasper County, Hissouri; and to adopt protective convenants respecting wastewater and sewage disposal and treatment as are usually deemed appropriate (or required) by the Missouri Department of Natural Resources and Clean Water Commission respecting the use of wastewater and sewage disposal facilities within subdivisions.
- (g) To comply with all conditions precedent, and secure all permits, as may be required of a real estate developer by the Missouri Department of Natural Resources and Clean Water Commission for the installation and operation of a sewer system subject to the jurisdiction of the Public Service Commission of Missouri.

- Devioper represents, covenants, warrants and agrees with the Sewer Corporation as follows:
- (a) That it has good title, or by the date of closing hereof will have good title; in all of the properties herein agreed to be sold and conveyed to the Sewer Corporation.
- (b) That said properties at the date of closing shall be free and clear of all mortgages, liens, and encumbrances and that all taxes thereon due and payable shall be fully paid.
- preparation of this contract, and associated documents, and the acquiring from the Public Service Commission by Sewer Corporation of a certificate of convenience and necessity authorizing it to provide sewer treatment and disposal service within the territory reflected in Exhibit "A" as a public utility, such expenses to include engineering fees, attorney fees and accounting fees and the expense of securing any permit or license fees as may be required by any state, federal, or local authority for the construction and operation of the sewer treatment and disposal system.
 - 3. The Sewer Corporation further agrees:
- (a) To upon compliance by Developer with the provisions of 1 (e) above, and in accordance with the regulations and requirements of the Missouri Department of Natural Resources and the Clean Water Commission, construct a sewer and waste water treatment and collection facility in accordance with the plans, specifications and agreements set forth and contained in Attachment "B" hereto.
- (b) That upon the execution of this agreement, it will seek a certificate of convenience and necessity from the Public Service Commission of the State of Missouri authorizing it to operate as a public utility providing sewage and waste water treatment and disposal service in the area above described in Attachment "A", and that upon the securing of said certificate and the transfer of the properties as herein provided and complete compliance by the Developers with the terms and conditions of this instrument and upon the completion and occupancy of fourteen (14) single family dwellings at Twin Hills Estates, to provide sewer treatment

and disposal service within and for the above described territory in accordance with tariff provisions filed with and approved by the Public Service Commission.

- (c) That subject to provisions of paragraph 2, above, Sewer Corporation shall obtain such permits from the Putlic Service Commission or other lawful authority as may be required for Sewer Corporation to operate as a public utility sewer corporation. Also, from and after the date the Sewer Corporation convences its operation as a public utility sewer corporation in the area described in Attachment "A" hereof, it shall be responsible for all costs, expenses, and managerial functions associated therewith.
- (d) That upon Sewer Corporation being fully authorized by the Public Service Commission and Missouri Department of Natural Resources to construct and operate a sewage disposal system in the area described in paragraph 1 hereof, Sewage Corporation will in accordance with the requirements of said agencies, including the time of completion of the familities, and the conditions of this contract, as soon as practical commence the construction and operation thereof.

4. Mutual promises and covenants:

- (a) At such time as the sewer and wastewater collection and treatment facility is constructed in accordance with the plans and specifications made and contained in Attachment "B" hereof, and the project engineer has filed his certificate with the escrow agent that the Sewer Corporation has so completed the facility in compliance with the plans and specifications and this Agreement, then the funds held by the escrow agent pursuant to paragraph 1 (a) herein shall be paid over to Sewer Corporation. In the event that Sewer Corporation shall fail to substantially perform its obligation under this contract or to construct the sewer and wastewater collection and treatment facility in accordance with the plans and specifications contained in Attachment "B", the funds held by it to be transferred and paid over to Twin Hills Estates Homeowner's Association for the use and benefit of the members of the Twin Hills Estates Homeowner's Association.
- (b) This agreement shall be binding upon and inure to the benefit of the Sewer Corporation, its successors and assigns.

- (c) Each party agrees to cooperate with the other in obtaining such permits, licenses, and other consents as may be required to complete the undertakings herein contained.
- (d) This agreement is further conditioned upon approval of its terms and conditions by the Public Service Commission and the Missouri Department of Natural Resources insofar as the terms thereof encompass issues and matters over which the Public Service Commission of the State of Missouri or the Missouri Department of Natural Resources have jurisdiction.
- (e) Any notices required to be given hereunder may be given by personal service or by certified mail addressed to the party to be notified, as follows:

If to Developers:

Don VanHooser

801 Fir Road

Carl Junction, Missouri 64834

If to Corporation:

Southwest Sewer Corporation

c/o Paul L. Heath

P. O. Box 31 Mt. Vernon, Missouri 65712

- (f) This agreement shall be binding upon and shall inure to the benefit of Developers and Corporation, their respective heirs, executors, administrators, successors and assigns.
- (g) This agreement may be executed in three or more counterparts. each of which when properly executed shall be deemed an original.

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"Developer"

SOUTHWEST SEWER CORPORATION

By Sire Mework

"Corporation"

ATTEST:

Mercy Newcomb