

CONTRACT REGARDING AVAILABILITY FEES

For valuable consideration, the receipt of which is hereby acknowledged, and on the express condition that the Stock Purchase Agreement made and entered into by and between Waldo I. Morris ("Seller"), Robert P. Schwermann and Sally J. Stump ("Buyers") and Lake Region Water & Sewer Co. ("Company") dated September 10, 2004, is consummated and closed. Then on the closing date of said Stock Purchase Agreement and for the additional consideration of the payment of One Dollar (\$1.00), the undersigned Seller hereby agrees to execute and deliver to the said Robert P. Schwermann and Sally J. Stump an Assignment of Availability Fees in form and substance equivalent to Exhibit A attached hereto and to transfer to Robert P. Schwermann and Sally J. Stump title and ownership of approximately \$180,000.00 now in escrow relative to the Four Seasons availability fee lawsuit against Waldo I. Morris and Lake Region Water & Sewer Co. as referred to in Section 6.03 of the separate Stock Purchase Agreement made and entered into by and between Seller and Buyers.

*The availability fees
and the approx. 180,000.00
may be affected by
the outcome of the
lawsuit. Part of the
availability fees and
all of the 180,000.00
would go to Four Seasons
Lakesites if we lose the
lawsuit.*

SELLER:

Waldo I. Morris
Waldo I. Morris

BUYERS:

Robert P. Schwermann
Robert P. Schwermann

Sally J. Stump
Sally J. Stump

Waldo Morris RPS
9-10-04 9-10-04

Exhibit A

ASSIGNMENT OF AVAILABILITY FEES

This Assignment is made and entered into this _____ day of _____, 2004, by and between Waldo I. Morris of Marion, Iowa ("Assignor") and Robert P. Schwermann and Sally J. Stump, as tenants in common ("Assignee").

In consideration of One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, effective as of _____, 2004, Assignor hereby transfers, assigns, conveys and delivers to Assignee all of Assignor's current and future rights, title, and interest in and to any and all water, sewer service stand-by fees, availability fees, and connection fees in which Assignor may be entitled to receive, now or in the future, relating to existing or future water and/or sewer customers located in and around Camden County, Missouri including, without limitation, such rights that were acquired by Roy Slates and Cindy Slates from Four Season Lakesites, Inc. and Four Seasons Water & Sewer Co., by an Assignment dated on or about August 17, 1998. Lake Region Water & Sewer Co. received an assignment of all water and sewer stand-by fees, availability fees and connection fees from Roy Slates and Cindy Slates on April 12, 2000. Assignor received an assignment of all assignment of all water and sewer stand-by fees, availability fees and connection fees from Lake Region Water & Sewer Co. on April 12, 2000 as well.

W. I. Morris
RPS 9-10-04

Waldo I. Morris