

From: [Edmondson, Lucy](#)
To: edfinley98@aol.com
Cc: [Junis, Charles M](#); [Coxton, Reita D](#); [Holt, Gina](#)
Subject: Currituck MHP acquisition issue
Date: Friday, June 2, 2023 1:39:37 PM

Ed:

Thanks for speaking with Chuck and me today. So that we can fully consider whether this MHP would qualify for an exemption from being declared a public utility, please provide us with:

1. the executed Asset Purchase Agreement for the MHP
2. any contracts or agreements regarding billing, and if none exist, a description of the billing arrangements for the MHP
3. a statement as to the status of the permits to operate the WWTP and the water facilities, i.e., who holds the permits, any plans to transfer them, etc.
4. the number of customers in the MHP
5. your analysis of how provision of service to the MHP qualifies for an exemption under the Simpson factors, especially when the ultimate customers are not a single industrial user as in the landfill gas cases or a municipality as in the Pharr and SIG Marshville cases, and when the exception for 15 customers or less is for residential customers and not a commercial customer reselling to 15 or fewer residential customers.
6. Any other documents or information you believe would assist us in determining our position on this matter.

If possible, please provide this information by end of day Wednesday – we have scheduled an internal meeting to discuss for Thursday. If that deadline is not possible, please provide an estimate of when the information will be available so we can adjust the date of our internal meeting.

Regards,
Lucy

Lucy E. Edmondson
Chief Counsel
Public Staff – North Carolina Utilities Commission
4326 Mail Service Center
Raleigh NC 27699-4300
(919) 733-6110
lucy.edmondson@psncuc.nc.gov



Email correspondence to and from this address may be subject to the North Carolina Public Records Law and may be disclosed to third parties by an authorized state official.

From: edfinley98@aol.com
To: [Edmondson, Lucy](#); [Coxton, Reita D](#); [Holt, Gina](#); [Junis, Charles M](#)
Cc: [Michael Myers](#)
Subject: Fw: [External] - Fw: Currituck MHP acquisition issue
Date: Wednesday, June 7, 2023 1:35:42 PM
Attachments: [Amended and Restated Asset Purchase Agreement-02072022.pdf](#)
[Bulk Services Agreement.pdf](#)
[WQ0004696ltr230502.pdf](#)

CAUTION: External email. Do not click links or open attachments unless verified. Report suspicious emails with the Report Message button located on your Outlook menu bar on the Home tab.

Lucy,

I am forwarding Mike Myers' responses to the Public Staff enumerated questions. By separate email I am sending a draft petition seeking ruling that CWS's provision of bulk service to Carolina Village should be exempted from the requirement for a CPCN. Were this petition successful it will greatly simplify CWS's obtaining approval of the loan from Stone Bank, the proceeds from which will be used for the Eagle Creek Project and for the facilities to serve Carolina Village. That approval will make the complicated effort to close the transaction with Sandler much easier.

Hope the Public Staff can support, and we welcome your review and response.

Thanks,

Ed

----- Forwarded Message -----

From: Michael Myers <mmyers@envirolinkinc.com>
To: Edward Finley <edfinley98@aol.com>
Sent: Monday, June 5, 2023, 11:32:30 AM EDT
Subject: RE: [External] - Fw: Currituck MHP acquisition issue

Ed.

We need to make one correction to the information I communicated yesterday. Currituck Water and Sewer has not charged for services since taking ownership. According to the agreement, we have to wait until the order (reseller order) is issued by the NCUC. Below in green are some of my additional thoughts.

Mike

From: edfinley98@aol.com <edfinley98@aol.com>
Sent: Friday, June 2, 2023 2:17 PM
To: Michael Myers <mmyers@envirolinkinc.com>
Subject: [External] - Fw: Currituck MHP acquisition issue

EXTERNAL EMAIL: Do not click any links or open any attachments unless you trust the sender and know the content is safe.

Mike,

FYI. Can you or someone in your shop get to work on producing the documents the Public Staff is requesting?

Be happy to discuss at your convenience.

Ed

----- Forwarded Message -----

From: Edmondson, Lucy <lucy.edmondson@psncuc.nc.gov>

To: edfinley98@aol.com <edfinley98@aol.com>

Cc: Junis, Charles M <charles.junis@psncuc.nc.gov>; Coxton, Reita D <reita.coxton@psncuc.nc.gov>; Holt, Gina <gina.holt@psncuc.nc.gov>

Sent: Friday, June 2, 2023, 01:39:40 PM EDT

Subject: Currituck MHP acquisition issue

Ed:

Thanks for speaking with Chuck and me today. So that we can fully consider whether this MHP would qualify for an exemption from being declared a public utility, please provide us with:

1. the executed Asset Purchase Agreement for the MHP – [Attached](#).
2. any contracts or agreements regarding billing, and if none exist, a description of the billing arrangements for the MHP - [Attached](#)
3. a statement as to the status of the permits to operate the WWTP and the water facilities, i.e., who holds the permits, any plans to transfer them, etc.

[Permit transfer applications have been filed with NC DEQ. Currently, the permits are in CV-WWT, LLC name until transferred by NC DEQ. – See attached acknowledgement.](#)

4. the number of customers in the MHP – [We believe there is approximately 149 tenants in the community.](#)
5. your analysis of how provision of service to the MHP qualifies for an exemption under the Simpson

factors, especially when the ultimate customers are not a single industrial user as in the landfill gas cases or a municipality as in the Pharr and SIG Marshville cases, and when the exception for 15 customers or less is for residential customers and not a commercial customer reselling to 15 or fewer residential customers.

NC GS 62-3 (23) a. (2) states: Diverting, developing, pumping, impounding, distributing or furnishing water to or for the public for compensation, or operating a public sewerage system for compensation; provided, however, that the term "public utility" shall not include any person or company whose sole operation consists of selling water or sewer service to less than 15 residential customers, except that any person or company which constructs a water or sewer system in a subdivision with plans for 15 or more lots and which holds itself out by contracts or other means at the time of said construction to serve an area containing more than 15 residential building lots shall be a public utility at the time of such planning or holding out to serve such 15 or more building lots, without regard to the number of actual customers connected;

In support of our position that Currituck Water and Sewer's offering of bulk water and sewer service to the Carolina Village MHP does not meet the definition of a Public Utility, we offer the following arguments.

1. Currituck Water and Sewer is providing services to facilities owned solely by Carolina Village MHP, LP, who is responsible for the operating and maintaining the facilities for the benefit of the tenants within the community.
2. It is immaterial that the services are being provided through more than one interconnection, what is pertinent is that ownership and responsibility for all interconnections is with one owner and not the public.
3. Emphasis should be given that the actual provider of service to the tenants will be a regulated utility under NC GS 62-110 (g). The MHP as the sole owner of each interconnection has applied for a CPCN under NC GS 62-110 (g) as a Public Utility.
4. The exemption reference in the above paragraph was specific to address the situation where a water or sewer system was constructed for a community with multiple phases where the first phase is less than 15 residential lots but that upon completion of all phases the water and sewer system would serve more than 15 lots. Currituck Water and Sewer contends that
 - a. Carolina Village MHP is contained on one lot or parcel with multiple tenants.
 - b. Carolina Village MHP is complete and there are no additional phases planned
 - c. Carolina Village MHP is not a subdivision
 - d. The exemption in NC GS 62-3 (23) a (2) does not apply
6. Any other documents or information you believe would assist us in determining our position on this matter. r

If possible, please provide this information by end of day Wednesday – we have scheduled an internal meeting to discuss for Thursday. If that deadline is not possible, please provide an estimate of when the information will be available so we can adjust the date of our internal meeting.

Regards,

Lucy

Lucy E. Edmondson

Chief Counsel

Public Staff – North Carolina Utilities Commission

4326 Mail Service Center

Raleigh NC 27699-4300

(919) 733-6110

lucy.edmondson@psncuc.nc.gov



Email correspondence to and from this address may be subject to the North Carolina Public Records Law and may be disclosed to third parties by an authorized state official.

OFFICIAL COPY

Mar 26 2024

**AMENDED AND RESTATED
ASSET PURCHASE AND UTILITY CONSTRUCTION AND MAINTENANCE AGREEMENT**

BY AND BETWEEN

**Equity First NC, LLC and CV-WWT, LLC
(Sellers)**

and

**Currituck Water and Sewer, LLC
(Buyer)**

THIS ASSET PURCHASE AND UTILITY CONSTRUCTION AND MAINTENANCE AGREEMENT (“Agreement”) is entered into as of the 7th day of February, 2022 (the “Effective Date”), by and between **Equity First NC, LLC**, a North Carolina limited liability company (“EFNC”), **CV-WWT, LLC**, a North Carolina limited liability company (“CV-WWT”), and **Currituck Water and Sewer, LLC** a North Carolina limited liability company (“CWS” or “Buyer”) (individually referred to as a “Party” and collectively referred to as the “Parties”). (EFNC and CV-WWT are collectively referred to as the “Sellers” in this Agreement.)

W I T N E S S E T H:

(capitalized terms are defined in Article I and elsewhere in this Agreement)

WHEREAS, Seller and Buyer have entered into an Asset Purchase and Utility Construction and Maintenance Agreement, on October 21, 2019 and amended said agreement on August, 2020.

WHEREAS, EFNC is the owner of certain real property located in Currituck County, North Carolina and described on **Exhibit A** attached hereto and made a part hereof (the “EFNC Property”); and

WHEREAS, CV-WWT is the owner of the Water Utility System Assets, as are more fully described in **Exhibit B** attached hereto and made a part hereof, and the Wastewater Utility System Assets, as are more fully described in **Exhibit C** attached hereto and made a part hereof; and

WHEREAS, Carolina Village NC (“CVNC”) is a mobile home community and currently has approximately 419 existing mobile homes sites located in Moyock, North Carolina; and

WHEREAS, the owner intends to replace and relocate mobile homes currently located within the community to sites generally depicted on **Exhibit D** (the “Upgraded CVNC MHC Community”). In addition, the owner of CVNC intends to upgrade the entrance, streets and facilities within the Upgraded CVNC MHC Community, producing approximately 184 mobile homes with upgraded community and facilities; and

WHEREAS, CWS is engaged in the business of owning and operating water and wastewater systems in the State of North Carolina and holds or shall apply for and diligently pursue all necessary permits, licenses, and approvals to own and operate such systems and provide such services; and

WHEREAS, within thirty days of executing this agreement, EFNC agrees to convey to CWS, by special warranty deed, to the Buyer, its successors and assigns, Tract 2A, Tract 2B and East Tract (as described in **Exhibit A**) so that CWS may design, permit and upgrade the wastewater treatment facility, which will be capable of providing wastewater treatment service to the approximately 184 mobile homes in the Upgraded CVNC MHC Community; and

WHEREAS, within thirty days of executing this agreement, EFNC agrees to grant or cause to be granted the System Easements to CWS in existing well sites and two future well sites as identified on a plat recorded in Deed Book 1256 page 684, Deed Book 1256 page 687 and Deed Book 1267 page 222 in the Currituck County Registry, and CWS agrees to take ownership of the Water Utility and Wastewater Utility Systems, such that CWS can upgrade the Water Utility System to serve the approximately 184 mobile homes in the Upgraded CVNC MHC Community; and

WHEREAS, EFNC has represented and CWS agrees and accepts that the existing water distribution system within the existing CVNC, including the Upgraded CVNC MHC Community is sufficient to serve approximately 184 manufactured homes. For the avoidance of doubt, no upgrades are contemplated for the existing water distribution system. CWS agrees that meters are not currently installed and agrees to install meters at CWS's sole cost; and

WHEREAS, upon approval from the NCUC and transfer of said assets, CWS agrees to continue to provide water service and wastewater/sewer service to CVNC as it currently exists and to the Upgraded CVNC MHC Community containing approximately 184 manufactured homes and to provide water service to the Age Restricted MHC Community containing approximately 250 manufactured homes; and

WHEREAS, CWS has agreed to provide bulk water and wastewater services to CVNC until approval by the NCUC; and

WHEREAS, CWS agrees to design, permit, and construct the Wastewater Treatment Facility, which is a upgraded wastewater treatment facility utilizing high rate infiltration basins on Tract 2B to be conveyed to CWS and use the existing wastewater treatment facility for additional aeration and anoxic tankage; and

WHEREAS, CWS agrees to own, operate and upgrade the Water Utility System as contemplated herein, all in accordance with this Agreement, to provide water service to CVNC and the approximately 184 mobile homes in the Upgraded CVNC MHC Community; and

WHEREAS, CWS agrees to own and operate the Wastewater Utility System, all in accordance with this Agreement, to provide wastewater service to CVNC and the approximately 184 mobile homes in the Upgraded CVNC MHC Community, and subject to all governmental approvals and upon upgrade of the Wastewater Treatment Facility and repurposing of the existing

Wastewater Utility System, to provide wastewater service to the communities referenced herein; and

WHEREAS, CV-WWT agrees to transfer by Bill of Sale (without warranty) and CWS agrees to take ownership of the Wastewater Utility System, such that CWS can upgrade the collection system sufficient to serve CVNC and subsequently the approximately 184 mobile homes in the Upgraded CVNC MHC Community; and

WHEREAS, CV-WWT has represented and CWS agrees and accepts that the existing sewer collection system within the existing CVNC, including the Upgraded CVNC MHNC Community is sufficient to serve approximately 184 manufactured homes; and

WHEREAS, the owner of Carolina Village MHP intends to sell the mobile home community and the new owner plans related to the expansion and development of additional property has significantly changed the requirements for water and sewer, and

WHEREAS, as a result of these changes, the parties desire to amend and replace the terms of the Agreements and any amendments, and

WHEREAS, the foregoing recitals are incorporated herein by this reference as a substantive part of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants as hereinafter set forth, the Parties hereto agree as follows:

ARTICLE I Definitions

- 1.1 “*Agreement*” shall mean this Amended and Restated Asset Purchase and Utility Construction and Maintenance Agreement, including all exhibits and schedules attached hereto, and amendments thereto.
- 1.2 “*Bulk Service Agreement*” shall mean the Agreement between the parties detailing the provision of providing bulk water and wastewater utility services to CVNC until issuance of a Certificate by the NCUC.
- 1.3 “*Carolina Village of NC*” or “*Carolina Village MHP, LP*” (CVNC) shall mean the existing mobile home community, as shown on **Exhibit G**, consisting of approximately 419 mobile home sites and being located in Moyock, North Carolina. Upon completion of the redevelopment, which shall in all events be subject to obtainment of all required third-party approvals, including without limitation the approval of any municipal or county authorities, CVNC shall be subdivided and redeveloped as the Upgraded CVNC MHC Community.

- 1.4 “*Certificate*” or “*CPCN*” shall mean a Certificate of Public Convenience and Necessity for water and wastewater utility service issued by the North Carolina Utilities Commission, as may be amended from time to time.
- 1.5 “*Certificate Extension*” shall mean an extension to the Certificate, if applicable.
- 1.6 “*Closing*” is defined in Article VIII hereof.
- 1.7 “*Closing Date*” shall mean the date of the Closing or Closings.
- 1.8 “*Collection System Permits*” shall mean, collectively, those permits issued by the North Carolina Division of Water Resources of the Department of Environmental Quality for the construction and operation of the Wastewater Collection System, including all modifications thereto.
- 1.9 “*Commission*” or “*NCUC*” shall mean the North Carolina Utilities Commission.
- 1.10 “*County*” shall mean Currituck County, North Carolina.
- 1.11 “*CVNC Related Facilities*” shall mean the facilities related to the ownership and operation of CVNC including Carolina Village NC clubhouse, Carolina Village NC maintenance buildings for the adjacent mobile home development and the common areas for the adjacent Carolina Village NC mobile home development, and those facilities identified in Section 4.2(a) through (e) of this Agreement.
- 1.12 “*CV-WWT WWTP*” shall mean the existing 0.04 MGD wastewater treatment facility as described in **Exhibit C**.
- 1.13 “*Upgraded CV-WWT WWTP*” or “*Upgraded WWTP*” shall mean the wastewater treatment facility to be designed, permitted and constructed by CWS on the Wastewater Treatment Plant and Pond Site to replace the existing Wastewater Treatment Plant and to serve the properties described herein.
- 1.14 “*Deeded Property*” shall mean the Tract 2A, Tract 2B and East Tract (**Exhibit A**), and easements that will be conveyed to CWS, in accordance with the Bulk Service Agreement.
- 1.15 “*DWR*” shall mean the Division of Water Resources of the North Carolina Department of Environmental Quality.
- 1.16 “*DEQ*” shall mean the North Carolina Department of Environmental Quality.

- 1.17 “*Effluent*” shall mean the wastewater that has been treated to the point that it meets the quality standards required by the North Carolina Department of Environmental Quality.
- 1.18 “*EFNC Property*” shall mean the Tract 2A, Tract 2B and East Tract (Exhibit A), and easements that will be conveyed to CWS, in accordance with the Bulk Service Agreement. and described in Exhibit A.
- 1.19 “*Governmental Authority*” shall mean each and every applicable authority, department, agency, bureau, or other entity or instrumentality having jurisdiction over the Water Utility System and the Wastewater Utility System, including the federal government of the United States, the State of North Carolina, and all other applicable governmental authorities and subdivisions thereof, and the NCUC.
- 1.20 “*GPD*” shall mean gallons per day.
- 1.21 “*Infiltration Basins*” shall mean the infiltration basins located on the Tract 2A.
- 1.22 “*Maintenance Agreement*” shall mean the Utility Service and Maintenance Agreement dated November 3, 2015, and recorded November 5, 2015, in Deed Book 1345, Page 850, Currituck County Registry.
- 1.23 “*Management Agreement*” shall mean the management agreement between Sellers or their affiliates and Envirolink, Inc., and/or its affiliates (“*Envirolink*”), under which Envirolink agreed to manage the current Water Utility System and Wastewater Utility System and dated on or about the date of this Agreement.
- 1.24 “*Non-Discharge Permit*” shall mean the expanded from 0.04 million gallon per day to 0.6 million gallon per day permit for the construction and operation of both the existing Wastewater Treatment Plant issued by DWR as Permit No. WQ0004696, including all modifications thereto.
- 1.25 “*Permit*” or “*Permits*” shall mean the Collection System Permit, the Non-Discharge Permit, and the Water Utility System Permit, as the context requires.
- 1.26 “*Pond Site*” shall mean the portion of the approximately 99.05 acre tract bearing PIN 0002000043B0000 and/or the approximately 22.5 acre tract bearing 000200000500000 that will conveyed to CWS in accordance with the Bulk Service Agreement.
- 1.27 “*Reclaimed Effluent*” shall mean the wastewater that has been treated to the point that it meets the quality standards required by DEQ for disposal into the Infiltration Basins. -

1.28 “Residential Equivalent Unit” or “REU” shall mean a unit of wastewater treatment capacity equal to the presumed average daily wastewater flow of a single-family unit in the Development (360 GPD). For purposes of this Agreement, the number of REUs represented by a non-residential user shall be determined as follows:

- a. For a single-family unit with less than 5 bedrooms, if there is no water or wastewater meter for the non-residential facility then the number of REUs shall be “1”; or
- b. For a single-family unit with 5 or more bedrooms, if there is no water or wastewater meter for the non-residential facility, by dividing the design flow of the facility in question, based on 120 GPD per bedroom, (in GPD) by 250 GPD; or
- c. For a single Manufactured or Mobile Home unit, regardless if there is a water or wastewater meter for the facility, then the number of REUs shall be 0.67 REUs; or
- d. If there is a water and/or a wastewater meter for the non-residential facility, in accordance with the following chart:

Meter Size	REU
Less than 1”	1
1”	2.5
1.5”	5.0
2”	8.0
3”	15.0
4”	25.0
6”	50.0

1.29 “Special Order by Consent” or “SOC” shall mean the Special Order by Consent that is attached hereto as **Exhibit H**.

1.30 “Sprayfields” shall mean the sprayfields for treatment and disposal facilities, consisting of the temporary sprayfield currently existing on the EFNC Property and any additional sprayfields that have not been constructed, and all appurtenant equipment, in which the reused Effluent is disposed after treatment at the Wastewater Treatment Plant, as described in **Exhibit I**.

1.31 “System Easements” shall mean collectively the easements to be conveyed to CWS within thirty days for two existing well sites and two future well sites and the wastewater lift station sites as identified on a [plat recorded in Deed Book 1677, page 571 and Deed Book 1677 page 567 in the Currituck County Registry, subject to required third-party approvals].

- 1.32 “*Termination Agreement*” shall mean that certain Termination and Mutual Release Agreement by and between Sellers, CVNC, and Old North State Water Company, LLC, a North Carolina limited liability company (“*ONSWC*”).
- 1.33 “*Wastewater Assets*” shall mean the tangible and intangible personal property related to the Wastewater Utility System, including the Wastewater Treatment Plant, Infiltration Basins, the Wastewater Collection System, pump stations, storage ponds and additional assets that comprise the Wastewater Utility System and are related to the provision of wastewater utility service, as more fully described in **Exhibit C**.
- 1.34 “*Wastewater Collection System*” shall mean the Wastewater Service Lines, gravity collection lines, force mains, pump stations, and all appurtenant equipment both constructed and not yet constructed that transmit the wastewater from the customers on the CVNC and EFNC Property to the Wastewater Treatment Plant.
- 1.35 “*Wastewater Service Line*” shall mean that portion of the individual household wastewater line that CWS will own and maintain. For any case where a cleanout does exist, the Wastewater Service Line shall mean that portion of the individual household wastewater line that extends from CWS’s main to the cleanout and which CWS will own and maintain. In the case where a cleanout does not exist, CVNC shall maintain the portion of the line extends from the individual household wastewater line to the main.
- 1.36 “*Wastewater Treatment Plant*” or “*WWTP*” shall mean the 0.04 Million GPD wastewater treatment and disposal facilities, as described in **Exhibit C** and **Exhibit E**. As set forth herein the WWTP will be upgraded to an 0.6 MGD Upgraded WWTP.
- 1.37 “*Wastewater Treatment Plant Site*” shall mean Tract 2A described in **Exhibit E** where the Wastewater Treatment Plant and existing Infiltration Basins are located.
- 1.38 “*Wastewater Utility System*” shall mean Deeded Property, the System Easements, the Wastewater Treatment Plant, the Wastewater Collection System, the Infiltration Basins, all pump stations, the Wastewater Assets, buildings, parts, equipment, additional components of the wastewater system that have not already been constructed and installed, and other facilities used in the collection, treatment, holding and disposal of the wastewater, and any additional components of the wastewater utility system necessary to provide service, as described in **Exhibit C**.
- 1.39 “*Water Assets*” shall mean the water system equipment, System Easements, if any, tangible personal property related to the Water Utility System, and intangible personal property, including the groundwater wells and distribution system including treatment

systems, mains, storage tanks, and additional assets that comprise the Water Utility System and are related to the provision of water utility service, as more fully described in **Exhibit B**.

- 1.40 “*Water Service Line*” shall mean the portion of the individual household water line for which CWS will assume maintenance responsibility. The Water Service Line shall meet minimum standards under applicable law, code, rule, law, and regulations and include only that portion of the individual household water line from the house to CWS’s water source main at or near the above ground water storage tank. CWS shall, as soon as reasonably practical after approval of CWS’s rates set forth herein by the Utilities Commission, install all water meters to all homes in CVNC. If there is no house on the relevant CVNC lot, when a home is later brought in or constructed, CWS will promptly install a water meter.
- 1.41 “*Water Utility System*” shall mean all Water Assets, including interconnection to the existing distribution system or trunk water mains, all other equipment necessary and proper to serve all connections relating to that Water Utility System Phase and any additional components that are necessary to be constructed to provide water service.
- 1.42 “*Water Utility System Permit*” shall mean the permit to operate the Water Utility System issued by DEQ and identified as PSW ID# NC04-27-103, including all modifications thereto.
- 1.43 “*Water Utility System Phase*” shall mean any discrete phase of construction of the Water Utility System, including any modifications to the Water Utility.

ARTICLE II

Representations and Covenants by the Sellers

THE SELLERS REPRESENT, WARRANT and COVENANT THAT ON THE DATE HEREOF (except as otherwise noted) AND AS OF THE CLOSING:

2.1. Organization; Good Standing. EFNC and CV-WWT are limited liability companies, validly existing and in good standing under the laws of the State of North Carolina, and they are authorized to do business in the State of North Carolina.

2.2. Title to Properties. EFNC is the legal owner of and has fee simple marketable title to the Deeded Property being purchased by CWS in this Agreement, and CV-WWT is the legal owner of and has fee simple marketable title to in the Water Utility System Assets and the Wastewater Utility System Assets being purchased by CWS in this Agreement.

2.3. Power and Authority Relative to Agreement. The Sellers have full internal company power and authority (i) to execute and deliver this Agreement, (ii) to perform their obligations hereunder, and (iii) to consummate the transactions contemplated hereby. The execution and delivery by the Sellers of this Agreement, and the performance by the Sellers of their obligations hereunder, have been duly and validly authorized by its members and/or managers, and no other action on the part of the Sellers' members or managers is necessary in furtherance thereof.

2.4. No Actions at Law or Suits in Equity. Other than those described herein and or provide as an exhibit to this Agreement (including without limitation the SOC), (i) there are no pending or, to the Sellers' knowledge, without investigation or inquiry, threatened actions at law or suits in equity relating to the Water Assets, and (ii) there are no pending or, to Sellers' knowledge, without investigation or inquiry, threatened proceedings before any governmental agency with respect to the Wastewater Assets. There are no actions or proceedings pending or, to Sellers' knowledge, without investigation or inquiry, threatened against the Sellers that would prohibit or make illegal the consummation of the transactions contemplated by this Agreement.

2.5. Effect of Agreement. Except as provided in and subject to the terms and conditions of the Maintenance Agreement, (i) the execution and delivery by the Sellers of this Agreement does not, and (ii) the performance by Sellers of its obligations under this Agreement and the consummation of the transactions contemplated hereby, shall, to Sellers' knowledge, not:

a. Conflict with or result in a violation or breach of any of the terms, conditions or provisions of Sellers' articles of organization, operating agreements, or other governing documents;

b. Result in a default, penalty, or any adjustment in required payments (or give rise to any right of termination, cancellation or acceleration) under any of the terms, conditions or provisions of any note, bond, deed of trust, indenture, license, agreement, lease or other instrument or obligation to which Sellers are bound, except for such defaults, penalties or adjustments (or rights of termination, cancellation or acceleration) as to which requisite waivers or consents have been obtained; or

c. Conflict with or result in a violation or breach of any term or provision of any law applicable to Sellers or any of its affiliates or any of their respective assets and properties.

2.6. Contractual Obligations. Other than this Agreement, the Bulk Services Agreement, the Maintenance Agreement, the Management Agreement, the Termination Agreement, the Non-Discharge Permit, and the SOC, there are no restrictions, covenants, contracts or obligations of any nature between Sellers and any other party relating to the Water Assets and Wastewater Assets which govern the use of portion(s) of EFNC Property for the construction or operation of the Water Utility Systems and the Wastewater Utility System or additional components of the Water Utility System and the Wastewater Utility System.

2.7. Location of Properties. To the best of the Sellers' knowledge, the Wastewater Utility System and Water Utility System are located on the Deeded Property being conveyed to

CWS by special warranty deed or in the System Easements, which shall be granted hereunder to CWS.

2.8. Permits and Approvals. From and after the date of this Agreement, except as otherwise may be disclosed on Schedule 1, Seller has and will maintain all required permits from DWR to operate the Wastewater Utility System and Water Utility System.

2.9. [Intentionally Omitted.]

2.10. Taxes. To the Sellers' knowledge, without investigation or inquiry, except for outstanding property taxes which will be prorated at Closing for the year of closing, there are no real estate taxes, taxes imposed by special assessment or assessments by any Governmental Authority for the Water Utility System and the Wastewater Utility System that are unpaid. Sellers have no knowledge of any governmental special assessments, either pending or confirmed, against the Water Assets or Wastewater Assets.

2.11. Assets are Clear of Any Liens and Encumbrances. Sellers represent and warrant that as of the Closing Date the Water Assets and the Wastewater Assets shall be delivered to CWS free and clear of any and all liabilities, liens, and encumbrances, other than the SOC. Sellers acknowledge and agree that under no circumstance shall CWS be obligated or liable for any loans or liabilities made by any creditor to EFNC or CV-WWT. Notwithstanding any of the foregoing representations, CWS hereby acknowledges that the Water Assets and Wastewater Assets are subject to the SOC.

2.12. Accuracy or Representations and Warranties. No representation or warranty by Sellers in this Agreement, or any statement or certificate furnished or to be furnished to CWS pursuant hereto or in connection with the transactions contemplated herein, contains or will contain any untrue statement of a material fact or will omit to state a material fact necessary to make the statements contained herein or therein not misleading.

ARTICLE III Representations and Covenants by CWS

CWS REPRESENTS, WARRANTS and COVENANTS THAT ON THE DATE HEREOF AND AS OF THE CLOSING:

3.1. Organization; Good Standing. CWS is a North Carolina limited liability company in existence under the laws of the State of North Carolina and has full power and authority to conduct its business as it is now being conducted and to own, operate, and manage its assets and properties.

3.2. Power and Authority Relative to Agreement. CWS has full corporate power and authority to execute and deliver this Agreement, to perform its obligations hereunder, and to consummate the transactions contemplated hereby. The execution and delivery by CWS of this Agreement, and the performance by CWS of its obligations hereunder, have been duly and validly authorized by its board of directors, and no other action on the part of CWS is necessary in furtherance thereof.

3.3. No Actions or Proceedings. There are no actions or proceedings pending or, to CWS's knowledge, threatened against CWS or any of its assets and properties that would result in the issuance of an order restraining, enjoining; that would prohibit or make illegal the consummation of the transactions contemplated by this Agreement; that would prohibit CWS from operating the Water Utility Systems and the Wastewater Utility System; or that would otherwise have an adverse effect whatsoever on the Water Utility Systems and the Wastewater Utility System.

3.4. Effect of Agreement. The execution and delivery by CWS of this Agreement does not, and the performance by CWS of its obligations under this Agreement and the consummation of the transactions contemplated hereby shall not:

a. Conflict with or result in a violation or breach of any of the terms, conditions or provisions of CWS's articles of incorporation, bylaws, or other corporate governance documents;

b. Result in a default, penalty, or any adjustment in required payments (or give rise to any right of termination, cancellation or acceleration) under any of the terms, conditions or provisions of any note, bond, deed of trust, indenture, license, agreement, lease or other instrument or obligation to which CWS or any of its affiliates is a party or by which any of their respective assets and properties may be bound, except for such defaults, penalties or adjustments (or rights of termination, cancellation or acceleration) as to which requisite waivers or consents have been obtained; or

c. Conflict with or result in a violation or breach of any term or provision of any law applicable to CWS or any of its affiliates or any of their respective assets and properties.

3.5. Experience; Licenses; Ability to Operate. CWS's management team is experienced in the ownership, operation and maintenance of water utility systems and wastewater utility systems. CWS has, or will obtain and diligently pursue, all licenses, permits, certifications, and all other consents and approvals from all applicable Governmental Authorities to perform each and every obligation hereunder and to fully operate the Water Utility System and the Wastewater Utility System. Seller shall use commercially reasonable efforts to require CVNC to apply for approval to invoice each tenant under NCUC's water resellers regulations as soon as practical after execution of this Agreement. After approval by NCUC, CWS will operate the Water Utility System and Wastewater Utility System to provide service as provided in this Agreement.

3.6. Accuracy of Representations and Warranties. No representation or warranty by CWS in this Agreement, or any statement or certificate furnished or to be furnished to CWS pursuant hereto or in connection with the transactions contemplated herein, contains or will contain any untrue statement of a material factor or will omit to state a material fact necessary to make the statements contained herein or therein not misleading.

ARTICLE IV

Purchase Price and Covenants and Obligations in Consideration of Purchase Price

4.1. Purchase Price. The purchase price for the Deeded Property and the System Easements, Water Utility System and Wastewater Utility System (collectively the “Purchase Price”) shall be \$175,000. The Parties hereby acknowledge and agree that the Purchase Price, and the other payment and consideration described in this Article IV, constitute sufficient, good and valuable consideration for the Water Assets, the Wastewater Assets, the Deeded Property, and the System Easements granted hereunder and the Parties’ respective obligations.

4.2. Capacity Fees. CWS shall not charge a capacity fee up to 184 mobile home units. Notwithstanding the foregoing, CWS shall upon approval by the NCUC be permitted to charge capacity fees for each mobile home unit greater than 184. Notwithstanding the foregoing or anything else to the contrary contained herein, CWS will not charge any capacity or connection fees whatsoever with respect to the following:

- a. The existing offices in the adjacent CVNC mobile home park, including in the Upgraded CVNC MHC Community;
- b. The existing mobile home park maintenance buildings for CVNC, including in the Upgraded CVNC MHC Community;
- c. [intentionally omitted];
- d. Any common area needs for water or wastewater utility service of the CVNC mobile home park, including in the Upgraded CVNC Community, including, without limitation, pools, clubhouses, and similar amenities and facilities; and
- e. Above the limits set forth in this Agreement, including without limitation as provided in Section 4.5.

4.3. Utility Rates. CWS will request authorization from the NCUC to charge the following rates:

	<u>Water</u>	<u>Sewer</u>
Monthly Minimum Charge (per REU)	\$ 31.40	\$ 35.00
Cost per 1,000 Gallon Usage	\$ 6.90	\$ 7.00
<u>Flat Rate per REU (Not Metered)</u>	<u>\$ 40.00</u>	<u>\$ 52.60</u>

Notwithstanding the foregoing or anything in this Agreement to the contrary, CWS will not request rate increases more frequently that one time per year.

Unless and until authorized by the NCUC, in accordance with the Bulk Services Agreement, CWS shall charge CVNC a bulk service rate for water and wastewater utility services consistent with the following:

<u>Water</u>	<u>Sewer</u>
--------------	--------------

Monthly Minimum Charge (per REU)	\$ 31.40	\$ 35.00
Cost per 1,000 Gallon Usage	\$ 6.90	\$ 7.00
<u>Flat Rate per REU (Not Metered)</u>	<u>\$ 40.00</u>	<u>\$ 52.60</u>

Each month CWS will count the number of units being served by its water and wastewater system and will multiply the rates above by the number of units in order to determine the build charges for water and sewer services.

4.4. CWS Obligations. CWS will as soon as reasonably practical obtain all permits to place the Water Utility System into the name of CWS so that CWS is the owner/operator of such systems and such that Sellers and their affiliates are relieved of any obligations under any existing water and wastewater permits. Except as expressly set forth herein, CWS is responsible, at its sole cost and expense, to prepare, construct, install, and provide the capital improvements, maintenance, repairs, installations, replacements, system upgrades, system repairs, component upgrades, component repairs, equipment upgrades and repairs, and any and all work required with respect to the Water Utility System and Wastewater Utility System necessary to serve approximately 184 mobile homes sites. CWS will also restore any areas disturbed in the performance of its work or its obligations under this Agreement to a like condition existing prior to such repairs and upgrades. CWS will construct the Upgraded WWTP and provide wastewater treatment services to CVNC sufficient to service approximately 184 mobile homes, and CWS will perform all work, improvements, replacements, and repairs required to bring the Water Utility System and the Wastewater Utility System into compliance with all applicable rules, regulations, laws, and orders of governmental authorities (“Applicable Laws”), including without limitation as required to bring such systems into compliance with DEQ regulations and permits. CWS will as soon as reasonably practical apply to NC DEQ to assign the existing NC DEQ permit WQ004696 for the Wastewater Utility System to CWS. The Upgraded WWTP is intended to address concerns of the DEQ. The work and improvements shall be sufficient to provide capacity to in order to serve the approximately 184 mobile homes in the Upgraded CVNC MHC Community. As soon as practical, CWS or its qualified and licensed designee shall assume and hereby does assume responsibility for operation, maintenance and management of the Water Utility System and Wastewater Utility System (and upgrades as contemplated herein), and CWS will provide water and wastewater services to CVNC and the Upgraded CVNC MHC Community. CWS has already completed the design and submitted to NC DEQ for approval. Upon approval from NC DEQ, CWS will initiated construction activities to construct the Upgraded WWTP, as described herein. CWS will accept the Water Utility System and the Wastewater Utility System in their then existing states. All improvements and upgrades over and above the current state of the Water Utility System and the Wastewater Utility System as of the Closing Date, shall be made by CWS, at its sole cost and expense.

4.5. [Deleted]

4.6. [Deleted]

4.7. Conveyance of Property. Within __ days of executing this Agreement, EFNC (a) shall grant the System Easements such that CWS can operate, maintain, renew, replace and upgrade the Water Utility System and (b) convey the Deeded Property such that CWS can design, permit, construct, operate, maintain, renew, replace and upgrade the Wastewater Utility System with the Upgraded WWTP. CWS will pay taxes and assessments following conveyances.

4.8. No Conveyance of Carolina Village NC, LLC Property. There shall be no conveyance, transfer, or assignment of any property (whether real or personal) equipment, rights, interests, or other assets of Carolina Village NC, LLC under this Agreement, nor shall there be, under this Agreement, any conveyance, transfer, or assignment of any property, equipment, interests, or other assets owned by CVNC. CVNC has no obligations under this Agreement. The conveyance of any interest in any property owned by or located on the property of CVNC will be the subject of a separate agreement of even date herewith.

4.9 [Deleted]

4.10. Insurance: Indemnification. CWS shall include adequate insurance, including by naming EFNC and CVNC as additional insureds, in undertaking its obligations under this Agreement, including covering against any liability for injury to person or damage to property resulting from CWS's work and for operation of the Water Utility System and Wastewater Utility System. CWS shall protect, defend, indemnify and hold Sellers harmless from and against any and all loss, claims, liability, or costs (including court costs and attorney's fees) incurred by reason of (a) any failure or alleged failure of CWS to comply with Applicable Laws in operating the Water Utility System and the Wastewater Utility System and (b) any injury or alleged injury to person or damage or alleged damage to property resulting from (i) CWS's operation of the Water Utility System or Wastewater Utility System or (ii) CWS's construction, installation, and providing the capital improvements, maintenance, repairs, installations, replacements, system upgrades, system repairs, component upgrades, component repairs, equipment upgrades and repairs, and any and all work performed with respect to the Water Utility System or the Wastewater Utility System. The terms of this Section 4.10 shall initiate immediately and survive Closing.

4.11 Special Order by Consent Indemnification. It is understood and agreed that the Special Order by Consent is not transferable and that the liabilities and obligations of the SOC are also not transferable. It is understood that the SOC has expired and neither DEQ or CV-WWT have entered into subsequent SOC.

ARTICLE V

Water and Wastewater Utility System

5.1. Permits and Approvals. The Parties acknowledge and agree that CV-WWT or its affiliate has obtained the all necessary Permits for the now existing Water Utility System and the Wastewater Utility System. As soon as practical, CV-WWT or its affiliate and CWS shall execute a written request to the Department of Environmental Health and DWR to transfer all Permits for the water system and wastewater system to CWS. Upon transfer of the water and wastewater utility systems, CWS or its qualified and licensed designee shall assume and hereby does assume responsibility for ownership, operation, maintenance and management of the Water Utility System and Wastewater Utility System, and CWS will provide water and wastewater services to CVNC (including the Upgraded CVNC MHC Community) and the CVNC Related Facilities (which shall be deemed to include all pools, clubhouses, and common area amenities of the Upgraded CVNC

MHC Community) in accordance with this Agreement. Until upgrades are made, CWS will provide services on the existing systems.

5.2. Water Utility System.

a. Design, Engineering, and Construction of the Water System. CWS will design, engineer and upgrade the existing Water Utility System in accordance with Applicable Laws to provide water service to the approximately 184 unit Upgraded CVNC MHC Community, including similar common area facilities located in the community or development. The existing 4” diameter wells each have a capacity of approximately 90 gpm per well, which is sufficient to serve the properties to be served thereby. CWS shall reserve 180 gpm of capacity for the approximately 184 unit Upgraded CVNC MHC Community, which CWS accepts as sufficient to serve such homes and facilities.

5.3. Installation and Conveyance of Future Expansion of the Wastewater Utility System to Serve the Upgraded Communities.

5.3.1. Design, Engineering, and Construction of the Upgraded WWTP.

a. CWS will design, engineer, permit, and construct the Upgraded WWTP to provide wastewater service for the approximately 184 unit Upgraded CVNC MHC Community. The Upgraded WWTP may be completed in phases, if necessary. CWS shall reserve sufficient capacity to serve the approximately 184 unit Upgraded CVNC MHC Community. Notwithstanding the foregoing, if it is determined that the Upgraded WWTP has excess capacity beyond what is required to serve the CVNC MHC Community, then the parties agree that CWS may allocate capacity to potential users outside of CVNC; provided, adequate buffer is included in the retained capacity for CVNC to insure adequate service to CVNC. Additional capacity beyond what is required to serve the 184 unit Upgraded CVNC MHC Community may be purchased from CWS on a first come basis under terms to be negotiated in the sole and reasonable discretion of CWS at the time of request.

b. The Parties acknowledge that the existing WWTP has the capacity to treat 40,000 gpd and that the facility is not capable of reliably meeting NC DEQ Permit requirements and that a Upgraded WWTP has been designed and permitted by NC Department of Environmental Quality. It is understood that the new Upgraded WWTP has been designed to treat 60,000 gpd and is capable of reliably meeting NC DEQ Permit requirements.

5.4. Certificate of Public Convenience and Necessity. After the execution of this Agreement, and prior to CWS apply for a CPCN from the NCUC, CVNC shall work with the new owner (Carolina Village MHP, LP) to obtain approval as a water reseller from the NCUC based on rates established by the Bulk Services Agreement and this agreement. After CVNC implements the rates approved by the NCUC under the water resellers provision, CWS shall apply to the NCUC

for a CPCN in order to directly bill the approximately 184 mobile homes in Upgraded CVNC MHC Community,

CWS will apply to the Commission as soon as may be practicable for a Certificate or Certificate Extension. CWS shall provide all bonds required by the Commission for each Certificate or Certificate Extension.

5.5. As-Is Acquisition. CWS IS ACQUIRING THE WATER ASSETS AND THE WASTEWATER ASSETS, ALL EQUIPMENT, AND ALL OTHER ITEMS OF PERSONAL PROPERTY ON AN “AS-IS, WHERE-IS” BASIS AND “WITH ALL FAULTS”. It is agreed and understood, CWS is acquiring the expanded Non-Discharge Permit (WQ004696) in connection with this Agreement.

5.6. Documents to be Delivered to CWS. At Closing, EFNC or CV-WWT, as applicable, will deliver to CWS the following documents:

a. System Easement substantially similar to the area labeled “Proposed Utility Easement” as depicted on the Survey.

b. Bills of sale (without warranty deed), for the Water Assets and the Wastewater Assets, in the form attached hereto as **Exhibit J**;

c. Special warranty deed for the Deeded Property.

d. Upon obtaining required consents and approvals therefor and in accordance therewith, either an assignment or amendment of the Maintenance Agreement, necessary for CWS to access and operate the Water Utility System and the Wastewater Utility System in accordance with the terms of this Agreement; and

e. Without warranty, express or implied, copies of all files, documents, papers, agreements, books of account, customer lists, lot numbers and service addresses, lists of schedules, original cost invoices, engineering drawings, and records in Sellers’ possession pertaining to the Water Assets and the Wastewater Assets not already in the possession of CWS, or Envirolink.

In addition, at Closing, CWS will deliver to Sellers such documents and other items which are reasonably required to consummate the transactions contemplated under this Agreement.

5.7. Documents to be delivered upon execution of this Agreement.

a. Contemporaneous with the execution of this agreement, EFNC of CV-WWT, as applicable, shall deliver to CWS, the following documents:

- CWS;
- i. Executed Bulk Service Agreement;
 - ii. Executed Operation & Management Agreement between Envirolink, and
 - iii. Termination Agreement between ONSWC and Sellers; and
 - iv. Special Warranty Deed for the Deeded Property.
- b. Contemporaneous with the execution of this agreement, CWS shall deliver or cause to be delivered to Sellers, as applicable, the following documents:
- i. Executed Bulk Service Agreement;
 - ii. Executed Management Agreement between Envirolink, and CWS; and
 - iii. Termination Agreement between ONSWC and Sellers.

5.8. Improvements to Existing Water Assets. Contingent upon the approval of CVNC as a water reseller by the NCUC, within 180 days of issuance of said approval, CWS will remove the existing above-ground storage tank and will replace outdated and unsightly fencing associated with the existing Water Utility System with new, updated fencing.

ARTICLE VI

Conditions Precedent to this Agreement

6.1. Clear Title to Water Assets and Wastewater Assets. The Water Assets and the Wastewater Assets shall be free and clear of any and all liens and encumbrances at conveyance other than the Permitted Exceptions (as defined below).

ARTICLE VII

Obligation to Request NCUC Approvals

7.1. Certificate of Public Convenience and Necessity. Within [180] days after approval of CVNC as a water reseller by the NCUC, CWS, at its expense, shall file an Application for authorization to provide water and wastewater service to the CVNC mobile home park to charge connection fees and rates.

7.2. Cooperation by Sellers. Sellers agree to cooperate reasonably with CWS in efforts to obtain such authorization including, upon request, the provision of financial documentation for the Water Utility System and the Wastewater Utility System.

ARTICLE VIII Closing

8.1. Date for the Closing. The Closing of the transactions contemplated hereunder (“Closing”) shall occur within thirty days. This Agreement may only be terminated by written agreement signed by all Parties hereto.

Prior to closing, CV-WWT shall continue to own the water and sewer system serving the CVNC mobile home community. Envirolink under the existing Management Agreement will assume responsibilities for operation and maintenance of the existing facilities until transferred to CWS.

8.2. Transfer of Obligations for Utility Services. At Closing, Sellers will transfer to CWS and CWS will assume all obligations with respect to the Water Assets and Wastewater Assets. From and after Closing, CWS shall be responsible for the Water Assets and the Wastewater Assets and operation of the Water Utility System and the Wastewater Utility System including, without limitation, the provision of water and wastewater service for the Carolina Village Mobile Home Park (including the Upgraded CVNC MHC Community).

8.3. No Claim by Third Parties. CWS and Sellers represent to the other that no party is entitled to a commission upon the Closing and transfer of the Water Assets, the Wastewater Assets, the System Easements, the Deeded Property, or otherwise in consideration of the transactions under this Agreement, and each agrees to indemnify and hold harmless the other against any and all claims of real estate brokers, finders or similar agents claiming to have been engaged by the indemnifying party, for commissions or claims for similar fees incurred in any action, suit, proceeding or claim arising out of or in connection with the transaction contemplated by this Agreement. The indemnities in this paragraph shall survive Closing or the termination of this Agreement.

ARTICLE IX Taxes and Assessments and Other Prorations

9.1. Sellers and CWS shall prorate taxes for the Water Utility System and Wastewater Utility System as of the Closing Date, with such prorations to include, but not be limited to, property taxes, real estate taxes, taxes imposed by special assessment or assessments by a Governmental Authority that are assessed or charged in calendar year 2021. Sellers shall be responsible for all such taxes for any calendar year prior to 2021. In addition to taxes and assessments, all costs, expenses, and receivables will be prorated as of the Closing Date, with Sellers entitled to receipt of all receivables and responsible for all expenses on or before the Closing Date and CWS entitled to receipt of all receivables and responsible for all expenses after the Closing Date.

ARTICLE X General Provisions

10.1. Title Insurance and Surveys for Deeded Property. CWS, at CWS’s sole cost and expense, may but not required to obtain title insurance insuring the Deeded Property to be fee

simple title, free and clear of any and all liens and encumbrances other than (i) liens for taxes, assessments and governmental charges with respect to the Deeded Property not yet due and payable or due; (ii) all declarations, easements, rights-of-way, restrictions, covenants and other matters of public record; (iii) general utility service easements and rights of way affecting the Deeded Property which exist as of the date hereof; (iv) any matters that would be disclosed by an accurate, current survey and inspection of the Deeded Property; (v) any matters caused by CWS or CWS 's employees, agents or contractors; (vi) any public right-of-way affecting the Deeded Property; (vii) zoning and building ordinances and land use regulations applicable to the Deeded Property; (viii) any standard exclusions from coverage in the title insurance policy; (ix) all gas, water, and mineral rights of others; (x) any other liens or encumbrances of record which do not materially adversely affect title to the Deeded Property, the value of the Deeded Property, or CWS's use of the Deeded Property expressed herein; and (xi) which CWS has otherwise approved in writing and which CWS shall reasonably deemed to have accepted pursuant to this Agreement (collectively, "Permitted Exceptions"). CWS has already obtained or will obtain the Survey (as defined above), showing the Deeded Property. CWS shall pay the title insurance premiums in connection with the issuance of its owner's policy at the Closing. EFNC will provide any title policies in its possession covering the Deeded Property.

10.2. Cooperation for All Necessary Government Approvals. Sellers and CWS agree to cooperate fully in obtaining any and all necessary permits, including DWR permits, CVNC approval as a water reseller, the Certificate and/or Certificate Extensions by NCUC to CWS, and authorization from NCUC for connection fees and the rates.

10.3. Binding upon Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of Sellers and CWS, and the successors and assigns of Sellers and CWS. No Party may assign this Agreement without the prior written consent of all Parties this Agreement, such consent to not be unreasonably withheld, conditioned, or delayed.

10.4. Force Majeure. Except as provided for in this Agreement, neither Party to this Agreement shall be liable to the other for failure, default or delay in performing any of its obligation hereunder, if such failure, default or delay is caused by strikes or other labor problems, by forces of nature, unavoidable accident, fire, acts of the public enemy, interference by civil authorities, acts or failure to act, decisions or orders or regulations of any governmental or military body or agency, office or commission, delays in receipt of materials, or any other cause, whether of similar or dissimilar nature, not within the control of the Party affected and which, by the exercise of due diligence such Party is unable to prevent or overcome, except as otherwise provided for herein. Should any of the foregoing events occur, the Parties hereto agree to proceed with diligence to do what is reasonable and necessary so that each Party may perform its obligations under this Agreement. Lack of available funds or financing commitments shall not be considered Force Majeure.

10.5. Enforcement of Agreement. The failure of either Party hereto to enforce any of the provisions of this Agreement or the waiver thereof in any instance by either Party shall not be construed as a general waiver or relinquishment on its part of any such provisions, but the same shall, nevertheless, be and remain in full force and effect.

10.6. Notices. Whenever any notice, demand or request is required or permitted hereunder, such notice, demand or request shall be in writing and shall be deemed to have been properly given or served (i) when delivered in fact against a written receipt of delivery to the other proper party (and including all individuals that are required to receive copies), or (ii) when deposited in the United States mail, with adequate postage prepaid and sent by registered or certified mail with return receipt requested, to the addresses set out below or at such other addresses as are specified by written notice so given in accordance herewith, or (iii) when deposited with Federal Express, Express Mail or other overnight delivery service for next day delivery addressed to the appropriate party at the addresses set forth below:

If to CWS: 4700 Homewood Ct., Suite 108
Raleigh, North Carolina 27609
Attn: Michael Myers

If to Seller(s): c/o Mobile Home Management NC, LLC
P.O. Box 265
Rossville, GA 30741-0265
Attn: Mr. Robert Miller

Copy to: Manning, Fulton & Skinner, P.A.
Attn: Joseph B. Bass
3605 Glenwood Ave., Ste. 500
Raleigh, NC 27612

Notice on behalf of any Party may be given by their respective counsel.

10.7. Incorporation of Exhibits. The Exhibits to this Agreement are made a part hereof and are hereby incorporated in full by reference. In the interest of expediting execution of this Agreement, the parties may have executed this Agreement without finalizing or attaching certain Exhibits. If any Exhibit is referenced in, but not attached to, this Agreement, then the parties will in good faith prepare an amendment to this Agreement attaching such Exhibit, and if the parties fail to provide such amendment, then the parties shall operate in good faith to agree on which Exhibit is applicable.

10.8. Governing Law. This Agreement shall be governed by the laws of the State of North Carolina.

10.9. Representations, Warranties and Obligations Survive Closing. The representations, warranties, and obligations contained herein shall survive, and continue in effect after the Closing.

10.10. Entire Agreement. This Agreement sets forth the complete understanding between the Sellers and CWS, and any amendments hereto, to be effective, must be made in writing. This Agreement represents the entire agreement and understanding between the Parties relating to the subject matter hereof and supersedes all prior agreements, oral, or written between the parties, if any, relating to the subject matter. Except as set forth in the Agreement, no Party has made any representations or warranties to any other party.

10.11. Proper Execution/Not an Offer. The submission by Sellers to CWS or by CWS to Sellers (or by their respective attorneys) of this Agreement in an unsigned form will be deemed to be a submission solely for the other party's consideration and not for acceptance and execution. Such submission will have no binding force and effect, will not constitute an option or an offer, and will not confer any rights upon either party or impose any obligations upon either party irrespective of any reliance thereon, change of position or partial performance. The submission by Sellers to CWS or CWS to Sellers of this Agreement for execution by the other party and the actual execution thereof by either party and delivery to the other party will similarly have no binding force and effect on the party that executed the Agreement unless and until Sellers and CWS will have executed this Agreement and a counterpart hereof executed by Sellers and CWS will have been delivered to each party. Sellers and CWS shall have no obligations and this Agreement shall not constitute a transfer until Sellers and CWS have received all requisite approvals and unless and until Sellers and CWS have signed this document in original.

10.12. Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

10.13. Modifications in Writing. This Agreement shall not be modified, amended, or changed in any respect except in writing, duly signed by each Party, and each Party hereby waives any right to amend the Agreement in any other way.

10.14. Illegality. This Agreement is intended to be performed in accordance with, and only to the extent permitted by, all applicable laws, ordinances, rules and regulations. If any provision of this Agreement, or the application thereof to any person or circumstance, shall, for any reason and to the extent be invalid or unenforceable, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby but rather shall be enforced to the greatest extent permitted by law.

10.15. Consent to Jurisdiction. The Parties agree that Superior Court Division of the North Carolina General Court of Justice located in Wake County, North Carolina, shall have exclusive jurisdiction over this Agreement and any controversies arising out of, relating to, or referring to this Agreement, the formation of this Agreement, and actions undertaken by the Parties hereto as a result of this Agreement, without giving effect to such court's resolution of conflicts of law. Each of the Parties hereto expressly and irrevocably consents to the personal jurisdiction of such Superior Court Division of the North Carolina General Court of Justice in Wake County, North Carolina, and expressly waives any jurisdictional or venue defenses otherwise available.

10.16. Remedies. In the event that any party defaults or fails to perform any of the conditions or obligations of such party under this Agreement or any other agreement, document or instrument executed in connection with this Agreement, or in the event that any party's representations or warranties contained herein or in any such other agreement, document or instrument are not true and correct as of the date hereof, any other party hereto shall be entitled to exercise any and all rights and remedies available to it by or pursuant to this Agreement or at law (statutory or common) or in equity.

10.17. Captions. The captions in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Agreement or the scope or content of any of its provisions. Whenever the context may require, words used in this Agreement will include the corresponding feminine, masculine, or neuter forms, and the singular will include the plural and vice versa. Unless the context expressly indicates otherwise, all references to "Section" are to sections of this Agreement.

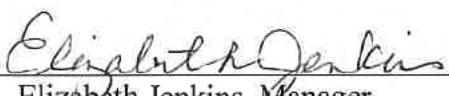
[signature page follows]

IN WITNESS WHEREOF, the Parties hereto have set their hands and seals the day and year above first written

CURRITUCK WATER and SEWER, LLC,
a North Carolina limited liability company

By:  (seal)
Michael Myers
Manager

EQUITY FIRST NC, LLC, a North Carolina
limited liability company

By:  (seal)
Elizabeth Jenkins, Manager

CV-WWT, LLC, a North Carolina
limited liability company

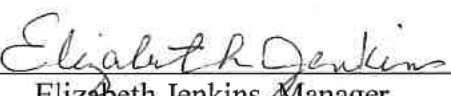
By:  (seal)
Elizabeth Jenkins, Manager

EXHIBIT A
EFNC Deeded Property

TRACT 2A

Tract 2A - Beginning at a point, marked by a set iron rod, said point being further described as being on the south property line of Carolina Village, LLC and being N 87 deg. 36' 28" E 43.40' from a set iron rod, set iron rod being the southwest corner of Carolina Village, LLC and also being on the eastern right-of-way of S.R. 1218 also known as Backwoods Road. Thence from the point of beginning along the south property line of Carolina Village, LLC, N 87 deg. 36' 28" E 525.98' to a set iron rod. Thence continuing along the aforesaid south property line of Carolina Village, LLC, N 86 deg. 44' 55" E 100.00' to a set iron rod. Thence continuing along the aforesaid south property line of Carolina Village, LLC, N 87 deg. 02' 08" E 100.00' to a set iron rod. Thence continuing along the aforesaid south property line of Carolina Village, LLC, N 86 deg. 36' 18" E 200.01' to a set iron rod. Thence continuing along the aforesaid south property line of Carolina Village, LLC, N 85 deg. 46' 29" E 128.72' to a set iron rod. Thence continuing along the aforesaid south property line of Carolina Village, LLC, S 88 deg. 53' 15" E 100.01' to a set iron rod. Thence continuing along the aforesaid south property line of Carolina Village, LLC, S 88 deg. 24' 37" E 300.08' to a set iron rod. Thence continuing along the aforesaid south property line of Carolina Village, LLC, N 86 deg. 27' 58" E 104.07' to a set iron rod. Thence continuing along the aforesaid south property line of Carolina Village, LLC, S 82 deg. 56' 20" E 403.89' to a set iron rod. Thence making new lines through H. Lee Addison III Tract 2, S 82°56'20" E 463.53' and S 18°01'54" W 1,791.83' to a set iron rod in the easterly property line of Eugene T. White. Thence along the eastern line of lands now belonging to the aforesaid Eugene T. White N 43°56'00" W 190.38' to an existing iron pipe. Thence continuing along the easterly line of the aforesaid Eugene T. White N 23°09'00" E 25.80' to an existing iron pipe. Thence along the easterly line of lands now belonging to the aforesaid Eugene T. White N 52 deg. 08' 00" W 520.50' to a set iron rod. Thence along the eastern line of lands now belonging to the aforesaid Eugene T. White N 51 deg. 22' 00" W 473.90' to an existing iron pipe. Thence along the northern property line of aforesaid lands of Eugene T. White S 72 deg. 27' 00" W 673.20' to a set iron rod. Said iron rod is also on the eastern line of "Old Road" ownership unknown. Thence along the eastern line of "Old Road" N 04 deg. 13' 00" E 53.70' to a set iron rod. Thence along the eastern line of "Old Road" N 09 deg. 01' 00" W 106.80' to a set iron rod. Thence along the eastern line of "Old Road" N 11 deg. 09' 00" W 307.00' to a set iron rod. Thence along the eastern line of "Old Road" N 12 deg. 23' 00" W 516.70' to a set iron rod. Thence along the eastern line of "Old Road" N 16 deg. 04' 00" W 68.30' to a set iron rod. Thence along the eastern line of "Old Road" N 37 deg. 12' 00" W 197.61' to a set iron rod. Said rod being the point and place of beginning. Said Tract 2A has an area of 59.59 acres. The above described Tract 2A is shown and delineated on a plat entitled "H. Lee Addison, III, Division of Tract 2," prepared by Bissell Professional Group, Engineers, Planners, Surveyors and Environmental Specialist, dated January 6, 2000, recorded in the office of the Register of Deeds of Currituck County in Plat Cabinet G, Slide 95.

TRACT 2B

Tract 2B - Beginning at a point, marked by a set iron rod, said point being further described as being on the southeasterly corner of Carolina Village, L.L.C. and being also the southeasterly corner of Lot 123. Thence along the easterly line of the aforesaid Carolina Village, L.L.C. N 14 deg. 07' 23" W 349.71' to a set iron rod. Thence continuing along the aforesaid east property line of Carolina Village, L.L.C. N 06 deg. 12' 51" E 1,002.12' to a set iron rod. Thence along the south property line of the aforesaid Carolina Village, L.L.C. S 85 deg. 45' 50" E 993.49' to a set iron rod. Said iron rod also marks the northwest corner of lands now belonging to Constance D. Pendleton and Patricia P. Beasley. Thence along the western property line of Constance D. Pendleton and Patricia P. Beasley S 00 deg. 48' 00" E 665.32' to a set iron rod. Set iron rod being the southwest corner of the aforesaid Constance D. Pendleton and Patricia P. Beasley lands and the northwest corner of lands now belonging to Carolina Village, L.L.C.. Thence along the western property line of lands belonging to Carolina Village, L.L.C. S 00 deg. 48' 00" E 674.00' to a set iron rod. Thence along the southern property lines of the aforesaid lands of Carolina Village, L.L.C. S 85 deg. 15' 17" E 1,209.98' to a set iron rod. Set iron rod marking the southeast corner of the aforesaid lands of Carolina Village, L.L.C. and also being a point on the aforesaid lands of Constance D. Pendleton and Patricia P. Beasley. Thence along the western property line of the aforesaid lands of Constance D. Pendleton and Patricia P. Beasley S 44 deg. 12' 00" W 1,429.75' to a set iron rod. Thence along the western property line of the aforesaid lands of Constance D. Pendleton and Patricia P. Beasley S 72 deg. 33' 00" E 601.53' to a set iron rod. Thence along the western property line of the aforesaid lands of Constance D. Pendleton and Patricia P. Beasley S 52 deg. 00' 00" W 1,671.50' to an existing iron pipe. Said point marking the southwest corner of the aforesaid lands of Constance D. Pendleton and Patricia P. Beasley and is also a point on the northern property line of lands now belonging to Vernon P. Garrett, Jr. and being the eastern-most point of lands now belonging to Eugene T. White. Thence along the eastern line of lands now belonging to the aforesaid Eugene T. White N 41 deg. 18' 00" W 138.50' to a set iron rod. Thence along the eastern line of lands now belonging to the aforesaid Eugene T. White N 42 deg. 12' 00" W 658.60' to set iron rod. Thence along the eastern line of lands now belonging to the aforesaid Eugene T. White N 43 deg. 56' 00" W 87.82' to a set iron rod. Thence departing the line of Eugene T. White and making new lines through H. Lee Addison III Tract 2 N 18 deg. 01' 54" E 1,791.83' to an iron rod set and N 82 deg. 56' 20" W 463.53' to a set iron rod. Said rod being the point and place of beginning. Said Tract 2B has an area of 101.16 acres. The above described Tract 2B is shown and delineated on a plat entitled "H. Lee Addison, III Division of Tract 2," prepared by Bissell Professional Group, Engineers, Planners, Surveyors and Environmental Specialist, dated January 6, 2000, recorded in the office of the Register of Deeds of Currituck County in Plat Cabinet G, Slide 95.

EAST TRACT

22 ½ Acres more or less – All that certain lot or parcel of land located on the East side of Moyock Backwoods Road and described as tract number two in that Deed recorded in Book 97 Page 506 of the Currituck County Public Registry and also described in a Deed recorded in Book 46 Page 431 of the Currituck County Public Registry. Said East tract is referred to as containing twenty-two and one half acres and is also described in a Deed recorded in Book 207 Page 468 of the Currituck County Public Registry and in a Deed recorded in Book 207 Page 471 of the Currituck County Public Registry. Which descriptions are incorporated herein by reference as if set forth word for word.

OFFICIAL COPY

Mar 26 2024

EXHIBIT B
Water Assets

Carolina Village Water System

1. Three wells, all constructed around 1970:
 - a. 124 feet deep; 4-inch casing; 20-foot screen; rate is approximately 40 gpm.
 - b. 114 feet deep; 4-inch casing; 20-foot screen; rate is approximately 52 gpm.
 - c. 116 feet deep; 4-inch casing; 20-foot screen; rate is approximately 72 gpm.
2. One 100,000-gallon ground storage tank.
3. Booster pump building with transfer pumps and chemical injection.
4. One 5,000-gallon hydro-pneumatic tank.
5. Water mains (all PVC):
 - a. 2-inch: 3,500 LF
 - b. 4-inch: 9,610 LF
 - c. 6-inch: 4,620 LF
6. 184 active service connections; 441 total.

EXHIBIT C
Wastewater Assets

Carolina Village Sewage Collection and Treatment System:

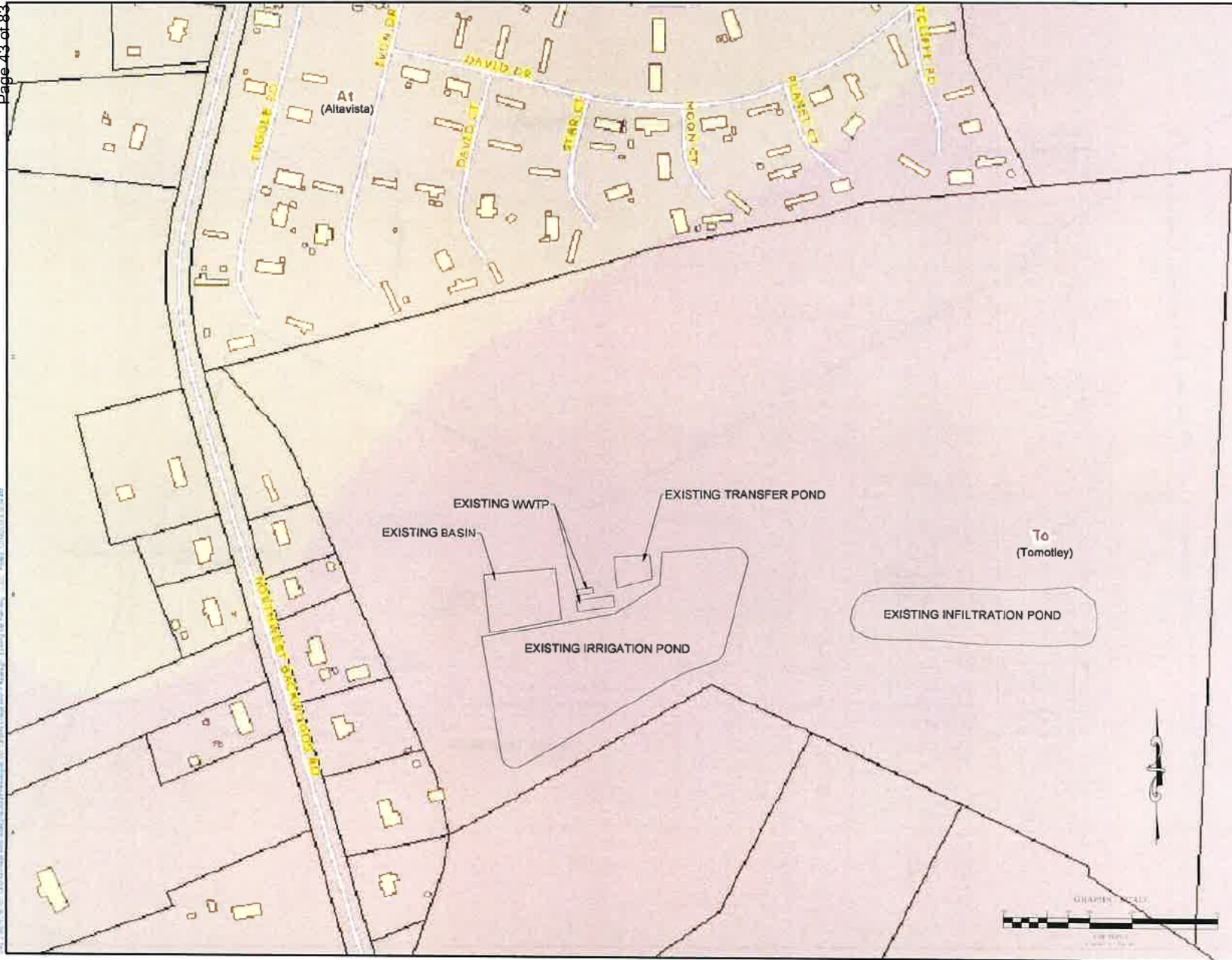
1. Gravity Sewer (installed as vitrified clay):
 - a. 4-inch: 33,075 LF
 - b. 6-inch: 4,367 LF
 - c. 8-inch: 14,281 LF
2. 88 Manholes
3. Four Lift Stations, all equipped with 5 hp pumps.
4. Force Mains (assumed to be PVC):
 - a. 4-inch: 2,388 LF
 - b. 6-inch: 3,565 LF
5. 40,000 gallon per day wastewater treatment facility:
 - a. Equalization facility
 - b. Concrete extended aeration facility:
 - i. Aeration
 - ii. Clarification
 - iii. Filtration
 - iv. Sludge holding
 - v. Effluent pumping
 - vi. Generator with Automatic Transfer Switch
 - c. Temporary Irrigation areas

EXHIBIT D
CVNC MHC Plan

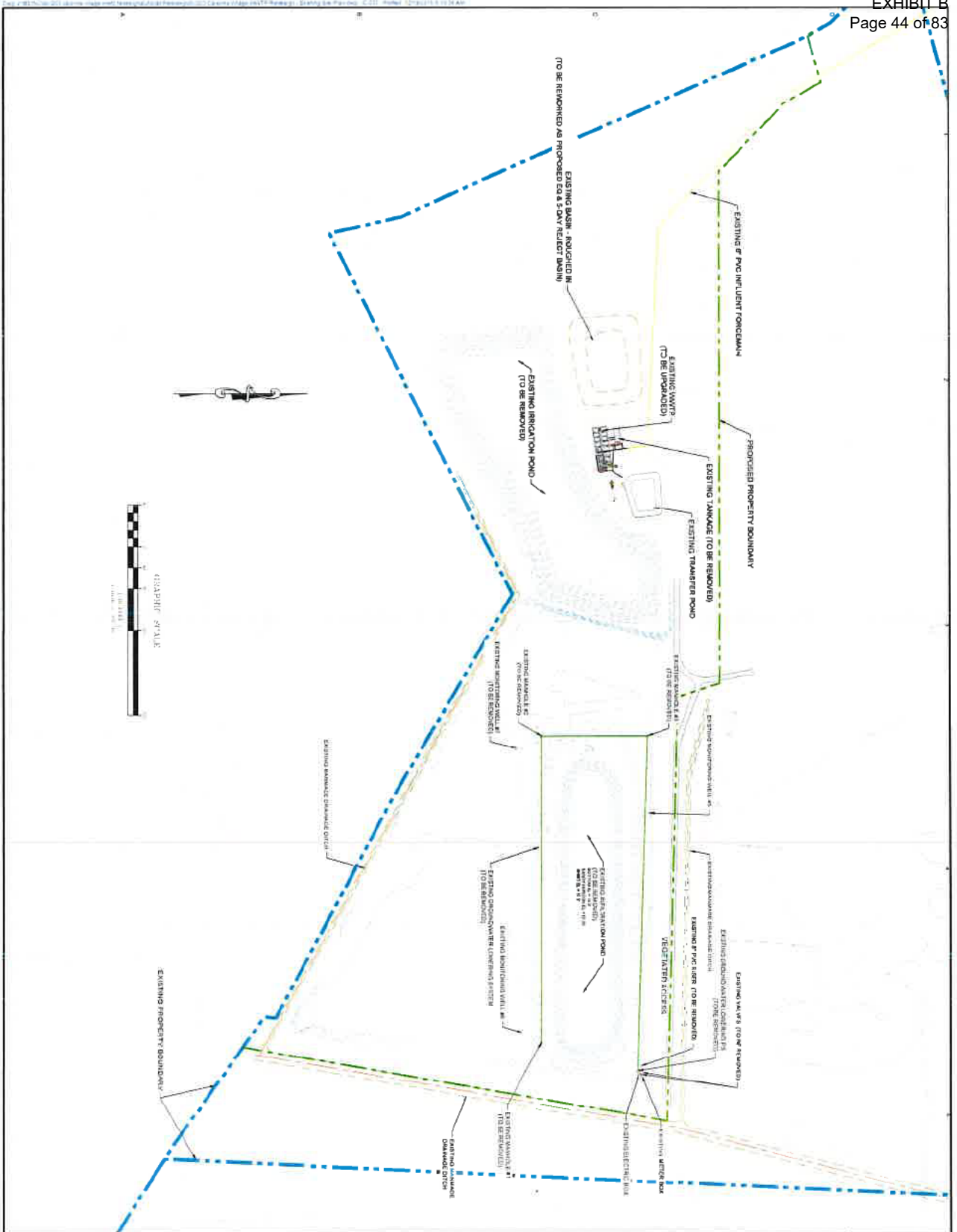
EXHIBIT E
WWTP Site Plan (Tract 2A)




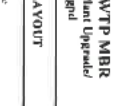



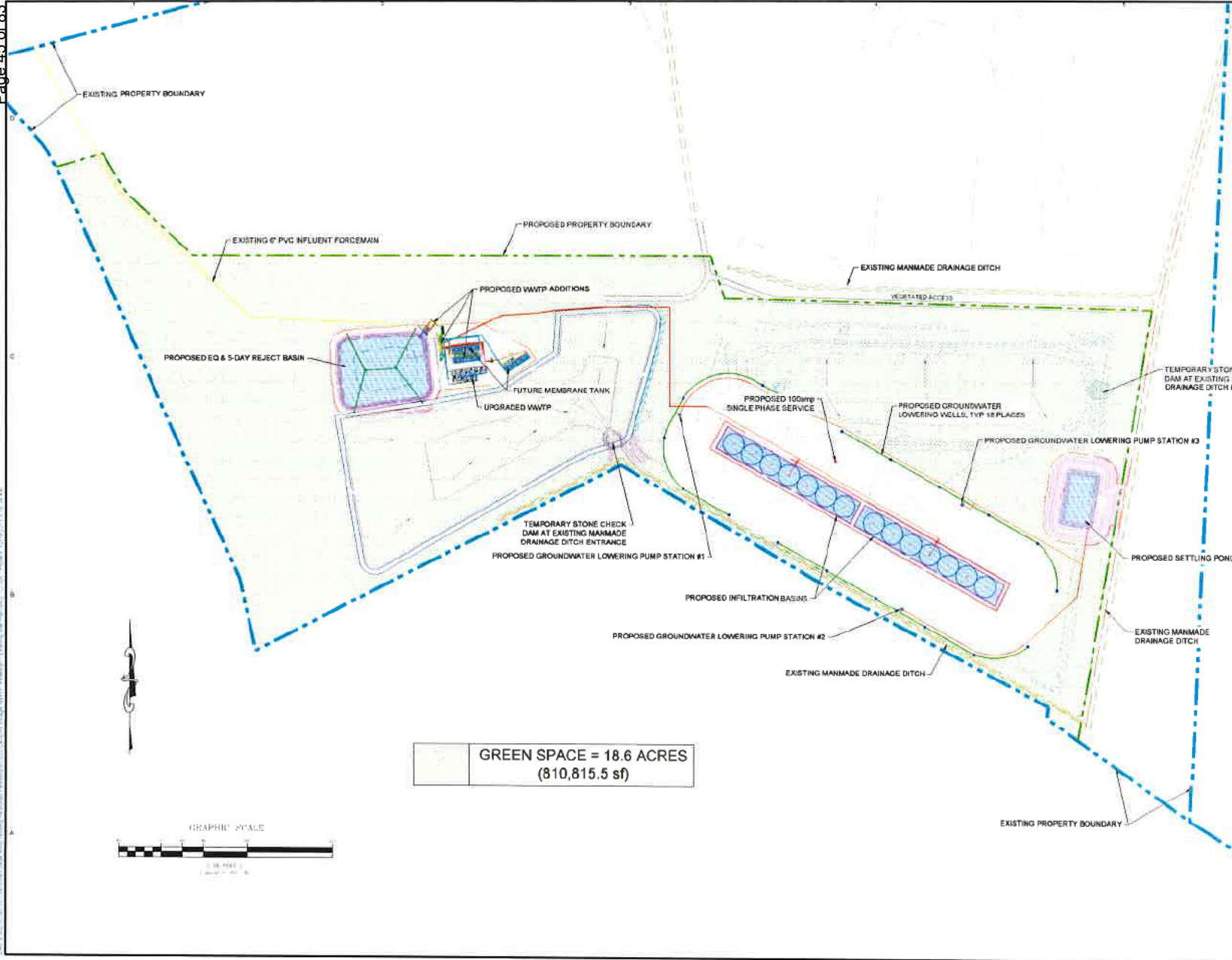
	
	
<p>Project: Carolina Village WWTWP MBR Wastewater Treatment Plant Upgrade/ Phase 1-60,000gpd</p>	
<p>Client: Frank Kaskade 6497 Shaw Lake Lane Lumberton, TN 37111 Phone: (615) 966-1921</p>	
<p>Designed By: ROE Sheet No.: C-300</p> <p>Drawn By: EDE</p> <p>Checked By: ROE</p> <p>Approved By: AS, EDE, ROE</p> <p>Date: 11/26/23</p>	
<p>Project: A-61 D Line Street</p> <p>Project No.: 402-621</p>	
	
	
 <p>Bluebird Engineering Inc. PO BOX 804 BIRDSONG, TN 37023 (601) 791-2885</p>	



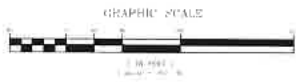
	
	
	
	
	
Burgin Engineering Inc. PO BOX 1864 RMO, SC 29683 (803) 781-2965	
BEFORE YOU BUY: SEE LICENSEE	
Carolina Village WWTP MBR Wastewater Treatment Plant Upgrade/ Phase I-60,000gpd	
EXISTING SOILS MAP	
Station: Frank Basadre 6497 Bass Lake Lane Harrison, TN 37341 Phone: (423) 484-1924	
Designed By: RGB Drawn By: SEB Checked By: RGB Approved By: RGB	C-302 8 of 35
Original Release Date: 28 FEB 2016 Scale: 1" = 100'-0"	Arch D Site Sheet Project No: #95-083



 NORTH CAROLINA STATE SEAL 1776	 FRANK BEAUDRE PROFESSIONAL ENGINEER No. 42118	 C-303 PROFESSIONAL ENGINEER No. 42118	 EEB PROFESSIONAL ENGINEER No. 42118
<p style="text-align: center;">EXISTING SITE LAYOUT</p> <p> Project: Carolina Village WWTP MBR Wastewater Treatment Plant Upgrade Phase: 1461/001/01d </p> <p> Client: Frank Beaudre 4497 Basil Lake Lane Huntersville, NC 27744 Phone: (703) 986-1924 </p> <p> Designer: EEB Drawn By: EEB Checked By: EEB Scale: As Shown Project Number: 1461-0-200-000-001-001 Issue: 11-1-2023 Sheet No.: 44 of 83 </p>			
 Burgh Engineering Inc. PO Box 504114, Raleigh, NC 27650 (919) 791-0345			



GREEN SPACE = 18.6 ACRES
(810,815.5 sf)

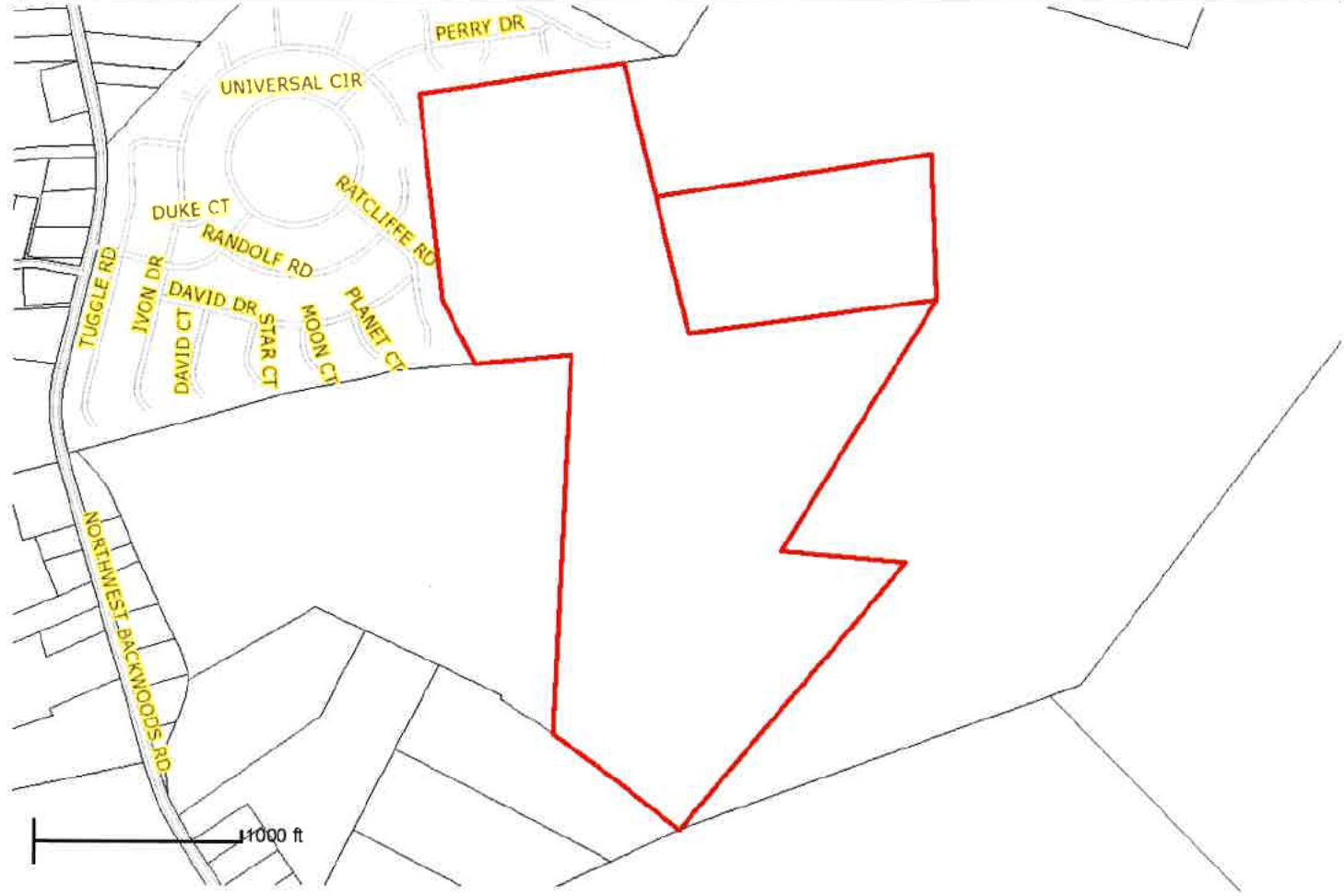


Carolina Village WWTP MBR Wastewater Treatment Plant Upgrade/ Phase I-60,000gpd	
PROPOSED GREEN AREA SITE PLAN	
Designer: Frank Basadre 6497 Base Lake Lane Harrison, IN 47531 Phone: (423) 484-1924	
Designed By: RJD	Sheet No: C-306
Drawn By: SED	10 of 25
Checked By: RJD	
Approved By: RJD	
Original Release Date: 26 FEB 2016	Arch D Site Sheet
Scale: 1"=60'-0"	Project No: #25-003

Burgin Engineering Inc.
 PO BOX 1804 IRMO, SC 29663
 (803) 781-2985

EXHIBIT F
Pond Site Parcels (Tract 2B and East Tract)

Currituck County GIS Data Viewer

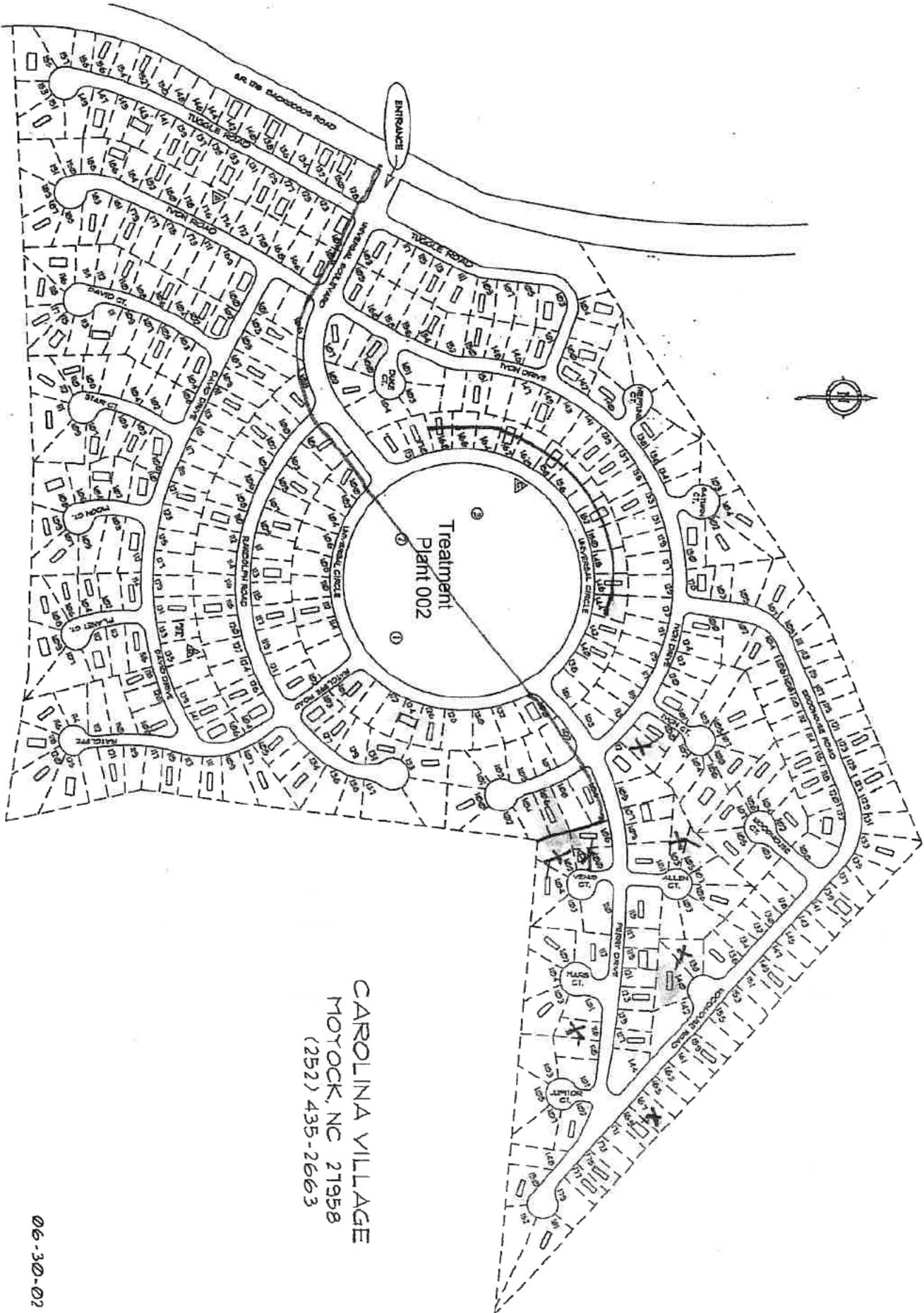


Currituck County GIS
Phone: (252) 232-2034
E-mail: gis@currituckcountync.gov

This map should be used for general reference purposes only. Currituck County assumes no legal liability for the information shown on this map.

EXHIBIT G
CVNC Property

Carolina Village Mobile Home Community



CAROLINA VILLAGE
MOTOCK, NC 27958
(252) 435-2663

06-30-02

EXHIBIT H
SOC

[to be attached]

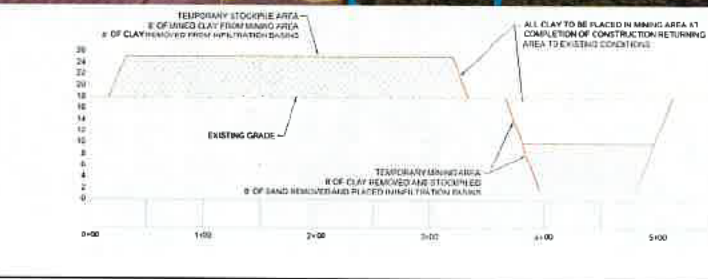
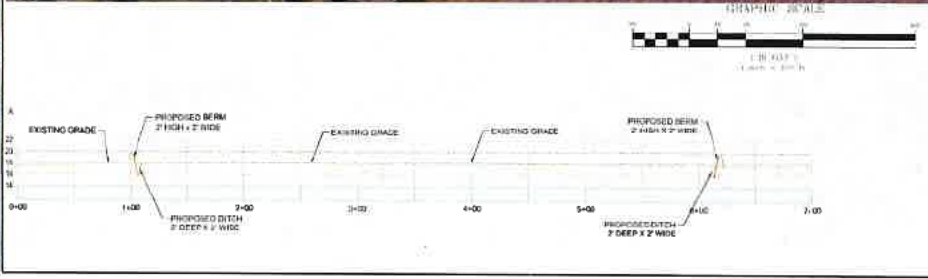
EXHIBIT I
Sprayfields



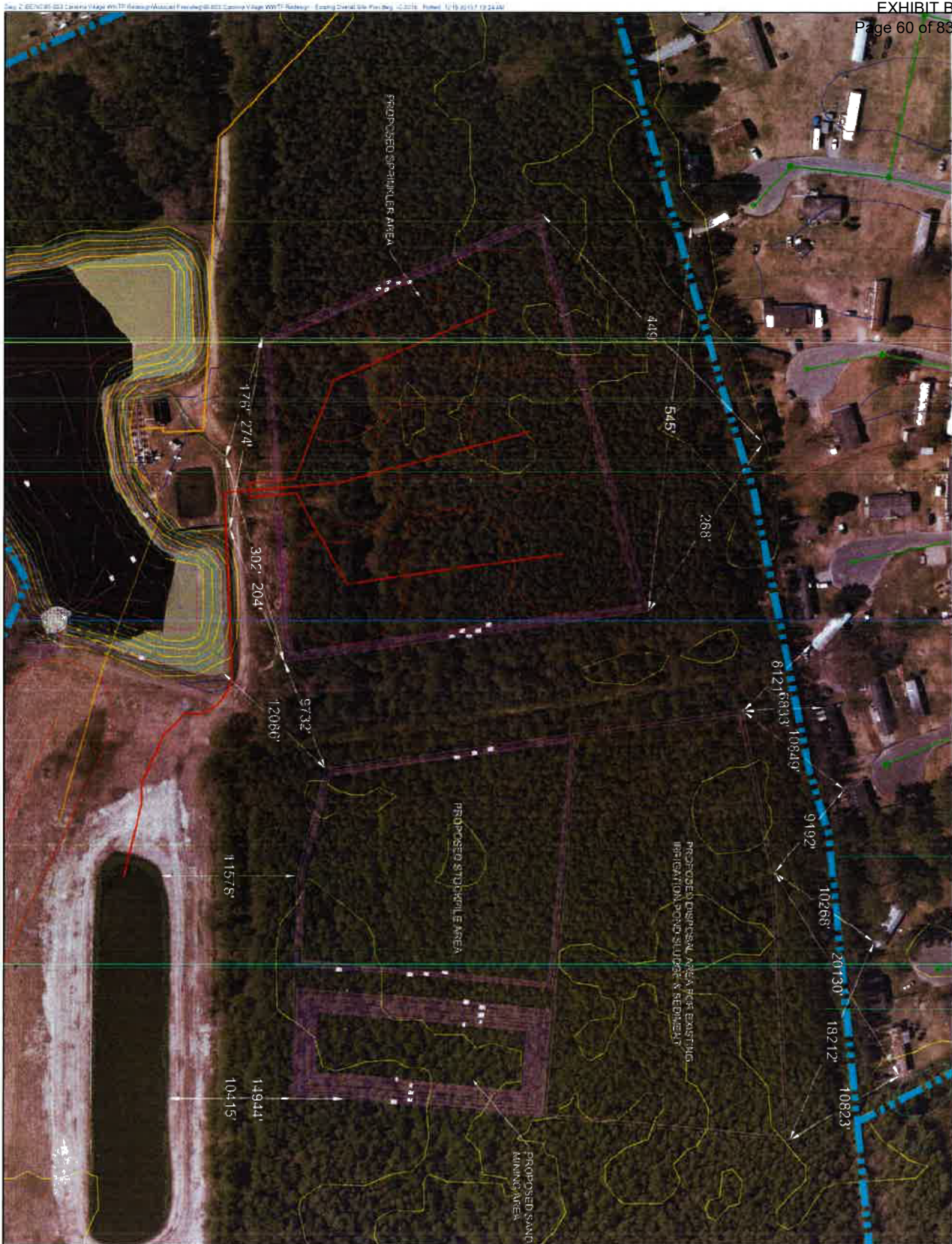
- NOTES:**
1. SPRINKLER AREA TO BE 200' FROM MOBILE HOMES ON NORTH SIDE, 100' FROM DRAINAGE DITCHES & 500' FROM PROPERTY BOUNDARY ON WEST SIDE.
 2. SLUDGE DISPOSAL & SAND MINING AREA TO BE 50' AWAY FROM ALL DRAINAGE DITCHES & WETLANDS, STUMPS TO BE REMOVED FROM ENTIRE AREA.
 3. FINAL GRADES TO BE RETURNED TO EXISTING CONDITIONS. ENTIRE AREA TO BE STABILIZED AND GRASSED.
 4. PERIMETER OF ALL DISTURBED AREAS TO BE PROTECTED WITH TEMPORARY SILT FENCE.



Project		Carolina Village WWTP Redesign Wastewater Treatment Plant Upgrade 180,000 gpd	
Sheet Title		PROPOSED OVERALL SITE PLAN	
Date		Frank Basille 6197 Bass Lake Lane Harrison, TN 37341 Phone: (423) 484-1924	
Designed By:	ROB	Sheet No.	C-301a
Drawn By:	LR/SEB	Scale	
Checked By:	RIB	Project No.	
Approved By:	ROB	Revision	
Date	6 JAN 2016	Arch D Scale	Sheet
Scale	1" = 100'-0"	Project No.	909-002



Burgin Engineering Inc.
 PO BOX 1164 IRMO, NC 29563
 (803) 781-2965



	
<p>Project: Carolina Village WWTTP Redesign Wastewater Treatment Plant Upgrade 180,000 gpd</p>	
<p>Site Title: EXISTING OVERALL SITE PLAN</p>	
<p>Client: Frank Masadre 4607 Baha Lake Lane Hartwood, NC 27641 Phone: (252) 988-1934</p>	
<p>Designed By: RDSB Drawn By: LFB/DEB Checked By: RDSB Approved By: J. JAY ZIEGLER Date: 7-1-2023</p>	
<p>Project No.: C-301b Scale: As Shown Project Name: WWTTP Upgrade</p>	
<p>Scale: 1" = 100'-0"</p>	
<p>North Arrow: (Symbol pointing up)</p>	



<p>Carolina Village WWTP Redesign Wastewater Treatment Plant Upgrade 186,000 gpd</p>	
<p>EXISTING OVERALL SITE PLAN</p>	
<p>Drawn By: FRANK KASLER</p> <p>Checked By: FRANK KASLER</p> <p>Date: 6 JAN 2018</p> <p>Scale: 1" = 40.00'</p>	<p>Project No: C-301c</p> <p>Client: ADRIAN BROWN</p> <p>Date: 4 OF 24</p>
<p>Client: Frank Kasler 6497 Beal Lake Lane Harrison, TN 37041 Phone: (615) 888-1924</p>	
<p>Contract No: 14030183</p> <p>Project No: C-301c</p> <p>Sheet No: 4 OF 24</p>	

EXHIBIT J
Bill of Sale

STATE OF NORTH CAROLINA
COUNTY OF CURRITUCK

BILL OF SALE - WATER

KNOW ALL MEN BY THESE PRESENTS that Elizabeth Jenkins of CV-WWT, LLC. (Seller), in return for valuable consideration received by the Seller from Currituck Water & Sewer, LLC (Buyer), a limited liability company, the sufficiency of which is hereby acknowledged, has bargained and sold and does by this instrument bargain, sell, and convey to the Buyer, its successors and assigns, the entire potable water production, storage, and distribution system located at Carolina Village Subdivision, Currituck County, North Carolina, including, but not limited to mains, pumphouse, tank, pumps, controls, electrical equipment, chemical feed equipment, distribution mains, valves, tees, ells, crosses, water main easements within publicly dedicated rights of way, and services, all property conveyed hereby being referred to as the Property.

To have and to hold the Property in fee simple.

IN TESTIMONY WHEREOF, the Seller has hereunto set his hand this the __th day of February 202_.

By: _____
Title: _____

OFFICIAL COPY

Mar 26 2024

Notary Page for Bill of Sale – CV-WWT Water System
County of Currituck, North Carolina

I, the undersigned, a Notary Public of the County and State aforesaid, verify that _____, of CV-WWT, LLC, et. al. whose identity has been proven by satisfactory evidence, said evidence being:

- I have personal knowledge of the identity of the principal(s)
- I have seen satisfactory evidence of the principal's identity, by a current state or federal identification with the principal's photograph in the form of a _____
- _____
A credible witness has sworn to the identity of the principal(s);

personally came before me this day and acknowledged that Elizabeth Jenkins of CV-WWT, LLC, et. al. that he/she, in such capacity and being authorized to do so, voluntarily executed the foregoing on behalf of the corporation for the purpose stated therein and in the capacity indicated.

Witness my hand and official stamp or seal this __th day of February, 202__.

Notary Public Signature

Print Name: _____

My Commission Expires: _____

[AFFIX NOTARY SEAL BELOW-NOTE THAT SEAL MUST BE **FULLY LEGIBLE**]

STATE OF NORTH CAROLINA
COUNTY OF CURRITUCK

BILL OF SALE - WASTEWATER

KNOW ALL MEN BY THESE PRESENTS that Elizabeth Jenkins of CV-WWT, LLC. (Seller), in return for valuable consideration received by the Seller from Currituck Water & Sewer, LLC (Buyer), a limited liability company, the sufficiency of which is hereby acknowledged, has bargained and sold and does by this instrument bargain, sell, and convey to the Buyer, its successors and assigns, the entire sanitary sewer treatment, storage, disposal and collection system located at Carolina Village Subdivision, Currituck County, North Carolina, including, but not limited to mains, lift stations, tank, pumps, controls, electrical equipment, chemical feed equipment, collection mains, lift stations, valves, tees, ells, crosses, sewer main easements within publicly dedicated rights of way, and services, all property conveyed hereby being referred to as the Property.

To have and to hold the Property in fee simple.

IN TESTIMONY WHEREOF, the Seller has hereunto set his hand this the __th day of February 202_.

By: _____
Title: _____

OFFICIAL COPY

Mar 26 2024

Notary Page for Bill of Sale – CV-WWT, LLC Wastewater System
County of Currituck, North Carolina

I, the undersigned, a Notary Public of the County and State aforesaid, verify that _____, of CV-WWT,LLC, et. al. whose identity has been proven by satisfactory evidence, said evidence being:

- I have personal knowledge of the identity of the principal(s)
- I have seen satisfactory evidence of the principal's identity, by a current state or federal identification with the principal's photograph in the form of a _____
- _____
A credible witness has sworn to the identity of the principal(s);

personally came before me this day and acknowledged that Elizabeth Jenkins of CV-WWT, LLC, et. al. that he/she, in such capacity and being authorized to do so, voluntarily executed the foregoing on behalf of the corporation for the purpose stated therein and in the capacity indicated.

Witness my hand and official stamp or seal this __th day of February, 202__.

Notary Public Signature

Print Name: _____

My Commission Expires: _____

[AFFIX NOTARY SEAL BELOW-NOTE THAT SEAL MUST BE **FULLY LEGIBLE**]

**Utility Service Agreement
Currituck Water & Sewer, LLC and Carolina Village MHP LP**

10th This Utility Service Agreement (hereinafter referred to as this "Agreement") is made as of this day of February, 2022, by and between **Currituck Water & Sewer, LLC**, a North Carolina limited liability company (hereinafter called "CWS"), and **Carolina Village MHP LP**, a Delaware limited partnership (hereinafter called "Owner"). In this Agreement, CWS and Owner are referred to collectively as the "Parties" and individually as a "Party".

Witnesseth

WHEREAS, Owner owns and operates a mobile home community in Moyock Township, Currituck County, State of North Carolina, commonly known as Carolina Village Mobile Home Community (the "MHC Property"), and its tenants require utility services including water and sewer; and

WHEREAS, Owner desires water and wastewater utility services be provided to the mobile homes within the MHC Property; and

WHEREAS, Owner requires, for itself and for the benefit of its tenants within the MHC Property, CWS's services to provide water and wastewater utility services to the MHC Property; and

WHEREAS, CWS is in the business of owning and operating the water and sewer systems and providing water and wastewater utilities services; and

WHEREAS, CWS is capable of providing water and sewer utility services to the tenants within MHC Property; and

WHEREAS, CWS, owns, will own, or has the authority to access and operate the water and wastewater utility systems and assets serving the MHC Property in order to provide water and wastewater utility services required of CWS under this Agreement; and

WHEREAS, Owner desires for CWS to provide such services; and

WHEREAS, Owner authorizes CWS to directly invoice Owner for the cost of water and sewer service; and

NOW THEREFORE in consideration of the mutual promises and of the rights, powers and duties hereinafter set forth to be performed by each Party, and for other consideration, the receipt and sufficiency of which is hereby acknowledged, Owner and CWS mutually agree to the following terms and conditions.

ARTICLE 1 – INCORPORATION OF RECITALS; DEFINITIONS

1.1. Incorporation of Recitals; Effectiveness of Agreement. The foregoing recitals by and between the Parties shall constitute an integral part of this Agreement, and this Agreement shall be construed in light thereof. This Agreement shall be effective as of the date that Owner acquires fee title to the MHC Property ("Effective Date"), and unless and until Owner acquires the MHC Property, this Agreement shall have no force or effect.

1.2. **Definitions:** As used in this Agreement, the terms listed in this Article shall have the following meanings:

A. **“Contract Start Date”** shall begin on the Effective Date.

B. **“Water and Wastewater Utility Services” or “Scope of Services” or “Services”** shall mean those utility services provided by CWS to the Owner as set forth in Article 2 and in Exhibit A. Without limiting those items expressly set forth on Exhibit A, such terms shall include water and wastewater services (including all expenditures and undertakings, all repairs, replacements, and upgrades) necessary to own, operate, maintain, and upgrade the water and wastewater utility systems (including any facilities related thereto) as are necessary to provide water and wastewater service to the MHC Property.

C. **“Qualified Staff”** shall mean personnel experienced and qualified to operate, maintain, manage public utilities and all other responsibilities of CWS as described herein.

D. **“State”** shall mean the State of North Carolina.

ARTICLE 2 – SCOPE OF SERVICES BY CWS

Owner requests CWS, and CWS agrees to serve Owner, to provide the water and wastewater utility services (Scope of Services), as set forth in Exhibit A (attached hereto and incorporated into this Agreement) and to be performed in accordance with the terms and conditions set forth herein. In accordance with the Scope of Services, CWS shall provide water and wastewater services in a capacity sufficient to service 184 mobile homes on the MHC Property and any additional homesites permitted to be placed on the MHC Property during the entire term of this Agreement.

ARTICLE 3 – RESPONSIBILITIES OF OWNER

Owner shall provide CWS with the items and assistance set forth in Exhibit B (attached hereto and incorporated herein to this Agreement), in accordance with the terms and conditions set forth herein.

Upon issuance of an order from the NCUC, authorizing the Owner to invoice the tenants, CWS will invoice Owner and Owner will pay CWS as a single customer for services provided in accordance with the terms and conditions set forth in Article 7.

ARTICLE 4 – INDEPENDENT CONTRACTOR

CWS shall be deemed to be an independent contractor. CWS shall have no power or right to directly bill the tenants on behalf of the Owner unless specifically authorized in writing by Owner.

ARTICLE 5 – TERM OF AGREEMENT

Subject to the other provisions of this Agreement, the initial term of this Agreement shall begin on the Contract Start Date and shall terminate upon issuance of a permanent order by NCUC (as hereinafter defined) approving granting authority for CWS to provide water and wastewater utility

services to the MHC Property (the "NCUC Order"), but the term of this Agreement shall not extend beyond five (5) years after the Contract Start Date. Currituck Water and Sewer, LLC or such other affiliate of CWS that is approved under the NCUC Order, as applicable, is referred to hereinafter as "CWS". CWS shall own the water and wastewater facilities on the Contract Start Date of this Agreement, free and clear of the rights of any other owner or operator thereof, and CWS shall commence providing the Services on the Contract Start Date. Upon issuance of the NCUC Order, this Agreement shall immediately terminate, and the provisions of water and sewer utility services shall be governed by the NCUC Order, which is anticipated to be consistent with the terms of Exhibit C attached hereto.

ARTICLE 6 – TERMINATION

6.1 **Termination for Non-Payment.** In accordance with paragraph 6.2, CWS may terminate the services contemplated in this Agreement, if Owner fails to make payment for services in accordance with Article 7.

6.2 **Termination for Default.** Either Party (the "Terminating Party") may terminate this Agreement if a material breach of any provision of this Agreement has been committed by the other party (the "Breaching Party") through no fault of the Terminating Party, provided that the following procedure is strictly adhered to:

6.2.1 The Terminating Party must give the Breaching Party written notice setting forth in detail the alleged deficiencies and a reasonable opportunity to correct them in accordance with provisions of this Article. Reasonable opportunity is dependent on the scope and nature of the alleged breach of contract and as such shall be determined on a case-by-case basis. If the Parties cannot agree on a mutually acceptable time frame, then a mutually agreed upon third party shall be consulted and both parties shall be bound by the time frame established by such third party.

6.2.2 If the deficiencies are not corrected within the time established in accordance with Section 6.1.1 above, then the Terminating Party shall advise the Breaching Party that a Declaration of Default (as defined below) is imminent by sending written notice (a "Notice of Imminent Default") which shall set forth a description of the deficiencies constituting breach of this Agreement and provide the Breaching Party a period of not more than forty-five (45) additional days within which to correct such conditions.

6.2.3 If such deficiencies are not corrected within the forty-five (45) day period, then the Terminating Party may declare the Breaching Party in default by issuing a declaration of default and termination stating the effective termination date of the Agreement ("Declaration of Default").

6.2.4 In the event that the Breaching Party disputes the termination and disputes the Terminating Party's determination that the deficiency has not been corrected and such deficiency relates to a matter of construction, design, operation, repair, or maintenance of the Facilities or the water or wastewater system, then a mutually acceptable professional engineer licensed to practice in the State of North Carolina will be selected and retained by Breaching Party to be the judge of whether said deficiencies have been corrected.

6.3 Termination upon NCUC Order. It is acknowledged that the water and sewer assets, including all easements related to the water and wastewater system, will be transferred and assigned to CWS, and CWS will seek obtainment of the NCUC Order. Upon issuance of the NCUC Order, this Agreement shall immediately terminate, in its entirety, and the parties shall have no further obligations to each other so long as the NCUC Order contains terms and conditions consistent with those set forth on Exhibit C.

ARTICLE 7 –COMPENSATION AND PAYMENT AND INSTALLATION OF SEPARATE METERS BY CWS

7.1 For the services within the Scope of Services, CWS shall produce a monthly invoice to Owner for services. The invoice shall indicate the total number of tenants receiving service and each tenants prorated portion of water and sewer service. CWS will invoice Owner based on a monthly flat rate per tenant as shown in Exhibit C, with partial months prorated. CWS may not increase such billing rate until January 1, 2024. Beginning on January 1, 2024, CWS may charge the current rate (or the substantial equivalent average thereof in light of separate metering in accordance with Section 7.2 below) plus an amount not to exceed eight percent (8%). Any future increases (*i.e.*, beginning on January 1, 2025, and in each year thereafter) are permitted so long as such rate complies with Applicable Laws.

7.2 On or before December 31, 2023, CWS, at its sole cost and expense, will cause each lot and unit of residence to be separately metered for water. Thereafter, subject to compliance with Applicable Laws, CWS will charge owner on the basis of the aggregated metered readings (but subject to the limitations on rates set forth in Section 7.1 above). To the extent any new lots or units of residence are added to the MHC Property, CWS, at Owner's cost and expense, will install or cause to be installed all necessary meters and water and utility service necessary to connect such lots or units to the water and sewer system. CWS will own and, at its sole cost and expense, maintain the meters and all water and sewer service lines, facilities, and equipment) up to and including the water meter and the sewer cleanout. In the event a water meter is not present, CWS's responsibility for the maintenance and sewer service line shall cease at the edge of the pavement nearest to the tenant's home (or the serviced building, as applicable) or three feet (3') from the water or sewer main, whichever is closest to the to the tenant's home (or the serviced building, as applicable). The tenants of the MHC Property are intended third-party beneficiaries of the provisions of this Article 7. Notwithstanding the foregoing, however, CWS will not charge a capacity, connection of capacity fee for any water or sewer service to any existing clubhouse or other common facilities or common areas located on the MHC Property. For clarity, CWS is permitted to charge monthly service fees consistent this Article but shall not charge one time capacity, connection or impact fees.

7.3 For the services within the Scope of Services, Owner shall pay CWS compensation during the Initial Term and each month during any renewal period as set forth in Exhibit C ("Monthly Charges for Bulk Water and Sewer Service") (attached hereto and incorporated herein to this Agreement). CWS acknowledges that it will not invoice until after issuance of an order by the NCUC.

Owner shall pay CWS within fifteen (15) days of issuance of an invoice from CWS for services provided during the preceding month. Owner shall pay CWS interest at an annual rate equal to one and one-half percent (1.5%) per month, on payments not paid and received on the due date of the payment.

CWS shall provide each invoice on or about the first day of the month for services provided during the preceding month.

ARTICLE 8 – NON-SOLICIATION OF EMPLOYEES.

Unless otherwise agreed to in writing, the Parties will not, during the 24-months period after termination of this Agreement, recruit or otherwise solicit any employee of the other Party to terminate employment with or otherwise cease his or her relationship with the other Party.

ARTICLE 9 – INDEMNIFICATION AND GUARANTY

CWS agrees to indemnify and hold harmless the Owner, its officers, agents, servants, and employees from and against any and all suits, actions, legal proceedings, claims, demands, damages, fines, civil penalties, cost, expenses, and reasonable attorney's fees to the extent resulting from a breach of this Agreement or to the extent resulting from the negligence or willful misconduct of CWS, its officers, agents, servants and employees in the performance of this Agreement; provided, however, that CWS shall not be liable for any suits, actions, legal proceedings, claims, demands, fines, civil penalties, damages, costs, expenses, and attorney's fees arising out of the negligence or willful misconduct of the Owner, its officers agents, servants, and employees. CWS shall be given full authority to contest such suits, actions, legal proceedings, claims, demands, fines, civil penalties, and violations of this Agreement from parties other than Owner.

Owner agrees to indemnify and hold harmless CWS, its officers, agents, servants, and employees from and against any and all suits, actions, legal proceedings, claims, demands, damages, fines, civil penalties, cost, expenses, and reasonable attorney's fees to the extent resulting from a breach of this Agreement or to the extent resulting from the negligence or willful misconduct of Owner, its officers, agents, servants and employees in the performance of Owner's obligations under this Agreement; provided, however, that Owner shall not be liable for any suits, actions, legal proceedings, claims, demands, fines, civil penalties, damages, costs, expenses, and attorney's fees arising out of the negligence or willful misconduct of the CWS, its officers agents, servants, and employees. Owner shall be given full authority to contest such suits, actions, legal proceedings, claims, demands, fines, civil penalties, and violations of this Agreement from parties other than CWS.

Neither Party nor its affiliates shall be liable to the other Party for any special, consequential, indirect or incidental damages relating in any way to this Agreement or the water or wastewater facilities, loss of actual or anticipated profits or revenue; provided, however, that notwithstanding the foregoing, CWS will defend, indemnify and hold harmless Owner for any breach of CWS's obligations under the following paragraph of this Article 9, otherwise known as a compliance guarantee and indemnity.

The provisions of this Article 9 shall survive a termination of this Agreement.

ARTICLE 10 – NON-DISPARAGEMENT

Subject to Applicable Laws, each of the Parties covenants and agrees that neither it, nor any of its respective agents, subsidiaries, affiliates, successors, assigns, officers, key employees or directors, will

in any way publicly disparage, call into disrepute, defame, slander or otherwise criticize the other Parties or such other Parties' subsidiaries, affiliates, successors, assigns, officers (including any current officer of a Party or a Parties' subsidiaries who no longer serves in such capacity following the execution of this Agreement), directors (including any current director of a Party or a Parties' subsidiaries who no longer serves in such capacity following the execution of this Agreement), employees, shareholders, agents, attorneys or representatives, or any of their products or services, in any manner that would damage the business or reputation of such other Parties, their products or services or their subsidiaries, affiliates, successors, assigns, officers (or former officers), directors (or former directors), employees, shareholders, agents, attorneys or representatives. Notwithstanding the foregoing, however, any Party may state that the Parties executed this Agreement.

ARTICLE 11 – INSURANCE

CWS shall maintain at its own expense Worker's Compensation, Commercial General Liability, ~~and~~ Automobile Liability insurance policies for the duration of this Agreement in the following amounts:

<u>Type of Insurance</u>	<u>Limits of Liability</u>
Workers' Compensation	Statutory Workers' Compensation
Commercial General Liability	\$1,000,000 limit for personal injury and property damage per occurrence and \$2,000,000 in the aggregate
Umbrella	\$3,000,000 in aggregate;
Automotive Liability (Auto)	\$1,000,000 each accident or loss Combined Bodily Injury and Property Damage All Vehicles covered hired car and non-owned Automobiles.

Each Party agrees to include the other in any liability insurance policies it holds as an additional insured, and certificates of insurance shall be provided upon request. In no event shall either Party be responsible for the intentional wrongful acts of the other. All policies of liability insurance required to be maintained by CWS shall provide that coverage shall not be canceled or non-renewed until at least thirty (30) days prior notice has been given, except only ten (10) days' notice shall be provided for non-payment of premium.

Owner shall maintain its existing property insurance and name CWS as an additional insured. Owner shall provide a copy of the certificate for such policy to CWS. CWS will obtain coverage on the water and wastewater facilities on an all-risk or special perils basis, including wind and hail coverage, naming Owner as an additional insured.

ARTICLE 12 – [INTENTIONALLY OMITTED]

ARTICLE 13 – FORCE MAJEURE

Neither Party shall be considered in default in the performance of its obligations hereunder to the extent that performance of such obligations is delayed, hindered or prevented by any cause which is beyond the reasonable control of such Party (hereinafter called "Force Majeure"). Force Majeure includes, but is not limited to, any of the following, if reasonably beyond the control of the Party claiming Force Majeure and to the extent that performance of the Party's obligations is delayed, hindered or prevented as a result thereof: war (declared or undeclared), hostilities, revolutions, riots, strikes, lockouts or other labor disturbances, fires, delays or interruptions in transportation, terrorist acts, or any other cause (whether or not of kinds specifically mentioned herein) that is not reasonably within the control of the Party claiming Force Majeure, but specifically excluding Applicable Laws or other governmental conditions, restrictions, or impositions.

ARTICLE 14 – [INTENTIONALLY OMITTED]

ARTICLE 15 – NOTICE

For purposes of this Agreement, notices and all other communications provided for or permitted herein shall be in writing and shall be deemed to have been duly given and received when personally delivered against a delivery receipt or the next business day when sent by nationally recognized courier service, prepaid, return receipt requested, addressed as follows:

If to CWS:

Mr. Michael J. Myers
Currituck Water and Sewer, LLC
4700 Homewood Ct., Suite 108
Raleigh, NC 27609

If to the Owner:

Carolina Village MHP LP
c/o Kalman Tokarsky
3374 Shore Parkway, Suite 2C
Brooklyn NY 11235
Email: kalman@nelsoncommunities.com

Or to such other addresses as either party may furnish to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt. The parties must provide written notice of any changes to the authorized representatives in advance of such change.

The following individuals are the point of contact for the administration of this Agreement:

CWS:

Mr. Michael J. Myers
Currituck Water and Sewer, LLC.
4700 Homewood Ct., Suite 108

Raleigh, NC 27609
Tel: 919-971-3496
Email: mmyers@CWSinc.com

Owner:

Kalman Tokarsky
Carolina Village MHP LP
3374 Shore Parkway Suite 2C
Brooklyn NY 11235
Tel: _____
Email: kalman@nelsoncommunities.com

In the event of any assignment undertaken in accordance with Article 17, the assignee shall advise the other Party of the new point of contact for the administration of this Agreement.

ARTICLE 16 – GOVERNING LAW

The interpretation, validity, effect, and enforcement of this Agreement are to be governed and construed in accordance with the laws of the State of North Carolina.

ARTICLE 17 – ASSIGNMENT

The benefits and obligations of this Agreement shall inure to, and be binding upon, the original Parties hereto as well as their respective heirs, successors, and permitted assigns. This Agreement may not be assigned by either Party, either in whole or in part, without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned, or delayed, except that consent shall not be required for an assignment to an affiliate, parent company or to a wholly owned subsidiary (“Affiliate”), and from and after such assignment to an Affiliate. Each Party may assign this Agreement to an Affiliate in its discretion.

ARTICLE 18 – CHANGES and AMENDMENTS

This Agreement may not be modified unless in writing signed by both Parties.

ARTICLE 19 – ACCESS AND USE OF OWNER EQUIPMENT

Owner shall provide access to and use of all real property, equipment, improvements, buildings, structures, and facilities that are under the Owner’s Ownership or control that are required by CWS to fulfill its obligations under this Agreement, subject to the Use Conditions. The “Use Conditions” as used in this Article 19 mean that any use of and access to such property shall be subject to the rights of any third parties with respect thereto, that CWS shall have the use of and access to such property only as necessary and only for so long as necessary to provide the services required by CWS to be performed hereunder, and only at reasonable times and with reasonable advanced notice to Owner (except in the event of an emergency risking imminent harm to person or property).

ARTICLE 20 – DISPUTES AND VENUE

Any dispute arising under this Agreement shall be heard exclusively in the Superior Court Division of the North Carolina General Court of Justice.

ARTICLE 21 – SEVERABILITY

In the event any provision of this Agreement is held to be invalid, illegal or unenforceable for any reason and in any respect, such invalidity, illegality or unenforceability thereof shall not affect the remainder of this Agreement, which shall be in full force and effect, enforceable in accordance with its terms.

ARTICLE 22 – HEADINGS AND DEFINITIONS

The section headings have been inserted for purposes of convenience and shall not be used for interpretive purposes.

ARTICLE 23 – SUCCESSORS BINDING AGREEMENT

This Agreement shall be binding upon and inure the benefit of the Parties and their respective successors and permitted assigns.

ARTICLE 24 – E-VERIFY COMPLIANCE

CWS hereby certifies that it shall comply with the requirements of Chapter 64, Article 2 of the North Carolina General Statutes (the "E-Verify Requirements").

ARTICLE 25 – ENTIRE AGREEMENT

This Agreement sets forth the entire agreement and understanding between the Parties as to the matters contained herein and merges and supersedes all prior discussion, proposals, presentations, agreements and understandings of every kind and nature among them. No Party shall be bound by any condition, definition or representation other than as expressly provided for in this Agreement.

SIGNATURE PAGES TO FOLLOW

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives.

Carolina Village MHP LP, a Delaware limited partnership

By: 

Name: Valron Tolson

Title: Managing Partner

Date: _____

Currituck Water and Sewer, LLC, a North Carolina limited liability company

By: 

Name: Michael J. Myers

Title: President

Date: _____

**Exhibit A
CWS Scope of Services**

CWS agrees to act and provide certain water and wastewater utility services, in accordance with applicable regulation, for the facilities as described below. The Scope of Services includes the following:

1. CWS will own, operate, maintain and manage the Carolina Village water and wastewater facilities in order to provide water and sewer utility services to the mobile home sites and common areas of the MHC Property.
2. CWS will deal with the public and community groups in a professional manner. Any complaints received by the Owner will be acted upon by CWS, and, in accordance with CWS's standard practices, the Owner will promptly inform an CWS representative of any consumer complaints and subsequent actions.

BILLING AND COLLECTIONS SERVICES. If authorized by the NCUC, Owner shall be responsible for all aspects of billing individual tenants. Furthermore, CWS shall have no responsibility for the collection of any authorized rates and fees, and CWS shall have no responsibility for any aspects of collection of any authorized rates or fees. Specifically, Owner is responsible for all aspects of billing to and collection from the tenants utilizing CWS's services.

Notwithstanding the foregoing, CWS shall provide owner with a monthly invoice in or around the beginning of each month and shall maintain the following:

- (1) Establish and maintain a customer file on each tenant in its database utilizing CWS's software.
- (2) Establish and maintain a billing register containing information on each tenant billed utilizing CWS's software.
- (3) Until CWS completes meter installation, CWS shall indicate the cost for service to each tenant based on a flat rate in accordance with Exhibit C. Upon completion of water meter installation, CWS shall indicate the usage of the water and sewer system by each tenant.
- (4) Upon approval by NCUC, Owner intends to invoice each customer under North Carolina's water resellers provision and will use the information presented on CWS's invoice for billing of individual tenants,

Exhibit B
Owner Responsibilities

- Owner shall cooperate with CWS as necessary to allow CWS to comply with any requirements of NCUC, including by executing any easements necessary to for access, egress, operation, maintenance, upgrade, construction, repair, or replacement of the water and sewer systems, in form reasonably acceptable to Owner. Any such easements will be on commercially reasonable terms and will contain appropriate indemnification protections in favor of Owner, which shall be consistent with CWS's indemnifications for other similar type services. Without limiting the foregoing, Owner will reasonably cooperate with CWS and CWS will obtain a future NCUC Order so long as it is consistent with Exhibit C attached hereto, and CWS agrees for itself and for CWS that CWS will seek an NCUC Order consistent with Exhibit C.
- MHP Owner shall issue any notices to its tenants that CWS or, as applicable, CWS may reasonably request related to the operation and maintenance of the water and sewer systems subject to Applicable Laws.

Exhibit C
Monthly Charges for Bulk Water and Sewer Service

CWS shall invoice Owner based on the following terms for bulk water and wastewater utility services to the tenants located on the MHC Property.

- a. Scope of Services – CWS will continue to perform the Scope of Services, unless otherwise provided in an NCUC Order.
- b. Separate Metering and Maintenance Matters – CWS will charge Owner based individual tenant usage as determined by individual meters with the demarcation point for maintenance as delineated under Section 7.2 of the Agreement.
- c. CWS will invoice Owner in accordance with the following based on the number of active tenants:

	<u>Water</u>	<u>Sewer</u>
Monthly Minimum Charge (per unit)	\$ 31.40	\$ 35.00
Cost per 1,000 Gallon Usage	\$ 6.90	\$ 7.00
<u>Flat Rate per Unit (Not Metered)</u>	<u>\$ 45.20</u>	<u>\$ 35.06</u>



ROY COOPER
Governor
ELIZABETH S. BISER
Secretary
RICHARD E. ROGERS, JR.
Director

May 2, 2023

MICHAEL MYERS – VICE PRESIDENT
CURRITUCK WATER AND SEWER, LLC
4700 HOMEWOOD COURT – SUITE 108
RALEIGH, NORTH CAROLINA 27609

Subject: Acknowledgement of
Application No. WQ0004696
Carolina Village WWTP
High-Rate Infiltration System
Currituck County

Dear Mr. Myers,

Pursuant to [15A NCAC 02T .0107\(a\)](#), the Non-Discharge Branch acknowledges the receipt of your permit change of ownership request received on May 1, 2023. The Central Office's primary reviewer of your application package is Zachary Mega.

Within 90 days of application receipt, Central and Washington Regional Office staff will perform a detailed review of the provided application and will either contact you with a request for additional information or take a final permitting action. If the Non-Discharge Branch requests additional information, the 90-day processing period begins on the date the Non-Discharge Branch receives the additional information. Please note Washington Regional Office staff may contact you to schedule a site visit.

If you have any questions about this letter or the application review process, please contact Zachary Mega at zachary.mega@ncdenr.gov.

Sincerely,

DocuSigned by:

Nathaniel Thornburg

D1043082680C483...

Nathaniel D. Thornburg, Branch Chief
Division of Water Resources

cc: Washington Regional Office, Water Quality Regional Operations Section (Electronic Copy)
Laserfiche File (Electronic Copy)

