

NORTH CAROLINA
CURRITUCK COUNTY

WALNUT ISLAND
WATER SYSTEM AGREEMENT

THIS AGREEMENT, made and entered into this 31 day of July, 1985, by and between the COUNTY OF CURRITUCK, Party of the First Part and the WALNUT ISLAND PROPERTY OWNERS ASSOCIATION, Party of the Second Part;

W I T N E S S E T H :

THAT WHEREAS, said Party of the Second Part is owner and operator of a water system located at Walnut Island, Poplar Branch Township, Currituck County, North Carolina; and, WHEREAS, said Party of the Second Part desires to convey the existing water distribution system located at Walnut Island to Party of the First Part; and, WHEREAS, Party of the First Part agrees to purchase the water distribution system contingent on certain terms and conditions, more fully set forth below.

THEREFORE, for and in consideration of the sum of One Dollar (\$1.00), receipt of which is hereby acknowledged, Party of the First Part and Party of the Second Part do hereby agree as follows:

1. That this agreement is an option agreement for the County of Currituck to purchase the distribution system owned by the Walnut Island Property Owners Association;

2. That this option shall be exercised when and if the Farmers Home Administration authorizes and approves a loan to the County of Currituck for the purchase of the water distribution system, and the option shall be exercised only when said loan funds are distributed, but in no event later than four years

from date;

3. That it is understood by the parties hereto that the Farmers Home Administration loan process may take as long as two years, more or less, to complete, and therefore, time is not of the essence of this option;

4. That the purchase price of the water distribution system owned by Walnut Island Property Owners Association is Thirty-One Thousand One Hundred Eighty-Four Dollars (\$31,184.00), to be paid in accordance with the provisions stated hereinabove;

5. That upon the execution of this agreement by both parties, Party of the Second Part authorizes the Count of Currituck to put in a standby well as soon as such work can reasonably be accomplished by the Count of Currituck;

6. That should the loan from the Farmers Home Administration not be approved and, therefore, the County of Currituck not purchase the distribution system owned by Party of the Second Part, then Party of the Second Part will reimburse the County of Currituck for the actual cost of the construction of the standby well; this reimbursement by Party of the Second Part to Party of the First Part will not include interest and said reimbursement shall occur within sixty days after notification that the loan from Farmers Home Administration was not approved and closed;

7. That Party of the First Part has the right to purchase a site located at Walnut Island to place an elevated storage tank for the purpose of storing water, said purchase price to be at the fair market value of the lot so provided for the storage tank;

8. That the water treatment and well sites shall remain under the ownership of the Walnut Island Property Owners Association and Party of the First Part shall own only the distribution system and such lot or lots as may be needed for an elevated storage tank.

IN TESTIMONY WHEREOF, the parties hereto have signed this agreement in duplicate originals, the day and year first above written.

Wilson W. Snowden (SEAL)
Chairman of the Board of
Commissioners of Currituck County

ATTEST:
[Signature]
Clerk to the Board

Edward F. Swaney Jr (SEAL)
President, Walnut Island
Property Owners Association

ATTEST:
Barbara F. Smith
NOTARY PUBLIC
NORTH CAROLINA
CURRITUCK COUNTY

I, the undersigned notary public, hereby certify that William S. Richardson personally came before me this day and acknowledged that he is Clerk to the Board of Commissioners of Currituck County, and that by authority duly given and as the act of the Board of County Commissioners of Currituck County, the foregoing instrument was signed in its corporate name by Wilson W. Snowden, Chairman of the Board of County Commissioners, sealed with its corporate seal, and attested by himself as its Clerk.

WITNESS my hand and notarial seal this 31st day of October, 1985.
 My commission expires: 9-29-90
 Notary Public Diana G. Walker

NORTH CAROLINA
 CURRITUCK COUNTY

I, the undersigned notary public, hereby certify that Barbara L. Tibbitts personally came before me this day and acknowledged that he/she is Secretary of the Walnut Island Property Owners Association, and that by authority duly given and as the act of the Walnut Island Property Owners Association the foregoing instrument was signed in its corporate name by Edward F. Swensen, President, sealed with its corporate seal, and attested by himself/herself as its Secretary.

WITNESS my hand and notarial seal this 31 day of July, 1985.
 My commission expires: 3-24-87
 Notary Public Betsy Overton

NORTH CAROLINA, CURRITUCK COUNTY

The foregoing certificate(s) of Diana G. Walker - Notary of Currituck County, NC & Betsy Overton - Notary of Currituck County NC is (are) certified to be correct. This instrument was presented for registration at 9:30 clock AM, on October 31 19 85, and recorded in Book 207, Page 671.

Charlene Y. Bowdy
 Register of Deeds
 By Glenda C. O'Neal
 Deputy Register of Deeds