

STATE OF NORTH CAROLINA
COUNTY OF BUNCOMBE

AGREEMENT

THIS AGREEMENT, made and entered into by and between TIMBER PARK PROPERTY OWNERS ASSOCIATION, INC., hereinafter called the "Association," and the TOWN OF BLACK MOUNTAIN, hereinafter called the "Town."

WITNESSETH;

THAT WHEREAS, the Association is the owner of the water system providing water service within Timber Park subdivision, including all the pipes, pumps, tanks and other facilities; and

WHEREAS, the Town has been maintaining such system for years with the Association being obligated to reimburse the Town for major repair or replacement costs; and

WHEREAS, the parties have agreed to complete the transfer of the water system to the Town upon certain terms and conditions.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration in hand paid, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. The Association will convey to the Town those parcels of land described in that deed to the Association recorded in Book 2203 at Page 339, Buncombe County Registry. Such parcels contain a pumping facility and a storage tank and appurtenant facilities and machinery. The deed for these properties will provide for the return of such properties to the Association if they are no longer needed to house parts of the water system.
2. The Association will convey to the Town all the pumps, tanks, pipes and other parts of the water system.
3. The Association will remain fully responsible for the replacement costs of any pumps requiring replacement for one year beginning April 1, 2011, and for one half of the cost of replacement of any pumps requiring replacement between April 1, 2012, and March 31, 2013.
4. Except for the cost of pump replacements for two years as set out above, the Town shall be fully responsible for the operation and maintenance of the water system in Timber Park subdivision beginning on April 1, 2011.
5. The restrictive covenants for Timber Park subdivision make no allowance for the use of property within the development for any structures other than single family residences, and contain setbacks requirements which are violated or may be violated by structures on the two

parcels of real property being conveyed to the Town pursuant to this Agreement. By execution of this Agreement, the Association does hereby indemnify and agree to hold the Town harmless from any claims against it for owning properties that arguably violate the restrictions and will pay and reimburse the Town for any costs, expenses, court costs or legal fees it might incur in defense of such claims.

IN WITNESS WHEREOF, following approval by the membership of the Association and by the Board of Aldermen of the Town, this Agreement is executed by the undersigned duly authorized officers of the Association and Town.

This the _____ day of March, 2011.

TIMBER PARK PROPERTY OWNERS ASSOCIATION, INC.

By: _____
President

By: _____
Vice President

By: _____
Secretary

By: _____
Treasurer

TOWN OF BLACK MOUNTAIN

By: _____
Town Manager