

**BEFORE THE PUBLIC SERVICE COMMISSION
FOR THE STATE OF MISSOURI**

In the Matter of the Joint Application of)
188 North Summit, LLC and Seges)
Partners Mobile Home Park, LLC for Authority)
To Acquire The Water System and) File No. _____
Wastewater System Assets of Seges Partners)
Mobile Home Park LLC and For a Certificate)
Of Convenience and Necessity to Provide)
Water and Sewer Services.)

**JOINT APPLICATION
REQUEST FOR CERTAIN RULE WAIVERS
AND CONTINGENT MOTION FOR WAIVER**

COME NOW 188 North Summit, LLC (“188 NS”) and Seges Partners Mobile Home Park, LLC (“SEGES”) (collectively sometimes referred to as “the Joint Applicants” or “the Applicants”) and, pursuant to Sections 393.170 and 393.190, RSMo, and 4 CSR 240-2.060, 3.305, 3.310, 3.600, 3.605, and 4.020(2)(B), request the Missouri Public Service Commission (“Commission”) to issue such order or orders as may be necessary in order to accomplish a sale of SEGES to 188 NS. By this Application, Joint Applicants request the Commission to: (1) approve the sale of assets from SEGES to 188 NS; (2) grant certificates of convenience and necessity to 188 NS authorizing it to operate as a water corporation and as a sewer corporation; (3) grant the rule waivers requested in footnote 1 below; (4) grant the Contingent Motion for Waiver requested herein; and (5) if Commission approval is required for 188 NS to adopt the existing water and sewer tariffs of SEGES, approve such adoption of tariffs. In support of its Application, Joint Applicants state the following:

BACKGROUND INFORMATION

1. 188 NS is a Missouri limited liability company with its current principal office and place of business located at 221 Bolivar Street, Jefferson City, Missouri, and is in good

standing. A certified copy of 188 NS's certificate of good standing is attached hereto as **Appendix A**. 188 NS has been formed for all lawful business purposes including provision of water and sewer service to the public in the area currently served by SEGES. 188 NS intends to be a "water corporation," a "sewer corporation," and a "public utility" as those terms are defined in Section 386.020, RSMo, and will be subject to the jurisdiction and supervision of the Commission as provided by law. 188 NS has no overdue Commission annual reports or assessment fees. There is no pending action or final unsatisfied judgment or decision against 188 NS from any state or federal agency or court which involves customer service or rates, which action, judgment or decision has occurred within three years of the date of this Application.

2. SEGES is a Missouri limited liability company with offices at 188 North Summit Dr., Holts Summit, Missouri 65043 and is in good standing. A certified copy of SEGES' certificate of good standing is attached hereto as **Appendix B**. SEGES is the holder of Certificates of Convenience and Necessity from the Commission to operate water and sewer utilities in an area of Callaway County, Missouri commonly known as the Seges Mobile Home Park. SEGES is a "water corporation," "sewer corporation," and "public utility," as those terms are defined in Section 386.020 RSMo, and is subject to the jurisdiction and supervision of the Commission as provided by law. SEGES obtained its Certificates of Convenience and Necessity to provide regulated water and sewer service from the Commission in Case No. WA-2008-0403. SEGES has no overdue Commission annual reports or assessment fees. There is no pending action or final unsatisfied judgment or decision against SEGES from any state or federal agency or court which involves customer service or rates, which action, judgment or decision has occurred within three years of the date of this Application.

3. Communications in regard to this Joint Application should be addressed to:

For 188 NS:

Mark Govan
1 White Oak Drive
Lafayette, CA 94549.
govan.mark@gmail.com

Mark W. Comley
Newman, Comley & Ruth P.C.
601 Monroe St., Suite 301
P.O. Box 537
Jefferson City, MO 65102
573-634-2266 (Telephone)
573-636-3306 (FAX)
comleym@ncrpc.com

For SEGES:

Mr. Mike Otten
188 North Summit Drive
Holts Summit, MO 65043
Mike opmlc@comcast.net

William D. Steinmeier
William D. Steinmeier, P.C.
P.O. Box 104595
2031 Tower Drive
Jefferson City, MO 65110-4595
573-659-8672 (Telephone)
573-636-2305 (FAX)
wds@wdspc.com

THE TRANSACTION

4. On July 5, 2017 Joint Applicants entered an *Agreement For Sale and Transfer of Water Distribution System and Wastewater System* (“the Purchase Agreement”), a copy of which is attached as **Appendix C**. Pursuant to the Purchase Agreement, 188 NS proposes to purchase the water and sewer assets of SEGES, as specifically described in the Purchase Agreement, under the terms and provisions further described in the Purchase Agreement.

5. Because SEGES is a water and sewer corporation doing business in the State of Missouri, it is subject to the provisions of Section 393.190.1, RSMo, which states, in pertinent part, that “no . . . water corporation or sewer corporation shall hereafter sell, assign, lease, transfer, mortgage or otherwise dispose of or encumber the whole or any part of its franchise, works or system, necessary or useful in the performance of its duties to the public . . . without having first secured from the Commission an order authorizing it so to do.”

6. Each applicant has adopted a resolution authorizing the proposed asset sales and transfers identified and described herein. Those resolutions are attached collectively as **Appendix D.**

7. 188 NS is simultaneously requesting certificates of convenience and necessity from the Commission to provide water and sewer service to the public in the service area identified subsequently in this application. Accordingly, a balance sheet and income statement with adjustments showing the results of the acquisition of the property for 188 NS is attached as **Appendix E.**

8. The sale of assets should have no impact on the tax revenues of relevant political subdivisions as both 188 NS and SEGES are private entities and their status as taxpaying entities will not change as a result of this transaction. All assets and operations of SEGES are located and conducted respectively within Callaway County, Missouri.

CERTIFICATE OF CONVENIENCE AND NECESSITY

9. 188 NS further requests permission, approval and a Certificate of Convenience and Necessity to install, own, acquire, construct, operate, control, manage and maintain a sewer

system and water system for the public in the area of Callaway County, Missouri, currently served by SEGES. 188 NS does not seek authority to serve any additional area.¹

10. 188 NS proposes to utilize SEGES' rates for service, rules and regulations and other tariffs currently on file with and approved by the Commission as P.S.C. MO No. 1 water tariff and P.S.C. MO No. 1 sewer tariff, until such time as they may be modified according to law. To that end, 188 NS proposes to adopt the existing tariffs of SEGES. If the specific approval of the Commission is required to adopt such tariffs, Joint Applicants request such Commission approval. The plat of the SEGES service area is shown on Sheet 3 of its water tariff, and the legal description of the service area is set out on Sheet 4 of its water tariff. This area is generally known as the Seges Mobile Home Park.

11. To the best of Joint Applicants' knowledge, 188 NS will not require any franchises or permits from municipalities, Callaway County or other authorities in connection with the providing service.

PUBLIC INTEREST

12. The proposed sale, transfer and purchase of the water and sewer system assets, and any related transactions, will not be detrimental to the public interest because they will not result in any reduced level of service or reliability for the customers being served by the systems currently. Those customers will see no interruption in their day-to-day utility services due to the transaction. Furthermore, the SEGES assets would continue to be subject to the jurisdiction of the Commission.

¹ Because no new service area is being requested in this joint application, and 188 NS will instead be assuming the duties of providing service in an existing regulated service area, 188 NS respectfully moves, pursuant to 4 CSR 240-2.015(1), that the following rules be waived for good cause shown:

- 4 CSR 240-3.305 (1) (A) (2) Name and address of ten residents
- 4 CSR 240-3.305 (1) (A) (5) Feasibility Study
- 4 CSR 240-3.600 (1) (A) (2) Name and address of ten residents
- 4 CSR 240-3.600 (1) (A) (5) Feasibility Study

13. Additionally, 188 NS is fully qualified, in all respects, to own and operate the systems currently being operated by SEGES and to otherwise provide safe and reliable service.

CONTINGENT MOTION FOR WAIVER

14. This case is not likely to be a contested case within the meaning of Commission rule 4 CSR 240-4.020(2) because previous applications addressing the same issues presented in this filing have generally not become contested proceedings. However, in the event that the Commission nevertheless concludes that the filing of this Joint Application is likely to be a contested case, Applicants request a waiver of the sixty (60) day notice for good cause shown as permitted by Commission rule 4 CSR 240-4.020(2)(B).

15. Due to the nature of these proposed transactions, it would serve no purpose to wait sixty days before filing the application for Commission approval. Accordingly, to the extent that the Commission may find it to be applicable, the parties request a waiver from the provisions of Commission Rule 4 CSR 240-4.020(2) to allow for the filing of this Joint Application.

WHEREFORE, 188 NS and SEGES respectfully request that the Commission issue its order:

(A) Authorizing SEGES to sell and 188 NS to acquire the assets of SEGES identified herein;

(B) Authorizing the Applicants to enter into, execute and perform in accordance with the terms of all other documents which may be reasonably necessary and incidental to the performance of the transactions which are the subject of the executed Purchase Agreement and this Application;

(C) Granting 188 NS a Certificate of Convenience and Necessity authorizing it to install, acquire, build, construct, own, operate, control, manage and maintain a sewer and water system for the public within the service area currently served by SEGES;

(D) Authorizing 188 NS to adopt the water and sewer tariffs of SEGES;

(E) Granting the waivers requested herein; and

(F) Granting such other relief as may be deemed necessary to accomplish the purposes of the Purchase Agreement and the Application and to consummate the sale, transfer and assignment of the assets and related transactions pursuant to the executed Purchase Agreement.

Respectfully submitted,

/s/ Mark W. Comley
Mark W. Comley, Mo. Bar #28847
Newman, Comley & Ruth P.C.
601 Monroe Street, Suite 301
P.O. Box 537
Jefferson City, MO 65102-0537
(573) 634-2266 (voice)
(573) 636-3306 (facsimile)
comleym@ncrpc.com

Attorneys for 188 North Summit, LLC

/s/ William D. Steinmeier
William D. Steinmeier, Mo. Bar #25689
William D. Steinmeier, P.C.
P.O. Box 104595
2031 Tower Drive
Jefferson City, MO 65110-4595
Tel: 573-659-8672
Fax: 573-636-2305
wds@wdspsc.com

Attorney for Seges Partners Mobile Home Park,
LLC

Certificate of Service

I hereby certify that a true and correct copy of the above and foregoing document was sent via e-mail on this 18th day of July, 2017, to General Counsel's Office at staffcounsellservice@psc.mo.gov; and Office of Public Counsel at opcservice@ded.mo.gov.

/s/ Mark W. Comley

INDEX TO APPENDICES

Appendix A Certificate of Good Standing 188 North Summit LLC

Appendix B Certificate of Good Standing Seges Partners Mobile Home Park LLC

Appendix C Purchase Agreement

Appendix D Resolutions of LLC Members

Appendix E Balance Sheet

STATE OF MISSOURI



John R. Ashcroft
Secretary of State

CORPORATION DIVISION
CERTIFICATE OF GOOD STANDING

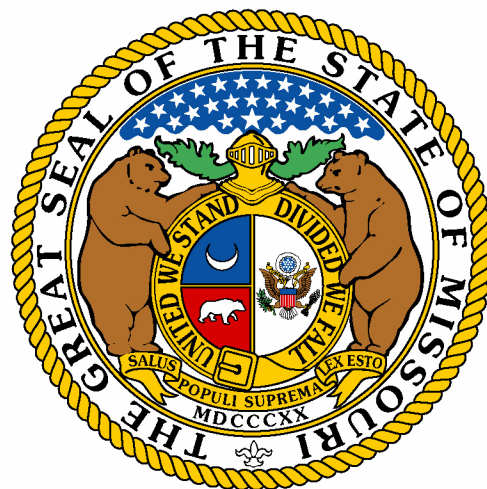
I, JOHN R. ASHCROFT, Secretary of State of the STATE OF MISSOURI, do hereby certify that the records in my office and in my care and custody reveal that

188 NORTH SUMMIT, LLC
LC001542715

was created under the laws of this State on the 8th day of June, 2017, and is active, having fully complied with all requirements of this office.

IN TESTIMONY WHEREOF, I hereunto set my hand and cause to be affixed the GREAT SEAL of the State of Missouri. Done at the City of Jefferson, this 18th day of July, 2017.


Secretary of State



Certification Number: CERT-07182017-0008

STATE OF MISSOURI



John R. Ashcroft
Secretary of State

CORPORATION DIVISION
CERTIFICATE OF GOOD STANDING

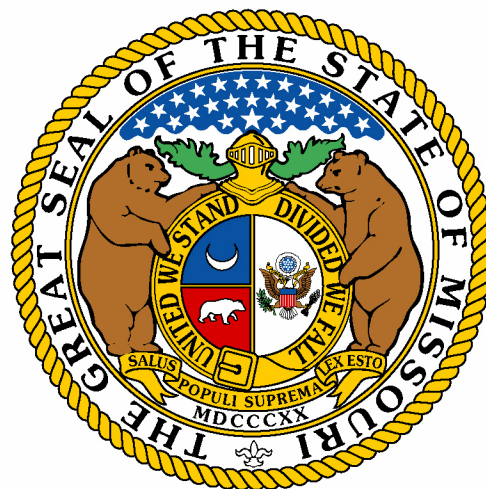
I, JOHN R. ASHCROFT, Secretary of State of the STATE OF MISSOURI, do hereby certify that the records in my office and in my care and custody reveal that

Seges Partners Mobile Home Park L.L.C.
LC0632673

was created under the laws of this State on the 11th day of January, 2005, and is active, having fully complied with all requirements of this office.

IN TESTIMONY WHEREOF, I hereunto set my hand and cause to be affixed the GREAT SEAL of the State of Missouri. Done at the City of Jefferson, this 18th day of July, 2017.


Secretary of State



Certification Number: CERT-07182017-0008

Appendix C
Purchase Agreement

**AGREEMENT FOR SALE AND TRANSFER
OF WATER DISTRIBUTION SYSTEM AND
WASTEWATER SYSTEM**

THIS AGREEMENT (“Agreement”), is made and entered into this 5th day of July, 2017, by and between 188 North Summit LLC, a limited liability company organized under the laws of the state of Missouri, or its affiliate (“Buyer”), and Seges Partners Mobile Home Park, LLC, a limited liability company organized under the laws of the State of Missouri (“Seller”), collectively (“the Parties”).

WITNESSETH:

WHEREAS, Seller owns and operates a mobile home park located at or proximate to 188 North Summit Drive, Holts Summit, MO 65043 (“the Mobile Home Park”); and

WHEREAS, Seller and Buyer have previously entered a contract for the sale of real estate in which Seller has agreed to sell and Buyer has agreed to purchase the real property and certain improvements, structures, fixtures and personal property placed or installed on or about the land or improvements and used in connection with the Mobile Home Park, (“the Parent Transaction”); and

WHEREAS, Seller is also the owner of installed and operational wastewater collection lines and related equipment (“the Seges Wastewater System”) and a potable water distribution system consisting of distribution lines, and related equipment “(the Seges Water Distribution System”) serving the Mobile Home Park; and

WHEREAS, as part of the Parent Transaction, Seller desires to sell and transfer all of its business, right, title and interest in the Seges Wastewater System Assets and the Seges Water System Assets as described herein; and

WHEREAS, Buyer desires to purchase the Seges Wastewater System Assets and Seges

Water Distribution System Assets and any other assets of Seller associated with those assets, and assume total operation, maintenance and control thereof as part of provision of safe and adequate services to the residents of the Mobile Home Park and specifically the Seller's authorized service area as approved by the Missouri Public Service Commission and as described on Exhibit A attached hereto (the Service Area) ;

NOW, THEREFORE, it is mutually agreed that:

1. Sale of the Seges Wastewater System and Seges Water Distribution System Assets.

The Seller agrees that on the closing date, the Seller shall sell, transfer, assign and deliver to Buyer, in the manner provided below, for the consideration hereinafter provided, all of Seller's right, title and interest in the existing assets, accounts, warranties and business, including real estate and easements, if any, pertaining to the provision of wastewater collection and treatment, and water production and distribution respectively located in, within, on or proximate to the Mobile Home Park and the Service Area and related properties, as a going concern, including, without limitation, the following:

A. *Wastewater Assets.* The Seges Wastewater Assets shall include any and all of Seller's trunk or wastewater collection lines, as-built drawings, metering devices, pumps of any kind or description, lift stations, pipes or lines (buried or otherwise), treatment plants or basins and any appurtenant equipment and material, which are used or useful in the collection, transportation, delivery and treatment of wastewater in or for the Mobile Home Park and the Service Area;

B. *Water Distribution Assets.* The Seges Water Distribution Assets shall include Seller's water wells, water treatment facilities, metering devices, pumps of any kind or

description, storage or retention basins, pipes or lines (buried or otherwise), as-built drawings and any appurtenant equipment and material, which are located in, or are used or useful in the provision, delivery and distribution of water in, to or for the Mobile Home Park and the Service Area;

C. *Accounts.* Accounts shall include all accounts payable, accounts receivable, tap or connection fees or accounts created for such fees, reserve accounts, equipment, material, supplies, inventory or other property, used or useful in Seller's collection, transportation and treatment of wastewater or delivery and distribution of potable water. An itemization of said accounts and equipment is attached to this agreement and identified as Exhibit B.

D. *Real Estate and Easements.* Any real estate on which any wastewater collection plant has been constructed and any water wells or holding tanks and basins have been constructed, in addition to easements, rights-of-way, and other present interests in real property acquired by Seller and used or useful in Seller's collection, transportation and treatment of wastewater or delivery and distribution of potable water. The items specified in Paragraphs 1.A through 1.D, inclusive, above, may be collectively referred to hereinafter as, "the Assets."

E. *Guarantees and Warranties.* For any Asset erected or installed within sixty (60) days of the Closing Date, Seller agrees to utilize its best efforts to persuade Seller's material suppliers and general contractor(s) to provide Buyers with written guarantees or warranties of fitness or contractor's skillful workmanship for a period of one year from the date of installation. Furthermore, Seller agrees that Seller shall to the best of its ability name

Buyer as third-party beneficiary on any and all guarantees or warranties which Seller may later obtain from the contractors and suppliers retained or used by Seller to install and equip the Assets. Neither the final payment by the Buyer nor the final acceptance by the Buyer shall relieve Seller's retained independent contractors or suppliers from responsibility for correcting any defect covered by the guarantees and warranties assigned or obtained pursuant to this paragraph.

F. With the exception of any real estate transferred under this Agreement, Seller **MAKES NO WARRANTIES, EXPRESS OR IMPLIED**, with respect to the assets sold under this Agreement. The assets sold under this agreement are sold "AS IS" and "WITH ALL FAULTS."

2. Conveyances of Real Estate

The Parties have not identified any real estate to be conveyed pursuant to this Agreement that is separate from that sold, conveyed and transferred pursuant to the Parent Transaction. In the event real estate qualifying as an Asset for purposes of this Agreement should later be identified, such real estate will be conveyed by general warranty deed(s), the specimen for which is attached as Exhibit C, and will vest marketable title in fact in the Buyer. Easements shall be assigned by a written assignment, the specimen for which is attached as Exhibit D.

A. *Title Insurance*

Within fifteen days of the identification of any real estate qualifying as an Asset hereunder, Seller shall deliver to Buyer a commitment to issue an owner's policy of title insurance naming Buyer as the insured, written by a title insurance company licensed in Missouri under the provisions of Chapter 381, Missouri Revised Statutes, which policy shall

insure the Seller's title to be in the condition called for by this contract, and which commitment shall provide that said policy shall be issued forthwith after the Seller's General Warranty deed shall be recorded. After delivery of said title insurance commitment, Buyer shall have fifteen (15) days to examine said title insurance commitment and notify Seller in writing of any objections thereto. If there be any objections, Seller shall within a reasonable time furnish to Buyer a new or amended title insurance commitment satisfying any such objections, but if such commitment shall not be furnished within ten (10) days after said notice, Buyer at its election may avoid this contract by written notice to Seller prior to the furnishing of such commitment. If the failure to furnish a title insurance commitment is due to the fact that title defects cannot be corrected, then this contract shall be void, unless Buyer gives notice to Seller in writing of its election to waive such defects, and if Seller was in actual good faith Seller shall not be liable to Buyer for any damages. Seller shall pay all costs for the issuance of the title insurance commitment. Payment for the issuance of the insurance policy shall be paid by Seller from the funds which are to be transferred to Buyers.

3. Consideration.

The Parties acknowledge and agree that the sale of the Assets is a coincident of the Parent Transaction. It is therefore agreed that in exchange for the Assets and Seller's promises herein, Buyer shall pay the Seller the sum of One Dollar (\$1.00). Seller shall be entitled to no other compensation for the Assets.

4. Buyer to Provide Service. As of the Closing Date, Buyer shall offer and provide sewer service and water service respectively to persons or entities then and subsequently connected to the Seges Wastewater System and Seges Water Distribution System, and any extensions or

improvements thereto in accordance with this Agreement, Buyer's rules, regulations and rates for service, as amended from time to time.

5. Buyer to Assume Ownership. On the date of closing, Buyer shall accept and assume ownership and title to the conveyed Assets and Buyer shall assume full liability, and become responsible, for all obligations in connection with such Assets, except for those liabilities and obligations which Seller has hereinunder agreed to retain, if any.

6. Regulatory and Other Approvals.

A. *State and Federal Approvals.* The parties acknowledge and agree that the duties and responsibilities set forth herein are conditioned upon approval of the United States Environmental Protection Agency (EPA) and Missouri Department of Natural Resources (DNR) respecting the transfer of, or Buyer's procurement of, any discharge or other permits necessary to operate the business.

B. *Missouri Public Service Commission Approval.* The parties further acknowledge and agree that the sale, transfer or disposition of the Assets to Buyer from Seller is conditioned upon the approval and authority of the Missouri Public Service Commission.

C. *Failure To Obtain Approvals.* In the event the Parties do not acquire the approvals and authority described in this section, this agreement shall be null and void and have absolutely no force or effect. The Parties agree that they shall act diligently and cooperate with each other in connection with any authority or approvals each may require for purposes of closing, particularly in connection with any efforts by Buyer to obtain proper EPA or DNR permits, either by application or by transfer from Seller, for lawful operation of

the Assets. Seller and Buyer further agree to execute any and all other documents or applications necessary, jointly or individually, to effect said transfer of permits or other regulatory approvals or authority.

7. Closing.

A. Date of Closing.

Closing on the sale of the Assets sold under this agreement shall take place after all approvals and authority referred to in Section 6 of this Agreement have been obtained but no later than thirty (30) days following the receipt of said approvals. Closing shall be held at the offices of Boyd and Boyd, 205 East 5th Street, Fulton, Missouri at 10:00 a.m. or at such other time and place as the parties hereto may mutually agree.

B. Responsibilities at Closing.

At the closing, the Seller shall deliver to the Buyer such deeds, bills of sale, endorsements, as-built drawings, assignments and other sufficient instruments of transfer and conveyance as shall be effective to vest in the Buyer such title to the Assets to be sold as provided in this agreement. From time to time, at Buyer's request, whether at or after the closing and without further consideration, the Seller will execute and deliver such other instruments of conveyance and transfer and take such other action as the affected Buyer reasonably may require consistent with the terms of this Agreement to more effectively convey and transfer to the Buyer any of the assets to be sold hereunder, and will assist the Buyer in the collection or reduction to possession of such Assets. The Seller will pay all sales, transfer and documentary fees and taxes, if any, payable in connection with the sale, transfers and deliveries to be made to the Buyer hereunder.

8. Seller's Representations and Warranties.

The Seller represents and warrants as follows:

A. Seller Has Capacity to Sell.

Seller is a limited liability company organized and existing under the constitution and laws of the State of Missouri in good standing with the Missouri Secretary of State, and has the requisite power to sell and transfer the Assets pursuant to the terms of this agreement.

B. Seller Has No Outstanding Liabilities Affecting the Transfer

Except for liabilities expressly assumed by Buyer in other sections of this Agreement, all liabilities or obligations of Seller, whether accrued, absolute, contingent or otherwise pertaining to or arising out of the operation of the Assets are paid in full or adequate reserves have been provided for the payment thereof, including:

- i. Local, state and federal tax liabilities due or to become due for any period prior to or ending on the date of closing or arising out of the transactions entered into, or any state of facts existing, prior thereto;
- ii. Liabilities or obligations which result from or are attributable, directly or indirectly, to the breach or failure to perform or the alleged breach or alleged failure to perform by the Seller of any agreement, contract, easement, lease, franchise agreement or understanding of any nature, whether oral or in writing, or arising, directly or indirectly, out of any state of facts existing prior to the date of closing.

C. Absence of Certain Changes.

After Buyer's inspection and acceptance of the Assets, there shall not be:

- i. Any material change in the use of the Assets in connection with the business or operations of the Seges Wastewater System or the Seges Water Distribution System.
- ii. Any damage, destruction or loss whether or not covered by insurance, materially and adversely affecting the Assets.

D. Seller Has Marketable Title.

Seller has good and marketable title to all of the pipes, equipment, fixtures and improvements making up the Seges Wastewater System and the Seges Water Distribution System, and, to the best of Seller's knowledge, without active inquiry, good and merchantable title by conveyance, prescription or otherwise to its easements. Seller also owns all other assets to be sold under this agreement, in all cases free and clear of all liens, mortgages, pledges, leases, conditional sales agreements, encumbrances or other charges except liens for taxes not yet due or payable, easements or rights-of-way, streets, pipelines, electric transmission and distribution lines, telephone lines, drainage rights and other similar rights or restrictions of record which do not, either individually or in the aggregate, have a materially adverse effect on the value or utility of the Assets to be sold hereunder. Seller makes no warranty concerning the merchantability or status of the title of any real estate upon which the easements are located.

E. Authority to Operate.

The Assets constitute all of the assets presently owned by the Seller pertaining to the Seges Wastewater System and Seges Water Distribution System. To the best of Seller's

knowledge, the Seges Wastewater System and Seges Water Distribution System are being conducted, and as of the closing date will be conducted, in full compliance with requirements of all regulatory bodies exercising jurisdiction with regard to rates and conditions of service, and with local building and zoning codes.

F. Litigation.

There is no litigation or proceeding pending, or to the knowledge of Seller threatened, against or relating to Seller, the Assets, or the Seges Wastewater System and Seges Water Distribution System, nor does Seller know, or have reasonable grounds to know, of any basis for any such action, or of any governmental investigation relative to Seller, the Assets, or the Seges Wastewater System and Seges Water Distribution System, except as otherwise disclosed to Buyer.

G. No Violation or Breach.

The performance of this agreement by the Seller, including any preconditions or surviving warranties or representations, is not in violation of any laws, statutes, local ordinances, state or federal regulations, court orders or administrative orders or rulings, nor is such performance in violation of any loan documents, conditions or restrictions in effect for financing, whether secured or unsecured.

9. Buyers' Representations and Warranties.

Buyer represents and warrants as follows:

A. Buyer Has Capacity to Purchase.

Buyer is a Missouri limited liability company in good standing with the Missouri Secretary of State and has the corporate authority to enter this agreement and upon

acquisition of a certificate of convenience and necessity issued by the Missouri Public Service Commission to provide sewer and water services to the Service Area shall have all the requisite power to purchase the Seges Wastewater System and Seges Water Distribution System and related assets pursuant to the terms of this agreement.

B. Authority.

The execution and delivery of this agreement by Buyer and the purchase of the Assets as contemplated hereby have been duly authorized by the Buyer, and all necessary action on the part of the Buyer has been taken to authorize the execution and delivery of this agreement and to consummate the sale contemplated hereby.

10. Conditions Precedent.

A. Parent Transaction

Closing on the Parent Transaction is a condition precedent which must be satisfied before the parties are obligated to close in accord with Section 7A of this Agreement. In the event the Parent Transaction is revoked, rescinded or nullified, then this Agreement in turn shall be deemed null and void.

B. Buyer is Obligated to Close if Following Conditions are Satisfied.

Buyer is obligated to close in accord with Section 7A provided each of the following conditions have been fulfilled:

i. Parent Transaction Has Closed.

The Parent Transaction has closed. Buyer is under no obligation to close on the purchase of the Assets unless and until the Parent Transaction has closed.

ii. Regulatory Approval.

All EPA and DNR permits necessary for operation of the Assets as an ongoing business shall have been obtained by Buyer. Buyer has obtained from the Missouri Public Service Commission a certificate of convenience and necessity to offer and provide water and sewer services to the Service Area as a regulated public utility. The Missouri Public Service Commission has authorized and approved the sale, transfer or disposition of the Assets to Buyer from Seller in form and substance (including without limitation with respect to the terms and conditions contained in such approval) acceptable to Buyer in Buyer's sole and absolute discretion.

iii. Representations and Warranties Remain True at Closing.

The Seller's representations and warranties contained in this agreement shall be true at the time of closing as though such representations and warranties were made at such time.

iv. Performance

The Seller shall have performed and complied with all agreements and conditions required by this agreement to be performed or complied with by Seller prior to or at the closing.

v. No Casualty.

The Seges Wastewater System and the Seges Water Distribution System shall not have been adversely affected in any material way as a result of any accident or other casualty or act of God or the public enemy, or any judicial, administrative or governmental proceeding.

C. Seller is Obligated to Close if Following Conditions are Satisfied:

Seller is obligated to Close in accord with Section 7 A provided each of the following

conditions have been fulfilled:

i. Parent Transaction Has Closed.

The Parent Transaction has closed. Seller is under no obligation to close on the sale of the Assets unless and until the Parent Transaction has closed.

ii. Regulatory Approval.

All EPA and DNR permits necessary for operation of the Assets as an ongoing business shall have been obtained by Buyer. Buyer has obtained from the Missouri Public Service Commission a certificate of convenience and necessity to offer and provide water and sewer services to the Service Area as a regulated public utility. The Missouri Public Service Commission has authorized and approved the sale, transfer or disposition of the Assets to Buyer from Seller in form and substance (including without limitation with respect to the terms and conditions contained in such approval) acceptable to Buyer in Buyer's sole and absolute discretion.

iii. Representations and Warranties Remain True at Closing.

Buyer's representations and warranties contained in this Agreement shall be true at the time of closing as though such representations and warranties were made at such time.

11. Indemnification of Buyer by Seller.

The Seller shall, and hereby agrees to, indemnify and hold harmless the Buyer at any time after the closing against and in respect of:

A. All liabilities or obligations of Seller, whether accrued, absolute, contingent or otherwise, and including all liabilities or obligations arising out of the transactions entered into, or any state of facts existing, prior to the date of closing, including, without limitation,

such liabilities or obligations as are described in paragraph B of Section 8 hereof;

B. Any claim, damage or deficiency resulting from any misrepresentation, untrue warranty, breach of warranty, or nonfulfillment of any agreement on the part of Seller under this agreement or from any misrepresentation in or omission from any certificate or other instrument furnished or to be furnished to the Buyer under this agreement;

C. Any claim, liability, damage or obligation arising out of or attributable to, directly or indirectly, the storage or disposal of hazardous waste or hazardous materials prior to the date of closing;

D. Any loss, liability, damage or expense including reasonable fees and disbursements of counsel, which Buyer may suffer, sustain or become subject to as a consequence of any breach of any provision of this Agreement by Seller;

E. Any loss, liability, damages or expense, including any reasonable fees and disbursements of counsel, which the Buyer may suffer, sustain or become subject to with respect to the enforcement of any provision of this Agreement against Seller;

F. All actions, suits, proceedings, demands, assessments, judgments, costs (including attorney's fees) and expenses incident to any of the foregoing;

G. Seller may defend and control the defense of any liability to any third person, which the Seller must indemnify and hold the Buyer harmless against, at its sole expense through its legal counsel, reasonably acceptable to the Buyer, provided that the Buyer shall also be entitled to be represented in connection therewith by its legal counsel at its sole expense. The Buyer will not voluntarily pay or consent to the payment of any such liability or obligation without the consent of the Seller which consent shall not be unreasonably

withheld. The Buyer shall notify the Seller with respect to any claim, demand, action or suit with respect to any of the foregoing; however, the failure by the Buyer to notify the Seller of any such liability or obligation shall not vitiate the obligation of Seller to indemnify except to the extent that such failure materially and adversely prejudices the defense of such liability or obligation.

12. Indemnification of Seller by Buyers

The Buyer shall, and hereby agrees to, indemnify and hold harmless the Seller at any time after the closing against and in respect of:

A. Any loss, liability, damage or expense including reasonable fees and disbursements of counsel, which Seller may suffer, sustain or become subject to as a consequence of any breach of any provision of this Agreement by Buyer.

B. Any loss, liability, damage or expense, including any reasonable fees and disbursements of counsel, which Seller may suffer, sustain or become subject to arising out of the Buyer's use of the acquired Assets subsequent to the Closing.

C. Any loss, liability, damages or expense, including any reasonable fees and disbursements of counsel, which the Seller may suffer, sustain or become subject to with respect to the enforcement of any provision of this Agreement against the Buyer.

D. Buyer(s) may defend and control the defense of any liability to any third person, which the Buyer(s) must indemnify and hold the Seller harmless against, at its sole expense through its legal counsel, reasonably acceptable to the Seller, provided that the Seller shall also be entitled to be represented in connection therewith by its legal counsel at its sole expense. The Seller will not voluntarily pay or consent to the payment of any such

liability or obligation without the consent of the Buyer(s) which consent shall not be unreasonably withheld. The Seller shall notify the Buyer(s) with respect to any claim, demand, action or suit with respect to any of the foregoing; however, the failure by the Seller to notify the Buyer(s) of any such liability or obligation shall not vitiate the obligation of Buyer(s) to indemnify except to the extent that such failure materially and adversely prejudices the defense of such liability or obligation.

13. Fees and Commissions.

Each party represents that it has not retained any broker or finder and is not paying, and is not obligated to pay, any finder's fee in connection with the transactions contemplated by this agreement. The Parties agree to split the fees or costs of attorneys, accountants, appraisers or others engaged by one or both of them in the course of negotiating or executing this agreement, seeking the approvals required herein, and closing and completing the transactions hereunder provided.

14. Disputes

A. The parties agree to attempt to resolve any dispute, claim or controversy arising out of or relating to this Agreement by mediation. The parties further agree that their respective good faith participation in mediation is a condition precedent to pursuing any other available legal or equitable remedy, including litigation, arbitration or other dispute resolution procedures.

B. Either party may commence the mediation process by providing to the other party written notice, setting forth the subject of the dispute, claim or controversy and the relief requested. Within ten (10) days after the receipt of the foregoing notice, the other party shall deliver a written response to the initiating party's notice. The initial mediation session

shall be held within thirty (30) days after the initial notice. The parties agree to share equally the costs and expenses of the mediation (which shall not include the expenses incurred by each party for its own legal representation in connection with the mediation).

C. If mediation should fail and the parties pursue binding arbitration or litigation, the prevailing party in any arbitration or litigation shall be awarded reasonable attorneys' fees, expert witness costs and expenses, and all other costs and expenses incurred directly or indirectly in connection with the proceedings, unless the arbitrator or court for good cause determines otherwise.

D. The provisions of this section may be enforced by any Court of competent jurisdiction, and the party seeking enforcement shall be entitled to an award of all costs, fees and expenses, including reasonable attorneys' fees, to be paid by the party against whom enforcement is ordered.

15. Survival of Representations.

All statements contained in any certificate or other instrument delivered to Buyer on behalf of Seller pursuant hereto, or in connection with the transactions contemplated hereby, shall be deemed representations and warranties by the Seller. All representations, warranties and agreements made by the Seller in this agreement, or pursuant hereto, shall survive the closing.

16. Benefit.

All of the terms of this agreement shall be binding upon, and inure to the benefit of, and be enforceable by, the respective legal representatives, and the successors and assigns of the Seller and Buyer.

17. Construction.

This agreement is being delivered and is intended to be performed in the State of Missouri, and shall be construed and enforced in accordance with the laws of such state.

18. Use of the Singular and Plural.

For the purposes of this Agreement, use of the plural form of a word includes the singular and use of the singular form of a word includes the plural unless the context indicates otherwise.

19. Previous Agreements

On May 26, 2017, the parties entered a *Water and Sewer System Agreement* pertaining to operation and maintenance of the Assets pending the closing on the Parent Transaction and the closing on this agreement. The terms and provisions of the *Water and Sewer System Agreement* are incorporated by reference herein as if fully set forth. To the extent the terms and provisions of the *Water and Sewer System Agreement* are inconsistent with those in this agreement, this agreement shall be deemed to supersede the *Water and Sewer System Agreement* and the terms and provision of this agreement shall govern. Otherwise the *Water and Sewer System Agreement* remains in full force and effect.

20. Entire Agreement.

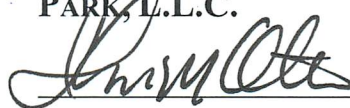
Except as provided in the foregoing section, this Agreement, together with the Exhibits hereto, is the full and complete understanding between all of the parties and supersedes any and all prior or contemporaneous oral or written understandings or agreements. Any modification of this Agreement or additional obligation assumed by any party in connection with this Agreement shall be binding only if evidenced in a writing signed by each party or an authorized representative of each party

21. Counterparts.

This agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. This agreement shall not be binding until executed by all parties.

IN WITNESS WHEREOF, the parties have duly executed this agreement as of the day and year first above written.

**SEGES PARTNERS MOBILE HOME
PARK, L.L.C.**

By: 
(Title)
MEMBER OF LLC
SELLER

188 NORTH SUMMIT LLC


By:  mark Gowan
Manager, (Title)
BUYER

EXHIBIT A
DESCRIPTION OF SERVICE AREA

The 114 lots designated as Seges Mobile Home Park more particularly described as follows:

Part of Section Twenty-four (24), Township Forty-five (45) North, Range Eleven (11) West, Callaway County, Missouri, described as follows:

Commencing at a 3-1/4 inch aluminum monument for the East Quarter corner of said Section 24, (reference S.R.B. Q, page 214); thence South 84 degrees 04' 00" West, 1051.70 feet to a 1/2 inch iron pin on the West Right-of-way of old U.S. Highway 54; thence continue South 84 degrees 04' 00" West, 1649.52 feet to an iron pin, (reference S.R.B. 2, page 180); thence South 12 degrees 56' 58" West, 1001.13 feet to a 1/2 inch iron pin; thence South 11 degrees 38' 58" West, 370.55 feet to a 1/2 inch iron pin and the true POINT OF BEGINNING; thence continue South 11 degrees 38' 58" West, 226.60 feet to a 1/2 inch iron pin; thence South 4 degrees 19' 45" West, 303.50 feet to a 1/2 inch iron pin; thence South 5 degrees 54' 09" East, 158.70 feet; thence continue South 5 degrees 54' 09" East, 85.02 feet; thence North 84 degrees 11' 12" East, 479.69 feet to an iron pin; thence North 84 degrees 22' 39" East, 554.76 feet to a 1/2 inch iron pin; thence South 72 degrees 14' 57" East, 227.51 feet to an iron pin on the West Right-of-way of old U.S. Highway 54; thence North 15 degrees 42' 32" East, along said right-of-way, 117.00 feet to a point hereinafter referred to as "POINT A"; thence continuing North 15 degrees 42' 32" East, along said right-of-way, 64.40 feet to an iron pin; thence North 16 degrees 30' 04" East, 252.83 feet; thence South 73 degrees 29' 56" East, along said Right-of-way, 10.00 feet; thence North 16 degrees 30' 04" East, along said Right-of-way, 100.00 feet; thence North 73 degrees 29' 56" West, along said Right-of-way, 10.00 feet; thence North 17 degrees 37' 32" East, along said Right-of-way line, 410.93 feet to a 1/2 inch iron pin; thence leaving said Right-of-way, South 83 degrees 15' 13" West, 1487.30 feet to the true POINT OF BEGINNING.

EXCEPTING THEREFROM Part of the South Half of Section 24, Township 45 North, Range 11 West, Callaway County, Missouri, described as follows: Commencing at a 3-1/4 inch Aluminum Monument for the East Quarter Corner of said Section 24 (ref. Survey Record Book Q, page 214); thence South 84 degrees 04' 00" West, 1051.70 feet to a 1/2 inch iron pin on the West Right-of-way line of Old U.S. Highway 54; thence continue South 84 degrees 04' 00" West, 1649.52 feet to an iron pin; reference Survey Record Book 2, Page 180; thence South 12 degrees 56' 58" West, 1001.13 feet to a 1/2 inch iron pin; thence South 11 degrees 38' 58" West, 597.15 feet to a 1/2 inch iron pin; thence South 4 degrees 19' 45" West, 303.50 feet to a 1/2 inch iron pin; thence South 5 degrees 54' 09" East, 243.72 feet to a 1/2 inch iron pin; thence North 84 degrees 11' 12" East, 479.69 feet to an iron pin; thence North 84 degrees 22' 39" East, 554.76 feet to a 1/2 inch iron pin; thence South 72 degrees 14' 57" East, 33.51 feet to the true POINT OF BEGINNING; thence continue South 72 degrees 14' 57" East, 194.00 feet to an iron pin on the West Right-of-way line of Old U.S. Highway 54; thence North 15 degrees 42' 32" East, along said Right-of-way line, 117.00 feet to a point; thence leaving said Right-of-way line, North 72 degrees 14' 57" West, 194.00 feet to a point; thence South 15 degrees 42' 32" West, 117.00 feet to the true POINT OF BEGINNING.
SUBJECT to easements of record.

EXHIBIT B
ACCOUNTS ITEMIZATION

NONE

**EXHIBIT C
SPECIMEN WARRANTY DEED**

WARRANTY DEED BY CORPORATION

KNOW ALL MEN BY THESE PRESENTS, That **SEGES PARTNERS MOBILE HOME PARK, LLC** , a limited liability company organized under the laws of the State of Missouri (herein "**Grantor**"), party of the First Part, in consideration of TEN DOLLARS and other good and valuable consideration to be paid by **188 NORTH SUMMIT , LLC**, a Missouri limited liability company, ("**Grantee**"), Grantees' mailing address:

of the County of Callaway, in the State of Missouri, parties of the Second Part, the receipt of which is hereby acknowledged, and by virtue and in pursuance of proper resolutions of the Members of said party of the first part, do, by these presents, **GRANT, BARGAIN, SELL, CONVEY AND CONFIRM** unto the said parties of the second part, their successors, heirs and assigns, the following described lots, tracts or parcels of land lying, being and situate in the County of Callaway and State of Missouri, to-wit:

LEGAL DESCRIPTION

[The parties have not presently identified any real estate to be transferred pursuant to this Agreement that is separate from that to be sold and conveyed in the Parent Transaction]

TO HAVE AND TO HOLD the premises aforesaid, with all and singular the rights, privileges, appurtenances and immunities thereto belonging or in anywise appertaining, unto the said parties of the Second Part and unto their heirs and assigns **FOREVER**. The said Party of the First

Part hereby covenanting that it is lawfully seized of an indefeasible estate in fee in the premises herein conveyed; that it has good right to convey the same; that the said premises are free and clear of any incumbrances done or suffered by it or those under whom it claims and that it will Warrant and Defend the title of the said premises unto the said parties of the Second Part, and unto their heirs and assigns **FOREVER**, against the lawful claims and demands of all persons whomsoever.

IN WITNESS WHEREOF, said party of the First Part has caused these presents to be signed by its (their) authorized members or officers, and properly attested and sealed this ____ day of _____, 2017.

SEGES PARTNERS MOBILE HOME PARK, LLC

By: _____

[insert LLC acknowledgment]

**EXHIBIT D
SPECIMEN**

ASSIGNMENT OF EASEMENTS AND RIGHT-OF-WAY

This AGREEMENT entered on this ____ day of _____, 2017 by and between **SEGES PARTNERS MOBILE HOME PARK, LLC** (hereinafter referred to as "Assignor") and **188 NORTH SUMMIT , LLC**, a Missouri limited liability company, (hereinafter "Assignee"),

WITNESSETH:

WHEREAS, Assignor has heretofore constructed, maintained and/or operated a wastewater collection treatment system and potable water distribution system and appurtenances connected therewith within certain easements;

WHEREAS, Assignee, pursuant to an Agreement for the Sale and Transfer of Water Distributions System and Wastewater System entered into by and between the parties hereto on or about _____, has agreed to purchase the wastewater collection treatment system and potable water distribution system, as defined in the Agreement, and other assets of Assignor and to operate and maintain the same and provide sewer and water service to all connected thereto;

Now therefore, the parties agree as follows:

1. The Assignor, in consideration of the sum of \$1.00, receipt of which is hereby acknowledged, and for other good and valuable consideration, does hereby sell, assign, and transfer to the Assignee, its successors and assigns, all its use, right to use, prescriptive or otherwise, easements in, and right-of-way within Seges Mobile Home Park, 188 North Summit Dr, Holts Summit, Callaway County, Missouri and any and all other easements, or other uses of land, connected, directly or indirectly, with the operation and maintenance of its wastewater collection and

treatment system and potable water production and distribution system whether such easements are written, oral, recorded or otherwise.

2. To have and to hold the same, with said appurtenances, to the Assignee, its successors and assigns, subject to all the conditions and stipulations expressed in said grants of easement to Assignor, so that neither the Assignor, its successors or assigns or any person or persons claiming title under the Assignor shall claim any right, title or interest in said grant or any part thereof, but that each of them shall be excluded and forever barred.

3. The Assignee in consideration of the foregoing accepts said assignment.

IN WITNESS WHEREOF, the parties have set their hands and seals.

SEGES PARTNERS MOBILE HOME PARK, LLC

By: _____

ASSIGNOR

188 NORTH SUMMIT , LLC

By: _____

ASSIGNEE

Appendix D
Resolutions of LLC Members

188 NORTH SUMMIT, L.L.C.

RESOLUTION OF THE MEMBERS

At a meeting of the Members of 188 North Summit, L.L.C., an active Missouri limited liability company, duly called and duly held on July 8th, 2017 in accordance with the Operating Agreement of said limited liability company, at which meeting a quorum was present and acted throughout, the following resolution was adopted:

RESOLVED, that the Members of 188 North Summit, L.L.C. are hereby authorized and directed to execute on behalf of the company an agreement with Seges Partners Mobile Home Park, L.L.C. by which to acquire the assets of Seges Partners Mobile Home Park, L.L.C. in substantially the form and on terms and conditions set forth in Exhibit 1 attached to this resolution (the "Seges Purchase Agreement").

IT IS FURTHER RESOLVED, that the Members of 188 North Summit, L.L.C. are hereby authorized and directed to take such actions and execute and deliver any and all documents, agreements and contracts as they deem necessary and proper to effectuate the Seges Purchase Agreement.

Dated this 8th day of July 2017.

[Signature], member

Eric P. [Signature], member

Janet M. [Signature], member

[Signature] MEMBER
DENNIS P. GIOVANNI

Being all of the Members of 188 North Summit, L.L.C.
without exception

SEGES PARTNERS MOBILE HOME PARK, L.L.C.

RESOLUTION OF THE MEMBERS

At a meeting of the Members of Seges Partners Mobile Home Park, L.L.C, an active Missouri limited liability company, duly called and duly held on JUNE 27, 2017 in accordance with the Operating Agreement of said limited liability company, at which meeting a quorum was present and acted throughout, the following resolution was adopted:

RESOLVED, that the Members of Seges Partners Mobile Home Park, L.L.C are hereby authorized and directed to execute on behalf of the company an agreement with 188 North Summit, L.L.C. by which to sell, transfer and convey the assets of Seges Partners Mobile Home Park, L.L.C. to 188 North Summit, L.L.C. in substantially the form and on the terms and conditions set forth in Exhibit 1 attached to this resolution (the "Seges Purchase Agreement").

IT IS FURTHER RESOLVED, that the Members of Seges Partners Mobile Home Park, L.L.C are hereby authorized and directed to take such actions and execute and deliver any and all documents, agreements and contracts as they deem necessary and proper to effectuate the Seges Purchase Agreement.

Dated this 27TH day of JUNE 2017.

CHRISTY OTTEN

WILLIAM GRAY

Being all of the Members of Seges Partners Mobile Home Park, L.L.C.
without exception

APPENDIX E

BALANCE SHEET & INCOME STATEMENT

188 NORTH SUMMIT, LLC

| | Pro Forma Water and Sewer Operations |
|---------------------------------------|---|
| Assets | |
| Fixed Assets | 46,857 |
| Less: Depreciation Reserve | 14,408 |
| Net Fixed Assets | 32,449 |
| Other Current Assets | |
| Cash and Cash Equivalents | 15,000 |
| Total Assets | 47,449 |
| Operating Revenues | 46,751 |
| Operating Expenses | 52,471 |
| Depreciation Expense | 1,228 |
| Total Operating Expenses | 53,699 |
| Net Operating Income (Expense) | (6,948) |