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**FINANCIAL SUPPORT AGREEMENT**

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PUBLIC BEAR SPRINGS TRAILS  
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This Financial Support Agreement is executed on the date set forth below between Bear Springs Trails Owners Association, Inc., a Texas non-profit corporation ("HOA"), and Bear Springs Trails Water Supply Corporation, Inc., a Texas corporation ("Water Co.").

WHEREAS, HOA owns common-area parcels in the Bear Springs Trails Subdivision, the location of which is reflected in Volume 6, Pages 299-301, of the Plat Records of Bandera County, Texas (the "Subdivision")

WHEREAS, HOA is the association that governs the Subdivision's homeowners association, pursuant to The Declaration of Covenants, Conditions and Restrictions Bear Springs Trails Subdivision, dated July 26, 2000; the ByLaws of Bear Springs Trails Owners Association, Inc. a non-profit corporation, dated April 8, 2003; and the resolutions, agreements and other applicable instruments, the defined terms of which are hereby incorporated by reference as if fully set forth herein;

WHEREAS, the HOA and owners of parcels of real property located within the Subdivision (a "Lot" or where there are two or more, the "Lots") currently receive water for the Subdivision and individual Lots from Bear Springs Water Co., Inc., P.O. Box 18078, Sugar Land, Fort Bend County, Texas 77496-8078, ("Vendor");

WHEREAS, the HOA was provided with the opportunity to purchase the assets of and take ownership and operation of the Vendor's water supply company (the "Facilities") and the HOA and its membership elected to purchase and operate the Facilities;

WHEREAS, the Water Co. was duly formed and organized to be owner and operator of the Facilities on behalf of its stakeholders, the HOA and owners of Subdivision Lots;

WHEREAS the HOA has determined that it is in the interest of the Lot owners and the HOA generally, to secure the financial viability of the Water Co. and continued provision of water and related services to the HOA, Subdivision and Lot owners; and

THEREFORE, the parties agree, based on the foregoing, and for other good and valuable consideration, as follows:

1. Water Co. agrees to purchase from Vendor all of Vendor's right, title and interest in and to the Facilities in accordance with the Asset Purchase Agreement, Promissory Note and Security Agreement attached hereto as Exhibit 1 (Collectively, the "Purchase Documents").
2. Water Co. will perform all requirements set forth in the Purchase Documents for the benefit of the HOA and Lot owners, as required by Water Co.'s governing documents.
3. To the extent Water Co. is financially unable to timely perform any of its financial obligations under the Purchase Documents, HOA shall, upon timely notice, pay all amounts due and owing under the terms of the Purchase Documents.

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4. The parties further agree to cooperate with each other by executing all documents required by the Vendor, the Public Utility commission and/or any other governmental or private entity reasonably necessary to give full effect to the intent of this Agreement.
5. The parties' representatives executing this Agreement affirm that they are duly empowered and authorized to enter into this Agreement.
6. This Agreement, including the exhibits attached to it, constitutes the entire agreement between the parties and supersedes any prior understandings, agreements or representations by or between the parties, whether written or oral, that are related in any way to the subject matter of this Agreement.
7. This agreement shall be governed by the laws of the State of Texas. Venue of any dispute or lawsuit arising out of this Agreement shall be in Bandera County, Texas.

EXECUTED this 11 day of MAY, 2015.

Bear Springs Trails Owners Association, Inc.

By: David W. Ketterer

David Ketterer, President

"HOA"

Bear Springs Trails Water Supply Corporation, Inc.

By: Jan Serene

Jan Serene, President

"Water Co."