

Schedule A

HAWC System History

Company	Year	Docket	Order	Franchise Area
Walnut Ridge Water Company	1977	DE 76-179	12,827	1,826 Acres
Lancaster Farms-Salem	1984	DR 84-267	17,312	144 Acres
Bricketts Mill-Hampstead	1985	DE 85-149	17,848	80 Acres
Squire Ridge-Hampstead	1985	DE 85-274	17,967	140 Acres
Kent Farm-Hampstead	1987	DE 86-198	18,560	1,700 Acres
Kent Farm-Hampstead	1987	DE 86-198	18,598	Supp Order
Woodland Pond-Hampstead	1987	DE 87-211	18,980	701 Acres
Bryant Woods-Atkinson	1988	DE 87-226	19,230	2,340 Acres
Hampstead Area Water Company	1989	DE 89-047	19,717	Hampstead Merger*
Hampstead Area Water Company	1989	DE 89-047	19,751	1,650 Bryant Woods Merger**
Walnut Ridge Water Company	1990	DE 90-129	19,992	
HAWC-Bricketts Mill Extension	1990	DE 90-049	19,783	55 Acres
HAWC-Hampstead	1991	DE 91-121	20,224	1,246 Acres
HAWC-Hampstead	1991	DE 91-144	20,320	1,350 Acres
HAWC-Rainbow Ridge-Plaistow	1993	DE 92-129	20,774	370 Acres
HAWC-Stoneford-Sandown	1996	DE 96-201	22,551	152 Acres
HAWC-Colby Pond-Danville	1998	DE 97-154	22,854	3,483 Acres
HAWC-Oak Hill-Chester	2000	DW 00-059	23,577	177 Acres
HAWC-Walnut Ridge & Lancaster	2002	DW 01-204	23,954	Atkinson Merger***
HAWC-Camelot Court- Nottingham	2004	DW 02-198	24,296	44 Acres
HAWC-Cornerstone-Sandown	2004	DW 02-198	24,296	188 Acres
HAWC-Lamplighter-Kingston	2004	DW 02-198	24,296	13.66 Acres
HAWC-Maplevale-East Kingston	2004	DW 03-150	24,299	107 Acres
HAWC-Dearborn Ridge-Atkinson	2005	DW 04-055	24,501	541 Acres
HAWC-Hampstead Expansion	2005	DW 04-062	24,520	238 Acres
HAWC-Mill Woods-Sandown	2005	DW 05-063	24,544	35 Acres
HAWC-Waterford Village- Sandown	2005	DW 05-070	24,545	90.37 Acres
HAWC-Atkinson Expansion	2005	DW 05-092	24,592	333 Acres
HAWC-Autumn Hills-Sandown	2006	DW 06-016-	24,608	33.68 Acres
HAWC - Cooper Grove-Kingston	2008	DW-07-133	24,831	211 Acres
HAWC - Black Rocks Village	2008	DW-07-134	24,856	391 Acres
HAWC – Sargent Woods	2008	DW-07-130	24,884	65.97 Acres
HAWC – Oak Hill Extension	2010	DW-10-204	25,166	27.851 Acres
HAWC – Fairfield Estates	2011	DW-11-218	25,318	21.97 Acres

*Merged Bricketts Mill, Kent Farm, Squire Ridge and Woodland Pond into HAWC

**Merged Bryant Woods into Walnut Ridge with requirement that the Bryant Woods rates apply

***Merged Lancaster Farms and Walnut Ridge into HAWC

**LIST OF EXHIBITS
SARGENT WOODS EXTENSION**

Exhibit	Description
1	Water Rights Deed and Easement
2	Easement Plan
3	Franchise Area Plan
4	Franchise Area Description
5	DES Well Approval
6	Contract
7	Schedule of Costs
8	Bill of Sale
9	Promissory Note
10	Project Cost Schedule
11	Pro Forma CPR
12	Pre-filed Testimony of Harold Morse
13	Pre-filed Testimony of John Sullivan
14	Letter to Newton Selectmen/Letter from Selectmen to PUC

MAIL TO

Return to:
Robert C. Levine
Lewis Builders, Inc.
54 Sawyer Avenue
Atkinson, NH 03811

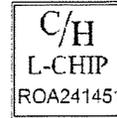
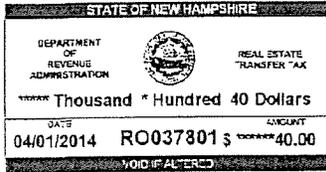


EXHIBIT 1

WATER RIGHTS DEED AND EASEMENT

011068

KNOW ALL MEN BY THESE PRESENTS, that, **Centerview Hollow Land Company, LLC**, a New Hampshire Limited Liability Company, of 54 Sawyer Avenue, Atkinson, Rockingham County, New Hampshire 03811, (Grantee) by its duly-authorized Manager, Christine Lewis Morse, **GRANTS TO HAMPSTEAD AREA WATER CO., INC.**, (HAWC) a New Hampshire corporation with offices at 54 Sawyer Avenue, Atkinson, Rockingham County, New Hampshire 03811 (Grantee) with **QUITCLAIM COVENANTS**

The following interest in land situated in the Town of **Newton**, Rockingham County, New Hampshire; the following water rights and easements over parcels of land known as a certain parcel of land situate in Rockingham County, Town of **Newton**, New Hampshire, and shown on plan of land entitled "Site Plan Tax Map 7, Block 4, Lot 5 Off Smith Corner Road Newton, NH", prepared by Civil Construction Management, Inc., and recorded in the Rockingham Registry of Deeds as Plan no. D-3704 (Plan), and as may be more particularly described on Exhibit A, attached hereto.

I. WATER RIGHTS:

HAWC shall have the right and title to all ground and bedrock water in, on, or that may be produced from the Premises as described below the right and title to all pipes, mains, pumps, pump houses, and related machinery and equipment as may now or may subsequently be constructed on the Premises as part of the domestic water supply system.

II. EASEMENT FOR ACCESS TO CONSTRUCT WATER SYSTEM AND FACILITIES:

HAWC shall have the right and easement for the full right of ingress and egress over upon and across so much of the Premises as is reasonably necessary for the purpose of exploring for such and for drilling wells or producing the same and for storing and removing the same when so produced. This right of ingress and egress shall include the right to make and use of so much of the surface of the land described

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ROCKINGHAM COUNTY
REGISTRY OF DEEDS

and shown on the Plan, as may be reasonably incident or convenient to any exploration, development, storage, or production, including drilling of water wells and the erection of pipe lines, storage tanks, pumps, pump houses, and other surface structures incident or convenient to such production, storage, or removal of water from the Premises. All such structures, material, machinery, or equipment placed upon the property by Grantee or anyone claiming under it may be removed by Grantee or those claiming under them at any time.

III. RIGHT TO REASONABLE ACCESS AND TO SECURE FACILITIES AND CONTROL ACCESS:

HAWC shall have the right to reasonable access to service and repair pipe lines, storage tanks, pumps, pump houses, and other surface structures and the right to fence-off and otherwise secure all such pumping and storage facilities and to control access thereto as may be reasonably necessary to protect and preserve the quality of water so provided and stored and to prevent the interruption of supply of water.

IV. RIGHT AND EASEMENT TO ENFORCE PROTECTIVE WELL RADIUS EASEMENTS:

HAWC shall have the right and easement to enforce the sanitary water protective easement provisions of Schedule A attached hereto, within the sanitary easement area as is shown on the Plan in accordance with and to the extent required or allowed by the New Hampshire Department of Environmental Services or its successor;.

V. THE RIGHT AND EASEMENT TO CONSTRUCT, RECONSTRUCT, REPAIR, MAINTAIN, AND OPERATE A WATER DISTRIBUTION SYSTEM, FACILITIES AND SYSTEM:

HAWC shall have the right and easement to lay, construct, maintain, and operate pipe lines, valves, hookups, and meters for the supply of domestic water to all lots as may be shown on the Plan or as may otherwise be or become a part of the Sargent Woods development in, Newton, Rockingham County, New Hampshire, (Development) as shown on the Plan, and to such adjoining or other premises as now or as may in the future constitute part of Grantee's franchise area.

The within granted right being the right to enter onto and construct, reconstruct, maintain, and operate water lines, valves, hookups, and meters in and under private and public ways and in and under strips of land

1. along and adjacent to public and private ways;
and
2. across such strips of the land as shown on the Plan as may be reasonably

necessary to lay, construct, and maintain water lines, pipes, and valves to serve the Premises and other premises within any franchise area licensed to Grantee by the New Hampshire Public Utility Commission as the same may, from time to time, be constituted, and to collect such water charges as such Commission shall approve.

VI. GRANTEE'S COVENANTS AND OBLIGATIONS.

By acceptance of this grant and conveyance, Grantee hereby covenants and agrees;

1. Not to disturb or interfere, except for emergencies, with the use of any lot or residence built or to be built on the Premises;
2. To reconstruct and regrade any and all areas its disturbs in constructing and maintaining water lines; and
3. To supply domestic potable water to the Premises in quantities sufficient to meet the reasonable requirements of the Development

NOT HOMESTEAD PROPERTY OF THE GRANTOR

WITNESS its hand and seal this 31st day of March, 2014

**Centerview Hollow Land Company,
LLC**

By: Christine Lewis Morse
Christine Lewis Morse, Manager

STATE OF NEW HAMPSHIRE
ROCKINGHAM, SS.

The foregoing instrument was acknowledged before me this 31st day of March, 2014 by Christine Lewis Morse, in her capacity as Manager of and on behalf of Centerview Hollow Land Company, LLC.



Judith S. Armstrong
Justice of the Peace/Notary Public
My commission expires: 9/19/17

SCHEDULE A

The purpose of this Sanitary Protective Easement is to establish a protective area to prevent contamination of the water supply distribution system shown on the Plan. Hereafter, and for so long as said system located within the easement area are used for a water distribution system, the area of the above-described easements shall be kept in a natural state. No use of the area shall be permitted which could directly or indirectly degrade the quality of the aforementioned water distribution system.

Uses that are prohibited include:

1. Transportation corridors, except as shown on the Plan, and as access to booster stations and pump house for maintenance and repairs;
2. Underground utilities or structures, except those that are associated with potable water, electricity or communication;
3. The storage, handling, transporting, treating or disposal of:
 - a. domestic or industrial waste or waste water;
 - b. hazardous or regulated substances such as pesticides, gas and oil or other chemicals;
 - c. hazardous or solid wastes; or
 - d. fertilizers.
4. Any other activities or uses that the New Hampshire Department of Environmental Services (NHDES) determines would be detrimental to water quality.

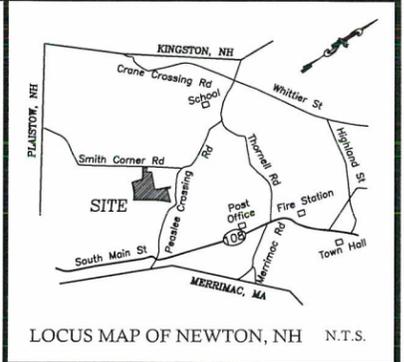
No Change in the use of the area of the protective easement may be undertaken without approval from the NHDES.

The Sanitary Protective Easement as shown on the Plan is for the benefit of the public, and as such, the above provisions may be enforced by NHDES, Grantee, the Town of, and the customers of any water system.

EXHIBIT A

BEGINNING at a point at the northeastern most corner of the Town of Newton Tax Map 8 Block 3, Lot 11 and the Southeastern most corner of Tax Map 7, Block 4, Lot 5, at the westerly boundary of Tax Map 13, Block 3, Lot 6, thence turning and running N 49° 37' 16" E a distance of 850.71 feet to a point; thence turning and running N 52° 56' 33" E a distance of 193.95 feet to a point; thence turning and running N 57° 26' 34" E a distance of 171.27 feet to an iron pipe; thence turning and running N 59° 28' 13" E a distance of 128.64 feet to an iron pipe; thence turning and running N 62° 10' 02" E a distance of 195.98 feet to an iron pipe recovered; thence turning and running N 54° 42' 41" W a distance of 142.84 feet to a drill hole recovered; thence turning and running N 56° 42' 00" W a distance of 438.07 feet in part along a stone wall to an iron pipe recovered; thence turning and running N 40° 19' 49" E a distance of 150.00 feet to a point; thence turning and running N 31° 33' 31" W 60.48 feet to a point; thence turning and running S 39° 23' 01" W a distance of 178.40 feet to a drill hole recovered; thence turning and running S 38° 42' 48" W a distance of 114.49 feet to a drill hole recovered; thence turning and running S 38° 42' 48" W a distance of 117.95 feet to a point; thence turning and running S 40° 02' 04" W a distance of 104.57 feet to a point; thence turning and running S 38° 37' 38" W a distance of 147.48 feet along a stone wall to a point; thence turning and running ; thence turning and running N 50° 30' 46" W a distance of 740.98 feet to an iron pipe; thence turning and running S 50° 34' 56" W a distance of 207.00 feet to a point; thence turning and running N 37° 43' 49" W a distance of 207.00 feet to a granite bound on the southwesterly sideline of Smith Corner Road; thence turning and running S 55° 30' 01" W a distance of 52.60 feet to a concrete bound set; thence turning and running S 55° 30' 01" W a distance of 65.82 feet to a point; thence turning and running S 54° 47' 03" W a distance of 45.91 feet to a point; thence turning and running S 53° 00' 32" W a distance of 1.18 feet to a point; thence turning and running S 39° 48' 33" E a distance of 379.60 feet to a point; thence turning and running S 29° 15' 16" E a distance of 136.48 feet to a point; thence turning and running S 31° 35' 49" W along the Southeastern boundary of Tax Map 7 Block 4, Lot 6 a distance of 440.31 feet to a tree with wire; thence turning and running S 53° 09' 53" E a distance of 140.76 feet to a tree with wire; thence turning and running S 54° 11' 28" E a distance of 153.77 feet to a tree with wire; thence turning and running S 47° 51' 18" W a distance of 140.02 feet to an iron rod set; thence turning and running S 38° 53' 35" E a distance of 203.88 feet to a tree with wire; thence turning and running S 36° 40' 33" E a distance of 61.94 feet to a tree with wire; thence turning and running S 11° 26' 24" E a distance of 32.84 feet to a point at the place of beginning.

Meaning to describe that parcel shown on site plan entitled "Tax Map 7, Block 4, Lot 5 off Smith Corner Road, Newton NH" dated 03-23-07, scale 1"=40', prepared by Civil Construction Management, Inc., and recorded on May 9, 2007 in the Rockingham County Registry of Deeds as Plan D-34704.



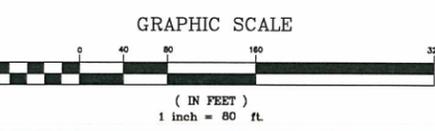
*NEW HAMPSHIRE SOIL CONSULTANTS, INC. PERFORMED THE WETLAND DELINEATION ON TAX MAP 7, BLOCK 4, LOT 5, APRIL 2003, IN ACCORDANCE WITH THE METHODOLOGY OF THE "CORPS OF ENGINEERS WETLAND DELINEATION MANUAL (TECH. REPORT Y-87-1 JAN. 1987)"



NOTE: THIS PLAN SET IS COMPRISED OF 15 SHEETS. THE TITLE SHEET AND SHEETS 2-4 SHALL BE RECORDED AT THE ROCKINGHAM COUNTY REGISTRY OF DEEDS. THE COMPLETE PLAN SET SHALL BE PLACED ON FILE WITH THE NEWTON PLANNING BOARD, AND CONSTITUTE THE APPROVED DEVELOPMENT PLAN.

TOWN OF NEWTON PLANNING BOARD

CHAIRMAN _____ DATE _____



SARGENT WOODS
FRANCHISE PLAN
 TAX MAP 7 - BLOCK 4 - LOT 5
 TAX MAP 8 - BLOCK 3 - LOT 11
 Smith Corner Road Newton, NH

OWNER: FATHER AND SON REALTY TRUST
 85 SOUTH MAIN STREET
 NEWTON, NH 03858
 OWNER/APPLICANT: CENTERVIEW HOLLOW LAND COMPANY, LLC.
 54 SAWYER AVENUE
 ATKINSON, NH 03811

DESIGN BY: Civil Construction Management Inc.
 8 Merrimac Road, Box 475
 Newton, NH 03858
 Tel (603) 382-7650
 DRAWN BY: D. LEACH, TECH. CHK BY: D. QUINTAL, P.E.
 DESIGNED BY: D. LEACH, TECH. DATE: SEPTEMBER 2013

Sheet:
1

#	DATE	REVISION
#2	12-9-13	PER TOWN & NHDES REVIEW
#1	11-7-13	PER TOWN REVIEW
#	DATE	REVISION

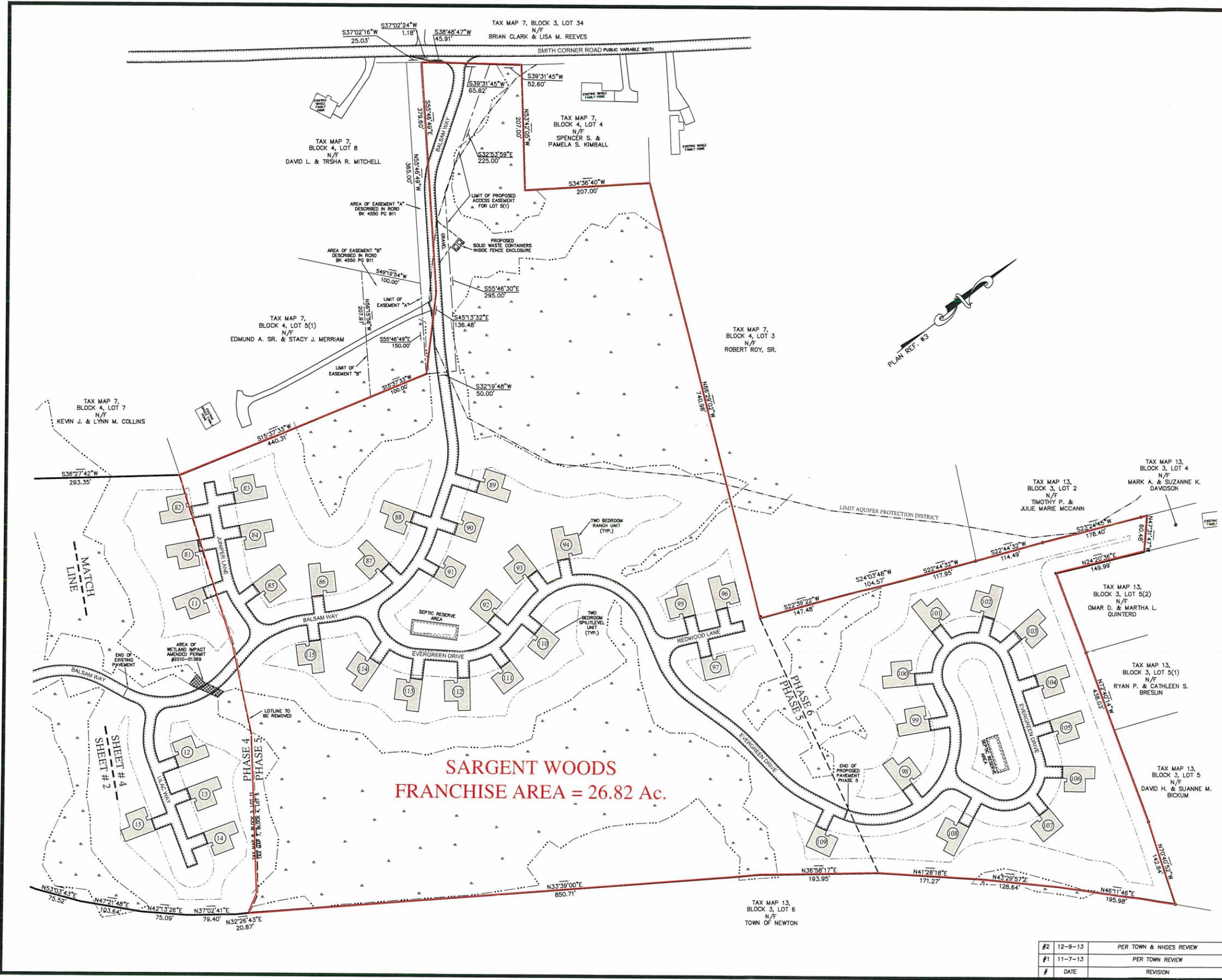


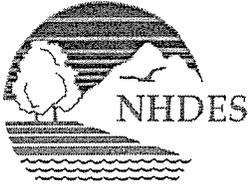
EXHIBIT 4

SARGENT WOODS EXTENSION FRANCHISE DESCRIPTION

BEGINNING at an iron pipe set at the most easterly corner of the Town of Newton Tax Map 7, Block 4, Lot 7 and the southwesterly boundary of the subject premises; thence turning and running N 15° 40' 06" E along the southern boundary of Tax Map 7, Block 4, Lot 5-1 a distance of Four Hundred Forty and 31/100th (440.31) feet to a point; thence turning and running N 45° 10' 59" W along the eastern boundary of said Lot 5-1 a distance of One Hundred Thirty Six and 48/100th (136.48) feet to a point; thence turning and running N 55° 44' 16" W along the eastern boundary of Tax Map 7, Block 4, Lot 8 a distance of Three Hundred Seventy Nine and 60/100th (379.60) feet to a point at the southeasterly sideline of Smith Corner Road; thence turning and running N 37° 04' 56" E along said sideline of Smith Corner Road a distance of One and 18/100th (1.18) feet to a point; thence turning and running N 38° 51' 20" E along said sideline of Smith Corner Road a distance of Forty Five and 91/100th (45.91) feet to a point; thence turning and running N 39° 34' 18" E along said sideline of Smith Corner Road a distance of Sixty Five and 82/100th (65.82) feet to a point; thence turning and running N 39° 34' 18" E along said sideline of Smith Corner Road a distance of Fifty Two and 60/100th (52.60) feet to a point at the northwest corner of Tax Map 7, Block 4, Lot 4; thence turning and running S 53° 39' 32" E along the southwesterly boundary of said Lot 4 a distance of Two Hundred Seven and 00/100th (207.00) feet to a point; thence turning and running N 34° 39' 13" E along the southeasterly boundary of said Lot 4 a distance of Two Hundred Seven and 00/100th (207.00) feet to a point at the southwesterly boundary of Tax Map 7, Block 4, Lot 3; thence turning and running S 66° 26' 29" E along the southwestern boundary of said Lot 3 a distance of Seven Hundred Forty and 98/100th (740.98) feet to an iron pipe found; thence turning and running N 22° 41' 55" E along the southeastern boundary of said Lot 3 a distance of One Hundred Forty Seven and 48/100th (147.48) feet to a point; thence turning and running N 24° 06' 21" E along the southeastern boundary of said Lot 3 a distance of One Hundred Four and 57/100th (104.57) feet to a point; thence turning and running N 22° 47' 05" E along the southeastern boundary of said Lot 3 a distance of One Hundred Seventeen and 95/100th (117.95) feet to an iron pipe found at the southernmost corner of Tax Map 13, Block 3, Lot 2; thence turning and running N 22° 47' 05" E along the southeastern boundary of said Lot 2 a distance of One Hundred Fourteen and 49/100th (114.49) feet to an iron pipe found; thence turning and running N 23° 27' 18" E along the southeastern boundary of said Lot 2 a distance of One Hundred Seventy Eight and 40/100th (178.40) feet past an iron pipe found to a point at the southerly boundary of Tax Map 13, Block 3, Lot 4; thence turning and running S 47° 29' 14" E along the southerly boundary of said Lot 4 a distance of Sixty and 48/100th (60.48) feet to a point at the northwesterly boundary of Tax Map 13, Block 3, Lot 5-2; thence turning and running S 24° 23' 08" W along the northwesterly boundary of said Lot 5-2 a distance of One Hundred Forty Nine and 99/100th (149.99) feet to an iron pipe found; thence turning and running S 72° 37' 41" E along the southerly boundaries of Tax Map 13, Block 3, Lot 5-1, Lot 5-1 and Lot 5 a distance of Four Hundred Thirty Eight and

03/100th (438.03) feet to an iron pipe found; thence turning and running S 70° 38' 20" E along the southerly boundary of said Lot 5 a distance of One Hundred Forty Two and 84/100th (142.84) feet to an iron pipe found at the northwesterly boundary of Tax Map 13, Block 3, Lot 6; thence turning and running S 46° 14' 19" W along the northerly boundary of said Lot 6 a distance of One Hundred Ninety Five and 98/100th (195.98) feet to a point; thence turning and running S 43° 32' 30" W along the northerly boundary of said Lot 6 a distance of One Hundred Twenty Eight and 64/100th (128.64) feet to a point; thence turning and running S 41° 30' 51" W along the northerly boundary of said Lot 6 a distance of One Hundred Seventy One and 27/100th (171.27) feet to a point; thence turning and running S 37° 00' 50" W along the northerly boundary of said Lot 6 a distance of One Hundred Ninety Three and 95/100th (193.95) feet to a point; thence turning and running S 33° 41' 33" W along the northerly boundary of said Lot 6 a distance of Eight Hundred Fifty and 71/100th (850.71) feet to a point; ; thence turning and running N 27° 25' 25" W a distance of Thirty Two and 84/100th (32.84) feet to an iron pipe set; thence turning and running N 52° 39' 35" W a distance of Sixty One and 94/100th (61.94) feet to an iron pipe set; thence turning and running N 54° 52' 36" W a distance of Two Hundred Three and 88/100th (203.88) feet to an iron pipe set; thence turning and running N 63° 50' 19" W a distance of One Hundred Forty Nine and 02/100th (149.02) feet to an iron pipe set; thence turning and running N 70° 10' 29" W a distance of One Hundred Fifty Three and 77/100th (153.77) feet to an iron pipe set; thence turning and running N 68° 51' 53" W a distance of One Hundred Forty and 66/100th (140.66) feet to an iron pipe set and the point of beginning.

Containing 26.82 acres, more or less



The State of New Hampshire
DEPARTMENT OF ENVIRONMENTAL SERVICES

Thomas S. Burack, Commissioner



July 23, 2013

Mr. Charles Lanza
Hampstead Area Water Company, Inc.
54 Sawyer Avenue
Atkinson, NH 03811
Charlie@HampsteadWater.com

FINAL APPROVAL

Re: PWS 1752070/DR 999811 – Expansion of Community Water System
Sargent Woods, Newton, New Hampshire

Dear Mr. Lanza:

Our office has reviewed and hereby grants Final Approval for the expansion of the above-referenced water system. This approval allows for the construction of the new water system subject to compliance with Env-Ws 372, *Design Standards for Small Community Water Systems*, and expires within 4 years of the date of this letter if at least 50% of the water system construction has not been completed. This approval does not relieve the applicant from the obligation to obtain other local, state or federal permits that may be required.

The original approval dated July 7, 2005 allowed for 80 2-bedroom residential units (senior housing) with an approved permitted production volume (PPV) 53,280 gallons per day. Based on your submittal dated June 20, 2013, the water system is requesting approval for an additional 35 2-bedroom units, for a total of 115 senior housing units. The required for the PPV for the expanded project is 46,000 gpd, which is within the original approval; therefore, the PWS is approved for the 35 additional units.

The Record Drawings for the water system should be updated to reflect the changes to the water system as they are constructed and shall be made available onsite.

Please feel free to contact me at Jennifer.Mates@des.nh.gov or (603) 271-2949 with any questions on this approval.

Sincerely,

Jennifer S. Mates, P.E.
Drinking Water and Groundwater Bureau
Small Systems Engineering & Technical Assistance

cc. Mary Clairmont, DWGB Surveyor, mary.clairmont@des.nh.gov

EXHIBIT 6
SARGENT WOODS EXTENSION

**CONTRACT TO CONSTRUCT, PURCHASE WATER UTILITY
ASSETS & PROVIDE DOMESTIC WATER SERVICE**

Agreement made as of April ___, 2014, by and between Hampstead Area Water Company, Inc. (HAWC) of 54 Sawyer Avenue, Atkinson, New Hampshire 03811, and Lewis Builders Development, Inc. and Centerview Hollow Land Company, LLC, all of 54 Sawyer Avenue, Atkinson, New Hampshire, as their interests appear (collectively Developer).

WHEREAS, Developer is constructing an expansion of a residential development containing a total of Thirty Five (35) dwelling units, to be part of the Sargent Woods Condominium, located off Smith Corner Road, in Newton, New Hampshire (Development) and has caused as part of such construction the installation of a domestic, potable water system to serve the Development; and whereas HAWC has, or is willing to apply to the New Hampshire Public Utilities Commission for a franchise to supply domestic potable water to the Development; and

WHEREAS, HAWC is willing to purchase and operate and the Developer is willing to sell to HAWC the in-ground water system assets which serves the Development (the System), all subject to the approval of the New Hampshire Public Utilities Commission (PUC),

NOW THEREFORE, the parties agree as follows:

1. Developer hereby sells, conveys and assigns to HAWC all of the assets which comprise and constitute the System which are set forth on the Bill of Sale (Exhibit 8) attached hereto.
2. The total purchase price for all of the assets of the System shall be \$1,000.00 per residential unit hook-up to the System occurring within the Development or such other hook-up fee as shall be allowed by the PUC, regardless of the actual cost of the assets which constitute the System as set forth on Exhibit 8.
3. In addition to the purchase price set forth in paragraph 2 above, the balance of the actual cost of the assets comprising the System as set forth on Exhibit 8 shall be contributed without additional charge by Developer to HAWC as Contribution In Aid of Construction (CAIC).
4. HAWC shall execute and deliver to Developer with this agreement a Promissory Note (Exhibit 9) in the sum of Thirty Five Thousand and 00/100th (\$35,000.00) Dollars and shall undertake the following actions:

- a. Permanently undertake to operate, maintain, repair and replace as necessary the System and its assets and shall supply reasonable quantities of domestic potable water to each and every residential unit in the Development, pursuant to its obligations and responsibilities as a public utility regulated company.
 - b. Timely apply to the PUC for authority to obtain a franchise area which will include the System, to operate and acquire the assets constituting the System and for application of existing rates for the proposed franchise area.
5. Developer has conveyed to HAWC an easement and right of access for HAWC to (a) drill wells, use, build, maintain, repair, replace and operate the System and to take and use and sell the water from any wells within the Development which are part of the System, (b) lay pipes, mains, valves and lines and install pumps, pump houses and other equipment which constitute the System within the Development and to repair, maintain and replace the same anywhere within the Development, with access and egress to the system for such purposes, all in accordance with the terms as set forth and limited in the Water Rights Deed and Easement attached hereto as Exhibit 1.
 6. HAWC agrees to charge and bill the owners of the residential units within the Development who are connected to the System in accordance with and pursuant to tariffs as approved by the PUC.

HAMPSTEAD AREA WATER COMPANY, INC.

By: _____
Harold Morse, Its President

LEWIS BUILDERS DEVELOPMENT, INC.

By: _____
Christine Lewis Morse, Its President

CENTERVIEW HOLLOW LAND COMPANY, LLC.

By: _____
Christine Lewis Morse, Its Managing Member

EXHIBIT 7
SARGENT WOODS EXTENSION

SCHEDULE OF COSTS OF ACQUISITION

I. SCHEDULE OF CONSTRUCTION COSTS

See the Agreement between Centerview Hollow Land Company, LLC, (CVH), Lewis Builders Development, Inc., (LBDI) and Hampstead Area Water Company, Inc. (HAWC) as per Exhibit 6

II. SCHEDULE OF PAYMENTS FROM HAWC TO LBDI (See Promissory Note attached as Exhibit 9)

The total amount of payment shall be One Thousand and no/100 Dollars (\$1,000.00) per residential unit located within the project, to wit: \$35,000.00. This amount shall be paid in accordance with the Promissory Note, Exhibit 9.

III. SCHEDULE OF CONVEYANCE/ASSIGNMENT OF THE SYSTEM TO HAWC FROM LBDI

LBDI shall execute a Bill of Sale of the System, completed in accordance with Exhibit 6 and within Thirty (30) days after the grant of the franchise area to HAWC, as Contribution in Aid of Construction (CIAC) (See Bill of Sale, attached as Exhibit 8).

**SARGENT WOODS EXTENSION
BILL OF SALE OF WATER UTILITY ASSETS**

NOW COMES the Lewis Builders Development, Inc., of 54 Sawyer Avenue, Atkinson, New Hampshire, ("Seller"), and in consideration of the amount of money set forth on Exhibit 6, attached hereto, as may be amended through this date paid by Hampstead Area Water Company, Inc., of 54 Sawyer Avenue, Atkinson, New Hampshire ("Buyer"), by promissory note or notes, receipt of which is hereby acknowledged, and Buyer's agreement to operate the below-described water system, Seller does hereby sell, assign, transfer and convey to Buyer all of its right, title and interest in and to all of the following assets used in the production and supply and distribution of water produced from wells and related assets located at Tax Map Lot 7-5-4, off Smith Corner Road, in the town of Newton, Rockingham County, New Hampshire, in the Sargent Woods Condominium Development as Contribution in Aid of Construction (CIAC).

PUC CODE	CONTRACTOR'S DESCRIPTION [Include machine and labor costs]	PRICE
303	Easement Deed	\$0.00
304	Pump House and Site Work	\$0.00
304	Booster Pumping Station	\$0.00
307	Wells (drilling, Testing, engineering)	\$0.00
309	Supply Mains (mains, manholes, pipes, trenching, backfill, valves etc. from pump house to wells	\$0.00
311	Pumping Equipment (Pumps, motors, pump house, plumbing, electric, switches, connectors, piping, valves etc.)	\$0.00
320	Water Treatment (filters etc.)	\$0.00
330	Distribution Storage (tanks, valves, standpipes, hydro tanks)	\$0.00
331	Transmission and Distribution mains	
	i. 4" and 2" piping	\$0.00
333	Services (water lines to curb stop at each customer's property line)	
	i. 35 customers x \$0.00 per service (includes Clubhouse)	\$0.00
334	Meters _____ customers x _____ per customer	\$0.00
335	Hydrants (includes installation)	\$0.00
339	Miscellaneous (not otherwise included)	\$0.00
Total		\$0.00

To have and to hold the same unto Buyer and its assigns and successors forever

Dated _____

LEWIS BUILDERS DEVELOPMENT, INC.
Developer

Witness

By: _____
Christine Lewis Morse,
President, duly authorized

**BLACK ROCKS VILLAGE
PROMISSORY NOTE**

\$35,000.00

Dated:

Hampstead Area Water Company, Inc. (HAWC) promises to pay to Lewis Builders Development, Inc., (LBDI), the sum of Thirty Five Thousand and 00/100th Dollars (\$35,000.00) ("Principal"), plus interest as follows:

Amortized over a term of twenty (20) years, with interest on the unpaid balance in the amount of Two and One-Quarter percent (2¼ %), plus the Prime Rate, as published in the Wall Street Journal on the last business day of the quarter prior to PUC approval and then adjusted on that anniversary date, every three years thereafter This Note is payable in Two Hundred and Forty (240) equal monthly installments, until the twentieth anniversary of this note, when all outstanding principal and interest shall be due and payable.

HAWC may prepay this note at any time.

HAMPSTEAD AREA WATER COMPANY, INC.

Witness

By: _____
Harold Morse, President

The payment of this note is subject to the approval of the New Hampshire Public Utilities Commission.

ACCEPTED AND ACKNOWLEDGED

Lewis Builders Development, Inc.

Christine Lewis Morse, President

Dated:

SARGENT WOODS EXTENSION

PROJECT COST SCHEDULE

PUC CODE	CONTRACTOR'S DESCRIPTION [Include machine and labor costs]	PRICE
303	Easement Deed	\$0.00
304	Pump House and Site Work	\$0.00
304	Booster Pumping Station	\$0.00
307	Wells (drilling, Testing, engineering)	\$0.00
309	Supply Mains (mains, manholes, pipes, trenching, backfill, valves etc. from pump house to wells	\$0.00
311	Pumping Equipment (Pumps, motors, pump house, plumbing, electric, switches, connectors, piping, valves etc.)	\$0.00
320	Water Treatment (filters etc.)	\$0.00
330	Distribution Storage (tanks, valves, standpipes, hydro tanks)	\$0.00
331	Transmission and Distribution mains	
	i. 4" and 2" piping (3,030' of piping)	\$90,900.00
333	Services (water lines to curb stop at each customer's property line)	
	i. 35 customers x \$1,500.00 per service	\$52,500.00
334	Meters 35 customers x \$350.00 per customer	\$12,250.00
335	Hydrants (includes installation)	\$0.00
339	Miscellaneous (not otherwise included)	\$0.00
Total		<u>\$155,650.00</u>

THE NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

HAMPSTEAD AREA WATER COMPANY, INC

DW 14-

**PETITION TO EXPAND FRANCHISE AREA, APPROVAL OF FINANCING,
APPROVAL ACQUISITION OF ASSETS AND APPROVAL OF APPLICATION OF
EXISTING PERMANENT RATES**

PRE-FILED TESTIMONY OF HAROLD MORSE

- Q. Please state your name, address and position with Hampstead Area Water Company, Inc.
- A. My name is Harold Morse, of 54 Sawyer Avenue, Atkinson, NH and I am the President of Hampstead Area Water Company, Inc., (HAWC).
- Q. Describe the overall history of HAWC.
- A. HAWC is presently franchised in most areas of Hampstead and Atkinson, New Hampshire, and has franchised satellite systems in various towns in Rockingham County as per the Schedule A attached to the Petition.
- Q. Why are you requesting a franchise expansion in Newton, New Hampshire?
- A. Centerview Hollow Land Company, LLC (CVH) and Lewis Builders Development, Inc. (LBDI) are constructing an extension of the existing water system at the Sargent Woods Condominium Development to provided water service to an additional 35 units that will become part of this development. Sargent Woods, originally an 80 unit condominium development, is located off Smith Corner Road in Newton, New Hampshire. CVH and LBDI are related companies to HAWC. The expansion of the franchise area will be limited to the Tax Map Lot 7-

Q. Could you describe the new system that is being proposed?

A. The system in expansion of the Sargent Woods condominium would serve a 35 condominium residential dwelling units in a development owned by CVH and constructed by LBDI. LBDI will be installing the water lines and hookups with a cost of approximately \$155,650.00. HAWC will acquire the system and agrees to operate it. HAWC will pay to CVH \$1,000 per hookup. The rest will be Contributions in Aid of Construction (CIAC).

Q. Would you describe the additions to the water system plant?

A. The additions to the water system plant include 3,030 feet of mains, 35 services, and 35 meters.

Q. Would this system be part of the core system for the Company?

A. No, it would be a satellite or stand alone system. HAWC will acquire the extension of the system and operate it.

Q. What is the present tariff charged by the Company?

A. The tariff for HAWC is a consolidated rate of \$120.00 base charge per year with a consumption charge of \$5.02 per 100 cubic feet of water consumed.

Q. Are you requesting that the consolidated rate be extended to the new proposed area should the Commission grant the proposed Franchise?

A. Yes.

Q. Where does the consolidated rate for HAWC come from?

A. The rate was established under DW-12-070 by PUC order number 25,519.

Q. Does this conclude your testimony?

A. Yes.

THE NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

HAMPSTEAD AREA WATER COMPANY, INC

DW 14-

**PETITION TO EXPAND FRANCHISE AREA, APPROVAL OF FINANCING,
APPROVAL ACQUISITION OF ASSETS AND APPROVAL OF APPLICATION OF
EXISTING PERMANENT RATES**

PRE-FILED TESTIMONY OF JOHN SULLIVAN

Q. Please state your name and business address:

A. John Sullivan. 54 Sawyer Avenue, Atkinson, New Hampshire.

Q. What is your present employment?

A. I am the controller for Lewis Builders Inc., employed as are most employees, by Lewis Builders Development, Inc., a wholly-owned subsidiary of Lewis Builders, Inc.

Q. As controller for Lewis, do your duties also include similar duties for Hampstead Area Water Company, Inc. (HAWC)?

A. Yes. I am responsible for the accounting, tax and financial reporting.

Q. HAWC has submitted a "Petition to Expand Franchise Area, for Approval of Financing, Approval Acquisition of Assets and Approval of Application of Existing Permanent Rates".

Would you explain briefly what the purposes are for this petition?

A. Yes. There are basically three reasons for this petition. First, the Company is seeking the approval of the Commission for the proposed system extension in Newton, New Hampshire. Secondly, the Company is requesting that the Commission approve the acquisition of these system assets and financing for its purchase. Thirdly, the Company is seeking Commission approval for applying the existing rates to the proposed franchise area.

Q. What is the proposed system?

A. The current project would be an extension of the satellite system for the Sargent Woods Condominium Development and the construction of a water system in the development. HAWC will be acquiring that system and the extension in part as CIAC from the developer and in part through financing with the developer. The cost of the system being acquired is \$155,650.00. The out of pocket cost to HAWC is \$35,000.00, to be paid by a note amortized over a term of twenty (20) years with interest at the rate of prime plus 2 ¼% payable in Two Hundred and Forty (240) equal monthly installments.

Q. What are the system assets being acquired?

A. Those assets are listed on the Bill of Sale, the Project Cost Schedule, and the Continuing Property Report, attached as Exhibits 8, 10, and 11 respectively.

Q. What, if any, financial impact will the acquisition of the assets and the related financing have on the financial position?

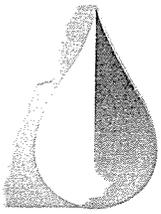
A. Plant in service will increase and be offset by the substantial contribution in aid of construction. Long term debt will increase. The increase in long term debt will have a minor impact on the capital structure and costs of debt. Revenues and expenses will increase. Overall, the financial impact will be minimal.

Q. What are the rates proposed for the franchise area and how were they derived?

A. We are proposing that the Commission approve the application of the existing consolidated rate with the same base charge of \$120.00 per annum and consumption rate of \$5.02 as is presently approved for HAWC.

Q. Does this conclude your testimony?

A. Yes.



HAMPSTEAD AREA
WATER COMPANY, INC

54 SAWYER AVENUE, ATKINSON, NH 03811

TEL: 603.362.4299 FAX: 603.362.4936
www.hampsteadwater.com

April 16, 2014

Board of Selectmen
Town of Newton
2 Town Hall Road
P.O. 378
Newton, NH 03858-0378

Dear Board Members:

This letter is to advise you that the Hampstead Area Water Company, Inc. is filing a petition with the State of New Hampshire Public Utilities Commission to franchise a limited area in your town.

The purpose of the franchise area will be to serve the expansion of the Sargent Woods condominium, located on Tax Map Lot 7-5-4, off of Smith Corner Road, being developed by Centerview Hollow Land Company, Christine Lewis Morse, Managing Member and Lewis Builders Development, Inc., Christine Lewis Morse, President.

We request that the Board of Selectmen acknowledge, in writing, to the Public Utilities Commission that they have been duly notified of this proposed petition to franchise this limited area. We have provided a form which you can sign and mail in the enclosed stamped envelope.

By signing this letter you are **not** waiving any right to intervene, should you so desire, nor to appear before or take part in the franchise proceedings before the PUC, should you so desire, but are only acknowledging that we have notified you of this proposed franchised petition.

If you have any questions, please do not hesitate to call me at the above number at extension 113.

Sincerely,

Robert C. Levine,
General Counsel

RCL/ja
encl.

TOWN OF NEWTON

Deborah Howland, Executive Director
Public Utilities Commission
21 Fruit Street, Suite 10
Concord, New Hampshire 03301-2429

RE: Petition of Hampstead Area Water Company, Inc. to extend water system in
Newton to service at the Sargent Woods development expansion, in Newton, NH.

Dear Ms. Howland:

Please be advised that the Newton Selectmen have been notified of the proposed petition to acquire and operate to extend the water system in Newton to serve the Sargent Woods development expansion, located in Newton, New Hampshire, which will consist of approximately 35 additional condominium units.

Our address is 2 Town Hall Road, P.O. Box 378, Newton, New Hampshire, 038580, and our telephone number is 603-382-4405.

Dated: _____

Newton Board of Selectmen

By: _____

Title: _____