

MM:eb
102706

CONTRACT

This agreement, entered into on this 16th day of January, 2006, by and between **P & J DEVELOPMENT, LLC (herein P & J) AND RWT LAND DEVELOPMENT, LLC (herein RWT), and the CITY OF JONESBORO, ARKANSAS (herein City)**, collectively referred to as the Parties, for and in consideration of the mutual covenants set forth herein, agree as follows:

1. The Parties recognize a need for the construction of a new three-way intersection at Aggie Road and Paragould Road in the City of Jonesboro with a connection to Prospect Farm Lane at Prospect Farm Road involving real property described as follows:

SEE EXHIBIT "A" ATTACHED HERETO

2. In recognition of this need, RWT and P & J agree to equally share the cost of hiring an engineer to design a plan for the construction of the proposed intersection, and the City agrees to furnish and pay for all labor, materials, tools and equipment necessary to construct and complete the three-way intersection. RWT and P & J shall provide the needed right of way for the new intersection.

3. The City agrees to begin construction of the proposed intersection as soon as practical and to have the intersection completed within six (6) months of receipt of final engineering plans and needed right of way. The City agrees that the construction will be performed in a skillful and workmanlike manner. Further, if construction is not completed within the above referenced time frame, the City agrees to reimburse RWT and P & J the actual invoiced costs of

engineering expenses associated with the design of this project.

4. Upon completion of the new intersection, the Parties hereby agree to allow P & J to remove and close the existing Farm Prospect Road connecting to Aggie Road and the Parties agree to release and abandon any and all rights of way or other interests which they may hold in the existing Farm Prospect Road connection to Aggie Road to P & J, more particularly described as follows:

SEE EXHIBIT "B" ATTACHED HERETO

In connection with the removal and closure of the present road on the above described property, the City and RWT agree to cooperate with P & J in securing release or abandonment of any rights of way or other interest any other person or entity may have in, on or over the described property.

5. The City agrees to obtain all licenses and permits with respect to work to be performed in the construction of the proposed intersection of Aggie Road and Old Paragould Highway and pay all fees and expenses in connection therewith. Any licenses and permits and expenses for any other intersections are not the responsibility of the City of Jonesboro.

6. It is distinctly understood between the Parties that the City shall be solely responsible for and shall protect and indemnify RWT and P & J against any loss or liability occasioned by the negligence of the City or anyone directly employed by it, or contracted with, whether for the making good defective work, disposal of material wrongfully supplied, making good of damage to property or persons, or excess costs for materials or labor or the City's failure to observe proper precautions in the conduct of its work.

IN WITNESS WHEREOF, the parties have hereunto set their hands on the date first above written.

P & J DEVELOPMENT, LLC

P&J Development, LLC

By John Hoan, managing member

LLC

By [Signature]

RWT LAND DEVELOPMENT,

CITY OF JONESBORO

|

-