

**PURCHASE AND SALE AGREEMENT  
AND  
ESCROW INSTRUCTIONS**

This Purchase and Sale Agreement and Escrow Instructions ("Agreement") is entered into effective as of June 5, 2019, by and between the City of Maricopa, an Arizona municipal corporation ("City" or "Seller") and Mel's Auto, LLC, an Arizona limited liability company dba NAPA Auto ("Buyer"), on the terms and conditions contained herein.

**RECITALS**

WHEREAS, the City is owner of approximately 31 acres of real property generally located on the Northeast corner of Edison Road and Estrella Gin Parkway ("the Estrella Gin Business Park"); and

WHEREAS, Buyer currently operates an automotive parts store and service center within the City but such property is being condemned by the Arizona Department of Transportation in relation to improvements being made on the overpass on State Route 347; and

WHEREAS, in order to relocate the existing business within the City of Maricopa, Buyer desires to purchase and the City desires to sell to Buyer a portion of the Estrella Gin Business park.

**AGREEMENT**

NOW, THEREFORE, in consideration of the foregoing Recitals and the mutual promises and covenants set forth herein, and for other consideration, the receipt and adequacy of which is hereby acknowledged, the City and Buyer agree as follows:

1. Sale and Purchase. On the terms and conditions contained in this Agreement, City agrees to sell to Buyer and Buyer agrees to purchase from City approximately 2 acres of the real property generally located on the Northeast corner of Edison Road and Estrella Gin Parkway, Maricopa, Pinal county, Arizona, Assessor Parcel No. 510-17-0180, and legally described and depicted on Exhibit A, together with all of City's rights, title and interest in and to any improvements located thereon; (a) all appurtenances, hereditaments, easements, rights-of-way, reversions, remainders, development rights, well rights, water rights and air rights; (b) all oil, gas, and mineral rights not previously reserved; and (c) any other rights or privileges appurtenant to such real property (collectively, the "Property").

2. Escrow and Title Company. The City and Buyer shall open an escrow ("Escrow") with Title Security Agency of Pinal County, LLC, 421 E. Cottonwood Lane, Casa Grande, Arizona 85122, Attn: LaTisha Sopha ("Title Company") to facilitate the consummation of the sale of the Property. This Agreement shall also serve as escrow instructions to Title Company. The City and Buyer shall provide additional instructions reasonably requested by Title Company in connection with opening the Escrow or otherwise facilitating the consummation of the sale of the Property, not inconsistent with the terms of this Agreement. In the event of any conflict or inconsistency between any additional Escrow Instructions requested by Title Company and this Agreement, the provisions of this Agreement shall prevail.

3. Purchase Price; Earnest Money.

3.01 Purchase Price. The purchase price ("Purchase Price") to be paid by Buyer for the Property shall be \$1.75 per square foot, with a current total estimate of One Hundred Fifty-Two Thousand Four Hundred Sixty and 00/100 Dollars (\$152,460.00). In the event the Property is calculated at more or less than 2 acres, the Purchase Price shall be adjusted accordingly based on the actual square footage to be purchase. The Purchase Price shall be paid in cash or certified funds.

3.02 Earnest Money. On the Opening of Escrow (as fined in Section 4.01), Buyer shall deposit with the Title Company the amount of Five Thousand and No/100 Dollars (\$5,000.00) ("Earnest Money".) The Earnest Money shall become non-refundable to Buyer at the expiration of the Feasibility Period (as defined in Section 6.02(b)), except as otherwise provided in this Agreement.

If the transaction contemplated hereby is consummated in accordance with the terms and provisions hereof, the Earnest Money shall be credited toward the Purchase Price at Closing. If the transaction is not so consummated, the Earnest Money shall be held and delivered by the Title Company as hereinafter provided.

4. Escrow Opening and Closing.

4.01 Opening of Escrow. The Title Company shall sign and date this Agreement on the space provided at the end of this Agreement, indicating that Escrow has been opened as of such date ("Opening of Escrow"), which date shall be the date at which Title Company is in possession of a fully executed Agreement and the Earnest Money. The Title Company shall provide a copy of the fully executed Agreement to the City and Buyer within five (5) days of the Opening of Escrow.

4.02 Closing. The closing of this transaction and escrow (the "Closing" or "Close of Escrow") shall occur thirty (30) days after the expiration of the Feasibility Period (as defined in Section 6.02(b)), unless otherwise agreed to in writing by both parties.

5. Title

5.01 Status of Title. Within five (5) days after Opening of Escrow, or as soon thereafter as possible, Title Company shall provide Buyer and City with a current commitment for title insurance (the "Title Commitment") for the Property, disclosing all matters of record and other matters of which Title Company has knowledge which relate to the title to the Property, and a legible copy of each of the instruments and documents referred to in the Title Commitment. The Title Commitment shall include Title Company's requirements for Closing and issuing its title policy. City shall satisfy those requirements of City requiring a release of consensual monetary encumbrances on or before the Closing. Buyer shall have ten (10) days after receipt of the Title Commitment and copies of all instruments and documents referred to in the Title Commitment, or five (5) days after the receipt of any amendment thereto and copies of all instruments and documents referred to therein, to object in writing to City to any matter shown thereon. If Buyer fails to object within said period, the condition of title to the Property shall be deemed approved. If Buyer timely objects to any matter disclosed by the Title Commitment or any amendment thereto, the City may, but is not obligated, to use reasonable efforts to cure such objection(s) (although in no event shall the City be required to expend funds) within fifteen (15) days thereafter. If, within such 15-day period, the City is unsuccessful or responds that it is unwilling to cure Buyer's objection(s), Buyer shall have five (5) days following notice from the City of its inability or unwillingness to cure in which Buyer shall elect

by delivering written notice to the City and Title Company either to (a) waive its objection(s); or (b) terminate this Agreement. If Buyer elects to terminate this Agreement, Title Company shall deliver the Earnest Money to Buyer without further notice to or from the City and neither party shall thereafter have any further rights or obligations hereunder except for those obligations that survive the termination of this Agreement or the Close of Escrow as provided in this Agreement. Failure by Buyer to make a timely election shall constitute an election to terminate this Agreement. Failure by the City to give any notice shall constitute the City's election not to cure. Notwithstanding anything else stated herein, in all events, regardless of whether Buyer has given notice of objection as stated above, the City shall be obligated to satisfy and otherwise remove all monetary and financial liens and encumbrances in existence at the time of execution of this Agreement or incurred by the City on or before Closing hereunder (other than current taxes not yet due). Any title exceptions which have been not been objected to or waived by Buyer shall be called "Permitted Title Exceptions."

5.02 Title Policy. At Closing, Title Company shall furnish to Buyer an ALTA extended coverage owner's policy of title insurance in the amount of the Purchase Price for the Property insuring Buyer's title to the Property, subject only to the usual printed exceptions contained in such title insurance policies and those matters approved by Buyer pursuant to Section 5.01. The City shall pay the premium for a standard coverage owner's policy and Buyer shall pay the difference in premium cost between an ALTA extended coverage and a standard owner's policy and the cost of any endorsements requested by Buyer.

5.03 Survey. As soon as reasonably possible after the Opening of Escrow, the City shall obtain, at the City's sole cost, an ALTA survey to establish the legal description of the Property. Buyer shall have until the end of the Feasibility Period, but not less than ten (10) days to review and approve the Survey of the Property. The City shall furnish to Buyer a final ALTA survey of the Property prior to the Close of Escrow.

6. Preliminary Due Diligence; Examination of Property.

6.01 Preliminary Due Diligence. Within five (5) days after the Opening of Escrow, or as soon thereafter as possible, City shall provide to Buyer the following information (the "Property Information"), to the extent the Property Information is in the City's possession or control: a copy of all maps, plats, surveys, easements, utility information and agreements, permits, licenses, certificates of occupancy, zoning letters, soil reports and tests, correspondence with or from all governmental, regulatory, municipal utility district, public utility district or other agency with authority over the Property, environmental site assessments and studies, engineering reports, hazardous materials reports, and other similar matters relating to the Property ("Preliminary Items of Due Diligence").

The City makes no representation or warranty whatsoever regarding the Property Information, except that the City has no actual knowledge of any incorrect information contained therein (and such representation is made without investigation or review by the City of the Property Information). The City nor any of its respective officers, directors, employees, attorneys, engineers, agents or representatives shall be deemed to make or have made any representation or warranty as to the adequacy, validity, accuracy, fitness for a particular purpose or completeness of the Property Information, and neither City nor any of its officers, directors, employees, attorneys, engineers, agents or representatives shall have any liability resulting from the use of or reliance on the Property Information. If this transaction does not close for any reason, Buyer shall not use any Property Information provided to Buyer and shall return the same and any copies thereof to the City.

Buyer acknowledges and agrees that upon Closing, City shall sell and convey the Property to Buyer and Buyer shall accept the Property "AS IS, WHERE IS, WITH ALL FAULTS,"

except to the extent expressly provided otherwise in this Agreement or any document executed by City and delivered to Buyer at Closing. Except as expressly set forth in this Agreement or any document executed by City and delivered to Buyer at Closing, Buyer has not relied and will not rely on, and City has not made and is not liable for or bound by, any express or implied warranties, guarantees, statements, representations or information pertaining to the Property or relating thereto (including specifically, without limitation, the Property information packages distributed with respect to the Property) made or furnished by City, or any property manager, real estate broker, agent or third party representing or purporting to represent City, to whomever made or given, directly or indirectly, orally or in writing. Buyer represents that it is a knowledgeable, experienced and sophisticated Buyer of real estate and that, except as expressly set forth in this Agreement, it is relying solely on its own expertise and that of Buyer's consultants in purchasing the Property and shall make an independent verification of the accuracy of any documents and information provided by City. Buyer will conduct such inspections and investigations of the Property as Buyer deems necessary, including, but not limited to, the physical and environmental conditions thereof, and shall rely upon same. By failing to terminate this Agreement prior to the expiration of the Feasibility Period, Buyer acknowledges that City has afforded Buyer a full opportunity to conduct such investigations of the Property as Buyer deemed necessary to satisfy itself as to the condition of the Property and the existence or non-existence or curative action to be taken with respect to any Hazardous Materials on or discharged from the Property, and will rely solely upon same and not upon any information provided by or on behalf of City or its agents or employees with respect thereto, other than such representations, warranties and covenants of City as are expressly set forth in this Agreement. Upon Closing, Buyer shall assume the risk that adverse matters, including, but not limited to, adverse physical or construction defects or adverse environmental, health or safety conditions, may not have been revealed by Buyer's inspections and investigations. Buyer hereby represents and warrants to City that Buyer is represented by legal counsel in connection with the transaction contemplated by this Agreement. Buyer waives any and all rights or remedies it may have or be entitled to, deriving from disparity in size or from any significant disparate bargaining position in relation to City.

6.02 Examination of Property.

(a) Upon making prior arrangements with the City, Buyer, its agents or employees may enter upon the Property for the purposes of inspecting the Property, conducting environmental, soil, engineering, structural and other tests as Buyer may deem necessary. Buyer shall restore the affected portion of the Property to its condition prior to the performance of such studies or inspections. Buyer agrees to indemnify, defend and hold the City harmless for, from and against any liability and/or damages caused by Buyer in exercising the foregoing license (unless arising from City's gross negligence or willful misconduct), including, but not limited to any and all costs, expenses and attorneys' fees, through all mediation, arbitration, trial and appellate proceedings, and agrees that this obligation to indemnify shall survive any termination of this Agreement and the Close of Escrow. All expenses incurred in connection with the exercise of such license by Buyer shall be the responsibility of Buyer.

(b) Notwithstanding any provisions herein to the contrary, Buyer may terminate this Agreement, for any reason, by delivering written notice of such termination to the City and Title Company on or before the sixtieth (60<sup>th</sup>) day following the Opening of Escrow. The period between the Opening of Escrow and the last date on which Buyer may terminate this Agreement in accordance with the provisions of this Section 6.02(b) is herein called feasibility period ("Feasibility Period"). If Buyer elects to terminate this Agreement pursuant to this Section 6.02(b), the Title Company shall deliver the Earnest Money to Buyer without further notice to or from the City and neither party shall thereafter have any further rights or obligations hereunder except for those rights

and obligations that survive termination of this Agreement or the Close of Escrow as provided in this Agreement.

7. Representations and Warranties.

7.01 City's Representations and Warranties. The City makes the following representations and warranties, all of which shall be true and correct at the Closing and which shall survive Closing:

(a) To the City's actual knowledge, and except as reflected in the Title Documents, there are no claims, actions, suits, or other proceedings pending or threatened or any governmental department or agency or any other corporation, partnership, entity or person whomsoever, nor any voluntary actions or proceedings contemplated by the City, which in any manner or to any extent may detrimentally affect Buyer's right, title or interest in and to the Property, or the City's ability to perform the City's obligations under this Agreement.

(b) The City has the full power and authority to enter into and perform this Agreement according to the terms hereof and the individuals executing this Agreement and all documents delivered pursuant to this Agreement on behalf of the City are authorized to do so.

(c) To the City's actual knowledge, and except as reflected in the Title Documents, there are no agreements, commitments or understandings by or between the City and any third party pursuant to which the City or its successors in interest are required to convey, dedicate, sell or transfer any part of the Property or to grant any easement, water right, right-of-way, road or license in respect to any part of the Property.

(d) To the City's actual knowledge, the City has not received any notices and the City is not otherwise aware that the Property was not or is not in compliance with all federal, state of Arizona and local laws, ordinances and regulations relating to environmental protection, occupational health and safety, public health and safety or public nuisance or menace (collectively "Environmental Laws"). To the City's actual knowledge there has been no production, storage, transport, release, spillage or disposal upon the Property of any hazardous substances, hazardous waste, hazardous materials, toxic substances, contaminants, or any other substances declared to be hazardous or toxic under any Environmental Laws.

(e) To the City's actual knowledge, there is no pending or threatened condemnation or similar proceedings affecting the Property or any part thereof and the City has no knowledge that any such proceeding is presently contemplated.

(f) This Agreement and all documents required hereby to be executed by the City are and shall be valid, legally binding obligations of, and enforceable against the City, in accordance with their terms.

As used in this Agreement, "To the City's actual knowledge" shall mean the actual, present knowledge of the current City Manager of the City at the time of signing this Agreement without making any independent investigations or inquiries.

(g) Except as otherwise expressly set forth in this Agreement and the Deed, neither the City nor its officials, officers, employees, agents, representatives, attorneys or contractors (collectively "City's Parties") have made any representations, guaranties, promises, assurances or warranties, express or implied, to Buyer including, without limitation, any pertaining to the suitability of the Property for any purpose, the profitability of owning or operating the Property,

the physical or environmental condition thereof, the suitability, habitability or merchantability or fitness of the Property for Buyer's intended use or for any use whatsoever, the rentals, income or expenses thereof, the net or gross acreage contained therein, the zoning thereof, the condition of title thereto, the existence or satisfaction of any local, state or federal approvals or permits for the development or use thereof, the availability or existence of water, sewer or other utilities, the existence or nonexistence of any hazardous substances or materials in, on or under the Property, or as to any past, present or future matter whatsoever. The City acknowledges and agrees that this disclaimer has been specifically negotiated and that the Property will be sold in the condition described in Section 6.01.

7.02 Buyer's Representations and Warranties. Buyer represents and warrants to the City:

(a) Buyer has the full power and authority to enter into and perform this Agreement according to the terms hereof and the individual executing this Agreement on behalf of Buyer is authorized to do so.

(b) This Agreement and all documents required hereby to be executed by Buyer are and shall be valid, legally binding obligations of, and enforceable against Buyer, in accordance with their terms.

(c) Buyer acknowledges and agrees that with the aid of independent expert advice it will have had an opportunity to satisfy, prior to the expiration of the Feasibility Period, itself regarding the condition of the Property, and that the Property will be purchased "**AS IS AND WITH ALL FAULTS**". Buyer shall assume the responsibility and risk of all defects to and conditions of the Property, including such defect and conditions, if any, which cannot be observed by inspection. The Buyer acknowledges and agrees that this disclaimer has been specifically negotiated and that the Property will be sold in its then-present condition.

8. Remedies.

8.01 City's Remedies. In the event Buyer fails to perform its obligations pursuant to this Agreement for any reason except due to the City's default or failure to perform its obligations hereunder, the City shall be entitled as its sole remedy to terminate this Agreement and Title Company shall deliver to the City the Earnest Money as liquidated damages and not as penalty, in full satisfaction of claims against Buyer hereunder. The City and Buyer agree that the City's damages resulting from Buyer's default are difficult, if not impossible, to determine and the amount of the Earnest Money is a fair estimate of those damages which has been agreed to in an effort to cause the amount of said damages to be certain. Nothing in this Section shall limit the City's right to recover attorneys' fees under Section 8.03 below.

8.02 Buyer's Remedies. If the City (1) fails to perform any of its obligations under this Agreement prior to the Closing for any reason other than the default of Buyer or the termination of this Agreement (and such failure continues for a period of ten (10) days following written notice to the City), or (2) breaches a representation and warranty, then the City shall be in default under this Agreement and, as Buyer's sole and exclusive remedy, Buyer may elect to: (i) waive the default and proceed to close this transaction and the Escrow; or (ii) pursue specific performance of this Agreement; or (iii) terminate this Agreement and receive the Earnest Money from the Title Company; provided, however, if specific performance is unavailable because of the affirmative or intentional acts or omissions of the City, Buyer may bring suit for damages as a result of the City's default hereunder. As a condition precedent to Buyer's right to pursue specific performance under section (ii) above, Buyer shall (a) not be in default under this Agreement; and (b) file suit therefore in the

Superior Court of Arizona in Pinal County, Arizona on or before 5:00 pm MST on or before the date that is sixty (60) days immediately following the scheduled Closing Date. Nothing in this Section shall limit Buyer's right to recover attorneys' fees under Section 8.03 below.

8.03 Attorneys' Fees. In the event either party hereto is required to employ an attorney because of the other party's default, then the defaulting party shall pay the non-defaulting party's reasonable attorneys' fees incurred in the enforcement of this Agreement.

8.04 Waiver. City and Buyer waive the right to pursue consequential or punitive damages against the other.

9. Conditions Precedent to the City's Obligations. The obligations of the City under this Agreement are subject to the satisfaction, on or prior to the Closing, of the following conditions, all or any of which may be waived in writing by the City:

(a) All representations and warranties made by Buyer in this Agreement and in any written statements delivered to the City by Buyer under this Agreement shall be true and correct as of the Closing.

(b) Buyer shall have performed and complied with all obligations of Buyer required by this Agreement to be performed or complied with by Buyer on or prior to the Closing.

(c) All documents required to be delivered by Buyer on or prior to the Closing shall have been properly executed by Buyer and delivered to Escrow Agent or the City in form and substance reasonably satisfactory to City.

10. Conditions Precedent to Buyer's Obligations. The obligations of Buyer under this Agreement are subject to the satisfaction, on or prior to the Closing, of the following conditions, all or any of which may be waived in writing by Buyer:

(a) All representations and warranties made by the City in this Agreement and in any written statement delivered to Buyer by the City under this Agreement shall be true and correct as of the Closing.

(b) The City shall have performed and complied with all its respective obligations required by this Agreement to be performed or complied with by it on or prior to the Closing.

(c) All documents required to be delivered by the City on or prior to the Closing shall have been properly executed by the City and delivered to Escrow Agent or Buyer in form and substance reasonably satisfactory to Buyer.

(d) Title Company shall have irrevocably committed to issue the Title Policy.

11. Closing.

11.01 Closing Matters.

(a) At Closing, the City shall execute, deliver and acknowledge the following documents:

(i) A special warranty deed ("Deed") conveying the Property, subject only to ad valorem taxes for the year of closing and applicable Permitted Title Exceptions;

(ii) An affidavit, signed and acknowledged by the City under penalties of perjury, certifying that the City is not a nonresident alien, foreign corporation, foreign partnership, foreign trust, foreign estate, or other foreign person within the meaning of Section 1445 and Section 7701 of the Internal Revenue Code of 1986 and the associated Treasury Regulations;

(iii) An affidavit of property value as required by law; and

(iv) Such other documents as are reasonably necessary to close and consummate the purchase and sale transaction contemplated by this Agreement and as may be required by the lender for the Buyer.

(b) At Closing, Buyer shall:

(i) Deliver the Closing Payment to Title Company;

(ii) Execute and deliver an affidavit of property value as required by law;

(iii) Execute and deliver such other documents as are reasonably necessary to close and consummate the purchase and sale transaction contemplated by this Agreement and as may be required by the lender for Buyer or the Title Company.

(c) Title Company shall transfer the Cash Payment to the City by wire transfer upon the Close of Escrow.

(d) Possession of the Property shall be delivered to Buyer at Closing.

11.02 Taxes. At Closing, all taxes (real and personal), fees and assessments, if applicable, shall be prorated as of the date of the Closing.

11.03 Closing Costs. Escrow fees charged by Title Company shall be paid one-half (1/2) by the City and one-half (1/2) by Buyer. The City shall pay the premium chargeable for a Standard's Owners Policy of Title Insurance and if Buyer desires to have ALTA Extended Coverage, then Buyer shall pay the incremental portion of the premium applicable to the extended coverage. The City shall pay the fee for recording the Deed. Except as otherwise provided in Section 8.03, each party shall be responsible for the payment of its own attorneys' fees incurred in connection with the transaction, which is the subject of this Agreement.

11.04 Commissions. At the Closing, the Buyer shall pay a real estate commission to CPI pursuant to such separate written agreement as may be entered into between CPI and the Buyer. City shall pay a commission to CPI in the amount of three percent (3%) of the purchase price for the Property. Buyer and the City mutually agree to indemnify and hold harmless the other from and against any real estate commission to any other broker or other person claiming through the indemnifying party that may be asserted to be payable as a result of any action of the Buyer or the City respectively. The provisions of this Section 11.04 shall survive the Closing.

12. Condemnation and Risk of Loss.

12.01 Condemnation. If, prior to Closing, any governmental authority, other than City, or other entity having condemnation authority shall institute an eminent domain proceeding or take any steps preliminary thereto (including the giving of any direct or indirect notice of intent to institute such proceedings) with regard to the Property, and the same is not dismissed on or before ten (10) days prior to Closing, Buyer shall be entitled either to terminate this Agreement upon written



notice to City or to waive such right of termination and receive all such condemnation proceeds. In the event Buyer elects to terminate this Agreement under this Section 12.01, the Title Company shall forthwith return to Buyer the Earnest Money and neither party to this Agreement shall thereafter have any further rights or obligations hereunder except for those rights and obligations that survive termination of this Agreement or the Close of Escrow as provided in this Agreement.

12.02 Risk of Loss. The risk of loss or damage to the Property and all liability to third persons until the Close of Escrow shall be borne by the City. Buyer shall assume all risks of loss or damage to the Property and all liability to third persons upon the Close of Escrow.

13. Schedule of Performance. Notwithstanding any contrary provisions contained in this Agreement, Buyer and City hereby agree, that in order to relocate Buyer's business that is currently subject to a condemnation action, Buyer shall have constructed a +/- 8,000 square foot retail automotive parts store and automotive service center and be open for business within twenty-four (24) months after Close of Escrow. Buyer shall be responsible for any costs and fees including, but not limited to, impact fees, plan review fees and permit fees and shall be subject to the City's or other appropriate governmental entity's normal plan submittal, review and approval processes, fees and day-to-day inspection services.

The failure of Buyer to satisfy this condition, unless the parties mutually agree in writing to an extension of time, shall result in the City having the option of taking back the title of the Property, and the City shall refund to the Buyer the sum of the amount paid to the City by Buyer for the Property, plus the fair market value of any useable improvements constructed on the Property by Buyer. The City shall not unreasonably withhold any requests for extension if construction is more than 50% complete and construction is continuing, both as determined by the City, within twenty-four (24) months after Close of Escrow. In the event the City exercises this option, the Buyer agrees to immediately sign any and all documents necessary to provide the City with clear and unencumbered title to the Property upon the receipt of the funds from the City. Prior to exercising this option, the City will give the Buyer thirty (30) days written notice.

The Buyer may only sell, assign, transfer or convey the Property to a similar automotive parts store and service center, prior to Buyer fully meeting the conditions of this Section, unless otherwise agree to in writing by the City in the City's sole and absolute discretion. Any subsequent purchaser, assignee, or transferee shall be subject to this Agreement.

14. Miscellaneous:

14.01 Notices. Any and all notices, demands or requests required or permitted hereunder shall be in writing and shall be effective upon personal delivery or facsimile transmission (facsimile transmission must include verification of transmission) or one (1) business day after being deposited with any commercial air courier or express service providing next day delivery, addressed as follows:

To Buyer: Mel's Auto, LLC  
Attn: Kristena Dugan  
PO Box 430  
Stanfield, AZ 85172

Personal Delivery to Buyer: Mel's Auto, LLC  
Attn: Kristena Dugan  
36650 N. Highway 84  
Stanfield, AZ 85172

(520) 424-3321  
Email: [tena.dugan@yahoo.com](mailto:tena.dugan@yahoo.com)

To City: City of Maricopa  
Attn: Rick Horst, City Manager  
39700 West Civic Center Plaza  
Maricopa, Arizona 85138  
Email: [rick.horst@maricopa-az.gov](mailto:rick.horst@maricopa-az.gov)

With copy to: Denis M. Fitzgibbons, City Attorney  
Fitzgibbons Law Offices, P.L.C.  
1115 E. Cottonwood Lane, Suite 150  
P.O. Box 11208  
Casa Grande, Arizona 85130-0148  
Email: [denis@fitzgibbonslaw.com](mailto:denis@fitzgibbonslaw.com)

Escrow Agent: LaTisha Sopha  
Title Security Agency of Arizona  
421 E. Cottonwood Lane  
Casa Grande, Arizona 85122  
Fax No.: 520.426.4699  
Email: [latisha.sopha@titlesecurity.com](mailto:latisha.sopha@titlesecurity.com)

Buyer, the City or Escrow Agent may change its address for notice by giving notice in the manner provided above. The inability to deliver because of a changed address of which no notice was given, or rejection or other refusal to accept any notice, shall be deemed to be the receipt of the notice as of the date of such inability to deliver or rejection or refusal to accept. Any telephone numbers or e-mail addresses provided in this Agreement are for aiding informal communications only, and notices shall not be effective if provided orally or if sent only by e-mail.

14.02 Time of the Essence; Date of Performance. Time is of the essence of this Agreement, and Buyer and the City hereby agree to perform each and every obligation hereunder in a prompt and timely manner; provided, however, that if the date for the performance of any action or the giving of any notice which is required hereunder, occurs on a Saturday, Sunday or legal holiday, the date for performance or giving of notice shall be the next succeeding business day.

14.03 Severability. Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be valid under applicable law, but if any provision of this Agreement shall be invalid or prohibited hereunder, such provision shall be ineffective to the extent of such prohibition or invalidation which shall not invalidate the remainder of such provision or the remaining provisions of this Agreement.

14.04 Waiver. The waiver by either party hereto of any right granted to it hereunder shall not be deemed to be a waiver of any other right granted herein, nor shall same be deemed to be a waiver of a subsequent right obtained by reason of the continuation of any matter previously waived.

14.05 Entire Agreement. This Agreement, contains the entire agreement of the parties hereto with respect to the matters covered hereby, supersedes all prior agreements, arrangements and understandings between the parties and no other agreement, statement or promise made by either party hereto that is not contained herein shall be binding or valid. All exhibits to this Agreement are by this reference incorporated herein.

14.06 Amendments. This Agreement may be amended only by written document signed by each of the parties hereto.

14.07 Further Performance. Each party shall, whenever and as often as it shall be requested by the other party, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such further instruments and documents, including supplemental escrow instructions, as may be reasonably necessary in order to complete the sale, conveyance and transfer herein provided and to do any and all things as may be requested in order to carry out the intent and purpose of this Agreement.

14.08 Counterparts. This Agreement may be executed simultaneously or in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. A party's signature on this Agreement or any amendment hereto may be provided by facsimile or electronically scanned and shall be effective upon transmission to the other party hereto.

14.09 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, devisees, personal and legal representatives, successors and assigns.

14.10 Governing Law; Venue. This Agreement shall be construed and interpreted under, and governed and enforced according to the laws of the State of Arizona, without giving effect to the principles of conflicts of law. The parties agree that should any court action be commenced relating to this Agreement, that the Pinal County Superior Court shall be the appropriate and exclusive venue therefore. The parties expressly waive any and all provisions of law providing for a change of venue to any other state or federal court.

14.11 Dispute Resolution. In the event a dispute arises under this Agreement, Buyer and City agree that there shall be a thirty (30) day moratorium on litigation during which time the Buyer and the City agree to attempt to settle the dispute by non-binding mediation before commencement of litigation. The mediation shall be held under the Commercial Mediation Rules of the American Arbitration Association ("AAA") but shall not be under the administration of the AAA unless agreed to by the Buyer and the City in writing, in which case all administrative fees shall be divided evenly between the Buyer and the City. The matter in dispute shall be submitted to a mediator mutually selected by Buyer and the City. If the Parties cannot agree upon the selection of a mediator within ten (10) days, then within five (5) days thereafter, the Buyer and the City shall request that the Presiding Judge of the Superior Court in and for the County of Pinal, State of Arizona, appoint the mediator. The mediator selected shall have at least ten (10) years of experience in mediating or arbitrating disputes relating to commercial property. The cost of any such mediation shall be divided equally between the Buyer and the City. The results of the mediation shall be nonbinding with either Buyer or the City free to initiate litigation upon the conclusion of the latter of the mediation or of the thirty (30) day moratorium on litigation. The mediation shall be completed in one day (or less) and shall be confidential, private, and otherwise governed by the provisions of A.R.S. § 12-2238, to the extent allowed by the Arizona Open Meetings Law, § 38-431 et. seq.

14.12 Headings and Construction. The headings set forth in this Agreement are inserted only for convenience and are not in any way to be construed as part of this Agreement or a limitation on the scope of the particular paragraph to which it refers. Where the context requires herein, the singular shall be construed as the plural, and neutral pronouns shall be construed as masculine and feminine pronouns, and vice versa. This Agreement shall be constructed according to its fair meaning and neither for nor against either party hereto.

14.13 Tax Reporting. Title Company, as the party responsible for Closing the transaction contemplated hereby within the meaning of Section 6045(e) of the Code, shall file all necessary information, reports, returns and statements (collectively, the "Tax Reports") regarding this transaction as required by the Code, including, without limitation, the Tax Reports required pursuant to Section 6045 of the Code. Title Company further agrees to indemnify and hold Buyer and City, and their respective attorneys and brokers, harmless from and against all claims, costs, liabilities, penalties, or expenses resulting from Title Company's failure to file the Tax Reports which Title Company is required to file pursuant to this paragraph.

14.14 Conflict of Interest. This Agreement is subject to the conflict of interest provisions set forth in A.R.S. Section 38-511.

14.15 Cooperation. Buyer acknowledges that the City is negotiating with other potential buyers for the purchase of other properties located in the same area as the Property and Buyer agrees that it will not interfere with the City's negotiations with any potential buyers and Buyer will reasonably cooperate with the city in connect with the City's sale of the other properties.

14.16 Assignment. Buyer shall not have the right to assign its rights under this Agreement without the consent of City in its sole and absolute discretion.

14.17 Disclosure. The Parties acknowledge that Kristena Dugan is a licensed real estate agent in the State of Arizona acting as a principal of Buyer in this transaction.

IN WITNESS WHEREOF, Buyer and the City have executed this Agreement effective as of the date first written above.

CITY:

CITY OF MARICOPA, a municipal corporation

By: [Signature]  
Its Ricky Horst, City Manager

Attest:

By: [Signature]  
Vanessa Bueras, CMC  
City Clerk



Approved as to form:

By: [Signature]  
Denis M. Fitzgibbons  
City Attorney

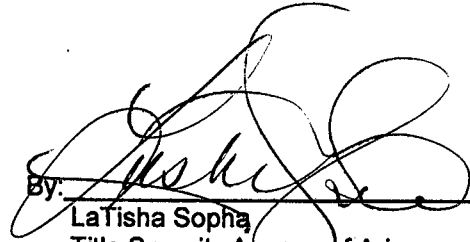
BUYER:

Mel's Auto, LLC, an Arizona limited liability company dba NAPA Auto

By: [Signature]  
Kristena Dugan, Member

ACKNOWLEDGEMENT AND AGREEMENT BY TITLE COMPANY

The Title Company hereby acknowledges receipt of a fully executed copy of this Agreement on this 6<sup>th</sup> day of June 2019, and agrees to accept, hold, deliver and disburse the Earnest Money, together with all interest accrued thereon and received by the Title Company, strictly in accordance with the terms and provisions of this Agreement and without the necessity of further consent or instruction by City or Buyer. The Title Company is hereby designated as, and agrees to undertake the obligations of, the Reporting Person pursuant to Section 6045 of the Internal Revenue Code and the regulations promulgated thereunder.

By:   
LaTisha Sopha  
Title Security Agency of Arizona  
421 E. Cottonwood Lane  
Casa Grande, Arizona 85122

## **EXHIBIT A**

### **Legal Description of the Property**