

**PURCHASE AND SALE AGREEMENT  
AND  
ESCROW INSTRUCTIONS**

This Purchase and Sale Agreement and Escrow Instructions (“Agreement”) is entered into and is effective as of April \_\_\_\_\_, 2025, by and between the City of Maricopa, an Arizona municipal corporation (“Seller” or “City”) and BR RED Copper Sky 1 LLC, an Arizona limited liability company (“Buyer”), on the following terms and conditions contained herein.

**RECITALS**

WHEREAS, the City is the owner of approximately 4 acres of real property, based on final subdivision and certain improvements generally located on the southeast corner of W Bowlin Road and N John Wayne Parkway; and

WHEREAS, in compliance with A.R.S. §9-402, an invitation for bids for the purchase of the Property was published and Buyer was the successful bidder; and

WHEREAS, the Seller and Buyer enter into this Agreement to set forth the rights and obligations of Buyer and Seller with respect to the purchase and sale of the Property.

**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, Seller agrees to sell to Buyer and Buyer agrees to purchase from Seller approximately 4.00 acres of the real property generally located on the southeast corner of W Bowlin Road and N John Wayne Parkway, Maricopa, Pinal County, Arizona and legally described and depicted on Exhibit A, together with all of Seller’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 Seller and Buyer shall open an escrow (“Escrow”) with First American Title Insurance of Pinal County, 442 W. Kortsen Road, Suite 101, 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 Seller 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 One Million Three Hundred Seventy-Five Thousand and 00/100 Dollars (\$1,375,000.00), which is based on \$7.8914 per square foot for the real property. In the event the Property is calculated at more or less than 4.00 acres in the Survey (as defined in Section 5.03), the Purchase Price shall be adjusted accordingly based on actual square footage to be purchased. The Purchase Price shall be paid in cash or certified funds as follows:

(a) Payment of Five Thousand and 00/100 Dollars (\$5,000.00) Earnest Money as set forth in Section 3.02; and

(b) Payment of the remainder of the Purchase Price at Closing ("Closing Payment").

3.02 Earnest Money. On the Opening of Escrow (as defined in Section 4.01), Buyer shall deposit with the Title Company the amount of Five Thousand and No/100 Dollars (\$5,000) ("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)), and the satisfaction of the Conditions Precedent (as defined in Section 7), 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 Seller and Buyer within five (5) days of the Opening of Escrow.

4.02 Closing. Subject to the Conditions Precedent set forth in Section 7, the closing of this transaction and escrow (the "Closing" or "Close of Escrow") shall occur within Ninety (90) days after the expiration of the Feasibility Period (as defined in 6.02(b)), unless otherwise agreed to in writing by both parties. Close of Escrow may be extended at the sole discretion of the Seller to a date no later than August 1, 2025, provided that the Buyer is making reasonable and demonstrable progress towards fulfilling the performance set forth in Section 14. Buyer has the right, in Buyer's sole discretion, to Close Escrow on or before the expiration of the Feasibility Period.

#### 5. Title

5.01 Status of Title. Within ten (10) business days after Opening of Escrow, or as soon thereafter as possible, Title Company shall provide Buyer and Seller 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. Seller shall satisfy those requirements of Seller requiring a

release of consensual monetary encumbrances on or before the Closing. Buyer shall have ten (10) business days after receipt of the Title Commitment and copies of all instruments and documents referred to in the Title Commitment, or five (5) business days after the receipt of any amendment thereto and copies of all instruments and documents referred to therein, to object in writing to Seller 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 Seller may, but is not obligated, to use reasonable efforts to cure such objection(s) (although in no event shall the Seller be required to expend funds) within fifteen (15) business days thereafter. If, within such 15-business-day period, the Seller is unsuccessful or responds that it is unwilling to cure Buyer's objection(s), Buyer shall have five (5) business days following notice from the Seller of its inability or unwillingness to cure in which Buyer shall elect by delivering written notice to the Seller 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 Seller 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 Seller to give any notice shall constitute the Seller'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 Seller 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 Seller on or before Closing hereunder (other than current taxes not yet due). Any title exceptions which have 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 Seller 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. The Parties agree to use the survey completed by Ritoch-Powell & Associates dated March 23, 2022.

6. Preliminary Due Diligence; Examination of Property.

6.01 Preliminary Due Diligence. Within five (5) business days after the Opening of Escrow, or as soon thereafter as possible, Seller shall provide to Buyer the following information (the "Property Information"), to the extent the Property Information is in the Seller's possession or control and to the extent the Property Information was not previously provided to Buyer: an ALTA survey including existing public reports, cross-access easements, drainage easements, ditch easements and/or utility easements/agreements, title report, flood zone status/Elevation Certificate, proof of legal access, septic system reports and permits, well documentation and water rights, Phase 1 report or any other environmental studies or approvals related to current or past operations on the Property of which the Seller has knowledge, soil and archeological studies, tax information, Seller's Property Disclosure Statement, list of mechanical equipment or other ancillary assets that will stay with the Property, and other information Seller may have in its possession concerning the Property ("Preliminary Items of Due Diligence").

The Seller makes no representation or warranty whatsoever regarding the Property Information, except that the Seller has no actual knowledge of any incorrect information contained therein (and such representation is made without investigation or review by the Seller of the Property Information). The Seller 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 Seller 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 Seller.

Buyer acknowledges and agrees that upon Closing, Seller 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 Seller and delivered to Buyer at Closing. Except as expressly set forth in this Agreement or any document executed by Seller and delivered to Buyer at Closing, Buyer has not relied and will not rely on, and Seller 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 Seller, or any property manager, real estate broker, agent or third party representing or purporting to represent Seller, 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 Seller. 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 Seller 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 Seller or its agents or employees with respect thereto, other than such representations, warranties and covenants of Seller 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 Seller 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 Seller.

#### 6.02 Examination of Property.

(a) Upon making prior arrangements with the Seller, 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 Seller harmless for, from and against any liability and/or damages caused by Buyer in exercising the foregoing license (unless arising from Seller'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 or no reason, by delivering written notice of such termination to the Seller and Title Company on or before the Ninetieth (90<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 Seller 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. Conditions Precedent to Closing. Prior to Closing, the following conditions must be satisfied (the "Conditions Precedent") (a) Seller must own the Property free and clear (all right title and interest, free of all encumbrances, except for Permitted Title Exceptions as per 5.01), and (b) Title Company shall have irrevocably committed to issue the Title Policy acceptable to Buyer. If the Conditions Precedent are not satisfied or waived by Buyer, in writing, within the Feasibility Period, this Agreement shall immediately terminate, and the Earnest Money shall be returned to Buyer unless otherwise agreed to in writing by both parties. Seller agrees to provide reasonable cooperation to Buyer in order to satisfy the Conditions Precedent.

8. Representations and Warranties.

8.01 Seller's Representations and Warranties. The Seller 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 Seller'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 Seller, which in any manner or to any extent may detrimentally affect Buyer's right, title or interest in and to the Property, or the Seller's ability to perform the Seller's obligations under this Agreement.

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

(b) The Seller 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 Seller are authorized to do so.

(c) To the Seller's actual knowledge, Seller has good and indefeasible title in fee simple to the Property. The Property has not been assigned or conveyed to any party. Except as reflected in the Title Documents, there are no agreements (other than this Agreement), commitments or understandings by or between the Seller and any third party pursuant to which the Seller 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 Seller's actual knowledge, the Seller has not received any notices and the Seller 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 Seller'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 Seller's actual knowledge, there is no pending or threatened condemnation or similar proceedings affecting the Property or any part thereof and the Seller has no knowledge that any such proceeding is presently contemplated.

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

(g) There are no persons in possession or occupancy of the Property or any part thereof, nor are there any persons who have possessory rights in respect to the Property or any part thereof.

(h) Except as otherwise expressly set forth in this Agreement and the Deed, neither the Seller nor its officers, employees, agents, representatives, attorneys or contractors (collectively "Seller'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 Seller 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. Buyer acknowledges that it will have the opportunity to inspect the Property during the Feasibility Period, and during such period, observe its physical characteristics and existing conditions and the opportunity to conduct such investigation and study on and the Property and adjacent areas as Buyer deems necessary. Buyer hereby forever releases and discharges Seller from all

responsibility and liability, including without limitation, liabilities and responsibilities for matters relating to the physical, environmental or legal compliance status of the Property, whether arising before or after the Effective Date, under the Comprehensive Environmental Response, Compensation and Liability Act Of 1980 (42 U.S.C. Sections 9601 et seq.), as amended ("**CERCLA**"), regarding the condition, valuation, salability, rentability or utility of the Property, or its suitability for any purpose whatsoever (including, but not limited to, with respect to the presence in the soil, air, structures and surface and subsurface waters, of Hazardous Materials or other materials or substances that have been or may in the future be determined to be toxic, hazardous, undesirable or subject to regulation and that may need to be specially treated, handled and/or removed from the Property under current or future federal, state and local laws, regulations or guidelines, and any structural and geologic conditions, subsurface soil and water conditions and solid and hazardous waste and Hazardous Materials on, under, adjacent to or otherwise affecting the Property). Buyer further hereby waives (and by Closing this transaction will be deemed to have waived) any and all objections and complaints (including, but not limited to, federal, state and local statutory and common law based actions, and any private right of action under any federal, state or local laws, regulations or guidelines to which the Property is or may be subject, including, but not limited to, CERCLA) concerning the physical characteristics and any existing conditions of the Property, including, without limitation, the landlord's obligations under the Leases relating to the physical, environmental or legal compliance status of the Property, whether arising before or after the Effective Date. Buyer further hereby assumes the risk of changes in applicable laws and regulations relating to past, present and future environmental conditions on the Property and the risk that adverse physical characteristics and conditions, including, without limitation, the presence of Hazardous Materials or other contaminants, may not have been revealed by its investigation. For purposes hereof, "**Hazardous Materials**" means "Hazardous Material," "Hazardous Substance," "Pollutant or Contaminant," and "Petroleum" and "Natural Gas Liquids," as those terms are defined or used in Section 101 of CERCLA, and any other substances regulated because of their effect or potential effect on public health and the environment, including, without limitation, PCBs, lead paint, asbestos, urea formaldehyde, radioactive materials, putrescible materials, and infectious materials.

8.02 Buyer's Representations and Warranties. Buyer represents and warrants to the Seller:

(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**". The Buyer acknowledges and agrees that this disclaimer has been specifically negotiated and that the Property will be sold in its then-present condition.

## 9. Remedies.

9.01 Seller's Remedies. In the event Buyer fails to perform its obligations pursuant to this Agreement for any reason except due to the Seller's default or failure to perform its obligations hereunder, the Seller shall be entitled as its sole remedy to terminate this Agreement and Title Company shall deliver to the Seller the Earnest Money as liquidated damages and not as penalty, in full satisfaction of claims against Buyer hereunder. The Seller and Buyer agree that the Seller'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 Seller's right to recover attorneys' fees under Section 9.03 below.

9.02 Buyer's Remedies. If the Seller (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 Seller), or (2) breaches a representation and warranty, then the Seller 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 Seller, Buyer may bring suit for damages as a result of the Seller'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) business days immediately following the scheduled Closing Date. Nothing in this Section shall limit Buyer's right to recover attorneys' fees under Section 9.03 below.

9.03 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.

9.04 Waiver. Seller and Buyer waive the right to pursue consequential or punitive damages against the other.

10. Conditions Precedent to the Seller's Obligations. The obligations of the Seller 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 Seller:

(a) All representations and warranties made by Buyer in this Agreement and in any written statements delivered to the Seller 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 Seller in form and substance reasonably satisfactory to Seller.

11. 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 Seller in this Agreement and in any written statement delivered to Buyer by the Seller under this Agreement shall be true and correct as of the Closing.

(b) The Seller 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 Seller on or prior to the Closing shall have been properly executed by the Seller 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.

## 12. Closing.

### 12.01 Closing Matters.

(a) At Closing, the Seller 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 Seller under penalties of perjury, certifying that the Seller 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 Earnest Money and Closing Payment to the Seller by wire transfer upon the Close of Escrow and record the Deed of Trust executed by Buyer.

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

12.02 Taxes. At Closing, all taxes (real and personal), fees and assessments, if applicable, shall be prorated as of the date of the Closing in accordance with the prorations customarily used for commercial properties in the area of the Property.

12.03 Closing Costs. Escrow fees charged by Title Company shall be paid one-half (1/2) by the Seller and one-half (1/2) by Buyer. The Seller 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 Seller shall pay the fee for recording the Deed. Except as otherwise provided in Section 9.03, 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.

12.04 Commissions. Neither Seller nor Buyer have retained or engaged a real estate broker, commission agent or any other person who is or may be entitled to payment of a commission or finder's fee or other compensation in connection with the transaction contemplated by this Agreement. Seller and Buyer shall indemnify, hold harmless and defend the other, its successors and assigns for, from and against any and all claims, demands, actions, costs and expenses, including reasonable attorney and accounting fees and court costs arising out of any claim by any real estate broker or other person claiming through the indemnifying party that such person is entitled to any commission or fee in connection with this transaction. The provisions of this Section 12.04 shall survive the Closing.

### 13. Condemnation and Risk of Loss.

13.01 Condemnation. If, prior to Closing, any governmental authority, other than Buyer, 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 Seller 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 13.01, 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.

13.02 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 Seller. Buyer shall assume all risks of loss or damage to the Property and all liability to third persons upon the Close of Escrow.

14. Schedule of Performance. Notwithstanding any contrary provisions contained in this Agreement, Buyer and Seller hereby agree, that Buyer shall comply with the following construction schedule unless modified by mutual consent of Buyer and Seller:

(a) Submission of all information required for the City to review and approve a Planned Area Development (“PAD”) zoning which allows for development that includes a) a Medical Office Building (“MOB”); and b) a comprehensive ER Hospital (“Hospital”) described in Section 14(c) in sufficient time to meet the requirements of Sections 14(b) and 14(c).

(b) Approval of rezoning of the property to PAD by the City to occur on or before November 1, 2025.

(c) Development description.

i. The Hospital will be developed as an acute care hospital (not a “micro hospital”) and shall include:

A. Bed Count: Minimum of 24 licensed med-surg inpatient beds, of which at least four (4) will be universal beds equipped with higher acuity and ICU-level care specifications.

B. Operating Suite: At least one (1) operating/procedural room, with associated pre-operative and recovery bays, and a sterile processing department.

C. Emergency Department: At least ten (10) treatment bays, intake areas, and a helipad.

D. Diagnostic Imaging Services: Standard hospital imaging services, including but not limited to CT, MRI, and X-ray.

E. Support Services: Pharmacy, laboratory, materials management, dietary services, cath lab and other ancillary services required to be included in site plan for the acute care hospital.

ii. The MOB shall provide a variety of outpatient services, including an Ambulatory Surgery Center (ASC), with a total approximate medical office space of 30,000 to 80,000 square feet.

iii. The Hospital and MOB shall be designed and constructed in accordance with all applicable federal, state, and local laws, rules, and regulations, including the City’s zoning, design review, building codes, parking requirements, and landscaping standards.

(d) On the Property, Buyer shall commence vertical construction of the Hospital within 36 months of PAD approval. The conditions contained in this Section 14(d) will be deemed satisfied upon Buyer’s start of vertical construction of the Hospital on the Property.

(e) In the event the Hospital is being built on the 4.7 acres of property adjacent to this Property pursuant to the Purchase and Sale Agreement and Escrow Instructions

between the City and BR RED Copper Sky 2, LLC dated April \_\_\_\_, 2025, Buyer shall commence vertical construction of the MOB within 18 months of PAD approval.

(f) 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. If the City is unable to complete its review due to delays in reviewing the materials submitted by Buyer, the City shall grant an extension of the October 1, 2025 deadline to allow additional time for review and approval of the PAD. Such extension shall not be granted by the City if the delay is caused by Buyer's failure to timely submit the required documents or to respond to the City regarding its review of such documents related to the PAD.

(g) The failure of Buyer to satisfy each of the conditions set forth in this Section 14, unless the parties mutually agree in writing to an extension of time (which shall not be unreasonably denied), shall result in the City having the option of taking back the title to the Property, and the Seller shall refund to the Buyer the sum of the amount paid to the Seller by Buyer for the Property and (i) the documented sum spent by Buyer on all useable improvements or (ii) a mutually agreed upon appraised market value of the useable improvements. A Notice of Reversion Option, as set forth in Exhibit B, shall be recorded against the Property upon Close of Escrow. In the event the Seller exercises this option, the Buyer agrees to immediately sign any and all documents necessary to provide Seller with clear and unencumbered title to the Property upon the receipt of the funds from Seller. Prior to exercising this option, Seller will give the Buyer thirty (30) business days written notice, during which time the Buyer may cure the failed condition. If the Buyer cures the condition within the time frame set forth herein, the City shall not be entitled to exercise its reversion option unless Buyer fails to satisfy another condition of this Section 14.

(h) The Buyer shall not sell, assign, transfer or convey the Property until Closing has occurred, unless otherwise agreed to in writing by the Seller in the Seller's sole and absolute discretion. Notwithstanding anything to the contrary set forth herein, any sell, assignment, transfer or conveyance of the Property shall be subject to the terms and conditions of this Agreement.

15. Seller's Right of First Offer. After the satisfaction of the conditions contained in Section 14(c) above, the Seller shall be entitled to a right of first offer to purchase some or all of the Property (including the land, the MOB, the Hospital, the housing (if any), and all other improvements and appurtenances thereto) (the "Purchase ROFO") only in the event that Buyer elects to sell, transfer or otherwise convey some of or all of the Property prior to receiving a Certificate of Occupancy from the City. Prior to entering into any legally binding agreement with, or granting any legally binding, unconditional rights to, a third party to purchase or acquire title to the Property, Buyer shall notify Seller (the "Purchase ROFO Notice"). The Purchase ROFO Notice shall set forth in reasonable detail the terms and conditions on which Buyer is prepared to sell the property, including the purchase price, the due diligence period, the closing period, the encumbrances to which title will be subject at closing, material conditions to closing, and material closing cost allocations. If requested by Seller, Buyer also shall provide Seller with (i) copies of all of Buyer's most recent title reports, surveys, environmental reports, property condition reports, plans, public sector notices, tax assessments and other material, non-proprietary third-party reports, studies, tests and documentation relating to the physical condition of the property, in Buyer's possession or control, and (ii) copies of all leases and contracts that Seller would be expected to assume upon closing of the sale of the property to

Seller. Upon receipt of the Purchase ROFO Notice, Seller shall have sixty (60) calendar days to exercise the Purchase ROFO based on the terms and conditions contained in the Notice, after which the Purchase ROFO shall naturally expire. In no event shall Buyer sell, transfer or otherwise convey some of or all of the Property on terms different than those set forth in the Purchase ROFO Notice without providing City a new Purchase ROFO Notice with the amended terms, which shall restart the sixty (60) day notice provision. In the event the City does not exercise its right to purchase subject to the ROFO Notice, such sell, transfer or conveyance must occur within 365 days of such notice. Buyer and Seller agree that this Section shall become void and of no further effect when the Maricopa Hospital and ER building is open and operating, as evidenced by Buyer's receipt of a Certificate of Occupancy from the appropriate City department. A Notice of the Right of First Offer, as set forth in Exhibit C, shall be recorded against the Property upon Close of Escrow.

16. Miscellaneous.

16.01 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 the Seller: City of Maricopa  
Attn: Ben Bitter, City Manager  
39700 West Civic Center Plaza  
Maricopa, Arizona 85138  
Email: [benjamin.bitter@maricopa-az.gov](mailto:benjamin.bitter@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)

Tina Vannucci, Attorney  
Fitzgibbons Law Offices, P.L.C.  
1115 E. Cottonwood Lane, Suite 150  
P.O. Box 11208  
Casa Grande, Arizona 85130-0148  
Email: [tina@fitzgibbonslaw.com](mailto:tina@fitzgibbonslaw.com)

To Buyer: BR RED Copper Sky 1, LLC  
Attn: Ryan Sullivan  
2250 Lindsay Way  
Glendora, CA 91740  
Email: [rsullivan@brco.com](mailto:rsullivan@brco.com)

With a copy to: Troy Schell  
BR RED Copper Sky 1, LLC  
2250 Lindsay Way  
Glendora, CA 91740

Email: [Tschell@brco.com](mailto:Tschell@brco.com)

Greg Cotton  
BR RED Copper Sky 1, LLC  
2250 Lindsay Way  
Glendora, CA 91740  
Email: [Gcotton@brco.com](mailto:Gcotton@brco.com)

Jim Cunningham  
BR RED Copper Sky 1, LLC  
2250 Lindsay Way  
Glendora, CA 91740  
Email: [Jim@firstdayventures.net](mailto:Jim@firstdayventures.net)

Escrow Agent: LaTisha Sopha  
First American Title Insurance Company  
422 W. Korsten Rd. Suite 101  
Casa Grande, Arizona 85122  
Fax No.: 520.426.4699  
Email: [tsopha@firstam.com](mailto:tsopha@firstam.com)

Buyer, the Seller 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.

16.02 Time of the Essence; Date of Performance. Time is of the essence of this Agreement, and Buyer and the Seller 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.

16.03 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.

16.04 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.

16.05 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.

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

16.07 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.

16.08 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.

16.09 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.

16.10 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.

16.11 Dispute Resolution. In the event a dispute arises under this Agreement, Buyer and Seller agree that there shall be a thirty (30) day moratorium on litigation during which time the Buyer and the Seller 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 Seller in writing, in which case all administrative fees shall be divided evenly between the Buyer and the Seller. The matter in dispute shall be submitted to a mediator mutually selected by Buyer and the Seller. If the Parties cannot agree upon the selection of a mediator within ten (10) business days, then within five (5) business days thereafter, the Buyer and the Seller 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 Seller. The results of the mediation shall be nonbinding with either Buyer or the Seller 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.

16.12 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.

16.13 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 Seller, 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.

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

16.15 Assignment. Buyer shall not have the right to assign its rights under this Agreement without the consent of Seller, which may be granted or withheld in Seller's sole and absolute discretion.

[SIGNATURES ON NEXT PAGE]



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

SELLER:

CITY OF MARICOPA, a municipal corporation

By: \_\_\_\_\_  
Its Benjamin Bitter, City Manager

Attest:

Approved as to form:

By: \_\_\_\_\_  
Vanessa Bueras, MMC  
City Clerk

By: \_\_\_\_\_  
Denis M. Fitzgibbons  
City Attorney

BUYER:

BR RED Copper Sky 1, LLC,  
an Arizona limited liability company

By: Ryan Sullivan  
Ryan Sullivan, Member Manager

Ryan Sullivan signed 3/24/25

ACKNOWLEDGEMENT AND AGREEMENT BY TITLE COMPANY

The Title Company hereby acknowledges receipt of a fully executed copy of this Agreement on this \_\_\_ day of \_\_\_\_\_, 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 Seller 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  
First American Title Insurance Company  
422 W. Kortsen Rd. Suite 101  
Casa Grande, Arizona 85122

## **EXHIBIT A**

Legal Description of the Property

**To be provided by Title Company**

**EXHIBIT B**  
**Notice of Reversion Option**

RECORDING REQUESTED BY  
AND WHEN RECORDED RETURN TO:

---

**NOTICE OF REVERSION OPTION**

THIS NOTICE OF REVERSION OPTION (“Notice”) gives notice that as of this \_\_\_\_\_ day of \_\_\_\_\_, 202\_\_, the City of Maricopa, an Arizona municipal corporation (“City”), has a reversion option on certain real property generally located on the southeast corner of W Bowlin Road and N John Wayne Parkway, Maricopa, Pinal County, State of Arizona, as more specifically described in Exhibit “A” attached hereto (“Property”).

1. On \_\_\_\_\_, 2025, the City and BR RED Copper Sky 1, LLC, an Arizona limited liability company (“Buyer”) entered into a Purchase and Sale Agreement and Escrow Instructions containing a Reversion Option for the Property (“Agreement”).
2. The Property was transferred to Buyer pursuant to a Special Warranty Deed recorded on \_\_\_\_\_, 202\_\_ at Fee No. 202\_\_ - \_\_\_\_\_ in the Official Records of the Pinal County Recorder.
3. Pursuant to the Agreement, City and Buyer agreed that if Buyer fails to timely commence vertical construction of either (i) the MOB within 18 months of PAD approval; or (ii) the Hospital within 36 months of PAD approval on the Property, as set forth in Section 14 of the Agreement, the City shall have the option of providing Notice to Buyer that they intend to take back title to the Property and, failing a cure by the Buyer as detailed in the Agreement, the City shall refund to the Buyer the sum of the amount paid to the Seller by Buyer for the Property and (i) the documented sum spent by Buyer on all useable improvements or (ii) a mutually agreed upon appraised market value of the useable improvements. In the event the City exercises this option as set forth in the Agreement, Buyer agrees to immediately sign any and all documents necessary to provide City with clear and unencumbered title to the Property upon the receipt of any funds required from the City pursuant to the reversion option.
4. The appraisal process contemplated by Section 3 of this Notice shall be as follows: upon notice to Buyer of Seller’s decision to exercise this Reversion Option, Buyer and Seller shall, within ten (10) business days, each submit an appraiser that is qualified to issue an appraisal of any usable improvements made by Buyer on the Property. Each appraiser shall conduct an improvements appraisal as required in this Notice and in

the Agreement. The appraised market value shall be the average of the two appraisals.

5. The terms, covenants and provisions of the Agreement, the terms of which are hereby incorporated by reference into this Notice, will run with the Property while in effect and shall extend

to and be binding upon the respective heirs, devisees, personal and legal representatives, successor and assigns of City and Buyer.

IN WITNESS WHEREOF, City has executed this Notice of Reversion Option as of the day and year first above written.

CITY OF MARICOPA,  
an Arizona municipal corporation

By: \_\_\_\_\_  
Benjamin Bitter, City Manager

STATE OF ARIZONA     )  
  ) ss.  
COUNTY OF PINAL     )

The foregoing was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 202\_\_\_\_, by Benjamin Bitter, the City Manager of the City of Maricopa, an Arizona municipal corporation, who acknowledged that he signed the foregoing instrument on behalf of the City.

\_\_\_\_\_  
Notary Public

My Commission Expires:  
\_\_\_\_\_

**EXHIBIT C**  
**Notice of Right of First Offer**

RECORDING REQUESTED BY  
AND WHEN RECORDED RETURN TO:

---

**NOTICE OF RIGHT OF FIRST OFFER**

THIS NOTICE OF RIGHT OF FIRST OFFER (“Notice”) gives notice that as of this \_\_\_\_\_ day of \_\_\_\_\_, 202\_\_, the City of Maricopa, an Arizona municipal corporation (“City”), has a right of first offer on certain real property generally located on the southeast corner of W Bowlin Road and N John Wayne Parkway, Maricopa, Pinal County, State of Arizona, as more specifically described in Exhibit “A” attached hereto (“Property”).

1. On \_\_\_\_\_, 2025, the City and BR RED Copper Sky 1, LLC, an Arizona limited liability company (“Buyer”) entered into a Purchase and Sale Agreement and Escrow Instructions containing a Reversion Option for the Property (“Agreement”).
2. The Property was transferred to Buyer pursuant to a Special Warranty Deed recorded on \_\_\_\_\_, 202\_\_ at Fee No. 202\_\_ - \_\_\_\_\_ in the Official Records of the Pinal County Recorder.
3. Pursuant to the Agreement, City and Buyer agreed that if Buyer elects to sell, transfer or otherwise convey some of or all of the Property prior to receiving a Certificate of Occupancy from the City, the City is entitled to a right of first offer to purchase some or all of the Property on the terms and conditions provided by Buyer in the Purchase ROFO Notice.
4. The terms, covenants and provisions of the Agreement, the terms of which are hereby incorporated by reference into this Notice, will run with the Property while in effect and shall extend to and be binding upon the respective heirs, devisees, personal and legal representatives, successor and assigns of City and Buyer.

*[Signature on Next Page]*

IN WITNESS WHEREOF, City has executed this Notice of Right of First offer as of the day and year first above written.

CITY OF MARICOPA,  
an Arizona municipal corporation

By: \_\_\_\_\_  
Benjamin Bitter, City Manager

STATE OF ARIZONA     )  
  ) ss.  
COUNTY OF PINAL     )

The foregoing was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 202\_\_\_\_, by Benjamin Bitter, the City Manager of the City of Maricopa, an Arizona municipal corporation, who acknowledged that he signed the foregoing instrument on behalf of the City.

\_\_\_\_\_  
Notary Public

My Commission Expires:  
\_\_\_\_\_

**EXHIBIT A**  
**Property**