

PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS

This Purchase and Sale Agreement and Escrow Instructions (“Agreement”) is entered into effective as of this ___ day of _____, 2023, by and between The Kelly Family Revocable Trust dated May 24, 2005 (“Seller”) and the City of Maricopa, an Arizona municipal corporation (“Buyer”), on the following terms and conditions:

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 0.1651 acres of the real property located in the City of Maricopa, Pinal County, Arizona, a portion of Assessor Parcel No. 510-300040, 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 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 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; Other Improvements; Earnest Money.

3.01 Purchase Price. The purchase price (“Purchase Price”) to be paid by Buyer for the Property shall be the construction of certain improvements to Porter Road which are more specifically described and depicted on Exhibit B, which Buyer hereby agrees to construct within 24 months after the Closing.

Notwithstanding anything to the contrary set forth in this Agreement, Buyer shall exert all efforts to perform their respective responsibilities under this Agreement. However, Seller shall not hold the Buyer responsible for inability to render timely performance if such inability is a direct result of a force beyond its control, including but not limited to the following: strikes, lockouts, embargoes, failure of carriers, inability to obtain transportation facilities, acts of God or the public enemy, or other events beyond the control of the Buyer or the Buyer’s employees and agents.

3.02 Other Improvements. In addition to the improvements described on Exhibit B, the Buyer will install or cause to be installed water stubs and a sewer stub as depicted on Exhibit C.

3.03 Earnest Money. Seller and Buyer hereby acknowledge and agree that because the Purchase Price is the construction of certain improvements, Buyer is not obligated to deposit any earnest money with the Title Company.

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. 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 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 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) 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 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) days thereafter. If, within such 15-day period, the Seller is unsuccessful or responds that it is unwilling to cure Buyer's objection(s), Buyer shall have five (5) 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, 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 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 such amount as Buyer may reasonably request 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 Buyer 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. Buyer and Seller hereby acknowledge and agree that the Property was previously surveyed by EPS Group and such survey, dated July 8, 2021, shall establish the legal description of the Property.

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, 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: an ALTA survey including existing 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, Seller's corporate information 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, that 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, by delivering written notice of such termination to the Seller and Title Company on or before the thirtieth (30th) 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 the "Feasibility Period". If Buyer elects to terminate this Agreement pursuant to this Section 6.02(b), 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), (b) City shall determine if a lot split or lot line adjustment is necessary and shall have taken at its sole cost and expense, all action necessary to cause such lot split or lot line adjustment to be approved, if necessary, and (c) 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 and Seller, in writing, within the Feasibility Period, this Agreement shall immediately terminate. 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, 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.

(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, except for the rights Seller granted to Cowley Companies, Inc. in that certain Option Agreement for Purchase and Sale of Real Property and Escrow Instructions dated as of May 29, 2020, a Memorandum of which was recorded June 12, 2020 in the Official Records of Pinal County Recorder, at Fee No. 2020-056025, and the Purchase and Sale Agreement and Escrow Instructions dated as of November 9, 2021 that Cowley Companies, Inc. entered into with K. Hovnanian Great Western Homes, LLC (copies of which are included with the Property Information), and except as reflected in the Title Documents, there are no agreements, 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 Inspection 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. 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. If prior to Closing, 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. In the event of a default by Buyer after the Closing, including without limitation failure to construct the Porter Road improvements within 2 years after the Closing, then Seller shall be entitled to (a) enter upon the Property to complete the improvements at its sole cost and expense, or (b) enter into negotiations with the City to convey the Property back to Seller with all improvements contained thereon by the Buyer. 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; provided, however, if specific performance is unavailable because of the affirmative or intentional acts or omissions of the Seller, Buyer may bring suit for actual 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) 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) Execute and deliver an affidavit of property value as required by law;

(ii) 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) 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 by the Buyer. The Buyer shall pay the premium chargeable for a Standard's Owners Policy of Title Insurance and if Buyer desires to have ALTA Extended Coverage policy, then Buyer shall pay the incremental portion of the premium applicable to the extended coverage. The Buyer 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, 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. 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 the Seller: Kelly Family Revocable Trust
Attn: Owen J. Kelly and Shirley M. Kelly
PO Box 213 Maricopa, AZ 85139
Email: okcattle2@gmail.com

To Buyer: City of Maricopa
Attn: Rick Horst, City Manager
39700 West Civic Center Plaza
Maricopa, Arizona 85138
Email: 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

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

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.

14.02 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.

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 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) days, then within five (5) 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.

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 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.

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 Assignment. Buyer shall not have the right to assign its rights under this Agreement without the consent of Seller in its 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.

BUYER:

CITY OF MARICOPA, a municipal corporation

By: _____
Its: Ricky Horst, City Manager

Attest:

By: _____
Vanessa Bueras, MMC
City Clerk

Approved as to form:

By: _____
Denis M. Fitzgibbons
City Attorney

SELLER:

The Kelly Family Revocable Trust dated May 24, 2005

By: Owen J. Kelly
Owen J. Kelly, Trustee

By: Shirley M. Kelly
Shirley M. Kelly, Trustee

ACKNOWLEDGEMENT AND AGREEMENT BY TITLE COMPANY

The Title Company hereby acknowledges receipt of a fully executed copy of this Agreement on this ___ day of _____. 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 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

LEGAL DESCRIPTION

PARCEL 1:

That portion of the Southwest Quarter lying Southwesterly of the Centerline of the Casa Grande Maricopa Highway of Section 36, Township 4 South, Range 3 East, Gila and Salt River Meridian, Pinal County, Arizona, more particularly described as follows:

Beginning Southwest Comer of said Section 36;

Thence N 01° 12' 36" E, along the said West line, a distance of 2354.56 feet to the Centerline of said Casa Grande-Maricopa Highway;

Thence S54° 36' 36"E, along said Centerline, a distance of 3165.08 feet;

Thence S00°54'04"E, a distance of 549.33 feet to the South Quarter Comer of said Section 36;

Thence N89°23'12"W, along the said South line of Section 36, a distance of 2638.78 feet to the point of beginning.

PARCEL 2:

(Area "A")

Being a portion of the Southeast quarter of Section 35, Township 4 South, Range 3 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona and also being a portion of the Map of Dedication of Santa Rosa Springs in Cabinet E, Slide 085 on file in the Pinal County Recorder's Office and being described as follows:

Commencing at the Southeast comer of the Southeast quarter, of said Section 35;

Thence North 00 degrees 36 minutes 42 seconds East, along the East line of said Southeast quarter, 1327.47 feet to the Point of Beginning;

Thence departing said East line North 19 degrees 18 minutes 09 seconds West, 262.11 feet to the beginning of a curve concave Easterly and having a radius of 675.00 feet;

Thence Northerly along the arc of said curve, 534.98 feet through a central angle of 45 degrees 24 minutes 38 seconds;

Thence North 26 degrees 06 minutes 29 seconds East, 17.16 feet to a Northerly line of said Plat;

Thence South 53 degrees 53 minutes 31 seconds East along said Northerly line of said Plat, 69.41 feet to the East line of said Southeast quarter;

Thence South 00 degrees 36 minutes 42 seconds West, along the East line of said Southeast quarter, 742.08 feet to the Point of Beginning;

Except that portion thereof lying within the Streets Dedicated on Map of Dedication recorded in Cabinet E, Slide 085, records of Pinal County, Arizona; and also

Except that portion thereof lying within the following described parcel:

Commencing at the Southeast corner of said Section 35;

Thence North 01 degrees 12 minutes 36 seconds East, a distance of 77.50 feet to the True Point of Beginning;

Thence South 89 degrees 44 minutes 11 seconds West, a distance of 660.00 feet;

Thence North 01 degrees 12 minutes 36 seconds East, a distance of 1320.00 feet;

Thence North 89 degrees 44 minutes 11 seconds East, a distance of 660.00 feet;

Thence South 01 degrees 12 minutes 36 seconds West, a distance of 1320.00 feet to the True Point of Beginning; and also

Except half of all oil, gas and other minerals as reserved in instrument recorded in Book 85 of Deeds, page 228.

EXHIBIT B

Improvements to Porter Road

Within new Right of Way: Grading for side slopes, new entry street opposite of Iron Point Dr.
Adjacent Improvements: New pavement, curb & gutter, sidewalk, street lights, fire hydrants

EXHIBIT C

Other Improvements (Water and Sewer Stubs)

CONSTRUCTION NOTES

1. Fire Hydrant per Global Water Std. D1 350-1
2. 15" x 6" Trough Sluice per Global Water Std. D1 340
3. 8" Cast 350 Ductile Iron Water Pipe (Polypropyl) Restrain per MAG Std. D1 303-1 and 303-2
4. 8" Gate Valve and Box per MAG Std. D1 391-1 Type 'X' Manholes to Project in Place
5. Existing 18" Ductile Iron Water Pipe (Global Water Man) to Project in Place
6. Thrust Block per MAG Std. D1 350
7. 15" x 12" Trough Sluice per Global Water Std. D1 340
8. 12" Cast 350 Ductile Iron Water Pipe (Polypropyl) Restrain per MAG Std. D1 303-1 and 303-2
9. 48" Manhole per MAG Std. D1 303-1 and 303-2
10. 12" Manhole with Manhole Box and Manhole Location
11. 12" Gate Valve and Box per MAG Std. D1 391-1 Type 'X'

WATER NOTES

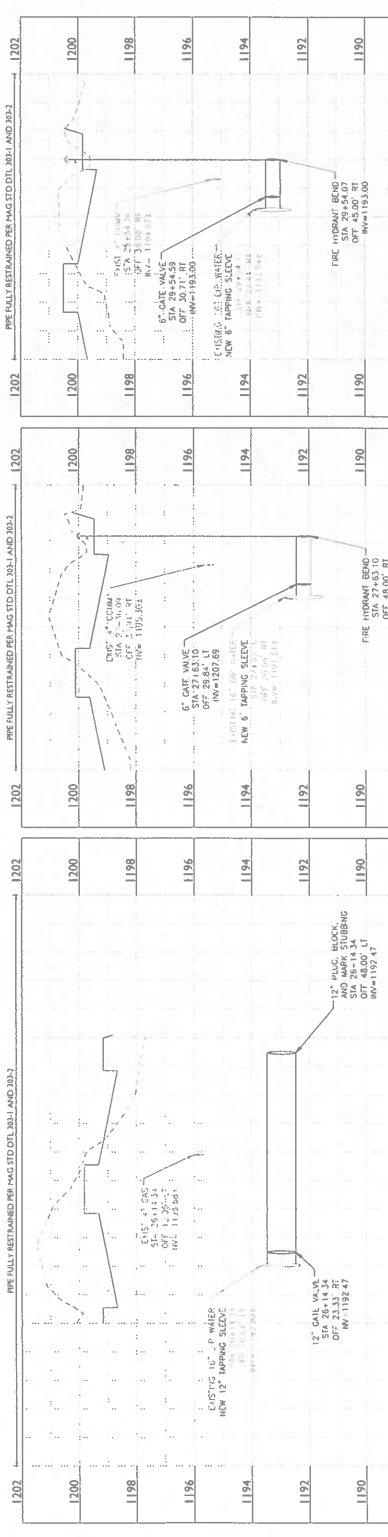
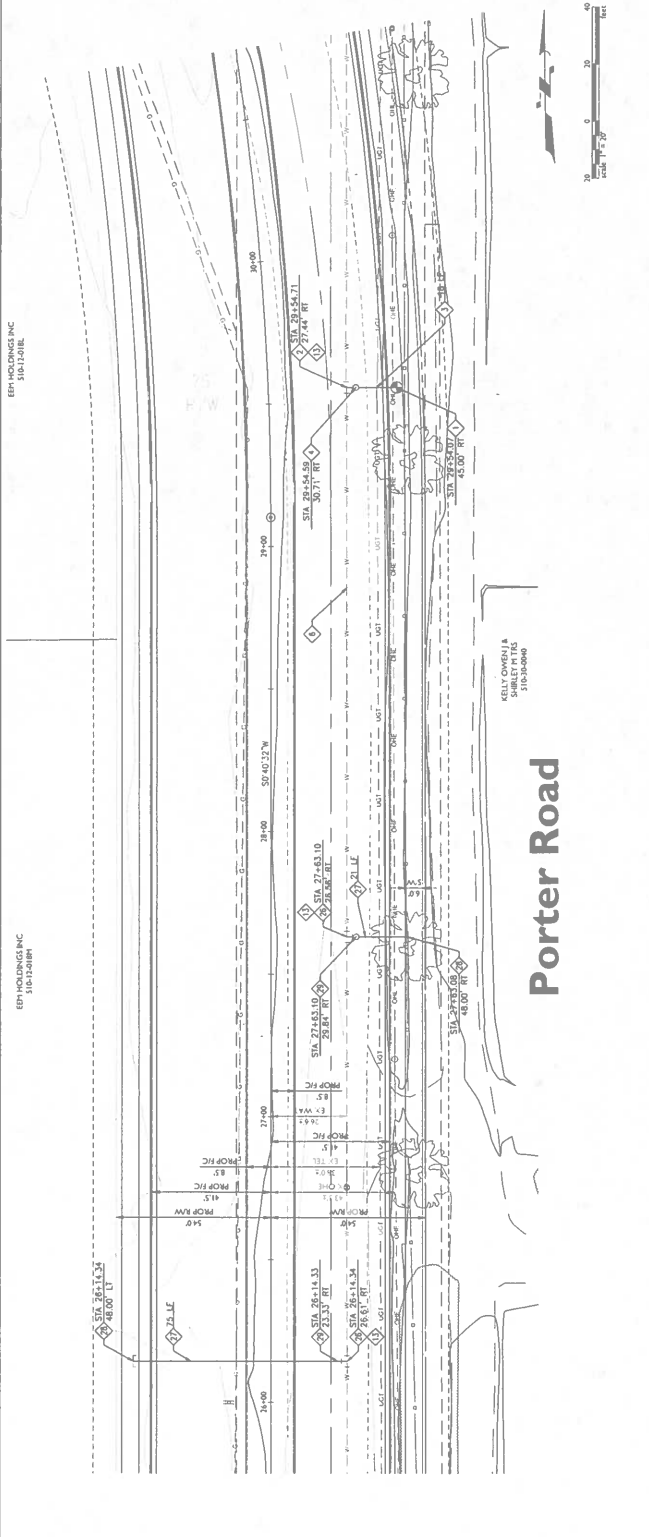
1. Fire Hydrant per Global Water Std. D1 350-1
2. 15" x 6" Trough Sluice per Global Water Std. D1 340
3. 8" Cast 350 Ductile Iron Water Pipe (Polypropyl) Restrain per MAG Std. D1 303-1 and 303-2
4. 8" Gate Valve and Box per MAG Std. D1 391-1 Type 'X' Manholes to Project in Place
5. Existing 18" Ductile Iron Water Pipe (Global Water Man) to Project in Place
6. Thrust Block per MAG Std. D1 350
7. 15" x 12" Trough Sluice per Global Water Std. D1 340
8. 12" Cast 350 Ductile Iron Water Pipe (Polypropyl) Restrain per MAG Std. D1 303-1 and 303-2
9. 48" Manhole per MAG Std. D1 303-1 and 303-2
10. 12" Manhole with Manhole Box and Manhole Location
11. 12" Gate Valve and Box per MAG Std. D1 391-1 Type 'X'

1130 N. Alma School Road
Suite 120
Phoenix, AZ 85001
Phone: 602.595.9252
www.epsgroupinc.com

| REV | NO | COMMENT | DATE |
|-----|----|---------|------|
| | | | |
| | | | |
| | | | |

CITY OF MARICOPA
EAST-WEST CORRIDOR
SR 347 TO PORTER ROAD
UTILITY PLAN SHEET

| | | | | | |
|-------------|-----------|------|----------|------------|-------------|
| PROJECT NO. | SHEET NO. | DATE | DRAWN BY | CHECKED BY | APPROVED BY |
| | | | | | |



SCALE: 1"=20' (HOR)
1"=4' (VER)

SCALE: 1"=20' (HOR)
1"=4' (VER)

SCALE: 1"=20' (HOR)
1"=4' (VER)

Waterline Lateral Profile

Know what's below.
811 Before you dig.

- WATER NOTES**
- 15" x 6" Topping Sleeve per Cabot Water Std DIJ J40
 - 6" Class 350 Ductile Iron Water Pipe (Polywrapped) (Restrain) 20 LF per MAG Std DIJ 303-1 and 303-2
 - 6" Gate Valve and Box per MAG Std DIJ 391-1 Type "A"
 - Remove Existing Water Line
 - Remove Existing Fire Hydrant
 - 6" x 90-Degree Bend Fitting
 - Thrust Block per MAG Std DIJ 390
 - Fire Hydrant per Cabot Water Std DIJ 390-2
 - Remove 6" Gate Valve and 3/4" 6" Ductile Iron Mechanical Joint at Existing Tie
 - 15" x 12" Topping Sleeve per Cabot Water Std DIJ J40
 - At Joints per MAG Std DIJ 303-1 and 303-2
 - 12" Class 350 Ductile Iron Water Pipe (Polywrapped) Restrain
 - 12" Gate Valve and Box per MAG Std DIJ 391-1 Type "A"
- SEWER NOTES**
- Existing Sewer Manhole to Protect in Place
 - 10" PVC (SDR-35) Sanitary Sewer Line
 - Pipe Plug per Cabot Water Detail 450

CONSTRUCTION NOTES

- 15" x 6" Topping Sleeve per Cabot Water Std DIJ J40
- 6" Class 350 Ductile Iron Water Pipe (Polywrapped) (Restrain) 20 LF per MAG Std DIJ 303-1 and 303-2
- 6" Gate Valve and Box per MAG Std DIJ 391-1 Type "A"
- Remove Existing Water Line
- Remove Existing Fire Hydrant
- 6" x 90-Degree Bend Fitting
- Thrust Block per MAG Std DIJ 390
- Fire Hydrant per Cabot Water Std DIJ 390-2
- Remove 6" Gate Valve and 3/4" 6" Ductile Iron Mechanical Joint at Existing Tie
- 15" x 12" Topping Sleeve per Cabot Water Std DIJ J40
- At Joints per MAG Std DIJ 303-1 and 303-2
- 12" Class 350 Ductile Iron Water Pipe (Polywrapped) Restrain
- 12" Gate Valve and Box per MAG Std DIJ 391-1 Type "A"

SEWER NOTES

- Existing Sewer Manhole to Protect in Place
- 10" PVC (SDR-35) Sanitary Sewer Line
- Pipe Plug per Cabot Water Detail 450

EPS GROUP
 1130 N Alma School Road
 Suite 120
 Mesa, AZ 85201
 (480) 963-2266
 www.epsgroupinc.com

CITY OF MARICOPA
EAST-WEST CORRIDOR
SR 347 TO PORTER ROAD
UTILITY PLAN SHEET

REV NO | COMMENT | DATE

811
 Know what's below. Dig before you dig.

PROJECT NO: 17104 | SHEET NO: 0111

