

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this "**Agreement**") is made and entered into as of the Effective Date (as defined below) by and between the CITY OF GLENDALE, an Arizona municipal corporation ("**Seller**"), and WEST VALLEY RE INVESTMENTS, LLC, an Arizona limited liability company ("**Purchaser**").

WHEREAS, Seller has the right to sell, lease, exchange or otherwise dispose of its property for the best interests of the Seller. The Seller shall determine the best interests of the city and such determination shall be final. The Seller has determined that the sale of the Property will be in the best interests of the Seller (Glendale City Charter, Article 1, Section 3; Glendale City Code, Section 2-166).

WHEREAS, the notice for sale of this property has been made in a newspaper of general circulation in the City of Glendale for two (2) consecutive weeks and posted at the Glendale City Hall, 5850 W. Glendale Avenue, Glendale, Arizona 85301 for twelve (12) consecutive days (Glendale City Code, Section 2-167).

WHEREAS, Seller desires to sell and Purchaser desires to purchase, upon the terms and conditions hereinafter set forth, that certain unimproved real property in the City of Glendale ("**City**"), State of Arizona, which is more particularly described in Exhibit A attached hereto, together with all improvements, rights, easements, and appurtenances pertaining thereto and all fixtures and other property located thereon, including but not limited to water rights, air rights, development rights, rights to minerals, oil, gas, and other hydrocarbon substances in, under, or that may be produced from the real property and not previously reserved (to the extent the same is held by Seller), rights to strips and gores, streets, alleys, rights-of-way, public ways, or other rights appurtenant, adjacent, or connected to the real property, (collectively, the "**Property**").

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties hereto, the parties hereto agree as follows:

1. **Purchase Price.** Subject to the terms and provisions of this Agreement, Seller shall sell and transfer the Property to Purchaser, and Purchaser shall purchase the Property from Seller and pay to Seller, by federal wire transfer or other immediately available funds, the sum of Two Million Four Hundred Thousand Dollars (\$2,400,000.00) (hereinafter referred to as the "**Purchase Price**").

2. **Earnest Money.**

(a) **Earnest Money.** Within three (3) business days after the Effective Date, Purchaser agrees to deposit in escrow ("**Escrow**") with Landmark Title Assurance Agency ("**Title Company**"), 2525 E. Camelback Road, Suite 136, Phoenix, Arizona 85016, Attention: Vicki Etherton ("**Escrow Agent**"), by federal wire transfer or other immediately available funds, an earnest money deposit in the amount of One Hundred Thousand Dollars (\$100,000.00) (the "**Earnest Money**"). Upon the expiration of the Inspection Period, the Earnest Money shall become nonrefundable, except: (i) in the event of a default by Seller; (ii) pursuant to the provisions of

Sections 7(a)(i), 7(b) and 12 below; or (iii) pursuant to any other provision of this Agreement providing for the return of Earnest Money to Purchaser.

(b) Investment; Interest. Escrow Agent shall invest the Earnest Money in a federally-insured interest bearing account. Upon expiration of the Inspection Period, and except to the extent otherwise set forth herein, all Earnest Money shall be non-refundable and shall be applied for Purchaser's benefit against the Purchase Price at Closing (as defined in Section 5 below). All interest which has accrued on the Earnest Money shall, under all circumstances, belong to the party which is ultimately entitled to receive the Earnest Money. Seller and Purchaser each agree to execute and deliver all documents which are reasonably requested by Escrow Agent to effectuate the escrow of the Earnest Money, provided and so long as such documents are consistent with the terms of this Agreement.

3. Closing Costs.

(a) Seller Closing Costs. On or before Closing, Seller shall pay: (i) Seller's attorneys' fees; and (ii) any water, electricity, or other utility charges for services furnished to the Property prior to Closing.

(b) Purchaser Closing Costs. On or before Closing, Purchaser shall pay: (i) Purchaser's attorneys' fees; (ii) all transfer taxes, recording taxes, documentary stamp taxes and similar taxes; (iii) all title insurance fees and premiums for the issuance of standard and extended owner's title insurance policies, including any endorsements thereto and any premiums for insurance in excess of the Purchase Price; (iv) all recording fees on recordable documents incident to the conveyance of the Property to Purchaser; and (v) all escrow charges.

(c) Other Costs. Any closing costs not otherwise provided for herein shall be paid by Purchaser.

4. Prorations; Escrow Agent.

(a) Prorations.

(i) Taxes and Assessments. All real property ad valorem taxes, special taxes, and assessments arising following the acquisition of the Property by Seller shall be paid by Purchaser as of the Closing Date (as defined in Section 5 below).

(b) Actions By Escrow Agent. Upon the Closing, Escrow Agent shall promptly undertake all of the following in the manner indicated:

(i) Prorations. Prorate all matters referenced in this Section 4 above based upon the settlement statement delivered into Escrow signed by the parties.

(ii) Recording. Cause the Deed (as defined below) and any other documents that the parties hereto may mutually direct, to be recorded in the official records of the County.

(iii) Disbursements. Disburse from funds deposited by Purchaser with Escrow Agent towards payment of the Purchase Price and all other items chargeable to the account of Purchaser pursuant to this Agreement in payment of such obligations.

(iv) Title Policy. Direct the Title Company to issue to Purchaser an original ALTA Standard Owner's Policy of Title Insurance or, if requested by Purchaser, an original ALTA Extended Coverage Owner's Policy of Title Insurance ("**Title Policy**") in the amount of the Purchase Price showing title to the Property vested in Purchaser.

5. **Closing.** The consummation of the purchase and sale of the Property (the "**Closing**" or the "**Close of Escrow**") shall be defined as the date that the special warranty deed ("**Deed**"), in the form attached hereto as **Exhibit B**, conveying the Property to Purchaser is recorded. This Escrow shall close on or before the date ("**Closing Date**") which is the earlier to occur of: (a) fifteen (15) calendar days following the expiration of the Development Approval Period (as defined in Section 7(b)(ii) below) or (b) Seller agrees to deliver possession of the Property to Purchaser at Closing.

6. **Inspections Prior to Closing.**

(a) "**AS IS.**" Purchaser acknowledges and agrees that, except as expressly provided in this Agreement, Seller has made no representations or warranties and has no continuing responsibility or liability regarding the Property, including, without limitation, its condition, its "Environmental Condition" (as herein defined). Purchaser acknowledges and agrees it is purchasing the Property on an "as is" basis and "with all faults" basis. Purchaser is not relying in any way upon any representations, statements, agreements, warranties, studies, plans, reports, descriptions, guidelines or other information or material furnished by Seller or its representatives, whether oral or written, express or implied, of any nature whatsoever, except as expressly provided in this Agreement. Further, nothing in this Agreement requires Seller to conduct any reports or studies to assess the environmental condition of the Property.

For purposes of this Agreement, "**Environmental Condition**" shall mean any condition with respect to soil, surface water or groundwater at, from or below the Property or other conditions present at the Property. Such conditions need not be in violation of Environmental Laws (as herein defined) or require remedial action and/or could result in claims, demands, and/or liabilities to third parties, including but not limited to governmental entities.

Without limiting the generality of the foregoing, Purchaser hereby expressly waives and relinquishes any and all rights and remedies Purchaser may now or hereafter have against Seller, whether known or unknown, with respect to the Environmental Condition of the Property except as expressly provided in this Agreement.

As used herein, "**Environmental Laws**" shall include, without limitation, federal, state, local, and regional statutes, rules, regulations, and the common law relating to the environment, including, without limitation, the Arizona Environmental Quality Act, contained in Title 49 of the Arizona Revised Statutes, as amended; the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("**CERCLA**"); the Resource Conservation and Recovery Act of 1976, as amended, 42 U.S.C.

Section 6901, et seq. (“RCRA”); the Hazardous Materials Transportation Act, as amended, 49 U.S.C. Section 1801, et seq. (“HMTA”); the Clean Air Act, as amended, 42 U.S.C. Section 7401, et seq.; the Emergency Planning and Community Right-To-Know Act of 1986, as amended, 42 U.S.C. Section 11001 et seq. (“EPCRA”); the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, 7 U.S.C. Section 136, et seq.; the Clean Water Act, as amended, 33 U.S.C. Section 1251, et seq.; the National Environmental Policy Act, as amended, 42 U.S.C. Section 4321, et seq.; the Occupational Safety and Health Act, as amended, 29 U.S.C. Section 651 et seq.; the Endangered Species Act, as amended, 16 U.S.C. Section 1531, et seq.; the Rivers and Harbors Act of 1899, as amended, 33 U.S.C. Section 401 et seq.; the Oil Pollution Act of 1990, as amended; the Pollution Prevention Act of 1990, as amended; the Safe Drinking Water Act, as amended, 42 U.S.C. Section 300[f] et seq.; the Toxic Substances Control Act, as amended, 7 U.S.C. Section 136 et seq. (“TSCA”); any regulations promulgated under or pursuant to any of the foregoing; and all other federal, state, and local laws, ordinances, statutes, codes, rules, regulations, orders, and decrees now in effect relating to the existence of Hazardous Materials (as herein defined) located at the Property. As used herein, the term “**Hazardous Material(s)**” includes, without limitation, any hazardous waste, solid waste or toxic materials, hazards, substances, pollutants, or contaminants located at or emanating from the Property, as defined in the applicable Environmental Laws described herein.

(b) Inspection and Limited Entry License. Subject to the terms and conditions hereof, Purchaser, its agents and representatives, and any other persons designated by Purchaser, shall at all times before the Closing (at reasonable times during ordinary business hours) have the privilege, opportunity, and right of entering upon the Property to conduct such examinations, tests, studies, and investigations of the Property, including, but not limited to, the physical and environmental conditions thereof, as Purchaser deems necessary or desirable to satisfy itself as to the condition of the Property. Any such access on the Property shall be coordinated with Seller as to mutually acceptable times. Purchaser shall indemnify, defend, and hold harmless Seller, the Property and Seller’s agents, employees, officers, directors, shareholders, partners, members, affiliates, successors, assigns, and representatives for, from, and against any and all liabilities, losses, claims, demands, damages, including reasonable attorneys’ fees, experts fees, consultants fees, courts costs, and any other expenses which result from or arise out of or is any way connected with Purchaser’s inspection of the Property or in connection with Purchaser’s failure to restore the Property, which indemnification shall survive the Close of Escrow or any early termination of this Agreement; provided, however, that Purchaser’s obligation above to indemnify, defend, and hold harmless shall not extend to any claims or liabilities arising out of the discovery or disturbance of any pre-existing conditions on the Property. Purchaser agrees to return Property to the same or materially similar condition at the conclusion of its inspections.

(c) Seller Information. Promptly following the Effective Date, Seller shall furnish to Purchaser copies of all existing soils reports; engineering reports; environmental reports and related environmental studies, and other reports and studies, surveys, plats, plans, specifications, filings, permits, and/or certificates of non-compliance in Seller’s possession or control pertaining to the Property or the development thereof (all such reports, information, and other data and materials collectively referred to as the “**Seller Information**”). While Seller is not required to undertake any action or to commission any such reports, studies, etc., Seller agrees that any such Seller Information not in Seller’s possession or control concurrently with the execution

hereof but which come into Seller's possession or control prior to Close of Escrow shall be delivered to Purchaser. Seller shall cooperate with Purchaser if Purchaser desires to have any Seller Information updated and/or certified to Purchaser, so long as Seller does not incur any out-of-pocket cost to third parties in so doing. Purchaser acknowledges that Seller does not make any representation or warranty of any nature whatsoever regarding the truth, accuracy, validity, completeness, usefulness, suitability or any other aspect of the Seller Information, whether prior to or after the Effective Date, and Seller expressly disclaims any such representation and warranty. In the event this Agreement is terminated prior to Closing, Purchaser shall return all Seller Information promptly to Seller.

(g) Survival. The provisions of this Section 6 shall survive Closing or any earlier termination of this Agreement, regardless of the reason for such termination.

7. Conditions Precedent.

(a) Inspection Period. It is agreed that Purchaser's obligations hereunder are conditioned upon Purchaser being satisfied, at Purchaser's sole cost and expense, within the period commencing on the Effective Date and expiring at 5:00 p.m. (Arizona time) ninety (90) calendar days thereafter (the "**Inspection Period**"), with the condition of the Property, as more fully set forth below:

(i) Title. Within seven (7) business days following the Effective Date, Purchaser shall cause Title Company to provide to Purchaser and Seller a title commitment for the Property (the "**Title Commitment**"). Purchaser shall deliver an ALTA survey of the Property, from a surveyor reasonably selected by Purchaser, based on the Title Commitment within ten (10) business days of receipt of the Title Commitment (the "**Survey**"). Purchaser shall have fifteen (15) days after receipt of the Survey and the Title Commitment and copies of all instruments and documents referred to in the Title Commitment, or ten (10) days after the receipt of any amendment thereto and copies of all instruments and documents referred to therein (but not to exceed the Closing Date), to give written notice to Seller (the "**Title Objection Notice**") of any objectionable matter or defect which Purchaser determines in its reasonable discretion (the "**Title & Survey Objections**"). Seller shall reasonably cooperate with Purchaser to cure such Title & Survey Objections by the Closing Date. If such Title & Survey Objections are not cured by the Closing Date, then Purchaser shall have the option either to: (i) waive its objections hereunder and take title to the Property pursuant to the remaining terms of this Agreement; or (ii) terminate this Agreement by giving written notice to Seller on or before the Closing Date. If this Agreement is terminated pursuant to this Section 7(a)(i), the Earnest Money shall be refunded by Escrow Agent to Purchaser, and this Agreement shall be null and void and of no further force or effect with Purchaser and Seller having no further rights, obligations or liabilities hereunder except as otherwise set forth herein. Seller makes no representations or warranties whatsoever concerning title, except as specifically provided in this Agreement. The provisions of this Section 7(a)(i) shall survive Closing.

(ii) Studies. Purchaser shall conduct due diligence studies, including such physical inspections and other tests, examinations, studies, and appraisals of the Property, as Purchaser deems necessary to satisfy its condition and suitability for Purchaser's intended use thereof.

(iii) Approval During Inspection Period. Should Purchaser not be satisfied with the condition of the Property, in Purchaser's sole and absolute discretion, Purchaser shall deliver written disapproval notice to Seller and Escrow Agent on or before the expiration of the Inspection Period, and this Agreement shall be deemed terminated. In the event of such disapproval and termination, the Earnest Money shall be refunded by Escrow Agent to Purchaser and this Agreement shall be null and void and of no further force or effect. Purchaser and Seller thereafter have no further rights, obligations or liabilities hereunder except as otherwise set forth herein. If Purchaser fails to deliver the written disapproval notice to Seller and Escrow Agent on or before the expiration of the Inspection Period, Purchaser shall be deemed to be satisfied with the Property and the Earnest Money shall be non-refundable to Purchaser, except in the event of a default hereunder by Seller, or upon the failure of Purchaser to obtain the Development Approval, or pursuant to any other provision of this Agreement providing for the return of Earnest Money to Purchaser.

(b) Development Approval.

(i) Purchaser shall seek to obtain final approval (i.e., all applicable approvals and entitlements have been given and all appeal and referendum periods have run): (A) from the City of Glendale of a special use permit and any other approvals necessary for a franchised automotive dealership to be constructed and operated on the Property pursuant to criteria determined by Purchaser in its sole and absolute discretion, and in conformity to existing franchisor requirements currently in effect; and (B) of Purchaser's final site plan, utilities availability at the Property, and access to the Property necessary for Purchaser's development of the Property, from the City of Glendale and any other municipality or quasi municipality with jurisdiction over the approval of such matters (collectively, the "**Development Approval**"). Purchaser and Seller shall cooperate in the pursuit of the Development Approval. Purchaser shall be responsible, at its sole cost and expense, for obtaining the Development Approval.

(ii) Upon written notice to Seller, Purchaser shall have the right to pursue the Development Approval for two (2) additional periods of thirty (30) calendar days each, commencing at the expiration of the Inspection Period (the "**Development Approval Extension Period**") in the event that, despite Purchaser's diligent, good faith efforts, the Development Approval has not been obtained by Purchaser.

(iii) If Purchaser is unable to obtain the Development Approval within the Development Approval Period, as extended, Purchaser may terminate the Agreement, in which event Purchaser shall receive the Earnest Money. Purchaser's ability herein to terminate the Agreement following the Inspection Period shall be limited solely to Purchaser's reasonable inability to obtain the Development Approval, all other termination

rights being waived following the expiration of the Inspection Period and therefore not usable as a reason or right for terminating this Agreement, except as otherwise provided in this Agreement.

(iv) In the event that Purchaser obtains the Development Approval prior to the expiration of the Development Approval Period, as extended, the Earnest Money shall be nonrefundable, provided Purchaser may continue to pursue its development activities throughout the remainder of the Development Approval Period, as extended.

8. **Maintenance of Property.** Seller shall take no action to change the condition of the Property from the Effective Date until Closing.

9. **Conditions to Closing.**

(a) **Seller's Conditions.** Notwithstanding anything to the contrary contained herein, for the benefit of Seller, the Closing shall be expressly conditioned upon the occurrence and/or satisfaction of each of the following conditions (or Seller's written waiver thereof, it being agreed that Seller may waive any, all or none of such conditions):

(i) **Purchaser's Obligations.** Purchaser shall have timely performed all of the obligations required by the terms of this Agreement to be performed by Purchaser; and

(ii) **Purchaser's Representations.** All covenants, representations, and warranties made by Purchaser to Seller in this Agreement shall be true and correct as of the Closing Date.

(b) **Purchaser's Conditions.** Notwithstanding anything to the contrary contained herein, for the benefit of Purchaser, the Closing shall be expressly conditioned upon the occurrence and/or satisfaction of each of the following conditions (or Purchaser's written waiver thereof, it being agreed that Purchaser may waive any, all or none of such conditions):

(i) **Seller's Obligations.** Seller shall have timely performed all of the obligations required by the terms of this Agreement to be performed by Seller; and

(ii) **Seller's Representations.** All covenants, representations, and warranties made by Seller to Purchaser in this Agreement shall be true and correct as of the Closing Date.

(iii) **Franchisor Approval.** Purchaser shall have received approval of the Property and facility design from the franchisor.

Upon a termination pursuant to the provisions of this Section 9, this Agreement shall be null and void and of no further force or effect, with Purchaser and Seller having no further rights, obligations or liabilities hereunder except as otherwise set forth herein.

10. **Conveyance of Title.** At Closing, Seller shall convey fee simple title to the Property to Purchaser pursuant to the Deed, subject only to the following: (i) all easements, restrictions and encroachments then of record; (ii) all real estate taxes, supplemental taxes and assessments not yet due and payable; and (iii) all Title & Survey Objections waived by Purchaser pursuant to Section 7(a)(i) above. Notwithstanding the foregoing, Seller covenants to convey the Property to Purchaser free and clear of: (i) all monetary liens and encumbrances; and (ii) all other contractual or governmental interests in the Property, if any, including without limitation, any obligation on the part of Seller to use the Property as a park and ride facility.

11. **Closing Documents.**

(a) **Deposits by Seller.** Seller shall deliver at the Closing the following documents (which shall be duly executed and acknowledged, where necessary, by Seller as appropriate):

- (i) the Deed;
- (ii) any reasonable and customary certificates and affidavits that may be required in the normal course by Title Company, in form and substance satisfactory to Seller, duly executed by Seller;
- (iii) such evidence as the Escrow Agent shall reasonably require as to the authority of the parties acting on behalf of Seller to enter into this Agreement and to discharge the obligations of Seller pursuant hereto;
- (iv) a closing statement which sets forth the distribution of the Purchase Price and other funds; and
- (v) an Affidavit of Property Value, if required, which may be executed on behalf of Seller by the Escrow Agent.

(b) **Deposits by Purchaser.** Purchaser shall deliver at the Closing the following documents (which shall be duly executed and acknowledged, where necessary, by Purchaser as appropriate) and the following funds:

- (i) such evidence as the Escrow Agent shall reasonably require as to the authority of the parties acting on behalf of Purchaser to enter into this Agreement and to discharge the obligations of Purchaser pursuant hereto;
- (ii) a closing statement which sets forth the distribution of the Purchase Price and other funds;
- (iii) an Affidavit of Property Value, which may be executed on behalf of Purchaser by the Escrow Agent;

(iv) the balance of the Purchase Price plus Escrow Agent's estimate of Purchaser's share of closing costs, prorations and charges payable pursuant to this Agreement; and

(v) any reasonable and customary certificates and affidavits that may be required in the normal course by Title Company, in form and substance satisfactory to Purchaser, duly executed by Purchaser.

12. **Condemnation.** In the event that at any time between the making of this Agreement and Closing, all or a material portion of the Property (as shall be determined by Purchaser in its reasonable discretion, taking into account the planned construction and development of the Property) is condemned or threatened to be condemned by any legally constituted authority for any public use or purpose, then Purchaser may elect to either: (a) terminate this Agreement upon the earlier of (i) thirty (30) days after receipt of the notice of condemnation, or (ii) the Closing Date, in which event the Earnest Money paid by Purchaser shall be immediately refunded by Escrow Agent to Purchaser, and neither Purchaser nor Seller shall have any further liabilities, obligations or rights hereunder except as otherwise set forth herein, or (b) have the terms of this Agreement remain in full force and effect and binding on the parties hereto, and Purchaser shall accept an assignment from Seller at Close of Escrow of all amounts due from any governmental entity arising out of the taking thereof.

13. **Agreement Assignable by Purchaser.** Purchaser is granted the right to nominate and/or assign, as its successor in interest under this Agreement, any corporation, partnership, limited liability company or other entity (a) owned or controlled by Purchaser, or under common ownership or control with another entity owned or controlled by Purchaser. The words "nominee" and "assignee" are used interchangeably in this Agreement.

14. **Notices.** All notices, requests, demands, or other communications hereunder shall be in writing and shall be delivered by personal delivery, overnight delivery service, or United States registered or certified mail, return receipt requested, postage prepaid (all of the foregoing, a "**Delivery Service**"), addressed as follows:

To Seller: West Valley RE Investments, LLC
14747 N. Northsight Blvd., Suite 111-431
Scottsdale, Arizona 85260
Attention: Michael Pacheco
MPacheco@vtcompanies.com

with a copy to: West Valley RE Investments, LLC
14747 N. Northsight Blvd., Suite 111-431
Scottsdale, Arizona 85260
Attention: Stan Reed
SReed@vtcompanies.com

To Purchaser: The City of Glendale
5850 W. Glendale Avenue

Glendale, Arizona 85301
Attention: Kevin Phelps, City Manager
kphelps@glendaleaz.com

with a copy to: The City of Glendale
5850 W. Glendale Avenue,
Glendale, Arizona 85301
Attention: Michael Bailey
mbailey@glendaleaz.com

To Escrow Agent: Landmark Title Assurance Agency
2525 E. Camelback Road, Suite 136
Phoenix, Arizona 85016
Attention: Vicki Etherton
vicki.etherton@ltaz.com

or to such other address as any party may from time to time designate by notice in writing to the other parties. All notices given pursuant to this Agreement shall be deemed given three (3) business days following deposit with a Delivery Service.

15. **Amendment.** Neither this Agreement nor any provision hereof may be changed, amended, modified, waived, or discharged orally or by any course of dealing, but only by an instrument in writing signed by the party against which enforcement of the change, amendment, modification, waiver, or discharge is sought.

16. **Legal Fees.** In the event legal action is instituted by any of the parties to enforce the terms of this Agreement or arising out of the execution of this Agreement, the prevailing party will be entitled to receive from the other party its reasonable attorneys' fees and court costs actually incurred (without regard to statutory interpretation).

17. **Brokers.** Purchaser and Seller hereby represent each to the other that they have not discussed this Agreement or the subject matter hereof with, and have not engaged in any fashion or any connection with this transaction the services of, any real estate broker, agent, or salesman, so as to create any legal right in any such broker, agent, or salesman to claim a real estate commission or similar fee with respect to the conveyance of the Property or the other transactions contemplated by this Agreement. Seller and Purchaser hereby agree to indemnify and hold the other harmless from and against any and all claims (including, without limitation, court costs and reasonable attorneys' fees actually incurred in connection with any such claims) for any other real estate commissions or similar fees arising out of or in any way connected with any breach of the foregoing representation.

18. **Default.**

(a) **By Purchaser; Liquidated Damages.** If Purchaser commits a material default under this Agreement, then if such default is not cured within five (5) business days following written notice setting out the nature of such default, (provided if such default cannot be

reasonably cured within five (5) business days, then such cure period shall be extended for up to sixty (60) days so long as Seller diligently pursues such cure using commercially reasonable efforts), then Seller may instruct the Escrow Agent to cancel the Escrow, and Seller shall thereupon be released from its obligations hereunder. Purchaser and Seller agree that based upon the circumstances now existing, known and unknown, it would be impractical, or extremely difficult to establish Seller's damage by reason of Purchaser's default. Accordingly, Purchaser and Seller agree that in the event of default by Purchaser under this Agreement, it would be reasonable at such time to award Seller "liquidated damages" equal to the Earnest Money, and Seller may instruct the Escrow Agent to cancel the Escrow and immediately pay over to Seller the Earnest Money. The payment of said liquidated damages, therefore, shall constitute Seller's sole and exclusive remedy against Purchaser at law and in equity and shall be in lieu of the exercise by Seller of any other legal or equitable right or remedy that Seller may have against Purchaser as a result of Purchaser's default. Nothing in this paragraph shall limit Seller's independent right of recourse against Purchaser with respect to any indemnity made by Purchaser to Seller in accordance with the provisions of this Agreement which, by the operative terms hereof, survives termination.

(b) By Seller. If Seller commits a material default under this Agreement, then if such default is not cured within five (5) business days following written notice setting out the nature of such default (provided if such default cannot be reasonably cured within five (5) business days, then such cure period shall be extended for up to sixty (60) days so long as Seller diligently pursues such cure using commercially reasonable efforts), then Purchaser shall be entitled to the following exclusive remedies for such failure: (i) terminate this Agreement, in which event Escrow Agent shall return to Purchaser the Earnest Money; or (ii) pursue the remedy of specific performance of this Agreement. Nothing in this paragraph shall limit Purchaser's independent right of recourse against Seller with respect to any indemnity made by Seller to Purchaser in accordance with the provisions of this Agreement which, by the operative terms hereof, survives termination. Purchaser and Seller hereby acknowledge and agree that the Property is unique and that specific performance is an appropriate remedy.

19. Applicable Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Arizona.

20. Waiver. Failure of either Purchaser or Seller to exercise any right given hereunder or to insist upon strict compliance with regard to any term, condition or covenant specified herein, shall not constitute a waiver of Purchaser's or Seller's right to exercise such right or to demand strict compliance with any term, condition or covenant under this Agreement.

21. Counterparts. This Agreement may be executed in several counterparts, each of which may be deemed an original, and all of such counterparts together shall constitute one and the same Agreement. For purposes of negotiating and finalizing this Agreement, any signed document transmitted by e-mail with confirmation of receipt shall be treated in all manners and respects as an original document. The signature of any party transmitted as aforesaid shall be considered for all purposes as an original signature and any such document shall be considered to have the same binding legal effect as an original document executed, delivered, and exchanged between the parties. Seller and Purchaser hereby agree that neither shall raise the use of an e-mail transmission of signatures as a defense to this Agreement and each hereby waives such a defense.

22. **Captions; Construction.** All captions, headings, paragraph and subparagraph numbers and letters are solely for reference purposes and shall not be deemed to be supplementing, limiting, or otherwise varying the text of this Agreement. The parties hereto hereby acknowledge and agree that: (i) each party hereto is of equal bargaining strength; (ii) each such party has actively participated in the drafting, preparation, and negotiation of this Agreement; (iii) each such party has had the opportunity to consult with its own independent counsel, and such other professional advisors as it has deemed appropriate, relating to any and all matters contemplated under this Agreement; (iv) each such party has reviewed this Agreement and has agreed to enter into this Agreement following such review; and (v) any rule of construction to the effect that ambiguities are to be resolved against the drafting parties shall not apply in the interpretation of this Agreement, or any portions hereof, or any amendments hereto.

23. **Severability.** The invalidity or unenforceability of a particular provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision were omitted.

24. **Entire Agreement.** Time is of the essence of this Agreement. This Agreement constitutes the sole and entire agreement of the parties and is binding upon Seller and Purchaser, their heirs, successors, legal representatives and assigns. This Agreement is not intended to give or confer any benefits, rights, privileges, claims, actions, or remedies to any person or entity as a third party beneficiary. This Agreement supersedes any prior agreements, negotiations, and communications, oral or written, between Purchaser and Seller as to the purchase and sale of the Property. No subsequent agreement, representation, or promise made by either party hereto, or by or to an employee, officer, agent, or representative of either party shall be of any effect unless it is in writing and executed by the party to be bound thereby.

25. **Date for Performance.** If the time period by which any right, option, or election provided under this Agreement must be exercised, or by which any act required hereunder must be performed, or by which the Closing must be held, expires on a Saturday, Sunday or legal or bank holiday, then such time period shall be automatically extended through the close of business on the next regularly scheduled business day.

26. **Date of Agreement.** This Agreement shall become effective only upon the full execution and delivery thereof by Purchaser and Seller. The “**Effective Date**” of this Agreement shall be the date upon which this Agreement has been executed by both Purchaser and Seller and a mutually-executed copy is tendered to Escrow Agent.

27. **Closing Responsibility.** Seller and Purchaser hereby appoint Escrow Agent, and Escrow Agent hereby agrees to act, as “the person responsible for closing” the transaction which is the subject of this Agreement (as the same may be amended from time to time) pursuant to Section 6045(e) of the Internal Revenue Code.

28. **Survival of Covenants.** The covenants, representations, and warranties of the parties set forth in this Agreement which are expressly provided in this Agreement to survive

Closing, shall survive the recordation of the Deed and the Close of Escrow and shall not be deemed merged into the Deed upon its recordation.

29. **Required Actions of Purchaser and Seller.** Purchaser and Seller agree to execute such instruments and documents and to diligently undertake such actions as may be required to consummate the purchase and sale herein contemplated and shall use good faith efforts to accomplish the Close of Escrow in accordance with the provisions hereof.

30. **Limitation on Seller's Liability.** Purchaser represents and covenants that Seller shall not have any liability, obligation or responsibility of any kind with respect to the content or accuracy of any Seller Information.

31. **Seller's Representations.** In consideration of Purchaser entering into this Agreement and as an inducement to Purchaser to acquire the Property from Seller, Seller makes the following representations and warranties, each of which is material, shall be true and accurate as of the Effective Date and as of Close of Escrow as if those representations and warranties were made on and as of such time, and is being relied upon by Purchaser (the continued truth and accuracy of which shall constitute a condition precedent to Purchaser's obligations hereunder):

(a) **Authority.** Seller has the full power and authority to sell the Property, and has the legal right, power and authority to enter into this Agreement and to consummate the transactions contemplated hereby. The execution, delivery and performance of this Agreement have been duly and validly authorized, executed and delivered by Seller and no other authorization or action is requisite to the valid and binding execution, delivery and performance of this Agreement by Seller.

(b) **Third Party Consents.** No consents or waivers of or by any third party are necessary to permit the consummation by Seller of the transactions contemplated pursuant to this Agreement.

(c) **Verification.** To the best of Seller's knowledge: (i) all statements made and all information given to Purchaser in connection with this Agreement are true and accurate in every material respect and no material fact with respect thereto has been withheld from the Purchaser; (ii) no representation or warranty of Seller in this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements not misleading; and (iii) Seller has no knowledge or information of any facts, circumstances, or conditions which do or would materially adversely affect the Property, except as Seller otherwise discloses to Purchaser in writing during the Inspection Period.

(d) **Adverse Matters.** There are no: (i) claims, actions, suits, condemnation actions, or other proceedings pending or, to the knowledge of Seller, threatened by any entity; (ii) approvals, permits, easements, rights-of-way, zoning changes, uses or rights that have been denied or to the knowledge of Seller may be denied, by any governmental department or agency; or (iii) to the knowledge of Seller, violations of any law, statute, government regulation or requirement, that in any manner or to any extent may materially and adversely affect the Property, Purchaser's intended use of the Property, or Purchaser's right, title or interest in and to the Property.

(e) Actions of Seller. Seller shall not sell, convey, assign, lease or otherwise transfer all or any part of the Property, or cause or permit by Seller or those claiming by, through, or under Seller any new liability, encumbrance or obligation to be placed or imposed upon all or any part of the Property from the date hereof until Close of Escrow and recordation of the Deed.

(f) Maintain Property. During the course of Escrow, Seller shall maintain the Property in the same state of repair as of the date hereof.

(g) Environmental. Seller has no actual knowledge and has conducted no investigations or due diligence activities to determine if there exists or has existed and Seller itself has not caused or been responsible for: (i) any generation, production, transportation, storage, treatment, discharge, disposal, release or threatened release upon or under the Property of any Hazardous Material or any violation of Environmental Laws; or (ii) any storage tanks or impoundments (either above or below the ground) or septic tanks.

(h) Agreements. Seller is not a party to or a participant in, and to the actual knowledge of Seller no previous or other proposed owner or developer of the Property is a party to or a participant in, any agreement (including but not limited to any kind of shared expense agreement, repayment agreement, reimbursement agreement, development payback agreement or joint development agreement) or understanding with or commitment in favor of the City of Glendale, Maricopa County, any other Federal, state or local governmental or regulatory agency or entity, any school district, any utility company, any other property owner, developer or proposed owner or developer, or any similar person or entity, that might now or in the future impose or result in or be deemed to impose or result in costs, claims, obligations, responsibilities, restrictions, disapprovals, penalties or adverse effects of any nature materially affecting the Property or the development of the Property or the owner or developer of the Property, except as is disclosed on the Title Commitment or the Seller Information or as has been fully disclosed in writing to Purchaser.

(i) Notices. Seller shall promptly provide Purchaser with copies of any written notices it receives as owner of the Property from any governmental entity, utility, improvement district, or other person of any new (or increases in existing) development fees, impact fees, assessments or other fees or charges that will be levied (or are under consideration by any such entity) or of any other matter that would materially affect Purchaser's ownership, development or intended use of the Property.

32. Purchaser's Representations and Warranties. In consideration of Seller entering into this Agreement and as an inducement to Seller to sell the Property to Purchaser, Purchaser makes the following representations and warranties, each of which is material and is being relied upon by Seller (the continued truth and accuracy of which shall constitute a condition precedent to Seller's obligations hereunder):

(a) Authority. Purchaser has the legal right, power and authority to enter into this Agreement and to consummate the transactions contemplated hereby, and the execution, delivery and performance of this Agreement have been duly authorized and no other action by

Purchaser is requisite to the valid and binding execution, delivery and performance of this Agreement by Purchaser.

(b) Representations. All representations and warranties of Purchaser set forth in this Agreement shall be true on and as of the Close of Escrow as if those representations and warranties were made on and as of such time.

33. Specially Designated Nationals And Blocked Persons List. Each party represents and warrants to the other party that neither the party nor any Representative of such party (i) is listed on the Specially Designated Nationals and Blocked Persons List maintained by the Office of Foreign Asset Control, Department of the Treasury ("OFAC") pursuant to Executive Order number 13224, 66 Federal Register 49079 (September 25, 2001) (the "Order"); (ii) is listed on any other list of terrorists or terrorist organizations maintained pursuant to the Order, the rules and regulations of the OFAC or any other applicable requirements contained in any enabling legislation or other executive orders in respect of the Order (the Order and such other rules, regulations, legislation or orders are collectively in this Section 33 called the "Orders"); (iii) is engaged in activities prohibited in the Orders; or (iv) has been convicted, pleaded nolo contendere, indicted, arraigned or custodially detained on charges involving money laundering or predicate crimes to money laundering. For purposes of this Section 33 only, the term "Person" shall mean an individual, corporation, partnership, joint venture, association, firm, joint stock company, trust, limited liability company, unincorporated association or other entity; and the term "Representative" shall mean the officers, directors, shareholders, partners, council members, board members, staff, committee members, planning and other commissioners, officials, employees, members, agents, principals, independent contractors, attorneys, accountants and representatives of the referenced Person and the predecessors, heirs, successors and assigns of any such Person.

34. Like-Kind Exchange. Purchaser, by notice to Seller, may assign the legal interests in this Agreement to a qualified tax-deferred exchange intermediary for the purpose of effecting a tax-deferred, like-kind exchange. Seller shall reasonably cooperate with Purchaser to assign its interest; provided, however, that: (i) Seller shall not be required to incur any additional costs, liabilities, or delays in connection with this assignment; (ii) Seller shall not have any obligation to act as an exchanging party and shall not be obligated to take title to any exchange property; and (iii) Seller shall in no event be responsible for, or in any way be deemed to warrant or represent any tax or other consequences of the exchange transaction arising by reason of Seller's performance of the acts required hereby.

35. Buyback. Seller is selling and transferring the Property in reliance on Purchaser's express representation that Purchaser is intending to construct a franchised automotive dealership facility and lease it to a franchised automotive dealer for operation of a franchised new vehicle automotive dealership. Provided that Seller is not then in default of this Agreement, and subject further to force majeure events (including, without limitation, delays in approvals, permits and other matters required by or in the control of the Seller), in the event that Purchaser fails to begin construction of the dealership facility within twelve (12) months following the Closing Date or fails to complete its construction of such automotive dealership facility, and/or interferes with its tenant to prevent their opening the franchised automotive dealership on the Property within thirty-

six (36) months of the Closing Date ("Fundamental Breach"), then Seller may exercise its option to repurchase the Property by delivering written notice of such Fundamental Breach and its election to repurchase the Property (the "Repurchase Notice") to the Purchaser and the Escrow Agent, together with an earnest money deposit of One Hundred Thousand Dollars (100,000.00) to into Escrow, within thirty (30) days following such Fundamental Breach. If the Seller exercises its repurchase rights as set forth herein, the price for such repurchase shall be the original Purchase Price hereunder of Two Million Four Hundred Thousand Dollars (\$2,400,000.00) (the "Repurchase Price"). The closing of the repurchase of the Property shall be no later than ninety (90) days after the delivery of the Repurchase Notice. The Repurchase Price shall be payable in cash or other immediately available funds. Title to the Property shall be conveyed by the Purchaser to the Seller by special warranty deed, subject to all real estate taxes, installments of special assessments, easements, restrictions, covenants and conditions of record, except delinquent real property taxes or delinquent installments of special assessments. Any mortgage or liens, including potential mechanics liens or other liens outstanding on the Property caused by Purchaser, shall be discharged by the Purchaser at the Closing hereunder. Purchaser shall also remain liable and indemnify Seller for any environmental condition (including any release or threat of release of a hazardous substance, pollutant or contaminant or any violation of a local, state or federal environmental law as herein defined), Purchaser created, caused or exacerbated at the Property or created, caused, exacerbated or allowed to emanate from the Property during its period of ownership and/or operation. Current real property taxes and installments of special assessments shall be prorated as of the date of Closing. The costs of closing and title insurance shall be paid by Purchaser. In the event that the Repurchase Notice is not delivered timely or at all, the condition of title to the Property is in the same condition as it was when the Property was acquired by Purchaser in the original Purchase, subject to easements, rights of way and other reasonable matters caused by Purchaser in connection with its development of a franchised automobile dealership facility on the Property and is declared unacceptable to Seller, or Seller fails to close its repurchase of the Property for any reason other than Purchaser's breach or default under this Section 35, Seller's right to repurchase the Property shall terminate forever.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year set out below their respective signatures.

"SELLER"

CITY OF GLENDALE,
an Arizona municipal corporation

By: _____

Date: _____

"PURCHASER"

WEST VALLEY RE INVESTMENTS, LLC,
an Arizona limited liability company

By:  _____
P. Stanley Reed, Assistant Secretary

Date: 2/24/17

Acceptance by Escrow Agent:

Landmark Title Assurance Agency hereby acknowledges that it has received a fully executed counterpart of the Agreement and agrees to act as Escrow Agent thereunder and to be bound by and perform the terms thereof as such terms apply to Escrow Agent.

LANDMARK TITLE ASSURANCE AGENCY

By: _____

Name: _____

Its: _____

Date: _____

EXHIBIT A

DESCRIPTION OF PROPERTY

[See Attached]

EXHIBIT A

**LEGAL DESCRIPTION
FOR
APN 200-30-9838**

A PARCEL OF LAND SITUATED IN THE SOUTHWEST QUARTER OF SECTION 26, TOWNSHIP 4 NORTH, RANGE 1 EAST OF GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, AND BEING A PORTION OF THAT CERTAIN PROPERTY DESCRIBED IN INSTRUMENT NO. 2004-0303221, OFFICIAL RECORDS OF MARICOPA COUNTY, ARIZONA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE WEST QUARTER CORNER OF SAID SECTION 26 FROM WHICH THE SOUTHWEST CORNER BEARS SOUTH 00 DEGREES 15 MINUTES 00 SECONDS EAST, 2628.01 FEET;

THENCE SOUTH 89 DEGREES 43 MINUTES 46 SECONDS EAST, ALONG THE NORTH LINE OF SAID SOUTHWEST QUARTER, 888.17 FEET TO THE POINT OF BEGINNING OF THE HEREIN DESCRIBED PARCEL;

THENCE CONTINUING ALONG SAID NORTH LINE, SOUTH 89 DEGREES 43 MINUTES 46 SECONDS EAST, 575.19 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF STATE ROUTE 417 AND A POINT ON A NON-TANGENT CURVE TO THE LEFT WHOSE CENTER BEARS SOUTH 82 DEGREES 14 MINUTES 38 SECONDS EAST, 1788.66 FEET;

THENCE ALONG SAID WESTERLY RIGHT-OF-WAY LINE AND ALONG SAID CURVE HAVING A CHORD BEARING OF SOUTH 03 DEGREES 09 MINUTES 06 SECONDS WEST, THROUGH A CENTRAL ANGLE OF 09 DEGREES 12 MINUTES 31 SECONDS, AN ARC LENGTH OF 287.48 FEET TO A POINT OF TANGENCY;

THENCE CONTINUING ALONG SAID WESTERLY RIGHT-OF-WAY LINE, SOUTH 01 DEGREES 27 MINUTES 09 SECONDS EAST, 256.93 FEET;

THENCE CONTINUING ALONG SAID WESTERLY RIGHT-OF-WAY LINE, SOUTH 08 DEGREES 31 MINUTES 46 SECONDS WEST, 331.71 FEET TO A POINT ON THE COMMON EAST CORNER OF THAT PARCEL DESCRIBED IN INSTRUMENT NUMBER 90-477021, RECORDS OF MARICOPA COUNTY, ARIZONA AND THE AFORESAID INSTRUMENT NO. 2004-0303221;

THENCE ALONG AND WITH THE COMMON LINE BETWEEN SAID PARCELS, SOUTH 89 DEGREES 58 MINUTES 58 SECONDS WEST, 732.96 FEET;

THENCE DEPARTING SAID COMMON LINE, NORTH 11 DEGREES 59 MINUTES 56 SECONDS EAST, 270.74 FEET;

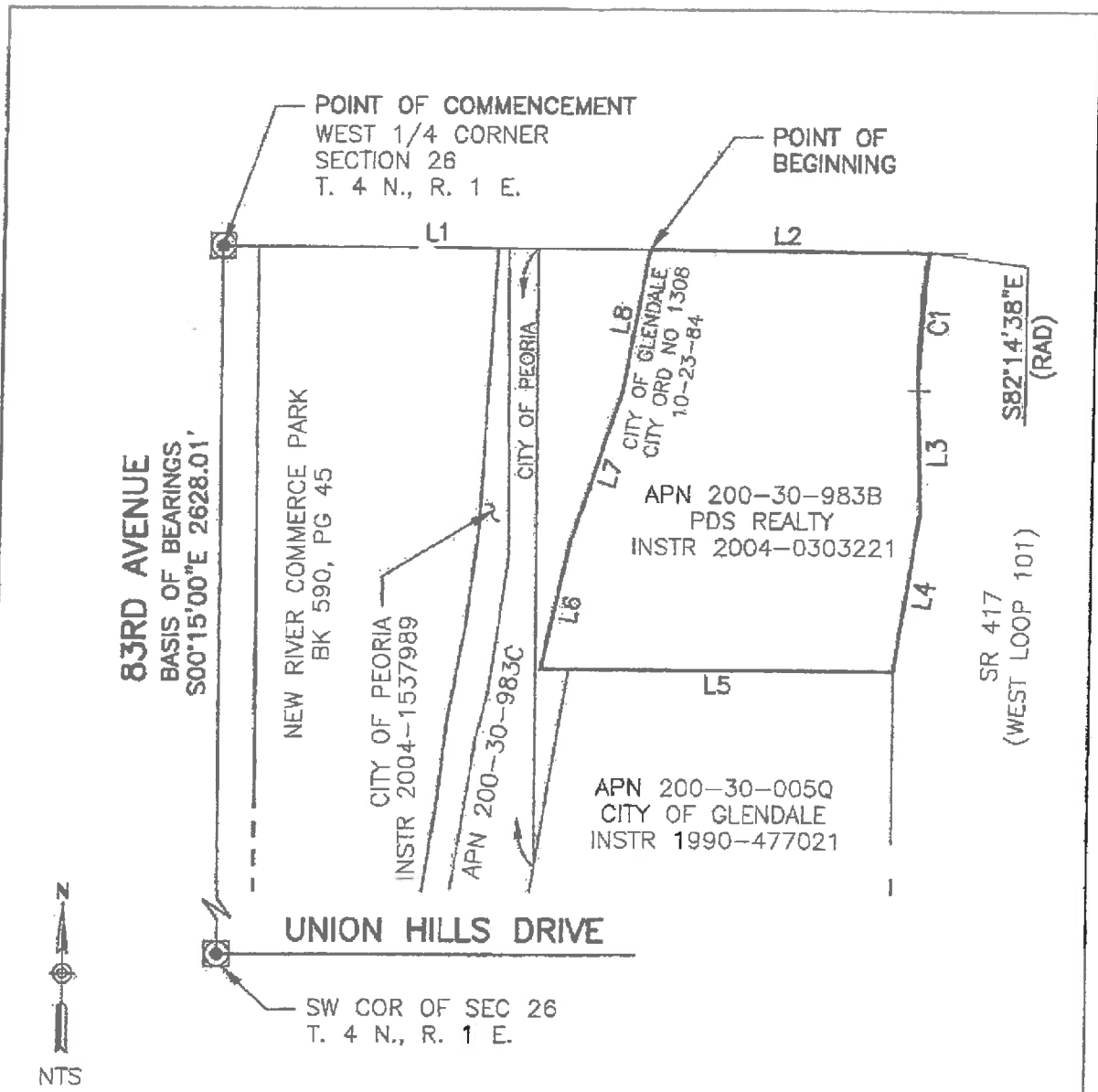
THENCE NORTH 18 DEGREES 40 MINUTES 59 SECONDS EAST, 327.73;

THENCE NORTH 10 DEGREES 24 MINUTES 33 SECONDS EAST, 304.28 FEET TO THE POINT OF BEGINNING AND CONTAINING A COMPUTED AREA OF 575,869 SQUARE FEET OR 13.220 ACRES OF LAND, MORE OR LESS.

THE ATTACHED EXHIBIT 'A' IS TO BE INCLUDED AND MADE PART OF THIS DESCRIPTION.





FILE:\PROJECTS\2014\101436 Glendale GEO Grand Ave Wal Earth\CD\EXHIBITS\Glendale\APN 200-30-983B.dwg DATE: Sep 14 2015 TIME: 11:28 am



NTS
 PARCEL AREA:
 575,869 SF OR
 13.220 ACRES

THIS IS NOT A PROPERTY
 BOUNDARY SURVEY.

 <p>Dibble Engineering</p> <p>Dibble Engineering Project No 101436</p>		<p>EXHIBIT "A" APN 200-30-983B A PORTION OF THE SW QUARTER SECTION 26, T4N, R1E, GILA & SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA</p> <table border="1"> <tr> <td>DATE: SEPT 2015</td> <td rowspan="3">PAGE 3 OF 5</td> </tr> <tr> <td>DRN: ES</td> </tr> <tr> <td>CHK: CSD</td> </tr> </table>	DATE: SEPT 2015	PAGE 3 OF 5	DRN: ES	CHK: CSD
DATE: SEPT 2015	PAGE 3 OF 5					
DRN: ES						
CHK: CSD						

FILE:\PROJECTS\2014\101436 Glendale CSD Grand Ave West Emits\CAD\EXHIBITS\Boundary\APN 200-30-983B.dwg DATE: Sep. 14, 2015 TIME: 11:28 am

LINE DATA TABLE		
LINE	BEARING	DISTANCE
L1	S89°43'46"E	888.17'
L2	S89°43'46"E	575.19'
L3	S01°27'09"E	256.93'
L4	S08°31'46"W	331.71'
L5	S89°58'58"W	732.96'
L6	N11°59'56"E	270.74'
L7	N18°40'59"E	327.73'
L8	N10°24'38"E	304.28'

CURVE DATA TABLE			
CURVE	LENGTH	RADIUS	DELTA
C1	287.48'	1788.66'	9°12'31"



NTS

PARCEL AREA:
575,869 SF OR
13.220 ACRES

THIS IS NOT A PROPERTY
BOUNDARY SURVEY.



Dibble
Engineering



Dibble Engineering
Project No 101436

EXHIBIT "A"
APN 200-30-983B
A PORTION OF THE SW QUARTER SECTION 26,
T4N, R1E, GILA & SALT RIVER MERIDIAN,
MARICOPA COUNTY, ARIZONA

DATE: SEPT 2015
DRN: ES
CHK: CSD

PAGE 4 OF 5

APN:200-30-983B CLOSURE

Course: N10°24'38"E Length: 304.28'

Course: S89°43'46"E Length: 575.19'

Length: 287.48' Radius: 1788.66'

Delta: 009°12'31" Tangent: 144.05'

Chord: 287.17' Course: S03°09'06"W

Course In: S82°14'38"E Course Out: S88°32'51"W

Course: S01°27'09"E Length: 256.93'

Course: S08°31'46"W Length: 331.71'

Course: S89°58'58"W Length: 732.96'

Course: N11°59'56"E Length: 270.74'

Course: N18°40'59"E Length: 327.73'

North: 2314.2690' East: -1793.7156'

Perimeter: 3087.03' Area: 575870 Sq. Ft.

Error Closure: 0.0047 Course: S06°53'11"E

Error North: -0.00465 East: 0.00056

Precision 1: 656746.81



EXHIBIT B

WHEN RECORDED MAIL THIS
SPECIAL WARRANTY DEED TO:

West Valley RE Investments, LLC
14747 N. Northsight Blvd., Suite 111-431
Scottsdale, Arizona 85260
Attention: Stan Reed

(Space Above for Recorder's Use)

SPECIAL WARRANTY DEED

CITY OF GLENDALE, an Arizona municipal corporation ("Grantor"), for and in consideration of the Ten Dollars (\$10.00), in hand paid to Grantor by WEST VALLEY RE INVESTMENTS, LLC, an Arizona limited liability company ("Grantee"), and other good and valuable consideration, the receipt and sufficiency of which consideration are hereby acknowledged, hereby assigns, conveys, grants, transfers and delivers to Grantee all that certain land situated in Maricopa County, Arizona, and described on Exhibit "A" attached hereto and made a part hereof for all purposes (the "Property").

SUBJECT ONLY TO: current taxes, assessments, reservations in patents, liens, encumbrances, covenants, conditions, restrictions, rights of way, easements, obligations and liabilities as may appear on Schedule B attached hereto and made a part hereof.

GRANTOR HEREBY binds itself and its successors and assigns to warrant and defend the title against all acts of the Grantor, and none other, subject to the matters above set forth.

EXECUTED as of the _____ day of _____, 201__.

GRANTOR:

CITY OF GLENDALE, an Arizona municipal
corporation

By: Exhibit – Do Not Sign

Name: _____

Its: _____

[add notary acknowledgment and exhibit]