

EXHIBIT 2

AMENDED EXHIBIT C
TO
LEASE WITH OPTION TO PURCHASE

**CONTRACT TO BUY AND SELL
COMMERCIAL REAL ESTATE**

DATE: _____, 2021

1. **PARTIES AND PROPERTY.** The undersigned, Buyer, agrees to buy, and the undersigned Seller agrees to sell, on the terms and conditions set forth in this Contract, the following described real estate in the County of Pueblo, Colorado, to wit: See Exhibits A and D to Lease With Option to Purchase, attached hereto and made a part hereof, together with all interest of Seller in vacated streets and alleys adjacent thereto, all easements and other appurtenances thereto, all improvements thereon, all well rights, wells and all attached fixtures thereon, hereinafter referred to as the "Property."

2. **INCLUSIONS/EXCLUSIONS.** The purchase price includes the following items (a) if attached to the Property on the date of this Contract: cabinets, lighting, heating, plumbing, ventilating and air conditioning fixtures, TV antennas, satellite system (including satellite dishes), water softeners, smoke/fire/burglar alarms, security devices, inside computer wiring, inside telephone wiring and connecting blocks/jacks, mirrors, floor coverings, intercom systems, built-in kitchen appliances, sprinkler systems and controls, and all other fixtures; (b) if on the Property whether attached or not on the date of this Contract: storm windows, storm doors, window and porch shades, awnings, blinds, screens, curtain rods, drapery rods, all keys, and all equipment including but not limited to the pumps for the wells and the center pivot.

The above-described included personal property items are to be conveyed to Buyer by Seller by Bill of Sale or Assignment as may be appropriate at the closing, free and clear of all taxes (except personal property taxes for the year of closing), liens and encumbrances. The following attached fixtures and equipment are excluded from this sale: **none**.

3. **PURCHASE PRICE AND TERMS.** The purchase price shall be Two Million Eight Hundred Fifty Thousand Dollars (\$2,850,000.00), payable in US dollars by Buyer at closing. All amounts paid by Buyer at closing shall be in funds which comply with all applicable Colorado laws, which include cash, electronic transfer funds, certified checks, savings and loan teller's check and cashier's check (Good Funds).

4. **ASSIGNABLE.** This Contract may be assigned by Buyer without Seller's prior written consent. This Contract shall inure to the benefit of and be binding upon the successors and assigns of the parties.

5. **EVIDENCE OF TITLE.** Seller shall furnish to Buyer at Seller's expense, a current commitment for owner's title insurance policy from a title company selected by Buyer (Title Company) in an amount equal to the purchase price at least thirty (30) days prior to closing (Title Deadline). The title insurance commitment does not need to commit to delete or insure over the standard exceptions which relate to parties in possession, unrecorded easements, survey matters, any unrecorded mechanic's liens, gap period (effective date of commitment to date deed is recorded) and unpaid taxes, assessments and unredeemed tax sales prior to the year of closing (the "Standard Exceptions"). Buyer may seek the deletion of one or all of the Standard Exceptions and any additional premium or other expense to obtain this additional coverage shall be paid by Buyer. If Buyer seeks and is unable to obtain the deletion of one or all of the Standard Exceptions, Buyer may object to title as provided below in paragraph 6. Seller agrees to provide before the Title Deadline, at Seller's expense, copies of instruments listed in the schedule of exceptions (Exceptions) in the title insurance commitment. This requirement shall pertain only to instruments shown of record in the office of the clerk and recorder of the designated county. The title insurance commitment, together with any copies or abstracts of instruments furnished pursuant to this paragraph, constitute the title documents (Title Documents). Seller will pay the premium for the title insurance at closing and have the title insurance policy delivered to Buyer as soon as practicable after closing. The title insurance policy shall be issued on the ALTA 2006 Form. Notwithstanding the foregoing, Seller shall not be required to provide a survey to the Title Company, even if a survey is required to delete Standard Exceptions from Buyer's title policy.

6. **TITLE.**

A. Title Review: Buyer shall have the right to inspect the Title Documents. Written notice by Buyer of unmerchantability of title or of any other unsatisfactory title condition shown by the Title Documents shall be signed by or on behalf of Buyer and given to Seller ten (10) calendar days after the Title Deadline. If Seller does not receive Buyer's notice by the time specified above, Buyer accepts the condition of title as disclosed by the Title Documents as satisfactory.

B. Matters Not Shown by the Public Records: Seller shall deliver to Buyer, on or before the Title Deadline, true copies of all lease(s) and survey(s) in Seller's possession pertaining to the Property and shall disclose to Buyer all easements, liens or other title matters not shown by the public records of which Seller has actual knowledge. Buyer shall have the right to inspect the Property to determine if any third party has any right in the Property not shown by the public records (such as an

unrecorded easement, unrecorded lease, or boundary line discrepancy). Written notice of any unsatisfactory condition(s) disclosed by Seller or revealed by such inspection shall be signed by or on behalf of Buyer and given to Seller no later than ten (10) calendar days after the Title Deadline. If Seller does not receive Buyer's notice by said date, Buyer accepts title subject to such rights, if any, of third parties.

C. SPECIAL TAXING DISTRICTS MAY BE SUBJECT TO GENERAL OBLIGATION INDEBTEDNESS THAT IS PAID BY REVENUES PRODUCED FROM ANNUAL TAX LEVIES ON THE TAXABLE PROPERTY WITHIN SUCH DISTRICTS. PROPERTY OWNERS IN SUCH DISTRICTS MAY BE PLACED AT RISK FOR INCREASED MILL LEVIES AND EXCESSIVE TAX BURDENS TO SUPPORT THE SERVICING OF SUCH DEBT WHERE CIRCUMSTANCES ARISE RESULTING IN THE INABILITY OF SUCH A DISTRICT TO DISCHARGE SUCH INDEBTEDNESS WITHOUT SUCH AN INCREASE IN MILL LEVIES. PURCHASERS SHOULD INVESTIGATE THE DEBT FINANCING REQUIREMENTS OF THE AUTHORIZED GENERAL OBLIGATION INDEBTEDNESS OF SUCH DISTRICTS, EXISTING MILL LEVIES OF SUCH DISTRICT SERVICING SUCH INDEBTEDNESS, AND THE POTENTIAL FOR AN INCREASE IN SUCH MILL LEVIES.

In the event the Property is located within a special taxing district and Buyer desires to terminate this Contract as a result, if written notice is given to Seller ten (10) calendar days after the Title Deadline, this Contract shall terminate. If Seller does not receive Buyer's notice by the date specified above, Buyer accepts the effect of the Property's inclusion in such special taxing district(s) and waives the right to so terminate.

D. Right to Cure: If notice of unmerchantability of title or any other unsatisfactory title condition(s) as provided in Subsection A or B above is received by Seller, Seller shall use reasonable effort to correct said unsatisfactory title condition(s) prior to closing. If Seller shall fail to correct said unsatisfactory title condition(s) prior to closing, this Contract shall then terminate; provided, however, Buyer may, by written notice received by Seller on or before three (3) calendar days prior to closing, waive objection to said unsatisfactory title condition(s).

7. **INSPECTION.** Buyer has inspected the Property and accepts the condition as of the date of this Contract.
8. **DATE OF CLOSING.** Closing shall take place no earlier than January 2, 2019 and no later than sixty (60) days after the date of this Contract. The date, hour and place of closing shall be designated by the parties.
9. **TRANSFER OF TITLE.** Subject to tender of payment at closing as required herein and compliance by Buyer with the other terms and provisions hereof, Seller shall

execute and deliver a good and sufficient Special Warranty Deed to Buyer at closing. Seller shall convey the Property free and clear of all taxes except the general taxes for the year of closing. Except as provided herein, title shall be conveyed free and clear of all liens, including any governmental liens for special improvements installed as of the date of Buyer's signature hereon, whether assessed or not. Title will be conveyed subject to accepted title conditions pursuant to paragraph 6 A, B and C above.

10. **PAYMENT OF ENCUMBRANCES.** Any encumbrance required to be paid shall be paid by Seller at or before closing from the proceeds of this transaction or from any other source.
11. **CLOSING COSTS, DOCUMENTS AND SERVICES.** Buyer and Seller shall pay in Good Funds their respective closing costs and all other items required to be paid at closing, except as otherwise provided herein. Buyer and Seller shall sign and complete all customary or required documents at or before closing. Fees for real estate closing services shall be paid at closing one-half by Buyer and one-half by Seller. Any local transfer tax shall be paid at closing by one-half by Buyer and one-half by Seller. Any sales and use tax that may accrue because of this transaction shall be paid when due by Buyer.
12. **PRORATIONS.** Personal property taxes, if any, and general real estate taxes for the year of closing, based on the taxes for the calendar year immediately preceding closing, rents, including but not limited to, any rent paid by Buyer to Seller, for the Contract Year during which the closing is completed, pursuant to Lease With Option to Purchase effective as of January 1, 2017 between the Buyer and Seller, water and sewer charges, owner's association dues, and any other utilities, and no other shall be prorated to date of closing. These prorations shall be final
13. **POSSESSION.** Possession of the Property shall be delivered to Buyer on closing. If Seller, after closing, fails to deliver possession on the date herein specified, Seller shall be subject to eviction and shall be additionally liable to Buyer for payment of Four Hundred Ten Dollars (\$410.00) per day from the date of agreed possession until possession is delivered.
14. **CONDITION OF AND DAMAGE TO PROPERTY.** Except as otherwise provided in this Contract, the Property shall be delivered on the date of possession in the condition existing as of the date of this Contract, ordinary wear and tear excepted. In the event the Property shall be damaged by fire or other casualty prior to time of closing, in an amount of not more than ten percent of the total purchase price, Seller shall be obligated to repair the same before the date of closing. In the event such damage is not repaired within said time or if the damages exceed such sum, this Contract may be terminated at the option of Buyer. Should Buyer elect to carry out

this Contract despite such damage, Buyer shall be entitled to credit for all the insurance proceeds resulting from such damage to the Property, but not for any insurance proceeds obtained by Seller for adjacent land owned by Seller, such proceeds not exceeding, however, the total purchase price. Buyer shall be responsible for any damage subsequent to the date of possession.

- 15. TIME OF ESSENCE/REMEDIES.** Time is of the essence hereof. If any payment due hereunder is not paid, honored or tendered when due, or if any other obligation hereunder is not performed or waived as herein provided, there shall be the following remedies:

A. If Buyer is in Default:

Seller may elect to treat this Contract as canceled and may recover such damages as may be proper or Seller may elect to treat this Contract as being in full force and effect and have the right to specific performance or damages, or both.

B. If Seller is in Default:

Buyer may elect to treat this Contract as canceled and may recover such damages as may be proper or Buyer may elect to treat this Contract as being in full force and effect and have the right to specific performance or damages, or both.

C. Costs and Expenses.

The prevailing party in any civil litigation arising under this Contract shall be awarded reasonable costs and expenses, including attorney's fees.

- 16. BROKERS FEES.** The Seller shall be responsible for payment of all brokers' fees or commissions due any broker or other agent representing the Seller. Buyer will pay all fees or commissions due any broker or other agent representing Buyer.

17. ADDITIONAL PROVISIONS.

- A. Seller will retain a thirty (30) foot wide non-exclusive easement on the eastern-edge of the Property for utilities and access to his real estate located immediately south of the Property and a fifteen (15) foot wide easement on the western-edge of the Property for access to his real estate located immediately south of the Property. Access to the thirty (30) foot wide non-exclusive easement will be from Highway 96 in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 9, T21S, R61W of the 6th P.M. Seller will be responsible for any maintenance or repair of these easements. The easement on the western-edge of the Property may be relocated or terminated by Buyer once the final design of a reservoir is determined by Buyer. If the easement on the western edge of the Property is terminated or relocated, as provided herein, Buyer will provide written notice to Seller and record the notice of termination or relocation in the records of the

Pueblo County Clerk and Recorder. The provisions of this paragraph 17(A) will be included in the Special Warranty Deed delivered by Seller at closing.

- B. Buyer will grant to Seller and his immediate family an exclusive license to hunt and fish on the Property. Seller may include his guests, provided they are accompanied by Seller and do not pay any fee to hunt or fish. The uses granted by the license will not interfere with Buyer's use of the Property. Seller will pay for any damage caused by use of the Property pursuant to this license and will be responsible for any injury to his immediate family or guest in connection with the use of the Property pursuant to the license. This license will terminate on the later to occur of: (i) the sixth anniversary of Closing; or (ii) the date Buyer issues a notice to proceed to a contractor for the construction of a reservoir on the Property and provides written notice to the Seller of termination.

- C Seller will grant easements to the Buyer for a discharge pipeline or channel from the proposed reservoir to the Arkansas River. The exact location of the pipeline or channel is yet to be determined, but will be located somewhere in the S1/2 of the SW 1/4 of Section 9 and the NW 1/4 of Section 16, Township 21 South, Range 61 West of the 6th P.M. The temporary easement for construction will be 50 feet each direction from the centerline of the pipeline or channel and a permanent easement for operation and maintenance of 25 feet each direction from the centerline of the pipeline or channel. Buyer and Seller will review Buyer's preferred alignment for this easement which must allow for gravity flow discharge from the reservoir. The review will include consideration of any additional alignments which allow for gravity flow discharge from the reservoir while minimizing the impact to the Seller's use of his remaining property. The Buyer will select the alignment after it completes this review with Seller. At the time of construction of any pipeline or channel, Buyer agrees to provide, at Buyer's expense, vehicular access across or around the easement area to permit Seller to access at all times Seller's land on both sides of the easement area. Buyer will be responsible for any maintenance or repair of these easements. Upon completion of construction of the pipeline or channel, Buyer agrees to provide Seller with an executed amendment to the easement that includes the legal description of the precise location of the pipeline or channel, which Seller may record in the Pueblo County Clerk and Recorder's Office. The granting of the easements as provided in this paragraph 17(C) will be included in the Special Warranty Deed delivered by Seller at closing.

- D. In consideration for the easements described in paragraph 17(C), Buyer will lease the residence located on the Property to Seller for a term beginning on the closing date and terminating on the later to occur of: (i) the sixth anniversary of Closing; or (ii) the date Buyer issues a notice to proceed to a contractor for the construction of a reservoir on the Property and provides written notice to the Seller of termination of the lease of the residence. The lease of the residence will require that the Seller

pays for all costs associated with his use of the residence, including but not limited to, repairs, maintenance, utilities and insurance, but will pay no rent. The lease for the residence will be by a separate agreement that is consistent with the basic terms set forth in this paragraph.

- E. The provisions in paragraphs 17(B) and 17 (D) will be documented pursuant to and in accordance with this Contract and will not be included in the Special Warranty Deed delivered by Seller at closing.

18. MISCELLANEOUS.

A. Entire Agreement. This Contract constitutes the entire agreement between the parties relating to the subject Property, and any prior agreements pertaining thereto whether oral or written have been merged and integrated into this Contract. No subsequent modification of any of the terms of this Contract shall be valid or binding upon the parties or enforceable unless made in writing and signed by the parties.

B. Notices. Any and all notices or other communications between the parties shall be physically delivered to Steven L. Fossel, 708 Soda Creek Drive, Evergreen, Colorado 80439; email: slfossel@msn.com on behalf of Seller or to the Board of Water Works of Pueblo, Colorado, Attention Seth Clayton, Executive Director, mail: P.O. Box 400, Pueblo, Colorado 81003 or Hand Delivery: 319 W. 4th Street, Pueblo, Colorado 81003; email: sclayton@pueblowater.org, on behalf of Buyer, or at any such other address as may be directed by written notice of either party.

C. Physical Delivery. Except for electronic delivery as provided below, all notices must be in writing and delivered by hand, courier or delivery service, or by U.S. Notice by United States mail must be sent certified mail, return receipt requested, postage prepaid. Any notice to Buyer will be effective when received by Buyer, and any notice to Seller will be effective when received by Seller.

D. Electronic Delivery. As an alternative to physical delivery, any signed document and written notice may be delivered in electronic form by e-mail. Notice by e-mail must include a request for a delivery receipt. Documents with original signatures provided upon request of any party.

E. Choice of Law and Venue. This Contract and all disputes arising hereunder will be governed by and construed in accordance with the laws of the State of Colorado. Venue on any action arising out of this Contract will be proper only in the District Court of Pueblo County, Colorado.

F. Legal Counsel. Seller has been advised by Buyer to seek advice of independent legal and tax counsel with respect to this Contract and the transaction contemplated hereby. Each party to this Contract has engaged legal counsel or has been advised to seek legal counsel to negotiate, draft, and/or review this Contract. Therefore, in the construction and interpretation of this Contract, the parties acknowledge and agree that it shall not be construed against any party on the basis of authorship.

G. Third-Party Rights. Nothing in this Contract, express or implied, is intended to confer any rights or remedies whatsoever upon any person or entity, other than the parties hereto, and their respective heirs, successors and assigns.

H. Governmental Immunity. No term or condition of this Contract is to be construed or interpreted as a waiver, express or implied, by Pueblo Water of any of the immunities, rights, benefits, protections, or other provisions of the Colorado Governmental Immunity Act, C.R.S. Section 24-10-101 et seq., as applicable now or hereafter amended.

19. HAZARDOUS WASTE. To the best of Seller's actual knowledge without inquiry or investigation: (a) the Property has never been used as a landfill or waste dump; (b) there has been no installation in, or production, disposal or storage on, the Property of any hazardous waste or other toxic substances, including, without limitation, asbestos, by any tenant or any previous owner or previous tenant or any other activity which could have toxic results; and (c) Seller has received no written notice of any proceeding or inquiry by any governmental authority or agency with respect thereon.

20. SURVIVAL. All representations and warranties and all unperformed obligations of Buyer or Seller herein stated shall survive the conveyance of the Property to Buyer and the payment of the purchase price to the Seller, and all parties shall remain bound by this Contract until all their respective obligations hereunder have been completely performed.

21. RESIDENTIAL PROPERTY.

The disclosures contained in this paragraph 21 are included in connection with the residence located on a portion of the Property. **A. Source of Potable Water.**

The Source of Potable Water for this Property is X a well; is a water provider, which can be contacted as follows:

Name: NA
Address: _____
Website: _____

Telephone: _____

SOME WATER PROVIDERS RELY, TO VARYING DEGREES, ON NONRENEWABLE GROUND WATER. YOU MAY WISH TO CONTACT YOUR PROVIDER TO DETERMINE THE LONG-TERM SUFFICIENCY OF THE PROVIDER'S WATER SUPPLIES.

B. Carbon Monoxide Alarms. Note: If the improvements on the Property have a fuel-fired heater or appliance, a fireplace, or an attached garage and include one or more rooms lawfully used for sleeping purposes (Bedroom), the parties acknowledge that Colorado law requires that Seller assure the Property has an operational carbon monoxide alarm installed within fifteen feet of the entrance to each Bedroom or in a location as required by the applicable building code.

C. Lead-Based Paint. Unless exempt, if the improvements on the Property include one or more residential dwellings for which a building permit was issued prior to January 1, 1978, this Contract shall be void unless (1) a completed Lead- Based Paint Disclosure (Sales) form is signed by Seller and Buyer, and (2) Seller receives the completed and fully executed form prior to the time when the Contract is signed by all parties. Buyer acknowledges timely receipt of a completed Lead- Based Paint Disclosure (Sales) form signed by Seller.

D. Methamphetamine Disclosure. If Seller knows that methamphetamine was ever manufactured, processed, cooked, disposed of, used or stored at the Property, Seller is required to disclose such fact. No disclosure is required if the Property was remediated in accordance with state standards and other requirements are fulfilled pursuant to § 25-18.5102, C.R.S. Buyer further acknowledges that Buyer has the right to engage a certified hygienist or industrial hygienist to test whether the Property has ever been used as a methamphetamine laboratory. Buyer has the Right to Terminate under paragraph 7, upon Seller's receipt of Buyer's written notice to terminate, notwithstanding any other provision of the Contract, based on Buyer's test results that indicate the Property has been contaminated with methamphetamine, but has not been remediated to meet the standards established by rules of the State Board of Health promulgated pursuant to § 25-18.5-102, C.R.S., Buyer shall promptly give written notice to Seller of the results of the test.

E. Colorado Foreclosure Protection Act. The Colorado Foreclosure Protection Act (Act) generally applies if: (1) the Property is residential, (2) Seller resides in the Property as Seller's principal residence, (3) Buyer's purpose in purchase of the Property is not to use the Property as Buyer's personal residence, (4) the Property is in foreclosure or Buyer has notice that any loan secured by the Property is at least thirty days delinquent or in default. If the transaction is a Short Sale transaction and

a Short Sale Addendum is part of this Contract, the Act does not apply. Each party is further advised to consult an attorney.

F. Home Warranty. Seller and Buyer are aware of the existence of pre- owned home warranty programs that may be purchased and may cover the repair or replacement of such Inclusions.

G. Common Interest Community Disclosure.

IF THE PROPERTY IS LOCATED WITHIN A COMMON INTEREST COMMUNITY AND IS SUBJECT TO THE DECLARATION FOR THE COMMUNITY, THE OWNER OF THE PROPERTY WILL BE REQUIRED TO BE A MEMBER OF THE OWNERS' ASSOCIATION FOR THE COMMUNITY AND WILL BE SUBJECT TO THE BYLAWS AND RULES AND REGULATIONS OF THE ASSOCIATION. THE DECLARATION, BYLAWS, AND RULES AND REGULATIONS WILL IMPOSE FINANCIAL OBLIGATIONS UPON THE OWNER OF THE PROPERTY, INCLUDING AN OBLIGATION TO PAY ASSESSMENTS OF THE ASSOCIATION. IF THE OWNER DOES NOT PAY THESE ASSESSMENTS, THE ASSOCIATION COULD PLACE A LIEN ON THE PROPERTY AND POSSIBLY SELL IT TO PAY THE DEBT. THE DECLARATION, BYLAWS, AND RULES AND REGULATIONS OF THE COMMUNITY MAY PROHIBIT THE OWNER FROM MAKING CHANGES TO THE PROPERTY WITHOUT AN ARCHITECTURAL REVIEW BY THE ASSOCIATION (OR A COMMITTEE OF THE ASSOCIATION) AND THE APPROVAL OF THE ASSOCIATION. PURCHASERS OF PROPERTY WITHIN THE COMMON INTEREST COMMUNITY SHOULD INVESTIGATE THE FINANCIAL OBLIGATIONS OF MEMBERS OF THE ASSOCIATION. PURCHASERS SHOULD CAREFULLY READ THE DECLARATION FOR THE COMMUNITY AND THE BYLAWS AND RULES AND REGULATIONS OF THE ASSOCIATION.

H. OIL, GAS, WATER AND MINERAL DISCLOSURE.

THE SURFACE ESTATE OF THE PROPERTY MAY BE OWNED SEPARATELY FROM THE UNDERLYING MINERAL ESTATE, AND TRANSFER OF THE SURFACE ESTATE MAY NOT NECESSARILY INCLUDE TRANSFER OF THE MINERAL ESTATE OR WATER RIGHTS. THIRD PARTIES MAY OWN OR LEASE INTERESTS IN OIL, GAS, OTHER MINERALS, GEOTHERMAL ENERGY OR WATER ON OR UNDER THE SURFACE OF THE PROPERTY, WHICH INTERESTS MAY GIVE THEM RIGHTS TO ENTER AND USE THE SURFACE OF THE PROPERTY TO ACCESS THE MINERAL ESTATE.

THE USE OF THE SURFACE ESTATE TO ACCESS THE MINERALS MAY BE GOVERNED BY A SURFACE USE AGREEMENT, A MEMORANDUM OR OTHER NOTICE OF WHICH MAY BE RECORDED WITH THE COUNTY CLERK AND RECORDER.

THE OIL AND GAS ACTIVITY THAT MAY OCCUR ON OR ADJACENT TO THIS PROPERTY MAY INCLUDE, BUT IS NOT LIMITED TO, SURVEYING, DRILLING, WELL COMPLETION OPERATIONS, STORAGE, OIL AND GAS, OR PRODUCTION FACILITIES, PRODUCING WELLS, REWORKING OF CURRENT WELLS, AND GAS GATHERING AND PROCESSING FACILITIES.

THE BUYER IS ENCOURAGED TO SEEK ADDITIONAL INFORMATION REGARDING OIL AND GAS ACTIVITY ON OR ADJACENT TO THIS PROPERTY, INCLUDING DRILLING PERMIT APPLICATIONS. THIS INFORMATION MAY BE AVAILABLE FROM THE COLORADO OIL AND GAS CONSERVATION COMMISSION.

I. DISCLOSURE OF TRANSPORTATION PROJECTS.

Seller hereby discloses that Seller is aware of the existence of a proposed or existing transportation project that affects or is expected to affect the real property as follows:
NONE

22. FEDERAL DISCLOSURES

Anti-Money Laundering and Anti-Terrorism Laws

- (a) Neither Seller nor, to Seller's knowledge, its Affiliates, is in violation of any laws relating to terrorism, money laundering, or the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Action of 2001, Public Law 107-56, as amended, and Executive Order No. 13224 (Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism) (the "Executive Order") (collectively, the "Anti-Money Laundering and Anti-Terrorism Laws").
- (b) Neither Seller, nor, to Seller's knowledge, its Affiliates, is acting, directly or indirectly, on behalf of terrorists, terrorist organizations, or narcotics traffickers, including those persons or entities that appear on the Annex to the Executive Order, or are included on any relevant lists maintained by the Office of Foreign Assets Control of the U.S. Department of Treasury, U.S. Department of State, or other U.S. government agencies, all as may be amended from time to time (the "Government List").
- (c) Neither Seller nor any person controlling or controlled by Seller is a country, territory, individual, or entity named on a Government List, and the monies used in connection with this Agreement and amounts committed with respect thereto, were not and are not derived from any activities that contravene any applicable

anti-money laundering or anti-bribery laws and regulations (including funds being derived from any person, entity, country, or territory on a Government List or engaged in any unlawful activity defined under Title 18 of the United States Code, §1956(c)(7).

- (d) With respect to all or any portion of the Property, to Seller's knowledge: (i) Seller is and has at all times been in compliance with all applicable anti- bribery and anti-corruption laws of any applicable jurisdiction (collectively "Anti-Bribery Laws"); and (ii) neither Seller nor anyone acting on Seller's behalf has taken any action that would cause Seller to be in violation of Anti- Bribery Laws.

23. AS-IS WHERE-IS; NO WARRANTIES.

- (a) EXCEPT AS EXPRESSLY SET FORTH ABOVE IN THIS CONTRACT AND IN THE SPECIAL WARRANTY DEED CONVEYED BY SELLER AT CLOSING, BUYER ACKNOWLEDGES AND AGREES THAT SELLER HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO (A) THE VALUE, NATURE, QUALITY OR CONDITION OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, THE WATER, SOIL AND GEOLOGY, (B) THE INCOME TO BE DERIVED FROM THE PROPERTY, (C) THE SUITABILITY OF THE PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH BUYER OR ANY TENANT MAY CONDUCT THEREON, (D) THE COMPLIANCE OF OR BY THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY, (E) THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY, (F) THE MANNER OR QUALITY OF THE CONSTRUCTION OR MATERIALS, IF ANY, INCORPORATED INTO THE PROPERTY, (G) THE MANNER, QUALITY, STATE OF REPAIR OR LACK OF REPAIR OF THE PROPERTY, OR (H) COMPLIANCE WITH ANY ENVIRONMENTAL PROTECTION, POLLUTION OR LAND USE LAWS, RULES, REGULATIONS, ORDERS OR REQUIREMENTS, INCLUDING THE EXISTENCE IN OR ON THE PROPERTY OF HAZARDOUS MATERIALS OR (I) ANY OTHER MATTER WITH RESPECT TO THE PROPERTY; AND, BUYER HEREBY WAIVES ANY RIGHT TO MAKE ANY CLAIM BASED ON ANY OF THE FOREGOING, INCLUDING, WITHOUT LIMITATION, ANY RIGHT TO MAKE ANY CLAIM AGAINST SELLER BASED ON THE VIOLATION OF ANY ENVIRONMENTAL LAWS. ADDITIONALLY, NO PERSON ACTING ON BEHALF OF SELLER IS AUTHORIZED TO MAKE, AND BY EXECUTION HEREOF OF

BUYER ACKNOWLEDGES THAT NO PERSON HAS MADE, ANY REPRESENTATION, AGREEMENT, STATEMENT, WARRANTY, GUARANTY OR PROMISE REGARDING THE PROPERTY OR THE TRANSACTION CONTEMPLATED HEREIN; AND NO SUCH REPRESENTATION, WARRANTY, AGREEMENT, GUARANTY, STATEMENT OR PROMISE IF ANY, MADE BY ANY PERSON ACTING ON BEHALF OF SELLER SHALL BE VALID OR BINDING UPON SELLER. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY, BUYER IS RELYING SOLELY ON ITS OWN INVESTIGATION OF THE PROPERTY AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY SELLER, AND AGREES TO ACCEPT THE PROPERTY AT THE CLOSING AND WAIVE ALL OBJECTIONS OR CLAIMS AGAINST SELLER (INCLUDING, BUT NOT LIMITED TO, ANY RIGHT OR CLAIM OF CONTRIBUTION) ARISING FROM OR RELATED TO THE PROPERTY OR TO ANY HAZARDOUS MATERIALS ON THE PROPERTY. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE SALE OF THE PROPERTY AS PROVIDED FOR HEREIN IS MADE ON AN "AS IS" CONDITION AND BASIS WITH ALL FAULTS. THE PROVISIONS OF THIS SUBSECTION SHALL SURVIVE THE CLOSING OR ANY TERMINATION HEREOF.

Each party to this Contract has caused it to be executed as of the date indicated above.

BUYER:

SELLER:

Board of Water Works of Pueblo,
Colorado

By: _____
Seth J. Clayton, Executive Director

Steven L. Fossel

Date: _____

Date: _____

Exhibit to be attached:

- Exhibit A: Legal Description