

CONTRACT FOR PURCHASE OF WATER RIGHTS
(Fulton Irrigation Ditch Company Shares)

THIS AGREEMENT is made this 17th day of August, 2017, by and between ARCUS SOUTHGATE,LLC, ("SELLER"), whose address is 4915 E. Baseline Rd., Suite #105, Gilbert, AZ 85234 and the CITY OF BRIGHTON, a Colorado home rule municipal corporation of the County of Adams, State of Colorado; ("the BUYER").

1. Description of Water Shares. SELLER is the sole owner of the water rights represented by Three and 00/100 (3.00) shares of capital stock in The Fulton Irrigation Ditch Company ("FULTON") certificate number(s) # #4094, (the SHARES").

2. Purchase Price. Subject to the terms of this AGREEMENT, SELLER shall sell to BUYER and BUYER shall buy three and 00/100 SHARES. SELLER warrants that SELLER possesses good and marketable title to the WATER SHARES, as provided in Paragraphs Four and Five of this AGREEMENT, and agrees to convey to BUYER that good and marketable title to the WATER SHARES as provided in Paragraphs Five and Six of this AGREEMENT, and agrees to convey to BUYER that good and marketable title to the WATER SHARES for a purchase price of Eighty-One Thousand Dollars and 00/100 (\$81,000.00).

3. Documents. Within fourteen (14) days of the date of this AGREEMENT, SELLER agrees to furnish to BUYER any and all deeds, contracts, or abstracts it has pertaining to its title to the WATER SHARES, which are the subject of this AGREEMENT including but not limited to water history questionnaire and restrictive dry-up covenants and easement agreements.

4. Closing Date. This Agreement is contingent upon the approval of funding by the City Council of the City of Brighton. It is understood and agreed that this Agreement may be submitted to City Council for approval (with this funding contingency) on or before Sept. 5, 2017, so long as said Agreement has been executed prior to that date by SELLER. BUYER shall have until October 5, 2017 to secure approval of funding. If funding is not approved on or before October 5, 2017, this Agreement shall be terminated. If this funding contingency is satisfied, then closing of this Agreement shall take place no later than October 5, 2017. Closing shall take place at the offices of the City of Brighton, or at such other time and place as may be mutually agreed upon by the parties.

5. Closing. On the date of closing, SELLER shall:

A. Deliver to BUYER, FULTON certificate number(s) #4094, properly endorsed by SELLER to BUYER, together with an assignment thereof, giving BUYER the authority to transfer the ownership of the WATER SHARES evidenced by the stock certificate from SELLER to the BUYER on the records of FULTON company at no cost and expense to SELLER;

B. Deliver a special warranty deed conveying to BUYER the WATER SHARES. The assignment and deed shall be given free and clear from all liens, mortgages, encumbrances, ditch assessments, or adverse claims, except any ditch assessments now due and

owing, and subject to the Articles of Incorporation, Bylaws, and Rules and Regulations of the FULTON Company.

C. Deliver to BUYER the documents specified in Paragraph 3 above.

6. Title. Title to the WATER SHARES shall be merchantable in SELLER. SELLER warrants and represents that it is, and on the closing date will be, the lawful owner of the WATER SHARES and has full authority to sell and deliver the same to BUYER in accordance with this AGREEMENT, free and clear of all liens, mortgages, assessments, claims and encumbrances of any type. Any encumbrance existing at the time of closing may be paid at the closing from the proceeds of this transaction or from any other source. SELLER represents that it has full right, power and authority to execute this AGREEMENT and to endorse over the stock certificates to BUYER pursuant to the statutory requirements of the State of Colorado. SELLER further warrants and represents that there are no present pending actions or claims which might give rise to any court proceedings or contingent claims affecting ownership of the water.

7. Remedies. There shall be the following remedies:

A. If SELLER is in default, (1) BUYER may elect to treat this AGREEMENT as terminated and BUYER may recover such damages as may be proper, or (2) BUYER may treat this AGREEMENT as being in full force and effect and BUYER shall have the right to an action for specific performance or damages, or both.

B. If BUYER is in default, (1) SELLER may elect to treat this AGREEMENT as terminated and SELLER may recover such damages as may be proper, or (2) SELLER may treat this AGREEMENT as being in full force and effect and SELLER shall have the right to an action for specific performance or damages, or both.

8. Indemnification. SELLER indemnifies BUYER and holds BUYER harmless from any claim, demand, cause of action, suit, loss, damage, and expense of any nature whatsoever, which may arise directly or indirectly from the inaccuracy, invalidity, misrepresentation, or breach of any representation, warranty, or covenant made by SELLER in or pursuant to this contract. This indemnification includes the obligation of SELLER to deliver to BUYER unencumbered title to the WATER SHARES, in the event BUYER'S title to the WATER SHARES is defeated. If any dispute arises between the parties over any part of this agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs incurred in connection therewith from the other party.

9. Successors and Assigns. This contract shall be binding upon and inure to the benefit of the heirs, successors, assigns, and legal representatives of the parties hereto.

10. Legal and Tax Advice. All parties are advised to consult legal counsel, tax counsel or other counsel before signing.

11. Notice. Any notice to BUYER shall be effective when received by BUYER and any notice to SELLER shall be effective when received by SELLER.

12. Facsimile Transmission, Electronic Communication and Counterpart Copies. The

parties may transmit this Agreement and other documents executed pursuant to this Agreement by facsimile transmission or e-mail. Facsimile signatures or scanned copies of original signatures transmitted via email shall be adequate, binding and valid as original signatures on original documents. This Agreement and other documents executed pursuant to this Agreement may be executed in several counterpart copies and all such counterparts taken together shall be deemed one Agreement or document.

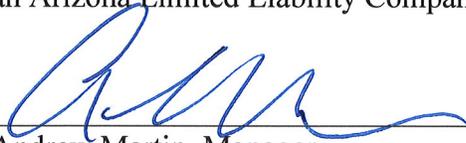
BUYER:

CITY OF BRIGHTON

By: _____
Clint Blackhurst, Interim City Manager

SELLER: ARCUS SOUTHGATE, LLC,
 an Arizona Limited Liability Company

BY: ARCUS Private Capitol Solutions,
an Arizona Limited Liability Company



Andrew Martin, Manager