CITY OF EL PASO, TEXAS AGENDA ITEM DEPARTMENT HEAD'S SUMMARY FORM

DEPARTMENT:	El Paso Water Utilitie	s Public - Service Board (EPWater)
AGENDA DATE:	Introduction	, 2023
	Public Hearing	, 2023

CONTACT PERSON/PHONE: Alex Vidales, EPWater Real Estate Manager, 915.594.5636

DISTRICT(S) AFFECTED: 7 SUBJECT: APPROVE the following Ordinance

Authorizing the City Manager to sign a Purchase & Sale Agreement, Special Warranty Deed and any other documents necessary to convey to Lower Valley Water District., approximately 1.289 acres of land being described as a portion of Tract 4A, and approximately 3.637 acres of land being all of Tract 4A2, Block 24, Socorro Grant, City of El Paso, El Paso County, Texas. (District 7) EPWater, Alex Vidales, Real Estate Manager (915) 594-5636.

BACKGROUND / DISCUSSION:

These parcels of land are owned by the El Paso Water Utilities - Public Service Board (EPWU/PSB), for and on behalf of the City of El Paso, a Texas municipal corporation and are a part of the water and wastewater system inventory. On December 8, 2021, the Public Service Board declared the properties inexpedient to the water and wastewater system and authorized the President/CEO of El Paso Water Utilities to obtain an appraisal and survey of the properties.

PRIOR COUNCIL ACTION:

Has the Council previously considered this item or a closely related one?

Yes, On May 15, 2018, El Paso City Council approved the sale of approximately 10.327 acres to the City of Socorro.

AMOUNT AND SOURCE OF FUNDING: N\A

BOARD / COMMISSION ACTION:

On December 8, 2021, the El Paso Water Utilities - Public Service Board declared the properties inexpedient to the water and wastewater system and authorized the President/CEO to sell the properties.

AFTER EXECUTION OF ALL DOCUMENTS, PLEASE CONTACT ALEX VIDALES TO PICK UP THE DOCUMENTS @ 915.594.5636. THANK YOU.

ORDINANCE NO.

AN ORDINANCE AUTHORIZING THE CITY MANAGER TO SIGN A PURCHASE AND SALE AGREEMENT, A DEED AND ANY OTHER DOCUMENTS NECESSARY TO CONVEY APPROXIMATELY 1.289 ACRES OF LAND BEING DESCRIBED AS PORTION OF TRACT 4A AND APPROXIMATELY 3.673 ACRES OF LAND BEING ALL OF TRACT 4A2, BLOCK 24, SOCORRO GRANT, CITY OF EL PASO, EL PASO COUNTY, TEXAS.

WHEREAS, the El Paso Water Utilities Public Service Board (EPWU/PSB) holds certain real properties in its land inventory as part of its water, wastewater and drainage utility systems; and,

WHEREAS, EPWU/PSB received a request to purchase the property described herein below from the water and wastewater system; and,

WHEREAS, at its regular meeting on December 8, 2021, the Public Service Board determined approximately 4.962 acres of land being portion of Tract 4A and all of Tract 4A2, Block 24, Socorro Grant, City of El Paso, El Paso County, Texas, to be inexpedient to the water and wastewater system and should be sold in accordance with state law; and,

WHEREAS, Section 272.001(b) (5) of the Texas Local Government Code provides for an exception to the bidding requirements for the sale of land to a governmental entity that has the power of eminent domain is not required to be placed for public bid; and,

WHEREAS, the property is being sold to a governmental entity that has the power of eminent domain; and,

WHEREAS, the property being sold was appraised for sale at its fair market value and the purchaser has agreed to the sales price;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF EL PASO, TEXAS:

That the City Manager is authorized to sign a Purchase and Sale Agreement, a Deed and any other necessary documents, in a form approved by the City Attorney's Office, for the sale of the following identified real property:

Approximately 1.289 acres of land being described as a portion of Tract 4A, and approximately 3.673 acres of land being described as all of Tract 4A2, Block 24, Socorro Grant, City of El Paso, El Paso County, Texas, and being more particularly described in Exhibits "A" and "B" attached hereto and made a part hereof for all purposes.

(Signatures begin on following page)

ORDINANCE NUMBER ______ Land Sale-The Lower Valley Water District ł

PASSED AND APPROVED this _____ day of _____, 2023.

CITY OF EL PASO

Oscar Leeser, Mayor

ATTEST:

Laura D. Prine, City Clerk

APPROVED AS TO FORM:

Stata Douto

Roberta Brito Assistant City Attorney

APPROVED AS TO FORM:

Michaela Ainsa Senior Assistant General Counsel

EXHIBIT A

Legal Description of the Property

Prepared For: El Paso Water Date: 4-27-22 Block 24 Socorro Grant El Paso County, Texas W.O. # 032322-10

METES AND BOUNDS DESCRIPTION

Description of 1.289-acre parcel of land being a portion of Tract 4A, Block 24, Socorro Grant, City of Socorro, El Paso County, Texas, being more particularly described by metes and bounds as follows to wit:

Commencing at a found concrete post at the most northerly corner of Tract 13, Block 23, Socorro Grant and on the common boundary line of Tracts 13 and Tract 12A Socorro Grant; Thence, South 40°50'29" West, along said boundary line, a distance of 206.70 feet to a point on the most westerly boundary corner and of Tract 13, Block 23, Socorro Grant and the northeast corner of a certain Tract of land described May 15th 2018, in File Clerk's No. 20180043812 (AKA Cougar Park) Deed Records, El Paso County, Texas, and said corner being on the common boundary line of Block 24, and 23, Socorro Grant; Thence, South 39°13'29" West, along said common boundary line, a distance of 83.00 feet to a point; Thence, South 51°38' 29" West, continuing along said boundary line, a distance of 82.60 feet to a found 5/8" rebar on the easterly boundary line of a 120' foot right-of-way, (AKA Franklin Drain); Thence, South 33°15'32" East, along said right-of-way line, a distance of 884.08 feet to a set 1/2" rebar with cap stamped "RPLS 5572" being the Point of Beginning of this description;

Thence, South 33°20'25" East, continuing along said right-of-way line 116.58 feet to a 1/2" rebar set on the common boundary line of Tracts 4A2 and 4A;

Thence, North 67°45'42" East, along said common boundary line, a distance of 384.46 feet to a to a 1/2" rebar with cap stamped "RPLS 5572" set on the westerly right-of-way line of the San Elizario Socorro Road; (FM 258, Project No. AR 2-1414, Sheet No. 2-14-15, right-of-way varies);

Thence, 139.99 feet along said right-of-way line, along the arc of a curve to the right, having a radius of 2894.01 feet, a central angle of 02°46'17", and a chord which bears North 16°49'42" West, a distance of 139.98 feet to a 1/2" rebar with cap stamped "RPLS 5572" set on the common boundary line of a certain parcel of land described in File Clerk's No. 20180043812;

Thence, South 67°46'58" West, along said boundary line a distance of 409.32 feet to a set 1/2" rebar with cap stamped "RPLS 5572";

Thence South 01°00'28" West, along said boundary line, a distance of 27.32' feet, to the Point of Beginning and containing in all 56,157 square feet or 1.289 acres of land more or less.

OUTIERREZ H2O-Terra



EXHIBIT B

Legal Description of the Property

Prepared For: El Paso Water Date: 07-01-22 Block 24 Socorro Grant El Paso County, Texas W.O. # 032322-10

METES AND BOUNDS DESCRIPTION

Description of 3.673-acre parcel of land being all of Tract 4A2, Block 24, Socorro Grant, City of Socorro, El Paso County, Texas, being more particularly described by metes and bounds as follows to wit:

Commencing at a found concrete post at the most northerly corner of Tract 13, Block 23, Socorro Grant and on the common boundary line of Tracts 13 and Tract 12A Socorro Grant; Thence, South 40°50'29" West, along said boundary line, a distance of 206.70 feet to a point on the most westerly boundary corner and of Tract 13, Block 23, Socorro Grant and the northeast corner of a certain Tract of land described May 15th 2018, in File Clerk's No. 20180043812 (AKA Cougar Park) Deed Records, El Paso County, Texas, and said corner being on the common boundary line, a distance of 83.00 feet to a point; Thence, South 39°13'29" West, along said common boundary line, a distance of 83.00 feet to a point; Thence, South 51°38' 29" West, continuing along said boundary line, a distance of 82.60 feet to a found 5/8" rebar on the easterly boundary line of a 120' foot right-of-way, (AKA Franklin Drain); Thence, South 33°15'32" East, along said right-of-way, a distance of 884.08 feet to a point; Thence, South 33°20'25" East, continuing along said right-of-way, a distance of 116.58 to a 5/8" rebar with cap stamped "RPLS 5572"; set on the northeasterly corner of Tract 4A2, and the southwesterly corner of Tract 4A Block 24, Socorro Grant, said rebar being the Point of Beginning of this description.

Thence, South 33°20'25" East, continuing along said right-of-way a distance of 178.34 feet to a found 1/2" rebar;

Thence, South 34°10'54" East, continuing along said right-of-way a distance of 29.59 feet to a set 5/8" rebar with cap stamped "RPLS 5572";

Thence, 370.62 feet continuing along said right-of-way line, along the arc of a curve to the left, having a radius of 478.19 feet, a central angle of 44°24'22", and a chord which bears South 56°22'58" East, a distance of 361.41 feet to a set 5/8" rebar with cap stamped "RPLS 5572"

Thence, South 78°34'48" East, continuing along said right-of-way line, a distance of 158.97 feet to a to a 5/8" rebar with cap stamped "RPLS 5572" set on the westerly right-of-way line of the San Elizario Socorro Road; (FM 258, Project No. AR 2-1414, Sheet No. 2-14-15, right-of-way varies)

Thence, North 12°51'48" West, along said right-of-way line, a distance of 71.87 feet to a to a set 5/8" rebar with cap stamped "RPLS 5572";

Thence, North 24°25'48 West, continuing along said right-of-way line, a distance of 207.71 feet to a to a set 5/8" rebar with cap stamped "RPLS 5572";

Thence, 312.90 feet continuing along said right-of-way line, along the arc of a curve to the right, having a radius of 2894.01 feet, a central angle of 06°11'41", and a chord which bears North 21°18'41" West, a distance of 312.75 feet to a 5/8" rehar with cap stamped "RPLS 5572" set on the northeasterly corner of Tract 4A2 and 4A1 Block 24, Socorro Grant;

Thence South 67°45'42" West, along said boundary line, a distance of 384.46' feet, to the Point of Beginning and containing in all 159,986 square feet or 3.673 acres of land more or less.

CHARLES H. GUTIERREZ R. Н2О-Тепта



SPECIAL WARRANTY DEED

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Effective Date: _____, 2023

Grantor: EL PASO WATER UTILITIES – PUBLIC SERVICE BOARD for and on behalf of THE CITY OF EL PASO, TEXAS, a Texas municipal corporation 1154 Hawkins Blvd. El Paso, Texas 79925

Grantee: Lower Valley Water District, a Texas governmental agency and a body politic and corporate 1557 FM 1110 Clint, Texas 79836

Consideration: TEN AND NO/100THS DOLLARS (\$10.00), and other good and valuable consideration to the undersigned paid by Grantee, the receipt of which is hereby acknowledged.

Property (including any improvements):

A parcel of land consisting of approximately 4.962 acres of land being described as portion of Tract 4A and all of Tract 4A2, Block 24, Socorro Grant, City of El Paso, El Paso, County, Texas, such portion being legally described by metes and bounds on **Exhibit A** and **Exhibit B** attached hereto and incorporated herein for all purposes.

Severance of Groundwater Estate and Reservations from Conveyance:

Save and except:

(1) The groundwater estate related to the Property, which is hereby severed from the Property and reserved by and for Grantor, for all purposes. The groundwater estate shall include, without limitation, the Groundwater and Groundwater Rights related to the Property. The term (i) "Groundwater" shall mean all of the underground water, percolating water, artesian water, and any other water existing now and in the future from any and all depths, reservoirs, aquifers, formations, and horizons beneath the surface of the Property; and (ii) "Groundwater Rights" shall mean (1) the right to access, test, capture, explore for, drill for, develop, withdraw, produce, store, treat, transport or otherwise acquire and beneficially use, reuse, or recharge, any and all of the Groundwater beneath the Property; (2) the right to apply for and obtain all permits, licenses, or other governmental authorizations relating to any of the foregoing, including but not limited to any permit issued by a groundwater conservation district or other governmental entity existing now or in the future and having jurisdiction over the Groundwater and/or the exploration, drilling, production, use, storage, treatment, reuse, recharge or transport of Groundwater.

(2) Easements to EL PASO ELECTRIC COMPANY, recorded in Volume 1569, Page 1687, Real Property Records of El Paso County, Texas.

(3) Easements to EL PASO ELECTRIC COMPANY, recorded in Volume 2475, Page 274, Real Property Records of El Paso County, Texas.

(4) Easements to EL PASO ELECTRIC COMPANY, recorded in Volume 2491, Page 1347, Real Property Records of El Paso County, Texas.

(5) Easements to LOWER VALLEY WATER DISTRICT, recorded in Volume 3390, Page 1795, Real Property Records of El Paso County, Texas.

(6) Contracts, taxes, construction charges, easements, levees, laterals, and rights-of -way for roads, irrigation and drainage ditches and other claims or interest on, around and/or across subject property, in favor of the United States Bureau of Reclamation Under the Reclamation act of 1902 and amendments thereto, as further amended by Deed Without Warranty dated 01/19/1996, in favor of El Paso County Improvements District No. 1, recorded in Volume 3002, Page 1025, Real Property Records of El Paso County, Texas.

(7) Subject to all matters emanating from the establishment of the El Paso County Lower Valley Authority including, but not limited to, the instruments recorded in Volume 2104, Page 675, Volume 2852, Page 399, and under Clerk's File No. 20050118809, Real Property Records of El Paso County, Texas.

(8) Note: An Affidavit was styled "Notice of Claim to the Ysleta Grant and Aboriginal Title Areas" and was filed in Volume 2553, Page 1958, Real Property Records, El Paso County, Texas. The memorandum attached to this Affidavit states that "the claim is one for return of possession from third parties of all lands contained within the Ysleta, Senecu, Socorro and Ascarate Grants in El Paso County, Texas (based on aboriginal title and specific Spanish and Mexican Grants); as well as the balance of El Paso County and all of Hudspeth, Culberson, Jeff Davis, Brewster and Presidio Counties, Texas (based on aboriginal title only); and for damages for trespass and unlawful occupation and use." Upon request to the company, you may receive a copy of the Affidavit and memorandum. THE POLICY TO BE ISSUED TO YOU WILL NOT EXCEPT TO THE AFFIDAVIT OR CLIMS REFELECTED BY THE AFFIDAVIT. THIS NOTE IS FOR INFORMATION PURUPOSES ONLY.

GRANTOR AND GRANTEE AGREE THAT GRANTEE IS ACCEPTING THE PROPERTY FROM GRANTOR IN ITS <u>"AS IS, WHERE IS, AND WITH ALL FAULTS"</u> CONDITION AND THAT THERE ARE NO REPRESENTATIONS OR EXPRESS OR IMPLIED WARRANTIES, EXCEPT THE SPECIAL WARRANTY OF TITLE CONTAINED IN THIS DEED. GRANTEE HAS NOT RELIED ON ANY INFORMATION OTHER THAN GRANTEE'S INSPECTION OF THE PROPERTY.

Grantor, subject to the Severance of the Groundwater Estate and the Exceptions to Conveyance and Warranty set forth above, grants, sells and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto in any way belonging, to have and to hold the Property unto Grantee and Grantee's successors and assigns forever. Grantor binds Grantor and Grantor's successors and assigns to warrant and forever defend all and singular the Property unto Grantee and Grantee's successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof when the claim is by, through or under Grantor, but not otherwise, except as to the Severance of the Groundwater Estate and the Exceptions to Conveyance and Warranty set forth above.

When the context requires, singular nouns and pronouns include the plural.

(Signature page and exhibits follow.)

EXECUTED to be effective as of the date first stated above.

00 00 00

GRANTOR:

THE CITY OF EL PASO, a Texas municipal corporation

By:		
Name:	Tomás Gonzalez	
Title:	City Manager	

THE STATE OF TEXAS COUNTY OF EL PASO

This instrument was acknowledged before me on the _____ day of _____, 2023, by Tomás Gonzalez, City Manager of the City of El Paso.

NOTARY PUBLIC, State of Texas

EXHIBIT A

Legal Description of the Property

Prepared For: El Paso Water Date: 4-27-22 Block 24 Socorro Grant El Paso County, Texas W.O. # 032322-10

METES AND BOUNDS DESCRIPTION

Description of 1.289-acre parcel of land being a portion of Tract 4A, Block 24, Socorro Grant, City of Socorro, El Paso County, Texas, being more particularly described by metes and bounds as follows to wit:

Commencing at a found concrete post at the most northerly corner of Tract 13, Block 23, Socorro Grant and on the common boundary line of Tracts 13 and Tract 12A Socorro Grant; Thence, South 40°50'29" West, along said boundary line, a distance of 206.70 feet to a point on the most westerly boundary corner and of Tract 13, Block 23, Socorro Grant and the northeast corner of a certain Tract of land described May 15° 2018, in File Clerk's No. 20180043812 (AKA Cougar Park) Deed Records, El Paso County, Texas, and said corner being on the common boundary line of Block 24, and 23, Socorro Grant; Thence, South 39°13'29" West, along said common boundary line, a distance of 83.00 feet to a point; Thence, South 51°38' 29" West, continuing along said boundary line, a distance of 82.60 feet to a found 5/8" rebar on the easterly boundary line of a 120' foot right-of-way, (AKA Franklin Drain); Thence, South 33°15'32" East, along said right-of-way line, a distance of 884.08 feet to a set 1/2" rebar with cap stamped "RPLS 5572" being the Point of Beginning of this description;

Thence, South 33°20'25" East, continuing along said right-of-way line 116.58 feet to a 1/2" rebar set on the common boundary line of Tracts 4A2 and 4A;

Thence, North 67°45'42" East, along said common boundary line, a distance of 384.46 feet to a to a 1/2" rebar with cap stamped "RPLS 5572" set on the westerly right-of-way line of the San Elizario Socorro Road; (FM 258, Project No. AR 2-1414, Sheet No. 2-14-15, right-of-way varies);

Thence, 139.99 feet along said right-of-way line, along the arc of a curve to the right, having a radius of 2894.01 feet, a central angle of 02°46'17", and a chord which bears North 16°49'42" West, a distance of 139.98 feet to a 1/2" rebar with cap stamped "RPLS 5572" set on the common boundary line of a certain parcel of land described in File Clerk's No. 20180043812;

Thence, South 67°46'58" West, along said boundary line a distance of 409.32 feet to a set 1/2" rebar with cap stamped "RPLS 5572";

Thence South 01°00'28" West, along said boundary line, a distance of 27.32' feet, to the Point of Beginning and containing in all 56,157 square feet or 1.289 acres of land more or less.

GUTIERREZ R H2O-Terra

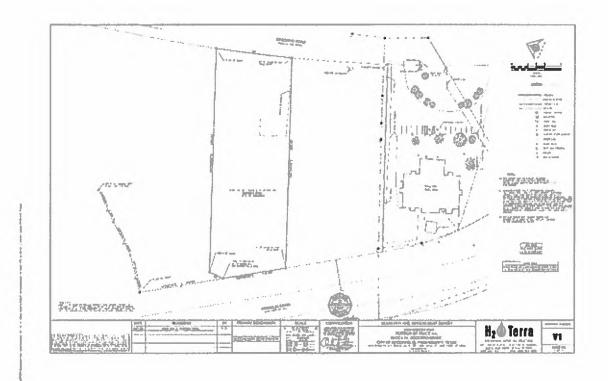


EXHIBIT B

Legal Description of the Property

Prepared For: El Paso Water Date: 07-01-22 Block 24 Socorro Grant El Paso County, Texas W.O. # 032322-10

METES AND BOUNDS DESCRIPTION

Description of 3.673-acre parcel of land being all of Tract 4A2, Block 24, Socorro Grant, City of Socorro, El Paso County, Texas, being more particularly described by metes and bounds as follows to wit:

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Thence, South 33°20'25" East, continuing along said right-of-way a distance of 178.34 feet to a found 1/2" rebar;

Thence, South 34°10'54" East, continuing along said right-of-way a distance of 29.59 feet to a set 5/8" rebar with cap stamped "RPLS 5572";

Thence, 370.62 feet continuing along said right-of-way line, along the arc of a curve to the left, having a radius of 478.19 feet, a central angle of 44°24'22", and a chord which bears South 56°22'58" East, a distance of 361.41 feet to a set 5/8" rebar with cap stamped "RPLS 5572"

Thence, South 78°34'48" East, continuing along said right-of-way line, a distance of 158.97 feet to a to a 5/8" rebar with cap stamped "RPLS 5572" set on the westerly right-of-way line of the San Elizario Socorro Road; (FM 258, Project No. AR 2-1414, Sheet No. 2-14-15, right-of-way varies)

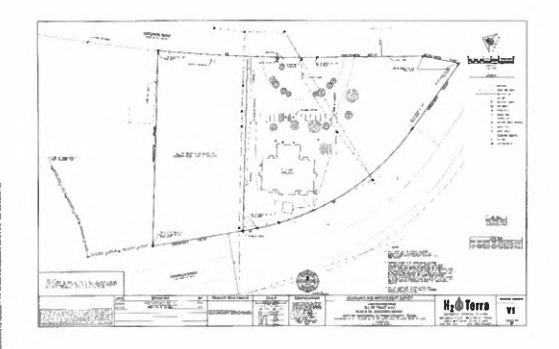
Thence, North 12°51'48" West, along said right-of-way line, a distance of 71.87 feet to a to a set 5/8" rebar with cap stamped "RPLS 5572";

Thence, North 24°25'48 West, continuing along said right-of-way line, a distance of 207.71 feet to a to a set 5/8" rebar with cap stamped "RPLS 5572";

Thence, 312.90 feet continuing along said right-of-way line, along the arc of a curve to the right, having a radius of 2894.01 feet, a central angle of 06°11'41", and a chord which bears North 21°18'41" West, a distance of 312.75 feet to a 5/8" rehar with cap stamped "RPLS 5572" set to the northeasterly corner of Tract 4A2 and 4A1 Block 24, Socorro Grant;

Thence South 67°45'42" West, along said boundary line, a distance of 384.46' fect, to the Point of Beginning and containing in all 159,986 square feet or 3.673 acres of land more or less.

CHARLES H. GUTIERREZ R H2O-Terra



PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement (this "Agreement") is entered into by and between the EL PASO WATER UTILITIES-PUBLIC SERVICE BOARD, for and on behalf of the CITY OF EL PASO, a Texas municipal corporation (the "Seller" or "EPWater") and the LOWER VALLEY WATER DISTRICT, a Texas governmental agency and a body politic and corporate (the "Buyer"). The Seller and the Buyer may be each referred to individually herein as a "Party" and collectively as the "Parties".

WITNESSETH

WHEREAS, EPWater owns that certain real property consisting of approximately 1.289-acres of land, being a portion of Tract 4A, Block 24, Socorro Grant and being legally described by metes and bounds on <u>Exhibit A</u>, attached hereto and incorporated fully herein for all purposes, and an approximately 3.673-acre parcel of land, being all of Tract 4A2, Block 24, Socorro Grant, City of Socorro, El Paso County, Texas, and being legally described by metes and bounds on <u>Exhibit B</u>, attached hereto fully herein for all purposes (collectively the "*Property*"); and

WHEREAS, the Buyer desires to purchase the Property from EPWater, and EPWater desires for Buyer to purchase the Property, in its "as-is, where-is and with all faults" condition and subject to the terms and conditions contained in this Agreement; and

WHEREAS, Buyer is a governmental agency and a body politic created pursuant to Chapter 780 H.B. No. 2488, enacted by the Legislature of the State of Texas with the power of eminent domain, has been delegated with the authority to enter into this Agreement with EPWater for the purchase of the Property; and

WHEREAS, the Property is being sold pursuant to Section 272.001(b)(5) of the Texas Local Government Code and is excepted from the bidding requirements contained in the Texas Local Government Code for the sale of public land; and

NOW THEREFORE, for and in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

AGREEMENT

1. **Description of Property.** The Seller hereby agrees to sell and convey, and the Buyer hereby agrees to purchase, subject to the terms and conditions contained in this Agreement, the following described real property located in El Paso County, Texas:

An approximately 1.289-acre parcel, more or less, of land being a portion of Tract 4A, Block 24, Socorro Grant, City of Socorro, El Paso County, Texas, such portions being legally described by metes and bounds on **Exhibit A**, and an approximately 3.673-acre parcel, more or less, of land being all of Tract 4A2, Block 24, Socorro Grant, City of Socorro, El Paso County, Texas, such portions being legally described by metes and bounds on **Exhibit B**, attached hereto and incorporated herein for all purposes; together with any interest in (i) all improvements and fixtures, and (ii) all right, title and interest in and to all easements,

excepting such easements necessary for the operation of the EPWater water, wastewater, stormwater or drainage utility systems, appurtenances, and rights-of-way, and all interests in, on or to, any land, highway or street, in, on, across, in front of, abutting, or adjoining any such real property, all of such property (collectively, the "*Property*").

1.1 Reliance on the Buyer's Own Diligence. It is acknowledged and agreed that the Buyer has conducted, will conduct during the Inspection Period (defined below), and is relying solely on its own due diligence concerning the Property, including, without limitation, performing any archeological or environmental reports, studies, or surveys of the Property it, in its sole discretion, has desired to perform, and has determined that the Property is suitable for its intended purposes. Mitigation of any conditions on the Property, including archeological sites or, without limitation, any environmental conditions, shall be at the sole cost and expense of the Buyer who shall take the Property at Closing (as defined below) subject to all conditions existing on the date of the Buyer's signature to this Agreement. By its signature hereto, the Buyer accepts responsibility for its own determination of the nature and extent of any archeological sites, or without limitation, any environmental conditions, relating to the Property.

1.1.1 **Inspection Period**. Buyer's inspection of the Property may be conducted commencing on the Effective Date of this Agreement and ending at 5:00 p.m. local time where the Property is located, 60 days after the Effective Date (the "*Inspection Period*").

1.1.2 Buyer's Right to Terminate. Buyer may terminate this Agreement for any reason by notifying Seller of the termination in writing before the end of the Inspection Period. Buyer will pay \$100 to Seller as consideration for the right granted by Seller to Buyer to terminate this Agreement. Upon written request by Seller, Buyer will provide Seller copies of the following reports related to the Property in Buyer's possession: environmental reports, physical inspection reports, and surveys.

1.2 **Easements.** The Property shall be conveyed to the Buyer subject to all easements, whether of record or not, affecting the Property. Buyer shall be solely responsible for the cost and acquisition of any additional easements it may require for the Property, including, without limitation, easements for the purposes of ingress and egress.

1.3 Surface water and Groundwater. Any rights to the use of surface water (including to any government or other permits) appurtenant or in any way related to the Property are reserved by and for the Seller. In addition, the entire groundwater estate related the Property, including without limitation, the Groundwater (as defined herein below) and Groundwater Rights (as defined herein below) are reserved by and for the Seller. The term "Groundwater" shall mean all of the underground water, percolating water, artesian water, and any other water existing now and in the future from any and all depths, reservoirs, aquifers, formations, and horizons beneath the surface of the Property. The term "Groundwater Rights" shall mean (1) the right to access, test, capture, explore for, drill for, develop, withdraw, produce, store, treat, transport or otherwise acquire and beneficially use, reuse, or recharge, any and all of the Groundwater beneath the Property; (2) the right to take all usual, necessary, and convenient means to use the surface of the Property for access to and to explore for, develop, treat, produce, and transport the Groundwater; and (3) the right to apply for and obtain all permits, licenses, or other governmental authorizations relating to any of the foregoing, including but not limited to any permit issued by a groundwater conservation district or other governmental entity existing now or in the future and having jurisdiction over the Groundwater and/or the exploration, drilling, production,

use, storage, treatment, reuse, recharge or transport of Groundwater that may be necessary for the full and unfettered exercise of the Seller's rights therein. For the avoidance of doubt, Buyer shall not have the right to drill a well and/or produce therefrom any quantity of groundwater.

1.4 **Modification of Water, Sanitary Sewer, and Appurtenances**. Buyer shall be solely responsible for the costs of all on-site and off-site extensions, relocations, easements, replacements, or adjustments of water, sanitary sewer, and appurtenances necessitated by and attributable to the proposed subdivision improvement plans, or to otherwise provide service lines to the Property.

2. Title Insurance. The Buyer at its sole cost and expense will order a title commitment ("Commitment") from Stewart Title Company, 415 N. Mesa Street, El Paso, TX 79901 (the "Title Company"), accompanied by copies of all recorded documents affecting the Property for the issuance of an Owner's Policy of Title Insurance with respect to the Property in the amount of the Purchase Price (the "Owner's Policy"). The Buyer will provide copies of the Commitment and all recorded documents affecting the Property to Seller promptly upon its receipt of the same, but in any event, within ten (10) days of the Effective Date.

2.1 Title Objections. Buyer has 10 days after receipt of the last of the Title Commitment, legible copies of the instruments referenced in the Title Commitment, and the survey if a new survey is required by Buyer (at Buyer's cost) or Title Company ("Title Objection Deadline") to review the survey. Title Commitment and legible copies of the title instruments referenced in them and notify Seller of Buyer's objections to any of them ("Title Objections"). Under no circumstances shall the Title Objection Deadline extend beyond the Inspection Period. Buyer will be deemed to have approved all matters reflected by the survey and Title Commitment to which Buyer has made no Title Objection by the Title Objection Deadline. The matters that Buyer either approves or is deemed to have approved are "Permitted Exceptions." If Buyer notifies Seller of any Title Objections, Seller has 10 days from receipt of Buyer's notice to notify Buyer whether Seller agrees to cure the Title Objections before Closing ("Cure Notice"). If Seller does not timely give its Cure Notice or timely gives its Cure Notice but does not agree to cure all the Title Objections before Closing, Buyer may, within 5 days after the deadline for the giving of Seller's Cure Notice, notify Seller that either this Agreement is terminated or Buyer will proceed to close, subject to Seller's obligations, at or before Closing, to remove all liquidated liens; remove all exceptions that arise by, through, or under Seller after the Effective Date; and cure any other Title Objections that Seller has agreed to cure in the Cure Notice.

3. **Representations of the Seller**. The Seller hereby represents, to the extent allowed by law, to the Buyer, that, to its actual knowledge, the following are true in all material respects:

- 3.1 **Parties in Possession**. At the time of Closing, other than the Buyer, there are no parties in possession of any portion of the Property as lessees or tenants at sufferance.
- 3.2 Mechanic's Lien. (i) No liens arising from the Seller's actions or otherwise, exist for the benefit of mechanics or materialmen in regard to the Property; and (ii) except as expressly disclosed in the documents relating to this transaction, the Seller has not entered into any contracts or agreements relating to the use or ownership of the Property or by which any person or entity agreed to provide labor, services or materials in regard to the Property or the business of the Seller.

- 3.3 Litigation. There is no pending litigation before or by any court of law pertaining to the Property or which involve incidents occurring on the Property including, but not limited to, claims of damage to persons or Property.
- 3.4 Bills Paid. At Closing, there will be no unpaid bills or claims in connection with any repair or operation of the Property as a result of the Seller's ownership.
- 3.5 Taxes. While the Seller owned the Property, the Property was exempt from ad valorem taxes.
- 3.6 Authority. Seller is duly organized, validly existing, and in good standing under the laws of the state of Texas and has authority to perform its obligations under this Agreement. This Agreement is binding on Seller. This Agreement is, and all documents required by this Agreement to be executed and delivered to Buyer at Closing will be, duly authorized, executed, and delivered by Seller.
- 3.7 Violation of Governmental Requirements. Seller has not received written notice and has no actual knowledge of violation of any law, ordinance, regulation, restriction, or legal requirements affecting the Property or Seller's use of the Property.
- 3.8 Licenses, Permits, and Approvals. Seller has not received written notice and has no actual knowledge that any license, permit, or approval necessary to use the Property in the manner in which it is currently being used has expired or will not be renewed on expiration or that any material condition will be imposed to use or renew the same.
- 3.9 **Condemnation; Zoning; Land Use; Hazardous Materials.** Seller has not received written notice and has no actual knowledge of any condemnation, zoning, land-use, hazardous materials, or other proceedings affecting the Property or any written inquiries or notices by any governmental authority or third party with respect to condemnation, zoning, or other land-use regulations or the presence of hazardous materials affecting the Property.
- 3.10 **Consents.** No consent, waiver, approval or authorization is required from any person or entity that has not already been obtained as of the Effective Date or, if appropriate, which will be obtained prior to Closing, in connection with the execution and delivery of this Agreement by the Seller or the performance by the Seller of the transactions contemplated hereby, except for those the failure of which to be obtained would not be reasonably expected to cause material adverse effect to Seller.
- 3.11 No Other Obligation to Sell the Property or Restriction against Sale. Seller is not obligated to sell any of the Property to any person other than Buyer, subject to the terms of this Agreement. Seller's performance of this Agreement will not cause a breach of any other agreement or obligation to which Seller is a party or by which Seller or the Property is bound.
- 3.12 Seller's Records. The records provided by Seller to Buyer for Buyer's inspections will be true, correct, and complete copies of the records in Seller's possession or control. The records that were prepared by or under Seller's supervision and control will

be true, correct, and complete in all material respects. Unless Seller notifies Buyer to the contrary at the time of delivery of records provided by Seller to Buyer that were not prepared by or under Seller's supervision and control, Seller has no actual knowledge that such records are not true, correct, and complete in any material respect.

- 4. **Representations of the Buyer**. The Buyer hereby represents, to the extent allowed by law, to the Seller, that to the best of its knowledge, that the following are true:
 - 4.1 Authority. The Buyer has full power and authority to execute and deliver this Agreement and to perform and carry out all covenants and obligations to be performed and carried out by the Buyer herein.
 - 4.2 Non-Contravention. The execution and delivery of this Agreement by the Buyer and the consummation by the Buyer of the transactions contemplated hereby will not materially violate any judgment, order, injunction, decree, regulation or ruling of any court or any governmental or quasi-governmental bodies or agencies having jurisdiction over the Buyer, or conflict with, result in a breach of, or constitute a default under the organizational documents of the Buyer, any note or other evidence of indebtedness, any mortgage, deed of trust or indenture, or any lease or other material agreement or instrument to which the Buyer is a party or by which it is bound.
 - 4.3 **Consents.** No consent, waiver, approval or authorization is required from any person or entity that has not already been obtained as of the Effective Date or, if appropriate, which will be obtained prior to Closing, in connection with the execution and delivery of this Agreement by the Buyer or the performance by the Buyer of the transactions contemplated hereby, except for those the failure of which to be obtained would not be reasonably expected to cause a material adverse effect to the Buyer.
 - 4.4 Bankruptcy. The Buyer has not (i) commenced a voluntary case, or had entered against it a petition, for relief under any federal bankruptcy statute or any similar petition, order or decree under any federal or state law or statute relative to bankruptcy, insolvency or other relief for debtors, or solicited or caused to be solicited petitioning creditors for any involuntary petition against it, or filed an answer consenting to or otherwise acquiescing in or joining in any involuntary petition filed against it, (ii) caused, suffered or consented to the appointment of a receiver, trustee, administrator, conservator, liquidator or similar official in any federal, state or foreign judicial or non-judicial proceeding, to hold, administer and/or liquidate all or substantially all of its property, (iii) filed or had filed against it a petition seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief, (iv) under the provisions of any other law for the relief or aid of debtors, had an action taken by any court of competent jurisdiction that allows such court to assume custody or control of it or of the whole or any substantial part of its property or assets, or (v) made an assignment for the benefit of creditors, or admitted, in writing or in any legal proceeding, its insolvency or inability to pay its debts as they become due.
 - 4.5 Litigation. There is no pending action, suit, arbitration, unsatisfied order or judgment, litigation, government investigation or proceeding against or affecting the Buyer that would materially detrimentally affect the Buyer's ability to perform hereunder.

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- 5. Closing. The closing of the sale and delivery of the closing documents, as applicable, and release of the Purchase Price to the Seller (the "*Closing*") shall take place at the offices of the Title Company within thirty (30) days from the date the City Manager of the City of El Paso executes the signature block herein below upon the passage by the City Council of the City of El Paso of an ordinance authorizing the sale of the Property by the Seller to the Buyer (the "*Approval Date*").
 - 5.1 Amount of Payment of Purchase Price. The purchase for the Property shall be TWO HUNDRED SEVENTY THOUSAND DOLLARS AND ZERO CENTS (\$270,000.00). The full amount of the purchase price shall be tendered to Seller at Closing.
 - 5.2 Closing Costs. The Buyer shall pay all closing costs, including without limitation:
 - (a) Any and all recording fees arising from the recordation of documents necessary to show good title to the Property in the Buyer shall be paid by the Buyer.
 - (b) Any and all premiums and other charges for the issuance of the Owner's Policy of Title Insurance for the Property shall be paid by the Buyer.
 - (c) The Buyer will pay any and all escrow fees.
 - (d) Any and all real estate appraisals, surveys fees shall be paid by the Buyer.

All other costs and expenses incurred in connection with this Agreement that are not expressly recited herein to be the obligation of the Seller or Buyer shall be allocated among the Buyer and the Seller as is customary in real estate transactions closing in El Paso, Texas.

- 5.3 Conditions to the Seller's Obligation to Close. The obligations of the Seller hereunder to consummate the transactions contemplated herein are subject to the satisfaction of: (i) the occurrence of the Approval Date; (ii) the performance of all of the Buyer's obligations under this Agreement; and (iii) the Seller is satisfied that all of the Buyer's representations and warranties herein being true and correct. In the event any of the conditions are not satisfied on or before the Closing, the Seller may, in its sole discretion, waive one or more of said conditions and proceed to Closing, or terminate this Agreement.
- 5.4 The Seller's Obligations at the Closing. At Closing, the Seller shall deliver to the Escrow Agent in accordance with this Agreement, a duly executed and, where applicable, acknowledged:
 - (a) The deed to the Property, in the form attached hereto as <u>Exhibit C</u> (the "Deed"), (subject to the Permitted Exceptions and to such changes as may be required to obtain the approval of the City Council of the City of El Paso or that are required by applicable law, local recording requirements and/or customary real estate practices in the jurisdiction(s) in which the Property is located, provided, the substantive terms and provisions of the Deed attached hereto are not modified as a result of any such changes);

- (b) Such agreements, affidavits or other documents as may be required by the Title Company to issue the Owner's Policy to Buyer at Closing, subject only to the Permitted Exceptions and to eliminate such standard exceptions and to issue such endorsements thereto which may be eliminated and issued under applicable State law, and which are customarily required by institutional investors purchasing property comparable to the Property;
- (c) All original warranties and guaranties, if any, in the Seller's possession or reasonably available to Seller; and
- (d) Any other document or instrument reasonable necessary or required to consummate the transactions contemplated by this Agreement.
- 5.5 Buyer's Obligations at Closing. At Closing, the Buyer shall:
 - (a) Pay the Purchase Price;
 - (b) Deliver any other document or instrument reasonably necessary or required to consummate the transactions contemplated by this Agreement, duly executed and acknowledged, where applicable; and
 - (c) Execute a final closing statement reflecting the Purchase Price, including any adjustments and prorations.
- 5.6 **Possession**. Possession of the Property will be transferred to the Buyer at Closing.
- 5.7 Conditions to Buyer's Obligation to Close. The obligations of the Buyer hereunder to consummate the transactions contemplated herein are subject to the satisfaction of: (i) the performance of all of Seller's obligations under this Agreement; and (ii) all of the Seller's representations and warranties herein being true and correct. In the event any of the conditions are not satisfied on or before the Closing, with the exception of the approval of the sale of the Property by the City Council of the City of El Paso, the Buyer may, in its sole discretion, waive one or more of said conditions and proceed to Closing, or terminate this Agreement.

6. Default.

- 6.1 **Default by the Buyer.** If there occurs a breach or default by the Buyer under any provision in this Agreement, or if the Buyer shall fail to consummate the sale of the Property, the Seller shall be entitled to terminate this Agreement, thereby releasing the Buyer from its obligations hereunder except those which expressly survive the expiration or termination of this Agreement.
- 6.2 **Default by the Seller**. If, due to any default or breach by the Seller under this Agreement, the Seller does not deliver to the Buyer the Special Warranty Deed conveying the Property to the Buyer as described in this Agreement, the Buyer shall be entitled to either (i) declare this Agreement terminated, neither the Seller nor the Buyer shall have any further obligations to the other hereunder except for those which expressly survive the expiration

or termination hereof, or (ii) enforce specific performance of this Agreement; provided, however, that the remedy of specific performance shall not be available unless the El Paso City Council has duly authorized the sale of the Property by the Seller to the Buyer.

- 6.3 Recoverable Damages. The provisions of <u>Sections 6.1</u> and <u>6.2</u> shall limit the damages recoverable by either Party against the other Party due to the other Party's default or breach of the express provisions of this Agreement (except for defaults or breaches due to inaccurate or incorrect representations and warranties resulting from the intentional or knowing actions of a Party as set forth in <u>Sections 4</u> and <u>5</u> above) and, in addition to such limitations, <u>in no event shall the Seller or the Buyer be liable for any special, direct, indirect, consequential, or punitive damages</u>.
- 6.4 **Costs of Enforcement**. Any provision in this Agreement to the contrary notwithstanding, if a Party files suit to enforce or recover amounts owed under this Agreement before or after Closing or the earlier termination of this Agreement, the prevailing Party in such litigation shall be entitled to recover from the non-prevailing Party court costs and reasonable attorney's fees.
- 6.5 **Return of Property Information.** If Closing does not occur, Buyer shall return to Seller all Property information within seven (7) days of receipt of written demand by Seller to furnish the same.
- 6.6 Liability of Parties. Except for obligations expressly assumed or agreed to be assumed by Buyer and Seller hereunder, Buyer and Seller are not assuming any obligations of the other Party or any liability for claims arising out of any act, omission or occurrence which occurs, accrues or arises prior to the Closing Date.

7. Covenants.

- 7.1 The Buyer's use of the Property. The Buyer covenants to own and use the Property in accordance with, and agrees to promptly execute and deliver to the Seller upon request of the same, all documents, agreements, including, without limitation, restrictive covenants, or similar writings that may be necessary to memorialize or evidence the Buyer's compliance. In addition, the Buyer agrees to comply with all city, county, state, and federal laws and/or ordinances that may be applicable to the Property, including without limitation the requirements contained in the City of El Paso Drainage Design Manual applicable to the Property with regard to the maintenance of historic stormwater flows and the retention of developed stormwater runoff.
- 7.2 ENVIRONMENTAL MATTERS. TO THE EXTENT ALLOWED BY LAW, AFTER CLOSING, BETWEEN THE SELLER AND THE BUYER, THE RISK OF LIABILITY OR EXPENSE FOR ENVIRONMENTAL PROBLEMS, EVEN IF ARISING FROM EVENTS BEFORE CLOSING, WILL BE THE SOLE RESPONSIBILITY OF THE BUYER, REGARDLESS OF WHETHER THE ENVIRONMENTAL PROBLEMS WERE KNOWN OR UNKNOWN AT CLOSING. TO THE EXTENT ALLOWED BY LAW, ONCE CLOSING HAS OCCURRED, THE BUYER SHALL INDEMNIFY, HOLD HARMLESS, AND RELEASE THE SELLER FROM LIABILITY FOR ANY LATENT DEFECTS AND FROM ANY LIABILITY FOR ENVIRONMENTAL PROBLEMS

AFFECTING THE PROPERTY, INCLUDING LIABILITY UNDER THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY ACT (CERCLA), THE RESOURCE CONSERVATION AND RECOVERY ACT (RCRA), THE TEXAS SOLID WASTE DISPOSAL ACT, OR THE TEXAS WATER CODE.

8. Miscellaneous.

8.1 Notice. Any notice, demand, direction, request, or other instrument authorized or required by this Agreement to be given to or filed with either party, shall be deemed to have been sufficiently given or filed for all purposes, if and when personally delivered or the date the same is sent by certified mail, postage prepaid, return receipt requested, to the address specified below or at such other address as may be designated in writing by the parties. Email notice must be accompanied with another form of notice allowed hereby in order to be effective.

SELLER: El Paso Water Utilities, PSB	BUYER: Lower Valley Water District
Attn: Marcela Navarrete, Vice President	Attn: Gerald Grijalva, General Manager
1154 Hawkins Blvd.	1557 FM 1110
El Paso, Texas 79925	Clint, Texas 79836

- 8.2 Entire Agreement / Governing Law. This Agreement constitutes the entire agreement between the Parties, and supersedes all prior agreements and understandings, written or oral, regarding the subject matter of this Agreement, and may be amended or supplemented only by an instrument in writing, executed by the Party against whom enforcement is sought. This Agreement shall be governed in all respects, including validity, interpretation, and effect, by and shall be enforceable in accordance with the laws of the State of Texas with jurisdiction in courts of competent jurisdiction of El Paso County, Texas.
- 8.3 Time. Time is of the essence of this Agreement and each and every provision hereof.
- 8.4 Severability. If any provision of this Agreement shall be invalid, illegal, or unenforceable, the validity, legality and enforceability of the remaining portion shall not in any way be affected or impaired.
- 8.5 Survival of Provisions. The terms contained in Section 1.1, 1.2, 1.3, 1.4, 3, 4, 5, 6.3, 6.4, <u>7</u>, and <u>8</u> of this Agreement, shall survive the Closing and shall not be merged therein. In case any one or more of the provisions contained in this Agreement for any reason is held invalid, this invalidity will not affect any other provision of this Agreement, which will be construed as if the invalid or unenforceable provision had never existed.
- 8.6 **Binding Effect.** This Agreement shall be binding upon the parties hereto and their respective successors and assigns.
- 8.7 **Compliance.** In accordance with the requirements of the Property Code, Title 2, Chapter 5, Subchapter D, the Buyer is hereby advised that it should obtain a title abstract or title commitment covering the Property and have it examined by an attorney of its own selection and purchase owner's policy of title insurance covering the Property.

- 8.8 "AS IS, WHERE IS". THIS AGREEMENT IS AN ARMS-LENGTH AGREEMENT BETWEEN THE PARTIES. THE PURCHASE PRICE WAS BARGAINED ON THE BASIS OF AN "AS IS, WHERE IS" TRANSACTION. THE BUYER ACCEPTS THE AS IS, WHERE IS, AND WITH ALL FAULTS, AND EXCEPT AS THE WARRANTY OF TITLE AND EXCEPT FOR THE WARRANTIES AND REPRESENTATIONS SET FORTH IN THIS AGREEMENT, WITHOUT ANY REPRESENTATIONS OR WARRANTIES OF WHATSOEVER KIND, EXPRESS OR IMPLIED, WRITTEN OR ORAL, IT BEING THE INTENTION OF THE SELLER AND THE BUYER TO EXPRESSLY NEGATE AND EXCLUDE ALL REPRESENTATIONS AND WARRANTIES OF ANY KIND, INCLUDING, BUT NOT LIMITED TO THOSE REGARDING: (A) THE CONDITION OF THE PROPERTY; (B) THE SUITABILITY OF THE PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH THE BUYER MAY CONDUCT THEREON; (C) THE COMPLIANCE OF OR BY THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY; AND (D) THE HABITABILITY, MERCHANTABILITY, MARKETABILITY. PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY. THE BUYER FURTHER ACKNOWLEDGES AND AGREES THAT, HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY, THE BUYER IS RELYING SOLELY ON ITS OWN INVESTIGATION OF THE PROPERTY AND NOT ON ANY INFORMATION PROVIDED BY THE SELLER. THE BUYER FURTHER ACKNOWLEDGES AND AGREES THAT ANY INFORMATION PROVIDED BY THE SELLER WITH RESPECT TO THE PROPERTY WAS **OBTAINED FROM A VARIETY OF SOURCES AND THAT THE SELLER HAS NOT** MADE ANY INDEPENDENT INVESTIGATION OR VERIFICATION OF SUCH INFORMATION AND MAKES NO REPRESENTATIONS AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION. THE SELLER IS NOT LIABLE OR BOUND IN ANY MANNER BY ANY VERBAL OR WRITTEN STATEMENTS, REPRESENTATIONS OR INFORMATION PERTAINING TO THE PROPERTY, OR THE OPERATION THEREOF, FURNISHED BY ANY BROKER, AGENT. ATTORNEY, EMPLOYEE OR OTHER PERSON. THE BUYER ACKNOWLEDGES AND AGREES THAT THE DISCLAIMERS, WAIVERS AND OTHER AGREEMENTS SET FORTH HEREIN ARE INTEGRAL PARTS OF THE AGREEMENT BETWEEN THE SELLER AND THE BUYER WITH RESPECT TO THE SALE OF THE PROPERTY, AND THAT THE SELLER WOULD NOT HAVE AGREED TO SELL THE PROPERTY TO THE BUYER FOR THE PURCHASE PRICE WITHOUT THE DISCLAIMERS AND OTHER AGREEMENTS SET FORTH ABOVE.
- 8.9 Effective Date. As used herein, "*Effective Date*" shall mean the date on which this Agreement is deemed fully executed by the Parties hereto.
- 8.10 Assignment. The Buyer shall have the right to assign this Agreement or any of its rights hereunder to an affiliate of the Buyer with the prior written consent of the Seller, which consent shall not be unreasonable withheld or delayed; provided, however, that (i) such assignee shall assume all of the obligations of the Buyer hereunder, (ii) the Buyer shall remain liable for all of its duties and obligations hereunder, and (iii) the Buyer shall deliver written notice of the assignment, including a copy of the assignment instrument, to the Seller at least three (3) days prior to the Closing.

- 8.11 **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document. Faxed and emailed signature pages may be accepted as originals.
- 8.12 Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the heirs, personal representatives, administrators, successors, and assigns, as applicable of the respective Parties hereto.
- 8.13 NO WAIVER OF SOVEREIGN IMMUNITY; AUTHORITY. NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, (A) THE PARTIES UNDERSTAND THAT EACH PARTY TO THIS AGREEMENT IS A POLITICAL SUBDIVISION OF THE STATE OF TEXAS, AND NOTHING IN THIS AGREEMENT WILL BE CONSTRUED AS WAIVER OR RELINQUISHMENT BY ANY PARTY OF ITS RIGHT TO CLAIM SUCH EXEMPTIONS, PRIVILEGES AND IMMUNITIES AS MAY BE PROVIDED BY LAW; AND (B) BUYER AND SELLER EACH ACKNOWLEDGE THAT THE TERMS OF THIS AGREEMENT ARE SUBJECT TO APPROVAL OF BUYER'S BOARD OF DIRECTORS AND THE CITY COUNCIL FOR THE CITY OF EL PASO, TEXAS, ON BEHALF OF SELLER.

[Signatures Begin on the Following Page]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the 20^{44} day of $\boxed{100} 20^{23}$, which shall be the Effective Date.

THE SELLER:

EL PASO WATER UTILITIES/PUBLIC SERVICE BOARD, for and on behalf of the City of El Paso, a Texas municipal corporation

nyahhote By: 7 John E. Balliew President/CEO

Executed on: $2 - 20^{-} - 20 - 30 - 30$

APPROVED AS TO CONTENT:

Alma De Anda Utility Land and Water Rights Manager

ACKNOWLEDGMENT

STATE OF TEXAS	
COUNTY OF EL PASO)

APPROVED AS TO FORM:

Senior Assistant General Counsel

Michaela Ainsa

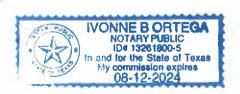
This instrument was acknowledged before me on the <u>20th</u> day of <u>FEBRLARY</u>, 2023, by John E. Balliew, President of El Paso Water Utilities - Public Service Board.

My Commission Expires:

08-12-2024

ł.

Notary Public, State of Texas



[Buyer Signature Begins on Following Page]

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THE BUYER:

LOWER VALLEY WATER DISTRICT

By: Rosalinda Vigil, President

Da Executed on: 3

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF EL PASO

This instrument was acknowledged before me on the <u>1776</u> day of <u>February</u>, 2023, by Rosalinda Vigil, President of the Lower Valley Water District.

My Commission Expires:

DEIEMBER 12,2023

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Notary Public, State of Texas

MARTHA SYLVIA NEVAREZ Notary Public, State of Texas Comm. Expires 12-12-2023 Notary ID 128823692

This Agreement has been received and reviewed by the City of El Paso, Texas and the undersigned has been authorized by the City Council of the City of El Paso, Texas to execute the Deed pursuant to the terms of this Agreement on this _____ day of _____, 20___, which shall be the *Approval Date* for the purpose described herein.

THE CITY OF EL PASO, TEXAS, a Texas municipal corporation

By:

Tomás Gonzalez, City Manager

Executed on: _____,

APPROVED AS TO FORM:

Douto

Roberta Brito Assistant City Attorney

ACKNOWLEDGMENT

STATE OF TEXAS)) COUNTY OF EL PASO)

This instrument was acknowledged before me on the _____ day of _____, 2023, by Tomás Gonzalez, City Manager of the City of El Paso, a Texas municipal corporation, on behalf of said municipal corporation.

My Commission Expires:

Notary Public, State of Texas

EXHIBIT A

Legal Description of the Property

Prepared For: El Paso Water Date: 4-27-22 Block 24 Socorro Grant El Paso County, Texas W.O. # 032322-10

METES AND BOUNDS DESCRIPTION

Description of 1.289-acre parcel of land being a portion of Tract 4A, Block 24, Socorro Grant, City of Socorro, El Paso County, Texas, being more particularly described by metes and bounds as follows to wit:

Commencing at a found concrete post at the most northerly corner of Tract 13, Block 23, Socorro Grant and on the common boundary line of Tracts 13 and Tract 12A Socorro Grant; Thence, South 40°50'29" West, along said boundary line, a distance of 206.70 feet to a point on the most westerly boundary corner and of Tract 13, Block 23, Socorro Grant and the northeast corner of a certain Tract of land described May 15th 2018, in File Clerk's No. 20180043812 (AKA Cougar Park) Deed Records, El Paso County, Texas, and said corner being on the common boundary line of Block 24, and 23, Socorro Grant; Thence, South 39°13'29" West, along said common boundary line, a distance of 83.00 feet to a point; Thence, South 51°38' 29" West, continuing along said boundary line, a distance of 82.60 feet to a found 5/8" rebar on the easterly boundary line of a 120' foot right-of-way, (AKA Franklin Drain); Thence, South 33°15'32" East, along said right-of-way line, a distance of 84.08 feet to a set 1/2" rebar with cap stamped "RPLS 5572" being the Point of Beginning of this description;

Thence, South 33°20'25" East, continuing along said right-of-way line 116.58 feet to a 1/2" rebar set on the common boundary line of Tracts 4A2 and 4A;

Thence, North 67°45'42" East, along said common boundary line, a distance of 384.46 feet to a to a 1/2" rebar with cap stamped "RPLS 5572" set on the westerly right-of-way line of the San Elizario Socorro Road; (FM 258, Project No. AR 2-1414, Sheet No. 2-14-15, right-of-way varies);

Thence, 139.99 feet along said right-of-way line, along the arc of a curve to the right, having a radius of 2894.01 feet, a central angle of 02°46'17", and a chord which bears North 16°49'42" West, a distance of 139.98 feet to a 1/2" rebar with cap stamped "RPLS 5572" set on the common boundary line of a certain parcel of land described in File Clerk's No. 20180043812;

Thence, South 67°46'58" West, along said boundary line a distance of 409.32 feet to a set 1/2" rebar with cap stamped "RPLS 5572";

Thence South 01°00'28" West, along said boundary line, a distance of 27.32' feet, to the Point of Beginning and containing in all 56,157 square feet or 1.289 acres of land more or less.

CHARLES H. GUTIERREZ R. H2O-Terra

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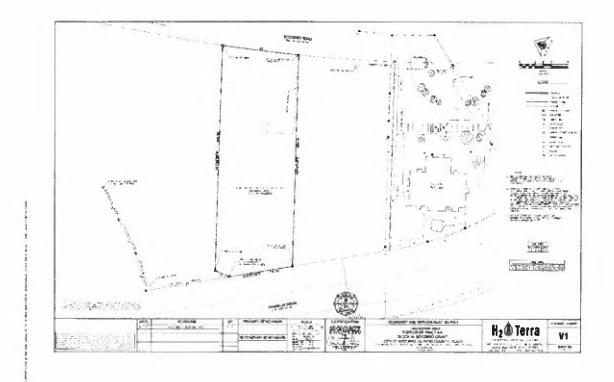


EXHIBIT B

Legal Description of the Property

Prepared For: El Paso Water Date: 07-01-22 Block 24 Socorro Grant El Paso County, Texas W.O. # 032322-10

METES AND BOUNDS DESCRIPTION

Description of 3.673-acre parcel of land being all of Tract 4A2, Block 24, Socorro Grant, City of Socorro, El Paso County, Texas, being more particularly described by metes and bounds as follows to wit:

Commencing at a found concrete post at the most northerly corner of Tract 13, Block 23, Socorro Grant and on the common boundary line of Tracts 13 and Tract 12A Socorro Grant; Thence, South 40°50'29" West, along said boundary line, a distance of 206.70 feet to a point on the most westerly boundary corner and of Tract 13, Block 23, Socorro Grant and the northeast corner of a certain Tract of land described May 15th 2018, in File Clerk's No. 20180043812 (AKA Cougar Park) Deed Records, El Paso County, Texas, and said corner being on the common boundary line of Block 24, and 23, Socorro Grant; Thence, South 39°13'29" West, along said common boundary line, a distance of 83.00 feet to a point; Thence, South 51°38' 29" West, continuing along said boundary line, a distance of 82.60 feet to a found 5/8" rebar on the casterly boundary line of a 120' foot right-of-way, (AKA Franklin Drain); Thence, South 33°15'32" East, along said right-of-way, a distance of 884.08 feet to a point; Thence, South 33°15'32" East, along said right-of-way, a distance of 116.58 to a 5/8" rebar with cap stamped "RPLS 5572"; set on the northeasterly corner of Tract 4A2, and the southwesterly corner of Tract 4A Block 24, Socorro Grant, said rebar being the Point of Beginning of this description.

Thence, South 33°20'25" East, continuing along said right-of-way a distance of 178.34 feet to a found 1/2" rebar;

Thence, South 34°10'54" East, continuing along said right-of-way a distance of 29.59 feet to a set 5/8" rebar with cap stamped "RPLS 5572";

Thence, 370.62 fect continuing along said right-of-way line, along the arc of a curve to the left, having a radius of 478.19 fect, a central angle of 44°24'22", and a chord which bears South 56°22'58" East, a distance of 361.41 fect to a set 5/8" rebar with cap stamped "RPLS 5572"

Thence, South 78°34'48" East, continuing along said right-of-way line, a distance of 158.97 feet to a to a 5/8" rebar with cap stamped "RPLS 5572" set on the westerly right-of-way line of the San Elizario Socorro Road; (FM 258, Project No. AR 2-1414, Sheet No. 2-14-15, right-of-way varies)

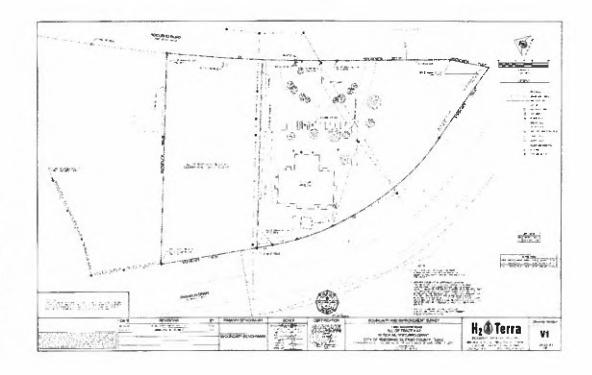
Thence, North 12°51'48" West, along said right-of-way line, a distance of 71.87 feet to a to a set 5/8" rebar with cap stamped "RPLS 5572";

Thence, North 24°25'48 West, continuing along said right-of-way line, a distance of 207.71 feet to a to a set 5/8" rebar with cap stamped "RPLS 5572";

Thence, 312.90 feet continuing along said right-of-way line, along the arc of a curve to the right, having a radius of 2894.01 feet, a central angle of 06°11'41", and a chord which bears North 21°18'41" West, a distance of 312.75 feet to a 5/8" rebar with cap stamped "RPLS 5572" set on the northeasterly corner of Tract 4A2 and 4A1 Block 24, Socorro Grant;

Thence South 67°45'42" West, along said boundary line, a distance of 384.46' feet, to the Point of Beginning and containing in all 159,986 square feet or 3.673 acres of land more or less.

07 CHARLES H. GUTIERREZ R Н2О-Тегта



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EXHIBIT "C"

DEED

SPECIAL WARRANTY DEED

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Effective Date: _____, 2023

Grantor: EL PASO WATER UTILITIES – PUBLIC SERVICE BOARD for and on behalf of THE CITY OF EL PASO, TEXAS, a Texas municipal corporation 1154 Hawkins Blvd. El Paso, Texas 79925

Grantee: Lower Valley Water District, a Texas governmental agency and a body politic and corporate 1557 FM 1110 Clint, Texas 79836

Consideration: TEN AND NO/100THS DOLLARS (\$10.00), and other good and valuable consideration to the undersigned paid by Grantee, the receipt of which is hereby acknowledged.

Property (including any improvements):

A parcel of land consisting of approximately 4.962 acres of land being described as portion of Tract 4A and all of Tract 4A2, Block 24, Socorro Grant, City of El Paso, El Paso, County, Texas, such portion being legally described by metes and bounds on **Exhibit A** and **Exhibit B** attached hereto and incorporated herein for all purposes.

Severance of Groundwater Estate and Reservations from Conveyance:

Save and except:

(1) The groundwater estate related to the Property, which is hereby severed from the Property and reserved by and for Grantor, for all purposes. The groundwater estate shall include, without limitation, the Groundwater and Groundwater Rights related to the Property. The term (i) "Groundwater" shall mean all of the underground water, percolating water, artesian water, and any other water existing now and in the future from any and all depths, reservoirs, aquifers, formations, and horizons beneath the surface of the Property; and (ii) "Groundwater Rights" shall mean (1) the right to access, test, capture, explore for, drill for, develop, withdraw, produce, store, treat, transport or otherwise acquire and beneficially use, reuse, or recharge, any and all of the Groundwater beneath the Property; (2) the right to apply for and obtain all permits, licenses, or other governmental authorizations relating to any of the foregoing, including but not limited to any permit issued by a groundwater

conservation district or other governmental entity existing now or in the future and having jurisdiction over the Groundwater and/or the exploration, drilling, production, use, storage, treatment, reuse, recharge or transport of Groundwater.

(2) Easements to EL PASO ELECTRIC COMPANY, recorded in Volume 1569, Page 1687, Real Property Records of El Paso County, Texas.

(3) Easements to EL PASO ELECTRIC COMPANY, recorded in Volume 2475, Page 274, Real Property Records of El Paso County, Texas.

(4) Easements to EL PASO ELECTRIC COMPANY, recorded in Volume 2491, Page 1347, Real Property Records of El Paso County, Texas.

(5) Easements to LOWER VALLEY WATER DISTRICT, recorded in Volume 3390, Page 1795, Real Property Records of El Paso County, Texas.

(6) Contracts, taxes, construction charges, easements, levees, laterals, and rights-of -way for roads, irrigation and drainage ditches and other claims or interest on, around and/or across subject property, in favor of the United States Bureau of Reclamation Under the Reclamation act of 1902 and amendments thereto, as further amended by Deed Without Warranty dated 01/19/1996, in favor of El Paso County Improvements District No. 1, recorded in Volume 3002, Page 1025, Real Property Records of El Paso County, Texas.

(7) Subject to all matters emanating from the establishment of the El Paso County Lower Valley Authority including, but not limited to, the instruments recorded in Volume 2104, Page 675, Volume 2852, Page 399, and under Clerk's File No. 20050118809, Real Property Records of El Paso County, Texas.

(8) Note: An Affidavit was styled "Notice of Claim to the Ysleta Grant and Aboriginal Title Areas" and was filed in Volume 2553, Page 1958, Real Property Records, El Paso County, Texas. The memorandum attached to this Affidavit states that "the claim is one for return of possession from third parties of all lands contained within the Ysleta, Senecu, Socorro and Ascarate Grants in El Paso County, Texas (based on aboriginal title and specific Spanish and Mexican Grants); as well as the balance of El Paso County and all of Hudspeth, Culberson, Jeff Davis, Brewster and Presidio Counties, Texas (based on aboriginal title only); and for damages for trespass and unlawful occupation and use." Upon request to the company, you may receive a copy of the Affidavit and memorandum. THE POLICY TO BE ISSUED TO YOU WILL NOT EXCEPT TO THE AFFIDAVIT OR CLIMS REFELECTED BY THE AFFIDAVIT. THIS NOTE IS FOR INFORMATION PURUPOSES ONLY.

GRANTOR AND GRANTEE AGREE THAT GRANTEE IS ACCEPTING THE PROPERTY FROM GRANTOR IN ITS <u>"AS IS, WHERE IS, AND WITH ALL FAULTS"</u> CONDITION AND THAT THERE ARE NO REPRESENTATIONS OR EXPRESS OR IMPLIED WARRANTIES, EXCEPT THE SPECIAL WARRANTY OF TITLE CONTAINED IN THIS DEED. GRANTEE HAS NOT RELIED ON ANY INFORMATION OTHER THAN GRANTEE'S INSPECTION OF THE PROPERTY. Grantor, subject to the Severance of the Groundwater Estate and the Exceptions to Conveyance and Warranty set forth above, grants, sells and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto in any way belonging, to have and to hold the Property unto Grantee and Grantee's successors and assigns forever. Grantor binds Grantor and Grantor's successors and assigns to warrant and forever defend all and singular the Property unto Grantee and Grantee's successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof when the claim is by, through or under Grantor, but not otherwise, except as to the Severance of the Groundwater Estate and the Exceptions to Conveyance and Warranty set forth above.

When the context requires, singular nouns and pronouns include the plural.

(Signature page and exhibits follow.)

EXECUTED to be effective as of the date first stated above.

00 00 00

GRANTOR:

THE CITY OF EL PASO, a Texas municipal corporation

By:		
Name:	Tomás Gonzalez	
Title:	City Manager	

THE STATE OF TEXAS COUNTY OF EL PASO

This instrument was acknowledged before me on the _____ day of _____, 2023, by Tomás Gonzalez, City Manager of the City of El Paso.

NOTARY PUBLIC, State of Texas

EXHIBIT A

Legal Description of the Property

Prepared For: El Paso Water Date: 4-27-22 Block 24 Socorro Grant El Paso County, Texas W.O. # 032322-10

METES AND BOUNDS DESCRIPTION

Description of 1.289-acre parcel of land being a portion of Tract 4A, Block 24, Socorro Grant, City of Socorro, El Paso County, Texas, being more particularly described by metes and bounds as follows to wit:

Commencing at a found concrete post at the most northerly corner of Tract 13, Block 23, Socorro Grant and on the common boundary line of Tracts 13 and Tract 12A Socorro Grant; Thence, South 40°50'29" West, along said boundary line, a distance of 206.70 feet to a point on the most westerly boundary corner and of Tract 13, Block 23, Socorro Grant and the northeast corner of a certain Tract of land described May 15th 2018, in File Clerk's No. 20180043812 (AKA Cougar Park) Deed Records, El Paso County, Texas, and said corner being on the common boundary line of Block 24, and 23, Socorro Grant; Thence, South 39°13'29" West, along said common boundary line, a distance of 83.00 feet to a point; Thence, South 39°13'29" West, continuing along said boundary line, a distance of 82.60 feet to a found 5/8" rebar on the easterly boundary line of a 120' foot right-of-way, (AKA Franklin Drain); Thence, South 33°15'32" East, along said right-of-way line, a distance of 884.08 feet to a set 1/2" rebar with cap stamped "RPLS 5572" being the Point of Beginning of this description;

Thence, South 33°20'25" East, continuing along said right-of-way line 116.58 feet to a 1/2" rebar set on the common boundary line of Tracts 4A2 and 4A;

Thence, North 67°45'42" East, along said common boundary line, a distance of 384.46 feet to a to a 1/2" rebar with cap stamped "RPLS 5572" set on the westerly right-of-way line of the San Elizario Socorro Road; (FM 258, Project No. AR 2-1414, Sheet No. 2-14-15, right-of-way varies);

Thence, 139.99 feet along said right-of-way line, along the are of a curve to the right, having a radius of 2894.01 feet, a central angle of 02°46'17", and a chord which bears North 16°49'42" West, a distance of 139.98 feet to a 1/2" rebar with cap stamped "RPLS 5572" set on the common boundary line of a certain parcel of land described in File Clerk's No. 20180043812;

Thence, South 67°46'58" West, along said boundary line a distance of 409.32 feet to a set 1/2" rebar with cap stamped "RPLS 5572";

Thence South 01°00'28" West, along said boundary line, a distance of 27.32' feet, to the Point of Beginning and containing in all 56,157 square feet or 1.289 acres of land more or less.

ES H. GUTTERREZ R 112O-Terra

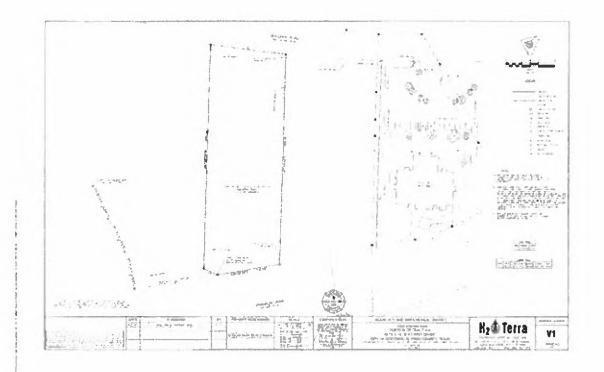


EXHIBIT B

Legal Description of the Property

Prepared For: El Paso Water Date: 07-01-22 Block 24 Socorro Grant El Paso County, Texas W.O. # 032322-10

METES AND BOUNDS DESCRIPTION

Description of 3.673-acre parcel of land being all of Tract 4A2, Block 24, Socorro Grant, City of Socorro, El Paso County, Texas, being more particularly described by metes and bounds as follows to wit:

Commencing at a found concrete post at the most northerly corner of Tract 13, Block 23, Socorro Grant and on the common boundary line of Tracts 13 and Tract 12A Socorro Grant; Thence, South 40°50'29" West, along said boundary line, a distance of 206.70 feet to a point on the most westerly boundary corner and of Tract 13, Block 23, Socorro Grant and the northeast corner of a certain Tract of land described May 15th 2018, in File Clerk's No. 20180043812 (AKA Cougar Park) Deed Records, El Paso County, Texas, and said corner being on the common boundary line of Block 24, and 23, Socorro Grant; Thence, South 39°13'29" West, along said common boundary line, a distance of 83.00 feet to a point; Thence, South 51°38' 29" West, continuing along said boundary line, a distance of 82.60 feet to a found 5/8" rebar on the easterly boundary line of a 120' foot right-of-way, (AKA Franklin Drain); Thence, South 33°15'32" East, along said right-of-way, a distance of 884.08 feet to a point; Thence, South 33°20'25" Fast, continuing along said right-of-way, a distance of 116.58 to a 5/8" rebar with cap stamped "RPLS 5572"; set on the northeasterly corner of Tract 4A2, and the southwesterly corner of Tract 4A Block 24, Socorro Grant, said rebar being the Point of Beginning of this description.

Thence, South 33°20'25" East, continuing along said right-of-way a distance of 178.34 feet to a found 1/2" rebar;

Thence, South 34°10'54" East, continuing along said right-of-way a distance of 29.59 feet to a set 5/8" rebar with cap stamped "RPLS 5572";

Thence, 370.62 feet continuing along said right-of-way line, along the arc of a curve to the left, having a radius of 478.19 feet, a central angle of 44°24'22", and a chord which bears South 56°22'58" East, a distance of 361.41 feet to a set 5/8" rebar with cap stamped "RPLS 5572"

Thence, South 78°34'48" East, continuing along said right-of-way line, a distance of 158.97 feet to a to a 5/8" rebar with cap stamped "RPLS 5572" set on the westerly right-of-way line of the San Elizario Socorro Road; (FM 258, Project No. AR 2-1414, Sheet No. 2-14-15, right-of-way varies)

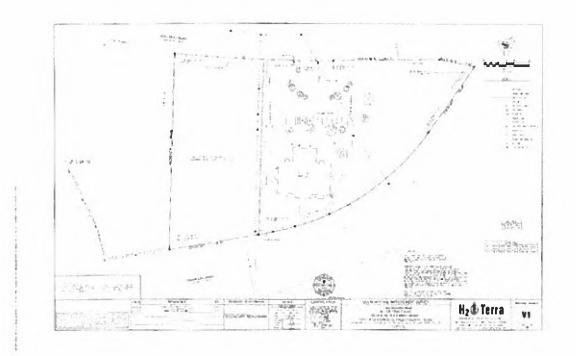
Thence, North 12°51'48" West, along said right-of-way line, a distance of 71.87 feet to a to a set 5/8" rebar with cap stamped "RPLS 5572";

Thence, North 24"25'48 West, continuing along said right-of-way line, a distance of 207.71 feet to a to a set 5/8" rebar with cap stamped "RPLS 5572";

Thence, 312.90 feet continuing along said right-of-way line, along the arc of a curve to the right, having a radius of 2894.01 feet, a central angle of 06°11'41", and a chord which bears North 21°18'41" West, a distance of 312.75 feet to a 5/8" rebar with cap stamped "RPLS 5572" sc t on the northeasterly corner of Tract 4A2 and 4A1 Block 24, Socorro Grant;

Thence South 67°45'42" West, along said boundary line, a distance of 384.46' feet, to the Point of Beginning and containing in all 159,986 square feet or 3.673 acres of land more or less.

CHARLES H. GUTIERREZ R H2O-Terra





COMMITMENT FOR TITLE INSURANCE

ISSUED BY STEWART TITLE GUARANTY COMPANY

THE FOLLOWING COMMITMENT FOR TITLE INSURANCE IS NOT VALID UNLESS YOUR NAME AND THE POLICY AMOUNT ARE SHOWN IN SCHEDULE A, AND OUR AUTHORIZED REPRESENTATIVE HAS COUNTERSIGNED BELOW.

We, STEWART TITLE GUARANTY COMPANY, will issue our title insurance policy or policies (the Policy) to You (the proposed insured) upon payment of the premium and other charges due, and compliance with the requirements in Schedule C. Our Policy will be in the form approved by the Texas Department of Insurance at the date of issuance, and will insure your interest in the land described in Schedule A. The estimated premium for our Policy and applicable endorsements is shown on Schedule D. There may be additional charges such as recording fees, and expedited delivery expenses.

This Commitment ends ninety (90) days from the effective date, unless the Policy is issued sooner, or failure to issue the Policy is our fault. Our liability and obligations to you are under the express terms of this Commitment and end when this Commitment expires.

In Witness Whereof, the Company has caused this commitment to be signed and sealed as of the effective date of commitment as shown in Schedule A, the commitment to become valid and binding only when countersigned by an authorized signatory.

Authorized Countersignature

Stewart Title Company 415 North Mesa Street El Paso, TX 79901



//Frederick H. Eppinger

President and CEO

David Hisoy Secretary

File No. 1504925 Form T-7 Commitment of Title Insurance Rev. 1-3-14 Page 1 of 4

CONDITIONS AND STIPULATIONS

- If you have actual knowledge of any matter which may affect the title or mortgage covered by this Commitment, that is not shown in Schedule B, you must notify us in writing,. If you do not notify us in writing, our liability to you is ended or reduced to the extent that your failure to notify us affects our liability. If you do notify us, or we learn of such matter, we may amend Schedule B, but we will not be relieved of liability already incurred.
- 2. Our liability is only to you, and others who are included in the definition of Insured in the Policy to be issued. Our liability is only for actual loss incurred in your reliance on this Commitment to comply with its requirements or to acquire the interest in the land. Our liability is limited to the amount shown in Schedule A of this Commitment and will be subject to the following terms of the Policy: Insuring Provisions, Conditions and Stipulations, and Exclusions.

All notices required to be given the Company and any statement in writing required to be furnished the Company shall be addressed to it at P.O. Box 2029, Houston, Texas 77252-2029.

File No. 1504925 Form T-7 Commitment of Title Insurance Rev. 1-3-14 Page 2 of 4

STEWART TITLE GUARANTY COMPANY

IMPORTANT INFORMATION

FOR INFORMATION, OR TO MAKE A COMPLAINT CALL OUR TOLL-FREE TELE-PHONE NUMBER

1-800-729-1902

ALSO YOU MAY CONTACT THE TEXAS DEPARTMENT OF INSURANCE AT

1-800-252-3439

to obtain information on:

- 1. filing a complaint against an insurance company or agent,
- 2. whether an insurance company or agent is licensed,
- complaints received against an insurance company or agent.
- 4. policyholder rights, and
- 5. a list of consumer publications and services available through the Department.

YOU MAY ALSO WRITE TO THE TEXAS DEPARTMENT OF INSURANCE P.O. BOX 149104 AUSTIN, TEXAS 78714-9104 FAX NO. (512) 490-1007

AVISO IMPORTANTE

PARA INFORMACION, O PARA SOMETER UNA QUEJA LLAME AL NUMERO GRATIS

1-800-729-1902

TAMBIEN PUEDE COMUNICARSE CON EL DEPARTAMENTO DE SEGUROS DE TEXAS AL

1-800-252-3439

para obtener informacion sobre:

- como someter una queja en contra de una compania de seguros o agente de seguros,
- 2. si una compania de seguros o agente de seguros tiene licencia,
- quejas recibidas en contra de una compania de seguros o agente de seguros,
- 4. los derechos del asegurado, y
- una lista de publicaciones y servicios para consumidores disponibles a traves del Departamento.

TAMBIEN PUEDE ESCRIBIR AL DEPARTAMENTO DE SEGUROS DE TEXAS P.O. BOX 149104 AUSTIN, TEXAS 78714-9104 FAX NO. (512) 490-1007

File No. 1504925 Form T-7 Commitment of Title Insurance Rev. 1-3-14 Page 3 of 4

TEXAS TITLE INSURANCE INFORMATION

Title insurance insures you against loss resulting from certain risks to your title.	El seguro de titulo le asegura en relacion a perdidas resultantes de ciertos riesgos que pueden afectar el titulo de su propiedad.
The commitment for Title Insurance is the title insurance company's promise to issue the title insurance policy. The commitment is a legal document. You should review it carefully to completely understand it before your closing date.	El Compromiso para Seguro de Titulo es la promesa de la compania aseguradora de titulos de emitir la poliza de seguro de titulo. El Compromiso es un documento legal. Usted debe leerlo cuidadosamente y entenderlo completamente antes de la fecha para finalizar su transaccion.

Your commitment for Title Insurance is a legal contract between you and us. The Commitment is not an opinion or report of your title. It is a contract to issue you a policy subject to the Commitment's terms and requirements.

Before issuing a Commitment for Title Insurance (the Commitment) or a Title Insurance Policy (the Policy), the title insurance Company (the Company) determines whether the title is insurable. This determination has already been made. Part of that determination involves the Company's decision to insure the title except for certain risks that will not be covered by the Policy. Some of these risks are listed in Schedule B of the attached Commitment as Exceptions. Other risks are stated in the Policy as Exclusions. These risks will not be covered by the Policy. The Policy is not an abstract of title nor does a Company have an obligation to determine the ownership of any mineral interest.

MINERALS AND MINERAL RIGHTS may not be covered by the Policy. The Company may be unwilling to insure title unless there is an exclusion or an exception as to Minerals and Mineral Rights in the Policy. Optional endorsements insuring certain risks involving minerals, and the use of improvements (excluding lawns, shrubbery and trees) and permanent buildings may be available for purchase. If the title insurer issues the title policy with an exclusion or exception to the minerals and mineral rights, neither this Policy, nor the optional endorsements, ensure that the purchaser has title to the mineral rights related to the surface estate.

Another part of the determination involves whether the promise to insure is conditioned upon certain requirements being met. Schedule C of the Commitment lists these requirements that must be satisfied or the Company will refuse to cover them. You may want to discuss any matters shown in Schedules B and C of the Commitment with an attorney. These matters will affect your title and your use of the land.

When your Policy is issued, the coverage will be limited by the Policy's Exceptions, Exclusions and Conditions, defined below.

- EXCEPTIONS are title risks that a Policy generally covers but does not cover in a particular instance. Exceptions are shown on Schedule B or discussed in Schedule C of the Commitment. They can also be added if you do not comply with the Conditions section of the Commitment. When the Policy is issued, all Exceptions will be on Schedule B of the Policy.

- EXCLUSIONS are title risks that a Policy generally does not cover. Exclusions are contained in the Policy but not shown or discussed in the Commitment.

- CONDITIONS are additional provisions that qualify or limit your coverage. Conditions include your responsibilities and those of the Company. They are contained in the Policy but not shown or discussed in the Commitment. The Policy Conditions are not the same as the Commitment Conditions.

You can get a copy of the policy form approved by the Texas Department of Insurance by calling the Title Insurance Company at 1-800-729-1902 or by calling the title insurance agent that issued the Commitment. The Texas Department of Insurance may revise the policy form from time to time.

You can also get a brochure that explains the policy from the Texas Department of Insurance by calling 1-800-252-3439.

Before the Policy is issued, you may request changes in the Policy. Some of the changes to consider are:

- Request amendment of the "area and boundary" exception (Schedule B, paragraph 2). To get this amendment, you must furnish a survey and comply with other requirements of the Company. On the Owner's Policy, you must pay an additional premium for the amendment. If the survey is acceptable to the Company and if the Company's other requirements are met, your Policy will insure you against loss because of discrepancies or conflicts in boundary lines, encroachments or protrusions, or overlapping of improvements. The Company may then decide not to insure against specific boundary or survey problems by making special exceptions in the Policy. Whether or not you request amendment of the "area and boundary" exception, you should determine whether you want to purchase and review a survey if a survey is not being provided to you.

- Allow the Company to add an exception to "rights of parties in possession". If you refuse this exception, the Company or the title insurance agent may inspect the property. The Company may except to and not insure you against the rights of specific persons, such as renters, adverse owners or easement holders who occupy the land. The Company may charge you for the inspection. If you want to make your own inspection, you must sign a Waiver of Inspection form and allow the Company to add this exception to your Policy.

The entire premium for a Policy must be paid when the Policy is issued. You will not owe any additional premiums unless you want to increase your coverage at a later date and the Company agrees to add an Increased Value Endorsement.

COMMITMENT FOR TITLE INSURANCE SCHEDULE A

ISSUED BY

STEWART TITLE GUARANTY COMPANY

File No.: 1504925	Effective Date:	
	November 21, 2021 at 9:00AM	
CLOSER: Ron Rush	Issued:	
	December 14, 2021 7:01PM	

- 1. The policy or policies to be issued are:
 - OWNER'S POLICY OF TITLE INSURANCE (Form T-1) (Not applicable for improved one-to-four family residential real estate) Policy Amount: PROPOSED INSURED: El Paso Water Utilities
 - b. TEXAS RESIDENTIAL OWNER'S POLICY OF TITLE INSURANCE -ONE-TO-FOUR FAMILY RESIDENCES (Form T-1R) Policy Amount: \$ PROPOSED INSURED:
 - c. LOAN POLICY OF TITLE INSURANCE (Form T-2) Policy Amount: \$ PROPOSED INSURED: Proposed Borrower:
 - d. TEXAS SHORT FORM RESIDENTIAL LOAN POLICY OF TITLE INSURANCE (Form T-2R) Policy Amount: \$ PROPOSED INSURED: Proposed Borrower:
 - e. LOAN TITLE POLICY BINDER ON INTERIM CONSTRUCTION LOAN (Form T-13) Binder Amount: \$ PROPOSED INSURED: Proposed Borrower:
 - f. OTHER: Policy Amount: \$ PROPOSED INSURED:
- 2. The interest in the land covered by this Commitment is:

FEE SIMPLE

3. Record title to the land on the Effective Date appears to be vested in:

CITY OF EL PASO

4. Legal description of land:

See Exhibit "A" Attached Hereto

COMMITMENT FOR TITLE INSURANCE EXHIBIT "A" LEGAL DESCRIPTION

ISSUED BY STEWART TITLE GUARANTY COMPANY

File No.: 1504925

Tracts 4-A and 4-A-2, Block 24, in the City of El Paso, El Paso County, Texas, according to the resurvey made by El Paso County Texas for tax purposes, being more particularly described by metes and bounds in Exhibit "A-1" attached hereto and made a part hereof for all purposes. (TO BE PROVIDED PRIOR TO CLOSING)

File No.: 1504925 Form T-7 Commitment for Title Insurance Rev. 1-3-14 Page 2 of 7

COMMITMENT FOR TITLE INSURANCE SCHEDULE B

ISSUED BY STEWART TITLE GUARANTY COMPANY

EXCEPTIONS FROM COVERAGE

In addition to the Exclusions and Conditions and Stipulations, your policy will not cover loss, costs, attorney's fees and expenses resulting from:

- 1. The following restrictive covenants of record itemized below (We must either insert specific recording data or delete — this exception.):
- 2. Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements. Upon receipt of an approved survey. Schedule B, Item 2 may be modified to read in its entirety, "Shortages in area" (Loan Policy only or Owner's Title Policy with prescribed premium.)
- 3. Homestead or community property or survivorship rights, if any, of any spouse of any insured. (Applies to the Owner's Policy only.)
- 4. Any titles or rights asserted by anyone, including, but not limited to, persons, the public, corporations, governments or other entities,
 - a. to tidelands, or lands comprising the shores or beds of navigable or perennial rivers and streams, lakes, bays, gulfs, or oceans, or
 - b. to lands beyond the line of the harbor or bulkhead lines as established or changed by any government, or
 - c. to filled-in lands, or artificial islands, or
 - d. to statutory water rights, including riparian rights, or
 - e. to the area extending from the line of mean low tide to the line of vegetation, or the rights of access to that area or easement along and across that area. (Applies to the Owner's Policy only.)
- 5. Standby fees, taxes and assessments by any taxing authority for the year 2022 and subsequent years; and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership, but not those taxes or assessments for prior years because of an exemption granted to a previous owner of the property under Section 11.13, Texas Tax Code, or because of improvements not assessed for a previous tax year. (If Texas Short Form Residential Loan Policy of Title Insurance (T-2R) is issued, that policy will substitute "which become due and payable subsequent to Date of Policy" in lieu of "for the year 2022 and subsequent years.")
- 6. The terms and conditions of the documents creating your interest in the land.
- Materials furnished or labor performed in connection with planned construction before signing and delivering the lien document described in Schedule A, if the land is part of the homestead of the owner. (Applies to the Loan Title Policy Binder on Interim Construction Loan only, and may be deleted if satisfactory evidence is furnished to us before a binder is issued.)
- 8. Liens and leases that affect the title to the land, but that are subordinate to the lien of the insured mortgage. (Applies to Loan Policy T-2 only.)
- The Exceptions from Coverage and Express Insurance in Schedule B of the Texas Short Form Residential Loan Policy of Title Insurance (T-2R). (Applies to Texas Short Form Residential Loan Policy of Title Insurance (T-2R) only.) Separate exceptions 1 through 8 of this Schedule B do not apply to the Texas Short Form Residential Loan Policy of Title Insurance. (T-2R)

COMMITMENT FOR TITLE INSURANCE SCHEDULE B

ISSUED BY STEWART TITLE GUARANTY COMPANY

- 10. The following matters and all terms of the documents creating or offering evidence of the matters (We must insert matters or delete this exception.):
 - a) Rights of parties in possession. (Owner Title Policy only)
 - b) Utility easements and prescriptive rights visible and apparent on the ground.
 - c) Easement to EL PASO ELECTRIC COMPANY, recorded in <u>Volume 1569, Page 1687</u>, Real Property Records of El Paso County, Texas.
 - d) Easement to EL PASO ELECTRIC COMPANY, recorded in <u>Volume 2475, Page 274</u>, Real Property Records of El Paso County, Texas.
 - e) Easement to EL PASO ELECTRIC COMPANY, recorded in <u>Volume 2491, Page 1347</u>, Real Property Records of El Paso County, Texas.
 - f) Easement to LOWER VALLEY WATER DISTRICT, recorded in <u>Volume 3390, Page 1795</u>, Real Property Records of El Paso County, Texas.
 - g) Contracts, taxes, construction charges, easements, levees, laterals, and rights-of-way for roads, irrigation and drainage ditches and other claims or interest on, around and/or across subject property, in favor of the United States Bureau of Reclamation Under the Reclamation Act of 1902 and amendments thereto, as further amended by Deed Without Warranty dated 01/19/1996, in favor of El Paso County Improvement District No. 1, recorded in Volume 3002, Page 1025, Real Property Records of El Paso County, Texas.
 - h) Subject to all matters emanating from the establishment of the El Paso County Lower Valley Water District Authority including, but not limited to, the instruments recorded in <u>Volume 2104, Page 675, Volume 2852,</u> <u>Page 399</u>, and under <u>Clerk's File No. 20050118809</u>, Real Property Records of El Paso County, Texas.
 - All leases, grants, exceptions or reservations of coal, lignite, oil, gas and other minerals, together with all rights, privileges, and immunities relating thereto, appearing in the Public Records whether listed in Schedule B or not. There may be leases, grants, exceptions or reservations of mineral interests that are not listed.
 - j) Subject to any additional tax or taxes imposed, or which may be imposed, or the roll back of any taxes by any taxing authority due to the sale, change of use, or change of current or previous owner's status from totally exempt to taxable of the above described property pursuant to the Revised Civil Statutes of Texas 1925, as amended and the Constitution of the State of Texas, as amended.

COMMITMENT FOR TITLE INSURANCE SCHEDULE C

ISSUED BY STEWART TITLE GUARANTY COMPANY

Your Policy will not cover loss, costs, attorneys' fees, and expenses resulting from the following requirements that will appear as Exceptions in Schedule B of the Policy, unless you dispose of these matters to our satisfaction, before the date the Policy is issued:

- 1. Documents creating your title or interest must be approved by us and must be signed, notarized and filed for record.
- 2. Satisfactory evidence must be provided that:
 - no person occupying the land claims any interest in that land against the persons named in paragraph 3 of Schedule A,
 - all standby fees, taxes, assessments and charges against the property have been paid,
 - all improvements or repairs to the property are completed and accepted by the owner, and that all contractors, sub-contractors, laborers and suppliers have been fully paid, and that no mechanic's, laborer's or materialman's liens have attached to the property,
 - there is legal right of access to and from the land,
 - (on a Loan Policy only) restrictions have not been and will not be violated that affect the validity and priority of the insured mortgage.
- 3. You must pay the seller or borrower the agreed amount for your property or interest.
- 4. Any defect, lien or other matter that may affect title to the land or interest insured, that arises or is filed after the effective date of this Commitment.
- 5. Note: Procedural Rule P-27 as provided for in Section 2561.202, Texas Insurance Code requires that "Good Funds" be received and deposited before a Title Agent may disburse from its Trust Fund Account. Procedural Rule P-27 provides a list of the types of financial documents and instruments which satisfy this requirement. Please be advised that we reserve the right to determine on a case-by-case basis what form of good funds is acceptable.
- 6. We are to be furnished with a survey, complete with the metes and bounds description of the subject property, made by a Licensed Public Surveyor of the State of Texas, acceptable to the Company. When said is submitted, return to the Examination Department for review.
- Taxes, assessments and obligations for the El Paso County Lower Valley Water District Authority. Company requires that the Seller and Purchaser execute the District MUD Notice as required by Section 49.452 of the Water Code and same must be filed of record.
- 8. FOR INFORMATION ONLY: The vesting on Schedule A is by virtue of Deed recorded in/under <u>Volume 14, Page 358</u> of the Real Property Records of El Paso County, Texas.
- 9. Note: An Affidavit was styled "Notice of Claim to the Ysleta Grant and Aboriginal Title Areas" and was filed in <u>Volume</u> <u>2553, Page 1958</u>, Real Property Records, El Paso County, Texas. The memorandum attached to this Affidavit states that "the claim is one for return of possession from third parties of all lands contained within the Ysleta, Senecu, Socorro and Ascarate Grants in El Paso County, Texas (based on aboriginal title and specific Spanish and Mexican Grants); as well as the balance of El Paso County and all of Hudspeth, Culberson, Jeff Davis, Brewster and Presidio Counties, Texas (based on aboriginal title only); and for damages for trespass and unlawful occupation and use." Upon request to the company, you may receive a copy of the Affidavit and memorandum. THE POLICY TO BE ISSUED TO YOU WILL NOT EXCEPT TO THE AFFIDAVIT OR CLAIMS REFLECTED BY THE AFFIDAVIT. THIS NOTE IS FOR INFORMATIONAL PURPOSES ONLY.

COMMITMENT FOR TITLE INSURANCE SCHEDULE D

ISSUED BY STEWART TITLE GUARANTY COMPANY

Policy Commitment No.: 1504925

The information contained in this Schedule (D) does not affect title to or the lien upon the land described in Schedule A hereof, to be insured in any policy(ies) of title insurance to be issued in accordance with this Commitment.

As to Stewart Title Guaranty Company, the Underwriter herein, the following disclosures are made as of December 31, 2018:

A-1. Shareholders owning or controlling, or holding, directly or indirectly, ten percent (10%) or more of the shares of Stewart Title Guaranty Company as of the last day of the year preceding the date hereinabove set forth are as follows: Stewart Information Services Corporation -100%

A-2. The members of the Board of Directors of Stewart Title Guaranty Company as of the last day of the year preceding the date hereinabove set forth are as follows: Frederick H. Eppinger, David C. Hisey, John L. Killea, Steven M. Lessack, Tara S. Smith, Brian K. Glaze, Pamela B. O'Brien and Mary P. Thomas.

A-3. The designated officers of Stewart Title Guaranty Company as of the date hereinabove set forth are as follows: Frederick H. Eppinger, Chief Executive Officer & President; David C. Hisey, Chief Financial Officer & Assistant Secretary-Treasurer; Brad Rable, Chief Information Officer; Genady Vishnevetsky, Chief Information Security Officer; Ann Manal, Chief Human Resources Officer; Steven M. Lessack, Group President; Tara S. Smith, Group President-Agency Services; John L. Killea, General Counsel & Chief Compliance Officer; Charles M. Craig, Senior Vice President – Associate General Counsel and Senior Underwriting Counsel; James L. Gosdin, Senior Vice President – Chief Underwriting Counsel & Associate General Counsel; John Rothermel, Senior Vice President – Regional Underwriting Counsel-Southwestern, Senior Underwriting Counsel.

As to Stewart Title Company (Title Insurance Agent), the following disclosures are made:

B-1 Shareholders, owners, partners or other persons having, owning or controlling one percent (1%) or more of Title Insurance Agent are as follows:

Stewart Title Guaranty Company - 100%

B-2 Shareholders, owners, partners, or other persons having, owning or controlling ten percent (10%) or more of an entity that has, owns or controls one percent (1%) or more of Title Insurance Agent are as follows:

Stewart Information Services Corporation - 100%

B-3 If Title Insurance Agent is a corporation, the following is a list of the members of the Board of Directors:

Matthew W. Morris, David C. Hisey, John L. Killea

B-4 If Title Insurance Agent is a corporation, the following is a list of its officers:

Matthew W. Morris, Chairman, Chief Executive Officer and President, David C. Hisey, Chief Financial Officer, Assistant Secretary-Treasurer, John L. Killea, General Counsel, Denise Carraux, Secretary & Assistant Treasurer, and Ken Anderson, Jr., Treasurer and Assistant Secretary

C-1. You are entitled to receive advance disclosure of settlement charges in connection with the proposed transaction to which this commitment relates. Upon your request, such disclosure will be made to you. Additionally, the name of any person, firm or corporation receiving a portion of the premium from the settlement of this transaction will be disclosed on the closing or settlement statement.

You are further advised that the estimated title premium* is:

Owner's Policy	\$0.00	_
Loan Policy		
Endorsement Charges	\$0.00	
Other		
Total	\$0.00	

Of this total amount 15% will be paid to Stewart Title Guaranty Company; 85% will be retained by the issuing Title Insurance Agent; and the remainder of the estimated premium will be paid to other parties as follows:

File No.: 1504925 T-7 Commitment Schedule D Revised 12-31-2019 Page 6 of 7

Amount		To Whom	For Service	
\$	(or	%)		
\$	(or	%)		
\$	(or	%)		

"The estimated premium is based upon information furnished to us as of the date of this Commitment for Title Insurance. Final determination of the amount of the premium will be made at closing in accordance with the Rules and Regulations adopted by the Commissioner of Insurance."

File No.: 1504925 T-7 Commitment Schedule D Revised 12-31-2019 Page 7 of 7

STEWART TITLE GUARANTY COMPANY

DELETION OF ARBITRATION PROVISION

(Not applicable to the Texas Residential Owner's Policy)

ARBITRATION is a common form of alternative dispute resolution. It can be a quicker and cheaper means to settle a dispute with your Title Insurance Company. However, if you agree to arbitrate, you give up your right to take the Title Insurance Company to court and your rights to discovery of evidence may be limited in the arbitration process. In addition, you cannot usually appeal an arbitrator's award.

Your policy contains an arbitration provision (shown below). It allows you or the Company to require arbitration if the amount of insurance is \$2,000,000 or less. If you want to retain your right to sue the Company in case of a dispute over a claim, you must request deletion of the arbitration provision before the policy is issued. You can do this by signing this form and returning it to the Company at or before the closing of your real estate transaction or by writing to the Company.

The arbitration provision in the Policy is as follows:

"Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured, unless the Insured is an individual person (as distinguished from an Entity). All arbitrable matters when the Amount of Insurance is in excess of \$2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction."

SIGNATURE

DATE

Stewart Title Guaranty Company Privacy Notice Stewart Title Companies

WHAT DO THE STEWART TITLE COMPANIES DO WITH YOUR PERSONAL INFORMATION?

Federal and applicable state law and regulations give consumers the right to limit some but not all sharing. Federal and applicable state law regulations also require us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand how we use your personal information. This privacy notice is distributed on behalf of the Stewart Title Guaranty Company and its title affiliates (the Stewart Title Companies), pursuant to Title V of the Gramm-Leach-Bliley Act (GLBA).

The types of personal information we collect and share depend on the product or service that you have sought through us. This information can include social security numbers and driver's license number.

All financial companies, such as the Stewart Title Companies, need to share customers' personal information to run their everyday business—to process transactions and maintain customer accounts. In the section below, we list the reasons that we can share customers' personal information; the reasons that we choose to share; and whether you can limit this sharing.

Reasons we can share your personal information.	Do we share	Can you limit this sharing?
For our everyday business purposes— to process your transactions and maintain your account. This may include running the business and managing customer accounts, such as processing transactions, mailing, and auditing services, and responding to court orders and legal investigations.	Yes	No
For our marketing purposes— to offer our products and services to you.	Yes	No
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes— information about your transactions and experiences. Affiliates are companies related by common ownership or control. They can be financial and non-financial companies. Our affiliates may include companies with a Stewart name; financial companies, such as Stewart Title Company	Yes	No
For our affiliates' everyday business purposes— information about your creditworthiness.	No	We don't share
For our affiliates to market to you — For your convenience, Stewart has developed a means for you to opt out from its affiliates marketing even though such mechanism is not legally required.	Yes	Yes, send your first and last name, the email address used in your transaction, your Stewart file number and the Stewart office location that is handling your transaction by email to optout@stewart.com or fax to 1-800-335-9591.
For non-affiliates to market to you. Non-affiliates are companies not related by common ownership or control. They can be financial and non-financial companies.	No	We don't share

We may disclose your personal information to our affiliates or to non-affiliates as permitted by law. If you request a transaction with a non-affiliate, such as a third party insurance company, we will disclose your personal information to that non-affiliate. [We do not control their subsequent use of information, and suggest you refer to their privacy notices.]

SHARING PRACTICES	· · · · · · · · · · · · · · · · · · ·
How often do the Stewart Title Companies notify me about their practices?	We must notify you about our sharing practices when you request a transaction.
How do the Stewart Title Companies protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer, file, and building safeguards.
How do the Stewart Title Companies collect my personal information?	We collect your personal information, for example, when you request insurance-related services provide such information to us We also collect your personal information from others, such as the real estate agent or lender involved in your transaction, credit reporting agencies, affiliates or other companies.
What sharing can I limit?	Although federal and state law give you the right to limit sharing (e.g., opt out) in certain instances, we do not share your personal information in those instances.

Contact us: If you have any questions about this privacy notice, please contact us at: Stewart Title Guaranty Company, 1360 Post Oak Blvd., Ste. 100, Privacy Officer, Houston, Texas 77056

Privacy Notice for California Residents

Pursuant to the California Consumer Privacy Act of 2018 ("CCPA"), Stewart Information Services Corporation and its subsidiary companies (collectively, "Stewart") are providing this **Privacy Notice for California Residents** ("CCPA Notice"). This CCPA Notice supplements the information contained in Stewart's existing privacy notice and applies solely to all visitors, users and others who reside in the State of California or are considered California Residents ("consumers" or "you"). Terms used but not defined shall have the meaning ascribed to them in the CCPA.

Information Stewart Collects

Stewart collects information that identifies, relates to, describes, references, is capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer, household, or device. Most of the information that Stewart collects in the course of its regular business is already protected pursuant to the Gramm-Leach-Billey Act (GLBA). Additionally, much of this information comes from government records or other information already in the public domain. Personal information under the CCPA does not include:

- Publicly available information from government records.
- Deidentified or aggregated consumer information.

 Certain personal information protected by other sector-specific federal or California laws, including but not limited to the Fair Credit Reporting Act (FCRA), GLBA and California Financial Information Privacy Act (FIPA).

Specifically, Stewart has collected the following categories of personal information from consumers within the last twelve (12) months:

Category	Examples	Collected?
A. Identifiers.	A real name, alias, postal address, unique personal identifier, online identifier, Internet Protocol address, email address, account name, Social Security number, driver's license number, passport number, or other similar identifiers.	YES
B. Personal information categories listed in the California Customer Records statute (Cal. Civ. Code § 1798.80(e)).	A name, signature, Social Security number, physical characteristics or description, address, telephone number, passport number, driver's license or state identification card number, insurance policy number, education, employment, employment history, bank account number, credit card number, debit card number, or any other financial information, medical information, or health insurance information. Some personal information included in this category may overlap with other categories.	YES
C. Protected classification characteristics under California or federal law.	Age (40 years or older), race, color, ancestry, national origin, citizenship, religion or creed, marital status, medical condition, physical or mental disability, sex (including gender, gender identity, gender expression, pregnancy or childbirth and related medical conditions), sexual orientation, veteran or military status, genetic information (including familial genetic information).	YES
D. Commercial information.	Records of personal property, products or services purchased, obtained, or considered, or other purchasing or consuming histories or tendencies.	YES
E. Biometric information.	Genetic, physiological, behavioral, and biological characteristics, or activity patterns used to extract a template or other identifier or identifying information, such as, fingerprints, faceprints, and voiceprints, irls or retina scans, keystroke, gait, or other physical patterns, and sleep, health, or exercise data.	YES
F. Internet or other similar network activity.	Browsing history, search history, information on a consumer's interaction with a website, application, or advertisement.	YES
G. Geolocation data.	Physical location or movements.	YES
H. Sensory data.	Audio, electronic, visual, thermal, olfactory, or similar information.	YES
I. Professional or employment-related information.	Current or past job history or performance evaluations.	YES
J. Non-public education information (per the Family Educational Rights and Privacy Act (20 U.S.C. Section 1232g, 34 C.F.R. Part 99)).	Education records directly related to a student maintained by an educational institution or party acting on its behalf, such as grades, transcripts, class lists, student schedules, student identification codes, student financial information, or student disciplinary records.	YES
K. Inferences drawn from other Profile reflecting a person's preferences, characteristics, psychological trends, predispositions, behavior, attitudes, intelligence, abilities, and aptitudes.		YES
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Revised 01-01-2020

Stewart obtains the categories of personal information listed above from the following categories of sources:

- Directly and indirectly from customers, their designees or their agents (For example, realtors, lenders, attorneys, etc.)
- Directly and indirectly from activity on Stewart's website or other applications.
- From third-parties that interact with Stewart in connection with the services we provide.

Use of Personal Information

Stewart may use or disclose the personal information we collect for one or more of the following purposes:

- To fulfill or meet the reason for which the information is provided.
- To provide, support, personalize, and develop our website, products, and services.
- To create, maintain, customize, and secure your account with Stewart.
- To process your requests, purchases, transactions, and payments and prevent transactional fraud.
- To prevent and/or process claims.
- To assist third party vendors/service providers who complete transactions or perform services on Stewart's behalf.
- As necessary or appropriate to protect the rights, property or safety of Stewart, our customers or others.
- To provide you with support and to respond to your inquiries, including to investigate and address your concerns and monitor and improve our responses.
- To personalize your website experience and to deliver content and product and service offerings relevant to your interests, including targeted offers and ads through our website, third-party sites, and via email or text message (with your consent, where required by law).
- To help maintain the safety, security, and integrity of our website, products and services, databases and other technology assets, and business.
- To respond to law enforcement or regulator requests as required by applicable law, court order, or governmental regulations.
- · Auditing for compliance with federal and state laws, rules and regulations.
- Performing services including maintaining or servicing accounts, providing customer service, processing or fulfilling orders and transactions, verifying customer information, processing payments, providing advertising or marketing services or other similar services.
- To evaluate or conduct a merger, divestiture, restructuring, reorganization, dissolution, or other sale or transfer of some or all of our assets, whether as a going concern or as part of bankruptcy, liquidation, or similar proceeding, in which personal information held by us is among the assets transferred.

Stewart will not collect additional categories of personal information or use the personal information we collected for materially different, unrelated, or incompatible purposes without providing you notice.

Disclosure of Personal Information to Affiliated Companies and Nonaffiliated Third Parties

Stewart does not sell your personal information to nonaffiliated third partles. Stewart may share your information with those you have designated as your agent in the course of your transaction (for example, a realtor or a lender). Stewart may disclose your personal information to a third party for a business purpose. Typically, when we disclose personal information for a business purpose, we enter a contract that describes the purpose and requires the recipient to both keep that personal information confidential and not use it for any purpose except performing the contract.

We share your personal information with the following categories of third parties:

- Service providers and vendors (For example, search companies, mobile notaries, and companies providing credit/debit card processing, billing, shipping, repair, customer service, auditing, marketing, etc.)
- Affiliated Companies
- Litigation parties and attorneys, as required by law.
- Financial rating organizations, rating bureaus and trade associations.
- Federal and State Regulators, law enforcement and other government entities

In the preceding twelve (12) months, Stewart has disclosed the following categories of personal information for a business purpose:

Category A: Identifiers

- Category B: California Customer Records personal information categories
- Category C: Protected classification characteristics under California or federal law
- Category D: Commercial Information
- Category E: Biometric Information
- Category F: Internet or other similar network activity
- Category G: Geolocation data
- Category H: Sensory data
- Category I: Professional or employment-related information
- Category J: Non-public education information
- Category K: Inferences

Consumer Rights and Choices

The CCPA provides consumers (California residents) with specific rights regarding their personal information. This section describes your CCPA rights and explains how to exercise those rights.

Access to Specific Information and Data Portability Rights

You have the right to request that Stewart disclose certain information to you about our collection and use of your personal information over the past 12 months. Once we receive and confirm your verifiable consumer request, Stewart will disclose to you:

- The categories of personal information Stewart collected about you.
- The categories of sources for the personal information Stewart collected about you.
- Stewart's business or commercial purpose for collecting that personal information.
- The categories of third parties with whom Stewart shares that personal information.
- The specific pieces of personal information Stewart collected about you (also called a data portability request).
- If Stewart disclosed your personal data for a business purpose, a listing identifying the personal information categories that each category of recipient obtained.

Deletion Request Rights

You have the right to request that Stewart delete any of your personal information we collected from you and retained, subject to certain exceptions. Once we receive and confirm your verifiable consumer request, Stewart will delete (and direct our service providers to delete) your personal information from our records, unless an exception applies.

Stewart may deny your detetion request if retaining the information is necessary for us or our service providers to:

- 1. Complete the transaction for which we collected the personal information, provide a good or service that you requested, take actions reasonably anticipated within the context of our ongoing business relationship with you, or otherwise perform our contract with you.
- 2. Detect security incidents, protect against malicious, deceptive, fraudulent, or illegal activity, or prosecute those responsible for such activities.
- 3. Debug products to identify and repair errors that impair existing intended functionality.
- 4. Exercise free speech, ensure the right of another consumer to exercise their free speech rights, or exercise another right provided for by law.
- 5. Comply with the California Electronic Communications Privacy Act (Cal. Penal Code § 1546 seq.).
- Engage in public or peer-reviewed scientific, historical, or statistical research in the public interest that adheres to all other applicable ethics and privacy laws, when the information's deletion may likely render impossible or seriously impair the research's achievement, if you previously provided informed consent.
- 7. Enable solely internal uses that are reasonably aligned with consumer expectations based on your relationship with us.
- 8. Comply with a legal obligation.
- 9. Make other internal and lawful uses of that information that are compatible with the context in which you provided it.

Exercising Access, Data Portability, and Deletion Rights

To exercise the access, data portability, and deletion rights described above, please submit a verifiable consumer request to us either:

- Calling us Toll Free at 1-866-571-9270
- Emailing us at Privacyrequest@stewart.com
- Visiting <u>http://stewart.com/ccpa</u>

Only you, or someone legally authorized to act on your behalf, may make a verifiable consumer request related to your personal information. You may also make a verifiable consumer request on behalf of your minor child.

To designate an authorized agent, please contact Stewart through one of the methods mentioned above.

You may only make a verifiable consumer request for access or data portability twice within a 12-month period. The verifiable consumer request must:

- Provide sufficient information that allows us to reasonably verify you are the person about whom we collected personal information or an authorized representative.
- Describe your request with sufficient detail that allows us to properly understand, evaluate, and respond to it.

Stewart cannot respond to your request or provide you with personal information if we cannot verify your identity or authority to make the request and confirm the personal information relates to you.

Making a verifiable consumer request does not require you to create an account with Stewart.

Response Timing and Format

We endeavor to respond to a verifiable consumer request within forty-five (45) days of its receipt. If we require more time (up to an additional 45 days), we will inform you of the reason and extension period in writing.

File No.: 1504925

A written response will be delivered by mail or electronically, at your option.

Any disclosures we provide will only cover the 12-month period preceding the verifiable consumer request's receipt. The response we provide will also explain the reasons we cannot comply with a request, if applicable. For data portability requests, we will select a format to provide your personal information that is readily useable and should allow you to transmit the information from one entity to another entity without hindrance.

Stewart does not charge a fee to process or respond to your verifiable consumer request unless it is excessive, repetitive, or manifestly unfounded. If we determine that the request warrants a fee, we will tell you why we made that decision and provide you with a cost estimate before completing your request.

Non-Discrimination

Stewart will not discriminate against you for exercising any of your CCPA rights. Unless permitted by the CCPA, we will not:

- Deny you goods or services.
- Charge you a different prices or rates for goods or services, including through granting discounts or other benefits, or imposing penalties.
- Provide you a different level or quality of goods or services.

Suggest that you may receive a different price or rate for goods or services or a different level or quality of goods or services.
<u>Changes to Our Privacy Notice</u>

Stewart reserves the right to amend this privacy notice at our discretion and at any time. When we make changes to this privacy notice, we will post the updated notice on Stewart's website and update the notice's effective date. Your continued use of Stewart's website following the posting of changes constitutes your acceptance of such changes.

Contact Information

If you have questions or comments about this notice, the ways in which Stewart collects and uses your information described here, your choices and rights regarding such use, or wish to exercise your rights under California law, please do not hesitate to contact us at:

Phone:	Toll Free at 1-866-571-9270	
Website:	http://stewart.com/ccpa	
Email:	Privacyrequest@stewart.com	
Postal Address:	Stewart Information Services Corporation	
	Attn: Mary Thomas, Deputy Chief Compliance Officer	
	1360 Post Oak Blvd., Ste. 100, MC #14-1	

Houston, TX 77056