

## AGREEMENT FOR SALE AND PURCHASE OF LOVELAND WATER BANK CREDITS

This Agreement for Sale and Purchase of Loveland Water Bank Credits (this “**Agreement**”), dated as of May \_\_\_\_, 2024, is by and between MWater Development, LLC, a Colorado limited liability company, whose address is 2725 Rocky Mountain Avenue, Suite 200, Loveland, CO 80538 (“**Seller**”), and the Lakes at Centerra Metropolitan District No. 1, a quasi-municipal corporation and political subdivision of the State of Colorado, whose address is c/o Pinnacle Consulting Group, Inc., 550 W. Eisenhower Blvd., Loveland, CO 80537 (“**Purchaser**”).

1. **Agreement to Seek and Purchase Water Credits.** Seller agrees to sell and Purchaser agrees to purchase water bank credits (the “**Transaction**”) held in the City of Loveland Water Bank (the “**Water Bank**”), more specifically described as (a) 1.39 acre-feet of water per year held in account number 528 (the “**CIL Credits**”), and (b) 1.40 acre-feet of native water per year from the Loudon Ditch shares held in account number 521 (the “**Native Credits**”, and together with the CIL Credits, collectively referred to as the “**Water Credits**”).

2. **Purchase Price and Terms.** The purchase price of the Water Credits shall be \$125,557.00 (the “**Purchase Price**”), which shall be allocated as follows: (a) \$65,858.20 with respect to the CIL Credits, and (b) \$59,698.80 with respect to the Native Credits. At the Closing, Purchaser will deliver to Seller a check or wire transfer in the amount of the Purchase Price.

3. **Conditions Precedent.**

a. This Agreement is conditioned upon the City accepting the transfer of the Water Credits towards the Purchaser’s raw water contribution requirements for Purchaser’s development at 3525 Mirror Lake Drive, Loveland, Colorado 80538, legally described as Portion of Tract A, Millennium Northwest 17th Subdivision Amendment No. 1, City of Loveland, County of Larimer, State of Colorado, known as Lakes Phase 9 (the “**Project**”). If this condition precedent is not met, then Purchaser may declare this Agreement terminated, and neither party shall have any further rights or obligations hereunder. However, Purchaser and Seller may mutually agree, in writing and signed by both parties, to extend the time period to effectuate the intent of this Agreement and transfer the Water Credits.

b. Seller shall pay any storage fees due to the City in conjunction with transfer of the Water Credits.

4. **Closing and Transfer of Water.** The closing shall occur on May \_\_\_\_, 2024 unless mutually extended by both parties, and shall take place at the City of Loveland Water and Power Department (the “**City**”), 200 N. Wilson Ave, Loveland, CO 80537 (the “**Closing**”). At the Closing, Seller shall deliver to the City fully completed and executed “Water Bank Transfer Requests” instructing the City to transfer the Water Credits to Purchaser. Seller will request that the City issue to Purchaser one or more holding receipts for the Water Credits upon Purchaser’s compliance with all requirements of the City for the transfer of the Water Credits.

5. **Ownership.** Seller shall deliver the Water Credits free and clear of any liens, leases, pre-emptive rights, rights of refusal, and any, and all, encumbrances, to Purchaser, at Closing, by transfer of the Water Credits by execution of the Water Bank Transfer Request, and any other documents required by and in accordance with the rules and regulations of, the City.

6. **Brokerage Commissions.** Seller and Buyer shall each be responsible for paying their own broker commissions due in connection with the purchase and sale of the water under this Agreement. Accordingly, Seller shall pay a 2.0% commission to McWhinney Real Estate Services, Inc. (“MRES”), as Seller’s broker, pursuant to a separate agreement between Seller and MRES.

7. **Binding Effect.** This Agreement has been entered into, without duress by the undersigned parties, with the full understanding that said parties have had competent legal, tax counsel, and other counsel, and this Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective successors and assigns. This Agreement shall be interpreted under the laws of the State of Colorado.

*[Remainder of page intentionally left blank; signature pages follow.]*

**In Witness Whereof**, the parties hereto have executed this Agreement as of the day and year first above written. Electronic facsimile signatures of named parties to this Agreement are as effective as original signatures. This Agreement, once executed, constitutes a binding contract of the parties hereto.

PURCHASER:

The Lakes at Centerra Metropolitan District  
No. 1, a quasi-municipal corporation and  
political subdivision of the State of Colorado

By: \_\_\_\_\_  
Kim L. Perry, President

*[Signatures continue on following page.]*

SELLER:

MWater Development, LLC, a  
Delaware limited liability company

By: McWhinney Real Estate Services,  
Inc., a Colorado corporation,  
Manager

By: \_\_\_\_\_  
Bethany Johnson, EVP, General Counsel