

When recorded, return to:

Chandler City Clerk
P. O. Box 4008, MS 606
Chandler, AZ 85244-4008

FIRST AMENDED SUSTAINABLE WATER SERVICE AGREEMENT

This First Amended Sustainable Water Service Agreement (“Agreement”), effective on the ____ day of _____, 2026 (the “Effective Date”), is entered into by and between the City of Chandler, an Arizona municipal corporation (“City”) and Applied Materials, Inc., a Delaware corporation, (“Owner”). This Agreement may refer to City and Owner individually as a “Party” or collectively as the “Parties”.

RECITALS

A. Owner holds a fee interest in industrial property located at 2377 S. Arizona Avenue in Chandler, Maricopa County, Arizona, as legally described in the attached **Exhibit “A”** (the “Property”).

B. Owner intends to operate a semiconductor equipment manufacturing facility on the Property.

C. Chandler City Code Chapter 52-45(A) limits all water uses within the city to those that will not exceed the then-existing Tier I Water Use Allocation adopted by the city council.

D. Owner’s proposed Water usage will exceed the current Tier I Water Use Allocation.

E. City and Owner previously entered into a Sustainable Water Service Agreement dated June 4, 2025, in which Owner proposed to employ water-cooled cooling towers and chillers on the Property.

F. Owner now proposes to employ air-cooled cooling towers and chillers on the Property, which will substantially lower the amount of Water usage on the Property.

G. Owner has filed a revised Sustainable Water Service Application, and the Director of Public Works & Utilities has determined that the Property is eligible for a revised Tier II Water Use Allocation subject to the terms and conditions of this Agreement.

H. The Chandler City Council has authorized the delivery of Tier II Water to the Property subject to the terms and conditions of this Agreement.

I. This First Amended Sustainable Water Service Agreement shall replace the Sustainable Water Service Agreement dated June 4, 2025, in its entirety.

WHEREFORE, the Parties agree as follows:

AGREEMENT

1. The foregoing recitals are incorporated by reference into this Agreement.
2. Capitalized words or phrases not specifically defined in this Agreement shall have the same meaning provided under Chandler City Code Chapter 52, Article VI. In any conflict between this Agreement and Chandler City Code, the provisions of this Agreement shall control.
3. The proposed use for the Property is semiconductor equipment manufacturing.
4. The Tier I Water Use Allocation for the Property and use is 21,000 gpd.
5. Owner's proposed use requires a total of 76,000 gpd of water. City agrees to allocate a total of 55,000 gpd of Tier II Water to the Property for the use of semiconductor parts repair and semiconductor tool parts manufacturing.
6. The Property shall be limited to no more than 76,000 gpd of water use (21,000 gpd Tier I Water + 55,000 gpd Tier II Water) calculated annually based on a rolling three-year average ("Maximum Water Use"). Missing data due to meter failure or other errors or omissions will be estimated based on water use for the same period in the prior year.
7. In addition to any other regulatory requirements placed on Owner including, without limitation, any requirements set forth in Owner's reuse permit for a material violation of a regulatory requirement or an emergency, the Owner shall, within 3 days of the discovery or a violation or emergency, provide written notice to City of such issue and as soon as reasonably practical thereafter provide an action plan to resolve the violation or emergency. If the violation or emergency has been resolved, Owner shall submit a description of the corrective measures taken and, in any event, shall notify City in writing when the measures have been taken, and the violation or emergency has been resolved.
8. In addition to the penalties provided under Chandler City Code Chapter 52, Article VI, the following penalties may be assessed on a cumulative basis for exceedance of the Maximum Water Use:
 - First exceedance – Owner pays City for the volume of water used in excess of the Maximum Water Use at the then-current market rate applicable to the purchase of surface water credits.
 - Second exceedance – Owner pays for volume of water used in excess of the Maximum Water Use and must develop a water reduction plan sufficient to demonstrate that no further exceedances will occur.
 - Third exceedance – Upon three or more exceedances, City shall have the right to terminate this Agreement upon 60 days' written notice to Owner and upon termination the Property will be limited to a Tier I Water Use Allocation.
9. Owner agrees to pay all applicable fees and charges associated with City's delivery of Water to the Property, and to comply with the provisions of Chandler City Code Chapters 50, 52, and 53 for the design, permitting, installation, and inspection of meters and other infrastructure necessary for City to deliver Water to the Property.
10. The Tier II Water Use Allocation provided for in this Agreement shall be valid for a period of 100 years from the Effective Date, or until this Agreement is terminated, whichever is sooner.

11. The Tier II Water Use Allocation provided for in this Agreement may not be transferred or assigned to another Owner or use without the written approval of City; however, Owner may transfer or assign the rights and obligations under this Agreement to a corporate subsidiary or affiliate upon written notice to City. Owner shall remain liable for the performance of Owner's obligations under this Agreement following any transfer or assignment that is made without City's written approval.

12. Nothing in this Agreement alters the penalties for violation of any other provision of city code relating to water usage nor does this Agreement alter the penalties for nonpayment of water delivery charges.

13. In the event of any default under this Agreement, the Parties shall have all remedies available at law or in equity. The prevailing Party in any legal dispute under this Agreement shall have the right to recover its reasonable attorneys' fees and costs. No waiver shall arise out of any Party's failure to enforce its rights under this Agreement.

14. The person signing on behalf of Owner represents and warrants that they are duly authorized to enter into this Agreement and empowered to bind Owner to this Agreement.

15. This Agreement shall be governed by and construed under the laws of the State of Arizona.

16. In the event that any phrase, clause, sentence, paragraph, or other portion of the Agreement shall be illegal, null or void or against public policy, for any reason, or shall be held by any court of competent jurisdiction to be illegal, null or void or against public policy, the remaining portions of this Agreement shall not be affected thereby and shall remain in full force and effect to the fullest extent permissible by law and the Parties will negotiate diligently in good faith for such amendments of this Agreement as may be necessary to achieve its intent, notwithstanding such invalidity or unenforceability.

17. All notices, demands or other communications given under this Agreement shall be in writing and shall be deemed to have been delivered upon personal delivery or as of the third business day after mailing by United States Certified Mail, postage prepaid, return receipt requested, addressed as follows:

To City: Director of Public Works & Utilities
P. O. Box 408, MS 403
Chandler, AZ 85244-4008
jeremy.abbott@chandleraz.gov

Copy to: City Attorney
City of Chandler
P. O. Box 4008, MS 602
Chandler, Arizona 85244-4008
Legal.Notices@chandleraz.gov

To Owner: Applied Materials, Inc.
3050 Bowers Avenue
Santa Clara, CA 95054
Attn: Global General Procurement

PHDIndirect_NASuppliers@amat.com

Copy to: Applied Materials, Inc.

3050 Bowers Avenue
Santa Clara, CA 95054
Attn: Law Department – m/s 1267
legal_notices@amat.com

E-mail is not sufficient notice under this Section; e-mail addresses are listed as a convenience only. A Party may change its address for receipt of notice by providing written notice as provided in this Section.

18. This Agreement constitutes the entire agreement between the Parties concerning the subject matter of the Agreement. This Agreement may not be amended except in a writing signed by the Parties.

19. No waiver by either Party of a breach of any of the terms, covenants, or conditions of this Agreement shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other term, covenant or condition contained in this Agreement.

20. City shall record this Agreement in the Records of the Maricopa County Recorder.

21. This Agreement is subject to cancellation for conflict of interest under A.R.S. § 38-511.

[Signatures on following page]

IN WITNESS WHEREOF, the Parties have executed this Agreement effective as of the date written above.

CITY OF CHANDLER,
an Arizona municipal corporation

By: _____
Jeremy Abbott, Director
Public Works & Utilities

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

APPLIED MATERIALS, INC., a Delaware corporation

By: ^{Signed by:} John Mahoney
John Mahoney
Director, Global Sourcing & Procurement
7/22/2026

STATE OF ARIZONA)
) ss.
County of Maricopa)

SUBSCRIBED and sworn to before me this ____ day of _____, 2026, by _____ in their capacity as _____ of Applied Materials, Inc., a Delaware corporation.

Notary Public

Seal:

Exhibit A

Legal Description of Property (attached)

Unofficial
20: Document

fm
mo

FIDELITY NATIONAL TITLE

WHEN RECORDED, RETURN TO:

Applied Materials, Inc.
c/o Global Real Estate
Attn: Josh Davidson
9700 U.S. Hwy 290 East, M/S 3200-431
Austin, TX 78724-1199

FM5525DD47
2 of 2

SPECIAL WARRANTY DEED AND QUITCLAIM DEED

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the undersigned, **ARIZONA AVENUE, LP**, a Texas limited partnership ("**Grantor**"), hereby TRANSFERS, GRANTS, BARGAINS, SELLS and CONVEYS to **APPLIED MATERIALS, INC.**, a Delaware corporation ("**Grantee**"), having an address of c/o Global Real Estate, 9700 U.S. Hwy 290 East, M/S 3200-431, Austin, Texas 78724-1199, that certain real property and improvements described on **Exhibit "A"** attached hereto, together with all rights and privileges appurtenant thereto, including without limitation, strips and gores of land thereon, all mineral rights and water rights, rights in adjacent strips of land, easements and rights of way, and all other appurtenant rights and privileges (the "**Property**") EXCEPT, excluding water, water rights, applications for water rights and claims to or interests in water or applications for the same, which are appurtenant or in any way derived from the Property;

SUBJECT TO: current taxes and assessments; patent reservations; all covenants, conditions, restrictions, reservations, rights, rights-of-way, easements, obligations and liabilities and other matters of record or to which reference is made in the public record; any and all conditions, shortages in area, overlaps, conflicts in boundary lines, easements, encroachments, rights-of way, rights or claims, or restrictions not shown by the public records which would be disclosed by a physical inspection, or which an accurate survey of the Property would reveal; unpatented mining claims; and the applicable zoning and use ordinances, regulations, zoning codes and the like of any municipality, county, state, or the United States affecting the Property as same now exist and as may hereafter be established or amended;

AND Grantor does hereby bind itself, and its successors and assigns, to WARRANT AND DEFEND all the Property, subject only to the matters set forth above, unto the Grantee, and its successors and assigns, against the acts of Grantor and every person whomsoever claiming by or through Grantor, but not otherwise.

FURTHERMORE, Grantor hereby quitclaims to Grantee, without covenant or warranty of any kind whatsoever, any rights or claims to title to water, applications for water rights, and claims to or interests in water rights which are appurtenant or in any way applicable to or derived from the Property whether surface, underground, wells, springs, percolating, flood, vested, contingent, recorded, certificated, appropriated or otherwise

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

12th IN WITNESS WHEREOF, the undersigned has executed this Special Warranty Deed as of this day of June, 2025

GRANTOR:

ARIZONA AVENUE, LP,
a Texas limited partnership

By: GO Arizona Avenue GP, LLC
an Arizona limited liability company
Its General Partner

By G.O. Industrial LLC,
An Arizona limited liability company
Its: Manager

By: [Signature]
Name: Robert Gueren
Title: Manager

STATE OF ARIZONA)
) ss
County of Maricopa)

The foregoing instrument was acknowledged before me this 12th day of June, 2025, by Robert Gueren the Manager of GO Industrial, LLC, an Arizona limited liability company, the Manager of GO Arizona Avenue GP, LLC, an Arizona limited liability company, the General Partner of Arizona Avenue, LP, a Texas limited partnership, for and on behalf of the limited partnership.

[Signature]
Notary Public

My commission expires:

Dec 27, 2026



Exhibit A
Legal Description of the Property

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF MARICOPA, STATE OF ARIZONA AND IS DESCRIBED AS FOLLOWS:

PARCEL NO. 1:

A PORTION OF A PARCEL OF LAND BEING AS DESCRIBED PER DOCUMENT 2017-0115975 MARICOPA COUNTY RECORDS (MCR) LOCATED IN THE NORTHWEST QUARTER OF SECTION 10, TOWNSHIP 2 SOUTH, RANGE 5 EAST, OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A 3-INCH CITY OF CHANDLER BRASS CAP FLUSH AT THE WEST QUARTER CORNER OF SAID SECTION 10, FROM WHICH A 3-INCH CITY OF CHANDLER BRASS CAP IN HANDHOLE AT THE EAST QUARTER CORNER OF SAID SECTION 10 BEARS NORTH 89 DEGREES 55 MINUTES 11 SECONDS EAST 5,279.68 FEET (BASIS OF BEARING);

THENCE ALONG THE WEST LINE OF SAID NORTHWEST QUARTER, NORTH 00 DEGREES 31 MINUTES 15 SECONDS WEST, 992.53 FEET;

THENCE LEAVING SAID WEST LINE, NORTH 89 DEGREES 28 MINUTES 45 SECONDS EAST 54.53 FEET;

Unofficial Document

THENCE NORTH 88 DEGREES 54 MINUTES 57 SECONDS EAST 14.97 FEET TO THE POINT OF BEGINNING,

THENCE NORTH 88 DEGREES 54 MINUTES 57 SECONDS EAST, 1278.54 FEET;

THENCE SOUTH 0 DEGREES 10 MINUTES 59 SECONDS EAST, 496.08 FEET;

THENCE SOUTH 88 DEGREES 55 MINUTES 04 SECONDS WEST, 866.33 FEET;

THENCE NORTH 1 DEGREES 04 MINUTES 56 SECONDS WEST, 85.83 FEET;

THENCE NORTH 88 DEGREES 55 MINUTES 04 SECONDS EAST, 16.00 FEET;

THENCE NORTH 1 DEGREES 04 MINUTES 56 SECONDS WEST, 280.00 FEET;

THENCE SOUTH 88 DEGREES 54 MINUTES 47 SECONDS WEST, 16.00 FEET;

THENCE NORTH 1 DEGREES 05 MINUTES 09 SECONDS WEST, 53.38 FEET;

THENCE NORTH 50 DEGREES 30 MINUTES 37 SECONDS WEST, 90.74 FEET;

THENCE SOUTH 88 DEGREES 54 MINUTES 57 SECONDS WEST 330.36 FEET;

THENCE NORTH 17 DEGREES 13 MINUTES 34 SECONDS WEST, 18.48 FEET TO THE POINT OF BEGINNING.

ALSO KNOWN AS:

LOT 2, OF GO CHANDLER INDUSTRIAL, ACCORDING TO BOOK 1822 OF MAPS, PAGE 28, RECORDS OF MARICOPA COUNTY, ARIZONA.

Unofficial Document