

Attachment A: Term Sheet

TRANSFER OF PROPERTY FROM THE CITY OF SEATTLE (City) TO HOMESTEAD  
COMMUNITY LAND TRUST OR ITS ASSIGNEE (Purchaser)

This term sheet describes the basic terms of the proposed transfer of property between Purchaser and City. The Agreement will include the following terms:

1. Transfer. Any transfer of the property shall be by Quit Claim Deed.
2. Consideration. In consideration for the City transferring the Property to Purchaser, Purchaser shall agree to construct or cause to be constructed within the Property improvements substantially as described in those plans and specifications prepared by Daniel Umbach under Master Use Permits Nos. 3033649-LU, 3033650-LU, and 3033651-LU, which improvements shall be 16 townhouses/rowhouses, 10 of which will be for sale to households with incomes at the time of sale of 80% or less of the area median income, as defined by the City of Seattle's Office of Housing.
3. Conditions precedent to the City's obligation to transfer the property:
  - a. Purchaser shall have obtained approval from the Director of the Office of Housing (Director) of the final plan set and development budget including projected sales prices.
  - b. Purchaser shall have obtained permits for the development of the Property consistent with the designs approved by the Office of Housing.
  - c. Purchaser shall have provided evidence satisfactory to the Office of Housing that Purchaser has secured all necessary construction financing to fund the construction of the Project.
4. Other conditions.
  - a. The Agreement will contain other conditions determined by the Director to be necessary to provide the desired outcomes.
  - b. The transfer to Purchaser shall be "AS IS," without any warranty as to any matters related to title or the condition of the Property, including without limitation the presence of any encroachments, hazardous materials or any other environmental matters.
  - c. Purchaser to convey to the City a 50-year covenant preserving 10 of the townhouses built on the Property as affordable housing.