

CITY OF SANTA FE
METROPOLITAN REDEVELOPMENT AGENCY
EXCLUSIVE NEGOTIATION AGREEMENT
CITY-OWNED PROPERTY AT THE MIDTOWN SITE

This Exclusive Negotiation Agreement (the “ENA” or “Agreement”) is entered this XX day of XXX, 2026 by and between the following the CITY OF SANTA FE, a municipality chartered under the laws of New Mexico (“City” or “Owner”) and Homewise, Inc. (“Offeror”), collectively the “Parties”.

The Offeror shall be personally involved in the performance of the ENA and serve as the developer and operator of the **Proposed Project** as generally described in the Property Sale or Lease Offer submitted by the Offeror to the City dated May 28, 2025 (the “Offer”).

1. **Purpose.** The Purpose of this Agreement is to provide a due diligence period to undertake feasibility studies and for the refinement and preparation of the Conceptual Development Proposal provided in the Offer. During this time period the City will only negotiate with the Offeror regarding disposition of the Project Parcel, as defined below. The Conceptual Development Proposal, Offer Price, and other terms (the “Development Plans”) are to be refined and developed by the Offeror and negotiated by and between the Offeror and City during the term of this ENA. The negotiation of the terms and conditions between the Parties shall serve as the basis for entering a Disposition and Development Agreement (the “DDA”) for the Project Parcel. Through the term of this Agreement, the City intends to undertake a process in which the Parties engage in a due diligence and negotiation period to ensure the viability of the Proposed Project, and that the Proposed Project is in the best interest of the City.
2. **City Property.** The City owns certain property comprising 64-acres of land and buildings known as the Midtown Site (the “Midtown Site”) with a current address at 1600 St. Michaels Drive, Santa Fe, NM 87505, within Section 34, T.17N., R.9E., N.M.P .M., in Santa Fe County, New Mexico, U.S.A (the “Property”). See **Exhibit A: City Property Map**.
3. **Project Parcel.** The Project Parcel, identified as Tract # R2-1b, is located within the City Property (the “Project Parcel”). The size of the Project Parcel is approximately 3.21 acres or 140,208 square feet. See **Exhibit B: Project Parcel Map**.
4. **Offer Price and Consideration.** The Offeror proposed \$1 (one dollar) for the Project Parcel for consideration by the City, pursuant to the Property Sale or Lease Offer submitted by the Offeror to the City dated May 28, 2025 (the “Offer Price”).
5. **Good Faith Deposit.** Within seven (7) days after the Effective Date of the ENA, the Offeror shall wire transfer to the City in the amount of \$5,000.00 (five thousand dollars) (“Good Faith Deposit”). The Good Faith Deposit shall be non-refundable and may be used by the City to perform necessary due diligence activities and analysis during the ENA period with the Selected Offeror.

- 6.
7. **ENA Due Diligence Deposit.** The Offeror shall make a deposit equal to 100% of Offer Price, (the “ENA Due Diligence Deposit”) which shall be deposited within five (5) business days of full execution of this ENA.

The ENA Due Diligence Deposit shall be fully refundable until the end date of the ENA Due Diligence Period. The City will apply the ENA Due Diligence Deposit to the Offeror’s payment of the final Offer Price agreed to by the Parties. ENA Due Diligence Deposit shall be fully refundable until 5:00pm, Mountain Time, on the last day of the Due Diligence Period.

8. **ENA Due Diligence Period.** The term of this Agreement (the “ENA Due Diligence Period”) shall commence upon execution of this ENA and terminate 365 days from the execution of this ENA.

The ENA Due Diligence Period may be extended in 4-month increments. Extension to the ENA Due Diligence Period is at the City’s sole discretion.

9. **Disposition and Development Agreement.** The Parties shall negotiate a Disposition and Development Agreement for consideration by the City’s Governing Body.

10. **Development Plans/DDA Exhibits.** At a minimum, the DDA exhibits developed by the Offeror during the ENA Due Diligence Period, shall include the following elements of the Development Plans:

- a. Updated Price Offer and Terms
- b. Development Program
- c. Development Schedule and Phasing Plan
- d. Development Capital and Operating Budgets
- e. Schematic Site Plan(s)
- f. Conceptual Architectural Elevation(s)
- g. List of Community Development Plan Requirements and Value-Add Priorities with Cost Estimates

11. **DDA Predevelopment Plans.** The DDA will require a non-refundable Predevelopment Deposit of ten thousand dollars (\$10,000)..

12. **Inspections.** Offeror has inspected or will inspect the Project Parcel or will waive the right to inspect the Project Parcel on or before 5:00pm Mountain Time at the end of the ENA Due Diligence Period. Owner will provide access to the Project Parcel upon Offeror’s request for Offeror, its agents, assigns, consultants, legal counsel, etc., not to be unreasonably refused, and Owner hereby grants Offeror and its agents, assigns, consultants, employees, and contractors permission to go upon the Project Parcel at Offeror's expense to make such survey, tests, and other engineering studies and site analyses as Offeror may require, subject to a minimum five (5) business days written

notice to Owner. Notwithstanding anything to the contrary in this ENA, Offeror shall not conduct any invasive third party testing, including environmental or archeological testing, on the Project Parcel without giving prior written notice to Owner for Owner written approval of the specific activity or scope of work to be undertaken (including, with respect to any invasive testing; a written plan for such testing; the name of the firm to perform such activity and their qualifications; signed contract between Offeror and the contractor; evidence of contractor's required insurance). See **Exhibit C: Insurance Requirements**. The Grantee will restore the Property to the same condition in which it existed immediately prior to the conducting of any inspection or testing, promptly upon completion of each such inspection.

The Grantee will not permit any liens or encumbrances to arise against the Property in connection with or as a result of such Access Studies. The Offeror shall require that all Project Parcel assessments, investigations, reports, studies, and other due diligence documents produced or procured by the Offeror be additionally certified to the City.

13. **Insurance.** Offeror shall secure and submit insurance coverage in a form and amount acceptable to the Owner for Offeror and any contractor performing work at the Property and Project Parcel. See **Exhibit C: Insurance Requirements**.

14. **Other Conditions and Terms.**

- a. Offeror represents that Offeror has full legal authority to enter this ENA. The person executing this contract on behalf of Offeror has the full right and authority to do so, and Offeror will deliver to Owner prior to the execution of this ENA evidence as Owner may reasonably require that Offeror has taken all appropriate corporate action to authorize the Offer.
- b. Offeror shall indemnify, hold harmless, or insure the City, including its officers, employees, and agents, against claims, liability, damages, losses and costs arising from any personal injury or damage to personal property, including attorney fees, to the extent that any such claim, liability, damages, losses, or costs arise out of, or are proximately caused by any act or omission of the Offeror, its officers, employees, agents, representatives, consultants or contractors in furtherance of this Agreement. Nothing in this Agreement shall be construed as an indemnification by the City for any loss, damages, injury, or death arising out of, or proximately caused, in whole or part, by the City, its officials, employees, attorneys, agents, representatives, consultants or contractors. Nothing herein shall obligate or be construed to obligate the City to provide any indemnity, insurance, or other protection for or on behalf of Offeror or any third party.
- c. To the best of Owner's knowledge, there is no condemnation or similar proceeding or legal action of any kind or character whatsoever, affecting the Project Parcel pending, threatened, or contemplated by any governmental authority which will in any manner affect the rights of Offeror upon or after the execution of the DDA.

- d. Owner will provide the Offeror with copies of relevant documents in its possession relating to Project Parcel, including any covenants, conditions, and restrictions, reciprocal easements and parking agreements, copies of tax statements, existing leases, and property or building assessments, if any. Owner shall have no obligation to provide any information to the Offeror that is privileged, confidential, or otherwise not subject to public disclosure.
- e. Offeror shall collaborate and coordinate with the Owner to ensure that Offeror's proposed horizontal development activities are aligned with Owner's planning, design, and construction of the infrastructure and public right of ways, including streets, sidewalks, open spaces, easements, and other related activities. Furthermore, Offeror shall coordinate with Owner regarding the implementation of the Midtown Master Plan into the Offeror's Project Plans with the objective of ensuring consistency with development and design guidelines, intents, and requirements described in the Midtown Master Plan.
- f. To the best of Owner's knowledge, there is no condemnation or similar proceeding or legal action of any kind or character whatsoever, affecting the Project Parcel pending, threatened, or contemplated by any governmental authority which will in any manner affect the rights of Offeror upon or after the execution of the DDA.
- g. Owner will provide the Offeror with copies of relevant documents in its possession relating to Project Parcel, including any covenants, conditions, and restrictions, reciprocal easements and parking agreements, copies of tax statements, existing leases, and property or building assessments, if any. Owner shall have no obligation to provide any information to the Offeror that is privileged, confidential, or otherwise not subject to public disclosure.
- h. Offeror shall collaborate and coordinate with the Owner to ensure that Offeror's proposed horizontal development activities are aligned with Owner's planning, design, and construction of the infrastructure and public right of ways, including streets, sidewalks, open spaces, easements, and other related activities. Furthermore, Offeror shall coordinate with Owner regarding the implementation of the Midtown Master Plan into the Offeror's Project Plans with the objective of ensuring consistency with development and design guidelines, intents, and requirements described in the Midtown Master Plan.
- i. During the ENA Due Diligence Period, Owner and Offeror shall negotiate terms for any public infrastructure improvements that directly impact the Offeror's Development Plans. Agreed upon terms shall be included in the DDA.
- j. In the context of this Agreement, the City Manager may act on behalf of the Owner for extensions, notice, access.

15. **Survey.** Owner at Owner's expense shall provide any surveys in Owner's possession that include the Project Parcel within 30 days after execution of the ENA.

Offeror at Offeror's expense shall have the right to order a survey to expedite due diligence. Offeror shall be responsible for surveys to create additional parcels within the Project Parcel.

16. **Expenses.** Offeror shall pay its due diligence, inspections, legal review, appraisal, loan fees, environmental inspections, architecture and engineering fees, survey acceptable to financial institution requirements, and other expenses associated with this ENA.
17. **Exclusivity.** Upon execution of this ENA, both Offeror and Owner agree to negotiate in good faith, and Owner shall not entertain any other offers for the Property for the term of this ENA.
18. **Termination.**
 - a. Failure to Pay Deposits. If Offeror fails to timely pay the Deposits this Agreement shall automatically terminate without further action by either Party.
 - b. Execution of DDA. If a DDA is executed by the Parties relating to all or part of the Project Parcel during the ENA Due Diligence Period or any extensions, then this ENA shall terminate upon execution of said DDA with respect to the portion, or all, of the Project Parcel subject to the DDA.
 - c. Discretionary Termination by a Party. If either Party concludes at any time in its sole discretion that (a) the Proposed Project is not feasible, or (b) that the negotiations are unlikely to result in the execution of mutually agreeable DDA, then such Party may terminate this Agreement by delivering written notice thereof to the other Party.
 - d. Expiration of Term. Unless sooner terminated as provided above, this Agreement shall terminate upon expiration of the ENA Due Diligence Period hereof without further action by either Party.
 - e. Termination for Default. Prior to expiration of the ENA Due Diligence Period, the City, in addition to the exercise of any other rights or remedies it may have, may terminate this Agreement upon the occurrence of a material default by the Offeror, and Offeror's failure to cure such default within thirty (30) days after notice thereof from the City. Default shall be evidenced by Offeror's failure to timely or satisfactorily perform the due diligence activities as described above to refine and develop final development plans and offer terms.
 - f. The Parties recognize communicating regarding obstacles to performance is paramount. Should unpredicted, unforeseen, acts of nature, disaster, or emergency, beyond the reasonable control of either of the Parties, cause either party to be unable to perform, the relevant Party shall alert the other as soon as possible, including the consideration of amendments to this Agreement to allow performance. If amending the Agreement to address the inability to perform is not possible, the affected Party may terminate this Agreement without further obligations.

19. Limitation on Effect of Agreement.

This Agreement does not obligate Owner or Offeror to enter a DDA for the disposition or development of the Property. Offeror understands and agrees that any proposed DDA resulting from the negotiations between Offeror and Owner pursuant to this ENA shall become effective only if and after such DDA has been approved by the City's Governing Body, acting in its sole and absolute discretion, and executed and delivered by both Owner and Offeror.

Offeror understands and agrees that this ENA does not indicate and does not imply that Owner, acting as a regulatory or permitting authority, has hereby granted, or is obligated to grant, any approval or permit that is required by law for the disposition of the Project Parcel or the development of the Project Parcel as contemplated by this ENA.

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Acknowledged and Agreed to:

OFFEROR ENTITY: Homewise, Inc.

By: Johanna Gilligan

Date: Mar 3, 2026

Johanna Gilligan, Homewise Inc., President

Acknowledged and Agreed to:

OWNER:

City of Santa Fe, New Mexico,

a Municipal Corporation of the State of New Mexico

CITY OF SANTA FE:

MICHAEL GARCIA, MAYOR

DATE

ATTEST:

GERALDINE CARDENAS, INTERIM CITY CLERK

CITY ATTORNEY'S OFFICE:

Marcos Marínez

Marcos Marínez (Mar 3, 2026 15:05:35 MST)

MARCOS MARTINEZ, INTERIM CITY ATTORNEY

APPROVED FOR FINANCES:

ANDREA PHILLIPS
ANDREA PHILLIPS (Apr 20, 2026 10:32:08 MDT)

ANDREA PHILLIPS, INTERIM FINANCE DIRECTOR