



Tenino Community Service Center

PO Box 1239 Tenino, WA 98589
360-264-5505 • www.TeninoCSC.org

LETTER OF INTENT TO EXERCISE OPTION TO PURCHASE

Date: 03/24/2026

To:

City of Tenino
149 S Hodgden St, Tenino, Wa 98589

From:

Tenino Community Service Center
PO Box 1239, Tenino, Wa 98589

RE: Exercise of Option to Purchase – 748 & 798 Sussex Ave W, Tenino, WA

Dear Tenino City Council,

This Letter of Intent serves as formal notice that Tenino Community Service Center (“Buyer”), as Tenant under that certain Lease of May 1st, 2025 with the City of Tenino (“Seller”), hereby elects to exercise its Option to Purchase the real property commonly known as 748 and 798 Sussex Ave W, Tenino, Washington (“Property”), pursuant to Section 5 of the Lease.

Buyer and Seller have discussed and mutually acknowledge a modified structure for the purchase, and Buyer hereby outlines the following proposed terms for incorporation into the Purchase and Sale Agreement.

1. Purchase Price

The purchase price for the Property shall be Two Hundred Ten Thousand Dollars and no cents (\$210,000.00).

2. Financing Terms (Seller-Carried Contract)

Seller shall carry the contract for the purchase of the Property under the following terms:

- Interest rate of **3.00% per annum**
 - Buyer shall make monthly payments of **\$1,000.00**.
 - Buyer shall make an additional annual payment of **\$1,200.00**, due on or before December 1st of each year.
 - The annual payment is intended to supplement the monthly payments to satisfy the full obligation of principal, interest, taxes, and insurance.
 - No prepayment penalty shall apply; Buyer may pay down or pay off the balance at any time without restriction.
 - No mortgage insurance shall be required.
 - Any additional payments made by Buyer shall be applied directly toward principal reduction.
 - Seller acknowledges that the Property is subject to a solar installation project funded through a grant from Puget Sound Energy. Seller agrees to complete the solar installation in accordance with the terms of the grant, and such installation shall proceed regardless of the timing of closing and shall not be contingent upon transfer of ownership. The parties agree to cooperate as reasonably necessary to facilitate completion of the installation.
 - Buyer intends to continue its ongoing fundraising efforts and pursue additional grants, donations, and other funding sources to support its operations and, to the extent feasible, accelerate repayment of the purchase obligation. Nothing in this provision shall be construed as a requirement or condition of the purchase, but rather as a statement of Buyer's good faith intent.
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3. Purchase Agreement

The parties shall enter into a Commercial Brokers Association (CBA)/Northwest Multiple Listing Service (NWMLS) Real Estate Purchase and Sale Agreement, consistent with the terms of the Lease and incorporating the mutually agreed financing structure. Buyer shall provide two (2) executed copies as required under the Lease.

4. Closing Timeline

Closing shall occur no sooner than sixty (60) days and no later than ninety (90) days following delivery and execution of the Option Exercise Notice, in accordance with the Lease. Unless all parties agree to close sooner than 60 days.

5. Contingencies

- Standard title contingency
 - Buyer waives any feasibility or inspection contingency and accepts the Property in its current condition.
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6. Possession

Buyer shall continue possession of the Property pursuant to the existing Lease through closing, at which time possession shall transfer under the terms of the purchase.

7. Seller Execution

Seller shall execute and return the Purchase Agreement within three (3) business days as outlined in the Lease.

8. Non-Binding Nature

This Letter of Intent is intended solely as a framework for the proposed transaction and is non-binding, except as may be expressly incorporated into a fully executed Purchase and Sale Agreement.

9. Expiration

This Letter of Intent shall expire at 8:00pm 03/24/2026.

Sincerely,

Tenino Community Service Center

By: _____

Name:

Title:

Acknowledged and Accepted:

City of Tenino

By: _____

Name:

Title