

DIASPORA UNIVERSITY TOWN

TOWN HOUSE INVESTMENT & DEVELOPMENT AGREEMENT

INTRODUCTION & DEVELOPER TERMS

1. Introduction

- 1.1. This agreement is established for Town House Investment and Development at the Diaspora University Town per set Master Development Plan and Institution Town Development Plan approved by Taita Taveta County per Kenya Constitution 185 (4)
- 1.2. This agreement shall be executed by the person signing and Diaspora University Trust.

2. Developer Terms

- 2.1. The Developer of the Town House is the person signing this agreement as written and executed.
- 2.2. The Developer shall invest a minimum of Kshs 450,000 under the terms of this agreement as Town House Developer's Capital.
- 2.3. The maximum development is 4 units per individual.
- 2.4. Each investment shall be allocated a plot measuring approximately 50ft x 100ft.
- 2.5. Each investment shall be allocated shares of a Development Corporation (*Clause 18*).
- 2.6. The money shall be deposited in Diaspora University Trust Account in Kenya for allocation *Clause 2.4* and *Clause 4.2 (c)*.

PLOT ALLOCATION & HOUSE DEVELOPMENT

3. Plot Titles, Legal Documents & Independent Legal Representatives

- 3.1. The original legal documents of all plots shall be held in a bank nominated by the Diaspora University Trust.
- 3.2. A copy of this agreement as a legal Document shall be held by an assigned Independent legal firm.
- 3.3. Independent legal firm shall independently advice and guide the performance of this agreement.

4. File, Contents, Management and Legal Consultancy Service

- 4.1. A file shall be created for this agreement (hereinafter referred to as "the file". References to file shall be construed accordingly).
- 4.2. The file shall contain all documents relating to the development as follows:
 - a) A Copy of this Agreement
 - b) Confirmation of Amount Received (*Clause 2.2*)
 - c) Copy of Plot/House allocation Certificate or issued title (*Clause 3*)
 - d) Copy of Corporation Share Certificate.
 - e) Plot - House Design & Construction (*Clause 5,6 & 7*)
 - f) House Development Cost (HDC) and Mortgage (*Clause 11*)
 - g) House Lease, Property Fees (*Clause 14, 15 & 17*)
- 4.3. Management of file shall be done by: Developer, Diaspora University Trust and Legal firm.
- 4.4. A consultancy fee shall apply when legal firm is consulted about file created.

5. Plot-House Development Plan

- 5.1. Each Plot shall be allocated a Development Plan.
- 5.2. The allocation document shall be filed in the file once the design is established.
- 5.3. A quarterly report shall be established and sent to the developer of this agreement.

6. House Design-Build Contract, Finance & Development Cost

- 6.1. The draft plans for all plots, town houses and infrastructure to houses shall be designed by professional designers and consultants contracted by Diaspora University Trust.
- 6.2. The plan shall be further approved by professional consultants appointed by Diaspora University Trust.
- 6.3. Diaspora University Trust shall organize all construction through Design-Build Contracts.
- 6.4. Diaspora University Trust shall establish finance for Design-Build contract financing.
- 6.5. Each person allocated a plot(s) shall get progress reports on construction.
- 6.6. House Development Cost (HDC) shall be established for a completed house to include:
 - a) House Construction Cost
 - b) Public Infrastructure (Roads, Sewage, Street Lights, Cable and Wi fi) Costs
 - c) Solar Power Generation Technology and Installation Cost
 - d) Development Plan Service and Finance Costs

7. House Power Generation

- 7.1. Each house is designed to be fitted with renewable power technology to supply the house and supply the institution and town needs with the excess production.
- 7.2. The management of the power supply shall be done by the Corporation (*Clause 2.4*)
- 7.3. The technology installation cost shall be a House Development Cost (HDC.)

8. 5 Year Development Period

- 8.1. A Development Period of 5 years has been set for this project.
- 8.2. The Development Period is the period the conditions in this agreement shall apply as written.
- 8.3. This Agreement Development Period shall start when Developer Capital is transferred to Diaspora University Trust and end on Set Date of 5 Year Development Period.

9. Diaspora University Trust Rights During 5 Year Development Period

- 9.1. Diaspora University Trust shall have the sole rights to develop or provide for the development of every plot allocated by this agreement during the Development Period.
- 9.2. Diaspora University Trust shall be the only buyer of Plot/House allocated rights during the Development Period.
- 9.3. Diaspora University Trust shall be the only buyer of completed house during the Development Period.
- 9.4. Diaspora University Trust shall be the only lessee of all completed houses constructed during the Development Period.

10. Refund of Investment Amount During Development Period

- 10.1. A Town House Developer through this agreement can apply for refund in case of an emergency requiring the money.
- 10.2. The refund given shall constitute sale of this agreement and file.

- 10.3. The only buyer of the file rights, plot and shares of corporations, shall be the Diaspora University Trust.
- 10.4. The Trust when refunding shall deduct an amount equivalent to 10% of the capital amount for every plot allocated. (*Clause 2.2*)
- 10.5. Refund due to the Developer (after the deductions of amount clause 10.4) shall be payable (without interest) by the Diaspora University Trust to the developer within 21 days. The Developer shall not be entitled to any further claim from the Diaspora University Trust.
- 10.6. The capital shall not attract any interest.
- 10.7. The Town House developer shall pay the legal fees of closing the file.

11. House Development Cost & Mortgage

- 11.1. The House Development Cost (HDC) (*Clause 6.6*) shall either be paid in Cash by the Town House developer or through an establishment of a Mortgage.
- 11.2. The Diaspora University Trust shall facilitate the development of Mortgage based on best terms available in market.
- 11.3. In development and establishing mortgage based on House Development Cost (HDC) becoming a mortgage, the Diaspora University Trust lease agreement shall on a best endeavor basis be established such that the lease amount per month by Diaspora University Trust substantially covers the monthly mortgage payment during development period (*Clause 9.4*).

12. Completed House Sale During Development Period

- 12.1. During the 5 years Development Period the only buyer of houses shall be the Diaspora University Trust.
- 12.2. The Diaspora University Trust, Board of Trustees shall set the house buying price.
- 12.3. Restrictions shall end after the 5 Year Development Period.

13. Completed House Occupancy During Development Period

- 13.1. Owner of constructed house if working on the site can occupy his or her house.
- 13.2. The Diaspora University Trust will lease houses not occupied by House Owners.
- 13.3. The Diaspora University Trust will be the only entity leasing any housing space in the site during the 5 Year Development Period.

14. House Lease During Development Period

- 14.1. The Diaspora University Trust shall lease house property developed at an amount set by board.
- 14.2. The amount set shall on a best endeavor basis be such that the lease substantially covers the mortgage and property rate.

15. House Rights after 5 Year Development Period

- 15.1. The Property Developer can sell property at market price.
- 15.2. The Property Developer can establish lease agreement with Diaspora University Trust or current tenant.

16. University Town Management: Development Period & Post Development Period

- 16.1. All areas that shall be developed to become the University and Town shall be managed by the Diaspora University Trust during the Development period.
- 16.2. After the Development Period, Town established shall be managed per applicable law.

17. Property Service Fees

- 17.1. All property shall be developed to have a property fee once complete.
- 17.2. During Development period the fees shall be set by the Diaspora University Trust.
- 17.3. After Development period property fees shall be set by the administering body in accordance with applicable Laws.

DEVELOPMENT CORPORATION

18. Shares

- 18.1. Diaspora University Trust shall establish a Corporation per Master Development Plan Corporation Development Plan for the Solar Energy Management. *(Clause 6.6 (c).)*
- 18.2. Each Town House unit installed with Solar System shall receive shares as per Corporation Development Plan.

19. Corporation Developments & Management work.

- 19.1. The Corporation primary role is to provide management services for power supply from all town houses to university, other property and businesses.
- 19.2. The Corporation shall further establish other power generation in site.

FILE-AGREEMENT DEVELOPMENT, FEES & DECLARATION

20. File-Agreement Development

- 20.1. This agreement development is established by independent agent assigned.
- 20.2. The agreement shall establish the file as set in (Clause 4.2).

21. Fees

- 21.1. The following fees are set:
 - a) \$50 (fifty dollars) fee for agreement establishment by person abroad.
 - b) Kshs 2,000 fee for agreement establishment in Kenya.
- 21.2. This amount shall be paid directly to law firm assigned to establish the agreements and is not refundable.
- 21.3. The law firms establishing the agreements are:

Attorney Njoroge Kamau
340 Main St. Suite 301
Worcester, MA, 01608, USA
kamau@kamaulaw.com

Omusolo Mungai Advocates, Nairobi.
Crossroads Plaza, 4th Floor,
Junction of Westlands Road and Crossway Road
P. O. Box 111-00606, Nairobi, Kenya.
info@omusolomungai.co.ke
Pay Bill Number: **277757**
Account Name: Client's Name

22. Declaration

- 22.1. By writing my name, signing and filing this agreement I declare I have read, understood, and accepted all terms as so written.
- 22.2. I understand that by executing this agreement I am becoming a Town House Developer by putting in capital to be applied toward plot allocation (Clause 2.) to which loan capital for the house development will be added. (Clause 6.)
- 22.3. I understand the fee and development costs, as follows:
 - a) Agreement Establishment fee \$50 in U.S or Kshs 2,000 in Kenya (Clause 21.1)
 - b) Developer Capital (Plot Allocation) Kshs 450,000 (Clause 2.2)
 - c) House Development Cost (Clause 6)
- 22.4. I understand the refund (Clause 2.2 & Clause 10)
- 22.5. I understand the legal file establishment, refund and legal fees. (Clause 4, 10, 21.)
- 22.6. I have made or attached fee payment to the law firm (Clause 21.1)
- 22.7. Capital Deposit

I will put in **Kshs 450,000** for ____ unit/s (Max 4) a total of Kshs _____

 - a) In cash to Diaspora University Trust Bank Account or
 - b) Through loan issued by Bank per arrangement by Diaspora University Trust.
- 22.8. 30 Days or Time Provided

I understand that if the deposit in Clause 22.7 is not remitted within 30 days or per time provided, this agreement shall be voided.
- 22.9. Amendment

I understand any amendment to this Agreement shall be made in writing and signed by each party and shall be numbered sequential and attached to this Agreement as "Amendment No. ____"
- 22.10. Dispute Resolution

I understand that all disputes arising under this agreement shall be referred by either party to arbitration in accordance with the Arbitration Act (1995) or any amendment thereto or any other statutory provision for the time being in force applicable hereto. Or either party may approach the Chartered Institute of Arbitrators (Kenyan Chapter). The Arbitrator's award shall be final and binding on the parties hereto and may be enforced through Court proceedings in a court of competent jurisdiction in Kenya.
- 22.11. Governing Law

I understand this agreement shall be governed by and is construed in accordance with Kenyan Law.

Name _____

Address _____

Email _____ Telephone _____

Sign _____ Date _____

Agent: _____ Location: _____	Law Firm. Stamp.
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A copy will be Emailed back for your records once stamped.