
Letter of Intent To Purchase Proposal (I)

Date:

Dear _____,

Re:

I have been authorized to present the following Letter of Intent to purchase the above referenced property. This letter outlines the terms under which Buyer will work toward executing a Purchase and Sale Agreement with Seller. Both parties agree to use good faith efforts to expeditiously execute a Purchase and Sale Agreement by March 1, 2017. If a Purchase and Sale Agreement is not executed by March 1, 2017 this proposal and all negotiations may be terminated by either party by notice to the other. The Purchase and Sale Agreement will, among other things, contain the following terms and conditions:

1. BUYER:

_____ and or his/her assigns

2. PURCHASE PRICE:

The total Purchase Price for the Property will be two million four hundred thousand (2,400,000) US Dollars

3. GOOD FAITH DEPOSIT:

At the execution of the Purchase Agreement by both parties, Buyer will deposit with the Escrow Holder the sum of fifty thousand Dollars (\$50,000) as a good faith deposit. The Buyer's liability will be limited to loss of Deposit, but the Deposit will be refunded if the Contract is terminated, **(a)** during the "due diligence period"; **(b)** because of defect in the Seller's title; or **(c)** because of the occurrence of an adverse event (such as casualty, condemnation, or a discharge of hazardous substances on, onto or from the Property) before closing.

4. DUE DILIGENCE:

Buyer's due diligence will end 21 business days after contract signing and receipt of all the agreed upon due diligence documents. Buyer shall have the right to terminate the Purchase Agreement within this due diligence period for any reason whatsoever. If Buyer terminates the Purchase Agreement within the due diligence period, the deposit shall be returned to the Buyer. The Contract will contain representations by the Seller, which representations will be true as of closing and will survive closing, as to **(a)** the Seller having no reports regarding environmental or structural conditions at the Property that were not delivered by the Seller as part of its due diligence materials; **(b)** the Seller having received no notices of violation of planning, zoning, environmental or building laws that remain uncured as of closing; **(c)** the Seller being unaware of pending litigation that could affect the Seller's contract obligations or the Property; **(d)** the Seller being unaware of any storage or discharge on, onto or from the Property of hazardous materials, solid waste or petroleum products, except as disclosed in the Seller's due diligence materials; **(e)** the Seller being unaware of underground storage tanks at the Property, except as disclosed in the Seller's due diligence materials; and **(f)** the absence of tenants or persons having rights of possession in the Property except as permitted by the Contract.

5. MORTGAGE INFORMATION:

- A) Mortgage: \$1,800,000
- B) Term: 25 years
- C) Commitment Date: 45 days from contract execution (Simultaneous with Due Diligence)
- D) Appraisal Contingency: 28 days from the issuance of a loan commitment

6. BALANCE OF PURCHASE PRICE:

The balance of the Purchase Price will be paid to Seller in cash at closing.

7. INSPECTIONS:

During the 21-day due diligence period, the Purchaser shall have an opportunity to conduct or cause to be conducted whatever tests or inspections of the Property it wishes, all at the buyer's expense.

8. CLOSING:

To occur within 15 business days from final mortgage commitment which is triggered by the Lenders acceptance of the appraised value.

9. SELLER COVENANT:

Without the prior written consent of Buyer (which shall not be unreasonably withheld) after the Purchase Agreement execution, Seller will not, except as required by law: (i) enter into any new lease agreement, extension, expansion, renewal, or any material modification, or any other form of commitment that will bind Buyer other than lease extensions, expansions or renewals that are required pursuant to the existing leases; (ii) enter into any vendor or service agreement not cancelable as of the Closing; or (iii) allow any interest in the Property to be liened, encumbered or transferred.

10. COSTS AND EXPENSES:

Buyer will pay costs of all due diligence.

11. CONFIDENTIALITY:

Buyer and Seller agree that the terms of this transaction are confidential, and neither will disclose, or permit employees or agents to disclose, the terms of this letter the Purchase Agreement except as reasonably necessary to complete the transaction or as required by law. All Property documents and information are, and shall be treated by Buyer, its agents, employees and consultants as, confidential, and the Purchase Agreement will contain appropriate provisions relating thereto.

12. BROKER:

_____ is the listing broker in this transaction and _____ is the buyer's broker. Buyer and Seller represent and warrant that neither has employed or dealt with any other broker or finder in connection with this transaction and each party will indemnify the other from and against all brokerage commissions and finders' fees arising or resulting from acts or omissions of the indemnifying party.

This letter is non-binding. It is submitted in the interest of initiating exclusive negotiations with Buyer for the execution of a definitive, binding Purchase Agreement. Nothing contained in this letter is intended to constitute an offer or be binding upon Buyer or Seller.

If the above is acceptable, please execute below.

Sincerely yours,

Broker Name
RE/MAX Right Choice

AGREED AND ACCEPTED:

Buyer: _____ Printed Name: _____ Date: _____

Seller: _____ Printed Name: _____ Date: _____