

LETTER OF INTENT TO PURCHASE PERSONAL PROPERTY

January 23, 2018

William P Cromwell
1467 Ingram Street
Dayton, OH 45402

Re: Purchase of Personal Property

Dear William P Cromwell:

This Letter of Intent (this "Letter") sets forth the mutual interest of George P Shepherd, an individual located at 1259 Spring Avenue, Philadelphia, PA 19108 ("Buyer"), and William P Cromwell, an individual located at 1467 Ingram Street, Dayton, OH 45402 ("Seller") regarding the possible purchase by Buyer of certain personal property owned by Seller. Buyer and Seller may be referred to herein individually as a "Party" and collectively as the "Parties." The Parties are executing this Letter to summarize their discussions to date and to confirm the Parties' respective intentions.

1. **Transaction.** Seller owns and desires to sell the following personal property (the "Property"): A TV. Buyer desires to purchase the Property from Seller (the "Transaction"). This Letter sets forth certain terms and conditions to be included in a future definitive purchase agreement (the "Purchase Agreement") with such other representations, warranties, conditions, covenants, indemnities and other terms as the Parties may agree upon. The Parties agree that their goal and interest herein is to bring about the Transaction, and thus, promise to negotiate the Purchase Agreement in good faith for the period set forth below.
2. **Purchase Price.** No purchase price for the Transaction is listed at this time. The Purchase Price shall be payable as set forth in the Purchase Agreement.
3. **Delivery.** Buyer will be entitled to take possession of the Property beginning on January 30, 2018
4. **Expenses.** Each Party will be responsible for its own costs and expenses associated with the negotiation and execution of this Letter and the Purchase Agreement.
5. **Termination.** This Letter will automatically terminate upon the earliest of:
 - (A) the execution of the Purchase Agreement by the Parties
 - (B) the mutual written agreement of Buyer and Seller
 - (C) February 06, 2018
6. **Governing Law.** This Letter and all matters thereto shall be governed by and construed in accordance with the laws of the State of Ohio, without giving effect to its conflict of laws principles.

7. Non-binding. This Letter is intended only as a reflection of the intention of the Parties, and neither this Letter nor its acceptance shall constitute or create any legally binding or enforceable obligation on any Party, except with regards to Expenses, Termination and Governing Law. No agreement or obligation regarding the Transaction shall be deemed to exist between the Parties and any of their respective affiliates, unless and until the Purchase Agreement has been executed and delivered, and then only in accordance with the terms and conditions of the Purchase Agreement.

8. Miscellaneous. This Letter contains the entire understanding between the Parties and supersedes all previous agreements, if any, between the parties concerning the same or substantially similar subject matter. This Letter may be amended, supplemented or otherwise modified only in a writing signed by duly authorized representatives of each Party. This Letter may be executed in counterparts, each of which shall be deemed an original and all of which together, shall constitute one and the same document. The section headings are for reference purposes only and shall not otherwise affect the meaning, construction or interpretation of any provision in this Letter.

If the foregoing terms and conditions are acceptable, please sign and return this Letter to the undersigned.

Very truly yours,

George P Shepherd

Agreed to and accepted by:

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Seller Signature	William P Cromwell Seller Full Name

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GENERAL INSTRUCTIONS

WHAT IS A LETTER OF INTENT?

A Letter of Intent for Purchases is a written document that outlines a preliminary agreement between two parties regarding the terms of a potential purchase transaction. The two parties can settle on certain terms while agreeing to continue to negotiate the other terms and details of the transaction before actually signing a purchase agreement.

WHAT SHOULD BE INCLUDED IN A LETTER OF INTENT?

Who are the Parties?

Identify who is the seller (the current owner) and the buyer (the potential new owner).

What is the Transaction?

Describe in detail what is being purchased, including any agreements on what will be included or excluded in the transaction the parties will be negotiating.

What are the Terms?

Include any terms that have been agreed upon, such as purchase price or price adjustments. If the seller has agreed to exclusivity (i.e. not to negotiate with other parties), that should be included as well.

Are there any Conditions?

The parties can include certain conditions that must occur before a final agreement will be signed, such as:

- the buyer securing financing
- the buyer completing due diligence
- the buyer successfully selling his or her home
- an inspection of the property
- regulatory or other required approvals

WHAT ABOUT THE LETTER OF INTENT ITSELF?

The agreement should explicitly state whether it is binding or non-binding – don't leave this open for a court to determine. Also include when it

(and negotiations) will end and which state's law will govern it.

Here are some other terms that may also be included:

- Confidentiality – the agreement and any information learned will remain confidential
- Covenants – things each party must do while negotiations are taking place
- Special Terms – any special terms that the parties agree will be in the purchase agreement, such as leaving certain items of furniture or hiring certain employees

As a reference, a Letter of Intent is known by other names:

- Intent to Purchase Letter
- LOI
- Letter of Interest
- Term Sheet
- Memorandum of Understanding
- MOU
- Assurance Letter
- Framework Letter

WHEN SHOULD I USE ONE?

This agreement is most often used in transactions involving a purchase. Sometimes two parties will know that they want to do a business deal together, but they aren't ready to sign an actual agreement. For example, they may agree that one party will sell his or her business for a certain price, but they do not yet agree on who will take on certain liabilities of the business. The parties can sign this document to show each other a good faith intention to work out a deal. It can also help parties get on the same page as to what they expect from the purchase.

WHAT HAPPENS IF I DON'T USE ONE?

Without this document, you might miss out on a number of purchase or sale opportunities. Sometimes banks or lenders will require some kind of proof of a deal before they will promise to grant financing. Or if you are still negotiating certain terms of the deal, either side may question the other party's commitment to actually getting the deal done and walk away.