

State of _____

LETTER OF INTENT TO PURCHASE RESIDENTIAL REAL ESTATE

_____, 20_____

Dear _____,

This Letter of Intent (this "Letter") sets forth the mutual interest of:

Buyer: _____ (collectively "Buyer"), and

Seller: _____ (collectively "Seller")

regarding the possible acquisition by Buyer (the "Transaction") of certain residential real property owned by Seller located at _____ with the legal description _____ (the "Property"). 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.

1. Purchase Price. (Check one)

NO purchase price for the Transaction is listed at this time, pending completion of due diligence.

The purchase price for the Transaction shall be \$_____ (the "Purchase Price"). The Purchase Price shall be payable by Buyer as follows: (Fill if applicable)

(A) \$_____ in cash due upon the signing of this Letter, to be held in escrow and applied to the Purchase Price at the closing of the Transaction (the "Closing").

(B) \$_____ in cash due upon the signing of the Purchase Agreement, to be held in escrow and applied to the Purchase Price at the Closing.

(C) \$_____ in cash, subject to any adjustments, due at Closing.

2. Personal Property. (Check one)

The sale of the Property shall NOT include personal property or fixtures.

The sale of the Property shall include all permanent fixtures, including: _____

3. Conditions. The Transaction shall be subject to the satisfaction of the following conditions prior to the Closing: (Check all that apply)

The sale of Buyer's property located at _____.

The acceptance and assumption by Buyer of Seller's existing mortgage with _____



_____ [Financial institution], dated _____ with a present balance of \$_____.

- Buyer's ability to obtain a firm commitment for a mortgage loan.
- An appraisal on the Property equaling or exceeding the Purchase Price.
- An inspection of the Property and Buyer's satisfaction with the condition of the Property.
- Seller's required disclosures to Buyer, including the disclosure of any known defects in the Property that materially affects the value of the Property.
- A title insurance policy in the name of Purchaser.

4. Closing. The Closing of the Transaction shall occur on or before _____, 20_____
(the "Closing"). Seller shall pay the following costs associated with the Transaction: _____

Buyer shall pay the following costs associated with the Transaction: _____

5. Seller's Representations. Seller represents and warrants that at the Closing, Seller will convey to Buyer good and marketable title, free and clear of all liens or encumbrances. Unless otherwise agreed upon, during the period this Letter is in effect, Seller will not materially alter the Property.

6. Exclusivity of this Letter. Seller agrees that it will not negotiate directly or indirectly with any other party concerning the sale of the Property (Check one) for a period of _____ days after the date of this Letter while this Letter is effective and shall immediately terminate any and all existing discussions or negotiations with any party other than Buyer.

7. Confidentiality. The parties agree to apply strict confidentiality to the existence and the contents of this Letter, including any information shared or obtained in accordance with this Letter.

8. Governing Law. This Letter and all matters related thereto shall be governed by and construed in accordance with the laws of the State of _____ without giving effect to its conflict of laws principles.

9. 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) _____, 20_____
- (D) Other: _____

10. 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 paragraphs regarding Exclusivity of this Letter, Confidentiality, Governing Law and Termination hereof.

11. 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.

12. Other. _____



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

Very truly yours,

Buyer Name

Buyer Name

Buyer Name

Agreed to and accepted by:

Seller Signature

Seller Full Name

Seller Signature

Seller Full Name

Seller Signature

Seller Full Name

