**LETTER OF INTENT**

**FOR**

**REAL ESTATE PURCHASE**

[Date of Letter]

[Name of Seller]

[Address Line 1]

[Address Line 2]

[Address Line 3]

Subject: Letter of Intent For [Property Name or Description]

Dear Mr. John Doe,

This letter of intent is to execute a mutually acceptable and definitive purchase agreement between the buyer [Name of Buyer] and the seller. Subject to the acceptance of the terms laid out in this letter of intent, the buyer, [Name of Buyer} seeks to purchase the property (defined hereafter) within [state the time period] of the execution of this letter. The terms are defined below

1. Seller. [full name and address of the seller]
2. Buyer. [full name and address of the buyer].[The buyer has sole discretion to assign this Letter of Intent.]
3. Property. [Name and address of the property as described in sales materials or correspondence]. The property is described in the attached document [Attach the marketing material for the property]. Along with the property, the Buyer will also purchase all the titles, rights, and interest in and of [add any extra components of the purchase such as development permits, land use entitlements etc.] Additionally, this offer is inclusive of the following specific items. [List any other items to be included.]
4. Purchase Price. [The dollar amount written in words(the dollar amount in numbers)]. Eg. One million dollars ($1,000,000) [Additional terms such as financing for a portion of the cost.]
5. Additional Terms of Purchase. [Inset any additional purchase terms]
6. Escrow. The escrow agent, shall be [Title Company’s name]. The Purchase Agreement shall be prepared and executed by both the Buyer and the Seller within [number of days] business days of the execution of this Letter of Intent.
7. Initial Deposit. Once the Purchase Agreement has been completely executed, the Buyer shall deposit an amount of [Dollar amount written in words (Dollar amount in numbers) into the Escrow with the Title. This amount will be considered a [non]refundable deposit (“Initial Deposit”) applicable to the Purchase Price.
8. Investigation Period. The buyer shall have until [insert the date of the end of the Negotiation Period] to conduct all due diligence and feasibility investigations regarding the Property. The seller must reasonably cooperate with Buyer's investigations of due diligence and feasibility.
9. Conditions Precedent to Closing. The Buyer’s obligation close the transaction is subject to the satisfaction of the conditions specified in the Purchase Agreement and the following conditions; (A) the Buyer's receipt of a title insurance policy in the full amount of the Purchase Price showing good and marketable title vested in Buyer, solely subject exceptions that the Buyer approves, and (B) the Buyer's receipt of the Property title clear and free of liens.
10. Other Provisions. The Purchase Agreement will detail the other conditions, provisions, and terms.
11. Non-Solicitation. During the “Contract Negotiation Period” the Seller shall not solicit any other offers. The Contract Negotiation Period is the period between the execution of the Letter of Intent and the execution of the Purchase Agreement. If the Seller receives any competing offers during the Contract Negotiation Period, the Seller must promptly, or at least within [number] business days, notify Buyer of all material terms of the offer.
12. Closing Date. The closing date shall be on or before [enter date], or another date the Buyer and the Seller mutually agree to.
13. Formal Purchase Agreement. Once the Seller accepts the Letter of Intent, the Buyer will prepare a Purchase Agreement which contains the terms and conditions of this Letter of Intent, and all other usual representations, agreements, indemnifications, warranties, and other provisions commonly found in such agreements. These will be sent to the Seller for their review. Both the Seller and Buyer must act in good faith and make the best efforts to negotiate and execute a Purchase Agreement based upon this Letter of Intent.
14. Effect of the Letter of Intent. Though this Letter of Intent contains essential points regarding the transactions, it is not intended to be an agreement that is legally enforceable and the signing of the Letter Intent will not allow cause of action.
15. Offer Expiration. If the Seller does not execute this Letter of Intent, it shall automatically terminate as of [Date].

Both the Buyer and the Seller acknowledge and agree that once executed, the Purchase Agreement shall supersede this Letter of Intent. Until the Purchase Agreement is executed, both the Buyer and the Seller agree to proceed in line with the provision and terms and conditions outlined in this Letter of Intent. If the Purchase Agreement is not completely executed by the end of the Contract Negotiation Period, this Letter of Intent shall expire. Neither the Buyer or Seller will have any further duties or rights described in the Letter of Intent after its expiry. In the event that this Letter of Intent expires because a Purchase Agreement is not executed, then both the Buyer and Seller agree to promptly return all documentation regarding this Letter of Intent to the appropriate party.

Please sign the enclosed Letter of Intent and return it on or before [enter date], to confirm the status of our negotiations. Upon receipt, we will begin drafting the Purchase Agreement.

Acknowledged and Agreed:

|  |  |
| --- | --- |
| BUYER:  [Buyer Name]  Name:  Date:  Buyer Contact Details: | SELLER:  [Seller Name]  Name:  Date:  Seller Contact Details |