

Sample LOI – Letter of Intent

Date

Name
Company
Address

RE: Subject Property

Dear Name,

The purpose of this letter is to express our intent to purchase Subject Property. We have outlined the below terms and conditions of the purchase:

Property Description - Subject property is located at <<property address>> containing <<#>> apartment units, totaling approximately <<#>> rentable S.F. herein described as "the Property". (The exact legal description to be supplied in escrow).

Buyer Information – [Company Name] is a real estate investment company specializing in the development, construction, purchase, and operation of apartment communities. Based in [City, State], [Company] has over [number of years] years experience in development and acquisition, and management of apartment communities in [locations]. [website].

Purchase Price- \$

Earnest Money Deposit - \$[amount] upon opening of escrow, and an additional \$[amount] upon expiration of the contingency period, at which time the earnest money deposit shall be non-refundable.

Terms of Purchase - Cash at Closing

Inspection Period - Buyer, at its sole and unfettered discretion, shall be allowed a thirty (30) day period from opening of escrow to review all documentation, obtain third party reports, and otherwise approve the property. If buyer determines that for any reason the Property is not suitable for buyer's use, such purchase agreement shall terminate, Buyers earnest money shall be returned, and neither party shall have any liability or obligation to one another hereunder.

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- Financing Period:** Upon waiver of contingencies, Buyer shall have obtained a loan application detailing terms acceptable to Buyer. Buyer, at its sole and unfettered discretion, shall be allowed a forty-five (45) day period from waiver of contingencies to complete the application, provide lender with all documentation, and obtain a loan commitment, at terms the same as the application, or otherwise acceptable to Buyer. If buyer determines that for any reason the loan terms are not acceptable, such purchase agreement shall terminate, Buyers earnest money shall be returned, and neither party shall have any liability or obligation to one another hereunder.
- Closing Date -** Fifteen (15) days after waiver of contingencies.
- Opening of Escrow.** Opening of escrow will be the date that signed escrow instructions are received by [Title Company] along with the earnest money.
- Confidentiality -** All aspects of this negotiated agreement shall be held by Buyer and Seller in the strictest of confidence. The confidentiality requirement shall not be in effect once closing occurs.
- Prorations -** Taxes, rents, and other income and expenses pertaining to the Property will be prorated as of the close of escrow.
- Broker -** Principals of the Buyer are licensed real estate brokers in [state], and are acting as principals only. Seller shall be responsible for all brokerage commissions.

The intent of this letter is to serve as a description of interest to purchase the property and is not considered binding on either party, or to be used instead of escrow instructions. The terms expressed in this Letter of Intent will become null and void if not accepted within seven (7) days from the date of this letter. If you accept our proposal, we will proceed to enter into a purchase contract within fifteen (15) days of acceptance. During this period Seller agrees to discontinue any third party sale negotiations.

Sincerely,