

Letter of Intent

Date: _____

[Seller's name c/o Seller's Broker]

[Company name]

[Address]

Baton Rouge, LA 708xx

Re: **Letter of Intent to for** [insert brief description of property]

This Letter of Intent outlines the basic terms and conditions upon which **BUYERNAME** ("Purchaser") and **SELLERNAME** ("Seller") agree to enter into a formal agreement to purchase and sell the referenced Property. **XYZ Realty** and **ABC Realty** (individually and collectively called "Broker") make no warranty or representation to Seller or Purchaser that acceptance of this Letter of Intent will guarantee the execution of a purchase contract.

Property: legal description to be provided by Seller.

Purchase Price: The purchase price for the Property is **\$1,250,000.00** payable in cash at the closing.

Deposit: Within **five (5) days** of the execution of a purchase agreement "Contract", purchaser shall deposit the sum of **\$5,000.00** (such amount and any interest earned thereon is the "Deposit") with **XYZ Realty**, Purchaser's escrow agent. This Deposit shall be applied to the purchase price and shall become non-refundable upon expiration of the inspection period, provided however, that the Purchaser has not terminated the Contract.

Contract: Within **five (5) days** of acceptance of this offer by Seller, Purchaser shall present Seller with a Contract form acceptable to Seller for said property. Purchaser and Seller shall make reasonable efforts to negotiate and execute a Contract within **five (5) days** from receipt of said Contract form or this Letter of Intent is null and void and neither party shall have any further liability or obligation to the other.

Inspection Period: Purchaser shall have **thirty (30) days** from the date of receipt of Due Diligence package as listed below to perform the inspection of the property and related documentation in order to ensure suitability of Property for Purchaser's intended use (the "Inspection Period"). Seller will furnish all necessary Due Diligence materials in Seller's possession, to Purchaser within **forty-five (45) days** of signing the Contract. This package will include the following items:

- If applicable, current lease(s) with any and all amendments
- All engineering and environmental studies
- Survey in Seller's possession
- Full set of plans and working drawings of the subject Property including but not limited to all changes and updates
- Most recent title insurance policy

If for any reason the Purchaser does not find the Property and terms suitable for its intended use, or cannot secure acceptable financing terms during this Inspection Period, the Purchaser has the right to cancel the Contract by providing written notice to Seller, in which case the Deposit will be returned to Purchaser and neither party shall have any further rights or obligation regarding the purchase of the Property.

Assignment: Purchaser may assign its right to acquire the Property.

Confidentiality: Neither party shall disclose the terms and conditions of this Letter of Intent to any other party without the mutual written consent of Seller and Purchaser, except to those parties acting in a fiduciary capacity (i.e., legal representatives, financial institutions, authorized agents, partners, etc.) who shall be entitled to the knowledge of such for the mutual benefit of Purchaser and Seller.

Access: Seller agrees, subject to the provisions of any lease agreement: (1) on and after the date hereof, Purchaser and its designated representatives shall have access to the Property for the purpose of making engineering, environmental, survey or other inspections and independent investigations; (2) upon reasonable notice, Seller will give purchaser access to its books, records and agreements concerning the Property; and (3) Seller will make other good faith efforts upon Purchaser's reasonable request to provide Purchaser with other relevant or necessary

information with respect to the Property. Purchaser agrees to hold Seller harmless from any personal injury or property damage caused by Purchaser or its designated representatives arising out of Purchaser's access to the Property, and to hold in confidence any information gathered from its inspection of Seller's books and records.

Closing: To take place on or before _____.

Closing Costs: Except as otherwise stated herein each party shall pay its respective fees and expenses of Closing. Seller and Purchaser shall each be responsible for their own attorney fees and legal expenses. *Ad valorem* taxes shall be prorated between the parties to the date of Closing.

Abstract and title insurance Expenses	Paid by Purchaser
Transfer, documentary or Recording Fees	Paid by Purchaser
Recording costs	Paid by Purchaser
Survey	Paid by Seller

1031 Exchange: Seller and Purchaser acknowledge that either or both parties may intend to sell and purchase the property under the provisions of Internal Revenue Service Section 1031 tax Deferred Exchange. Seller and Purchaser agree to cooperate in executing any document required by such an Exchange provided that each party incurs no additional cost or liability due to such an Exchange.

Brokers' Fees: Seller shall pay a real estate commission to **XYZ Realty** and **ABC Realty** equal to **six (6%) percent** of the gross sales price payable at Closing. In the event the sale does not take place, no commission shall be due. Seller and Purchaser agree that the above named Broker(s) are the only real estate agents involved with this transaction.

This Letter of Intent is intended solely as a preliminary expression of general intentions and is to be used for discussion purposes only. The parties agree that this Letter of Intent is not intended to create any agreement or obligation by either party to negotiate a definitive purchase agreement and imposes no duty on either party to continue negotiations. The parties intend that neither shall have any contractual obligations to the other with respect to the matters referred to herein unless and until a definitive agreement has been fully executed and delivered by the parties. Prior to delivery of a definitive executed agreement, and without any liability to the other party, either party may (1) propose different terms from those summarized herein, (2) enter into negotiations with other parties, and/or (3) unilaterally terminate all negotiations with the other party hereto.

Purchaser:

Agreed and Accepted: _____

Print name: _____

Date: _____

Seller:

Agreed and Accepted: _____

Print name: _____

Date: _____

Letter of Intent

Prepared By:

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