



INVERNESS PROPERTIES, LLC

FORM LETTER OF INTENT – LAND ACQUISITION

<Date>

VIA: _____

<Recipient Address>

RE: Proposal to Purchase _____

Dear _____:

This letter-of-intent ("Letter of Intent") states the terms by which _____ ("Purchaser"), or assigns, will enter into a Purchase and Sale Agreement to purchase the above referenced property from _____, ("Seller").

The proposed terms and conditions of the purchase are as follows:

Purchaser: Purchaser, _____, is a _____.

Seller: Seller, _____, is a _____.

Property: <Legal description>, vacant land whose address is _____ (the "Property"). The parcel configuration shall be verified by a current ALTA survey (see below).

<Alternate language>

- The purchase price below is based on a fixed price versus a net acreage \$/SF calculation. A net acreage calculation and potential reduction thereof will not be required for the drainage way, floodplain, wetlands, the land-locked area or areas with unusable or infeasible slope conditions.
- The purchase price below is based upon the total gross land area and may, at Purchaser's option, be adjusted by multiplying the total land area, as evidenced by the Survey, times \$_____ Dollars per square foot of land area.
- The property shall also include any <Master Development Plan ("MDP")> <Final Development Plan ("FDP")> or other entitlements, and any studies, plans (conceptual or otherwise), construction documents, or otherwise, prepared in whole or in part for the Property.
- The property shall also include, as applicable, all water rights and mineral rights.

Purchase Price: The purchase price for the Property shall be \$_____ paid in cash at Closing.

<Alternate language>

- The purchase price for the Property shall be \$_____ per net square foot, equaling approximately \$_____, paid in cash at Closing



Mr. _____

<Date>

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Property Condition: Seller shall transfer the property in its current “as-is” condition.

Initial Earnest Money

Deposit:

Within _____ days of contract execution, Purchaser shall deposit with _____ \$_____ as the initial deposit (“Initial Earnest Money Deposit”). Said deposit shall be placed in an interest bearing account with the title company and all principal and interest shall be applicable to the purchase price upon closing. The Initial Earnest Money Deposit shall be refundable throughout the Inspection Period.

<Alternate language>

- At the completion of the Inspection Period, should Purchaser elect to proceed to Closing, the Initial Earnest Money Deposit, \$_____, shall then become non-refundable, except through default by Seller.

<Optional language>

Additional Earnest

Money Deposit:

At the completion of the Inspection Period, should Purchaser elect to proceed to Closing, Purchaser shall deposit with _____ the title company an additional \$_____ as the Additional Earnest Money Deposit. The Initial and Additional Earnest Money Deposits, \$_____, shall become non-refundable, except through default by Seller or if Purchaser is unable to obtain the approvals as set forth below.

Inspection Period:

Purchaser shall have _____ (_____) days from the Effective Date of the Purchase and Sale Agreement (Alternative: or from receipt of Seller’s Delivery Items and Survey) to inspect all aspects of the Property. Purchaser, personally or through agents, employees or contractors, may go upon the Property during normal business hours following the Effective Date of the Purchase and Sale Agreement and until Closing to inspect the Property and make such tests, investigations and analysis as Purchaser deems advisable at Purchaser’s cost. Purchaser shall have the right to terminate the Agreement any time and for any reason throughout the Inspection Period with no penalty and full refund of the Initial Earnest Money Deposit plus interest.

Approvals Period:

Purchaser shall have _____ (_____) days from the end of the Inspection Period to obtain approvals for an _____ development through _____ County and the _____ planning & architectural control committee.

Closing:

The Closing shall occur _____ (_____) days following the Effective Date of the Purchase and Sale Agreement.



Mr. _____

<Date>

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<Alternative language>

- The Closing shall be held _____ (_____) days following Purchaser's Final Development Plan Approval including passage of the public referendum period.
- The Closing shall occur _____ (_____) days following the expiration of the Inspection Period.

Seller's Delivery

Items:

Seller shall deliver to Purchaser within _____ (_____) days of execution of the Purchase and Sale Agreement by both parties the following items:

<Suggested language>

- a. A title commitment from _____, in the amount of the Purchase Price.
- b. A copy of any Planned Unit Development ("PUD"), Preliminary Development Plan ("PDP"), plat, Final Development Plan ("FDP") or any other available plans as referenced above.
- c. A copy of the most recent survey with respect to the Property in Seller's possession.
- d. Most recent copies of any environmental, soils, topography, utility, traffic, engineering, geotechnical or other third party reports in Seller's possession pertaining to the condition of the property.
- e. Copies of any private or public agreements, restrictions or other encumbrances (subdivision improvement agreement, intergovernmental agreements, etc.) affecting the property.
- f. Other information as set forth in the Purchase and Sale Agreement

Survey:

Within _____ (_____) days from the Effective Date, Seller shall provide to Purchaser a current ALTA survey with topography, in both printed and electronic formats, in form and content acceptable to Purchaser.

<Alternate language>

- The surveyor shall be _____.

Title & Survey

Review:

Purchaser shall have a period of _____ (_____) days following the receipt of the Title Commitment and Seller's Survey to notify Seller of any objections.

Closing Costs:

At Closing, Purchaser and Seller shall respectively pay the following costs and expenses:



Mr. _____

<Date>

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- a. Seller shall pay (i) the fees and expenses of Seller's attorneys, (ii) the Colorado real estate transfer tax due with respect to the deed by which the Property is conveyed to the Purchaser (iii) the premium for the standard owner's title insurance policy (iv) the commission due Broker and (v) any other costs and expenses actually incurred by the Seller.
- b. Purchaser shall pay (i) the fees and expenses of Purchaser's attorneys, (ii) any extended coverage or endorsements to the standard title insurance and (iii) any other costs and expenses actually incurred by Purchaser.

Purchase and Sale Agreement:

Upon execution of this Letter of Intent, <Purchaser or Seller> shall cause to be drafted and the parties shall negotiate and execute a definitive agreement (the "Purchase and Sale Agreement") for the sale of the Property reflecting the provisions of this Letter of Intent. The date of mutual execution of the Purchase and Sale Agreement is the "Effective Date" of that agreement. Note: Colorado form refers to this as MEC (mutual execution of contract).

Brokers' Commission and Disclosure:

Upon closing, <Seller or Purchaser> shall be responsible for the payment of the commission to Seller's Agent _____, and Buyer's agent, _____. The fee to Buyer's agent shall be ___% of the gross purchase price. Buyer and Seller shall represent and warrant that they have not engaged any other broker or party seeking any other commissions, finder's fees or the like.

Per Colorado Real Estate Commission Rules and Regulations the following disclosure is made:

DIFFERENT WORKING RELATIONSHIPS ARE AVAILABLE WHICH INCLUDE SELLER'S AGENT, BUYER'S AGENT, TRANSACTION BROKER, CUSTOMER AND CLIENT.

_____ is a Buyer's Agent for this proposed sale and is not an agent of Seller. <Alternative language: _____ is a Transaction Broker and is not an agent of the Seller or Buyer.> The duties of a _____ are as identified in Colorado Real Estate Commission Form No. **DD25-5-09**, Definitions of Working Relationships. \

Confidentiality:

Purchaser and Seller will treat this Letter of Intent in a confidential manner and will not disclose its requirements to other parties aside from Buyer's and Seller's agents or consultants. Neither party shall disclose any terms or conditions of this contemplated transaction without the express written consent of the other.



Mr. _____

<Date>

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This Letter of Intent to purchase the Property shall not be binding upon the parties until a Purchase and Sale Agreement has been executed and delivered to both parties. The parties acknowledge that this non-binding Letter of Intent to Purchase Property does not address all the essential terms of the Purchase and Sale Agreement contemplated and that such essential terms will be the subject of further negotiation. Neither party may claim any legal rights against the other by reason of any action taken in reliance upon this non-binding Letter of Intent to Purchase Property including, without limitation, any partial performance of the transactions contemplated herein. The parties acknowledge and agree that either party shall have the right to terminate the negotiation of a formal and final Purchase and Sale Agreement for any reason or no reason and that neither party owes the other party any duty to negotiate a formal and final Purchase and Sale Agreement. This Letter of Intent to Purchase Property shall be subject to withdrawal or modification at any time by either party and in any event will terminate on _____, ____.

Should the above terms meet with your understanding, please indicate such with your signature below and return via an e-mailed PDF or fax to (_____) to these offices. Please feel free to contact me with any questions or comments. We look forward to successfully completing this transaction with _____.

Respectfully,

<Name>

<Title>

Cc:

Agreed to and accepted this _____ day of _____, 2013.

Signature:

Name:

Title:



Seller: _____
Purchaser: _____
Property: _____
Address: _____

Created: _____
Updated: _____

Title Commitment #: _____

Title Company: _____

Effective Date of Contract: _____, 2013

Mutually Executed Contract (MEC) Date: _____, 2013

Dates shown in red text are the responsibility of the Seller.

<i>DESCRIPTION</i>	<i>DATE</i>	<i>COMMENTS</i>	<i>COMPLETED</i>
Purchase Price <i>Sec 4</i>	At Closing	\$_____ to be paid to Seller at Closing by wire transfer.)	
Earnest Money Deposit <i>Sec 4.3</i>	_____, 2013 () days after MEC)	\$_____ to be deposited with _____	
Record Title Deadline <i>Sec 7.1</i>	_____, 2013 () days after MEC)	_____ shall furnish to _____, at _____'s cost, a current commitment for owner's title insurance policy in the amount equal to the Purchase Price.	
Exceptions Request Deadline <i>Sec 7.5</i>	_____, 2013 () days after MEC)	_____, at _____'s expense, shall furnish to _____ and _____'s attorney, copies of any plats, declarations, covenants, conditions and restrictions and any other documents.	
Record and Off-Record Title Objection Deadline <i>Sec 8.1, Sec 8.2</i>	_____, 2013 () days after MEC)	Purchaser has right to review and object any Title Documents and may terminate the Agreement by giving notice to Seller prior to this date (Earnest Money may be refunded pursuant to Section 25.2).	
Off-Record Title Deadline <i>Sec 8.2</i>	_____, 2013 () days after MEC)	Seller shall deliver to Purchaser true copies of all existing surveys in Seller's possession and shall disclose all easements and liens.	
Title Resolution Deadline <i>Sec 8.3</i>	_____, 2013 () days after MEC)	Purchaser may terminate the Contract by giving notice to Seller prior to this date (Earnest Money may be refunded pursuant to Section 25.2).	
Seller's Property Disclosure Deadline <i>Sec 10.1</i>	_____, 2013 () days after MEC)	Seller agrees to deliver to Purchaser a current, completed Property Disclosure form.	
Loan Application Deadline <i>Sec 5.1</i>	_____, 2013 () days after MEC)	Purchaser shall make application for loan verifiable.	
Loan Objection Deadline <i>Sec 5.2</i>	_____, 2013 () days after MEC)	Purchaser has right to terminate on or before this date if loan is not satisfactory to Purchaser.	
Appraisal Deadline <i>Sec 6.2</i>	_____, 2013 () days after MEC)	Appraisal shall be received on or before this date.	
Appraisal Objection Deadline <i>Sec 6.2</i>	_____, 2013 () days after MEC)	Purchaser may terminate the Contract if property appraises for less than purchase price by giving notice to Seller prior to this date (Earnest Money may be refunded pursuant to Section 25.2).	



Current Survey Deadline <i>Sec 9.1</i>	_____, 2013 () days after MEC)	Seller will commission a survey on or before this date. Seller and Buyer shall pay 50% each of the cost of the Current Survey.	
Current Survey Objection Deadline <i>Sec 9.2</i>	_____, 2013 () days after MEC)	Purchaser may terminate the Contract by giving notice to Seller prior to this date (Earnest Money may be refunded pursuant to Section 25.2).	
Inspection Objection Deadline <i>Sec 10.2</i>	_____, 2013 () days after MEC)	Purchaser may deliver to Seller written description of unsatisfactory condition that Purchaser requires Seller to correct; or Purchaser has right to terminate on or before this date if property inspection is unsatisfactory by delivering written Notice to Terminate to Seller(Earnest Money may be refunded pursuant to Section 25.2).	
Inspection Resolution Deadline <i>Sec 10.3</i>	_____, 2013 () days after MEC)	If Seller receives an Inspection Objection on or before _____; Purchaser and Seller shall agree to resolve any unsatisfactory conditions by this date or Purchaser and Seller agree to terminate contract.	
Property Insurance Objection Deadline <i>10.5</i>	_____, 2013 () days after MEC)	Purchaser may terminate the Contract by giving notice to Seller prior to this date based on any unsatisfactory provision of the Property Insurance (Earnest Money may be refunded pursuant to Section 25.2).	
Due Diligence Documents Delivery Deadline <i>Sec 10.6</i>	_____, 2013 () days after MEC)	Seller shall deliver copies of all due diligence documents on or before this date.	
Due Diligence Documents Objection Deadline <i>Sec 10.7</i>	_____, 2013 () days after MEC)	Purchaser may terminate the Contract by giving notice to Seller prior to this date based on any unsatisfactory matter. (Earnest Money may be refunded pursuant to Section 25.2).	
Environmental Inspection Objection Deadline <i>Sec 10.8</i>	_____, 2013 () days after MEC)	Purchaser may terminate the Contract by giving notice to Seller prior to this date based on any unsatisfactory matter. (Earnest Money may be refunded pursuant to Section 25.2).	
ADA Evaluation Objection Deadline <i>Sec 10.8</i>	_____, 2013 () days after MEC)	Purchaser may terminate the Contract by giving notice to Seller prior to this date based on any unsatisfactory matter. (Earnest Money may be refunded pursuant to Section 25.2).	
Tenant Estoppel Statements Deadline <i>Sec 11.1</i>	_____, 2013 () days after MEC)	Seller shall deliver to Purchaser from each occupant a tenant estoppel form attached to each lease on or before this date.	
Tenant Estoppel Statements Objection Deadline <i>Sec 11.2</i>	_____, 2013 () days after MEC)	Purchaser may terminate the Contract by giving notice to Seller prior to this date based on any unsatisfactory matter. (Earnest Money may be refunded pursuant to Section 25.2).	
Closing Date <i>Sec 12</i>	_____, 2013 () days after MEC)	Closing shall occur at the offices of Land Title Guarantee Company, located at 3033 East 1 st Street, Suite 600, Denver CO 80206 (303)331-6231	
Commissions <i>Exclusive Right-to-Sell Agreement</i>	_____, 2013 (At Closing)	<Names>	