
LETTER OF INTENT TO PURCHASE

Date: _____

To: _____

From: _____

Company: _____

Re: Residential property located at: _____

The following sets out the basic terms upon which we would be prepared to purchase the Property. The terms are not comprehensive and we expect that additional terms [including reasonable warranties and representation,] will be incorporated into a formal agreement (the "Agreement") to be negotiated. The basic terms are as follows:

1. Purchaser: _____ or it's nominee
2. Vendor: Current owner of the Property represented by realtor: _____

3. Property: _____, free and clear of all liens, charges and encumbrances at Closing, except: [e.g. those recorded on title to the Property as at the date hereof, with the exception of the Vendor's mortgage (s)].

4. Purchase Offer: \$ _____

\$ _____ New first mortgage (or possible option of assumption and or with increase of existing first to 75%)

\$ _____ Second mortgage (carried by vendor for 5 years interest only at 8%)

\$ _____ Initial Deposit

\$ _____ Additional Deposit following condition removal

\$ _____ Balance

5. Deposit: Upon execution of the Agreement, the Purchaser will deposit the amount of \$ _____ which will be fully refundable if the Conditions Precedent are not satisfied or waived in writing by the Purchaser. Otherwise, the Deposit will be applied to the Purchase Price at Closing. If the Purchaser defaults at closing, the Deposit will be retained by the Vendor as its sole remedy.

6. Conditions Precedent: The obligation of the Purchaser to purchase the Property will be subject to satisfaction or written waiver by the Purchaser of the following conditions within 60 days after execution and delivery of the Agreement.

Review and approval of the documentation concerning the property;

Completion of satisfactory physical and environmental inspections of the Property; including suite inspections.

Completion of satisfactory due diligence search and examinations;

Satisfactory review of the title of the Property;

Satisfactory first mortgage financing being arranged for the purchase of the Property;

Satisfactory second mortgage being provided by the Vendor for the purchase of the Property;

7. Additional Items: This letter of intent hereby states the major terms of the agreement that the Purchaser would be prepared to move forward with. This letter of intent is in no way a legally binding agreement between the Purchaser and the Vendor.

Sincerely,

The above terms are accepted this _____ Day of _____, 200__

Signed: _____
Name: _____
Title: _____
Company: _____

Phone: ()
Cell: ()
Fax: ()
Email: