



[Date]

[Seller's name and address]

Re: Letter of Intent to Purchase Premises located at:

Dear _____:

I am pleased to present this Letter of Intent to purchase the real property and any improvements thereon located at _____, Virginia, tax parcel no. _____, containing approximately _____ acres of land (the "Property"), by _____, or his/her corporate assignee (the "Purchaser"), according to the terms and conditions described below.

1. **Purchase Price.** The purchase price shall be _____ and no/100 Dollars (\$_____.00), payable as follows:

a. Deposit of the sum of \$_____,000.00 upon the execution of a Purchase Agreement between Seller and Purchaser; and

b. Payment of the sum of \$_____,000.00 in bank certified or wired funds at closing.

2. **Conditions.** The Purchase Agreement to be drafted between the parties shall contain the following conditions:

a. Purchaser being satisfied with the results of a title search and survey of the Property.

b. Purchaser being satisfied with the results of his inspections and studies of the real property and any improvements thereon. In connection therewith, Purchaser shall be granted a _____ day feasibility period for said inspections and studies, including, but not limited to, engineering, soil, environmental, and financial investigations, and a physical inspection of the improvements. Seller shall provide to Purchaser at the commencement of the feasibility period, if applicable, contracts, leases, rent rolls, financial statements and other information relating to the leasing and operations of the Property. If Purchaser is not satisfied with the results of the inspections and studies, Purchaser may terminate the Purchase Agreement at or prior to the expiration of the feasibility period and receive a full refund of the deposit.

c. Purchaser's obligations under the Purchase Agreement shall be subject to Purchaser having obtained during the feasibility period a zoning confirmation letter from the City/County of _____, Virginia, indicating the Property is properly zoned for Purchaser's intended use as a _____ and that there are no pending zoning violations relating to the Property.

OR [use only one paragraph c, delete the paragraph that is not applicable.]

c. Following expiration of the feasibility period, Purchaser shall then have a period of _____ months to seek to have the Property rezoned for Purchaser's intended purposes as a _____. Seller shall promptly and diligently cooperate with Purchaser, at no cost to Seller, in regard to Purchaser's filings related to the rezoning application. If Purchaser is unable to obtain rezoning of the Property for its intended purposes during the rezoning period, then Purchaser may terminate the Purchase Agreement at or prior to the expiration of the rezoning period and receive a full refund of the deposit.

d. Purchaser shall obtain during the feasibility period a commitment letter from a lending institution for financing of the purchase of the Property upon terms and conditions acceptable to Purchaser.

3. **Closing.** Closing shall occur [select only one] [within thirty (30) days after the expiration of the feasibility period] **OR** [within forty (40) days after Purchaser shall have received final rezoning approval for the Property.] Notwithstanding the foregoing, if closing does not occur by _____, then either party may terminate the Purchase Agreement and Purchaser shall receive a full refund of the deposit.

4. **Brokerage Commission.** Each party shall warrant to the other that no real estate brokers or other intermediaries were involved in the connection with this transaction, except _____, who represented Seller, and who shall be paid at closing by Seller a broker's commission of _____, and _____, who represented Purchaser, and who shall be paid at closing by Seller a broker's commission of _____.

[Optional Paragraphs--delete any that do not apply]

5. **Seller Warranties.** The Purchase Agreement shall be subject to the following Seller warranties:

A. Authority and Marketable Title. Seller is the owner of the Property, possesses the requisite authority to enter into and perform this Agreement, and has the absolute right to sell, assign, and transfer the Property to Purchaser at Settlement.

B. No Pending Litigation or Bankruptcy. There are no actions, suits or proceedings at law or in equity pending, threatened against, or affecting the Property before or by any federal, state, municipal, or other governmental department, commission, board, bureau, agency, or instrumentality. No bankruptcy or similar action, whether voluntary or involuntary, is pending or is threatened against Seller, and Seller has no intention of filing or commencing any such action within ninety (90) days following Settlement.

C. No Outstanding Purchase Option. No option, right of first refusal or other contractual opportunity to purchase the Property has been granted to, or executed with, a third-party that is enforceable against Seller and/or the Property giving such third-party a right to purchase an interest in the Property or any party thereof.

D. No Notice of Repairs. Seller has received no written notice from any governmental agency that repairs, alterations or corrections that must be made to the Property.

E. Utilities. The Property is connected to **[select one]**: a municipal water and sewer system and has utility meters installed within the Property **OR** a well and septic system located on the Property. Seller makes no representation on whether the capacities of such utilities are sufficient for Purchaser's intended use of the Property.

F. Hazardous Materials. To the best of Seller's actual knowledge, no toxic or hazardous materials (as said terms are defined in any applicable federal or state laws) have been used, discharged or stored on or about the Property in violation of said laws, and to the best of Seller's knowledge, no such toxic or hazardous materials are now or will be at Settlement located on or below the surface of the Property. There are no petroleum storage tanks located on or beneath the surface of the Property.

G. Parties in Possession. As of the Settlement date, there will be no adverse or other parties in possession of the Property or any part thereof, nor has any party been granted any license, lease or other right or interest relating to the use or possession of the Property or any part thereof, except as follows:

H. Other Contracts. Seller is not a party to any contracts relating to the Property that are not terminable at will, except as follows:

I. No Undisclosed Restrictions. Seller has not, nor to the best of Seller's knowledge or belief has any predecessor in title, executed or caused to be executed any document with or for the benefit of any governmental authority restricting the development, use or occupancy of the Property that has not specifically been disclosed to Purchaser or wouldn't be revealed by a title report.

J. Condition of Property. [If Property is to convey other than "AS-IS", state condition of property. For instance, "Seller is not aware of any structural deficiencies with any buildings on the Property. All plumbing, electrical and HVAC systems shall be in working order at closing. Other than these limited warranties, the Property shall be sold in "AS IS" condition."]

6. **Closing Costs/Prorations.** Each party hereto shall pay their own legal fees and costs in connection herewith. Seller shall pay the grantor's tax, brokerage commission and all costs incurred for clearing any title or survey objections to the Property. Customary prorations shall be made as of the closing date, including, if applicable, real estate taxes, rents, assessments and security deposits.

This document is not an agreement, purchase offer, or a binding legal instrument. Its only purpose is to allow the Seller to review and consider the proposed offer. If Seller is desirous of selling the Property, a Purchase Agreement will be prepared using the information contained herein. It is the intention of the parties to negotiate any remaining terms of the transaction and enter into a Purchase Agreement within ten (10) days from the execution date of this Letter of Intent. The parties are not bound until a Purchase Agreement is executed.

BY SIGNING BELOW, THE PARTIES ENTER INTO THIS LETTER OF INTENT:

SELLER:

Name: _____
Title: _____
Date: _____

PURCHASER:

Name: _____
Title: _____
Date: _____

©. Copyrighted 2011 by the Central Virginia Regional MLS™, LLC ("CVR MLS"). This form is licensed to the Virginia Association of Realtors® ("VAR") for use by members of VAR and may not be otherwise used or duplicated without the written consent of CVR MLS. Seek legal advice if you do not understand any provision of this form.