

[DATE]

[DELIVERY METHOD]

[SELLER NAME]

[SELLER'S ADDRESS]

Attn: [INDIVIDUAL CONTACT PERSON NAME]

Re: Letter of Intent for Purchase and Sale of [REAL PROPERTY ADDRESS], [CITY], [STATE].

[SALUTATION]:

This letter of intent, effective as of [DATE] ("**Effective Date**"), constitutes an expression of the interest of [PURCHASER NAME] ("**Purchaser**") in purchasing and the interest of [SELLER NAME] ("**Seller**") in selling the Property (as hereinafter defined) on the general terms and conditions described herein. It will also serve as the basis for negotiating a definitive purchase and sale agreement for the purchase and sale of the Property (the "**Purchase Agreement**"). This letter of intent supersedes all prior oral and written proposals between the parties. The proposed terms and conditions for the purchase and sale of the Property are as follows:

1. The Property. That certain property having an address at [REAL PROPERTY ADDRESS] [and commonly known as [OTHER NAME OF PROPERTY]] (the "**Property**").
2. Execution of Purchase Agreement. [Purchaser and Seller shall negotiate the Purchase Agreement diligently and in good faith. Notwithstanding the foregoing, no binding agreement shall exist with respect to the purchase and sale of the Property unless the Purchase Agreement has been duly executed and delivered by both Purchaser and Seller. Purchaser and Seller shall endeavor to enter into and execute the Purchase Agreement within _____ business days from the Effective Date. [Seller's/Purchaser's] counsel shall prepare the initial draft of the Purchase Agreement.
3. Purchase Price. \$ _____, all cash, in immediately available funds. The purchase price shall be paid by the Purchaser at the closing of the sale of the Property, except for the Earnest Money Deposit, which shall be paid as and when set forth in Paragraph 4 below.
4. Earnest Money Deposit. \$ _____ (the "**Earnest Money Deposit**") to be deposited by Purchaser in immediately available funds within _____ business days after full execution of the Purchase Agreement by Purchaser and Seller, in a mutually acceptable interest-bearing escrow account established with [ESCROW AGENT NAME] ("**Escrow Agent**"), as escrow agent[, pursuant to a separate escrow agreement entered into between Purchaser, Seller, and Escrow Agent]. All interest earned on the Earnest Money Deposit shall constitute part of the Earnest Money Deposit and shall be payable to the party entitled to receive it under the Purchase Agreement. If the closing shall occur, the Earnest Money Deposit shall be credited to the purchase price. [If Purchaser terminates the Purchase Agreement pursuant to a right to do so set forth in the Purchase Agreement, the Earnest Money Deposit shall be refundable to Purchaser except in the event of Purchaser's default or breach, in which

event the Earnest Money Deposit, plus all interest earned thereon, shall be paid to Seller as liquidated damages, as Seller's sole remedy./The parties agree that the Earnest Money Deposit shall be nonrefundable to Purchaser except in the event of: (a) a default by Seller under the Purchase Agreement; (b) a failure of any of the conditions to closing to Purchaser's obligation to close under the Purchase Agreement; and/or (c) any other customary circumstances to be provided in the Purchase Agreement.]

5. Existing Indebtedness. Seller shall use [commercially] reasonable efforts [(at no cost to Seller)] to cause [EXISTING LENDER NAME], as the holder of a mortgage loan on the Property (the "**Mortgage**"), to assign the Mortgage to Purchaser's lender at the closing[, but in no event shall such assignment be a condition precedent to the obligation of Purchaser to purchase the Property]. [Purchaser shall pay all reasonable costs and expenses, including attorneys' fees, charged by [EXISTING LENDER NAME] in connection with the assignment of Mortgage to Purchaser's lender.]]

6. No Financing Contingency. Purchaser is prepared to pay all cash for the acquisition of the Property and its obligation to purchase the Property shall not be conditioned in any way on Purchaser's ability to obtain financing, whether first mortgage or otherwise.

7. Closing Date. The closing of the transaction shall occur [on [DATE]/[NUMBER IN WORDS] ([NUMBER]) [business] days following the expiration of the Inspection Period (hereinafter defined)] (the "**Closing Date**"). Each party shall have the right to adjourn the closing date for a period of [NUMBER IN WORDS] ([NUMBER]) [business] days for any reason or no reason[, but in no event shall the closing date occur later than [DATE]]. The closing shall be effected through a customary escrow closing. [Time shall be of the essence with respect to each party's obligations under the Purchase Agreement.]

8. Closing Costs. Purchaser shall pay the cost of the survey, title commitment, title policy, and other title related costs, as well as any and all costs related to its due diligence investigation. Seller and Purchaser shall each pay an equal share of all clerk's and indexing fees and taxes on the deed, and all costs of recording the deed, and any other fees and costs as is customary in transactions of this size and type in [COUNTY] County, [STATE]. Each party shall pay its own legal fees and one-half of any escrow or closing fee.

9. Credits and Prorations. The Purchase Agreement shall contain customary prorations with respect to rents, other lease payments, real estate taxes, and any and all items customarily prorated between the parties in transactions of this size and type in [COUNTY] County, [STATE][, all subject to reapportionment following the closing based on actual final bills and receipts].

10. Due Diligence Investigation. From and after the effective date of the fully-executed Purchase Agreement, and continuing for a period of [NUMBER IN WORDS] ([NUMBER]) days thereafter (the "**Inspection Period**"), Seller shall allow Purchaser to have access to the Property to investigate and inspect (at Purchaser's sole cost and expense) the legal, physical, economic, and environmental condition of the Property, and the suitability of the Property for Purchaser's intended use. If Purchaser determines, in its sole and absolute discretion, that it is unsatisfied with any aspect of the Property prior to the expiration of the Inspection Period, then Purchaser shall have the right to terminate the Purchase Agreement by written notice to Seller given prior to the expiration of the Inspection Period, in which event the Earnest Money Deposit shall be returned to Purchaser.

No later than [NUMBER IN WORDS] ([NUMBER]) [business] days following the effective date of the fully-executed Purchase Agreement, Seller shall provide to Purchaser for its review, all information and documentation regarding the Property which is in the possession [or control] of Seller, its affiliates, and/or property manager (the "**Due Diligence Materials**"). Seller shall represent in the Purchase Agreement that to [Seller's knowledge/the best of Seller's knowledge/Seller's actual knowledge], the Due Diligence Materials constitute all of the information and documentation relating to the Property that is in Seller's possession [or control].

Purchaser understands and agrees that any on-site inspections of the Property shall occur at reasonable times agreed on by Seller and Purchaser after reasonable prior written notice from Purchaser to Seller (which shall, in all cases, be at least 24 hours in advance) and shall be conducted so as not to [unreasonably] interfere with the use and operation of the Property and rights of Seller and its tenants, subtenants, licensees, or other users and occupants of the Property. Purchaser agrees not to contact, or have discussions, whether directly or indirectly, with any tenants, subtenants, licensees, or other users or occupants of the Property without the prior written consent of Seller in each instance, which consent [shall not be unreasonably withheld, conditioned, or delayed/may be withheld in Seller's sole and absolute discretion]. Seller shall have the right to accompany Purchaser or its agents during any such tests and inspections. If Purchaser desires to do any invasive testing at the Property, then Purchaser shall do so only after reasonable prior written notice to Seller (which shall, notwithstanding anything to the contrary contained above, be at least three (3) [business] days in advance) and obtaining Seller's prior written consent thereto, which consent [shall not be unreasonably withheld, conditioned, or delayed/may be withheld in Seller's sole and absolute discretion], and which consent, if given, may be subject to any terms and conditions imposed by Seller in its [reasonable/sole and absolute] discretion, including, without limitation, the prompt restoration of the Property to substantially the same condition as existed prior to any such inspections or tests, at Purchaser's sole cost and expense. Prior to conducting any physical inspection or testing at the Property, other than a mere visual examination, by Purchaser or its agents, employees, contractors, or representatives, Purchaser shall deliver insurance certificates to Seller evidencing that Purchaser carries and maintains such general liability insurance policies with such companies and in such scope and amounts as are acceptable to Seller in its [reasonable/sole and absolute] discretion, and in all cases, naming Seller as an additional insured party and loss payee thereunder. At Seller's request, Purchaser shall promptly furnish to Seller copies of any reports received by Purchaser relating to its inspections of the Property.

Purchaser agrees to protect, indemnify, defend, and hold Seller, its partners, members, and affiliates and each of their respective officers, directors, shareholders, employees, agents, successors, and assigns (collectively the "**Indemnified Parties**") harmless from and against any claims for liabilities, losses, expenses (including reasonable attorneys' fees), damages, or injuries actually incurred by any of the Indemnified Parties arising out of, resulting from, relating to, or connected with: (a) any inspections or testing of the Property by Purchaser or its agents, representatives, contractors, or employees; and (b) any breach or violation of the provisions of this Paragraph 10 on the part of Purchaser. The foregoing indemnity shall survive the termination of the Purchase Agreement.

11. Representations and Warranties. The Purchase Agreement shall contain representations and warranties from Seller with respect to the environmental, physical, and economic condition of the Property, title to the Property, the compliance of the Property with laws and other applicable requirements, the leases and leasing activities affecting the Property, and any other matters reasonably

requested by Purchaser. Seller's representations and warranties shall survive for a period of _____ business days following the closing.

12. Closing Conditions. Seller shall deliver a tenant estoppel certificate ("**Estoppel Certificate**") [and a subordination, attornment and non-disturbance agreement ("**SNDA**")] each conforming in all material respects to either the form attached to the Purchase Agreement or the form described in the tenant's lease, from each [and every tenant at the Property/of the following tenants: [TENANT NAME], [TENANT NAME], and [TENANT NAME]]. If Seller is unable to provide an Estoppel Certificate from any of the foregoing tenants on or prior to the Closing Date, Seller shall deliver to Purchaser at the closing, a Seller estoppel certificate ("**Seller Estoppel Certificate**") for each tenant for which it fails to obtain an Estoppel Certificate, in a form attached to the Purchase Agreement or a form reasonably acceptable to Purchaser and Purchaser's lender. [Seller and Purchaser acknowledge and agree that Purchaser shall have no obligation to proceed to closing if Purchaser does not receive acceptable Estoppel Certificates or Seller Estoppel Certificates in accordance with this Paragraph 12. Any additional required consents and/or estoppels will be set forth in the Purchase Agreement.] The Purchase Agreement will also contain other reasonable and customary closing conditions and other contingencies as agreed to by the parties.

13. Termination. This letter of intent shall automatically terminate and be of no further force and effect upon the earlier of: (a) the mutual execution of the Purchase Agreement by Purchaser and Seller; (b) the date of the written notice given by either Purchaser or Seller terminating this letter of intent to the other; and (c) _____ days following the Effective Date. Notwithstanding anything to the contrary contained in the previous sentence, Paragraph 15 shall expressly survive the termination of this letter of intent.

14. Exclusive Negotiations. Seller shall not offer the Property for sale to anyone other than Purchaser or enter into or continue any discussions with any third-party to acquire the Property until such time as this letter of intent has terminated in accordance with the provisions of Paragraph 13 herein.

[Nothing contained in this Paragraph 14, however, shall limit any right of Seller to continue or initiate any and all discussions with any third party: (a) with which, as of the date of this letter of intent, Seller has already begun discussions and/or negotiations to acquire the Property; or (b) relating to debt modifications, equity raising, and other transactions relating to the Property, other than as expressly prohibited above.] [Purchaser shall pay to Seller the amount of \$[NUMBER] within [NUMBER IN WORDS] ([NUMBER]) [business] days after the full execution of this letter of intent in consideration of Seller's covenants in this Paragraph 14[, which amount shall either: (i) become non-refundable to the purchaser if the parties fail to execute a Purchase Agreement in accordance with the terms of this letter of intent; or (ii) become part of the Earnest Money Deposit in the event the Purchase Agreement is executed by the parties].]]

15. Confidentiality. This letter of intent is being transmitted to you with the express understanding that its contents and the fact that it has been transmitted remain confidential. By execution of this letter of intent, each party agrees to maintain the confidentiality of the other party's involvement (including the identity of such other party) in a possible transaction as described herein, including, without limitation, the structure and pricing thereof as well as the terms of the transaction, and not disclose same to any person or entity other than: (a) on an as-needed basis, to such party's advisors, agents, consultants, lenders, and potential lenders and the applicable party shall inform them of the

confidentiality requirements of this letter of intent and their duty to comply with its terms; (b) with respect to any other disclosures required by law; or (c) disclosures consented to by both parties. Neither Purchaser nor Seller shall make or allow to be made any public announcement of the transactions contemplated by this letter of intent or the existence of this letter of intent without the mutual agreement of the other party. This Paragraph 15 is a binding obligation and shall survive for a period of [NUMBER IN WORDS] ([NUMBER]) [month(s)/year(s)] from the date of this letter of intent first written above.

16. Non-Binding. This letter of intent is a non-binding proposal and may be terminated without penalty at any time and for whatever reason by either party in accordance with the terms of Paragraph 13 herein. This letter of intent should not be considered as a commitment to sell or purchase by either party, as the purchase and sale is expressly conditioned upon the execution and delivery of a mutually satisfactory Purchase Agreement.

By signing this letter of intent, the parties agree that unless and until a definitive Purchase Agreement is prepared and executed by all parties involved, there is no commitment on Seller's part to convey the Property nor on Purchaser's part to pay any consideration for the conveyance of the Property. Notwithstanding the foregoing, the parties acknowledge and agree that the provisions of Paragraph 14 and Paragraph 15, together with this paragraph, are binding and enforceable against the parties. Except as specifically set forth in this Paragraph 16, nothing contained in this letter of intent shall be deemed or construed to constitute a binding agreement between the parties.

If the foregoing terms and conditions are acceptable to you, please execute and return to us the executed letter. This letter may be signed in one or more counterparts, each of which may be an original or copy and all of which when taken together shall constitute one and the same instrument.

SIGNATURE PAGE FOLLOWS

Very truly yours,

[PURCHASER ENTITY NAME], a[n] [STATE
OF ORGANIZATION] [ENTITY TYPE]

[NAME OF SIGNOR]

[TITLE OF SIGNOR]

Date: [MONTH] [DAY], [YEAR]

AGREED TO AND ACCEPTED this
[ORDINAL NUMBER] day of [MONTH],
[YEAR]:

[SELLER ENTITY NAME], a[n] [STATE OF
ORGANIZATION] [ENTITY TYPE]

[NAME OF SIGNOR]

[TITLE OF SIGNOR]

cc: [PURCHASER'S BROKER]

[SELLER'S BROKER]

[PURCHASER'S COUNSEL]