

Date _____, 201__

_____ [Seller]

c/o Riley Real Estate, Inc.
Attn: Patrick Riley
2380 Yuma Lane
Plymouth, MN 55447

RE: LETTER OF INTENT to Purchase _____

Dear Mr. Riley:

This letter shall act as an expression of interest for and on behalf of the undersigned (Buyer), its designees, nominees or assigns with regard to the potential purchase of the _____ (Property) located at _____, _____ from _____ (Seller).

Purchase Price: _____ Dollars (\$_____) for the Property including the land, building and improvements and its contents including all fixtures, furniture and equipment currently located on the Property, payable in cash at closing.

Escrow Deposit: _____ Dollars (\$_____) upon full execution of a mutually acceptable definitive Purchase Agreement (“Definitive Agreement”), which amount shall be fully applicable to the purchase price at closing of the transaction. Said deposit shall be returned to Buyer if Buyer decides not to complete the transaction during the due diligence period, as outlined below.

Due Diligence: Buyer shall have sixty (60) days (“Due Diligence Period”) from the mutual execution of a Purchase and Sale Agreement in which to examine all aspects of the Property and information related thereto and determine the suitability of the Property for Buyer’s intended purposes. Within ten (10) days of execution of the Definitive Agreement by the last-to-sign of the Buyer and Seller (“Contract Date”), Seller agrees to provide copies of all pertinent documents, tests, surveys, title commitments or title policies, reports or other materials in its possession to Buyer to assist Buyer

in this review. Within ten (10) days of Contract Date, Seller shall deliver to Buyer copies of all leases, contracts, permits, approvals and agreements relating to the Property for Buyer's review and determination concerning acquisition of the Property and assumption of such agreements. Buyer shall decide by the end of the Due Diligence Period which obligations Buyer desires to assume. Buyer may terminate the transaction without further liability for any reason or no reason prior to the end of the Due Diligence Period and the escrow deposit shall be returned to Buyer. If Buyer decides to proceed with the transaction after the Due Diligence Period expires, said escrow deposit shall thereafter be non-refundable unless Seller defaults or any of Seller's conditions to closing is not satisfied.

The Buyer agrees to the following timelines as being part of the 60-day Due Diligence Period:

- A) If Buyer intends to obtain a new loan, the Buyer will make full application with his lender of choosing before the end of the 10th day after the Contract Date and verify same to Seller.
- B) The Buyer will order and pay for the completion of the updated ALTA property survey report before the 20th day from Contract Date and verify same to Seller.
- C) If the Property is being operated as a franchise, the Buyer will make full and complete franchise application including payment of any required application fee on or before the 10th day from Contract Date and verify same to Seller.

Contrary to anything herein, if the Buyer does not verify to the Seller in writing the completion of items "A" through "C" on or the before the referenced date of each such item, the Seller at its option may terminate the Definitive Agreement.

Conditions to Closing: The following shall be absolute conditions to closing unless waived by Buyer:

1. Buyer's satisfactory review of all conditions and matters it deems necessary or appropriate during the Due Diligence Period.
2. Seller's ability to deliver good and marketable, indefeasible, title to the Property and all rights and appurtenances thereto.

Transfer of Title: Transfer of title shall be by special/limited warranty deed.

Closing: Closing shall occur on or before _____, 20____, at a time and place mutually agreeable to the parties.

Closing Costs: Buyer shall pay the basic premium for the issuance of the Owner's and Lender's Title Policy, and Seller shall pay for the cost of the issuance of a title commitment, including the cost of the title search and underlying title documents, and preparation and recordation of any curative title documents. The cost of any endorsements or additional coverage's shall be paid by the Buyer. Seller shall pay for the preparation and recordation of the deed, and all transfer taxes or documentary stamps on the deed. _____ shall further pay all current or deferred installments of any existing special assessments and all delinquent real estate taxes, as well as any additional taxes assessed for a period prior to closing resulting from changes in the Property's use or ownership. Current real estate taxes, utility costs, and other pro-ratable expenses shall be pro-rated between the parties at closing. Buyer shall pay at closing the cost of recording any mortgages and mortgage taxes or documentary stamps applicable to Buyer's lender. Seller and Buyer shall split equally any escrow fees. Each party shall be responsible for the payment of its own attorney fees. Any costs not expressly identified shall be paid according to local custom.

Broker: Seller pays all brokerage expenses of its Agent. Buyer and Seller acknowledge that they have not dealt with any broker other than Riley Real Estate, Inc.

Contract Execution: Within 5 days from execution of this letter of intent, _____'s counsel shall generate a first draft of the Definitive Agreement consistent with the foregoing terms, and forward the same to _____. The parties shall thereafter expeditiously and in good faith negotiate the terms of the Definitive Agreement. This letter does not legally bind either party with the foregoing terms, and is subject to the execution of a mutually acceptable Definitive Agreement for the purchase and sale of the Property. The parties acknowledge that the foregoing does not encompass all terms that will be included in the final Definitive Agreement which must be executed no later than _____, 20_____.

Please acknowledge Seller's interest in pursuing the execution of a Definitive Agreement in accordance with the foregoing by countersigning a the duplicate copy of this letter in the space provided below and returning it to the undersigned by facsimile or email as soon as possible, but in no event later than _____, 20____ at 5:00 EST.

I look forward to your reply.

Sincerely,

BUYER:

SELLER:

Entity Name

Entity Name

Signature

Signature

Printed Name

Printed name

Title

Title

Date: _____

Date: _____

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