

Letters Of Intent

Letter of Intent

Lance Edwards
1345 Campbell Road, Suite 200
Houston, TX 77055

Mr _____
Houston, Texas
Fax: _____

RE: _____ Apartments

Houston, Texas

Dear _____,

Based upon the information furnished by you, I have outlined the terms and conditions under which I would acquire the above referenced property.

Purchase Price	\$1,250,000
Cash Down Payment	\$100,000
Agent Commission Expense	None to Seller
First Mortgage	Assumption of existing balance of \$840,000; interest rate 5.06%, 30 yr am, 7 years remaining, \$4759.00 per month; Assumption fee paid by Seller
Second Mortgage	By third party: \$310,000; interest @ prevailing rate & terms
Closing Date	June 5, 2018 (but not before May 31, 2018)

It is my intention to purchase & close _____ Apartments within 60 days of a signed contract, under the above stated terms and conditions. The closing date may be extended in June, if required, to facilitate closing - excluding June 13-21, 2018.

If these terms are acceptable, please acknowledge at the bottom of this page and return (fax) this agreement within two (2) business days to me at 713-758-0312. Upon receipt of the executed letter, I shall instruct my attorney to draft a purchase agreement.

Sincerely,

Lance Edwards

Accepted and agreed upon this _____ day of _____, 2018.

By _____

Lance Edwards
First Cornerstone Group, LLC (FCG)
1345 Campbell Road, Suite 200
Houston, TX 77055
Fax: 713-476-0296
Phone: 713-476-0102

December 1, 2018

RE: _____ Apts; _____; Houston, TX (Property)

Dear Mr/Mrs. _____ (Agent):

Attached please find FCG's revised offer for a quick close of the Property, as-is.

Being a local buyer, we are already familiar with the financials, the LURA restrictions and we have toured the property. Hence, we are prepared to close quickly as reflected in the shortened due diligence period and quick-to-go hard earnest money of this offer. In order to expedite closing, we propose that the Seller provide the financing. We can close as quickly as the Seller can provide financing.

This letter will serve as a binding letter of intent between the owner of record ("Seller") and FCG, or its Assignee ("Buyer") under the following terms and conditions.

1. **PURCHASE PRICE:** The Purchase Price of the Property shall be \$1,500,000 to be paid by the following terms and conditions:

Terms

- a) New 1st mortgage provided by Seller of \$1,440,000 using Seller's existing appraisal; 6.25% fixed interest rate (not to exceed) at 30 years amortization with 7 year balloon.
 - b) Balance of purchase price paid in Cash.
2. **INSPECTION PERIOD:** Buyer shall have thirty (30) days from the date of execution of formal contract to perform inspections and examine the records of the Property. If, for any reason, during this inspection period, Buyer shall find the Property unsuitable, the Buyer, by written notice to Seller, shall have the right to declare this Letter and any Contract of Sale based hereon null and void and receive a refund of any Earnest Money that has been deposited – subject to the non-refundable Earnest Money Deposit provisions below.
 3. **FINANCING PERIOD** – Buyer shall have thirty (30) days from the date of execution of formal contract to obtain a mortgage commitment from the Seller. If the Buyer is unable to secure a loan commitment, the Buyer, by written notice to Seller, shall have the right to declare this Letter and any Contract of Sale based hereon null and void and receive a refund of any Earnest Money that has been deposited.
 4. **EARNEST MONEY DEPOSIT:** An Earnest Money Deposit in the amount of \$20,000 will be deposited with the escrow agent (Stewart Title Co as selected by Seller, Houston, TX) within three (3) business days after signing the Purchase

Agreement.

- \$10,000 of the earnest money shall be non-refundable 10 days after receipt of all financial & property records from the Seller (due diligence data).
 - The remaining \$10,000 of the earnest money shall be non-refundable at the end of the 30 day due diligence period and approval of financing by the Seller.
5. **PURCHASE AGREEMENT:** Both parties will strive to execute a mutually acceptable Purchase Agreement (based on Texas Association of Realtors Commercial Contract) within 10 days after the execution of this Letter of Intent. Buyer and Seller costs will be as per the TAR Commercial Contract.
6. **BROKERAGE FEES:** Seller agrees to pay _____ a 3% commission in cash at closing.
7. **CLOSING DATE:** The Closing may occur upon the completion of the due diligence period and as soon as Seller can provide financing.

The above represents the general terms and conditions of the proposed transaction. The exact terms and conditions will be contained in a mutually acceptable Purchase Agreement.

Should the above proposal be acceptable to you, please execute your signature below and FCG will begin preparation of the Purchase Agreement. Thank you for your consideration and we look forward to the opportunity to work with you on this transaction.

This Letter of Intent is null and void if not signed and delivered to Buyer at fax 713-476-0296 by 5:00 PM CST on Tuesday, December 5, 2018.

BY:
First Cornerstone Group, LLC

BY: _____
NAME: Lance Edwards
TITLE: Manager

ACKNOWLEDGED AND AGREED TO THIS ____ DAY OF DECEMBER, 2018.

SELLER:

BY: _____
NAME: _____
TITLE: _____

Lance Edwards
First Cornerstone Group, LLC
1345 Campbell Road, Suite 200
Houston, TX 77055
Fax: 713-758-0312
Phone: 713-476-0102

February 13, 2018

RE: _____ Apts; _____ ;Houston, TX (Property)

Dear Mr. _____ (Agent):

Please find outlined below the general terms and conditions under which First Cornerstone Group, LLC (FCG) would be willing to purchase the Property. This letter will serve as a binding letter of intent between the owner of record ("Seller") and FCG, or its Assignee ("Buyer") under the following terms and conditions.

1. **PURCHASE PRICE:** The Purchase Price of the Property shall be \$400,000 to be paid by the following terms and conditions:

Terms

- a) Cash - \$80,000
- b) New 1st mortgage (3rd party financing) \$320,000.

2. **REPAIR ALLOWANCE** – None.
3. **INSPECTION PERIOD:** Buyer shall have forty five (45) days from the date of execution of formal contract to perform inspections and examine the records of the Property. If, for any reason, during this inspection period, Buyer shall find the Property unsuitable, the Buyer, by written notice to Seller, shall have the right to declare this Letter and any Contract of Sale based hereon null and void and receive a refund of any Earnest Money that has been deposited.
4. **FINANCING PERIOD** – Buyer shall have sixty (60) days from the date of execution of formal contract to obtain a mortgage commitment from a lending institution of the Buyer's choice for said transaction. If the Buyer is unable to secure a loan commitment, the Buyer, by written notice to Seller, shall have the right to declare this Letter and any Contract of Sale based hereon null and void and receive a refund of any Earnest Money that has been deposited
5. **EARNEST MONEY DEPOSIT:** An Earnest Money Deposit in the amount of \$4000.00 will be deposited with the escrow agent (American Title Co; 17171 Park Row; Houston, TX) within three (3) business days after signing the Purchase Agreement.
6. **PURCHASE AGREEMENT:** Both parties will strive to execute a mutually acceptable Purchase Agreement (based on Texas Association of Realtors Commercial Contract) within 10 days after the execution of this Letter of Intent. Buyer and Seller responsibilities for closing fees will be per the TAR Commercial Contract.

7. **BROKERAGE FEES:** To be paid by Seller as per seller agreement with Seller's agent. There is no Buyer agent fee due.
8. **CLOSING DATE:** The Closing will occur on or before sixty (60) days after the Effective Date. Should financing constraints dictate additional time, an additional 30-day extension shall be available upon written request from Buyer. Such written request shall be made prior to the target closing date.

The above represents the general terms and conditions of the proposed transaction. The exact terms and conditions will be contained in a mutually acceptable Purchase Agreement.

Should the above proposal be acceptable to you, please execute your signature below and FCG will begin preparation of the Purchase Agreement. Thank you for your consideration and we look forward to the opportunity to work with you on this transaction.

This Letter of Intent is null and void if not signed and delivered to Buyer at fax 713-758-0312 by 5:00 PM CST on Thursday, February 15, 2018.

Please contact me with any questions.

BY:

First Cornerstone Group, LLC

BY: _____
NAME: Lance Edwards
TITLE: President

ACKNOWLEDGED AND AGREED TO THIS ____ DAY OF FEBRUARY, 2018.

SELLER:

BY: _____
NAME: _____
TITLE: _____

Lance Edwards
First Cornerstone Group, LLC
1345 Campbell Road, Suite 200
Houston, TX 77055
Fax: 713-476-0296
Phone: 713-476-0102
www.FirstCornerstoneGroup.com

February 12, 2018

RE: Offer to Purchase 14 units + lot @ _____ (Property)

Dear _____:

Please find outlined below the general terms and conditions under which First Cornerstone Group, LLC (FCG) would be willing to purchase the Property. This letter will serve as a binding letter of intent between _____ (Seller) and FCG, or its Assignee ("Buyer") under the following terms and conditions.

1. **PURCHASE PRICE:** The Purchase Price of the Property shall be paid by the following terms and conditions:

Terms

- a) \$5000 cash
 - b) \$40,000 as new 2nd lien note to Seller – paid as \$500.00 per month for 80 installments.
 - c) Buyer assumes existing 1st lien note of approximately \$90,000 (not to exceed) with an approximate monthly payment of \$850.00
2. **INSPECTION PERIOD:** Buyer shall have thirty (30) days from the date of execution of formal contract (Effective Date) to perform inspections and examine the records of the Property. If, for any reason, during this inspection period, Buyer shall find the Property unsuitable, the Buyer, by written notice to Seller, shall have the right to declare this Letter and any Contract of Sale based hereon null and void. Buyer shall receive a refund of any Earnest Money that has been deposited if such written notice is provided.
 3. **PURCHASE AGREEMENT:** Both parties will strive to execute a mutually acceptable Purchase Agreement (based on Texas Association of Realtors Contract) within 10 days after the execution of this Letter of Intent. Buyer and Seller responsibilities for closing fees will be per the TAR Contract.
 4. **CLOSING DATE:** The Closing will occur on or before forty five (45) days after the Effective Date. Should the closing require additional time, an additional 30-day extension shall be available upon written request from Buyer. Such written request shall be made prior to the target closing date.

The above represents the general terms and conditions of the proposed transaction. The exact terms and conditions will be contained in a mutually acceptable Purchase Agreement.

Should the above proposal be acceptable to you, please execute your signature below and FCG will begin preparation of the Purchase Agreement. Thank you for your consideration and we look forward to the opportunity to work with you on this transaction.

This Letter of Intent is null and void if not signed and delivered to Buyer by fax by Noon CST on Wednesday, February 14, 2018.

BY:

First Cornerstone Group, LLC

BY: _____
NAME: Lance Edwards
TITLE: President

ACKNOWLEDGED AND AGREED TO THIS ____ DAY OF FEBRUARY, 2018.

SELLER:

BY: _____
NAME: _____
TITLE: _____

Lance Edwards
First Cornerstone Group, LLC
1345 Campbell Road, Suite 200
Houston, TX 77055
Fax: 713-476-0296
Phone: 713-476-0102

May 17, 2018

RE: _____; Houston, TX

Dear _____ (Agent):

Please find outlined below the general terms and conditions under which First Cornerstone Group, LLC would be willing to purchase the above referenced Property ("Property"). This letter will serve as a binding letter of intent between the owner of record ("Seller") and First Cornerstone Group, LLC, or its Assignee ("Buyer").

Buyer recognizes that these small multi-family properties can be difficult to finance. However, Buyer is pre-approved for financing with Wells Fargo and financed a similar 10 unit apartment just east of the Property in January, 2006 using Wells Fargo. They have been notified about this project and, based on preliminary information, are ready to move forward.

Let this letter serve as our expression of intent to purchase the above referenced property under the following terms and conditions:

PROPERTY: _____
Houston, TX

1. **PURCHASE PRICE:** The Purchase Price of the Property shall be \$215,000 to be paid by the following terms and conditions:

Repair Allowance - Seller to issue a repair credit to purchaser in the amount of \$2500 at closing in consideration of exterior and interior repairs.

Terms

- a) Cash to seller - \$193,500 thru new 1st mortgage financing by Buyer
 - b) 2nd mortgage to Seller - \$21,500 at 7.0% APR interest-only with a 60 month balloon payment of \$21,500. Interest will be earned commencing in month 25; monthly payments of \$125.42 will begin in month 25.
2. **INSPECTION PERIOD:** Purchaser shall have forty five (45) days from the date of execution of formal contract to perform inspections and examine the records of the Property. If, for any reason, during this inspection period, Purchaser shall find the Property unsuitable, the Purchaser, by written notice to Seller, shall have the right to declare this Letter and any Contract of Sale based hereon null and void and receive a refund of any Earnest Money that has been deposited.
3. **FINANCING PERIOD** – Purchaser shall have forty five (45) days from the date of execution of formal contract to obtain a mortgage commitment from a lending

institution of the buyer's choice for said transaction. If the Purchaser is unable to secure a loan commitment, the Purchaser, by written notice to Seller, shall have the right to declare this Letter and any Contract of Sale based hereon null and void and receive a refund of any Earnest Money that has been deposited

4. **EARNEST MONEY DEPOSIT:** An Earnest Money Deposit in the amount of \$2000.00 will be deposited with the escrow agent (American Title Co; 17171 Park Row; Houston, TX) within three (3) business days after signing the Purchase Agreement.
5. **PURCHASE AGREEMENT:** Both parties will strive to execute a mutually acceptable Purchase Agreement (based on Texas Association of Realtors Commercial Contract) within 10 days after the execution of this Letter of Intent. The date of completion of the signed purchase agreement shall be the "Effective Date."
6. **BROKERAGE FEES:** To be paid by Seller as per seller agreement with Seller's agent.
7. **CLOSING DATE:** The Closing will occur on or before sixty (60) days after the Effective Date. Should financing constraints dictate additional time, an additional 30-day extension shall be available upon written request from purchaser. Such written request shall be made prior to the target closing date.

The above represents the general terms and conditions of the proposed transaction. The exact terms and conditions will be contained in a mutually acceptable Purchase Agreement.

Should the above proposal be acceptable to you, please execute your signature below and First Cornerstone Group, LLC will begin preparation of the Purchase Agreement. Thank you for your consideration and we look forward to the opportunity to work with you on this transaction.

This Letter of Intent is null and void if not signed and delivered to Buyer at fax 713-758-0312 by 3:00 PM on Friday, May 19, 2018.

BY:

First Cornerstone Group, LLC

BY: _____

NAME: Lance Edwards

TITLE: Manager

ACKNOWLEDGED AND AGREED TO THIS ____ DAY OF MAY, 2018.

SELLER:

BY: _____

NAME: _____

TITLE: _____